Data DIGest

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AGC/NCCER Workforce Survey closes today; tariffs, war push up costs; AI drives warehouse demand

Contractor readers are invited to complete the **2026 AGC/NCCER Workforce Survey by 5 pm EDT today**. Results will be released the week of August 31.

Input prices for new nonresidential construction climbed 7.1% year-over-year (y/y) from July 2025 to July 2026, despite being unchanged from June, according to producer price index (PPI) data the Bureau of Labor Statistics posted on Thursday. AGC posted tables of construction-related PPIs. Prices used to calculate PPIs are collected on the 13th of each month. Strong global demand and tight supplies resulting from the Middle East conflicts drove the PPI for diesel fuel up 44% y/y and liquid asphalt up 45%. **Tariffs of up to 50%** imposed a year ago have pushed up metals and lumber prices. PPIs jumped 40% y/y for aluminum mill shapes; steel mill products, 22%; copper and brass mill shapes, 18%; and lumber and plywood, 9.9%. Readers are invited to send ken.simonson@agc.org information about project timing, materials price changes, and supply chains and to view AGC's Tariff Resource Center for up-to-date, detailed news about relevant tariffs.

"The race to build artificial-intelligence infrastructure is fueling **demand for new warehouses**," the Wall Street Journal reported on Thursday. "Warehouse developer and operator Link Logistics said 15% of new leasing so far this year is tied to the data-center buildout, up sharply from a year earlier. Luke Petherbridge, chief executive…, said tenants include companies assembling and supplying components such as turbines, generators and switchgear. 'Some of it is supporting the data centers, and some of it is building all the component parts that go into these very, very expensive buildings,' he said in an interview.…Petherbridge said that while some data centers are being built in more rural locations, suppliers are often looking for space closer to population centers to be able to staff their buildings. 'They don't need to be next to the data center. They need to be around where their labor pool is, where they build the things, then…ship them off,' he said."

Year-to-date (YTD) in January through June, "33 **states** and the District of Columbia recorded increases in **multifamily building permits**, while 17 states experienced declines," compared to the same months of 2025, the National Association of Home Builders (NAHB) reported today. "The District of Columbia posted the largest percentage increase, with multifamily permits rising [138%,] from 469 to 1,114 units. In contrast, Nevada recorded the steepest decline, with permits falling [51%], from 3,866 to 1,888 units.…California, which issued the most multifamily permits, posted a [26%] increase. Texas, the second-highest state, recorded a [24%] decline, while Florida, ranking third, saw multifamily permits decrease by" 41%. Of the six **metro area**s with the most **multifamily permits** YTD, five experienced increases: New York-Newark-Jersey City, 23,852 permits, up 63% YTD; Dallas-Fort Worth-Arlington, 12,420, down 6%; Los Angeles-Long Beach-Anaheim, 11,937 permits, up 80%; Washington-Arlington-Alexandria, D.C.-Va.-Md.-W. Va, 7,793, up 130%; and Atlanta-Sandy Springs-Roswell, 6,835, up 30%.

"For the ninth consecutive year, a majority of new **multifamily units** [completed in 2025 was] **in buildings with 50 or more units** (labeled as high-density buildings) at 57%, the highest share since 2021," NAHB reported on July 27. The number of completions of both high- and low-density buildings declined from 2023 but the total for high-density buildings was nevertheless the second-highest in series history, dating back to 1972. "As a share of regional completions, units in high-density buildings reached a new high in the Northeast at 73% [58,000 vs. 21,000 low-medium density units]. In the South, this share was up from 50% in 2024 to 56% [122,000 vs. 95,000] in 2025. The West saw a similar rise, from 50% to 58% [74,000 vs. 53,000] in 2025. The Midwest was the only region where this share declined, from 67% in 2024 to just 40% [25,000 vs. 38,000] of completions in 2025.

"**Economic activity in the services sector** continued to expand in July" for the 25th month in a row, the Institute for Supply Management reported on August 3. Out of 18 sectors total, construction respondents were among 17 reporting increases in prices paid, business activity (13) and employment (10), along with slower supplier deliveries (14), new orders (4) and decreases in order backlogs (7) and inventories (4). **Items** significant for construction **reported up in price** include diesel fuel and aluminum (5 months in a row each but also **reported down in price**); aluminum products; copper (8 months but also reported down in price); fiberglass insulation; heating, ventilation, and air conditioning equipment (3); steel; steel products (4); switchgear; transformers; and transportation (5). Construction-related **items reported in short supply** include aluminum products; steel products (2); switchgear and wire and cable (2).