

Türkiye- Inflation Expectation

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June 2026 - Headline yoy CPI set to fall

Turkstat is to announce June inflation data on July 3, Friday. According to a Bloomberg survey, the CPI mom expectation for June is 1.0%, in line with the Garanti BBVA expectation. If the consensus average mom expectation is realized, yoy CPI inflation would fall to 32.1% from 32.6%.

According to ICC (Istanbul Chamber of Commerce) data, prices in Istanbul rose by 1.1% on a mom basis in June 2026, below the 5-year average (2.5%) and June 2025's 1.8% rise. Yoy inflation fell to 35.9% from 36.8% in June. Food inflation printed at 0.7% mom, below the 5-year average (2.4%) and June 2025's 1.9%. ICC data do not indicate a notable risk to our Turkstat inflation forecast.

According to Turk-Is food expenditures data, the leading indicator of food prices, the mom price rise in the food group was 1.7% in June, in line with the previous month and significantly below June 2025's 4.1%. By the same data, yoy food inflation fell from 40.2% to 36.9%.

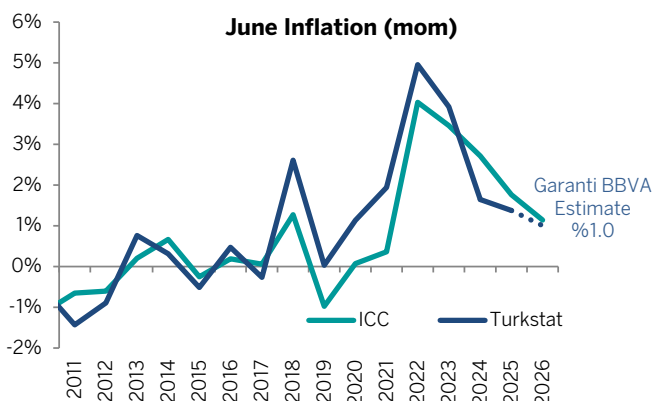
In June, the average Brent price declined by c. 17% mom in USD terms, falling to USD 86 per barrel. Based on the USD–EUR currency basket, the Turkish lira depreciated by around 1% in nominal terms compared with the previous month. As part of the decline in international oil prices was absorbed through the sliding-scale pricing mechanism, the decrease in fuel prices remained more limited, with fuel prices falling by around 4%. We estimate that yoy core inflation declined compared with the previous month. As indicated by ICC and Turk-Is data, we expect Turkstat food inflation in June to come in below the previous year's level, resulting in a decline in yoy food inflation.

Geopolitical developments that have been unfolding since early March have pushed inflation above earlier projections in Türkiye, as well as globally. Following the ceasefire agreement, however, oil prices fell back to levels close to those seen in February toward the end of June, easing energy-related price pressures. Nevertheless, uncertainties surrounding both geopolitical developments and energy prices continue to make the inflation outlook difficult to assess. Based on an assumption of an average Brent oil price of around USD 90 per barrel for the year, our year-end inflation forecast stands at 30%. In addition to oil prices, two-sided risks related to food inflation and domestic demand continue to create uncertainty around our inflation forecast. Against this backdrop, we expect the CBRT to base its monetary policy decisions on incoming developments in the period ahead.

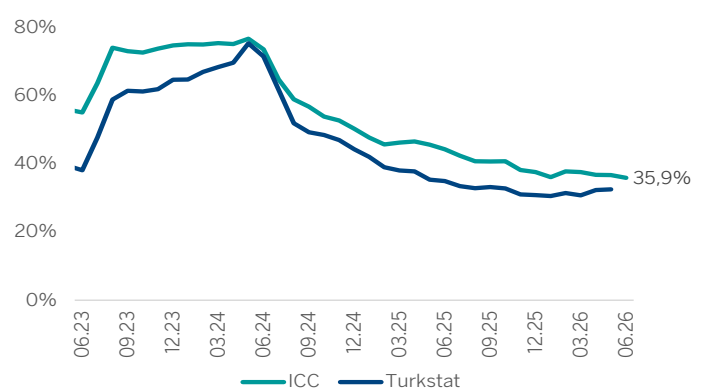
	June 2026 mom Inflation	June 2026 yoy Inflation
Bloomberg Survey:	%1.0	%32.1*
Garanti BBVA Forecast:	%1.0	%32.1*

* If mom inflation estimate realizes

Turkstat & ICC* Inflation (mom)



Turkstat & ICC* Inflation (yoy)



Source: Turkstat, ICC, Garanti BBVA Securities *2023=100 ICC data is shown for 2024 and 2025

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