

PPI in Saudi Arabia records an increase of 5.1% in August 2026

Producer Price Index (PPI) in Saudi Arabia recorded an increase of 5.1% in August 2026 compared to August 2025. This increase was driven by a 5.3% rise in manufacturing prices, a 2.2% increase in prices of electricity, gas, steam, and air-conditioning supply, and a 4.2% increase in prices of water supply, sewerage, and waste management activities (Figure 1).

Figure 1. PPI annual change (%)



Annual changes by main divisions

Manufacturing prices increased by 5.3%, driven by increases in the prices of the manufacture of refined petroleum products by 4.8%, the manufacture of chemicals and chemical products by 10.5%, the manufacture of food products by 5.4%, the manufacture of basic metals by 8.6%, and the manufacture of wearing apparel by 13.4%. In contrast, prices of the manufacture of fabricated metal products, except machinery and equipment, declined by 3.1%, while prices of other economic activities declined by 3.5%. Prices of the electricity, gas, steam, and air-conditioning supply division increased by 2.2%, while the prices of the water supply, sewerage, and waste management activities division increased by 4.2% in August 2026 (Figure 2) (Figure 3).

Figure 2. Annual PPI by main divisions

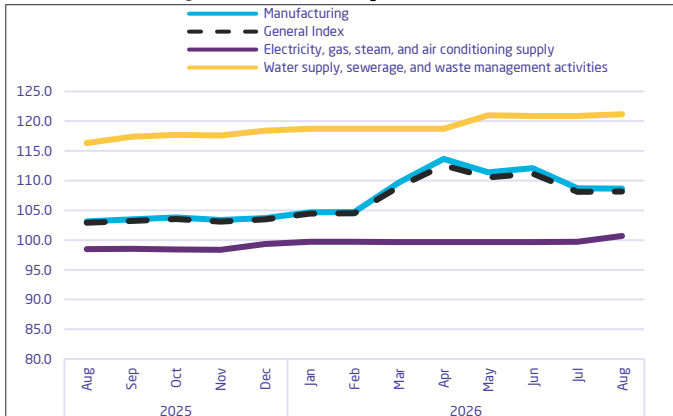
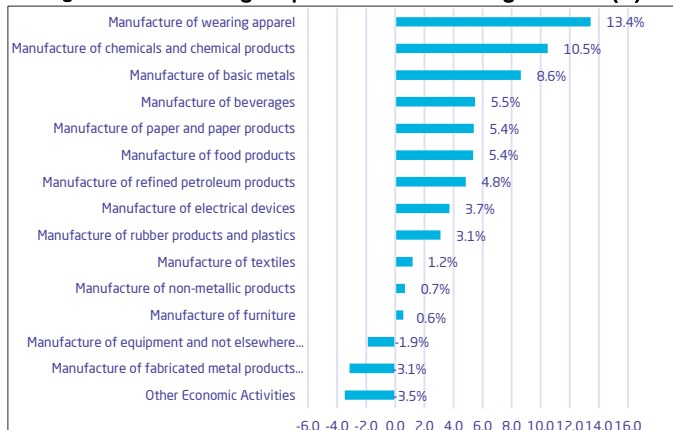


Figure 3. Annual change in prices of manufacturing activities (%)



Monthly changes by main divisions

On a month-on-month basis, the PPI recorded relative stability in August 2026 compared to July 2026. This was mainly driven by a 0.1% decline in manufacturing prices, supported by a decline in the prices of the manufacture of chemicals and chemical products by 1.5%, the manufacture of rubber and plastic products by 0.5%, other economic activities by 0.8%, and the manufacture of beverages by 0.7%. In contrast, prices of the manufacture of refined petroleum products increased by 0.6%, while prices of the manufacture of basic metals increased by 0.2%. Meanwhile, the prices of the electricity, gas, steam, and air-conditioning supply division increased by 1.0%, while prices of the water supply, sewerage, and waste management activities division increased by 0.3% in August 2026 compared to July 2026. (Figure 4) (Figure 5).

Figure 4. PPI monthly change (%)

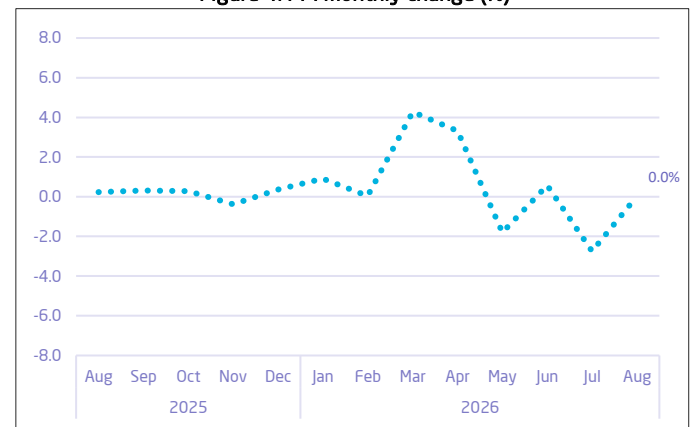
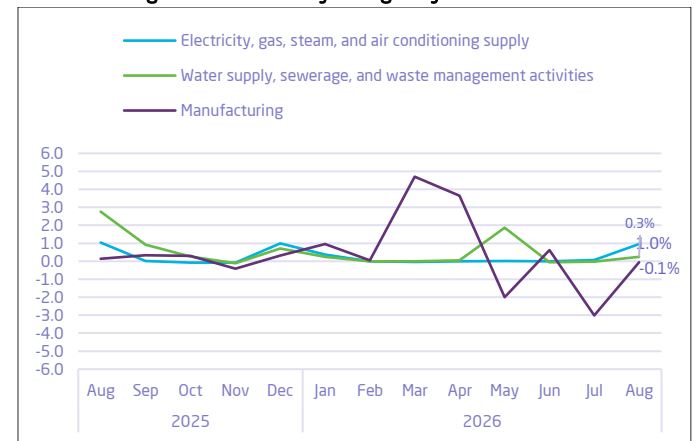


Figure 5. PPI monthly changes by main divisions



Methodology and quality

Producer Price Index (PPI) is an economic indicator that reflects relative changes in domestic product prices, based on data from the Producer Price Survey, which is conducted on a sample of industrial establishments operating in the targeted industrial activities, namely manufacturing, electricity, gas, steam, and air-conditioning supply activities, as well as water supply, sewerage, and waste management activities. The data for this index, which are published on a monthly basis, are classified according to the Saudi Standard Industrial Classification (SSIC). For more details, click: [Methodology and Quality](#), table