

War impacts likely to linger; 40 states add jobs in January; DMI slides in March, apart from centers

The announced ceasefire in the Middle East war has had little effect so far on **construction costs, supply chains, and investment decisions**. While crude-oil futures initially dropped 17%, they have partially rebounded. The national average retail price of diesel fuel was \$5.68 on Thursday, up \$2.07 (57%) from a year ago, AAA [reported](#) today. Few ships are moving through the Strait of Hormuz, and damage to oil, natural gas, and aluminum production and export facilities in Arab states will take months, if not years, to repair, leading to potential supply-chain problems for construction inputs. **Readers are invited to send relevant information to ken.simonson@agc.org.**

Seasonally adjusted **construction employment** rose from December to January in **40 states**, declined in nine states, and was flat in New Hampshire and the District of Columbia, according to AGC's [analysis](#) of BLS data [posted](#) on Wednesday. Illinois added the most construction jobs (13,500 jobs or 5.7%), followed by Texas (11,800, 1.3%) and Missouri (7,100, 4.6%). The largest percentage gain occurred in West Virginia (5.9%, 2,100 jobs), followed by Illinois and Missouri. Idaho had the largest number and percentage of construction job losses from December to January (-3,400, -4.4%). From January 2025 to January 2026, 38 states added construction jobs and D.C., 11 states shed jobs, and employment was flat in South Dakota. Texas added the most construction jobs (30,100 jobs or 3.4%), followed by Missouri (19,800, 13.9%) and Illinois (14,000, 5.9%). West Virginia had the largest percentage gain over 12 months (15.0%, 4,900 jobs), followed by Missouri. California lost the most jobs over 12 months (-15,400 jobs, -1.7%), followed by Florida (-8,800, -1.3%). The largest percentage loss was in Oregon, followed by Alaska (-3.1%, -600 jobs). (BLS reports combined mining, logging, and construction data for Hawaii, Maryland, and D.C.; AGC treats all jobs as construction.)

The Dodge Momentum Index (DMI)—“a monthly measure based on the three-month moving **value of nonresidential building projects going into planning**, shown to lead construction spending for nonresidential buildings by a full year to 18 months”—rose 1.8% in March from a downwardly revised February reading, Dodge Construction Network [reported](#) on Tuesday. Commercial planning rose 7.0%, while institutional planning fell 8.8%. “On the commercial side, planning momentum slowed across all commercial sectors apart from data centers. Institutional planning saw widespread weakness, with only education and public buildings moderately gaining traction. Despite recent declines, the DMI remains elevated. Year-over-year, the DMI was up 25.8% when compared to March 2025. The commercial segment was up 28.5% (-12.7% when data centers are removed) and the institutional segment was up 19.6% over the same period.”

“**Economic activity in the services sector** continued to expand in March” for the 21st month in a row, the Institute for Supply Management [reported](#) on Monday. **Construction respondents** were among 13 sectors (out of 18) reporting expansion, along with increases in prices paid (17 sectors), new orders (14), business activity (11), and employment (5), along with slower supplier deliveries (11), a decrease in inventories (4), and no change in order backlogs (6) or imports (6). **Items significant for construction reported up in price** include aluminum, asphalt shingles, copper (4 months in a row), electrical equipment, fuel (2), lumber (3), and steel. **No price declines** were reported. **Construction items reported in short supply** include electronic components (2), high voltage equipment (2), labor—skilled, and wire and cable.

“**Immigrants’ share of the construction workforce** reached a record high in 2024, with foreign-born workers accounting for more than a quarter of the industry’s labor force (26.3%),” the National Association of Home Builders [reported](#) on Monday, based on its analysis of the Census Bureau’s American Community Survey. The survey does not ask individuals about their legal status. “The share is even higher among construction trades, for which one in three craftsmen is foreign-born. In several states, reliance on foreign-born labor is especially pronounced: immigrants make up [42%] of the construction workforce in California, [41% in] Florida, 39% in Texas, and 38% in Nevada....The concentration of immigrants is particularly high [among] drywall and ceiling tile installers (57%), plasterers and stucco masons (56%), roofers (53%), painters (53%), and carpet, floor, and tile installers (51%). [As for the] two most prevalent construction occupations,...35% of carpenters and 43% of construction laborers are foreign-born....Because immigrant workers are disproportionately concentrated in construction trades, their presence among craftsmen exceeds their overall share of the industry in every state.”

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