



NATIONAL BANK OF KAZAKHSTAN

PRESS RELEASE

On maintaining the base rate at 18.0%

April 24, 2026

Astana

The Monetary Policy Committee of the National Bank of Kazakhstan has decided to set the base rate at 18.0% with a corridor of +/- 1 percentage point.

Annual inflation in March 2026 slowed to 11.0% (11.7% in February): food inflation stood at 11.7% (12.7%), non-food at 11.3% (11.6%), and services at 10.0% (10.8%).

The slowdown in inflation was facilitated by moderately tight monetary conditions, positive exchange rate dynamics, and stabilization of consumer demand, partly driven by a decline in consumer lending growth, as well as the moratorium on utility and fuel price increases, and other anti-inflationary measures of the Government.

Monthly inflation in March decreased to **0.6%** after 1.1% in February. Core and seasonally adjusted inflation have also slowed. At the same time, their current levels remain above those consistent with achieving the 5% target, which indicates persistent inflationary pressure in the economy.

Inflation expectations of the population for the year ahead are estimated at **14.6%** (13.7%) and remain elevated. Expectations of professional market participants for inflation for 2026 are maintained at the level of **10.0%**.

In the external sector, the escalation of tensions in the Middle East is accompanied by an increase in world prices for energy, food and fertilizers. This increases inflationary pressure in a number of countries and elevates the risks of rising import costs for Kazakhstan. In Russia, inflation remains elevated, while the Bank of Russia maintains its orientation toward its return to the target in 2027. In the Eurozone and the USA, the acceleration of inflation in March was accompanied by growing uncertainty and increased inflation risks. In these conditions, the ECB and the Federal Reserve kept interest rates unchanged, confirming a more cautious approach to further decisions.

Economic growth based on preliminary data in January-March 2026 amounted to 3.0% in annual terms. Despite the weaker dynamics of the oil sector, economic growth as a whole remains resilient due to high activity in a number of sectors. The strongest growth rates are observed in construction, transport, manufacturing, and trade.

Pro-inflationary risks are primarily associated with the strengthening of external inflationary pressure amid the conflict in the Middle East. Additional risks stem from the resumption of utility and fuel tariff increases above inflation after the completion of the moratorium, as well as secondary effects from the increase in regulated prices, including through higher input costs for businesses. The ongoing adaptation of businesses to tax changes and persistently elevated inflation expectations require monitoring. In the medium term, consistent fiscal consolidation and appropriately calibrated quasi-fiscal stimulus remain an important condition for maintaining the disinflationary trajectory.

Current **disinflationary processes** are facilitated by the gradual normalization of consumer demand, including a slowdown in retail lending. These dynamics are taking shape against the backdrop of continued moderately tight monetary conditions. Along with this, measures to reduce excess liquidity are being taken, including the increase in minimum reserve requirements (MRR) and mirroring operations. The strengthening of the tenge exchange rate provides support for disinflation.

The emerging disinflationary dynamics require further consolidation. Before transitioning to the easing of monetary conditions, it is necessary to obtain confirmation of the sustainability of the disinflationary process amid the resumption of regulated price and tariff reforms, as well as the intensification of the quasi-fiscal impulse in the second half of the year. In addition, the monitoring and analysis of the economy's adaptation to tax changes is important. The external economic environment requires close monitoring.

The National Bank will continue to assess the rates of inflation decline, the dynamics of domestic demand, the actual execution of fiscal consolidation, the parameters of quasi-fiscal stimulus and regulated prices, as well as the emerging external environment and its influence on inflationary processes. Provided that current trends persist and no new shocks arise, the National Bank will be ready to consider the possibility of reducing the base rate in its subsequent decisions.

The next planned decision of the Monetary Policy Committee of the National Bank of the Republic of Kazakhstan on the base rate will be announced on June 5, 2026, at 12:00 Astana time.

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