



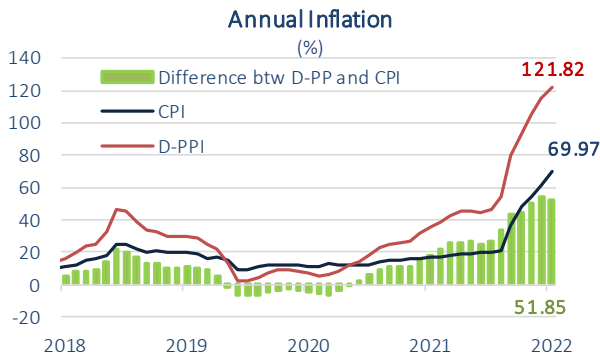
In April, monthly CPI increase was 7.25%.

In April, CPI increased by 7.25% compared to the previous month, rising above the market expectation of 6%. The monthly increase in domestic PPI became 7.67% in April.

April	CPI		D-PPI	
(change %)	2021	2022	2021	2022
Monthly	1.68	7.25	4.34	7.67
Annual	17.14	69.97	35.17	121.82
Annual Average	13.70	34.46	19.44	72.03

Annual D-PPI inflation rose to 121.82%.

Annual CPI inflation, which gained momentum since December of last year, reached its highest level since February 2002 with 69.97% in April. Annual D-PPI inflation, which has been on the rise since September 2021, reached 121.82% in April.



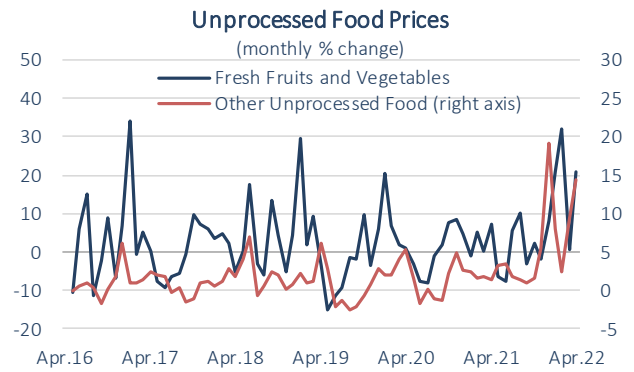
Food, housing and transportation groups came to the fore in the monthly increase in the CPI.

In April, prices in all 12 main spending groups rose compared to the previous month. Food and non-alcoholic beverages group, where prices increased by 13.38% compared to the previous month, pushed monthly inflation up by 347 basis points. In addition to the Ramadan effect, the high course of global fertilizer, feed and energy prices were behind this outlook. Housing group prices, where the rise in natural gas and water prices stood out, also increased by 7.43%, causing inflation to rise by 105 basis points. In this period, the monthly CPI inflation in the transportation group, which was 5.12% mom due largely to the rise in fuel prices, contributed 92 basis points while the prices of the restaurants and hotels group, which increased by 6.95%, added 48 basis points to the monthly CPI inflation.

The annual rise of 89.1% in the food group prices was noteworthy as the group made the highest contribution to annual inflation with 22.6 points. Transportation group, which recorded the fastest increase with 105.9%, pushed up annual inflation by 15.7 points.

The rise in core inflation indicators...

In April, the annual increases in the core inflation indicators B (CPI excluding unprocessed food products, energy, alcoholic beverages and tobacco and gold) and C (CPI excluding energy, food and non-alcoholic beverages, alcoholic beverages, tobacco and gold) were 57.2% and 54.2% respectively. Seasonal products had an upward impact on CPI on a monthly basis. Furthermore, fresh fruit and vegetable prices, which increased by 0.7% mom in March, increased rapidly by 20.85% mom in April. Thus, unprocessed food prices, which rose by 16.8% mom, surged by 100.7% yoy, the fastest annual increase in the 2003-based series.



The food group and energy prices made a high contribution to the annual D-PPI inflation.

In April, prices increased in all sub-sectors of D-PPI. The upward trend in global energy prices due to the Russia-Ukraine war strengthened the inflationary pressures. Food products, where prices increased by 13.86% mom, made the largest contribution to the monthly D-PPI inflation with 2.73 points. In this period, electricity, gas production and distribution group also increased by 8% mom, adding 79 basis points to the monthly D-PPI inflation. In addition, coal and lignite product prices increased by 25.4% mom while crude oil and natural gas product prices rose by 23.32% mom.

In April, the annual price increases in coke & refined petroleum product and electricity, gas production & distribution groups were at high levels, with 249.55% and 247.5%, respectively. In this period, the food group, where prices rose by 115.23%, made the highest contribution to D-PPI inflation with 23.9 points. The electricity, gas production & distribution group and the base metal group, where prices rose 2.5 times on an annual basis, contributed to the annual D-PPI inflation by 17.19 points and 11.88 points, respectively.

Expectations...

The CBRT raised its year-end inflation forecast from 23.2% to 42.8% in its Inflation Report published on April 28. Considering the course of inflation in the first four months of the year and the ongoing upward trend especially in energy and food prices due to geopolitical developments, we expect inflationary pressures to continue in the upcoming period.

		Inflation (%)							
		CPI (2003=100)				D-PPI (2003=100)			
		Monthly	Year to		Annual	Annual	Monthly	Year to	
Date	Annual		Average	Date				Annual	Average
2020	January	1.35	1.35	12.15	14.52	1.84	1.84	8.84	15.71
	February	0.35	1.71	12.37	13.94	0.48	2.33	9.26	14.18
	March	0.57	2.29	11.86	13.33	0.87	3.22	8.50	12.61
	April	0.85	3.16	10.94	12.66	1.28	4.54	6.71	10.87
	May	1.36	4.57	11.39	12.10	1.54	6.15	5.53	9.14
	June	1.13	5.75	12.62	11.88	0.69	6.89	6.17	7.74
	July	0.58	6.37	11.76	11.51	1.02	7.98	8.33	6.81
	August	0.86	7.29	11.77	11.27	2.35	10.52	11.53	6.71
	September	0.97	8.33	11.75	11.47	2.65	13.44	14.33	7.71
	October	2.13	10.64	11.89	11.74	3.55	17.48	18.20	9.11
	November	2.30	13.19	14.03	12.04	4.08	22.26	23.11	10.69
	December	1.25	14.60	14.60	12.28	2.36	25.15	25.15	12.18
2021	January	1.68	1.68	14.97	12.53	2.66	2.66	26.16	13.64
	February	0.91	2.60	15.61	12.81	1.22	3.92	27.09	15.14
	March	1.08	3.71	16.19	13.18	4.13	8.21	31.20	17.04
	April	1.68	5.45	17.14	13.70	4.34	12.91	35.17	19.44
	May	0.89	6.39	16.59	14.13	3.92	17.34	38.33	22.24
	June	1.94	8.45	17.53	14.55	4.01	22.04	42.89	25.38
	July	1.80	10.41	18.95	15.15	2.46	25.05	44.92	28.47
	August	1.12	11.65	19.25	15.78	2.77	28.51	45.52	31.34
	September	1.25	13.04	19.58	16.42	1.55	30.50	43.96	33.83
	October	2.39	15.75	19.89	17.09	5.24	37.34	46.31	36.20
	November	3.51	19.82	21.31	17.71	9.99	51.06	54.62	38.94
	December	13.58	36.08	36.08	19.60	19.08	79.89	79.89	43.86
2022	January	11.10	11.10	48.69	22.58	10.45	10.45	93.53	49.93
	February	4.81	16.45	54.44	25.98	7.22	18.43	105.01	56.83
	March	5.46	22.81	61.14	29.88	9.19	29.31	114.97	64.30
	April	7.25	31.71	69.97	34.46	7.67	39.23	121.82	72.03

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