



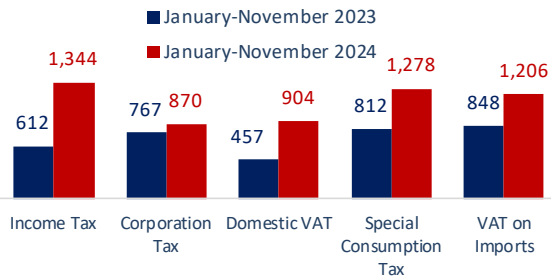
Central government budget posted a deficit of 16.6 billion TRY in November.

In November, central government budget posted the lowest deficit of the last 6 months with 16.6 billion TRY. Treasury cash deficit for this period was realized as 62.2 billion TRY. In November, budget expenditures increased by 42.5% yoy to 956.1 billion TRY, while budget revenues displayed a more moderate rise by 25.8% yoy and became 939.5 billion TRY. In this period, primary budget balance posted a surplus of 129.7 billion TRY. Thus, in the first 11 months of the year, the budget deficit reached 1.3 trillion TRY, approximately 2.4 times higher than its level in the same period of the previous year.

In November, tax revenues increased by 22.6% yoy.

In November, tax revenues increased by 22.6% yoy to 819.4 billion TRY. In this period, the 30.5% annual decline in corporate tax revenues was the main factor limiting tax revenues. In November, the rise in special consumption tax (SCT) revenues was limited to 37%. On the other hand, revenues from income tax (117.9%), domestic value-added tax (101.5%) and banking and insurance transaction tax (133.3%) increased above the annual CPI inflation in November. In the same period, rising by 53.3% yoy, revenues from interest, shares and fines supported the budget revenues as well.

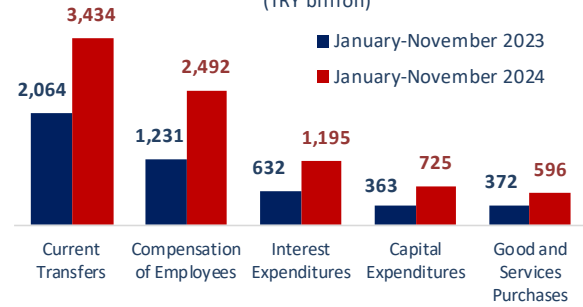
Tax Revenues
(TRY billion)



Personnel expenses increased by 81.8% yoy.

In November, compensation of employees recorded the highest annual rise by 81.8% yoy, while social security contributions followed this expenditure group with an increase of 74.5%. In the same period, current transfers, which went up by 44.6% yoy in line with the shares from revenues (91.9 billion TRY) and Treasury aids (85.8 billion TRY) as well as the payments made to special security agencies (60.7 billion TRY) and public enterprises (45.7 billion TRY) under duty losses expenditures, had the highest share in budget expenditures with 35.9%. In November, interest expenditures increased by 54.6% yoy to 146.3 billion TRY due to the rise in interest expenditures on TL Treasury Bonds. In this period, capital expenditures increased by 32.5% yoy and became 88.3 billion TRY. In November, the only item that decreased on an annual basis was capital transfers, which declined by 82.1% yoy to 10 billion TRY.

Budget Expenditures
(TRY billion)



Expectations...

In November, budget revenues increased well below the annual CPI inflation due to the decline in corporate tax and property revenues. In this period, budget expenditures displayed a higher rise compared to revenues by 42.5%. Nevertheless, the cumulative budget deficit, which was realized as 1.3 trillion TRY in the January-November period, constituted 59.4% of the target set for the whole year in the Medium Term Program. The realization in the first 11 months of the year indicates that the budget deficit will be below the targeted level of 2.1 trillion TRY at the end of 2024.

Central Government Budget

	November		%	January-November		%	(billion TRY)	
	2023	2024		2023	2024		MTP Target	Real./ MTP Target (%)
Expenditures	671.2	956.1	42.5	5,193.0	9,070.2	74.7	11,213.1	80.9
Interest Expenditures	94.6	146.3	54.6	632.3	1,195.2	89.0	1,297.8	92.1
Non-Interest Expenditures	576.6	809.8	40.5	4,560.7	7,875.0	72.7	9,915.4	79.4
Revenues	746.8	939.5	25.8	4,660.5	7,793.3	67.2	9,064.7	86.0
Tax Revenues	668.5	819.4	22.6	4,060.0	6,597.1	62.5	7,605.5	86.7
Other Revenues	78.3	120.0	53.2	600.6	1,196.2	99.2	1,459.2	82.0
Budget Balance	75.6	-16.6	-	-532.4	-1,276.9	139.8	-2,148.5	59.4
Primary Balance	170.2	129.7	-23.8	99.8	-81.7	-	-850.7	9.6

Source: Datastream , Ministry of Treasury and Finance

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