The Virginia Tech–USDA Forest Service Housing Commentary: Section II
January 2025

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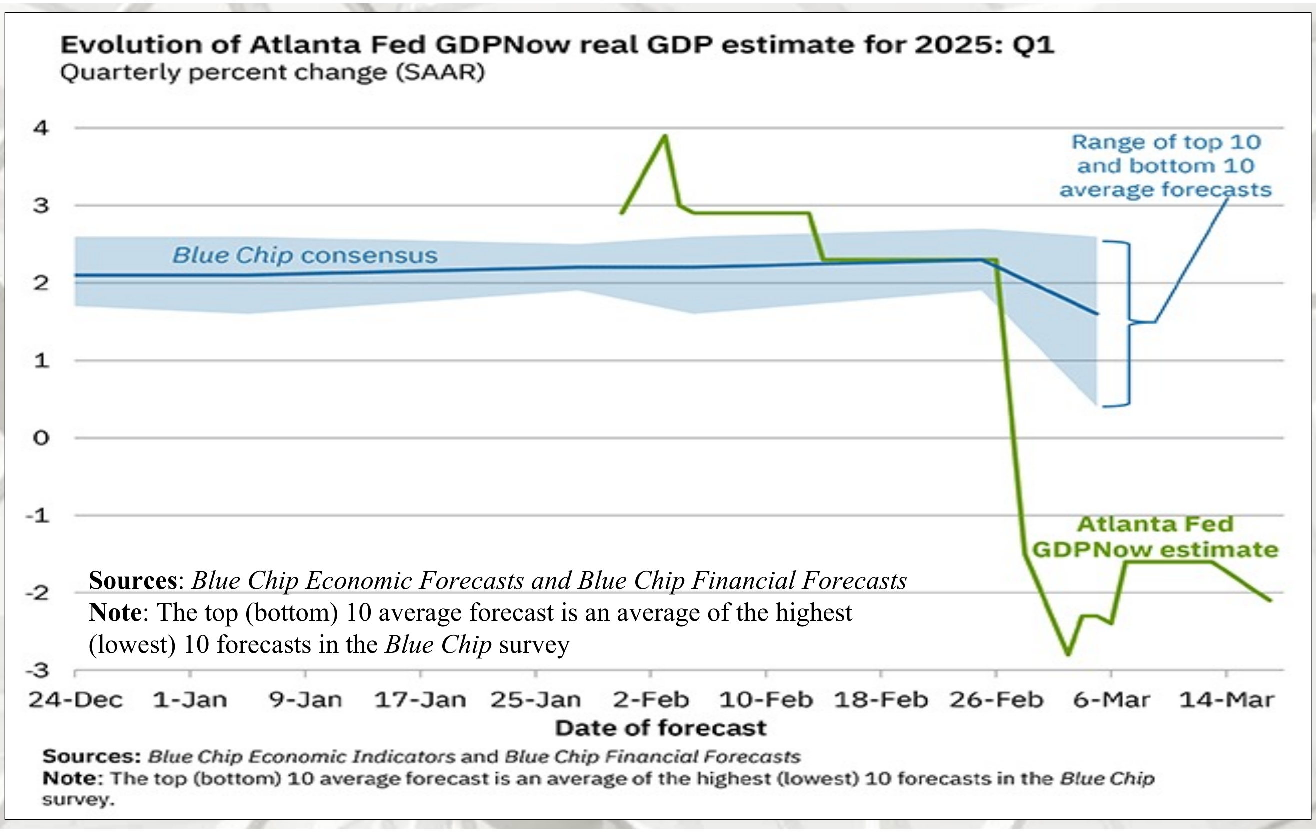
U.S. Economic Indicators



Atlanta Fed GDPNow™

Latest estimate: 3.0 percent — March 17, 2025

"The GDPNow model estimate for real GDP growth (seasonally adjusted annual rate) in the first quarter of 2025 is **-2.1 percent** on March 17, down from -1.6 percent on March 7. After this morning's retail sales release, the nowcast for first-quarter real personal consumption expenditures growth declined from 1.1 percent to 0.4 percent. Due to FOMC blackout policy, today's post does not include an update of the version of the model described here that adjusts the standard GDPNow model forecast for foreign trade in gold. That adjusted model will again be updated after our first scheduled post-blackout update on March 26." – Pat Higgins, Economist, Federal Reserve Bank of Atlanta

Source: https://www.frbatlanta.org/cqer/research/gdpnow.aspx; 3/17/25

The Federal Reserve Bank of Chicago: National Activity Index (CFNAI)

Index Suggests Economic Growth Decreased in January

"*The Chicago Fed National Activity Index (CFNAI) decreased to –0.03 in January from +0.18 in December. Two of the four broad categories of indicators used to construct the index decreased from December, and one category made a negative contribution in January. The index's three-month moving average, CFNAI-MA3, increased to +0.03 in January from –0.13 in December.*

The CFNAI Diffusion Index, which is also a three-month moving average, increased to +0.10 in January from –0.07 in December. Thirty-nine of the 85 individual indicators made positive contributions to the CFNAI in January, while 46 made negative contributions. Thirty-four indicators improved from December to January, while 50 indicators deteriorated and one was unchanged. Of the indicators that improved, 10 made negative contributions.

Production-related indicators contributed +0.03 to the CFNAI in January, down from +0.19 in December.

- The sales, orders, and inventories category made a neutral contribution to the CFNAI in January, up from –0.04 in December.
- Employment-related indicators contributed +0.07 to the CFNAI in January, up from +0.01 in December.
- The personal consumption and housing category's contribution to the CFNAI was –0.14 in January, down from +0.02 in December." – Thomas Walstrum, Media Relations, The Federal Reserve Bank of Chicago

Source: https://www.chicagofed.org/research/data/cfnai/current-data; 2/24/25

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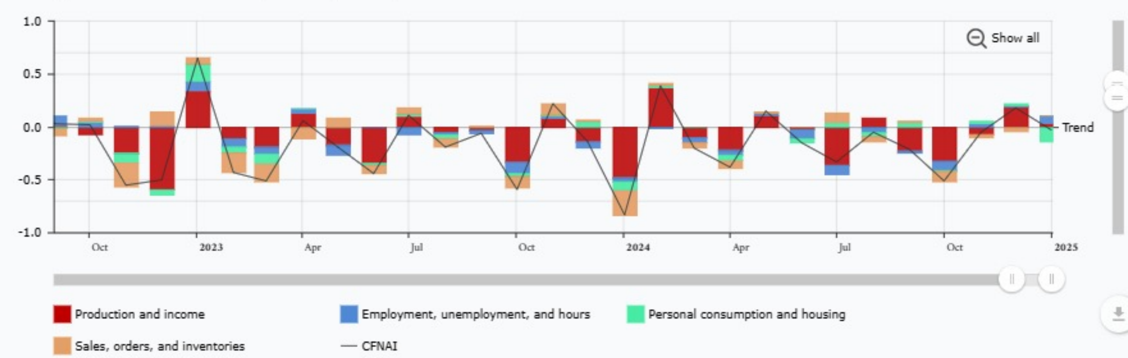
The Federal Reserve Bank of Chicago: National Activity Index (CFNAI)

CFNAI, CFNAI-MA3, and CFNAI Diffusion for the Latest Six Months and Year-Ago Month

	Jan '25	Dec '24	Nov '24	Oct '24	Sep '24	Aug '24	Jan '24
CFNAI							
Current	−0.03	0.18	−0.05	−0.51	−0.21	−0.05	−0.83
Previous	N/A	0.15	−0.01	−0.54	−0.23	−0.04	−0.80
CFNAI-MA3							
Current	0.03	−0.13	−0.25	−0.25	−0.19	−0.17	−0.25
Previous	N/A	−0.13	−0.26	−0.27	−0.19	−0.16	−0.23
CFNAI Diffusion							
Current	0.10	−0.07	−0.23	−0.28	−0.18	−0.22	−0.16
Previous	N/A	−0.15	−0.28	−0.32	−0.20	−0.19	−0.14

Note: Current and Previous values reflect index values as of the February 24, 2025, release and January 27, 2025, release, respectively. NA indicates not applicable.

Chicago Fed National Activity Index (CFNAI)



Note: A zero value for the CFNAI has been associated with the national economy expanding at its historical trend (average) rate of growth; negative values with below-average growth (in standard deviation units); and positive values with above-average growth.

Source: https://www.chicagofed.org/research/data/cfnai/current-data; 2/24/25

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The Federal Reserve Bank of Chicago: Survey of Economic Conditions (CFSEC)

Survey Suggests Little Change in Growth in February

"The *Chicago Fed Survey of Economic Conditions* (CFSEC) Activity Index decreased to –10 in February from –8 in January, suggesting that economic growth was below trend. The CFSEC Manufacturing Activity Index decreased to a neutral value in February from +6 in January, and the CFSEC Nonmanufacturing Activity Index decreased to –13 in February from –9 in the previous month.

- Respondents' outlooks for the U.S. economy for the next 12 months deteriorated, but remained optimistic on balance. Forty-nine percent of respondents expected an increase in economic activity over the next 12 months.
- The pace of current hiring increased, and respondents' expectations for the pace of hiring over the next 12 months were unchanged. Both hiring indexes remained negative.
- Respondents' expectations for the pace of capital spending over the next 12 months increased, and the capital spending expectations index moved to a neutral value.
- The labor cost pressures index increased, but the nonlabor cost pressures index decreased. Both cost pressures indexes remained negative." – Thomas Walstrum, Media Relations, The Federal Reserve Bank of Chicago

Source: https://www.chicagofed.org/research/data/cfsec/current-data; 2/25/25

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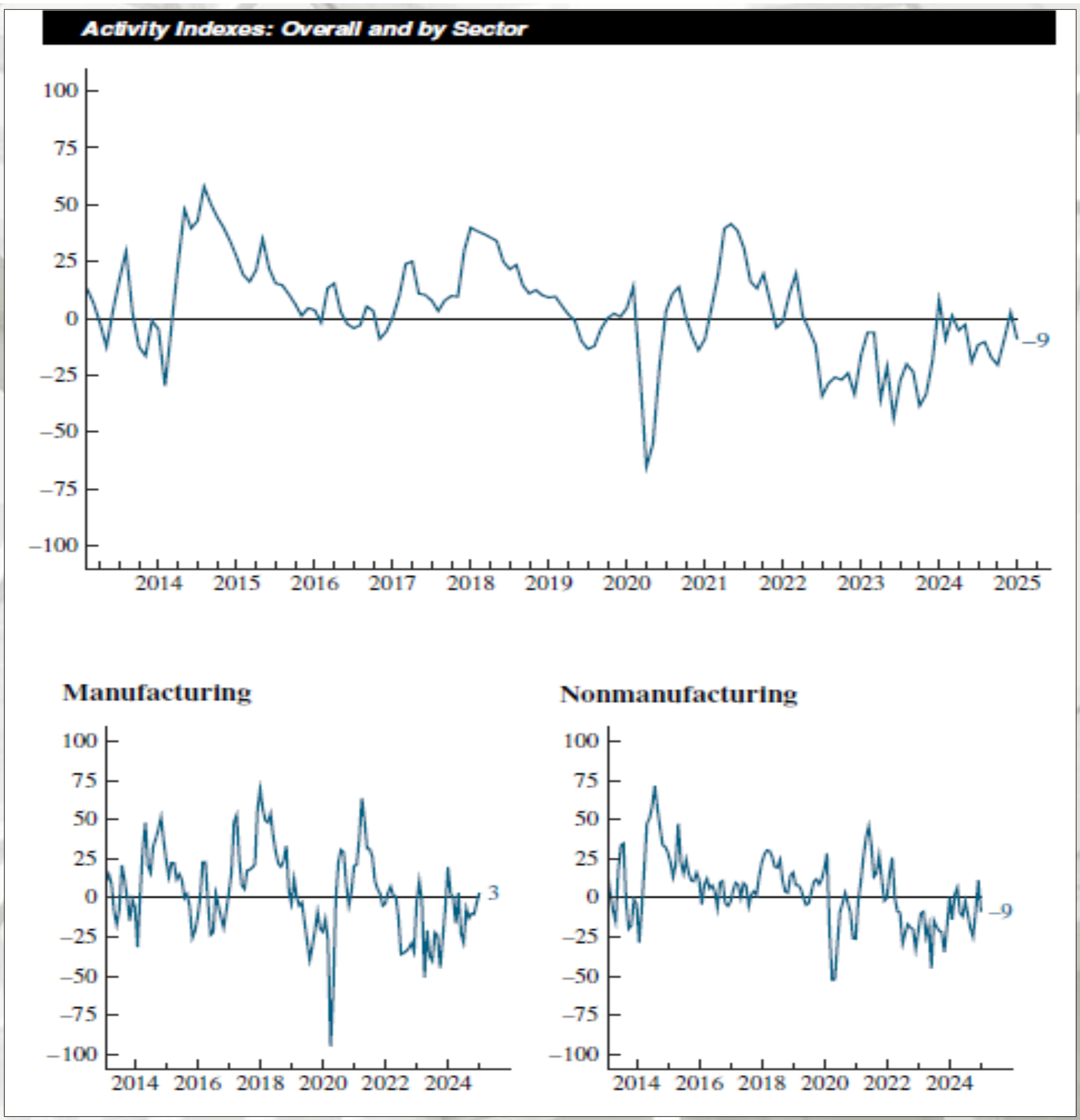
The Federal Reserve Bank of Chicago: Survey of Economic Conditions (CFSEC)



Source: https://www.chicagofed.org/research/data/cfsec/current-data; 2/25/25

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The Federal Reserve Bank of Dallas

Texas Manufacturing Outlook Survey

Texas manufacturing activity falters amid increased uncertainty

"Texas factory activity fell in February after rising notably in January, according to business executives responding to the Texas Manufacturing Outlook Survey. The production index, a key measure of state manufacturing conditions, fell 21 points to -9.1.

Other measures of manufacturing activity also declined this month. The new orders index fell 11 points to -3.5, and the capacity utilization index slid 14 points to -8.7. The shipments index remained positive but edged down to 5.6.

Perceptions of broader business conditions worsened in February. The general business activity index tumbled 22 points to -8.3, and the company outlook index fell 24 points to -5.2. The outlook uncertainty index shot up to 29.2 from a near-zero reading last month, reaching a seven-month high.

Labor market measures suggested flat head counts and shorter workweeks this month. The employment index came in near zero, with 12 percent of firms noting net hiring and an equal share noting net layoffs. The hours worked index slipped to -14.2, its lowest reading since mid-2020.

Input cost pressures intensified in February, while wage pressures retreated slightly. The raw materials prices index pushed up 18 points to 35.0, a multiyear high. The finished goods prices index inched up to 7.8, near its average level. The wages and benefits index edged down to 16.7 from 20.9." – Emily Kerr, Business Economist, The Federal Reserve Bank of Dallas

Source: https://www.dallasfed.org/research/surveys; 2/24/25

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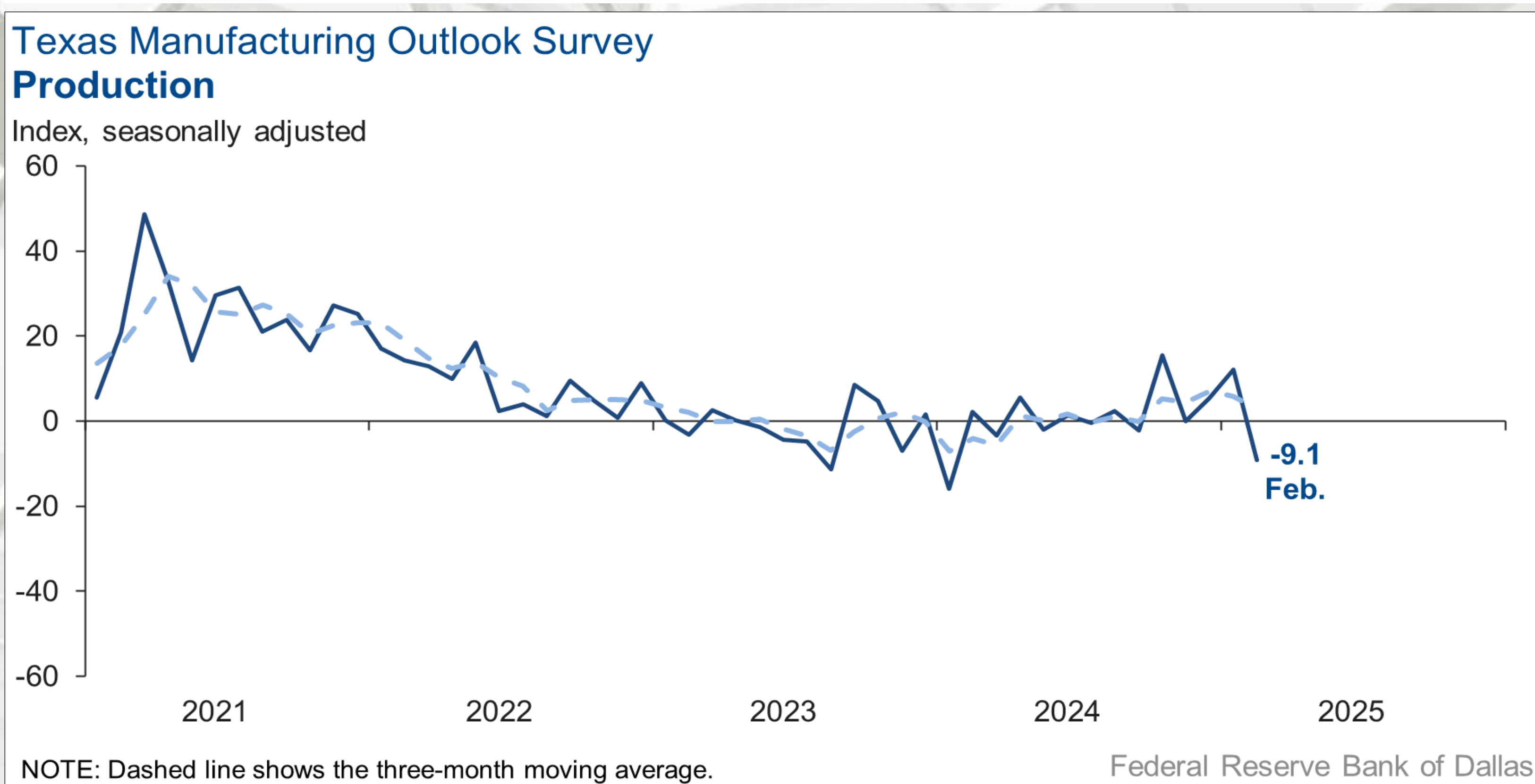
The Federal Reserve Bank of Dallas



"Expectations are for increased manufacturing activity six months from now, though the future indexes retreated from elevated January levels. The future production index fell to 28.3 from 44.8, and the future general business activity index fell to 7.7 from 35.5. Other indexes of future manufacturing activity also fell this month but remained positive." – Emily Kerr, Business Economist, The Federal Reserve Bank of Dallas

Source: https://www.dallasfed.org/research/surveys; 2/24/25

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The Federal Reserve Bank of Dallas

Texas Service Sector Outlook Survey

Growth in Texas service sector activity continues despite surge in uncertainty

"Texas service sector activity increased in February, according to business executives responding to the Texas Service Sector Outlook Survey. The revenue index, a key measure of state service sector conditions, ticked up three points to 8.2, indicative of a below-average pace of growth.

Labor market measures suggested no growth in employment and workweeks in February. The employment index edged up to -0.1 from -1.4, with the near-zero reading suggestive of no change in employment last month. The part-time employment index fell four points to 1.0, while the hours-worked index decreased to -1.0 from 3.6.

Optimism around the outlook faded and uncertainty rose in February. The general business activity index remained positive but slipped to 4.6 from 7.4. Outlooks retreated sharply as the company outlook index fell 14 points to a near-zero reading of 1.1. The outlook uncertainty index shot up to 14.2 from 3.0.

Selling price and wage growth eased, while input price pressures held steady in February. The selling prices index fell six points to 7.9, while the input prices index was unchanged at 28.0. The wages and benefits index fell five points to 11.1." – Jesus Cañas, Senior Business Economist; The Federal Reserve Bank of Dallas

Source: https://www.dallasfed.org/research/surveys; 2/25/25

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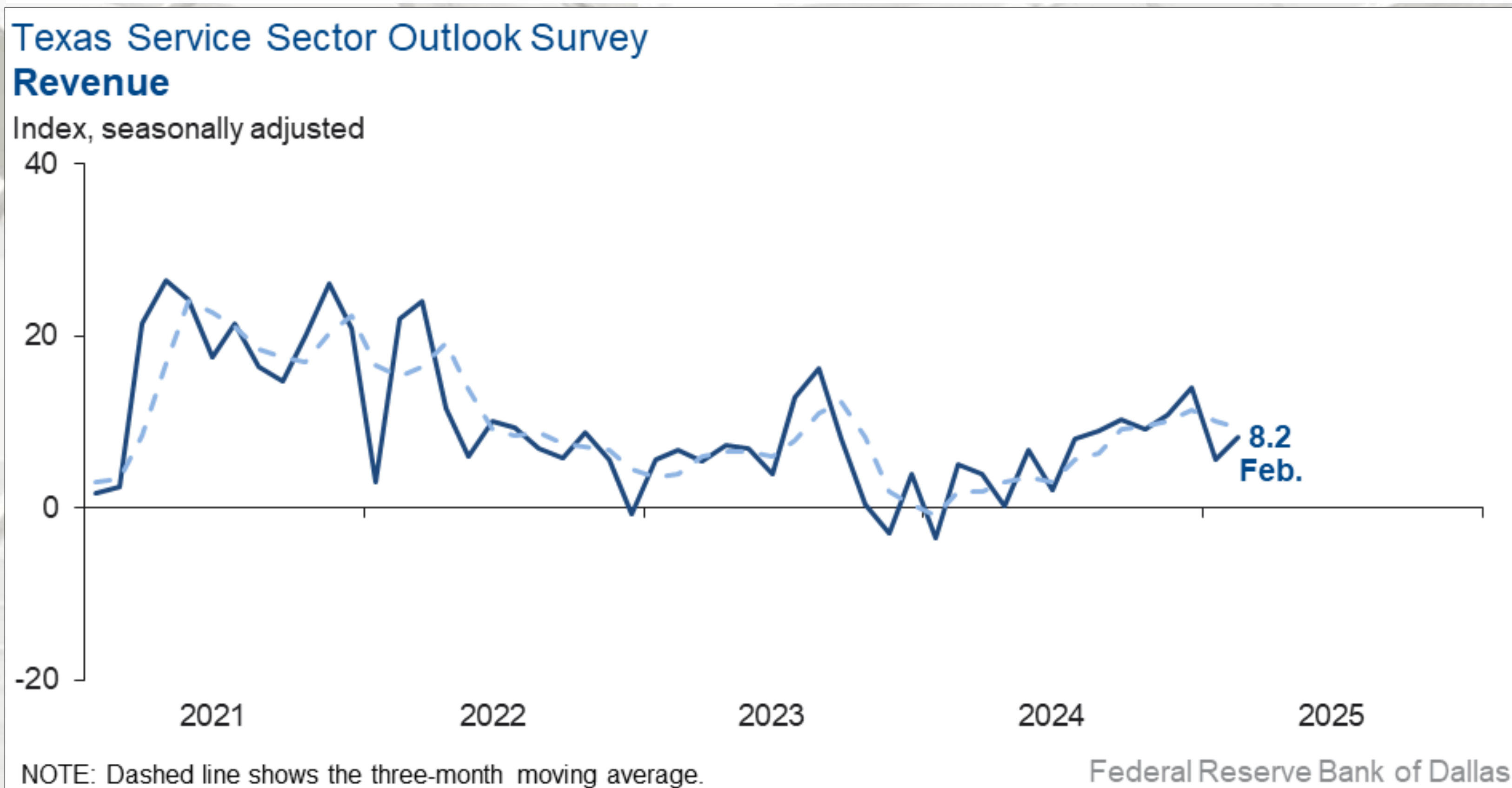
The Federal Reserve Bank of Dallas



"Respondents' expectations regarding future business activity also downshifted in February. The future general business activity index remained in positive territory but fell from 31.2 to 12.3, while the future revenue index dropped 11 points to 43.9. Other future service-sector activity indexes such as employment and capital expenditures also fell but remained in positive territory, reflecting expectations for slower growth in the next six months." – Jesus Cañas, Senior Business Economist; The Federal Reserve Bank of Dallas

Source: https://www.dallasfed.org/research/surveys; 2/25/25

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The Federal Reserve Bank of Dallas

Texas Retail Outlook Survey

Texas retail sales fall again

“Retail sales activity increased in February, according to business executives responding to the Texas Retail Outlook Survey. The sales index, a key measure of state retail activity, increased to 2.1 from -19.0. Retailers’ inventories fell over the month, with the February index at -4.8, down from 11.5 in January.

Retail sector labor market indicators suggested flat employment while workweeks stabilized. The employment index increased to -1.5 from -9.1. The part-time employment index fell four points to 2.8, and the hours-worked index increased four points to -0.4

Perceptions of broader business conditions worsened in February. The general business activity index remained unchanged at -4.9, while the company outlook index fell to -3.2 from 7.7. Uncertainty about the outlooks increased, with the index rising eight points to 14.0.

Price pressures eased some, while wages continued to increase in February. The selling price index fell two points to 16.1, while the input price index decreased four points to 27.9. The wages and benefits index increased three points to 15.0.

Expectations for future retail sector business conditions downshifted sharply in February. The future general business activity index remained positive but fell 16 points to 3.7, while the future sales index fell 18 points to 34.1. Both the future employment index and the future capital expenditures index fell but remained in positive territory, suggesting much more modest improvement in retail activity in the next six months.” – Jesus Cañas, Senior Business Economist; The Federal Reserve Bank of Dallas

Source: https://www.dallasfed.org/research/surveys; 2/25/25

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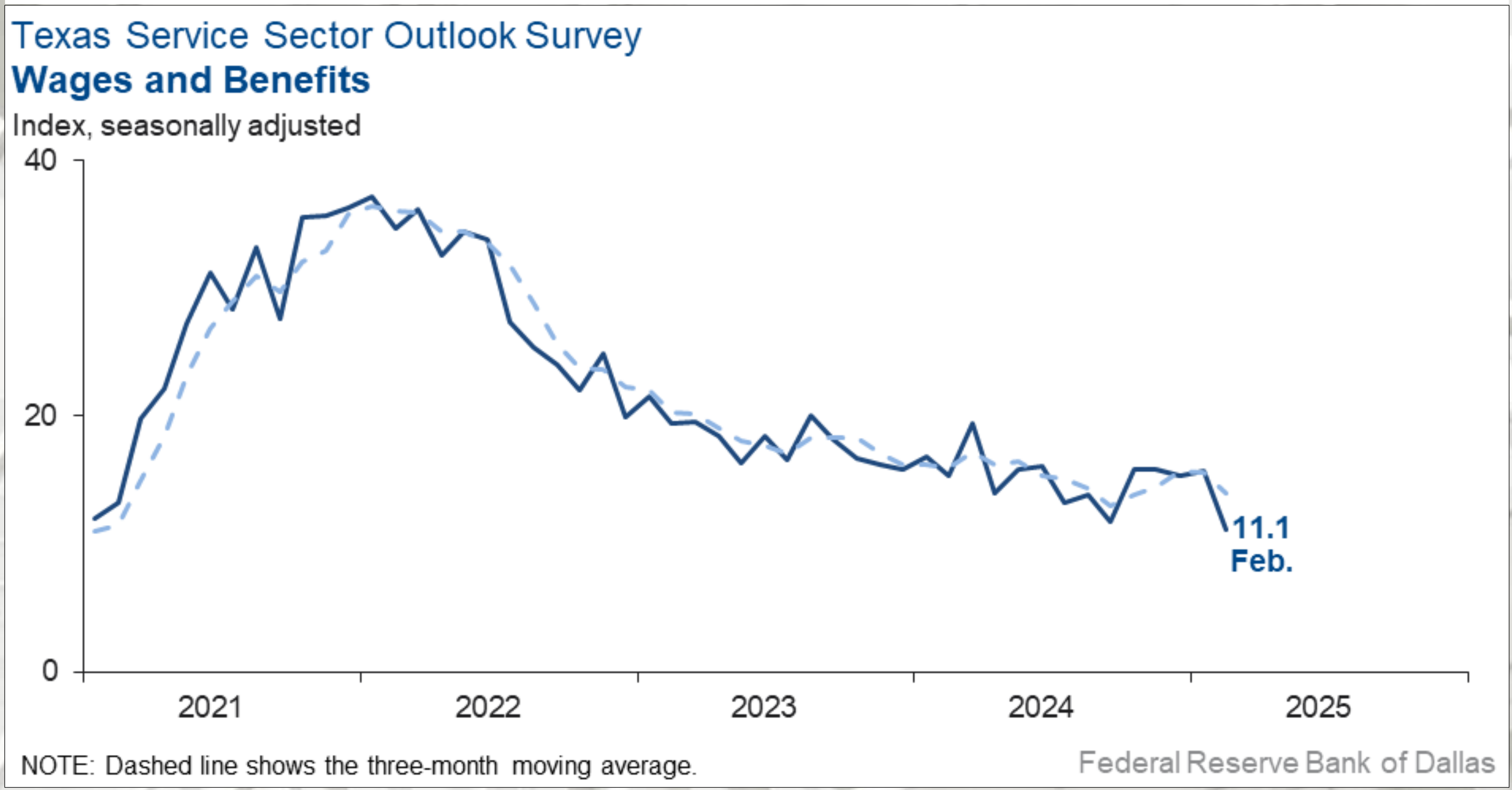
The Federal Reserve Bank of Dallas



Source: https://www.dallasfed.org/research/surveys; 2/25/25

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U.S. Economic Indicators

The Federal Reserve Bank of Kansas City

Tenth District Manufacturing Continued to Decline Slightly

Regional factory activity continued to fall in February. Firms decreased employment levels moderately this month but expect overall activity and employment to increase in the next six months.

Factory Activity Continued to Decline Slightly

"Tenth District manufacturing activity continued to decline slightly, but expectations for future activity remained expansionary (Chart 1). Price paid for raw materials increased substantially this month and continued to outpace growth in finished product prices, further constraining profit margins.

The month-over-month composite index was -5 in February, unchanged from -5 in January and December. The composite index is an average of the production, new orders, employment, supplier delivery time, and raw materials inventory indexes. The declines were driven more by nondurable manufacturing, particularly food, chemical, and paper manufacturing. All month-over-month indexes were negative, except for the price, inventories, and supplier delivery time indexes. Production, volume of shipments, and backlogs all decreased moderately. Employment levels declined somewhat following a few months of steady activity, decreasing from 1 to -14." – Megan Williams, Associate Economist and Senior Manager and Chase Farha, Research Associate; Federal Reserve Bank of Kansas City

Source: https://www.kansascityfed.org; 2/27/25

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U.S. Economic Indicators

The Federal Reserve Bank of Kansas City

Factory Activity Continued to Decline Slightly

"All year-over-year indexes were negative, except the price indexes. The composite index declined -9 to -18 in February. Production and average employee workweek fell substantially, while backlogs and employment levels also decreased moderately. Capital expenditures continued to stay steady. The future composite index ticked down from 15 to 14 in February as expectations for new orders lowered slightly. However, firms continue to anticipate employment increases in the next six months.

Special Questions

This month contacts were asked special questions about trade policy and passthrough ability. 43% of firms believe recent trade policy changes will not change their demand or revenues, while approximately a quarter each believe demand will be lower (26%) and higher (23%). Another 7% of firms believe trade policy changes will lower demand significantly while 1% believe it will increase demand significantly. Contacts were also asked about their ability to pass through higher costs to their customers. 39% of firms reported passing through 0-20% to their customers, 6% reported passing through 20-40%, 12% reported 40-60%, 11% reported 60-80%, 23% reported 80-100%, 2% reported more than 100%, and 7% of firms had decrease prices" – Megan Williams, Associate Economist and Senior Manager and Chase Farha, Research Associate; Federal Reserve Bank of Kansas City

Source: https://www.kansascityfed.org; 2/27/25

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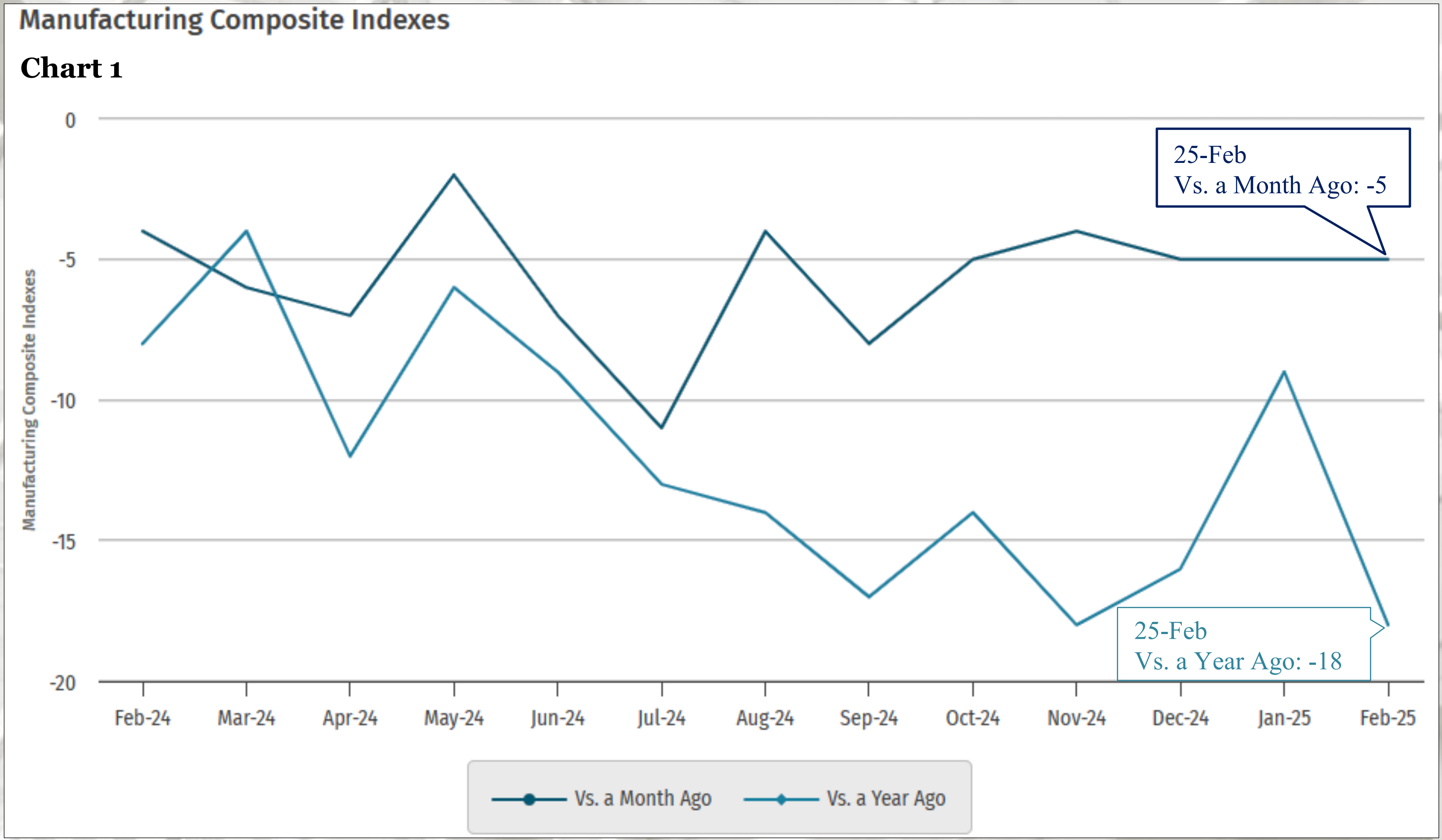
The Federal Reserve Bank of Kansas City



Source: https://www.kansascityfed.org; 2/27/25

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U.S. Economic Indicators

The Federal Reserve Bank of Kansas City

Tenth District Services Activity Grew Slightly

Regional services activity in the business sector grew moderately, while consumer sector activity was essentially flat. Growth in input prices continues to outpace increases in output prices, as nearly half of firms only pass 0-20% of cost increases to customers.

Business Activity Grew Slightly in February

"Tenth District services activity grew slightly in February, with growth in the business sector and steady activity in the consumer sector. Expectations for future activity remained expansionary (Chart 1). Input and selling price growth increased from last month but cooled slightly from this time last year.

The month-over-month services composite index was 2 in February, up from -4 in January and down from 4 in December. The composite index is a weighted average of the revenue/sales, employment, and inventory indexes. Growth in the business sector was primarily driven by real estate and professional services. The consumer sector was mostly flat, with declines in wholesale and autos and increases in education and health. The month-over-month indexes were mixed. " – Megan Williams, Associate Economist and Senior Manager and Chase Farha, Research Associate; Federal Reserve Bank of Kansas City

Source: https://www.kansascityfed.org; 2/28/25

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U.S. Economic Indicators

The Federal Reserve Bank of Kansas City

Business Activity Grew Slightly in February

"General revenue/sales were mostly flat this month, increasing from -8 to -1, while employment grew modestly. Services growth cooled from this time last year, with the composite index easing from 17 to 6. Revenues declined slightly with a reading of -2. Growth in the business services sector accelerated from this time last year while it eased in the consumer sector, a reversal of previous trends. Capital expenditures increases also cooled year-over-year. Expectations for future services activity increased, as firms are more optimistic about future sales..

Special Questions

This month contacts were asked about trade policy and passthrough ability. A majority of firms (54%) reported that they believe the recent trade policy changes will not affect their firms' demand or revenues, while 26% reported believing the changes will lower revenues, and 15% believe they will increase revenues. Additionally, 3% (2%) of firms believe the changes will make revenues significantly lower (significantly higher). Contacts were also asked about their ability to pass through higher costs to their customers. Nearly half (47%) of firms reported passing through 0-20% to their customers, 4% reported passing through 20-40%, 13% reported 40-60%, 14% reported 60-80%, 15% reported 80-100%, 1% reported more than 100%, and 6% of firms had decrease prices." – Megan Williams, Associate Economist and Senior Manager and Chase Farha, Research Associate; Federal Reserve Bank of Kansas City

Source: https://www.kansascityfed.org; 2/28/25

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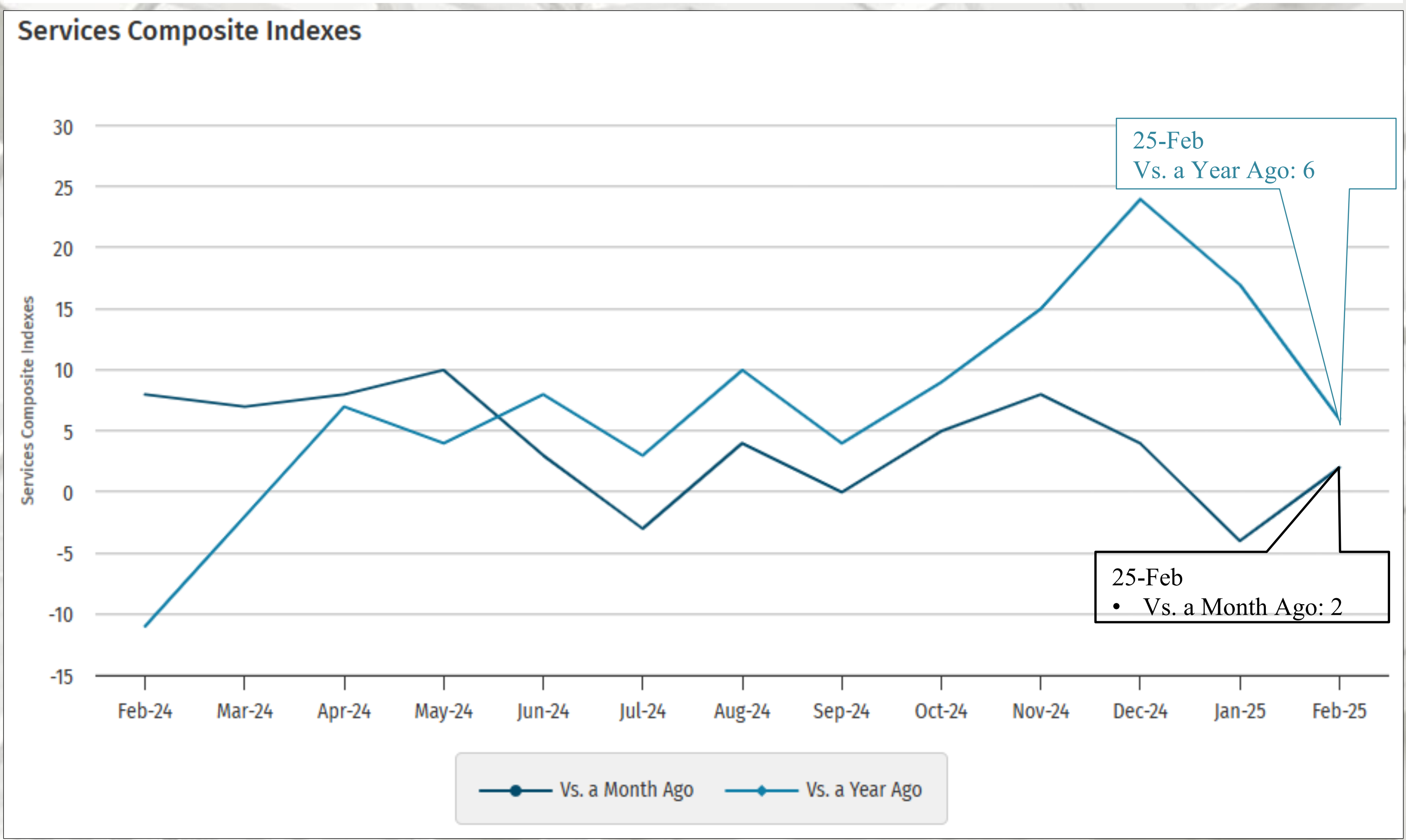
The Federal Reserve Bank of Kansas City



Source: https://www.kansascityfed.org; 2/28/25

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The Federal Reserve Bank of New York

March 2025 Manufacturing Survey

Conditions Deteriorate

“Business activity dropped significantly in New York State in March, according to firms responding to the *Empire State Manufacturing Survey*. The headline general business conditions index fell twenty-six points to -20.0. New orders and shipments declined. Delivery times and supply availability held steady, and inventories continued to grow. Employment levels and hours worked continued to move slightly lower. Input prices increased at the fastest pace in more than two years, and selling price increases also continued to pick up. Optimism about the outlook waned considerably for a second consecutive month.

Manufacturing activity contracted in New York State, according to the March survey. The general business conditions index dropped twenty-six points to -20.0. The new orders index fell twenty-six points to -14.9, and the shipments index fell twenty-three points to -8.5, indicating that both orders and shipments declined after increasing last month. Unfilled orders held steady. The inventories index moved up five points to 13.3, its highest reading in more than two years, signaling that business inventories continued to expand. The delivery times index came in at 1.0, and the supply availability index was -1.0, suggesting delivery times and supply availability were little changed.”
– Jason Bram and Richard Deitz, The Federal Reserve Bank of New York

Source: https://www.newyorkfed.org/survey/empire/empiresurvey_overview; 3/17/25

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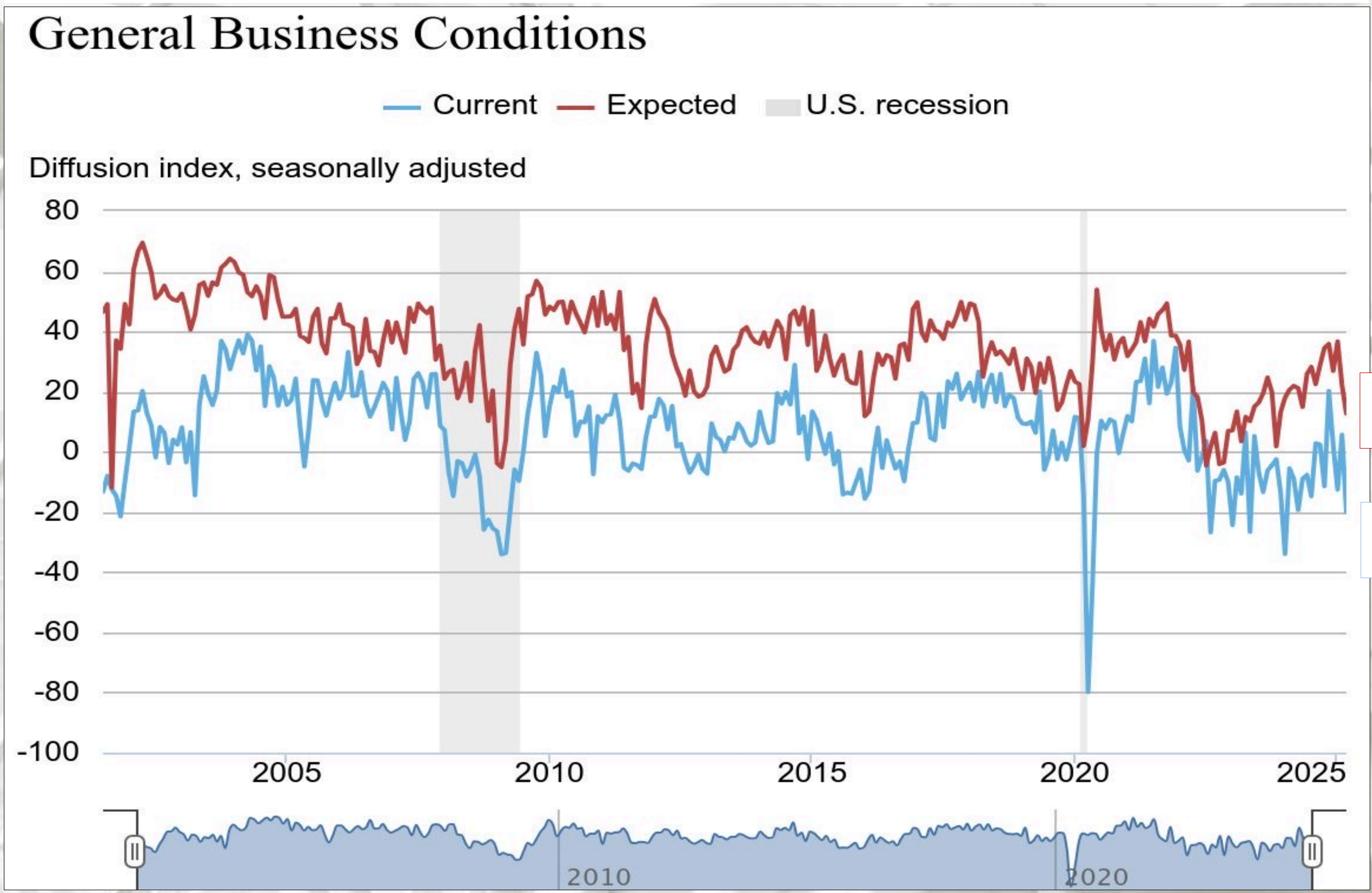
The Federal Reserve Bank of New York



Mar 2025
12.7

Mar 2025
-20.0

Source: https://www.newyorkfed.org/survey/empire/empiresurvey_overview; 3/17/25

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The Federal Reserve Bank of New York

March 2025 Manufacturing Survey

Price Increases Pick Up Again

“The index for number of employees held steady at -4.1, and the average workweek index was -2.5, pointing to a slight decline in both employment and hours worked. Both price indexes climbed for a third consecutive month. The prices paid index rose five points to 44.9, its highest level in more than two years, and the prices received index rose three points to 22.4, its highest reading since May 2023.

Optimism Drops for a Second Consecutive Month

Firms continued to grow less optimistic about the outlook. After dropping fifteen points last month, the index for future business activity fell another ten points to 12.7. Capital spending plans remained soft. Input price increases are expected to remain significant, and supply availability is expected to contract somewhat in the months ahead.” – Jason Bram and Richard Deitz, The Federal Reserve Bank of New York

Source: https://www.newyorkfed.org/survey/empire/empiresurvey_overview; 3/17/25

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The Federal Reserve Bank of New York

February 2025 Empire State Business Leaders Survey (Services)

Activity Drops

"Business activity declined modestly in the region's service sector in February, according to firms responding to the Federal Reserve Bank of New York's *Business Leaders Survey*. The survey's headline business activity index fell five points to -10.5, its lowest level in more than a year. The business climate index fell fourteen points to -35.6, suggesting the business climate was considerably worse than normal. Employment declined modestly, and wage growth accelerated. Supply availability worsened for the first time since 2022. Input and selling price increases picked up. Looking ahead, firms expect conditions to improve in the months ahead, though optimism dropped noticeably.

Business activity declined in the New York-Northern New Jersey region, according to the February survey. The headline business activity index fell five points to -10.5, its lowest level since December 2023. Twenty-two percent of respondents reported that conditions improved over the month and 32 percent said that conditions worsened. The business climate index remained negative at -35.6, suggesting the business climate was considerably worse than normal." – Richard Deitz and Jason Bram, The Federal Reserve Bank of New York

Source: https://www.newyorkfed.org/survey/business_leaders/bls_overview; 2/19/25

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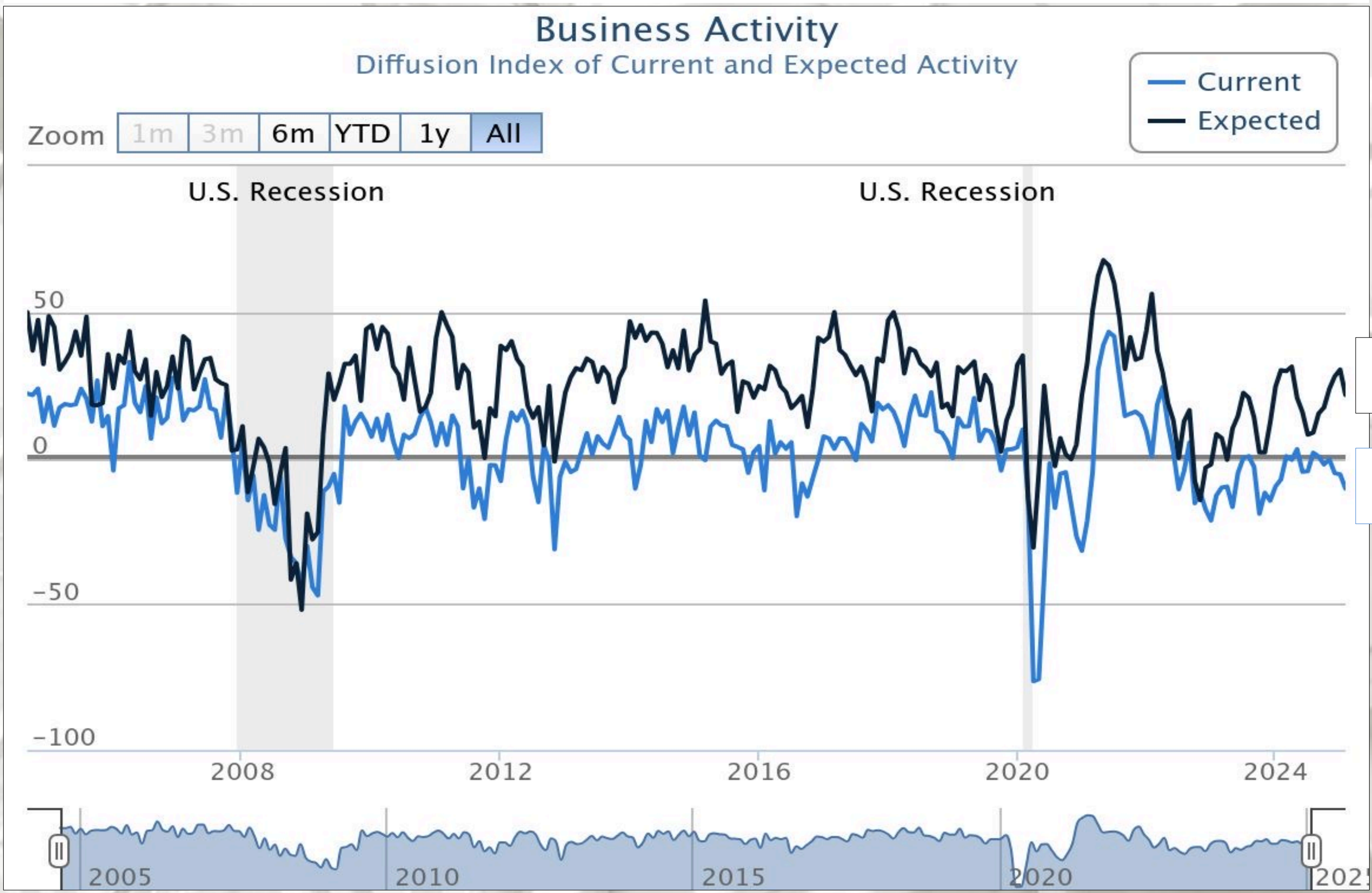
The Federal Reserve Bank of New York



Feb 2025
21.6

Feb 2025
-10.5

Source: https://www.newyorkfed.org/survey/business_leaders/bls_overview; 2/19/25

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The Federal Reserve Bank of New York

February 2025 Empire State Business Leaders Survey (Services)

Employment Contracts

“The employment index moved down to -5.7, signaling that employment levels were somewhat lower than last month. The wages index rose eight points to 41.8, indicating that wage increases picked up. The prices paid index edged up three points to 51.3, a sign that input prices increased at a slightly faster pace than last month. The prices received index climbed for a second consecutive month, rising eight points to 27.4, its highest level in nearly a year. The supply availability index dropped fifteen points to -10.4, its lowest level since May 2022, suggesting supply availability worsened.

Optimism Falls

The index for future business activity fell nine points to 21.6, suggesting firms were less optimistic than last month. The index for the future business climate fell seventeen points, dropping into negative territory, a sign that the business climate is expected to be worse than normal in six months. The future supply availability index plunged twenty-five points to -20.7, with about a third of firms expecting supply availability to be worse in six months.” – Richard Deitz and Jason Bram, The Federal Reserve Bank of New York

Source: https://www.newyorkfed.org/survey/business_leaders/bls_overview; 2/19/25

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The Federal Reserve Bank of Philadelphia

February 2025 Manufacturing Business Outlook Survey

Most Current Manufacturing Indicators Decline but Remain Elevated in February

"Manufacturing activity in the region continued to expand, according to the firms responding to the February *Manufacturing Business Outlook Survey*. The diffusion index for current general activity fell from 44.3 to 18.1 in February but remains above its long-run nonrecession average. The survey's indicators for new orders and shipments also declined, but the readings remain elevated. The employment index declined but remained positive. Both price indexes rose and remain above their long-run averages. The firms continue to expect growth over the next six months, although expectations were less widespread.

The diffusion index for current general activity fell from 44.3 to 18.1 in February but remains above its long-run nonrecession average (see Chart). Almost 41 percent of the firms reported increases in general activity this month (down from 51 percent last month), while 23 percent reported decreases (up from 7 percent); 35 percent reported no change (down from 41 percent last month). The indexes for new orders and shipments also declined but remained elevated relative to their long-run averages: The new orders index dropped 21 points to 21.9, and the shipments index fell 15 points to 26.3.

The employment index remained positive but declined 7 points to 5.3, offsetting its increase last month. Nearly 85 percent of the firms reported no change in employment levels this month, while the share of firms reporting increases (10 percent) exceeded the share reporting decreases (5 percent). The average workweek index fell from 20.5 to 2.9." – Elif Sen, Research Department, The Federal Reserve Bank of Philadelphia

Source: https://www.philadelphiafed.org/surveys-and-data/regional-economic-analysis/mbos-2025-02; 2/20/25

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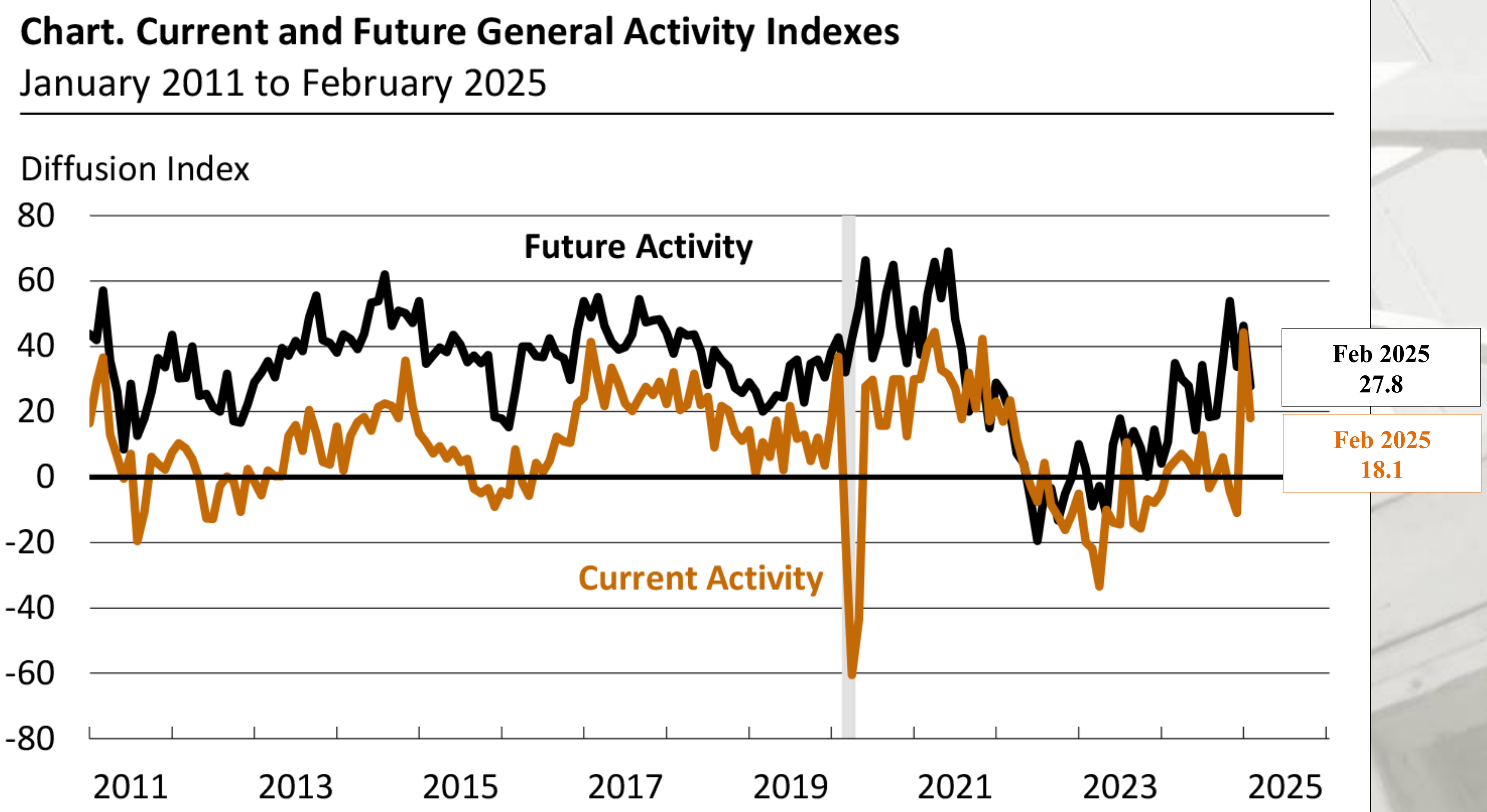
The Federal Reserve Bank of Philadelphia



Note: The diffusion index is computed as the percentage of respondents indicating an increase minus the percentage indicating a decrease; the data are seasonally adjusted.

Source: https://www.philadelphiafed.org/surveys-and-data/regional-economic-analysis/mbos-2025-02; 2/20/25

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The Federal Reserve Bank of Philadelphia

February 2025 Manufacturing Business Outlook Survey

Firms Continue to Report Overall Price Increases

"Both price indexes rose to their highest readings in over two years. The prices paid index increased 9 points to 40.5, its highest reading since October 2022. Over 45 percent of the firms reported increases in input prices, while 5 percent reported decreases; half of the firms reported no change. The current prices received index moved up 3 points to 32.9, its highest reading since November 2022. Almost 34 percent of the firms reported increases in prices received for their own goods, 1 percent reported decreases, and 66 percent reported no change.

Firms' Expectations for Own Prices Remain Unchanged

In this month's special questions, the firms were asked to forecast the changes in prices of their own products and for U.S. consumers over the next four quarters. Regarding their own prices over the next year, the firms' median forecast was for an expected increase of 3.0 percent, unchanged from when this question was last asked in November. The firms reported a median increase of 3.0 percent in their own prices over the past year, the same as last quarter. The firms expect their employee compensation costs (wages plus benefits on a per employee basis) to rise 3.9 percent over the next four quarters, up from 3.4 percent in November. The firms' median forecast for the rate of inflation for U.S. consumers over the next year was also unchanged at 3.0 percent." – Elif Sen, Research Department, The Federal Reserve Bank of Philadelphia

Source: https://www.philadelphiafed.org/surveys-and-data/regional-economic-analysis/mbos-2025-02; 2/20/25

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The Federal Reserve Bank of Philadelphia

February 2025 Manufacturing Business Outlook Survey

Firms Continue to Expect Future Growth

"The diffusion index for future general activity rose from a revised reading of 33.8 in December to 46.3 in January (see Chart 1). Nearly 54 percent of the firms expect an increase in activity over the next six months, exceeding the 7 percent that expect a decrease; 36 percent expect no change. The future new orders index increased 5 points to 57.3, and the future shipments index rose 11 points to 60.2, its highest reading since July 2021. On balance, the firms continue to expect increases in employment over the next six months, and the future employment index rose 8 points to 40.4, its highest reading since December 2021. Both future price indexes were above their long-run averages: The future prices paid index increased 9 points to 67.3, its highest reading since January 2022; the future prices received index edged down 1 point to 53.6. The index for future capital expenditures rose 17 points to 39.0, its highest reading since July 2021.

Summary

Responses to the February *Manufacturing Business Outlook Survey* suggest regional manufacturing activity continued to expand this month. The indicators for current activity, new orders, and shipments remained elevated. On balance, the firms indicated an increase in employment, and the price indexes remained above their long-run averages. The survey's broad indicators for future activity suggest expectations for growth over the next six months." – Elif Sen, Research Department, The Federal Reserve Bank of Philadelphia

Source: https://www.philadelphiafed.org/surveys-and-data/regional-economic-analysis/mbos-2025-02; 2/20/25

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The Federal Reserve Bank of Philadelphia

February 2025 Nonmanufacturing Business Outlook Survey

Current Indicators Decline

"Nonmanufacturing activity declined this month, according to the firms responding to the February *Nonmanufacturing Business Outlook Survey*. The indexes for general activity at the firm level, new orders, and sales/revenues all declined into negative territory. The firms continued to report overall increases in full- and part-time employment. The price indexes suggested little change in the prices of firms' own goods and services this month but continued to indicate overall increases in prices for inputs. Expectations for growth over the next six months were less widespread at the firm and regional levels.

The diffusion index for current general activity at the firm level fell from 2.2 to -12.9 in February, its lowest reading since April 2023 (see Chart). Almost 21 percent of the firms reported increases in activity (down from 29 percent last month), 33 percent reported decreases (up from 27 percent), and 46 percent reported no change (up slightly from 43 percent). The sales/revenues index experienced a similar decline, falling 15 points to -12.7, its lowest reading since May 2020. The new orders index returned to negative territory, decreasing from 1.6 to -1.3. The indicator for current regional activity moved down 4 points to -13.1." – Elif Sen, Research Department, The Federal Reserve Bank of Philadelphia

Source: https://www.philadelphiafed.org/surveys-and-data/regional-economic-analysis/nbos-2025-2; 2/25/25

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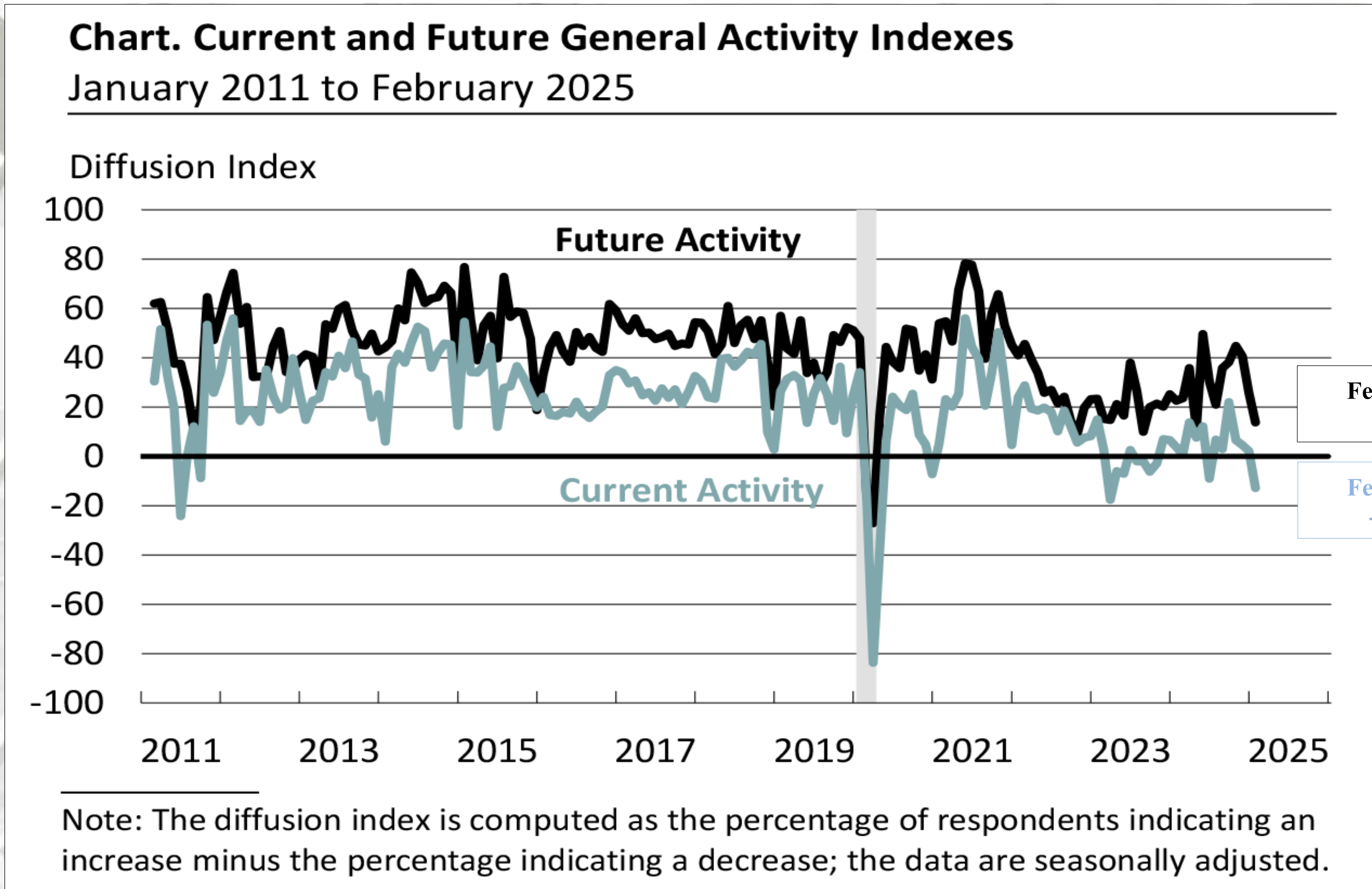
The Federal Reserve Bank of Philadelphia



Feb 2025
13.8

Feb 2025
-12.9

Source: https://www.philadelphiafed.org/surveys-and-data/regional-economic-analysis/nbos-2025-2; 2/25/25

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The Federal Reserve Bank of Philadelphia

February 2025 Nonmanufacturing Business Outlook Survey

Firms Report Overall Increases in Employment

"The full-time employment index ticked up 1 point to 2.5. Nearly 19 percent of the firms reported increases in employment, exceeding the 16 percent that reported decreases. Most firms (57 percent) reported no change. The part-time employment index more than recovered from its decline last month, rising 13 points to 12.4, while the average workweek index fell from 4.0 to -7.5, its first negative reading since April.

Price Indexes Are Below Long-Run Averages

The price indicators suggest increases in prices for inputs but little change in prices for the firms' own goods and services overall. The prices paid index declined from 28.9 to 23.4 this month. Thirty percent of the firms reported increases in input prices, while 6 percent reported decreases; 50 percent reported steady prices. Regarding prices for the firms' own goods and services, the prices received index remained slightly negative at -1.1, its lowest reading since June 2023. More than half of the firms (53 percent) reported no change in prices received, while the share of firms reporting decreases (15 percent) edged out the share reporting increases (14 percent).

Future Indicators Decline

Expectations for growth over the next six months were less widespread, and both future indexes declined for the fourth consecutive month. The diffusion index for future activity at the firm level fell 12 points to 13.8, its lowest reading since May (see Chart). Over 39 percent of the firms expect increases in future activity at their firms (down from 46 percent last month), 25 percent expect decreases (up from 20 percent), and 34 percent expect no change (up slightly from 32 percent). The future regional activity index turned slightly negative, its first negative reading since August."
– Elif Sen, Research Department, The Federal Reserve Bank of Philadelphia

Source: https://www.philadelphiafed.org/surveys-and-data/regional-economic-analysis/nbos-2025-2; 2/25/25

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The Federal Reserve Bank of Philadelphia

January 2025 Nonmanufacturing Business Outlook Survey

Firms Expect Smaller Cost Increases This Year

"In this month's special questions, the firms were asked to forecast the changes in prices of their own products and for U.S. consumers over the next four quarters. Regarding their own prices, the firms' median forecast was for an increase of 2.0 percent, down from 2.8 percent when the question was last asked in November. The firms' reported own price change over the past year was 0.0 percent, down slightly from 0.5 percent last quarter. The firms expect their employee compensation costs (wages plus benefits on a per employee basis) to rise 3.0 percent over the next four quarters, down from 4.0 percent last quarter. When asked about the rate of inflation for U.S. consumers over the next year, the firms' median forecast moved up from 3.0 percent to 3.3 percent.

Summary

Responses to this month's *Nonmanufacturing Business Outlook Survey* suggest declines among firms overall in the region. The indicators for firm-level general activity, new orders, and sales/revenues all declined and turned negative. Employment indicators remained positive and suggest overall increases in employment. The firms reported little change in the prices of their own goods and services and increases in prices paid for inputs. The firms continue to expect growth over the next six months at their own firms, but expectations for growth were less widespread." – Elif Sen, Research Department, The Federal Reserve Bank of Philadelphia

Source: https://www.philadelphiafed.org/surveys-and-data/regional-economic-analysis/nbos-2025-1; 2/25/25

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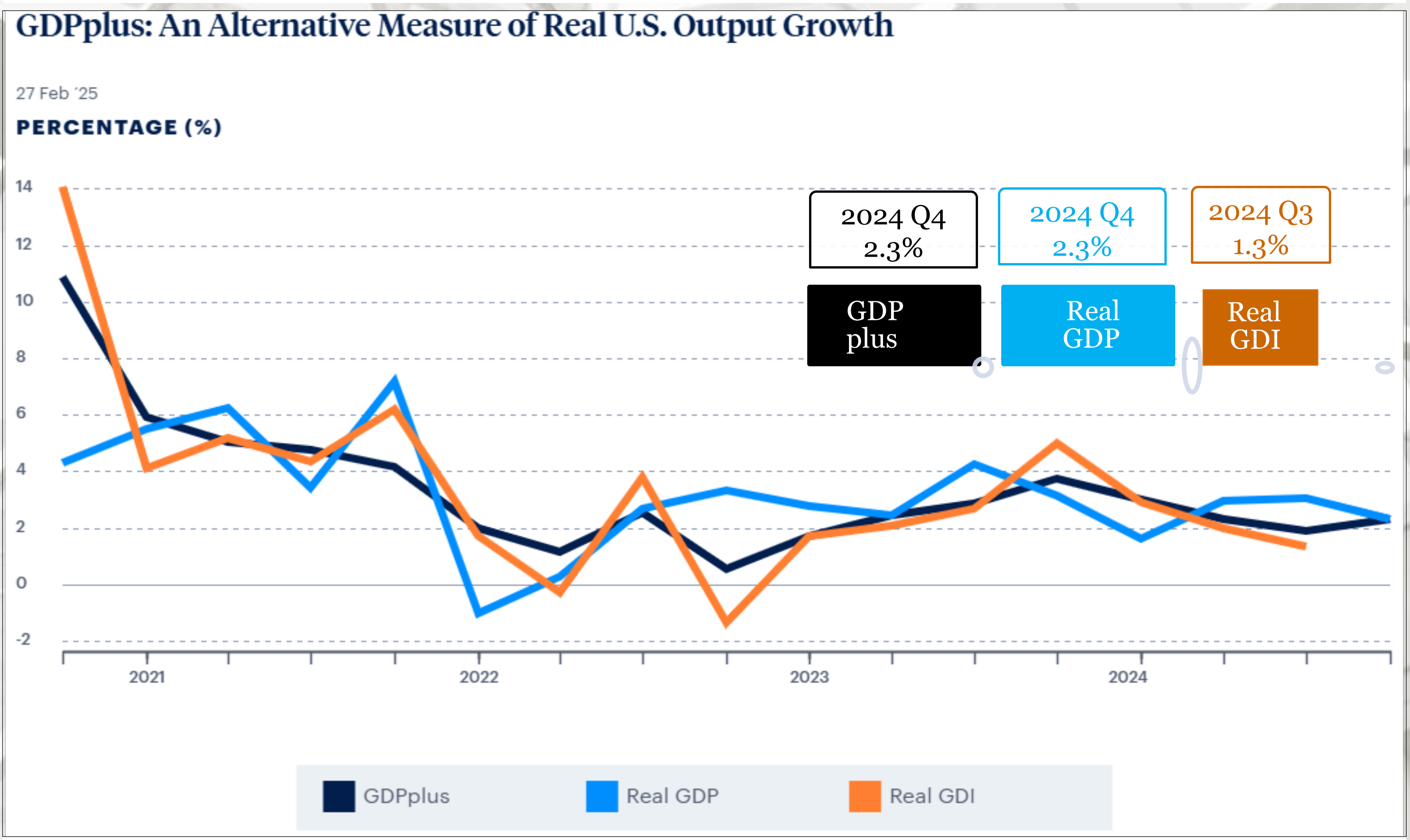
The Federal Reserve Bank of Philadelphia: GDPplus



Notes: Shaded areas indicate NBER recessions. The data measure the quarter-over-quarter growth rate in continuously compounded annualized percentage points.

Sources: Bureau of Economic Analysis (BEA) and NBER via Haver Analytics. Federal Reserve Bank of Philadelphia.

Source: https://www.philadelphiafed.org/surveys-and-data/real-time-data-research/gdpplus; 2/27/25

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The Federal Reserve Bank of Richmond

December 2024 Fifth District Survey of Manufacturing Activity

Manufacturing Activity Improved Somewhat in February

"Fifth District manufacturing activity improved somewhat in February, according to the most recent survey from the Federal Reserve Bank of Richmond. The composite manufacturing index increased to 6 in February from −4 in January, led by a notable increase, from −9 to 12, in the shipments index. Of its other two component indexes, new orders increased slightly to 0, and employment rose to 9 from 3.

The local business conditions index remained at −5 in February, while the index for future local business conditions fell from 32 to 2. The future indexes for shipments and new orders also decreased substantially, to 13 and 8, respectively.

The vendor lead time index decreased to 2 in February, while the backlog of orders index was nearly unchanged at −6.

The average growth rates of prices paid edged down, while the average growth rate of prices received rose slightly in February. Firms expected growth in both prices paid and prices received to increase over the next 12 months." – Jason Kosakow, Research Department, The Federal Reserve Bank of Richmond

Source: https://www.richmondfed.org/region_communities/regional_data_analysis/surveys/manufacturing; 2/25/25

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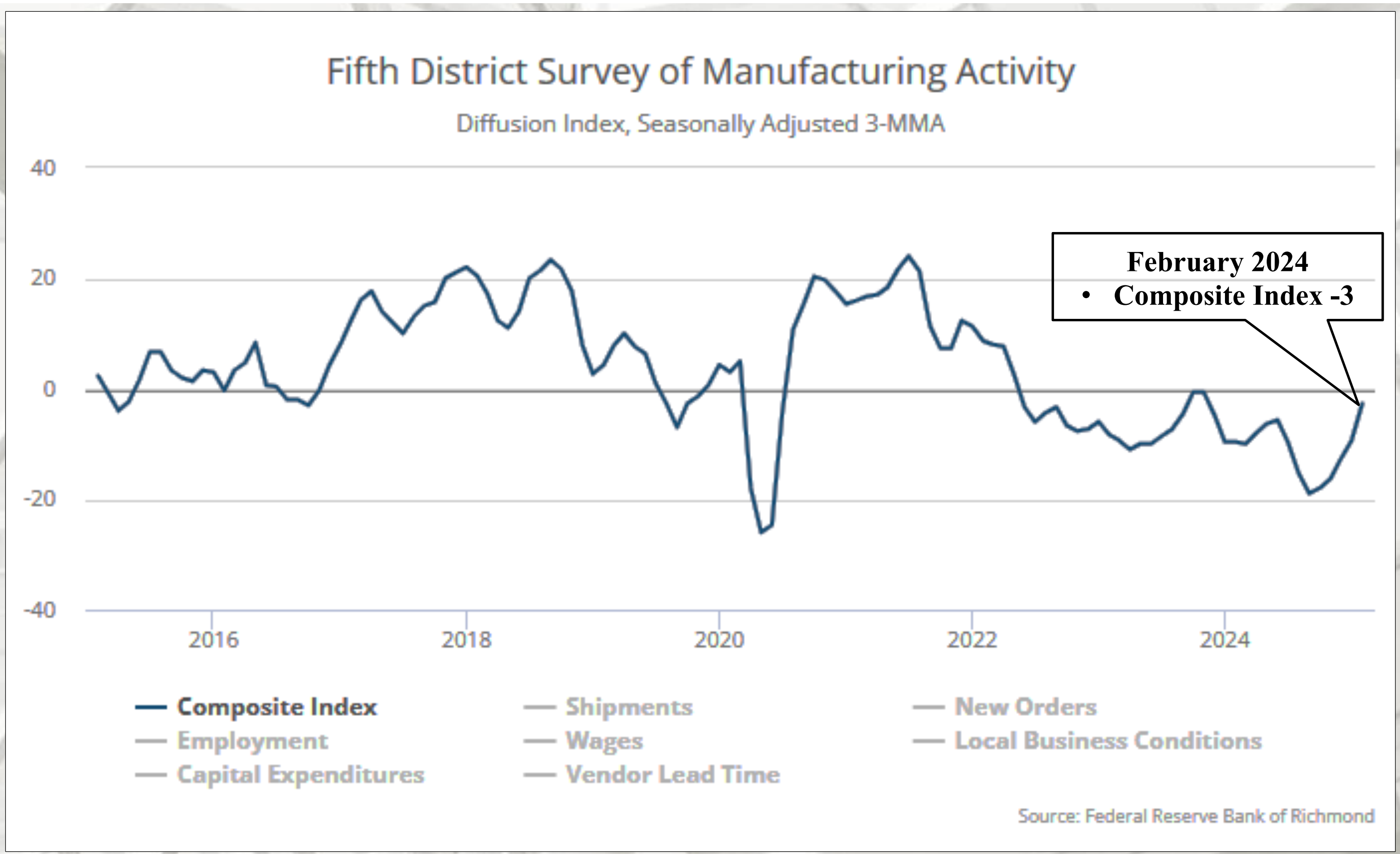
The Federal Reserve Bank of Richmond



Source: https://www.richmondfed.org/region_communities/regional_data_analysis/surveys/manufacturing; 2/25/25

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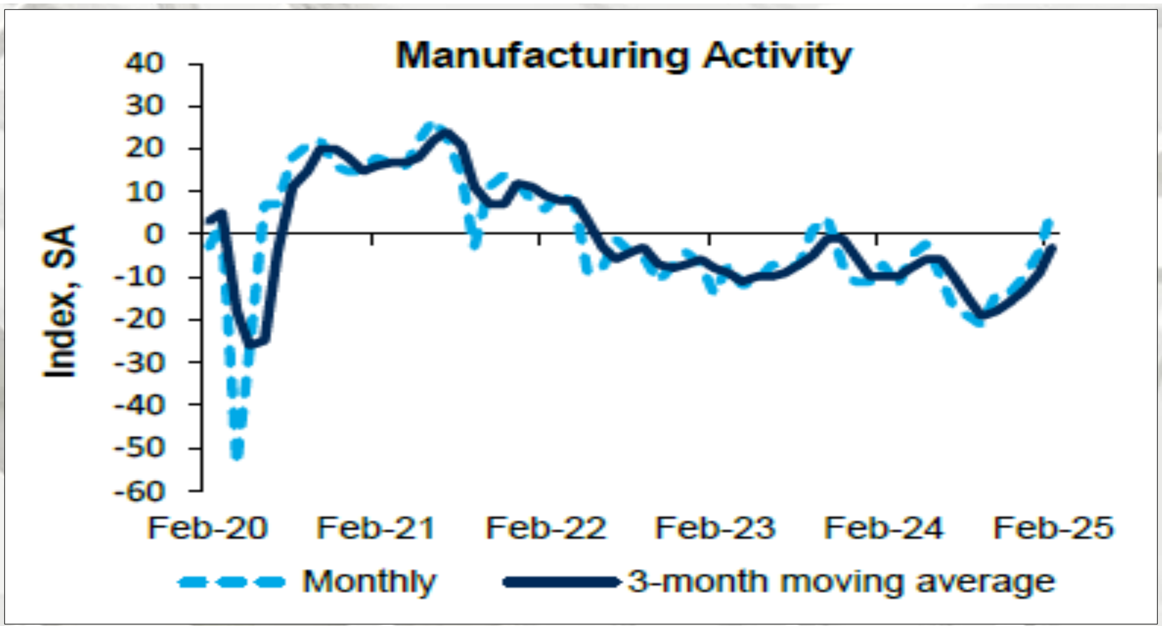
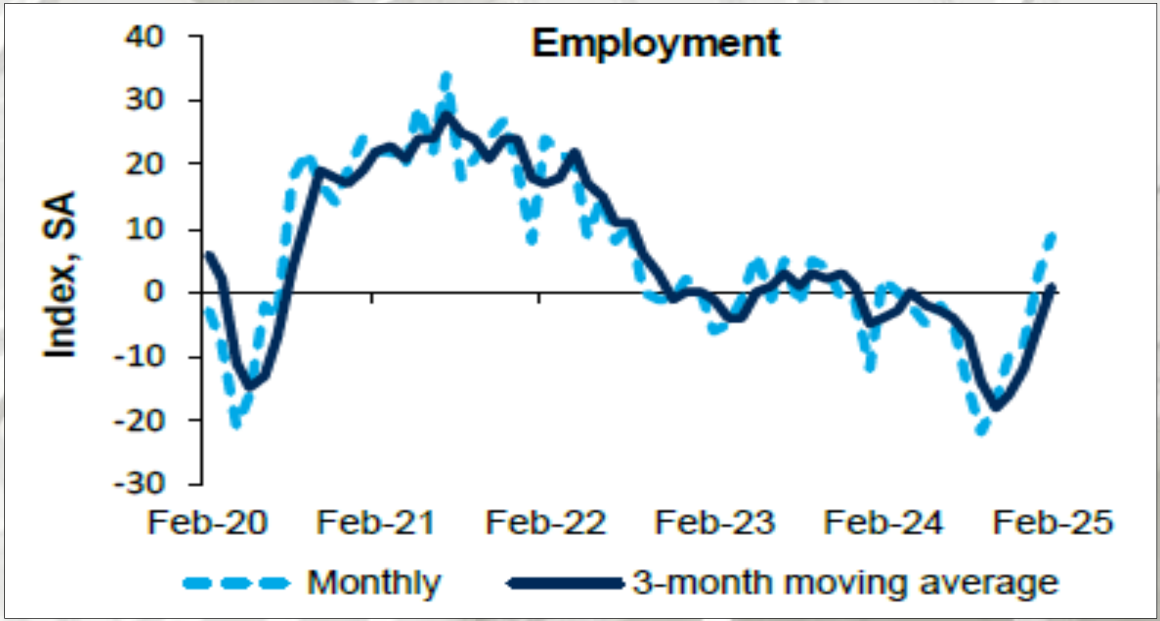
The Federal Reserve Bank of Richmond





Source: https://www.richmondfed.org/region_communities/regional_data_analysis/surveys/manufacturing; 2/25/25

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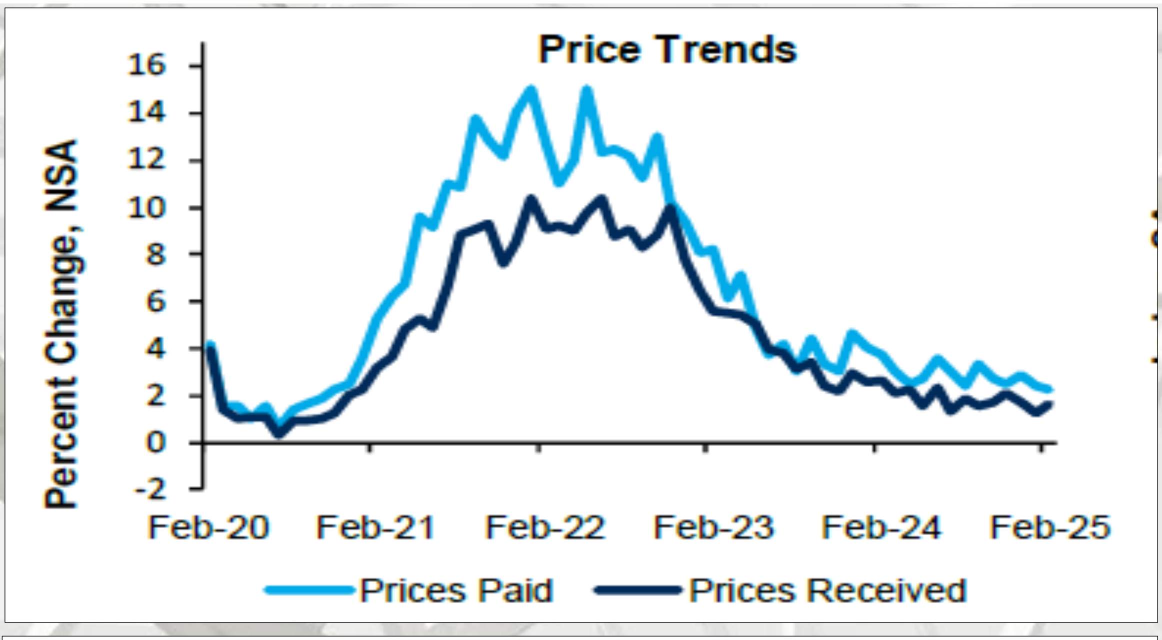
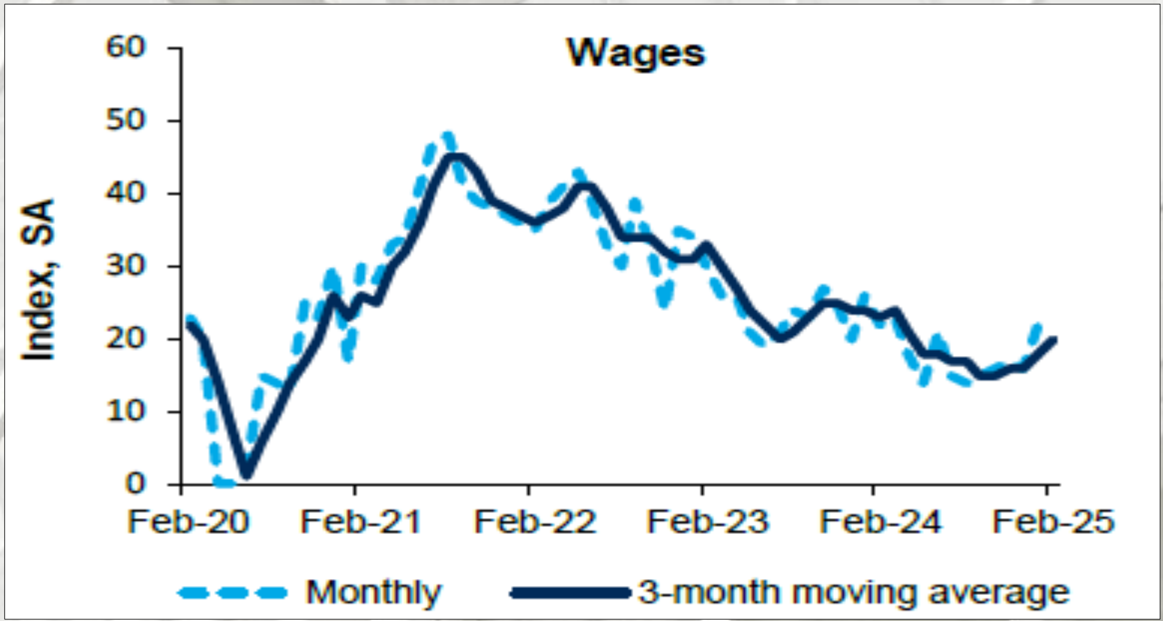
The Federal Reserve Bank of Richmond





Source: https://www.richmondfed.org/region_communities/regional_data_analysis/surveys/manufacturing; 2/25/25

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The Federal Reserve Bank of Richmond

December Fifth District Survey of Service Sector Activity

Fifth District Service Sector Activity Improved Slightly in February

"Fifth District service sector activity improved slightly in February, according to the most recent survey by the Federal Reserve Bank of Richmond. The revenues index increased from 4 to 11, while the demand index fell slightly to 13, staying in positive territory in February. The indexes for future revenues and demand decreased but remained firmly in positive territory, as firms broadly expressed optimism about the next six months.

The local business conditions index decreased from 7 in January to 1 in February. Firms were also less optimistic about future business conditions, as that index fell from 36 to 8 in February.

The current employment index rose slightly from 3 to 7 in February and the forward-looking index registered a reading of 27. The wages index was nearly unchanged at 24 and most firms expected to increase wages over the next six months.

The average growth rate of prices paid increased, while the average growth rate of prices received declined slightly from January. Firms anticipated little change in price growth in the coming year."
– Jason Kosakow, Research Department, The Federal Reserve Bank of Richmond

Source: https://www.richmondfed.org/research/regional_economy/surveys_of_business_conditions/service_sector; 2/25/25

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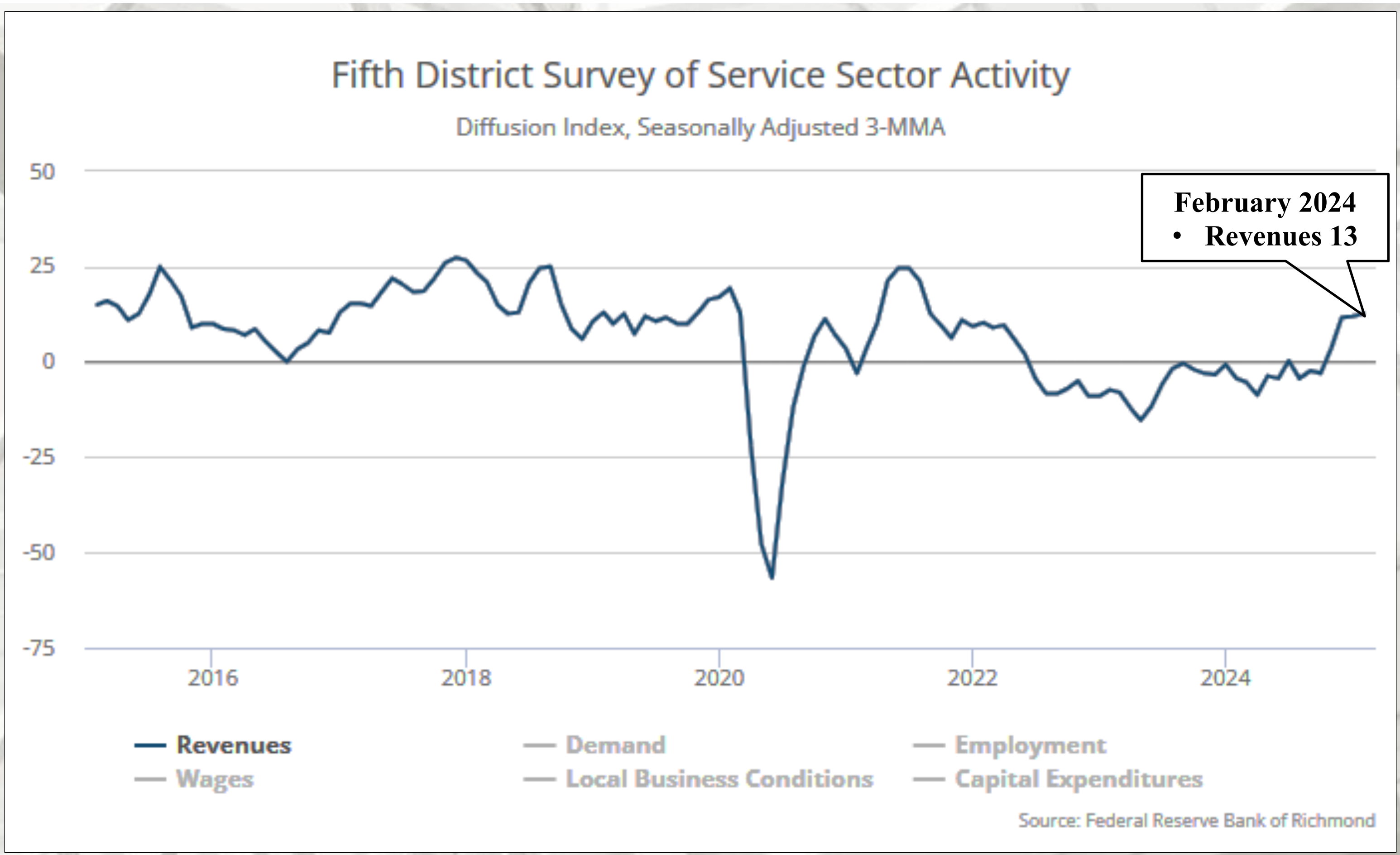
The Federal Reserve Bank of Richmond



Source: https://www.richmondfed.org/research/regional_economy/surveys_of_business_conditions/service_sector; 2/25/25

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Global Economic Indicators

The Federal Reserve Bank of Dallas

México Economic Update

México's economic growth slows in 2024; outlook weakens

"The México's GDP grew only 0.9 percent year over year in fourth quarter 2024, after expanding 2.4 percent in 2023 and 4.6 percent in 2022. Economic growth slowed, mainly due to lower investment, slowing consumption and a contracting energy sector. Trade grew slightly, and employment growth was muted. As a result, the consensus forecast for 2025 real GDP growth (fourth quarter, year over year) compiled by Banco de México, increased to 1.0 percent in January (*Table 1*).

Lower investment and consumption behind slow growth

Investment contributed three percentage points less to GDP growth in 2024 compared with 2023 (*Chart 1*). The major drop was in nonresidential construction investment, while purchases of imported machinery and equipment also slowed noticeably as the Méxican peso continued to weaken against the dollar. In addition, consumption was impacted by sluggish growth in remittances, high interest rates and flat employment. However, net exports boosted growth in 2024 after dragging it down the previous two years." – Jesus Cañas, Senior Business Economist and Diego Morales-Burnett, Research Analyst, Research Department, The Federal Reserve Bank of Dallas

Source: https://www.dallasfed.org/research/update/mex/2024/2407; 3/4/25

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Global Economic Indicators

January 2025 economic report			
GDP, real Q4 '24	Employment, formal January '25	CPI January '25	Peso/dollar January '25
-2.4% q/q	9,955 jobs m/m	3.6% y/y	20.5

Table 1: Consensus Forecasts for 2024 México Growth, Inflation, and Exchange Rate

	December	January
Real GDP growth in Q4, year over year	1.2	1.0
Real GDP growth in 2025	1.1	1.1
CPI December 2025, year over year	3.8	3.8
Peso/dollar exchange rate at end of year	20.5	20.9

Note: CPI refers to the consumer price index. The survey period was Jan. 23–29.
Source: Encuesta sobre las Expectativas de los Especialistas en Economía del Sector Privado: Enero de 2025 (communiqué on economic expectations, Banco de México, January 2025).

Only the service sector grew robustly in 2024

Looking at contribution to growth by sector, services expanded the most, followed by dismal growth in manufacturing and the agriculture sector, with the latter heavily impacted by last year's drought (*Chart 2*). With the rise of intra-industry trade between the U.S. and México since the early 1990s, the correlation between Mexican and U.S. manufacturing production has increased considerably. As a result, México's manufacturing industry slowed in 2024 as U.S. manufacturing production only grew 0.1 percent year over year. Mining and oil extraction contributed negatively to growth last year. After consistently rising from mid-2020 to early 2023, oil production has been consistently falling and was 1.6 million barrels per day in January – near historically low levels." – Jesus Cañas, Senior Business Economist and Diego Morales-Burnett, Research Analyst, Research Department, The Federal Reserve Bank of Dallas

Source: https://www.dallasfed.org/research/update/mex/2024/2407; 3/4/25

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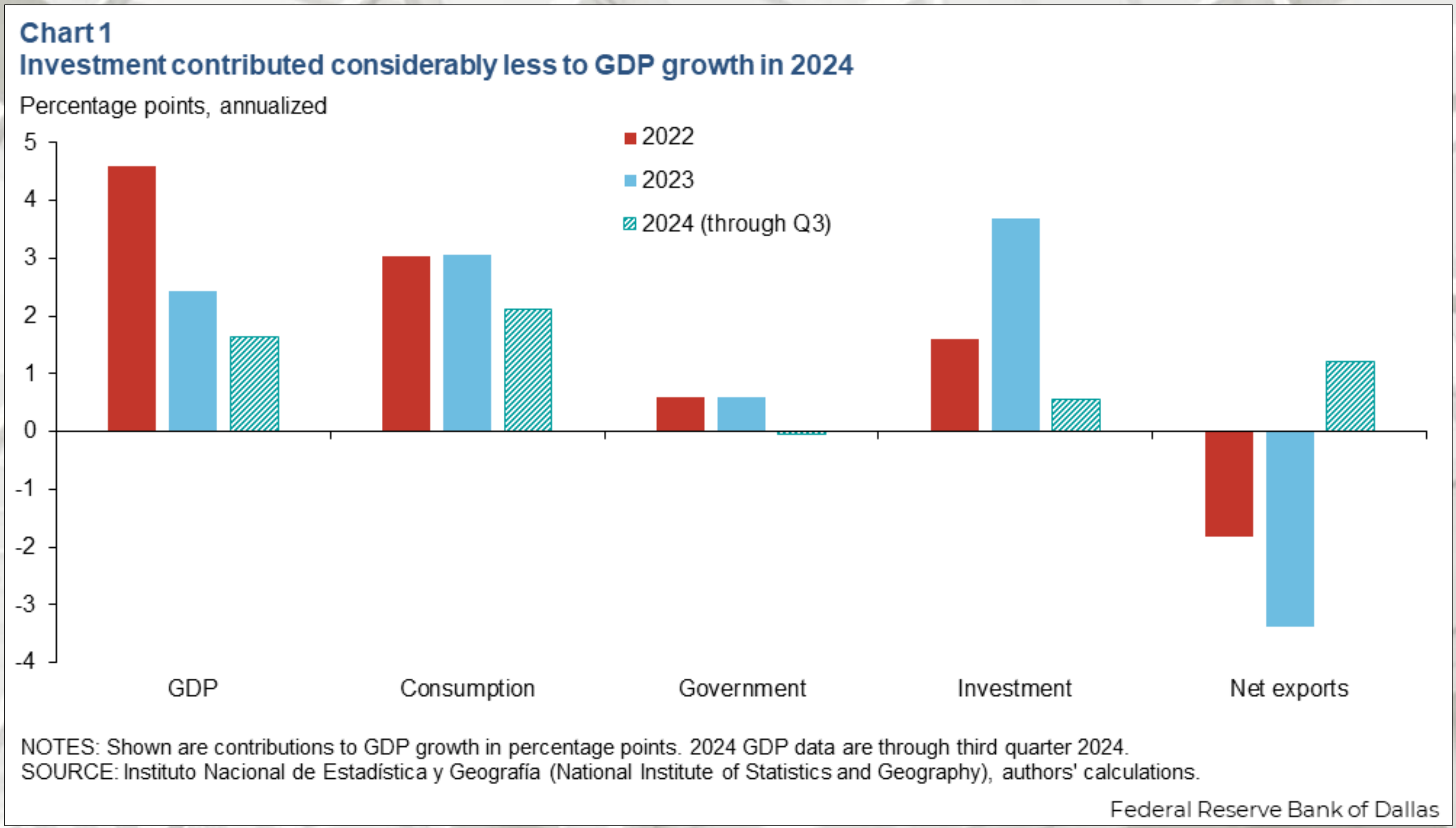
Global Economic Indicators



Source: https://www.dallasfed.org/research/update/mex/2024/2407; 3/4/25

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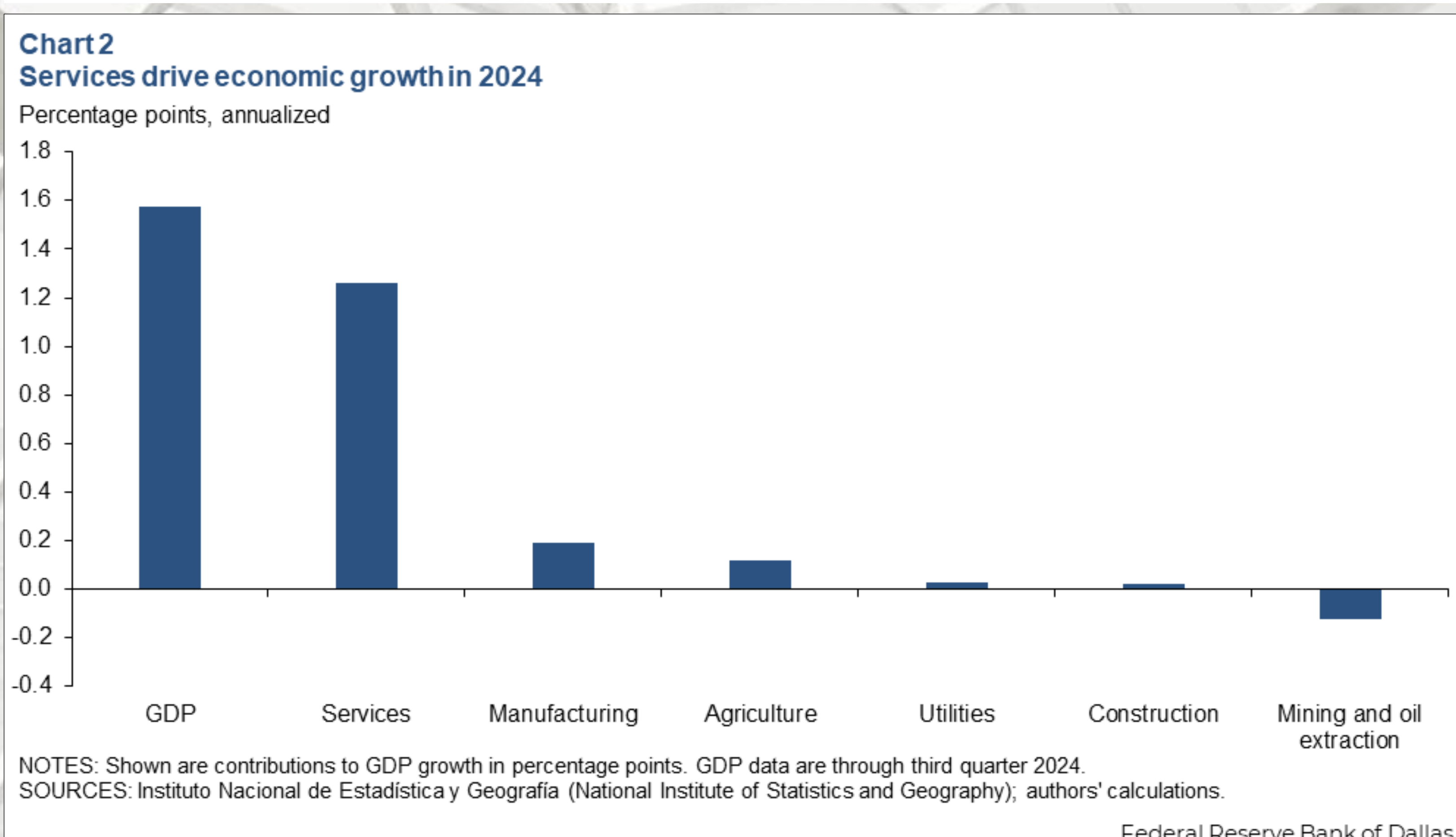
Global Economic Indicators



Source: https://www.dallasfed.org/research/update/mex/2024/2407; 3/4/25

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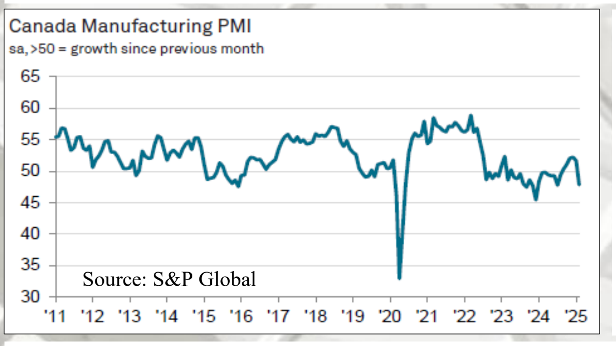
Private Indicators: Global



S&P Global Canada Manufacturing PMI®

"After accounting for seasonal factors, the seasonally adjusted **S&P Global Canada Manufacturing Purchasing Managers' Index® (PMI®)** declined to 47.8 in February. That was down from 51.6 in January and the lowest level since last July. It was also the first time that the headline index has fallen below the crucial 50.0 no-change mark that separates growth from contraction for six months.

PMI drops into negative territory in February as orders tumble

"Canada's manufacturing economy suffered a notable deterioration in performance during February. Output and new orders both declined, largely due to considerable market uncertainty related to tariff concerns. Job losses were also recorded, whilst confidence in the outlook turned pessimistic for only the second time in the survey history. Amid some reports of vendor price uplifts in response to anticipated tariffs, input cost inflation rose to its highest level since April 2023. …

Falling volumes of production and new work weighed heavily on February's PMI. The decline in new work was especially acute, with the contraction the second steepest since the start of 2024 (surpassed only by last July). Panellists widely noted that tariff and trade concerns meant clients were cautious when committing to new orders, preferring instead to adopt a "wait-and-see" approach given the uncertainty around future Canadian and US trade policies. New export orders were hit by similar factors, declining in February to the greatest degree since last September.

The considerable uncertainty related to tariffs being applied on all goods passing across the Canada-United States border weighed heavily on the manufacturing economy during February. Output fell noticeably, driven lower by a steeper decline in new orders as product markets, both at home and abroad, were paralysed by concerns over the applicability and size of tariffs in the coming months. Understandably, manufacturers grew increasingly downbeat about the future, with confidence at its lowest level since a series record low was registered in April 2020. This meant firms also adopted an increasingly cautious approach to purchasing and employment, with cuts made in each case since January. … " – Paul Smith, Economics Director, S&P Global Market Intelligence

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/aef880d25df34b78b3f91ddf79e9b848; 3/3/25

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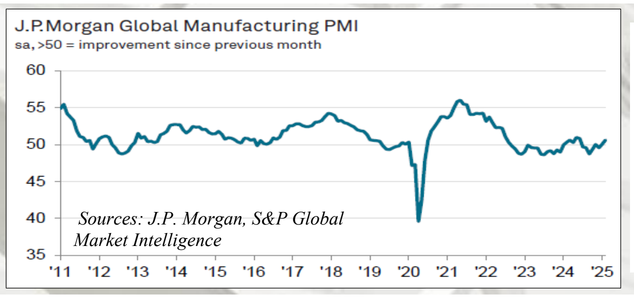
Private Indicators: Global



J.P. Morgan Global Manufacturing PMI™

"The J.P. Morgan Global Composite Output Index – produced by J.P. Morgan and S&P Global in association with ISM and IFPSM – rose to an eight-month high of 50.6 in February, up from 50.1 in January..

Global manufacturing upturn gathers pace as growth of output and new orders strengthen

February saw the global manufacturing sector move further into expansion territory. Operating conditions improved for the second consecutive month, as rates of growth in output and new orders strengthened. Price pressures continued to rise, with both input costs and selling prices rising at faster rates. Three out of the five PMI sub-indices were at levels consistent with improved operating performance, as output and new orders both rose for the second successive months and suppliers' delivery times lengthened. Employment and stocks of purchases both registered further contractions. ..

Growth of global manufacturing output accelerated to an eight-month high in February. Expansions were registered in the consumer and intermediate goods sub-industries – with the faster growth in the former – while investment goods production stabilised following an eight-month downturn. Increased output was underpinned by improved intakes of incoming new business, as new orders rose at the quickest pace in almost three years (since March 2022). Although the downturn in international trade volumes extended into its ninth consecutive month, the pace of contraction was only mild and the weakest during that sequence.

The revival in current conditions led to improved business optimism. Confidence rose to a nine-month high overall, with stronger sentiment seen in both the intermediate and investment goods sectors. The cyclically sensitive new orders-to-stocks of finished goods ratio (which tends to move in advance of the production cycle) also rose to a near three-year high." – Bennett Parrish, Global Economist, J.P. Morgan

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/c494816a6a254dc7a9467821269665cd; 3/3/25

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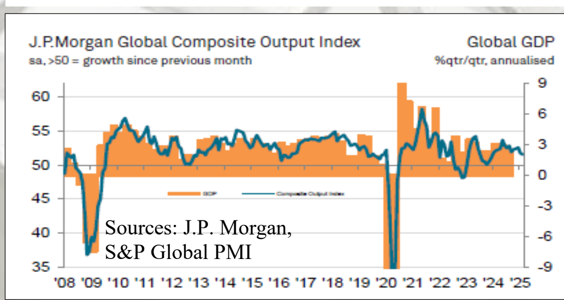
Private Indicators: Global



J.P. Morgan Global Composite PMI™

"February saw the rate of global economic expansion ease for the second month in a row. The J.P. Morgan Global Manufacturing PMI™ – a composite index produced by J.P. Morgan and S&P Global in association with ISM and IFPSM – fell to a 14-month low of 51.5 in February, down from 51.8 in January..

Global economic growth at 14-month low as uncertainty hits demand and employment

"The Output Index has nonetheless remained above the neutral 50.0 mark, signalling expansion, for 25 consecutive months. February saw increases in both manufacturing production and service sector business activity. Although the global service sector outperformed its manufacturing counterpart again in February, it was to the least marked extent since services first overtook manufacturing in January 2023. This was mainly due to a further slowdown in growth of services business activity, which eased to a 14-month low. Rates of expansion decelerated in both the business and consumer services categories, in contrast to a growth acceleration in the financial services industry.

Manufacturing production rose at the quickest pace since June 2024. Output increased in the consumer and intermediate goods sectors and stabilised at investment goods producers following an eight-month sequence of contraction. There was some suggestion that the recent resilience of manufacturing reflected (at least in part) front loading of output and new orders ahead of tariffs.

National PMI data indicated that the US lost momentum and was no longer the fastest-growing of the major developed economies, overtaken by Japan. Growth was weak in Europe and Australia, while Canada's downturn deepened. India meanwhile outpaced the other major emerging markets, while growth momentum in mainland China still again only moderate.

Levels of new business rose for the sixteenth successive month in February. However, the rate of expansion eased to the weakest since September 2024. In a similar picture to the trend in output, growth accelerated in manufacturing and slowed in services. …" – Bennett Parrish, Global Economist, J.P. Morgan

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/4c78a7c71fc74409a6c6d94af1e9505c; 3/5/25

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Private Indicators
Associated Builders and Contractors (ABC)

ABC's Construction Backlog Indicator Inches Lower in February, Contractor Confidence Remains Elevated

"Associated Builders and Contractors reported that its Construction Backlog Indicator fell to 8.3 months in February, according to an ABC member survey conducted Feb. 20 to March 5. The reading is up 0.2 months since February 2024.

View the full Construction Backlog Indicator and Construction Confidence Index data series.

Backlog fell on a monthly basis for contractors with less than $100 million in annual revenues while increasing sharply for contractors with greater than $100 million in annual revenue. Those largest contractors have also accounted for the majority of the increase in backlog observed over the past year.

ABC's Construction Confidence Index readings for staffing improved, while the reading for profit margins declined. The reading for sales was unchanged after rounding. The readings for all three components remain above the threshold of 50, indicating expectations for growth over the next six months.

"While many other economic sentiment readings have deteriorated in recent months, contractors remain optimistic that business conditions will improve through the first half of 2025," said ABC Chief Economist Anirban Basu. "Nearly 60% of contractors intend to increase their staffing levels over the next six months, the highest share in over two years. These hiring expectations suggest that the recent slowdown in industrywide employment is largely confined to the residential segment. Yes, there are some broader signs of emerging economic weakness, but the results of this ABC member survey suggests that contractors will remain busy over the next few quarters."'" – Erika Walter, Director of Media Relations, ABC

Source: https://www.abc.org/News-Media/News-Releases/abcs-construction-backlog-indicator-inches-lower-in-february-contractor-confidence-remains-elevated; 3/11/25

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Private Indicators
Associated Builders and Contractors (ABC)

Construction Backlog Indicator

	February 2025	January 2025	February 2024	1-Month Net Change	12-Month Net Change
Total	**8.3**	**8.4**	**8.1**	**-0.1**	**0.2**
Industry					
Commercial and institutional	8.6	8.6	8.1	0.0	0.5
Heavy industrial	7.2	6.7	9.2	0.5	-2.0
Infrastructure	8.0	8.0	9.4	0.0	-1.4
Region					
Middle States	6.9	8.0	7.3	-1.1	-0.4
Northeast	7.9	7.5	7.4	0.4	0.5
South	10.1	9.5	9.9	0.6	0.2
West	7.6	8.2	7.9	-0.6	-0.3
Company Size					
<$30 Million	7.2	7.5	7.5	-0.3	-0.3
$30-$50 Million	8.8	9.1	8.4	-0.3	0.4
$50-$100 Million	9.9	10.2	10.5	-0.3	-0.6
>$100 Million	12.3	11.5	10.3	0.8	2.0

Source: https://www.abc.org/News-Media/News-Releases/abcs-construction-backlog-indicator-inches-lower-in-february-contractor-confidence-remains-elevated; 3/11/25

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Private Indicators
Associated Builders and Contractors (ABC)

Construction Confidence Index

Response	February 2025	January 2025	February 2024
CCI Reading			
Sales	64.5	64.5	57.9
Profit margins	54.8	56.1	51.8
Staffing	64.0	62.8	59.8
Sales Expectations			
Up big	7.8%	9.4%	8.5%
Up small	59.8%	53.8%	41.5%
No change	17.2%	23.7%	27.1%
Down small	13.1%	11.4%	18.9%
Down big	2.0%	1.7%	4.0%
Profit Margin Expectations			
Up big	4.5%	2.0%	1.2%
Up small	34.8%	39.8%	30.8%
No change	37.7%	40.1%	44.5%
Down small	21.3%	16.7%	21.0%
Down big	1.6%	1.3%	2.4%
Staffing Level Expectations			
Up big	5.3%	8.0%	4.3%
Up small	54.5%	46.2%	43.6%
No change	31.6%	36.8%	41.2%
Down small	8.2%	7.0%	9.1%
Down big	0.4%	2.0%	1.8%

Source: https://www.abc.org/News-Media/News-Releases/abcs-construction-backlog-indicator-inches-lower-in-february-contractor-confidence-remains-elevated; 3/11/25

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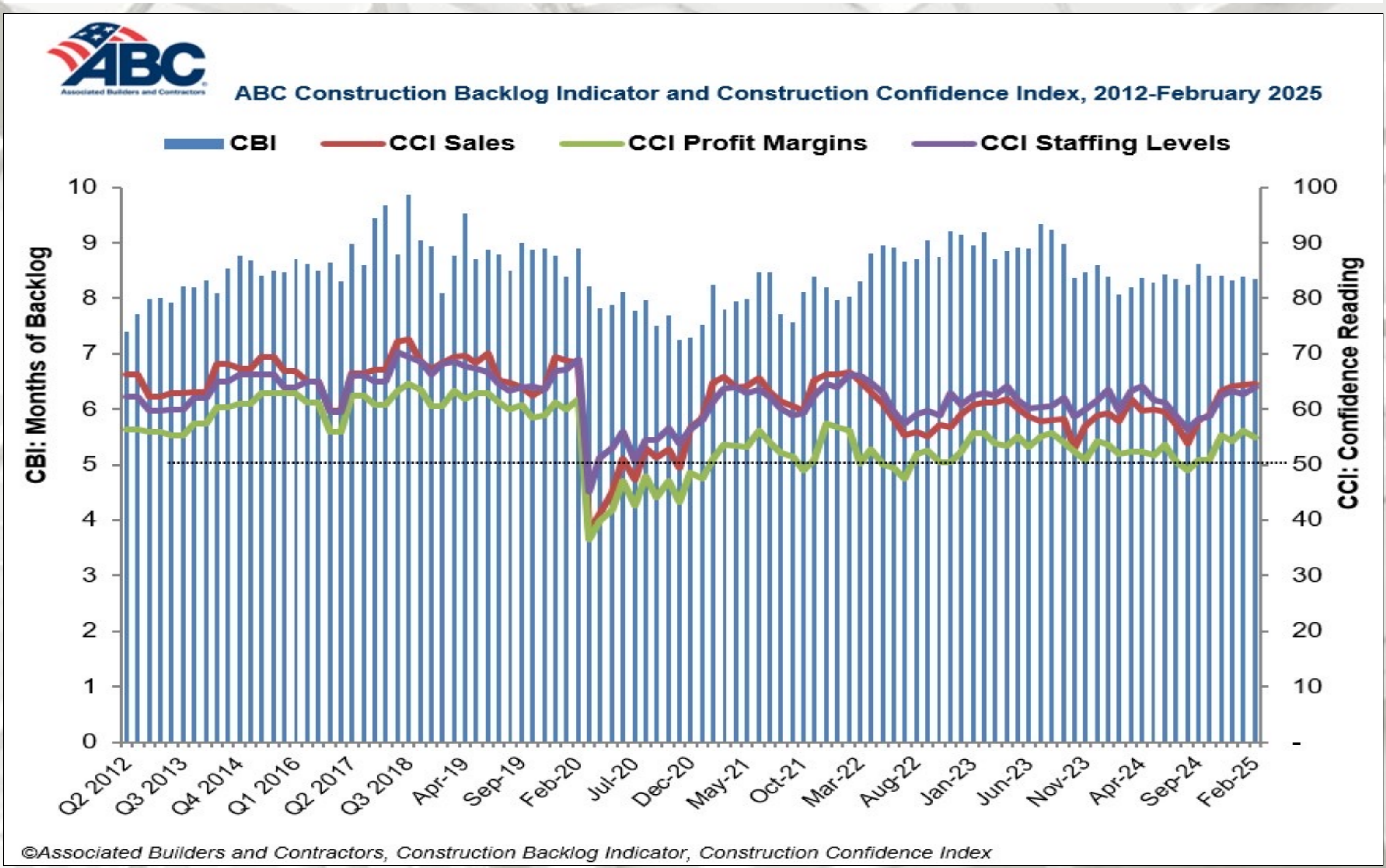
Private Indicators
Associated Builders and Contractors (ABC)



Source: https://www.abc.org/News-Media/News-Releases/abcs-construction-backlog-indicator-inches-lower-in-february-contractor-confidence-remains-elevated; 3/11/25

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Private Indicators
Associated Builders and Contractors

Nonresidential Construction Spending Up in January, But Concerns Abound

“National nonresidential construction spending increased 0.1% in January, according to an Associated Builders and Contractors analysis of data published by the U.S. Census Bureau. On a seasonally adjusted annualized basis, nonresidential spending totaled $1.248 trillion.

Spending was up on a monthly basis in 12 of the 16 nonresidential subcategories. Private nonresidential spending was unchanged, while public nonresidential construction spending was up 0.2% in January.

“Nonresidential construction spending rebounded slightly in January, yet this report is far from encouraging,” said ABC Chief Economist Anirban Basu. “Data center construction spending increased another 1.9% for the month, accounting for more than three-fourths of the monthly increase in nonresidential activity. While that segment is so hot that it can melt through the effects of high interest rates, many other categories appear to be frozen in place. Even manufacturing, which still accounts for nearly $1 in every $5 of nonresidential construction spending, is virtually unchanged since May of last year.”

“Despite high interest rates and the looming effects of tariffs and heightened economic uncertainty, contractors remain optimistic,” said Basu. “Nearly 65% of contractors expect their sales to increase during the first half of 2025, according to the January reading of [ABC’s Construction Confidence Index](). That said, it’s possible that the February reading of ABC’s CCI will show increased pessimism given declines in other economic confidence indicators.””’– Erika Walter, Director of Media Relations, ABC

Source: https://www.abc.org/News-Media/News-Releases/abc-nonresidential-construction-spending-up-in-january-but-concerns-abound; 3/3/25

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Private Indicators
Associated Builders and Contractors

Nonresidential Spending Growth, Millions of Dollars, Seasonally Adjusted Annual Rate

	January 2025	December 2024	January 2024	1-Month % Change	12-Month % Change
Total Construction	$2,192,540	$2,195,985	$2,122,229	-0.2%	3.3%
Residential	$944,481	$948,762	$915,398	-0.5%	3.2%
Nonresidential	$1,248,058	$1,247,223	$1,206,831	0.1%	3.4%
Religious	$4,662	$4,590	$4,399	1.6%	6.0%
Lodging	$23,494	$23,330	$23,576	0.7%	-0.3%
Conservation and development	$11,431	$11,360	$11,593	0.6%	-1.4%
Highway and street	$146,064	$145,172	$149,196	0.6%	-2.1%
Health care	$69,339	$68,944	$69,830	0.6%	-0.7%
Office	$104,781	$104,317	$100,928	0.4%	3.8%
Sewage and waste disposal	$47,015	$46,835	$43,120	0.4%	9.0%
Power	$151,842	$151,329	$146,801	0.3%	3.4%
Water supply	$34,334	$34,243	$29,614	0.3%	15.9%
Communication	$29,139	$29,071	$28,595	0.2%	1.9%
Transportation	$70,093	$70,013	$65,448	0.1%	7.1%
Amusement and recreation	$41,363	$41,327	$36,446	0.1%	13.5%
Public safety	$19,096	$19,139	$17,411	-0.2%	9.7%
Manufacturing	$235,749	$236,535	$223,104	-0.3%	5.7%
Commercial	$124,956	$125,467	$130,717	-0.4%	-4.4%
Educational	$134,701	$135,553	$126,055	-0.6%	6.9%
Private Nonresidential	$753,267	$753,228	$739,791	0.0%	1.8%
Public Nonresidential	$494,792	$493,995	$467,040	0.2%	5.9%

Source: U.S. Census Bureau

Source: https://www.abc.org/News-Media/News-Releases/abc-nonresidential-construction-spending-up-in-january-but-concerns-abound; 3/3/25

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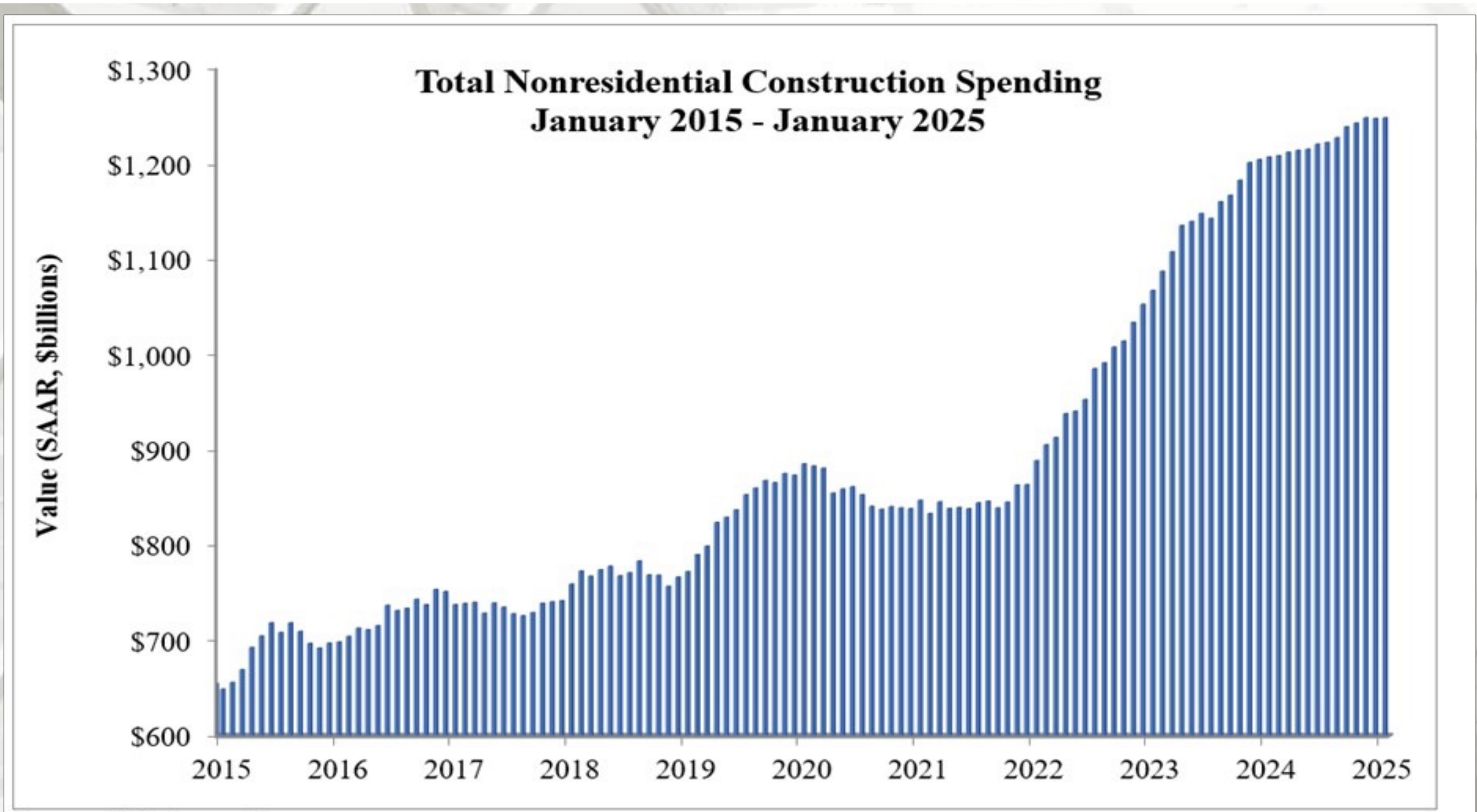
Private Indicators
Associated Builders and Contractors



Source: U.S. Census Bureau

Source: https://www.abc.org/News-Media/News-Releases/abc-nonresidential-construction-spending-up-in-january-but-concerns-abound; 3/3/25

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Private Indicators
Associated Builders and Contractors

Construction Employment Growth Strong in February

"The construction industry added 19,000 jobs on net in February, according to an Associated Builders and Contractors analysis of data released by the U.S. Bureau of Labor Statistics. On a year-over-year basis, industry employment has increased by 174,000 jobs, an increase of 2.1%.

Nonresidential construction employment increased by 6,200 positions on net, with growth in all three subcategories. Heavy and civil engineering added the most jobs, increasing by 2,500 positions, followed by nonresidential specialty trade, which added 2,000 jobs. Nonresidential building added 1,700 jobs last month.

The construction unemployment rate rose to 7.2% in February. Unemployment across all industries increased from 4.0% in January to 4.1% last month.

"The February jobs report suggests that contractors' ongoing optimism, as seen in ABC's Construction Confidence Index, is justified," said ABC Chief Economist Anirban Basu. "The industry added 19,000 jobs in February, making it the strongest month of growth since the third quarter of 2024, and the sizable jump in the industry unemployment rate indicates that the labor supply can accommodate ongoing hiring.

"Economywide job growth was also perfectly decent, with U.S. employers adding 151,000 jobs last month. Following several weeks of concerning economic data and rising economic uncertainty, a good-but-boring jobs report is a welcome development," said Basu. "Federal government employment declined by 10,000 and will likely fall further in the coming months, but that segment is just 2% of overall employment. Federal job and spending cuts, as well as elevated uncertainty, could eventually diminish construction activity at the margins, but those effects have yet to appear in these employment data."" – Erika Walter, Director of Media Relations, ABC

Source: https://www.abc.org/News-Media/News-Releases/abc-construction-employment-growth-strong-in-february; 3/7//25

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Private Indicators
Associated Builders and Contractors

Construction Employment Statistics: February 2025

	February 2025	January 2025	February 2024	1-Month Net Change	12-Month Net Change	12-Month % Change
Employment						
Construction	8,310,000	8,291,000	8,136,000	19,000	174,000	2.1%
Nonresidential	4,940,500	4,934,300	4,817,400	6,200	123,100	2.6%
Nonresidential building	917,300	915,600	902,900	1,700	14,400	1.6%
Nonresidential specialty trade contractors	2,847,000	2,845,000	2,767,100	2,000	79,900	2.9%
Heavy & civil engineering	1,176,200	1,173,700	1,147,400	2,500	28,800	2.5%
Residential	3,369,400	3,356,700	3,318,900	12,700	50,500	1.5%
Residential building	955,100	955,000	930,100	100	25,000	2.7%
Residential specialty trade contractors	2,414,300	2,401,700	2,388,800	12,600	25,500	1.1%
Average Hourly Earnings						
All private industries	$35.93	$35.83	$34.54	$0.10	$1.39	4.0%
Construction	$39.12	$39.05	$37.53	$0.07	$1.59	4.2%
Average Weekly Hours						
All private industries	34.1	34.1	34.3	0.0	-0.2	-0.6%
Construction	38.6	38.8	38.9	-0.2	-0.3	-0.8%
Unemployment Rate						
All private industries (SA)	4.1%	4.0%	3.9%	0.1pp	0.2pp	
Construction (NSA)	7.2%	6.5%	7.0%	0.7pp	0.2pp	

Source: U.S. Bureau of Labor Statistics. Note. SA: Seasonally adjusted. NSA: Not seasonally adjusted

Source: https://www.abc.org/News-Media/News-Releases/abc-construction-employment-growth-strong-in-february; 3/7//25

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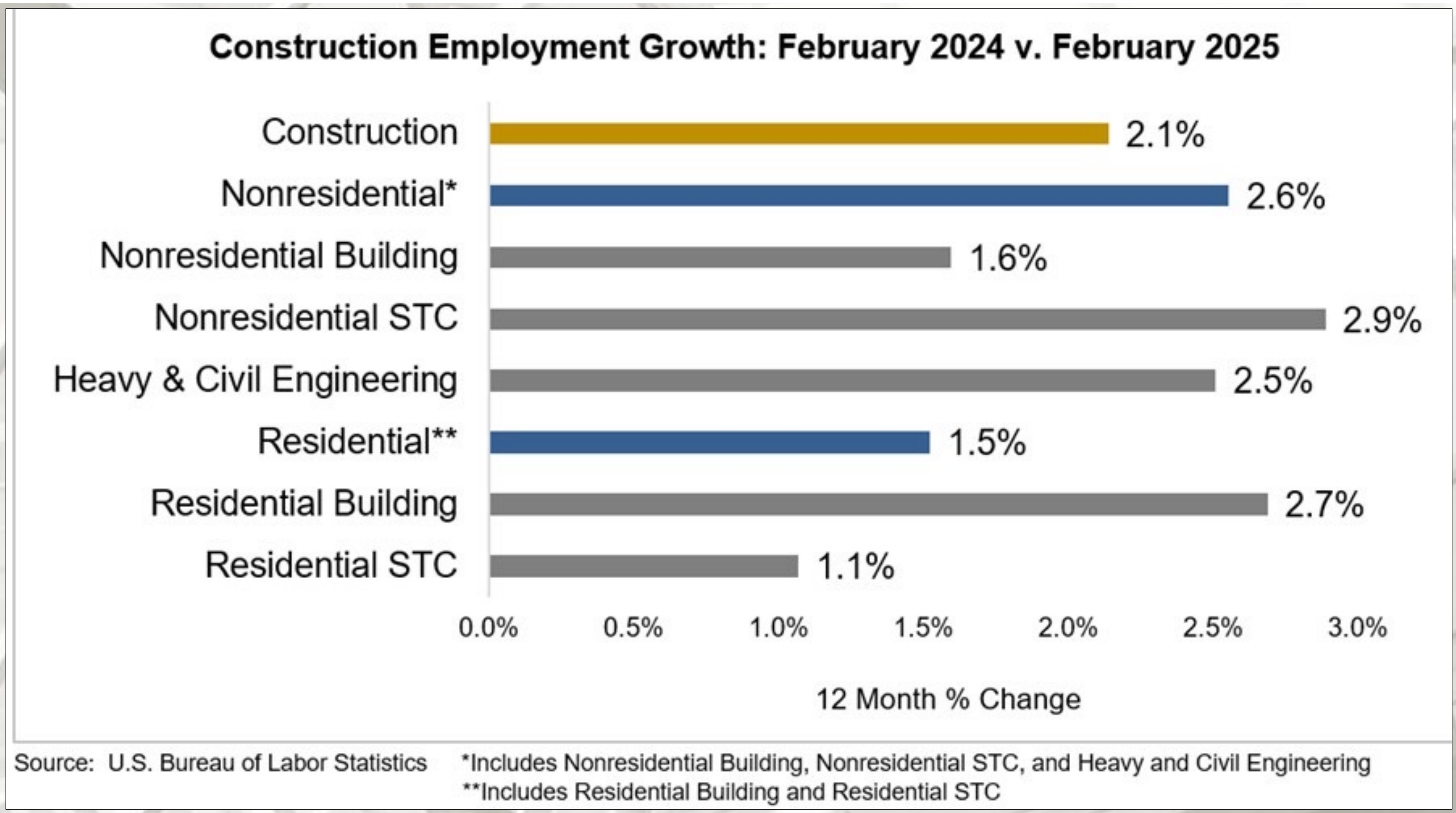
Private Indicators
Associated Builders and Contractors



Source: https://www.abc.org/News-Media/News-Releases/abc-construction-employment-growth-strong-in-february; 3/7//25

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Private Indicators
Associated Builders and Contractors

Construction Labor Force Churn Accelerates in January

"The construction industry had 236,000 job openings on the last day of January, according to an Associated Builders and Contractors analysis of data released in the U.S. Bureau of Labor Statistics' Job Openings and Labor Turnover Survey. JOLTS defines a job opening as any unfilled position for which an employer is actively recruiting. Industry job openings increased by 31,000 last month but are down by 171,000 from the same time last year.

"While construction job openings remained subdued in January, industrywide labor force churn increased meaningfully," said ABC Chief Economist Anirban Basu. "Both hires and separations – including layoffs, discharges and quits – accelerated to the fastest rate since the first half of 2024. Yes, recent construction spending data and investor caution in the face of volatile trade policy represent a cause for concern, but nearly 6 in 10 contractors expect their staffing levels to grow over the next several months, according to ABC's Construction Confidence Index. That, along with healthy industrywide job growth in February, suggests job openings should continue to trend higher in the coming months."" – Erika Walter, Director of Media Relations, ABC

Source: https://www.abc.org/News-Media/News-Releases/abc-construction-labor-force-churn-accelerates-in-january; 3/11//25

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Private Indicators
Associated Builders and Contractors

Construction Industry Job Openings and Labor Turnover Data: January 2025

	January 2025	December 2024	January 2024	1-Month Net Change	12-Month Net Change	12-Month % Change
Total						
Job openings	236,000	205,000	407,000	31,000	-171,000	-42.0%
Hires	353,000	327,000	372,000	26,000	-19,000	-5.1%
Total separations	335,000	268,000	336,000	67,000	-1,000	-0.3%
Layoffs & discharges	150,000	138,000	184,000	12,000	-34,000	-18.5%
Quits	166,000	113,000	137,000	53,000	29,000	21.2%
Other separations	19,000	17,000	15,000	2,000	4,000	26.7%
Rate						
Job openings	2.8%	2.4%	4.8%			
Hires	4.3%	4.0%	4.6%			
Total separations	4.0%	3.2%	4.1%			
Layoffs & discharges	1.8%	1.7%	2.3%			
Quits	2.0%	1.4%	1.7%			
Other separations	0.2%	0.2%	0.2%			

Source: U.S. Bureau of Labor Statistics

Source: https://www.abc.org/News-Media/News-Releases/abc-construction-labor-force-churn-accelerates-in-january; 3/11//25

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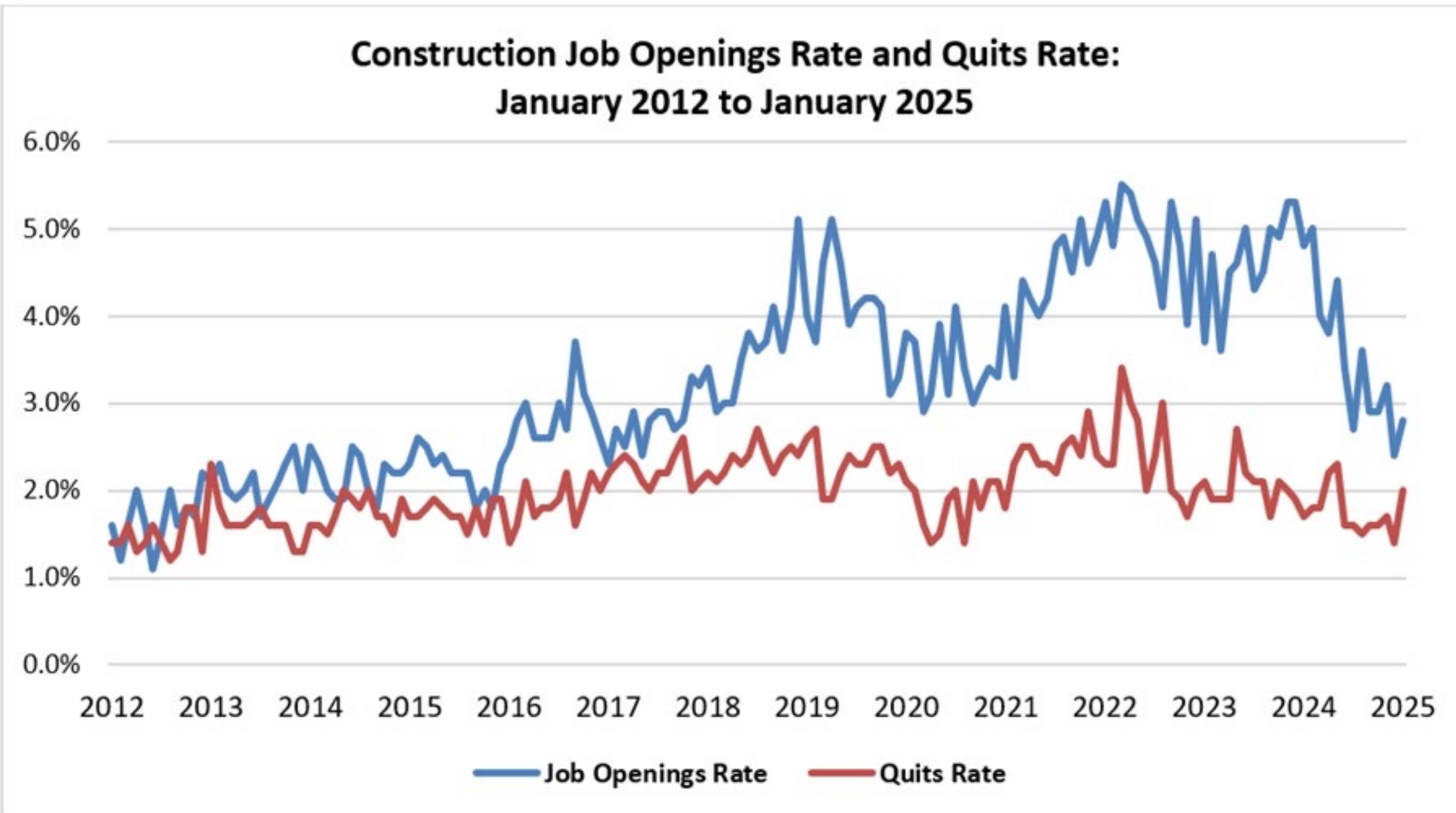
Private Indicators
Associated Builders and Contractors



Source: U.S. Bureau of Labor Statistics

Source: https://www.abc.org/News-Media/News-Releases/abc-construction-labor-force-churn-accelerates-in-january; 3/11//25

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Private Indicators
American Institute of Architects (AIA) & Deltek

Architecture Billings Index January 2025

Architecture firm billings remain soft to start the new year

“The AIA/Deltek Architecture Billings Index (ABI) score was 45.6 for the month, slightly above the December score. This means that while a majority of firms still saw their billings decrease in January, the share of firms experiencing that decrease was slightly smaller than in December. Inquiries into new projects continued to grow at the same slow pace as in recent months, but the value of newly signed design contracts declined for the eleventh consecutive month as clients remained cautious about committing to new projects during the ongoing economic uncertainty. (Note that every January, the seasonal adjustment factors for all ABI data series are revised, leading to revisions in recent historical data.). Billings also were soft at firms in all regions of the country in January.” – The American Institute of Architects

“Stubborn inflation, persistently high interest rates, and labor concerns continue to weigh on the willingness of owners and developers to move ahead with construction projects. Architecture firms have been moving to right-size their operations in response to softer market conditions. There was a net loss of 1,400 positions at architecture firms nationally in 2024, and firm employment has declined by a total of 4,100 positions since the post-pandemic peak in June 2023.” – Kermit Baker, Chief Economist, AIA

Source: https://www.aia.org/resource-center/abi-january-2025-architecture-firm-billings-remain-soft-start-new-year; 2/19/25

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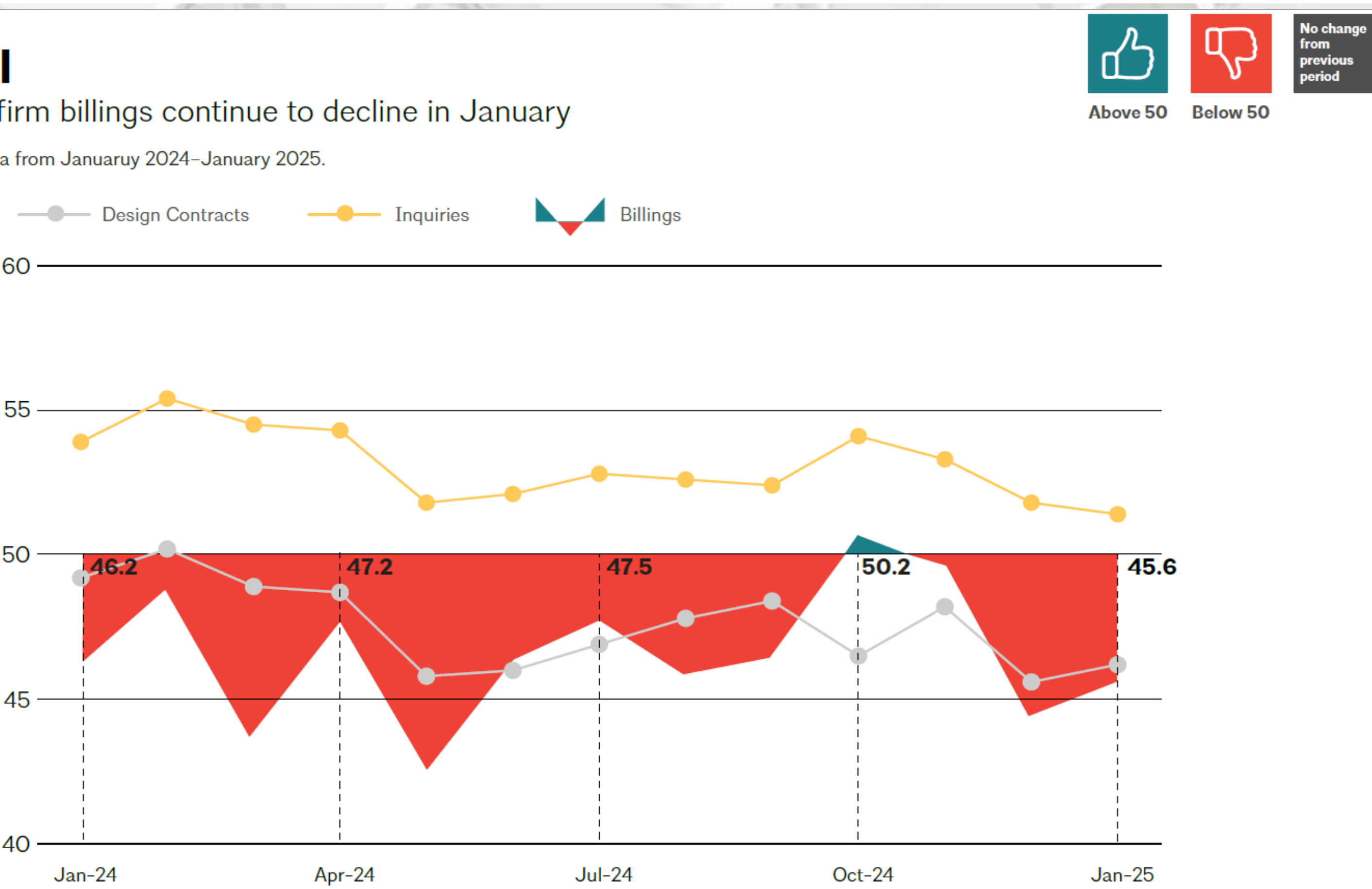
Private Indicators
American Institute of Architects (AIA) & Deltek

National

Architecture firm billings continue to decline in January

Graphs represent data from Januaruy 2024–January 2025.



Source: https://www.aia.org/resource-center/abi-january-2025-architecture-firm-billings-remain-soft-start-new-year; 2/19/25

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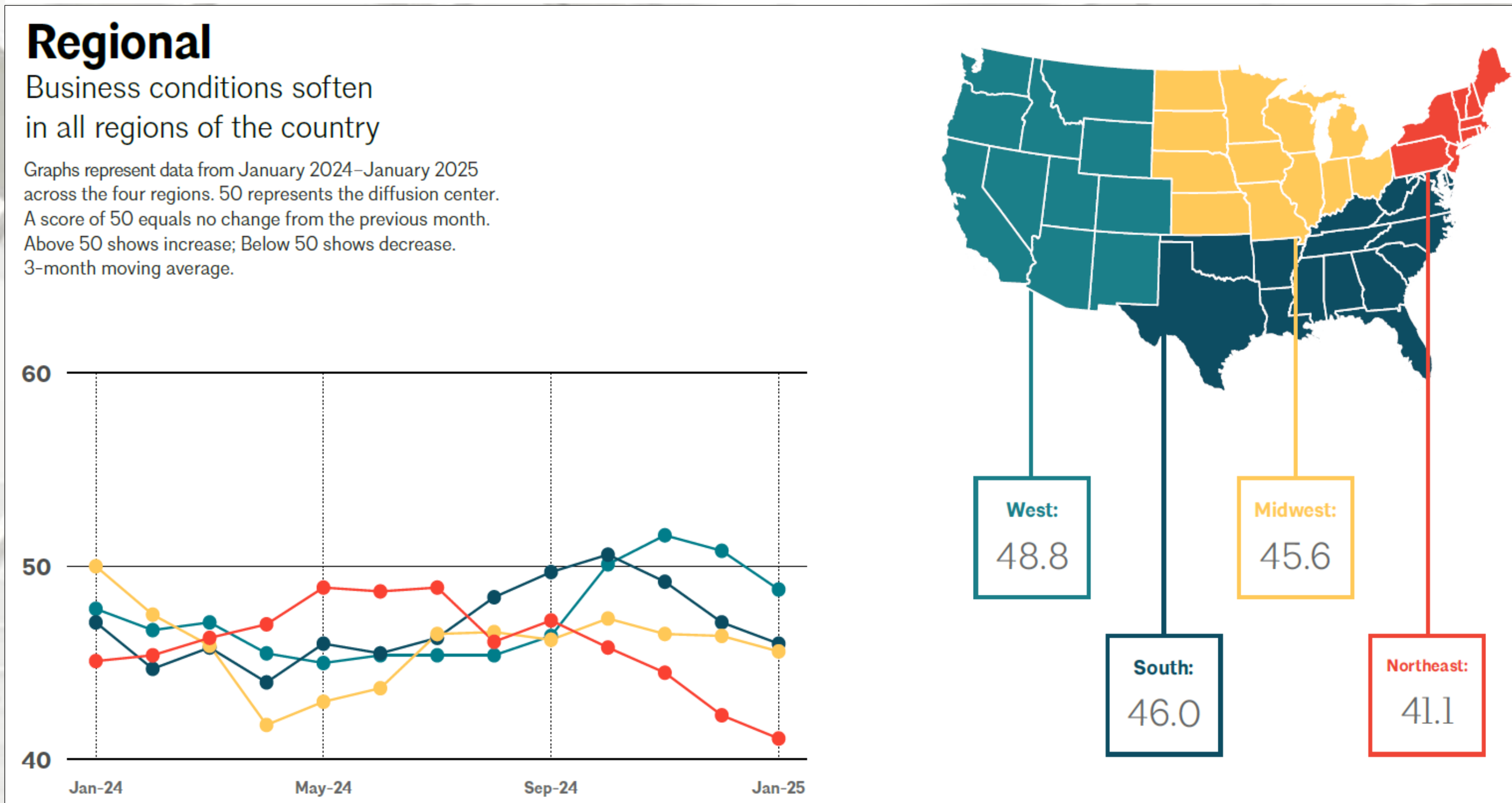
Private Indicators: AIA & Deltek



Region

"Firms located in the West saw very modest billings growth in the fourth quarter of 2024, but unfortunately, billings returned to negative territory to start the new year. Business conditions remained softest at firms located in the Northeast, which has been the trend in recent months. And billings softened further at firms located in the South, which saw more encouraging signs last fall, before weakening again. Billings also declined at firms of all specializations in January." – The American Institute of Architects

Source: https://www.aia.org/resource-center/abi-january-2025-architecture-firm-billings-remain-soft-start-new-year; 2/19/25

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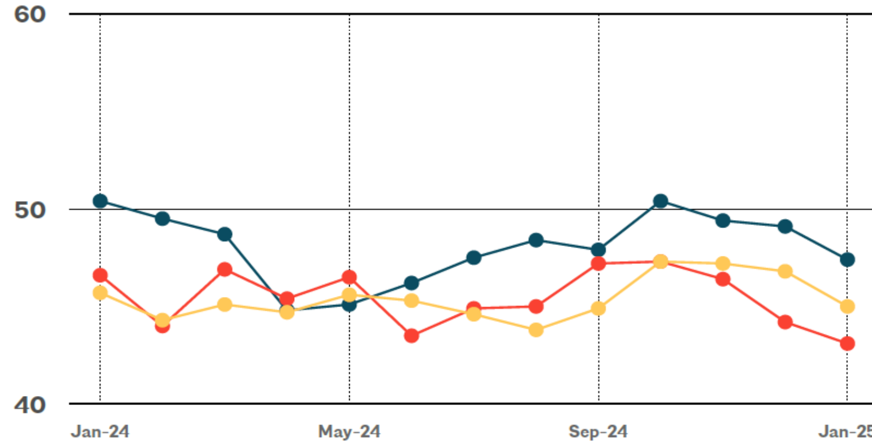
Private Indicators: AIA & Deltek

Sector

Billings remain weakest at firms with a commercial/industrial specialization

Graphs represent data from January 2024–January 2025 across the three sectors. 50 represents the diffusion center. A score of 50 equals no change from the previous month. Above 50 shows increase; Below 50 shows decrease. 3-month moving average.



Sector

"Billings also declined at firms of all specializations in January. Firms with a commercial/industrial specialization continued to be most likely to report softening business conditions, but billings have weakened at firms of all specializations in recent months." – The American Institute of Architects

Source: https://www.aia.org/resource-center/abi-january-2025-architecture-firm-billings-remain-soft-start-new-year; 2/19/25

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Private Indicators

Dodge Data & Analytics

Construction Starts Fall Back 6% in January

“Total construction starts fell 6% in January to a seasonally adjusted annual rate of $1.1 trillion, according to Dodge Construction Network. Nonresidential building starts receded 18%, residential starts decreased 1%, while nonbuilding starts moved 4% higher. On a year-over-year basis, total construction starts were down 6% from January 2024. Nonresidential starts were down 22%, residential starts were down 2% and nonbuilding starts were up by 17% over the same period.

For the 12 months ending January 2025, total construction starts were up 4% from the 12 months ending January 2024. Residential starts were up 5%, nonresidential starts were flat, and nonbuilding starts rose 7% over the same period.

“After robust data center starts in November and December, total office starts fell back in January to more historically typical levels and drove a sizable piece of the month-to-month decline,” stated Sarah Martin, associate director of forecasting at Dodge Construction Network. “However, most nonresidential sectors saw weakness over the month. Ongoing labor shortages and high material costs will continue to pose risks to the sector, along with concerns over tariffs and stricter immigration enforcement. Projects are likely to continue moving through the planning queue slowly, until the Federal Reserve resumes cutting rates in the back half of the year.””” – Amy Roepke, Media Contact, Construction.com

Source: https://www.construction.com/company-news/construction-starts-fall-back-6-in-january/; 2/24/25

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Private Indicators

Dodge Data & Analytics

"**Nonresidential building starts** receded 18% in January to a seasonally adjusted annual rate of $393 billion. Commercial starts were 41% lower in January, alongside weak office and hotel starts. Institutional starts, on the other hand, were up 4% in January following growth in healthcare and recreational projects. Manufacturing starts fell 16% over the month. On a year-over-year basis, nonresidential starts are down 22% compared to January 2024. Commercial starts are down 18% and institutional starts are down 1% over the same period.

For the 12 months ending January 2025, total nonresidential starts were flat compared to the 12 months ending January 2024. Commercial starts were up 7%, institutional starts improved 13%, and manufacturing starts were down 45% over the same period.

Residential building starts fell 1% in January to a seasonally adjusted annual rate of $407 billion. Single-family starts fell 2%, while multifamily starts improved 2%. On a year-over-year basis, residential starts are down 2% compared to January 2024, with single–family starts up 6% and multifamily starts down 15%.

For the 12 months ending January 2025, total residential starts were up 5%, while single-family starts were up 14%, and multifamily starts were down 10% compared to the 12 months ending January 2024.

Regionally, total construction starts in January rose in the Northeast and South Central, but fell in the Midwest, South Atlantic, and West." – Sarah Martin, Associate Director of Forecasting, Dodge Construction Network

Source: https://www.construction.com/company-news/construction-starts-fall-back-6-in-january/; 2/24/25

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Private Indicators

MONTHLY CONSTRUCTION STARTS

(Millions of Dollars, Seasonally Adjusted Annual Rate)

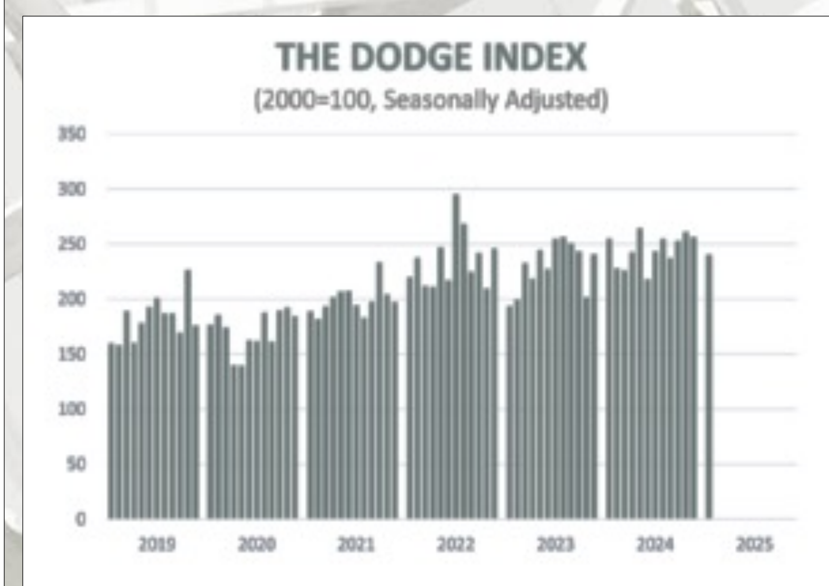
	Jan 2025	Dec 2024	% Change
Nonresidential Building	$392,903	$477,407	-18
Residential Building	$406,949	$410,259	-1
Nonbuilding Construction	$337,383	$324,250	4
Total Construction	$1,137,236	$1,211,916	-6

YEAR-TO-DATE CONSTRUCTION STARTS

Unadjusted Totals, in Millions of Dollars

	1 Mo. 2025	1 Mo. 2024	% Change
Nonresidential Building	$31,122	$39,814	-22
Residential Building	$31,134	$31,895	-2
Nonbuilding Construction	$27,543	$23,525	17
Total Construction	$89,799	$95,234	-6

Source: Dodge Construction Network



Source: Dodge Data & Analytics

Source: https://www.construction.com/company-news/construction-starts-fall-back-6-in-january/; 2/24/25

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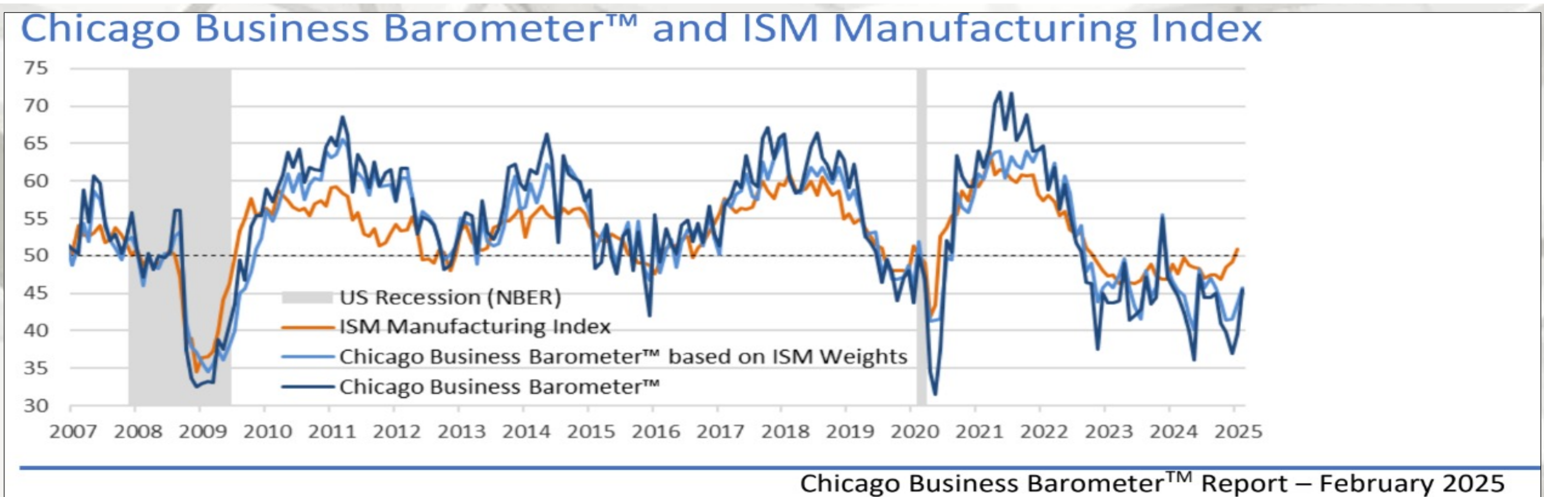
Private Indicators



MNI Chicago

February 2025 Chicago Report™ – Increases to 45.5 in February

"**The Chicago Business Barometer™**, produced with MNI, increased 6.0 points to 45.5 in February. This is the second consecutive monthly gain, taking the reading to the highest level since June 2024, though it remains in contractionary territory for the fifteenth consecutive month..

- The rise was driven by increases in four out of five subcomponents: Production, New Orders,
- Supplier Deliveries and Order Backlogs, whilst Employment fell.
- Production expanded 7.6 points. This is the second successive monthly increase taking the
- index to its highest level seen since June 2024.
- New Orders broadened 5.0 points. This takes the subcomponent to its highest level since November 2023, and firmly above the 2024 average. " – Tim Davis, Head of Fixed Income Research, and Amana Hussain, Junior Economic Data Analyst, MNI Indicators

Source: https://chicago.ismworld.org/news-publications/reports/research-survey/; 2/28/25

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Private Indicators

February 2025 Chicago Report™ – Increases to 45.5 in February

- "Supplier Deliveries extended 9.5 points, partially reversing January's dip. However, it is hard to know whether this should be seen as a positive as slower deliveries don't necessarily reflect stronger demand.
- Order Backlogs grew 5.2 points, to the highest level since September 2024.
- Employment in contrast fell 1.5 points, printing another lowest level since June 2020. Almost 40% of respondents reported lower levels of employment for the first time since mid-2009.
- Prices Paid leapt 16.9 points. This is the largest monthly increase since July 1957, bringing the index to its highest level since August 2022. No respondents reported lower prices, whilst over half reported higher prices.
- Inventories decreased 9.9 points." – Tim Davis, Head of Fixed Income Research, and Tim Cooper, Chief Economist, MNI Indicators

Source: https://chicago.ismworld.org/news-publications/reports/research-survey/; 2/28/25

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Private Indicators

The Conference Board Leading Economic Index® (LEI) for the U.S. Decreased in December

"**The Conference Board Leading Economic Index®** (LEI) for the U.S. inched down by 0.1% in December 2024 to 101.6 (2016=100), after an upwardly revised increase of 0.4% in November. The LEI declined by 1.3% over the second half of 2024, slightly less than its 1.7% decline over the first half of the last year.

The Index fell slightly in December failing to sustain November's increase. Low consumer confidence about future business conditions, still relatively weak manufacturing orders, an increase in initial claims for unemployment, and a decline in building permits contributed to the decline. Still, half of the 10 components of the index contributed positively in December. Moreover, the LEI's six-month and twelve-month growth rates were less negative, signaling fewer headwinds to US economic activity ahead. Nonetheless, we expect growth momentum to remain strong to start the year and US real GDP to expand by 2.3% in 2025.

The Conference Board Coincident Economic Index® (CEI) for the U.S. rose by 0.4% in December 2024 to 114.1 (2016=100), following a 0.2% increase in November. As a result, the CEI increased by 0.9% in the six-month period ending December 2024, slightly higher than its 0.7% growth over the previous six months. The CEI's four component indicators – payroll employment, personal income less transfer payments, manufacturing and trade sales, and industrial production – are included among the data used to determine recessions in the US. They all improved in December, with the largest positive contribution coming from industrial production, which contributed negatively in three out of the past six months. This was followed by personal income less transfer payments, payroll employment, and manufacturing and trade sales.

The Conference Board Lagging Economic Index® (LAG) for the U.S. increased by 0.1% to 118.5 (2016=100) in December 2024, after an increase of 0.2% in November. However, the LAG's six-month growth rate remained negative at 0.5% over the second half of 2024, a partial reversal from its 0.8% increase over the first half of 2024." – Justyna Zabinska-La Monica, Senior Manager, Business Cycle Indicators, at The Conference Board

Source: https://www.conference-board.org/data/bcicountry.cfm; 1/22/25

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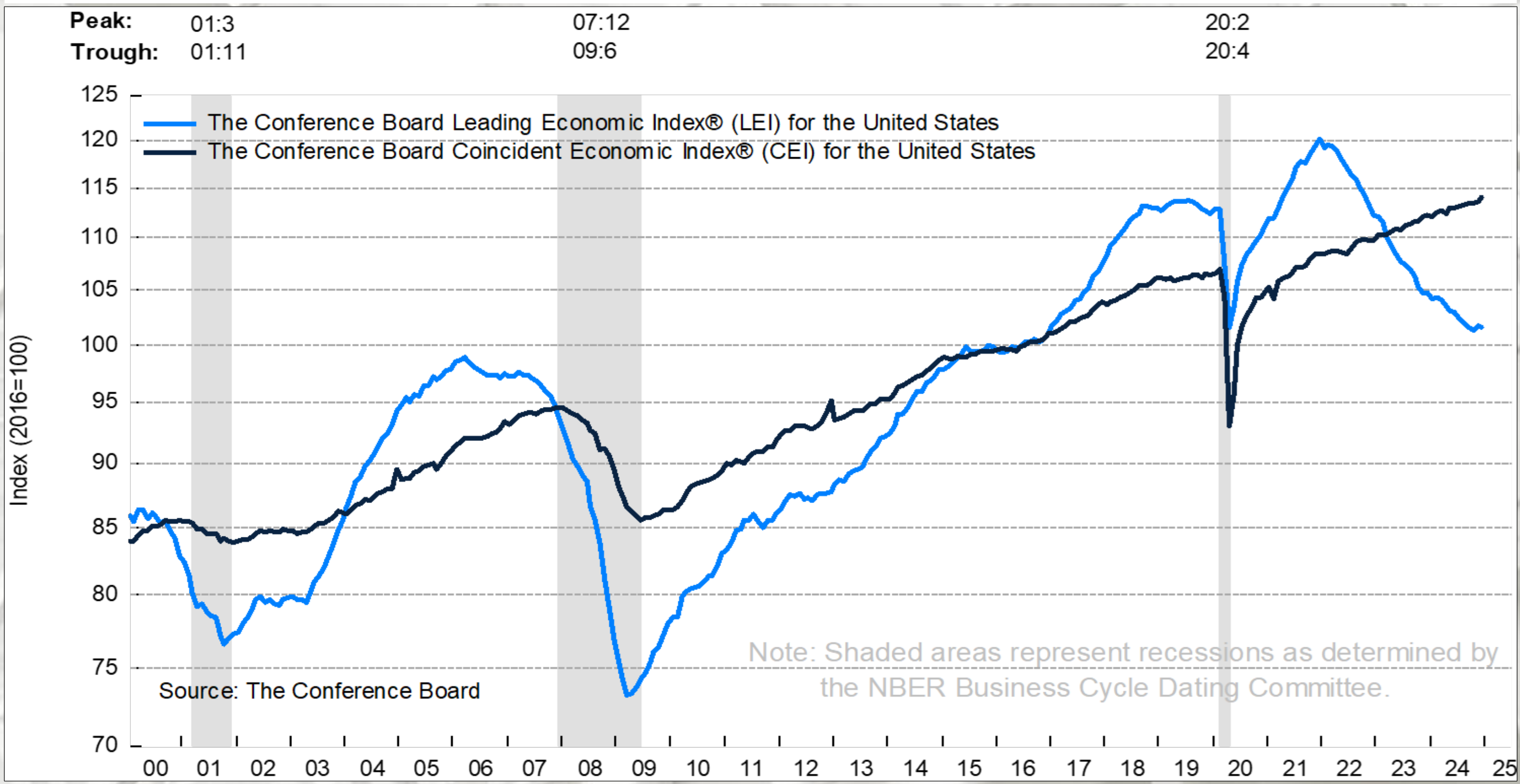
Private Indicators

The Conference Board Leading Economic Index® (LEI) for the U.S. Decreased in December

The LEI pulled back slightly in December 2024 after November's upwardly revised gain



Source: https://www.conference-board.org/data/bcicountry.cfm; 1/22/25

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Private Indicators

S&P Global U.S. Manufacturing PMI™

US manufacturing sector growth accelerates noticeably in February

Output and new work both rise at stronger rates
Modest employment growth sustained as positive outlook retained
Costs and output prices increase to greater degrees

"The seasonally adjusted S&P Global US Manufacturing Purchasing Managers' Index™ (PMI®) recorded 52.7 in February, up from 51.2 in January. It was the second successive month that the index has pointed to an improvement in the health of the manufacturing sector, with the rate of growth the best since June 2022.

US manufacturing sector expansion. Growth was underpinned by noticeable upturns in both production and new orders. There was some evidence that sector expansion was partially driven by advanced purchases ahead of likely price increases and possible supply disruption related to further tariff impositions in the coming months.

There was also evidence that some suppliers were already adjusting their prices upwards in direct response to tariffs, with input cost inflation increasing to its highest level since November 2022. Output charges also rose to a steeper degree, with inflation picking up to a two-year high in February." – Chris Williamson, Chief Business Economist, S&P Global Market Intelligence

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/56a83c0dc6ff48ec87a0d61334eea8dd; 3/3/25

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Private Indicators

S&P Global U.S. Manufacturing PMI™

US manufacturing sector growth accelerates noticeably in February

“The strengthening of the headline PMI in February stemmed principally from accelerated gains in both output and new orders.

New work rose to the greatest degree in a year, with firms pointing to stronger market demand for their goods in February. Growth was partially driven by client restocking, with customers reportedly keen to get ahead of higher prices and possible supply challenges should a wider range of goods be subject to tariffs. International demand remained a noticeable drag however on overall order books, with new export sales dropping in February for a ninth month in a row and to the greatest degree since last November.

Production growth was the fastest since May 2022. Growth was driven by a combination of increased sales, plus the clearance of work outstanding. Latest data showed that backlogs declined for a twenty-ninth successive month and to a slightly faster degree than at the start of the year.

Backlog clearance was in part enabled by an expansion of labor capacity. February’s survey data indicated a fourth successive monthly rise in employment, although growth was modest, especially in relation to recent output and order book gains, and down since January.” – Chris Williamson, Chief Business Economist, S&P Global Market Intelligence

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/56a83c0dc6ff48ec87a0d61334eea8dd; 3/3/25

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Private Indicators

S&P Global U.S. Manufacturing PMI™

US manufacturing sector growth accelerates noticeably in February

"Job creation was also linked to positive projections for growth PMI Input Prices in the year ahead. Whilst lower than January's near three-year high, confidence overall remained comfortably above its long-run trend. Panellists are looking to improvements in the economic and geopolitical climates in the year ahead, which are seen as key in supporting growth in sales and production.

Anticipating further output growth meant manufacturers were suitably encouraged to increase their purchasing activity during February. Marginal growth ended an eight-month sequence of declining input buying, with some firms noting the pre-purchasing of inputs ahead of forecasted price rises related to tariffs. This meant inventories of inputs rose slightly for the first time in 12 months, a considerable turnaround from the steepest cut in stocks for over a year-and-a-half during January.

Cost pressures intensified in February as vendors were reportedly adjusting their price lists ahead of a wider range of trade tariffs being imposed on goods and services. Overall, input price inflation was the steepest since November2022. Increased supply-side challenges were also evident in February, with average lead times for the delivery of inputs worsening for a fifth month running – and to the greatest degree for nearly two-and-a-half years. Stock and labor shortages at vendors were widely noted.

Faced with increased input costs, average output charges also increased in February to a greater degree. Overall, prices charged inflation accelerated for a fourth successive month to its highest level for two years." – Chris Williamson, Chief Business Economist, S&P Global Market Intelligence

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/56a83c0dc6ff48ec87a0d61334eea8dd; 3/3/25

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Private Indicators

S&P Global U.S. Manufacturing PMI™

US manufacturing sector growth accelerates noticeably in February

Comment

"A rise in the PMI to a 32-month high signals an improvement in the health of the manufacturing sector which may only be skin deep.

Although manufacturing production grew at the strongest rates since May 2022 and new orders increased at the best pace in a year, there's much to suggest that this improvement could be short lived. Production and purchasing were often buoyed by companies and their customers building inventory to beat price hikes and supply issues caused by tariffs. Exports have meanwhile slumped and supplier delivery delays were the most common since October 2022 amid disruptions to trade caused by tariff worries.

Business optimism about the year ahead has consequently fallen compared to the buoyant mood evident in January, with February seeing an increase in the number of companies citing concerns over tariffs and other policies introduced by the new Trump administration.

Worries have noticeably swelled in relation to the inflationary impact of tariffs, which were widely reported as having caused factory input costs to spike higher in February. These higher costs are being passed on to customers, resulting in the strongest factory gate price inflation recorded for two years, which manufacturers fear may in turn not only damage sales in the coming months but also encourage the Fed to take a more hawkish view of inflation." – Chris Williamson, Chief Business Economist, S&P Global Market Intelligence

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/56a83c0dc6ff48ec87a0d61334eea8dd; 3/3/25

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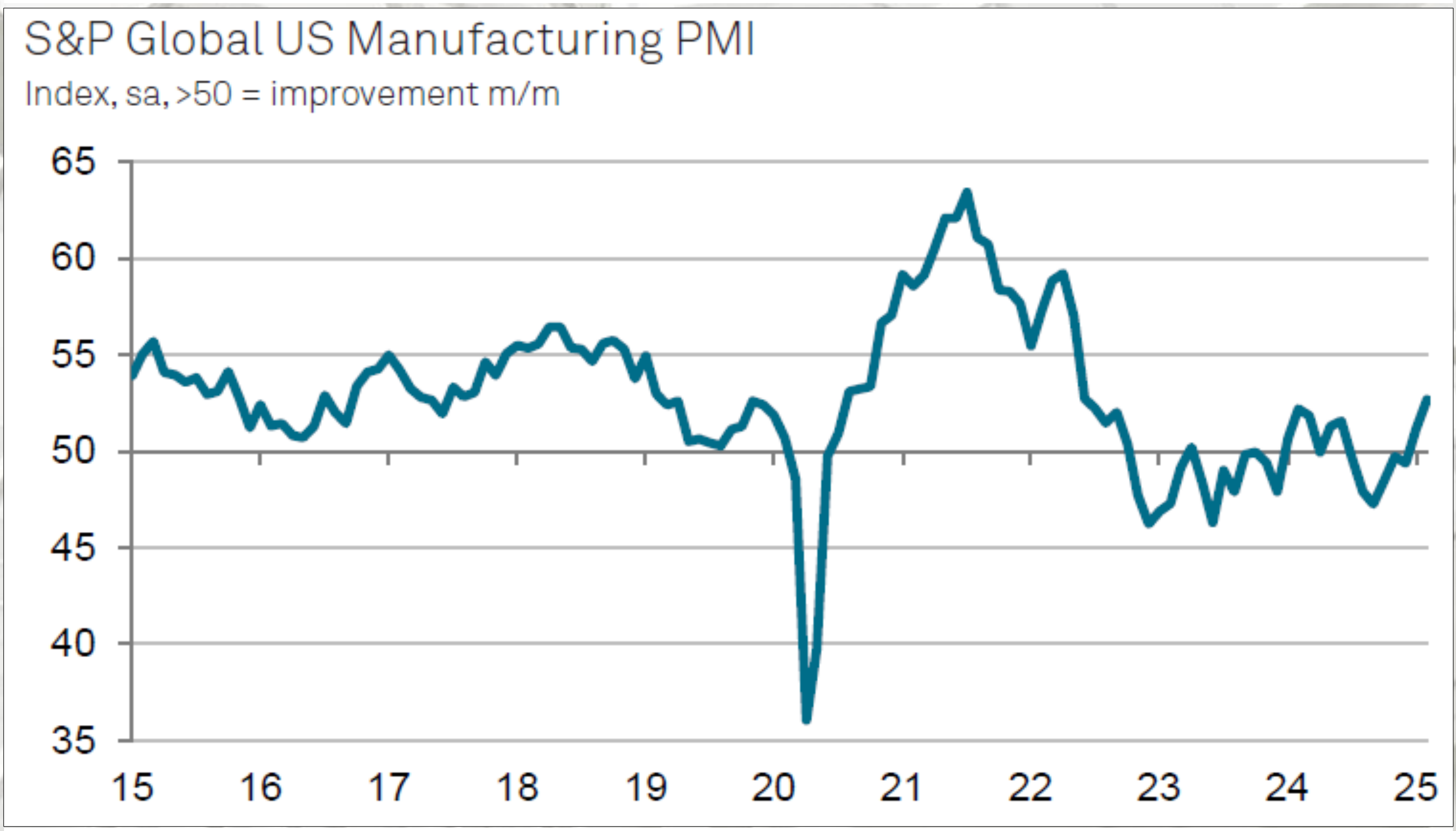
Private Indicators



Source: S&P Global PMI,. ©2025 S&P Global.

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/56a83c0dc6ff48ec87a0d61334eea8dd; 3/3/25

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Private Indicators

S&P Global U.S. Services PMI™

Output growth continues to slow in February as demand falters

Activity and new business increase only modestly
Confidence in outlook lowest since last September
Employment falls for first time in three months

"The seasonally adjusted S&P Global US Services PMI® Business Activity Index recorded 51.0 in February. Although above the critical 50.0 no-change to signal further growth of the sector, the rate of expansion was modest and the slowest since November 2023. Growth has softened noticeably in 2025 so far compared to the robust rates seen during the second half of last year.

US service sector activity continued to expand during February, but at a reduced pace as new business growth slowed again.

Weaker demand growth subsequently weighed on service sector expectations and, amid some worries and uncertainty over federal government policies related to trade and budgets, confidence in the outlook fell in February. At the same time, job cuts were recorded for the first time in three months.

Cost inflation also picked up in February as suppliers raised prices, although competitive pressures meant that service providers increased their own charges only modestly." – Chris Williamson, Chief Business Economist, S&P Global Market Intelligence

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/a72e85e7707f495f914475e2b63bb2ef; 3/5/25

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Private Indicators

S&P Global U.S. Services PMI™

Output growth continues to slow in February as demand falters

"to a concurrent slowdown in new business growth. Although still rising, extending the current run of expansion to 10 months, the rate of expansion was modest and the slowest in this sequence. Uncertainty related to federal government policies around trade tariffs were reported to have weighed on demand growth both at home and abroad. Concerning the latter, new export business declined for a second successive month in February and to the greatest degree since May 2024.

The weaker trend in new business, and broader economic uncertainty, weighed heavily on service sector business confidence. The latest data showed a steep deterioration in sentiment to its lowest since September, dropping well below its long-run trend in February. That said, firms still expect on average activity to rise from present levels in 12 months' time. Some panelists noted hopes that President Trump's new administration would generate an improvement in the business environment in the coming months.

Subdued trends in activity and new work meant firms were broadly unwilling to replace leavers in February and this was key in explaining a first modest drop in overall employment for three months." – Chris Williamson, Chief Business Economist, S&P Global Market Intelligence

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/a72e85e7707f495f914475e2b63bb2ef; 3/5/25

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S&P Global U.S. Services PMI™

Output growth continues to slow in February as demand falters

“Despite the reduction in headcounts, service providers were able to comfortably keep on top of their workloads. Outstanding business declined in February for the first time since last August and to the greatest degree since December 2023.

A broad range of goods and services were reported to have risen in price during February, with suppliers in some cases increasing their charges due to tariffs. Labor expenses were also reported to have increased. Overall, input cost inflation picked up in February to its highest level for four months and further above its long-term trend.

However, efforts to pass on higher input costs to clients were somewhat limited by competitive pressures, weak market demand and market oversupply. This meant that prices charged rose only modestly overall in February and to the ” – Chris Williamson, Chief Business Economist, S&P Global Market Intelligence

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/a72e85e7707f495f914475e2b63bb2ef; 3/5/25

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Private Indicators

S&P Global U.S. Services PMI™

Output growth continues to slow in February as demand falters

Comment

"The final PMI is an improvement on the earlier flash reading but still paints a worryingly weak picture of service sector business conditions compared to the buoyancy recorded late last year.

Current output growth has downshifted markedly so far this year from a booming rate of expansion in December to a disappointingly sluggish pace in February.

Expectations for output growth have also been revised sharply lower as service providers have become increasingly worried over signs of slower demand growth and uncertainty over the impact of new government policies, ranging from tariffs and trade policy to federal budget cutting.

The strong private sector hiring seen late last year has consequently gone into reverse, with a steep fall in backlogs of work hinting at further job losses to come.

Adding to the gloomier picture in February was a sharp rise in costs, which companies were often unable to pass on to customers due to weak demand. While this reduced pricing power is good news for inflation, it's potentially bad news for profitability." – Chris Williamson, Chief Business Economist, S&P Global Market Intelligence

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/a72e85e7707f495f914475e2b63bb2ef; 3/5/25

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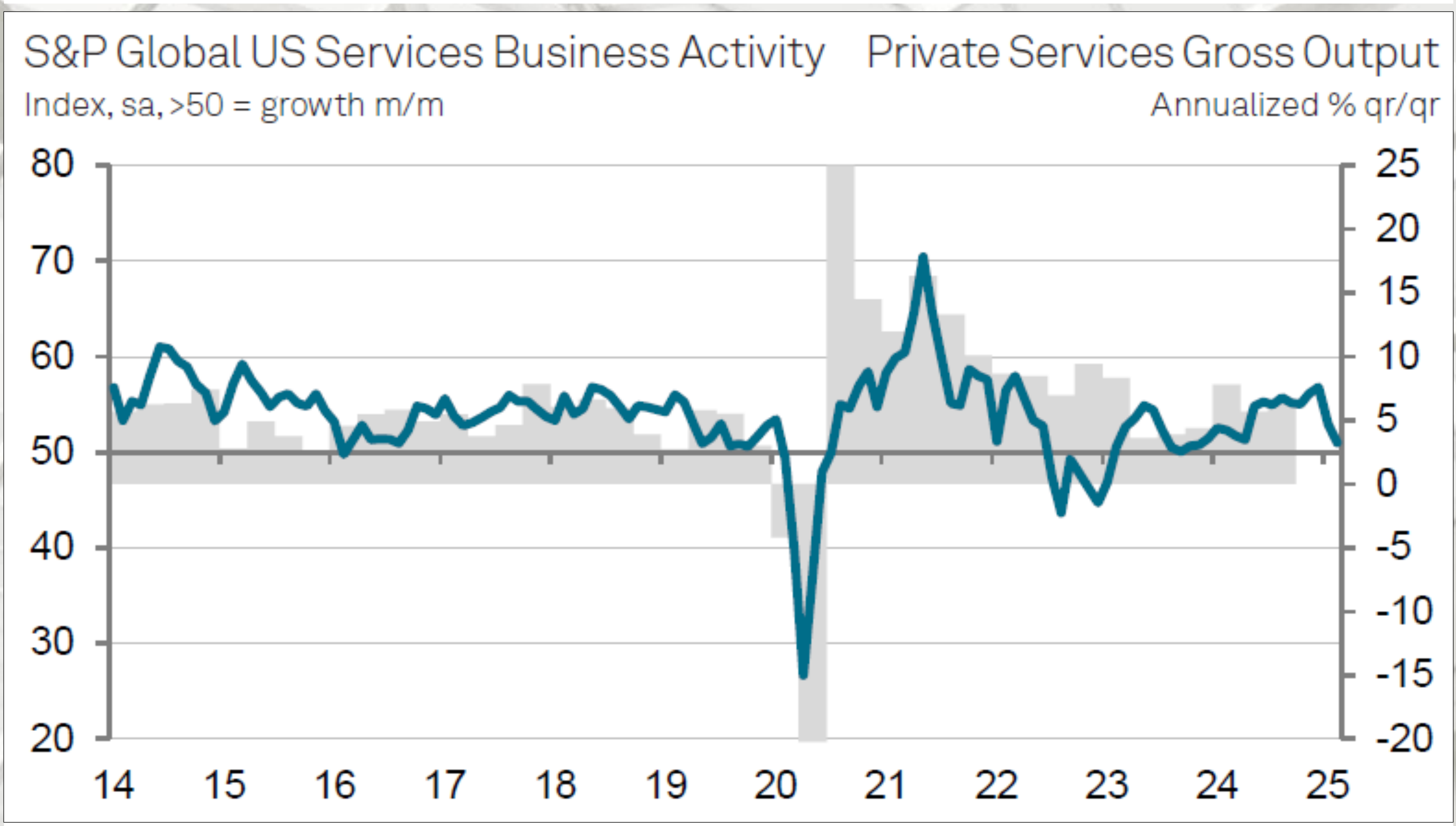

Source: S&P Global PMI, Bureau of Economic Analysis via S&P Global Market Intelligence. ©2025 S&P Global.

Source: https://www.pmi.spglobal.com/Public/Home/PressRelease/a72e85e7707f495f914475e2b63bb2ef; 3/5/25

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Private Indicators

National Association of Credit Management – Credit Managers' Index

Report for February 2025: Combined Sectors

"The National Association of Credit Management's seasonally adjusted combined Credit Managers' Index (CMI) for February 2025 improved 1.9 points to 54.9. "The Credit Managers' Index reversed course this month after two months of declines. The improvement was broad based, with only two factors – Dollar Collections and Disputes – deteriorating from last month," said NACM Economist Amy Crews Cutts, Ph.D., CBE.

Inflation in consumer prices and producer commodity prices accelerated again in January, which supports the Fed's decision to pause any further action on rates. For the moment, tariffs on our North American trading partners have also been paused but could come into effect as soon a March 4, with promised retaliatory tariffs put on U.S. goods bound for Canada and Mexico, in addition to further tariffs on China and our EU partners. It is hard to quantify what exactly the effects will be, in large part because the information is changing rapidly."

Cutts continued, "We also have to get a budget for the current fiscal year passed through Congress by March 14. And we're already in trouble on the debt ceiling as we've hit the limit. The nearer we get to edge of default on our bond obligations the more we will pay to borrow in global markets, making the debt problem even larger than it already is."" – Andrew Michaels, Editorial Associate, NACM

Source: https://nacm.org/cmi.html; 3/3/25

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Private Indicators

National Association of Credit Management – Credit Managers' Index

CMI Combined Sectors Factor Indexes
Key Findings:

- "The sales index climbed to 56.1.
- The Index for Unfavorable Factors improved back into expansion territory. The index sits at 51.2, up 1.4 points from last month's value. This index has been bouncing in a very tight range for the past four years, right between the line of expansion and contraction.
- The Index for Accounts Placed for Collection is at 49.4 this month, its 30th month in contraction. This means the number of accounts placed for collections at respondent firms has increased every month for more than two years.
- The Index for Favorable Factors improved 2.4 points in this month's survey. The index sits at 60.3 points.
- The Index for Dollar Collections from due and past due accounts was one of only two factor indexes that deteriorated this month in the combined sector, losing 1.5 points but remaining on the expansion side." – Andrew Michaels, Editorial Associate, NACM

Source: https://nacm.org/cmi.html; 3/3/25

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Private Indicators

National Association of Credit Management – Credit Managers' Index

CMI Manufacturing versus CMI Service Sectors Indexes

"""This month's CMI covers activity in January so the extent to which changes in federal policies might affect collections for NACM members is too early to detect," said Cutts. "I expect that we will see a lot of volatility in economic data in coming months as businesses and consumers try to anticipate how policy announcements by the Trump Administration might impact their businesses and how and when they are ultimately implemented. For example, if you are in the import business, proposed changes in tariffs might be leading to inventory buildup now, but if implemented could lead to a change in sourcing, product availability or pricing by those companies affecting their business prospects."

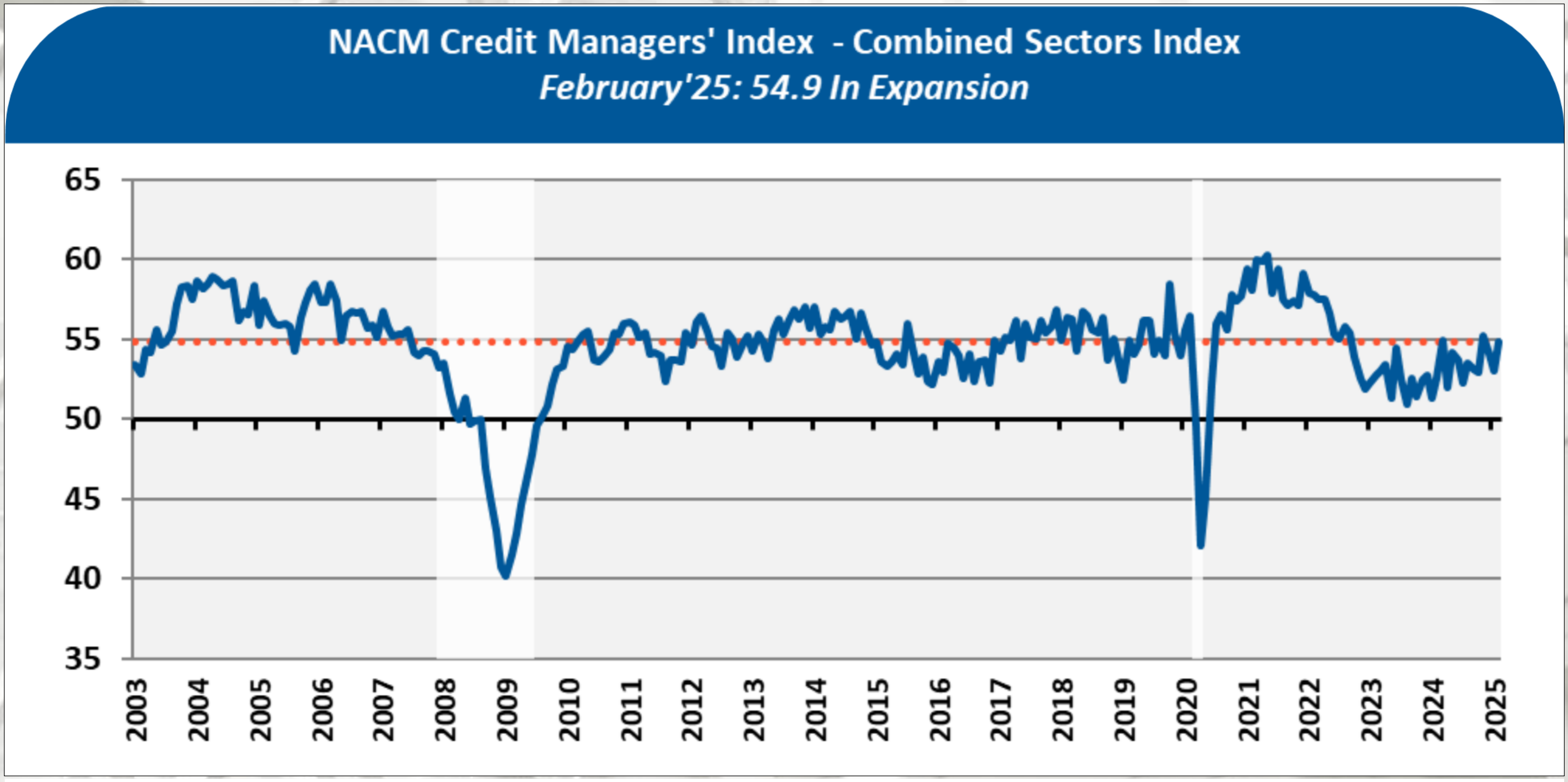
"Respondents continued to be vocal this month about slow or slowing business activity," Cutts said. "One respondent noted that when contacting clients for payment, they have repeatedly heard, 'It's been a rough winter.' Another noted that the trend of customers requesting or taking extended terms continues to be a challenge. The CMI indexes still indicate strength in the B-to-B sector, but cash flow issues are a rising recession risk."

"Respondents indicated they are expecting some slowing this year in their forecasts, citing cash flow issues reported by their customers and tariff worries," said Cutts." – Andrew Michaels, Editorial Associate, NACM

Source: https://nacm.org/cmi.html; 3/3/25

Private Indicators

National Association of Credit Management – Credit Managers' Index



The CMI is centered on a value of 50, with values greater indicating expansion and values lower indicating economic contraction. All charts contain seasonally adjusted data. Please note that the vertical axes are not scaled identically, and the dotted line represents the most recent value.

Source: https://nacm.org/cmi.html; 3/3/25

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Private Indicators

National Association of Credit Management – Credit Managers' Index

Combined Manufacturing and Service Sectors (seasonally adjusted)	Feb '24	Mar '24	Apr '24	May '24	Jun '24	Jul '24	Aug '24	Sep '24	Oct '24	Nov '24	Dec '24	Jan '25	Feb '25
Dollar Sales	58.8	62.1	57.9	62.2	60.1	55.1	58.5	55.3	55.8	63.4	53.6	56.1	59.5
New Credit Applications	59.6	61.0	57.7	60.4	58.5	58.2	57.1	55.6	57.5	58.9	59.2	57.2	61.4
Dollar Collections	59.2	60.8	55.3	60.0	58.5	55.3	62.0	57.5	58.2	63.4	60.0	61.3	59.8
Amount of Credit Extended	56.2	64.5	60.9	60.5	59.4	60.8	58.6	57.6	58.2	63.7	62.0	56.8	60.7
Index of Favorable Factors	**58.4**	**62.1**	**57.9**	**60.8**	**59.1**	**57.4**	**59.1**	**56.5**	**57.4**	**62.3**	**58.7**	**57.9**	**60.3**
Rejections of Credit Applications	48.0	51.5	49.4	51.0	51.0	49.9	50.5	52.1	50.0	50.6	50.6	50.9	51.1
Accounts Placed for Collection	42.9	45.9	44.9	45.0	46.1	46.4	45.7	48.9	47.0	47.1	49.6	47.8	49.4
Disputes	48.2	49.6	49.7	49.7	49.2	49.1	49.8	51.0	50.6	52.6	51.5	51.1	51.0
Dollar Amount Beyond Terms	50.8	54.8	43.6	50.7	50.6	46.1	49.7	50.9	49.6	52.6	50.2	46.9	51.7
Dollar Amount of Customer Deductions	49.7	50.1	50.7	51.9	51.5	51.1	51.8	51.3	52.0	51.8	53.0	51.3	52.5
Filings for Bankruptcies	52.6	49.6	49.9	50.7	52.4	50.9	51.7	50.9	50.3	48.5	51.5	50.6	51.6
Index of Unfavorable Factors	**48.7**	**50.2**	**48.0**	**49.9**	**50.1**	**48.9**	**49.9**	**50.8**	**49.9**	**50.5**	**51.1**	**49.8**	**51.2**
NACM Combined CMI	**52.6**	**55.0**	**52.0**	**54.2**	**53.7**	**52.3**	**53.5**	**53.1**	**52.9**	**55.3**	**54.1**	**53.0**	**54.9**

Note: Seasonal adjustment factors were updated for this month's report which may affect previously published values.

Source: https://nacm.org/cmi.html; 3/3/25

Private Indicators

National Federation of Independent Business (NFIB)

February 2025 Report

Small Businesses Optimism Recedes in February

“The NFIB Small Business Optimism Index fell by 2.1 points in February to 100.7. This is the fourth consecutive month above the 51-year average of 98 and is 4.4 points below its most recent peak of 105.1 in December. The Uncertainty Index rose four points to 104 – the second highest recorded reading.” – Holly Wade, NFIB

“Uncertainty is high and rising on Main Street and for many reasons. Those small business owners expecting better business conditions in the next six months dropped and the percent viewing the current period as a good time to expand fell, but remains well above where it was in the fall. Inflation remains a major problem, ranked second behind the top problem, labor quality.” – Bill Dunkelberg, Chief Economist, NFIB

Source: http://www.nfib.com/surveys/small-business-economic-trends; 3/11/25

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Private Indicators

National Federation of Independent Business (NFIB)

February 2025 Report

Key findings include:

- ✓ The net percent of owners expecting the economy to improve fell ten points from January to a net 37% (seasonally adjusted).
- ✓ Twelve percent (seasonally adjusted) of owners reported that it is a good time to expand their business, down five points from January. This is the largest monthly decrease since April 2020.
- ✓ Sixteen percent of owners reported that inflation was their single most important problem in operating their business, down two points from January and now just below labor quality as the top issue. The last time it was this low was in October 2021.
- ✓ The net percent of owners raising average selling prices rose 10 points from January to a net 32% (seasonally adjusted). This is the largest monthly increase since April 2021, and the third highest in the survey's history. The percent of owners lowering their prices is 10 points lower than it was one year ago.
- ✓ Seasonally adjusted, a net 29% plan price hikes in the next three months, up three points from January and the highest reading in 11 months.
- ✓ Labor costs reported as the single most important problem for business owners rose three points to 12%, only one point below the survey's highest reading of 13% reached in December 2021. The last time labor costs ranked this high was in February 2023.
- ✓ The frequency of reports of positive profit trends was a net negative 24% (seasonally adjusted), up one point from January." – Holly Wade, NFIB

Source: http://www.nfib.com/surveys/small-business-economic-trends; 3/11/25

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Private Indicators

National Federation of Independent Business (NFIB)

February 2025 Report

"This month, NFIB introduced a new question to the survey to better understand how small business owners evaluated the overall health of their business. Eleven percent of owners reported the health of their business as excellent, 55% reported it as good, 27% reported it as okay, and 6% reported bad.

As reported in **NFIB's monthly jobs report**, a seasonally adjusted a seasonally adjusted 38% of all small business owners reported job openings they could not fill in February, up three points from January and the highest reading since August 2024. Of the 53% of owners hiring or trying to hire in January, 89% reported few or no qualified applicants for the positions they were trying to fill.

A seasonally adjusted net 15% of owners plan to create new jobs in the next three months, down three points from January.

The percent of small business owners reporting labor quality as the single most important problem for business rose one point from January to 19%, surpassing inflation as the top issue. Labor costs reported as the single most important problem for business owners rose three points in February to 12%, only one point below the highest reading of 13% reached in December 2021.

Seasonally adjusted, a net 33% reported raising compensation, unchanged from January. A seasonally adjusted net 18% plan to raise compensation in the next three months, down two points from January." – Holly Wade, NFIB

Source: http://www.nfib.com/surveys/small-business-economic-trends; 3/11/25

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Private Indicators

National Federation of Independent Business (NFIB)

February 2025 Report

“Fifty-eight percent of owners reported capital outlays in the last six months, unchanged from January. Of those making expenditures, 37% reported spending on new equipment, 30% acquired vehicles, and 13% improved or expanded facilities. Twelve percent spent money on new fixtures and furniture and 5% acquired new buildings or land for expansion. Nineteen percent (seasonally adjusted) plan capital outlays in the next six months, down one point from January.

A net negative 12% of all owners (seasonally adjusted) reported higher nominal sales in the past three months, down two points from January. The net percent of owners expecting higher real sales volumes fell six points from January to a net 14% (seasonally adjusted). This is the second consecutive month real sales expectations declined after surging from recession levels after the election.

The net percent of owners reporting inventory gains was unchanged from January at a net negative 6%, seasonally adjusted. Not seasonally adjusted, 8% reported increases in stocks and 19% reported reductions.

A net negative 5% (seasonally adjusted) of owners viewed current inventory stocks as “too low” in February, down four points from January. A net negative 1% (seasonally adjusted) of owners plan inventory investment in the coming months, down one point from January..” – Holly Wade, NFIB

Source: http://www.nfib.com/surveys/small-business-economic-trends; 3/11/25

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Private Indicators

National Federation of Independent Business (NFIB)

February 2025 Report

"The net percent of owners raising average selling prices rose 10 points from January to a net 32%, seasonally adjusted. Sixteen percent of owners reported that inflation was their single most important problem in operating their business, down two points from January and just under labor quality as the top issue. The last time it was this low was October 2021. Unadjusted, 6% of owners reported lower average selling prices and 38% reported higher average prices. Price hikes were the most frequent in the finance (53% higher, 10% lower), wholesale (47% higher, 0% lower), agriculture (45% higher, 12% lower), and retail (45% higher, 5% lower) sectors.

Seasonally adjusted, a net 29% plan price hikes, up three points from January. The frequency of reports of positive profit trends was a net negative 24% (seasonally adjusted), one point worse than in January. Among owners reporting lower profits, 40% blamed weaker sales, 13% cited usual seasonal change, 11% cited labor costs, and 9% blamed the rise in the cost of materials. For owners reporting higher profits, 52% credited sales volumes, 15% cited usual seasonal change, and 13% cited higher selling prices.

A net 2% reported their last loan was harder to get than in previous attempts. The last time this reading was this low was in February 2022. Three percent of owners reported that financing and interest rates were their top business problem in February, unchanged from January. A net 4% reported paying a higher rate on their most recent loan.

The **NFIB Research Center** has collected Small Business Economic Trends data with quarterly surveys since the fourth quarter of 1973 and monthly surveys since 1986. Survey respondents are randomly drawn from NFIB's membership. The report is released on the second Tuesday of each month. This survey was conducted in February 2025." – Holly Wade, NFIB

Source: http://www.nfib.com/surveys/small-business-economic-trends; 3/11/25

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Private Indicators

National Federation of Independent Business (NFIB)
February 2025 Report

Small Business Optimism

Index Component	Net %	From Last Month
Plans to Increase Employment	15%	▼ -3
Plans to Make Capital Outlays	19%	▼ -1
Plans to Increase Inventories	-1%	▼ -1
Expect Economy to Improve	37%	▼ -10
Expect Real Sales Higher	14%	▼ -6
Current Inventory	-5%	▼ -4
Current Job Openings	38%	▲ 3
Expected Credit Conditions	-3%	▲ 1
Now a Good Time to Expand	12%	▼ -5
Earnings Trends	-24%	▲ 1

NFIB NFIB.com/sboi

Source: http://www.nfib.com/surveys/small-business-economic-trends; 3/11/25

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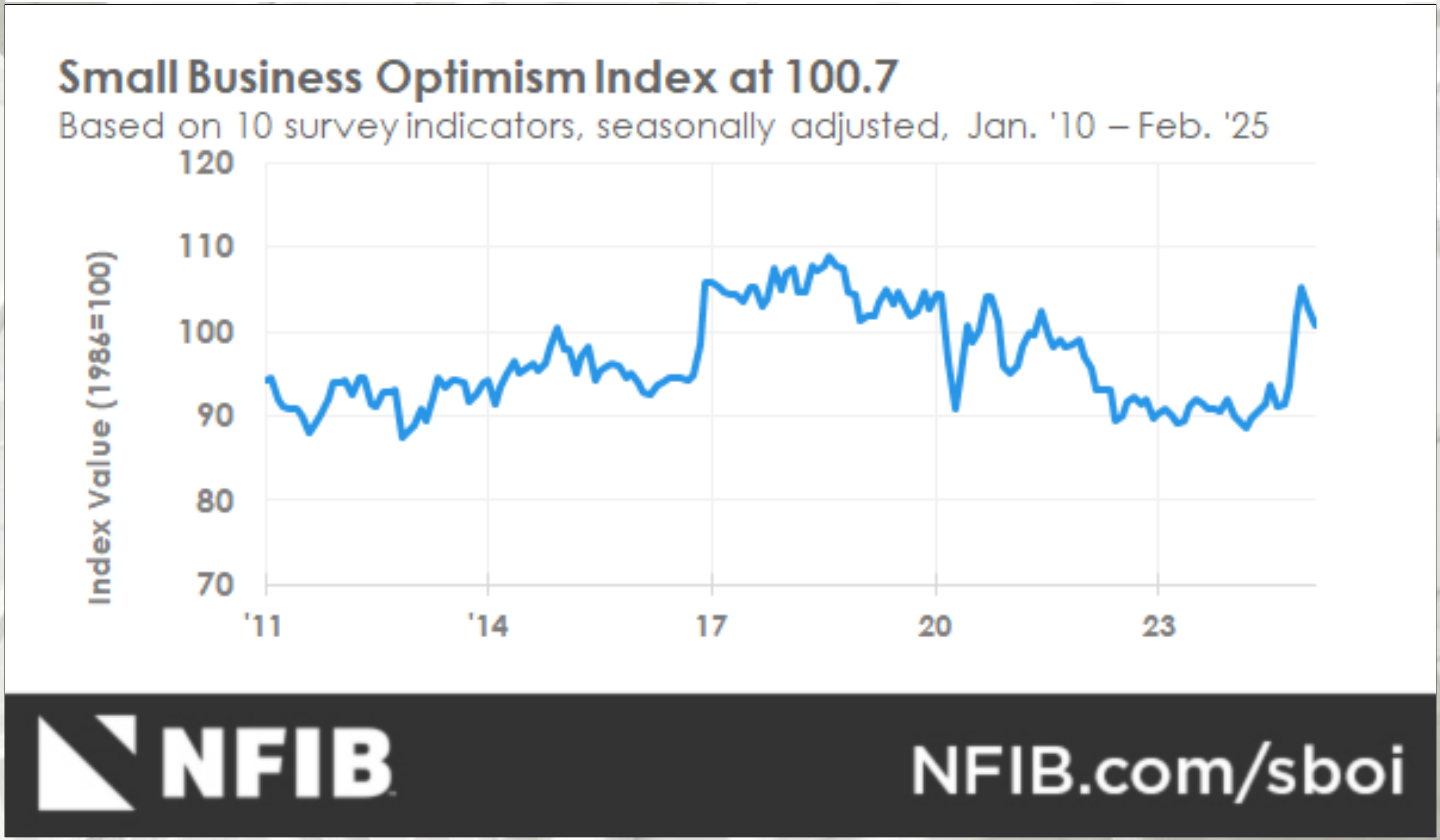
National Federation of Independent Business (NFIB)
February 2025 Report



Source: http://www.nfib.com/surveys/small-business-economic-trends; 3/11/25

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Private Indicators

The Paychex | IHS Markit
Small Business Employment Watch

U.S. Small Business Employment Remains Stable in February

Hourly wage growth for workers continued below three percent

"According to the Paychex Small Business Employment Watch, the pace of job growth in U.S. small businesses with fewer than 50 employees, was 100.04 to indicate moderate job growth. Meanwhile, hourly earnings growth for small business workers remained below three percent (2.92%) for the fourth-straight month." – Lisa Fleming, Kate Smith, and Tess Flynn, Paychex, Inc.

"Our employment data continues to show moderate job growth and wage growth below three percent. The consistent long-term trend we're seeing is a small business labor market that is resilient and stable with little job movement among workers. At the same time, small business owners are optimistic about future business conditions despite uncertainty about how to adapt to a rapidly evolving legislative and regulatory landscape." – John Gibson, President and CEO, Paychex

Source: https://www.paychex.com/employment-watch; 3/4/25

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Private Indicators

The Paychex | IHS Markit
Small Business Employment Watch

U.S. Small Business Employment Remains Stable in February

Jobs Index and Wage Data Highlights

- "The national jobs index increased to 100.04 in February.
- Hourly earnings reported 2.92% growth in February and has been essentially flat for the past seven months, ranging from 2.90% to 3.01%.
- The Midwest remained the top region for the ninth consecutive month with a jobs index level of 100.54.
- Seven of the 20 states analyzed gained more than one percentage point in February, led by Texas (+2.11 percentage points).
- Phoenix (101.92) increased its pace of small business job growth for the fourth consecutive month in February to rank first among the largest U.S. metros.
- Construction (3.29%) regained its top rank among industries for hourly earnings growth in February, followed closely by Other Services (3.27%) and Manufacturing (3.21%).
- The pace of job growth in Manufacturing gained 2.39 percentage points to 99.52 in February, marking the industry's largest one-month increase since April 2021." – Lisa Fleming, Kate Smith, and Tess Flynn, Paychex, Inc.

Source: https://www.paychex.com/employment-watch; 3/4/25

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Private Indicators

The Paychex | IHS Markit
Small Business Employment Watch

Small Business Jobs Index

Index
100.04

Historical Jobs Index Trend

Small Business Wage Data

Hourly Earnings
$33.15

12-Month Growth
2.92% ($0.94)

Historical 12-Month Growth Trend

Source: https://www.paychex.com/employment-watch; 3/4/25

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Demographics/Economics

Harvard Joint Center for Housing Studies

The Rising Costs of Homeownership Are Increasing Burdens

"Rising numbers of homeowners are burdened by high housing costs. That is the main finding in our new research brief, which explores the most recent American Community Survey data and what it reveals about the state of housing affordability for homeowners. It finds that the greatest burdens are being shouldered by those with the lowest incomes, many of whom are older adults, households of color, or otherwise vulnerable, and these homeowners have few options available to get immediate help.

The number of homeowners with cost burdens – defined as paying more than 30 percent of their incomes on housing costs – rose by another 650,000 households in 2023 to a total of 20.3 million, which represents fully 23.7 percent of all homeowner households (Figure 1).

Cost burden rates have been growing across the country, but many of the most significant increases have been in traditionally more affordable areas. Metros such as Milwaukee, Scranton, and Oklahoma City, each of which had homeowner cost burden rates under 20 percent in 2019, all saw their share of homeowners with burdens grow by more than twice the rate of increase nationwide.

Lowest-income homeowners, who already have the highest rates of burden, have seen the largest increases since 2019 (Figure 2). The cost burden rate for the 11 million homeowner households with incomes below $30,000 rose 5.4 percentage points in the last four years to reach 74.2 percent in 2023. This was the highest rate of burdens for this income group on records dating back over 20 years – exceeding the previous peak of 71.4 percent hit in 2010 in the wake of the Great Recession. Severe burdens among lower-income homeowners also hit a new record high in 2023, at 55 percent, equating to 6 million homeowners with income below $30,000 paying more than half their incomes on housing costs." – Daniel McCue, Senior Economist Research Associate; Harvard Joint Center for Housing Studies

Source: https://www.lendingtree.com/home/mortgage/single-women-own-more-homes-than-single-men-do/#factors; 2/27/25

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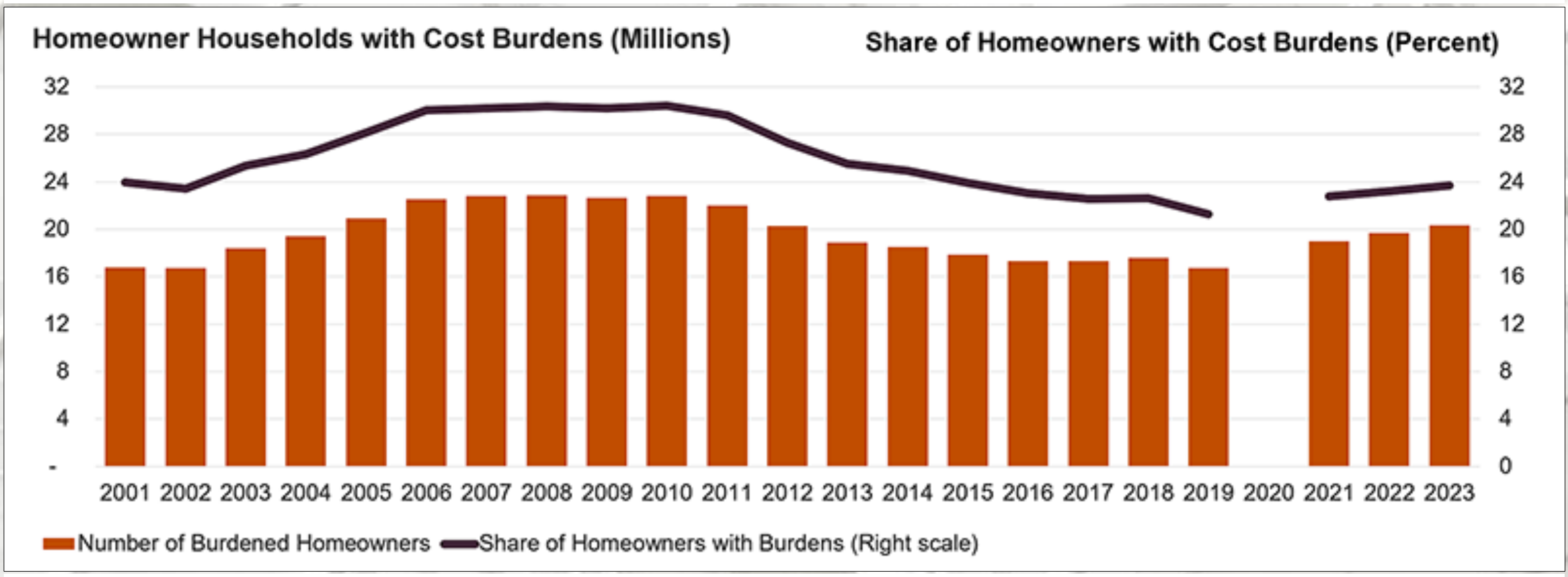
Demographics/Economics

Figure 1: The Number and Share of Homeowners With Cost Burdens Is Rising



Notes: Cost-burdened (severely cost-burdened) households pay more than 30% (more than 50%) of their income on housing. Data from 2020 are omitted due to data collection issues experienced during the COVID-19 pandemic, precluding comparisons with other years of data.

Source: JCHS Tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

Source: https://www.lendingtree.com/home/mortgage/single-women-own-more-homes-than-single-men-do/#factors; 2/27/25

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Demographics/Economics

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A disproportionate share of the recent growth in homeowner cost burdens was among older adults. Indeed, nearly half (1.7 million, or 47 percent) of the 3.6 million overall increase in cost-burdened homeowners between 2019 and 2023 were those aged 65 and over (Figure 3). As a result, there were 7.9 million burdened homeowners aged 65 and over in 2023, which represented more than one-in-four owners (27.6 percent) in this group." – Daniel McCue, Senior Economist Research Associate; Harvard Joint Center for Housing Studies

Source: https://www.lendingtree.com/home/mortgage/single-women-own-more-homes-than-single-men-do/#factors; 2/27/25

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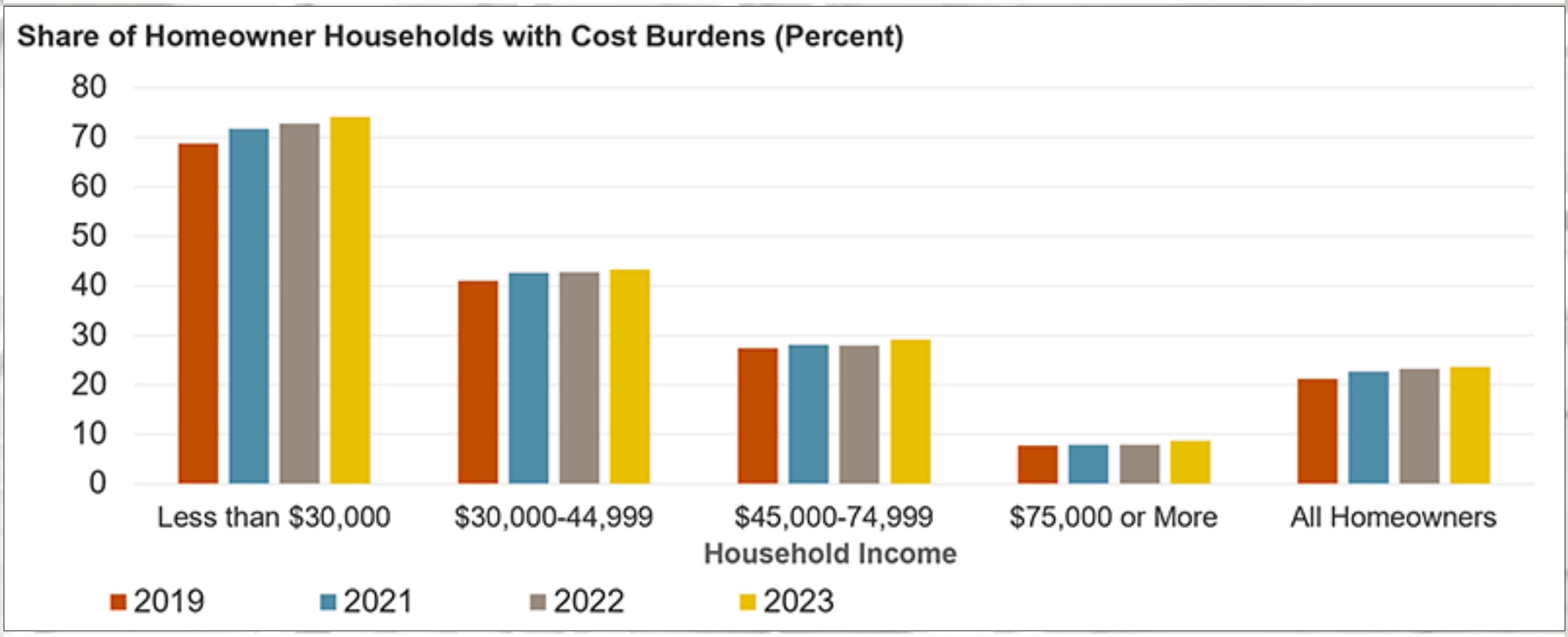
Demographics/Economics

Figure 2: Cost Burden Rates Are Highest and Rising Most Rapidly for Lowest Income Homeowners



Notes: Cost-burdened (severely cost-burdened) households pay more than 30% (more than 50%) of their income on housing. Incomes are adjusted to constant 2023 dollars using the CPU-U for All Items. Data from 2020 are omitted due to data collection issues experienced during the COVID-19 pandemic, precluding comparisons with other years of data.

Source: JCHS Tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

Source: https://www.lendingtree.com/home/mortgage/single-women-own-more-homes-than-single-men-do/#factors; 2/27/25

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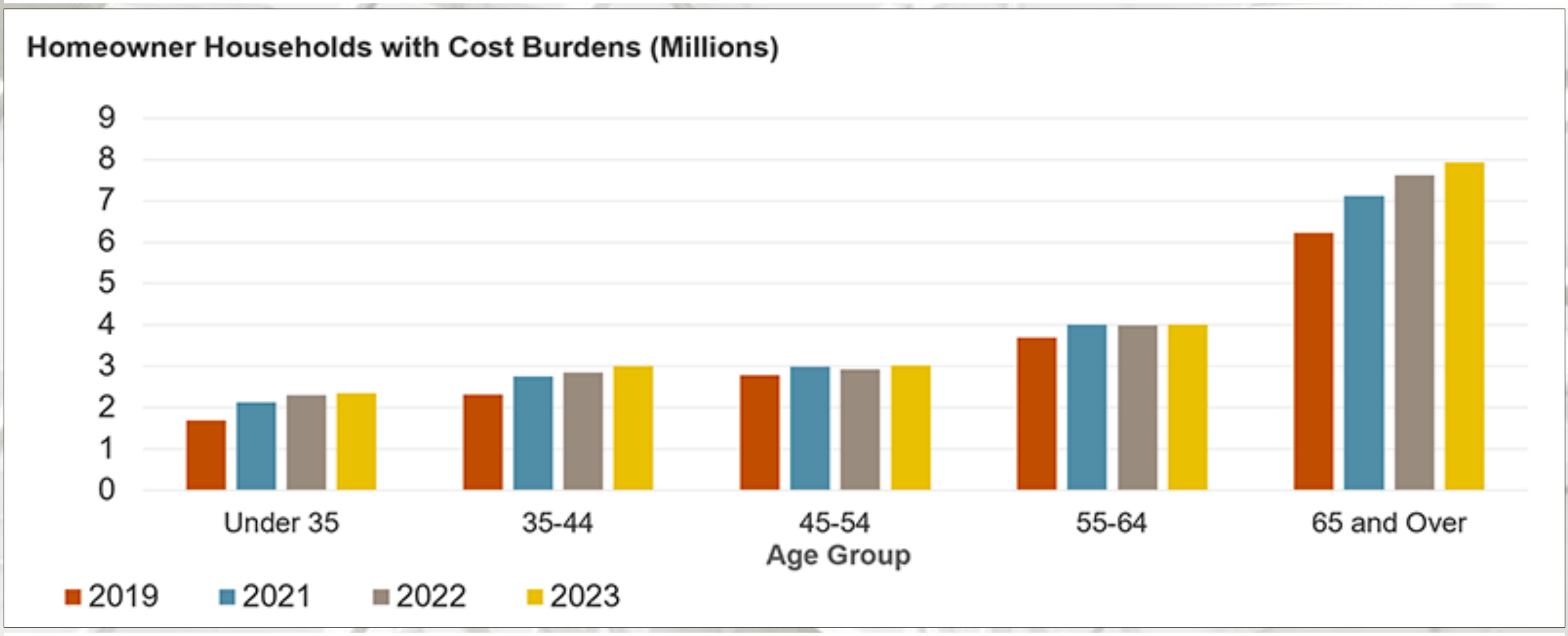
Demographics/Economics

Figure 3: Older Homeowners Accounted for Nearly Half of the Increase in Cost Burdens Since 2019



Notes: Cost-burdened (severely cost-burdened) households pay more than 30% (more than 50%) of their income on housing. Incomes are adjusted to constant 2023 dollars using the CPU-U for All Items. Data from 2020 are omitted due to data collection issues experienced during the COVID-19 pandemic, precluding comparisons with other years of data.

Source: JCHS Tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

Source: https://www.lendingtree.com/home/mortgage/single-women-own-more-homes-than-single-men-do/#factors; 2/27/25

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Demographics/Economics

Harvard Joint Center for Housing Studies

The Rising Costs of Homeownership Are Increasing Burdens

"The significant growth in burdens among older homeowners is evidence that much of the recent increase in homeowner cost burdens is from long-time homeowners facing rising costs of homeownership rather than from new buyers stretching their budgets to afford a home. While mortgages remained the largest single housing expense for most homeowners, non-mortgage costs of home insurance, property taxes, utilities and routine home maintenance have increased more rapidly since the pandemic. This has raised costs and burden rates even for homeowners who have locked in historically low interest rates on their mortgages.

The new data show that cost burdens are disproportionately faced by Black and Hispanic homeowners and are rising most rapidly for single-person and single-parent households who rely on a single income to pay for housing. The brief includes a variety of detailed data and appendix tables to dig further into how burdens are affecting different groups of homeowners.

After detailing how the rising costs of ownership are putting increased financial pressure on millions of homeowners, the brief concludes by describing the increased urgency to alleviate these pressures and some ways to do so – both through policies that help to reduce monthly housing costs on a number of items as well as with immediate and direct assistance to help distressed homeowners pay bills if they fall behind." – Daniel McCue, Senior Economist Research Associate; Harvard Joint Center for Housing Studies

Source: https://www.lendingtree.com/home/mortgage/single-women-own-more-homes-than-single-men-do/#factors; 2/27/25

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Economics

U.S. Census Bureau

NEW Business Formation Statistics

February 2025

Business Applications

"Business Applications for February 2025, adjusted for seasonal variation, were 423,144, an increase of 7.8 percent compared to January 2025.

Business Formations

Projected Business Formations (within 4-quarters) for February 2025, adjusted for seasonal variation, were 27,090, an increase of 10.2 percent compared to January 2025. The projected business formations are forward looking, providing an estimate of the number of new business startups that will appear from the cohort of business applications in a given month. It does not provide an estimate of the total number of business startups that appeared within a specific month. In other words, the Census Bureau is projecting that 27,090 new business startups with payroll tax liabilities will form within 4-quarters of application from all the business applications filed during February 2025. The 10.2 percent increase indicates that for February 2025 there will be 10.2 percent more businesses projected to form within 4-quarters of application, compared to the analogous projections for January 2025." – Economic Indicators Division, Business Formation Statistics; U.S. Census Bureau

Source: https://www.census.gov/econ/bfs/pdf/bfs_current.pdf; 3/12/24

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Economics

U.S. Census Bureau

NEW Business Formation Statistics

February 2025

BUSINESS APPLICATIONS

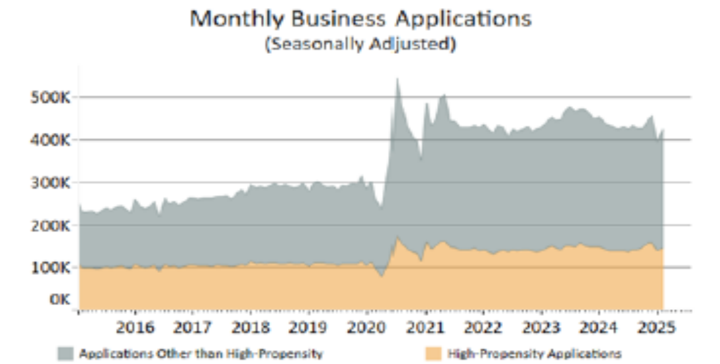
U.S. Business Applications:	FEB 2025	FEB 2025 / JAN 2025
Total	423,144	7.8%°
High-Propensity	145,305	4.7%°
With Planned Wages	44,262	6.2%°
From Corporations	53,624	-1.6%°

Next release: April 10, 2025

(°) Statistical significance is not applicable or not measurable.

Data adjusted for seasonality.

Source: U.S. Census Bureau, Business Formation Statistics, March 12, 2025



Source: U.S. Census Bureau, Business Formation Statistics, March 12, 2025

Business Applications - At a Glance

		US	Northeast	Midwest	South	West
Total	FEB 2025	423,144	61,988	68,916	183,155	109,085
	FEB 2025 / JAN 2025	+7.8%	+8.5%	+11.7%	+7.9%	+5.0%
High-Propensity	FEB 2025	145,305	22,719	22,185	57,588	42,813
	FEB 2025 / JAN 2025	+4.7%	+4.6%	+11.6%	+4.6%	+1.4%
With Planned Wages	FEB 2025	44,262	6,142	8,038	18,446	11,636
	FEB 2025 / JAN 2025	+6.2%	+4.2%	+13.5%	+5.4%	+3.7%
From Corporations	FEB 2025	53,624	10,240	5,747	15,693	21,944
	FEB 2025 / JAN 2025	-1.6%	-2.8%	+11.1%	-1.9%	-3.6%

Details may not equal totals due to rounding. Regions defined by Census Bureau Geography Program. Statistical significance is not applicable or not measurable.

Data adjusted for seasonality. Green Percentage changes are greater than zero (+). Red Percentage changes are less than zero (-). Z = absolute value < 0.05.

Source: https://www.census.gov/econ/bfs/pdf/bfs_current.pdf; 3/12/24

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Economics

U.S. Census Bureau

February 2025

BUSINESS FORMATIONS

U.S. Total Projected Business Formations:	FEB 2025	FEB 2025 / JAN 2025
Within 4 Quarters	27,090	10.2%°
Within 8 Quarters	37,429	9.2%°

Next release: April 10, 2025

(°) Statistical significance is not applicable or not measurable.

Spliced - Data adjusted for seasonality.

Source: U.S. Census Bureau, Business Formation Statistics, March 12, 2025

Source: U.S. Census Bureau, Business Formation Statistics, March 12, 2025

Projected Business Formations - At a Glance

		US	Northeast	Midwest	South	West
Within 4 Quarters	FEB 2025	27,090	4,231	4,376	10,054	8,429
	FEB 2025 / JAN 2025	+10.2%	+9.2%	+18.5%	+12.0%	+4.9%
Within 8 Quarters	FEB 2025	37,429	5,839	5,965	14,130	11,495
	FEB 2025 / JAN 2025	+9.2%	+8.9%	+17.7%	+10.6%	+3.8%

Details may not equal totals due to rounding. Regions defined by Census Bureau Geography Program. Statistical significance is not applicable or not measurable.

Data adjusted for seasonality. Green Percentage changes are greater than zero (+). Red Percentage changes are less than zero (-). Z = absolute value < 0.05.

Source: https://www.census.gov/econ/bfs/pdf/bfs_current.pdf; 2/12/24

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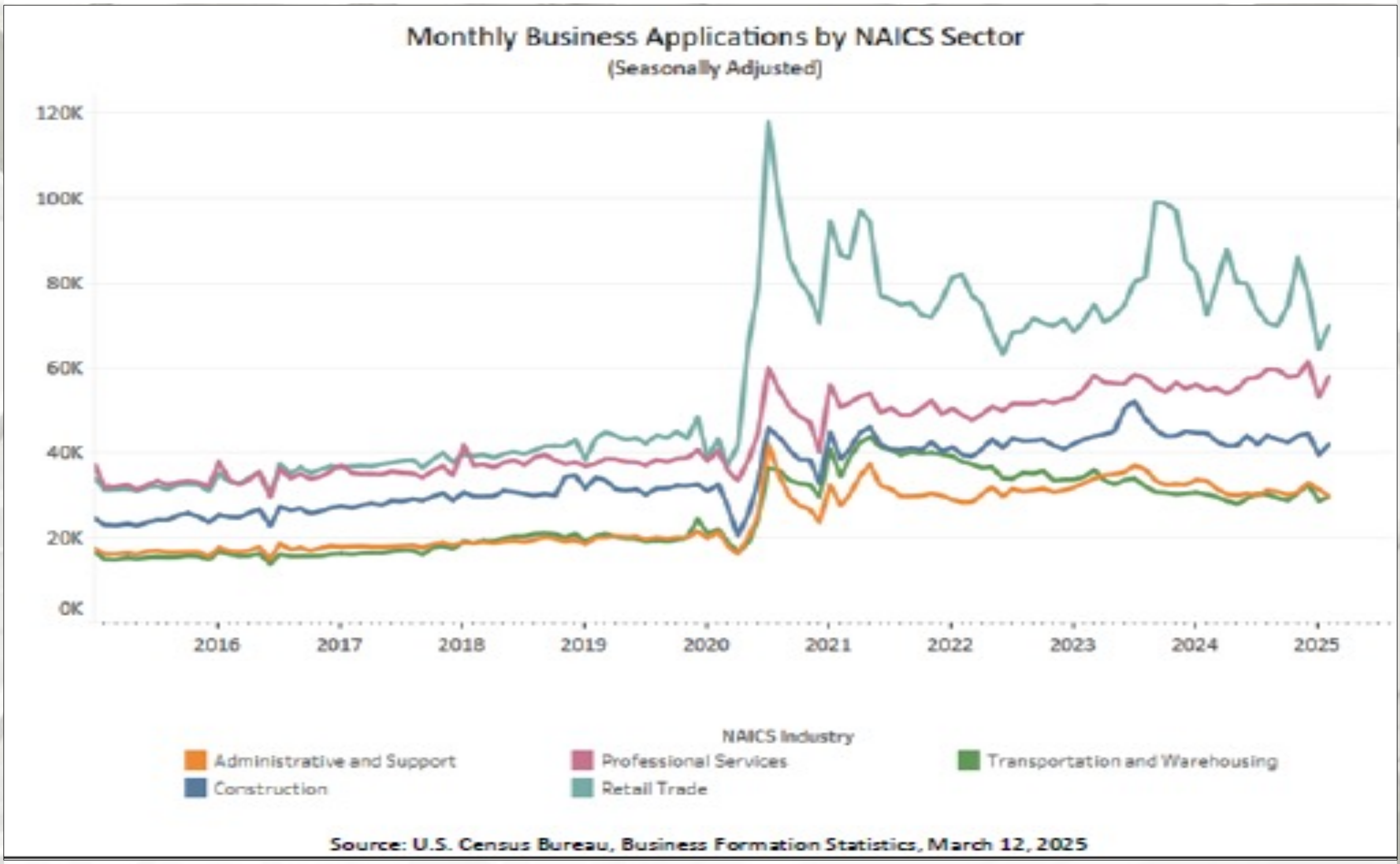
Economics

NEW Business Formation Statistics

February 2025



Source: U.S. Census Bureau, Business Formation Statistics, March 12, 2025

Source: https://www.census.gov/econ/bfs/pdf/bfs_current.pdf; 3/12/24

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