CPI increased by 1.78% in July.

Monthly CPI inflation came in at 1.78% in July, slightly below market expectations. Annual CPI inflation continued to decline due to the high base effect, falling to 31.75%.

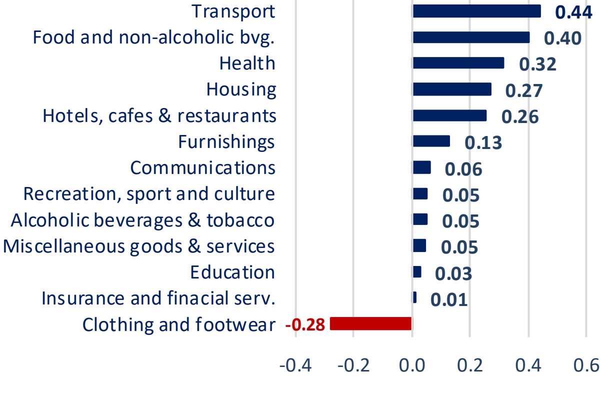
Meanwhile, Domestic Producer Price Index (D-PPI) rose by 1.50% on a monthly basis in July, recording its lowest monthly increase of the year, while annual D-PPI inflation declined to 27.83%.

July	CPI		D-PPI	
(change %)	2025	2026	2025	2026
Monthly	2.06	1.78	1.73	1.52
Year-to-Date	19.08	19.86	17.70	17.86
Annual	33.52	31.75	24.19	27.83
Annual Average	41.13	31.90	27.07	27.54

Prices declined in the clothing and footwear group in July.

In July, prices increased across all groups except clothing and footwear, where prices declined by 3.93% mom and limited monthly inflation by 0.28 pps. During this period, the health group recorded the highest price increase at 10.74%, driven by the rise in medical examination fees, contributing 0.32 pps to monthly inflation. This group was followed by transportation, with a 2.59% increase (contribution: 0.44 pps), hotels and restaurants, with a 2.28% increase (0.26 pps), and housing, with a 2.25% increase (0.27 pps). Meanwhile, having lost momentum in June following its high pace in the first five months of the year, inflation in the food and non-alcoholic beverages group accelerated to 1.61% in July due to higher fresh fruit and vegetable prices. Given the group's high weight of 24.4% in the CPI basket, it was the second-largest contributor to monthly inflation, adding 0.40 percentage points.

Contributions of main expenditure groups to monthly CPI
(% points)

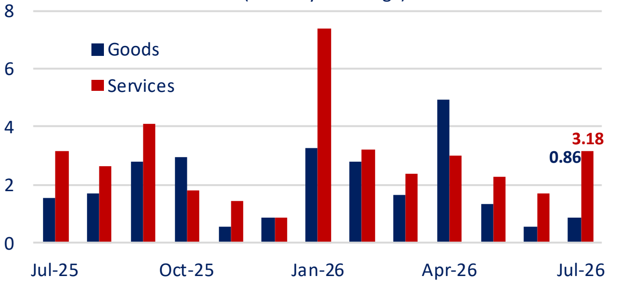


Services inflation accelerated in July.

Goods inflation stood at 0.86% in July, while services inflation rose to 3.18%, its highest level in the past five months.

In July, energy prices increased by 2.30% following two consecutive months of decline. The B index (CPI excluding unprocessed food, energy, alcoholic beverages, tobacco and gold) increased by 1.66%, below headline inflation, confirming the upward pressure from energy and unprocessed food prices on monthly inflation. Meanwhile, the C index (CPI excluding energy, food and non-alcoholic beverages, alcoholic beverages, tobacco products and gold) increased by 1.80%, broadly in line with headline inflation, while the A index, which excludes seasonal products, rose by 1.93%, above headline inflation.

Goods & Services Prices
(monthly % change)



The decline in producer price inflation continued.

In July, electricity, gas production, and distribution prices increased by 9.65% mom, making this group the largest contributor to monthly producer price inflation at 0.78 pps. Other major contributors to the monthly increase in D-PPI were textiles and basic metals, each contributing 0.12 percentage points, with prices rising by 2.13% and 1.44%, respectively. Meanwhile, the monthly price increase in the food products group, which accounts for 19.62% of the basket, remained limited at 0.47%.

Expectations…

Adjustments made to administered and guided prices, along with the increase in energy prices amid heightened uncertainty and supply concerns in the Middle East, led to an acceleration in monthly inflation in July. In the coming period, the level of energy prices will continue to affect the inflation outlook depending on the course and persistence of tensions in the Middle East. The messages to be delivered in the Inflation Report to be published on August 13 by the CBRT, as well as at the accompanying briefing, will be closely monitored for their implications on the course of the disinflation program and inflation expectations. The CBRT's next Monetary Policy Committee meeting is going to be held on September 10.

		Inflation (%)							
		CPI (2025=100)				D-PPI (2003=100)			
		Monthly	Year to Date	Annual	Annual Average	Monthly	Year to Date	Annual	Annual Average
2024	January	6.70	6.70	64.86	54.72	4.14	4.14	44.20	47.35
	February	4.53	11.54	67.07	55.91	3.74	8.03	47.29	45.71
	March	3.16	15.06	68.50	57.50	3.29	11.59	51.47	45.28
	April	3.18	18.72	69.80	59.64	3.60	15.61	55.66	45.83
	May	3.37	22.72	75.45	62.51	1.96	17.87	57.68	47.24
	June	1.64	24.73	71.60	65.07	1.38	19.49	50.09	47.97
	July	3.23	28.76	61.78	65.93	1.94	21.81	41.37	47.55
	August	2.47	31.94	51.97	64.91	1.68	23.86	35.75	46.23
	September	2.97	35.86	49.38	63.47	1.37	25.55	33.09	44.81
	October	2.88	39.77	48.58	62.02	1.29	27.17	32.24	43.93
	November	2.24	42.91	47.09	60.45	0.66	28.01	29.47	42.60
	December	1.03	44.38	44.38	58.51	0.40	28.52	28.52	41.10
2025	January	5.03	5.03	42.12	56.35	3.06	3.06	27.20	39.50
	February	2.27	7.42	39.05	53.83	2.12	5.24	25.21	37.55
	March	2.46	10.06	38.10	51.26	1.88	7.23	23.50	35.23
	April	3.00	13.36	37.86	48.73	2.76	10.19	22.50	32.65
	May	1.53	15.09	35.41	45.80	2.48	12.92	23.13	30.17
	June	1.37	16.67	35.05	43.23	2.46	15.71	24.45	28.34
	July	2.06	19.08	33.52	41.13	1.73	17.70	24.19	27.07
	August	2.04	21.50	32.95	39.62	2.48	20.62	25.16	26.28
	September	3.23	25.43	33.29	38.36	2.52	23.66	26.59	25.83
	October	2.55	28.63	32.87	37.15	1.63	25.67	27.00	25.49
	November	0.87	29.74	31.07	35.91	0.84	26.72	27.23	25.37
	December	0.89	30.89	30.89	34.88	0.75	27.67	27.67	25.36
2026	January	4.84	4.84	30.65	33.98	2.67	2.67	27.17	25.39
	February	2.96	7.95	31.53	33.39	2.43	5.16	27.56	25.60
	March	1.94	10.04	30.87	32.82	2.30	7.58	28.08	25.98
	April	4.18	14.64	32.37	32.43	3.17	10.99	28.59	26.48
	May	1.71	16.61	32.61	32.24	2.75	14.04	28.93	26.96
	June	0.99	17.76	32.11	32.03	1.80	16.09	28.09	27.26
	July	1.78	19.86	31.75	31.90	1.52	17.86	27.83	27.54

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