Summary of the Monetary Policy Committee Meeting

30 November 2023, No: 2023-49

Meeting Date: 23 November 2023

Global Economy

1. Global inflation has been decreasing recently, but it remains above the long-term averages and central bank targets. Compared to the previous Monetary Policy Committee (MPC) meeting period, consumer inflation decreased from 3.71% to 3.36% in advanced economies and from 6.54% to 6.08% in emerging economies[1]. Inflation continues to hover above the average target rate of 2% in advanced economies and 3.5% in emerging economies. Average annual inflation expectations for the last quarter of 2023 for advanced and emerging economies are 3.3% and 6.7%, respectively. Compared to the previous MPC meeting period, core inflation declined from 4.21% to 3.97% in advanced economies and from 7% to 6.50% in emerging economies. Average annual inflation expectations for the last quarter of 2023 are 3.4% in the USA and 3.2% in the Euro Area, while core inflation expectations are 3.5% and 4.0%, respectively.

2. Despite widespread decline in commodity prices recently, geopolitical risks, financial conditions and supply-side factors cause oil prices to remain volatile. Brent crude oil prices per barrel have fluctuated in the range of USD 78-90 since the previous MPC meeting while the Title Transfer Facility (TTF) price, which serves as a benchmark for European natural gas prices, has decreased moderately. The current level of the Commodity Price Index is 30% above the average of the last ten years. The index fell 26.5% from the highest level reached last year. Similarly, the Agricultural Commodity Price Index, which has declined 14.3% from the peak it reached last year, is 12.1% above the average of the last ten years. This still has an impact on inflation due to the high share of food in consumer basket.

3. High levels of core inflation and inflation expectations imply that global inflation will continue to remain above the targets of central banks for a while. As a result, many central banks around the world are expected to continue to keep their policy rates at levels that will maintain the tightness of the monetary stance and central banks of advanced economies are generally expected to ease more slowly and at a later date. The central banks of 12 advanced countries held a total of 160 meetings in the last 21 months, and policy rates were increased in 106 of these meetings[2]. During the same period, 15 emerging countries' central banks held a total of 239 meetings, and policy rates were increased in 105 of these meetings. The results of the implemented monetary policies have begun affecting financial conditions, and central banks' emphasis on tightening financing and credit conditions has become stronger.

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[1] Advanced Economies: The USA, Czechia, Denmark, the Euro Area, South Korea, the United Kingdom, Sweden, Japan, Canada, Norway.
Emerging Economies: Brazil, China, Indonesia, the Philippines, South Africa, India, Colombia, Hungary, Mexico, Peru, Poland, Romania, Russia, Chile, Thailand, Türkiye.

[2] Australia and New Zealand, which are not included in the inflation country set as their data are at quarterly frequency, are included in the policy rate analysis. Türkiye, which is included in the inflation set, is excluded from the emerging economies set in the policy rate analysis.

Recently, central banks of Russia and the Philippines have raised their policy rates, emphasizing the increased inflationary pressures. Meanwhile, central banks of Brazil, Peru, and Chile continued with policy rate cuts on the back of the decline in consumer inflation, while the Central Bank of Hungary also reduced its policy rate both in October and November. On the other hand, the Central Bank of Poland, which had started a rate-cut cycle earlier, underlined the potential risks that fiscal policies may create and kept the policy rate unchanged. Given the high levels of inflation and the central banks' policy communications, it is expected that the tightness of monetary policy will continue in these economies.

4. Despite the flat global growth outlook, tightness in labor markets persists. The global growth index, which is weighted with the export shares of Türkiye's foreign trade partners, remained flat. The index is projected to grow 1.7% in 2023, which is approximately 0.4 percentage points higher than the lowest level in January. However, considering the 3.5% growth of the index in 2022, a notable slowdown in Türkiye's foreign demand is observed on an annual basis. The slowdown in the global Purchasing Managers' Index (PMI) in the third quarter of the year also continued in October. In October, the global manufacturing industry PMI edged down 0.4 points on a monthly basis to 48.8, while the global services PMI decreased 0.3 points to 50.4. Thus, the global composite PMI index dropped 0.4 points over the previous month to the threshold value of 50 in October. The deterioration in the global PMI data was driven by both advanced and emerging economies. The PMI data for the services sector, which was the major driving force of global economic activity, particularly in the first half of the year, continued to decline for both sets of countriesin October. In addition, the manufacturing industry PMI of emerging economies decreased 0.8 points compared to the previous month to 50.1 in October, closely approaching the threshold value. The fact that China's manufacturing industry PMI dropped 1.1 points to 49.5 in October played an important role in this decline. Despite increasing by 0.1 points in October over the previous month, the manufacturing industry PMI for advanced economies continued to hover below the threshold value with its level at 47.5. In October, the USA, Japan and the United Kingdom displayed a more favorable outlook than in the previous month. Likewise, the manufacturing industry PMI and services PMI for the euro area posted a limited increase in November compared to October, reaching 43.8 and 48.2, respectively. Thus, the composite PMI for the euro area remained below the threshold value in November, standing at 47.1 despite an uptick of 0.6 points. This indicates that the slowdown in Euro Area's economic activity will also continue in the second half of the year. In the Chinese economy, the composite PMI maintained its downward trend in October and dropped 0.9 points to the threshold value of 50. These developments suggest that the services sector, which was an important driving force of global economic activity in the first half of the year, has lost strength in recent months and the global growth rate has slowed down slightly.

5. In the August-October period (31 July-27 October 2023), which was shaped by the expectation that the central banks of advanced economies will maintain their tight monetary policy stance for a longer period, the fluctuations in the global risk appetite, and the uncertainty regarding the Chinese economy, there was a total outflow of USD 61.8 billion from emerging economies, mainly from China, Taiwan, South Korea, Brazil, South Africa and Indonesia, USD 55.8 billion of which was from equity markets. As of November, the reduced risk of the spread of the war in the Middle East to other countries as well as the strengthened market perception that the rate hiking cycles in advanced economies are coming to an end led to an increase in the risk appetite and thus, portfolio inflows to emerging economies started again. In the period 30 October to 17 November, there was an inflow of USD 6.4 billion to equity markets and USD 4.7 billion to bond markets.

6. While geopolitical risks have partially eased recently, energy prices and US long-term interest rates declined. However, the high volatility in oil prices persists and the uncertainty about the global economy remains in place.

Inflation Developments

7. Consumer prices rose 3.43% in October, while annual inflation decreased by 0.17 percentage points to 61.4%. Headline inflation edged down in October and remains in line with the outlook presented in the most recent Inflation Report. Meanwhile, the existing level of domestic demand, the stickiness in services inflation, and geopolitical risks keep inflation pressures alive. Despite having receded from the readings at the end of September, global energy prices remain highly volatile due to geopolitical problems.

8. Contributions of subgroups to annual inflation rose from 22.9 percentage points to 23.4 percantage points in the services group (up by 0.43 percentage points), from 1.57 percentage points to 1.74 percentage points in the energy group (up by 0.17 percentage points), from 15.7 perccentage points to 15.8 percentage points in the core goods group (up by 0.04 percentage points), but decreased from 2.81 percentage points to 2.60 percentage points in the total of alcohol, tobacco and gold groups (down by 0.21 percentage points), and from 18.4 percentage points to 17.8 percentage points in the food and non-alcoholic beverages group (down by 0.60 percentage points).

9. Prices of the food and non-alcoholic beverages group rose 3.20% in October, while annual inflation declined 3.15 percentage points to 72.0%. Seasonally adjusted data pointed that the prices of fresh fruits and vegetables increased to a limited extent, led by vegetable prices. Price increases remained strong in the food group excluding fresh fruits and vegetables. In October, price hikes were noteworthy in red meat, white meat, eggs, nuts, pulses, fats and oils, and coffee-tea-cocoa. Despite the strong price hikes in these items, the monthly price increase in the food group was limited by the mild increase in prices of items with a large weight such as bread and cereals, fresh fruits and vegetables, and milk and dairy products.

10. Energy prices went up 3.62% in October, and annual energy inflation increased 1.35 percentage points to 11.6%. The limit for free use of natural gas was slightly exceeded due to seasonal conditions, and the prices reflected on the basket rose. Accordingly, the natural gas item pushed monthly headline inflation up 0.22 percentage points in October. Following the developments in crude oil prices, fuel prices fell 2.15%. Driven by the lagged effects of global commodity prices, solid fuel and bottled gas prices increased 6.91% and 4.67%, respectively. In addition, municipal water prices rose 7.92% in October and continued to affect energy prices unfavorably.

11. Prices in the services group were up 3.83% in October, and the group's annual inflation increased 2.19 percentage points to 88.7%. Annual inflation declined in transport services but rose in other subgroups. When rent subgroup is excluded, the increase in services group annual inflation is more limited. In the rents subgroup, in which the backward-indexation behavior is strong and the sector-specific supply-demand imbalances continue to be observed, the monthly increase was 7.91%, and annual inflation reached 100.7%. Prices in the restaurants-hotels subgroup rose 3.51%, driven by the catering services item. Fuelled by mobile phone call as well as internet fees, communication services posted a monthly price increase of 4.08%, bringing annual inflation to 57.2%. The monthly increase in prices of the other services subgroup, which was negatively affected by the education-related items in the previous month, was milder at 2.90%. Parallel to the fall in fuel prices, the price increase in transport services significantly decelerated compared to the previous month and became 1.37%. While the decline in prices of passenger transport by air and intercity passenger

transport by road pushed the subgroup's monthly inflation down, carry-over effects of school bus fares from September prevented a more favorable outlook.

12. Annual core goods inflation dropped 0.18 percentage points to 53.1%. Across subgroups, price increases weakened significantly in durable goods, whereas they accelerated seasonally in clothing and footwear due to the transition to the new season. Annual inflation increased in clothing and footwear, but decreased in other subgroups. Prices in durable goods (excluding gold) rose somewhat by 0.43%, while automobile prices declined month-on-month for the first time in the current year, and price increases in white goods and furniture lost significant momentum. As winter loomed, prices in the clothing and footwear subgroup climbed by 14.0%, pushing annual inflation up 6.74 percentage points to 38.1%. In other core goods, prices rose 2.50%, and annual inflation edged down 0.68 percentage points to 49.4%.

13. A decline in the underlying trend of monthly inflation is observed.[3] Seasonally adjusted monthly increases slowed both in the B and C indices in October. This outlook is also confirmed by the declining figures in Median and SATRIM indicators. The three-month average increases in the seasonally adjusted B and C indices, which peaked at 8.76% and 8.59% respectively in February 2022, stood at 5.94% and 5.85% in October 2023. In October, the seasonally adjusted rates of increase in the B and C indices were measured at 2.79% and 3.65%, respectively. The consumer inflation diffusion index declined in October, and its upward standard deviation from the historical average fell from 1.8 in September to 1.4.

14. Leading indicators suggest that the slowdown in the underlying trend of inflation continues in line with projections. According to preliminary data, price increases are stronger in the energy group. It is predicted that due to seasonal increase in consumption, the effect of the natural gas use above the freely-provided 25 cubic meters on measured prices will push November inflation up by 1.1 percentage points. While the durable goods subgroup is marked by low price increases or discounts, services inflation is likely to remain stickier as anticipated.

Demand and Production

15. Following the increase in demand for Turkish lira savings instruments due to monetary tightening, some effects of monetary transmission on demand are gradually appearing. Domestic demand indicators, price reductions in sectors such as durable goods as well as plans thereof, and orders and related expectations provide leading signals of a rebalancing in demand. Accordingly, imports have weakened and the foreign trade balance has displayed a relatively favorable outlook.

16. Recent indicators suggest that domestic demand has started to moderate as the monetary tightening is reflected on financial conditions. In September, adjusted for seasonal and calendar effects, the retail sales volume index decreased 0.7% on a monthly basis. The decrease over the last two months was more pronounced in groups including computers, electronics, construction-related expenditure items (hardware, paint and glass), household appliances and furniture, which are more sensitive to financial conditions. The annual growth of the retail sales volume index fell 3.6 percentage points to 13.8%. Following the 5.1% rise in the second quarter, the quarterly rate of increase slowed down to 0.4%. The upward trend in card expenditures continued in October. In inflation adjusted terms, the rise in card

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[3] To identify the underlying trend of inflation, we use approaches based on "methods of exclusion", such as the B and C indices, as well as "statistical methods" such as Median and SATRIM inflation. Seasonally adjusted monthly changes and moving average changes of these core indicators are closely monitored to determine developments in the underlying trend. The underlying trend can be assessed from a broader perspective, including product groups that are considered to be related to the main drivers of inflation, the distribution and diffusion of price increases across products, and the degree of co-movement of the indicators monitored.

expenditures sustained its decline on a quarterly basis. In seasonally adjusted terms, manufacturing firms’ registered orders from the domestic market decreased in the fourth quarter. An analysis of the broad economic categories reveals that the decline was more pronounced in the durable goods group. Expected price increases were lower in November than in June for those firms that were more affected by the loss of momentum in demand. In the fourth quarter, manufacturing firms' expectations for future export and domestic market orders increased slightly on a quarterly basis. Interviews with firms point to a loss of momentum at the sectoral level due to the slowdown in demand for consumption goods, particularly durable goods.

17. In September, the seasonally and calendar adjusted industrial production index decreased 0.1% month-on-month, while, adjusted for calendar effects, it increased 4.0% on an annual basis. On a quarterly basis, industrial production increased 0.3% in the third quarter compared to the second quarter. Excluding the sectors with high monthly volatility, industrial production displayed a quarterly decrease of 0.1%. In the fourth quarter, the seasonally adjusted capacity utilization rate exhibits a limited increase.

18. As of September, seasonally adjusted employment recorded 31.7 million. In this period, seasonally adjusted employment increased 0.4% quarter-on-quarter, while the labor force participation rate decreased 0.2 percentage points. In September, unemployment rate decreased 0.1 percentage points to 9.1% from 9.2% in August. High-frequency data indicate that demand remains robust in the labor market.

19. In September, in line with the decrease in foreign trade deficit, the annualized current account deficit fell USD 4.9 billion from the previous month’s level to USD 51.7 billion. This fall was driven by the month-on-month decline in the cumulative gold trade deficit, the improvement in the energy balance due to the ongoing annual decline in energy prices and the moderate decrease in trade deficit excluding gold and energy. Provisional foreign trade data for October point that seasonally adjusted exports and imports posted a monthly increase. The three-month average trend, considered along with the high frequency data for November, implies a limited improvement in exports and a flat course in imports as well as an annual decline. After a decrease in September, gold imports remained flat in October-November period, but still hover above historical averages.

20. As of September, the annual services balance surplus increased USD 0.3 billion month-on-month to USD 51.9 billion. Tourism revenues, which have been strong throughout the year, continue to contribute positively to the current account balance. Travel revenues increased USD 5.6 billion in the first nine months of the year compared to the same period of the previous year, and reached USD 36.8 billion. Similarly, the number of foreign visitors increased 13.6% year-on-year to 38.6 million in the first nine months of the year.

Cost Conditions

21. The upward trend in energy commodity prices that started in July, which prior to it had been declining since the second half of 2022, ended in October and prices fell again. Non-energy commodity prices, which remained almost flat in recent months, also decreased in October. In the first three weeks of November, the decline in prices in the energy group continued, while non-energy commodity prices remained flat.

22. In October, domestic producer prices rose 1.94%, while annual inflation went down by 8.05 percentage points to 39.4%. According to main industrial groupings, prices in the energy group decreased while price increases in other groups, particularly in the non-durable consumer group, continued. Annual inflation decreased significantly in the energy group helped by the base effect, while displayed a more limited decrease in other main groups.

23. The Global Supply Chain Pressure Index decreased and remained positive in October. As was the case in October, exchange rates moderately increased in November.
24. The adjustment in the minimum wage in July 2023, accompanied by wage adjustments for civil servants and public sector workers, and wage hikes becoming broad-based had important impacts on inflation in the third quarter of the year, particularly through the cost channel. It is evaluated that wage-driven effects are waning in the final quarter of the year.
25. Fuel prices can have a significant impact on consumer prices, particularly on transport services, through both production inputs and transportation costs. In fact, the significant increase in fuel prices in the third quarter driven by exchange rates, crude oil prices and tax arrangements have rapidly passed through to transport services prices within the same quarter. In the following period, in tandem with the decline in fuel prices, the rate of increase in transport services prices decreased to 1.37%.
26. Therefore, it is evaluated that the intense cost-push pressures in the third quarter have been largely reflected on prices.

Stickiness of Services Inflation

27. The services sector has posted strong price increases since July. Monthly price increases in the services sector, which displays significant inertia, are higher compared to 2022. Annual inflation in the C index, which includes the core goods and services groups, is around 70%, while annual inflation in the services sector is around 89%. Additionally, the diffusion index for the services sector is hovering approximately 33% above its historical average, indicating that the increases continue to spread across the sector.
28. Rising house prices, backward-indexation behavior, and imbalances between supply and demand in the real estate market are pushing rent increases upwards and adversely affecting consumer inflation. On the other hand, the data monitored through online platforms indicate that rents in big cities continue to slow down in the recent period.
29. In the restaurants and hotels subgroup that is significantly affected by food, wage and tourism developments, monthly price increases display a persistent outlook. While the weakening in lagged effects of the minimum wage remains in place, the relative importance of food prices in the outlook for restaurant and hotel prices is increasing. In October, the upward trend in catering services prices continued, while prices in accommodation services decreased.
30. Certain services items, particularly rents, education, health, recreation and culture exhibit pricing behavior indexed to past consumer inflation, prompting inflationary effects to spread over a long period of time. Communication services, which are subject to price rigidities arising from contracts, have a similar effect, and price increases in this subgroup strengthened. Based on the recent realizations consumer inflation, there is a risk that inflation will remain high in certain services items for an extended period.

Inflation Expectations

31. The Committee assesses that inflation expectations and pricing behavior started to show signs of improvement. The consumer inflation diffusion index, one of the indicators followed in order to monitor developments in price setting behavior, continued to decline in October as the share of items with decreasing prices rose. The durable goods sector, which is expected to be affected more rapidly by financial conditions, stands out in this respect. While price increases, particularly in automobiles, slowed down, discounts were also observed in certain products.

32. Inflation expectations decreased in November. According to the November results of the Survey of Market Participants, the current year-end inflation expectation decreased 0.78 percentage points from 68.0% to 67.2%, the 12-month-ahead inflation expectation decreased 1.34 percentage points from 45.2% to 43.9%, the 24-month-ahead inflation expectation decreased 0.73 percentage points from 25.8% to 25.1%. Meanwhile, the five-year-ahead inflation expectation was revised upwards 0.49 percentage points from 11.8% to 12.2%.

Monetary and Financial Conditions

33. The initial impact of monetary tightening on financial indicators has become more salient, and continues to support both credit and deposit developments.

34. With the effect of monetary and quantitative tightening and simplification decisions, lending rates are assessed to be in line with the targeted level of financial tightness. Average personal loan rates (excluding overdraft accounts), which have remained flat since the previous MPC meeting period, became 59.5% as of 17 November 2023. Vehicle and housing loan rates materialized at 43.8% and 42.4%, respectively, as of 17 November 2023. Meanwhile, Turkish lira commercial loan rates increased 215 basis points to 50.3%.

35. The normalization in loan growth and composition continued. As of 17 November 2023, the retail loan balance increased 126.5% in credit cards, 79.9% in vehicle loans, 37.4% in general-purpose loans, and 22.4% in housing loans compared to end-2022, amounting to an increase of 61.2% in total. The average 4-week growth rate of retail loans since the previous MPC meeting period, which continued to lose momentum due to monetary tightening and other steps taken, stood at 2.05%. In the same period, average 4-week growth rates of vehicle and general-purpose loans materialized at 1.39% and 1.33%, respectively. Although personal credit cards maintained their strong trend with an average 4-week growth rate of 4.00%, its growth rate continued to slow down. On the other hand, Turkish lira-denominated commercial loans experienced an average 4-week growth rate of 2.15% in the same period.

36. To maintain long-term price stability, technological transformation that will improve the current account balance, strategic investments that will contribute to the continuity of supply, and exports continue to be supported. Programs undertaken for this purpose are enhanced to include financing costs as well as access to credit, while overseeing the macro-financial balance. The Advance Loans Against Investment Commitment (ALAIC) program, which intends to utilize long-term resources with favorable financing costs in areas that will support macro-financial stability, has been restructured in a framework that highlights the contribution to price stability, technological value and the strategic nature of investments. Moreover, while overall credit growth has normalized, daily limits on rediscount credits for export and FX-earning services have been increased tenfold in total to TRY 3 billion. Arrangements have also been made to ease access to credit, and a cap on discount rates applied to these credits.

37. As of June, the measures taken to ensure the sound functioning of the banking system within the scope of the simplification process have primarily restored the flow of Turkish lira commercial loans. Turkish lira commercial loans, which increased 0.34% across the sector in June, grew 2.38% in July, 2.26% in August, 2.52 % in September, and 2.39% in October. Meanwhile, Turkish lira deposit rates stood at 24.9% in the week ending 18 August, at 33.5% in the week ending 15 September, at 37.9% in the week ending 13 October, and at 40.8% in the week ending 17 November. In parallel, Turkish lira deposits have started increasing while FX-protected and FX-denominated deposits have both declined. Owing to the policy rate hike and the recent steps taken as part of the simplification of the macroprudential framework, it is evaluated that there was a growth in the demand for Turkish lira denominated assets.

Simultaneously, loan and deposit rates also rose in tandem, resulting in the strengthening of the monetary transmission mechanism.

38. Due also to the policy rate decision taken in November, the Committee evaluates that the regulations to increase the share of Turkish lira deposits and monetary tightening will continue to strengthen the transmission mechanism and to improve the funding composition of the banking system.

39. The improvement in external financing conditions, continued increase in foreign exchange reserves, positive impact of demand rebalancing on current account balance, and the increase in domestic and foreign demand for Turkish lira denominated assets contribute significantly to exchange rate stability and the effectiveness of monetary policy.

40. With the recently-signed agreements, foreign direct investments that will focus on improving technology investments and production capacity will support external financing in the upcoming period.

41. Türkiye's five-year CDS premium, which peaked this year with 703 basis points on 22 May 2023 amid domestic uncertainties, decreased further to 340 basis points as of 22 November 2023, down from 417 basis points in the previous MPC meeting period. 1-month and 12-month exchange rate volatilities of the Turkish lira declined 2.9 and 5.0 percentage points, respectively, in this MPC meeting period to 8.0% and 22.8% as of 22 November 2023. Falling figures in the risk premium and exchange rate volatilities were accompanied by net portfolio inflows totaling USD 1.89 billion since June, USD 0.66 billion of which went to the government domestic debt securities (GDDS) market and USD 1.23 billion to the equity market.

42. International reserves of the Central Bank of the Republic of Türkiye (CBRT) maintain the strong upward trend they assumed in June. Having declined from USD 128.8 billion at the end of 2022 to USD 98.5 billion at the end of May, gross international reserves of the CBRT rose to USD 134.5 billion as of 17 November 2023. The upward trend in reserves has gained momentum recently and a significant increase of USD 8.3 billion has been recorded since the previous MPC meeting.

Monetary Policy

43. The Committee has decided to raise the policy rate (the one-week repo auction rate) from 35% to 40%. Given the inflation outlook and the upside risks, the Committee evaluated strengthening the monetary policy framework in line with the price stability objective. The Committee drew attention to the risks that high inflation may pose to macroeconomic stability and especially financial stability. Taking into account the cumulative and lagged effects of monetary tightening, the Committee will continue to determine the policy decisions in a way that will create monetary and financial conditions necessary to ensure a decline in the underlying trend of inflation and to reach the 5% inflation target in the medium term.

44. The Committee assessed that the current level of monetary tightness is significantly close to the level required to establish the disinflation course. Accordingly, the pace of monetary tightening will slow down and the tightening cycle will be completed in a short period of time. The monetary tightness will be maintained as long as needed to ensure sustained price stability.

45. To increase the functionality of market mechanisms and strengthen macro financial stability, the Committee continues to simplify and improve the existing micro- and macroprudential framework. Impact analyses of the CBRT's regulations are conducted for all components of the framework by assessing their impact on inflation, interest rates, exchange rates, reserves, expectations, securities, and financial stability with a holistic approach. With the decisions

taken accordingly, it is assessed that significant progress has been made in the simplification process.

46. In addition to policy rate decisions, the Committee will continue to make quantitative tightening decisions to support the monetary policy stance. While the policy rate, the main policy instrument, affect monetary and financial conditions and expectations, these decisions aim to stabilize excess Turkish lira liquidity and increase the effectiveness of monetary policy.
47. The Turkish lira liquidity inflows to the financial system stemming from the foreign exchange difference payments of FX-protected deposit accounts due to the exchange rate developments are closely monitored. Due actions will be taken based on the impact analyses in view of the current market conditions and liquidity projections for the upcoming period.
48. Indicators of inflation and underlying trend of inflation will be closely monitored, and the Committee will continue to decisively use all the tools at its disposal in line with its main objective of price stability.
49. The Committee will continue to make its decisions in a predictable, data-driven, and transparent framework.