

CONSTRUCTION ECONOMICS

ENR's 20-city average cost indexes, wages and material prices. Historical data and details for ENR's 20 cities can be found at ENR.com/economics

Construction Cost Index

+2.0%
DEC. 2015

ANNUAL INFLATION RATE

1913=100	INDEX VALUE	MONTH	YEAR
CONSTRUCTION COST	10092.38	+0.6%	+2.0%
COMMON LABOR	21752.79	+0.7%	+2.5%
WAGE \$/HR.	41.32	+0.7%	+2.5%

The Construction Cost Index's annual escalation rate increased to 2.0% in November, up from 1.8% the previous month, as the materials component increased 0.1%.

Building Cost Index

+1.5%
DEC. 2015

ANNUAL INFLATION RATE

1913=100	INDEX VALUE	MONTH	YEAR
BUILDING COST	5563.51	+0.2%	+1.5%
SKILLED LABOR	9696.04	+0.2%	+2.5%
WAGE \$/HR.	53.91	+0.2%	+2.5%

The Building Cost Index's annual escalation rate fell to 1.5% from 1.8% last month, due to a slowdown in labor cost inflation.

Materials Cost Index

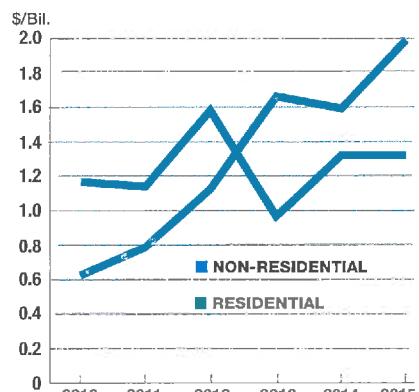
+0.1%
DEC. 2015

MONTHLY INFLATION RATE

1913=100	INDEX VALUE	MONTH	YEAR
MATERIALS COST	3041.38	+0.1%	-0.8%
CEMENT \$/TON	114.72	-0.8%	-0.5%
STEEL \$/CWT	49.58	0.0%	-1.7%
LUMBER \$/MBF	474.06	+0.4%	+0.2%

The steel component of the Materials Cost Index held steady, after falling in the past two months.

Construction starts in the Detroit metro area are expected to increase 13%, to \$3.3 billion, this year according to a forecast by Dodge Data & Analytics, Bedford, Mass. The largest annual gain will be 23.7% for residential building construction, which is predicted to reach \$2.0 billion this year. This increase marks a rebound from a 4.1% decline in 2014. Dodge predicts the non-residential building market will remain flat in 2015, holding at a total of \$1.3 billion.



SOURCE: DODGE DATA & ANALYTICS

ENR's Cost Indexes by City

1913=100
1967=100

	CONSTRUCTION COST		BUILDING COST		COMMON LABOR		SKILLED LABOR		MATERIALS	
	DEC. '15: 1913	% CHG. YEAR	DEC. '15: 1913	% CHG. YEAR	DEC. '15: 1967	% CHG. YEAR	DEC. '15: 1967	% CHG. YEAR	DEC. '15: 1967	% CHG. YEAR
ATLANTA	6251.51	-0.1	4112.59	-0.1	805.72	0.0	677.82	0.0	659.19	-0.2
BALTIMORE	6924.34	-1.8	4738.23	-3.6	902.87	+2.4	815.04	+2.6	651.72	-11.6
BIRMINGHAM	7036.17	+1.7	4287.92	+1.1	950.37	+2.4	782.27	+2.1	645.38	-0.3
BOSTON	13193.94	+5.8	6898.15	+2.1	1440.69	+6.9	1292.34	+3.1	631.02	-0.4
CHICAGO	14781.95	+2.8	6945.58	+1.6	1481.38	+3.1	1242.24	+1.9	565.14	+0.8
CINCINNATI	8781.36	-1.5	4731.20	-2.7	881.67	0.0	789.38	0.0	649.95	-6.4
CLEVELAND	11886.81	+0.1	5494.39	+0.4	1062.42	0.0	886.15	+0.4	621.81	+0.4
DALLAS	5556.26	+0.6	4169.76	+0.7	727.89	0.0	716.63	0.0	623.06	+1.7
DENVER	7073.66	0.0	4445.86	0.0	786.97	0.0	730.54	0.0	633.93	0.0
DETROIT	10953.51	+2.5	5749.10	+1.5	975.48	+3.1	930.76	+2.5	578.13	-0.4
KANSAS CITY	10968.19	+0.5	5775.78	+1.1	1259.83	+1.0	1168.03	+2.6	597.88	-1.7
LOS ANGELES	11117.28	+3.4	5825.91	+2.1	1038.57	+3.9	993.62	+2.8	626.09	+0.6
MINNEAPOLIS	11989.10	+1.9	5697.31	+2.1	1245.19	+2.0	1082.20	+2.5	610.26	+1.5
NEW ORLEANS	5863.55	+0.1	3952.60	+0.4	725.09	0.0	645.29	+0.7	659.62	+0.3
NEW YORK CITY	16263.12	+3.5	8640.45	+7.0	1278.75	0.0	1300.00	+10.3	689.78	-2.9
PHILADELPHIA	12187.12	+4.0	6588.31	+2.0	1367.20	+4.2	1174.37	+1.7	700.10	+3.0
PITTSBURGH	8671.66	+2.0	5322.60	+2.0	882.26	+2.4	874.66	+3.0	553.73	+0.2
ST. LOUIS	11647.01	+11.7	5704.70	+1.3	1056.28	+14.2	959.79	+1.9	665.00	+0.3
SAN FRANCISCO	11155.41	+2.2	6389.49	+2.3	956.17	+2.5	1013.05	+3.0	627.60	+0.6
SEATTLE	10398.13	+0.1	5742.93	+2.8	979.08	0.0	1037.06	+3.9	726.23	+0.7