



**INFLATION  
EXPECTATIONS**  
AUGUST 2024

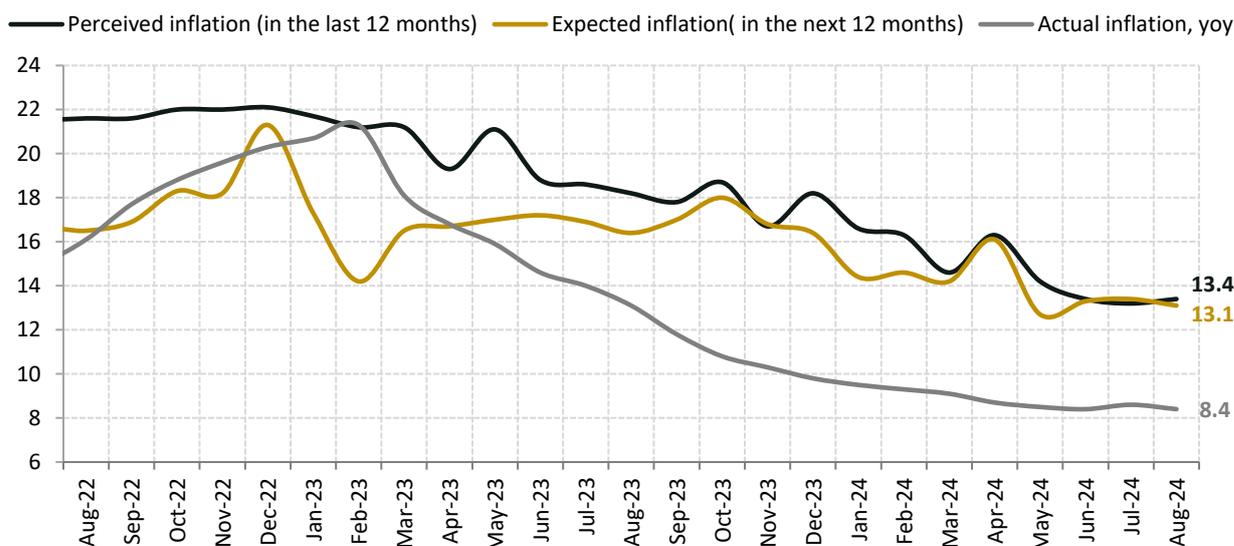
**Inflation expectations of the population decreased slightly in August 2024**

**Consumer sentiment has improved: estimates of the country's development prospects in the coming year have increased, as well as estimates of changes in personal financial situation in the coming year**

**Households` inflation expectations**

In August 2024, the median estimate<sup>1</sup> of expected inflation in the next 12 months decreased slightly, amounting to 13.1% (in July 2024 – 13.4%) (Figure 1). The median estimate of perceived inflation has increased slightly over the past 12 months, amounting to 13.4% (13.2%).

**Figure 1. Inflation and median estimates, %**

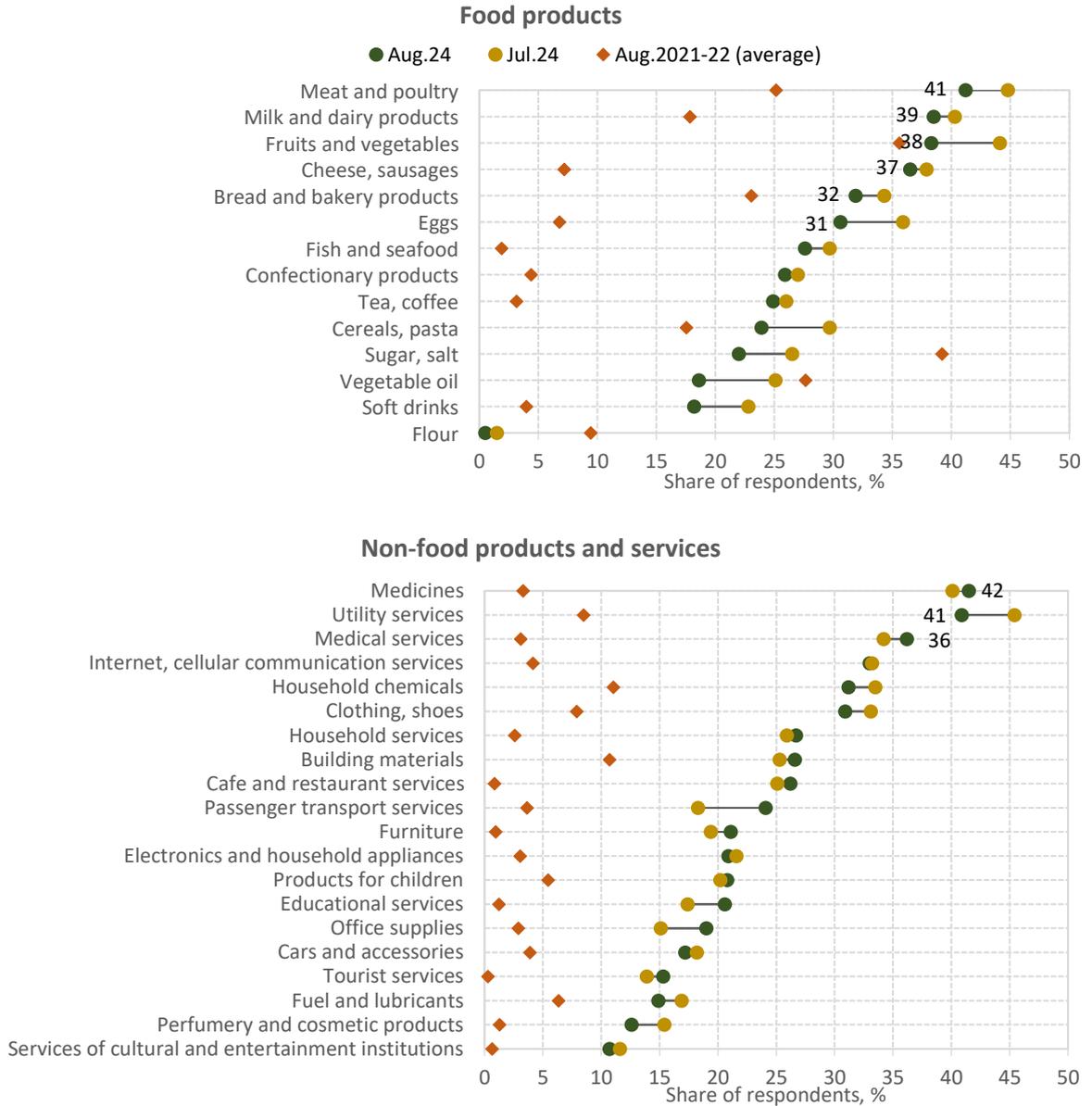


Source: Results of the population survey, Fusion Lab

The share of respondents who noted an increase in food prices continued to decline in August 2024, amounting to 66.2% (in July 2024 – 74%). At the same time, the share of those who noted an increase in prices for non-food products to 16% (12.4%) and for paid services to 11.8% (8.5%) increased.

A significant part of respondents in August 2024 noted an increase in prices for meat and dairy products, fruits and vegetables among food products. In the structure of non-food products, the population pointed to an increase in the cost of medicines, household chemicals, clothing and footwear. Among paid services, respondents most noted an increase in prices for housing and communal services, medical services, Internet and cellular communications (Figure 2).

Figure 2. Frequently mentioned goods and services



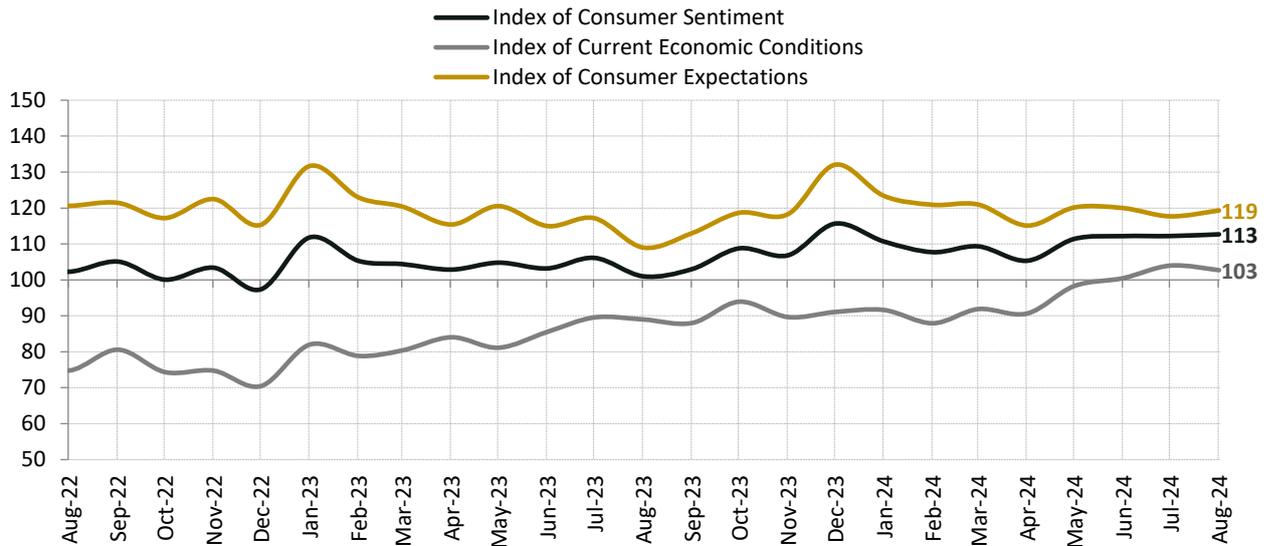
Source: Results of the population survey, Fusion Lab

### Consumer sentiment of the population

The consumer sentiment index in August 2024 increased slightly to 112.7 (Figures 3,4,5). Estimates of the country's development prospects in the coming year have increased (by 3.9 points), as well as estimates of changes in personal financial situation in the coming year (by 3.5 points).

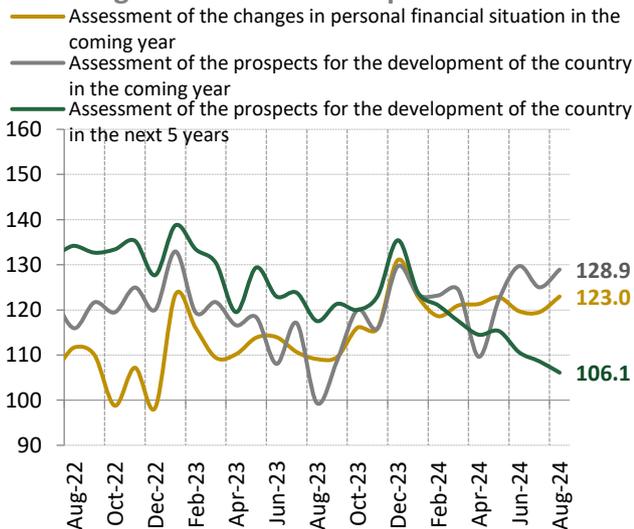
Along with this, in the analysis of the current conditions, estimates of personal financial situation have decreased over the past year (by 0.6 points), as well as readiness for large purchases (by 2 points).

Figure 3. Index<sup>2</sup> of Consumer Sentiment



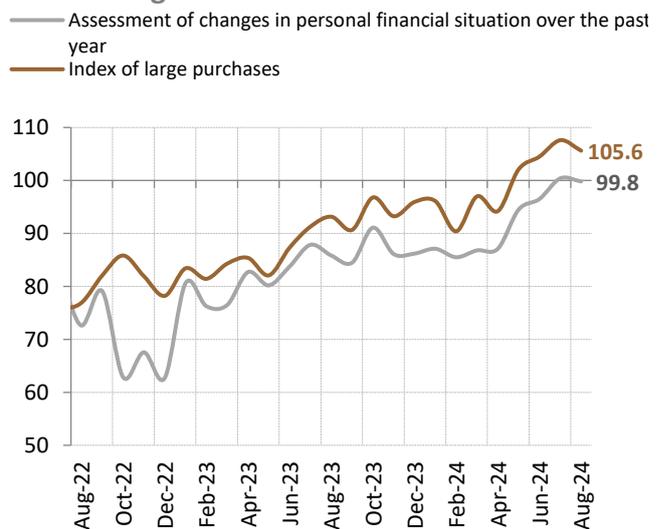
Source: Results of the population survey, Fusion Lab

Figure 4. Consumer Expectations



Source: Results of the population survey, Fusion Lab

Figure 5. Current Conditions



**NOTES**

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<sup>1</sup> A quantitative assessment of inflation expectations/median estimates for January 2022 has not been published, because the results of the survey in January 2022 were influenced by January events in the country, which affected the smaller sample size and incompatibility with previous data. Median estimate of perceived inflation based on the survey results: «How much exactly do you think the prices of goods and services have increased over the past 12 months?». Median estimate of expected inflation based on the question: «How much exactly do you think prices for goods and services will rise in the next 12 months?».

<sup>2</sup> Consumer sentiment index - The average value of private indices:

- changes in personal financial situation over the past year;
- changes in personal financial situation in the coming year;
- prospects for the development of the country in the coming year;
- prospects for the development of the country in the next 5 years;
- large purchases.

Current status index - The average value of private indices:

- changes in personal financial situation over the past year;
- the index of large purchases.

Consumer expectations index - The average value of private indices:

- changes in personal financial situation in the coming year;
- prospects for the development of the country in the coming year;
- prospects for the development of the country in the next 5 years.

The numerical value represents the balance of responses, which is calculated as the difference between the proportion of positive and negative responses + 100. Index values can vary from 0 to 200. A value above 100 indicates the predominance of positive estimates, below 100 – negative estimates.