



INFLATION EXPECTATIONS

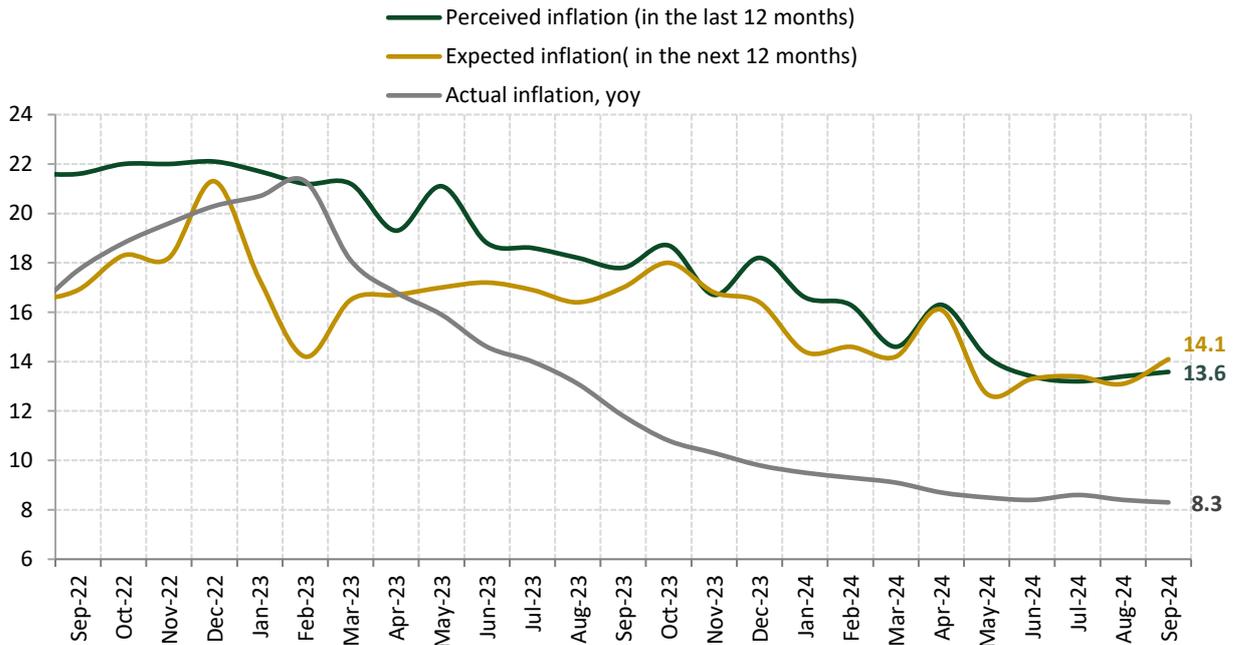
SEPTEMBER 2024

In September 2024, the population's inflation expectations increased to 14.1%. At the same time, consumer sentiment improved, with higher assessments of the country's development prospects and expectations regarding changes in personal financial situations.

Households` inflation expectations

The median estimate¹ of inflation expected in 1 year in September 2024 increased to 14.1% (August 2024 – 13.1%) (Figure 1). At the same time, the median estimate of perceived inflation over the past 12 months has increased – 13.6% (13.4%).

Figure 1. Inflation and median estimates, %

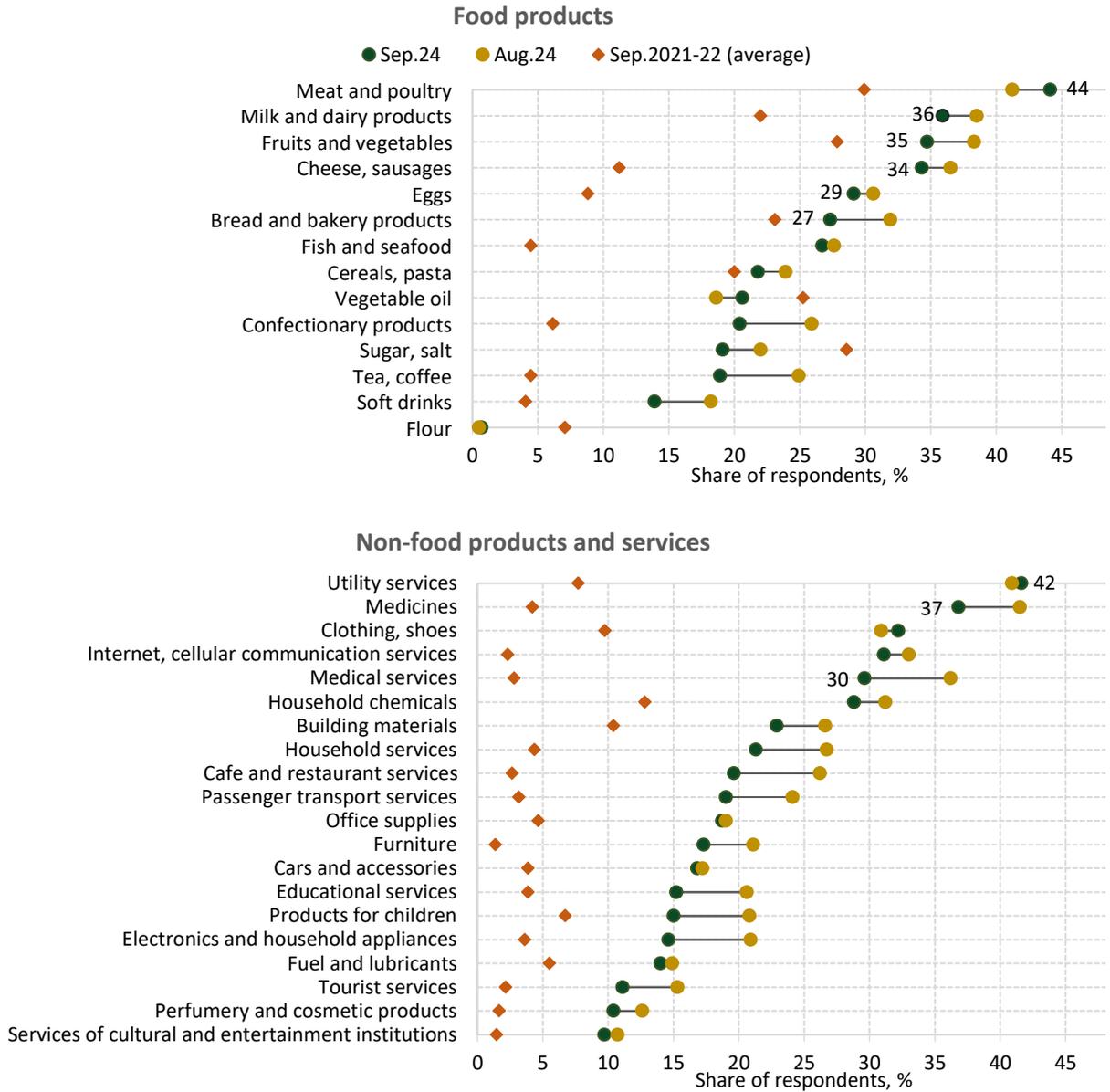


Source: Results of the population survey, Fusion Lab

The share of respondents who noted an increase in prices for non-food products did not change significantly in September 2024, 15.8% (August 2024 – 16%). Meanwhile, the share of those who reported rising prices for food products slightly increased to 66.9% (66.2%), as did the share of those observing higher prices for paid services, which rose to 12.5% (11.8%).

In September 2024, a significant portion of respondents noted price increases for meat and dairy products, as well as fruits and vegetables, among food items. Within the structure of non-food goods, the population pointed the rising prices for medicines and pharmaceuticals, clothing and footwear, and household chemicals. Among paid services, respondents most frequently reported price increases for housing and utility services, internet and mobile services, and medical services (Figure 2).

Figure 2. Frequently mentioned goods and services



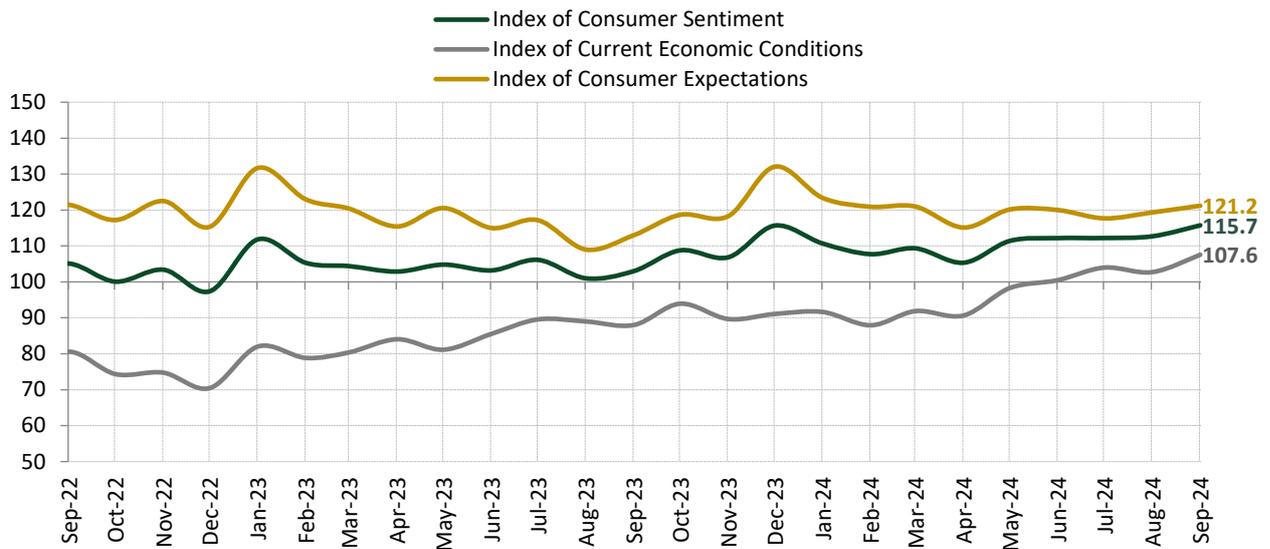
Source: Results of the population survey, Fusion Lab

Consumer sentiment of the population

The Consumer Sentiment Index increased to 115.7 in September 2024 (August 2024 – 112.7) (Figures 3,4,5). Expectations improved, with assessments of the country's development prospects over the next year rising by 1.6 points to 130.5, and over the next five years by 0.4 points to 106.5. Additionally, assessments of changes in personal financial situations for the coming year increased by 3.6 points, reaching 126.5.

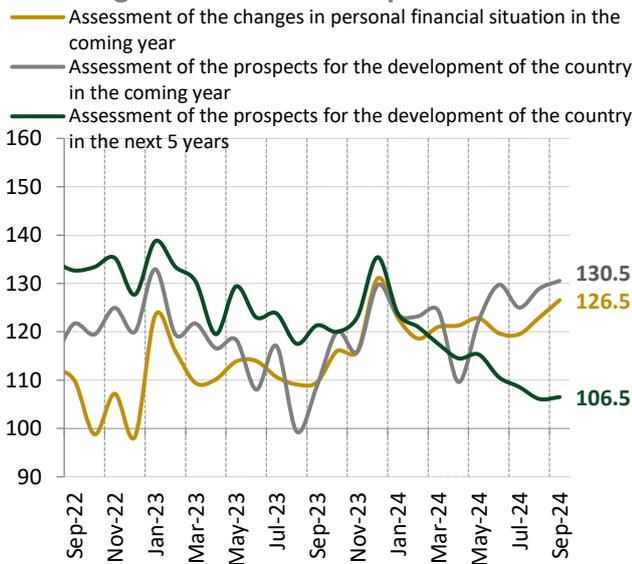
Alongside this, assessments of the current situation improved, with the indicator of personal financial situation over the past year rising by 3.4 points to 103.2, and the willingness to make large purchases increasing by 6.3 points to 111.9.

Figure 3. Index² of Consumer Sentiment



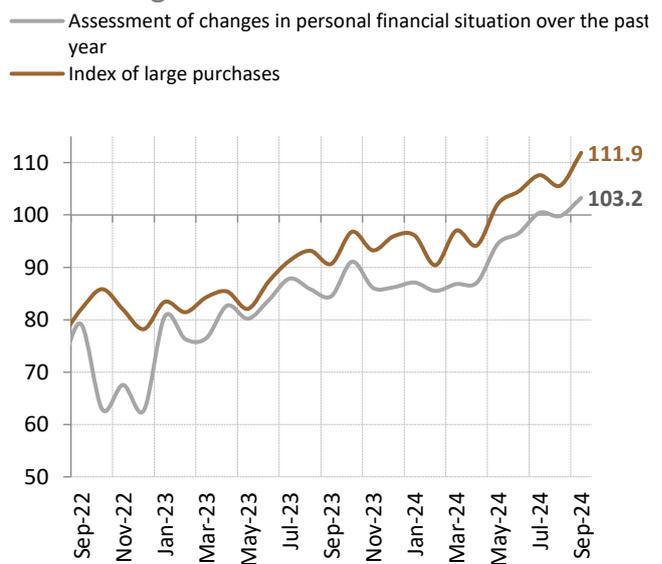
Source: Results of the population survey, Fusion Lab

Figure 4. Consumer Expectations



Source: Results of the population survey, Fusion Lab

Figure 5. Current Conditions



NOTES

¹ 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?».

² 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.