

Asia property securities funds come top in 2007 after resisting subprime crisis

The average performance of property securities funds in regions around the world was negative last year – except for in Asia.

According to property equities research specialist AME Capital, the poor fourth quarter of 2007 meant that global, US, Australian and European mandates all performed badly.

AME Capital has launched a database and research service covering 685 property security funds with total assets under management of \$170bn. There are now 97 European funds managing \$23bn.

The first monthly report says that Asian mandates had previously withstood the subprime fallout, but the decline in Q4 meant that average returns, although the

best across all mandates, were cut to 0.25% for 2007.

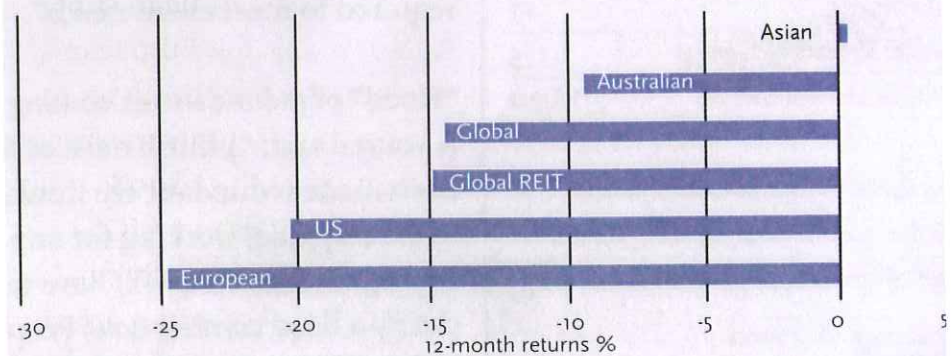
Europe – which had been the best-performing area in 2006, at 45.3% – was the worst in 2007, at -24%. After a seven-year bull run, US mandates were the second-worst performers, at -20%.

AME Capital chairman Alex

Moss said: “Not surprisingly, the majority of the best-performing funds in these periods have one or some of the following: exposure to Asia, an ability to go short and a wide-ranging mandate that allows investment outside the traditional real estate companies in the benchmark indices.”

2007: a poor year for securities funds

Average returns for Asia funds was 0.25%, the only positive result worldwide



SOURCE: AME CAPITAL