



## Wholesale Prices Rise by 6.0% in January 2021

The Wholesale Price Index for January 2021 was up by 6.0% compared to the same month last year (January 2020), higher than in December 2020 (+5.2%). The increase of the index mainly resulted from higher prices of **metal products, machinery and equipment** (+14.7%), due to their weight in the index, in addition to the overall impact of the increase of the Value Added Tax (VAT) from 5% to 15% in July 2020. A dampening factor on wholesale price inflation was lower prices of **Other Transportable Goods**, which fell by 5.1% compared to January 2020.

### Price increases for Metal Products main driver of WPI

- **Metal products, machinery and equipment** recorded the largest increase in wholesale prices by 14.7% compared to January 2020, due to the increase in the Basic Metals prices (+25.2%) as well as the higher prices of Transport Equipment (+13.0%).
- **Agriculture and fishery products** registered an increase by 13.9%, which mainly resulted from higher prices of livestock and animal products (+27.9%) and agricultural products (+8.7%).
- Prices for **Food Products, Beverages, Tobacco and Textiles** increased by 11.7% as a result of higher prices of *Grain mills, Starch Products* and *Other Food Products* (+12.9%), in addition to *Meat, Fish, Fruits, Vegetables, Oils and Fats* (+14.1%).
- Prices for **Ores and Minerals** went up by 11.5% as a result of the increase in the prices of *Stones and Sand* (+11.5%).
- Prices for **Other Transportable Goods** decreased by -5.1%, due to lower price of *Refined Petroleum Product* (-17.4%).

### Wholesale Prices increase by 1.0% compared to December 2020

Wholesale price index increased by 1.0% on a monthly basis in January 2021, mainly influenced by the increase in prices of **Other Transportable Goods** (+1.4%) compared to the previous month. This can be attributed to the increase in prices of refined petroleum products (+3.5%).

In addition, prices for **Metal machinery and equipment Products** increased by +1.1%, as a result of the rise in the prices of Basic Metals (+4.9%), **Agriculture and fishery products** +0.1%, and **Food Products, Beverages, Tobacco and Textiles** (0.1%). On the other hand, prices for **Ores and Minerals** decreased by 0.7%.



## Methodology

The Wholesale Price Index (WPI) reflects the development of pre-retail prices of goods of a fixed basket including 343 items. The prices are collected monthly from three main cities: (Riyadh, Jeddah, and Dammam) from points of sale. The year 2014 was determined as the base year. WPI statistics are published on a monthly basis.

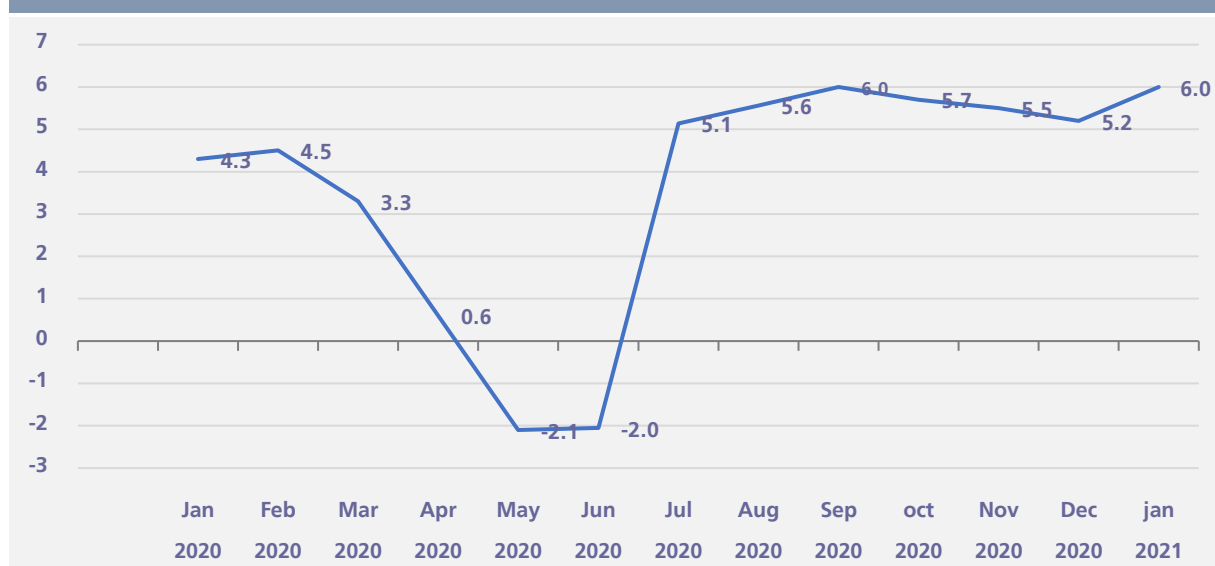
### Annual and monthly change in wholesale price index by main product category, January 2021

Product Category	*Percentage change (%) in January 2021 compared to:	
	January 2020	December 2020
<b>General Index</b>	<b>6.0</b>	<b>1.0</b>
Agriculture and fishery products	13.9	0.1
Ores and Minerals	11.5	-0.7
Food products, beverages, tobacco and textiles	11.7	0.1
Other transportable goods, except metal products, machinery and equipment	-5.1	1.4
Metal products, machinery and equipment	14.7	1.1

\*= round to one decimal place



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



Links: [Tables](#) , [Methodology](#)