

Kingdom annual inflation rate reaches 2.3% in March 2025 compared to March 2024

The annual inflation rate in the Kingdom reached 2.3% in March, 2025 compared to March 2024. This increase is primarily attributed to the rise in the prices of housing, water, electricity, gas, and other fuels by 6.9%, food and beverages by 2.0%, and personal goods and services by 3.9%. On the other hand, transportation prices decreased by 0.8%. (Figure 1)

Rental prices main driver of inflation in March 2025 compared to March 2024

The housing, water, electricity, gas, and other fuels section increased by 6.9%, mainly driven by an 8.2% rise in rents paid for housing in March 2025, attributed to an 11.9% increase in apartment rental prices. This growth had a substantial effect on the overall annual inflation rate for March 2025, due to the section's weight, which amounted to 25.5%.

Food and beverage prices increased by 2.0%, driven by a 3.8% rise in meat and poultry prices. Similarly, personal goods and services prices increased by 3.9%, influenced by a 26.2% rise in the prices of jewelry, watches, and precious antiques. The restaurants and hotels section also rose by 1.3%, driven by a 3.3% rise in hotel and furnished apartment service prices.

Meanwhile, the education section witnessed a 1.1% increase, primarily due to a 4.3% rise in tertiary education fees.

On the other hand, furnishing and home equipment prices decreased by 2.6%, influenced by a 4.1% decline in furniture, carpets, and flooring prices. Similarly, clothing and footwear prices decreased by 0.8%, due to a 1.9% drop in ready-made clothing prices. Transportation prices also decreased by 0.8%, affected by a 1.5% decrease in vehicle purchase prices (Figure 2).

Stability in prices on a monthly basis in March 2025 compared to February 2025

On a monthly basis, CPI recorded in March 2025 relative stability compared to February 2025, rising by 0.3% due to the increase of housing, water, electricity, gas, and other fuels section by 0.5%, driven by a 0.6% increase in actual housing rent prices. The index also recorded a 0.3% increase in the prices of food and beverage, driven by a 2.0% rise in vegetable prices.

Similarly, the prices of the personal goods and services section increased by 0.4%, restaurants and hotels prices by 0.5%, recreation and culture prices by 0.6%, education by 0.7%, clothing and footwear by 0.3%, and communication by 0.1%.

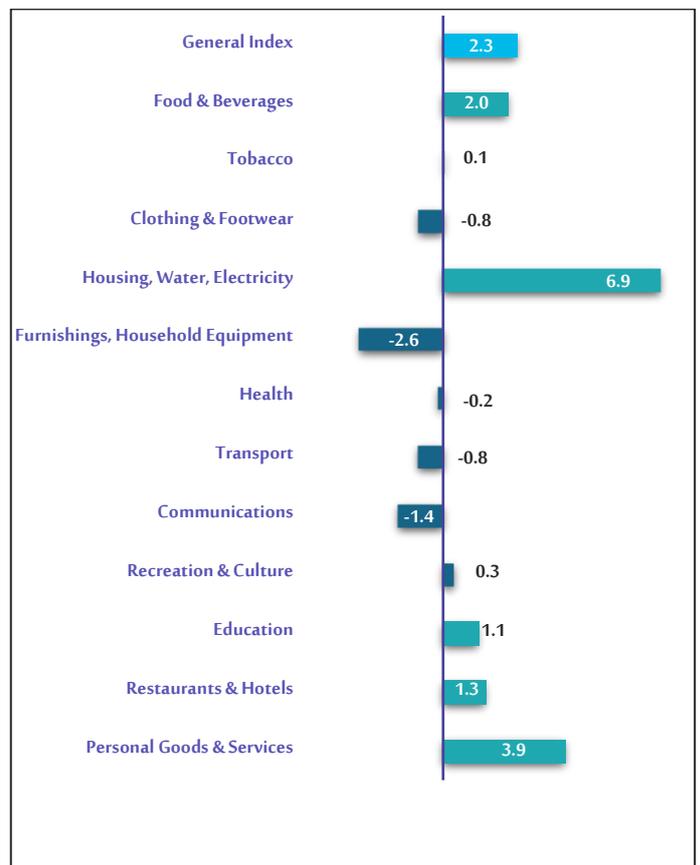
However, the index witnessed a decrease in the prices of furnishings and home equipment by 0.9%.

On the other hand, the prices of transportation, health and tobacco showed no significant change in March 2025.

Figure 1. CPI (Year-on-Year, %)



Figure 2. Annual change in CPI by category (March 2025) (%)



CPI Methodology and Quality

The 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 and Table](#).