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# Economic & Cement Update: Pennsylvania

Joe Chiappe, Dir. Data Analytics & Sr. Regional  
Economist

November 2023

# Regional/PA Focus



**Pennsylvania**

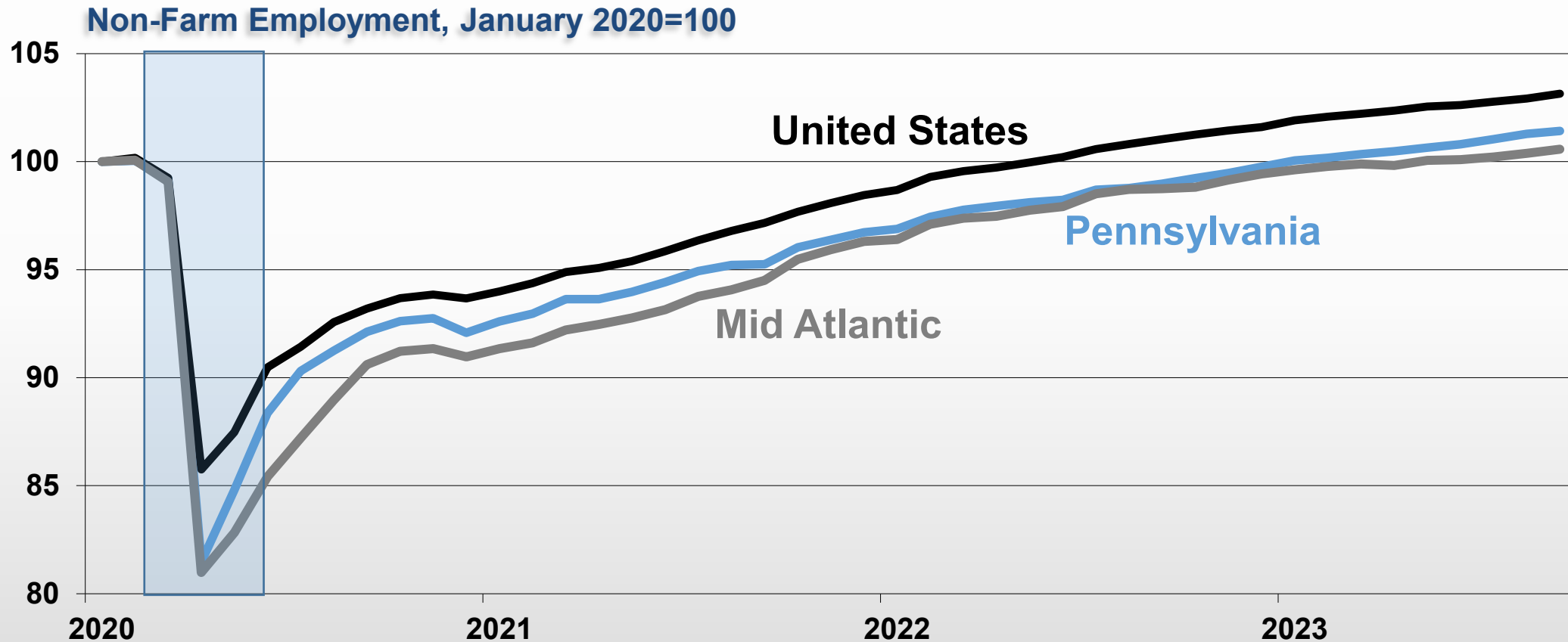


**Middle Atlantic**



# Economic Outlook

# PA Employment Recovery Has Lagged



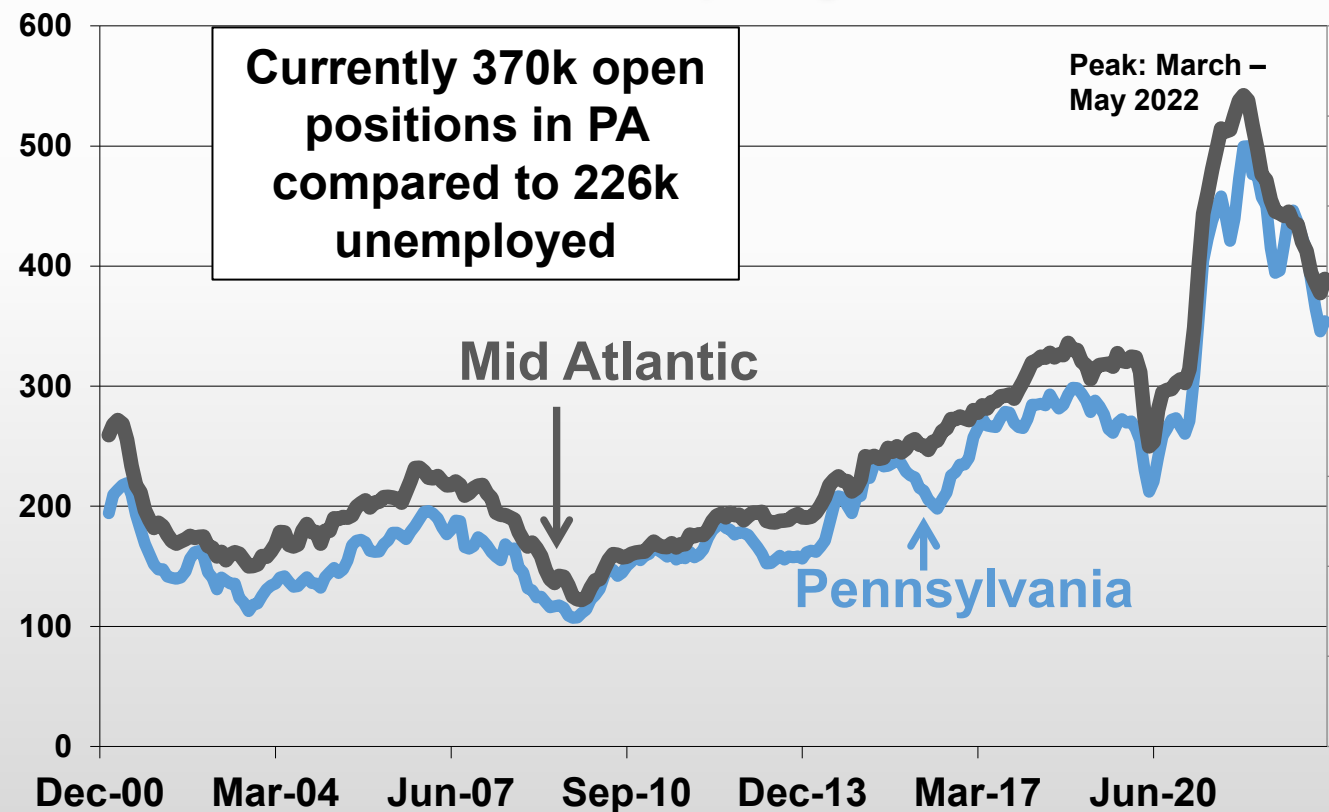
Source: BLS



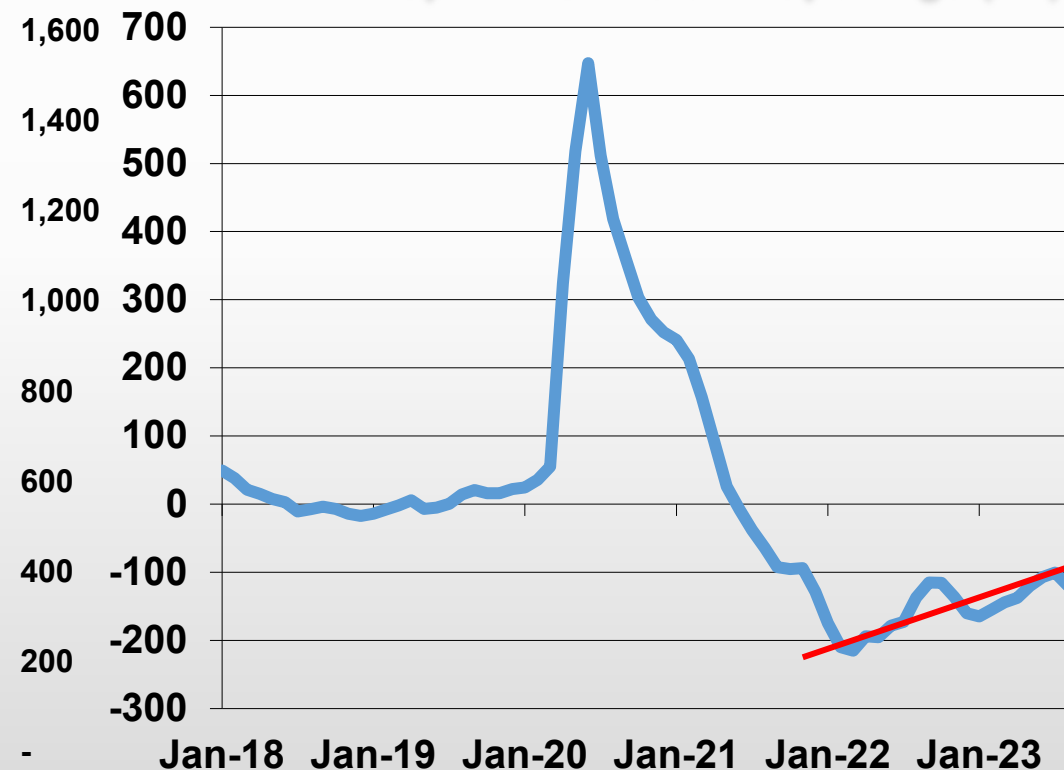
# Labor Markets Tight; Easing

(Ths., 3 MMA)

Job Openings

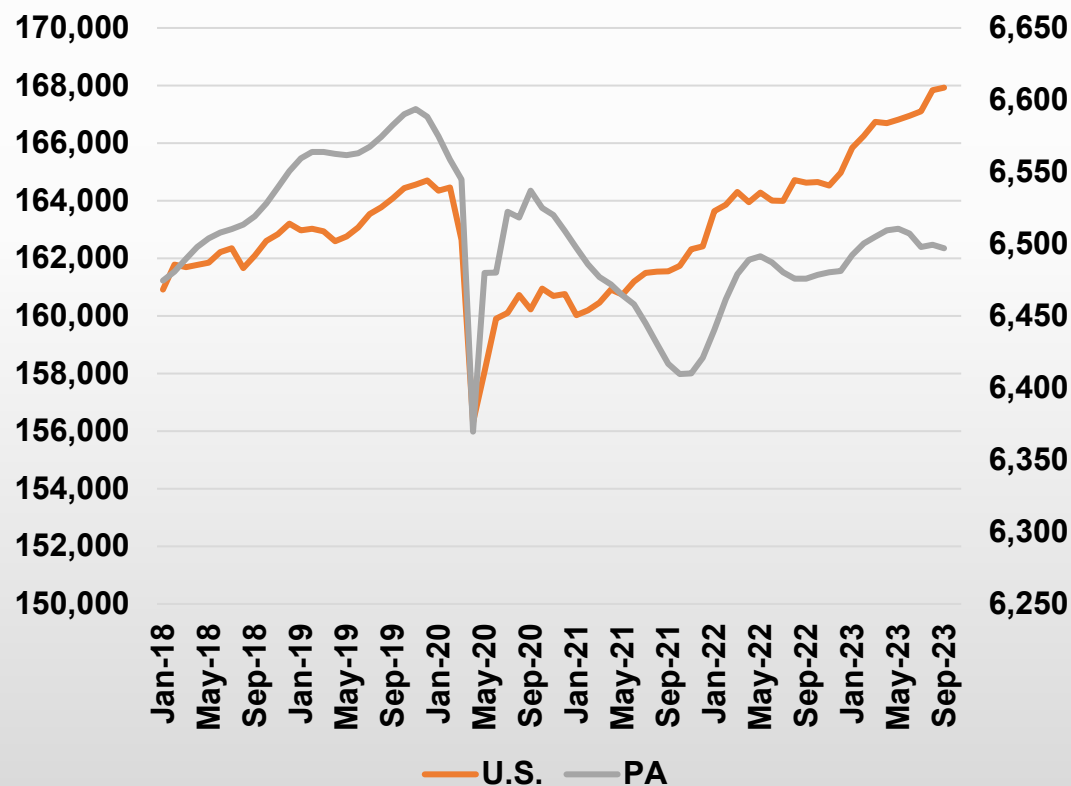


3 MMA Spread UE vs Job Openings (PA)

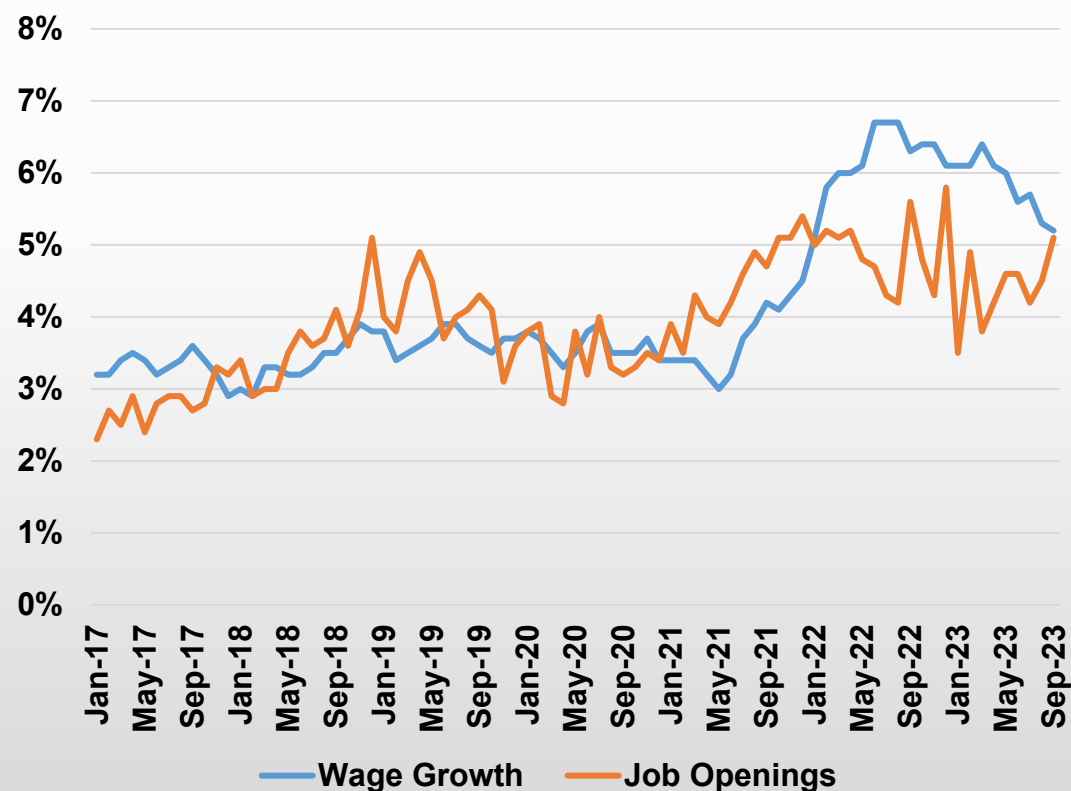


# Labor Force Constraints

## Civilian Labor Force (000, SA)



## Wage Growth U.S. (Y/Y %, 3MMA, NSA), Job Openings Rate Construction (% , SA)



# Unemployment Rate

Average Through September 2023

## Pennsylvania

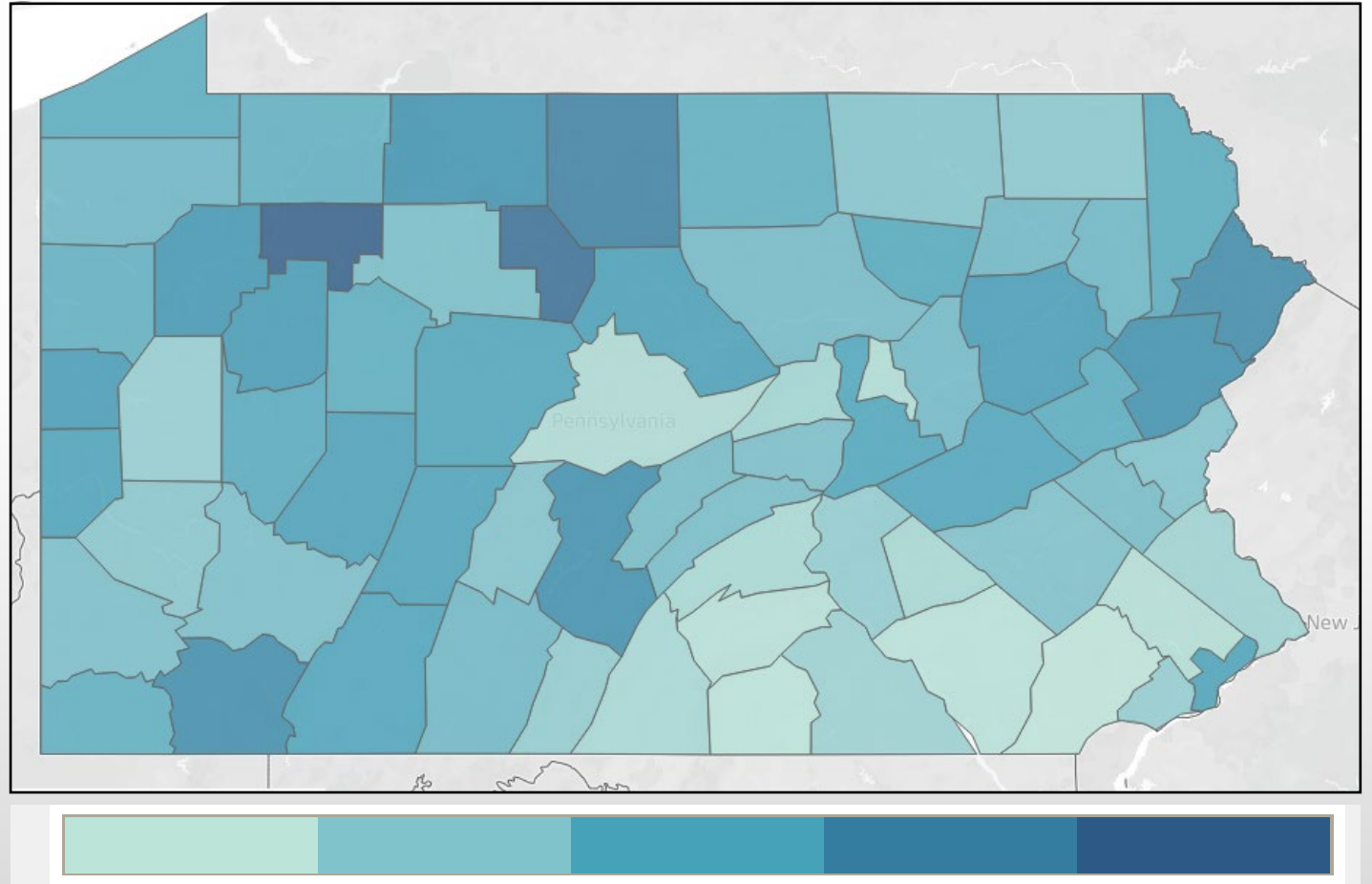
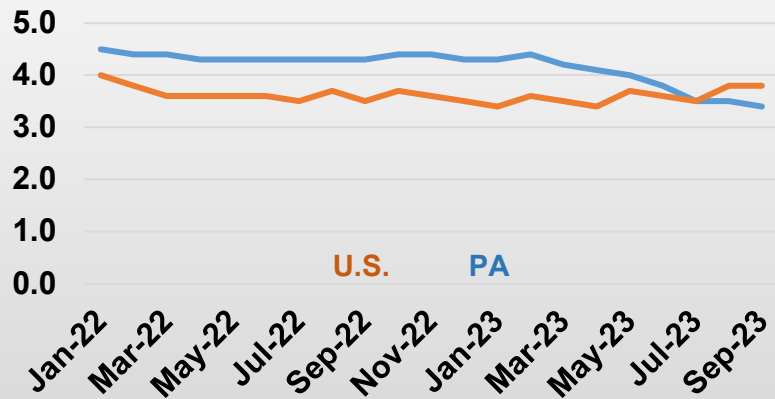
Average 2023 : 3.9

September 2023: 3.4

## United States

Average 2023 : 3.6

September 2023: 3.8

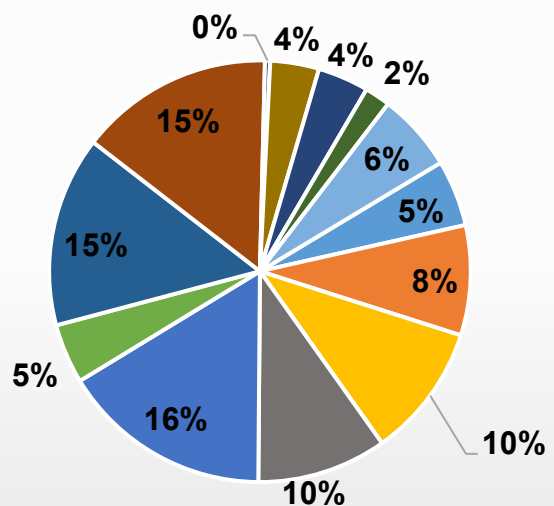


Min: 3.0

Max: 6.3

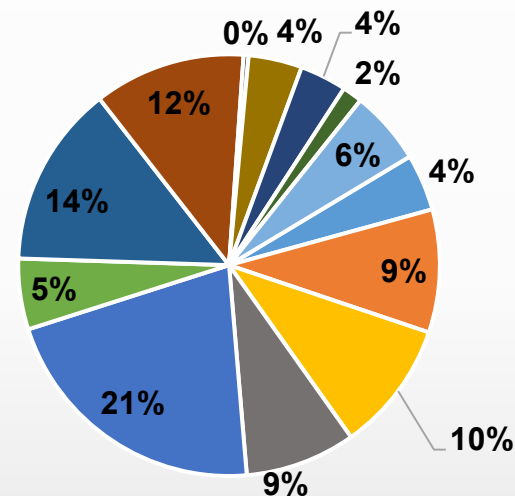
# Employment Sector

**U.S. % Share 2020-2023**



- Construction
- Leisure/Hosp
- Prof Busn Svcs
- Other
- Finance
- Manufacturing
- Education/Health
- Government
- Wholesale Trade
- Retail
- Transpo/Utilities
- Mining/Lodging
- Information

**PA % Share 2020-2023**

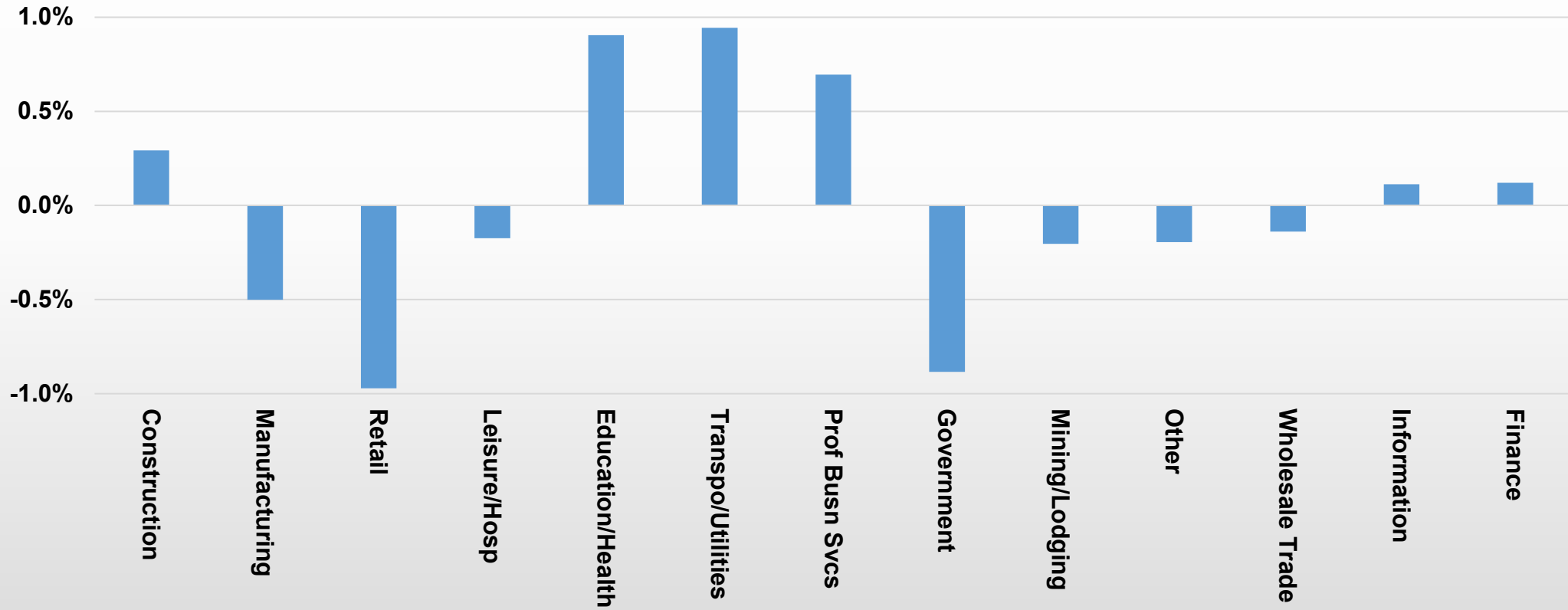


- Construction
- Leisure/Hosp
- Prof Busn Svcs
- Other
- Finance
- Manufacturing
- Education/Health
- Government
- Wholesale Trade
- Retail
- Transpo/Utilities
- Mining/Lodging
- Information



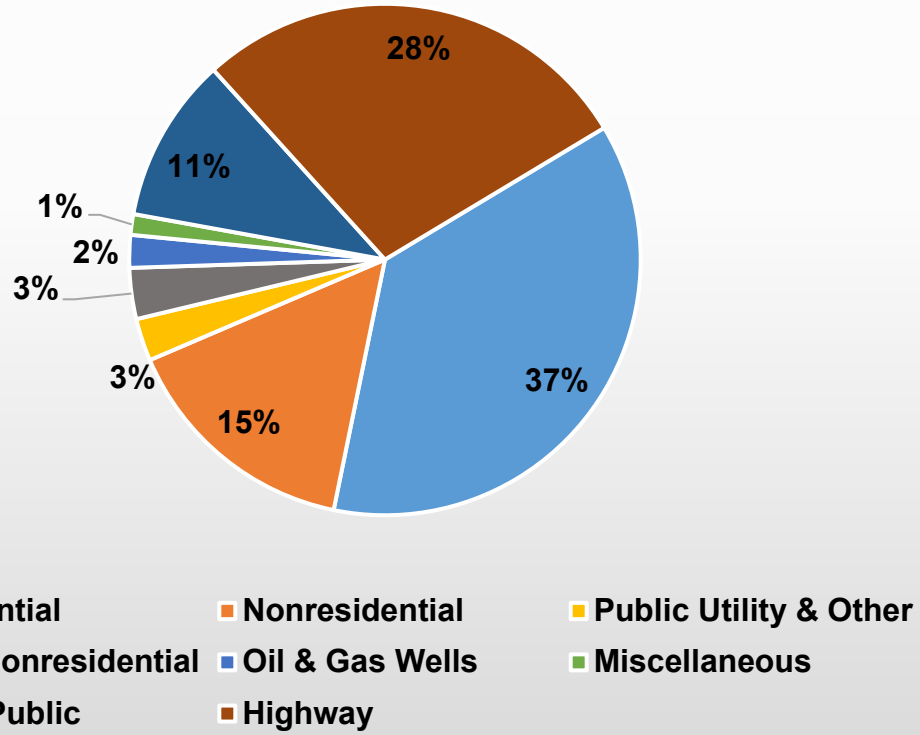
# Employment Sector Change 2015-2023

% Change

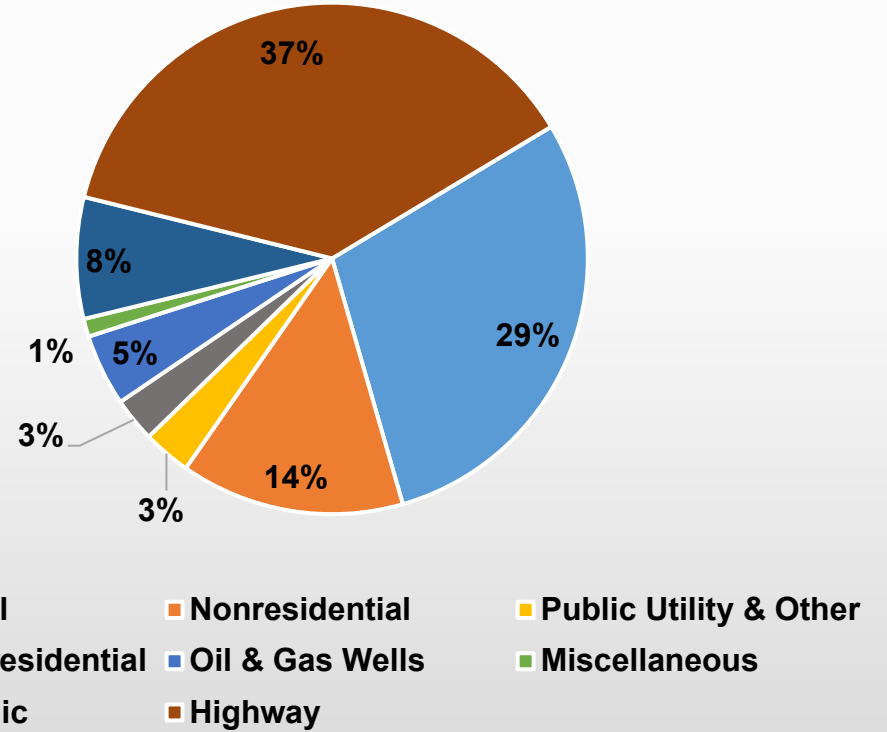


# Cement by Sector

**U.S. % Share 2019-2022**

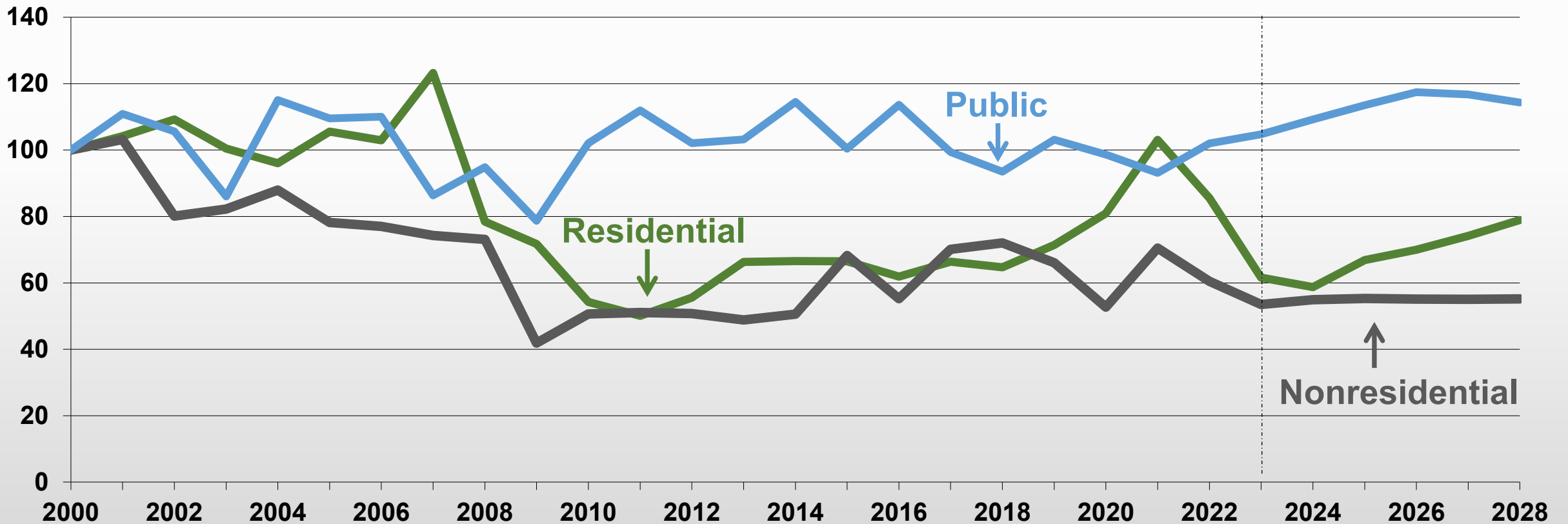


**PA % Share 2019-2022**



# PA Cement Consumption by Sector

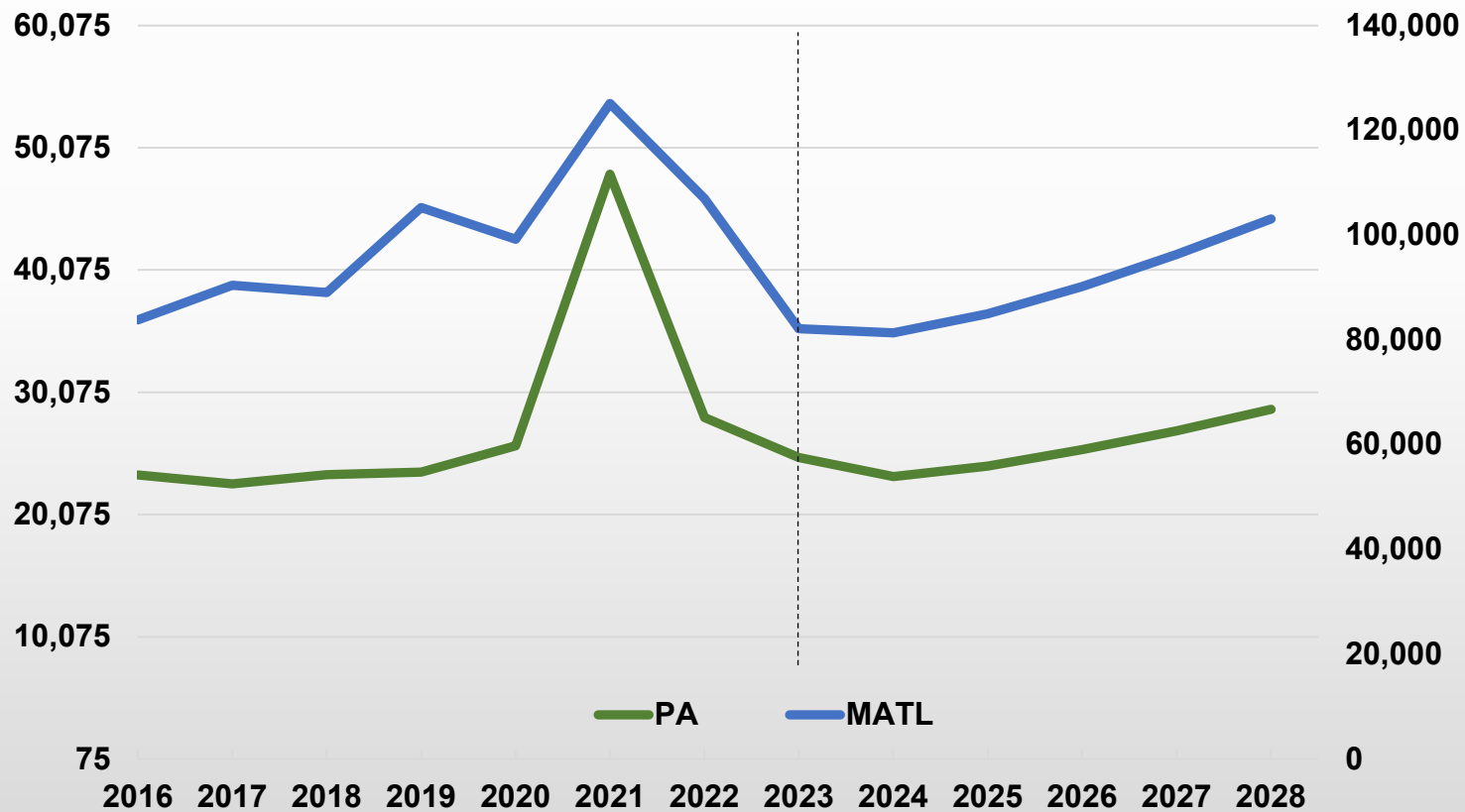
Index, 2000=100



# Residential Outlook

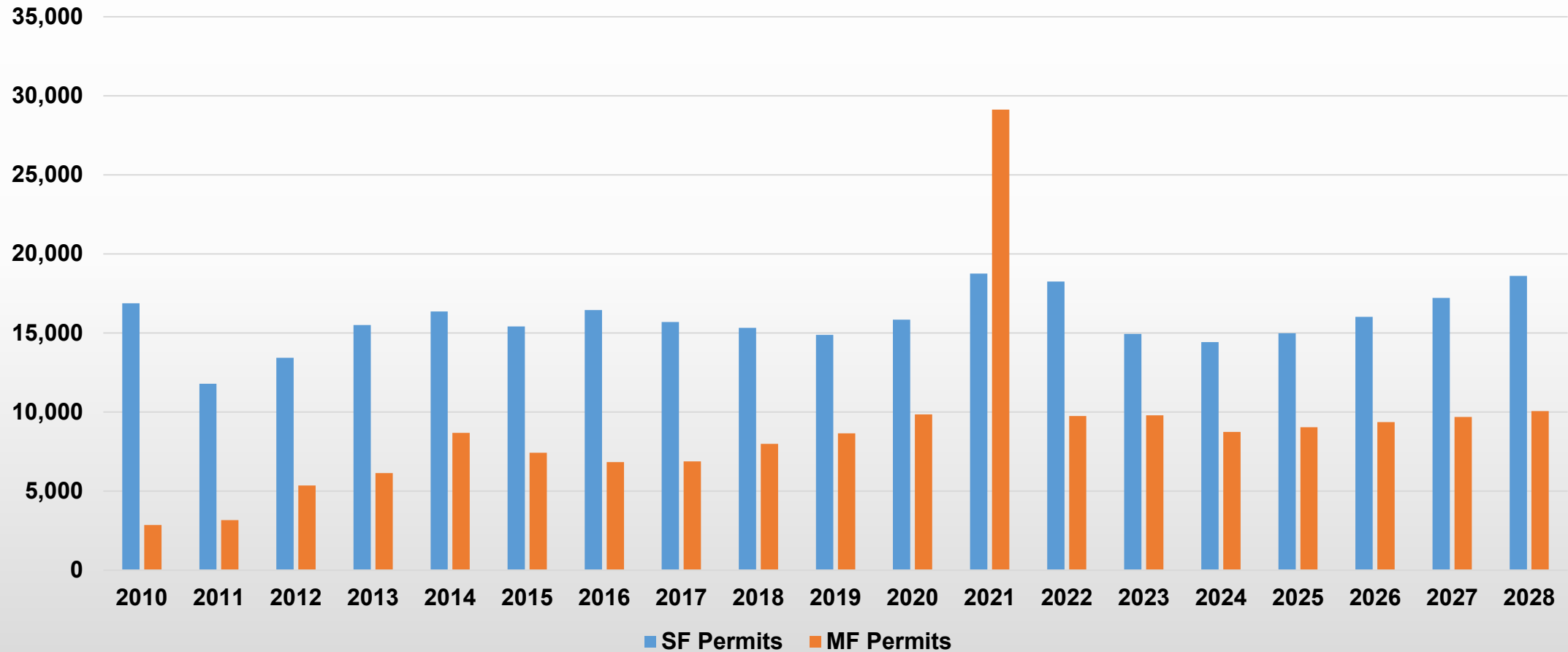
# Permit Activity

## 2016-2028





# PA Single and Multifamily Permits

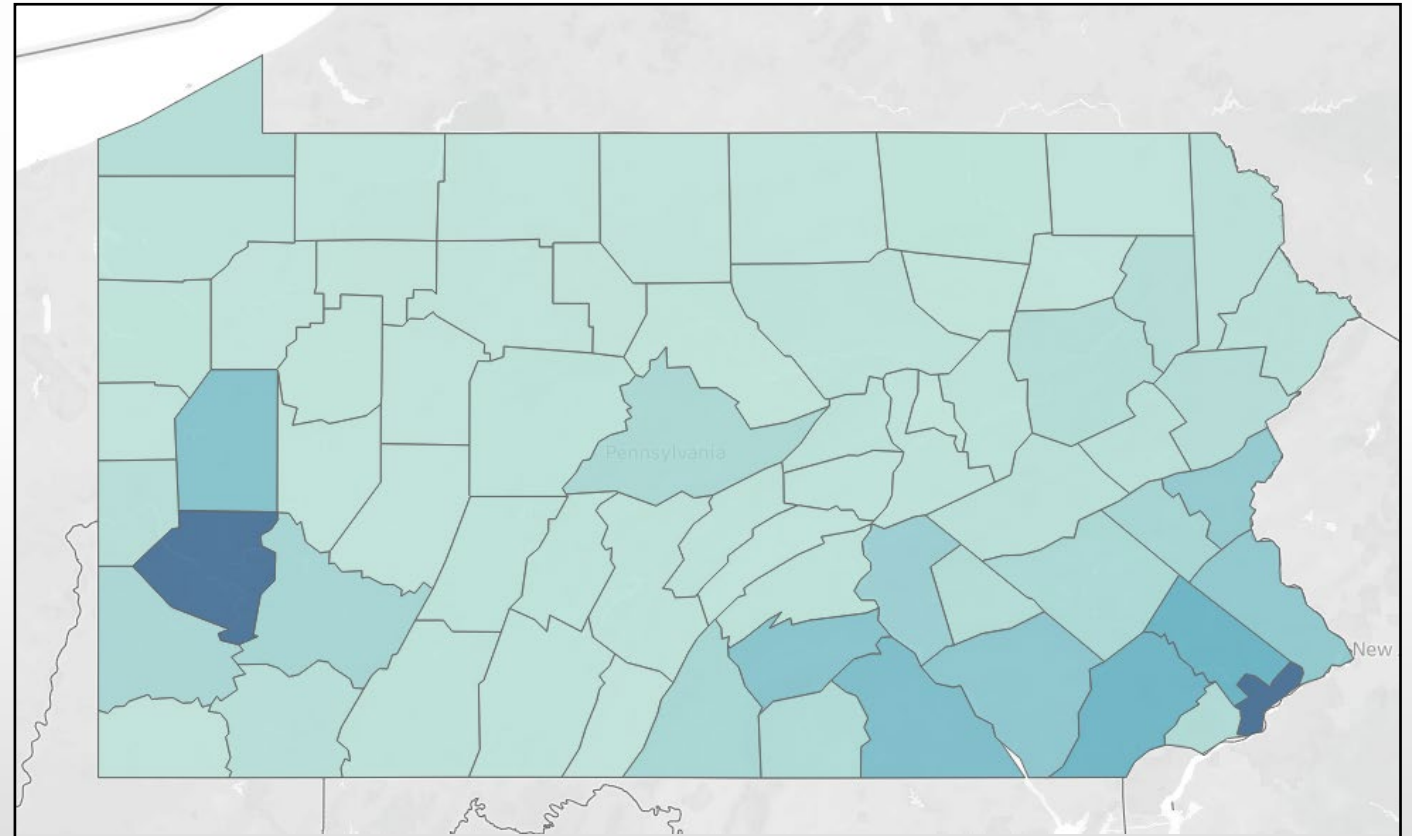


# Total Permits by County

Average Through September 2023

**Allegheny and Philadelphia County account for 28.7% of PA permits.**

**The top 10 counties account for 2/3s of PA permits.**

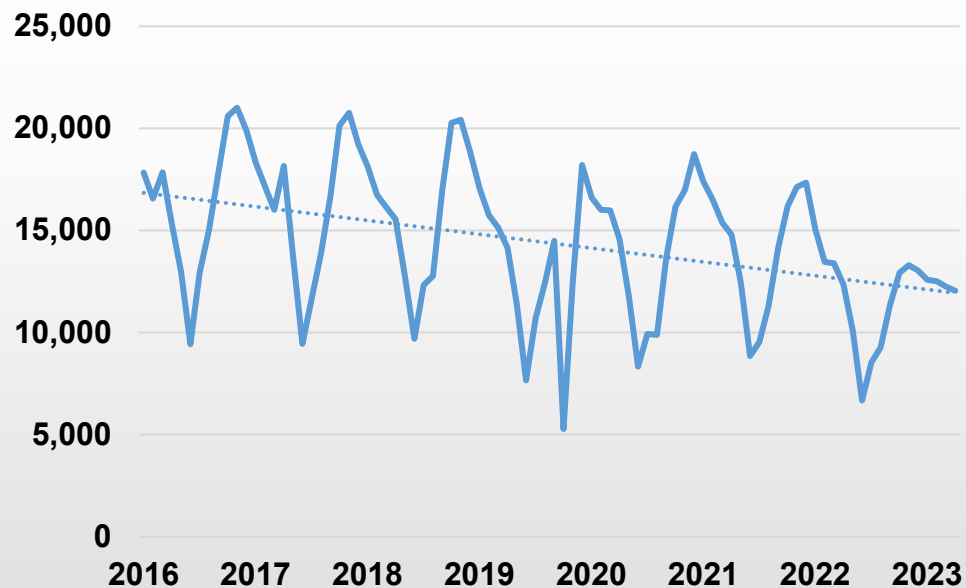


Min: 0.0

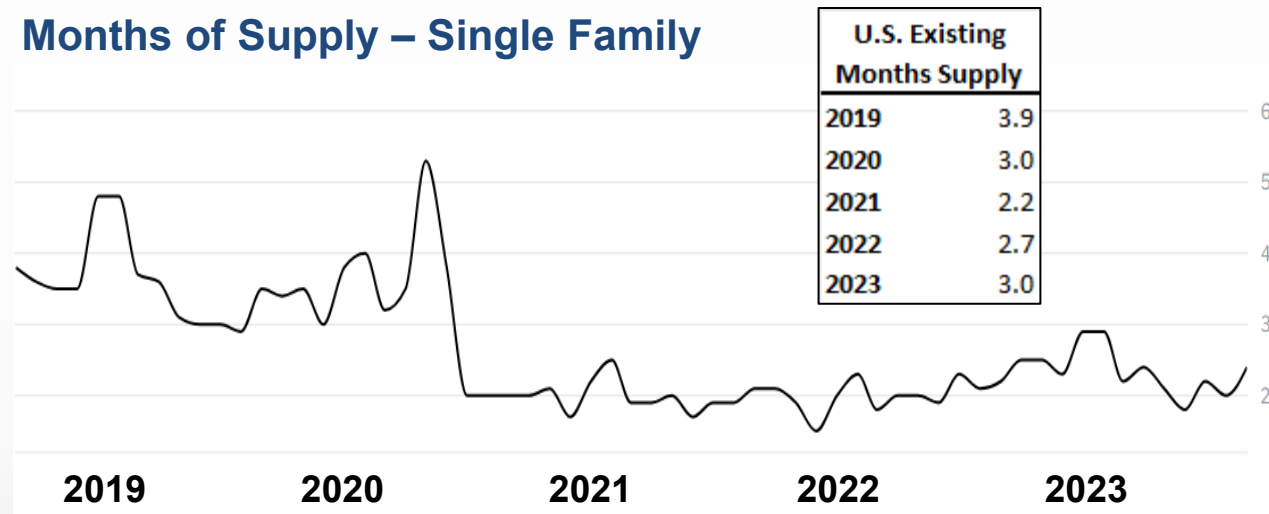
Max: 3,693

# PA Home Sales Inventory

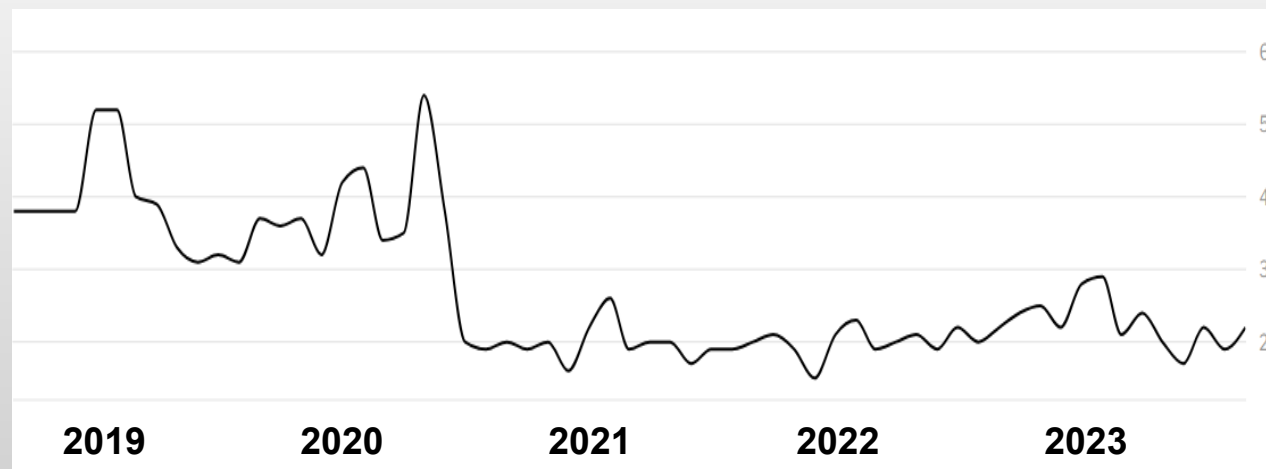
## Home Sales Inventory New Listings



## Months of Supply – Single Family

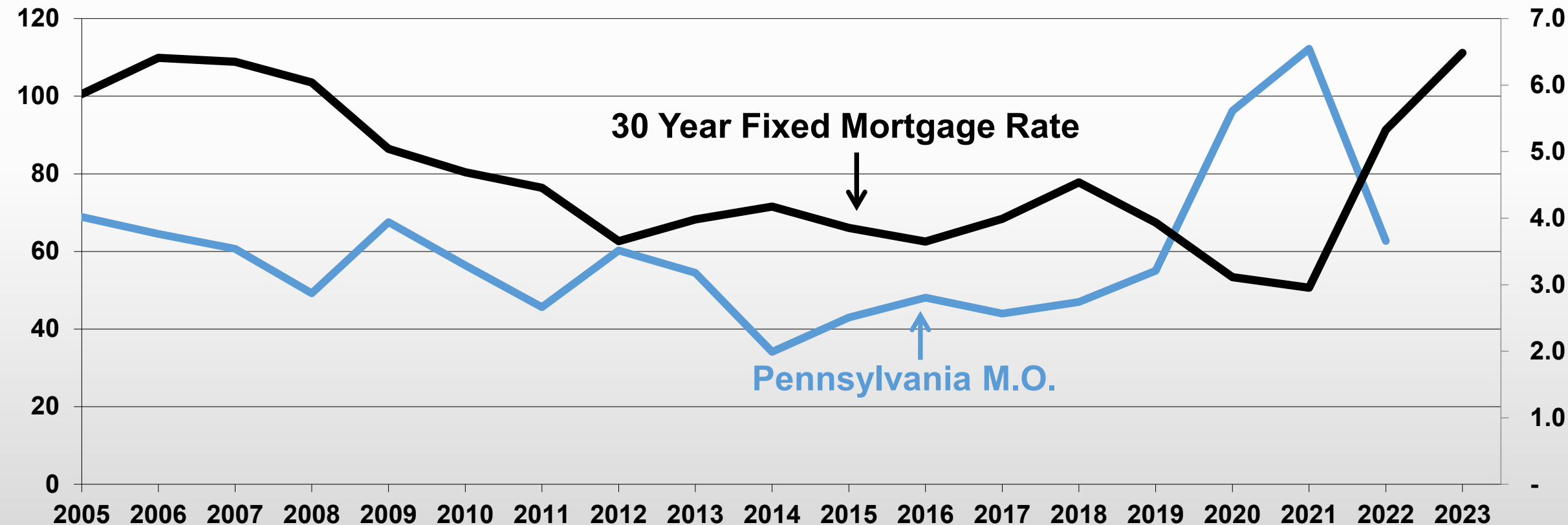


## Months of Supply – All Home Types



# Mortgage Originations

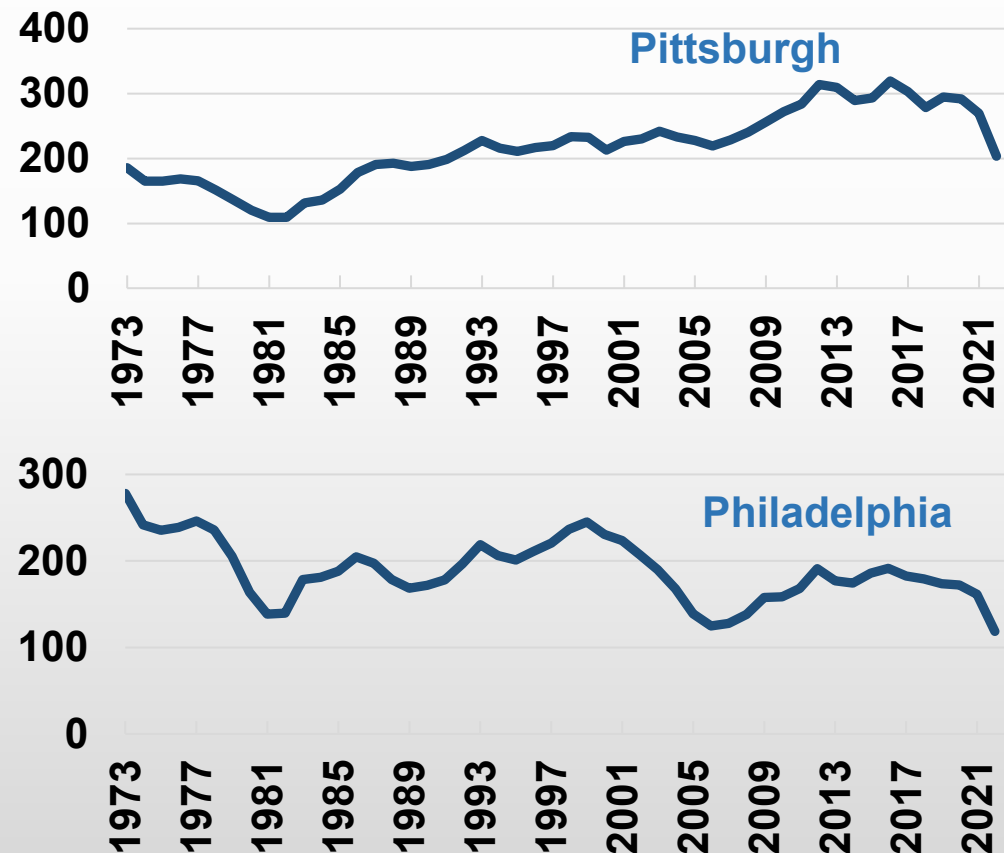
Index, 2000=100



Source: Mortgage Bankers Association (MBA); U.S. Federal Financial Institutions Examination Council (FFIEC): Home Mortgage Disclosure Act (HMDA); National Association of Realtors (NAR); Freddie Mac; Moody's Analytics Estimated

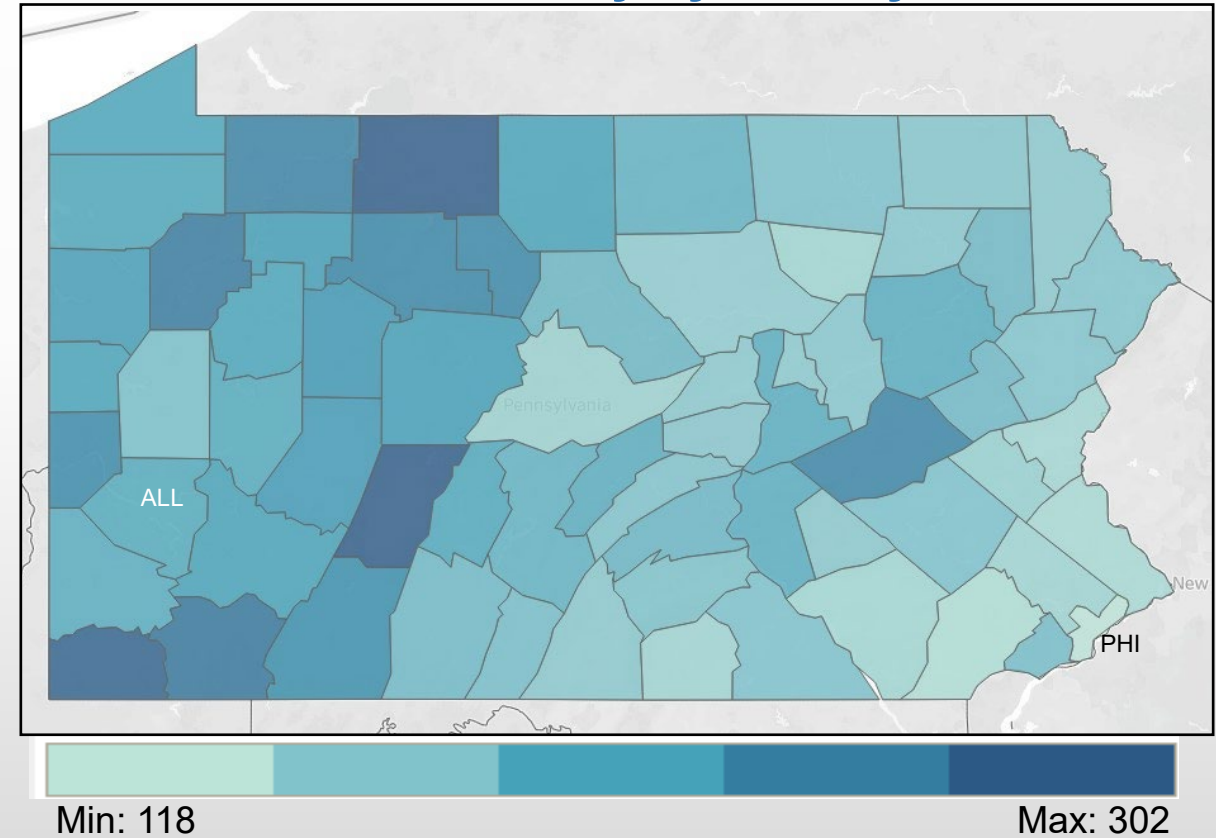
# Home Affordability by County

## Housing Affordability Index, SA



Source: NAR, BEA, BOC, Moody's

## Affordability by County

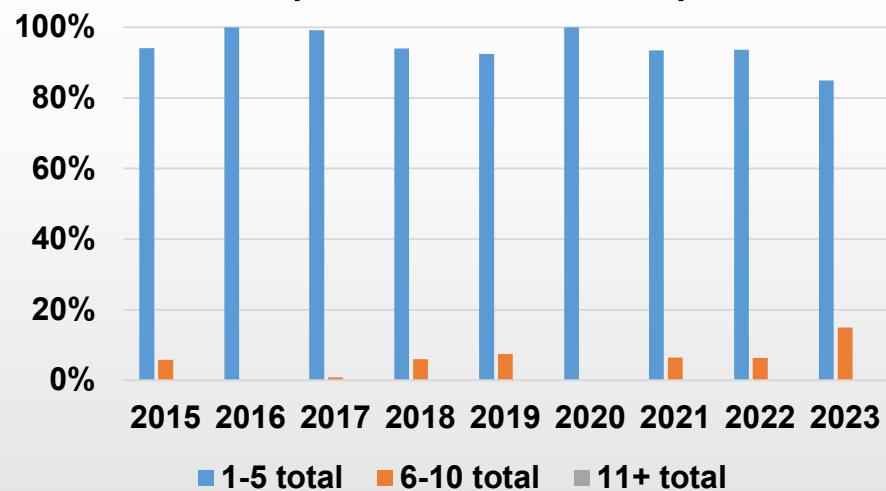


A value of 100 means that a family with the median income has exactly enough income to qualify for a typical mortgage on a median-priced single-family home. An index above 100 signifies that the family has surplus income.

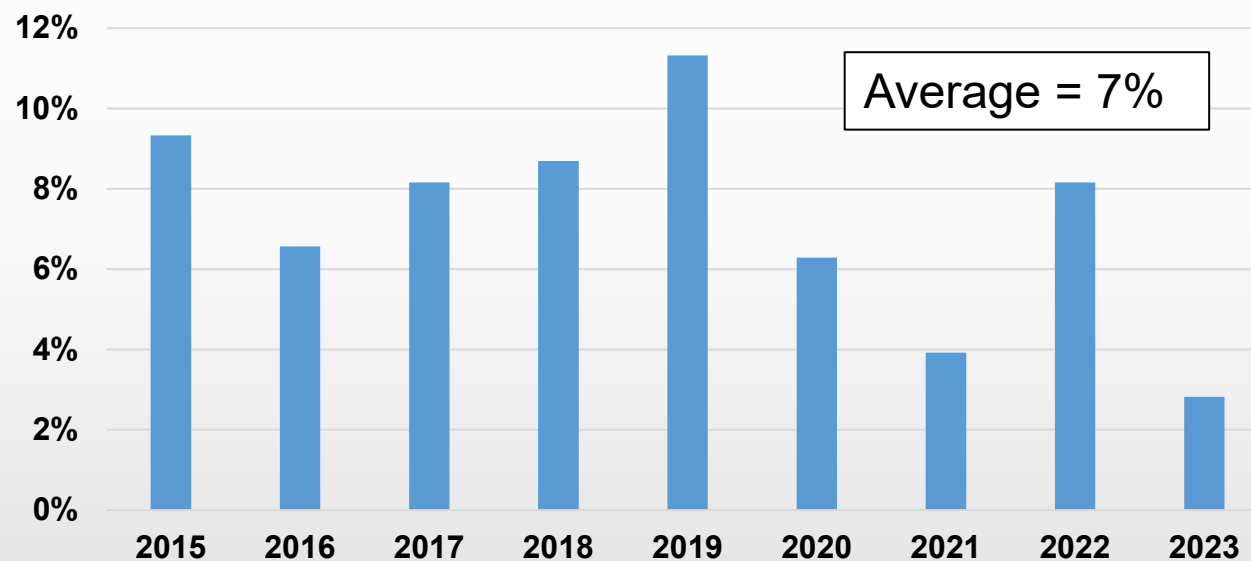


# PA Lodging Market Share

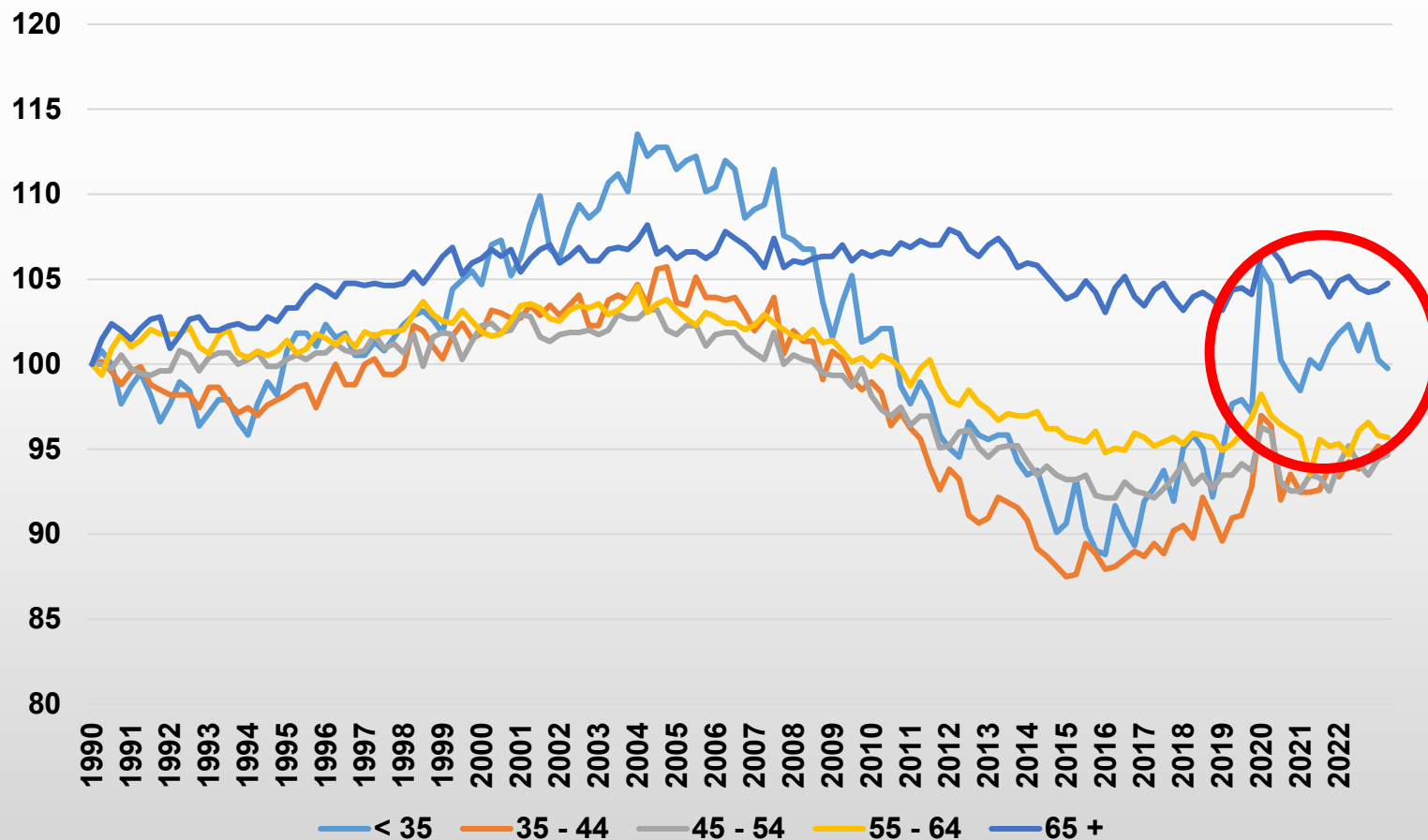
**Wood Framed Share by Story Height  
(MF, Hotel, Dorm)**



**Concrete Share - MF**



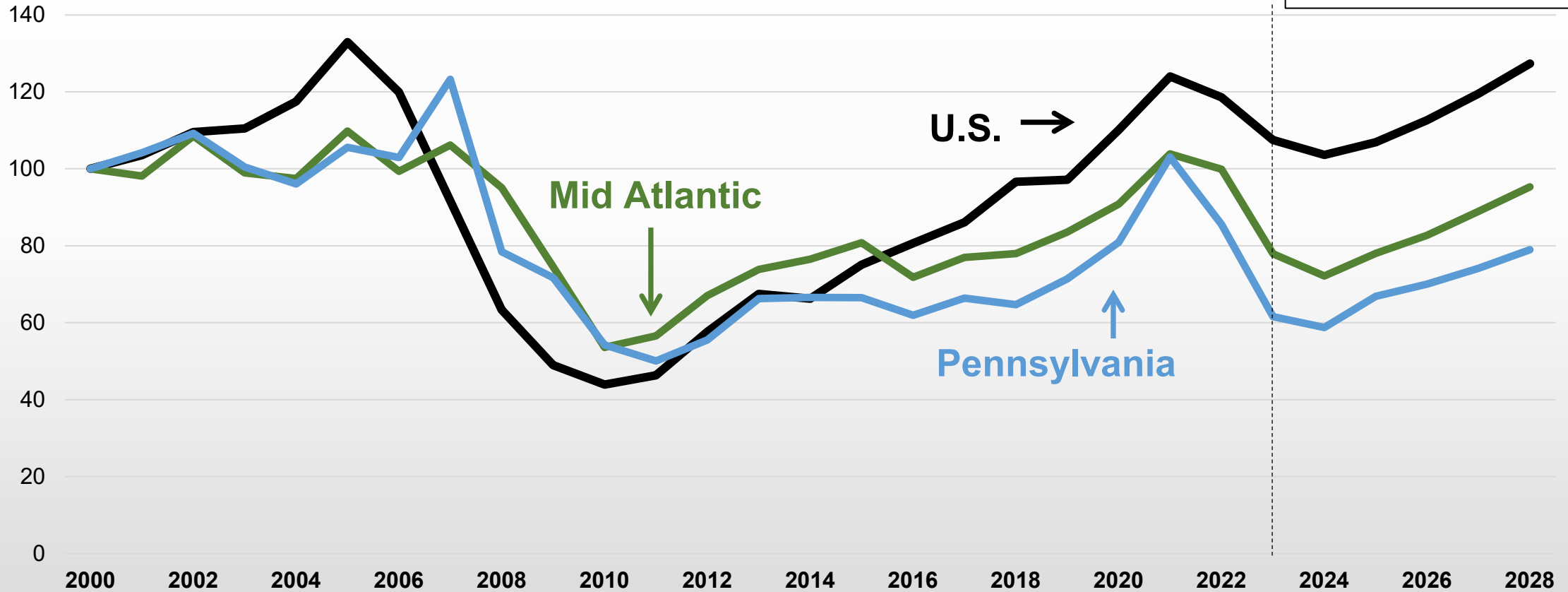
# Millennial Home Ownership



- Over the past five years, the millennial homeownership rate has increased faster than that of other generations

# Residential Cement Consumption

Index, 2000=100

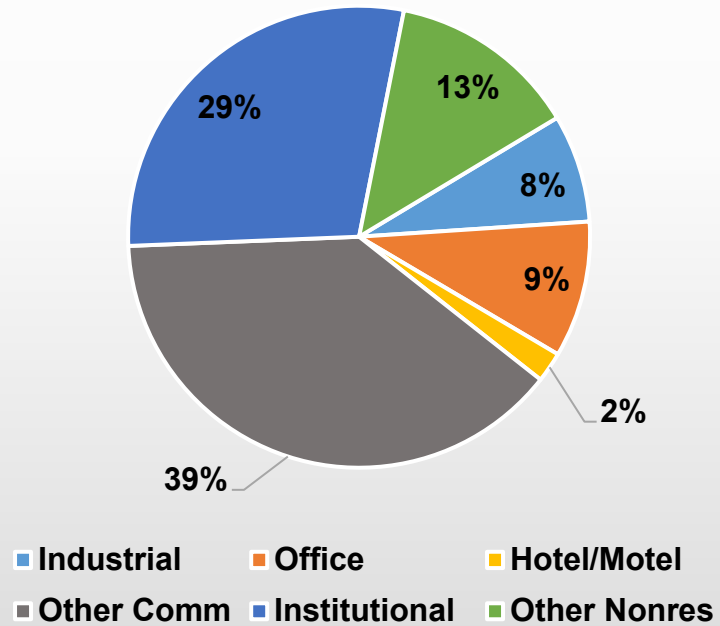


Annual % Change		
	2023	2024
US	-9.3%	-3.6%
MATL	-22.0%	-7.4%
PA	-28.0%	-4.7%

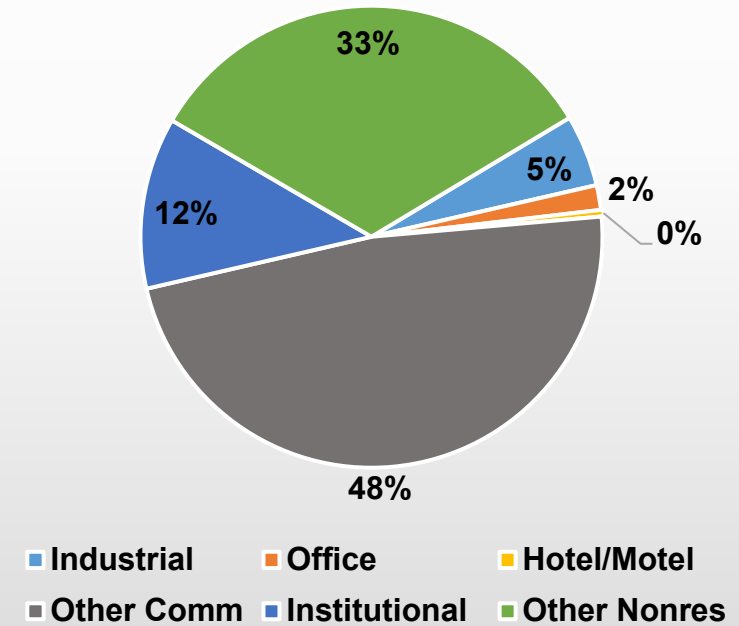
# Nonresidential Outlook

# Non-Residential Cement Consumption Share PA

**% Share Cement 2000-2005**

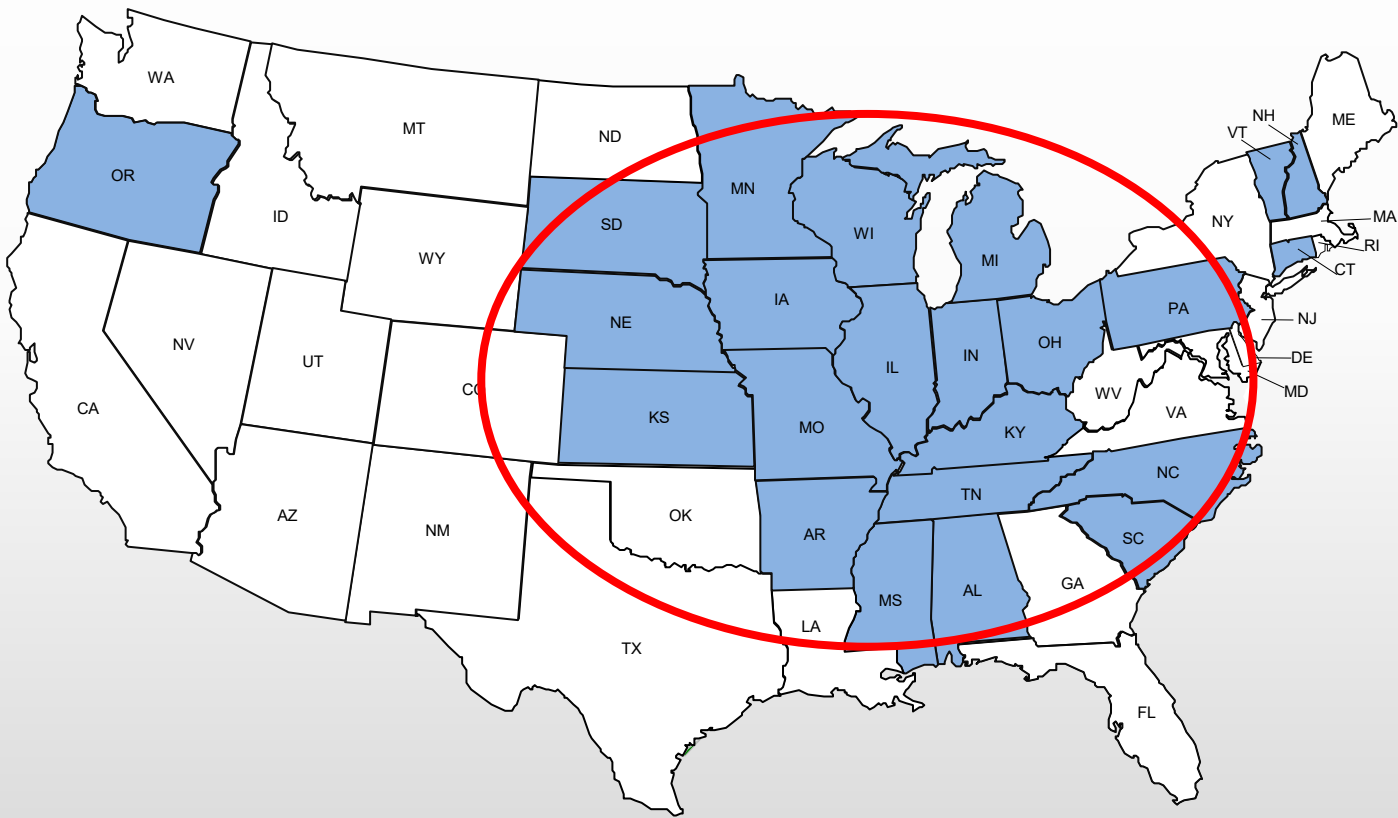


**% Share Cement 2023-2028**

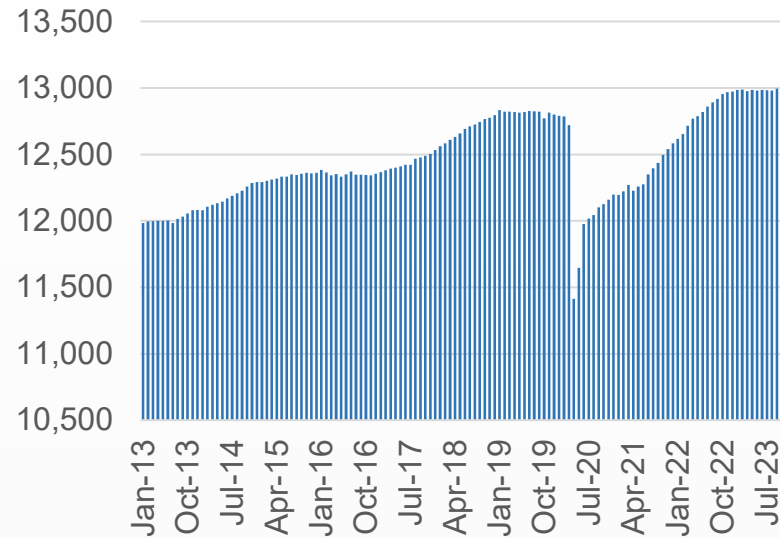




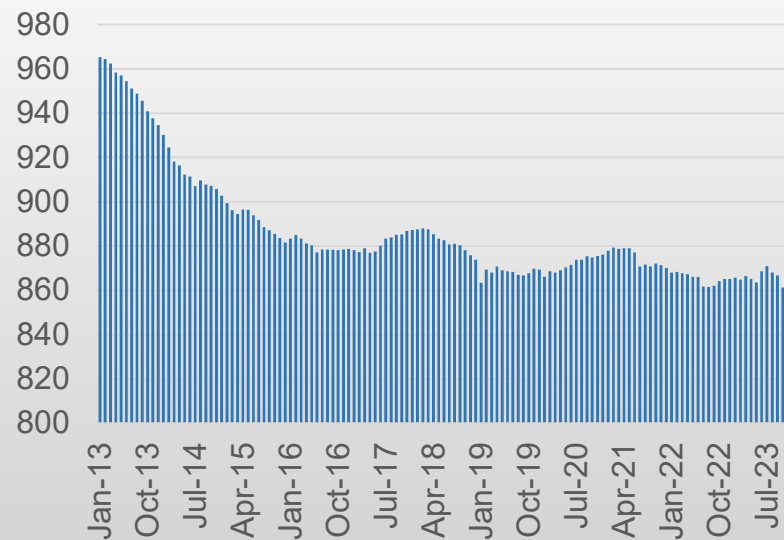
## 9% or Greater Manufacturing Share of Total Employment



## US Manufacturing Employment (000s)

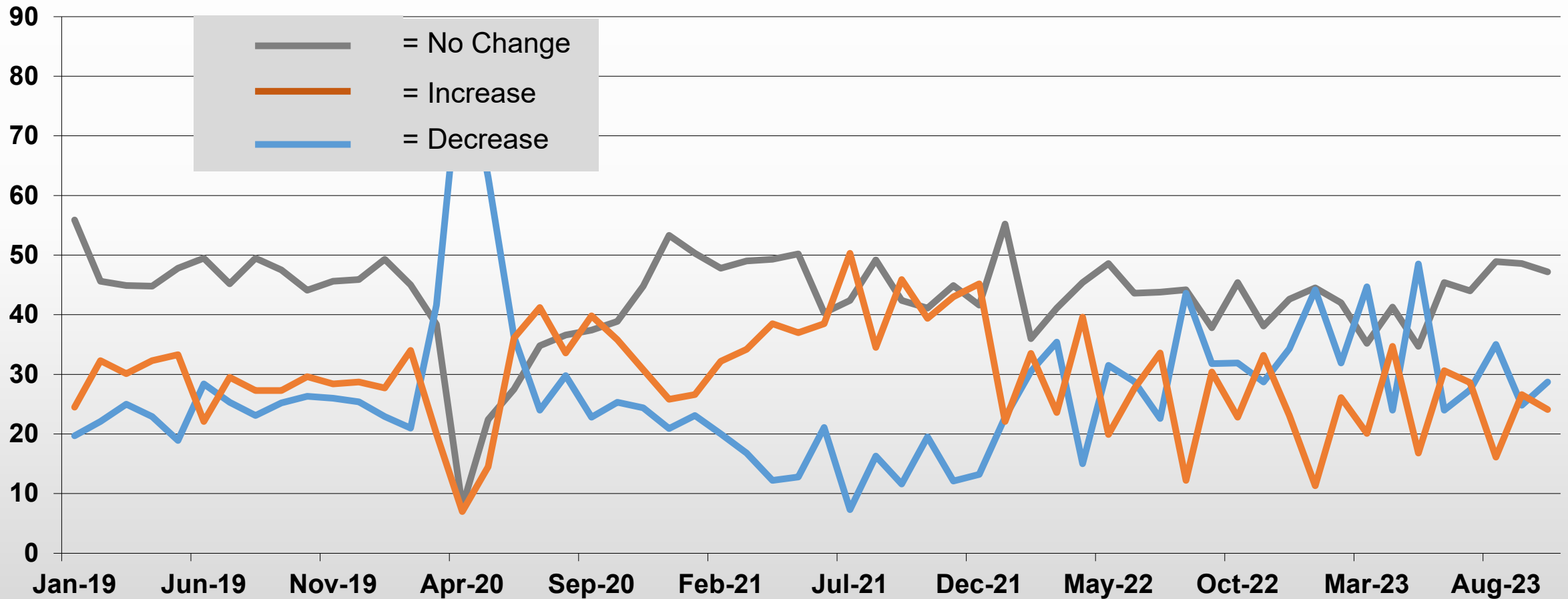


## PA Manufacturing Employment (000s)



# Manufacturing Activity

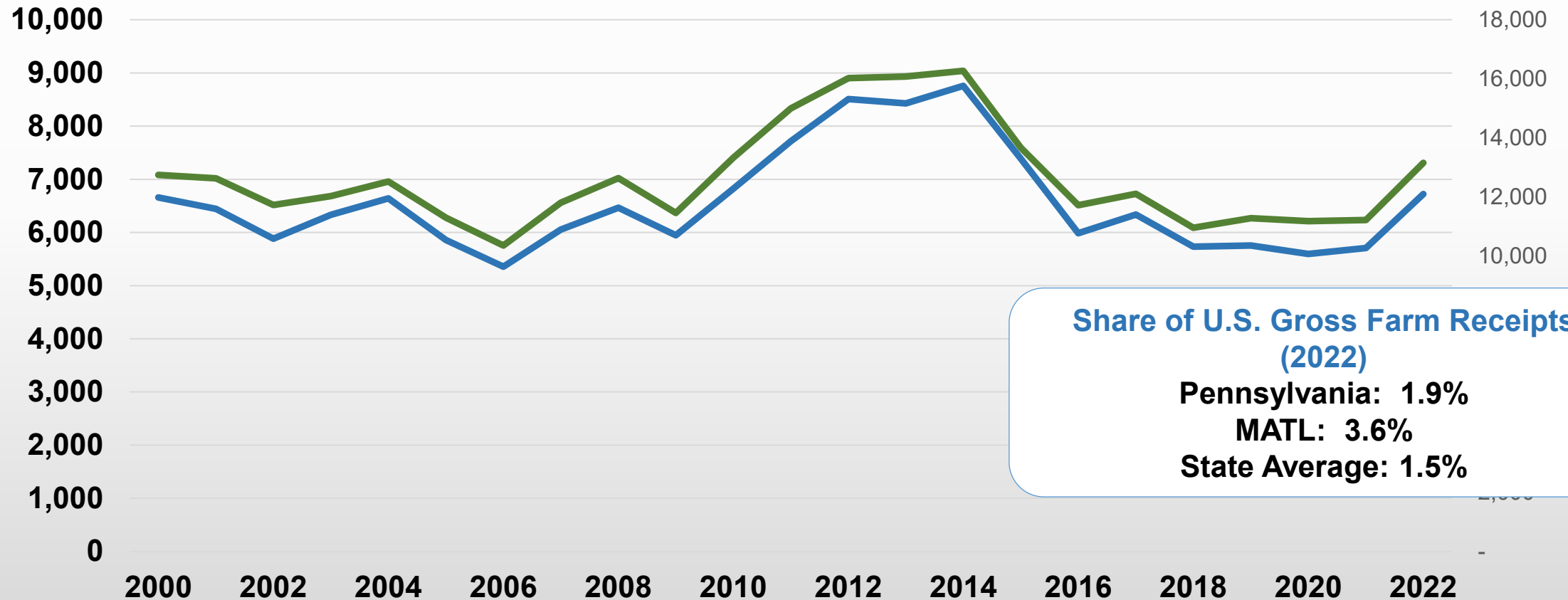
General Activity – Current vs. Previous Month (% SA)



Source: Federal Reserve Bank of New York – NY Empire State Manufacturing Survey

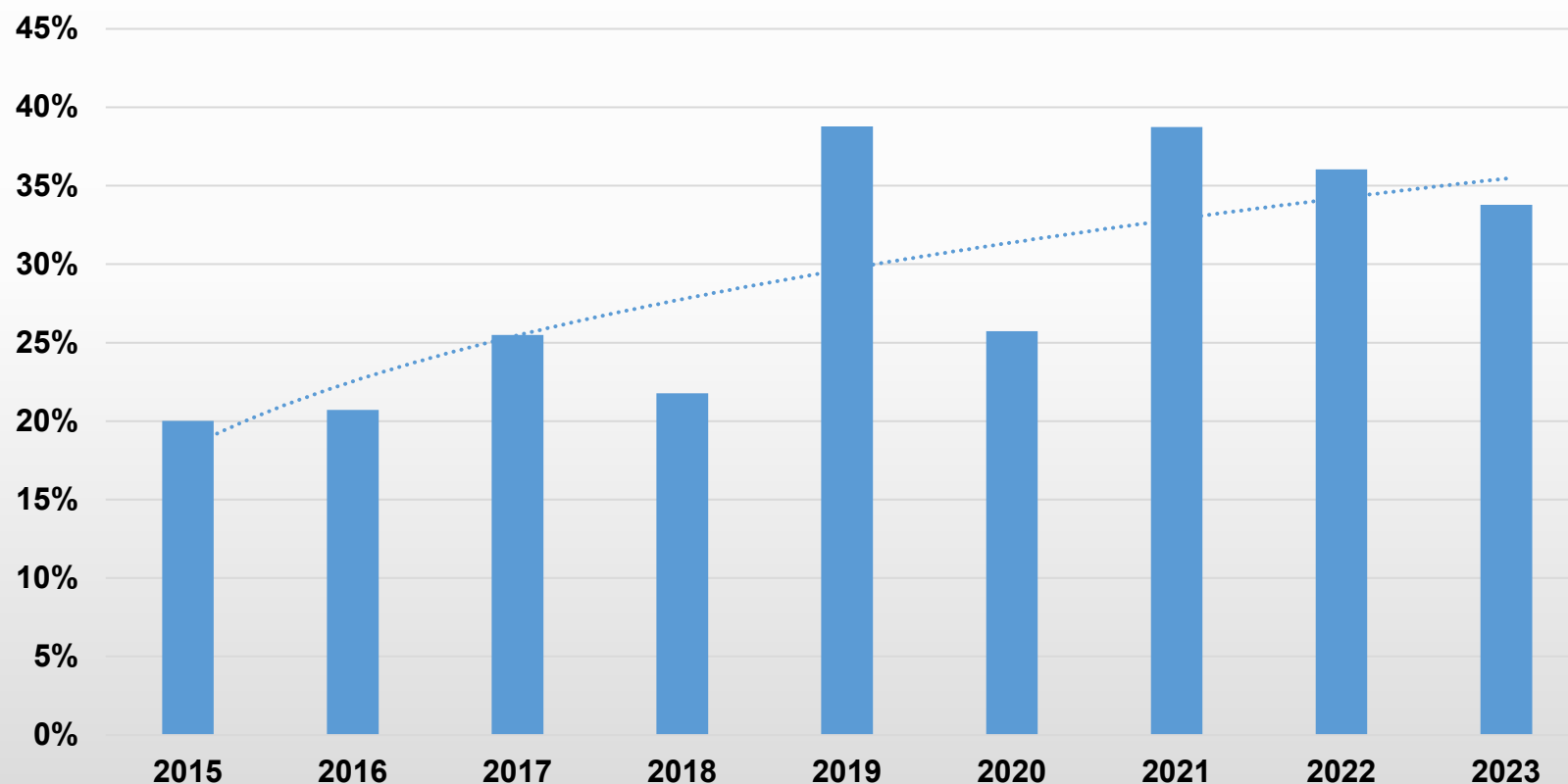
# Net Farm Income – Gross Receipts

Real \$2009 Mil. USD



# PA Framing Shares - Nonresidential

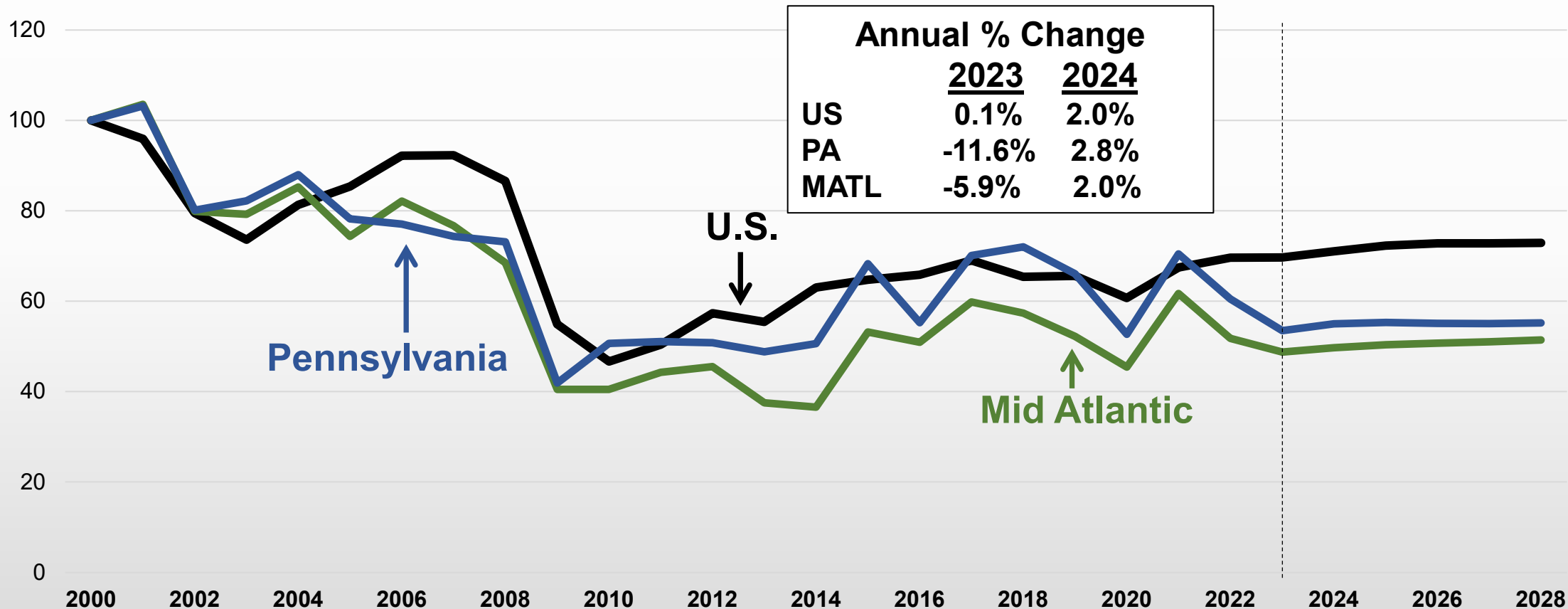
## Concrete Share of NR Contract Awards



Market	Avg. %
Dorms	11%
Hotels/Motels	9%
Schools	13%
Public Admin	21%
Religious	34%
Hospitals	3%
Terminals	21%
Social/Cultural/Rec	11%
Stores/Restaurants	16%
Offices/Banks	6%
Parking Garages	84%
Comm Whses & Term	31%
Ind Bldgs/Ind Whses	19%

# Nonresidential Cement Consumption – Mid Atlantic

Index, 2000=100

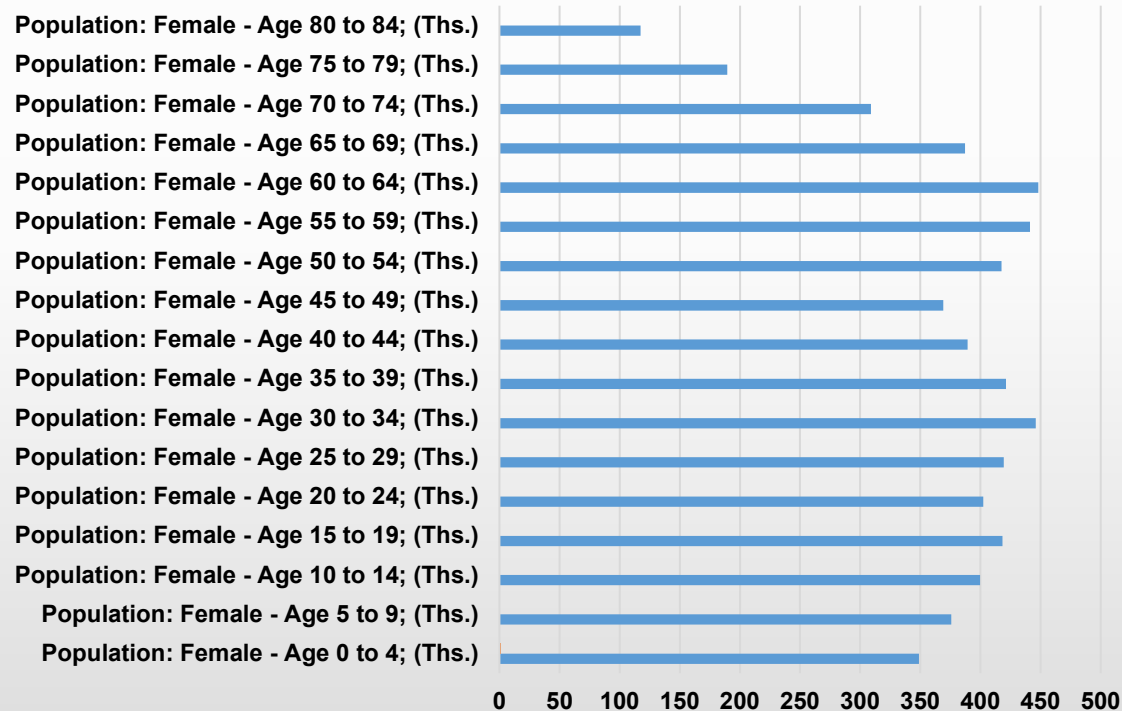




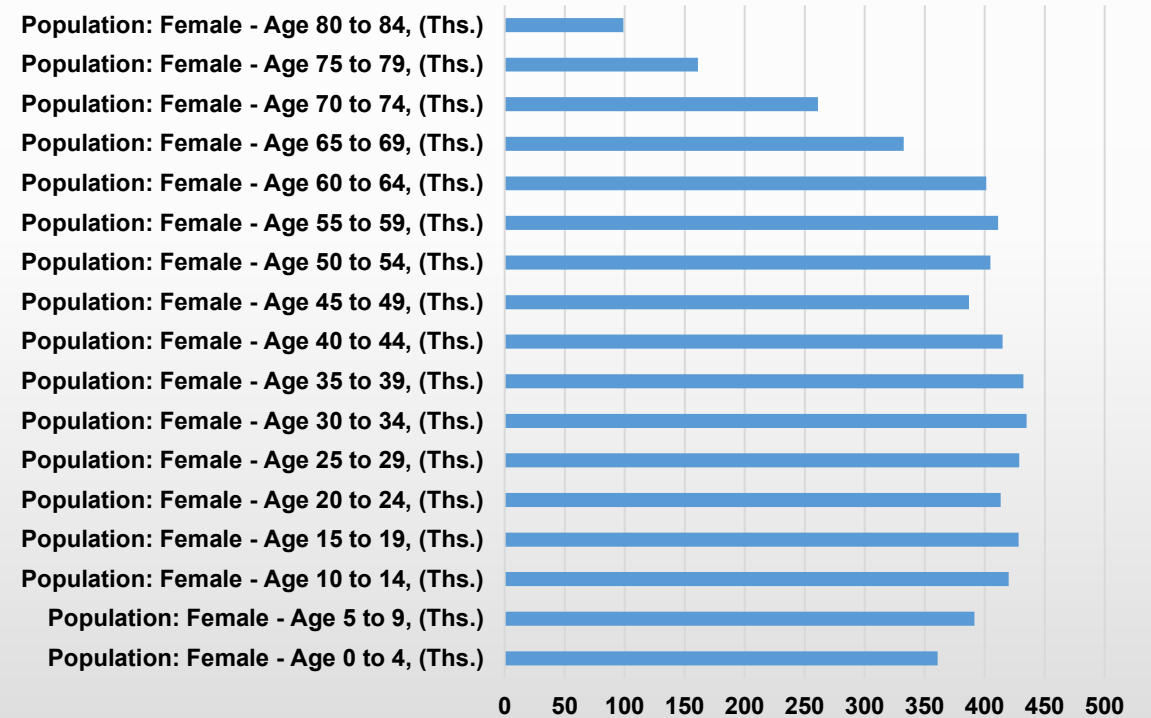
# Public Outlook

# PA Population Picture

**PA Male Population (Ths.)**

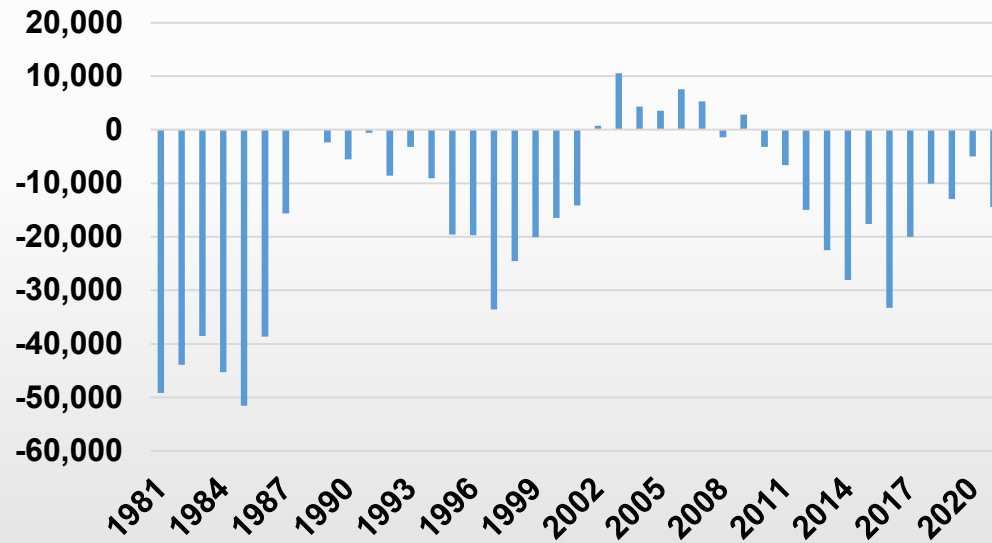


**PA Female Population (Ths.)**

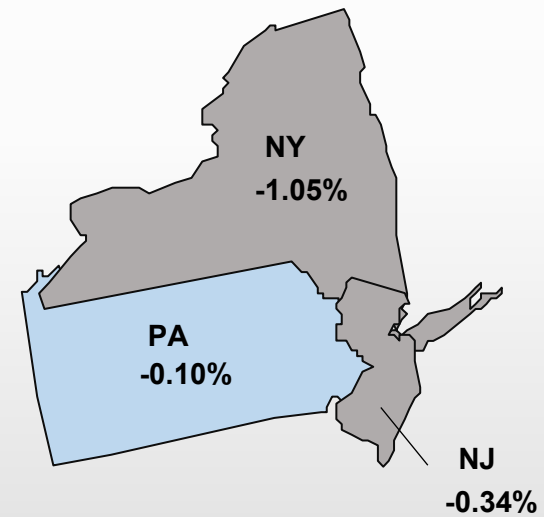


# Net Migration

**PA Net Migration (#)**

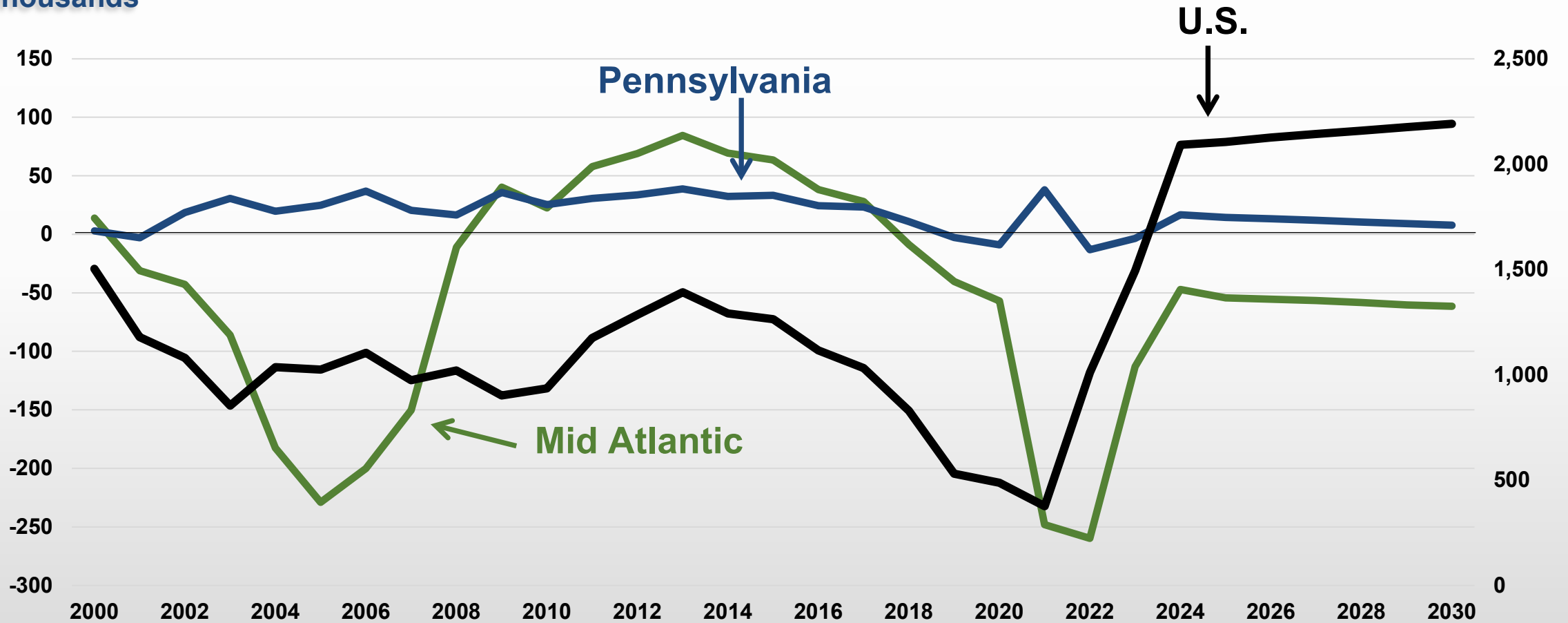


**5 Year Average Net Migration % of Population**



# Net Migration

Thousands



Source: Census Bureau

# Infrastructure Investment and Jobs Act (IIJA)

IIJA Funding	Rank (1-51)	Implied Announced	Estimated Completion	
NJ	20	5,328	14.0%	
NY	7	9,430	12.4%	
PA	6	10,221	20.4%	
US	-	280,000	23.3%	
Transportation Funding	Rank (1-51)	Awarded	Announced	Discretionary
NJ	20	1,220	5	21.9%
NY	5	1,935	1,675	31.6%
PA	7	2,423	927	21.0%
US	-	61,508	31,304	27.4%
Roads and Bridges Funding	Rank (1-51)	Awarded	Announced	Discretionary
NJ	21	1,122	110	8.9%
NY	6	1,804	620	25.7%
PA	5	2,360	277	10.5%
US	-	61,508	61,304	27.4%

- IIJA authorized \$1.2 trillion for transportation and infrastructure spending
- \$550 billion “new”
- As of Sept. 2023, \$280 billion announced

Notes:

Awarded Funding – Actual obligations and outlays as of data release

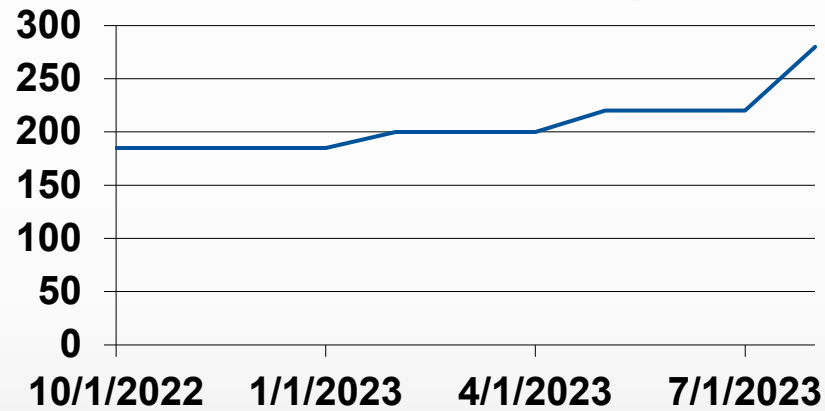
Announced Funding – Planned Projects

Discretionary Funding – Optional spending from an appropriated bill. Represents the more competitive domain.

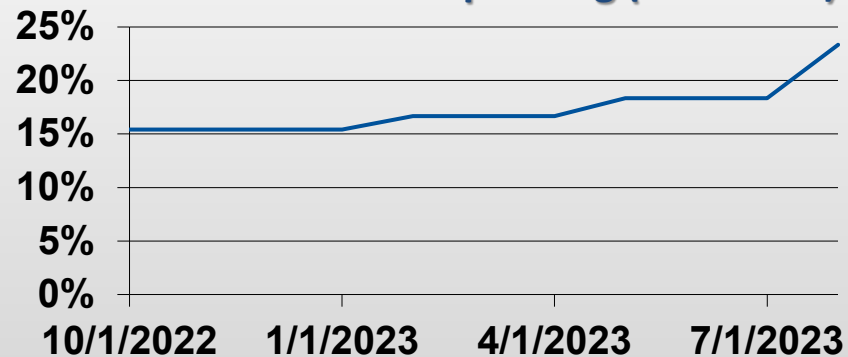
# Infrastructure Investment and Jobs Act by County

Implied Total: Awarded + Announced

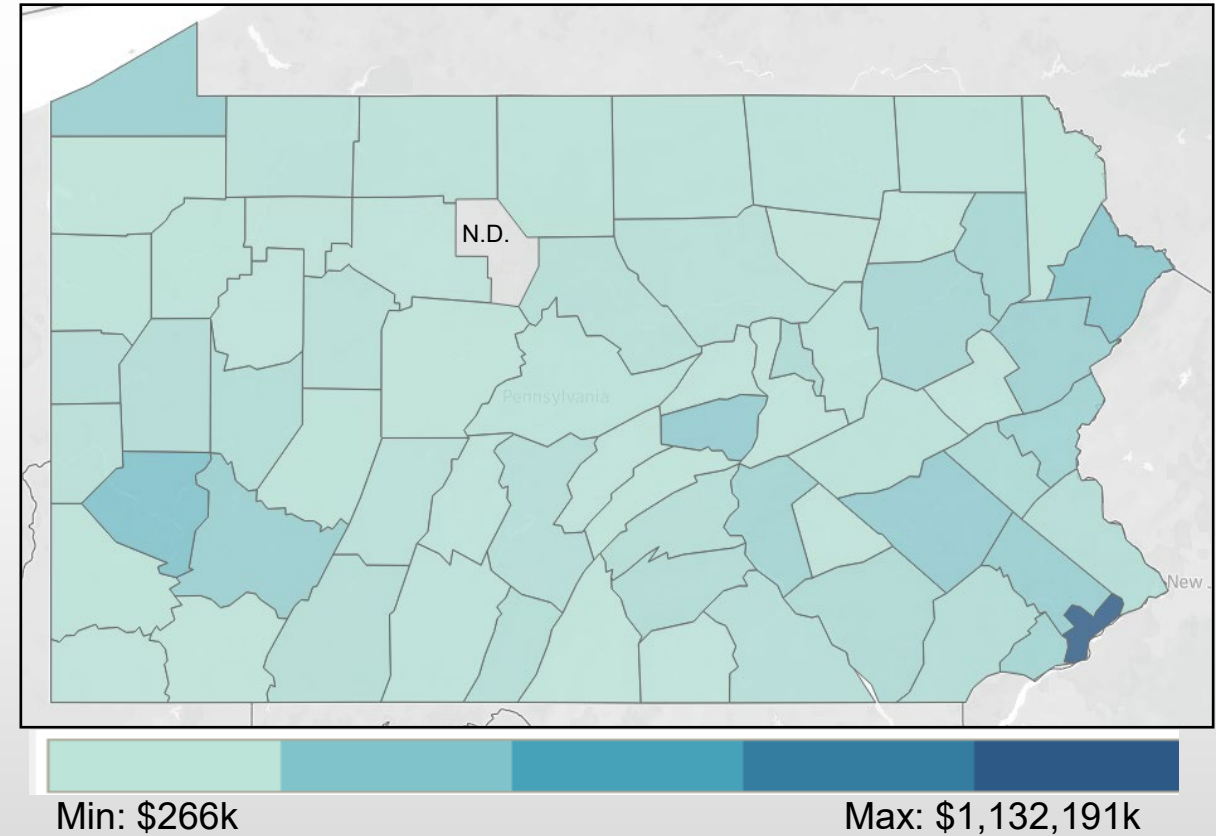
**IIJA Announced Spending (\$Bil.)**



**IIJA Announced Spending (% of Total)**

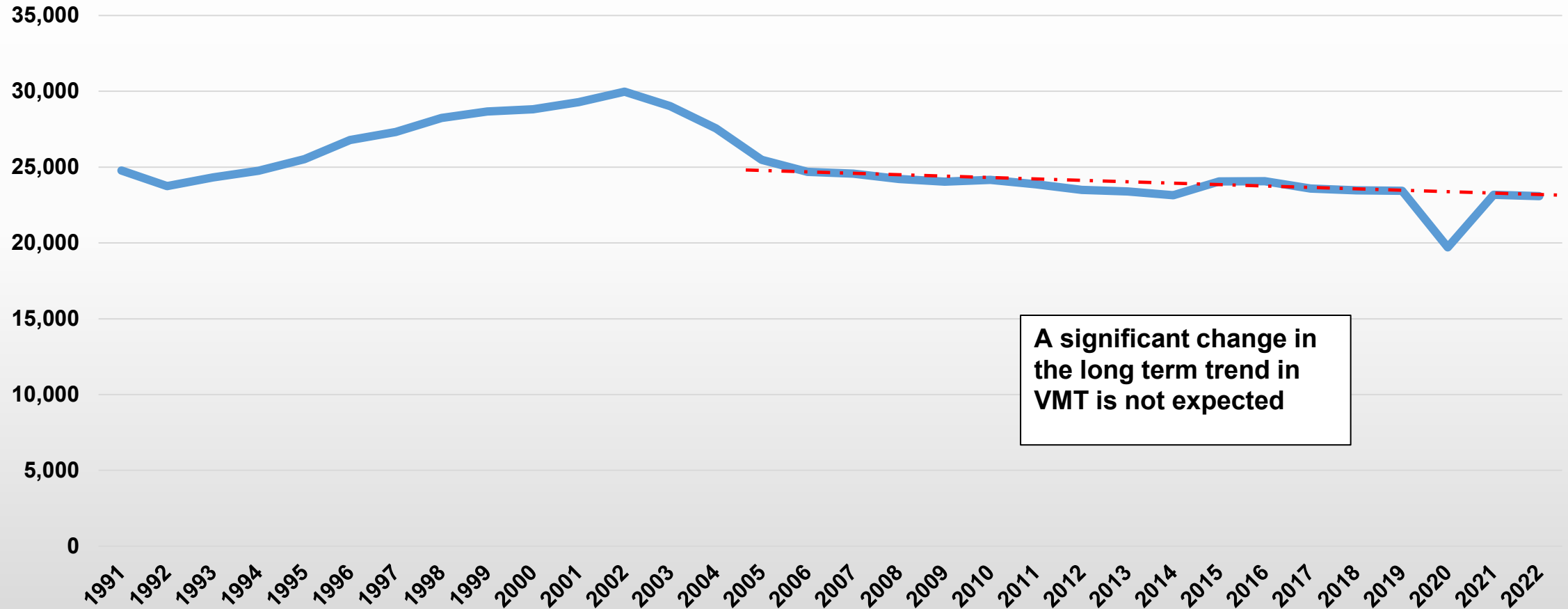


**Implied Total by County (Ths. \$)**



# Vehicle Miles Travelled

Million Miles

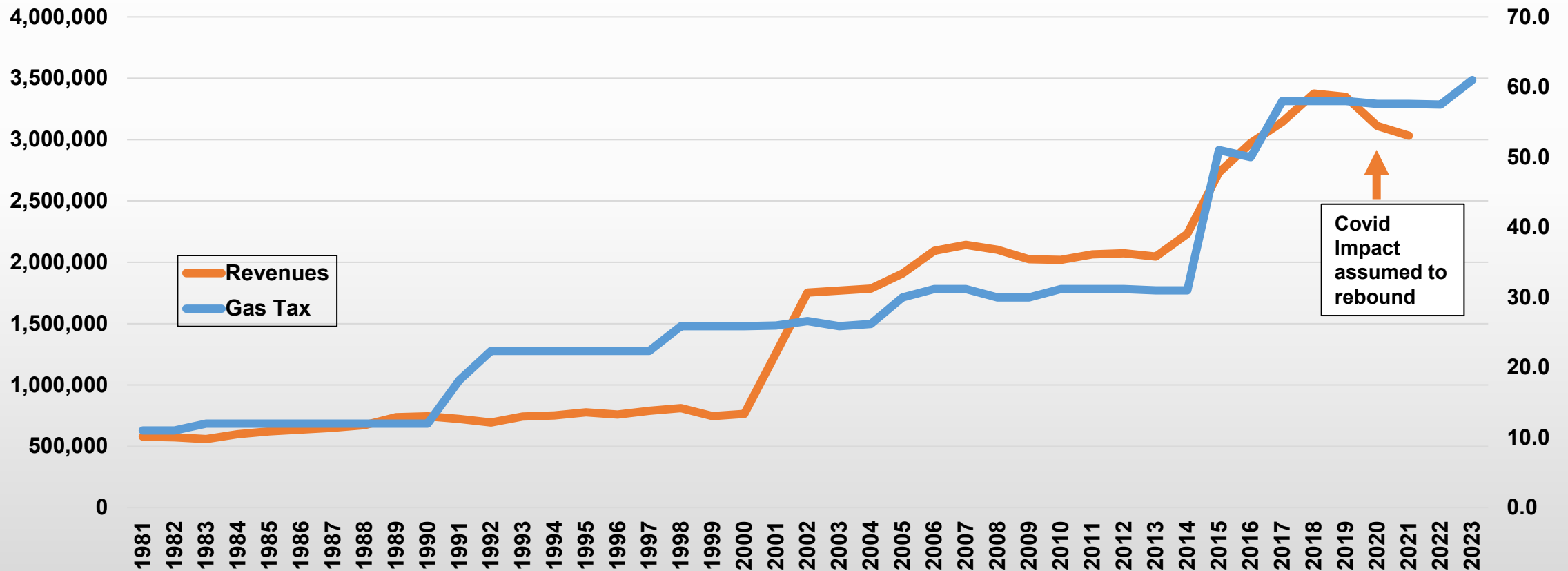


A significant change in the long term trend in VMT is not expected

# Gas Tax & Revenues

Tax: Cents

Revenues: Ths. \$



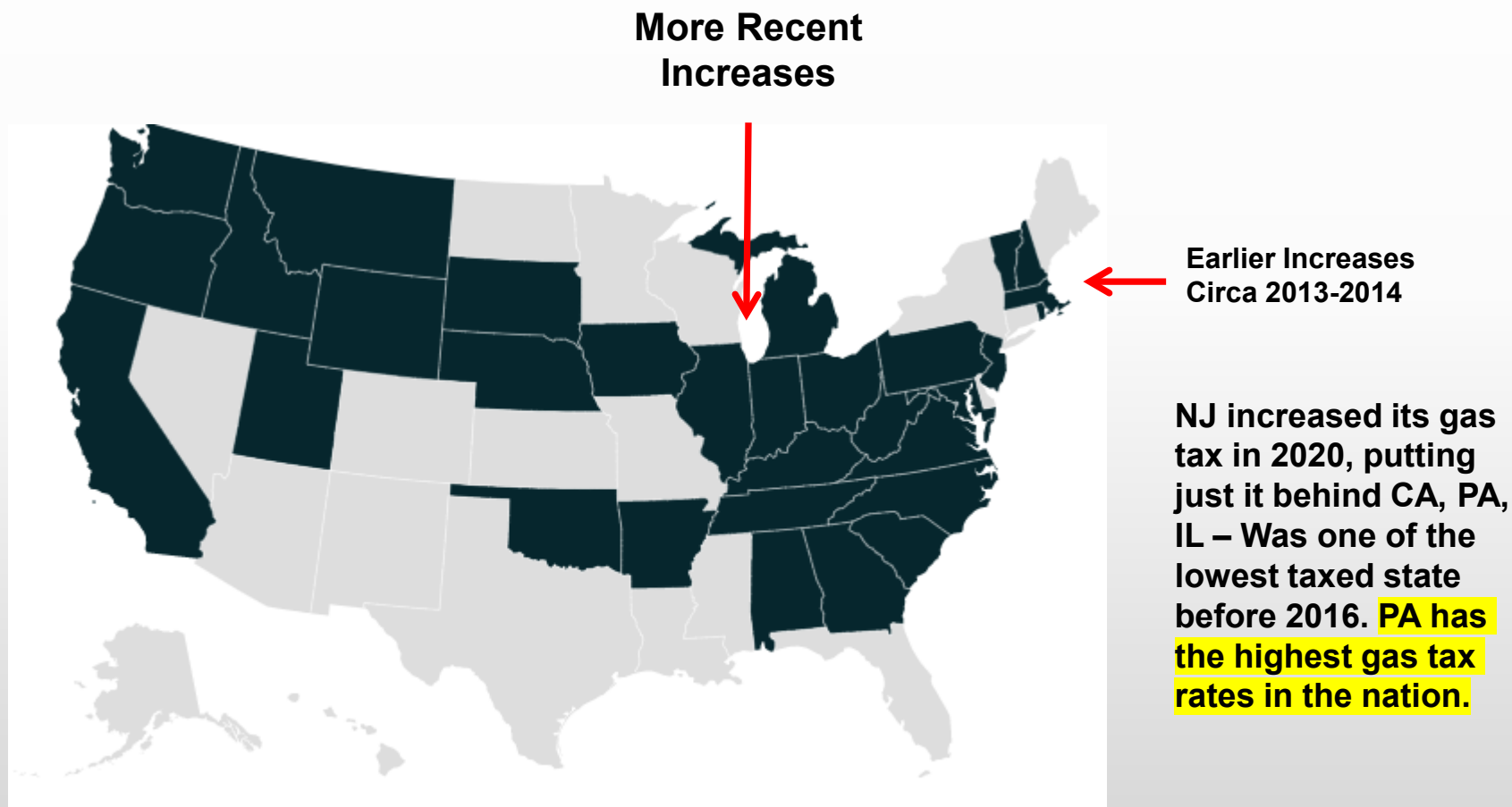
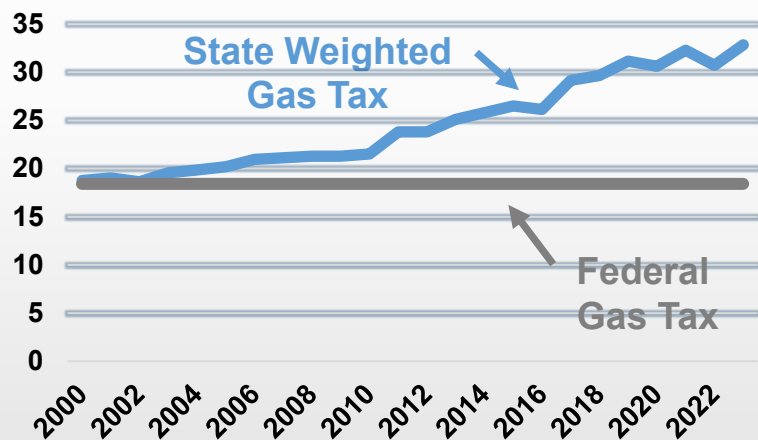
Source: U.S. Federal Highway Administration (FHWA)



# State Gas Tax Increased or Reforms

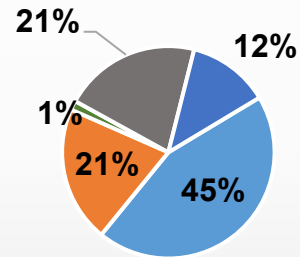
Laws enacted between 2013 and 2019

State Vs. Federal Gas Tax



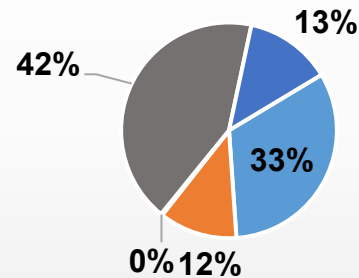
# Apparent Use of Highway Cement (4 Yr. Average)

**% Share Streets & Highways - US**



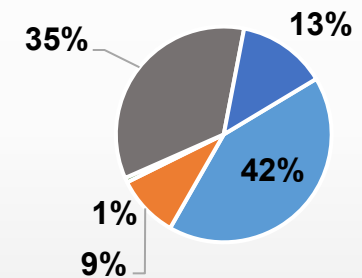
- State Highways (Urban & Rural)
- Urban Streets & Roadways
- Rural Roadways
- Vehicle / Pedestrian Bridges
- Maintenance & Repair

**% Share Streets & Highways - PA East**



- State Highways (Urban & Rural)
- Urban Streets & Roadways
- Rural Roadways
- Vehicle / Pedestrian Bridges
- Maintenance & Repair

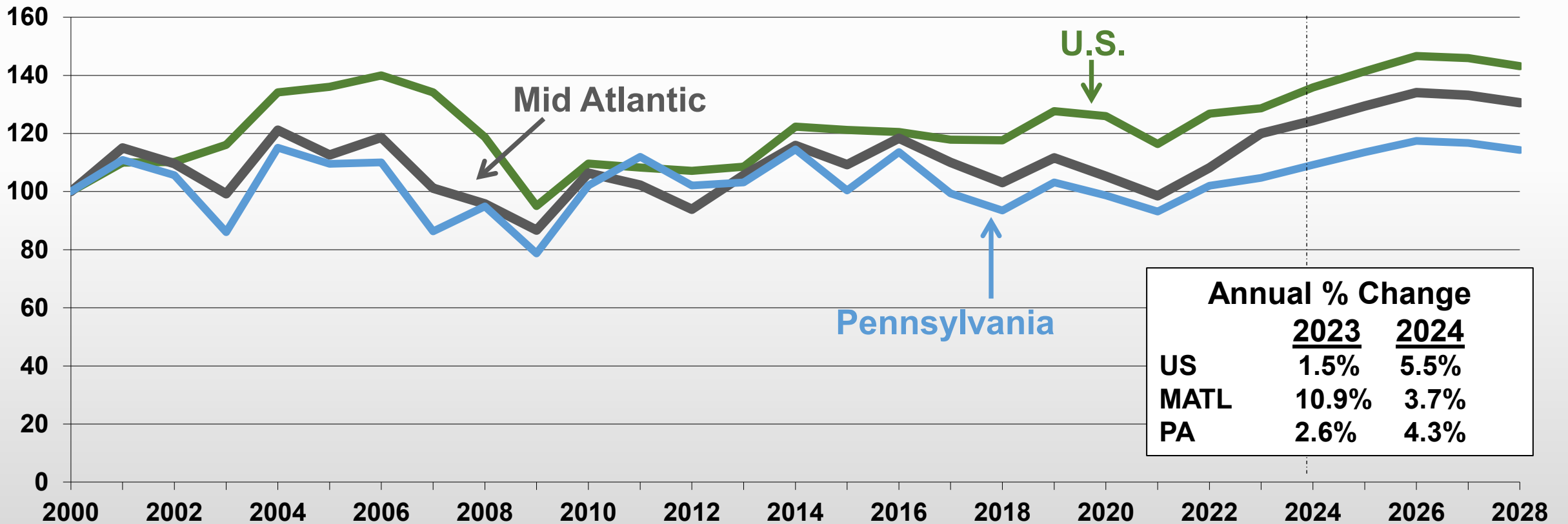
**% Share Streets & Highways - PA West**



- State Highways (Urban & Rural)
- Urban Streets & Roadways
- Rural Roadways
- Vehicle / Pedestrian Bridges
- Maintenance & Repair

# Public Cement Consumption

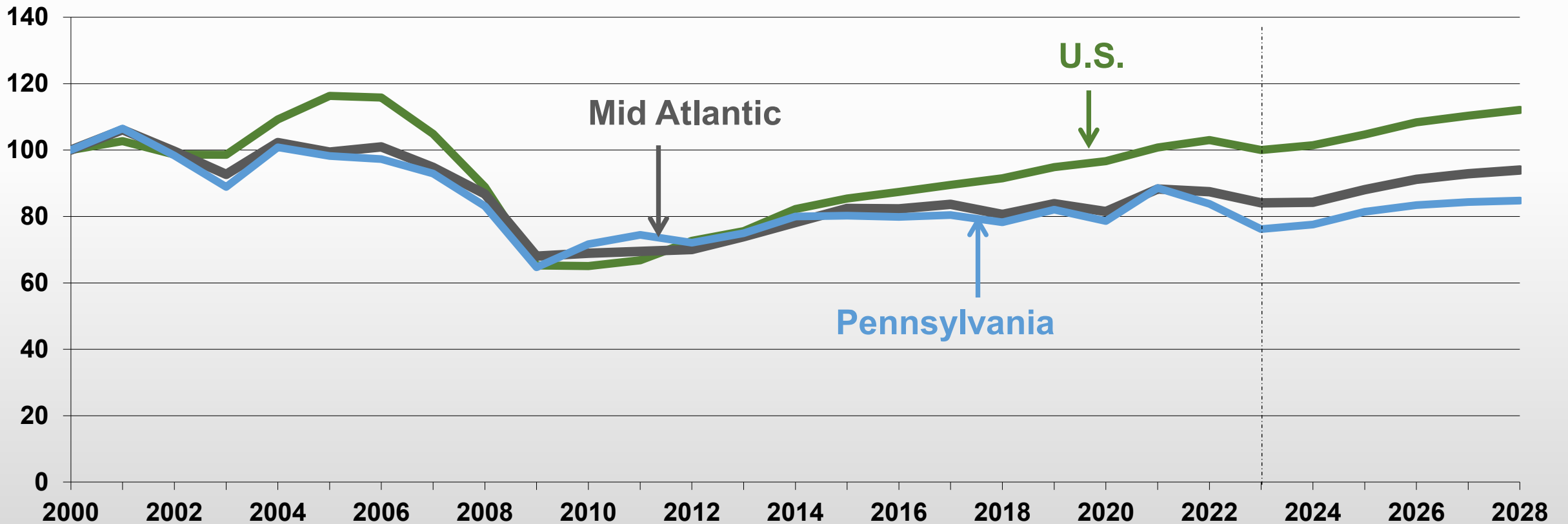
Index, 2000=100



Source: USGS, PCA

# Total Cement Consumption

Index, 2000=100







*Since 1916*

America's Cement Manufacturers™

# Economic & Cement Update: Pennsylvania

Joe Chiappe, Dir. Data Analytics & Sr. Regional  
Economist

November 2023