

UK REAL ESTATE MARKET SHRINKS AS MSCI RELEASES ANNUAL MARKET SIZE REPORT

London: July 18, 2019 - MSCI Inc. (NYSE: MSCI), a leading provider of critical decision support tools and services for the global investment community, has released its annual [Real Estate Market Size report](#) for 2018, examining the size of the professionally managed global real estate investment market. The key findings of this year's report are as follows:

- The size of the global professionally managed real estate market rose from \$8.5tn in 2017 to \$8.9tn for 2018
- The UK real estate market size grew by GBP 28 billion to GBP 560 billion.
- The UK remains in third position in terms of size relative to the MSCI Global Annual Property Index
- Despite both markets seeing growth, China replaced Germany as the fourth largest market in 2018
- The relative weight of the US market within the MSCI Global Annual Property Index increased in 2018, following a decline in 2017
- Currency movements effectively decreased the size of the global real estate investment market by approximately -2.6% in U.S. dollars, in contrast to +5.3% impact from 2017

The MSCI Real Estate Market Size Report estimates the size of the professionally managed real estate investment markets across 32 countries. The estimates are driven by national market changes, including local capital growth fluctuations, currency movements, and structural changes within each market. This data is fundamental in creating the MSCI Global Annual Property Index, which weights the real estate investment returns across 25 major markets, excluding seven Asian nations: China, Hong Kong, Indonesia, Malaysia, Singapore, Taiwan and Thailand.

Will Robson, Global Head of Real Estate Solutions Research at MSCI, comments: "Our annual market size report is designed to give investors transparency and clarity into the workings of the global real estate market and provide the insight they need to make informed investment decisions. This year's report has highlighted the significant impact currency fluctuations had on global real estate portfolios, as well as the interesting shifts at play in the UK, US and Chinese markets."

Furthermore, in 2018 MSCI's index coverage increased by 20 bps globally and by 30 bps within the MSCI Global Annual Property Index. Several country level changes were more pronounced, with the representativeness of MSCI's asset-level real estate indexes increasing by 15.2% in France and 22.7% in Germany.

Jay McNamara, Head of Real Estate at MSCI comments: "It's encouraging to see MSCI's index coverage has increased in the past year, a signal that the global real estate market is on the right track to become more transparent, something which is undoubtedly positive for investors and the industry as a whole."

For more information, please visit [msci.com](https://www.msci.com).

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About MSCI

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 45 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process. To learn more, please visit www.msci.com.

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