

GDP Growth Q4-2025

The Turkish economy grew by 3.6% in 2025.

According to the chain-volume index, the Turkish economy grew by 3.4% yoy in the last quarter of 2025, close to market expectations (3.5%). TurkStat revised its growth figures for the second and third quarters of 2025 from 4.9% to 4.7% and from 3.7% to 3.8%, respectively. Thus, the Turkish economy grew by 3.6% in 2025, exceeding the 3.3% growth rate projected in the Medium-Term Program.

According to seasonally and calendar-adjusted data, the Turkish economy, which grew by 1.0% qoq in the third quarter, lost momentum in the last quarter and expanded by 0.4%. In 2025, GDP at current prices rose to 63.0 trillion TRY, or 1.6 trillion USD, while GDP per capita reached 18,040 USD.

Contributions to Growth		(% points)				
	2024	2025				Annual
	Annual	Q1	Q2	Q3	Q4	
Consumption	2.8	1.5	3.1	3.2	3.5	2.9
Private	3.0	1.3	3.1	2.8	3.7	2.8
Public	-0.1	0.3	0.0	0.3	-0.1	0.1
Investment	0.7	0.5	2.3	2.8	1.4	1.8
Stock Change	-1.2	0.9	0.6	-1.1	-0.2	0.0
Net Exports	1.0	-0.5	-1.3	-1.0	-1.4	-1.1
Exports	0.0	0.1	0.4	-0.2	-0.5	-0.1
Imports	1.0	-0.5	-1.8	-0.8	-0.9	-1.0
GDP (yoy, %)	3.3	2.5	4.7	3.8	3.4	3.6

Note: Numbers may not add to total due to rounding.

In the last quarter of the year, consumption expenditures accelerated, while net exports continued to limit growth.

According to the chain-volume index, public expenditures limited annual growth by 0.1 percentage points in the last quarter of the year, while private consumption expenditures gained momentum and contributed 3.7 percentage points to growth. While non-durable goods consumption accelerated in the last quarter, durable goods consumption maintained its strong performance despite losing momentum. On the other hand, the contribution of investment to growth, which was 2.3 and 2.8 percentage points in the second and third quarters, respectively, slowed down in the last

Household Consumption Expenditures

(clvi, annual % change)



*Calculated by excluding agriculture, industry, construction and tax & subsidy items from the GDP data.

quarter to 1.4 percentage points. Net exports continued to limit growth (by 1.4 points) in the last quarter, as they did in the first three quarters of the year.

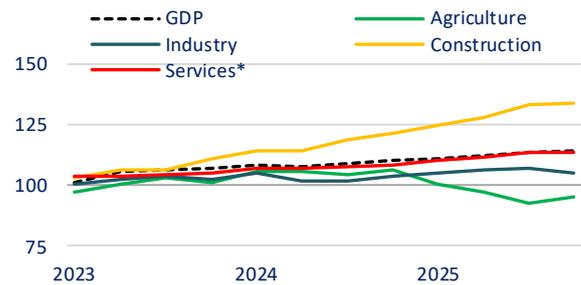
Thus, similar to 2024, consumption expenditures contributed 2.9 points to growth in 2025 as a whole. The contribution of investment expenditures to growth rose from 0.7 points in 2024 to 1.8 points in 2025. Net exports limited growth by 1.1 points throughout 2025.

All sectors except agriculture contributed positively to growth.

According to the production approach, the annual contraction recorded in the third quarter of the year (-12.4%) in the agriculture sector due to the impact of frost continued in the last quarter, albeit at a lower rate (-7.2%), thus limiting annual growth by 0.3 percentage points during this period. The industrial sector, which contributed 1.1 points to growth in both the second and third quarters, contributed only 0.2 points to growth in the last quarter. During the same period, the construction sector continued to contribute to growth (0.4 points). Among the sectors, the sector that contributed the most to growth in the last quarter of the year was the services* sector with 2.0 points.

Real GDP by Production Approach

(sa, index, 2022=100)



Looking at 2025 as a whole, the agriculture sector, which recorded its fastest contraction since 2001, was the only item that limited growth in 2025 as a whole, with 0.5 points. The industrial sector, due to its performance in the second and third quarters, and the construction sector, which grew by 10.8% in 2025 as a whole, each contributed 0.5 points to growth throughout the year. The services* sector was the sector that supported growth the most, with 2.2 points.

Expectations...

While the contraction in agricultural production continued in the last quarter of 2025, the slowdown in industrial production indicated that pressures on production activities persisted. On the other hand, despite the continued tight stance in monetary policy, consumption expenditures continued to gain momentum in the last quarter of the year, indicating that domestic demand remained robust during this period, while net exports continued to limit growth. Although investment spending lost momentum, it continued to contribute to growth, which was recorded as a positive development. In 2026, the effects of geopolitical developments on commodity prices and global demand conditions will be closely monitored in terms of the course of growth.

Source: Datastream, Turkstat

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