



Residential Spending Continues to Lead Construction Numbers

Total spending on construction projects in the U.S. rose 0.9 percent in November compared to October. The U.S. Census Bureau estimated that the seasonally adjusted annual spending on all types of construction was \$1.459 trillion during the month compared to \$1.447 trillion the prior month, an 0.9 percent increase. **The rate was up 3.8 percent from annualized spending** (\$1.406 trillion) in November 2019.

On an unadjusted basis, there was \$123.452 billion spent during the month, down from \$128.919 billion in October. For the first 11 months of 2020 expenditures had totaled \$1.314 trillion, up from \$1.259 trillion during the same period in 2019, a 4.4 percent gain.

Privately funded spending increased 1.2 percent month-over-month and 4.1 percent on an annual basis. Seasonally adjusted annual spending in November was \$1.112 trillion compared to \$1.099 trillion in October and \$1.068 trillion in November 2019.

On an unadjusted basis the monthly total expenditure was slightly lower in November, \$95.142 billion versus \$96.832 billion the previous month. However, for the year-to-date (YTD), that spending is up 4.3 percent; from \$948.483 billion in 2019 to \$989.340 billion.

Private sector residential spending performed much better on all counts than overall spending out of the private sector. The seasonally adjusted annual outlay in November was at the rate of \$658.086 trillion, **up 2.7 percent from the rate in October** and 16.1 percent above the rate in November 2018. Unadjusted, there was \$56.736 billion spent compared to \$56.865 the prior month, but YTD expenditures increased 10.2 percent to \$554.790 billion.

Single-family construction spending, at a seasonally adjusted annual rate of \$341.506 billion, was up 2.7 percent from the previous month and 18.1 percent higher than the prior November. New multifamily construction was flat compared to the previous month at a rate of \$90.024 billion but rose 15.8 percent year-over year.

Unadjusted single-family spending totaled \$30.120 billion for the month compared to \$29.565 billion in October and the respective figures for multifamily spending were \$7.576 billion and \$7.782 billion. For the YTD \$274.475 in single family construction has been put in place and \$77.756 billion of multifamily housing. The single-family figure is up 6.4 percent compared to the same period in 2019 and there the multifamily number represents 5.0 percent growth.

Total public construction fell back 0.2 percent on an adjusted basis from October and **was up 3.1 percent on an annual basis**. The seasonally adjusted spending for November was \$347.600 billion. Residential spending rose 0.5 percent to \$8.904 billion and was 24.3 percent higher than in November 2019. With one month left in 2020, the government has spent \$7.833 billion on residential construction, a 32.6 percent increase from the first 11 months of 2019.



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