



Monthly Inflation Review • March 2020

The inflation rate¹ in March, 2020 has made 1,6%, the given indicator in comparison with the previous month and same month of last year was more on 1,2% (p.p.) and 1,3% accordingly.

For the reporting month a rise in prices for food products has mad on 2,6% (share to inflation 1,4 p.p.), non-food production - 0,6% (0,2 p.p.) and costs of paid services to the population - 0,2% (slight share) and have basically influenced the inflation rate.

In the structure of food products a rise in prices for such consumer goods of population as wheat flour of the first grade (4,1% m/m²), cotton oil (3,0% m/m), rice (1,5% m/m), lamb (1,2% m/m), granulated sugar (5,1% m/m), apples (8,8% m/m), pear (2,7% m/m), cabbage (2,1% m/m), potatoes (15,7% m/m), onions (13,8% m/m), tomatoes (6,2% m/m) and cucumbers (2,6% m/m) was observed.

One of the reasons of rise in prices for wheat flour of the first grade in the country was an outbreak of pandemic coronavirus (COVID-19) in the world, introduction of quantitative restriction and exchange downside in the wheat exporting countries. Since domestic production of wheat does not fully meet the population's demand, annually approximately 1,0 million tons of wheat (2019) has been purchased and imported to the country.

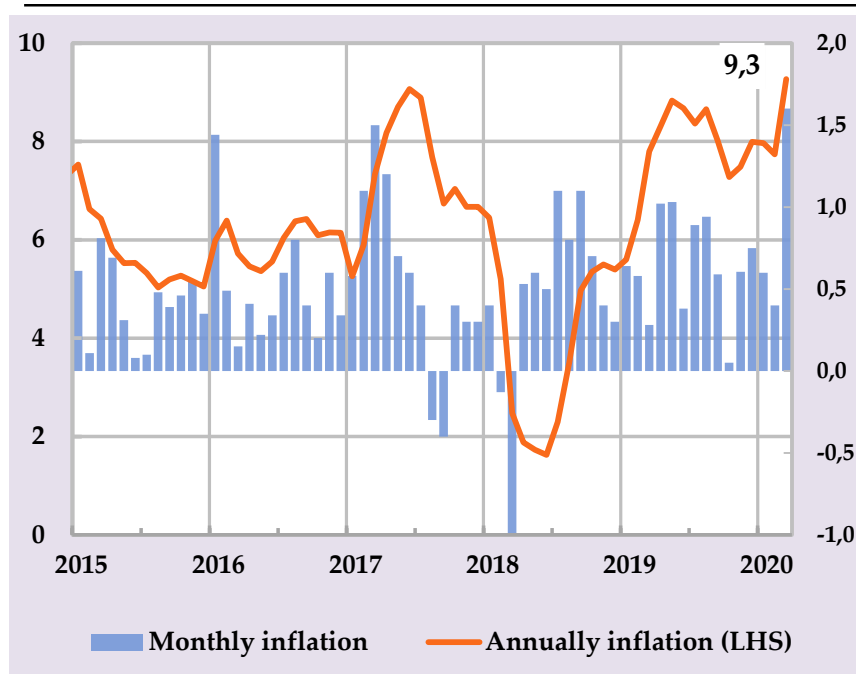
As a result, like in the previous month, the insufficiency (deficiency) of agricultural products of home production (including vegetables) and import of this production from the countries - trading partners at higher prices for ensuring the needs of home market has caused a rise in its price in March of current year.

It is worth to note that the relative rise in prices for vegetables was observed not only in the Republic of Tajikistan, but also in such countries - key trading partner-countries as Russia, Kazakhstan, Kyrgyzstan and Uzbekistan.

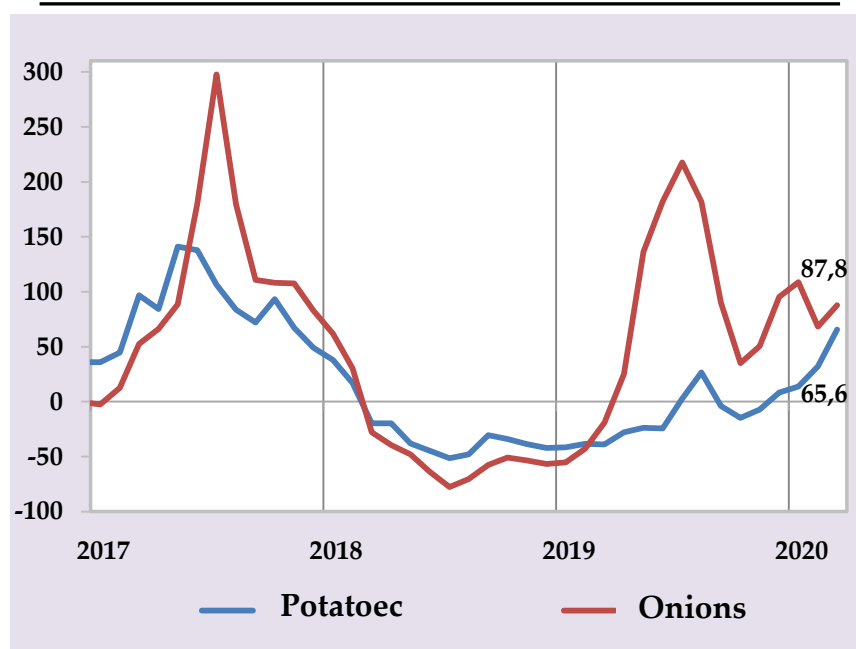
The given process has mainly occurred because of increase of world countries' population panic connected with insufficient or limited food stocks in their countries and promoted for sudden enhancement of needs for food and rise of prices.

On the other hand, prices for some consumer basket's products, in particular, the prices for meat (-0,2% m/m),

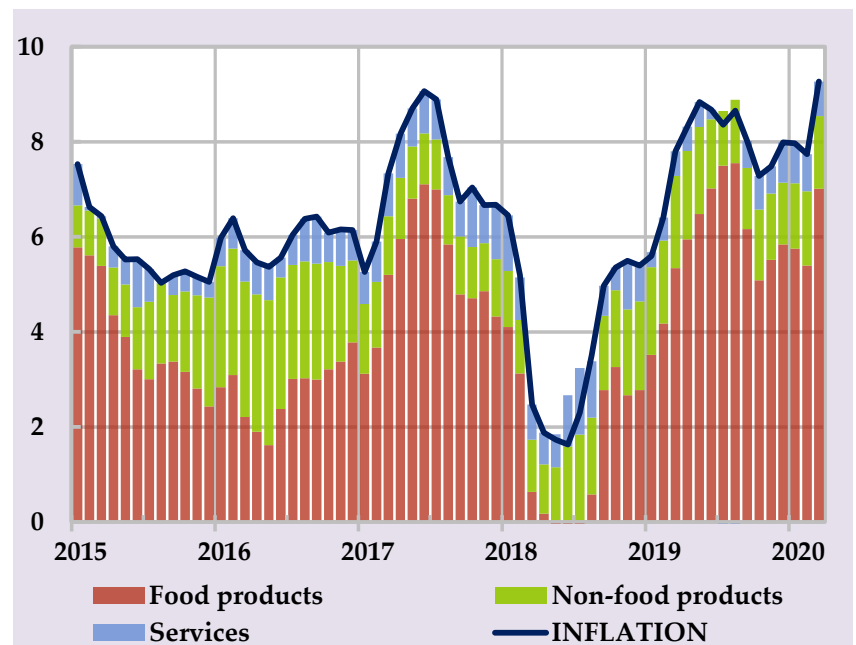
Monthly and annual Inflation, in %
(Source: Agency on Statistic, NBT estimations)



Contribution of Components to Inflation, in %, annual
(Source: Statistical Agency, NBT calculations)



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



carrots (-5,0% m/m), chicken meat (-2,5% m/m) and eggs (-10,4% m/m) had downward trend.

In the structure of non-food products in March of the current year basically a rise in prices for washing liquids - 1,0%, liquid gas - 1,9% and textile products - 0,4% was observed.

The prices and tariffs for paid services to population had also a stable upward trend and made 0,2% that basically has occurred due to rise in prices for housing-and-municipal services 0,4%.

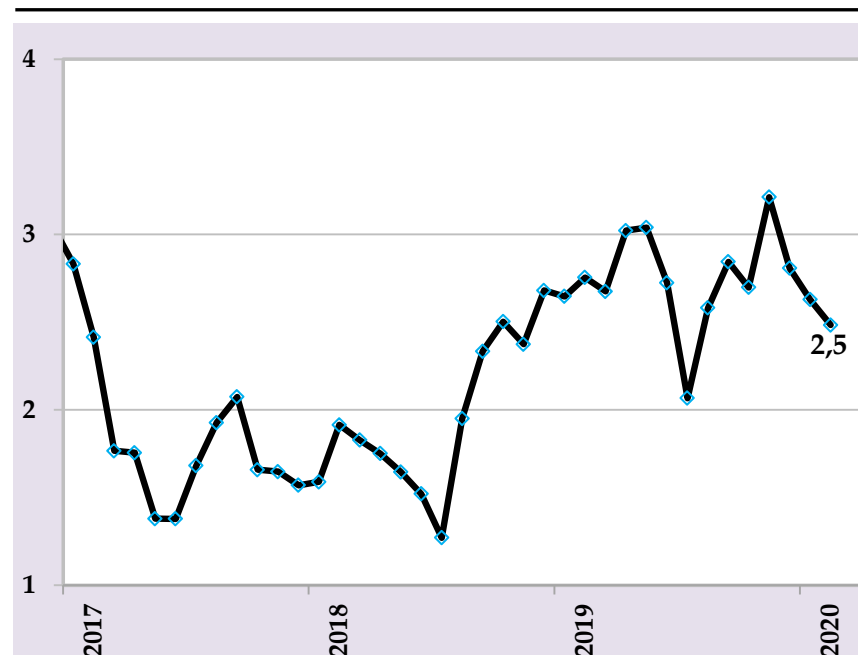
The annual inflation (for last 12 months) in March of current year has made 9,3% that in comparison with the last month and same month of last year is more on 1,5 p.p..

According to the analysis the basic factors influenced this process and increasing inflation rates behind the limits of forecast 6% (± 2), mainly was decrease of supply of some basic foodstuffs, limits set on goods transfer through borders of countries-trading partners and outbreak of pandemic coronavirus (COVID-19) in the world.

The core inflation rate, reflecting monetary factors, in March of current year has made 0,4% and in the annual calculation has made 2,6% that certifies the limitation of influence of monetary factors on the inflation rate.

The National Bank of Tajikistan, with the view of prevention of additional pressure on the inflation rate will continue realization of monetary policy for holding of price level changes analysis and use of monetary and exchange rate tools.

Core inflation, in %, annual
(Source: Agency on Statistic, NBT estimations)



¹ - according to data of Statistics Agency
² - m/m – month to month (monthly change)

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

*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