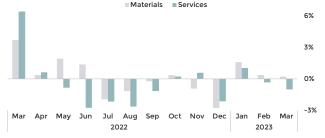


(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)

MoM% change for Construction Materials & Services



(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)

Construction Inflation At a Glance



Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 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)



(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)

Deeper into the woods | Demand for lumber remains muted;

price volatility subsides. Throughout April, lumber futures traded laterally and settled in the low \$400s per thousand board feet (mbf). Overall, new residential construction activity contracted in March however the data shows a modest month-on-month growth in new single-family construction which registered a 4.1% increase in permits and 2.7% increase in starts (month-on-month). Confidence among home builders ticked up for a 4th consecutive month since December but the recovery is sluggish and sentiment remains lower than last year due to dampened demand for homeownership. Despite easing borrowing costs, the average 30-year fixed mortgage rate is still above 6%. Interest rate sensitive buyers remain priced out of the market.

PPI for wood products dropped again in March. The index for softwood lumber is down nearly 50% compared to last year. The future of lumber prices remains reactive to the dynamics of a housing market that is captive to monetary policy.



Lumber & Wood Products

■3	Mo Change ■1 Mo Chai	nge
-7.5%	Particleboard and fiberboard	0.5%
-4.5%	Softwood veneer and plywood	-0.9%
-3.6%	Plywood	-0.6%
4.4%	Hardwood lumber	-1.6%
-3.0%	Softwood lumber	-0.9%

(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)

Lumber & Wood Products

=1	Yr Change	■YTD Cha	ange
-54.3%		board and board	-7.5%
-41.2%		veneer and wood	-4.5%
-28.7%	Plyv	wood	-3.6%
-14.3%	Hardwo	od lumber	4.4%
-49.3%	Softwoo	od lumber	-3.0%

(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31,

Random Length Lumber Continuous Futures (CME: LB00)



Out of the furnace | Steel prices remain hot. Hot-rolled coil (HRC) futures are up nearly 48% year-to-date and trading above \$1,000 per short ton (st).

Steel mills sap purchasing power out of the market while firmly holding on to higher prices. In the past few months, U.S. steelmakers raised their minimum prices through a series of price hikes. Suppliers

Metals & Metal Products

■1 Y	r Change	■ YTD Chan	ge
-2.7%	Copper wire and cable		6.2%
-9.8%	Hot rolled	steel, carbon	-3.5%
-44.6%	Stainless and alloy steel scrap		2.6%
-21.8%	Iron and	steel scrap	29.8%
2.1%		ated metal Idings	5.6%
-0.5%	Fabricate	d steel plate	-0.2%

Metals & Metal Products

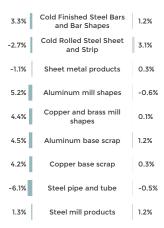
■31	Mo Change	■1 Mo Ch	ange
6.2%	Copper v		-1.4%
-3.5%	Hot rolled st	eel, carbon	-0.99
2.6%	Stainless and scr		-7.7%
29.8%	Iron and st	eel scrap	10.7%
5.6%	Prefabrica build		4.9%
-0.2%	Fabricated	steel plate	-0.29

regained pricing power due to robust demand coupled with reduced import volumes. Data from the US Department of Commerce shows that HRC imports were down 19% in 2022 compared to 2021.

Domestic cold rolled coil (CRC) prices are up nearly 30% since the beginning of the year. According to Argus, a global data provider of global energy and commodity markets, domestic CRC prices increased by \$15/st to \$1,375/st while U.S. rebar prices softened by \$20/st to \$920/st.

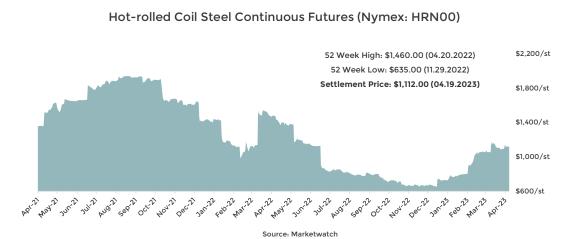
6.0%	Cold Finished Steel Bars and Bar Shapes	3.3%
-31.1%	Cold Rolled Steel Sheet and Strip	-2.7%
2.3%	Sheet metal products	-1.1%
-13.0%	Aluminum mill shapes	5.2%
-4.6%	Copper and brass mill shapes	4.4%
-27.2%	Aluminum base scrap	4.5%
-8.9%	Copper base scrap	4.2%
-13.2%	Steel pipe and tube	-6.1%
-15.1%	Steel mill products	1.3%

(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)



(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)





Equipment & Others

■1 Yr C	hange ■YTE) Change
8.2%	Heating	0.9%
5.5%	Lighting	1.9%
11.8%	Construction machinery and equipment	4.0%
10.3%	Air conditioning and refrigeration equip	
3.4%	Elevators, escalators, and other lifts	0.9%

(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)

Equipment & Others

■3 Mo	Change ■1 Mo	Change
0.9%	Heating equipment	0.8%
1.9%	Lighting fixtures	1.5%
4.0%	Construction machinery and equipment	0.2%
1.7%	Air conditioning and refrigeration equip	1.4%
0.9%	Elevators, escalators, and other lifts	0.4%

(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)

Nonmetallic Mineral Products

■3 M	o Change	■1 Mo C	hange
5.4%	Constru sand/grave stor	l/crushed	0.0%
2.0%	Insulation	materials	0.2%
0.2%	Gypsum p	roducts	-0.1%
2.7%	Flat g	lass	-0.1%
5.2%	Brick and s		0.8%
0.0%	Prestressed produ		0.1%
3.3%	Precast co		1.3%
3.1%	Ready concr		0.7%
2.8%	Concret	e pipe	0.8%
6.0%	Conci block brid	and	0.3%
7.8%	Cem	ent	0.3%

(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)

Fuels & Related Products

■1 Yr C	Change	■ YTD	Change
-23.4%		alt (at nery)	15.8%
-19.4%		diesel iel	-3.3%

(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)

Fuels & Related Products

■3 M	o Change	■1 Mo Change
15.8%	Asphalt (a refinery)	
-3.3%	No.2 diese fuel	-7.0%

(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)

Nonmetallic Mineral Products

■1 Yr Change ■ YTD Change			
11.3%	Construction sand/gravel/crushed stone	5.4%	
10.5%	Insulation materials	2.0%	
9.9%	Gypsum products	0.2%	
10.6%	Flat glass	2.7%	
9.2%	Brick and structural clay tile	5.2%	
28.1%	Prestressed concrete products	0.0%	
12.8%	Precast concrete products	3.3%	
13.2%	Ready-mix concrete	3.1%	
17.5%	Concrete pipe	2.8%	
13.0%	Concrete block and brick	6.0%	
17.0%	Cement	7.8%	

(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)

Rubber & Plastic Products

■1 Y	r Change	■ YTD C	Change
6.3%	Plastics p fixtu	lumbing res	2.0%
9.6%	Plastics fittings an	pipe d unions	-0.4%
4.1%	Plastics pip		1.0%
-8.6%	Plastics	drain	-9.8%
-1.0%	Plastics	pipe	-3.5%

(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)

Rubber & Plastic Products

■3 Mo Change ■1 Mo Change		
2.0%	Plastics plumbing fixtures	0.0%
-0.4%	Plastics pipe fittings and unions	1.8%
1.0%	Plastics water pipe	-0.3%
-9.8%	Plastics drain	1.2%
-3.5%	Plastics pipe	0.1%

(Source: U.S. Bureau of Labor Statistics, change in PPI as of Mar 31, 2023)