



Consumer Prices up 4.9% in March 2021

The Consumer Price Index for March 2021 was up by 4.9% compared to the same month last year (March 2020), lower than in February 2021 (5.2%). Noting that consumer prices still reflect an increase of the Value Added Tax (VAT) from 5% to 15% in July 2020, the rise of the CPI originated mainly from higher prices of **Food and Beverages** (+10.2%) and **Transport** (+10.5%).

Food prices are the main driver of inflation compared to March 2020

- Prices of **Food and Beverages** recorded the highest annual increase of 10.2%, mainly due to the increase in Food prices (+10.2%). In particular, the increase of prices of Meat (+12.0%) and Vegetables (+10.9) was remarkable. Due to their high importance in the Saudi consumer basket (with a weight of 17%), Food prices were the main driver of the inflation rate in March 2021.
- **Transport** prices increased by 10.5%, mainly due the increase in prices of Purchase of Vehicles (9.6%).
- **Tobacco** prices recorded an increase by 13.1% due to the rise of prices of Cigarettes (+13.8%).
- **Communication** services prices registered an increase by 13.2%, mainly due to rising prices for Telephone and Telefax Services (+15.4%).
- Prices for **Furniture, Household Equipment and Household Maintenance** recorded an increase by 7.4%, mainly resulting from rising prices of Furniture and Furnishings, Carpets and Other Floor Coverings (+10.9%).
- Prices for **Miscellaneous Goods and Services** increased by 4.8%, mainly resulting from an increase in prices of Jewelry, clocks and watches (+15.2%).
- On the other hand, prices for **Education** declined by 9.5% due to a decrease in prices of Pre-Primary and Primary Education (-14.0%) and Secondary Education (-12.2%). Prices of **Housing, Water, Electricity, Gas and other Fuels** also declined by 2.7% due to the decrease of prices of actual rentals for housing (-3.9%).

Prices stable compared to February 2021

- Compared to the previous month (February 2021), consumer prices remained relatively stable and declined by 0.1%.
- The monthly inflation index was affected by a decline in **Housing, Water, Electricity, Gas and other Fuels** prices 0.4% ,which in turn was affected by a decrease in rental prices (-0.4%).
- **Food and Beverages** decreased by 0.2%, influenced by a drop in the price of Food prices (-0.2%).
- Prices of **Miscellaneous Goods and Services** decreased by 0.6%, **Furniture, Household Equipment and Household Maintenance** 0.4%, **Restaurants and Hotels** 0.2%, **Clothing, and footwear** 0.2%.
- Contrarily, prices for **Transport** increased by 0.8%, **Health** 0.1%, **Tobacco** 0.1%, **Recreation and Culture** 0.1%.
- On the other hand ,prices for **Education**, and **Communication Services** did not register any significant change in March 2021.



Methodology

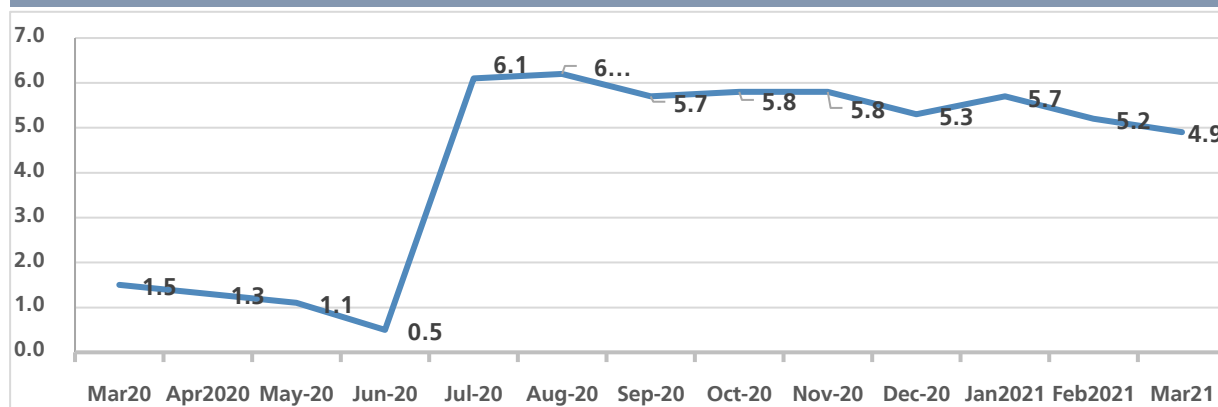
The Consumer Price Index (CPI) measures the prices paid by consumers for a fixed basket of goods and services consisting of 490 items. This basket resulted from the Expenditure and Income Survey conducted in 2018, according to which the items and their weights were determined. The respective prices are collected through field visits to points of sale. The CPI statistics are published on a monthly basis.

Annual and Monthly Change in CPI by Main Expenditure Category, March 2021

Expenditure Category	*Percent change in March 2021 compared to	
	March 2020	February 2021
GENERAL INDEX	4.9	-0.1
FOOD AND BEVERAGES	10.2	-0.2
TOBACCO	13.1	0.1
CLOTHING AND FOOTWEAR	5.6	-0.2
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	-2.7	-0.4
FURNISHINGS, HOUSEHOLD EQUIPMENT AND MAINTENANCE	7.4	-0.4
HEALTH	3.0	0.1
TRANSPORT	10.5	0.8
COMMUNICATION	13.2	0.0
RECREATION AND CULTURE	5.2	0.1
EDUCATION	-9.5	0.0
RESTAURANTS AND HOTELS	7.8	-0.2
MISCELLANEOUS GOODS AND SERVICES	4.8	-0.6

*round to one decimal place.

CPI by Month (year-over-year, %)



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