

# Project Stress Index: 124.6, -0.5%

Weekly Report: January 1st, 2024

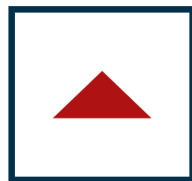


## Composite Overview

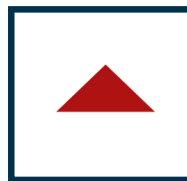
The project stress index composite represents an equal-weight measure of the seasonally adjusted level of pre-construction projects that have experienced a delayed bid date, have been placed on hold, or have been abandoned in the last 30-days. For the final week of 2023 the Index fell 0.5% from the week prior to close at 124.6. Leading the week's change was a 3% decline in abandoned project activity which was partially offset by small increases in delayed and on hold activity. Compared to the last published report from December 18th (there was no report published on 12/25 due to the Christmas holiday in the U.S.) the Index has declined by 5.8%. This more substantial change over the final two weeks of 2023 was led by a 12% decline in the seasonally adjusted level of abandoned projects and was further supported by small declines in delayed and on hold activity. These final readings of 2023 also marked the end of the PSI's recent surge which resulted in a series of all-time high readings when excluding early 2020 results caused by the onset 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 trend independently of one another in part due to their different funding mechanisms. Among private projects the level of abandoned project activity in the final weeks of December fell sharply in keeping with the historic seasonality of the series. However, 2023's year-end slowing was far less than historic patterns would expect with late-December levels remaining forty percent above those of January 2023. In previous years the spread in activity at the start and end of the same calendar year has been far closer to parity. 2023's public sector abandoned project activity experienced a similar pattern to the private sector, but with a smaller spread of only fifteen percent. The spreads between beginning and year-end 2023 results among delayed and on hold projects were less concerning as their spreads generally fell within historic norms.

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>