World Economy: Current Indicators – Week of November 23

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EQUITY MARKETS & SEMICONDUCTOR VOLATILITY

US Stock Indices Drop

- Nasdaq fell **10.02%**
- S&P 500 dropped **8.61%**
- Dow Jones decreased **8.02%**

Tech & AI Sector Pressure

- Nvidia plunged **22.9%** on SEC accounting inquiry reports
- Anthropic dropped **8.5%** on day two post-IPO

Global Semiconductor Losses

- Micron (**-23.6%**)
- Marvell (**-22.0%**)
- AMD (**-20.5%**)
- ASML (**-12.7%**)

Deep weekly losses

Asian Markets Slump

- Taiwan Tech index crashed **17.2%**
- Nikkei fell **7.70%**
- Kospi declined **7.95%**

Global Equity Benchmark Performance

Index / Region	Weekly Change (%)	Key Benchmark Metric
Nasdaq Composite (US)	-10.02%	Worst week since March 2020
S&P 500 (US)	-8.61%	Worst week since April 2025
Dow Jones (US)	-8.02%	Worst week since April 2025
Taiwan Tech Index	-17.20%	Supply chain indicator slump
Kospi (South Korea)	-7.95%	Tech-heavy index decline
Nikkei 225 (Japan)	-7.70%	Broad market pull-back
DAX 40 (Germany)	-7.28%	European leader fall
FTSE MIB 30 (Italy)	-5.73%	European index pull-back
CAC 40 (France)	-5.27%	Regional market fall
Hang Seng (Hong Kong)	-5.19%	Asian regional decline
FTSE 100 (UK)	-5.10%	Energy/finance heavy drop
Shanghai Composite (China)	-2.77%	Mainland market contraction

CURRENCIES, BONDS & PRECIOUS METALS

US Treasury Yields Fall

Safe-haven demand pulled 2-year yield down 20 bps to 4.65%

10-year down 19 bps to 4.94%

US Dollar Index Strengthens

DXY rose 0.4% to 103.8, EUR/USD dropped to 1.0950, a 19-month low

Precious Metals Sell-Off

Gold dropped 8.9% to $3,538/oz
Silver fell 15.6% to $41.2/oz on liquidity demand

MONETARY POLICY & INFLATION DYNAMICS

Fed Rate Policy Reversal

Expectations shifted from two 25 bps cuts to one 25 bps hike (98% Dec probability)

ECB Hawkish Outlook

Eurozone Oct CPI hit 4.0%; markets price 100% chance of a 25 bps December rate hike

European Inflation Pressures

- UK CPI rose to **3.6%** (1-year high)
- German PPI reached **8.1%** YoY on energy shocks

ENERGY MARKET SHOCK

Brent Crude Oil Spike

Rose from $72.50 pre-war to **$92.80/bbl**, a **28%** increase since Feb 28

European Natural Gas Surge

Jumped from **32.0 EUR/MWh** pre-war to **93.7 EUR/MWh**, up **193%** since Feb 28

Energy Price Movements Since Feb 28

Energy Benchmark	Pre-War Price	Current Price	Total Growth (%)
Brent Crude Oil	$72.50 / bbl	$92.80 / bbl	+28%
European Natural Gas	32.0 EUR/MWh	93.7 EUR/MWh	+193%

World Economy: Current Indicators - Week of November 23

Economic Calendar (Week of November 23)

US Economic Releases & Thanksgiving Holiday

Monday:
S&P Flash PMI

Tuesday:
Consumer Contidence

Wednesday:
GDP, Core PCE, Personal Income/Spending, Jabless Claims, Durable Goods, Fed Beige Book

Thursday:
Markets Closed (Thanksgiving)

Friday:
Black Friday

European Key Economic Events

Monday:
Flash PMIs

Tuesday:
Germany IFO Index

Wednesday:
Germany Q3 Final GDP

Thursday:
ECB Minutes, Germany GfK Climate, Eurozone Final Consumer Confidence

Central Bank & Monetary Policy Signals

Fed Hawkish Stance & Rate Projections

Fed minutes indicate near-unanimous support for further rate hikes; markets price 25 bps hikes in Dec/Jan and one more by April.

Financial Stability & Vulnerability Risks

Fed officials cited concems over elevated asset valuations, hedge fund leverage, complex corporate debt in AI, and cyber risks.

> **Fed Officials' Policy Commentary:** Goolsbee keeps larger hikes open; Barr notes loose conditions fuel inflation; Paulson favors clear, gradual tightening.

BOJ December Rate Hike Expected

Oct inflation missed targets, but high energy costs and a weak yen keep pressure for a 25 bps hike in Dec.

Macroeconomic & Geopolitical Developments

Anthropic Record-Breaking $107.3B IPO

Reached $1.5T market cap at $83/share; backed by Google, Microsoft, AMD. Rose 17% on debut before falling 5% post-market.

APEC Leaders Agree on Energy Supply

US, China, Russia agreed to boost petroleum supply; XI-Trump maintained trade truce while Trump-Putin Ukraine discussions raised European concerns.

German ZEW Sentiment Rebounds

Index rose to 35.6 (highest since Feb) on industrial orders and lower oil, though debt and Chinese competition linger.

China Economic Momentum Slows

Oct industrial output (+4.8% YoY) and retail sales (+0.4% YoY) missed expectations, signaling risks ahead of 2027.

Global Market Indicators & Macro Metrics

Commodities & Energy Snapshot

Brent Crude trades at $92.8, Natural Gas at EUR93.7, Gold at $3,621/oz (5,891 TL/g), and Silver at $42.6.

Currencies, Stocks & Crypto Snapshot

USD/TRY at 50.60, EUR/TRY at 55.71, DXY at 103.7, EUR/USD at 1.0996, BIST100 at 11,131, and Bitcoin at $61,599.

Benchmark Macroeconomic Comparison

Region	CPI Inflation (%)	Benchmark Interest Rate (%)
United States	0.4% (Monthly)	4.00%
China	0.7% (Yearly)	3.00%
Eurozone / Europe	4.0% (Yearly)	2.50%

Turkish Economy: Current Indicators – Week of November 23

Domestic Economic Agenda (Week of Nov 23)

Monday
Key Releases

October Foreign Visitor Statistics & November Sectoral Inflation Expectations.

Tuesday
Sentiment Data

November Sectoral Confidence Indices scheduled for official tracking.

Friday
Reports & Confidence

November Economic Confidence Index & CBRT's 2nd Financial Stability Report released.

Core Market & Financial Indicators

Gross Foreign Reserves	Net Reserve Position	Sovereign Credit Risk
$159B	**$28.5B**	**262 bps**
Total reserves ($99.7B Gold, $56.3B Foreign Exchange)	Swap-excluded net reserves	Turkey 5-Year Credit Default Swap (CDS) risk premium

Benchmark Bond Yields Overview

Maturity	2-Year Benchmark Bond	5-Year Benchmark Bond	10-Year Benchmark Bond
Yield Rate (%)	39.67%	39.35%	36.29%

Banking & Housing Credit Regulations (BDDK Decision)

Credit Card Minimum Payment Tiers	• 20% (≤100k TRY limit) • 30% (100k-200k TRY) • 40% (>200k TRY)
Multi-Property LTV Restriction	Loan-to-Value ratio reduced by 75% for buyers (or spouse/minor children) owning 2+ residential properties.
Joint Title & Transformation Exemptions	Shared titles ≤50% (if ≤2 properties) & risk-designated demolished homes excluded from homeownership count

Macroeconomic Outlook & Policy (Minister Mehmet Şimşek)

Current Account Deficit	Gross External Debt Stock	Gross External Financing Need
2.0% of GDP (2026)	**31.1%** GDP (Q3)	**16.1% of** GDP (2026)
Expected slightly above; well below 3.2% long-term average	Projected; down from 44.5% historical average	Expected to fall; compared to 20.1% historical average.

Structural Policy Focus
Priority on domestic renewable energy expansion & high-value export incentives to lock in external balance gains.

Foreign Investor Residence Permit Scheme

Investment Thresholds & Validity	Eligible Instruments & Duration	Family Eligibility & Citizenship Status
3-year permit for $150k minimum investment **5-year permit** for $200k minimum investment	Bank deposits, bonds, REIT/VC funds, or pension system (BES); must hold for at least half permit duration	Covers non-working investor, spouse, & dependent children; explicitly excluded from exceptional citizenship pathways

International Trade & EU Industrial Policy (Minister Ömer Bolat)

Rejection of EU Exclusion
Exclusion of Turkey from "Made in EU" & Industrial Accelerator Act undermines Customs Union & European supply chains

Ford Otosan Automotive Benchmark
Accounts for 1/3 of national vehicle output & 37% of exports (exports ~88% of production; 400k of 451k units exported in 2025)

EU Hybrid Import Quotas vs Projections

Year	Projected TR Hybrid Exports to EU	Proposed EU Quota Limit	Projected Export Deficit
2027	289,000 units	243,000 units	-46,000 units
2028	385,000 units	257,000 units	-138,000 units

Turkish Economy: Current Indicators – Week of November 23

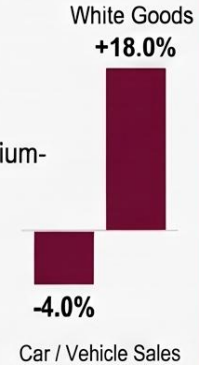
Economic Growth & Consumer Trends

Q2 2026 GDP Growth at 2.3%
First half 2026 growth reached 2.5%, driven by consumption (+2.1%) and external demand (+0.6%).

2026 Growth Forecasts Between 2.9% - 3.3%
Market Participants Survey predicts 2.9% growth for 2026, while the Medium-Term Program targets 3.3%.

Retail Sales & Spending Momentum Slows
September retail sales volume growth dropped to 0.1% MoM (down from 1.6% in August).

Confidence Indices Partial Recovery
Consumer confidence rose to 86.8 (+2.4% MoM); Real Sector Confidence nudged up to 101.3.



Manufacturing & Industrial Activity

Manufacturing PMI Drops to 47.3
October PMI fell from 47.9 to 47.3, extending sector contraction to 31 consecutive months.

Industrial Output & Capacity Shrinking
Industrial production contracted (-1% MoM, -1.9% YoY), Capacity Utilization fell to 74.1%.

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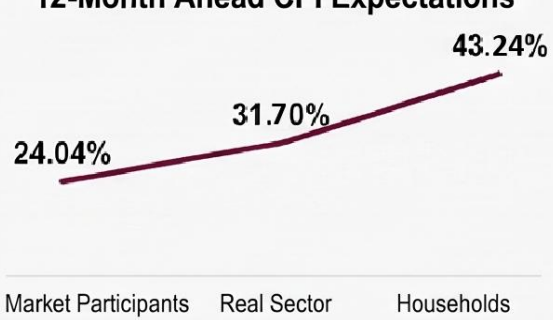
Export Climate Index Decelerates
Reached 52.5 in October (down from 53.2 in September), pointing to slowing demand in main export markets.

Monetary Policy & Inflation Dynamics

CBRT Cuts Policy Rate to 36%
October delivered a 100 bps rate cut (first cut since Jan): market expects another 100 bps cut on Dec 10.

October Inflation: CPI 29.77% YoY
Monthly CPI printed +2.58% (YoY 29.77%), while monthly PPI printed +1.65% (YoY 27.41%).

Upward Forecast Revisions by CBRT
CBRT raised its 2026 year-end inflation forecast from 28% to 29.5% (target remains 24%).



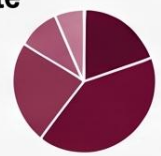
External Balance & Foreign Trade

3 Consecutive Months of Current Account Surplus
Latest monthly current account recorded a $2.7B surplus: 12-month cumulative deficit stands at $39.2B (-2.3% of GDP).

Core Current Account Surplus Expands
Excluding gold and energy, September surplus hit $7.34B MoM; 12-month cumulative core surplus reached $27.9B.

Labor Market & Fiscal Budget

Unemployment Rate Stable at 8.4%
Q3 seasonally adjusted unemployment stood at 8.1% (+0.1 pt QnQ), close to historical lows.



Services Sector Dominates Employment
Services accounts for 60.3% of jobs, followed by Industry (19.3%), Agriculture (13.6%), and Construction (6.8%).

12-Month Fiscal Deficit at 3.7% of GDP
Latest monthly budget deficit was TRY 481B, excluding earthquake expenses, 12-month deficit is 2.6% of GDP.

Foreign Investment & Sovereign Ratings

Foreign Net Capital Inflows Continue
Foreigners net bought $246.8M in equities and $97.6M in bonds during the week of Nov 13.

YTD Foreign Inflows Reach $2.76B
Year-to-date net foreign purchases stand at ~$1.86B in equities and ~$901M in government bonds.

Fitch Ratings	S&P Global	Moody's
BB-	BB-	Ba3
Stable	Stable	Stable

Banking Sector: Current Indicators – Week of November 23 (Data of November 13)

BALANCE SHEET & CREDIT GROWTH PERFORMANCE

TRY 58,438B
TOTAL ASSETS
Total loans: TRY 29,294B, Deposits: TRY 33,318B, Legal equity: TRY 6,218B

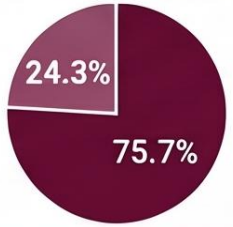
+31.7% ANNUALIZED CREDIT EXPANSION
Total credit grew 28.1% YTD. TRY loans expanded 31.1% YTD (35.1% annualized).

FX CREDIT GROWTH TRENDS
FX loans in TRY: **+23.0%** YTD (+26.0% annualized)
USD loans: **+4.9%** YTD (+5.5% annualized)

SME & COMMERCIAL SEGMENT PACE
Commercial loans grew **28.1%** YTD (31.8% annualized), led by SME (+28.4% YTD) and Corporate (+27.9% YTD)

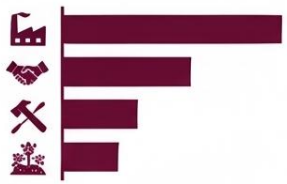
RETAIL LOAN GROWTH TRACK
Individual loans expanded by **27.9%** YTD (31.6% annualized)

CREDIT ALLOCATION & DOLLARIZATION



COMMERCIAL LOANS DOMINATE DISTRIBUTION
75.7%
(Corporate 48.7%, SME 27.0%)
Retail: **24.3%**

SECTORAL CREDIT CONCENTRATIONS



- Manufacturing (**31.8%**)
- Trade (**17.0%**)
- Construction (**9.8%**)
- Agriculture (**7.4%**)

STRUCTURAL SECTOR SHIFTS
Construction, trade, and tourism increased loan shares YTD, whereas manufacturing's share declined

61.5% TRY DEPOSIT RATIO
TRY deposits: **61.5%**
Foreign currency deposits: **38.5%**

FUND DOLLARIZATION LEVEL
Securities mutual funds: **40.9%** dollarization as of November 2026

ASSET QUALITY, INSOLVENCIES & MACRO RISKS

3.3% OVERALL NPL RATIO
Commercial NPL: **2.6%** (Corporate 1.7%, SME 4.3%)
Retail NPL: **5.5%**

HIGH RETAIL NPL STRAINS
NPL ratios escelated: **6.6%** in consumer/personal loans, **5.8%** in credit cards

PEAK DISHONORED CHEQUE RATIOS
October dishonored cheques surged to **3.2%** by volume and **4.2%** by value, hitting multi-year monthly highs

1,738 CONCORDAT FILINGS YTD
Down from **2,948** in 2025; construction and textiles lead filings, food and agriculture remain vulnerable

92% TOTAL DEBT-TO-GDP
Türkiye's total indebtedness (92%) remains well below Emerging Markets (231%) and Advanced Economies (369%)