

INFORMATION NOTE ON SURVEY OF EXPECTATIONS

The aim of the Survey is to find out the expectations of experts and decision makers from the financial and real sectors and professionals, pertaining to consumer price (CPI) inflation, interest rates, exchange rate, current account balance and GNP growth rate. The Survey is conducted twice a month, in the first and third weeks of every month. Due to the small sample size of the Survey, it has been decided to use the non-probability sampling method based on the participation of selected volunteers. Participation is voluntary. The CBRT is committed to precisely follow the standards of transparency in the overall results of the Survey, while, at the same time, always treating individual responses as strictly confidential. The data compiled cannot be used in any manner whatsoever for any purposes other than those stated above. Descriptive statistics such as sample size, minimum and maximum values, standard deviation, mean, median, mode and appropriate mean are provided for each question, in the compiled results. The appropriate mean is specified through comparing mean, median, mode, alpha-trimmed mean and outlier analysis.

Due to structural changes and decreasing uncertainties in the economy throughout almost five years of application of the Survey, which has been conducted since August 2001, the medium term perspective has gained importance in economic decisions, and revision of the Survey questions has become necessary. Besides these factors, taking into consideration the information requirements of the fully-fledged inflation targeting, which became effective as of 2006, the questions of the survey are revised in order to reflect the longer-term expectations in April 2006.

As it is announced within the Monetary Policy Exit Strategy, which was put into implementation in 2010, one-week repo auction interest rate of CBRT has been declared to be the policy interest rate by the end of May 2010. Accordingly, a question related to one-week CBRT repo auction interest rate expectations is added to the questionnaire starting from the first survey period of June 2010. The overall results of the Survey including the past results are disseminated as a time series on the official website of the CBRT.