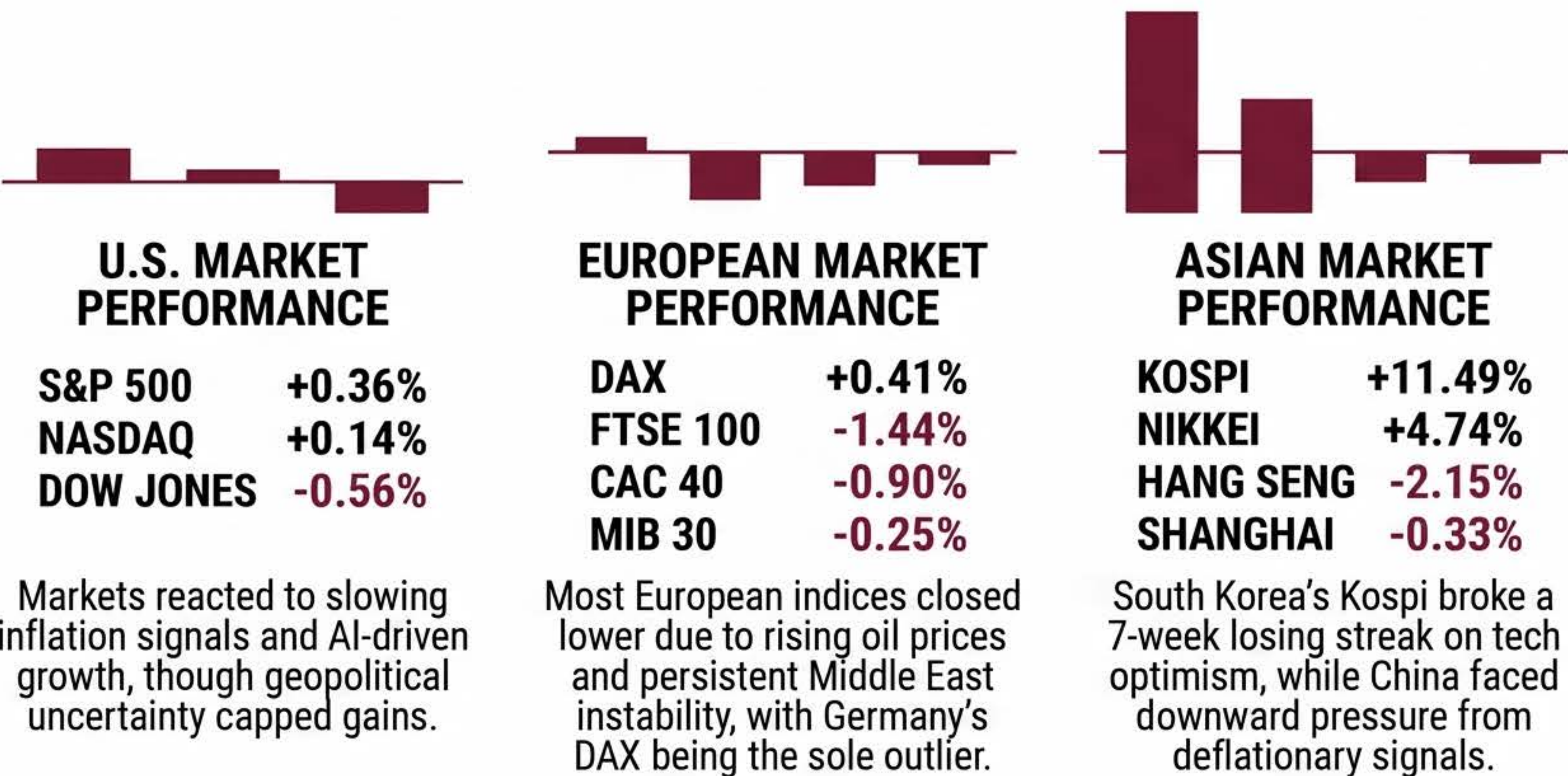
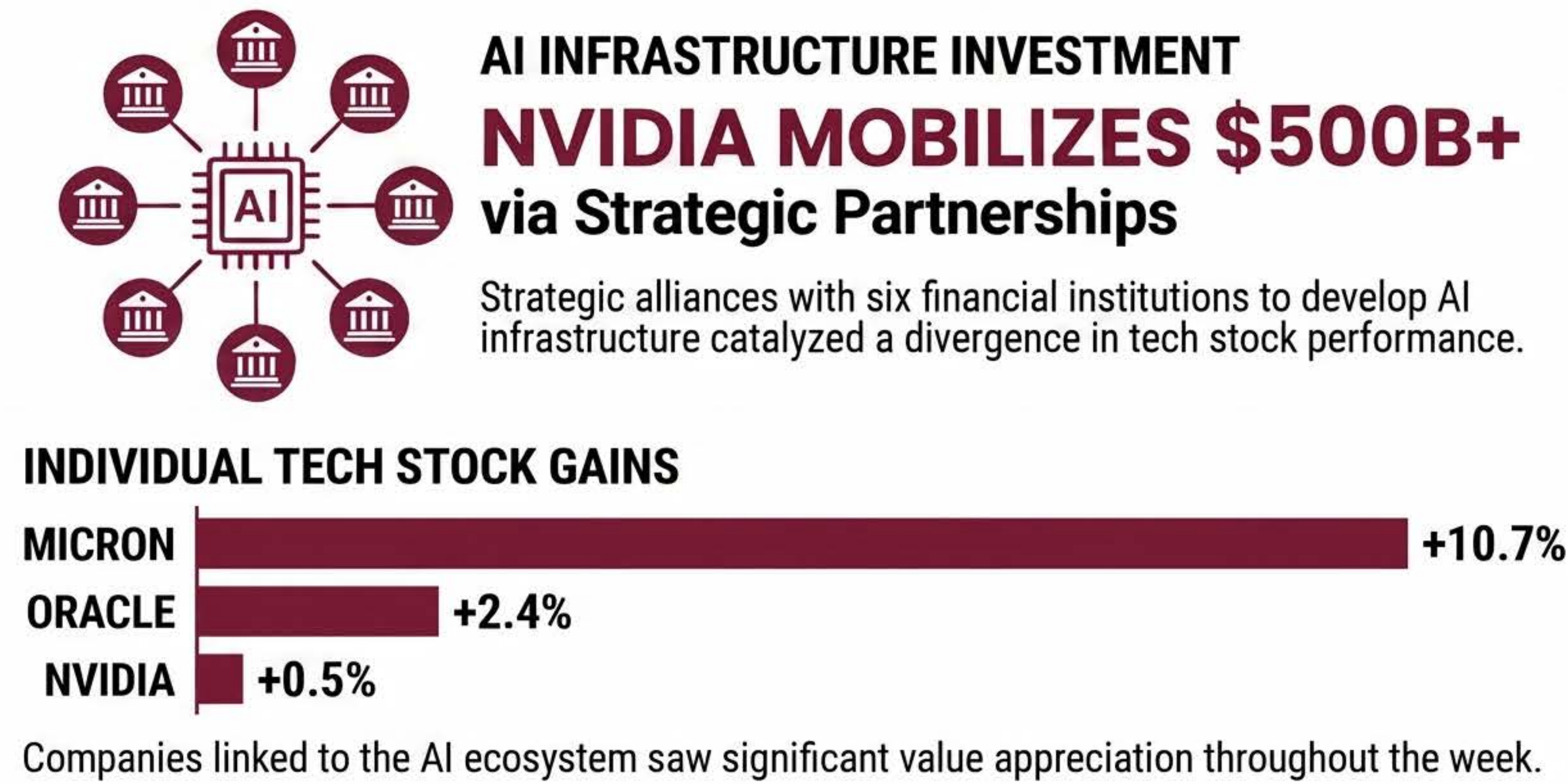


World Economy: Current Indicators – Week of August 17

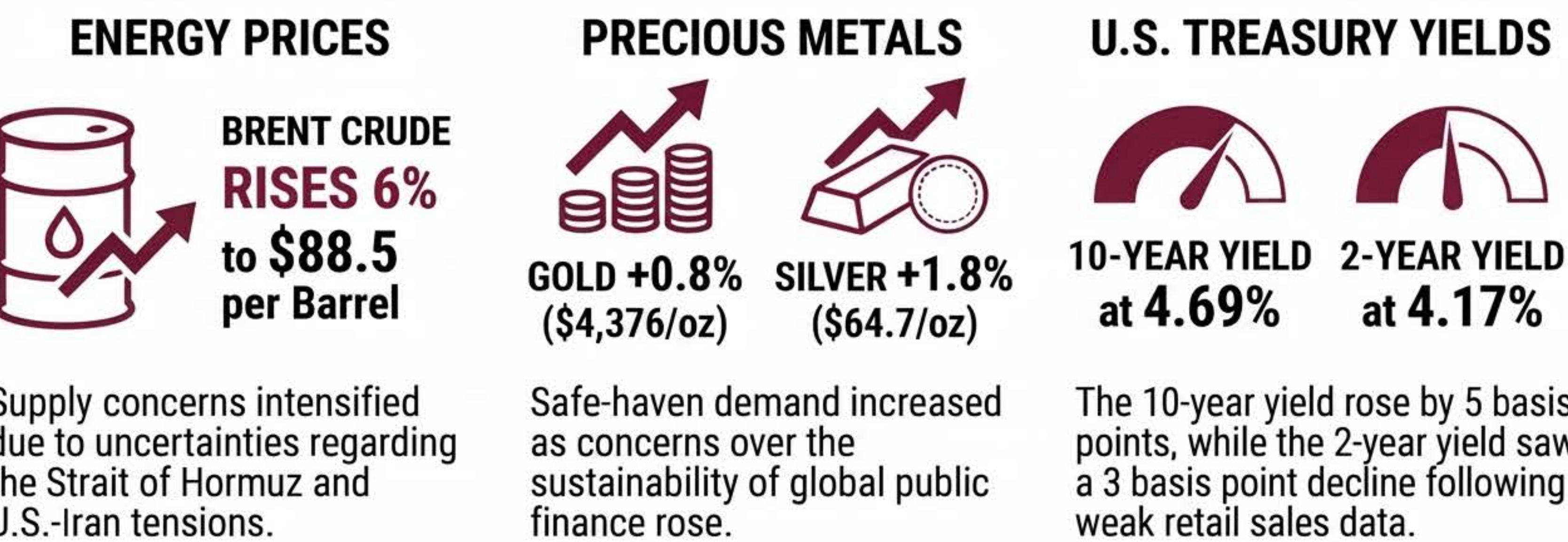
GLOBAL EQUITY INDICES (WEEKLY CHANGE)



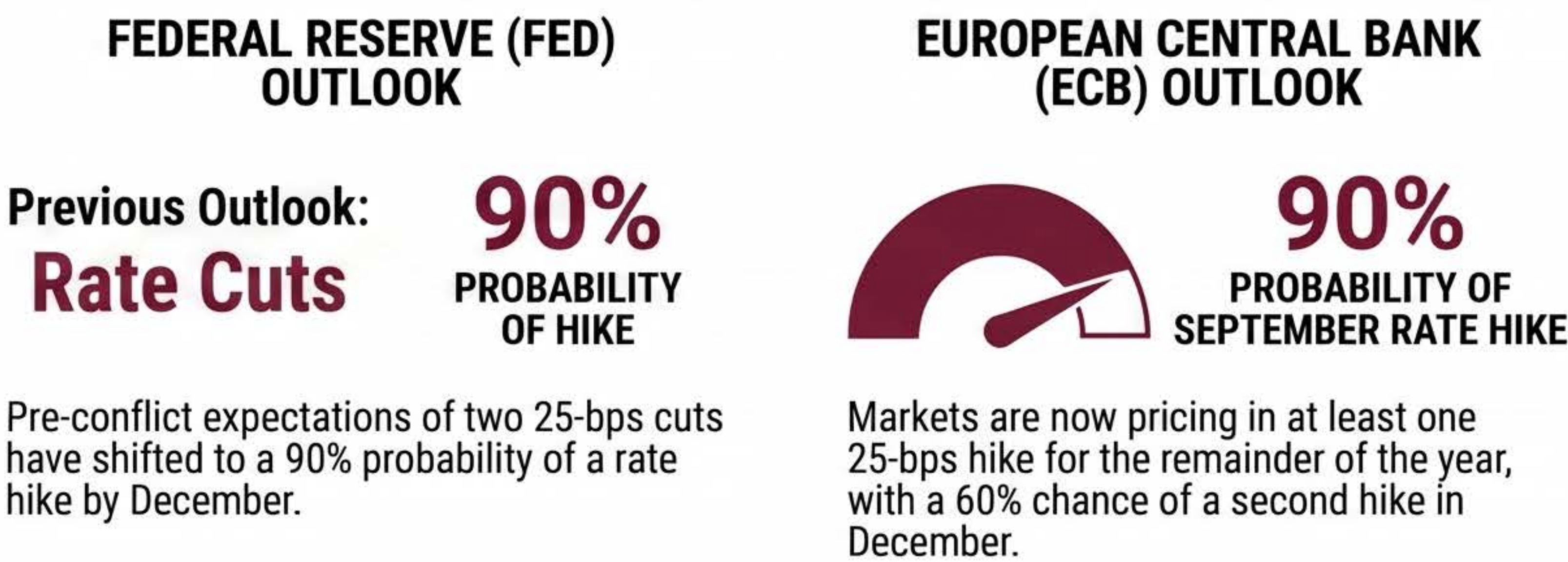
TECHNOLOGY & ARTIFICIAL INTELLIGENCE SURGE



COMMODITIES & BOND YIELDS



SHIFTING CENTRAL BANK EXPECTATIONS



World Economy: Current Indicators – Week of August 17

GLOBAL ECONOMIC AGENDA (WEEK OF AUG 17)

- Monday – USA**
New York Fed Empire State Manufacturing Index (August)
A key early indicator of manufacturing health in the New York region.
- Tuesday – USA & Europe**
U.S. Industrial Production and Capacity Utilization (July); Germany ZEW Economic Sentiment (August)
Evaluates industrial output and the sentiment of institutional investors in Europe's largest economy.
- Wednesday – USA, UK & Eurozone**
FOMC Meeting Minutes (July); Final CPI Data for Eurozone and UK (July)
The Fed minutes will provide insight into future rate paths, while CPI data confirms inflation trajectories.
- Thursday – USA & China**
Weekly Initial Jobless Claims (USA); PBoC Interest Rate Decision (China)
Markets await the Chinese Central Bank's stance on monetary policy and the status of the U.S. labor market.
- Friday – Global**
S&P Global Flash Manufacturing and Services PMI (USA & Europe); Eurozone Consumer Confidence (August)
Leading indicators that provide the first look at economic health for the current month.

GEOPOLITICAL UPDATE: US-IRAN RELATIONS



Escalating Tensions and Compensation Demands

President Trump stated the U.S. is seeking compensation for lives lost over 50 years, while Iran demands the unfreezing of assets and the removal of maritime blockades.

Six Conditions for Reopening the Strait of Hormuz

Iran's requirements include an end to threats, cessation of attacks on allies (Lebanon, Yemen, Iraq), lifting of sanctions, and U.S. naval withdrawal from the region.



\$90/BARREL (Brent Crude Tests)

Uncertainty regarding a potential agreement and the continued closure of the Strait of Hormuz has pushed oil prices higher.

REGIONAL ECONOMIC SNAPSHOTS



Eurozone SENTIX INVESTOR CONFIDENCE AT 0.9

Confidence rose 4 points from -3.1, marking the first positive reading in five months and the highest level since February.



U.S. INFLATION COOLS TO 3.4%

Headline CPI fell to a 4-month low (3.4% YoY), while Core CPI dipped to 2.5%, reducing the probability of a September Fed rate hike to 35%.



German INFLATION HITS 3-MONTH HIGH

Driven by energy costs, German CPI rose to 2.8% YoY in July, remaining above the ECB's 2% target.

MARKET INDICATORS & GLOBAL RATES

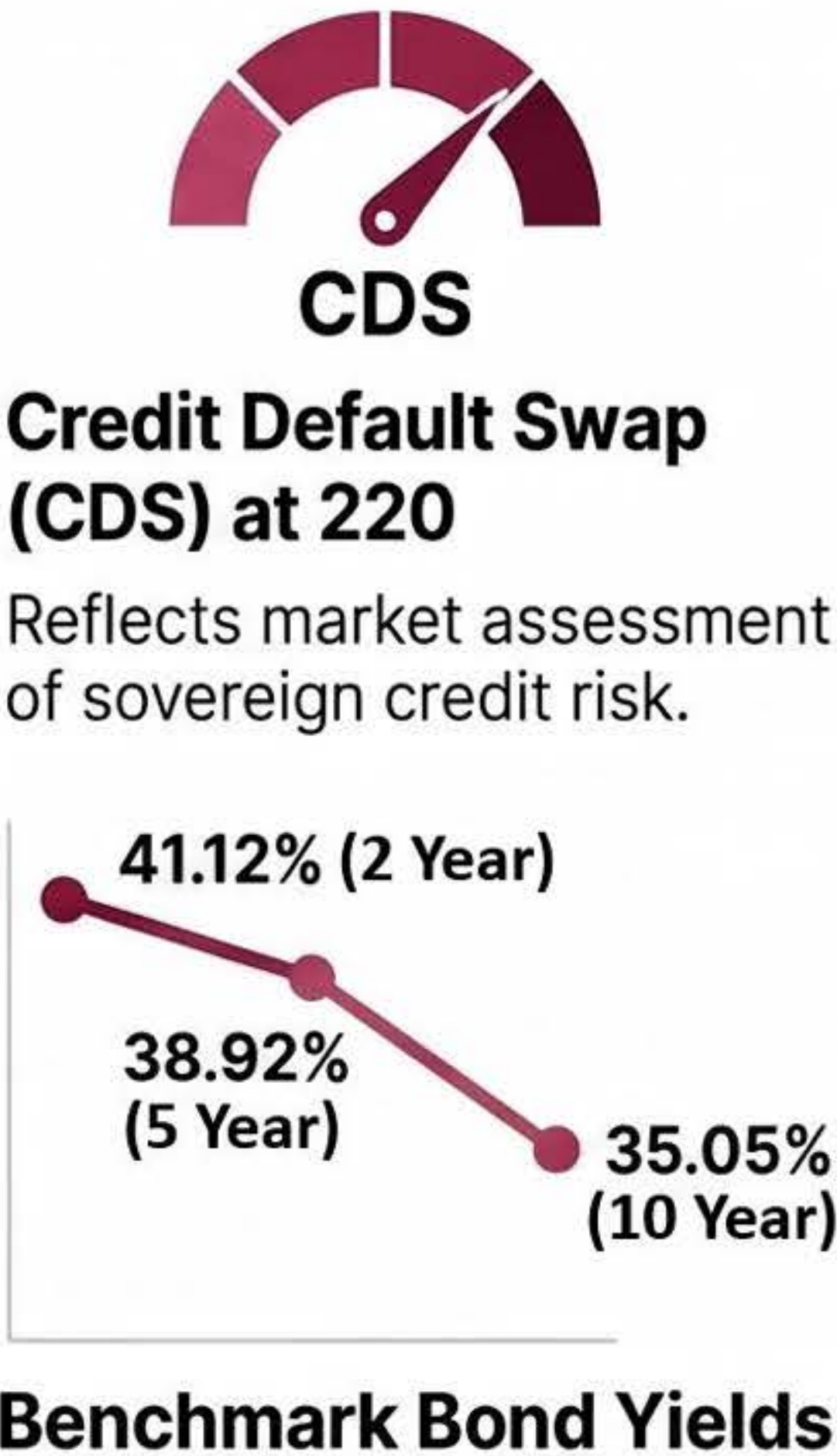
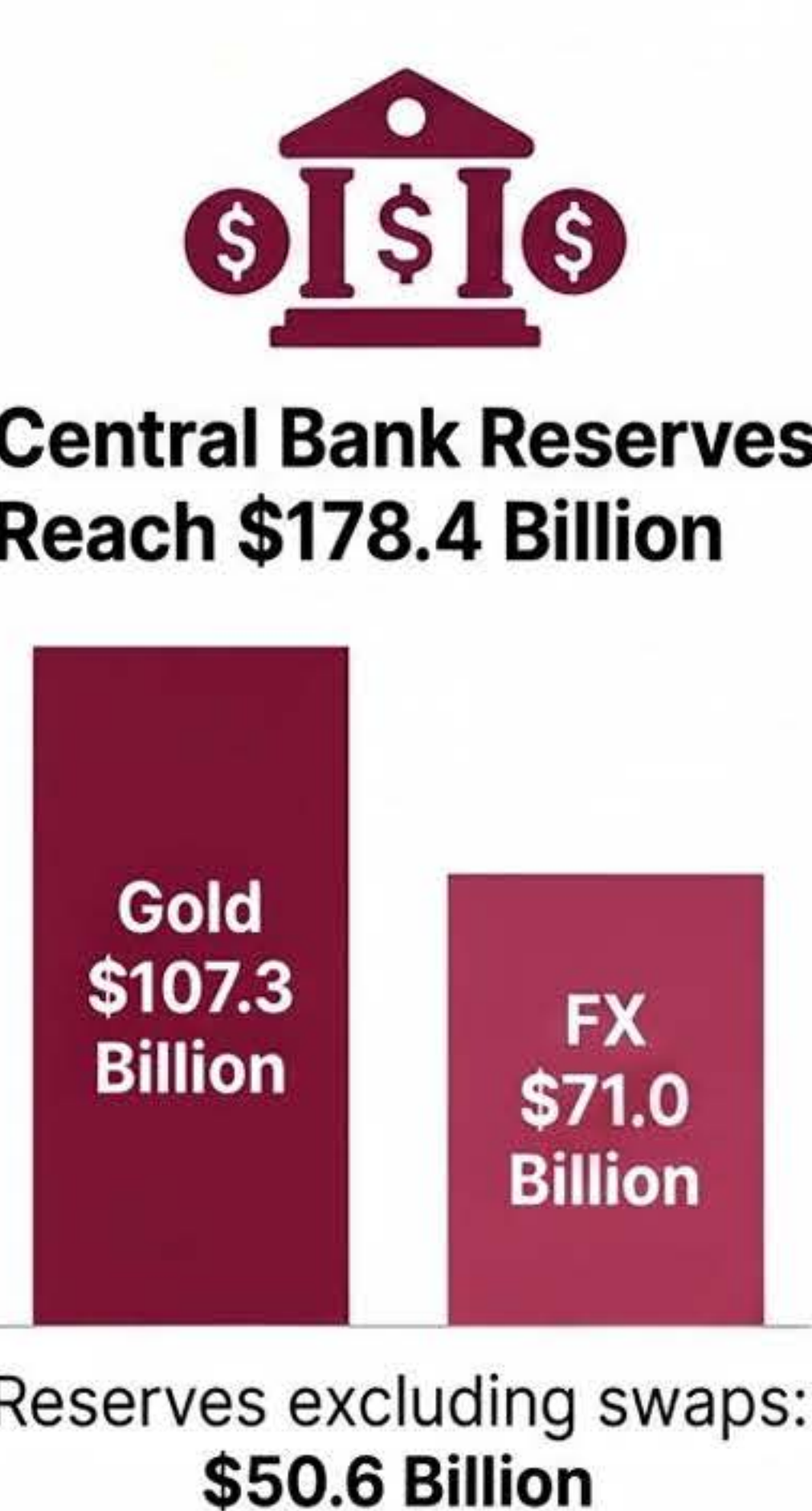
Indicator	Current Value
Brent Petroleum	\$89.0
Natural Gas	€62.2
USD / TRY	47.90
EUR / TRY	55.54
DXY (Dollar Index)	99.5
EUR / USD	1.1587
Gold (Ounce)	\$4,398
Gram Gold	6,774 TL
Silver	\$65.5
BIST100	14,172
Bitcoin	63,448

GLOBAL RATES

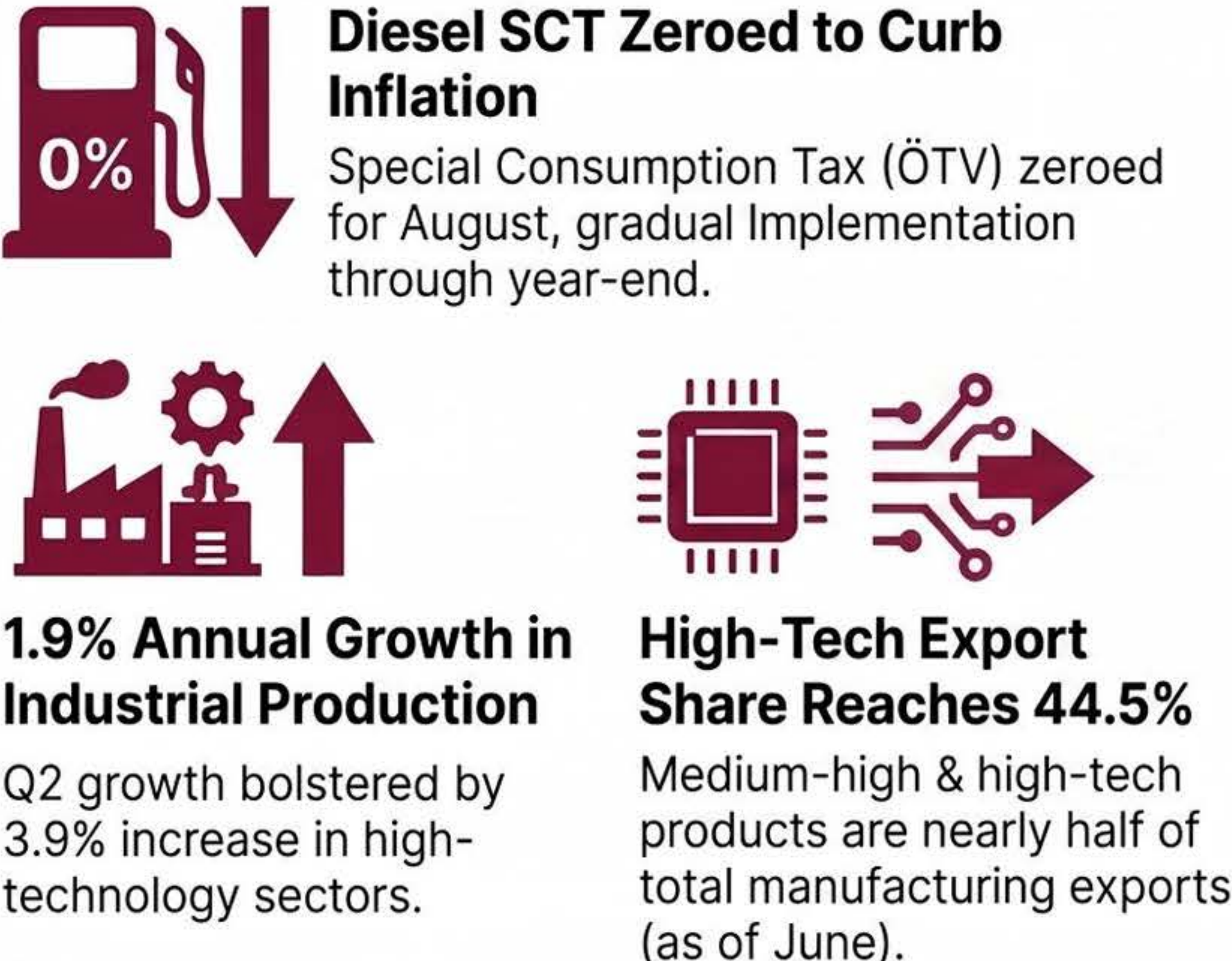
Region	CPI (Inflation)	Interest Rate
USA	3.4%	3.75%
China	1.0%	3.00%
Europe	2.9%	2.25%

Turkish Economy: Current Indicators – Week of August 17

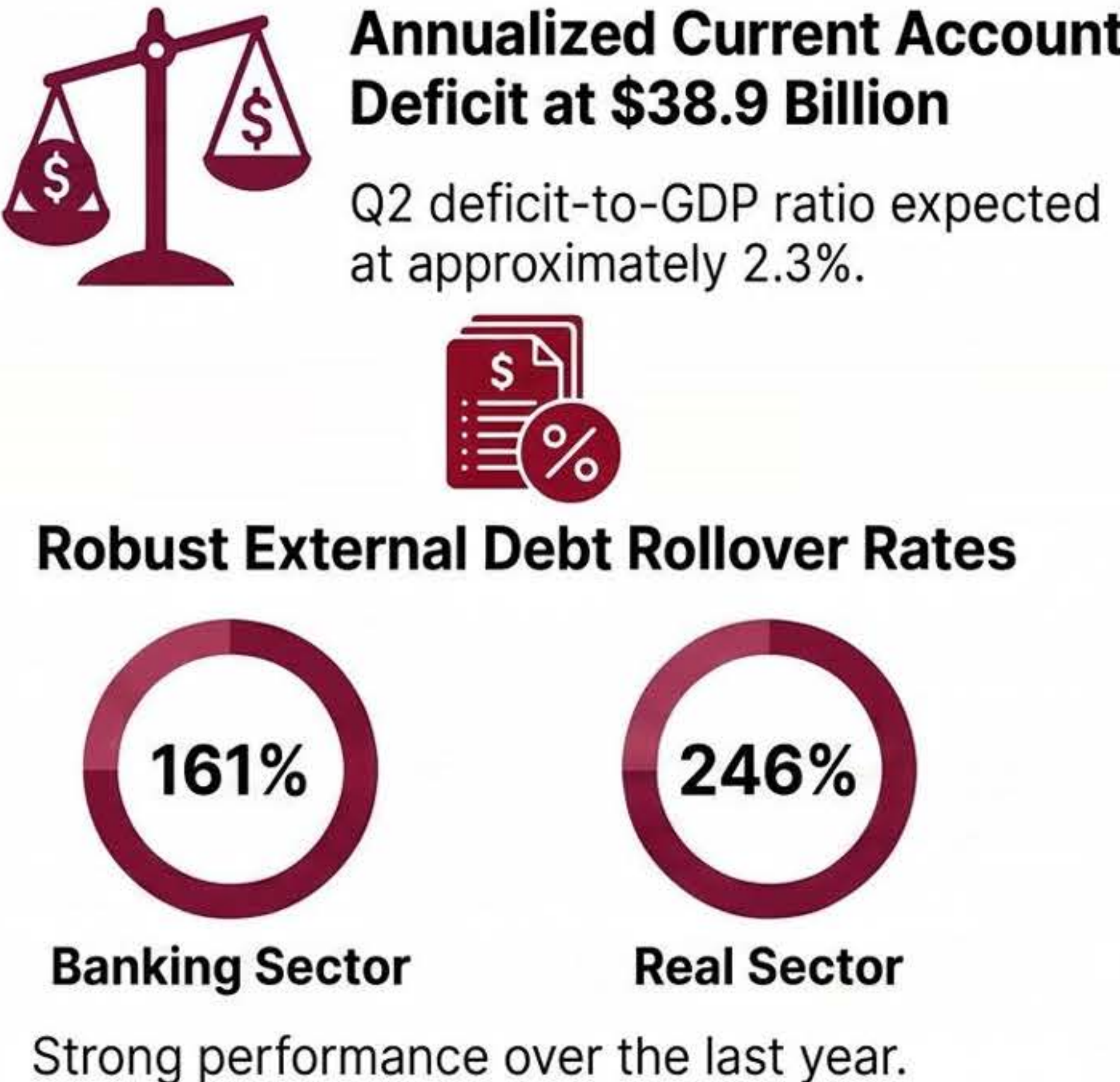
CORE MARKET INDICATORS



POLICY SHIFTS & INDUSTRIAL PERFORMANCE



EXTERNAL BALANCE & DEBT ROLLOVER



DOMESTIC DATA CALENDAR (Week of August 17)



Turkish Economy: Current Indicators – Week of August 17

Growth & Production Indicators

2.5%

Annual GDP Growth in Q1 2026

Down from 3.6% in 2025

Forecast for year-end 2026: **3.1%**



Manufacturing PMI Rises to 47.7

July ISO Manufacturing PMI from 47.1

Sector still contracting, but weakening trend is slowing down

Mixed Sectoral Confidence



Service



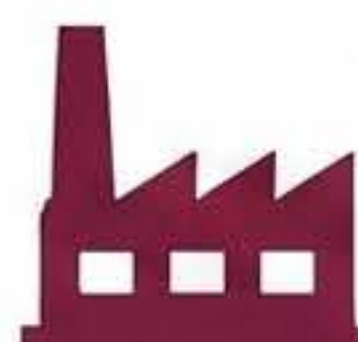
Construction



Retail



Real Sector



Industrial Capacity at 73.8%

Below historical average of 76%. Industrial production contracted 1.4% annually

Inflation & Price Stability



31.75%

Annual CPI in July 2026

Monthly CPI 1.78%

PPI (Annual) 27.83%



CBRT Inflation Forecast Revised to 28%

Year-end forecast raised from 26% to 28% (24% intermediate target maintained)

Diverging Inflation Expectations

44.94%
(13-Month Expectation)



Households

23.69%
(12-Month Expectation)



Market Participants

Monetary Policy & Interest Rates



37.00%

Policy Rate Held

Interest Rate Corridor:
35.5% - 40.0%

Projecting a Rate Cut Cycle

By end of 2026:
35.25%

Within 24 months:
21.89%



Next MPC Meeting:
September 10

Recent steps: Tightening credit growth limits for consumer/commercial accounts for stability

External & Fiscal Balance



High Volatility in Durable Goods Sales

Vehicles -23.1%, White Goods -18.7%, Housing -4.9% (Monthly Sales Sharp Declines)



Foreign Investment Shifts

Foreigners net buyers in bonds since mid-June.
Bond Share: 7.7%
Equity Share: 32.2%



Tourism Inflow Reaches 5.5 Million

June visitors +14% MoM.
First half total arrivals -3% vs. 2025



2.4% Current Account Deficit (of GDP)

12 month cumulative: \$38.9 billion.
Significantly lower than 20-year average of 3.6%



Budget Balance Shows Improvement

Cumulative budget deficit in June: **2.6% of GDP** (1.7% excluding earthquake expenditures), down from 3.3% in May



Record Low Unemployment at 7.6%

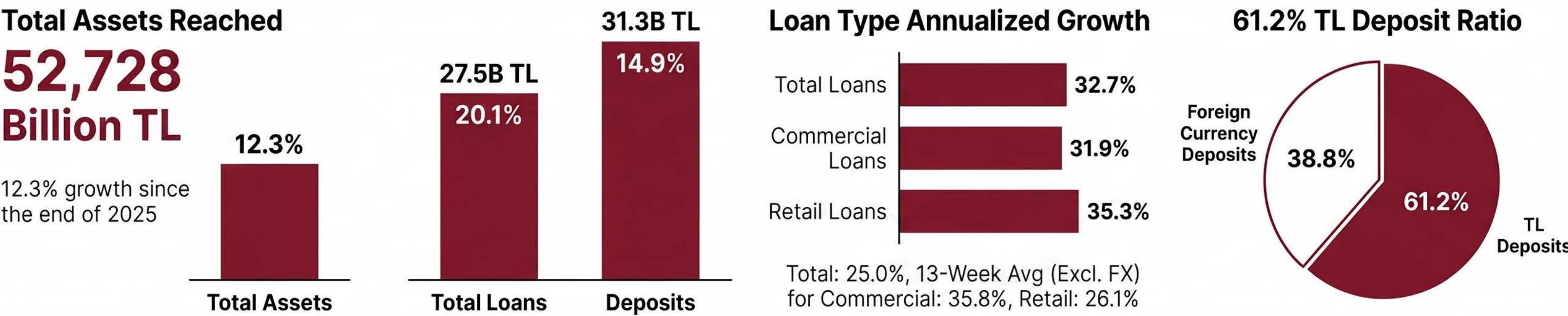
Historically low level for Turkish labor market

Sovereign Credit Ratings

Agency	Rating	Outlook
Fitch	BB-	Stable
S&P	BB-	Stable
Moody's	Ba3	Stable

Banking Sector: Current Indicators – Week of August 17 (Data of August 7)

Balance Sheet & Deposit Dynamics



Credit Distribution & Risk Indicators

