



NATIONAL BANK OF KAZAKHSTAN



INFLATION TRENDS

January 2026

In January 2026, annual inflation slowed to **12.2%**. The slowdown in inflation was caused by the disinflation of the food component, while the service component remained unchanged and the non-food component accelerated. At the same time, food products continue to make the main contribution to the overall price increase.

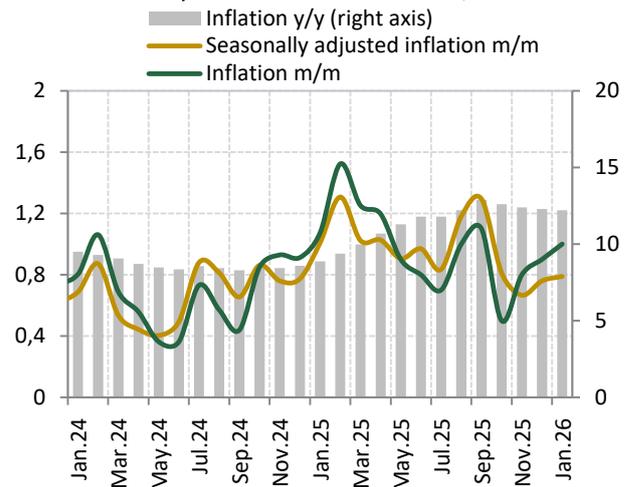
Monthly inflation accelerated to **1%** (December 2025 – 0.9%) against the background of a stronger increase in prices for non-food products and services compared to the previous month. At the same time, seasonally adjusted inflation remained at 0.8%.

Seasonally adjusted food price growth slowed, while prices for non-food products and services accelerated. On a monthly basis, seasonally adjusted food price growth slowed from 0.9% to 0.4%, while service price growth accelerated from 0.6% to 0.9%, and non-food prices accelerated from 0.7% to 1.3%.

The largest increase in prices in January, seasonally adjusted, was recorded for soft drinks, sugar, jam, honey, chocolate and confectionery, oils and fats, personal electrical appliances for personal use, household appliances, audiovisual equipment, insurance, organization of comprehensive recreation, hairdressing services. At the same time, taking into account seasonal adjustments, there is a decrease in prices for fruits and vegetables, cars, and transport services.

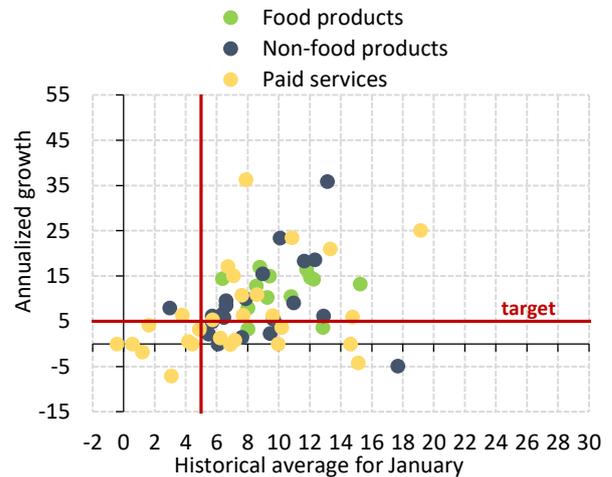
The median seasonally adjusted core inflation accelerated from 0.7% to 0.8%. The trimmed-mean core inflation measure, calculated by excluding 10% of the price distribution at both tails, also increased from 0.7% to 0.9%, while the measure excluding the eight most volatile components rose from 0.8% to 0.9%. Core inflation indicators remain elevated and significantly exceed the monthly inflation target (0.41%).

Graph 1. Inflation indicators, %



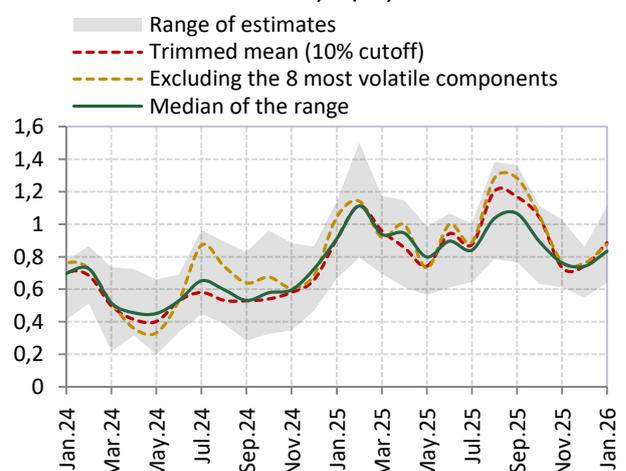
Source: BNS ASPR RK, calculations of the NB RK

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, %

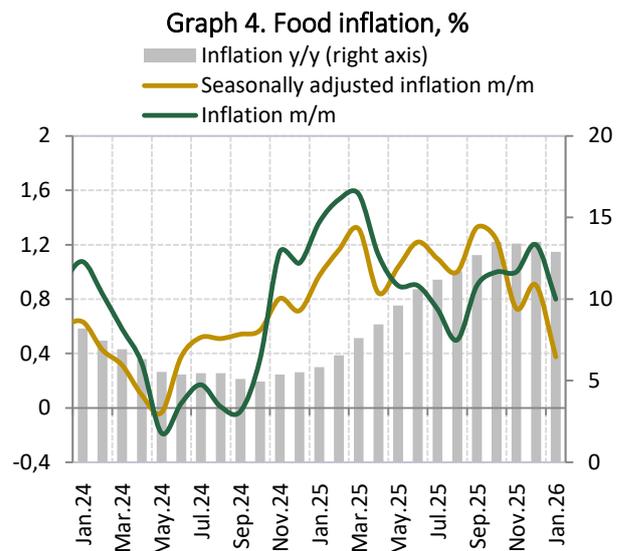


Source: BNS ASPR RK, calculations of the NB RK

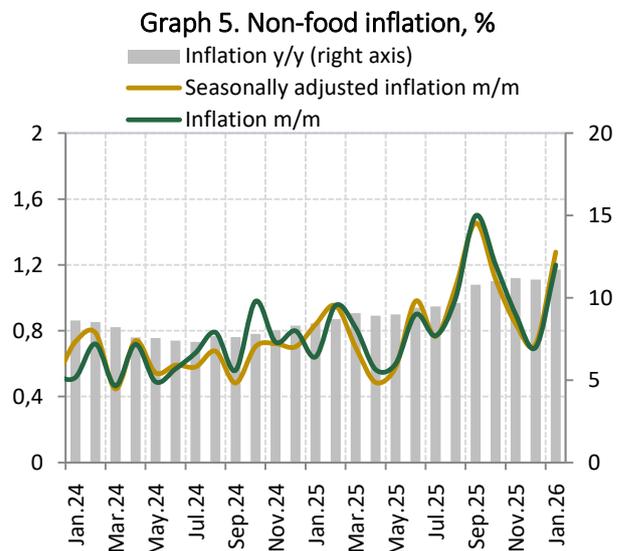
The slowdown in food inflation is due to the normalization of the growth rate of prices for meat products, which showed a significant acceleration in previous months. In January, annual food inflation slowed to 12.9% (December 2025 – 13.5%), monthly – to 0.8% (1.2%). The slowdown in the growth of prices for meat products is due to the recovery of supply in the domestic market after the previously significant volume of exports. Meat products have a significant impact because their share in the structure of the food component is about one third.

Non-food inflation accelerated amid stable consumer demand and the increase in the VAT rate. Annual price growth accelerated to 11.7% (December 2025 – 11.1%), monthly growth to 1.2% (0.7%). The combined impact of domestic demand and VAT increases has led to higher prices for a wide range of goods. At the same time, there was a significant increase in the cost of certain categories, including medicines and household appliances, despite the recent strengthening of the nominal exchange rate of tenge and the partial or complete exemption of these categories of goods from VAT.

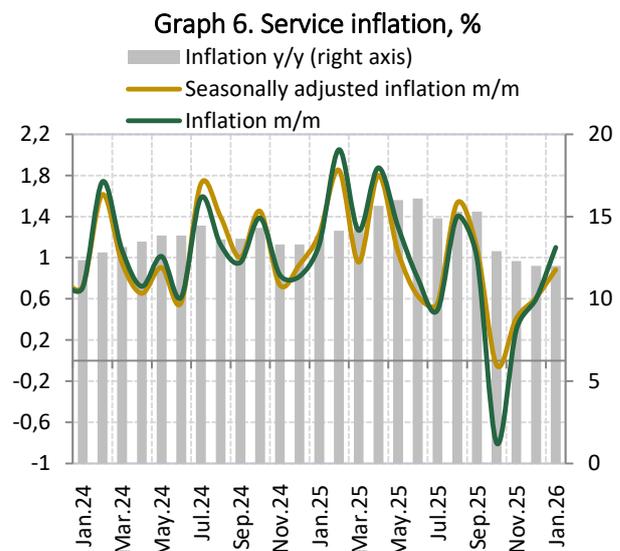
Service inflation remained at the level of the previous month against the background of a balance of the restraining effect of housing and communal services tariffs and an increase in the cost of market services. In January, the annual increase in prices for services remained unchanged from the previous month and amounted to 12%, while in monthly terms, growth accelerated to 1.1% (December 2025 – 0.6%). Prices continue to rise for a wide range of market services in the face of increased inflation, steady consumer demand and an increase in the VAT rate, including outpatient and inpatient medical services, communications services, insurance and other services. At the same time, the moderate dynamics of tariffs for regulated housing and communal services continues to have a disinflationary effect.



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 January 2026, global food prices continued to decline. The FAO Food Price Index fell to 123.9 points (-0.4% m/m), marking the fifth consecutive month of decline. The decrease was driven by lower prices for dairy products, meat, and sugar, while prices for cereals and vegetable oils increased.

Cereal prices recorded a slight increase. The main contribution came from coarse grains, driven by steady demand for shipments from Argentina, as well as rice (across all varieties) amid strong demand. At the same time, prices for wheat and maize declined due to ample market supply.

Vegetable oil prices increased in January. The rise was driven by higher prices for palm, soybean, and sunflower oils amid seasonal supply constraints in Southeast Asia, limited exports from South America, and tight supply in the Black Sea region, while rapeseed oil prices declined due to high inventories in the European Union.

Meat prices edged down slightly. The decline was driven by lower pork prices amid ample supply and weaker global demand, while beef and lamb prices remained broadly stable. At the same time, poultry prices increased due to strong demand in global markets.

Dairy prices continued to decline, mainly reflecting lower prices for cheese and butter amid ample supply and sufficient inventories. Prices for milk powders recorded a moderate increase.

Sugar prices declined in January amid expectations of higher global stocks, driven by increased production in India and favorable crop outlooks in Thailand. Additional downward pressure came from positive expectations for sugarcane production in Brazil in the upcoming season.

Despite the decline or subdued dynamics of global prices, the price differential continues to widen. This may reflect limited domestic supply, rising costs, weak pass-through of global price movements to the domestic market, and the export-oriented focus of producers.

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

	2025	2025		2026
	January	November	December	January
Cereal (FAO)	157,3	147,8	147,1	146,2
CPI for flour	200,0	204,7	206,6	209,5
Differential, p.p.	42,7	56,9	59,6	63,2
Vegetable oil (FAO)	206,5	221,8	217,3	220,2
CPI for vegetable oil	174,9	197,4	198,1	202,7
Differential, p.p.	31,6	24,5	19,2	17,5
Sugar (FAO)	183,5	145,6	145,9	143,4
CPI for sugar	206,8	223,9	221,1	223,3
Differential, p.p.	23,3	78,3	75,2	79,9
Meat (FAO)	150,7	161,4	156,5	154,7
CPI for meat	156,9	187,9	190,0	190,8
Differential, p.p.	6,1	26,5	35,5	36,1
Dairy products (FAO)	189,2	179,6	165,3	155,9
CPI for dairy products	181,4	195,1	196,7	198,4
Differential, p.p.	7,9	15,5	31,4	42,5

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

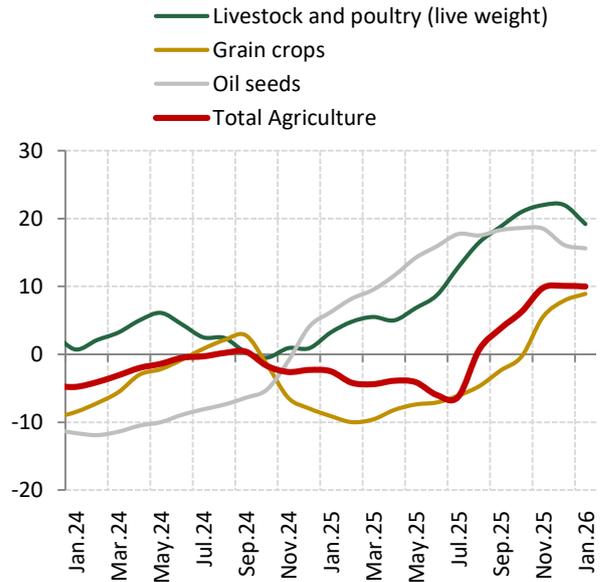
Note: The table presents FAO food price indices converted into Kazakhstani tenge using the average monthly KZT/USD exchange rate. Red indicates that domestic prices exceed global prices, while green shows that global prices exceed domestic ones.

Producer prices

In January 2026, producer prices in the food processing industry continued to increase, driven primarily by higher costs of raw agricultural materials. The expansion of meat exports, amid restrained livestock slaughter dynamics, contributed to a rise in producer prices for live-weight livestock. An increase in red meat prices, together with stronger domestic demand and consumers switching to poultry as an alternative, also contributed to higher poultry prices. Additional cost pressures in agriculture stemmed from rising producer prices for grain and oilseed crops. At the same time, rising costs of energy, utilities, and logistics services placed additional pressure on production costs in the food sector, with these increases subsequently passing through to consumer prices.

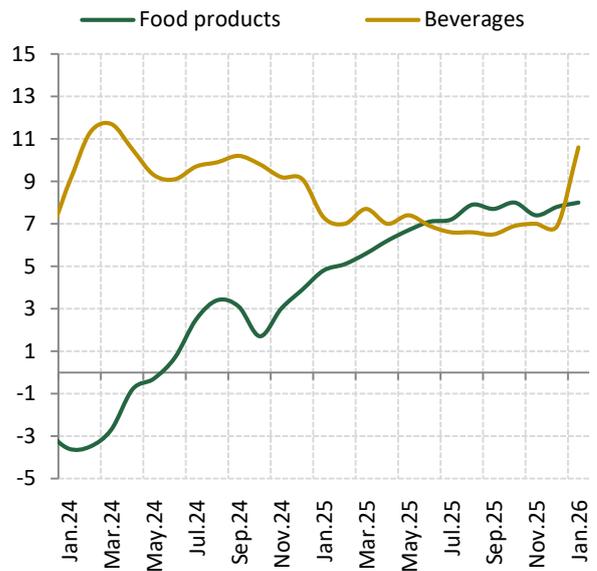
The increase in producer prices for food products has been largely driven by higher costs of raw materials and intermediate inputs. In January, the most pronounced growth in producer prices was observed in meat processing and canning, vegetable oil production, pasta manufacturing, as well as in the production of chocolate and other sugar confectionery products. At the same time, prices in the grain milling and cereal products segment remained close to last year's levels, primarily reflecting ample supply of grain and processed grain products both domestically and in importing countries, which helped contain price pressures in this segment. Producer price growth in the beverage industry was primarily driven by an increase in excise tax rates, as well as the introduction of an excise tax on energy drinks.

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



Source: BNS ASPR RK

Graph 8. Producer prices in the food industry, % y/y



Source: BNS ASPR RK