

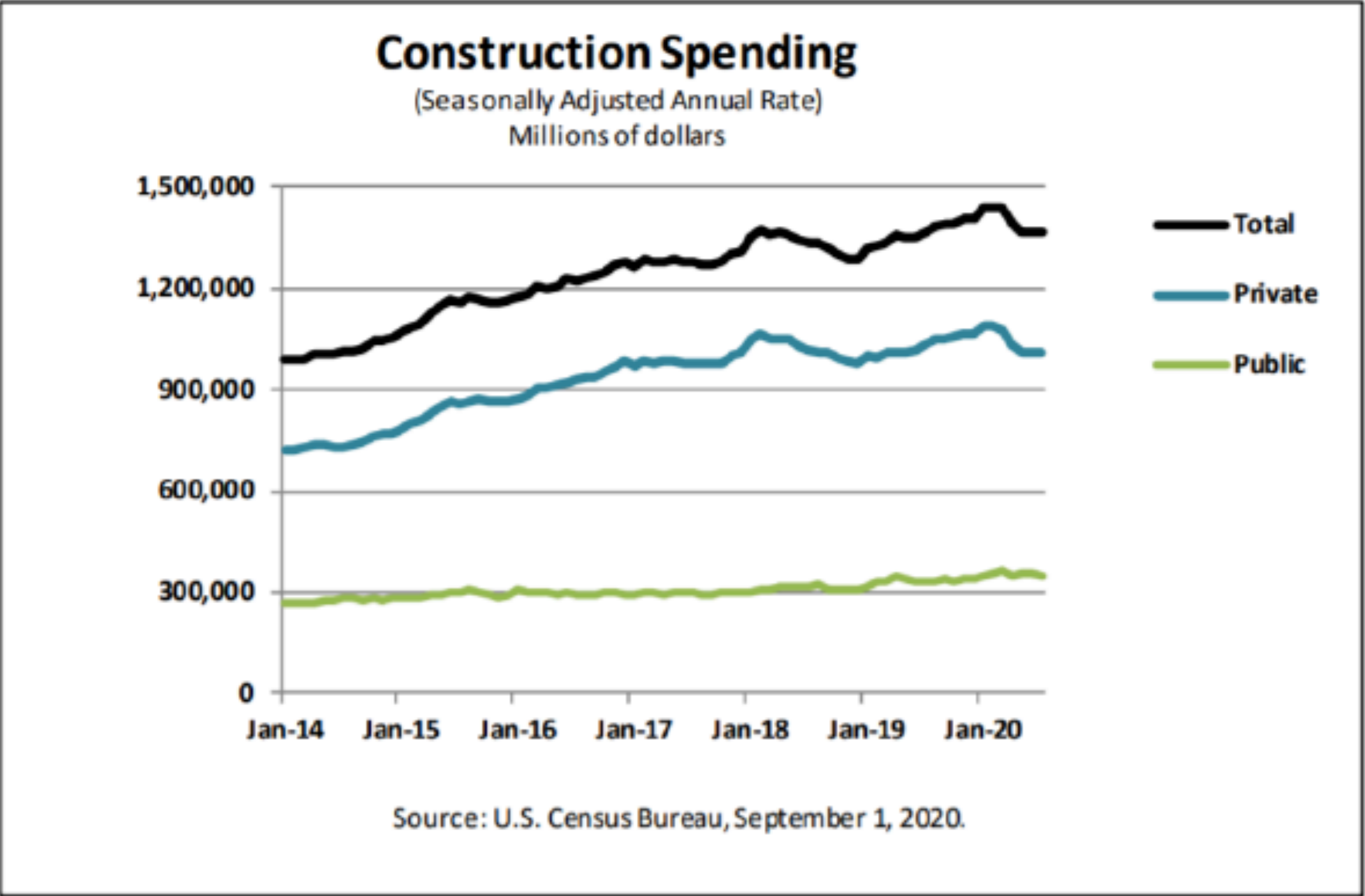


AMERICAN COUNCIL OF ENGINEERING COMPANIES  
*of Ohio*

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*Construction Industry Roundtable*  
*September 17, 2020*

# Construction Put in Place



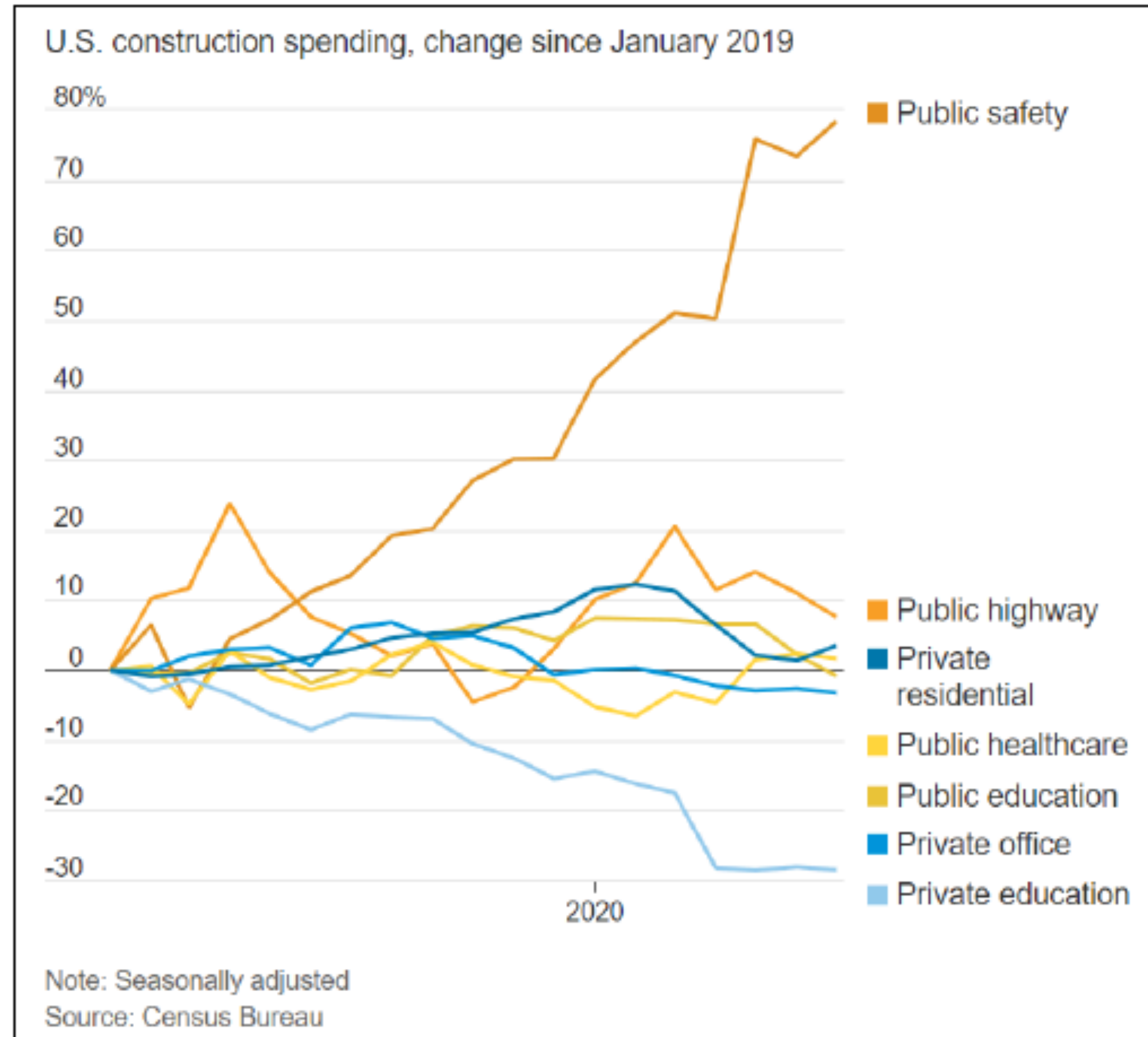
Source: U.S. Census Bureau

# Construction Put in Place Continued

|                           | July 2020 | July 2019 | Change |
|---------------------------|-----------|-----------|--------|
| Total Construction        | \$1.365 T | \$1.366 T | -0.1 % |
| Residential (private)     | \$546.6 B | \$543.8 B | +0.5%  |
| Private (non-residential) | \$466.9 B | \$488.0 B | -4.3%  |
| Public                    | \$351.1 B | \$334.2 B | +5.1%  |

Source: U.S. Census Bureau

# Select Market Changes Since Jan. '19



Source: WSJ

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# Economic Trends

| Macro & Industry Indicators                                    | Q2 2019  | Q3 2019  | Q4 2019  | Q1 2020  | Q2 2020                  |
|--|----------|----------|----------|----------|--------------------------|
| Gross Domestic Product (GDP) Growth                            | 2.0%     | 2.1%     | 2.1%     | -5.0%    | <i>Not yet available</i> |
| Core Inflation Rate (2% is target)                             | 2.1%     | 2.3%     | 2.3%     | 2.3%     | 1.3%                     |
| Unemployment Rate  | 3.6%     | 3.6%     | 3.5%     | 3.8%     | 13.0%                    |
| New Housing Units Authorized (seasonally adjusted annual rate) | 1.31M    | 1.43M    | 1.49M    | 1.44M    | 1.17M                    |
| A/E/C Industry Economic Indicators                             |          |          |          |          |                          |
| Architecture Billings Index (AIA)*                             | 49.9     | 52.7     | 52.6     | 46.3     | 30.8**                   |
| ABC Construction Backlog Indicator                             | 8.8 mos. | 8.8 mos. | 8.7 mos. | 8.4 mos. | 7.9 mos.                 |
| FMI Construction Industry Round Table (CIRT) Index*            | 65.0     | 64.9     | 57.6     | 63.6     | 21.6                     |
| FMI Design Index*  | 70.1     | 63.2     | 60.9     | 62.7     | 39.8                     |

\*Index scores over 50 indicate expansion; below 50 indicate contraction.  
 \*\*Number is an average of April and May only; June is not yet available.

Sources: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, U.S. Census Bureau, U.S. Department of Housing and Urban Development, AIA, ABC & FMI

# 2020 Outlook by Market Sector

| ↑ Up (5% growth or more) | → Stable (0-4.9% growth) | ↓ Down (less than 0% growth)   |
|--------------------------|--------------------------|--|
| No markets               | No markets               | Communication (0%)<br>Highway & Street (-3%)<br>Public Safety (-4%)<br>Transportation (-4%)<br>Conservation & Development (-6%)<br>Water/Wastewater (-6%)<br>Educational (-7%)<br>Health Care (-7%)<br>Office (-7%)<br>Power (-7%)<br>Manufacturing (-8%)<br>Single-family Residential (-10%)<br>Commercial (-15%)<br>Lodging (-15%)<br>Amusement/Recreation (-17%)<br>Multi-family Residential (-17%) |

Source: FMI

# Commercial & Residential Real Estate



Key: a=actual, e=estimate, f=forecast

| Construction Put in Place<br><i>Forecast by market segment</i> | 2019a     | 2020e  | 2021f  | 2022f  | 2023f  | 2024f  | Change<br>2019-<br>2024f |
|--|-----------|--------|--------|--------|--------|--------|--------------------------|
| Commercial   | \$80.44B  | \$72B  | \$63B  | \$58B  | \$61B  | \$66B  | -18%                     |
| Office   | \$84.86B  | \$74B  | \$62B  | \$56B  | \$58B  | \$61B  | -28%                     |
| Lodging  | \$33.07B  | \$28B  | \$22B  | \$19B  | \$20B  | \$22B  | -33%                     |
| Amusement & Recreation   | \$28.80B  | \$23B  | \$18B  | \$17B  | \$17B  | \$19B  | -34%                     |
| Residential (single, multi & improvements)                     | \$550.94B | \$465B | \$359B | \$390B | \$412B | \$439B | -20%                     |

Sources: U.S. Census Bureau & FMI

# Intermodal & Logistics



Key: a=actual, e=estimate, f=forecast

| Construction Put in Place<br><i>Forecast by market segment</i> | 2019a    | 2020e | 2021f | 2022f | 2023f | 2024f | Change<br>2019-<br>2024f |
|--|----------|-------|-------|-------|-------|-------|--------------------------|
| Manufacturing  | \$80.08B | \$68B | \$59B | \$58B | \$62B | \$66B | -18%                     |
| Transportation (buildings)                                     | \$57.14B | \$52B | \$48B | \$47B | \$49B | \$51B | -11%                     |

Sources: U.S. Census Bureau & FMI

# Energy & Utilities



Key: a=actual, e=estimate, f=forecast

| Construction Put in Place<br><i>Forecast by market segment</i> | 2019a     | 2020e | 2021f | 2022f | 2023f | 2024f | Change<br>2019-<br>2024f |
|--|-----------|-------|-------|-------|-------|-------|--------------------------|
| Power  | \$113.89B | \$93B | \$86B | \$85B | \$89B | \$95B | -17%                     |
| Communication  | \$22.24B  | \$23B | \$24B | \$25B | \$26B | \$27B | +11%                     |
| Sewage & Waste Disposal  | \$26.09B  | \$25B | \$22B | \$22B | \$23B | \$23B | -12%                     |
| Water Supply   | \$15.88B  | \$16B | \$14B | \$13B | \$14B | \$14B | -12%                     |

Sources: U.S. Census Bureau & FMI

# Health Care & Science + Technology



Key: a=actual, e=estimate, f=forecast

| Construction Put in Place<br><i>Forecast by market segment</i> | 2019a    | 2020e | 2021f | 2022f | 2023f | 2024f | Change<br>2019-<br>2024f |
|--|----------|-------|-------|-------|-------|-------|--------------------------|
| Health Care  | \$45.56B | \$41B | \$38B | \$38B | \$39B | \$40B | -12%                     |

Sources: U.S. Census Bureau & FMI

# Public Sector

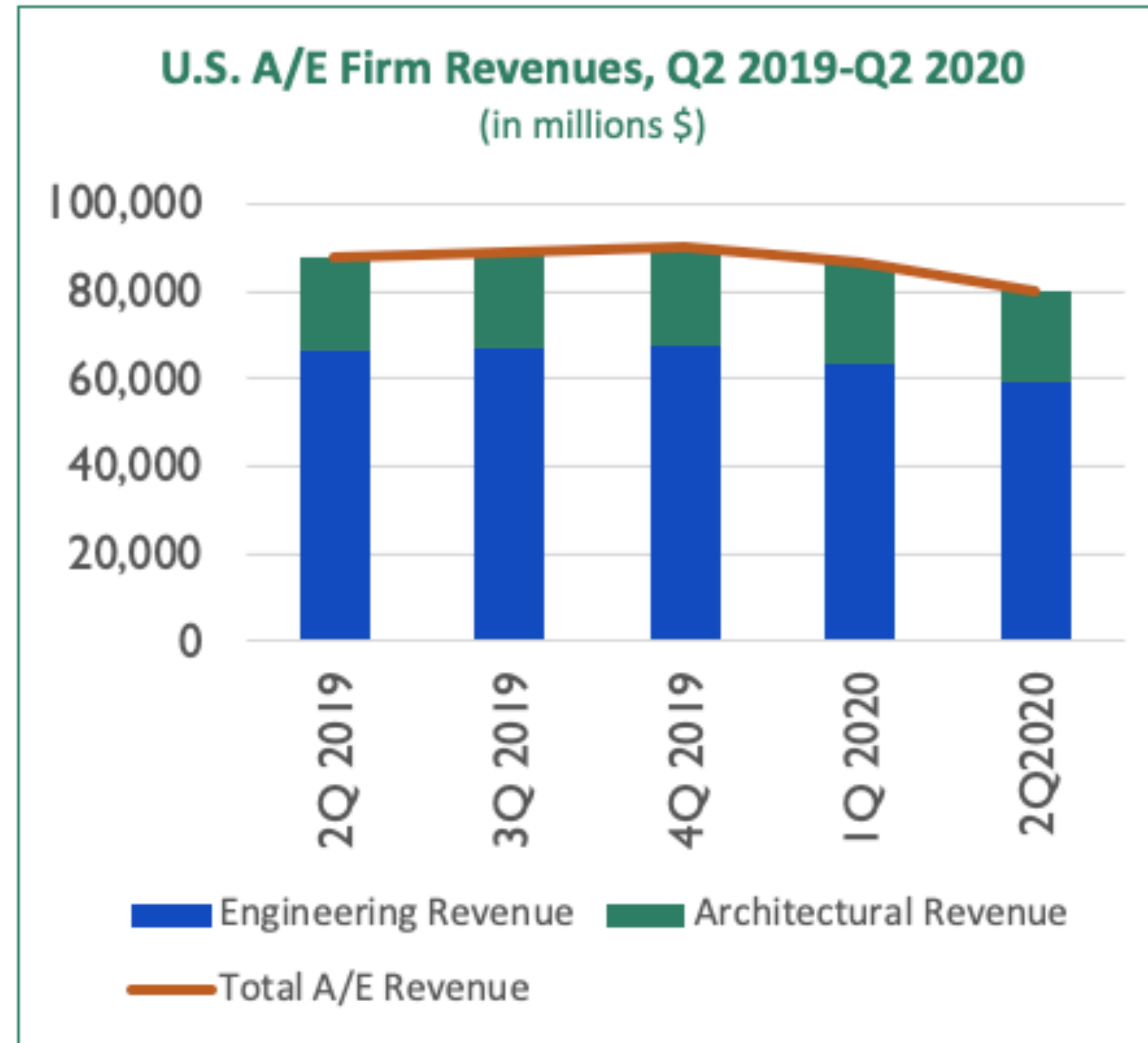


Key: a=actual, e=estimate, f=forecast

| Construction Put in Place<br><i>Forecast by market segment</i> | 2019a     | 2020e | 2021f | 2022f  | 2023f  | 2024f  | Change<br>2019-<br>2024f |
|--|-----------|-------|-------|--------|--------|--------|--------------------------|
| Educational  | \$105.37B | \$91B | \$86B | \$85B  | \$87B  | \$90B  | -15%                     |
| Highway & Street   | \$97.56B  | \$96B | \$97B | \$102B | \$102B | \$104B | +7%                      |
| Public Safety  | \$10.53B  | \$10B | \$10B | \$10B  | \$9B   | \$9B   | -15%                     |
| Conservation & Development                                     | \$9.13B   | \$9B  | \$7B  | \$7B   | \$8B   | \$8B   | -12%                     |

Sources: U.S. Census Bureau & FMI

# U.S. A/E Firm Revenues, Q1 2019-Q1 2020 (in millions \$)



Source: U.S. Census Bureau



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