

Using alternative data for logistics markets analytics

E-CREDA

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Building value with data

Kania combines fundamental knowledge of real assets investments with technological advances in data analysis and processing.

Alternative Data

We identify, test and produce specific data sets that offer improved insights or predictive characteristics.

Geolocation

Geolocation data and analytics to drive granular insights and assess location specific market and asset dynamics.

Nowcasting

Alternative and live data sets to monitor economic activity relevant to real estate markets

Listed Markets

Alternative beta systematic factor indices for global listed real estate securities based on factors relevant to real estate markets not general equity market factors.

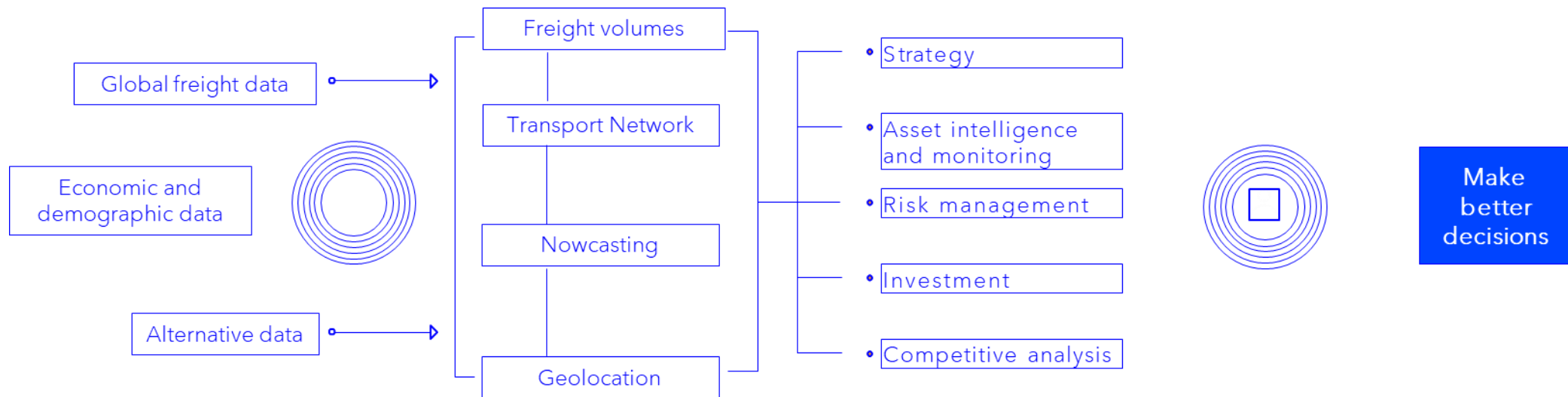


What is Kania Logistics Analytics?

Cloud computing and ML analytics based on freight volumes, transport activity and geolocation attributes that give unique insights into logistics and distribution markets, locations, assets and portfolios to inform better investment, operational and risk management decisions.

Why is this data important?

Freight volumes and transport traffic flows are the main and statistically significant drivers of logistics rental growth and are leading indicators of rental growth 1-1.5yrs in advance.



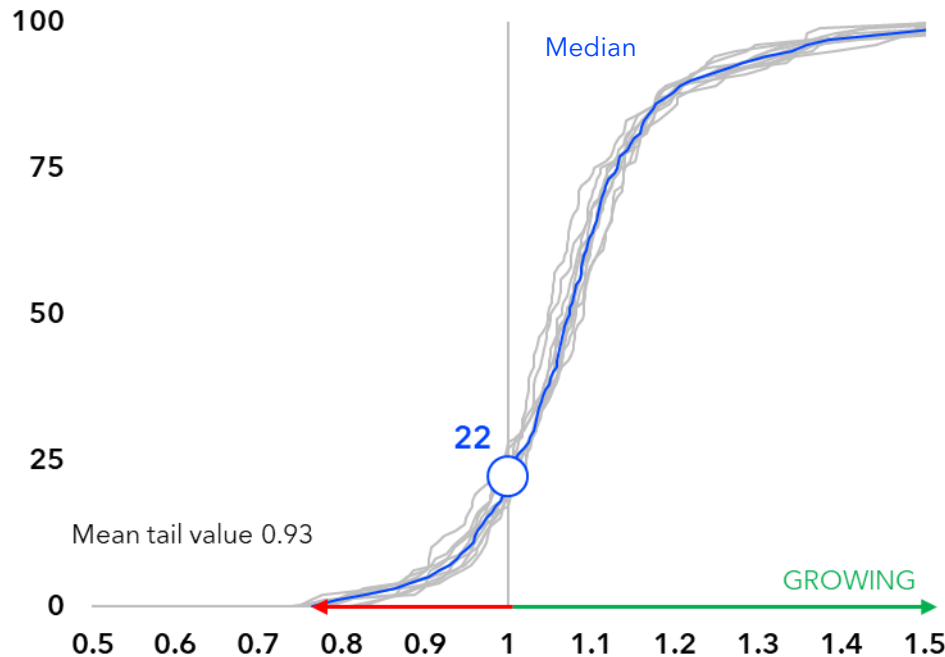
New Market Phase - European Logistics Markets Diverging



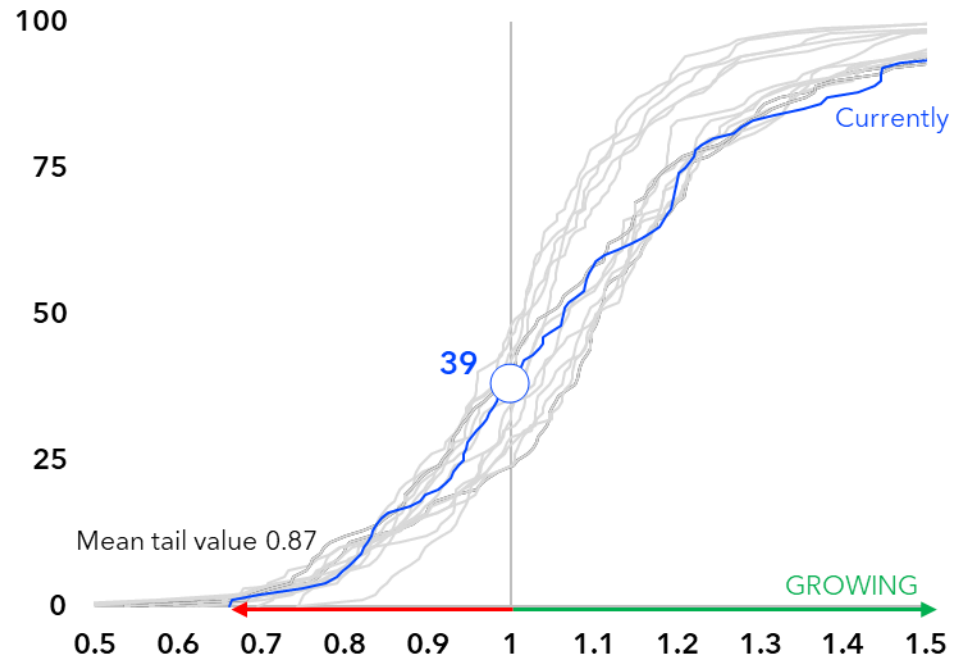
Logistics markets have entered a new phase of the cycle with structural dispersion in activity which shifts the balance of focus from a "market beta allocation" (where every location is a good location) to market and geolocation specific aspects driving activity, demand and performance of logistics real estate assets.

Ratio of 1 means that last year's (4q) volumes are higher than previous 5yr average (i.e. growing location), based on top 100 freight handling locations

Pre-2020, more consistent growth



Post-2020, higher dispersion and tail-risks



Implications for logistics investments / exposures / forecasts

Bottom Line

No longer a “one way” market, not every market (or location) is a good market.

Need for more specific data to inform decisions

Specific market and asset geolocation aspects key to successful investments going forward.

Alternative data

Alternative data can provide highly detailed, granular and live intelligence for markets, submarkets and individual assets to improve investments, decision making and optimise exposures.

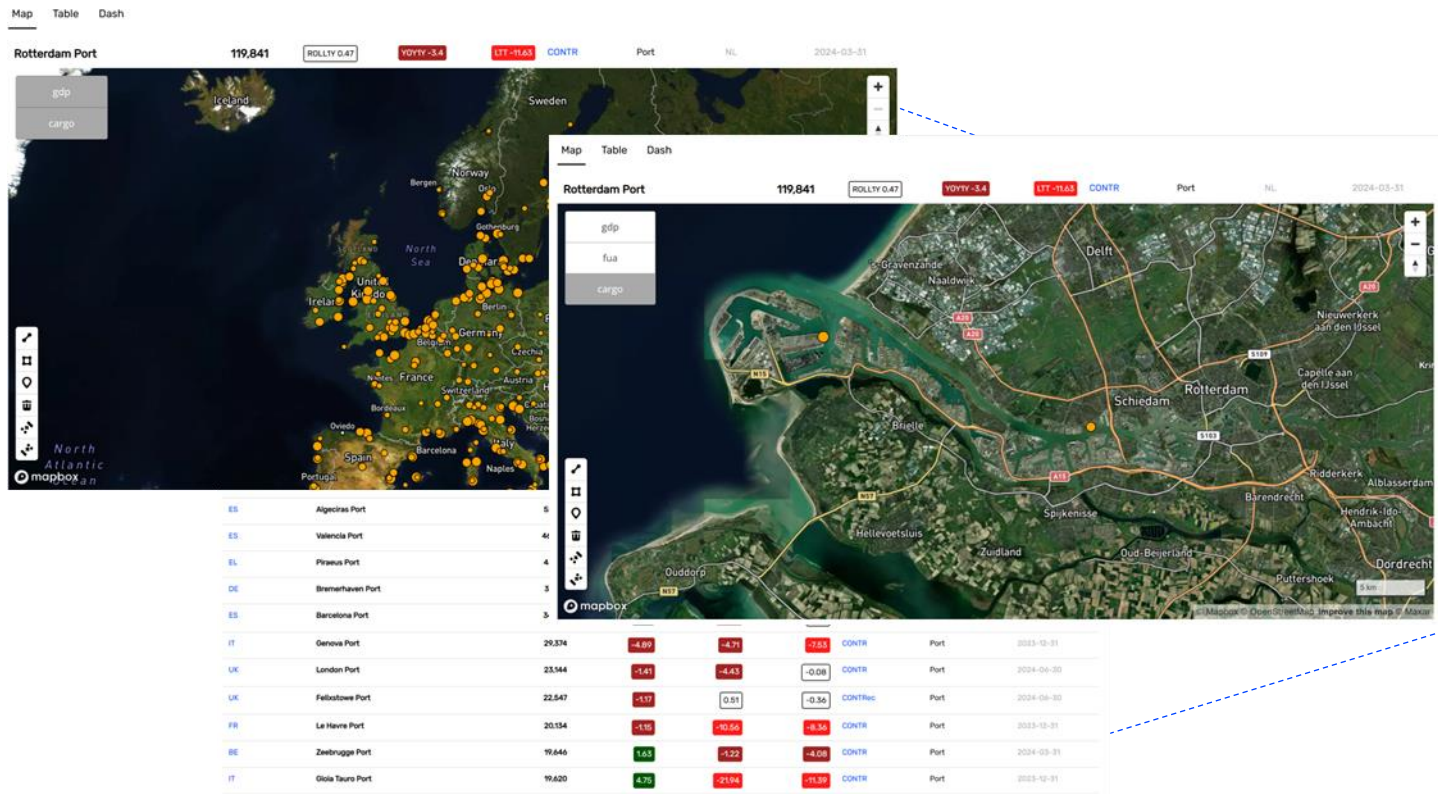
Alternative data nowcasting has superior leading information characteristics providing more accurate forward-looking expectations.

How Kania implements large scale monitoring and nowcasting



Freight Volumes Data

Standardized interactive freight data for over 250 European locations covering approximately 95% of all freight handled throughout Europe with network distribution based on drive-time distances. Assessment and monitoring of short-term, cyclical and structural volume patterns.



Freight volumes data brick



How Kania implements large scale monitoring and nowcasting

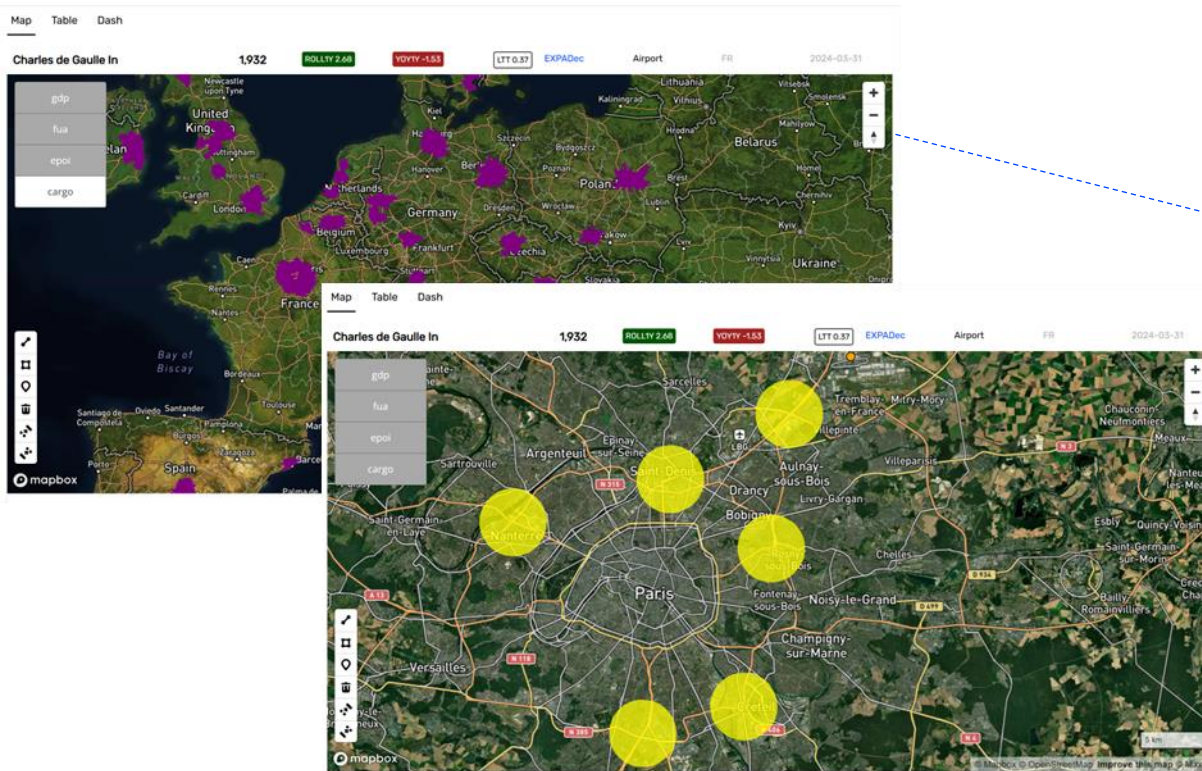


Road Transport Data

Road transport accounts for ca 77% of freight transport in Europe.

Nowcasting data for monitoring transport traffic volume flows at any location, from specific asset geolocations to submarkets to markets, etc.

Standardised nowcasting monitoring for 35 main European FUA markets across 135 geolocations capturing key logistics submarkets.



Transport flows data brick



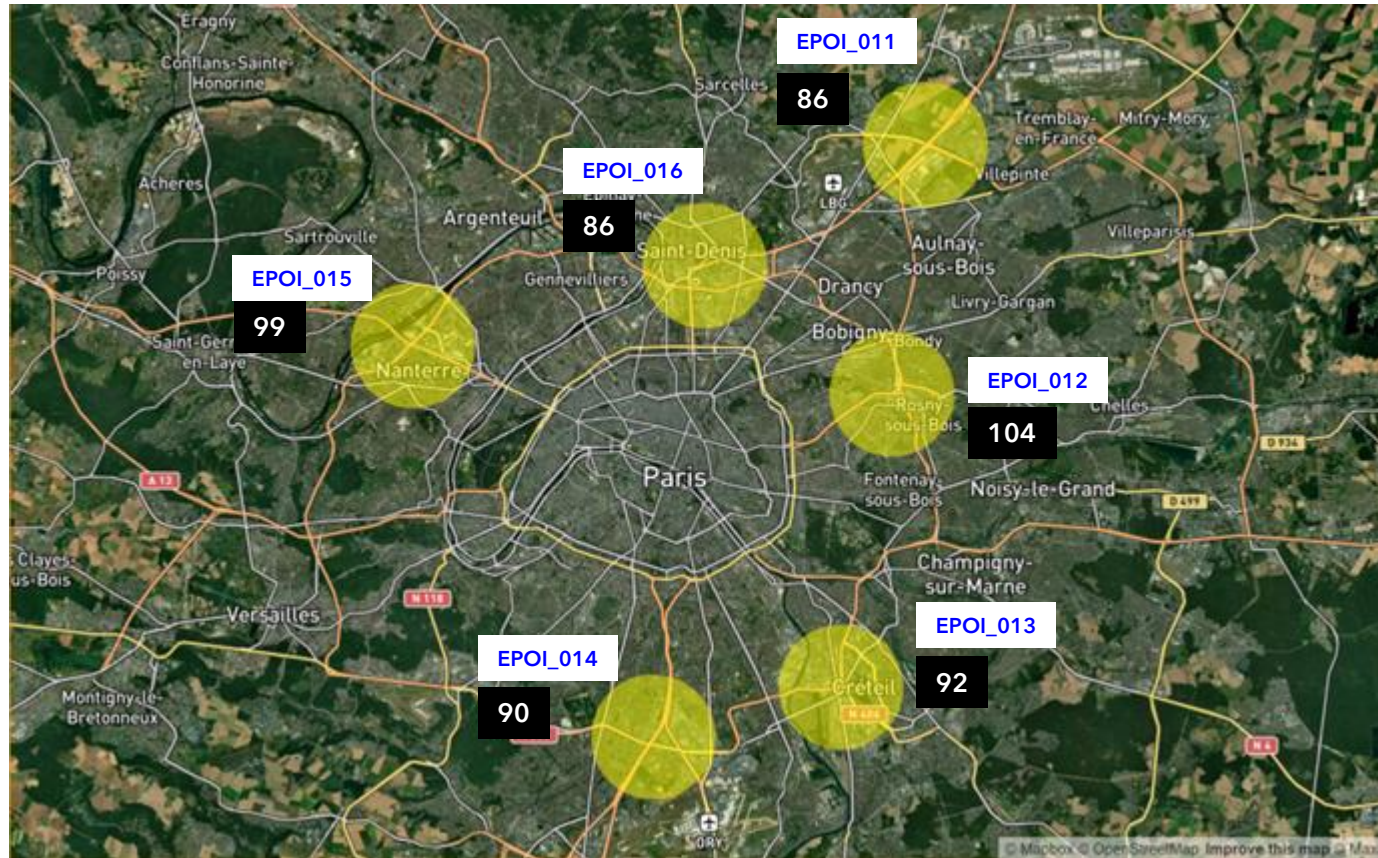
How Kania implements large scale monitoring and nowcasting



Road Transport Data

Paris, France

Index **100**, average flows during 2022, index values as of 29.11.2024



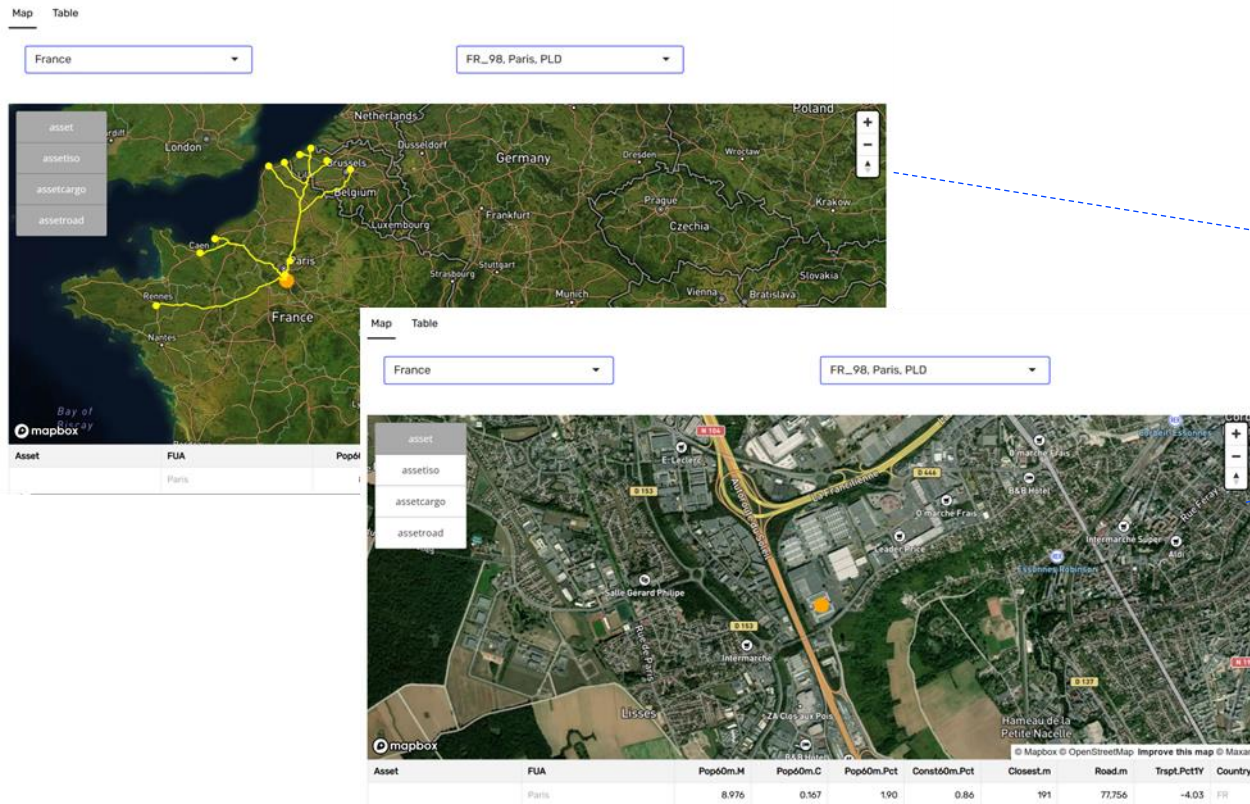
How Kania implements large scale monitoring and nowcasting



Asset Level Data

Combines Freight Volumes Data and Road Transport Data in the vicinity of the asset with

- population catchment in 30min and 60min drive-time isochrones
- access to and density of main transportation highways
- density of industrial production facilities within drive-time isochrones (ca 100,000 locations across Europe)
- proximity and density to growth areas within a market/FUA (based on physical expansion of FUA/markets)



Asset level data brick



Detailed Intelligence and Custom Insights



Users can integrate proprietary and custom data layers to leverage inhouse business logic and intelligence

Forms core nowcasting data set that can be combined with economic, demographic, supply data and other data to

1. monitor logistics activity at any geolocation
2. assess absolute and relative attractiveness of any market/submarket/asset geolocation
3. form forward-looking expectations
4. assess systematic market exposures and risks based on activity profiles through e.g. cluster analysis
5. benchmark portfolio performance compared to market dynamics
6. thematic nowcasting and monitoring (e.g. Amazon fulfilment centres, Tesla gigafactory activity, etc.)

Example, market clusters and risk exposures across multiple dimensions



Deploy ML to identify systematic market or asset clusters, potential tail-risks, common economic or factor exposures for improved strategy, analytics and risk assessment

Freight volumes



Transport flows



Asset data



Socioeconomic data
inhouse data, etc



Systematic/common exposures across markets, portfolios etc

Early indications of changing market conditions

Example, market rent models and forecasts

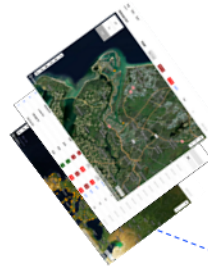


Applied predictive modelling using alternative data can significantly improve forecasts of logistics market rents. Flows of goods across markets and road transport activity are the main factors predicting demand for logistics space and **rental growth with 1-1.5year leading characteristics**.

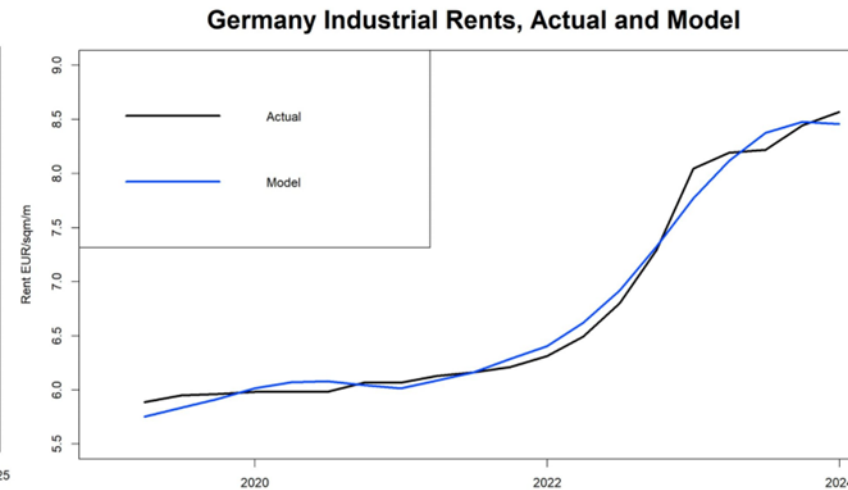
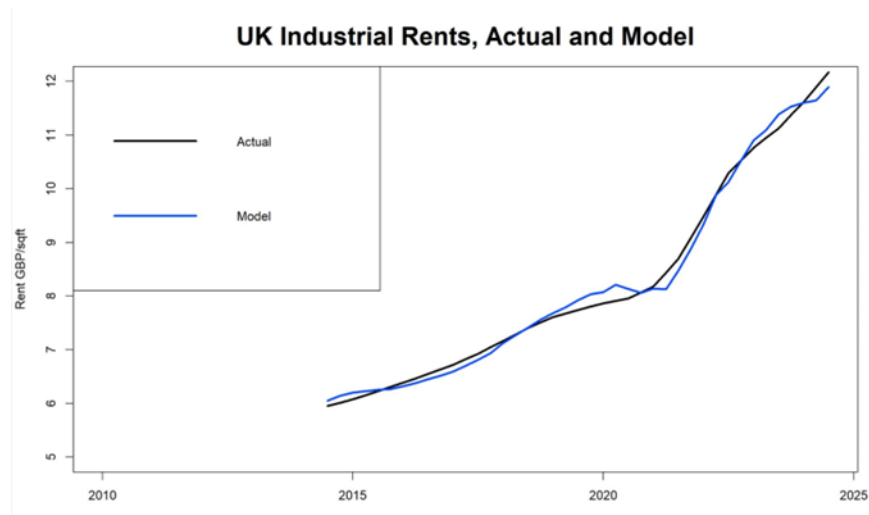
Freight volumes

Transport flows

Supply/Vacancy data



Leading characteristics provide higher accuracy for forward-looking expectations.





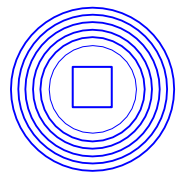
Nowcasting provides critical information regarding activity and potential changes. It allows your business to make important investment and operational decisions to select sites, optimise cash flow generation and performance of logistics assets

Geolocation specific data

Monthly feed of nowcasting intelligence for your assets/exposures

All data can be integrated into a workflow and combined with inhouse intelligence through API

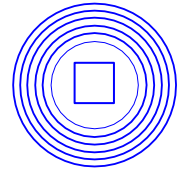
On-demand location assessment (e.g. asset transactions, location due diligence)



Make
better
decisions

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