

Annual Construction Cost Index in the Kingdom increases by 1.1% in June 2025

The Construction Cost Index recorded a 1.1% increase in Jun 2025 compared to the same month in 2024. This rise is attributed to a 1.2% increase in construction costs in the residential sector and a 1.0% increase in construction costs in the non-residential sector.

Increase of Construction Cost Index for Jun 2025

On an annual basis, the Construction Cost Index recorded a 1.1% increase, due to a 2.5% rise in the rental prices of equipment and machinery. This increase was driven by a 2.5% rise in the prices of equipment and machinery rental group with and without operator. Similarly, energy prices rose by 9.9%, mainly due to a 27.3% increase in diesel fuel prices.

In addition, labor costs increased by 2.4%, driven by a 6.3% rise in wages for general laborer. Meanwhile, the cost of basic materials recorded a decrease in their prices by 0.7%, due to the decrease in the prices of other building materials by 1.9%, and the prices of wood and carpentry by 1.9%. (Figure1)

Figure1: Annual change in construction cost by sections, Jun 2025(%)

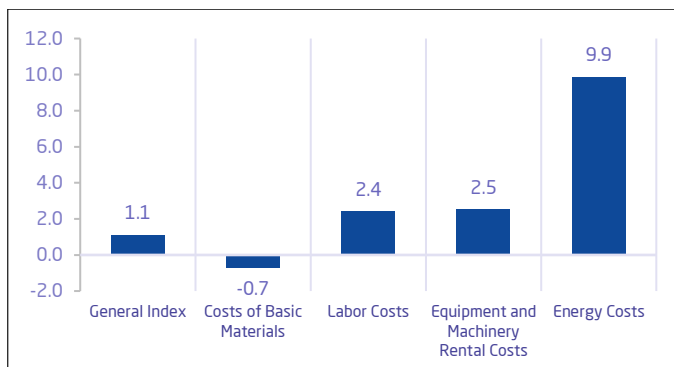


Figure2: Monthly change in construction cost by sections, Jun 2025

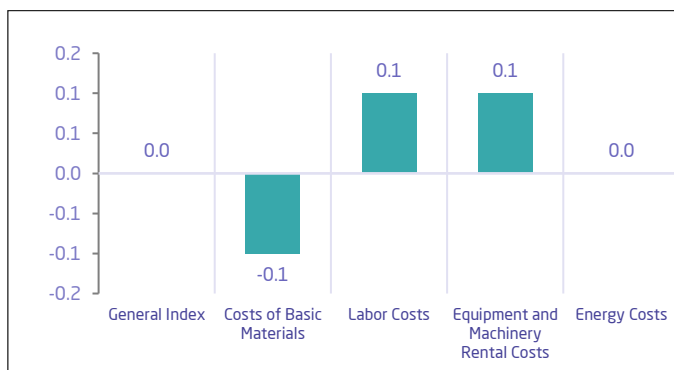
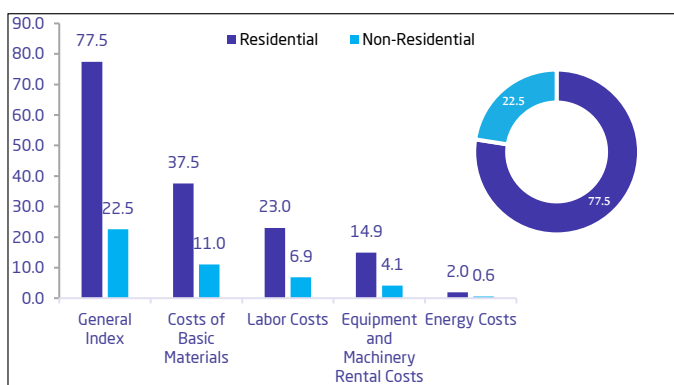


Figure3: Relative importance of activity (residential - non-residential) by sections



Construction Cost Index remains stable in June 2025 compared to May 2025 – on a monthly basis

The results of the monthly Construction Cost Index survey showed price stability.

Energy prices were stable through June 2025. In the same context, labor costs rose by 0.1%, driven by a 0.2% increase in painters' wages.

The rental prices of equipment and machinery increased by 0.1%, as a result of the increase in the prices of equipment and machinery rental group without an operator by 0.1%.

On the other hand, the costs of basic materials recorded a decrease in their prices by 0.1%, as a result of the decrease in the prices of metal products by 0.4%. (Figure2)

Movements of Construction Cost Index for June 2025 by Sector

The costs of residential activity increased by 1.2% due to the increase in the labor costs by 2.5%, and rental prices of equipment and machinery by 2.6%, and non-residential activity recorded an increase by 1.0% due to the increase in the labor costs by 2.1%, and the rental prices of equipment and machinery by 2.3%, compared to the corresponding month of 2024.

On a monthly basis, the costs of residential activity and the costs of non-residential activity stabilized without any significant change compared to May 2025.

CCI Methodology and Quality

The Construction Cost Index (CCI) reflects the movements of construction input costs, consisting of 60 items. The prices of which are collected monthly from thirteen regions through field visits to contractors' offices, engineering offices, and construction material sales establishments. The year 2023 has been set as the base year, and the construction cost index statistics are published monthly. For more details, please refer to: [Methodology and Quality](#) , [table](#)