



**INFLATION
EXPECTATIONS
NOVEMBER 2024**

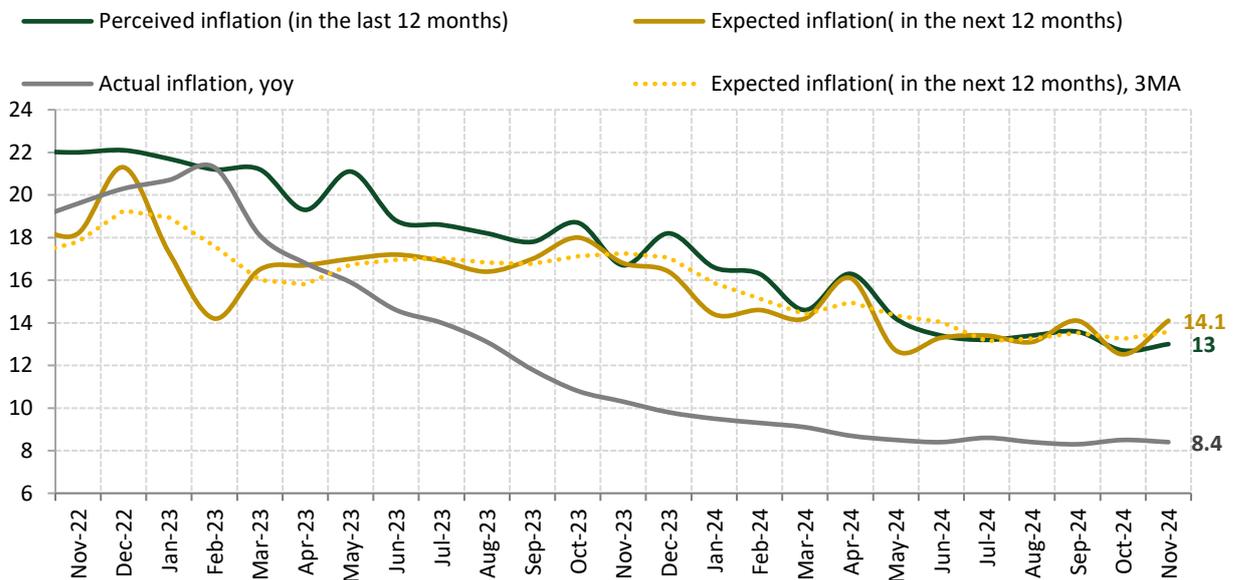
Inflation expectations of the population for the next 12 months remain volatile: in November 2024, they rose again to 14.1%. In recent months, inflation expectations have been shaped by fluctuations in the nominal exchange rate of the tenge, as well as some attenuation of the steady slowdown in annual inflation, which in turn affects the stabilization of the smoothed indicator of expected inflation.

At the same time, there is a decline in consumer sentiment due to lower assessments of the country’s development prospects and personal financial situation.

Households` inflation expectations

The median estimate¹ of expected inflation for the next 12 months in November 2024 increased to 14.1% (from 12.5% in October 2024) (Figure 1). Along with this, the median estimate of perceived inflation over the past 12 months rose to 13% (from 12.7%).

Figure 1. Inflation and median estimates, %

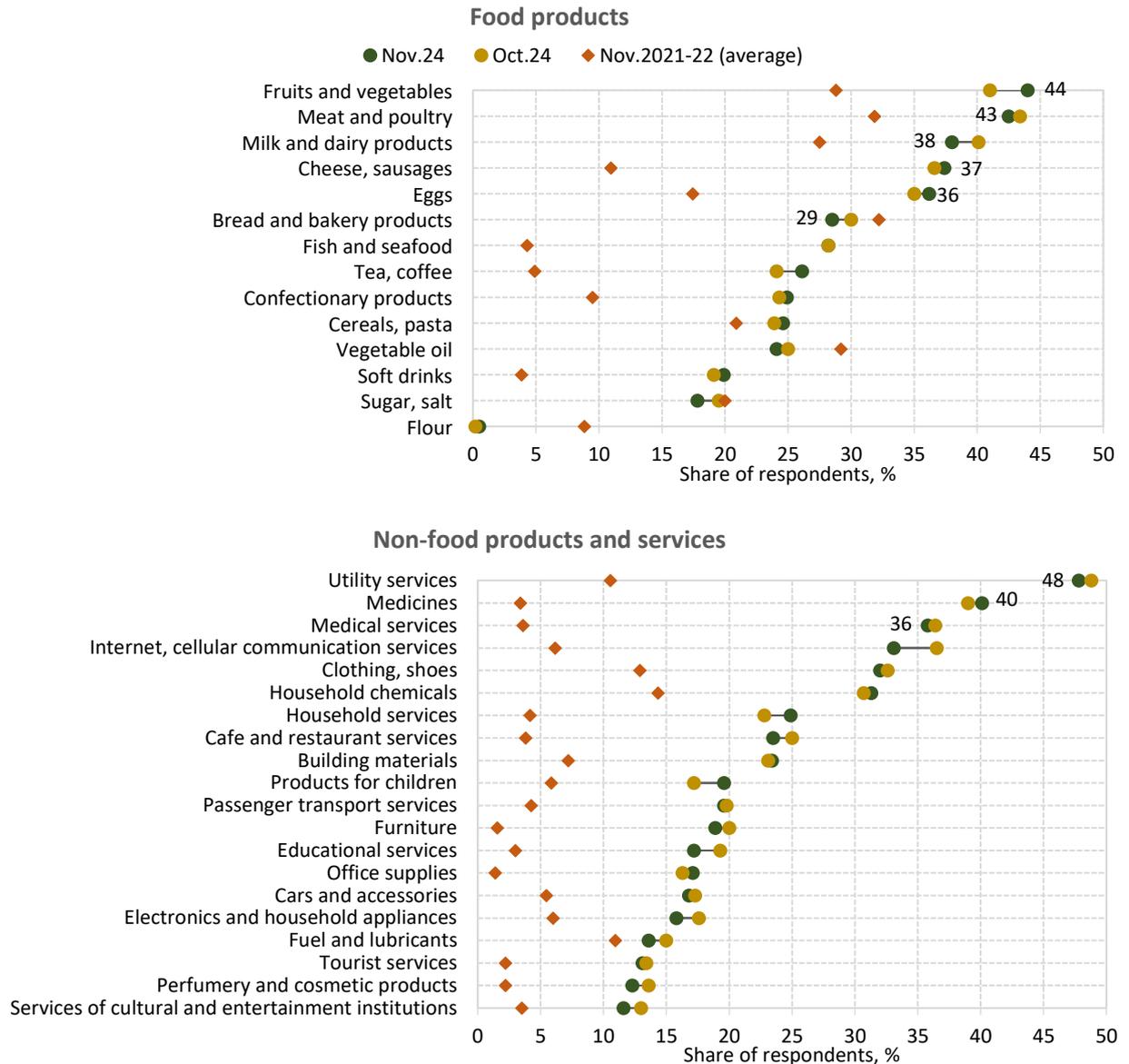


Source: Results of the population survey, Fusion Lab, BNS ASPR RK

The share of respondents reporting an increase in food prices rose to 68.2% in November 2024 (from 64.6% in October 2024). Meanwhile, the share of those noting a rise in non-food prices declined to 13.4% (from 17.3%).

In November 2024, the largest share of respondents among food items reported price increases for fruits and vegetables, meat and dairy products. Among non-food goods, respondents highlighted rising prices for medicines and pharmaceuticals, clothing and footwear, and household chemicals. In the category of paid services, the most notable price increases were reported for housing and utility services, medical services, as well as internet and mobile services (Figure 2).

Figure 2. Frequently mentioned goods and services



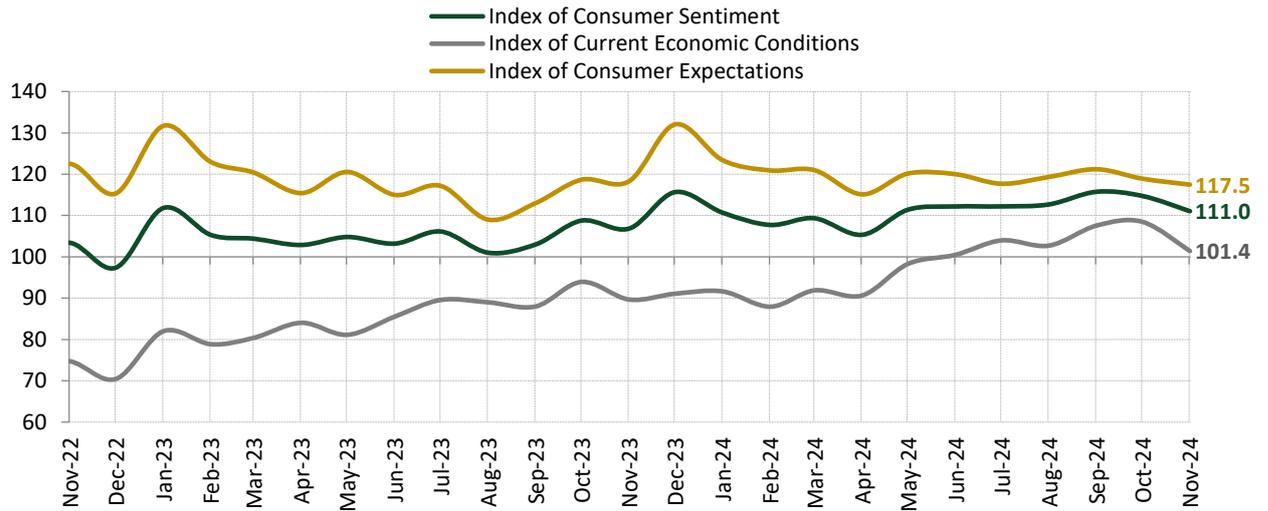
Source: Results of the population survey, Fusion Lab

Consumer sentiment of the population

The Consumer Sentiment Index decreased to 111 in November 2024 (from 114.7 in October 2024) (Figures 3, 4, 5). Expectations for the country's development prospects over the next five years declined by 5.2 points to 101.8. Similarly, assessments of personal financial situation changes for the upcoming year declined by 3.7 points to 121.5.

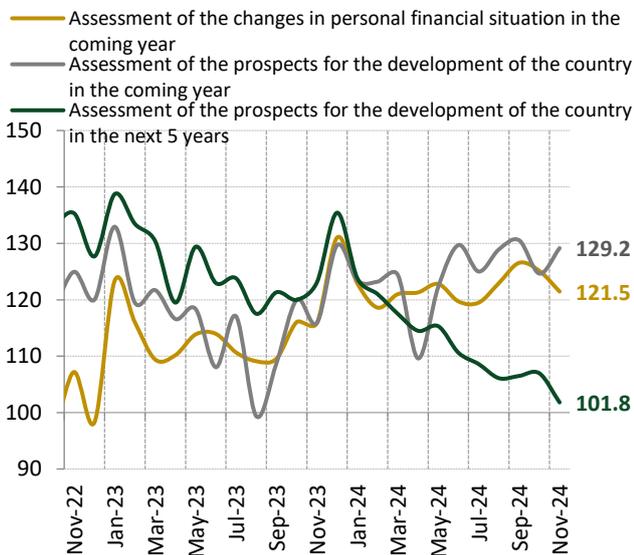
At the same time, assessments of the current situation declined, with the personal financial situation over the past year decreasing by 5.3 points to 99.3, and the willingness to make major purchases dropping by 8.9 points to 103.5.

Figure 3. Index² of Consumer Sentiment



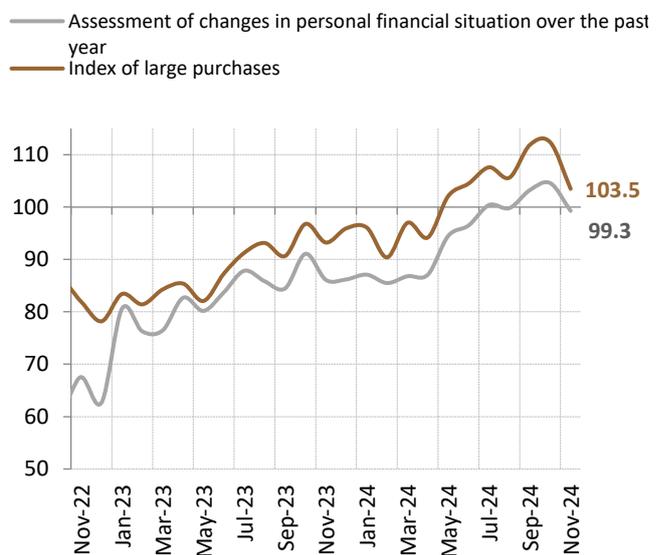
Source: Results of the population survey, Fusion Lab

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.