



NOVEMBER 17, 2025

KUVEYT TÜRK ASSET MANAGEMENT
PRIVATE BANKING
WEEKLY ECONOMIC BULLETIN



KUVEYTTÜRK



PRIVATE BANKING

INFLATION EXPECTATIONS RISE, LIMITED MOVE EXPECTED FROM THE CBRT



The deterioration in inflation expectations continues domestically. In the November Market Participants Survey, the year-end 2025 inflation forecast rose by 0.4 percentage points to 32.2 percent, while the 2026 year-end forecast increased by 1.1 percentage points to 23.2 percent. Monthly CPI increases have remained above 2 percent for the past four months. For November, expectations point to monthly inflation of around 1.5 percent. To halt the deterioration in inflation expectations, it will be critical for the November inflation figure to align with market forecasts. Considering the upward revisions to year-end projections, we expect the Central Bank of the Republic of Türkiye (CBRT) to limit its rate cut to 100 basis points at the December meeting.

Although the U.S. federal government shutdown has ended, uncertainty remains regarding the release of macroeconomic data that could not be published during the closure. The September non-farm payroll data is expected to be released this week, while the October inflation data may not be published. The recent cautious tone in statements from Fed officials has strengthened expectations that the Bank may adopt a “wait-and-see” approach in the short term.

GLOBAL

The government shutdown in the United States, which lasted 43 days, ended after President Trump signed the temporary budget bill. The bill provides funding for federal agencies until January 30 and introduces annual budgets for certain items. A repayment process has begun for federal employees who did not receive their salaries during the shutdown, and the gradual reopening of suspended public services is expected.

Industrial production in the Euro Area increased by 0.2 percent on a monthly basis and 1.2 percent on a yearly basis in September, remaining below market expectations. Among subcomponents on a monthly basis, Greece recorded the highest contribution with an increase of 4.8 percent. During the same period, industrial production in the EU rose by 0.8 percent on a monthly basis and 2.0 percent on a yearly basis.

Preliminary Gross Domestic Product (GDP) in the Euro Area grew by 0.2 percent on a quarterly basis and 1.4 percent on a yearly basis in the third quarter. In the same period, seasonally adjusted GDP in the EU increased by 0.3 percent on a quarterly basis and 1.6 percent on a yearly basis.

Consumer prices in Germany rose by 0.3 percent on a monthly basis and 2.3 percent on a yearly basis in October. Core inflation, calculated by excluding energy and food prices, increased by 2.3 percent on a yearly basis. Additionally, the EU-harmonised CPI rose by 0.3 percent on a monthly basis and 2.3 percent on a yearly basis.

In China, industrial production grew by 4.9 percent on a yearly basis in October, below market expectations. Retail sales increased by 2.9 percent on a yearly basis, exceeding the market expectation of 2.7 percent. The urban unemployment rate declined by 0.1 percentage points to 5.1 percent.

DOMESTIC

According to the Market Participants Survey, the 12-month ahead inflation expectation rose to 23.49 percent in November, exceeding the previous survey. The 24-month ahead expectation increased to 17.69 percent, while the year-end CPI forecast was updated to 32.20 percent. Expected policy and overnight rates for December rose to 38.28 percent and 39.35 percent, respectively.

Industrial production decreased by 2.2 percent on a monthly basis in September, while increasing by 2.9 percent on a yearly basis. In the yearly breakdown, high-technology industries made the largest contribution with an increase of 29.0 percent, while durable consumer goods declined by 7.5 percent, exerting the strongest negative impact.

Total turnover increased by 4.6 percent on a monthly basis and 37.5 percent on a yearly basis in September. By sector, the industry turnover index, trade turnover index, and services turnover index rose by 2.8 percent, 7.7 percent, and 1.9 percent on a monthly basis, respectively, while the construction turnover index fell by 6.5 percent on a monthly basis.

Construction costs increased by 0.90 percent on a monthly basis and 23.2 percent on a yearly basis in September. The material index and labour index rose by 0.9 percent and 0.8 percent on a monthly basis, respectively. The building construction cost index increased by 0.9 percent on a monthly basis and 22.8 percent on a yearly basis.

Housing sales decreased by 0.5 percent on a yearly basis to 164,306 units in October. Mortgaged housing sales increased by 11.5 percent on a yearly basis to 23,527 units, representing 14.3 percent of total sales. First-hand sales decreased by 4.9 percent on a yearly basis to 54,866 units, while second-hand sales rose by 1.8 percent on a yearly basis to 109,440 units.

In September, the export unit value index increased by 6.0 percent on a yearly basis, while the export volume index decreased by 3.0 percent on a yearly basis. During the same period, the import unit value index and import volume index rose by 1.7 percent and 6.9 percent on a yearly basis. The terms of trade increased by 3.6 points on a yearly basis, reaching 89.4 points.

Trade sales volume increased by 4.7 percent on a monthly basis and 10.3 percent on a yearly basis in September. Retail sales volume rose by 2.2 percent on a monthly basis and 14.3 percent on a yearly basis. Sales related to the wholesale and retail trade and repair of motor vehicles and motorcycles decreased by 0.4 percent on a monthly basis but increased by 8.3 percent on a yearly basis.

WEEKLY STATUS

	07.11.2025	14.11.2025	Weekly Change	Change in 2025	Change in 2024	Change in 2023	Change in 2022
XK050*	12.308	11.739	-4,6%	24,9%	23,2%	32,6%	210,3%
XU100*	10.925	10.566	-3,3%	7,5%	31,6%	35,6%	196,6%
USDTRY	42,2	42,2	0,1%	19,4%	20,1%	57,5%	39,6%
DXV*	99,6	99,3	-0,3%	-8,5%	7,1%	-2,1%	8,2%
US-10Y*	4,1	4,1	1,3%	-9,4%	18,0%	0,0%	156,3%
TR-10Y*	30,0	30,6	2,2%	6,5%	7,6%	169,4%	-59,2%
TR-2Y*	39,9	40,2	0,7%	-0,9%	2,2%	298,0%	-56,1%
CDS (5Y)	243,8	242,9	-0,4%	-6,5%	-6,6%	-45,2%	-10,5%
GOLD (OUNCE/USD)	3.999,7	4.079,6	2,0%	55,5%	27,2%	13,1%	-0,3%
GOLD (GRAM/TRY)	5.430,4	5.552,3	2,2%	86,1%	52,1%	78,9%	40,4%
SILVER (GRAM/TRY)	68,6	68,7	0,3%	109,2%	45,3%	57,1%	44,9%

***XK050**: BIST Participation 50 Index

***Bist100**: BIST 100 Index

***DXV**: Dollar Index

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

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

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

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LEADING INDICATORS

	Indicator	Period	Data	Previous Data	Benchmark Value
New	Industrial Production	September	2,9%	7,3%	
	Manufacturing PMI	October	46,5	46,7	50,0
	Capacity Utilization Rate (seasonally adj.)	October	74,0%	73,8%	
	Import - (capital goods) (annually)	September	14,9%	14,9%	
	Import - (intermediate goods) (annually)	September	69,1%	68,3%	
	Import - (consumption goods) (annually)	September	15,5%	16,5%	
New	Credit Growth Weekly	November (Week 2)	0,13%	0,82%	
	Consumer Confidence Index	October	83,6	83,9	100
	Real sector confidence (seasonally adj.)	October	102	100,2	100
	Service sector confidence (seasonally adj.)	October	110,7	111	100
	Retail sector confidence (seasonally adj.)	October	113,2	109,2	100
	Construction sector confidence (seasonally adj.)	October	83,7	88,3	100
	Car Sales (annually)	September	26,8%	12,8%	
New	House sales - total (annually)	September	-0,5%	6,9%	
New	House sales - mortgage (annually)	September	11,5%	34,4%	
	CPI	October	32,9%	33,3%	
New	CPI expectations (year-end)	October	32,2%	31,8%	
New	Current Year Growth Expectations	November	3,4%	3,3%	
New	Retail Sales Volume (annually)	September	14,3%	12,2%	
New	Current Account Balance (billion USD)	September	1,1	550,0%	
	Unemployment Rate (seasonally adj.)	September	8,6%	8,5%	
New	Dollarization	November (Week 2)	0,6 Billion (-)	0,8 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
17.11.2025	Japan	GDP
17.11.2025	Turkey	Budget Balance
18.11.2025	US	Industrial Production
19.11.2025	Japan	Trade Balance
19.11.2025	Euro Zone	CPI
20.11.2025	Turkey	Consumer Confidence
20.11.2025	US	Nonfarm Payrolls
21.11.2025	US	Philadelphia Fed Manufacturing Index
21.11.2025	Japan	Preliminary Composite PMI
21.11.2025	Germany	Preliminary Manufacturing PMI

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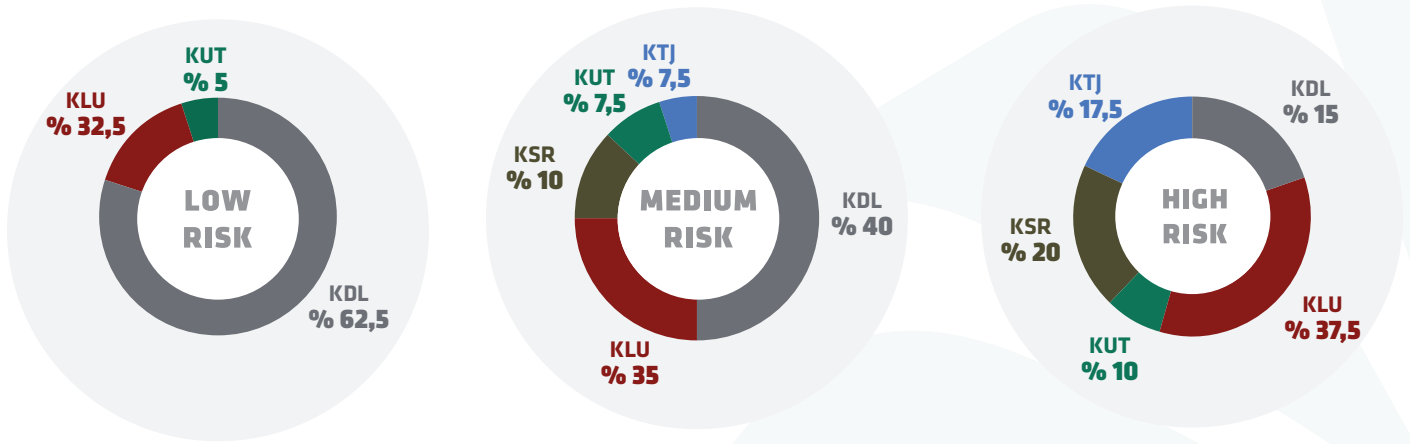
Our Fund Allocation Recommendations

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.

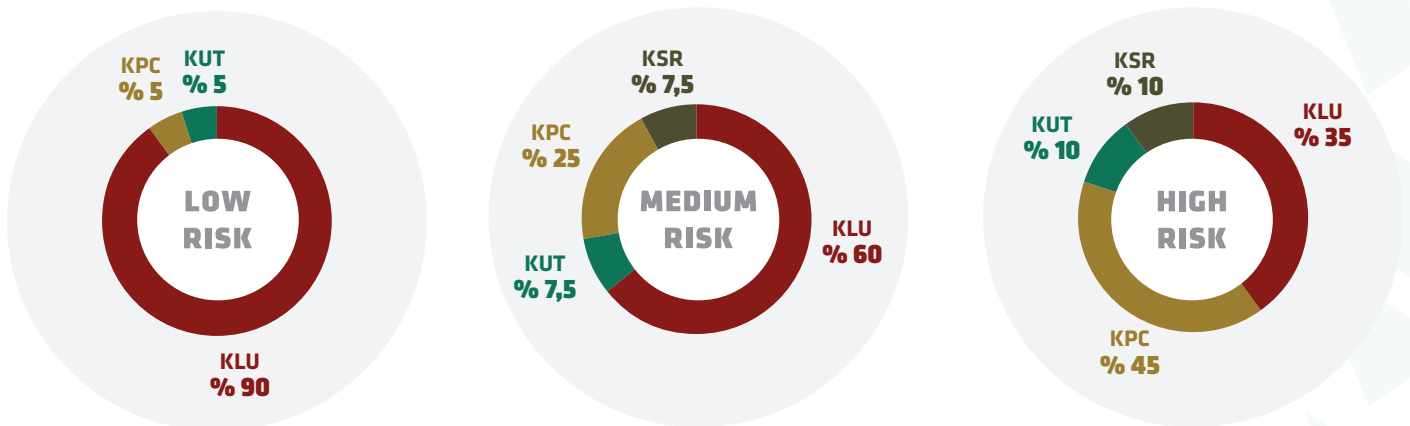
General Investment Recommendations for Those with USD as Their Base Currency

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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