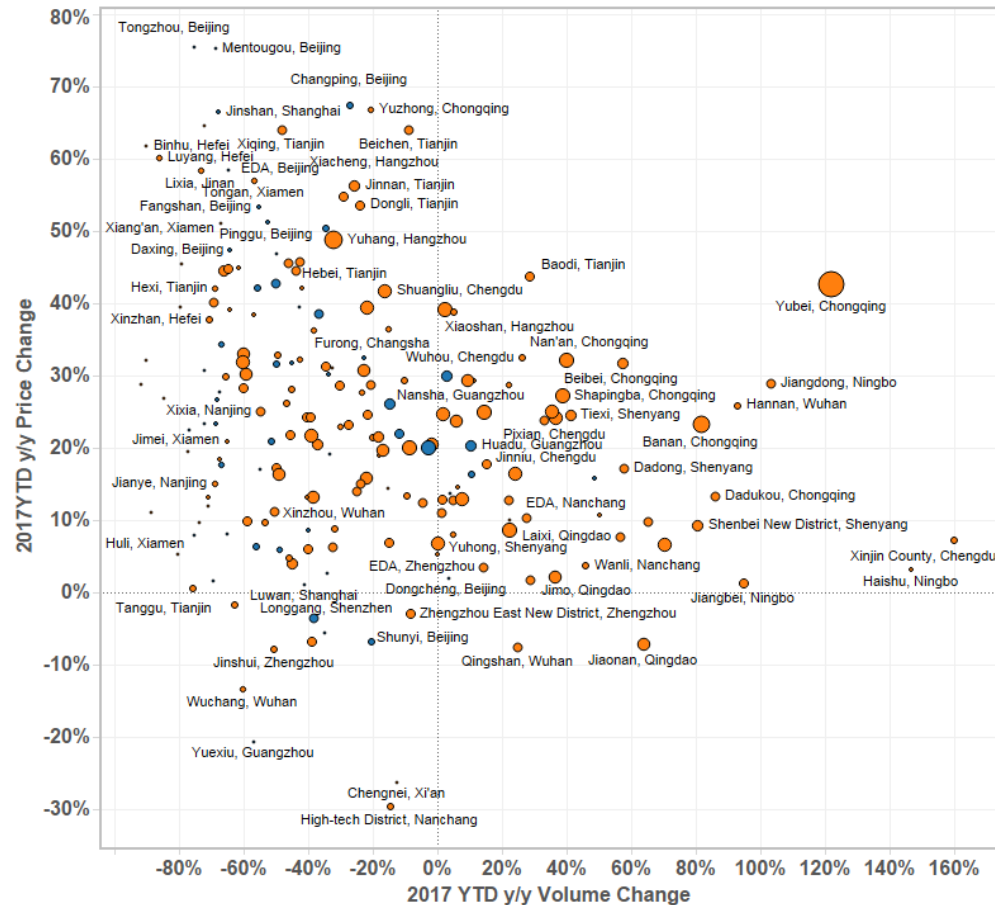


CAN'T HAVE IT ALL...

There is no 'dominant' district that would clearly score best across all six, or even the main two (price and volume YTD y/y), measures consistently. Districts with clear outperformance on price achieve that at relatively low absolute level GFA, i.e. small market size or on declining volumes.

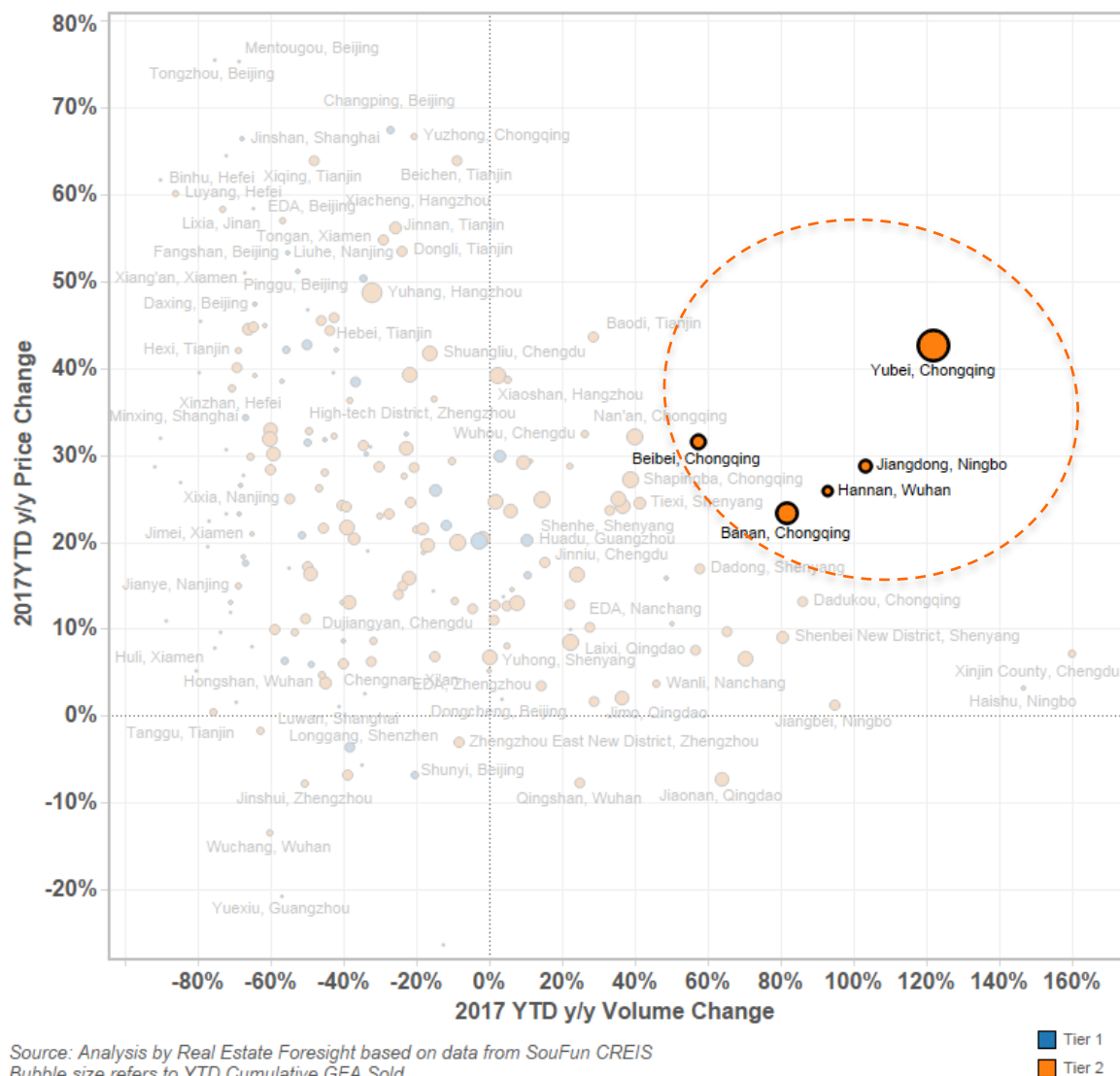
203 Districts - Price Growth vs Volume Growth - Jan-Jul 2017



Source: Analysis by Real Estate Foresight based on data from SouFun CREIS
Bubble size refers to Jan-Jul 2017 Cumulative GFA Sold

■ Tier 1
■ Tier 2

203 Districts - Price Growth vs Volume Growth - Jan-Jul 2017



- Yubei (Chongqing), Jiangdong (Ningbo), Hannan (Wuhan), Banan (Chongqing) and Beibei (Chongqing) districts have enjoyed non-dominant but very strong combined price and volume growth (Hannan on very small absolute size though). Sustained volume growth suggests further these districts have more momentum to go before their cycles turn.
- Top-right corner captures top performers in terms of combined YTD average price y/y and YTD volume growth, with size of the bubble representing the relative market size (absolute level GFA volume YTD).

GREATER DISPERSION, FEWER OUTLIERS, LOWER VOLUMES, HIGHER PRICES

There are fewer outliers in 2017, though within that, the dispersion of performance is larger than in 2016 and 2016 was larger than 2015. The overall volumes in 2017 are also smaller than the equivalent in 2015. Price medians have been rising over these periods.

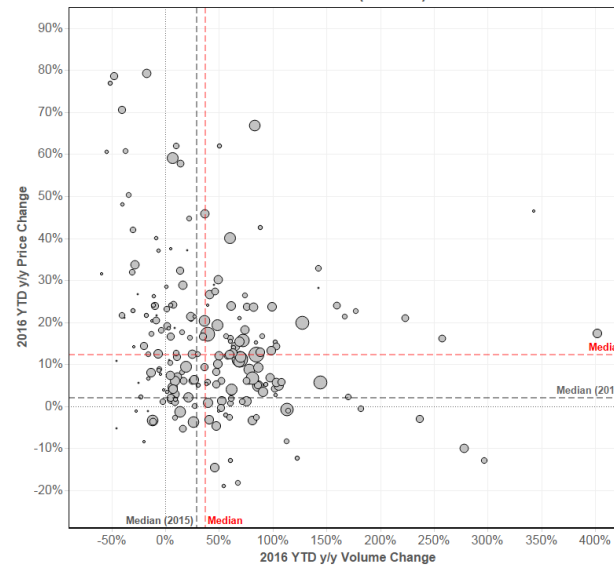
Price Growth vs Volume Growth (2017 Jan-Jul vs 2016 Jan-Jul vs 2015 Jan-Aug)

Price Growth vs Volume Growth - 2015 YTD (Jan-Jul)



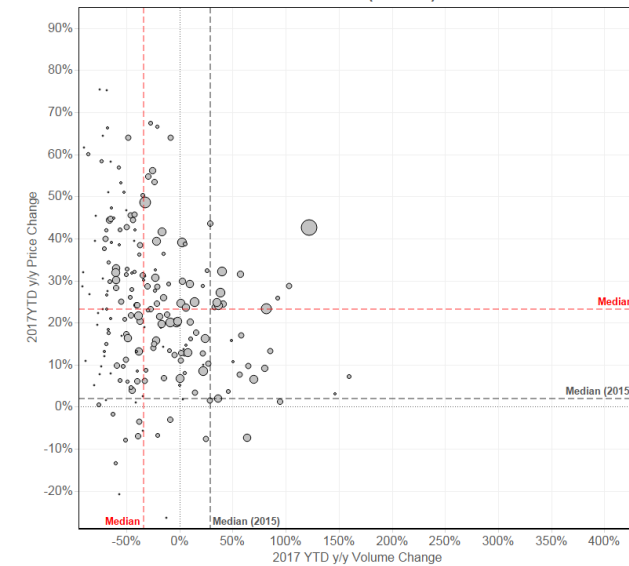
Source: Analysis by Real Estate Foresight based on data from SouFun CREIS
Bubble size refers to Jan-Jul 2015 Cumulative GFA Sold

Price Growth vs Volume Growth - 2016 YTD (Jan-Jul)



Source: Analysis by Real Estate Foresight based on data from SouFun CREIS
Bubble size refers to Jan-Jul 2016 Cumulative GFA Sold

Price Growth vs Volume Growth - 2017 YTD (Jan-Jul)



Source: Analysis by Real Estate Foresight based on data from SouFun CREIS
Bubble size refers to 2017 Cumulative GFA Sold

DISCLAIMER

Real Estate Foresight Limited is not authorised or regulated in Hong Kong S.A.R. by the Securities and Futures Commission or by any other regulator in any jurisdiction for the provision of investment advice. Specific professional financial and investment advice should be sought from your authorised professional adviser.

This report provides general information. The analysis and information presented in this report and on realestateforesight.com by Real Estate Foresight Limited is offered for members' and visitors' interest only. It is not to be used or considered as a recommendation to buy, hold or sell any securities or other financial instruments or real estate assets and funds and does not constitute an investment recommendation or investment advice.

The information presented on realestateforesight.com and in this report comes from various public and industry sources that we believe to be reliable; no representation or warranty, expressed or implied is made by Real Estate Foresight Limited, its affiliates or any other person as to the accuracy or completeness of the information. Real Estate Foresight Limited is not responsible for any errors in or omissions to such information, or for any consequences that may result from the use of such information. Such information is provided with the expectation that it will be read as part of a wider investment analysis and realestateforesight.com or this report should not be relied upon on a stand-alone basis.

Any opinions explicitly expressed by Real Estate Foresight Limited in this report and on realestateforesight.com reflect the judgment of Real Estate Foresight Limited as of the date hereof and are subject to change without notice.

Past results are not guarantee of future performance.

Real Estate Foresight Limited does not invest in any securities although it is possible that one or more of Real Estate Foresight Limited's directors, officers, employees or consultants may at times be invested in the securities of a referenced company.

Realestateforesight.com, this report and their contents are not an offer to sell or a solicitation of an offer to buy any real estate assets, funds or securities.

To the fullest extent provided by law, neither Real Estate Foresight Limited nor any of its affiliates, nor any other person accepts any liability whatsoever for any direct or consequential loss, including without limitation, lost profits arising from any use of this report, realestateforesight.com or the information contained in them.

For questions on our Terms & Conditions / Terms of Use, please email us at support@realestateforesight.com