

Friday, 10 June 2016

## ONS Construction Output Rebounds but New Orders Decline

ONS figures published today show that construction output rebounded in April by 2.5% month-on-month though remained down 3.7% compared with one year earlier. More importantly, however, new orders for Q1 were down 1.2% compared to both Q4 and Q1 in 2015.

Professor Noble Francis, Economics Director at the Construction Products Association, commented: “Today’s output figures are, of course, encouraging, but what is of greater interest are the ‘forward-looking’ new orders, which fell 1.2% in Q1. This was likely led by a 17% drop in the private housing sector for Q1 versus Q4, though orders in this sector remained up 18% versus a year ago. Other data from across the private housing sector show that activity there is already improving. Still more encouraging is that new orders in the infrastructure sector continue to go from strength-to-strength, up 27% in Q1 versus Q4 and up 16% versus a year ago. As we’ve highlighted in our own forecasts, this sector looks set to lead activity for the wider industry over near-term.

“The underlying fundamentals for the construction sector remain strong, so the modest fall in new orders may reflect a slight impact from uncertainty around the EU Referendum. We would also expect new orders in Q2 to suffer a greater impact from this same uncertainty; however, this could all be offset in the second half of the year once the vote is out of the way.”

**ENDS**

### **NOTE TO EDITORS:**

The [Construction Products Association](#) represents the UK’s manufacturers and distributors of construction products and materials. The sector directly provides jobs for 313,000 people across 21,000 companies and has an annual turnover of more than £50 billion. The CPA acts as the leading voice to promote and campaign for this vital UK industry.

### **FOR FURTHER INFORMATION CONTACT:**

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