

## Kingdom annual inflation rate reaches 1.9% in October 2024

The annual inflation rate in the Kingdom reached 1.9% in October 2024, compared to October 2023. This is primarily attributed to the rise in the prices of housing, water, electricity, gas, and other fuels by 9.6%, as well as the increase in the prices of personal goods and services by 2.3%. Meanwhile, the prices of transportation decreased by 3.1%. (Figure1)

### Rental prices main driver of inflation in October 2024 compared to October 2023

The section of housing, water, electricity, gas and other fuels section increased by 9.6%, which was affected by the increase in rents paid for housing by 11.6% in October 2024, due to the increase in apartment rental prices by 11.3%. The increase in this section had a significant impact on the continuation of the annual inflation pace for the month of October 2024 due to the weight formed by this section, which amounted to (25.5%).

Similarly, personal goods and services prices increased by 2.3%, influenced by a 24.1% rise in jewelry, watches of all kinds, and precious antiques prices. Prices of restaurants and hotels sector also rose by 1.9%, driven by a 3.6% increase in hotel and furnished apartment services prices.

Meanwhile, the education sector witnessed an increase of 1.1%, due to a rise in the fees of intermediate and secondary education by 1.8%.

Food and beverage prices increased slightly by 0.1%, driven by a 2.6% increase in vegetable prices.

On the other hand, prices of furnishing and home equipment decreased by 3.1%, influenced by a decline in furniture, carpets, and flooring prices by 5.0%. Similarly, prices of clothing and footwear decreased by 2.7%, influenced by a 5.1% decline in ready-made clothing prices. Transportation prices also decreased by 3.1%, affected by a 4.2% decrease in vehicle purchase prices. (Table1)

### Prices increase on a monthly basis by 0.3% in October 2024 compared to September 2024

In October 2024, the consumer price index recorded a slight increase of 0.3% compared to September 2024. This monthly inflation index was influenced by a 0.8% rise in the section of housing, water, electricity, gas, and other fuels, which in turn, was affected by a 1.0% increase in actual housing rents and prices.

The index also witnessed an increase in the prices of personal goods and services by 0.4%, driven by a 2.3% rise in jewelry, watches of all kinds and precious antiques and prices. Transport increased by 0.3%, education increased by 0.5%, furnishings, household equipment and maintenance increased by 0.4%, clothing and footwear fuels increased by 0.2%, and recreation and culture increased by 0.1%.

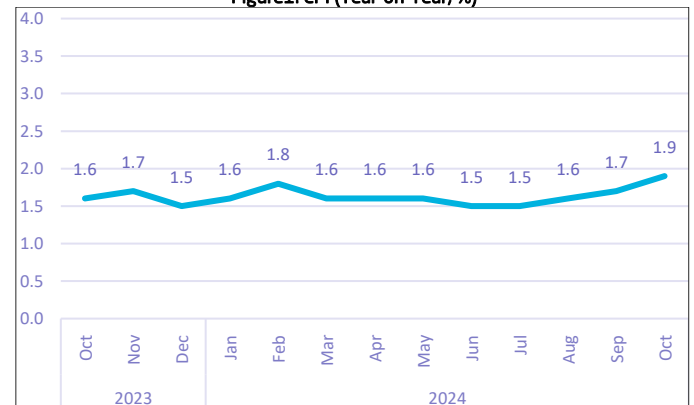
However, the index witnessed a decrease in the prices of food and beverages by 0.2%, health by 0.1%, and communications by 0.1%.

On the other hand, the prices of restaurants and hotels, and tobacco did not show any significant change in October 2024. (Table1)

Table1. Annual and monthly change in CPI by category (October 2024) (%)

General Index, Categories	Percent change in October 2024 compared to	
	Oct 2023	Sep 2024
<b>General Index</b>	<b>1.9</b>	<b>0.3</b>
Food & Beverages	0.1	-0.2
Tobacco	-1.4	0.0
Clothing & Footwear	-2.7	0.2
Housing, Water, Electricity, Gas & Other Fuels	9.6	0.8
Furnishings, Household Equipment & Maintenance	-3.1	0.4
Health	-1.3	-0.1
Transport	-3.1	0.3
Communications	-1.5	-0.1
Recreation & Culture	-2.1	0.1
Education	1.1	0.5
Restaurants & Hotels	1.9	0.0
Personal Goods & Services	2.3	0.4

Figure1. CPI (Year-on-Year, %)



### CPI Methodology and Quality

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 [Methodology and Quality - Table](#)