



## Changes in Construction Materials Prices, 2001-2010

From early 2004 until mid-2008, the construction industry was jolted by a succession of steep price increases affecting a variety of materials. Many prices have now reversed direction. The attached tables document these changes, using producer price indexes (PPIs) from the Bureau of Labor Statistics (BLS) for specific construction segments, inputs and building types. Changes are compared to changes in the consumer price index for all urban consumers (CPI-U) and the PPI for finished goods.

### **Background on PPIs**

Each row shows the BLS series identifier and name for a PPI (or CPI), and two groups of percentage changes. The first group shows the 12-month percentage change for the years ending December 2003-09. The second group shows preliminary price changes in the latest month from 1, 3 and 12 months before, and from December 2003, when construction costs first spiked. Percentages are downloaded for PPIs from BLS' PPI website, [www.bls.gov/ppi](http://www.bls.gov/ppi), at the page for "PPI Databases--One-Screen Data Search." Most of the PPIs are commodity indexes. There are also two types of industry PPIs. One type measures the finished cost of new buildings or subcontractors' work, including labor, overhead and profit, as well as materials. The other measures the cost of inputs for six construction segments. (Email [simonsonk@agc.org](mailto:simonsonk@agc.org) for BLS tables showing the weights for each input.)

To provide consistency, "not seasonally adjusted" indexes have been selected for all items. For many items, BLS does not