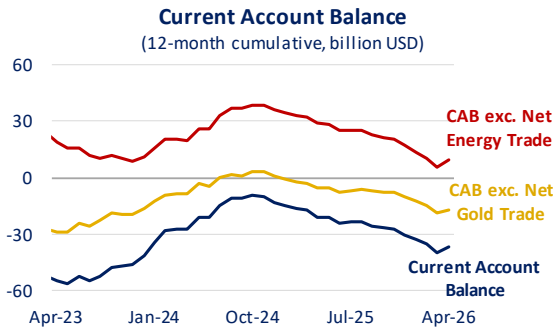




Current account deficit stood at 5.7 billion USD in April.

The current account deficit in April came in at 5.7 billion USD, close to market expectations. In the same period last year, the current account deficit was 8.4 billion USD. Front-loaded demand for exports due to geopolitical uncertainties and a relatively mild increase in imports supported the current account outlook. Excluding net gold and energy trade, the current account balance posted a surplus for the first time in five months and the 12-month current account deficit, which was 39.7 billion USD in March, fell to 37 billion USD in April.

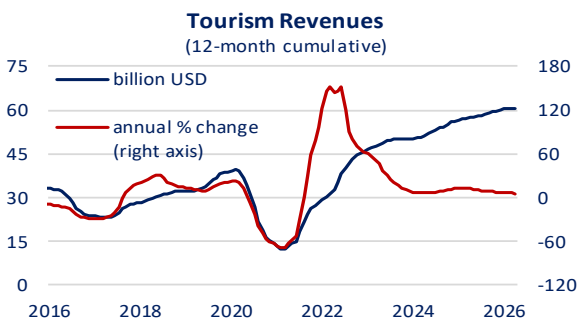


The trade deficit narrowed by 31% yoy.

In April, according to the balance of payments defined foreign trade data, exports rose by 19.5% yoy, while imports increased by 3.2%. Therefore, the trade deficit narrowed by 31.1% yoy to 6.8 billion USD. In April, net non-monetary gold imports fell by 62.3% yoy to 824 million USD, while net energy imports expanded by 38.9% to 5.2 billion USD. During the same period, services revenues declined by 2.8% yoy. Tourism revenues, which accounted for 44.1% of total services revenues, fell by 4.7% yoy. While the annual increase in tourism expenditures was 1.6%, net tourism revenues fell by 5.8% yoy in April, reaching 2.9 billion USD.

In January-April 2026 period, the trade deficit widened by 19.1% yoy. During this period, net non-monetary gold imports fell by 8.4% yoy, while net energy imports also declined by 2.2%.

While net services revenues fell by 5.8% in January-April 2026 period, net tourism revenues rose by 5.3% to reach 10 billion USD. Based on 12-month cumulative data,



tourism revenues continued its almost flat trend hovering around 60 billion USD.

In April, the “other investments” account stood out in financing the current account deficit.

In April, a record-high net capital inflow of 14.7 billion USD was recorded under the “other investments” account. Of this net inflow, 9.6 billion USD came from the “currency and deposits” account, while 4.7 billion USD originated from loans used from abroad. During this period, non-residents increased their deposits held within domestic banks by 4.2 billion USD, while residents reduced their foreign currency and deposits by 5.4 billion USD. Non-banking sectors borrowed a net 3.3 billion USD from abroad, while banks also utilized a net 1.4 billion USD in credit from abroad. According to 12-month cumulative data, the long-term debt rollover ratio remained at high levels, standing at 150% in the banking sector and 224% in other sectors.

Portfolio investments recorded a net capital inflow in April...

Following a capital outflow of 14.8 billion USD in March due to geopolitical developments, portfolio investments saw a capital inflow of 4.1 billion USD in April. During this period, non-residents made net purchases of 4.3 billion USD in the equity securities and investment fund shares, while in the debt securities market, they made net purchases totaling 2.2 billion USD, 2 billion USD of which was the inflows stemming from the Treasury’s eurobond issuance.

The moderate trend in direct investment continues.

In April, non-residents direct investments in Türkiye became 1.1 billion USD. Total inflows for the January-March period was 2.6 billion USD. During this period, a capital outflow of 640 million USD was recorded due to domestic residents’ net asset acquisitions abroad, resulting in a net capital inflow of 447 million USD under the direct investments account.

Looking at real estate investments covered under the direct investment category, it was observed that in April, net real estate purchases by non-residents in Türkiye and by domestic residents from abroad stood at moderate levels with 164 million USD and 187 million USD, respectively.

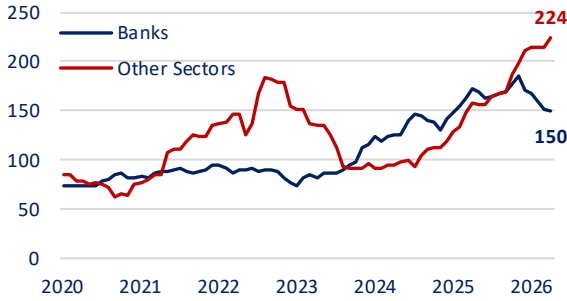
Reserves and net errors and omissions...

Reserve assets, which declined by 43.4 billion USD in March, increased by 12 billion USD in April. Capital outflows recorded in the net error and omission item during the same period amounted to 1.5 billion USD. While the decline in reserves during the January-April period was 30 billion USD, outflows recorded in the net error and omission item stood at 17.7 billion USD.

Balance of Payments

April 2026

Long-term Debt Rollover Ratios (12-month cumulative, %)



Expectations...

While risks to the trade deficit continue to be on the upside due to geopolitical tensions, preliminary data suggest that the trade deficit narrowed in May, as was also the case in April. During this period, energy imports rose by 43.4% yoy. On the other hand, gold imports fell by 55.5% yoy supporting the trade balance. Consequently, while total imports declined by 10.7%, the decline in imports excluding energy and gold was 16.1%, driven by also moderate domestic demand and calendar effects.

Looking at the first five months of the year, exports recorded a mild increase of 0.3% yoy, while the imports registered an increase of 1.2% yoy. During this period, the trade deficit widened by 3.6% to 42.7 billion USD.

Despite ongoing geopolitical tensions in the Middle East, we anticipate that the expected increase in tourism revenues during the summer months will somewhat limit the upward risks on the current account deficit in the coming period. The current account deficit-to-GDP ratio, which stood at 1.9% at the end of last year, has reached 2.4% in the first quarter when calculated based on the four-quarter cumulative totals. In the CBRT'S Survey of Market Participants published today, the year-end current account deficit forecast stands at 49.2 billion USD and we believe that the current account deficit-to-GDP ratio could hover around 3% by the year-end.

Balance of Payments

(million USD)

	Apr. 2026	Jan. - Apr. 2025	Jan. - Apr. 2026	% Change	12-month Cumulative
Current Account Balance	-5,695	-22,586	-29,372	30.0	-36,984
Foreign Trade Balance	-6,819	-25,760	-30,690	19.1	-74,767
Services Balance	3,670	11,930	11,241	-5.8	62,814
Travel (net)	2,882	9,535	10,041	5.3	51,534
Primary Income	-2,399	-8,497	-9,024	6.2	-23,847
Secondary Income	-147	-259	-899	247.1	-1,184
Capital Account	-11	13	-85	-	-239
Financial Account	-7,170	-30,580	-47,144	54.2	-66,303
Direct Investment (net)	-447	-469	-195	-58.4	-2,870
Portfolio Investment (net)	-4,053	8,777	596	-93.2	-11,661
Net Acquisition of Financial Assets	2,368	2,601	8,717	235.1	20,164
Net Incurrence of Liabilities	6,421	-6,176	8,121	-	31,825
Equity Securities	4,267	312	3,469	1,011.9	10,457
Debt Securities	2,154	-6,488	4,652	-	21,368
Other Investment (net)	-14,689	-2,305	-17,510	659.7	-36,293
Currency and Deposits	-9,631	6,529	4,824	-26.1	12,598
Net Acquisition of Financial Assets	-5,435	4,100	5,961	45.4	13,720
Net Incurrence of Liabilities	4,196	-2,429	1,137	-	1,122
Central Bank	-309	-6,081	-1,644	-73.0	-7,371
Banks	4,505	3,652	2,781	-23.8	8,493
Foreign Banks	4,035	3,368	1,306	-61.2	7,124
Foreign Exchange	1,790	2,104	-1,307	-	-15
Turkish Lira	2,245	1,264	2,613	106.7	7,139
Non-residents	470	284	1,475	419.4	1,369
Loans	-4,651	-7,633	-18,394	141.0	-48,180
Net Acquisition of Financial Assets	311	2,528	-6,324	-	-6,129
Net Incurrence of Liabilities	4,962	10,161	12,070	18.8	42,051
Banking Sector	1,445	4,180	4,073	-2.6	14,495
Non-bank Sectors	3,345	6,009	7,690	28.0	25,206
Trade Credit and Advances	-402	-1,206	-3,932	226.0	-666
Other Assets and Liabilities	-5	6	-8	-	-45
Reserve Assets (net)	12,019	-36,583	-30,035	-17.9	-15,479
Net Errors and Omissions	-1,464	-8,007	-17,687	120.9	-29,080

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