



Geopolitical Friction & Energy Price Spikes



Brent crude oil surges +6.2% weekly to \$116.7/barrel

Driven by Middle East risks and potential supply disruptions; natural gas prices are up 199% since Feb 28.



Central bank expectations pivot from rate cuts to rate hikes

Markets price in a ~75% probability of 25 bps rate hikes by both the Fed and ECB in December.



Gold drops 4.1% below \$4,000/oz threshold

High interest rate expectations suppressed precious metals, bringing gold to \$3,996/oz and silver down 5.4%.

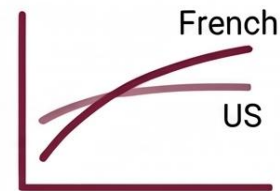


Global Bond & Equity Market Pressures



French 10-year yield reaches 5.07%, highest since 2002

Domestic fiscal unrest caused French yields to surpass US 10-year yields for the first time since 2013.



Asian and European stock indices suffer broad sell-offs

Technology and semiconductor drops led losses in Nikkei (-4.03%), Hang Seng (-4.52%), and CAC 40 (-2.99%).



US 10-year Treasury yield dips below 5.00%

Dropped 8 bps to close at 4.99% as investors moved into safe-haven assets.



World Economy: Current Indicators – Week of October 26

Current Financial & Market Indicators

Commodity & Precious Metal Snapshot

 Brent at \$114.6	 Gas at 95.8 EUR
 Gold at \$4,006/oz	 Silver at \$53.9

Currency & Asset Benchmarks

 DXY at 101.7	 EUR/USD at 1.1218
 Bitcoin at \$79,914	 BIST100 at 11,117

Regional Inflation & Interest Rates

Region	Inflation (CPI)	Central Bank Rate
United States	3.7%	4.00%
Eurozone	3.8%	2.50%
China	0.8%	3.00%

Global Weekly Agenda & Regional Developments

United States: Fed Decision, GDP & Tech Earnings

-  FOMC meeting
-  Q3 GDP
-  PCE inflation
-  earnings from Alphabet, Microsoft, Amazon, and Intel

Europe: ECB Meeting, UK Budget & Growth Data

-  ECB rate decision
-  UK budget speech
-  Eurozone Q3 preliminary GDP
-  IFO/GfK confidence metrics

Asia & Middle East Focus

-  Bank of Japan interest rate decision on Friday 
-  Israeli parliamentary elections on Tuesday 

Turkish Economy: Current Indicators – Week of October 26

Weekly Agenda & Core Market Metrics

Domestic Economic Data Releases

Mon: Sectoral Confidence
Tue: Labor Stats
Wed: Trade Balance
Fri: Economic Confidence & Visitor Stats.

Political & Parliamentary Highlights

President **Recep Tayyip Erdoğan** leads Cabinet Meeting Monday
Vice President **Cevdet Yılmaz** attends Budget Commission.

Markets Closed Oct 29 for Republic Day

Financial markets will be closed for the 103rd anniversary official holiday.

Foreign Reserves and Credit Default Swap (CDS)

Gross reserves reach
\$169.1B
Swap-exclusive net reserves
stand at **\$39.3B**

CDS is
266

Breakdown of Gross Foreign Reserves & Benchmark Bond Yields

Indicator / Asset	Value / Yield
Gold Reserves	\$106.9 Billion
Foreign Exchange Reserves	\$62.1 Billion
2-Year Benchmark Bond	39.6%
5-Year Benchmark Bond	38.9%
10-Year Benchmark Bond	35.7%

Policy Directives & Macroeconomic Outlook

Minister Mehmet Şimşek on Energy Shocks & Green Strategy

Current Iran conflict supply shock is 7x larger than the 2022 energy crisis.

Defense Exports and Trade Diversification

Turkey targets top 10 global defense exporter status by 2026 via new FTAs.

Services Exports and IMF Fiscal Transparency Upgrade

Turkey ranks 3rd in TV series exports and top 40 globally in IMF transparency.

Financial Sector Evaluation & Fund Regulation

S&P Assessment on Banking Sector

Sector remains resilient despite high rates constraining SME credit; disinflation progress supports stability.

Parliamentary Approval on Investment Fund Liquidations

SPK determines fund losses; recovered assets transfer via TMSF to YTM for investor payout.

Legal Liability in Fund Investigations (Akin Gürlek)

Voluntary asset returns do not remove legal responsibility for involved parties under investigation.

Turkish Economy: Current Indicators – Week of October 26

CBRT Monetary Policy Decision & Inflation Dynamics

100 bps
36.00%

CBRT Cuts Policy Rate by 100 bps to 36.00%

First rate cut since January, enabled by slowing underlying inflation and weak domestic demand.

2026 Monetary Policy Path: Tightening to Normalization



2026

Prudent Stance

Expectations of 100 bps Dec Cut

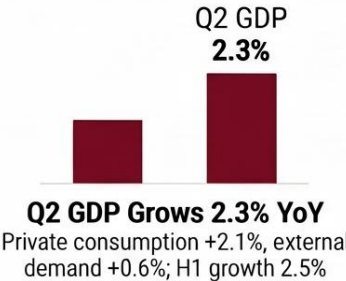
Market expects another out on Dec 10, following Governor Karahan's Nov 12 report.



Inflation Figures & Market Expectations

Indicator / Survey Segment	Latest Actual / Target and 12-Month / Long-Term Expectation
Sept CPI & PPI (YoY)	↓ CPI: 29.73% (MoM 1.84%) ↓ PPI: 27.38% (MoM 2.07%)
CBRT Inflation Forecast (2026)	Target: 28.00% (Interim: 24.00%)
12-Month CPI Expectations by Group	Market: 23.89% Real Sector: 31.80% Households: 43.75%

Macroeconomic Growth, Sector Performance & Foreign Flows



Monthly Current Account Posts \$4.05B Surplus
12-month CAD/GDP reduced to -2.5%, outperforming 20-year average (-3.6%)



Output, Sales & Key Metrics

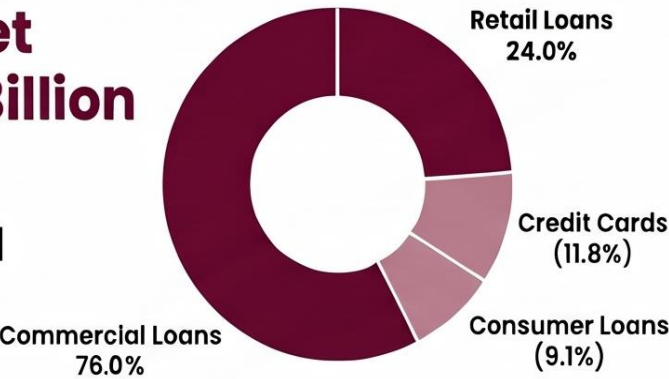
Category	Current Period Indicator	Historical / Benchmark Comparison
 Activity & Tourism	PMI: 47.9 CUR: 74.5% Aug Tourists: 7.0M Housing Sales: +11.8% MoM Auto: +3.0% White Goods: -0.9%	
 Fiscal & Labor	Budget Deficit: -532B TRY (12M: -3.3% GDP) Unemployment: 7.8% (Near historic low of 7.6%)	
 Global Action & Ratings	CBRT: -100 bps Fed: +25 bps (Dec.) ECB: +25 bps (Dec.) Fitch: BB- (Stable) S&P: BB- (Stable) Moody's: Ba3 (Stable)	

Banking Sector: Current Indicators – Week of October 26 (Data of October 16)

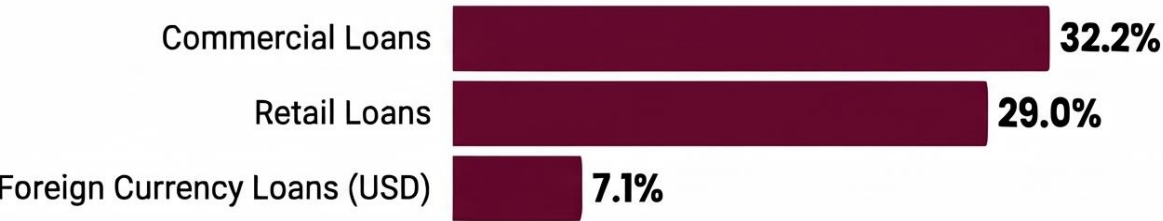
Balance Sheet Structure, Credit Dynamics & NPL Ratios

Total Balance Sheet Reaches ₺56,954 Billion

Loans stand at ₺28,679B, deposits at ₺33,108B, and legal equity at ₺6,151B.



Total Annualized Loan Growth Reaches 31.4%



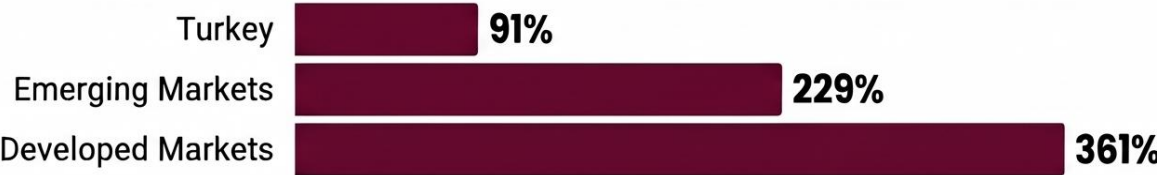
NPL Ratios (%) across Segments

Consumer / Personal Loans:	6.6%
Individual Credit Cards:	5.8%
Small & Medium Enterprises (SMEs):	4.1%

Macro Debt, Insolvency Trends & Investment Funds

Total Debt-to-GDP Ratio Stands at 91%

Significantly lower than Emerging Markets (229%) and Developed Markets (361%).



Sharp Annual Rise in Dishonored Checks (+83%) and Protested Bills (+58%)



Total Investment Funds Reach ₺9.64 Trillion

Up ₺1.17T (+13.8%) YTD, led by ETF growth (+24.6%) and Participation funds (+22.0%).

