

Annual inflation rate in Saudi Arabia reaches 1.8 % in January 2026 compared to January 2025

The Consumer Price Index (CPI) in Saudi Arabia recorded an annual increase of 1.8% in January 2026, compared to the same month of the previous year (January 2025). This increase was mainly driven by a rise in housing, water, electricity, gas, and other fuel prices by 4.2%, transport prices by 1.5% and restaurant and accommodation services prices by 1.0% (Figure1).

Rental prices main driver of inflation in January 2026 compared to January 2025

Housing, water, electricity, gas, and other fuels division increased by 4.2% in January 2026, driven by a 5.2% rise in actual rentals for the housing group.

Similarly, the transport division rose by 1.5%, influenced by a 6.0% increase in the prices of passenger transport services. The restaurant and accommodation services division rose by 1.0% increase, influenced by a 1.0% rise in food and beverage serving services prices. Prices of the personal care, social protection and miscellaneous goods and services division increased by 7.9%, driven by a 25.9% rise in the prices of other personal effects, which was driven by an increase in the prices of jewelry and watches by 28.1%. The prices of insurance and financial services division also increased by 3.3%, driven by a 5.1% rise in the prices of the insurance group. The prices of recreation, sport and culture division increased by 2.3%, driven by 3.7% increase in the prices of package holidays.

Additionally, the prices of education services increased by 1.6%, affected by 1.6% increase in the prices of secondary education. The food and beverages prices also increased by 0.2%, impacted by an increase in the prices of the food group by 0.2%

On the other hand, the prices of furnishings, household equipment and routine household maintenance decreased by 0.3%, affected by 3.0%. decrease in furniture, furnishings and loose carpets prices. The prices of health also declined by 0.1%, affected by the decrease in the prices of outpatient care services by 0.4% (Figure2).

Month-on-month prices increase in January 2026 compared to December 2025

On a monthly basis, CPI in January 2026 recorded a relative increase of 0.2% compared to December 2025, as the prices of the housing, water, electricity, gas and other fuels division increased by 0.5%, driven by an increase in the prices of actual rentals for housing by 0.5%. Prices of transport increased by 0.2% and restaurants and accommodation services by 1.0% as well as an increase in the following divisions personal care, social protection and miscellaneous goods and services by 1.3%, recreation, sport and culture by 0.3%, clothing and footwear by 0.2%, and insurance and financial services by 0.1%

On the other hand, the prices of food and beverages decreased by 0.6% and information and communications by 0.1% The prices of education, health, furnishings, household equipment and routine household maintenance, and tobacco remained stable, and did not record any significant relative change in January 2026.

Figure 1: Annual change in CPI (%)

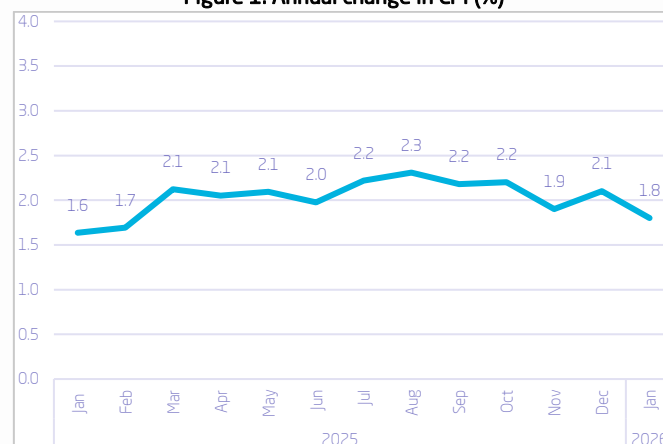
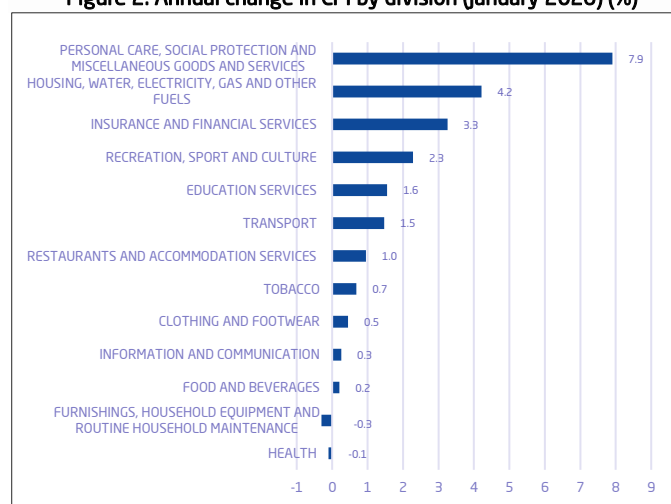


Figure 2: Annual change in CPI by division (January 2026) (%)



Methodology and quality

The Consumer Price Index (CPI) reflects changes in prices paid by consumers for a fixed basket of goods and services consisting of 582 items. The items of this basket were selected based on the results of the Household Expenditure and Income Survey conducted in 2023, and their weights were determined accordingly, in addition to other supplementary data sources related to household final consumption expenditure.

The General Authority for Statistics has adopted a new methodology for compiling the Consumer Price Index, aiming to improve data quality in line with international best practices. This has been achieved through expanding geographical coverage, increasing the number of points of sale, broadening basket items, and adopting new data sources for regular price collection. Data have been published in accordance with the updated methodology starting from August 2025.

For more details, click [Methodology and Quality](#), [Table](#)