

# German Spezialfonds Achieve Highest Annual Return in Nine Years

## MSCI Index reveals 5.6% total return to Q2 2017

**Frankfurt – August 16, 2017** – MSCI Inc. (NYSE: MSCI), a leading provider of investment decision support tools worldwide, including indexes, portfolio risk and performance analytics and ESG research, reported that the latest return of the [IPD Germany Quarterly Spezialfonds Index \(SFIX\)](#) stood at 5.6% over the 12 months ending Q2 2017. The headline index return thus reached its highest return since Q4 2007, while the quarterly total return amounted to 1.5%.

A record number of 190 Spezialfonds – worth EUR 53.6 billion NAV – contributed to SFIX in the second quarter of 2017, up from 186 in the previous quarter. Compared to Q2 2016, the headline index coverage increased by EUR 8.2 billion, driven by European mandates in particular. These are now worth EUR 25.1 billion, up from EUR 20.3 one year ago. A significant proportion of the growth of European mandates is attributable to increasing vehicle size, which went up from EUR 278 million to EUR 335 million over the past 12 months.

For the first time since the downturn in 2007, the return distribution shifted from a left skew to a right skew, meaning that more funds showed high positive returns than low negative returns. While the weakest performing 5% of funds returned -0.7% or less, the top-performing 5% of vehicles achieved 15.7% or more over the last 12 months. One year ago, the respective figures were -9.2% and 13.0%. This is in line with evidence that property sales are boosting fund returns based on German Verkehrswert valuations in today's market conditions.

This Thursday's [webinar](#) (English slides with German presentation) will give further insights into recent performance trends for Spezialfonds, comparing them with more liquid real estate investment structures.

The [IPD Germany Annual Property Index](#) tracked the performance of 1.796 properties with a total value of 50.3 billion euros, while the [IPD Germany Quarterly Property Funds Index \(SFIX\)](#) tracked the performance of 190 funds worth 53.6 billion euros NAV.

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