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CONSTRUCTION INDUSTRY SURVEY

ECONOMIC INDICATORS CNI

CBIC CNI Brazilian National Confederation of Industry

High interest rates have completed one year as the main problem faced by the Construction Industry

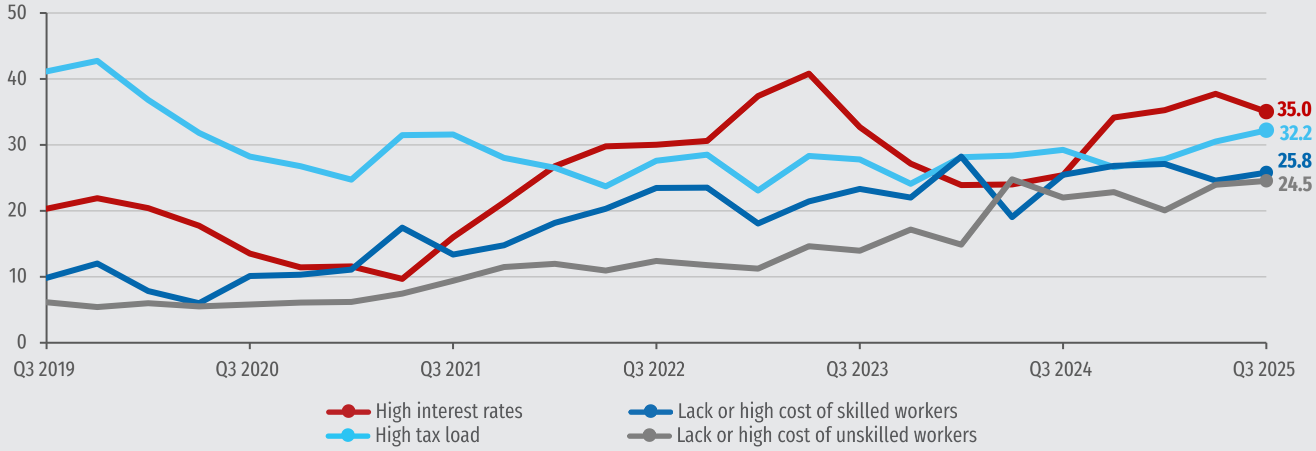
The issue of high interest rates has completed, in the third quarter of 2025, a year as the main problem faced by the Construction Industry. The problem is followed by the high tax load, the lack or high cost of skilled workers, and then the lack or high cost of unskilled workers.

Despite this, in September 2025, construction industry entrepreneurs reported relatively better performance in terms of activity, number of employees, and operational capacity utilization after the negative results in August.

In this scenario, the expectations of the industry's entrepreneurs have partially recovered in October, after recording negative results in previous months. Most indices of expectation have increased, apart from the index of expectation for the number of employees, which now shows a moderate decrease in employment. On the other hand, the expectation for raw materials purchases and new businesses and services have taken an inverse path and moved to a positive field.

The Construction Industry Business Confidence Index (ICEI) also showed improvement in October, for the second consecutive month – but still showing a lack of confidence among entrepreneurs.

Main problems faced by Construction Industry in 2025's quarter
Percentage (%)*



*In the survey, the business owner is asked to mark up to three items that constituted real problems for their company. Therefore, the sum of the percentages exceeds 100%.

PERFORMANCE OF THE CONSTRUCTION INDUSTRY IN SEPTEMBER 2025

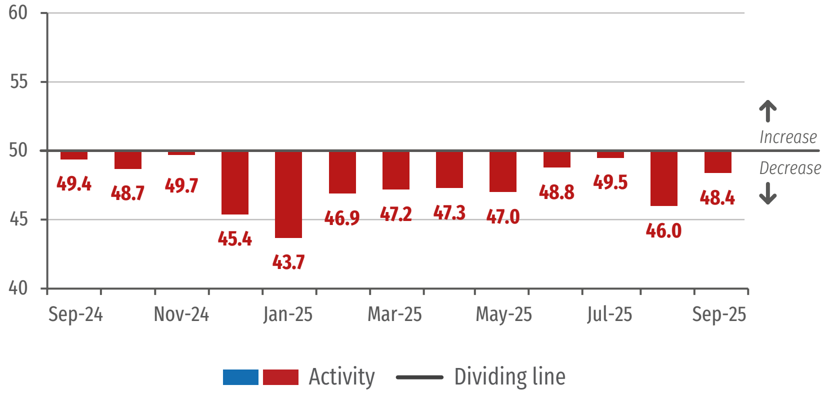
Activity and employment indices rise in September

In September 2025, the construction industry Activity Level Evolution Index rose to 48.4 points, a 2.4-point increase from August. With this increase, the index now surpasses the average for September months, which is at 47.5 points. The September 2025 index is lower than that recorded in September 2024 but surpasses that of the same month in 2023.

Meanwhile, the Number of Employees Evolution Index rose to 47.1 points in September after an 0.8-point increase from August. This index is also above average for the month (46.4 points). However, this index is the lowest for the past seven months.

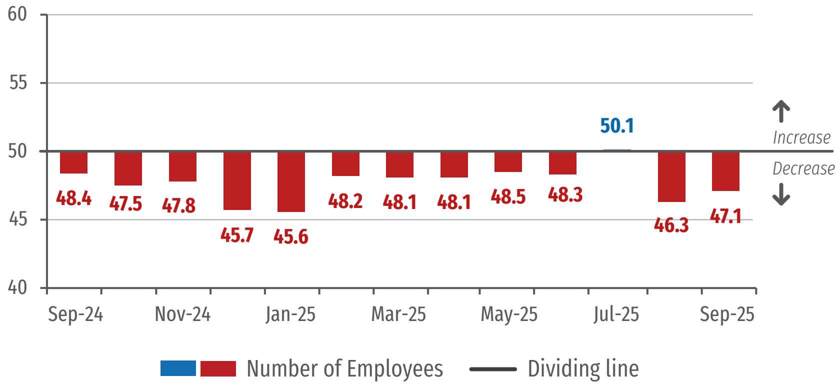
Activity Level Evolution

Indices (0 to 100 points)*



Number of Employees Evolution

Indices (0 to 100 points)*



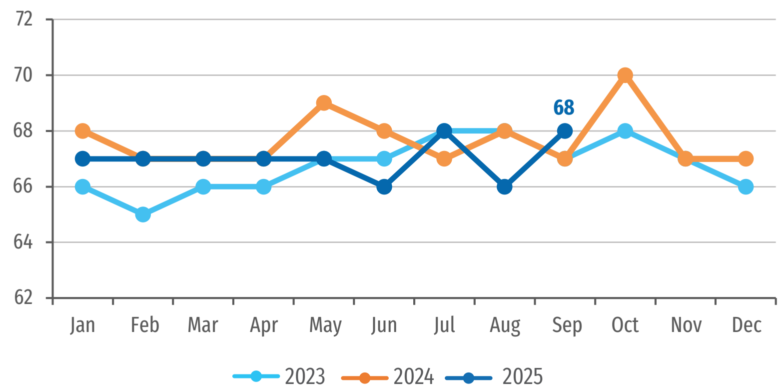
*Values above 50 indicate an increase in activity or employment compared to the previous month. Values below 50 points indicate a decrease in activity or employment compared to the previous month. The further away from 50 points, the greater and more widespread is the variation.

Decrease in Operating Capacity Utilization

In September 2025, the Construction Industry's Utilization of Operational Capacity (UCO) fell back to 68%, after increasing 2% points (p.p.) from August, reversing the decline from the previous month. The UCO in September 2025 is 1 point higher than that observed in both previous years (2023 and 2024).

Utilization of Operational Capacity

Percentage (%)



FINANCIAL CONDITIONS OF THE CONSTRUCTION INDUSTRY IN THE 3rd QUARTER OF 2025

Financial conditions are becoming less negative

Entrepreneurs in the construction industry reported that, overall, their companies' financial conditions have become less negative over the transition from the 2nd to the 3rd quarter of 2025. It is worth noting that, even with this improvement, the indices show that financial conditions are still largely unfavorable.

The Financial Situation Satisfaction Index increased by 3.7 points, reaching 48.7 points in the 3rd quarter of 2025, approaching the 50-point threshold but remaining below it. This has led to a decrease in dissatisfaction with financial situations and reduced its spread among construction entrepreneurs.

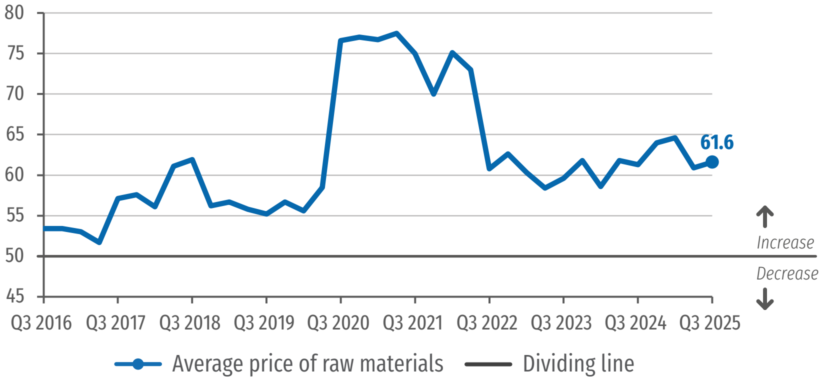
Similarly, the dissatisfaction with operational profit also decreased and became less widespread during the quarter. The Profit Margins Satisfaction Index reached 45.4 points in the 3rd quarter, after an increase of 2.9 points compared to the 2nd quarter of 2025.

At the same time, entrepreneurs in the construction industry revealed that access to credit remains challenging, but the difficulty has decreased over time. The Credit Access Ease Index reached 38.6 points in the 3rd quarter, after a rise of 3.1 points compared to the previous quarter.

On the other hand, entrepreneurs noted an acceleration in the growth rate of input prices and raw materials between quarters. The Raw Materials Average Price Index remained at 61.6 points in the 3rd quarter of the year, after a 0.7-point increase compared to the 2nd quarter.

Profit margins and financial situation satisfaction

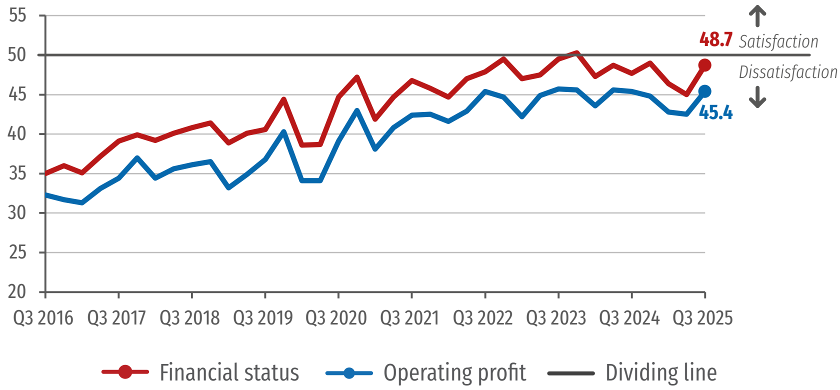
Indices (0 to 100 points)*



*Values above 50 indicate satisfaction with the operating profit margin and the financial situation. Values below 50 indicate dissatisfaction with the operating profit margin and the financial situation. The further away from 50 points, the greater and more widespread is the satisfaction or dissatisfaction.

Credit access ease

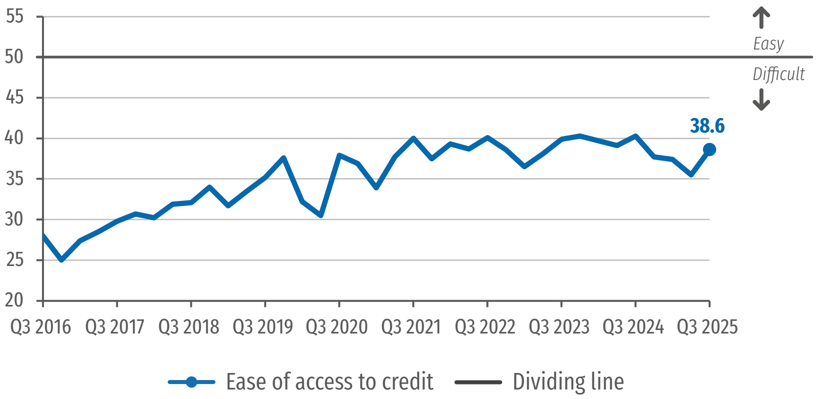
Indices (0 to 100 points)*



*Values above 50 indicate ease of access to credit. Values below 50 indicate difficulty in accessing credit. The further away from 50 points, the greater and more widespread is the difficulty or ease of access to credit.

Raw materials average price

Indices (0 to 100 points)*



*Values above 50 indicate an increase in the prices of inputs and raw materials compared to the previous quarter. Values below 50 points indicate a decrease in the prices of inputs and raw materials compared to the previous quarter. The further away from 50 points, the more intense and widespread is the variation.

CHALLENGES FACING THE CONSTRUCTION INDUSTRY IN THE 3rd QUARTER OF 2025

High interest rates remain at the top of the ranking of main problems

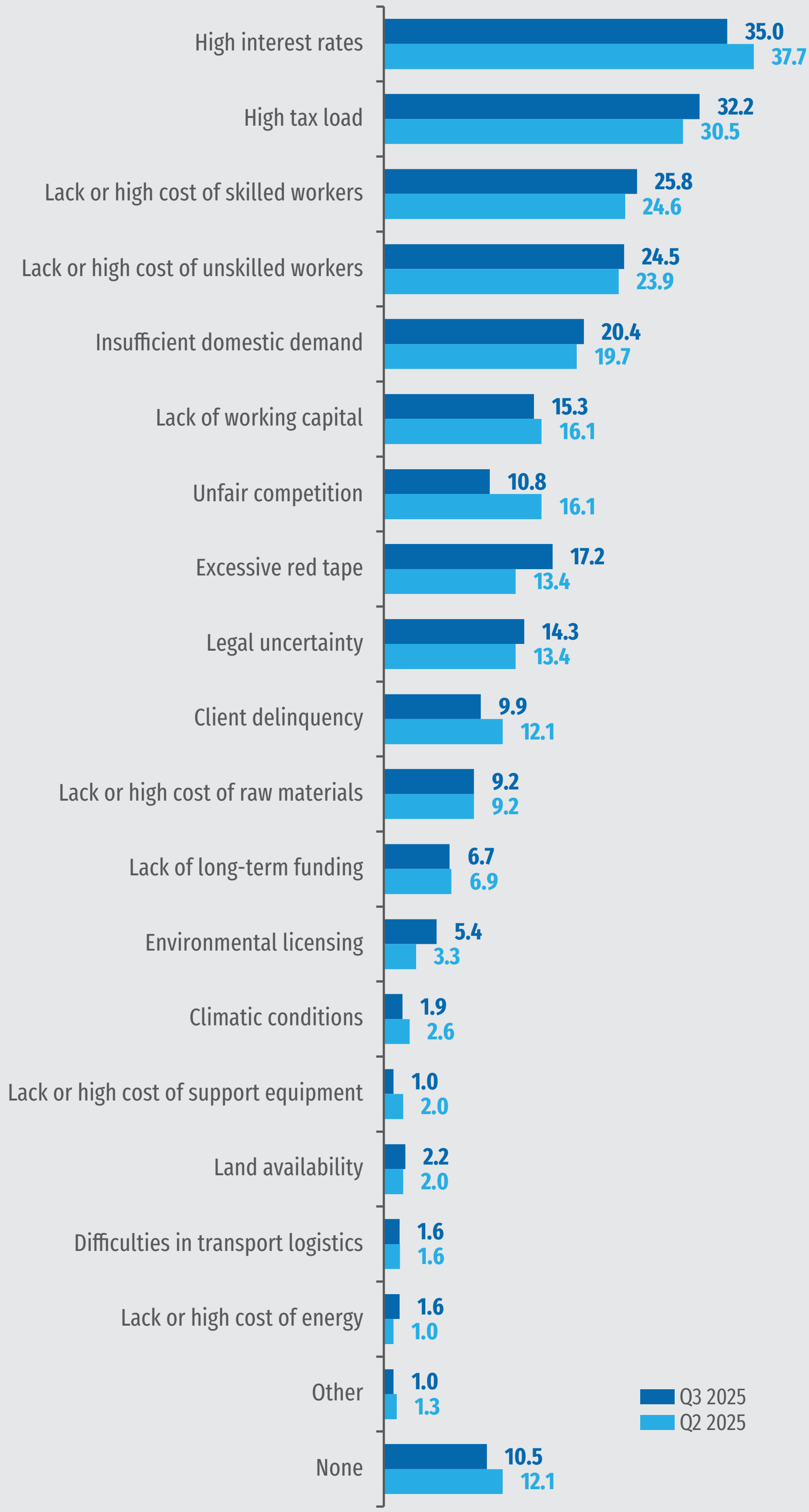
In the third quarter of 2025, the problem of high interest rates completed a year as the primary challenge faced by the Construction Industry. Despite registering a reduction in allowances, of 2.7 percentage points (p.p.) compared to the second quarter, the allowance for this problem remained at 35% in the quarter.

Meanwhile, the allowance for high tax load increased consecutively for the third time and reached 32.2% of allowances, after an advancement of 1.7 p.p. in the quarter, accumulating a rise of 5.6 p.p. over the three quarters. The problem remains in the second position of the ranking of main problems of Construction.

Following that, the problems related to the lack of labor force were the most mentioned. The third position of the ranking was occupied by the lack or high cost of a skilled worker, marked by 25.8% of construction entrepreneurs in the third quarter (an increase of 1.2 p.p. of allowances), while the fourth position was occupied by the lack or high cost of unskilled workers, marked by 24.5% of sector entrepreneurs (an increase of 0.6 p.p. of allowances).

Main problems faced by Construction Industry in 2025's quarter

Percentage (%)*



*In the survey, the business owner is asked to mark up to three items that constituted real problems for their company. Therefore, the sum of the percentages exceeds 100%.

CONSTRUCTION INDUSTRY BUSINESS CONFIDENCE INDEX IN OCTOBER 2025

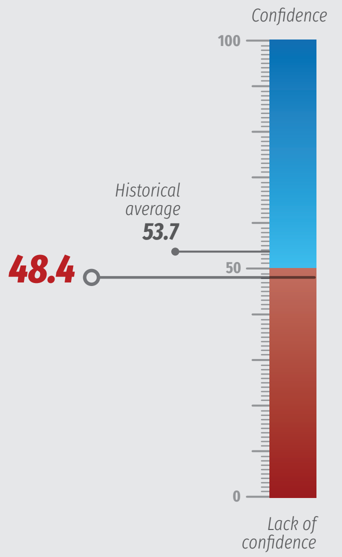
Lack of trust is reduced

The Construction Industry Business Confidence Index (ICEI) increased by 1.4 points in October 2025 to 48.4 points. The increase is the second consecutive; in September, the index had already risen by 1.2 points. Although the index remains below 50 points, entrepreneurs still report a lack of confidence, but this perception has become less widespread and less intense.

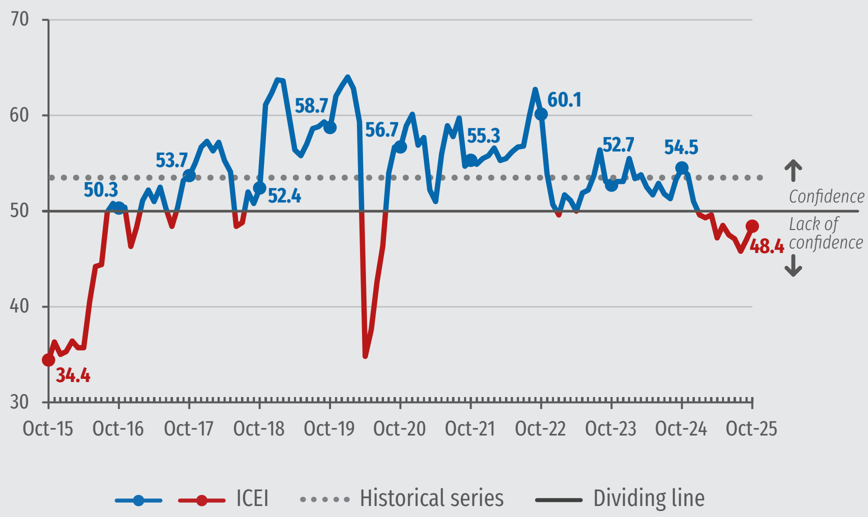
The improvement in the index is mainly due to the improvement in expectations. The Expectations Index increased by 1.8 points and increased from 48.9 points in September to 50.7 points in October. When the index exceeds 50 points, it no longer represents a pessimistic expectation and instead shows optimism. Entrepreneurs have demonstrated greater optimism regarding their own company's performance over the next six months. Additionally, there was a significant improvement in the index concerning Brazil's economy, which increased by 3 points. However, the index passed to 42.4 points, meaning that despite the improved perception, a negative evaluation still prevails.

The Current Conditions Index remained at 43.8 points in October after an increase of 0.6 points from September. It is worth noting that this increase is mainly due to a less negative assessment of the company's current conditions.

Construction ICEI
Indices (0 to 100 points)*



Historic Series
Indices (0 to 100 points)*



*Values above 50 points indicate business confidence and the higher above 50 points, the greater and more widespread is the confidence. Values below 50 points indicate a lack of business confidence and the lower below 50 points, the greater and more widespread is the lack of confidence.

CONSTRUCTION INDUSTRY EXPECTATIONS IN OCTOBER 2025

Construction expectations improve

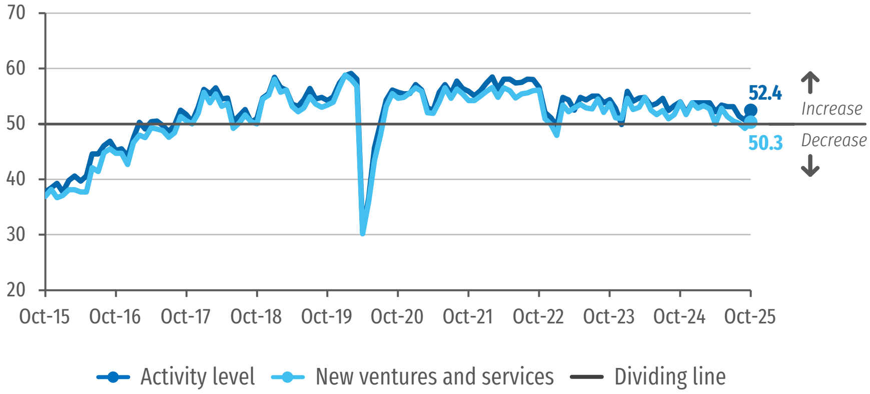
As the month of September ends in October 2025, most of the industry expectation indices increased. The exception was the expectation index for the number of employees, which dropped 0.4 points from 50.2 points to 49.8 points. Although the variation is small and the index remains near the division line, it's essential to note that the index now indicates a moderate expectation of decrease, albeit still relatively mild.

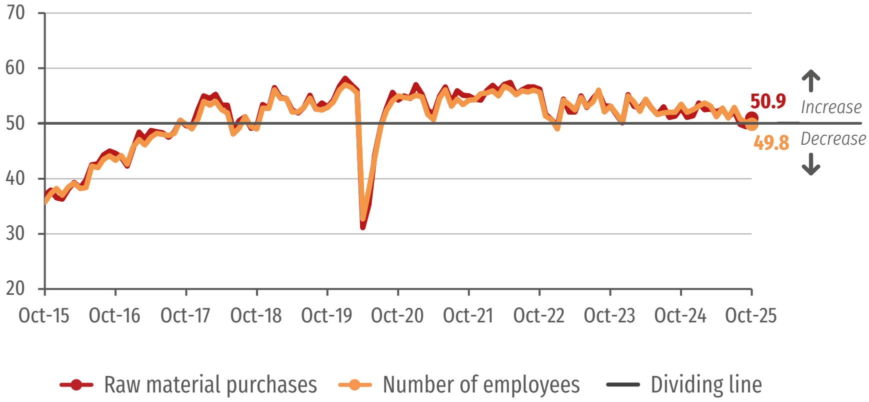
The activity level expectation index saw the highest increase in September-October 2025, jumping 1.7 points from 52.4 points to 54.1 points. As the index moves away from the division line, it shows a more widespread and intense expectation of an increase in activity levels over the next six months.

The purchases of input and raw material expectations index increased by 1.5 points in October 2025, from 49.4 points to 50.9 points. With this new value, the index has surpassed the 50-point line, revealing an expectation of increased purchases of raw materials and inputs over the next months, contrary to the decrease observed in September.

Expectations indices

Indices (0 to 100 points)*





*Values above 50 points indicate an expectation of growth. Values below 50 points indicate an expectation of decline. The further away from 50 points, the greater and more widespread is the expected variation.

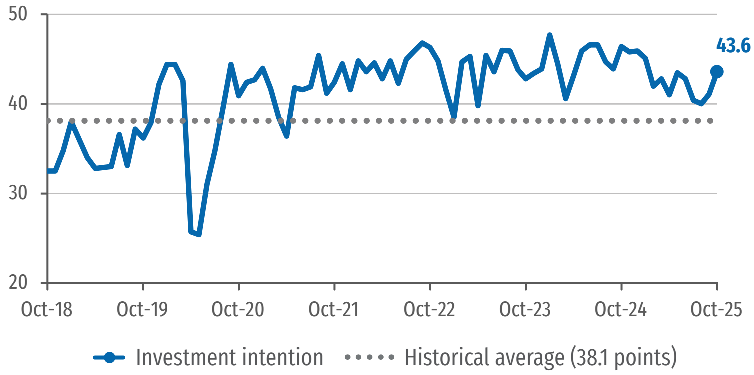
Finally, the new ventures and services expectation index rose 1.1 points from 49.2 points in September 2025 to 50.3 points in October. As it crosses the 50-point line, the indicator now shows a moderate expectation of increased new business and services over the next months.

Intention to invest is growing again

The Construction Industry investment intention Index grew by 2.5 points in October 2025, reaching 43.6 points. This is the second consecutive increase, following a three-month streak of decreases that brought the index to its lowest level in 28 months.

Investment intentions

Indices (0 to 100 points)*



*The higher the index, the greater the industry's propensity to invest.

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RESULTS

Financial status in the quarter

	OPERATING PROFIT MARGIN			AVERAGE PRICE OF RAW MATERIALS			FINANCIAL STATUS			ACCESS TO CREDIT		
	Q3 2024	Q2 2025	Q3 2025	Q3 2024	Q2 2025	Q3 2025	Q3 2024	Q2 2025	Q3 2025	Q3 2024	Q2 2025	Q3 2025
Survey	**45.3**	**42.6**	**45.4**	**61.3**	**61.0**	**61.6**	**47.6**	**45.1**	**48.7**	**40.1**	**35.5**	**38.6**
BY SIZE												
Small[1]	45.6	41.1	**42.9**	60.1	60.4	**62**	47.5	43.4	**45.5**	34.6	33.6	**33.7**
Medium[2]	44.1	41.9	**44.2**	60.2	61.2	**61.5**	46.3	44.9	**47.1**	38.7	39.1	**42.3**
Large[3]	45.9	43.5	**47**	62.3	61.2	**61.6**	48.3	45.8	**50.7**	42.9	34.2	**38.3**

Indicators range from 0 to 100 points. A score above 50 points indicates satisfaction with the operating profit margin and financial status, easy access to credit, or an increase in the average price of raw materials. A score below 50 points indicates dissatisfaction with the operating profit margin and financial status, difficult access to credit, or a decrease in the average price of raw materials.
1 - Company with 10 to 49 employees. 2 - Company with 50 to 249 employees. 3 - Company with 250 or more employees.

Main problems in the Construction Industry

	GENERAL			SMALL			MEDIUM			LARGE		
	Q2 2025	Q3 2025		Q2 2025	Q3 2025		Q2 2025	Q3 2025		Q2 2025	Q3 2025	
Items	%	%	Position	%	%	Position	%	%	Position	%	%	Position
High interest rates	37.7	**35.0**	**1**	37.3	**35.9**	**2**	35.8	**35.4**	**1**	42.2	**32.8**	**1**
High tax load	30.5	**32.2**	**2**	35.6	**41.0**	**1**	29.3	**27.7**	**2**	23.4	**25.4**	**4**
Lack or high cost of skilled workers	24.6	**25.8**	**3**	20.3	**21.4**	**5**	26.8	**26.2**	**3**	28.1	**32.8**	**1**
Lack or high cost of unskilled workers	23.9	**24.5**	**4**	24.6	**22.2**	**4**	26.0	**25.4**	**4**	18.8	**26.9**	**3**
Insufficient domestic demand	19.7	**20.4**	**5**	14.4	**15.4**	**8**	22.0	**23.8**	**5**	25.0	**22.4**	**5**
Lack of working capital	16.1	**15.3**	**7**	15.3	**16.2**	**7**	15.5	**13.1**	**6**	18.8	**17.9**	**6**
Unfair competition	16.1	**10.8**	**9**	22.0	**12.8**	**9**	16.3	**9.2**	**10**	4.7	**10.4**	**10**
Excessive red tape	13.4	**17.2**	**6**	16.1	**23.1**	**3**	9.8	**13.1**	**6**	15.6	**14.9**	**8**
Legal uncertainty	13.4	**14.3**	**8**	16.1	**17.1**	**6**	11.4	**10.8**	**8**	12.5	**16.4**	**7**
Client delinquency	12.1	**9.9**	**10**	11.9	**9.4**	**10**	13.8	**8.5**	**11**	9.4	**13.4**	**9**
Lack or high cost of raw materials	9.2	**9.2**	**11**	9.3	**8.5**	**11**	9.8	**10.8**	**8**	7.8	**7.5**	**12**
Lack of long-term funding	6.9	**6.7**	**12**	7.6	**4.3**	**12**	5.7	**7.7**	**12**	7.8	**9.0**	**11**
Environmental licensing	3.3	**5.4**	**13**	3.4	**3.4**	**13**	4.1	**6.2**	**13**	1.6	**7.5**	**12**
Climatic conditions	2.6	**1.9**	**15**	2.5	**1.7**	**17**	4.1	**3.1**	**14**	0.0	**0.0**	**15**
Lack or high cost of support equipment	2.0	**1.0**	**18**	0.0	**1.7**	**17**	3.3	**0.8**	**17**	3.1	**0.0**	**15**
Land availability	2.0	**2.2**	**14**	3.4	**2.6**	**14**	1.6	**3.1**	**14**	0.0	**0.0**	**15**
Difficulties in transport logistics	1.6	**1.6**	**16**	1.7	**2.6**	**14**	1.6	**0.0**	**18**	1.6	**3.0**	**14**
Lack or high cost of energy	1.0	**1.6**	**16**	0.9	**2.6**	**14**	0.8	**1.5**	**16**	1.6	**0.0**	**15**
Other	1.3	**1.0**	**-**	1.7	**0.0**	**-**	1.6	**1.5**	**-**	0.0	**1.5**	**-**
None	12.1	**10.5**	**-**	12.7	**12.0**	**-**	11.4	**9.2**	**-**	12.5	**10.4**	**-**

Note: In the survey, the entrepreneur is asked to mark up to three items that were real problems for his or her company. Thus, the sum of the percentages exceeds 100%.

RESULTS

Construction Industry performance

	CAPACITY UTILIZATION (%)[1]			ACTIVITY LEVEL VARIATION INDEX[2]			EFFECTIVE ACTIVITY LEVEL INDEX COMPARED TO USUAL LEVELS[3]			NUMBER OF EMPLOYEES VARIATION INDEX[2]		
	Sep-24	Aug-25	Sep-25	Sep-24	Aug-25	Sep-25	Sep-24	Aug-25	Sep-25	Sep-24	Aug-25	Sep-25
Survey	**67**	**66**	**68**	**49.4**	**46.0**	**48.4**	**45.7**	**41.7**	**43.3**	**48.3**	**46.3**	**47.1**
Small	63	60	**60**	49.1	44.3	**46.0**	44.3	39.5	**41.6**	47.3	43.4	**43.7**
Medium	67	63	**65**	49.6	46.0	**47.3**	44.2	40.0	**40.4**	48.4	46.4	**46.2**
Large	69	71	**74**	49.3	46.6	**50.0**	47.0	43.5	**45.5**	48.6	47.4	**48.9**

Expectations of the Construction Industry

	EXPECTATIONS INDICES[4]												INDEX OF INTENTION TO INVEST[5]		
	ACTIVITY LEVEL			NEW VENTURES AND SERVICES			INPUT AND RAW MATERIAL PURCHASE			NUMBER OF EMPLOYEES					
	Oct-24	Sep-25	Oct-25	Oct-24	Sep-25	Oct-25	Oct-24	Sep-25	Oct-25	Oct-24	Sep-25	Oct-25	Oct-24	Sep-25	Oct-25
Survey	**53.9**	**50.7**	**52.4**	**53.8**	**49.2**	**50.3**	**52.7**	**49.4**	**50.9**	**53.4**	**50.2**	**49.8**	**46.4**	**41.1**	**43.6**
Small	51.7	47.3	**48.9**	51.5	45.7	**46.4**	50.4	46.5	**47.6**	50.8	46.3	**47.2**	41.4	35.7	**34.2**
Medium	50.2	49.4	**50.4**	50.4	48.5	**48.8**	50.6	47.9	**50.8**	50.8	50.0	**50.0**	42.0	35.8	**39.6**
Large	56.8	52.6	**54.9**	56.5	50.9	**52.6**	54.8	51.3	**52.2**	55.8	51.7	**50.7**	50.7	46.1	**49.3**

Construction Industry Business Confidence Index and its components

	ICEI – CONSTRUCTION[6]			INDEX OF CURRENT CONDITIONS[7]			EXPECTATIONS INDEX[8]		
	Oct-24	Sep-25	Oct-25	Oct-24	Sep-25	Oct-25	Oct-24	Sep-25	Oct-25
Survey	**54.4**	**47.0**	**48.4**	**50.0**	**43.2**	**43.8**	**56.6**	**48.9**	**50.7**
Small	52.2	44.4	**46.3**	47.6	40.3	**41.0**	54.5	46.4	**48.9**
Medium	52.8	46.1	**47.7**	49.1	42.1	**42.2**	54.6	48.1	**50.5**
Large	56.2	48.6	**49.6**	51.4	44.8	**45.8**	58.6	50.4	**51.5**

1 - The indicator varies within the range from 0% to 100%. The series started in January 2012.
2 - The indicator varies within the range from 0 to 100. Values above 50 show an increase.
3 - The indicator varies within the range from 0 to 100. Values above 50 show higher activity than usual.
4 - The indicator varies within the range from 0 to 100. A score above 50 points indicates positive expectations.
5 - The indicator varies within the range from 0 to 100. The higher the value, the greater the intention to invest.
6 - The ICEI – Construction varies within the range from 0 to 100. A score above 50 points indicates the entrepreneur is confident.
7 - The indicator varies within the range from 0 to 100. A score above 50 points indicates a better status when compared to the last six months.
8 - The indicator varies within the range from 0 to 100. A score above 50 points indicates optimistic expectations for the next six months.

Technical specifications

Sample profile
317 companies: 120 small, 130 medium and 67 large.

Collection period
October 1-10, 2025.

Document completed on October 24, 2025.

Learn More

For further information on sectorial and regional results, previous issues, methodology, and historical series, please visit: www.cni.com.br/e_sondconstr

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