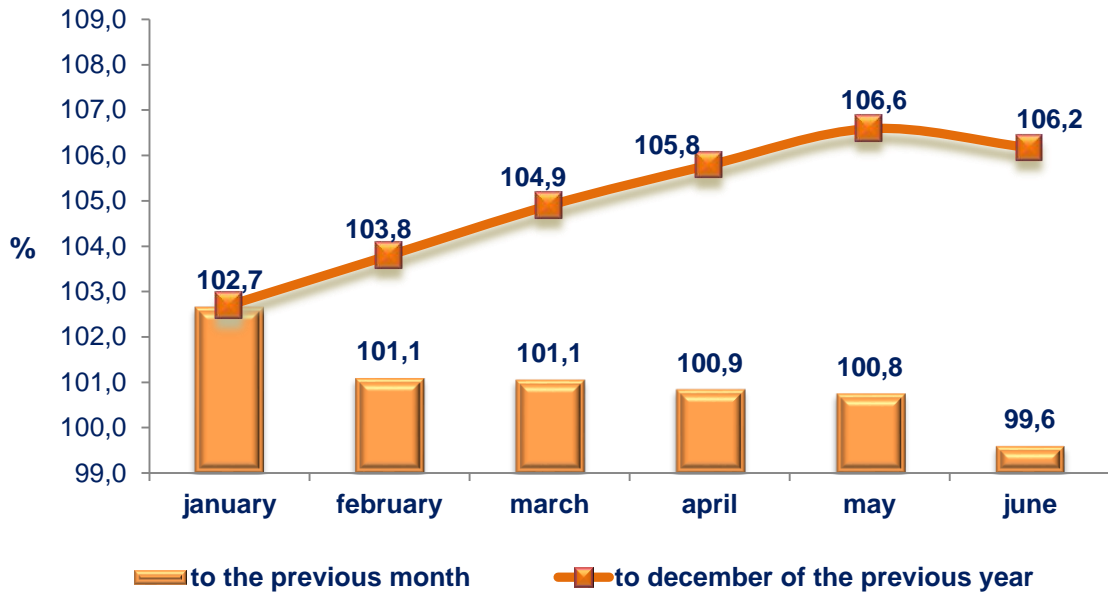


PRICES

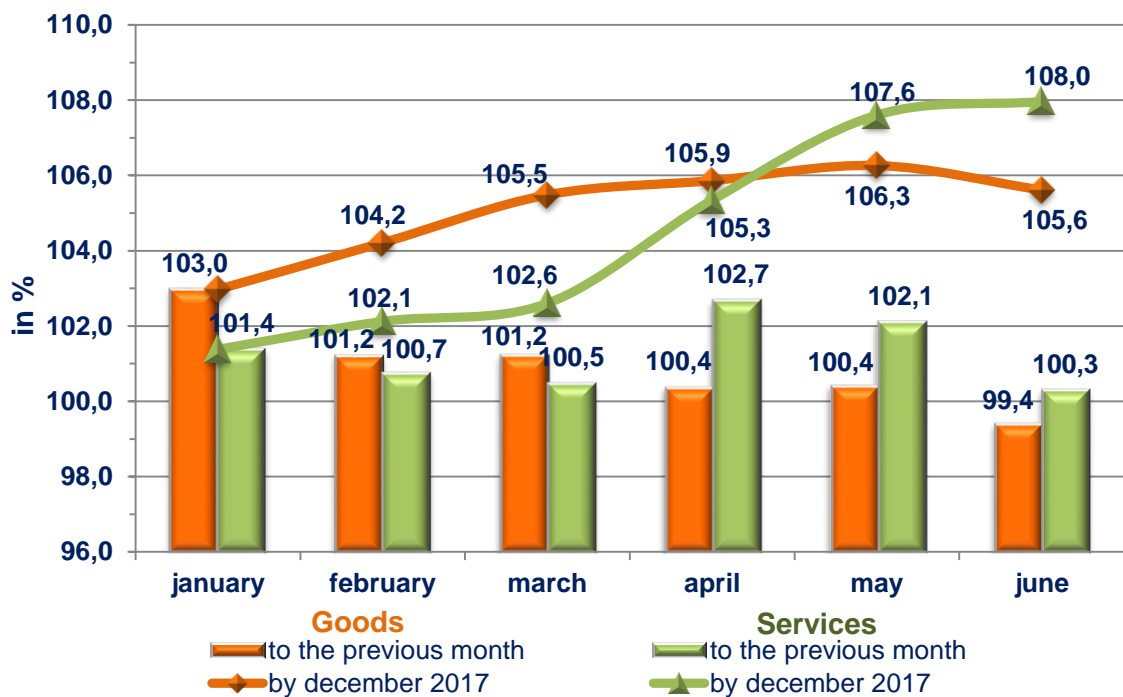
In the first half of 2018, prices for consumer goods and services increased by 6.2% on average.

Consumer price index for January-June 2018, %



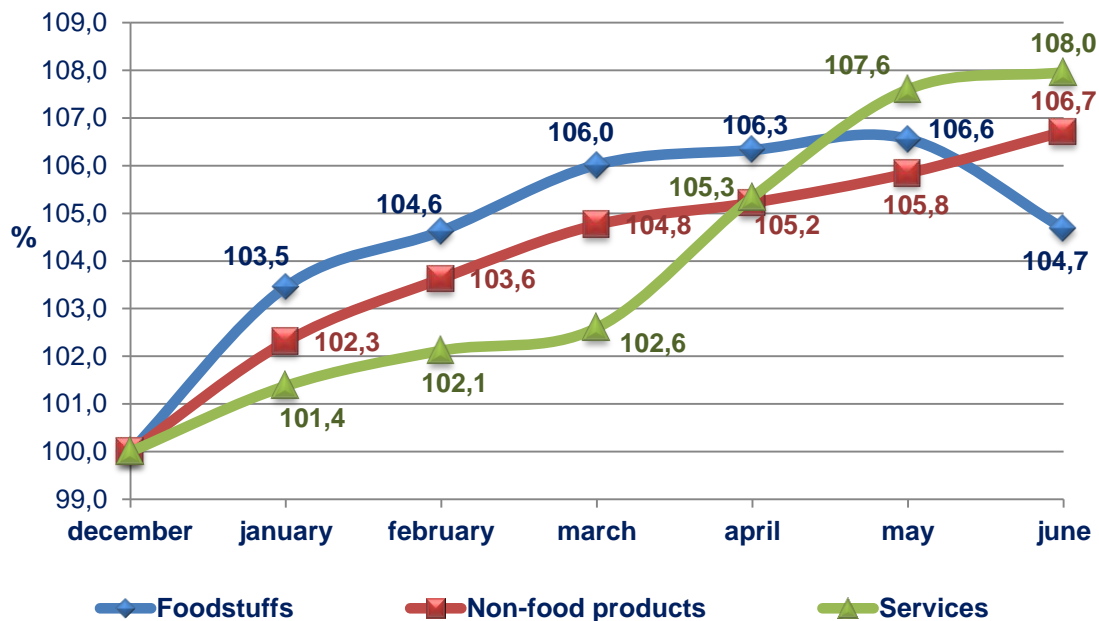
The consumer price index in June 2018 by December 2017 amounted to 106.2%, including 105.6% for goods and 108.0% for services.

Consumer price index for goods and services for January-June of 2018, %



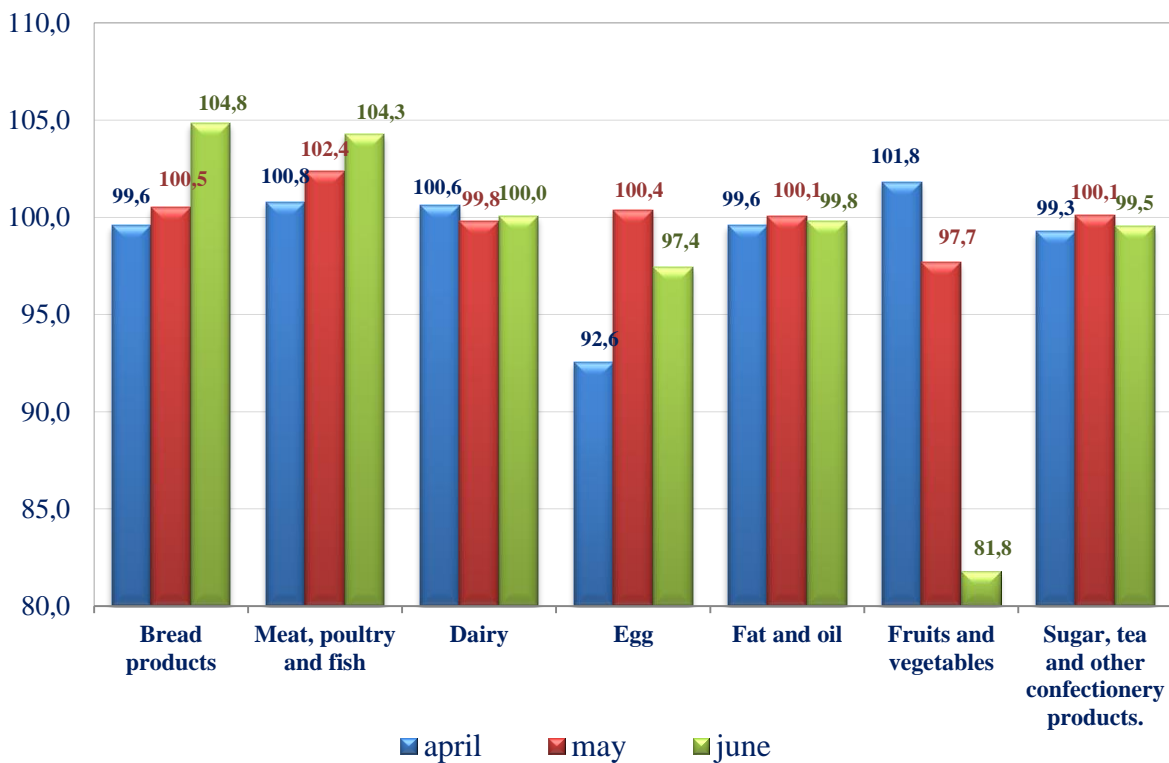
Prices for foodstuffs in January-June of 2018 increased by 4.7%, non-food products - by 6.7%.

**Consumer price index by main groups
for January-June of 2018,%**



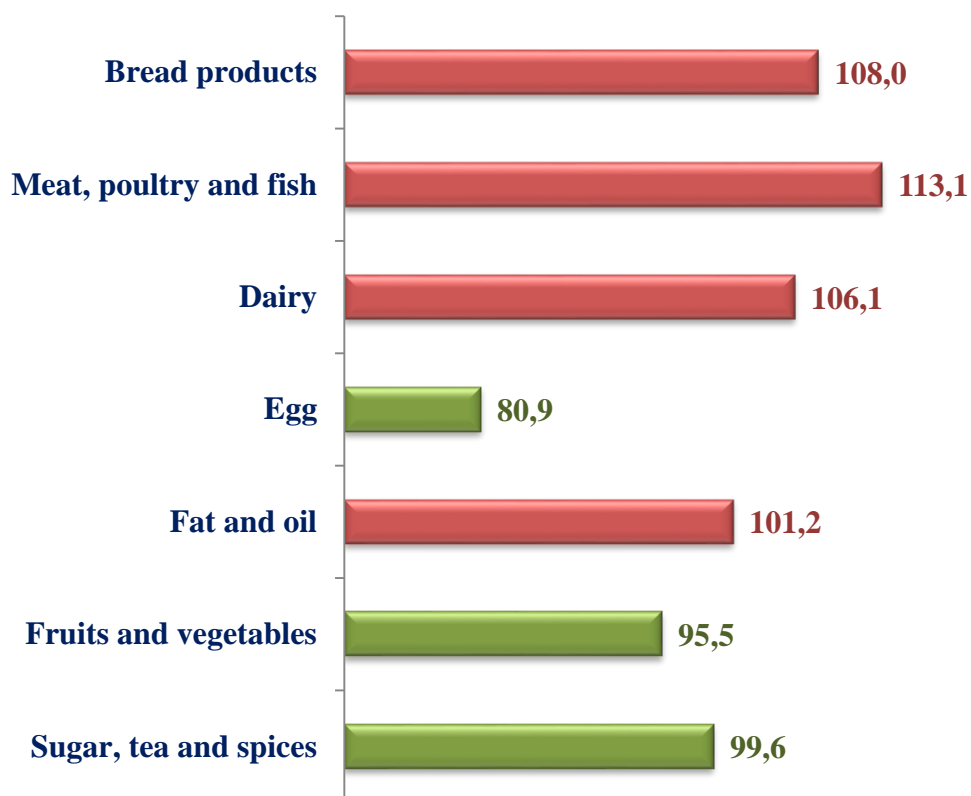
Prices for food products in average monthly terms increased by 0.8%.

**Change in prices for major groups of food products
during the second quarter of 2018
(% of the previous month)**



Relative to December 2017, the most significant increase in prices on bakery products, meat and dairy products.

**Consumer price index
on the main groups of food products for January-June 2018
(% to December of the previous year)**



Most significantly over the period from the beginning of the year, prices increased by 36.5% in rice, live and chilled fish by 29.7%, beef (excluding boneless meat) by 17.6%, mutton by 16.6% minced beef by 11.4%, boneless beef by 10.4%, suzma by 12.5%, cream by 7.5%, butter by 6.9%, milk by 6.0% , as well as vodka and alcoholic beverages - by 12.3%.

Along with this, the saturation of the market contributed to a decrease in the price of eggs - by 19.1%, sugar - by 11.4%, poultry meat (except for flesh) - by 10.1%, chicken drumstick, chicken leg - by 5.0% .

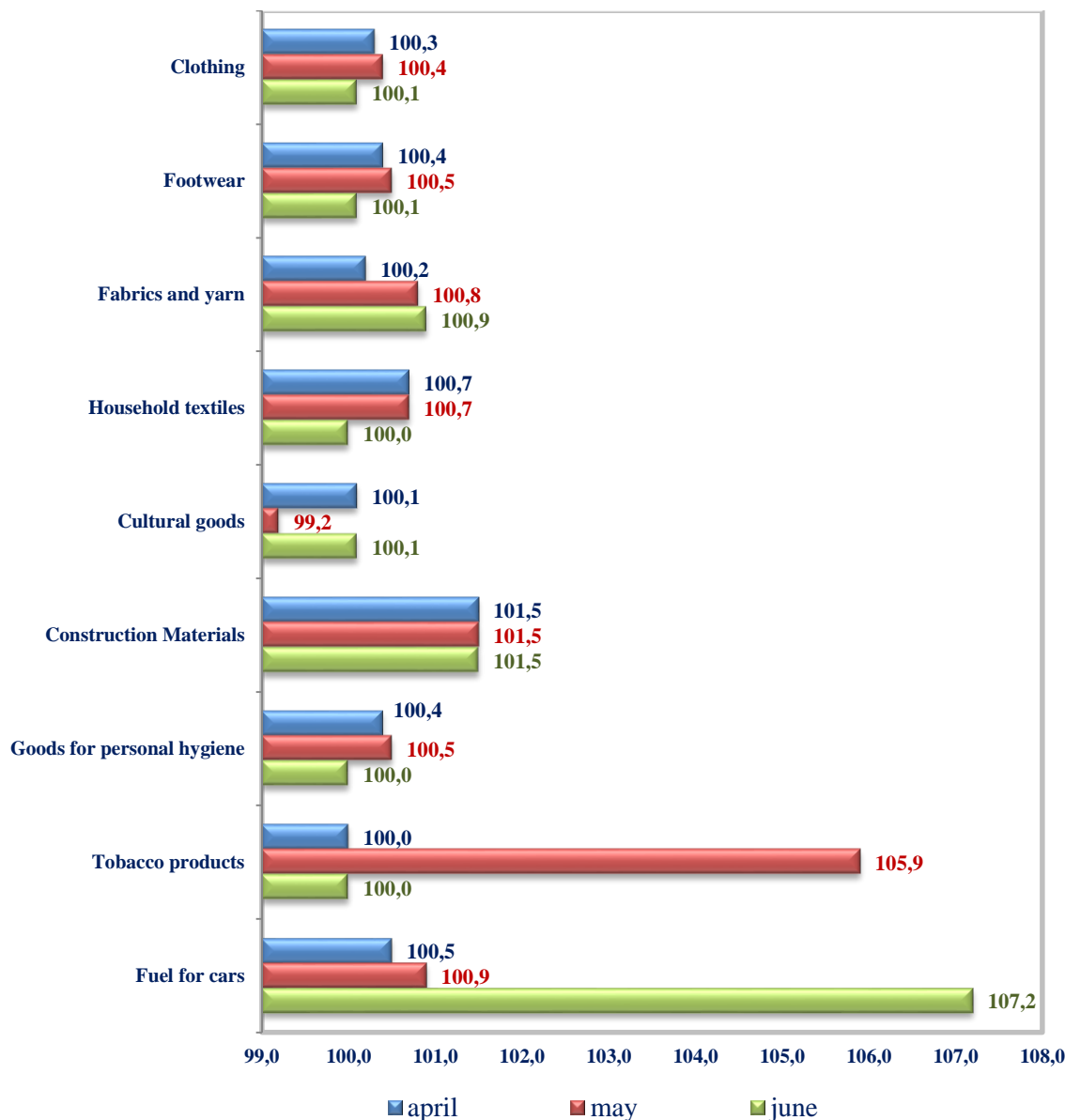
Of the fruits and vegetables, cabbage grew by 47.0%, apples by 43.7%, carrots by 39.1%, citrus - by 24.3%, and pears by 16.4%. Against this background, prices for cucumbers decreased by 75.5%, tomatoes by 68.4%, onions by 37.9%, garlic by 18.7%.

The rise in prices for alcoholic beverages is largely due to the increase from January 1, 2018, excise tax rates, as well as the commissioning from June 1, 2018 for enterprises producing beer and vodka additional fees for the development of physical culture and sports, stipulated by the Resolution of the President of the Republic of Uzbekistan from

March 5, 2018 № PP-3583 "On the organization of the Ministry of Physical Culture and Sports of the Republic of Uzbekistan.

The average monthly increase in prices for non-food products in January-June 2018 amounted to 1.1%.

Consumer price index
by main groups of non-food products for the II quarter of 2018
(% of the previous month)



Of non-food products, the main increase in prices in the first half of this year was registered for construction materials - 17.3%, tobacco products - 15.2%, prints - 14.9% and fuel for cars - 13.6%.

Consumer price index
by main groups of non-food products for January-June 2018
(% to December of the previous year)

| <i>Name of group</i> | <i>Price Index</i> |
|---------------------------------|--------------------|
| Clothing | 106,0 |
| Footwear | 105,4 |
| Construction Materials | 117,3 |
| Furniture | 104,2 |
| Carpets and carpets | 103,9 |
| Household textiles | 106,3 |
| Washing and cleaning products | 103,0 |
| Medicines | 102,7 |
| Spare parts for car | 103,4 |
| Fuel for cars | 113,6 |
| Books, newspapers and magazines | 114,9 |
| Goods for personal hygiene | 105,6 |
| Tobacco products | 115,2 |

The rise in prices for construction materials is associated with both an increase in demand from consumers and an increase in costs for domestic producers. According to the Decree of the Cabinet of Ministers of the Republic of Uzbekistan of December 28, 2017 No. 1025 "On measures to further improve the system of supply and sale of natural gas and electricity," from January 1, 2018, increasing coefficients to tariffs for natural gas and electric power were approved, carrying out the production of certain types of building materials (brick, cement, gypsum, etc.). Consumer prices for bricks since the beginning of the year have increased by 53.3%, cement - by 20.5%, putty - by 17.0%, wallpaper - by 12.0%, slate - by 9.7%, sawn timber - by 9.0% , 3%, paints - by 8.4%. The level of prices for gas fuel for cars was formed under the influence of changes in exchange quotations and conjuncture in the fuel market, as well as higher prices for natural gas. Propane has risen in price since the beginning of the year by 54.2%, methane - by 21.7%.The tobacco products produced in the republic in the consumer market on average added 15.2% to the price, which is due to a number of factors, among which the main ones are the increase of excise tax rates and the growth of costs of JSC JV "UzBAT A.O.". In the second half of the year,

additional growth is expected prices associated with the introduction of the mechanism of fees provided for by Presidential Decree No. PP-3583 "On the Organization of the Ministry of Physical Culture and Sports of the Republic of Uzbekistan."

The printed editions grew most noticeably in January 2018 (the price increase for the month was 13.9%), which is connected with the increase in prices for newspapers, magazines and books published in the republic.

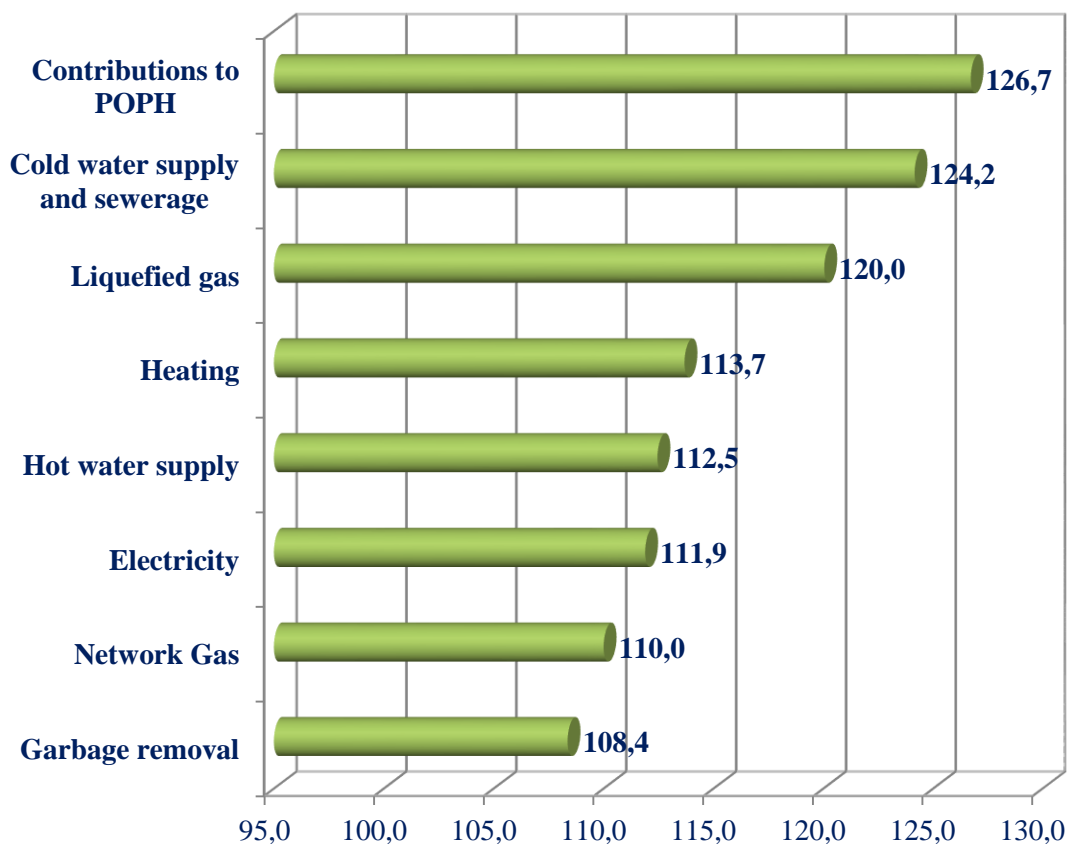
In the sphere of paid services to the population, the increase in the price index since the beginning of the year amounted to 8.0%, on average for the month - 1.3%.

The index of tariffs for certain types of paid services to the population, %

| | <i>to the previous month</i> | | | <i>June 2018 by December 2017. May</i> |
|--|------------------------------|------------|--------------|--|
| | <i>April</i> | <i>May</i> | <i>April</i> | |
| Household services | 101,3 | 101,0 | 100,4 | 106,5 |
| Housing and communal services | 109,3 | 102,3 | 100,0 | 112,6 |
| Passenger transport services | 100,5 | 102,3 | 101,4 | 107,9 |
| Services of cultural institutions | 100,4 | 100,1 | 100,0 | 101,1 |
| Services of children's pre-school establishments | 96,6 | 100,0 | 100,0 | 108,1 |
| Sport services | 101,4 | 101,6 | 100,0 | 104,1 |
| Services for rest | 100,2 | 101,9 | 100,0 | 116,8 |

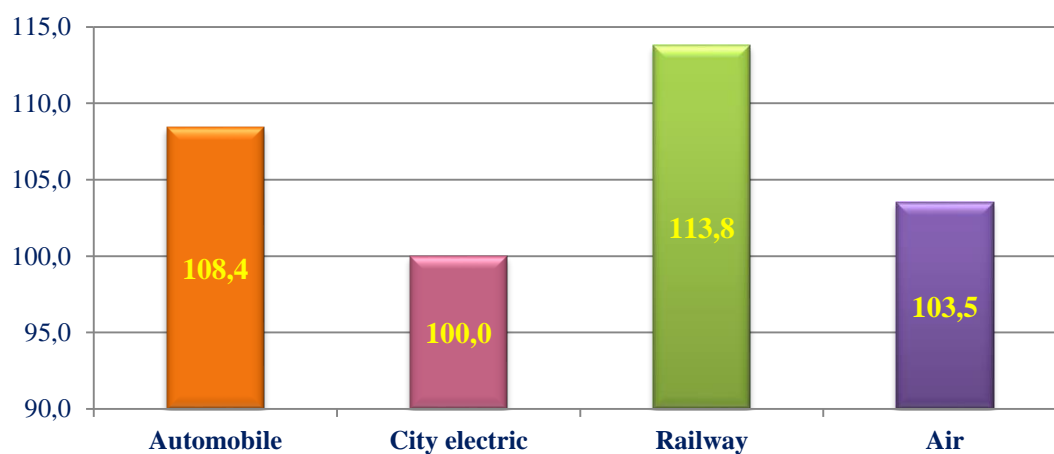
From paid services to the population, the leadership in the growth of prices and tariffs belongs to housing and communal services and recreation services.

Consumer price index
for the main types of housing and communal services for January-June 2018
(% to December of the previous year)



The cost of staying in sanatoriums and rest houses increased by 24.1%, hotel accommodation became more expensive - by 11.2%, travel - by 5.1%.

Consumer price index
by main types of passenger transport for January-June 2018
(% to December of the previous year)



The growth of tariffs on railway transport amounted to 13.8%. The main increase in the cost of tickets for travel on long-distance trains occurred in February 2018, when JSC "Uzbekiston Temir Yullari" switched to using the Swiss franc rate actually calculated by the Central Bank of the Republic of Uzbekistan (earlier in calculations a fixed exchange rate was applied as of August 29 2017 - 4,405 UZS for 1 Swiss franc). At the same time, in order to smooth out the consequences of such a transition, tariffs and coefficients to the cost of a reserved seat were reduced.

Air transport services became more expensive on average for the half year by 3.5%, which is due to the change in the euro exchange rate against the national currency, as well as the revision of tariffs for domestic and international destinations. It should be noted that in June of this year the prices for tickets on average, decreased by 3.5%, which is due to the strengthening of the national currency relative to the euro.

The decision of local authorities in a number of regions has increased the cost of travel in city buses. The average growth in the republic was 26.8% in view of the fact that in the Andijan, Kashkadarya, Namangan regions travel was more expensive by 66.7%, the Syrdarya region by 60.0%, the Khorezm region by 42.9%, the Samarkand region by 33.3%, the Bukhara region and the Republic of Karakalpakstan - by 28.6%.

Pre-school education services have risen in price due to the introduction in certain regions of increased parental fees for children visiting pre-school institutions on the basis of the Decree of the President of the Republic of Uzbekistan dated 29 December 2017 No. PP 3454 "On the forecast of the main macroeconomic indicators and parameters of the State Budget of the Republic of Uzbekistan for 2018". The exception was the size of the board in Navoi region, where the amount, on the contrary, was reduced. At the same time, according to the Decree of the President of the Republic of Uzbekistan No. PP 3571 "On Measures to Improve the Payment Conditions for Certain Categories of Employees of State Preschool Educational Institutions" dated February 28, 2018 in Bukhara, Kashkadarya and Surkhandarya Regions, an additional reduction in the size of parental contributions was approved. According to the results of the first half of the year, the average increase for the republic was 8.1%.

Household services, provided mainly by private property subjects and tariffs for which are formed depending on the cost price, as well as supply and demand, have risen by an average 6.5% since the beginning of the year. The most significant increase in prices for the following services: shoe repair - by 10.6%, hairdressing and cosmetology services - by 9.1%, tailoring - by 8.0%, bath and shower services - by 7.9%, repair housing - by 7.4%, rental services - by 6.9%, ritual - by 6.6%. The increase in prices for other types of household services did not exceed the threshold of the average group value (6.5%).

Increase in the price **index of manufacturers of manufactured goods** for January-June of 2018 amounted to 11.7%, on average for the month - 1.9%.

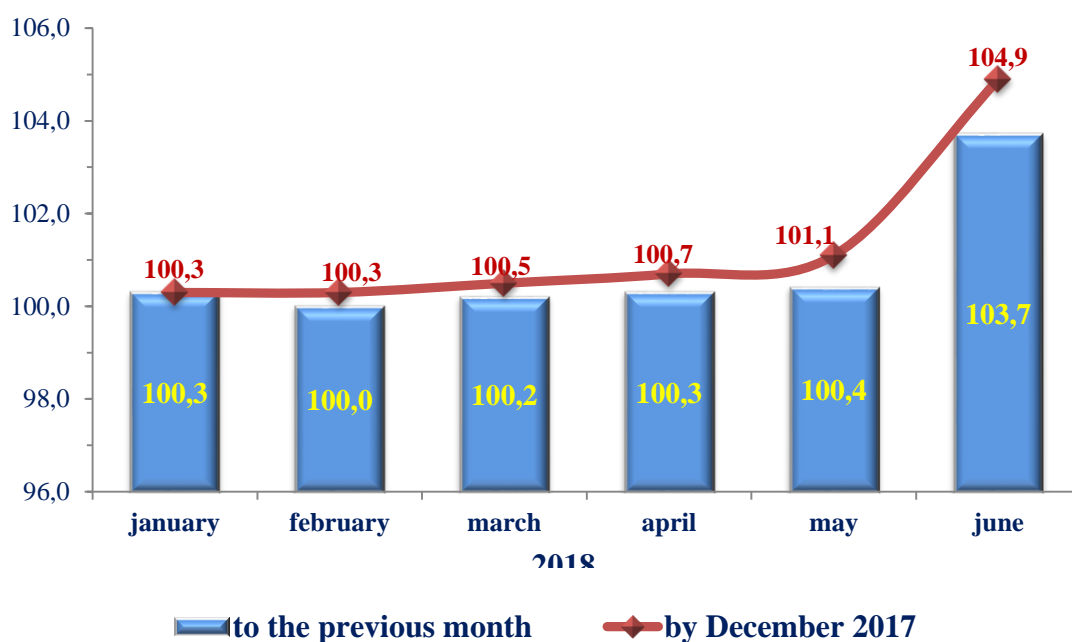
**Producer price indices of industrial goods
by main economic activities, %**

| | <i>to the previous month</i> | | | <i>June 2018 by December 2017. May</i> |
|--|------------------------------|--------------|--------------|--|
| | <i>April</i> | <i>May</i> | <i>April</i> | |
| Industrial activities | 104,1 | 101,8 | 100,9 | 111,7 |
| Mining and quarrying | 100,3 | 100,4 | 103,7 | 104,9 |
| Coal mining and lignite | 100,0 | 100,0 | 179,7 | 179,7 |
| Crude oil and natural gas production | 100,0 | 100,0 | 100,1 | 100,1 |
| Extraction of metal ore | 100,0 | 100,0 | 100,0 | 100,0 |
| Other mining activities | 104,5 | 105,7 | 100,1 | 118,7 |
| Manufacturing industry | 101,1 | 101,9 | 100,6 | 109,7 |
| Manufacture of food products | 99,7 | 99,8 | 100,5 | 104,1 |
| Production beverages | 100,1 | 100,2 | 104,3 | 109,8 |
| Manufacture of textiles | 100,1 | 106,2 | 100,2 | 110,5 |
| Manufacture of coke and refined products | 100,3 | 100,2 | 103,9 | 105,9 |
| Manufacture of chemical products | 104,2 | 104,9 | 100,0 | 116,1 |
| Manufacture of other non-metallic mineral products | 106,0 | 103,9 | 101,9 | 129,1 |

| | <i>to the previous month</i> | | | <i>June 2018 by December 2017. May</i> |
|--|------------------------------|--------------|--------------|--|
| | <i>April</i> | <i>May</i> | <i>April</i> | |
| Metallurgical industry | 102,0 | 99,8 | 97,5 | 103,8 |
| Manufacture of fabricated metal products, except machinery and equipment | 100,4 | 100,0 | 103,0 | 136,2 |
| Manufacture of electrical equipment | 101,6 | 102,9 | 99,1 | 105,8 |
| Manufacture of motor vehicles, trailers and semi-trailers | 102,1 | 100,0 | 100,7 | 110,4 |
| Power supply, gas, steam and air conditioning | 134,3 | 101,6 | 100,9 | 132,5 |
| Water supply, sewerage, collection and waste management | 104,6 | 106,9 | 100,0 | 118,2 |

As the data in the diagram below clearly illustrates, the main increase in the price level in the mining industry and the development of quarries occurred in June this year, which is largely due to the growth in prices for extracted coal and lignite. Based on the declarations of the Ministry of Finance of the Republic of Uzbekistan dated May 30, 2018, the prices for extracted coal and lignite were raised by 1.8 times.

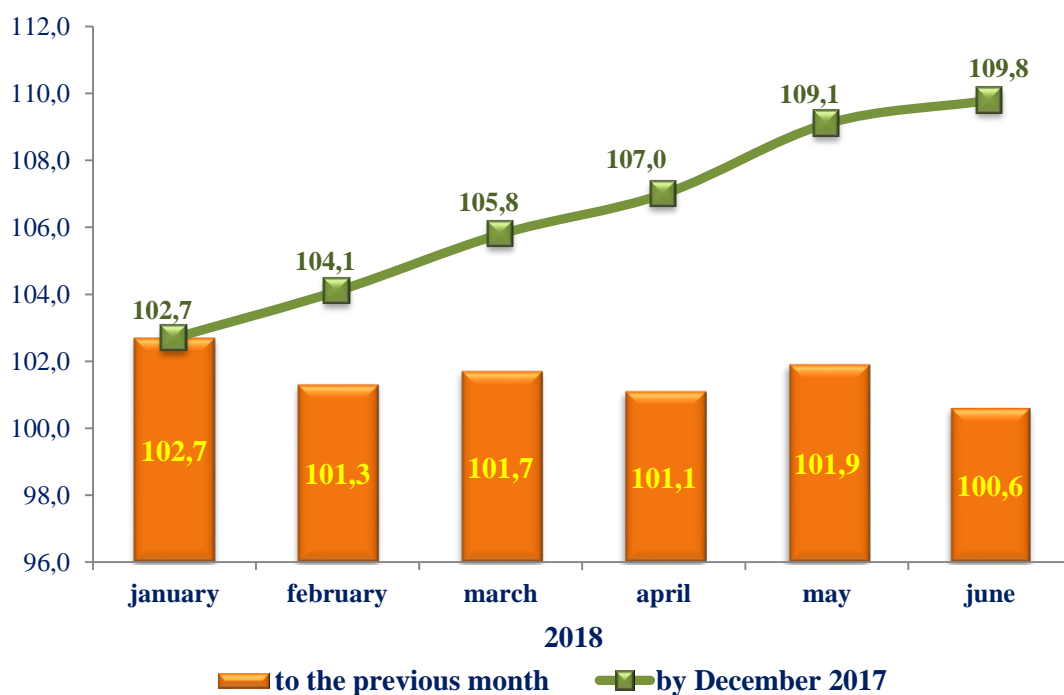
Producer Price Index in the Mining Industry and the development of quarries in January-June 2018, %



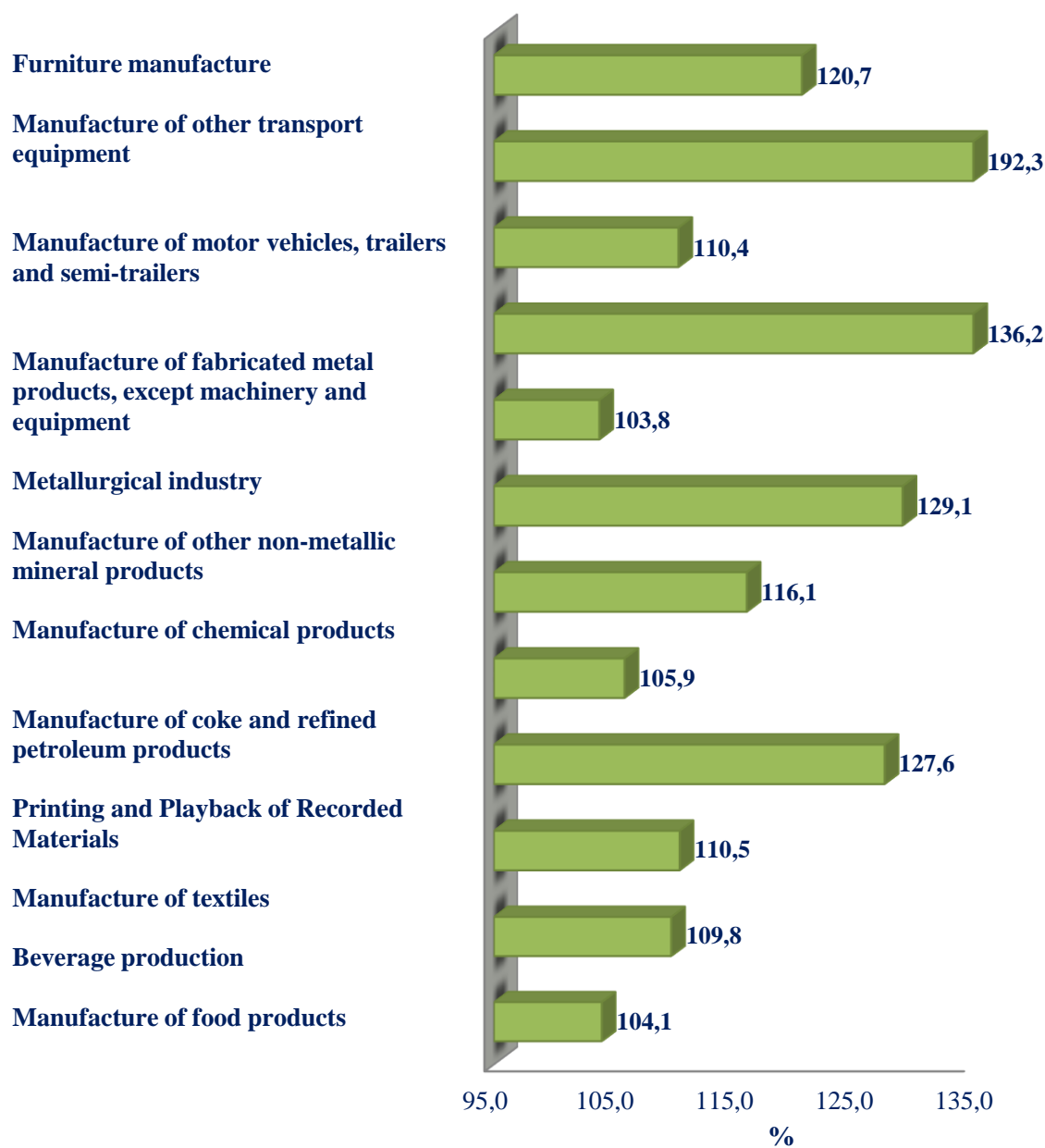
Of other products of this type of activity, kaolin producer prices increased 1.6 times in the first half of the year, natural sand by 29.0%, limestone by 26.9%, crushed stone by 17.2%, marble and other limestone for monuments, decoration and construction - by 8.4%, gravel - by 7.0%.

The change in producer prices for manufacturing products during the first half of 2018 is characterized by a steady upward trend.

Producer price index in manufacturing for January-June of 2018, %



Producer Price Index
in the manufacturing industry for January-June 2018
(% to December of the previous year)



As the chart data show, the top three leaders in terms of price increases are activities for the production of other transport equipment, finished metal products (except machinery and equipment) and other non-metallic mineral products.

The analysis of price dynamics showed that the main increase in prices in the production of other transport equipment occurred in February - 1.6 times and in March - by 18.4%.

The increase in prices in the production of finished metal products is associated with an increase in prices for manufactured metal structures and products - by 31.2% and cutlery, hand tools and general purpose goods - by 14.3%.

Manufacturers of other non-metallic mineral products increased their prices by 29.1%, including construction bricks, lime and construction plaster - by an average of 1.8 times, refractory bricks - by 59.3%, asphalt mixtures - by 38.6%, glass and glassware - by 30.6%, portland cement - by 29.3%, products made of concrete, gypsum and cement - by 5.6%. Along with this, cutting, processing and finishing of stone fell 14.8%.

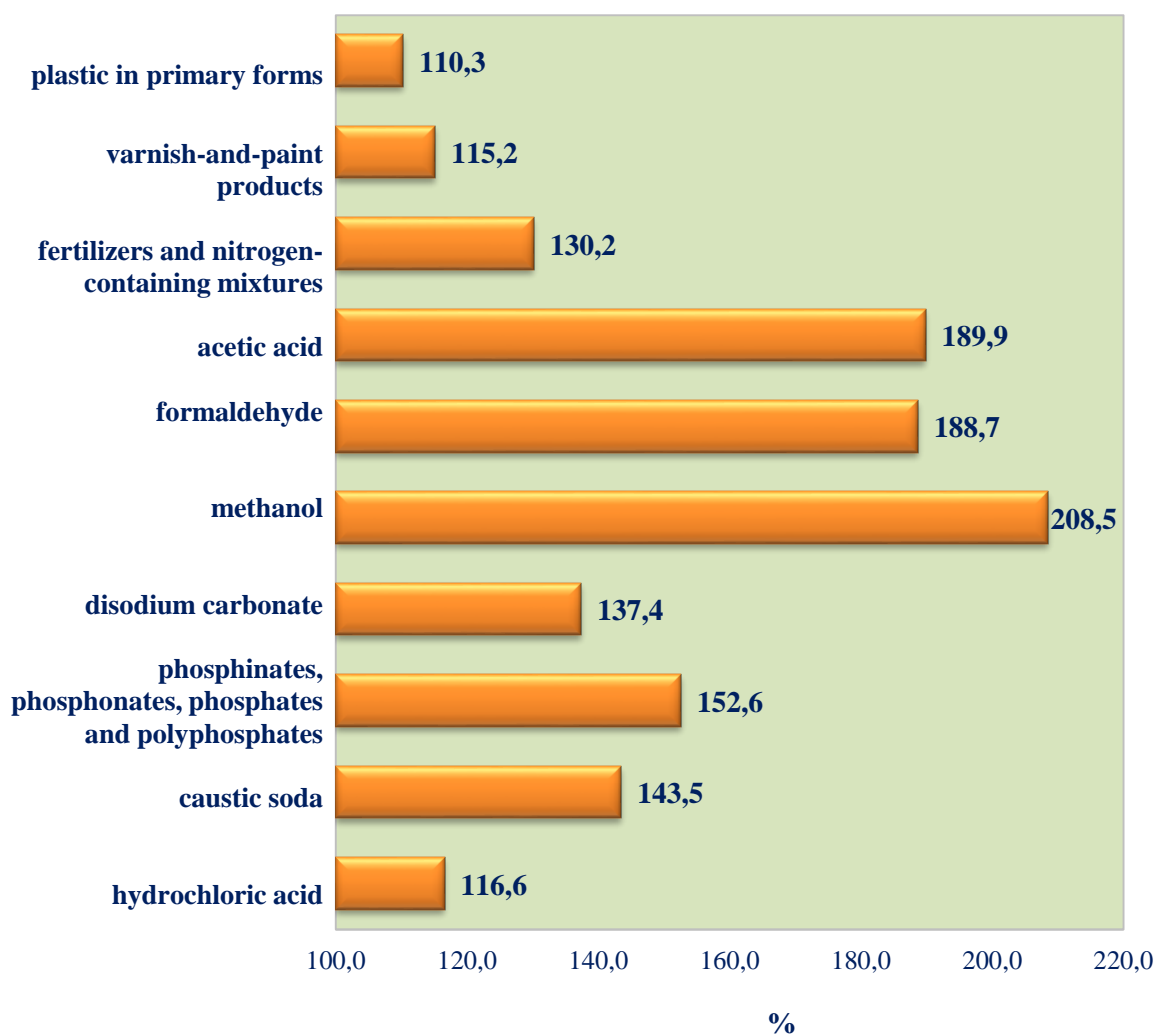
The prices of producers of printed matter increased most significantly in January and April 2018 - by 19.5% and 6.8%, respectively, which is associated with an increase in production costs.

In furniture production, the prices of manufacturers of wooden furniture for institutions increased by 18.3%, other furniture - by 25.9%.

Price changes in the production of chemical products for the first half of 2018 are presented below:

Producer price index for selected types of chemical products for January-June of 2018

(% to December of the previous year)



In the production of textiles, growth in producer prices of carpets and carpets was registered - by 26.2%, other technical and industrial textiles - by 25.9%. In addition, enterprises engaged in the preparation and spinning of cotton and silk fibers increased their prices by 5.8% and 5.7%, respectively. Production of textile wool, by contrast, has become cheaper by 13.4%.

The main increase in prices for manufactured vehicles, trailers and semi-trailers was registered in February and March 2018, when for the month prices increased by 2.6% and 4.7%, respectively. In general, in the first half of 2018, prices for trailers and semi-trailers increased by 56.9%, components and accessories for vehicles - by 46.4%, including seat belts, airbags, other parts and accessories of the hulls - 1, 7 times, seats for cars - 1.6 times, radiators, noise silencers and exhaust pipes and their parts - by 25.7%, other parts and accessories for motor vehicles - by 42.5%. The prices of manufacturers for motor vehicles for the half year have not changed.

Oil refining products increased most significantly in June 2018, when for a month the producer prices for them increased by an average of 3.9%. In general, in January-June 2018, producer prices for kerosene increased by more than 5.1 times, aviation gasoline - 2.4 times, furnace (household) fuel - 2.0 times, oil lubricating oils - by 42.5% , petroleum bitumen - by 15.6%. The main factor behind the price increase was their revision on the basis of Cabinet of Ministers Resolution No. 249 "On measures to further improve antimonopoly regulation in commodity markets" adopted pursuant to Presidential Decree No. PP-3386 of November 14, 2017 "On measures to improve the competitive environment , eradicating the conditions for abuse and theft in the sphere of providing fuel and energy resources and other highly liquid products, strengthening payment discipline, reducing the debtor and payables ", as well as to drastically reduce the list and types of monopoly products, to ensure the transition to international principles of antimonopoly regulation.

The change in producer prices of other types of manufactured products is presented below:

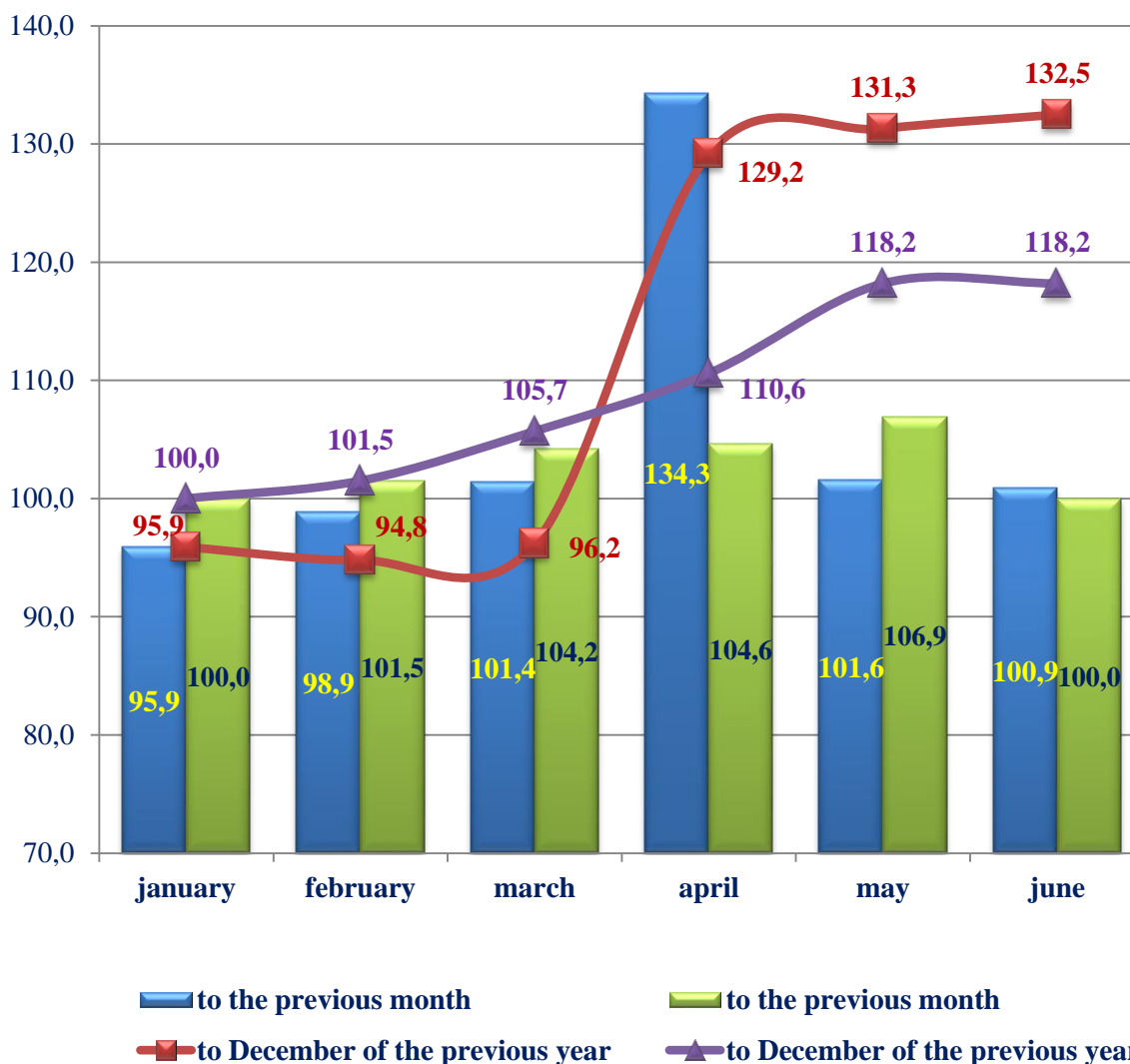
Change in prices for other types of manufacturing, %

| | <i>to the previous month</i> | | | <i>June 2018 by December 2017. May</i> |
|---|------------------------------|------------|--------------|--|
| | <i>April</i> | <i>May</i> | <i>April</i> | |
| Manufacture of machinery and equipment etc | 100,0 | 100,0 | 99,7 | 106,6 |
| Manufacture of wearing apparel | 98,4 | 102,1 | 100,0 | 100,6 |
| Manufacture of paper and paper products | 100,0 | 100,0 | 100,0 | 99,8 |
| Manufacture of wooden and cork products (except furniture), products made of straw and plaiting materials | 100,0 | 104,2 | 100,0 | 104,2 |
| Manufacture of rubber and plastic products | 101,4 | 98,9 | 100,4 | 103,1 |
| Manufacture of tobacco products | 100,0 | 113,3 | 100,0 | 103,8 |
| Manufacture of basic pharmaceutical products and preparations | 100,0 | 100,1 | 102,6 | 102,7 |

In the production of leather and related products, the prices on average for January-June decreased by 1.4%, in the production of computers, electronic and optical products, as well as other finished products, prices remained at the level of December 2017.

The price index for electricity, gas, steam and air conditioning was influenced by the growth of tariffs for heat and electricity - by 38.0% and 33.5%, respectively, for gas prices for underground coal gasification - by 15.0% and appreciation services for the distribution of gaseous fuels through pipelines - by 27.1%.

**The price index of producers in electricity,
supply of gas, steam, air conditioning and water supply, sewerage,
collection and disposal of waste for January-June 2018**
(% of the previous month)



In the water supply, sewerage, collection and disposal of waste, prices for the first half of 2018 increased by an average of 18.2%.

In general, in January-June 2018, services for the removal, transportation of sewage and their processing rose by 27.5%, processing and distribution of water through water pipes - by 16.9%, recycled materials containing aluminum, became more expensive by 19.8% .