Large expanses of flat glass on commercial buildings (mainly relevant to class A1-A2 boards), limit wall cladding applications.

Residential buildings tend to have more rooms and internal walls (increased demand for wall claddings and ceilings).

Areas in which industrial construction activities are largest (midlands and northwest)

Retail refurbishment is expected as retailers will seek to remodel their retained stores to lure back customers and better accommodate click and collect services.

New **residential** building market was the most resilient part of the UK market (total **private housing** has driven the large falls and recovery in the construction sector over the pandemic period).

Residential buildings tend to have more rooms and internal walls (increased demand for wall claddings and ceilings).

NATIONAL DEMAND, STATISTICS AND TRENDS:

* PLASTER RELEVANT:
  + Since 23 June 2016 (EU referendum), construction activity and demand for building plaster products have slowed. There are trends for using large expanses of flat glass on **commercial buildings** (limiting wall cladding applications - types of commercial buildings include those engaging in retail activities such as warehouses, shopping centres, supermarkets and shops). Housing, **residential** buildings tend to have more rooms and internal walls (more use for plasterboard - increased demand for internal wall claddings and ceilings). Share of industry for plaster in commercial applications has declined more significantly. For renovation and DIY (**residential**) pre mixed and bagged plaster are popular and presumably standardised for use.
  + In the **southwest** and **Yorkshire** (manufacturing facility), **Etex** has its headquarters. In addition, **Saint Gobain** manufactures **plasterboard in East Midlands**.
  + Private residential (shift of buyer interest from larger cities to the countryside for more open space and in part due to extended lockdowns (pandemic).
  + Social housing (**residential**).Increased investment by housing associations (government funding the replacement of unsafe ACM cladding in social sector properties). While the residential market has been boosted by government initiatives, growth in transaction volumes remains historically weak.
  + The areas in which industrial construction activities are largest are: **Midlands** and the **Northwest**.
  + Retail refurbishment is expected as retailers will seek to remodel their retained stores to lure back customers and better accommodate click and collect services.
* CEMENT RELEVANT:
  + New **residential** building market was the most resilient part of the UK market (total **private housing** has driven the large falls and recovery in the construction sector over the pandemic period).
* OVERALL CONSTRUCTION ACTIVITY:
  + 2020 OUTLOOK:
    - Construction activity (contribution to UK GDP and total employment) is forecast to be flat in 2020.
    - The level of construction output slowed down (its rate of change) in Oct 2020 but it carried on recovering sustainably.
    - From Feb to Oct new private (**residential**) housing suffered the least % change (-1.5%) after repair and maintenance public (**residential**) housing (-1.3%). Private (**residential**) new housing had the highest value in Oct at 2939 million USD followed by private **commercial** at 1995 million USD.
    - Level of maintenance and repair (both commercial and residential but **largest contribution is residential**) closer to pre-pandemic levels as opposed to all new work. Private new housing after maintenance and repair looks promising as well. Public housing repair and maintenance (**residential**), looks promising at approximately pre pandemic levels (same as Feb index).
  + 2020-2023 OUTLOOK:
    - Overall the **construction of buildings** looks promising with a 12.8% drop in 2020 and 6, 10 and 13 % increases in 2021, 2022 and 2023 respectively. A 3 % increase is only expected for 2024. Moreover, revenue in the construction of buildings is projected to amount to 184 701 million USD in 2024 compared to 132 027 million USD in 2020 (40% increase). The biggest year to year increase is forecast between 2022 and 2023.
    - For **new housing construction starts**, an overall increase of 137.5% is expected between 2020 and 2024.
    - In private housing (**residential**), the output change is expected to decline from 4% in 2020 to 0% in 2021 (then increase to 2 and 3 %). In **commercial** construction, the output is expected to decline from 3 % to 0 % between 2022 and 2023 (initially at 0 and 2 %). In public housing (**residential**), the output is expected to decline from 6 to 2 % from 2020 to 2022 and plateau at 2 % in 2023. In public non-housing, the output is expected to decline from 1 % to 0 % from 2021 to 2022 before increasing to 3 % in 2023.
  + STATISTICS FOR BUILDING COMPLIANCE TO FIRE REGULATORY GUIDANCE (POST GRENFELL INCIDENT):
    - Number of non compliant buildings in private sector estimated at 272 followed by 160 in the social sector (non profit organisations (homes owned by local authorities, housing associations and private registered providers)). Number of publicly owned non compliant buildings estimated at 9.