



TÜRKİYE CUMHURİYET
MERKEZ BANKASI

INFLATION OUTLOOK IN TÜRKİYE

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Governor

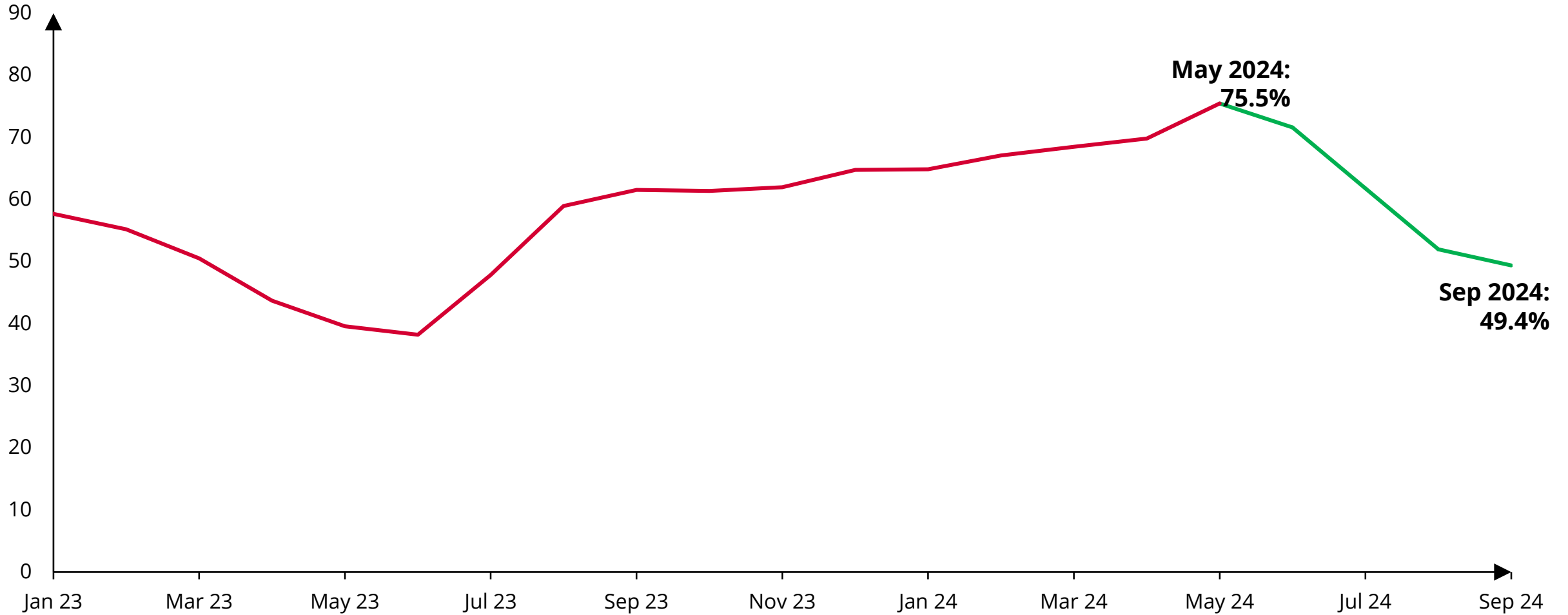
OCTOBER 21-25, 2024

Washington D.C.



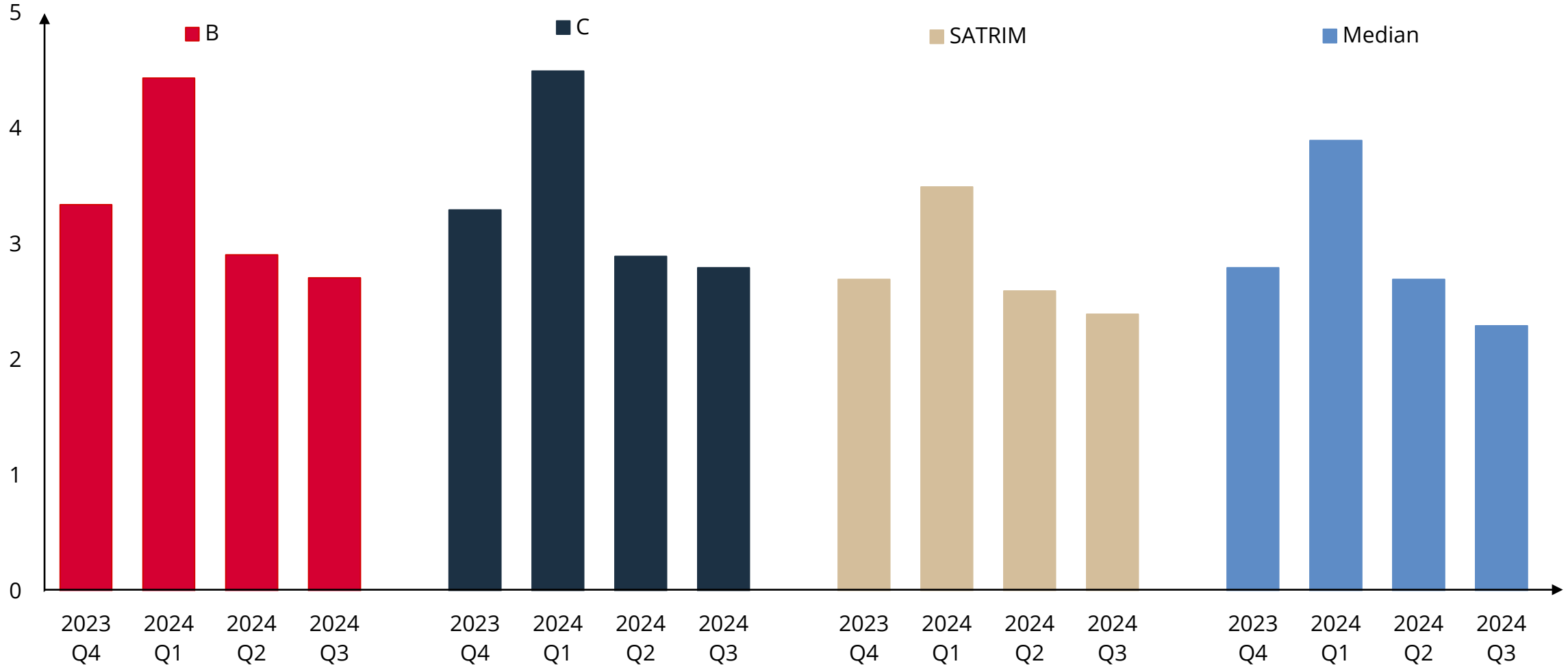
Disinflation process is on track.

Consumer Inflation (Annual % Change)



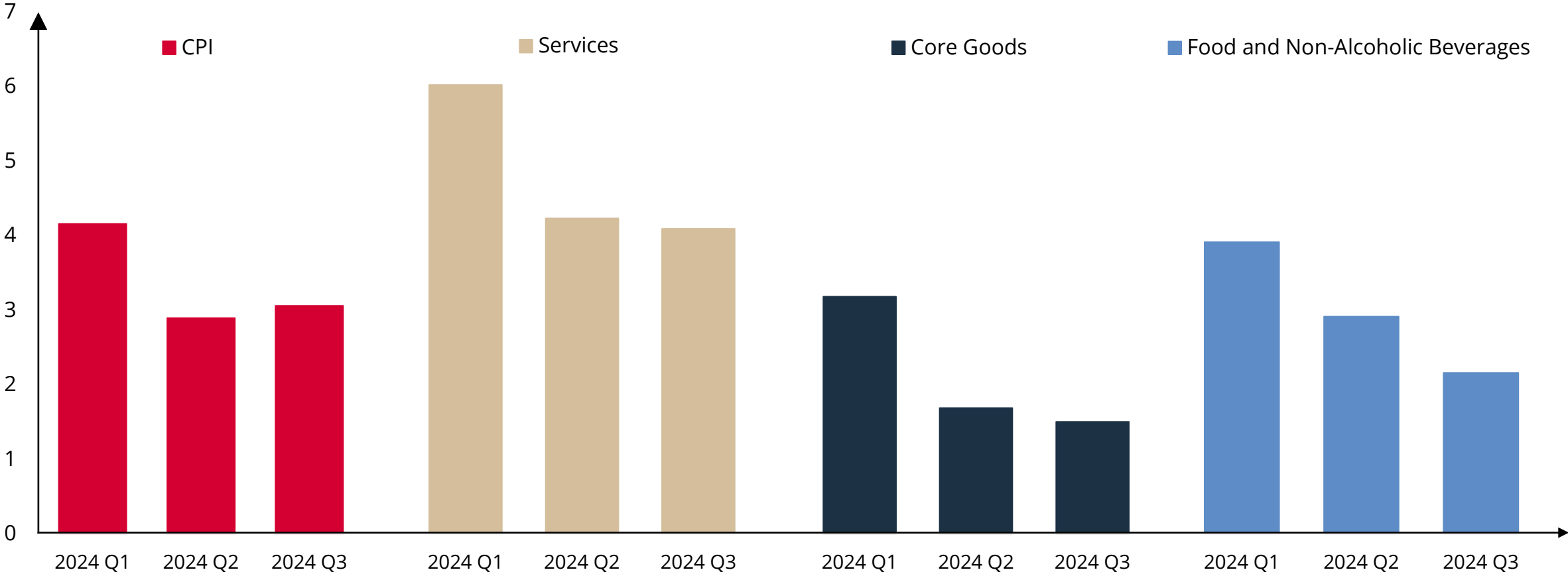
Underlying trend is declining.

Monthly Inflation Indicators* (SA, Quarterly Average)



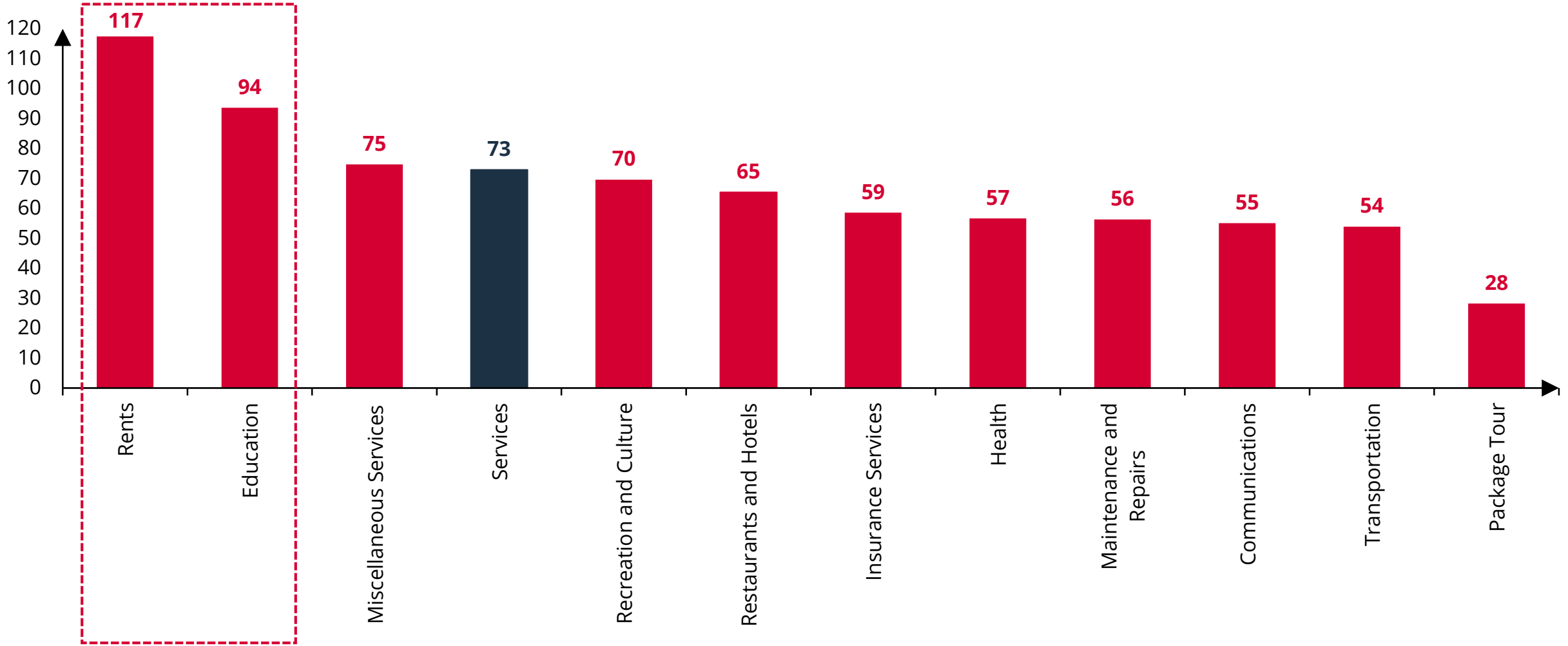
Services and administered prices limit the speed of disinflation.

Monthly Inflation (SA, Quarterly Average)



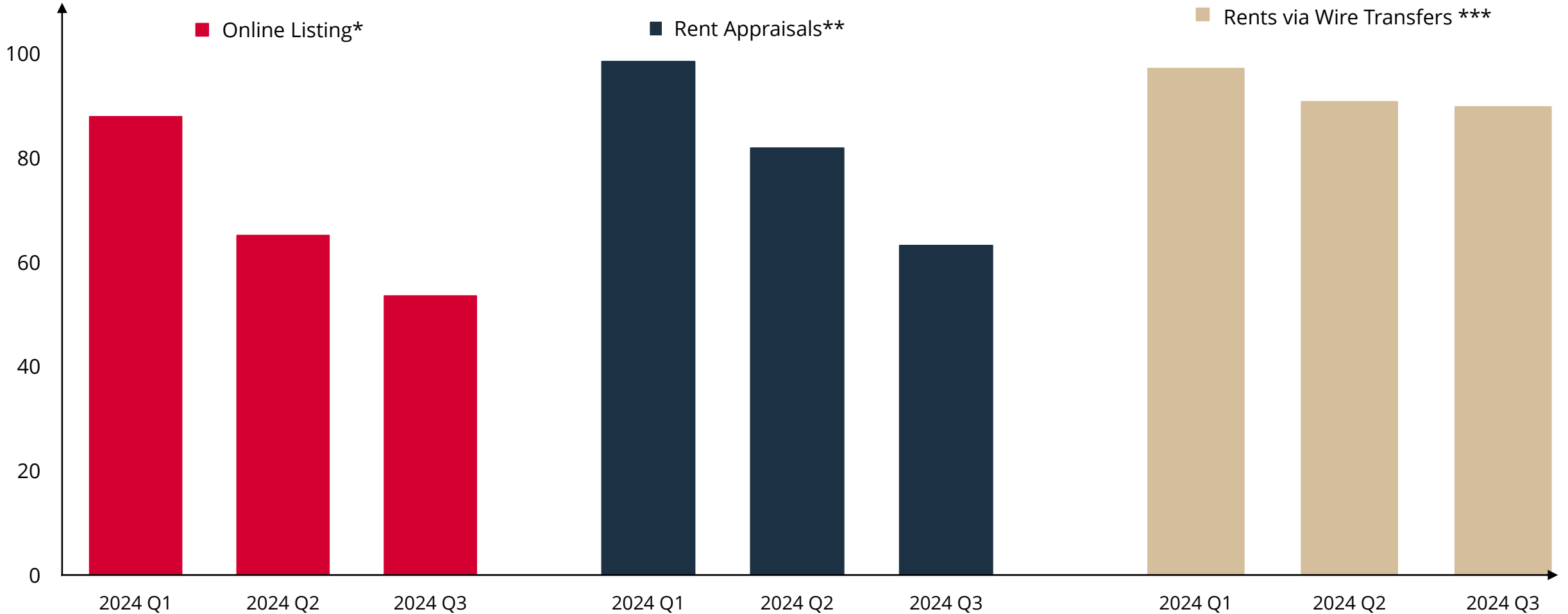
Items with backward indexation are pushing up services inflation.

Services Prices (Annual % Change, September)



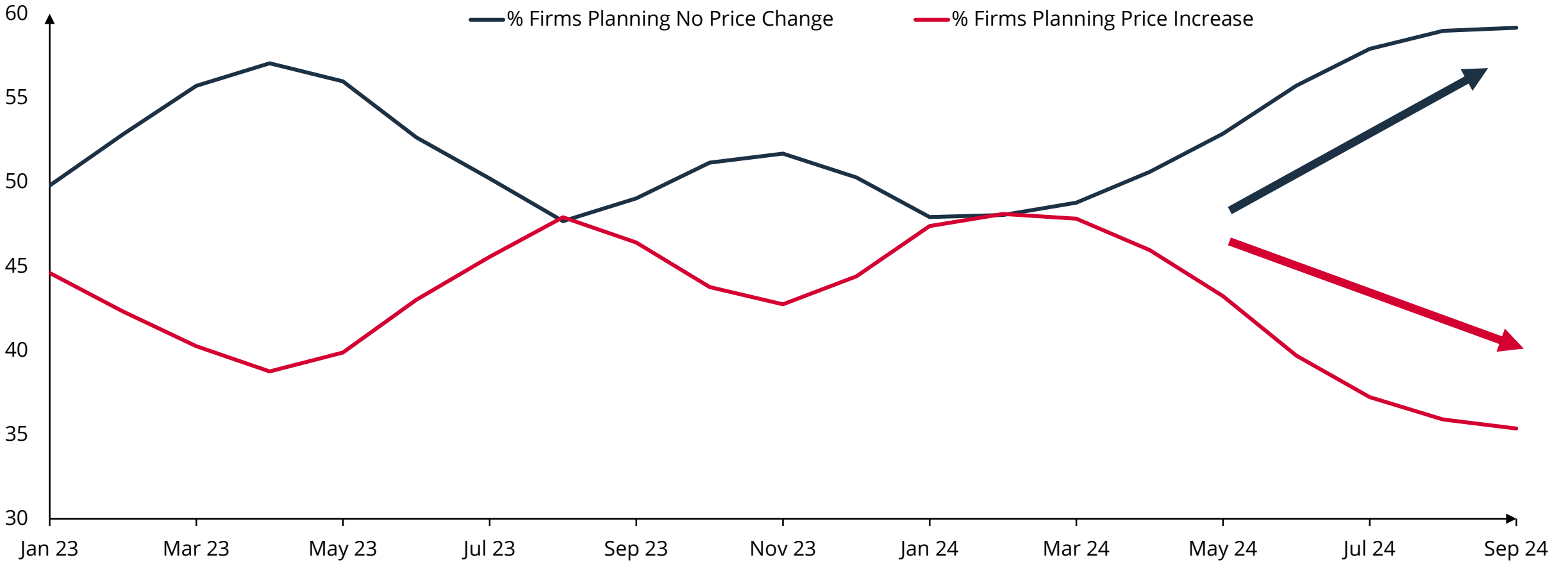
Leading indicators suggest downward trend in rent inflation.

Rent Index and Leading Indicators (Annual % Change, Quarterly Average)



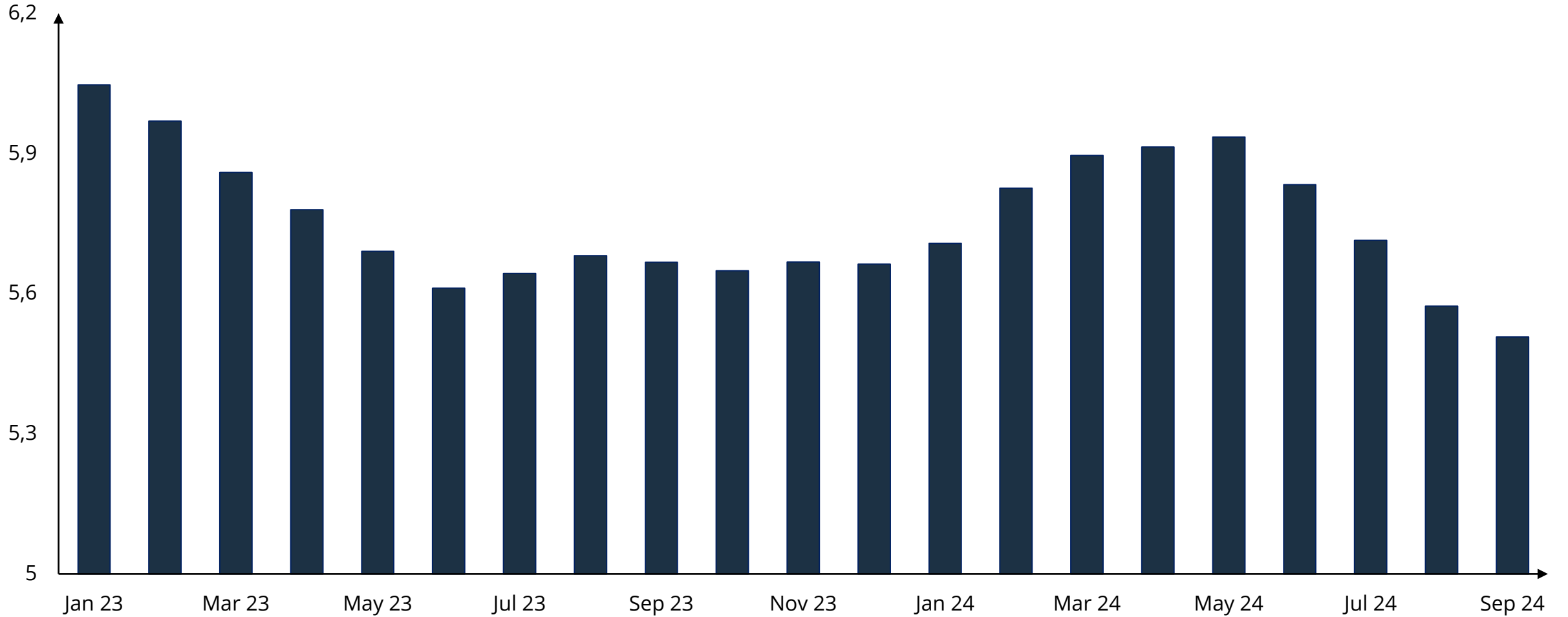
Firms' pricing behaviour continues to improve.

Firms' Domestic Sales Price Expectations (% , 3-Month Moving Average)

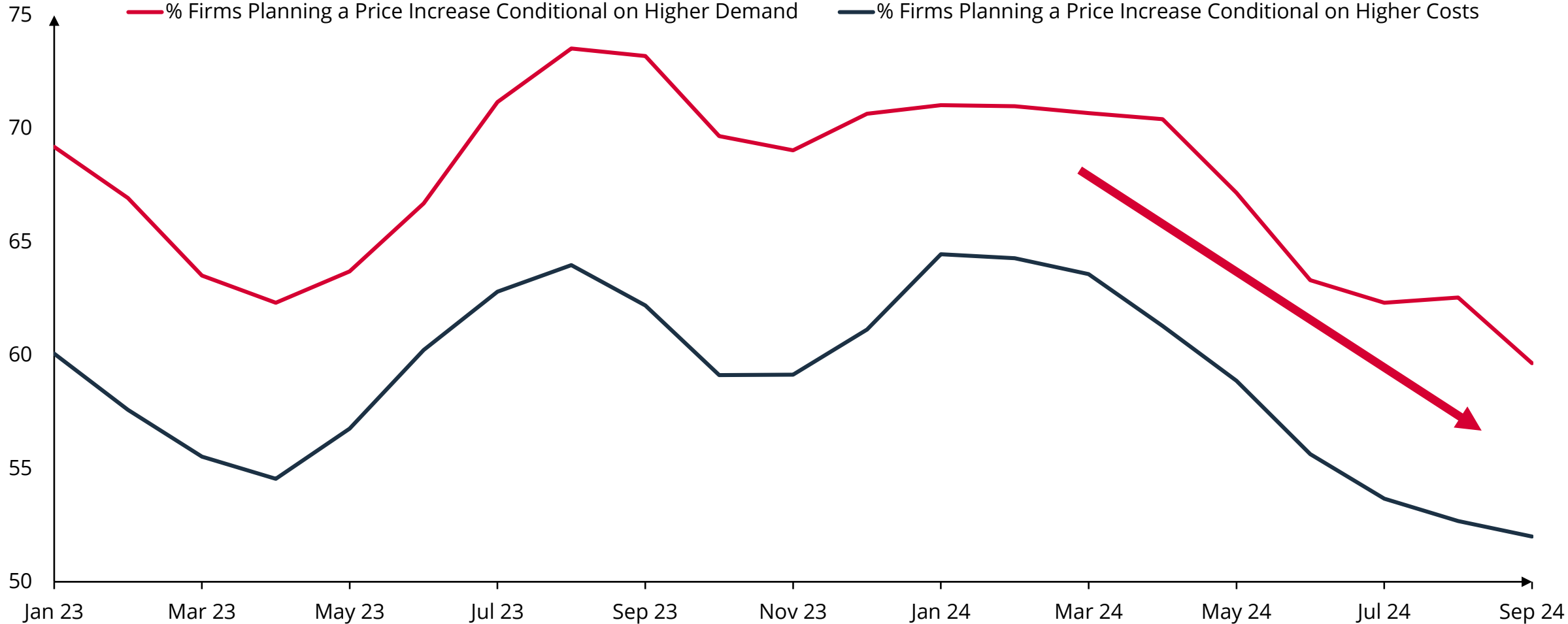


Price changes have become less likely.

Number of Price Changes Over Last 12 Months

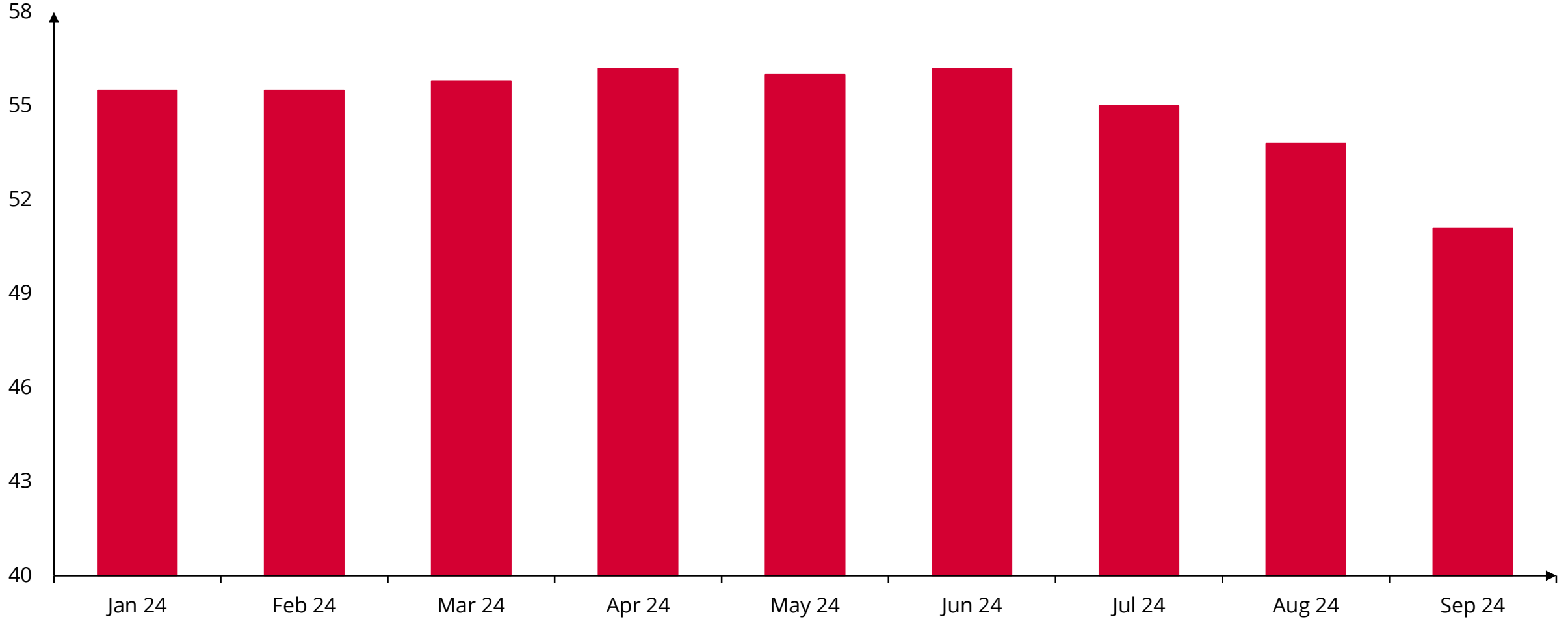


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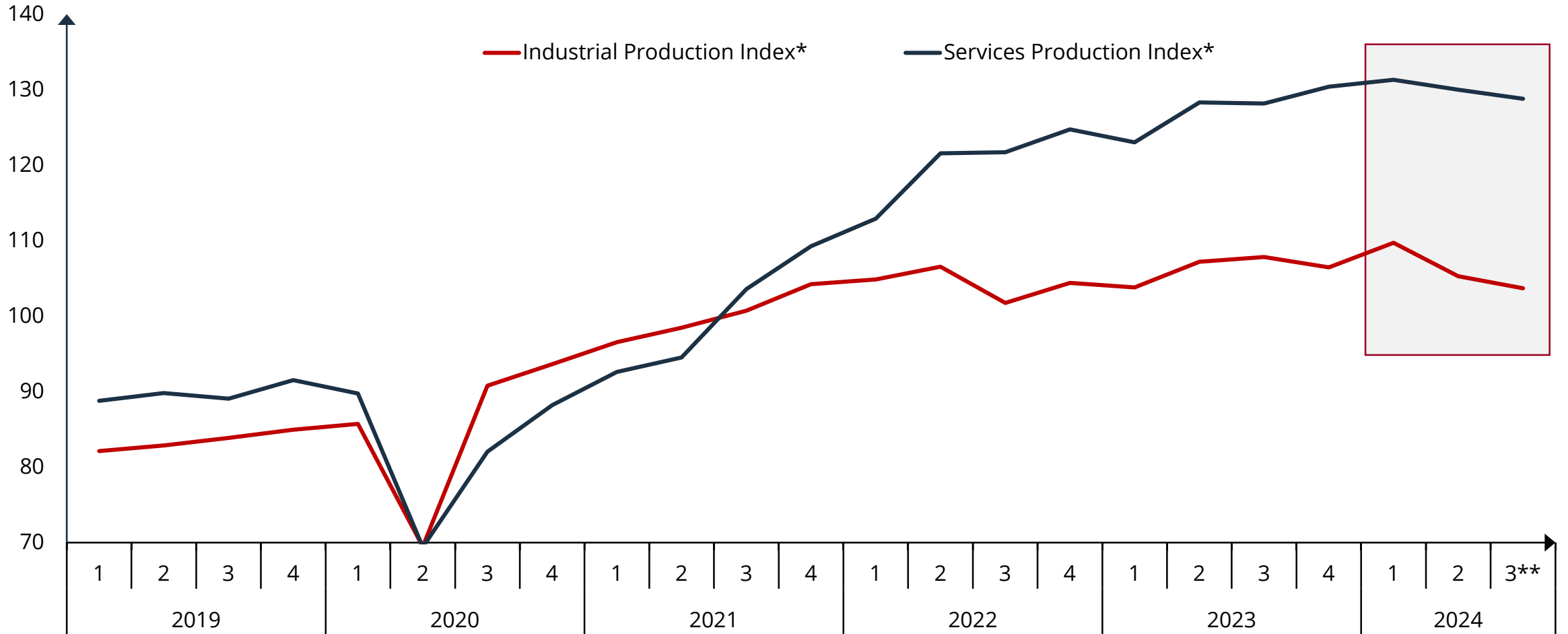


Real sector inflation expectations are improving.

Real Sector Inflation Expectation (12-Month Ahead, %)

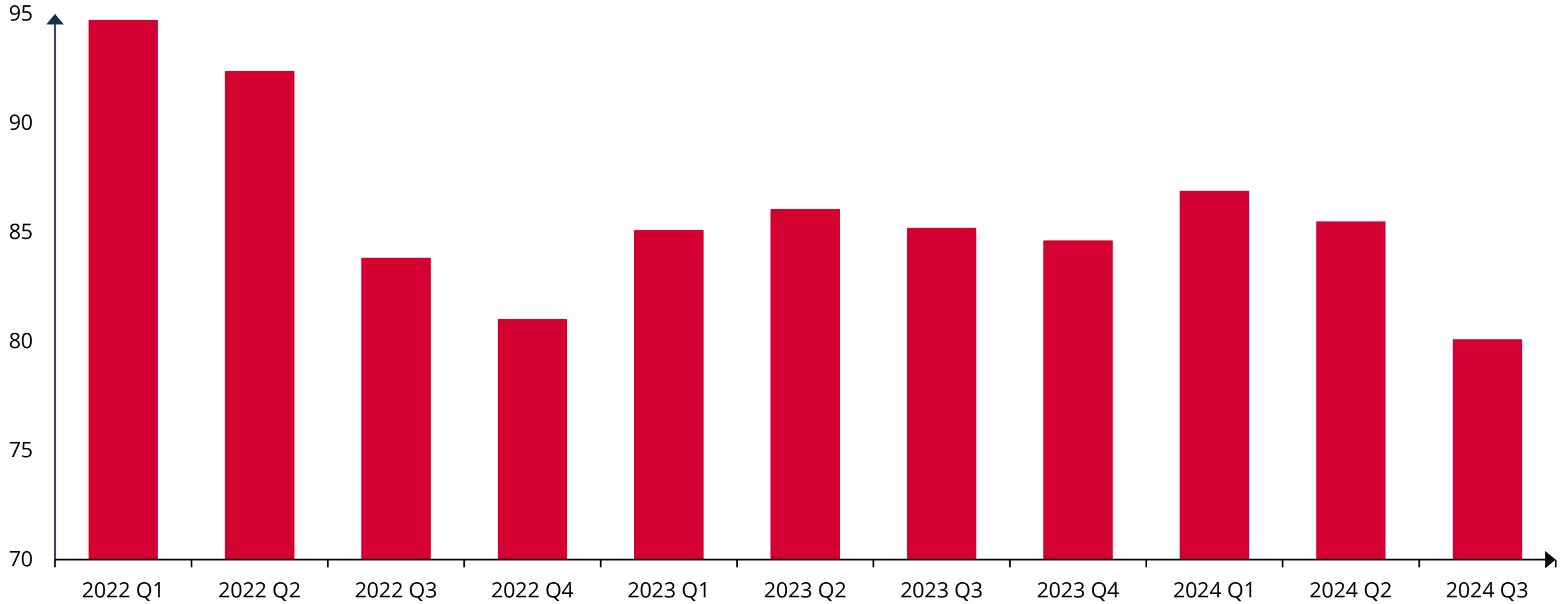


Economic activity is slowing down.



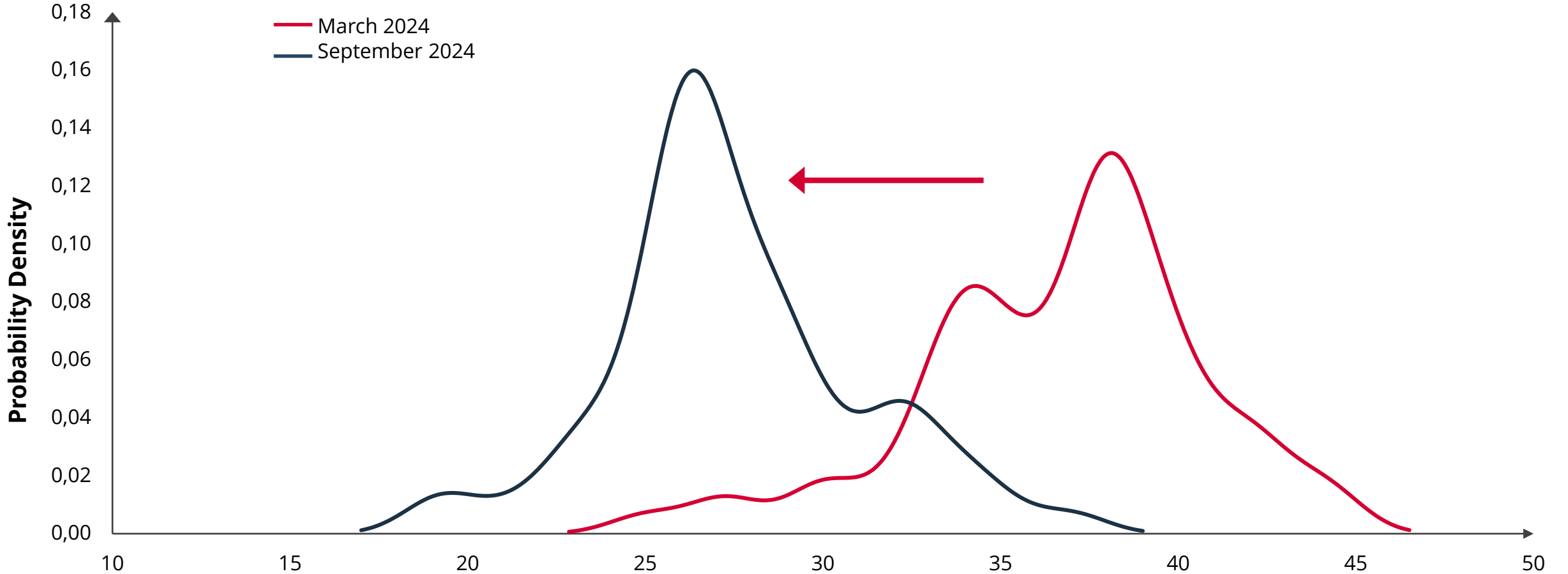
Domestic demand continues to slow down.

Total Amount of Orders*



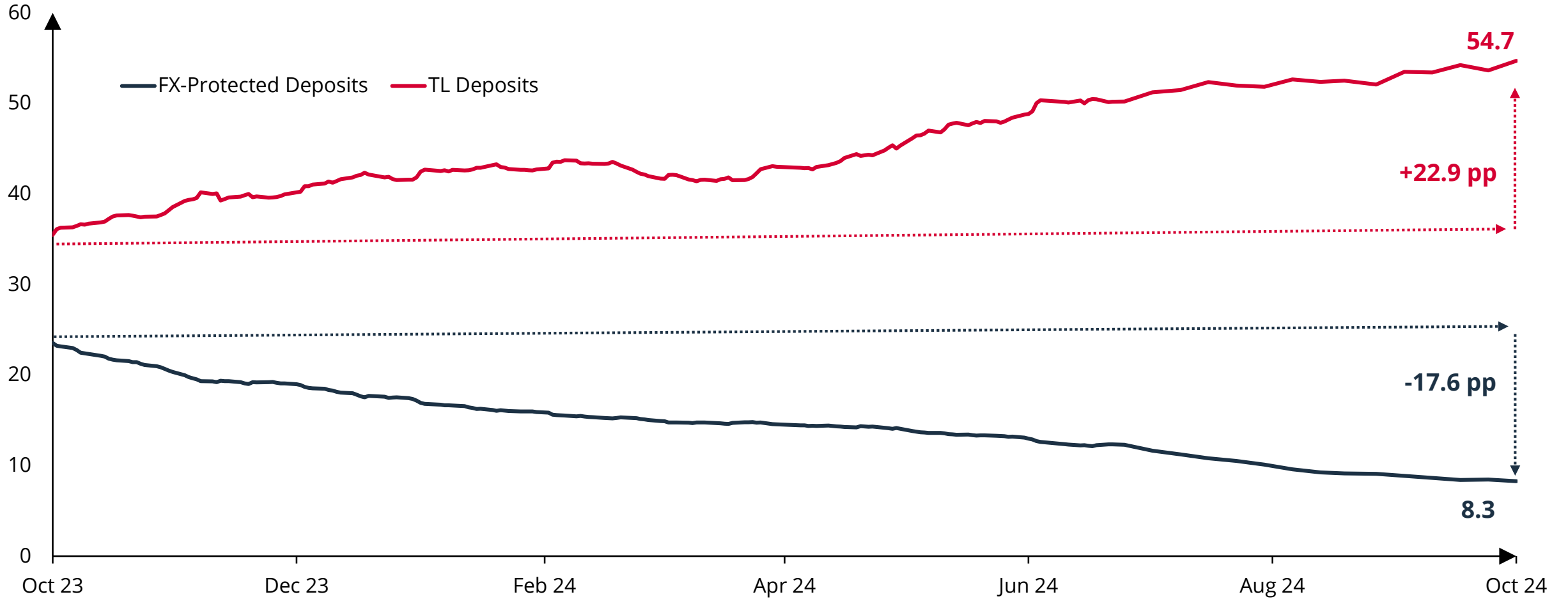
12-month inflation expectations continue to decline.

Expectations of 12-month Annual CPI Inflation*

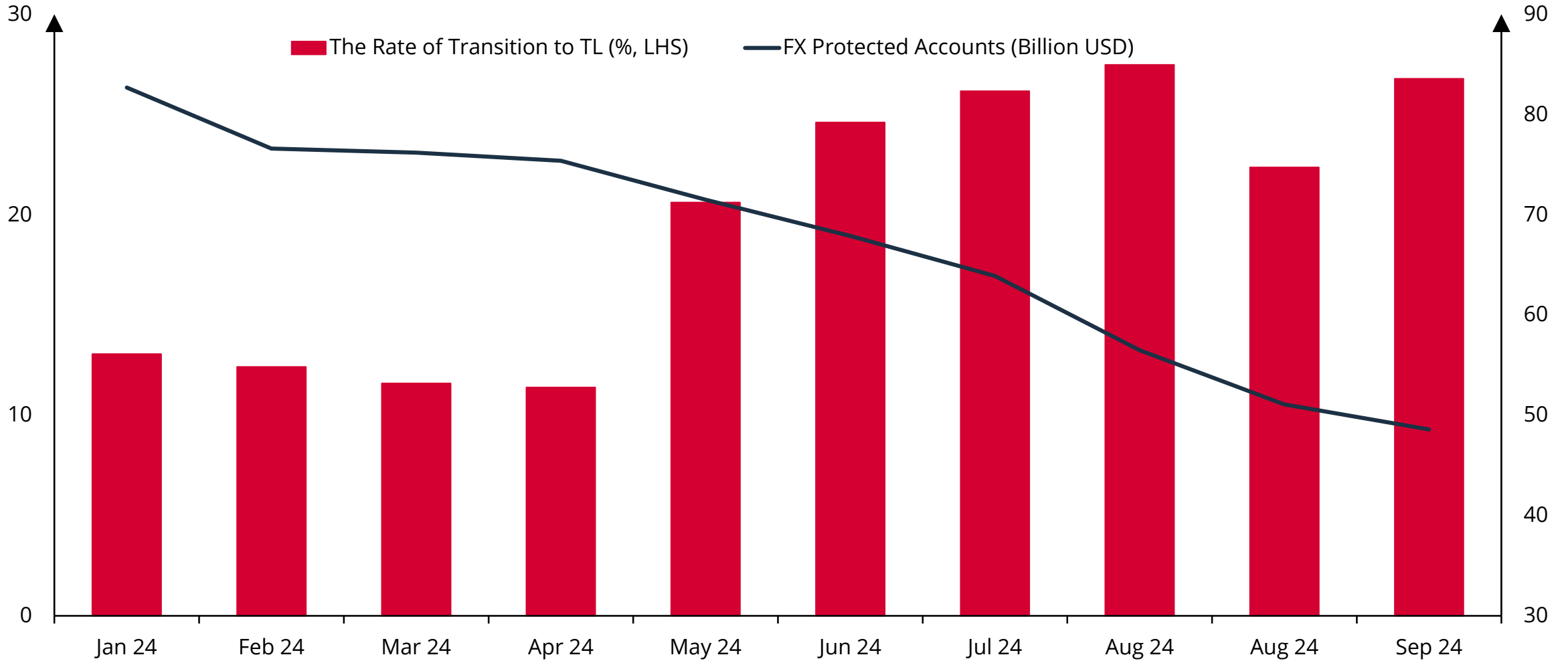


The share of Turkish lira deposits continues to increase.

Share in Total Deposits (%)

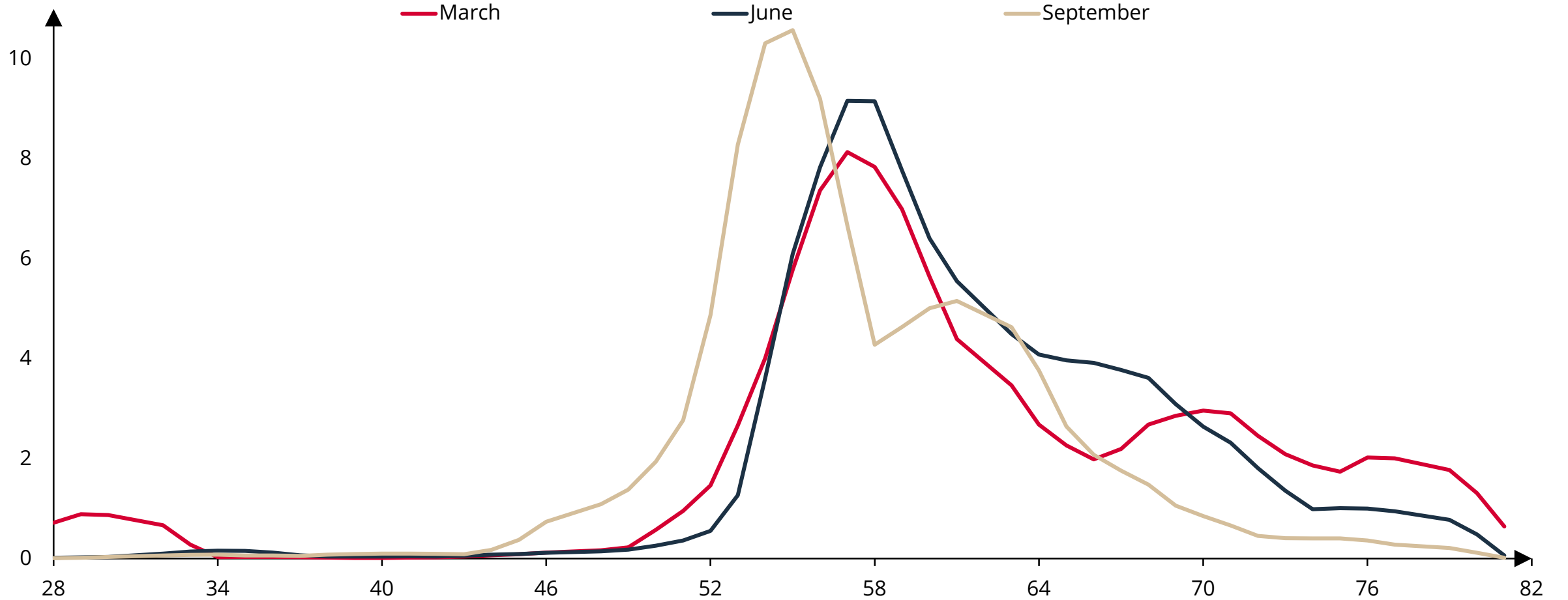


FX protected accounts continue to decline with a high rate of transition to TL.



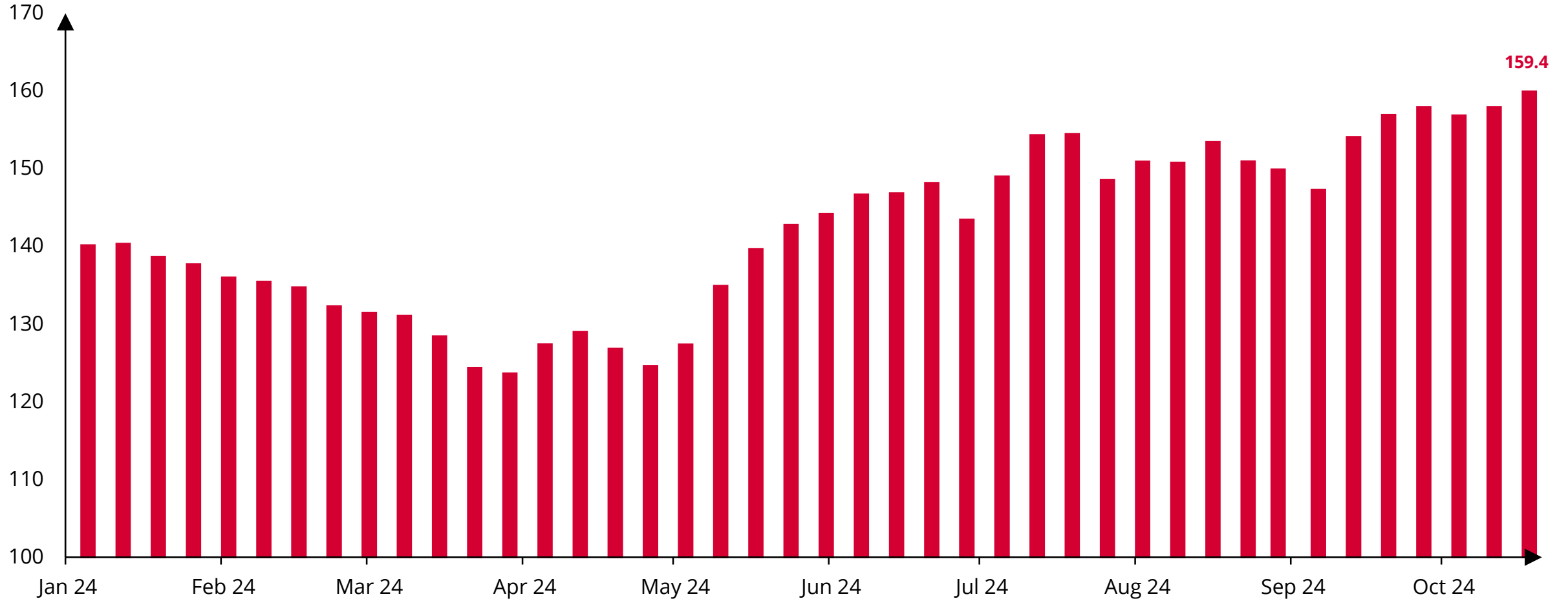
Decline in loan rates suggests an improvement in inflation expectations.

Density of TL Commercial Loan Rates (Flow)



FX reserves increased rapidly.

International Reserves (Billion USD)





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