

A Closer Look at Construction Material Costs On the Rise

Industry trade association Associated General Contractors of America (AGC), which analysed the data, said the increase was driven largely by steel pricing but noted upward pressure across other categories, including concrete products, insulation, and subcontractor services.

Aluminium mill product prices rose 8.8% year-over-year, despite a 3.6% decline in May. Steel was the largest single contributor to May's increase, with mill product prices up more than 7% month-over-month.

AGC's chief economist, Ken Simonson, called the trend "alarming". He noted the price hikes came before the impact

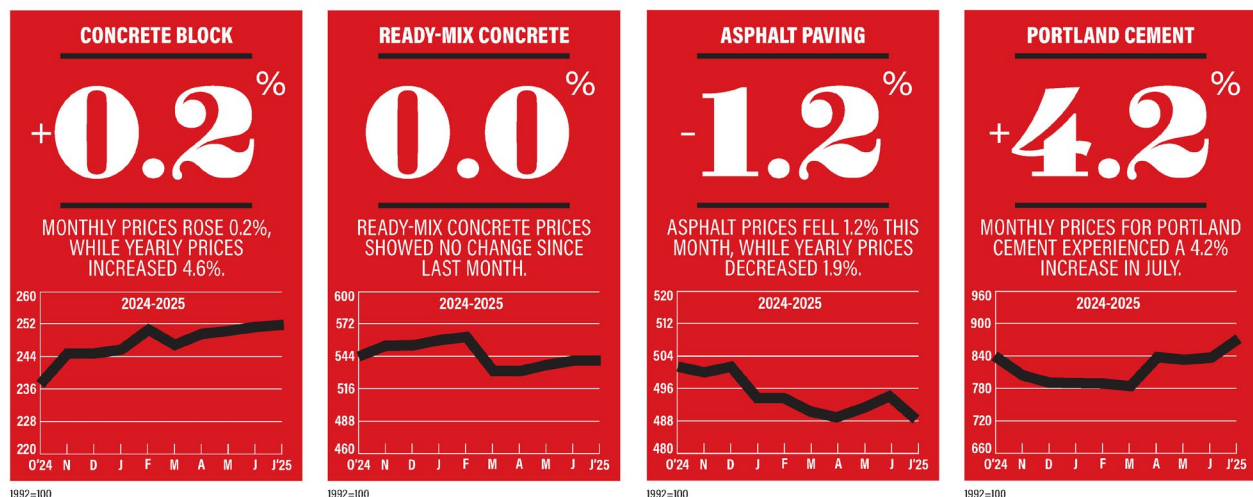
of June's tariff hike – which raised duties on certain steel and aluminum imports from 25% to 50% – and broader inflation was already gaining momentum.

"The acceleration in the year-over-year rate of increase is alarming, given that most of the tariffs announced so far were not in effect when these prices were collected on May 11," Simonson said. "It is likely that contractors will be hit with substantial additional price increases shortly, unless the tariffs are postponed or rolled back." "25 that it "has implemented a 7% tariff surcharge," effective today.

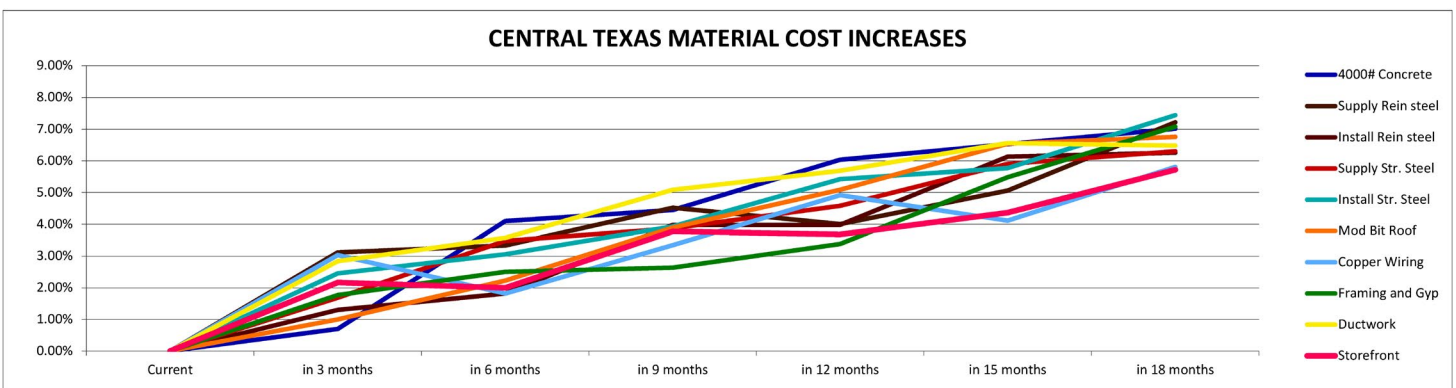
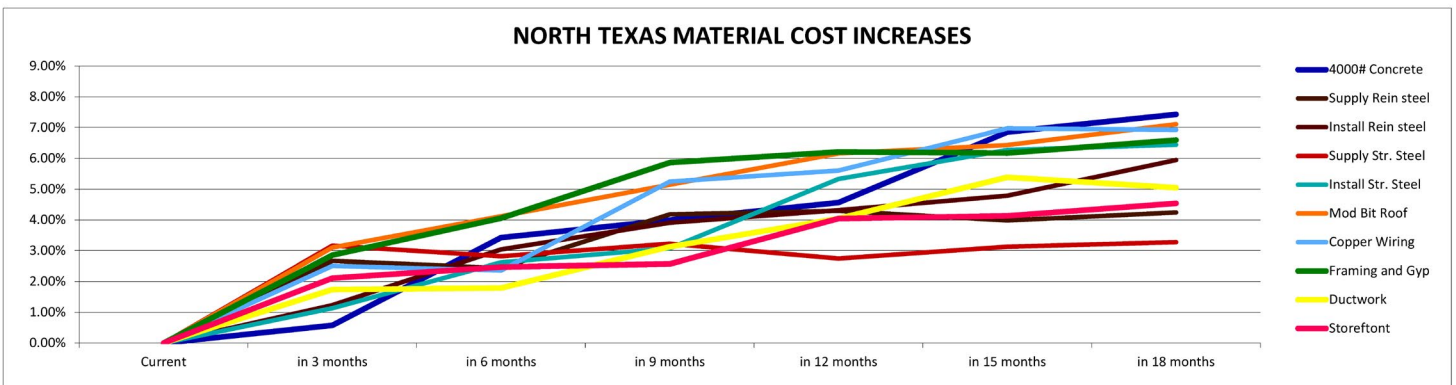
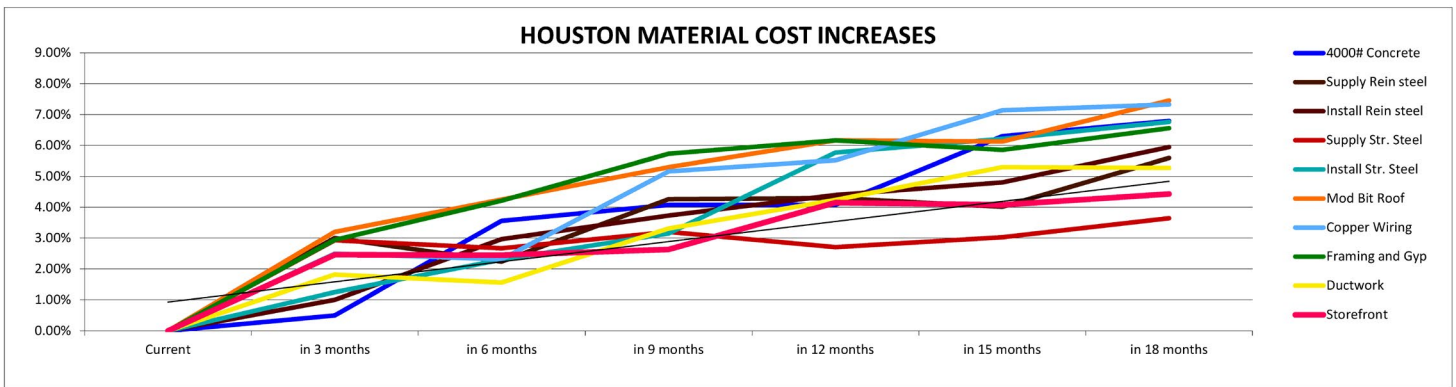
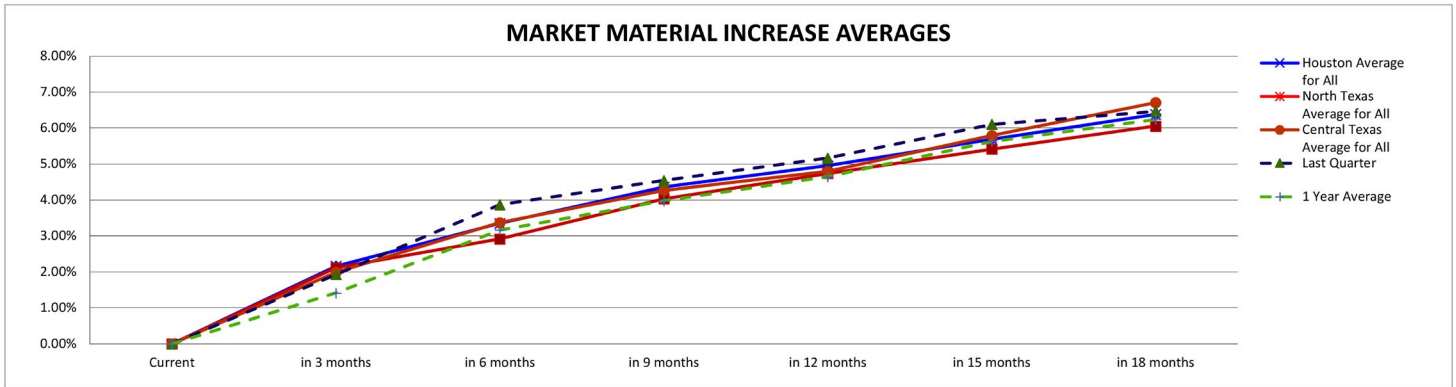
[Source and Hyperlink:](#)

[KHL Group: Construction Briefing - 13 June 2025](#)

ENR's Materials Prices For July 2025



Forecast Data



CONSTRUCTION ECONOMICS

ENR's 20-city average cost indexes, wages and materials prices.
Historical data for ENR's 20 cities can be found at [ENR.com/economics](https://enr.com/economics)

Construction Cost Index

+2.5%

ANNUAL INFLATION RATE

JULY 2025

1913=100	INDEX VALUE	MONTH	YEAR
CONSTRUCTION COST	13892.84	+0.2%	+2.5%
COMMON LABOR	26230.13	+0.1%	+3.1%
WAGE \$/HR.	49.84	+0.1%	+3.1%

The Construction Cost Index annual escalation rose 2.5%, while the monthly component increased 0.2%.

Building Cost Index

+3.0%

ANNUAL INFLATION RATE

JULY 2025

1913=100	INDEX VALUE	MONTH	YEAR
BUILDING COST	8577.82	+0.2%	+3.0%
SKILLED LABOR	12266.76	0.0%	+4.8%
WAGE \$/HR.	68.08	0.0%	+4.8%

The Building Cost Index was up 3% on an annual basis, while the monthly component rose 0.2%.

Materials Cost Index

+0.4%

MONTHLY INFLATION RATE

JULY 2025

1913=100	INDEX VALUE	MONTH	YEAR
MATERIALS COST	6331.27	+0.4%	+0.8%
CEMENT \$/TON	290.81	+0.5%	+15.3%
STEEL \$/CWT	119.71	+1.1%	+10.9%
LUMBER \$/MBF	807.75	+1.4%	-18.0%

The Materials Cost Index rose 0.4%, while the annual escalation rate increased 0.8%.

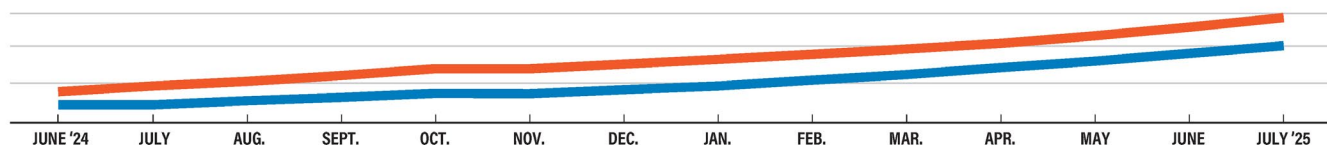
Inflation's Pulse Year-to-year and monthly percent changes for ENR's cost indexes

ANNUAL

CONSTRUCTION COST INDEX BUILDING COST INDEX

+2.5%
CCI

+3.0%
BCI

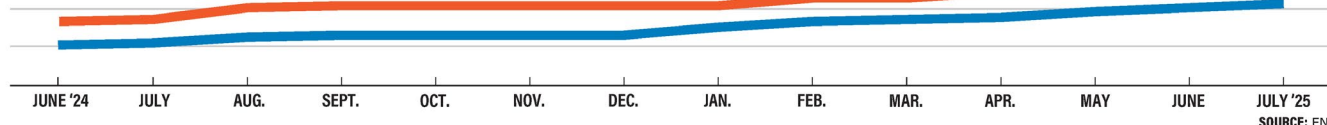


MONTHLY

CONSTRUCTION COST INDEX BUILDING COST INDEX

+0.2%
CCI

+0.2%
BCI

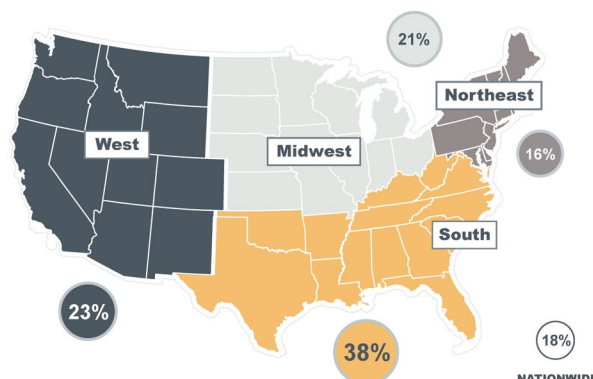


SOURCE: ENR

Source and Hyperlink: [ENR's Construction Economics](https://enr.com/economics)

After a five-year run of more than 40% cumulative growth, FMI's latest forecast shows construction put-in-place spending increasing just 2% year over year.

Despite ongoing recessionary forces in the broader U.S. economy in 2025, FMI anticipates that construction spending will continue to expand, though at a much more moderate pace over the forecast period. Still, following such strong historical growth, 2% (against potential increases in inflation) may not feel like growth. This underscores the importance of navigating this shift in market dynamics with a deeper understanding of how target clients and competitors in your addressable market are likely to react.



Source and Hyperlink: [FMI 2025 North American Engineering and Construction Outlook, Second Quarter](https://fmi.com/forecast)

Supply Reinforcing Steel \$\$/TON						
	HTX		NTX		CTX	
TIMEFRAME	\$/Ton	Delta	\$/Ton	Delta	\$/Ton	Delta
Current	\$1,210	0.00%	\$1,164	0.00%	\$1,192	0.00%
in 3 months	\$1,246	3.00%	\$1,195	2.67%	\$1,229	3.12%
in 6 months	\$1,237	2.24%	\$1,192	2.43%	\$1,232	3.33%
in 9 months	\$1,261	4.26%	\$1,213	4.18%	\$1,246	4.52%
in 12 months	\$1,262	4.30%	\$1,214	4.29%	\$1,240	4.01%
in 15 months	\$1,259	4.02%	\$1,210	3.98%	\$1,252	5.06%
in 18 months	\$1,278	5.60%	\$1,214	4.24%	\$1,278	7.22%

Install Reinforcing Steel \$\$/TON						
	HTX		NTX		CTX	
TIMEFRAME	\$/Ton	Delta	\$/Ton	Delta	\$/Ton	Delta
Current	\$490	0.00%	\$517	0.00%	\$511	0.00%
in 3 months	\$495	3.00%	\$523	1.23%	\$518	1.30%
in 6 months	\$505	2.24%	\$533	3.04%	\$521	1.81%
in 9 months	\$508	4.26%	\$537	3.91%	\$532	3.98%
in 12 months	\$512	4.30%	\$539	4.32%	\$532	3.98%
in 15 months	\$514	4.02%	\$542	4.79%	\$543	6.13%
in 18 months	\$519	5.60%	\$548	5.95%	\$543	6.26%

Supply Structural Steel \$\$/TON						
	HTX		NTX		CTX	
TIMEFRAME	\$/Ton	Delta	\$/Ton	Delta	\$/Ton	Delta
Current	\$3,953	0.00%	\$4,356	0.00%	\$4,288	0.00%
in 3 months	\$4,069	2.93%	\$4,494	3.17%	\$4,360	1.68%
in 6 months	\$4,058	2.67%	\$4,479	2.82%	\$4,437	3.47%
in 9 months	\$4,079	3.20%	\$4,496	3.22%	\$4,455	3.88%
in 12 months	\$4,060	2.71%	\$4,476	2.74%	\$4,485	4.59%
in 15 months	\$4,072	3.02%	\$4,492	3.13%	\$4,541	5.90%
in 18 months	\$4,097	3.65%	\$4,499	3.28%	\$4,559	6.30%

Erection of Structural Steel \$\$/TON						
	HTX		NTX		CTX	
TIMEFRAME	\$/Ton	Delta	\$/Ton	Delta	\$/Ton	Delta
Current	\$1,801	0.00%	\$2,163	0.00%	\$1,728	0.00%
in 3 months	\$1,824	1.25%	\$2,188	1.14%	\$1,770	2.45%
in 6 months	\$1,843	2.31%	\$2,220	2.62%	\$1,780	3.05%
in 9 months	\$1,858	3.15%	\$2,230	3.08%	\$1,796	3.93%
in 12 months	\$1,905	5.76%	\$2,279	5.34%	\$1,822	5.43%
in 15 months	\$1,913	6.21%	\$2,299	6.27%	\$1,828	5.77%
in 18 months	\$1,923	6.76%	\$2,303	6.45%	\$1,856	7.44%

Copper Wire \$\$/LB						
	HTX		NTX		CTX	
TIMEFRAME	\$/LB	Delta	\$/LB	Delta	\$/LB	Delta
Current	\$4.90	0.00%	\$5.32	0.00%	\$4.84	0.00%
in 3 months	\$5.02	2.50%	\$5.45	2.51%	\$4.98	3.03%
in 6 months	\$5.01	2.31%	\$5.45	2.36%	\$4.92	1.81%
in 9 months	\$5.15	5.16%	\$5.60	5.25%	\$5.00	3.35%
in 12 months	\$5.17	5.53%	\$5.62	5.60%	\$5.07	4.92%
in 15 months	\$5.25	7.14%	\$5.69	6.97%	\$5.03	4.12%
in 18 months	\$5.26	7.33%	\$5.69	6.93%	\$5.12	5.81%

Frame and Gyp \$\$/SF						
	HTX*		NTX		CTX	
TIMEFRAME	\$/SF	Delta	\$/SF	Delta	\$/SF	Delta
Current	\$9.47	0.00%	\$7.03	0.00%	\$7.21	0.00%
in 3 months	\$9.75	2.95%	\$7.23	2.86%	\$7.33	1.76%
in 6 months	\$9.87	4.22%	\$7.31	4.06%	\$7.39	2.50%
in 9 months	\$10.02	5.73%	\$7.44	5.87%	\$7.40	2.64%
in 12 months	\$10.06	6.16%	\$7.46	6.21%	\$7.45	3.38%
in 15 months	\$10.03	5.86%	\$7.46	6.18%	\$7.60	5.49%
in 18 months	\$10.09	6.56%	\$7.49	6.60%	\$7.72	7.08%
* HTX Price Includes Tape and Float						

Mod Bit Roofing* \$\$/SF						
	HTX		NTX		CTX	
TIMEFRAME	\$/SF	Delta	\$/SF	Delta	\$/SF	Delta
Current	\$22.89	0.00%	\$24.00	0.00%	\$24.91	0.00%
in 3 months	\$23.62	3.20%	\$24.75	3.10%	\$25.16	1.00%
in 6 months	\$23.86	4.25%	\$24.99	4.12%	\$25.47	2.23%
in 9 months	\$24.10	5.30%	\$25.24	5.15%	\$25.88	3.89%
in 12 months	\$24.30	6.16%	\$25.48	6.17%	\$26.18	5.09%
in 15 months	\$24.29	6.13%	\$25.55	6.44%	\$26.54	6.54%
in 18 months	\$24.59	7.46%	\$25.71	7.11%	\$26.60	6.76%
* 20,000 SF Roof with 4-inch ISO						

Ductwork \$\$/LB						
	HTX		NTX		CTX	
TIMEFRAME	\$/LB	Delta	\$/LB	Delta	\$/LB	Delta
Current	\$10.12	0.00%	\$8.59	0.00%	\$9.86	0.00%
in 3 months	\$10.31	1.82%	\$8.73	1.74%	\$10.14	2.83%
in 6 months	\$10.28	1.56%	\$8.74	1.79%	\$10.21	3.57%
in 9 months	\$10.46	3.32%	\$8.85	3.13%	\$10.36	5.09%
in 12 months	\$10.55	4.24%	\$8.93	4.04%	\$10.42	5.69%
in 15 months	\$10.66	5.30%	\$9.05	5.39%	\$10.51	6.56%
in 18 months	\$10.66	5.28%	\$9.02	5.05%	\$10.50	6.48%

4000# Concrete \$\$/CY						
	HTX		NTX		CTX	
TIMEFRAME	\$/CY	Delta	\$/CY	Delta	\$/CY	Delta
Current	\$146.04	0.00%	\$175.00	0.00%	\$165.50	0.00%
in 3 months	\$146.77	0.50%	\$176.00	0.57%	\$166.66	0.70%
in 6 months	\$151.24	3.55%	\$181.00	3.43%	\$172.28	4.10%
in 9 months	\$152.01	4.08%	\$182.00	4.00%	\$172.86	4.45%
in 12 months	\$152.01	4.08%	\$183.00	4.57%	\$175.50	6.04%
in 15 months	\$155.25	6.30%	\$187.00	6.86%	\$176.31	6.53%
in 18 months	\$155.97	6.79%	\$188.00	7.43%	\$177.11	7.02%

Curtainwall \$\$/SF						
	HTX		NTX		CTX	
TIMEFRAME	\$/SF	Delta	\$/SF	Delta	\$/SF	Delta
Current	\$97.90	0.00%	\$101.46	0.00%	\$101.00	0.00%
in 3 months	\$100.31	2.46%	\$103.60	2.11%	\$103.18	2.16%
in 6 months	\$100.30	2.45%	\$103.97	2.48%	\$103.02	2.00%
in 9 months	\$100.48	2.63%	\$104.07	2.57%	\$106.91	3.77%
in 12 months	\$101.97	4.16%	\$105.56	4.04%	\$104.72	3.68%
in 15 months	\$101.90	4.08%	\$105.66	4.13%	\$105.40	4.36%
in 18 months	\$102.24	4.43%	\$106.07	4.54%	\$106.78	5.72%

Inflation Expected to Rise in June as Tariffs Drive Prices

US consumer prices are expected to have risen in June, potentially marking the beginning of a tariff-induced inflation increase. The Consumer Price Index is forecast to increase 0.3% for the month, with core CPI rising 0.3% and 3% year over year. Economists anticipate that inflationary pressures will build as businesses deplete pre-tariff inventories, with significant effects likely in the

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Source and Hyperlink:
[CNBC Economy, Jeff Cox, July 14, 2025](#)

The information provided in Linbeck's Quarterly Construction Market Forecast and Subcontractor/Supply Chain Pulse is gathered from numerous local and national suppliers every quarter to provide our clients with up-to-date market news.