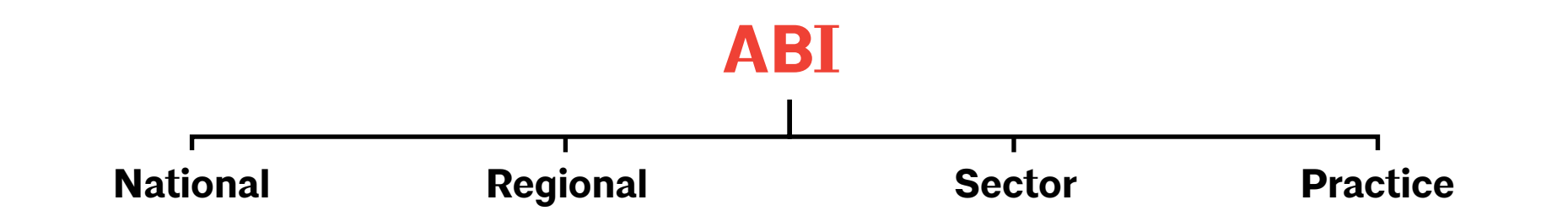


Architecture Billings Index (ABI)

October 2018

The Architecture Billings Index (ABI) is a diffusion index derived from the monthly Work-on-the-Boards survey, conducted by the AIA Economics & Market Research Group. The ABI serves as a leading economic indicator that leads nonresidential construction activity by approximately 9–12 months. The survey panel asks participants whether their billings increased, decreased, or stayed the same in the month that just ended. According to the proportion of respondents choosing each option, a score is generated, which represents an index value for each month. An index score of 50 represents no change in firm billings from the previous month, a score above 50 indicates an increase in firm billings from the previous month, and a score below 50 indicates a decline in firm billings from the previous month.

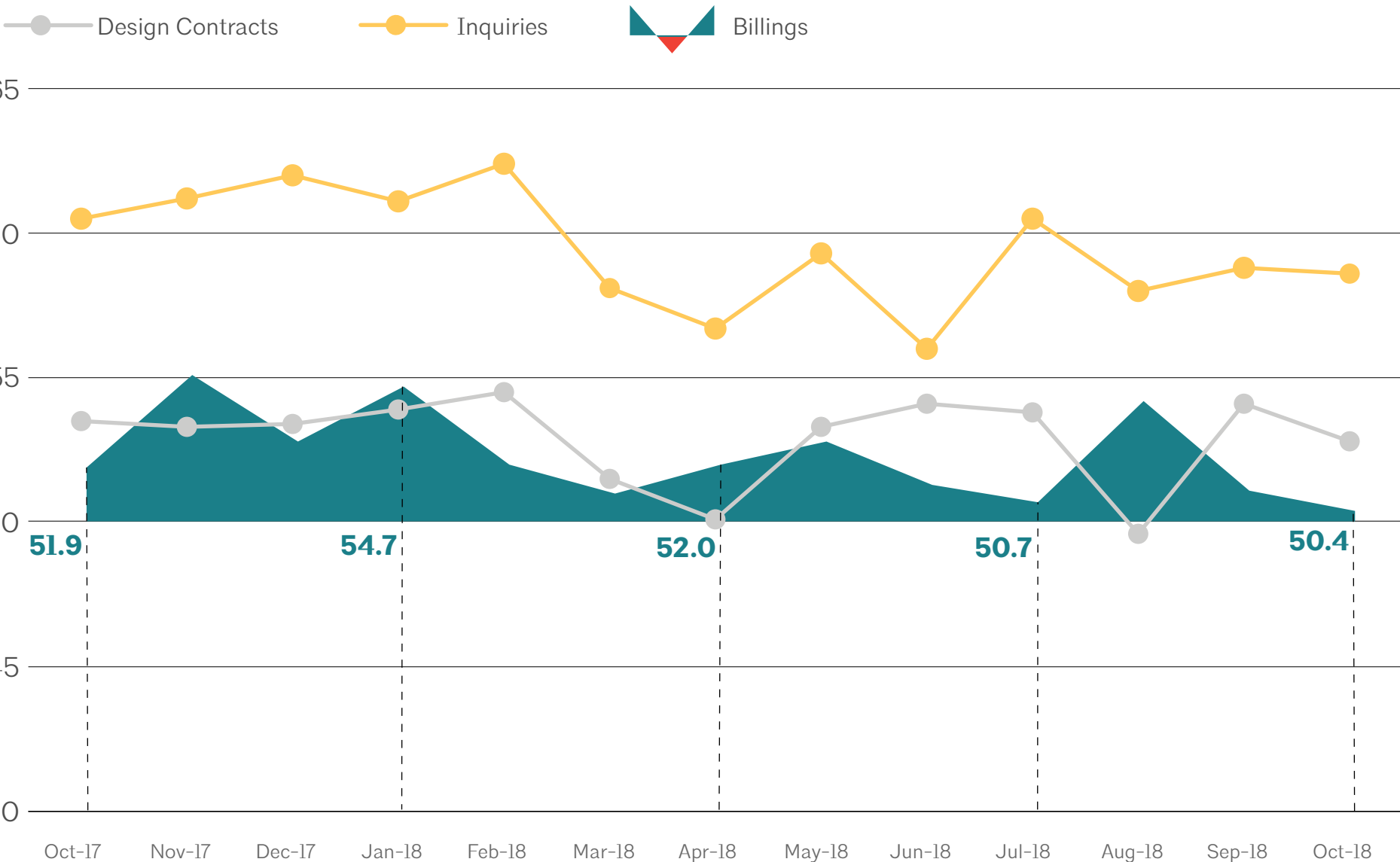
*All graphs represent data from October 2017–October 2018.



National

Architecture firm billings growth softens

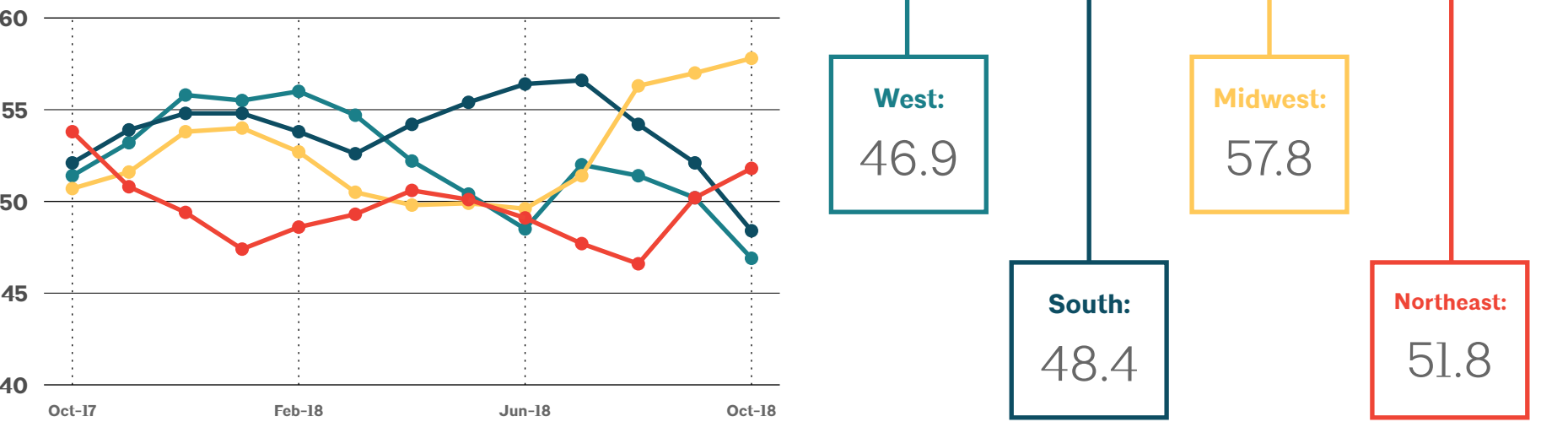
Graphs represent data from October 2017–October 2018.



Regional

Business conditions improve in the Northeast

Graphs represent data from October 2017–October 2018 across the four regions. 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 remain strongest at firms with residential, institutional specializations

Graphs represent data from October 2017–October 2018 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.



Practice

Most important reasons for architecture firms to consider mergers or acquisitions related to making firm more competitive

units: reasons rated as “very important” in consideration of/decision to pursue a merger or acquisition, % of firms that have gone through or actively considered a merger or acquisition in the last year

