

## Macro note – 2026/I Inflation Report

**In its first inflation report of the year, the Central Bank of the Republic of Türkiye maintains its interim target for the end of 2026 at 16%, while updating its inflation forecast range upwards by 200 basis points, raising the midpoint to 18%. Forward guidance regarding the tight stance continues strongly.**

**Abdulkadir DOGAN**

Chief Economist

[adogan@sekeryatirim.com.tr](mailto:adogan@sekeryatirim.com.tr)

(+90) 212 334 33 33/313

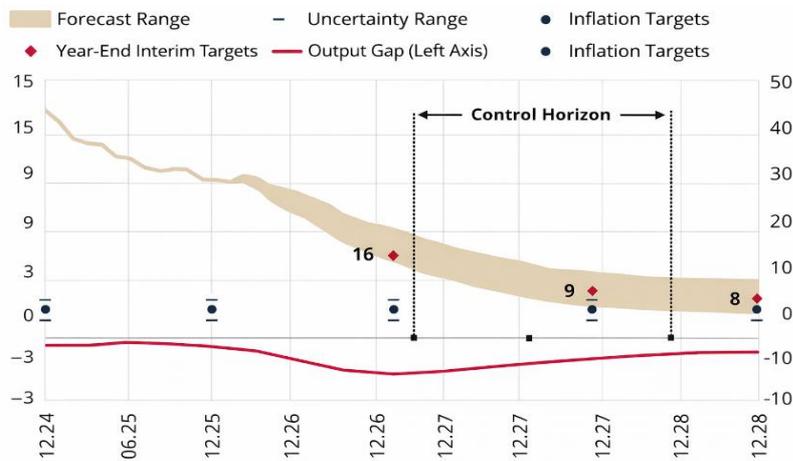
In its first inflation report for 2026, the Central Bank shared its interim targets, medium-term forecasts, outlook for local and global economies, and developments in the real sector and financial markets. In the previous reporting period, the interim target for the end of 2026 was 16 per cent, with a forecast range of 13-19 per cent. In the current reporting period, the interim target has been maintained at 16%, while the lower and upper bands of the forecast have been raised symmetrically by 200 basis points to 15-21%. Thus, the midpoint of the inflation forecast has been updated from 16% to 18%. These updates are based on some changes in the underlying assumptions. Firstly, the export-weighted global growth index has been raised from 2.2% to 2.3%. The positive performance in global growth is followed by downward revisions in oil prices. Average oil prices have been lowered from USD 62.4 to USD 60.9. The revision in import prices reflects a significant change. Import prices, calculated as the annual average % change in USD, have been raised from -0.6% to 2%. Finally, the food inflation assumption has been updated from 18% to 19%, mainly due to domestic supply developments linked to adverse weather conditions. As there has been no change in the intermediate target, we cannot see in which direction and by how many points the update has had an impact. However, as far as can be seen from the nominal figures, while oil prices and global export inflation exerted downward pressure, the increase in food prices balanced this out. We attribute the forecast update to the assumption of deflation in import prices clearly turning into inflationary pressure.

The main highlights of the inflation report's overall assessment are as follows: "The global growth outlook has been moderate throughout 2025, supported by productivity gains, fiscal and monetary policies, and global financial conditions, with the effects of global uncertainties remaining relatively limited. While portfolio inflows to emerging economies fluctuated during the reporting period, global uncertainty remains high due to renewed geopolitical risks in recent times. Financial conditions remained tight, while the share of TL deposits stabilized at around 60 per cent. Economic activity, which accelerated in the second quarter of 2025, slowed somewhat in the third quarter, recording growth close to its quarterly potential. Indicators for the final quarter of 2025 suggest that demand conditions continue to support the disinflation process, albeit to a lesser extent. The labour market is less tight than the headline unemployment rate suggests. The seasonally and calendar-adjusted current account deficit increased in the final quarter of 2025. Consumer inflation fell to 30.7 per cent in January, close to the upper end of the forecast range presented in the previous Report. Inflation is projected with a 70 per cent probability to be in the range of 15 to 21 per cent at the end of 2026 and in the range of 6 to 12 per cent at the end of 2027. Medium-term projections are based on a framework that assumes a firm monetary policy stance will be maintained until price stability is achieved, and that coordination among policy components will be preserved. The summary of the macro-outlook highlights those risks remain elevated due to temporary shocks, even as the disinflation process continues. While both

financial conditions and fiscal policy support disinflation, there is limited negative pressure from the balance of payments. Considering all conditions, it is reiterated that the tight stance will continue until price stability is achieved.

The section containing the updated forecasts and their sources includes the following statements: "Inflation is projected to be in the range of 15 to 21 per cent at the end of 2026, with a 70 per cent probability, and in the range of 6 to 12 per cent at the end of 2027. It is projected that inflation will fall to single digits by the end of 2028 and then stabilize at the medium-term inflation target of 5 per cent. The intermediate targets for 2026 and 2027 remain unchanged at 16 per cent and 9 per cent, respectively, while the target for 2028 has been set at 8 per cent. The CBRT will ensure the monetary tightening required for disinflation in line with the interim targets, taking into account inflation outcomes, the main trend and expectations.

**Graph 1: Inflation and Output Gap Forecasts**



In summary, the Central Bank maintained its year-end interim targets in its first inflation report for 2026, while raising its inflation forecast for 2026 from 16% to 18%. Attention was drawn to the upside risks in import prices and food inflation, while emphasis was placed on the hardening of inflation expectations. The rhetoric regarding the tight monetary stance was reiterated, and it was underscored that decisions on interest rate cuts would depend on the inflation outlook. The CBRT, which effectively utilizes both the monetary transmission mechanism and macro-prudential measures, has once again stated its determination to use all tools at its disposal to bring current inflation closer to its forecast path. We can say that the CBRT's forecasts, which are converging with market forecasts to a limited extent, have become more consistent. In light of current developments and outlook, we maintain our year-end inflation forecast at 23%.

## ŞEKER INVEST RESEARCH

Şeker Yatırım Menkul Değerler A.Ş.  
Buyukdere Cad. No: 171 Metrocity  
A Blok Kat 4-5 34330 SİSLİ /İST  
TURKEY

TEL: +90 (212) 334 33 33  
Fax: +90 (212) 334 33 34  
E-mail: [research@sekeryatirim.com](mailto:research@sekeryatirim.com)  
Web: <http://www.sekeryatirim.com/english/index.aspx>

## For additional information, please contact:

Research

Kadir Tezeller	Head	+90 (212) 334 33 81	<a href="mailto:ktezeller@sekeryatirim.com.tr">ktezeller@sekeryatirim.com.tr</a>
Burak Demirbilek	Utilities	+90 (212) 334 33 33-128	<a href="mailto:bdemirbilek@sekeryatirim.com.tr">bdemirbilek@sekeryatirim.com.tr</a>
Atasav Can Tuglu	Food & Beverages, Automotive, Retail, Aviation	+90 (212) 334 33 33-334	<a href="mailto:atuglu@sekeryatirim.com.tr">atuglu@sekeryatirim.com.tr</a>
Basak Kamber	Glass, Pharmaceutical, Defense, Telcos, Cons. Dur.	+90 (212) 334 33 33-251	<a href="mailto:bkamber@sekeryatirim.com.tr">bkamber@sekeryatirim.com.tr</a>
M. Mucahid Yıldırım	Banking	+90 (212) 334 33 33-150	<a href="mailto:myildirim@sekeryatirim.com.tr">myildirim@sekeryatirim.com.tr</a>
Yusuf Kemal Erdekli	Cement, Conglomerates, Real Estate	+90 (212) 334 33 33-115	<a href="mailto:verdekli@sekeryatirim.com.tr">verdekli@sekeryatirim.com.tr</a>
O. Furkan Ozdemir	Iron & Steel, Oil- Gas & Deriv.	+90 (212) 334 33 33-245	<a href="mailto:oozdemir@sekeryatirim.com.tr">oozdemir@sekeryatirim.com.tr</a>

Economy & Politics

Abdulkadir Dogan	Chief Economist	+90 (212) 334 91 04	<a href="mailto:adogan@sekeryatirim.com.tr">adogan@sekeryatirim.com.tr</a>
------------------	-----------------	---------------------	--

Institutional Sales

Deniz Keskin	Trader	+90 (212) 334 33 36	<a href="mailto:dkeskin@sekeryatirim.com.tr">dkeskin@sekeryatirim.com.tr</a>
Kerim Culum	Trader	+90 (212) 334 33 33-316	<a href="mailto:kculum@sekeryatirim.com.tr">kculum@sekeryatirim.com.tr</a>

**DISCLAIMER**

I, Abdulkadir Dogan, hereby certify that the views expressed in this research accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

This report has been prepared by Şeker Yatırım Menkul Değerler A.Ş. (Şeker Invest, Inc.). The information and opinions contained herein have been obtained from and are based upon public sources that Şeker Invest considers to be reliable. No representation or warranty, express or implied, is made that such information is accurate or complete and should not be relied upon, as such. All estimates and opinions included in this report constitute our judgments as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as an offer or solicitation for the purchase or sale of a security. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advisors as they believe necessary. Şeker Invest may, from time to time, have a long or short position in the securities mentioned in this report and may solicit, perform or have performed investment banking, underwriting or other services (including acting as adviser, manager, underwriter or lender) for any company referred to in this report and may, to the extent permitted by law, have acted upon or used the information contained herein, or the research or analysis upon which it is based, before its publication. This report is for the use of intended recipients and may not be reproduced in whole or in part or delivered or transmitted to any other person without the prior written consent of Şeker Invest. By accepting this document you agree to be bound by the foregoing limitations.

Copyright © 2026 Şeker Invest, Inc.