



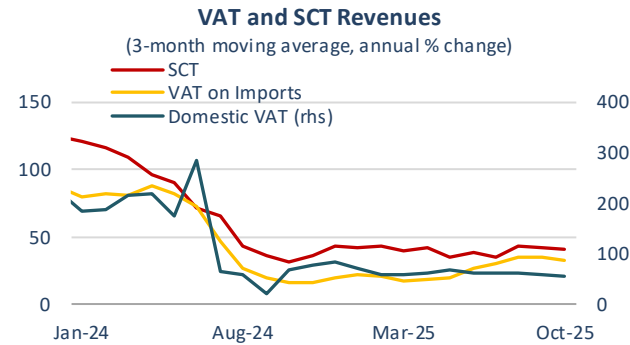
### The central government budget posted a deficit of 223.2 billion TRY in October.

In October, central government budget revenues increased by 49.1% yoy to 1.1 trillion TRY, while budget expenditures rose by 43.4% to 1.4 trillion TRY. Thus, the central government budget posted a deficit of 223.2 billion TRY in October, while primary budget deficit was 65.8 billion TRY.

In January-October period, central government budget deficit increased by 14.3% yoy to 1.4 trillion TRY. The primary budget balance, which recorded a deficit of 211 billion TRY in the same period last year, recorded a surplus of 379.3 billion TRY.

### Tax revenues increased by 51.6% yoy in October.

Tax revenues rose by 51.6% yoy in October, reaching 976 billion TRY. Income tax, which accounts for 31.1% of tax revenues, increased by 90% during this period, rising to 303.4 billion TRY. The annual increase in special consumption tax revenues, which accounted for 19.1% of tax revenues in October, was 33.9%. The increase in special consumption tax revenues was largely driven by special consumption tax collected from motor vehicle sales, which rose 47.7% yoy, in line with the continued positive performance of the automobile market. During this period, the pace of increase in domestic VAT revenues, which accounted for 16.4% of tax revenues, was 52.3%, continuing to remain higher than the annual CPI inflation. VAT collected on imports, which accounted for 16.2% of tax revenues, increased by 33.1% on an annual basis, contributing 158.4 billion TRY to budget revenues.



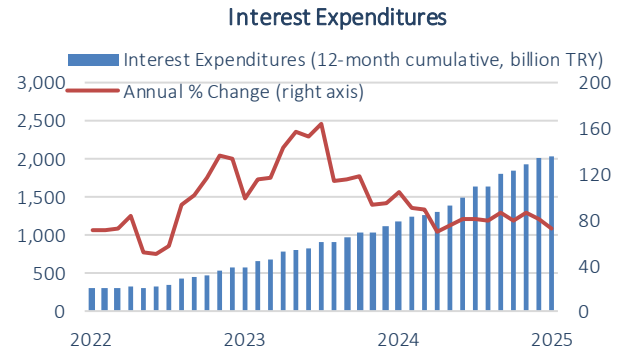
### Non-tax revenues increased by 36.2% annually.

Non-tax revenues increased by 36.2% yoy in October and by 32.2% yoy in the first 10 months of the year. Interest, shares, and fines, which account for 67% of these revenues, recorded an

annual increase of 63.7% during this period. While 787.9 billion TRY in revenue was generated in this category for the whole year of 2024, this figure stands at 833.4 billion TRY for the first 10 months of this year.

### Non-interest expenditures increased by 48% in October.

Non-interest budget expenditures rose by 48% in October, recording the fastest annual increase in the last 12 months. Current transfers, which accounted for 42.9% of these expenditures, increased by 48.6% to 520.3 billion TRY, while personnel expenditures, which accounted for 27.4%, reached 332.8 billion TRY with a 37.8% increase on an annual basis. Capital expenditures, which accounted for 11% of non-interest expenditures during this period, increased by 27.9%, while goods and services purchase expenditures, which accounted for 8.3%, increased by 59%.



The annual increase in interest expenditures in October was 15.6%, a more moderate annual rise compared to the increases recorded throughout the year. Interest expenditures increased by 73.5% yoy in the January-October period and accounted for 15.7% of total expenditures during this period.

### Expectations...

In October, the pace of the increase in tax revenues was close to its average recorded for the first nine months, while non-interest expenditures registered the fastest annual increase recorded in the last 12 months. The course of the budget deficit seen in the first 10 months of the year indicates that the 2.2 trillion TRY realization estimate for 2025 is achievable. In terms of the support of fiscal policy to fight against inflation, the trend in non-interest expenditures will continue to be followed closely in the coming period.

### Central Government Budget

	October		%	January-October		%	2025 Budget	MTP	(billion TRY)
	2024	2025	Change	2024	2025	Change	Target	Target	Real./ MTP Target (%)
<b>Expenditures</b>	<b>955.5</b>	<b>1,370.3</b>	<b>43.4</b>	<b>8,114.1</b>	<b>11,592.5</b>	<b>42.9</b>	<b>14,731.0</b>	<b>14,674.1</b>	<b>79.0</b>
Interest Expenditures	136.2	157.4	15.6	1,048.9	1,819.8	73.5	1,950.0	2,052.7	88.7
Non-Interest Expenditures	819.3	1,212.9	48.0	7,065.2	9,772.7	38.3	12,781.0	12,621.4	77.4
<b>Revenues</b>	<b>769.2</b>	<b>1,147.1</b>	<b>49.1</b>	<b>6,853.8</b>	<b>10,152.0</b>	<b>48.1</b>	<b>12,800.3</b>	<b>12,465.9</b>	<b>81.4</b>
Tax Revenues	643.6	976.0	51.6	5,777.7	8,729.5	51.1	11,138.8	10,733.6	81.3
Other Revenues	125.6	171.1	36.2	1,076.2	1,422.5	32.2	1,661.6	1,732.3	82.1
<b>Budget Balance</b>	<b>-186.3</b>	<b>-223.2</b>	<b>19.8</b>	<b>-1,260.3</b>	<b>-1,440.5</b>	<b>14.3</b>	<b>-1,930.7</b>	<b>-2,208.3</b>	<b>65.2</b>
<b>Primary Balance</b>	<b>-50.1</b>	<b>-65.8</b>	<b>31.4</b>	<b>-211.4</b>	<b>379.3</b>	<b>-</b>	<b>19.3</b>	<b>-155.6</b>	<b>-</b>

Numbers may not add up to total value due to rounding.

Source: Datastream , Ministry of Treasury and Finance

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