

INFLATION REPORT

2024-III

August 8, 2024



Contents

1. Overview	1
1.1 Monetary Policy Decisions	3
2. Economic Outlook	11
2.1 Global Economy	11
2.2 Financial Conditions.....	14
2.3 Economic Activity	21
2.4 Inflation	30
3. Medium-Term Projections	52
3.1 Current State, Short-Term Outlook and Assumptions.....	52
3.2 Medium-Term Projections	54
3.3 Key Risks to Inflation Forecasts and Possible Impact Channels	56
Boxes	
Box 1.1 Developments in Turkish Lira Liquidity and Sterilization Tools.....	6
Box 2.1 Real Sector Inflation Expectations and Borrowing Behavior	40
Box 2.2 Findings from Interviews with Firms	45
Box 2.3 The Relation Between Credits and Exports Using Firm Level Data	49
Box 3.1 Determinants of Sectoral Inflation Expectations.....	60