



Wholesale Prices Rise by 7.3% in February 2021

The Wholesale Price Index for February 2021 was up by 7.3% compared to the same month last year (February 2020), higher than in January 2021 (+6.0%). The increase of the index mainly resulted from higher prices of **metal products, machinery and equipment** (+14.9%), 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 1.9% compared to February 2020.

Price increases for Metal Products main driver of WPI

- **Metal products, machinery and equipment** recorded the largest increase in wholesale prices by 14.9% compared to February 2020, due to the increase in the Basic Metals prices (+23.7%) as well as the higher prices of Transport Equipment (+12.3%).
- Prices for **Food Products, Beverages, Tobacco and Textiles** increased by 10.7% as a result of higher prices of *Meat ,Fish, Fruits ,Vegetables ,Oils and Fats* (+14.0%), in addition to *Grain mills, Starch Products and Other Food Products* (+10.4%).
- **Agriculture and fishery products** registered an increase by 13.2%, which mainly resulted from higher prices of livestock and animal products (+26.7%) and agricultural products (+8.2%).
- Prices for **Ores and Minerals** went up by 13.6% as a result of the increase in the prices of *Stones and Sand* (+13.6%).
- Prices for **Other Transportable Goods** decreased by -1.9%, due to lower price of *Refined Petroleum Product* (-12.5%).

Wholesale prices increase by 1.5% compared to January 2021

Wholesale price index increased by 1.5% on a monthly basis in February 2021, mainly influenced by the increase in prices of **Other Transportable Goods** (+3.3%) compared to the previous month. This can be attributed to the increase in prices of refined petroleum products (+6.3%).

In addition, prices for **Metal machinery and equipment Products** increased by +0.4%, as a result of the rise in the prices of equipment, radios, televisions and telecommunications (+3.6%). Prices for **Agriculture and fishery products** increased by +1.0%, as well **Ores and Minerals** (+0.2%), and **Food Products, Beverages, Tobacco and Textiles** (+0.1%).



Methodology

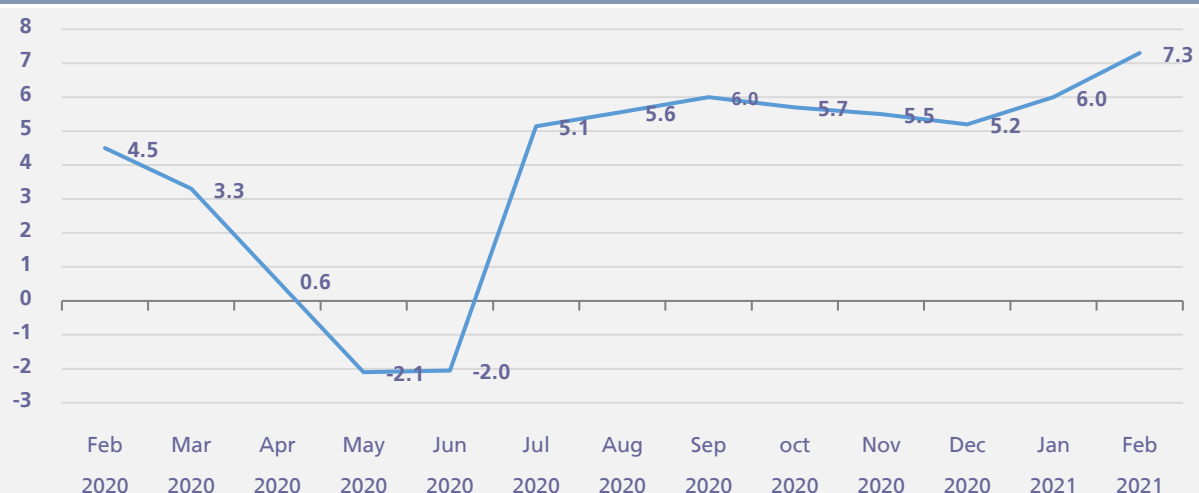
The Wholesale Price Index (WPI) reflects the development of pre-retail prices of goods of a fixed basket including 343 items. The prices are collected monthly from three main cities: (Riyadh, Jeddah, and Dammam) from points of sale. The year 2014 was determined as the base year. WPI statistics are published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

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

Product Category	*Percentage change (%) in February 2021 compared to:	
	February 2020	January 2021
General Index	7.3	1.5
Agriculture and fishery products	13.2	1.0
Ores and Minerals	13.6	0.2
Food products, beverages, tobacco and textiles	10.7	0.1
Other transportable goods, except metal products, machinery and equipment	-1.9	3.3
Metal products, machinery and equipment	14.9	0.4

*= round to one decimal place

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



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