

Q1 building plans completed up 17.6% q/q

The real value of building plans completed as reported by larger municipalities rose by 17.6% quarter on quarter (q/q) seasonally adjusted and annualised (saa) in the first quarter 2012, according to Statistics SA (Stats SA) data released on Thursday (17 May 2012).

The real value of building plans passed however fell by 24.3% q/q saa in the first quarter. This was largely due to a 76.8% q/q saa slump in the real value of non-residential building plans passed. Excluding this category, building plans passed rose by 6.9% q/q saa.

On a year ago basis, the real value of building plans completed in the first quarter eased by 3.3%. This was due to a 19.8% year on year (y/y) decline in the plans for additions and alterations. Non-residential plans passed rose by 5.2% y/y, while residential plans increased by 3.8% y/y.

On a year ago basis, the real value of building plans passed in the first quarter dropped by 10.0%. This was due to a 27.5% y/y slump in the real value of non-residential building plans. There was a 7.7% y/y decline in the plans for additions and alterations, while residential plans slipped by 1.6% y/y.

The building plan data is supported by the cement sales volumes data released by the Cement and Concrete Institute (C&CI). These showed that cement sales soared by 22.0% y/y in January, but this slowed to a 7.4% y/y gain in February.

The February 2012 data is merely the latest in a string of strong y/y cement sales increases. The increase over the prior five months (September to January) was 10.5% y/y with the November 2011 tonnage sold of 1,141,248 the highest monthly total since 2008.

The Competition Commission only allowed the C&CI to report a national figure, not the regional or product detail. The detail would allow economists to better see how much of the cement sales are going into the non-power stations, mines, dams and residential buildings in rural areas, none of which is reported by Stats SA when they release the building plan data for larger municipalities.

At the beginning of April, even this little data snippet was stopped. It is now only allowed to report quarterly data three months after the end of the quarter. That means the first quarter cement sales data will only be available at the end of June or early July.