



Inflation Expectations

March 2024

- Inflation expectations of households decreased slightly in March 2024
- Consumer sentiment improved due to an increase in the assessment of personal financial situation in a year, assessments of the country's development prospects

Households' inflation expectations

In March 2024, the median estimate¹ of expected inflation in the next 12 months decreased to 14.2% (February 2024 – 14.6%). At the same time, the median estimate of perceived inflation over the past 12 months has decreased to 14.6% (16.3%) (Figure 1).

According to the survey results, the proportion of respondents who expect a faster price increase has been decreasing gradually this year (25% in March this year compared with 27% in December 2023).

Figure 1. Inflation and median estimates, %



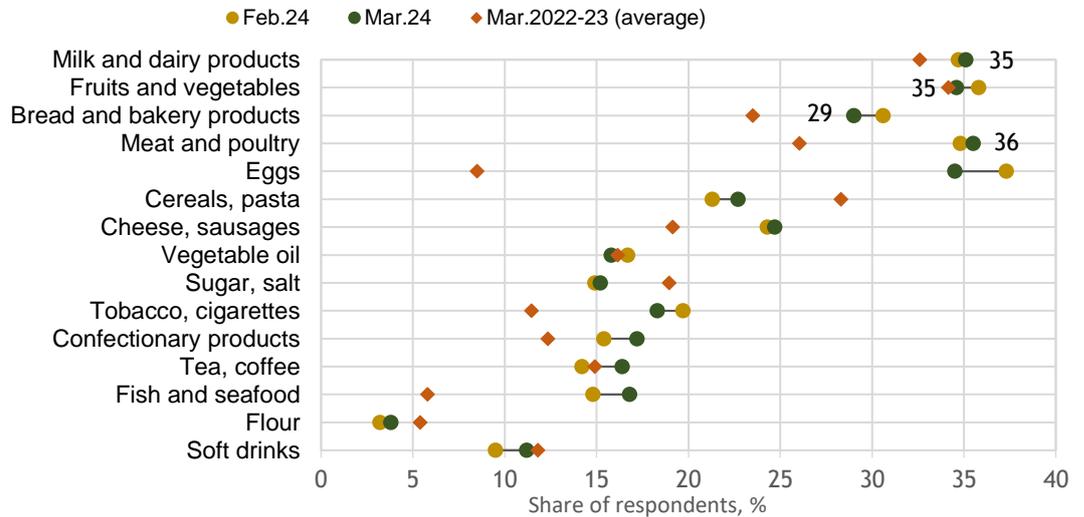
Source: Results of a telephone survey of the households, Fusion Lab

In March 2024, the share of respondents who noted an increase in food prices rose slightly to 77%. At the same time, the share of uncertainty in the responses increased to 7% (in February – 5%).

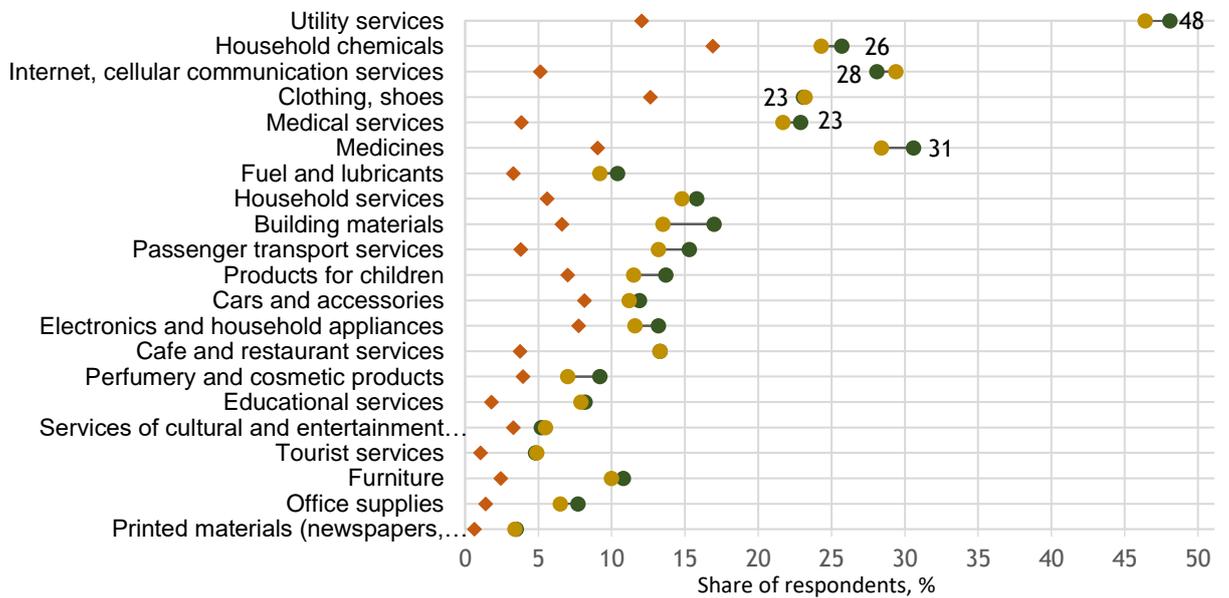
Among the food products, respondents noted an increase in prices for dairy, meat products, bread and bakery products, as well as fruits and vegetables. In the structure of non-food products, the population noted an increase in the prices of household chemicals, clothing and footwear, as well as medicines. Among paid services, respondents noticed mostly an increase in the prices of housing and communal services, Internet and cellular communications, and medical services (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 sentiment

The consumer sentiment index rose to 109 in March 2024 (108 in February 2024) (Figures 3,4,5). In particular, the assessment of the country's development prospects in the coming year has increased (by 1.2 points), the assessment of the country's development prospects in 5 years has decreased (by 3.5 points). The assessment of personal financial situation in a year has also increased (by 2.5 points).

In the estimates of the current situation, the assessment of personal financial situation over the past year has slightly increased (by 1.3 points), along with readiness for large purchases (by 6.6 points).

Figure 3. Index of Consumer Sentiment ²

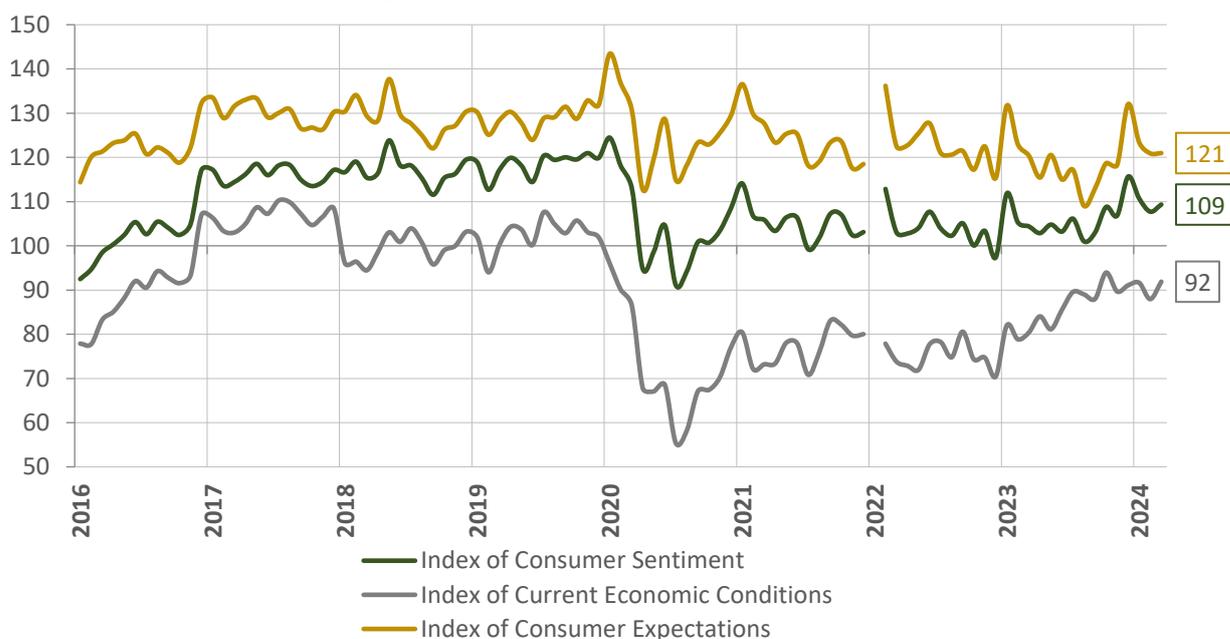


Figure 4. Consumer Expectations

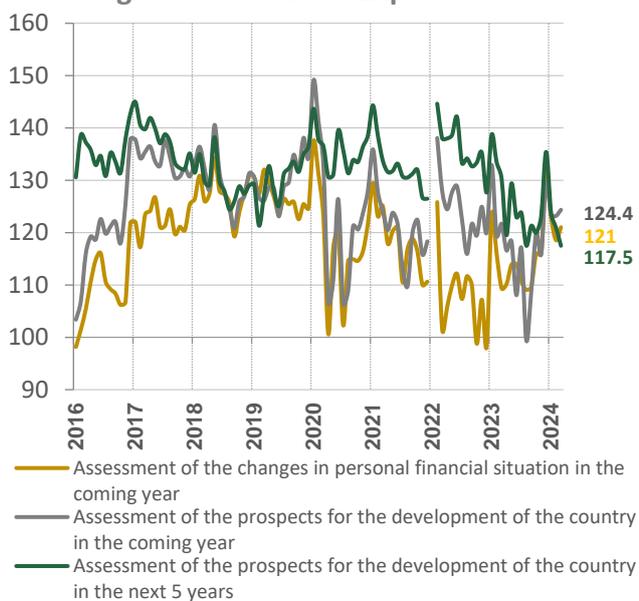
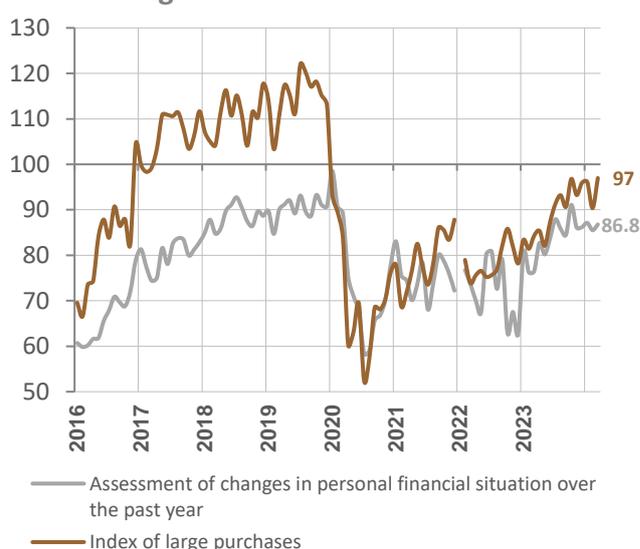


Figure 5. Current Conditions



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.