

## Türkiye Household Inflation Expectations Survey (TEBA) Results<sup>1</sup>

**November'24**

- Annual inflation expectations as of November 2024: **104%**
- Year-end inflation expectations: **92%**
- 12-month forward inflation expectations: **99%**

### Summary Statistics

	I Annual inflation expectations	II Year-end inflation expectations	III Year-ahead inflation expectations
	<i>How much do you think prices have increased on average from November 2023 to this November?</i>	<i>By the end of 2024, what percentage increase will prices have experienced from January to December?</i>	<i>What is your year-ahead inflation expectation from November 2024 to November 2025?</i>
1. Mean	104	92	99
2. Median	80	72	74
3. Inter Quartile Range (IQR)	68	62	68
4. Standard Deviation	78	71	79

\* We exclude the outliers that are three standard deviations away from the mean.

The average inflation expectations for both annual and year-end figures (columns 1 and 2) are higher than the median values, indicating a right-skewed distribution. In other words, there are more respondents expecting annual inflation below 104% than those expecting higher rates. Similarly, for the 12-month ahead inflation expectations (column 3), the average value is higher than the median, suggesting a right-skewed distribution as well. This means more respondents expect inflation below 99% over the next 12 months compared to those with higher expectations.

The interquartile range (IQR) value (3rd row), which measures the variability of responses among participants, shows the difference in expectations between the 25th and 75th percentiles. The uncertainty in year-end inflation expectations is lower compared to the uncertainty in 12-month ahead inflation expectations, both in terms of the IQR measure and the standard deviations shown in row 4.

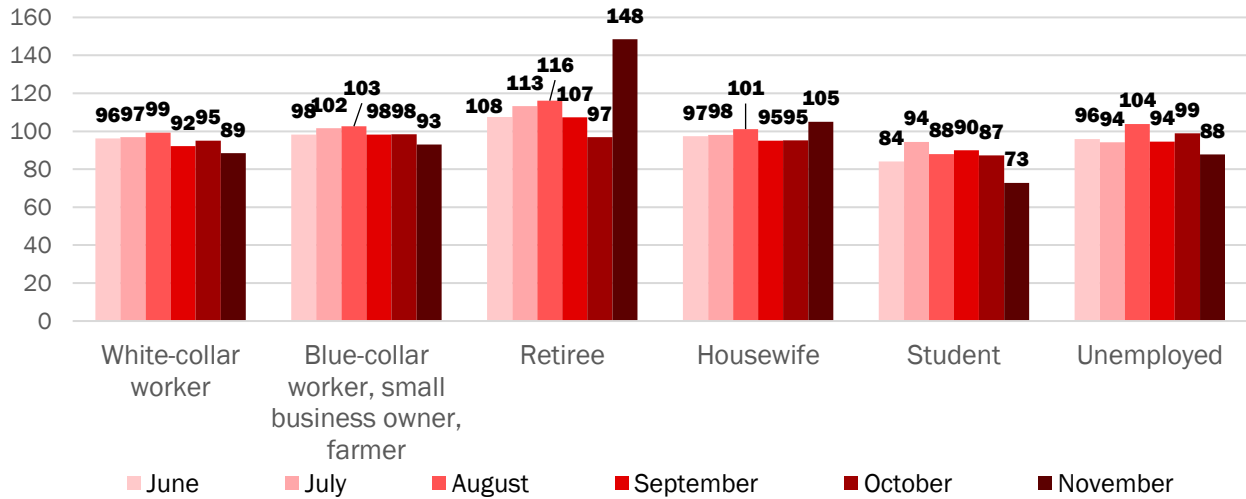
<sup>1</sup> The next release is scheduled for December 30, 2024.

## Demographic Analysis

In this section, 12-month forward household inflation expectations are examined according to demographic characteristics.

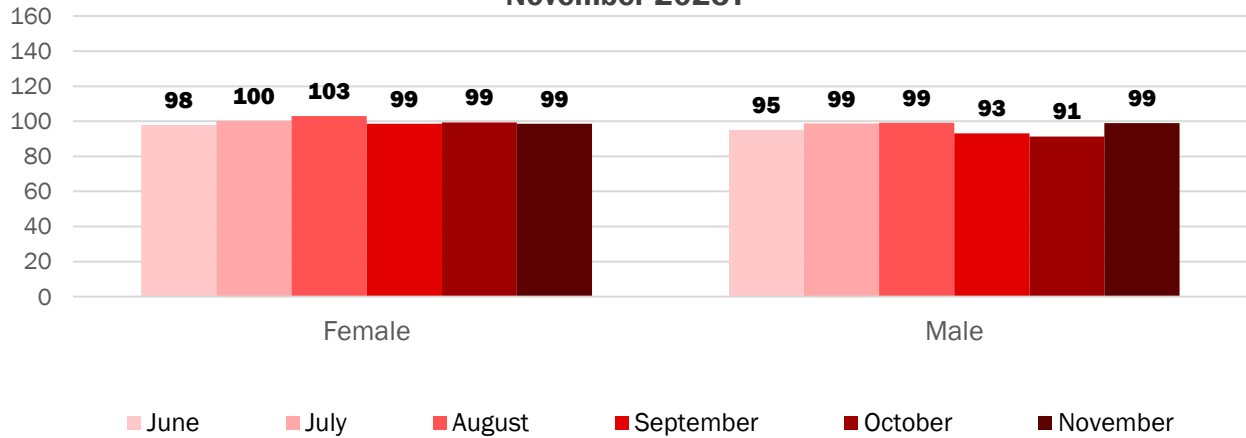
- 1) An analysis based on the employment status of respondents reveals that, compared to previous months' surveys, the 12-month forward-looking inflation expectations of the retired group, which typically reveals the highest level of expectations, diverges even more significantly from the rest of the groups this month.

### What is your year-ahead inflation expectation from November 2024 to November 2025?

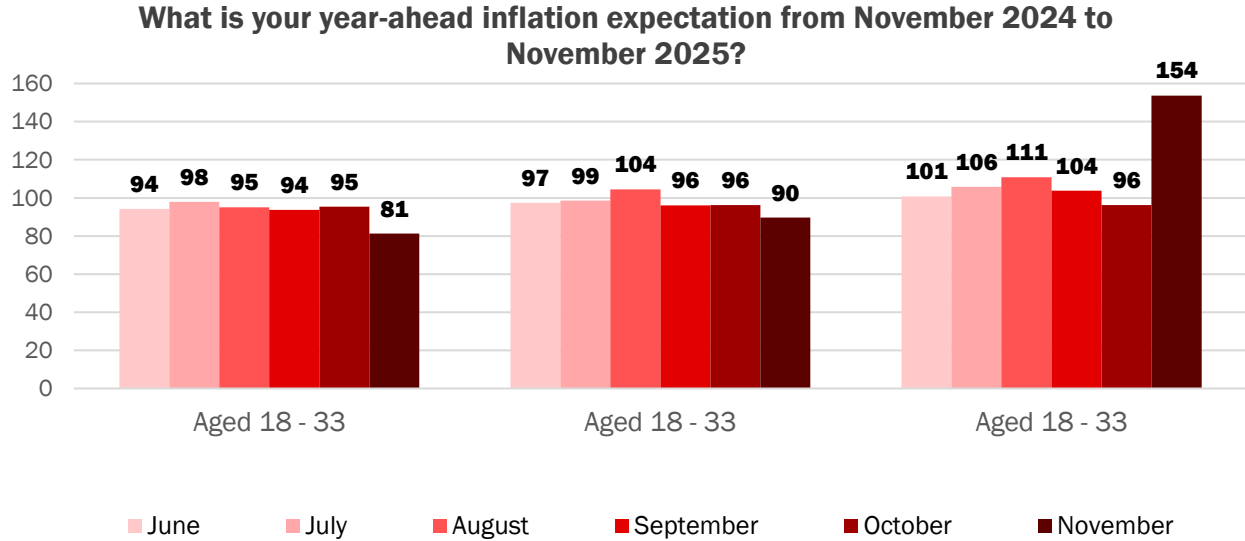


- 2) Analysis of inflation expectations by gender reveals no significant divergence in inflation expectations between women and men was observed this month.

### What is your year-ahead inflation expectation from November 2024 to November 2025?



- 3) Analyzing the data by age groups reveals that 12-month forward inflation expectations tend to rise clearly along with increasing age. This finding may suggest that the weaker performance of past disinflation policies has made a more lasting impression on the memories of older age groups.<sup>2</sup>



#### KONDA Household Inflation Expectations Survey Credits

This report and the underlying research data were produced by KONDA Research and Consultancy Inc. for Koç University.

This research aims to measure the inflation expectations of the population aged 18 and over in Turkey.

The research was conducted through phone calls with individuals who agreed to participate in the KONDA Mediated Panel on November 15-19, 2024. Panelists voluntarily joined our panel system. Each panelist conducts the survey through a mediator affiliated with KONDA. 2564 individuals were interviewed in this study, living in 1331 different neighborhoods across 74 provinces.

The research was designed and implemented to determine and monitor trends and changes in the preferences of subjects representing the adult population aged 18 and over in Turkey. The margin of error for the research findings is +/- 1.94 at a 95% confidence level and +/- 2.53 at a 99% confidence level.

The sample was prepared by layering the population sizes and education levels of neighborhoods and villages based on ADNKS (Address-Based Population Registration System) data and the results of the May 14, 2023 General Elections. Settlements were initially categorized as rural/ urban/ metropolitan and the sample was determined based on 12 regions.

<sup>2</sup>Ulrike Malmendier and Stefan Nagel, Learning from Inflation Experiences, Quarterly Journal of Economics, Volume 131, Issue 1, February 2016, Pages 53–87.