



March 16, 2023

Dear Valued Customer,

At Superior Duct Fabrication we are committed to supporting our customers and providing quarterly market updates. As you are aware, the nation is facing a time of economic uncertainty. It is difficult to predict how the market will be affected in the next couple of months. In the meantime, we have a few updates that can help provide information for more accurate bidding and job cost estimates this quarter.

Due to recent changes in the national steel market, we have seen a 20% rise in steel costs over the last two months. These prices are forecasted to be on the rise. Liner/insulation costs have increased 10% and are also displaying an upward trajectory. We are keeping a close eye on these increases and are very strategic in our procurement methods. However, you may see a **5-10% increase** in overall duct prices this quarter.

On a positive note, flex duct allocation has temporarily been lifted. Get your bulk orders in while you can and be as proactive as possible! We will give you an update if anything changes.

Superior Duct Fabrication continues to work hard as an organization on behalf of our customers to mitigate any increases. We are committed to working with you, our customers, to evaluate your current projects and provide the most cost-effective product possible.

If you have any questions, please reach out to your sales professional for further information.

Thank you,

Superior Duct Management Team

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