

REAL EFFECTIVE EXCHANGE RATE DEVELOPMENTS

DATA GOVERNANCE AND STATISTICS DEPARTMENT
BALANCE OF PAYMENTS DIVISION

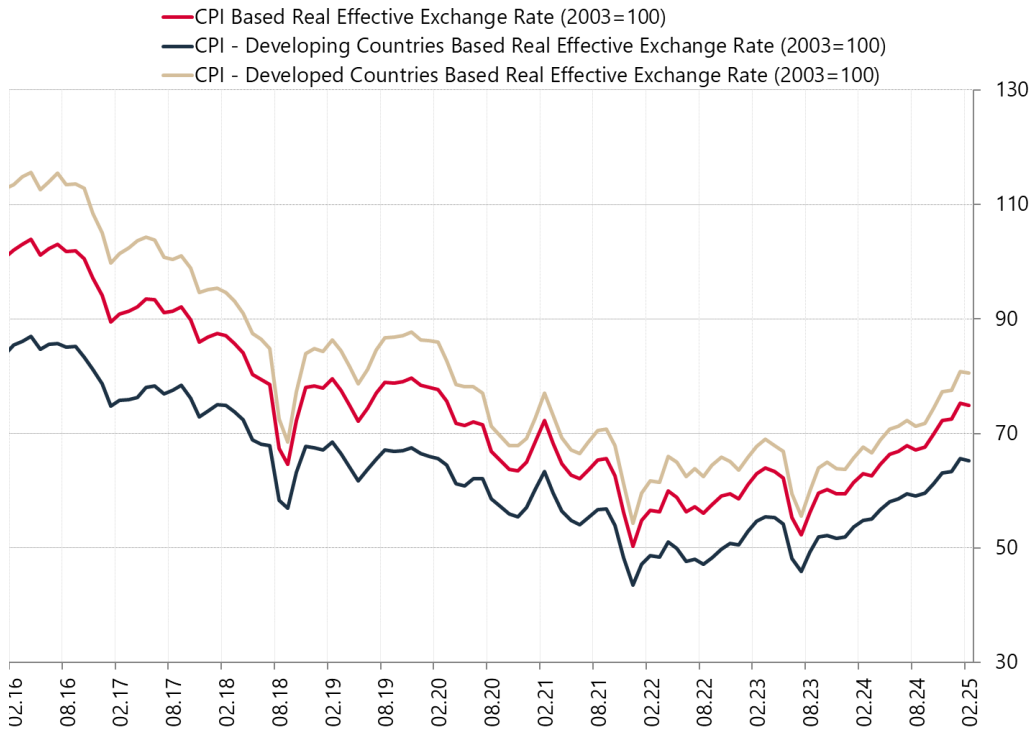
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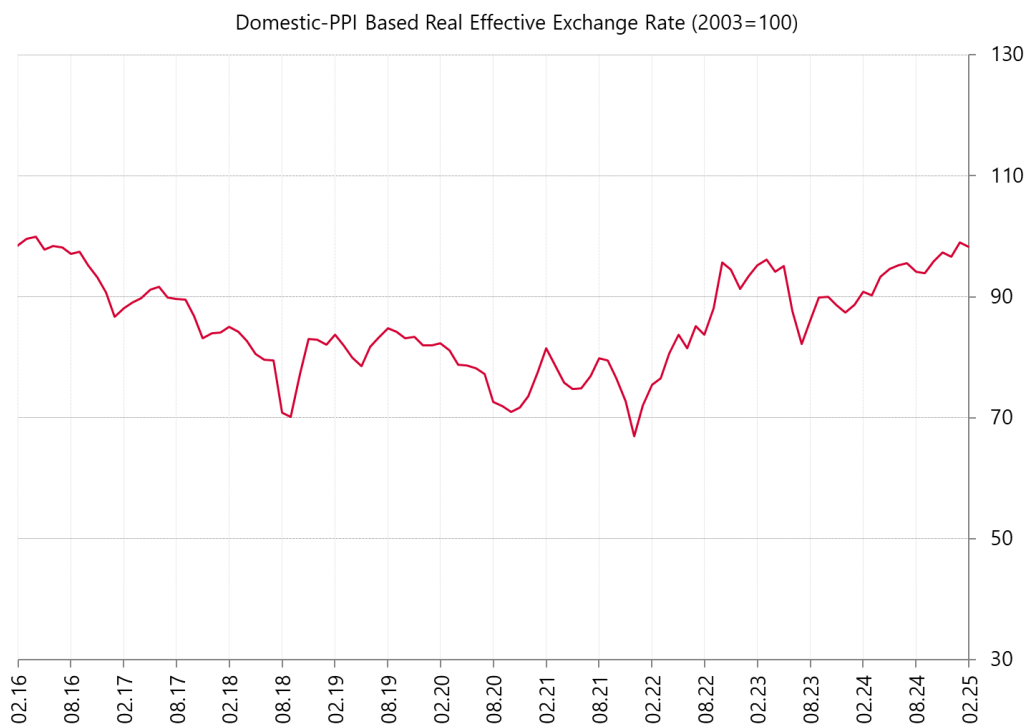
Consumer Price Index (CPI) based Real Effective Exchange Rate (REER) index recorded 74.96 in February, decreasing by 0.34 points over the previous month (Graph 1).

Domestic Producer Price Index (Domestic-PPI) based Real Effective Exchange Rate (REER) index was 98.30 in February, decreasing by 0.71 points over the previous month (Graph 2).

Graph 1: CPI Based REER Index, February 2025 (2003=100)



Graph 2: Domestic-PPI Based REER Index, February 2025 (2003=100)

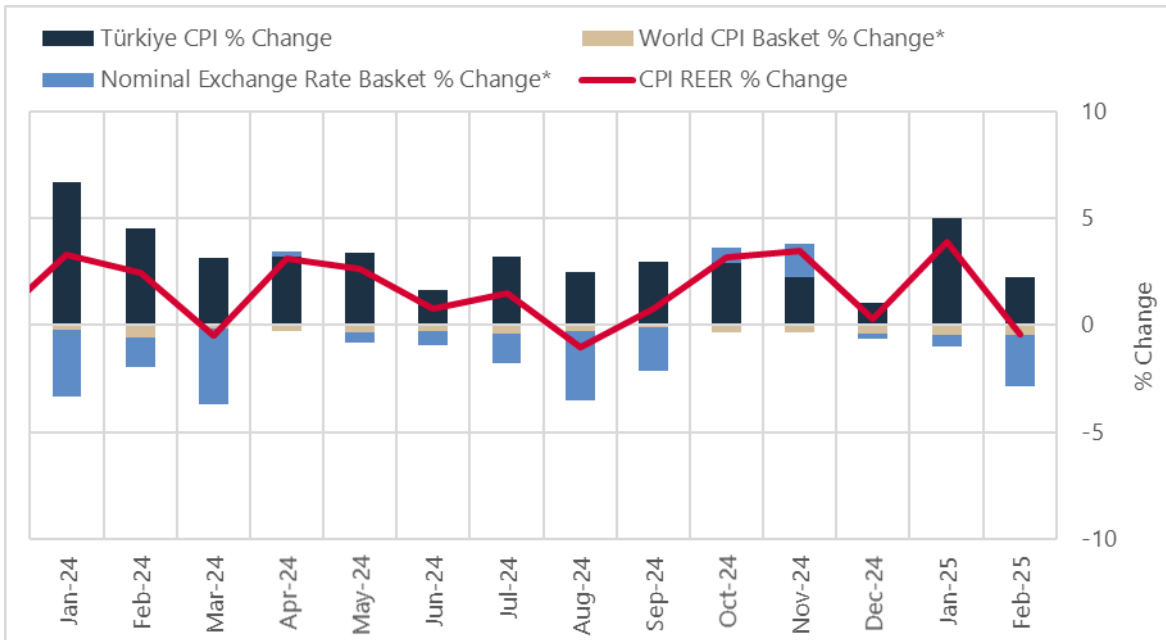


According to the components affecting the CPI based REER index, the US dollar appreciated by an average of 1.8% compared to the previous month and the euro appreciated by 2.35%. Additionally, the CPI rose by 2.27% compared to the previous month, whereas the Domestic-PPI increased by 2.12%.

$$\text{Real Effective Exchange Rate (REER)} = \frac{\text{CPI Türkiye}}{\text{CPI World} * \text{Nominal Exchange Rate Basket}}$$

As a result, changes in Türkiye's CPI contributed to the increase in the index, while changes in the World CPI basket and the Nominal Exchange Rate basket had a downward impact on the index (Graph 3).

Graph 3: Components Affecting the Change in the CPI-Based REER Index (% Change)



(*) Changes are multiplied by minus.