

**A Trends and Conditions Report**  
**Office of Policy Planning**  
**April - June 2016 Quarterly FDOT Construction Leading Indicator Report**



The average Non Residential Construction Producer Price Index value for the quarter ending June 2016 grew from the previous quarter, but fell from the same quarter in 2015. Diesel fuel price averages have increased since the \$2.00 low in February 2016, but remain nominally low compared to prices seen between 2006 and 2014. The Florida and U.S. Unemployment Rates continue to remain moderately constant just below 5.0%. Total Construction employment and Heavy Construction employment levels increased from the previous quarter.

**National Cost Indicators** - The average Producer Price Index (PPI) for Non Residential Construction fell by 3.5% from this time last year to 103.3, but it is an increase of 2.1% from last quarter. Average diesel prices rose to \$2.30 per gallon, 10.6% higher than last quarter. However, diesel prices decreased by 19.3% from this time last year.

**Residential Construction and Sales Activity** - Permit activity rose across the U.S., increasing by 25.2% from last quarter. In Florida permit activity increased by 4.0% from last quarter (Florida does not show the same seasonal homebuilding fluctuations as some other parts of the country), and was up 3.0% from a year ago. In Florida, the permit activity rose in Districts 1, 2, 3 and 5. The sales of Single Family Homes and Condominiums rose to 108,447 this quarter, a 31.5% increase from last quarter. The median prices for single family homes and condominiums reached \$219,912 and \$162,975 respectively this quarter; values unseen since 2008.

**Labor Statistics** - The quarterly average Unemployment Rate dropped to 4.7% for Florida and 4.9% for the US. This remains considerably better than levels from 2 years ago, but recent trends have been quite stable. Employment in Construction Industries and Heavy Civil Construction Industries showed slight increases and are 6.6% and 6.7% higher than at this time last year, respectively. Please note the numbers for employment and construction are subject to frequent updates for several months after release and at year end.

**National Economic Indicators** -The Purchasing Managers Index (PMI) for manufacturing rose to 51.8% in the quarter ending June 2016 from the 49.83% in the quarter ending March 2016.

Note: A PMI value of greater than 50% indicates that US manufacturing is expanding, while anything below 50% means that the industry is contracting.

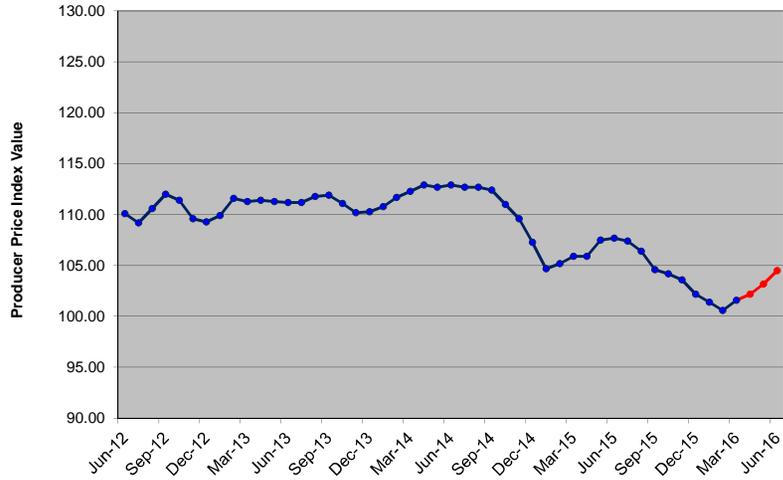
**A Trends and Conditions Report**  
**Florida Department of Transportation January - March 2016 Quarterly FDOT Construction Leading Indicator Report**

INDICATOR DESCRIPTION	Apr-16	May-16	Jun-16	Current Quarter	Change from Last Quarter	Change from Same Quarter Last Year (%)	Average Value this Calendar Year (2016) to Date	3 Quarter Trend	Note
<b>National Cost Indicators</b>									
Average Quarterly PPI Non Residential Construction	102.2	103.2	104.5	103.3	2.1%	-3.5%	102.3	↓↓↑	See Graph
Average Diesel # 2 Price Per Gallon	\$2.15	\$2.32	\$2.42	\$2.30	10.6%	-19.3%	\$2.19	↓↓↑	See Graph
<b>Residential Construction and Sales Activity</b>									
FL Residential Building Permits	9,428	8,600	9,728	27,756	4.0%	3.0%	9,073	↑↓↑	See Graph (\$)
<i>US Residential Building Permits</i>	99,688	107,676	114,394	321,758	25.2%	-8.1%	96,455	↓↓↑	
FL Realtor Home & Condo Sales	34,882	35,973	37,592	108,447	31.5%	0.2%	31,816	↓↓↑	
*FL Single Family Home Median Price	\$213,000	\$221,050	\$225,000	\$219,912	8.0%	10.3%	\$ 212,906	↑↑↑	
*FL Condo Median Price	\$160,000	\$165,000	\$164,000	\$162,975	7.0%	5.4%	\$ 158,326	↑↑↑	
<b>Labor Statistics</b>									
Florida Unemployment Rate - Monthly and Quarterly Average	4.8%	4.7%	4.7%	4.7%	-4.1%	-15.5%	4.8%	↓↓↓	
US Unemployment Rate - Monthly and Quarterly Average	5.0%	4.7%	4.9%	4.9%	-1.4%	-9.9%	4.9%	↓↓↓	
FL Total Construction Employment - Monthly and Quarterly Average	452,500	455,100	454,100	453,900	1.6%	6.6%	450,217	↑↑↑	
FL Heavy Civil Construction Employment - Monthly and Quarterly Average	55,200	56,000	57,200	56,133	3.5%	6.7%	55,183	↑↓↑	See Graph
<b>National Economic Drivers/Indicators</b>									
US Federal Funds Rate - Quarterly Average	0.37%	0.37%	0.38%	0.37%	3.7%	202.7%	0.37%	↑↑↑	
ISM PMI - Quarterly Average	50.8%	51.3%	53.2%	51.8%	3.9%	-1.6%	50.8%	↓↑↑	

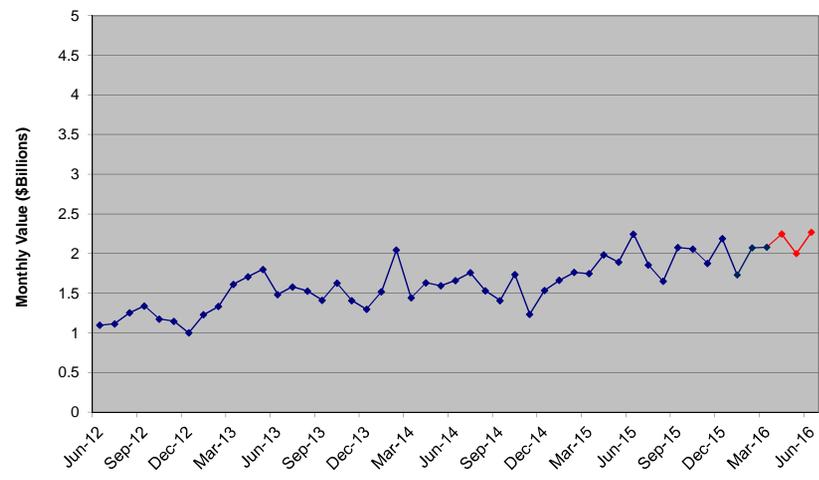
\* The quarterly values are median values weighted by volume of sales

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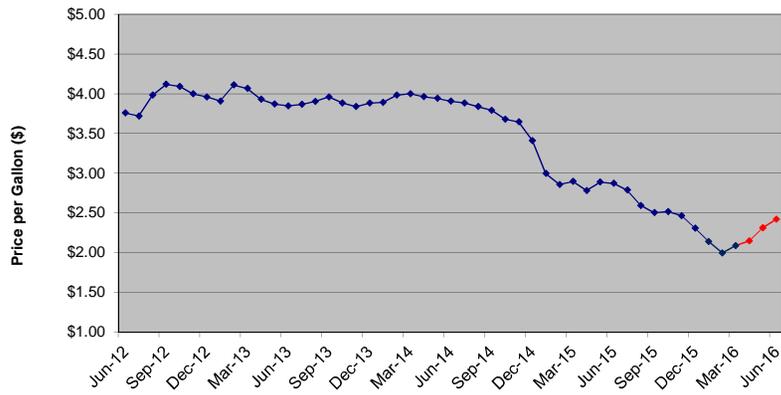
**PPI for Non Residential Construction**



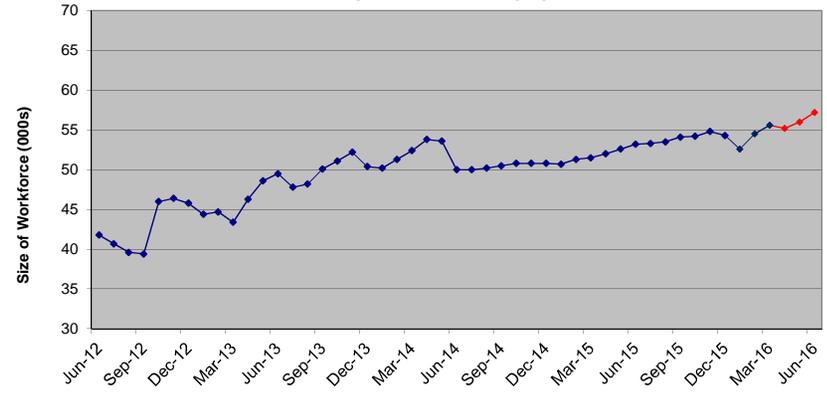
**Value of Residential Building Permits Issued in Florida**



**US Average Price of Diesel No. 2**



**Florida Heavy Construction Employment**



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INDICATOR DESCRIPTION	Apr-16	May-16	Jun-16	Current Quarter	Change from Last Quarter	Change From Same Quarter Last Year	Change in Year to Date Cumulative Value (%)	3 Quarter Trend
<b>National</b>								
New Residential Units Permitted	99,688	107,676	114,394	321,758	25.2%	-8.1%	7.6%	↓↓↑
<b>Statewide</b>								
New Residential Units Permitted	9,428	8,600	9,728	27,756	4.0%	3.0%	5.5%	↑↓↑
Single Family Home Sales	24,144	25,518	27,086	76,748	32.5%	1.4%	0.0%	↓↓↑
*Single Family Home Median Sales Price	\$213,000	\$221,050	\$225,000	\$219,912	8.0%	10.3%	n/a	↑↑↑
Condominium Sales	10,738	10,455	10,506	31,699	29.2%	-2.7%	5.5%	↓↓↑
*Condominium Median Sale Price	\$160,000	\$165,000	\$164,000	\$162,975	7.0%	5.4%	n/a	↑↑↑
Home and Condominium Sales	34,882	35,973	37,592	108,447	31.5%	0.2%	5.5%	↓↓↑
<b>District 1</b>								
New Residential Units Permitted	2,076	1,778	2,100	5,954	25.2%	-0.5%	9.5%	↑↓↑
<b>District 2</b>								
New Residential Units Permitted	890	953	1,106	2,949	25.1%	14.1%	-10.5%	↑↓↑
<b>District 3</b>								
New Residential Units Permitted	629	492	787	1,908	9.7%	23.2%	4.4%	↑↑↑
<b>District 4 and 6</b>								
New Residential Units Permitted	1,862	1,447	1,162	4,471	-24.7%	-12.1%	-15.1%	↑↓↓
<b>District 5</b>								
New Residential Units Permitted	1,973	2,389	2,455	6,817	19.2%	8.6%	18.0%	↓↓↑
<b>District 7</b>								
New Residential Units Permitted	1,678	1,216	1,684	4,578	-8.3%	11.0%	41.0%	↑↑↓

Note: District permit data does not include non-metro area permits. All values are total, except for median sales prices \* reported as weighted median based on monthly sales volume.