

# Investments - Flash



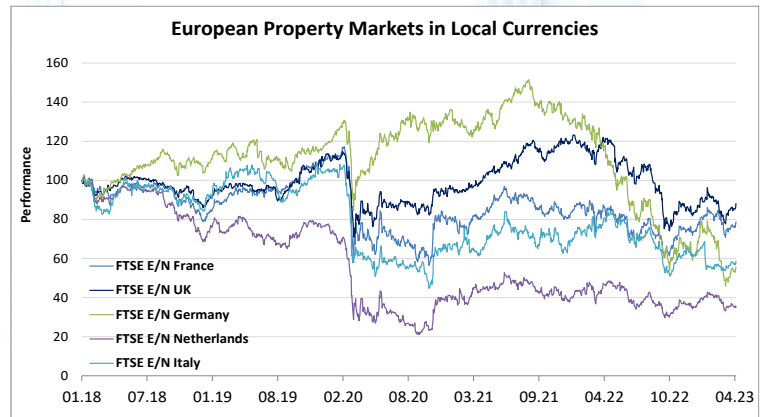
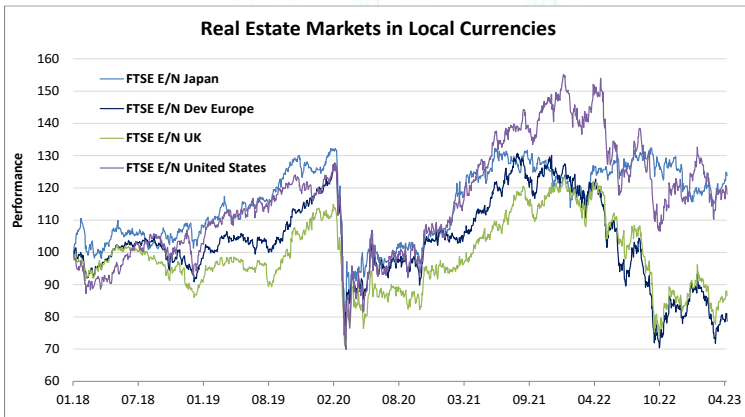
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## DISCOUNT ON EUROPEAN SECURITIZED REAL ESTATE

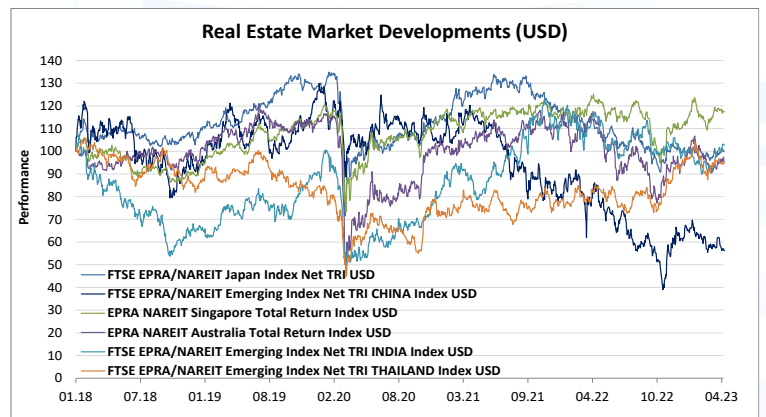
The recent correction is an opportunity to reposition

The fall in international listed real estate stocks observed in February and March does not seem to us to reflect the real situation, less negative for most of them. Indeed, often falling back to the price levels of the beginning of Q4 2022 and sometimes already significantly below them, their valuations are now often below their book values. It is therefore not uncommon to see emblematic stocks that are "leaders" in their markets trading at less than 50% of their intrinsic value, according to us translating an overly pessimistic view of the potential effects of higher financing costs on their results. Securitized real estate, unlike all other asset classes, has not yet reacted positively to the drop in funding costs in recent weeks. This asset class did not really benefit from a positive revaluation of the factors that had previously triggered waves of selling.

The consensus economic scenario now favors a global slowdown again with little likelihood of sharp regional recessions, which is rather a favorable environment for interest rates. In addition, the inflationary outlook is improving in the United States, while in Japan and China it is not a source of risk for the upcoming interest rate evolution. Only Europe seems to be further behind these two trends, but the level of price correction is potentially already taking into account the risks of rising interest rates to a large extent. Consequently, we consider that securitized real estate represents a diversification opportunity that deserves an overweight allocation, particularly in the eurozone.



INTERNATIONAL REAL ESTATE INDICES (local currency)		Total Return Performance						
30.04.2023		Last price	Curr.	7 d %	1 m %	3 m %	6 m %	YTD %
	Name							
GLOBAL	FTSE EPRA/NAREIT Glb TR	2750.7 USD	1.4	1.9	-5.9	7.6	2.7	
DEVELOPED	EPRA/NAREIT Dev TR USD	5314.6 USD	1.5	1.9	-5.7	6.7	3.0	
DEVELOPED EUROPE	FTSE E/N Dev Europe	1510.1 EUR	2.2	5.8	-9.5	2.5	1.0	
EUROZONE	FTSE E/N Euro Zone	1440.6 EUR	2.6	6.0	-13.1	-0.4	-1.9	
USA	FTSE E/N United States	2890.5 USD	1.5	0.8	-5.8	3.6	3.5	
DEVELOPED ASIA	FTSE E/N Dev Asia	1319.1 EUR	0.5	0.7	-5.7	0.9	-2.5	



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