

Construction Market Forecast

Q4 25

Construction Costs Climb for 5th Straight Month

Rising materials prices are keeping procurement unpredictable for contractors, said Macrina Wilkins, senior research analyst at Associated General Contractors of America

Dive Brief:

- Construction input prices ticked up 0.2% in September, driven largely by key materials such as iron and steel, according to an Associated Builders and Contractors analysis of U.S. Bureau of Labor Statistics' Producer Price Index data.
- Input costs sit 3.5% higher than a year ago for overall construction and 3.8% higher for nonresidential work, according to ABC.
- "Construction input prices rose for the fifth straight month in September," said Anirban Basu, ABC chief economist, in the release. "While that represents the longest streak of monthly increases since the first half of 2022, those increases are relatively modest. Materials prices have risen at a 3.2% annualized rate since April, a rate that is faster than ideal but nowhere near the escalation that occurred in 2021 and 2022."

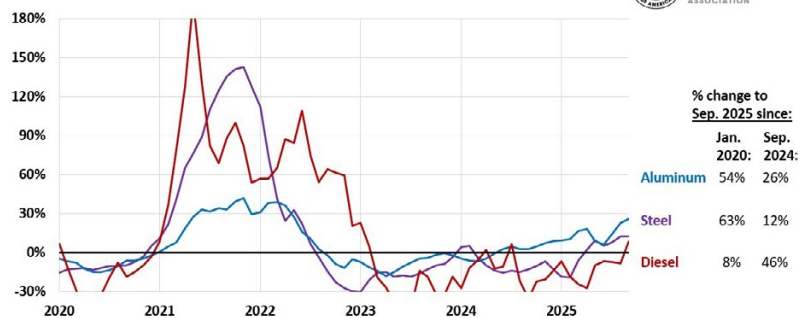
Source and Hyperlink: [CONSTRUCTIONDIVE, December 1, 2025](https://www.constructiondive.com/news/construction-costs-PPI-climb-5th-straight-month/806493/)
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Materials Costs Rise Faster Than Bid Prices

Input prices for new nonresidential construction rose 0.2% in September, not seasonally adjusted, and 3.2% y/y, according to producer price index (PPI) data BLS posted on November 25. The y/y change was the largest since January 2023. In contrast, the PPI for new nonresidential building construction, a measure of what contractors say they would charge to construct a new building, was flat for the month and rose only 0.8% y/y. AGC posted tables and a chart of PPI changes relevant to construction. There were notable y/y increases in the PPIs for aluminum mill shapes (26%), steel mill products (12%), and diesel fuel (8.2%). Note that PPIs do not include foreign producers' selling prices and may not fully reflect tariff impacts.

Steel mill products, aluminum & diesel

Year-over-year % change, not seasonally adjusted, Jan. 2020- Sep. 2025

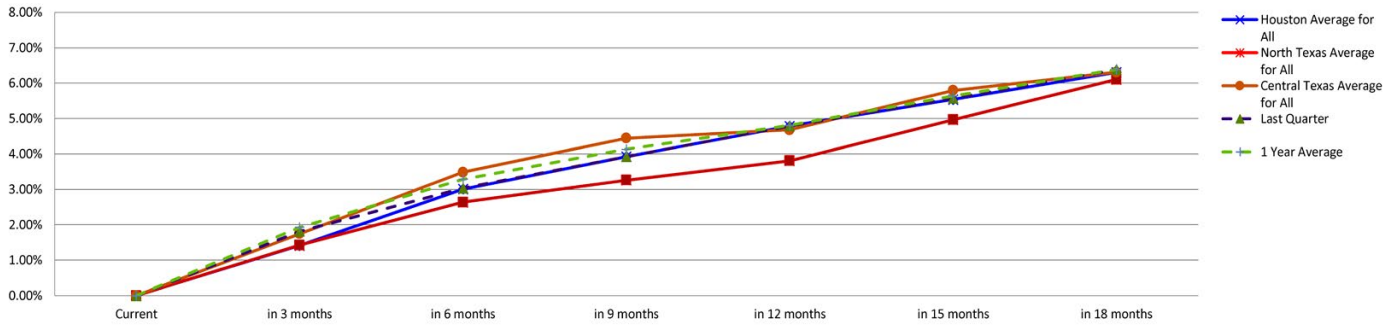


Source: Bureau of Labor Statistics Producer Price Index data

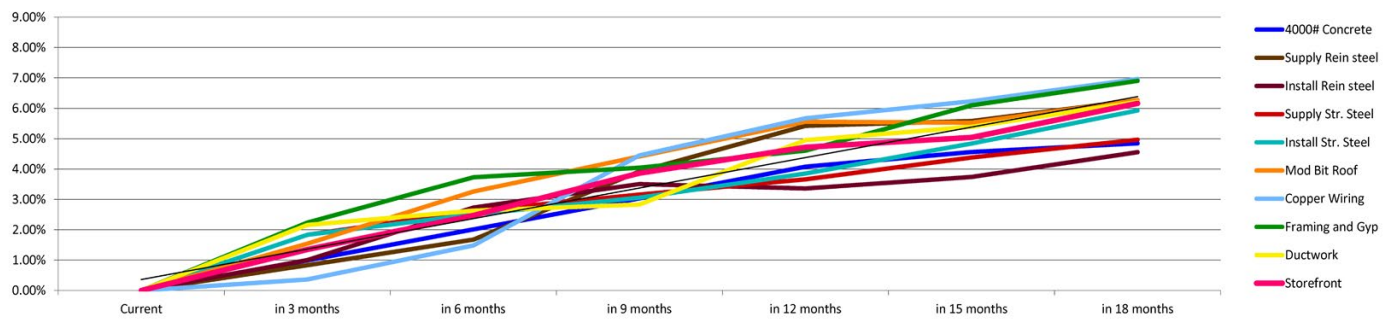
Source and Hyperlink: [Data Digest, Vol. 25, No. 40 Nov. 10-Dec. 5, 2025](https://agc.informz.net/agc/pages/DataDigest_12525?_zs=0F5Po1&_zmi=3gR41)
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Forecast Data

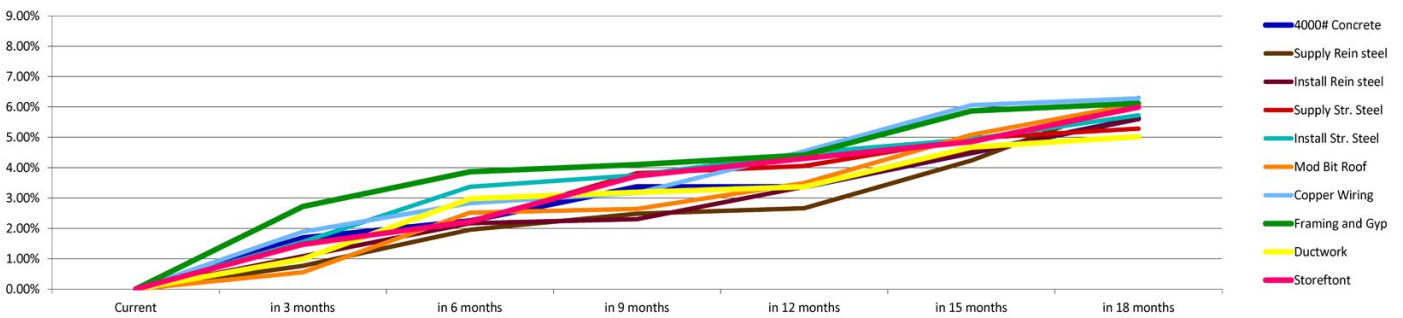
MARKET MATERIAL INCREASE AVERAGES



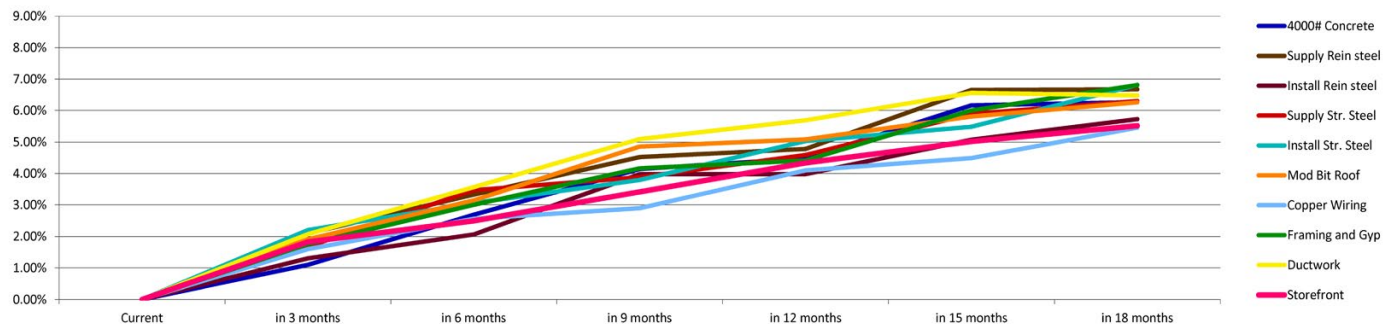
HOUSTON MATERIAL COST INCREASES



NORTH TEXAS MATERIAL COST INCREASES

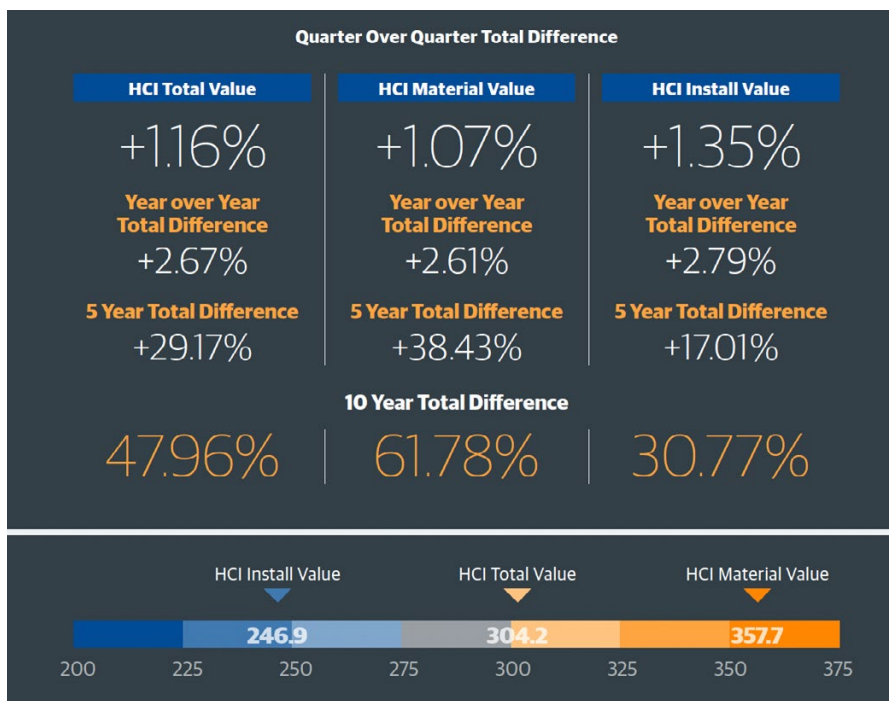


CENTRAL TEXAS MATERIAL COST INCREASES



Data-Driven Forecasting at Year-End

The HCI (Historical Cost Index) is an invaluable tool to track changes in the cost of construction materials and labor over time. The HCI Total Index Value represents the overall change in construction costs, including materials, labor and installation expenses. The HCI Material Value tracks the change in the cost of raw materials, such as lumber and steel. The HCI Install Value measures the change in the cost of installation labor, including plumbing, electrical and HVAC. These indices provide valuable insights, helping building industry professionals to anticipate and plan for changes in construction costs and make informed decisions about project budgets and timelines.



Electric Copper Wire

Copper prices held steady in Q4 (+0.2% QoQ / +9% YoY) after sharp midyear gains. Elevated global demand, limited ore supply, and ongoing tariff pressures continue to influence costs, particularly across industrial and data center projects

Source and Hyperlink: [GORDIAN, Construction Cost Insights Report: Q4 2025](https://www.gordian.com/resources/q4-2025-construction-cost-insights-report/)
<https://www.gordian.com/resources/q4-2025-construction-cost-insights-report/>



Tariff Costs Borne Mainly by U.S. Firms

"Most of the cost [of tariffs] seems to be borne by U.S. firms," Harvard University professor Alberto Cavallo said in an interview to discuss his findings," Reuters reported on Tuesday. "Cavallo and researchers Paola Llamas and Franco Vazquez...found that imported goods have become 4% more expensive since Trump started imposing tariffs in early March, while the price of domestic products rose by 2%. The biggest increases for imports were seen in goods that the United States cannot produce domestically, such as coffee, or that come from highly penalized countries, like Turkey. These price hikes, while material, have been generally far smaller than the

tariff rate on the products in question—implying that sellers were absorbing some of the cost as well....'This suggests foreign producers are not absorbing much if any of the U.S. tariffs, consistent with prior economic research,' researchers at Yale University's Budget Lab think-tank said in a blog post.... Adapting to Trump's tariffs—a still-incomplete set of levies that pushed import taxes from an average of around 2% to an estimated 17%—is still underway. It is seen taking months longer as exporters, importers and consumers jostle over who pays duties."

Source and Hyperlink: [Data DiGest, Vol. 25, No. 36, October 13-17, 2025](https://agc.informz.net/agc/pages/DataDigest_101725?_zs=0F5Po1&_zmi=7IC41)
https://agc.informz.net/agc/pages/DataDigest_101725?_zs=0F5Po1&_zmi=7IC41

Supply Reinforcing Steel \$\$/TON						
	HTX		NTX		CTX	
TIMEFRAME	\$/Ton	Delta	\$/Ton	Delta	\$/Ton	Delta
Current	\$1,204	0.00%	\$1,334	0.00%	\$1,192	0.00%
in 3 months	\$1,214	0.84%	\$1,344	0.77%	\$1,217	2.10%
in 6 months	\$1,224	1.67%	\$1,360	1.95%	\$1,232	3.33%
in 9 months	\$1,251	3.92%	\$1,367	2.48%	\$1,246	4.52%
in 12 months	\$1,269	5.42%	\$1,369	2.67%	\$1,249	4.78%
in 15 months	\$1,271	5.58%	\$1,390	4.24%	\$1,271	6.65%
in 18 months	\$1,279	6.26%	\$1,418	6.30%	\$1,272	6.67%

Install Reinforcing Steel \$\$/TON						
	HTX		NTX		CTX	
TIMEFRAME	\$/Ton	Delta	\$/Ton	Delta	\$/Ton	Delta
Current	\$540	0.00%	\$473	0.00%	\$511	0.00%
in 3 months	\$545	0.84%	\$478	1.08%	\$518	1.30%
in 6 months	\$555	1.67%	\$483	2.17%	\$522	2.06%
in 9 months	\$559	3.92%	\$484	2.31%	\$532	3.98%
in 12 months	\$558	5.42%	\$489	3.38%	\$532	3.98%
in 15 months	\$560	5.58%	\$494	4.49%	\$537	5.08%
in 18 months	\$565	6.26%	\$500	5.61%	\$541	5.73%

Supply Structural Steel \$\$/TON						
	HTX		NTX		CTX	
TIMEFRAME	\$/Ton	Delta	\$/Ton	Delta	\$/Ton	Delta
Current	\$4,167	0.00%	\$4,138	0.00%	\$4,288	0.00%
in 3 months	\$4,243	1.84%	\$4,200	1.51%	\$4,360	1.68%
in 6 months	\$4,276	2.62%	\$4,229	2.20%	\$4,437	3.47%
in 9 months	\$4,298	3.16%	\$4,296	3.82%	\$4,455	3.88%
in 12 months	\$4,319	3.66%	\$4,306	4.06%	\$4,485	4.59%
in 15 months	\$4,349	4.38%	\$4,344	4.97%	\$4,541	5.90%
in 18 months	\$4,374	4.97%	\$4,357	5.28%	\$4,559	6.30%

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Erection of Structural Steel \$\$/TON						
	HTX		NTX		CTX	
TIMEFRAME	\$/Ton	Delta	\$/Ton	Delta	\$/Ton	Delta
Current	\$1,916	0.00%	\$1,925	0.00%	\$1,802	0.00%
in 3 months	\$1,951	1.83%	\$1,955	1.56%	\$1,842	2.21%
in 6 months	\$1,964	2.51%	\$1,990	3.38%	\$1,857	3.06%
in 9 months	\$1,975	3.05%	\$1,997	3.76%	\$1,870	3.79%
in 12 months	\$1,990	3.85%	\$2,011	4.49%	\$1,893	5.03%
in 15 months	\$2,009	4.84%	\$2,020	4.94%	\$1,901	5.49%
in 18 months	\$2,030	5.93%	\$2,035	5.72%	\$1,925	6.82%

Copper Wire \$\$/LB						
	HTX		NTX		CTX	
TIMEFRAME	\$/LB	Delta	\$/LB	Delta	\$/LB	Delta
Current	\$5.38	0.00%	\$5.65	0.00%	\$5.54	0.00%
in 3 months	\$5.40	0.37%	\$5.75	1.89%	\$5.63	1.59%
in 6 months	\$5.46	1.48%	\$5.81	2.83%	\$5.68	2.56%
in 9 months	\$5.62	4.44%	\$5.83	3.17%	\$5.70	2.90%
in 12 months	\$5.69	5.67%	\$5.90	4.54%	\$5.77	4.10%
in 15 months	\$5.72	6.23%	\$5.99	6.05%	\$5.79	4.49%
in 18 months	\$5.76	6.96%	\$6.00	6.28%	\$5.85	5.46%

Frame and Gyp \$\$/SF						
	HTX*		NTX		CTX	
TIMEFRAME	\$/SF	Delta	\$/SF	Delta	\$/SF	Delta
Current	\$9.65	0.00%	\$7.10	0.00%	\$7.21	0.00%
in 3 months	\$9.86	2.23%	\$7.30	2.72%	\$7.33	1.76%
in 6 months	\$10.01	3.73%	\$7.38	3.86%	\$7.42	3.00%
in 9 months	\$10.04	4.05%	\$7.39	4.10%	\$7.51	4.16%
in 12 months	\$10.09	4.61%	\$7.42	4.42%	\$7.52	4.41%
in 15 months	\$10.24	6.10%	\$7.52	5.86%	\$7.64	6.01%
in 18 months	\$10.31	6.90%	\$7.54	6.12%	\$7.70	6.81%

| * HTX Price Includes Tape and Float | | | | | | |
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Mod Bit Roofing* \$\$/SF						
	HTX		NTX		CTX	
TIMEFRAME	\$/SF	Delta	\$/SF	Delta	\$/SF	Delta
Current	\$23.14	0.00%	\$23.60	0.00%	\$24.91	0.00%
in 3 months	\$23.50	1.54%	\$23.73	0.55%	\$25.39	1.91%
in 6 months	\$23.90	3.25%	\$24.20	2.52%	\$25.70	3.15%
in 9 months	\$24.17	4.42%	\$24.22	2.65%	\$26.12	4.86%
in 12 months	\$24.43	5.56%	\$24.43	3.50%	\$26.18	5.09%
in 15 months	\$24.42	5.52%	\$24.80	5.08%	\$26.36	5.81%
in 18 months	\$24.59	6.27%	\$25.04	6.10%	\$26.47	6.26%

| * 20,000 SF Roof with 4-inch ISO | | | | | | |
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Ductwork \$\$/LB						
	HTX		NTX		CTX	
TIMEFRAME	\$/LB	Delta	\$/LB	Delta	\$/LB	Delta
Current	\$11.64	0.00%	\$6.28	0.00%	\$9.86	0.00%
in 3 months	\$11.89	2.16%	\$6.34	1.00%	\$10.07	2.07%
in 6 months	\$11.95	2.63%	\$6.47	2.99%	\$10.21	3.57%
in 9 months	\$11.97	2.83%	\$6.48	3.19%	\$10.36	5.09%
in 12 months	\$12.22	4.95%	\$6.49	3.38%	\$10.42	5.69%
in 15 months	\$12.27	5.39%	\$6.57	4.68%	\$10.51	6.56%
in 18 months	\$12.36	6.21%	\$6.60	5.02%	\$10.50	6.48%

4000# Concrete \$\$/CY						
	HTX		NTX		CTX	
TIMEFRAME	\$/CY	Delta	\$/CY	Delta	\$/CY	Delta
Current	\$149.71	0.00%	\$178.00	0.00%	\$167.50	0.00%
in 3 months	\$151.19	0.99%	\$181.00	1.69%	\$169.34	1.10%
in 6 months	\$152.73	2.02%	\$182.00	2.25%	\$172.00	2.69%
in 9 months	\$154.24	3.03%	\$184.00	3.37%	\$174.44	4.14%
in 12 months	\$155.81	4.07%	\$184.00	3.37%	\$175.00	4.48%
in 15 months	\$156.53	4.56%	\$186.00	4.49%	\$177.82	6.16%
in 18 months	\$156.96	4.84%	\$188.00	5.62%	\$178.00	6.27%

Curtainwall \$\$/SF						
	HTX		NTX		CTX	
TIMEFRAME	\$/SF	Delta	\$/SF	Delta	\$/SF	Delta
Current	\$96.80	0.00%	\$107.25	0.00%	\$101.67	0.00%
in 3 months	\$98.10	1.34%	\$108.83	1.47%	\$103.53	1.82%
in 6 months	\$99.20	2.48%	\$109.64	2.23%	\$104.21	2.49%
in 9 months	\$100.54	3.87%	\$111.25	3.73%	\$107.77	3.41%
in 12 months	\$101.36	4.71%	\$111.87	4.31%	\$106.08	4.33%
in 15 months	\$101.68	5.04%	\$112.46	4.85%	\$106.77	5.02%
in 18 months	\$102.76	6.16%	\$113.68	6.00%	\$107.28	5.52%

2015
2015 - 2016 OIL PRICE COLLAPSE, HEAVY REDUCTION IN PLATE DEMAND.

2018
2018 2325 PUT INTO PLACE ALONG WITH ANTI-DUMPING DUTIES ON IMPORTS, CREATING SHORTAGES IN THE MARKET.

2019
2019 RUSSIAN SAUDI OIL PRODUCTION DISPUTE, THEN RECOVERY.

2020
2020 COVID IMPACT.

2021
2021 AND 2022 CONTINUED COVID RECOVERY ALONG WITH SUPPLY CHAIN ISSUES AND STRONG DEMAND.

2022
2022 HIGH INFLATION RATES AND INCREASED IMPORT VOLUMES.

2023
2023 POST COVID RECOVERY AND INFLATION SETTLES LEADING TO RELATIVELY STABLE MARKET PRICING.

2024
2024 SOFTENED DEMAND & INCREASED IMPORT PRESSURE.

2025
LONG PRODUCT PRICES ARE SEARCHING FOR THEIR NEW NORMAL IN THE RANGE OF \$16/CWT DUE TO TARIFF PRESSURES AND PREDICTIONS OF FUTURE MARKET GROWTH.

per CWT

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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.



Source and Hyperlink: Schuff Steel: The Steel Report, November 2025
<https://www.schuff.com/steel-report/november-2025/>