

10 YEARS OF IMPACT

SA-REIT
ASSOCIATION

Chart Book
SEPTEMBER 2023

**The chart book is compiled by
Ian Anderson
of Merchant West Investments.**



Ian has been actively involved in South Africa's listed property sector since 1996 when he was part of the team that launched the Marriott Property Equity Fund. The fund was the first of its kind in South Africa and heralded a period of rapid growth for the sector.

Currently, Ian manages the Nedgroup Investments Property Fund and has done since the fund was launched in July 2010.

He is Head of Listed Property & Portfolio Manager of Merchant West Investments, having previously been the Investment Director at Marriott Asset Management and the Chief Investment Officer at Bridge Fund Managers.

Ian is a CFA and CAIA charter-holder with 30 years of experience in South African and global financial markets.

Chart Book **SEPTEMBER 2023**

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PERFORMANCE

Period	SA REITs ¹	All Share ²	All Bond ²
<u>2016</u>			
Q1	10.2%	3.9%	6.6%
Q2	1.5%	0.4%	4.4%
Q3	0.4%	0.5%	3.4%
Q4	2.1%	-2.1%	0.3%
Year	14.7%	2.6%	15.4%
<u>2017</u>			
Q1	3.8%	3.8%	2.5%
Q2	-1.3%	-0.4%	1.5%
Q3	3.8%	8.9%	3.7%
Q4	6.7%	7.4%	2.2%
Year	13.4%	21.0%	10.2%
<u>2018</u>			
Q1	-14.3%	-6.0%	8.1%
Q2	-3.0%	4.5%	-3.8%
Q3	-1.9%	-2.2%	0.8%
Q4	-2.8%	-4.9%	2.8%
Year	-20.7%	-8.5%	7.7%
<u>2019</u>			
Q1	-0.2%	8.0%	3.8%
Q2	3.1%	3.9%	3.7%
Q3	-6.2%	-4.6%	0.8%
Q4	0.9%	4.6%	1.7%
Year	-2.6%	12.0%	10.3%
<u>2020</u>			
Q1	-49.6%	-21.4%	-8.7%
Q2	17.9%	23.2%	9.9%
Q3	-12.2%	0.7%	1.5%
Q4	19.5%	9.8%	6.7%
Year	-37.8%	7.0%	8.7%
<u>2021</u>			
Q1	7.4%	13.1%	-1.7%
Q2	13.9%	0.0%	6.9%
Q3	5.0%	-0.8%	0.4%
Q4	10.1%	15.1%	2.9%
Year	41.5%	29.2%	8.4%
<u>2022</u>			
Q1	0.1%	3.8%	1.9%
Q2	-11.2%	-11.7%	-3.7%
Q3	-1.5%	-1.9%	0.6%
Q4	15.9%	15.2%	5.6%
Year	1.5%	3.6%	4.2%
<u>2023</u>			
January	-2.9%	8.9%	3.0%
February	-1.9%	-2.2%	-0.9%
March	-3.1%	-1.3%	1.3%
April	3.9%	3.4%	-1.2%
May	-7.9%	-3.9%	-4.7%
June	1.8%	1.4%	4.6%
July	4.8%	4.0%	2.3%
August	0.1%	-4.8%	-0.2%
September	-2.4%	-2.5%	-2.4%
Year-to-date	-7.8%	2.2%	1.5%

1) Source = Merchant West Investments (index excludes property developers and non-SA REITs)

2) Source = IRESS

Total return indexes



Source: IRESS & Merchant West Investments

SA REIT Index (price only)



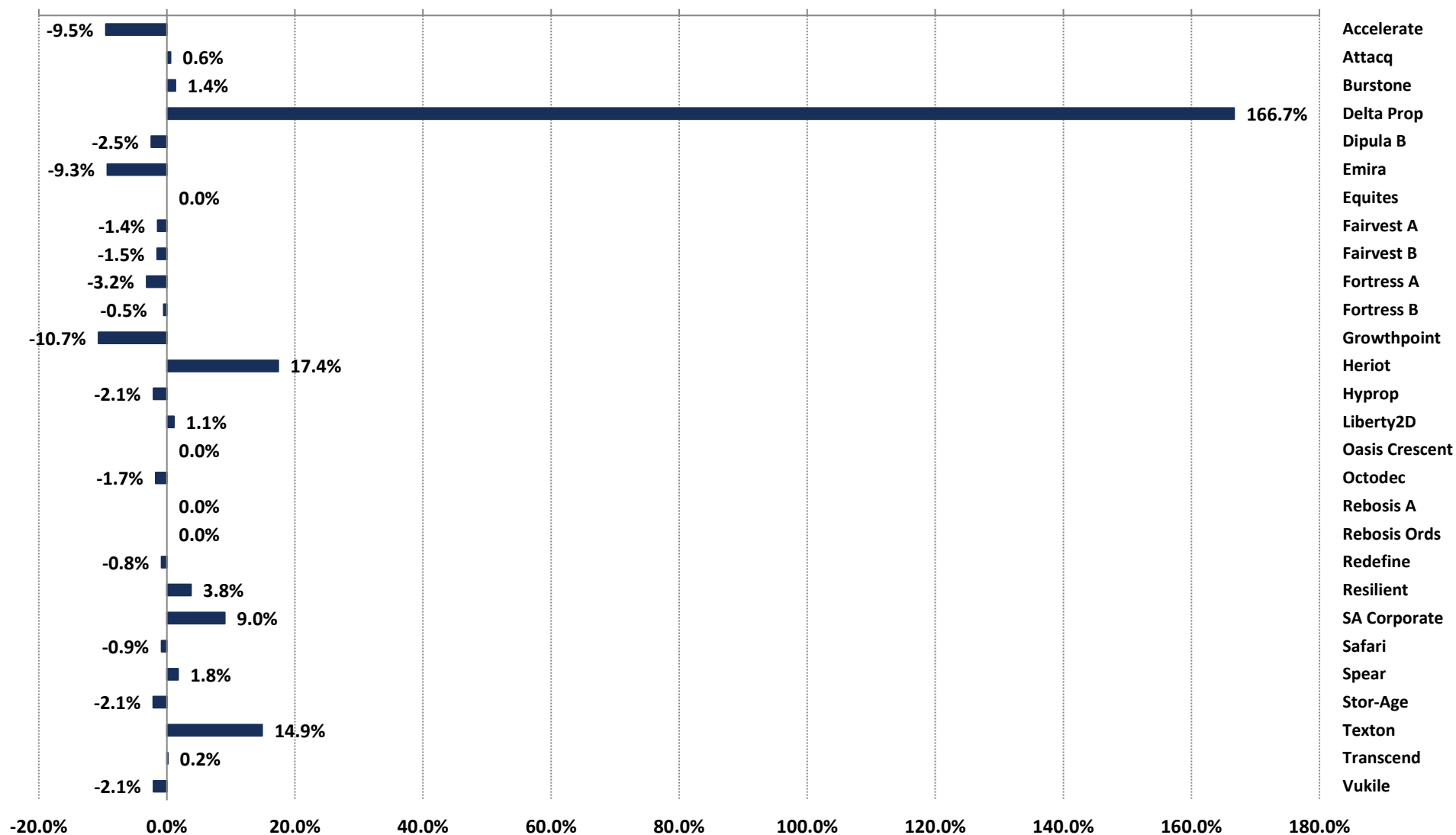
Source: IRESS & Merchant West Investments

Comparative Total Return Investment Correlation

	SA REITs	FTSE/JSE: All Share	All Bond	FTSE/JSE: Financials	FTSE/JSE: Industrials	FTSE/JSE: Top 40	FTSE/JSE: Small Cap
Data period for upper right : September 2013 - September 2023							
SA REITs	1.00	0.60	0.52	0.75	0.65	0.52	0.78
FTSE/JSE: All Share	0.65	1.00	0.38	0.66	0.66	0.93	0.65
All Bond	0.55	0.56	1.00	0.57	0.51	0.36	0.43
FTSE/JSE: Financials	0.78	0.67	0.67	1.00	0.79	0.67	0.79
FTSE/JSE: Industrials	0.67	0.67	0.55	0.78	1.00	0.69	0.73
FTSE/JSE: Top 40	0.60	0.93	0.60	0.70	0.72	1.00	0.62
FTSE/JSE: Small Cap	0.83	0.70	0.48	0.83	0.77	0.69	1.00
Data period for lower left : September 2018 - September 2023							

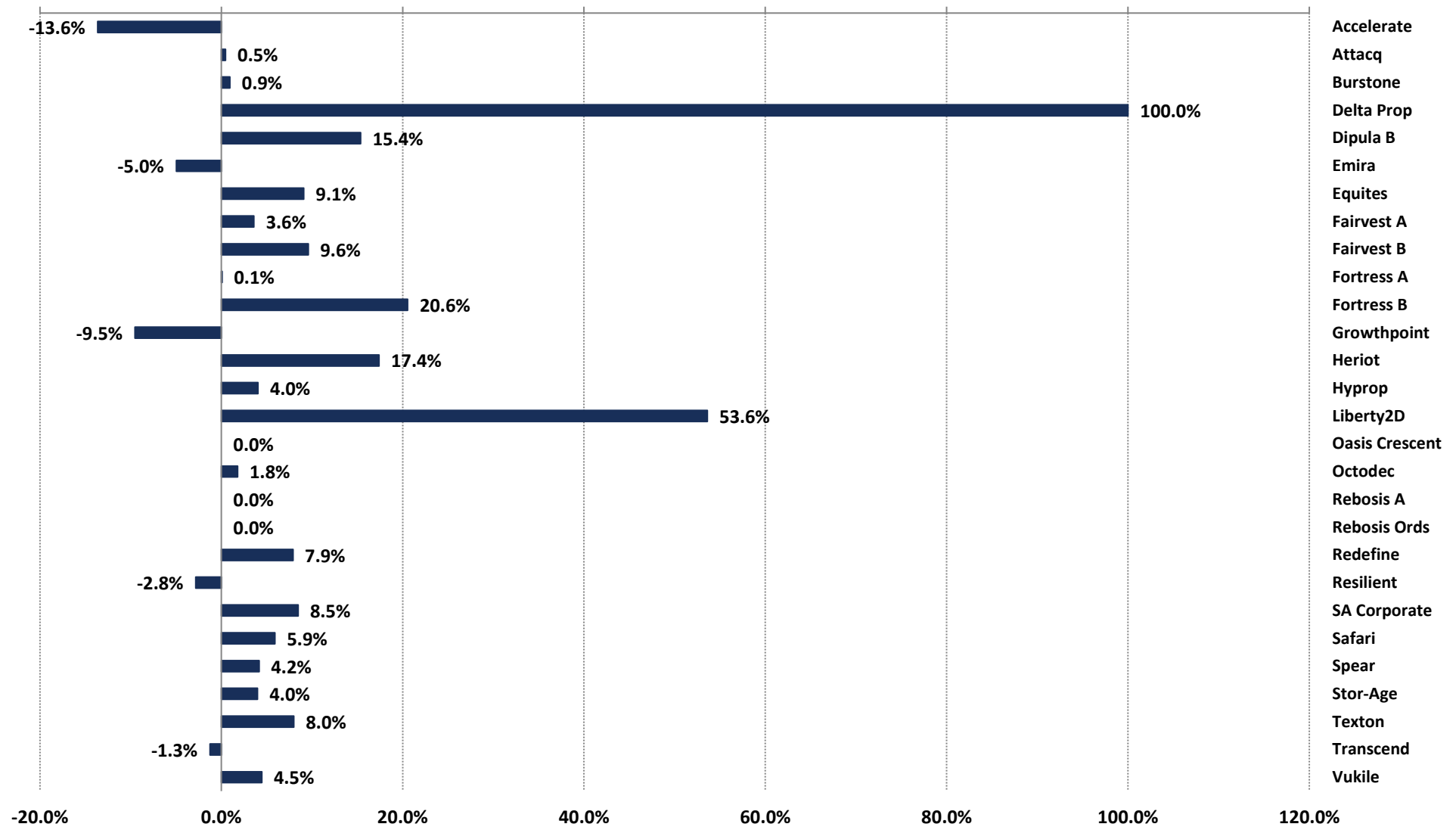
Source: Merchant West Investments

Monthly performance - September 2023



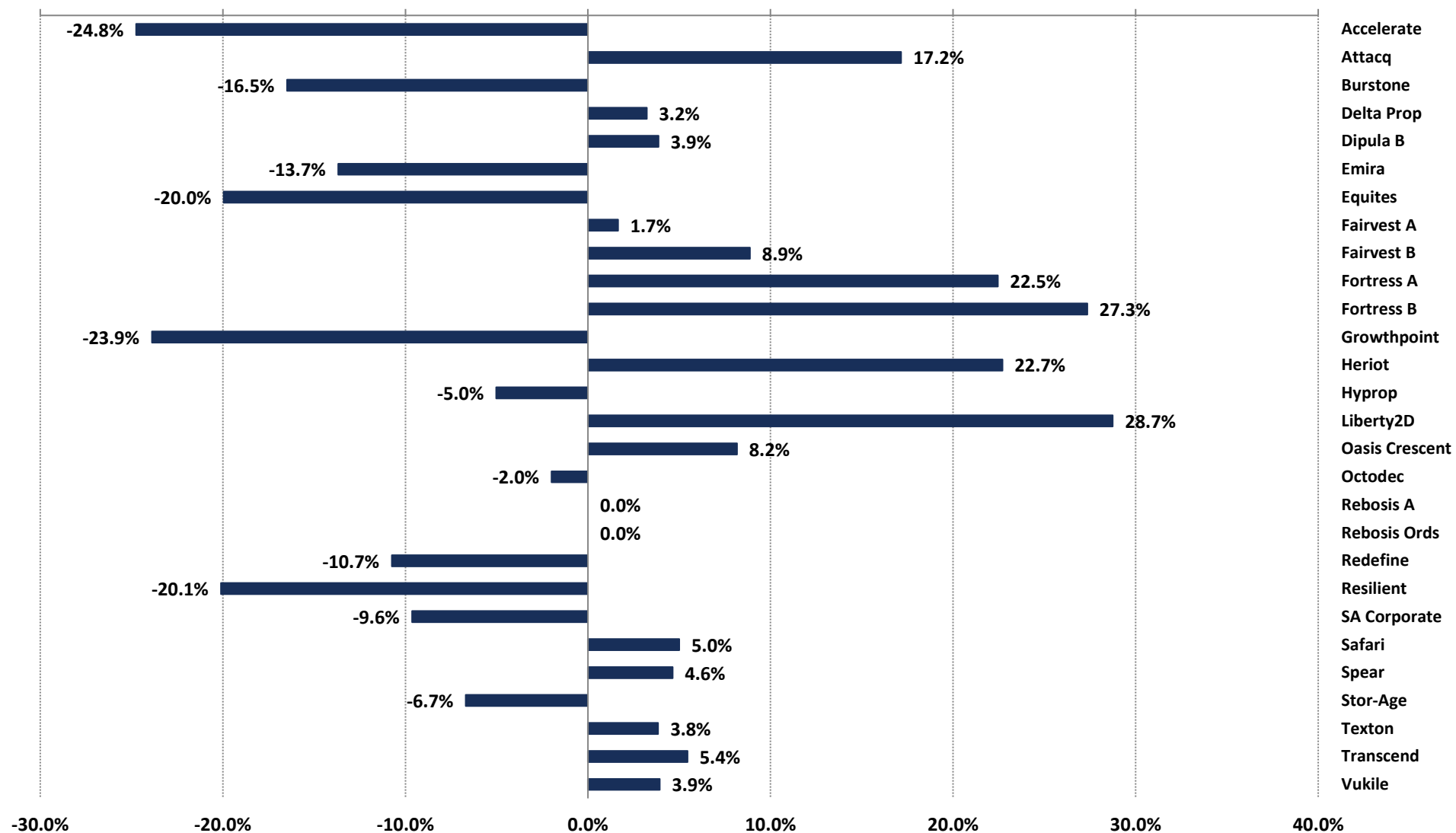
Source: Merchant West Investments

3 month performance to 30 September 2023



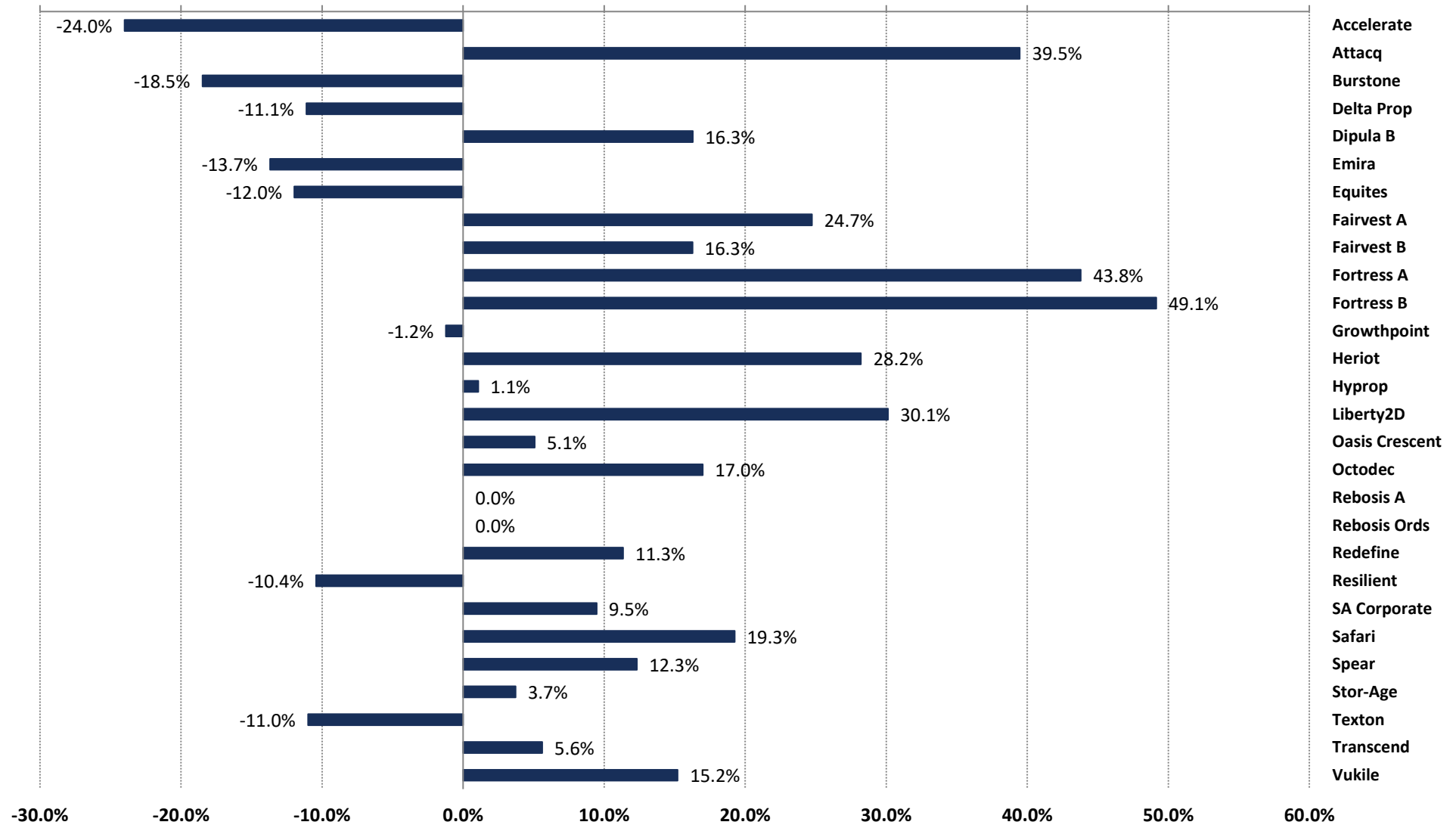
Source: Merchant West Investments

Year-to-date performance to 30 September 2023



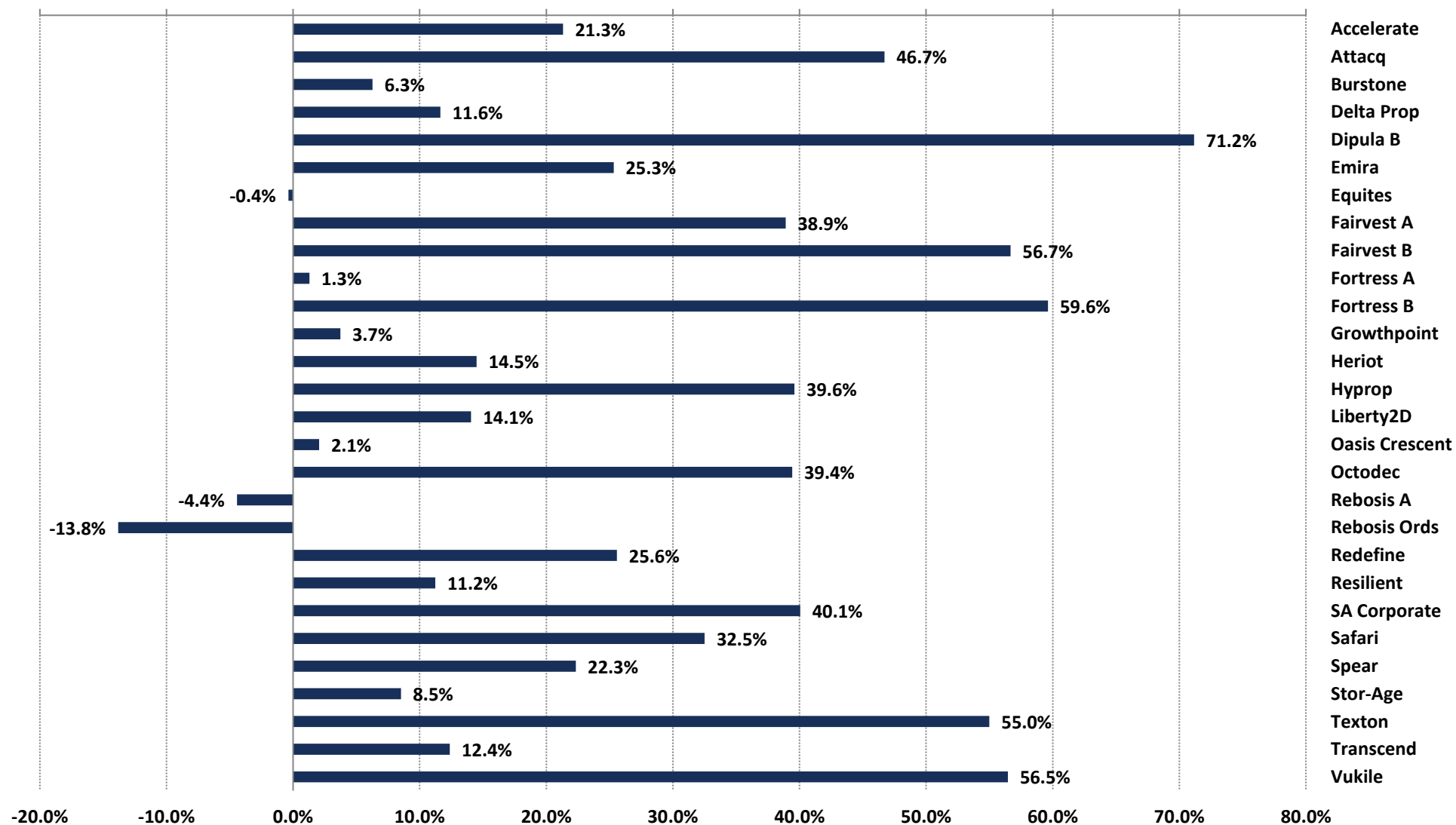
Source: Merchant West Investments

12 month performance to 30 September 2023



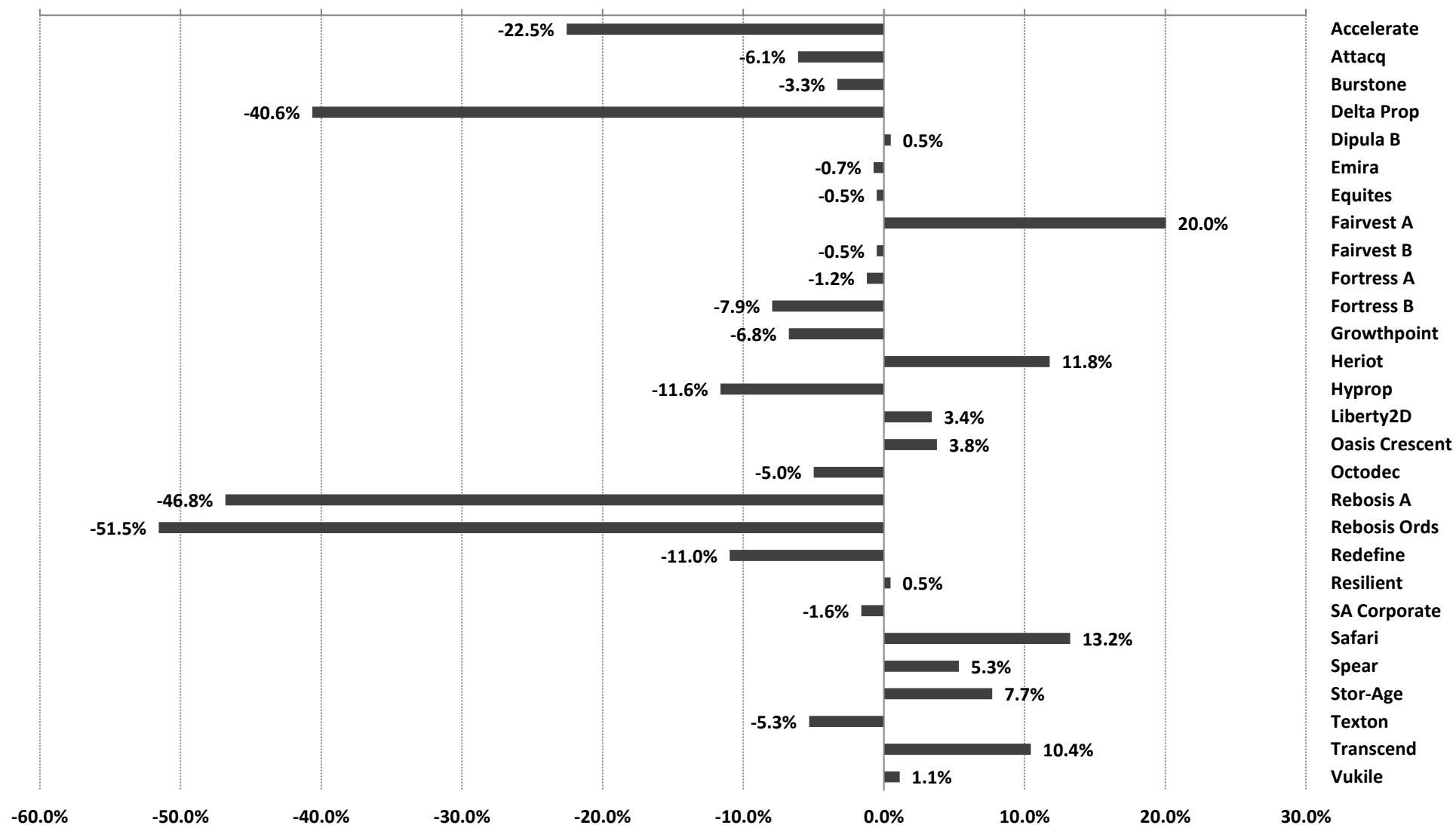
Source: Merchant West Investments

3 year annualised performance to 30 September 2023



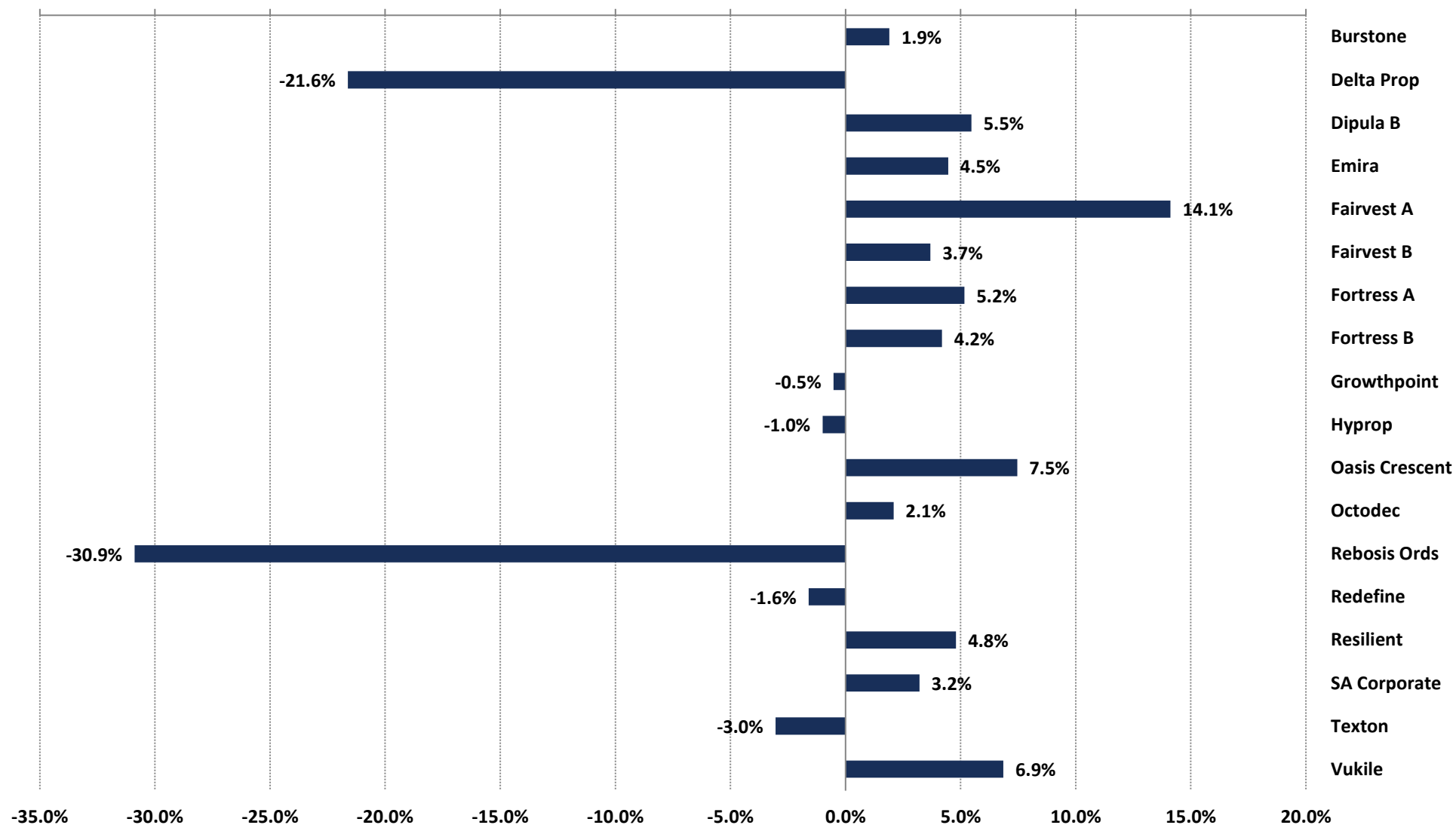
Source: Merchant West Investments

5 year annualised performance to September 2023



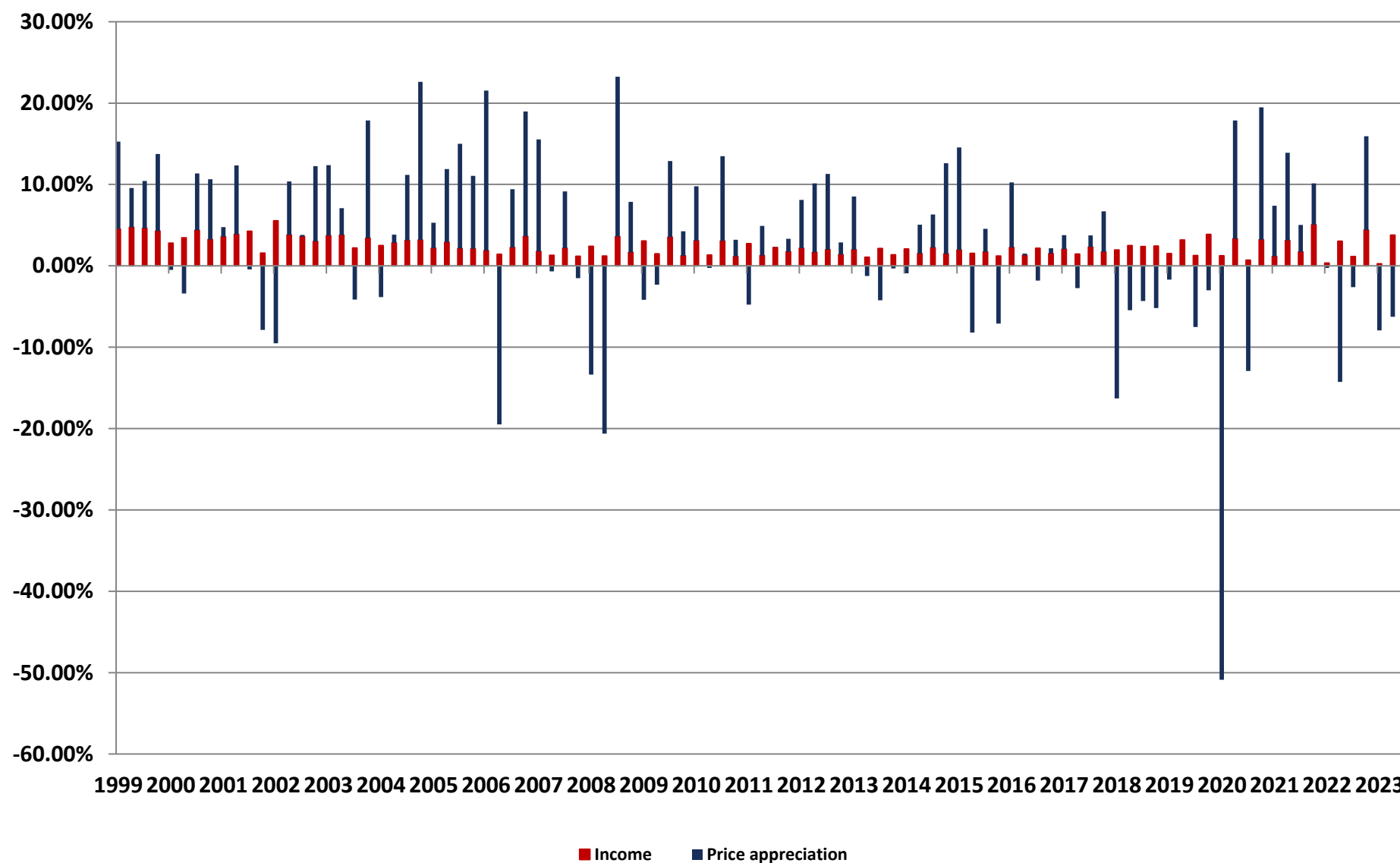
Source: Merchant West Investments

10 year annualised performance to 30 September 2023



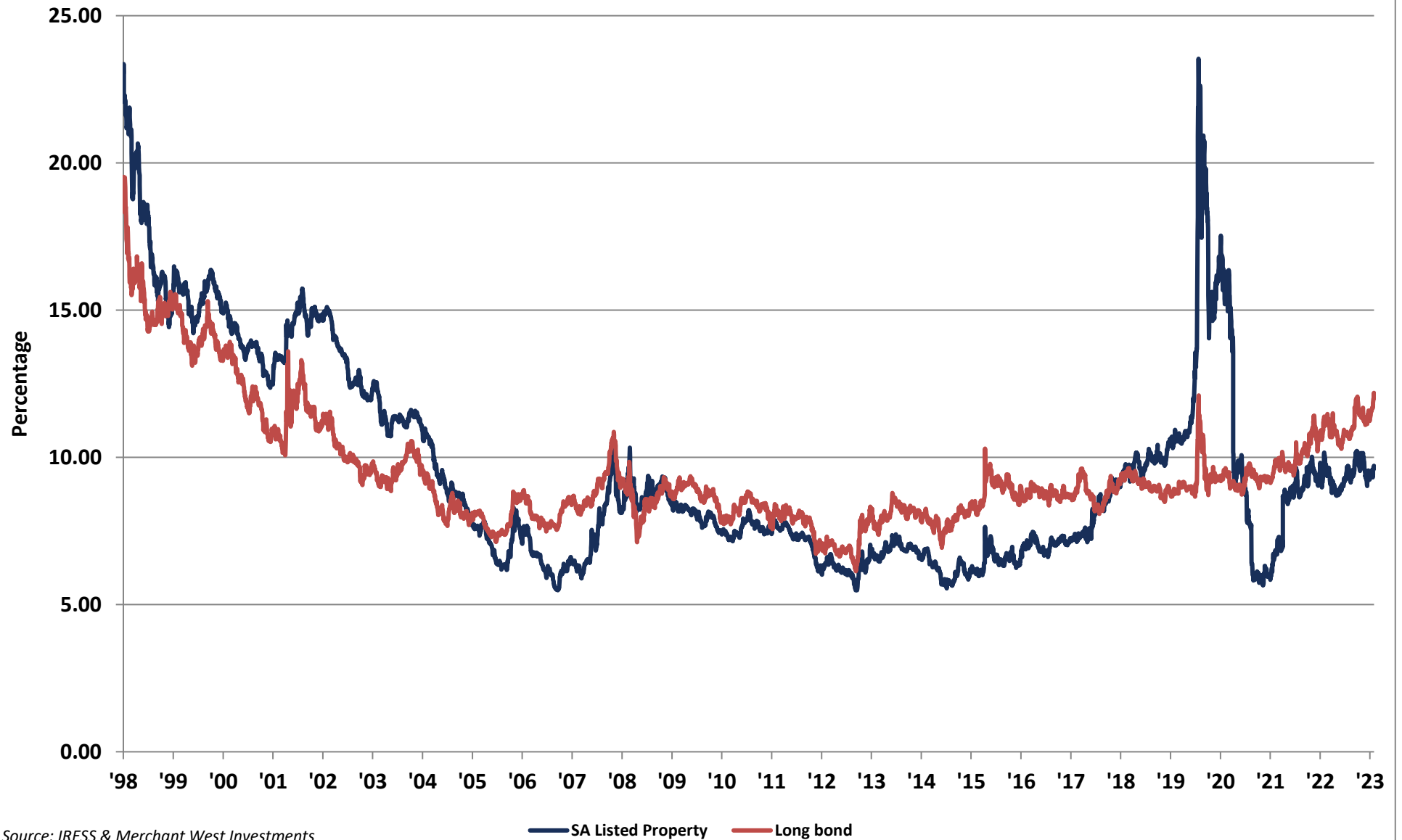
Source: Merchant West Investments

SA REITs - quarterly return components

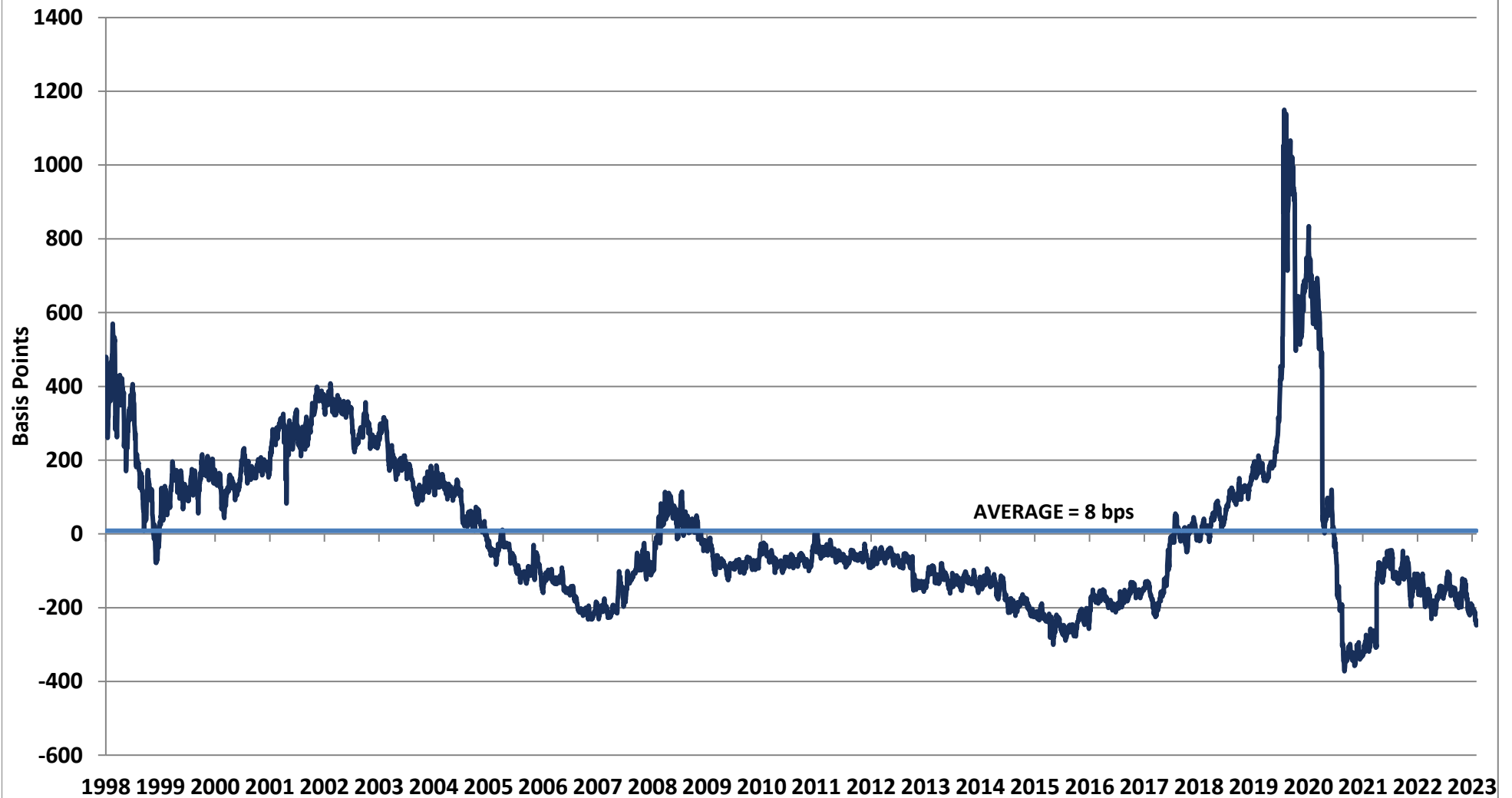


Source: Merchant West Investments

SA REIT Yields versus Bond Yields

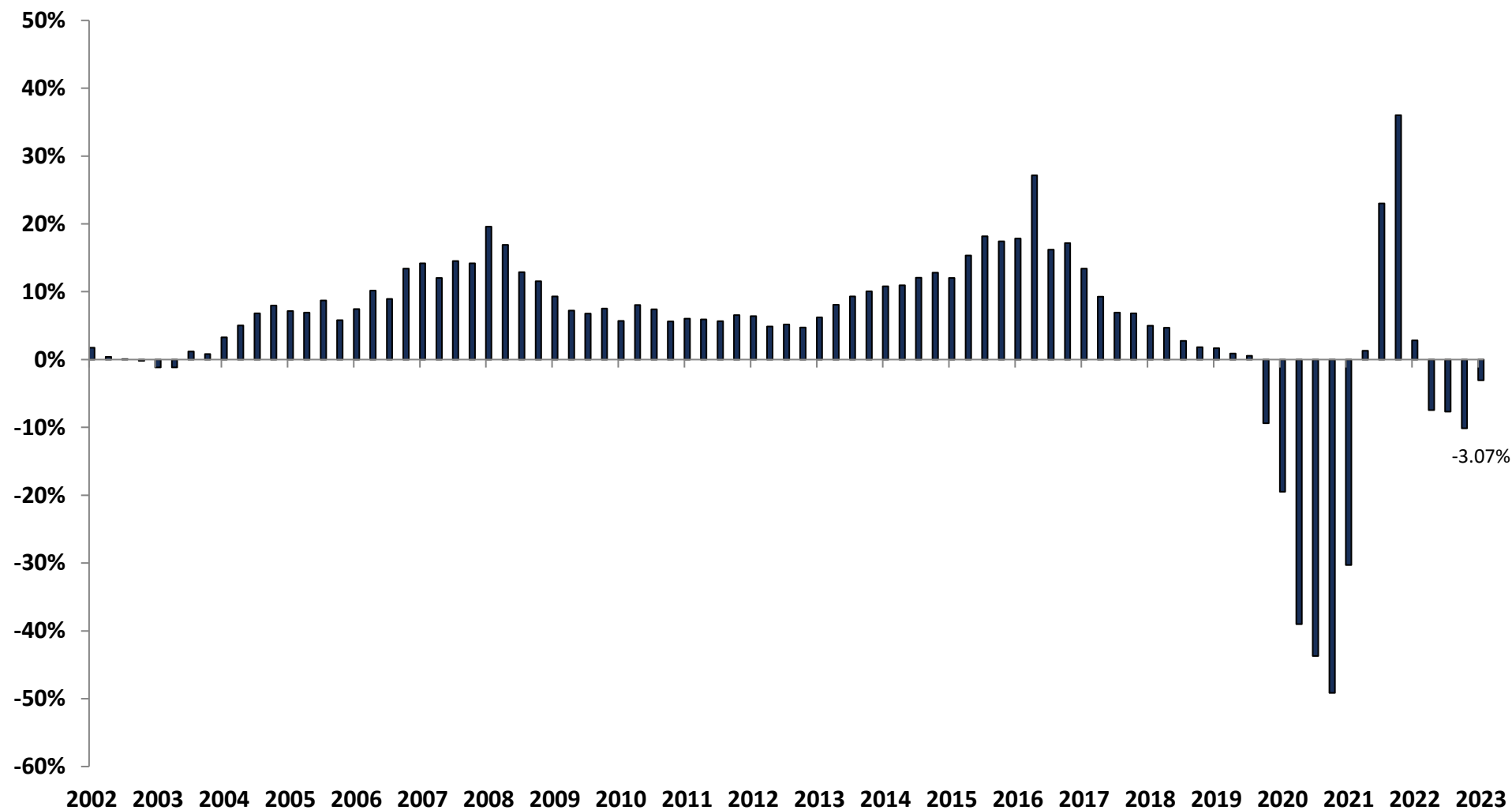


Yield Differential SA REIT Yield minus Long Bond Yield



Source: IRESS & Merchant West Investments

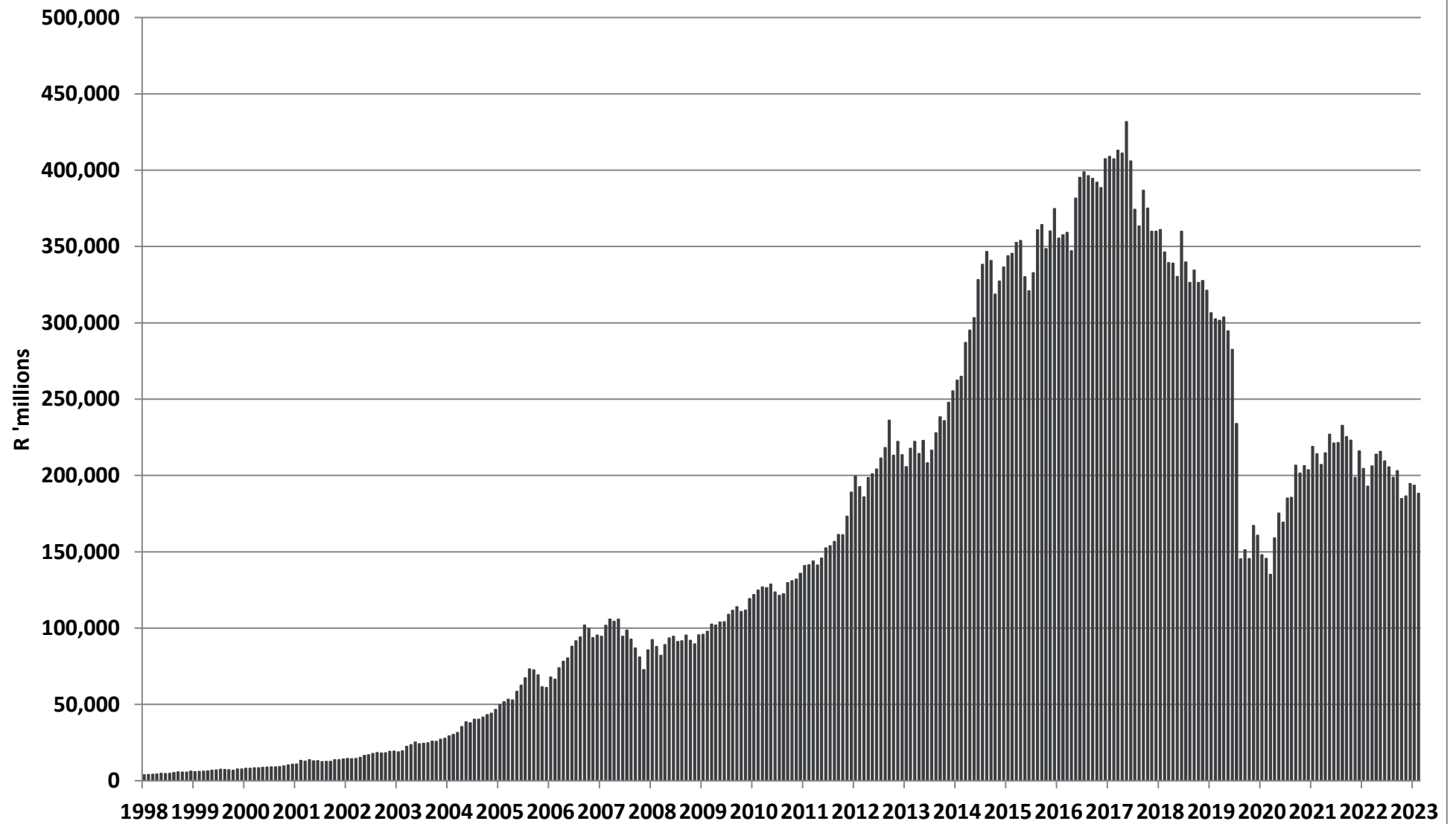
SA REITs Distribution Growth - Rolling 12 months¹



Source: Merchant West Investments

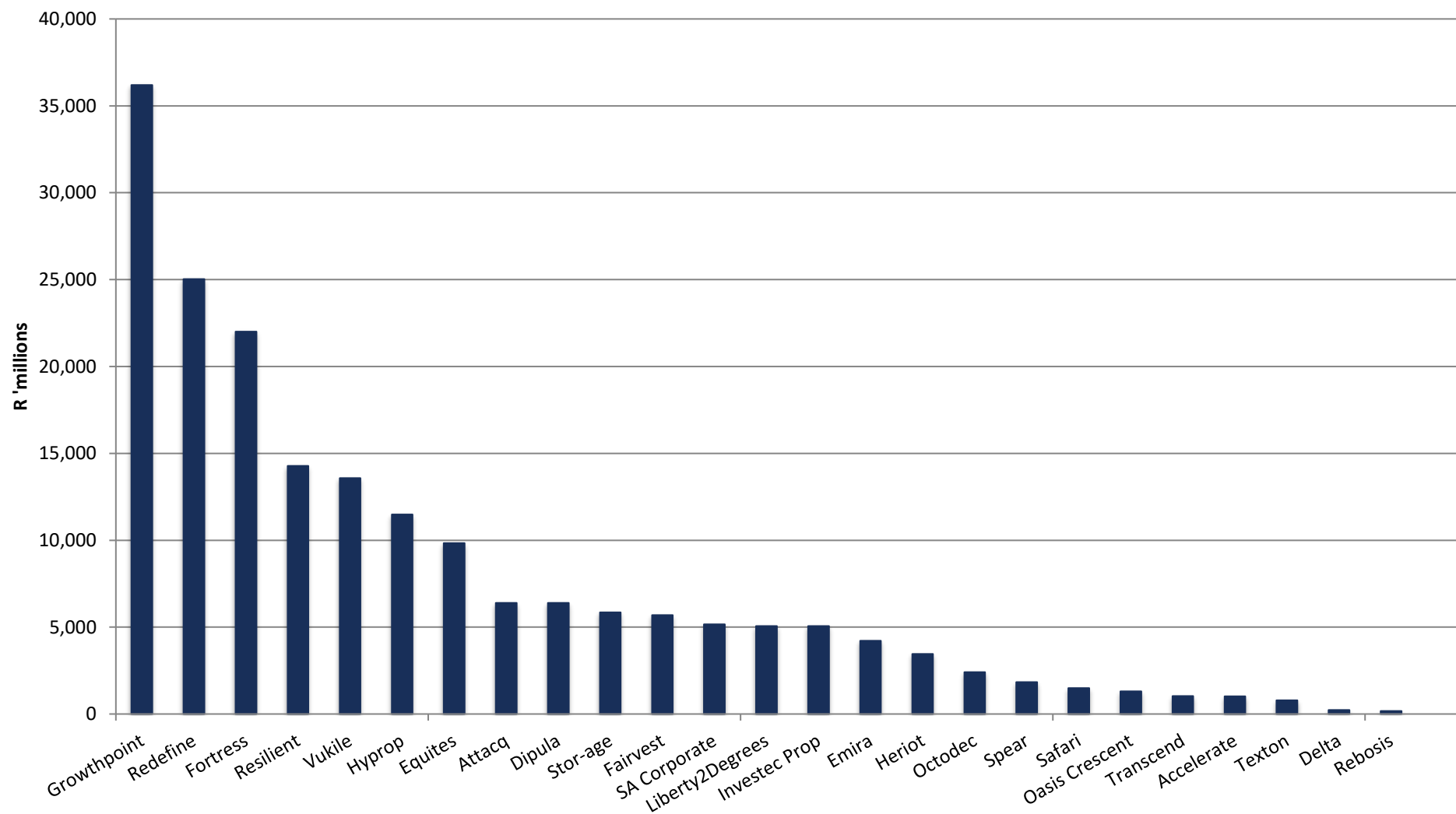
1. Weighted by equity market capitalisation at the end of the period to limit distortions created by significant equity issuance by individual companies

Market Capitalisation



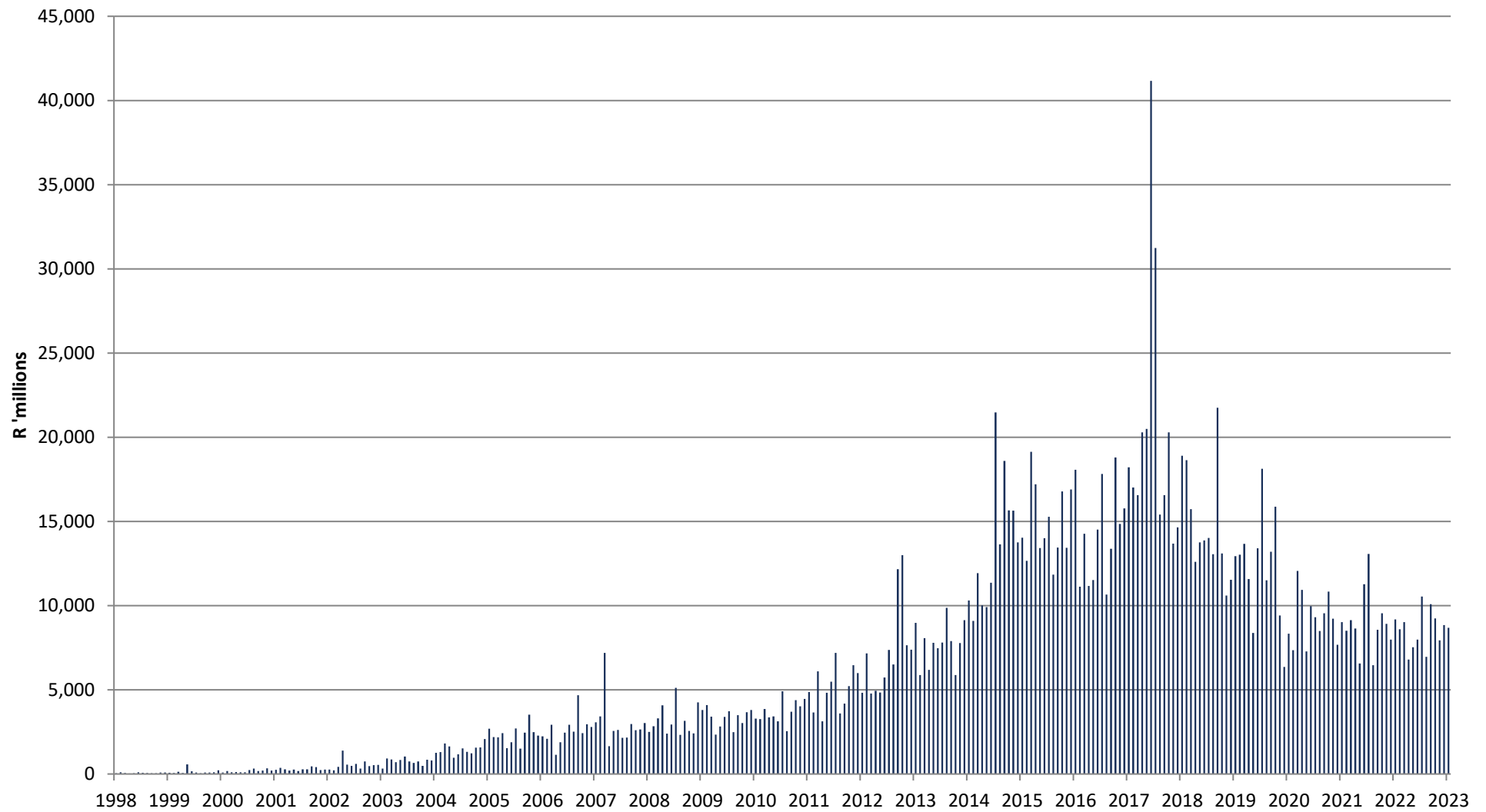
Source: Merchant West Investments

Market Capitalisation - Publicly Traded SA REITs September 2023



Source: Merchant West Investments

Monthly value of SA REIT shares traded



Source: IRESS and Counterpoint Asset Management



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