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## **JLL Segregated Funds Group betting big on data analytics to drive investment returns**

***Releases first technical research paper on “Forward and Spot” residential real estate market***

**DELHI NCR, 17<sup>TH</sup> NOVEMBER 2014** – JLL Segregated Funds Group, India has released its first technical research report ‘*Residential “Forward” Vs “Spot” Market: Empirical Analysis of Property Prices & Investment Selection (A Case Study of Gurgaon, India)*’. The research focuses on a completely new perspective of viewing the residential market; the completed (Spot) and its indirect “derivative”, the under construction (Forward) market.

Using advanced statistical techniques, the data obtained from 97 projects in the two market segments have been analysed on a quarterly time series basis, for the past 6 years. The research identified a long term equilibrium relationship between the under construction (Forward) and completed (Spot) market. Additionally information flow between the two market segments revealed that any change in the prices of completed properties will cause a change in the prices of the under-construction market. In case of Gurgaon, information flows from the completed to under-construction market with a lag of 2 to 5 quarters.

Mridul Upreti, Chief Executive Officer, JLL Segregated Funds Group, India, says, “We are in an era of big data & predictive analytics. Data Analytics has a profound impact in helping us understand and underwrite better for our deals. We looked at the comprehensive data that we had, with a financial derivatives’ lens and asked a different set of questions.”

Other significant results in this research indicate that:

- Developers Goodwill (branding) although a high contributor to investment selection in the under construction market does not translate into comparative risk adjusted returns.
- Information flows from the completed market to the under construction market for all categories of projects in Gurgaon studied in the report.

This paper has been written in collaboration with the Department of Financial Studies, Delhi University and National Council of Financial Market Research (NCFMR). SFG plans to analyse 7 cities to develop a Pan India Model. The Cities include Pune, Hyderabad, Mumbai, Chennai, Delhi NCR, Kolkata and Bengaluru.

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**About Segregated Funds Group, Jones Lang LaSalle Investment Advisors**

The Segregated Funds Group (SFG) is a real estate private equity investment management entity focused towards directing investments in the Indian real estate market. The business envisages managing a series of real estate funds with distinct investment themes, offering investors private equity style returns. Launched in 2012 by Jones Lang LaSalle, one of the world's leading financial & professional services firm specializing in Real Estate, the Segregated Funds Group is an extension of Jones Lang LaSalle's presence in consulting services, and is based on the firm's vast experience in the funds management business globally. Based out of Delhi NCR, the specialized investment management firm comprises a team which has strong investment and development experience across India.

For further information, please visit our website, [www.jllsfg.com](http://www.jllsfg.com)

**About Jones Lang LaSalle**

JLL (NYSE: JLL) is a professional services and investment management firm offering specialized real estate services to clients seeking increased value by owning, occupying and investing in real estate. With annual fee revenue of \$4.0 billion and gross revenue of \$4.5 billion, JLL has more than 200 corporate offices and operates in 75 countries and has a global workforce of approximately 53,000. On behalf of its clients, the firm provides management and real estate outsourcing services for a property portfolio of 3.0 billion square feet, or 280.0 million square meters, and completed \$99.0 billion in sales, acquisitions and finance transactions in 2013. Its investment management business, LaSalle Investment Management, has \$50.0 billion of real estate assets under management. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated.

JLL has over 50 years of experience in Asia Pacific, with over 28,453 employees operating in 80 offices in 16 countries across the region. The firm was named 'Best Property Consultancy' in seven Asia Pacific countries at the International Property Awards Asia Pacific 2014, and won nine Asia Pacific awards in the Euromoney Real Estate Awards 2013. [www.jll.com/asiapacific](http://www.jll.com/asiapacific).

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