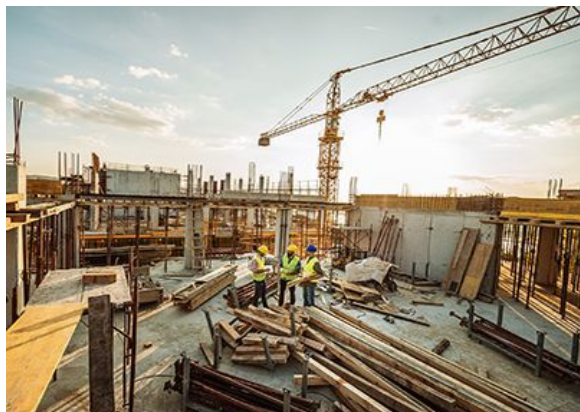


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“For many construction sectors the impact of COVID-19 is likely to be temporary, if severe, but the areas of office and retail construction are likely to have major long-term negative impacts from more permanent changes to lifestyles.”

– Terry Leggett, Senior Analyst – 30 April 2020

This report looks at the following areas:

- How, and why, sectors like office and retail construction will have long-term changes imposed by COVID-19 beyond the short term negative effects of social distancing.
- Whether the changes in use of buildings following COVID-19 will offer opportunities to address the housing shortage.
- What sectors will have a long term growth in demand as a result of the long-term changes in society following COVID-19.
- How the refurbishment & maintenance markets will react to COVID-19, and then to Brexit.

Construction is a major element of the UK economy, typically accounting for 6% of total economic output. Parts of the sector have suffered in recent years from an element of economic uncertainty that surrounded the Brexit decision. That was due to finally be ended with some clarity on any potential trade deal with the EU by December 2020. However, international economies have been devastated in Q2 2020 by the impact of COVID-19. As at mid-April 2020, there is no certainty that those social distancing measures in the UK will be concluded in Q2. This is leading to huge variations in expectations of the wider economy and has led to equally huge uncertainty across different construction sectors.

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