

Press Release on Market Developments

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The macro indicators pertaining to the Turkish economy point that the rebalancing process continues thanks to the coordinated policy actions. The leading indicators suggest that there has been a moderate recovery in domestic demand in the first quarter. Underpinned by the strong trend in the exports of goods and tourism demand, net exports continue to contribute to growth. In this regard, improvement in current account balance is expected to continue with further acceleration.

In the economic rebalancing process, the monetary policy focuses on the price stability objective while the strong coordination with fiscal policy supports disinflation. Meanwhile, the Central Bank is decisive about its policy towards reinforcing its reserves. Accordingly, an uptrend was observed in the reserves following the financial market volatility observed last year. The recent fluctuations in gross reserves are driven by ordinary transactions and periodic factors, and there are no unforeseen incidences.

The Central Bank will closely monitor fluctuations and unhealthy price formations in financial markets and will use all monetary policy and liquidity management instruments to maintain price stability and support financial stability, if deemed necessary.

Contact

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