



Monthly Inflation Review • November, 2020

In November the inflation rate has continued its tendency to growth, due to influence of external and seasonal factors it has reached 1,8% remaining unchanged in comparison with previous month and having increased by 1,2 percentage points (p.p.) in comparison with the similar period of previous year.

The occurred inflation was mainly driven by a rise in prices for food products of 2,7%, non-food products of 0,9% and cost of paid services to the population of 0,2%.

The rise in prices in the structure of food products mainly was observed for consumer goods such as flour of the first grade 5,3%, meat 0,3%, lamb 0,6%, milk 2,1%, cotton oil 12,3%, sunflower oil 13,9%, eggs 12,9%, granulated sugar 2,8%, potatoes 8,0%, tomatoes 7,5% and cucumber 9,9%.

It is necessary to note that in November of current year as in previous month the rise in prices for imported foodstuffs mainly was observed for flour of the first grade (0,4 p.p), cotton oil (0,37 p.p), sunflower oil (0,17 p/p) and eggs (0,18 p.p), their share in the consumer basket has made 14,7%.

During the current year, due to unfavorable weather in producing countries of sugar and vegetable oil (especially in Russia and Ukraine), which negatively affected the harvest of these products; their prices have a tendency to growth in our country.

During January-November of the current year the relative increase in prices for flour, granulated sugar, vegetable oil and eggs was registered not only in the Republic of Tajikistan but also in the main trading partners (Russia, Kazakhstan, Kyrgyzstan and Uzbekistan) (Table is attached).

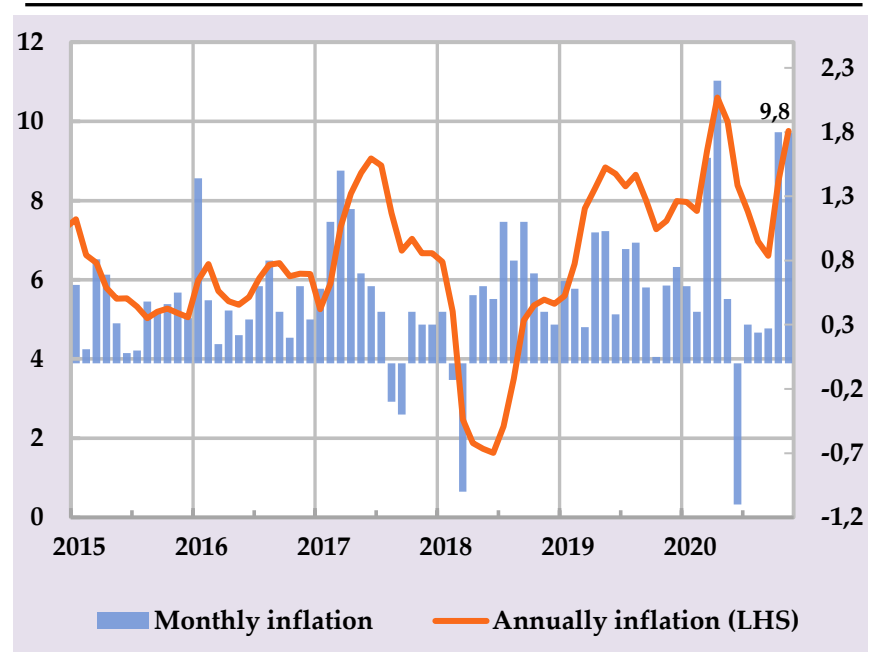
In the structure of non-food products in November of current year it was observed the rise in prices for solid fuel 5,8% (especially stone coal 5,7%), construction materials 0,4%, and washing-up liquids 1,7%.

The rise in prices and tariffs for paid services to population has caused the increase of prices for fuel services by 0,8% (especially liquefied gas 0,8%).

The annual inflation (for last 12 months) in November of current year has demonstrated a growth trend and reached 9,8% that in comparison with the previous month and

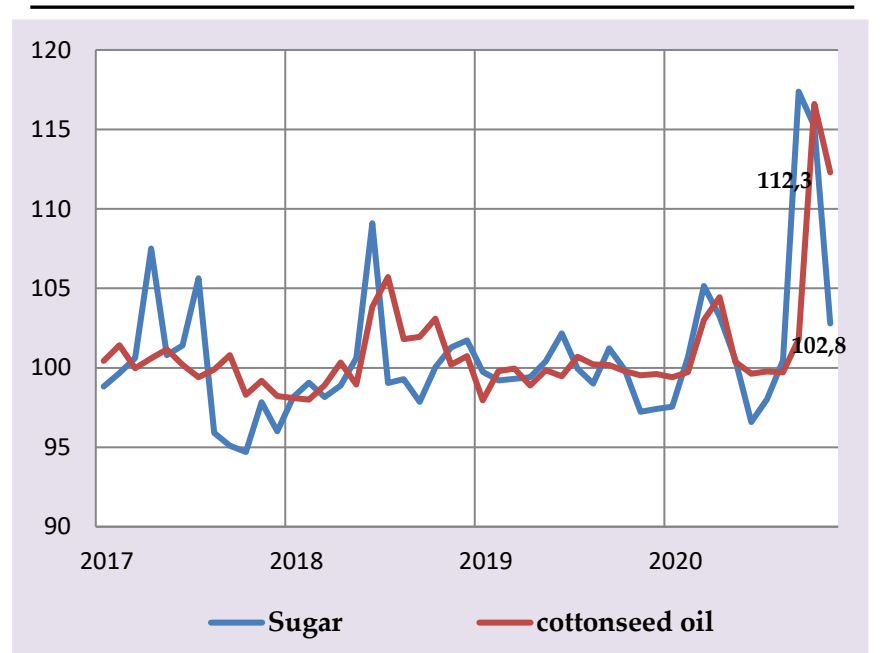
Monthly and annual Inflation, in %

(Source: Agency on Statistic, NBT estimations)



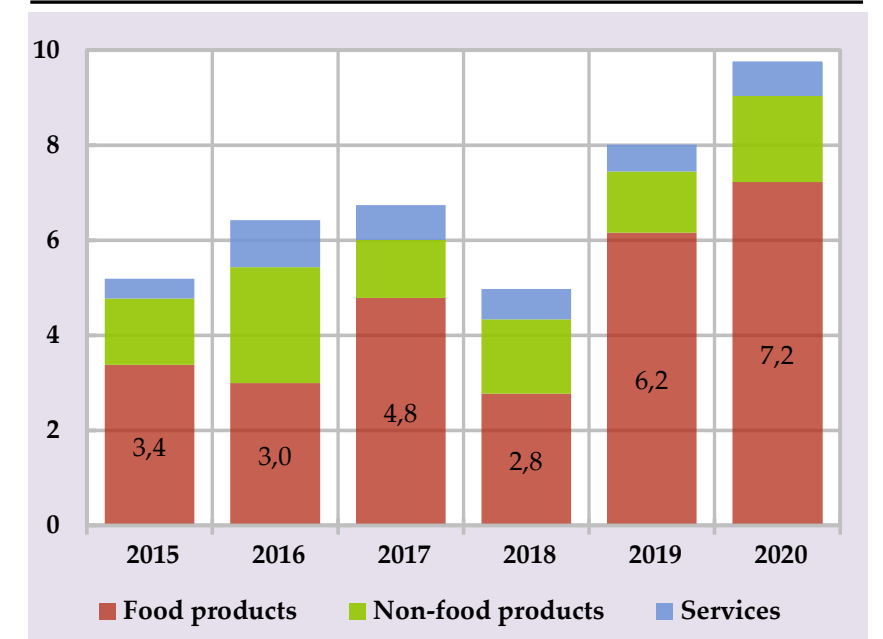
Change of sugar and cotton oil price index in % monthly

(Source: Agency on Statistic, NBT estimations)



Influence of seasonal and external factors on inflation, in %

(Source: Agency on Statistic, NBT estimations)



similar period of last year is more for 1,3 p.p and 2.3 p.p respectively.

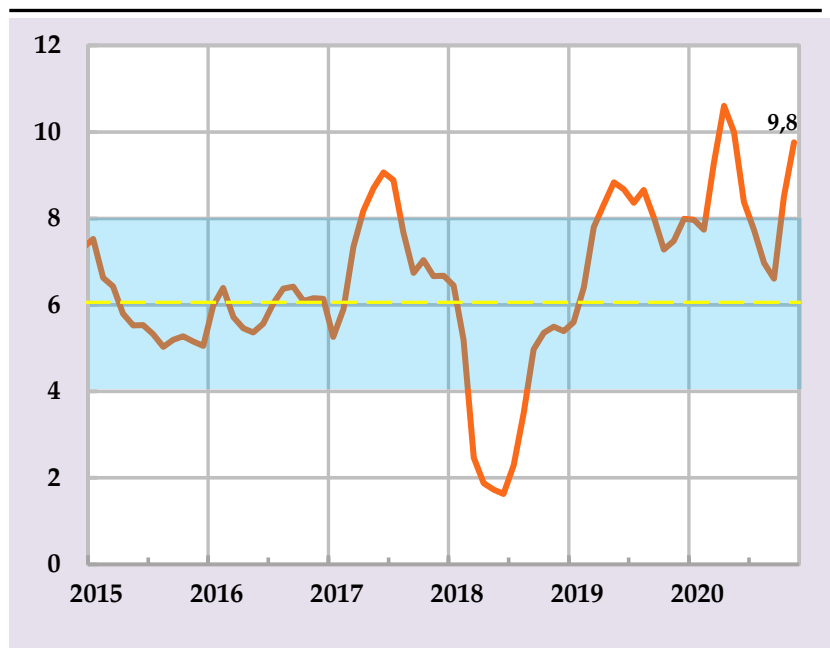
According to the analysis it is expected, that inflation rate behind of targeted indicator mainly was occurred due to the influence of seasonal factors, external pressures and supply factors related to the spread of the coronavirus pandemic (COVID-19), which caused a reduction of supply of foodstuffs (granulated sugar, vegetable oil and rise in its prices in the exporting countries), restriction of international trade, lowering competitiveness in domestic market.

The core inflation rate, viewing monetary factors in November of current year has made 1,0% and in the annual calculation has reached to 4,1 percentage point that in comparison with similar period of last year was more for 1,4 p.p. This process was mainly influenced by a rise in prices for ready food products (such as vegetable oil and ready bakery products).

The National Bank of Tajikistan, with the view of prevention of additional pressure on the inflation rate will continue the implementation of monetary policy through using of monetary instruments.

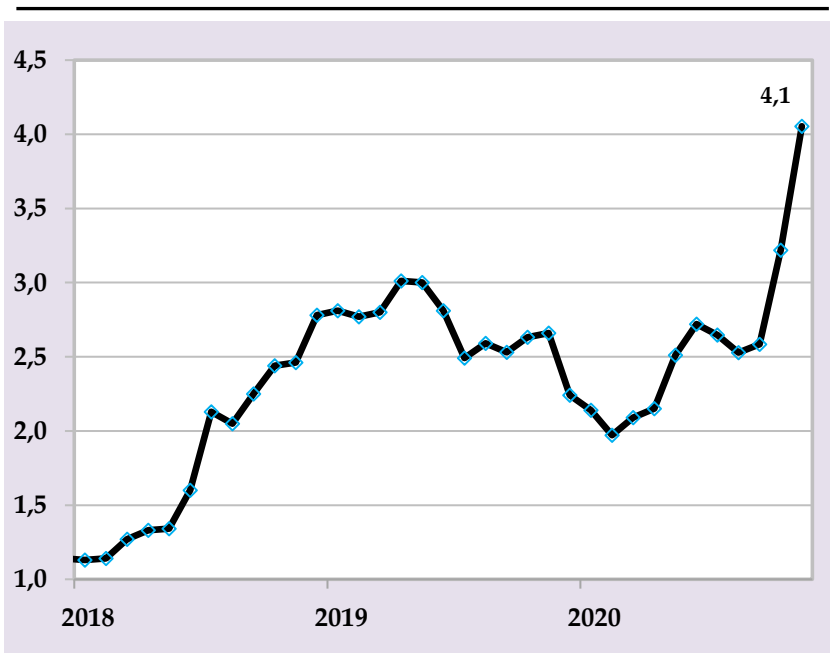
Annual inflation, in %

(Source: Agency on Statistic, NBT estimations)



Core inflation, in %, annual

(Source: Agency on Statistic, NBT estimations)



¹ - according to data of Statistics Agency

Consumer price index (annual change %)*															
	Weight, %	2015	2016	2017	2018	2019				2020					November annual change, %
						March	June	September	December	March	June	September	October	November	
Inflation	100,0	5,1	6,1	6,7	5,4	7,8	8,7	8,1	8,0	9,3	8,4	6,6	8,5	9,8	1,8
Food and non-alcoholic beverages	50,4	3,8	6,4	7,7	4,9	10,2	13,5	11,9	11,4	13,5	12,4	7,6	11,7	14,0	2,9
Bread and bread products	15,3	9,1	-2,5	-0,8	8,9	19,7	18,8	16,1	16,5	13,5	25,3	15,1	11,5	15,0	3,3
Rise	2,6	11,6	-9,2	-6,9	19,5	22,1	24,8	15,3	7,6	4,0	-0,5	-0,4	-1,1	1,1	-2,3
Flour	9,0	7,8	-3,0	0,3	9,9	25,3	22,1	19,7	21,0	17,3	36,7	19,0	14,4	19,4	5,3
Meat and meat products	8,4	-10,2	3,7	13,8	8,6	10,4	18,0	22,9	21,8	20,6	12,3	5,9	6,2	5,5	0,5
Beef	5,3	-14,3	3,2	14,7	8,9	11,4	21,8	27,2	25,9	25,2	14,0	5,7	6,7	5,5	0,3
Eggs	1,4	5,5	12,0	1,0	3,9	6,6	6,0	3,1	6,3	-5,1	-0,1	-2,1	19,5	24,5	12,9
Milk and dairy products	1,7	7,3	0,4	4,4	4,1	3,1	4,8	4,3	6,4	6,7	8,1	7,6	4,2	5,5	1,1
Milk	0,5	16,1	-7,2	6,3	1,3	0,0	2,7	6,7	7,3	11,0	13,0	8,1	6,4	10,7	2,1
Plant and Animal Oil	5,1	12,7	11,3	1,3	9,2	10,4	5,2	0,6	-1,7	0,5	6,4	7,2	21,0	34,8	11,3
Fruit	3,8	12,3	16,7	-1,8	4,0	-4,0	-15,5	-5,4	-2,2	12,1	18,6	11,5	1,0	-3,7	-2,5
Vegetables	7,6	-12,4	16,5	40,2	-10,7	3,7	33,1	15,0	15,4	29,9	3,0	-3,0	15,9	14,4	0,2
Sugar	2,2	19,3	15,0	-6,7	2,7	5,7	-0,6	3,4	-5,1	-0,2	-2,0	13,1	30,5	37,9	2,8
Soft drinks	1,3	13,7	19,9	1,6	2,8	5,1	6,2	6,7	8,1	-0,8	-0,2	-2,1	-2,0	-2,9	0,5
Catering**	1,0	14,9	19,9	2,7	8,0	6,7	8,1	7,3	3,0	3,0	2,9	6,2	5,7	6,0	0,2
Alcoholic beverages and tobacco	2,5	15,9	11,8	6,2	5,4	3,8	3,5	0,9	1,0	1,9	3,2	5,0	4,5	4,4	0,0
Non-food products	30,6	7,9	5,7	4,4	6,4	6,3	4,7	4,1	4,2	5,0	3,9	5,8	5,5	5,9	0,8
Clothes and shoes	10,4	9,2	14,5	9,2	5,6	14,7	13,5	14,4	13,4	4,2	3,8	4,1	4,0	3,8	0,4
Repair and construction materials	4,5	2,2	-0,9	2,4	7,3	6,0	5,2	4,9	4,9	5,5	6,5	8,0	7,6	7,8	0,5
Detergents	1,7	15,5	1,2	4,0	6,2	7,0	9,0	6,3	3,3	2,9	5,0	7,0	8,9	10,3	1,4
Medicine	2,9	24,7	14,1	1,0	10,4	6,4	18,1	10,8	13,0	16,5	11,9	12,6	8,2	8,0	0,4
Petrol vehicles lubrication products	2,1	-7,0	2,9	27,7	12,2	5,4	-10,6	-9,1	-5,7	4,2	-16,5	-1,2	-3,6	-3,1	1,9
Other Heating Products	1,2	19,0	3,0	0,9	-8,4	-5,0	-12,7	-18,0	-9,9	-2,1	-2,7	14,8	18,0	22,5	5,8
Vehicle	1,1	-2,0	0,0	0,0	5,2	8,1	0,4	1,5	0,8	-0,7	2,7	2,8	2,8	3,0	0,2
Other personal effects	1,6	7,6	7,1	8,6	8,3	8,5	4,9	4,1	3,8	2,9	8,4	7,5	8,3	9,5	0,2
Services	15,4	2,2	4,5	7,7	4,9	3,4	1,3	3,7	5,5	4,7	5,0	5,0	4,7	4,7	0,2
Housing and communal	5,4	3,2	9,8	17,5	10,8	12,3	3,2	15,7	9,1	11,0	7,5	4,9	3,5	3,2	0,2
Rental of property	0,2	14,3	0,0	0,0	5,0	6,5	3,3	2,9	2,8	1,3	1,3	2,8	3,4	3,4	0,0
Water and garbage collection fee	0,7	20,1	5,1	9,1	9,4	8,7	8,2	8,2	4,3	1,1	0,6	0,6	0,6	0,6	0,0
Electricity	3,0	0,0	16,3	14,7	14,9	14,6	14,4	32,9	16,2	16,2	16,2	0,0	0,0	0,0	0,0
Hot water	0,0	14,6	0,0	0,0	1,5	1,5	1,5	1,5	0,6	0,6	0,6	0,6	0,6	0,0	0,0
Gas	1,1	-6,3	3,4	40,1	6,2	14,1	-23,3	-15,8	-5,9	5,9	-9,3	28,1	19,5	16,5	0,8
Transport	4,1	-2,3	-1,4	2,8	2,9	-2,4	-0,2	-8,8	3,7	-1,4	0,9	4,6	3,7	3,8	0,0
communication	1,6	0,8	0,0	1,3	0,1	0,0	0,1	0,2	0,1	0,2	8,5	8,6	8,8	8,9	0,0
Education	1,7	2,6	11,3	5,3	0,3	0,7	0,7	2,0	1,5	1,6	1,6	7,7	9,3	9,3	0,0
Health	0,9	14,0	1,9	1,7	1,3	0,0	0,0	15,4	15,6	15,6	16,0	0,5	0,4	0,4	0,0
Household	1,6	12,3	5,2	1,1	3,3	3,2	3,2	5,3	3,8	4,4	3,1	2,6	4,2	5,2	1,1

*The given name of goods. Products and services in general form or consumer goods. Detailed information about name of goods (on consumer basket from 546 types) which is available on the website of the Statistics Agency under the President of the RT.

** - The dining room, café and restaurant

Comparison of inflation rates between main trading partners* (percentage)

Indicator	Tajikistan		Kazakhstan		Kyrgyzstan		Uzbekistan		Russia	
	Jan-Nov 2020	Annual (November 2020)	Jan- Nov 2020	Annual (November 2020)	Jan- Nov 2020	Annual (November 2020)	Jan- Nov 2020	Annual (November 2020)	Jan- Nov 2020	Annual (November 2020)
Inflation	8,9	9,8	6,5	7,3	7,2	8,2	9,5	11,3	4,1	4,4
of which:										
Food product	12,5	13,4	9,6	10,8	13,2	15,0	12,6	16,3	5,1	5,8
of which:										
1 st grade wheat flour	20,6	19,4	15,3	17,6	18,2	20,2	13,5	-	-	-
vegetable oil	36,4	34,9	23,1	22,9	36,3	-	28,1	-	23,8	23,8
Sugar	41,6	37,9	29,6	23,8	29,5	26,5	18,5	-	71,5	65,2
Vegetable	19,3	24,5	13,1	16,6	13,0	-	33,0	-	1,7	8,1
of which:	8,9		9,8		6,5		7,3		7,2	
potato										
onion	12,5	13,4	9,6	10,8	13,2	15,0	12,6	16,3	5,1	5,8
carrot										

*source: countries' official statistics