Department for Business Innovation & Skills

Monthly Statistics of Building Materials and Components

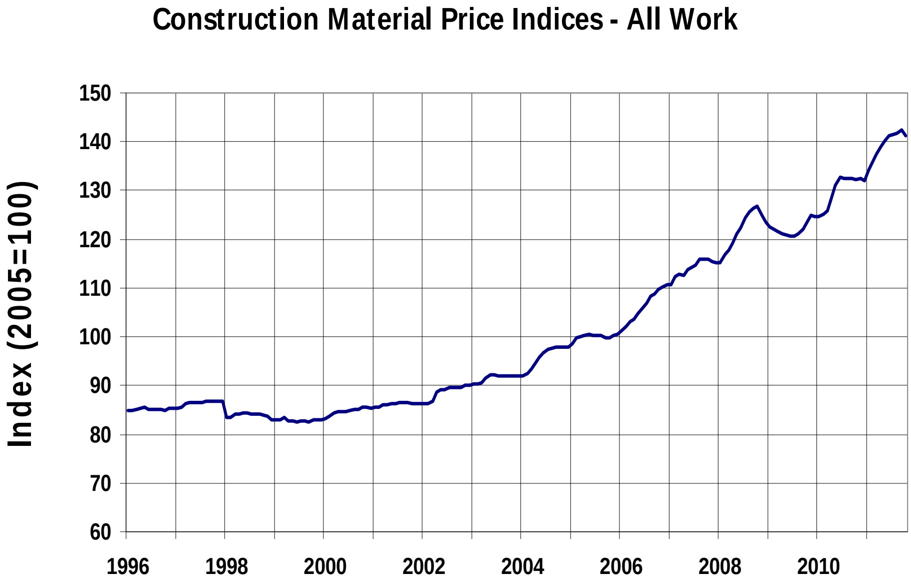
Commentary

November 2011

Construction Price Indices

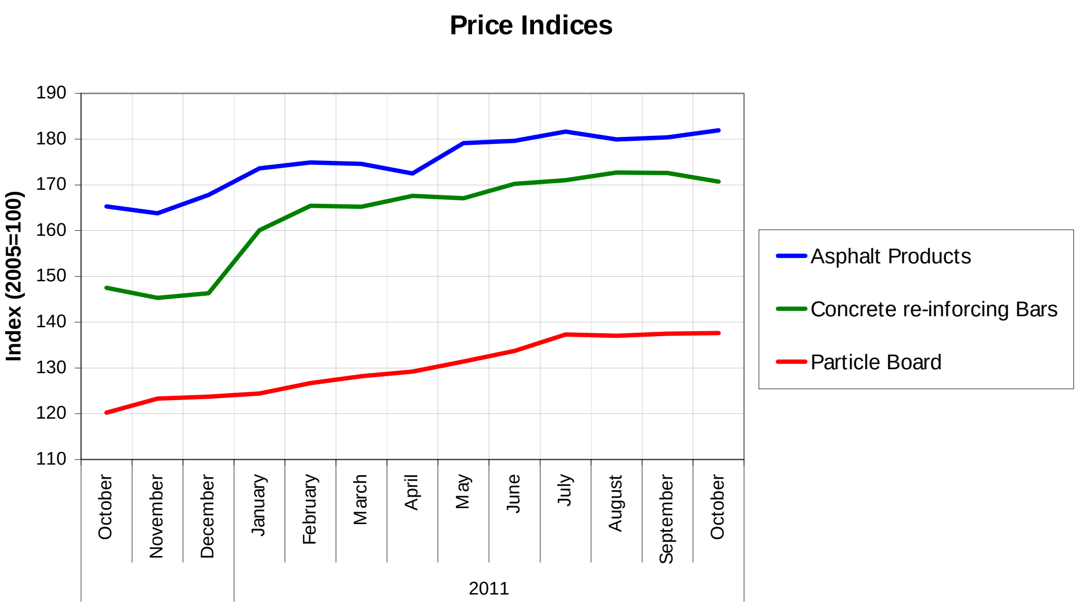
Provisional data show that the 'All Work' Construction Material Price Index fell in October, by 0.8% from September. This fall was the first since December 2010. However, the 'All Work' Index was still 6.8% higher than in October 2010.

The decline in the headline 'All Work' index in October was broad-based, reflecting monthly decreases in the 'New Housing' (down 0.7%), 'Other New Work' (down 0.9%) and 'Repair and Maintenance' (down 0.4%) sub-indices.



This data is taken from Table 1

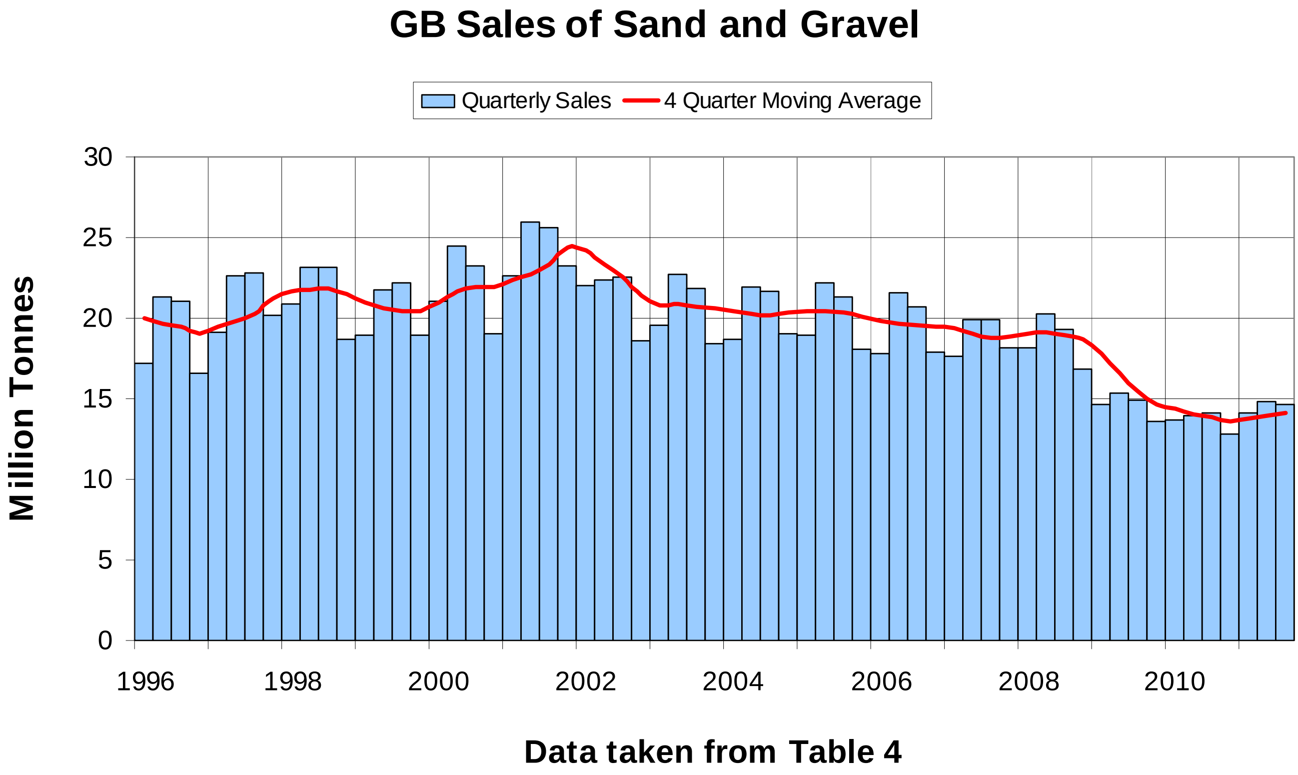
Concrete Reinforcing Bars (up 15.7%), Particle Board (up 14.5%) and Asphalt products (up 10.0%) experienced the largest price increases in the year to October. Over the same period, the materials that saw the largest price falls were Imported Sawn or Planned Wood (down 4.3%) and Imported Plywood (down 3.4%).



Data Taken From Table 2

Sand and Gravel

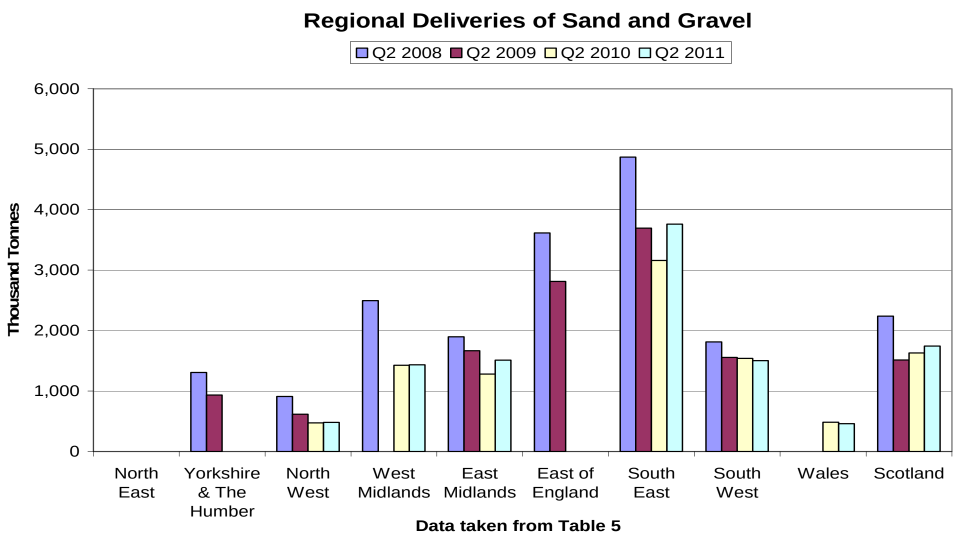
Total sales of Sand and Gravel in Great Britain amounted to 14.6 million tonnes in 2011Q3, up 3.7% from a year earlier. This increase was partly due to a 15.1% increase in the quantity of sand sold for concreting. By contrast, the quantity of sand sold for building fell by 3.0% over the same period.



The South East continues to be the dominant sales region for Sand and Gravel, accounting for a quarter of all sales in Great Britain in 2011Q2.

Sales of Sand and Gravel increased by 19.0% in the South East, 18.0% in the East Midlands and by 7.0% in Scotland in the year to 2011Q2. Over the same period, the region experiencing the largest fall in sales of Sand and Gravel was Wales (down 4.8%).

In the year to 2011Q2, sales growth in the South East was driven by sales increases in Greater London (up 28.2%), Kent (up 21.5%) and Hampshire (up 9.3%).

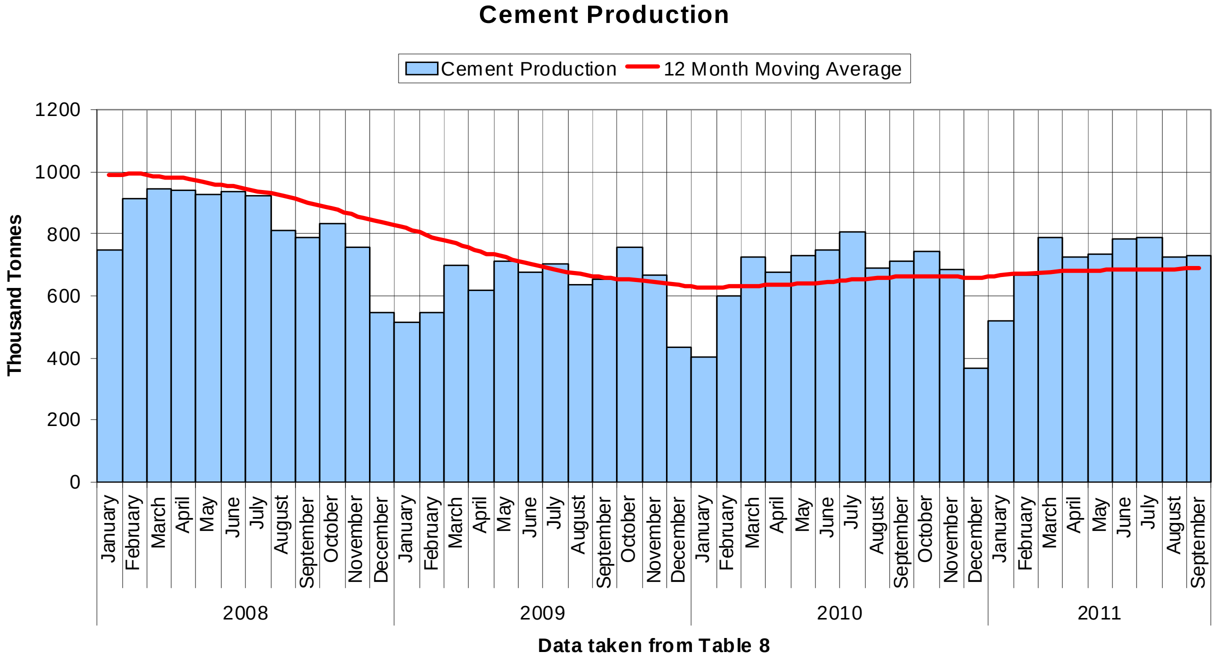


Note: Missing values for some quarters indicates that data are disclosive

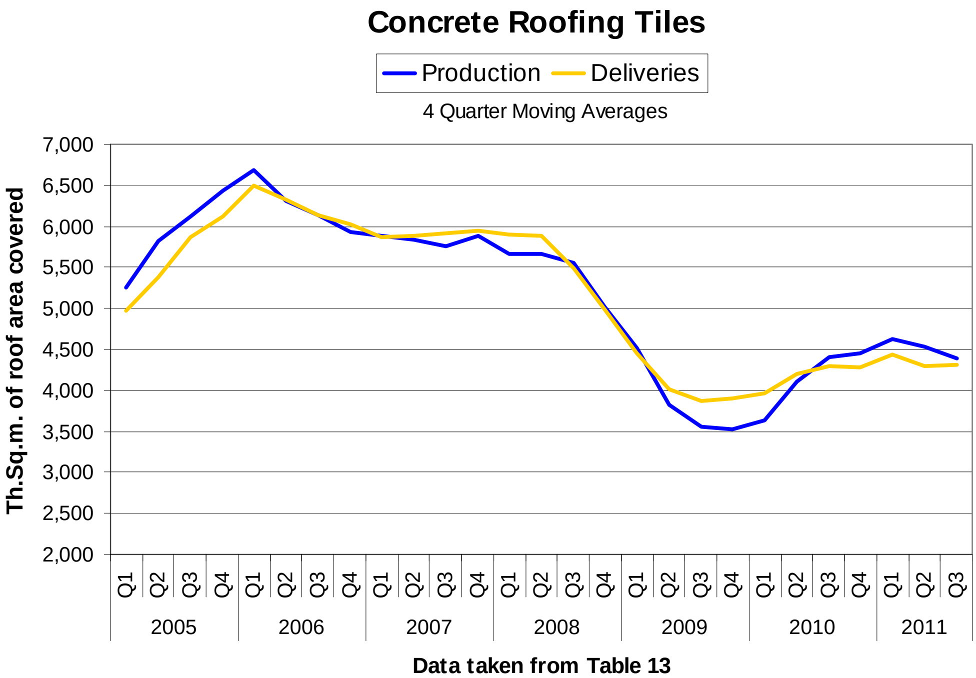
Slate, Cement and Other Building Materials

Production of slate for cladding and decorative uses rose by 20.6% on the quarter in 2011Q3, while deliveries rose by 18.9%. However, deliveries of slate for fill and other uses decreased by 35.6% over the same period.

Cement production in Great Britain recovered slightly from a sharp monthly fall of 8.2% in August, increasing by 1.0% in September. This meant that cement production in September was 3.0% higher than in the same month last year. Deliveries of cement also rose on both a monthly (up 4.8%) and a year-on-year basis (up 1.8%) in September. Unlike cement, clinker production fell slightly in September by 0.6%. However, it was up 9.2% from September last year.

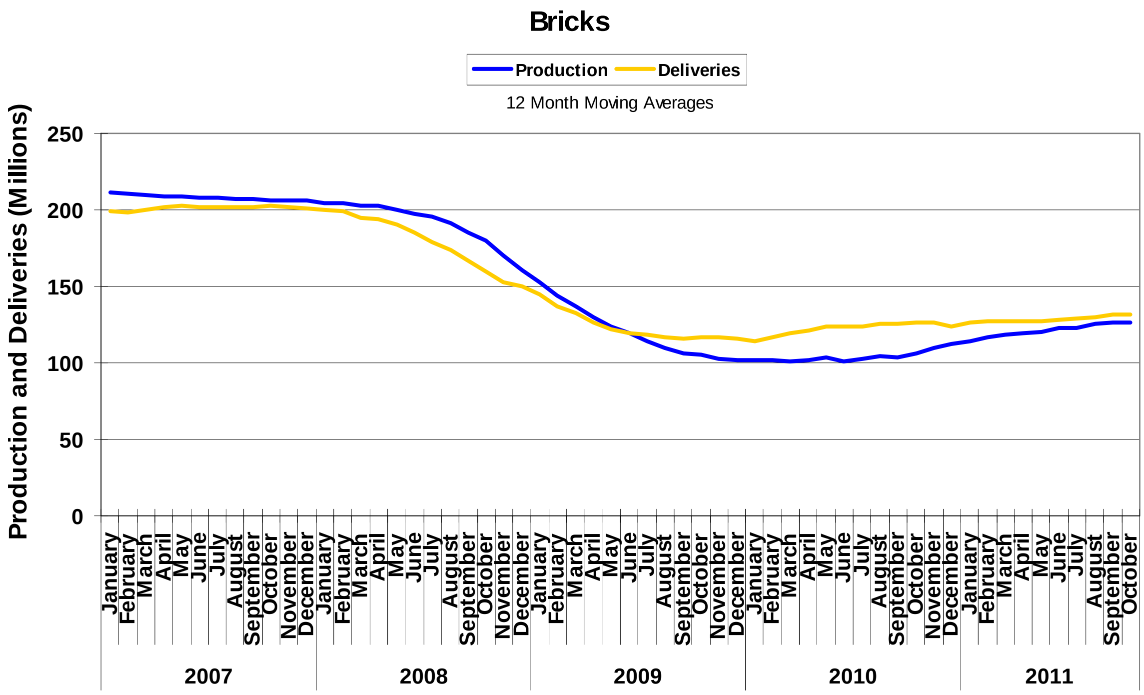


Production of Concrete Roofing Tiles continued to fall in 2011, down 7.8% on the quarter in 2011Q3. Compared with the same quarter last year, production has fallen by 12.0%. From the last quarter, deliveries of Concrete Roofing Tiles rose by 11.4% while deliveries of 'Ready-mixed concrete' remain around the same level, increasing by only 1,000 cubic metres. However, an increase in deliveries by almost 50% during 2011 in Greater London has disguised declining deliveries in other regions when looking at figures for the UK.



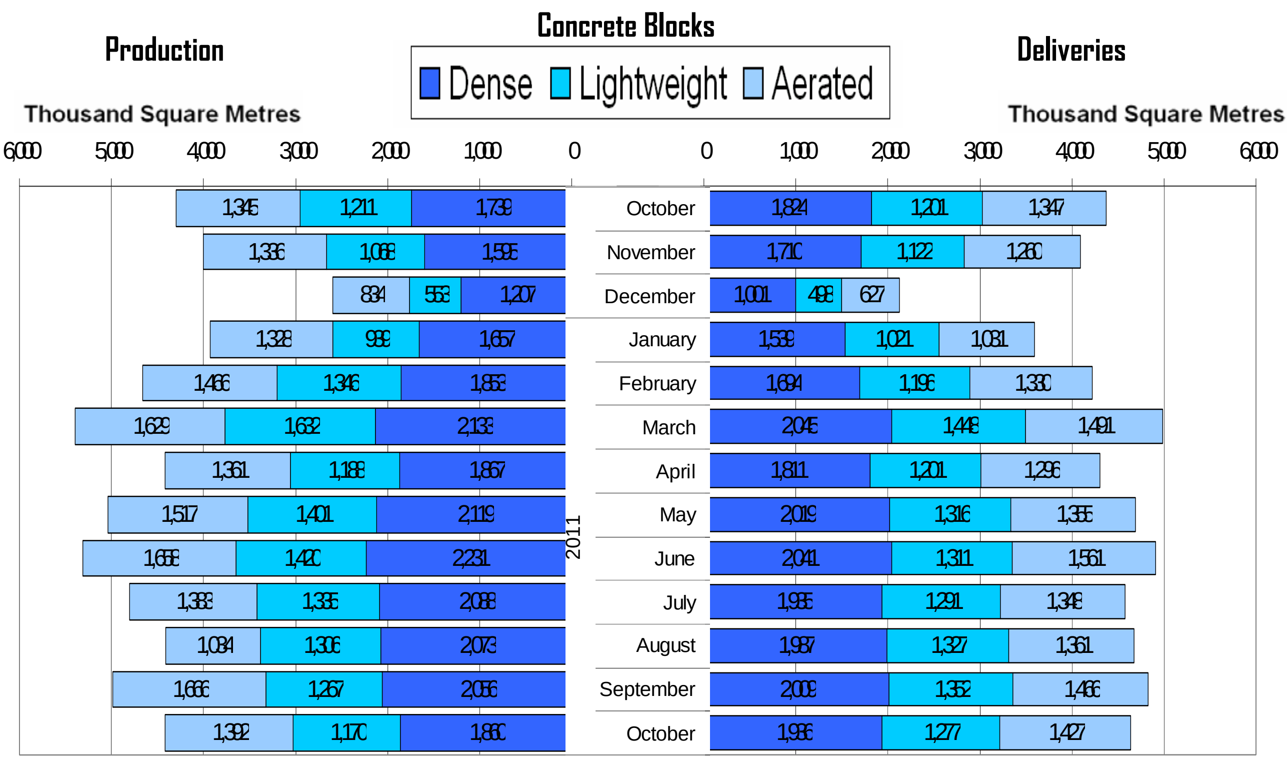
Bricks and Concrete Blocks

Provisional data show that total production of bricks rose by 1.6% between September and October, while deliveries decreased by 5.6%. The decrease in total deliveries was due to a fall across deliveries of all brick types (Commons, Facings and Engineering). Looking at year-on-year changes, both production and deliveries of bricks last month were only slightly lower than in October 2010, down 0.2% and 0.4%, respectively.



Data taken from Table 9

Provisional data for October show that total production of concrete blocks fell by 11.4% on the month in October, returning to around the same level as in August. Monthly falls in the production of all block types - ‘Dense’, ‘Lightweight’ and ‘Aerated’ blocks – were observed in October. Deliveries were also down 3.9% over the same period, reflecting decreases in deliveries in all types of concrete blocks. Year-on-year however, production and deliveries were up 3.0% and 6.1% respectively.



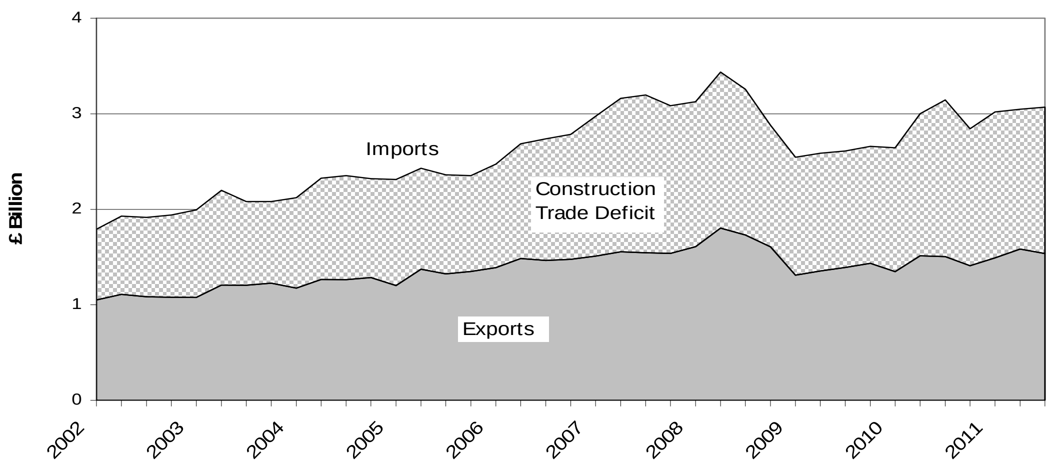
Imports and Exports of Selected Building Materials and Components

Exports of construction materials fell by 2.9% on the quarter in 2011Q3 (to £1,537 million), whereas imports saw a rise of 0.8% (to £3,070 million). As a result, the trade deficit widened by £69 million, to £1,533 million, in 2011Q3. 'Products and components' accounted for 85% of all construction material imports and 89% of all construction material exports in 2011Q3.

The increase in the total trade deficit on the quarter in 2011Q3 was due to a widening in the trade deficit in 'products and components' of £112 million. Over the same period, the trade deficit in 'semi-manufactures' and 'raw materials' narrowed by £29 million and £14 million, respectively.

The top five imported construction materials in 2011Q3 were Electrical Wires, Structural Units (Steel), Sawn Wood, Air Conditioning Equipment, and Central Heating Boilers. The top five exported materials were Paint and Varnishes, Electrical Wires, Structural Units (Steel), Lamps & Fittings and Air Conditioning Equipment.

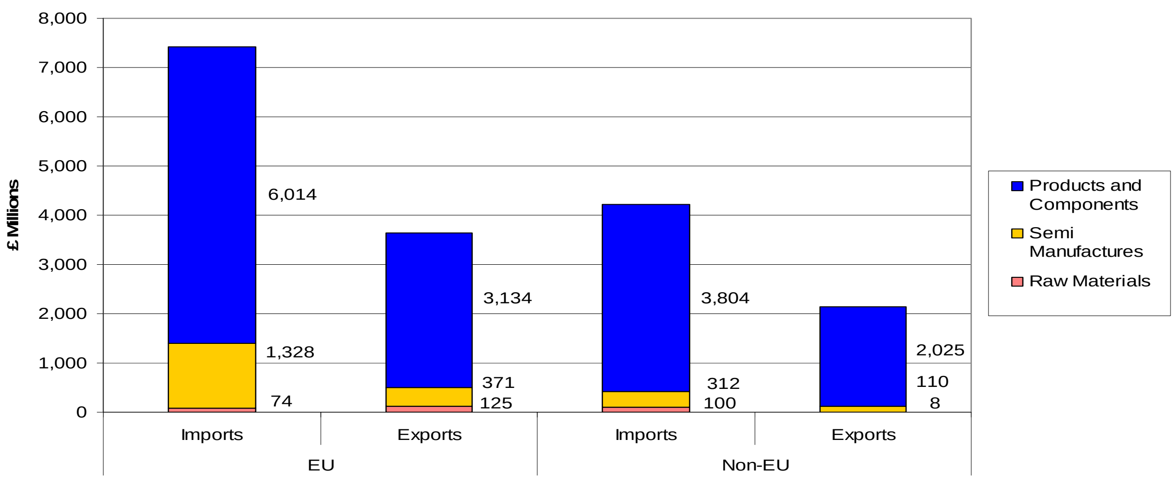
Quarterly Imports and Exports of Building Materials and Components



Data is taken from Table 14

In 2010, around 64% of all building material imports were from EU countries, while 63% of exports were to EU countries. UK's largest export market for building materials was Ireland, followed by Germany, France, the Netherlands and the USA. The largest import market was Germany, followed by China, Italy, the Netherlands and Sweden.

Breakdown of Construction Imports and Exports for 2010



Data taken from Table 15

Please send us any comments or feedback you may have about this commentary.

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