
ECONOMIC REPORT



MINNESOTA MANUFACTURING INDEX SPECIAL EDITION: RAW MATERIAL COST TRENDS

MARCH 2026

CONTENTS

About Boyum 3

Introduction 4

Producer Price Index: Overall

Producer Price Index: Manufacturing 5

Producer Price Index: By Commodity 6

Producer Price Index: *Disaggregated by Commodity*

Producer Price Index: Metals & Metal Products 7

Producer Price Index: Rubber & Plastic Products 8

Producer Price Index: Fuels 9

Producer Price Index: Lumber & Wood 10

Producer Price Index: Chemicals & Allied Products 11

Summary 12

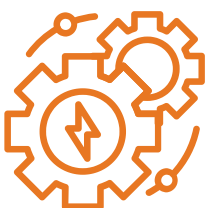
ABOUT BOYUM

YOUR TRUSTED MANUFACTURING TEAM

Manufacturing and distribution companies face growing challenges in today's environment, including rapid technology changes, pricing pressures, complex tax requirements, and ongoing talent shortages. At Boyum Barenscheer, we help clients navigate these obstacles and turn opportunity into advantage. Our experienced team partners closely with manufacturers and distributors to address their most important operational, financial, and strategic needs, including:

- Performance & Strategy Advisory
- Tax Consulting & Compliance
- Assurance & Compliance Services
- Accounting & Outsourced Services

WE SHARE YOUR PASSION FOR INNOVATION.



RAW MATERIAL COST TRENDS | MARCH 2026

The following data examines recent raw material cost trends facing Minnesota manufacturers through the lens of the Producer Price Index (PPI), with a focus on commodity-level data most relevant to regional production. Following a brief overview of overall and manufacturing-specific PPI trends, the data is disaggregated across key commodity groups, including metals and metal products, rubber and plastic products, fuels, lumber and wood products, and chemicals and allied products. Each section presents a five-year PPI visual alongside short, medium, and long-term change metrics to highlight the most recent momentum as well as the longer-term momentum. Together, these data points provide manufacturers with insight into how input costs are evolving across major input categories, supporting more informed pricing, purchasing, and strategic decision-making.

Producer Price Index data is a national macroeconomic indicator, therefore the following data is not specific to Minnesota only, rather the United States as a whole. The disaggregated commodities were selected as they are some of the most commonly used raw materials in Minnesota manufacturing.

To catch up on other Minnesota manufacturing economic reports that include introductions to economic indicators, a five-year historical analysis, and updates from January, February, and March 2026, visit those reports with the following links.

Introductory Index: [HERE](#)

January 2026 Index: [HERE](#)

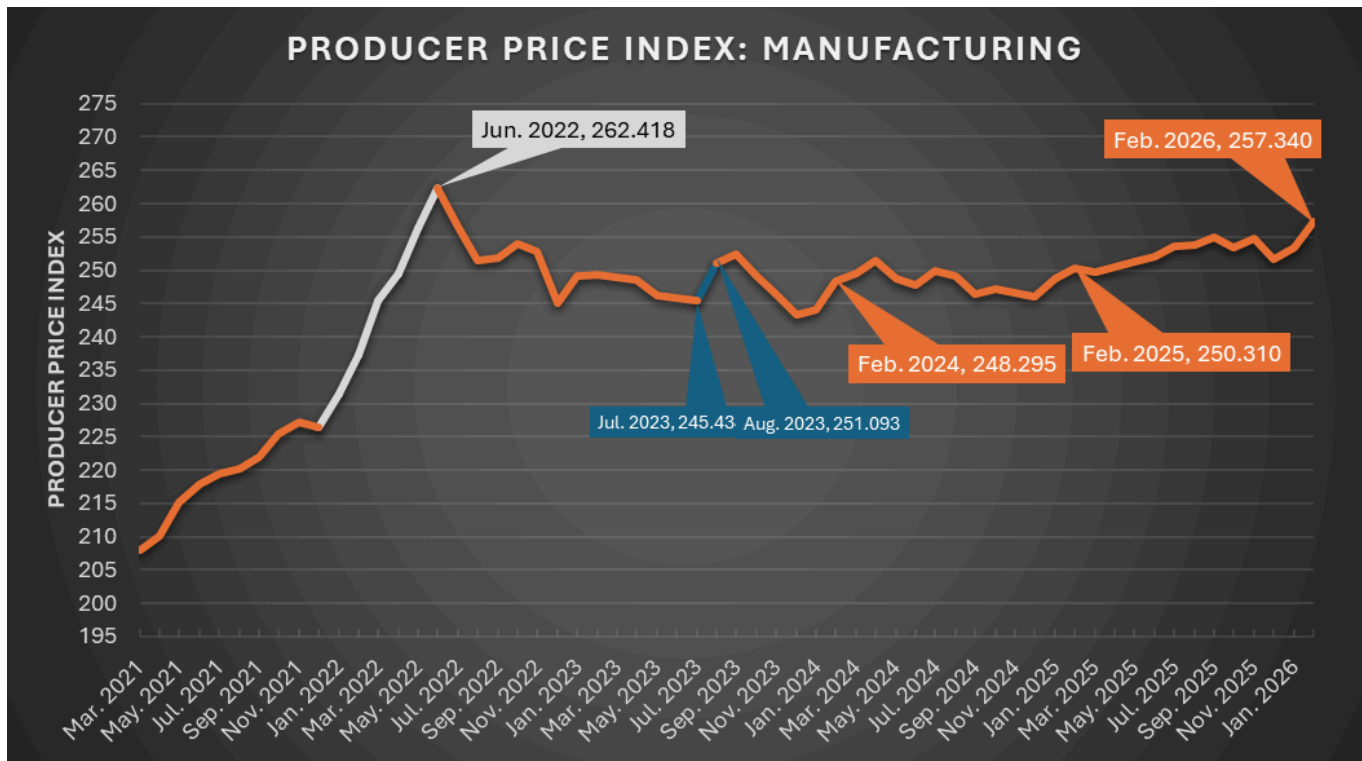
February 2026 Index: [HERE](#)

March 2026 Index: [HERE](#)

PRODUCER PRICE INDEX



PRODUCER PRICE INDEX: MANUFACTURING



The following commentary was pulled from The Minnesota Manufacturing Index – March 2026.

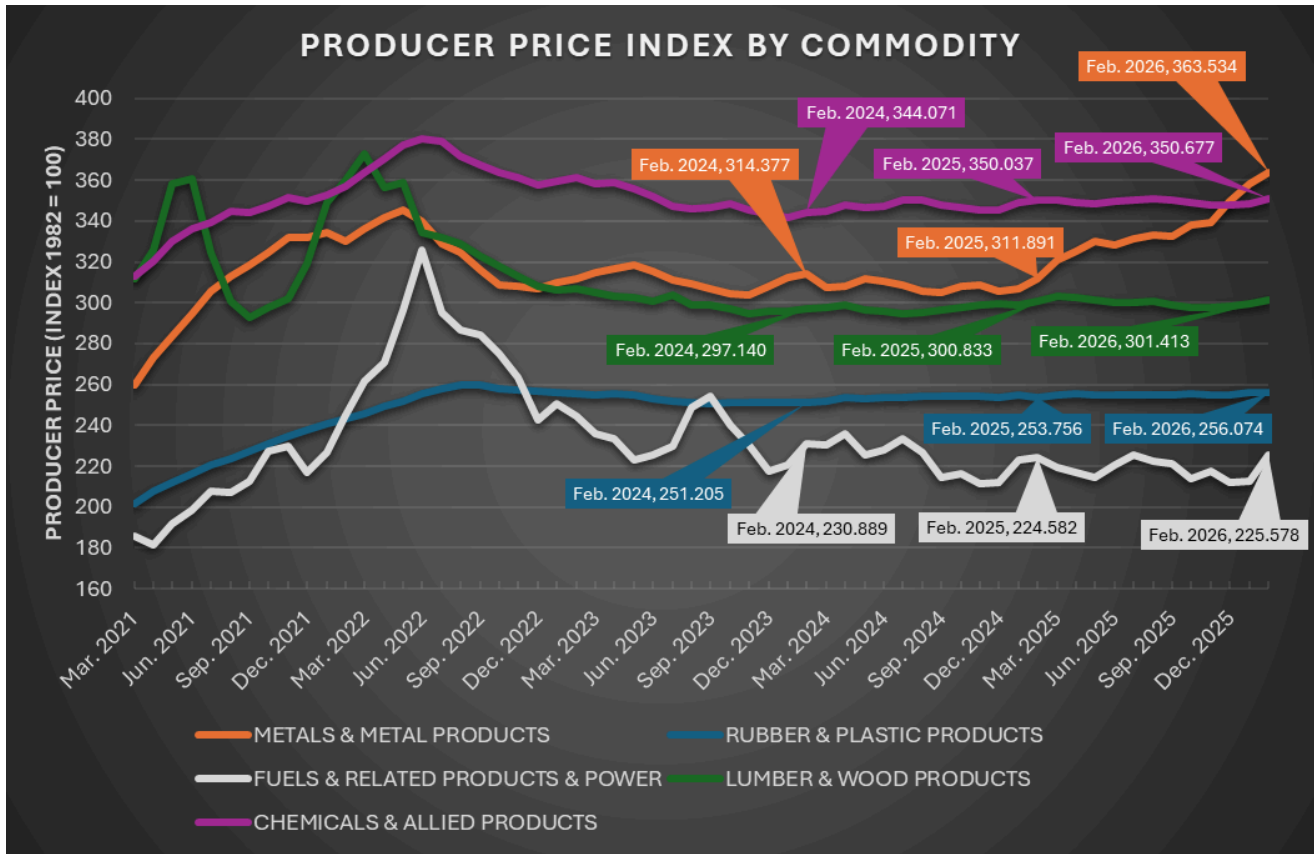
February 2026 PPI rose to 257.34 from 253.407 in January, reaching its highest level since June 2022. This represents one of the largest month-over-month manufacturing PPI increases since mid-2023 which was followed with a marginal increase and then three-month decrease. Monitoring PPI levels over the next several months will be key, the period of December 2021 to June 2022 led to one of the most significant periods of inflation that the United States has seen. Continuing increases to PPI over the next several months could indicate another period of rising inflation, purchasing management over this period is crucial to maintaining competitiveness and limiting drawbacks.

The following data reflects PPI by various commodities, these commodities, in combination with a multitude of other commodities make up, in aggregate, the PPI that is presented above.

PRODUCER PRICE INDEX



PRODUCER PRICE INDEX: BY COMMODITY



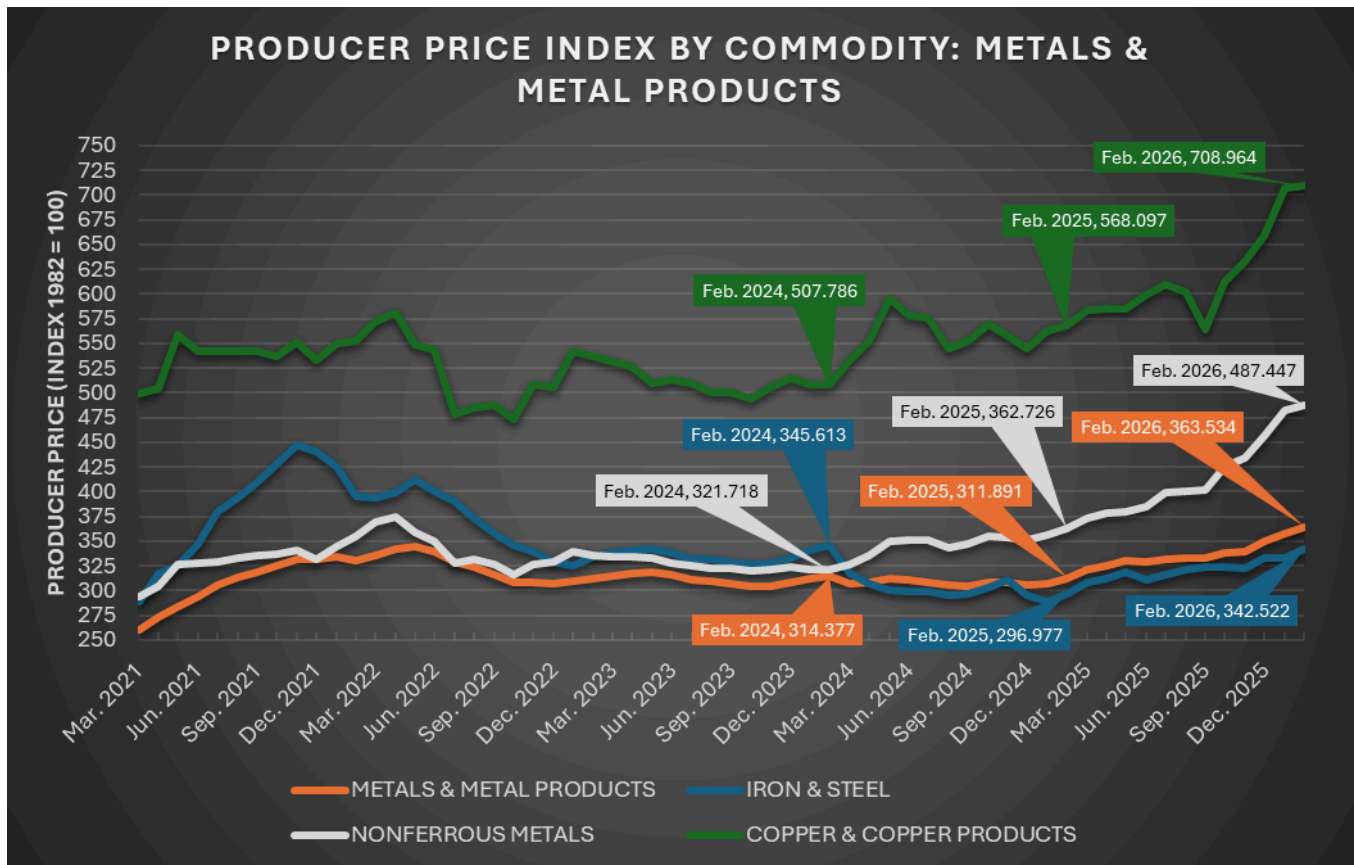
Metals and metal products, rubber and plastic products, fuels and related products and power, lumber and wood products, and chemicals and allied products fall among the most used commodities in Minnesota manufacturing. These sub-indices are disaggregated further in the following pages but generally provide insight into the high-level makeup of overall PPI.

Understanding cost trends of the commodities that are used in a manufacturing process allows for better short and long-term strategic decision making. Input costs often move months before finished goods prices. Rising input costs put unforeseen margin pressure on manufacturers that are unaware of the trend of their inputs, whereas manufacturers that understand the patterns in pricing of their inputs can proactively adjust finished goods prices, search for alternative inputs, or adjust purchasing behaviors to mitigate the effects of price fluctuations. Additionally, understanding commodity-level PPI enhances the ability of manufacturers to more accurately forecast, budget, and plan for multiple scenarios.

PRODUCER PRICE INDEX: DISAGGREGATED BY COMMODITY

The percentage changes throughout the following pages represent the average monthly rate of change over the specified period. For example: 3-month average change - (Month 1 change = +3%, Month 2 change = +2%, Month 3 change = -1%, average of 3%, 2%, and -1% = 1.33%).

PRODUCER PRICE INDEX: METALS & METAL PRODUCTS



METALS & METAL PRODUCTS (OVERALL)

- 3-month average change: **+2.34%**
- 6-month average change: **+1.47%**
- 1-year average change: **+1.29%**
- Change since Feb. 2025: **+16.56%**

NONFERROUS METALS

- 3-month average change: **+3.91%**
- 6-month average change: **+3.34%**
- 1-year average change: **+2.51%**
- Change since Feb. 2025: **+34.38%**

COPPER & COPPER PRODUCTS

- 3-month average change: **+3.91%**
- 6-month average change: **+2.90%**
- 1-year average change: **+1.93%**
- Change since Feb. 2025: **+24.80%**

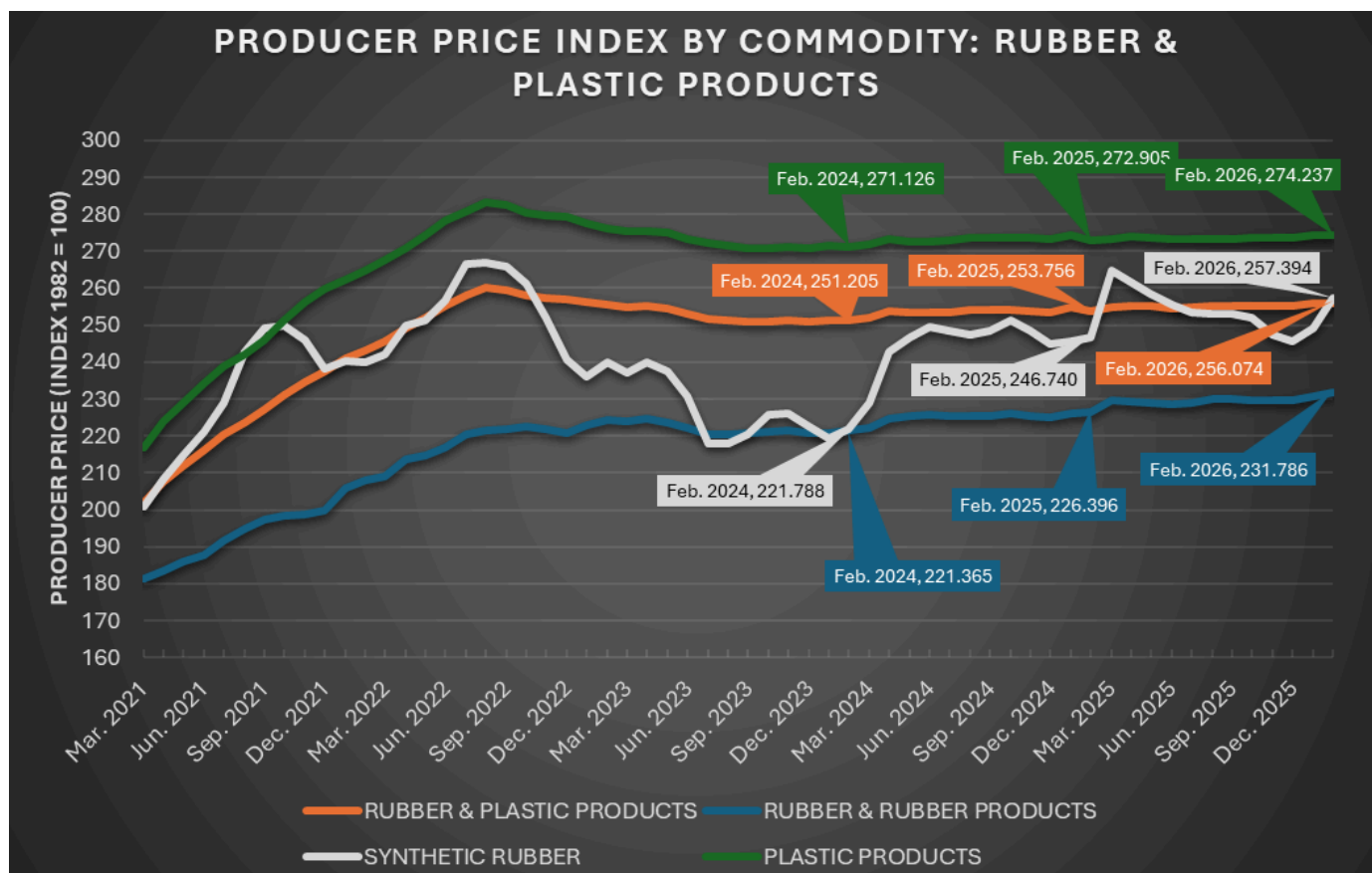
IRON & STEEL

- 3-month average change: **+2.02%**
- 6-month average change: **+1.07%**
- 1-year average change: **+1.21%**
- Change since Feb. 2025: **+15.34%**

PRODUCER PRICE INDEX: DISAGGREGATED BY COMMODITY



PRODUCER PRICE INDEX: RUBBER & PLASTIC PRODUCTS



RUBBER & PLASTIC PRODUCTS (OVERALL)

- 3-month average change: **+0.13%**
- 6-month average change: **+0.07%**
- 1-year average change: **+0.08%**
- Change since Feb. 2025: **+0.91%**

RUBBER & RUBBER PRODUCTS

- 3-month average change: **+0.29%**
- 6-month average change: **+0.12%**
- 1-year average change: **+0.20%**
- Change since Feb. 2025: **+2.38%**

SYNTHETIC RUBBER

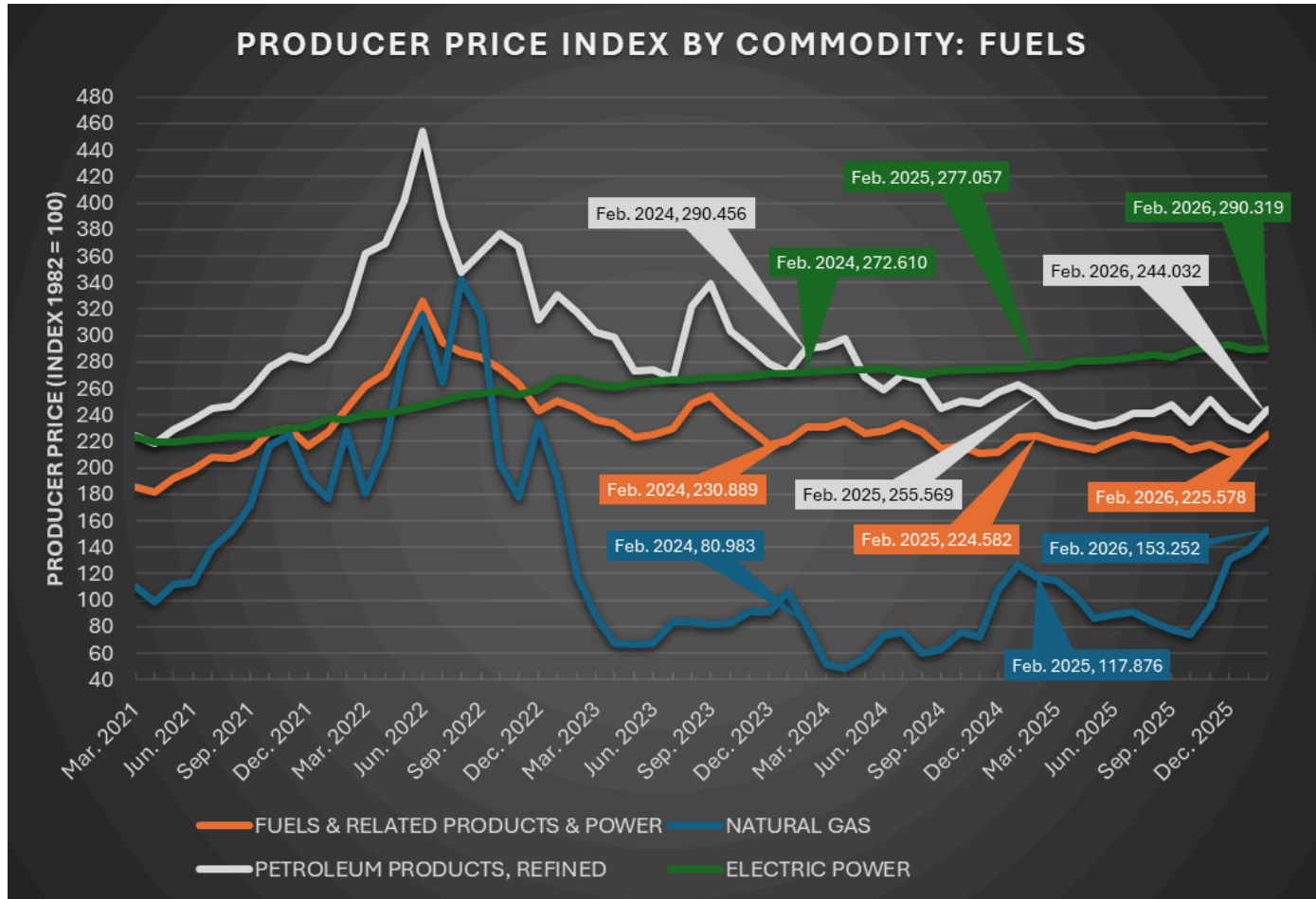
- 3-month average change: **+1.33%**
- 6-month average change: **+0.29%**
- 1-year average change: **+0.38%**
- Change since Feb. 2025: **+4.32%**

PLASTIC PRODUCTS

- 3-month average change: **+0.08%**
- 6-month average change: **+0.05%**
- 1-year average change: **+0.04%**
- Change since Feb. 2025: **+0.49%**

PRODUCER PRICE INDEX: DISAGGREGATED BY COMMODITY

PRODUCER PRICE INDEX: FUELS



FUELS & RELATED PRODUCTS & POWER (OVERALL)

- 3-month average change: **+1.30%**
- 6-month average change: **+0.29%**
- 1-year average change: **+0.07%**
- Change since Feb. 2025: **+0.44%**

PETROLEUM PRODUCTS, REFINED

- 3-month average change: **-0.87%**
- 6-month average change: **+0.36%**
- 1-year average change: **-0.29%**
- Change since Feb. 2025: **-4.51%**

NATURAL GAS

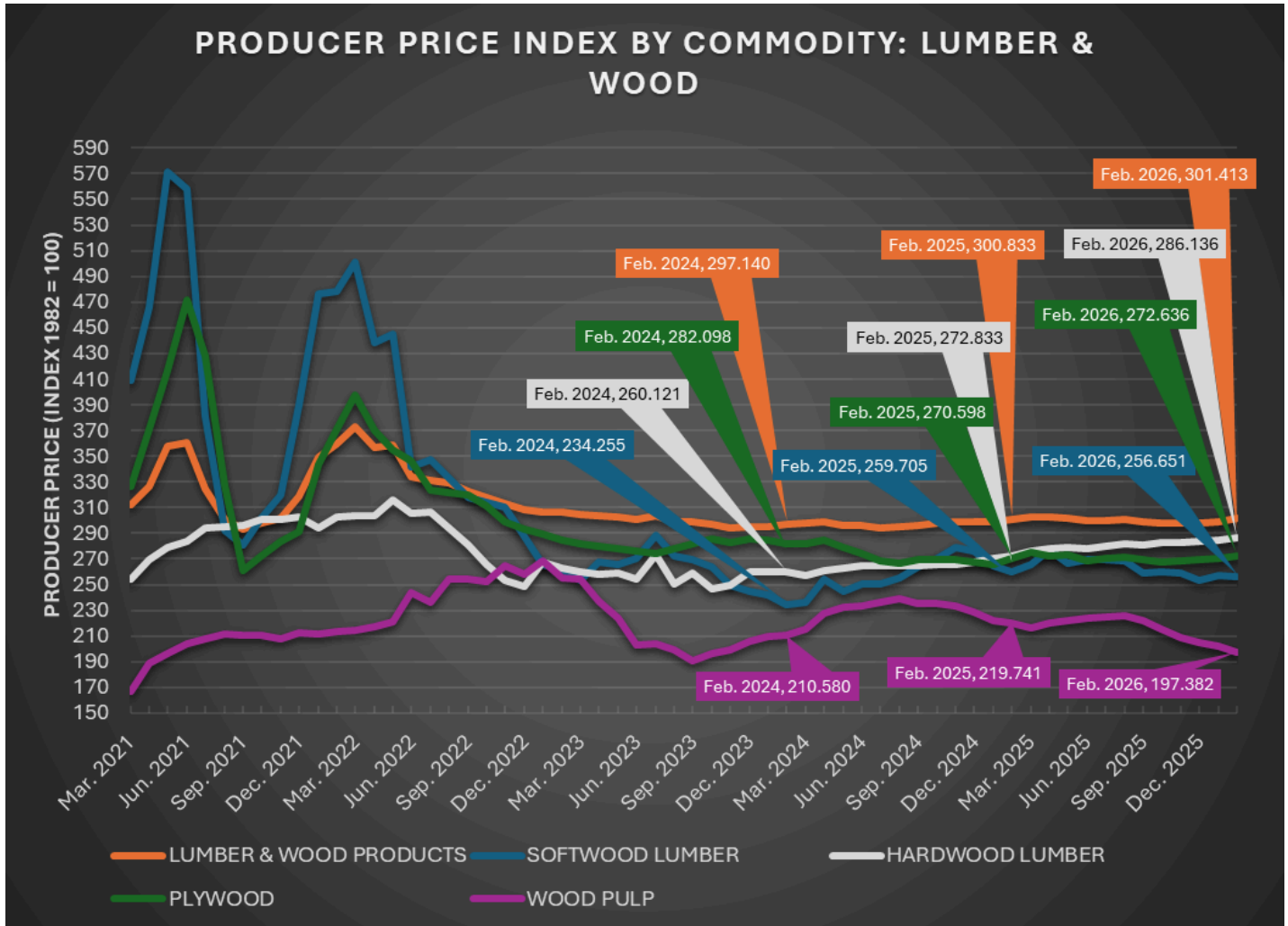
- 3-month average change: **+18.14%**
- 6-month average change: **+11.68%**
- 1-year average change: **+3.22%**
- Change since Feb. 2025: **+30.01%**

ELECTRIC POWER

- 3-month average change: **-0.08%**
- 6-month average change: **+0.27%**
- 1-year average change: **+0.39%**
- Change since Feb. 2025: **+4.79%**

PRODUCER PRICE INDEX: DISAGGREGATED BY COMMODITY

PRODUCER PRICE INDEX: LUMBER & WOOD



LUMBER & WOOD PRODUCTS (OVERALL)

- 3-month average change: **+0.39%**
- 6-month average change: **+0.05%**
- 1-year average change: **+0.02%**
- Change since Feb. 2025: **+0.19%**

SOFTWOOD LUMBER

- 3-month average change: **-0.29%**
- 6-month average change: **-0.75%**
- 1-year average change: **-0.07%**
- Change since Feb. 2025: **-1.18%**

PLYWOOD

- 3-month average change: **+0.45%**
- 6-month average change: **+0.09%**
- 1-year average change: **+0.07%**
- Change since Feb. 2025: **+0.75%**

WOOD PULP

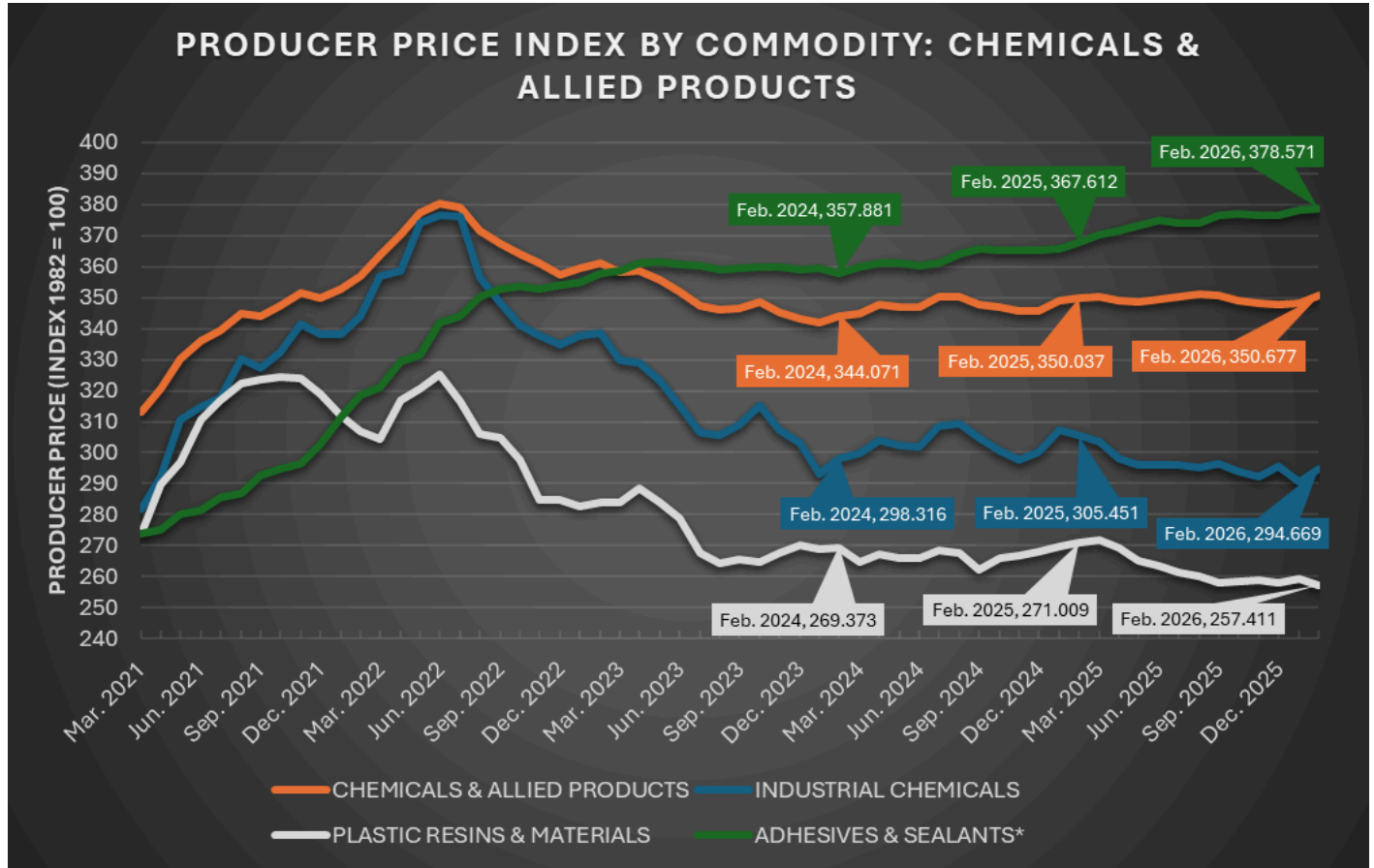
- 3-month average change: **-1.92%**
- 6-month average change: **-2.25%**
- 1-year average change: **-0.88%**
- Change since Feb. 2025: **-10.18%**

HARDWOOD

- 3-month average change: **+0.38%**
- 6-month average change: **+0.27%**
- 1-year average change: **+0.40%**
- Change since Feb. 2025: **+4.88%**

PRODUCER PRICE INDEX: DISAGGREGATED BY COMMODITY

PRODUCER PRICE INDEX: CHEMICALS & ALLIED PRODUCTS



CHEMICALS & ALLIED PRODUCTS (OVERALL)

- 3-month average change: **+0.25%**
- 6-month average change: **-0.01%**
- 1-year average change: **+0.02%**
- Change since Feb. 2025: **+0.18%**

INDUSTRIAL CHEMICALS

- 3-month average change: **+0.29%**
- 6-month average change: **-0.02%**
- 1-year average change: **-0.29%**
- Change since Feb. 2025: **-3.53%**

PLASTIC RESINS & MATERIALS

- 3-month average change: **-0.19%**
- 6-month average change: **-0.19%**
- 1-year average change: **-0.43%**
- Change since Feb. 2025: **-5.02%**

ADHESIVES & SEALANTS

- 3-month average change: **+0.19%**
- 6-month average change: **+0.20%**
- 1-year average change: **+0.25%**
- Change since Feb. 2025: **+2.98%**

SUMMARY

The disaggregated Producer Price Index data illustrates a clear divergence in raw material cost pressures across key commodity groups used by Minnesota manufacturers. Metals and metal products exhibited the most pronounced inflationary pressure, with particularly strong increases in nonferrous metals and copper products. This data signals continued cost risk for manufacturers with metal-intensive processes. In contrast, rubber and plastic products remained relatively stable since mid-2022, signaling limited short-term price risk. Fuel-related inputs paint a conflicting picture – overall fuel and related product costs have remained relatively contained, but significant upward pressure in natural gas highlights an area of increasing risk. Lumber and wood products remained relatively flat dating back to mid-2023. Prior to this, the commodity index was heavily influenced by the peaks and valleys of the softwood and plywood indices – highlighting the importance of these indices on the overall commodity. Chemicals and allied products have also remained stable over the past year, seeing a modest 0.18% increase from February 2025. Beneath the surface, however, plastic resins and industrial chemicals experienced notable declines, which were offset by incremental increases to adhesives and sealants.

Understanding these price trends is critical for Minnesota manufacturers as input costs often change prior to adjustments in finished goods pricing. A clear understanding of this data allows informed decision-making and the ability to anticipate margin impacts rather than a forced reaction. This understanding becomes more important than ever in times of geopolitical tension and economic uncertainty.

Questions?

Reach out to us at info@myboyum.com.

CITATIONS

- U.S. Bureau of Labor Statistics, Producer Price Index by Industry: Total Manufacturing Industries [PCUOMFGOMFG], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/PCUOMFGOMFG>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Metals and Metal Products [WPU10], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU10>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Rubber and Plastic Products [WPU07], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU07>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Fuels and Related Products and Power [PPIENG], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/PPIENG>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Lumber and Wood Products [WPU08], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU08>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Chemicals and Allied Products [WPU06], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU06>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Metals and Metal Products: Iron and Steel [WPS101], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPS101>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Metals and Metal Products: Nonferrous Metals [WPS102], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPS102>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Special Indexes: Copper and Copper Products [WPUS1019011], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPUS1019011>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Rubber and Plastic Products: Rubber and Rubber Products [WPU071], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU071>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Rubber and Plastic Products: Synthetic Rubber [WPU071102], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU071102>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Rubber and Plastic Products: Plastic Products [WPU072], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU072>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Fuels and Related Products and Power: Natural Gas [WPU0531], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU0531>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Fuels and Related Products and Power: Petroleum Products, Refined [WPS057], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPS057>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Fuels and Related Products and Power: Electric Power [WPS054], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPS054>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Lumber and Wood Products: Softwood Lumber [WPS0811], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPS0811>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Lumber and Wood Products: Hardwood Lumber [WPU0812], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU0812>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Pulp, Paper, and Allied Products: Wood Pulp [WPU0911], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU0911>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Lumber and Wood Products: Plywood [WPU083], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU083>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Chemicals and Allied Products: Industrial Chemicals [WPS061], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPS061>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Chemicals and Allied Products: Plastic Resins and Materials [WPS066], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPS066>, April 4, 2026.
- U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Chemicals and Allied Products: Adhesives and Sealants [WPU067904], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU067904>, April 4, 2026.