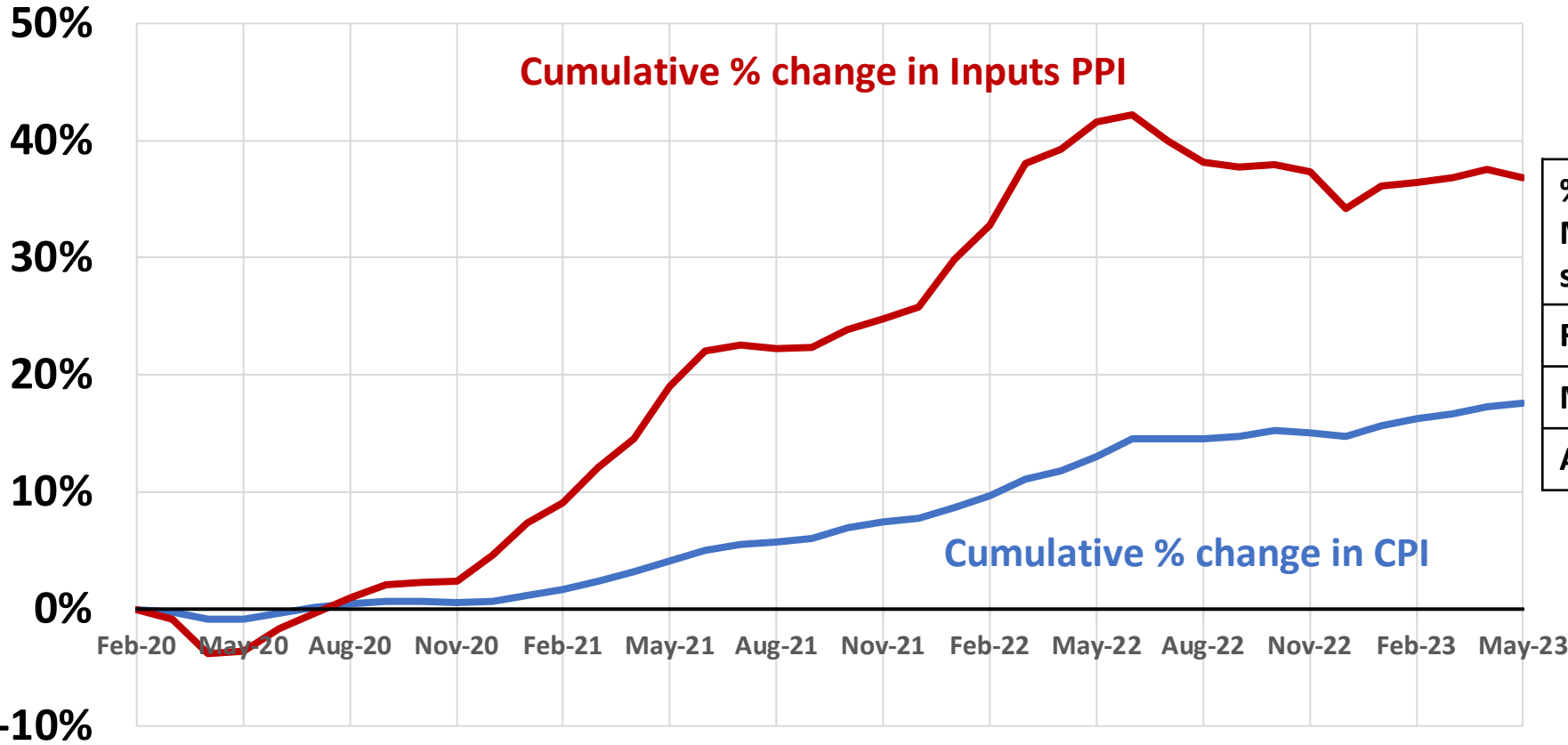


# Costs for new nonresidential construction vs. consumer prices

Cumulative change in PPI for new nonresidential construction inputs and CPI

February 2020 – May 2023, not seasonally adjusted



% change to May 2023 since:	Inputs PPI	CPI
Feb. 2020	37%	18%
May 2022	-3.4%	4.0%
Apr. 2023	-0.6%	0.3%

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

# Not all construction costs are cooling!



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

## May 2023 change from:

**Apr 2023**    **May 2022**  
**(1 month)**    **(12 months)**

Ready-mix concrete		1.1%	12.9%
Insulation materials		0.0%	8.1%
Steel mill products		5.2%	-18.9%
Construction machinery and equipment		0.1%	9.1%

## Subcontractor price indexes, nonresidential building work

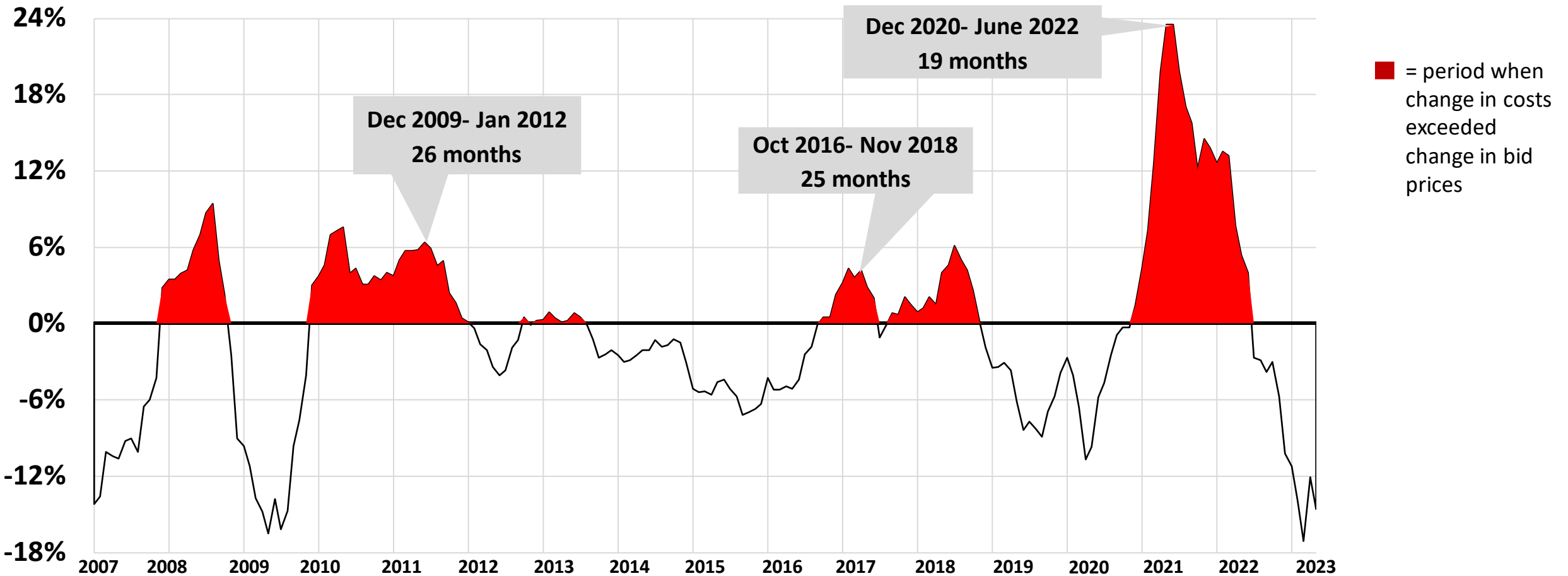
Roofing contractors		0.0%	18.5%
Electrical contractors		0.1%	11.2%
Plumbing contractors		0.9%	10.0%
Concrete contractors		-0.2%	3.6%

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

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



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