

## Consumer Prices increase by 1.2% in January 2022

In January 2022, the Consumer Price Index (CPI) increased by 1.2% compared to January 2021, equal to December 2021 (1.2%). The rise of the CPI resulted mainly from higher prices of transport (+4.9%) and food and beverages prices (+2.0%).

### Transport prices are the main driver of inflation rate in January 2022

Transport prices increased by 4.9%, mainly due to the increase in gasoline prices by 34.5%. Transport prices were the main driver of the inflation rate in January 2022 due to their high relative importance in the Saudi consumer basket (with a weight of 13.0%). Food and beverages prices increased by 2.0%, mainly due to the increase in food prices by 2.3%, in particular, vegetable prices by 10.0%.

Furniture, household equipment and household maintenance prices increased by 1.2% as a result of a 1.9% rise in furniture, carpets and other floor coverings.

Education prices increased by 6.3%, mainly resulting from an increase in secondary and intermediate education prices (+15.3%). Restaurants and hotels prices increased by 2.1% due to an increase of 1.8% in catering services prices. Recreation and culture prices increased by 1.5%, due to an increase in recreational and culture service prices by 3.0%.

In contrast, housing, water, electricity, gas, and other fuels prices edged down 1.3% due to the decline in the actual rentals for housing by 1.7%, as well as clothing and footwear prices by 1.8%, due to a decrease in clothing prices by 1.3%.

### Prices are relatively stable compared to December 2021

Compared to December 2021, consumer prices remained relatively stable and slightly increased by 0.2%.

The monthly consumer price index was affected by the increase of food prices by 0.4%. Restaurants and hotels price increased by 0.6%, mainly resulting from the increase in catering services prices (+0.4%). Furniture, household equipment and household maintenance prices increased by 0.5%, as well as education 0.5%, communication services 0.5%, housing, water, electricity, gas, and other fuels 0.1%.

Contrarily, Clothing and Footwear prices decreased by 0.6%, as well as Recreation and Culture (-0.5%), Transport (-0.1%), and Health (-0.1%).

On the other hand, prices of personal goods and services, as well as tobacco, did not show any significant change in January 2022.

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

Expenditure Category	Percent change in January 2022 compared to	
	Jan 2021	Dec 2021
General Index	1.2	0.2
Food & Beverages	2.0	0.4
Tobacco	0.0	0.0
Clothing And Footwear	-1.8	-0.6
Housing, Water, Electricity, Gas & Other Fuels	-1.3	0.1
Furnishings, Household Equipment & Maintenance	1.2	0.5
Health	-0.1	-0.1
Transport	4.9	-0.1
Communication	0.3	0.5
Recreation & Culture	1.5	-0.5
Education	6.3	0.5
Restaurants & Hotels	2.1	0.6
Personal Goods and Services	1.2	0.0

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](#)