

Some of us (including me), still struggle to believe that Gibraltar is in surprisingly good shape, considering the world-wide economic blow between the legs. Having looked back at some of the points that I have highlighted in past articles, it seems that I was not too far off the mark and this small, yet strong and stable market of ours continues to build on its success, albeit sensibly and without placing too much pressure on itself to outperform at any given moment.

I recall it was only 10 months ago I was writing about the very dismal Red October that knocked us all for six. I vividly remember wanting to erase all News network channels from screen at home and resorted to watching a programme about the intricacies of basket weaving in the middle ages. The Doom and Gloom was affecting us locally (as indeed I had suspected it would), but of course it was confidence that became our problem, coupled with the sheer volume of property (off-plan particularly) that was also raising eyebrows.

Interestingly, although we had reason to be concerned, the focus of attention on all our minds was directed to the Bigger Picture and the looming Great Depression that we were being told was imminent. I recall hearing 2-4 year recession up to 5 years predicted for many of the G8 economies....remember

this was just 10 months ago! Now, I am no genius, nor am I an economist (although to be perfectly honest neither of the two seem to have nailed this fiasco), but how can we now be seeing the “green shoots of recovery”? – don’t you just love it? It’s almost as if the world has gone bipolar on us... and those billions injected by central banks around the world are once again giving us the high that had previously been enjoyed for so long ..... and so much sooner than anyone expected. Now, I’m not one to use George W. quotes for serious issues, but on this occasion it fits..... “Wall Street got drunk and now it’s got a hangover”. Ok yes, that financial injection could very well be the hair of the dog and it’s just made it all better again – but for how long though?

I hate to be one to spoil the party, but doesn’t anyone else think it’s all too soon? Please don’t get me wrong, I never thought we were going into a Great Depression and I do think that regardless of their greed, the banks did need to be saved; nevertheless it all seems a little too rosy, just 10 months after what was called the Biggest Recession since the 1930’s.



Now you're thinking what on earth does all this have to do with Gibraltar and the property market?.....well, not much to be honest, because the fact remains that all these external variables have not really affected our position locally and our general state is confident, but cautious. Certainly not insecure.

To the real world now: the one in which I live: how is business? Are we making sales? Are there new clients arriving on the Rock? In short: GOOD – YES – YES and here's where the difference can be seen: the market remains fluid, with continued applicants wanting to climb on the ladder and others wanting to move up the ladder. Yes, there has been a softening of prices in certain developments, but this relates to over-pitching in pricing and a little over-pitching on the marketing too. What is far more interesting though, is the volume of new business, both in the commercial and private client sectors, which is encouraging to say the least.

One more thing, and this serves as a great indicator; to date, since Red October, there have been NO bank repossessions on the Rock from either of the two main lenders that we use.

I hope you have enjoyed my quarterly review and whether you like Estate Agents or not, I trust you will accept that these views have been penned with much thought and not a little sincerity... I hope too, perhaps, to have raised if not a chuckle, then at least a wry smile.

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