# **Project Stress Index: 131.2, +12.5%**

Weekly Report: January 16th, 2024

## **Composite Overview**

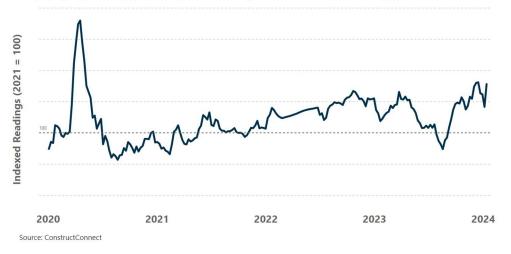
The PSI surged 12.5% in the week ending January 13th to close at 131.2. The latest reading brought the Index back to within 1-point of its 3-year high set just one month ago. The week's gain came from an unusually sharp rise in the seasonally adjusted level of abandoned project activity followed by a 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**



#### **Project Stress Index Composite**

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



# **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.

About the PSI: The Project Stress Index (PSI) monitors the level of U.S. construction projects, excluding single-family residential, that have experienced a bid date delay, have been placed on hold, or have been abandoned over the last 30 days. Each component has been indexed against the average of their weekly values recorded during 2021. The independent tracking of each status type gives unique insights into the timing, direction, and amplitude of market changes. Additional information about the PSI, including detailed data about the individual readings for delayed, on hold, and abandoned projects can be found at https://constructconnect.com/construction-economic-news