

Annual inflation rises to 2.0% in March 2022

In March 2022, the Consumer Price Index (CPI) increased by 2.0% compared to March 2021, higher than in February 2022. The rise of the CPI resulted mainly from higher prices of transport (+4.7%) and food and beverages (+3.0%).

High gasoline prices are the main driver of inflation in March

Transport prices increased by 4.7%, due to the increase in gasoline prices by 14.7%, as well as prices for new cars (+4.0%). Transport prices were the main driver of the inflation rate in March 2022 due to their high relative importance in the Saudi consumer basket (with a weight of 13.0%).

Food and beverages prices increased by 3.0%, mainly due to the increase in food prices by 3.3%, in particular, meat prices (+2.4%) and vegetable prices (9.4%).

Personal Goods and Services prices increased by 2.9%, mainly resulting from an increase in prices of Jewelry, clocks and watches (+5.6%). Education prices increased by 6.3%, mainly resulting from an increase in secondary education fees by 19.8%. Restaurants and hotels prices increased by 2.9% due to an increase by 2.4% in catering services prices. As well as housing, water, electricity, gas, and other fuels prices increased by 0.2%, as a result to the increase in rents for housing by 0.2%.

In contrast, clothing and footwear prices decreased by 1.2% due to decreasing in clothing prices by (-0.6%), as well as Tobacco prices by 0.3% due to the decreasing in Cigarettes prices (-0.7%).

Prices are relatively stable compared to February 2022

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

The monthly consumer price index was affected by the increase of food prices by 0.4%. Transport prices increased by 1.1%, mainly due the increase in Purchase of Vehicles prices by 1.5%. Housing, water, electricity, gas, and other fuels prices increased by 0.1%, as well as restaurants and hotels (0.3%), Recreation and culture (0.3%), clothing and footwear (0.1%), Furnishings, Household Equipment & Maintenance (0.1%), Goods and Services (0.1%).

Contrarily, prices for Communication decreased by 0.1%.

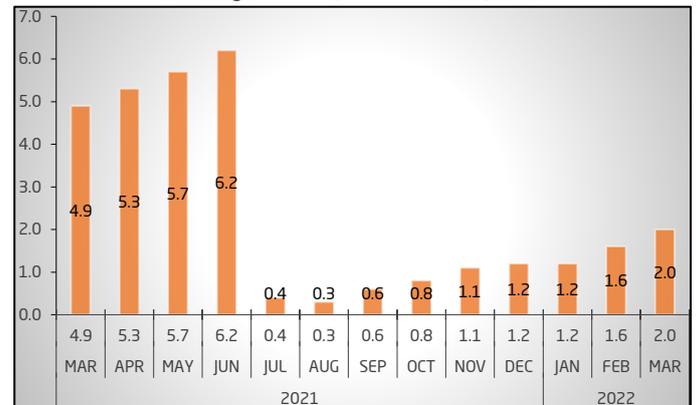
On the other hand, prices of Health, Education, Tobacco, did not show any significant change in March 2022.

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

Expenditure Category	Percent change in March 2022 compared to	
	Mar 2021	Feb 2022
General Index	2.0	0.3
Food & Beverages	3.0	0.4
Tobacco	-0.3	0.0
Clothing And Footwear	-1.2	0.1
Housing, Water, Electricity, Gas & Other Fuels	0.2	0.1
Furnishings, Household Equipment & Maintenance	1.7	0.1
Health	-0.2	0.0
Transport	4.7	1.1
Communication	0.1	-0.1
Recreation & Culture	2.0	0.3
Education	6.3	0.0
Restaurants & Hotels	2.9	0.3
Personal Goods and Services	2.9	0.1

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](#).