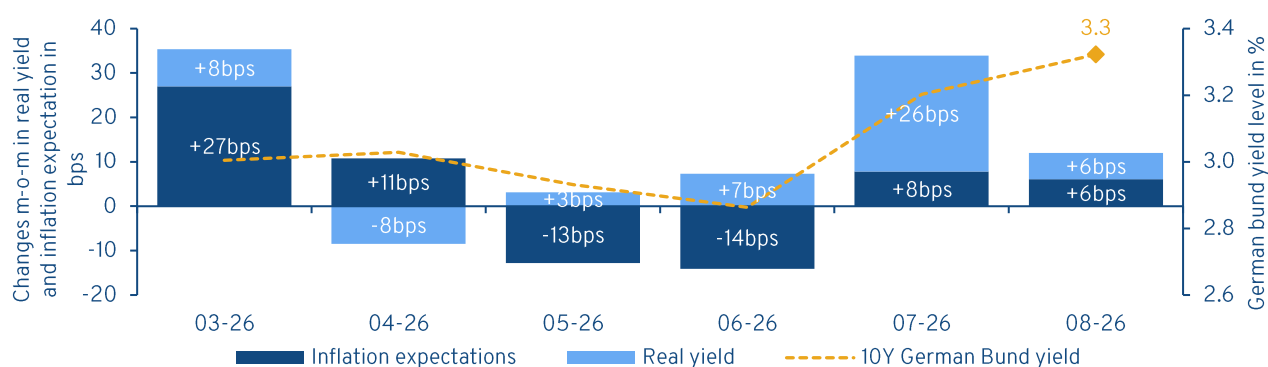


The Markets

August marked a slower month for listed real estate markets, with regional indices held back by the rise in long-end bond yields and sustained geopolitical uncertainty. In Europe, the 10-year German bund yield rose by 12bps, reaching 3.3%, its highest level in 15 years. Whilst after the US-Iranian conflict erupted in February the changes in the 10-year yield were dominated by changes in inflation expectations, the situation has reversed over the summer, with July's move mostly driven by real yields and August split equally between the two. Since the start of the conflict, we estimate that the 62bps rise in the 10-year yield can be split into roughly 20bps of higher inflation expectations and 42bps of higher real yield, with the entirety of the rise since May coming from a rise in real yield.¹

Chart 1: Yield changes decomposition (left axis) and German bund yield level (right axis)



EPRA Research, LSEG Data

This suggests that Mr. Market's read on macroeconomic conditions has changed. Rather than pricing persistent and higher inflation, investors are now pricing a higher path for policy rates following hawkish signals by major central banks and demanding more compensation to lend to governments over long horizons. Both could keep long-end yields higher for longer.

In this context, European listed real estate underperformed broader equities, with Residential, Retail and Lodging declining the most, and Healthcare, Industrial/Office and Industrial, the least.

Returns

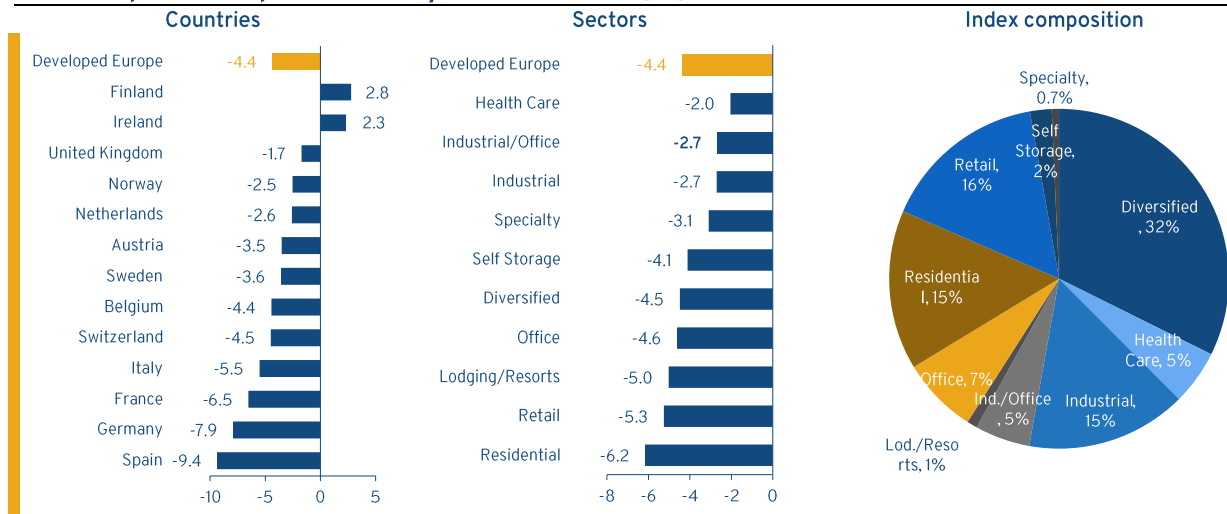
% Total Returns (EUR)		Aug-26	YTD	1Y	3Y*	5Y*	10Y*
Global Real Estate	▼	-3.9	11.0	11.2	8.0	1.9	3.6
Global Equities (FTSE)	▲	1.8	16.0	23.7	18.5	12.3	13.1
Global Bonds (JP Morgan)	▼	-0.7	-0.5	-0.8	-0.4	-3.0	-1.2
Europe Real Estate	▼	-4.4	1.6	3.6	7.4	-4.9	0.7
Europe Equities (FTSE)	▲	0.4	12.9	22.1	16.1	10.4	10.0
Europe Bonds (JP Morgan)	▼	-0.5	-0.8	0.4	2.0	-3.1	-0.8
Asia Real Estate	▼	-3.7	-2.0	-0.2	4.3	0.0	1.6
Asia Equities (FTSE)	▲	3.2	30.2	40.2	20.2	11.2	9.9
Asia Bonds (JP Morgan)	▼	-1.2	-3.1	-10.7	-7.4	-8.9	-5.4
North America Real Estate	▼	-4.0	17.6	16.7	9.1	4.0	4.8
North America Equities (FTSE)	▲	1.8	14.7	21.3	18.1	12.3	14.3
North America Bonds (JP Morgan)	▼	-0.6	0.7	2.1	0.9	-0.4	0.4
Emerging Real Estate	▼	-2.0	2.1	3.2	2.9	-1.9	0.4
Emerging Equities (FTSE)	▲	1.8	14.2	23.4	16.3	7.3	8.2
Emerging Bonds (JP Morgan)	▲	0.7	0.5	4.7	7.3	-0.5	0.8

Annualized – EPRA Research, Bloomberg

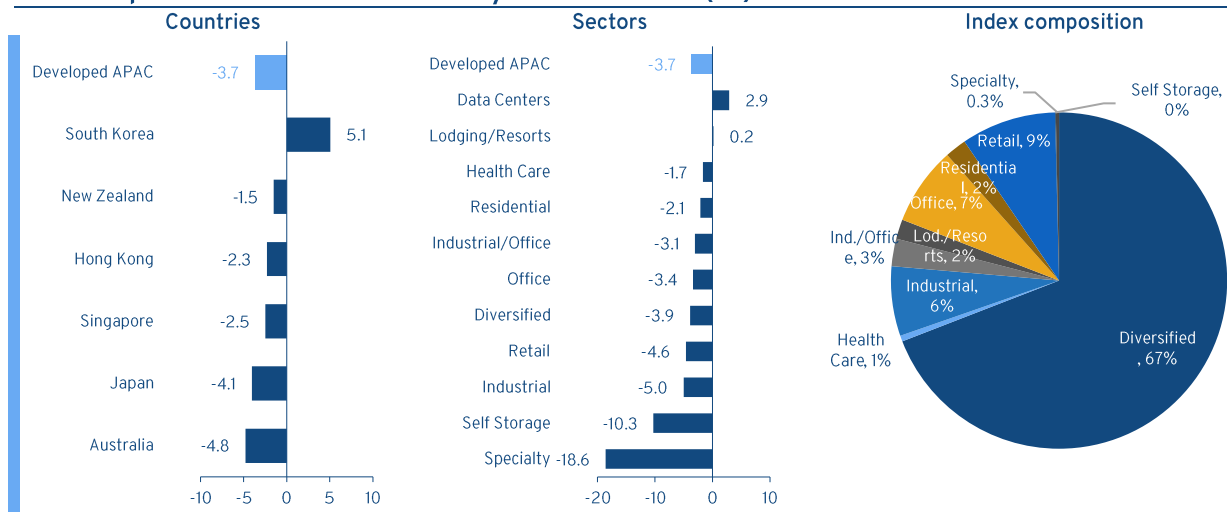
¹ Inflation expectation proxied by the 10Y EUR zero-coupon inflation swap

Regional Focus – July 2026*

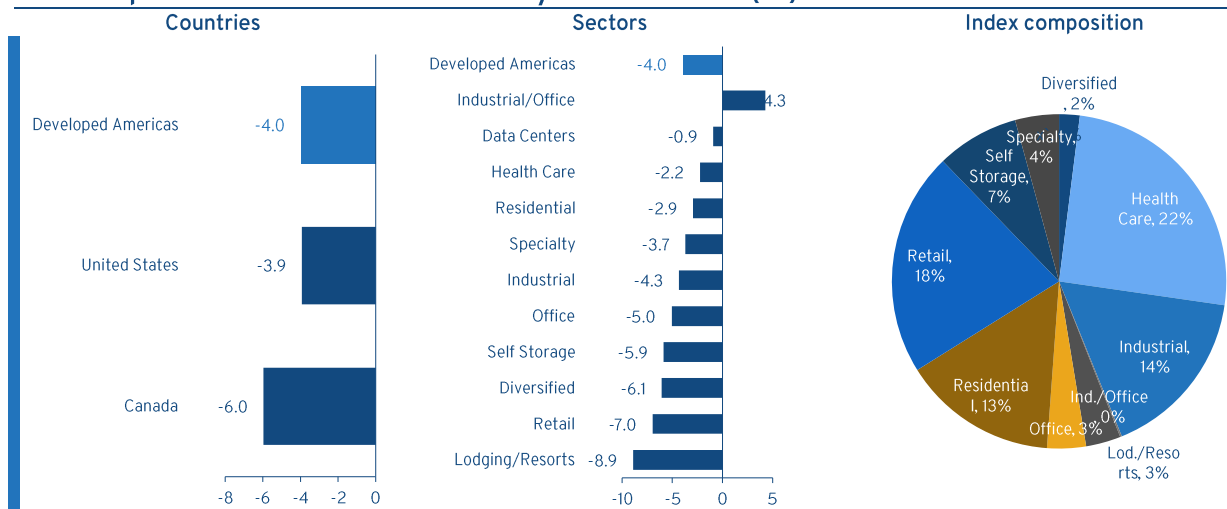
Developed Europe – Monthly Total Return (%)



Developed Asia Pacific – Monthly Total Return (%)



Developed North America – Monthly Total Return (%)



* % Total returns in EUR – EPRA Research, Bloomberg

Our Research

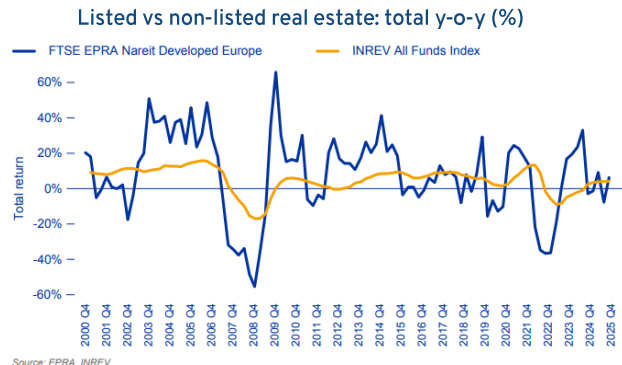
One Real Estate Universe

European listed and non-listed real estate are not two asset classes, they are two complementary routes into one institutional-grade universe, representing €2 trillion in assets.

Our new first joint research with INREV, **One Real Estate Universe**, analyses nearly two decades of data to show how these routes have evolved and why investors benefit from combining both.

We want to thank Dr. Alexandra Krystalogianni for her work on this study.

Read more [here](#).



Our monthly publications

EPRA LTV monitor:

Insights on debt levels and capital raising amongst European constituents by sector/geography.

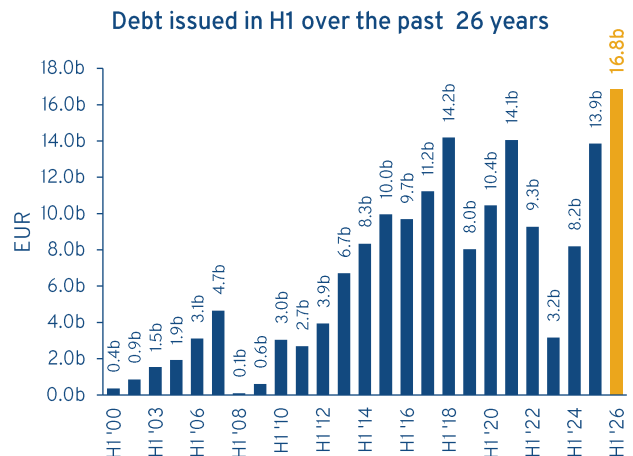
EPRA NAV bulletin:

Insights on premiums/discounts to Net Asset Value by sector/geography/constituents.

EPRA Monthly Statistical Bulletin:

Insights on the performance of the FTSE EPRA Nareit Global Index series and its constituents.

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Investment portfolio evolution

EPRA tracks the sector and country composition of FTSE EPRA Nareit Developed Europe constituents' property portfolio through the years.

In 2025, the aggregated property portfolio reached **EUR 677.9 billion**

Data spans a universe of **103** listed real estate companies listed in **13** different countries,

These companies invest in **12** property sectors and **27** different countries!

Find out more at: research@epra.com

