

Central Asia Trade Policy Uncertainty Index (CA-TPU)

Monthly Report: January 2026

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Publication date: February 2026

Executive Summary

In January 2026, the CA-TPU Index recorded **175.43**, surging 75.2% from the previous month (100.13) — the largest single-month absolute increase on record since 2013. This marks the **fourth-highest reading in history**, exceeded only by April 2020 (203.34, COVID-19), July 2016 (179.45, Brexit), and July 2015 (176.88, tenge crisis). The three-month trailing moving average (MA3) rose to **131.60**, up 14.7% from the previous month (114.78). Following a brief retreat in December 2025, the index rebounded sharply, driven primarily by the formal implementation of new US tariff measures.

1. Index Overview

Indicator	Jan 2026	Dec 2025	MoM Change	Jan 2025	YoY Change
CA-TPU Raw Index	175.43	100.13	+75.30 (+75.2%)	85.86	+89.57 (+104.3%)
MA3 (Moving Avg.)	131.60	114.78	+16.82 (+14.7%)	94.74	+36.86 (+38.9%)

The January index exceeds the baseline (100) by 75.4%. Year-on-year, it more than doubled compared to January 2025 (85.86), with a 104.3% increase, reflecting a fundamental transformation of Central Asia's trade policy environment within just one year.

The absolute increase of 75.30 points is the largest single-month jump ever recorded, surpassing even the monthly spikes during the COVID-19 outbreak in early 2020. This "bottom-rebound" pattern suggests that December's retreat was not a sign of diminishing uncertainty, but rather a brief wait-and-see period before formal policy implementation.

2. Historical Context

Among all monthly data since 2013, January 2026's 175.43 ranks fourth in history:

Rank	Month	CA-TPU Index	Event
1	Apr 2020	203.34	COVID-19 pandemic; Central Asian border closures
2	Jul 2016	179.45	Brexit referendum shock; global trade disruption

3 Jul 2015	176.88	Kazakhstan tenge free float
4 Jan 2026	175.43	New US tariff measures take effect
5 Mar 2022	171.07	Russia–Ukraine conflict; sanctions spillover

January 2026's reading comes within 1.45 points of the 2015 tenge crisis and 4.02 points of the 2016 Brexit shock, demonstrating that the current wave of trade policy uncertainty triggered by US tariff policies has reached historical proportions.

Compared to previous historical peaks, the current shock has a distinctive feature: a **longer accumulation period**. Since September 2025, the CA-TPU Index has continuously operated above the baseline, building pressure over four months before surging in January — a pattern distinct from the sudden jumps seen during the Russia–Ukraine conflict (2022) or the rapid escalation during COVID-19 (2020).

3. News Data Overview

In January 2026, a total of **10,380 news articles** were collected across the four countries. Of these, 5,599 received an OR flag, and **336 articles** received an AND flag (TPU-relevant).

News Collection Statistics by Country

Country	Total News	OR Hits	AND Hits	TPU Ratio (f)	OR Coverage
Kazakhstan	4,035	2,466	173	7.01%	61.1%
Uzbekistan	1,444	813	78	9.59%	56.3%
Kyrgyzstan	4,012	1,743	59	3.39%	43.4%
Tajikistan	889	577	26	4.51%	64.9%

- **Kazakhstan** led with 173 AND hits, far ahead of other countries. As the direct target of new US tariffs, Kazakhstani media coverage of trade policy uncertainty surged. Combined with its 57.18% trade weight, Kazakhstan was the primary driver of the index spike.
- **Uzbekistan** recorded the highest TPU ratio (9.59%), reflecting the strongest concentration of media discourse on trade policy uncertainty among the four countries.
- **Tajikistan** maintained the highest OR coverage (64.9%), with nearly two-thirds of news articles addressing policy-related topics. However, AND hits remained low (26), suggesting limited in-depth coverage.
- **Kyrgyzstan** had comparable news volume to Kazakhstan (4,012 articles) but the lowest TPU ratio (3.39%), indicating a more dispersed news agenda.

4. Driving Factors

The sharp rise from 100.13 to 175.43 was driven by the following factors:

4.1 Formal Implementation of US Tariff Measures

In January 2026, the 25% US tariff on Kazakhstani exports took effect, covering energy, minerals, and metal products. This transformed "anticipatory uncertainty" into "execution uncertainty," as businesses shifted from asking "will tariffs be imposed?" to grappling with exemption applications, compliance costs, and supply chain adjustments.

4.2 Opacity of Tariff Exemption Mechanisms

While the US established a tariff exemption application mechanism, the approval process, criteria, and timeline remained unclear, intensifying policy uncertainty for Central Asian exporters. Governments and industry associations in Kazakhstan and Uzbekistan issued intensive statements.

4.3 Expectation Correction Following the December Retreat

In December 2025, the CA-TPU Index briefly retreated to 100.13, near the baseline. Some market optimism existed that tariff measures might be delayed. However, the on-schedule implementation in January shattered these expectations, triggering a retaliatory rebound in the index.

5. Trend Outlook

The CA-TPU Index has remained above the baseline since September 2025, staying above 100 for 5 consecutive months through January 2026. Despite the brief December retreat, January's sharp rebound confirms that trade uncertainty driven by US tariff policies is a sustained structural shock, not a short-term disturbance.

The MA3 rose to 131.60, and while it has not yet reached the COVID-19 era peak (trailing MA3 peak of 158.32), the upward trend is clear. Future index movements will depend on:

- Actual enforcement intensity of US tariffs on Kazakhstan and progress on exemption approvals
- Policy responses by Central Asian governments to the tariff shock
- Whether the US expands tariff measures to additional countries or product categories
- Continued impact of secondary sanctions risks on regional transit trade

6. Data Appendix

CA-TPU Index — Last 12 Months

Month	CA-TPU Raw Index	MA3
2025-02	98.93	94.58
2025-03	101.90	95.56
2025-04	118.14	106.32
2025-05	117.71	112.58

2025-06	107.84	114.56
2025-07	112.89	112.81
2025-08	113.70	111.48
2025-09	132.84	119.81
2025-10	124.98	123.84
2025-11	119.22	125.68
2025-12	100.13	114.78
2026-01	175.43	131.60

About the CA-TPU Index

The CA-TPU (Central Asia Trade Policy Uncertainty Index) is developed by Prof. Zhang Lijie's team at the School of Economics and Management, Xinjiang University, based on Baker, Bloom & Davis (2016). It covers Kazakhstan, Uzbekistan, Kyrgyzstan, and Tajikistan. For details, see catpu.caiees.cn

Published by the CA-TPU Index Project Team.

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