

**JSE-listed property sector is smaller than Anglo American Platinum...by a *third***

The world is changing quickly and in unexpected ways. Who would have guessed that a virus in Wuhan would have led to semiconductor shortage, negative oil futures and our inability to buy beer? Or that it would have paved the way for Russia to invade Ukraine, and Germany to start relooking at "dirty" energy again?

This wild environment has led to some strange anomalies.

For example, **the entire JSE-listed property sector is smaller than Anglo American Platinum...by a *third*!**

***For many years, listed property outperformed. Rates kept falling, shopping centers and offices kept being built and filled, wild cross-holdings being structured, and increasingly marginal Real Estate Investment Trusts ("REITs") being listed on the JSE...***

The music stopped a couple years ago.

The JSE listed property has gone from bad to worse and collapsed as a huge oversupply in shopping centers and offices (which the pandemic has *not* helped one bit) met over-gearred balance sheets and shaky, often indecisive management.

The entire listed property sector's market cap is a little over R400bn (*not* reversing cross-holdings that artificially boost this figure).

Staggeringly, this means that the *entire* JSE-listed property sector is only slightly bigger than Firststrand's (code: FSR) R398bn market cap and nearly a third *smaller* than Anglo American Platinum's (code: AMS) R546bn market cap!

Because the world needs well run banks and PGM metals, but does South Africa really need *another* marginal shopping mall and office park?

Kind regards

A handwritten signature in black ink, appearing to read 'Keith McLachlan'.

Keith McLachlan  
Investment Officer  
Integral Asset Management