

The logo for PCA (Portland Cement Association) features the letters 'PCA' in a bold, white, sans-serif font. A white swoosh underline is positioned under the 'A', and a registered trademark symbol (®) is located to the right of the swoosh. The logo is set against a background of a large concrete archway structure.

PCA®

Since 1916

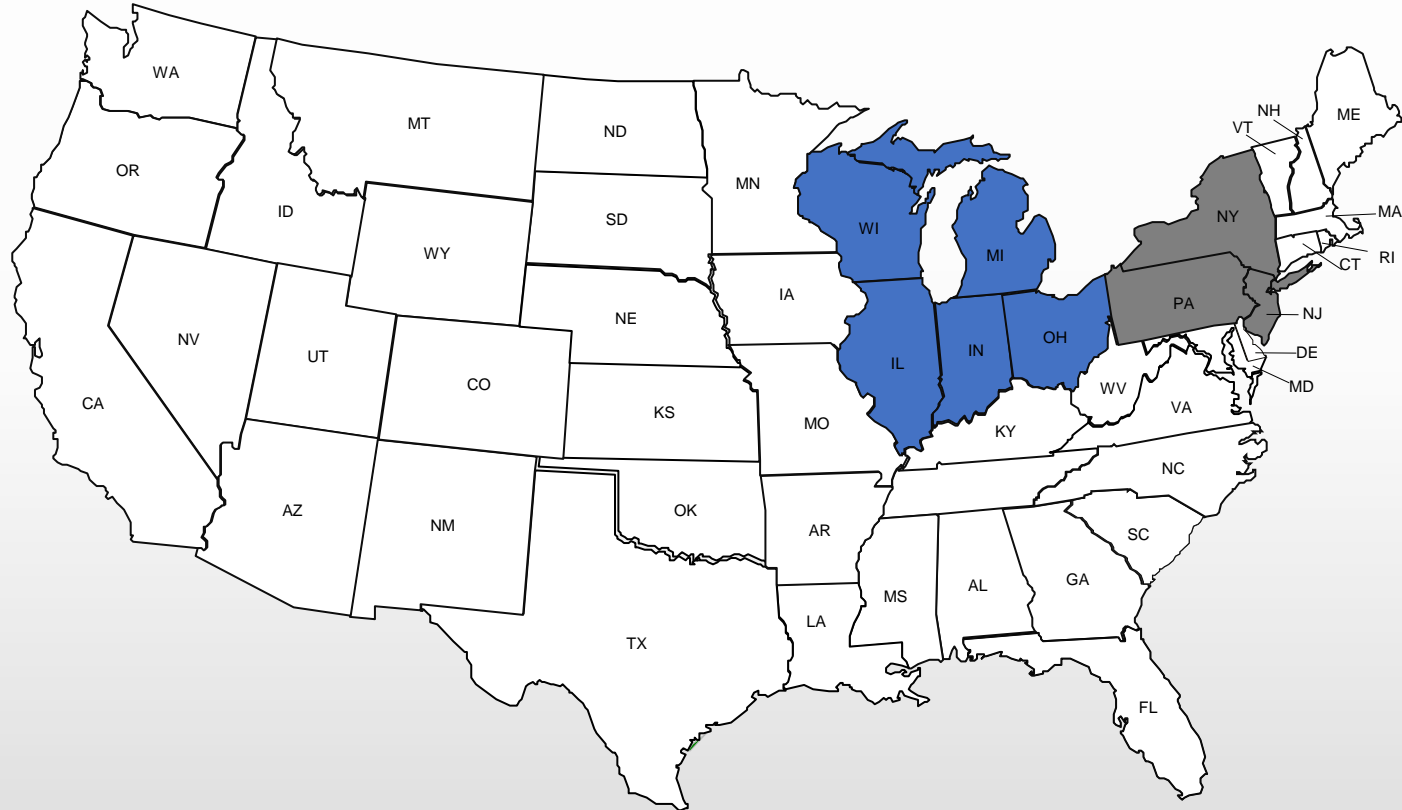
America's Cement Manufacturers™

**Spring Forecast:
East North Central & Mid Atlantic**

Joe Chiappe, Sr. Regional Economist

May 2022

Regional Focus



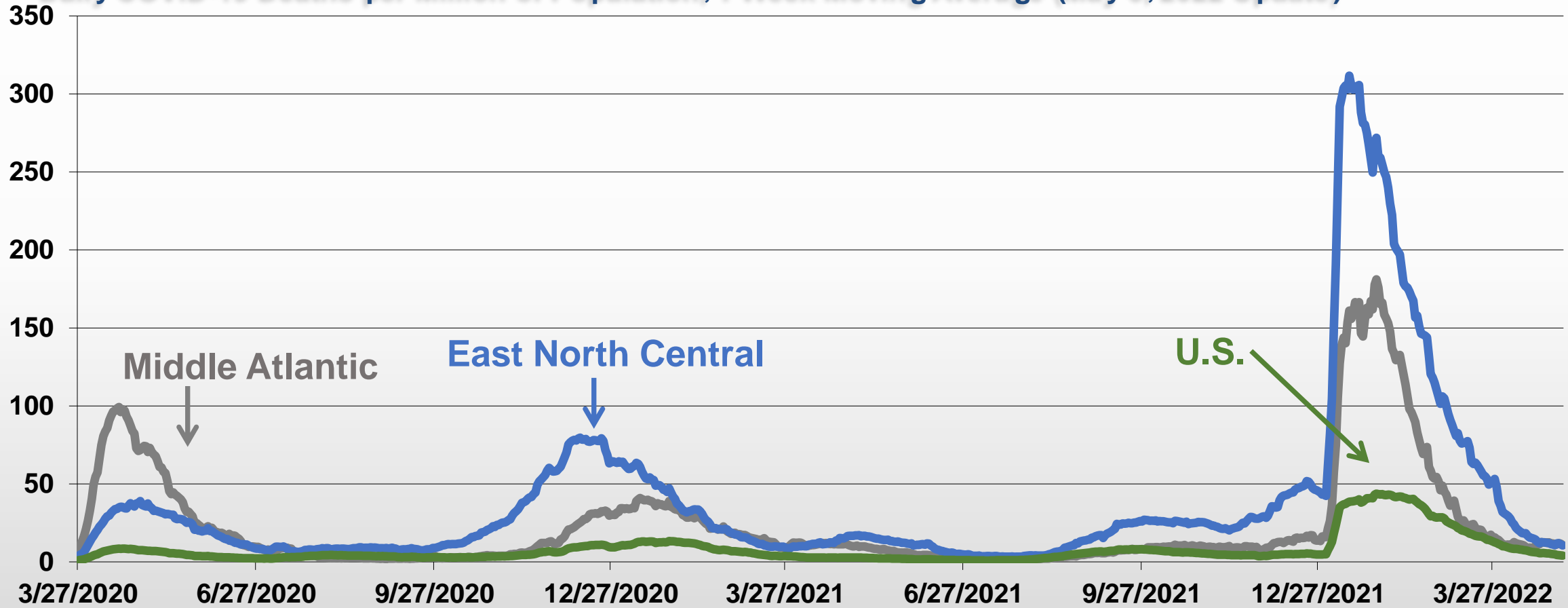
East North Central



Middle Atlantic

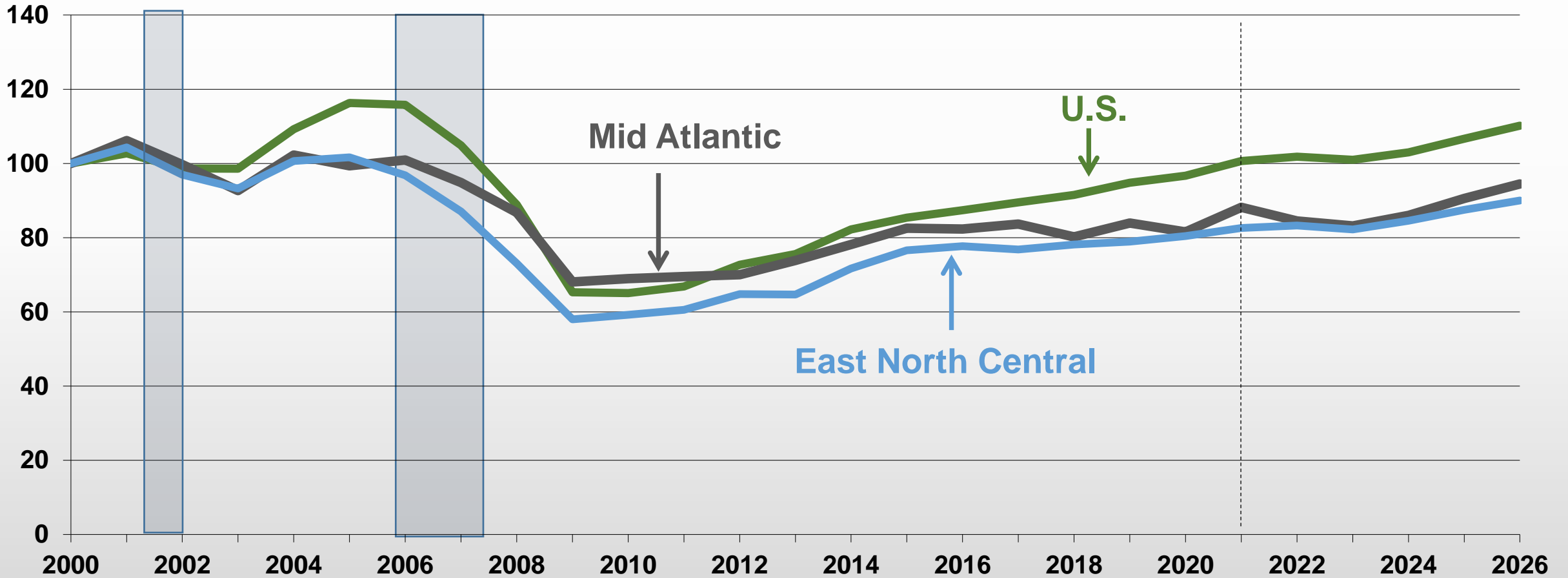
IHME Daily Deaths Per Capita

Daily COVID-19 Deaths per Million of Population, 1 Week Moving Average (May 6, 2022 Update)



Total Cement Consumption

Index, 2000=100

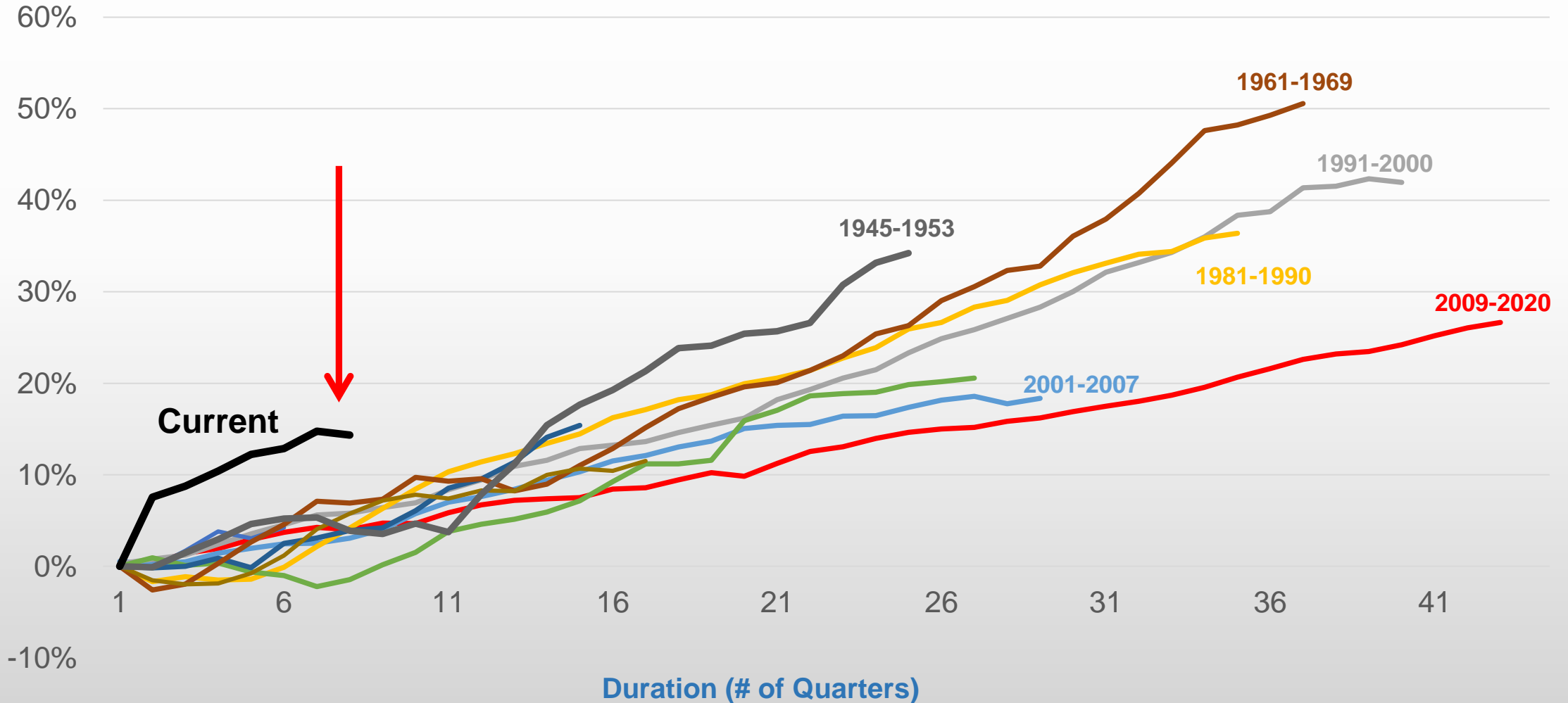


Source: USGS, PCA

Economic Outlook

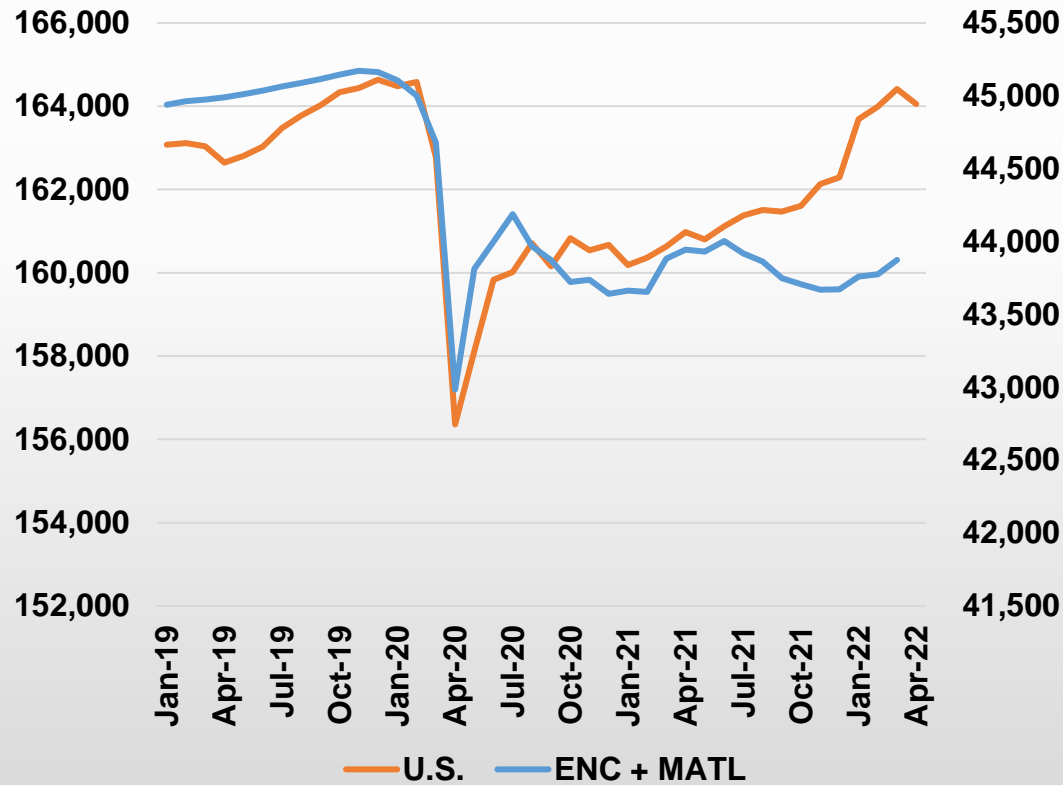
Strength & Duration of U.S. Recoveries

Real GDP Percentage Growth From Previous Trough

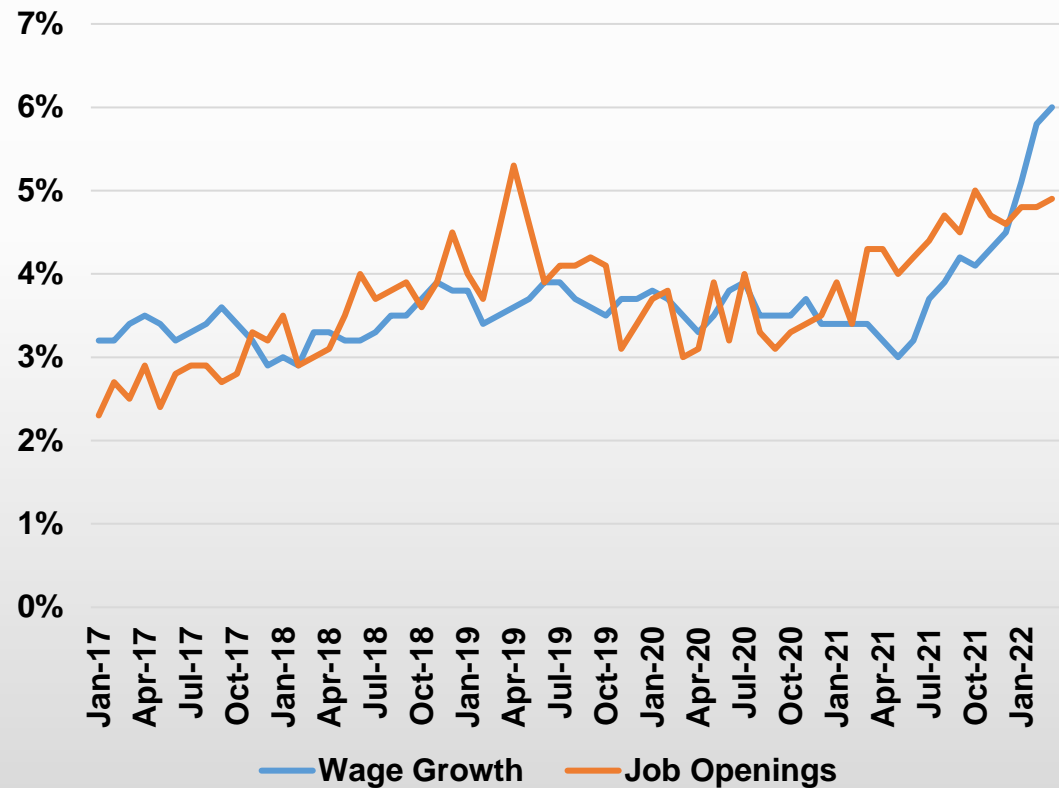


Labor Force Restraints

Civilian Labor Force (000, SA)



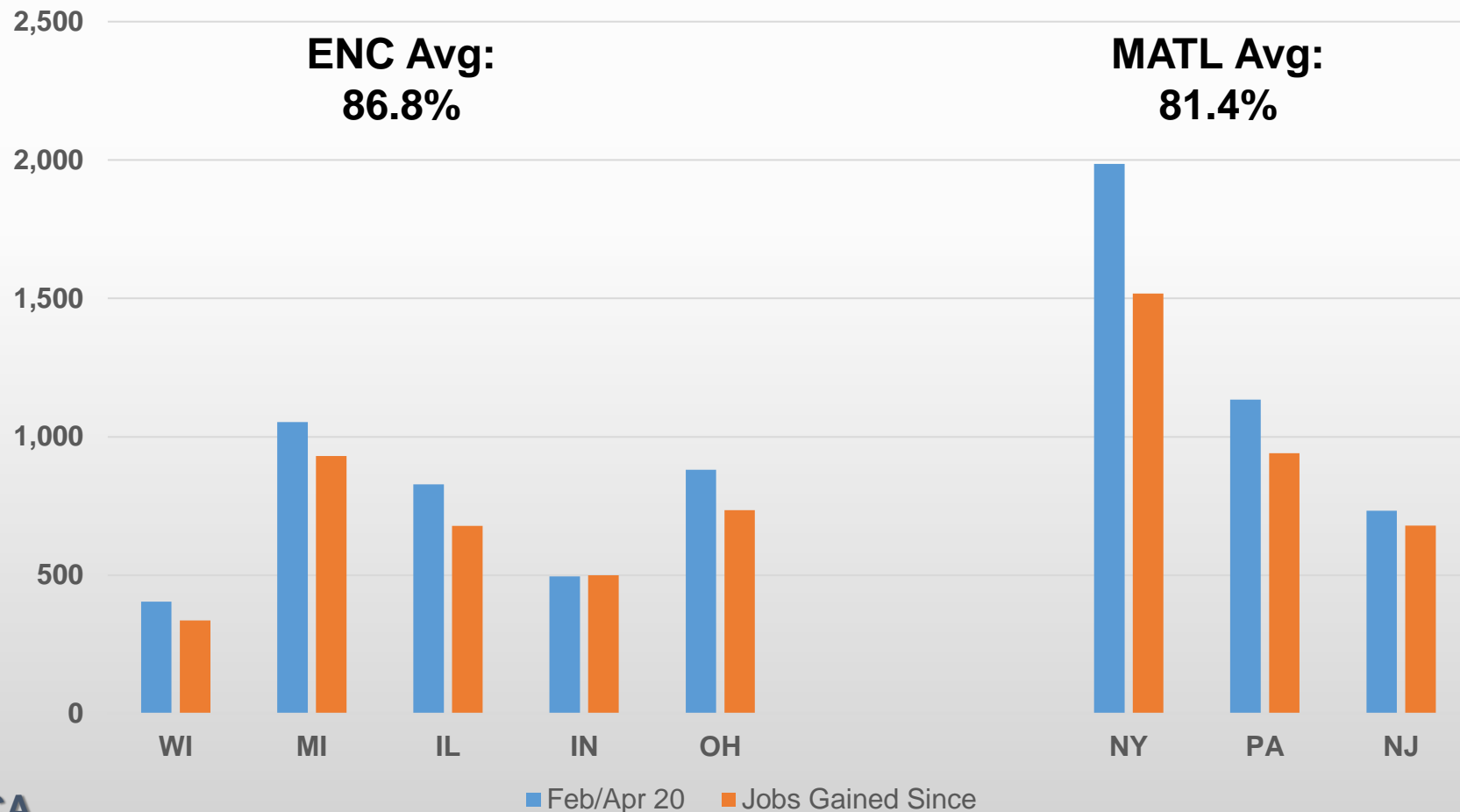
Wage Growth U.S. (Y/Y %, 3MMA, NSA), Job Openings Rate Construction (% SA)



Employment Recovery (000's of Jobs)

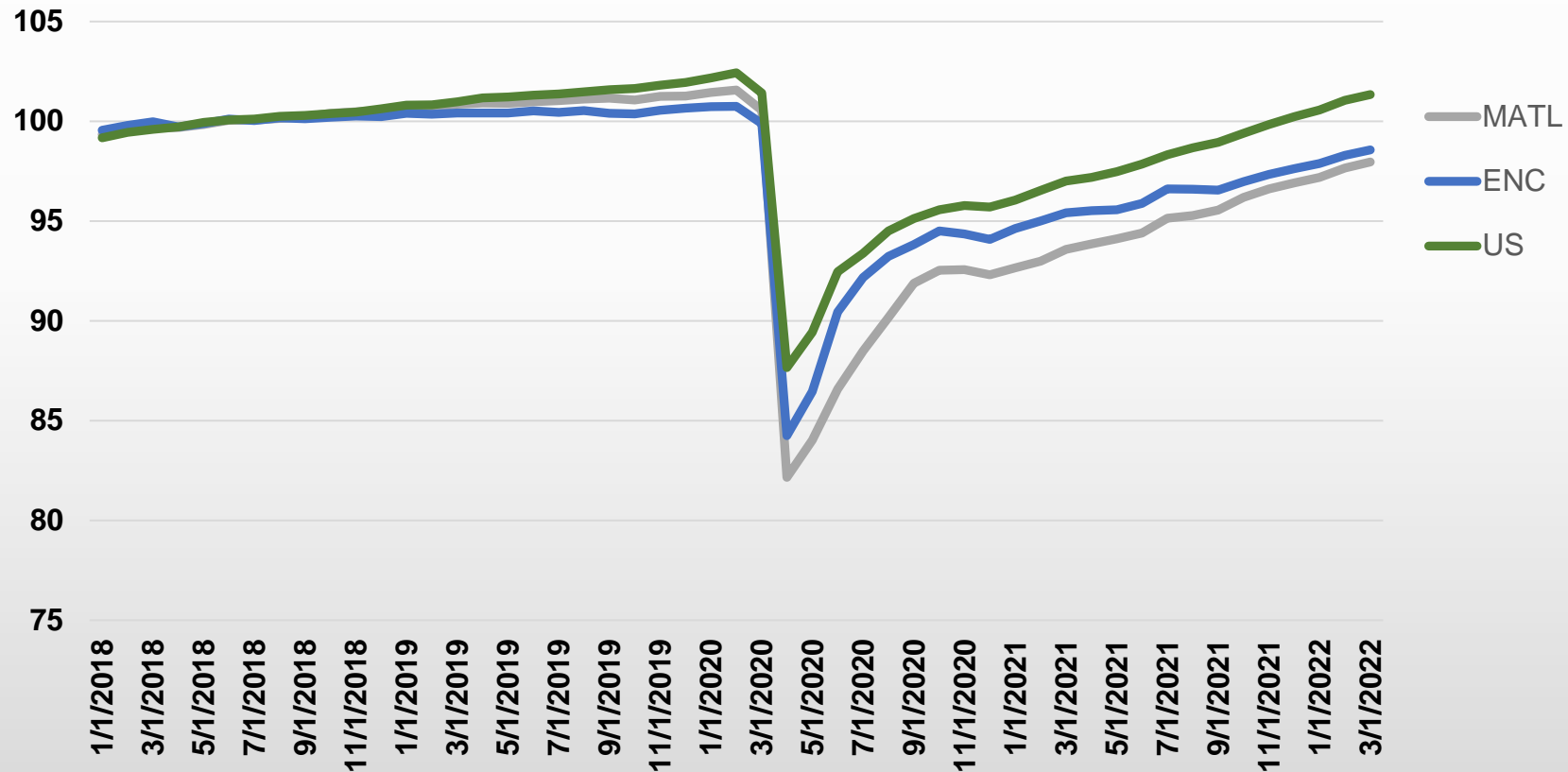
Covid Losses (Blue) vs. Jobs Gained Since (Orange)

-Data Through March 2022

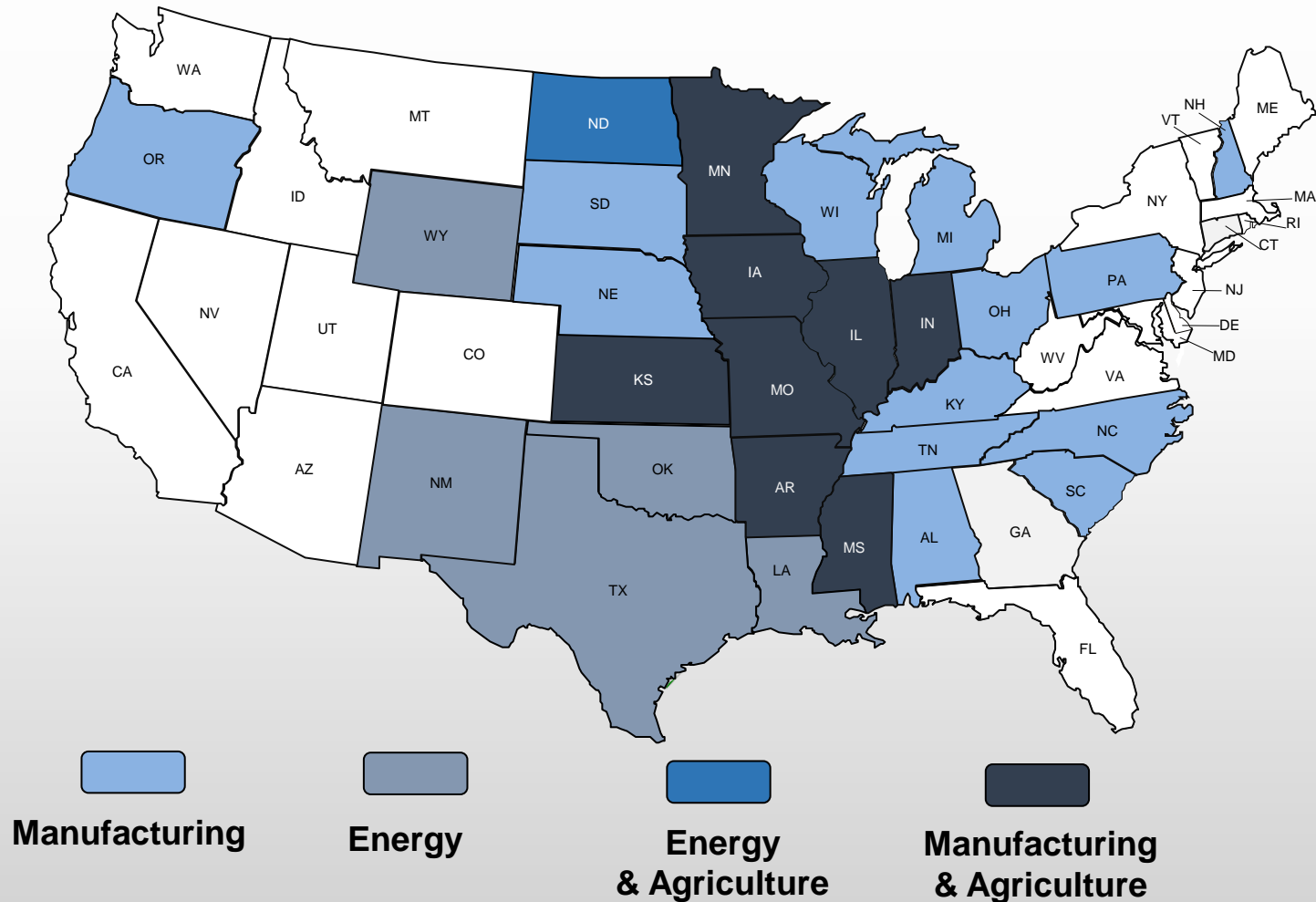


Employment: Total Nonfarm (000 SAAR)

Base Year = 2018

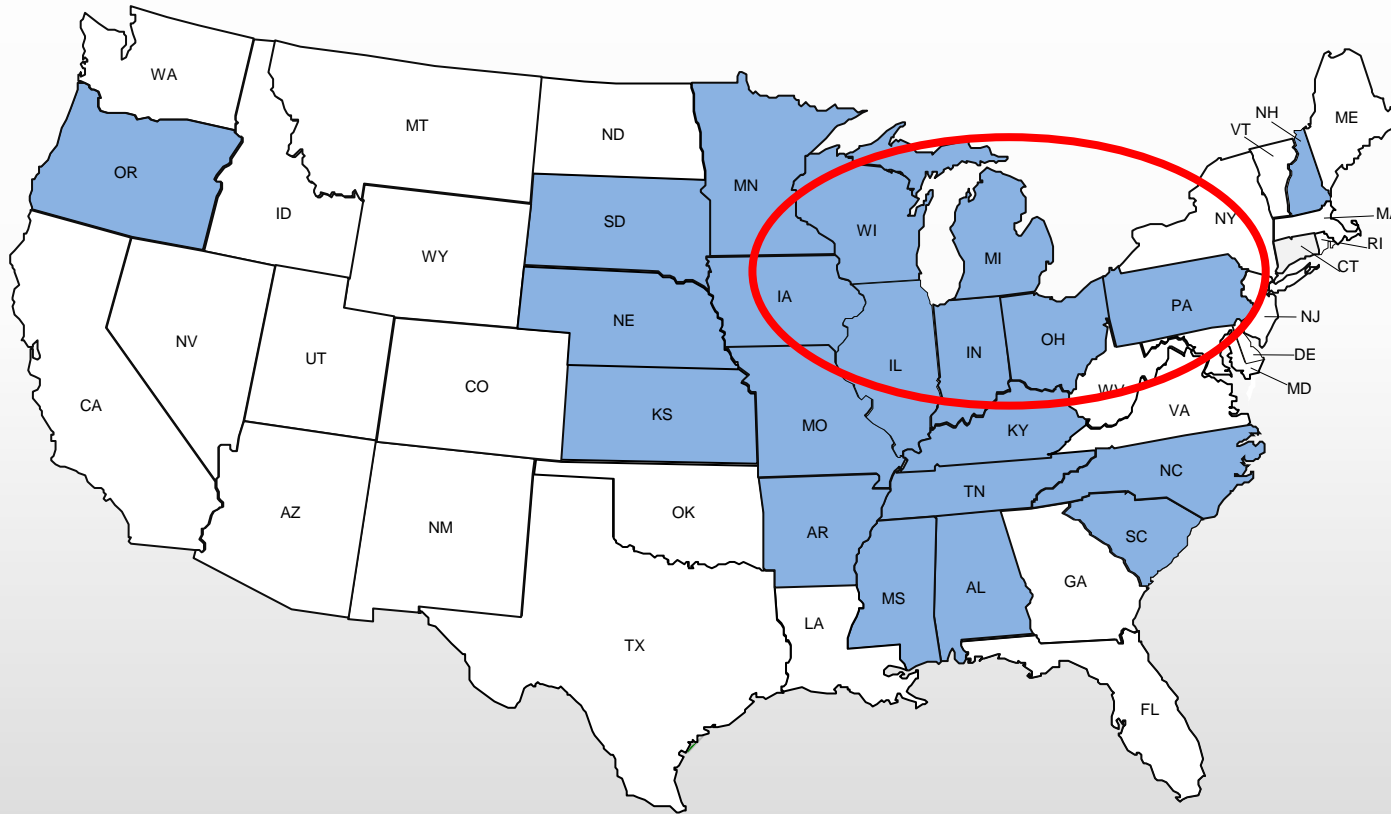


Manufacturing, Energy, and Agriculture Exposure

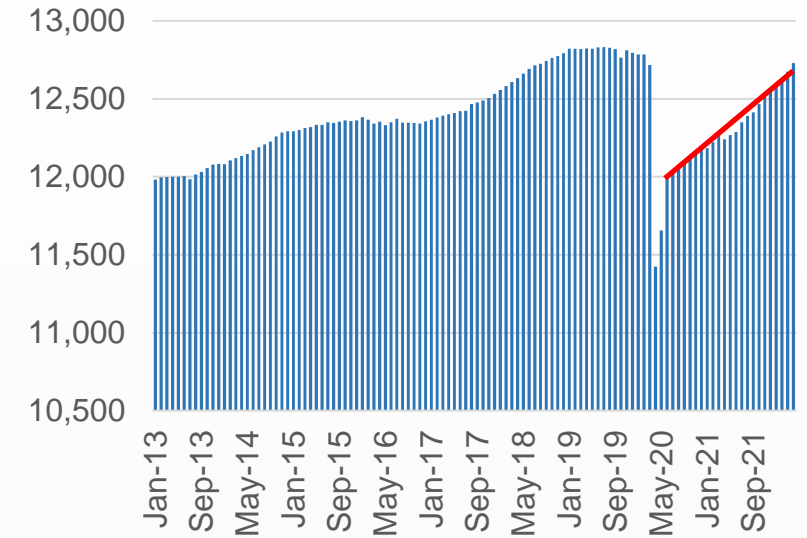


Manufacturing Exposure

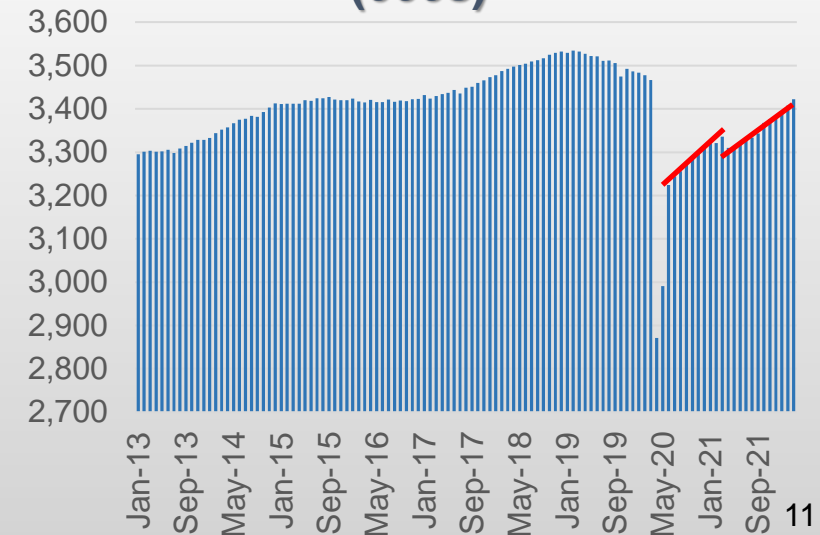
10% or Greater Manufacturing Share of Total Employment



US Manufacturing Employment (000s)



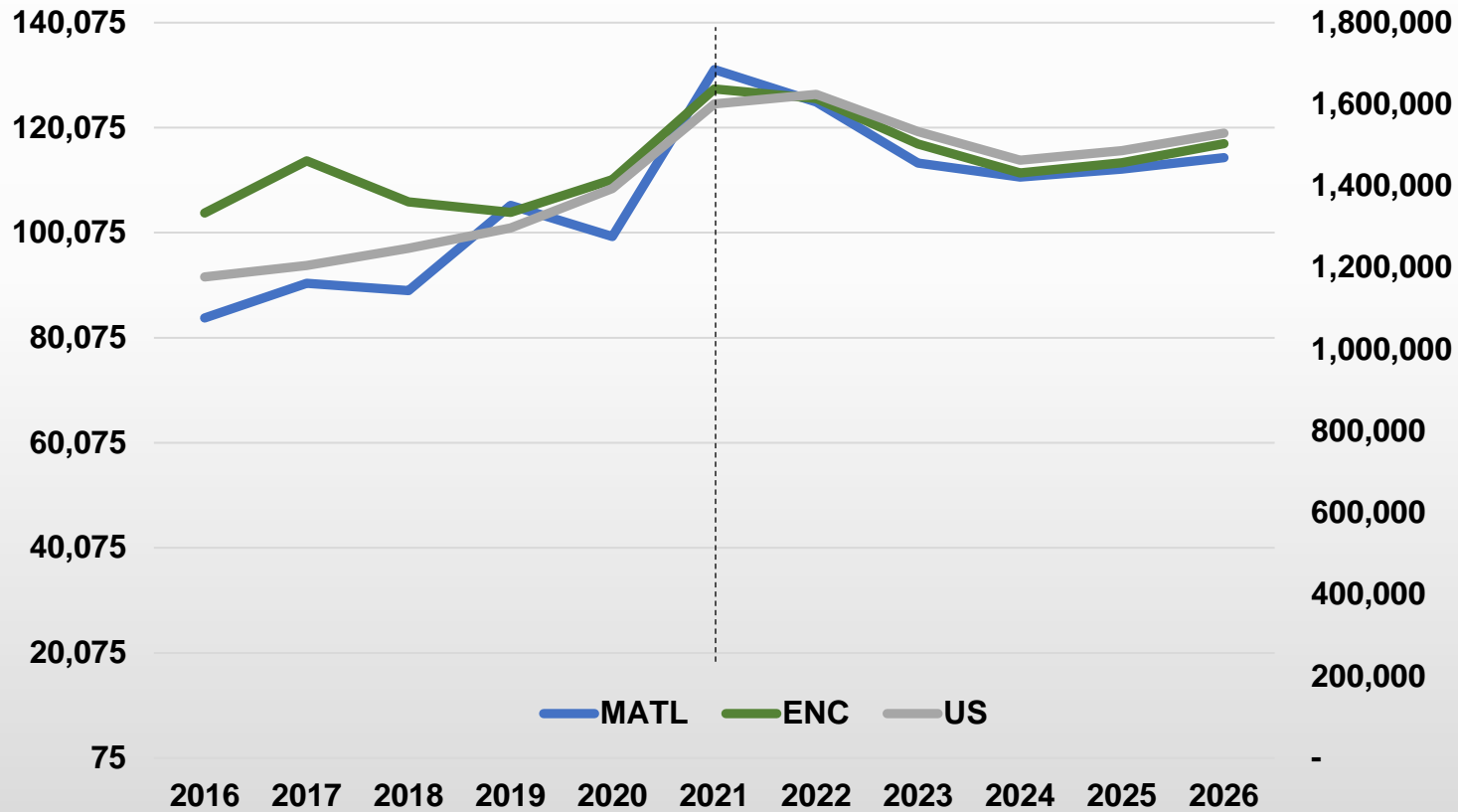
ENC+ PA Manufacturing Employment (000s)



Residential Outlook

Permit Activity

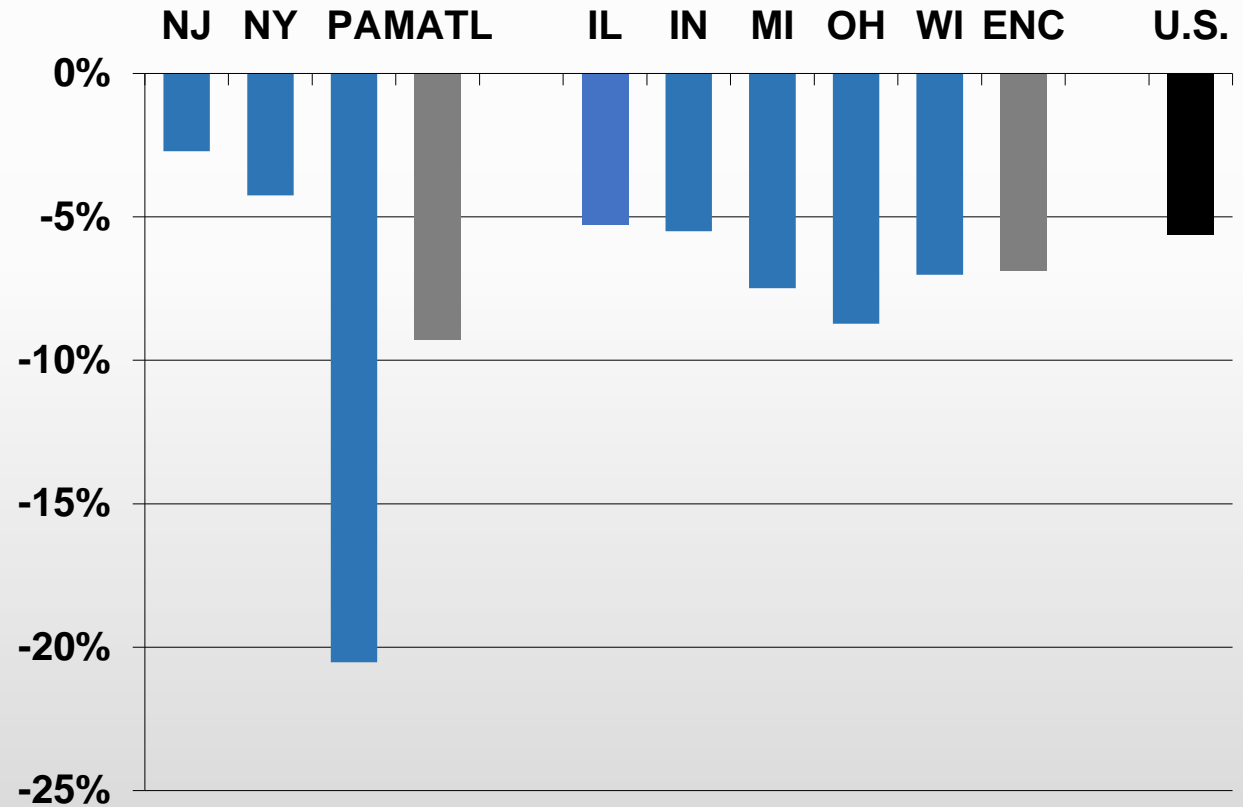
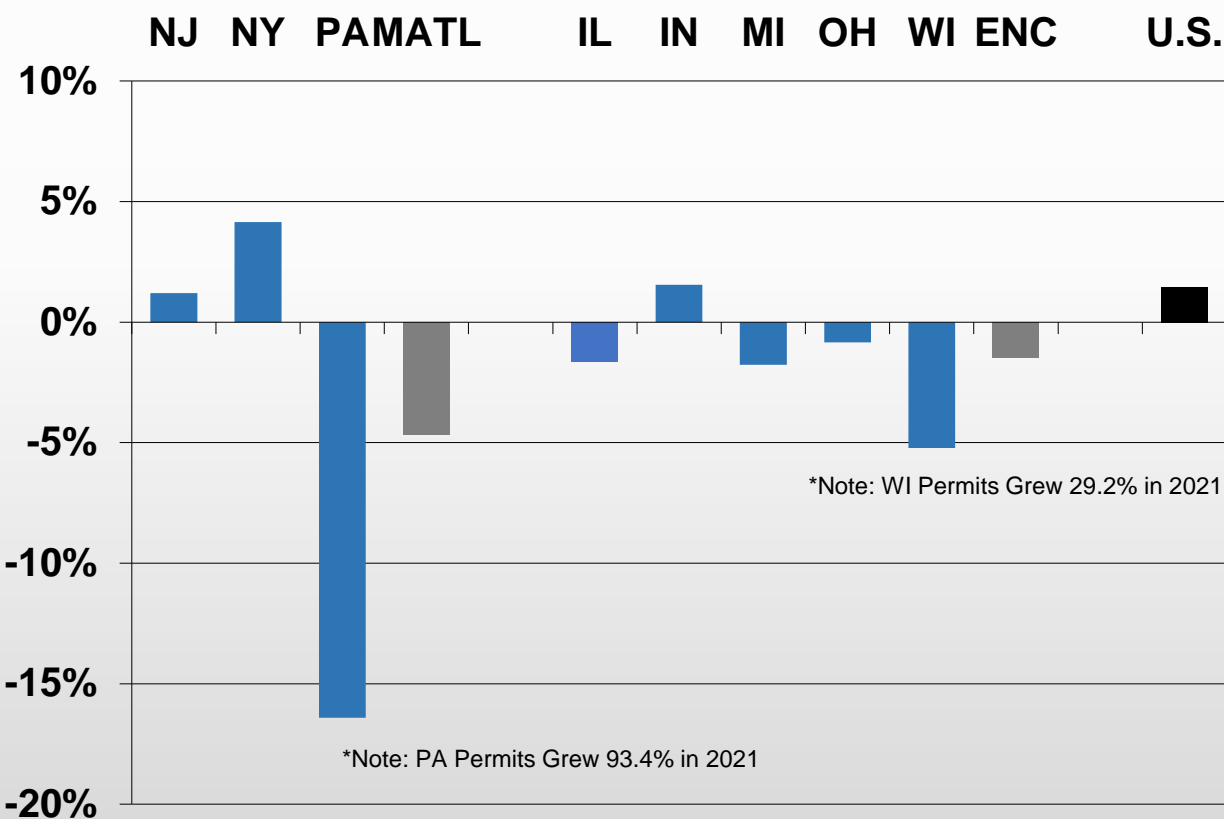
2016-2026



Note: The US displays housing starts, not permits (on the right axis)

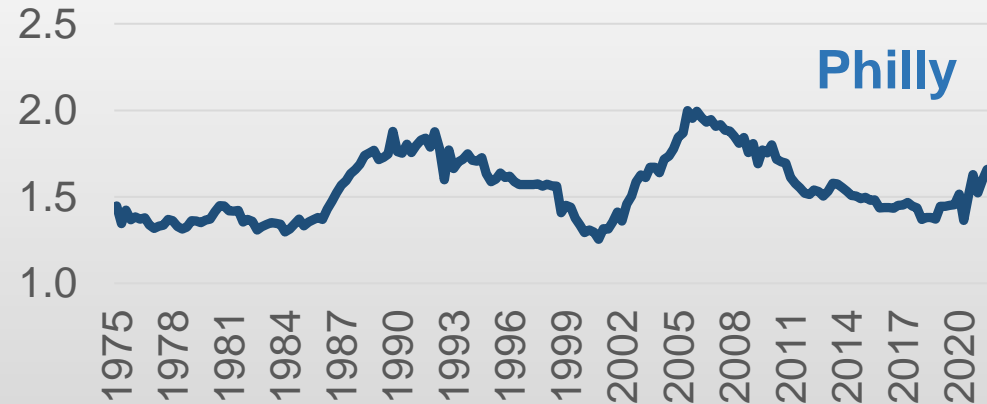
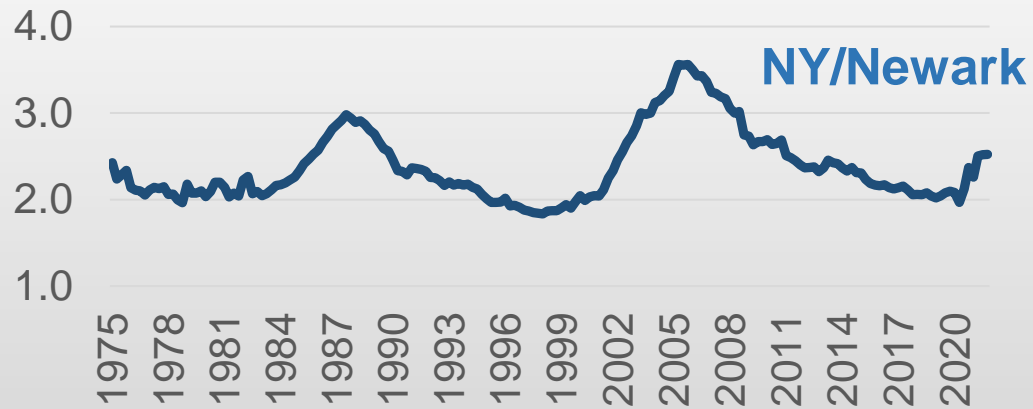
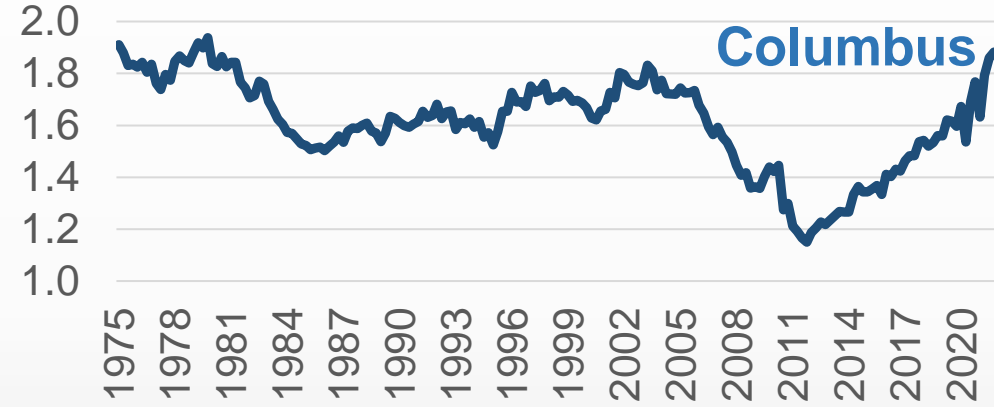
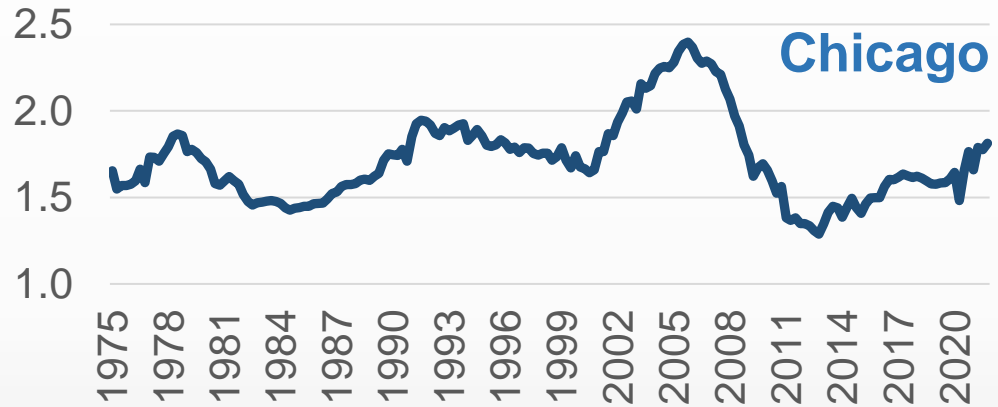
Permit Activity

Projections for 2022 (L) & 2023 (R), Year/Year % Chg



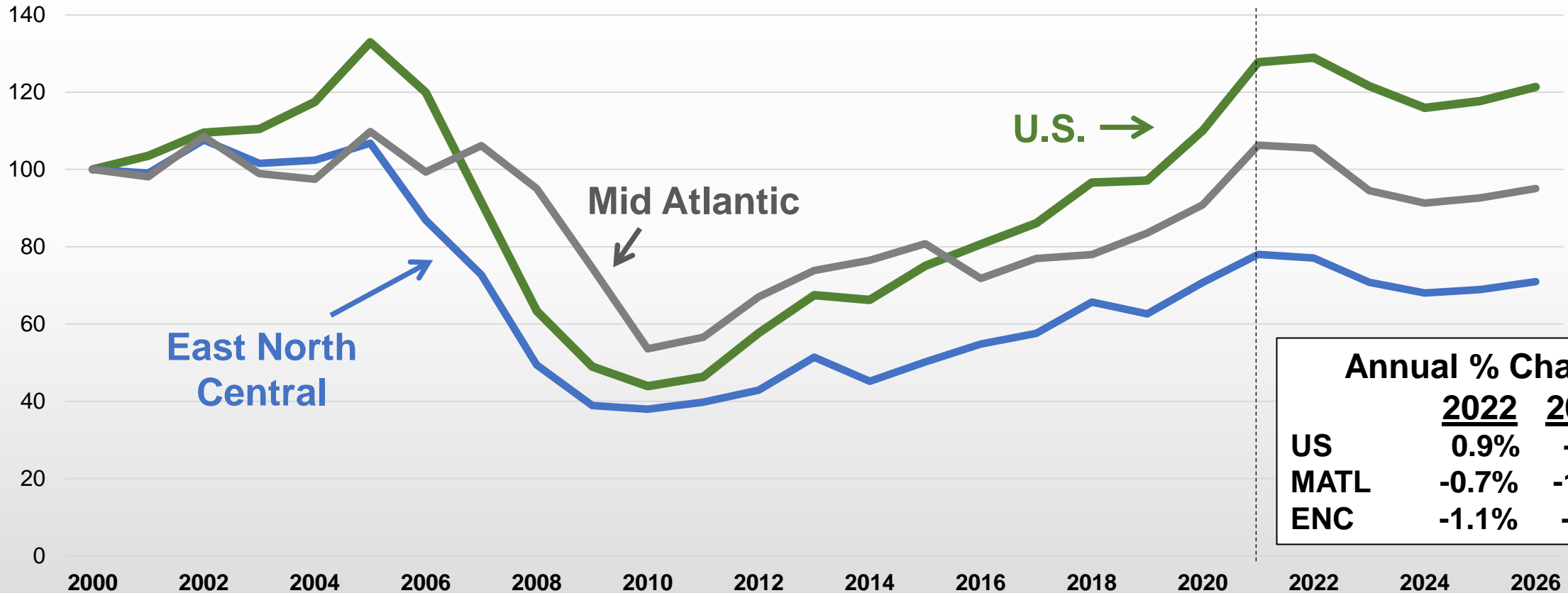
Favorable Regional Home Affordability Could Provide Support

Home Price-to-Household Income, SA

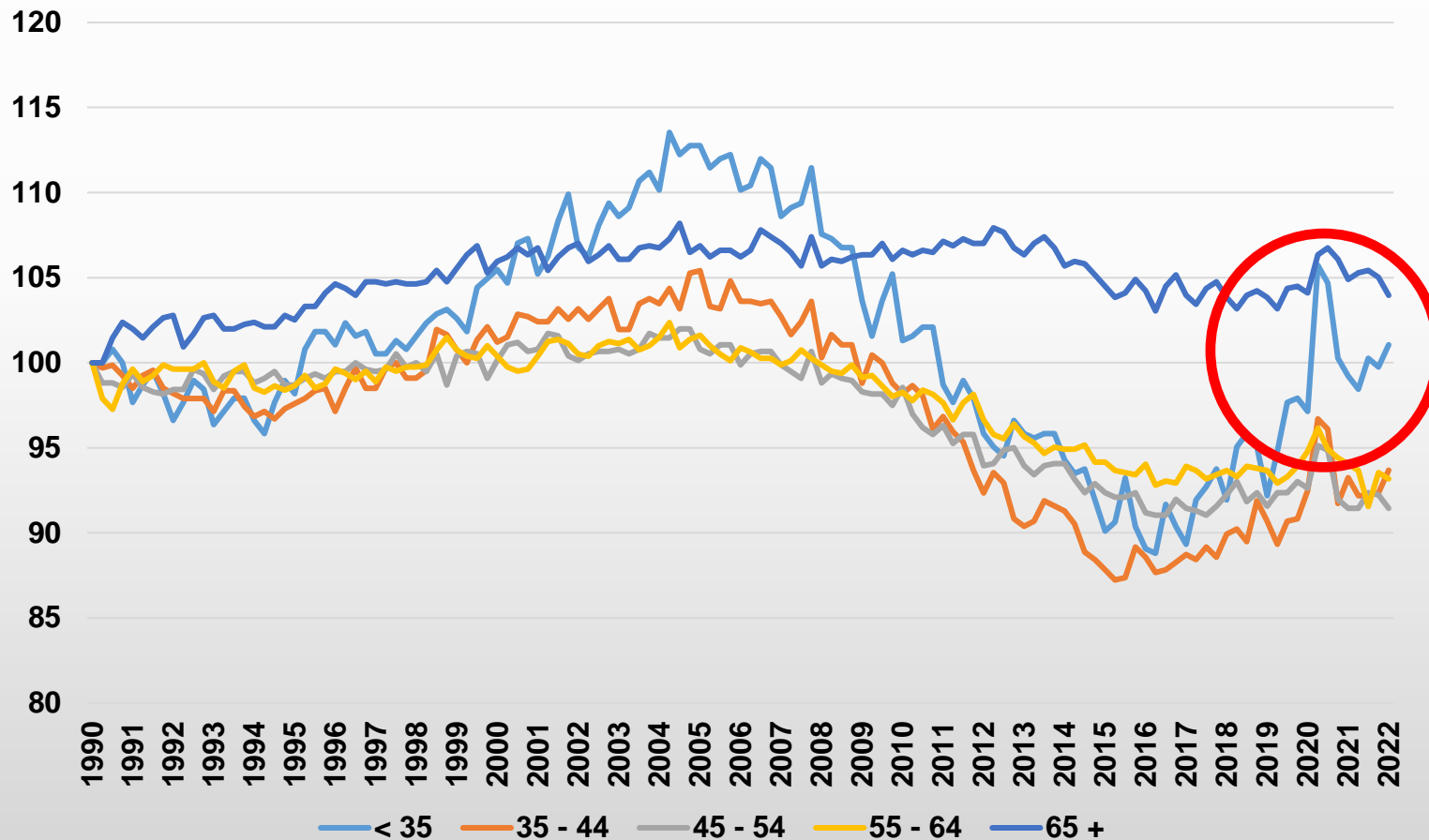


Residential Cement Consumption – ENC, MATL

Index, 2000=100



Millennial Home Ownership

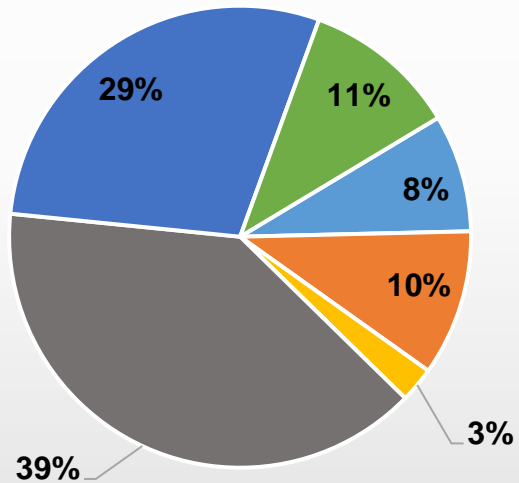


- Over the past five years, the millennial homeownership rate has increased faster than that of other generations

Nonresidential Outlook

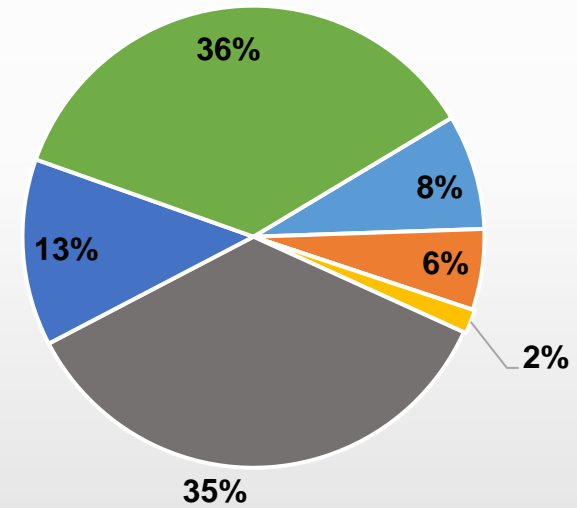
Non-Residential Cement Consumption Share ENC + MATL

% Share Cement 2000-2005



- Industrial ■ Office ■ Hotel/Motel
- Other Comm ■ Institutional ■ Other Nonres

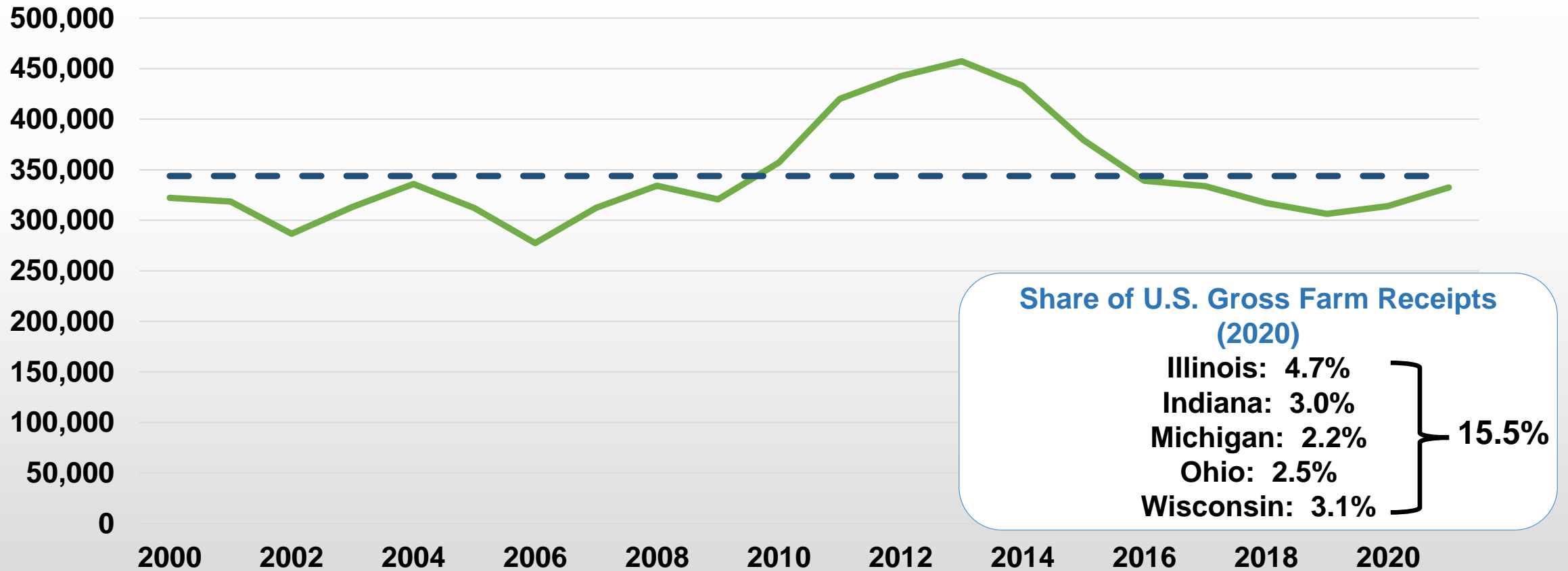
% Share Cement 2021-2026



- Industrial ■ Office ■ Hotel/Motel
- Other Comm ■ Institutional ■ Other Nonres

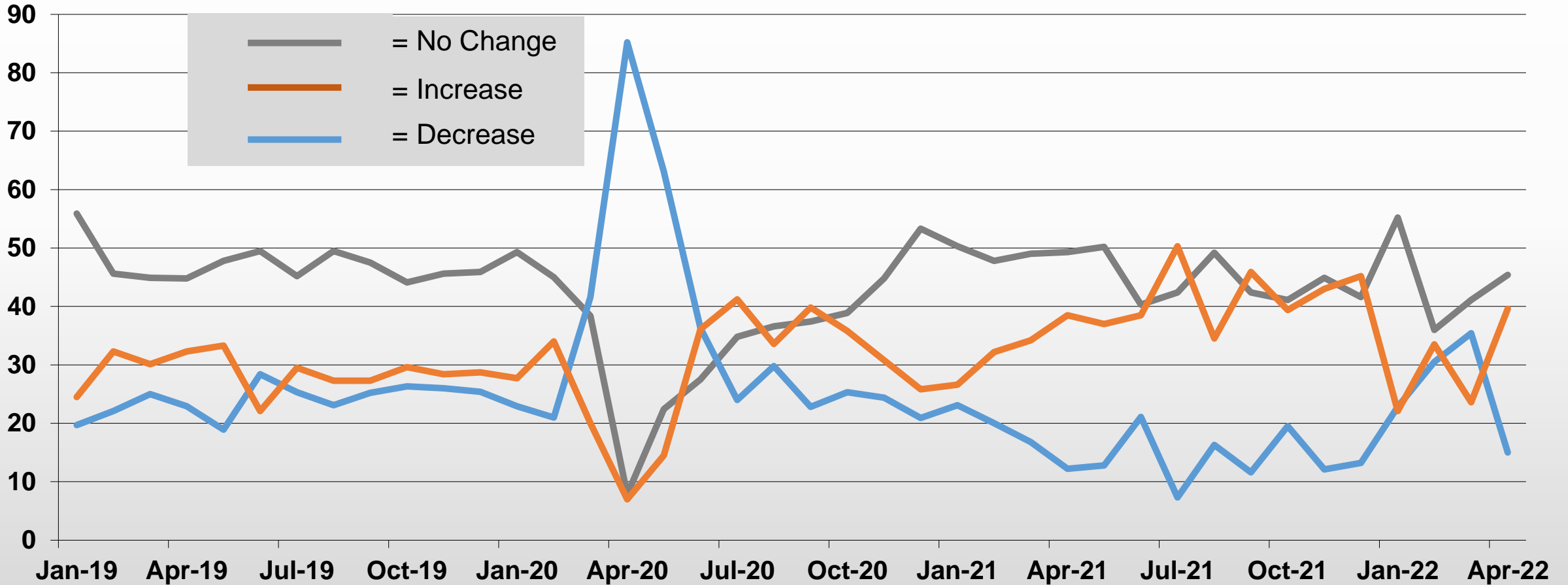
Net Farm Income – Gross Receipts

Real \$2009 Mil. USD



Manufacturing Activity

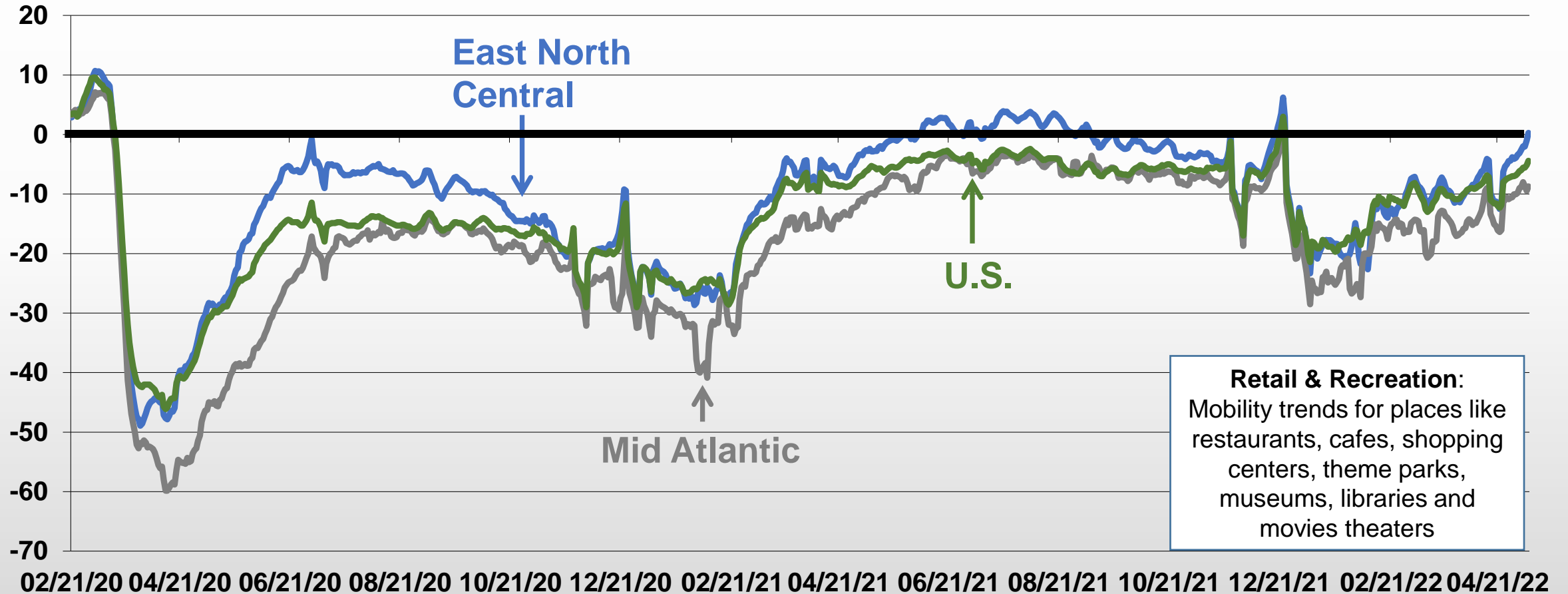
General Activity – Current vs. Previous Month (% SA)



Source: Federal Reserve Bank of New York

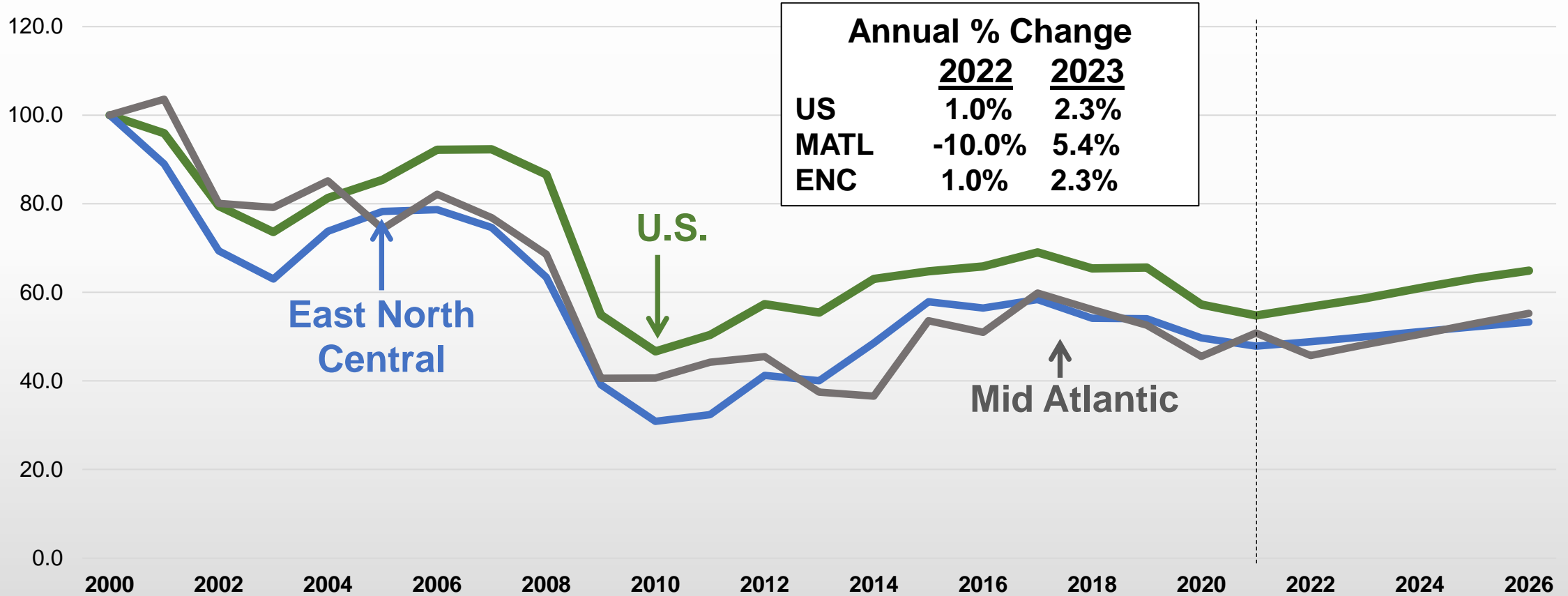
Consumers Showing Return in Mobility

Percentage change from baseline visits, 1 Week Moving Average—Retail & Recreation



Nonresidential Cement Consumption – Northeastern U.S.

Index, 2000=100

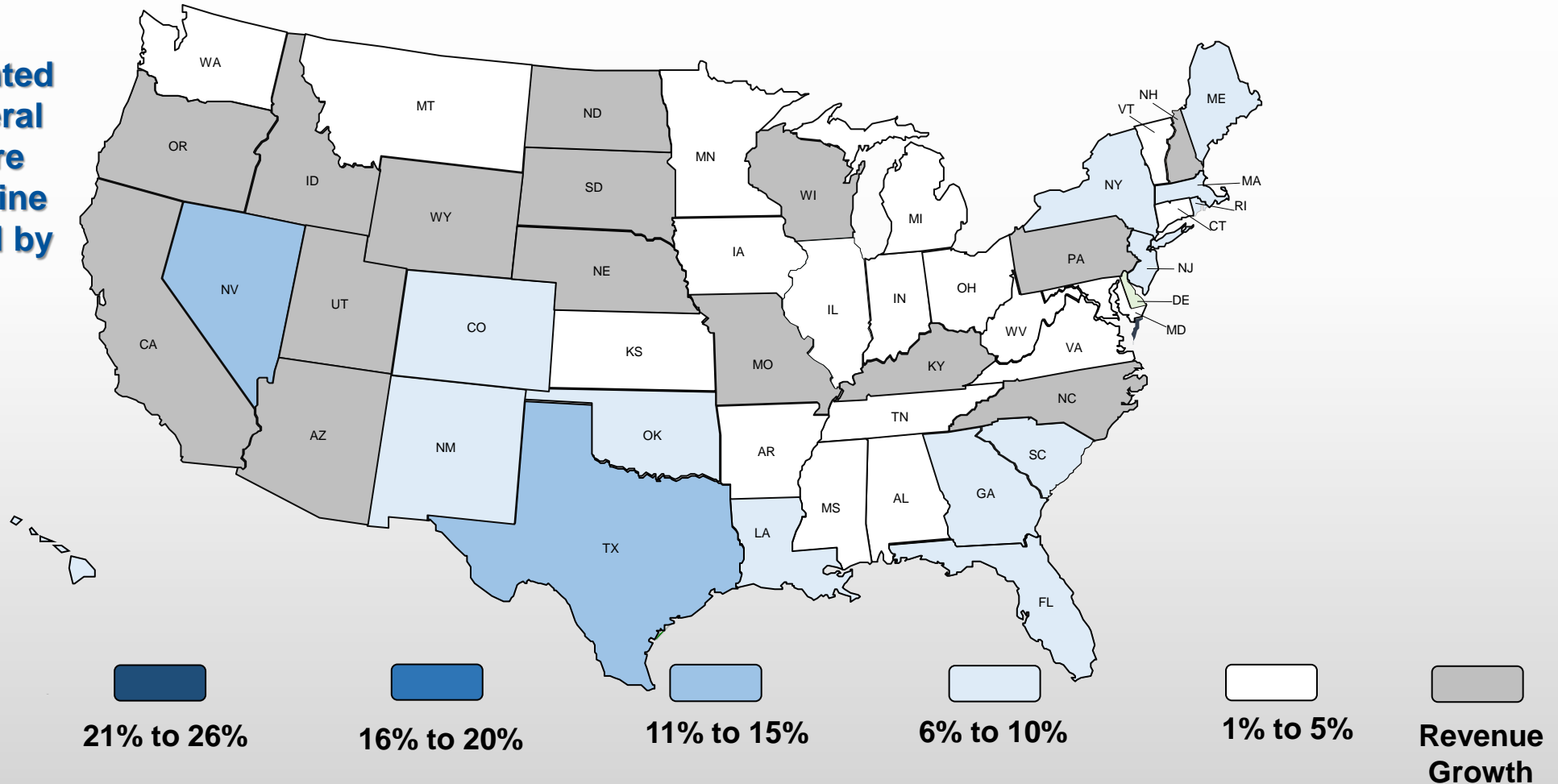


Public Outlook

State Funding – FY2021

Percent Declines in General Fund Tax Revenues from Pre-COVID Levels

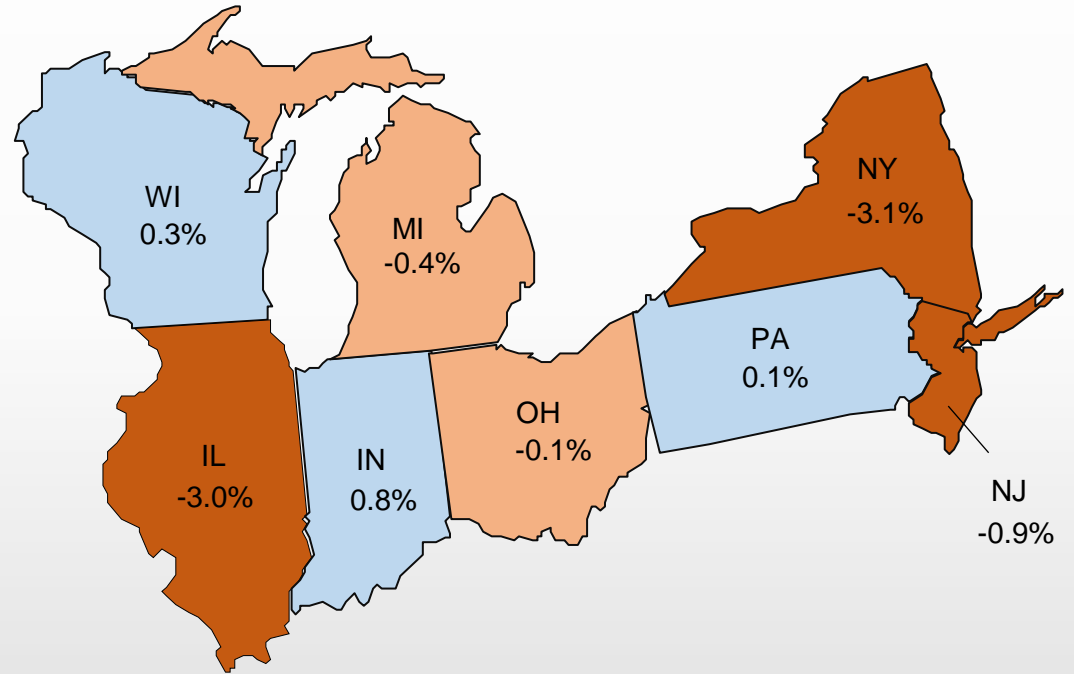
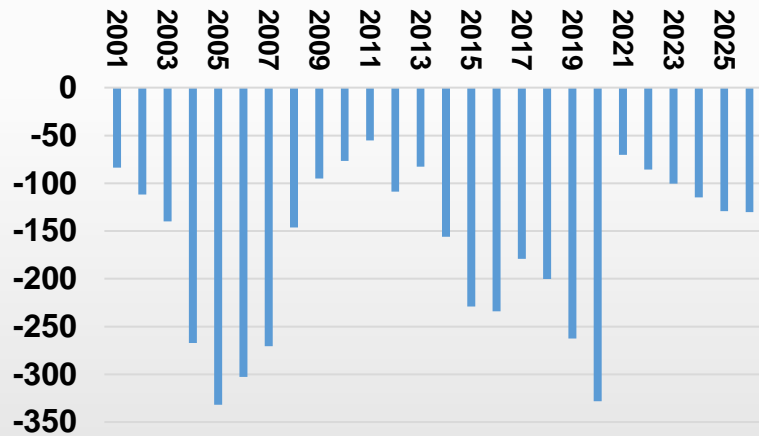
On a state weighted basis, 2021 general fund revenues are expected to decline 3.3% as reported by state agencies



Net Migration & 5 Year Net Change

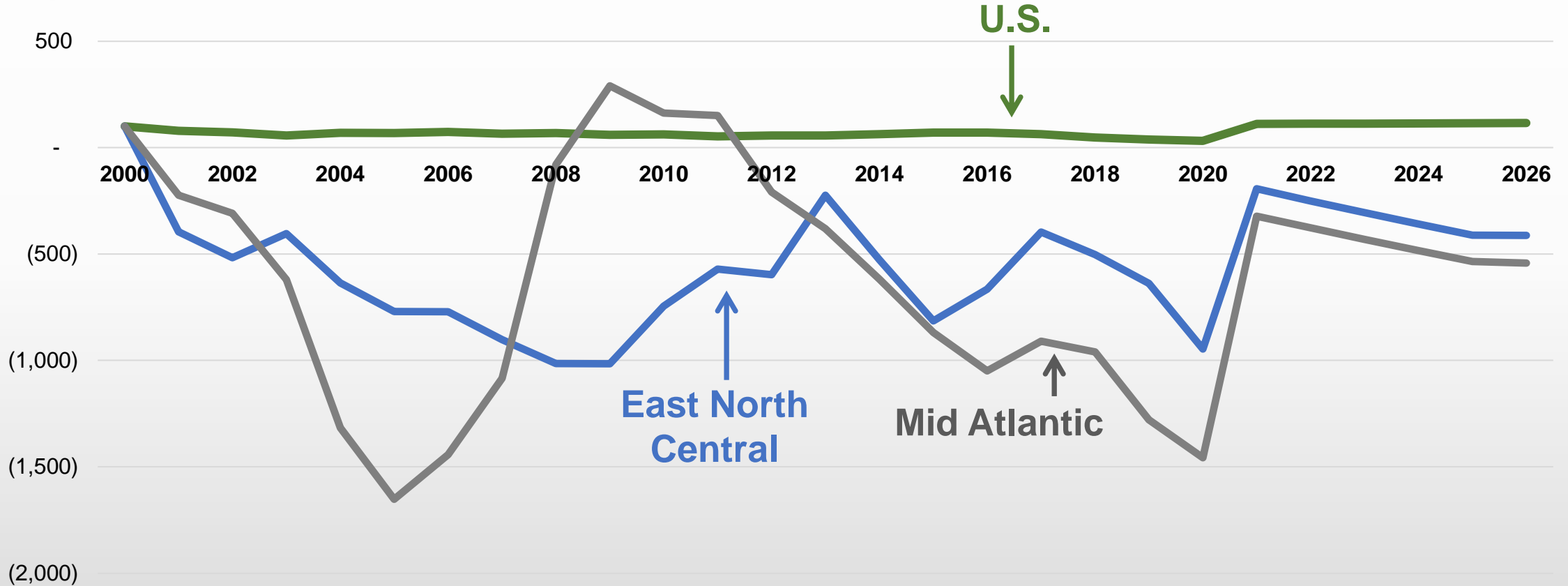
5 Year Net Change Based on 2017 Population and 5 Years of Net Migration

ENC + MATL Net Migration



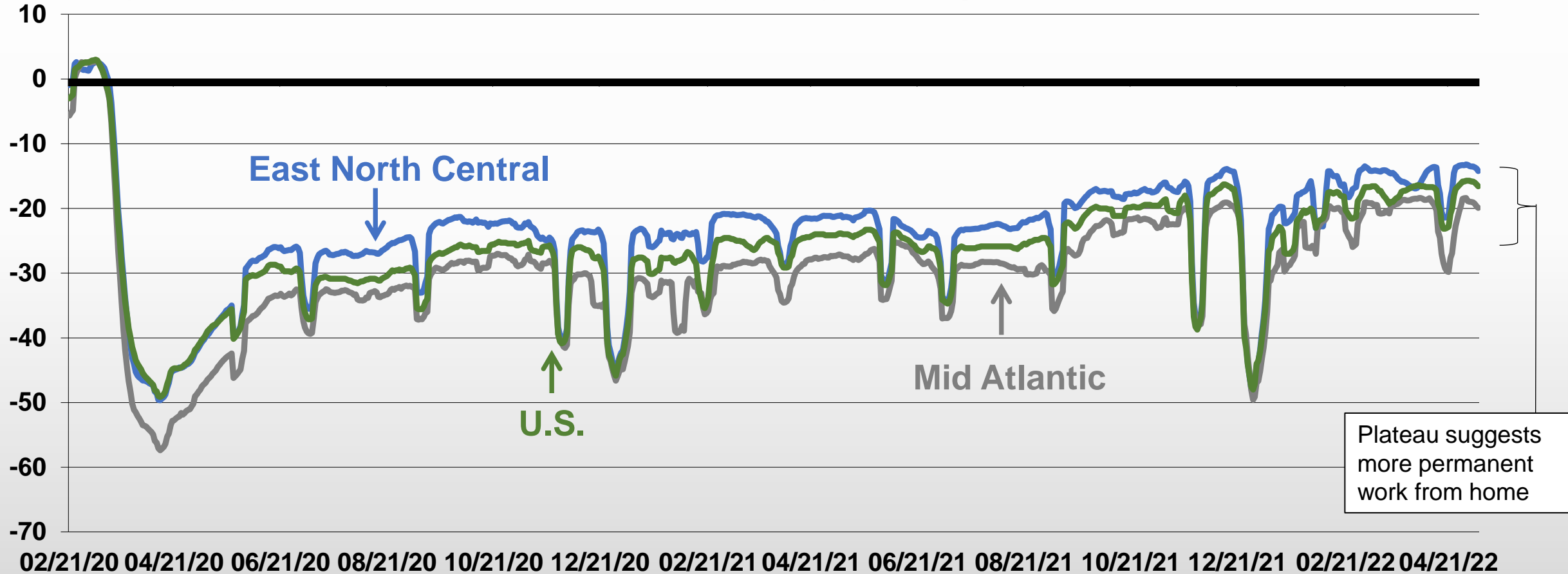
Net Migration

Index, 2000=100



Employees returning to Work...

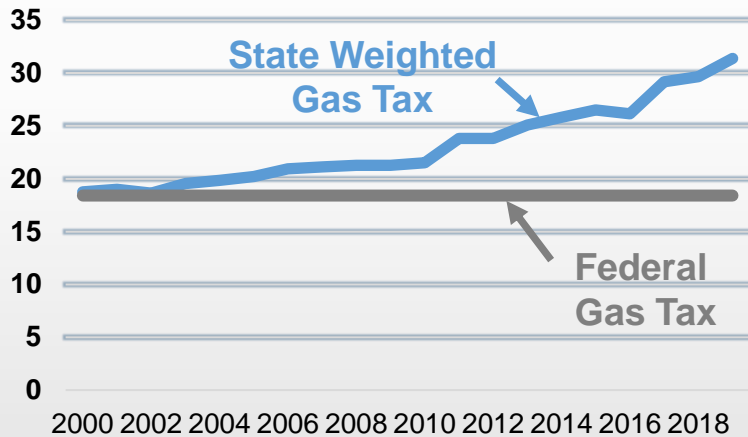
Percentage change from baseline visits, 1 Week Moving Average—Workplace



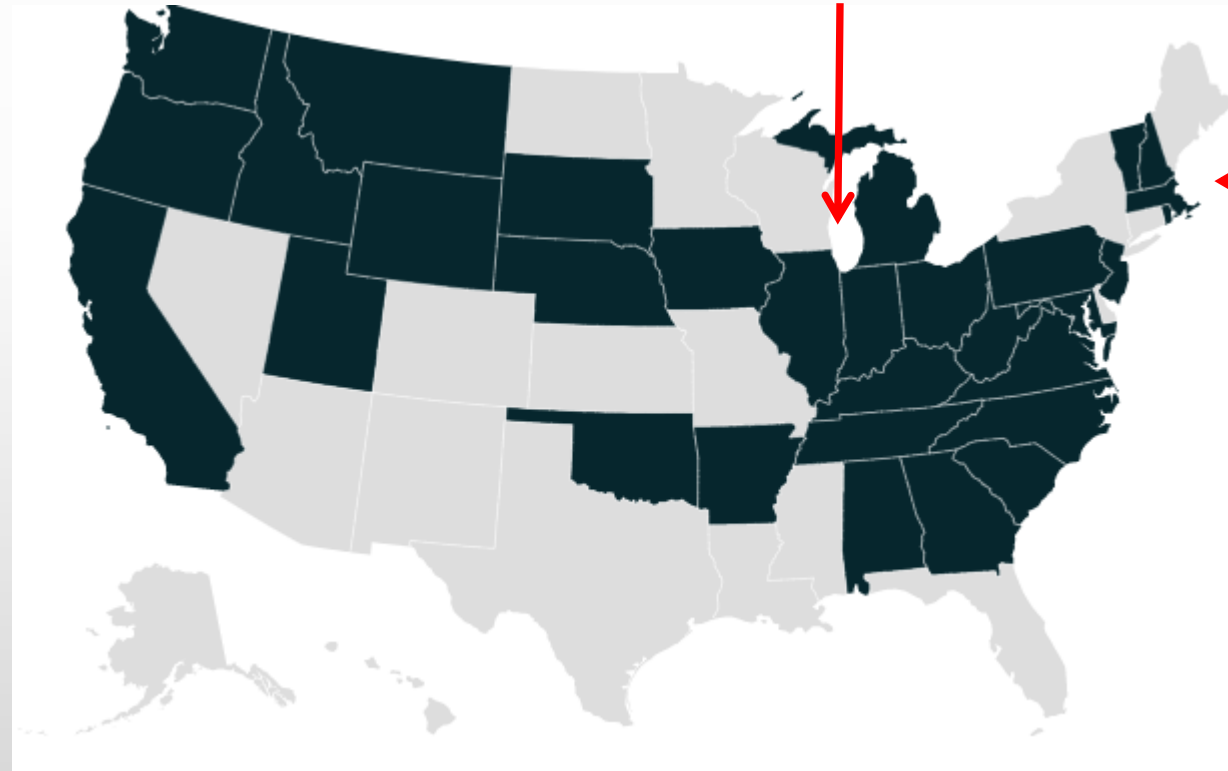
State Gas Tax Increased or Reforms

Laws enacted between 2013 and 2019

State Vs. Federal Gas Tax



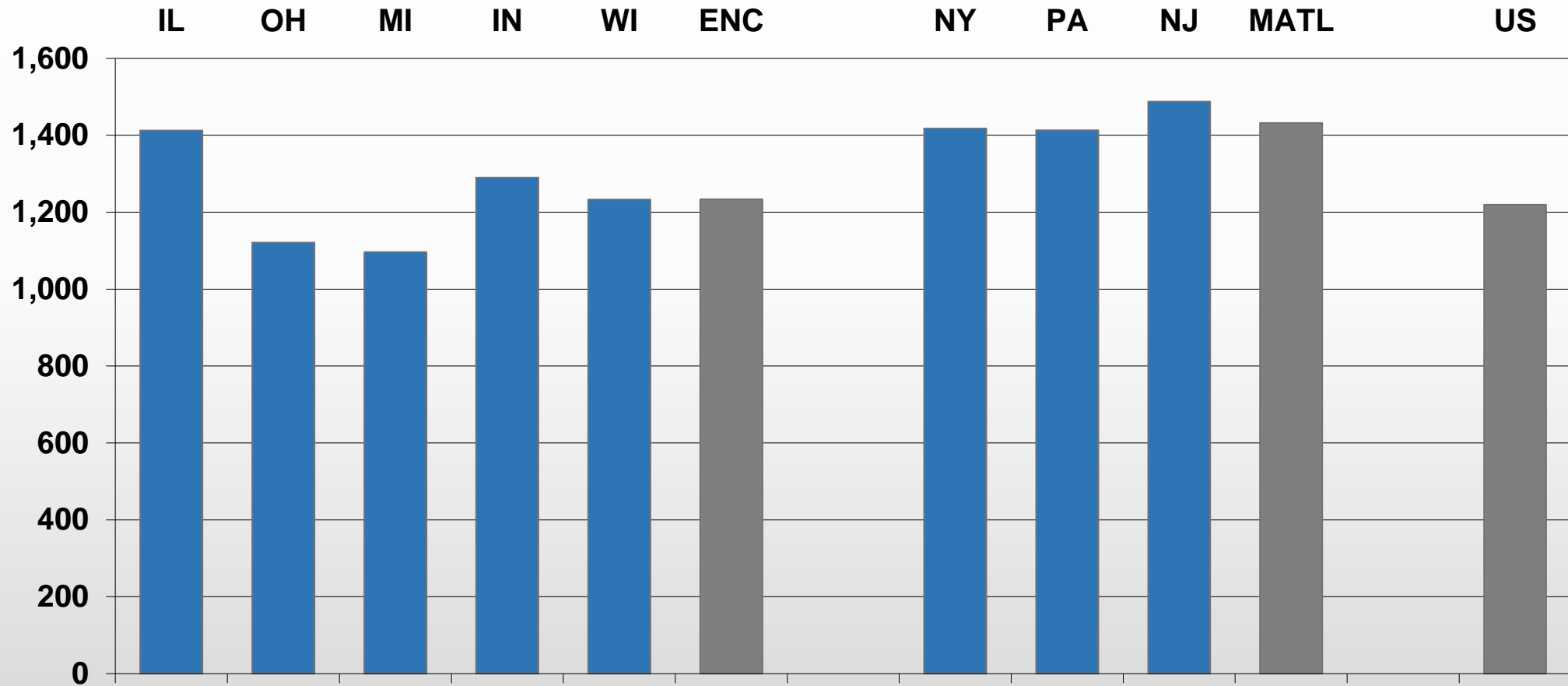
More Recent Increases



Earlier Increases
Circa 2013-2014

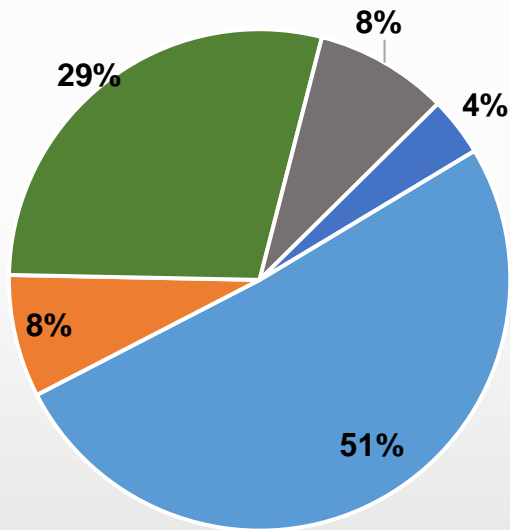
NJ increased its gas tax in 2020, putting it just behind CA, PA, IL – Was one of the lowest taxed states before 2016

Infrastructure Spending Per Capita



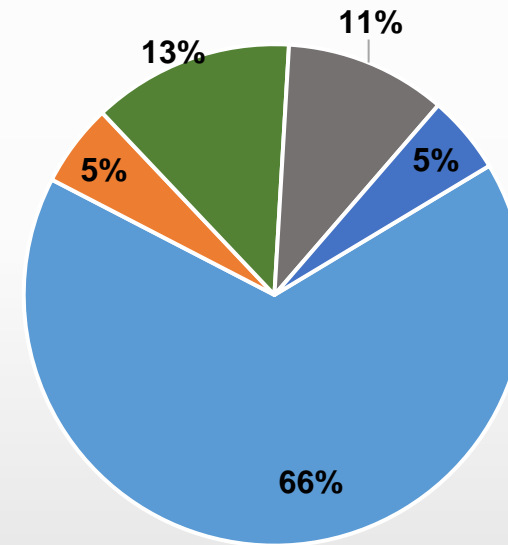
Infrastructure Bill

% Share Infrastructure Spending - MATL



■ Highways ■ Bridges ■ Public Trans. ■ Water ■ Other

% Share Infrastructure Spending - ENC

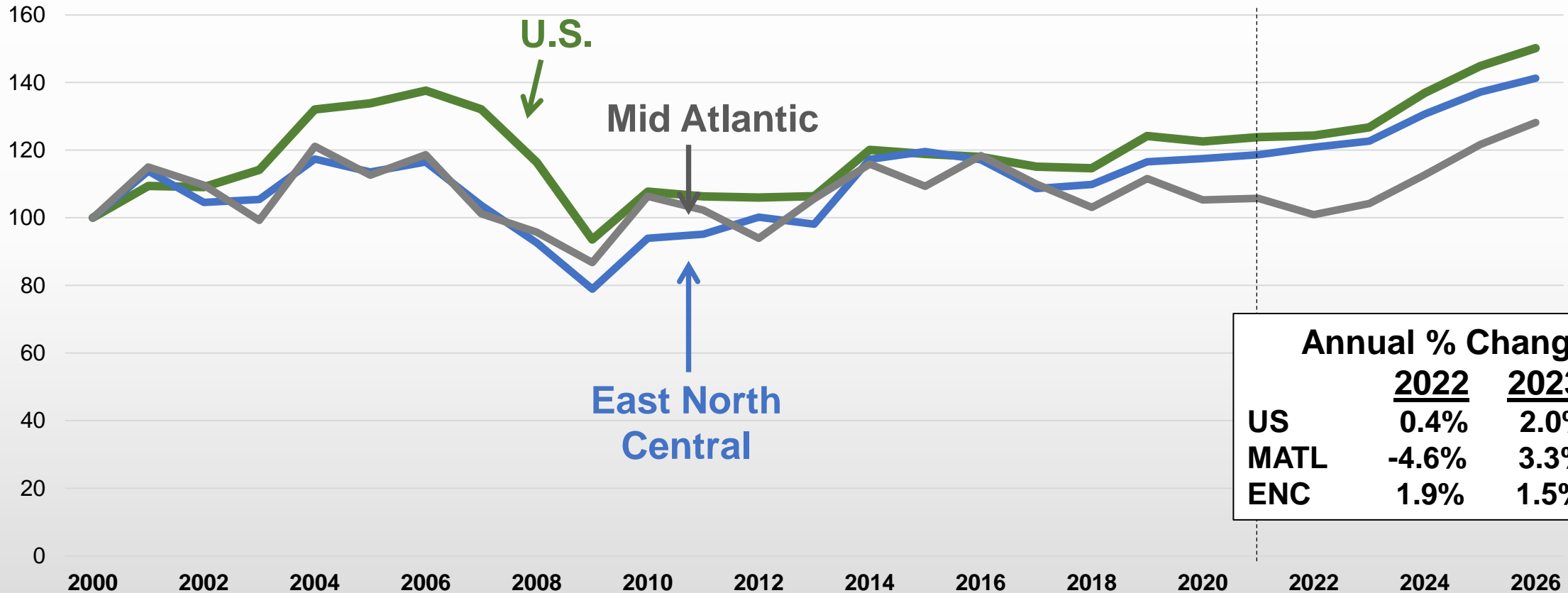


■ Highways ■ Bridges ■ Public Trans. ■ Water ■ Other

Note: "Other" category includes allocations for electric vehicle charging stations, broadband internet, airports, and funding to combat the impacts of climate change and cyberattacks. White House estimates are summaries based on allocation of funds in prior legislation and are subject to change.

Public Cement Consumption – Northeastern U.S.

Index, 2000=100



Annual % Change		
	<u>2022</u>	<u>2023</u>
US	0.4%	2.0%
MATL	-4.6%	3.3%
ENC	1.9%	1.5%

The logo for PCA (Portland Cement Association) features the letters 'PCA' in a bold, white, sans-serif font. A white swoosh underline is positioned beneath the 'A', and a registered trademark symbol (®) is located to the right of the swoosh.

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