Inflation Report Update

National Transport Authority

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Table of Contents

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This inflation Report has been compiled based on historic and forecast price changes up to and including November 2025. It is noteworthy that historical price data is subject to update and revision, consequently, future projections and forecasts may be subject to change at a future date. The inflation report in its entirety (Modelling & Analysis) was completed prior to the onset of the Middle East conflict, therefore any inflationary impact associated with this event has not been factored into this inflation forecast.

In recent years, the construction market has experienced a period of price uncertainty, predominantly due to the consequences of the Covid-19 recovery, heightened geo-political risks, an energy crisis, broader economic uncertainty, and trade wars / tariffs. In the compilation of this Report, no further or major shocks are assumed, however, the macroeconomic and geo-political context will be closely monitored and forecasts updated if circumstances warrant it.

In relation to long term inflation forecasts included within this Report, it is important to highlight that such forecasts are not based on detailed inflation modelling, rather they assume that the 2% inflation target set by the European Central Bank is achieved.

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1. Executive Summary

This 2026 Inflation Report presents historical inflation trends and forward-looking projections for key indices, including tender price inflation, cost price inflation, and land and property price inflation.

The primary purpose of this report is to provide inflation forecast information to the National Transport Authority (NTA), and Sponsoring Agencies where the NTA is the Approving Authority, to enable a consistent approach to inflation forecasting at key phases of the project life cycle.

In accordance with the NTA Cost Management Guidelines (CMG's), the NTA requires that the Tender Price Index be used when assessing inflationary allowances for projects.

This report provides details of the direct correlation between construction cost increases and tender price inflation. With both material and labour costs now stabilizing at more typical levels, tender price inflation is forecast to moderate to approximately 3% - 3.5% annual increase over the next five years.

The latest tender price index / tender price inflation forecast is detailed below:

Table 1: Tender Price Inflation Forecasts
Source: Grant Thornton

Project Type	Range	2024 Actual	2025	2026	2027	2028	2029	2030
General	Lower	3.0%	2.8%	2.3%	2.2%	2.4%	2.4%	2.4%
	Base		3.1%	3.2%	3.1%	3.4%	3.5%	3.5%
	Upper		3.7%	4.5%	4.4%	4.7%	4.9%	4.9%
Highways (Rural)	Lower	3.0%	2.8%	2.3%	2.2%	2.4%	2.4%	2.4%
	Base		3.1%	3.2%	3.1%	3.4%	3.5%	3.5%
	Upper		3.7%	4.5%	4.4%	4.7%	4.9%	4.9%
Highways (Urban)	Lower	3.1%	3.1%	2.5%	2.4%	2.5%	2.6%	2.6%
	Base		3.4%	3.5%	3.4%	3.6%	3.7%	3.7%
	Upper		4.1%	4.9%	4.7%	5.0%	5.2%	5.1%
Irish Rail	Lower	2.8%	2.6%	2.1%	2.0%	2.2%	2.3%	2.3%
	Base		2.9%	3.0%	2.9%	3.1%	3.2%	3.2%
	Upper		3.5%	4.2%	4.0%	4.4%	4.5%	4.5%
Civil Engineering	Lower	4.4%	2.7%	2.2%	2.1%	2.3%	2.3%	2.3%
	Base		3.0%	3.1%	3.0%	3.2%	3.3%	3.3%
	Upper		3.6%	4.4%	4.2%	4.5%	4.7%	4.6%

Since the publication of the 2025 Inflation Bulletin, TPI forecasts have generally increased by approximately 3% to 6% to the year 2030 depending on project type. This upward adjustment may have a material impact on the forecast outturn costs of projects currently progressing through the NTA Project Approval Guidelines (PAGs) process.

It is therefore critical that the most recent TPI figures are incorporated into inflation assessments at the next approval gateway for all projects. This will help ensure that cost estimates remain accurate and reflect prevailing market conditions.

The inflation report in its entirety (Modelling & Analysis) was completed prior to the onset of the Middle East conflict, therefore any inflationary impact associated with this event has not been factored into this inflation forecast.

2. Introduction

The NTA is the “Approving Authority” for public transport projects in the metropolitan areas of Dublin, Cork, Galway, Limerick and Waterford, as well as urban active travel projects nationwide. Projects funded by the NTA are generally proposed by the NTA’s partner organisations known as Sponsoring Agencies. To fulfil their statutory duty to secure the provision of public transport infrastructure on a value for money basis, the NTA requires that Sponsoring Agencies follow specific guidelines with respect to cost estimation, cost profiling, cost reporting and the general management of costs. These guidelines are collectively referred to as the NTA Cost Management Guidelines (CMG’s). The NTA Inflation Bulletin is a key component of these CMG’s.

The Inflation Bulletin provides a systematic analysis of price trends affecting construction, materials, and labour. By presenting historical data and forward-looking projections, it aims to enable stakeholders to incorporate inflationary impacts into project estimates and financial models. This ensures consistency in cost planning and supports compliance with the NTA’s standardised methodology for cost management. The bulletin functions as a reference point for updating baseline costs, validating tender assumptions, and informing risk assessments. Its integration within the CMG’s helps maintain transparency and predictability in project delivery, reducing the likelihood of cost overruns and supporting efficient allocation of public funds.

Under the NTA Infrastructure Cost Management Framework, AECOM, with support from Grant Thornton, have been appointed by the NTA to provide this 2026 Inflation Bulletin update.

The 2026 NTA Inflation Bulletin comprises the following documents:

Main Document:

- 2026 NTA Inflation Bulletin Card

Support Documents:

- 2026 NTA Inflation Full Report (this document)
- Cover Note to the NTA Inflation Bulletin 2026
- Inflation Bulletin – User Guide
- Information Note - Application of Inflation Forecasts for the NTA and TII

This 2026 Inflation Report presents historical inflation trends and forward-looking projections for key indices, including tender price inflation, cost price inflation, and land and property price inflation. It also outlines the methodology applied in updating these indices and provides guidance on their application within cost planning and project management processes.

The main body of this report provides detailed inflation forecasts for the next five years (2026–2030) across key indices. Beyond this five-year horizon, inflation projections become less predictable and less reliable due to increased uncertainty in economic conditions. Appendix B includes the full tender price, cost price and land/property price indices which also include long-term inflation forecasts for periods beyond 2030. These projections are based on the European Central Bank (ECB) inflation target of 2% and do not rely on detailed inflation modelling. They are intended for indicative purposes only and should be applied with caution in strategic planning.

3. Tender & Cost Price Inflation

3.1 Difference Between Tender Price Inflation and Cost Price Inflation

Tender Price Inflation

Tender price inflation reflects changes in the prices contractors submit in tenders for construction projects. It captures the overall market conditions, including contractor margins, risk allowances, and competitive dynamics. Tender prices are influenced not only by material and labour costs but also by factors such as demand for construction services, capacity constraints, and risk premiums. In essence, it represents the price the client pays to deliver the project. Tender price inflation is measured using the tender price index.

Cost Price Inflation

Cost price inflation measures changes in the underlying input costs of construction, such as materials, labour, plant, and overheads. It excludes contractor pricing strategies and market competition effects. This index is used to understand the real cost drivers within the supply chain and is often applied for estimating and benchmarking purposes. Cost price inflation is measured using the cost price index / building cost index.

Key Distinction

- Tender price inflation = Market facing prices (including contractor profit, strategy and risk).
- Cost price inflation = Underlying resource costs (materials, labour, equipment).

Both indices are essential for accurate forecasting: cost price inflation informs baseline estimates, while tender price inflation reflects actual procurement outcomes.

3.2 Which Index to Use

Unless otherwise agreed, the NTA requires that the Tender Price Index be used when assessing inflationary allowances for projects where it is the Approving Authority. For guidance on how to use the information and forecasts provided, please refer to the ‘NTA Inflation User Guide’.

3.3 Updated Tender Price Inflation and Cost Price Inflation Forecasts

The updated tender price and cost price inflation forecasts are provided in the below tables.

Since the publication of the 2025 Inflation Bulletin, TPI forecasts have generally increased by approximately 3% to 6% to the year 2030. This upward adjustment may have a material impact on the forecast outturn costs of projects currently progressing through the NTA PAG process.

It is therefore critical that the most recent TPI figures are incorporated into inflation assessments at the next approval gateway for all projects. This will help ensure that cost estimates remain accurate and reflect prevailing market conditions.

Table 1: Tender Price Inflation Forecasts
Source: Grant Thornton

Project Type	Range	2024 Actual	2025	2026	2027	2028	2029	2030
General	Lower	3.0%	2.8%	2.3%	2.2%	2.4%	2.4%	2.4%
	Base		3.1%	3.2%	3.1%	3.4%	3.5%	3.5%
	Upper		3.7%	4.5%	4.4%	4.7%	4.9%	4.9%
Highways (Rural)	Lower	3.0%	2.8%	2.3%	2.2%	2.4%	2.4%	2.4%
	Base		3.1%	3.2%	3.1%	3.4%	3.5%	3.5%
	Upper		3.7%	4.5%	4.4%	4.7%	4.9%	4.9%
Highways (Urban)	Lower	3.1%	3.1%	2.5%	2.4%	2.5%	2.6%	2.6%
	Base		3.4%	3.5%	3.4%	3.6%	3.7%	3.7%
	Upper		4.1%	4.9%	4.7%	5.0%	5.2%	5.1%
Irish Rail	Lower	2.8%	2.6%	2.1%	2.0%	2.2%	2.3%	2.3%
	Base		2.9%	3.0%	2.9%	3.1%	3.2%	3.2%
	Upper		3.5%	4.2%	4.0%	4.4%	4.5%	4.5%
Civil Engineering	Lower	4.4%	2.7%	2.2%	2.1%	2.3%	2.3%	2.3%
	Base		3.0%	3.1%	3.0%	3.2%	3.3%	3.3%
	Upper		3.6%	4.4%	4.2%	4.5%	4.7%	4.6%

Table 2: Cost Price Inflation Forecasts
Source: Grant Thornton

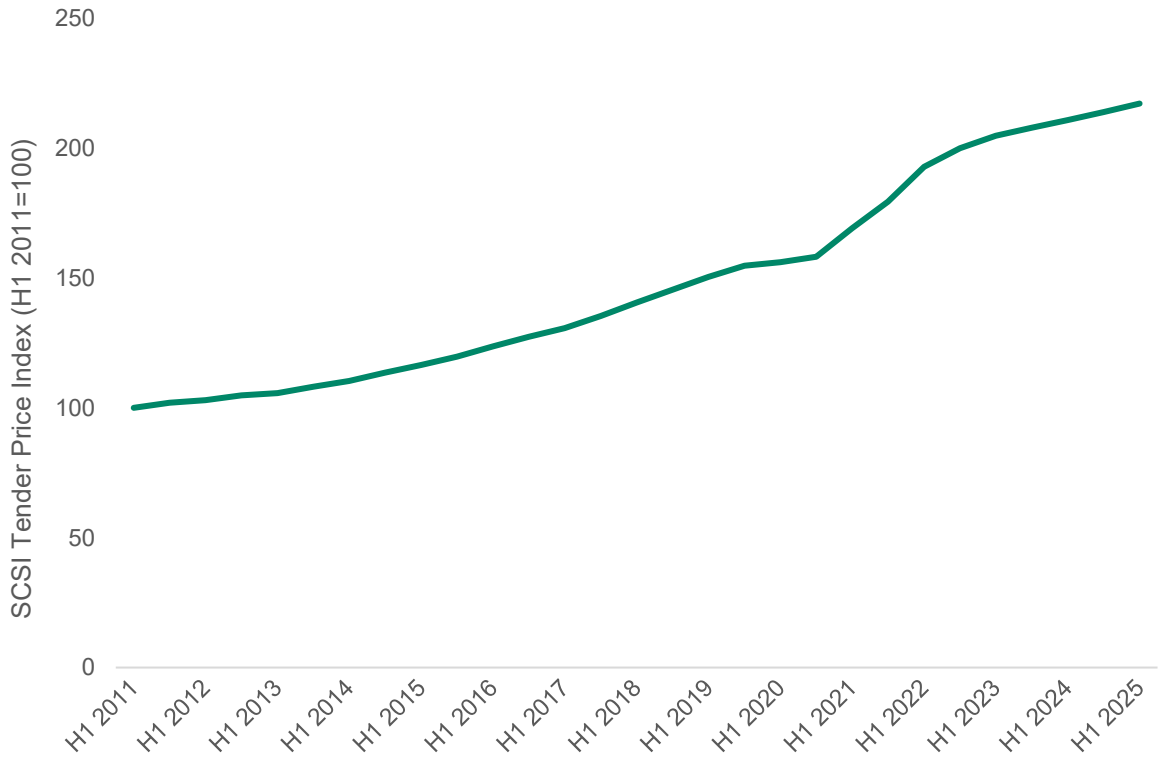
Project Type	Range	2024 Actual	2025	2026	2027	2028	2029	2030
Highways (Rural)	Lower	3.1%	2.0%	1.6%	1.5%	1.6%	1.7%	1.7%
	Base		2.2%	2.3%	2.2%	2.3%	2.4%	2.4%
	Upper		2.6%	3.2%	3.0%	3.3%	3.3%	3.3%
Highways (Urban)	Lower	3.3%	2.0%	1.6%	1.5%	1.6%	1.7%	1.7%
	Base		2.2%	2.3%	2.2%	2.3%	2.4%	2.4%
	Upper		2.7%	3.2%	3.1%	3.3%	3.4%	3.4%
Civil Engineering	Lower	3.1%	1.9%	1.5%	1.5%	1.6%	1.6%	1.6%
	Base		2.1%	2.2%	2.1%	2.3%	2.3%	2.3%
	Upper		2.5%	3.0%	2.9%	3.2%	3.3%	3.2%

Refer to Appendix B which includes a full suite of indices and also includes long-term inflation forecasts for periods beyond 2030.

3.4 Overview of Tender Price Inflation Forecast

Figure 1 below presents the Society of Chartered Surveyors Ireland (SCSI) Tender Price Index for the period H1 2011 to H1 2025. The data indicates that tender prices have increased by 117.14% over this 14-year timeframe. During the nine-year period from H1 2011 to H1 2020, average annual tender price inflation was approximately 5%. In contrast, the subsequent two-year period from H2 2020 to H2 2022 experienced abnormally high inflation, with tender prices rising by 26.4%. This exceptional increase was driven by several factors, including pent-up demand following COVID-19 lockdowns, global supply chain disruptions, labour shortages, geopolitical conflicts, and strong demand for both infrastructure and private sector projects. More recently, tender price inflation has moderated to more typical levels, with the SCSI index recording increases of 4% in 2023 and 3% in 2024.

Figure 1: SCSI Tender Price Index (H1 2011 = 100), 2011 - 2025
Source: SCSI



Analysis of the Wholesale Price Index for building and construction materials, in comparison with the SCSI Tender Price Index, demonstrates that a portion of the recent increase in tender prices correlates with material cost escalation. Between H1 2020 and H1 2024, material costs rose by 12.5%, partly contributing to a 35.1% increase in tender prices over the same period. Similarly, an examination of the Eurostat Labour Cost Index for Ireland indicates that labour costs increased by 27.7% between Q4 2020 and Q4 2023, which in turn partly contributed to a 31.4% rise in tender prices during this timeframe. This analysis confirms a strong correlation between movements in construction material costs, labour costs, and tender prices. Any fluctuations in material or labour costs, whether upward or downward, are reflected in tender pricing. With both material and labour costs now stabilizing at more typical levels, tender price inflation is forecast to moderate to approximately 3% - 3.5% annually over the next five years.

All projects funded by the NTA, or where the NTA serves as the Approving Authority, must comply with the approvals process and numbered gateways set out in the PAGs and the CMGs, unless otherwise authorised. The tender price inflation forecasts contained within this report should be applied when making provisions for inflation at each approval point or Gateway. Percentages within the specified range for the relevant project type should be used to profile inflation across the proposed programme duration of the project. It is essential to note that forecast indices will fluctuate year-on-year. Where the inflation forecast trend decreases relative to previous inflation bulletin indices,

future project outturn costs may be lower than previously anticipated. Conversely, where the inflation forecast trend increases, future project outturn costs may exceed earlier expectations and could present a risk to project funding. For detailed guidance on the application of this information and the associated forecasts, please refer to the NTA Inflation User Guide.

3.5 Overview of Cost Price Inflation Forecast

In the context of the Irish construction industry, cost price inflation refers to the increase in the cost of building and construction materials. This index is influenced by factors such as global supply chain disruptions, energy price volatility, taxes and tariffs, geopolitical uncertainty, and market demand. The table below sets out the annual cost price inflation forecast to 2030, representing an aggregate of building and construction materials. Considering potential impacts from trade disputes and international tariffs, annual material cost price inflation is projected to range between 2% and 2.3% over the next five-year period.

Table 3: Aggregated Material Cost Price Inflation Forecast
Source: Grant Thornton

	2024 Actual	2025	2026	2027	2028	2029	2030
Building and Construction Material Price Inflation	2.1%	2.0%	2.1%	2.0%	2.2%	2.3%	2.3%

Turning to a disaggregation of inputs, the table below presents the forecast cost inflation by each of the construction and material components assessed in this study. The most significant forecasted increases in 2025 are expected in labour-related costs, primarily driven by the implementation of the auto-enrolment pension scheme in Ireland. While the auto-enrolment will have an initial uprate and impact on people costs, once these have been accounted for and settled, the inflation will fall back. However, levels will remain higher that previous publications due to supply challenges and the additional cost of auto-enrolment to businesses.

Table 4: Disaggregation of Material Cost Price Inflation Forecast
Source: Grant Thornton

	2024 Actual	2025	2026	2027	2028	2029	2030
1) People Costs (Incl labour, admin, supervision etc).	6.1%	4.6%	4.1%	4.0%	3.8%	3.8%	3.7%
2) Professional Services	3.8%	3.0%	2.7%	2.6%	2.6%	2.6%	2.6%
3) Equipment	0.9%	1.5%	1.7%	1.6%	1.9%	2.0%	2.0%
4) Aggregates	7.3%	1.5%	1.7%	1.6%	1.9%	2.0%	2.0%
5) Cement and Ready Mixed Concrete Products	5.2%	1.5%	1.7%	1.6%	1.9%	2.0%	2.0%
6) Bituminous Products	0.4%	1.5%	1.7%	1.6%	1.9%	2.0%	2.0%
7) Plastic Products	1.0%	1.5%	1.7%	1.6%	1.9%	2.0%	2.0%
8) Fuel / Transportation costs	2.3%	2.1%	2.3%	2.2%	2.4%	2.5%	2.5%
9) Timber	-2.2%	1.5%	1.7%	1.6%	1.9%	2.0%	2.0%
10) Steel (reinforcement and structural)	-7.0%	1.5%	1.7%	1.6%	1.9%	2.0%	2.0%
11) PC Concrete (pipes, MH's, kerbs, paving, etc)	3.5%	1.5%	1.7%	1.6%	1.9%	2.0%	2.0%
12) Other Materials	1.4%	1.5%	1.7%	1.6%	1.9%	2.0%	2.0%
13) Site Overheads (Office & Running)	4.0%	3.2%	3.0%	2.9%	2.9%	3.0%	2.9%

To provide a more detailed understanding of how the forecasted cost inflation outlined in the preceding table impacts construction projects, these costs have been applied to three construction groupings: Highways Sector (Rural), Highways Sector (Urban), and Civil Engineering Sector (Non-Roads and Heavy Infrastructure).

The forecasts indicate that, based on the relative composition of project costs:

- Highways Sector (Rural) is expected to experience annual cost inflation ranging from 2.2% to 2.4% between 2025 and 2030.
- Highways Sector (Urban) is forecast to increase by 2.2% in 2025, rising to 2.4% by 2029 and 2030.
- Civil Engineering Sector Only (Non-Roads and Heavy Infrastructure) is expected to experience annual cost inflation ranging from 2.1% to 2.3% between 2025 and 2030.

Table 5: Cost Price Inflation Forecast by Project Type
Source: Grant Thornton

	2024 Actual	2025	2026	2027	2028	2029	2030
Highways (Rural)	3.10%	2.20%	2.30%	2.20%	2.30%	2.40%	2.40%
Highways (Urban)	3.30%	2.20%	2.30%	2.20%	2.30%	2.40%	2.40%
Civil Engineering	3.10%	2.10%	2.20%	2.10%	2.30%	2.30%	2.30%

4. Land & Property Price Inflation

Land and Property Price Inflation measures changes in the market value of land and property over time. It is influenced by factors such as supply and demand, economic conditions, planning regulations, and infrastructure development. These fluctuations directly impact acquisition costs for projects and can significantly affect overall budgets. Accurate forecasting helps Sponsoring Agencies manage financial risk and maintain realistic cost estimates. Understanding these trends is essential for effective project planning and investment decisions. Land and property price inflation is measured using the land and property price index.

The below table provides inflation forecasts for a range of property types.

The methodology adopted to produce the inflation forecast is included in Appendix A.

Table 6: Property Capital Value Forecasts
Source: Grant Thornton

Land Type		2023 Actual	2024	2025	2026	2027	2028	2029	2030
Dublin Residential	Lower	0.6%	4.4%	3.4%	2.1%	1.5%	1.4%	1.3%	1.7%
	Base		8.7%	6.7%	4.3%	2.9%	2.7%	2.6%	3.4%
	Upper		13.1%	10.2%	6.4%	4.3%	4.1%	3.9%	5.1%
Ireland Residential (Excl. Dublin)	Lower	5.0%	4.2%	3.1%	2.0%	1.6%	1.2%	1.0%	0.9%
	Base		8.4%	6.2%	4.0%	3.2%	2.5%	2.2%	1.9%
	Upper		12.4%	9.3%	6.1%	4.8%	3.7%	3.2%	2.8%
Office	Lower	1.9%	3.0%	2.0%	1.7%	1.3%	1.5%	1.3%	1.3%
	Base		6.0%	4.2%	3.3%	2.5%	2.9%	2.6%	2.5%
	Upper		12.0%	8.2%	6.6%	5.0%	5.9%	5.3%	5.0%
Industrial	Lower	-4.1%	2.5%	1.6%	0.6%	1.1%	0.9%	1.0%	0.9%
	Base		5.3%	3.3%	1.2%	2.0%	2.0%	2.1%	2.0%
	Upper		10.5%	6.7%	2.5%	4.1%	3.8%	4.0%	3.8%
Retail	Lower	-7.3%	0.8%	1.5%	0.7%	0.2%	0.0%	0.0%	0.1%
	Base		1.6%	2.9%	1.4%	0.4%	0.1%	0.1%	0.3%
	Upper		3.2%	5.8%	2.7%	0.8%	0.2%	0.2%	0.6%

5. Applicability of Indices

5.1 Tender Price Index

Unless otherwise agreed, the NTA requires that the Tender Price Index be used when assessing inflationary allowances for projects where it is the Approving Authority. The tender price inflation forecasts and index included in this report include base values for single point estimates and lower / upper values where inflation is to be expressed as a range. For guidance on how to use the information and forecasts provided, please refer to the 'NTA Inflation User Guide'.

5.2 Forecasting Inflation as a Range

With prior agreement from the NTA, Inflation forecasts may be expressed as a range where uncertainty in market conditions makes a single point estimate less reliable. This approach is appropriate in the following circumstances:

- Medium to long-term projections beyond the standard five-year horizon, where economic assumptions become less predictable.
- Periods of market volatility, such as supply chain disruptions, geopolitical risks, or significant fluctuations in material and labour costs.
- Scenario-based planning, where upper and lower bounds are required to reflect potential variations in inflation outcomes.

Using ranges provides a more robust basis for risk assessment and contingency planning, ensuring that cost estimates account for variability in future price movements.

If forecasting inflation as a range, the lower and upper values in the tender price index should be applied.

5.3 Forecasting Inflation as a Single Pont Estimate

An alternative to reporting inflation as a range is to provide a single-point estimate. This approach is particularly appropriate for projects scheduled for completion in the short to medium term (i.e., within two years of the estimate being produced), where the scope and nature of the project are relatively straightforward, or where it is mandated by organisational policy. Under the NTA's CMG's, the default position is that the production of a single-point estimate for inflation is currently required; however, the NTA will consider a range-based approach in circumstances where it is deemed more suitable.

If forecasting inflation as a single point estimate, the base values in the tender price index should be applied.

Appendix A – Methodology / Goodness for Fit

A.1 Tender and Cost Price Indices

Grant Thornton, through AECOM, have provided the economic modelling to inform the inflation forecasts in this report. To forecast overall inflation for both building materials and Tender Prices, Grant Thornton developed an in-house inflation forecast model. This time-series model utilises historical data gathered from the Central Statistics Office (CSO). The model examines the relationship between general economic inflation, building material inflation, and Tender Price inflation while also incorporating broader demand factors.

The model is primarily based on trends in the Consumer Price Index (CPI) within the Irish economy and price changes in Wholesale Price Index (WPI) items, with a particular focus on construction and building materials. Data for these indicators was sourced from the CSO, with CPI data available as far back as 1975 and WPI data for Building and Construction Materials dating back to 2015. This historical data was instrumental in developing the model.

Using this dataset, Grant Thornton analysed the relationship between inflation at the economy-wide level and the price changes of individual building material items. This relationship provides valuable insights into how general price movements influence construction costs and vice versa. As part of the analysis and assessment the 2020 to 2022 data was included however given the wider trend these have been accounted for and smoothed out as a result.

Data for both CPI and WPI was available up to December 2024, which serves as the base for inflation projections between 2025 and 2029. Grant Thornton utilised CPI and Harmonised Consumer Price Index (HCPI) forecasts from a range of sources, including the Economic and Social Research Institute (ESRI), the Department of Finance, and the Central Bank of Ireland, to develop a baseline outlook. Over the longer term (post-2027), and in the absence of specific forecasts, Grant Thornton assumed a steady inflation rate of 2%, aligning with the European Central Bank's (ECB) target.

Table 7: Summary of CPI and HICP Forecasts
Source: Grant Thornton

Organisation	2024	2025	2026	2027	2028	2029	2030
Economic & Social Research Institute (CPI)	2.10%	2.00%	2.20%				
Department of Finance (HCPI)	1.30%	1.80%	1.90%	1.90%	1.90%	1.90%	1.90%
Central Bank of Ireland (HCPI)	1.30%	1.80%	1.40%	1.40%			
IMF (HCPI)	1.30%	1.70%	1.70%	1.80%	2.00%	2.00%	2.00%
OECD (HCPI)	1.30%	2.10%	2.00%				
EU Commission (HCPI)		1.90%	1.90%	1.70%			

This baseline forecast, combined with broader market insights from consultations and survey analysis, formed the foundation for inflation expectations. By integrating these forecasts with the established relationship between CPI, WPI, and building materials, projections were developed for individual material items over the period 2025–2029. These forecasts allowed Grant Thornton to estimate inflation based on input material cost growth for each project type, as well as overall Tender Price inflation.

Scenario analysis was conducted by developing both an Upper and a Lower Scenario, capturing the potential impacts of a prolonged high-inflation environment and a lower-than-expected inflation environment. The Central

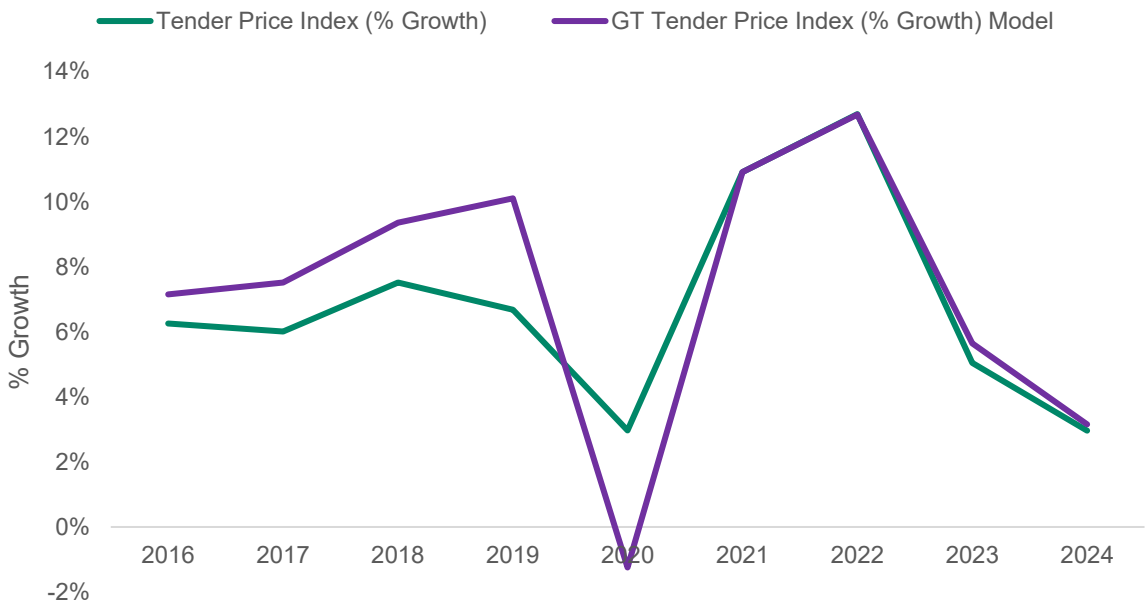
Scenario serves as the primary benchmark and represents Grant Thornton's most likely projection for inflation in building materials.

From this Central Scenario, a range of confidence intervals was established based on the inflation forecasts outlined above. These confidence intervals were then applied to the baseline projection to generate Upper and Lower Scenarios for building materials across the economy. Using these scenarios, Grant Thornton produced inflation projections for different project types and overall Tender Price forecasts under varying economic conditions.

In order to test the appropriateness and accuracy of the time series model, a "goodness for fit" analysis has been conducted by Grant Thornton. This analysis compares how the model has been performing over the past number of years against the actual indices. This exercise provides comfort that the forecast model is acting appropriately, with the results highlighting an R-squared[5] of 78.1% compared to published Tender Price data.

In relation to this "goodness for fit" analysis, the chart below illustrates the predictive capability of the model relative to the published Tender Price Index data from the Society of Chartered Surveyors Ireland. Using historical data from before 2016, Grant Thornton assessed the trend that the model would have predicted versus the actual trend in the level of tender prices since 2016. The analysis demonstrates that the trend predicted by the model closely follows the trend in tender price growth, demonstrating consistency. Regarding the model's reliability in predicting trends, the comparison revealed an R-squared value of 78.1% between the official figures and the modelled trend, indicating a strong correlation.

Figure 2: Time Series Model – "Goodness For Fit" Analysis
Source: Grant Thornton



Whilst the above graphic provides some assurance that the time series model is an appropriate modelling tool, It is important to acknowledge that the SCSI tender price index is largely based upon new-build commercial projects while the corresponding NTA measure is broader, including commercial, highways, civil engineering, housing as well as industrial projects.

A.2 Land and Property Price Inflation

As advised by the NTA, Grant Thornton have adopted the same modelling approach as developed by Avison Young (AY) for the 2023 inflation report. Key components of the model are as follows:

- GDP and Employment forecasts purchased from Oxford Economics
- Dublin Residential Market:

  Grant Thornton examined a range of potential variables that correlated with the observed movements in the capital value index. The variables selected for inclusion in the final model are as follows. • Dublin working age population growth in the following year, t+1 (correlation coefficient 0.90): Working age population is an intuitive driver of demand for housing. Statistically the variable works best in the model using the growth in the following year to explain movements in the current year. • National employment growth (correlation coefficient 0.83): National employment growth is an intuitive driver of house prices given that it reflects effective demand (i.e. with an ability to pay) for housing. These variables together with their associated forecasts from Oxford Economics were then incorporated into an econometric model and used to generate forecasts for the Dublin residential capital value index.

- Irish Residential Market:

  Residential price growth in the previous year, t-1 (correlation coefficient 0.73): Housing markets tend to have strong momentum, given that domestic buyers are not always technically analytical or “economically rational” in their behaviour and can be strongly influenced by media coverage (particularly in a rising market). Rising prices encourage potential buyers into the market in the expectation of future house price growth and/or to “get into the market before prices rise further”. Falling prices can have the opposite effect. Value change from the previous year is therefore a good predictor of growth or decline in the current year. • National employment growth (correlation coefficient 0.84): National employment growth is an intuitive driver of house prices given that it reflects effective demand (i.e. with an ability to pay) for housing. These variables together with their associated forecasts from Oxford Economics were then incorporated into an econometric model and used to generate forecasts for the Irish residential capital value index.

- Dublin Office Market:

  Grant Thornton examined a range of potential variables that correlated with the observed movements in the capital value index, although none displayed a coefficient above 0.72. The variables selected for inclusion in the final model are as follows. • National employment growth in the following year, t+1 (correlation coefficient 0.70): National employment growth is an intuitive driver of occupier demand for office space. Companies make decisions regarding future space requirements in anticipation of future hiring decisions, which impacts rental growth in the current year. Investors are also forward looking and adjust bid-offer prices in anticipation of future demand and rental levels. • Change in national unemployment rate (correlation coefficient -0.71): Change in unemployment is also an indicator of changing labour market conditions and hiring activity, and thus of occupier and investor demand for office space. • Change in Irish 10-year government bonds in the previous year, t-1 (correlation coeff -0.46): Investors assess the pricing of most asset classes, including real estate, on a risk-adjusted basis against the “risk free rate of return”, the best proxy for which is the relevant 10-yr government bond yield. International analysis conducted previously by Avison Young shows that movements in bond yields feed through into real estate yields with a typical lag of 9-15 months depending on the country and market conditions. Thus falling (or rising) bond yields drive subsequent declines (or increases) in property yields which puts upward (or downward) pressure on capital values – hence the negative correlation. The direct correlation between bps movements in bond yields and capital values is only - 0.46, which is not particularly strong, but including them in the multivariable regression equation does help increase its explanatory power and seems intuitively logical.

- Dublin Industrial Market:

  Grant Thornton examined a range of potential variables that correlated with the observed movements in the capital value index. The variables selected for inclusion in the final model are as follows. • Retail sales volume growth (correlation coefficient 0.83): In recent years the industrial market has increasingly been driven by demand for logistics/warehousing space rather than traditional industrial production. The rapid growth of online shopping, coupled with expansion of third-party logistics providers supporting retail and production activity, means that retail sales volumes are intuitively a strong driver of occupier and investor demand and for industrial property and land. • National manufacturing employment growth in the following year, t+1 (correlation coefficient 0.60): Manufacturing employment growth is an intuitive driver of both

direct demand for industrial/warehousing space, and also of expected economic growth and consumer/business demand for goods and warehousing. Companies make decisions regarding future space requirements in anticipation of future levels of activity. Investors are also forward looking and adjust bid-offer prices in anticipation of future demand and rental levels.

- Dublin Retail Market:

  Grant Thornton examined a range of potential variables that correlated with the observed movements in the capital value index. The variables selected for inclusion in the final model are as follows. • Retail sales volume growth (correlation coefficient 0.68): This is intuitively likely to be a driver of retail values as the volume of spending in shops as reported in recent official data will be a major influence on how investors view retail property assets. These figures will probably be closely examined during the market research stage of a retail investment transaction and shape the decision whether to acquire or dispose of retail property investments and if so, at what price. • Retail sales volume % growth, t+1 (correlation coefficient 0.67): As well as current performance of retail sales, forward looking investors will consider future expectations for retail spending, taking into account anticipated events that could further buoy or dampen spending power. Retail sales actually achieved in the following year are likely to be a good indicator of sentiment regarding the future trajectory of the retail sector in the current year.

Appendix B – Indices

Table 8: Tender Price Index – General

(Source: Grant Thornton)

GENERAL						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	110.90	10.9%	110.90	10.9%	110.90	10.9%
2022	124.98	12.7%	124.98	12.7%	124.98	12.7%
2023	131.23	5.0%	131.23	5.0%	131.23	5.0%
2024	135.17	3.0%	135.17	3.0%	135.17	3.0%
2025	138.96	2.8%	139.36	3.1%	140.17	3.7%
2026	142.15	2.3%	143.82	3.2%	146.48	4.5%
2027	145.28	2.2%	148.28	3.1%	152.92	4.4%
2028	148.77	2.4%	153.32	3.4%	160.11	4.7%
2029	152.34	2.4%	158.69	3.5%	167.96	4.9%
2030	155.99	2.4%	164.24	3.5%	176.19	4.9%
2031	159.11	2.0%	167.53	2.0%	179.71	2.0%
2032	162.29	2.0%	170.88	2.0%	183.31	2.0%
2033	165.54	2.0%	174.29	2.0%	186.97	2.0%
2034	168.85	2.0%	177.78	2.0%	190.71	2.0%
2035	172.23	2.0%	181.33	2.0%	194.53	2.0%
2036	175.67	2.0%	184.96	2.0%	198.42	2.0%
2037	179.19	2.0%	188.66	2.0%	202.38	2.0%
2038	182.77	2.0%	192.43	2.0%	206.43	2.0%
2039	186.42	2.0%	196.28	2.0%	210.56	2.0%
2040	190.15	2.0%	200.21	2.0%	214.77	2.0%

Indices (Continued)

Table 9: Tender Price Index – Highways Rural

(Source: Grant Thornton)

HIGHWAYS (RURAL)						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	110.90	10.9%	110.90	10.9%	110.90	10.9%
2022	124.98	12.7%	124.98	12.7%	124.98	12.7%
2023	131.23	5.0%	131.23	5.0%	131.23	5.0%
2024	135.17	3.0%	135.17	3.0%	135.17	3.0%
2025	138.96	2.8%	139.36	3.1%	140.17	3.7%
2026	142.15	2.3%	143.82	3.2%	146.48	4.5%
2027	145.28	2.2%	148.28	3.1%	152.92	4.4%
2028	148.77	2.4%	153.32	3.4%	160.11	4.7%
2029	152.34	2.4%	158.69	3.5%	167.96	4.9%
2030	155.99	2.4%	164.24	3.5%	176.19	4.9%
2031	159.11	2.0%	167.53	2.0%	179.71	2.0%
2032	162.29	2.0%	170.88	2.0%	183.31	2.0%
2033	165.54	2.0%	174.29	2.0%	186.97	2.0%
2034	168.85	2.0%	177.78	2.0%	190.71	2.0%
2035	172.23	2.0%	181.33	2.0%	194.53	2.0%
2036	175.67	2.0%	184.96	2.0%	198.42	2.0%
2037	179.19	2.0%	188.66	2.0%	202.38	2.0%
2038	182.77	2.0%	192.43	2.0%	206.43	2.0%
2039	186.42	2.0%	196.28	2.0%	210.56	2.0%
2040	190.15	2.0%	200.21	2.0%	214.77	2.0%

Indices (Continued)

Table 10: Tender Price Index – Highways Urban

(Source: Grant Thornton)

HIGHWAYS (URBAN)						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	110.10	10.1%	110.10	10.1%	110.10	10.1%
2022	124.08	12.7%	124.08	12.7%	124.08	12.7%
2023	130.54	5.2%	130.54	5.2%	130.54	5.2%
2024	134.58	3.1%	134.58	3.1%	134.58	3.1%
2025	138.75	3.1%	139.16	3.4%	140.10	4.1%
2026	142.22	2.5%	144.03	3.5%	146.96	4.9%
2027	145.64	2.4%	148.92	3.4%	153.87	4.7%
2028	149.28	2.5%	154.29	3.6%	161.57	5.0%
2029	153.16	2.6%	159.99	3.7%	169.97	5.2%
2030	157.14	2.6%	165.91	3.7%	178.63	5.1%
2031	160.28	2.0%	169.23	2.0%	182.21	2.0%
2032	163.49	2.0%	172.62	2.0%	185.85	2.0%
2033	166.76	2.0%	176.07	2.0%	189.57	2.0%
2034	170.09	2.0%	179.59	2.0%	193.36	2.0%
2035	173.50	2.0%	183.18	2.0%	197.23	2.0%
2036	176.97	2.0%	186.85	2.0%	201.17	2.0%
2037	180.50	2.0%	190.58	2.0%	205.20	2.0%
2038	184.11	2.0%	194.40	2.0%	209.30	2.0%
2039	187.80	2.0%	198.28	2.0%	213.49	2.0%
2040	191.55	2.0%	202.25	2.0%	217.75	2.0%

Indices (Continued)

Table 11: Tender Price Index – Irish Rail

(Source: Grant Thornton)

IRISH RAIL						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	110.10	10.1%	110.10	10.1%	110.10	10.1%
2022	123.09	11.8%	123.09	11.8%	123.09	11.8%
2023	128.88	4.7%	128.88	4.7%	128.88	4.7%
2024	132.49	2.8%	132.49	2.8%	132.49	2.8%
2025	135.93	2.6%	136.33	2.9%	137.12	3.5%
2026	138.78	2.1%	140.42	3.0%	142.88	4.2%
2027	141.56	2.0%	144.49	2.9%	148.60	4.0%
2028	144.67	2.2%	148.97	3.1%	155.14	4.4%
2029	148.00	2.3%	153.74	3.2%	162.12	4.5%
2030	151.41	2.3%	158.66	3.2%	169.41	4.5%
2031	154.43	2.0%	161.83	2.0%	172.80	2.0%
2032	157.52	2.0%	165.07	2.0%	176.26	2.0%
2033	160.67	2.0%	168.37	2.0%	179.78	2.0%
2034	163.89	2.0%	171.73	2.0%	183.38	2.0%
2035	167.16	2.0%	175.17	2.0%	187.04	2.0%
2036	170.51	2.0%	178.67	2.0%	190.79	2.0%
2037	173.92	2.0%	182.25	2.0%	194.60	2.0%
2038	177.40	2.0%	185.89	2.0%	198.49	2.0%
2039	180.94	2.0%	189.61	2.0%	202.46	2.0%
2040	184.56	2.0%	193.40	2.0%	206.51	2.0%

Indices (Continued)

Table 12: Tender Price Index – Civil Engineering

(Source: Grant Thornton)

CIVIL ENGINEERING						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	114.30	14.3%	114.30	14.3%	114.30	14.3%
2022	130.64	14.3%	130.64	14.3%	130.64	14.3%
2023	139.01	6.4%	139.01	6.4%	139.01	6.4%
2024	145.12	4.4%	145.12	4.4%	145.12	4.4%
2025	149.04	2.7%	149.48	3.0%	150.35	3.6%
2026	152.32	2.2%	154.11	3.1%	156.96	4.4%
2027	155.52	2.1%	158.73	3.0%	163.55	4.2%
2028	159.10	2.3%	163.81	3.2%	170.91	4.5%
2029	162.75	2.3%	169.22	3.3%	178.95	4.7%
2030	166.50	2.3%	174.80	3.3%	187.18	4.6%
2031	169.83	2.0%	178.30	2.0%	190.92	2.0%
2032	173.22	2.0%	181.86	2.0%	194.74	2.0%
2033	176.69	2.0%	185.50	2.0%	198.64	2.0%
2034	180.22	2.0%	189.21	2.0%	202.61	2.0%
2035	183.83	2.0%	193.00	2.0%	206.66	2.0%
2036	187.50	2.0%	196.86	2.0%	210.79	2.0%
2037	191.25	2.0%	200.79	2.0%	215.01	2.0%
2038	195.08	2.0%	204.81	2.0%	219.31	2.0%
2039	198.98	2.0%	208.91	2.0%	223.70	2.0%
2040	202.96	2.0%	213.08	2.0%	228.17	2.0%

Indices (Continued)

Table 13: Cost Price Index – Highways Rural

(Source: Grant Thornton)

HIGHWAYS (RURAL)						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	108.60	8.6%	108.60	8.6%	108.60	8.6%
2022	120.22	10.7%	120.22	10.7%	120.22	10.7%
2023	125.39	4.3%	125.39	4.3%	125.39	4.3%
2024	129.28	3.1%	129.28	3.1%	129.28	3.1%
2025	131.86	2.0%	132.12	2.2%	132.64	2.6%
2026	133.97	1.6%	135.16	2.3%	136.88	3.2%
2027	135.98	1.5%	138.13	2.2%	140.99	3.0%
2028	138.16	1.6%	141.31	2.3%	145.64	3.3%
2029	140.51	1.7%	144.70	2.4%	150.45	3.3%
2030	142.89	1.7%	148.17	2.4%	155.41	3.3%
2031	145.75	2.0%	151.14	2.0%	158.52	2.0%
2032	148.67	2.0%	154.16	2.0%	161.69	2.0%
2033	151.64	2.0%	157.24	2.0%	164.92	2.0%
2034	154.67	2.0%	160.39	2.0%	168.22	2.0%
2035	157.77	2.0%	163.60	2.0%	171.59	2.0%
2036	160.92	2.0%	166.87	2.0%	175.02	2.0%
2037	164.14	2.0%	170.21	2.0%	178.52	2.0%
2038	167.42	2.0%	173.61	2.0%	182.09	2.0%
2039	170.77	2.0%	177.08	2.0%	185.73	2.0%
2040	174.19	2.0%	180.62	2.0%	189.45	2.0%

Indices (Continued)

Table 14: Cost Price Index – Highways Urban

(Source: Grant Thornton)

HIGHWAYS (URBAN)						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	107.90	7.9%	107.90	7.9%	107.90	7.9%
2022	119.45	10.7%	119.45	10.7%	119.45	10.7%
2023	124.70	4.4%	124.70	4.4%	124.70	4.4%
2024	128.82	3.3%	128.82	3.3%	128.82	3.3%
2025	131.39	2.0%	131.65	2.2%	132.29	2.7%
2026	133.49	1.6%	134.68	2.3%	136.53	3.2%
2027	135.50	1.5%	137.64	2.2%	140.76	3.1%
2028	137.66	1.6%	140.81	2.3%	145.40	3.3%
2029	140.01	1.7%	144.19	2.4%	150.35	3.4%
2030	142.39	1.7%	147.65	2.4%	155.46	3.4%
2031	145.23	2.0%	150.60	2.0%	158.57	2.0%
2032	148.14	2.0%	153.61	2.0%	161.74	2.0%
2033	151.10	2.0%	156.68	2.0%	164.98	2.0%
2034	154.12	2.0%	159.82	2.0%	168.28	2.0%
2035	157.20	2.0%	163.01	2.0%	171.64	2.0%
2036	160.35	2.0%	166.27	2.0%	175.07	2.0%
2037	163.56	2.0%	169.60	2.0%	178.58	2.0%
2038	166.83	2.0%	172.99	2.0%	182.15	2.0%
2039	170.16	2.0%	176.45	2.0%	185.79	2.0%
2040	173.57	2.0%	179.98	2.0%	189.51	2.0%

Indices (Continued)

Table 15: Cost Price Index – Civil Engineering

(Source: Grant Thornton)

CIVIL ENGINEERING						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	109.80	9.8%	109.80	9.8%	109.80	9.8%
2022	120.12	9.4%	120.12	9.4%	120.12	9.4%
2023	125.41	4.4%	125.41	4.4%	125.41	4.4%
2024	129.29	3.1%	129.29	3.1%	129.29	3.1%
2025	131.75	1.9%	132.01	2.1%	132.53	2.5%
2026	133.73	1.5%	134.91	2.2%	136.50	3.0%
2027	135.73	1.5%	137.75	2.1%	140.46	2.9%
2028	137.90	1.6%	140.91	2.3%	144.96	3.2%
2029	140.11	1.6%	144.16	2.3%	149.74	3.3%
2030	142.35	1.6%	147.47	2.3%	154.53	3.2%
2031	145.20	2.0%	150.42	2.0%	157.62	2.0%
2032	148.10	2.0%	153.43	2.0%	160.77	2.0%
2033	151.07	2.0%	156.50	2.0%	163.99	2.0%
2034	154.09	2.0%	159.63	2.0%	167.27	2.0%
2035	157.17	2.0%	162.82	2.0%	170.61	2.0%
2036	160.31	2.0%	166.08	2.0%	174.03	2.0%
2037	163.52	2.0%	169.40	2.0%	177.51	2.0%
2038	166.79	2.0%	172.79	2.0%	181.06	2.0%
2039	170.12	2.0%	176.24	2.0%	184.68	2.0%
2040	173.53	2.0%	179.77	2.0%	188.37	2.0%

Indices (Continued)

Table 16: Land/Property Price Index – Dublin Residential

(Source: Grant Thornton)

DUBLIN RESIDENTIAL						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	107.30	7.3%	107.30	7.3%	107.30	7.3%
2022	118.35	10.3%	118.35	10.3%	118.35	10.3%
2023	119.06	0.6%	119.06	0.6%	119.06	0.6%
2024	124.30	4.4%	129.42	8.7%	134.66	13.1%
2025	128.53	3.4%	138.09	6.7%	148.39	10.2%
2026	131.23	2.1%	144.03	4.3%	157.89	6.4%
2027	133.19	1.5%	148.21	2.9%	164.68	4.3%
2028	135.06	1.4%	152.21	2.7%	171.43	4.1%
2029	136.81	1.3%	156.17	2.6%	178.12	3.9%
2030	139.14	1.7%	161.47	3.4%	187.20	5.1%
2031	141.92	2.0%	164.70	2.0%	190.95	2.0%
2032	144.76	2.0%	168.00	2.0%	194.77	2.0%
2033	147.66	2.0%	171.36	2.0%	198.66	2.0%
2034	150.61	2.0%	174.79	2.0%	202.63	2.0%
2035	153.62	2.0%	178.28	2.0%	206.69	2.0%
2036	156.70	2.0%	181.85	2.0%	210.82	2.0%
2037	159.83	2.0%	185.48	2.0%	215.04	2.0%
2038	163.03	2.0%	189.19	2.0%	219.34	2.0%
2039	166.29	2.0%	192.98	2.0%	223.72	2.0%
2040	169.61	2.0%	196.84	2.0%	228.20	2.0%

Indices (Continued)

Table 17: Land/Property Price Index – Residential (Ex Dublin)

(Source: Grant Thornton)

IRISH RESIDENTIAL (EXCLUDING DUBLIN)						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	109.20	9.2%	109.20	9.2%	109.20	9.2%
2022	124.49	14.0%	124.49	14.0%	124.49	14.0%
2023	130.71	5.0%	130.71	5.0%	130.71	5.0%
2024	136.20	4.2%	141.69	8.4%	146.92	12.4%
2025	140.42	3.1%	150.48	6.2%	160.58	9.3%
2026	143.23	2.0%	156.50	4.0%	170.38	6.1%
2027	145.52	1.6%	161.50	3.2%	178.56	4.8%
2028	147.27	1.2%	165.54	2.5%	185.16	3.7%
2029	148.74	1.0%	169.18	2.2%	191.09	3.2%
2030	150.08	0.9%	172.40	1.9%	196.44	2.8%
2031	153.08	2.0%	175.85	2.0%	200.37	2.0%
2032	156.15	2.0%	179.36	2.0%	204.38	2.0%
2033	159.27	2.0%	182.95	2.0%	208.46	2.0%
2034	162.45	2.0%	186.61	2.0%	212.63	2.0%
2035	165.70	2.0%	190.34	2.0%	216.89	2.0%
2036	169.02	2.0%	194.15	2.0%	221.22	2.0%
2037	172.40	2.0%	198.03	2.0%	225.65	2.0%
2038	175.85	2.0%	201.99	2.0%	230.16	2.0%
2039	179.36	2.0%	206.03	2.0%	234.76	2.0%
2040	182.95	2.0%	210.15	2.0%	239.46	2.0%

Indices (Continued)

Table 18: Land/Property Price Index – Office Market

(Source: Grant Thornton)

OFFICE MARKET						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	100.00	0.0%	100.00	0.0%	100.00	0.0%
2022	93.20	-6.8%	93.20	-6.8%	93.20	-6.8%
2023	94.97	1.9%	94.97	1.9%	94.97	1.9%
2024	97.82	3.0%	100.67	6.0%	106.37	12.0%
2025	99.78	2.0%	104.90	4.2%	115.09	8.2%
2026	101.47	1.7%	108.36	3.3%	122.69	6.6%
2027	102.79	1.3%	111.07	2.5%	128.82	5.0%
2028	104.33	1.5%	114.29	2.9%	136.42	5.9%
2029	105.69	1.3%	117.26	2.6%	143.65	5.3%
2030	107.06	1.3%	120.19	2.5%	150.83	5.0%
2031	109.21	2.0%	122.60	2.0%	153.85	2.0%
2032	111.39	2.0%	125.05	2.0%	156.93	2.0%
2033	113.62	2.0%	127.55	2.0%	160.06	2.0%
2034	115.89	2.0%	130.10	2.0%	163.27	2.0%
2035	118.21	2.0%	132.70	2.0%	166.53	2.0%
2036	120.57	2.0%	135.36	2.0%	169.86	2.0%
2037	122.98	2.0%	138.06	2.0%	173.26	2.0%
2038	125.44	2.0%	140.82	2.0%	176.72	2.0%
2039	127.95	2.0%	143.64	2.0%	180.26	2.0%
2040	130.51	2.0%	146.51	2.0%	183.86	2.0%

Indices (Continued)

Table 19: Land/Property Price Index – Industrial Market

(Source: Grant Thornton)

INDUSTRIAL MARKET						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	120.30	20.3%	120.30	20.3%	120.30	20.3%
2022	125.23	4.1%	125.23	4.1%	125.23	4.1%
2023	120.10	-4.1%	120.10	-4.1%	120.10	-4.1%
2024	123.10	2.5%	126.46	5.3%	132.71	10.5%
2025	125.07	1.6%	130.64	3.3%	141.60	6.7%
2026	125.82	0.6%	132.20	1.2%	145.14	2.5%
2027	127.20	1.1%	134.85	2.0%	151.09	4.1%
2028	128.35	0.9%	137.54	2.0%	156.83	3.8%
2029	129.63	1.0%	140.43	2.1%	163.10	4.0%
2030	130.80	0.9%	143.24	2.0%	169.30	3.8%
2031	133.42	2.0%	146.11	2.0%	172.69	2.0%
2032	136.08	2.0%	149.03	2.0%	176.14	2.0%
2033	138.81	2.0%	152.01	2.0%	179.67	2.0%
2034	141.58	2.0%	155.05	2.0%	183.26	2.0%
2035	144.41	2.0%	158.15	2.0%	186.92	2.0%
2036	147.30	2.0%	161.31	2.0%	190.66	2.0%
2037	150.25	2.0%	164.54	2.0%	194.48	2.0%
2038	153.25	2.0%	167.83	2.0%	198.37	2.0%
2039	156.32	2.0%	171.19	2.0%	202.33	2.0%
2040	159.44	2.0%	174.61	2.0%	206.38	2.0%

Indices (Continued)

Table 20: Land/Property Price Index – Retail Market

(Source: Grant Thornton)

RETAIL MARKET						
	Lower		Base		Upper	
Year	Index	Annual Increase	Index	Annual Increase	Index	Annual Increase
2020	100.00	0.0%	100.00	0.0%	100.00	0.0%
2021	93.40	-6.6%	93.40	-6.6%	93.40	-6.6%
2022	89.10	-4.6%	89.10	-4.6%	89.10	-4.6%
2023	82.60	-7.3%	82.60	-7.3%	82.60	-7.3%
2024	83.26	0.8%	83.92	1.6%	85.24	3.2%
2025	84.51	1.5%	86.35	2.9%	90.19	5.8%
2026	85.10	0.7%	87.56	1.4%	92.62	2.7%
2027	85.27	0.2%	87.91	0.4%	93.36	0.8%
2028	85.27	0.0%	88.00	0.1%	93.55	0.2%
2029	85.27	0.0%	88.09	0.1%	93.74	0.2%
2030	85.36	0.1%	88.35	0.3%	94.30	0.6%
2031	87.06	2.0%	90.12	2.0%	96.18	2.0%
2032	88.80	2.0%	91.92	2.0%	98.11	2.0%
2033	90.58	2.0%	93.76	2.0%	100.07	2.0%
2034	92.39	2.0%	95.64	2.0%	102.07	2.0%
2035	94.24	2.0%	97.55	2.0%	104.11	2.0%
2036	96.12	2.0%	99.50	2.0%	106.20	2.0%
2037	98.05	2.0%	101.49	2.0%	108.32	2.0%
2038	100.01	2.0%	103.52	2.0%	110.49	2.0%
2039	102.01	2.0%	105.59	2.0%	112.70	2.0%
2040	104.05	2.0%	107.70	2.0%	114.95	2.0%

Appendix C – List of Data Sources

The below table provides details of the various data sources which have been used in the compilation of the inflation forecasts.

Table 21: List of Data Sources
Source: Grant Thornton

Organisation	Database / Variable	Indices Informed
Society of Chartered Surveyors Ireland (SCSI)	Tender Price Index	Tender Prices
Central Statistics Office	Consumer Price Index (CPI)	Tender Prices and Cost Prices
Central Statistics Office	Wholesale Price Index (WPI) - Building and Construction Materials	Cost Prices
Economic & Social Research Institute	Quarterly Economic Commentary – Inflation Forecast	Tender Prices and Cost Prices
Department of Finance	Budget 2026 – Economic & Fiscal Outlook	Tender Prices and Cost Prices
Central Bank of Ireland	Quarterly Bulletin – Inflation Forecasts	Tender Prices and Cost Prices
IMF	World Economic Outlook	Tender Prices and Cost Prices
OECD	Ireland Economic Snapshot	Tender Prices and Cost Prices
EU Commission	Economic Forecast - Ireland	Tender Prices and Cost Prices
MSCI	Property Capital Value Indices – Dublin offices, retail, industrial	Land & Property Prices
Central Statistics Office (CSO)	Residential Property Price Index (RPPI) – Dublin and Ireland	Land & Property Prices
Oxford Economics	Economic Data and Forecasts (capital value models)	Land & Property Prices
Revenue Commissioners	Stamp Duty Returns	Land & Property Prices