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Slight Contraction for Architecture Billings Index *Institutional building sector continues to struggle the most*

Des Moines, IA – December 18, 2013 – After six months of steadily increasing demand for design services, the Architecture Billings Index (ABI) paused in November. As a leading economic indicator of construction activity, the ABI reflects the approximate nine to twelve month lead time between architecture billings and construction spending. The American Institute of Architects (AIA) reported the November ABI score was 49.8, down from a mark of 51.6 in October. This score reflects a slight decrease in design services (any score above 50 indicates an increase in billings). The new projects inquiry index was 57.8, down from the reading of 61.5 the previous month.

“This month’s ABI score is steady in the Midwest at 51.6 points compared to this October but down from November 2012 which was 53.9 points. The steadiness this fall in the Midwest reflects the 3-month average. The National index signals the varying view of business across the country and a lull in the progress of current design projects across the board,” said Executive Director of AIA Iowa, Jessica Reinert, CAE, IOM.

Key November ABI highlights:

- Regional averages: South (52.0), Midwest (51.6), West (50.2), Northeast (47.5)
- Sector index breakdown: multi-family residential (55.2), mixed practice (53.1), commercial / industrial (48.6), institutional (47.7)
- Project inquiries index: 57.8

The regional and sector categories are calculated as a 3-month moving average, whereas the index and inquiries are monthly numbers.

About the AIA Architecture Billings Index

The Architecture Billings Index (ABI), produced by the [AIA Economics & Market Research Group](#), is a leading economic indicator that provides an approximately nine to twelve month glimpse into the future of nonresidential construction spending activity. The diffusion indexes contained in the full report are derived from a monthly “Work-on-the-Boards” survey that is sent to a panel of AIA member-owned firms. Participants are asked whether their billings increased, decreased, or stayed the same in the month that just ended as compared to the prior month, and the results are then compiled into the ABI. These monthly results are also seasonally adjusted to

allow for comparison to prior months. The monthly ABI index scores are centered around 50, with scores above 50 indicating an aggregate increase in billings, and scores below 50 indicating a decline. The regional and sector data are formulated using a three-month moving average. More information on the ABI and the analysis of its relationship to construction activity can be found in the White Paper [Architecture Billings as a Leading Indicator of Construction: Analysis of the Relationship Between a Billings Index and Construction Spending](#) on the [AIA web site](#).

About The American Institute of Architects

Founded in 1857, members of the American Institute of Architects consistently work to create more valuable, healthy, secure, and sustainable buildings, neighborhoods, and communities. Through nearly 300 state and local chapters, the AIA advocates for public policies that promote economic vitality and public well being. Members adhere to a code of ethics and conduct to ensure the highest professional standards. The AIA provides members with tools and resources to assist them in their careers and business as well as engaging civic and government leaders, and the public to find solutions to pressing issues facing our communities, institutions, nation and world. Visit www.aia.org.