

## Türkiye Household Inflation Expectations Survey (TEBA) Results<sup>1,2</sup>

**November'24**

- Annual inflation expectations as of November 2024: **110%** (Previous: 107%)
- Year-end inflation expectations: **97%** (Previous: 94%)
- 12-month forward inflation expectations: **102%** (Previous: 100%)

### 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	110	97	102
2. Median	100	95	100
3. Inter Quartile Range (IQR)	30	40	40
4. Standard Deviation	61	52	61

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

The average value of inflation expectations is higher than the median for annual inflation forecasts (first column), indicating a right-skewed distribution. This implies that the number of respondents with annual inflation expectations below 110% exceeds those with higher expectations. Conversely, for year-end and 12-month forward forecasts, the average and median values are closely aligned, suggesting a more symmetric distribution.

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. Compared to October, the slight increase in IQR values across all three questions suggests a growing divergence in inflation forecasts.

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

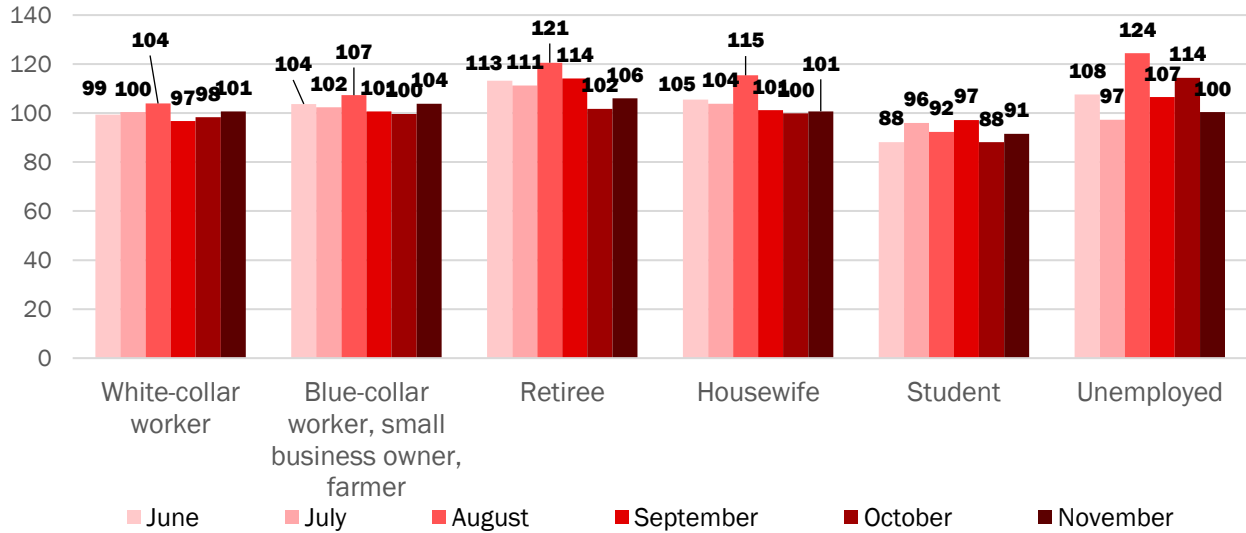
<sup>2</sup> This report has been updated to reflect the revisions made to the weighting system as of December 2024.

## Demographic Analysis

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

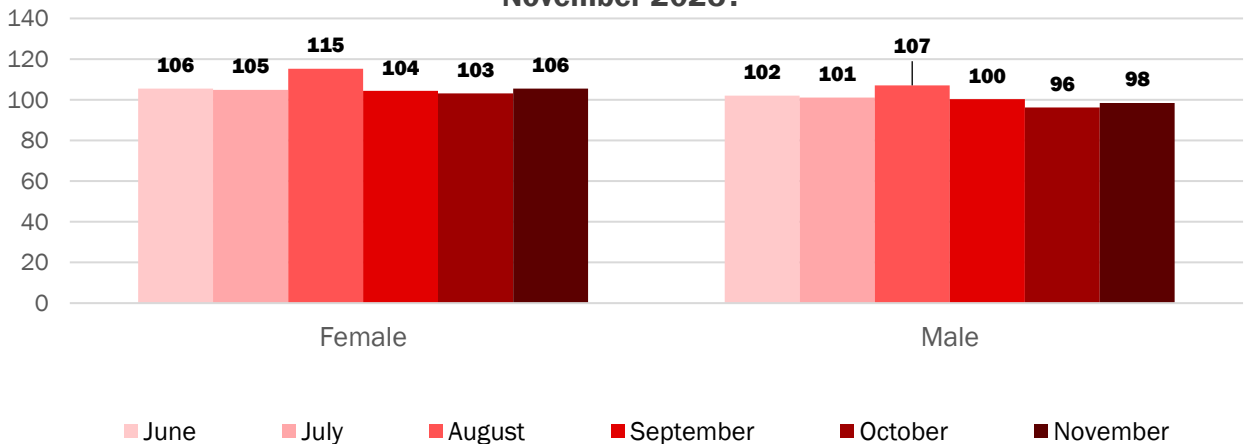
- 1) An analysis of respondents' employment status reveals that in previous surveys, the retired group consistently reported the highest 12-month forward inflation expectations. However, over the past two months, their expectations have aligned more closely with those of workers, tradespeople, and farmers.

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



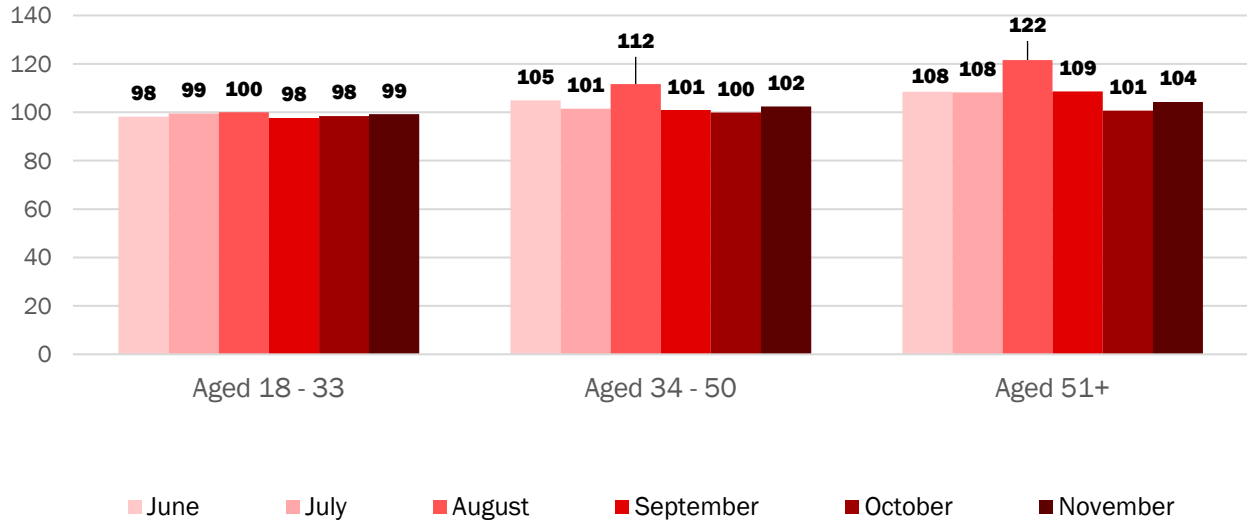
- 2) When analyzed by gender, it is observed that, once again this month, the average inflation expectations are higher among women.

### 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>3</sup>

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



#### 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

<sup>3</sup>Ulrike Malmendier and Stefan Nagel, Learning from Inflation Experiences, Quarterly Journal of Economics, Volume 131, Issue 1, February 2016, Pages 53–87.

May 14, 2023 General Elections. Settlements were initially categorized as rural/ urban/ metropolitan and the sample was determined based on 12 regions.