



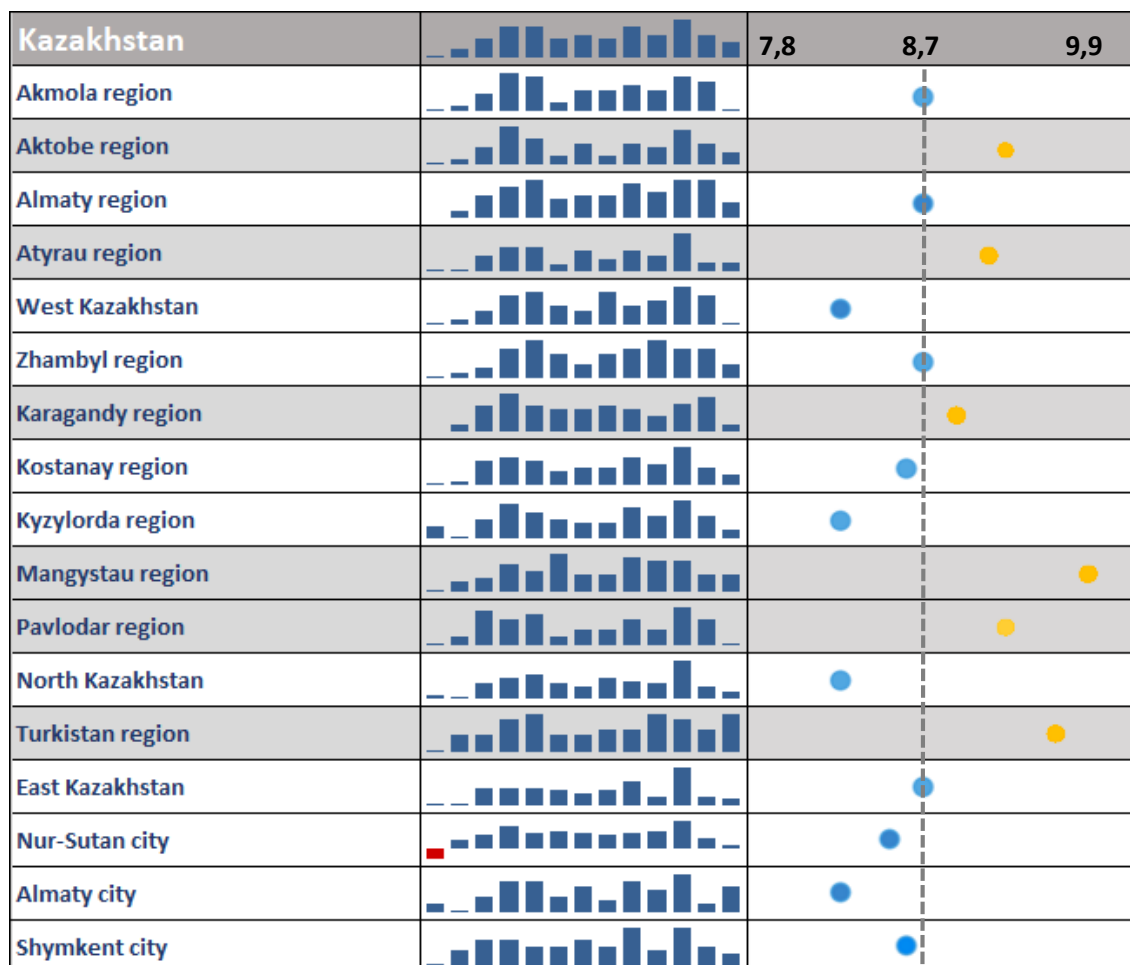
Inflation trends in the regions

August 2021

Inflation in August 2021 was 0.5% (in July – 0.7%). Prices for food increased by 0.1% (in July – 0.7%), for non-food - by 0.6% (in July - 0.5%), for paid services - by 0,8% (in July - 0.8%). Annual inflation grew up to 8.7% (in July – 8.4%).

The slowdown of monthly inflation was observed in 13 regions, the acceleration - in 2 regions, in 2 regions the growth rate remained unchanged. The acceleration of growth rate in August was noted in Turkistan region (1.0%) and Almaty city (0.8%). In Mangystau and Atyrau regions price growth rate remained unchanged (0.6% and 0.5%, correspondingly). The most noticeable slowdown was noted in Karagandy region (from 1.1% to 0.2%). Annual inflation was higher than the national level in 6 regions, among which the largest value was noted in Mangystau and Turkistan regions (9.7% and 9.5%, respectively).

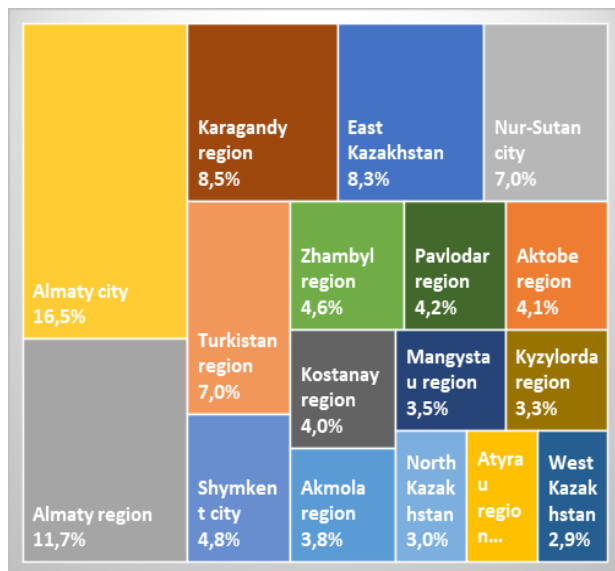
Figure 1. Inflation in the regions (August 2020 - August 2021), %



Source: BNS of ASPR RK

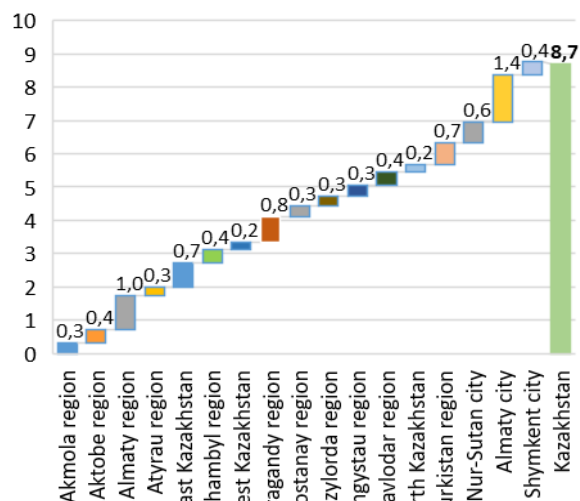
The most significant contribution to the annual CPI in Kazakhstan was made by Almaty city and Almaty region (1.4 p.p. and 1.0 p.p., respectively), which have the highest weight in the CPI. Price growth in these regions were 8.2% and 8.7%, respectively.

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



Source: BNS of ASPR RK

Figure 3. Contribution of regions to the CPI, %



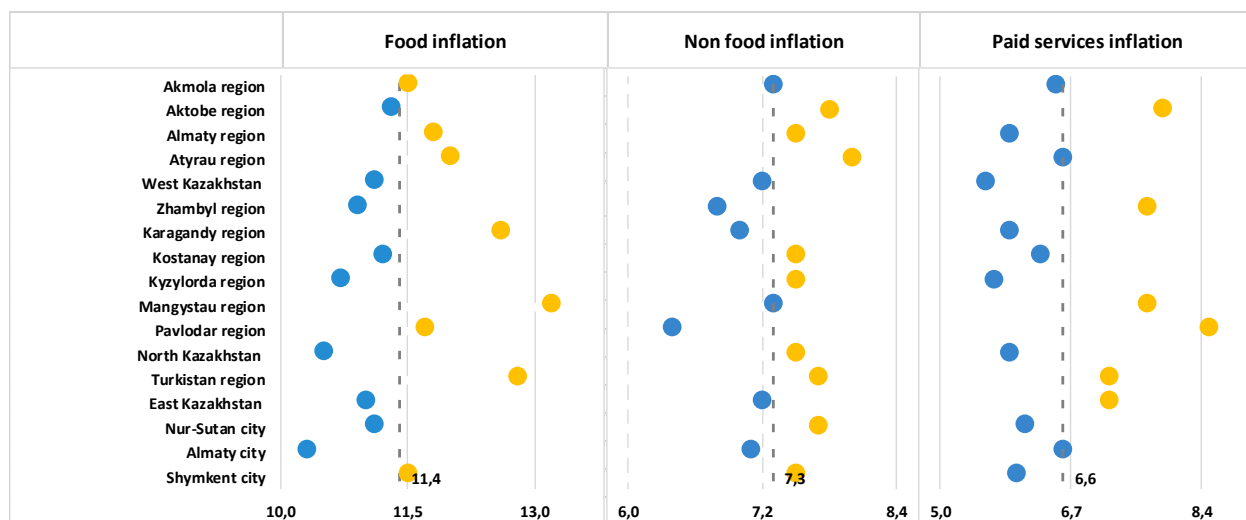
Source: BNS of ASPR RK

Annual growth of food products price in Kazakhstan amounted to 11,4% (in July - 11,0%). The smallest growth was noted in Almaty city (10,3%), the largest - in Mangystau region (13,2%).

Prices for non-food products in the country increased by 7,3% (in July – by 7,2%). The largest increase in prices for non-food products was noted in Atyrau region (8,0%), the smallest – in Pavlodar (6,4%).

Paid services in the country rose in price by 6,6% (in July – by 6,1%), while in Pavlodar region the price growth was 8,5%, significantly lower prices increased in West Kazakhstan region (5,6%).

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

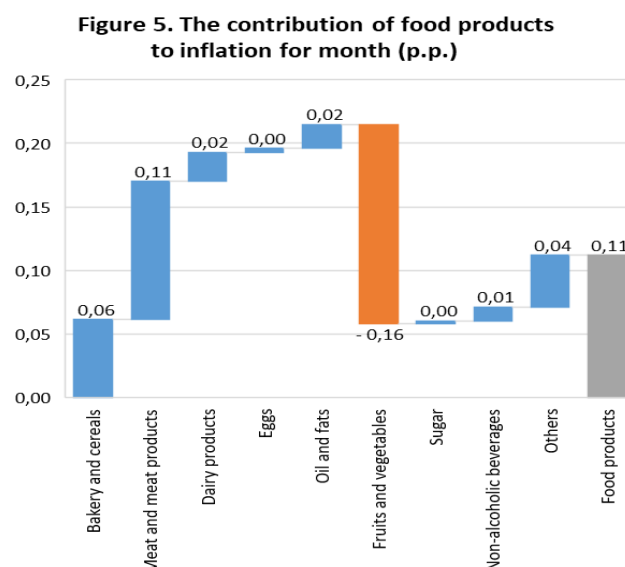


Source: BNS of ASPR RK

The contribution of **food** to the monthly CPI in August was lower (0.11 p.p.) than the contribution of non-food products (0.15 p.p.) and paid services (0.20 p.p.). Despite the noticeable decrease, meat and meat products make the biggest contribution (0.11 p.p.) to the food inflation. The contribution of other products price growth was neutralized by a negative contribution of fruits and vegetables ((-)0.16 p.p.), which became cheaper by 4.7% in August (Figure 5).

Food prices in the country increased by 0.1% (in July – 0.7%). The price growth for food products in Turkistan was 0.9%, at the same time a slight decrease between 0.1% and 0.4% was observed in Karagandy, Pavlodar, East-Kazakhstan, Akmola regions and Nur-Sultan city.

In Turkistan region, where the highest growth for food prices was noted, prices for bread and cereals became higher, namely for rye-wheat bread (14.3%) and buckwheat (5.2%), while in Kazakhstan the growth was 2.0% and 1.8%, respectively. Prices of meat and meat products in Kazakhstan became higher by 1.3%, while price of bird meat grew by 3.7%. The highest growth was noted in Karagandy (2.4%), where all kind of meat rose in price. Bird meat became more expensive in all regions, the most obvious increase took place in Aktobe (6.7%), Kyzylorda (6.6%) and Turkistan (6.5%) regions, the lowest increase was noted in North-Kazakhstan region (1.9%).



Source: BNS of ASPR RK

The contribution of **non-food products** to the monthly inflation amounted to 0.15 p.p. as well as in July. The rise in prices for non-food products in August amounted to 0.6% (in July – 0.5%). The price of accommodation renovation stuff grew by 1.6%, the highest growth was observed in Nur-Sultan city (5.5%), Mangystau and Atyrau regions (by 3.1% both). In Mangystau region the highest growth for diesel fuel price was noted (3.8%), while nationwide increase was 1.3%. Almost in all regions petrol slightly fell in price, as a result it became cheaper by 0.2% in Kazakhstan.

Paid services made the biggest contribution to the inflation in August – 0.20 p.p. (in July – 0.23 p.p.), the rise in price level remained unchanged - 0,8%. More noticeably prices increased in Almaty city (by 1.7%), where accommodation rental became more expensive (by 14.7%), while in Kazakhstan growth amounted to 4.2%.

In East-Kazakhstan region significant rise in water supply and the drainage service price was observed (by 8.6% and 7.8%, respectively). Almost in all regions gas became more expensive. Gas transported through distribution networks grew in price within 7.3% - 12.0%. A noticeable decrease was registered in Kyzylorda region by 5.9%, at the same time there was an increase in the price of gas in cylinders by 4.3%. Gas in cylinders grew in price by 8.5% in Nur-Sultan and by 7.7% in East-Kazakhstan region. As a result, in Kazakhstan the price growth for gas transported through distribution networks amounted to 4.0%, for gas in cylinders – to 2.8%.