

Market Intelligence Report

February 2024

From the editors of *Building Design+Construction*

Building Design+Construction's monthly Market Intelligence Report offers a snapshot of the health of the U.S. building construction industry, including the commercial, multifamily, institutional, and industrial building sectors. This report tracks the latest metrics related to construction spending, demand for design services, contractor backlogs, and material price trends.

U.S. Construction Spending By Building Sector

Value of construction put in place in millions of dollars - seasonally adjusted annual rate

	Total Construction Spending (Dec. 2023)*	One-month Change %	12-Month Change %	2024 Forecast %**	2025 Forecast %**
Total	\$851,395	0	19.2	4.0	1.2
Manufacturing	\$213,892	-0.1	60.5	na	na
Commercial	\$133,194	-0.5	1.4	-1.2	-0.4
Multifamily Housing	\$135,932	0.3	11.9	na	na
Educational	\$124,456	-0.1	16.6	5.8	3.9
Office	\$101,408	0	5.3	-1.7	-0.7
Healthcare	\$65,640	-0.1	14	3.6	3.5
Amusement/Recreation	\$34,453	0.7	10.8	3.7	3.1
Lodging/Hotel	\$23,681	0	5	7.4	5.9
Public Safety	\$14,921	1.3	34.2	9.8	3.6
Religious	\$3,818	-0.2	31.3	1.1	1.0

* Value of construction put in place in millions of dollars - seasonally adjusted annual rate. Source: U.S. Census Bureau ** Forecast data is sourced from the January 2024 AIA Consensus Construction Forecast

Construction Backlog Indicator

Number of months worth of building construction work in the pipeline for the average U.S. contractor

9.1	8.6	9.4	0.5	-0.3
Dec. 2023	Nov. 2023	Dec. 2022	1-month change	12-month change

The Construction Backlog Indicator, produced by the Associated Builders and Contractors, reflects the amount of work that will be performed by commercial and industrial construction firms in the months ahead. This report reflects backlog for commercial and institutional sector work only. Source: Associated Builders and Contractors

Architecture Billings Index

Readings above 50 indicate an increase in billings; readings below 50 indicate a decrease in billings.

45.4

BILLINGS

50.0

DESIGN CONTRACTS

53.0

INQUIRIES

FOR DECEMBER 2023

National

Architecture firm billings remain weak in December

Graphs represent data from December 2022–December 2023.



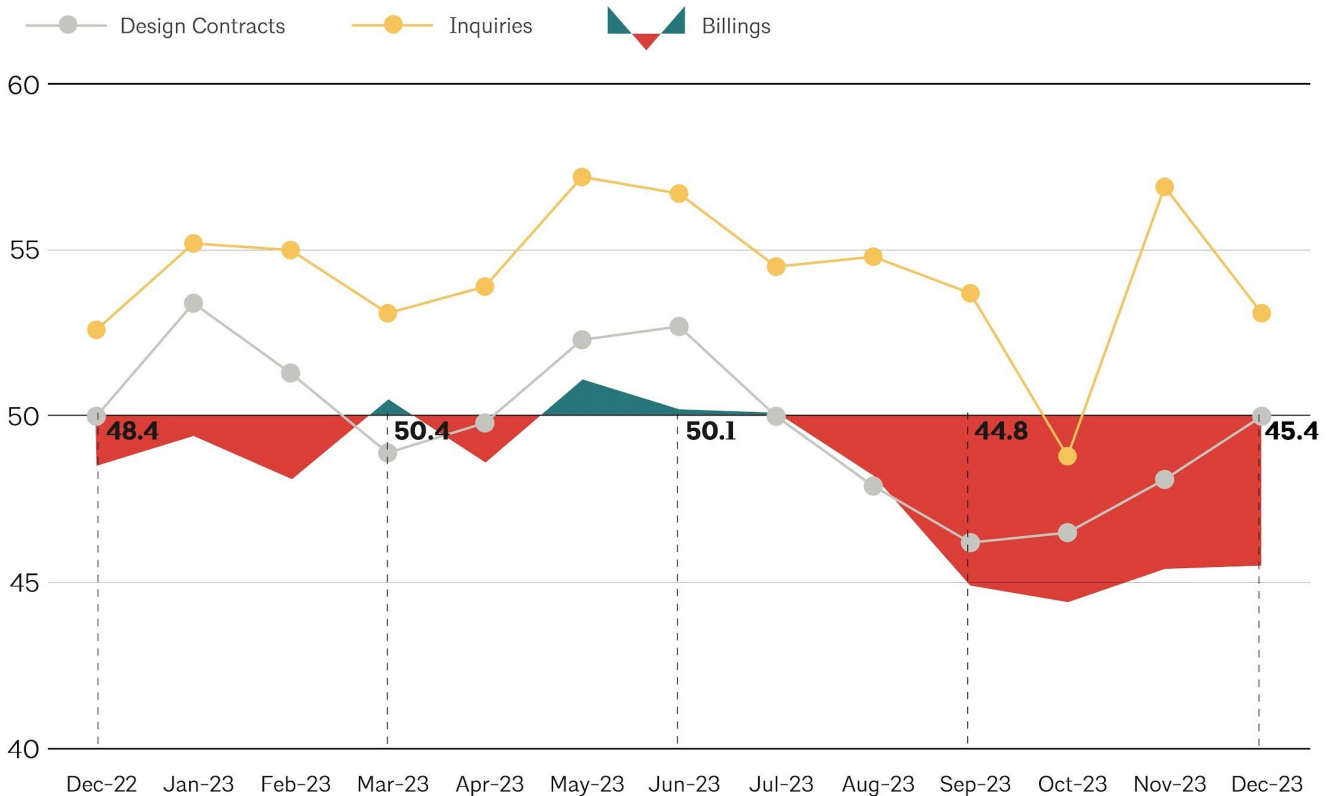
Above 50



Below 50



No change from previous period



The AIA/Deltek Architecture Billings Index (ABI), from the American Institute of Architects, is an economic indicator for nonresidential construction activity, with a lead time of 9-12 months. Readings above 50 indicate an increase in billings; readings below 50 indicate a decrease in billings.

Construction Input Prices

	One-month Change %	12-Month Change %		One-month Change %	12-Month Change %
Asphalt, Tar Roofing & Siding Products	0.3%	2.8%	Iron and Steel	4.3%	1.9%
Concrete Products	0.1%	7.3%	Plumbing Fixtures and Fittings	0.2%	1.5%
Fabricated Structural Metal Products	1.6%	2.5%	Softwood Lumber	0.2%	-14.6%
Gypsum Products	0.5%	-1.7%	Steel Mill Products	3.3%	-2.0%

Source: U.S. Bureau of Labor Statistics' Producer Price Index

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2023 Giants400

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