



National Bank of Serbia

**REPORT ON THE RESULTS OF THE  
INFLATION EXPECTATIONS SURVEY**

**April 2026**

Belgrade, May 2026

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## **Introductory note**

Indicators of inflation expectations of economic agents are an important factor in the process of monetary policy decision-making in an inflation targeting regime. The effectiveness of the inflation targeting strategy is measured by the degree of stability of inflation expectations and by how firmly they are anchored within the target tolerance band, enhancing the credibility of the monetary policy.

In accordance with the best international practice, after introducing the inflation targeting regime in January 2009, the NBS began to monitor and analyse the inflation expectations of economic agents. To this end, the NBS draws on the inflation expectations survey conducted by the Ninamedia agency for the NBS since April 2024. Survey respondents are classified into four sectors (the financial sector, corporate sector, trade unions and households) and asked to state their one-year ahead price growth expectations, since March 2014, their medium-term, i.e. two-year ahead expectations, and since February 2021 their three-year ahead expectations for the y-o-y price growth.

## Overview

**One-year ahead inflation expectations of the financial sector stood at 3.5% in April, continuing to move within the NBS target tolerance band.** Expected inflation, calculated as the **inflation expectations composite measure**,<sup>1</sup> remained unchanged at 3.6% in April, remaining in line with the average recorded in the previous year. According to the **May Bloomberg survey**, financial sector inflation expectations edged up slightly – from 3.5% in April to 3.8% in May.

**Short-term inflation expectations of the corporate sector** rose from 4.0% in March to 5.0% in the April survey, thus returning to the level dominantly recorded in the previous year and early this year.

**Two-year ahead financial sector inflation expectations** remained unchanged, measuring 3.3% in April, while **three-year ahead expectations** continued to hover close to the target midpoint, equalling 3.1% in April, which means they were anchored around the NBS's target midpoint. **Medium-term corporate sector expectations** rose from March, equalling 5.0% in the April survey (in March, two-year ahead expectations stood at 4.0% and three-year ahead at 4.1%).

**Short-term inflation expectations of the household sector, typically higher than those of other sectors**, remained unchanged at 15% for the fifth consecutive month. **Two-year ahead household inflation expectations** rose from 11% in March to 15% in April, with the concurrent growth of **three-year ahead expectations** from 10% in March to 12% in the April survey, which can be attributed to the global energy shock given that in previous episodes of global oil price growth, household inflation expectations usually also went up. Despite the fact that, according to the results of a qualitative survey, the share of respondents expecting a considerable price increase in the next 12 months rose from 25% in March to 28% in April, **those expecting prices to increase moderately or somewhat, at a level of 61%, make up the dominant share of respondents. Also, the results of the qualitative survey indicate that households expect inflation in the coming 12 months to be lower than the inflation perceived over the previous year.**

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<sup>1</sup> Weighted by the individual respondent's share in total assets of the surveyed financial institutions. Institutions participating in both surveys are assigned the arithmetic mean of the responses provided in the Ninamedia and Bloomberg surveys for the relevant month. Hence, banks with a larger market share have a greater influence on the aggregate result.

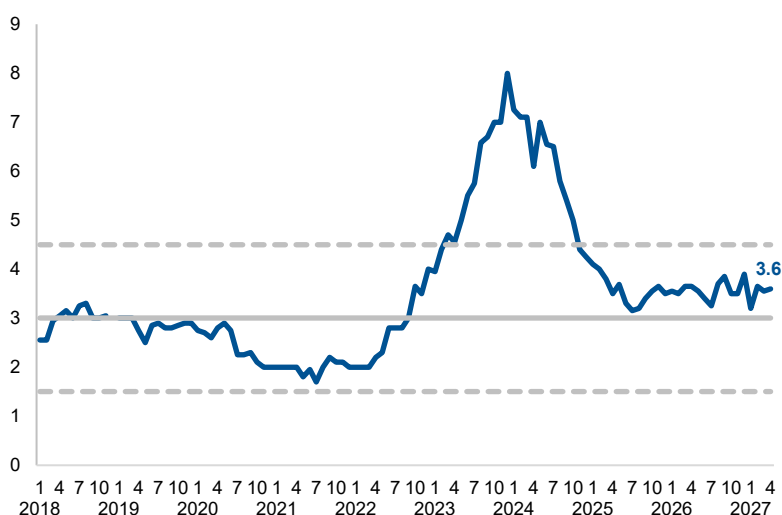
## Inflation expectations of the financial sector

According to the **Ninamedia survey**, **one-year ahead inflation expectations of the financial sector** stood at 3.5% in the April survey, still moving within the bounds of the NBS target band. According to the **May Bloomberg survey**, one-year ahead inflation expectations rose from 3.5% in April to 3.8% in May.

A more detailed analysis of individual responses shows that the majority of surveyed financial institutions (20 out of 23) expect one-year ahead inflation to remain within the NBS target tolerance band.

The composite measure of expectations (combining responses from financial institutions participating in the Bloomberg and Ninamedia surveys) was unchanged in the April survey, measuring 3.6%, the same as the average level recorded in the previous year (Chart 1).

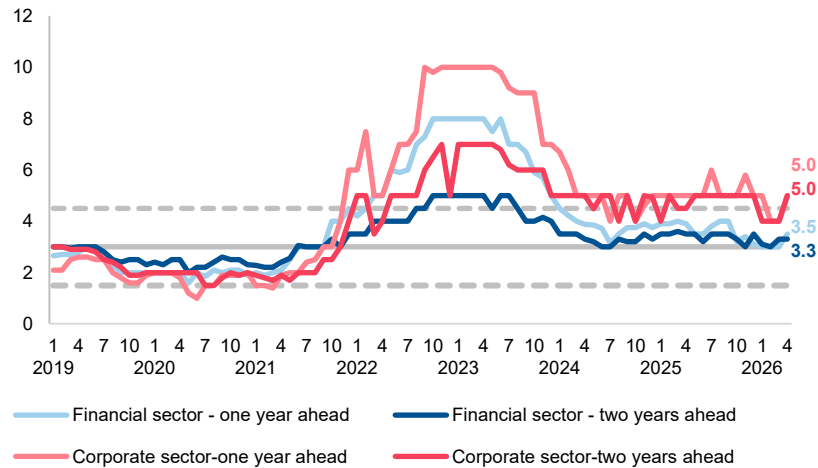
Chart 1 Composite measure of inflation expectations of the financial sector (%)



Sources: NBS, Ipsos, Ninamedia, Bloomberg

**Two-year ahead financial sector expectations** were kept at 3.3% in April, the same as in March, while **three-year ahead expectations** edged up slightly, from 3.0% to 3.1%.

Chart 2 **Expected inflation of financial and corporate sectors for one and two years ahead (%)**



Sources: NBS, Ninamedia and Ipsos.

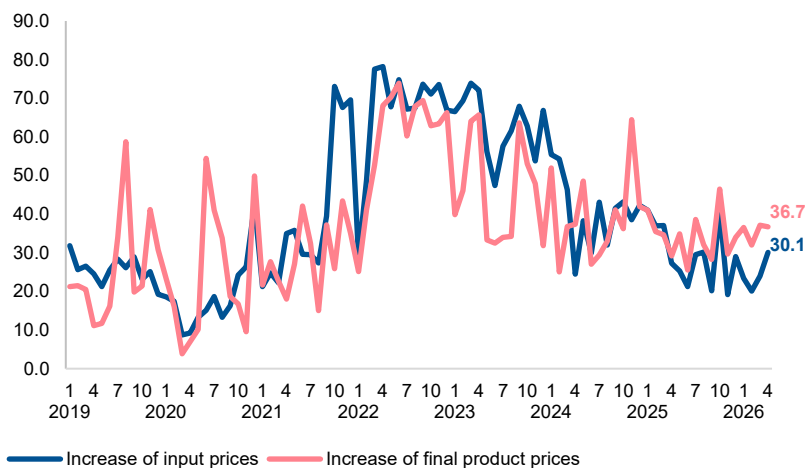
## Inflation expectations of the corporate sector and estimate of business conditions

**One-year ahead inflation expectations of the corporate sector** rose from 4.0% in March to 5.0% in the April survey, thus returning to the level recorded dominantly during and past and early this year.

**Medium-term corporate expectations** stood at 5.0% in the April survey as well, which is the level they mostly stood at during the previous year (within the 4.0%–5.0% range).

The share of corporates expecting an increase in **input prices** in the short term rose from 24% in March to 30% in April, while the share of those expecting a rise in **output prices** was unchanged from March, measuring 37% in the April survey (Chart 3).

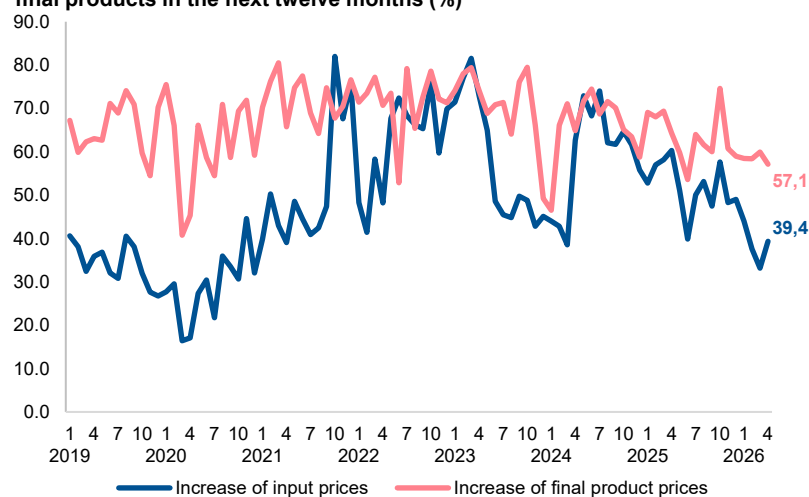
Chart 3 Share of corporates expecting an increase in the prices of inputs and final products in the next three months (%)



Sources: Ipsos, Ninamedia.

Regarding expectations for price movements over the next 12 months (Chart 4), the share of corporates expecting an increase in **input prices** rose from 33% in March to 39% in April, while the share of those expecting an increase in **output prices** edged down from 60% in March to 57% in the April survey.

Chart 4 Share of corporates expecting an increase in the prices of inputs and final products in the next twelve months (%)



Sources: Ipsos, Ninamedia.

The prevailing view among corporates is that **business conditions** remained unchanged **over the past three months** (74% of respondents). As for expectations for the **next twelve months**, there was an increase in the share of corporates expecting an improvement in business conditions, from 9% in March to 14% in April, while 48% do not anticipate any change.

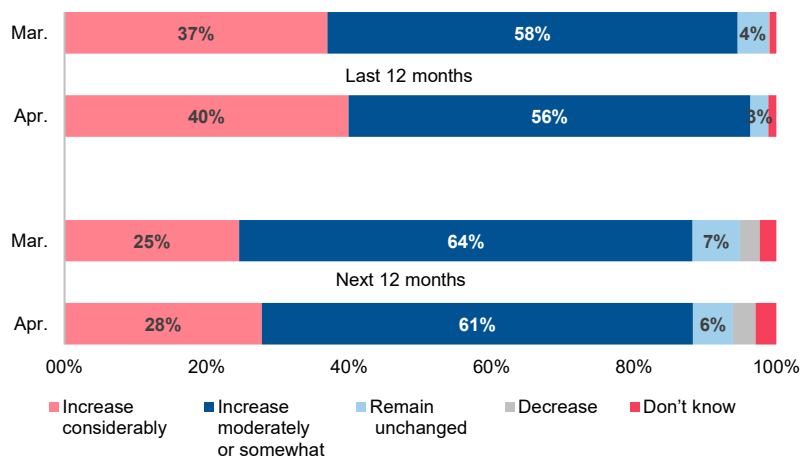
The share of corporates expecting an increase in their own production/turnover over the next three months rose significantly – from 32% in March to 46% in the April survey. At the same time, the share of those expecting growth over the next twelve months increased from 47% to 52%.

### Inflation expectations of the household sector

According to the Ninamedia survey, one-year ahead household inflation expectations remained unchanged for the fifth consecutive month at 15% in April. Two-year ahead household inflation expectations rose from 11% in March to 15% in April, while at the same time three-year ahead expectations rose from 10% in March to 12% in April. This can be associated with the global energy shock given that data from previous years indicate that household inflation expectations usually increase in periods of major global oil price growth.

According to the qualitative survey results (Chart 5), the share of respondents who believe that prices increased considerably over the past year rose from 37% in March to 40% in the April survey, with the bulk of respondents still feeling that the prices have risen moderately or somewhat (56%). The share of respondents expecting a considerable increase in prices over the next twelve months also rose, from 25% in March to 28% in April, with a dominant share (61%) expecting prices to increase moderately or somewhat.

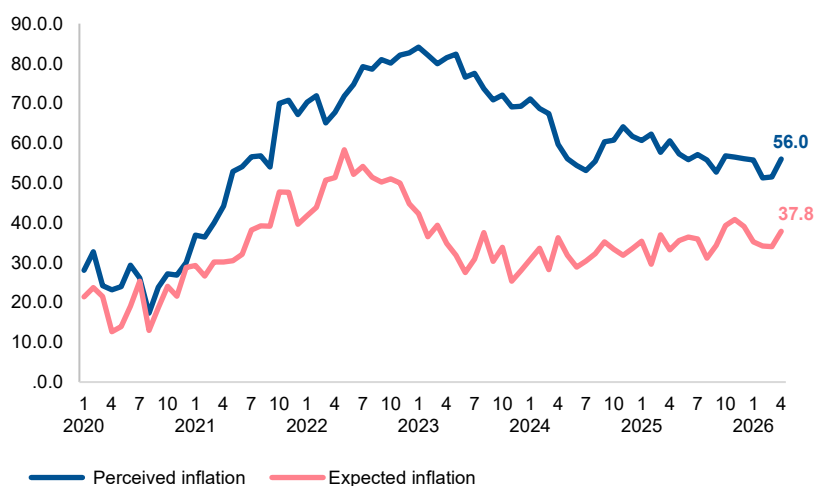
Chart 5 Distribution of household responses by perceived and expected inflation



Source: Ninamedia.

A continuously higher perceived inflation index than the expected inflation index (Chart 6) implies that **households expect inflation in the coming 12 months to be lower than in the previous year.**<sup>2</sup>

Chart 6 Perceived and expected inflation of households  
(in index points)



Sources: Ninamedia, Ipsos and NBS estimate.

<sup>2</sup> The index is the difference between the weighted share of respondents who assess that prices increased more than somewhat and those assessing that prices remained unchanged or decreased. For details, see Text box 2 of the *Inflation Report – February 2016*.

[https://www.nbs.rs/export/sites/NBS\\_site/documents-eng/publikacije/ioi/izvestaji/inflation\\_report\\_02\\_2016.pdf](https://www.nbs.rs/export/sites/NBS_site/documents-eng/publikacije/ioi/izvestaji/inflation_report_02_2016.pdf).