

# Project Stress Index: 132.0, +1.9%

## Weekly Report: December 11, 2023



### Composite Overview

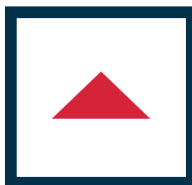
The project stress index composite represents an equal-weight measure of the seasonally adjusted level of pre-construction projects that have experienced a delayed bid date, have been placed on hold, or have been abandoned in the last 30-days. For the week ending December 11th, 2023, the Index registered 132.0, indicating that weekly stress conditions were 32% above their 2021 average. The Index rose 1.9% for the week resulting in back-to-back multi-year high readings. The Index's slight increase from the prior week was driven principally by an increase in on hold activity. This latest surge in on hold readings is only the third time since mid-2020 that such activity has been 33% above its 2021 average. Additionally, the latest two consecutive abandoned activity readings at 147 indicate that abandoned project levels are nearly 50% above their 2021 average. This late fourth quarter surge in abandoned and on hold activity is highly unusual in the 4-year history of the index, suggesting that

### 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. There have been several notable trends in recent project stress data by sector. Historically the fourth quarter of the calendar year experiences an absolute decline in the level of total delayed, on hold and abandoned projects. This year that decline has been far more evident in our public sector readings relative to those from the private sector. Recently falling public project readings are converging on those posted in the weeks following the start of 2023; this is consistent with historic cyclical norms. In the private sector, however, on hold and abandoned project activity during the fourth quarter has defied cyclical expectations. Since the middle of 2023 the level of on hold and abandoned private project readings have sustained elevated readings well above those posted during the first quarter.