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БОСНЕ И ХЕРЦЕГОВИНЕ



Information on the Results of the Inflation Expectations Survey from September 2024



The price trend dynamics consequently dictates other economic trends in the country and abroad. Therefore, a huge interest in this topic is not surprising. Inflation is discussed on a daily basis, both publicly, by decision makers, and privately. Thus, the suggestion of the European Central Bank and the European Commission has appeared regarding the information on the expected inflation in BH, which is monitored on a quarterly basis. The survey covers financial sector, and also banks and insurance companies submit the results of the expected inflation survey. Although the survey is conducted on a voluntary basis, there is a positive response for cooperation from these financial institutions. This enables reporting on the expected inflation in BH, on the basis of which business and private decisions can be made.

The results of the survey conducted in September 2024 are related to the expectations regarding the current year (2024) and the following year (2025). The expected aggregate inflation in the September round of survey for the current year and the next year is 3.70%. The survey results show that inflation expectations are decreasing in each round, being implicitly lower than the last year's average.

The global economic trends are still unstable due to wars, which can still result in negative changes of expected inflation. Whether we can hope for an end to aggregate inflation soon is a highly debatable question due to the unstable circumstances in the global market caused by political intolerance. Therefore, it is necessary to constantly monitor inflation trends, in order to prevent the negative effects of the expected price increase, which could consequently lead to a decline of spending in the country, which is the main determinant of economic growth in BH.

