

TRENDLINES

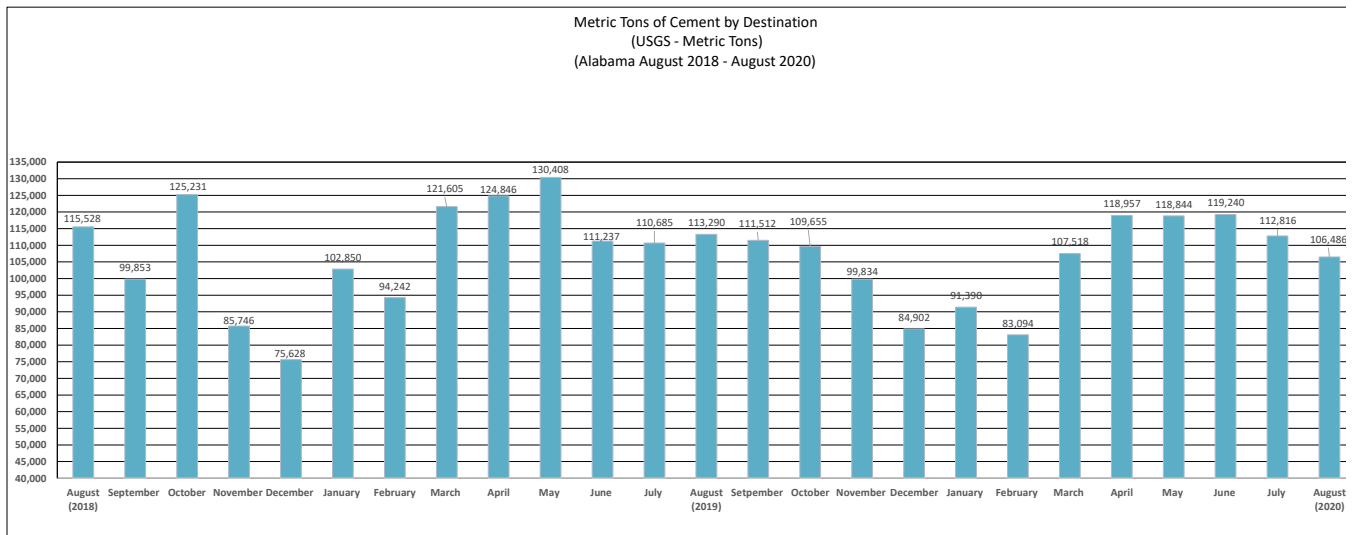
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Data recently released by the United States Geological Service shows 106,486 tons of cement were shipped to the state during August 2020. Cement shipments to the state contracted by 6% over the same period in 2019. After expanding for two consecutive months, the state experienced a slowdown for the month of August.

Looking to ready mix volumes, we estimate 394,318 cubic yards of concrete were placed during the month. The state fell below the 400,000 cubic yards for the first time since March 2020. Looking at the year to date totals, we forecast ready mix yardage is lagging 2019 totals by 5.6%. Historically, we experience a slowdown the last four months of the year, so it is unlikely the state will be able to replicate 2019 volumes of 4,869,689 yards. We anticipate 2020 totals will be similar to the tonnage and yardage seen in the state in 2018.

Examining the national construction indexes, The Home Builder Sentiment for November in the South currently stands at 90. Anything above 50 forecast a growth in the homebuilding market. The 90 represents a historical record for the homebuilder index. The AIA billing index for the month of October stands at 47.5. The number has grown for two consecutive months but still lies below a 50 which forecast growth. Residential construction will likely remain strong for the foreseeable future, but we expect commercial construction will be slow as many businesses are unlikely to expand or build due to unknowns of COVID19.

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



Cement Shipments to Alabama (USGS Data - metric tons)													
Year	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2014	51,206	63,119	82,065	80,012	87,014	89,204	96,389	90,384	86,972	91,304	66,907	68,949	953,525
2015	70,732	56,229	74,139	75,984	96,125	98,975	99,284	88,455	89,504	89,889	72,472	73,941	985,729
2016	72,343	78,591	96,152	102,668	105,228	103,002	89,547	98,391	97,909	96,673	88,227	70,168	1,098,900
2017	74,711	80,645	100,482	99,508	95,639	90,025	93,295	99,579	101,342	111,162	111,828	86,587	1,144,802
2018	84,753	93,323	115,209	106,675	107,363	112,089	109,228	115,528	99,853	125,231	85,746	75,628	1,230,627
2019	102,850	94,242	121,605	124,846	130,408	111,237	110,685	113,290	111,512	109,655	99,834	84,902	1,315,066
2020	91,390	83,094	107,518	118,957	118,844	119,240	112,816	106,486					858,345

Alabama Ready Mix Production (cubic yards)													
Year	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2014	189,616	234,002	304,240	296,628	322,587	330,706	357,344	335,080	322,431	338,491	248,043	255,614	3,534,782
2015	261,921	208,458	274,856	281,695	356,364	366,930	368,076	327,929	331,818	333,245	268,675	274,121	3,654,090
2016	267,886	291,360	356,464	380,621	390,112	381,859	331,978	364,767	362,978	358,397	327,085	260,134	4,073,640
2017	276,656	298,628	372,083	368,479	354,151	333,361	345,471	368,741	375,704	412,111	414,579	321,004	4,240,968
2018	313,840	345,575	426,619	395,017	397,564	415,066	404,471	427,801	369,755	463,732	317,518	280,052	4,557,011
2019	380,854	348,978	450,303	462,305	482,901	411,911	409,867	419,513	412,929	406,052	369,685	314,392	4,869,689
2020	338,417	307,697	398,139	440,498	440,079	441,546	417,758	394,318					3,178,452

Percent change	January	February	March	April	May	June	July	August	September	October	November	December	YTD
	-11.14%	-11.83%	-11.58%	-4.72%	-8.87%	7.19%	1.93%	-6.01%					-5.56%