

Macroeconomics Snapshot

(Updated August 2019)

Economists expect a slowdown in the economy starting early 2020. The impact to the Construction industry is likely to materialize thereafter.

Strong & steady

GDP growth in Q2 2019

2.1%

U.S. Bureau of Economic Analysis

Stable interest rates

Fed funds rate dropped slightly at Q2 2019

2.25%

Board of Governor's of Federal Reserve System

Possible headwinds

August 2019 yield spread approaching zero

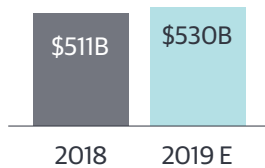
0.17

Federal Reserve Bank of St. Louis

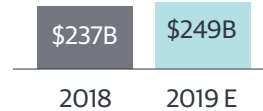


Construction spending

Nonresidential
4%



Nonbuilding
5%



FMI U.S. Construction Forecast

Projected 2019–2021 Construction Starts growth for top states

Texas



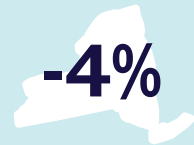
California



Florida



New York



Dodge Data & Analytics



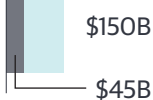
Funding lags demand

Funding
Demand

Transportation



Water

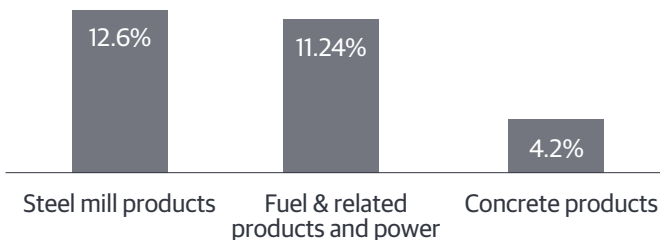


ASCE's Infrastructure Report Card 2017



Producer price index

(2017–2018 YOY% change)



U.S. Bureau of Labor Statistics

ENR Construction cost index climbs

3%

2017/2018 YOY (includes common labor, cost of steel, lumber, cement)

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