



FEBRUARY 2, 2026

KUVEYT TÜRK ASSET MANAGEMENT
PRIVATE BANKING
WEEKLY ECONOMIC BULLETIN



KUVEYT TÜRK |  PRIVATE BANKING

DOMESTIC FOCUS ON INFLATION, VOLATILITY PREVAILS IN GLOBAL MARKETS



Domestically, inflation data remain the main agenda item of the week. According to data from the Istanbul Chamber of Commerce, the Istanbul Consumer Price Index rose by 4.56 percent month-on-month in January 2026. With increases in vegetable and red meat prices also contributing, upside risks to January inflation remain on the agenda, while attention has turned to the CPI data to be released tomorrow by TurkStat. Market expectations indicate that January inflation could come in above 4 percent. The Central Bank's commitment to maintaining a tight stance while following a gradual easing path continues to support the outlook for TL-denominated assets.

Globally, volatility and uncertainty remain prominent. The Fed's decision to keep the policy rate unchanged at its January meeting and to maintain a data-dependent stance in its statement has led to a partial postponement of expectations for rate cuts. The emergence of Kevin Warsh's name as a leading candidate for Fed Chair has increased market volatility, while news flow regarding Warsh—who is associated with a more hawkish stance in the fight against inflation—has contributed to a stronger U.S. dollar. These developments have triggered sharp price movements across commodities and FX markets, particularly in precious metals, while rising global volatility continues to limit investors' risk appetite.

GLOBAL

In the United States, the Fed kept the policy rate unchanged within the range of 3.50 to 3.75 percent at its first monetary policy meeting of the year, in line with expectations.

The statement noted that job growth remained weak and the unemployment rate had begun to stabilize, while inflation was still above target. Fed Chair Powell said the economy had started the year strongly and the growth outlook had improved. He also emphasized that despite the decline in inflation, it remains above the long-term 2 percent target and that caution is warranted regarding rate cuts.

The US federal government partially shut down after the temporary budget expired and the House of Representatives did not convene over the weekend. The budget package, approved in the Senate by 71 votes in favor and 29 against, was sent back to the House following amendments. The bill is expected to be taken up on Monday and submitted for President Trump's signature, with officials noting that the short shutdown is unlikely to cause major disruptions to federal services.

The Conference Board Consumer Confidence Index in the US fell sharply from 94.2 to 84.5, well below the market expectation of 91. This marked the lowest level since May 2014. Over the same period, the expectations index for the next six months dropped to its lowest level since April, while the present situation index fell to near five-year lows, pointing to a significant deterioration in household perceptions of the economic outlook.

US factory orders increased by 2.7 percent month on month in November to 621 billion 600 million dollars. At the same time, durable goods orders rose by 5.3 percent to 323 billion 800 million dollars. The increase was mainly driven by a near doubling in non-defense aircraft and parts orders and a 14.7 percent rise in transportation equipment orders.

In the US, President Trump announced that he has decided on his nominee for Fed Chair, naming Kevin Warsh months before Powell's term expires. The announcement, made via Truth Social, came at a time when the Fed's interest rate policy is being heavily debated, boosting market expectations for a new policy phase. Trump's past criticism of high interest rates and his emphasis on lower rates have raised questions about the future direction of monetary policy under a Warsh leadership. The nomination of Kevin Warsh, who previously served on the Fed's Board of Governors and has experience on Wall Street and in the White House, has fueled expectations that the Fed may adopt a different policy framework in the period ahead.

In the Euro Zone, the seasonally adjusted unemployment rate declined by 0.1 percentage points in December to 6.2 percent. Country data showed unemployment rates of 10.2 percent in Finland, 10.0 percent in Spain, 9.0 percent in Sweden, 7.7 percent in France, and 7.5 percent in Greece. Over the same period, youth unemployment stood at 14.3 percent in the euro area and 14.7 percent in the European Union.

Germany's GfK Consumer Confidence Index for February rose by 2.8 points month on month to minus 24.1. Income expectations increased sharply by 12 points to 5.1, while the propensity to spend rose by 3.5 points to minus 4. Economists noted that despite the improvement, the outlook remains fragile due to geopolitical risks and trade tensions.

DOMESTIC

In January, the economic confidence index remained unchanged at 99.4. Over the same period, the consumer confidence index increased by 0.3 percent month on month to 83.7, while the real sector confidence index declined by 0.7 percent to 103.0. Service sector confidence rose by 1.3 percent to 113.8, whereas retail trade confidence fell by 2.4 percent to 112.6.

In December, exports rose by 12.7 percent year on year to 26 billion 400 million dollars, while imports increased by 10.7 percent to 35 billion 700 million dollars. The foreign trade deficit widened by 5.6 percent to 9 billion 300 million dollars, while the export-to-import coverage ratio improved to 73.9 percent. Excluding energy and gold, exports rose by 14.6 percent and imports by 17.9 percent, resulting in a trade deficit of 2.7 billion dollars.

Tourism revenue increased by 6.8 percent year on year in 2025 to 65 billion 200 million dollars. During the same period, the total number of visitors rose by 2.7 percent to approximately 63 million 900 thousand. In the final quarter, tourism revenue increased by 9.9 percent to 15 billion 200 million dollars, with average nightly spending at 100 dollars for the year.

The Services Producer Price Index increased by 0.78 percent month on month in December, while the annual increase stood at 35.11 percent. The 12-month average increase was recorded at 36.78 percent. On an annual basis, the largest increases were seen in real estate services at 41.21 percent, professional, scientific and technical services at 40.33 percent, and administrative and support services at 37.92 percent.

The seasonally adjusted unemployment rate declined by 0.8 percentage points month on month in December to 7.7 percent, while the number of unemployed fell by 286 thousand to 2 million 736 thousand. Over the same period, the employment rate remained flat at 49.1 percent, while the labor force participation rate decreased by 0.5 percentage points to 53.2 percent. Youth unemployment fell by 1.1 percentage points to 14.1 percent, the underutilized labor rate declined to 28.6 percent, and average weekly hours worked increased by 0.8 hours to 43.1 hours.

WEEKLY STATUS

	23.01.2026	30.01.2026	Weekly Change	Change in 2025	Change in 2024	Change in 2023	Change in 2022
XK050*	14.269	14.766	3,5%	19,1%	31,9%	23,2%	32,6%
XU100*	12.993	13.838	6,5%	22,9%	14,6%	31,6%	35,6%
USDTRY	43,4	43,5	0,3%	1,2%	21,4%	20,1%	57,5%
DXY*	97,6	97,0	-0,6%	-1,4%	-9,4%	7,1%	-2,1%
US-10Y*	4,2	4,2	0,0%	2,1%	-9,3%	18,0%	0,0%
TR-10Y*	27,4	27,8	1,5%	2,3%	-5,6%	7,6%	169,4%
TR-2Y*	32,2	32,0	-0,4%	-6,6%	-15,4%	2,2%	298,0%
CDS (5Y)	210,8	218,0	3,4%	6,4%	-21,1%	-6,6%	-45,2%
GOLD (OUNCE/USD)	4.982,9	4.865,4	-2,4%	12,8%	64,5%	27,2%	13,1%
GOLD (GRAM/TRY)	6.956,3	6.804,4	-2,2%	14,3%	99,4%	52,1%	78,9%
SILVER (GRAM/TRY)	143,9	118,5	-17,6%	20,9%	198,3%	45,3%	57,1%

***XK050:** BIST Participation 50 Index

***Bist100:** BIST 100 Index

***DXY:** Dollar Index

***US-10Y:** US 10-Year Treasury Yield

***TR-10Y:** TR 10-Year Treasury Yield

***TR-2Y:** TR 2-Year Treasury Yield



LEADING INDICATORS

New
New
New
New

New
New
New

New
New

Indicator	Period	Data	Previous Data	Benchmark Value
Industrial Production	November	2,4%	2,2%	
Manufacturing PMI	December	48,9	48,0	50
Capacity Utilization Rate (seasonally adj.)	January	74,4%	74,2%	
Import - (capital goods) (annually)	November	38,7%	15,3%	
Service sector confidence (seasonally adj.)	November	5,6%	1,5%	
Import - (consumption goods) (annually)	November	6,7%	-3,7%	
Credit Growth Weekly	January (Week 4)	0,6%	0,2%	
Consumer Confidence Index	January	83,7	83,5	100
Real sector confidence (seasonally adj.)	January	103,0	103,7	100
Service sector confidence (seasonally adj.)	December	112,6	112,3	100
Retail sector confidence (seasonally adj.)	December	113,8	115,4	100
Construction sector confidence (seasonally adj.)	December	85,7	84,5	100
Car Sales (annually)	December	10,5%	9,8%	
House sales - total (annually)	December	19,8%	-7,8%	
House sales - mortgage (annually)	December	25,2%	-1,4%	
CPI	December	30,9%	31,1%	
CPI expectations (year-end)	January	23,2%	31,2%	
Current Year Growth Expectations	January	3,9%	3,5%	
Retail Sales Volume (annually)	November	14,2%	7,4%	
Current Account Balance (billion USD)	November	-4,0	0,5	
Unemployment Rate (seasonally adj.)	November	7,7%	8,6%	
Dollarization	January (Week 4)	1,8 Billion (+)	0,5 Billion (+)	

Indicates Decrease

Indicates Stability

Indicates Increase

It has been prepared by Kuveyt Türk Asset Management by taking data from reliable sources.

ECONOMIC CALENDAR

Date	Country	Data to be Announced
02.02.2026	China	Manufacturing PMI
02.02.2026	Turkey	Manufacturing PMI
02.02.2026	US	Preliminary Atlanta FED GDPNOW
03.02.2026	Turkey	CPI
03.02.2026	Turkey	Preliminary Trade Balance
04.02.2026	Japan	Services PMI
04.02.2026	Euro Zone	Preliminary CPI
05.02.2026	Euro Zone	Retail Sales
05.02.2026	Euro Zone	Interest Rate Decision
06.02.2026	US	Fed's Balance Sheet
06.02.2026	Japan	Household spending
06.02.2026	Germany	Trade Balance
06.02.2026	US	Nonfarm Payrolls

The investment, information, comments, and recommendations presented here are prepared by Kuveyt Türk Portfolio for Kuveyt Türk Private Banking clients and **are not within the scope of investment advisory services**. Investment advisory services are provided by authorized institutions based on individuals' risk and return preferences and are tailored to each person. The comments and recommendations here are of a general nature. These recommendations may not be suitable for your financial situation or risk and return preferences. Therefore, making investment decisions based solely on the information provided here may not yield results that align with your expectations.

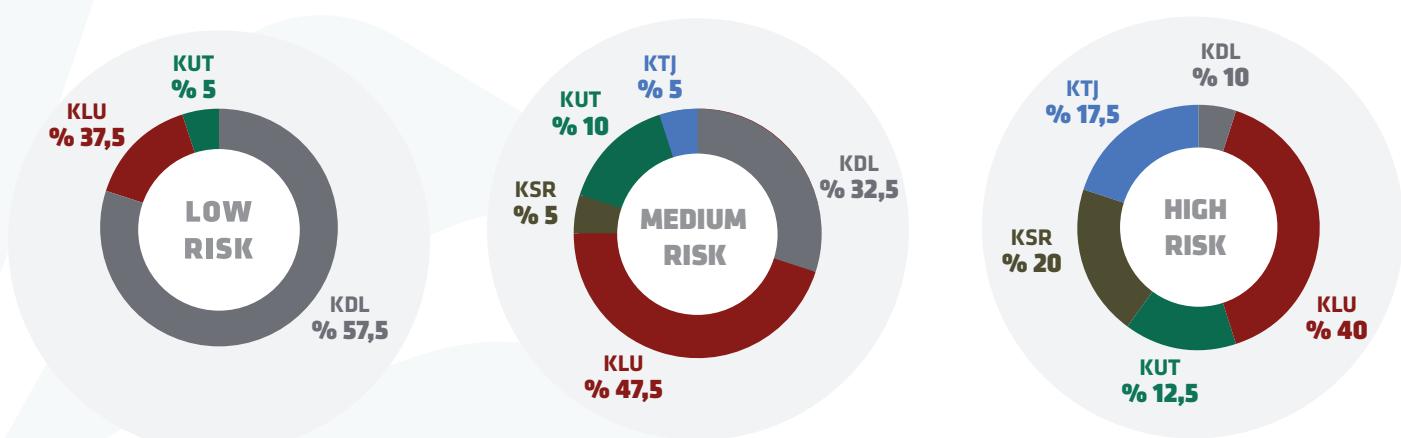
Our Fund Allocation Recommendations

We make our fund recommendations based on our investors' base currencies. The base currency is the currency in which investors track their savings. An investor who tracks USD as their base currency prefers their investments to grow in U.S. dollars rather than in Turkish Lira. Conversely, an investor who looks at their investments in TL aims for an increase in their savings in Turkish Lira.

Below are our General Investment Recommendations based on base currencies.

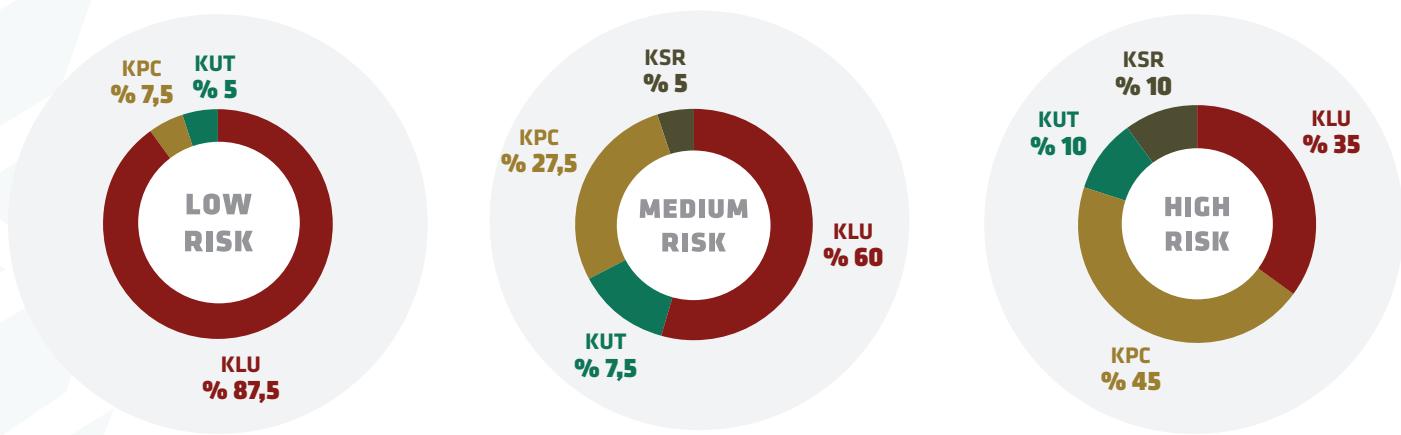
General Investment Recommendations for Those with USD as Their Base Currency

Figure 1. Fund Allocation Recommendations (For Those with USD as Their Base Currency)



General Investment Recommendations for Those with Turkish Lira as Their Base Currency

Figure 2. Fund Allocation Recommendations (For Those with Turkish Lira as Their Base Currency)



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Information Regarding Funds:

KLU Fund: Kuveyt Türk Asset Management Money Market Participation Fund

KUT Fund: Kuveyt Türk Asset Management Precious Metals Participation Fund

KPC Fund: Kuveyt Türk Asset Management Equity Participation Fund

KDL Fund: Kuveyt Türk Asset Management Fifth Participation Hedge (Currency) Fund

KSR* Fund: Kuveyt Türk Asset Management Sustainability Participation Fund

KNJ* Fund: Kuveyt Türk Asset Management Energy Participation Fund

KTJ* Fund: Kuveyt Türk Asset Management Technology Participation Fund

* These funds may hold up to 80% foreign equities.

Explanations of Risk Levels:

Relatively Low Risk: Refers to investors who are not keen on experiencing losses to their principal and have limited knowledge and experience regarding investment products.

Medium Risk: Refers to investors who are willing to accept some level of loss to their principal and have some knowledge and experience regarding investment products.

High Risk: Refers to investors who are willing to take on high risk for the potential of high returns, accepting the possibility of significant losses to their principal and possessing substantial knowledge and experience regarding investment products.

Disclaimer Notification:

Warning Note Published in Accordance with the Capital Markets Board's "Regulation on Principles Related to Investment Services and Activities and Ancillary Services":

The information, comments, and recommendations regarding **the investment products presented here do not constitute investment advisory services**. Investment advisory services are provided by authorized institutions tailored to individuals based on their risk and return preferences. The comments and recommendations offered here are general and may not be appropriate for your specific financial situation or risk-return profile. Therefore, making investment decisions solely based on this information may not yield results that meet your expectations. By confirming your understanding and acceptance of this information, you may proceed with your transactions.

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