

Real estate index announcement

April 2020

MSCI Korea Annual Property Index (Unfrozen)

CHANGE IN INDEX COMPOSITION

Seoul, April 2020: MSCI announces changes in the composition of the MSCI Korea Annual Property Index (Unfrozen) for December 2019. The December 2019 results exclude information on one fund which has not provided data. As per the index methodology, the historical data for the properties in this fund will remain in the index history up to December 2018.

Overall, the above changes result in a decrease of 7.2% in the overall capital value of the Index. The impact on the index can be seen in the table below, which shows the sector weight variations for December 2018. Retail and Office are the most impacted sectors with a weight increase of 150 basis points and a decrease of 160 basis points, respectively.

Please note that the decrease witnessed in the 2019 composition of the MSCI Korea Annual Property Index (Unfrozen) is not related to the COVID-19 pandemic.

IMPACT ANALYSIS OF INDEX SECTOR WEIGHTS

	Index Sector Weight (%) by Capital Value - Dec 2018 (BEFORE CHANGE)	Index Sector Weight (%) by Capital Value - Dec 2018 (AFTER CHANGE)	Difference in Sector weight (%)
Retail	22.8	24.3	1.5
Office	65.1	63.5	-1.6
Industrial	5.0	4.9	-0.1
Residential	1.7	1.8	0.1
Hotel	3.1	3.1	0.0
Other	2.3	2.4	0.1

Note: Numbers at sector level may not necessarily sum up to the 'Total' values due to rounding or suppression of data due to confidentiality and dominance rules

Contact us

realestate@msci.com

AMERICAS

Canada + 1 416 687 6284
 US + 1 212 804 3900

EUROPE, MIDDLE EAST & AFRICA

UK + 44 20 7336 9200
 France + 44 20 7336 4783
 Germany + 49 691 3385 900
 Italy + 44 20 7336 9684
 Netherlands + 44 20 7336 9200
 Spain + 34 93 467 7403
 South Africa + 27 11 656 2115
 Sweden + 46 8 400 252 30

ASIA PACIFIC

Australia + 61 2 9033 9300
 Hong Kong + 852 2844 9333
 Singapore + 65 6826 9339
 Japan + 81 3 5211 1455

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