



### Monthly Inflation Review • March, 2021

In March 2021, inflation rate demonstrated upward tendency and amounted to 1.8%, having increased by 0.2 percentage points (p.p.) compared to the same month of last year.

Prevailing inflation rate was mainly due to increase in prices for food items by 2.4% (+1.3 p.p. to inflation), non-food items by 1.2% (+0.3 p.p.), prices and tariffs for paid services to population 1.1% (0.2 p.p.).

In food items sector, increase in prices for such consumer products as beef by 3.4%, lamb 8.2%, chicken-2.7%, cottonseed oil 8.4%, sunflower oil 6.6%, granulated sugar 6.2% and carrot 63.6% was observed. This growth was due to the influence of seasonal and external factors.

Along with this, decrease was observed in the average price for certain food items, in particular, prices for first grade flour -0.7%, rice -1.1%, eggs-5.2%, onion -8.4% and cabbage -3.3%.

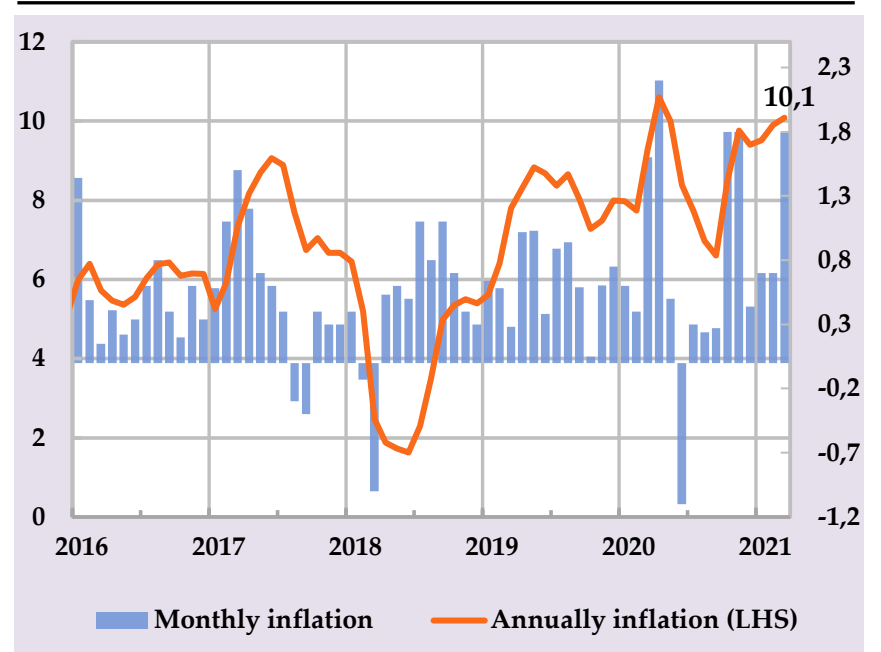
Among non-food items, in March 2021, increase in the average prices of clothing and footwear by 0.3%, diesel fuel by 7.4%, AI-92 gasoline by 18.2%, and liquefied gas by 7.8% was mainly recorded.

**Thus, the annual inflation in March 2021 reached 10.1%, which is 0.8 p.p. more than in the same period of last year.**

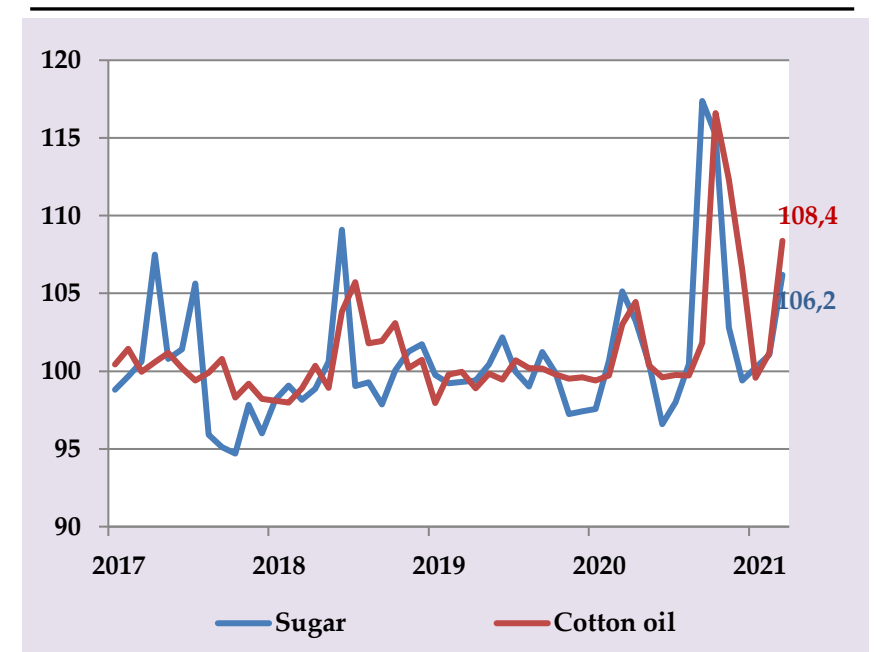
Analyses indicate that increase of the inflation rate beyond the established target was mainly caused by influence of seasonal, external and supply-side pressures associated with spread of the COVID-19 pandemic, as well as volatility in global market prices, which caused decline in supply of the number of basic food items (granulated sugar, vegetable oil and increase in their prices in the exporting countries), international trade restrictions, reduced competitiveness in domestic markets.

The core inflation rate which to some extent reflects monetary factors, amounted to 0.5% in March this year and reached 5.2% on the annual basis, having increased

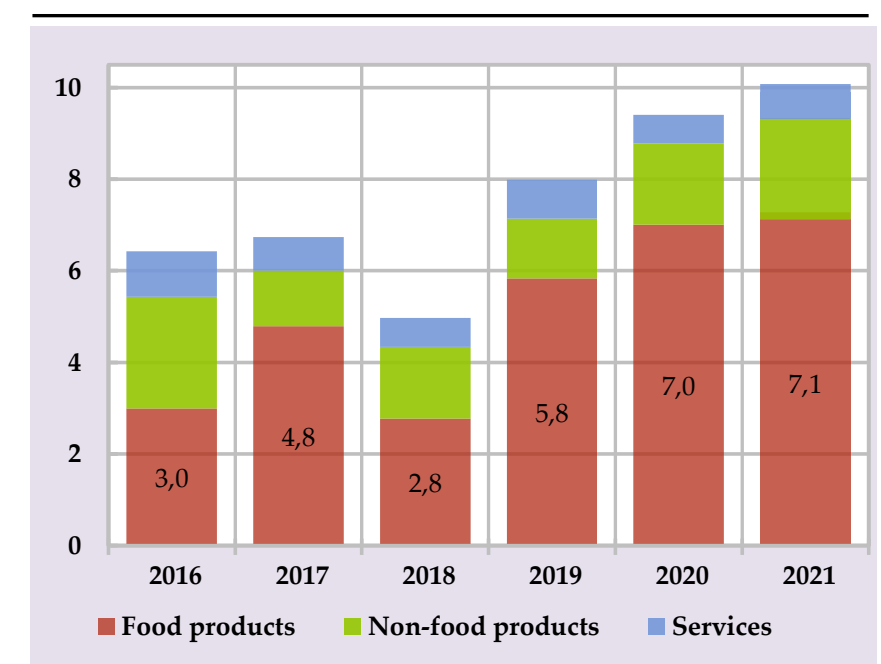
Monthly and annual inflation, in %  
(Source: Agency on Statistics, NBT estimations)



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)



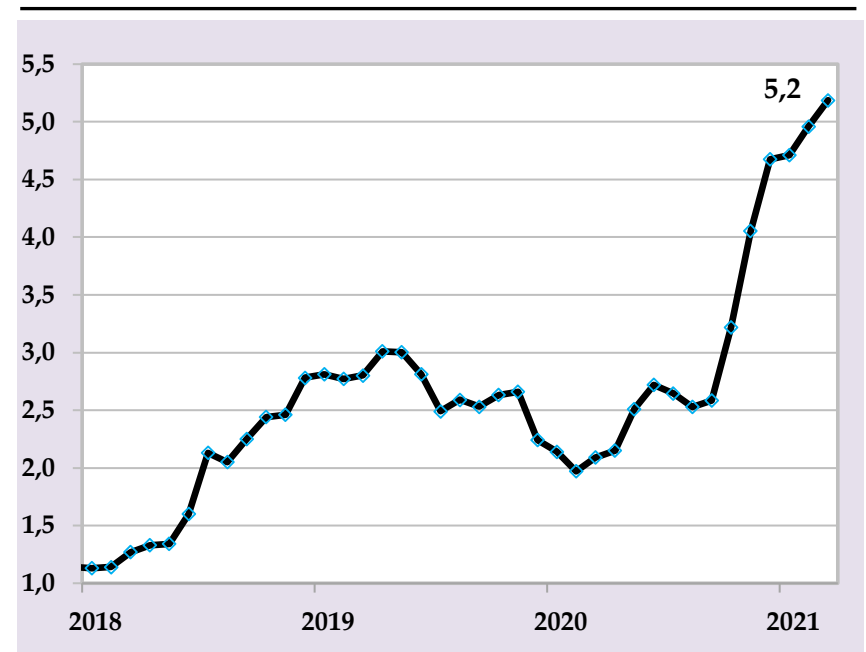
by 3.1 p.p. compared to the same period of last year. This was mainly influenced by increase in prices for finished food products (such as vegetable oil and bakery products).

The refinancing rate which is a key instrument for conducting monetary operations, taking into account the projection of the impact of potential risks on the economy and growing pressures, inflation expectations and inflation returning to the established limit for the medium term, was increased on February 5, 2021 up to 0.25 p.p. and set at 11.0% per annum.

With the purpose of regulating money supply in circulation, effectively managing the liquidity of banks, minimizing exchange rate and inflationary pressures in January-March 2021, the NBT attracted overnight deposits in amount of 89.3 billion TJS, which is 12.3% more compared to the same period of last year. Moreover, over this period, 18 auctions on NBT securities were held for in amount of 2.0 billion TJS.

**In order to prevent additional pressures on the inflation, the National Bank of Tajikistan will continue to implement a balanced monetary policy by using monetary instruments.**

**Annual inflation, in %**  
(Source: Agency on Statistic, NBT estimations)



<sup>1</sup> - according to data of Statistics Agency

Consumer price index (annual change)*														
	Weight, %	2015	2016	2017	2018	2019	2020				2021			March monthly change, %
							March	June	September	December	January	February	March	
<b>Inflation</b>	<b>100,0</b>	<b>5,1</b>	<b>6,1</b>	<b>6,7</b>	<b>5,4</b>	<b>8,0</b>	<b>9,3</b>	<b>8,4</b>	<b>6,6</b>	<b>9,4</b>	<b>9,5</b>	<b>9,9</b>	<b>10,1</b>	<b>1,8</b>
<b>Food and non-alcoholic beverages</b>	<b>50,4</b>	<b>3,8</b>	<b>6,4</b>	<b>7,7</b>	<b>4,9</b>	<b>11,4</b>	<b>13,5</b>	<b>12,4</b>	<b>7,6</b>	<b>13,5</b>	<b>13,7</b>	<b>14,1</b>	<b>13,9</b>	<b>2,5</b>
Bread and bread products	15,3	9,1	-2,5	-0,8	8,9	16,5	13,5	25,3	15,1	13,8	12,8	14,6	10,4	-0,6
Rise	2,6	11,6	-9,2	-6,9	19,5	7,6	4,0	-0,5	-0,4	3,2	2,6	2,8	0,2	-1,1
Flour	9,0	7,8	-3,0	0,3	9,9	21,0	17,3	36,7	19,0	16,4	15,5	18,4	12,9	-0,7
Meat and meat products	8,4	-10,2	3,7	13,8	8,6	21,8	20,6	12,3	5,9	5,7	5,1	6,1	9,7	3,2
Beef	5,3	-14,3	3,2	14,7	8,9	25,9	25,2	14,0	5,7	6,2	5,2	6,0	9,8	3,4
Eggs	1,4	5,5	12,0	1,0	3,9	6,3	-5,1	-0,1	-2,1	18,9	22,9	39,8	43,2	-5,2
Milk and dairy products	1,7	7,3	0,4	4,4	4,1	6,4	6,7	8,1	7,6	4,3	4,6	5,7	5,9	-0,6
Milk	0,5	16,1	-7,2	6,3	1,3	7,3	11,0	13,0	8,1	5,6	8,7	9,3	10,5	-2,7
Plant and Animal Oil	5,1	12,7	11,3	1,3	9,2	-1,7	0,5	6,4	7,2	42,3	42,4	44,3	51,7	6,7
Fruit	3,8	12,3	16,7	-1,8	4,0	-2,2	12,1	18,6	11,5	4,7	1,7	-4,3	-7,0	1,8
Vegetables	7,6	-12,4	16,5	40,2	-10,7	15,4	29,9	3,0	-3,0	5,8	8,4	6,4	6,7	8,3
Sugar	2,2	19,3	15,0	-6,7	2,7	-5,1	-0,2	-2,0	13,1	40,8	44,6	45,1	46,6	6,2
Soft drinks	1,3	13,7	19,9	1,6	2,8	8,1	-0,8	-0,2	-2,1	-2,2	4,1	3,6	4,9	0,0
<b>Catering**</b>	<b>1,0</b>	<b>14,9</b>	<b>19,9</b>	<b>2,7</b>	<b>8,0</b>	<b>3,0</b>	<b>3,0</b>	<b>2,9</b>	<b>6,2</b>	<b>5,9</b>	<b>5,9</b>	<b>5,9</b>	<b>5,9</b>	<b>0,0</b>
<b>Alcoholic beverages and tobacco</b>	<b>2,5</b>	<b>15,9</b>	<b>11,8</b>	<b>6,2</b>	<b>5,4</b>	<b>1,0</b>	<b>1,9</b>	<b>3,2</b>	<b>5,0</b>	<b>5,0</b>	<b>5,1</b>	<b>5,7</b>	<b>4,5</b>	<b>0,2</b>
<b>Non-food products</b>	<b>30,6</b>	<b>7,9</b>	<b>5,7</b>	<b>4,4</b>	<b>6,4</b>	<b>4,2</b>	<b>5,0</b>	<b>3,9</b>	<b>5,8</b>	<b>5,8</b>	<b>6,1</b>	<b>6,8</b>	<b>7,4</b>	<b>1,2</b>
Clothes and shoes	10,4	9,2	14,5	9,2	5,6	13,4	4,2	3,8	4,1	4,5	4,6	5,1	5,0	0,3
Repair and construction materials	4,5	2,2	-0,9	2,4	7,3	4,9	5,5	6,5	8,0	8,0	9,0	9,1	7,7	0,1
Detergents	1,7	15,5	1,2	4,0	6,2	3,3	2,9	5,0	7,0	10,1	9,7	9,8	9,2	0,5
Medicine	2,9	24,7	14,1	1,0	10,4	13,0	16,5	11,9	12,6	7,8	7,0	7,7	8,4	0,6
Petrol vehicles lubrication products	2,1	-7,0	2,9	27,7	12,2	-5,7	4,2	-16,5	-1,2	-6,1	-1,8	4,4	16,9	12,6
Other Heating Products	1,2	19,0	3,0	0,9	-8,4	-9,9	-2,1	-2,7	14,8	14,8	13,9	9,4	8,3	-2,3
Vehicle	1,1	-2,0	0,0	0,0	5,2	0,8	-0,7	2,7	2,8	3,2	1,9	3,1	2,9	0,0
Other personal effects	1,6	7,6	7,1	8,6	8,3	3,8	2,9	8,4	7,5	8,8	8,8	10,0	9,5	0,2
<b>Services</b>	<b>15,4</b>	<b>2,2</b>	<b>4,5</b>	<b>7,7</b>	<b>4,9</b>	<b>5,5</b>	<b>4,7</b>	<b>5,0</b>	<b>5,0</b>	<b>4,0</b>	<b>3,8</b>	<b>3,5</b>	<b>4,5</b>	<b>1,2</b>
Housing and communal	5,4	3,2	9,8	17,5	10,8	9,1	11,0	7,5	4,9	1,8	2,0	3,1	4,3	1,6
Rental of property	0,2	14,3	0,0	0,0	5,0	2,8	1,3	1,3	2,8	6,0	5,7	4,7	4,7	0,0
Water and garbage collection fee	0,7	20,1	5,1	9,1	9,4	4,3	1,1	0,6	0,6	0,0	0,0	0,0	0,0	0,0
Electricity	3,0	0,0	16,3	14,7	14,9	16,2	16,2	16,2	0,0	0,7	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	0,0
Gas	1,1	-6,3	3,4	40,1	6,2	-5,9	5,9	-9,3	28,1	4,0	5,3	10,8	17,3	7,8
Transport	4,1	-2,3	-1,4	2,8	2,9	3,7	-1,4	0,9	4,6	3,0	2,0	-0,5	1,5	2,0
communication	1,6	0,8	0,0	1,3	0,1	0,1	0,2	8,5	8,6	9,0	9,0	9,0	9,0	0,0
Education	1,7	2,6	11,3	5,3	0,3	1,5	1,6	1,6	7,7	9,3	8,7	8,8	8,8	0,0
Health	0,9	14,0	1,9	1,7	1,3	15,6	15,6	16,0	0,5	0,4	0,3	-0,4	-0,4	0,0
Household	1,6	12,3	5,2	1,1	3,3	3,8	4,4	3,1	2,6	6,7	7,0	7,2	6,8	0,3

\*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