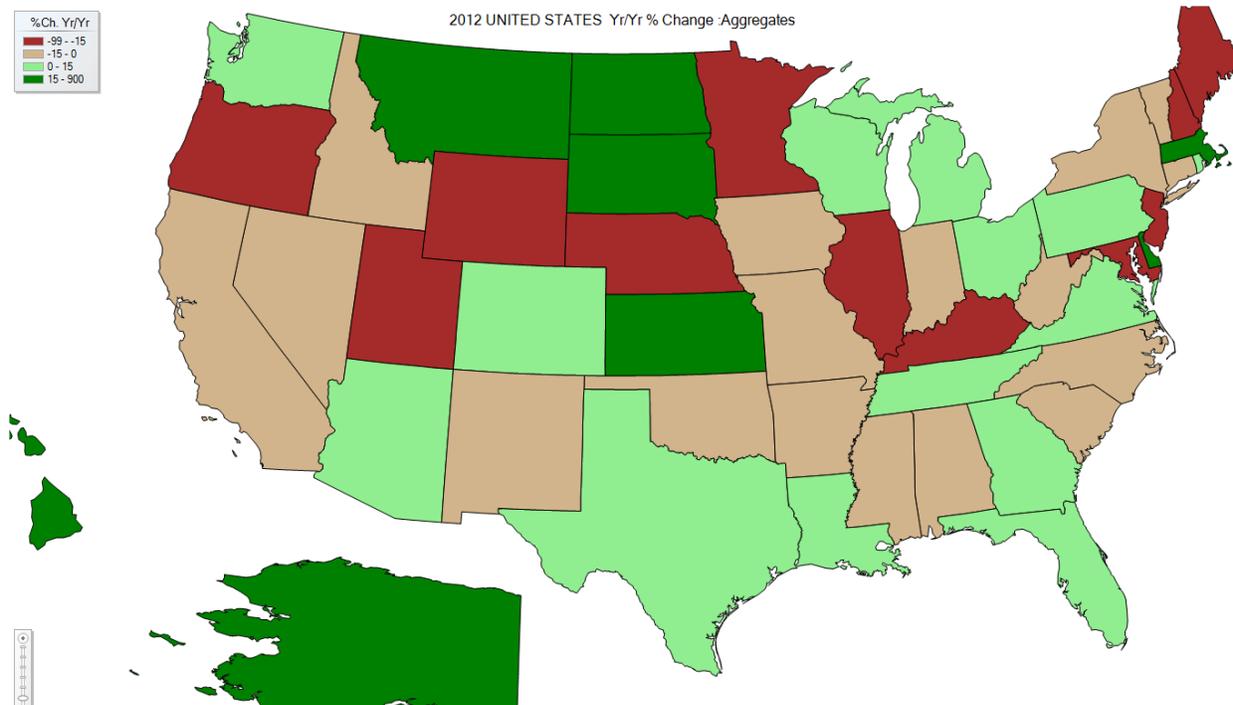


DCG Aggregates Forecast

Aggregates consumption continues to grow in most states where energy related activity is occurring. Especially notable are the Dakotas and Texas where fracking is booming.

Countering this trend is the slow pace of job growth and continued high unemployment in most areas. Nonresidential is growing modestly due to some job growth and residential is picking up speed due to a new round of easy money policy by the Federal Reserve (QE3).



Our outlook for the next two years remains flat as nonbuilding continues to deal with financially strapped state and local budgets. All of the cross-currents such as the fiscal cliff, a Euro area recession, a slowdown in China and cheap money from the Federal Reserve, tend to cancel each other out. This means that the chance of a sharp deviation from current consumption levels is unlikely in either direction.

DCG Aggregates Consumption Forecast (Billions of MTons)

Date	2007	2008	2009	2010	2011	2012	2013	2014
TOT	2.86	2.40	1.94	1.99	1.98	1.95	1.97	2.19
RES	0.73	0.25	0.28	0.31	0.34	0.35	0.34	0.36
NRES	0.85	0.58	0.50	0.48	0.54	0.53	0.53	0.60
NBLD	1.28	1.57	1.16	1.20	1.10	1.07	1.10	1.23

While the Presidential election is very important for America, it will not have much impact on demand levels for 2013 because most of the driving factors are set. Any large policy changes will not have a measurable impact on aggregates demand until 2014. The forecast assumes that demand growth occurs in 2014 as some of the headwinds hindering demand subside.

Prepared by: David Chereb, October 2012