



John Johnston - CEO

Has Residential Property taken over as the 'de facto' Gold Standard?

It appears that it is residential property, (not commodities, currencies or even equities), that is emerging as the new world value standard, the ultimate tradeable store of a nations' or an individuals' true wealth.

We really should not be surprised by this. Residential property is the only openly tradeable commodity common, valued, and necessary to everyone. Property is also the world's largest marketplace by value and is globally traded by all comers with a purpose, regularity and transparency unmatched by any other product.

People have worked out that the value of a country's residential property directly reflects it's economic viability and are cashing in on the correlation. As more is known about the health of world economies today than ever before, its' property is able to be invested in (increasingly as an effective currency or inflation hedge) with a rare high degree of safety and certainty.

This value alignment principal played out clearly for all to see during the recent GFC where the property values of countries in good shape held firm while that of those in lesser shape fell.