## Weekly Bulletin
August 2026 / 34

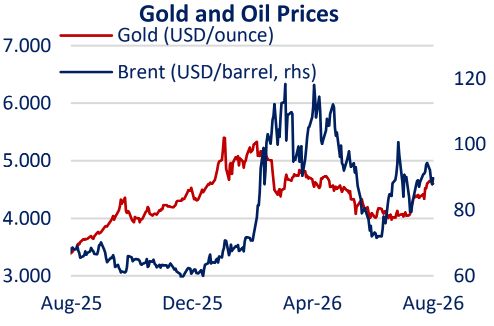
TÜRKİYE İŞ BANKASI | research.isbank

| | 21-Aug | 27-Aug | Change | | | 21-Aug | 27-Aug | Change | |
|---|---|---|---|---|---|---|---|---|---|
| **BIST-100 Index** | 14.515 | 14.576 | 0,4 % | ▲ | **EUR/USD** | 1,1679 | 1,1651 | -0,2 % | ▼ |
| **TRY 2 Year Benchmark Rate** | 40,78 % | 40,14 % | -64 bp | ▼ | **USD/TRY** | 48,0346 | 47,7758 | -0,5 % | ▼ |
| **Türkiye 5-Year CDS Premium** | 222 | 219 | -2 bp | ▼ | **EUR/TRY** | 56,0967 | 55,9532 | -0,3 % | ▼ |
| **MSCI EM Equity Index** | 1.722 | 1.723 | 0,1 % | ▲ | **Gold** (USD/ounce) | 4.603 | 4.601 | 0,0 % | ● |
| **US 10-Year Bond Rate** | 4,74 % | 4,67 % | -7 bp | ▼ | **Brent Oil** (USD/barrel) | 94,4 | 89,7 | -5,0 % | ▼ |

*This week, markets focused on new US sanctions against Iran and positive progress made by Iran and Oman regarding the creation of a temporary corridor through the Strait of Hormuz. Brent crude oil prices fell back below 90 USD/barrel after the previous week's rise, while gold prices remained relatively flat. US July PCE index rose above expectations while markets focused on the Federal Reserve Chairman's speech at the Jackson Hole Symposium. Domestically, the CBRT's decision to resume one-week repo auctions, which had been suspended since early March, was a key event, while a slight deterioration in inflation expectations was observed among the real sector and households. Next week, August PMI data, US non-farm payrolls, and Eurozone CPI data will be closely watched. Domestically, second-quarter growth data, August CPI along with July employment indicators will also be released.*

### Developments in the Middle East were closely monitored.

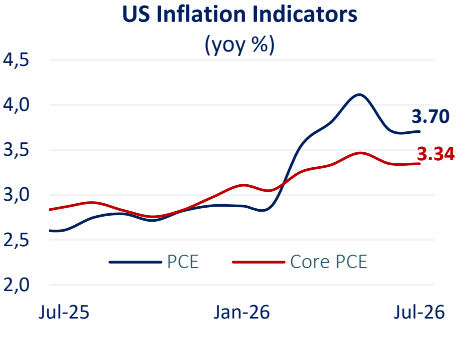
The US administration, announcing new sanctions against Iran, emphasized that they have given trading partners a deadline to sever ties, otherwise secondary sanctions may be imposed. President Trump stated that they are close to reaching an agreement on the Strait of Hormuz and expect the tension to end soon, adding that transit through the Strait continues to be under US control and that they do not intend to resume negotiations with the Tehran administration anytime soon. Iran announced that an agreement had been reached with Oman on the transit regime and revenue sharing in the Strait of Hormuz, with negotiations continuing on the final details. In parallel with these developments, the price of Brent crude oil fell below 90 USD/barrel, but closed Thursday up 2.1% at 89.7 USD/barrel.




This week, trade tensions between the US and Canada were also closely watched by the markets. Following the implementation of new 50% tariffs by the US on approximately 20 billion USD worth of Canadian goods, Canada also announced new tariffs against the US, expected to take effect on September 8th. In addition, Trump announced that the US will raise tariffs on cars, trucks, and automotive parts imported from Canada to 50% starting January 1, 2027.

### A heavy data was tracked in the US.

New home sales in the US in July came in below market expectations at 607k. While home prices showed no mom change in June, they rose 2.3% yoy. The consumer confidence index in the US fell 0.8 points in August to 89.4, its lowest level since January, while consumer inflation expectations for 12 months ahead saw a limited increase. The US annualized Q2 GDP growth came in at 1.5%, confirming the preliminary data. The personal consumption expenditures (PCE) price index, closely watched by the Fed, increased by 0.2% mom and 3.7% yoy in July, exceeding market expectations. Mom and yoy increases in the core PCE price index were 0.2% and 3.3%, respectively, in line with expectations. With the probability of a Fed interest rate hike at its September meeting priced in at around 35-40% this week, markets focused on Fed Chairman Warsh's speech at the Jackson Hole Symposium.




### The German economy grew above expectations.

Germany's quarterly growth data for Q2 was revised from 0.2% to 0.3%, while annual growth reached 1.0%, the highest level since the third quarter of 2022. The main factor supporting GDP growth during this period was increased exports. The Ifo Business Climate Index, which reflects investor confidence in the country, reached its highest level in a year in August at 88.8.


Source: Datastream

ECB Governing Board member Schnabel, highlighting risks stemming from the Middle East and the resilient outlook of the Euro Area economy, stated that further interest rate hikes are needed to bring inflation back to the 2% target. Markets are pricing in a 25 basis point interest rate increase at the ECB's September 10 meeting.

**Türkiye's economic confidence index rose above the threshold level in August.**

According to Turkish Statistical Institute (TÜİK) data, the economic confidence index increased by 0.8 points in August, reaching 100.6 points, exceeding the threshold for the first time since the start of tensions in the Middle East. Examining the sub-indices, the consumer and real sector confidence indices showed mom increases of 1.0% and 1.2%, respectively.

**The CBRT resumed its weekly repo auctions.**

In its announcement published on August 23, 2026, the CBRT stated that it would resume one-week repo auctions, which were suspended on March 1, 2026. With this step, the weighted average funding cost decreased from 40.0% to 37.0%.

**Inflation expectations deteriorated slightly.**

According to the Sectoral Inflation Expectations published by the CBRT, the 12-month forward annual inflation expectation in the real sector increased by 0.3 to 32.80 in August, while it increased by 0.6 points to 45.58 in households.

According to the August Household Expectations Survey, households' 12-month forward USD/TRY expectation rose to 54.47, while the 12-month forward housing price increase expectation decreased by 0.36 percentage points to 32.13%. The percentage of households expecting inflation to fall decreased by 0.8 percentage points to 16.9%, while the groups expecting the highest increases were "food" and "fuel and energy".

**Securities portfolio held by non-residents…**

According to data adjusted for price and exchange rate movements, in the week of August 21, foreign residents made net purchases of USD 150.2 million in the equity market and net sales of USD 821.2 million in the government bond market (outright purchases, reverse repurchase agreements, collateral purchases and borrowings). Thus, since the beginning of the year, foreign residents have made net purchases of USD 1.7 billion in the equity market and USD 3.9 billion in the government bond market.

**Financial markets…**

Despite ongoing uncertainties in the Middle East, positive earnings reports from US technology firms supported US indices this week. While the MSCI emerging markets index traded sideways, Asian markets, following the South Korean central bank's 25 basis point interest rate hike, saw the KOSPI index also trade sideways, while Shanghai and Japan recorded weekly gains.

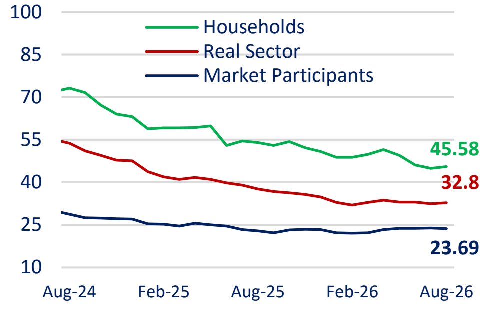
Domestically, the BIST-100 index closed Thursday up a limited 0.4% compared to the previous week's close. Turkey's 5-year CDS closed the week down 2 basis points at 219, while the 2-year benchmark bond yield fell 64 basis points to 40.14%.

**Next week's agenda…**

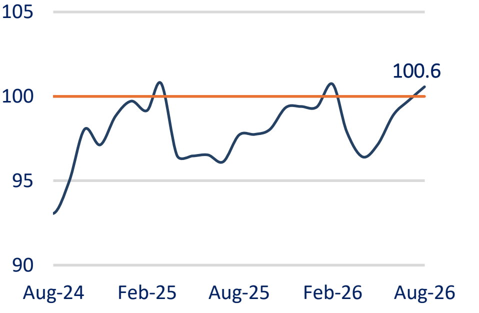
Next week, key economies will release PMI data, along with US non-farm payrolls for August and Eurozone CPI inflation figures. Domestically, second-quarter growth data, August CPI and PMI figures along with July employment indicators are also on the agenda.

**Sectoral Inflation Expectations**

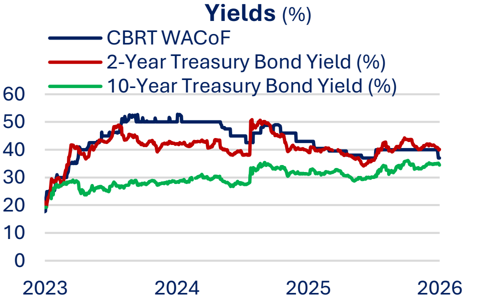
(12 months ahead, %)



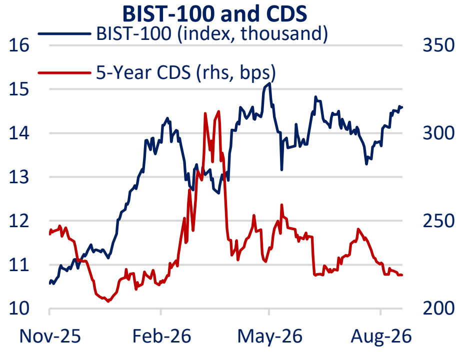

**Economic Confidence Index**




**CBRT Weighted Average Cost of Funding and Treasury Bond Yields** (%)




**BIST-100 and CDS**




Source: Datastream, Turkstat, ICI

**Data Releases**

| | | Period | Consensus | Prior |
|---|---|---|---|---|
| **31 August** | TR Unemployment Rate | July | - | 7.6% |
| | TR GDP Growth, yoy | 2026 Q2 | 2.9% | 2.5% |
| | China NBS Manufacturing PMI | August | 49.6 | 49.2 |
| | China NBS Services PMI | August | - | 49.0 |
| **1 September** | TR Istanbul Chamber of Industry Manufacturing PMI | August | - | 47.7 |
| | US Manufacturing PMI, final | August | - | 53.2 |
| | US ISM Manufacturing PMI | August | 55.2 | 55.6 |
| | US JOLTS Job Openings | July | 7.3 million | 7.4 million |
| | Euro Area Manufacturing PMI, final | August | 52.8 | 52.8 |
| | Euro Area CPI Inflation, flash, yoy | August | 3.3% | 2.9% |
| | Euro Area Unemployment Rate | July | 6.3% | 6.3% |
| | Germany Manufacturing PMI | August | 54.1 | 54.1 |
| | China Rating Manufacturing PMI, final | August | 51.0 | 50.9 |
| **2 September** | US ADP Employment Report | August | 45K persons | 44K persons |
| | US Durable Goods Orders, mom | July | - | 1.1% |
| | US Factory Orders, mom | July | 0.7% | -0.3% |
| **3 September** | TR CPI Inflation, yoy | August | - | 31.75% |
| | TR D-PPI Inflation, yoy | August | - | 27.83% |
| | US Services PMI, final | August | - | 56.8 |
| | US ISM Services PMI | August | 54.0 | 54.1 |
| | Euro Area Services PMI, final | August | 51.7 | 51.7 |
| | Euro Area PPI Inflation, yoy | July | - | 4.6% |
| | China RatingDog Services PMI | August | - | 50.4 |
| **4 September** | CPI Based Real Effective Exchange Rate | August | - | 106.0 |
| | US Nonfarm Payrolls | August | 65K persons | -23K persons |
| | US Unemployment Rate | August | 4.2% | 4.1% |
| | Euro Area Retail Sales, mom | July | 0.3% | -0.3% |

Source: Datastream, TCMB, TÜİK

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