West Region Update

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September 2021
2021 Year-to-Date Cement Consumption Performance

- **11% or Greater Growth**
- **2% to 10%**
- **+2% to -2%**
- **-2% to -10%**
- **11% or Greater Decline**
Back to Normal Index
Moody’s-CNN Survey 100=March 1st 2020

37 monthly & high frequency variables included in the index from home prices, rail traffic, business confidence, seated diners, etc.

Percentage of Population Vaccinated

- At least 1 dose: 58.9%
- Fully vaxxed: 51.0%

- At least 1 dose: 69.3%
- Fully vaxxed: 57.4%

Mountain

Pacific
Confirmed & Projected Regional COVID Deaths

7 Day Moving Average; IHME Projection

**Rocky Mountain**

- **Forecast**
- **Worst**
- **Baseline**
- **Best**

**Pacific**

- **Forecast**
- **Worst**
- **Baseline**
- **Best**

Source: IHME
Residential Update
Single Family Housing Permits: West

Source: PCA

Pacific

- 2020: 0.2%
- 2021 YTD: 12.0%

Mountain

- 2020: 15.7%
- 2021 YTD: 19.6%
Multifamily Housing Permits: West

**Pacific**

- **2020:** -14.9%
- **2021 YTD:** 20.6%

**Mountain**

- **2020:** 7.4%
- **2021 YTD:** 36.2%

**Source:** PCA
Residential Cement Consumption: West

(000) Metric Tons

Pacific

Mountain

2020 1.9%
2021 6.5%
2022 6.8%
2023 0.7%
2024 0.6%
2025 -0.4%

2020 15.6%
2021 4.7%
2022 4.8%
2023 1.2%
2024 0.8%
2025 1.0%

Source: PCA
Nonresidential Update
Spending in 2020 driven by Arizona and Utah, a flat Colorado, rest of the region was negative.
Commercial Cement Consumption: West

(000) Metric Tons

Pacific

Mountain

Source: PCA
Active Rotary Rigs

Source: Baker Hughes
Oil Well Cement Consumption

Metric Tons

Source: PCA

<table>
<thead>
<tr>
<th>Year</th>
<th>Change</th>
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<tbody>
<tr>
<td>2020</td>
<td>-25.6%</td>
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<tr>
<td>2021</td>
<td>9.7%</td>
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<tr>
<td>2022</td>
<td>14.3%</td>
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<td>2023</td>
<td>7.4%</td>
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<tr>
<td>2025</td>
<td>1.5%</td>
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Public Update
State & Local capital investment in as a share of GDP has declined to a post WWII low.

Capital investment based on structures, i.e. schools & roads. Excludes equipments & software.

Source: BEA, PCA
States Have Been Increasingly Less Reliant on Federal Funds

Cents Per Gallon

Source: Federal Tax Administrators, FHWA, PCA
Regional Mobility

Percentage change from baseline visits; 7 day rolling average; population weighted

Source: Google Mobility Report, PCA
American Rescue Act State & Local Allocation Scheme

Total State & Local Government Aid: $350

State Governments & DC: $195.3
- Divided equally: $25.5
- Divided based on states’ share of total unemployed Americans: $169.8

Counties & Cities: $130.2
- Counties: $65.1
- Cities: $65.1
  - >50,000: $45.6
  - <50,000: $19.5

Territories & Tribes: $24.5
- Tribes: $20
- Territories: $4.5
Old vs. New Infrastructure Package

Original infrastructure package called for...

- $400 billion in home care
- $180 billion in research and development
- $100 billion in workforce development

Though spending in the new bill is significantly less, cement intensities are higher given emphasis on traditional infrastructure funding.
Infrastructure Package

- Represents $545 billion in new spending

- Bill reauthorizes current surface transportation bills (FAST Act, WRDA, FAA, etc.) at current levels for 5 years, which totals $1.2 trillion

- Much less in dollar size than previous proposals but heavier emphasis on traditional infrastructure

Source: White House
Net New Spending on Roads & Bridges Per Capita

Source: White House, PCA
Public Cement Consumption: West

(000) Metric Tons

Pacific

Mountain

Source: PCA
Cement Outlook Summary
Total Portland Cement Consumption: West

(000) Metric Tons

Pacific

Source: PCA

Mountain

2020 11.5%
2021 0.4%
2022 2.2%
2023 1.8%
2024 2.5%
2025 2.9%