

Uptick in Shopping Centre Sales

The uptick in shopping centre sales out of negative territory is continuing according to the Clur Report of SA Retail Property Performance for January, an industry barometer.



Belinda Clur, managing director of Clur Research International. Image supplied.

The report provides strategic indicators on market movements, consumer behaviour, shopping centre segments and retail merchandise trends to listed and unlisted property funds owning 2.2 million m² of physical retail space in seven provinces of South Africa and in Namibia.

Annualised trading density

The key SA consolidated Clur benchmark for January showed annualised trading density of R32,957/m² with year on year performance at minus 0.3%, says Belinda Clur, managing director of Clur Research International.

“This is a further improvement on the December 2017 figures of R32,905/m² and minus 1.0%. The favourable movement into less negative territory and back to zero has been apparent since September 2017, when the year on year rate came in at minus 1.7% and then improved to minus 1.1% in November. “

Turnover at the contributing centres – pure unadjusted sales not relative to space – for the rolling 12 months to January showed growth of 3.4%, after the 3.8% achieved for 2017 and the 2.5% year on year for December. Sales at the centres in January were 0.3% lower than the corresponding 2017 figure, after the higher sales volumes for November and December.

Portfolio diversification

Belinda Clur says the January report confirms that, while larger centres deliver the highest trading densities, smaller centres provide the highest annual growth in sales/ m², supporting the case for portfolio diversification. The Clur small regional, community and neighbourhood centres benchmark was R28,486/ m² for January. This represented a positive year on year growth of 2.2%. December 2017 figures were R28 409/m² and 2.0%.

The Clur super regional and regional benchmark for January recorded annualised trading density at R34 978/ m² with year on year performance at minus 1.6%. That compared with December 2017 figures of R34 941/m² and minus 2.5%.

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