

Homebuilders and Building Products

Monthly building products spending snapshot: Feb improves on extra day

Industry Overview

Overall MoM card spending slightly rose in February

Total card spending per household (HH), as measured by BAC aggregated credit and debit cards, was up 2.9% year-over-year (y/y) in February. Card spending per HH rose 0.4% month-over-month (m/m) in February on a seasonally adjusted basis. See [BoFA on USA](#) note for an explanation of methodology, disclaimers and limitations with BAC data.

Building product spend down YoY for 18 straight months

For the month of February, spending at home improvement retailers (a proxy for do-it-yourself spending) fell (4.2%) YoY (+27% vs. February 2019) vs. a (7.0%) YoY decline in January. February spending on housing-related services (a proxy for pro contractor spending) rose +4.0% YoY (+63% vs. February 2019) vs. a 1.2% YoY increase in January. Importantly, February had an additional day in 2024 vs. 2023 due to the leap year.

Roofing continues to outperform; mattress/flooring lags

On a YoY basis, February outperforming categories were roofing/siding, concrete contractors, and landscaping. Weakest categories in February were mattress merchants, lumber stores, and floor coverings.

Exhibit 1: BAC aggregated card data spend over home improvement & services categories

In February, overall home improvement fell, but overall housing related services rose YoY

Monthly YoY Spending	Oct.	Nov.	Dec.	Q4	Jan.	Feb.	Q1 To Date	Δ*
Overall home improvement	-6%	-5%	-8%	-6%	-7%	-4%	-6%	=
Overall housing related services	3%	0%	-4%	0%	1%	4%	3%	↑
Lumber stores	-5%	-6%	-8%	-6%	-11%	-8%	-9%	↓
Floor covering stores	-8%	-9%	-10%	-9%	-10%	-7%	-8%	↑
Roofing and siding	8%	2%	2%	4%	2%	8%	5%	↑
General contractors (residential)	-3%	-10%	-9%	-7%	-8%	-3%	-5%	↑
AC, heat, plumbing contractors	3%	0%	-8%	-2%	7%	6%	7%	↑
Carpentry contractors	-3%	-10%	-3%	-5%	-2%	-1%	-1%	↑
Pool supplies	-5%	-3%	-3%	-4%	-5%	0%	-3%	↑
Landscaping & Horticultural services	6%	7%	2%	5%	-1%	7%	3%	↑
Concrete work contractors	-1%	0%	-1%	0%	-12%	7%	-2%	↑
Mattresses	-21%	-13%	-11%	-15%	-18%	-11%	-14%	↓
Monthly vs 2019 Spending	Oct.	Nov.	Dec.	Q4	Jan.	Feb.	Q1 To Date	Δ*
Overall home improvement spending	17%	20%	17%	18%	14%	27%	21%	↑
Overall housing related services	38%	43%	41%	41%	50%	63%	56%	↑
Lumber stores	14%	18%	15%	16%	5%	19%	12%	↓
Floor covering stores	5%	11%	10%	8%	6%	12%	9%	↑
Roofing and siding	45%	46%	59%	49%	55%	82%	68%	↑
General contractors (residential)	20%	21%	23%	21%	31%	46%	39%	↑
AC, heat, plumbing contractors	50%	57%	54%	54%	79%	78%	78%	↑
Carpentry contractors	30%	25%	23%	26%	38%	56%	47%	↑
Pool supplies	30%	40%	35%	35%	37%	58%	47%	↑
Landscaping & Horticultural services	68%	77%	65%	70%	71%	103%	87%	↑
Concrete work contractors	18%	30%	24%	23%	15%	67%	39%	↑
Mattresses	-11%	-12%	-16%	-13%	-8%	-2%	-5%	↑

Source: BAC Internal Data; * Δ in YoY trend vs. prior quarter

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See below for trends for additional building product categories

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United States
Homebuilders and Building Products

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HH: household

HVAC: heating, ventilation, and air conditioning

Heat map by category

Exhibit 2: Monthly BAC aggregated card data (YoY and change vs 2019) Dec 22 – Feb 24

In February, mattress merchants and lumber stores declined the most YoY, while roofing/siding and concrete work contractors increased at the fastest pace

	Feb-24	Jan-24	Dec-23	Nov-23	Oct-23	Sep-23	Aug-23	Jul-23	Jun-23	May-23	Apr-23	Mar-23	Feb-23	Jan-23	Dec-22
Home Improvement															
1-yr % change	-4.2%	-7.0%	-7.5%	-4.6%	-5.5%	-7.4%	-5.7%	-4.7%	-6.4%	-0.5%	-8.2%	-10.3%	-6.3%	-4.7%	-5.1%
% change vs. 2019	27.0%	14.4%	16.7%	20.0%	16.9%	19.5%	18.0%	15.7%	24.0%	25.3%	19.1%	28.1%	32.6%	23.0%	26.3%
Housing related services															
1-yr % change	4.0%	1.2%	-4.1%	-0.5%	2.6%	-2.2%	0.2%	1.1%	-3.3%	2.2%	-6.6%	-5.4%	-2.3%	1.2%	-2.2%
% change vs. 2019	62.6%	50.4%	41.4%	43.5%	37.6%	44.1%	48.7%	36.3%	51.9%	45.6%	37.6%	61.4%	56.2%	48.7%	47.5%
Lumber stores															
1-yr % change	-7.6%	-10.8%	-8.2%	-5.8%	-4.6%	-9.8%	-8.0%	-6.5%	-6.1%	-2.5%	-15.1%	-14.8%	-9.8%	-5.3%	-9.8%
% change vs. 2019	19.5%	4.8%	15.0%	18.2%	13.8%	15.9%	19.3%	11.2%	28.1%	22.3%	12.0%	29.1%	29.4%	17.6%	25.3%
Floor covering															
1-yr % change	-6.6%	-9.5%	-10.4%	-8.5%	-8.2%	-11.3%	-10.9%	-10.9%	-11.2%	-11.2%	-17.8%	-17.2%	-13.2%	-11.6%	-15.1%
% change vs. 2019	12.4%	6.2%	9.7%	11.2%	4.7%	9.5%	10.2%	5.2%	14.8%	10.0%	6.4%	16.2%	20.4%	17.4%	22.5%
Roofing and Siding															
1-yr % change	7.6%	1.6%	1.6%	1.9%	8.3%	3.9%	3.4%	2.5%	-0.2%	5.1%	-2.4%	-2.3%	6.8%	3.5%	-5.8%
% change vs. 2019	82.3%	54.5%	58.8%	46.0%	44.8%	49.1%	53.0%	34.3%	61.3%	52.4%	46.5%	66.4%	69.4%	52.0%	56.4%
General Contractors/Residential Buildings															
1-yr % change	-3.1%	-7.7%	-8.6%	-9.8%	-2.7%	-5.2%	-3.7%	-3.4%	-5.3%	1.3%	-9.1%	-5.6%	-1.2%	2.8%	-6.8%
% change vs. 2019	46.5%	31.4%	23.0%	21.3%	19.8%	22.5%	24.2%	16.3%	31.1%	27.8%	23.2%	49.6%	51.2%	42.4%	34.7%
Heating, Plumbing, AC															
1-yr % change	6.1%	7.1%	-7.9%	-0.1%	3.1%	-2.0%	4.1%	7.9%	-4.0%	2.9%	-2.2%	-1.2%	0.0%	6.2%	10.7%
% change vs. 2019	77.8%	78.9%	53.8%	57.3%	50.4%	60.1%	72.9%	53.9%	63.4%	56.9%	53.7%	82.3%	67.6%	67.1%	66.9%
Carpentry															
1-yr % change	-0.8%	-1.7%	-2.8%	-10.2%	-2.7%	-11.3%	-11.7%	-8.4%	-11.5%	-7.3%	-15.6%	-11.4%	-7.7%	-4.3%	-15.9%
% change vs. 2019	55.7%	38.4%	23.0%	24.6%	30.2%	36.0%	40.6%	35.8%	54.1%	34.4%	29.2%	67.7%	57.0%	40.8%	26.5%
Pool supplies															
1-yr % change	-0.2%	-5.5%	-3.1%	-2.9%	-4.6%	-5.0%	-5.0%	-5.3%	-8.1%	-5.9%	-8.4%	-13.6%	-8.1%	-5.6%	-10.1%
% change vs. 2019	58.2%	36.6%	35.2%	40.1%	30.2%	32.5%	29.4%	26.3%	25.9%	28.8%	32.6%	44.4%	58.5%	44.6%	39.5%
Landscaping and horticultural services															
1-yr % change	7.0%	-0.7%	1.9%	7.2%	6.5%	1.4%	2.1%	3.1%	5.6%	7.4%	-0.4%	0.4%	6.0%	5.6%	-2.3%
% change vs. 2019	102.7%	71.4%	64.6%	77.2%	67.5%	70.1%	67.5%	59.5%	77.0%	67.2%	58.5%	86.6%	89.4%	72.6%	61.6%
Concrete work contractors															
1-yr % change	7.2%	-11.8%	-0.6%	-0.2%	-0.6%	-6.8%	-4.2%	-8.0%	-6.5%	6.8%	-6.8%	-3.3%	1.7%	11.5%	-4.5%
% change vs. 2019	67.3%	15.3%	23.8%	30.4%	17.8%	22.0%	28.5%	18.3%	38.8%	40.6%	25.6%	45.7%	56.1%	30.6%	24.5%
Mattresses															
1-yr % change	-11.1%	-18.1%	-11.5%	-13.3%	-20.9%	-15.3%	-18.0%	-18.0%	-17.1%	-19.8%	-18.7%	-19.7%	-15.3%	-17.7%	-17.7%
% change vs. 2019	-1.8%	-8.3%	-16.4%	-12.3%	-10.6%	-0.7%	-15.0%	-1.9%	-6.0%	-3.7%	5.9%	-5.9%	10.5%	12.0%	-5.6%

Source: BAC Internal data

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Trends by category

Lumber stores: down YoY, up MoM in February

For the month of February, spending at lumber stores was (7.6%) lower YoY, but increased 4.7% on a MoM basis (+19.5% compared vs. February 2019).

Floor coverings: down YoY, up MoM in February

For the month of February, spending at floor covering stores was down (6.6%) YoY, but rose +4.1% on a MoM basis (+12.4% vs. February 2019).

Roofing and siding: up YoY and MoM in February

For the month of February, spending on roofing and siding, sheet metal work contractors increased 7.6% YoY and 6.6% MoM (+82.3% vs. February 2019).

General contractor-resi: down YoY, up MoM in February

For the month of February, spending on general contractors (residential) fell (3.1%) YoY, but rose 3.8% MoM (+46.5% vs. February 2019).

Heating, plumbing, AC: up YoY, down MoM in February

For the month of February, spending on AC, heating, and plumbing contractors increased

6.1% YoY, but fell (9.8%) MoM (+77.8% vs. February 2019).

Carpentry: down YoY, up MoM in February

For the month of February, spending on carpentry contractors was down (0.8%) YoY, but increased 5.7% on a MoM basis (+55.7% compared to February 2019).

Landscaping & Horticultural services: up YoY, MoM in Feb

For the month of February, spending on landscaping and horticultural services increased 7.0% YoY and 10.3% MoM (+102.7% compared to February 2019).

Concrete work contractors: Up YoY and MoM in Feb

For the month of February, spending on concrete work contractors increased 7.2% YoY and 21.1% MoM (+67.3% compared to February 2019).

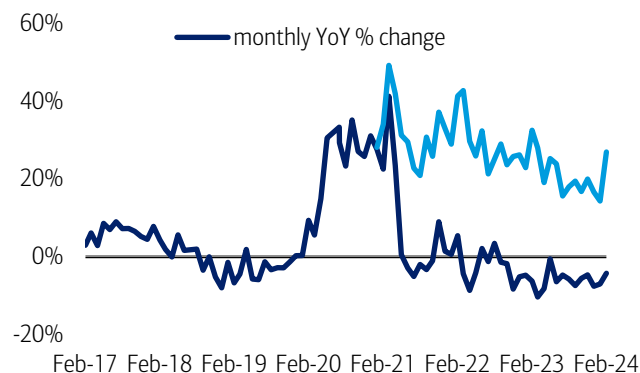
Mattress: Down YoY, up MoM in February

For the month of February, spending on mattress merchants/retailers was down (11.1%) YoY, but increased 21.9% on a MoM basis (down (1.8%) compared to February 2019)

Building Products

Exhibit 3: Monthly BAC aggregated card spending data at home improvement retailers (YoY and change vs 2019)

February 2024 spending fell (4.2%) YoY, but increased 27.0% vs. Feb 2019

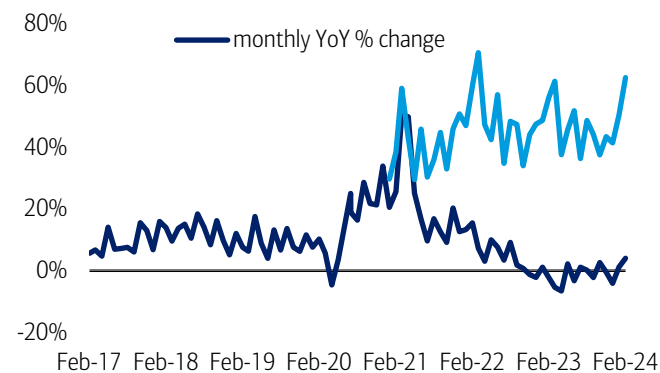


Source: BAC internal data
Data through February 2024

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Exhibit 4: Monthly BAC aggregated card spending data for housing-related services (YoY and change vs 2019)

February 2024 spending increased 4.0% YoY and 62.6% vs. Feb 2019

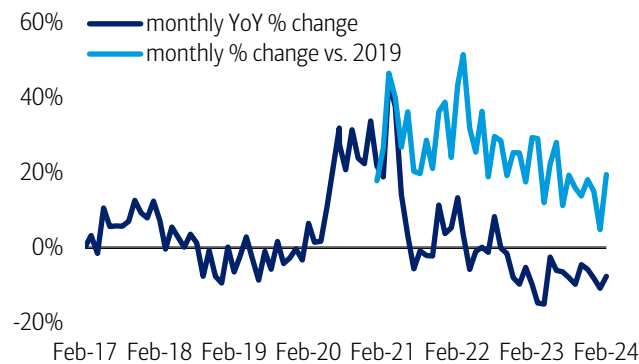


Source: BAC internal data
Data through February 2024

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Exhibit 4: Monthly BAC aggregated card spending data at lumber stores (YoY and change vs 2019)

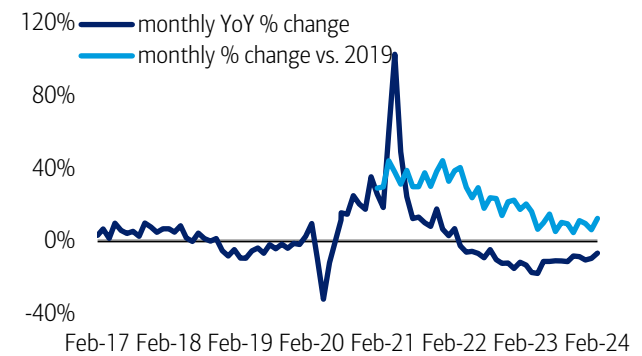
February 2024 spending fell (7.6%) YoY, but increased 19.5% vs. Feb 2019

Source: BAC internal data
Data through February 2024

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Exhibit 5: Monthly BAC aggregated card spending data at floor covering retailers (YoY and change vs 2019)

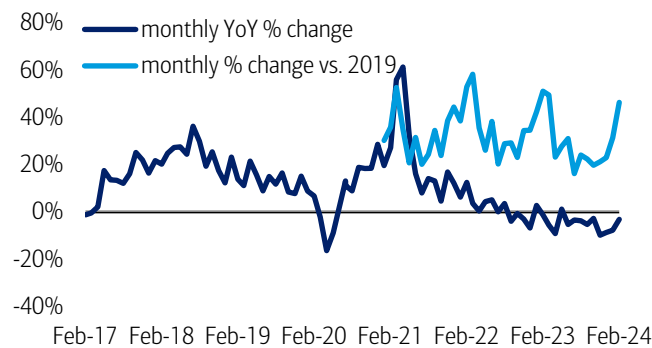
February 2024 spending fell (6.6%) YoY, but increased 12.4% vs. Feb 2019

Source: BAC internal data
Data through February 2024

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Exhibit 6: Monthly BAC aggregated card spending data at general contractors – residential (YoY and change vs 2019)

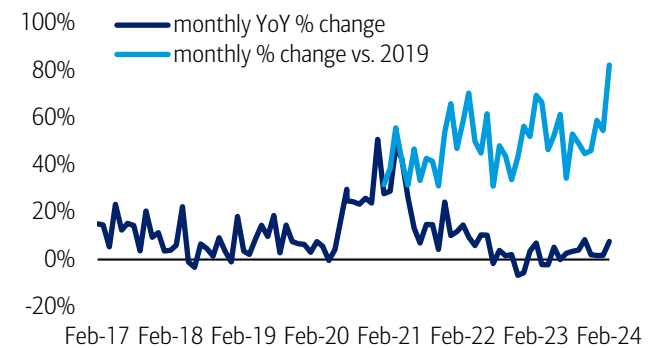
February 2024 spending fell (3.1%) YoY, but increased 46.5% vs. Feb 2019

Source: BAC internal data
Data through February 2024

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Exhibit 7: Monthly BAC aggregated card spending data at roofing and siding, sheet metal work contractors (YoY and change vs 2019)

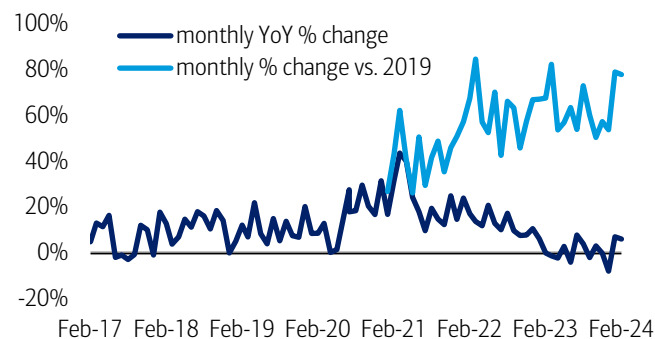
February 2024 spending increased 7.6% YoY and 82.3% vs. Feb 2019

Source: BAC internal data
Data through February 2024

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Exhibit 8: Monthly BAC aggregated card spending data at air conditioning, heating, and plumbing contractors (YoY and change vs 2019)

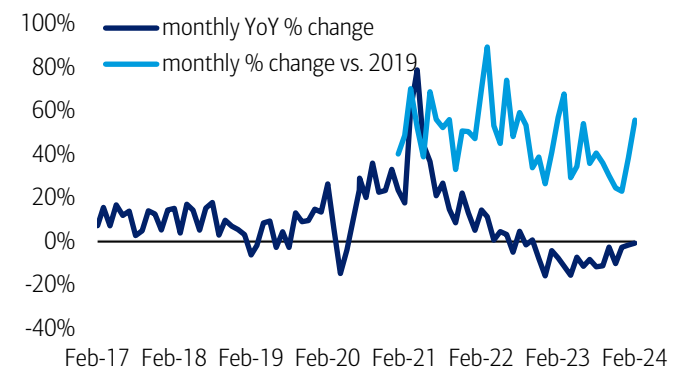
February 2024 spending increased 6.1% YoY and 77.8% vs. Feb 2019

Source: BAC internal data
Data through February 2024

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Exhibit 9: Monthly BAC aggregated card spending data at carpentry contractors (YoY and change vs 2019)

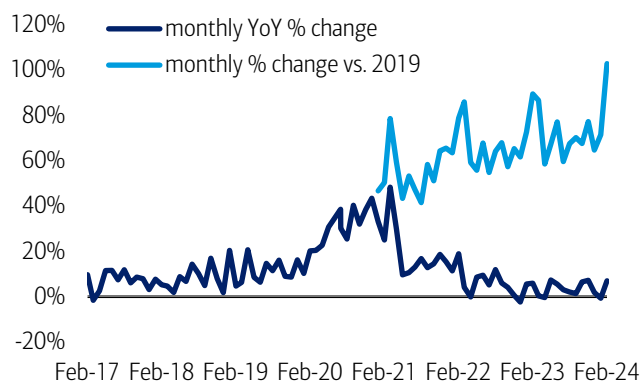
February 2024 spending fell (0.8%) YoY, but increased 55.7% vs. Feb 2019

Source: BAC internal data
Data through February 2024

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Exhibit 10: Monthly BAC aggregated card spending data at Horticultural and Landscaping Services (YoY and change vs 2019)

February 2024 spending rose 7.0% YoY and increased 102.7% vs. Feb 2019

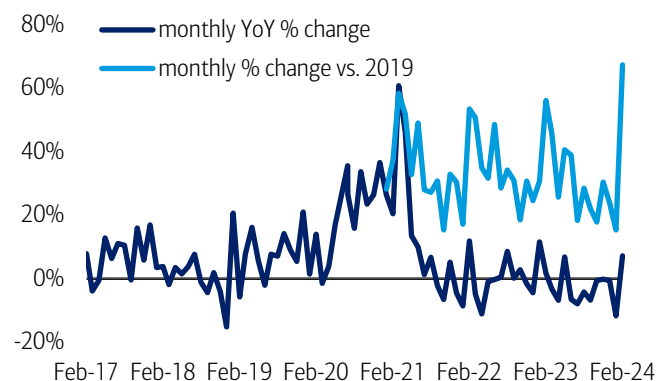


Source: BAC internal data
Data through February 2024

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Exhibit 11: Monthly BAC aggregated card spending data at concrete contractors (YoY and change vs 2019)

February 2024 spending rose 7.2% YoY and increased 67.3% vs. Feb 2019

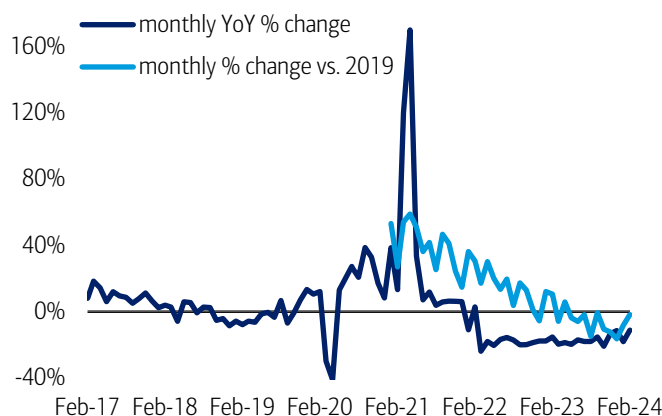


Source: BAC internal data
Data through February 2024

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Exhibit 12: Monthly BAC aggregated card spending data at mattress merchants and retailers (YoY and change vs 2019)

February 2024 spending fell (11.1%) YoY and (1.8%) vs. Feb 2019



Source: BAC internal data
Data through February 2024

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Exhibit 13: Data category and description

Merchants are categorized based on products/services they provide

Data category	Description
Home Improvement	Merchants that sell a wide range of home products and supplies
Housing-related services	Merchants/individual professionals that provide plumbing, flooring, painting, carpentry or other home-related services
Pool supplies	Merchants that serve residential, professional, and commercial consumers and provide chemicals, equipment, parts for in/above-ground pools and water testing/pool cleaning services
Building Materials, Lumber Stores	Merchants that sell lumber and other building materials, including building centers that offer their products to contractors rather than to the general public. Products for sale may include lumber, unfinished wood items, lighting materials, concrete, sand, gravel, general building or electrical supplies, bricks, fencing, pipe, fiberglass, and molding
Floor covering	Merchants that sell floor coverings such as carpeting, area rugs, floor tile, linoleum, stone, wood, and brick, and may or may not also perform installation services.
Horticultural and Landscaping Services	Landscape architects and other providers of landscape planning and design services. Also, merchants that offer a variety of lawn and garden services such as planting, fertilizing, mowing, mulching, seeding, spraying, and sod laying

Exhibit 13: Data category and description

Merchants are categorized based on products/services they provide

Data category	Description
General Contractors — Residential and Commercial	General contractors primarily engaged in the construction of residential and commercial buildings. Construction services may include new construction, remodeling, repair, additions, and alterations
Air Conditioning, Heating, and Plumbing Contractors	Special trade contractors that work with heating, plumbing, and air conditioning systems
Electrical Contractors	Special trade contractors that perform electrical work such as the installation of fire alarms, sound equipment, telecommunications equipment, and telephones and telephone equipment.
Insulation, Masonry, Plastering, Stonework, and Tile Setting Contractors	Special trade contractors that perform masonry work, stone setting and other stonework such as fireplace construction, tile setting, plain and ornamental plastering, and insulation installation. These merchants also may perform bricklaying, ceramic and marble work, mosaic work, acoustical work, and drywall construction.
Carpentry Contractors	Special trade contractors that perform carpentry work for construction projects such as cabinetwork, framing, trim and finish work, and window and door installation
Roofing and Siding, Sheet Metal Work Contractors	Special trade contractors that install roofing, siding and do sheet metal work, including architectural sheet metal work, ceilings and skylight installation, duct and gutter installation, and roof spraying, painting, or coating
Concrete Work Contractors	Special trade contractors that perform concrete, cement or asphalt work, construct private driveways and walks of all materials, pour concrete for foundations, perform grouting work, and construct concrete patios and sidewalks
Contractors, Special Trade (not elsewhere classified)	Special trade contractors that perform construction work not elsewhere classified. Examples include awning installation, bathtub refinishing, fence construction, fire escape installation, house moving, home window replacement, garage door installation, floor covering installation, ornamental metal work, swimming pool construction, glasswork, well drilling, wallpaper services, waterproofing, and construction welding
Mattress	Merchants and retailers that sell mattresses, pillows, and other bedding-related products

Source: BofA Global Research

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Methodology explained

Readers should be aware that although the BAC datasets utilized in our analysis represent a significant number of data points, they nevertheless present a degree of selection bias, including but not limited to income levels and geographies. In addition, the data is limited to debit and credit cards and does not include other payment methods such as cash or checks.

Data regarding merchants who receive payments are identified and classified by the Merchant Categorization Code (MCC) defined by financial services companies. The data are mapped using proprietary methods from the MCCs to the North American Industry Classification System (NAICS), which is also used by the Census Bureau, in order to classify spending data by subsector. Spending data may also be classified by other proprietary methods not using MCCs.

BAC data used in this report include spending from active US households only. Spending from corporate cards is excluded.

Additional information about the methodology used to aggregate the data is available upon request.



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