

Wholesale prices fell by 2.1% in May 2020

The Wholesale Price Index fell by 2.1% year-on-year in May 2020, the first fall since February 2019, after easing to +0.6% in the previous month from its peak at +4.5% in February 2020. The fall of the index originated mainly from lower prices of refined petroleum products (-20.9%), given their weight in the index. On the other hand, the higher prices of products of agriculture (+9.9%) and live animals and animal products (+22.5%) came as the most offsetting factors on the wholesale price inflation.

The largest price drop in refined petroleum products

Of the main product categories, **other transportable goods** (-9.7%) registered the largest decline in wholesale prices in the past twelve months through May, mainly due to a sharp fall in prices of refined petroleum products (-20.9%), which also fell 11.9% in the previous month, April. In particular, prices for gasoline declined by 25.4%-on-year.

Ores and minerals (-3.2%) registered a decline in their wholesale prices as well, resulting from falling prices of stones and sand (-3.2%).

On the other hand, **agricultural and fishery products** increased the most (+12.7%) year-on-year in May 2020, mostly due to higher prices of products of agriculture (+9.9%) –mainly cereals (+13.8%)– and live animals and animal products (+22.5%) –mainly live animals (+23.2%). **Metal products, machinery and equipment** recorded an increase of 2.1%, originating primarily from higher prices of transport equipment (+4.5%), mainly motor vehicles (+4.1%).

The increase in wholesale prices of **food products, beverages and tobacco and textiles** was 1.8%, coming mainly from higher prices of meat, fish, fruit, vegetables, oils and fats (+6.7%), while prices of dairy products declined by 3.5%.

Wholesale prices down 1.9% from April

On a monthly basis, the Wholesale Price Index fell, for the third consecutive month, by 1.9% in May 2020, mainly influenced by lower prices of refined petroleum products, which declined 10.3% from the previous month. For the same reason, average prices of **other transportable goods** declined the most (-4.7%). Of the other major product categories, **metal products, machinery and equipment** (-0.2%) and **agricultural and fishery products** (-1.1%) also registered a decline in their prices, with products of agriculture decreasing by 0.4% and live animals and animal products

decreasing by 2.9%. On the other hand, **food products, beverages and tobacco and textiles** (+0.1%) and **ores and minerals** (+0.3%) recorded an increase in their prices as compared to the previous month.

Methodology

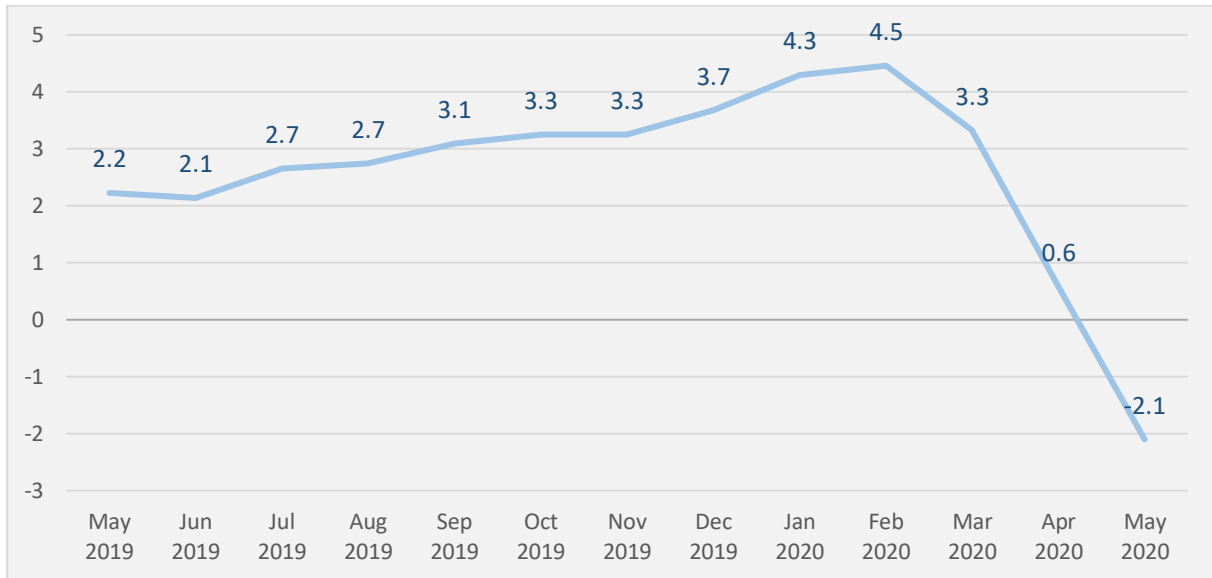
The Wholesale Price Index (WPI) reflects the movements of pre-retail prices of goods against a fixed basket of 343 items. The prices are collected in three cities (Riyadh, Jeddah, and Dammam) through field visits to points of sale. The year 2014 was determined as the base year. WPI statistics are published on a monthly basis.

Annual and monthly change in wholesale price index by main product category, May 2020

Product Category	Percentage change (%) in May 2020 compared to:	
	May 2019	April 2020
General Index	-2.1	-1.9
Agriculture and fishery products	12.7	-1.1
Ores and Minerals	-3.2	0.3
Food products, beverages and tobacco and textiles	1.8	0.1
Other transportable goods	-9.7	-4.7
Metal products, machinery and equipment	2.1	-0.2



WPI by month (year-on-year, %)



Links: [All Tables](#), [Methodological Note](#)