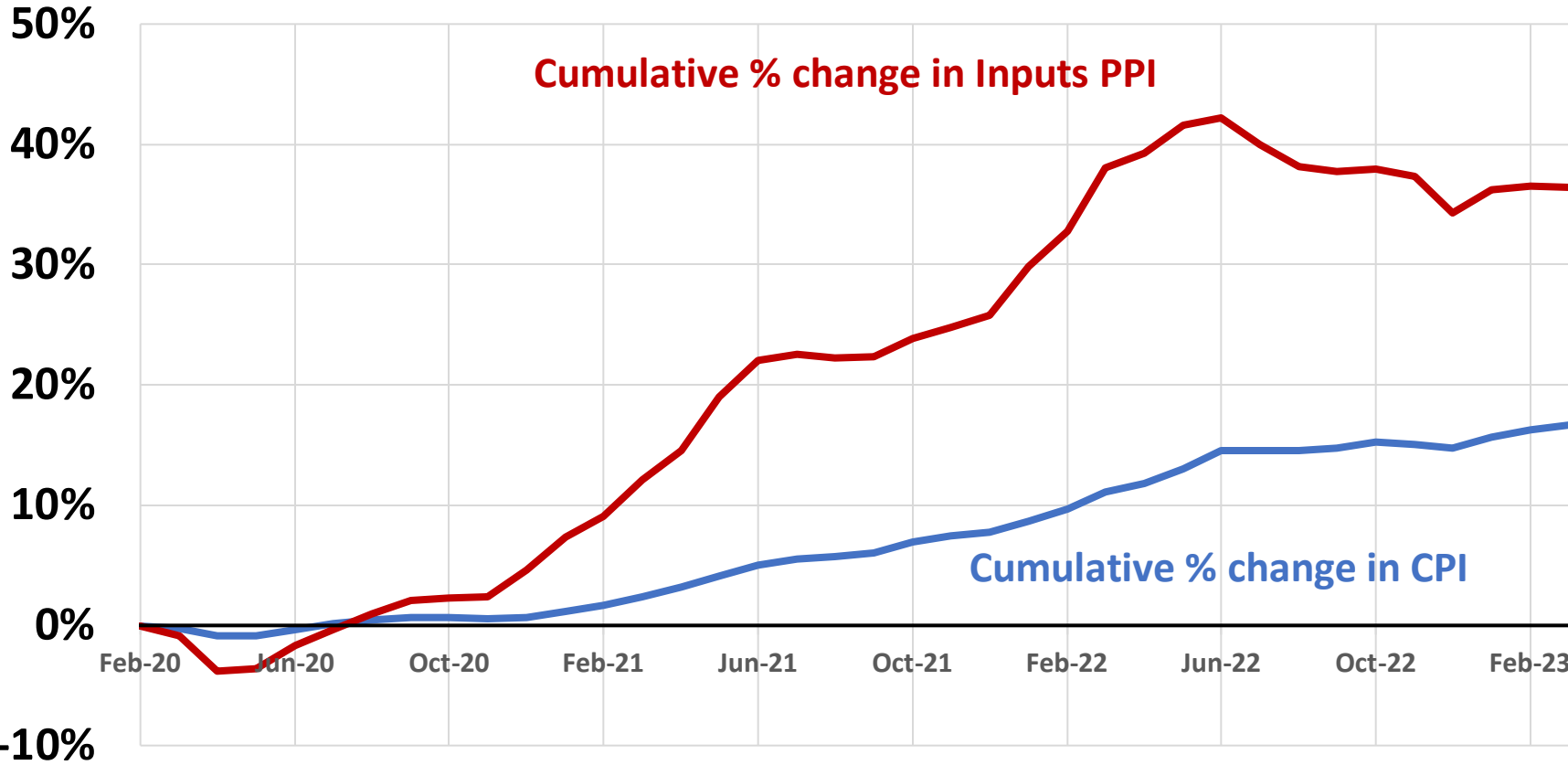


Costs for new nonresidential construction vs. consumer prices

Cumulative change in PPI for new nonresidential construction inputs and CPI

February 2020 – March 2023, not seasonally adjusted



% change to Mar. 2023 since:	Inputs PPI	CPI
Feb. 2020	36%	17%
Mar. 2022	-1.1%	5.0%
Feb. 2023	-0.1%	0.3%

1 | Source: Bureau of Labor Statistics, consumer price index, www.bls.gov/cpi; producer price index, www.bls.gov/ppi

Not all construction costs are cooling!



producer price indexes, 1 - & 12-mo. change (not seasonally adjusted)

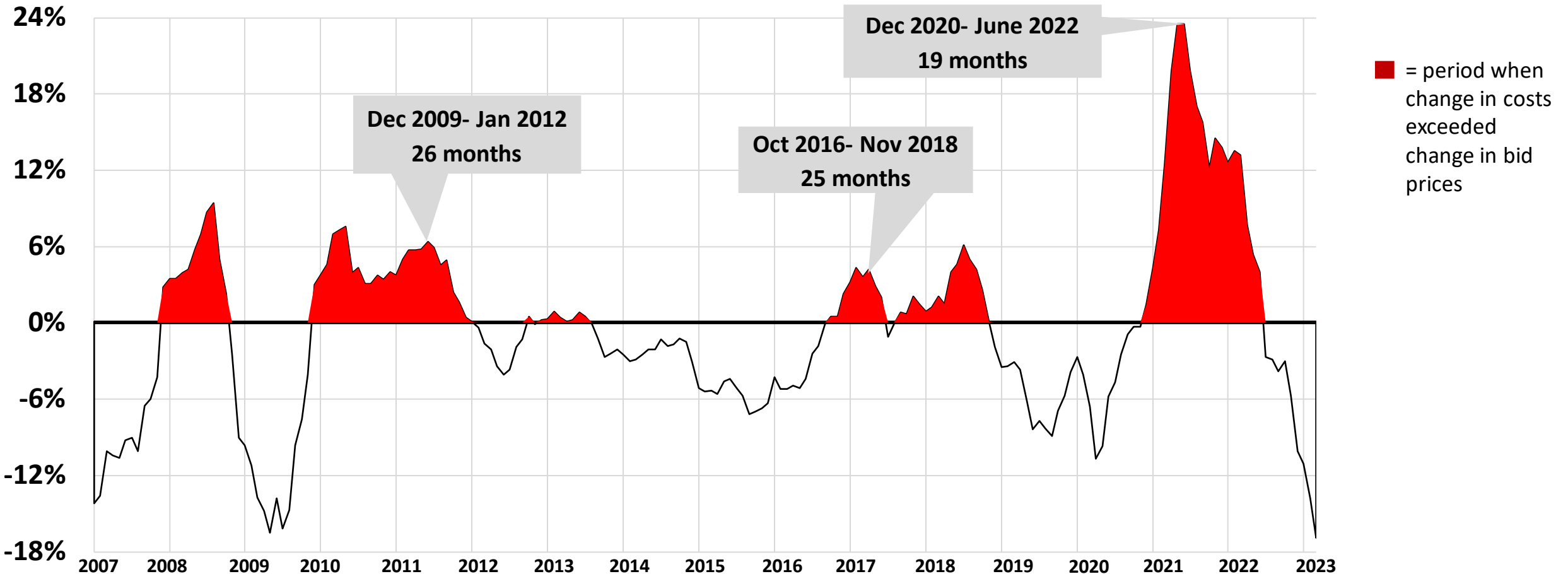
	Mar 2023 change from:	
	Feb 2023	Mar 2022
	(1 month)	(12 months)
Cement	0.3%	17.0%
Asphalt paving mixtures and blocks	-0.1%	14.1%
Flat glass	-0.1%	10.6%
Gypsum building products	-0.1%	11.8%
<u>Subcontractor price indexes, nonresidential building work</u>		
Roofing contractors	0.2%	19.5%
Plumbing contractors	0.8%	12.5%
Electrical contractors	0.1%	18.8%
Concrete contractors	0.1%	8.0%

Cost squeeze on contractors can reappear suddenly, last 2+ years

Difference between year-over-year change in materials costs vs. bid prices, Jan 2007-Mar 2023



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3 | Source: BLS, www.bls.gov/ppi, producer price indexes for goods inputs to nonresidential construction (material costs) and new school building construction (bid prices)