



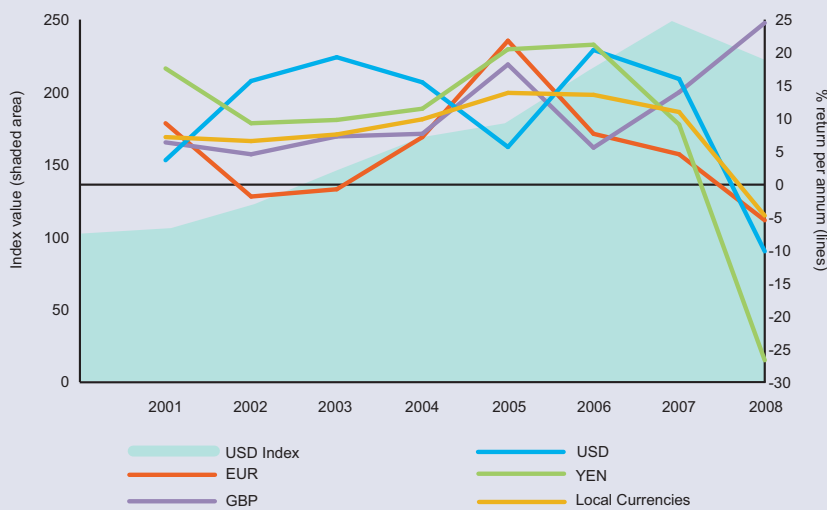
IPD Global Property Index

Results for the year to 31st December 2008

On the pulse of
the property world



IPD Global Property Index Performance



The IPD Global Property Index measures the combined performance of real estate markets in 23 countries. The Index is based on the IPD indices for Australia, Austria, Belgium, Canada, Denmark, France, Germany, Ireland, Italy, Japan, Korea, Netherlands, New Zealand, Norway, Poland, Portugal, South Africa, Spain, Sweden, Switzerland, UK, US and the KTI Index for Finland. The return in 2008 in US Dollars was **-10.1%**.

IPD Global Property index returns

All property	Total return	Total return %	Income return %	Capital growth %	Annualised total return %		
	Dec 2000 =100	1 yr	1 yr	1 yr	3 yrs	5 yrs	8 yrs
EUR	148.3	-5.4	5.4	-10.3	2.1	6.8	5.1
GBP	228.1	24.5	5.5	18.0	14.4	13.8	10.9
USD	219.5	-10.1	5.4	-14.7	7.9	8.9	10.3
YEN	184.1	-26.6	5.4	-30.5	-1.0	5.4	7.9
Local Currencies	185.0	-4.7	5.4	-9.6	6.3	8.5	8.0

Disclaimer

The IPD Global Property Index is neither appropriate nor authorised by IPD for use as a benchmark for portfolio or manager performance. IPD has no liability for any losses, damages, costs or expenses suffered by any person as a result of any reliance on this information.

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IPD Multinational Publications

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IPD Multinational Publications

IPD Multinational Index Spreadsheet

The IPD Multinational Index Spreadsheet is designed to bring together all the information contained within the numerous national index publications and provides performance series at a sector level. The all property and sector indices are based on IPD's coverage in over 20 countries and shown in local currencies. The spreadsheet includes all IPD's national Indices as well as IPD's composite Central & Eastern Europe, Pan-European and Global Index series, where countries are re-weighted to reflect the value of the investment market in each country and returns are reported in investor as well as local currencies.

The spreadsheet also includes a standard set of yields across countries, allowing comparison of net and gross income yields and the impact of operating costs across different markets at a sector level.

IPD Multinational Forecast Model

A set of strategic-level econometric models that forecast capital growth, income return and total return at the all property level for fifteen major international property markets. With a forecast horizon of current year and forthcoming year the multinational forecasting model is completely transparent and easy to manipulate.

Countries forecast: Australia, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Portugal, South Africa, Spain, Sweden and the UK.

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The first of its kind, the IPD Multinational Retail Spreadsheet is designed to provide you with a multi-dimensional Retail sector view, across five continents. Download a sample at www.ipd.com/retail.

Key benefits:

- International retail performance across 19 countries & CEE region
- Understand your country's relative retail positioning
- Evaluate your retail portfolio strategy from a national and international perspective
- Compare high level performance measures across a range of perspectives (All Property, All Retail, Retail formats and Retail size bands)

Geographical coverage: Australia, Austria, Belgium, Canada, CEE Region, Denmark, France, Germany, Ireland, Italy, Japan (Sept 08), Netherlands, New Zealand, Norway, Portugal, South Africa, Spain, Sweden, Switzerland, United Kingdom

To subscribe to Multinational market data or forecasting, please contact Amelia Murray
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Introduction

The aim of the IPD Global Index is to bring market transparency to professional property investment markets worldwide.

The Index reports the market rebalanced returns of the 23 most mature markets measured by IPD and our partners, together worth an estimated \$4.58 trillion as at end 2008. IPD are grateful to KTI for allowing us to use their data.

Global investors take their returns in many currencies. For this reason the Global Index results are reported in 4 major end investor currencies, as well as in local currencies. The local currency returns are combined into 'notionally hedged' composites to provide a global market view which is unaffected by exchange rate movements.

The Index is neither appropriate, nor authorised for use as a benchmark for two reasons:

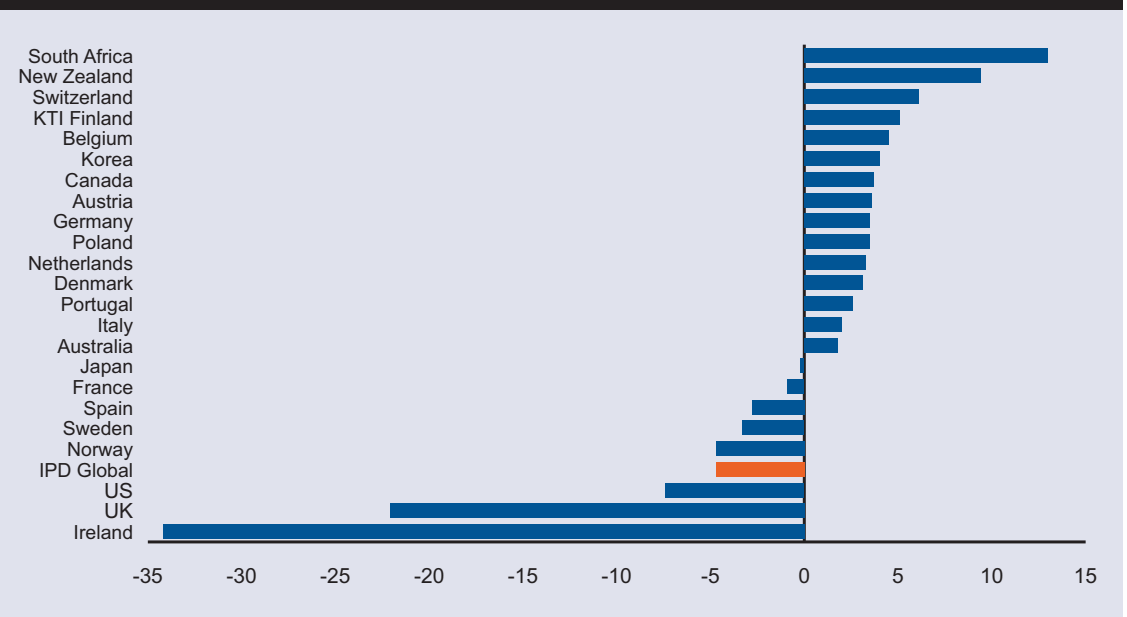
- 1) The total return series for each country only measure market trends and exclude the impact of active management in all its forms: trading, development, refurbishment, etc.
- 2) The Index represents work in progress and the historic series will be subject to change in future, as IPD's coverage extends to more countries and as more accurate estimates of the value of each investment market become available.

In 2008 the All Property total returns across Global real estate markets measured in US Dollars were significantly lower than those in 2007, falling from 16.0%, to -10.1%.

Capital values fell in all but three national markets. This had a significant impact on Global capital growth, which dropped to -14.7%. Income return in 2008 was slightly higher than that achieved in 2007, at 5.4%, but still noticeably above the European level of 5.2%.

The appreciation of the Euro against two major global markets: US and Japan meant that returns in Euro came in slightly higher at -5.4%. The appreciation of the Yen against all currencies meant returns measured in Yen were weakest at -26.6%. The significant depreciation of Sterling over 2008 meant that Sterling was the only currency in which total returns were positive in 2008, at 24.5%. The composite return stripping out currency effects came out at -4.7%.

Global Total Returns in 2008 - Local currencies



Returns in Euros

Total return % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	207.7	-14.9	-15.9	-14.2	-14.8	~	4.5	8.8	9.6
Austria	~	3.6	5.5	2.7	3.3	3.2	5.7	5.4	~
Belgium	~	4.5	10.2	2.6	4.2	~	7.6	~	~
Canada	201.4	-12.8	-15.9	-9.5	-14.0	-10.5	4.5	12.6	9.1
Denmark	219.6	3.3	7.8	3.8	4.3	-6.3	10.0	10.9	10.3
Finland (KTI)	175.6	5.1	3.0	4.6	6.1	8.0	8.8	7.9	7.3
France	232.4	-0.9	1.9	-2.5	-3.8	1.5	12.5	12.6	11.1
Germany	125.8	3.5	4.5	2.8	1.0	4.4	3.1	2.2	2.9
Ireland	158.4	-34.2	-40.2	-31.1	-21.8	~	-2.8	5.0	5.9
Italy	~	2.0	0.0	2.9	2.9	~	6.4	7.3	~
Japan	~	29.2	24.0	31.6	~	26.5	12.0	10.4	~
Korea	~	-20.5	-19.0	-21.1	~	~	0.0	~	~
Netherlands	199.6	3.3	5.5	0.9	4.0	2.8	9.0	9.0	9.0
New Zealand	255.8	-13.2	-15.8	-10.9	~	~	4.9	11.8	12.5
Norway	183.0	-22.2	-18.6	-24.5	-19.8	~	2.8	7.8	7.8
Poland	~	3.5	2.1	6.1	0.1	~	12.2	~	~
Portugal	221.9	2.6	0.8	4.7	4.9	~	8.9	9.5	10.5
South Africa	226.9	-12.1	-13.6	-11.3	-8.1	~	2.2	14.0	10.8
Spain	214.7	-2.8	-5.9	-2.8	0.7	~	8.7	10.9	10.0
Sweden	133.8	-16.8	-16.3	-17.0	-14.4	-17.2	3.3	4.9	3.7
Switzerland	~	18.7	19.2	18.3	18.6	18.7	8.1	7.0	~
UK	104.2	-40.8	-41.2	-41.1	-40.1	-31.5	-14.3	-2.0	0.5
US	137.3	-2.6	-1.5	-3.5	-1.7	-3.2	1.1	8.3	4.0
IPD Global	148.3	-5.4	-3.8	-4.5	-7.2	1.6	2.1	6.8	5.1

Income return % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	175.2	6.3	6.3	6.1	7.0	~	6.6	7.0	7.3
Austria	~	5.2	6.2	5.0	7.1	4.0	5.2	5.1	~
Belgium	~	5.7	5.6	5.7	8.1	~	5.8	~	~
Canada	181.5	6.1	5.9	6.3	6.4	5.8	6.6	7.2	7.7
Denmark	155.1	5.2	5.9	5.4	6.6	2.9	5.1	5.3	5.6
Finland	169.6	6.4	6.4	6.3	7.6	5.7	6.5	6.7	6.8
France	158.9	5.4	5.5	5.8	7.0	3.4	5.5	5.8	6.0
Germany	146.3	5.0	5.8	4.9	7.6	3.7	4.8	4.7	4.9
Ireland	147.6	4.6	3.9	4.9	5.8	~	4.3	4.8	5.0
Italy	~	5.4	5.4	5.0	6.6	~	5.3	5.6	~
Japan	~	5.0	5.1	4.9	~	5.3	5.2	5.5	~
Korea	~	6.3	5.9	6.5	~	~	6.6	~	~
Netherlands	156.2	5.1	6.0	6.7	7.3	3.6	5.3	5.5	5.7
New Zealand	193.9	7.1	6.9	7.0	~	~	7.8	8.4	8.6
Norway	172.2	5.6	5.5	5.7	6.0	~	6.0	6.6	7.0
Poland	~	6.1	6.3	5.7	6.7	~	6.8	~	~
Portugal	169.2	6.1	6.1	5.8	6.5	~	6.2	6.4	6.8
South Africa	209.2	8.1	7.7	8.9	8.9	~	8.6	9.3	9.7
Spain	153.8	4.3	5.6	5.2	6.7	~	4.7	5.3	5.5
Sweden	152.7	4.9	5.1	5.0	6.1	3.4	4.9	5.2	5.4
Switzerland	~	4.9	5.0	4.9	6.9	4.8	4.8	4.9	~
UK	157.6	5.4	5.3	5.4	6.2	3.2	5.0	5.4	5.9
US	173.1	5.4	5.7	5.1	5.9	4.7	5.7	6.3	7.1
IPD Global	163.6	5.4	5.5	5.3	6.1	4.4	5.5	5.9	6.3

Capital growth % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	118.7	-20.0	-20.9	-19.2	-20.4	~	-2.0	1.7	2.2
Austria	~	-1.5	-0.7	-2.2	-3.6	-0.7	0.5	0.3	~
Belgium	~	-1.2	4.4	-3.0	-3.6	~	1.7	~	~
Canada	111.1	-17.9	-20.7	-14.9	-19.3	-15.5	-1.9	5.1	1.3
Denmark	141.8	-1.8	1.8	-1.6	-2.2	-9.0	4.7	5.3	4.5
Finland	103.6	-1.2	-3.3	-1.6	-1.4	2.2	2.1	1.1	0.4
France	146.5	-6.0	-3.4	-7.9	-10.1	-1.9	6.7	6.4	4.9
Germany	85.9	-1.4	-1.2	-2.0	-6.2	0.6	-1.6	-2.4	-1.9
Ireland	107.3	-37.2	-42.6	-34.4	-26.2	~	-6.8	0.2	0.9
Italy	~	-3.3	-5.1	-2.0	-3.5	~	1.0	1.6	~
Japan	~	23.2	18.1	25.6	~	20.2	6.5	4.6	~
Korea	~	-25.3	-23.7	-26.0	~	~	-6.3	~	~
Netherlands	127.9	-1.7	-0.5	-5.5	-3.1	-0.8	3.5	3.3	3.1
New Zealand	132.2	-19.0	-21.3	-16.8	~	~	-2.7	3.1	3.6
Norway	106.3	-26.5	-22.9	-28.6	-24.5	~	-3.0	1.1	0.8
Poland	~	-2.4	-3.9	0.4	-6.2	~	5.1	~	~
Portugal	131.4	-3.3	-5.1	-1.0	-1.5	~	2.6	2.9	3.5
South Africa	108.6	-18.8	-19.8	-18.7	-15.7	~	-5.9	4.3	1.0
Spain	139.8	-6.8	-11.0	-7.6	-5.6	~	3.8	5.3	4.3
Sweden	87.6	-20.8	-20.4	-21.1	-19.3	-20.0	-1.6	-0.3	-1.6
Switzerland	~	13.2	13.6	12.9	11.0	13.3	3.2	2.1	~
UK	66.0	-44.0	-44.3	-44.2	-43.8	-33.7	-18.4	-7.0	-5.1
US	79.2	-7.6	-6.9	-8.2	-7.2	-7.6	-4.4	1.8	-2.9
IPD Global	90.6	-10.3	-8.8	-9.3	-12.7	-2.7	-3.2	0.9	-1.2

Returns in Pounds Sterling

Total return % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	319.2	11.9	10.7	12.9	12.1	~	17.1	15.9	15.6
Austria	~	36.4	38.8	35.2	35.9	35.8	18.4	12.3	~
Belgium	~	37.6	45.0	35.0	37.1	~	20.6	~	~
Canada	309.7	14.8	10.6	19.1	13.2	17.7	17.1	19.9	15.2
Denmark	337.6	36.0	41.8	36.6	37.2	23.3	23.2	18.1	16.4
Finland (KTI)	270.0	38.4	35.5	37.6	39.6	42.1	21.9	14.9	13.2
France	357.7	30.4	34.2	28.3	26.7	33.6	26.1	19.9	17.3
Germany	193.4	36.3	37.6	35.3	33.0	37.3	15.6	8.9	8.6
Ireland	243.7	-13.5	-21.3	-9.3	3.0	~	8.9	11.8	11.8
Italy	~	34.2	31.7	35.4	35.4	~	19.2	14.3	~
Japan	~	70.1	63.2	73.2	~	66.5	25.5	17.6	~
Korea	~	7.8	10.5	6.7	~	~	13.4	~	~
Netherlands	307.4	36.0	38.8	32.8	36.8	35.3	22.2	16.1	15.1
New Zealand	393.6	14.3	10.8	17.3	~	~	17.5	19.1	18.7
Norway	281.4	2.3	7.1	-0.6	5.5	~	15.2	14.8	13.8
Poland	~	36.2	34.3	39.6	31.7	~	25.7	~	~
Portugal	341.3	35.1	32.6	37.9	38.1	~	22.0	16.6	16.6
South Africa	348.8	15.6	13.7	16.7	20.9	~	14.5	21.4	16.9
Spain	330.2	27.9	23.8	28.0	32.6	~	21.8	18.1	16.1
Sweden	205.7	9.4	10.2	9.2	12.7	9.0	15.7	11.7	9.4
Switzerland	~	56.2	56.9	55.7	56.1	56.2	21.2	14.0	~
UK	162.5	-22.1	-22.6	-22.4	-21.2	-9.9	-3.9	4.6	6.3
US	211.0	28.2	29.6	27.0	29.4	27.4	13.2	15.3	9.8
IPD Global	228.1	24.5	26.7	25.7	22.1	33.7	14.4	13.8	10.9

Income return % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	175.6	6.4	6.4	6.2	7.1	~	6.7	7.0	7.3
Austria	~	5.4	6.4	5.1	7.3	4.1	5.3	5.1	~
Belgium	~	5.9	5.7	5.8	8.3	~	5.9	~	~
Canada	181.9	6.2	6.1	6.4	6.6	6.0	6.6	7.2	7.8
Denmark	155.4	5.4	6.1	5.6	6.7	3.0	5.1	5.3	5.7
Finland	170.0	6.5	6.6	6.5	7.8	5.8	6.6	6.7	6.9
France	159.3	5.5	5.6	5.9	7.2	3.5	5.6	5.8	6.0
Germany	146.6	5.1	5.9	5.0	7.8	3.8	4.8	4.8	4.9
Ireland	147.9	4.7	4.0	5.0	6.0	~	4.3	4.8	5.0
Italy	~	5.5	5.5	5.2	6.8	~	5.4	5.6	~
Japan	~	5.1	5.2	5.0	~	5.4	5.2	5.5	~
Korea	~	6.5	6.1	6.6	~	~	6.7	~	~
Netherlands	156.5	5.3	6.2	6.9	7.5	3.7	5.4	5.6	5.8
New Zealand	194.4	7.3	7.1	7.1	~	~	7.9	8.5	8.7
Norway	172.6	5.8	5.6	5.8	6.2	~	6.1	6.6	7.1
Poland	~	6.2	6.4	5.8	6.9	~	6.8	~	~
Portugal	169.6	6.3	6.3	6.0	6.7	~	6.2	6.5	6.8
South Africa	209.8	8.3	7.9	9.1	9.1	~	8.7	9.4	9.7
Spain	154.1	4.4	5.8	5.3	6.8	~	4.8	5.3	5.6
Sweden	153.0	5.0	5.2	5.1	6.2	3.5	5.0	5.2	5.5
Switzerland	~	5.0	5.1	5.0	7.1	5.0	4.9	4.9	~
UK	158.5	5.6	5.4	5.5	6.3	3.3	5.0	5.4	5.9
US	173.5	5.6	5.9	5.3	6.1	4.9	5.8	6.4	7.1
IPD Global	164.0	5.5	5.7	5.4	6.3	4.5	5.5	5.9	6.4

Capital growth % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	182.4	5.2	4.0	6.3	4.7	~	9.8	8.3	7.8
Austria	~	29.6	30.7	28.8	26.9	30.6	12.6	6.9	~
Belgium	~	30.1	37.4	27.7	26.8	~	14.0	~	~
Canada	170.8	8.1	4.3	12.0	6.2	11.1	9.9	11.9	6.9
Denmark	218.1	29.2	33.9	29.5	28.7	19.7	17.3	12.2	10.2
Finland	159.3	30.1	27.3	29.4	29.7	34.5	14.4	7.7	6.0
France	225.4	23.7	27.1	21.3	18.3	29.2	19.5	13.4	10.7
Germany	132.1	29.8	30.1	29.0	23.5	32.4	10.3	4.0	3.5
Ireland	165.1	-17.4	-24.5	-13.7	-2.9	~	4.4	6.7	6.5
Italy	~	27.3	24.9	28.9	27.0	~	13.2	8.2	~
Japan	~	62.1	55.5	65.4	~	58.2	19.3	11.4	~
Korea	~	1.3	4.2	0.1	~	~	6.3	~	~
Netherlands	197.0	29.4	30.9	24.4	27.5	30.6	16.0	10.0	8.8
New Zealand	203.5	6.5	3.5	9.5	~	~	9.0	9.8	9.3
Norway	163.5	-3.3	1.4	-6.1	-0.6	~	8.6	7.7	6.3
Poland	~	28.4	26.4	32.1	23.4	~	17.8	~	~
Portugal	202.1	27.3	24.9	30.3	29.7	~	14.9	9.6	9.2
South Africa	167.0	6.8	5.5	7.0	10.9	~	5.4	11.1	6.6
Spain	215.0	22.6	17.2	21.6	24.2	~	16.3	12.2	10.0
Sweden	134.6	4.2	4.7	3.9	6.2	5.3	10.3	6.2	3.8
Switzerland	~	49.0	49.5	48.6	46.1	49.1	15.6	8.7	~
UK	102.6	-26.3	-26.7	-26.6	-26.0	-12.8	-8.5	-0.8	0.3
US	121.7	21.5	22.5	20.7	22.1	21.6	7.1	8.4	2.5
IPD Global	139.3	18.0	20.0	19.3	14.9	28.0	8.5	7.5	4.2

Returns in US Dollars

Total return % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	307.1	-19.1	-20.0	-18.4	-19.0	~	10.4	10.9	15.1
Austria	~	-1.5	0.3	-2.4	-1.8	-1.9	11.6	7.5	~
Belgium	~	-0.6	4.8	-2.5	-1.0	~	13.7	~	~
Canada	298.2	-17.1	-20.0	-14.0	-18.2	-14.9	10.4	14.8	14.6
Denmark	325.0	-1.8	2.5	-1.3	-0.9	-10.9	16.2	13.0	15.9
Finland (KTI)	259.8	0.0	-2.1	-0.6	0.9	2.7	14.9	10.0	12.7
France	344.3	-5.8	-3.1	-7.3	-8.5	-3.5	18.8	14.8	16.7
Germany	186.1	-1.6	-0.6	-2.3	-3.9	-0.8	8.9	4.2	8.1
Ireland	234.5	-37.5	-43.2	-34.5	-25.6	~	2.7	7.0	11.2
Italy	~	-3.1	-4.9	-2.2	-2.2	~	12.4	9.4	~
Japan	~	22.9	17.9	25.1	~	20.2	18.3	12.5	~
Korea	~	-24.7	-23.4	-25.2	~	~	6.4	~	~
Netherlands	295.8	-1.8	0.3	-4.1	-1.2	-2.3	15.2	11.1	14.5
New Zealand	378.8	-17.4	~	-15.3	~	~	10.8	14.0	18.1
Norway	270.9	-26.1	-22.6	-28.2	-23.8	~	8.6	9.9	13.3
Poland	~	-1.6	-2.9	0.9	-4.8	~	18.5	~	~
Portugal	328.5	-2.4	-4.2	-0.4	-0.2	~	15.0	11.6	16.0
South Africa	335.8	-16.4	-17.8	-15.7	-12.6	~	7.9	16.2	16.3
Spain	317.8	-7.6	-10.5	-7.5	-4.3	~	14.8	13.1	15.5
Sweden	198.0	-20.9	-20.4	-21.1	-18.6	-21.3	9.1	6.9	8.9
Switzerland	~	12.8	13.3	12.5	12.7	12.8	14.2	9.1	~
UK	154.3	-43.7	-44.1	-44.0	-43.1	-34.9	-9.4	-0.1	5.6
US	203.0	-7.4	-6.3	-8.2	-6.5	-8.0	6.7	10.4	9.3
IPD Global	219.5	-10.1	-8.5	-9.2	-11.8	-3.4	7.9	8.9	10.3

Income return % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	175.6	6.2	6.3	6.0	6.9	~	6.6	7.0	7.3
Austria	~	5.2	6.2	5.0	7.1	4.0	5.2	5.1	~
Belgium	~	5.7	5.6	5.7	8.0	~	5.8	~	~
Canada	181.9	6.1	5.9	6.2	6.4	5.8	6.6	7.2	7.8
Denmark	155.4	5.2	5.9	5.4	6.6	2.9	5.1	5.3	5.7
Finland	170.0	6.4	6.4	6.3	7.6	5.7	6.5	6.7	6.9
France	159.3	5.4	5.5	5.7	7.0	3.4	5.6	5.8	6.0
Germany	146.6	5.0	5.7	4.9	7.6	3.7	4.8	4.7	4.9
Ireland	147.9	4.5	3.9	4.9	5.8	~	4.3	4.8	5.0
Italy	~	5.4	5.4	5.0	6.6	~	5.3	5.6	~
Japan	~	5.0	5.0	4.8	~	5.3	5.2	5.5	~
Korea	~	6.3	5.9	6.4	~	~	6.7	~	~
Netherlands	156.5	5.1	6.0	6.7	7.3	3.6	5.3	5.6	5.8
New Zealand	194.5	7.1	6.9	6.9	~	~	7.8	8.4	8.7
Norway	172.6	5.6	5.5	5.6	6.0	~	6.1	6.6	7.1
Poland	~	6.1	6.3	5.7	6.7	~	6.8	~	~
Portugal	169.6	6.1	6.1	5.8	6.5	~	6.2	6.4	6.8
South Africa	209.9	8.1	7.6	8.9	8.8	~	8.6	9.3	9.7
Spain	154.1	4.3	5.6	5.2	6.6	~	4.8	5.3	5.6
Sweden	153.0	4.9	5.1	5.0	6.0	3.4	4.9	5.2	5.5
Switzerland	~	4.9	5.0	4.9	6.9	4.8	4.9	4.9	~
UK	158.0	5.4	5.3	5.3	6.1	3.2	5.0	5.4	5.9
US	173.5	5.4	5.7	5.1	5.9	4.7	5.7	6.4	7.1
IPD Global	164.0	5.4	5.5	5.3	6.1	4.4	5.5	5.9	6.4

Capital growth % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	175.5	-24.0	-24.8	-23.2	-24.4	~	3.5	3.7	7.3
Austria	~	-6.4	-5.6	-7.0	-8.3	-5.6	6.1	2.3	~
Belgium	~	-6.0	-0.8	-7.8	-8.4	~	7.4	~	~
Canada	164.5	-21.9	-24.6	-19.1	-23.3	-19.7	3.6	7.1	6.4
Denmark	209.9	-6.7	-3.2	-6.4	-7.0	-13.5	10.6	7.4	9.7
Finland	153.3	-6.0	-8.0	-6.5	-6.3	-2.8	7.9	3.1	5.5
France	216.9	-10.6	-8.2	-12.4	-14.5	-6.7	12.7	8.5	10.2
Germany	127.1	-6.3	-6.0	-6.8	-10.8	-4.4	4.0	-0.5	3.0
Ireland	158.9	-40.3	-45.4	-37.6	-29.8	~	-1.6	2.1	6.0
Italy	~	-8.0	-9.8	-6.9	-8.3	~	6.7	3.6	~
Japan	~	17.1	12.3	19.5	~	14.3	12.5	6.7	~
Korea	~	-29.2	-27.8	-29.9	~	~	-0.2	~	~
Netherlands	189.6	-6.6	-5.4	-10.2	-7.9	-5.7	9.4	5.3	8.3
New Zealand	195.8	-23.0	-25.2	-20.9	~	~	2.7	5.1	8.8
Norway	157.4	-30.1	-26.7	-32.1	-28.2	~	2.4	3.1	5.8
Poland	~	-7.2	-8.7	-4.6	-10.8	~	11.0	~	~
Portugal	194.5	-8.1	-9.7	-5.9	-6.3	~	8.3	4.9	8.7
South Africa	160.8	-22.8	-23.8	-22.7	-19.8	~	-0.6	6.4	6.1
Spain	206.9	-11.4	-15.4	-12.1	-10.3	~	9.6	7.4	9.5
Sweden	129.6	-24.7	-24.3	-25.0	-23.3	-23.9	3.9	1.7	3.3
Switzerland	~	7.6	8.0	7.3	5.5	7.7	9.0	4.1	~
UK	97.7	-46.8	-47.0	-47.0	-46.6	-37.0	-13.8	-5.2	-0.3
US	117.1	-12.2	-11.4	-12.8	-11.8	-12.2	0.9	3.8	2.0
IPD Global	134.1	-14.7	-13.3	-13.8	-17.0	-7.5	2.3	2.9	3.7

Returns in Japanese Yen

Total return % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	243.4	-34.3	-35.0	-33.7	-34.2	~	1.1	7.3	11.8
Austria	~	-20.0	-18.5	-20.7	-20.2	-20.3	2.3	3.9	~
Belgium	~	-19.3	-14.9	-20.8	-19.6	~	4.2	~	~
Canada	235.6	-32.6	-35.0	-30.1	-33.6	-30.9	1.1	11.0	11.3
Denmark	257.6	-20.2	-16.7	-19.8	-19.5	-27.6	6.4	9.3	12.6
Finland (KTI)	205.9	-18.8	-20.5	-19.2	-18.0	-16.6	5.3	6.4	9.5
France	272.9	-23.5	-21.3	-24.7	-25.7	-21.6	8.9	11.0	13.4
Germany	147.5	-20.0	-19.3	-20.6	-22.0	-19.4	-0.2	0.8	5.0
Ireland	185.8	-49.2	-53.8	-46.8	-39.6	~	-5.9	3.5	8.1
Italy	~	-21.2	-22.7	-20.5	~	~	2.9	5.8	~
Japan	~	-0.2	-4.2	1.7	~	-2.3	8.3	8.8	~
Korea	~	-40.0	-39.3	-40.3	~	~	-3.3	~	~
Netherlands	234.5	-20.2	-18.6	-22.1	-19.7	-20.6	5.5	7.5	11.2
New Zealand	300.0	-32.9	-35.0	-31.2	~	~	1.5	10.2	14.7
Norway	214.7	-39.9	-37.1	-41.7	-38.1	~	-0.5	6.3	10.0
Poland	~	-20.0	-21.1	-18.1	-22.7	~	8.6	~	~
Portugal	260.4	-20.7	-22.2	-19.1	-18.9	~	5.4	7.9	12.7
South Africa	266.2	-32.1	-33.2	-31.5	-29.0	~	-1.1	12.4	13.0
Spain	251.9	-24.9	-27.3	-24.9	-22.2	~	5.2	9.3	12.2
Sweden	156.9	-35.8	-35.3	-35.9	-33.9	-36.1	-0.1	3.4	5.8
Switzerland	~	-8.3	-8.0	-8.6	-8.4	-8.3	4.6	5.5	~
UK	122.2	-54.3	-54.5	-54.5	-53.8	-47.1	-17.0	-3.4	2.5
US	161.1	-23.8	-23.8	-23.0	-24.1	-25.2	-1.9	6.9	6.1
IPD Global	184.1	-26.6	-25.7	-25.4	-28.5	-21.5	-1.0	5.4	7.9

Income return % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	175.4	6.1	6.2	5.9	6.8	~	6.6	7.0	7.3
Austria	~	5.1	6.1	4.9	6.9	3.9	5.2	5.1	~
Belgium	~	5.6	5.5	5.6	7.9	~	5.8	~	~
Canada	181.8	6.0	5.8	6.1	6.3	5.7	6.5	7.2	7.8
Denmark	155.2	5.1	5.8	5.3	6.4	2.9	5.1	5.3	5.7
Finland	169.8	6.2	6.3	6.2	7.5	5.6	6.5	6.7	6.8
France	159.2	5.3	5.4	5.6	6.9	3.3	5.5	5.8	6.0
Germany	146.4	4.9	5.6	4.8	7.5	3.7	4.8	4.7	4.9
Ireland	147.7	4.5	3.8	4.8	5.7	~	4.3	4.8	5.0
Italy	~	5.3	5.3	4.9	6.5	~	5.3	5.6	~
Japan	~	4.9	4.9	4.7	~	5.2	5.1	5.5	~
Korea	~	6.1	5.8	6.3	~	~	6.6	~	~
Netherlands	156.4	5.0	5.9	6.6	7.1	3.5	5.3	5.5	5.7
New Zealand	194.3	7.0	6.7	6.8	~	~	7.8	8.4	8.7
Norway	172.4	5.5	5.4	5.5	5.9	~	6.0	6.6	7.0
Poland	~	6.0	6.1	5.6	6.5	~	6.8	~	~
Portugal	169.4	6.0	6.0	5.7	6.4	~	6.2	6.4	6.8
South Africa	209.6	8.0	7.5	8.7	8.7	~	8.6	9.3	9.7
Spain	154.0	4.2	5.5	5.1	6.5	~	4.7	5.3	5.5
Sweden	152.9	4.8	5.0	4.9	5.9	3.3	4.9	5.2	5.4
Switzerland	~	4.8	4.9	4.8	6.7	4.7	4.8	4.9	~
UK	157.8	5.3	5.2	5.2	6.0	3.2	5.0	5.4	5.9
US	180.1	5.6	6.0	5.4	5.9	4.6	6.1	6.7	7.6
IPD Global	166.2	5.4	5.5	5.3	6.1	4.3	5.6	6.0	6.6

Capital growth % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	139.1	-38.2	-38.9	-37.6	-38.6	~	-5.1	0.3	4.2
Austria	~	-24.0	-23.3	-24.5	-25.5	-23.3	-2.8	-1.1	~
Belgium	~	-23.7	-19.4	-25.1	-25.6	~	-1.6	~	~
Canada	130.0	-36.5	-38.7	-34.3	-37.7	-34.7	-5.1	3.6	3.3
Denmark	166.4	-24.2	-21.4	-24.0	-24.5	-29.7	1.3	3.8	6.6
Finland	121.5	-23.7	-25.3	-24.0	-23.8	-21.1	-1.2	-0.3	2.5
France	171.9	-27.4	-25.4	-28.8	-30.6	-24.2	3.2	5.0	7.0
Germany	100.8	-23.9	-23.7	-24.3	-27.5	-22.3	-4.7	-3.8	0.1
Ireland	125.9	-51.5	-55.7	-49.3	-43.0	~	-9.8	-1.2	2.9
Italy	~	-25.3	-26.7	-24.3	-25.5	~	-2.3	0.2	~
Japan	~	-4.9	-8.8	-3.0	~	-7.2	3.1	3.2	~
Korea	~	-43.6	-42.7	-44.0	~	~	-9.4	~	~
Netherlands	150.3	-24.1	-23.2	-27.0	-25.2	-23.4	0.2	1.8	5.2
New Zealand	155.1	-37.5	-39.2	-35.7	~	~	-5.9	1.7	5.6
Norway	124.7	-43.2	-40.5	-44.9	-41.7	~	-6.2	-0.3	2.8
Poland	~	-24.6	-25.8	-22.5	-27.6	~	1.7	~	~
Portugal	154.1	-25.3	-26.7	-23.6	-23.9	~	-0.7	1.4	5.6
South Africa	127.5	-37.3	-38.1	-37.2	-34.9	~	-8.9	2.9	3.1
Spain	164.0	-28.1	-31.2	-28.6	-27.1	~	0.4	3.9	6.4
Sweden	102.7	-38.8	-38.5	-39.0	-37.7	-38.2	-4.8	-1.7	0.3
Switzerland	~	-12.6	-12.3	-12.8	-14.3	-12.5	-0.2	0.6	~
UK	77.4	-56.8	-57.0	-56.9	-56.6	-48.8	-21.1	-8.3	-3.2
US	89.4	-28.0	-28.3	-27.0	-28.5	-28.6	-7.5	0.2	-1.4
IPD Global	110.9	-30.5	-29.7	-29.2	-32.7	-24.9	-6.3	-0.5	1.3

Returns in Local currencies

(Global returns without currency effects)

Total return % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	246.1	1.8	0.7	2.7	2.0	~	12.2	12.7	11.9
Austria	~	3.6	5.5	2.7	3.3	3.2	5.7	5.4	~
Belgium	~	4.5	10.2	2.6	4.2	~	7.6	~	~
Canada	245.1	3.7	-0.1	7.6	2.3	6.4	12.4	13.7	11.9
Denmark	219.0	3.1	7.6	3.6	4.1	-6.5	9.9	10.8	10.3
Finland	175.6	5.1	3.0	4.6	6.1	8.0	8.8	7.9	7.3
France	232.4	-0.9	1.9	-2.5	-3.8	1.5	12.5	12.6	11.1
Germany	125.8	3.5	4.5	2.8	1.0	4.4	3.1	2.2	2.9
Ireland	158.4	-34.2	-40.2	-31.1	-21.8	~	-2.8	5.0	5.9
Italy	~	2.0	0.0	2.9	2.9	~	6.4	7.3	~
Japan	~	-0.2	-4.2	1.7	~	-2.3	8.3	8.8	~
Korea	~	4.0	6.5	2.9	~	~	15.0	~	~
Netherlands	199.6	3.3	5.5	0.9	4.0	2.8	9.0	9.0	9.0
New Zealand	282.2	9.4	6.8	11.9	~	~	16.4	16.5	13.8
Norway	215.1	-4.7	-0.3	-7.4	-1.7	~	9.8	11.0	10.0
Poland	~	3.5	2.1	6.1	0.1	~	12.2	~	~
Portugal	221.9	2.6	0.8	4.7	4.9	~	8.9	9.5	10.5
South Africa	410.0	13.0	11.1	14.0	18.1	~	22.4	24.1	19.3
Spain	214.7	-2.8	-5.9	-2.8	0.7	~	8.7	10.9	10.0
Sweden	166.0	-3.3	-2.6	-3.5	-0.4	-3.7	8.8	9.0	6.5
Switzerland	~	6.1	6.5	5.8	6.0	6.1	6.4	5.9	~
UK	162.5	-22.1	-22.6	-22.4	-21.2	-9.9	-3.9	4.6	6.3
US	203.0	-7.4	-6.3	-8.2	-6.5	-8.0	6.7	10.4	9.3
IPD Global	185.0	-4.7	-4.5	-4.4	-6.5	-3.4	6.3	8.5	8.0

Income return % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	175.3	6.4	6.4	6.1	7.1	~	6.6	7.0	7.3
Austria	~	5.2	6.2	5.0	7.1	4.0	5.2	5.1	~
Belgium	~	5.7	5.6	5.7	8.1	~	5.8	~	~
Canada	181.6	6.2	6.0	6.3	6.5	5.9	6.6	7.2	7.7
Denmark	155.1	5.2	5.9	5.4	6.6	2.9	5.1	5.3	5.6
Finland	169.6	6.4	6.4	6.3	7.6	5.7	6.5	6.7	6.8
France	158.9	5.4	5.5	5.8	7.0	3.4	5.5	5.8	6.0
Germany	146.3	5.0	5.8	4.9	7.6	3.7	4.8	4.7	4.9
Ireland	147.6	4.6	3.9	4.9	5.8	~	4.3	4.8	5.0
Italy	~	5.4	5.4	5.0	6.6	~	5.3	5.6	~
Japan	~	4.9	4.9	4.7	~	5.2	5.1	5.5	~
Korea	~	6.4	6.0	6.6	~	~	6.7	~	~
Netherlands	156.2	5.1	6.0	6.7	7.3	3.6	5.3	5.5	5.7
New Zealand	197.1	7.2	6.9	6.8	~	~	7.9	8.4	8.8
Norway	172.3	5.7	5.6	5.8	6.1	~	6.1	6.6	7.0
Poland	~	6.1	6.3	5.7	6.7	~	6.8	~	~
Portugal	169.2	6.1	6.1	5.8	6.5	~	6.2	6.4	6.8
South Africa	209.9	8.3	7.8	9.1	9.0	~	8.7	9.4	9.7
Spain	153.8	4.3	5.6	5.2	6.7	~	4.7	5.3	5.5
Sweden	152.8	4.9	5.1	5.1	6.1	3.4	4.9	5.2	5.4
Switzerland	~	4.9	4.9	4.8	6.8	4.8	4.8	4.9	~
UK	158.5	5.6	5.4	5.5	6.3	3.3	5.0	5.4	5.9
US	173.5	5.4	5.7	5.1	5.9	4.7	5.7	6.4	7.1
IPD Global	162.9	5.4	5.5	5.3	6.1	4.4	5.5	5.8	6.3

Capital growth % pa	Index Dec 2000 = 100	All property 1 year	Retail 1 year	Office 1 year	Industrial 1 year	Residential 1 year	All property Annualised over:		
							3 years	5 years	8 years
Australia	140.9	-4.3	-5.4	-3.3	-4.8	~	5.3	5.4	4.4
Austria	~	-1.5	-0.7	-2.2	-3.6	-0.7	0.5	0.3	~
Belgium	~	-1.2	4.4	-3.0	-3.6	~	1.7	~	~
Canada	135.1	-2.3	-5.7	1.2	-4.0	0.4	5.5	6.1	3.8
Denmark	141.4	-2.0	1.6	-1.8	-2.4	-9.2	4.6	5.3	4.4
Finland	103.6	-1.2	-3.3	-1.6	-1.4	2.2	2.1	1.1	0.4
France	146.5	-6.0	-3.4	-7.9	-10.1	-1.9	6.7	6.4	4.9
Germany	85.9	-1.4	-1.2	-2.0	-6.2	0.6	-1.6	-2.4	-1.9
Ireland	107.3	-37.2	-42.6	-34.4	-26.2	~	-6.8	0.2	0.9
Italy	~	-3.3	-5.1	-2.0	-3.5	~	1.0	1.6	~
Japan	~	-4.9	-8.8	-3.0	~	-7.2	3.1	3.2	~
Korea	~	-2.3	0.5	-3.5	~	~	7.8	~	~
Netherlands	127.9	-1.7	-0.5	-5.5	-3.1	-0.8	3.5	3.3	3.1
New Zealand	143.9	2.1	-0.1	4.8	~	~	8.0	7.5	4.7
Norway	125.0	-9.9	-5.6	-12.5	-7.4	~	3.6	4.2	2.8
Poland	~	-2.4	-3.9	0.4	-6.2	~	5.1	~	~
Portugal	131.4	-3.3	-5.1	-1.0	-1.5	~	2.6	2.9	3.5
South Africa	196.3	4.4	3.1	4.6	8.4	~	12.6	13.5	8.8
Spain	139.8	-6.8	-11.0	-7.6	-5.6	~	3.8	5.3	4.3
Sweden	108.6	-7.9	-7.4	-8.2	-6.2	-6.9	3.7	3.6	1.0
Switzerland	~	1.2	1.5	0.9	-0.8	1.2	1.5	1.0	~
UK	102.6	-26.3	-26.7	-26.6	-26.0	-12.8	-8.5	-0.8	0.3
US	117.1	-12.2	-11.4	-12.8	-11.8	-12.2	0.9	3.8	2.0
IPD Global	113.7	-9.6	-9.5	-9.3	-11.9	-7.5	0.8	2.5	1.6

Technical note

Constructing the IPD Global Property Index

This note explains the methodology adopted in constructing the Global Property Index. There are four fundamental stages in calculating the aggregate IPD Global Property Index returns.

These involve:

- Deriving monthly components of total return, market by market
- Multiplying the components of returns to the estimated value of the investment market in each country
- Converting re-weighted local currency data to a common currency
- Calculating monthly and annual composite returns for all 23 markets and key sub-groups

Deriving monthly components of total return

The IPD databank provides the five return components on a monthly basis for each country necessary to calculate a time weighted annual total return:

- Start month capital values
- End month capital values
- Total capital expenditure
- Total capital receipts
- Net income receivable

Generating these components requires interpolation across varying cash flow reporting and valuation regimes depending upon local market practice. This process is normally performed at asset level, but where confidentiality rules preclude this approach, detailed segment level components can be used. For data on the Finnish market, for example, where IPD has no operational right of access to asset level data, this segment level approach has been proved in trials as of sufficient accuracy.

Aggregating returns across markets

The financial components of each national markets return are then rebalanced to reflect the total value of professionally managed funds in each country's investment market. This ensures that the weight of each country within the index is consistent with the total values of all the funds known to hold assets in that territory (rather than just the ones IPD measures), and is based upon the best evidence of overall professionally managed investment market sizes.

Definition of estimated total market size

IPD estimates the size of each national property investment market by identifying and aggregating the best available approximation of the unleveraged total value of all the professionally managed direct real estate portfolios invested in each market. IPD's current coverage of each market is then combined with this overall market size estimate to re-weight that market's contribution to all the composites of the Global Index. This ensures that the weight of each country within the Index is consistent with the relative values of the contributing funds internationally rather than the coverage by IPD. The estimate of the overall market size is compiled using multiple sources

Professionally managed funds include:

- Segregated life and pension funds
- Unlisted pooled funds, both open and closed ended, and other similar unlisted collective investment fund structures
- Traditional estates and charities
- Listed property companies and real estate investment trusts (REITs)

- Unlisted property companies
- Investments held in funds managed outside each national market, but falling into one of the above categories.

Professionally-managed funds do not, for the purposes of this analysis, include:

- Small private landlords
- Owner-occupied property portfolios
- Private equity or PFI funds where investors own the operating business as well as the property (e.g. pubs, hotels, hospitals)
- Mortgages and property assets of leasing companies
- Municipal social housing

The estimated total value of the Global market is shown in Table 1 in both euros and dollars. The implied weights for all property and the sectors can be seen in Table 2.

The ratio of the size of the IPD databank to the total estimated market size defines the current year multiplier used on the components of total return.

The number of funds contributing to IPD indices typically grows over time. Any current estimate of market coverage will not be applicable to earlier years and therefore it is necessary to use larger reweighting coefficients in those earlier years to offset their inevitably smaller and less representative coverage ratios.

Market size estimates and therefore market coverage is calculated each year based on the best information available.

Table 1: Databank profiles and estimated market sizes – end-2008

	Number of funds	IPD Databank number of properties	IPD Databank capital value (€bn)	Total market size estimate (€bn)	IPD Databank capital value (\$bn)	Total market size estimate (\$bn)	IPD coverage, end-2008 (%)
Australia	23	1,077	44.4	95.1	61.7	132.1	46.7
Austria	20	907	9.0	17.7	12.5	24.6	50.8
Belgium	29	304	6.4	31.8	8.9	44.2	20.1
Canada	34	2,569	56.2	101.3	78.1	140.8	55.5
Denmark	19	904	12.4	29.8	17.2	41.4	41.7
KTI Finland	23	2,537	18.8	36.5	26.1	50.7	51.5
France	102	7,560	106.3	219.6	147.8	305.3	48.4
Germany	55	2,481	45.3	268.9	62.9	373.8	16.8
Ireland	12	325	3.7	4.5	5.1	6.3	81.9
Italy	44	1,557	18.2	71.6	25.2	99.6	25.4
Japan	42	1,748	64.2	317.8	89.3	441.8	20.2
Korea	18	128	7.4	26.7	10.3	37.0	27.7
Netherlands	41	4,874	43.8	68.2	60.9	94.8	64.3
New Zealand	13	345	3.9	6.1	5.4	8.4	63.9
Norway	12	459	8.5	29.3	11.8	40.7	29.0
Poland	23	175	4.2	12.0	5.9	16.7	35.2
Portugal	26	741	8.6	13.7	12.0	19.1	62.6
South Africa	20	1,666	14.5	16.8	20.2	23.4	86.3
Spain	23	473	10.8	54.2	15.0	75.3	19.9
Sweden	17	1,276	20.5	78.4	28.5	109.0	26.1
Switzerland	34	4,089	40.3	95.5	56.0	132.8	42.2
UK	293	11,214	134.4	250.0	186.8	347.5	53.8
US	40	2,869	87.4	1,446.8	121.5	2,011.0	6.0
IPD Global	963	50,278	769.2	3,292.3	1,069.2	4,576.4	23.4

Methodology

Converting the local currency indices into common currencies

The start- and end-month capital values, monthly net income, capital expenditure and receipt figures used in these time weighted calculations are all converted into common currencies at the month end.

Currency conversion has an impact on local market returns as changes in values from one month to the next are partly the result of fluctuations in cross-currency exchange rates in addition to local property market factors.

The composite Global Property Index return, when computed and reported in local currencies, is calculated by converting all markets to the same currency but at a fixed rate over time to remove the impact of exchange rate movement.

Calculating monthly and annual returns

In 2004 the IPD method of calculating annual returns was standardised for all reporting worldwide upon a single monthly time-weighted method, replacing the old annual money-weighted calculation used in some countries.

Advantages of time-weighted returns: Time weighted return computation ensures comparability with other asset classes, and helps meet client demands for more frequent and flexible reporting based on quarterly or half-yearly valuations. They also conform to international standards, in particular the Global Investment Performance Standard (GIPS) for real estate.

Calculating time-weighted returns: Annual total returns are computed in two stages. Returns are first calculated for each individual month and then compounded over the twelve months (or other period) for which the return is required.

The return formula is simplified to assume that capital expenditures take place at the start of the month, while capital receipts and income are receivable at the end of the month.

Capital growth and income return: The capital growth and income return components are computed in the same way as total return, and so for periods of more than one month are derived by chain-linking monthly measures. Therefore, for periods longer than one month they may not sum exactly to total return.

Other factors affecting the calculation of returns

In this publication, local currency returns are shown for all countries as they are published by IPD and KTI. However, returns in other currencies, and in all composite calculations, may be affected by currency conversion as well as the application of a single standard way of calculating time

weighted returns and the use of unfrozen historical data series (UK and several other IPD markets) as the basis for computing returns.

For these and other reasons noted above - including the introduction of new markets as they become available - the IPD Global Index will remain unfrozen historically for the foreseeable future (meaning there maybe historical restatements with each publication).

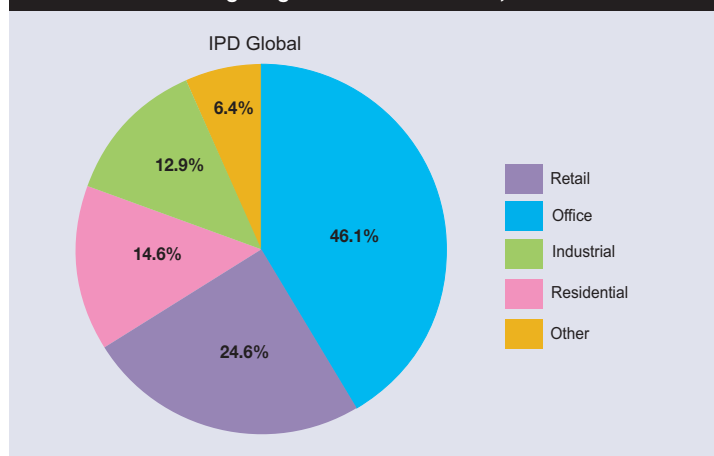
Extending the model to the main market sectors

The composite sector returns are computed in the same way as the all property returns, applying the same multipliers. Because of the different proportions in each sector across countries, the rebalanced weights across countries will be different for each sector.

Table 2 Sector weightings by country, end 2008

	Retail	Office	Industrial	Residential	All Property
Australia	5.7	2.8	2.0	0.0	2.9
Austria	0.7	0.5	0.0	0.6	0.5
Belgium	0.8	1.5	0.3	0.4	1.0
Canada	4.4	2.9	3.3	1.2	3.1
Denmark	0.8	1.3	0.2	0.9	0.9
Finland (KTI)	1.1	1.2	0.6	1.4	1.1
France	5.7	8.2	4.2	7.3	6.7
Germany	6.3	9.2	2.6	5.1	8.2
Ireland	0.2	0.2	0.1	0.0	0.1
Italy	3.2	2.5	1.9	0.0	2.2
Japan	7.1	13.7	2.4	11.0	9.7
Korea	0.9	0.9	0.0	0.0	0.8
Netherlands	2.5	1.0	0.4	6.5	2.1
New Zealand	0.2	0.2	0.3	0.0	0.2
Norway	1.0	1.2	0.5	0.0	0.9
Poland	0.4	0.4	0.8	0.0	0.4
Portugal	0.9	0.2	0.3	0.0	0.4
South Africa	1.2	0.3	0.4	0.0	0.5
Spain	2.9	0.8	0.9	3.2	1.6
Sweden	1.4	4.1	0.3	1.3	2.4
Switzerland	2.2	1.8	0.1	9.6	2.9
UK	14.2	6.4	8.5	0.2	7.6
US	36.3	38.7	69.8	51.3	43.9
IPD Global	100.0	100.0	100.0	100.0	100.0

Chart 1: Sector Weightings in the Global Index, 2008





Step 1: Monthly total return

$$TR_t = \frac{(CV_t - CV_{(t-1)} - CExp_t + CRpt_t + NI_t)}{(CV_{(t-1)} + CExp_t)} * 100$$

Where:

TR_t = monthly total return in month t

CV_t = capital value at the end of month t

$CExp_t$ = total capital expenditure (includes purchases and developments) in month t

$CRpt_t$ = total capital receipts (includes sales) in month t

NI_t = day-dated rent receivable during month t, net of property management costs, ground rent and other irrecoverable expenditure

Step 2: Index values

Construct an index from the monthly values

$$\text{Index}_{t+1} = 100 * \frac{(1+TR_{t+1})}{100}$$

Where:

TR_{t+1} = total return in month t+1 expressed as a decimal
Index value at time t = 100

Step 3: Time-weighted annual return

The 12-month total return is then calculated as the percentage change in the index (X_t) over the relevant 12 months.

$$\text{12-month total return} = [(X_{(t+12)} / X_t) - 1] * 100$$

For a full account of our current return calculation methods, please refer to the IPD Index guide: www.ipd.com/indexguide

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