According to data recently released by the USGS for September 2019, 111,512 tons of Portland cement was shipped to Alabama during the month. The tonnage represents a growth of 10.46% in comparison to September 2018. Over the last four months, the state has been in a yo-yo pattern of in respect to cement shipments. Over the last 5 years, the state has seen cement shipments average 95,116 tons during September. The 111,512 tons in 2019, exceeded the 5 year average by 15%. Looking back to September 2018, the cement shipments actually contracted by 1.6%.

Utilizing the cement shipments to estimate ready mix yardage for September 2019, 412,929 cubic yards of concrete was placed during the month. For the year, ready mix yardage is 7.6% ahead of 2018 totals.

Anecdotal evidence suggests the ready mix market is doing reasonably well in Alabama with most members reporting they are busy when it is not raining. However, growth continues to be non-linear across the state. Huntsville and Madison are lapping the rest of the state in regards to new construction on residential and commercial projects. Nearly every corner appears to have dirt being turned over for a future construction site. Not to mention the vast Toyota-Mazda and tier I supplier projects requiring huge amounts of concrete. Looking at more tangible economic growth evidence, data recently released by the University of Alabama shows 13,962 residential building permits were issued in Alabama for the year in 2019 versus 12,938 in 2018. This represents a 7.9% increase. Alabama also continues to have an historically low unemployment rate of 2.7% which bodes well for consumer confidence in the state.

If you have any questions about this report, please contact our office.