

Annual inflation rate in the Kingdom reaches 2.3% in August 2025 compared to August 2024

The General Authority for Statistics developed the mechanism for collecting and calculating the Consumer Price Index (CPI) in line with international best practices, ensuring greater inclusiveness and accuracy. The reference year of the index was updated to 2023 (2023 = 100), along with the revision of the consumer price basket items and weights. In addition, the geographical coverage was expanded to include all regions of the Kingdom. (For more details, please refer to the methodology and quality).

The Consumer Price Index in the Kingdom recorded an annual increase of 2.3% in August 2025, compared to the same month of the previous year (August 2024). This was mainly driven by a rise in housing, water, electricity, gas, and other fuel prices by 5.8%, food and beverage prices by 1.1%, and restaurant and accommodation services by 3.0% (Figure1).

Rental prices main driver of inflation in August 2025 compared to August 2024

Housing, water, electricity, gas, and other fuels division increased by 5.8% in August 2025, driven by a 7.6% rise in the actual rentals for the housing group. This was mainly due to a 7.6% increase in actual rents paid by tenants for primary residences. Similarly, the food and beverages division rose by 1.1%, influenced by a 1.5% increase in the prices of fresh or chilled meat. The restaurant and accommodation services division also recorded a 3.0% increase, primarily due to a 4.7% rise in accommodation service prices. Prices in the personal care, social protection, and other goods and services division increased by 4.8%, driven by an 18.0% rise in the prices of jewelry and watches. The transport division prices rose by 1.2%, influenced by a 5.3% increase in passenger transport prices.

On the other hand, prices of the furniture, household equipment, and routine household maintenance declined by 0.3%, due to a 3.3% decrease in the prices of furniture, furnishings, and carpets. Similarly, the information and communication division prices recorded a decrease of 0.4%, driven by a 6.7% decline in the prices of information and communication equipment (Figure 2).

Prices record monthly increase in August 2025 compared to July 2025

On a monthly basis, the CPI rose by 0.1% in August compared to July 2025. The housing, water, electricity, gas, and fuel division prices increased by 0.4%, mainly due to a 0.6% rise in housing rents. Food and beverage prices rose by 0.1%. Restaurants and accommodation services, personal care, social protection, other goods and services, furniture, household equipment, routine household maintenance, and tobacco recorded a slight prices increase of 0.1%. Insurance and financial services prices rose by 0.2%, and education services prices increased by 0.8%. Recreation, sports, and culture prices decreased by 0.5%, while transport, clothing and footwear, health, and communication prices remained unchanged prices for the previous month (July 2025).

Figure 1: Annual change in CPI (%)

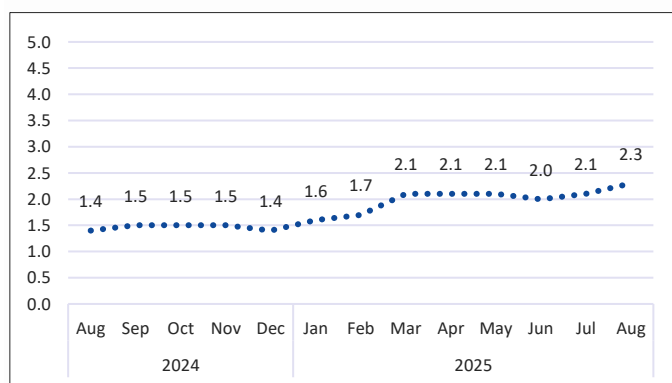
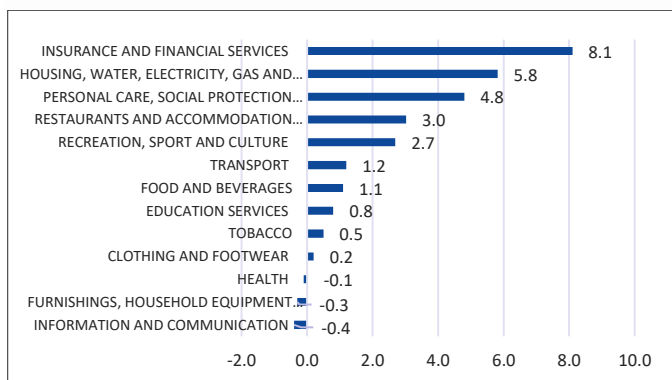


Figure 2: Annual and change in CPI by sections (August 2025) (%)



CPI Methodology and Quality

The Consumer Price Index (CPI) reflects the changes in prices paid by consumers for a fixed basket of goods and services consisting of 582 items, and the items of this basket were selected based on the results of the Expenditure and Income Survey conducted in 2023, and their weights were determined in addition to other supplementary data sources such as the final consumer expenditure of households. and data transparency in accordance with international best practices, from expanding geographical coverage, points of sale, basket items, and adopting new data sources, and the data has been published according to the updated methodology starting from August 2025.

For more details, click [Methodology, and Quality and Table](#)