

AUGUST BUILDING STATISTICS

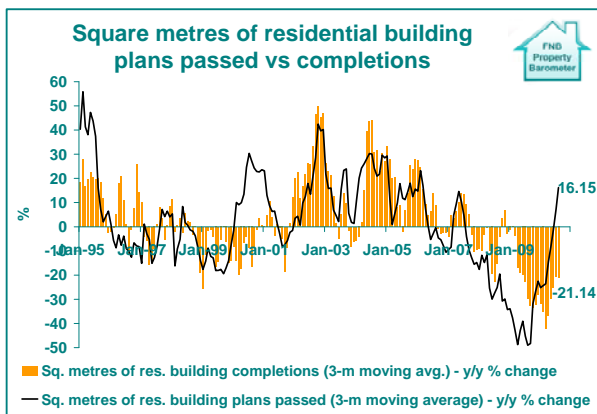
Residential plans passed show signs of some improvement, but this has yet to translate into action



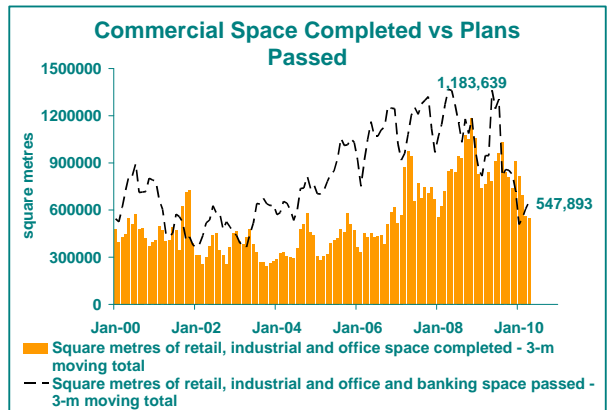
20 October 2010

August 2010 building statistics, released today, show further improvement in the square metreage of residential building plans passed. Year-on-year, for the 3 months to August, square metres of residential building plans passed rose by 16.15%. However, this has yet to translate into a noticeable increase in actual building activity, with square metres of residential building completed having declined by -21.14% over the same period.

Commercial property building activity finds itself in a similar boat, having slowed dramatically. Square metreage of plans completed for the 3 major non-residential categories has also slowed to less than 50% of the peak activity levels as at November 2008, reflective of the general rise in vacancy rates in a slower growth economy of recent years.



This means that the residential building sector remains extremely weak, with the 1.23 million square metres completed for the 3 months to August still less than 50% of the 2.5 million completed as recently as for the 3 months to November 2008. This ongoing weakness continues despite very low interest rates, reflecting the extent of oversupply and price weakness still existent in the existing home market.



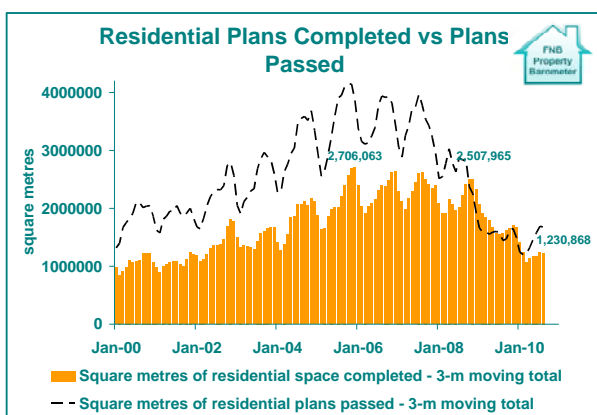
The non-residential slump is broad-based with office space completions declining year-on-year declining by -59.7% for the 3 months to August, Retail space by -37.8% and industrial space by -20.8%.

COMMENT

The outlook remains weak for the building sector in the near term, although it is possible that we start to see some positive growth in building completions off a now very low base in the residential segment.

However, with existing property demand having resumed a slowing trend in recent months, after a "mini-recovery" to early-2010, the economy remaining very weak, and the household sector still under significant financial pressure, fireworks can't be expected.

Affordability is key in a financially stressed environment, and if one looks at the recovery in plans passed it would appear to be led predominantly by the "flats and townhouses" component, suggesting that "smaller is better" in this tough environment.



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Building Plans Passed

Residential Buildings	2007	2008	2009	Q4-2009	Q1-2010	Q2-2010	Jun-10	Jul-10	Aug-10
Dwelling houses less than 80 m.sq (Number)	37,806	33,464	25,115	5,694	3,695	6,608	1,591	1,627	2,886
<i>Y/Y % change</i>	1.8	-11.5	-24.9	-15.1	-49.7	33.4	-8.6	21.5	11.4
Dwelling houses less than 80 m.sq (m ²)	1,653,726	1,469,240	1,100,737	254,097	164,512	288,576	72,085	72,379	120,156
<i>Y/Y % change</i>	-0.2	-11.2	-25.1	-16.8	-48.2	32.0	-3.7	20.0	5.7
Dwelling houses less than 80 m.sq (R'000)	3,202,727	2,982,036	2,159,212	552,056	393,331	585,443	176,849	178,345	211,709
<i>Y/Y % change</i>	7.3	-6.9	-27.6	-9.7	-27.6	29.4	15.9	18.2	-7.8
Dwelling houses larger than 80 m.sq (Number)	31,772	21,441	13,784	3,302	3,296	3,873	1,351	1,479	1,414
<i>Y/Y % change</i>	-8.8	-32.5	-35.7	-23.0	-6.0	10.2	6.7	26.7	28.4
Dwelling houses larger than 80 m.sq (m ²)	7,969,503	5,467,768	3,618,675	864,230	853,210	987,616	352,425	376,722	359,903
<i>Y/Y % change</i>	-1.4	-31.4	-33.8	-19.2	-4.5	2.0	3.0	27.8	26.6
Dwelling houses larger than 80 m.sq (R'000)	27,932,693	20,788,044	15,281,459	3,865,644	3,941,958	4,557,807	1,646,368	1,764,823	1,735,906
<i>Y/Y % change</i>	15.2	-25.6	-26.5	-5.7	11.8	14.2	17.4	36.2	37.3
Flats and Townhouses (Number)	33,113	29,603	15,593	4,121	2,145	3,367	1,262	946	835
<i>Y/Y % change</i>	3.7	-10.6	-47.3	-28.6	-46.0	-20.5	1.6	19.7	-2.1
Flats and Townhouses (m ²)	3,867,201	3,244,177	1,441,378	380,638	195,578	304,727	116,681	98,486	107,589
<i>Y/Y % change</i>	-6.6	-16.1	-55.6	-32.1	-48.2	-26.5	1.0	14.5	50.1
Flats and Townhouses (R'000)	14,038,581	13,160,693	6,366,040	1,743,327	913,123	1,555,945	545,101	456,699	536,161
<i>Y/Y % change</i>	6.1	-6.3	-51.6	-22.9	-43.8	-11.9	5.2	8.3	68.1
Total units plans passed (Number)	102,691	84,508	54,492	13,117	9,136	13,848	4,204	4,052	5,135
<i>Y/Y % change</i>	-1.2	-17.7	-35.5	-21.8	-38.4	9.0	-1.1	22.9	13.0
Total building plans passed (m²)	13,490,430	10,181,185	6,160,790	1,498,965	1,213,300	1,580,919	541,191	547,587	587,648
<i>Y/Y % change</i>	-2.8	-24.5	-39.5	-22.5	-23.6	-1.3	1.6	24.1	25.1
Other Residential Buildings (m ²)	253,101	386,316	214,895	31,771	50,796	33,170	8,429	12,316	11,393
<i>Y/Y % change</i>	21.8	52.6	-44.4	-73.1	-11.1	-52.1	-72.4	9.1	-64.0
Other Residential Buildings (R 000)	980,984	1,661,015	1,059,154	180,106	282,351	186,779	37,628	59,485	41,914
<i>Y/Y % change</i>	20.7	69.3	-36.2	-57.0	12.0	-50.5	-74.1	45.4	-70.2
Total Residential Buildings (R 000)	46,154,985	38,591,788	24,865,865	6,341,133	5,530,763	6,885,974	2,405,946	2,459,352	2,525,690
<i>Y/Y % change</i>	11.9	-16.4	-35.6	-14.2	-7.0	4.5	8.5	28.8	29.3
Additions and Alterations									
Dwelling houses (m ²)	5,123,325	4,081,631	3,318,156	855,287	805,464	849,513	301,328	335,119	301,729
<i>Y/Y % change</i>	-3.1	-20.3	-18.7	-13.7	5.1	9.8	8.7	17.9	3.1
Dwelling houses (R'000)	16,803,718	14,881,779	13,389,029	3,674,495	3,539,755	3,757,334	1,314,073	1,493,919	1,347,060
<i>Y/Y % change</i>	14.0	-11.4	-10.0	-0.3	24.3	28.3	24.9	20.9	4.4

Building Plans Passed

	2007	2008	2009	Q4-2009	Q1-2010	Q2-2010	Jun-10	Jul-10	Aug-10
Non-Residential Buildings									
Office space (m ²)	914 049	1018 213	689 492	101 351	149 953	125 462	29 022	33 541	33 346
<i>Y/Y % change</i>	-6.1	11.4	-32.3	-56.1	-18.0	-50.5	-28.9	-43.4	5.7
Office space (R 000)	4116 926	5010 385	3873 308	654 393	879 968	790 730	206 961	203 733	202 801
<i>Y/Y % change</i>	13.3	21.7	-22.7	-47.2	-3.6	-44.9	-2.6	-41.4	7.3
Shopping space (m ²)	1269 012	1391 599	1177 058	190 845	190 686	148 646	64 571	35 109	27 683
<i>Y/Y % change</i>	7.0	9.7	-15.4	-33.9	-31.3	-62.0	72.8	-76.4	-46.6
Shopping space (R 000)	5929 402	6477 520	6432 938	1002 740	1094 828	760 579	362 954	247 423	121 853
<i>Y/Y % change</i>	36.4	9.2	-0.7	-31.7	-10.6	-61.1	86.6	-80.6	-59.3
Industrial and warehouse space (m ²)	2293 573	2192 944	1832 480	427 792	268 103	385 199	210 218	108 756	130 847
<i>Y/Y % change</i>	4.4	-4.4	-16.4	-7.4	-44.9	-35.8	10.1	-3.1	-7.8
Industrial and warehouse space (R 000)	6426 784	6696 493	6164 996	1661 078	1013 243	1374 104	744 887	411 540	548 241
<i>Y/Y % change</i>	7.2	4.2	-7.9	8.4	-30.8	-30.8	17.0	-0.1	9.1
Other non-residential space (m ²)	360 819	285 548	387 751	85 120	84 295	85 695	48 631	37 783	29 676
<i>Y/Y % change</i>	-4.0	-20.9	35.8	24.6	-21.2	2.4	16.3	36.8	-59.4
Other Non-Residential Space (R 000)	1265 956	1100 060	1822 075	387 649	316 749	398 112	222 842	128 300	92 230
<i>Y/Y % change</i>	12.2	-13.1	65.6	43.2	-34.9	8.9	13.6	-11.1	-76.2
Total Non-Residential Buildings (R 000)	17739 068	19284 458	18293 317	3705 860	3304 788	3323 525	1537 644	990 996	965 125
<i>Y/Y % change</i>	17.4	8.7	-5.1	-17.8	-19.2	-42.1	24.0	-54.6	-30.0
Additions and Alterations									
Other Buildings (m ²)	1421 398	1830 398	1665 557	337 072	267 887	271 344	93 727	129 145	90 866
<i>Y/Y % change</i>	-0.7	28.8	-9.0	-20.7	5.8	-63.2	-3.9	24.1	-18.4
Other Buildings (R'000)	5841 264	7709 367	7695 981	1720 957	1416 924	1336 758	469 271	745 915	482 020
<i>Y/Y % change</i>	25.5	32.0	-0.2	1.4	29.0	-59.9	3.4	49.7	-6.6
All Construction Types (R'000)	22644 982	22591 146	21085 010	5395 452	4956 679	5094 092	1783 344	2239 834	1829 080
<i>Y/Y % change</i>	16.7	-0.2	-6.7	0.2	25.6	-18.6	18.4	29.2	1.3
Total Building Plans Passed									
All construction types (R 000)	86539 035	80467 392	64244 192	15442 445	13792 230	15303 591	5726 934	5690 182	5319 895
<i>Y/Y % change</i>	14.2	-7.0	-20.2	-10.7	-1.4	-17.7	15.4	-2.3	3.5

Buildings Completed

Residential Buildings	2007	2008	2009	Q4-2009	Q1-2010	Q2-2010	Jun-10	Jul-10	Aug-10
Dwelling houses less than 80 m.sq (Number)	27,555	23,480	24,579	6,682	4,227	3,881	1,109	1,324	1,389
<i>Y/Y % change</i>	14.7	-14.8	4.7	10.1	-29.8	-30.8	-35.7	-26.4	-28.3
Dwelling houses less than 80 m.sq (m ²)	1,192,474	1,055,108	1,075,337	288,162	184,561	171,553	50,122	57,814	60,528
<i>Y/Y % change</i>	15.5	-11.5	1.9	5.0	-29.0	-31.2	-37.7	-28.0	-30.8
Dwelling houses less than 80 m.sq (R'000)	2,263,566	2,231,253	2,226,917	646,955	381,749	380,866	119,100	135,801	130,139
<i>Y/Y % change</i>	22.2	-1.4	-0.2	7.7	-23.3	-28.5	-37.0	-22.6	-33.1
Dwelling houses larger than 80 m.sq (Number)	22,157	20,357	13,906	3,373	2,481	2,575	823	1,051	1,010
<i>Y/Y % change</i>	0.2	-8.1	-31.7	-34.6	-34.2	-21.5	-24.1	-10.3	-10.6
Dwelling houses larger than 80 m.sq (m ²)	5,042,030	4,751,322	3,667,902	913,861	625,518	672,224	223,904	270,075	264,016
<i>Y/Y % change</i>	2.0	-5.8	-22.8	-28.5	-35.2	-21.9	-26.2	-15.5	-15.2
Dwelling houses larger than 80 m.sq (R'000)	16,843,803	17,052,758	14,418,696	3,872,570	2,623,090	2,983,783	1,008,206	1,228,073	1,175,320
<i>Y/Y % change</i>	19.8	1.2	-15.4	-18.5	-26.6	-6.0	-12.6	-8.4	-10.9
Flats and Townhouses (Number)	26,949	26,221	18,462	4,563	2,155	2,751	827	960	989
<i>Y/Y % change</i>	13.0	-2.7	-29.6	-34.2	-62.0	-37.1	-29.3	-17.7	-9.0
Flats and Townhouses (m ²)	3,092,497	2,808,764	1,970,734	468,546	261,049	329,418	104,620	93,219	106,570
<i>Y/Y % change</i>	-0.9	-9.2	-29.8	-39.1	-58.1	-29.2	-23.2	-27.1	-6.4
Flats and Townhouses (R'000)	10,708,767	11,054,136	8,374,637	2,145,004	1,235,108	1,515,823	520,228	450,283	487,216
<i>Y/Y % change</i>	8.4	3.2	-24.2	-29.8	-51.3	-22.4	-9.7	-11.4	-8.1
Total units completed (Number)	76,661	70,058	56,947	14,618	8,863	9,207	2,759	3,335	3,388
<i>Y/Y % change</i>	9.5	-8.6	-18.7	-19.5	-42.7	-30.6	-30.6	-19.4	-18.5
Total building space completed (m²)	9,327,001	8,615,194	6,713,973	1,670,569	1,071,128	1,023,625	378,646	421,108	431,114
<i>Y/Y % change</i>	2.6	-7.6	-22.1	-28.1	-42.0	-35.0	-27.2	-20.2	-15.9
Other Residential Buildings (m ²)	175,955	201,665	223,633	128,050	19,837	122,064	4,656	3,458	742
<i>Y/Y % change</i>	131.2	14.6	10.9	49.5	-64.4	564.4	-62.4	3.9	-83.0
Other Residential Buildings (R 000)	824,122	892,815	1,002,579	572,376	92,683	779,922	21,903	15,645	1,855
<i>Y/Y % change</i>	194.1	8.3	12.3	56.4	-62.5	934.9	-59.3	23.2	-89.3
Total Residential Buildings (R 000)	30,640,258	31,230,962	26,022,829	7,236,905	4,332,630	5,660,394	1,669,437	1,829,802	1,794,530
<i>Y/Y % change</i>	17.5	1.9	-16.7	-17.5	-36.8	-1.3	-15.4	-10.2	-12.9
Additions and Alterations									
Dwelling houses (m ²)	2,044,860	2,233,737	2,312,209	482,855	430,843	476,305	144,452	177,599	167,400
<i>Y/Y % change</i>	2.9	9.2	3.5	-18.6	-35.6	-12.9	-24.2	-23.2	-14.8
Dwelling houses (R'000)	6,129,639	7,254,730	8,357,901	1,862,756	1,659,711	1,947,107	587,945	737,799	705,121
<i>Y/Y % change</i>	21.0	18.4	15.2	-3.8	-28.1	4.8	-9.7	-14.6	-10.3

Buildings Completed

	2007	2008	2009	Q4-2009	Q1-2010	Q2-2010	Jun-10	Jul-10	Aug-10
Non-Residential Buildings									
Office space (m ²)	636 730	1037 818	980 171	256 135	89 746	159 641	22 740	90 947	25 134
Y/Y % change	94.0	63.0	-5.6	-8.0	-57.1	-35.4	-83.1	-32.8	-63.2
Office space (R 000)	2597 928	4825 251	4860 091	1443 835	482 109	930 495	132 324	653 044	117 728
Y/Y % change	139.3	85.7	0.7	8.3	-49.5	-26.2	-80.6	19.8	-67.5
Shopping space (m ²)	791 319	1373 252	945 744	294 921	111 548	187 562	25 630	62 156	19 016
Y/Y % change	17.4	73.5	-31.1	-24.2	-17.4	-49.9	-86.7	55.9	-82.7
Shopping space (R 000)	3375 856	6336 335	5062 815	1665 723	590 467	1212 246	135 639	321 292	135 539
Y/Y % change	50.9	87.7	-20.1	8.6	11.1	-40.3	-88.7	71.5	-83.9
Industrial and warehouse space (m ²)	1516 697	1284 629	1431 083	361 376	359 433	191 118	91 639	76 594	109 502
Y/Y % change	72.5	-15.3	11.4	-7.1	-14.8	-34.5	-9.9	-34.6	-17.7
Industrial and warehouse space (R 000)	4216 643	3736 311	4545 477	1184 335	1271 074	662 716	309 974	273 760	428 109
Y/Y % change	90.3	-11.4	21.7	3.8	-1.6	-27.8	-1.2	-37.2	-4.7
Other non-residential space (m ²)	169 229	154 440	225 453	87 496	40 409	61 414	24 673	61 833	4 244
Y/Y % change	51.1	-8.7	46.0	61.7	-27.2	105.7	157.6	688.5	-80.0
Other Non-Residential Space (R 000)	534 530	565 441	858 236	402 022	163 421	252 959	135 521	245 345	12 727
Y/Y % change	77.8	5.8	51.8	89.4	-0.4	144.1	280.1	952.9	-84.2
Total Non-Residential Buildings (R 000)	10724 957	15463 338	15326 619	4695 915	2507 071	3058 416	713 458	1493 441	694 103
Y/Y % change	83.7	44.2	-0.9	11.3	-14.7	-29.1	-67.9	25.4	-60.0
Additions and Alterations									
Other Buildings (m ²)	631 801	910 010	998 238	217 646	129 464	178 456	55 519	120 726	83 123
Y/Y % change	-1.0	44.0	9.7	-22.5	-63.3	7.6	-22.7	3.3	24.8
Other Buildings (R'000)	2282 719	3507 095	4266 853	1076 737	675 215	869 559	258 904	494 801	484 661
Y/Y % change	20.1	53.6	21.7	4.4	-52.2	22.2	-21.2	6.7	59.8
All Construction Types (R'000)	8412 358	10761 825	12624 754	2939 493	2334 926	2816 666	846 849	1232 600	1189 782
Y/Y % change	20.8	27.9	17.3	-1.0	-37.3	9.6	-13.5	-7.1	9.3
Total Buildings Completed									
All construction types (R 000)	49777 573	57456 125	53974 202	14872 313	9174 627	11535 476	3229 744	4555 843	3678 415
Y/Y % change	28.0	15.4	-6.1	-6.8	-32.1	-8.6	-37.6	0.0	-24.7