

Saudi Arabia's annual inflation rate increases to 1.5% In June2024 compared to last year

The annual inflation rate in Saudi Arabia reached 1.5% in June 2024, compared to June 2023. This is primarily attributed to the rise in prices of housing, water, electricity, gas, and other fuels by 8.4%, as well as the increase in prices of food and beverages by 1.1%. Meanwhile, prices of transportation decreased by 2.7%.

Rental prices main driver of inflation in June 2024 compared to June 2023

Actual housing rents increased by 10.1% in June2024, influenced by the increase in rentals for villas by 7.9%. The increase in this category had a significant impact on maintaining the annual inflation rate for June 2024, given the weight this group represents (21.0%).

Similarly, food and beverage prices increased by 1.1%, influenced by the rise in vegetables prices by 6.5%. Prices of restaurants and hotels also rose by 2.4%, affected by the increase in accommodation services prices by 9.8%.

Meanwhile, education sector witnessed an increase of 1.1%, driven by the rise in fees for intermediate and secondary education by 4.1%.

On the other hand, the prices of furnishing and home equipment decreased by 3.7%, influenced by a decline in furniture, carpets, and flooring prices by 6.0%. Similarly, prices in clothing and footwear decreased by 3.6%, influenced by the decline in ready-made clothing prices by 6.3%. Transportation prices also decreased by 2.7%, affected by the decrease in vehicle purchase prices by 4.6%

Prices increase by 0.1% in June2024 compared to May 2024

In June 2024, the consumer price index recorded a slight increase of 0.1% compared to May 2024. This monthly inflation index was influenced by the increase in housing, water, electricity, gas and other fuels by 0.5%, which, in turn, was affected by a 0.7% increase in actual housing rents and prices.

Prices increased in food and beverages section by 0.1%, restaurants & hotels section by 0.3%, and personal goods and services section by 0.3%.

Furthermore, the index witnessed decreases in the prices of clothing and footwear by 0.2%, furnishings, household equipment & maintenance by 0.5%, recreation & culture by 0.3%, communications by 0.3%, health by 0.1% and tobacco by 0.2%.

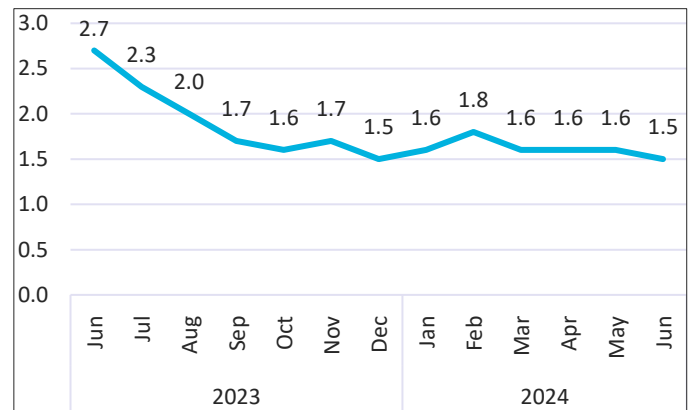
However, prices of education and transportation products did not show any significant change in June 2024.

Table1. Annual and monthly change in CPI by category (June2024) (%)

General Index, Categories	Percent change in June 2024 compared to	
	June 2023	May 2024
General Index	1.5	0.1
Food & Beverages	1.1	0.1
Tobacco	-1.3	-0.2
Clothing and Footwear	-3.6	-0.2
Housing, Water, Electricity, Gas & Other Fuels	8.4	0.5
Furnishings, Household Equipment & Maintenance	-3.7	-0.5
Health	-1.1	-0.1
Transport	-2.7	0.0
Communications	-2.0	-0.3
Recreation & Culture	-2.0	-0.3
Education	1.1	0.0
Restaurants & Hotels	2.4	0.3
Personal Goods and Services	0.0	0.3

Source: tables.

Figure1. 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 prices are collected through field visits to points of sale. The CPI statistics are published monthly. For more details, click [Reference Metadata](#)