

Annual inflation rises to 1.6% in February 2022

In February 2022, the Consumer Price Index (CPI) increased by 1.6% compared to February 2021, higher than in January 2022 (1.2%). The rise of the CPI resulted mainly from higher prices of transport (+4.3%) and food and beverages (+2.4%).

High gasoline prices main driver of inflation in February

Transport prices increased by 4.3%, mainly due to the increase in gasoline prices by 26.7%. Transport prices were the main driver of the inflation rate in February 2022 due to their high relative importance in the Saudi consumer basket (with a weight of 13.0%). Food and beverages prices increased by 2.4%, mainly due to the increase in food prices by 2.6%, in particular, vegetable prices by 9.7%.

Furniture, household equipment and household maintenance prices increased by 1.3% as a result of a 1.5% rise in furniture, carpets and other floor coverings.

Education prices increased by 6.3%, mainly resulting from an increase in secondary education prices 15.3%. Restaurants and hotels prices increased by 2.4% due to an increase of 1.9% in catering services prices. Recreation and culture prices increased by 1.8%, due to an increase in recreational and culture service prices of 4.3%.

In contrast, housing, water, electricity, gas, and other fuels prices decreased by 0.2% due to decreasing rents for housing by 0.3%, as well as lower clothing prices (-0.8%).

Prices relatively stable compared to January 2022

Compared to January 2022, consumer prices increased slightly by 0.3%.

The monthly consumer price index was affected by the increase of food prices by 0.4%, mainly due to increasing food prices by 0.5%. Housing, water, electricity, gas, and other fuels price increased by 0.2%, due to the increase in the actual rentals for housing of 0.3%. Transport prices increased by 0.5%, as well as Furniture, household equipment and household maintenance (0.7%), personal goods and services (0.4%), clothing and footwear (0.3%), recreation and culture (0.1%).

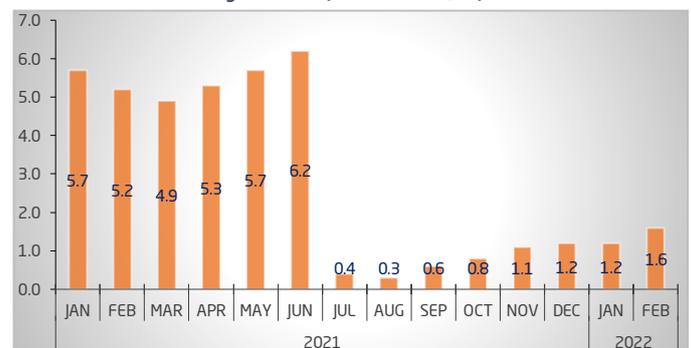
Tobacco prices decreased by 0.1%, as well as Communication prices by 0.1%.

Table1 . Annual and Monthly Change in CPI by Main Expenditure Category (February 2022)

Expenditure Category	Percent change in February 2022 compared to	
	Feb 2021	Jan 2022
General Index	1.6	0.3
Food & Beverages	2.4	0.4
Tobacco	-0.2	-0.1
Clothing And Footwear	-1.4	0.3
Housing, Water, Electricity, Gas & Other Fuels	-0.2	0.2
Furnishings, Household Equipment & Maintenance	1.3	0.7
Health	-0.1	0.0
Transport	4.3	0.5
Communication	0.2	-0.1
Recreation & Culture	1.8	0.1
Education	6.3	0.0
Restaurants & Hotels	2.4	0.0
Personal Goods and Services	2.2	0.4

Source: [Tables](#).

Figure 1. CPI (Year-on-Year, %)



CPI Methodology

The Consumer Price Index (CPI) measures the prices paid by consumers for a fixed basket of goods and services consisting of 490 items. The basket was selected based on the results of the Expenditure and Income Survey conducted in 2018, according to which the items and their weights were determined. The respective prices are collected through field visits to points of sale. The CPI statistics are published on a monthly basis. For more details click [Methodology](#)