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INDEPENDENT NEWS FROM RUSSIA

Russian Shoppers Feel Pinch as Inflation Tops 16%

By AFP

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Inflation of food prices, a huge concern for Russians on low incomes, has reached 19.5% year-on-year, according to Rosstat. **Denis Voronin / Moskva News Agency**

Russia's inflation rate reached 16.7% year-on-year in March, the state statistics agency said Friday, a level not seen since 2015, while food prices have risen even more steeply.

Prices in March — the first full month since Moscow began its military campaign in Ukraine in late February — were up 7.5% on the previous month, according to the Rosstat statistics agency.

The Russian central bank sets a target for inflation of 4%, but as the economy has been hit by unprecedented Western sanctions, the latest year-on-year figure is more than four times higher.

Renaissance Capital analysts predict that inflation will peak at 24% this summer.

Inflation of food prices, a huge concern for Russians on low incomes, has reached 19.5% year-on-year, according to Rosstat.

Pasta has gone up by 25%, butter by 22%, sugar by 70% and fruit and vegetables by 35%.

Other items that have soared in price are building materials (up 32%) and home electronics (up 40%).

Inflation has been speeding up for months due to factors including the post-pandemic recovery and high prices for raw materials. President Vladimir Putin's decision to send troops to Ukraine has added sanctions and the resulting logistical difficulties as factors.

This undermines Russians' purchasing power and is a major headache for Russian authorities, whose measures to attempt to control prices have had the opposite effect for items such as sugar.

At a market in the second largest city of St. Petersburg in the northwest, shoppers this week said they were feeling the pinch.

"This happened due to politics, it seems. I don't understand that, to be honest," said 42-year-old Olesya Ogiyeva, a factory worker.

Leonid Kabalin, a 40-year-old production operator, said he was not ready for soaring inflation.

"The prices have gone up, but pay isn't going up," he said.

One retired shopper, 58-year-old Yulia Ryabinina, was philosophical about rising prices, however.

"Since the top management and our president think that there have to be price rises, I calmly accepted it. What else can you do?"

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