

“one **industry**
one **voice**”

Builders Merchant Building Index



Monthly report for May 2017

Building the Industry & Building Brands from Knowledge



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Quarterly reports contain additional analysis, macro-economic factors and expert comments. Click the images below to read or download the Q1 report.

Monthly and Quarterly Indices
March 2017 and Q1 2017

Plumbing, Heating & Electrical

Plumbing, Heating & Electrical - Quarterly

Macro factors impacting Merchants

GfK Insights

Product group insights at feature by brand level are available. Enabling informed strategic and tactical decision making.

- Total Dispendable products make up 4.4% of total GfK sales
- Paint & Wallpaper is 31% of all Dispendable
- Total Paint category is worth £12.1m of Dispendable
- Emulsion Paint is 65% of Total Paint. £7.25m
- White

Inflation
Consumer Prices Index (CPI) – 12 month % change

The Consumer Price Index (CPI) is a measure of the price of goods and services used to estimate inflation. UK governments' current policy is to use the CPI for the indicator of benefits for credits and public service pensions.

The CPI increased by 2.3% in the year February 2017. This is the first time in over 3 years the rate has been above the Bank of England's 2% target.

7.2% (Mar 2016) → 2% (Dec 2016) → 2.3% (Feb 2017) → 2% (Jan 2017) → 2% (Jan 2017)

Expert Panel
Steel Lintels
(part of Heavy Building Materials)

Derrick McFarland, Managing Director Keystone Lintels is BMB's Expert for Steel Lintels.

Always we'll see through the year, and have another election to look forward to. It's becoming an annual event! Let's hope, after 8th June, we can put some of the uncertainty behind us and our industry can move on.

Steel lintel values increased by around 6% this quarter compared with the first three months of 2016. These figures will be affected slightly by price increases at the beginning of the year, which affected buying patterns. February 2017 experienced a slight dip, but steel lintel sales figures for March & April have bounced back, and have continued at this level already.

The weather has been kind in Q1, and the House Building sector started back full steam delivering a steady output of new homes over the quarter. Lintel builders and advisers were pleased, but in response, the industry's enquiry bank has seen double digit growth over the quarter, and the enquiry to conversion rate is high, providing strong indication for the coming months.

If, as we're expecting, 2017 continues to steady climb over 2016 we'll be delighted, but the squeeze on incomes, labour availability, and continuing house price trends will be challenging. We're already seeing the effects of labour availability shortage on site with timber frame experiencing growth in order from House Builders, with heavy reliance on Builders of Construction, timber frame subs of all the time and labour saving bowties for off-site construction.

Our new 400 series have been working hard to help the builder over the regulations with improved thermal, cost and labour performance. Other products such as off-site bricked lintels will support labour skills on site, achieving time and labour saving through competing quality work.

Working with merchants, training their staff on the technical advantages of these added product ranges, the industry can promote good building practices, using a combination of traditional methods and new innovative products.

"Steel lintel volumes increased by around 6% this first quarter compared with the first three months of 2016. These figures will be distorted slightly by price increases at the beginning of the year, which affected buying patterns"

Introduction



This Builders Merchant Building Index (BMBI) report contains data from GfK's ground-breaking Builders Merchants Panel, which analyses data from over 80% of generalist builders' merchants' sales throughout Great Britain. GfK's Builders Merchant Point of Sale Tracking Data sets a gold standard in reliable market trends. Unlike data from sources based on estimates, or sales from suppliers to the supply chain, this up-to-date data is based on actual sales from merchants to builders and other trades.

BMBI trend data is indexed on the 12 month period July 2014 to June 2015. The monthly series tracks what is happening in the market month by month and includes an in-depth review every quarter. This trend series gives the industry access to far more accurate and comprehensive insights than that available to other construction sectors.

MRA Marketing produces the Builders Merchant Building Index, a brand of the BMF, to communicate to the wider market as the voice of the industry as well as the voice of individual Expert Brands: Crystal Direct, Keylite Roof Windows, Timbmet, Alumasc Water Management Solutions, Hanson Cement, IKO PLC, Keystone Lintels, Knauf Insulation, Encon Insulation, Ibstock, Natural Paving Products and Heatrae Sadia, who provide valuable commentary on market trends and influences.

More data available

This BMBI report provides valuable top-level indices but there's considerably more data available. GfK insights go much deeper and include sales value data. GfK can quantify market values and drill down into contributing categories, tracing product group performance, to focus on aspects that are critical to you.

GfK can also produce robust like-for-like market comparability tailored to the requirements of an individual business. As more merchants join to submit their monthly sales-out data the quality of this information can only become more extensive and rigorous. Merchants or suppliers who are interested in acquiring data or getting involved should contact Ricky Coombes at Ricky.Coombes@gfk.com.

The BMBI website enables you to compare Landscaping trends with Heavy Building Materials, or Kitchens with Timber on our interactive charts.

Download current and past reports, read the news or search through comments or blogs at www.bmbi.co.uk. Follow us and the Experts [@theBMBI](https://twitter.com/theBMBI).

Overview

A positive month for merchants – and a record-breaking one for Landscaping

Year on year

Total Builders Merchant sales were up 8.5% in May 2017 compared with the same month last year, assisted by one extra trading day. Kitchens & Bathrooms (+13.0%) saw the greatest increase, with Timber & Joinery Products (+10.1%) also well ahead of the channel average. Landscaping (+6.0%) had its strongest performance since GfK's data was first collected in July 2014, helped by May's particularly warm weather, the third-warmest May in 50 years.

Adjusted for one extra trading day, average daily sales were 3.3% ahead of May 2016.

Month on month

With three more trading days compared with April 2017, absolute sales in May were 13.5% higher and all categories sold more. Among categories doing better than merchants generally, Workwear & Safetywear was up 19.1% and Heavy Building Materials (the largest category) up 14.6%.

Average sales per day in May were 2.7% lower than April. Only Workwear & Safetywear sold more (+2.0%)

Other periods

Year to date sales strengthened on the back of a robust May. The first five months of 2017 were 3.8% ahead of the same period in 2016 – up from +2.6% YTD in April.

The rolling 12 month period, June 2016 to May 2017, was 4.0% ahead of the same period a year earlier, on the same number of trading days.

Index

May's Builders Merchant Building Index was 121.1 (119.6 adjusted for trading days) and all categories except one had indices over 100. Landscaping (153.1) achieved its highest index to date.

For additional, deeper category insights and benchmarking please contact Ricky Coombes at GfK.

Adjusted for one extra trading day, average daily sales were 3.3% ahead of May 2016. Landscaping had its highest monthly turnover since data was first collected.

The Expert Panel

Speaking for their markets



The Builders Merchant Building Index (BMBI) includes a growing panel of industry Experts. In each quarterly report they comment on the market, with a particular focus on the story behind the trends. Experts are leading brands, or brands aspiring to become leaders, who are the voice of their markets.

The Q1 2017 report, which includes commentary from our experts is available [here](#)

Meet the Builders Merchant Building Index Experts:

Steve Halford, Group Managing Director, Crystal Direct is BMBI's Expert for PVCU Windows and Doors



Andrew Simpson, National Commercial Director Hanson Cement is BMBI's Expert for Cement and Aggregates



Mike Beard, Merchant Development Director, Encon Insulation is BMBI's Expert for Insulation Products - Distribution



John Duffin, Managing Director, Keylite Roof Windows is BMBI's Expert for Roof Windows



Andy Williamson, Group Managing Director IKO PLC is BMBI's Expert for Roofing Products



Tony France, Sales Director, Ibstock is BMBI's Expert for Bricks



Nigel Cox, Managing Director, Timbmet is BMBI's Expert for Timber & Panel Products



Derrick McFarland, Managing Director, Keystone Lintels is BMBI's Expert for Steel Lintels



Paul Rivett, Managing Director, Heatrae Sadia is BMBI's Expert for Water Heating



Steve Durdant-Hollamby, Managing Director, AWMS is BMBI's Expert for Civils, Metal Rainwater & Drainage



John Sinfield, Managing Director, Knauf Insulation is BMBI's Expert for Mineral Wool Insulation



Malcolm Gough, Group Sales & Marketing Director, Natural Paving Products is BMBI's Expert for Natural Stone, Vitrified Paving & Artificial Grass



Monthly: Index and Categories

May 2016* – May 2017

(Indexed on monthly average, July 2014 – June 2015)



VALUE EX VAT £	Index	2016								2017				
		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Total Builders Merchants	100	111.4	115.7	111.1	113.7	113.8	112.3	113.6	77.1	94.7	100.5	122.8	106.7	121.1
Timber & Joinery Products	100	106.0	112.1	107.8	112.2	113.3	112.8	113.7	76.1	99.1	100.9	121.2	102.9	117.1
Heavy Building Materials	100	111.7	116.2	111.9	114.4	114.6	113.4	114.1	77.0	94.0	100.1	123.0	106.9	122.5
Decorating	100	105.4	108.1	107.8	112.5	109.8	108.3	110.4	76.3	92.8	97.0	115.6	98.8	111.0
Tools	100	99.8	104.0	101.5	102.4	104.6	106.5	111.3	74.8	97.6	101.7	120.7	97.2	107.0
Workwear & Safetywear	100	96.5	107.6	98.5	98.6	101.0	110.9	133.2	72.6	109.5	102.7	114.1	85.1	101.4
Ironmongery	100	110.9	112.8	111.0	115.8	119.8	118.0	119.9	84.6	107.5	109.4	129.2	107.5	121.6
Landscaping	100	144.2	144.7	132.0	129.2	119.9	110.2	97.2	62.4	71.0	87.7	129.5	138.1	153.1
Plumbing, Heating & Electrical	100	101.4	103.3	100.5	103.6	111.7	116.0	132.4	94.0	114.9	116.1	128.7	98.3	109.7
Renewables & Water Saving	100	64.8	75.5	63.7	63.1	72.8	61.2	73.4	42.4	68.1	76.2	90.3	68.2	70.2
Kitchens & Bathrooms	100	98.0	107.6	101.7	105.3	111.4	109.4	121.7	83.8	98.1	110.2	123.6	99.3	111.3
Miscellaneous	100	107.4	113.3	115.3	114.5	115.7	113.6	122.2	92.6	113.2	108.8	124.4	103.4	120.5
Services	100	116.7	116.1	115.5	115.2	111.1	108.3	107.1	81.3	87.8	95.0	115.0	100.6	112.4

*Click the web link below to see the complete series of indices from July 2015.

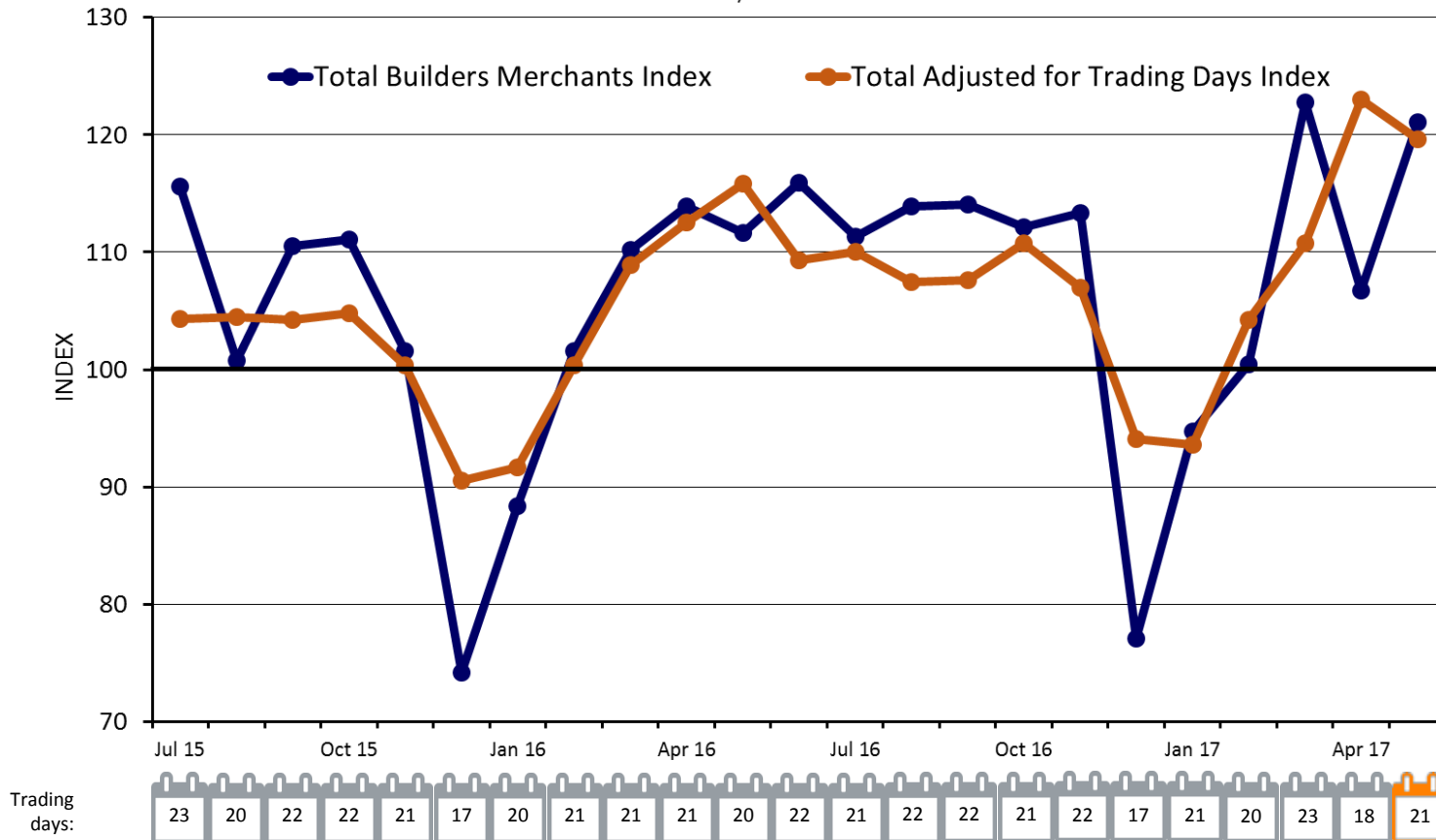
Source: GfK's
Builders Merchants
Total Category Report
July 2015 to May 2017

Monthly: Index

Adjusted and unadjusted for trading days

Total Builders Merchants Index v Total Adjusted for Trading Days Index

Indexed on July 2014 - June 2015



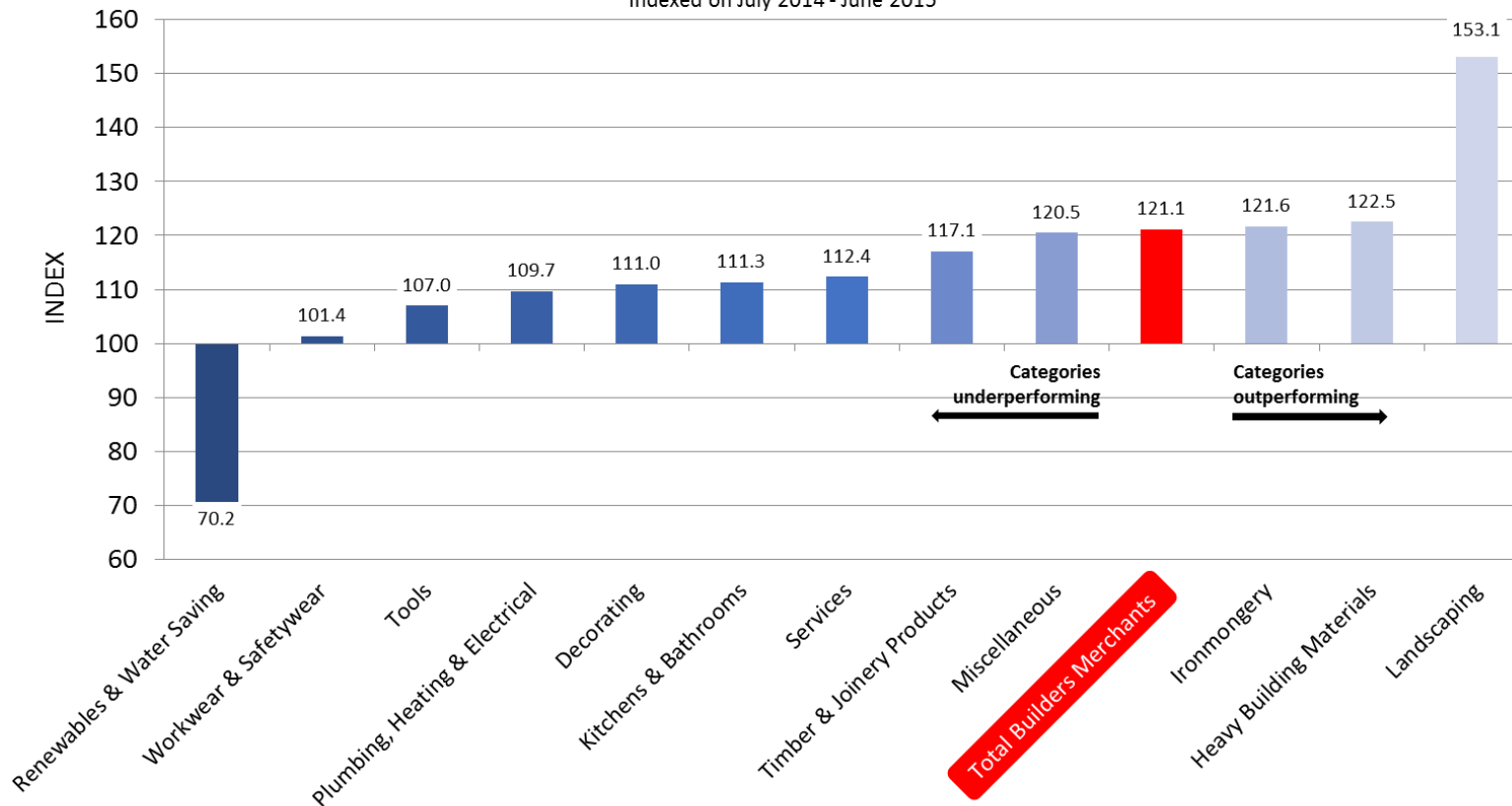
 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to May 2017

Monthly: Index and Categories

May 2017 index

May 2017 Index

Indexed on July 2014 - June 2015

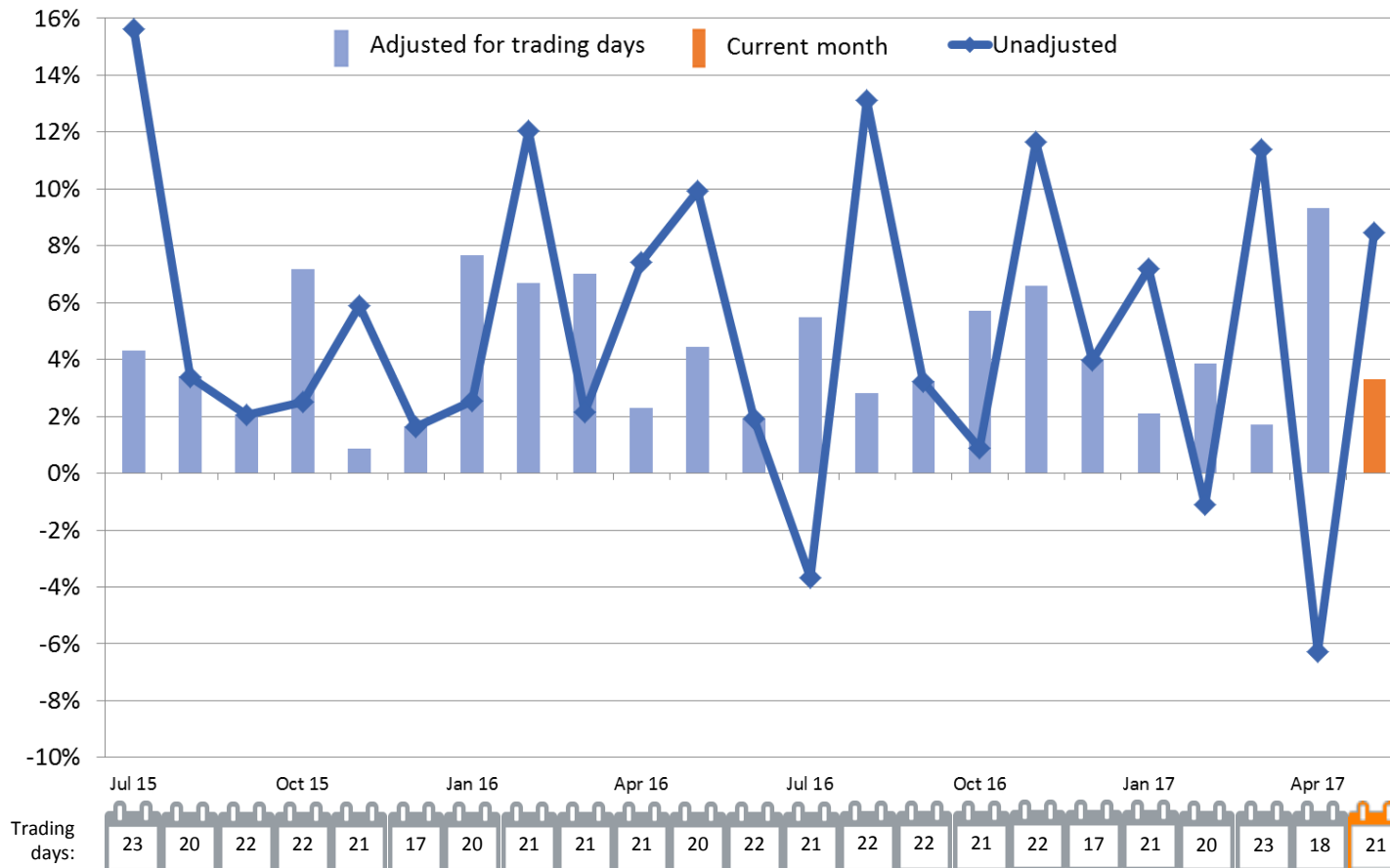


 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to May 2017

Monthly: Sales Indices

Adjusted and unadjusted for trading days

Monthly: Year on Year

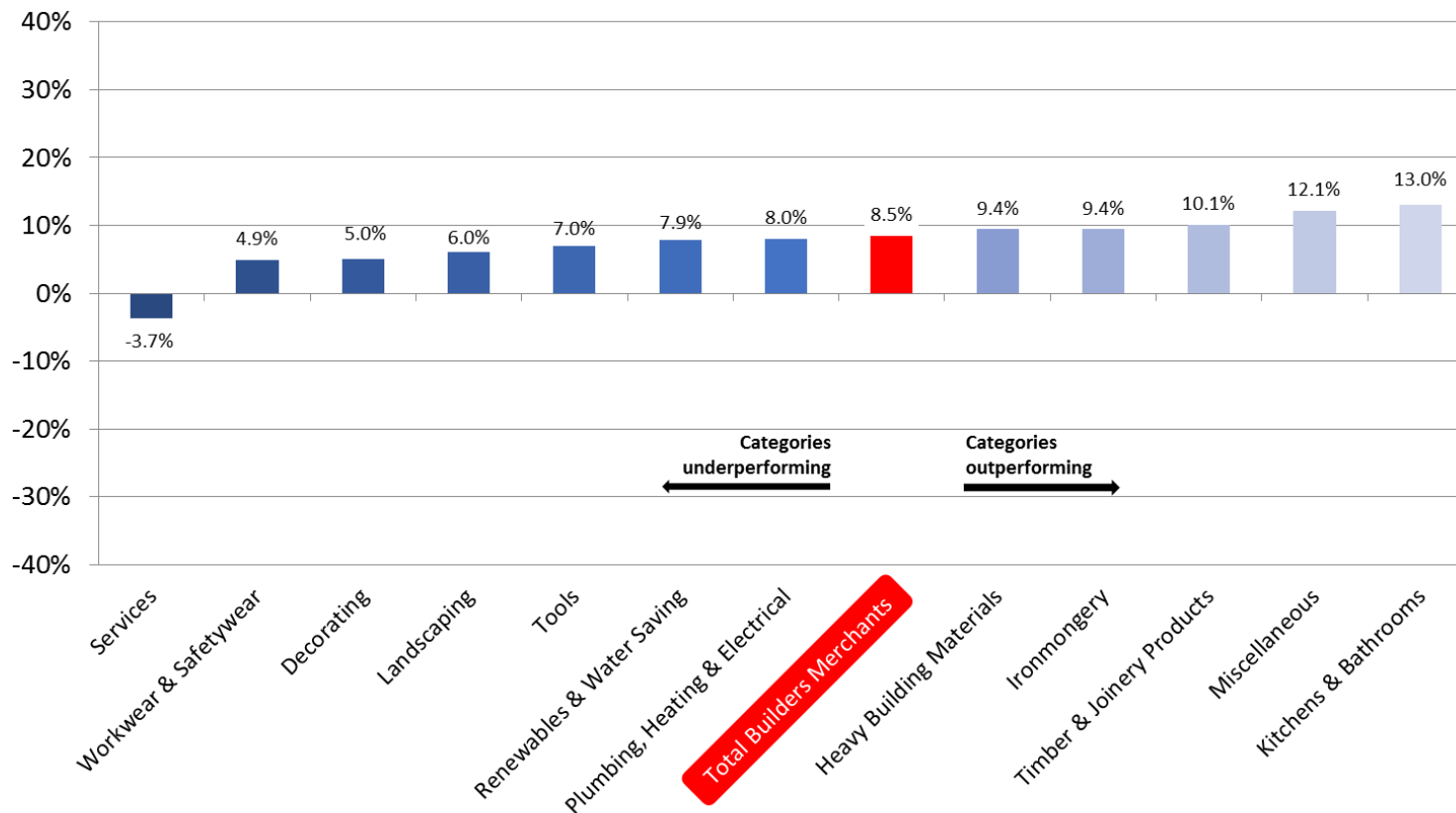


 Source: GfK's Builders Merchants Total Category Report July 2015 to May 2017

Monthly: this year v last year

May 2017 sales indices

May 2017 index v May 2016 index



 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to May 2017

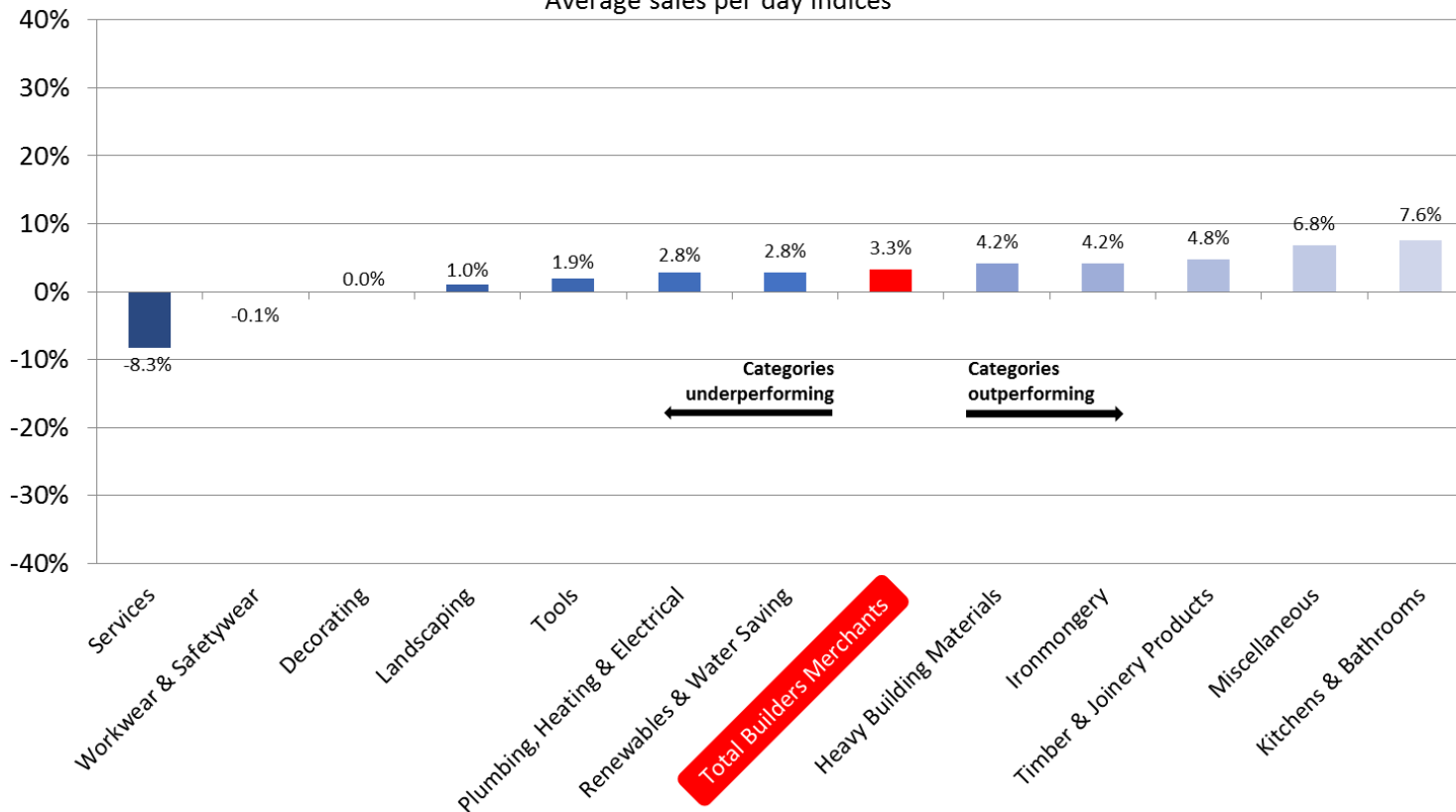
Monthly: this year v last year

May 2017 average sales per day indices



May 2017 index v May 2016 index

Average sales per day indices



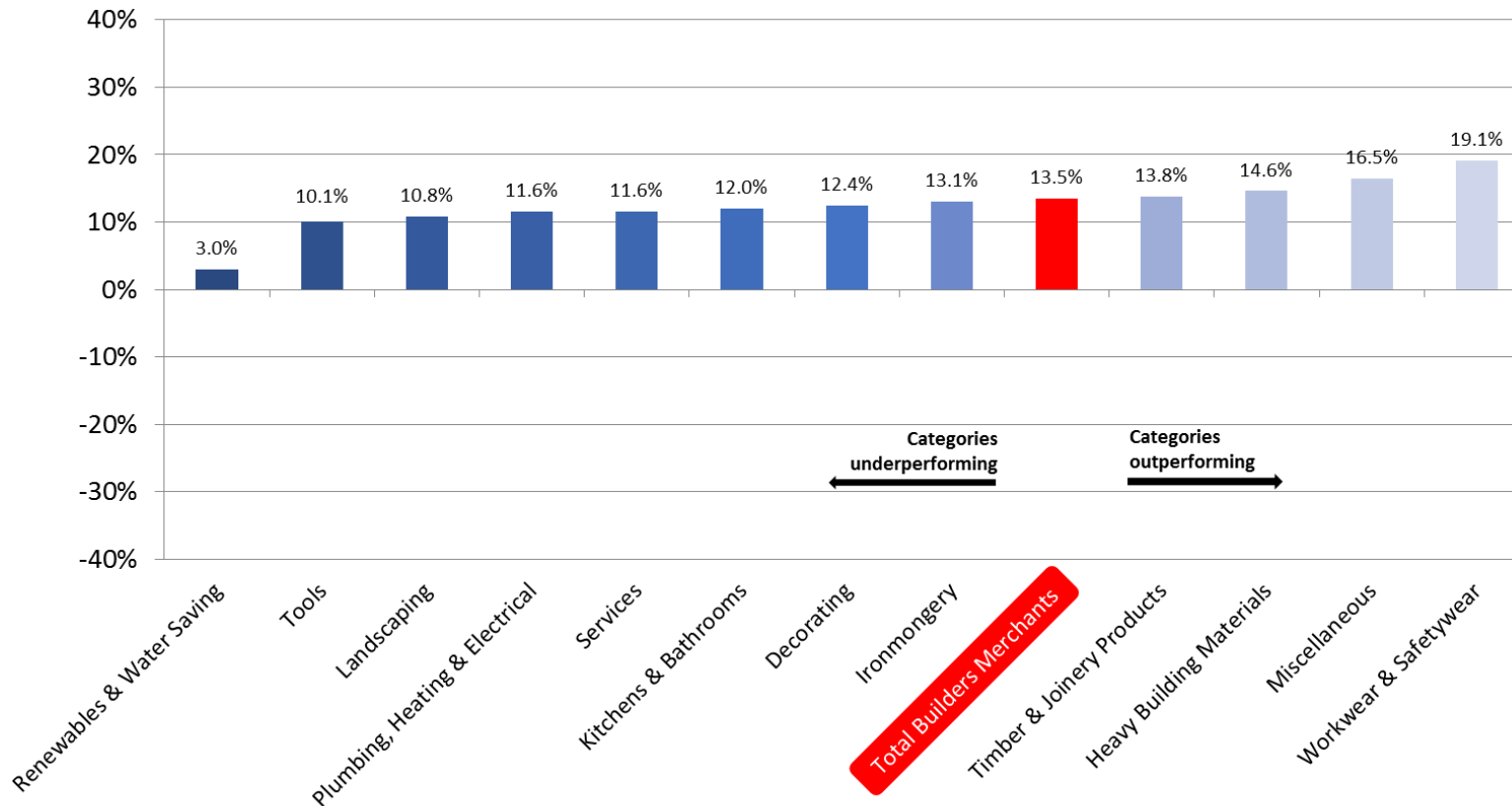
Source: GfK's Builders Merchants Total Category Report July 2015 to May 2017

Monthly: this month v last month

May 2017 sales indices



May 2017 index v April 2017 index




 Source: GfK's
 Builders Merchants
 Total Category Report
 July 2015 to May 2017

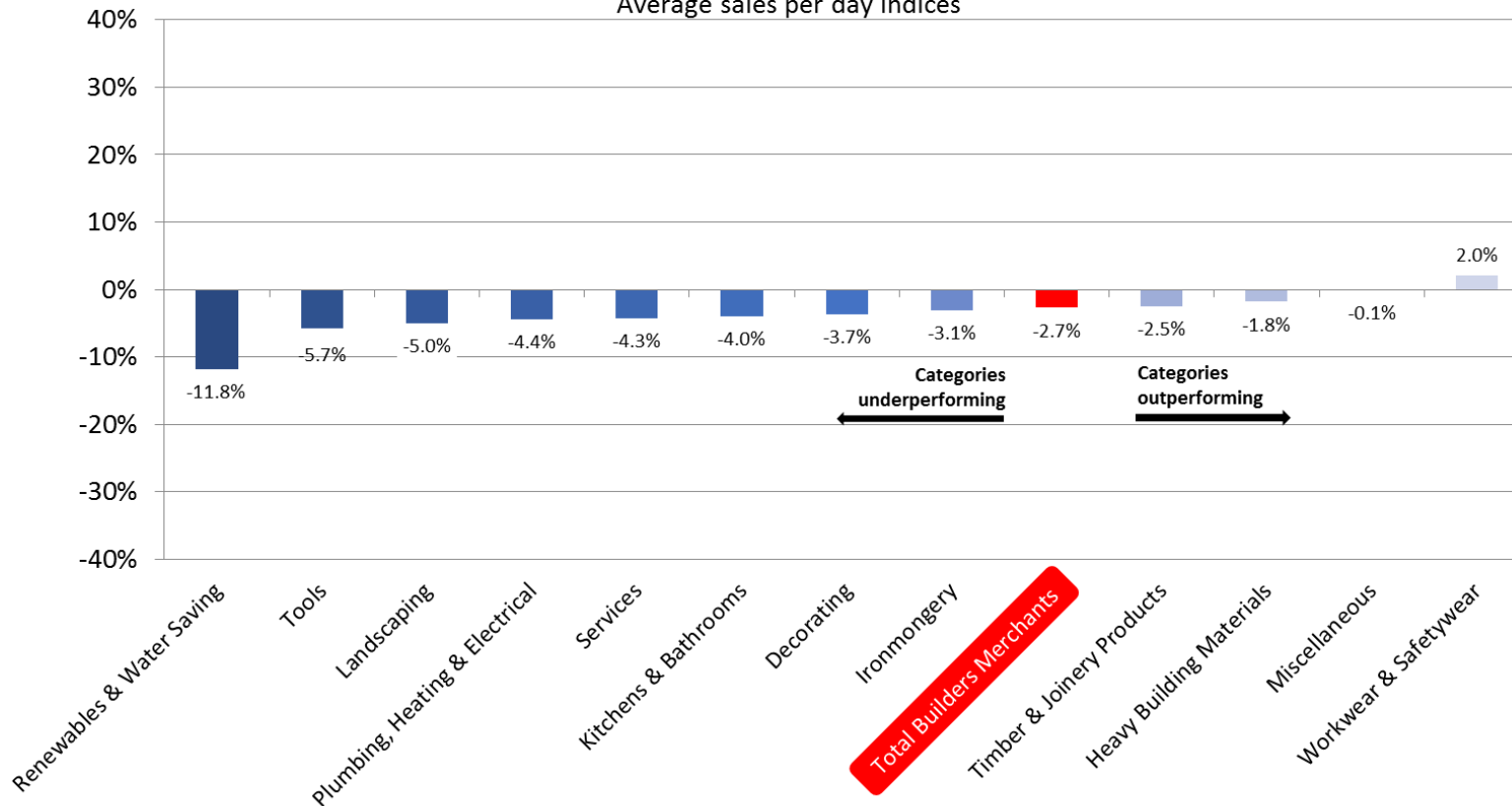
Monthly: this month v last month

May 2017 average sales per day indices



May 2017 index v April 2017 index

Average sales per day indices



GfK Source: GfK's Builders Merchants Total Category Report July 2015 to May 2017

Quarterly: Index and Categories


Quarter 1 2016* to Quarter 1 2017

(Indexed on July 2014 to June 2015)



VALUE EX VAT £	Index	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017
Total Builders Merchants	100	99.8	113.6	112.9	100.9	106.0
Timber & Joinery Products	100	100.0	109.0	111.1	100.7	107.1
Heavy Building Materials	100	99.3	114.1	113.6	101.4	105.7
Decorating	100	99.6	107.0	110.0	98.2	101.8
Tools	100	97.8	103.5	102.8	97.3	106.7
Workwear & Safetywear	100	108.2	100.1	99.4	105.5	108.8
Ironmongery	100	107.5	112.2	115.5	107.4	115.3
Landscaping	100	89.9	142.2	127.0	89.8	96.1
Plumbing, Heating & Electrical	100	112.0	105.2	105.3	113.9	119.9
Renewables & Water Saving	100	74.1	69.1	66.5	59.0	78.2
Kitchens & Bathrooms	100	103.7	104.1	106.1	104.7	110.6
Miscellaneous	100	108.1	111.3	115.1	109.4	115.5
Services	100	101.0	114.7	113.9	98.9	99.3

*Click the web link below to see the complete series of quarterly indices from September 2015.

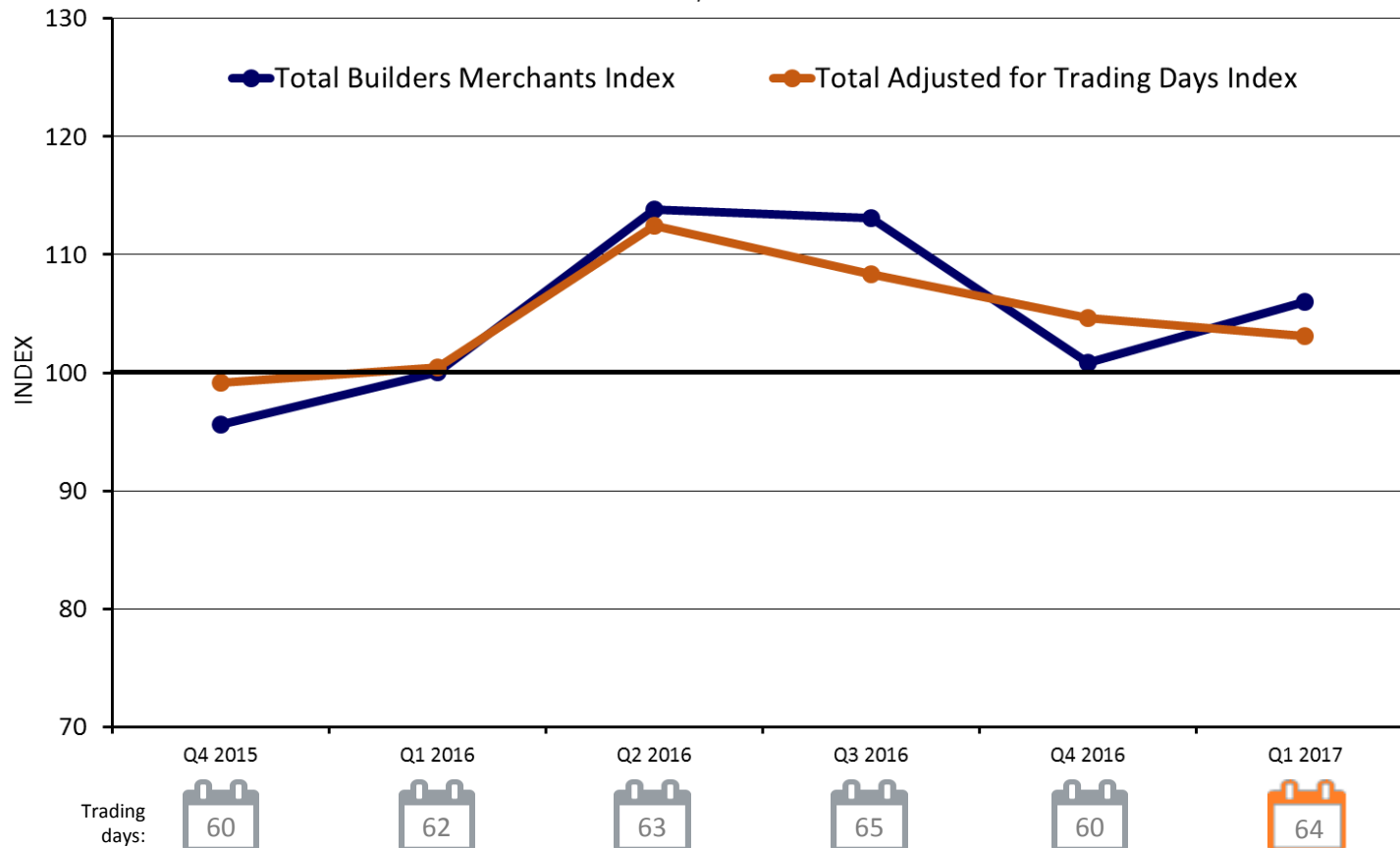
 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to March 2017

Quarterly: Index

Adjusted and unadjusted for trading days

Total Builders Merchants Index v Total Adjusted for Trading Days Index

Indexed on July 2014 - June 2015



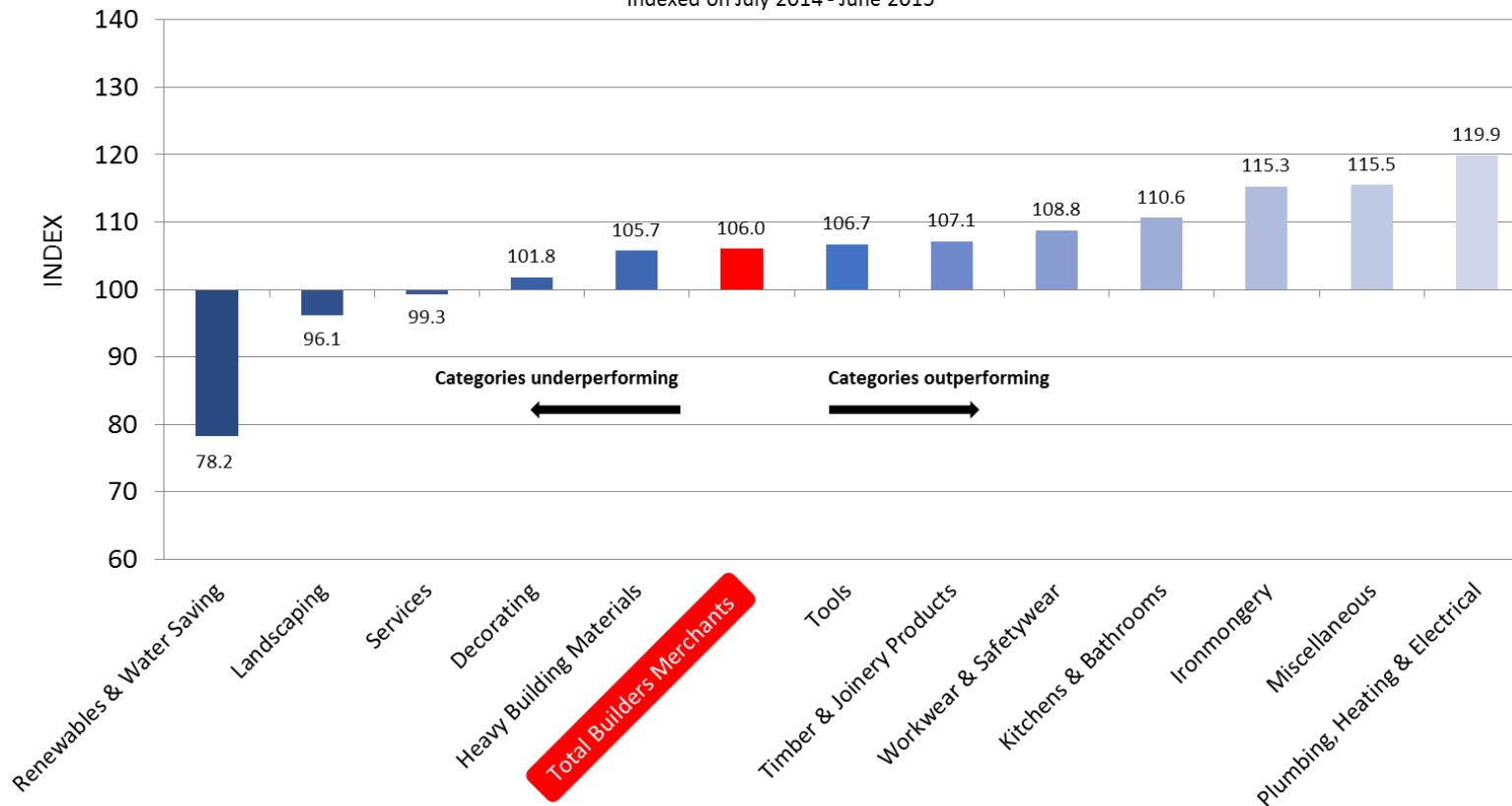
 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to March 2017

Quarterly: Index and Categories

Q1 2017 index

Quarter 1 2017

Indexed on July 2014 - June 2015



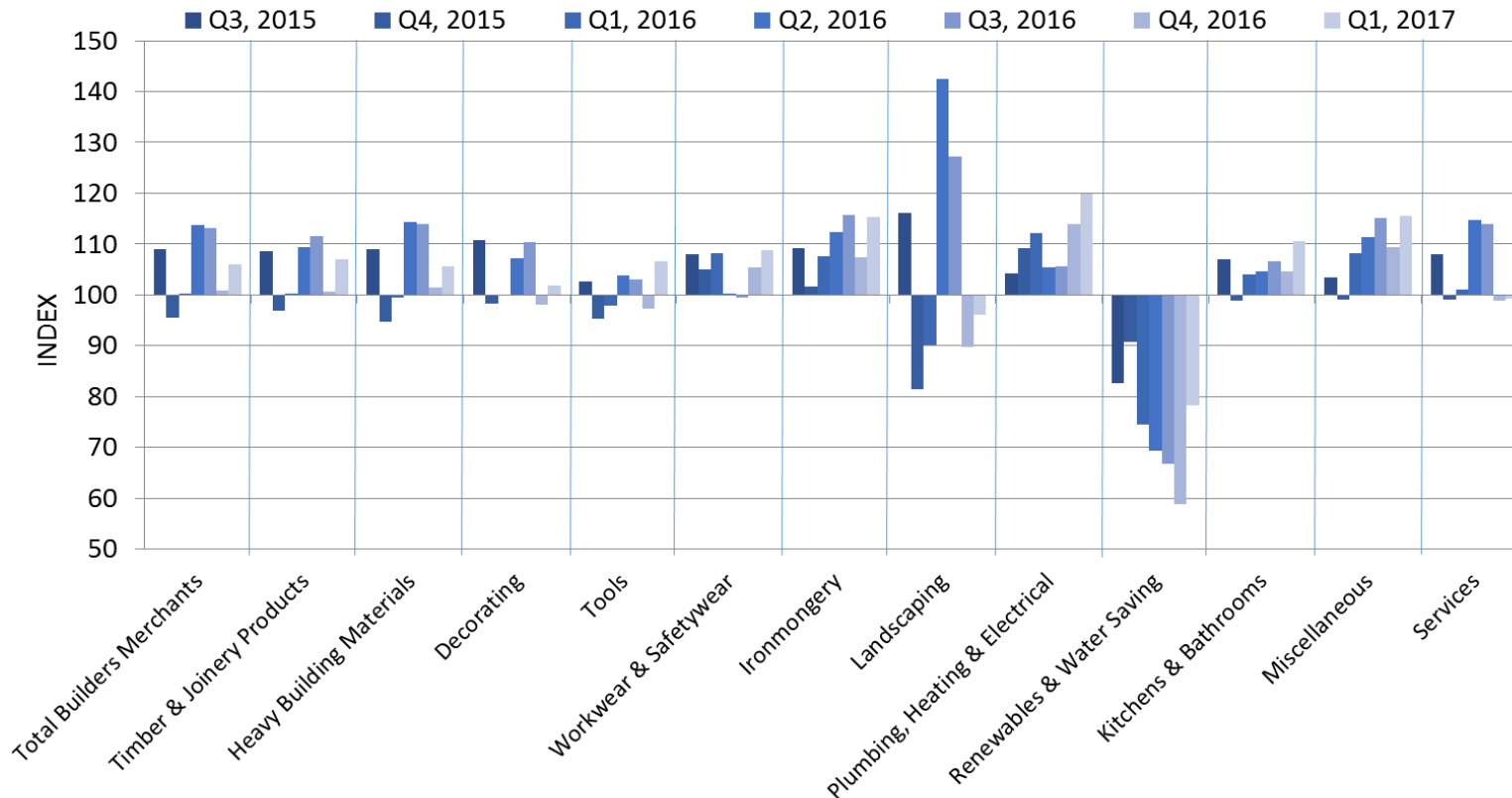
 Source: GfK's Builders Merchants Total Category Report July 2015 to March 2017

Quarterly: Index and Categories

Quarterly indices

Quarterly Indices

Indexed on July 2014 to June 2015

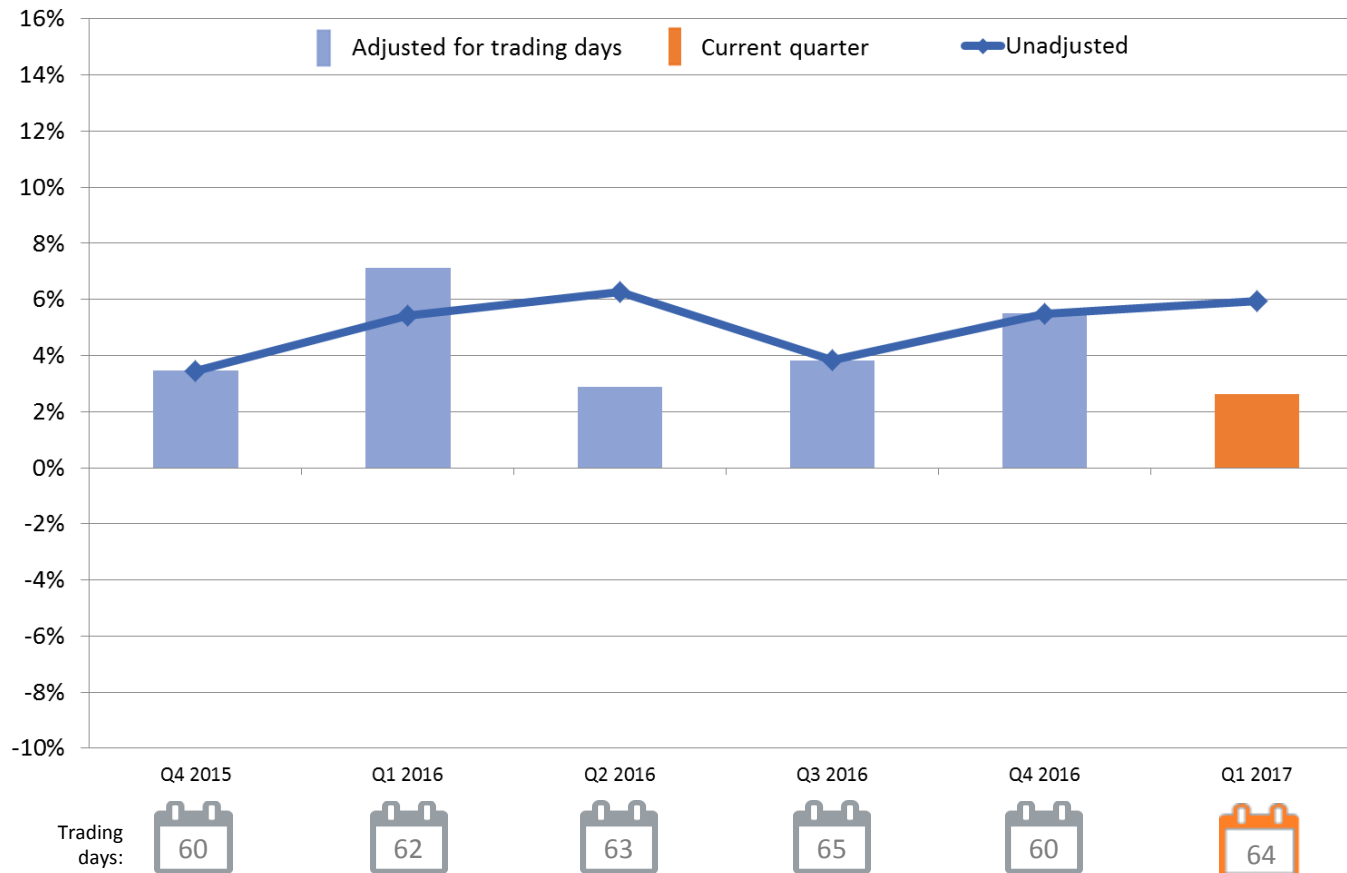


 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to March 2017

Quarterly: Sales Indices

Adjusted and unadjusted for trading days

Quarterly Indices: Year on Year

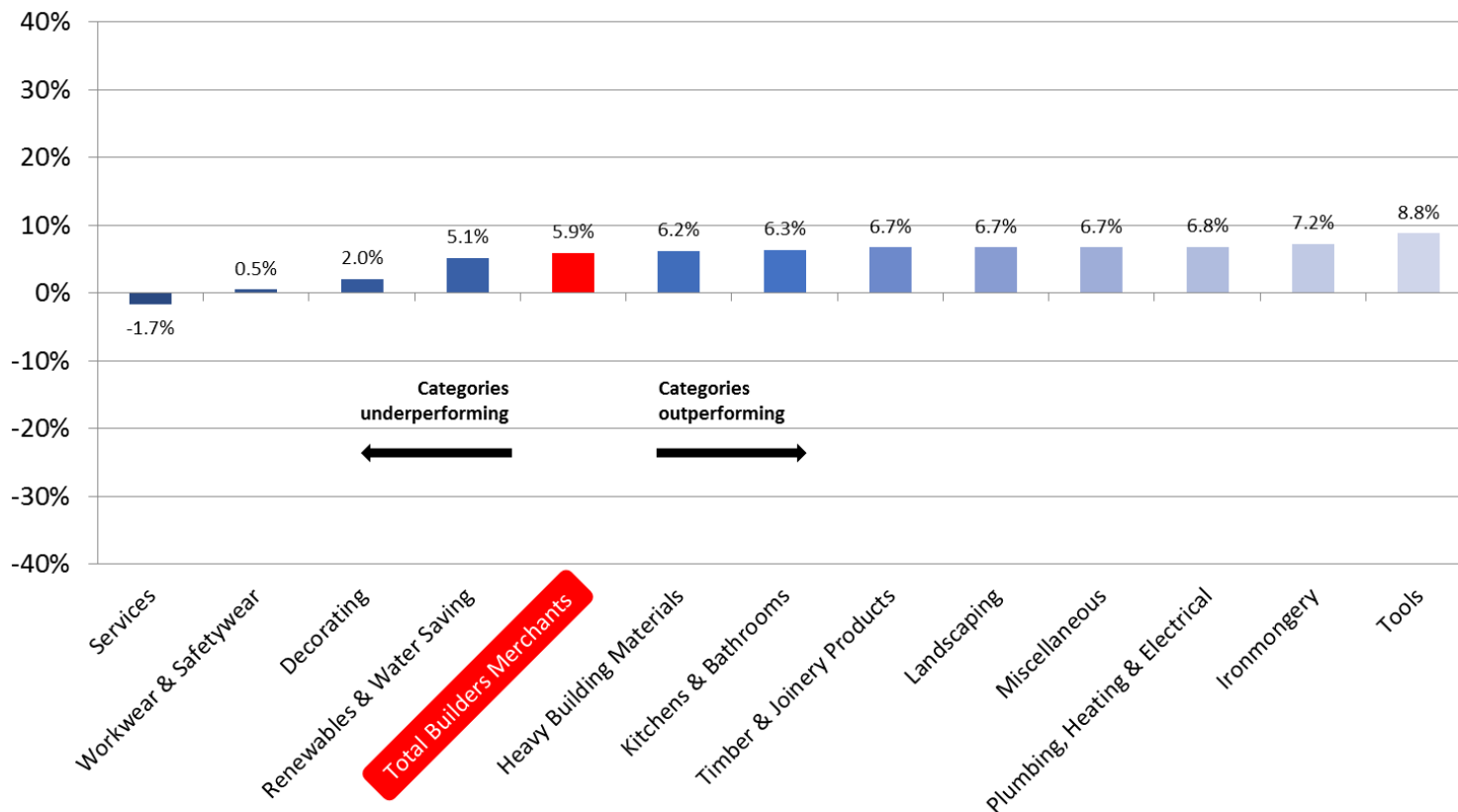


 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to March 2017

Quarterly: This Year v Last Year

Q1 2017 sales indices

Quarter 1 2017 index v Quarter 1 2016 index



 Source: GfK's Builders Merchants Total Category Report July 2015 to March 2017

Quarterly: This Year v Last Year

Q1 2017 average sales per day indices

Quarter 1 2017 index v Quarter 1 2016 index

Average sales per day indices

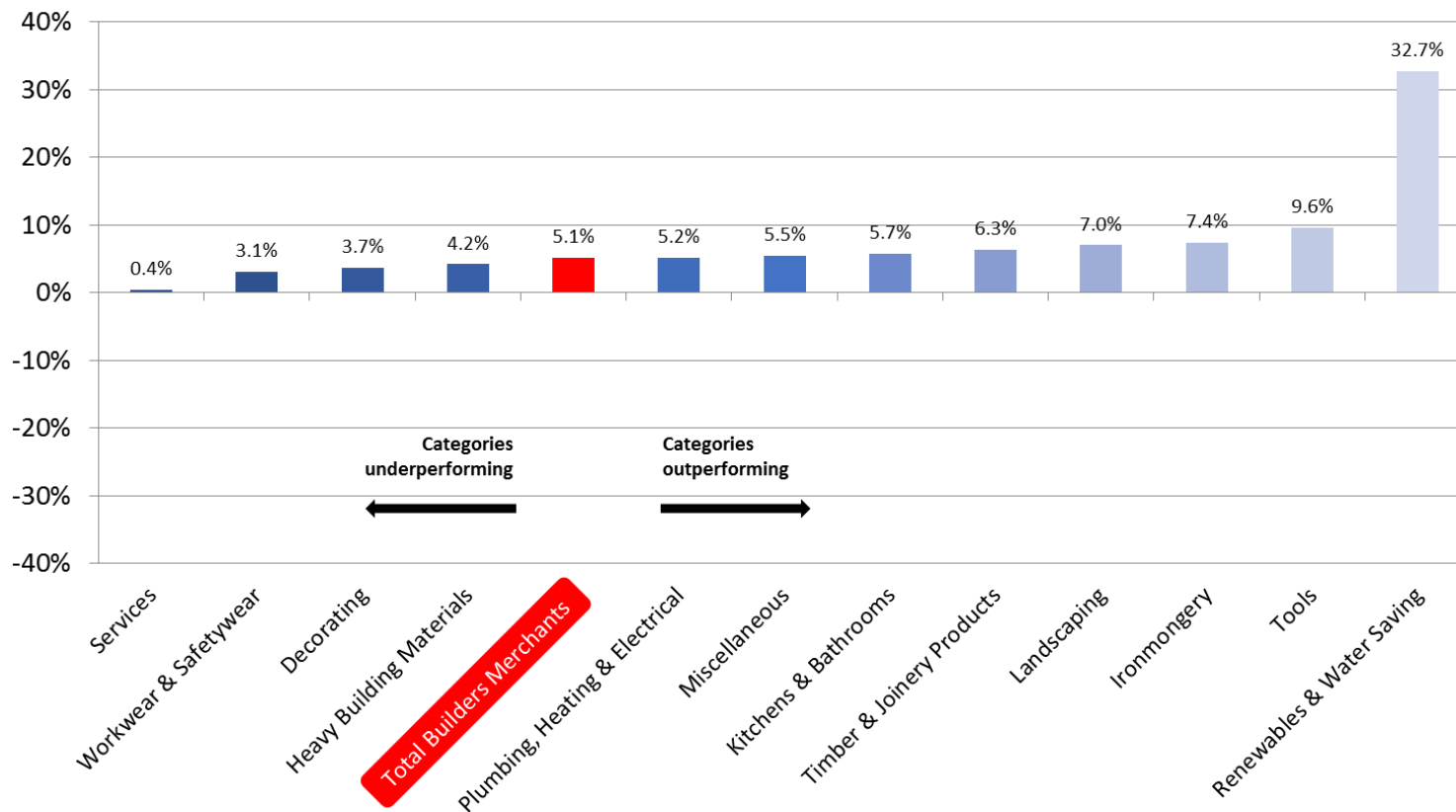


 Source: GfK's Builders Merchants Total Category Report July 2015 to March 2017

Quarterly: Quarter on Quarter

Q1 2017 sales indices

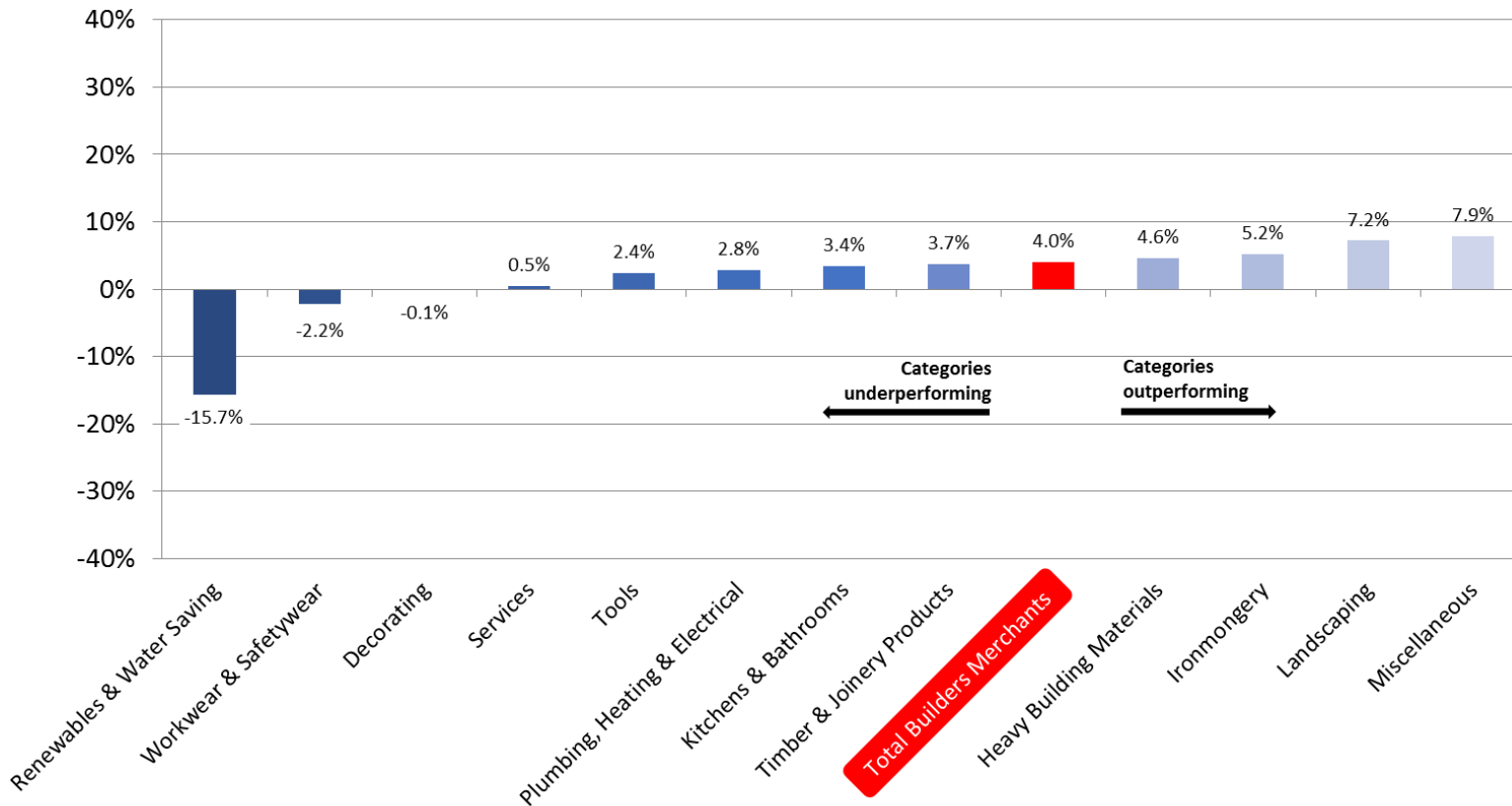
Quarter 1 2017 index v Quarter 4 2016 index



 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to March 2017

Last 12 Months: Year on Year Rolling 12 months sales indices

12 months Jun 16 to May 17 v 12 months Jun 15 to May 16

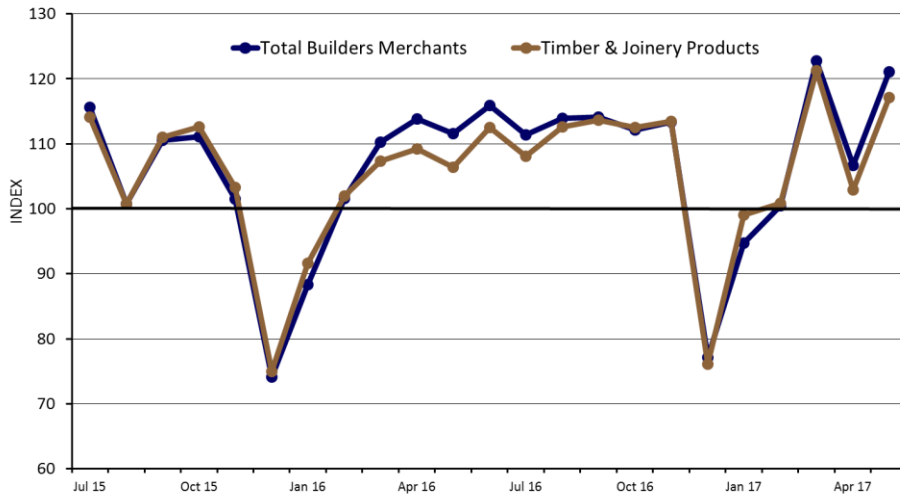


 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to May 2017

Monthly indices

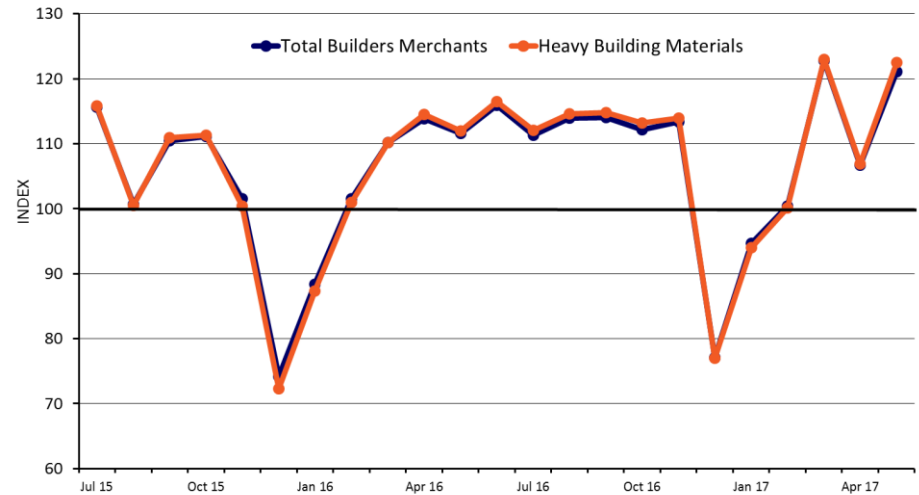
May 2017

Timber & Joinery Products



Indexed on July 2014 – June 2015

Heavy Building Materials



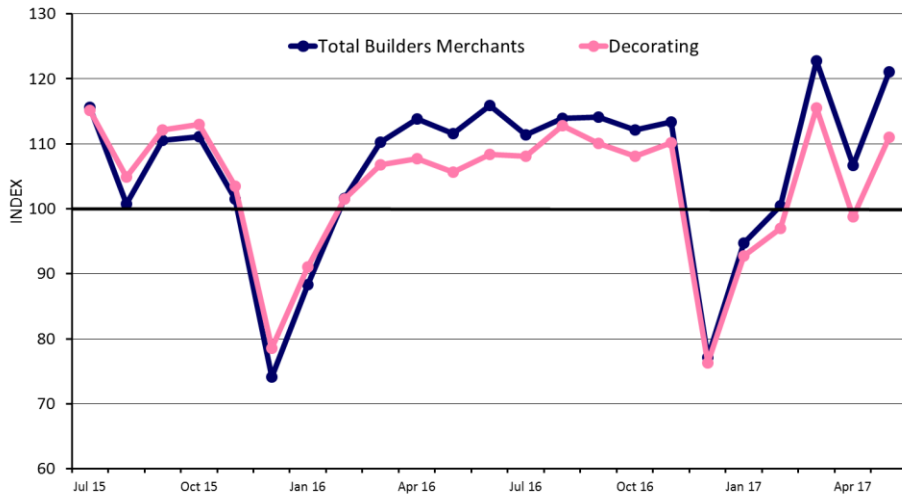
Indexed on July 2014 – June 2015

 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to May 2017

Monthly indices

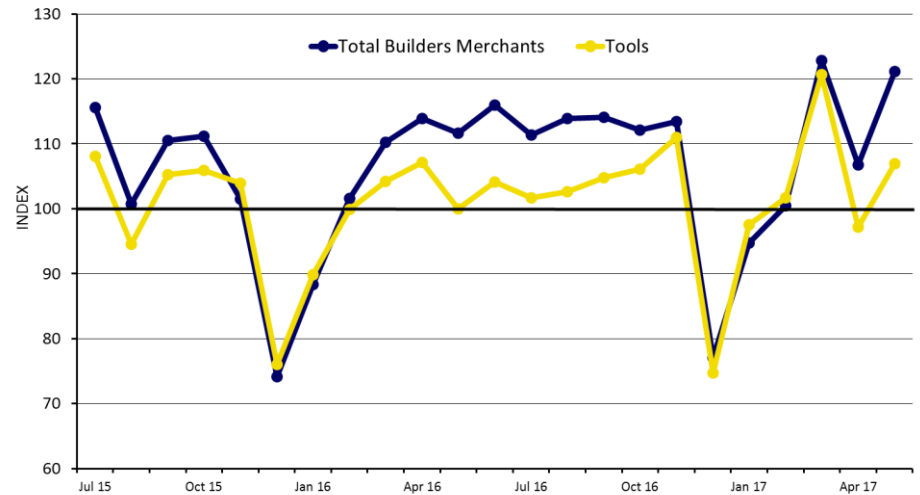
May 2017

Decorating



Indexed on July 2014 – June 2015

Tools



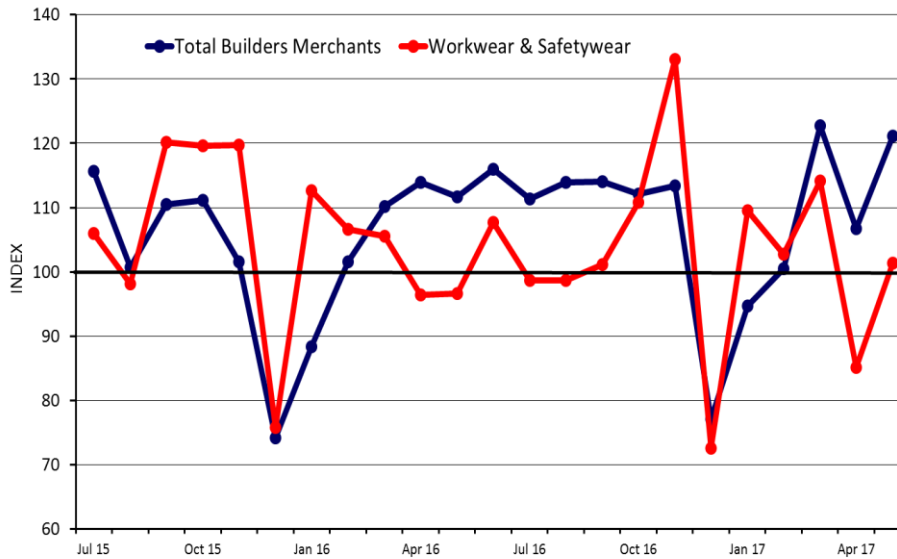
Indexed on July 2014 – June 2015

GfK Source: GfK's
Builders Merchants
Total Category Report
July 2015 to May 2017

Monthly indices

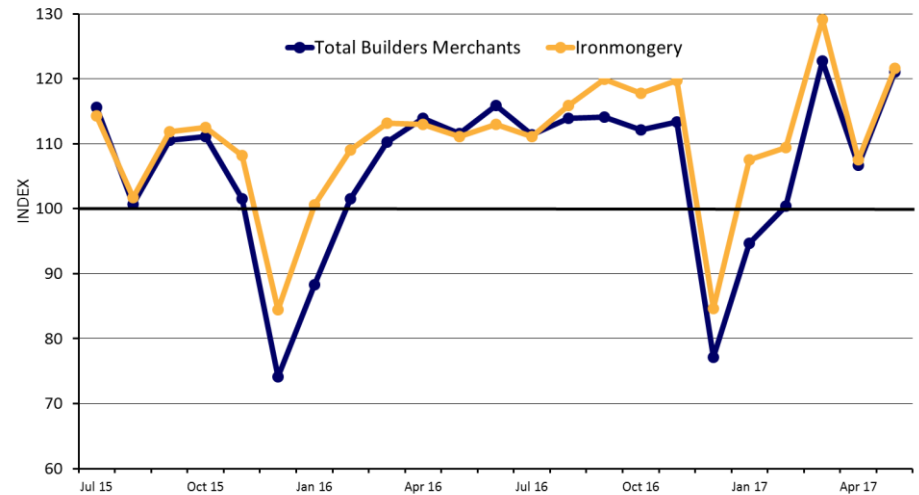
May 2017

Workwear & Safetywear



Indexed on July 2014 – June 2015

Ironmongery



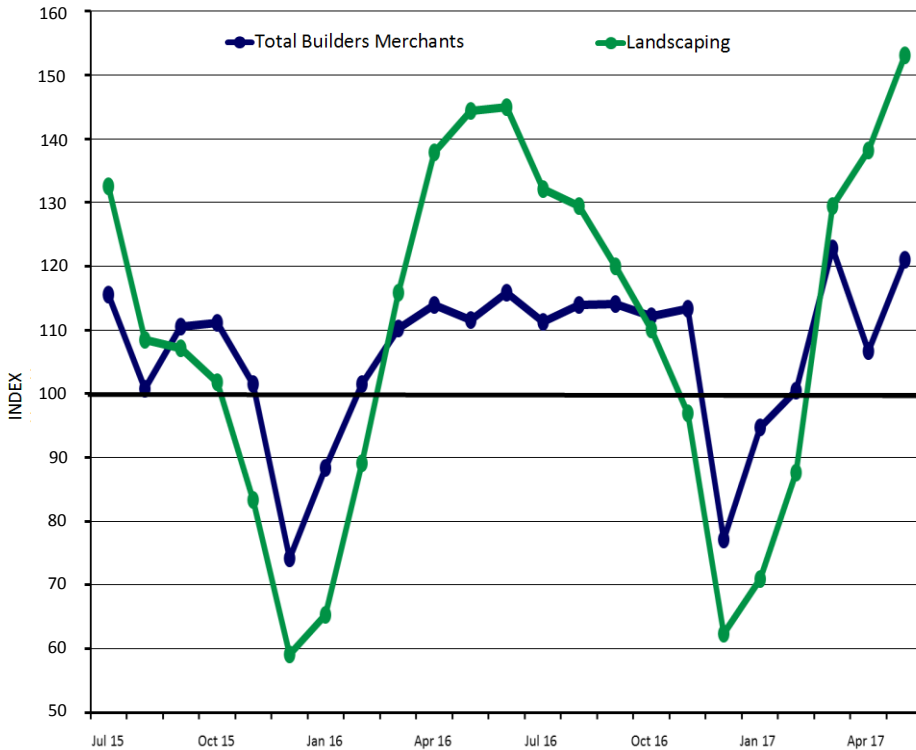
Indexed on July 2014 – June 2015

 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to May 2017

Monthly indices

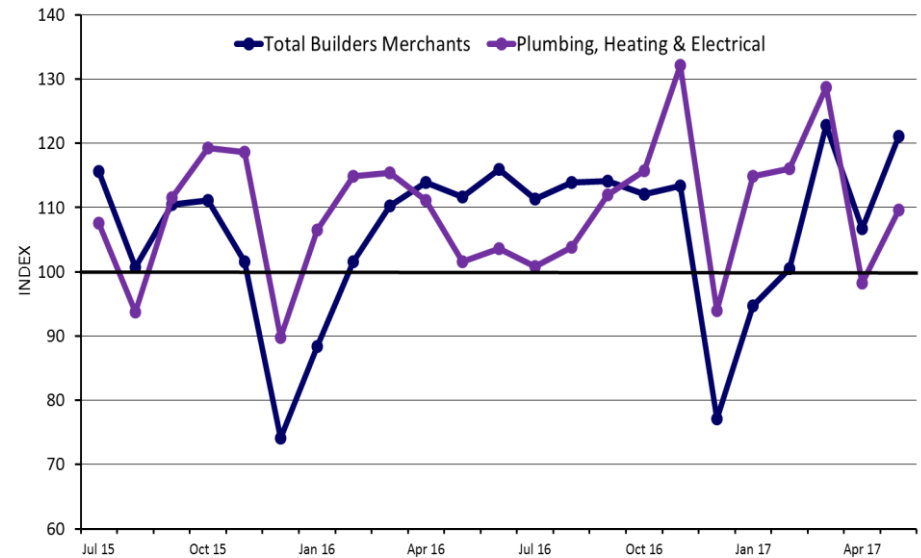
May 2017

Landscaping



Indexed on July 2014 – June 2015

Plumbing, Heating & Electrical



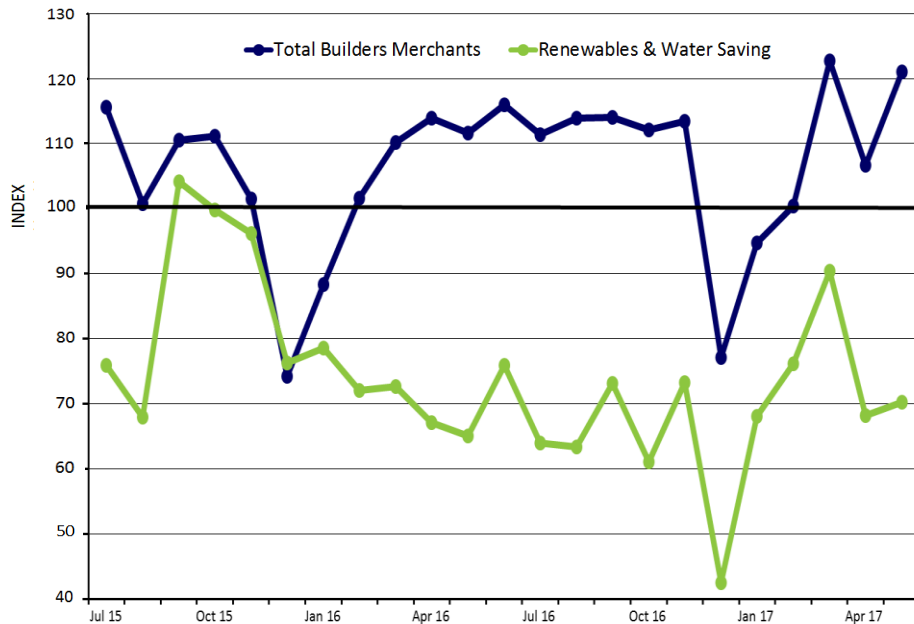
Indexed on July 2014 – June 2015

GfK Source: GfK's
Builders Merchants
Total Category Report
July 2015 to May 2017

Monthly indices

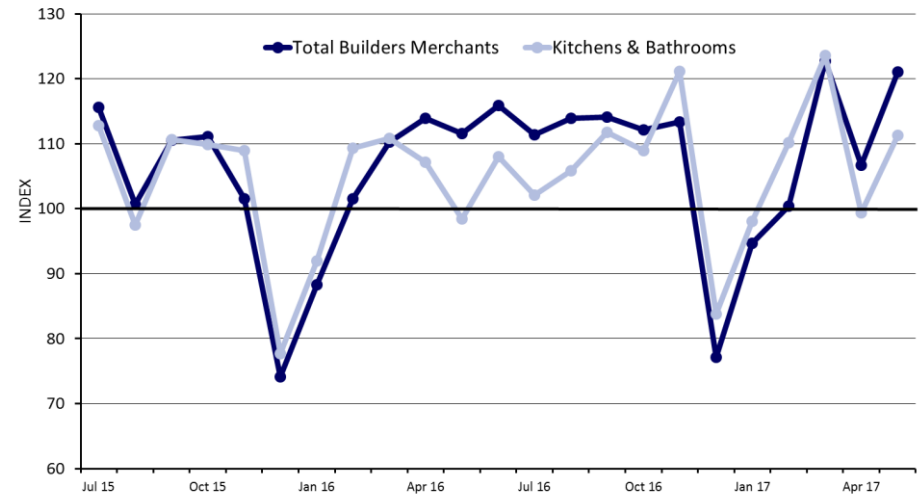
May 2017

Renewables & Water Saving



Indexed on July 2014 – June 2015

Kitchens & Bathrooms



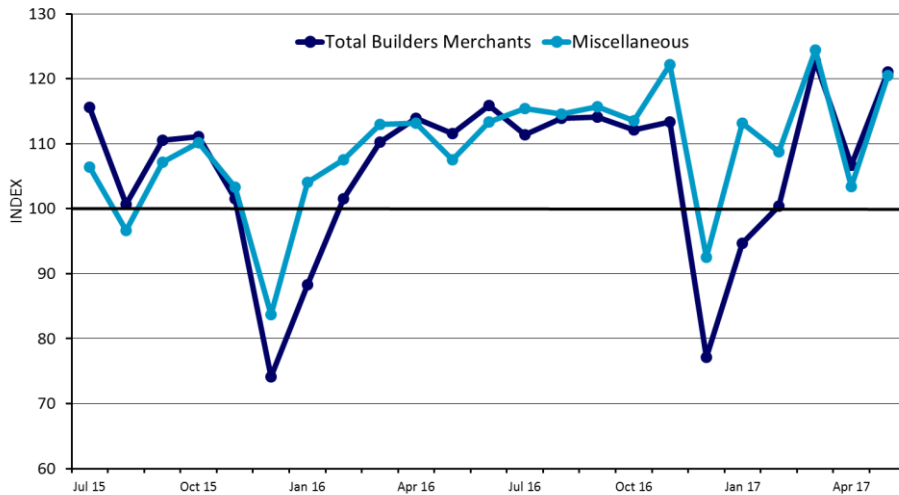
Indexed on July 2014 – June 2015

 Source: GfK's
Builders Merchants
Total Category Report
July 2015 to May 2017

Monthly indices

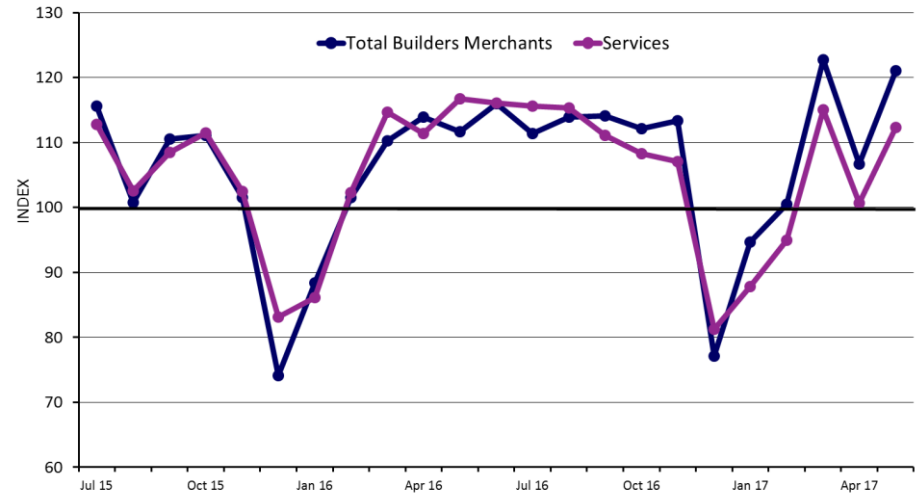
May 2017

Miscellaneous



Indexed on July 2014 – June 2015

Services



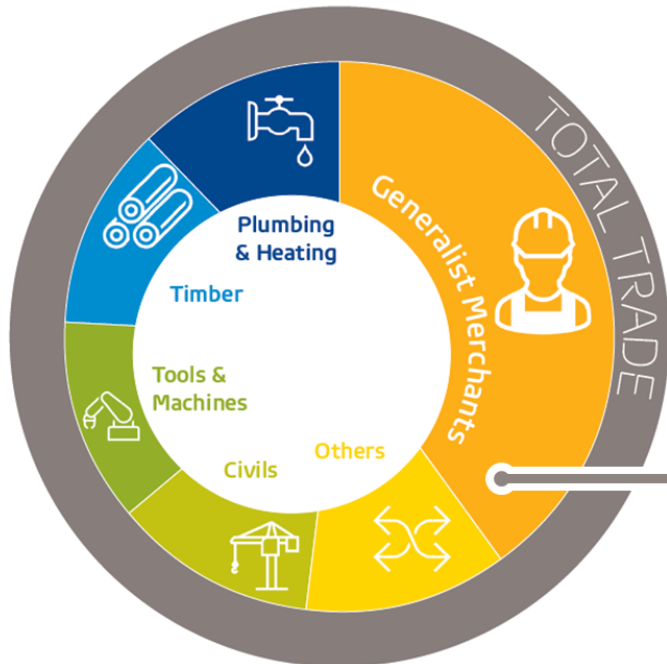
Indexed on July 2014 – June 2015

GfK's Panel

Generalist Builders Merchant Panel (GBM's)



The Multiple Generalist Builders Merchants Channel



Generalist Builders Merchants

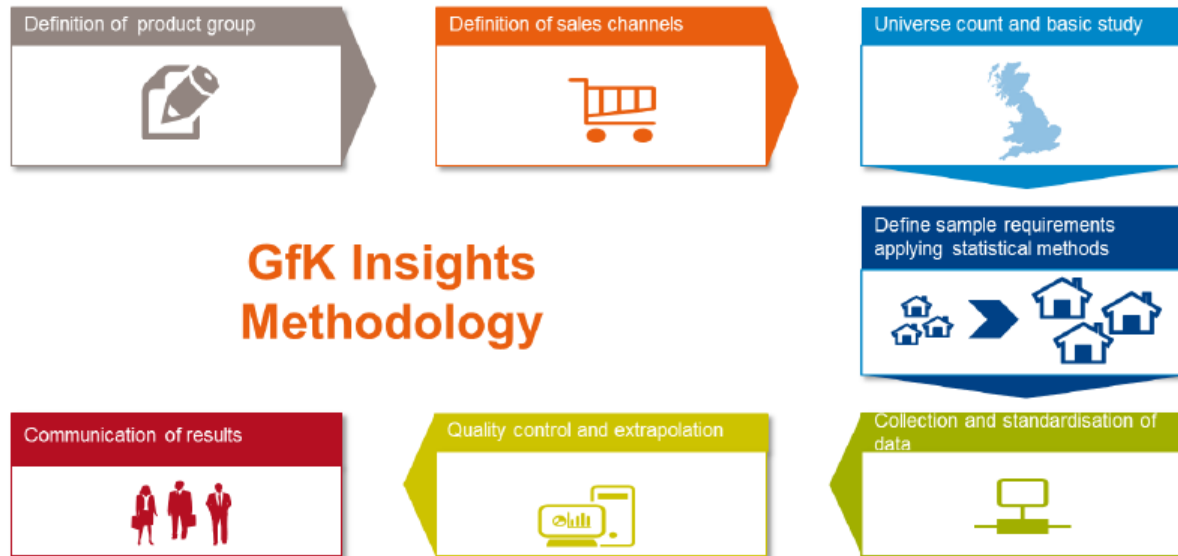
Builder Merchants handle an extended range of building materials and components (e.g. doors, windows, interior furnishing materials, insulation materials, tiles, cement, mortar, adhesives, sealants, nails, hardware products, pipes, ironware, paint) and generate their turnover with professional end users.

Multiple merchants are those defined as having more than 3 outlets or a turnover of greater than £3m p.a.

Examples include:



GfK Insights Methodology



GfK collect live sales-out data from our panel of merchant partners.

We add value to that data through the application of each sold product's unique technical features. We compare like-for-like products and categories from like-for-like merchants and aggregate this within our reports.

Our international methodology is based on robust scientific principles and delivers continuous, reliable information that can be applied to your business requirements.

GfK's Product Categories

Reports cover category headline values & in-depth, brand-level insights



Headline values available

Timber & Joinery Products

Timber
Sheet Materials
Cladding
Flooring & Flooring Accessories
Mouldings
Stairs & Stairparts
Window & Frames
Doors/Door Frames

Heavy Building Materials

Bricks Blocks & Damp Proofing
Drainage/Civils/Guttering
Lintels
Cement/Aggregate/Cement Accs
Concrete Mix/Products
Plasters Plasterboards And Accessories
Roofing Products
Insulation
Cement Mixers/Mixing Buckets Products
Builders Metalwork
Other Heavy Building Equipment/Material

Decorating

Paint/Woodcare
Paint Brushes Rollers & Pads
Adhesives/Sealants/Fillers
Tiles And Tiling Accessories
Decoration Preparation & Decorating Sundries
Wall Coverings

Tools

Hand Tools
Power Tools
Power Tool Accessories
Ladders & Access Equipment

Workwear And Safetywear

Clothing
Safety Equipment

Ironmongery

Fixings And Fastenings
Security
Other Ironmongery

Landscaping

Garden Walling/Paving
Driveways/Block Paving/Kerbs
Decorative Aggregates
Fencing And Gates
Decking
Other Gardening Equipment

Plumbing Heating & Electrical

Plumbing Equipment
Boilers Tanks & Accessories
Heating Equipment/Water Heaters/Temperature Control/Air Treatment
Radiators And Accessories
Electrical Equipment
Lighting And Light Bulbs

Renewables And Water Management

Water Saving
Renewables & Ventilation

Kitchens & Bathrooms

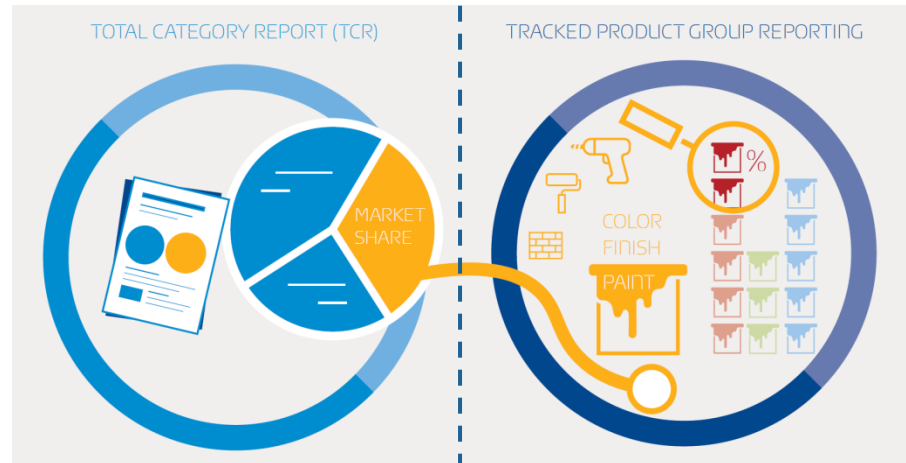
Bathroom (Including Showering)
Fitted Kitchens
Major Appliances

Miscellaneous

Cleaning/Domestic/Personal
Automotive
Glass
Other Furniture & Shelving
Other Misc

Services

Toolhire / Hire Services
Other Services



In-depth product group reporting

Monthly sales values, volumes, pricing analysis & distribution facts available by brand and key product features.

For insights on your product group please contact Pete Church at GfK (pete.church@gfk.com).

Available categories:

Heavyside

Bricks
Insulation

Lightside

Emulsion Paints (incl. Masonry & Base)
Trim Paints
Primers/Undercoats
Woodcare
Adhesives
Sealants
Fillers/PU Foam
Tile Fixing (Adhesives/Grout)

Contact Us

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