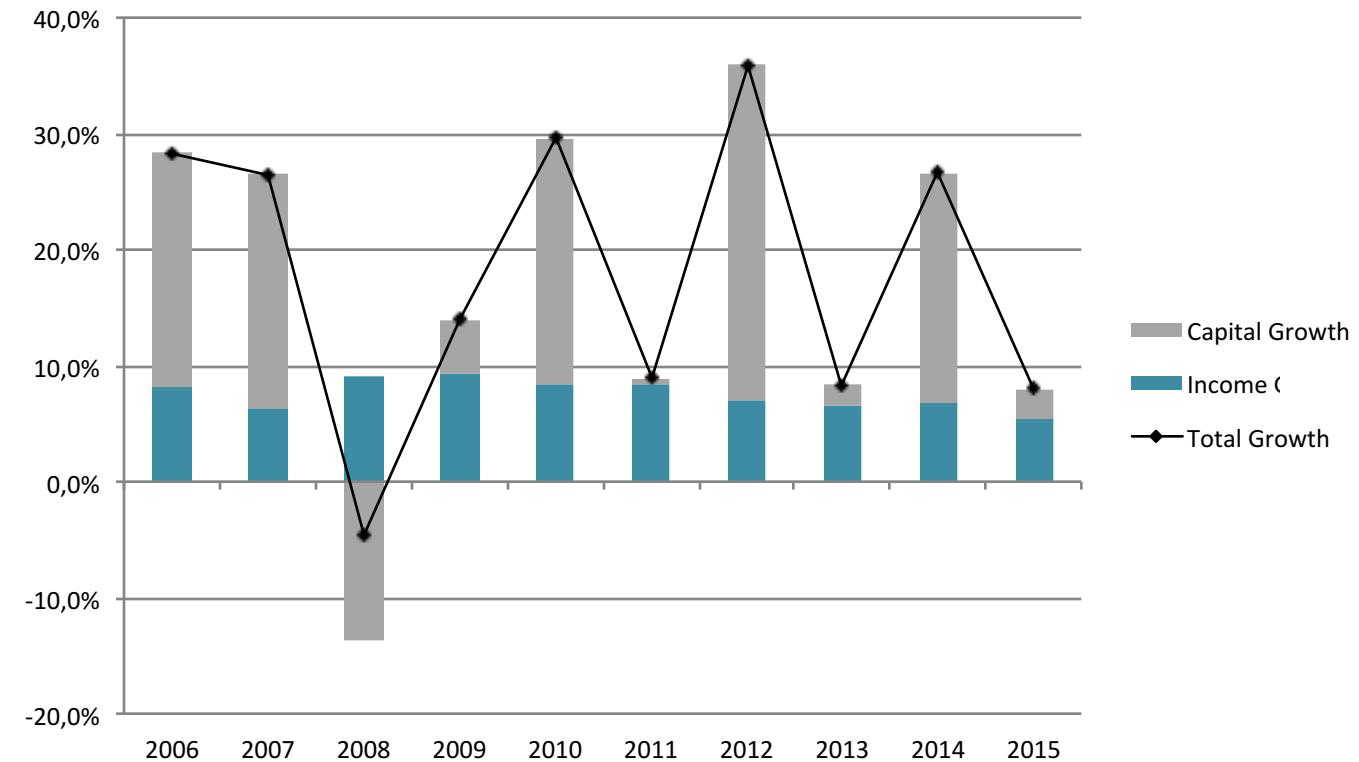


# SA Listed Property Sector Total Returns

## Income and Capital

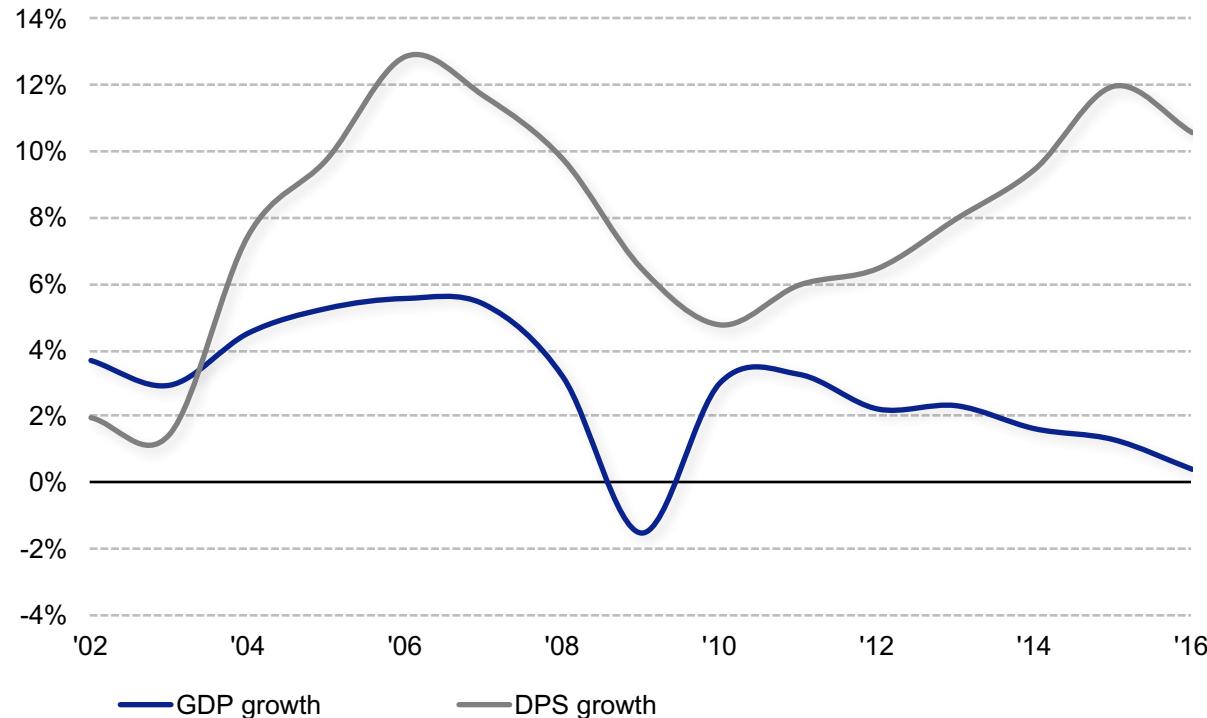


Source: Bloomberg, STANLIB Research, September 2016



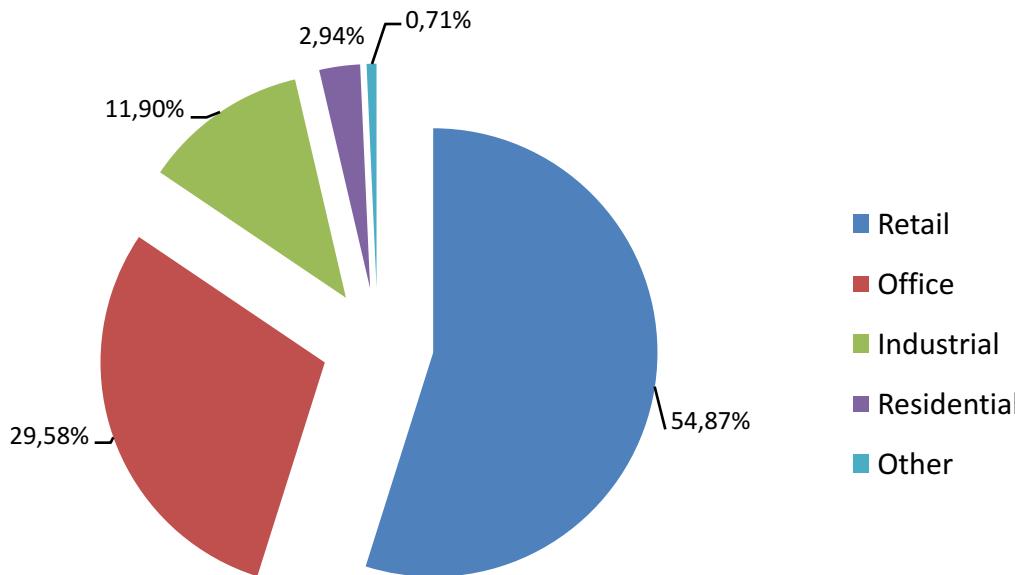
# Strong Income Growth from the Listed Property Sector

## Despite slowing GDP growth

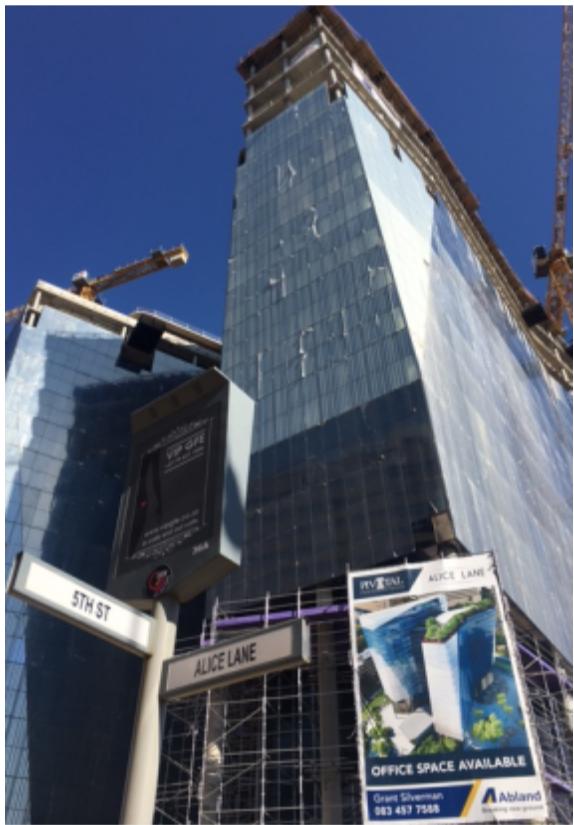


# SA Listed Property Exposure

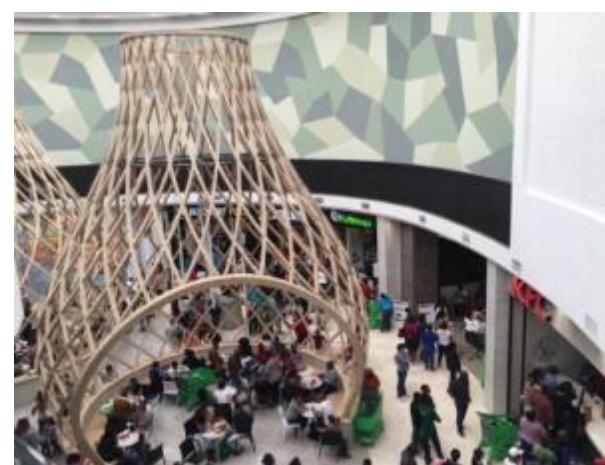
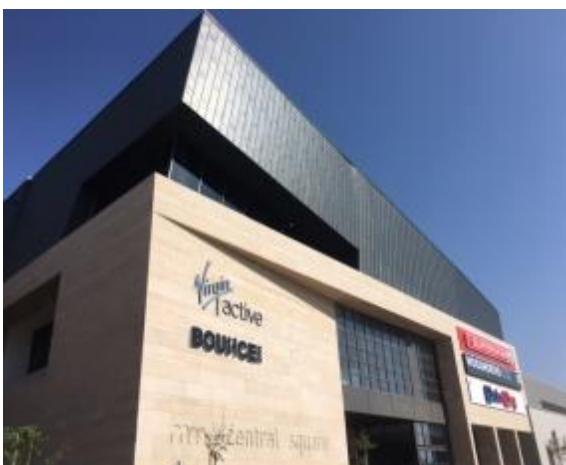
## Sector exposure by value



# Tough and competitive office market



# Competitive retail environment and increasing supply



# Demand for retail space driven by international and local brands

COTTON ON

BR**baskin**  
robbins<sup>®</sup>

Hamleys<sup>®</sup>

**Pizza**  
Hut<sup>®</sup>

**H&M**

**Domino's**  
Pizza

**STARBUCKS**  
COFFEE

**tashas<sup>®</sup>**



# Strong appetite for listed property

## New equity raised over the last few years

Year	Amount Raised
2011	R16bn
2012	R11bn
2013	R18bn
2014	R40bn
2015	R36bn
2016 so far	R26bn
<b>TOTAL</b>	<b>R147bn</b>

### Recent Listings

Hammerson

EPP

GTC

### Listings coming up

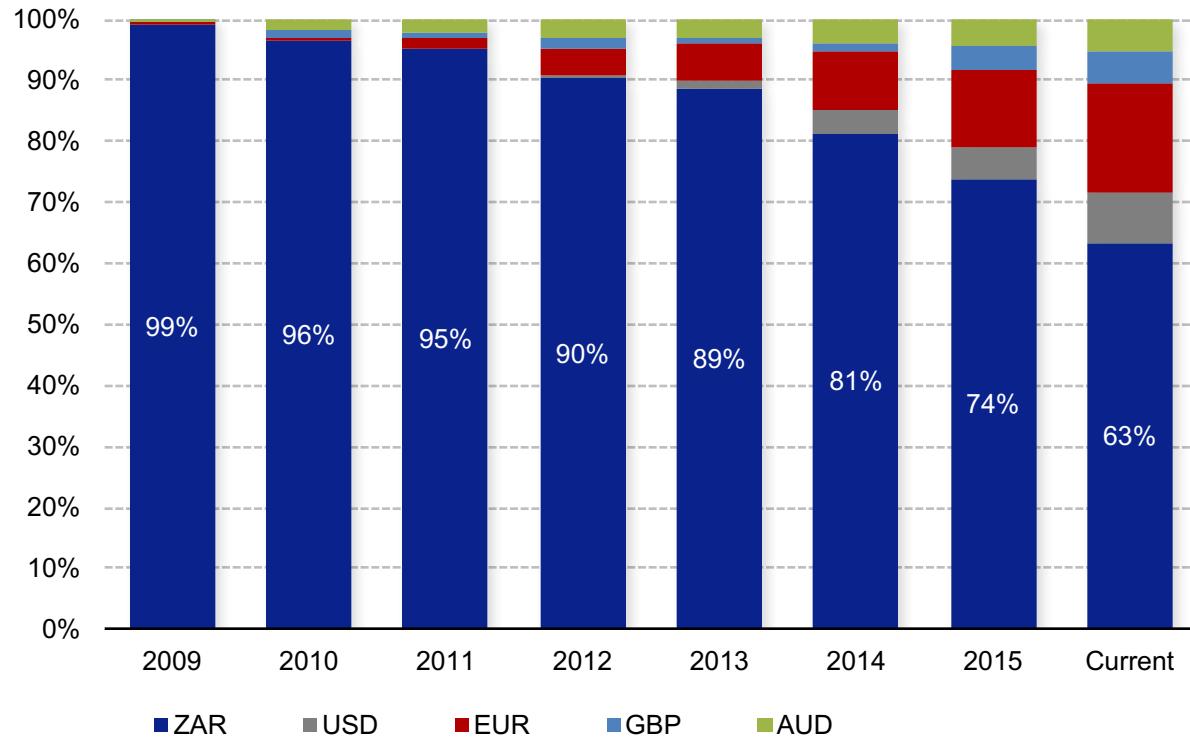
Liberty Two Degrees

Spear Properties

Student Housing?

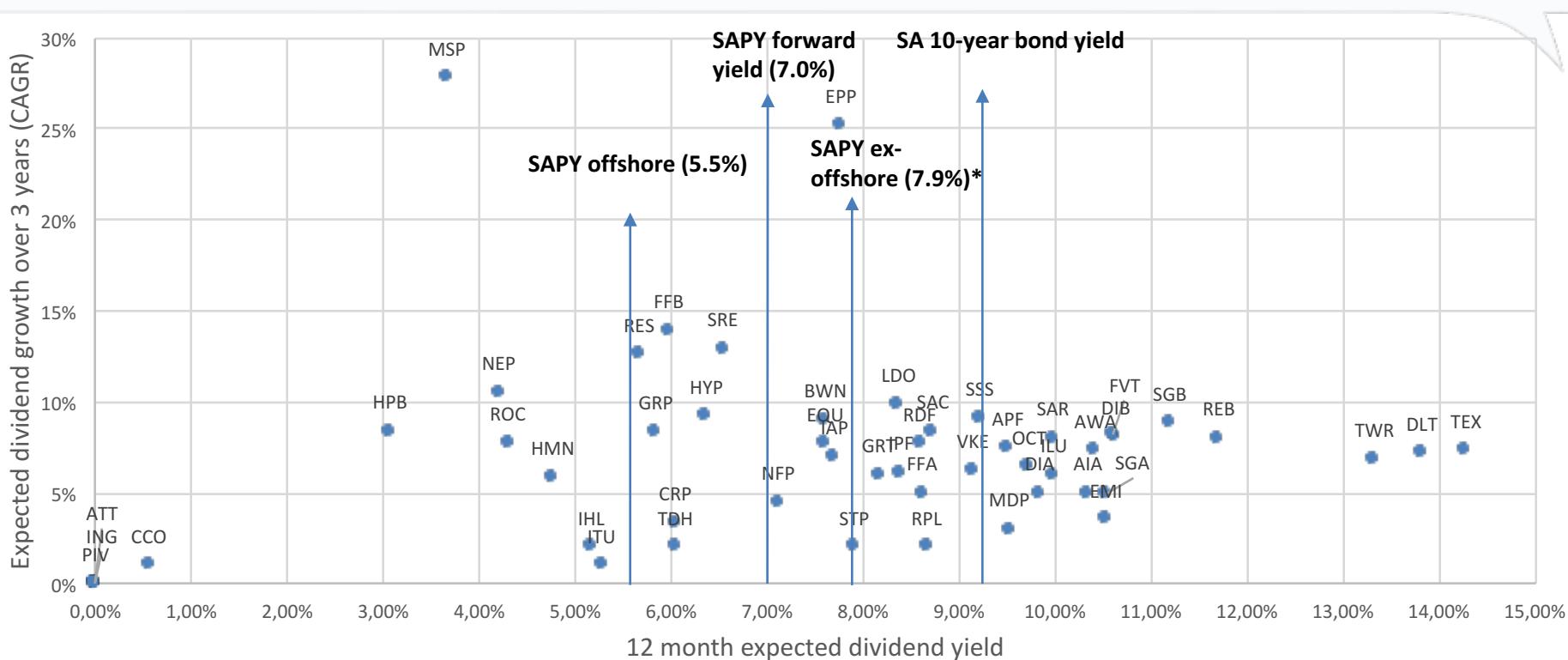
# Increased offshore exposure in the SA Listed Property Index

## 37% exposure to offshore properties



# South African Listed Property Sector

## Forward Yield and Income Growth



\* EXCLUDING RES, NEP, FFA, FFB, IPF, ROC, STP, MSP (THESE TOGETHER EQUATE TO 48% OF THE SAPY MARKET CAP)

Source: Stanlib Research Nov 2016

# SA Listed Property Outlook

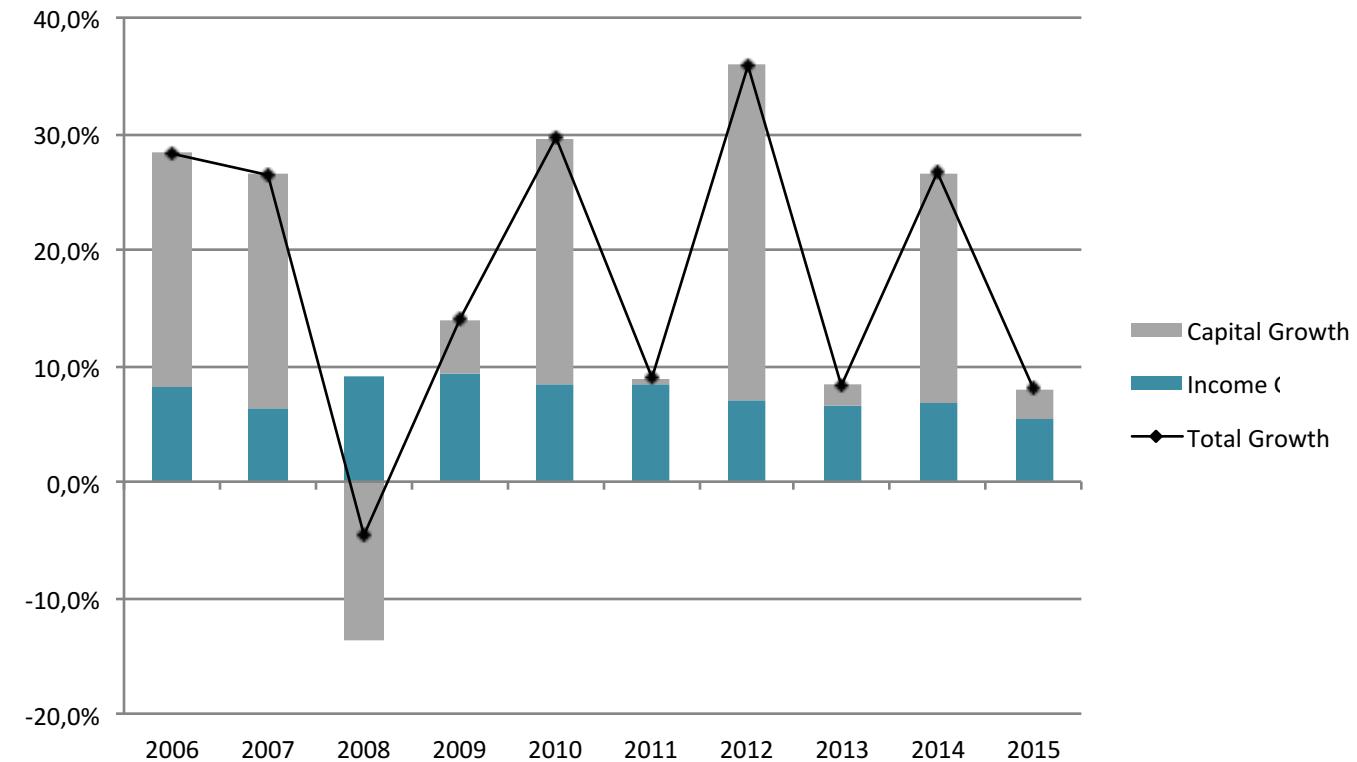
## Dividend growth still reasonable



	0-12m DPS growth	12m-24m DPS growth	24m-36m DPS growth	3 Year CAGR
Dividend growth: Dividend paying companies	8.82%	7.27%	6.89%	7.66%
Dividend growth: Development companies	1.00%	1.00%	1.00%	1.00%
Dividend growth: JSAPY INDEX	9.07%	8.10%	7.92%	8.36%
Dividend growth: JSAPY INDEX (EX OFFSHORE)	7.53%	7.02%	7.09%	7.21%
Dividend growth: JSAPY INDEX (OFFSHORE)	12.11%	10.14%	9.45%	10.56%
Dividend growth: UNIVERSE	8.78%	7.23%	6.86%	7.62%

# SA Listed Property Sector Total Returns

## Income and Capital

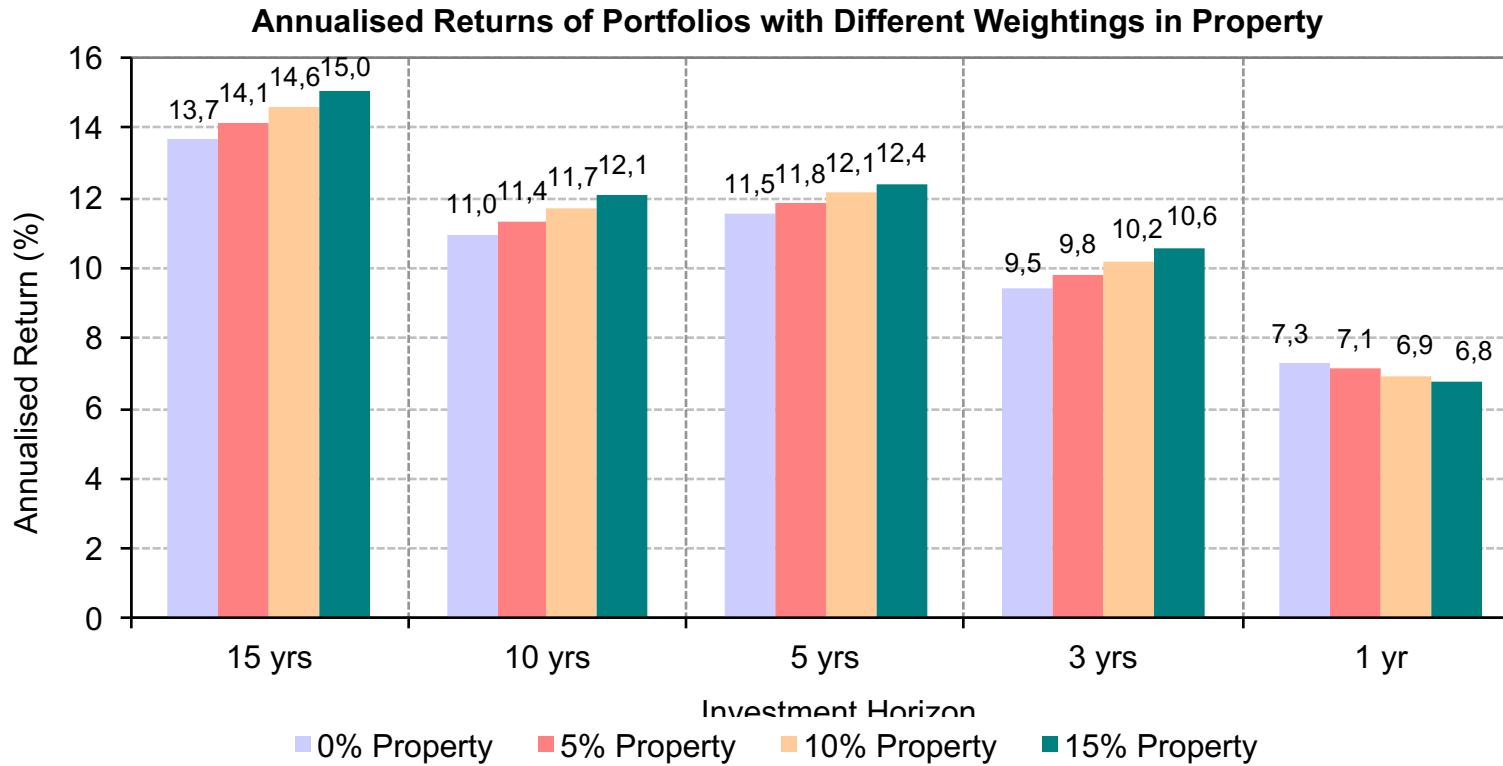


Source: Bloomberg, STANLIB Research, September 2016



# Adding listed property has helped to boost returns

## For local balanced portfolios



## SA Listed Property Conclusion

### Upside Risk

- Demand for retail space in bigger shopping centres
- Increased offshore exposure, portfolio and currency diversification
- Corporate action – mergers and take-overs

### Downside Risk

- Rising bond yields
- Global markets volatility
- Increasing office vacancies
- Competitive retail landscape
- Increasing operating costs
- Low economic growth



THANK YOU



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