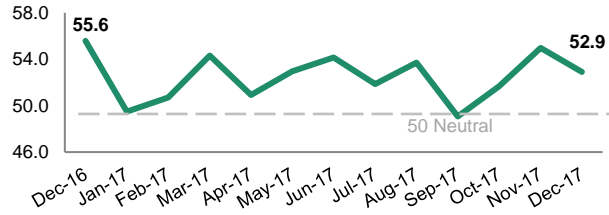




HIGHLIGHTS

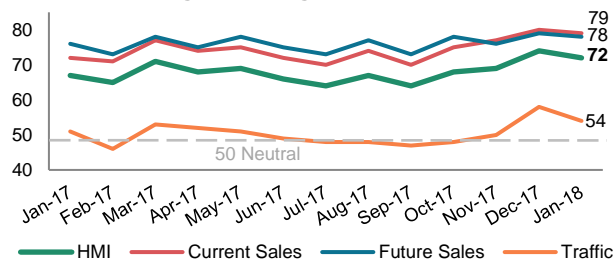
Architecture Billings Index (December 2017)



- The Architecture Billings Index (ABI) remained above 50 (neutral) in December 2017 at 52.9, after a high of 55 in November
- The new project inquiries component of the index saw a gain of 0.8 to 61.9 points; while the new design contracts component fell by 0.5 points to 53.2
- Region index scores were mixed. The South (56.3) and Midwest (52.9) regions increased; while the Northeast (49.4) and West (53.0) regions declined
- Sector index breakdown: multi-family residential (55.4), institutional (51.2), mixed practice (50.4), commercial / industrial (54.8)

*Any score above 50 (neutral mark) indicates an increase in billings and reflects 9-12 month lead time to construction spending
Source: AIA December 2017, January 24, 2018 Release

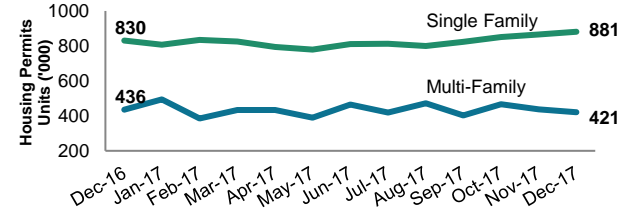
NAHB/Wells Fargo Housing Market Index (HMI) (Jan'18)



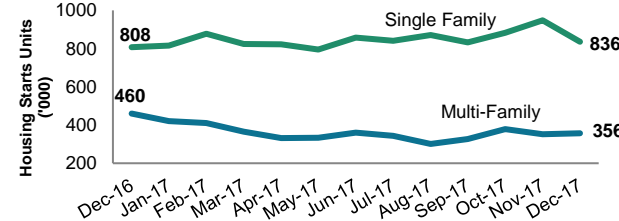
- Builder confidence for new Single family homes declined to 72 in January 2018 from 74 in December 2017, the highest index score since 1999
 - All the index components declined in January. Traffic fell by 4 points to 54, while the present and future sales components fell by 1 point to 79 and 78, respectively
 - Regionally, only the Northeast HMI score increased with a jump of 9 points to 62. The Midwest saw a fall of 7 points to 69, the South region saw a drop of 3 points to 72 and the West region fell by 1 point to 83
- Source: NAHB January 17, 2018 Release

CONSTRUCTION UPDATE

Housing Permits & Starts (December 2017, seasonally adjusted)

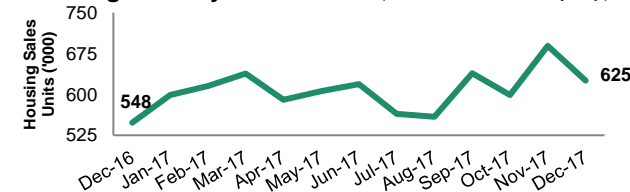


- Total housing permits authorized in December 2017 were 1,302K (seasonally adjusted), 0.1% below November 2017, but 2.8% above the year-ago rate
- Single Family permits were 881K, 6.1% above the year ago rate; Multi-Family fell 3.4% to 421K from Dec. 2016



- Total housing starts in December 2017 were 1,192K (seasonally adjusted), 8.2% below November 2017 and 6.0% below the year-ago, December 2016 rate
 - Single Family starts were 836K, up 3.5% in the year; Multi-Family starts were 356K, 22.6% below Dec. 2016
- Source: Census December 2017, January 18, 2018 Release

New Single Family House Sales (Dec. 2017, seasonally adj.)



- Sales of new Single Family houses in December 2017 totaled to 625K, 9.3% below the November 2017 revised rate of 689K, but 14.1% above the year-ago rate
 - The median sales price of new houses was \$335,400
 - The average sales price rose to \$398,900
 - There were 295K new houses for sale at end of period, representing 5.7 months of supply at current sales rate
- Source: Census December 2017, January 25, 2018 Release

ECONOMIC UPDATE

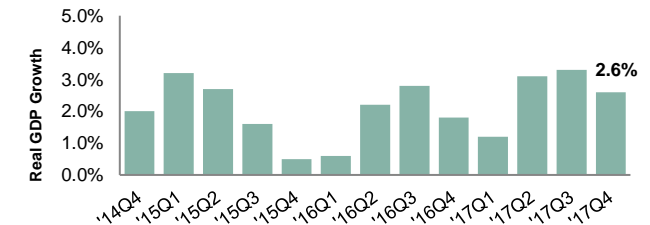
Employment (January 2018)

Job Additions from last period ('000)	
US	200.0
Construction	36.0
Buildings	2.8
Residential	5.1
Non Residential	-2.3
Heavy & Civil	6.3
Specialty Trade	26.3
Residential	13.9
Non Residential	12.4

- The employment situation showed further expansion in January 2018. Total nonfarm employment rose by 200K, with continued gains in Healthcare, Construction and Manufacturing. The unemployment rate remained unchanged at 4.1%
- Construction employment gained 36K jobs last month following the 33K jobs added in December 2017
- The Specialty Trade segments made the strongest gains, with Residential Specialty trades adding 13.9K jobs and Non Residential Specialty trades adding 12.4K jobs

Source: BLS January 2018, February 2, 2018 Release

GDP (Q4 2017 Advanced Estimate, seasonally adjusted)



The advanced estimate for real GDP growth in Q4 2017 was 2.6%, a decrease from the growth of 3.2% seen in the third quarter

- Real GDP growth in 2017 has outpaced growth experienced in 2016 by at least 0.4% each quarter
- The increase in real GDP in Q4 2017 reflected positive contributions from personal consumption expenditures (PCE), nonresidential fixed investment, exports, residential fixed investment, state and local government spending, and federal government spending. These were partly offset by negative contribution from private inventory investment

Source: BEA GDP Q4 2017 Adv. Estimate, January 26, 2018 Release