



#### CPI rose by 0.89% mom in December.

Monthly CPI inflation, which was recorded at 0.87% in November, remained below 1% in December and became 0.89%. Market expectation was 0.98%. The monthly rise of 0.89% corresponds to the lowest increase recorded in December months since 2019. Monthly inflation in D-PPI also stood at 0.75% in the last month of the year.

December	CPI		D-PPI	
(change %)	2024	2025	2024	2025
Monthly	1.03	0.89	0.40	0.75
Annual	44.38	30.89	28.52	27.67
Annual Average	58.51	34.88	41.10	25.36

Annual CPI inflation ended 2025 at 30.89%, while annual D-PPI inflation was 27.67%. At the end of last year, these figures were 44.38% and 28.52%, respectively.

#### Price declines in the clothing and footwear and transportation groups limited monthly inflation by a total of 0.34 points.

In December, prices increased on a monthly basis in 10 out of 12 main expenditure categories. The fastest monthly increases were recorded in the communications and food and non-alcoholic beverages groups, at 2.91% and 1.99% respectively, while the two main categories that saw monthly declines were clothing and footwear and transportation. When evaluated by contributions to the monthly inflation figure, food and non-alcoholic beverages stood out with 0.48 points contribution, while the housing, water, electricity, gas and other fuels group made the second largest contribution with 0.24 points. Clothing and footwear and transport items limited monthly CPI inflation by a total of 0.34 points.

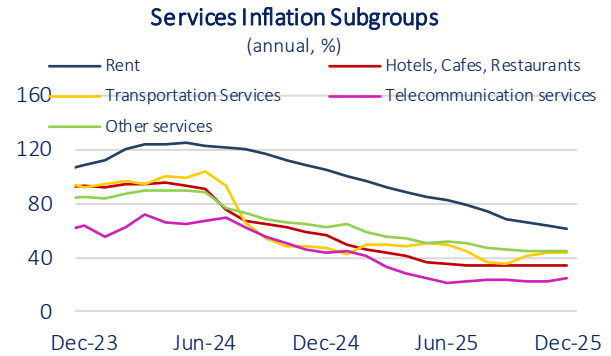
Looking at annual price changes in the said expenditure groups, education (66.27%) and housing, water, electricity, gas and other fuels (49.45%) stand out this year, as it was also the case last year. The lowest annual increases in 2025, on the other hand, were recorded in communications group at 19.04% and the clothing and footwear group at 6.5%. During this period, the housing, water, electricity, gas and other fuels group made the highest contribution with 7.5 points, to the annual inflation of 30.89%, while food and non-alcoholic beverages contributed 7.1 points and transport items contributed 4.4 points.

#### Monthly inflation rates in the B and C core CPI indicators were below headline inflation...

Fresh fruits and vegetables prices, which fell by 6.09% mom in November, declined by a limited 0.11% in December. In line with this picture, monthly CPI inflation excluding seasonal products exceeded headline CPI inflation in December, as it also did in November. However, B CPI index, excluding unprocessed food, energy, alcoholic beverages, tobacco and gold, increased by 0.78% on a monthly basis. The core inflation indicator C, also increased by 0.63% on a monthly basis, pointing to a momentum below the headline inflation.

#### Annual rent inflation fell to 61.61%.

December data, which paints a positive picture about the underlying trend in inflation, also shows that the momentum in services inflation has continued to slow. During this period, monthly services group inflation was 0.89%, the lowest level since April 2021, while prices in the rent group, one of the sub-items of the services group, increased by 1.65% on a monthly basis, showing the weakest monthly increase since December 2021. Annual price increases in these two categories fell to 43.99% (2024-end: 65.73%) and 61.61% (2024-end: 105.82%), respectively, during this period.



#### Electricity, gas sector limited the monthly D-PPI inflation.

In December, the monthly increase in producer prices was 0.75%, the lowest level of the year. During this period, the sectors that contributed most to the monthly D-PPI inflation were food products and basic metals, each contributing 0.14 points. The electricity, gas sector, where prices fell by 3.0% on a monthly basis, became the sector that limited the increase in the D-PPI the most, with 0.25 points. Prices of coke and refined petroleum products also fell by 7.84% on a monthly basis, pulling down the monthly PPI inflation by 0.21 points.

Looking at the annual changes in the producer prices, the fastest price increase was 87.42% in the metal ores sector, while the lowest annual increase was 12.39% recorded in the crude petroleum and natural gas sector. Food products group contributed the most to the annual D-PPI inflation with 6.7 points.

#### Expectations...

In December, parallel to the loss of momentum in inflation that spread across most sub-items, core inflation indicators pointed to an improvement in the underlying trend of inflation based on 3-month moving averages. Even though monthly CPI inflation in the first month of 2026 is expected to be higher than in the previous months due to updates in administered prices and adjustments in service prices, we expect the inflation print to be below the level seen in January 2025 and therefore we expect the disinflation process to continue.

		Inflation (%)							
		CPI (2003=100)				D-PPI (2003=100)			
		Monthly	Year to Date	Annual	Annual Average	Monthly	Year to Date	Annual	Annual Average
2023	January	6.65	6.65	57.68	72.45	4.15	4.15	86.46	125.53
	February	3.15	10.00	55.18	71.83	1.56	5.78	76.61	120.72
	March	2.29	12.52	50.51	70.20	0.44	6.25	62.45	113.73
	April	2.39	15.21	43.68	67.20	0.81	7.11	52.11	105.50
	May	0.04	15.26	39.59	63.72	0.65	7.81	40.76	95.80
	June	3.92	19.77	38.21	59.95	6.50	14.82	40.42	86.59
	July	9.49	31.14	47.83	57.45	8.23	24.27	44.50	78.51
	August	9.09	43.06	58.94	56.28	5.89	31.59	49.41	71.97
	September	4.75	49.86	61.53	55.30	3.40	36.06	47.44	65.55
	October	3.43	55.00	61.36	54.26	1.94	38.70	39.39	58.46
	November	3.28	60.09	61.98	53.40	2.81	42.59	42.25	53.15
	December	2.93	64.77	64.77	53.86	1.14	44.22	44.22	49.93
2024	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
2025	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

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