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Construction Product Sales Bounce Back In Q2

The Construction Products Association's latest State of Trade Survey released today indicates that sales of construction products recovered slightly during the second quarter of 2013. This recovery was driven principally by exports and a 'bounce' following a Q1 slump which had been exacerbated by poor weather.

Commenting on the figures, Construction Products Association economist, Milja Keijonen said: 'The second quarter of 2013 saw a predicted bounce back in quarterly construction product sales following a weak performance during the first three months of 2013. Export sales continued to provide a lifeline for many product manufacturers, whilst the domestic construction industry remained subdued. Both heavy and light side sales continued to decline on an annual basis, even if the pace of these falls showed signs of slowing down from Q1.

'Looking ahead, product manufacturers remain optimistic about sales growth. Recent data releases on the UK economy have fuelled optimism over growth prospects. Also, market conditions are expected to improve as the year progresses with private housing one of the key sectors expected to boost domestic demand. Export sales are anticipated to continue providing a boost even if most European economies, the UK's main export markets, remain firmly in negative territory.'

Other key points include:

- Heavy side sales volumes rose on a quarterly basis but contracted year-on-year, on balance.
- Light side product sales were broadly unchanged compared to Q1 but fell on an annual basis, according to 7% of firms, on balance.
- Market sentiment improved in Q2 with 38% of heavy and 31% of light side companies, on balance, expecting sales to rise in Q3.

- Export growth continued to boost sales in Q2 with 30% of light and 20% of heavy side companies reporting a rise in exports quarter-on-quarter, on balance.
- Cost inflation remained prevalent across the industry with energy and transport costs making the main contribution towards higher unit costs.

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NOTE TO EDITORS:

The [Construction Products Association](#) represents the UK's manufacturers and suppliers of construction products, components and fittings. The Association acts as the voice of the construction products sector, representing the industry-wide view of its members. The sector has an annual turnover of more than £40 billion and accounts for over 1/3 of total construction output.

The State of Trade Survey is one of a range of economic publications produced by the Association, including the Construction Trade Survey and the Construction Industry Forecasts.

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