

# Construction Cost Index for Dwellings

## Third quarter, 2017

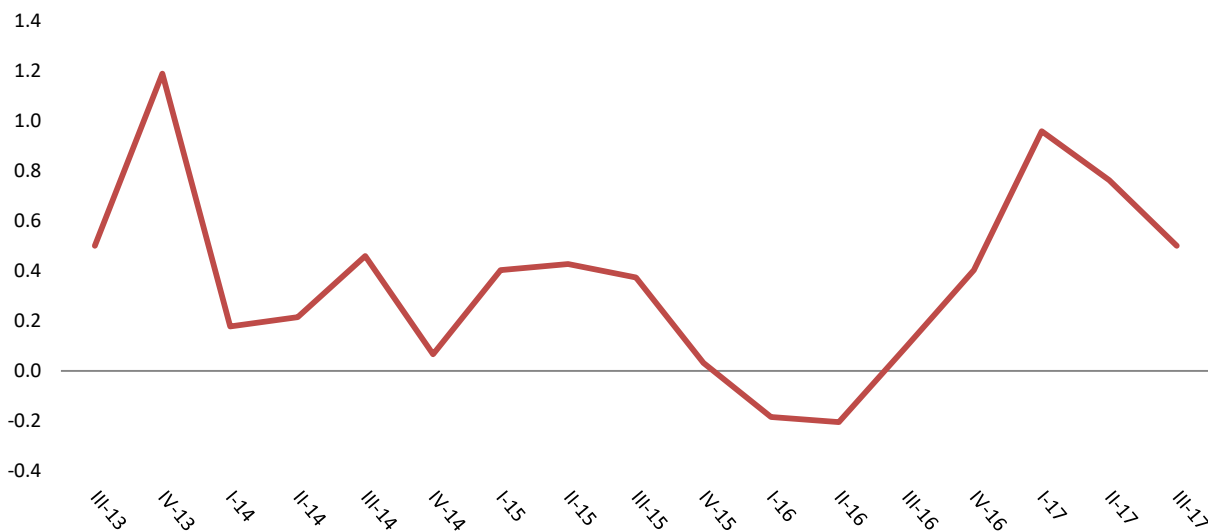
**Tirana, on December 4, 2017:** In the third quarter 2017, Construction Cost Index for Dwellings reached 103.1 compared with the first quarter 2011 (First quarter 2011=100).

**The annual change of construction cost index is 0.5 %.**

Compared with third quarter of 2016, "Other expenditures" group is increased by 1.8 % followed by "Salary expenditures" group with 1.6 % and "Material expenditures" group with 1.3 %.

The indices of "Transport expenditures" and "Machinery expenditures" decreased by 1.4 % and 0.3 % respectively, compared with second quarter of previews year.

**Fig. 1 Annual changes of Construction Cost Index for Dwellings**



**In the third quarter 2017, the quarterly change of the CCI for dwellings is 0.1 %.** The index of "Material expenditures" increased by 0.2 % compared with second quarter of 2017.

Compared with previews quarter, the indices of "Salary expenditures", "Machinery expenditures", "Transport expenditures" and "Energy expenditures" has not changed.

**Tab. 1 Construction Cost Index for Dwellings**

First quarter 2011=100

Code	Groups	Weights	III-14	IV-14	I-15	II-15	III-15	IV-15	I-16	II-16	III-16	IV-16	I-17	II-17	III-17
	<b>Total (1+2+3+4+5+6)</b>	<b>100.0</b>	<b>102.1</b>	<b>102.3</b>	<b>102.1</b>	<b>102.4</b>	<b>102.5</b>	<b>102.3</b>	<b>101.9</b>	<b>102.2</b>	<b>102.6</b>	<b>102.7</b>	<b>102.9</b>	<b>103.0</b>	<b>103.1</b>
<b>1</b>	<b>Material expenditures (a+b+c)</b>	<b>55.2</b>	<b>101.3</b>	<b>101.6</b>	<b>99.0</b>	<b>99.7</b>	<b>100.0</b>	<b>99.3</b>	<b>100.2</b>	<b>101.2</b>	<b>101.7</b>	<b>101.4</b>	<b>101.8</b>	<b>102.8</b>	<b>103.1</b>
	a. Construction materials	42.3	101.6	101.8	98.5	99.0	99.3	98.6	100.4	101.4	101.8	101.4	101.9	103.3	103.5
	b. Electric and communication materials	6.7	101.4	101.7	100.8	101.9	102.5	102.3	99.4	100.5	101.6	101.5	101.9	101.0	102.3
	c. Hydro - sanitary materials	6.2	99.6	100.2	100.4	101.6	101.8	101.0	99.9	100.7	101.3	101.4	101.5	101.4	101.1
<b>2</b>	<b>Salary expenditures</b>	<b>24.6</b>	<b>103.8</b>	<b>104.0</b>	<b>104.1</b>	<b>104.4</b>	<b>105.4</b>	<b>105.6</b>	<b>105.7</b>	<b>106.1</b>	<b>106.9</b>	<b>106.9</b>	<b>107.5</b>	<b>108.7</b>	<b>108.7</b>
<b>3</b>	<b>Machinery expenditures</b>	<b>8.3</b>	<b>103.1</b>	<b>103.0</b>	<b>102.8</b>	<b>103.1</b>	<b>103.0</b>	<b>102.9</b>	<b>102.8</b>	<b>103.1</b>	<b>103.2</b>	<b>103.4</b>	<b>102.5</b>	<b>102.8</b>	<b>102.8</b>
<b>4</b>	<b>Transport expenditures</b>	<b>5.3</b>	<b>103.4</b>	<b>103.3</b>	<b>103.1</b>	<b>102.9</b>	<b>102.8</b>	<b>102.5</b>	<b>99.8</b>	<b>99.3</b>	<b>99.2</b>	<b>99.9</b>	<b>97.8</b>	<b>97.8</b>	<b>97.8</b>
<b>5</b>	<b>Energy expenditures</b>	<b>2.1</b>	<b>100.3</b>	<b>100.3</b>	<b>99.4</b>	<b>99.4</b>	<b>99.4</b>	<b>99.4</b>	<b>99.1</b>	<b>99.1</b>	<b>99.1</b>	<b>99.1</b>	<b>99.1</b>	<b>99.1</b>	<b>99.1</b>
<b>6</b>	<b>Other expenditures</b>	<b>4.5</b>	<b>103.6</b>	<b>103.9</b>	<b>107.6</b>	<b>106.7</b>	<b>105.4</b>	<b>106.1</b>	<b>108.3</b>	<b>107.5</b>	<b>107.4</b>	<b>108.0</b>	<b>110.9</b>	<b>109.6</b>	<b>109.3</b>

**Tab. 2 Annual changes of Construction Cost Index for Dwellings**

Code	Groups	III-14/III-13	IV-14/IV-13	I-15/I-14	II-15/II-14	III-15/III-14	IV-15/IV-14	I-16/I-15	II-16/II-15	III-16/III-15	IV-16/IV-15	I-17/I-16	II-17/II-16	III-17/III-16
	<b>Total (1+2+3+4+5+6)</b>	<b>0.5</b>	<b>0.1</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.03</b>	<b>-0.2</b>	<b>-0.2</b>	<b>0.1</b>	<b>0.4</b>	<b>0.9</b>	<b>0.8</b>	<b>0.5</b>
<b>1</b>	<b>Material expenditures (a+b+c)</b>	<b>0.1</b>	<b>0.9</b>	<b>-0.8</b>	<b>-1.1</b>	<b>-1.3</b>	<b>-2.3</b>	<b>1.2</b>	<b>1.5</b>	<b>1.7</b>	<b>2.1</b>	<b>1.6</b>	<b>1.6</b>	<b>1.3</b>
	a. Construction materials	-0.1	1.0	-1.4	-2.0	-2.2	-3.2	1.9	2.3	2.5	2.9	1.5	2.0	1.7
	b. Electric and communication materials	1.3	-0.3	1.1	1.8	1.1	0.6	-1.4	-1.4	-0.9	-0.8	2.5	0.5	0.7
	c. Hydro - sanitary materials	0.5	1.0	0.9	2.1	2.2	0.8	-0.5	-0.9	-0.5	0.5	1.6	0.7	-0.2
<b>2</b>	<b>Salary expenditures</b>	<b>1.1</b>	<b>1.6</b>	<b>0.6</b>	<b>0.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.4</b>	<b>1.2</b>	<b>1.7</b>	<b>2.5</b>	<b>1.6</b>
<b>3</b>	<b>Machinery expenditures</b>	<b>-1.5</b>	<b>-1.3</b>	<b>0.7</b>	<b>0.2</b>	<b>0.0</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>0.2</b>	<b>0.4</b>	<b>-0.3</b>	<b>-0.2</b>	<b>-0.3</b>
<b>4</b>	<b>Transport expenditures</b>	<b>0.5</b>	<b>0.6</b>	<b>0.3</b>	<b>-0.2</b>	<b>-0.6</b>	<b>-0.7</b>	<b>-3.3</b>	<b>-3.5</b>	<b>-3.4</b>	<b>-2.5</b>	<b>-2.0</b>	<b>-1.5</b>	<b>-1.4</b>
<b>5</b>	<b>Energy expenditures</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.9</b>	<b>-0.8</b>	<b>-0.8</b>	<b>-0.8</b>	<b>-0.4</b>	<b>-0.4</b>	<b>-0.4</b>	<b>-0.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>6</b>	<b>Other expenditures</b>	<b>1.8</b>	<b>1.8</b>	<b>1.9</b>	<b>1.8</b>	<b>1.7</b>	<b>2.1</b>	<b>0.6</b>	<b>0.7</b>	<b>1.9</b>	<b>1.9</b>	<b>2.4</b>	<b>2.0</b>	<b>1.8</b>

%

**Tab. 3 Quarterly changes of Construction Cost Index for Dwellings**

		%												
Code	Groups	III-14	IV-14	I-15	II-15	III-15	IV-15	I-16	II-16	III-16	IV-16	I-17	II-17	III-17
	<b>Total (1+2+3+4+5+6)</b>	0.1	0.2	-0.2	0.3	0.1	-0.1	-0.4	0.3	0.4	0.2	0.2	0.1	0.1
1	<b>Material expenditures (a+b+c)</b>	0.5	0.3	-2.5	0.7	0.3	-0.7	0.9	0.9	0.5	-0.3	0.4	1.0	0.2
	a. Construction materials	0.5	0.2	-3.2	0.5	0.3	-0.8	1.9	1.0	0.4	-0.4	0.5	1.5	0.1
	b. Electric and communication materials	1.3	0.3	-0.9	1.0	0.6	-0.1	-2.8	1.1	1.1	-0.1	0.4	-0.9	1.3
	c. Hydro - sanitary materials	0.1	0.6	0.2	1.3	0.2	-0.8	-1.0	0.8	0.6	0.2	0.1	-0.1	-0.3
2	<b>Salary expenditures</b>	-0.1	0.2	0.1	0.3	0.9	0.2	0.1	0.3	0.8	0.0	0.5	1.1	0.0
3	<b>Machinery expenditures</b>	0.1	-0.1	-0.2	0.3	-0.1	-0.1	-0.2	0.3	0.1	0.2	-0.8	0.3	0.0
4	<b>Transport expenditures</b>	0.3	-0.1	-0.1	-0.2	-0.1	-0.3	-2.7	-0.5	0.0	0.7	-2.1	0.0	0.0
5	<b>Energy expenditures</b>	0.0	0.0	-0.8	0.0	0.0	0.0	-0.4	0.0	0.0	0.0	0.0	0.0	0.0
6	<b>Other expenditures</b>	-1.2	0.3	3.5	-0.9	-1.2	0.7	2.1	-0.8	-0.1	0.6	2.6	-1.1	-0.3

# Methodology

The Construction Cost Index for Dwellings (CCI) measures the price development of the production factors raw materials, labour, machinery, transports, energy and other costs that are used in building projects. The CCI is an important economic indicator for the construction sector. The main users of Construction Cost Index are the National Accounts as a deflator, Ministries, Bank of Albania, IMF, World Bank and for analysing the construction sector. The CCI from first quarter 2011 is calculated with a new basket of materials and expenditures. The new weights are calculated based on the projections for multi-dwelling buildings taken by firms. The first quarter 2011 is the base period for calculating the index (First quarter 2011=100). The new basket contains 71 items of which 66 are construction materials. The prices for construction materials collected from 165 distributors and retailers of construction materials. The data for salaries, machineries and transport collected in 65 biggest construction companies concentrated mostly in Tirana. The selection of companies is based on the volume of construction companies realized over a period of one year. The expenditure classification is based on classification of EUROSTAT for Construction Cost Index. The new CCI have six expenditure groups:

- Material Expenditures
- Salary Expenditures
- Machinery Expenditures
- Transport Expenditures
- Energy Expenditures
- Other expenditures

## Revision

Indexes may be revised due to several reasons: additional information, the methodological changes, change of base period. etc.

## Measure of index

The annual rate measures the price change between current quarter and the same quarter of the previous year.

The quarterly change measures the price between current quarter and previous quarter.