

Project Stress Index: 131.2, +12.5%

Weekly Report: January 16th, 2024

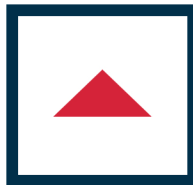


Composite Overview

The PSI surged 12.5% in the week ending January 13th to close at 131.2. The latest reading brought the Index back to within 1-point of its 3-year high set just one month ago. The week's gain came from an unusually sharp rise in the seasonally adjusted level of abandoned project activity followed by a relatively smaller, but still considerable, rise in bid date delayed activity. In contrast, on hold activity fell slightly during the latest week, keeping it near its 12-month moving average. The Index's overall jump in the latest week came after three consecutive weeks during which the Index fell from multi-year high readings in excess of 130 to as low as 116.0. For reference, over the two-year period ending 2023 the Index averaged 115. During this period it reached both a multi-year high of 132.3 and low of 89.5; the last time the Index exceeded either of these extremes was during the first year of the COVID pandemic.

Components Monitor

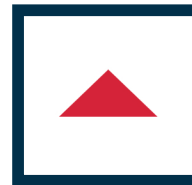
Delayed Bid Date



On Hold



Abandoned



Project Stress Index Composite

A seasonally adjusted, equal weight measure of delayed, on hold and abandoned projects



Source: ConstructConnect

Sector Status Update

Public and private sector project stress results can and do at times trend independently of one another in part due to their different funding mechanisms. In recent weeks and months the level of public projects experiencing either delayed bid dates or holds has declined, bringing readings from recent weeks more closely in line with seasonal norms and historic readings. In contrast, private sector activity remains elevated as exemplified by on hold activity which during the second week of 2024 was 44% higher compared to the same week in 2023. Concerningly, both sectors are reporting much higher levels of abandoned project counts now compared to a year ago. Comparing the second week of 2024 to 2023, public and private abandoned project counts were up 58% and 25% respectively.