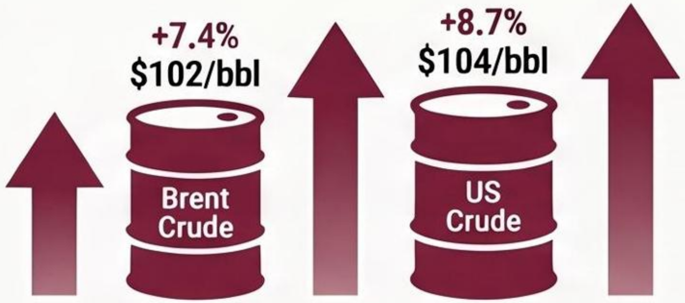
World Economy: Current Indicators – Week of April 13

‘Geopolitical Crisis & Energy Markets’

US-Iran Ceasefire Negotiations Fail

21 hours of talks in Islamabad ended without agreement on Strait of Hormuz and nuclear weapons, leading to an announced US naval blockade of iranian ports starting April 13.



Immediate Energy Price Surge

Following the failed talks, Brent crude rose 7.4% to $102/bbl and US crude jumped 8.7% to $104/bbl due to supply uncertainty.

Long-term Energy Volatility

Brent oil has seen a peak increase of over 50% since late February, while European natural gas prices have surged up to 100% during the same period.

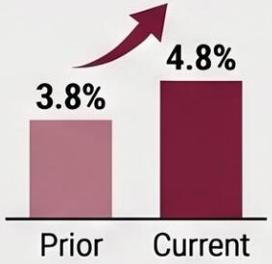
US Economic Indicators

Headline CPI Hits 3.3%

Driven by rising energy costs, March inflation reached its highest level since June 2022 with a monthly increase of 0.9%.

Consumer Sentiment at Historic Lows

The Michigan Consumer Sentiment Index plunged from 53.3 to 47.6, reflecting deep concems over high prices and market volatility.



Rising Inflation Expectations

Consumers' short-term inflation expectations saw their largest monthly jump since April 2022, rising from 3.8% to 4.8%.

Indicator	Pre-Conflict Level	Current Level / Peak
Brent Crude Oil	$72.5	$101.7 (Peak $119)
EU Natural Gas	32 EUR/MW	47.3 EUR/MW (Peak 69.5)
Gold (per oz)	$5,279	$4,732 (-0.4%)
US Core CPI (YoY)	2.5%	2.6%

Global Market & Central Bank Outlook

Dramatic Pivot in Interest Rate Forecasts

Expectations for two Fed rate cuts this year have vanished, while the ECB is now expected to implement at least two rate hikes by September.

DXY
99 (+0.2%)

Silver
$74.5/oz (-1.8%)

Flight to Safe Heavens

The Dollar Index (DXY) rose to 99 (+0.2%), while precious metals faced pressure, with Silver dropping 1.8% to $74.5/oz.

International Monetary Fund

IMF Global Inflation Impact

The IMF estimates that every 10% increase in oil prices adds 0.4 points to CPI; the recent 50% surge suggests a 2.0 point upward pressure on global inflation.

World Economy: Current Indicators – Week of April 13

Geopolitical Crisis Failed Islamabad Negotiations

21-hour talks between US and iranian delegations concluded without agreement on the Strait of Hormuz or nuclear warheads.

Shift in Global Alliances

The US is seeking increased support from allies to secure the Strait of Hormuz while maintaining a critical stance toward NATO structures.

US Naval Blockade Commences

CENTCOM initiated a blockade on ships entering or leaving Iranian ports effective April 13 at 17:00 (TSİ) following President Trump's announcement.

Global Monetary Policy & Outlook

IMF Growth Forecast Revisions

Managing Director Georgieva warned that the US-iran war is creating a negative supply shock, making global growth vulnerable to new shocks.

Fed's Hawkish Policy Stance

FOMC minutes suggest interest rates will remain steady as energy-driven inflation risks delay the path to the 2% target.

China's Inflation Divergence

China's PPI rose to 0.5% (ending 3 years of deflation), but CPI fell to 1.0%, indicating persistent weakness in domestic demand.

Weekly Economic Calendar (April 13 Week)

Region	Day	Indicator / Event
USA	Monday	Existing Home Sales (March)
	Tuesday	PPI Data (March)
	Wednesday	NY Fed Empire State Mfg Index & Fed Beige Book
	Thursday	Industrial Production, Capacity Utilization, & Jobless Claims
Europe	Wednesday	Eurozone Industrial Production (February)
	Thursday	Eurozone Final CPI (March)
Asia	Tuesday	China Trade Data (March)
	Thursday	China Q1 GDP, Industrial Production, Retail Sales, & Unemployment

Market Indicators & Current Prices

Energy & Commodities

Brent Oil	$101.7
Natural Gas	€47.3
Gold (Ounce)	$4,732
Silver	$74.5

Currencies & Digital Assets

DXY	99
EUR/USD	1.1689
USD/TRY	44.72
EUR/TRY	52.31
Bitcoin	$71,040

Equities & Local Gold

BIST100	14,074
Gram Gold	6,803 TL

Regional Economic Snapshots (Inflation & Rates)

Economy	Final CPI (Inflation)	Interest Rate
USA	3.3%	3.75%
China	1%	3.00%
Europe	2.5%	2.00%

Turkish Economy: Current Indicators – Week of April 13

WEEKLY DATA CALENDAR (APRIL 13 WEEK)

MONDAY:
Trade & Payments
February Trade Sales Volume, Turnover Indices, and Balance of Payments data will be released.

WEDNESDAY:
Budget Balance
March Central Government Budget Balance data will be published.

THURSDAY:
Housing & Credit
March House Price Index and February Private Sector Foreign Credit Debt statistics.

FRIDAY:
External Debt & Sales
March House Sales data and February Short-Term External Debt statistics.

KEY MARKET INDICATORS

Total Gross Reserves:
$161.6 Billion
Comprised of $103.2 billion in Gold and $58.4 billion in Foreign Exchange (FX).

Net Reserves (Excl. Swaps):
$18.4 Billion
Reflects the core liquidity position of the Central Bank.

Credit Default Swap
247
Represents the current market perception of Turkey's sovereign risk.

BENCHMARK BOND YIELD CURVE

Indicator	Value	
2-Year Benchmark Bond Yield	39.7%	
5-Year Benchmark Bond Yield	36.6%	
10-Year Benchmark Bond Yield	31.9%	

STRATEGIC OUTLOOK & RESILIENCE

Resilience Against Geopolitical Shocks
Minister Şimşek highlights that low public debt-to-GDP (budget deficit under 3% in 2023) provides the necessary maneuverability to absorb external shocks.

Global Engagement
Minister Şimşek to conduct intensive meetings in New York ahead of G20 and IMF-World Bank Spring Meetings.

Disinflation Commitment
Inflation has trended down from 65% to 30%; the medium-term goal is to reach below 20%, with market expectations currently around 25%.

GEOPOLITICAL RISK IMPACT ANALYSIS

$81
$65
+3%

Oil Price Sensitivity
Current projections assume oil at $81/barrel (vs. initial $65 estimate) this may add 3 percentage points to annual inflation.

+1%
-0.5% to -1%

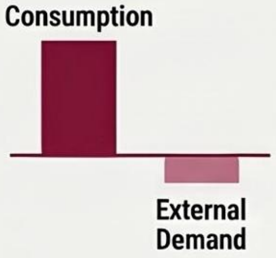
Manageable Macro Impact
Estimated impacts include a 1% increase in the current account deficit and a growth reduction of 0.5% to 1%, both deemed 'manageable'.

Energy Diversification
Long-term current account improvements are expected through increased domestic oil/gas production and a shift toward renewable energy.

Turkish Economy: Current Indicators – Week of April 13

‘GROWTH & PRODUCTION’

GDP Growth Trends
Economy grew by 3.4% in last quarter.
2025 3.6% (Surpassing Medium-Term Program/OVP forecast of 3.3%).



Consumption vs. External Demand
Consumption contributed 3.5% to growth; External demand negative contribution of -1.4%.

Industrial Performance
Industrial production rose 2.6% monthly, 2.2% annually;
Capacity Utilization: 74% (compared to historical average 76%).

Sectoral Sales Growth
Monthly sales increased:

Housing (+12%) Vehicles (+16%) White Goods (+21%)

MONETARY POLICY & INTEREST RATES

Central Bank (CBRT) Interest Rates
Policy rate held steady at 37% (Upper Band: 40%, Lower Band: 35.5%) due to Middle East geopolitical risks.

Weighted Average Funding Cost
Funding cost remained at corridor’s upper band (40%) since March 6.

Policy Rate Expectations (Market Participants)
Participants expect policy rate to fall:
30.63% (Year-end 2026)
28.48% (12 months)
20.68% (24 months).

INFLATION INDICATORS & EXPECTATIONS

	Monthly	Annual / Year-End
CPI (March 2026)	1.94%	30.87%
WPI (March 2026)	2.3%	28.08%
CBRT 2026 Target Range	15% - 21%	(16% Intermediate)
Market CPI Expectation (2026 Year-End)		25.38%
Market CPI Expectation (2027 Year-End)		18.71%

12-Month Infiation Expectations by Group

22.17% Market Participants
32.9% Real Sector
49.89% Households

EXTERNAL BALANCE & FISCAL HEALTH

Current Account Deficit
Monthly deficit: $6.81 billion;
12-month cumulative deficit: $32.9 billion (2.1% of GDP).

Budget Balance
Last month saw a surplus of 24 billion TL, though 12-month cumulative deficit: 1.5 trillion TL (2.4% of GDP; 1.7% excluding earthquake-related spending).

Labor Market
Unemployment rate: 8.5% (remaining near historical lows).

Credit Ratings
Fitch and S&P both rate Turkey at ‘BB-’ with ‘Stable’ outlook; Fitch recently revised outlook from ‘Positive’ to ‘Stable’.

GLOBAL CONTEXT & FOREIGN INVESTMENT

Global Central Bank Decisions
Latest meetings: FED, ECB, and CBRT all chose to keep interest rates constant.

Foreign Investor Portfolio Shares
Foreign investors currently hold:
- 6.1% of bonds
- 35.4% of the stock market

Banking Sector: Current Indicators – Week of April 13 (Data Of April 3)

CORE BALANCE SHEET INDICATORS

Total Assets: 48,871 Billion TL
Recorded as of February 2026, representing a 4.1% increase compared to the end of the previous year.

Total Loans: 24,902 Billion TL
Data as of April 3, showing a year-to-date growth of 8.9%.

Total Deposits: 27,928 Billion TL
Data as of April 3, reflecting a 3.1% increase since the end of the year.

Shareholders' Equity: 4,343 Billion TL
Recorded as of February 2026, marking a 4.5% change from the previous year-end.

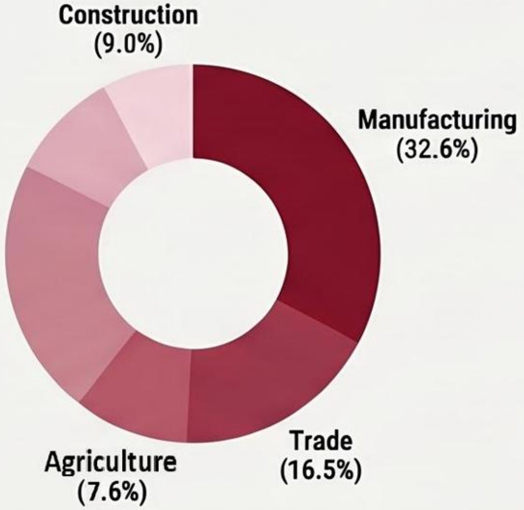
CREDIT GROWTH AND DISTRIBUTION

Total Loan Growth:
32.9% (Annualized)
The 13-week moving average growth rate, excluding currency effects, stands at 31.4%.

Commercial Loan Growth:
30.7% (Annualized)
When adjusted for currency effects and based on a 13-week average, growth is significantly higher at 46.8%.

Individual Loan Growth:
39.7% (Annualized)
The 13-week average growth rate for individual loans is 34.4%.

Sectoral Distribution of Commercial Loans



DEPOSIT COMPOSITION AND DOLLARIZATION

Represent current ratios of Turkish Lira and Foreign Currency deposits.

Investment Fund Dollarization: 43.1%

Specifically tracks the dollarization rate within Securities investment Funds.

ASSET QUALITY AND CREDIT RISK

Total NPL Ratio: 2.7%
The ratio of non-performing loans across all credit types.

Risk Concentration in Consumer Credit
Personal Loans (5.2%)
Individual Credit Cards (4.6%)
significantly higher compared to
Commercial Loans (2.1%)

282 Concordat Applications in Feb 2026
While growth continues, it is more moderate than the previous year, which saw 2,948 total cases in 2025.

Protested Bills: 7.9 Billion TL
Represents a 56.4% increase compared to the previous year as of February 2026.

Bad Checks: 21.9 Billion TL
Represents a 47.9% increase compared to the previous year as of February 2026.

INVESTMENT FUNDS PERFORMANCE

Total Investment Funds: 9.1 Trillion TL
Total market size increased by 614 billion TL (7.2%) since year-end.

Free Funds (Excl. Money Market): 4.2 Trillion TL
Grew by 295 billion TL since year-end, a growth rate of 7.6%.

Money Market Funds: 2.7 Trillion TL
Grew by 70 billion TL since year-end, a growth rate of 2.7%.