



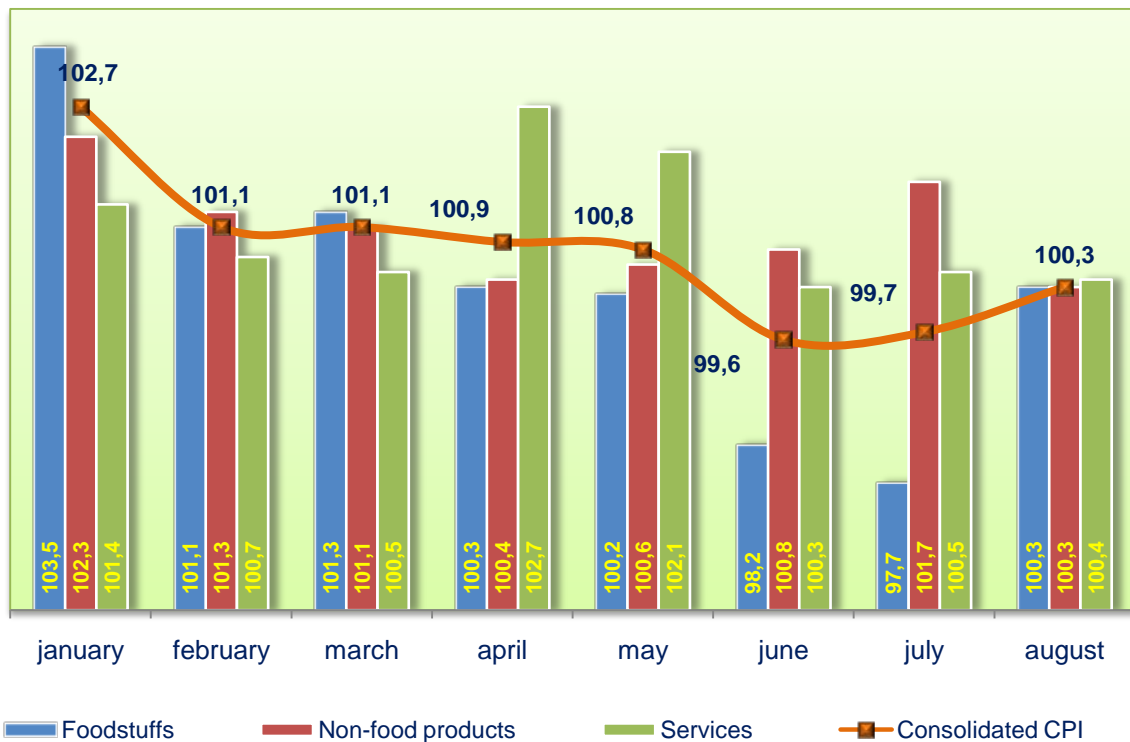
THE STATE COMMITTEE OF THE REPUBLIC OF UZBEKISTAN ON STATISTICS

Inflation in the consumer sector The Republic of Uzbekistan for August 2018

In August 2018, the average level of prices for goods and services rose by 0.3 % (January - inflation 2.7 %, February - 1.1 %, March - 1.1 %, April - 0.9 %, May - 0.8 %, June and July - deflation 0.4 % and 0.3 %). The inflation rate for January-August of this year was 6.2 %.

Dynamics of the consumer price index (CPI) for January-August of 2018

(to the previous month, %)



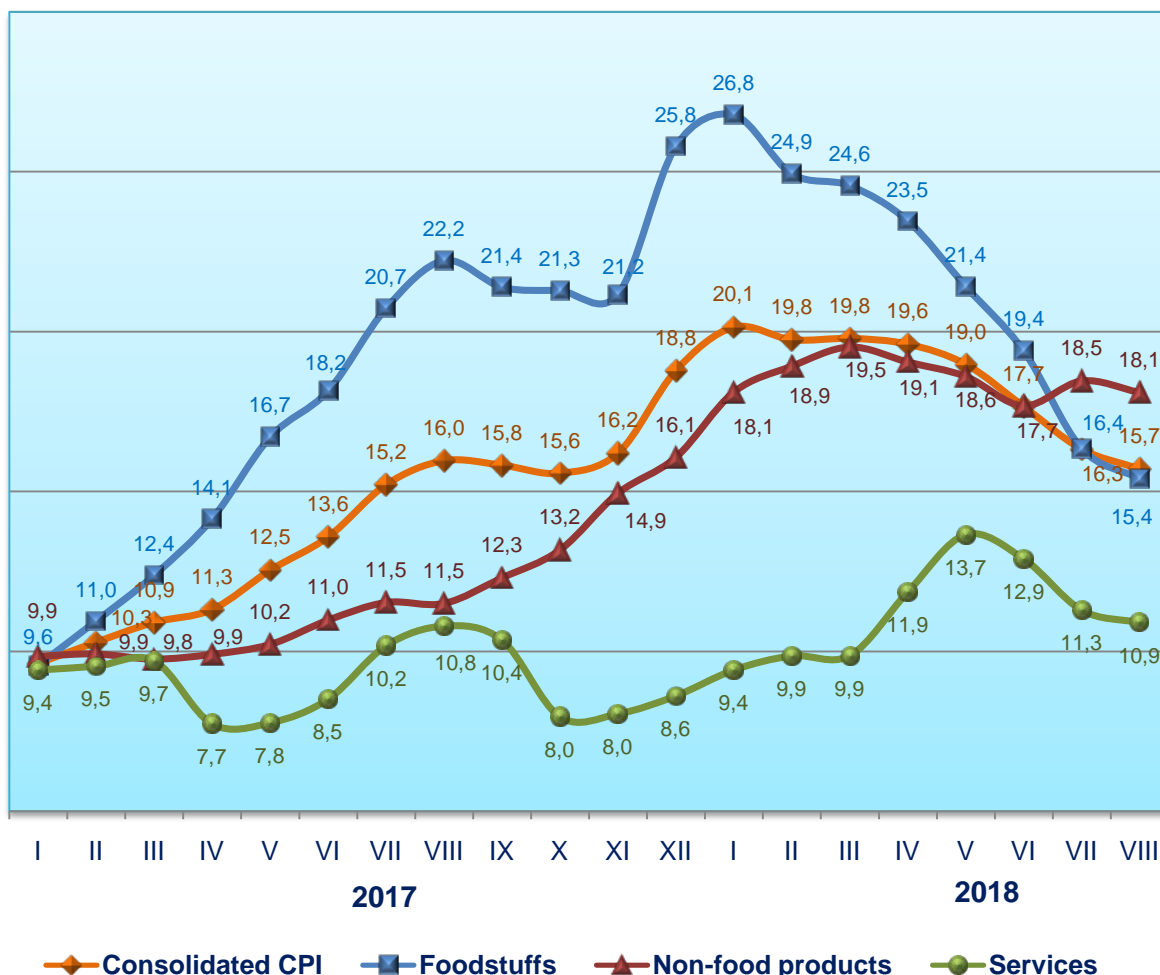
The most noticeable prices in the consumer market rose in January (2.7 %). In June and July, a significant increase in the supply of agricultural products in

the domestic market has made a decisive contribution both to the reduction of the average price level on food, and the general level of inflation.

Price trends in August this year can be described as "uniform growth in prices for goods and services." So, the average goods for the month they added 0.3 % in price, services - 0. 4%.

Analysis of inflation in annual terms (in the current month in relation to the corresponding month of the previous year) also showed that the peak of inflationary pressure on the economy came in January of this year (20.1 %), and in subsequent months it acquired a tendency to a slowdown.

Dynamics of the level of inflation (according to the CPI)*
(to the corresponding month of the previous year, an increase in%)



**) using fixed specific weights*

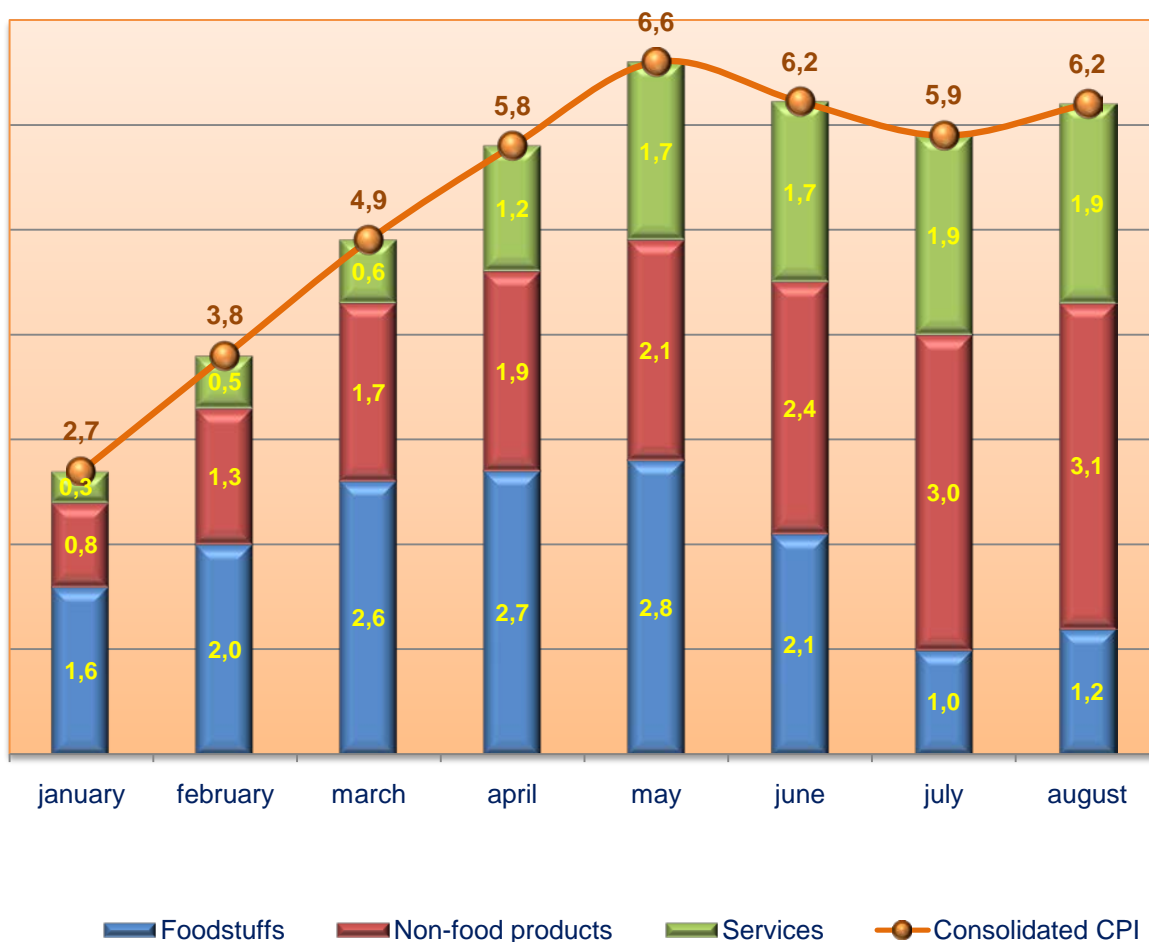
Among the key factors that influenced the inflation trends in January-August this year, the following:

- ✓ Price trends for fruit and vegetable products, as well as dairy products, eggs and poultry meat associated with seasonal and climatic aspects;
- ✓ saturation of the market with imported products (e.g. sugar, vegetable oil);
- ✓ the growth of costs in the cattle, including due to the rise in the cost of the feed base with a significant demand of the population for meat products;
- ✓ increase in rice prices due to a decrease in supply in the consumer market and the expectation of producers and sellers regarding the possibility of an upcoming price increase in connection with the arid period and the reduction of acreage;
- ✓ strengthening of the national currency and foreign trade factor contributed significantly to curbing inflation and, first of all, with regard to imported goods, as well as certain services (for example, air passenger transport);
- ✓ increase in prices for building materials associated with with the growth of costs of domestic producers, significantly increased inflationary pressure on the economy and led to an increase in inflation of about 0.8 % (or 12.9 % of the total growth for 8 months of this year);
- ✓ the growth of administratively-regulated tariffs in the communal sphere had a direct impact on the level of inflation in the country, providing an increase of 0.8 %, as well as indirect - by increasing the costs of producers of goods and services;
- ✓ the change in the market in the fuel and lubricants market caused the increase in prices for methane and propane sold to the population through the network of gas filling compressor stations (CNGS) and led to an increase in inflation of another 0.4 %;
- ✓ The increase in the size of the minimum wage had a certain effect on the increase in inflation. This impact was of a direct nature (due to the growth of tariffs that depend from its size, - legal services, certain types of banking services, veterinary services, etc.), and indirect (by stimulating consumer demand and additional cash infusion in the economy);
- ✓ increase in retail prices for cars produced by JME Uzbekistan JSC on average by 7.7 % added 0.05 % to the overall inflation rate in the country;

✓ the increase in excise tax rates on alcohol and tobacco products from January 1, 2018, and also the enactment from June 1, 2018 for manufacturers of these goods of additional fees for the development of physical culture and sports, stipulated by the Decree of the President of the Republic of Uzbekistan of March 5, 2018 No. PP-3583 "On the organization of activities of the Ministry of Physical Culture and Sports of the Republic of Uzbekistan", reflected in the growth of prices on alcoholic products by an average of 12.5%, tobacco products - by 15.2 % (impact - 0.2 pp.)

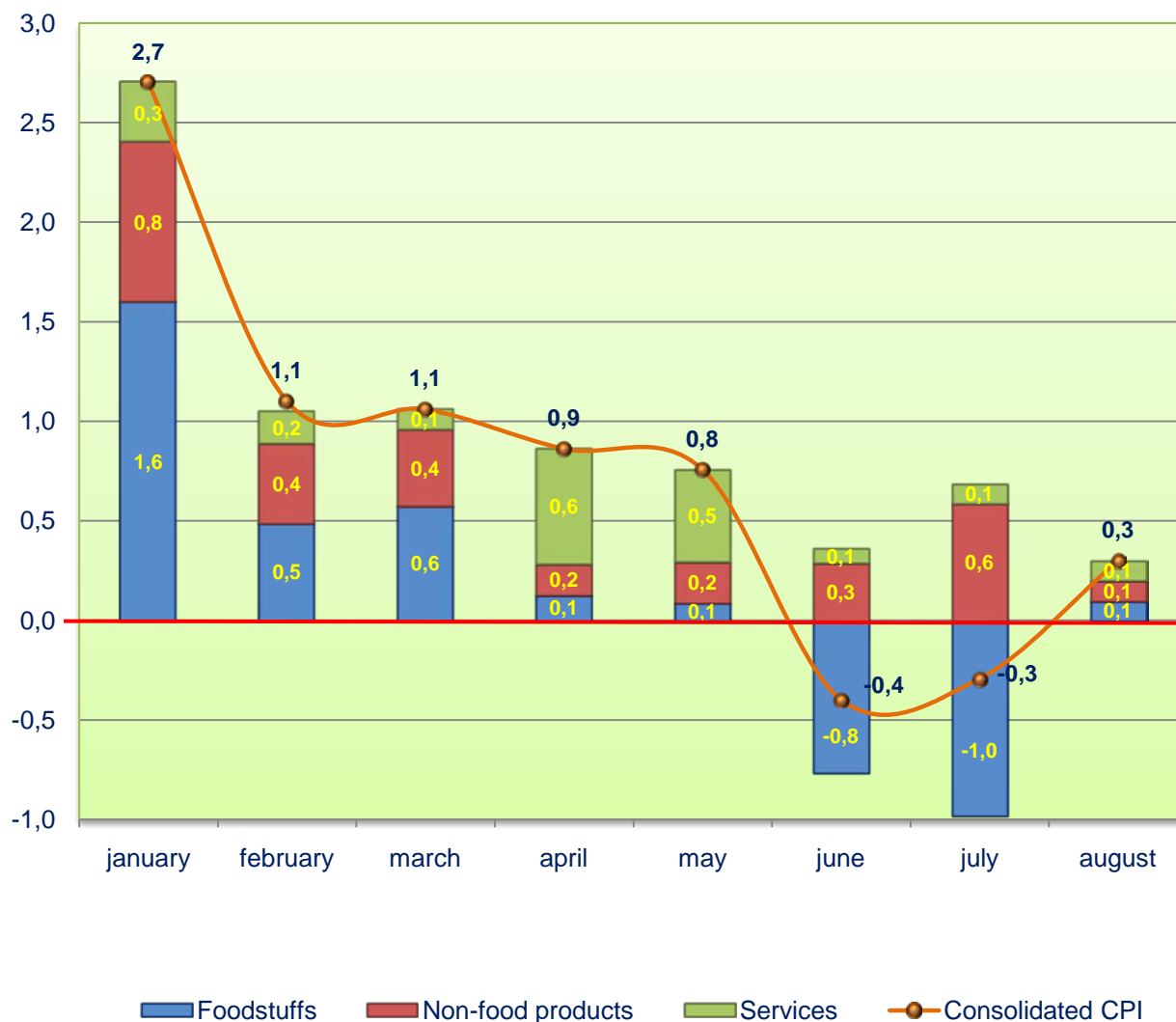
Dynamics of the influence of price changes on major groups of goods on the growth of the consolidated CPI for January-August 2018

(by December 2017,%)



With regard to monthly changes, the contribution of each group in the increase in the consumer price index is graphically illustrated by the following diagram.

Dynamics of the influence of price changes on major groups of goods on the growth of the consolidated CPI for January-August 2018
(to the previous month,%)



Consumer price indices for aggregated groups are presented in the following table:

Consumer price index, %

	August 2018 to			January-August 2018 to January-August 2017	For reference:			
					August 2017 to			January-August 2017 to January-August 2016
	July 2018	December 2017	August 2017		July 2017	December 2016	August 2016	
Consumer price index	100,3	106,2	115,7	118,5	100,6	106,4	111,2	107,9
including:								
Goods	100,3	105,4	116,8	120,2	100,6	106,3	111,3	107,5
foodstuffs	100,3	102,6	115,4	121,5	100,6	105,8	111,2	105,1
food products without fruit and vegetable products	100,6	107,5	116,6	119,9	101,5	110,0	113,2	108,3
non-food products	100,3	108,8	118,1	118,5	100,6	106,9	111,5	110,5
Services	100,4	108,9	110,9	111,2	100,8	106,7	110,8	109,2

The consumer price index for food products

As noted above, food prices averaged 0.3 % on average over the month, which ensured CPI growth of 0.1 p.p.

Excluding fruits and vegetables, the increase in prices for food products for the period since the beginning of the year amounted to 7.5 %, and in August compared to July of this year, 0.6 %.

The following table shows the consumer price indices on separate groups of food products:

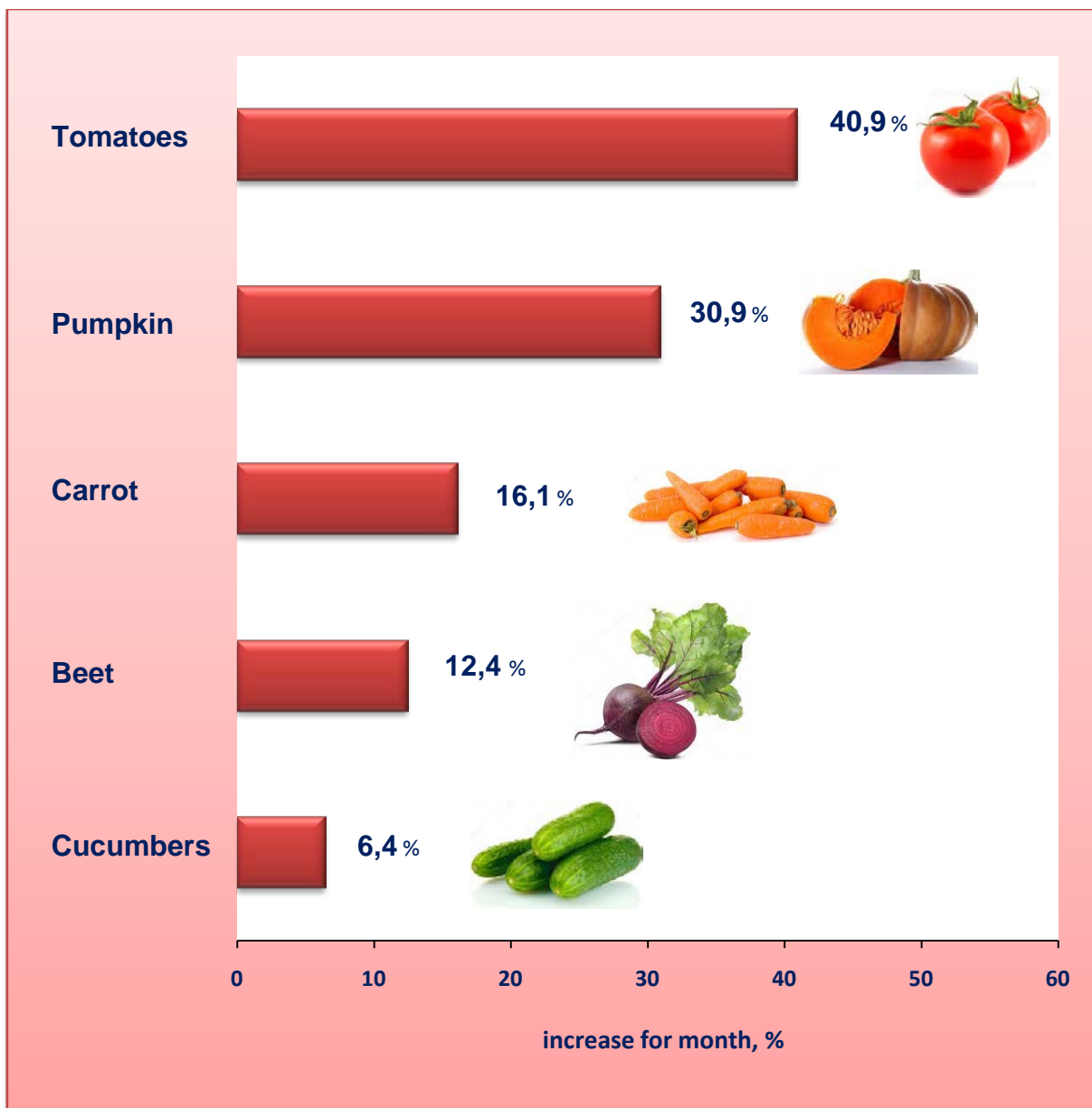
Consumer price index for selected groups and types food products, %

	August 2018 to			January-August 2018 to January-August 2017	For reference :			
					August 2018 to			January-August 2017 to January-August 2016
	July 2018	December 2017	August 2017		July 2017	December 2016	August 2016	
Foodstuffs	100,3	102,6	115,4	121,5	100,6	105,8	111,2	105,1
bread products	100,6	109,2	117,3	115,0	100,1	103,3	102,5	101,3
meat, poultry and fish	101,1	115,5	124,3	132,9	104,9	120,8	124,6	111,6
dairy	100,6	106,7	115,3	117,4	100,5	107,3	111,8	106,7
eggs	102,2	77,0	103,9	113,7	98,2	100,9	118,5	116,1
oil and fat	100,3	101,5	107,4	112,2	100,5	110,0	113,8	112,2
fruits and vegetables	98,2	79,5	104,0	126,5	95,4	86,2	105,8	88,9
fruit	93,3	110,5	157,8	156,3	95,7	86,6	97,3	76,5
vegetables	112,0	63,0	88,3	110,6	93,5	81,6	97,6	93,3
potatoes	99,6	40,8	43,8	93,3	102,7	152,8	284,1	263,8
sugar, tea and spices	99,9	99,4	109,5	113,2	99,4	106,9	112,0	111,5
soft drinks	100,5	104,3	107,6	107,1	100,0	103,7	107,0	107,2
alcoholic beverages	100,2	112,5	120,4	120,3	100,4	109,2	111,1	110,4
catering	100,0	106,7	114,1	114,8	100,7	103,7	106,8	105,5

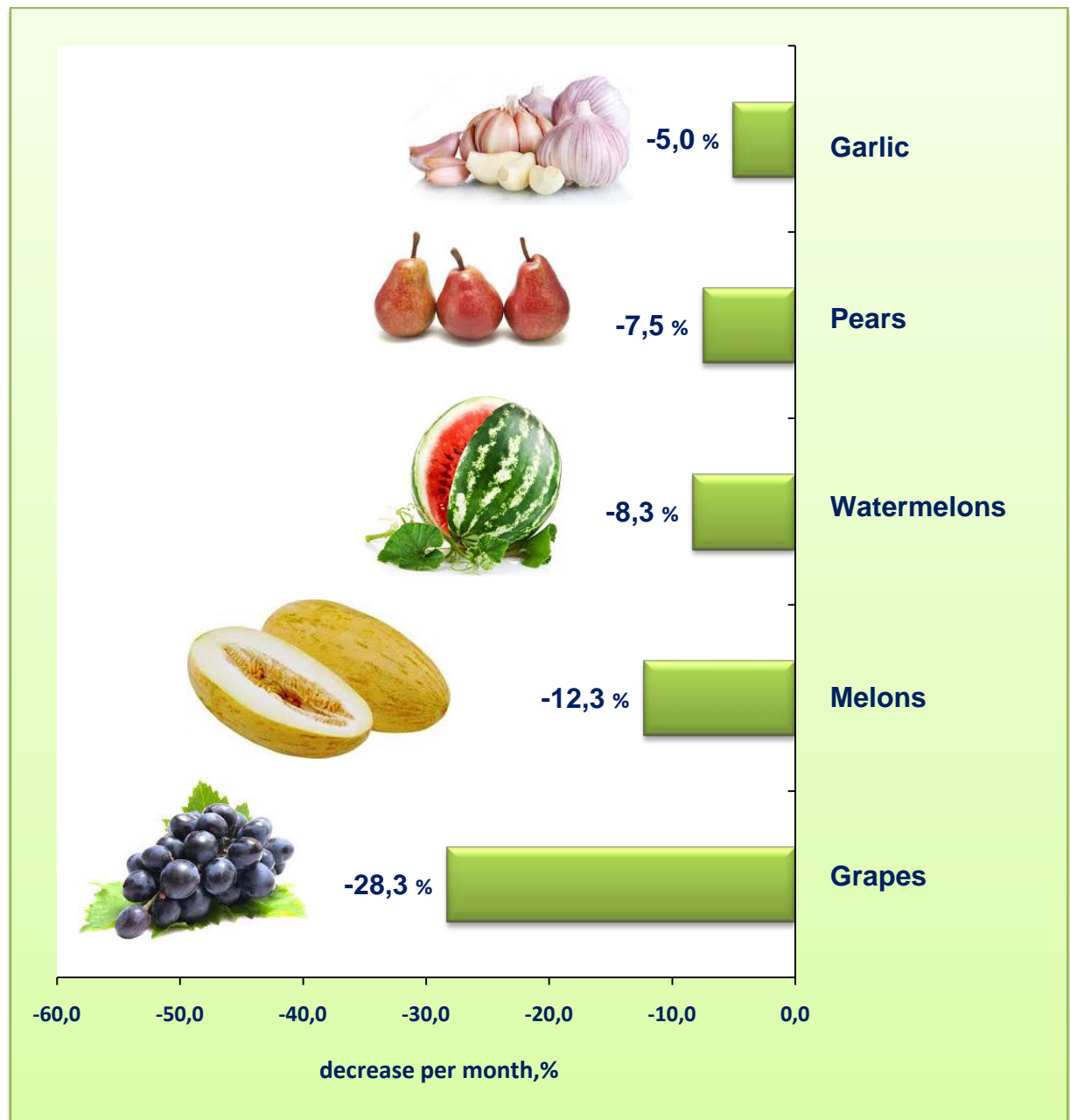
Of the main food products, the most noticeable price increase for the month was registered for vegetables, eggs, rice and meat products.

A restraining factor that allowed to lower the overall level of food prices somewhat was the decline in prices for fruits, melons, potatoes and sugar.

Top 5 food products
with the largest increase price index for the month

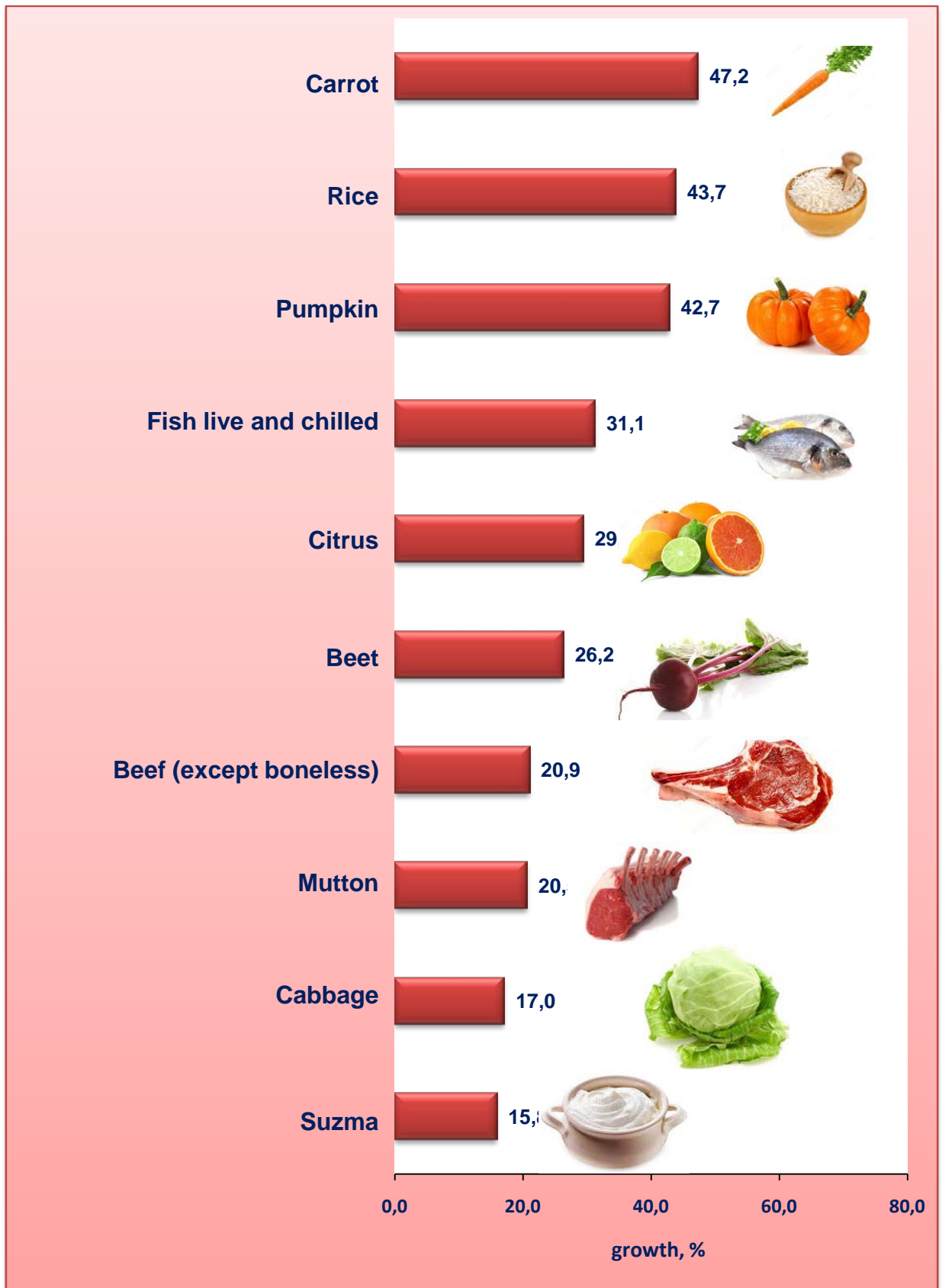


**Top 5 food products with the largest decline in the price index
for the month**

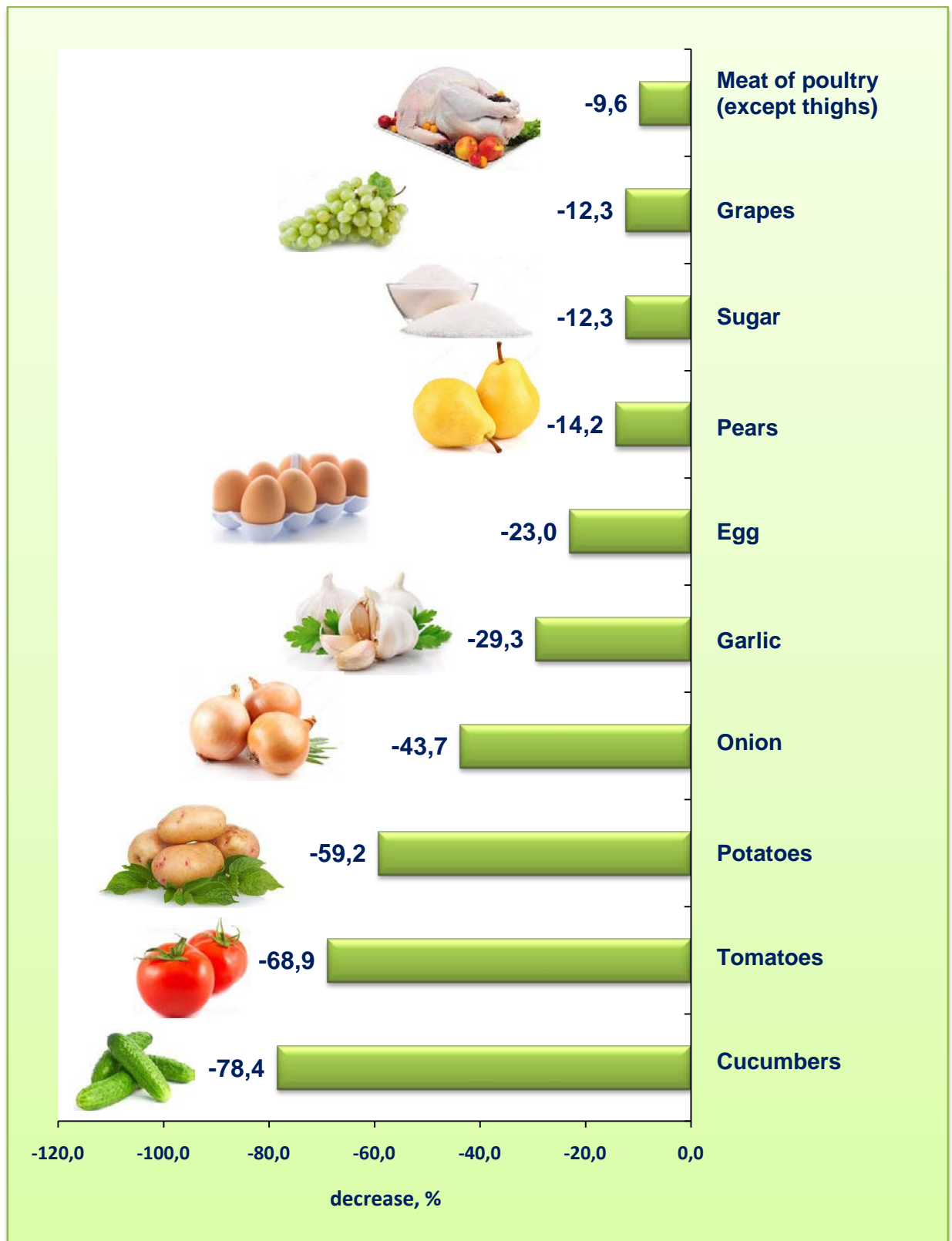


Relative to the end of last year, the leadership in the growth of prices belongs to carrots, to reduce - to cucumbers.

Top 10 food products with the largest increase in the price index relative to the end of 2017

















Top 10 food products with the largest decrease in the price index relative to the end of 2017



Below are the percentage changes in prices for staple foods:

Changes in consumer price indices for basic food products

Name	regarding July 2018	regarding December 2017
 Cabbage	▲ 3,8 %	▲ 17,0 %
 Tomatoes	▲ 40,9 %	▼ 68,9 %
 Carrot	▲ 16,1 %	▲ 47,2 %
 Rice	▲ 2,1 %	▲ 43,7 %
 Bulb onions	▲ 4,3 %	▼ 43,7 %
 Beet	▲ 12,4 %	▲ 26,2 %
 Butter	▲ 0,6 %	▲ 7,3 %
 Suger	▼ 0,7 %	▼ 12,3 %
 Egg	▲ 2,2 %	▼ 23,0 %
 Chicken, thighs	▲ 2,3 %	▼ 3,4 %
 Poultry meat, others	▲ 3,4 %	▼ 9,6 %
 Beef (exclude boneless)	▲ 1,3 %	▲ 20,9 %
 Beef (boneless)	▲ 0,8 %	▲ 12,1 %
 Mutton	▲ 1,4 %	▲ 20,5 %

The level of average prices for other types of food products has not changed significantly.

Analysis of average consumer prices for basic food products in the regional context showed that more expensive than in other regions, the purchase of kilograms of beef costs consumers in Tashkent, mutton - in the Syrdarya region.

The lowest average price for meat is registered in the Republic of Karakalpakstan.

The gap between the highest and lowest average price of a kilogram of flour is 1.5 times, potatoes 1.4 times, lamb 1.4 times, beef 1.2 times, poultry 1, 2 times, a dozen eggs - 1.2 times, kilograms of sugar - 1.1 times.

At the same time, it is necessary to clarify that the average prices for goods are formed under the influence of a variety of assortment shifts, seasonal fluctuations, changes in the share of individual goods with different price levels, etc. In this connection, average prices can be considered as an indicator of the current price situation, while as the inflationary dynamics of prices are more accurately characterized by price indices excluding or minimizing the impact of non-inflationary factors.

According to the results of monitoring prices on the consumer market as of August 28 this year, the following price situation has developed:

**Average consumer prices for individual goods in organized trade and on the markets of the Republic of Uzbekistan
as of August 28, 2018**

(in soums per kilogram)

Name	Average price	Republic of Karakalpakstan	regions:												Taskent city
			Andijan	Bukhara	Jizzakh	Kashkadarya	Navoi	Namangan	Samar kand	Surkhandarya	Syrdarya	Tashkent	Ferghana	Khorezm	
Beef	36842	33008	36462	35427	38000	35440	34955	35807	37719	34718	38969	38574	37189	39433	40087
Mutton	37283	29663	37588	32692	38769	37718	32536	38679	38188	39140	41734	39236	38300	39375	38341
Poultry meat	16783	17844	16441	16599	16562	16848	15638	17171	16173	18213	17088	17500	15834	14667	18391
Egg, 10	4846	5033	4902	4682	4885	4570	4463	4725	4673	4641	5017	5166	4888	4653	5548
Onion	978	1161	916	998	800	957	962	924	850	816	913	1129	1038	1068	1164
Cabbage	1164	1535	866	1134	1300	1309	908	968	888	1254	1302	1230	807	1410	1381
Tomatoes	3059	2212	3367	3077	2892	3104	3080	2723	2773	3113	2909	2820	2959	2810	4981
Carrot	1844	2411	1182	2237	1562	1890	1982	1351	1748	2175	1768	1526	1727	2288	1972
Cucumbers	2196	1957	2502	2133	2077	2166	2241	1902	1828	2455	1933	2026	1907	2450	3167
Potatoes	1398	1543	1343	1467	1262	1393	1399	1181	1234	1288	1199	1542	1374	1672	1676
Rice	7561	5145	7087	8254	7546	7273	7850	6548	7884	8554	7711	7360	8694	7442	8502
Vegetable oil, l	10172	9450	9988	10217	9978	9386	10203	10297	10111	11379	10589	10684	9945	9579	10598
Wheat flour	2855	2252	2691	3037	2746	3332	2959	2844	2546	2754	3005	3260	2854	2408	3282
Sugar	5026	5096	5251	4919	5123	5155	5059	4673	5254	5027	4993	5049	5005	4971	4791

Consumer price index for non-food products

The increase in prices for non-food products by 0.3% led to an increase in the consolidated CPI by 0.1 percentage points.

The level of prices for goods of this group in August this year was formed under the influence of rising prices for cars, clothing, footwear, stationery, construction materials and lower prices for fuel for cars (propane).

Changes in prices for the main groups of non-food products are presented below:

The consumer price index for the main groups of non-food products, %

	<i>August 2018 to</i>			<i>January-August 2018 to January-August 2017</i>	<i>For reference:</i>			
					<i>August 2017 to</i>			<i>January-August 2017 to January-August 2016.</i>
	<i>July 2018</i>	<i>December 2017</i>	<i>August 2017</i>		<i>July 2017</i>	<i>December 2016</i>	<i>August 2016</i>	
Non-food products	100,3	108,8	118,1	118,5	100,6	106,9	111,5	110,5
Clothing	100,2	106,2	117,6	118,9	100,5	106,3	111,4	111,1
Footwear	100,3	105,8	113,5	115,7	100,6	107,2	111,7	110,9
Fabrics and yarn	100,3	106,9	112,6	114,8	100,5	110,9	113,9	112,1
Household textiles	100,4	106,7	115,3	116,7	100,7	106,4	109,6	109,3
Office and school supplies as a subject of trade	100,1	99,7	105,9	110,1	100,5	106,9	109,8	109,5
Construction Materials	100,3	117,3	126,5	126,7	100,6	107,1	107,1	105,9
Medicines	100,0	102,7	112,0	113,9	100,0	102,9	106,4	106,9
Goods for personal hygiene	100,1	105,1	114,3	119,4	100,8	110,6	114,2	112,5
Tobacco products	100,0	115,2	124,0	127,6	100,0	110,6	116,6	111,8
Fuel for cars	99,2	116,5	140,2	131,2	100,0	100,0	118,1	118,1

The increase in retail prices for cars manufactured by JME Uzbekistan JSC since August of this year, on average by 7.7 %, added an additional 0.05 pp to the inflation rate for the month.

Leadership in the level of influence on the price increase in this group of goods for 8 months from the beginning of the year belongs to building materials, fuel for cars, fuel (coal) and clothing. Totally, due to the increase in prices for the goods of these groups, the increase in inflation for January- August of 2018 amounted to 2.2 percentage points. (35.5%)

The beginning of the implementation of a set of measures to optimize costs through the modernization of production and the subsequent reduction in the cost of finished goods produced within the republic, as envisaged by the schedule to contain inflation in the third quarter of this year, led to an increase in supply and a decrease in retail prices for bricks by an average of 0,1 %. Along with this, in August of the current year, the price of cement continued to grow (0.8 % per month).

In the framework of measures to monitor prices for construction materials, statistics bodies collect prices from selective outlets and types (grades, marks) of materials from June this year.

Below are the results of observations of prices as of August 28, 2018:

Average prices for basic types of building materials in the Republic of Uzbekistan as of August 28, 2018 *

(in soum)

Name of materials	Republic of Uzbekistan	Republic of Karakalpakstan	Andijan	Bukhara	Jizzakh	Kashkadarya	Navoi	Namangan	Samar-kand	Surkhandarya	Syrdarya	Tashkent	Ferghana	Khorezm	Tashkent city
Brick, building (1000)	698086	691923	582375	616538	798314	642917	782778	522500	783906	669286	739000	751897	565526	720000	906250
Wallpaper (10 m, width 1 m)	102932	138636	93378	137600	42444	69500	50000	110000	145750	67893	51429	160364	104333	113000	156717
Saw-timbers (1 cubic meter)	1730611	1733214	1459063	1739321	1213846	1688436	1730625	1925833	1748750	1932143	1778125	1452636	1662500	1584061	2580000
Paint (enamel, 1 liter)	21388	18417	24844	18813	22938	23031	20361	17384	18814	25218	25115	22091	18816	21640	21956
Slate (1 pc.)	36164	36091	34341	37233	37846	36948	35944	33292	36438	38714	36500	37524	33611	34063	37750
Glass window (1 square meter)	40956	48875	34453	39132	36979	34000	40857	44583	44813	42536	33389	49430	38211	44000	42125
Aluminum and plastic profile (1 sq.m.)	411793	418867	399375	358231	407692	380000	382500	438750	428750	399289	347500	493330	319737	377292	613788
Cement (1 ton)	732988	766438	726063	709685	728462	699122	740000	727951	707500	736790	753000	731932	723997	755417	755482
Putty (1 kg)	970	865	916	913	877	1045	811	859	1022	993	1072	1158	1171	801	1076
Linoleum (1 sq.m.)	40123	27991	29406	49893	49719	38000	44500	43750	40234	35821	38224	45582	51389	27500	39718
Ceramic tiles (1 sq.m.)	40203	34375	36933	41600	43364	35500	39813	44073	41969	34750	36575	40640	49763	35614	47877
Sand, gravel (1 cubic meter)	74104	62101	57436	59385	125807	96267	23611	61104	80096	62500	37167	77589	86368	104575	103450

**) Average prices are formed under the influence of a variety of factors, including assortment and structural shifts*

Consumer price index for services

Tariffs for services for the population in August this year increased by 0.4%, which led to an increase in the consolidated CPI by 0.1 percentage points.

The key factor in the growth of prices for paid services to the population in August of this year was the increase in prices for liquefied gas sold to the population for domestic needs.

Based on the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan of December 29, 2017 No.1033 "On the phased introduction of a unified retail price of liquefied natural gas sold to the population for consumption in everyday life", from August 1, 2018, the sale of liquefied gas in the territory of the Republic began at a uniform price 800 soums per 1 kg.

In general, in the republic, liquefied gas increased by an average of 36.3 % over the month. The maximum growth was in Bukhara, Jizzakh, Kashkadarya, Navoi, Samarkand and Surkhandarya regions (1.6 times), the lowest in the Republic of Karakalpakstan and the Khorezm region (1.1 times).

The index of consumer prices for certain types of services for the population, %

	August 2018 to			January- August 2018 to January- August 2017	For reference:			
					August 2017 to			January- August 2017 to January- August 2016
	July 2018	December 2017	August 2017		July 2017	December 2016	August 2016	
Services	100,4	108,9	110,9	111,2	100,8	106,7	110,8	109,2
Household	100,3	107,6	113,0	111,8	100,5	103,1	104,5	104,8
Housing and communal services	101,0	113,8	114,2	113,5	100,2	106,7	113,7	111,8
including:								
contributions to POPH	100,0	126,7	128,5	118,6	100,0	103,8	104,4	106,5
cold water supply and sewerage	100,0	124,2	124,5	124,4	102,0	110,0	118,9	114,1

	<i>August 2018 to</i>				<i>January-August 2018 to January-August 2017</i>	<i>For reference:</i>			
				<i>August 2017 to</i>			<i>January-August 2017 to January-August 2016</i>		
	<i>July 2018</i>	<i>December 2017</i>	<i>August 2017</i>	<i>July 2017</i>		<i>December 2016</i>		<i>August 2016</i>	
hot water supply	100,0	112,5	112,7	110,1	100,3	104,6	111,2	111,9	
electro-energy	100,0	111,9	111,9	113,0	100,0	107,0	112,3	110,1	
gas network	100,0	110,0	110,0	111,8	100,0	107,0	116,6	114,0	
liquefied gas	136,3	163,7	163,7	118,0	100,0	100,0	102,9	102,9	
heating	100,0	113,7	113,9	110,8	100,3	104,8	112,2	112,1	
garbage removal	100,0	110,6	119,1	116,5	100,0	108,0	115,5	116,6	
Passenger transport services	99,8	108,2	108,5	109,5	101,9	106,6	108,2	106,5	
including:									
car	100,0	109,3	109,3	105,3	100,2	101,6	103,9	104,9	
railway	102,3	115,7	118,7	140,2	113,1	114,7	98,9	86,4	
air	96,9	98,9	99,8	126,6	107,2	146,9	153,2	133,3	
Communication services	100,1	111,1	112,4	118,0	102,8	122,4	130,1	122,2	
Services of cultural institutions	100,1	101,2	101,8	110,2	100,0	114,7	115,9	107,9	
Services of preschool educational institutions	98,5	106,4	106,4	109,3	100,0	108,3	108,3	108,3	
Educational services	100,7	103,4	105,5	104,2	100,0	100,1	111,2	111,4	
Sport services	105,0	112,8	116,7	109,4	100,0	102,3	103,8	104,6	
Services for rest	100,4	118,0	118,3	116,3	100,0	110,5	110,9	111,0	
Medical	100,2	104,0	106,0	105,4	100,2	101,5	103,0	103,7	
Insurance services	100,0	100,0	97,4	105,7	102,5	119,9	129,2	122,0	

If we consider the structure of the effect of price changes in tariffs for services in general for January-August 2018, then the greatest contribution to the increase in the index of tariffs in this sphere was made by the increase of tariffs for housing and communal services, passenger transport and household services. In total they provided about 1.4 percentage points. of the total CPI growth for 8 months of the current year (22,6 % contribution).

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