

**A Trends and Conditions Report**  
**Office of Policy Planning**  
**January - March 2017 Quarterly FDOT Construction Leading Indicator Report**



The average Non Residential Construction Producer Price Index value for the quarter through March 2017 grew from the previous quarter. Diesel fuel price averages increased in the quarter as well. The Florida and U.S. unemployment rates continue flat trends with minor fluctuations. Total construction employment and heavy construction employment levels for Florida both increased from last quarter.

**National Cost Indicators** - The average for the Producer Price Index (PPI) for non residential construction grew from the previous quarter by 1.5% to 105.9. Average diesel prices rose from the previous quarter by 4.0% to \$2.57 per gallon. Diesel prices rose by 23.6% from this time last year, and the PPI is 4.7% above the level at this time last year.

**Residential Construction and Sales Activity** - Permit activity grew by only 0.4% across the U.S. from last quarter, but increased 10.8% from this time last year. In Florida, permit activity fell by 1.0% from the previous quarter, but was 4.9% above year ago levels. In Florida, the permit activity fell in districts 2 and 5 from the previous quarter, but grew in districts 1, 3, 7, 4 and 6 from the prior quarter. The sales of single family homes and condominiums rose by 0.6% from the previous quarter. The median price for single-family homes grew 2.0%, while condominium median price increased by 2.2% from the same quarter last year.

**Labor Statistics** - The quarterly average unemployment rate remained at 4.9% for Florida and 4.7% for the US. Recent trends have been quite stable with only fractional fluctuations in unemployment. Employment in Florida construction industries and heavy civil construction industries showed slight increases and are 7.8% and 8.6% 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 average for the Purchasing Managers Index (PMI) for manufacturing rose to 57.0% in the quarter ending in March 2017. This is the highest quarterly average in over 2 years.

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

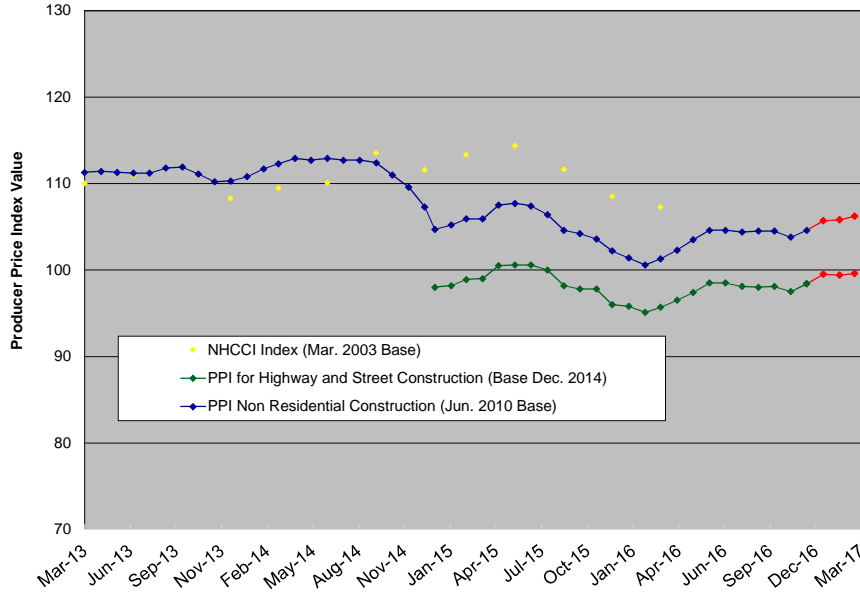
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**Florida Department of Transportation January - March 2017 Quarterly FDOT Construction Leading Indicator Report**

INDICATOR DESCRIPTION	Jan-17	Feb-17	Mar-17	Current Quarter	Change from Last Quarter	Change from Same Quarter Last Year (%)	Average Value this Calendar Year (2017) to Date	3 Quarter Trend	Note
<b>National Cost Indicators</b>									
Average Quarterly PPI Non Residential Construction	105.7	105.8	106.2	105.9	1.5%	4.7%	105.9	↑↑↑	See Graph
Average Diesel # 2 Price Per Gallon	\$2.58	\$2.57	\$2.55	\$2.57	4.0%	23.6%	\$2.57	↑↑↑	See Graph
<b>Residential Construction and Sales Activity</b>									
FL Residential Building Permits	10,025	8,368	9,590	27,983	-1.0%	4.9%	9,328	↑↓↑	See Graph (\$)
US Residential Building Permits	87,327	84,772	112,499	284,598	0.4%	10.8%	94,866	↓↓↑	
FL Realtor Home & Condo Sales	23,988	25,982	37,114	87,084	0.6%	5.9%	29,028	↓↓↑	
*FL Single Family Home Median Price	\$220,000	\$225,000	\$231,900	\$226,564	2.0%	11.0%	\$ 226,564	↑↑↑	
*FL Condo Median Price	\$161,000	\$167,500	\$171,000	\$167,208	2.2%	9.4%	\$ 167,208	↑↑↑	
<b>Labor Statistics</b>									
Florida Unemployment Rate - Monthly and Quarterly Average	5.0%	5.0%	4.8%	4.9%	1.4%	0.0%	4.9%	↓↑↑	
US Unemployment Rate - Monthly and Quarterly Average	4.8%	4.7%	4.5%	4.7%	-1.4%	-5.4%	4.7%	↑↓↓	
FL Total Construction Employment - Monthly and Quarterly Average	495,100	498,400	500,300	497,933	3.2%	7.8%	497,933	↑↑↑	
FL Heavy Civil Construction Employment - Monthly and Quarterly Average	60,300	61,100	60,700	60,700	2.0%	8.6%	60,700	↑↓↑	See Graph
<b>National Economic Drivers/Indicators</b>									
US Federal Funds Rate - Quarterly Average	0.65%	0.66%	0.79%	0.70%	55.6%	94.4%	0.70%	↑↑↑	
ISM PMI - Quarterly Average	56.0%	57.7%	57.2%	57.0%	6.9%	14.3%	57.0%	↓↑↑	
<b>ABC Backlog Indicator</b>									
	<b>4 Quarters Ago</b>	<b>3 Quarters Ago</b>	<b>2 Quarters Ago</b>	<b>Last Quarter</b>	<b>Last Quarter's Change from 2 Quarters Ago</b>	<b>Last Quarter's Change from Same Quarter Last Year</b>	<b>Average Value Calendar Year (2016)</b>	<b>Prior 2 Quarters Trend</b>	<b>Note</b>
ABC - National Infrastructure Backlog	11.2	10.8	11.1	10.6	-4.1%	-13.1%	10.9	↑↓	
ABC - Southern Region- All Industries Backlog	10.1	10.8	10.7	9.6	-10.3%	-14.2%	10.3	↓↓	

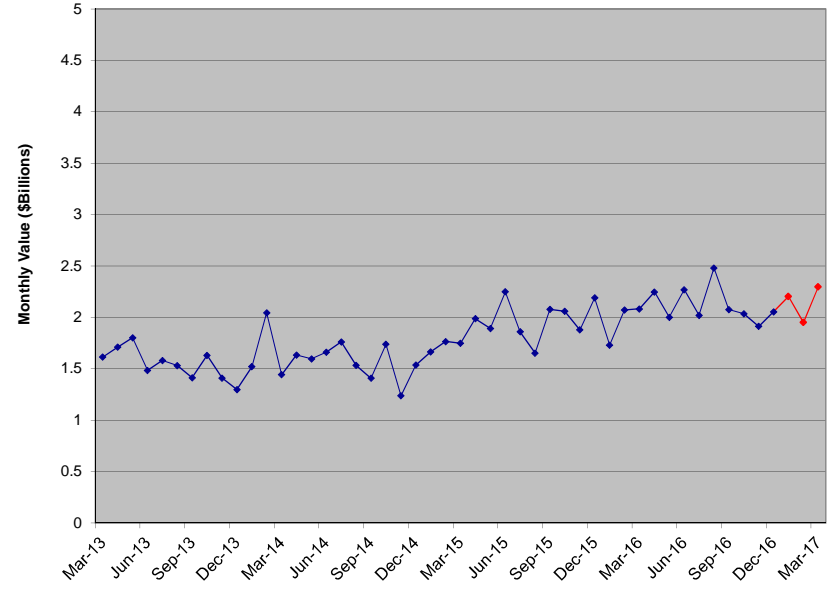
\* The quarterly values are median values weighted by volume of sales

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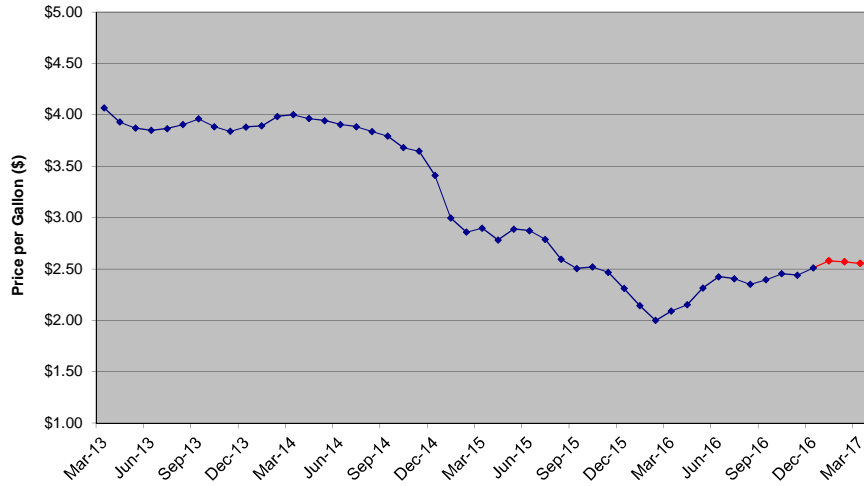
**PPI Analysis**



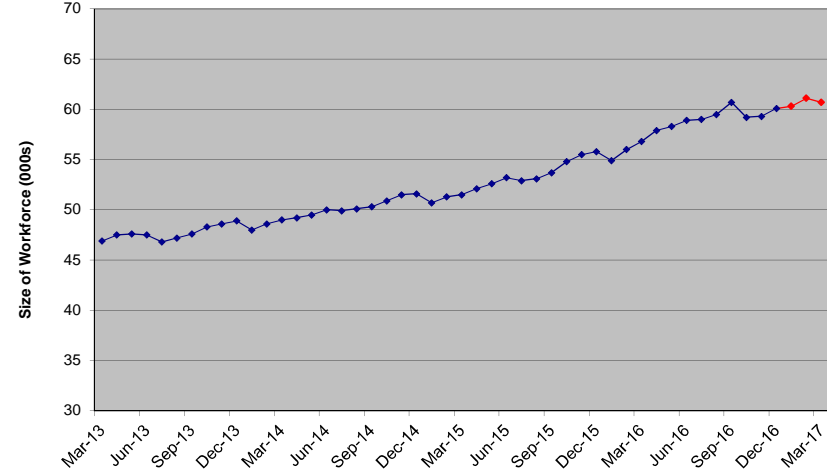
**Value of Residential Building Permits Issued in Florida**



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



**Florida Heavy Construction Employment**



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INDICATOR DESCRIPTION	Jan-17	Feb-17	Mar-17	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	87,327	84,772	112,499	284,598	0.4%	10.8%	10.8%	↓↓↑
<b>Statewide</b>								
New Residential Units Permitted	10,025	8,368	9,590	27,983	-1.0%	4.9%	4.9%	↑↓↓
Single Family Home Sales	16,779	18,033	25,921	60,733	-2.3%	5.1%	5.1%	↓↓↓
*SF Home Median Sales Price	\$220,000	\$225,000	\$231,900	\$226,564	2.0%	11.0%	n/a	↑↓↑
Condominium Sales	7,209	7,949	11,193	26,351	8.0%	7.6%	7.6%	↑↑↑
*Condominium Median Sale Price	\$161,000	\$167,500	\$171,000	\$167,208	2.2%	9.4%	n/a	↓↑↑
Home and Condominium Sales	23,988	25,982	37,114	87,084	0.6%	5.9%	5.9%	↓↓↑
<b>District 1</b>								
New Residential Units Permitted	2,353	1,557	2,695	6,605	52.4%	38.9%	38.9%	↑↓↑
<b>District 2</b>								
New Residential Units Permitted	829	1,265	1,044	3,138	-12.9%	33.1%	33.1%	↑↓↓
<b>District 3</b>								
New Residential Units Permitted	800	471	604	1,875	25.3%	7.8%	7.8%	↓↓↑
<b>District 4 and 6</b>								
New Residential Units Permitted	2,517	1,725	1,183	5,425	2.8%	-8.6%	-8.6%	↑↓↑
<b>District 5</b>								
New Residential Units Permitted	1,689	2,007	1,952	5,648	-28.3%	-1.2%	-1.2%	↑↑↓
<b>District 7</b>								
New Residential Units Permitted	1,643	943	1,808	4,394	8.1%	-12.0%	-12.0%	↓↑↑

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.