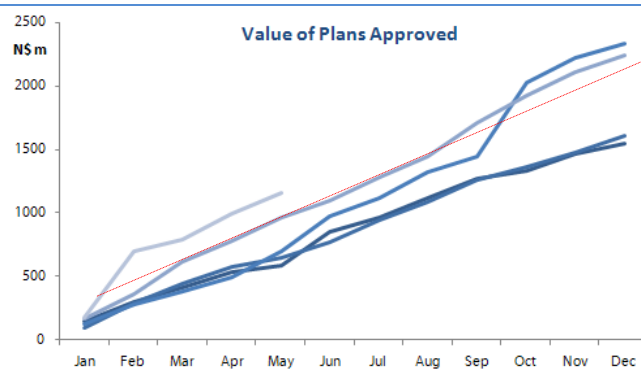


Building Plans – May 2014

5 June 2014 Jan-Hendrik Conradie

Value of plans approved surpass the billion dollar mark ytd

	May 2014		Value YTD(mill)		N\$ Change	% Change
	Number	Value (mill)	2013	2014	YTD	YTD
Plans Approved						
Additions	158	49.7	480.2	389.0	-91.17	-19.0%
Commercial	11	72.4	100.2	571.7	471.5	470.5%
Residential	45	43.4	401.4	196.6	-204.73	-51.0%
Total	214	165.5	965.4	1,157.6	192.1	19.9%
Plans Completed						
Additions	35	8.7	158.8	42.3	-116.42	-73.3%
Commercial	5	34.0	25.1	121.7	96.6	385.2%
Residential	13	8.2	142.4	73.1	-69.3	-48.7%
Total	53	51.0	326.3	237.1	-89.1	-27.3%



Source: City of Windhoek

Note: These figures are excluding walls and pools

A total of 214 building plans to the value of N\$165.5m were approved by the City of Windhoek in May 2014. On a year-to-date basis (January to May), 1,104 plans were approved compared to 1,329 plans over the same period last year. From a value perspective, however, plans approved year-to-date are worth N\$1,157.6bn compared to N\$965.4m for the same period in 2013, up 19.9%. This increase is mostly due to three large commercial projects that were approved by the municipality in February 2014. On a monthly basis, 33 less plans were approved in May when compared to April and the value of plans approved is down 11.4% m/m.

Should the year to date trend of value of plans approved be maintained for the remainder of the year (illustrated by the red dashed line in the graph above), 2014 will most likely be equivalent to the record 2012 year. Ignoring monthly volatility, the trend implies that an average of N\$167m worth of building plans per month, which will match 2012.

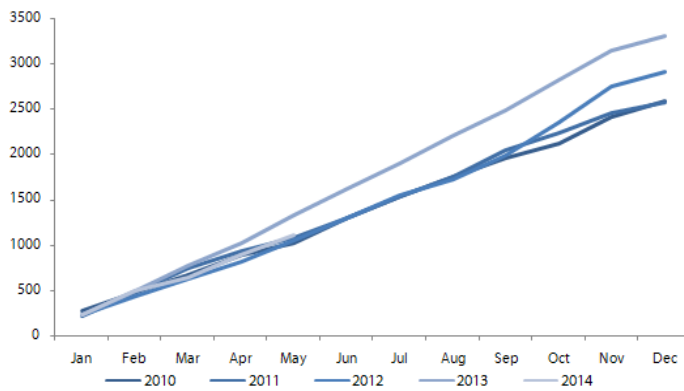
A total of 185 residential units have been approved year-to-date, down 8.4% on the comparable period of 2013, the first negative growth in 17 months. Plans for flats and houses approved year-to-date are valued at N\$196.6m in contrast to the 202 plans worth N\$401.4m in the same period last year. On the additions front, 869 additions to the value of N\$389.0m were approved ear-to-date, down 158 plans when compared to the same period last year and down N\$49.7m in value terms.

50 commercial property plans were approved for the period from January to end of May this year, a notable increase over the 32 plans that got the go-ahead in 2013, while the value of commercial building plans approved is up 470.5% on last year this time. The value of commercial and industrial buildings approved thus far in 2014 is N\$571.7m compared to N\$100.2m in the same period last year. The higher year-to-date figure for commercial properties is due to a few large projects approved, which make up more than half of the total value of plans approved for the year thus far. A commercial property to be situated in the CBD, valued at N\$40.0m was approved during the month, another commercial property, valued at N\$10.0m is to be built in Goreangab and a N\$6.0m project to be built in Katatura was approved by the City of Windhoek.

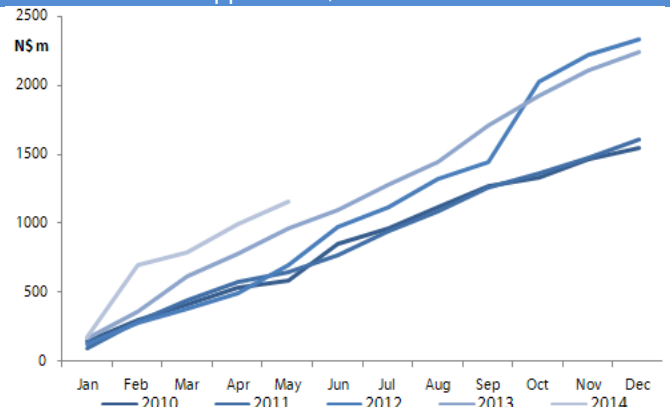
The 12 month cumulative number of plans approved continued to decrease, down to 3,075 in May, with the year-on-year growth rate contracting -3.6%, turning negative for the first time in 18 months as one can see in the graph on the next page. The 12 month cumulative value of plans approved totalled N\$2,430.6bn, down 6.4% y/y compared to a decrease of 6.0% in April. The down turn largely reflects base effects from the previous year.

In our view, the construction sector will remain one of the leading growth and development sectors in the Namibian economy through 2014, with both private sector and government having aggressive development plans. However, many such plans fall out of the Windhoek municipal area, and as such are not captured in the monthly building plan statistics.

YTD Number of Plans Approved



YTD Value of Plans Approved N\$ million



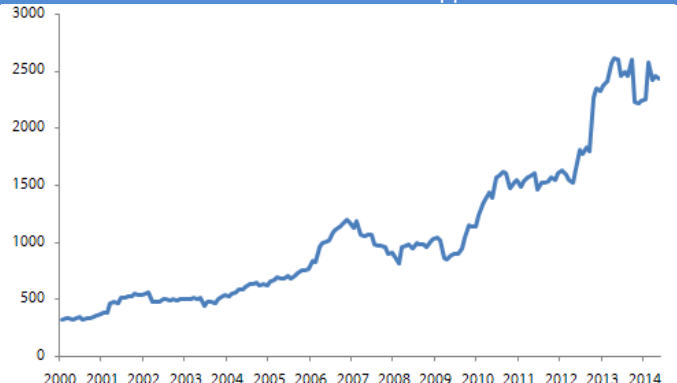
Source: City of Windhoek

12-month cumulative for Number of Plans Approved

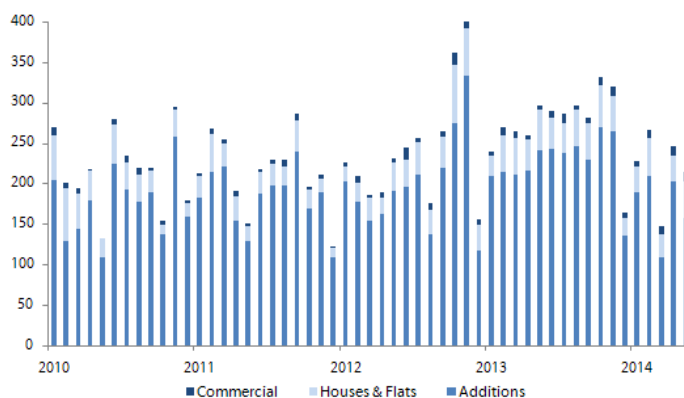


Source: City of Windhoek

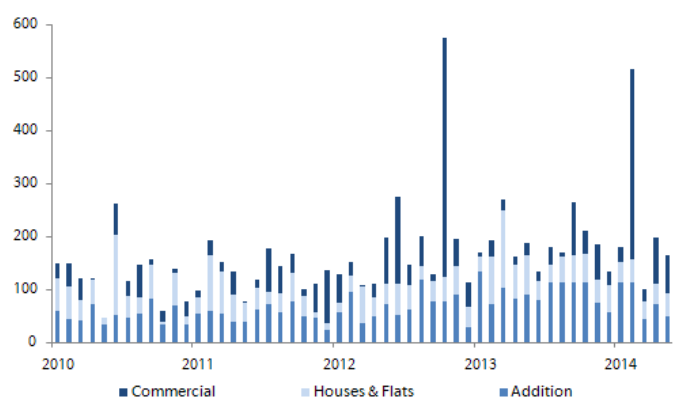
12-month cumulative for Value of Plans Approved



Number of Plans Approved



Value of Plans Approved N\$ million



Source: City of Windhoek

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