

Where's the work?



What's hot and what's not

After steady growth the past three years, the construction industry is expected to continue its expansion but at a slower rate. What does the industry's economic landscape look like for your construction firm? Here's what the experts are predicting.

"For 2017, we will continue to see growth, though it is likely to taper off."

Ken Simonson, chief economist, AGC of America



Overall industry growth forecast: Gains ahead

"One of the likely reasons for higher levels of confidence among construction executives is their collective awareness that American enterprises will need to replace much of their capital stock in future years."

Anirban Basu, chief economist, Associated Builders and Contractors

"On balance, there are a number of positive factors which suggest the construction expansion has room to proceed."

Robert Murray, chief economist, Dodge Data & Analytics

Construction starts



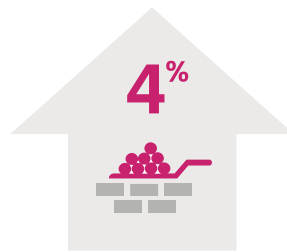
Robert Murray, Dodge Data & Analytics

Spending



Ken Simonson, AGC

Construction put in place



Randy Giggard, FMI

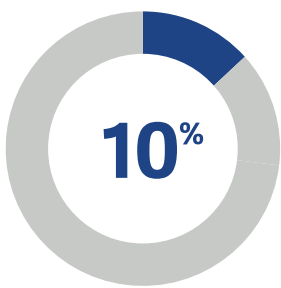


Housing outlook

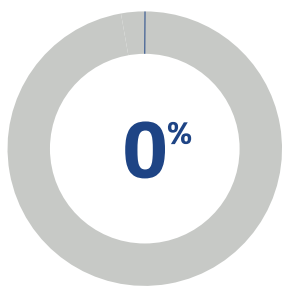
NAHB predicts housing will continue to grow, although moderately.

Housing starts:

(percent increase/decrease from 2016)



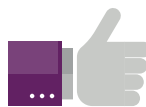
single family



multifamily



Analysts predict:



What's hot

- Residential
- Medical facilities
- Office space



What's not

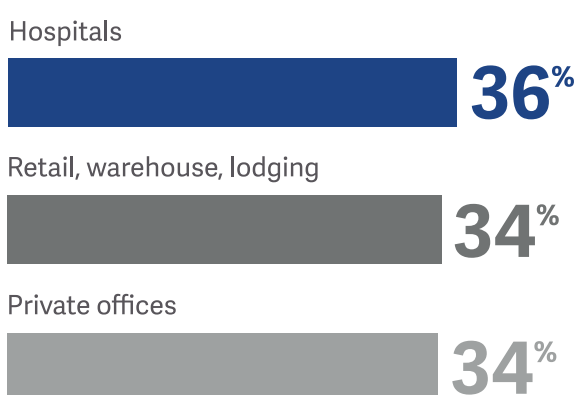
- Manufacturing
- Electric utilities



Sector forecast

(nonresidential)

Compared to 2016, contractors expect the available dollar volume of projects they compete for in 2017 to be highest for:*



Downtown offices

AGC's Ken Simonson indicates that major announcements of new office buildings—primarily located in downtown areas—will continue into 2017.

K-12 education

Bond issues are beginning to pass again, spurring construction of K-12 schools. However, volume will still be below pre-recession levels.

Manufacturing

Robert Murray, of Dodge Data and Analytics, predicts manufacturing plant construction will begin to recover after steep declines in 2015 and 2016.

Sources:

2017 Ken Simonson forecasts growth, addresses labor concerns, Glass Magazine, Oct. 19, 2016
 2017 Construction Outlook, Construction Executive, Nov. 30, 2016
 New construction starts in 2017 to increase 55 to \$713 Billion, Dodge Data & Analytics, Oct. 20, 2016
 Construction Spending, Labor & Material Outlook, AGC of America, Sept. 25, 2016
 FMI's 2016 Construction Outlook, Third quarter Report
 Housing and Interest Rate Forecast, NAHB.org forecasts, Dec. 2, 2016
 *2017 Construction Hiring and Business Outlook, AGC and Sage

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