

## Inflation reaches 1.8% in February 2024

In February 2024, the Consumer Price Index (CPI) increased by 1.8%, compared to February 2023, a larger rate from 1.6% in the previous month (January 2024). The main drivers of CPI inflation in February were higher prices of housing, water, electricity, gas, and other fuels by 8.5% and prices of food and beverages by 1.3%. However, transport prices decreased by 0.9% and personal goods and services prices decreased by 1.1%.

### Rents main driver of inflation in February 2024

Actual rents for housing increased by 10.0% in February 2024, reflecting the increase in rents for villas by 9.1%. Prices for rents were the main driver of the inflation rate in February 2024 due to their high relative importance in the Saudi consumer basket (with a weight of 21.0%).

Food and beverages prices increased by 1.3%, due to the increase in vegetables by 7.6%.

Restaurants and hotels prices increased by 2.5%, due to the increase in catering services prices by 2.2%.

Recreation and culture prices increased by 1.6%, due to the increase in package holidays prices by 6.1%.

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 3.0%, due to the decrease in furniture, carpets and other floor coverings by 4.5%. Clothing and footwear prices decreased by 4.0%, due to the decrease in garments prices by 6.4% and transport prices decreased by 0.9%, due to the decrease in the purchase of motor cars by 2.3%.

### Prices increase by 0.2% in February 2024 compared to January 2024

Compared to January 2024, consumer prices increase slightly by 0.2%, in February 2024.

The monthly CPI was affected by the increase in housing, water, electricity, gas, and other fuels prices by 1.2%, as a result of the increase in actual rents for housing by 1.4%.

Recreation and culture prices increased by 0.2%, personal goods and services prices increased by 0.1%.

However, food and beverages prices decreased by 0.4%, transport decreased by 0.3%, clothing and footwear decreased by 0.3%, furnishings, household equipment and maintenance decreased by 0.2%, tobacco decreased by 0.4%, and communications decreased by 0.2%.

On the other hand, prices of education, restaurants, hotels and health services did not show any significant change in February 2024.

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

General Index, Sections	Percent change in February 2024 compared to	
	Feb 2023	Jan 2024
<b>General Index</b>	<b>1.8</b>	<b>0.2</b>
Food & Beverages	1.3	-0.4
Tobacco	-0.9	-0.4
Clothing and Footwear	-4.0	-0.3
Housing, Water, Electricity, Gas & Other Fuels	8.5	1.2
Furnishings, Household Equipment & Maintenance	-3.0	-0.2
Health	-0.8	0.0
Transport	-0.9	-0.3
Communications	-1.8	-0.2
Recreation & Culture	1.6	0.2
Education	1.2	0.0
Restaurants & Hotels	2.5	0.0
Personal Goods and Services	-1.1	0.1

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](#)