



**Monthly CPI inflation stood at 1.71% in May.**

In May, the CPI rose by 1.71% on a monthly basis, exceeding market expectations (1.63%). During this period, annual CPI inflation also rose to 32.61%.

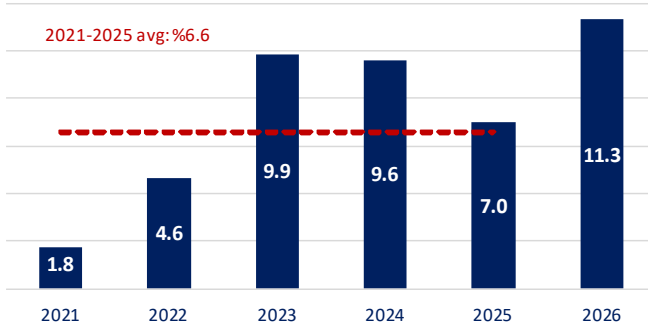
In May, the monthly increase in the D-PPI was relatively high at 2.75%. Consequently, annual D-PPI inflation reached 28.93%, extending the upward trend into the fifth consecutive month.

May (change %)	CPI		D-PPI	
	2025	2026	2025	2026
Monthly	1.53	1.71	2.48	2.75
Year-to-Date	15.09	16.61	12.92	14.04
Annual	35.41	32.61	23.13	28.93
Annual Average	45.80	32.24	30.17	26.96

**Seasonal factors were the key driver behind the rise in the CPI.**

In May, the clothing and footwear category, where prices rose by 11.29% on a monthly basis due to the new season, was the subcategory that contributed the most to the main index, adding 0.75 pps. In addition to the lagged effects of high global energy prices, the increases in airfare and bus ticket prices recorded in May, driven by the Republic Day and Eid holidays, led to a 2.03% rise in transportation group prices, lifting the main index by 0.35 pps. During this period, the monthly increase in housing group prices also reached 2.28%, contributing 0.27 pps to inflation.

**Clothing and Footwear May Inflation**  
(mom, %)



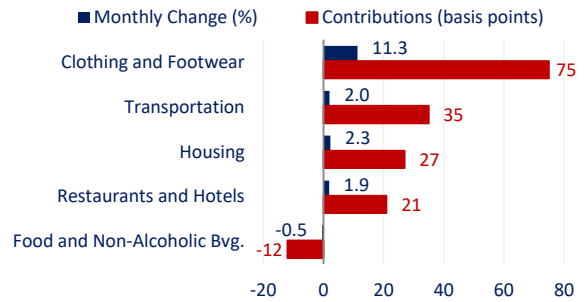
While the impact of other sub-indices remained relatively limited in May, a positive development was the 0.48% monthly decline in prices within the food and non-alcoholic beverages group, which reduced the main index by 0.12 pps. The 9.34% decline in fresh fruit and vegetable prices was the key factor behind the drop in the food and non-alcoholic beverages index.

Another notable positive development in May was that energy prices recorded their sharpest monthly decline since May 2023, falling by 0.17%. In particular, the drop in diesel prices limited the rise in the CPI by 0.11 pps during this period. On the other hand, the decline in both energy and food prices in May caused the monthly increases in the B (2.87%) and C (2.92%) core indices—which exclude energy and food groups—to diverge significantly from headline inflation. The fact that the A index, which excludes seasonal products, rose by 1.63% monthly, below headline inflation, confirmed the impact of price

developments in seasonal products, particularly in the clothing and footwear group, on inflation.

Service prices, which have shown high inertia during the disinflation process, rose by 2.30% on a monthly basis in May; although this increase marked a slowdown compared to the previous month, the increase remained above the level recorded in May of the previous year. On the other hand, the continued deceleration in rent prices, which rose by 2.15% during this period, was noted as another positive development.

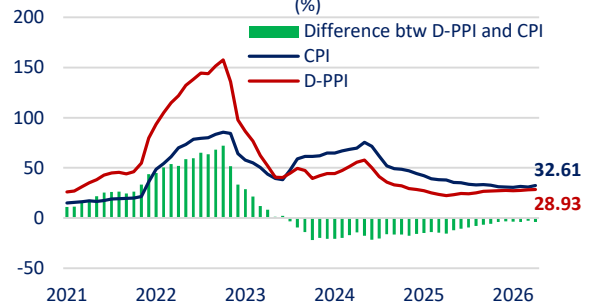
**Contributions of Major Expenditure Groups**



**The rise in annual producer price inflation continues.**

In May, the “electricity, gas production, and distribution” category was the subcategory that contributed the most (0.85 pps) to the PPI, with a monthly increase of 12.04%. During this period, the 1.55% increase in food products also contributed 0.31 pps to monthly inflation, supporting the acceleration of producer prices. Crude and refined petroleum products, which recorded a record increase in April, fell by 1.82% on a monthly basis in May, becoming the main category limiting the core index.

**Annual Inflation**  
(%)



**Expectations...**

In the first five months of 2026, when the disinflation process stalled, annual inflation exhibited a more resilient rigidity than expected. In June, price developments in basic expenditure groups such as food and clothing are expected to present a positive picture for the inflation outlook. However, it is observed that the delayed effects of high energy prices on inflation and the increasing global inflationary pressures have negatively impacted domestic inflation expectations. In this context, it is expected that the course of energy prices and the effectiveness of the measures taken in the fight against inflation will continue to be decisive in the course of inflation in the upcoming period.

Inflation (%)

	CPI (2025=100)				D-PPI (2003=100)				
	Monthly	Year to Date	Annual	Annual Average	Monthly	Year to Date	Annual	Annual Average	
<b>2024</b>	January	6.70	6.70	64.86	54.72	4.14	4.14	44.20	47.35
	February	4.53	11.54	67.07	55.91	3.74	8.03	47.29	45.71
	March	3.16	15.06	68.50	57.50	3.29	11.59	51.47	45.28
	April	3.18	18.72	69.80	59.64	3.60	15.61	55.66	45.83
	May	3.37	22.72	75.45	62.51	1.96	17.87	57.68	47.24
	June	1.64	24.73	71.60	65.07	1.38	19.49	50.09	47.97
	July	3.23	28.76	61.78	65.93	1.94	21.81	41.37	47.55
	August	2.47	31.94	51.97	64.91	1.68	23.86	35.75	46.23
	September	2.97	35.86	49.38	63.47	1.37	25.55	33.09	44.81
	October	2.88	39.77	48.58	62.02	1.29	27.17	32.24	43.93
	November	2.24	42.91	47.09	60.45	0.66	28.01	29.47	42.60
	December	1.03	44.38	44.38	58.51	0.40	28.52	28.52	41.10
<b>2025</b>	January	5.03	5.03	42.12	56.35	3.06	3.06	27.20	39.50
	February	2.27	7.42	39.05	53.83	2.12	5.24	25.21	37.55
	March	2.46	10.06	38.10	51.26	1.88	7.23	23.50	35.23
	April	3.00	13.36	37.86	48.73	2.76	10.19	22.50	32.65
	May	1.53	15.09	35.41	45.80	2.48	12.92	23.13	30.17
	June	1.37	16.67	35.05	43.23	2.46	15.71	24.45	28.34
	July	2.06	19.08	33.52	41.13	1.73	17.70	24.19	27.07
	August	2.04	21.50	32.95	39.62	2.48	20.62	25.16	26.28
	September	3.23	25.43	33.29	38.36	2.52	23.66	26.59	25.83
	October	2.55	28.63	32.87	37.15	1.63	25.67	27.00	25.49
	November	0.87	29.74	31.07	35.91	0.84	26.72	27.23	25.37
	December	0.89	30.89	30.89	34.88	0.75	27.67	27.67	25.36
<b>2026</b>	January	4.84	4.84	30.65	33.98	2.67	2.67	27.17	25.39
	February	2.96	7.95	31.53	33.39	2.43	5.16	27.56	25.60
	March	1.94	10.04	30.87	32.82	2.30	7.58	28.08	25.98
	April	4.18	14.64	32.37	32.43	3.17	10.99	28.59	26.48
	May	1.71	16.61	32.61	32.24	2.75	14.04	28.93	26.96

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