Economic Outlook
The Rocky Mountain region led the U.S. in growth in 2020, growing 11.5%.

The Pacific region was flat in 2020 with 0.1% growth.
2021 Year-to-Date Cement Consumption Performance

11% or Greater Growth
2% to 10%
+2% to -2%
-2% to -10%
11% or Greater Decline
37 monthly & high frequency variables included in the index from home prices, rail traffic, business confidence, seated diners, etc.

At least 1 dose:
- Mountain: 48.1%
- Pacific: 56.9%

Fully vaxxed:
- Mountain: 38.7%
- Pacific: 44.0%
Employment Recovery

Index; February 2020

Source: BLS, PCA
Regional Unemployment

- Imperial County, CA has the highest unemployment rate in the region at 17.9%, followed by Luna County, NM at 16.2%, and Yuma County, AZ at 13.7%.

- Idaho, Utah, Wyoming, Montana, and northern Nevada have held up the best in terms of job losses, while more urban and economies dependent on the service sector say the most drastic declines in employment.
Economic Growth

Year-over-year change in GSP/GDP

Source: BEA, PCA
Residential Outlook
Housing Permits: West

**Pacific**

- **Single Family**
  - 2020: 0.2%
  - 2021 YTD: 32.4%
- **Multi Family**
  - 2020: -14.9%
  - 2021 YTD: 21.5%

**Mountain**

- **Single Family**
  - 2020: 15.7%
  - 2021 YTD: 43.4%
- **Multi Family**
  - 2020: 7.4%
  - 2021 YTD: 24.1%

Source: PCA
Residential Improvement Construction Spending: West

$2009, Thousands, SAAR

Source: Census, Dodge, PCA

2020: +12.8%
Home Affordability Concerns

Home Price-to-Household Income, SA

Source: NAR, BEA, BOC, Moody's
Residential Cement Consumption: West

**Pacific**

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth Rate</th>
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<tbody>
<tr>
<td>2020</td>
<td>1.9%</td>
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<tr>
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<td>2024</td>
<td>0.9%</td>
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<tr>
<td>2025</td>
<td>-0.5%</td>
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**Mountain**

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth Rate</th>
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<tr>
<td>2020</td>
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<tr>
<td>2021</td>
<td>4.2%</td>
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<tr>
<td>2024</td>
<td>1.0%</td>
</tr>
<tr>
<td>2025</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Source: PCA
Nonresidential Outlook
Nonresidential: A Long Recovery

Bank Lending Officer Survey:
More Banks Tightening Lending Standards Since 2008

Working Capital Factor:
The longer below "normal" economic conditions persist – the more pressure occurs on working capital and ability to stay open.

Structural Factors Contribute to Vacancy Rates:
- Work-At-Home
- E-Retail
- Virtual Meeting
- E-Learning
- Urban Trend Slows
Nonresidential Construction Spending: West

$2009, Thousands, SAAR

Source: Census, Dodge, PCA

Spending in 2020 driven by Arizona and Utah, a flat Colorado, rest of the region was negative.

2020: -10.4%

2020: +3.0%
Active Rotary Rigs
Index; First week of 2019=100

Source: Baker Hughes
Nonresidential Cement Consumption: West

Source: PCA
Public Outlook
State Funding – FY2021

Percent Declines in General Fund Tax Revenues from Pre-COVID Levels

On a state weighted basis, 2021 general fund revenues are expected to decline 3.3% as reported by state agencies.

Source: Center on Budget and Policy Priorities: Data compiled from various state agencies
Vehicle Miles Traveled

Y-o-Y Percent Change in total VMT

Source: FHWA
Public Construction Spending: West

$2009, Thousands, SAAR

Pacific

Public spending levels holding steady

Mountain

Public spending levels showing some recent erosion from high 2019 levels

Source: Census, Dodge, PCA
Public Cement Consumption: West

Source: PCA
Total Portland Cement Consumption: West

Metric Tons

Source: PCA
West Regional Update
Brian Schmidt, Regional Economist
June 2021