

SEPTEMBER PRICE DEVELOPMENTS

October 6, 2025



Summary

In September, consumer prices rose by 3.23% and annual inflation increased by 0.34 points to 33.29%. In monthly terms, the food and services groups stood out with price increases. The unfavorable trend in food prices persisted due in part to supply-side factors caused by frost and drought. In this period, both unprocessed and processed food prices posted strong increases. The monthly increase in core goods prices was led by clothing and footwear group, which was driven by the launch of the new season, as well as durable consumer goods. The back-to-school effect, of which observed across several groups, has been the main driver of the month-on-month increase in services inflation. Education (private universities), transport (school bus fares) along with restaurants and hotels (dormitory fees) were the leading services items on this front. Thus, the back-to-school effect on monthly consumer inflation was approximately 0.7 points. On the other hand, monthly rent inflation weakened despite the seasonally high contract renewal rates in September. Meanwhile, energy prices edged up in this period, led by fuel prices, but remained relatively moderate. Producer prices maintained their upward trend, with annual inflation rising by 1.43 points to 26.59%. Against this background, underlying inflation increased compared to the previous month.

Price Developments are published within one working day following the announcement of price statistics by the Turkish Statistical Institute (TURKSTAT). Price Developments, which include the CBRT's initial remarks on the inflation figures of the previous month, aim to contribute to a sounder interpretation of the monthly inflation developments by the public during the period between the announcement of the official price statistics and the Monetary Policy Committee meeting.

Evaluations

In September, consumer prices rose by 3.23% and annual inflation increased by 0.34 points to 33.29% (Chart 1). The annual rate of change in the B index increased by 0.15 points to 32.86%, while that in the C index declined by 0.46 points to 32.54% (Table 1).

Over the previous month, contributions of the alcohol-tobacco-gold and services groups to annual consumer inflation decreased by 0.18 and 0.13 points, respectively, while the contribution of core goods remained unchanged, and contributions of food and non-alcoholic beverages, and energy increased by 0.63 and 0.02 points, respectively.

In seasonally adjusted terms, consumer prices saw higher monthly increases compared to the previous month (Chart 2). Monthly inflation strengthened in the B and C indices over the previous month (Chart 3). Among the components of the B index, price increases rose in core goods, remained high in processed food, and showed a flat course in the services sector (Chart 4). Indicators monitored by the CBRT suggest that in September, the underlying inflation rose in terms of monthly averages while recording a limited increase in terms of quarterly averages (Charts 5 and 6).

In September, the price increase in the services sector was stronger at 4.10% compared to the previous month due to the return to school. Meanwhile, annual inflation in this group fell by 1.11 points to 44.66%. Annual inflation receded across the services subgroups (Chart 7). Monthly price increases were driven by education (17.90) and transport (6.28) services. The rise in university tuition fees (61.67%) was felt in education services, while prices in transport services rose due to school bus fares. The rise in student residence fees (36.62%) drove accommodation prices higher, while the increase in daycare fees (10.81%) pushed the other services subitem up. Thus, the back-to-school effect on monthly consumer inflation was approximately 0.7 points. Monthly rent inflation, despite high contract renewal rates, slowed to 4.39% over the previous month, and annual inflation fell by 5.23 points to 69.10%.

Annual core goods inflation remained relatively flat at 19.89% in September. Annual inflation rose in the durable goods and clothing-footwear subgroups but decelerated in the other core goods subgroup (Chart 8). The monthly price increase in durable consumption goods was relatively high at 2.10%, driven by the hikes in prices of white goods (4.07%) and automobiles (2.41%). In the clothing and footwear subgroup, prices posted a rise (3.94%) due to the launch of the new season. Meanwhile, the monthly price increase in the other core goods subgroup remained relatively mild.

Energy prices went up by 1.24% in this period, and the group's annual inflation rose by 1.07 points to 34.73% (Chart 9). This was mainly driven by fuel prices that increased by 2.36%.

Prices of food and non-alcoholic beverages surged by 4.62% in September, and the group's annual inflation hit 36.06% (Chart 9). Adverse weather conditions such as frost and drought were influential in this development. Annual inflation in the unprocessed and processed food subgroups rose by 2.59 and 2.98 points to 37.53% and 34.33%, respectively (Chart 10). On a monthly basis, unprocessed food prices were up by 5.53%, particularly led by vegetables, nuts, white meat, and eggs. The monthly price increase in processed food remained high at 3.90%. While fats and oils, milk and dairy products, and beverages like coffee and tea stood out, price increases spread across the subgroup.

Producer prices rose month-on-month by 2.52%, maintaining their upward course. Annual producer price inflation increased by 1.43 points to 26.59% (Chart 11 and Table 2). In this period, food products (6.77%) and durable consumption goods (2.80%) stood out with price hikes.

Charts and Tables

Chart 1. CPI, B and C

(Annual % Change)

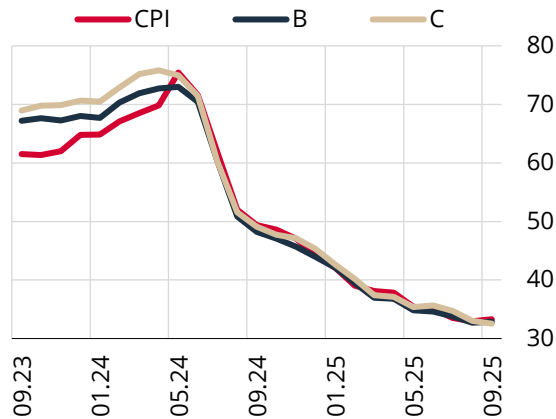


Chart 2. CPI and CPI Excluding Food

(Seasonally Adjusted, Monthly % Change)

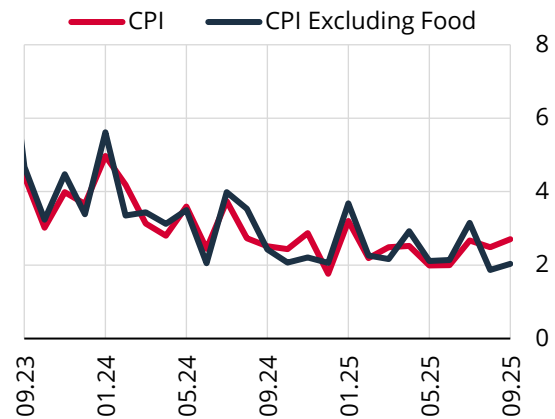


Chart 3. B and C Indices

(Seasonally Adjusted, Monthly % Change)

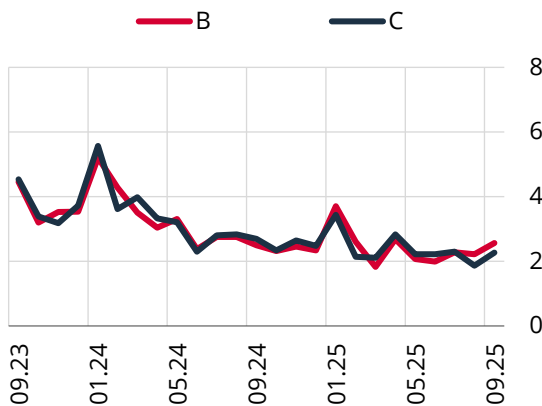
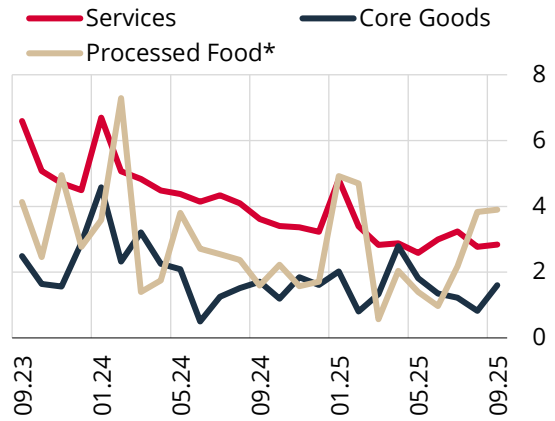


Chart 4. Main Components of B Index

(Seasonally Adjusted, Monthly % Change)



* In the processed food subgroup, no statistically significant seasonality is detected. Therefore, processed food subgroup data is presented without seasonal adjustments.

Chart 5. Underlying Inflation Indicators

(Seasonally Adjusted, Monthly % Change)

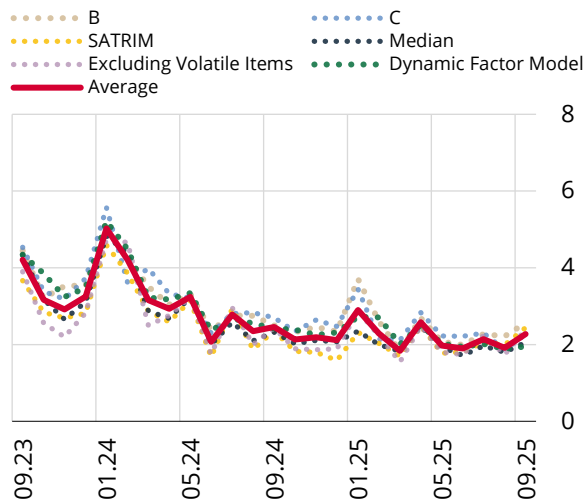


Chart 6. Underlying Inflation Indicators

(Seasonally Adjusted, Monthly % Change, 3 Month Average)

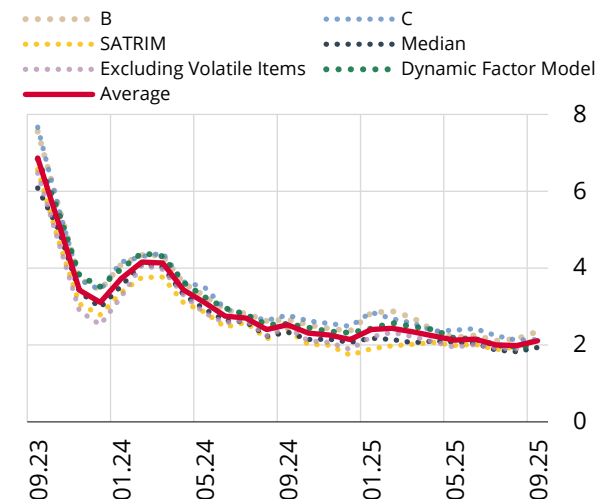
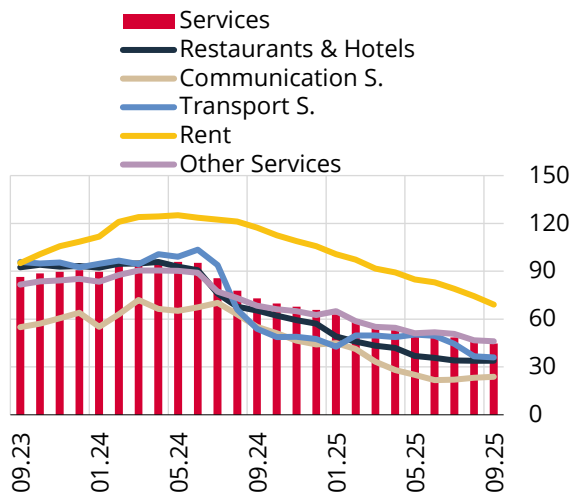
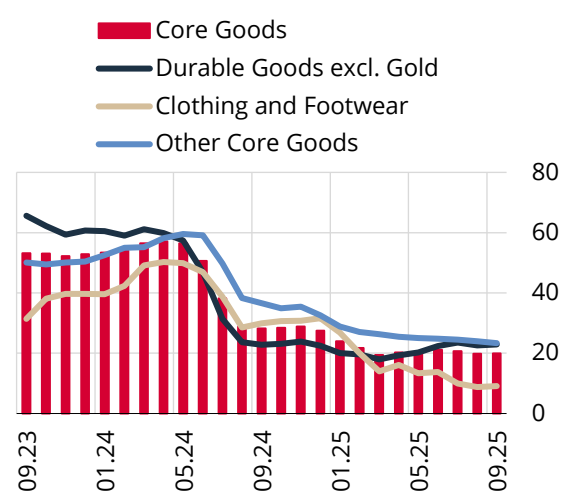


Chart 7. Services

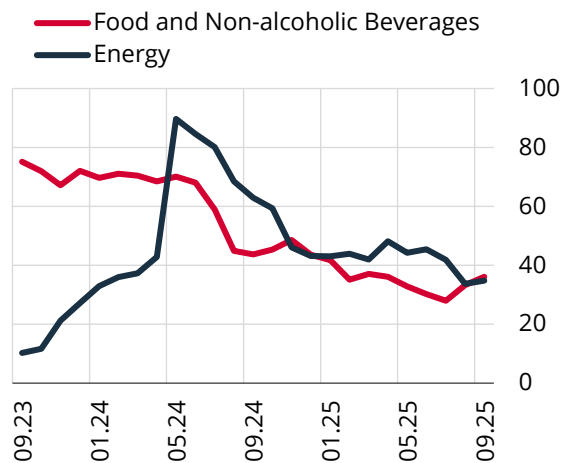
(Annual % Change)

**Chart 8. Core Goods**

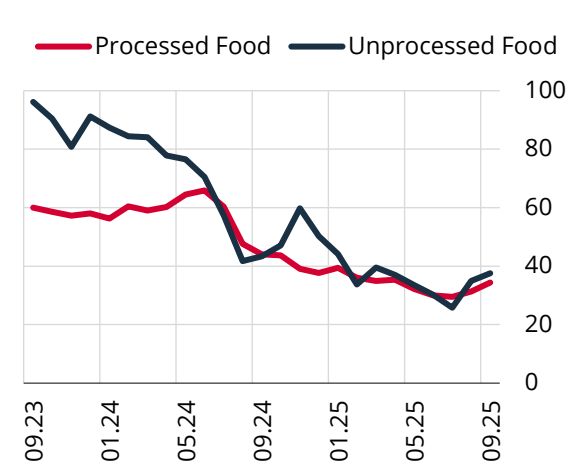
(Annual % Change)

**Chart 9. Food and Non-alcoholic Beverages and Energy**

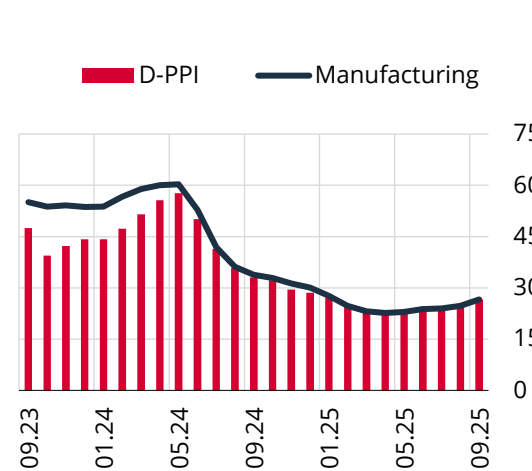
(Annual % Change)

**Chart 10. Processed and Unprocessed Food**

(Annual % Change)

**Chart 11. D-PPI and Manufacturing**

(Annual % Change)

**Chart 12. D-PPI Main Industrial Groupings**

(Monthly % Change)

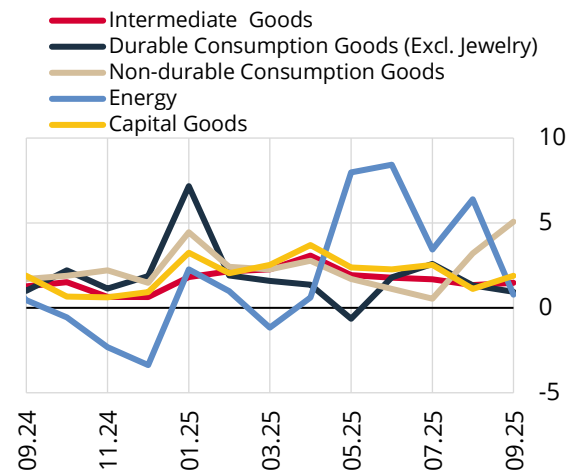


Table 1. CPI and Subcategories (% Change)

	Monthly		Annual	
	Sep.25	Sep.24	Sep.25	Sep.24
CPI	3.23	2.97	33.29	49.38
1. Goods	2.79	2.06	28.13	40.27
Energy	1.24	0.44	34.73	62.94
Food and non-alcoholic beverages	4.62	2.48	36.06	43.72
Unprocessed food	5.53	3.54	37.53	43.34
Fresh fruits and vegetables	4.33	3.17	53.49	32.70
Other unprocessed food	6.35	3.75	28.21	50.07
Processed food	3.90	1.59	34.33	44.05
Bread and cereals	2.97	1.40	40.96	42.83
Other processed food	4.39	1.68	31.10	44.77
Goods excluding energy and food	1.92	2.35	20.58	31.00
Core goods	2.11	2.07	19.89	28.26
Durable goods (excluding gold)	2.10	1.82	22.95	22.77
Clothing and footwear (*)	3.94	3.63	9.10	29.93
Other core goods	0.95	1.43	23.35	36.60
Alcoholic beverages and tobacco	-0.03	4.16	24.49	52.35
Gold	5.70	4.28	38.63	46.54
2. Services	4.10	4.90	44.66	72.92
Rents	4.39	7.62	69.10	117.43
Restaurants and hotels	2.68	2.72	33.91	65.41
Transport	6.28	6.89	35.99	53.92
Communication	0.80	0.33	23.83	55.08
Other	5.04	5.47	46.09	68.49
3. Core Measures				
B - CPI excluding unprocessed food, energy, alcoholic beverages tobacco and gold	3.34	3.22	32.86	48.23
C - CPI excluding energy, food and non-alcoholic beverages, alcoholic beverages, tobacco and gold	3.22	3.57	32.54	49.10
D - CPI excluding unprocessed food, alcoholic beverages and tobacco	3.09	2.84	33.08	50.05
F – CPI excluding administered prices	3.35	3.08	32.53	46.09

Source: TURKSTAT.

* Does not cover clothing services.

Table 2. D-PPI and Subcategories (% Change)

	Weight (%)	September 2025		September 2024	
		Monthly	Annual	Monthly	Annual
D-PPI	100	2.52	26.59	1.37	33.09
Mining	3.43	2.72	28.73	1.83	43.59
Manufacturing	88.09	2.79	26.63	1.25	33.77
Manufacturing excl. petroleum products	85.41	2.78	26.72	1.51	36.45
Manufacturing excl. petroleum products and base metals	77.29	2.91	27.73	1.47	37.86
Electricity, gas, steam and air-conditioning sup.	7.80	-0.05	23.81	2.28	17.01
Water supply	0.68	1.74	55.03	1.95	48.70
D-PPI (MIGs Classification)					
Intermediate Goods		1.48	22.27	1.27	32.70
Durable Consumption Goods		2.80	31.62	1.70	37.95
Durable Consumption Goods (Excl. Jewelry)		0.95	25.67	1.00	35.13
Non-Durable Consumption Goods		5.07	33.21	1.70	44.38
Capital Goods		1.90	26.62	1.89	36.55
Energy		0.78	25.17	0.45	11.89

Source: TURKSTAT.