



Monthly Inflation Review • May, 2020

The inflation rate¹ in May, 2020 against previous months (March 1,6% and April 2,2% had stable trend and made 0,5%, it was less on 0,5% (p.p.) in comparison with the same month of last year.

For the reporting month a rise in prices for foodstuffs on 1,2% (share to inflation 0,6 p.p.) have basically influenced the inflation rate. At the same time a drop in prices for non-foodstuffs on 0,2% and costs of paid services to the population on 0,9% (in general the share to inflation -0,1 p.p.) was observed.

In the structure of food products as in the previous month mainly a rise in prices of consumer products for population as wheat flour of the first grade 7,8%, cotton oil 0,4%, granulated sugar 0,5%, rice 1,4%, meat 1,8%, fruits 5,3% (including apples 7,1%) and eggs 15,1% was observed.

On the other hand due the new harvest the prices for some food products as vegetables 10,5% (including onions 23,8%, potatoes 24,2%, tomatoes 12,1%, cucumbers 28,3% and cabbage 13,1) had a downward trend.

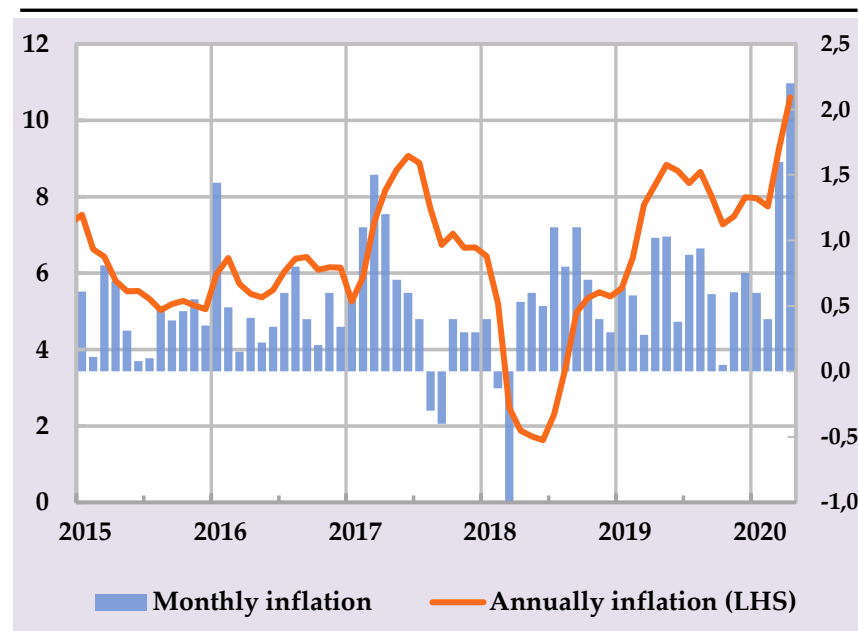
It should be noted that during five months of the current year a rise in prices for wheat flour of the first grade has made 22,9%, which specific share in consumer basket made 9,0%.

One of the reasons of rise in prices for wheat flour of the first grade in the country was an increase in the imported prices, reduction of import volume of wheat due to restrictions of its export set by exporting countries, increase of imported goods prices and also increasing consumer's demand for this production in connection with outbreak of pandemic coronavirus (COVID-19).

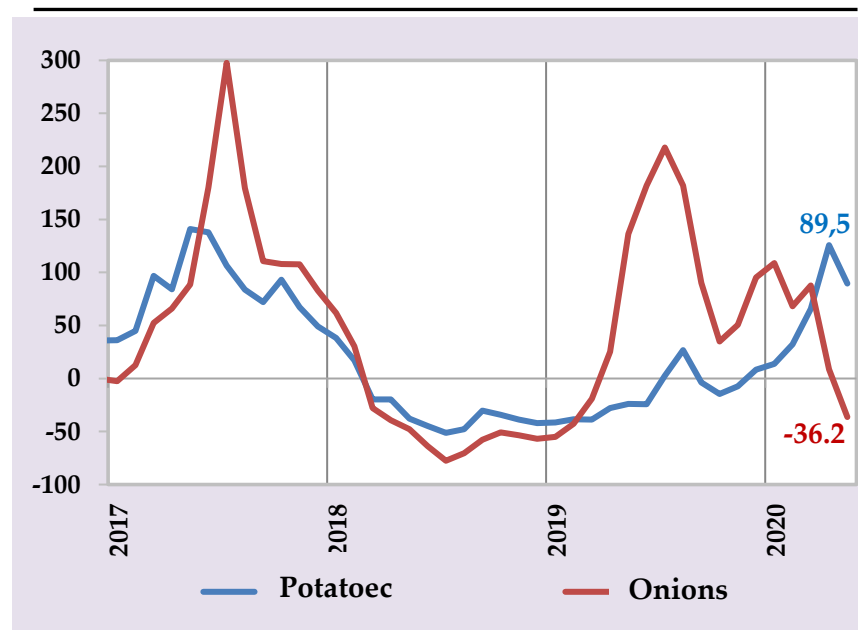
According to customs statistics data it was imported 406,5 thousand tons of wheat in the republic for the amount of USD 98,1 million during five months of current year, which in comparison with the similar period of last year is less on 8,1%. The average price of 1 ton of wheat imported into the republic for this period has made USD 241,3 that in comparison with the similar period of last year is more on 23,4% or USD 45,8.

In the structure of non-foodstuffs in May of current year basically a dropping of prices for diesel 2,8%, AU-92 fuel 15,3 and liquid gas 15,9% was observed.

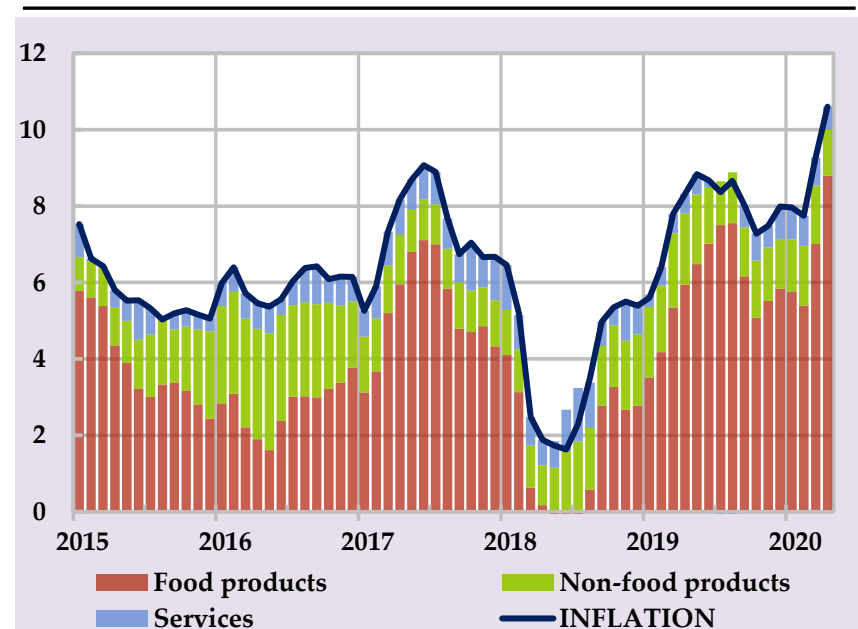
Monthly and annual Inflation, in %
(Source: Agency on Statistic, NBT estimations)



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)



One of main reason of reduction of prices for combustible materials in the country was a decrease in their prices on the world markets in connection with outbreak of coronavirus (COVID-19), which has caused a reduction of demand of basic countries - consumers of this production.

Also, the prices and tariffs for paid services to population in May of current year had a downward trend and made -0,9%, caused basically the depreciation of energy, gas and other services -2,9% (especially, liquid gas - 15,9%).

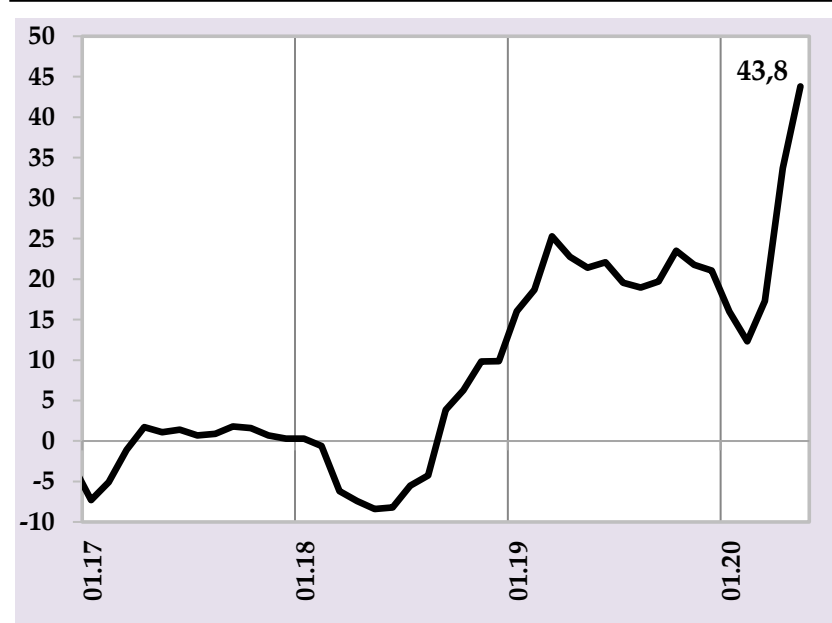
Therefore, the annual inflation (for last 12 months) in May of current year has made 10,0% that in comparison with the previous month is less on 0,6 p.p. and with the same month of last year is more on 1,2 p.p..

According to the analysis, the basic factors influenced this process and increasing of inflation rates behind the limits of forecasts, mainly were outbreak of pandemic coronavirus (COVID-19) in the world, decrease of supply of some basic foodstuffs by exporting countries and limits set on goods delivery through borders of countries-trading partners.

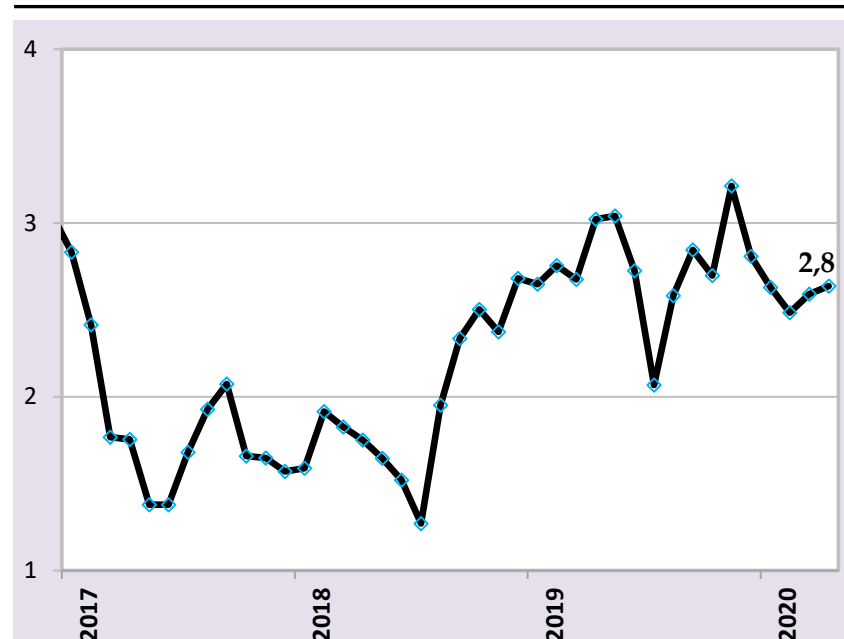
Core inflation rate, reflecting monetary factors, in May of current year made 0,3% and in the annual calculation has made 2,8% that certifies the limitation of influence of monetary factors on the inflation rate.

The National Bank of Tajikistan, with the view of prevention of additional pressure on the inflation rate, will continue realization of monetary policy by use of monetary and exchange rate tools.

AU-92 fuel and liquid gas, in % monthly
(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*																
	Weight, %	annual change														May, monthly change, %
		2015	2016	2017	2018	2019					2020					
						January	March	June	September	December	January	February	March	April	May	
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	10,6	10,0	0,5
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	17,3	16,5	1,3
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	23,1	29,4	5,9
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	3,1	1,2	1,3
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	33,7	43,8	7,8
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	18,4	16,2	1,4
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	22,3	18,9	1,8
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	14,7	14,8	11,6
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	5,3	8,8	1,4
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	5,8	14,0	3,6
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	4,6	5,5	0,6
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	18,5	24,1	8,0
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	28,1	10,8	-10,5
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	3,6	3,7	0,5
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	-5,3	-3,0	2,8
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	1,7	1,7	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	0,4	0,2	-0,3
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	4,0	3,4	-0,2
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	3,8	3,5	0,0
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	5,7	6,7	0,8
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	2,7	3,9	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	15,6	10,1	2,5
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	-7,0	-18,4	-12,3
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	-3,4	-3,8	-0,9
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	0,4	2,4	0,0
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	3,3	5,7	1,7
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	3,8	3,5	-0,9
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	8,6	5,6	-2,7
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	1,3	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	1,1	0,6	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	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	0,6	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	-5,6	-20,0	-15,4
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	-1,7	0,8	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	0,2	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	1,6	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	16,0	16,0	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	4,3	3,7	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