

The logo for PCA (Portland Cement Association) features the letters 'PCA' in a bold, white, sans-serif font. A white swoosh underline starts under the 'A' and extends to the right, ending in a registered trademark symbol (®).

PCA®

Since 1916

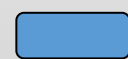
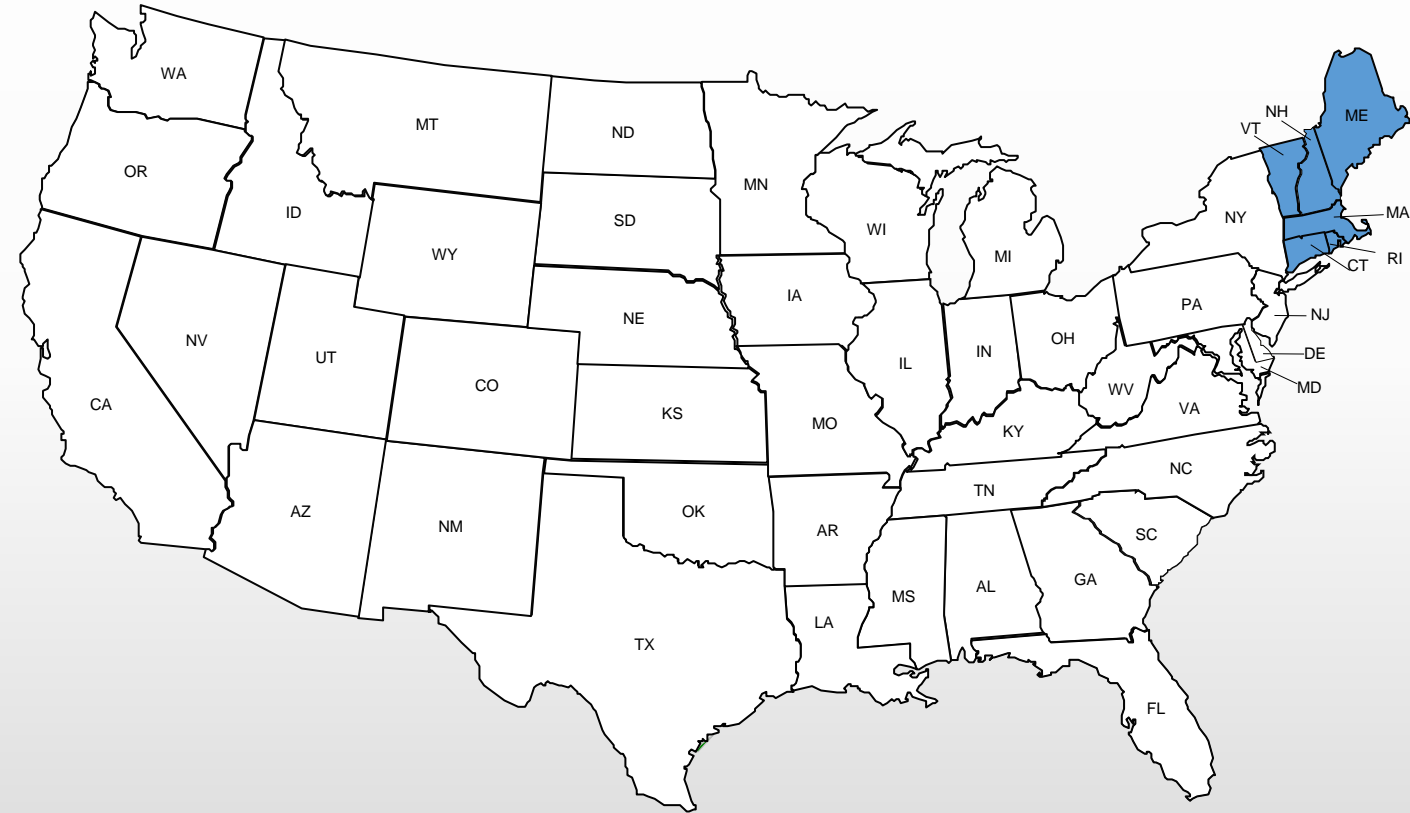
America's Cement Manufacturers™

Regional Briefing New England

Kaitlin Beer, Sr. Regional Analyst

May 2022

Regional Focus

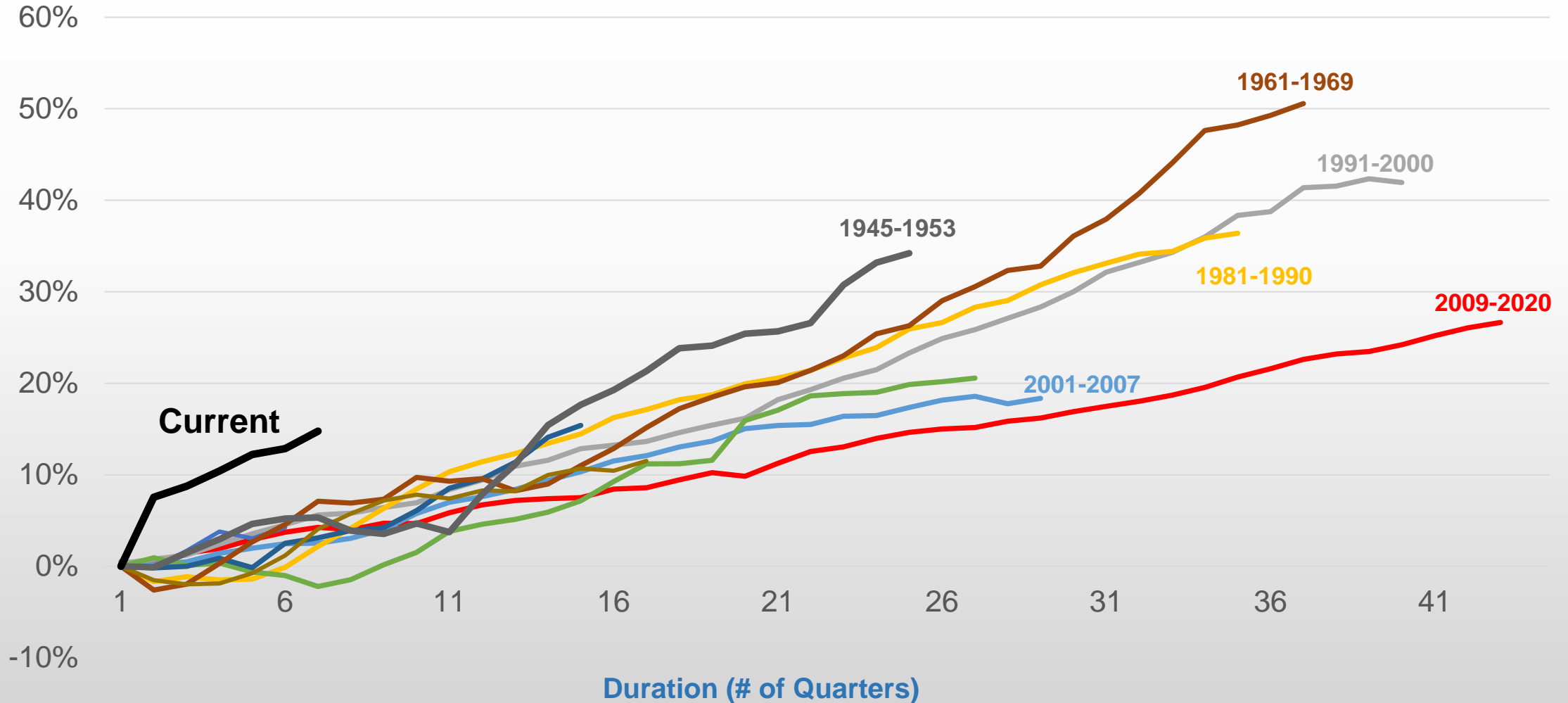


New England

Economic Outlook

Strength & Duration of U.S. Recoveries

Real GDP Percentage Growth From Previous Trough



Labor Markets Remain Tight Nationally

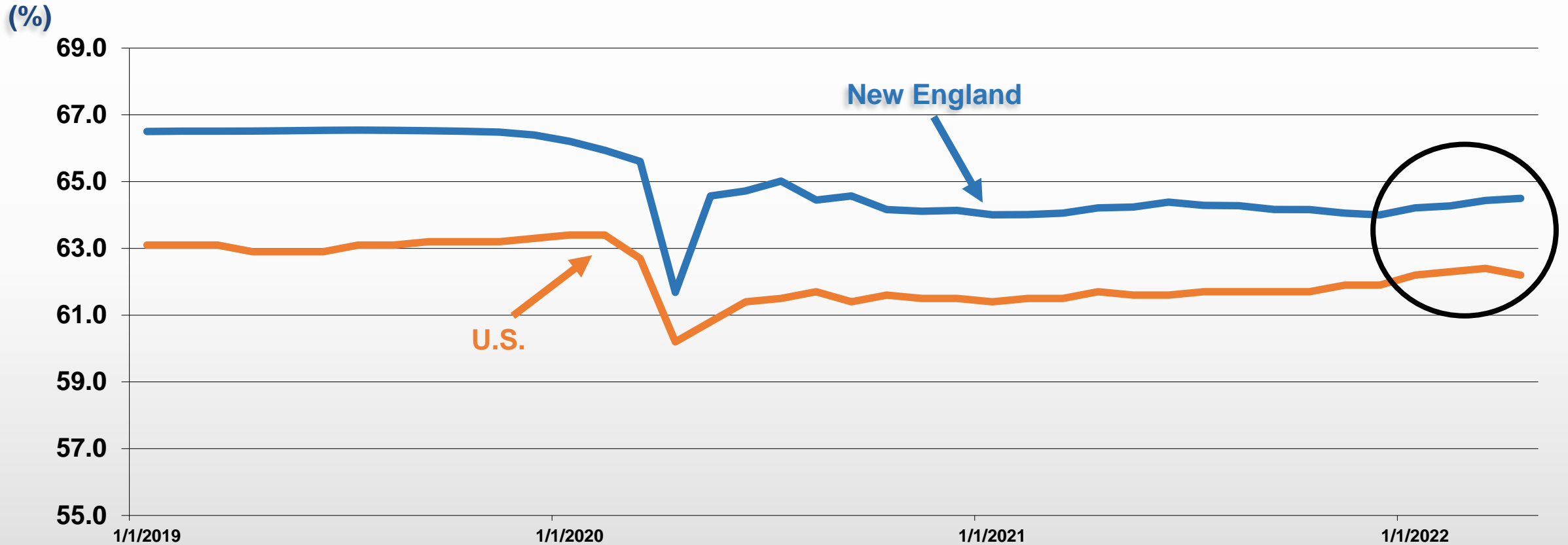
Job Openings Rate, %, SA



Source: BLS

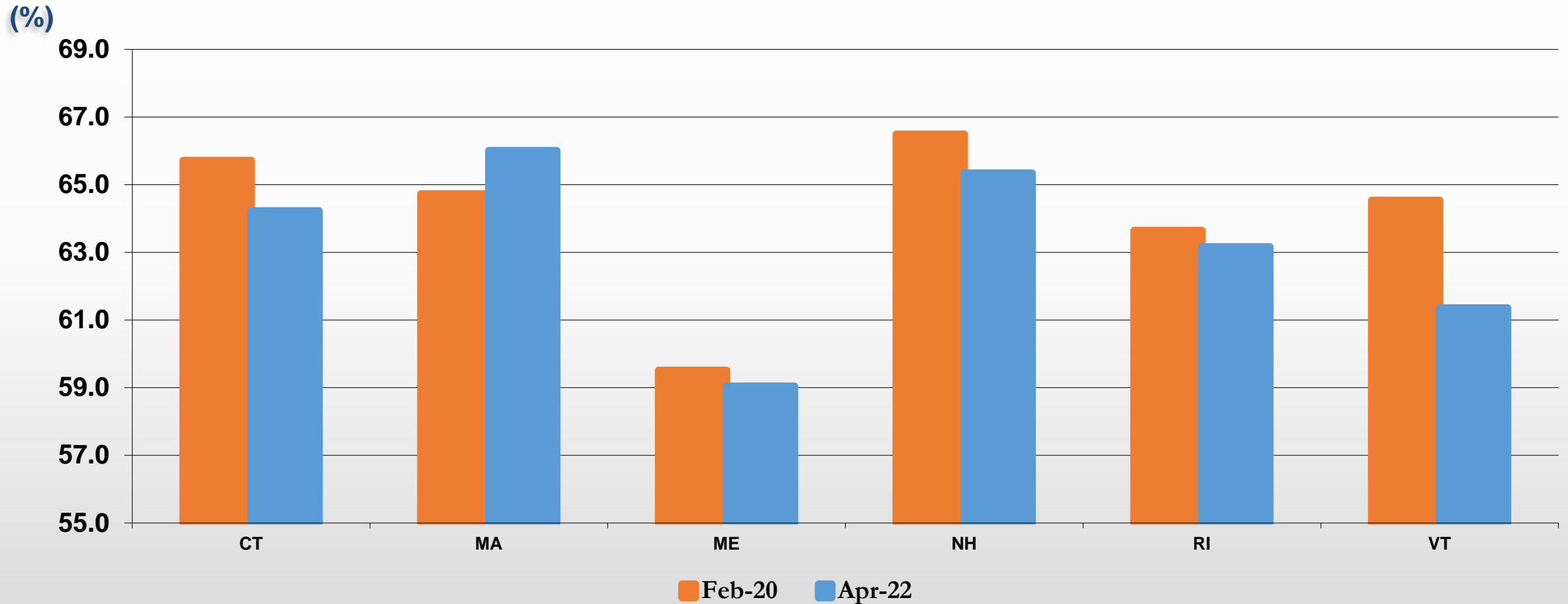
Workers are now re-entering the labor force

Labor Force Participation Rate



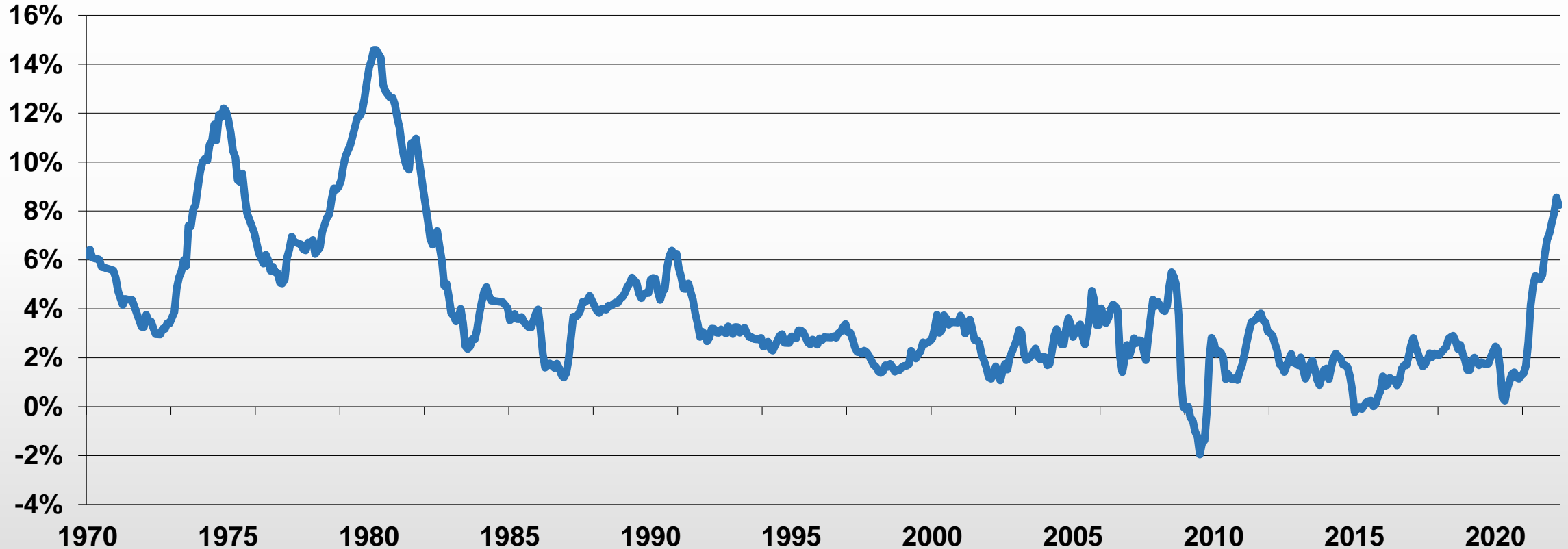
Labor Force Participation Rate Has Yet to Recover

Labor Force Participation Rate by State



Inflation

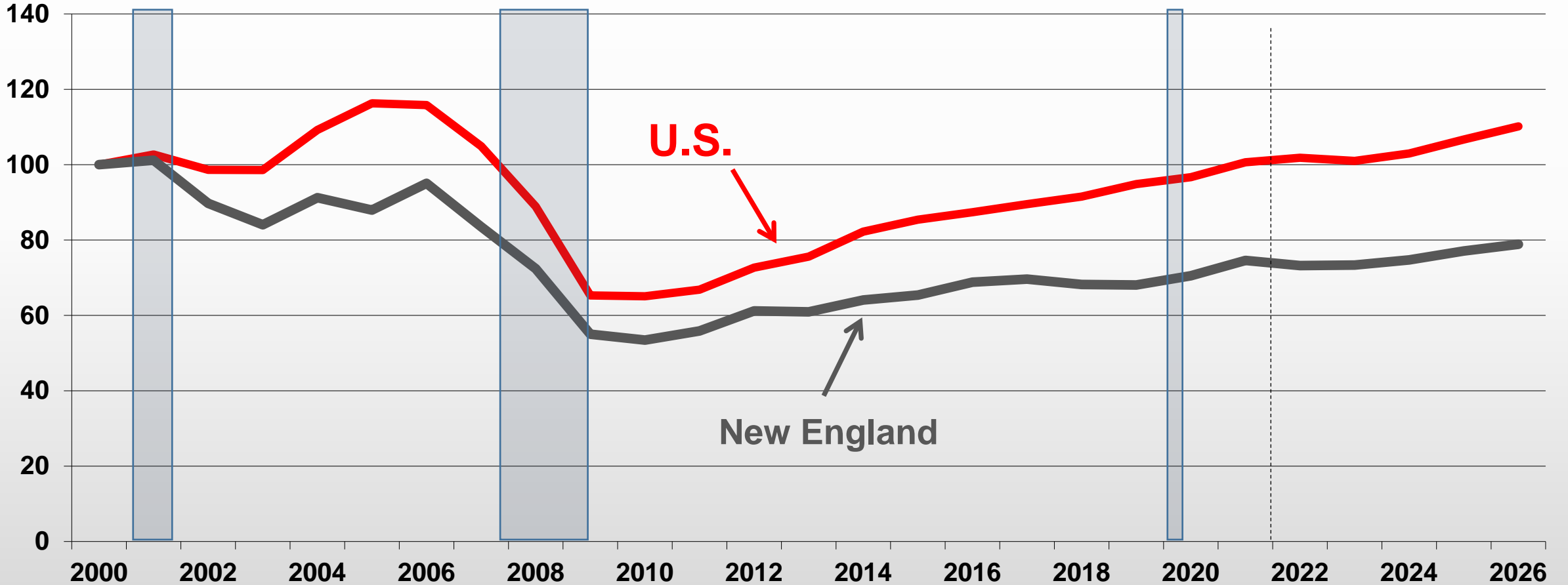
Y-o-Y Change CPIU—Urban Consumer



Source: BLS

Total Cement Consumption

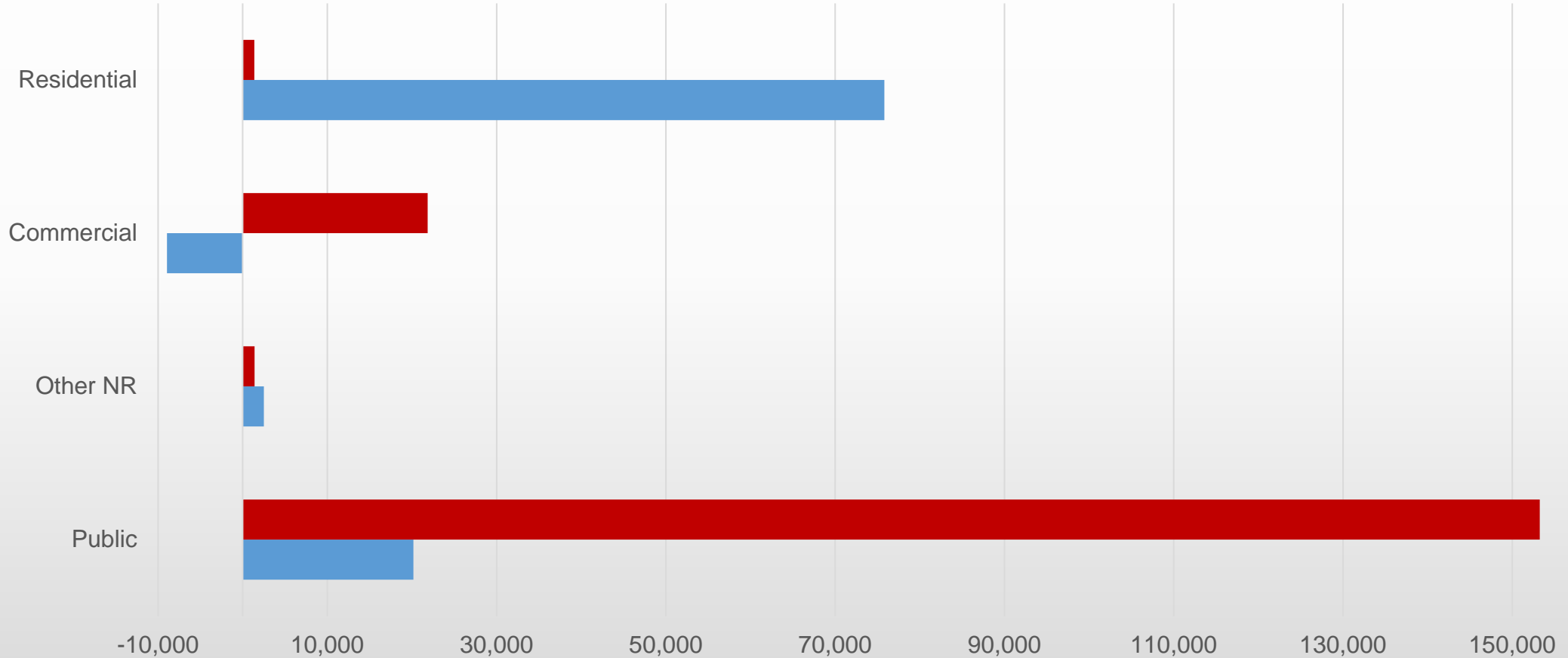
Index, 2000=100



Source: USGS, PCA

Composition of Cement Growth: New England

Metric Tons



2022-2020

2026-2023

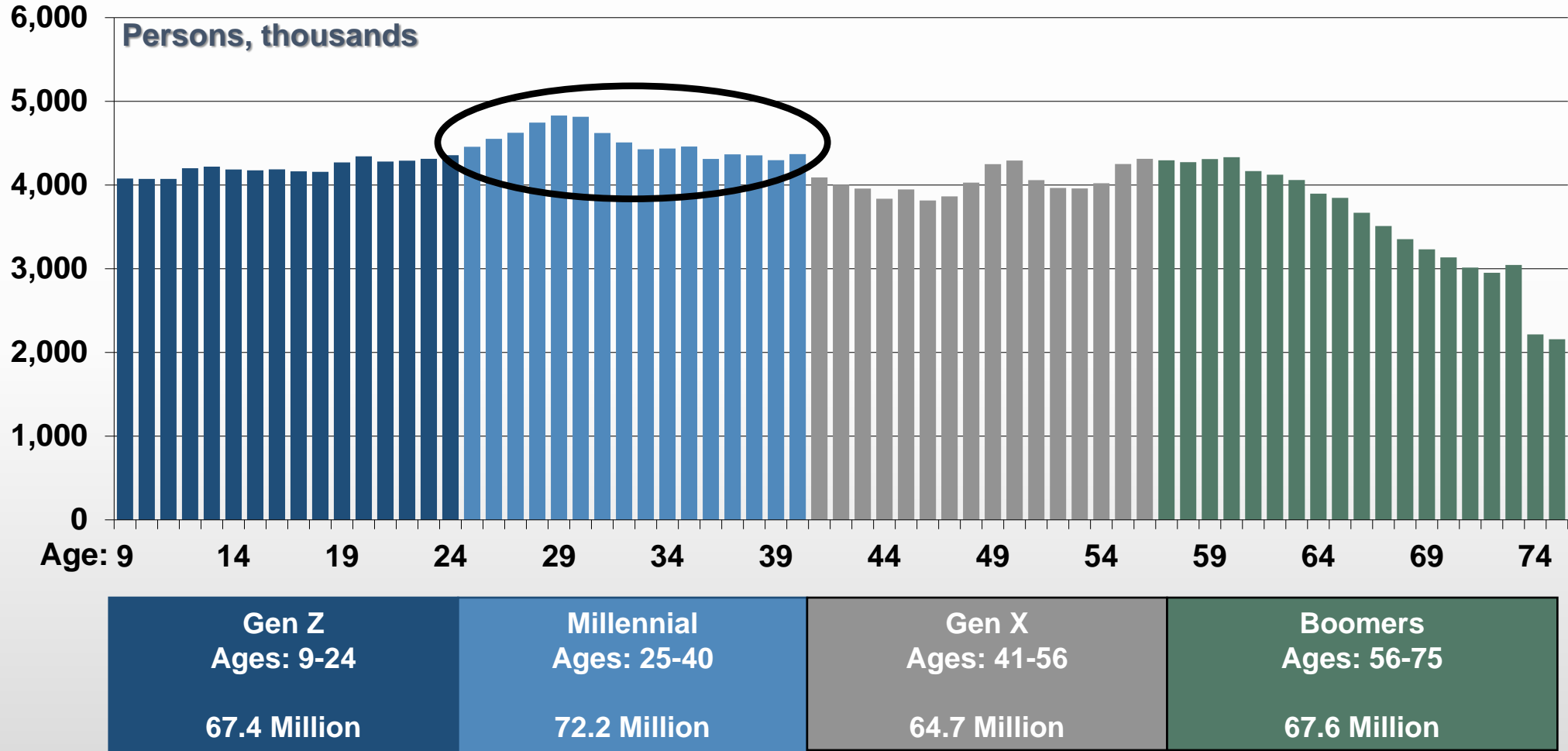
Residential Outlook

Housing Market Remains Very Tight

Months Supply of existing homes on market

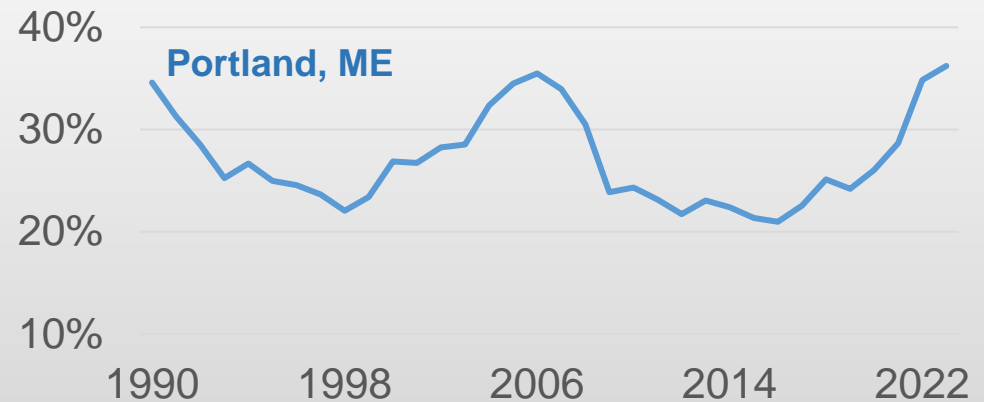
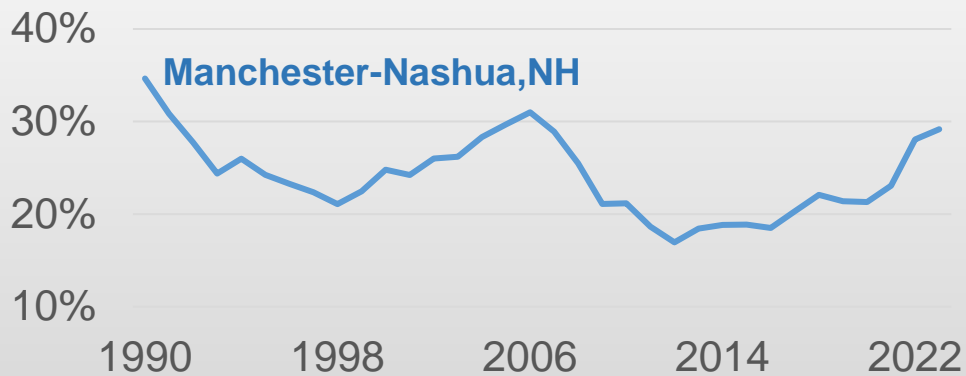
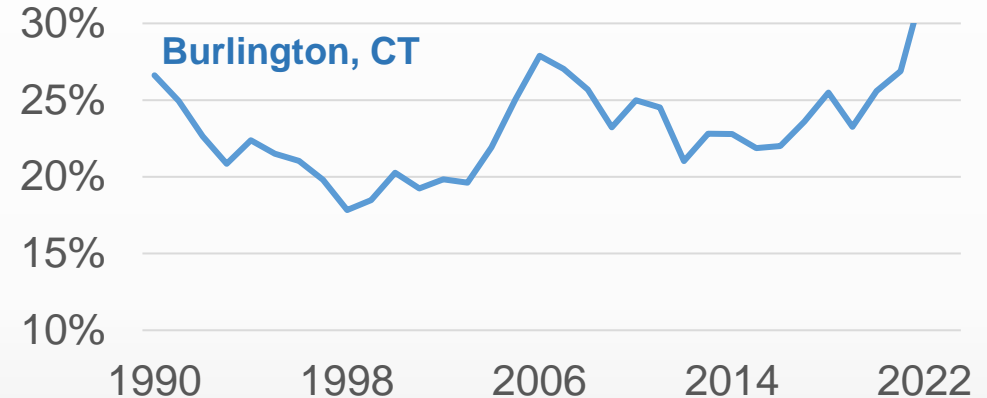
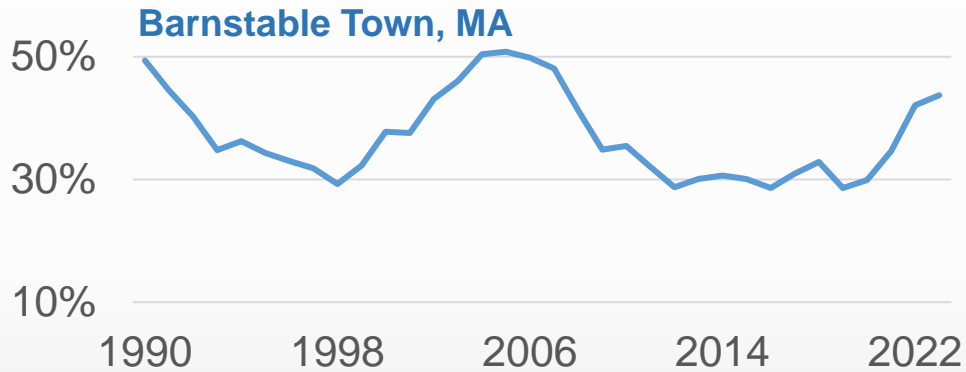


Demographics By Generation



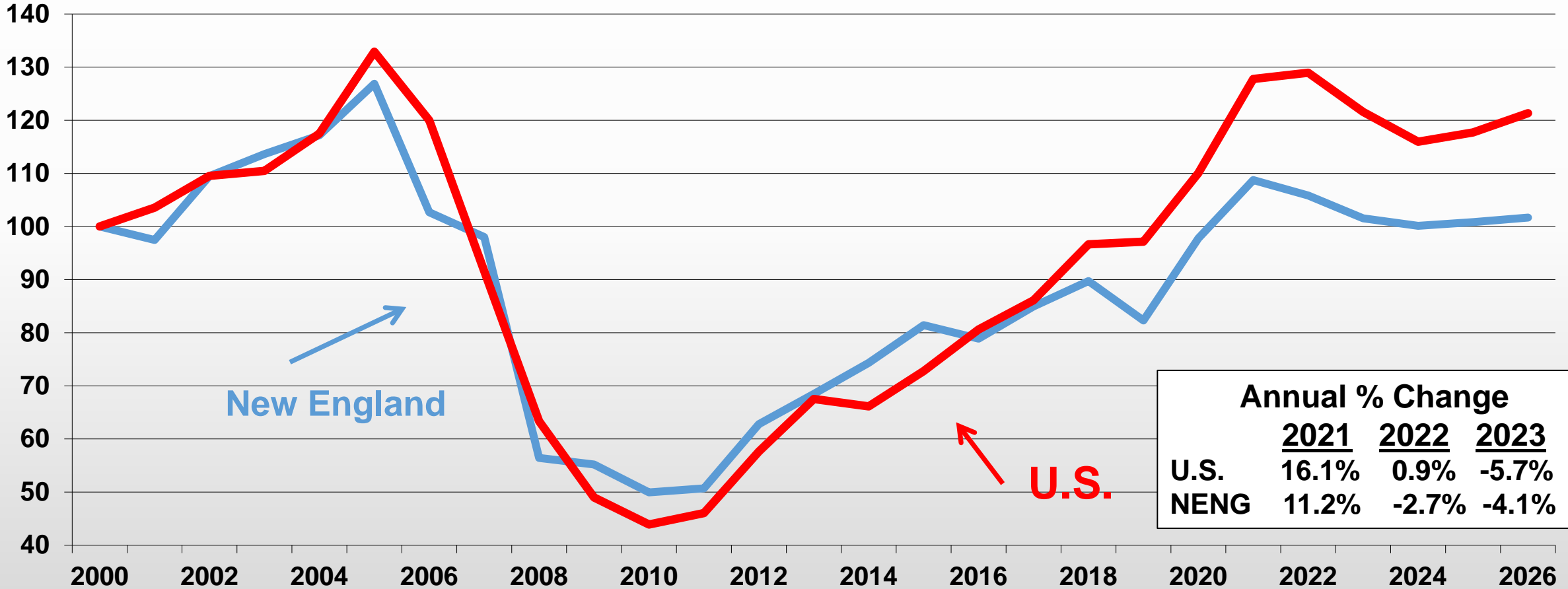
Substantial Deterioration in Affordability

Mortgage Principle and Interest Payment as Share of Median Household Income



Residential Cement Consumption – New England

Index, 2000=100

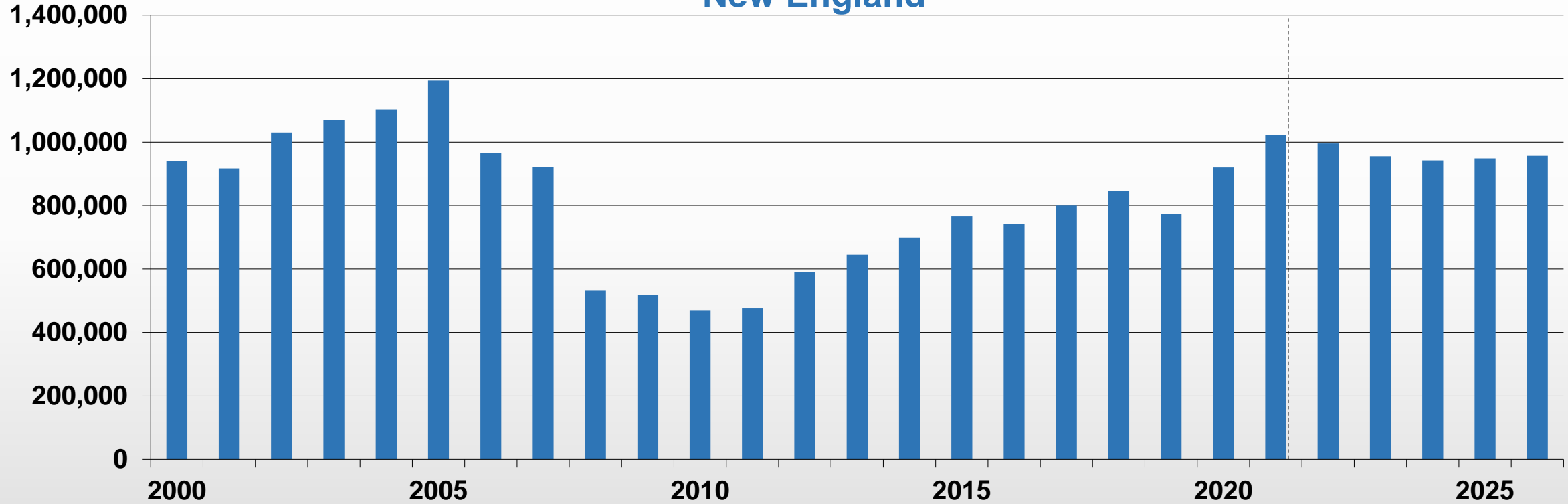


Source: USGS, PCA

Residential Cement Consumption – New England

Metric Tons

New England



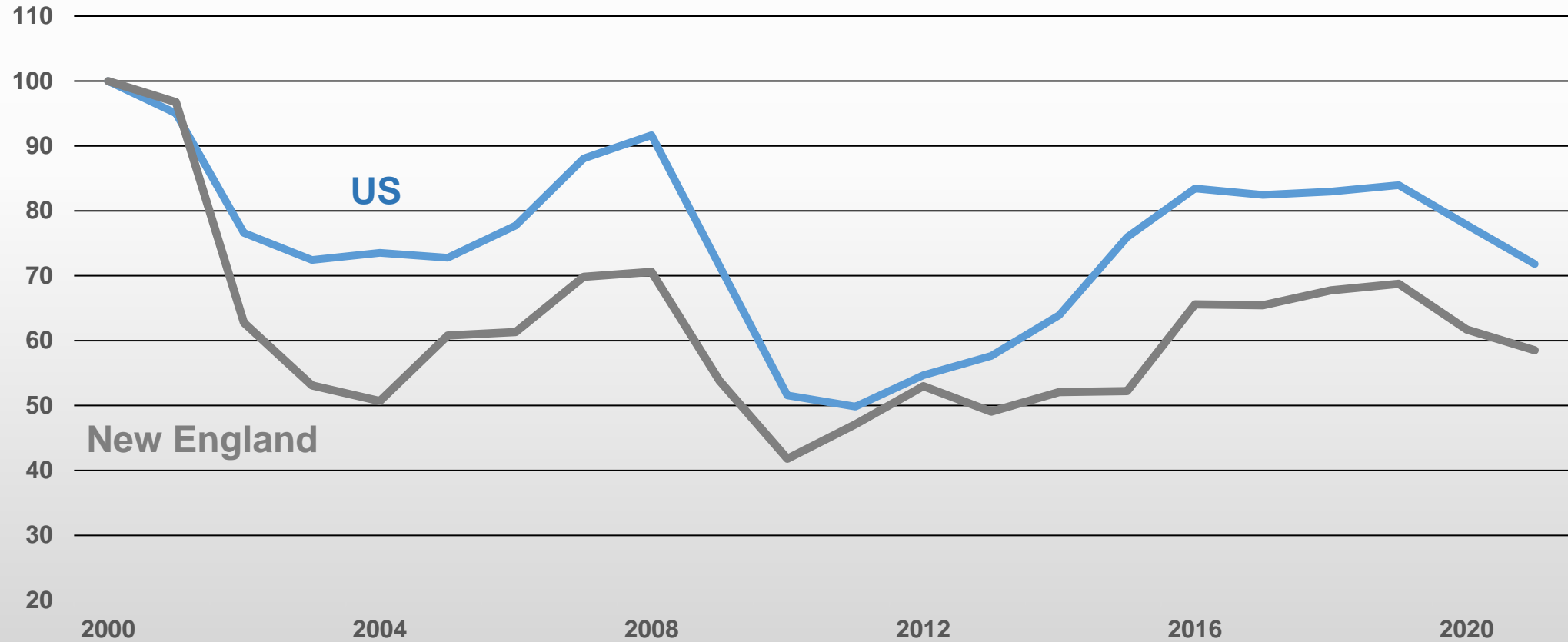
2020	2021	2022	2023	2024	2025	2026
18.8%	11.2%	-2.7%	-4.1%	-1.4%	0.7%	0.9%

Nonresidential Outlook

Commercial Sector Construction Spend

Put-In-Place Construction

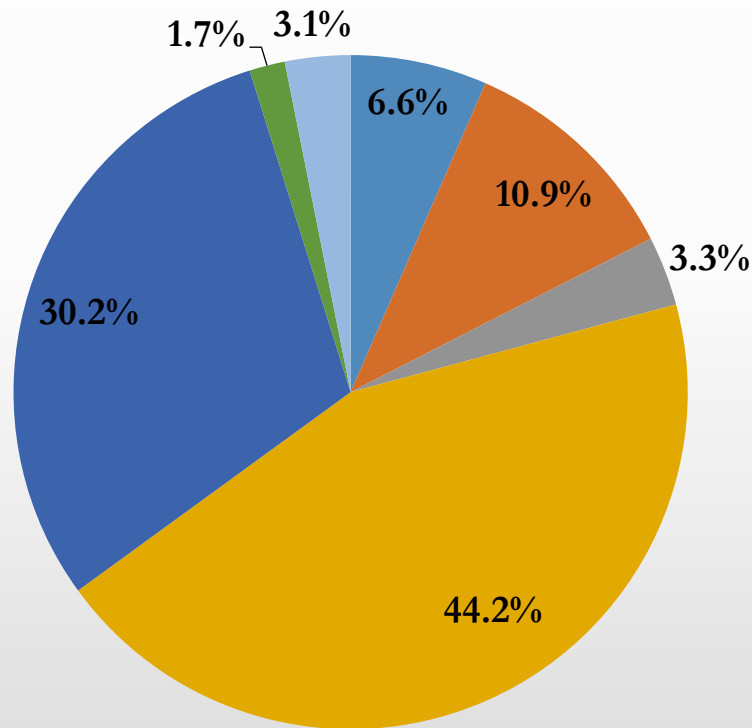
2000 = 100



Non-Residential Cement Consumption Share: New England

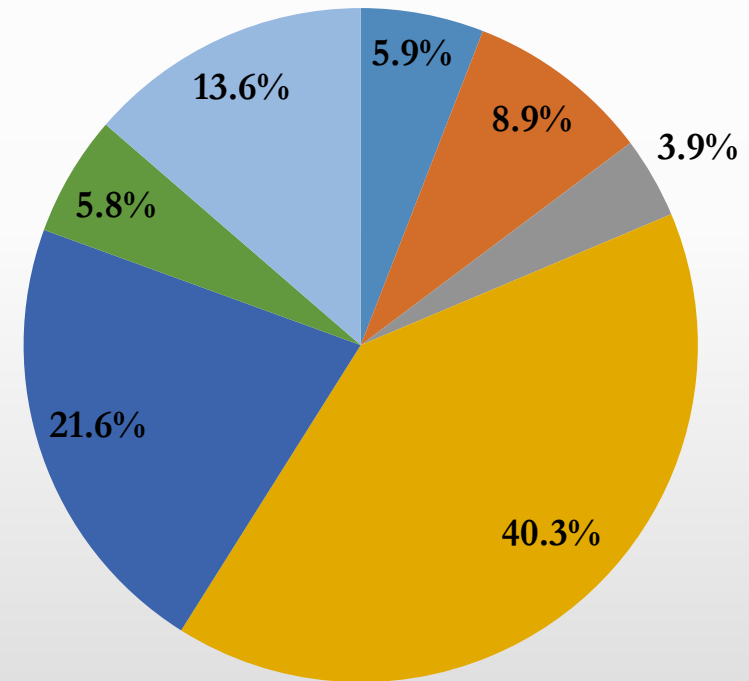
Metric Tons

% Share 2000-2005



- industrial
- other commercial
- hotel/motel
- office
- institutional
- agricultural
- public utility

% Share 2015-2020

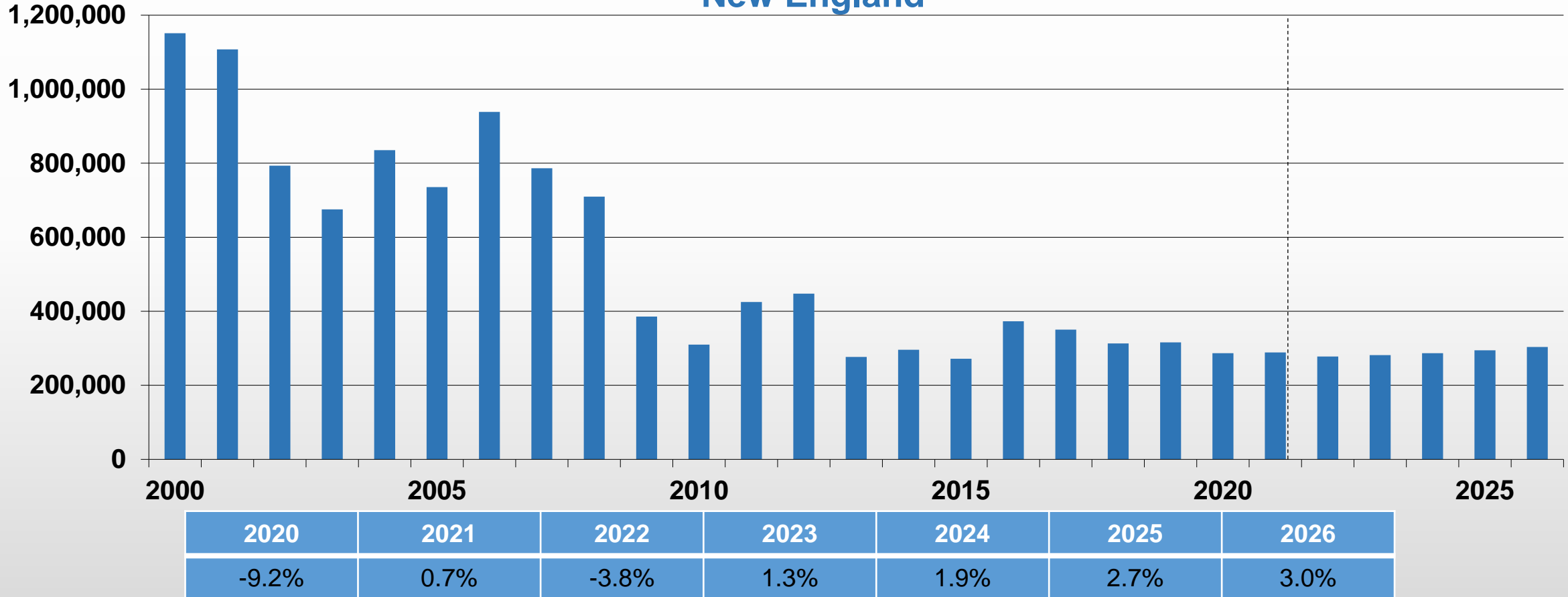


- industrial
- other commercial
- hotel/motel
- office
- institutional
- agricultural
- public utility

Non-Commercial Cement Consumption – New England

Metric Tons

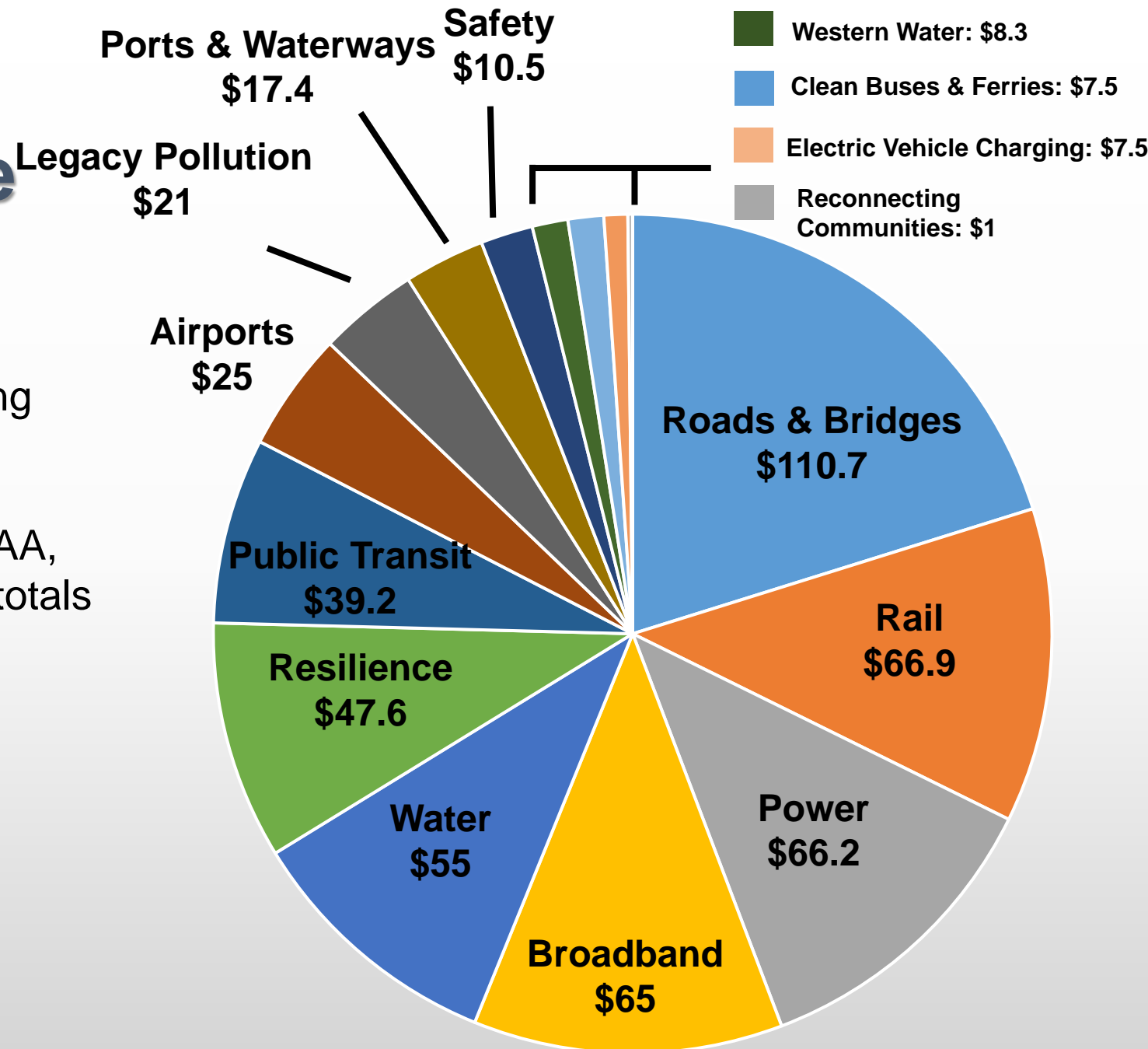
New England



Public Outlook

Infrastructure Package

- Represents \$545 billion in new spending
- Bill reauthorizes current surface transportation bills (FAST Act, WRDA, FAA, etc.) at current levels for 5 years, which totals \$1.2 trillion
- Much less in dollar size than previous proposals but heavier emphasis on traditional infrastructure



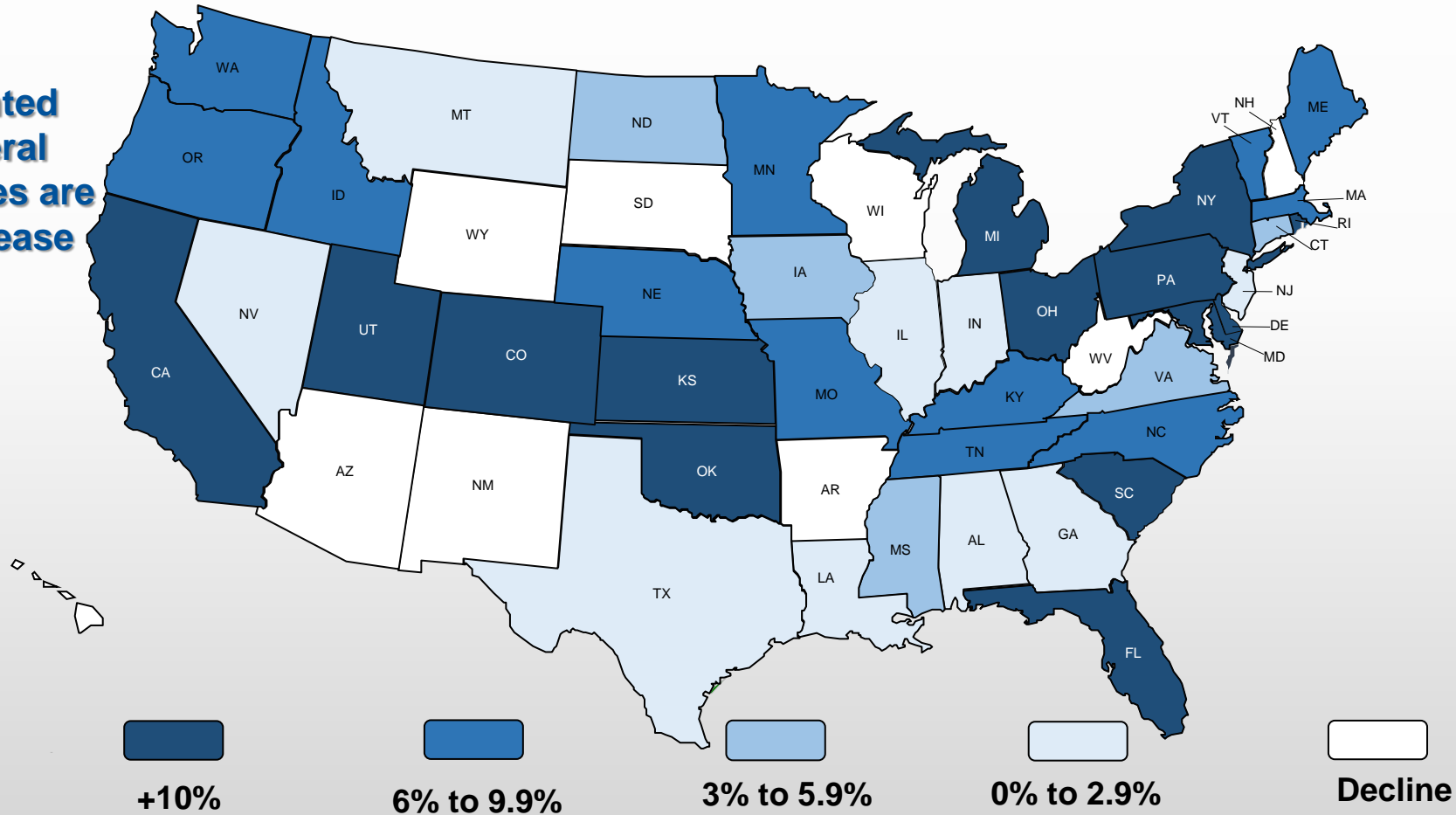
Infrastructure Timing Distribution Highway & Bridges

Process repeated across all construction segments that are impacted by the Infrastructure Program

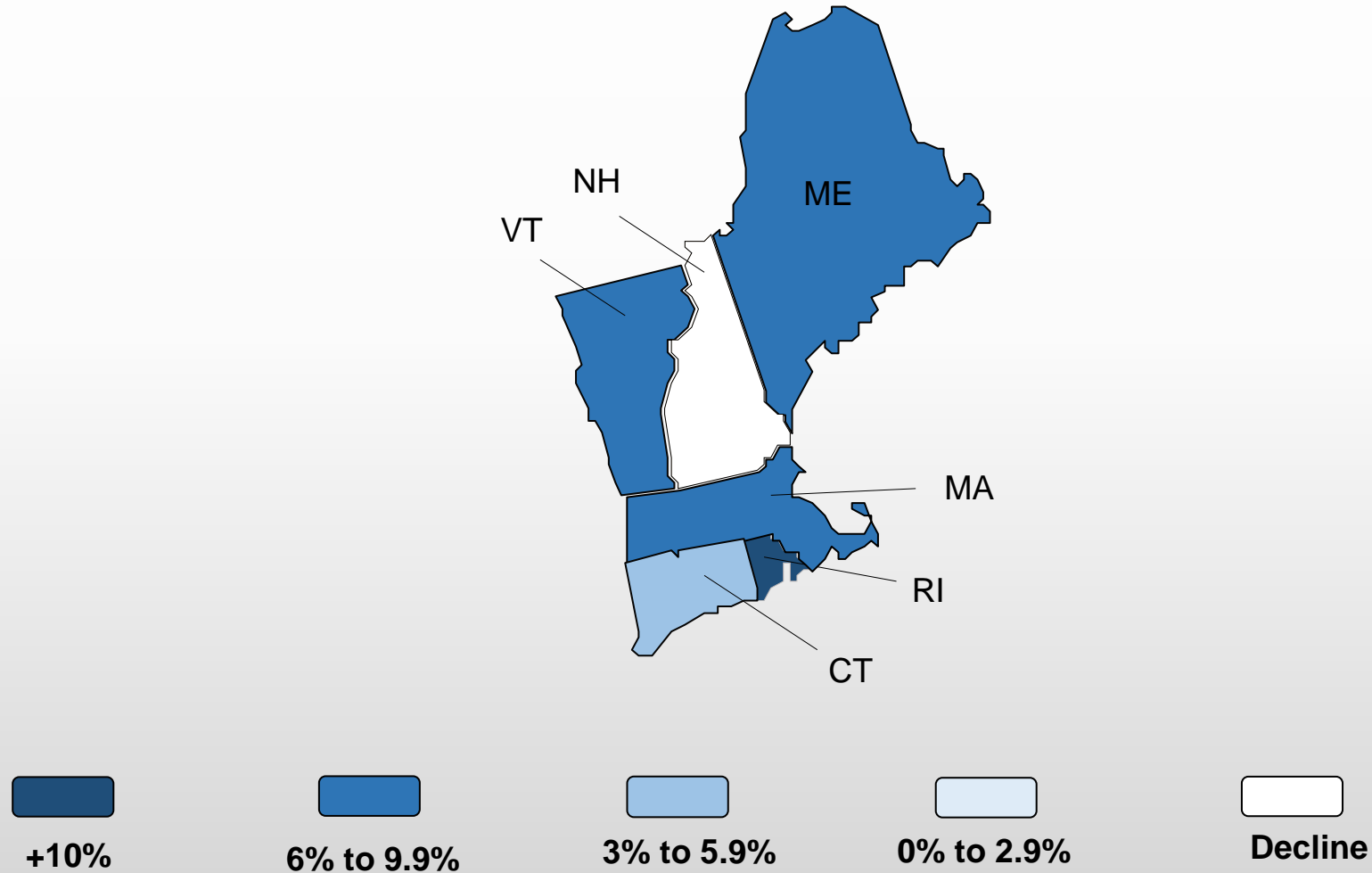
	Spending Allocation Billion \$	Fiscal Year Spending				Total Spent	Total Spent
		2023	2024	2025	2026		
		Year	Year	Year	Year		
		1	2	3	4		
2023	\$14	\$3	\$6	\$3	\$2	\$14	100%
2024	\$14		\$3	\$6	\$3	\$12	86%
2025	\$14			\$3	\$6	\$9	64%
2026	\$14				\$3	\$3	21%
Total Spending	\$70	\$3	\$9	\$12	\$14		

General Fund Percentage Expenditure Change – FY2022

On a state weighted basis, 2022 general fund expenditures are expected to increase 9.3%.

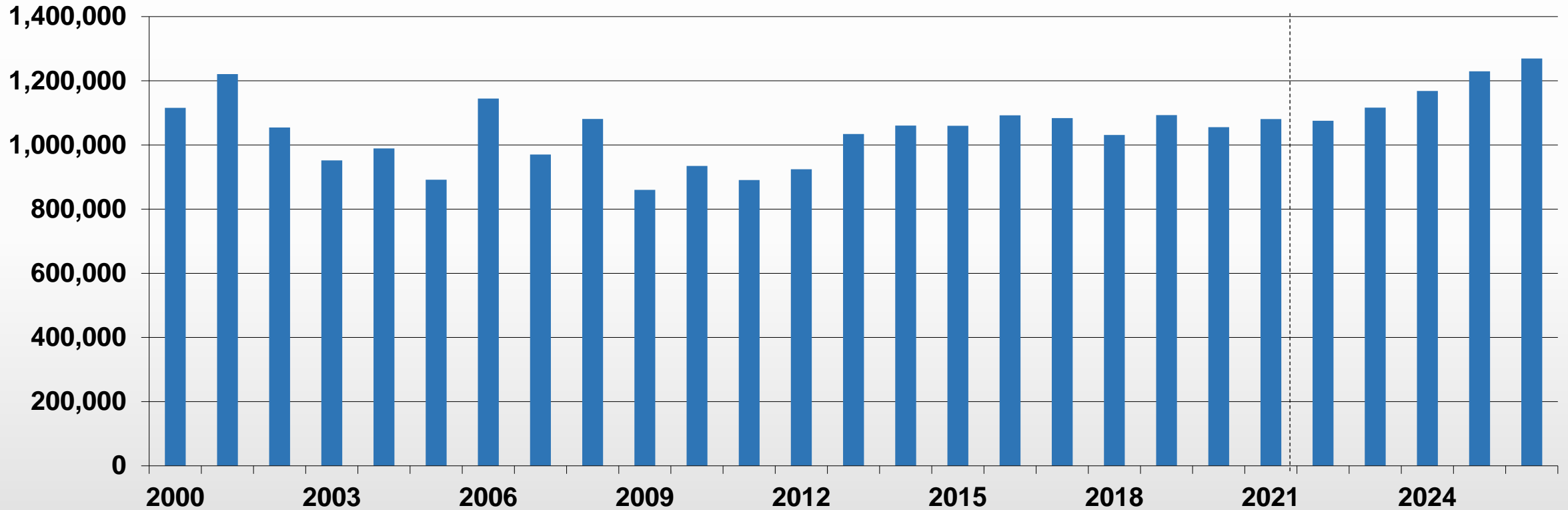


General Fund Percentage Expenditure Change – FY2022 New England



Public Cement Consumption – New England

Metric Tons

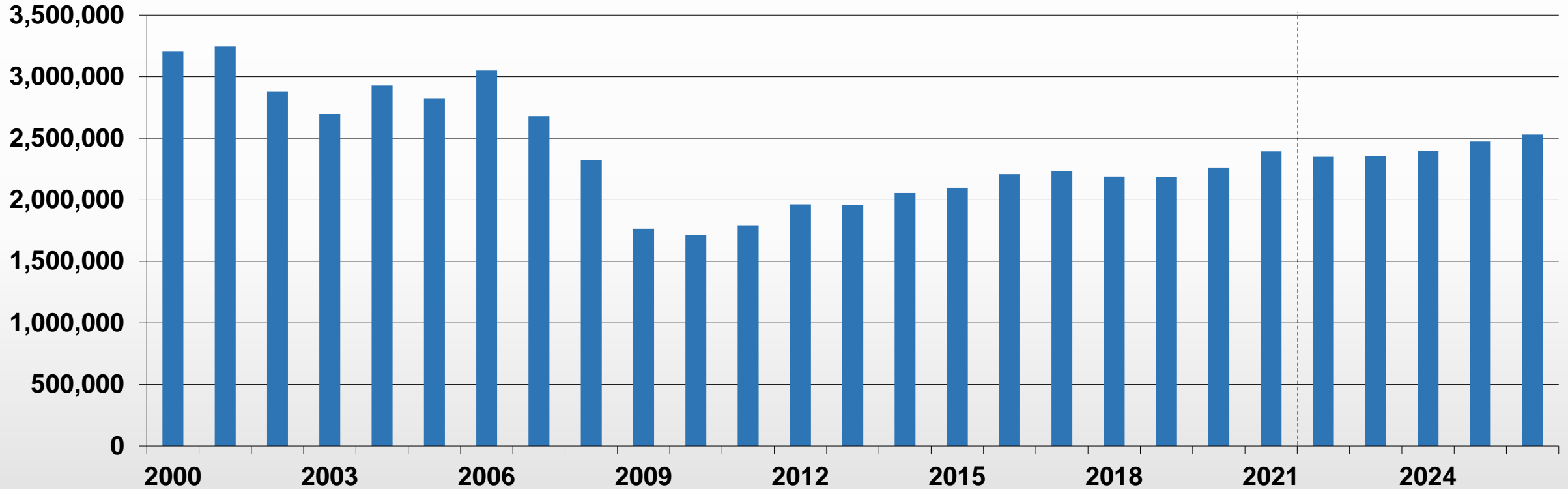


2020	2021	2022	2023	2024	2025	2026
-3.5%	2.4%	-0.5%	3.8%	4.6%	5.2%	3.3%

Summary

Total Cement Consumption – New England

Metric Tons (000s)



2020	2021	2022	2023	2024	2025	2026
3.6%	5.8%	-1.8%	0.2%	1.9%	3.2%	2.3%

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