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AUGUST 2007 CONSTRUCTION AT \$1,166.7 BILLION ANNUAL RATE

The U.S. Census Bureau of the Department of Commerce announced today that construction spending during August 2007 was estimated at a seasonally adjusted annual rate of \$1,166.7 billion, 0.2 percent (\pm 1.4%)* above the revised July estimate of \$1,164.4 billion. The August figure is 1.7 percent (\pm 2.2%)* below the August 2006 estimate of \$1,186.3 billion.

During the first 8 months of this year, construction spending amounted to \$768.0 billion, 3.3 percent ($\pm 1.6\%$) below the \$794.0 billion for the same period in 2006.

PRIVATE CONSTRUCTION

Spending on private construction was at a seasonally adjusted annual rate of \$875.5 billion, nearly the same as $(\pm 1.1\%)^*$ the revised July estimate of \$875.4 billion. Residential construction was at a seasonally adjusted annual rate of \$522.1 billion in August, 1.5 percent $(\pm 1.3\%)$ below the revised July estimate of \$529.8 billion. Nonresidential construction was at a seasonally adjusted annual rate of \$353.4 billion in August, 2.3 percent $(\pm 1.1\%)$ above the revised July estimate of \$345.5 billion.

PUBLIC CONSTRUCTION

In August, the estimated seasonally adjusted annual rate of public construction spending was \$291.2 billion, 0.7 percent $(\pm 2.4\%)^*$ above the revised July estimate of \$289.1 billion. Educational construction was at a seasonally adjusted annual rate of \$83.9 billion, 1.3 percent $(\pm 4.5\%)^*$ above the revised July estimate of \$82.8 billion. Highway construction was at a seasonally adjusted annual rate of \$75.3 billion, 0.8 percent $(\pm 5.6\%)^*$ above the revised July estimate of \$74.7 billion.

September 2007 data will be released on October 31, 2007 at 10:00 A.M. EDT. For more detailed data and methodologies, go to our website: <u>http://www.census.gov/constructionspending</u>

EXPLANATORY NOTES

In interpreting changes in the statistics in this release, note that month-to-month changes in seasonally adjusted statistics often show movements which may be irregular. It may take 2 months to establish an underlying trend for total construction and as long as 8 months for specific categories of construction. The statistics in this release are estimated from several sources and surveys and are subject to sampling variability as well as nonsampling error including bias and variance from response, nonreporting, and undercoverage. Estimates of the standard errors are provided in Table 3. Whenever a statement such as "2.3 (\pm 3.1) percent above" appears in the text, this indicates the range (-0.8 to +5.4 percent) in which the actual percent change is likely to have occurred. All ranges given are 90 percent confidence intervals and account only for sampling variability. If a range does not contain zero, the change is statistically significant. If it does contain zero, the change is not statistically significant; that is, it is uncertain whether there was an increase or decrease. Statistics for the current month are preliminary estimates subject to revision in following months as additional data become available. The average absolute percent changes from preliminary estimate to first revision for the major seasonally adjusted components are as follows: total construction, 0.5 percent; private construction, 0.6 percent; and public construction, 0.7 percent.

* 90% confidence interval includes zero. The U.S. Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

Table 1. Value of Construction Put in Place in the United States, Seasonally Adjusted Annual Rate

(Millions of dollars. Details may not add to totals due to rounding.)

Type of Construction			Jun 2007 ^r	May 2007	Apr 2007		Percent change Aug 2007 from -	
	Aug 2007 ^p					Aug 2006	Jul 2007	Aug 2006
Total Construction	1,166,667	1,164,430	1,170,494	1,172,135	1,166,171	1,186,254	0.2	-1.7
Residential	529,913	537,652	546,689	552,043	558,467	631,210	-1.4	-16.0
Nonresidential	636,754	626,778	623,805	620,092	607,704	555,044	1.6	14.7
Lodging	32,004	30,593	29,650	29,297	27,124	19,170	4.6	66.9
Office	67,160	65,112	64,676	62,563	61,823	57,798	3.1	16.2
Commercial	87,238	84,922	85,984	85,849	85,678	76,541	2.7	14.0
Health care	45,959	44,985	44,111	44,512	44,325	41,282	2.2	11.3
Educational	101,280	99,894	98,493	96,719	94,355	83,837	1.4	20.8
Religious	7,388	7,424	7,369	7,453	7,614	7,639	-0.5	-3.3
Public safety	10,522	10,443	10,160	9,716	9,261	7,165	0.8	46.9
Amusement and recreation	20,037	19,587	19,614	20,312	19,473	19,045	2.3	5.2
Transportation	31,753	32,063	30,211	29,871	28,338	27,063	-1.0	17.3
Communication	26,145	25,756	26,866	26,433	24,507	21,920	1.5	19.3
Power	48,706	49,630	49,015	49,153	46,991	39,061	-1.9	24.7
Highway and street	75,743	75,109	75,093	75,181	76,685	72,824	0.8	4.0
Sewage and waste disposal	24,793	24,003	24,043	23,569	23,802	23,153	3.3	7.1
Water supply	16,110	15,285	15,958	16,429	16,006	14,658	5.4	9.9
Conservation and development	5,806	6,061	5,798	5,344	4,974	5,161	-4.2	12.5
Manufacturing	36,109	35,912	36,764	37,692	36,748	38,728	0.5	-6.8
Total Private Construction ¹	875,515	875,361	884,975	888,085	888,025	932,351	0.0	-6.1
Residential	522,102	529,821	538,721	544,767	551,730	625,436	-1.5	-16.5
Nonresidential	353,413	345,540	346,254	343,318	336,295	306,915	2.3	15.2
Lodging	30,810	29,570	28,463	28,078	26,203	18,709	4.2	64.7
Office	56,633	54,628	54,299	52,682	52,813	49,358	3.7	14.7
Commercial	83,445	81,331	82,395	82,287	82,311	73,055	2.6	14.2
Health care	37,383	36,618	35,956	36,302	36,473	34,940	2.1	7.0
Educational	17,425	17,094	16,480	15,380	15,479	12,930	1.9	34.8
Religious	7,384	7,411	7,366	7,449	7,614	7,627	-0.4	-3.2
Amusement and recreation	8,461	8,090	8,686	8,728	8,507	9,452	4.6	-10.5
Transportation	8,633	8,472	8,398	8,481	8,234	7,442	1.9	16.0
Communication	26,079	25,687	26,760	26,367	24,462	21,865	1.5	19.3
Power	39,401	39,429	39,138	38,247	35,679	31,158	-0.1	26.5
Manufacturing	35,916	35,550	36,447	37,437	36,491	38,583	1.0	-6.9
Total Public Construction ²	291,152	289,070	285,519	284,050	278,146	253,903	0.7	14.7
Residential	7,811	7,831	7,968	7,276	6,737	5,774	-0.3	35.3
Nonresidential	283,341	281,238	277,551	276,774	271,408	248,129	0.7	14.2
Office	10,527	10,484	10,377	9,881	9,011	8,440	0.4	24.7
Commercial	3,793	3,591	3,589	3,562	3,367	3,486	5.6	8.8
Health care	8,576	8,367	8,156	8,211	7,852	6,342	2.5	35.2
Educational	83,854	82,800	82,013	81,339	78,876	70,908	1.3	18.3
Public safety	10,010	9,961	9,650	9,225	8,792	6,778	0.5	47.7
Amusement and recreation	11,576	11,497	10,928	11,584	10,966	9,594	0.7	20.7
Transportation	23,121	23,590	21,813	21,390	20,104	19,621	-2.0	17.8
Power	9,305	10,202	9,877	10,906	11,311	7,903	-2.0	17.8
Highway and street	9,305 75,305	74,735	74,666	74,722	76,185	72,242	0.8	4.2
Sewage and waste disposal	24,526	23,739	23,764	23,253	23,335	22,892	3.3	7.1
Water supply	15,662	14,893	23,704	15,987	23,333 15,557	14,185	5.2	10.4
Conservation and development	5,627	5,915	5,661	5,170	4,830	5,065	-4.9	10.4

^p Preliminary ^r Revised

¹ Includes the following categories of private construction not shown separately:

public safety, highway and street, sewage and waste disposal, water supply, and conservation and development.

² Includes the following categories of public construction not shown separately: lodging, religious, communication, and manufacturing.

Table 2. Value of Construction Put in Place in the United States, Not Seasonally Adjusted

(Millions of dollars. Details may not add to totals due to rounding.)

Type of Construction		Jul 2007 ^r	Jun 2007 ^r	May 2007	Apr 2007	Aug 2006	Year-to-date		
	Aug 2007 ^p						Aug 2007	Aug 2006	Percent change
Total Construction	111,168	107,969	106,727	100,960	93,773	113,176	767,990	794,039	-3.3
Residential	51,735	51,355	50,592	48,047	44,979	61,059	365,089	441,992	-17.4
Nonresidential	59,434	56,613	56,136	52,913	48,794	52,117	402,901	352,047	14.4
Lodging	2,667	2,549	2,471	2,441	2,260	1,598	18,219	11,120	63.8
Office	5,803	5,527	5,530	5,429	5,307	4,977	42,340	34,935	21.2
Commercial	7,864	7,477	7,558	7,315	7,041	6,949	56,048	48,768	14.9
Health care	3,889	3,766	3,799	3,799	3,687	3,501	29,315	25,577	14.6
Educational	10,251	9,813	9,315	8,063	7,396	8,534	64,284	56,540	13.7
Religious	670	647	639	620	612	695	4,947	5,050	-2.0
Public safety	933	882	874	787	756	633	6,249	4,918	27.1
Amusement and recreation	1,795	1,687	1,686	1,761	1,632	1,679	12,833	11,737	9.3
Transportation	2,938	2,853	2,663	2,512	2,292	2,503	19,259	17,309	11.3
Communication	2,335	2,156	2,289	2,245	1,933	1,957	16,501	13,721	20.3
Power	4,270	4,265	4,362	4,102	3,833	3,447	31,067	25,528	21.7
Highway and street	8,585	8,041	7,693	6,838	5,542	8,320	48,824	46,718	4.5
Sewage and waste disposal	2,337	2,111	2,185	2,060	1,852	2,187	15,663	14,799	5.8
Water supply	1,469	1,296	1,391	1,386	1,322	1,343	10,344	9,739	6.2
Conservation and development	529	512	468	427	381	479	3,545	3,373	5.1
Manufacturing	3,100	3,033	3,215	3,129	2,949	3,317	23,465	22,216	5.6
Total Private Construction ¹	81,986	80,295	79,959	76,578	72,082	87,484	583,446	628,619	-7.2
Residential	51,056	50,684	49,886	47,405	44,414	60,552	360,351	438,027	-17.7
Nonresidential	30,930	29,611	30,073	29,173	27,668	26,932	223,095	190,592	17.1
Lodging	2,568	2,464	2,372	2,340	2,184	1,559	17,567	10,970	60.1
Office	4,872	4,644	4,647	4,579	4,555	4,242	35,936	29,549	21.6
Commercial	7,533	7,180	7,255	7,019	6,753	6,647	53,657	46,729	14.8
Health care	3,184	3,059	3,093	3,098	3,016	2,977	24,055	21,475	12.0
Educational	1,643	1,581	1,509	1,369	1,282	1,237	10,794	9,005	19.9
Religious	670	646	639	620	612	694	4,943	5,044	-2.0
Amusement and recreation	720	673	731	751	724	808	5,694	5,841	-2.5
Transportation	741	715	734	756	689	645	5,448	5,263	3.5
Communication	2,329	2,150	2,280	2,240	1,929	1,952	16,455	13,701	20.1
Power	3,405	3,348	3,457	3,134	2,839	2,685	24,104	19,818	21.6
Manufacturing	3,084	3,003	3,189	3,107	2,928	3,305	23,293	22,090	5.4
Total Public Construction ²	29,183	27,674	26,768	24,382	21,691	25,692	184,544	165,420	11.6
Residential	679	671	706	642	565	507	4,738	3,965	19.5
Nonresidential	28,504	27,003	26,062	23,740	21,126	25,185	179,806	161,455	11.4
Office	931	882	882	850	752	735	6,405	5,386	18.9
Commercial	331	296	303	296	288	302	2,391	2,039	17.3
Health care	704	707	706	701	671	524	5,260	4,102	28.2
Educational	8,608	8,232	7,806	6,695	6,114	7,298	53,491	47,535	12.5
Public safety	886	838	827	744	716	597	5,940	4,628	28.3
Amusement and recreation	1,075	1,013	955	1,010	908	871	7,139	5,896	21.1
Transportation	2,197	2,138	1,929	1,756	1,603	1,858	13,810	12,046	14.6
Power	866	917	904	968	994	762	6,963	5,710	21.9
Highway and street	8,540	8,006	7,651	6,799	5,504	8,260	48,537	46,421	4.6
Sewage and waste disposal	2,312	2,088	2,159	2,033	1,817	2,163	15,465	14,627	5.7
Water supply	1,418	1,262	1,349	1,348	1,287	1,289	10,079	9,449	6.7
Conservation and development	514	500	456	412	369	471	3,453	3,316	4.1

^p Preliminary ^r Revised

¹ Includes the following categories of private construction not shown separately:

public safety, highway and street, sewage and waste disposal, water supply, and conservation and development.

² Includes the following categories of public construction not shown separately: lodging, religious, communication, and manufacturing.

Table 3. Coefficients of Variation and Standard Errors by Type of Construction (Percent)

	Coefficient of v	ariation	Standard error			
Type of Construction	Monthly estimate	Year-to-date estimate	Year-to-date change	Month-to-month change	Month-to-month change from prev.	
	estimate	estimate	change	change	year	
Total Construction	1.0	0.7	1.0	0.9	1.4	
Residential	5.5	5.4	8.6	3.4	9.2	
Nonresidential	1.0	0.7	1.0	1.0	1.4	
Lodging	2.4	2.0	4.4	1.5	5.4	
Office	2.4	2.0	3.2	1.8	3.1	
Commercial	3.4	2.7	3.1	1.1	3.1	
Health care	2.1	1.6	2.2	1.1	2.7	
Educational	2.1	1.5	2.3	2.4	3.8	
Religious	4.3	3.0	4.3	3.0	5.5	
Public safety	4.1 3.7	2.9	5.8	3.2	7.9	
Amusement and recreation	3.7 2.5	2.9 1.9	4.3	2.5 5.5	6.1 3.7	
Transportation Communication	2.5 NA	NA	3.0 NA	5.5 NA	3.7 NA	
Power	1.1	0.7	1.7	0.6	1.4	
Highway and street	3.4	1.8	2.7	3.5	4.7	
Sewage and waste disposal	3.1	2.1	3.5	3.2	4.9	
Water supply	4.7	3.1	4.1	4.5	6.2	
Conservation and development	4.5	3.0	3.5	3.9	5.6	
Manufacturing	2.2	1.8	2.4	1.7	2.2	
Total Private Construction	1.3	1.1	1.4	0.7	1.5	
Residential	5.0	1.1	1.3	0.8	1.4	
Nonresidential	1.3	1.1	1.4	0.7	1.5	
Lodging	2.5	2.0	4.4	1.5	5.5	
Office	2.9	2.4	3.7	2.1	3.3	
Commercial	3.7	2.9	3.2	1.2	3.1	
Health care	2.5	1.9	2.6	1.3	3.0	
Educational	3.8	2.9	4.5	2.1	6.0	
Religious	4.3	3.0	4.3	3.0	5.5	
Amusement and recreation	4.3	3.3	4.9	2.9	6.3	
Transportation	8.5	5.9	8.7	6.4	11.9	
Communication	NA	NA	NA	NA	NA	
Power	0.8	0.3	1.4	0.2	1.3	
Manufacturing	2.0	1.6	2.3	1.2	2.2	
Total Public Construction	1.3	0.8	1.3	1.5	2.2	
Residential	5.5	5.4	8.6	3.4	9.2	
Nonresidential	1.4	0.8	1.3	1.5	2.2	
Office	4.1	3.4	5.1	3.1	7.5	
Commercial	6.1	6.7	8.3	4.6	17.7	
Health care	2.9	2.4	4.5	2.2	4.8	
Educational	2.4	1.6	2.5	2.8	4.3	
Public safety	4.2	3.0	6.2	3.3	8.3	
Amusement and recreation	5.7	4.6	6.9	3.6	10.1	
Transportation	2.5	2.0	3.2	5.8	3.8	
Power	4.4	3.7	5.4	3.2	5.0	
Highway and street	3.4	1.8	2.7	3.5	4.7	
Sewage and waste disposal	3.2	2.1	3.5	3.3	4.9	
Water supply	4.8	3.2	4.2	4.5	6.3	
Conservation and development	4.5	2.9	3.5	3.5	5.1	

NA Not applicable