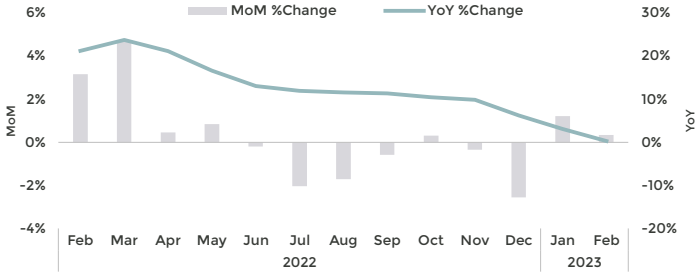
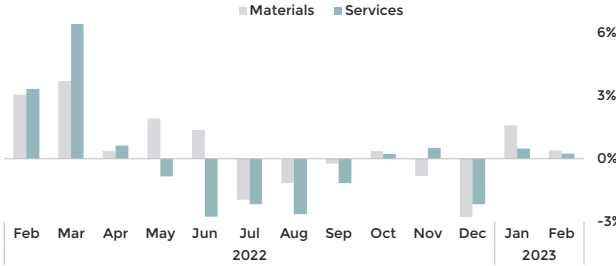


Broad Index for all Construction Inputs



(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

MoM% change for Construction Materials & Services



(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

Construction Inflation At a Glance



(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

The producer price index (PPI) for net inputs to construction industries - not seasonally adjusted (a broad index that measures producer inflation in materials and services to construction excluding capital investments, labor, and imports)

YoY Change



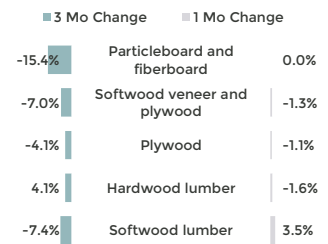
(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

Deeper into the woods | Lumber prices began to recover towards the second half of March in reaction to positive new residential construction data and are currently trading in the low \$400s per thousand board feet (mbf).

Mortgage rates continued to rise throughout March but leading indicators such as new residential construction are suggesting that projects are plowing ahead despite inflated borrowing costs. February's report for new single-family construction showed a 7.6% increase in permits and 1.1% in starts, month-on-month, while Multifamily permits and starts soared 24.3% and 24.1%, respectively.

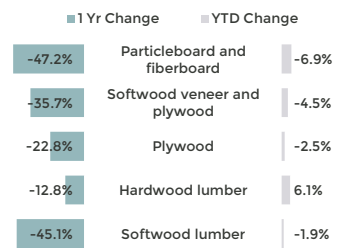
Compared to last year, February's PPI for softwood lumber is down 45.1% and particleboard & fiberboard is down 47.2%. The slump in lumber prices appears to have offset the pains of elevated interest rates and improved builder confidence. Builder sentiment for single-family homes rose for a 3rd consecutive month in March according to the National Association of Home Builders. A rebound in homebuilding activity could raise lumber prices higher.

Lumber & Wood Products



(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

Lumber & Wood Products



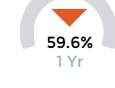
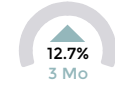
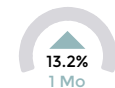
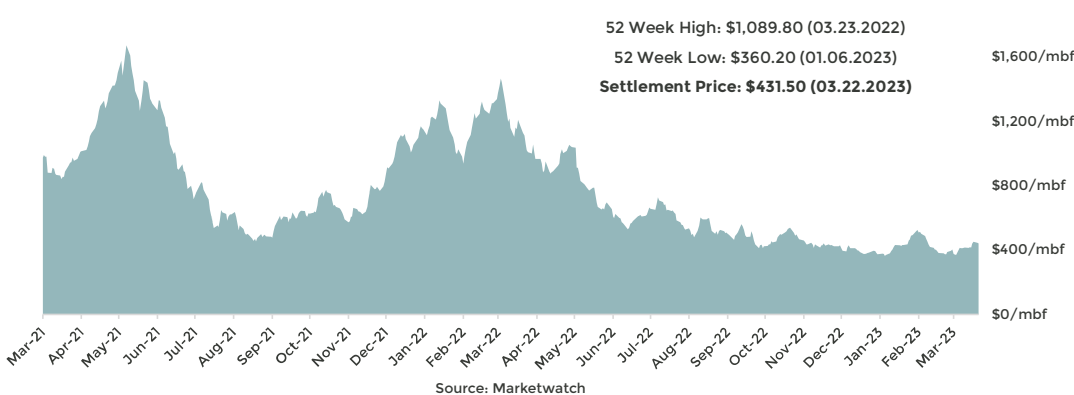
(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

PPI Multifamily



(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

Random Length Lumber Continuous Futures (CME: LB00)



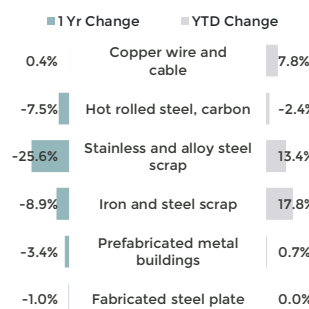
(as of 03.22.2023)

Out of the furnace | Metal markets

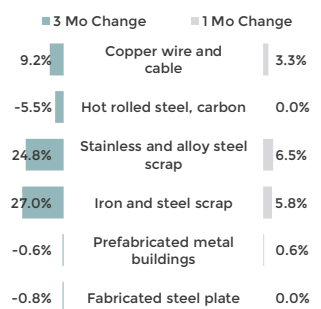
continue to glisten and sweat off lower prices that haunted steelmakers last year. Hot-rolled coil (HRC) futures are up nearly 40% year-to-date and trading above \$1,000 per short ton (st).

U.S. steelmakers regain pricing power and push spot prices higher while demand surprises to the upside. Buyers concede and become price-takers amid tight supply due to reduced mill utilization rates. Earlier in the month, Cleveland-

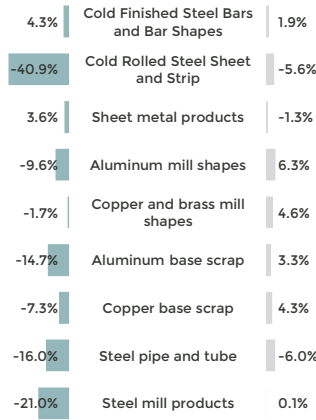
Metals & Metal Products



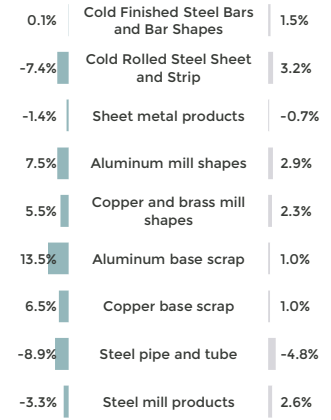
Metals & Metal Products



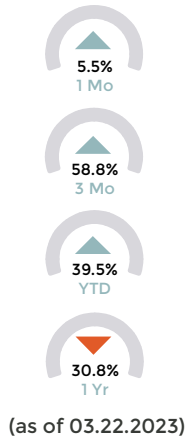
Cliffs boosted the base price of HRC to \$1,200/st, registering a \$100/st hike in March. Nucor raised their HRC minimum price in March to \$1,150/st. What's next after steel price hikes? Federal spending through the Infrastructure Investment and Jobs Act is expected to ramp up public works construction this year and boost demand in metal markets. At an investor presentation earlier this year, Nucor's management estimated that fiscal spending could boost demand for steel products by 3 to 5 million tons per year. If demand outstrips supply, product availability and lead time may become a concern.



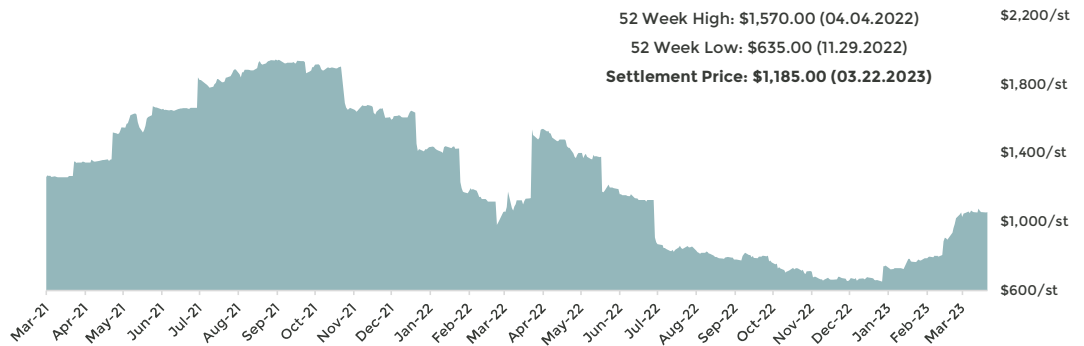
(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)



(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

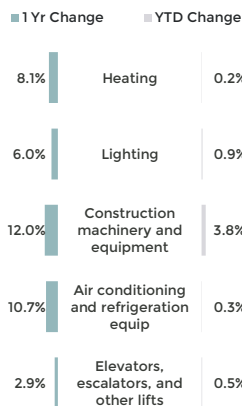


Hot-rolled Coil Steel Continuous Futures (Nymex: HRN00)



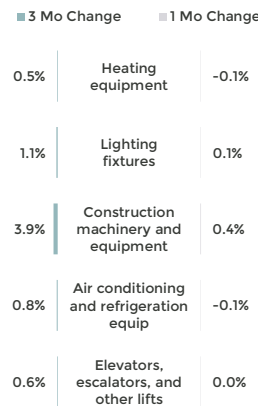
Source: Marketwatch

Equipment & Others



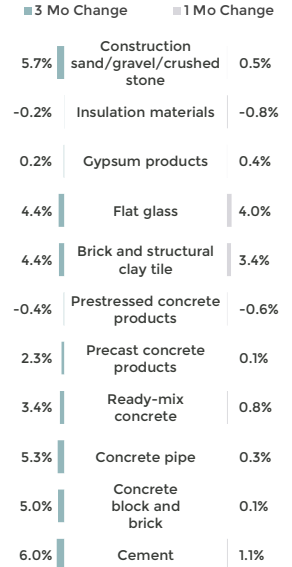
(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

Equipment & Others



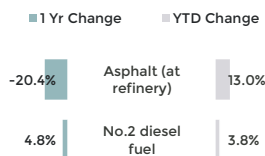
(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

Nonmetallic Mineral Products



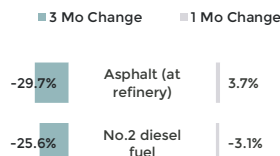
(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

Fuels & Related Products



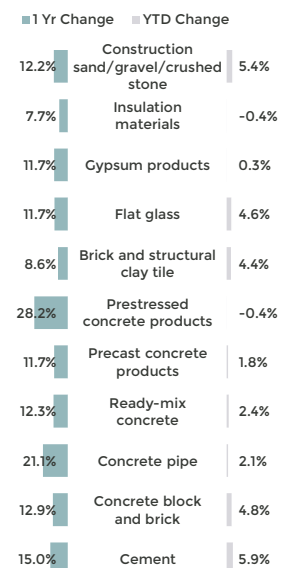
(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

Fuels & Related Products



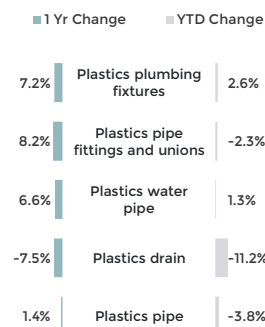
(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

Nonmetallic Mineral Products



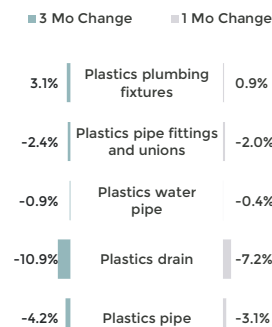
(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

Rubber & Plastic Products



(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)

Rubber & Plastic Products



(Source: U.S. Bureau of Labor Statistics, change in PPI as of Feb 28, 2023)