METHODOLOGICAL CHANGES IN THE SURVEY OF MARKET PARTICIPANTS

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The Survey of Market Participants questions are revised and conducting procedures are changed periodically in line with economic and financial developments as well as changes in the monetary policy of the Central Bank of the Republic of Türkiye (CBRT). In this regard;

The Survey, which used to be conducted ***in the first and the third week of each month*** from ***August 2001 to December 2012,*** has been conducted ***once a month*** starting from ***January 2013.***

The revisions in questions made from the beginning of the survey can be summarized as follows:

1) April 2006 Revisions

The questions were revised in order to reflect longer-term expectations considering the requirements of the fully-fledged inflation targeting which became effective as of 2006. The revisions of the survey questions made in ***April 2006*** were as follows:

- *"Next month"* and *"twenty-four months ahead" horizons* were added to *"Expectation of consumer inflation"* which was asked for the *"current month", "two months ahead", "end of the current year"* and *"twelve months ahead".*
- In line with the borrowing strategy of 2006 announced by the Undersecretariat of Treasury, *"Expectation of annually compounded interest rate of the auction for the three-month treasury bills"* asked for *"end of the current month"* and *"end of the current year" horizons* was replaced with *"Expectation of annually compounded interest rate of the auction for the six-month treasury bills"* asked for *"three months ahead"* and *"twelve months ahead" horizons*.
- For measuring longer-term expectations in interest rates, *"Expectation of annually compounded interest rate of the auction for the five-year TRY denominated government bond with semi-annual coupon payments"* for *"three months ahead"* and *"twelve months ahead"* was added.
- *"Twelve months ahead"* horizon was added to *"Expectation of the US Dollar rate in the interbank foreign exchange market"* asked for the *"end of the current month"* and *"end of the current year".*
- *"Three months ahead"* and *"twelve months ahead"* horizons were added and *"end of the current year"* horizon was excluded from *"Expectation of the money market overnight annual simple interest rate"*, asked for the *"end of the current month"* and *"end of the current year".*
- *"Next year"* horizon was added to *"Expectation of GDP growth rate"* asked for the "*current year".*

2) June 2010 Revisions

In line with the Monetary Policy Exit Strategy which was put into implementation in 2010, one-week repo auction interest rate of CBRT has been declared to be the policy interest rate by the end of May 2010. Accordingly, starting from the first survey period of ***June 2010;***

- *"Expectation of one-week CBRT repo auction interest rate"* for the *"end of the current month", "three months ahead"* and *"twelve months ahead" was* added.

3) January 2011 Revisions

- *"Six months ahead"* and *"twenty-four months ahead"* horizons were added to *"Expectation of one-week CBRT repo auction interest rate".*
- *"Expectation of the money market overnight annual simple interest rate"* for the *"end of the current month", "three months ahead"* and *"twelve months ahead"* was replaced with *"Expectation of the Istanbul Stock Exchange (ISE) repo and reverse repo market overnight interest rate"* for the *"end of the current month".*
- *"Expectation of annually compounded interest rate of the auction for the six-month treasury bills"* for *"three months ahead"* and *"twelve months ahead"* was replaced with *"Expectation of annually compounded interest rate of TRY denominated Government Domestic Debt Securities with maturity of about six months"* and asked for the same forecast horizons.
- *"Expectation of annually compounded interest rate of the auction for five-year TRY denominated government bond with semi-annual coupon payments"* asked for *"three months ahead"* and *"twelve months ahead"* horizons were replaced with *"Expectation of secondary market annually compounded*

interest rate of fixed rate TRY denominated Government Domestic Debt Securities with maturity of about five years" asked for "*twelve months ahead"* horizon.

- *"Next year"* horizon was added to *"Expectation of the annual current account balance"* asked for the "*current year".*

4) January 2013 Revisions

- In order to measure uncertainty regarding consumer inflation expectations, density forecasts were asked jointly with point forecasts of "T*welve months ahead consumer inflation rate" and "Twenty-four months ahead consumer inflation rate*".
- *"Expectation of weighted average cost of the CBRT funding"* for the "*current month"* was added.
- *"Expectation of annually compounded interest rate of TRY denominated Government Domestic Debt Securities with maturity of about six months"* asked for *"three months ahead"* and *"twelve months ahead" horizons* were excluded.
- *"Expectation of annually compounded interest rate of TRY denominated Government Domestic Debt Securities with maturity of about three months"* covering forecast horizons of *"end of the current month", "one month ahead", "three months ahead", "six months ahead", "twelve months ahead"* and *"twenty-four months ahead"* was added.
- *"Expectation of annually compounded interest rate of fixed rate TRY denominated Government Domestic Debt Securities with maturity of about ten years"* for "*twelve months ahead"* was added.

5) November 2017 Revisions

- *"End of the next five years"* and *"end of the next ten years"* horizons were added to the *"Expectation of consumer inflation"* which was asked for *the "current month", "next month", two months ahead", "end of the current year", "twelve months ahead" and "twenty-four months ahead".*
- *"Three months ahead" and "twelve months ahead"* horizons were added to the *"Expectation of weighted average cost of the CBRT funding"* which was asked for the *"current month".*
- The format of the probability distribution question of *"Expectation of consumer inflation for the next twenty-four months"* was changed. In this regard, intervals for filling the probability distributions of expectations were started to be determined according to the point forecasts of the respondents, while they were kept constant before.

6) June 2021 Revisions

- The name of the Survey of Expectations, which has been conducted since 2001, has been changed to "*Survey of Market Participants*" in order to avoid misperception that the results of the survey reflect the CBRT's institutional expectations and forecasts.

7) August 2021 Revisions

- *"End of the next year"* horizon was added to the *"Expectation of consumer inflation"* which was asked for the *"current month", "next month", "two months ahead", "end of the current year", "twelve months ahead", "twenty-four months ahead", "end of the next five years"* and *"end of the next ten years",* while *"end of the next ten years"* horizon was excluded.
- *"Expectation of consumer inflation"* asked for *"end of the next ten years"* horizon was excluded.
- *"Expectation of weighted average cost of the CBRT funding"* asked for the "*end of the current month", "three months ahead" and "twelve months ahead"* horizons were excluded.
- *"Expectation of one-week CBRT repo auction interest rate"* asked for *"six months ahead"* horizon was excluded.
- *"Expectation of annually compounded interest rate of TRY denominated Government Domestic Debt Securities with maturity of about three months"* asked for *"end of the current month", "one month ahead", "three months ahead", "six months ahead", "twelve months ahead"* and *"twenty-four months ahead"* horizons were excluded.

- *“Expectation of the secondary market annually compounded interest rate of fixed rate TRY denominated Government Domestic Debt Securities with maturity of about five years”* asked for *“twelve months ahead” horizon* was excluded.
- *“Expectation of the secondary market annually compounded interest rate of fixed rate TRY denominated Government Domestic Debt Securities with maturity of about ten years”* asked for *“twelve months ahead”* horizon was excluded.

8) October 2023 Revisions

- The participant list of the survey has been updated to include only corporate participants. The criteria used for determining the participants from financial and real sector are asset sizes for banks, asset/portfolio sizes for non-bank financial institutions, and sector-level asset/turnover sizes for real sector companies. The number of participants has been increased to 72, 49 of which are new.

9) June 2025 Revisions

- "*Expectation of one-week CBRT repo auction interest rate*" asked for "*current month*", "*three months ahead*", "*twelve months ahead*" and "*twenty-four months ahead*" was replaced with "*Policy rate expectations for the upcoming Monetary Policy Committee meetings*" asked for "*first meeting*", "*second meeting*", "*third meeting*", "*end of the current year*", "*twelve months ahead*", "*end of the next year*" and "*twenty-four months ahead*."