

SECTION 1

GENERAL ECONOMY TRENDS AND DATA



SPONSORED BY

Rollforming
Magazine

rollformingmagazine.com
715-252-6360

**METAL
ROOFING**
MAGAZINE

readmetalroofing.com
715-252-6360

FRAMEBUILDING NEWS

framebuildingnews.com
715-252-6360

**Rural
Builder**

ruralbuilder.com
715-252-6360

**PLAIN
BUILDER**

shieldwallmedia.com
715-252-6360

SECTION 1

GENERAL ECONOMY TRENDS AND DATA

In 2025, the U.S. economy moved into a phase of cautious normalization after several years of disruption and recalibration. After half a decade of profound economic turmoil that began with the massive slump during the 2020 pandemic and the spiking inflation that followed, the major economic indicators, such as GDP growth, employment, and consumer confidence, settled into more predictable patterns.

There was an exception to that predictability, though. President Trump's tariff strategy unsettled markets and added unpredictability to the business environment. The effect on the economy by the tariffs is widely debated, and generally the negative effects were not as great as some predicted. Nonetheless, there was an effect. According to the Tax Foundation, the tariffs raised approximately \$132 billion in net tax revenue in 2025. The average increase per household in 2025 was \$1000 and expected to edge up to \$1300 in 2026. Other estimates place that burden slightly higher. Overall, the tariffs reduced GDP growth rate by 0.23% in 2025 and will have a greater effect, 0.62%, in 2026, according to analysis by the Tax Foundation and the Peterson Institute for International Economics.

In the construction industry, there were winners and losers. Manufacturers of rollformers and other machinery saw a decrease in imports that helped them gain market share. Metal fabricators, though, fell down a rabbit hole trying to sort out tariffs as many of those materials move back and forth across the borders in different stages of manufacturing. Kenneth D. Simonson, chief economist, Associated General Contractors (AGC) says, their surveys show "the threat and imposition of tariffs led many owners to delay or cancel projects. Tariffs also increased costs for a variety of materials and machinery."

The best summary comes from Don Allen, executive director, Steel Framing Industry Association (SFIA), who says, "Tariffs affected our members both positively and negatively. They helped protect domestic steel mills and the markets they serve. However, they hurt our Canadian members and the customers that relied on Canadian steel. Overall, tariffs increased prices for all our members."

The New Normal

Economic growth remained steady but uneven, supported by resilient consumer spending, easing inflation pressures, and gradual improvements in supply chains. Interest rates stayed elevated compared with pre-pandemic levels, tempering investment and housing activity while reinforcing a renewed focus on efficiency and productivity. Labor markets cooled from their historic tightness but remained fundamentally strong, with wage growth moderating rather than collapsing. Overall, 2025 was defined less by volatility than by adjustment—a year marked by pragmatism, measured confidence, and a slow return to economic balance.

GDP

U.S. GDP growth since 2022 has followed a choppy but generally resilient path, reflecting an economy adapting to post-pandemic shocks, inflation, and tighter monetary policy. Growth stalled briefly in early 2022, with a contraction in the first quarter, but rebounded strongly by midyear as consumer spending and business investment recovered. Momentum carried into late 2022 and through much of 2023, highlighted by several quarters of solid

SPONSORED BY

Rollforming
Magazine

rollformingmagazine.com
715-252-6360

METAL
ROOFING
MAGAZINE

readmetalroofing.com
715-252-6360

FRAMEBUILDING
MAGAZINE

framebuildingnews.com
715-252-6360

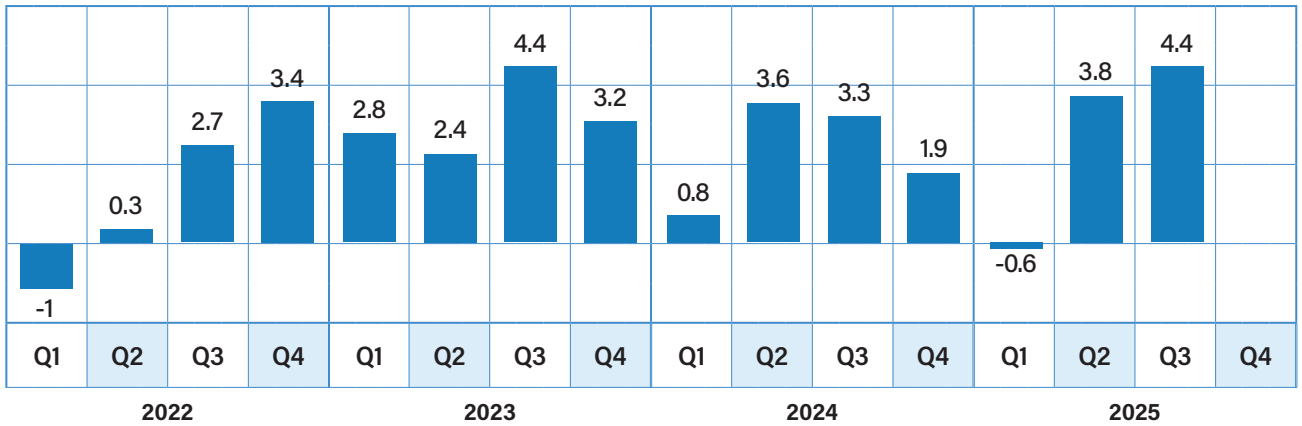
Rural
Builder

ruralbuilder.com
715-252-6360

PLAIN
BUILDER

shieldwallmedia.com
715-252-6360

Chart C1 – Real GDP
(Percent change from preceding quarter)



Source: U.S. Bureau of Economic Analysis

expansion and a notable surge in mid-2023, when GDP growth peaked above 4%. **c1**

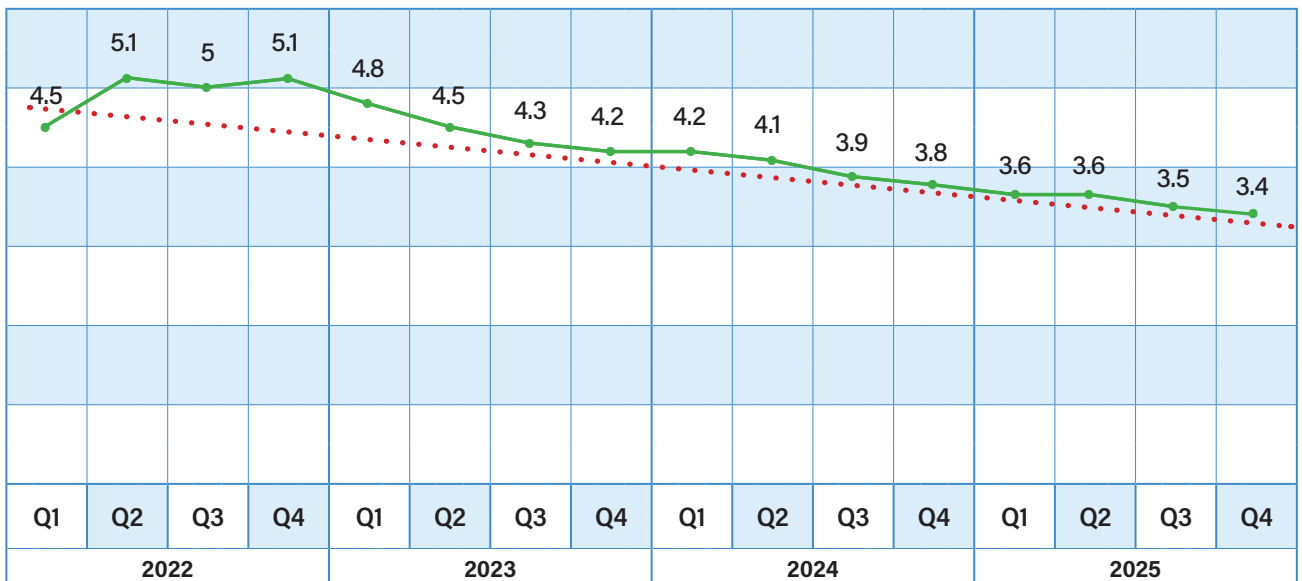
In 2024, growth moderated but remained positive overall. A slower first quarter gave way to renewed strength in the middle of the year, suggesting underlying demand remained intact despite higher interest rates. By early 2025, GDP growth turned slightly negative again before snapping back sharply in the second and third quarters. Taken together, the data point to an economy marked less by sustained decline than by periodic slowdowns followed by strong rebounds—underscoring durability, but also ongoing volatility.

Wages

Total compensation for civilian workers has steadily cooled since 2022, reflecting a gradual normalization in labor markets following the post-pandemic surge in wages and benefits. In 2022, compensation growth peaked above 5% as employers competed aggressively for scarce labor, pushing up both wages and benefit costs. That momentum carried briefly into early 2023, but growth began to decelerate as hiring slowed and inflation pressures eased. **c2**

Throughout 2023 and into 2024, year-over-year compensation gains trended downward in a mea-

Chart C2 – Total Compensation for Civilian Workers
(Percentage changed from preceding 12-months)



Source: U.S. Bureau of Labor Statistics

sured, consistent pattern, settling closer to the 4% range. By late 2024 and into 2025, compensation growth slowed further, slipping into the mid-3% range. This deceleration signals a labor market that remains healthy but less overheated, with employers regaining some balance in compensation planning. Overall, the trend since 2022 points to moderation rather than contraction—suggesting compensation growth is stabilizing at levels more consistent with long-term productivity and inflation expectations.

Unemployment

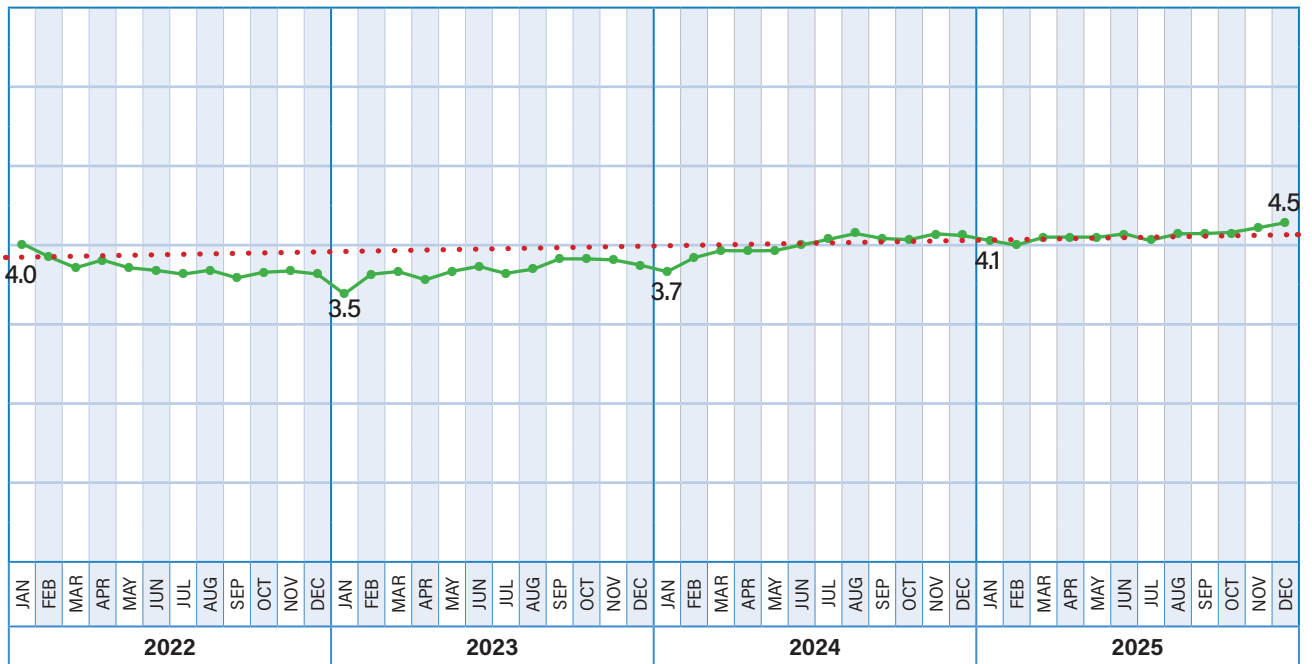
Since 2022, the U.S. unemployment picture has been defined by remarkable stability, even as broader economic conditions shifted. Unemployment started 2022 near 4% and drifted lower through the year, settling into the mid-3% range as the labor market tightened and employers continued to add jobs

at a strong pace. Throughout 2023, the rate hovered around 3.5% to 3.7%, signaling an economy operating close to full employment despite rising interest rates and slowing growth in some sectors. **C3**

In 2024, unemployment edged modestly higher, indicating a gradual cooling rather than a sharp deterioration. Monthly readings moved into the high-3% to low-4% range as hiring slowed and job openings declined, but layoffs remained limited by historical standards. By 2025, the trend continued upward, with unemployment rising toward the mid-4% range by year-end. Even so, these levels remain low relative to long-term averages and well below those seen in past economic downturns.

Overall, the unemployment data since 2022 suggest a labor market transitioning from overheated to balanced. The gradual increase in joblessness points to normalization rather than distress, reinforcing the view of an economy adjusting to tight-

Chart C3 – Monthly Civilian Unemployment Rate
(Percentage changed monthly)



Source: U.S. Bureau of Labor Statistics

SPONSORED BY



rollformingmagazine.com
715-252-6360



readmetalroofing.com
715-252-6360



framebuildingnews.com
715-252-6360

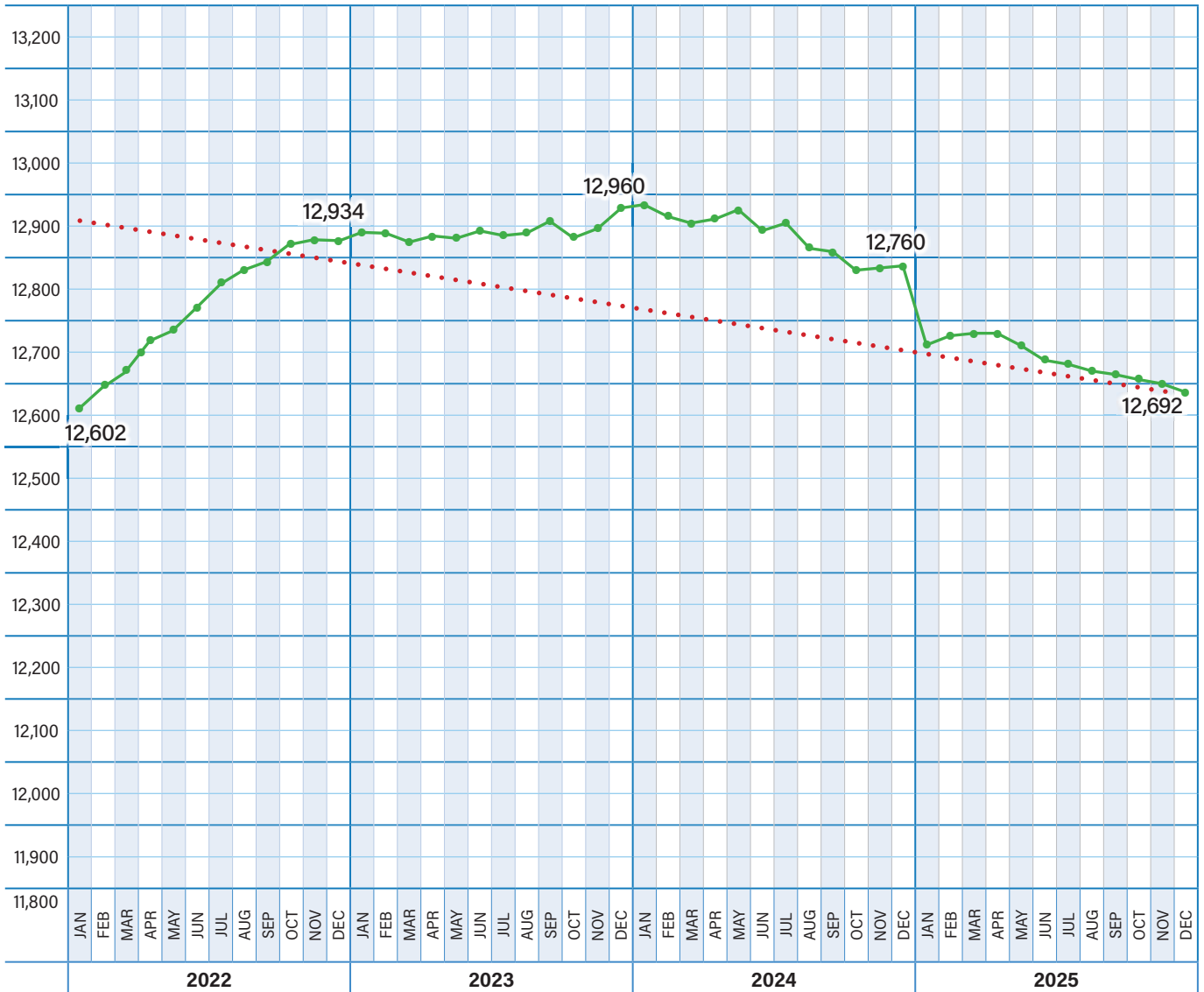


ruralbuilder.com
715-252-6360



shieldwallmedia.com
715-252-6360

Chart C4 – U.S. Manufacturing Jobs
(in thousands)



Source: U.S. Bureau of Labor Statistics

er financial conditions without a widespread loss of employment.

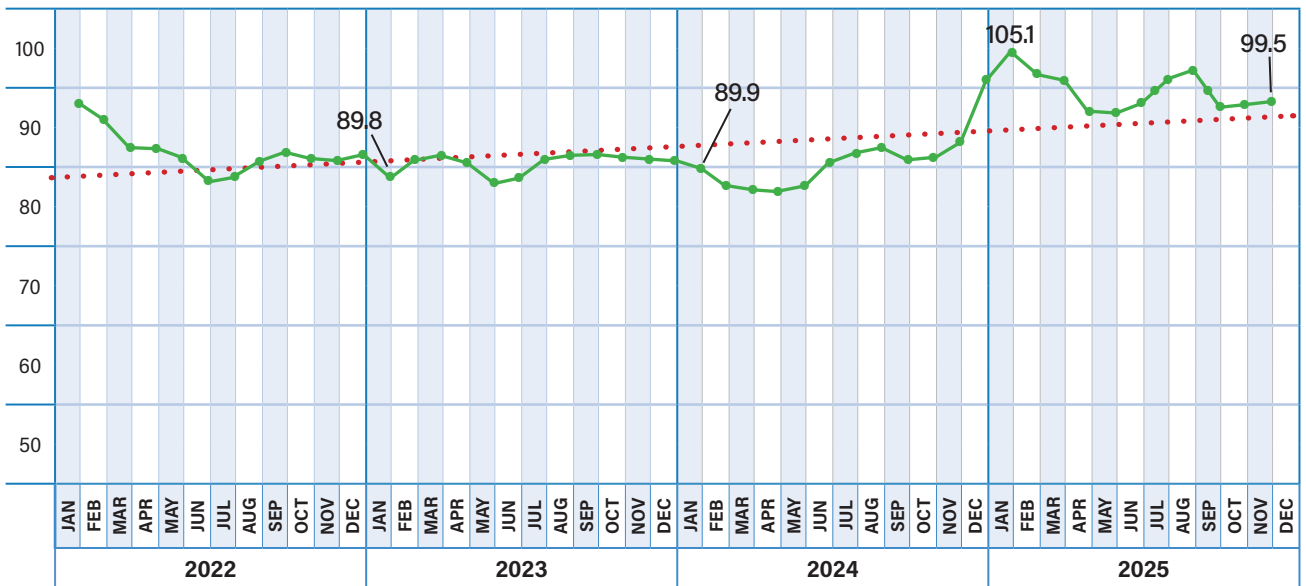
One major uncertainty that can't be overlooked is the increasing lack of faith in the reported employment numbers. Federal Reserve chair, Jerome Powell, stated in early 2026 that the U.S. Bureau of Labor statistics methodology for counting employment consistently over-counts jobs, and that the actual job growth might be 60,000 less per month than reported. Reconciled against the reported numbers, which have consistently shown small gains in employment, this would actually show a contracting labor market.

Manufacturing

U.S. manufacturing employment peaked around 13 million jobs by late 2022, following a significant rebound from the pandemic lows. The sector's trajectory shifted in 2024, with net job losses reported in six out of twelve months. This downward trend intensified through 2025, leading to job losses every month in the second half of the year. **C4**

By December 2025, total manufacturing employment had declined to approximately 12.58 million workers—the lowest level since March 2022. This downturn resulted in nearly 70,000 fewer workers than the previous year, with losses most notable in

Chart C5 – NFIB Small Business Optimism Index



Source: National Federation of Independent Business

industries such as transportation equipment and machinery. Factors like high input costs and interest rates contributed to this decline.

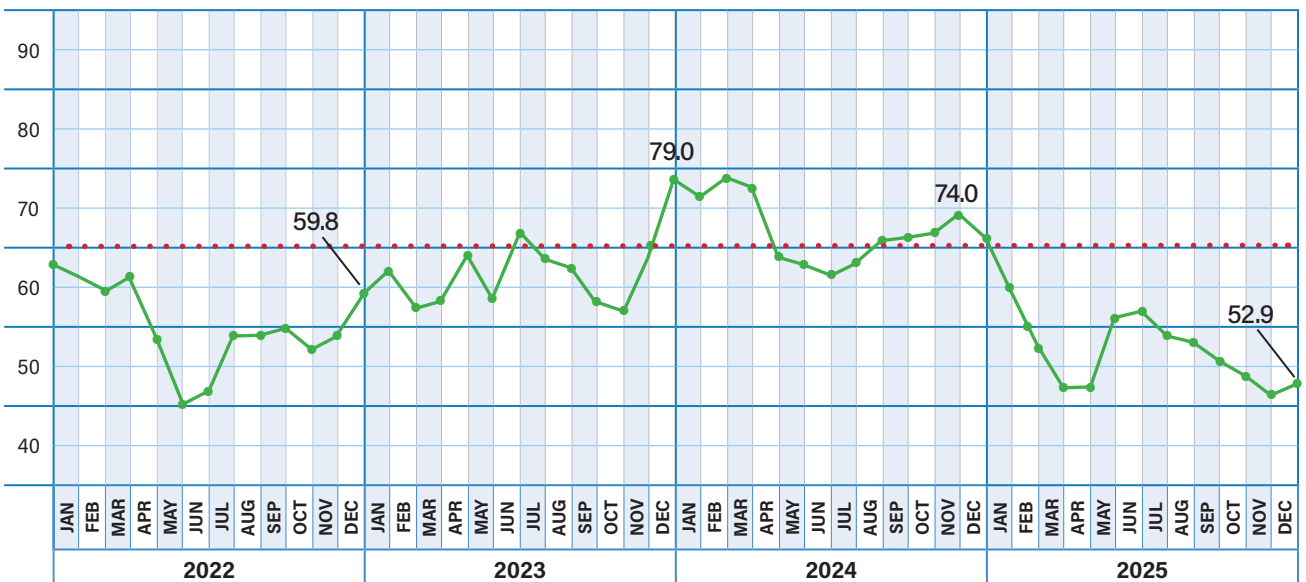
Small Business Optimism

Small business optimism, as measured by the National Federation of Independent Business (NFIB) Small Business Optimism Index, experienced notable volatility between 2022 and 2025. The index

remained relatively subdued, mostly in the 90-95 range, through most of 2022 and 2023, hovering near or slightly below its 52-year average of 98. **C5**

A significant shift occurred in late 2024, with optimism surging to a peak of 105.1 in December 2024, its highest level in more than six years. This was driven by expectations of better business conditions and a more favorable policy environment after the election.

Chart C6 – Consumer Sentiment Index
(University of Michigan)



Source: National Federation of Independent Business

However, this peak was temporary. The index gradually declined through most of 2025, falling to a low of 98.2 in October before recovering slightly to 99.5 by December 2025. Throughout this period, small business owners consistently cited challenges such as high inflation, labor quality and costs, and taxes as their most important problems.

Consumer Sentiment

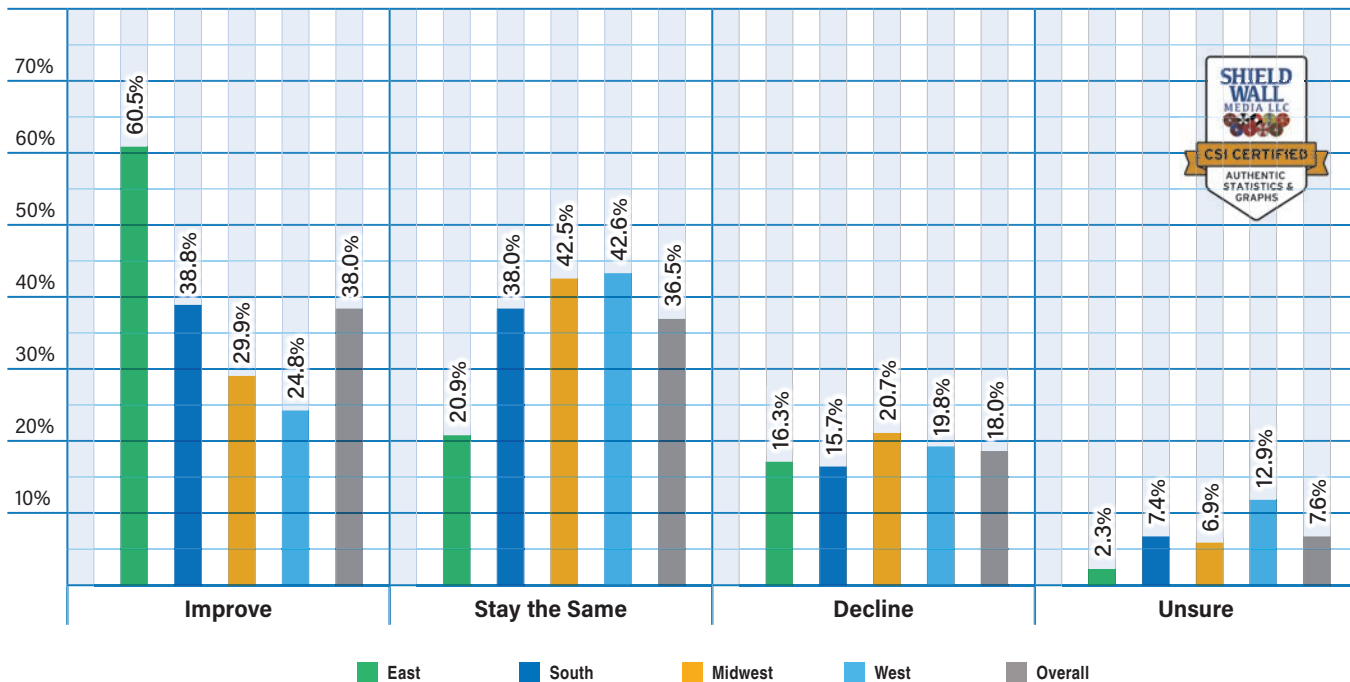
U.S. consumer sentiment experienced significant volatility since 2022, primarily driven by concerns over inflation and labor market conditions. The University of Michigan Sentiment Index plummeted to a near-record low of 50 in June 2022. It saw a recovery throughout 2023 and into early 2024, reaching a peak of around 79 in January and March 2024. **C6** However, the index experienced another sharp downturn in 2025, falling below 60 and hitting lows

near 51 in November 2025, a level not seen since the 2022 record low. By December 2025, it stood at 52.9. Throughout this period, high prices and worries about future unemployment weighed heavily on consumer outlook.

CSI Survey Attitudes Toward the Future

Of the 421 respondents to the 2026 CSI survey, the sentiment was cautiously optimistic, with 38% of respondents expecting improvement in 2026, which is almost exactly equal to the sentiment in last year's survey when 38.8% felt the 2025 construction industry would improve. Just over a third (36.5%) expected conditions to remain the same and that also is almost identical to last year's results when 38.8% expected the industry would hold steady. **C7**

Chart C7 – General Business Sentiment 2026
(by Location)



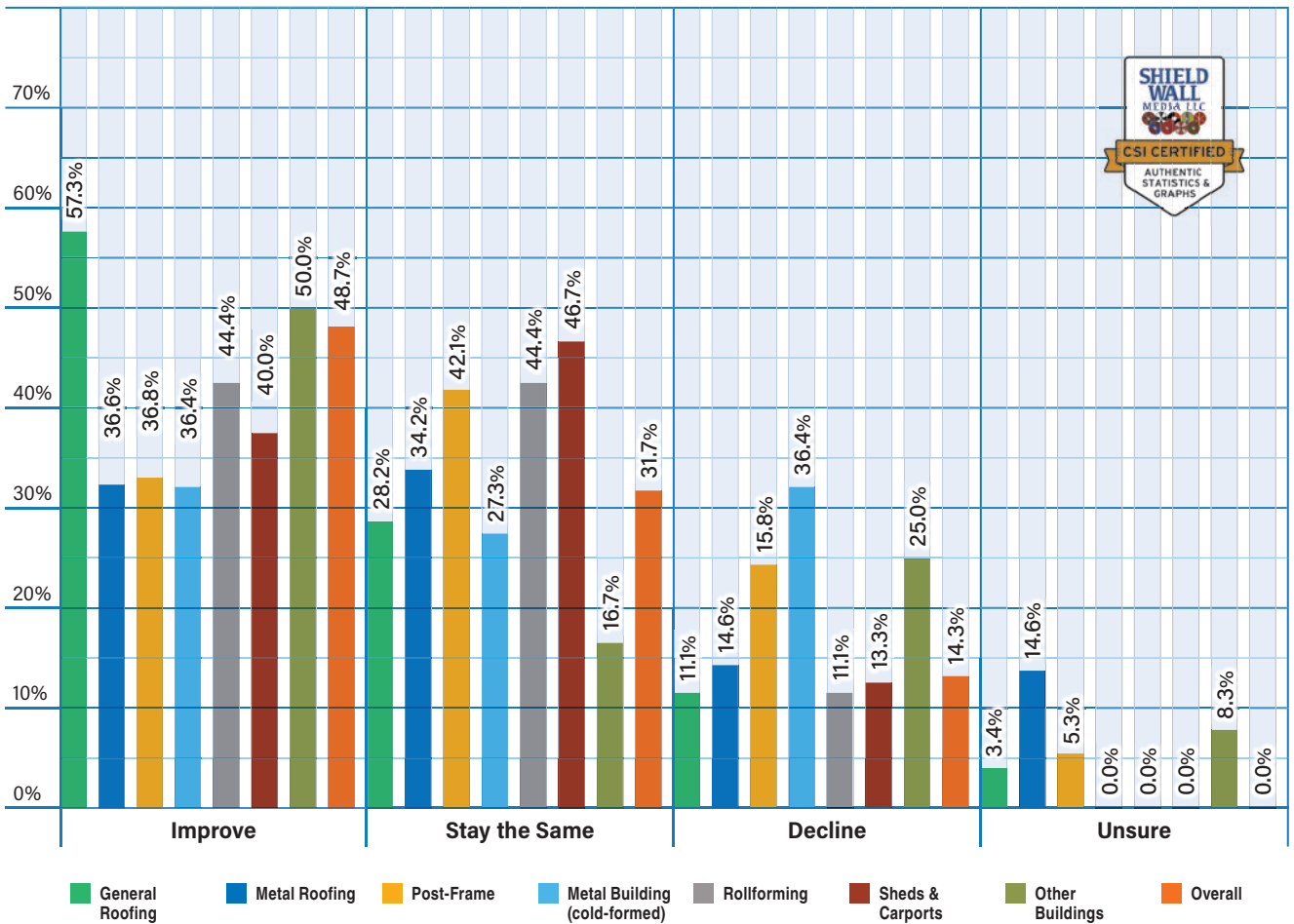
SPONSORED BY

 rollformingmagazine.com 715-252-6360	 readmetalroofing.com 715-252-6360	 framebuildingnews.com 715-252-6360	 ruralbuilder.com 715-252-6360	 shieldwallmedia.com 715-252-6360
---	--	---	--------------------------------------	---

Sentiment varied significantly by location:

- **East Region:** Showed the highest confidence in improvement (60.5%), a stark contrast to other regions.
- **South and Midwest Regions:** Were more conservative, with 38.8% and 29.9% expecting improvement, respectively.
- **West Region:** Displayed the lowest optimism for improvement at 24.8%.
- **Decline Expectations:** Were notably consistent across the West and Midwest (around 18–20%). The East and South were much lower at 15.7–16.3%.
- **Uncertainty:** Was lowest in the East (2.3%) and highest in the West (12.9%), indicating a clear regional divide in business confidence and predictability.

Chart C8 – General Business Sentiment 2026
(by Primary Area of Construction)



SPONSORED BY



rollformingmagazine.com
715-252-6360



readmetalroofing.com
715-252-6360



framebuildingnews.com
715-252-6360

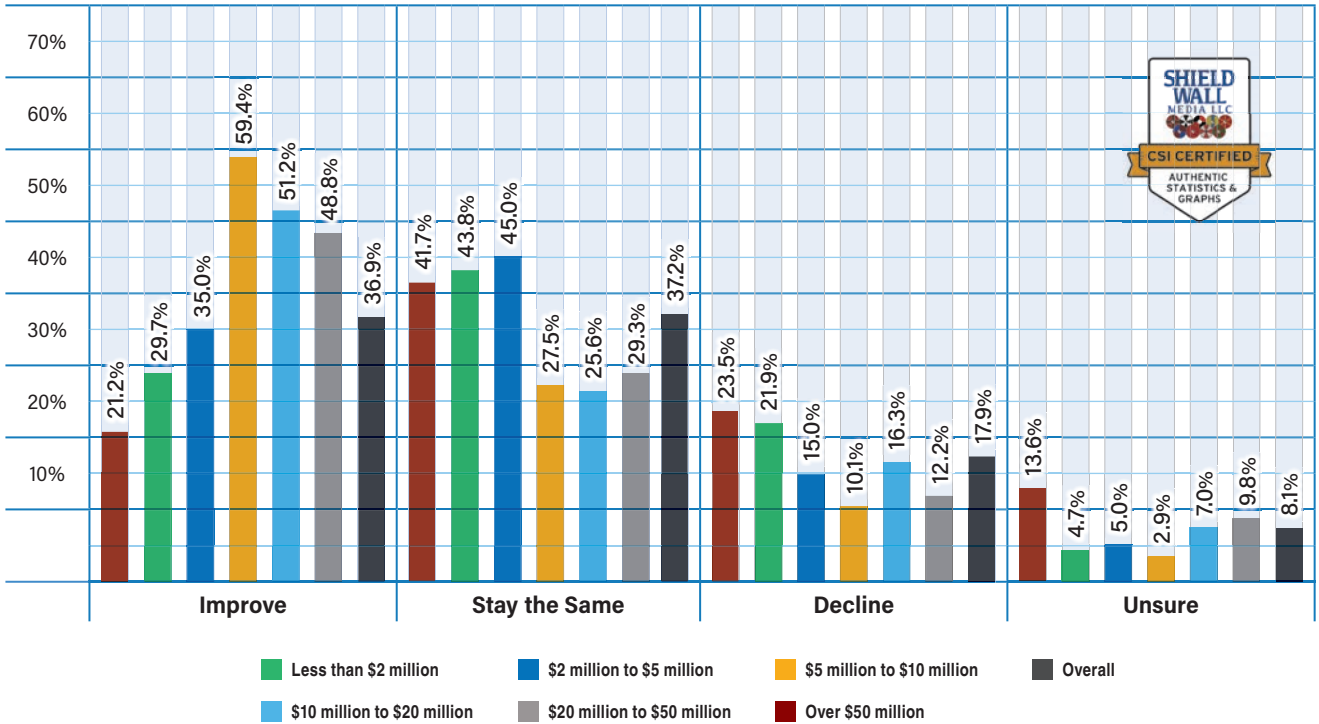


ruralbuilder.com
715-252-6360



shieldwallmedia.com
715-252-6360

Chart C9 – General Business Sentiment 2026
(by 2025 Gross Sales)



When we dived the data by primary business focus, we discovered a mixed level of sentiment. **C8**

Among business whose primary area of construction was General Roofing, the sentiment about the overall construction industry was very high, with a commanding 57.3% of respondents expecting conditions to get better, and only 11.1% predicting a decline. Conversely, companies doing primarily cold-formed metal buildings had the greatest expectation of decline at 36.4%.

Among businesses primarily doing metal roofing, the sentiment was slightly less optimistic compared to the overall sentiment. A cautionary note about this sector though. Nearly 15% of respondents who work primarily in metal roofing were unsure about future economic conditions.

Rollformers also held a fairly robust view of 2026 with 44.4% saying industry conditions will improve. The sheds and carports participants showed the highest proportion of respondents expecting conditions to remain the same, at 46.7%.

About half of companies focused on other buildings—which includes masonry, structural insulated panels, and tilt-up concrete—expected improvement. Overall, the data paints a picture of guarded optimism, heavily influenced by specific market niches and the inherent volatility of the construction industry. **C9**

When we broke out the sentiment data by the size of the companies working in construction, there was a very clear pattern of small companies being far less optimistic than mid-sized or larger companies.

SPONSORED BY

Rollforming
Magazine
rollformingmagazine.com
715-252-6360

METAL ROOFING
MAGAZINE
readmetalroofing.com
715-252-6360

FRAMEBUILDING NEWS
SMITH
framebuildingnews.com
715-252-6360

Rural
Builder
ruralbuilder.com
715-252-6360

PLAIN
BUILDER
shieldwallmedia.com
715-252-6360

SURVEY PARTICIPANT PROFILE

In late November 2025, Shield Wall Media put the Construction Survey Insights survey into the field. When it closed about a month later, 421 survey takers had participated.

— LOCATION —

In previous years, the location of the respondents had tilted heavily toward the South, and there were a comparatively small number from the East. This year, there has been a much more even split across the country with the South (29.8%) still dominating. The other regions of the U.S. were between 21.4% and 24.1% of the participants. Only 10 said they worked nationally. Canada had only one respondent.

— PRIMARY BUILDING TYPE —

The largest cohort of respondents identified some aspect of roofing—general roofing (27.8%), metal roofing (10.2%), or other roofing such as gutters (2.4%)—as their primary area of construction. They totaled 40.4% of all respondents. (In the survey last year, respondents primarily working in roofing represented about a third of participants.) The next largest segments were trade contractors (10.0%) and manufacturers (10.9%).

— ROLES IN CONSTRUCTION —

We asked survey takers to define their roles in construction, and 39.4% identified as contractors or builders, 29.5% said they were designers, 17.1% distributors, and 14.0% manufacturers.

— PRIMARY MARKET SEGMENT —

About half of the 421 respondents said their primary market segment was single-family residential work, and 21.9% identified themselves as working mainly in multifamily. So 70% of the total worked in the residential arena with 6.9% in agriculture, 16.9% in commercial, and 5.9% industrial.

— 2025 GROSS SALES —

As is true with the construction industry as a whole, our survey was dominated by small companies. A third had gross sales below \$2 million in 2025 and more than 60% had below \$10 million in revenue last year. We did have a few large companies. 20.4% had sales in excess of \$20 million with about half of those above \$50 million.

— PERCENTAGE OF NEW CONSTRUCTION VS. REMODEL —

Compared to last year's survey, a much greater percentage of our participants were involved in new construction. Last year a third said more than 60% of their work was new, but this year 45.9% of survey takers did more than 60% of their work in new construction. Only 19.4% could be clearly identified as doing mostly remodeling work.

Only 21.2% of firms with 2025 gross sales of less than \$2 million expected the construction industry to improve. When you look at the companies below \$10 million, less than a third were optimistic about 2026. But about half of larger companies, those with revenues greater than \$10 million, were feeling good about the construction industry in the coming year.

Not only were smaller companies less likely to say

the industry fortunes would improve, they were more likely to say they would worsen in 2026. About a quarter of companies with 2025 gross sales below \$2 million said 2026 would be a declining year.

The final inference we can draw from these sentiments is that those companies under \$10 million were more likely to say the 2026 construction industry business environment would stay about the same.

SPONSORED BY

Rollforming
Magazine

rollformingmagazine.com
715-252-6360

METAL
ROOFING
MAGAZINE

readmetalroofing.com
715-252-6360

FRAMEBUILDING
THE NEWS

framebuildingnews.com
715-252-6360

Rural
Builder

ruralbuilder.com
715-252-6360

PLAIN
BUILDER

shieldwallmedia.com
715-252-6360