



Construction Economics

July 06, 2009

A weekly price update for four key construction materials and comments on recent trends. Includes links to in-depth analysis from ENR's Quarterly Cost Reports.

- ❖ Week one has prices for 21 products covering asphalt, cement, aggregates, concrete, brick, concrete block and mason's lime.
- ❖ Week two has prices for 20 pipe products covering reinforced concrete pipe, corrugated steel pipe, vitrified clay pipe, PE underdrain, PVC sewer and water pipe, ductile iron pipe and copper water tubing.
- ❖ Week three has prices for 18 products covering lumber, plywood, plyform, particle board, gypsum wallboard and insulation.
- ❖ Week four has prices for 16 products covering structural steel, reinforcing bar, steel plate, metal lath, aluminum sheet, stainless steel sheet and plate and H-piles.

Cost Indexes



Construction Cost Index

Inflation rolled back 1.5% as this month's modest decline was overpowered by July 2008's 1.3% gain.

20-CITY: 1913=100	JULY 2009 INDEX VALUE	% CHG. MONTH	% CHG. YEAR
CONSTRUCTION COST	8566.14	-0.1	+3.3
COMMON LABOR	18201.18	0.0	+5.6
WAGE \$/HR.	34.58	0.0	+5.6

Building Cost Index

July's 0.2% decline in the BCI compares to a 1.8% increase in July 2008, dropping annual inflation to 0.8%.



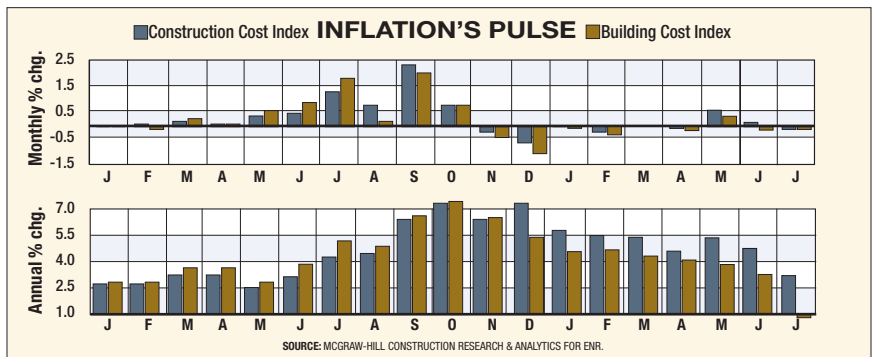
20-CITY: 1913=100	JULY 2009 INDEX VALUE	% CHG. MONTH	% CHG. YEAR
BUILDING COST	4761.54	-0.2	+0.8
SKILLED LABOR	8199.67	+0.1	+4.5
WAGE \$/HR.	45.51	+0.1	+4.5



Materials Cost Index

Steel prices fell for the fourth consecutive month, helping to pull the MCI 1.4% below last year's level.

20-CITY: 1913=100	JULY 2009 INDEX VALUE	% CHG. MONTH	% CHG. YEAR
MATERIALS	2660.80	-0.7	-1.4
CEMENT \$/TON	101.33	+0.5	+1.0
STEEL \$/CWT	43.51	-1.2	-0.7
LUMBER \$/MBF	411.43	0.0	-3.6



Index Review

Base Year	CONSTRUCTION COST		BUILDING COST		SKILLED WAGES		COMMON WAGES		
	1913	1967	1913	1967	1913	1967	1913	1967	
2008	March	8109.00	754.91	4570.70	676.55	7795.74	781.40	17096.97	838.30
	April	8112.45r	755.23r	4574.15r	677.06r	7795.74r	781.40r	17096.97r	838.30r
	May	8140.61	757.86	4599.19	680.76	7818.08	783.64	17127.50	839.80
	June	8184.94	761.98	4639.93	686.79	7818.08	783.64	17136.97	840.26
	July	8293.05	772.05	4722.80	699.06	7846.19	786.46	17231.45	844.90
	August	8361.74	778.44	4733.44	700.63	7860.96	787.94	17398.95	853.11
	September	8556.72	796.59	4827.09	714.50	7974.83	799.36	17779.34	871.76
	October	8623.22	802.78	4867.29	720.45	8102.76	812.18	17976.32	881.42
	November	8602.45	800.85	4847.39	717.50	8105.08	812.41	17976.32	881.42
	December	8551.32	796.09	4796.96	710.04	8106.88	812.59	17976.32	881.42
	2008 AVERAGE	8309.99	773.62	4690.97	694.35	7901.32	791.99	17414.83	853.89
2009	January	8549.06	795.88	4781.72	707.78	8112.22	813.13	18015.79	883.35
	February	8532.73	794.36	4765.39	705.36	8112.22	813.13	18015.79	883.35
	March	8534.05	794.48	4766.71	705.56	8112.22	813.13	18015.79	883.35
	April	8528.39	793.96	4761.05	704.72	8112.22	813.13	18015.79	883.35
	May	8573.87	798.19	4773.48	706.56	8171.23	819.04	18161.71	890.51
	June	8578.28	798.60	4770.53	706.12	8191.35	821.06	18201.18	892.45
	July	8566.14	797.47	4761.54	704.79	8199.67	821.89	18201.18	892.45

Asphalt, Cement, Aggregate, Concrete, Brick, Block, Lime

ITEM	UNIT	ATLANTA	BALTIMORE	BIRMINGHAM	BOSTON	CHICAGO	CINCINNATI	CLEVELAND	DALLAS	DENVER	DETROIT	KANSAS CITY
ASPHALT												
Paving, PG 58	ton	+244.90	+386.00	225.00	342.00	248.54	+443.75	385.00	+248.75	217.00	405.00	410.00
Cutback, MC800	ton	+303.18	—	327.76	383.70	278.00	—	405.00	+308.80	244.20	420.00	450.00
Emulsion, RAPID SET	ton	+253.00	—	327.76	376.10	281.57	—	280.00	+271.45	227.57	238.00	400.00
SLOW SET	ton	+257.19	—	337.40	374.20	274.25	—	270.00	+275.00	230.04	232.00	400.00
PORTLAND CEMENT												
Type one	ton	95.20	145.00	118.00	88.76	99.20	92.50	99.80	93.07	95.38	107.90	103.50
MASONRY CEMENT												
70-lb bag	bag	8.85	8.00	5.60	7.25	7.30	8.35	6.30	8.32	8.05	5.88	8.15
GRAVEL												
1 1/2" down to 3/4"	ton	9.95	—	—	12.80	6.93	16.25	10.80	12.52	10.85	+8.80	—
3/4" down to 3/8"	ton	7.80	—	13.80	12.80	6.27	-12.75	10.50	12.44	11.05	+9.28	—
CRUSHED STONE												
Base course	ton	10.38	15.35	8.00	9.18	6.25	13.50	8.75	12.00	10.00	+4.98	9.45
Concrete course	ton	8.00	13.65	8.00	8.24	6.15	—	9.50	11.89	9.35	6.22	15.55
Asphalt course	ton	8.35	13.65	8.00	8.72	6.22	—	9.50	13.80	10.70	8.00	13.55
SAND												
Concrete	ton	8.00	14.10	9.50	9.80	6.35	4.50	10.35	10.30	8.20	5.20	8.65
Masonry	ton	8.55	15.75	9.50	12.72	7.42	9.90	10.35	12.76	9.53	5.70	9.60
CONCRETE READY-MIX												
3,000 psi	cy	87.85	108.00	105.00	98.35	92.20	85.00	89.00	96.70	85.70	95.00	84.00
4,000 psi	cy	90.53	114.00	110.00	101.00	97.00	88.00	95.50	99.45	93.85	102.00	85.00
5,000 psi	cy	99.39	120.00	+116.00	106.04	105.10	94.00	115.00	102.00	97.00	124.00	89.00
STANDARD MODULAR BRICK												
	M	305.00	400.00	330.00	415.05	325.85	300.00	400.00	305.00	305.25	325.00	420.00
CONCRETE BLOCK												
Normal-weight: 8" x 8" x 16"	C	117.20	+200.00	90.00	145.00	134.40	131.00	128.00	137.00	131.54	129.00	163.00
Lightweight: 8" x 8" x 16"	C	153.00	+210.00	99.00	145.00	138.00	175.00	195.00	138.20	133.77	130.00	194.00
12" x 8" x 16"	C	164.10	+288.00	145.00	185.00	162.25	205.00	179.00	154.00	155.40	170.00	150.00
MASONS LIME												
	ton	161.08	290.50	—	194.58	195.00	297.50	268.00	192.70	186.00	164.00	—

+ or - denotes price has risen or fallen since previous report; — not available. Monthly market quotations by ENR field reporters as of June 26, 2009. All prices are spot prices from a single source. Quotes are delivered prices for portland and masonry cement, concrete block and ready-mix concrete. Prices for gravel, crushed stone and sand are FOB plant. Other prices are quoted FOB city unless noted. Some prices may include taxes or discounts for prompt payment, etc. Further product specifications include rapid-set emulsion, CRS2; slow-set emulsion, (continued on p. 22)

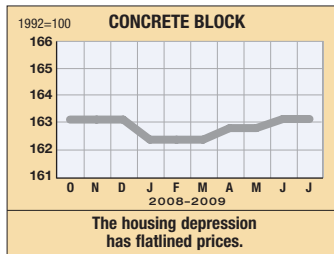
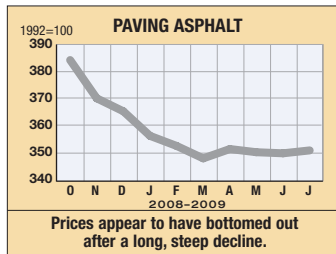
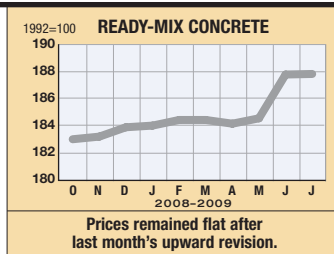
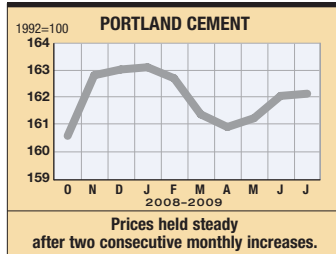
Concrete Prices Start to Soften

Concrete prices are starting to soften, but recent declines are modest compared to the sharp declines in demand in the housing market. In May, the Bureau of Labor Statistics' producer price index for ready-mix concrete slipped 0.1%, the fourth consecutive monthly drop, which combined for a 1.9% decline in

prices. Despite the recent cuts, the ready-mix concrete PPI remains 2.7% above May 2008's level. The PPI for cement dropped 1.3% in February before bouncing back 0.8% between March and April. However, that rebound was rolled back 0.4% in May, leaving the cement PPI just 0.4% above last year's level.



ENR's Materials Price Indexes



SOURCE: MCGRAW-HILL CONSTRUCTION RESEARCH & ANALYTICS/ENR.

20-City Average

ITEM	UNIT	PRICE	% CHG. MO.	% CHG. YEAR
ASPHALT PAVING				
PG 58	ton	311.52	+0.3	-0.3
Cutback, MC800	ton	352.64	+0.1	+8.5
Emulsion, RAPID SET	ton	308.93	+0.1	+4.2
SLOW SET	ton	297.82	+0.1	+3.7
PORTLAND CEMENT				
Type one	ton	101.38	0.0	+1.0
MASONRY CEMENT				
70-lb bag	bag	7.47	+0.1	+3.0
GRAVEL				
1 1/2" down to 3/4"	ton	10.45	-0.4	+3.1
3/4" down to 3/8"	ton	10.58	-0.5	+2.9
CRUSHED STONE				
Base course	ton	9.87	+0.1	+5.4
Concrete course	ton	10.08	0.0	+4.0
Asphalt course	ton	10.28	0.0	+3.5
SAND				
Concrete	ton	8.63	0.0	-1.0
Masonry	ton	9.73	0.0	-0.4
CONCRETE READY-MIX				
3,000 psi	cy	94.63	0.0	+4.0
4,000 psi	cy	99.87	0.0	+5.5
5,000 psi	cy	107.66	0.0	+8.1
STANDARD MODULAR BRICK				
CONCRETE BLOCK				
Normal-weight: 8" x 8" x 16"	C	133.42	+2.7	+2.4
Lightweight: 8" x 8" x 16"	C	154.62	0.0	-3.1
12" x 8" x 16"	C	177.05	+1.9	+2.7
MASONS LIME				
	ton	202.09	0.0	+0.5

Asphalt, Cement, Aggregate, Concrete, Brick, Block, Lime

Canada

ITEM	UNIT	LOS ANGELES	MINNEAPOLIS	NEW ORLEANS	NEW YORK	PHILADELPHIA	PITTSBURGH	ST. LOUIS	SAN FRANCISCO	SEATTLE	MONTREAL	TORONTO
ASPHALT												
Paving, PG 58	ton	279.94	362.00	207.87	325.00	280.80	300.00	380.00	280.55	258.20	-562.00	280.00
Cutback, MC800	ton	309.76	390.00	282.40	482.00	381.35	361.50	415.00	310.79	294.00	798.00	450.00
Emulsion, RAPID SET	ton	277.86	380.00	217.72	433.80	363.00	301.25	400.00	279.42	252.17	-781.00	306.07
SLOW SET	ton	269.46	230.00	229.00	433.80	374.18	301.25	349.00	273.58	250.32	830.00	349.45
PORTLAND CEMENT												
Type one	ton	98.02	125.00	+85.00	112.00	83.20	95.61	110.00	99.64	80.77	214.00	273.00
MASONRY CEMENT												
70-lb bag	bag	6.34	8.95	+7.73	-	7.10	-	7.38	6.36	8.05	8.23	8.22
GRAVEL												
1 1/2" down to 3/4"	ton	10.50	6.98	+6.68	-	14.00	-	7.00	10.52	8.75	13.80	19.90
3/4" down to 3/8"	ton	10.01	8.43	10.83	-	12.00	-	7.90	10.29	9.25	14.05	22.90
CRUSHED STONE												
Base course	ton	8.97	7.58	10.98	20.00	6.08	9.90	7.70	9.10	9.25	-11.05	11.80
Concrete course	ton	8.79	8.55	10.54	24.00	9.30	8.00	7.30	9.15	9.25	17.80	20.40
Asphalt course	ton	9.02	7.22	10.52	21.00	11.20	9.00	7.50	9.19	10.22	18.80	15.00
SAND												
Concrete	ton	8.30	5.00	9.00	19.00	6.51	7.50	5.20	9.00	8.04	13.25	12.00
Masonry	ton	8.98	6.75	9.37	15.00	6.57	12.00	6.75	9.32	8.15	13.25	7.70
CONCRETE READY-MIX												
3,000 psi	cy	89.88	122.00	83.00	106.00	101.52	92.00	95.00	90.06	+86.43	216.00	167.00
4,000 psi	cy	94.08	134.00	88.15	109.00	105.80	94.00	105.00	95.27	+95.80	230.00	176.00
5,000 psi	cy	98.74	145.00	90.25	112.00	117.50	96.00	122.00	99.88	+104.20	-	185.00
STANDARD MODULAR BRICK												
	M	346.39	325.00	305.00	-	378.00	-	325.00	347.55	405.00	477.00	700.00
CONCRETE BLOCK												
Normal-weight: 8" x 8" x 16"	C	127.02	140.00	127.12	-	109.00	-	142.00	127.94	155.20	239.00	200.00
Lightweight: 8" x 8" x 16"	C	154.82	149.00	143.28	-	128.40	-	174.00	155.37	155.65	294.00	200.00
12" x 8" x 16"	C	170.89	138.00	153.90	-	170.00	-	234.00	171.46	212.00	610.00	300.00
MASONS LIME												
	C	200.77	240.00	197.04	-	225.00	-	150.00	198.99	135.48	-	350.00

(continued from p. 21) CSS1H; gravel, washed; base course, 1 1/2" down to dust, unwashed; concrete course, 1 1/2" through #4, washed; asphalt course, 1/2" through #4, unwashed; concrete sand, 2NS medium clean; masonry sand, 2NS fine clean; brick, local, SW, C216; concrete block, 2 core. All quantities are truckloads unless noted. Quotes for Montreal and Toronto are in Canadian dollars and a mix of metric and American units (tonnes, cu m). The above prices are not intended to represent the prevailing or average price in a city but are designed to track price movement from a single source for a given product quantity and specification over time.

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