

The Hagen Report  
August 2022

*“Resourcefulness – The ability to adapt with the unexpected and take the lead to find the best solution. This is one of our core values we have at Eaglestone. It’s my goal that this report provides useful information so we can all continue to be resourceful in these challenging and often unexpected times.*

*The metal markets have softened quite a bit in the recent months. To clarify, the value of the commodities themselves on their respective exchanges have decreased but the finished product often does not drop as quickly. Manufacturers and distributors are not so quick to lower prices due to other inflationary pressures and inventory costs. However, armed with the correct information you can be resourceful and make more informed decisions relative to your unique commodity needs.*

*It was Napoleon Hill that said, “A resourceful person will always make opportunity to fit his or her needs” .*

**Christopher P. Hagen, LEED AP**  
**Chief Procurement Officer**

**Metals** – As noted above metal markets have in fact softened. As you can see [copper](#) and [aluminum](#) are down about 25% over the past two months. Hot rolled steel and galvanized sheet metal have shown similar declines.



**Supply Chain** – One step forward, two steps back is what it feels like with the supply chain these days. Companies are taking measures to shore up their supply chain however, the results in some cases are not immediate. Building new factories for onshoring and major shifts in product material type selection that may require changes to codes, could often take years. However, be resourceful here as there are opportunities to have a more immediate impact on your direct supply chain!

**Energy** – The national average for a gallon of gas has dropped quite a bit. Crude oil has dropped in price as well over the past couple of months, fueling this decline. The current data from AAA are as follows:

	Regular	Mid-Grade	Premium	Diesel
Current Avg.	\$4.327	\$4.780	\$5.081	\$5.386
Yesterday Avg.	\$4.355	\$4.806	\$5.103	\$5.412
Week Ago Avg.	\$4.495	\$4.947	\$5.244	\$5.515
Month Ago Avg.	\$4.900	\$5.315	\$5.614	\$5.797
Year Ago Avg.	\$3.156	\$3.506	\$3.780	\$3.274

Kudos to our Eaglestone affiliates for their resourcefulness in expanding their electrical fleet of vehicles and installation of EV charging stations.

**Inflation** – The gas price decline is a possible indicator that we *may* have seen the peak of inflation. Food costs are also down with the futures prices down for both corn and wheat over the past several months. \*Core inflation is also down from its March peak (\*Core inflation statistics remove energy and food prices from its calculation). The federal reserve’s recent and **expected** decision to raise interest rates again by  $\frac{3}{4}$  of a point was warmly welcomed by the markets. BlackRock’s CIO of global fixed income, Rick Rieder, is quoted as saying “we have often said that high prices are the cure for high prices, and indeed we are watching that dynamic play out loud and clear across the country today.”

Stay cool and we will see you next month!

CPH