



Overview

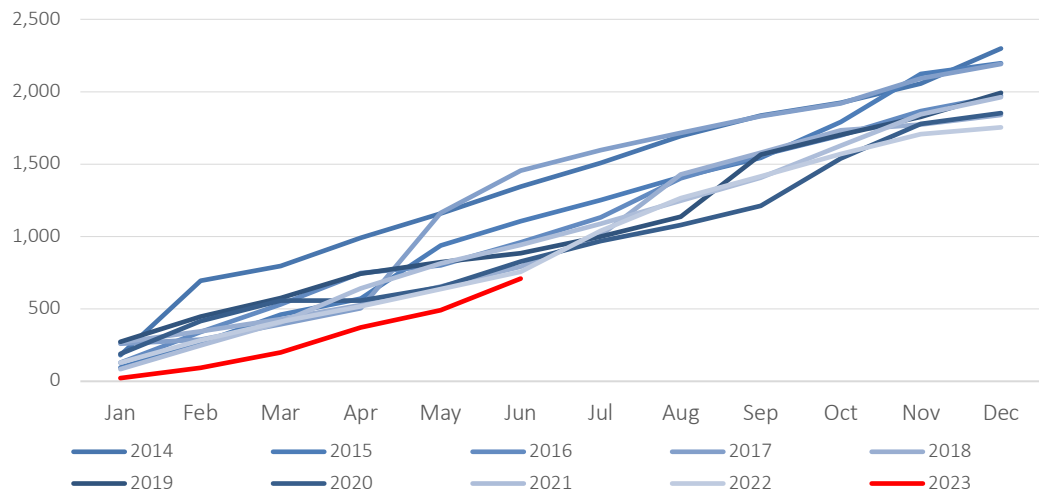
Plans Approved	31-June-23		N\$ Value YTD		N\$ Change	% Change
	Number	Value (N\$ m)	2022	2023	YTD	YTD
Additions	142	55.1	387.6	265.9	(121.8)	-31.4%
Commercial & Industrial	6	109.6	57.3	210.4	153.0	267.0%
Flats & Houses	42	53.0	310.4	233.0	(77.4)	-24.9%
Total	190	217.7	755.3	709.2	(46.1)	-6.1%

Plans Completed						
Additions	18	5.1	67.6	42.0	(25.6)	-37.9%
Commercial & Industrial	-	-	37.7	81.4	43.6	115.6%
Flats & Houses	30	16.9	190.8	164.8	(26.0)	-13.6%
Total	48	22.0	296.2	288.2	(8.0)	-2.7%

Source: City of Windhoek, IJG Securities

The City of Windhoek **approved a total of 190 building plans in June**, which is 26 more than in May, representing a 15.9% m/m increase. In monetary terms, **the approvals were valued at N\$217.7 million**, 80.3% or N\$96.9 million higher than May's approvals, driven primarily by a large (N\$100 million) commercial building plan approval. **915 building plans worth N\$709.2 million have been approved during the first half of 2023**, which is 19.7% lower than the number of approvals over the same period last year, and 6.1% lower in value terms. On a twelve-month cumulative basis, 2,243 building plans worth N\$1.71 billion were approved, a decline of 8.9% in number- and 3.9% in value terms over the comparative 12-month period a year ago. A total of 48 building plans worth N\$22.0 million were completed during the month.

Year-to Date Value of Building Plans Approved (N\$ millions)



Source: City of Windhoek, IJG Securities

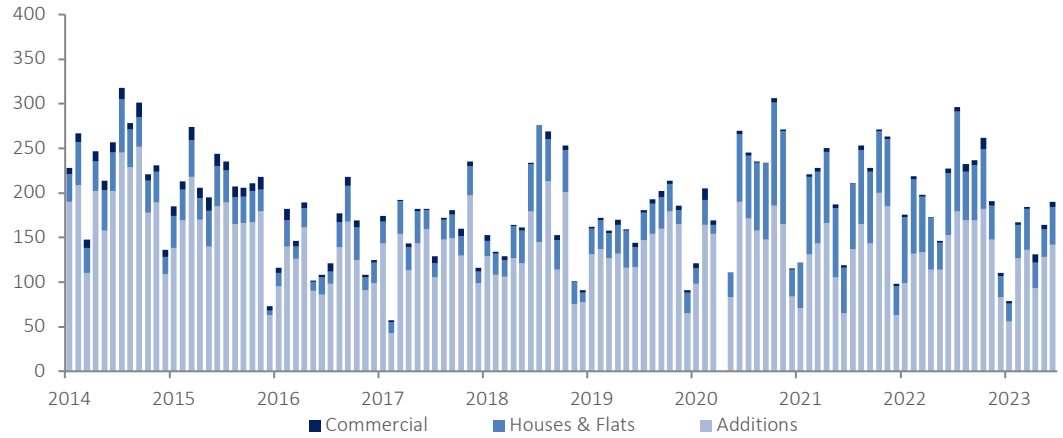
Additions to Properties

142 Additions to properties valued at N\$55.1 million received the nod in June. This is the highest monthly number of additions to properties we have seen thus far in 2023. To illustrate the decline in construction activity in recent years, only two months in 2014 and three in 2015 recorded a lower number of additions to properties than the best month so far in 2023. The monthly average value of additions to properties approved stood at N\$44.3 million at the end of June, which is N\$20.3 million lower than the average was over the first half of 2022, and N\$10.7 million lower than the average of the first half of 2020, which contained the lockdown periods. 18 Additions to properties were completed during the month.



1.2023	0,0005	4,85%
1.2022	0,0003	13,04%
1.2021	0,001	50,00%
1.2024	0,0003	14,29%
1.2023	0,0005	12,50%

Monthly Number of Plans Approved



Source: City of Windhoek, IJG Securities

Residential Units

A total of 42 residential units valued at N\$53.0 million were approved in June. This is 12 more than last month, but worth N\$2.3 million less. Year-to-date, 205 residential building plans, worth N\$233.0 million have been approved in 2023, which is 45.6% lower in number terms than we saw at the same point last year, and 24.9% lower in value terms. The picture looks similar on a 12-month cumulative basis. The number of approvals has dropping consistently from January 2022 and by the end of June was down 21.7% y/y, while the value of approvals was down 21.5% y/y.

30 Residential units worth N\$16.9 million were completed during the month.

12-Month Cumulative Number of Plans Approved



Source: City of Windhoek, IJG Securities

Commercial & Industrial

June saw 6 commercial and industrial building plans approved worth N\$109.6 million. One of the approvals, planned for in the Kleine Kuppe area, is worth N\$100 million. This brings the year-to-date approvals to 28 valued at N\$210.4 million, 11 more than during the first half of 2022 and worth N\$153.0 million more. On a rolling 12-month basis, the number of commercial approvals ticked up to 68 units worth N\$315.9 million, an increase of 94.3% y/y in number terms and 95.5% y/y in value terms. No commercial or industrial building plans were completed during the month.





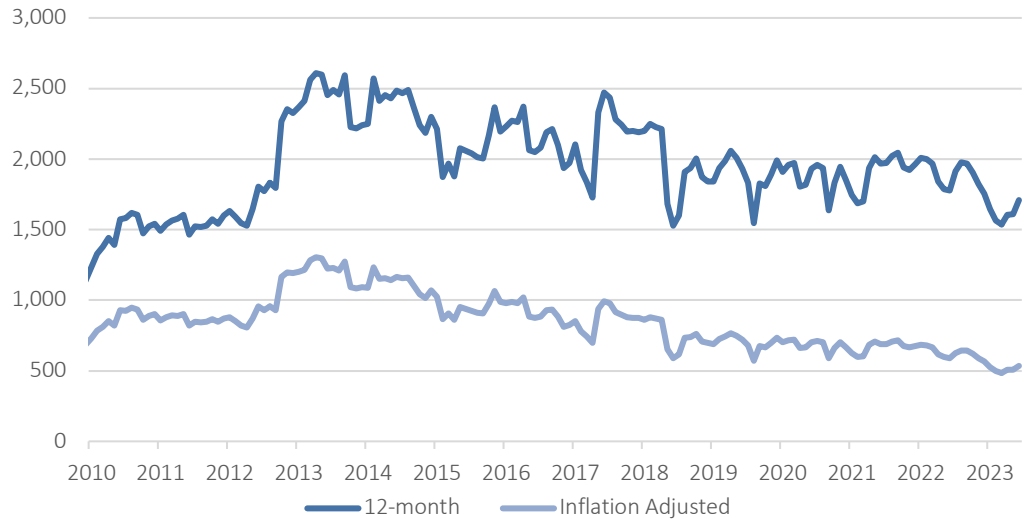
0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

The Bottom Line

Although June's building plans approvals data has so far been the best we have seen so far this year, the number of approvals during the first half of 2023 was the lowest first six months since 2020. Moreover, in value terms, 2023 is off to the worst start since 2009.

As the graph below depicts, the 12-month cumulative value of building plans approved has been ticking down steadily in real terms since 2013 and is trending at levels last seen in 2009.

12-Month Cumulative Value of Plans Approved
(N\$ millions)



Source: City of Windhoek, IJG Securities

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