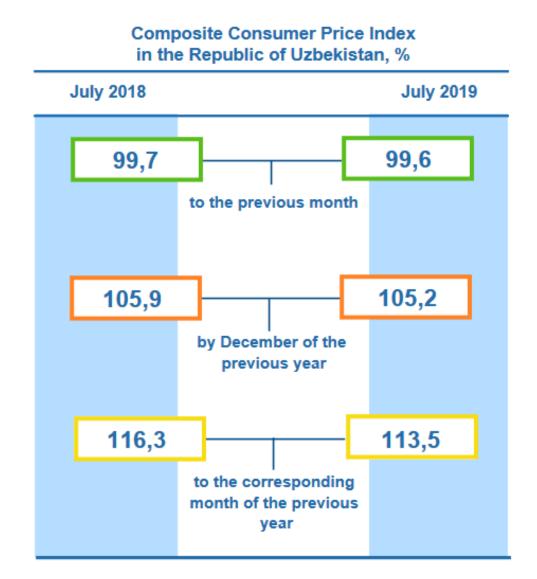


Changes in prices in the consumer sector of the Republic of Uzbekistan in July 2019

In July 2019, a decrease in the average level of prices in the consumer market and deflation over the month amounted to 0.4%.



In general, in January-July 2019, goods and services in the consumer market became more expensive by 5.2%.

Compared to July 2018, the average price level in the republic's consumer sector increased by 13.5%.

<u>For comparison:</u> in July 2018, on average per month, goods and services became cheaper by 0.3%, compared to December 2017, they went up by 5.9%, in July 2017 - by 16.3%.



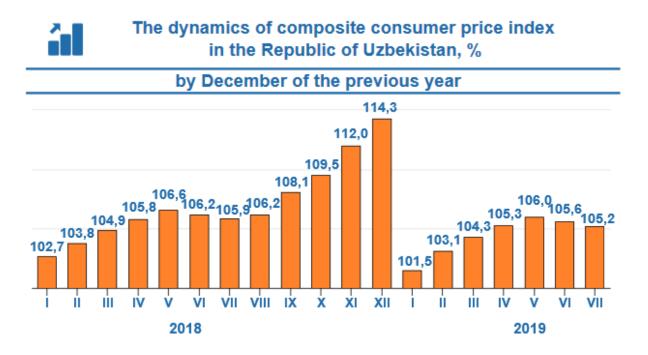
The dynamics of composite consumer price index in the Republic of Uzbekistan, %





Note: hereinafter in the infographic scale, Roman numerals indicate the months

An analysis of the dynamics of monthly price fluctuations for January-July 2018 and 2019 showed that in the compared periods starting in June, a decrease in the general level of consumer prices for the month was recorded. This is largely due to seasonal trends and a massive drop in prices for fruit and vegetable products.



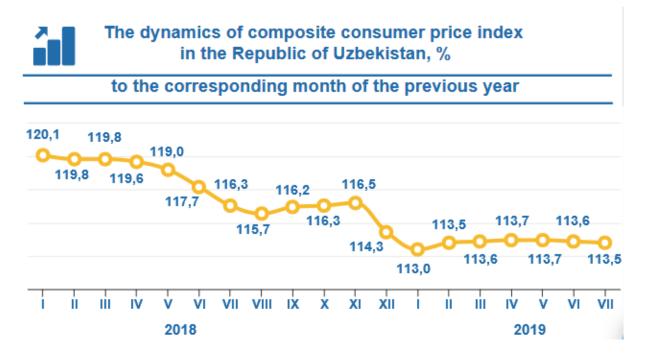
A comparison of consumer price indices by December of the previous year for the first seven months of 2018 and 2019 revealed that



the price level reached its peak in May (106.6% in 2018 and 106.0% in 2019).

The growth dynamics of the composite consumer price index in annual terms (month to the corresponding month of the previous year) from January 2018 to July 2019 is characterized by a general tendency to a gradual decrease. In particular, the peak value was reached in January 2018 (20.1%) with a subsequent decrease to 13.5% in July 2019.

The monthly dynamics of the composite index of consumer prices in annual terms since January 2018, given below:



In general, from January 2018 to July 2019, the annual consumer price index reached its minimum in January 2019 (113.0%).

With regard to price changes in the context of enlarged groups, then, by the end of July 2019, the price level for goods for the month decreased by 0.6%, including for foodstuffs- by 1.3%. Non-food products became more expensive for the month by 0.4%, services - by 0.2%.



Consumer price index in the Republic of Uzbekistan for the main groups of goods and services, %

to the previous month

Foodstuffs	98,7
Non-food products	100,4
Services	100,2

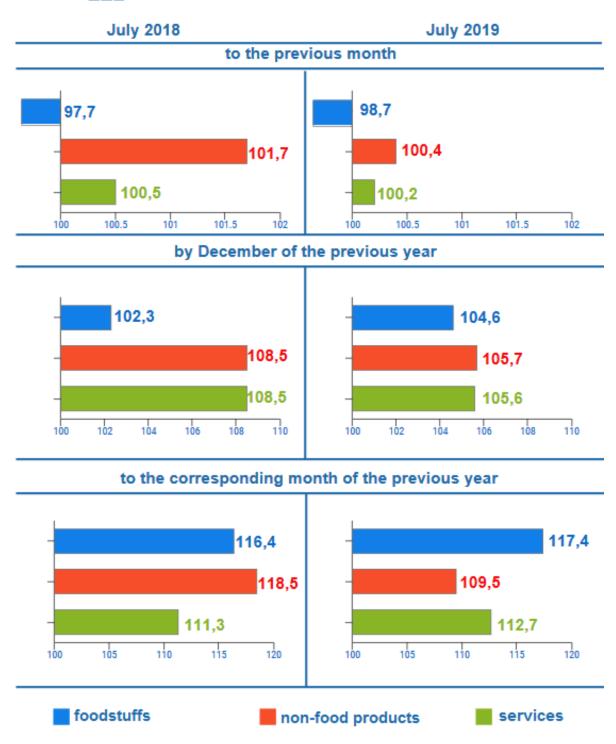
<u>For comparison:</u> in July 2018, foodstuffs on average a month became cheaper by 2.3%, non-food products went up by 1.7%, services - by 0.5%.

In general, in January-July 2019, foodstuffs increased in price by 4.6%, non-food products - by 5.7%, services - by 5.6%.

In annual terms (July 2019 compared to July 2018), foodstuffs became more expensive by 17.4%, non-food products - by 9.5%, services - by 12.7%.



Consumer Price Index in the Republic of Uzbekistan, %

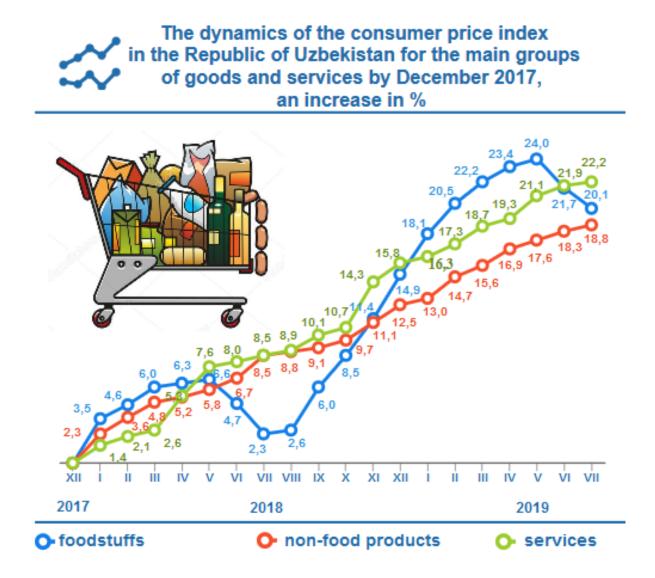


<u>For comparison:</u> in July 2018 compared to December 2017, foodstuffs' prices increased by 2.3%, non-food products - by 8.5%, services - by 8.5%.

Compared with July 2017, the price increase was 16.4%, 18.5% and 11.3%, respectively.



An analysis of the dynamics of the consumer price index calculated to the level of December 2017 showed that if a change in the prices of services and non-food products is characterized by a relatively smooth and gradual increase in the level, the price change curve for food products has a wave-like character, which is largely due to seasonal trends in certain groups of goods (fruit and vegetable and dairy products, eggs, etc.).

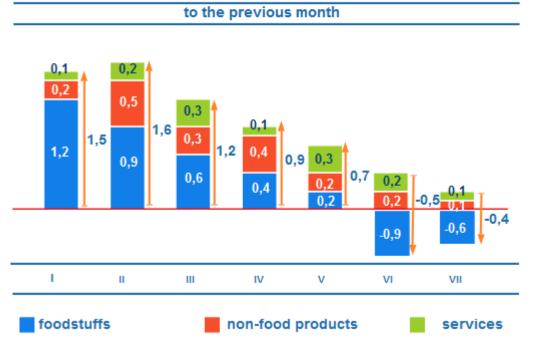


Leadership in the growth of consumer prices and tariffs relative to the end of 2017 belongs to services (an increase of 22.2%), followed by foodstuffs (20.1%) and non-food products (18.8%).



The calculation of the structure of the impact of price changes, taking into account the share of each enlarged group, showed that in July 2019 the contribution of services and non-food products to the increase in the composite consumer price index for the month amounted to 0.1 percentage points (hereinafter p.p.), While time, as the decline in food prices served as a deterrent and led to a decrease in the aggregate indicator by 0.6 p.p.

The impact of changes in price on the main groups of goods and services on the growth of the composite consumer price index in the Republic of Uzbekistan in January-July 2019, p.p.

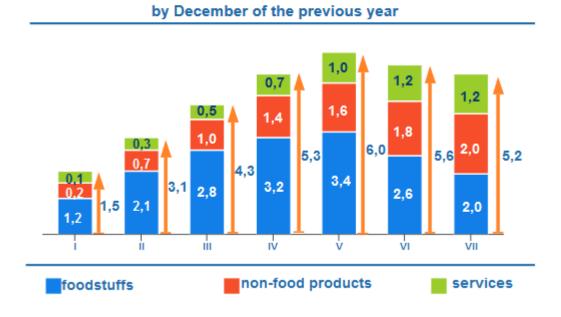


<u>For comparison:</u> in July 2018, the main inflationary pressure was exerted by the change in prices for non-food products (0.6 p.p.) and services (0.1 p.p.), while foodstuffs provided a decrease of 1.0 p.p.).

Along with this, in July of the current year, the contribution of price increases for foodstuffs and non-food products to the increase in the composite consumer price index relative to the end of 2018 was the same (by 2.0 p.p.), while the increase in tariffs for services led to an increase in consolidated indicator by 1.2 p.p.



The impact of changes in price by the main groups of goods and services on composite consumer price index growth in the Republic of Uzbekistan in January-July 2019, p.p.



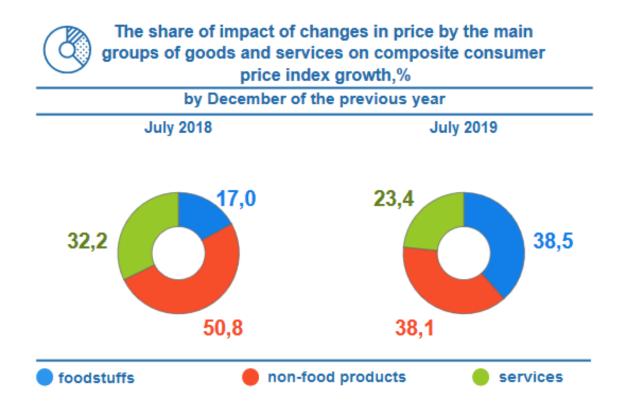
<u>For information:</u> in July of the current year, the impact of rising food prices in the growth of the composite consumer price index as compared to July 2018 was about 7.6 p.p., non-food - 3.3 p.p., services - 2.7 p.p.

The dynamics of the contribution of price changes in goods and services to the increase in the composite consumer price index relative to December of the previous year is characterized by a gradual decrease in inflationary pressure from food products (the share of influence decreased from 80.0% to 38.5%). The contribution of the increase in prices for non-food products in specific terms, by contrast, increased from 13.3% in January to 38.1% in July of the current year. The share of the impact of growth in tariffs on services on the growth of the composite index of consumer prices increased from 6.7% in January 2019 to 23.4% in July.

As for the structure of the impact of changes in prices of integrated groups of goods and services on the growth of the composite consumer price index by December of the previous year, compared to July 2018, in July 2019, the focus of influence shifted towards changes in food prices (38.5% in July 2019 against 17.0% - in July 2018).



The share of the impact of price increases on non-food products, by contrast, significantly decreased from 50.8% in July 2018 to 38.1% in July 2019.



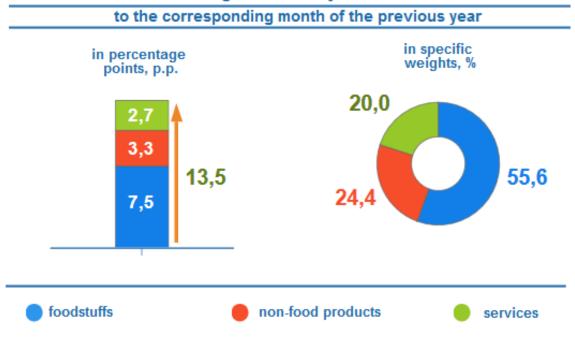
An analysis of the structure of the composite consumer price index in annual terms (July 2019 by July 2018) showed the following.

The contribution of food prices to the increase in the consolidated indicator for this period was 7.5 p.p. Due to the increase in prices for non-food products, the consolidated indicator increased by an additional 3.3 p.p. The services added another 2.7 p.p. to it.

In specific indicators, the ratio of the impact of rising prices on foodstuffs, non-food products and services, respectively, was 55.6%, 24.4% and 20.0%.



The impact of price changes by major groups of goods and services on composite consumer price index growth in July 2019



Consumer price index for foodstuffs

Over the month, foodstuffs became cheaper by 1.3%, which ensured a decrease in the composite consumer price index for this period by 0.6 p.p.

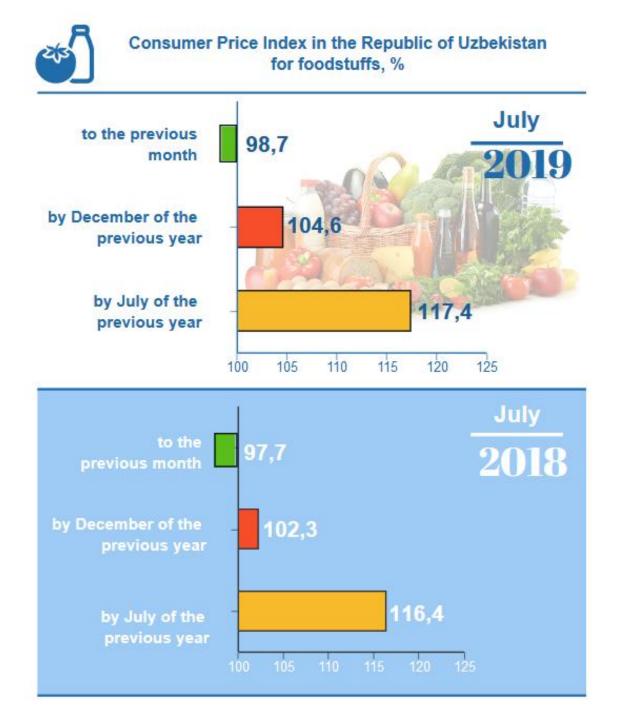
Since the beginning of 2019, prices for goods of this group have increased on average by 4.6%.

In annual terms (July 2019 compared to July 2018), foodstuffs became more expensive by 17.4%.

<u>For comparison:</u> in the previous month, foodstuffs became cheaper by 1.8%, having ensured a decrease in the consolidated indicator by 0.9 p.p.

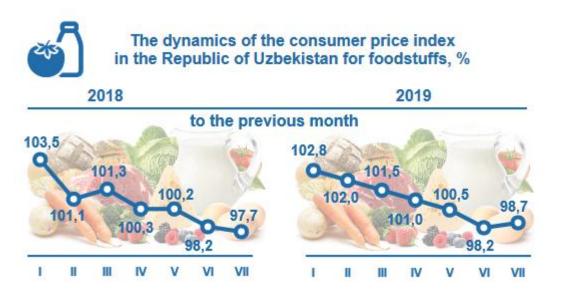
In general, over six months, food has risen in price by 5.9%, and compared to June 2018, the price increase was 16.3%.



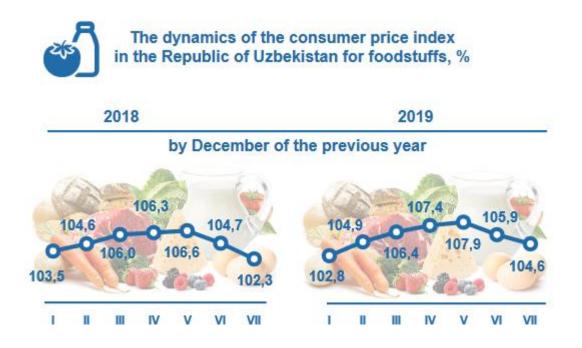


The nature of the dynamics of the consumer price index for foodstuffs is largely due to seasonal trends, and primarily for fruit and vegetables. So, if from January to May of the current year the monthly consumer price index for food was above 100%, then from June 2019 the change in prices for goods of this group was directed downward.





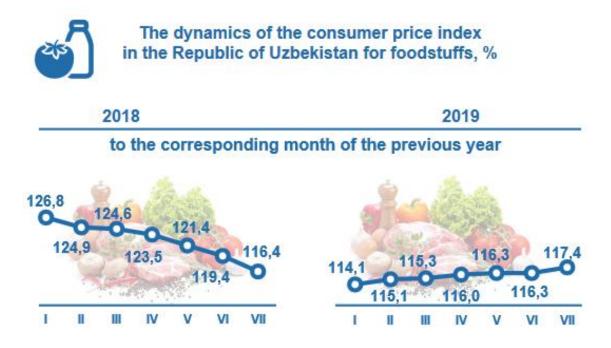
The dynamics of price changes for food relative to December of the previous year has a similar tendency in January-July 2018 and 2019: from January to May there is an increase in the level of price growth (an increase to 6.6% in May 2018 and 7.9% in May 2019) with its subsequent decrease to 2.3% in July 2018 and 4.6% in July 2019.



Analysis of the monthly price trends for food in annual terms (to the corresponding month of the previous year) showed the following: if in January-July 2018 there was a significant decrease in the degree of price increases (from 26.8% to 16.4%), then in the same period 2019 year, the overall trend is upward (from 14.1% to 17.4%).



Moreover, if the annual level of price growth in absolute terms in the first half of 2019 was lower than in the same period of 2018, then since July the situation has changed (17.4% in 2019 against 16.4%).



Of the main groups of foodstuffs, non-alcoholic beverages (by 3.0% per month) and meat products (by 2.8% per month) rose most significantly in July of this year.

<u>For comparison:</u> in the previous month, non-alcoholic beverages (1.4%) and meat products (0.8%) also took leading positions in price increases for the month.

In July last year, the top three leaders in price increases for the month were alcoholic beverages (1.5%), meat products (0.9%) and non-alcoholic beverages (0.8%).

Below is the consumer price index for the main groups of foodstuffs for July 2019:



Consumer price index in the Republic of Uzbekistan for the main groups of food products in July 2019, %



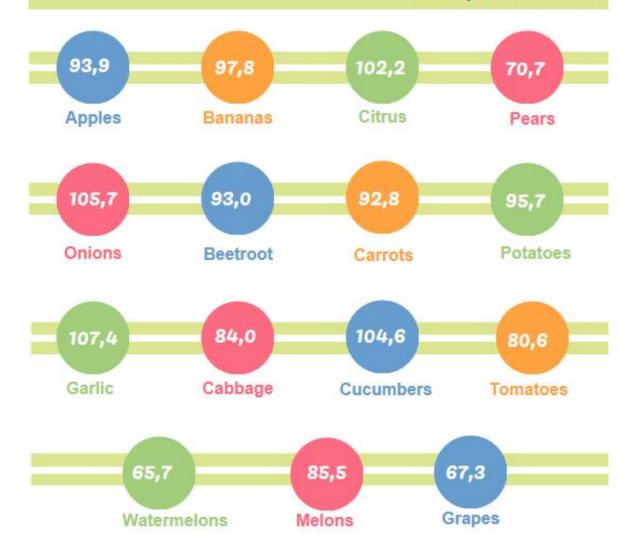
It should be noted that the nature of the dynamics of food prices in January-July of this year is largely due to seasonal changes in prices for fruits and vegetables.



Consumer price index in the Republic of Uzbekistan for the main types of fruit and vegetables in July 2019, %



to the previous month



Despite the general decline in prices for fruits and vegetables in July this year, the change in prices for goods of this group was uneven. Thus, most of the month, prices for watermelons decreased by 34.3%, grapes - by 32.7%, pears - by 29.3%, tomatoes - by 19.4%, white cabbage - by 16.0% and melons - by 14.5%.



Against this background, there was an increase in prices for garlic - by 7.4%, onions - by 5.7%, fresh cucumbers - by 4.6%, and citrus fruits - by 2.2%.



Consumer Price Index in the Republic of Uzbekistan for the main types of fruits and vegetables inJuly 2019, %

	by December 2018	by July 2018
apples	104,0	89,8
pears	98,1	97,0
bananas	115,1	118,7
grapes	117,7	67,9
citrus	110,0	107,3
dried fruit	106,8	113,1
watermelons	83,3	96,1
melons	111,6	110,4
cabbage	75,5	163,1
onions	224,7	282,6
beetroot	102,6	120,1
carrots	123,5	180,4
cucumbers	16,3	105,9
tomatoes	34,3	123,3
garlic	126,4	97,2
potatoes	91,6	161,7

As compared to December 2018, the leadership in price growth belongs to onions (more than 2.2 times), garlic (by 26.4%), carrots (by 23.5%) and grapes (by 17.7%).

Along with this, from the beginning of the year, prices for fresh cucumbers decreased by 83.7%, tomatoes - by 65.7%, cabbage - by 24.5%, watermelons - by 16.4%, and potatoes - by 8.4%.

In annual terms, the prices of onions (by 2.8 times), carrots (by 1.8 times), cabbage and potatoes (by 1.6 times) increased more than others. The decline in prices compared to July 2018 was registered for grapes



(by 32.1%), apples (by 10.2%), watermelons (by 3.9%) and garlic (by 2.8%).

Below are the price changes for the main groups of foodstuffs in general for January-July 2019:



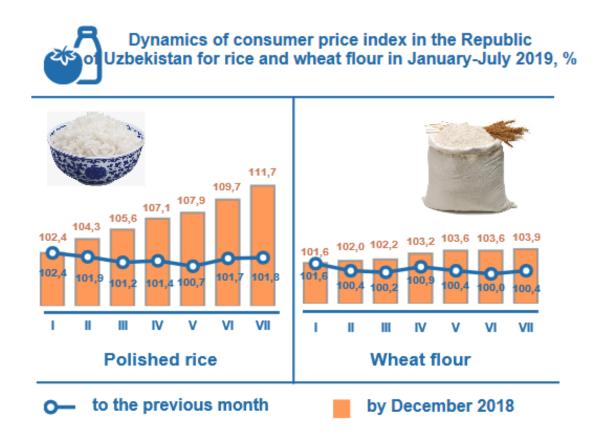
Over the period since the beginning of 2019, dairy products have risen in price by 10.3%, alcoholic beverages - by 8.9%, meat products -



by 8.1%, non-alcoholic beverages - by 7.2%, bakery products - by 5.9%, sugar, tea and other products - by 5.4%. Prices in public catering have grown during this time by 11.5%.

The decrease in prices was noted only for eggs, which for seven months became cheaper by 8.9%, and fruit and vegetable products, where prices fell by 3.9%.

Below is the dynamics of price indices for certain types of foodstuffs:



Rice has risen in price since the beginning of this year by 11.7%.

Except for May, the monthly price increase for it exceeded the onepercent threshold.

<u>For information:</u> more than in other regions, in July of this year, rice went up in Surkhandarya region (7.6%), the Republic of Karakalpakstan (4.7%) and Tashkent (3.7%).

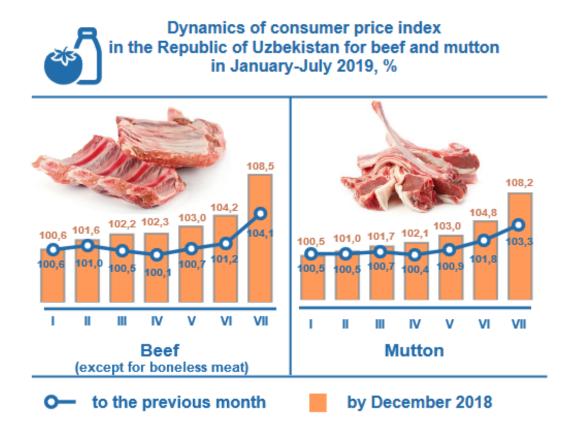
In general, in January-July 2019, the most noticeable rice went up in Khorezm region (by 21.0%), the increase in prices in Bukhara region was minimal (by 5.2%).



For seven months, wheat flour became more expensive by 3.9%. The most significant increase in its price in a month in January - by 1.6%.

<u>For information:</u> in July of the current year the prices for flour increased slightly (by 0.4%). The rise in prices was registered in three regions: Namangan region - by 1.9%, Tashkent - by 1.0% and Tashkent region - by 0.8%.

Since the beginning of the year, prices for flour in Tashkent (10.1%), Tashkent (7.6%), Surkhandarya (7.2%) regions and the Republic of Karakalpakstan (6.9%) have increased more than in other regions. The minimum was the rise in prices in the Samarkand region (0.2%). In Bukhara region, prices for this product remained at the level of the end of 2018.



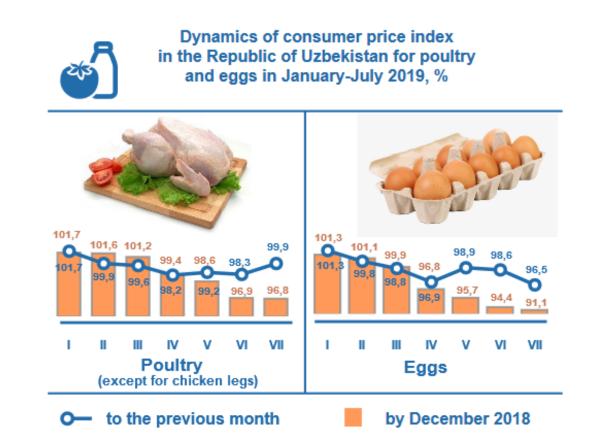
Since the beginning of the year, beef and lamb have risen in price approximately equally: beef (except for boneless meat) - by 8.5%, boneless beef - by 8.3%, mutton - by 8.2%.



During the period since the beginning of the year, the peak of growth in prices for meat products per month was registered in July (on average of 2.8%).

<u>For information:</u> tangible in just a month, <u>beef (except for boneless</u> <u>meat)</u> went up in price in Navoi region (by 6.5%), the rise in prices in the Republic of Karakalpakstan was minimal (by 1.4%). <u>Boneless beef and</u> <u>mutton</u> more significantly increased in price in the Tashkent region (by 9.4% and 6.4%).

Prices for poultry meat and eggs, by contrast, declined relative to December 2018.



<u>For information:</u> in July 2019 a decrease in prices for a month of poultry meat (except for chicken legs) was recorded in four regions: Syrdarya and Samarkand regions (by 1.2% and 0.5%), the Republic of Karakalpakstan (by 0.2%) and Tashkent (by 0.1%).

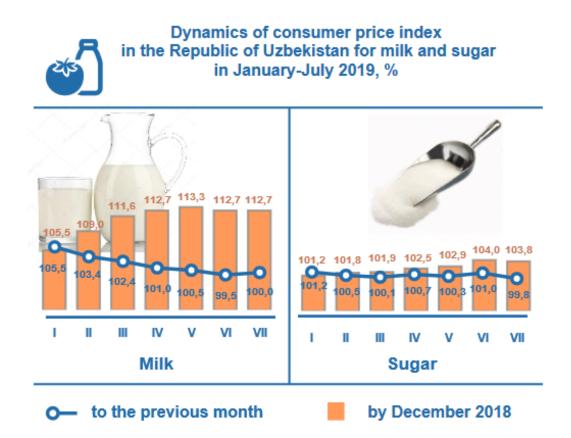
For a month, <u>the chicken leg and chicken thigh</u> on average in the Republic became cheaper by 0.5%, including in the Syrdarya region - by 3.4%, Andijan region and Tashkent - by 1.5%, and Tashkent region - by 0.8%, Samarkand region - by 0.7%.



The change in prices for <u>poultry</u> as a whole over seven months in the regional context was not uniform.

So, against the background of a general decline in prices, their growth was noted in a number of regions. <u>Poultry meat</u> (except chicken legs) has become more expensive in Surkhandarya (by 4.1%), Samarkand (by 1.6%) regions and the Republic of Karakalpakstan (by 1.5%). <u>Chicken drumstick and chicken legs</u> rose in price in Surkhandarya region - by 5.5%, in the Republic of Karakalpakstan - by 3.2%, in Jizzakh region - by 1.7%, in Tashkent region - by 1.5%, in Fergana region - by 1.0%, Samarkand region - by 0.4%.

In July, <u>eggs</u> fell in all regions except the Syrdarya region, where prices remained at the level of the previous month. Since the beginning of the year, prices have declined throughout the country: most significantly - in the Khorezm, Surkhandarya regions (18.8%), as well as in the Djizak region (18.6%), minimally - in the Samarkand region (2.6%).



In July, the prices for milk were stable, and in general for January-July it became more expensive by 12.7%.

<u>For information</u>: the prices for milk rose most significantly in Khorezm (by 21.4%) and Kashkadarya (by 18.6%) regions. The lowest price increase was in Tashkent (by 2.3%).

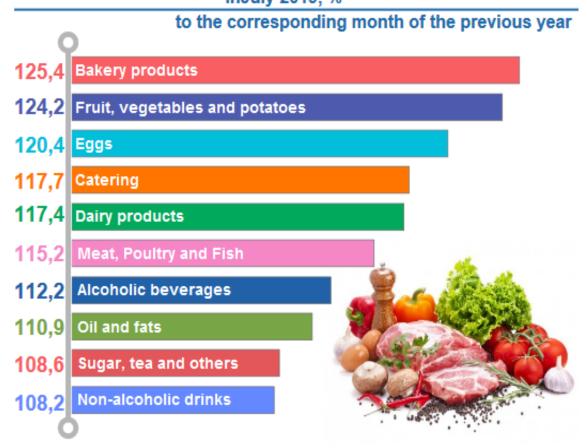


Sugar has risen in price since the beginning of the year by 3.8%, including the most significant in January - by 1.2% and June - by 1.0% per month.

<u>For information:</u> the maximum increase in sugar prices was recorded in Surkhandarya region (7.4%) and Tashkent (6.5%).

Below are price changes for the main groups of foodstuffs in July 2019 compared to July 2018:

Consumer Price Index in the Republic of Uzbekistan for the main groups of foodstuffs inJuly 2019, %

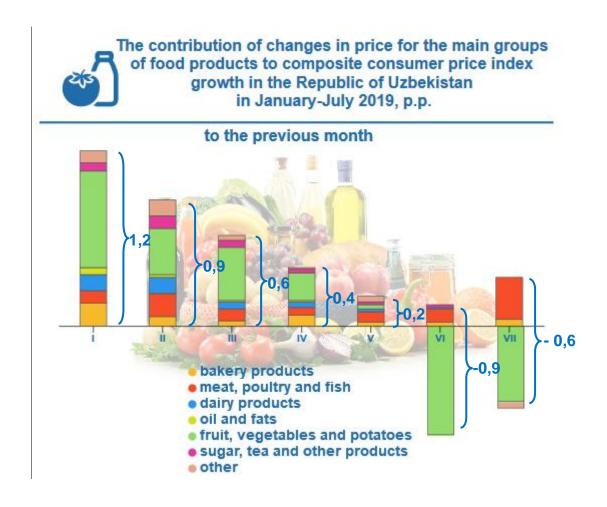


The top three leaders in price growth in annual terms of foodstuffs are bread products (25.4%), fruits and vegetables (24.2%) and eggs (20.4%).

Compared to July 2018, rice became 1.3 times more expensive, milk - by 26.7%, eggs - by 20.4%, flour - by 18.0%, lamb - by 13.6%,



boneless beef - by 11.9%, other beef - by 15.3%, chicken leg and legs - by 11.7%, other poultry meat - by 16.7%, sugar - by 4.0%.



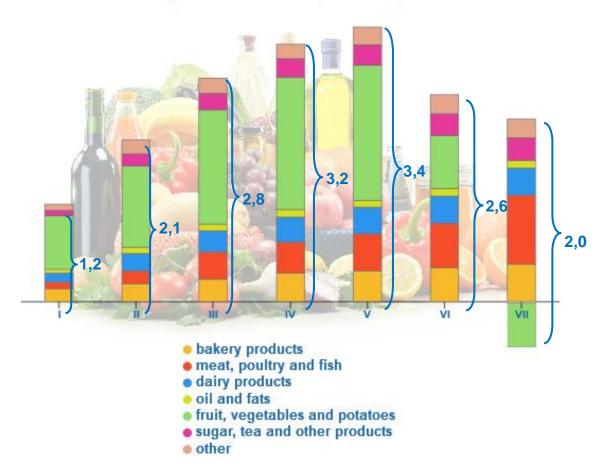
Analysis of the contribution of price changes for the main groups of foodstuffs showed that in July of the current year, the consumer price index was influenced by the rise in prices for meat (0.29 p.p.) and bakery products (0.05 p.p.), as well as prices for fruit, vegetables and potatoes (- 0.90 p.p.) and eggs (-0.03 p.p.).

<u>For comparison:</u> in July 2018, the leadership in influencing the aggregate indicator for the month belonged to fruit and vegetable (-1.2 p.p.) and meat (0.10 p.p.) products.



The contribution changes in price for the main groups of food products to composite consumer price index growth in the Republic of Uzbekistan in January-July 2019, p.p.

by December of the previous year



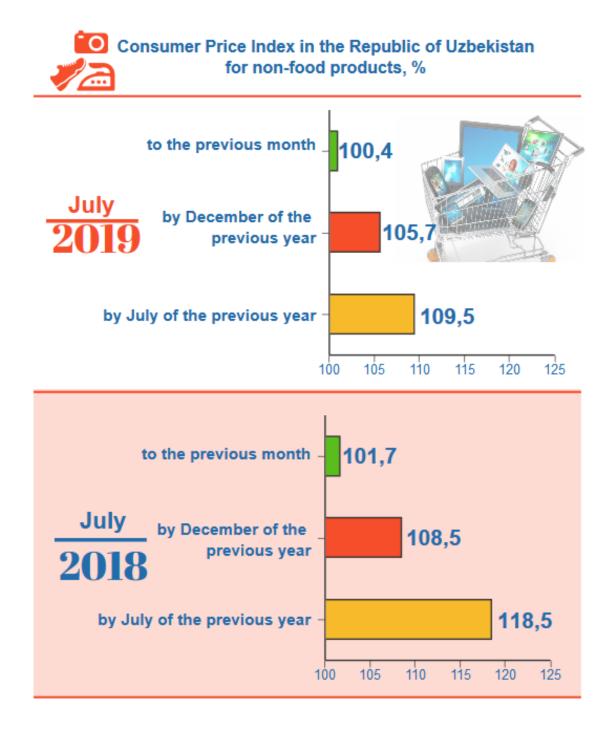
In the structure of the composite index of consumer prices for July 2019 by December of the previous year, meat products also occupy the leading place (0.86 p.p.). The next in the process of decreasing influence are bakery products (0.47 p.p.) and dairy products (0.34 p.p. each).

<u>For comparison:</u> in July 2018, by December 2017, leadership in influencing the aggregate indicator belonged to fruit and vegetable products (-1.51 p.p.), meat products (1.46 p.p.) and bakery products (0.73 p.p.).



Consumer Price Index for Non-Food Products

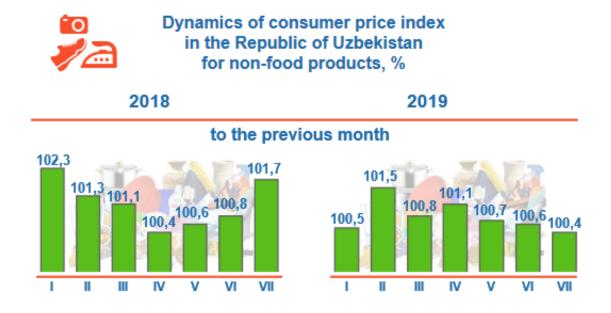
Non-food products in July 2019, on average, went up by 0.4%, which led to a growth in the composite consumer price index for the month by 0.1 p.p.



In general, in January-July of the current year, prices for goods of this group increased by 5.7%.



In annual terms, compared to July 2018, the rise in prices for non-food products amounted to 9.5%.



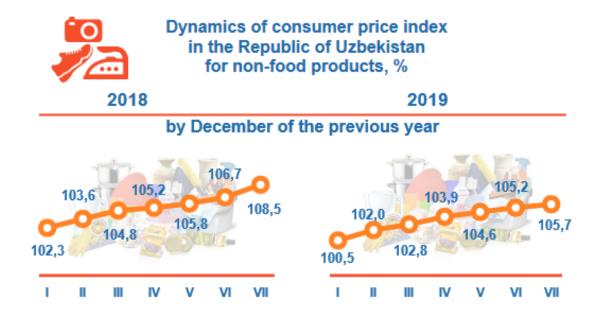
A comparison of the dynamics of consumer price indices for nonfood products for January-July 2018 and 2019 showed the following. In 2018, the consumer price index for this group of goods reached its peak in January (102.3%), the minimum in April (100.4%). In 2019, the maximum price index was formed in February (101.5%), its minimum value was in July (100.4%). At the same time, the increase in prices for non-food products per month in July 2019 was significantly lower than in July 2018 (0.4% vs 1.7%).

<u>For information:</u> in July 2018, the existing consumer price index for non-food products was significantly affected by the increase in the price of coal sold to households for household needs. Based on the Protocol for the coordination of the retail price of coal sold to the population and state-owned organizations through the coal warehouses of the Temir-«Temiryo`lyonilg`ita`min» JSC, «O`zbekiston temir yo`llari», from July 1, 2018, increased prices for coal were introduced. Rising prices for the month amounted to slightly more than 1.7 times (74.3%).

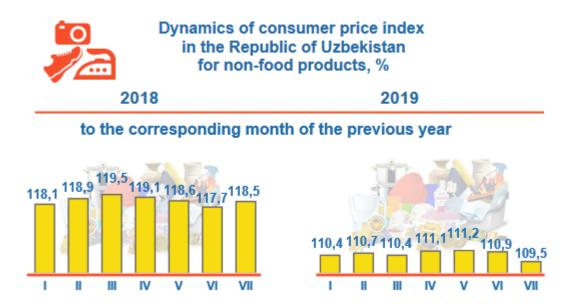
The dynamics of changes in consumer prices for non-food products compared to December of the previous year in the compared periods of 2018 and 2019 has a relatively similar trend of increase. However, given the higher value of price increases in January 2018, the overall price



increase from January to July 2018 was higher than in the corresponding period of 2019 (108.5% versus 105.7%).



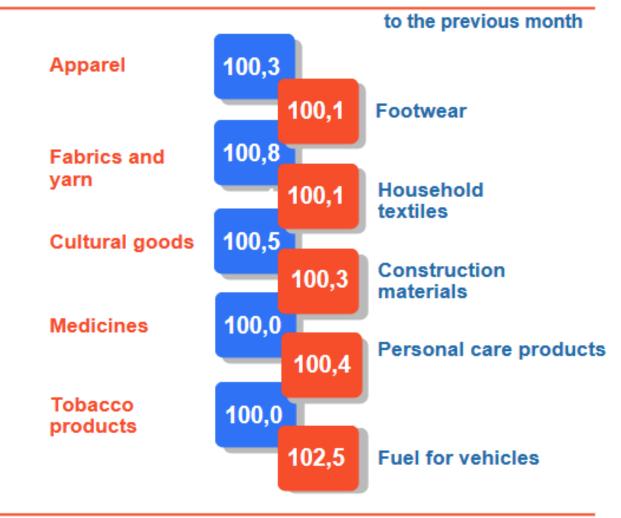
The relative slowdown in rates is also indicated by the dynamics of price changes in annual terms: 9.5% - in July 2019 versus 18.5% - in July 2018.



Below is the consumer price index for the main groups of non-food products for July 2019:







Of the main groups of non-food products in July 2019, fuel prices for automobiles rose most significantly in the month by 2.5% (including propane by 19.1%), fabrics and yarn by 0.8% and craft goods by 0.5%.

Regarding the end of 2018, non-food product groups with the largest share in the set of goods and services for calculating the consumer price index increased more than others the prices for foodstuffs (9.3%), fabrics and yarn (8.5%) and personal care products (7.5%).



Of the other groups, printed products (19.5%), communications (11.3%), detergents and cleaning products (11.2%), basic household goods and electrical appliances (9.4%), agricultural implements (7.3%).



Below are the changes in consumer prices for major groups of nonfood products for July 2019 in annual terms:



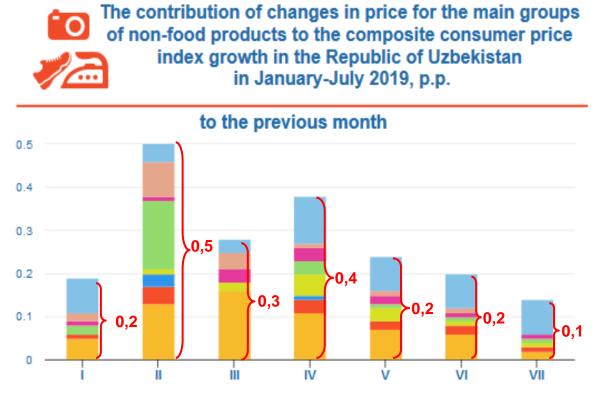
Consumer price index in the Republic of Uzbekistan for the main groups of non-food products,%

Name	July 2019 to July 2018
Apparel	111,6
Footwear	110,4
Fabrics and yarn	112,7
Construction Materials	104,6
Furniture	108,7
Carpets and rugs	111,1
Household textiles	111,8
Basic household goods and electrical appliances	112,5
Kitchenware and appliances	109,2
Detergents and cleaners	114,9
Fuel for vehicles	111,1
Cultural goods	111,0
Communication means	116,4
Books, newspapers and magazines	121,1
Personal care products	111,2
Tobacco products	116,8
Agricultural inventory	108,6

In annual terms, the highest growth was in prices for printed products - by 21.1%, tobacco products - by 16.8%, communications



equipment - by 16.4%, detergents and cleaning products - by 14.9%, fabrics and yarn - by 12.7%, basic household goods and electrical appliances - by 12.5%, household textiles - by 11.8%, clothes - by 11.6%, personal care products - by 11.2%, fuel for cars, carpets and rugs - by 11.1%, wares - by 11.0%.

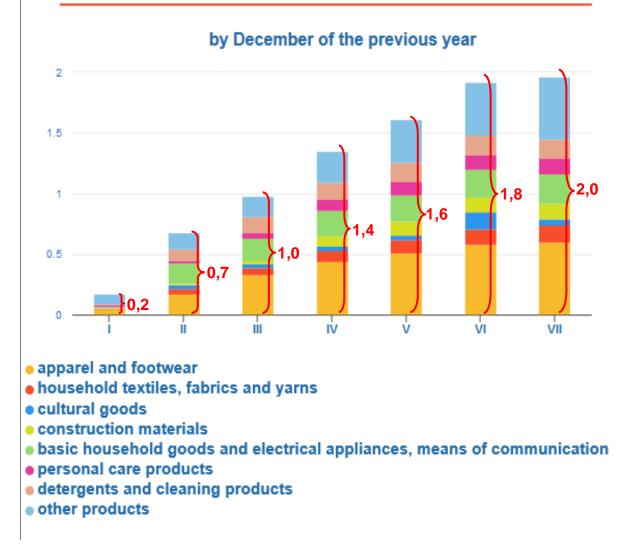


- apparel and footwear
- household textiles, fabrics and yarns
- cultural goods
- construction materials
- basic household goods and electrical appliances, means of communication
- personal care products
- edetergents and cleaning products
- other products

The impact of a rise in prices for apparel and footwear in July of the current year added about 0.2 p.p. to household index of consumer prices for a month, household textiles, fabrics and yarn, building materials, basic household goods and electrical appliances, personal care products – 0.01 p.p., other non-food products - about 0.08 p.p., including fuel for cars - 0.06 p.p.



The contribution of changes in price for the main groups of non-food products to composite consumer price index growth in the Republic of Uzbekistan in January-July 2019, pp.

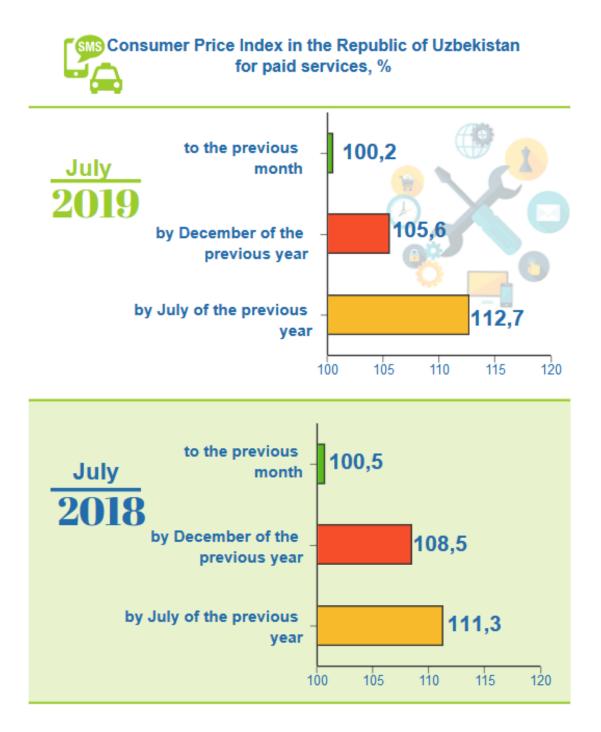


The contribution of the increase in prices for apparel and footwear to the increase in the composite consumer price index as compared to December 2018 amounted to 0.60 p.p., communications equipment, basic household goods and electrical appliances - 0.24 p.p., washing and cleaning products –0.16 p.p., household textiles, fabrics and yarn - 0.14 p.p., building materials and personal care products - 0.13 p.p. each.



Consumer price index for services

The increase in tariffs for paid services to the population in July 2019 amounted to 0.2%, which led to an increase in the composite consumer price index for the month by 0.1 p.p.

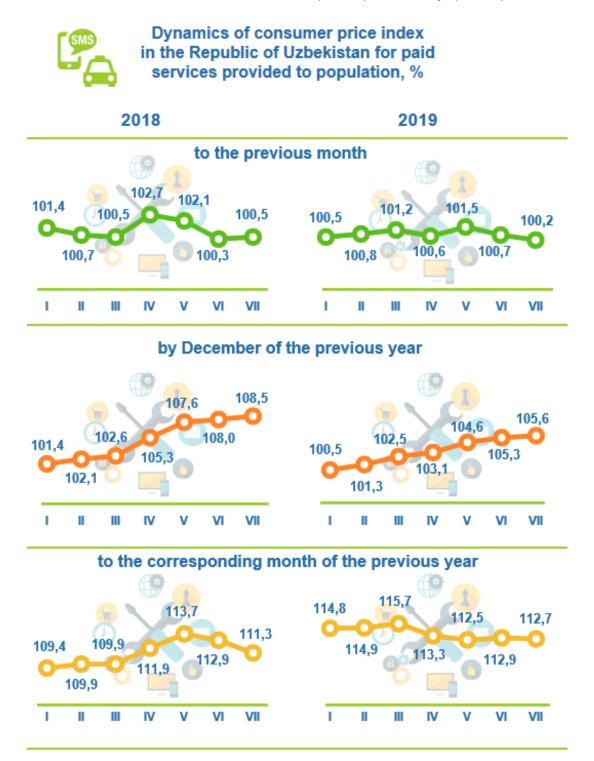


Since the beginning of 2019, tariffs in this area have increased by an average of 5.6%.



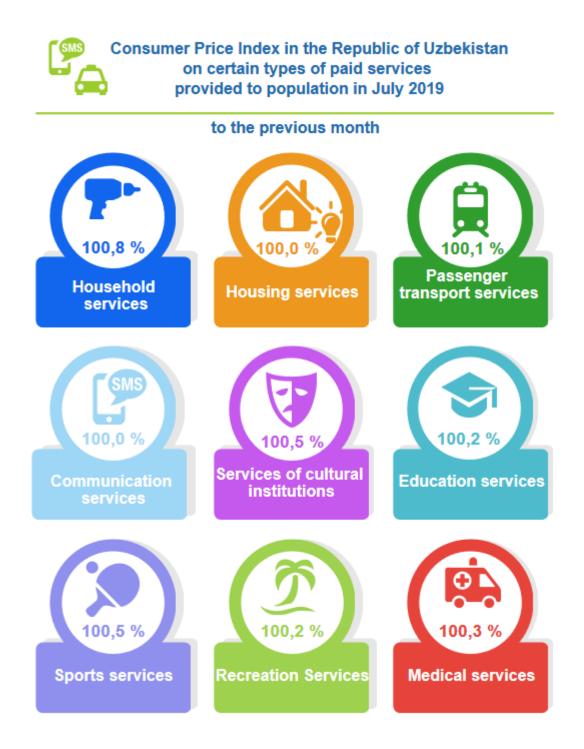
Compared with the corresponding month of the previous year, the increase in tariffs was 12.7%.

Over the past since the beginning of 2019, the most significant for the month tariffs increased in March (1.2%) and May (1.5%).





Comparison of tariff growth in January-July 2018 and 2019 showed that they increased significantly in 2018 (8.5% versus 5.6%), which was determined by the increase in tariffs in the housing sector in April and May 2018 (for the month, respectively, by 9.3% and 2.3%).



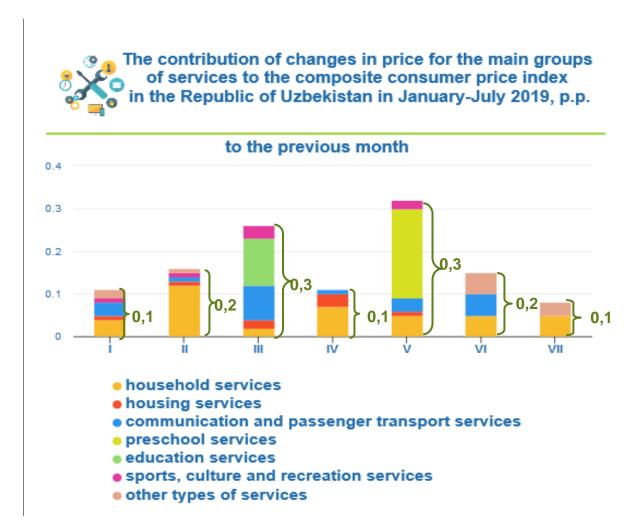
From the observed types of paid services to population, the growth of tariffs for the month was registered for household services - by 0.8%, services of cultural institutions and in the field of sports - by



0.5%, medical - by 0.3%, services for recreation and in education - by 0.2%, as well as passenger transport - by 0.1%.

In July of the current year, of the observed types of personal services, laundry services (2.0%), rental (1.3%), hairdressers and cosmetologists, photo salons (1.2%), and vehicle repair and maintenance rose in price most significantly. (1.1%).

Due to the increase in prices for domestic services, the consolidated consumer price index grew by 0.03 p.p. per month. The increase in tariffs for services of paid medical institutions added another 0.01 p.p. to the aggregate indicator.



The following table shows the consumer price index for the main types of paid services to the population by December of the previous year and in annual terms:



Consumer price index in the Republic of Uzbekistan for certain types of services for the population in July 2019,%

List of Services	by December 2018	by July 2018
Houshold services	111,0	116,1
Housing and communal services	101,3	112,9
Passenger transport services	103,5	109,6
Communication services	104,2	104,8
Services of cultural institutions	105,0	109,6
Sport services	106,9	114,9
Recreation Services	109,8	111,4
Medical services	105,8	110,1
Education Services	107,2	122,3
Services of pre-school educational institutions	120,5	118,7

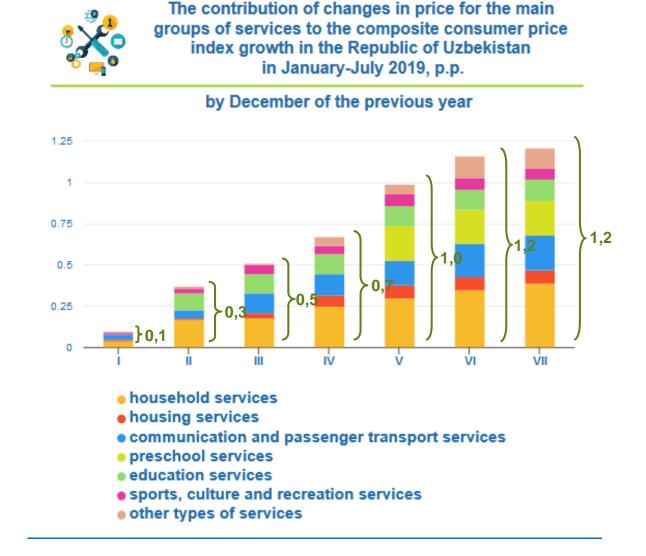
Of the observed groups of paid services to the population, leadership in price increases relative to December of the previous year continues to be maintained by the services of pre-school educational institutions (20.5%). In addition, household services (11.0%) significantly increased in price (9.8%).

In annual terms, the most significant was the increase in the cost of education services by 22.3%, fees for the maintenance of children in pre-school educational institutions - by 18.7% and the cost of household services - by 16.1%.

As for the contribution to the increase in the composite consumer price index in July relative to the end of last year, of the services the leading positions are occupied by household services



(0.39 p.p.), transport and communication services, as well as preschool educational institutions (0.21 p.p.) and education services (0.13 p.p.).



<u>For information:</u> leadership in terms of the impact on the composite indicator in July of the current year relative to the corresponding month of the previous year belongs to the housing and utilities services (0.78 p.p.), consumer services (0.57 p.p.), transport and communication (0.43 p.p.) and education (0.40 p.p.).

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