



Residential Outlays Dominate Construction Spending

Construction spending, public and private, was at a seasonally adjusted annual rate of \$1.517 trillion in February. The U.S. Census Bureau said this was down 0.8 percent from the January rate of \$1.529 trillion but was 5.3 percent higher than spending in February 2020. On a non-adjusted basis there was a total of \$105.612 billion worth of construction put in place during the month, nearly half of which was spent in the residential sector. For the year-to-date (YTD) overall spending has totaled \$213.204 billion, **a 4.9 percent increase over the \$203.215 billion spent during the first two months of 2020.**

Privately funded construction was at a seasonally adjusted annual rate of \$1.166 trillion, down 0.5 percent month-over-month from \$1.172 trillion in January. Spending was 7.1 percent above the rate in February 2020.

Spending on residential construction was at an annual rate of \$717.912 billion with \$376.794 of that total going to build single-family houses. The changes from January were fractional, **but residential construction as a whole was up 21.1 percent from February 2020** and single-family spending was 20.9 percent higher. Spending on multi-family construction at \$93.156 billion was down 1.4 percent for the month but 14.6 percent higher on an annual basis.

The dominance of the residential sector is apparent in looking at non-adjusted numbers for February. Total private sector spending was \$83.312 billion and residential spending at \$49.192 billion accounted for 59 percent of the total and was about \$15 billion higher than the aggregate of all non-residential spending.

YTD spending in the private sector totaled \$168.636 billion, a 6.5 percent increase over the same period last year. YTD residential spending is up 22.1 percent at \$100.041 billion and spending on single-family homes rose 25.4 percent.

Publicly funded construction was at an annual rate of \$351.206 billion in February, down 1.7 percent from January and 0.3 percent year-over-year. Residential construction spending, while in small dollars, continued the large increases that began in 2020. The annual rate in February was \$9.508 billion, a 24.8 percent annual increase.



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