

PRESS RELEASE

6 April 2015

The CBRT Has Updated the Real Effective Exchange Rate Indices

The country weights used in the calculation of the Real Effective Exchange Rate indices (2003=100), which have been published monthly since July 2010, are based on “2006-2008” foreign trade data. However, the increase in the volume of foreign trade and the diversification of our trading partners have necessitated a new study. For this reason, the Real Effective Exchange Rate indices published by the Central Bank of the Republic of Turkey (CBRT) on its website (www.tcmb.gov.tr) under the [Statistics / Exchange Rates / Real Effective Exchange Rate](#) directory and available as time series in the [EDDS database](#) have been updated.

Accordingly;

- In contrast to the old indices using 2006-2008 period trade flows for the entire series, the new indices have been calculated based on three-year trade flow averages (the 2003-2005 period, the 2006-2008 period and the 2009-2011 period) in compliance with the methodologies of international organizations. Indices obtained by using the country weights calculated for each period have been combined by the chain-linking method.
- The number of countries covered in the indices has been increased from 36 to 45 for CPI-based index and from 31 to 38 for PPI-based index.
- Meanwhile, the Unit Labor Cost-Based Real Effective Exchange Rate Index, which has not been updated since the first quarter of 2012 due to the limitations on available data from the Organisation for Economic Co-operation and Development (OECD), has been recalculated using unit labor data of 18 countries published by the European Statistical Office (Eurostat).

You can find more details [here](#).

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