

## Construction Cost Index in the kingdom rises by 0.7% in July 2025

Construction Cost Index (CCI) recorded an increase in July 2025, rising by 0.7% compared to the same month in 2024. This increase was mainly driven by a 0.7% rise in construction costs for the residential sector and a 0.6% increase for the non-residential sector. (Figure1)

### Annual increase in CCI for residential sector for July 2025

CCI for the residential sector increased by 0.7%, driven by a 1.8% rise in rental prices of equipment and machinery, influenced by a 2.5% increase in the prices of the group "renting equipment and machinery without an operator." This rise had a significant impact on sustaining the annual inflation rate for July 2025 due to the weight of this sector, which is 77.5%. In the same context, energy prices increased by 9.9%, driven by a 27.3% rise in diesel fuel prices. Labor costs also rose by 1.5% compared to July 2024. On the other hand, the prices of basic materials decreased by 0.7%, attributed to a 2.1% decline in wood and carpentry prices and a 1.9% decline in metal product prices. (Figure2)

### Annual increase in CCI for non-residential sector for July 2025

The results of CCI survey showed a 0.6% increase in the prices of the non-residential sector during July 2025, driven by a 1.9% rise in the prices of renting equipment and machinery, influenced by a 2.3% increase in the prices of the rental group of equipment and machinery without an operator. In the same context, labor costs recorded a 1.2% increase in July 2025. Energy prices also witnessed a significant rise by 9.9%, mainly due to a 27.3% increase in diesel fuel prices. On the other hand, the cost of basic materials decreased by 0.7% attributed to a 1.9% decline in the prices of metal products and other building materials. (Figure 3)

### Monthly changes of CCI for residential and non-residential sector for July 2025

The costs of residential sector increased by 0.4%, driven by a 1.1% rise in labor costs compared to June 2025. Similarly, the costs of non-residential sector recorded an increase of 0.5%, due to a 1.3% rise in labor costs and a 0.8% increase in the cost of renting equipment and machinery, also compared to June 2025.

Figure1: Annual change in general construction for July 2025 (%)



Figure2: Annual change in residential sector by category for July 2025

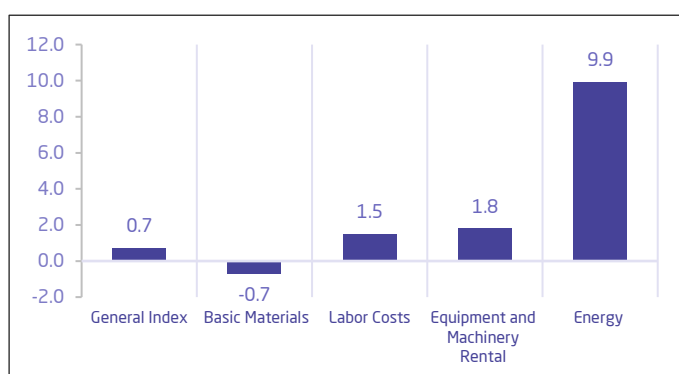
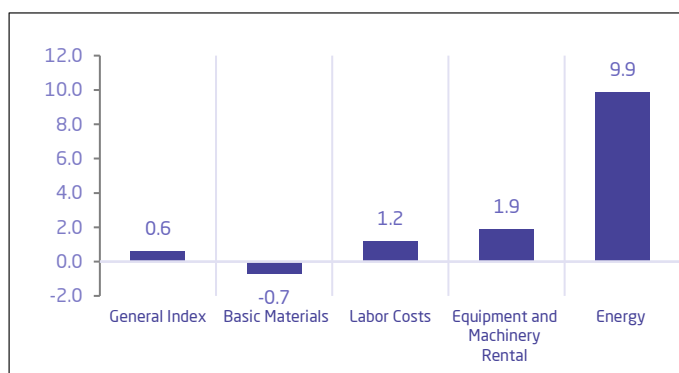
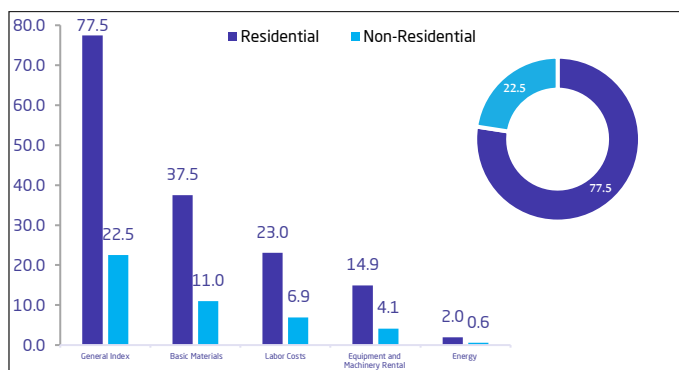


Figure3: Annual change in non-residential sector by category for July 2025



Relative importance of residential and non-residential sector by section



### 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