

**A Trends and Conditions Report
Forecasting and Trends Office
July - September 2023 Quarterly FDOT Construction Leading Indicator Report**



The average Non Residential Construction Producer Price Index value for the quarter through June 2023 fell 1.1% from the previous quarter and ended the quarter up 3.8% from a year ago. Diesel fuel price averages increased through the quarter 8.5%, which equates to 17.3% below year ago levels. Florida unemployment rates increased 2.7% from last quarter, with the U.S. rate increasing 3.7%. Florida's total Construction employment increased 1.1%, while Heavy Construction employment decreased 1.1% for the quarter. Total Construction employment is up 1.1% from this time last year, while Heavy Construction employment is down 1.1% from year ago levels also.

National Cost Indicators - The average for the Producer Price Index (PPI) for Non Residential Construction decreased from the previous quarter by 1.1% to 173.3. Average diesel prices increased from the previous quarter by 8.5% to \$4.274 per gallon. The Non Residential Construction PPI is 3.9% above its level at this time last year and the Street and Highway PPI is 0.2% below year ago levels. The Street and Highway PPI increased 1.0% from last quarter.

Residential Construction and Sales Activity - Residential Construction and Sales Activity - Permit activity in units in Florida is up 1.2% from last quarter and down 0.2% from year ago levels. In dollar terms the amounts were up 3.4% for the quarter and 11.8% from the previous year. In the third quarter of 2023, Florida residential permit value was 14.0% of the national total. Permit trends are varying significantly across the FDOT districts. Florida home and Condo sales were down 14.4% for the quarter and down 4.0% from the same quarter last year. Florida median home and condo prices were up 1.3% and 5.6%, respectively, from last year.

Labor Statistics - The quarterly average Unemployment Rate was 2.7% for Florida and 3.7% nationally. The Florida unemployment rate increased 5.1% from last quarter and the U.S. unemployment rate was 3.7% higher than last quarter. Both the Florida and U.S rates are higher than this quarter last year by 3.8% and 3.7%, respectively. Employment in Florida Construction Industries increased 1.1% from the previous year, and Heavy Civil Construction Industries showed a decrease of 1.7% from this time last year. 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 increased to 47.7% in the quarter, an 8.6% decrease from the previous year. The US Federal Fund Rate is 5.26%, which is 140.2% higher than year ago levels. The ABC Infrastructure Backlog indicators for the Southern region decreased and are 5.0% below year ago levels (Quarter 2 2022).

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

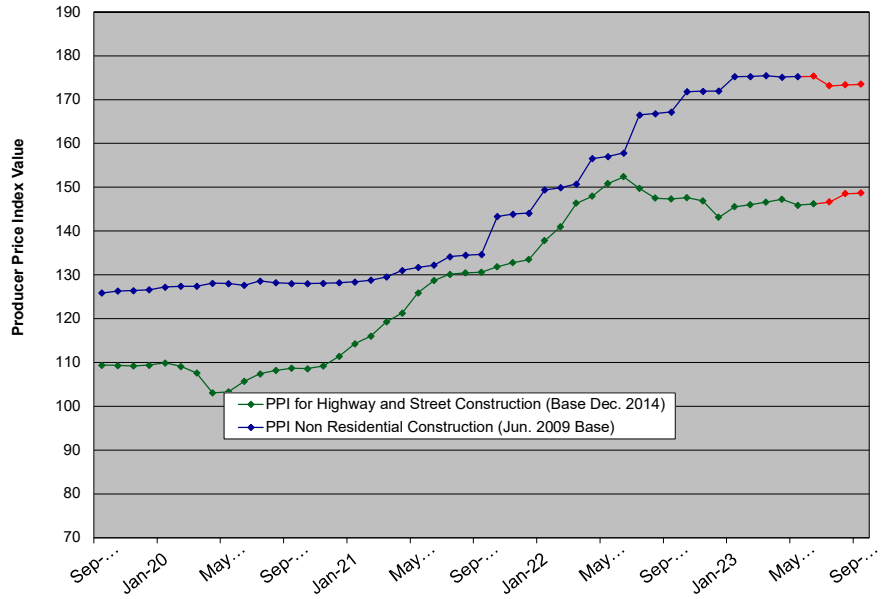
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Florida Department of Transportation July - September 2023 Quarterly FDOT Construction Leading Indicator Report

INDICATOR DESCRIPTION	Jul-23	Aug-23	Sep-23	Current Quarter	Change from Last Quarter	Change from Same Quarter Last Year (%)	Average Value this Calendar Year (2021) to Date	3 Quarter Trend	Note
National Cost Indicators									
Average Quarterly PPI Non Residential Construction	173.2	173.4	173.5	173.3	-1.1%	3.9%	134.7	↑↓↓	See Graph
PPI for Highway and Street	146.6	148.5	148.7	147.9	1.0%	-0.2%	126.2	↑↑↑	See Graph
Average Diesel # 2 Price Per Gallon	\$3.88	\$4.37	\$4.56	\$4.27	8.5%	-17.3%	\$3.28	↓↓↑	See Graph
Residential Construction and Sales Activity									
FL Residential Building Permits	15,574	17,996	15,871	49,441	1.2%	-0.2%	17,435	↑↓↑	See Graph (\$)
FL Residential Building Permits Value (millions)	\$4,052	\$4,749	\$4,229	\$13,030	3.4%	11.8%	\$3,919	↑↑↑	
US Residential Building Permits	118,742	141,799	116,711	377,252	-4.0%	-6.4%	142,563	↑↑↓	
US Residential Building Permits Value (millions)	\$29,097	\$34,889	\$29,000	\$92,985	-3.6%	3.1%	\$30,785	↑↑↓	
FL Realtor Home & Condo Sales	30,661	32,196	29,722	92,579	-14.1%	-4.0%	42,558	↑↓↑	
*FL Single Family Home Median Price	\$415,000	\$415,000	\$409,243	\$413,152	-0.9%	1.3%	\$346,153	↓↑↓	
*FL Condo Median Price	\$319,000	\$324,000	\$324,990	\$322,698	-0.7%	5.6%	\$253,496	↑↑↓	
Labor Statistics									
Florida Unemployment Rate - Monthly and Quarterly Average	2.7%	2.7%	2.8%	2.7%	5.1%	3.8%	4.8%	→→↑	
US Unemployment Rate - Monthly and Quarterly Average	3.5%	3.8%	3.8%	3.7%	3.7%	3.7%	5.4%	↓↑↑	
FL Total Construction Employment - Monthly and Quarterly Average	612,500	612,100	615,500	613,367	1.1%	1.1%	576,592	↓↑↑	
FL Heavy Civil Construction Employment - Monthly and Quarterly Average	75,900	75,600	75,400	75,633	-1.1%	-1.7%	74,283	↓↑↓	See Graph
National Economic Drivers/Indicators									
US Federal Funds Rate - Quarterly Average	5.12%	5.33%	5.33%	5.26%	5.4%	140.2%	0.08%	↑↑↑	
ISM PMI - Quarterly Average	46.4%	47.6%	49.0%	47.7%	2.1%	-8.6%	60.7%	↓↓↑	
ABC Backlog Indicator									
	4 Quarters Ago	3 Quarters Ago	2 Quarters Ago	Last Quarter	Last Quarter's Change from 2 Quarters Ago	Last Quarter's Change from Same Quarter Last Year	Average Value Calendar Year (2020)	Prior 2 Quarters Trend	Note
ABC - National Infrastructure Backlog	10.7	11.5	11.4	10.9	-4.4%	41.8%	8.8	↓↓	
ABC - Southern Region- All Industries Backlog	9.0	9.2	8.7	8.9	-3.3%	-5.0%	9.1	→↓	

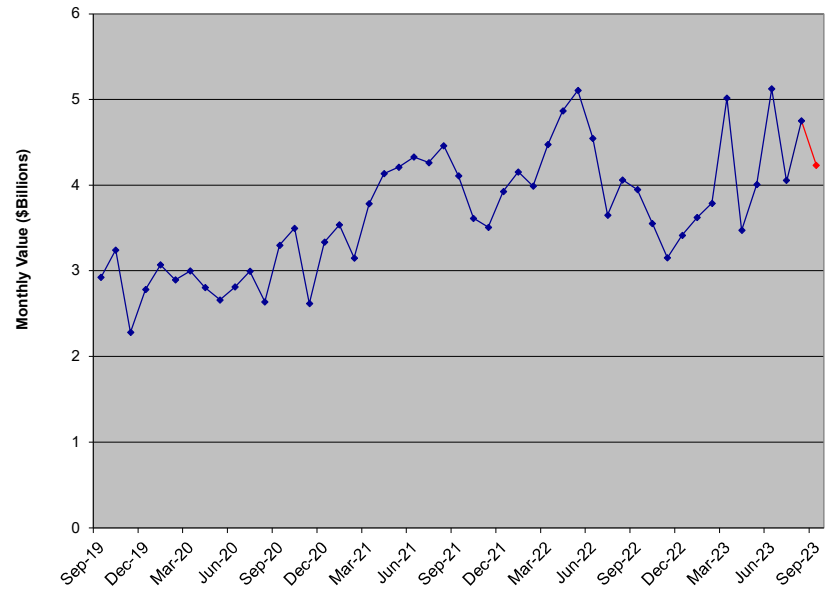
* The quarterly values are median values weighted by volume of sales

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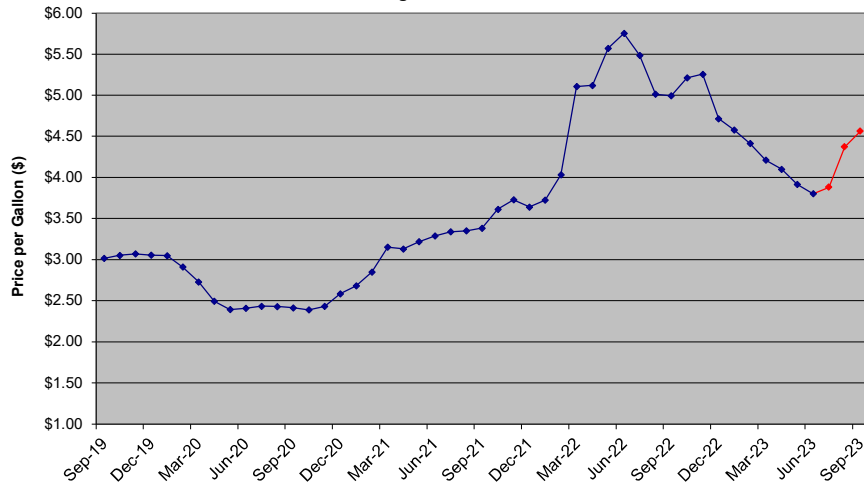
PPI Analysis



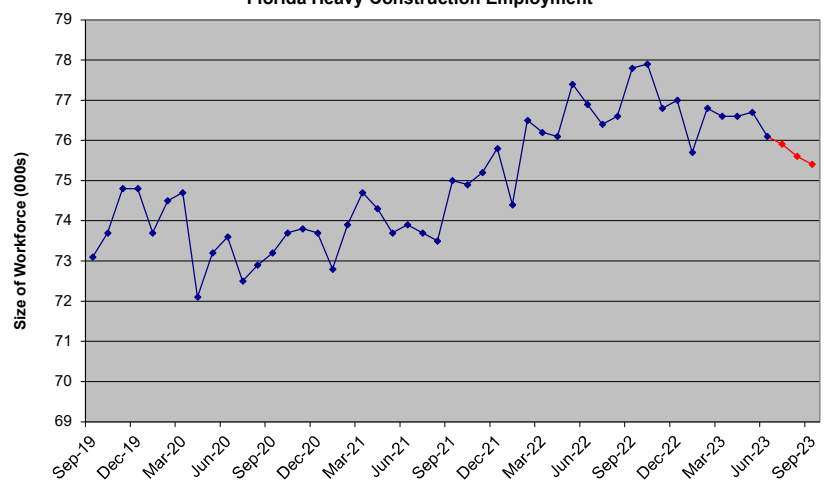
Value of Residential Building Permits Issued in Florida



US Average Price of Diesel No. 2



Florida Heavy Construction Employment



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INDICATOR DESCRIPTION	Jul-23	Aug-23	Sep-23	Current Quarter	Change from Last Quarter	Change From Same Quarter Last Year	Change in Year to Date Cumulative Value (%)	3 Quarter Trend
National								
New Residential Units Permitted	118,742	141,799	116,711	377,252	-4.0%	-6.4%	-16.2%	↑↑↓
Statewide								
New Residential Units Permitted	15,574	17,996	15,871	49,441	1.2%	-0.2%	-9.8%	↑↓↑
Single Family Home Sales	22,198	22,917	21,335	66,450	-12.3%	-3.2%	-3.2%	↑↑↓
*SF Home Median Sales Price	\$415,000	\$415,000	\$409,243	\$413,152	-0.9%	1.3%	n/a	↓↑↓
Condominium Sales	8,463	9,279	8,387	26,129	-18.2%	-5.8%	-5.8%	↑↑↓
*Condominium Median Sale Price	\$319,000	\$324,000	\$324,990	\$322,698	-0.7%	5.6%	n/a	↑↑↓
Home and Condominium Sales	30,661	32,196	29,722	92,579	-14.1%	-4.0%	-4.0%	↑↑↓
District 1								
New Residential Units Permitted	4,345	4,666	4,331	13,342	3.6%	14.5%	-10.1%	↑↑↑
District 2								
New Residential Units Permitted	1,998	1,995	2,196	6,189	6.6%	10.4%	-10.2%	↑↓↑
District 3								
New Residential Units Permitted	811	1,281	1,312	3,404	30.1%	-12.4%	-7.4%	↑↓↑
District 4 and 6								
New Residential Units Permitted	2,891	3,696	1,872	8,459	27.0%	14.0%	-12.2%	↑↓↑
District 5								
New Residential Units Permitted	3,388	3,675	3,852	10,915	-15.8%	-2.4%	-9.4%	↑↑↓
District 7								
New Residential Units Permitted	1,245	1,689	1,630	4,564	-15.2%	-37.4%	-0.9%	↓↓↓

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.