



Monthly Inflation Review • April, 2021

The inflation rate in April 2021 amounted to 0.7%, which is 1.5 percentage points (p.p.) less in comparison with the same month of last year.

Prevailing inflation rate mainly resulted from increase in prices for food items by 1.1% (share to inflation 0.6 p.p.), non-food items 0.4% (0.1 p.p.) and price for paid services to population 0.1% (with a small share).

In food items sector, the average increase in prices for consumer goods, such as beef by 6.7%, mutton 9.3%, chicken 4.8%, cottonseed oil 10.1%, sunflower oil 14.6%, cabbage 3.0% and carrot 11.4% was observed and this resulted from external and seasonal factors.

At the same time, decrease in the average prices for some food items including prices for first-grade flour -1.8%, milk -1.6%, rice -1.7%, eggs -0.1%, onions -0.6%, tomatoes -49.0 % and cucumbers -3.3% was observed.

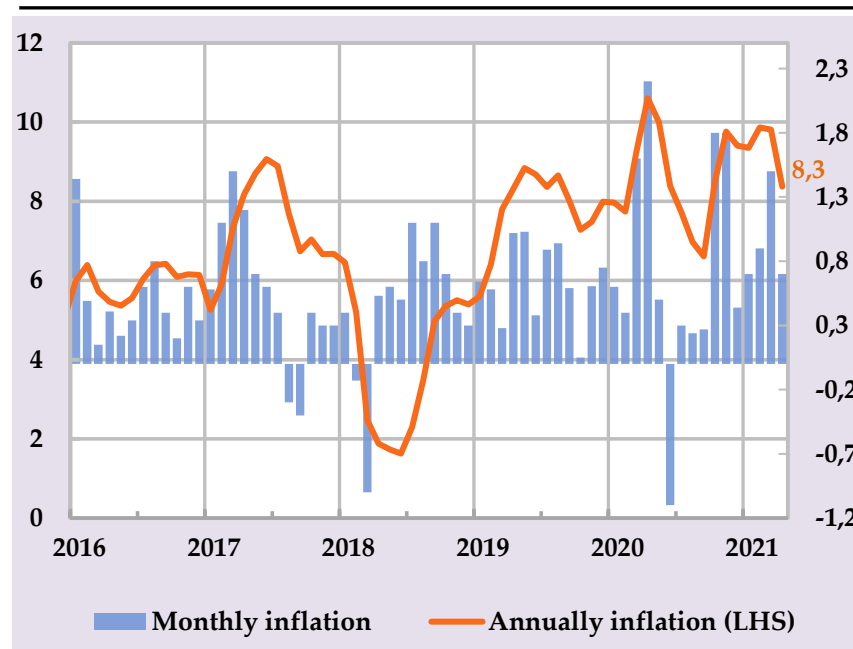
Among non-food items, in April 2021, the average prices for textiles increased by 0.2%, detergents 0.5%, diesel fuel 2.2%, gasoline AI-92 6.4% and liquefied natural gas 1.1%.

Thus, the annual inflation rate in April 2021 amounted to 8.3%, which is 2.3% more than in the same period of last year.

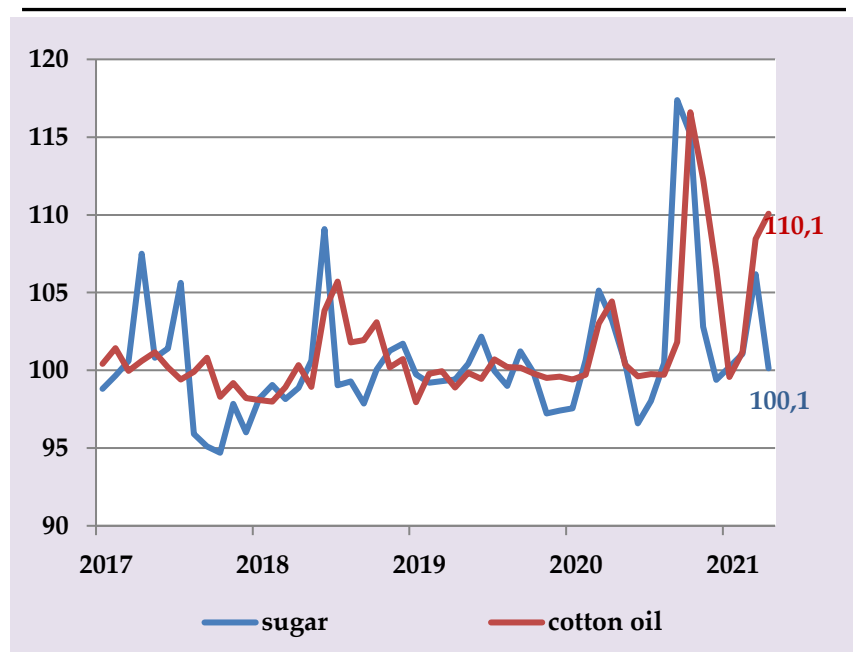
Analyses indicate that seasonal factors, external pressures and supply-side factors related to the COVID-19 pandemic are the main reasons for deviation of inflation from targeted indicator. Additionally, imported goods price volatility in the world markets, recovery of world economy, increase of demand due to rising incomes of population of region and the world, limited international trade and reduced competition in domestic markets led to reduction in the supply of some basic food items in the country (sugar, vegetable oil, etc.).

The core inflation rate, which to some extent reflects monetary factors, amounted to 0.1% in April this year and 2.7% in the annual terms. Recent increase in prices

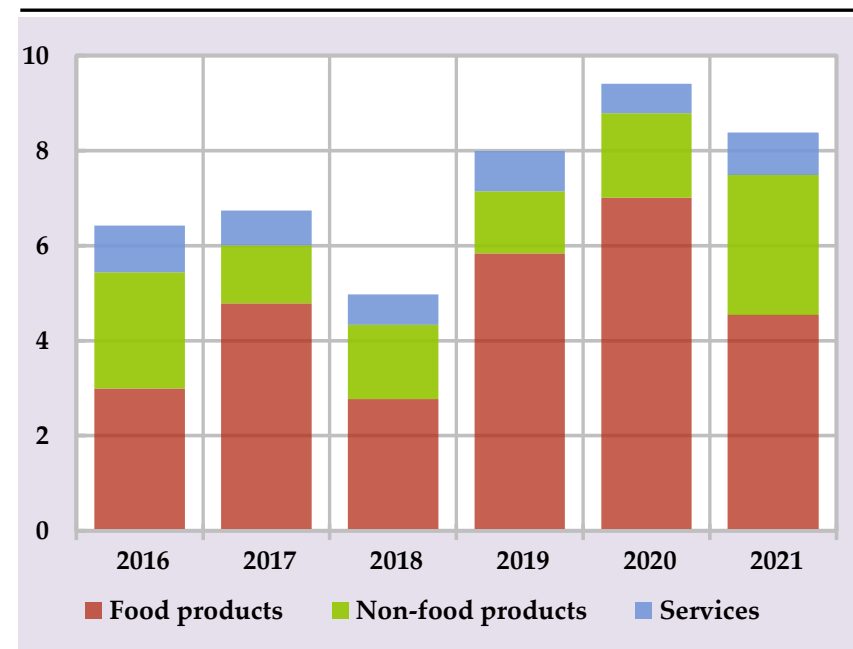
Monthly and annual inflation, in %
(Source: Agency on Statistics, NBT estimations)



Change of sugar and cotton oil price index in %
monthly
(Source: Agency on Statistics, NBT estimations)



Influence of seasonal and external factors on inflation, in %
(Source: Agency on Statistics, NBT estimations)



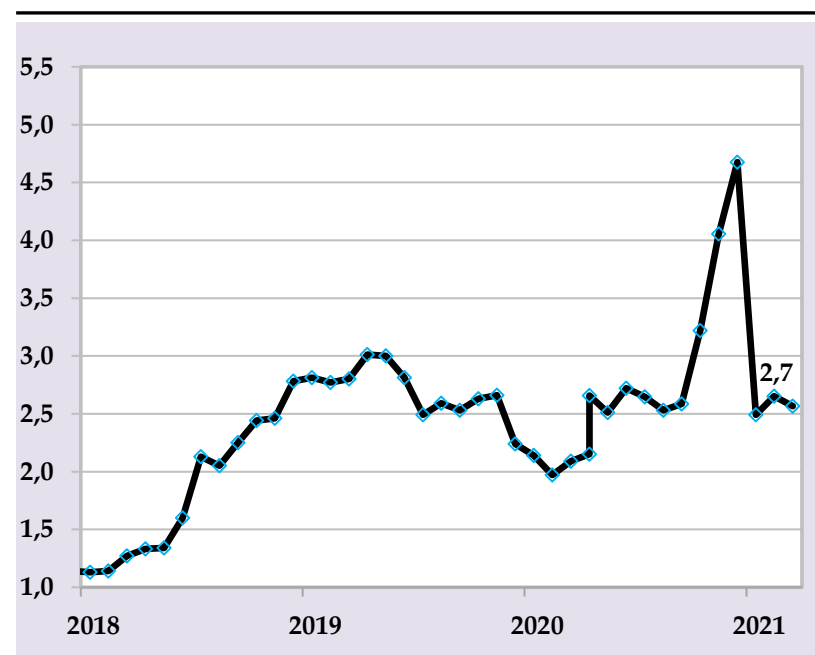
for ready-made food products (such as bakery products) has promoted this process.

The refinancing rate as a key instrument for conducting monetary operations based on the projection of impact of potential risks on the economy, taking into account rising pressures, inflation expectations and medium-term return on the inflation within the target and within the set period. (for the first time on February 5 at 0.25 p.p. and the second time on April 27, 2021 at additional rate of 1.0 p.p.) set at 12.0% per annum.

With the view of regulating money supply in circulation, effectively managing bank liquidity and reducing inflationary pressures in January-April 2021, the National Bank of Tajikistan has attracted overnight deposits in amount of 118.8 billion TJS which is 6.4% more than in the same period of last year. Over this period, 23 auctions were held on NBT securities amounted to TJS 2.4 billion.

The National Bank of Tajikistan, in order to prevent and eliminate additional inflationary pressures will effectively manage the use of monetary instruments and implement a balanced monetary policy.

Annual inflation, in %
(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 | | | | 2021 | | April monthly change, % |
| | | | | | | | March | June | September | December | March | April | |
| Inflation | 100,0 | 5,1 | 6,1 | 6,7 | 5,4 | 8,0 | 9,3 | 8,4 | 6,6 | 9,4 | 9,9 | 8,3 | 0,7 |
| Food and non-alcoholic beverages | 48,1 | 3,8 | 6,4 | 7,7 | 4,9 | 11,4 | 13,5 | 12,4 | 7,6 | 13,5 | 13,5 | 9,0 | 1,2 |
| Bread and bread products | 15,1 | 9,1 | -2,5 | -0,8 | 8,9 | 16,5 | 13,5 | 25,3 | 15,1 | 13,8 | 10,4 | 1,0 | -1,4 |
| Rise | 2,8 | 11,6 | -9,2 | -6,9 | 19,5 | 7,6 | 4,0 | -0,5 | -0,4 | 3,2 | 0,4 | -2,6 | -1,7 |
| Flour | 8,6 | 7,8 | -3,0 | 0,3 | 9,9 | 21,0 | 17,3 | 36,7 | 19,0 | 16,4 | 12,9 | -1,0 | -1,8 |
| Meat and meat products | 7,3 | -10,2 | 3,7 | 13,8 | 8,6 | 21,8 | 20,6 | 12,3 | 5,9 | 5,7 | 9,0 | 15,7 | 6,2 |
| Beef | 3,9 | -14,3 | 3,2 | 14,7 | 8,9 | 25,9 | 25,2 | 14,0 | 5,7 | 6,2 | 9,5 | 16,9 | 6,7 |
| Eggs | 1,5 | 5,5 | 12,0 | 1,0 | 3,9 | 6,3 | -5,1 | -0,1 | -2,1 | 18,9 | 43,2 | 24,3 | -0,1 |
| Milk and dairy products | 1,9 | 7,3 | 0,4 | 4,4 | 4,1 | 6,4 | 6,7 | 8,1 | 7,6 | 4,3 | 5,6 | 11,3 | 3,3 |
| Milk | 0,5 | 16,1 | -7,2 | 6,3 | 1,3 | 7,3 | 11,0 | 13,0 | 8,1 | 5,6 | 10,3 | 13,6 | -1,6 |
| Plant and Animal Oil | 4,6 | 12,7 | 11,3 | 1,3 | 9,2 | -1,7 | 0,5 | 6,4 | 7,2 | 42,3 | 51,5 | 62,4 | 10,2 |
| Fruit | 4,1 | 12,3 | 16,7 | -1,8 | 4,0 | -2,2 | 12,1 | 18,6 | 11,5 | 4,7 | -6,4 | -11,4 | -0,3 |
| Vegetables | 6,8 | -12,4 | 16,5 | 40,2 | -10,7 | 15,4 | 29,9 | 3,0 | -3,0 | 5,8 | 5,5 | -8,1 | -2,7 |
| Sugar | 1,9 | 19,3 | 15,0 | -6,7 | 2,7 | -5,1 | -0,2 | -2,0 | 13,1 | 40,8 | 46,7 | 42,3 | 0,1 |
| Soft drinks | 1,4 | 13,7 | 19,9 | 1,6 | 2,8 | 8,1 | -0,8 | -0,2 | -2,1 | -2,2 | 4,5 | 4,6 | 0,0 |
| Catering** | 1,3 | 14,9 | 19,9 | 2,7 | 8,0 | 3,0 | 3,0 | 2,9 | 6,2 | 5,9 | 5,9 | 5,9 | 0,0 |
| Alcoholic beverages and tobacco | 2,0 | 15,9 | 11,8 | 6,2 | 5,4 | 1,0 | 1,9 | 3,2 | 5,0 | 5,0 | 4,6 | 6,2 | 0,2 |
| Non-food products | 31,8 | 7,9 | 5,7 | 4,4 | 6,4 | 4,2 | 5,0 | 3,9 | 5,8 | 5,8 | 7,6 | 9,2 | 0,3 |
| Clothes and shoes | 11,3 | 9,2 | 14,5 | 9,2 | 5,6 | 13,4 | 4,2 | 3,8 | 4,1 | 4,5 | 4,9 | 4,9 | -0,1 |
| Repair and construction materials | 4,2 | 2,2 | -0,9 | 2,4 | 7,3 | 4,9 | 5,5 | 6,5 | 8,0 | 8,0 | 7,8 | 7,7 | 0,2 |
| Detergents | 2,0 | 15,5 | 1,2 | 4,0 | 6,2 | 3,3 | 2,9 | 5,0 | 7,0 | 10,1 | 9,5 | 10,0 | 0,5 |
| Medicine | 2,9 | 24,7 | 14,1 | 1,0 | 10,4 | 13,0 | 16,5 | 11,9 | 12,6 | 7,8 | 6,6 | 6,2 | -0,2 |
| Petrol vehicles lubrication products | 2,0 | -7,0 | 2,9 | 27,7 | 12,2 | -5,7 | 4,2 | -16,5 | -1,2 | -6,1 | 16,8 | 39,4 | 4,1 |
| Other Heating Products | 1,2 | 19,0 | 3,0 | 0,9 | -8,4 | -9,9 | -2,1 | -2,7 | 14,8 | 14,8 | 12,8 | 24,4 | 0,0 |
| Vehicle | 1,1 | -2,0 | 0,0 | 0,0 | 5,2 | 0,8 | -0,7 | 2,7 | 2,8 | 3,2 | 4,3 | 4,3 | 0,0 |
| Other personal effects | 1,8 | 7,6 | 7,1 | 8,6 | 8,3 | 3,8 | 2,9 | 8,4 | 7,5 | 8,8 | 9,3 | 9,7 | 0,6 |
| Services | 16,7 | 2,2 | 4,5 | 7,7 | 4,9 | 5,5 | 4,7 | 5,0 | 5,0 | 4,0 | 4,1 | 5,3 | 0,1 |
| Housing and communal | 5,7 | 3,2 | 9,8 | 17,5 | 10,8 | 9,1 | 11,0 | 7,5 | 4,9 | 1,8 | 3,7 | 7,2 | 0,2 |
| Rental of property | 0,2 | 14,3 | 0,0 | 0,0 | 5,0 | 2,8 | 1,3 | 1,3 | 2,8 | 6,0 | 4,7 | 4,7 | 0,0 |
| Water and garbage collection fee | 0,8 | 20,1 | 5,1 | 9,1 | 9,4 | 4,3 | 1,1 | 0,6 | 0,6 | 0,0 | 0,2 | 0,2 | 0,0 |
| Electricity | 3,2 | 0,0 | 16,3 | 14,7 | 14,9 | 16,2 | 16,2 | 16,2 | 0,0 | 0,7 | 0,7 | 0,7 | 0,0 |
| Hot water | 0,0 | 14,6 | 0,0 | 0,0 | 1,5 | 0,6 | 0,6 | 0,6 | 0,6 | 0,0 | 0,0 | 0,0 | 0,0 |
| Gas | 1,1 | -6,3 | 3,4 | 40,1 | 6,2 | -5,9 | 5,9 | -9,3 | 28,1 | 4,0 | 14,1 | 36,2 | 0,8 |
| Transport | 4,3 | -2,3 | -1,4 | 2,8 | 2,9 | 3,7 | -1,4 | 0,9 | 4,6 | 3,0 | 1,5 | 1,5 | 0,0 |
| communication | 2,0 | 0,8 | 0,0 | 1,3 | 0,1 | 0,1 | 0,2 | 8,5 | 8,6 | 9,0 | 9,0 | 9,0 | 0,0 |
| Education | 1,8 | 2,6 | 11,3 | 5,3 | 0,3 | 1,5 | 1,6 | 1,6 | 7,7 | 9,3 | 8,8 | 8,8 | 0,0 |
| Health | 1,1 | 14,0 | 1,9 | 1,7 | 1,3 | 15,6 | 15,6 | 16,0 | 0,5 | 0,4 | 0,3 | 0,0 | 0,0 |
| Household | 1,6 | 12,3 | 5,2 | 1,1 | 3,3 | 3,8 | 4,4 | 3,1 | 2,6 | 6,7 | 5,9 | 5,7 | 0,0 |

*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