



INFLATION EXPECTATIONS AND CONSUMER SENTIMENT

INFORMATION AND ANALYTICAL COMMENTARY

Households' inflation expectations

(inFOM's survey)

March

- For a year ahead, median

13.4% ▲ +0,3 pp vs February

- For five years ahead, median

11.8% ▲ +0.4 pp vs February

Companies' price expectations

- Balance of responses, SA*

20.2 p ▲ +0.2 p vs February

- Price growth expected over the next three months in annualised terms

5.0% ▼ -0.8 p vs February

Analysts' inflation forecasts

(Bank of Russia's survey)

March

- for 2026

5.3% 0,0 pp vs February

- for 2027

4.1% 0.0 pp vs February

- In March, changes in indicators of inflation expectations were diverse and mostly insignificant.

- Households' inflation expectations for one year ahead increased to **13.4%**. The main contribution was made by respondents with savings.

- Companies' price expectations barely changed, remaining elevated.

- Breakeven inflation derived from inflation-indexed federal government bonds (OFZ-IN) stayed practically unchanged on average for issues maturing in 2028, 2030, and 2032.

- Analysts' inflation forecasts did not change. Their estimates are within the Bank of Russia's forecast range.

- According to the Bank of Russia's forecast, given the current monetary policy stance, annual inflation will decline to **4.5–5.5% in 2026**. From 2027 onwards, annual inflation will remain at the target.

Sources: InFOM, Bank of Russia.

* SA – seasonally adjusted.

INDICATORS OF INFLATION EXPECTATIONS

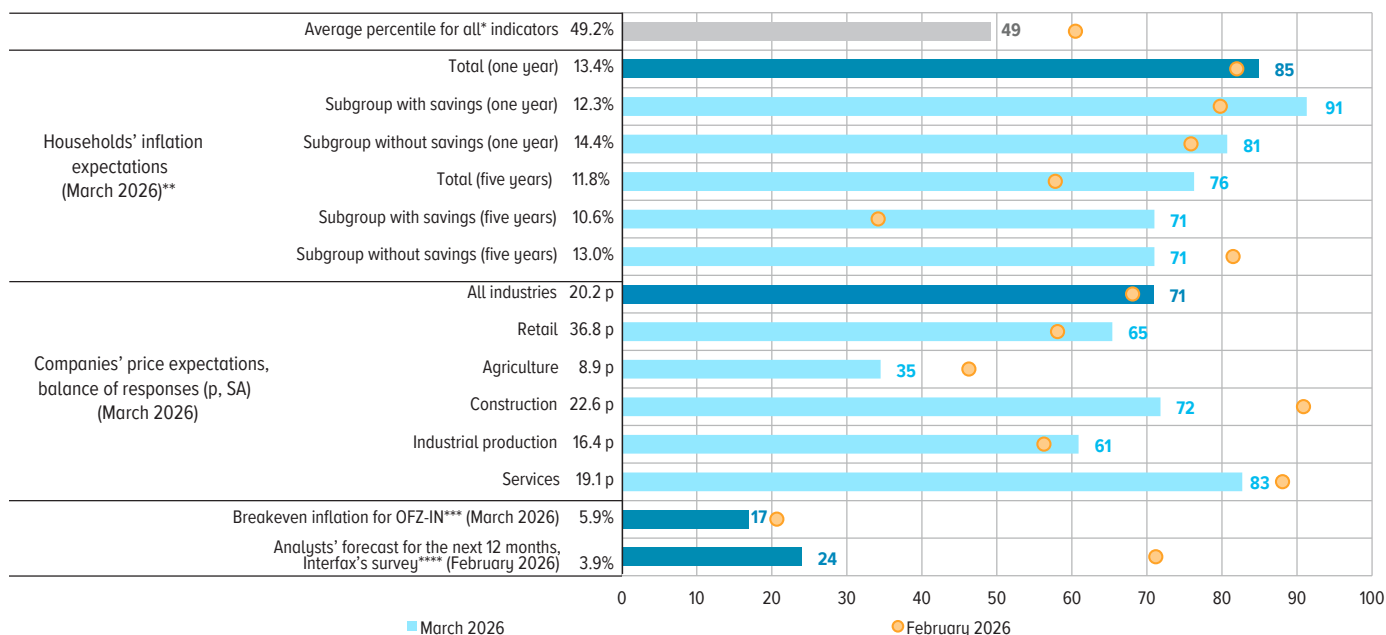
Table 1

	Expectations horizon	2023 average	2024 average	2025 average	2025 Q3 average	2025 Q4 average	2026			Average over past three months
							January	February	March	
Inflation, %		5.9	8.5	8.7	8.3	6.6	6.0	5.9		
Inflation observed by households, Public Opinion Foundation, %										
Median	previous 12 months	14.5	14.9	15.5	15.3	14.4	14.5	14.5	15.6	14.9
Subgroup with savings	previous 12 months	13.0	13.2	13.7	13.5	13.0	13.2	12.9	14.8	13.6
Subgroup without savings	previous 12 months	15.9	16.5	16.8	16.6	15.4	15.9	16.0	16.3	16.1
Households' inflation expectations for one year, Public Opinion Foundation, %										
Median	next 12 months	11.5	12.4	13.2	13.0	13.2	13.7	13.1	13.4	13.4
Subgroup with savings	next 12 months	10.2	10.9	11.7	11.5	11.9	12.0	11.5	12.3	11.9
Subgroup without savings	next 12 months	12.7	13.8	14.5	14.3	14.0	15.2	14.2	14.4	14.6
Households' inflation expectations for five years, Public Opinion Foundation, %										
Median	next five years	10.5	10.8	11.9	11.8	12.0	11.4	11.4	11.8	11.5
Subgroup with savings	next five years	9.7	9.9	10.7	10.4	11.2	9.8	9.8	10.6	10.1
Subgroup without savings	next five years	11.4	11.8	13.0	13.3	12.6	13.2	13.2	13.0	13.1
Companies' price expectations, Bank of Russia's monitoring of businesses, balance of responses, p, SA										
Companies, total	next three months	19.6	22.2	20.6	18.2	22.3	29.7	20.0	20.2	23.3
Retail	next three months	38.6	41.1	37.9	33.4	39.4	51.5	36.0	36.8	41.4
Average price growth expected by companies in next three months (in annualised terms), Bank of Russia's monitoring of businesses, %										
Companies, total	next three months	5.0	6.1	5.5	3.7	6.3	10.4	5.8	5.0	7.1
Retail	next three months	10.2	10.8	9.5	6.7	10.6	15.7	10.1	9.0	11.6
Breakeven inflation from OFZ-IN (monthly average), %										
OFZ-IN 52002, February 2028	next two-year average	7.2	7.0	4.2	3.9	4.1	3.8	4.3	3.6	3.9
OFZ-IN 52003, July 2030	next four-year average	7.4	6.8	5.3	4.6	5.8	5.8	5.8	5.5	5.7
OFZ-IN 52004, March 2032	next six-year average	7.6	7.2	5.9	5.2	5.9	6.0	6.1	6.0	6.0
OFZ-IN	2028–2030 average	7.9	6.6	6.3	5.4	7.2	7.2	6.9	6.8	7.0
OFZ-IN	2030–2032 average	8.5	8.5	7.9	6.9	6.5	6.5	6.7	7.3	6.8
Analysts' forecasts, %										
Survey by Bank of Russia	2026	4.0	4.1	4.8	4.7	5.1		5.3	5.3	
Interfax	2026			4.9	4.8	5.1	5.4	5.2		
Survey by Bank of Russia	2027		4.0	4.1	4.3	4.1		4.1	4.1	
Interfax	2027						4.5	4.4		
Survey by Bank of Russia	2028			4.0	4.0	4.0		4.0	4.0	

Sources: Rosstat, InFOM, Bank of Russia, Interfax, Moscow Exchange.

INDICATORS OF INFLATION EXPECTATIONS IN PERCENTILES RELATIVE TO DISTRIBUTION OF VALUES SINCE 2017

Chart 1



* The average of the percentiles of households' inflation expectations (total, for one year ahead), companies' price expectations (all industries), breakeven inflation from OFZ-IN, and analysts' forecast for the next 12 months.

** The distribution of values of households' inflation expectations for the next five years since January 2023.

*** The average for the issues maturing in 2028, 2030, and 2032. The distribution of values since October 2021.

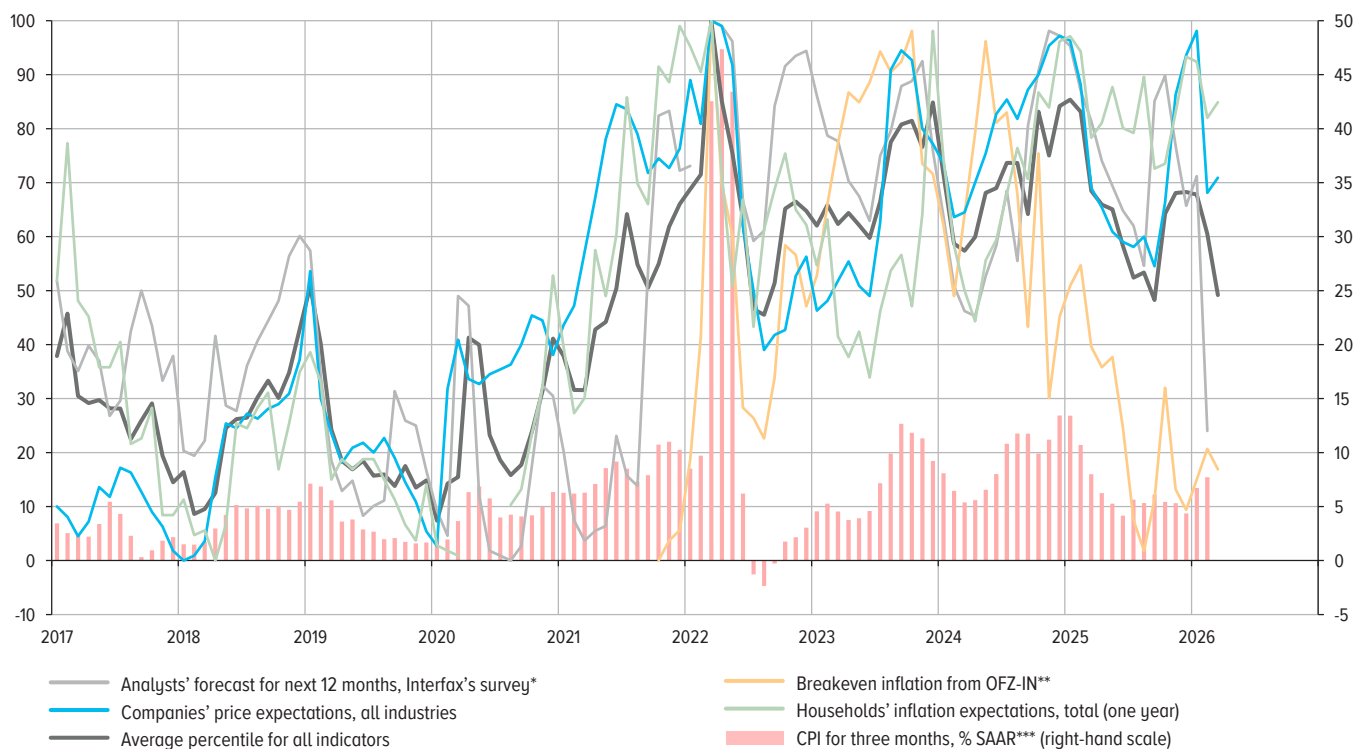
**** Analysts' forecast for the next 12 months was calculated based on the forecasts for the current and the next year, taking into account actual inflation since the beginning of the current year.

Note. The chart shows the percentiles of the indicators of inflation expectations for the current and previous months in the distribution observed since January 2017 (unless otherwise indicated above). The percentiles as of the previous date are highlighted in yellow, and the percentiles as of the current date are shown as the grey, blue, and light blue bars. A shift in the indicator to the left relative to the previous date means lower inflation expectations, and its shift to the right – higher inflation expectations.

Sources: InFOM, Bank of Russia, Interfax, Moscow Exchange.

PERCENTILES OF INDICATORS OF INFLATION EXPECTATIONS RELATIVE TO DISTRIBUTION OF VALUES SINCE 2017

Chart 2



* Analysts' forecast for the next 12 months was calculated based on the forecasts for the current and the next year, taking into account actual inflation since the beginning of the current year.

** The average for the issues maturing in 2028, 2030, and 2032. The distribution of values since October 2021.

*** SAAR – seasonally adjusted annualised rate.

Sources: InFOM, Rosstat, Bank of Russia, Interfax, Moscow Exchange.



MONETARY POLICY AND INFLATION EXPECTATIONS

Inflation expectations of economic agents influence how effectively monetary policy will be able to control inflation.¹ This is because companies, credit institutions, and households make their decisions on consumption, savings and investment, price products, and set credit and deposit rates, being guided by their expectations about future inflation, among other factors. The performance of the Bank of Russia's monetary policy in turn impacts inflation expectations. Achieving the inflation target and maintaining inflation at a consistently low level help anchor inflation expectations and reduce their volatility and sensitivity to one-off and short-term spikes in prices for some products or services.

Estimates of inflation expectations and observed inflation based on household surveys in Russia and abroad almost always exceed actual inflation rates. This difference is ascribed to certain perception patterns: people tend to notice and actively respond to price growth, whereas declining or stable prices usually attract less attention. Therefore, people estimate inflation, being guided primarily by those product prices that have increased most significantly. Despite this systematic bias in the absolute values of inflation expectations, their change and relative level compared to the historical range are essential indicators showing possible changes in households' economic behaviour. These changes in turn influence future underlying inflation.

Unlike households' inflation expectations, companies' price expectations are measured as the balance of responses to the question about the expected change in output prices in the next three months rather than the median of price growth expected in the next 12 months. A positive balance of responses means that more respondents expected prices to increase; whereas a negative balance means that more respondents expected prices to decrease. Changes in the balance of responses compared to the previous month reflect the qualitative features of the process, such as direction and intensity. For example, a rise in the positive balance of responses suggests higher expected price growth, while its decrease implies its slowdown. However, businesses' price expectations do not reflect the level of expected price changes.

¹ The monetary policy transmission mechanism is detailed in Appendix 1 to the [Monetary Policy Guidelines for 2026–2028](#).



HOUSEHOLDS' INFLATION EXPECTATIONS INCREASED

According to [InFOM's survey](#), in March 2026, the median estimate of inflation expectations over a one-year horizon was up to 13.4% (+0.3 pp MoM; +0.5 pp YoY) (Charts 3 and 4). In March 2026, expectations increased among respondents both with savings (12.3%; +0.8 pp MoM; +1.3 pp YoY) and without savings (14.4%; +2.0 pp MoM; -0.7 pp YoY) (Chart 5). Nevertheless, inflation expectations remain below the local maximum of December 2025–January 2026, staying in the range of 12.5–14.0% since the autumn of 2024.

Inflation observed by households was up to 15.6% in March (+1.1 pp MoM; -0.9 pp YoY). Its estimates rose among respondents both with and without savings. The gap between the estimate of observed inflation and annual growth of the consumer price index (CPI)² increased to 9.7 pp (observed inflation and its average deviation over 2022–2024 were 2.6 times and 2.1 times as high as annual CPI growth, respectively).

In March, respondents were less concerned about rising prices for most individual goods and services included in the survey. Specifically, fewer respondents complained about increases in prices for meat and poultry, fish and seafood, milk and dairy products, petrol, cheese and sausages, Internet and mobile communication services. More respondents reported higher prices for eggs as well as fruit and vegetables than in February (Chart 6).

The qualitative estimates of expected inflation for one month and one year ahead decreased in March,³ while those of inflation observed over the past month and the past year increased⁴ (Chart 7).

In March, long-term inflation expectations for the next five years⁵ increased to 11.8% (+0.4 pp MoM; -0.3 pp YoY). The increase was driven by respondents with savings, whose five-year-ahead expectations were up to 10.6% (+0.8 pp MoM; +0.1 pp YoY). The five-year-ahead expectations of respondents without savings edged down to 13.0% (-0.2 pp MoM; -0.7 pp YoY). The proportion of respondents believing that the price growth rate might notably surpass 4% in three years slightly decreased to 58% in March (-1 pp vs January (this question was not asked in February); -1 pp YoY) (Chart 8).



THE CONSUMER SENTIMENT INDEX BARELY CHANGED

In March 2026, the consumer sentiment index equalled 98.2 p (+0.5 p MoM; -10.8 p YoY) (Chart 9). Respondents' expectations and estimates of the present situation remained largely unchanged.

The present situation index stood at 87.9 p in March (+0.3 p MoM; -6.2 p YoY). In terms of its components, respondents' estimates of their personal financial standing over the past year increased somewhat. Estimates of the suitability of the current period for making major purchases stayed virtually the same.

The expectations index came in at 105.0 p in March (+0.6 p MoM; -13.9 p YoY). Respondents increased their expectations about their personal financial standing in the coming year.

² For details on inflation in February, refer to the information and analytical commentary [Inflation in Russia](#) No. 2 (122), February 2026.

³ That is, the percentages of respondents who said that prices would rise considerably in the next month and would be rising faster than now next year were lower than in the previous month.

⁴ That is, the percentages of respondents who said that prices had risen considerably over the past month and had been rising faster over the past 12 months than before were higher than in the previous month.

⁵ The question 'Could you even roughly estimate price growth in five years, i.e. annual inflation by around 2031?'. The proportion of respondents who gave a meaningful response to this question (other than the answers such as 'I have no idea what will happen to prices in five years' and 'It is hard to say') was 50% in March (vs 51% in February).

Estimates of the country's further development for one year and five years ahead barely changed.

In March, respondents' propensity to save decreased. The portion of respondents opting to save rather than purchase expensive goods was 51.2% (-3.7 pp MoM; -0.3 pp YoY) (Chart 10). The proportion of those preferring to make purchases was 29.3% (+0.6 pp MoM; -0.9 pp YoY). The distribution of responses to the question about the preferred forms of savings remained almost the same in March.



COMPANIES' PRICE EXPECTATIONS REMAINED PRACTICALLY UNCHANGED

According to the Bank of Russia's monitoring of businesses carried out in March 2026, companies' price expectations (the balance of responses) for the next three months barely changed, staying elevated (Chart 11).⁶

Broadly flat price expectations in the economy as a whole were the result of mixed dynamics across various sectors. In most industries, price expectations continued to decline gradually under the impact of cooling actual demand and slower costs growth reported by enterprises (Table 2). Contrastingly, price expectations increased markedly in mining and quarrying as well as in transportation and storage, rose slightly in trade, and remained unchanged in water supply.

In mining and quarrying, the notable rise in price expectations was fuelled by changes in the price trends in the global commodity markets. In transportation and storage, growth in price expectations was accompanied by higher estimates of current and expected demand.

In trade, it was mainly driven by the retail segment where enterprises increased their estimates of both future and actual demand. Nevertheless, despite the slight increase, estimates of actual demand among retailers remained low, i.e. close to the minimum values since October 2022.

The quantitative indicator of price expectations of businesses, which is the average expected rate of price growth for the next three months,⁷ went down to 5.0% in annualised terms in March (-0.8 pp MoM; -0.2 pp YoY) (Chart 12). The average price growth rate expected by retailers in the next three months⁷ was 9.0% in annualised terms (-1.1 pp MoM; -2.0 pp YoY).



BREAKEVEN INFLATION TO BE 3.6% UNTIL 2028

As assessed by the Bank of Russia,⁸ average breakeven inflation derived from OFZ-IN for the issues maturing in 2028, 2030, and 2032 barely changed in March. Over the period from 1 to 20 March, breakeven inflation until 2028 equalled 3.6% (-0.7 pp MoM; -0.7 pp YoY), while that for 2028–2030 was 6.8% (-0.1 pp MoM; +0.5 pp YoY), and that for 2030–2032 was 7.3% (+0.6 pp MoM; -2.0 pp YoY).

⁶ In March 2026, the Bank of Russia surveyed 12,700 companies (more detailed results of the monitoring are available in the information and analytical commentary [Monitoring of Businesses: Assessments, Expectations and Comments](#)).

⁷ Not seasonally adjusted.

⁸ The estimates are based on the comparison of expected yields on OFZ-IN and nominal OFZ (OFZ-PD) with similar maturities, taking into account the lag in the nominal value indexation and seasonally adjusted inflation. [Calculation method](#).



IN MARCH, ANALYSTS EXPECTED INFLATION TO BE 5.3% AS OF THE END OF 2026

In March 2026, analysts' inflation forecasts did not change. According to the [Bank of Russia's macroeconomic survey](#) carried out in March, analysts forecast that inflation would be 5.3% (unchanged MoM; +0.5 pp YoY) at the end of 2026; 4.1% (unchanged MoM; +0.1 pp YoY) at the end of 2027; and 4.0% (unchanged MoM) at the end of 2028 (Chart 14).



ACCORDING TO THE BANK OF RUSSIA'S FORECAST, ANNUAL INFLATION WILL BE 4.5–5.5% IN 2026

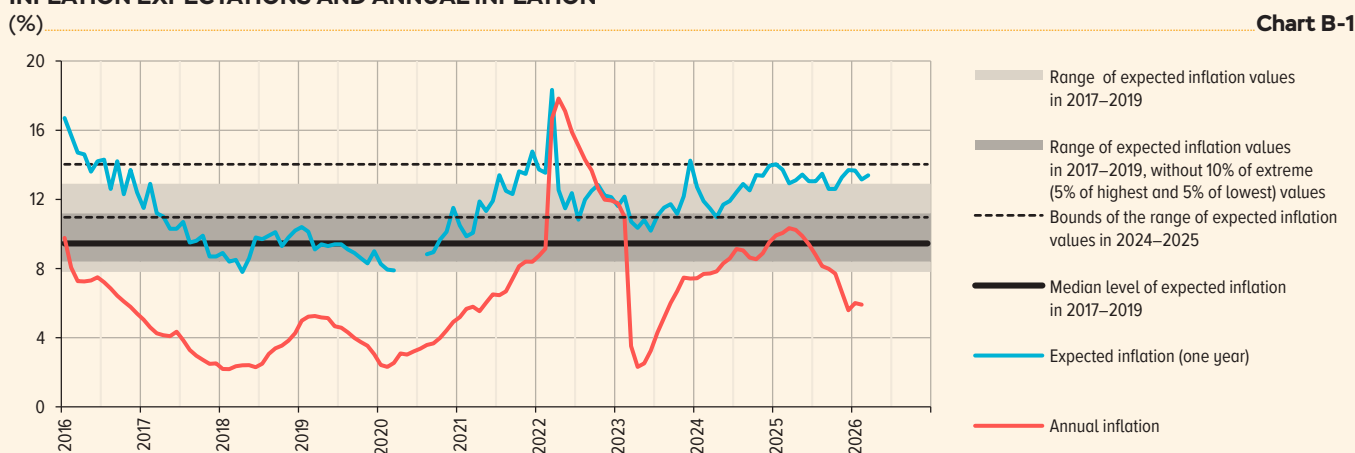
According to the Bank of Russia's forecast, given the current monetary policy stance, annual inflation will decline to 4.5–5.5% in 2026. Underlying inflation will be close to 4% in 2026 H2. From 2027 onwards, annual inflation will remain at the target.

COMPARISON OF INFLATION AND PRICE EXPECTATIONS WITH HISTORICAL VALUES

Estimates of inflation expectations and observed inflation are consistently higher than actual inflation figures reported by Rosstat, which makes it difficult to assess how much current expectations exceed the inflation target. To address this issue, inflation expectations may be compared against their levels of 2017–2019 when inflation remained stably low and close to 4%, rather than against the inflation target. During this period, households’ expectations fluctuated within a wide range from 7.8% (April 2018) to 12.9% (February 2017) (Chart B-1). The maximum values of this range, primarily accounting for its width, are the local values observed in 2017 H1 when inflation expectations were gradually declining from previous years’ high levels. For 90% of the 2017–2019 period, the estimates of expected inflation ranged from 8.4% to 11.2%. Therefore, the median of 9.5% and the truncated range of 8.4–11.2% observed over 2017–2019 may serve as the reference values of moderate inflation expectations. In March 2026, households’ inflation expectations equalling 13.4% stayed above these reference values. They remain in the range of 11.0–14.0%, which corresponds to the high values observed in 2024–2025.

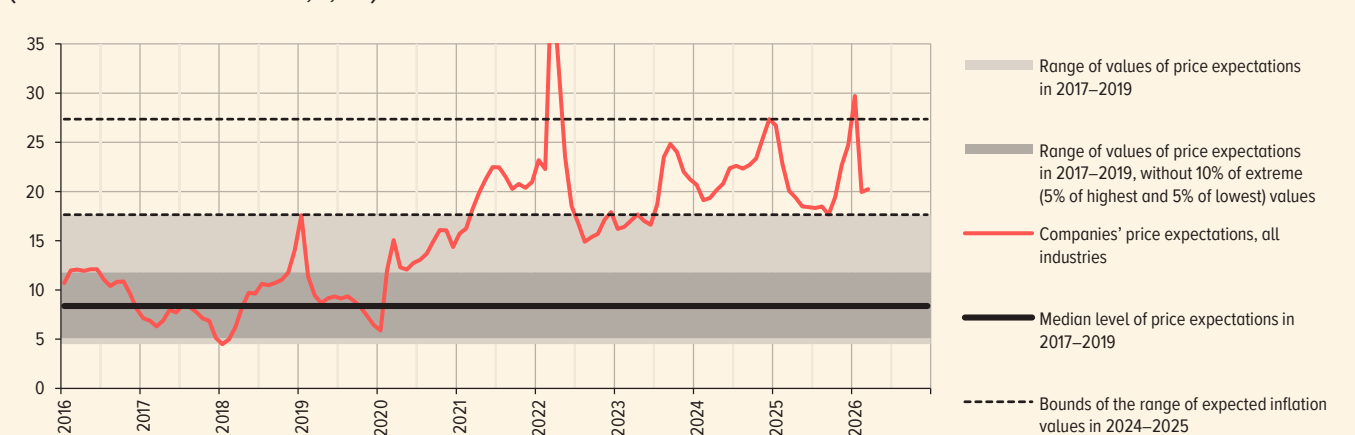
A similar approach could be employed to analyse the current level of companies’ price expectations. The upper bound of the range in 2017–2019 was shaped by the peaks of early 2019 caused by companies’ response to the VAT increase implemented at that time (Chart B-2). In 2017–2019, the balance of responses about expected price changes ranged from 4.5 p (January 2018) to 17.7 p (January 2019). Excluding the highest and the lowest values, businesses’ price expectations remained within the range of 5.1–11.8 p for 90% of the period. The median value over the period equalled 8.4 p. The current level of price expectations (20.2 p in March 2026) significantly exceeds these reference values. Like the current level of households’ inflation expectations, it remains in the range of high values of 2024–2025.

INFLATION EXPECTATIONS AND ANNUAL INFLATION



Sources: InFOM, Rosstat, Bank of Russia calculations.

COMPANIES’ PRICE EXPECTATIONS (BALANCE OF RESPONSES, P, SA)

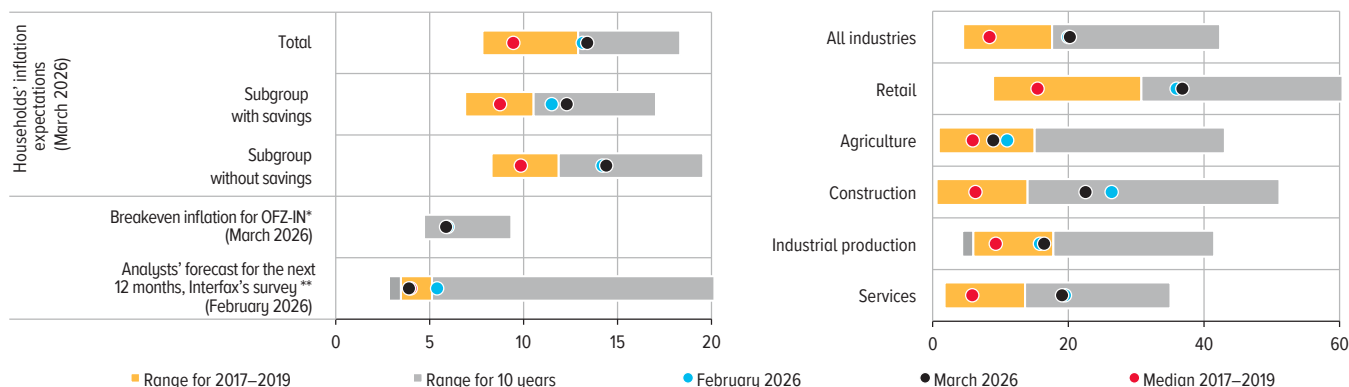


Source: Bank of Russia.

INDICATORS OF INFLATION EXPECTATIONS AND DISTRIBUTION OF THEIR VALUES OVER 10 YEARS Chart 3

HOUSEHOLDS' INFLATION EXPECTATIONS, BREAKEVEN INFLATION, AND ANALYSTS' FORECAST (%)

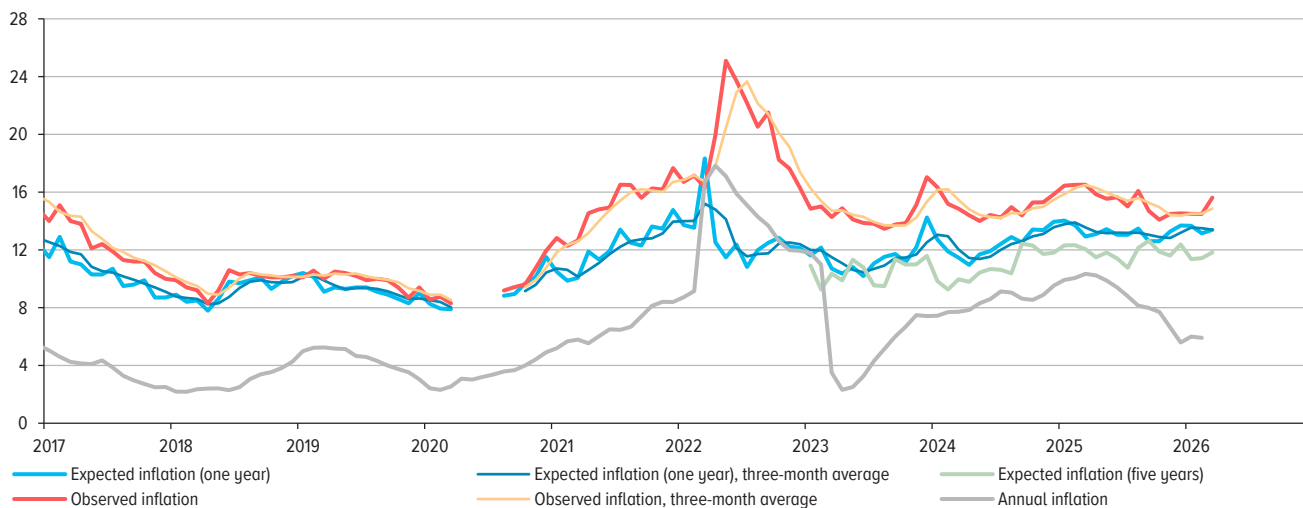
COMPANIES' PRICE EXPECTATIONS (BALANCE OF RESPONSES, P, SA)



* The average for the issues maturing in 2028, 2030, and 2032. The distribution of values since October 2021.
 ** Analysts' forecast for the next 12 months was calculated based on the forecasts for the current and the next year, taking into account actual inflation since the beginning of the current year.
 Sources: InFOM, Bank of Russia, Interfax, Moscow Exchange, Bank of Russia calculations.

INFLATION OBSERVED AND EXPECTED BY HOUSEHOLDS (MEDIAN ESTIMATE)

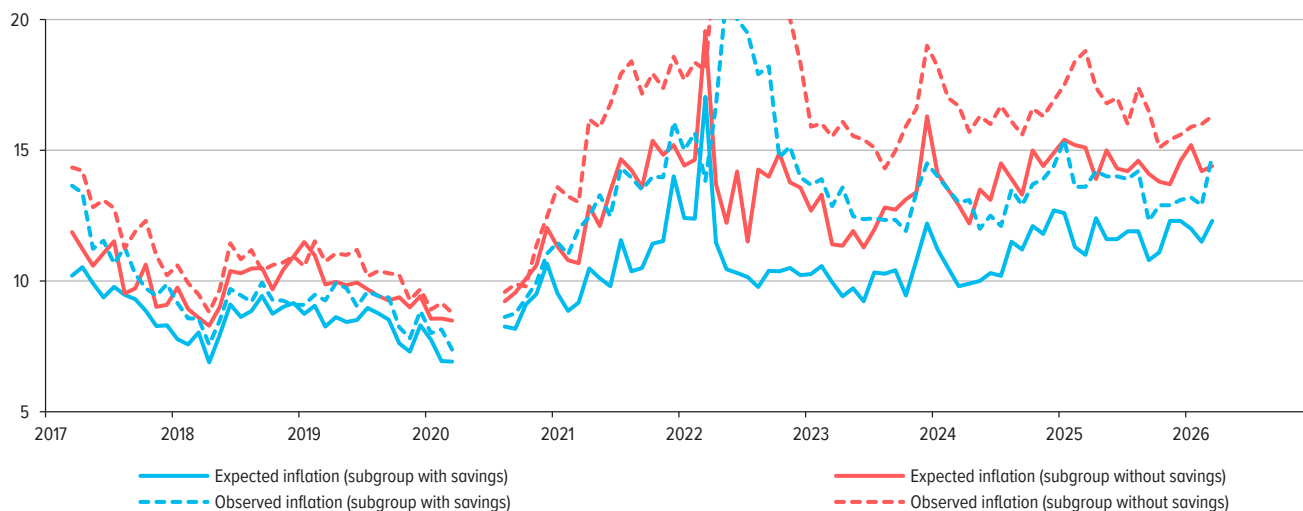
(%) Chart 4



Sources: InFOM, Rosstat, Bank of Russia calculations.

EXPECTED AND OBSERVED INFLATION BY RESPONDENT SUBGROUP (MEDIAN ESTIMATE)

(%) Chart 5

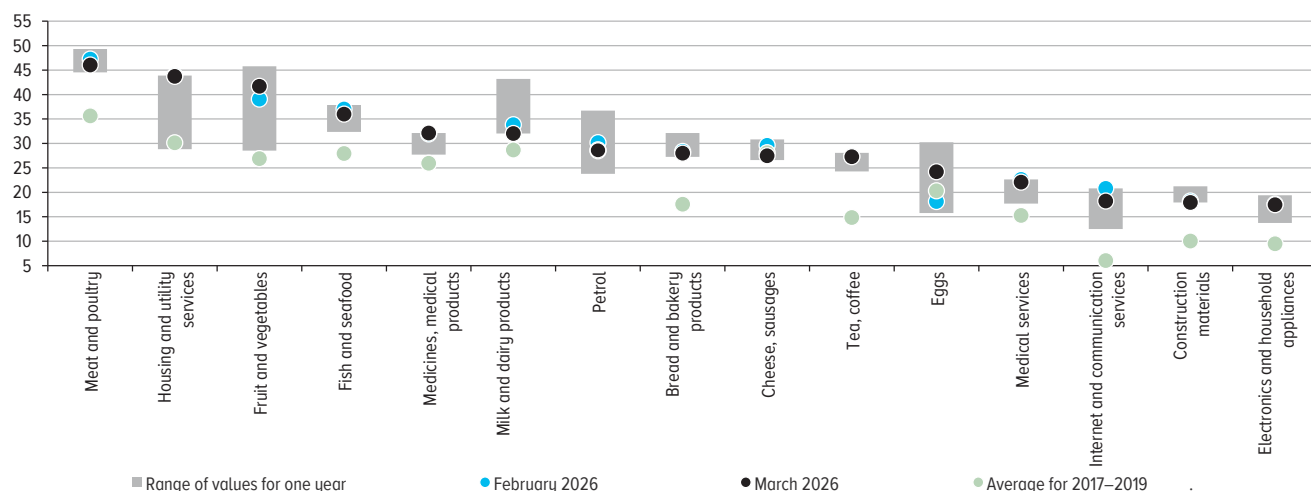


Source: InFOM.

DISTRIBUTION OF RESPONSES TO QUESTION 'WHAT MAIN PRODUCTS, GOODS, AND SERVICES SHOWED VERY HIGH PRICE GROWTH RATES OVER THE PAST MONTH?'

(% OF ALL RESPONDENTS)

Chart 6

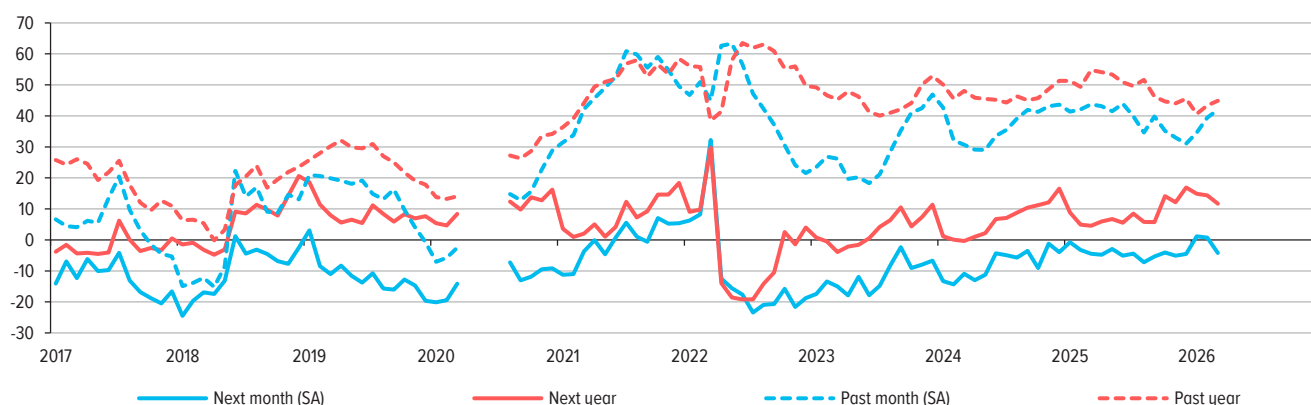


Sources: InFOM, Bank of Russia calculations.

INDICATORS OF PRICE MOVEMENTS*

(BALANCE OF RESPONSES, PP)

Chart 7



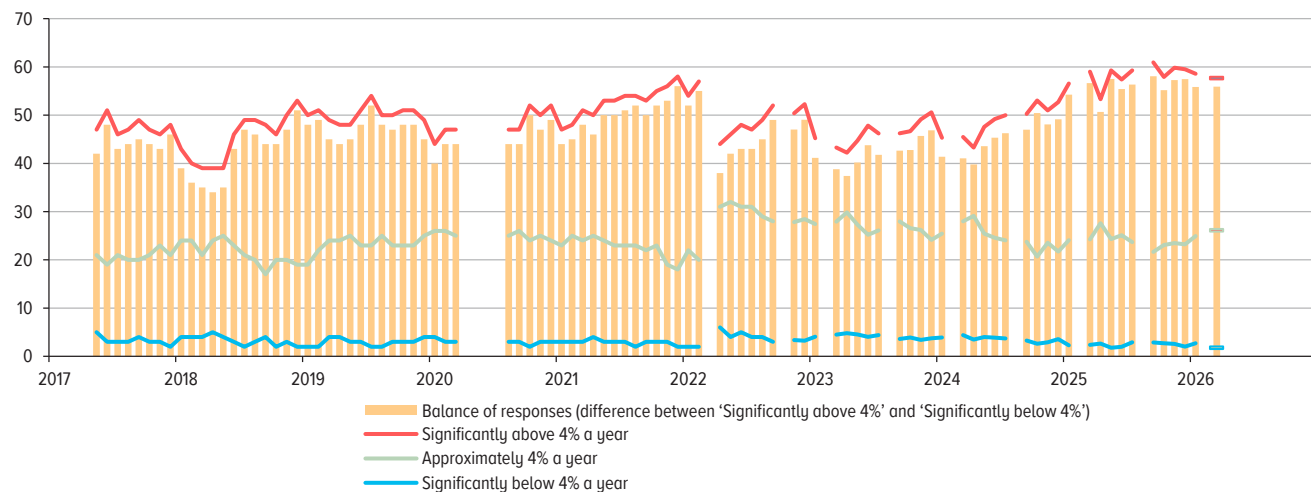
* The balance of responses to the questions 'How will prices for food products, non-food goods and services change overall next month, in your opinion?'; 'How will prices be changing overall over the next 12 months (year), in your opinion?'; 'How did prices for food products, non-food goods and services change overall over the past month, in your opinion?'; 'How were prices changing overall over the past 12 months (year), in your opinion?'. For questions about price changes in the past and next months, prices are seasonally adjusted.

Sources: InFOM, Bank of Russia calculations.

DISTRIBUTION OF RESPONSES TO QUESTION 'WILL ANNUAL PRICE GROWTH BE ABOVE OR BELOW 4% IN THREE YEARS, IN YOUR OPINION?'

(% OF ALL RESPONDENTS)

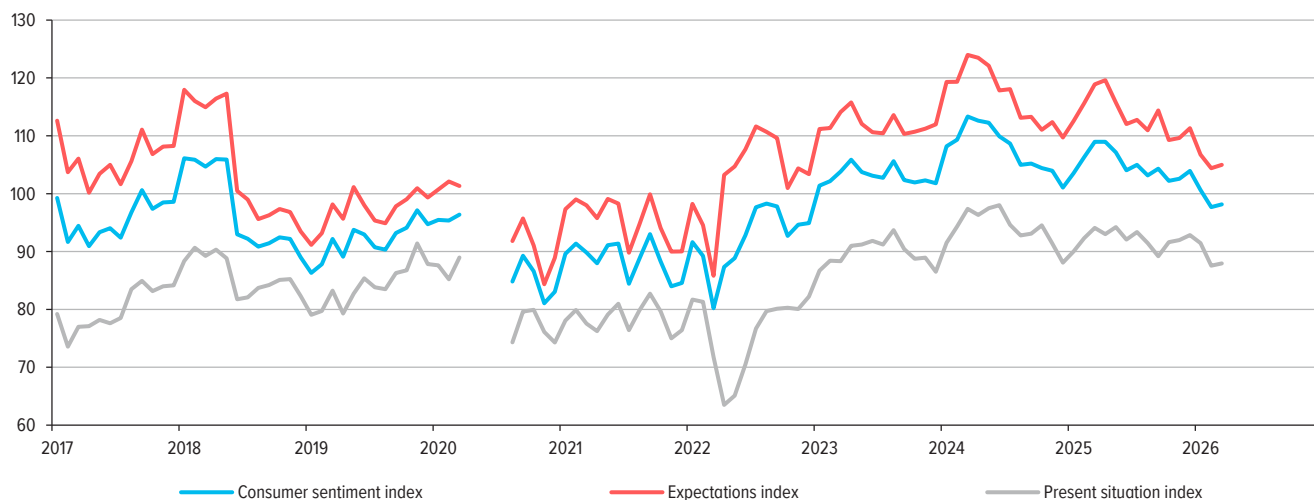
Chart 8



Sources: InFOM, Bank of Russia calculations.

CONSUMER SENTIMENT INDEX

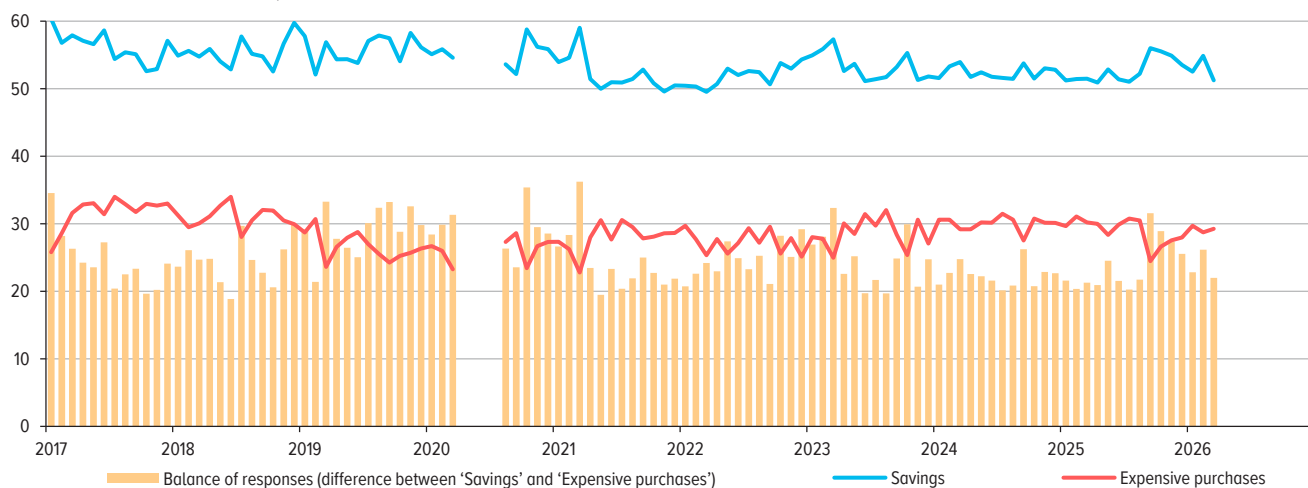
(P) Chart 9



Source: InFOM.

DISTRIBUTION OF RESPONSES TO QUESTION 'WHAT IS YOUR OPINION ABOUT THE BEST WAY TO USE AVAILABLE MONEY: MAKE SAVINGS OR PURCHASE EXPENSIVE GOODS?'

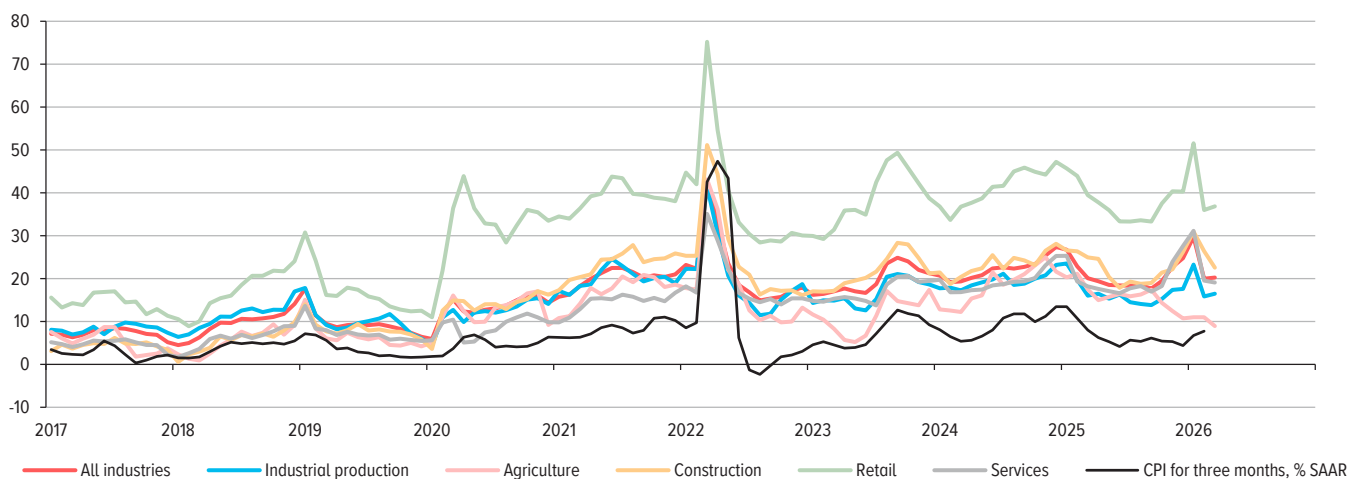
(% OF ALL RESPONDENTS) Chart 10



Sources: InFOM, Bank of Russia calculations.

COMPANIES' PRICE EXPECTATIONS BY KEY INDUSTRY

(BALANCE OF RESPONSES, P, SA) Chart 11



Sources: Bank of Russia, Rosstat.

ESTIMATES OF CHANGES IN DEMAND, COSTS, AND PRICE EXPECTATIONS OF COMPANIES MONITORED BY BANK OF RUSSIA

(BALANCE OF RESPONSES, P, SA)

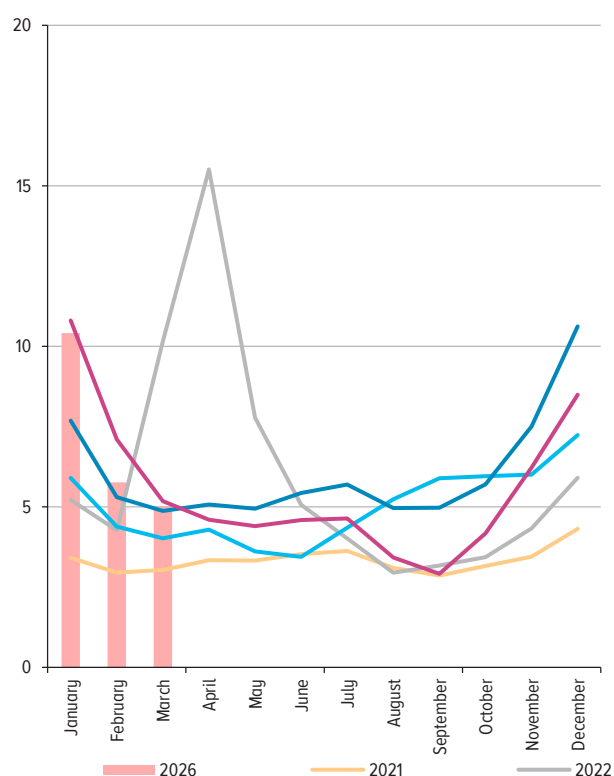
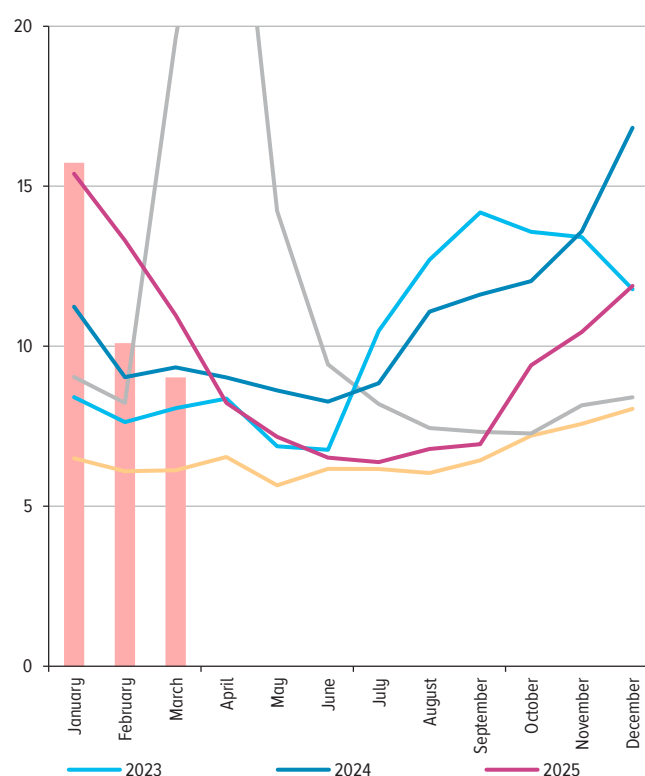
Table 2

	Demand						Costs (actual)			Prices					
	actual			expectations			January 2026	February 2026	March 2026	actual			expectations		
	January 2026	February 2026	March 2026	January 2026	February 2026	March 2026				January 2026	February 2026	March 2026	January 2026	February 2026	March 2026
All industries	-3.3	-8.9	-9.9	6.6	7.5	8.8	36.2	45.1	37.7	12.9	24.1	14.4	29.7	20.0	20.2
Industrial production	-5.1	-10.5	-9.5	7.3	6.4	6.5	32.2	39.9	28.6	3.8	14.3	7.5	23.2	15.8	16.4
Mining and quarrying	-3.4	-13.0	-14.3	3.9	-1.3	-1.8	27.6	30.7	18.7	-3.6	6.0	3.8	11.4	7.7	14.4
Manufacturing	-8.7	-11.9	-8.2	9.7	12.6	13.1	37.4	47.6	37.1	9.0	18.1	9.9	30.5	22.1	18.1
Electric power, gas and steam supply	7.7	11.1	6.3	9.4	8.3	8.7	22.1	37.6	25.4	8.8	29.8	11.2	37.7	18.7	16.6
Water supply	2.4	-0.1	0.0	6.2	2.6	6.2	34.2	44.5	30.2	10.1	33.2	10.9	31.7	15.1	15.1
Agriculture	1.3	0.1	-1.6	17.8	19.2	18.7	41.2	45.2	45.2	-8.6	-6.3	-8.4	11.0	11.0	8.9
Construction	0.4	-8.5	-11.3	4.0	4.4	6.8	43.0	49.9	43.7	21.3	30.6	22.5	30.9	26.4	22.6
Trade	-8.9	-13.6	-14.5	2.0	7.9	9.3	42.2	53.0	47.2	26.7	37.7	28.1	46.7	32.8	33.2
sale of motor vehicles	-11.2	-23.2	-13.9	-1.4	7.6	12.8	37.8	46.3	42.1	28.9	40.0	23.2	45.0	30.8	29.6
wholesale	-8.8	-12.1	-15.3	4.1	8.8	9.0	41.4	52.9	46.8	22.4	32.8	24.0	44.2	31.3	31.8
retail	-8.3	-13.6	-13.3	-0.8	6.5	8.8	44.8	55.1	49.4	33.4	45.4	36.4	51.5	36.0	36.8
Transportation and storage	-1.0	-9.0	-6.7	7.7	6.9	10.1	39.7	46.7	42.2	11.0	20.7	12.3	24.6	15.2	21.4
Services	-1.4	-7.0	-9.7	6.9	7.8	9.6	35.3	45.4	39.1	16.1	29.2	16.2	31.1	19.5	19.1

Source: Bank of Russia.

AVERAGE PRICE GROWTH EXPECTED BY COMPANIES IN NEXT THREE MONTHS (IN ANNUALISED TERMS)

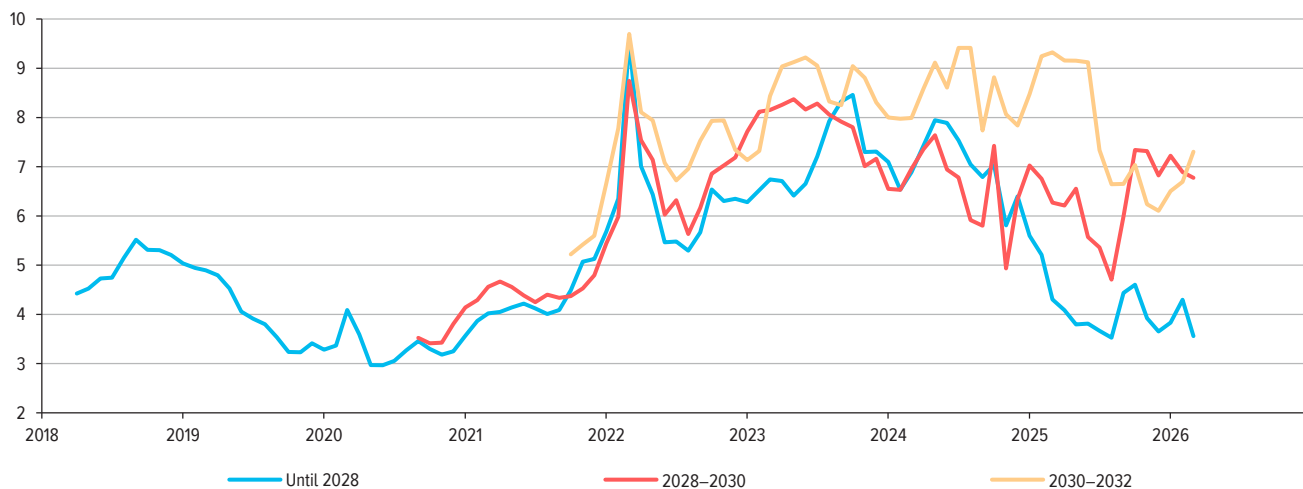
(%)

Chart 12
ALL INDUSTRIES

RETAIL


Source: Bank of Russia.

BREAKEVEN INFLATION FROM OFZ-IN

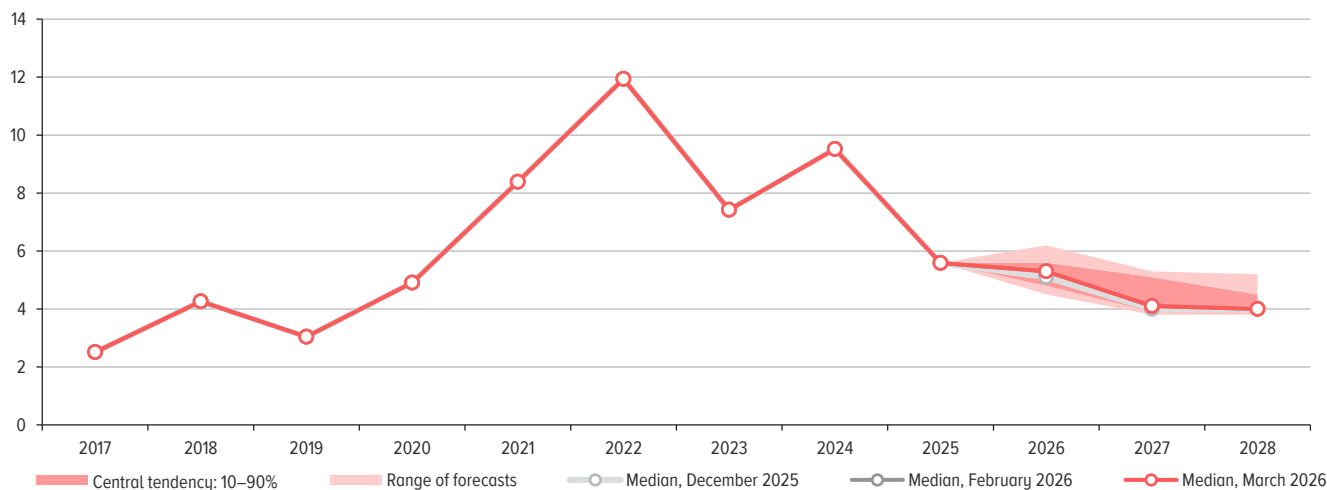
(%) **Chart 13**



Sources: Moscow Exchange, Rosstat, Bank of Russia calculations.

RESULTS OF THE BANK OF RUSSIA'S MACROECONOMIC SURVEY, INFLATION FORECAST

(% IN DECEMBER YOY) **Chart 14**



Sources: Bank of Russia, Rosstat.

The data cut-off date – 23 March 2026.

The electronic version of the [information and analytical commentary](#) is available on the Bank of Russia website.

Please send your comments and suggestions to svc_analysis@cbr.ru.

This commentary was prepared by the Monetary Policy Department together with the Irkutsk Regional Division of the Siberian Main Branch of the Central Bank of the Russian Federation

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