



INFLATION TRENDS

December 2025

In December, annual inflation decelerated to 12.3%. The observed slowdown in inflation was driven by disinflation in the paid services and non-food goods segments, while food inflation accelerated and continues to make the largest contribution to overall price growth.

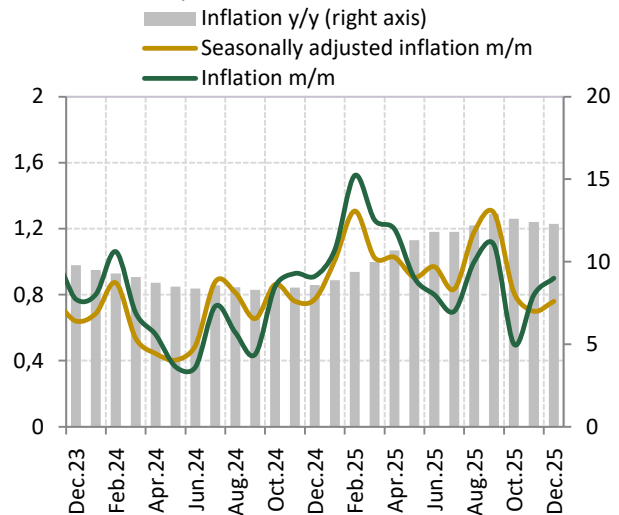
Monthly inflation accelerated to 0.9% (0.8% in November), amid stronger price growth in food and paid services compared to the previous month. Seasonally adjusted inflation also increased to 0.8% (0.7%).

Seasonally adjusted price growth for food products and paid services accelerated, while for non-food goods decelerated. On a monthly basis, seasonally adjusted food inflation accelerated from 0.7% to 0.9%, service inflation from 0.4% to 0.6%, whereas non-food inflation slowed from 0.8% to 0.7%.

The largest seasonally adjusted price increases were recorded for non-alcoholic beverages, sugar, jam, honey, chocolate and confectionery, coffee, tea and cocoa, meat, audiovisual equipment, personal electrical appliances, newspapers, books and stationery, household appliances, organization of comprehensive recreation, housing rent, and shoe repair and rental services. At the same time, after seasonal adjustment, price declines were observed for cars, water disposal services, heat energy, and communication services.

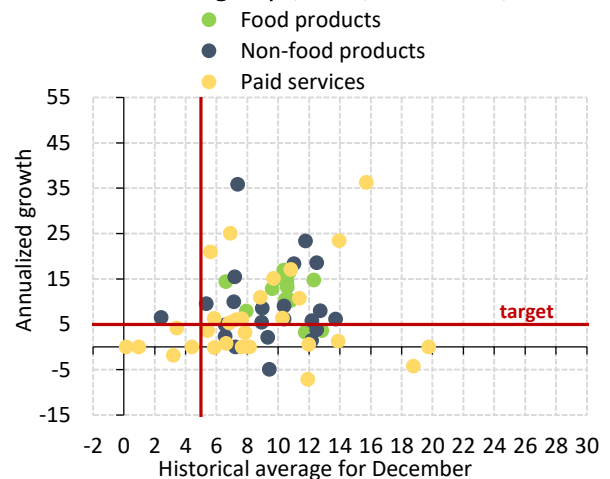
Median seasonally adjusted core inflation remained at 0.8%. Core inflation measured using a 10% trimmed mean from both tails of the price distribution also remained unchanged at 0.7%, while the indicator excluding the eight most volatile components increased from 0.7% to 0.8%. Core inflation indicators remain elevated and significantly exceed the inflation target on monthly basis (0.41%).

Graph 1. Inflation indicators, %



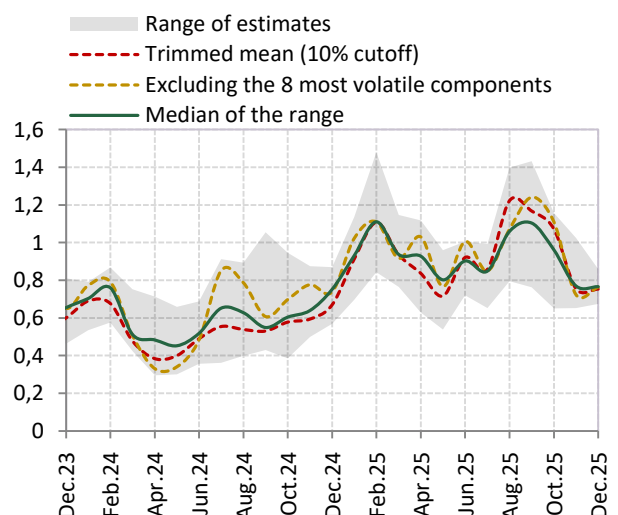
Source: BNS ASPR RK, calculations of the NB RK

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, %

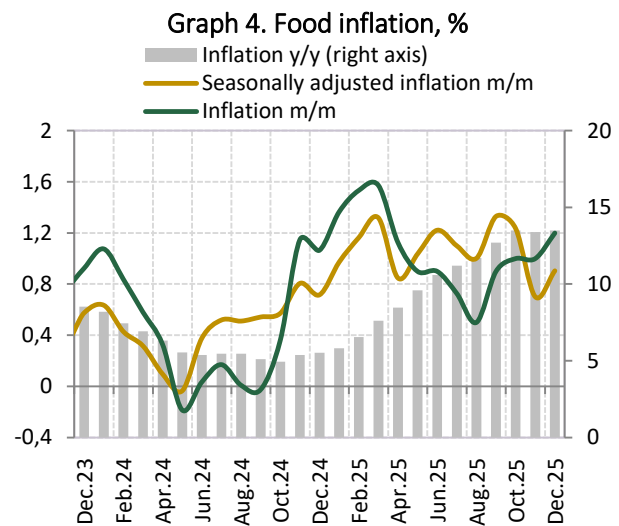


Source: BNS ASPR RK, calculations of the NB RK

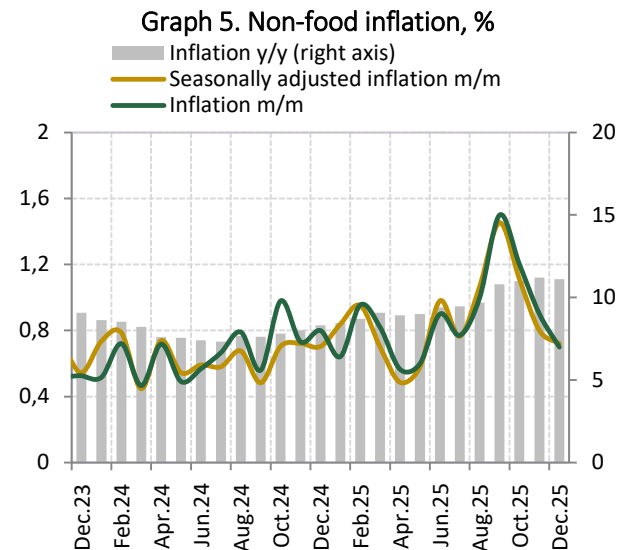
Food price growth is driven by rising producer costs. In December, annual food inflation amounted to 13.5% (13.4% in November), monthly – to 1.2% (1.0%). Price increases for vegetables remain the main contributor to food inflation, primarily due to higher prices for tomatoes and cucumbers amid rising producer prices in greenhouse production, as well as seasonal factors. Meat prices, despite some deceleration, continue to grow at a substantial pace. This was facilitated by higher agricultural producer prices, declines in production volumes in certain periods, and a high level of exports.

Moderate dynamic of fuel price growth has a restraining effect on non-food inflation. However, elevated price pressures persist amid stable consumer demand and high import prices. Annual non-food inflation slowed to 11.1% (11.2% in November), monthly indicator – to 0.7% (0.9%). In the previous periods, price growth was largely driven by rising fuel prices, however, the introduction of a moratorium as part of anti-crisis measures has slowed fuel price growth and, more broadly, non-food inflation. At the same time, the combined impact of domestic demand and import prices continues to push up prices for outerwear, jewelry, and audiovisual equipment.

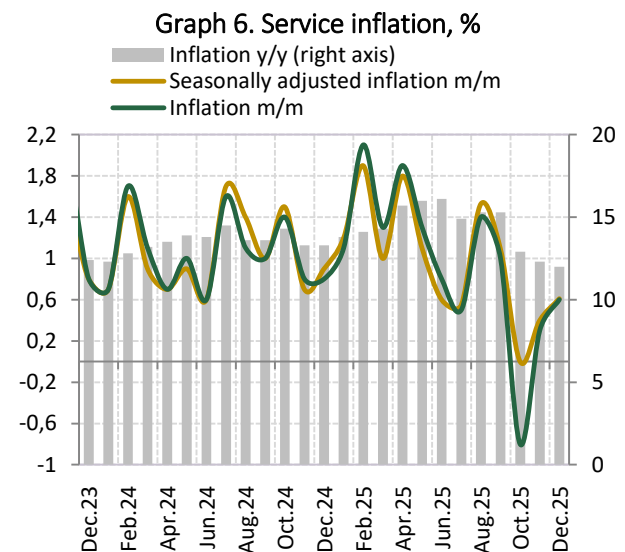
Reductions of tariffs for regulated utility services continue to restrain services inflation. On an annual basis, prices for paid services increased by 12% (12.3% in November), while on a monthly basis – by 0.6% (0.3%). The main factor behind the slowdown in services and overall inflation was the reduction in regulated utility tariffs. As a result, year-on-year deflation in water supply services of 13.1% was recorded in December, while other utility services have shown disinflation relative to the beginning of the year. At the same time, prices continue to rise across a wide range of market-based services, including housing rent, hairdressing services, and outpatient services.



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

For the fourth consecutive month global food prices continued to decline: in December 2025 the FAO Food Price Index fell to 124.3 points, decreasing by 0.6% month-on-month and by 2.3% year-on-year. The downward trend was driven by lower prices for dairy products, meat and vegetable oils, while increases in cereal and sugar prices only partially offset the overall decline in the index.

Cereal prices increased in December 2025, driven by higher corn prices amid strong export demand and expanding ethanol production in the United States and Brazil, as well as rising wheat prices due to risks of supply disruptions in the Black Sea region. Rice prices also rose as a result of lower harvests and stronger demand.

Vegetable oil prices declined for the second consecutive month. Higher export supply pushed down prices for all major oils except palm oil, whose quotations increased due to the expected seasonal slowdown in production in Southeast Asia.

Meat prices declined across all categories, with the largest decreases recorded for beef and poultry amid ample export supply and weaker import demand. At the same time, lamb prices fell only moderately due to still strong global demand.

Dairy prices fell sharply. The largest declines were observed for butter and whole milk powder, reflecting seasonal increases in supply in Europe and Oceania as well as weaker demand from key importing regions.

Sugar prices increased after three months of decline, driven by lower production in southern Brazil, while favourable harvest prospects in India restrained further price growth.

All domestic prices, except for vegetable oils, continue to exceed global levels, reflecting high domestic costs, limited supply of certain products and the export orientation of producers.

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

	2024	2025		
	December	October	November	December
Cereal (FAO)	155,1	149,9	147,8	147,1
CPI for flour	199,2	203,4	204,7	206,6
Differential, p.p.	44,0	53,5	56,9	59,6
Vegetable oil (FAO)	216,6	235,2	221,8	216,6
CPI for vegetable oil	168,7	195,6	197,4	198,1
Differential, p.p.	48,0	39,7	24,5	18,5
Sugar (FAO)	195,0	159,8	145,6	145,9
CPI for sugar	207,0	226,9	223,9	221,1
Differential, p.p.	12,0	67,0	78,3	75,2
Meat (FAO)	153,0	166,5	161,3	155,7
CPI for meat	155,1	186,6	187,9	190,0
Differential, p.p.	2,1	20,0	26,6	34,2
Dairy products (FAO)	184,9	193,0	179,6	168,0
CPI for dairy products	180,2	193,7	195,1	196,7
Differential, p.p.	4,8	0,7	15,5	28,6

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.

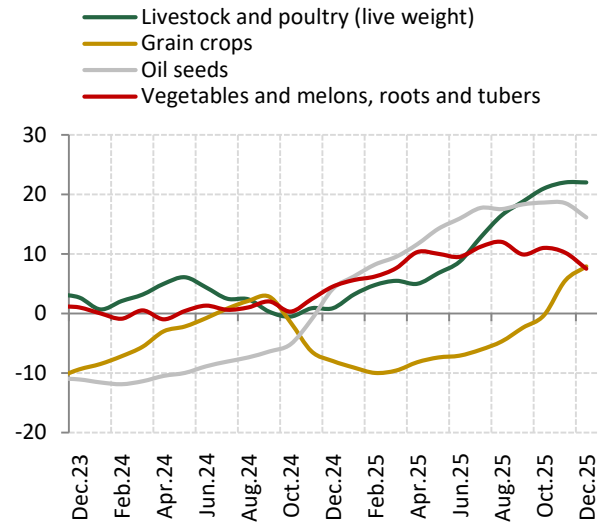
Producer prices

In December 2025, the upward trend in producer prices in the food industry persisted, driven by rising prices for agricultural inputs. An increase in export volumes of meat products, combined with moderate growth in livestock slaughter, contributed to higher producer prices for live-weight livestock. The rise in red meat prices and elevated domestic demand resulting from substitution effects also led to an increase in poultry meat prices. In addition to livestock production, higher producer prices for grain crops and vegetables contributed to rising costs in agriculture. At the same time, increases in the cost of energy resources, utilities, and logistics services further raised the cost of food production, which was subsequently passed through to consumer prices.

Alongside the increase in prices for domestically produced goods, a rise in prices for imported food products was also observed. The increase in the cost of imported products reflects changes in price conditions in trading partner countries. Within the segment of food products originating from CIS countries, higher wholesale prices were recorded for meat and dairy products, bakery and confectionery items, sunflower oil, cheeses, and curd products. In the structure of imports from non-CIS countries, an increase in wholesale prices was observed for chocolate and other confectionery products, coffee, and spices.

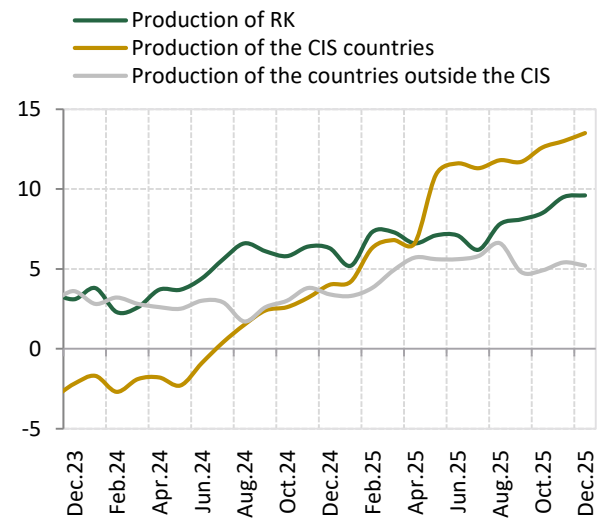
Wholesale prices for non-food goods are increasing at a more moderate pace. At the same time, wholesale prices for domestically produced goods continue to rise at an accelerated rate. In particular, the highest price growth is observed for gasoline, pharmaceutical products, and furniture. Despite the introduction of a moratorium on increases in retail prices for gasoline and diesel fuel in October 2025, producer prices for petroleum products continued to rise. Within the segment of imported goods, the most pronounced price increases are observed for furniture, pharmaceutical products, detergents, household appliances, and electronics.

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



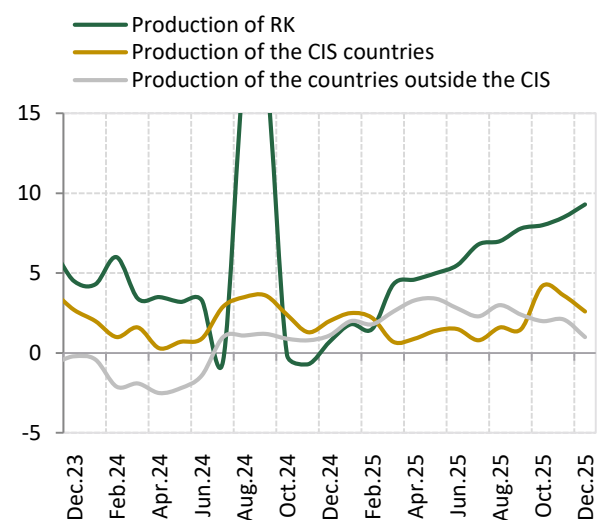
Source: BNS ASPR RK

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



Source: BNS ASPR RK

Graph 9. Wholesale prices for non-food products, % y/y



Source: BNS ASPR RK