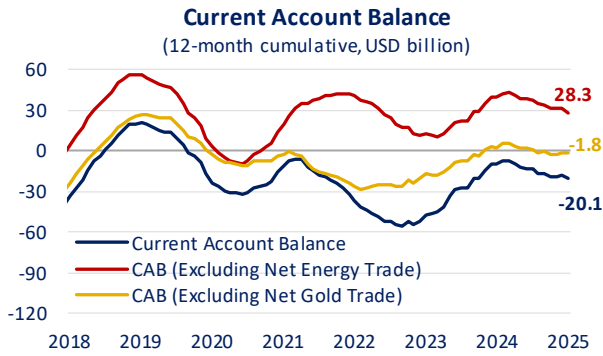




Balance of Payments September 2025

The current account balance recorded a surplus of 1.1 billion USD in September.

The current account balance continued to record a surplus of 1.1 billion USD in September, following a historically high surplus of 5.4 billion USD in August. On the other hand, the current account deficit in the January-September period nearly tripled on an annual basis to 14.9 billion USD, while the 12-month cumulative current account deficit was 20.1 billion USD.



The trade deficit widened on an annual basis in September.

The trade deficit widened by 72% in September compared to the same month last year, totaling 5.4 billion USD. In September, net non-monetary gold imports surged by 129% yoy to 2.3 billion USD, while net energy imports declined by 10% to 3.4 billion USD. Thus, the current account surplus excluding gold and energy reached 6.8 billion USD in September.

Net tourism revenues increased by 5.8% yoy in September.

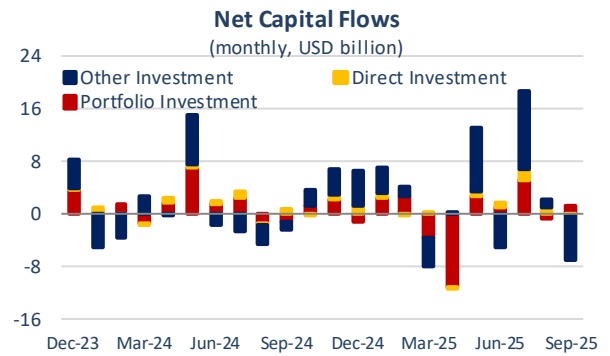
Net service revenues rose by 6.8% yoy in September, reaching 7.7 billion USD. Transportation revenues, which accounted for 30% of service revenues during this period, climbed by 2.8% to reach 3.9 billion USD. Net tourism revenues also recorded a 5.8% increase yoy, reaching 6.3 billion USD. In the first nine months of the year, net tourism revenues expanded by 1.8% yoy to 38.9 billion USD.

Limited capital outflow in direct investments.

Net foreign direct investments, which have been volatile since the beginning of the year, recorded a limited net capital outflow of 162 million USD in September. Thus, net direct investment capital inflows fell to 4.3 billion USD in the January-September period. In September, foreign residents made a net direct investment of 722 million USD in Türkiye, 564 million USD of which came from capital investments. Looking at real estate investments, domestic residents purchased 211 million USD worth of real estate abroad, while foreign residents made a net real estate purchase of 180 million USD in Türkiye.

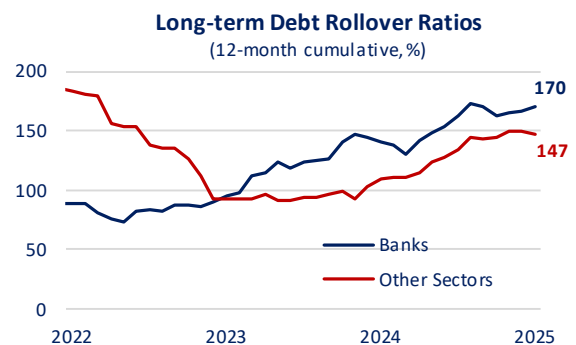
Portfolio investments recorded a net capital inflow of 1.2 billion USD.

In September, portfolio investments recorded a net capital inflow of 1.2 billion USD. During this period, while domestic residents acquired 2.9 billion USD in net assets abroad, non-residents made portfolio investments totaling 4 billion USD in Türkiye. In September, domestic banks' and the Treasury's net sales of 1.4 billion USD and 1.7 billion USD, respectively, in bond issuances abroad were decisive in the increase in liabilities. On the other hand, there was a capital outflow of 322 million USD from the domestic stock market in September.



A rapid capital outflow was recorded in the other investments category.

Following a total capital inflow of 13.1 billion USD in July and August, the other investments recorded a rapid outflow of 7 billion USD in September. During this period, the currency and deposit item decreased by 2.5 billion USD, while loan outflows totaled 4.1 billion USD. A net acquisition of financial assets of 3.5 billion USD in the loans sub-item was noteworthy, while banks' short-term loan repayments of a net 2.7 billion USD also contributed to the capital outflow in other investments. In September, banks borrowed 3.1 billion USD against 1.7 billion USD of debt repayments in the long term, while real sectors borrowed 1.6 billion USD against 1.1 billion USD of debt payments. Thus, according to 12-month cumulative data, the long-term debt rollover ratios of banks and real sectors remained above their long-term averages at 170% and 147%, respectively.

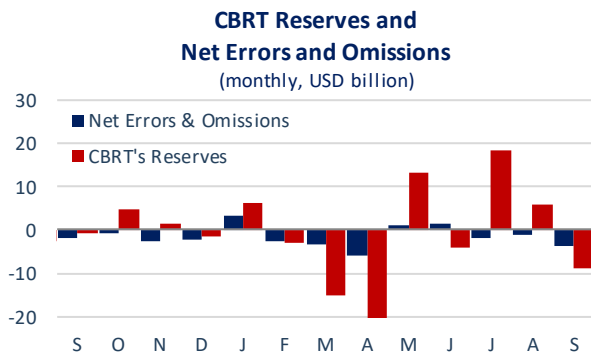


Source: Datastream, Turkstat, CBRT

Reserve assets declined in September.

Reserve assets, which had been expanding over the past two months, declined by 8.7 billion USD in September. Thus, the contraction in reserve assets recorded in the first nine months of the year amounted to 11.5 billion USD.

With the 3.8 billion USD outflow recorded in September, a total outflow of 12.3 billion USD occurred from the net error and omission item in the first nine months of the year.

**Expectations...**

While tourism revenues continued to increase in September, the widening of the foreign trade deficit resulted in the current account surplus being slightly lower than the previous year during this period. Preliminary data published by the Ministry of Trade indicates that the widening of the foreign trade deficit continued in October. Accordingly, the trade deficit widened by 24% yoy in October to 7.4 billion USD. In addition, with the end of the summer season, we believe that the course of the trade balance in the coming period will have a greater impact on the current account balance. Despite the positive support of energy prices during this period, we assess that the high course of gold prices may have an expansionary effect on the current account deficit.

Balance of Payments

(USD million)

	Sep. 2025	Jan. - Sep. 2024	Jan. - Sep. 2025	% Change	12-month Cumulative
Current Account Balance	1,112	-5,160	-14,894	188.6	-20,146
Foreign Trade Balance	-5,356	-41,009	-49,815	21.5	-64,792
Services Balance	7,707	47,538	48,758	2.6	62,589
Travel (net)	6,259	38,199	38,903	1.8	49,624
Primary Income	-1,330	-11,642	-13,410	15.2	-17,635
Secondary Income	91	-47	-427	808.5	-308
Capital Account	28	-111	-168	51.4	-183
Financial Account	-2,684	-10,564	-27,411	159.5	-38,191
Direct Investment (net)	162	-3,603	-4,274	18.6	-5,747
Portfolio Investment (net)	-1,152	-9,673	300	-	-2,004
Net Acquisition of Financial Assets	2,866	7,125	9,355	31.3	11,762
Net Incurrence of Liabilities	4,018	16,798	9,055	-46.1	13,766
Equity Securities	-322	-1,981	1,344	-	844
Debt Securities	4,340	18,779	7,711	-58.9	12,922
Other Investment (net)	6,998	6,850	-11,922	-	-23,621
Currency and Deposits	2,540	12,581	-212	-	1,105
Net Acquisition of Financial Assets	3,225	12,555	2,294	-81.7	2,106
Net Incurrence of Liabilities	685	-26	2,506	-	1,001
Central Bank	-183	-8,564	-8,507	-0.7	-11,809
Banks	868	8,538	11,013	29.0	12,810
Foreign Banks	935	5,113	10,846	112.1	12,458
Foreign Exchange	612	1,612	6,020	273.4	6,973
Turkish Lira	323	3,501	4,826	37.8	5,485
Non-residents	-67	3,425	167	-95.1	352
Loans	4,112	-10,160	-13,871	36.5	-22,803
Net Acquisition of Financial Assets	3,485	2,968	5,536	86.5	4,829
Net Incurrence of Liabilities	-627	13,128	19,407	47.8	27,632
Banking Sector	-1,335	11,610	9,860	-15.1	16,244
Non-bank Sectors	842	1,373	9,284	576.2	10,591
Trade Credit and Advances	351	4,463	2,184	-51.1	-1,868
Other Assets and Liabilities	-5	-34	-23	-32.4	-55
Reserve Assets (net)	-8,692	-4,138	-11,515	178.3	-6,819
Net Errors and Omissions	-3,824	-5,293	-12,349	133.3	-17,862

Source: Datastream, Ministry of Trade, CBRT

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