



NATIONAL BANK OF KAZAKHSTAN



INFLATION TRENDS

September 2025

In September, annual inflation accelerated to 12.9%. Food and non-food inflation accelerated, while service inflation remained at the previous month's level. The food component continues to make the largest contribution to overall inflation.

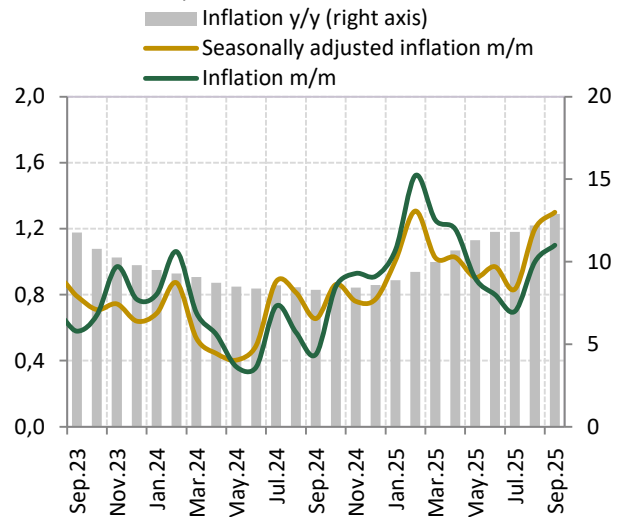
Monthly inflation also accelerated, reaching 1.1%. Seasonally adjusted inflation showed a similar trend, increasing by 1.3% compared to the previous month.

Seasonally adjusted inflation for food and non-food goods accelerated, while in the services sector it slowed down. Compared to the previous month, seasonally adjusted price growth for food products accelerated from 1.00% to 1.33%, and for non-food products – from 1.07% to 1.45%. At the same time, seasonally adjusted price growth for paid services slowed from 1.53% to 1.09%.

Taking seasonal adjustment into account, price increases were recorded for meat, sugar, jam, honey, chocolate and confectionery, coffee, tea and cocoa, fuels and lubricants, personal electrical appliances, medicines, education services, rental housing, and leisure services.

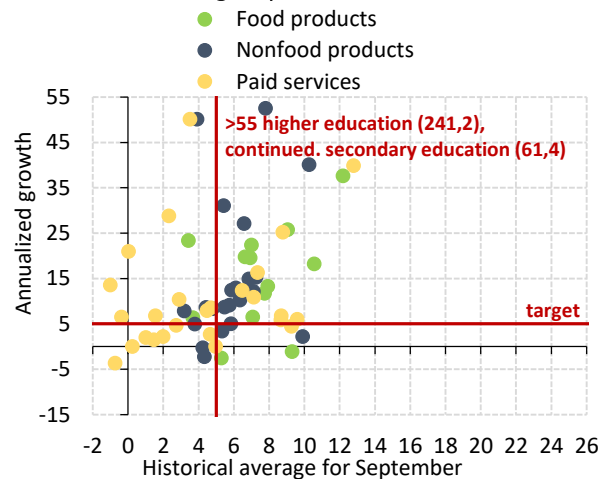
The median estimate of seasonally adjusted core inflation accelerated compared to the previous month and reached 1.17% (1.07% in August). This is the highest level since the beginning of 2023. Core inflation, calculated by trimming 10% of the price distribution from both ends, slowed slightly. However, the indicator that excludes the eight most volatile components, as well as the median estimate, showed acceleration, indicating persistent pro-inflationary pressures in the economy.

Graph 1. Inflation indicators, %



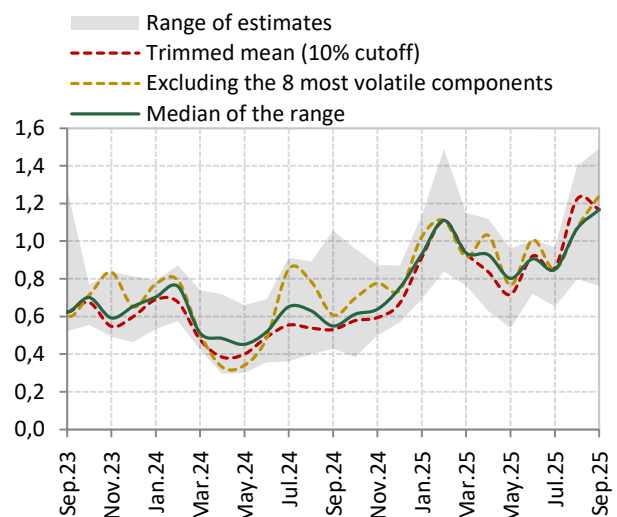
Source: BNS ASPR RK, calculations of the NB RK

Graph 2. Seasonally adjusted price growth for various CPI groups, m/m, annualized, %



Source: BNS ASPR RK, calculations of the NB RK

Graph 3. Core inflation: various calculation methods, m/m, %



Source: BNS ASPR RK, calculations of the NB RK

In September, annual food inflation reached 12.7% (11.7% in August). Monthly price growth amounted to 0.9% (0.5%).

Prices for meat and vegetable oils continue to rise due to active exports supported by high global prices, and leading to reduced domestic supply. Additional price pressure comes from high import prices and growing domestic production costs.

At the same time, monthly deflation in fruits and vegetables has been acting as a restraining factor on overall price growth for the second month in a row.

The rise in prices for non-food goods is driven by sustained demand, higher import prices, and increasing fuel prices. Annual price growth accelerated to 10.8% (9.7% in August), while monthly price growth to 1.5% (1%).

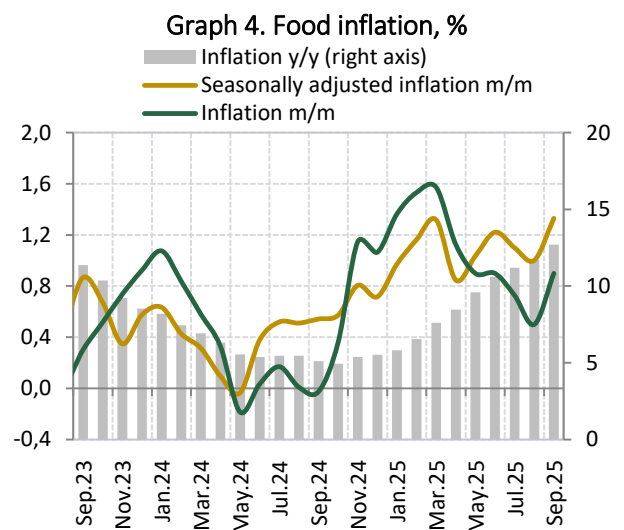
Fuel prices continue to increase amid fuel market deregulation, making a significant contribution to inflation. Strong consumer demand and rising import prices have led to higher costs across a wide range of goods, including medicines, household appliances, and electronics.

Additionally, prices for solid fuels are rising due to seasonal demand increases.

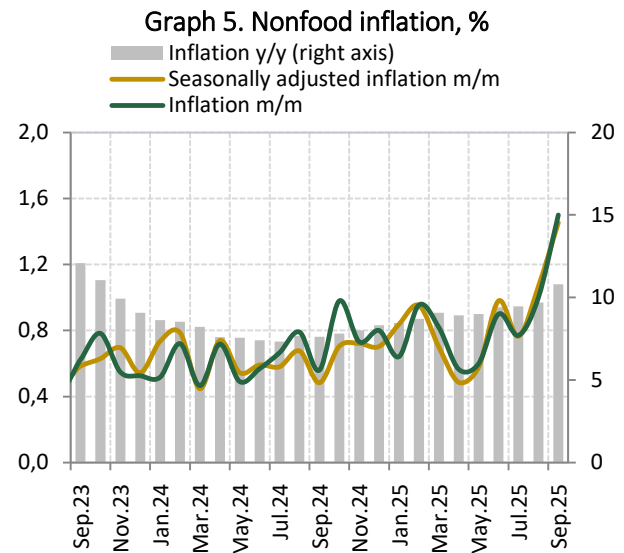
Price growth in the services sector in September was supported by both regulated and non-regulated services. In September, annual inflation in the services sector remained at 15.3%, while monthly inflation slowed to 1% (1.4% in August).

In the market services segment, monthly price increases were recorded for education services, organized comprehensive leisure, housing rentals, clothing cleaning and repair, public catering, and hairdressing services.

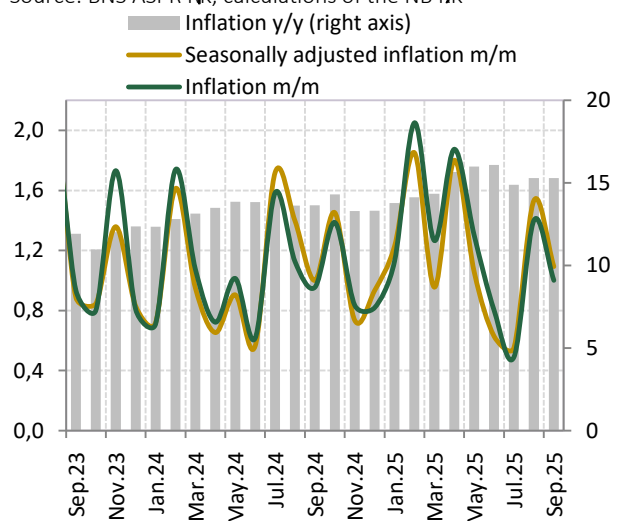
Among regulated housing and communal services, prices rose across all categories except for heating energy. The contribution of regulated services to inflation growth since the beginning of 2025 amounted to 0.8 percentage points.



Source: BNS ASPR RK, calculations of the NB RK



Source: BNS ASPR RK, calculations of the NB RK



Source: BNS ASPR RK, calculations of the NB RK

Domestic and International Food Prices

In September 2025, the FAO Food Price Index stood at 128.8 points (129.7 points in August). On a monthly basis, the index declined by 0.7%, while in annual terms, its growth slowed to 3.4%. The rise in meat prices made the main contribution to the overall increase in the index, whereas prices for all other groups declined compared to the previous month.

In September 2025, cereal prices decreased by 0.6% month-on-month and 7.5% year-on-year. Wheat prices fell due to weak demand and expectations of large harvests in Russia, Europe, and North America. Maize prices declined amid forecasts of abundant supplies from Brazil and the United States, as well as the temporary suspension of export taxes in Argentina. Barley and sorghum prices increased, while rice became cheaper owing to ample exportable supplies and reduced purchases from the Philippines and African countries.

In September 2025, vegetable oil prices fell by 0.7% month-on-month but remained 18% higher than a year earlier. Palm and soybean oil prices declined due to rising stocks in Malaysia and increased exports from Argentina, while sunflower and rapeseed oil prices rose amid tight supplies in the Black Sea region and Europe.

In September 2025, meat prices reached a new record high. The increase was driven by beef and lamb, while pork and poultry prices remained stable. The rise in beef and lamb prices reflected strong import demand on global markets and limited supply both domestically and for export.

Dairy prices declined for the third consecutive month, with decreases observed across all main categories – butter, skim and whole milk powders, and cheese. The drop was mainly due to seasonal growth in production and weaker demand from importers.

Sugar prices fell, driven by high production in Brazil and favorable crop prospects in India and Thailand following ample rainfall and expanded plantings.

Domestic prices for cereals and sugar remain above global levels, showing limited response to declining world quotations. Meanwhile, rising global meat prices continue to push domestic prices upward.

Table 1. Domestic and International Food Prices (Dec. 2019 = 100)

	2024		2025		
	September	December	July	August	September
Cereal (FAO)	146,1	155,1	150,9	152,6	152,2
CPI for flour	197,2	199,2	200,0	201,4	202,2
Differential, p.p.	51,1	44,0	49,1	48,8	50,0
Vegetable oil (FAO)	175,7	216,6	226,9	234,5	233,6
CPI for vegetable oil	154,2	168,7	190,5	192,9	195,2
Differential, p.p.	21,5	48,0	36,4	41,6	38,4
Sugar (FAO)	190,6	195,0	171,9	175,6	169,1
CPI for sugar	217,9	207,0	229,1	231,0	231,3
Differential, p.p.	27,3	12,0	57,2	55,4	62,2
Meat (FAO)	141,7	153,0	165,0	168,5	170,2
CPI for meat	154,0	155,1	173,5	178,4	183,2
Differential, p.p.	12,3	-2,1	8,5	9,9	13,0
Dairy products (FAO)	165,2	185,9	206,1	206,9	202,1
CPI for dairy products	175,8	180,2	184,2	187,7	190,9
Differential, p.p.	10,6	5,8	21,9	19,3	11,2

Source: BNS ASPR, UN FAO, calculations of the NB RK

Note: The table presents FAO food price indices converted into Kazakhstani tenge using the average monthly KZT/USD exchange rate. Red indicates that domestic prices exceed global prices, while green shows that global prices exceed domestic ones.

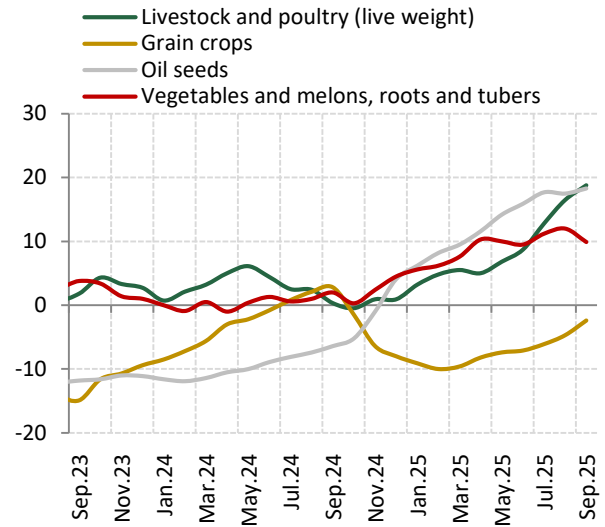
Producer prices

In September 2025, the trend of rising prices in the food processing industry continued. The main pressure is driven by increasing costs of agricultural raw materials. A reduction in feed crop stocks raises production costs, which may have contributed to price increases for livestock, poultry, milk, and eggs.

Increased demand from processing enterprises amid active export supplies makes the domestic market less attractive for selling products. Logistics and water supply tariffs continue to rise, along with higher prices for energy resources.

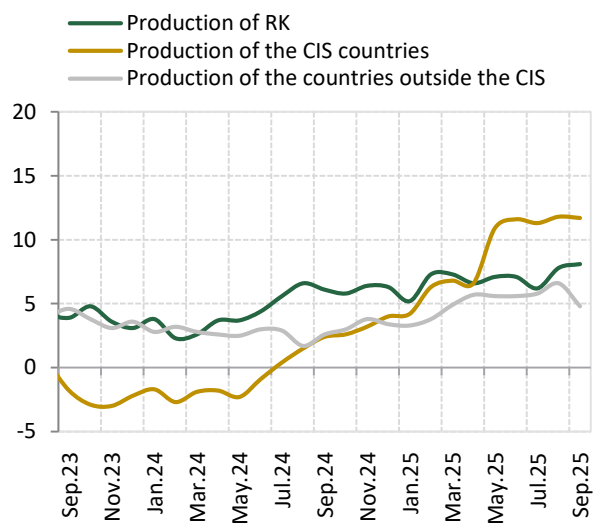
Alongside rising domestic production costs, prices for imported food products are also increasing. Within domestic production, wholesale prices have risen for meat and meat products, vegetable oils, sugar, and beverages. In imports from CIS countries, prices have increased for meat products, bakery and confectionery goods, vegetable oils, coffee, tea, spices, as well as cheeses and cottage cheese. This is mainly influenced by persistently high food inflation in Russia and the weakening of the tenge exchange rate against the ruble. Imports from non-CIS countries are becoming more expensive at a more moderate pace; however, in September, price increases were recorded for dairy products, chocolate and confectionery, coffee, spices, and seafood. This trend is driven by the weakening of the tenge against the US dollar and rising global prices for certain commodities.

Graph 7. Producer prices in agriculture, % y/y



Source: BNS ASPR RK

Graph 8. Wholesale prices for food products, % y/y



Source: BNS ASPR RK