



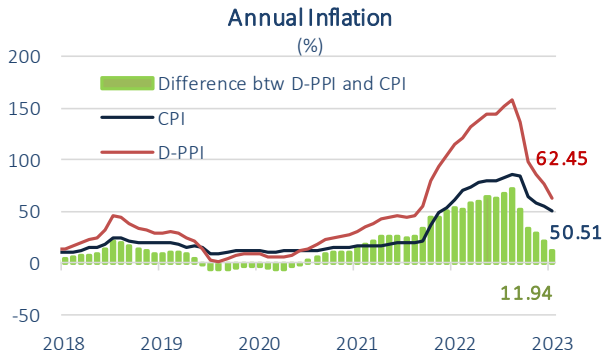
### CPI increased below expectations in March.

In March, CPI increased by 2.29% compared to the previous month, below the market expectations. Domestic producer price index (D-PPI) rose by 0.44% mom in this period.

March (change %)	CPI		D-PPI	
	2022	2023	2022	2023
Monthly	5.46	2.29	9.19	0.44
Year-to-Date	22.81	12.52	29.31	6.25
Annual	61.14	50.51	114.97	62.45
Annual Average	29.88	70.20	64.30	113.73

### Annual CPI inflation fell to 50.51%.

With the effect of the high base, the downward trend in annual inflation indicators continued in March. In this period, annual CPI inflation came in at 50.51%, the lowest level since January 2022, while producer prices recorded the slowest annual increase since November 2021 with 62.45%.



### The food group continued to be the determining factor in the monthly CPI increase.

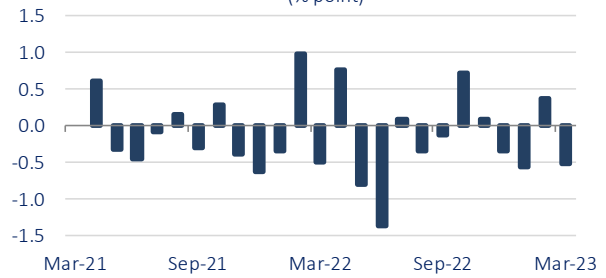
Prices increased in 11 of the 12 main spending groups in March. In this period, the food and non-alcoholic beverages group was the group that increased monthly inflation the most by 102 basis points due to the rapid rise in meat prices. In the same period, although there was no change in the accommodation prices of the restaurants and hotels group, the rapid rise in food prices added to monthly CPI inflation 32 basis points. The housing group pushed monthly consumer prices up by 31 basis points in parallel with the monthly rise of 4.9% in the real rent index. The clothing and footwear group was the only group in which prices declined in March and limited monthly CPI inflation by 11 basis points. Despite the 1.98% rise in goods prices in March, services prices rose by 3.08%.

### Core inflation indicators...

Seasonal products limited the CPI increase in March. In this period, monthly CPI inflation, excluding seasonal products, was 2.81%, above the headline inflation. In March, the B

index (CPI excluding unprocessed food products, energy, alcoholic beverages and tobacco and gold) rose by 2.19% on a monthly basis, and the C index (CPI excluding energy, food and non-alcoholic beverages, alcoholic beverages, tobacco and gold) increased by %2.15 mom. B and C indices displayed the most moderate annual increases of the last year with 52.11% and 47.36%, respectively.

### Contribution of Seasonal Factors to Monthly CPI Inflation (% point)



### The downward trend in energy prices continued.

In March, due to the 12.9% price increase in meat and meat products, prices in the food group rose by 4.6% on a monthly basis and increased the monthly D-PPI inflation the most by 80 basis points. Despite the decline in precious base metals, the before-said group was followed by the base metals group, which rose by 3.1% on a monthly basis, pushing the D-PPI inflation up by 30 basis points. On the other hand, the downward trend in global energy prices continued to limit domestic producer inflation in March. In this period, prices in electricity and gas production and distribution group decreased by 13.3% on a monthly basis, limiting D-PPI inflation by 136 basis points. Coke and refined petroleum products also decreased by 4.8% on a monthly basis, pushing the D-PPI inflation down by 24 basis points.

### Expectations...

The gap between CPI and D-PPI narrowed in March due to the decrease in global energy prices. While the reduction in electricity and natural gas prices as of April is expected to have a limiting effect on inflation, the reflection of the OPEC+ countries' decision to cut oil production as of May on energy prices will be closely monitored. Although inflation is expected to continue to decline in the short term due to the base effect, the persistence of the rigidity in services prices despite losing momentum and the recent moderate increases in exchange rates indicate that inflationary pressures may continue in the upcoming period.

		Inflation (%)							
		CPI (2003=100)				D-PPI (2003=100)			
		Monthly	Year to Date	Annual	Annual Average	Monthly	Year to Date	Annual	Annual Average
2021	January	1.68	1.68	14.97	12.53	2.66	2.66	26.16	13.64
	February	0.91	2.60	15.61	12.81	1.22	3.92	27.09	15.14
	March	1.08	3.71	16.19	13.18	4.13	8.21	31.20	17.04
	April	1.68	5.45	17.14	13.70	4.34	12.91	35.17	19.44
	May	0.89	6.39	16.59	14.13	3.92	17.34	38.33	22.24
	June	1.94	8.45	17.53	14.55	4.01	22.04	42.89	25.38
	July	1.80	10.41	18.95	15.15	2.46	25.05	44.92	28.47
	August	1.12	11.65	19.25	15.78	2.77	28.51	45.52	31.34
	September	1.25	13.04	19.58	16.42	1.55	30.50	43.96	33.83
	October	2.39	15.75	19.89	17.09	5.24	37.34	46.31	36.20
	November	3.51	19.82	21.31	17.71	9.99	51.06	54.62	38.94
	December	13.58	36.08	36.08	19.60	19.08	79.89	79.89	43.86
2022	January	11.10	11.10	48.69	22.58	10.45	10.45	93.53	49.93
	February	4.81	16.45	54.44	25.98	7.22	18.43	105.01	56.83
	March	5.46	22.81	61.14	29.88	9.19	29.31	114.97	64.30
	April	7.25	31.71	69.97	34.46	7.67	39.23	121.82	72.03
	May	2.98	35.64	73.50	39.33	8.76	51.43	132.16	80.38
	June	4.95	42.35	78.62	44.54	6.77	61.68	138.31	88.77
	July	2.37	45.72	79.60	49.65	5.17	70.04	144.61	97.30
	August	1.46	47.85	80.21	54.69	2.41	74.13	143.75	105.39
	September	3.08	52.40	83.45	59.91	4.78	82.45	151.50	114.02
	October	3.54	57.80	85.51	65.26	7.83	96.74	157.69	122.93
	November	2.88	62.35	84.39	70.36	0.74	98.20	136.02	128.94
	December	1.18	64.27	64.27	72.31	-0.24	97.72	97.72	128.47
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

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