

OCTOBER PRICE DEVELOPMENTS

November 4, 2025



Summary

In October, consumer prices rose by 2.55% while annual inflation decreased by 0.42 points to 32.87%. In seasonally adjusted terms, food and services remained the main groups that stood out with their monthly price increases. The unfavorable course in food prices, which was observed due in part to supply-side factors caused by frost and drought, persisted, albeit at a slower pace. In this period, both unprocessed and processed food prices posted a relatively high rate of increase. On the other hand, prices of fresh fruits and vegetables remained below their historical trend, thereby limiting a more unfavorable outlook in food prices. Seasonally adjusted services inflation followed a flat course compared to the previous month. The monthly increase in core goods prices was led by the clothing and footwear group, which was affected by the launch of the new season. In fact, seasonally adjusted core goods inflation was milder in this period. The rise in producer prices decelerated in October compared to previous months, with annual inflation increasing by 0.41 points to 27.00%. Against this background, underlying monthly inflation weakened compared to the previous month.

Price Developments are published within one working day following the announcement of price statistics by the Turkish Statistical Institute (TURKSTAT). Price Developments, which include the CBRT's initial remarks on the inflation figures of the previous month, aim to contribute to a sounder interpretation of the monthly inflation developments by the public during the period between the announcement of the official price statistics and the Monetary Policy Committee meeting.

Evaluations

In October, consumer prices rose by 2.55% while annual inflation decreased by 0.42 points to 32.87% (Chart 1). The annual rate of change in the B index dropped by 0.34 points to 32.52%, and that in the C index declined by 0.49 points to 32.05% (Table 1).

Over the previous month, contributions of the services, food and non-alcoholic beverages, energy and core goods groups to annual consumer inflation decreased by 0.21, 0.16, 0.08 and 0.07 points, respectively, the contribution of the alcohol-tobacco-gold group increased by 0.10 points.

In seasonally adjusted terms, consumer prices saw weaker monthly increases compared to the previous month (Chart 2). Monthly inflation receded in the B and C indices over the previous month (Chart 3). Among the components of the B index, price increases slowed in core goods and processed food, but remained flat in the services sector (Chart 4). Indicators monitored by the CBRT suggest that in October, the underlying inflation fell in terms of monthly averages while it did not record a noticeable change in terms of quarterly averages (Charts 5 and 6).

In October, the price increase in the services sector was weaker at 1.79% compared to the previous month, and annual inflation in this group fell by 0.22 points to 44.44%. Meanwhile, seasonally adjusted data indicate a flat course in monthly services inflation. In this period, annual inflation declined in subgroups other than transport (Chart 7). Rent inflation increased by 3.74% month-on-month, while the group's annual inflation fell to 66.28%. In the transport subgroup, prices went up by 1.81%, and annual inflation climbed to 41.33% in this group. While this increase mainly arose from price increases in urban passenger transport by bus and taxi, the decline in the prices of intercity passenger transport by road and passenger transport by air continued into October. The price increase in the restaurants-hotels subgroup slowed month-on-month to 1.34% due to accommodation services. The communication and other services subgroups exhibited moderate price increases (0.69% and 0.99%, respectively).

In October, core goods prices were up by 3.20% due to seasonal effects, and the group's annual inflation fell by 0.66 points to 19.23%. Adjusted for seasonality, monthly core goods inflation remained relatively moderate at 0.79%. Annual inflation rose somewhat in durable goods but declined in the clothing and footwear and other core goods subgroups (Chart 8). Clothing and footwear prices picked up on a monthly basis due to seasonal effects associated with the launch of a new season, while goods other than clothing remained moderate. The monthly price increase in durable consumption goods slowed month-on-month by 0.91%. This development was driven by the mild course of prices in white goods (0.96%), automobiles (0.89%), and consumer electronics (0.16%). However, the rise in furniture prices (1.58%) curbed a more favorable outlook. Monthly inflation has displayed a positive course in other core goods, falling below 1% in the last two months.

In October, energy prices increased by 1.28%, and annual energy inflation reached 34.64% (Chart 9). This increase was driven by developments in municipal water (2.37%), bottled gas (4.78%) and solid fuel (4.87%) prices. Meanwhile, fuel prices (0.21%) remained relatively flat.

Prices of food and non-alcoholic beverages increased by 3.41% in October, and the group's annual inflation fell by 1.19 points to 34.87% (Chart 9). Annual inflation in the unprocessed food subgroup dropped by 2.87 points to 34.66%, while that in processed food subgroup rose by 0.38 points to 34.71% (Chart 10). On a monthly basis, unprocessed food prices' increase remained high at 4.52%, led by vegetables, white meat, eggs, and nuts. On the other hand, fresh fruit and vegetable prices hovered below historical trends, curbing a rather more adverse outlook for food prices. Processed food prices increased by 2.51% month-on-month. Bread and cereals, fats and oils, meat products, tea and cocoa, along with dairy products – due to the effect of raw milk purchase prices – stood out in this group.

Prices of alcoholic beverages and tobacco products rose by 2.42% in October. This increase was driven by price adjustments in tobacco products by producer firms; however, part of this effect will carry over into November.

Domestic producer prices rose by 1.63% in October, and annual inflation was up by 0.41 points to 27.00% (Chart 11 and Table 2). In this period, energy prices declined (-0.65%) while prices of durable consumption goods (3.95%) and non-durable consumption goods (2.43%) stood out with high price increases (Chart 12). The rise in gold prices had a significant impact on durable goods, while the monthly increase in prices of durable goods excluding jewelry was more limited at 1.44%. On a sectoral basis, metal ores, other manufactured goods (jewelry), tobacco products, clothing, coal and lignite, and food products have been the subgroups that stood out with price increases.

Charts and Tables

Chart 1. CPI, B and C

(Annual % Change)

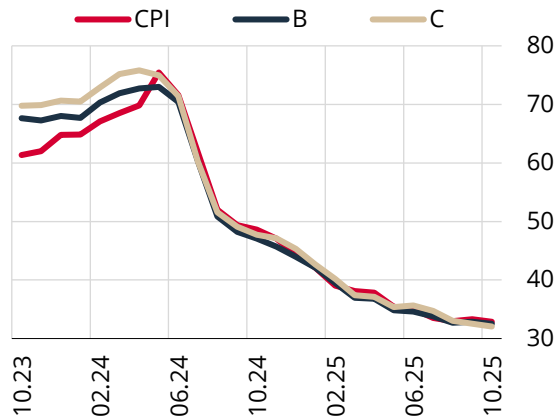


Chart 2. CPI and CPI Excluding Food

(Seasonally Adjusted, Monthly % Change)

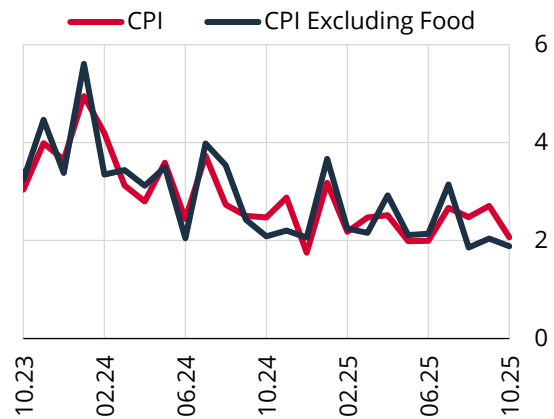


Chart 3. B and C Indices

(Seasonally Adjusted, Monthly % Change)

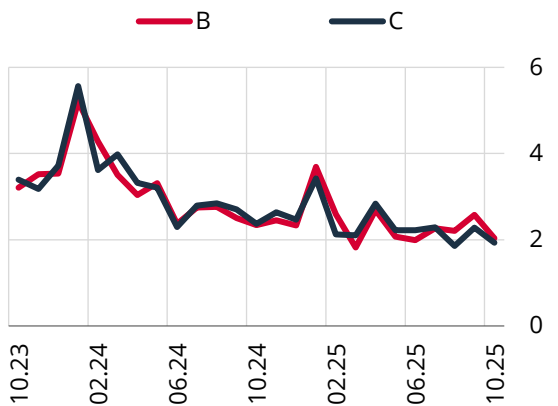
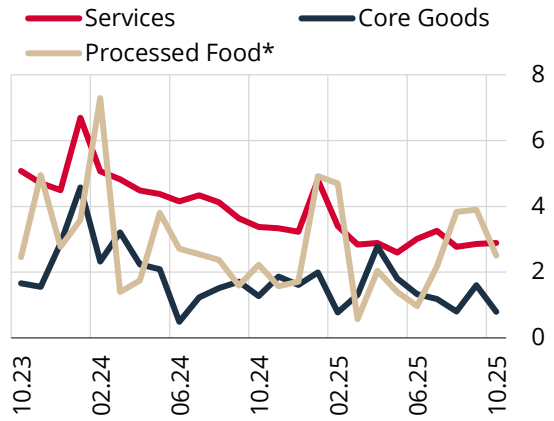


Chart 4. Main Components of B Index

(Seasonally Adjusted, Monthly % Change)



* In the processed food subgroup, no statistically significant seasonality is detected. Therefore, processed food subgroup data is presented without seasonal adjustments.

Chart 5. Underlying Inflation Indicators

(Seasonally Adjusted, Monthly % Change)

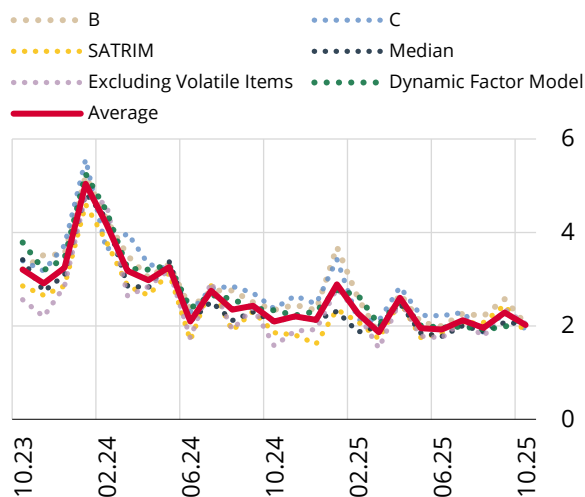


Chart 6. Underlying Inflation Indicators

(Seasonally Adjusted, Monthly % Change, 3 Month Average)

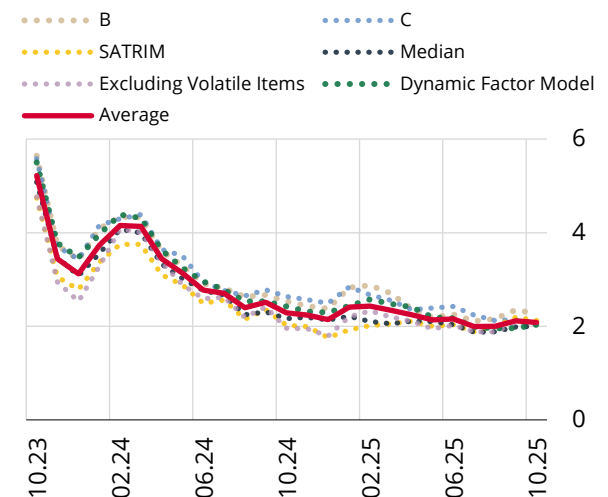
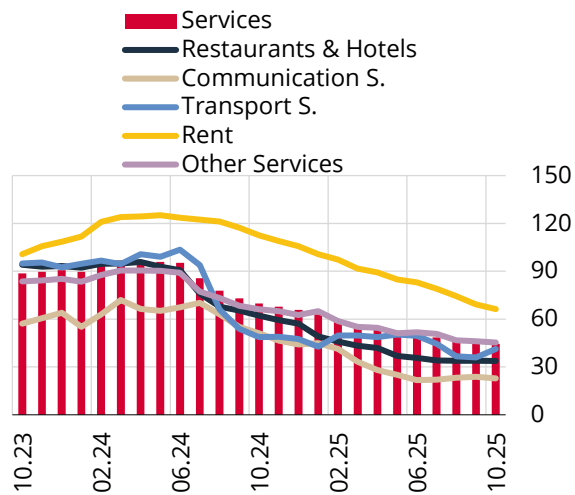
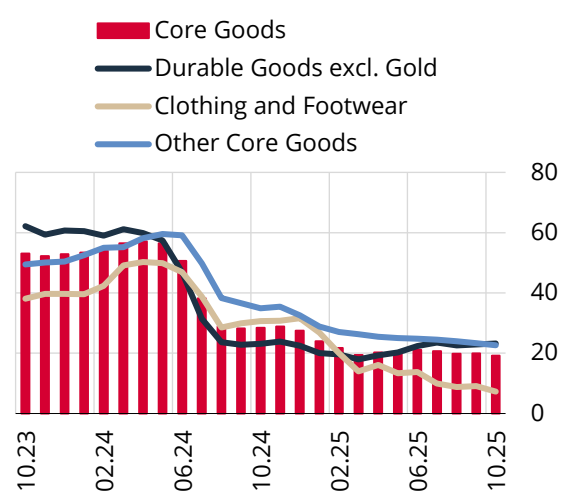


Chart 7. Services

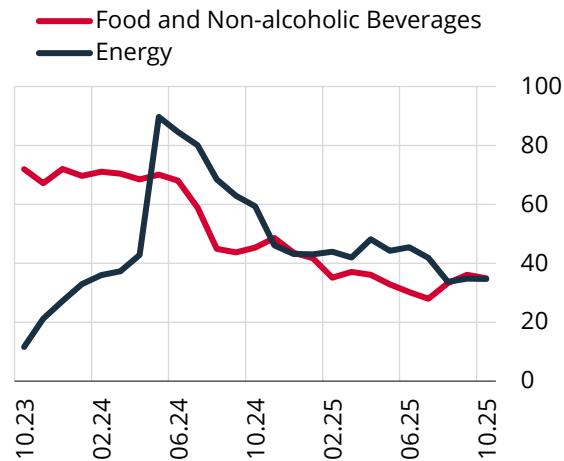
(Annual % Change)


Chart 8. Core Goods

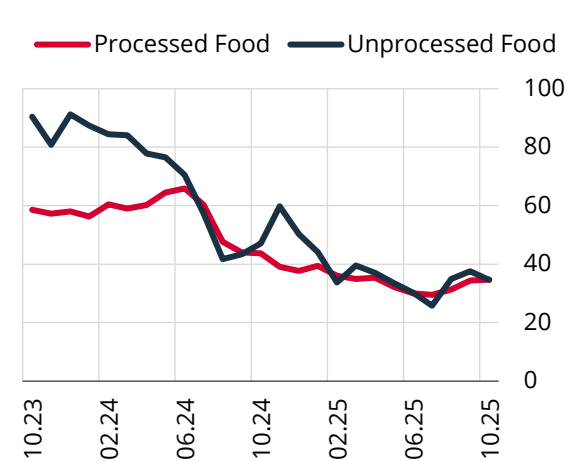
(Annual % Change)


Chart 9. Food and Non-alcoholic Beverages and Energy

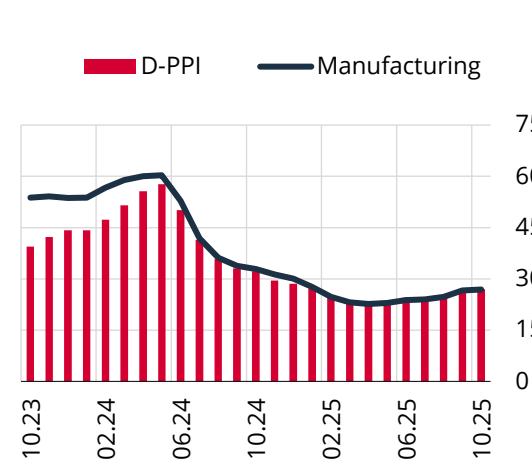
(Annual % Change)


Chart 10. Processed and Unprocessed Food

(Annual % Change)


Chart 11. D-PPI and Manufacturing

(Annual % Change)


Chart 12. D-PPI Main Industrial Groupings

(Monthly % Change)

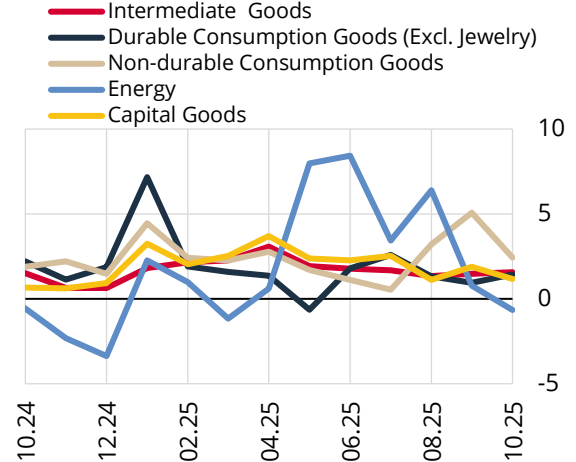


Table 1. CPI and Subcategories (% Change)

	Monthly		Annual	
	Oct.25	Oct.24	Oct.25	Oct.24
CPI	2.55	2.88	32.87	48.58
1. Goods	2.94	3.33	27.65	40.36
Energy	1.28	1.35	34.64	59.37
Food and non-alcoholic beverages	3.41	4.33	34.87	45.28
Unprocessed food	4.52	6.75	34.66	47.05
Fresh fruits and vegetables	5.49	19.20	35.84	57.58
Other unprocessed food	3.87	-0.41	33.73	40.63
Processed food	2.51	2.22	34.71	43.72
Bread and cereals	2.76	3.05	40.56	45.16
Other processed food	2.38	1.83	31.81	43.10
Goods excluding energy and food	3.15	3.30	20.41	31.14
Core goods	3.20	3.77	19.23	28.45
Durable goods (excluding gold)	0.91	0.70	23.20	23.10
Clothing and footwear (*)	12.68	14.60	7.27	30.63
Other core goods	0.67	1.24	22.64	34.93
Alcoholic beverages and tobacco	2.42	-0.04	27.56	52.15
Gold	5.47	2.68	42.39	47.47
2. Services	1.79	1.95	44.44	69.78
Rents	3.74	5.50	66.28	112.59
Restaurants and hotels	1.34	1.44	33.78	62.09
Transport	1.81	-2.04	41.33	48.73
Communication	0.69	1.50	22.85	51.23
Other	0.99	1.52	45.33	66.23
3. Core Measures				
B - CPI excluding unprocessed food, energy, alcoholic beverages tobacco and gold	2.43	2.69	32.52	47.10
C - CPI excluding energy, food and non-alcoholic beverages, alcoholic beverages, tobacco and gold	2.41	2.79	32.05	47.75
D - CPI excluding unprocessed food, alcoholic beverages and tobacco	2.30	2.51	32.82	48.62
F – CPI excluding administered prices	2.70	3.16	31.93	45.82

Source: TURKSTAT.

* Does not cover clothing services.

Table 2. D-PPI and Subcategories (% Change)

	Weight (%)	October 2025		October 2024	
		Monthly	Annual	Monthly	Annual
D-PPI	100	1.63	27.00	1.29	32.24
Mining	3.43	3.25	31.79	0.85	40.11
Manufacturing	88.09	1.83	26.91	1.61	32.85
Manufacturing excl. petroleum products	85.41	1.91	27.14	1.57	34.90
Manufacturing excl. petroleum products and base metals	77.29	1.84	28.18	1.49	35.97
Electricity, gas, steam and air-conditioning sup.	7.80	-1.16	24.31	-1.56	20.47
Water supply	0.68	2.36	56.26	1.55	43.19
D-PPI (MIGs Classification)					
Intermediate Goods		1.57	22.33	1.52	31.79
Durable Consumption Goods		3.95	33.07	2.82	39.17
Durable Consumption Goods (Excl. Jewelry)		1.44	24.74	2.20	35.60
Non-Durable Consumption Goods		2.43	33.91	1.90	41.48
Capital Goods		1.18	27.27	0.67	33.84
Energy		-0.65	25.05	-0.56	14.54

Source: TURKSTAT.