



2020 ISA MID-YEAR UPDATE

Macro Deck

1 JULY 2020



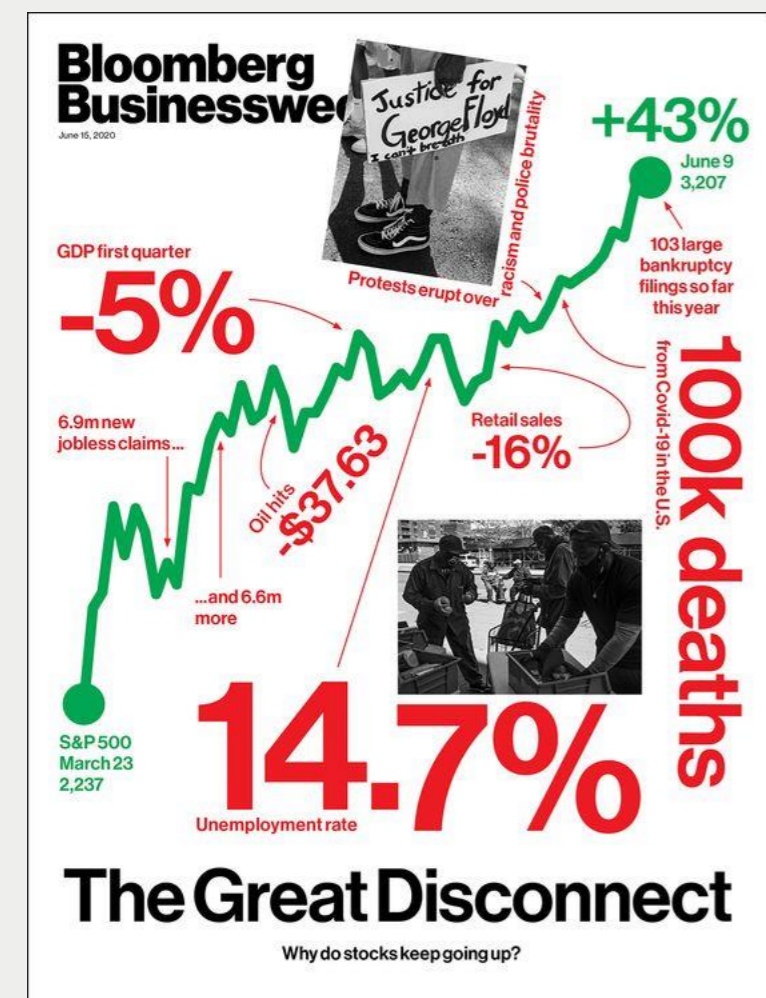
June Highlights:

Up and Down in June: The S&P 500 briefly regained its year-end 2019 level in early June, before retreating amid rising COVID-19 case incidence in the South and West of the United States. The speed of global equity decline, and rebound, has been especially rapid relative to historic bear markets (see page 3).

Economic Data Bounces Off the Bottom, Still Grim: US employment data registered an earlier than expected inflection point, showing a rebound starting in May. Global trade data showed a steep decline, though not as severe as expected. Yet the IMF's downgrade of its 2020 global GDP forecast to -4.9% underlines the severity of the growth shock (see page 8 for GDP forecasts).

Financial Market Stress Continues to Retreat: CMBS and corporate bond spreads were narrowing or stable in June. The Fed's bank stress test results showed a well-capitalized US banking sector (see p 13).

REITs Remain at Meaningful Discount to NAV: The NAV discount remained at -7% in June. Global patterns across sectors show very similar price changes across property types (see p 24).



Grocery Giants Report High Single Digit US E-grocery Share: Kroger and Walmart's latest earnings through May and April provided insight in changing shopping patterns (see p 20).

Global Real Estate Transaction Volume Down 54% in May vs. 2019 Average: The decline has been mitigated thanks to some pre-COVID transactions closing with a delay, but these is also evidence that post-COVID transactions are beginning to revive.

2020 Global Real Estate Transparency Index Shows Improvement, But at a Slowing Pace: LaSalle and JLL's index, forthcoming in July, shows that progress in the area of sustainability data was a key driver of change over the last two years (see p 21).

LaSalle's Mid-Year ISA Updates Our Strategy Recommendations for a Dramatically Changed World

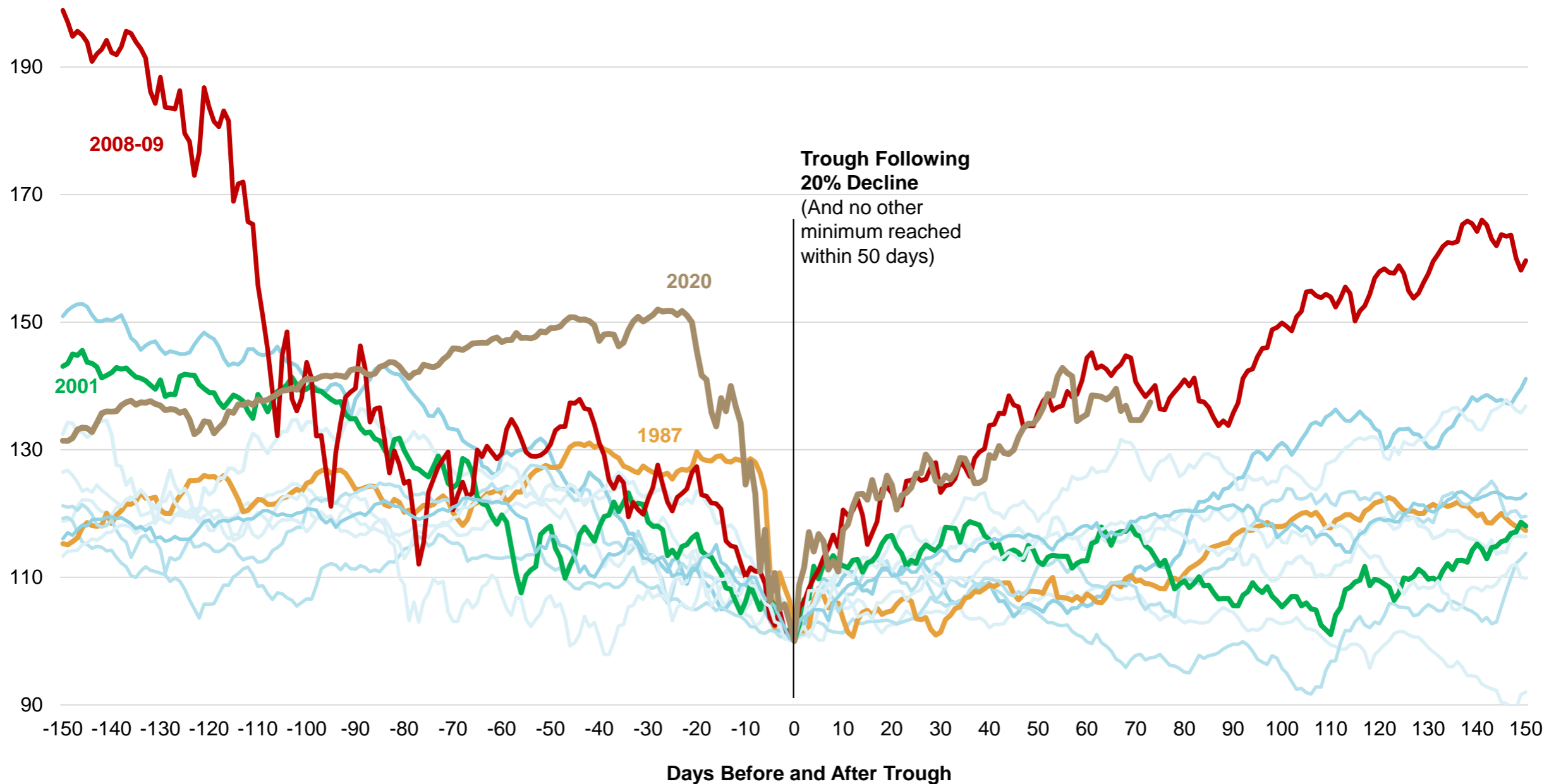
- An acceleration of already underway industry and location trends
- Avoiding recency bias to look out longer term
- Re-examining DTU+E
- Identifying windows of opportunity across different investment vehicles

Global Equity Markets: Before and After Historic Nadirs

COMPARISON OF PATH TO TROUGH AND SUBSEQUENT RECOVERY FOR 20% EQUITY MARKET DECLINES SINCE 1973

Global Equity Markets Around 20% Declines (Bear Markets)

(MSCI Global Index, Indexed to 100 on the Day of Market Trough)

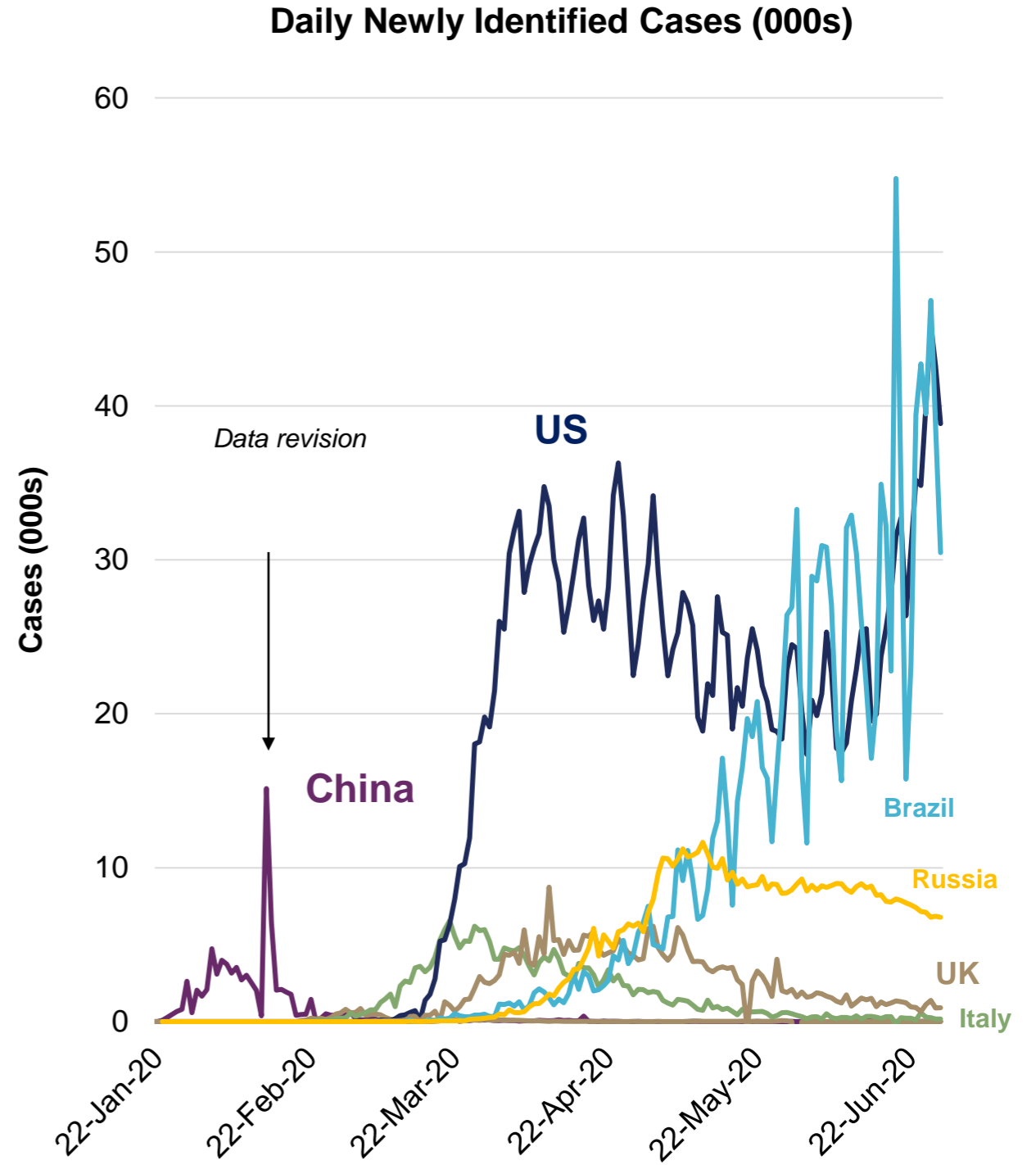
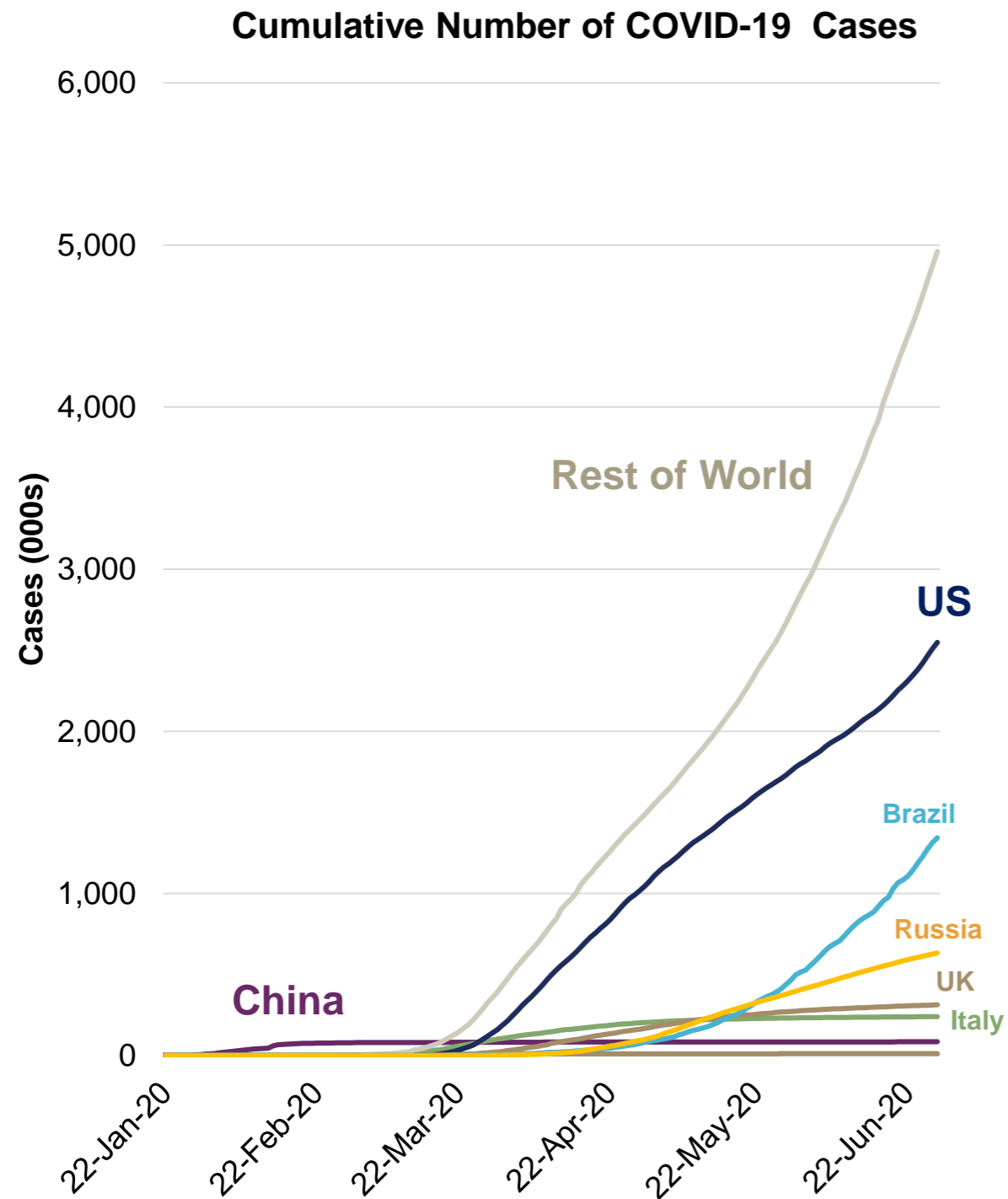


The speed of the decline in equities and subsequent recovery in the current downturn is unprecedented. The time between market peak and trough is even faster than 1987. The MSCI World Index was up 2.5% in June.

Source: Bloomberg, Barclays, LaSalle. Data through 30 June 2020. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

US COVID Incidence Rises in June

MARKETS REACTED NEGATIVELY AS EVIDENCE OF US REGRESSION EMERGED IN LATE JUNE



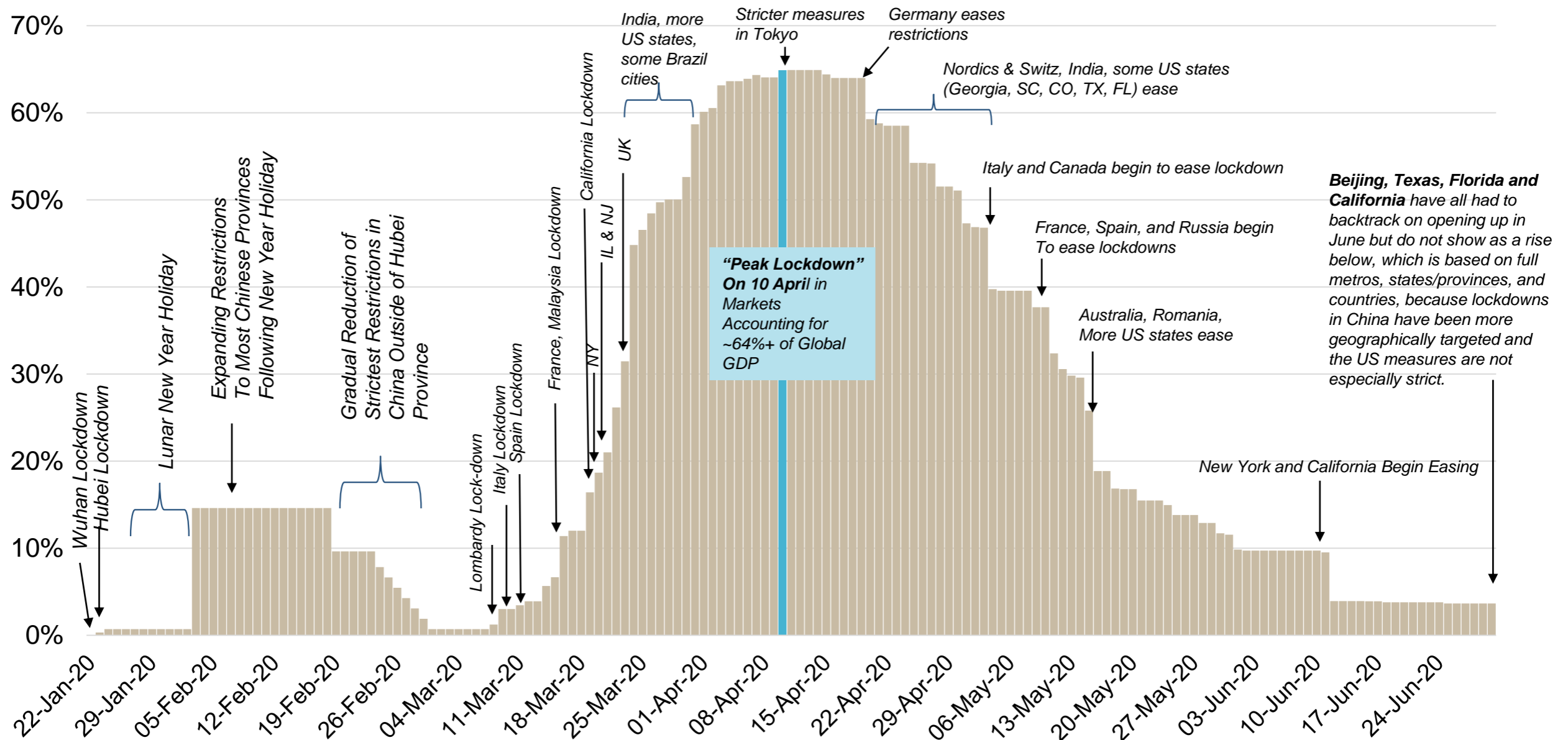
Source: Johns Hopkins University Coronavirus Resource Center. Note that totals from aggregated sources such as the World Health Organization, Johns Hopkins University, and the ECDC differ slightly based on the underlying sources used and the precise time of release. The most recent total data point shown above is as of 29 June 2020. The most recent change in daily new cases is for the full day of 28 June 2020.

Nearly All Major Economies Enter Post-Lockdown Phase II of “Living with COVID”

NEW YORK BEGAN SUBSTANTIAL EASING IN JUNE; UK DUE TO EASE SIGNIFICANTLY ON 4 JULY

Estimated % of Global GDP From Regions Subject to Strictest Lockdown

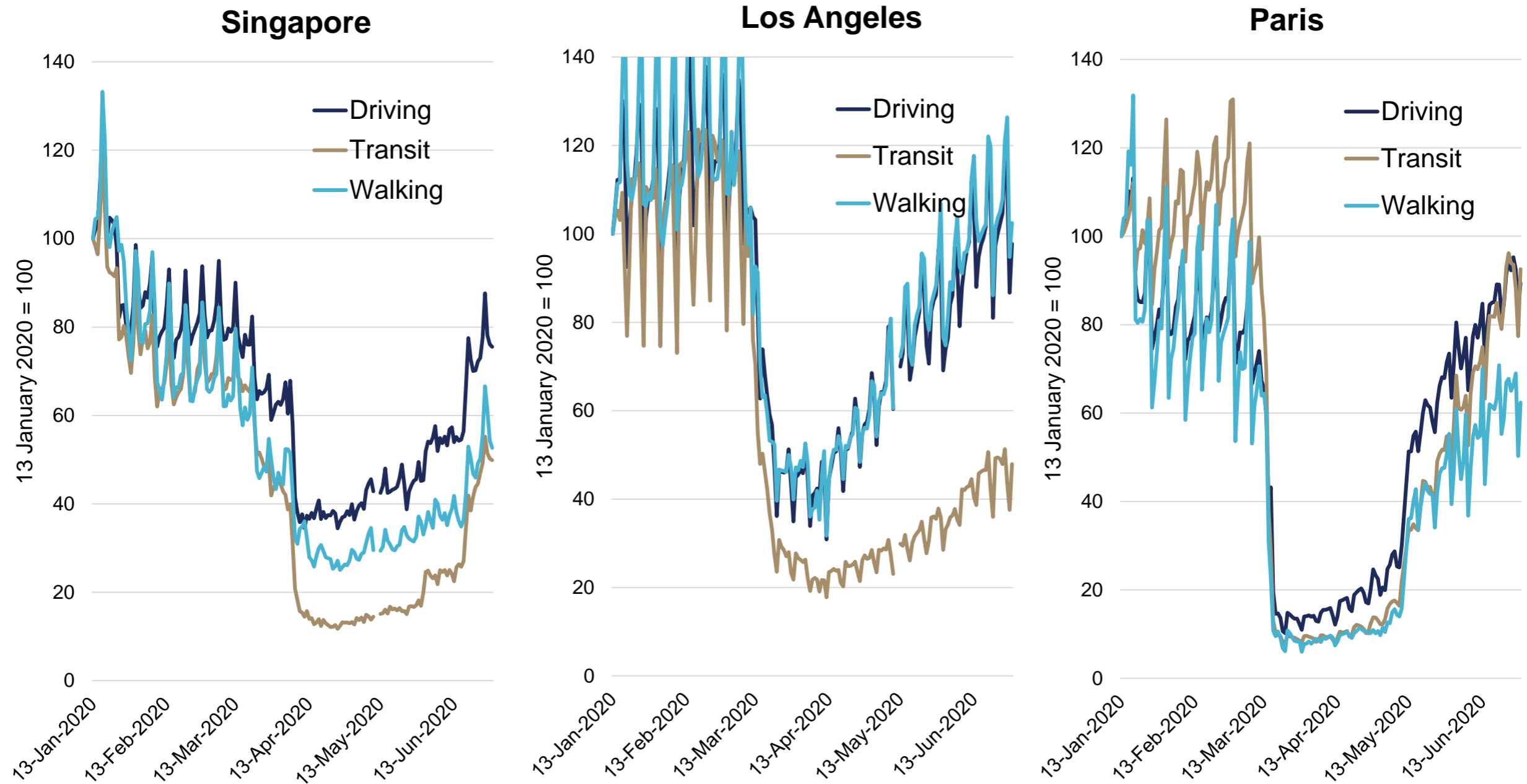
(Defined as all non-essential business establishments and schools required to close, mandatory limits on leaving home and on movement and gatherings; Easing date is first date when meaningful relaxation implemented)



Source: LaSalle Calculations based on reported lockdown dates, New York Times, and Oxford Economics (GDP). Updated 25 June 2020. Note: Our totals are based on an aggregation of individual provinces and states in China and the US, which differed in the timing of their lockdown. All of the 20 largest economies were reviewed as part of this analysis, as well as 20+ additional countries, though outside the top 20 countries, our information may not be 100% comprehensive, though it is believed to be representative. Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Mobility Data Shows City Differences in Transit-Use and Walking

TRANSIT IS RECOVERING SLOWER IN THE US BUT HAS RISEN SHARPLY IN PARIS



The data above is Apple Mobility data based on routing requests on Apple Maps. While the trends are moving together, there are notable differences by mode across markets. While transit routing requests in Los Angeles are still down over 50%, walking is up more there than in Paris or Singapore.

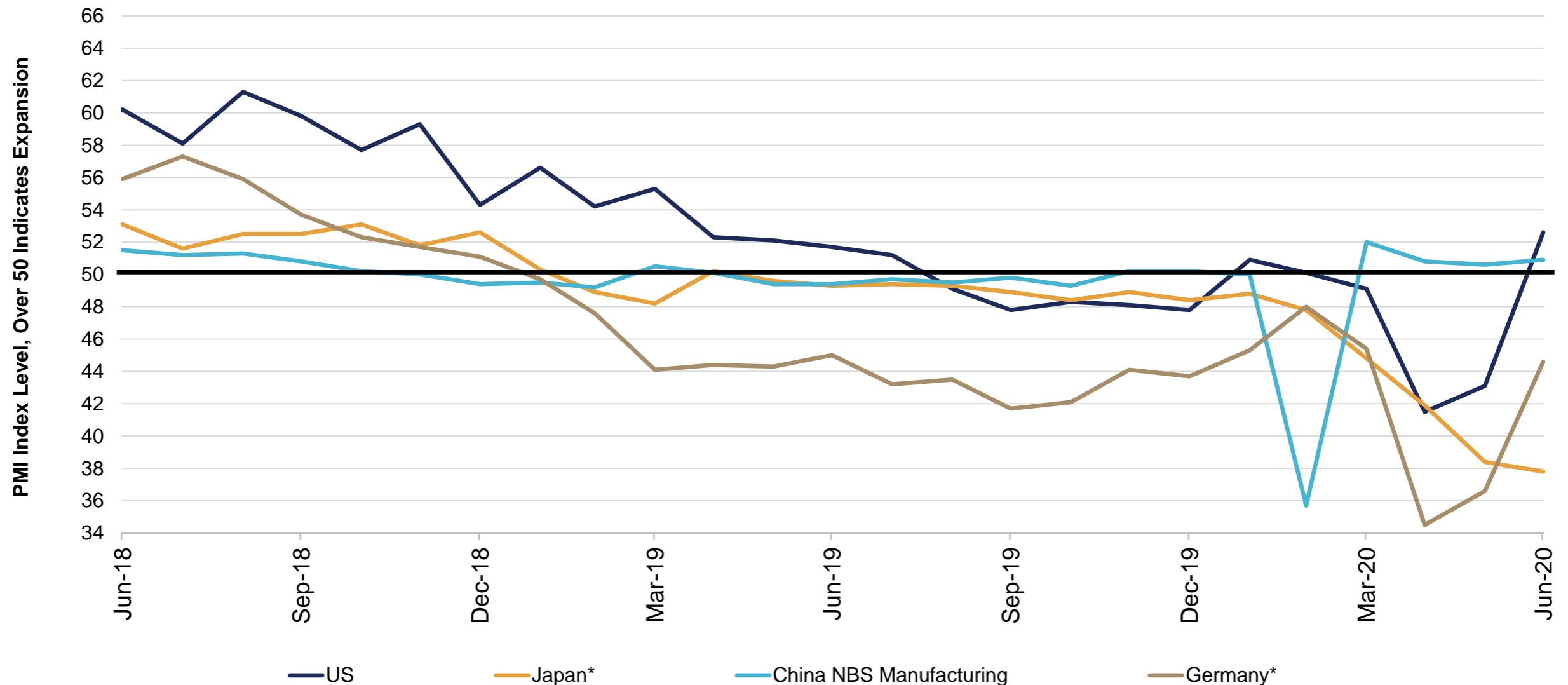
Note: This is a discontinuity in the daily mobility data on May 11-12.

Source: Apple, Barclays, LaSalle. Data through 29 June 2020. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Manufacturing PMIs Show Rebound Beginning

EASING RESTRICTIONS LEAD TO SHARP RISE IN GERMAN AND US PMI INDICES

Manufacturing PMIs



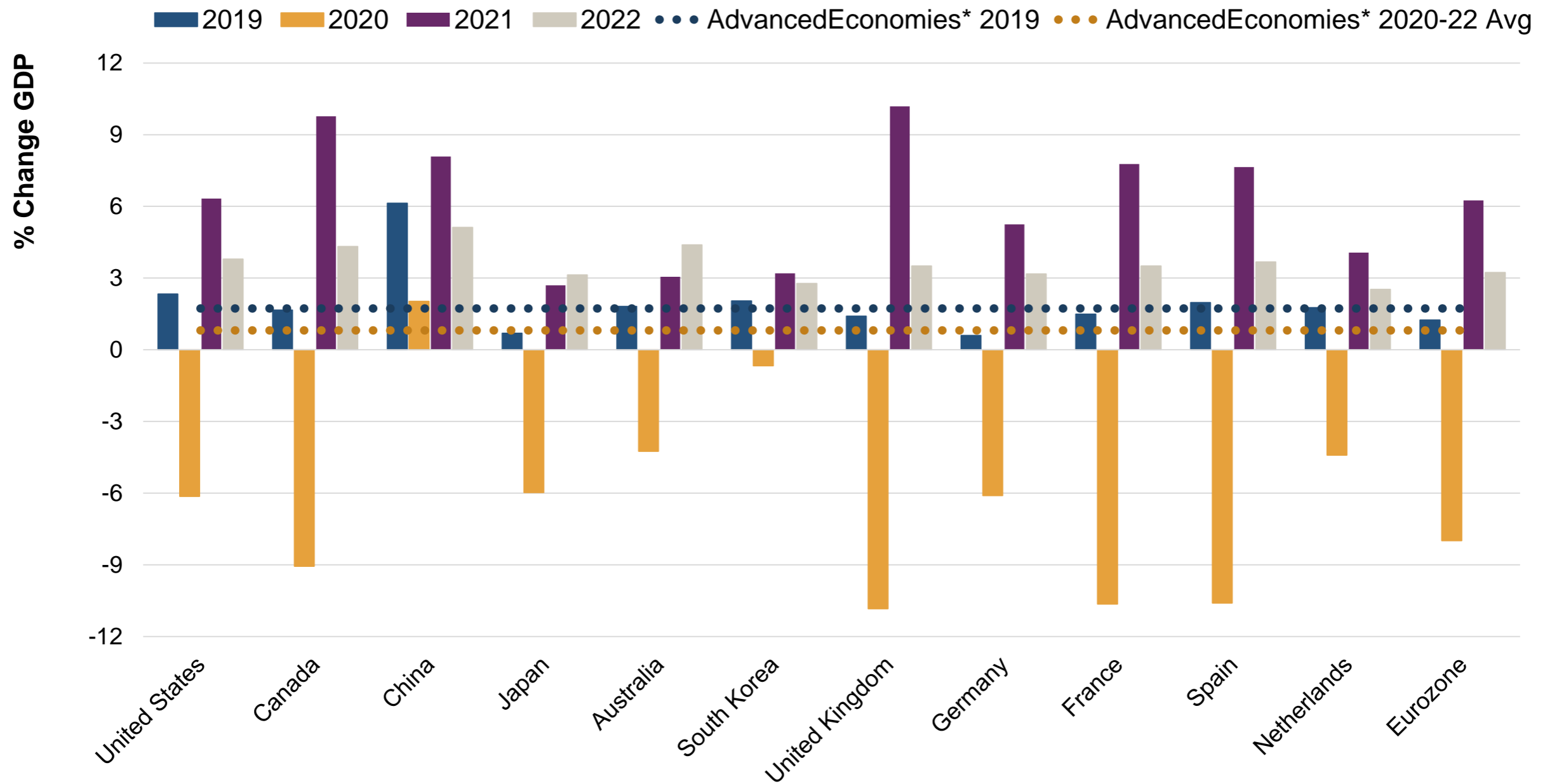
PMI indices are based on surveys of purchasing executives, who are asked to note whether business conditions for variables, like output, orders, and output prices are improving, staying the same, or deteriorating. PMI tends to be a leading indicator of growth.

Source: Institute for Supply Management (US), NBS Manufacturing (China), Markit (Japan, Germany), Tradingeconomics.com
 Latest available as of 30 June 2020. *Germany and Japan latest data is preliminary.

Oxford Economics Base Line Forecasts as of Mid-June 2020

US, CANADA, CHINA, JAPAN, AUSTRALIA, KOREA, GERMANY, UK, FRANCE, SPAIN, NETHERLANDS AND EURO ZONE

Global Annual GDP Projections

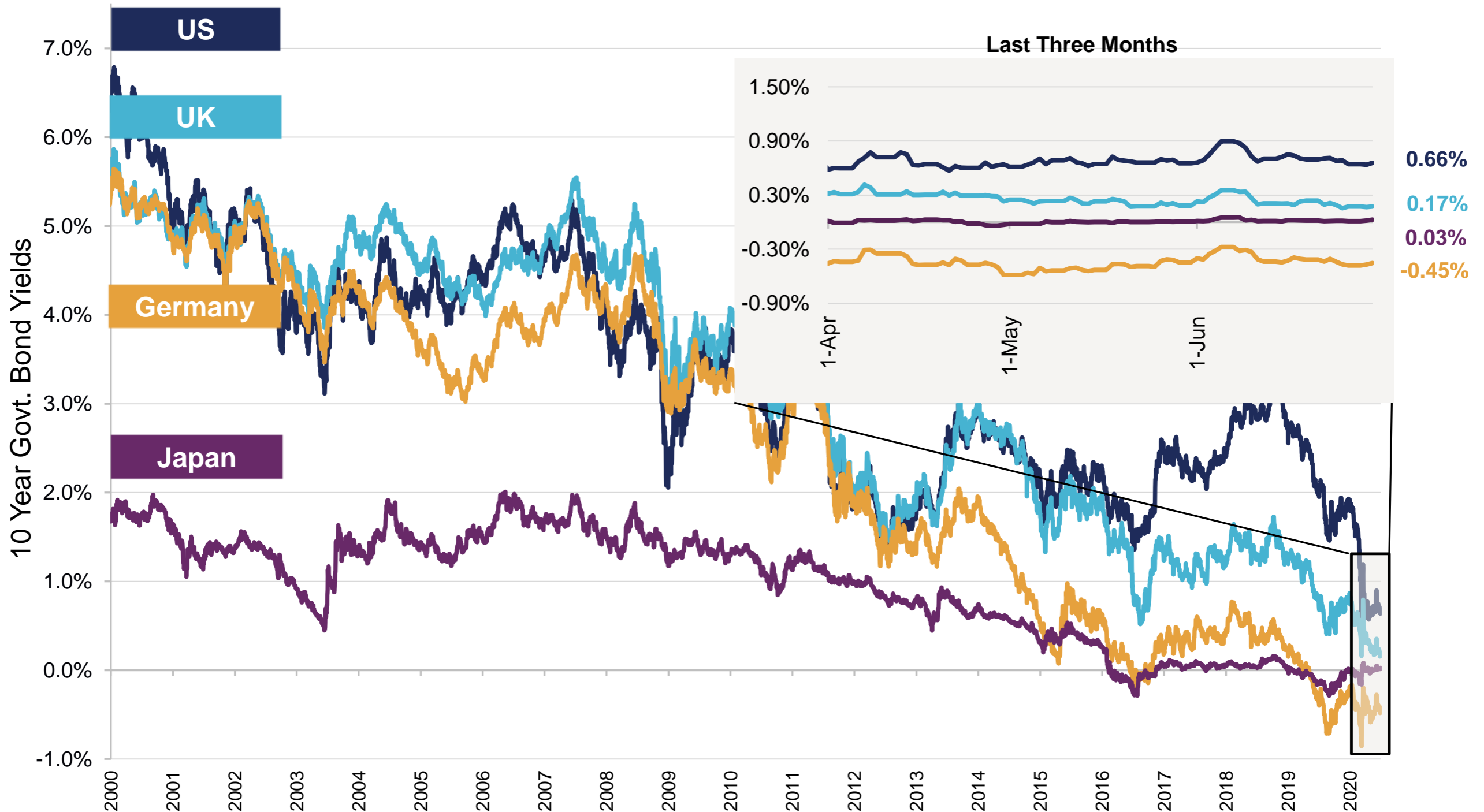


*Aggregation based on Oxford Economics country classification: <https://services.oxfordeconomics.com/api/definitions/WDMacro/GlobalMacroEconomicDatabank.pdf>
 Source: Oxford Economics Forecast most recent as of 22 June 2020.

Risk-Free Rates Mostly Flat in June

THE US 10 YEAR TREASURY YIELD REMAINED NEAR 0.70% AFTER SURGING TO 0.9% IN EARLY JUNE

10 Year Government Note Rates

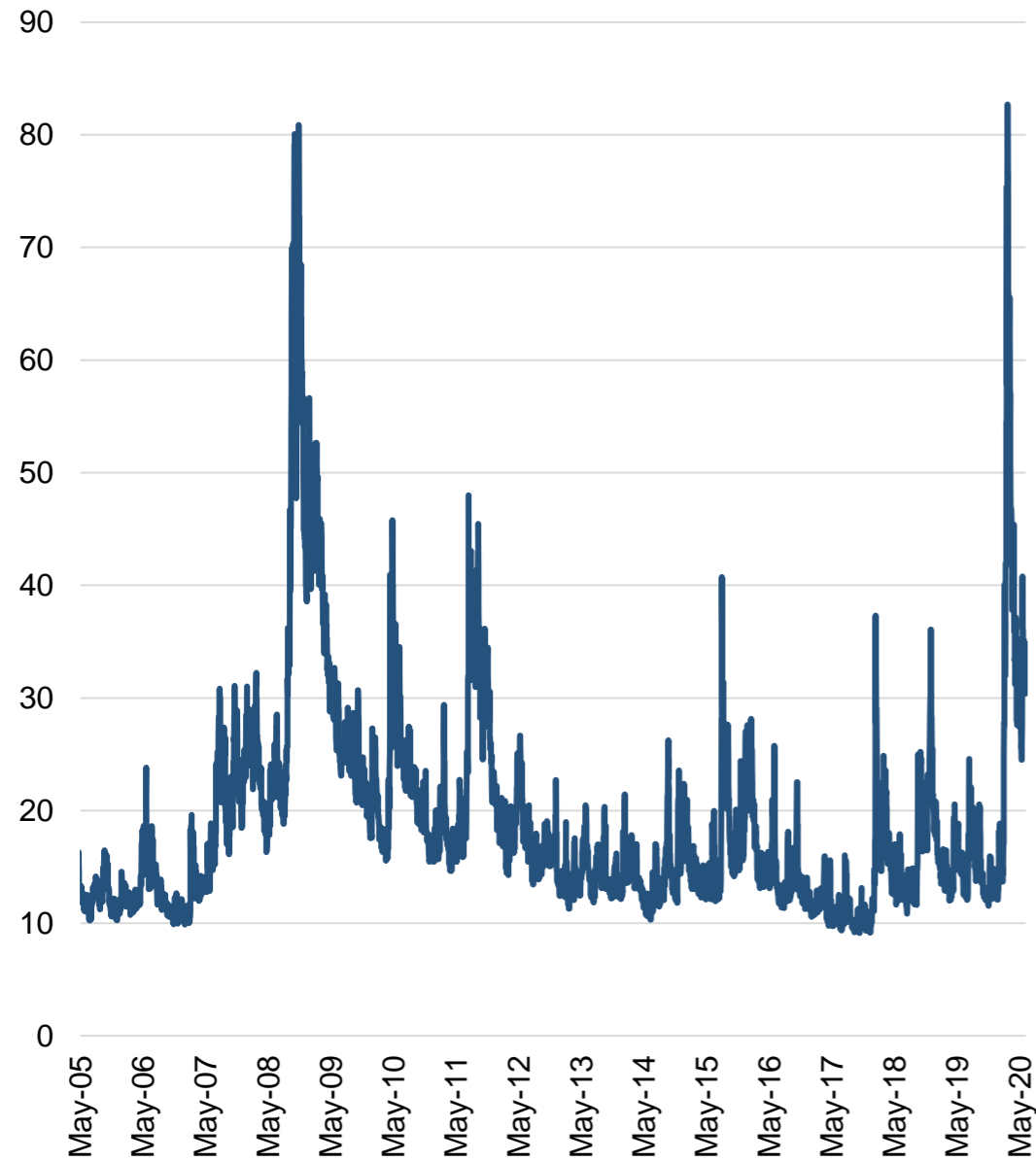


Source: Bloomberg, LaSalle. Data through 30th June 2020. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Volatility Remains High, VIX Rises 10% in June

NEGATIVE DEBT STOCKPILE HAS TRENDED UP SINCE APRIL

CBOE Volatility Index (VIX): "Fear Gauge"



The VIX measures short-term 30-dy expected S&P 500 price volatility based on out-of-the-money options prices. As of June 30th, the VIX Index stood at 30.38.

Total Negative Yielding Debt

(Based on Barclays Global Bond Aggregate of Investment Grade Gov't and Corporate Debt)



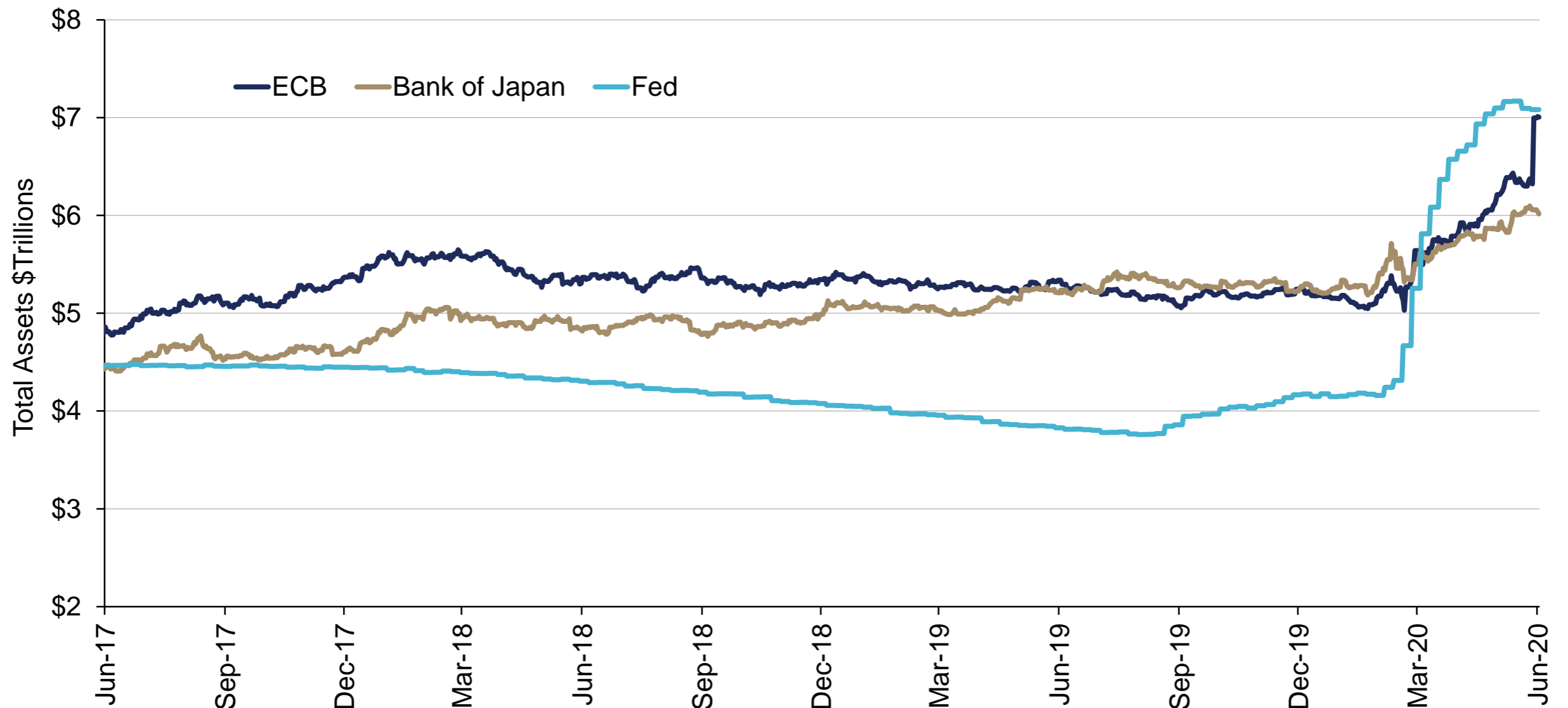
This total of negative yielding debt includes investment grade corporate bonds and government bonds. 22% of debt securities in the Barclays Global Bond Aggregate have negative yields.

Source: Chicago Board Options Exchange and Barclays Global Aggregate Index data accessed via Bloomberg. Updated 30 June 2020. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Central Bank Balance Sheets in June; Notable Increase for ECB

FED NOW HOLDS ABOUT 20% OF US GOV'T DEBT

ECB, Bank of Japan, and Federal Reserve Balance Sheet Size

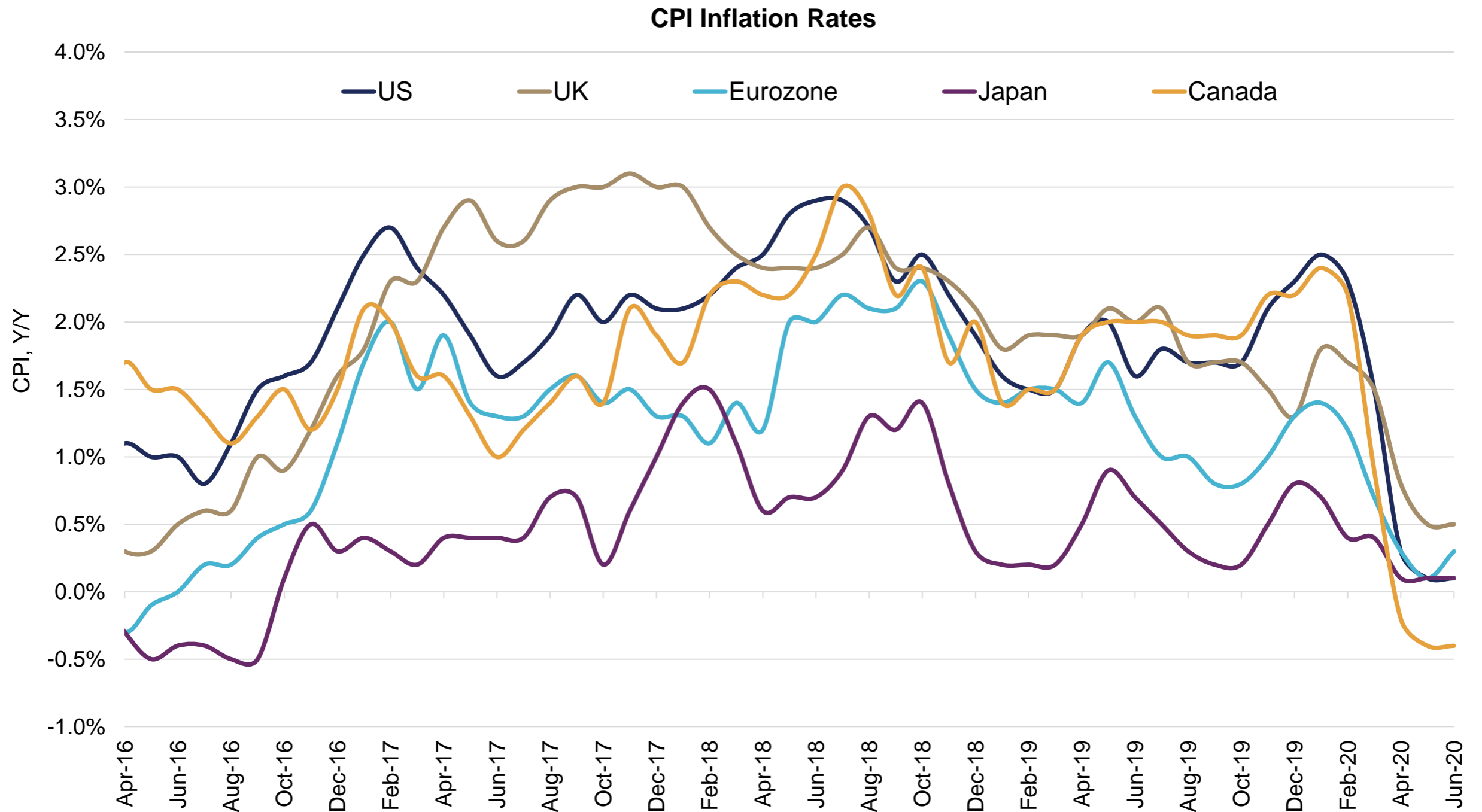


The stabilization in the Fed's balance sheet in late June in part reflects a drop in currency swaps with overseas central banks. The main drivers of the Fed balance sheet growth since the onset of the COVID-19 pandemic has been US Treasury purchases, MBS purchases, and dollar swap lines. The Fed now owns more MBS than US commercial banks.

Source: Federal Reserve, Bank of Japan, European Central Bank balance sheet data via Bloomberg. Data to 30 June 2020. Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Inflation Risk Low, Y/Y Change Falls to Near Zero

US AND JAPAN CPI INFLATION RECEDED TO 0.1% IN MAY



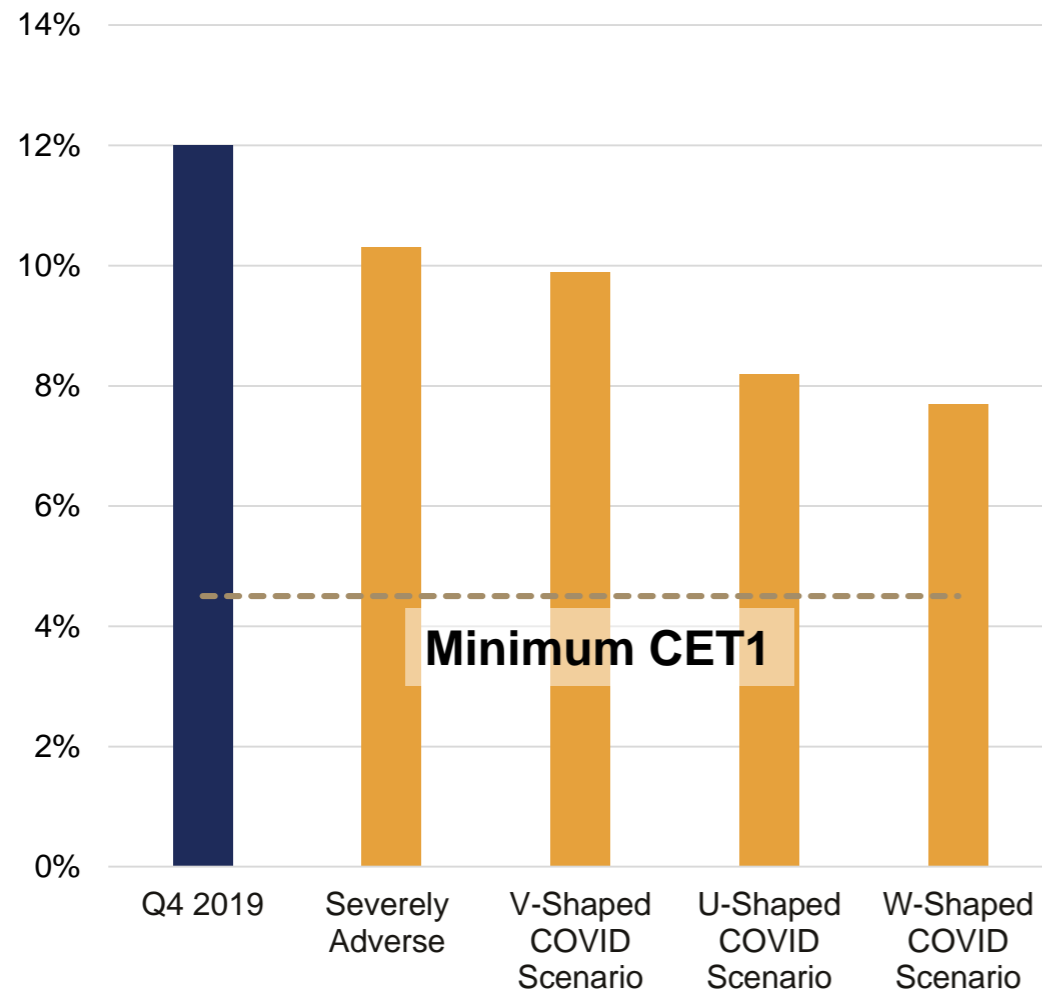
Inflation in Canada was -0.4% year-over-year in June.

Source: US Bureau of Labor Statistics and national statistical agencies data via Bloomberg, Latest data available as of 30 June 2020. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

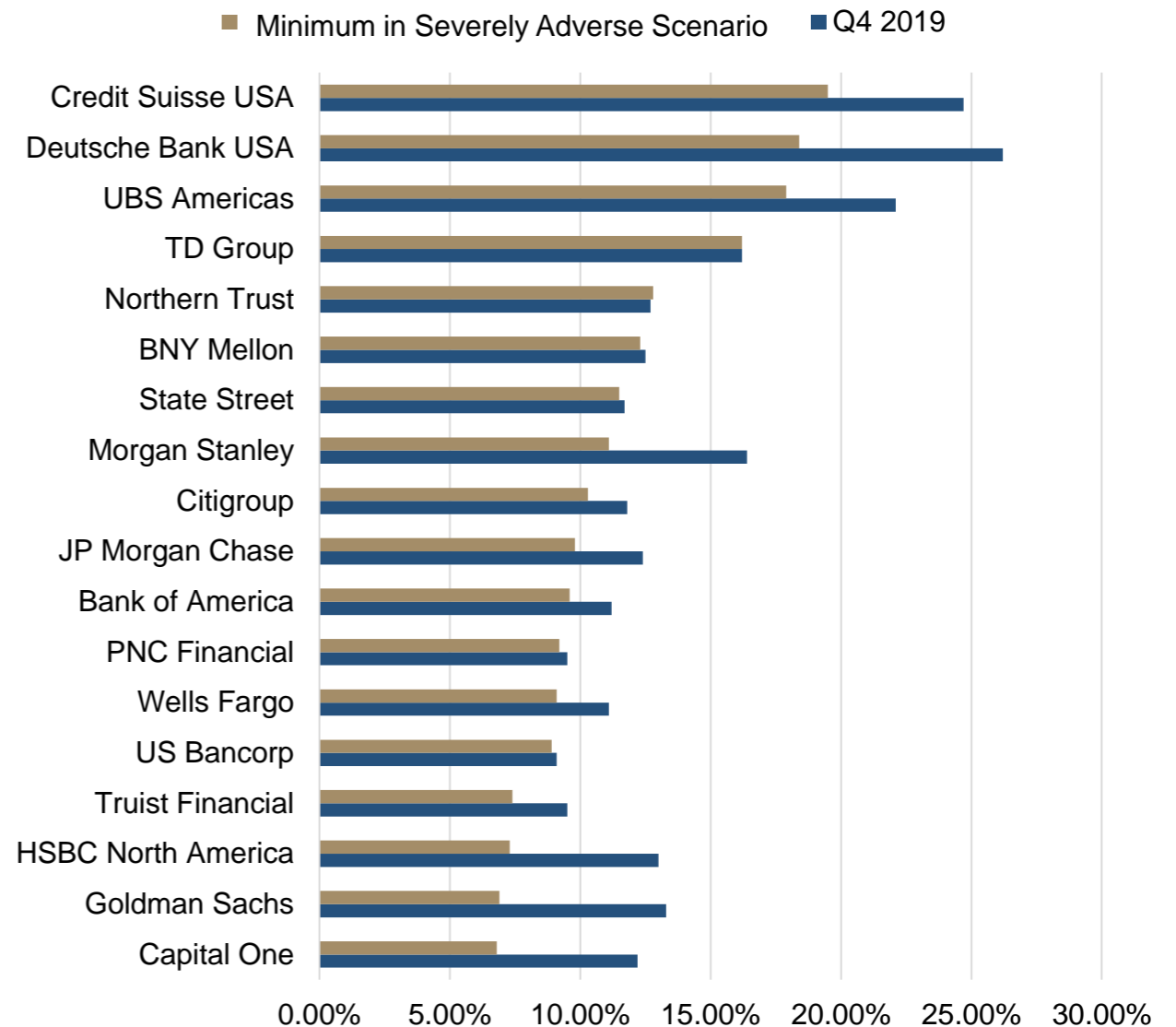
Fed Bank Stress Tests Show Well-Fortified US Capital Positions

EVEN IN ADVERSE COVID-19 SCENARIOS, BANK CAPITAL BUFFERS ARE LIKELY TO BE ADEQUATE

Aggregate Common Equity Tier 1 (CET1) Capital Ratio Across Stressed Scenarios



CET1: Severely Adverse Scenario

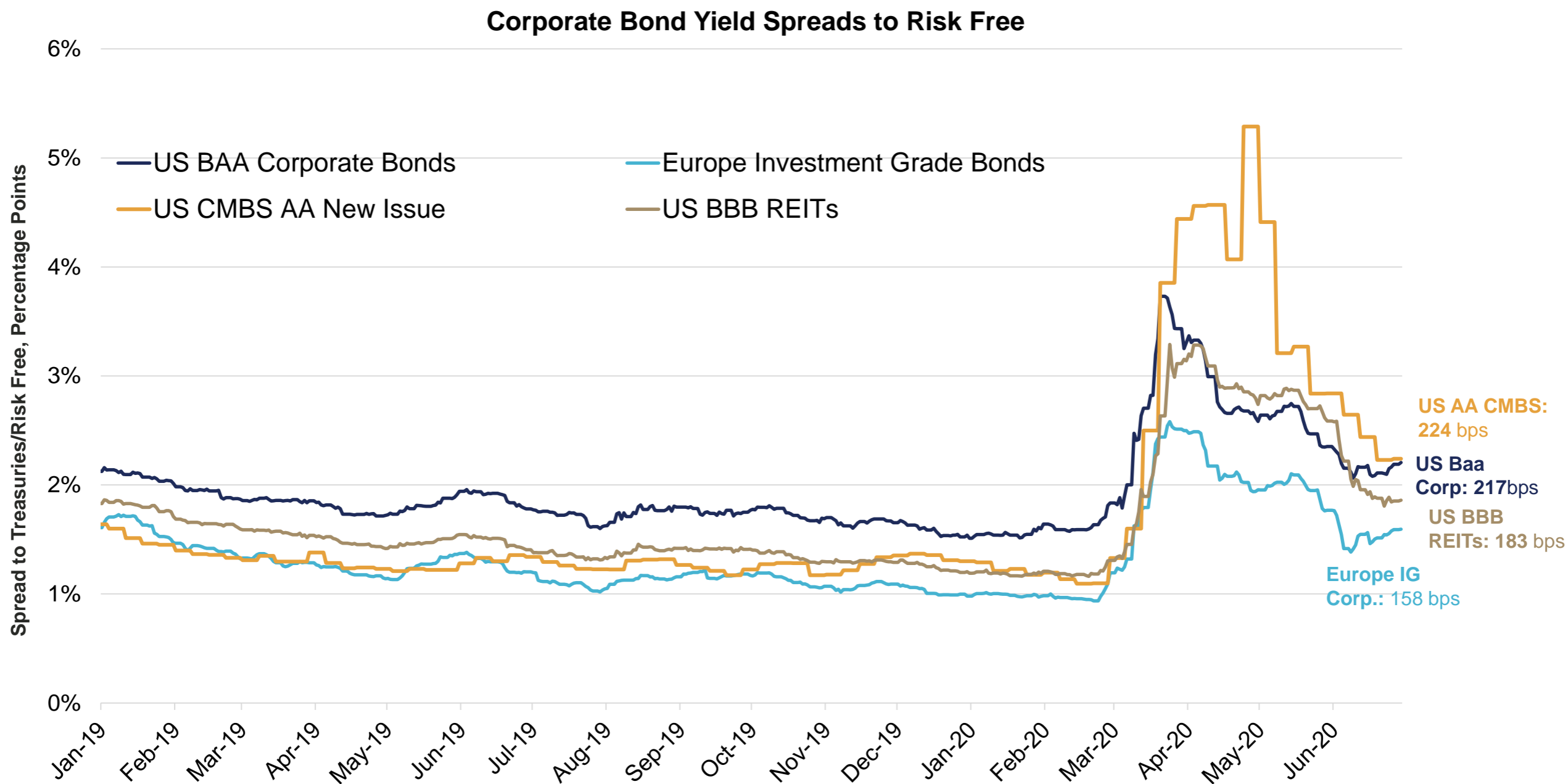


Fed Vice Chair Randal Quarles commented: **“The banking system has been a source of strength during this crisis and the results of our sensitivity analyses show that our banks can remain strong in the face of even the harshest shocks.”**

Source: US Federal Reserve. Released 25 June 2020. Available at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20200625c.htm>

Debt Spreads Gradually Narrowing

THOUGH SPREADS REMAIN ABOVE PRE-COVID LEVEL



The US Baa corporate bond yield increased sharply in mid-March, but US Fed action to step up asset purchases, including corporate bonds, has helped to partially reverse the increase. The Baa bond yield hit 5.15% on March 20th but has since declined to 3.59% as of June 29th.

Source: LaSalle analysis of interest rates from JP Morgan (CMBS) and Moody's via Bloomberg,. Latest data as of 30 June 2020. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Year-to-Date 2020 Returns by Asset Class and Segment

MORE SEGMENTS APPROACH BREAKEVEN FOR THE YEAR

YTD 2020 Total Returns by Asset Class & Segment (Local Currency)



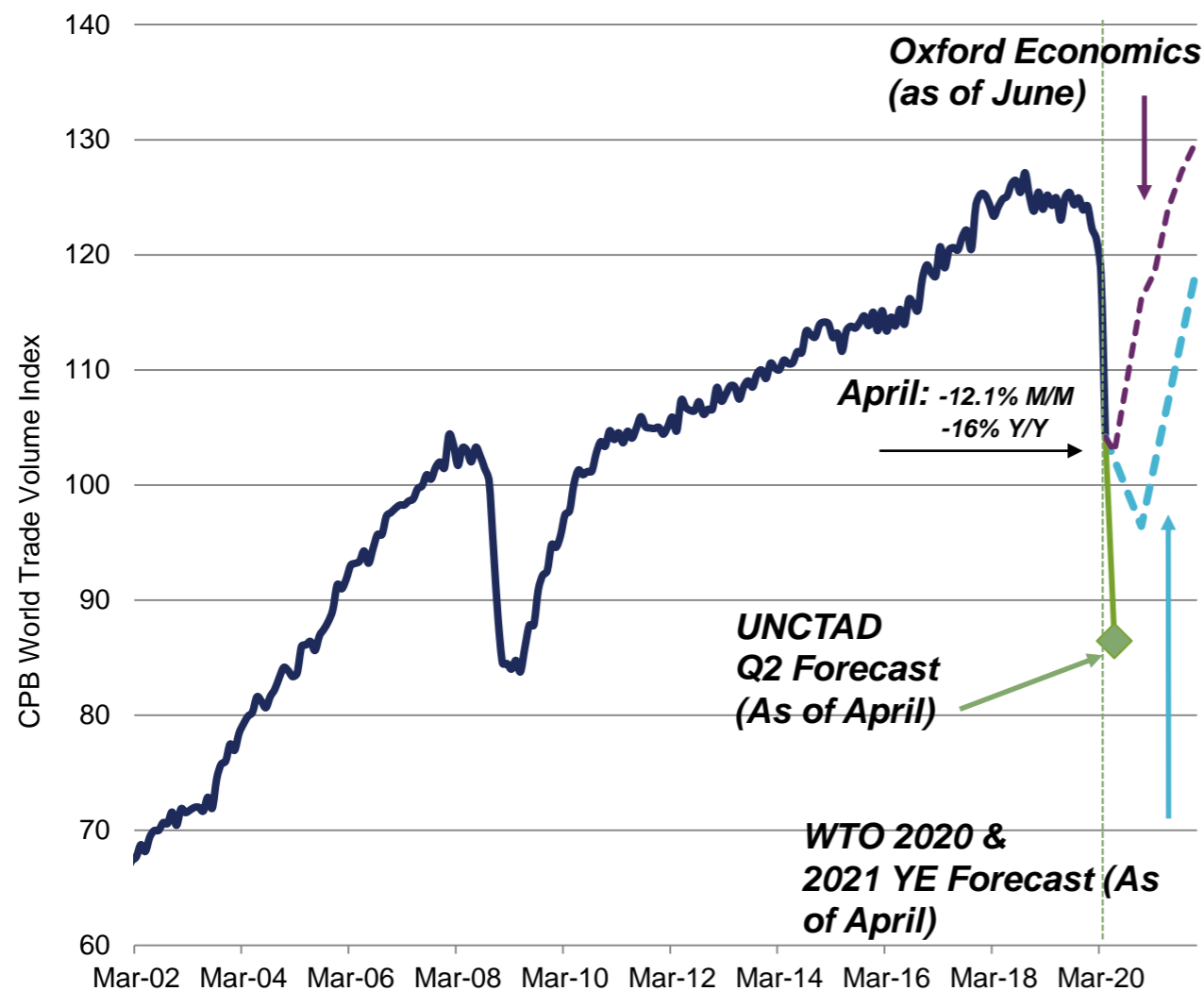
Source: LaSalle analysis of data via Bloomberg. More information on the indices used above is available upon request. Data to 30 June 2020. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Massive Drop in Trade, But Not As Severe as Initially Feared

GLOBAL TRADE DECLINED 12% IN APRIL

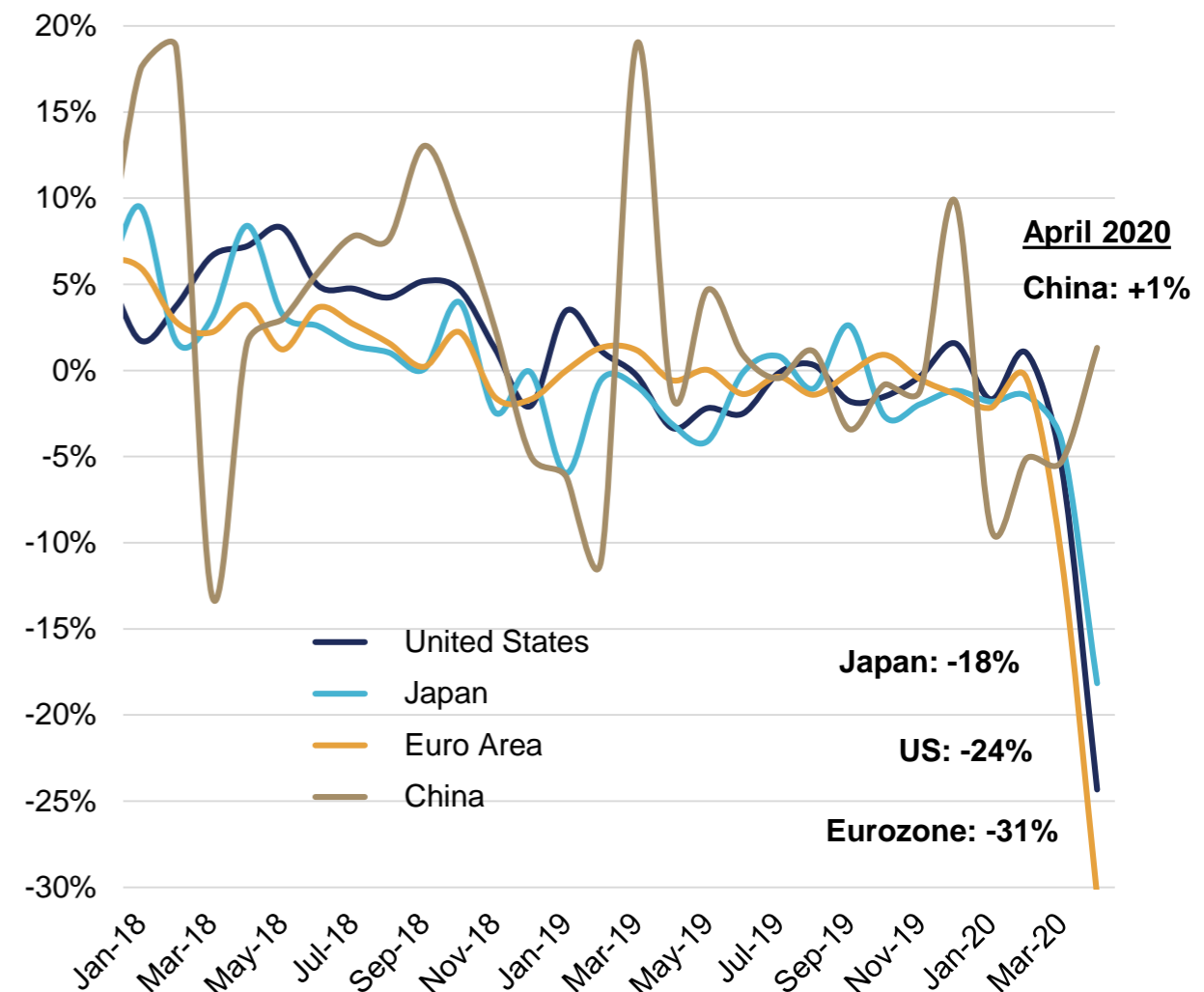
World Trade Volume

[CPB World Trade Monitor]



Y/Y Change in Exports

[CPB World Trade Monitor]



Global trade tends to be especially sensitive to GDP change. While trade in medical products is up and agriculture is stable, automotive and energy goods trade collapsed in April. Yet the April historic data from the CPB suggests trade may not contract as much as initially feared by the WTO and UNCTAD. Chinese exports of medical goods accounted for 14% of all exports in May, up from 3% a year ago.

Sources: CPB Netherlands Bureau for Economic Policy Analysis (<https://www.cpb.nl/en/worldtrademonitor>), World Trade Organization, United Nations Conference on Trade and Development (UNCTAD), Capital Economics. Latest available data as of 30 June 2020. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

June 2020 Quotes

“We are facing a serious problem in certain areas.”

– Dr. Anthony Fauci NIAID Director, addressing rising using COVID-19 infection rates in many Southern US states, 26 June

“We’re not shutting down.”

– Florida governor Ron DeSantis seeks to avoid re-closures due to rising cases, instead emphasizing precautions for more vulnerable groups. 16 June.

“Wartime emergency mode”

– Description of response in the Fengtai district of Beijing, Chu Junwei, on the response to evidence of some resurgence of community spread, 13 June.

“Our crisis-related measures are temporary, targeted and proportionate.”

– ECB President Christine Lagarde, 8 June 2020

“If there is any such thing as a normal recession... this one will be different. There will be elements of a faster recovery, because the first stage of the recovery is literally lifting restrictions and allowing people to go out”

– Bank of England Governor Andrew Bailey, 10 June 2020



“E-commerce requires more than 3x the logistics space of brick-and-mortar sales... The window for customers to act on easing logistics real estate market conditions could be short.”

– Industrial REIT Prologis in a report published in June 2020



Christine Lagarde at ECB Briefing, 4 June

“It is a provocation against all the partners at the OECD when we were centimeters away from a deal on the taxation of digital giants”

– French Finance Minister Bruno Le Maire reacts angrily to a US letter suspending digital tax talks, 18 June.

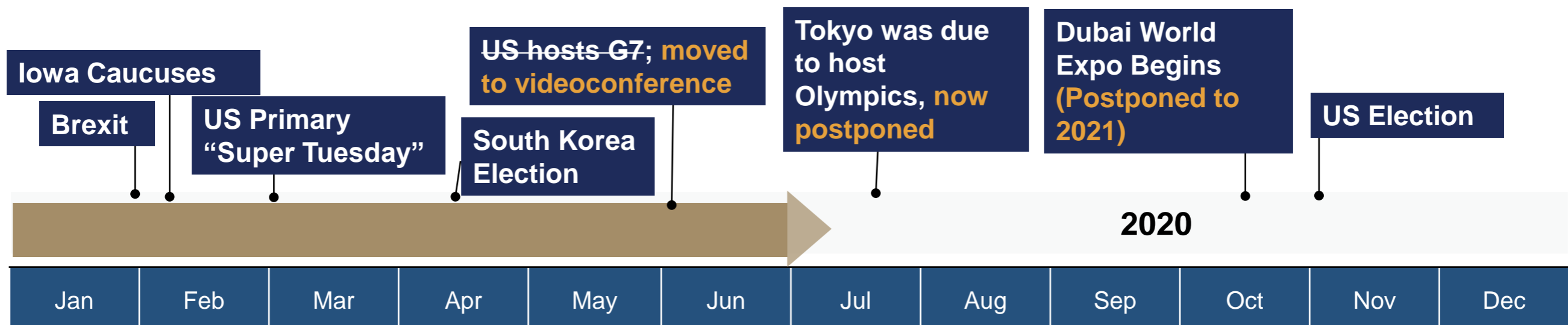


Wirecard Insolvent After Losing \$2bn

Event Prediction Markets: Focus in 2H 2020 Will Be US Election

MEANINGFUL SHIFT IN US ELECTION PROBABILITIES LAST MONTH

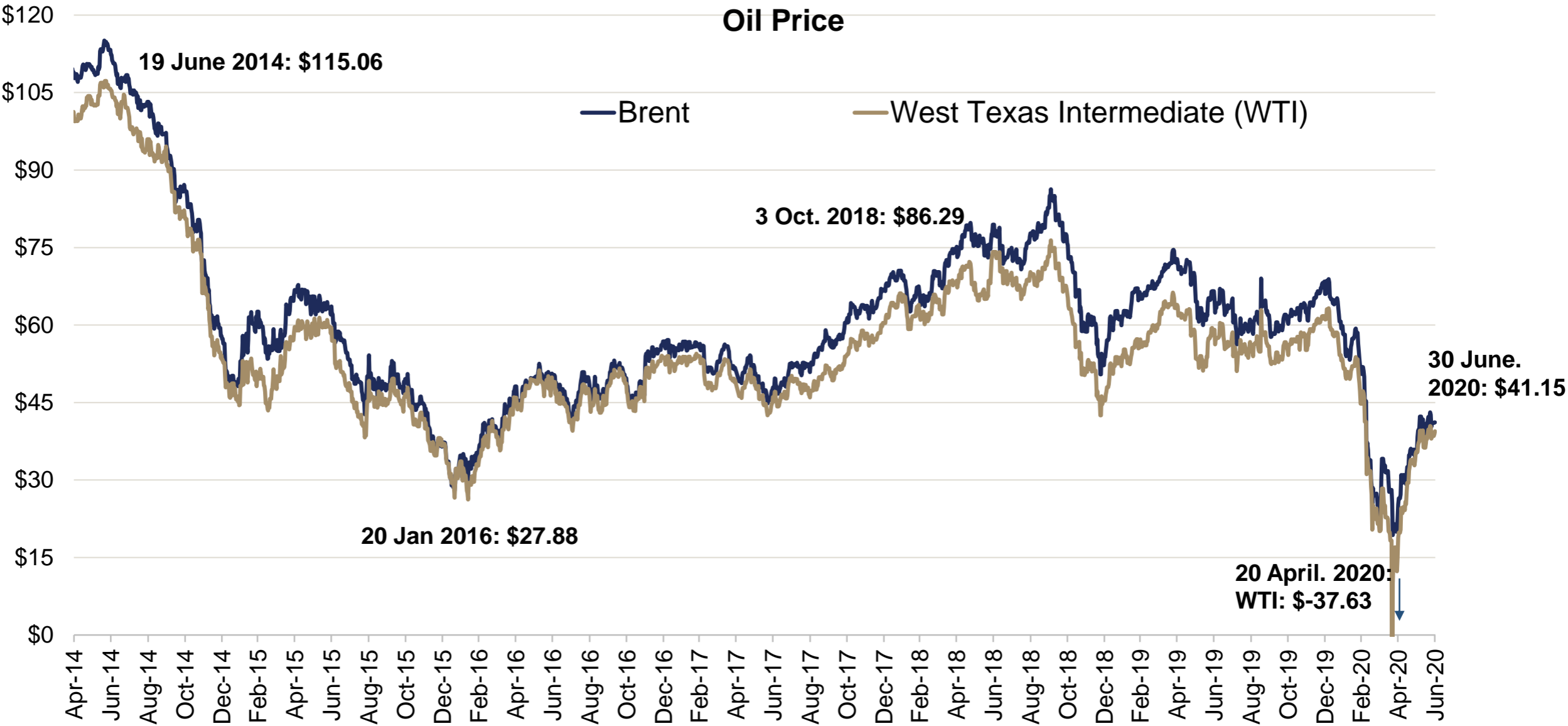
Event Probabilities Based on Prediction Markets	28 Feb. 2020 Probability	30 April 2020 Probability	30 June 2020 Probability	
President Trump is re-elected in 2020 US Election	53% ¹	49% ¹	39% ¹	↓
US Democratic Party Wins Majority in US House, US Senate, and the Presidency	No data	No data	57% ¹	
2020 is the Hottest Year on Record Globally	37% ¹	56% ¹	65% ¹	↑
Merkel is the Next Major European Leader to Step Down Among UK, Germany, France, Italy, and Spain	63% ¹	54% ¹	59% ¹	↑
Kim Jong Un Remains Leader of North Korea on 31 December 2020	No data	69% ¹	86% ¹	↑
Next Major Asia Pacific Leader to Step Down (Top 3)				
Shinzo Abe (Japan)	No data	19% ¹	30% ¹	↑
Imran Khan (Pakistan)	No data	11% ¹	23% ¹	↑
Moon Jae-In (South Korea)	No data	14% ¹	13% ¹	↔
Andrzej Duda Wins Polish Presidential Election	No data	No data	55% ¹	



1. Based on PredictIt.org probabilities as of this date. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue. Latest as of 30 June 2020

Oil Prices Gain in June As Production Cuts Continue

OPEC+ AGREEMENT EXTENDED

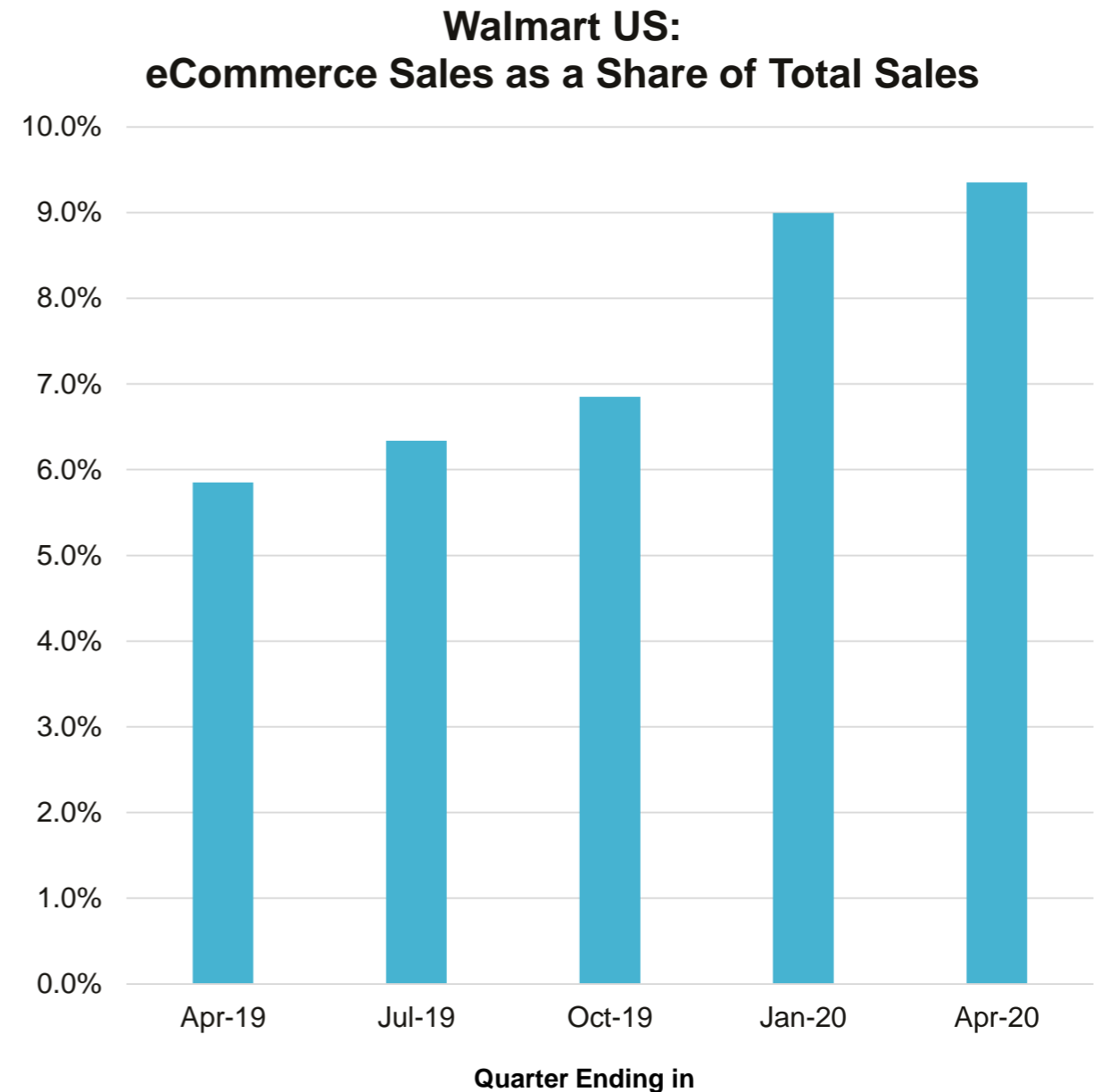
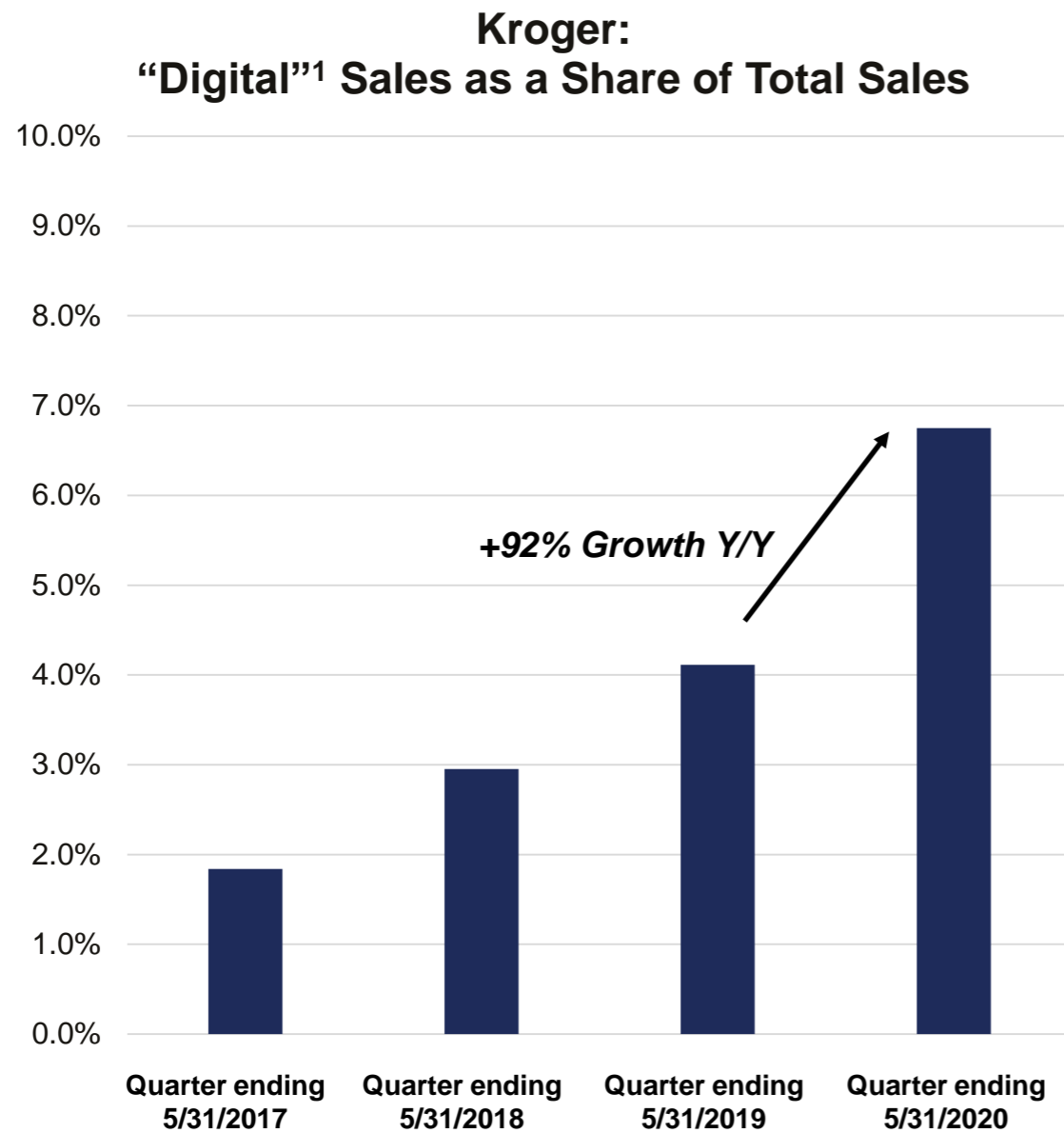


In June, OPEC+ members decided to extend their agreement to cut production by 9.7 million bpd through July, though the original agreement was to begin scaling back cuts in July. An amendment to the agreement was made as concerns over another collapse in prices grew. Production cuts will reduce to 7.7 million bpd in August and then 5.8 million until the end of April 2022.

Source: New York Mercantile Exchange (WTI) and Intercontinental Exchange(Brent) data via Bloomberg. As of 30 June 2020. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Largest US Grocers Report Rising eCommerce Sales

KROGER AND WALMART HAVE REPORTED RESULTS REFLECTING SOME COVID IMPACT



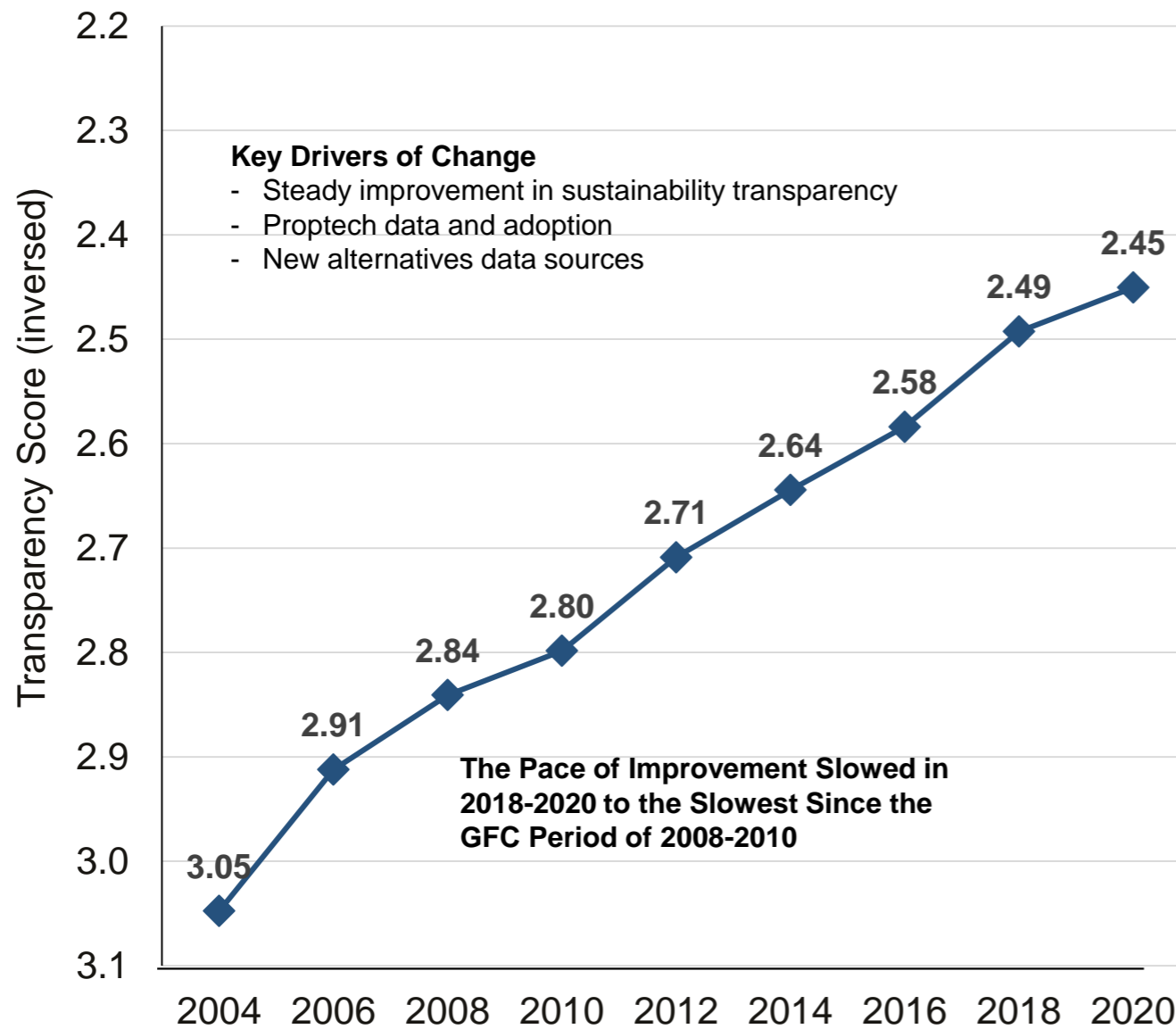
During June, Kroger – the largest publicly traded, dedicated grocery chain in the US - reported sales through May. They reported that eCommerce sales had risen to nearly 7% of their overall sales, up from under 2% three years ago. Kroger’s identical store overall sales growth was 19% in the quarter to May.

1. Digital sales include click-and-collect (pickup) sales as well as delivery.
Source: LaSalle analysis of Kroger and Walmart SEC filings. Most recent data available as of 30 June 2020.

2020 Global Real Estate Transparency Released

75% OF GLOBAL DIRECT REAL ESTATE INVESTMENT IS IN HIGHLY TRANSPARENCY MARKETS

Global Transparency Composite Score



Most Transparent Markets in 2020

Rank	Market	Score
1	United Kingdom	1.31
2	United States	1.35
3	Australia	1.39
4	France	1.44
5	Canada	1.51
6	New Zealand	1.67
7	Netherlands	1.67
8	Ireland	1.83
9	Sweden	1.89
10	Germany	1.93

The full 2020 JLL and LaSalle Real Estate Transparency Index will be released in July at:

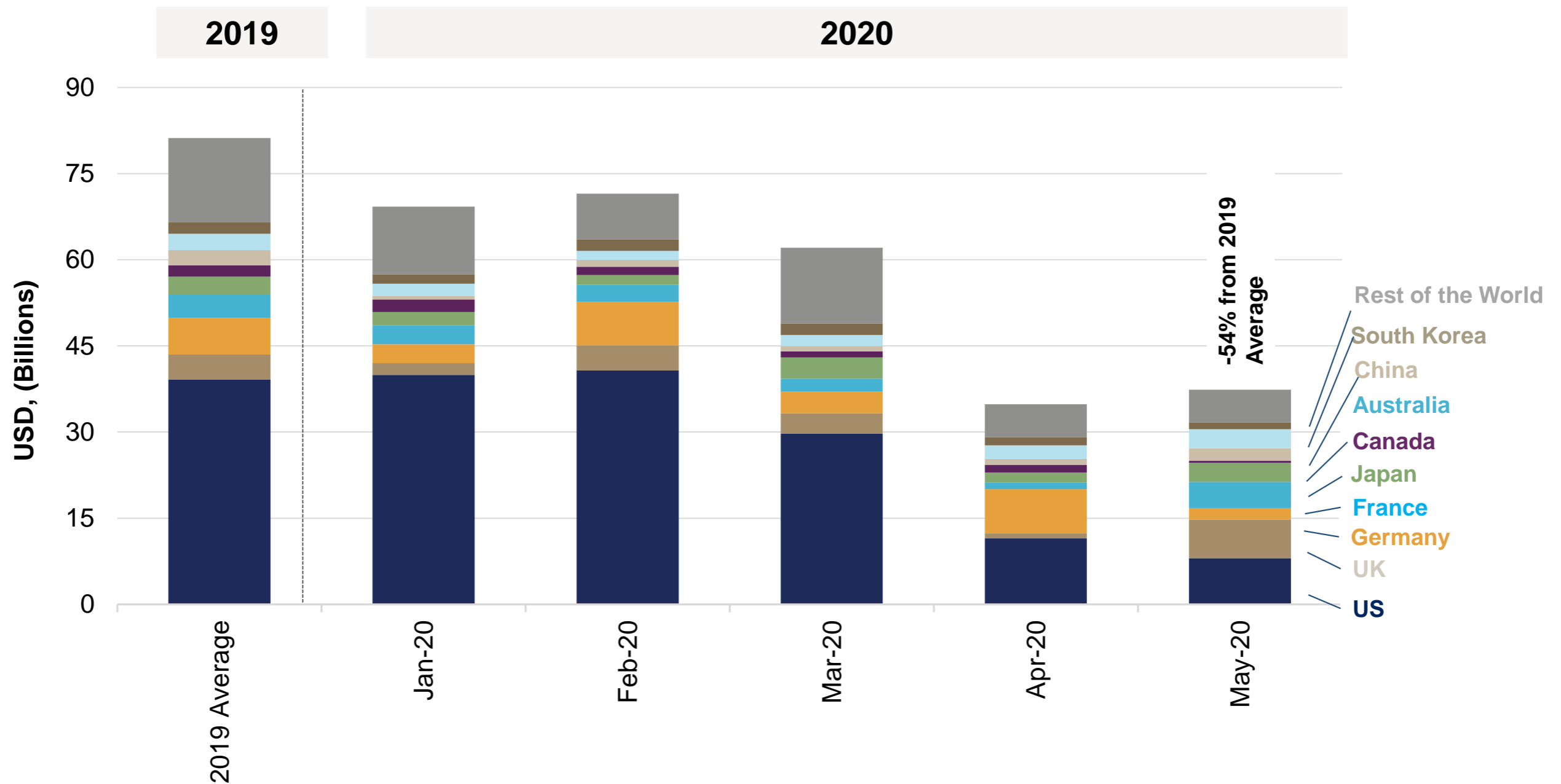
www.jll.com/transparency

Source: LaSalle and JLL. 2020 Global Real Estate Transparency Index. © 2020 Jones Lang LaSalle IP, Inc. All rights reserved

Global Monthly Transaction Volume Down Sharply, But Not at Zero

MAY VOLUME DOWN 54%

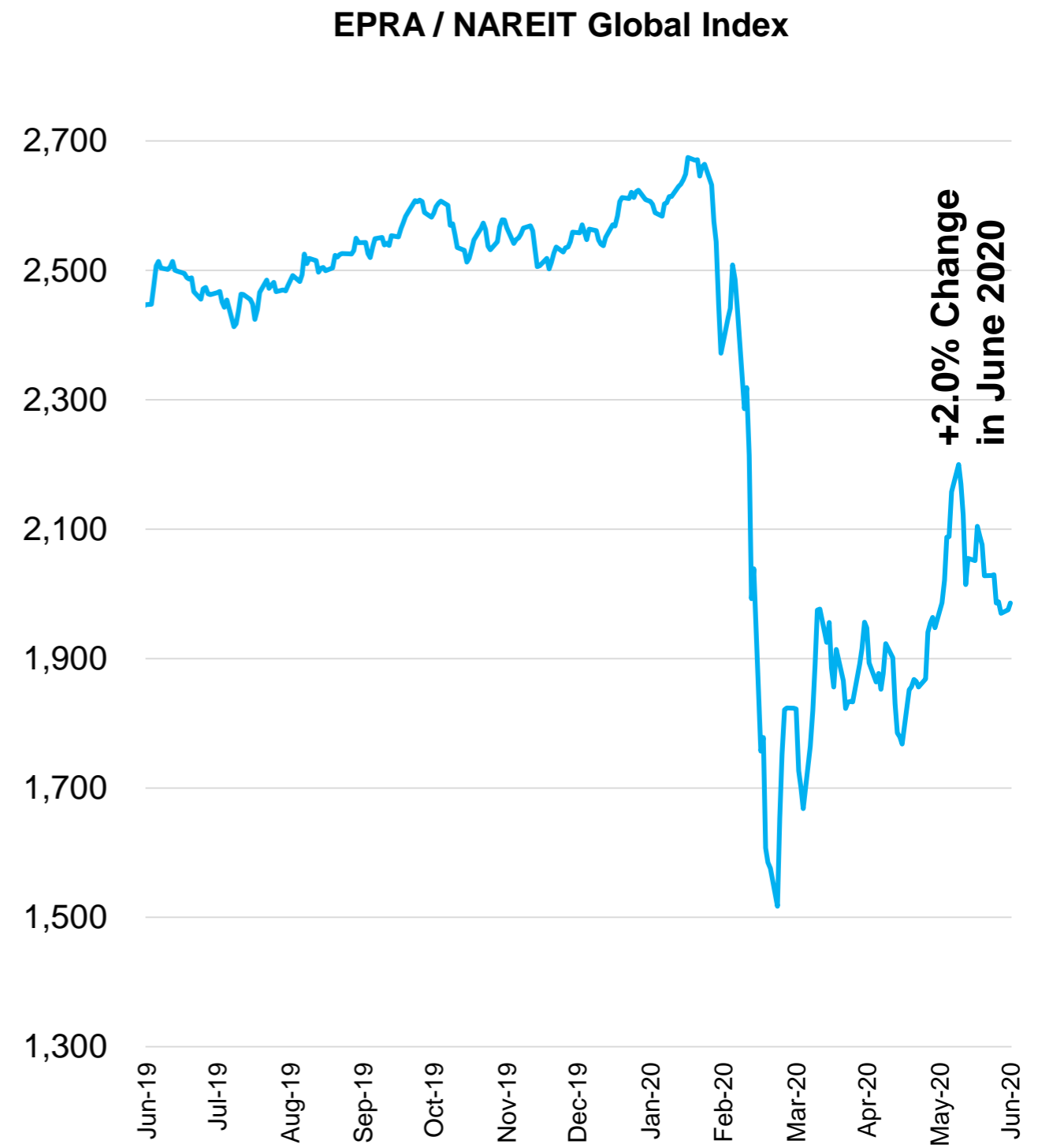
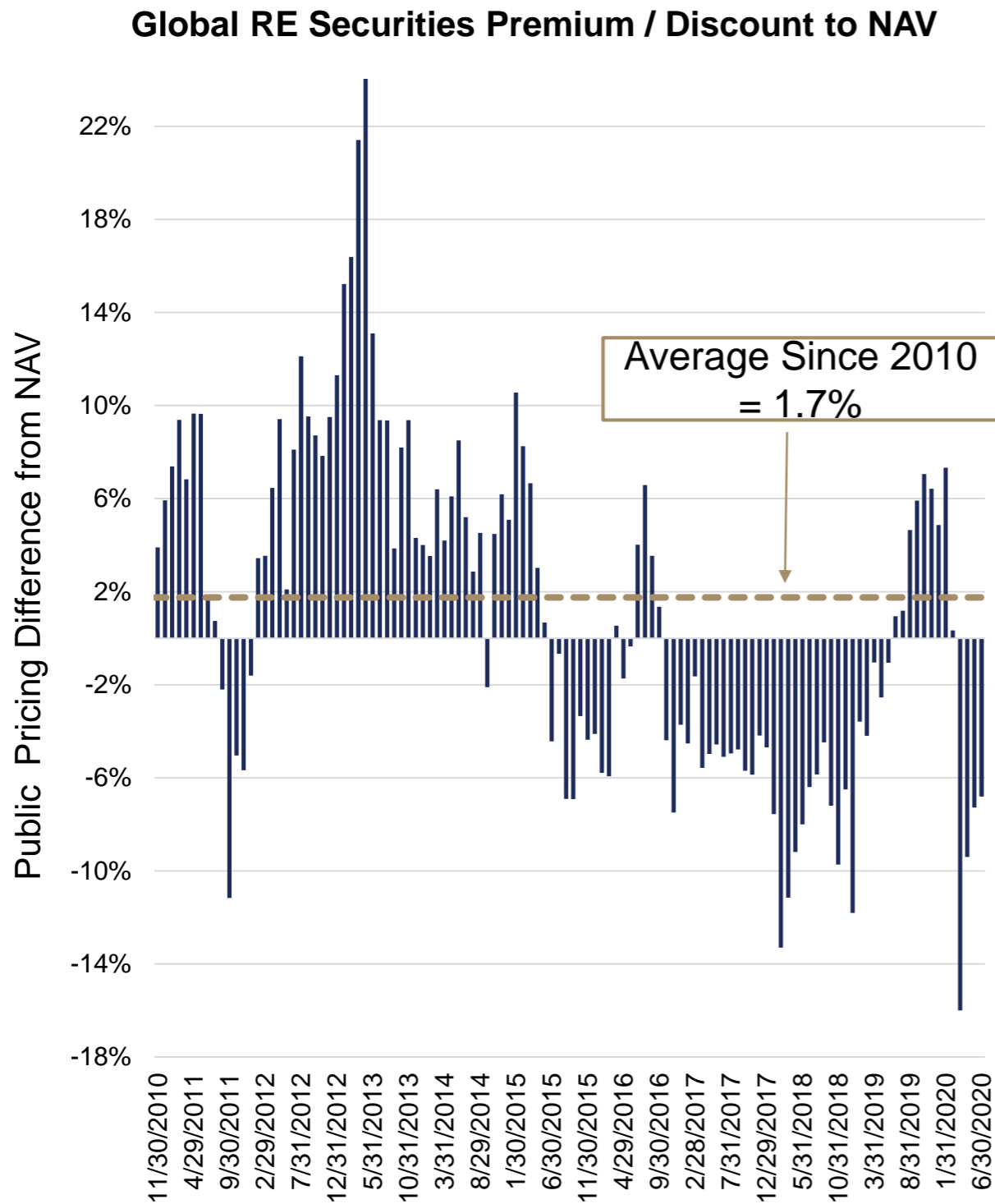
Global Transaction Volume, USD Billions



Source: RCA. Note: Closed transactions; excludes privatizations, hotels, senior housing, and development sites. Excludes transactions with a gross value of less than \$5 MM. Data through May 2020. Most recent as of 30 June 2020. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Global REITs Remain at 7% NAV Discount in June

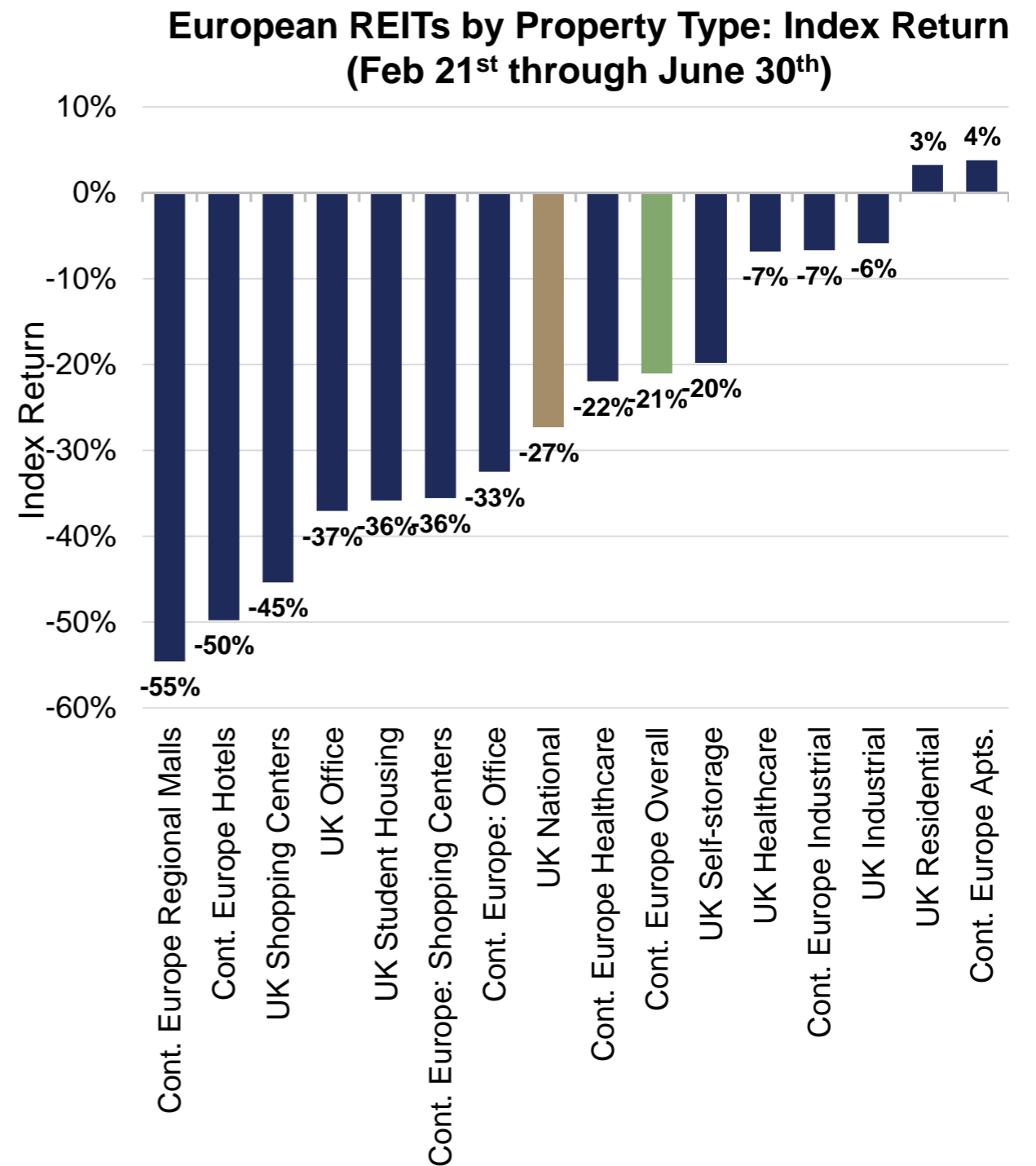
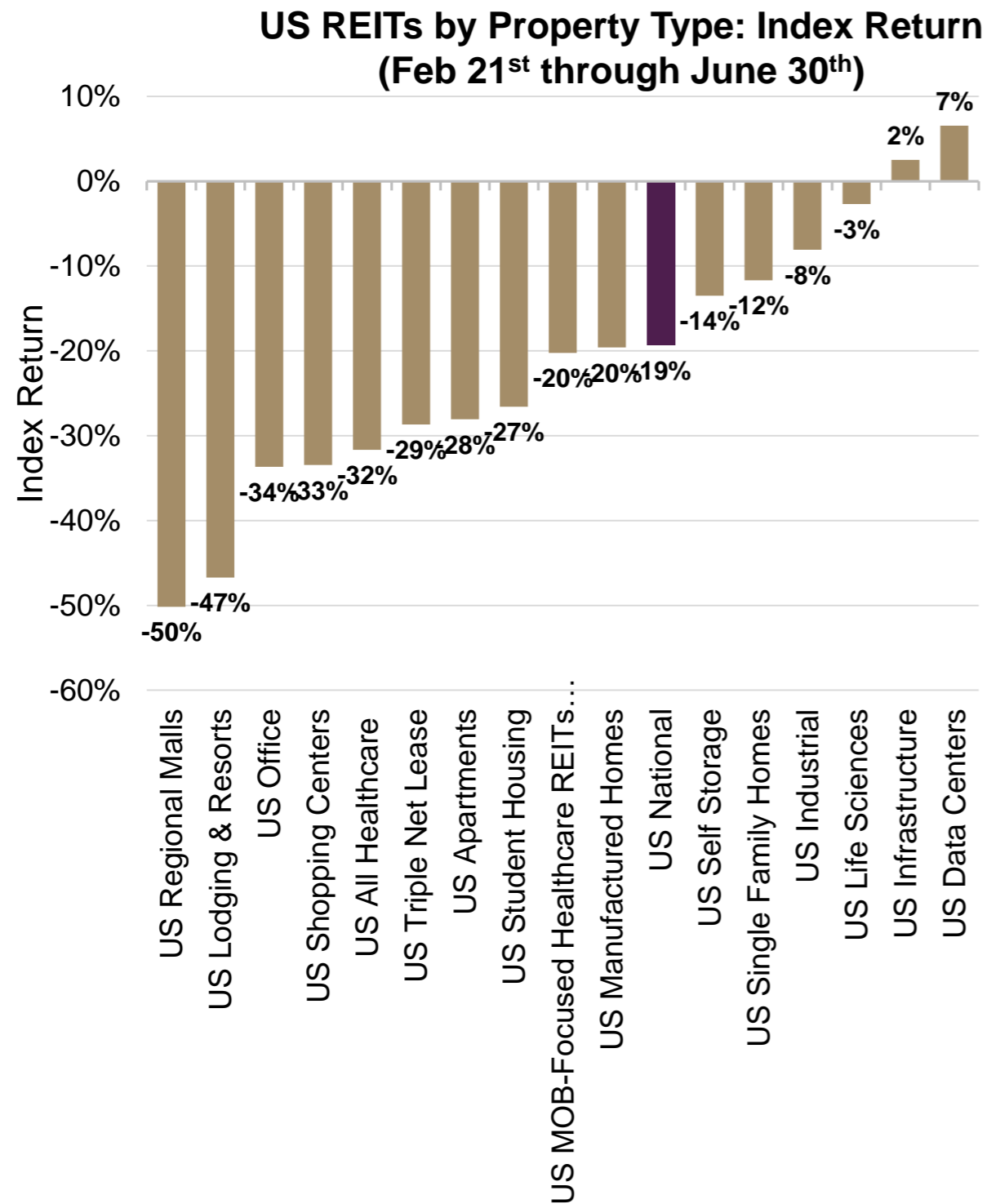
UP AND DOWN MONTH FOR EPRA/NAREIT GLOBAL INDEX



Source: EPRA/NAREIT, LaSalle Investment Management Securities. Discount to NAV and EPRA/NAREIT data to 30 June 2020. Past performance is not necessarily indicative of future results. There is no guarantee that any trends shown herein will continue

REIT Price Changes Reflect Diverging Property Type Outlooks

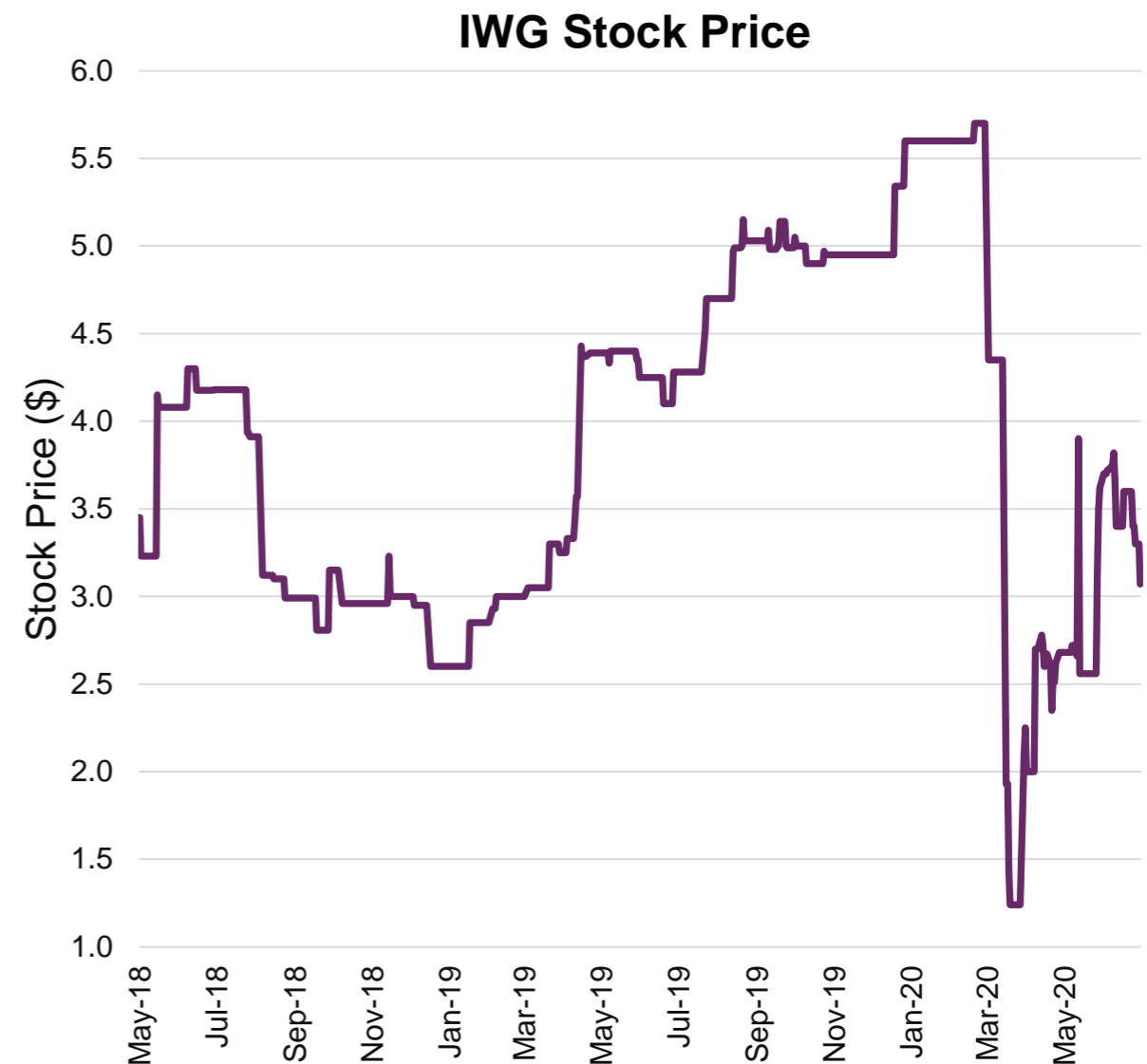
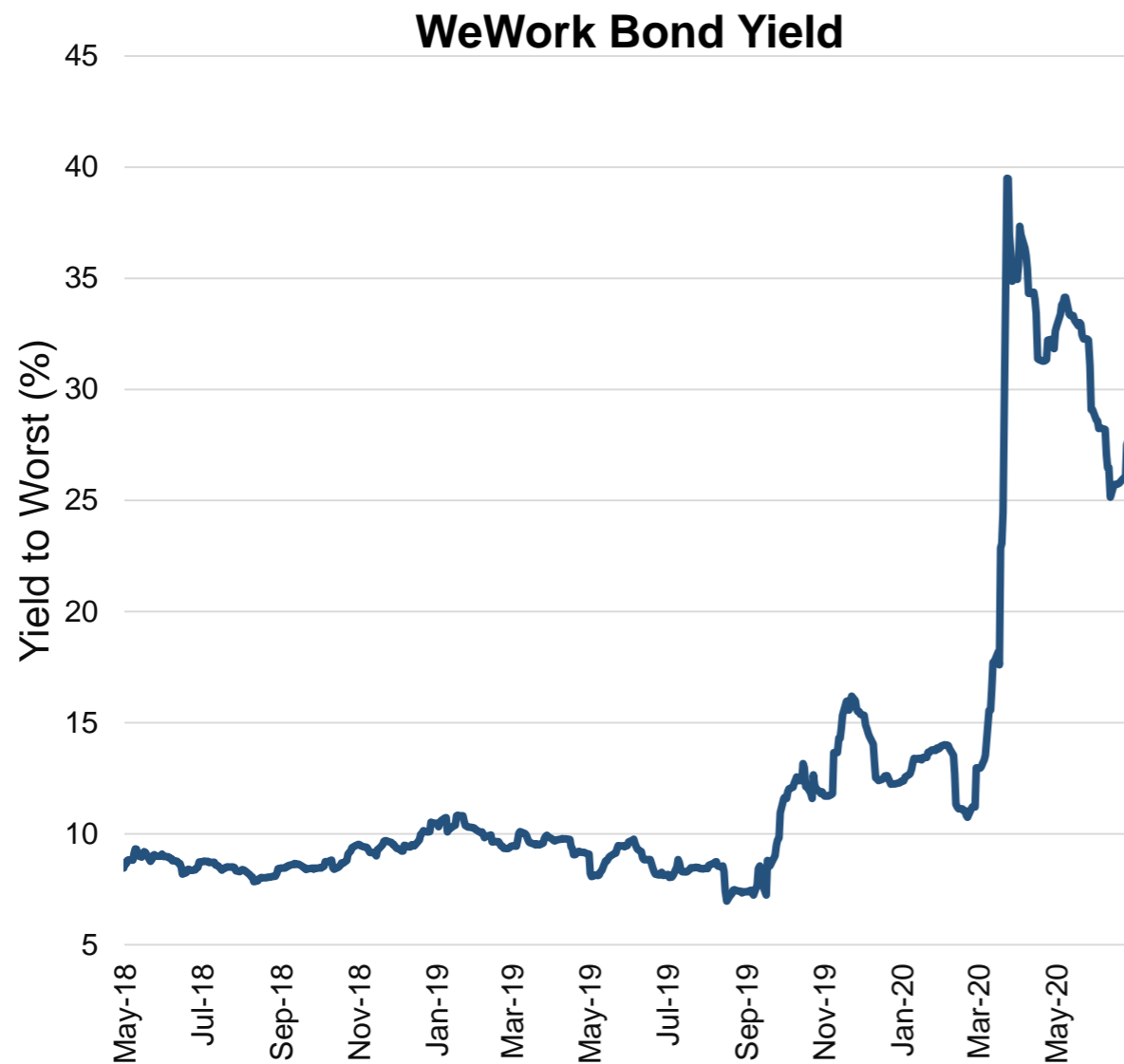
SIMILAR PATTERN IN US AND EUROPE



Note Most US healthcare REITs are diversified across several property types, owning seniors housing as well as life sciences, hospitals and medical office buildings. Source: NAREIT, EPRA LaSalle Global Real Estate Securities. Data to 30 June 2020 (US as of 3pm and Europe at end of day). Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Slight Improvement in WeWork Yields and IWG Pricing

WEWORK BONDS TRADING AT 28% YIELD; IWG (FORMERLY REGUS) STOCK PRICE HAS SOMEWHAT REBOUNDED



WeWork and IWG – International Workplace Group – are the two largest global flexible office providers based on total locations. In 2003, the US arm of Regus – IWG’s predecessor – filed for bankruptcy protection, though it exited bankruptcy within a year. Pre-COVID, WeWork was restructuring its business in the wake of a failed 2019 IPO. During the pandemic WeWork faced a new class action lawsuit and the departure of cofounder, Miguel McKelvey.

Source: WeWork yield-to-worst bond yield and IWG stock price via Bloomberg. Data through 30 June 2020.

Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Global Macro Indicators Summary

END OF JUNE 2020 DATA

	United States	United Kingdom	Germany	France	Japan	China	Australia	Canada
Official Interest Rate (Target Rate)	0.0 -0.25%	0.10%	0.0%	0.0%	-0.1%*	4.05%**	0.25%	0.25%
GDP(Q/Q) Ann.	-5.0% (1Q)	-8.5% (1Q)	-8.6% (1Q)	-19.7% (1Q)	-2.2% (1Q)	-6.8% (1Q) (Y/Y)	1.4% (1Q)	-8.2% (1Q)
CPI (Y/Y)	0.1%	0.5%	0.9%	0.1%	0.1%	2.4%	2.2%	-0.4%
Industrial Production (Y/Y)	-15.3%	-24.4%	-25.3%	-34.2%	-25.9%	4.4%	2.6%	-5.2%
Unemployment Rate	13.3%	3.9%	5.3%	8.7%	2.9%	3.7%	7.1%	13.7%
Retail Sales (Volume y-o-y)	-6.1%	-18.5%	-6.1%	-31.1%	-12.3%	-2.8%	-9.2%	-32.5%
Stock Market Price Index 2020 YTD (local)	-4.0%	-18.2%	-7.1%	-17.4%	-9.4%	-2.1%	-11.8%	-9.1%

Note: Changed data from last update is highlighted in bold

* Negative interest rates in Japan apply to marginal increases to reserves.

Source: The Economist <https://www.economist.com/markets-data>, Bloomberg. Latest data available as of 30 June 2020. **One Year Loan Prime Rate. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue.

Recent LaSalle Research & Strategy Publications



LaSalle Mid-Year ISA Update 2020

Reflecting on a completely changed environment, we update our global real estate investment recommendations.

A Message From LaSalle Global CEO Jeff Jacobson on COVID-19 [Link](#)



US NCREIF Index Review and Forecast : An update on NCREIF index returns through Q1 2020 and the latest returns forecasts incorporating the impact of COVID-19.



Asia-Pacific - Impact of COVID-19 on Real Estate Markets: This presentation tracks Asia-Pacific market impacts of COVID-19 in greater detail, with a focus on Japan and China.



North America - Impact of COVID-19 on Real Estate Markets: This report outlines several scenarios to consider, provides an update on capital markets signals, and predicts expected relative impacts by tenant industry, property type, and geography.



Europe- Impact of COVID-19 on Real Estate Markets: An update of our view on how COVID-19 disruption is affecting European economies, capital markets, and real estate.



Alberta, Canada Market Update

Alberta is expected to be the hardest hit among Canada's provinces by the recent sharp drop in oil prices. This paper provides an update on the likely impact to Alberta's economy and office markets.



A New Wave of US Residential Rent Control – LaSalle Article for PREA



WeWork Contraction Impact on Asia Pacific Office Markets



*JLL and LaSalle
Global Real Estate
Transparency Index
Forthcoming in July*



LASALLE RESEARCH & STRATEGY WEBSITE: lasalle.com/research

USERNAME: LaSalle

PASSWORD: WeBuildTrust

Regional Trends: Europe

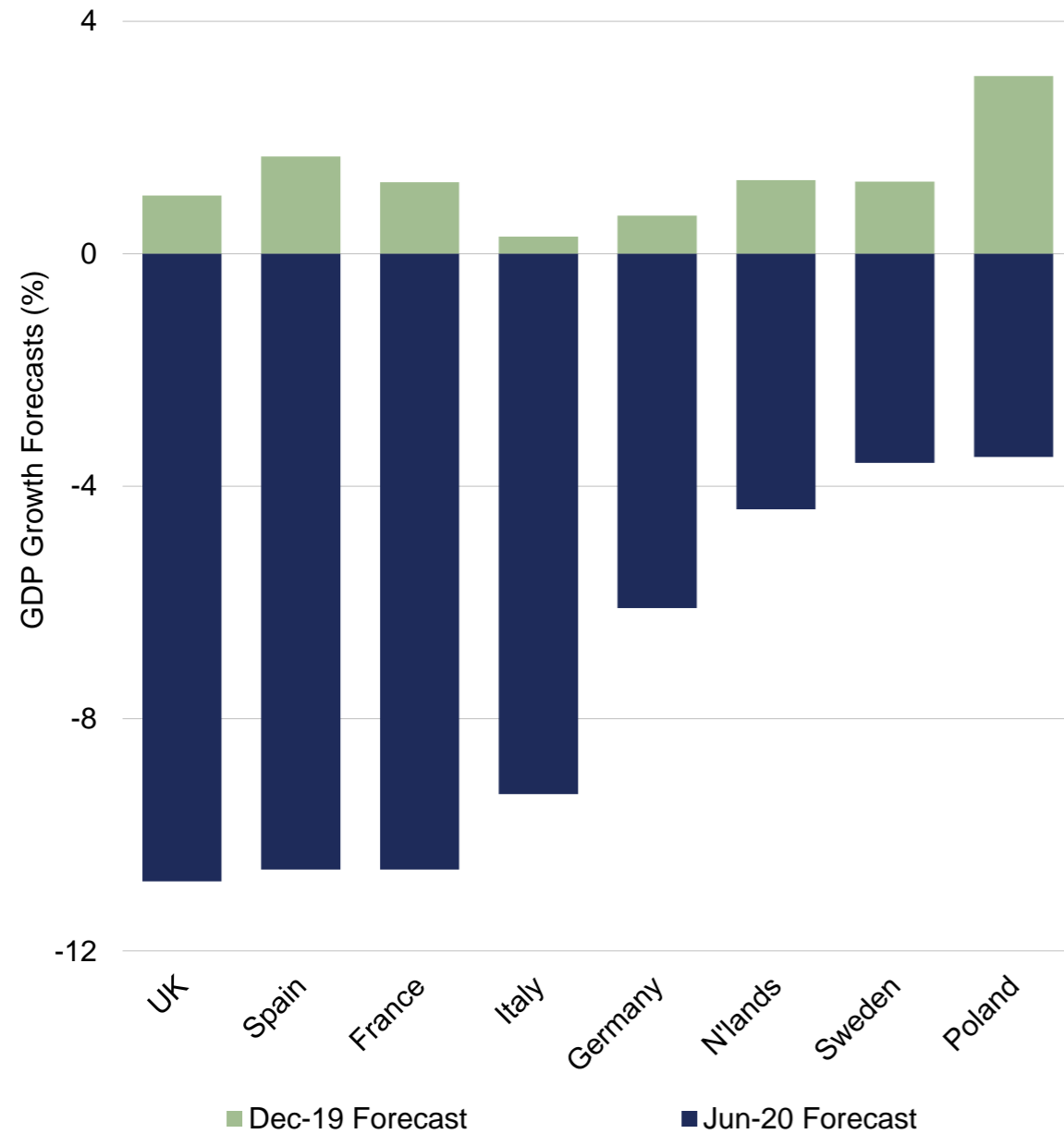


European Growth Outlook in 2020 Downgraded Sharply

HOWEVER, STRONG RECOVERY EXPECTED IN MOST COUNTRIES IN 2021

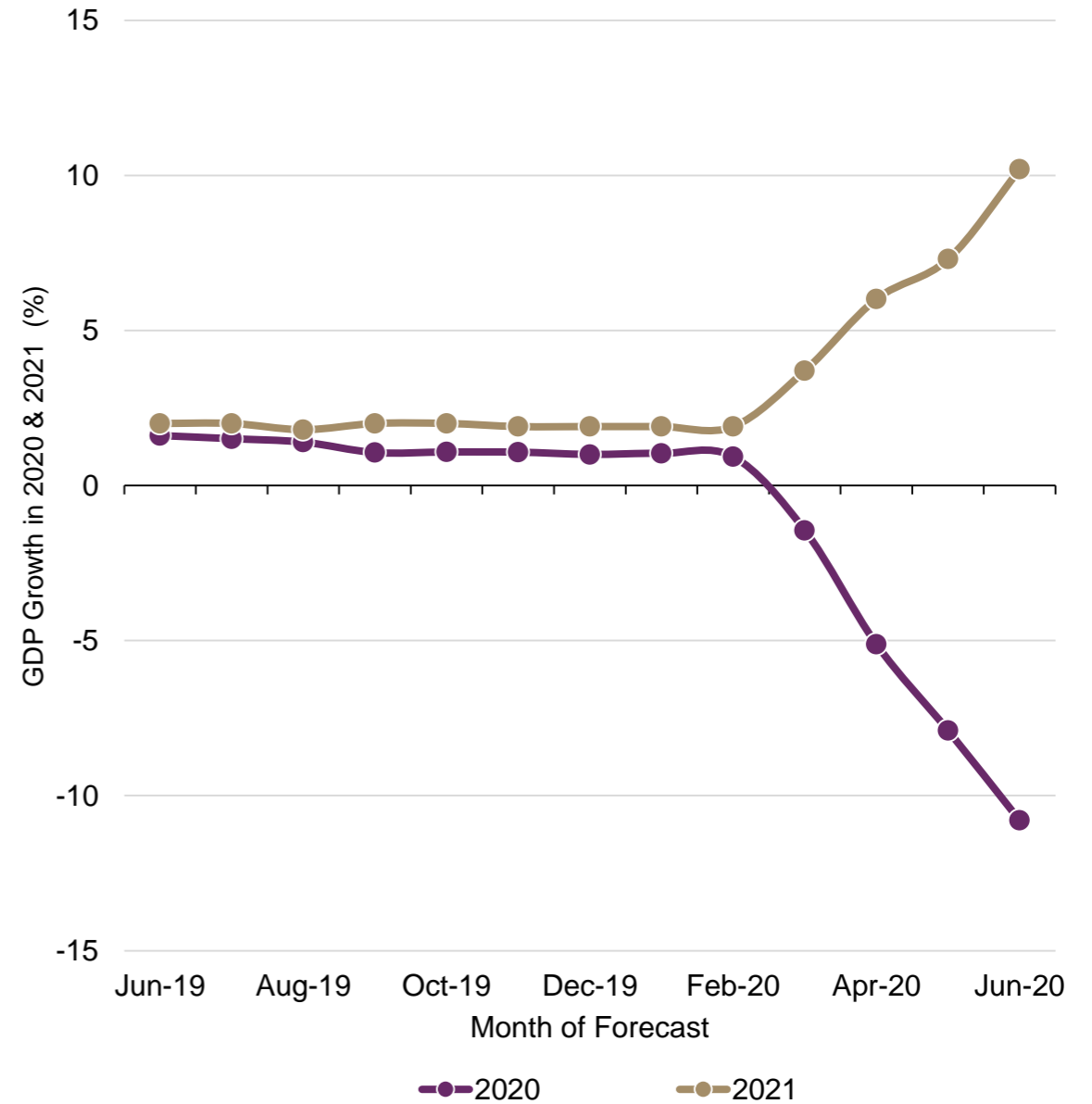
European GDP Growth 2020

[pre-outbreak vs latest, %]



UK GDP Growth 2020/21

[pre-outbreak vs latest, %]



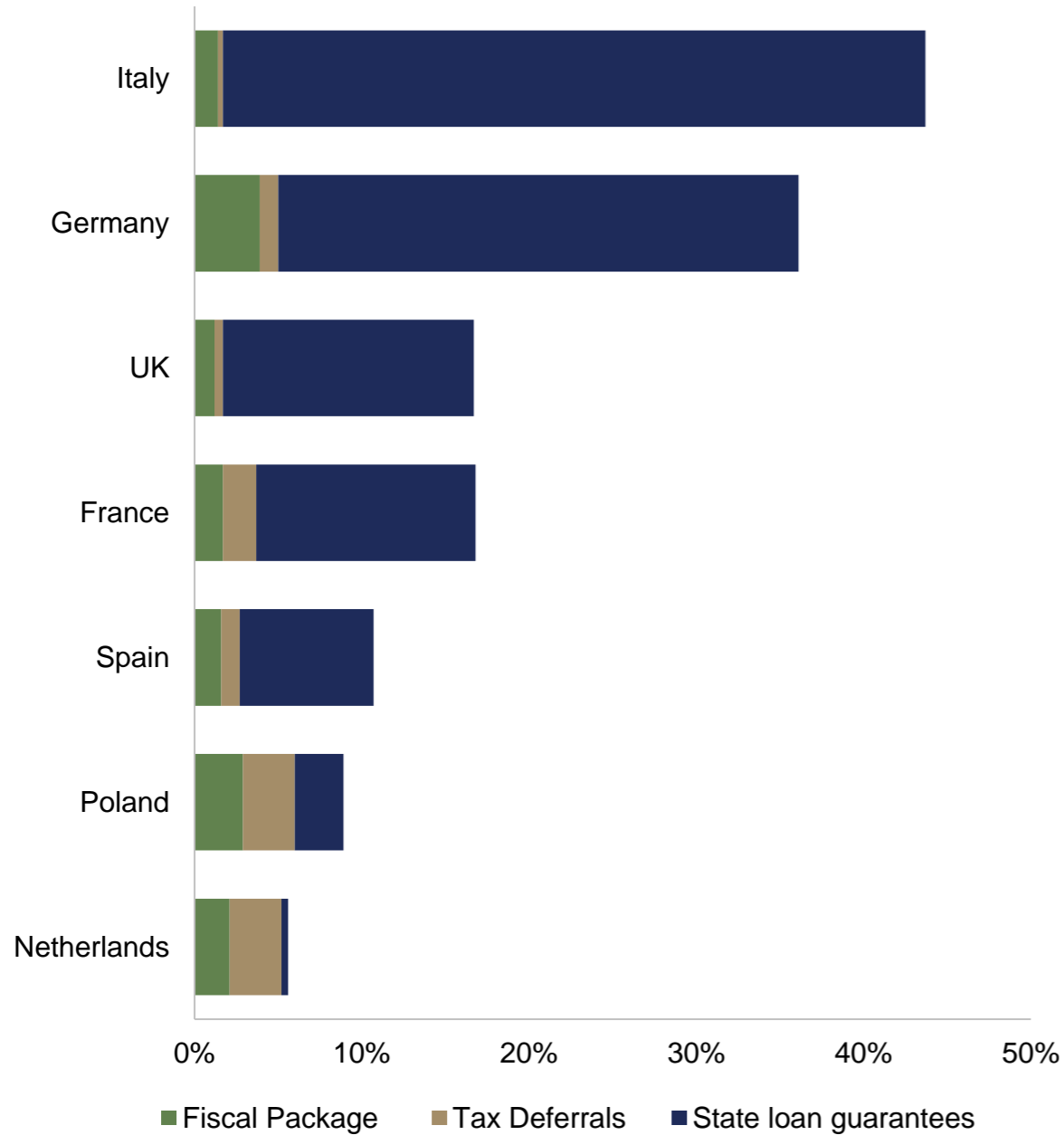
Source: LaSalle (06/20) Oxford Economics (06/20)

German Policy Response One of the Strongest in Europe

GERMANY AND NETHERLANDS BETTER PLACED TO ACCOMMODATE FOR THE FISCAL STIMULUS

Policy Responses as Proportion of GDP

[%]



Sovereign Credit Ratings

	Moody's	S&P	Fitch
Aaa or AAA	Germany Netherlands US	Germany Netherlands	Germany Netherlands US
Aa1 or AA+		US	
Aa2 or AA	France UK	France UK	France
Aa3 or AA-			UK
A1 or A+	China	China	China
A2 or A	Poland	Spain	
A3 or A-		Poland	Poland Spain
Baa1 or BBB+	Spain		
Baa2 or BBB		Italy	
Baa3 or BBB-	Italy		Italy

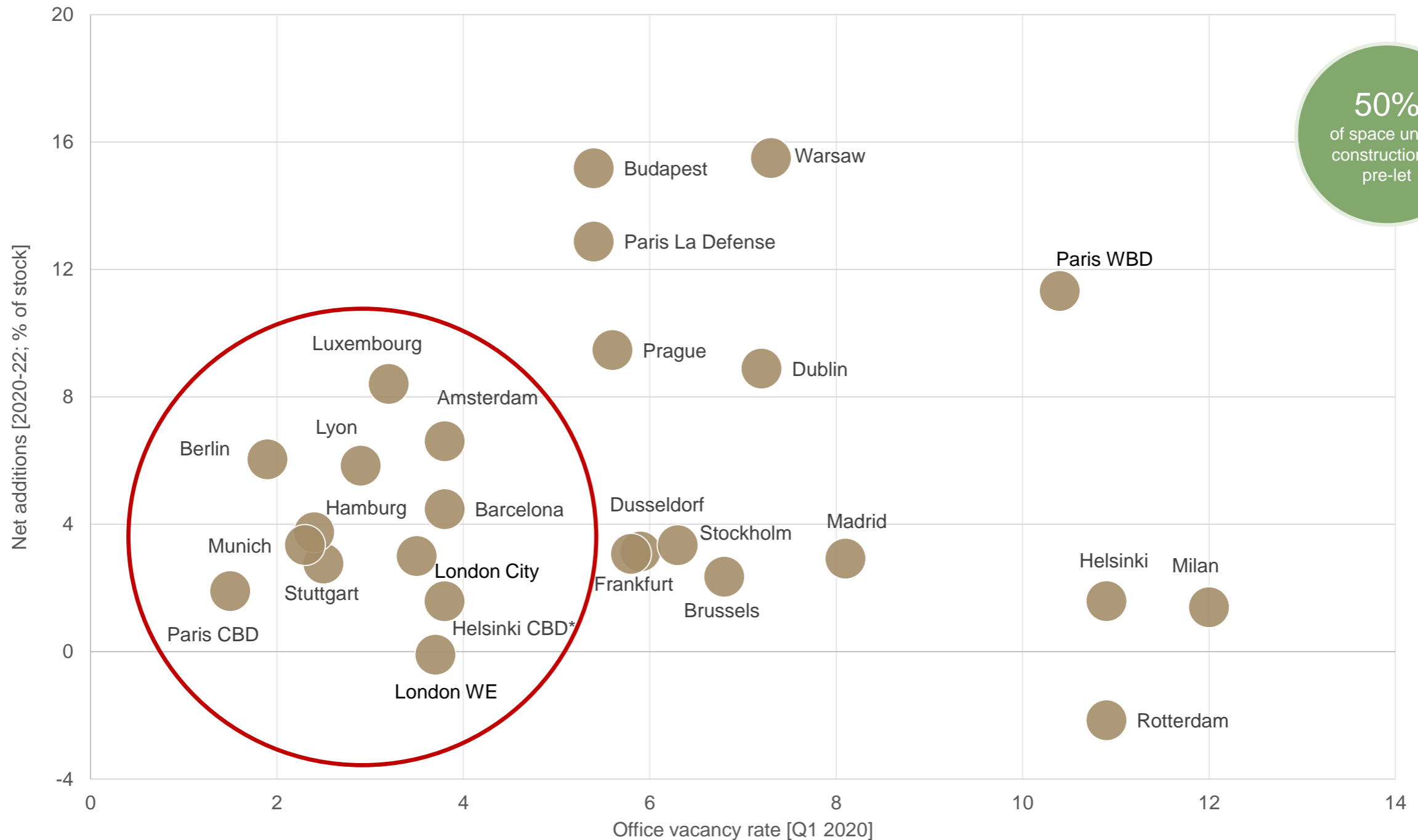
Source: LaSalle (06/20) Oxford Economics (03/20) WorldGovernmentBonds.com (06/20)

Undersupply in Strong DTU+E Markets to Mitigate Rent Declines

PARIS CBD & GERMAN MARKETS OFFER STRONGER OCCUPIER FUNDAMENTALS

Current Office Vacancy vs Future Supply

[2020-22; %]



Source: PMA (H1 2020) JLL (Q1 2020) LaSalle (05/20)

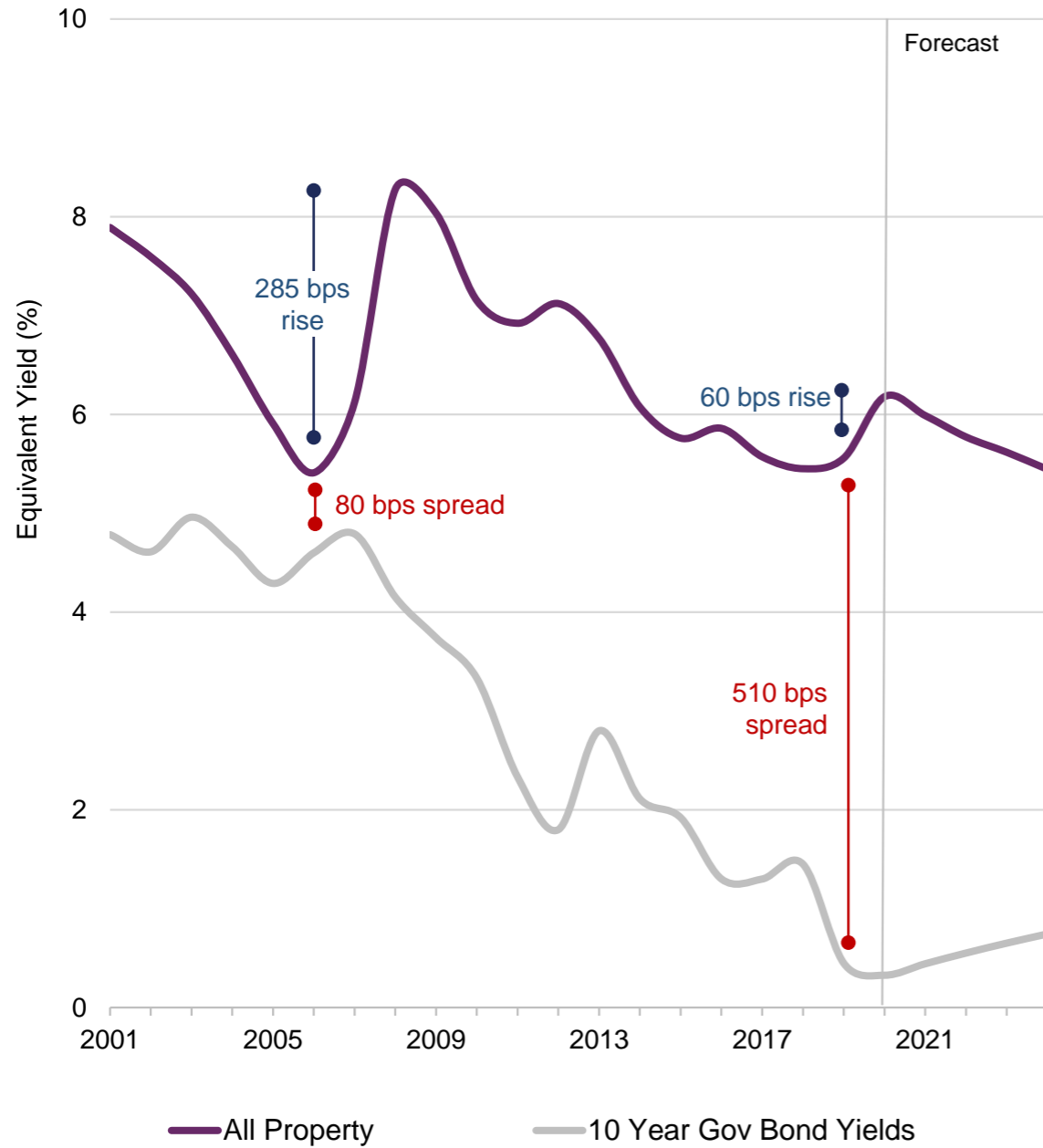
Paris submarkets are JLL future supply as % of stock rather than PMA net additions Helsinki CBD takes into account CBD's vacancy and overall market net absorption

UK Yield Spreads Widen

DESPITE RELATIVELY ATTRACTIVE PRICING, ONLY A MODEST YIELD RECOVERY EXPECTED IN RETAIL

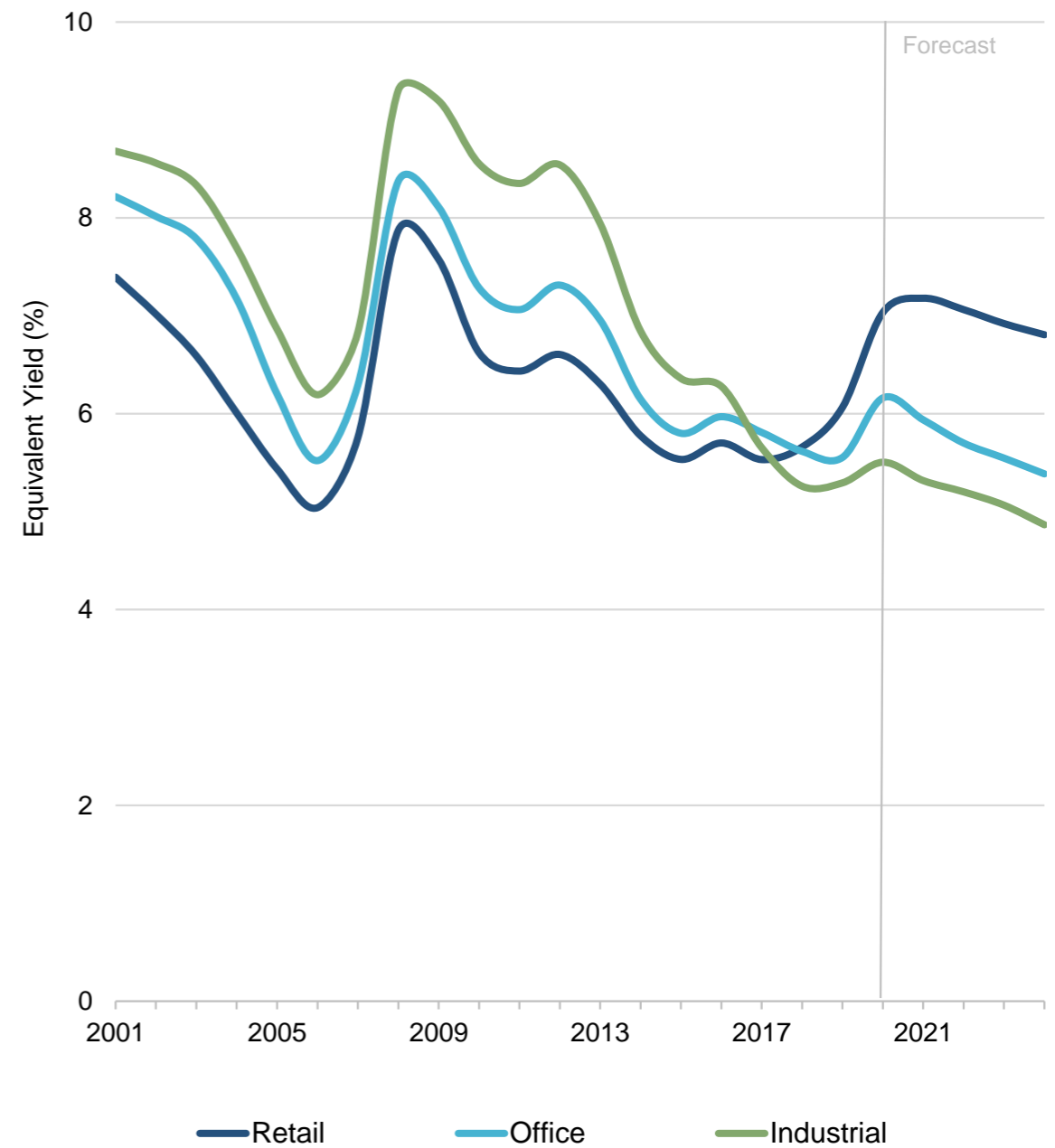
UK All Property Equivalent Yields

[%]



UK Sector Equivalent Yields

[%]



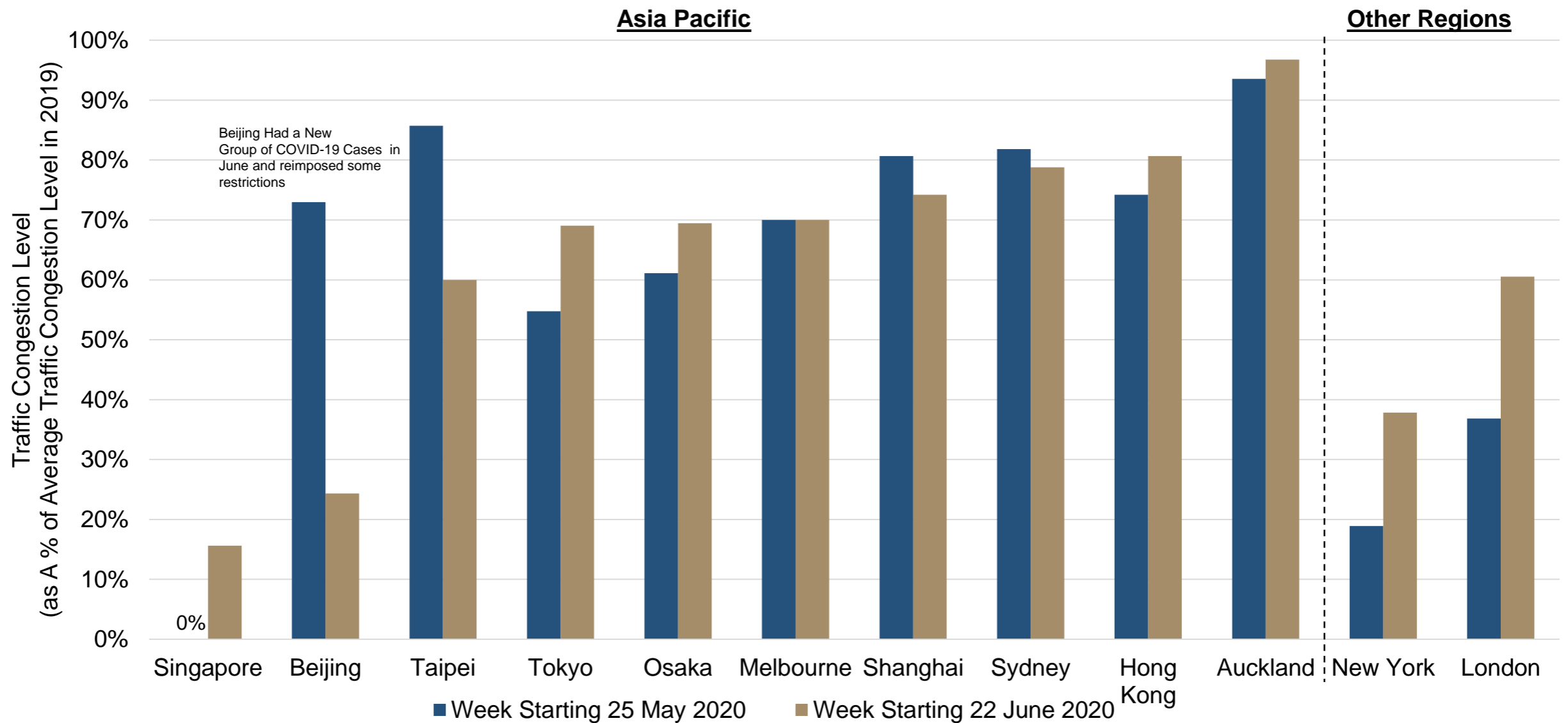
Source: LaSalle (05/20) MSCI (12/19) Thomson Reuters (06/30)

Regional Trends: Asia Pacific



Asia Pacific Traffic Approaching 2019 Levels in Many Markets

Traffic Congestion Level (as % of Average Traffic Congestion Level in 2019)



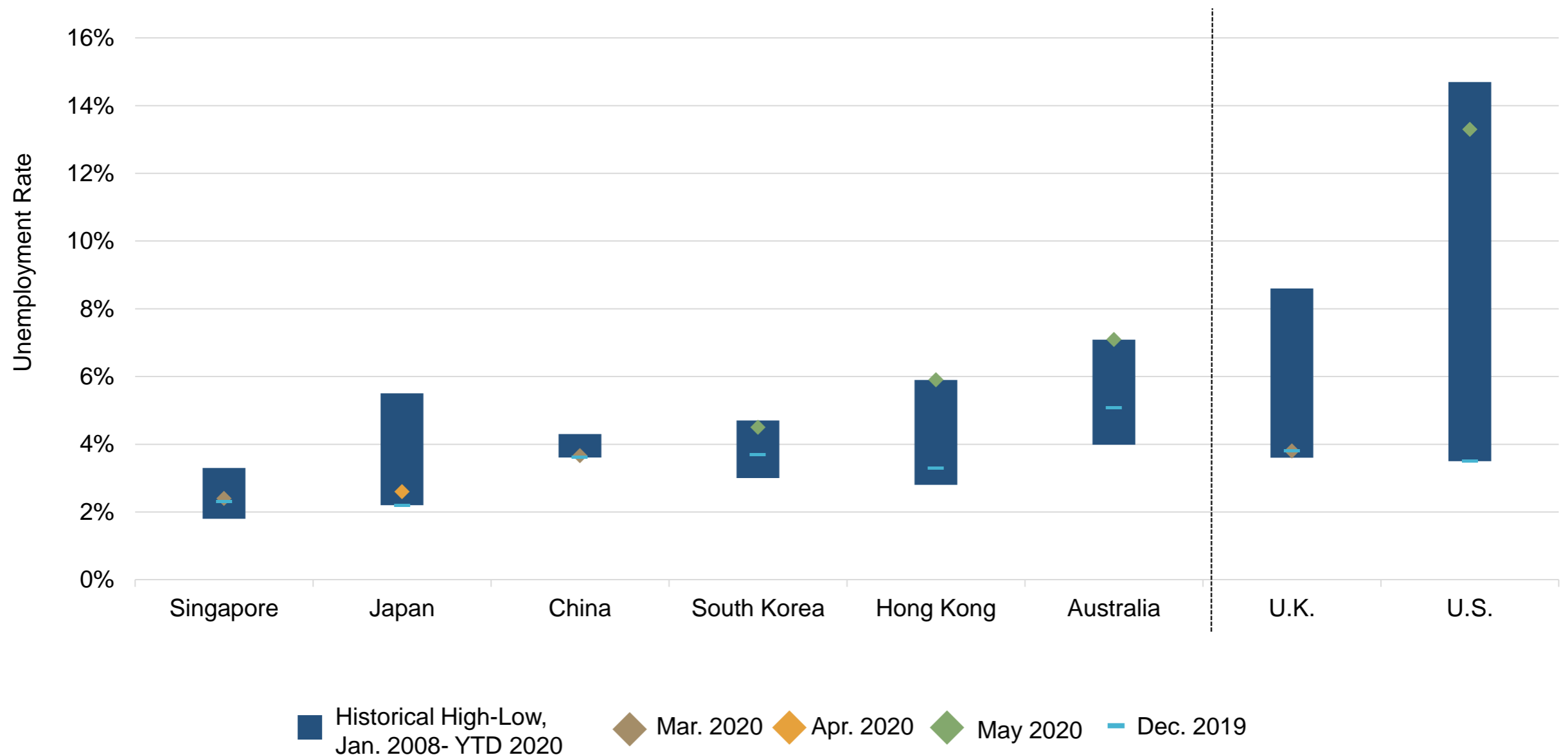
Note: Congestion level is the extra travel time drivers are experiencing on average in comparison to baseline uncongested conditions. This baseline is based on analysing free-flow travel times of all vehicles on the entire road network throughout the year. The data presented are the weighted averages derived from hourly data for the last week of each month.

Source: TomTom, as of 29th June 2020

Major Asia Pacific Labor Markets Fare Better Than the U.S.

THE IMPACT OF COVID-19 IS EVIDENT IN LABOR MARKETS

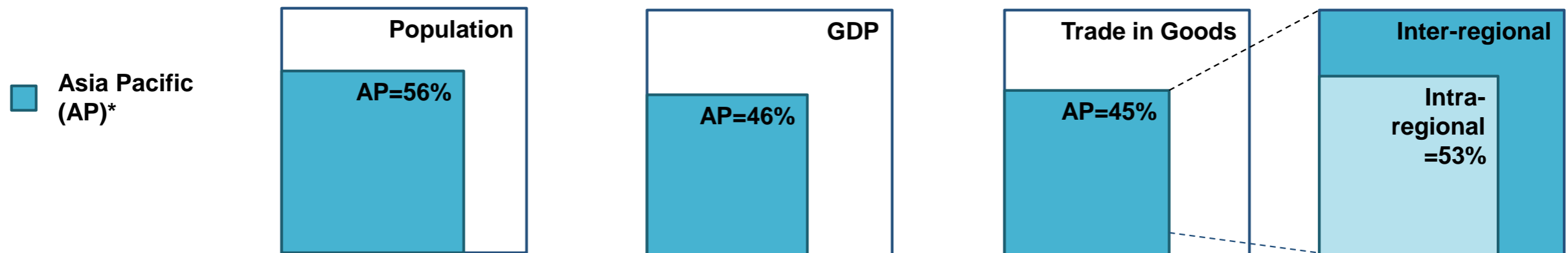
Unemployment Rate Change Comparison



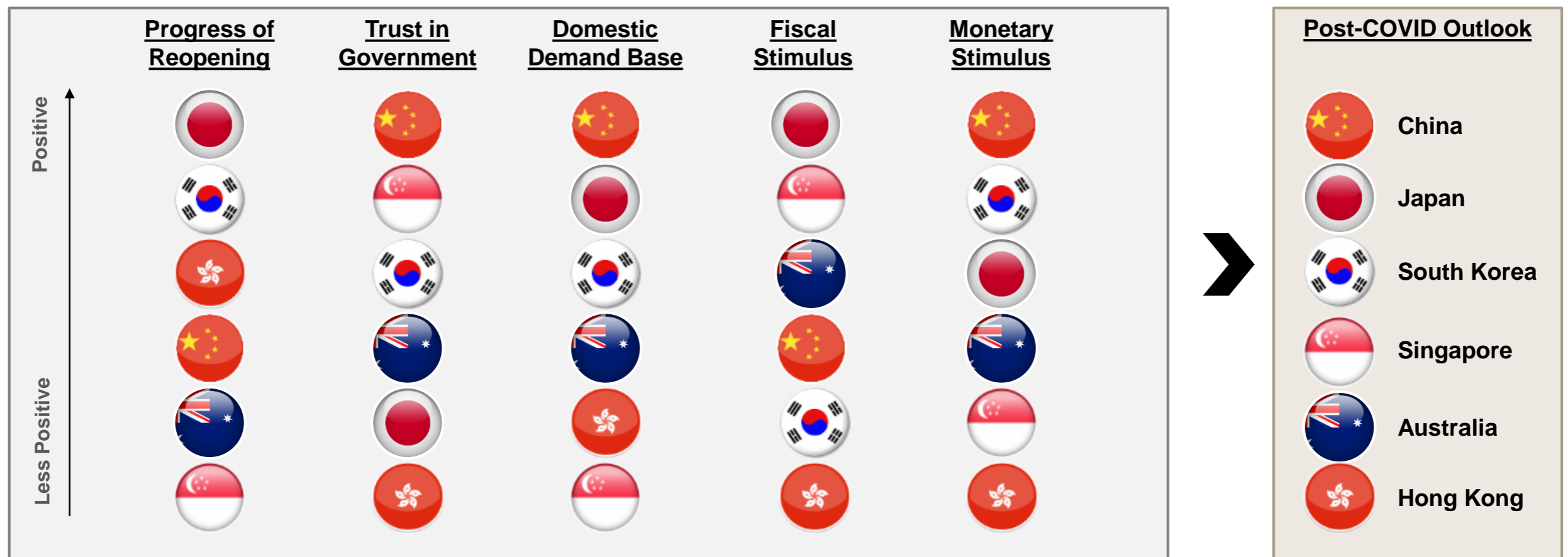
* Note: The latest unemployment rate data is as of May 2020 for Australia, Hong Kong, South Korea, and U.S.; April 2020 for Japan, and March 2020 for China, Singapore and U.K.
Source: CEIC, as of 25th June 2020

Asia Pacific Is The Largest Economic Region in the World

Asia Pacific in A Global Perspective (as A % of the World)



Asia Pacific Economic Outlook Post-COVID



Note:

- Asia Pacific includes economies such as Australia, China, Hong Kong, Japan, Macau, New Zealand, Singapore, South Korea, and Emerging Asia.
- Trade in goods is defined as the aggregate of both import and export of goods.

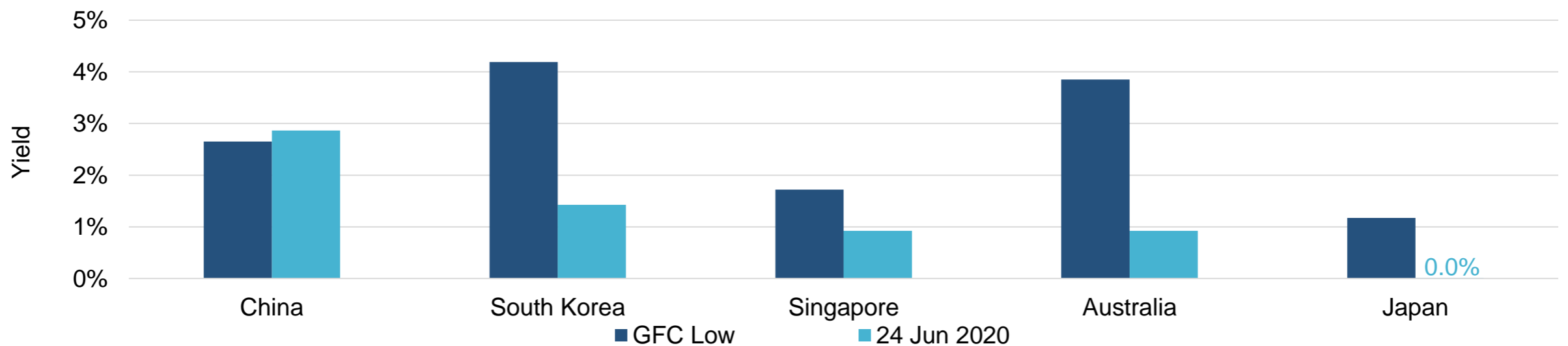
Source: IMF Direction of Trade Database (Trade in goods data), as of 2018; Oxford Economics (Nominal GDP purchasing power parity (PPP) exchange rate basis, Population), as of 2019; Edelman Trust Barometer (Trust in Government data is as of May 2020, except Australia, Hong Kong, and Singapore which are as of December 2019); Goldman Sachs Effective Lockdown Index, as of 16th June 2020; The Services Australia, as of 4th June 2020; The Singapore Ministry of Finance and The Monetary Authority of Singapore, as of 26th May 2020; The Hong Kong Monetary Authority, 8th April 2020; The Cabinet Office of Japan (economic measures announced on 5th December 2019); The Cabinet Secretariat of Japan (fiscal stimulus and financial support on COVID-19, as of 7th April 2020); The Ministry of Finance of Japan (social welfare spending due to consumption tax hike, as of 20th December 2019); The Ministry of Economy and Finance of South Korea, as of 3rd June 2020; The Ministry of Finance of PRC, and The People's Bank of China, as of 3rd June 2020.

Asia-Pacific: Risk-free Rates & Risk Premia Below GFC Levels

Asia Pacific Corporate Bond Yield Spreads – High-Yield Bond minus Investment-Grade Bond



10-Year Government Bond Yields



Source: Data for Asia Pacific investment grade (AA) corporate bond yields and high yield (B) corporate bond yields are sourced from Bank of America Merrill Lynch via Bloomberg, Government bond yields are sourced from Bloomberg, as of 24th June 2020

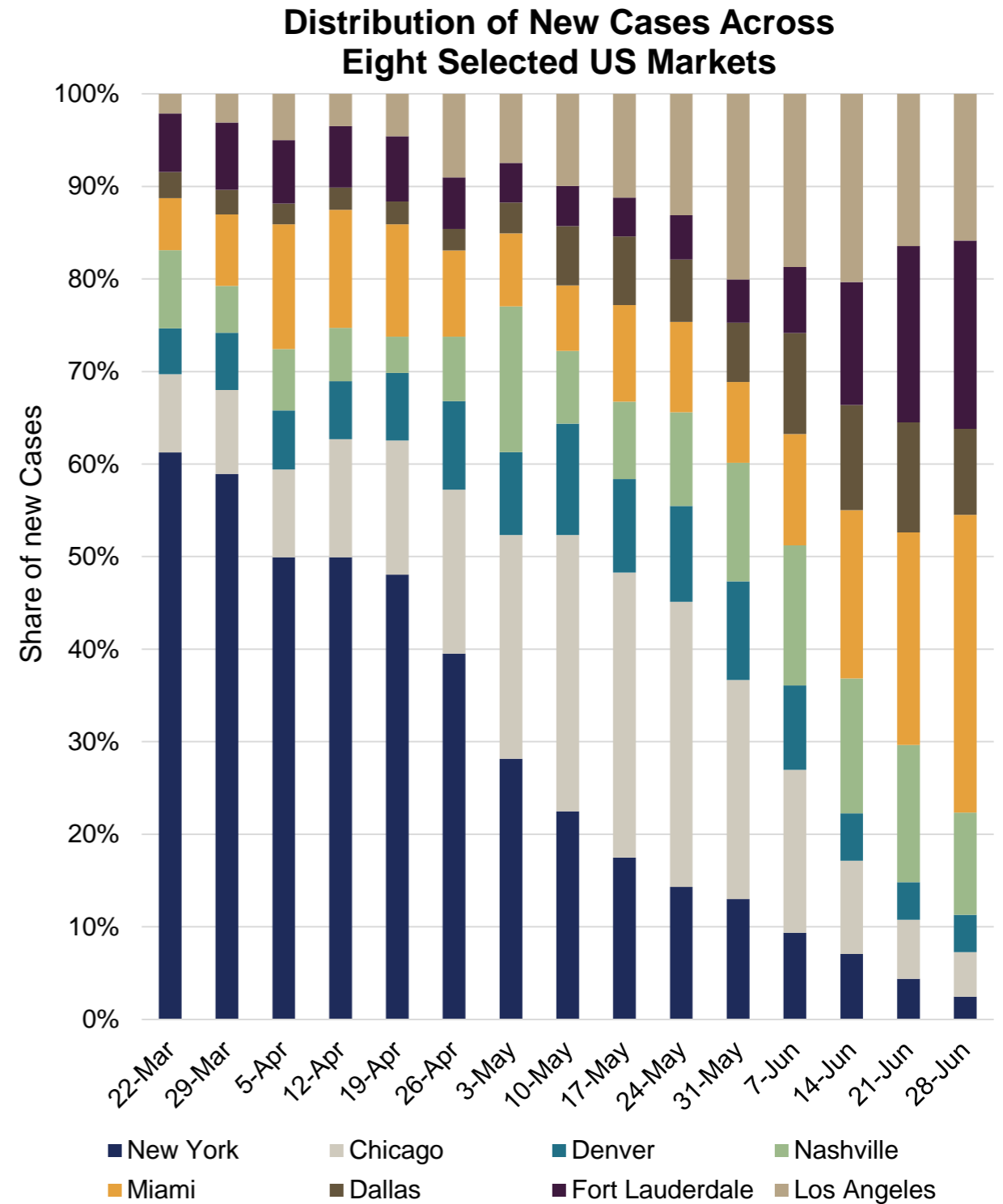
Regional Trends: Americas



Surge of New Cases Across US Markets

HOT SPOTS EMERGING AMONG MARKETS WITH LIMITED IMPACT IN FIRST WAVE OF INFECTIONS

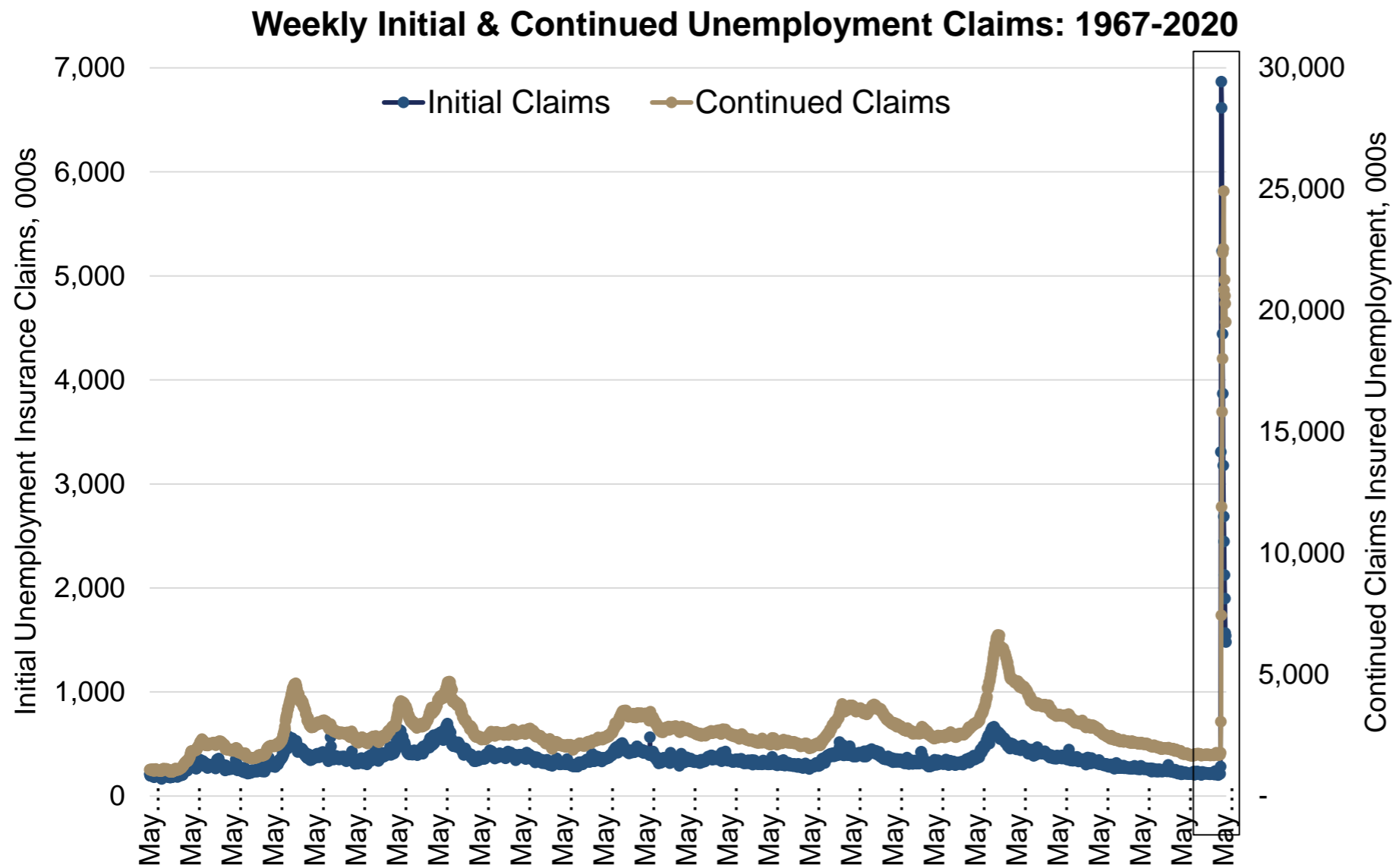
Top NCREIF Investment Markets	COVID-19 Prevalence Variables				Social Distancing	
	Known Cases per 100k Residents	Known New Cases per 100k Residents (3 Day Avg)	Case Growth Rate (3 Day Avg)	Positive Test Rate (3 Day Avg)	Weekly % of People at Home	Change % People At Home Since January 2020
New York	2497	4	0.2%	1%	38%	15%
Los Angeles	955	21	2.3%	6%	35%	15%
Washington, DC	1331	7	0.5%	1%	39%	16%
Chicago	1474	6	0.4%	3%	33%	11%
San Francisco	402	6	1.6%	6%	40%	21%
Seattle	436	4	1.0%	5%	36%	13%
Dallas	521	11	2.1%	15%	32%	13%
Boston	1839	4	0.2%	3%	35%	14%
Houston	569	17	3.2%	15%	33%	13%
Riverside	586	9	1.5%	6%	33%	11%
Denver	686	6	0.9%	5%	32%	11%
Atlanta	610	11	1.9%	12%	30%	11%
San Jose	217	5	2.3%	6%	40%	20%
San Diego	400	14	3.7%	6%	33%	13%
Oakland	305	6	2.1%	6%	38%	17%
Orange County	388	11	3.1%	6%	32%	14%
Miami	1227	61	5.6%	17%	32%	13%
Cambridge	1666	4	0.2%	3%	34%	14%
Austin	584	23	4.4%	15%	33%	14%
Phoenix	989	56	6.4%	24%	33%	11%
Portland	197	5	2.6%	N/A	35%	11%
Fort Lauderdale	767	36	5.1%	17%	33%	13%
Las Vegas	616	30	5.5%	19%	35%	10%
Honolulu	63	1	2.3%	1%	30%	12%
Baltimore	888	5	0.6%	5%	35%	12%
Orlando	587	56	11.7%	17%	33%	12%
Charlotte	674	22	3.6%	8%	27%	8%
Minneapolis	643	8	1.3%	3%	32%	11%
Suburban MD	1331	7	0.5%	1%	35%	12%
West Palm Beach	917	35	4.2%	17%	32%	12%
Nashville	873	14	1.6%	10%	27%	8%



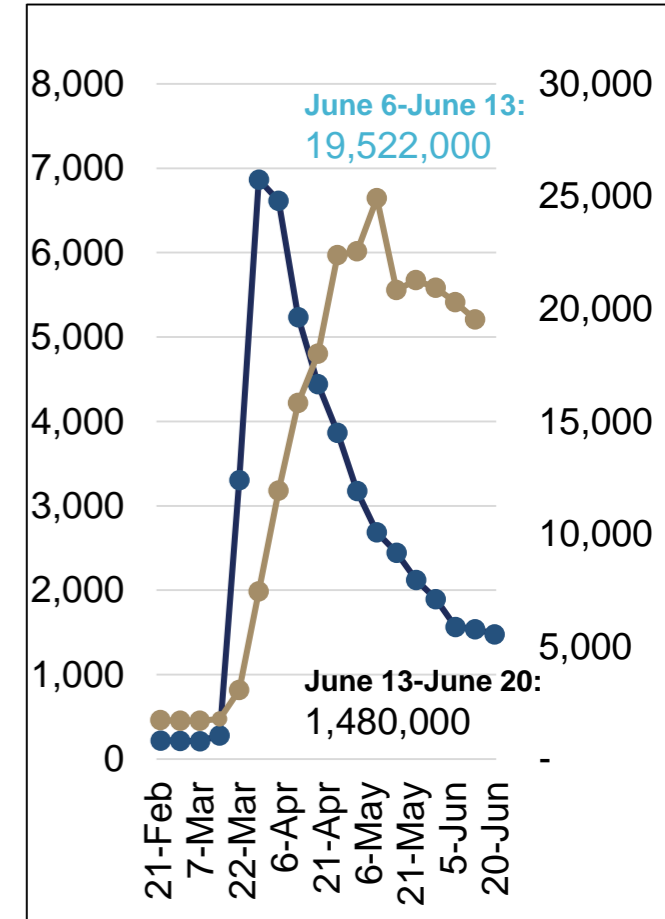
Notes: Data as of 6/28/2020 for COVID-19 Variables and as of 6/25/2020 for Social Distancing. Markets in the table are ranked based on total NPI investment. Source: LaSalle Investment Management, COVID Tracking Project (<https://covidtracking.com/>) and Safegraph.com

US Continuing UI Claims Down But Still Extremely High

WEEKLY INITIAL UNEMPLOYMENT CLAIMS SURPASS 47M IN 14 WEEKS



Inset

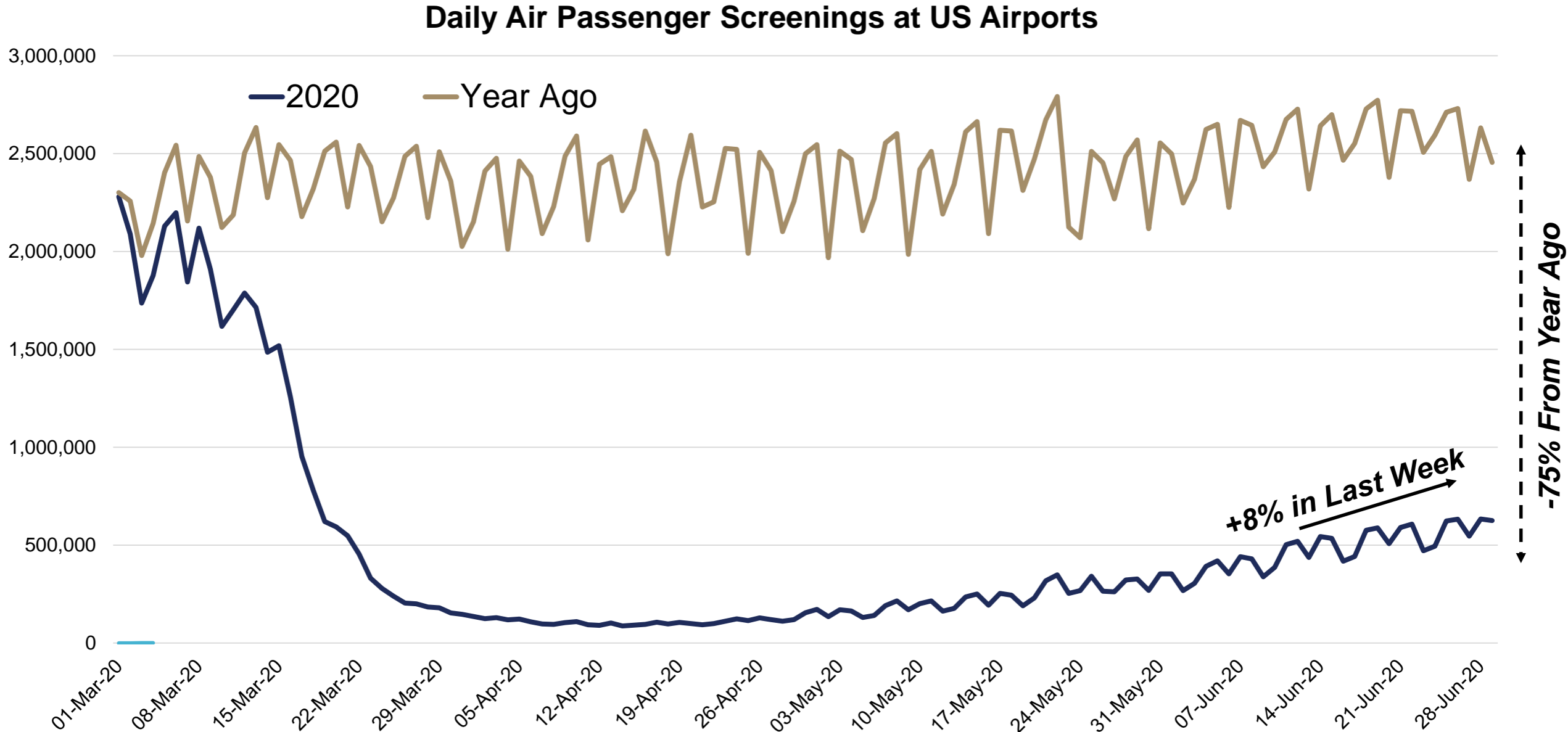


Weekly continuing claims fell by 767,000 to 19.5 million during the week ending June 13th. Weekly initial unemployment claims for the week ending June 20th continued its downward trend for the twelfth consecutive week. Despite declining levels, claims remained 2.1 times higher than the highest previously recorded level of claims from 1967 through March 14th 2020.

Source: U.S. Employment and Training Administration, FRED. Continuing Unemployment Claims Data through 13 June 2020, Initial Unemployment Claims Data through 20 June 2020, latest as of 30 June 2020. Note: Past performance is not indicative of future results. There is no guarantee that any trends shown herein will continue or that any forecasts shown herein will materialize as expected.

US Air Travel Numbers Gradually Increasing

BUT STILL A QUARTER OF YEAR AGO LEVELS



The data above shows the number of passengers screened by the US Transportation Security Administration.

Source: Transportation Security Administration (<https://www.tsa.gov/coronavirus/passenger-throughput>). Data to 29 June 2020.

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