

Excellence in building
materials supply

Builders Merchant Building Index



Executive Summary - Quarter 3 2025

(Published 04 December 2025)

Highlights

BMBI Report Q3 2025 Highlights

(unadjusted for trading days)

www.bmbi.co.uk

+4.6%

+0.8%



Third quarter v last year

Q3 2025 total value sales down -0.1%
on Q3 2024

-0.1%



Third quarter v previous quarter

Q3 2025 total value sales down -1.2%
on Q2 2025

-1.2%



Latest month v last year

Sep 2025 total value sales up +4.6%
on Sep 2024

+4.6%



Latest 12 months v last year

Oct 2024 - Sep 2025 total value sales up +0.8%
on Oct 2023 - Sep 2024

+0.8%

“Total Builders Merchants value sales in Quarter 3 were down -0.1% on the same quarter last year. Volume sales were +0.7% up but prices -0.8% down.”

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Introduction:

Builders Merchant Building Index



This **Builders Merchant Building Index (BMBI)** report contains data from GfK's ground-breaking Builders Merchants Panel, which analyses data from over 88% 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 relatively small samples or 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. It's therefore a very good proxy for housing RMI.

The monthly series tracks what is happening in the market month by month and includes an in-depth review every quarter. BMBI Index data is calculated on the 12 months base period January 2019 to December 2019. This trend series gives the industry access to far more accurate and comprehensive insights than that available to other construction sectors.

Executive Summary

Short of time and just want to read the headlines? Download an Executive Summary that provides a snapshot on value sales and trends from Britain's Builders' Merchants for Quarter 3 and September 2025 [here](#).

BMBI Expert Panel

MRA Research 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. **Meet the Experts and read their comments on pages 14 to 26 of this report or read their previous comments [here](#).**

Recognition for BMBI

One of the aims of BMBI is to reach across and beyond construction. It's now syndicated to a growing number of trade magazines in different sectors on a regular basis. Outside the industry, economists, banks, consultancies, investment bodies and the big accountants regularly refer to it and BMBI is referenced alongside the Office for National Statistics (ONS) data in the Government **Department for Business and Trade** monthly construction update. **Download the latest update [here](#).**



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 **Emile van der Ryst** at emile.vanderryst@nielseniq.com.

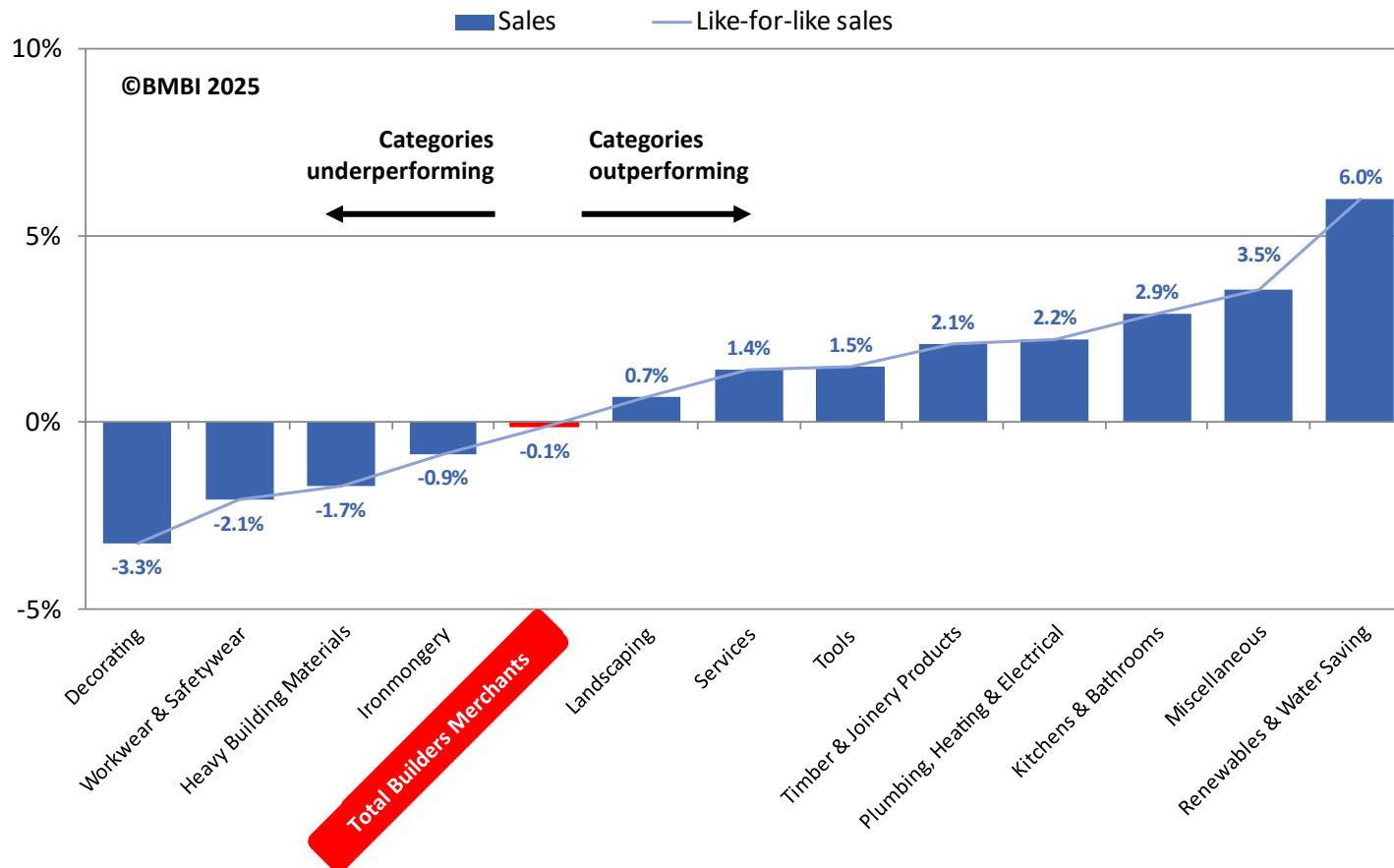
Latest quarter v last year

Value sales and like-for-like value sales % change

There was no difference in trading days (65).
Like-for-like sales take trading day differences into account.



Quarter 3 2025 v Quarter 3 2024



NIQ GfK

Source: GfK's Builders Merchants
Total Category Report: January
2019 to September 2025

Total Builders Merchants like-for-like **value** sales were down -0.1% on the same quarter last year.

Total volume sales were +0.7% up but **prices** -0.8% down.

Latest quarter v previous quarter

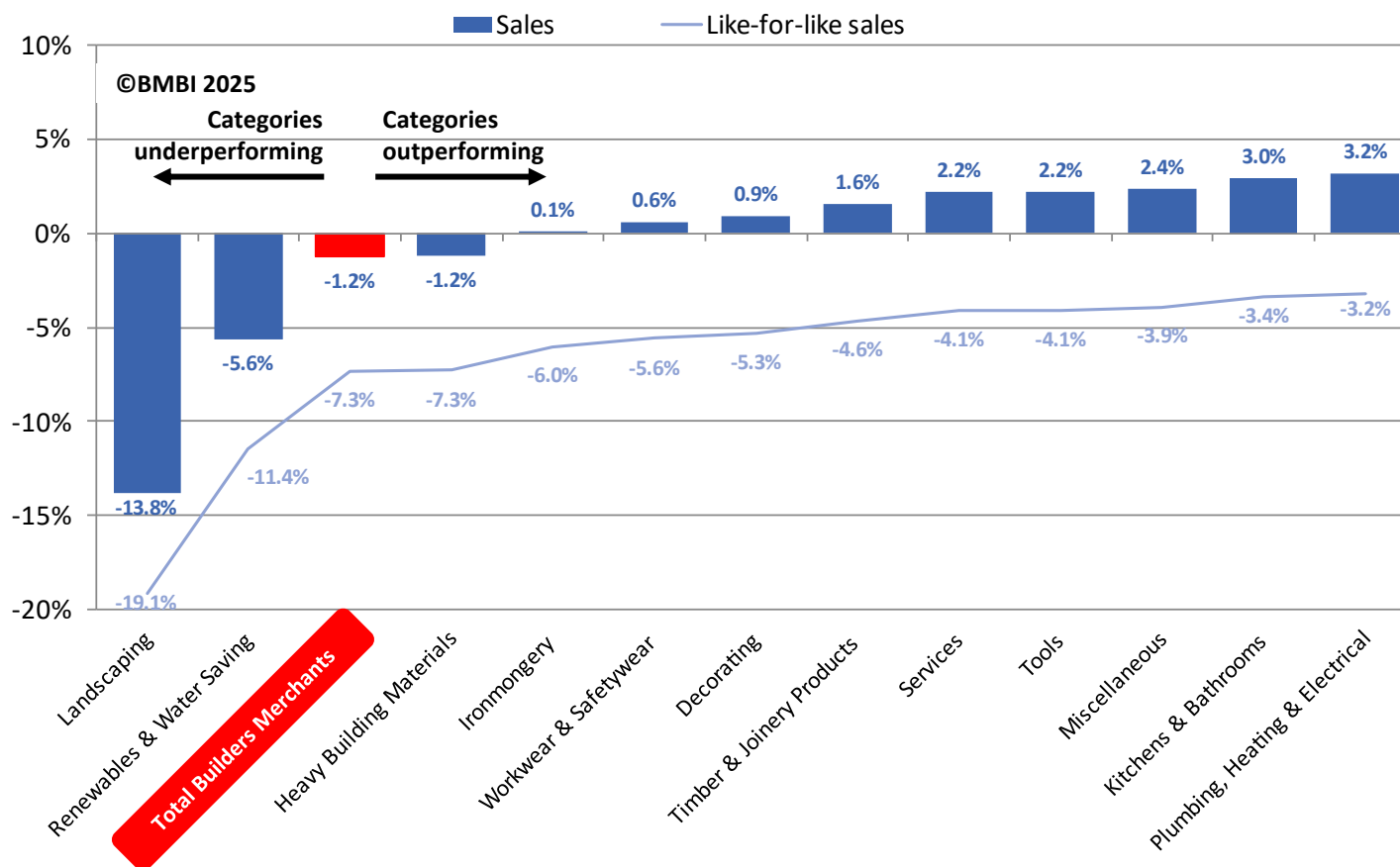
Value sales and like-for-like value sales % change

65 trading days this quarter v 61 trading days last quarter.

Like-for-like sales take trading day differences into account.



Quarter 3 2025 v Quarter 2 2025



NIQ GfK

Source: GfK's Builders Merchants
Total Category Report: January
2019 to September 2025

By **value**, nine of the twelve categories sold more, led by Plumbing, Heating & Electrical (+3.2%).

Seasonal category Landscaping (-13.8%) was the weakest category.

Year to date v last year

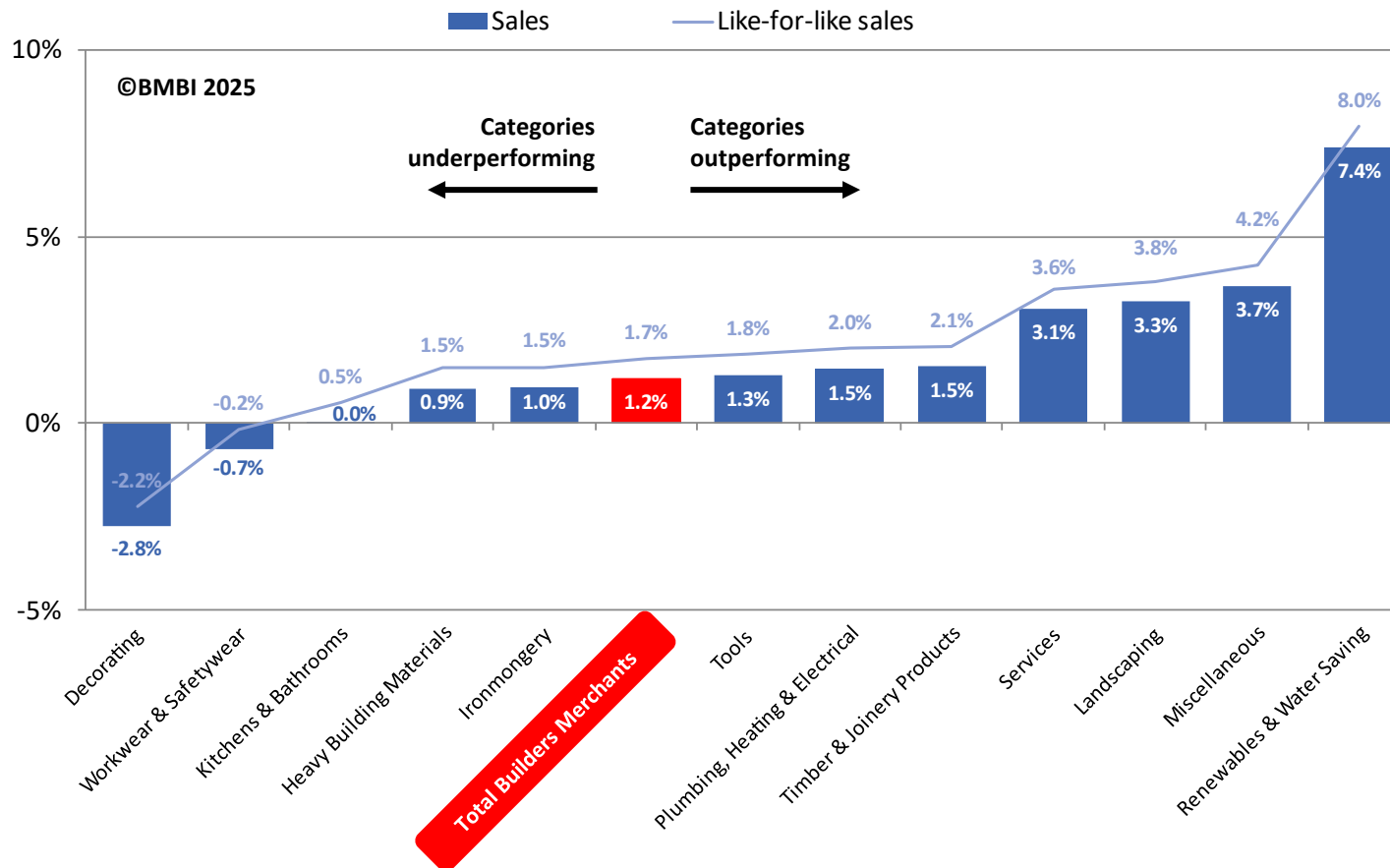
Value sales and like-for-like value sales % change

189 trading days this year v 190 trading days last year.

Like-for-like sales take trading day differences into account.



Year to date: Jan 25 to Sep 25 v Jan 24 to Sep 24



Source: GfK's Builders Merchants
Total Category Report: January
2019 to September 2025

Year to date value sales were up +1.2%. But with one less trading day this period, like-for-like **value** sales were +1.7% higher.

Total volume sales were +2.8% up and **prices** -1.6% down.

Latest 12 months v last year

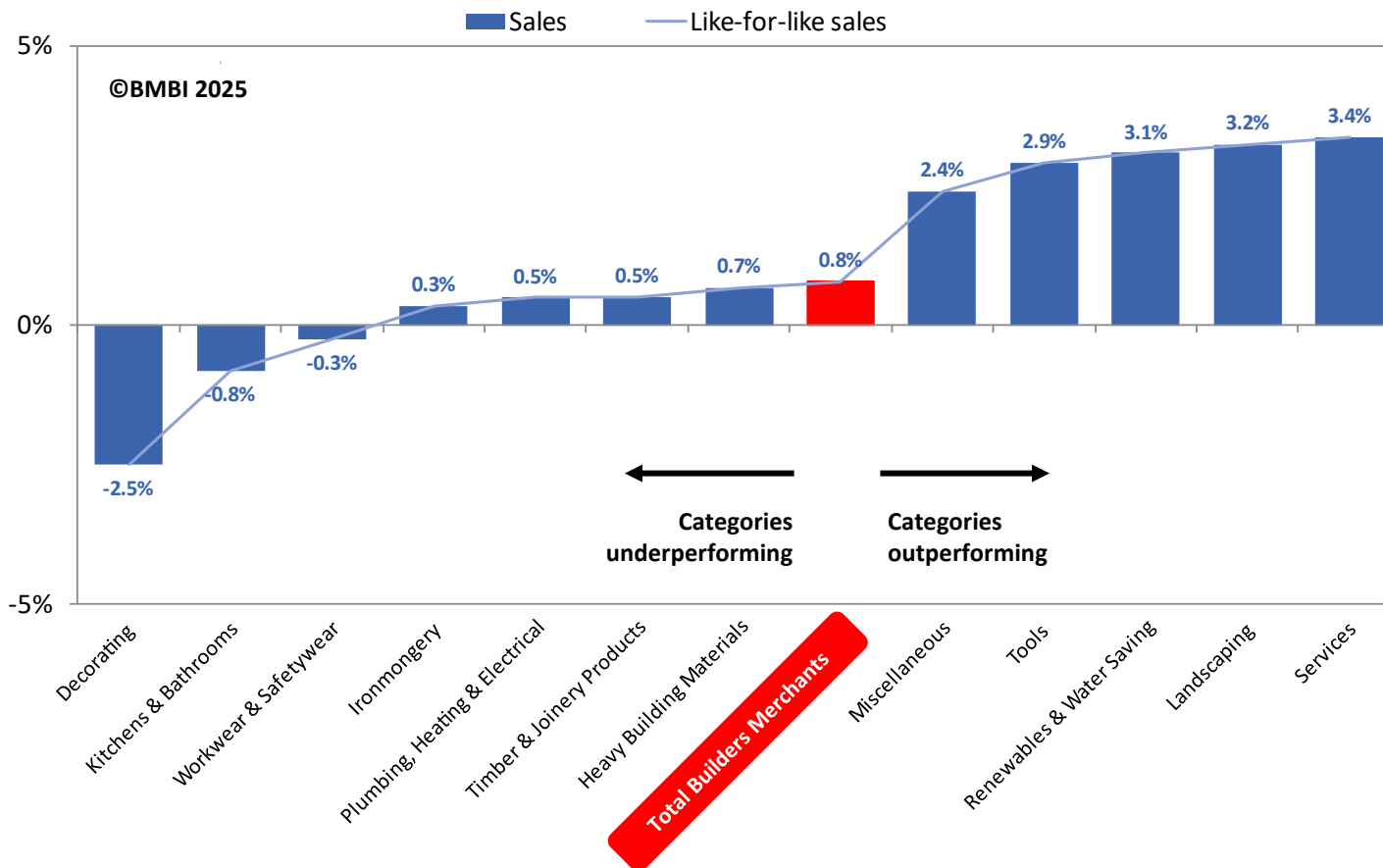
Value sales and like-for-like value sales % change

There was no difference in trading days (250).

Like-for-like sales take trading day differences into account.



12 months Oct 24 to Sep 25 v 12 months Oct 23 to Sep 24



NIQ **GfK**

Source: GfK's Builders Merchants
Total Category Report: January
2019 to September 2025

Like-for-like **value** sales in the 12 months, October 2024 to September 2025, were up +0.8% versus the same period a year earlier.

Total volume sales were +2.7% up but **prices** down -1.9%.

Quarterly: Index and Categories

Value Index: Quarter 3 2023* to Quarter 3 2025

Indexed on January 2019 – December 2019



QUARTERLY SALES VALUE INDEX	Index	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Total Builders Merchants	100	122.9	103.6	107.4	117.6	119.6	103.0	108.3	120.9	119.4
Timber & Joinery Products	100	117.7	100.2	103.0	108.7	112.1	97.4	101.5	112.6	114.5
Heavy Building Materials	100	126.6	104.6	107.3	118.3	122.1	104.3	109.4	121.5	120.1
Decorating	100	127.4	116.2	120.2	129.1	132.0	114.2	116.6	126.5	127.7
Tools	100	108.4	101.4	110.0	116.0	116.4	109.9	113.2	115.6	118.1
Workwear & Safetywear	100	117.6	137.6	142.7	128.6	137.0	139.1	138.0	133.4	134.2
Ironmongery	100	111.5	100.8	104.9	106.7	110.6	99.1	106.2	109.5	109.6
Landscaping	100	131.0	87.6	100.7	143.5	130.1	90.3	103.5	152.0	130.9
Plumbing Heating & Electrical	100	110.6	115.5	119.2	106.5	109.8	112.9	119.4	108.8	112.3
Renewables & Water Saving	100	167.9	133.7	124.8	119.7	120.4	122.1	129.0	135.2	127.6
Kitchens & Bathrooms	100	124.4	113.1	116.0	116.8	116.7	109.2	112.9	116.6	120.1
Miscellaneous	100	99.5	97.5	102.3	98.9	101.5	95.9	106.1	102.7	105.1
Services	100	116.9	104.7	105.4	117.0	121.2	109.3	110.9	120.2	122.9

*Click the web link below to see the complete series of quarterly indices from Q3 2023.



Source: GfK's Builders Merchants
Total Category Report: January
2019 to September 2025

Quarterly: Index

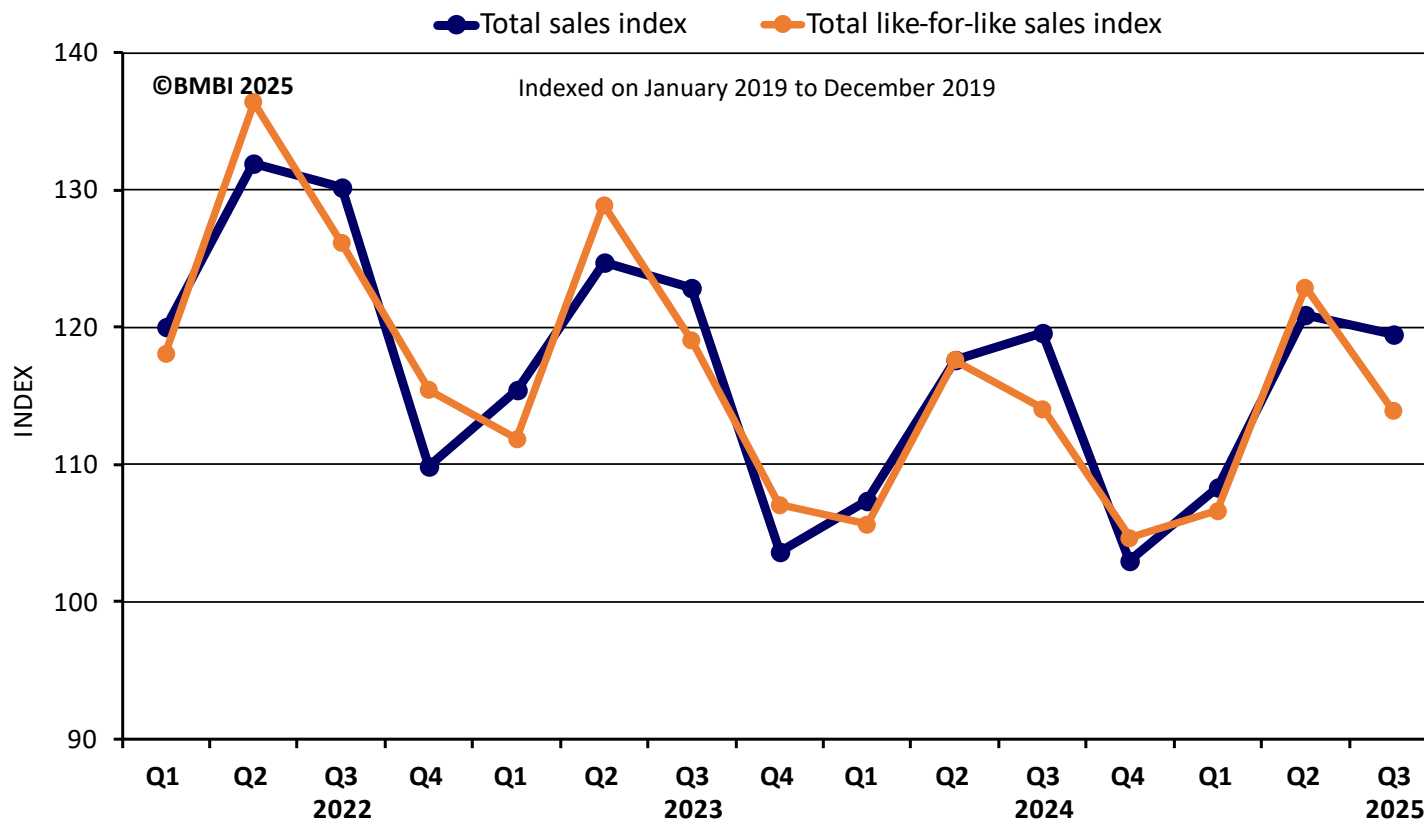
Value sales and like-for-like value sales index

65 trading days in the most recent period v 62 trading days in the Index base period.

Like-for-like sales take trading day differences into account.



Total Builders Merchants sales index v like-for-like sales index



NIQ **GfK**

Source: GfK's Builders Merchants
Total Category Report: January
2019 to September 2025

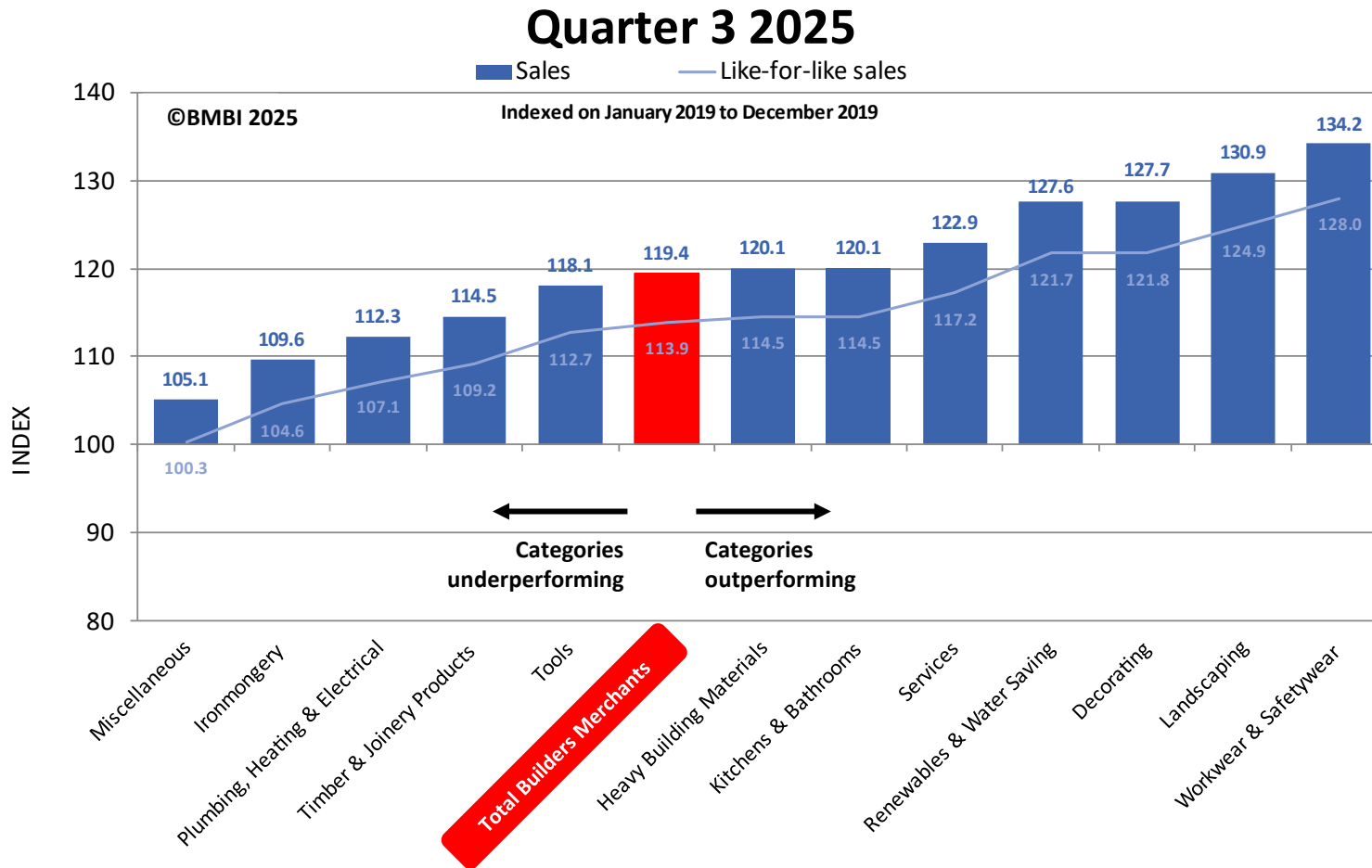
With three more trading days in the most recent period versus the Index base period, the like-for-like **value** sales index was 113.9.

Latest quarter: Index by category

Value sales and like-for-like value sales index

65 trading days in the most recent period v 62 trading days in the Index base period.

Like-for-like sales take trading day differences into account.



NIQ **GfK**

Source: GfK's Builders Merchants
Total Category Report: January
2019 to September 2025

Workwear & Safetywear (134.2), seasonal category Landscaping (130.9) and Decorating (127.7) were strongest.

Miscellaneous (105.1) indexed the least.

Coverage and data audits

NIQ



As part of its ongoing drive to ensure the most accurate and relevant understanding of market coverage GfK conducts universe studies every couple of years.

These studies aim to understand the number of retailers / merchants and the branches they have in a defined universe - in this case the mainland Great Britain Builders Merchants channel.

The previous iteration of the BMBI used a universe study conducted in 2019, with coverage then estimated at 82% and revised up to 92% in the October 2023 report with the introduction of CMO, Huws Gray and JT Dove.

GfK has completed its latest universe study for the channel and now estimates coverage to sit at 88%.

For any queries around this, please reach out to Emile van der Ryst at emile.vanderryst@nielseniq.com

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Overview and Insights

Emile van der Ryst,

Key Account Manager – Trade & DIY – NiQ GfK

NIQ



Third quarter sales performance saw a very small decline amidst increased pessimism from within the sector about future market activity. This pessimism is aligned with most macroeconomic indicators, with uncertainty around government budgets and policies as a key component. Geopolitical tensions continue to play its role, while a predicted stock market correction due to AI has started moving to the forefront at the end of the year. All in all, a gloomy picture, not only for the remainder of 2025, but most of 2026.

There has been a continuation of volume driving market activity, with the overall Q3 on Q3 value decline of -0.1% balanced between volume growth of 0.7% and an average price decline of -0.8%. The previous two quarters were the first in more than two years to see growth against the previous year's quarter, so year-to-date value growth remains positive at 1.2%, driven by volume growth of 2.8%.

Heavy Building Materials has seen a value decline of -1.7% against 2024 Q3, with volume and average price down by -0.4% and -1.3% respectively. The main trends in the underlying data show strong volume growth for aggregates, while bricks, cement and insulation also had growth. Blocks were the key driver behind the volume decline, but there were also declines for plaster, plasterboard and roofing tiles. From an average price perspective, the main drivers behind the decline were aggregates, cement and insulation.

Timber & Joinery value was up by 2.1% against 2024 Q3, with volume up by 2.4%. Average pricing was down by -0.3% against 2024 Q3. Timber performance stood out, with growth in both volume and average price. This performance was, however, negated to an extent by both volume and average price declines for sheet materials, while there were also declines for mouldings and roof windows. Cladding again showed good performance, following on from the previous quarter.

Landscaping and most of the other smaller categories saw value growth in the most recent quarter. Renewables & Water Management was the best performing, up by 6.0% in value. Landscaping itself was up by 0.7% in value, while Kitchens & Bathrooms saw growth of 2.9%. Decorating saw the largest value decline, down by -3.3%, while Ironmongery and Workwear & Safetywear also saw value declines.

The fourth quarter is expected to be challenging, with confidence in market conditions continuing to deteriorate. The main immediate focus is the upcoming budget and the hope that it will at least provide some form of certainty as to what needs to be navigated in what will likely be a difficult year.

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Merchants' View

John Newcomb, CEO BMF



I'm sure you don't need me to point out that it has been a difficult quarter, with concerns about the UK economic outlook and high levels of uncertainty ahead of the autumn budget limiting market growth. Many developers have paused their plans until after the chancellor's speech. Like the BMF, they will be seeking further incentives to encourage Britain to get building again.

The Office for National Statistics (ONS) revised its previous +0.2% growth estimate for construction output in July 2025 to zero growth and estimates that monthly construction output fell by -0.3% in August 2025. However total construction output is estimated to have grown by 0.3% in the three months to August 2025. The August reverse was driven by a fall in repair and maintenance work (-1.5%), although new work increased (+0.5%) on the previous month.

The Mineral Products Association's (MPA) figures for ready mixed concrete sales – regarded as a barometer of overall construction activity – show they fell by -0.8% in Q3 2025 over Q2 2025 and were -12% lower than sales in Q3 2024.

However, there have been a few positive reports.

The Federation of Master Builders (FMB) has now joined with the Chartered Institute of Builders (CIOB) to produce a regular half-yearly SME State of Trade. Key measures for the first half of 2025 saw workloads for SME builders increase by +25%, a substantial change in direction from -11% in Q4 2024. Enquiries were up by +34%. The report notes that these levels of growth are comparable to H1 2022, the initial market recovery period following the COVID-19 lockdowns. Looking ahead, over half (51%) of SME builders had a positive outlook for H2 2025, around a third (36%) were neutral, with just 7% holding a negative view.

The latest statistics from the National House Building Council (NHBC), a key indicator of new housebuilding activity, show new home registrations rising for the third successive quarter. 30,643 new homes were registered to be built in Q3 2025, an increase of +8% on Q3 2024 (28,304), and +1.0% more than in Q2 2025 (30,315). While this does show modest growth, it is still a long way short of pre-pandemic numbers.

We expect conditions to improve in 2026, but significant growth is unlikely until the second half of the year, when interest rates are expected to be lower. A confidence-boosting budget could accelerate that timescale, but will we get one?

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The Expert Panel

Speaking for their markets

The Builders Merchant Building Index (BMBI) includes a 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.

Scroll down to read their latest insights.



Expert Panel

Natural Stone & Porcelain Paving

(Part of Landscaping)



Krystal Williams, Managing Director Pavestone UK Ltd, is BMBI's Expert for Natural Stone & Porcelain Paving.

Q3 was a rollercoaster quarter for paving sales. July and August, which are notoriously slow for landscapers, were very quiet and sales were well below last year's. September, however, saw a 20% increase in volume that more than made up for the shortfall.

Overall, we are up on last year as we move into the final quarter of 2025, and while we are bucking the trend in the paving sector, it has been a year of peaks and troughs. It's the same for our merchant customers – some are up, others are down for the year, and there doesn't seem to be any tangible reason behind it.

Shipping prices continue to be volatile and were recently impacted by China and US trading peaks and subsequent capacity constraints. The longer route around the Cape of Good Hope is likely to be permanent too, as shipping companies realise they can charge more for this. Managing the fluctuating costs remains challenging.

Unprecedented rainfall in India has flooded sandstone quarries in the north, so getting blocks of stone out is impossible until the water subsides. The pause in production in our partner mines is adding to a wider shortage of sandstone in India which will have a knock-on effect on the UK. The government is not issuing any new mining leases, and is enforcing the closure of illegal mines, so there is less product on the market to meet domestic and export demand. We are expecting disruption to our supplies for the next year at least and have urged merchants to place their pre-season orders now while stocks are available.

That said, the sandstone shortage is creating a big opportunity for natural stone replica paving, made from porcelain. Lookalike products are cost competitive with natural stone plus they have all the benefits of porcelain (algae-, frost- and slip resistant). With demand high for natural colours and aesthetics, we have created porcelain alternatives to all our bestselling sandstone products.

Looking ahead, it's likely to be a subdued Q4 for paving products. While the Consumer Confidence index's major purchase score was +4 points in October, we don't expect homeowners to commit to big ticket items or home improvements until after the budget and people better understand what their finances look like.

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Expert Panel

Steel Lintels

(Part of Heavy Building Materials)



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

Quarter three followed the same downward trajectory as the previous quarter, and while better weather in the autumn delivered steady demand from new build customers, it was Repair Maintenance and Improvement (RMI) where the steel lintels market was feeling the pinch. The delayed budget has done little to improve things. As we move into Q4, the short-term outlook shows that uncertainty is impacting new builds and further curtailing RMI spend.

So how bad is it? According to Royal Institution of Chartered Surveyors' (RICS) UK residential market survey, the nation is stuck in a 'holding pattern' as buyer demand, sales activity and new instructions in October fell further into negative territory. New vendor instructions hit a four-year low.

The reason behind the slowdown is clear. Fears of possible changes to property-related taxes in the budget, such as changes to stamp duty, capital gains and inheritance tax, are making future transactions an unknown. While we wait to understand the effects of the budget, we expect to see a slower housing market for the next couple of quarters.

To stimulate opportunities to build more good homes, ongoing challenges with planning red tape and further delays to the Future Homes Standard need resolving sooner rather than later.

The slowdown will have a knock-on effect for merchants and manufacturers, who could put off key business decisions like investments in new stock or machinery, until things pick up.

It might be tempting to put decisions on hold, however our message to stockists is not to fall into the 'de-stocking' trap but to maintain the correct breadth and depth of stock to support the few builders that are building. Those builders will still need lintels - albeit at a slower rate. Engaging with local sales teams will help support opportunities for sales leads, so use your area representatives – that's what they are there for.

Growing sales in a difficult economy is a team game, and the more we can work together, the more we can maximise opportunities as they arise, while putting plans in place to meet demand when better times arrive.

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Expert Panel

Drylining Systems

(Part of Heavy Building Materials)



Gordon Parnell, Sales Director, British Gypsum, part of Saint-Gobain Interior Solutions, is BMBI's Expert for Drylining Systems.

The construction sector continues to face challenges, Weaker consumer confidence in anticipation of a hard November budget, ongoing cost pressures, and reduced project starts are currently shaping the industry. But there are also signs of greater stability emerging, with an easing of the unpredictability we've seen in recent years. There's a sense that the market is finding stable ground, a feeling reflected in the latest Construction PMI report. The last quarter of this year has, so far, performed better than the same period in 2024, although H2 last year did experience weakened demand.

While sectors such as housing experience continuing difficulty, other sectors are seeing signs of growth. Infrastructure, public sector and energy-related projects are accelerating, fuelled by long-term investment and a clear commitment to transition the UK towards a low-carbon economy.

These shifts in the market are influencing decision making. There's growing interest in local supply chains, circularity and low-carbon products as attention turns to materials themselves: where they come from, how they're made, and how they progress through the value chain. With greater focus on these factors, supply chain localisation and transparency about product origin are becoming more important.

The changing market presents manufacturers with opportunities to support customers, strengthen partnerships and drive innovation to keep the industry moving forward in uncertain times.

At British Gypsum, we continue to support customers in our core markets with complete product performance and solutions, sustainability and reliability. These are solutions with the peace of mind that products and tested systems will meet all expectations. When efficiency and value are guiding decisions, systems that reliably deliver acoustic, fire and thermal performance, while supporting broader sustainability ambitions, can make a tangible difference.

That's why innovation is so integral to our approach. We're developing products that reduce carbon in projects, lever the benefits of recyclability, and promote circularity. This clear focus on sustainability isn't just about the environment. It's about equipping customers with practical, durable, future-proof solutions that support projects, provide certainty and strengthen supply chains. Here and now, this helps the sector adapt to navigate periods of change and uncertainty, while strengthening the foundations for performance and a better, sustainable future.

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Expert Panel

Mineral Wool Insulation

(Part of Heavy Building Materials)



Neil Hargreaves, Managing Director Knauf Insulation is BMBI's Expert for Mineral Wool Insulation.

For most of this year, analysts have predicted an uptick in construction activity. The fundamentals are solid, and the political will is there. But reality hasn't yet met those expectations.

Now the industry holds its breath, awaiting the impact of planning reforms, the Future Homes Standard, and November's budget. The hope is for a policy landscape that gets the nation building, and building more sustainably.

In some ways, it's easier to forecast further into the future. As climate scientists say, we can predict the long-term trend with more certainty than next week's weather.

With climate in mind, there's one trend we can confidently pick out for construction. Embodied carbon is rising up the agenda. Embodied carbon is now responsible for around half of the total carbon cost of a building, so it's inevitable the UK will follow the lead of other countries in setting building carbon limits. But construction isn't waiting to be forced to act.

Whether it's developers aiming to meet voluntary building standards, customers seeking to reduce their scope 3 emissions, or contractors responding to homeowner requests, we're seeing increased demand for lower-carbon solutions now. Embodied carbon is becoming part of the performance criteria construction products are judged on.

That creates opportunities for merchants, who can respond to this new demand by ensuring they have verified low-carbon solutions within their product portfolio. For some product types, that will require embracing new materials. But for insulation, low-carbon options are already readily available.

In the UK, glass mineral wool has the lowest carbon of any mainstream insulation material, driven by factors like sustainable raw material supply, its relative lower density, and compression packaging. Rock mineral wool carbon levels are higher, but when our new factory in Shotton comes onstream with its electric arc melting technology, it will add 105,000 tonnes of low-carbon products to the UK market.

Much-needed capacity to meet the forecast demand for low-carbon solutions.

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The hope is for a policy landscape that gets the nation building and building more sustainably.

Expert Panel

Cement & Aggregates

(Part of Heavy Building Materials)



Andrew Simpson, Packed Products Director at Heidelberg Materials, is BMBI's Expert for Cement & Aggregates

Quarter three has been turbulent, to say the least, for cement and aggregate sales. Unfortunately, there's very little sign of things getting any better as infrastructure projects and new housebuilding stall.

The latest Mineral Products Association report shows that demand fell over the summer, leaving volumes for aggregates, ready mixed concrete and asphalt trailing last year's figures. For the first nine months of the year, ready-mixed concrete sales dropped -7.8% in Britain overall, and by -24% in London. Compared to Q2, Q3 ready-mixed concrete volumes were down -0.8%, dropping further from the previous historic low. Aggregate volumes were flat, and mortar (1%) and asphalt (+2.5%) both marginally increased.

It's not hard to see where the lack of growth is rooted. A lot has been made of the 1.5m homes promise to support the construction industry, but it's increasingly less likely that we'll get anywhere close to that figure. The Housing Minister still insisting it's doable shows a lack of understanding of our sector. None of the levers the government have pulled so far, like the planning system changes, are yet bearing fruit and there's much more work to be done if we are to build over 300,000 homes a year.

The late budget is not helping. People are worried it's going to be more bad news and that doesn't instil confidence or attract investment, so businesses are putting off making decisions. We need the government to step up and tell us what they are going to do to get the economy moving and stop blaming the mistakes of the previous administration.

The merchants we have spoken to don't expect an upturn in trade for at least 18 months. We are all in for a tough time as the end of the year draws in.

On a less gloomy note, we are very thankful to our merchant customers for their amazing response to our appeal for waste stream data to support our Extended Producer Responsibility (EPR) challenge. It's important we understand these stealth levies, not to shirk our sustainability responsibilities, but to ensure they are fairly implemented and the impact on our customers is minimised. We'll keep the industry updated on the latest developments in EPR, and the forthcoming RAM framework, in due course.

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Expert Panel

Fasteners and Fixings

(Part of Ironmongery)



Ian Doherty, Non-Executive Director of Hexstone, and the Owlett-Jaton brand is BMBI's Expert for Fasteners & Fixings

According to the Construction Purchasing Managers Index, the construction market is showing its longest decline since the financial crisis. The Government's rhetoric on building 300,000 houses a year in this parliament, once an ambitious target, now seems no more than a pipe dream, and this is perhaps reflected in the downward trend in merchant sales. With ironmongery one of the worst performing categories, it is no real surprise that the market for fasteners and fixings has remained subdued. However, this does mean that should the market suddenly pick up, suppliers are well placed to meet demand.

With sales value and volume both under extreme pressure, the challenge seems to be to maximise return from the sales that can be made in a weak market. Like many other categories, fasteners and fixings do provide some opportunities to upsell and maximise sales made per customer store visit. For example, Owlett-Jaton provide product ranges and brands which allow the merchant opportunities to upsell to a higher performance level and a higher price point. Our Vortex range of high-performance woodscrews provides such an opportunity, incorporating not just high-performance screws for indoor use, but also an exterior range and specialist products for floorboard and tongue and groove application. This is all backed up with a wide selection of merchandising stands and free-standing units to communicate the benefits of the products.

Another tactic which could be considered is broadening ranges at the expense of stock depth, where short lead times minimise any risk of stock-outs. Owlett-Jaton for example offers merchants a next-day delivery service for orders placed before 17.30, an ideal way to broaden ranges and still maximise availability.

The launch of the Data Yard initiative by BMF and NMBS is another sign of the increasing importance of data at all levels of the supply chain. This new initiative will make available all the data merchants need in one place. Owlett-Jaton is proud to be an early adopter of this excellent initiative. The reliance on data across our whole supply chain does, however, remind us of the risks of cyber-attack. The recent experiences of M&S and JLR remind us all of the need for top-rate cybersecurity – everyone is a potential target.

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Expert Panel

Paint

(Part of Decorating)



Jamie Barber, UK&I Sales Director Trade; Dulux Trade is BMBI's Expert for Paint

The UK Trade Paint Market has demonstrated resilience in 2025, achieving a year-to-date (YTD) growth of 1.5% compared to 2024. This positive performance is particularly notable given the broader economic context, where construction output has remained largely flat compared with the previous year. The market's growth is being driven by several key product segments and underlying sector trends.

The primary contributors to the market's expansion have been Premium Emulsions, 2nd Quality Emulsions, and Exterior products. Premium Emulsions have seen increased demand as professional appliers continue to prioritise quality, durability, and enhanced aesthetic finishes. Customers are also trading-up and paying a premium for products that offer superior performance and longer-lasting results. The value proposition of Premium Emulsions, including better coverage and washability, has resonated strongly in both residential and commercial projects.

2nd Quality Emulsions such as Contract Matts appeal to cost-conscious buyers who require reliable performance. Ongoing price sensitivity in the market and bulk purchasing by trade professionals seeking value without compromising too much on quality have played a significant role in their growth.

Exterior products have experienced robust growth, driven by favourable weather conditions and a warmer Q3 extending the season. The market has seen a shift towards products that offer functional benefits, such as weather resistance and extended durability, which encourage consumers to invest in higher-value solutions for their properties. The emphasis on exterior protection has also led to increased basket size and frequency of purchase, further supporting market growth.

A significant factor underpinning the market's performance has been the strength of the Repair, Maintenance, and Improvement (RMI) sector, particularly within the private segment. With new construction output remaining flat year-on-year, much of the demand for trade paints has shifted towards RMI activities. Homeowners and property managers have continued to invest in maintaining and upgrading existing properties, driving steady demand for both interior and exterior paint products. This trend has helped offset the stagnation in new build activity and has provided a stable foundation for market growth.

For 2026, we are forecasting the market will be in slight growth. While no significant growth is expected, the stability and relative resilience of the RMI sector and an improving commercial market should help maintain current volume levels with additional value opportunities as tradespeople trade up.

Homeowners and property managers have continued to invest in maintaining and upgrading existing properties, driving steady demand for both interior and exterior paint products.

Expert Panel

Roof Windows

(Part of Timber & Joinery Products)



Jim Blanthorne Managing Director of Keylite Roof Windows is BMBI's Expert for Roof Windows

In a tough market, Keylite had a strong Quarter Three. However, confidence in the market remains relatively low, with limited near-term expectation of significant improvement from merchants, builders or installers.

As a result, sales teams must fight harder than ever to quote and win volume for merchant partners, yet we are motivated by their apparent success.

There was some upturn in demand in Quarter Three compared to Quarter Two, but this is mainly normal seasonality, boosted somewhat by particularly dry and mild weather, conditions conducive to roofing projects staying on track.

New House Builder volumes were also strong, given weak consumer confidence which is currently affecting new build. But with little cheer coming from the Chancellor's Autumn Budget one fears this spike will be non-recurring.

At a recent round table event, the manufacturers in the room were unanimous in their view that there needs to be significant demand stimulus from the Government if there is to be any realistic prospect of its ambitious house building targets being achieved. Similarly, at a recent Future Homes event, I believe the audience were unanimous in their view that the housing target is beyond reach, both on the supply and demand side.

Developers are generally positive about the planning reforms, which will help unlock building opportunities, but plots will only sell if customers come.

As we near the end of another challenging year, we turn to forecasting 2026 and beyond. It is clear that cost pressure (combined with the inevitable discounting that comes with a tough market), will dictate a price increase early next year.

This is driven in large part by the significant Forex movement between Sterling and the Polish Zloty, the currency in which all roof window manufacturers incur a significant part of their costs at their production sites in Poland. At the time of writing, the Pound is 7.7% weaker than it was against the Zloty just one year ago, a continuation of a 3-year trend. All imports being that much more expensive it has inevitable consequences to the cost of goods, until our domestic economy improves and strengthens the Pound again. Another argument to incentivise New Build!

New House Builder volumes were also strong, given weak consumer confidence which is currently affecting new build.

But with little cheer coming from the Chancellor's Budget the spike may be non-recurring.

Expert Panel

Website & Product Data Management Solutions



Chris Fisher, Vice President of the EMEA lumber, building material and hardware (LBMH) division, at ECI Software Solutions is BMBI's Expert for Website & Product Data Management Solutions

Quarter three 2025 has witnessed significant momentum in product data standardisation, with September's announcement that the first suppliers have officially signed up to the BMF's Data Yard platform marking a watershed moment for industry-wide digital transformation. Recent industry conferences have recognised suppliers for their Data Yard onboarding efforts, signalling that collaborative data management is transitioning from concept to operational reality.

The Data Yard initiative represents the industry's collective response to fragmented product information systems. As Building Materials Digital Services Ltd (BMDS) begins operational deployment, major manufacturers including Knauf, Stanley Black & Decker, and Sherwin Williams are demonstrating commitment to the "share once, use everywhere" principle. This standardisation addresses costly duplication that has historically plagued supply chain efficiency, with merchants previously managing multiple data formats from different suppliers.

Simultaneously, artificial intelligence is reshaping product content creation across the sector. Recent developments show merchants achieving remarkable productivity gains through AI-powered content generation, with some reporting comprehensive product descriptions created in minutes rather than the traditional twenty-minute manual process. This technological advancement is crucial as B2B buyers increasingly expect detailed, searchable product information comparable to consumer ecommerce experiences.

The convergence of standardised data platforms and AI-enhanced content creation enables new approaches to product syndication. Industry solutions like Fusion demonstrate how enriched product files can be automatically distributed across multiple dealer platforms, ensuring consistent information reaches thousands of merchants simultaneously. This automated syndication capability is becoming essential as the sector grapples with labour shortages and operational efficiency demands.

Looking ahead, the success of these early Data Yard implementations will influence broader industry adoption patterns. The platform's ability to support the BMF Product Standardisation Template while enabling seamless integration with existing merchant systems represents a critical test of collaborative industry initiatives. As more suppliers complete onboarding processes throughout Q4, the true impact on supply chain efficiency and merchant competitiveness will become increasingly apparent, potentially reshaping how product information flows throughout the building materials sector.

The Data Yard initiative represents the industry's collective response to fragmented product information systems...

Expert Panel

Plumbing & Drainage



Chris Dawson, Sales Director at Brett Martin is BMBI's Expert for Plumbing & Drainage

Hold onto your hats, here we go again!

We hadn't even learned what horrors the Chancellor's budget would contain when the CPA (Construction Products Association) launched its dollop of pessimism into the market with its Autumn Forecasts, downgrading its previous projections for construction in 2026.

The reality of the third quarter failing to provide the usual Autumn lift has finally knocked the wind out of any aspirations for 2025 to recover the sort of growth that most of us had hoped we would see. This time last year, like others in the industry, we were setting our sales budgets with reasonable expectation that by now the markets would be on a steady positive trend line.

Certainly, for those producers in the heavy side category there is little comfort when viewing like for like sales volumes in the third quarter. Be it RMI or new build, the consumer needs confidence to borrow and spend. This is simply not happening at the levels required to kick start the market back to growth.

On a positive note, Brett Martin grew in the period beyond our like for like sales through the launch of new systems and success in extending our independent merchant network based on a positive response to our customer service. While the market performance may be disappointing, it is a great encouragement for our company to have received supplier of the year awards, reflecting the value of a process of continual improvement.

Herein lies the challenge for our industry: to remain focused on customers' needs which continue to change in line with regulations and service expectations. As we closed the third quarter, we broke ground on a major new service centre at our Derbyshire hub. It will enable us to deliver enhanced service for customers through efficiency in our operations.

The economy is beyond our control but, as a private business, we plan for the future in the knowledge that this has been a successful strategy throughout our 70 odd years in the industry.

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Expert Panel

Plastic Plumbing for Hot and Cold Water Systems



Matt Williams, Managing Director of Polypipe Building Products is BMBI's Expert for Plastic Plumbing for Hot and Cold Water Systems

There has been no noticeable recovery in the UK housing market in the last quarter, however I remain optimistic for the future.

I see the Future Homes Standard (FHS) and the national drive for decarbonisation as the biggest growth opportunity our sector has ever faced. The UK's housing stock is aging and inefficient—with the median Energy Performance Certificate (EPC) for housing in England and Wales sitting disappointingly at around Band D. To meet the goal of Net Zero by 2050 while delivering the 1.5 million new homes required, simply maintaining the status quo is a recipe for failure. The market demands radical innovation, and we must rise to meet it.

The key to success is forging deep, strategic partnerships with housing developers. The requirement for new homes to use low carbon heating systems from this year forces an industry-wide switch to heat pumps, underfloor heating and pre-insulated piping.

This isn't just a component swap; it requires a wholesale redesign of a building's operational core. Developers need partners such as ourselves who can co-engineer the transition. This means our R&D must align directly with the developer's build strategy. We need to move beyond being simple suppliers to become integrated system designers. Our focus must be on creating advanced pipework and integrated systems that guarantee the optimal, low-temperature performance required by heat pumps, ensuring rapid, risk-free installation on-site.

Furthermore, true partnership means tackling the embodied carbon of construction materials. Developers face stringent new reporting requirements, and we must provide transparent data on the lifecycle of our products, utilising recycled content and low-carbon manufacturing to help them meet their whole-life carbon targets. By working together—manufacturer and developer—to deliver high-performance, low-carbon, and easily installed solutions, we not only comply with the new standards but outperform the market and secure a sustainable future for our industry.

The requirement for new homes to use low carbon heating systems from this year forces an industry-wide switch to heat pumps, underfloor heating and pre-insulated piping.

Expert Panel

Softwoods & Engineered Wood



James Davenport, Managing Director of Metsä Wood UK is BMBI's Expert for Softwoods & Engineered Wood

The sawmilling industry across Europe continues to face challenging circumstances. Record high log prices combined with stagnant sawn timber prices, driven by low demand across Europe, are continuing to put the industry under significant pressure. Production curtailments in the third quarter have taken place and will limit the growth of stocks entering the fourth quarter, which is traditionally a quiet period for sawmills.

The general sentiment in the sawmilling industry remains poor, and this is not expected to change in the foreseeable future.

The UK timber industry operates within a global marketplace and international trade flows are currently being challenged with the imposition of new tariffs on lumber entering the US. The impact of these tariffs will inevitably be felt in the EU and UK market going forward; exactly how remains to be seen.

Demand for machined timber products in the UK has been subdued in the third quarter. Customers are managing their stocks and working capital carefully, placing orders only when they have certainty of the corresponding sale. For manufacturers, availability, service and price are key to winning business currently and, we at Metsä are focused on ensuring we have the best available offer for the market. As an aside, the level of house transactions in the UK remains low. Often, when people move, they look to improve their property before placing it on the market. This, together with other factors such as consumer confidence, will need to improve to increase demand in the Repair, Maintenance and Improvement (RMI) market.

House building and general construction activity remains weak and well short of government targets. I will leave my opinion on the viability of these targets for another day! There are pockets of residential building activity in certain parts of the country and these more buoyant regions seem to be linked to house affordability which tells us that the underlying demand for property is still there, when it is affordable. We still see very positive potential in engineered wood products, and timber technology is constantly evolving, which will provide opportunities to grow demand for these products beyond the typical single-family house.

The impact of these tariffs will inevitably be felt in the EU and UK market going forward; exactly how remains to be seen.

Appendix

Trading Days

Monthly												Quarterly				Half Year		Full Year
Index: 20.7												Index: 62						
2023												2023				2023		2023
Jan 21	Feb 20	Mar 23	Apr 18	May 20	Jun 22	Jul 21	Aug 22	Sep 21	Oct 22	Nov 22	Dec 16	Q1 64	Q2 60	Q3 64	Q4 60	H1 124	H2 124	248
2024												2024				2024		2024
Jan 22	Feb 21	Mar 20	Apr 21	May 21	Jun 20	Jul 23	Aug 21	Sep 21	Oct 23	Nov 21	Dec 17	Q1 63	Q2 62	Q3 65	Q4 61	H1 125	H2 126	251
2025												2025				2025		2025
Jan 22	Feb 20	Mar 21	Apr 20	May 20	Jun 21	Jul 23	Aug 20	Sep 22	Oct	Nov	Dec	Q1 63	Q2 61	Q3 65	Q4	H1 124	H2	

GfK's Definition of Builders Merchant Panel



Generalist Builders Merchants definition:

- 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. Only multiple merchants are considered; they are defined as having more than 3 outlets or a turnover of greater than £3m p.a.
- This excludes branches that generate all their sales from specialized areas such as Civils, Tiles and Tools. Estimated coverage of this channel sits at 88%.

Examples include:



INDEPENDENT BUILDERS MERCHANT GROUP



GfK's Product Categories

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

NIQ



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

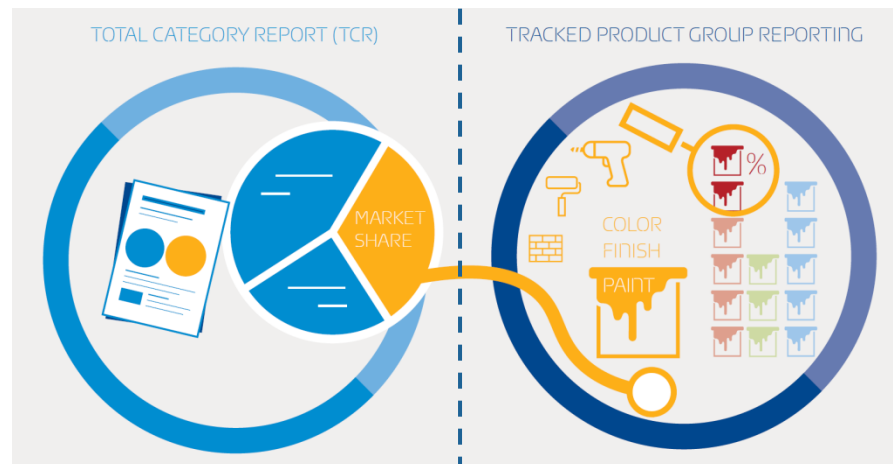
Bathroom (Including Showering)
Fitted Kitchens
Major Appliances

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 Emile van der Ryst at GfK

emile.vanderryst@nielseniq.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)

Building the Industry & Building Brands from Knowledge



Excellence in building materials supply



BMF (Builders Merchant Federation) Forecast Report & BMF Sales Indicators

BMF Forecast Report

Summer 2025 Edition

Builders Merchants Industry Forecast Report

The latest forecast report of the BMF's Builders Merchants Industry Forecast, covering Summer 2025 onwards, is available.

While Builders Merchants Building Index (BMBI) data, which is provided by GfK and is based on actual sales category performance, has enabled users to see which products and regions are currently growing, the forecast report takes this one stage further to meet the industry's need for accurate forecasting.

The BMF forecast model incorporates several lead indicators to signal future events that will impact our markets.

Using BMBI data coupled with advanced modelling techniques the BMF has developed a channel-specific forecasting model to show what is likely to happen in the next 12 months, making it possible for merchants and suppliers to forecast their customers' requirements more accurately.

The forecast report and its previous editions can be downloaded by BMF members free of charge – once logged in – [here](#).

Non-members can purchase the report by contacting Andrei Imbru on 024 7685 4994 or email: Andrei.Imbru@bmf.org.uk



BMF Sales Indicators

Report Summary

The BMF (Builders Merchants Federation) is the trade association that represents and protects the interests of builders' merchants and suppliers to the building materials sector in the UK and Ireland. Our vision is to enable members to 'build excellence' in the building materials sector.

Total membership from 1 Sept 2025 stands at 1,010 merchant, supplier and service companies who together have combined sales of over £51.8bn and employ nearly 193,000 people in the building materials industry. The BMF's 521 merchant members, including 74 from Ireland, operate from just over 5,600 branches across the UK and Ireland. In addition to the BMBI, the BMF compiles a monthly Sales Indicator report from sales turnover data from a range of merchants.

This report includes:

- Unadjusted, Adjusted (for working days and inflation), and Branch adjusted monthly & 3 monthly sales performance split by Merchant Classification
- Unadjusted, Adjusted, and Branch adjusted monthly & 3 monthly sales performance split regionally
- Regional & National Ex-stock and Direct sales breakdown.
- The BMF Sales Index, monthly national and regional sales performance.
- Market commentary

If you are interested in purchasing the monthly series or are a merchant interesting in submitting information, please contact Andrei Imbru, BMF Industry Analyst/Economist by email: Andrei.Imbru@bmf.org.uk.



Contact us

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