

Did you know...?

REITs have historically underperformed equities during acute periods of rising interest rate fears. However, post a sell-off period, REITs have generally outperformed over the next 12 months.

US REIT Returns during and after periods of rising interest rates

Acute Periods of Interest Rate Fears				Total Return during Period		Total Return Post Sell-Off Period 180 Days		Total Return Post Sell-Off Period 1 Year	
Sell-Off Period		# Days	Increase in Bond Yields	REITs	Equities	REITs	Equities	REITs	Equities
Jun-94	Nov-94	159	0.93%	-11.10%	-1.40%	8.80%	7.80%	24.10%	36.50%
May-99	Dec-99	157	0.72%	-18.60%	4.80%	23.80%	3.80%	33.90%	-6.50%
May-04	May-04	26	0.70%	-14.40%	-1.50%	24.40%	5.60%	33.50%	7.00%
Mar-06	May-06	48	0.37%	-10.10%	-3.60%	27.60%	11.00%	27.10%	23.40%
Nov-10	Dec-10	8	0.31%	-9.10%	-3.80%	18.50%	13.90%	11.20%	7.20%
May-13	Aug-13	74	1.11%	-16.00%	1.50%	12.40%	12.30%	26.30%	22.90%
Jan-15	Jun-15	106	0.83%	-12.10%	4.90%	7.30%	-0.90%	25.60%	5.60%
Jul-16	Dec-16	100	1.15%	-11.20%	5.00%	7.70%	8.70%	10.70%	21.40%
Sep-17	Feb-18	124	0.81%	-11.20%	11.30%	18.13%	7.96%	-	-
Averages		89	0.77%	-12.64%	1.91%	16.51%	7.80%	24.05%	14.69%

Source: FactSet, S&P 500 Index and FTSE NAREIT Equity REIT Index, 10-Year Treasury as of 28/02/18.



Redefining Investment in Listed Property