

## January 2016 Overview - December data

### Inflation year-on-year movement

- alinea TPI : 2016 = 5%
- BCIS TPI : 2016 = 4.3%
- Average of other QS TPI : 2015 =5.5%
- UK CPI : December - December = 0.2%

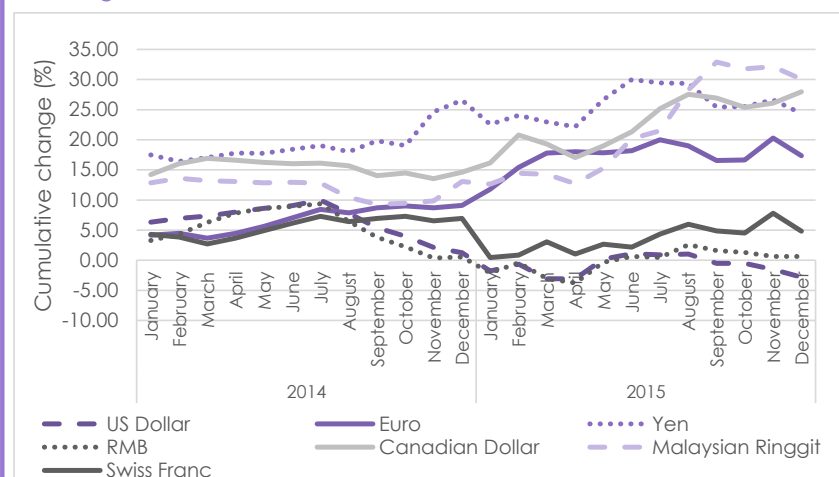
### Materials and Commodity prices

- Material prices showed a larger quarterly range of -1.93% (concrete) to +0.13% (plastic), and was the second time in a while that this range has not been bookended with fabricated structural steel and cement. The quarterly average price movement over the last three months is lower than we reported last month at -0.70%.
- The year-on-year range is -10.95% to +4.11% and the average of all material price movements was slightly higher but still remained low at +1.13% (last month was +0.88%).  
The main movements were:
  - Cement +4.11%
  - Clay +1.26%
  - Timber -3.23%
  - Fabricated structural steel -10.95%
- Metals continued to show volatility with price movements between -3.73% and +5.2 however it was only copper that showed a monthly price fall. Looking at quarterly figures shows greater volatility with steel billet rising +40.70%. Metals did rally in the middle of the month, but concerns over slowing demand in China and weaknesses in the oil market limited the extent of this rally.
- Steel billet continued to buck its recent trend and showed no growth (or fall) in price having stayed at \$220/tonne.
- All of our tracked commodities have fallen across the year.
- Crude oil prices continued to show a lot of volatility after rising last month oil fell roughly % in the month, leaving them 40% down over the year. Yet once again, they are falling faster than this monthly dashboard can keep up with

### Baltic Dry Index<sup>1</sup>

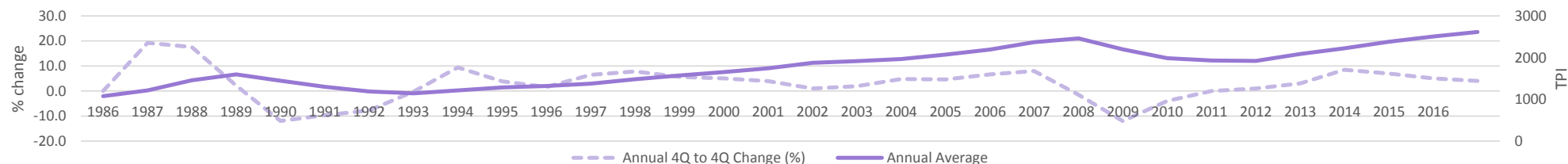
- The index fell to new lows of 471 in December adding to speculation that China's manufacturing boom is at an end as seaborne imports of iron ore and coal showed annual declines for the first time in a decade.
- Approximately 140 of China's shipyards have gone out of business since 2010 with more expected to follow after only 69 yards won orders for vessels last year. Total orders at shipyards fell 59% in the first 11

### Exchange rates



	£ per unit	Movement in the month (%)	Movement in the year (%)
US Dollar	1.4985	-1.30	-4.13
Euro	1.3747	-2.94	8.26
Japanese Yen	182.1186	-2.25	-2.56
Chinese RMB	9.6696	-0.01	-0.11
Canadian Dollar	2.0555	1.88	13.89
Malaysian Ringgit	6.4177	-2.06	17.89
Swiss Franc	1.4888	-2.98	-2.49

### Tender Price Inflation



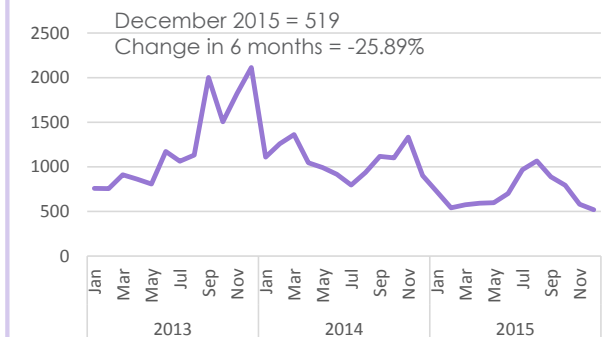
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### Materials and commodities

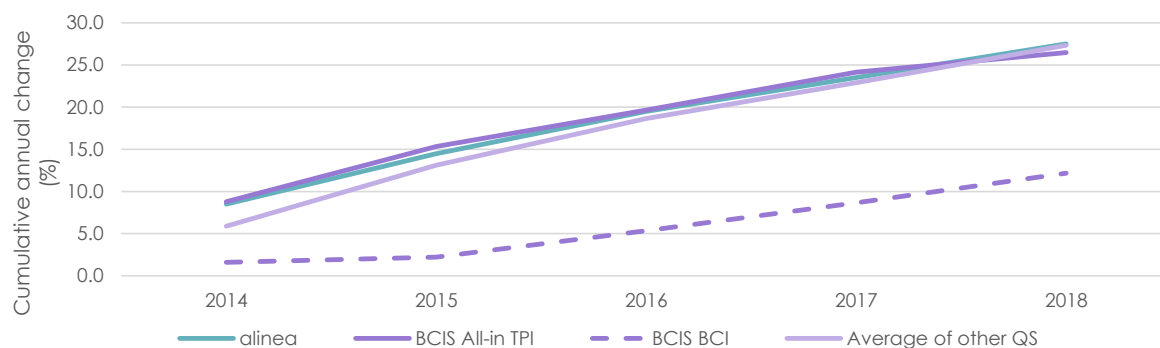
	Index (2010=100)	Movement in the month (%)	Movement in the year (%)
Aggregates	114.58	0.00	0.77
Cement	119.00	0.00	4.11
Concrete	106.85	-0.85	-1.75
Timber & joinery	110.78	-0.63	-3.36
Clay	120.80	-0.08	1.26
Plastic products	112.30	0.12	0.27
Fabricated structural steel	87.00	-0.46	-10.95
<b>Average</b>	<b>110.19</b>	<b>-0.23</b>	<b>1.13</b>

	Cost (\$)	Movement in the month (%)	Movement in the year (%)
Oil - BRENT	39.03	-15.40	-38.53
Oil - WTI	37.48	-13.01	-36.91
Aluminium	1,494.29	1.95	-21.90
Steel billet	220.00	0.00	-56.00
Copper	4,629.00	-3.73	-27.93
Lead	1,701.29	5.28	-12.13
<b>Average</b>		<b>-8.43</b>	<b>-15.12</b>

### Baltic Dry Index



### Building Cost Index and Tender Price Indices



	2014	2015	2016	2017	2018
<b>alinea TPI</b>	8.50	7.00	5.0	4.0	4.0
<b>BCIS All-in TPI</b>	8.8	6.5	4.3	4.5	2.3
<b>BCIS BCI</b>	1.6	0.6	3.1	3.3	3.5
<b>Average of other QS</b>	5.9	7.3	5.5	4.3	4.4

### Wage agreements

	2015		2016		2017	
	Date	Award	Date	Award	Date	Award
Asphalters	29-Jun	3.0%				
Thermal insulation H&V	01-Jan	2.0%				
Thermal insulation	01-Jan	2.0%				
Builders (BATJIC)	29-Jun	3.0%				
Heating and Ventilating	05-Oct	3.0%				
Demolition	20-Jul	2.5%				
Flat glass industry			01-Jan	2.4%	01-Jan	2.3%
Plumbers (England)	05-Jan	2.6%	04-Jan	2.5%	02-Jan	2.0%
Steelworkers	05-Jan	3.2%	04-Jan	1.5%	09-Jan	2.0%
Electricians (England)		2.0%	04-Jan	3.0%		
Builders (CICJ)	29-Jun	3.0%				
Civils (CICJ)	29-Jun	3.0%				
Building & Engineering Services	05-Oct	3.0%				
London Living Wage						
Minimum wage	01-Oct	£6.70				