



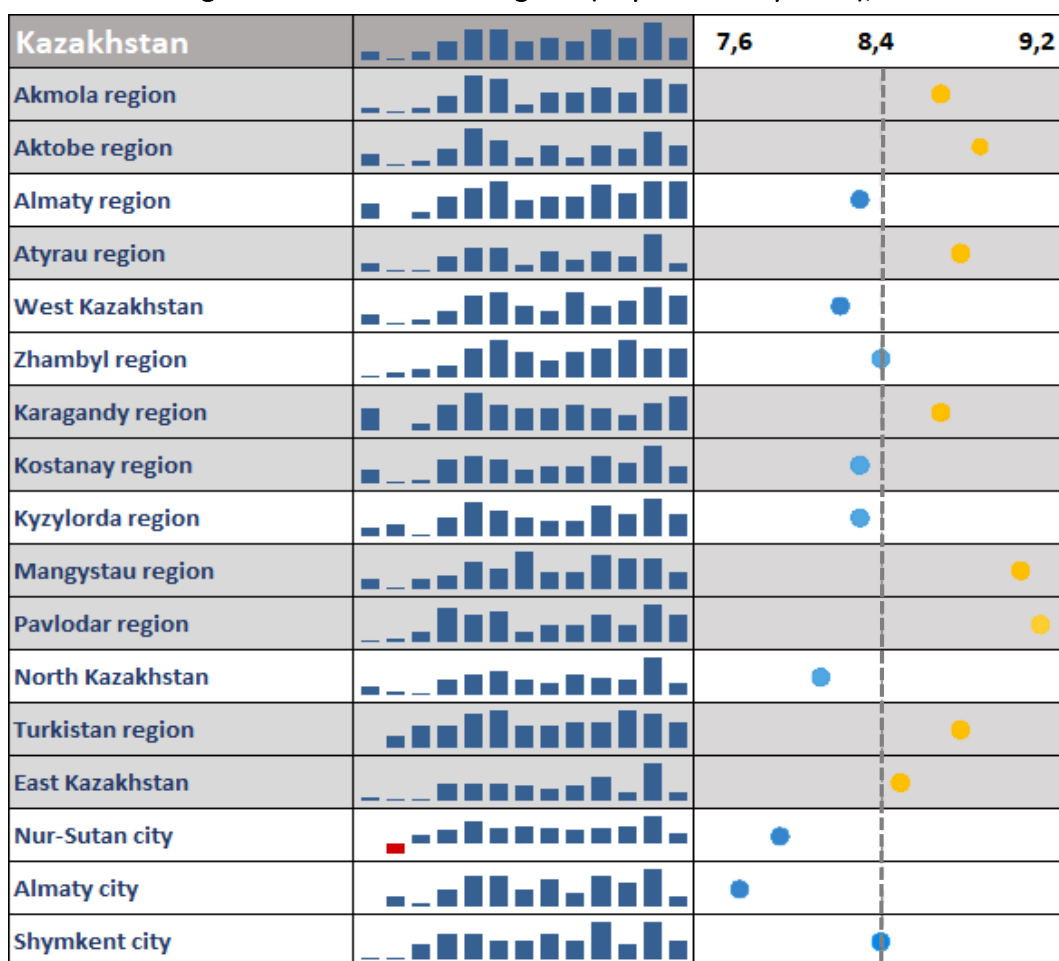
Inflation trends in the regions

July 2021

Inflation in July 2021 was 0.7% (in June – 1.1%). Prices for food increased by 0.7% (in June – 1.7%), for non-food - by 0.5% (in June - 0.8%), for paid services - by 0,8% (in June - 0.7%). Annual inflation grew up to 8.4% (in June– 7.9%).

The slowdown of monthly inflation was observed in 14 regions, the slowdown - in 1 region, in 2 regions the growth rate remained unchanged. The acceleration of growth rate in July was noted in Karagandy region (1.1%), which is the largest value among regions. In Almaty Zhambyl regions price growth rate remained unchanged (1.0% and 0.8%, correspondingly. The lowest growth was noted in Almaty city (0.3%). Annual inflation was higher than the national level in 8 regions, among which the largest value was noted in Pavlodar and Mangystau regions (9.2% and 9.1%, respectively).

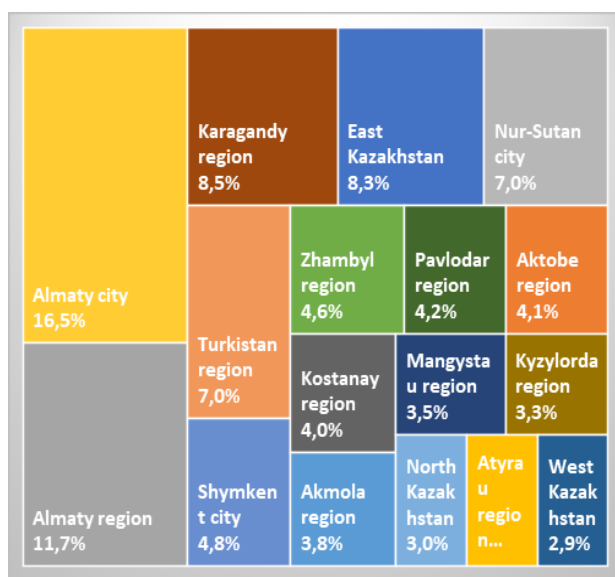
Figure 1. Inflation in the regions (July 2020 - July 2021), %



Source: BNS of ASPR RK

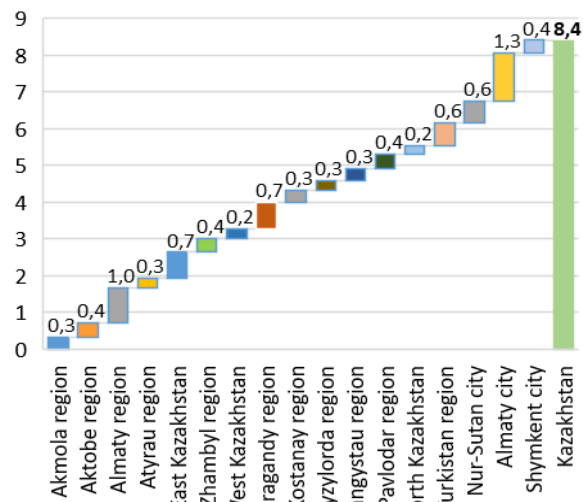
The most significant contribution to the annual CPI in Kazakhstan was made by Almaty city and Almaty region (1.3 p.p. and 1.0 p.p., respectively), which have the highest weight in the CPI. Price growth in these regions were 7.7% and 8.3%, respectively.

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



Source: BNS of ASPR RK

Figure 3. Contribution of regions to the CPI, %



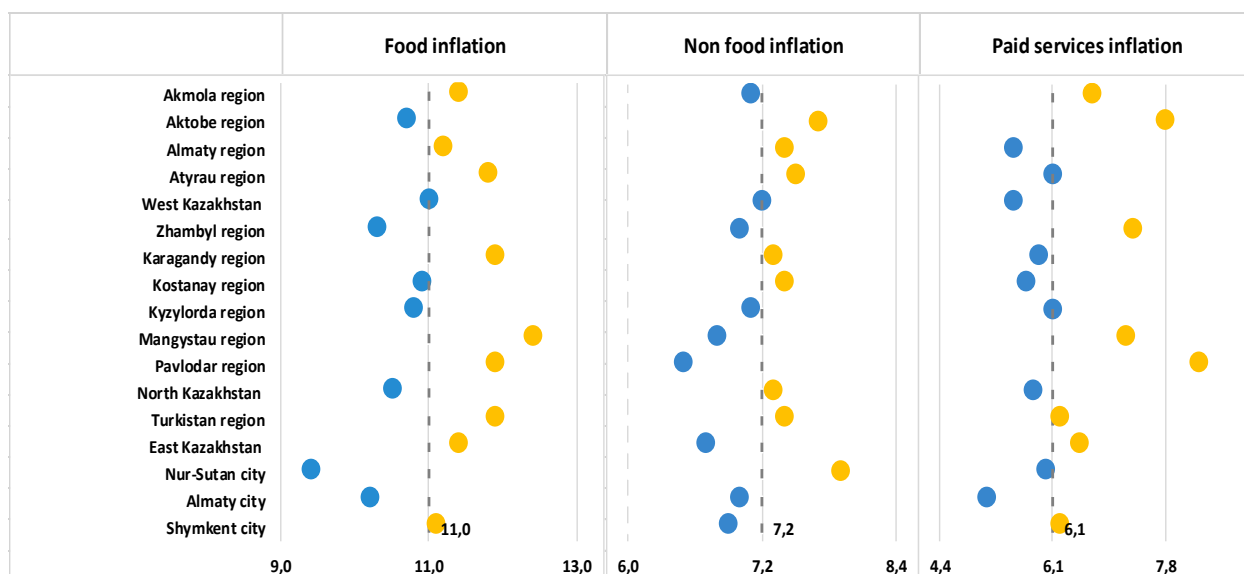
Source: BNS of ASPR RK

Annual growth of food products in Kazakhstan amounted to 11,0% (in June - by 10,6%). The smallest growth was noted in Nur-Sultan city (9.4%), the largest - in Mangistau region (12.4%).

Prices for non-food products in the country increased by 7.2% (in June – by 6.9%). The largest increase in prices for non-food products was noted in Nur-Sultan city (7.9%), the smallest – in Pavlodar (6.5%).

Paid services in the country rose in price by 6.1% (in June – by 5.6%), while in Pavlodar region the price growth was 8.3%, significantly lower prices increased in Almaty city (5.1%).

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



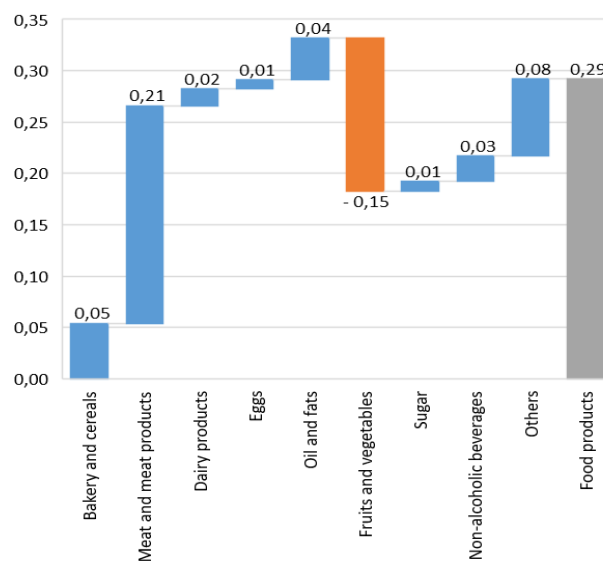
Source: BNS of ASPR RK

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 0.29 p.p. (in June – 0.58 p.p.), of which 0,21 p.p. was the contribution of meat and meat products, (Figure 5). Fruits and vegetables which made the biggest contribution to the inflation in June (0.58 p.p.), made negative contribution in July (-)0.15 p.p.).

Food prices in the country increased by 0.7% (in June – 1.1%). At the same time, the price growth for food products in Shymkent city and Akmola region was 1.2%, in Almaty and Karagandy regions – 1.1%, while in East Kazakhstan region, where was highest grow was registered last months, prices remained unchanged.

In Shymkent city the highest growth was noted over the past month meat and meat products (6.3%), namely for beef (12.6%) and horse meat (8.2%), while in Kazakhstan the growth was 2.1%. Lamb became more expensive mainly in west regions: in Mangistau region by 10.9%, Atyrau – 7.2%, Pavlodar – 5.1%, Aktobe – 4.6%, West Kazakhstan – 3.8%. In Karagandy region a noticeable increase was noted for bird price (6.6%) and eggs (25.9%), while prices for these products in the country became higher by 3.0% and 1.3%, respectively. Fruits and vegetables became cheaper due to the potato and carrots price decrease, although noticeable increase was noted for the price of cabbage, onion and beetroot.

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 0.15 p.p. (0.28 p.p. in June). The rise in prices for non-food products in June amounted to 0.5% (in June – 0.8%). The rise in price was for diesel fuel (2.0%), the highest growth was observed in west Kazakhstan and Atyrau regions (5.5% and 5.0%, respectively). In Julye the price for petrol kept almost unchanged (0.9%), largest growth (2.0%) was registered in Zhambyl region, while in Turkistan region and Shymkent city in became cheaper (by 1.0% and 0.5%, respectively).

The contribution of **paid services** to the inflation in July was higher than the contribution of non-food products – 0.23 p.p. (in June – 0.25 p.p.), the rise in prices for the month was 0,8% (in June – 0,7%). More noticeably prices increased in Karagandy region (by 1.5%).

In July in all regions except Mangistau and Turkistan regions and Almaty and Shymkent cities, significant rise in electricity was observed. The lowest growth was noted in Kyzylorda region (4.2%), in rest 8 regions the growth rate was between 9.2%-11.7%, as a result, in Kazakhstan electricity tariffs became higher by 5.0%. It should be noted that in North Kazakhstan, Atyrau, West Kazakhstan regions and Nur-Sultan city tariffs were raised in May-June. In Karagandy region house renting price became higher by 5.1%, while nationwide growth was 0.7%. Cold water became expensive by 1.0%, because of the rise in the tariffs in West Kazakhstan region (17.7%) and Shymkent city (8.0%). The drainage service tariffs in Shymkent city became higher for also 8.0%, in West Kazakhstan region it was raised by 10.8%, in the rest regions tariffs have not changed, growth in Kazakhstan amounted to 0.7%.