



Inflation Expectations

November 2023

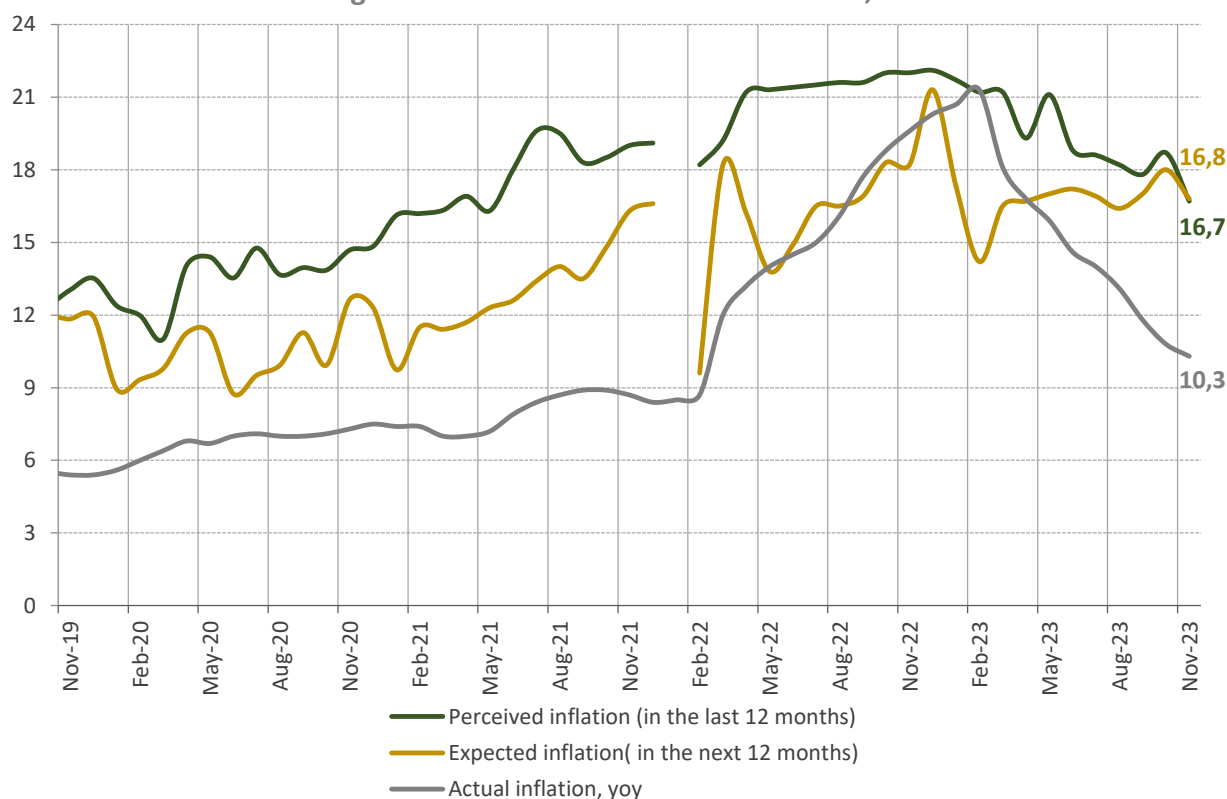
- Inflation expectations of the population decreased slightly in November this year, but they still remain high
- Consumer sentiment has worsened due to lower estimates of personal financial situation over the past year, the country's development prospects in the coming year, and readiness for large purchases

Inflation expectations

The median estimate¹ of expected inflation in the next 12 months decreased to 16.8% in November 2023, perceived inflation over the past 12 months decreased to 16.7% (Figure 1).

According to the survey results, the share of respondents, expecting a faster increase in the prices on the one-year horizon, decreased to 27% in November 2023 (October 2023 – 32%).

Figure 1. Inflation and median estimates, %



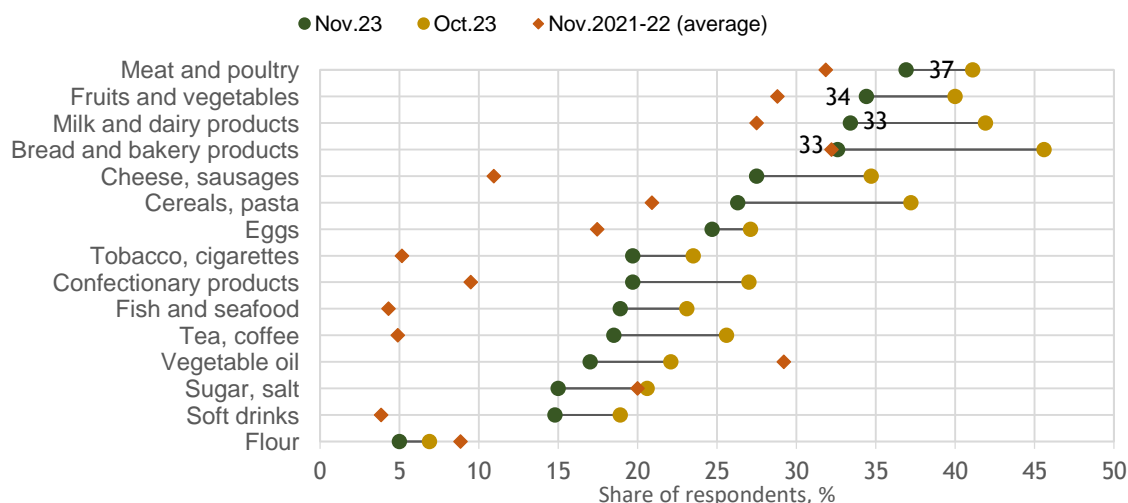
Source: Results of a telephone survey of the population, Fusion Lab

In November 2023, the share of respondents who noted an increase in food prices significantly decreased to 73%. At the same time, the share of those who noted an increase in non-food prices (up to 12%) and paid services (up to 9%) increased.

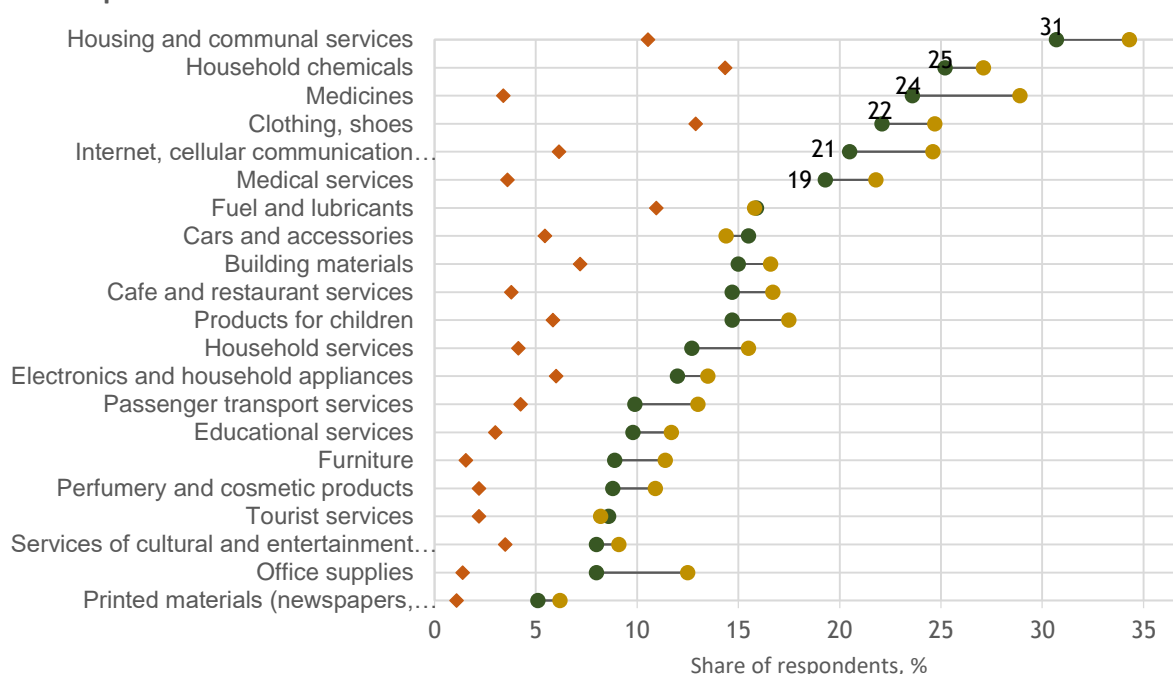
Among the food products, respondents noted an increase in prices for meat, dairy and bakery products, as well as fruits and vegetables. Among paid services, respondents most noticed an increase in the cost of housing utility services, Internet and mobile services, and medical services. In the structure of non-food products, the population noted an increase in the cost of household chemicals, medicines, as well as clothing and shoes (Figure 2).

Figure 2. Frequently mentioned goods and services

Food products



Non-food products and services



Source: Results of a telephone survey of the population, FusionLab

Consumer sentiments

The consumer sentiment index in November 2023 decreased to 106.8 (in October 2023 – 108.8) (figures 3,4,5).

In particular, the assessment of the country's development prospects in the coming year decreased (by 4.1 points) however the assessment of the country's development prospects in 5 years increased (by 3.1 points). Moreover, the assessment of personal financial situation in a year insignificantly decreased (by 0.2 points).

In the assessments of the current situation, the assessment of personal financial situation over the past year decreased (by 5.0 points) as well as the readiness for large purchases (by 3.6 points).

Figure 3. Index² of Consumer Sentiment

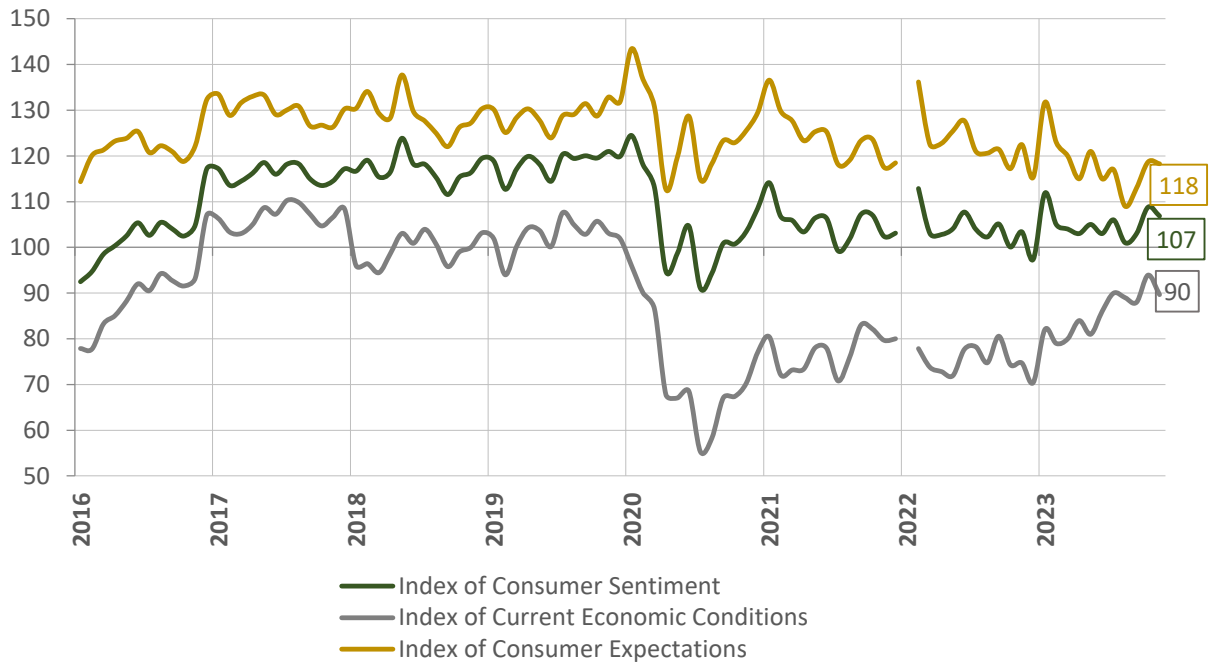


Figure 4. Consumer Expectations

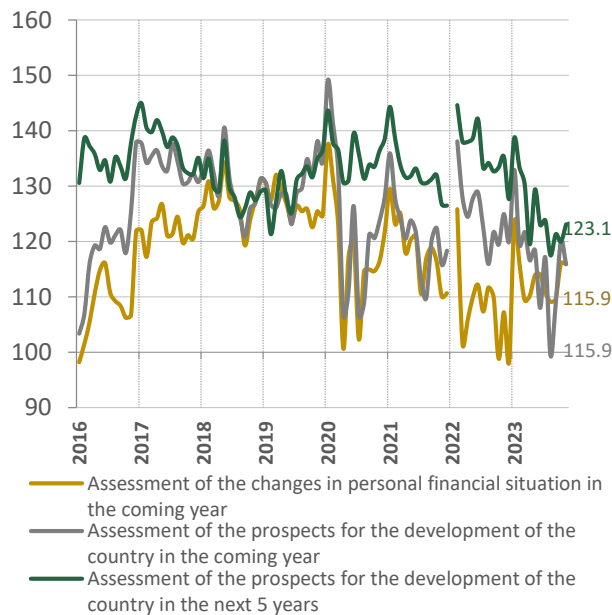
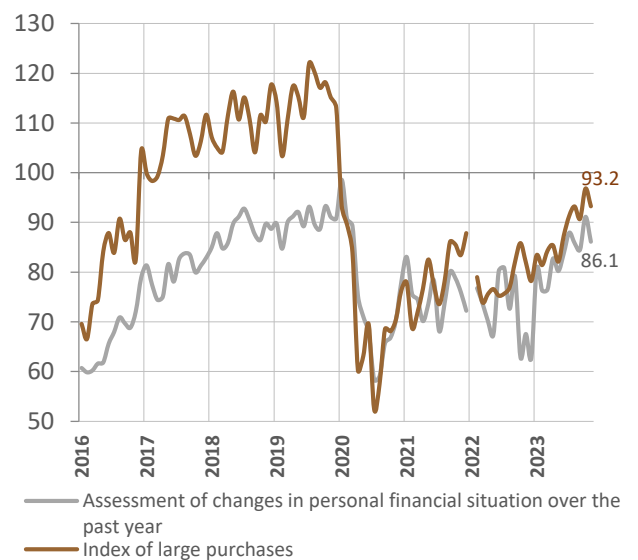


Figure 5. Current Conditions



Source: Results of a telephone survey of the population of Kazakhstan, FusionLab

NOTES

1 A quantitative assessment of inflation expectations/median estimates for January 2022 has not been published, because the results of the survey in January 2022 were influenced by January events in the country, which affected the smaller sample size and incompatibility with previous data

Median estimate of perceived inflation based on the survey results: How much exactly do you think the prices of goods and services have increased over the past 12 months? Median estimate of expected inflation based on the question: How much exactly do you think prices for goods and services will rise in the next 12 months?

2 Consumer sentiment index - The average value of private indices:

- changes in personal financial situation over the past year;
- changes in personal financial situation in the coming year;
- prospects for the development of the country in the coming year;
- prospects for the development of the country in the next 5 years;
- large purchases.

Current status index - The average value of private indices:

- changes in personal financial situation over the past year;
- the index of large purchases.

Consumer expectations index - The average value of private indices:

- changes in personal financial situation in the coming year;
- prospects for the development of the country in the coming year;
- prospects for the development of the country in the next 5 years.

The numerical value represents the balance of responses, which is calculated as the difference between the proportion of positive and negative responses + 100. Index values can vary from 0 to 200. A value above 100 indicates the predominance of positive estimates, below 100 – negative estimates.