

Inflation reaches 1.6% in January 2024

In January 2024, the Consumer Price Index (CPI) increased by 1.6%, compared to January 2023, a larger rate from 1.5% in the previous month (December 2023). The main drivers of CPI inflation in January were higher prices of housing, water, electricity, gas, and other fuels 7.8% and prices of food and beverages 1.0%. However, transport prices decreased by 1.1% and personal goods and services prices decreased by 1.1%.

Rents main driver of inflation in January 2024

Actual rents for housing increased by 9.3% in January 2024, reflecting the increase in rents for villas by 8.2%. Prices for rents were the main driver of the inflation rate in January 2024 due to their high relative importance in the Saudi consumer basket (with a weight of 21.0%).

Food and beverages prices increased by 1.0%, due to the increase in vegetables by 3.7%.

Restaurants and hotels prices increased by 2.4%, due to the increase in catering services prices by 2.1%.

Recreation and culture prices increased by 1.4%, due to the increase in package holiday prices by 7.1%.

Education prices increased by 1.2%, mainly resulting from the increase in secondary education prices by 4.3%.

In contrast, furnishings, household equipment and maintenance prices decreased by 3.3%, due to the decrease in furniture, carpets and other floor coverings by 5.3%. Clothing and footwear prices decreased by 4.1%, due to the decrease in garments prices by 6.3% and transport prices decreased by 1.1%, due to the decrease in the purchase of motor cars by 2.7%.

Prices increase by 0.3% in January 2024 compared to December 2023

Compared to December 2023, consumer prices increase slightly by 0.3%, in January 2024.

The monthly CPI was affected by the increase in housing, water, electricity, gas, and other fuels prices by 1.1%, as a result of the increase in actual rents for housing by 1.2%.

Food and beverages prices increased by 0.3%, restaurants and hotels prices increased by 0.2%, and education prices increased by 0.4%. Further, recreation & Culture prices increased by 0.2%, furnishings, household equipment and maintenance prices increased by 0.1% and communications prices increased by 0.1%. However, personal goods and services prices decreased by 0.5%, transport decreased by 0.1%, clothing and footwear decreased by 0.6%, health decreased by 0.5%, and tobacco decreased by 0.7%.

Table 1. Annual and Monthly Change in CPI by Main Expenditure Category (January 2024)(%)

General Index, Sections	Percent change in January 2024 compared to	
	Jan 2023	Dec 2023
General Index	1.6	0.3
Food & Beverages	1.0	0.3
Tobacco	-0.5	-0.7
Clothing and Footwear	-4.1	-0.6
Housing, Water, Electricity, Gas & Other Fuels	7.8	1.1
Furnishings, Household Equipment & Maintenance	-3.3	0.1
Health	-0.8	-0.5
Transport	-1.1	-0.1
Communications	-1.9	0.1
Recreation & Culture	1.4	0.2
Education	1.2	0.4
Restaurants & Hotels	2.4	0.2
Personal Goods and Services	-1.1	-0.5

Source: tables.

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



CPI Reference Metadata

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 household income and expenditure 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 monthly. For more details, click [Reference Metadata](#)