



NATIONAL BANK OF KAZAKHSTAN

# INFLATION TRENDS

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March **2022**

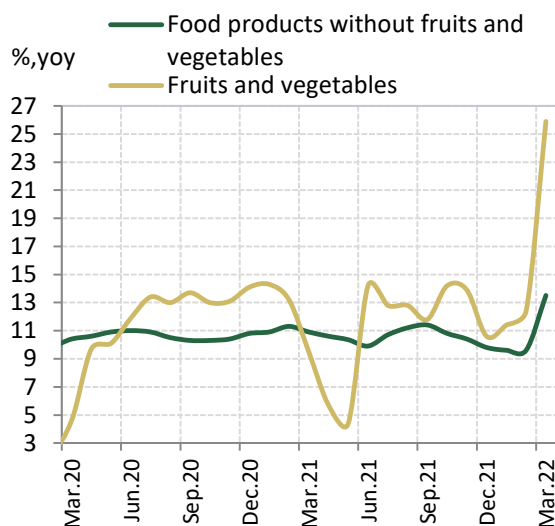
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In March 2022, monthly inflation was 3.7%, annual inflation continued to accelerate and amounted to 12%. There is an acceleration in price growth for all components of inflation

In March 2022, consumer prices rose by 3.7%, showing the highest level for this month since 1996, in annual terms there was an acceleration in price growth to 12% (in February 2022 – 8.7%).

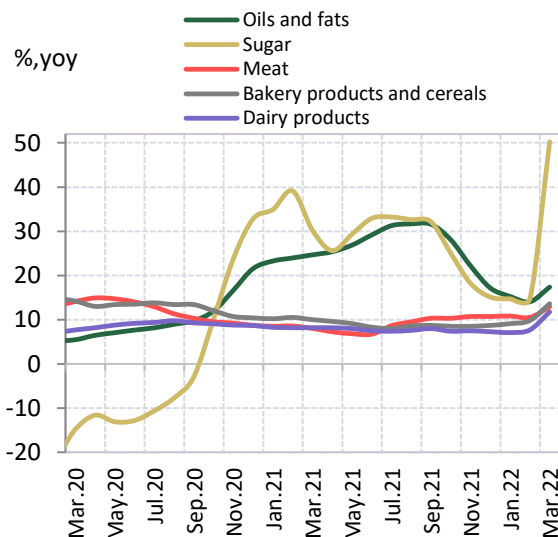
The increase in **food** prices in March 2022 accelerated to 15.4% in annual terms (in February 2022 – 10%). Prices for bakery products and cereals continued to rise, which began in November 2021, due to the low harvest of grain crops and high world prices. Along with this, the growth of prices for oils and fats, dairy products and meat accelerated. The high demand contributed to the acceleration of the growth of prices for sugar. A significant contribution to the acceleration of price growth was made by the rise in the price of fruits and vegetables, while among vegetables there was a significant increase in prices for cabbage, onion, carrots, tomatoes and potatoes.

Graph 1. Food inflation



Source: ASPR RK BNS

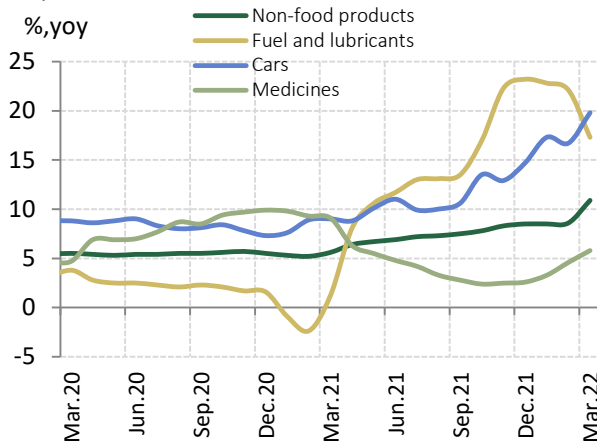
Graph 2. Food inflation



Annual **non-food** inflation accelerated to 10.9% in March 2022 (8.6% in February 2022). The weakening of the exchange rate affected the growth of prices for almost all groups of goods. The cost of cars has increased amid a shortage of microchips. The growth of prices for clothes and shoes and medicines accelerated due to the increase in import prices.

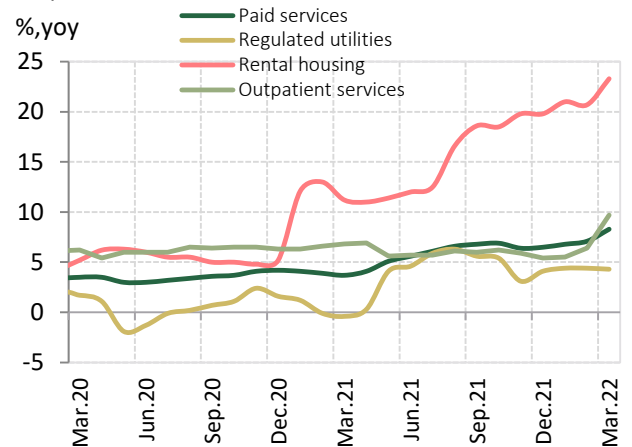
The annual growth rate of prices for **paid services** in March 2022 accelerated to 8.3% (in February 2022 – 7.1%). Rental prices for housing have increased due to higher demand and an increase in the price of real estate. At the same time, prices for outpatient services have increased. The lifting of quarantine restrictions led to a recovery in demand and, accordingly, an increase in prices for hairdressing services, services in the field of culture and recreation, restaurants and hotels.

Graph 3. Non-food inflation



Source: ASPR RK BNS

Graph 4. Paid services

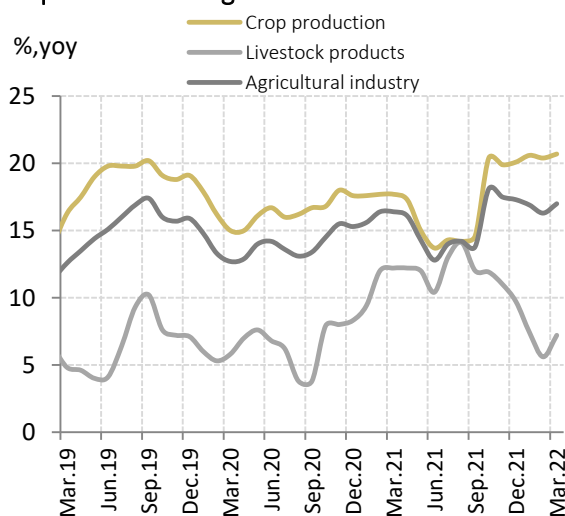


### Acceleration of producer price growth in manufacturing and agriculture

In March 2022, the growth of producer prices in the manufacturing industry accelerated to 23.3% (in February 2022 – 21%). In the structure of food products, where the price growth in annual terms amounted to 16.5%, the price growth of meat and dairy producers accelerated due to the rise in the cost of fuel, electricity and fodder crops. The price growth of producers of oils and fats and bakery and pasta products has slowed down.

In agriculture, there was an acceleration in the growth of producer prices to 17% (in February 2022 – 16.3%). In crop production, the growth of prices for cereals and fodder crops accelerated, while the growth of prices for vegetables and melons slowed down. Within livestock production, there was a higher increase in prices for live poultry and raw milk. At the same time, the decline in prices for eggs slowed down.

Graph 5. Prices in agriculture



Source: ASPR RK BNS

Graph 6. Prices in industry

