



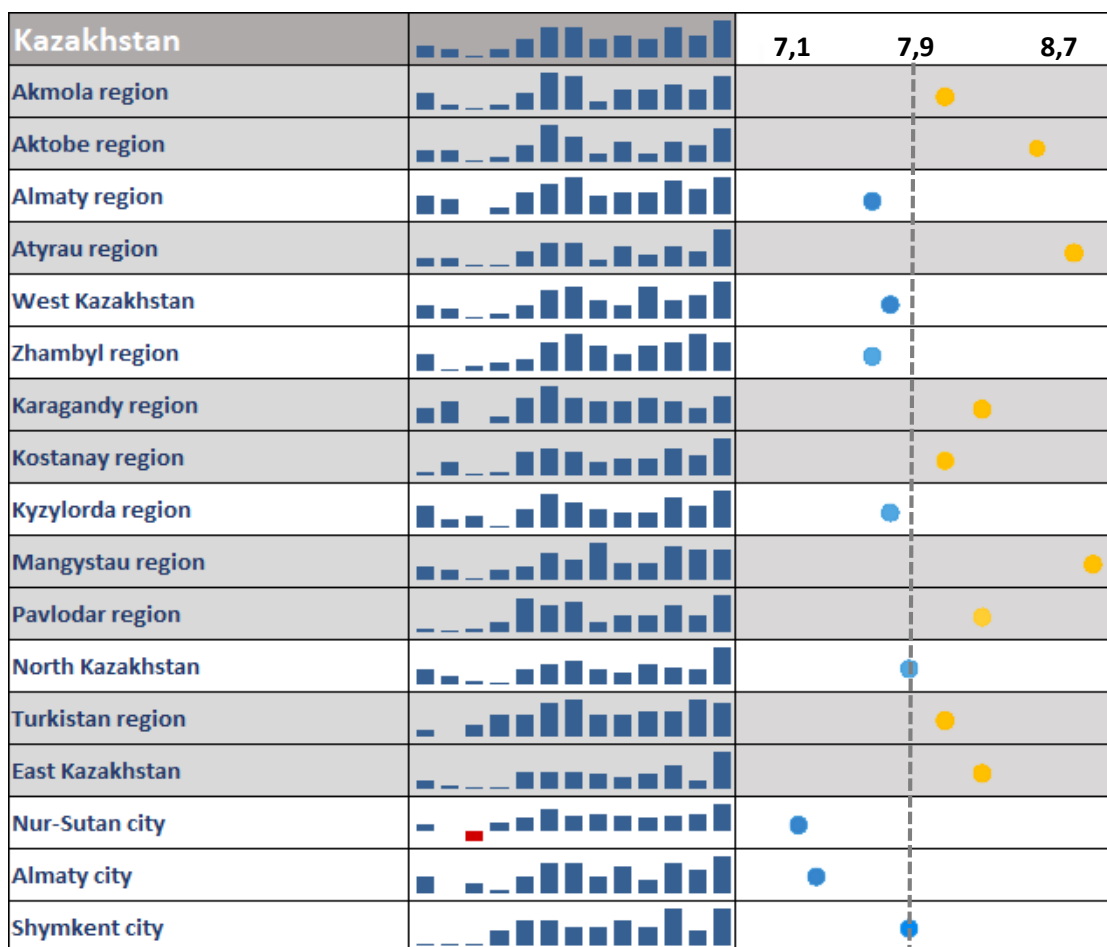
## Inflation trends in the regions

### June 2021

Inflation in June 2021 was 1.1% (in May – 0.7%). Prices for food increased by 1.7% (in May - 0.8%), for non-food - by 0.8% (in May - 0.6%), for paid services - by 0.7% (in May - 0.7%). Annual inflation grew up to 7.9% (in May – 7.2%).

The acceleration of monthly inflation was observed in 14 regions, the slowdown - in 2 regions, in 1 region the growth rate remained unchanged. The slowdown and permanence of growth rate in June was noted in those regions where the greatest acceleration took place in May (1.0%). In Mangystau price growth rate remained unchanged (1.0%), Zhambyl and Turkistan regions the growth rate slowed down to 0.8% and 0.9%, respectively. The greatest acceleration was noted in East Kazakhstan (1.5%), Atyrau (1.5%) and North Kazakhstan (1.4%) regions. Annual inflation was higher than the national level in 9 regions, among which the largest value was noted in Mangystau, Atyrau and Aktope regions (8.9%, 8.8% and 8.6%, respectively).

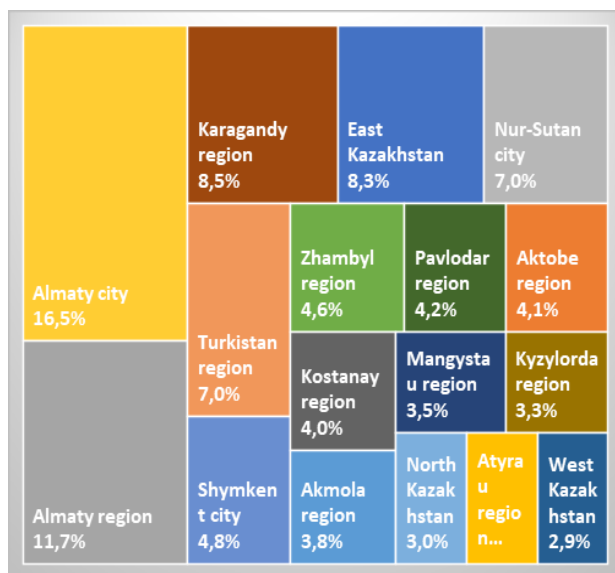
Figure 1. Inflation in the regions (June 2020 - June 2021), %



Source: BNS of ASPR RK

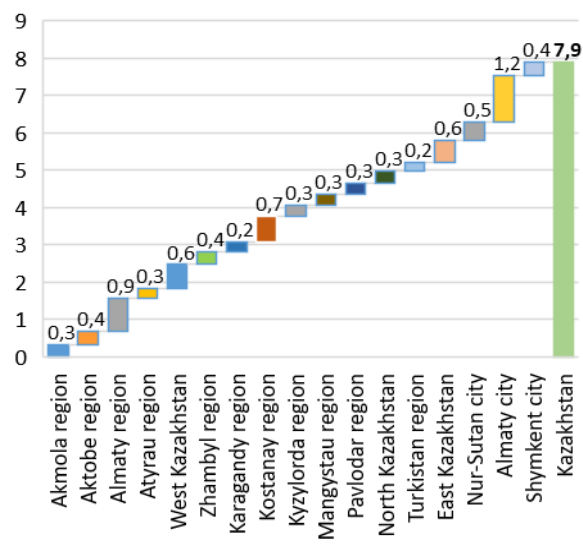
The most significant contribution to the annual CPI in Kazakhstan was made by Almaty city and Almaty region (1.2 p.p. and 0.9 p.p., respectively), which have the highest weight in the CPI. Price growth in these regions were 7.4% and 7.7%, respectively.

Figure 2. Weights of regions in the CPI, in %



Source: BNS of ASPR RK

Figure 3. Contribution of regions to the CPI, %



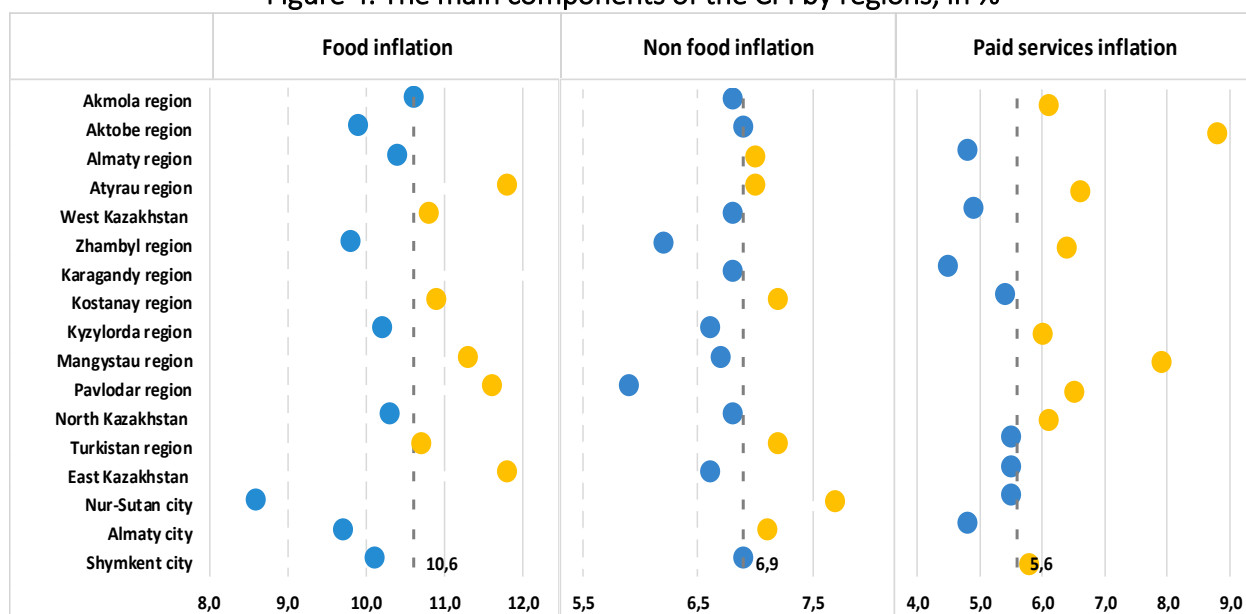
Source: BNS of ASPR RK

Annual growth of food products in Kazakhstan amounted to 10.6% (in May - by 9.3%). The smallest growth was noted in Nur-Sultan city (8.6%), the largest - in Karagandy (12.3%), Atyrau and East Kazakhstan (11.8% each) regions.

Prices for non-food products in the country increased by 6.9% (in May – by 6.7%). The largest increase in prices for non-food products was noted in Nur-Sultan city (7.7%), the smallest – in Pavlodar and Zhambyl regions (5.9% and 6.2%, respectively).

Paid services in the country rose in price by 5.6% (in May – by 5.1%), while in Aktobe region the price growth was 8.8%, significantly lower prices increased in Karagandy region (4.5%).

Figure 4. The main components of the CPI by regions, in %



Source: BNS of ASPR RK

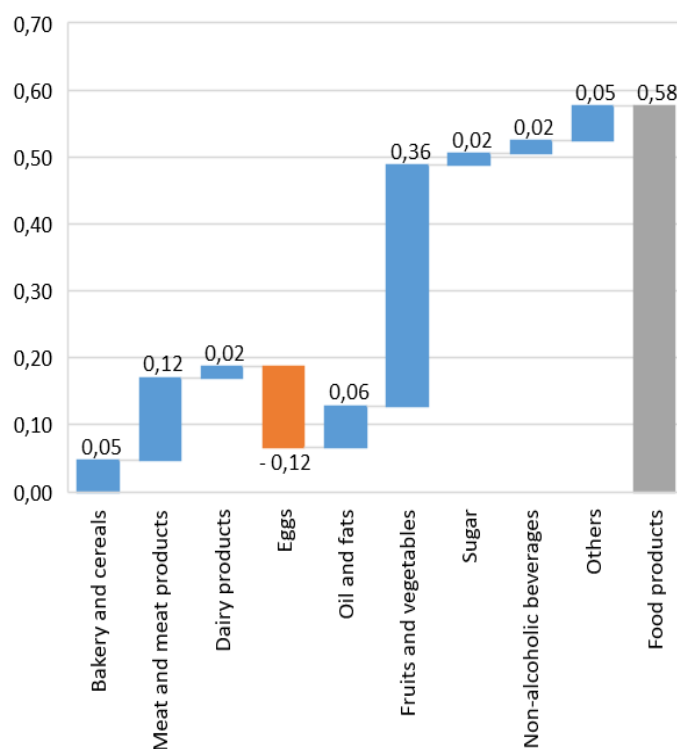
The rise in **food** prices continues to make the largest contribution to the CPI. Over the past month the contribution of the rise in prices of this group to monthly inflation amounted to 0.58 p.p. (in May – 0.31 p.p.), of which 0,36 p.p. (in May – 0,02p.p.) was the contribution of fruits and vegetables, which grew in price by 7.7% (Figure 5). The negative contribution of the change in price of eggs increased significantly from (-)0.02 p.p. in May to (-)0.12 p.p. in June. Eggs became cheaper by 13.9%.

Food prices in the country increased by 1.7% (in May – 0.8%). At the same time, the price growth for food products in East Kazakhstan region was 2.3%, in Almaty city and Aktoobe region – 2.0%, while in Turkistan region it was 1.0%.

In East Kazakhstan region the highest growth was noted over the past month for fruits and vegetables (14.6%), namely for carrot (144.3%) and potato (111.5%), while in Kazakhstan the growth was 86.3% and 40.7%, respectively. Prices for carrot grew more than twice in Akmola, Pavlodar, Atyrau, Kyzylorda and Aktoobe region as well. Potato rose in price higher than the nationwide level in Pavlodar, Aktoobe and Mangystau regions.

The beetroot rose in price by 47.0%, the highest growth was noted in West Kazakhstan region (by 113.4%).

**Figure 5. The contribution of food products to inflation for month (p.p.)**



Source: BNS of ASPR RK

The contribution of **non-food products** to monthly inflation amounted to 0.28 p.p. (0.18 p.p. in May). The rise in prices for non-food products in June amounted to 0.8% (in May – 0.6%). The highest growth was observed in Nur-Sultan city (1.3%), where also the highest growth was observed for price of washing and cleaning products (2.6%) and personal goods (2.5), when the nationwide growth for them was 0.6%. in June the price for petrol kept almost unchanged (0.3%), in some regions it became slightly cheaper.

The contribution of **paid services** to the inflation in June was 0.25 p.p. (in May – 0.22 p.p.). the rise in prices for the month was 0,7%, as well as in May. More noticeably prices increased in North Kazakhstan (2.1%) and Atyrau (1.7%) regions.

In North Kazakhstan and Atyrau regions significant rise in electricity was observed (by 18.5% and 16.9%, respectively), which is much higher than the nationwide level (1.0%). In East Kazakhstan region gas transported through distribution networks grew in price by 17.0%, in North Kazakhstan – by 9.9%, while prices for electricity kept the same level in all other regions, growth rate in the country amounted to 1.7%. Despite the stability in the prices of cold water in all regions, a noticeable increase was noted in Nur-Sultan region (by 6.5%), but hot water became cheaper by 20% (in the country - decrease by 2.7%). Hot water became cheaper by 20. % in Aktoobe as well, despite this the highest service inflation during this year remains in this region.