

## Annual Inflation rises to 3.1% in September 2022

In September 2022, the Consumer Price Index (CPI) increased by 3.1%, compared to September 2021, higher than August inflation rate of 3.0%. The main driver of CPI inflation in September were the higher prices of food and beverages (+4.3%) and Housing, water, electricity, gas, and other fuels (+3.2%).

### Food and Beverage Prices are the Main Driver of Inflation in September 2022

Food and beverage prices increased by 4.3%, mainly due to food prices (4.6%), and in particular meat prices (+6.5%). food and beverages prices were the main driver of the inflation rate in September 2022 due to their high relative importance in the Saudi consumer basket (with a weight of 18.8%).

Housing, water, electricity, gas, and other fuels prices increased by 3.2%, as a result of the increase in rents for housing by 3.6%.

Transport prices increased by 3.8%, mainly due to the increase in purchase of motor cars prices (+4.6%).

Personal goods and services prices increased by 1.6%, mainly resulting from the increase in prices of wedding hall rental (+18.8%).

Restaurants and hotels prices increased by 7.5%, due to the increase in catering services prices by 7.6%.

Education prices increased by 5.7%, mainly resulting from the increase in secondary education prices by 10.1%.

In contrast, clothing and footwear prices decreased by 1.0% due to the decrease in garments prices (-1.9%).

### Prices increased by 0.3% Compared to August 2022

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

The monthly CPI was affected by the increase of Food and beverage prices by 1.0%.

Housing, water, electricity, gas, and other fuels prices increased by 1.0%, as a result of the increase in rents for housing by 1.3%.

Transport prices increased by 0.1%, restaurants and hotels prices increased by 0.2%, Tobacco by 0.1%.

Contrarily, prices of Personal goods and services decreased by 0.8%. clothing and footwear by 0.8%, Recreation & Culture by 1.0%, Communication by 0.2%, Furnishings, Household Equipment & Maintenance by 0.4%.

On the other hand, prices for Health, and Education, did not show any significant changes in September 2022.

Table 1. Annual and Monthly Change in CPI by Main Expenditure Category (September 2022)

Expenditure Category	Percent change in September 2022 compared to	
	Sep 2021	Aug 2022
General Index	3.1	0.3
Food & Beverages	4.3	1.0
Tobacco	0.3	0.1
Clothing and Footwear	-1.0	-0.8
Housing, Water, Electricity, Gas & Other Fuels	3.2	1.0
Furnishings, Household Equipment & Maintenance	1.2	-0.4
Health	0.7	0.0
Transport	3.8	0.1
Communication	0.2	-0.2
Recreation & Culture	3.5	-1.0
Education	5.7	0.0
Restaurants & Hotels	7.5	0.2
Personal Goods and Services	1.6	-0.8

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 monthly. For more details, click [Methodology](#)