TÜSİAD QUARTERLY ECONOMIC SURVEY

TURKISH INDUSTRIALISTS' AND BUSINESSMEN'S ASSOCIATION

ISSUE 23

FEBRUARY 2000

•

TÜSİAD Quarterly Economic Survey is available at ***www.tusiad.org***

THE STAND-BY AGREEMENT WITH IMF STRENGTHENED POSITIVE EXPECTATIONS FOR 2000

1) Output and Inflation

In order to break the habit of getting along with inflation for years and increase the growth potential of the economy, a programtied Stand-by Agreement has been signed with IMF.

Global turmoil, which resulted in slowdown in most of the economies, tripled with stability programs and the devastating earthquake at home, caused a deep recession in 1999. However, 2000 is expected to be a year of optimism. At the end of 1999, the legislations on international arbitration, social security system and banking sector reforms have been approved by the Parliament. Besides the decisiveness of the government for structural reforms, the monetary policies for 2000 and letter of intend disclosed to IMF are well perceived by the market. Furthermore, the approval of Turkish candidacy for EU membership and the signing of the Stand-by Agreement with IMF have effected expectations positively. Accordingly, the financing opportunities from abroad for 2000 started to rise, which reinforced confidence in the government program.

• Although the reconstruction efforts after the earthquake and the positive effects of Stand-by Agreement on expectations caused a recovery 4Q99 onwards, 1999 will still be a year of great contraction in economic activity. In 2000, consumption and investment expenditures are expected to increase as a consequence of reduction in the interest rates and reconstruction efforts. Considering the limiting effect of stabilization program on growth, TÜSİAD estimations on economic growth rate were –4,4% and 4,5% for 1999 and 2000, respectively.

• The contraction of GNP in real terms was 8,6% and 3,3% in the 1Q and 2Q99 respectively. At the beginning of third quarter, when recovery was expected, Marmara was hit by the earthquake. As a result of the cassation of economic activity in the Marmara region, which produced 13,1% of the total industrial value added, GNP shrank by 6,6% in 3Q99. The three-quarter cumulative contraction in reel GDP was 5,4%, while the real GNP decreased by 6,1% because of significant decline of net foreign factor revenues by 37,1%.

• Since the Marmara earthquake hit the most industrialized region of Turkey, industrial and manufacturing industry productions fell by 8,3% and 9,2% in 3Q99, respectively. While reduction in the agricultural sector remained 3,8%, construction and trade sectors declined by 8,9% and 8,0% respectively in 3Q99.

• Compared with GNP, the contraction in GDP remained relatively small by 5,6% in 3Q99. While the private sector consumption slowed down by 2,9%, the public sector consumption increased by 9,1% because of earthquake emergency expenditures. Fixed capital investment continued to fall remarkably. Public investments decreased by 8% as a result of depressing effect of huge budget deficit. Private sector investment reduced by 13,1% and consequently, the drop in fixed capital investment was 11,9%.

• After signaling a smooth recovery with a 0,8% increase in 2Q99, industrial production showed a dramatic fall by 6,7% in 3Q99. In the forth quarter, monthly industrial production index showed a modest growth by 2,9% in December, after falling by 9,1% and 3,0% in October and November, respectively. In the same period, capacity utilization rates were 71,3%, 71,0% and 75,5% respectively. Capacity utilization rates were below the previous year levels in October and November. The increase in December did not last long when the rate once again reduced to 72,1% in January 2000.

• In December 1999, metal products and refined petroleum production fell by 19,1% and 14,2% respectively. On the other hand, textile products, paper and printing products and chemical products grew by 12,7%, 20,0% and 17,2% respectively. Although manufacturing industry production declined by 5,9% on average in 1999, it increased by 3,3% yoy in December, which indicated a slight recovery in the economy.

Combined with high-rise in agricultural product prices, the lagged effect of acceleration in public prices throughout 1999 postponed the decline in inflation rate.

The WPI growth, which was 71,8% in 1998, fell down to 53,1% yoy in 1999. Private sector prices, which rose 75,9 on average in 1998, demonstrated a limited average growth by 48,1% in 1999. The fall in inflation was mainly related to the decline in prices of raw materials, especially petroleum prices, and the downward pressure of recession on domestic prices. However, public sector prices, which increased only 58,4% in 1998 as a result of anti-inflationary policies, grew significantly by 71,2% in 1999. Due to the efforts of reducing the record high level of public deficits, the monthly increase in public sector prices has constantly exceeded that of private sector prices since March 1999.

• At the beginning of 2000, the stabilization program, aiming to reduce WPI growth rate to 20% at the end of year, has begun to be implemented. January figure of WPI growth rate with 5,8% was significantly above the market's expectations, while CPI growth rate was 4,9%. 1,8 point of this significant increase in WPI came from agricultural prices, which rose by 7,9% and 3,6 point came from manufacturing prices that grew by 5,1%. The reasons for this unexpected increase in WPI can be attributed to rise in costs especially in manufacturing sector.14,1% increase in public sector prices, upward trend of international petroleum prices over 30$ limit and high devaluation against dollar at the end of 1999 contributed to high costs in manufacturing sector. At the same time, rise in value added tax (VAT) ratio by two points also had reverse effect on January inflation figures.

• In February 2000, WPI grew by 4,1% on account of 7,6% rise of agricultural prices, while CPI showed a limited increase by 3,7%. During the two months, CPI growth rate was below WPI's, which indicated that contraction in the domestic demand still continues. The 2-month cumulative change in WPI was 10,1%, which make it difficult to achieve the government target of 20% increase. TÜSİAD estimated that WPI growth rate would reach 30% at the end of 2000 and average annual inflation rate would be 47,7%.

Fiscal and Monetary Policies

Supported by the so-called "quake taxes" the budget deterioration in 1999 stayed below the expectations.

Despite the unsatisfactory budget discipline and earthquake disaster, deterioration in the budget turned out to be lower than government estimations for 1999. In 1999, budget deficit was 9 quadrillion TL, which corresponds to 10,7% of GNP.

• At the end of 1999, budget revenues reached to 19 quadrillion TL (the government program was 18 quadrillion TL). Besides, budget expenditures attained 28 quadrillion TL. Tax revenues for the whole year, showed 3,6% annual increase in real term, in consequence of high performance in tax revenues collected under the earthquake tax law that was enacted by the Parliament on November 26, 1999. Accordingly, tax revenues exceeded its estimated level of 14,2 quadrillion TL and generated as 14,8 quadrillion TL at the end of 1999.

• The transfer payments excluding interest payments soared up to 35.5% in real terms during 1999, consisting mainly transfers to SSI and SSE's. During the year, since the real interest rates kept their high level, domestic and foreign debt interest rate payments increased by 14,7% and 7,5% in real terms, respectively. At the end of 1999, interest payment soared to 10,7 quadrillion TL and primary surplus reached to 1,7 quadrillion TL.

• January 2000 budget figures reinforced the confidence in stabilization program. The budget revenue increased by 20,5% yoy in real terms. Despite that increase in interest payments by 57,6% in real terms, the budget expenditures increased only by 13,7% in real terms. The significant increase in tax revenues secured in January, should be trace to the "quake taxes" collection revenues of 234,8 trillion TL. Increase in the VAT rates under the quake taxes law and a significant growth in the collection of petroleum consumption tax (PCT) due to sharp rise in fuel prices effected positively budget incomes.

• In January 2000, budget revenues of 2,040 trillion TL were short of interest payments of 2,070 trillion TL. As against a budget deficit of 1,6 quadrillion TL, the primary surplus reached 479,8 trillion TL, at the same period.

• The domestic debt stock climbed to 24,2 quadrillion TL as of January 2000. The borrowing policy pursued since the beginning of 1998, caused the domestic debt stock to consist 91% of government bonds. The rest included Treasury Bills. The average maturity of internal debt extended significantly via the borrowing policy, which aimed to transform the Treasury bill stock by government bond.

• At the beginning of 2000, domestic borrowing interest rates caught a downward trend from 96,6% of November 1999 and stayed at the average of 37,7% in January 2000. This sharp decline in the average interest rates is mainly attributed to predetermined exchange rates, which significantly reduced the noise in the market and risk premium in turn. Moreover, the government borrowing of 2,5 billion dollars from abroad in the first 10 days of 2000 also had a positive effect in the reduction of interest rates.

• In February 2000, the temporary tax under article 279 of the Tax Law led to a liquidity shortage and January inflation figures rested above the market expectations, average interest rates on Government Domestic Borrowing Bonds showed a limited rise and generated as 41,7%.

The Central Bank's Monetary Policy for 2000 reflects a shift from accommodative policies.

In order to support the government's end year inflation target and break up the inflationary expectations, the Central Bank announced daily expected nominal exchange rates throughout the end of 2000. To act in line with the exchange rate policy, the change of the base money in the Central Bank's balance sheet will be limited to the change in the net foreign assets. Corollary, net domestic assets will fluctuate roughly within a parallel band whose upper and lower limits will be determined as 5% of previous end-quarter base money figures. Also quarterly floor levels for net international reserves are determined. In order to facilitate the banks temporary liquidity needs and to channel them to engage more efficient liquidity management in their operations, reserve requirement policy will be implemented in a more flexible way.

• Sticking to an upward trend from its December 1998 level of 1,5 quadrillion TL, net foreign assets reached to 4,8 quadrillion TL as of December 1999. As a consequence of financing the markets with the required TL through OMO to satisfy the soured up demand of fiscal system for foreign exchange at the end of 1999, OMO liabilities decreased to –2,4 quadrillion at the end of December 1999. Accordingly, due to the decreasing trend in both the net position of the public sector and the fx revaluation account, net domestic assets rose to –0,9 quadrillion TL, which is above the performance criteria level of –1,2 quadrillion TL. The increase in the reserve money has kept under control by the Bank's policies. Especially in the post earthquake period the expansionary policies to break up the liquidity squeeze stabilised the interest rates throughout 1999.

• Since the Central Bank have not credited financing the public sector at the cost of increasing net domestic assets in its on going program, credits to public sector slowed down significantly and fell to –5,9 quadrillion TL at the end of February. Sustaining its high end-1999 level of tax collection and abroad sales of government bonds revenues, net position of the public sector decreased to –1,8 quadrillion TL as of end February.

• As a consequence of the foreign exchange policy in charge, Central Bank let the interest rates fluctuate in the market while trying to induce the short-term rates by changing the composition of its net domestic assets. Due to the fact that the base money creation is tightly related to the increase in the net foreign assets, at the first two months, Central Bank lowered the net position of the public sector and injected liquidity through decreasing its OMO liabilities. As of end-February, net OMO liabilities reached –2 quadrillion TL.

• According to the agreement signed between the Treasury and the Central Bank, Central Bank gave back its reserve government bonds amounted 1,3 quadrillion TL to Treasury in exchange of the same amount of surplus occurred in the fx revaluation account which mounted to 1,5 quadrillion in February. Consequently, the domestic debt stock decreased.

• Net foreign assets continued its upward trend mostly because of the increase in the foreign assets and reached 5,4 quadrillion at the end of February. Although there were significant falls in the fx revaluation account and OMO liabilities, the descending trend of the net position of the public sector helped the net domestic assets to rest at –1,3 quadrillion. Therefore, reserve money reached 4 quadrillion TL.

• The annual profit of Central Bank rose by 69,8% compared to the previous year and reached to 507 trillion TL. 242 trillion of this profit will be given to Treasury after the General Assembly that is going to be held on April.

• The Bank's international reserves have accumulated due to the foreign capital inflows since the beginning of 1999 and reached to 23,2 billion dollars on December with an increase of 17,3% with respect to the same period of the previous year. As of end-February 2000, the reserves are 23,6 billion dollars. The ratio "Central Bank's Reserves / (Domestic Debt Stock + Broad Money Supply M2Y)", which is used to measure the pressure on the foreign currency market dropped to 19,1% as of end-January due to the excessive increase in the domestic debt stock when compared to the international reserves.

The decline in the nominal interest rates shifts the investors to instruments other than bank deposits.

The acceleration of the increase in the money demand at the beginning of 1999 had been taken under control since the third quarter to satisfy end-year inflation targets. As of end-1999, the annual real percentage increases in M1, M2 and M2Y are, 35,5%, 27,8% and 26,8% respectively.

• Since the real interest rates were high in 1999, the savings accumulated in time deposits. This caused the share of time deposits in M2Y to increase up to 46,2%. September onwards, the devaluation rate accelerated and consequently, the share of foreign exchange deposits in M2Y rose to 43,7% at the end of December while the share of time deposits fell to 44%. The real growth of time and foreign exchange deposits as of end-1999 are, 25,5% and 26,5% respectively.

• Real annual percentage increases in M1, M2, M2Y are 3,7%, 13%and 18,7% respectively in January. A parallel fall in deposit interest rates is experienced as well as the domestic debt interest rates. Both the time and foreign exchange deposits lost their charm as investment instruments because of the low deposit interest rates and fixed exchange rate system respectively. Istanbul Stock Exchange is expected to be on top of the list of alternative investment instruments.

• A decline in the credit volume occurred in 1999 due to the severe economic contraction and high real interest rates. Domestic credits given by the commercial banks experienced a severe contraction with –7,3% and –7,9% real annual percentage changes as of December and January respectively.

In line with the stabilization program and end-year inflation targets Central Bank pre-announced daily FX basket rates throughout 2000.

In light of the stabilisation program constructed under the three year Stand-by agreement, Central Bank announced that its foreign exchange policy would be attached to two different exchange rate policies in two different periods. In the first 18-month period-January 2000 to June 2001-, nominal value of the basket will be increased according to the targeted inflation rate and in the following period the exchange rate policy will be carried out with respect to a progressively widening band. While committing itself to fixed exchange rate system, that is one of the strongest anti-inflationary policies, also the bank is pre-announcing the gradual exit strategy from this commitment otherwise, which will deteriorate the foreign trade balance.

• Since USD achieved real appreciation against the foreign currencies in 1999, depreciation of TL against USD was higher by 71,7% when compared to DM, which is 48,2%. FX basket comprising 1USD and 0.77Euro is targeted to depreciate 19,9% as of end year to be in harmony with 20% end year inflation target. In the first two months of 2000, the depreciation in the FX basket fulfilled its pre-announced targets by 2,2% and 2,1% respectively.

• On account of the positive expectations nourished by the IMF negotiations and political resolution for necessary legislation, the ISE-100 index clung together an upward trend and as of end-1999 it achieved a record level of increase in profits; 241,7% on USD basis with respect to previous year. In January, the upward trend displayed its consistency with the help of the decline in the interest rates and the continuum of the positive expectations. As of end January, the ISE-100 index rested at 1751,4 points and the volume of transactions rose to 26,4 billion dollars with 37,8% increase.

III. Foreign Trade and Balance of Payments

In 1999, despite the improvements in the world economies, contraction in domestic demand provoked decreasing trend in foreign trade.

In the second half of 1999, downward trend in import prices reversed because of the continuum of rapid increase in international petroleum prices. Improvements in international markets, increase in optimist expectations in domestic market and upward trend in import prices limited the decreasing trend in total imports and exports. In November 1999, both imports and exports showed a smooth increase.

• In the first 11-months of 1999, while exports declined by 2,2% compared to the previous year's corresponding period, imports fell by 14,6%. Hence the trade deficit declined by 29,6% and dropped to 12,2 billion dollars. In real terms, imports fell by 8,9% and exports increased by 2,8% in the same period, indicating the decline in prices as the main source of decline in trade volume.

Although there was a sharp decline in invisibles, the decrease in foreign trade deficit combined with capital inflows enabled accumulation of international reserves.

Aside the improvement in foreign trade deficit as a result of fast fall in total imports compared to total exports, dramatic reduction in invisibles item caused current account balance to give a deficit of 507 million dollar. International reserves gathered by 4,7 billion dollars as a consequence of compensation of sharp decline in long-term capital inflows through significant rise in portfolio investments and short-term capital inflows.

• In the first 11-months of 1999, shuttle trade, which entered a soft upward trend with improvement in Russia economy, diminished by 42,5% compared to the same period of the previous year. In the same period, foreign trade deficit included shuttle trade shrank by 30,2% and fell to 9 billion dollars. Furthermore, invisibles item, which has significant share in the current account balance, declined by 42,1% due to the increase in net interest payment by 29,4% and reduction in net tourism revenues by 32,2%.

• At the same time, portfolio investments displayed a significant change in the capital account and climbed to 2,5 billion dollars. In the same period, foreign direct investments and long-term capital flow items showed significant reductions. Short-term capital flows item rose by 48,3% and indicated 4,3 billion dollars of capital inflows. As a consequence, net capital inflows reached the level of 5,2 billion dollars.

• At the end of September 1999, total external debt stock reached to 104,4 billion dollars. Taking 1,2 billion dollars exchange rate differential into consideration, real increase in the external debt stock was 519 million dollars. Although there was a remarkable increase in short-term debt by 11% due to inconsistency in the international markets, long-term debt declined by 3,2% and ended up 74,2 billion dollars.

IV. Prospects for 2000

In light of the stabilisation program constructed under the three year Stand-by agreement, it is expected that achieving the macroeconomic stability would pave the way for integration to global economy keeping the EU enlargement process in mind.

TÜSİAD expects economic growth to be 4,5%, which is below the government target of 5,5%. Considering the adverse effects of tight fiscal policies that will be in charge and comparatively slow economic growth, TÜSİAD envisages that the budget realisations will stay below the government targets. It is estimated that the budget expenditures and revenues will be 41,8 and 29,3 quadrillion TL respectively. The end year targets in the programme are 47 and 32,6 quadrillion TL. Consequently, the budget deficit is expected to be 9,6% of GNP.

• The Central Bank announced that it would stick to its monetary programme. Therefore, the change in the FX basket rate, which is used as a nominal anchor to bring the inflation down, is expected to fulfil its pre-announced 19,9% end-year depreciation.

• TÜSİAD estimated that the increase in wholesale price index would be 30%. Considering the continuum of the effects of excessive public sector price rises and devaluation in 1999 on the costs throughout the beginning of 2000, TÜSİAD concluded that the rise in WPI would exceed the programme target with the pacing up economic growth. TÜSİAD expects TL to appreciate 3% against USD and real interest rates to slide down to 5,5%.

• Due to the fact that TL experienced real depreciation in 1999, the appreciation of it via the fixed exchange rate policy in 2000 will not abate the exports that much. Relying on positive expectations of economic growth in the EU countries, which are our main trade partners, TÜSİAD expects that exports will reach 28,8 billion dollars. Also, economic recovery and the rise in import prices are expected to push the imports above the targeted volume of 46 billion dollars by 48,1 billion dollars. Therefore, the foreign trade deficit is estimated to be 19,2 billion dollars instead of the targeted volume of 17,7 billion dollars. It is also envisaged that the rise in invisibles will offset partially the enlargement of trade deficit. No significant deterioration in the current account balance is expected.

TÜSİAD believes that compromise and harmony between public and private sectors, keeping the public expenditures under discipline and resolution are the key elements that will bring the achievement in the program.

TABLE 1.1 MAIN ECONOMIC INDICATORS (1999-2000) PRODUCTION AND PRICES

	1999 Feb.	March	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	2000 Jan.	Feb.
INDUSTRIAL PRODUCTION INDEX (SIS, 1997=100)													
Annual % Increase	-7.1	-12.0	5.4	-3.8	0.8	-3.8	-12.4	-9.3	-9.1	-3.0	2.9	..	..
Monthly % Increase	6.1	6.6	2.1	6.9	0.8	-3.8	-10.2	11.7	2.2	1.6	0.0	..	..
Monthly % Increase (seasonally adjusted)	16.0	-7.6	13.5	-5.3	2.2	-3.9	-6.7	3.0	-1.0	4.3	2.3	..	..
CAPACITY UTILISATION RATE (SIS, %)	71.2	74.1	77.9	78.1	76.4	73.9	69.9	68.8	71.3	71	75.5	72.1	..
WHOLESALE PRICE INDEX (SIS, 1994=100)													
Annual % Increase	48.3	48.2	50.0	50.0	50.3	52.5	53.7	54.4	55.2	56.2	62.9	66.4	67.5
Monthly % Increase	3.4	4.0	5.3	3.2	1.8	4.0	3.2	5.9	4.7	4.1	6.8	5.8	4.1
Monthly % Increase (seasonally adjusted)	3.2	3.3	3.8	4.4	4.1	5.0	4.2	4.7	4.0	4.4	6.2	4.7	3.9
CONSUMER PRICE INDEX (SIS, 1994=100)													
Annual % Increase	63.9	63.5	63.9	63.0	64.3	65.0	65.4	64.3	64.7	64.6	68.8	68.9	69.7
Monthly % Increase	3.2	4.1	4.9	2.9	3.3	3.8	4.2	6.0	6.3	4.2	5.9	4.9	3.7
Monthly % Increase (seasonally adjusted)	4.0	4.2	4.2	3.6	5.5	5.3	4.5	4.3	4.3	3.9	6.5	3.4	4.2
EXCHANGE RATE (CB buying rate)													
TL/USD (monthly average)	341,340	359,961	379,448	394,904	412,175	425,865	434,780	453,017	466,509	496,154	526,390	545,273	563,071
Annual % Increase	52.8	52.9	54.5	56.9	58.2	59.0	59.0	64.9	67.8	68.6	71.7	69.6	65.0
Monthly % Increase	6.1	5.5	5.4	4.1	4.4	3.3	2.1	4.2	3.0	6.4	6.1	3.6	3.3
TERMS OF TRADE (SIS, 1994=100)													
External (Export/Import)	1.037	1.044	1.048	1.048	1.049	1.048	1.045	1.037	1.031	..	..	..	..
Internal (Agriculture/Manufacturing)	1.471	1.436	1.396	1.371	1.332	1.299	1.297	1.285	1.264	1.213	1.159	1.133	1.135
DOMESTIC BORROWING (weighted by sales volume)													
Compounded Annual Interest Rate (%)	124.1	103.7	100.8	98.5	110.5	99.0	113.5	111.4	108.4	96.6	*	37.7	41.7
Average Maturity (days)	354	372	344	368	361	399	669	624	596	661	*	453	392
WAGE INDEX (SIS, quarterly, 1997=100, Manufacturing Industry)													
Real Wage per hour (annual % increase)	..	12.2	..	..	8.8	..	..	14.6	..	..	..	..	..
Real Income (annual % increase)	..	11.6	..	..	9.8	..	..	14.0	..	..	..	..	..

(..) Not available
** No auction*

TABLE 1.2 MAIN ECONOMIC INDICATORS (1999-2000)
FOREIGN TRADE

	1999 Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	2000 Jan.
FOREIGN TRADE (annual % increase)													
Value (Current $ prices)													
Imports	-29.1	-27.9	-31.4	-8.4	-18.9	-15.4	-13.7	-15.6	-0.6	-2.2	5.6	..	..
Exports	-15.0	4.7	-4.6	-0.7	-9.8	-10.2	-1.7	-15.7	-1.8	4.4	5.2	..	..
Price Index (1994=100)													
Imports	-6.8	-9.9	-11.4	-10.5	-7.4	-10.1	-5.5	-4.4	-2.6	-2.1	..	..	..
Exports	-1.1	-1.6	-4.1	-6.5	-7.4	-8.4	-7.1	-7.2	-12.3	-8.6	..	..	..
Quantity Index (1994=100)													
Imports	-23.7	-17.7	-16.8	8.9	-6.1	3.0	-2.7	-4.3	13.5	10.4	..	..	..
Exports	-13.5	4.1	-0.4	3.1	-1.3	5.7	3.5	-12.7	13.8	18.2	..	..	..
FOREIGN TRADE BALANCE ($ million)													
Monthly													
Imports	2,202	2,793	2,992	3,328	3,384	3,525	3,616	3,148	3,637	3,558	3,708	..	..
Exports	1,864	2,160	2,364	1,904	2,181	2,030	2,172	1,885	2,168	2,606	2,370	..	..
Foreign Trade Balance	-338	-633	-629	-1,424	-1,204	-1,495	-1,444	-1,262	-1,470	-952	-1,339	..	..
Cumulative For The Last 12 Months													
Imports	45,018	43,936	42,565	42,259	41,469	40,826	40,250	39,668	39,645	39,566	39,763	..	..
Exports	26,645	26,741	26,627	26,614	26,376	26,145	26,107	25,755	25,714	25,825	25,942	..	..
Foreign Trade Balance	-18,374	-17,195	-15,938	-15,645	-15,092	-14,681	-14,142	-13,913	-13,931	-13,740	-13,821	..	..
BALANCE OF PAYMENTS ($ million)													
Monthly													
Current Account Balance	800	114	279	-756	-151	-548	-184	357.0	-207	259.0	-570	..	..
Foreign Trade Balance*	-190	-396	-366	-1,155	-943	-1,247	-1,213	-1,029	-1,082	-566	-920	..	..
Invisibles	990	510	645	399	792	699	1,029	1,386	875	825	350	..	..
Cumulative For The Last 12 Months													
Current Account Balance	2,324	3,324	4,133	3,785	3,644	2,905	3,175	2,744	1,431	614	-513	..	..
Foreign Trade Balance*	-14,064	-13,095	-12,178	-12,082	-11,730	-11,503	-11,026	-10,891	-10,815	-10,508	-10,526	..	..
Invisibles	16,388	16,419	16,311	15,867	15,374	14,408	14,201	13,635	12,246	11,122	10,013	..	..
Capital Account and Reserve Movements													
Net Foreign Direct Investment	526	542	582	641	720	627	542	502	280	280	161	..	..
Portfolio Investment	-6,274	-6,678	-6,000	-6,007	-6,217	-5,655	-5,108	-1,682	1,189	1,168	2,471	..	..
Net Long-Term Capital	4,097	3,810	3,250	1,762	815	401	212	700	-189	-74	231	..	..
Net Short-Term Capital	2,019	1,869	1,041	1,844	1,150	667	2,048	1,817	6,782	4,209	4,005	..	..
Net Errors and Omissions	-2,674	-2,203	-2,853	-4,136	-3,060	-2,861	-2,392	-1,997	-5,878	-1,779	-1,990	..	..
Reserve Changes**	-18	-664	-153	2,111	2,948	3,916	1,523	-2,084	-3,615	-4,418	-4,365	..	..
THE CENTRAL BANK RESERVES ($ billion)	**20.3**	**20.1**	**21.4**	**21.7**	**21.8**	**22.2**	**23.3**	**23.1**	**23.6**	**24.0**	**22.6**	**23.2**	**23.2**
FOREIGN DEBT STOCK ($ billion)	..	..	**102.8**	..	..	**101.6**	..	..	**104.4**	..	..	..	..

(*) Exports(FOB)-Imports(FOB), including shuttle trade
(**) Positive sign indicates decrease in reserves
(..) Not available

TABLE 1.3 MAIN ECONOMIC INDICATORS (1999-2000)
BUDGET BALANCE

	1999 Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	2000 Jan.
CUMULATIVE FOR THE LAST 12 MONTHS (TL trillion)													
Revenues	**12,310**	**12,518**	**12,841**	**13,232**	**13,907**	**14,389**	**14,853**	**15,691**	**16,243**	**16,840**	**18,107**	**18,973**	**19,996**
Tax Revenues	9,493	9,638	9,799	10,232	10,818	11,223	11,458	12,142	12,643	13,100	14,006	14,807	15,697
Non-Tax Revenues	2,623	2,668	2,802	2,757	2,833	2,891	3,115	3,267	3,296	3,430	3,790	3,879	3,987
Expenditures	**16,593**	**17,321**	**18,030**	**19,122**	**20,147**	**21,155**	**22,627**	**23,469**	**24,103**	**25,995**	**27,399**	**28,018**	**29,730**
Current	5,444	5,675	5,949	6,195	6,457	6,773	7,144	7,426	7,787	8,113	8,478	9,148	9,376
Investment	1,000	1,030	1,040	1,079	1,128	1,162	1,205	1,250	1,324	1,352	1,386	1,540	1,539
Transfers	10,148	10,615	11,041	11,848	12,562	13,220	14,278	14,793	14,992	16,530	17,535	17,330	18,815
Primary Balance*	**2,310**	**2,032**	**1,856**	**1,489**	**1,562**	**1,514**	**1,310**	**1,499**	**1,325**	**1,357**	**1,945**	**1,676**	**2,268**
Budget Balance	**-4,282**	**-4,803**	**-5,189**	**-5,890**	**-6,240**	**-6,766**	**-7,775**	**-7,778**	**-7,861**	**-9,155**	**-9,292**	**-9,044**	**-9,734**
Financing	4,290	4,833	5,236	5,899	6,284	6,899	7,782	7,925	2,955	9,344	9,574	9,097	9,612
Foreign Borrowing (net)	-1,053	-1,115	-931	-894	-912	-1,129	-1,122	-940	-1,009	-584	-229	460	1,211
Domestic Borrowing (net)	2,515	3,811	5,153	6,540	7,029	7,283	8,031	8,541	9,606	11,139	12,420	12,234	13,535
Short-term Borrowing (net)	2,482	1,716	718	76	153	458	723	289	-5,609	-912	-1,876	-2,493	-3,265
Other	346	421	296	176	14	287	151	35	-32	-299	-740	-1,103	-1,869
CUMULATIVE FOR THE LAST 12 MONTHS ($ billion)													
Revenues	**45.6**	**45.0**	**44.9**	**44.5**	**44.7**	**44.6**	**44.1**	**44.7**	**44.3**	**43.9**	**44.8**	**44.7**	**45.3**
Tax Revenues	35.2	34.7	34.3	34.6	34.7	34.7	33.9	34.4	34.3	34.1	34.5	34.8	35.5
Non-Tax Revenues	9.6	9.6	9.8	9.2	9.2	9.1	9.3	9.4	9.1	9.0	9.4	9.1	9.0
Expenditures	**61.2**	**61.8**	**62.2**	**63.1**	**63.9**	**64.5**	**66.0**	**66.0**	**65.2**	**67.6**	**68.7**	**67.3**	**68.0**
Current	19.8	20.1	20.4	20.6	20.7	20.9	21.2	21.2	21.4	21.4	21.4	21.5	21.2
Investment	3.6	3.7	3.7	3.7	3.7	3.7	3.6	3.6	3.7	3.6	3.5	3.4	3.4
Transfers	37.8	38.0	38.1	38.8	39.5	39.9	41.1	41.1	40.2	42.7	43.8	42.3	43.4
Primary Balance*	**9.1**	**7.8**	**7.1**	**5.7**	**5.3**	**4.9**	**4.1**	**4.3**	**3.5**	**3.3**	**4.1**	**3.7**	**5.0**
Budget Balance	**-15.6**	**-16.8**	**-17.3**	**-18.6**	**-19.3**	**-20.0**	**-21.9**	**-21.3**	**-20.9**	**-23.7**	**-23.9**	**-22.6**	**-22.7**
Financing	15.8	16.9	17.4	18.5	19.3	20.3	21.9	21.7	10.2	23.9	24.2	22.5	22.4
Foreign Borrowing (net)	-3.7	-4.0	-3.4	-3.4	-3.4	-3.8	-3.5	-2.8	-2.8	-1.5	-0.8	0.7	2.2
Domestic Borrowing (net)	8.5	12.6	16.3	20.2	21.0	20.9	22.0	22.8	25.2	28.4	31.0	30.5	31.4
Short-term Borrowing (net)	9.8	6.8	3.2	0.8	1.4	2.3	2.9	1.7	-12.0	-2.1	-4.7	-6.6	-7.5
Other	1.2	1.6	1.2	1.0	0.3	0.9	0.5	0.0	-0.3	-0.9	-1.4	-2.1	-3.8
DOMESTIC DEBT STOCK													
TL 1000 trillion	12.5	13.1	14.2	15.4	16.0	17.0	18.6	19.2	20.0	21.6	22.7	22.9	24.2
$ Billion	39.0	38.5	39.6	40.5	40.5	41.2	43.6	44.2	44.2	46.4	45.7	43.5	44.4
Domestic Debt / M2Y	60.2	61.0	61.8	62.7	63.9	64.4	64.2	63.2	62.2	62.4	62.4	57.1	58.9

** Revenues- Non-interest expenditures*
(..) Not available

TABLE 1.4 MAIN ECONOMIC INDICATORS (1999-2000)
MONETARY AGGREGATES

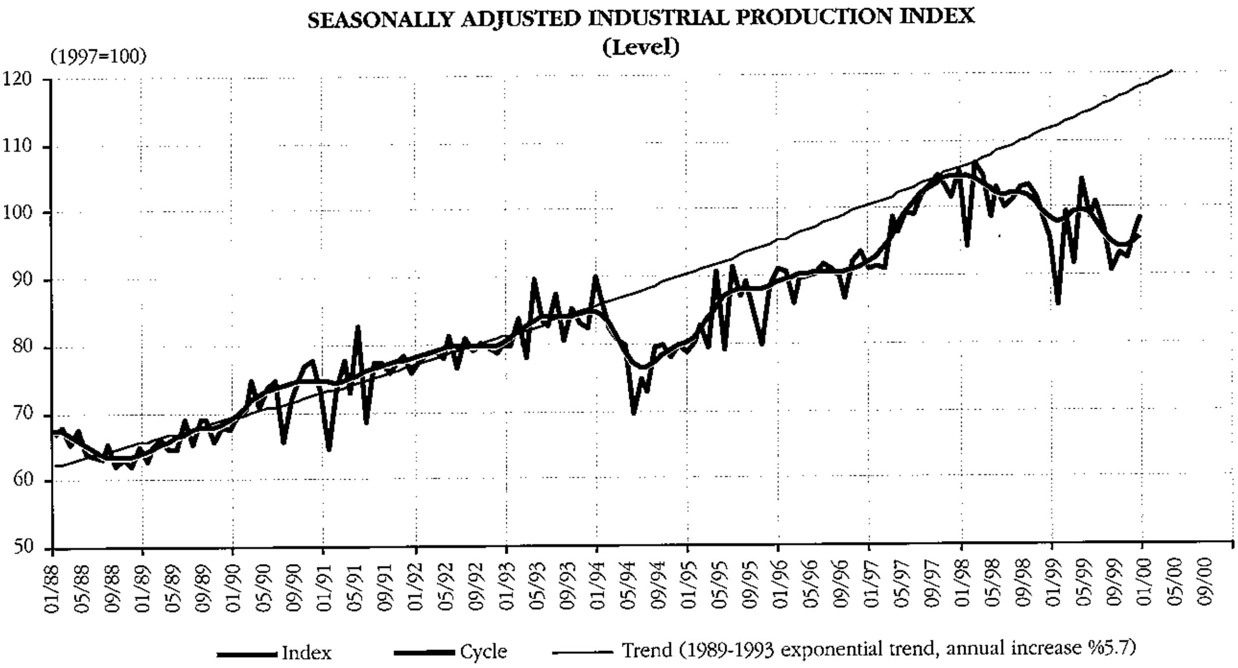
	1999 Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	2000 Jan.
MONEY SUPPLY (annual % change)													
Currency in Circulation	32.3	69.7	121.8	67.3	60.3	55.9	42.9	55.0	55.2	61.9	53.2	81.1	69.7
Sight Deposits	85.1	52.9	110.1	133.3	73.4	75.5	59.2	71.2	56.4	69.0	75.5	148.6	74.6
M1	**58.8**	**60.2**	**116.1**	**100.0**	**67.4**	**65.8**	**52.1**	**63.3**	**55.8**	**65.7**	**64.6**	**115.9**	**72.6**
Time Deposits	120.5	132.5	123.2	117.5	107.5	99.4	105.1	117.1	119.1	113.9	103.2	106.1	92.4
M2	**103.2**	**112.9**	**121.4**	**113.1**	**97.9**	**91.8**	**91.6**	**103.6**	**103.5**	**102.2**	**94.9**	**108.1**	**88.0**
Foreign Exchange Deposits (TL)	67.4	62.3	64.5	75.3	71.2	72.5	76.3	76.6	78.0	87.4	100.1	104.5	110.3
M2Y	**86.4**	**87.9**	**93.0**	**94.6**	**85.3**	**82.9**	**84.8**	**91.1**	**91.7**	**95.5**	**97.3**	**106.5**	**97.4**
Official Deposits	27.0	60.6	56.0	53.3	116.4	79.1	3.9	75.9	28.6	50.3	98.5	23.0	143.9
Other Deposits with CBRT	-42.2	-37.6	-65.7	40.7	46.8	-44.1	27.0	0.9	42.0	93.0	-9.7	-49.7	175.7
M3Y	**81.5**	**84.6**	**87.3**	**92.5**	**85.5**	**80.8**	**81.1**	**88.6**	**89.0**	**94.4**	**95.5**	**100.4**	**98.8**
M2Y (TL trillion)	**20,799**	**21,546**	**23,042**	**24,520**	**25,037**	**26,357**	**28,920**	**30,372**	**32,214**	**34,674**	**36,329**	**40,119**	**41,062**
Composition of M2Y (%)													
Currency in Circulation	5.26	5.35	7.25	5.52	5.07	5.19	4.73	5.39	5.31	5.10	4.5	5.0	4.5
Sight Deposits	7.41	6.32	6.56	7.57	6.38	5.95	6.85	6.25	5.46	6.12	5.4	7.3	6.6
Time Deposits	45.14	45.64	43.70	42.86	44.82	45.47	45.86	45.80	46.18	45.35	44.6	44.0	44.0
Foreign Exchange Deposits	42.18	42.70	42.48	44.05	43.74	43.38	42.56	42.56	43.06	43.43	45.5	43.7	44.9
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
CREDIT STOCK (domestic, annual % change)	**43.0**	**38.7**	**47.0**	**44.4**	**40.1**	**41.9**	**31.9**	**32.7**	**32.8**	**52.3**	**55.7**	**52.6**	**53.2**
Central Bank Direct Credits	-99.5	-99.5	46.3	18.1	100.0	16556.6	100.1	100.2	104.9	105.0	105.0	118.8	84.5
Deposit Bank Credits	46.3	43.0	45.2	42.5	38.4	38.7	29.9	30.7	30.5	50.7	54.2	51.0	53.2
Invest. and Develop.Bank Credits	112.2	71.8	80.7	79.0	71.1	74.8	75.1	74.7	82.0	81.2	81.8	81.5	53.4
CB BALANCE SHEET SELECTED ITEMS ($ million)													
Net Domestic Assets	1,061	524	321	-1,732	-2,255	-2,848	-2,751	-2,797	-3,306	-3,392	-2,178	-1,670	-2,071
Net Foreign Assets	5,647	5,981	7,434	8,144	8,376	9,088	9,649	9,792	10,424	10,182	9,398	9,140	9,027
Net Position of Public Sector	1,051	2	-122	-1,021	-1,118	-513	-950	-1,577	-1,226	-1,637	-1,658	-1,662	-2,362
Liabilities Due to Open Market Operations	-3,758	-3,338	-3,509	-2,317	-2,017	-1,008	-1,656	-2,435	-1,775	-2,313	-3,778	-4,572	-4,907
CB RESERVES/(DOMESTIC DEBT STOCK+M2Y, %)	**19.6**	**19.8**	**20.7**	**20.7**	**21.0**	**21.1**	**20.9**	**20.3**	**20.5**	**19.9**	**19.0**	**19.4**	**19.4**

Net Foreign Assets = Foreign Assets - (Liabilities to Non-Residents + FX Deposits of Banking Sector)
Net Domestic Assets = Net Position of Public Sector + Credits to Banking Sector + Net Open Market Operations + Others + FX Revaluation Account
Net Position of Public Sector = Credits to Public Sector - (Deposits of Public Sector + FX Deposits of Non-Banking Sector)
Reserve Money = Net Foreign Assets + Net Domestic Assets

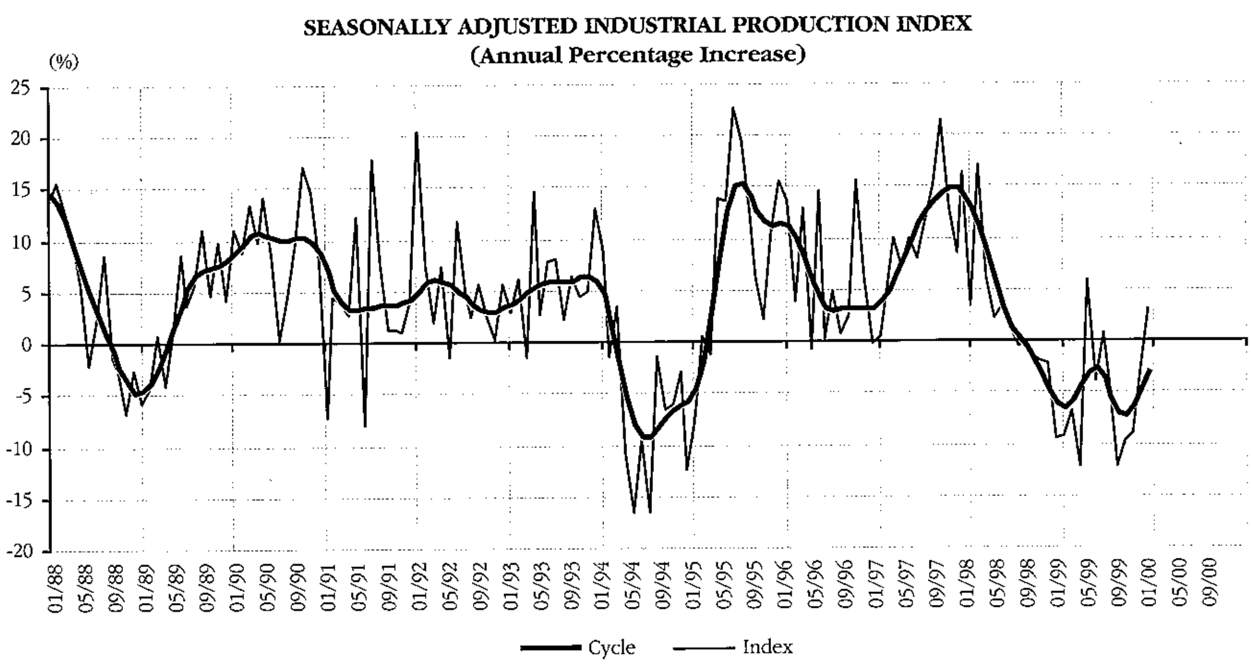
TABLE 2 GROSS DOMESTIC PRODUCT

(TL, At 1987 Prices)	Growth Rate (%)			% Share			Annual Growth Rate (%)											
	1996	1997	1998	1996	1997	1998	1996-4	1997-1	1997-2	1997-3	1997-4	1998-1	1998-2	1998-3	1998-4	1999-1	1999-2	1999-3
Private Final Consumption Expenditure	**8.5**	**8.4**	**0.6**	**68.2**	**68.8**	**67.0**	**8.1**	**8.2**	**9.8**	**8.9**	**6.6**	**8.6**	**-0.6**	**1.3**	**-5.8**	**-7.9**	**-0.6**	**-2.9**
Food-Beverages	2.4	0.8	-11.2	25.5	23.9	20.5	-4.3	0.0	4.1	-0.2	-0.1	1.6	-5.7	4.2	-54.1	-5.6	4.9	1.6
Durable Goods	35.6	33.6	-0.8	8.9	11.1	10.7	32.3	26.6	33.3	41.9	31.6	18.2	-4.3	-0.4	-12.3	-7.4	5.2	-8.6
Semi-Durable&Non-Durable Goods	11.4	8.7	0.3	11.4	11.5	11.2	18.2	18.5	4.0	12.1	1.8	15.4	9.5	-3.1	-18.9	-17.7	-8.1	-5.4
Energy-Transportation-Communication	5.3	3.5	4.9	9.9	9.6	9.7	4.8	3.3	5.4	1.2	4.0	8.6	2.1	5.3	4.2	-1.9	-0.5	-1.4
Services	9.4	15.1	-0.8	6.9	7.4	7.1	17.8	9.0	23.0	18.5	7.9	9.8	0.7	-5.2	-3.4	-13.2	-15.2	-12.0
Ownership of Dwelling	2.4	2.3	2.1	5.6	5.3	5.2	2.4	2.3	2.3	2.3	2.2	2.3	2.1	2.0	2.0	2.1	2.3	1.1
Government Final Consumption Expenditure	**8.6**	**4.1**	**7.8**	**7.7**	**7.4**	**7.8**	**8.4**	**-3.9**	**0.6**	**5.9**	**9.9**	**8.6**	**14.9**	**-2.0**	**10.5**	**10.2**	**2.1**	**9.1**
Compensation of Employees	-0.3	0.1	5.9	4.3	4.0	4.1	-0.4	0.0	-0.2	0.2	0.4	0.6	7.4	7.9	7.8	7.8	0.7	0.8
Purchases of Goods&Services	22.2	9.2	10.0	3.4	3.5	3.7	16.1	-14.5	1.9	12.5	16.9	34.0	26.5	-12.2	12.2	16.1	3.9	19.6
Gross Fixed Capital Formation	**14.1**	**14.8**	**-3.9**	**29.2**	**31.1**	**29.0**	**1.2**	**8.4**	**15.0**	**12.9**	**21.6**	**9.6**	**-1.5**	**-7.5**	**-11.4**	**-16.6**	**-13.7**	**-11.9**
Public Sector	**24.4**	**28.4**	**13.9**	**5.1**	**6.1**	**6.8**	**29.8**	**39.0**	**20.3**	**29.0**	**30.6**	**32.2**	**-0.4**	**0.8**	**27.7**	**2.1**	**21.8**	**-8.0**
Machinery&Equipment	12.0	36.2	19.1	1.4	1.7	2.0	19.1	78.7	-8.4	88.8	28.1	19.2	-1.2	-9.9	51.8	8.4	108.9	5.6
Building Construction	30.2	22.8	25.0	1.2	1.3	1.6	26.8	-22.4	46.5	12.3	30.2	96.5	-3.3	37.3	23.0	-7.3	3.2	-8.8
Other Construction	29.3	26.8	6.3	2.6	3.1	3.2	39.0	56.2	26.8	13.3	32.4	20.4	1.3	-7.0	15.7	3.1	-7.4	-15.7
Private Sector	**12.1**	**11.9**	**-8.3**	**24.0**	**25.0**	**22.2**	**-6.0**	**5.9**	**13.9**	**9.4**	**18.5**	**7.1**	**-1.7**	**-9.6**	**-26.4**	**-19.1**	**-21.2**	**-13.1**
Machinery&Equipment	25.2	21.2	-12.3	13.7	15.4	13.1	-5.9	11.3	24.4	19.0	28.3	12.2	-1.2	-16.3	-36.7	-29.3	-33.9	-21.0
Building Construction	-1.7	-0.4	-1.8	10.3	9.5	9.1	-6.2	-1.5	0.1	-0.8	1.0	-0.8	-2.5	-1.1	-3.1	-1.3	-0.1	-4.6
Change in Stocks	-	-	-	**-0.4**	**-1.3**	**-0.4**	-	-	-	-	-	-	-	-	-	-	-	-
Exports of Goods&Services	**22.0**	**19.1**	**12.0**	**25.3**	**28.0**	**30.4**	**23.4**	**10.3**	**27.8**	**23.9**	**14.1**	**25.2**	**17.4**	**4.6**	**5.4**	**-7.7**	**-11.0**	**-13.9**
Imports of Goods&Services	**20.5**	**22.4**	**2.3**	**29.9**	**34.0**	**33.7**	**1.2**	**14.5**	**22.2**	**23.7**	**28.7**	**16.3**	**10.4**	**-3.9**	**-10.3**	**-16.0**	**-1.9**	**-4.6**
Gross Domestic Product (Expenditure based)	**7.4**	**7.6**	**3.2**	**100.0**	**100.0**	**100.0**	**8.2**	**6.8**	**8.4**	**8.3**	**6.6**	**9.4**	**3.5**	**2.5**	**-1.0**	**-9.0**	**-2.3**	**-5.5**
Gross Domestic Product (Production based)	**7.0**	**7.5**	**3.1**	-	-	-	**7.0**	**6.9**	**8.5**	**7.0**	**7.8**	**9.2**	**3.3**	**2.7**	**-1.2**	**-8.9**	**-1.8**	**-5.6**

GRAPH 1

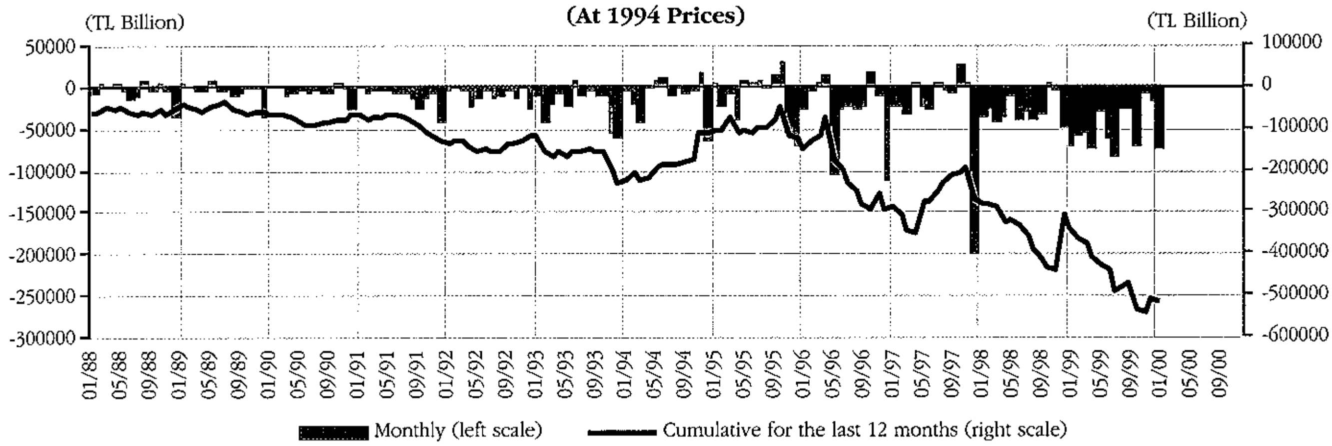


GRAPH 2



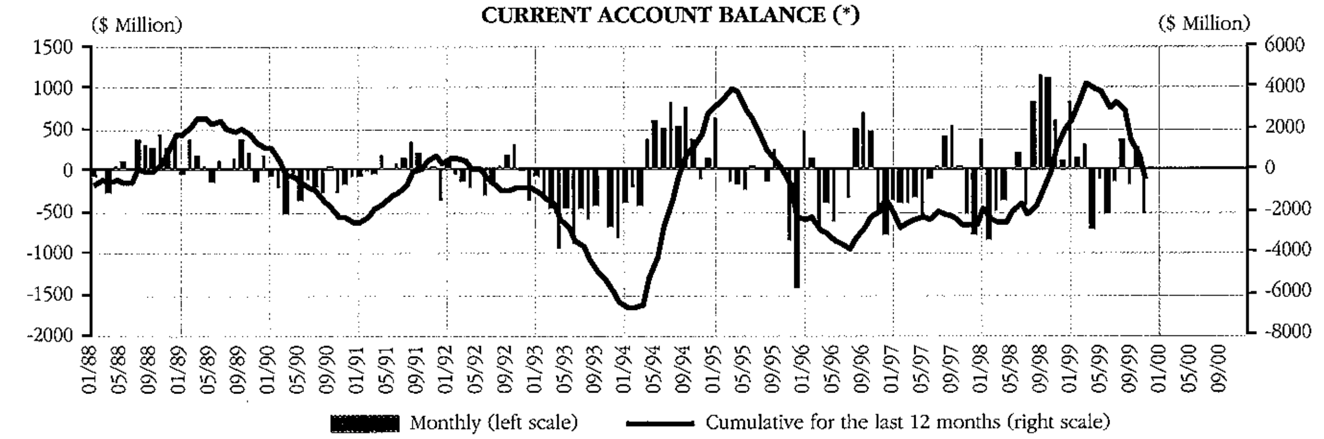
GRAPH 3

BUDGET DEFICIT
(At 1994 Prices)



GRAPH 4

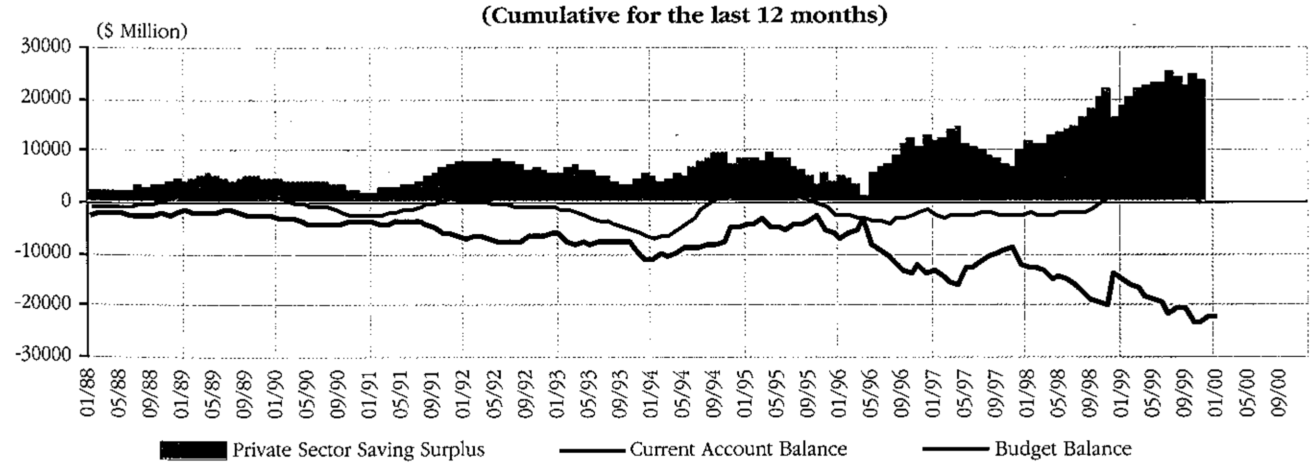
CURRENT ACCOUNT BALANCE (*)



(*) Monthly figures include shuttle trade since 01/96

GRAPH 5

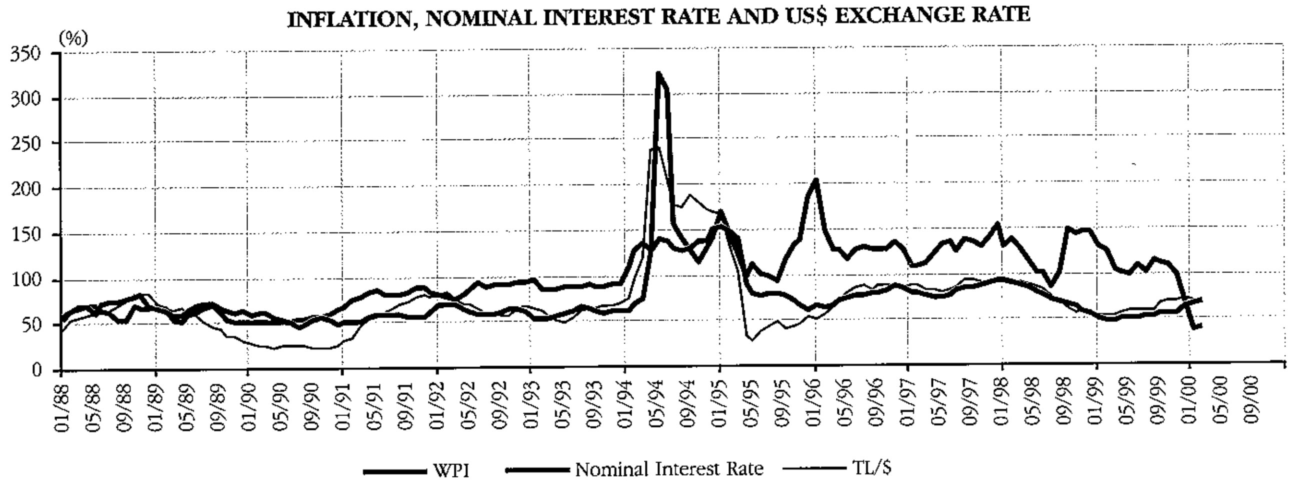
SAVING-INVESTMENT BALANCE (*)
(Cumulative for the last 12 months)



(*) Budget Balance is used as a proxy for the Public Sector Deficit due to lack of monthly data on the latter. Private Sector Saving Surplus figures are calculated as the sum of Budget Deficit and Current Account Balance. Monthly figures include shuttle trade since 01/96.

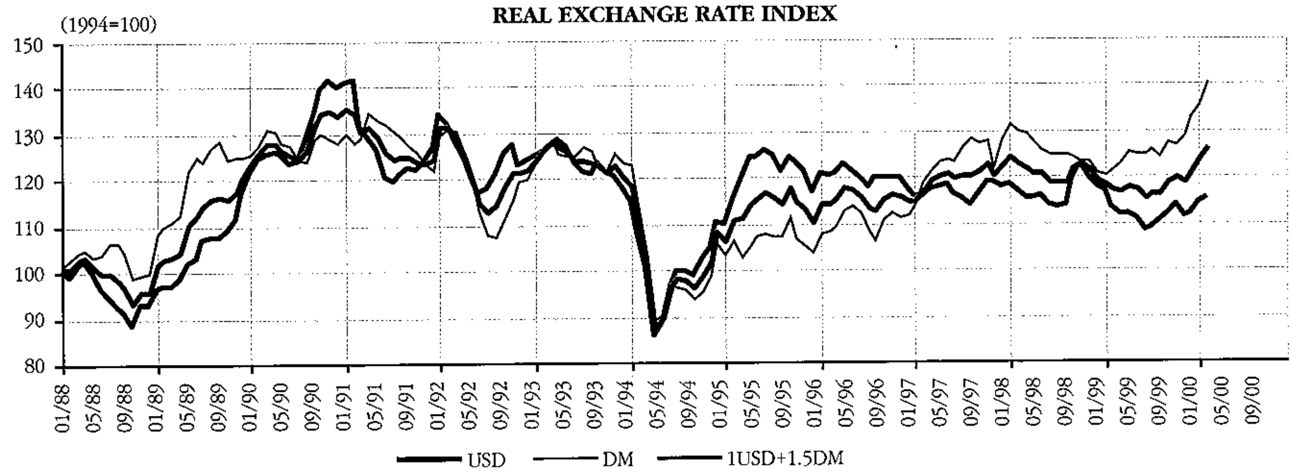
GRAPH 6

INFLATION, NOMINAL INTEREST RATE AND US$ EXCHANGE RATE



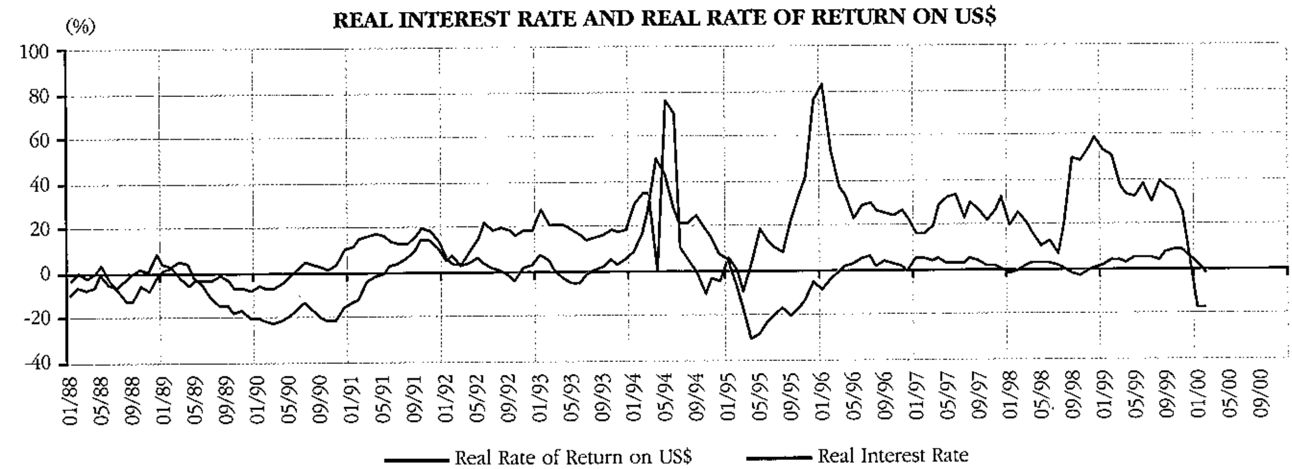
GRAPH 7

REAL EXCHANGE RATE INDEX



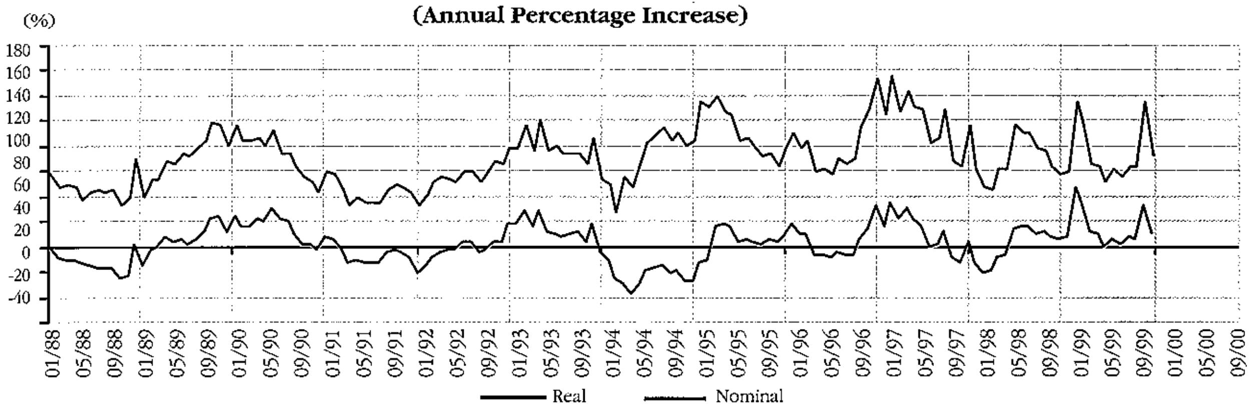
GRAPH 8

REAL INTEREST RATE AND REAL RATE OF RETURN ON US$



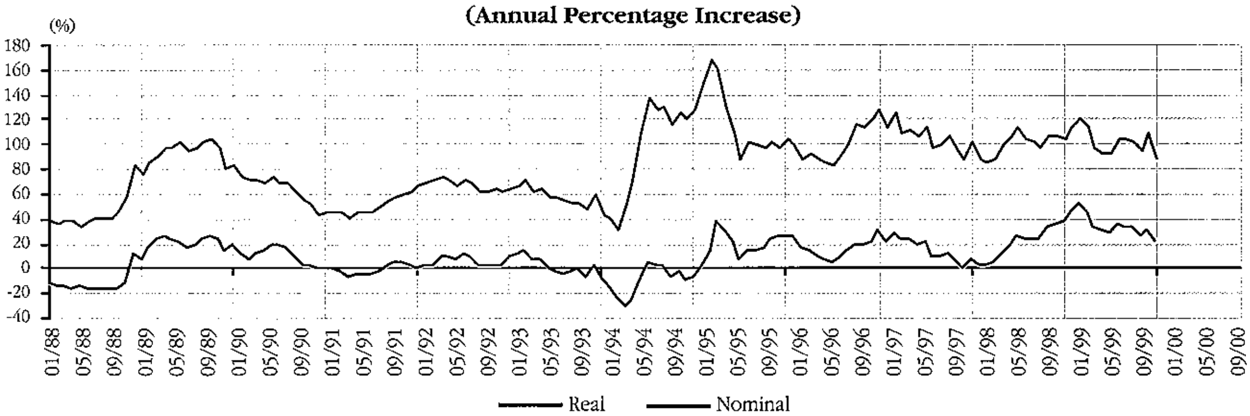
GRAPH 9

M1
(Annual Percentage Increase)



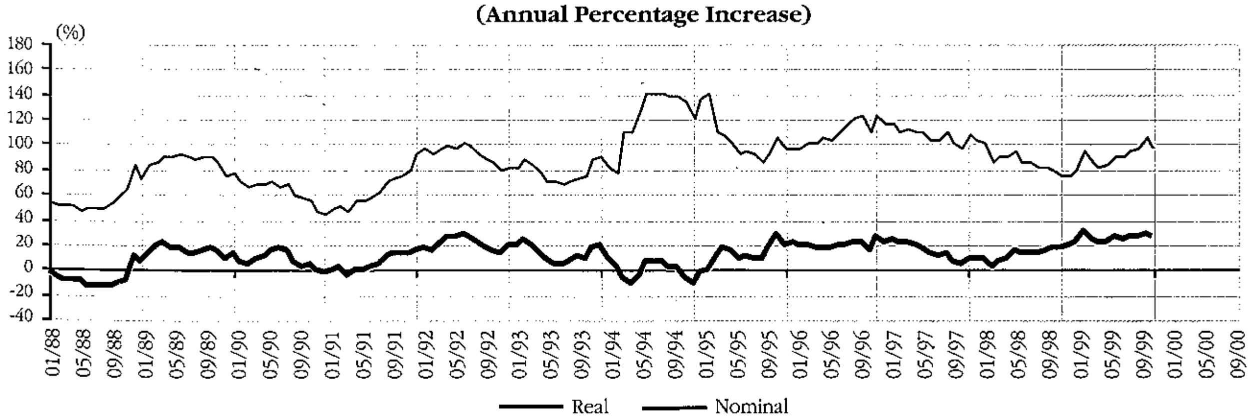
GRAPH 10

M2
(Annual Percentage Increase)



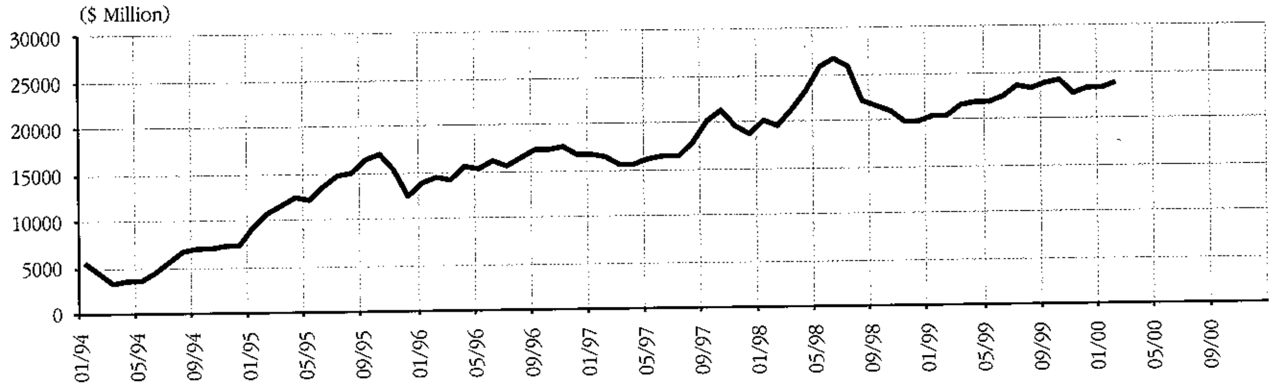
GRAPH 11

M2Y
(Annual Percentage Increase)



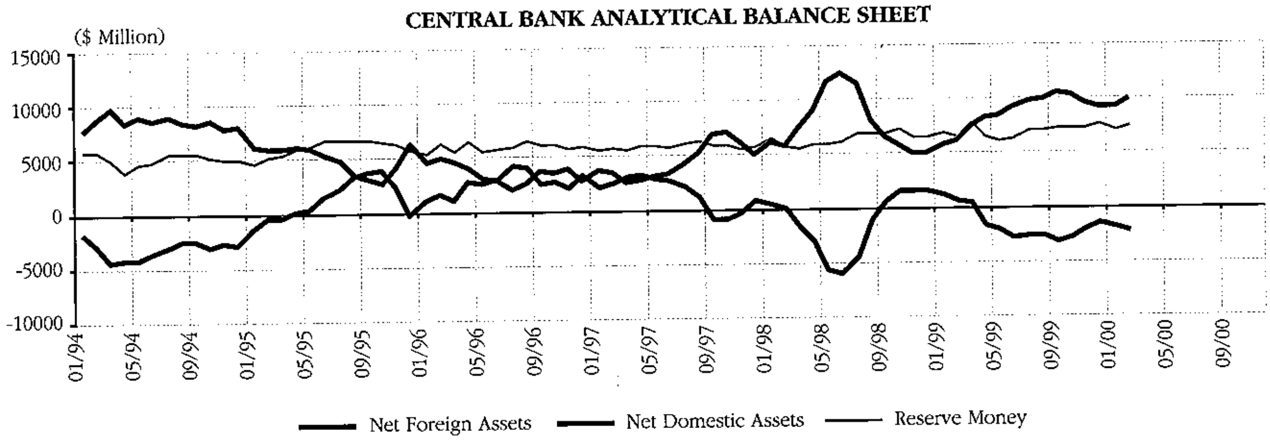
GRAPH 12

CENTRAL BANK FOREIGN EXCHANGE RESERVES



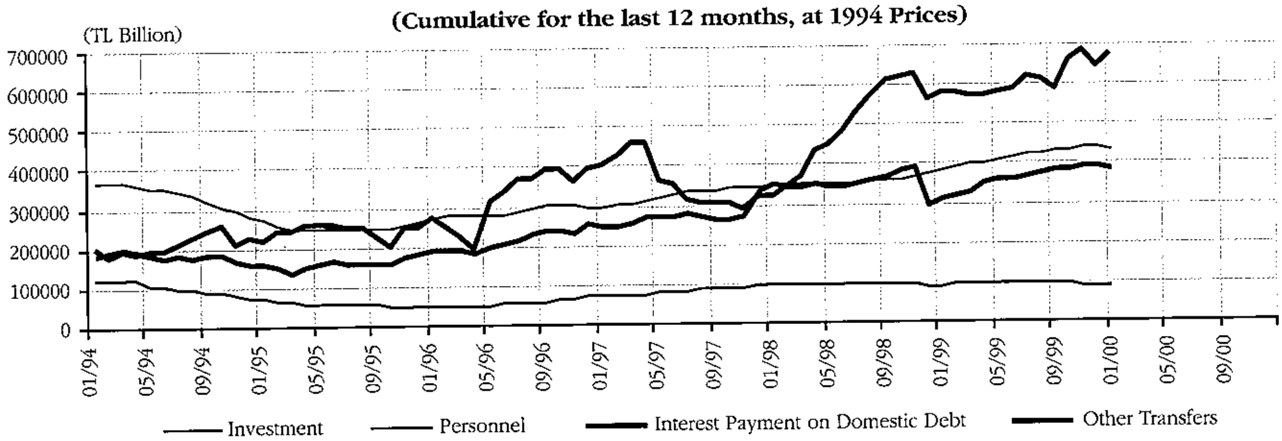
GRAPH 13

CENTRAL BANK ANALYTICAL BALANCE SHEET



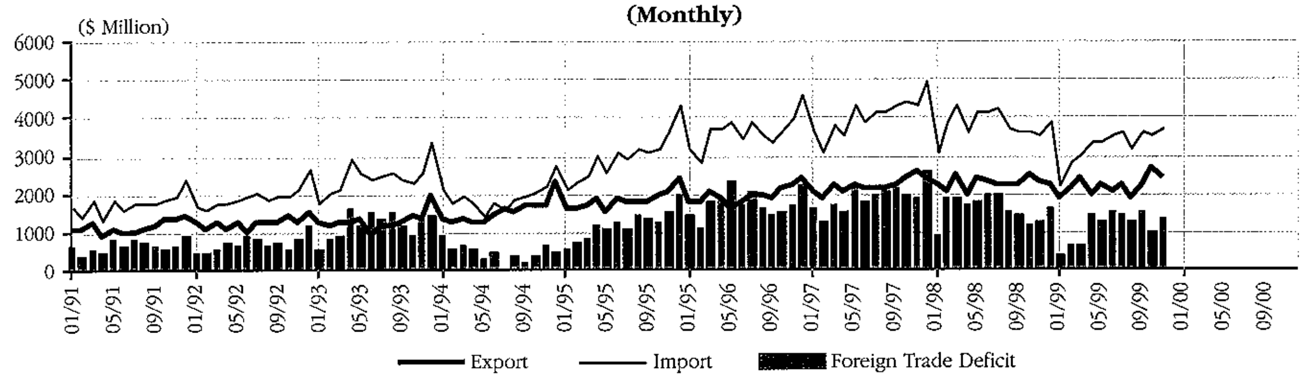
GRAPH 14

BUDGET EXPENDITURES
(Cumulative for the last 12 months, at 1994 Prices)



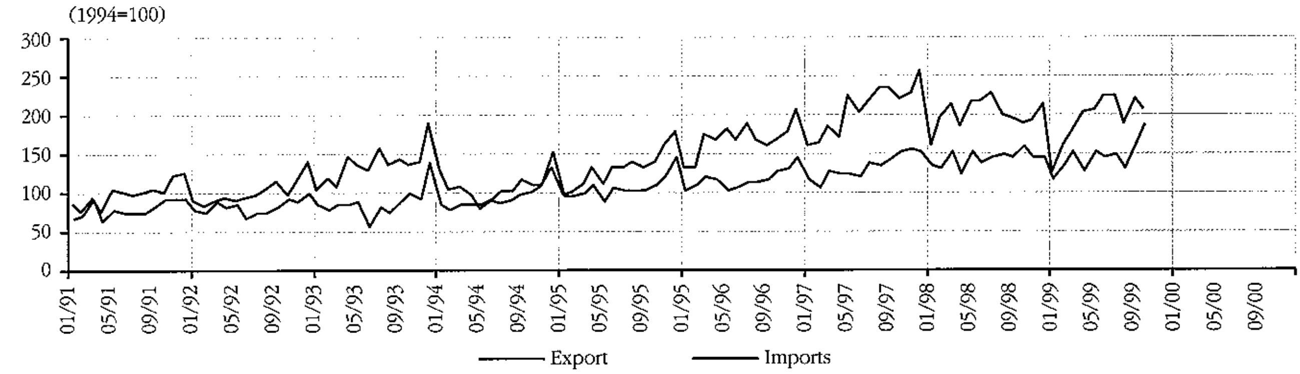
GRAPH 15

FOREIGN TRADE (Monthly)



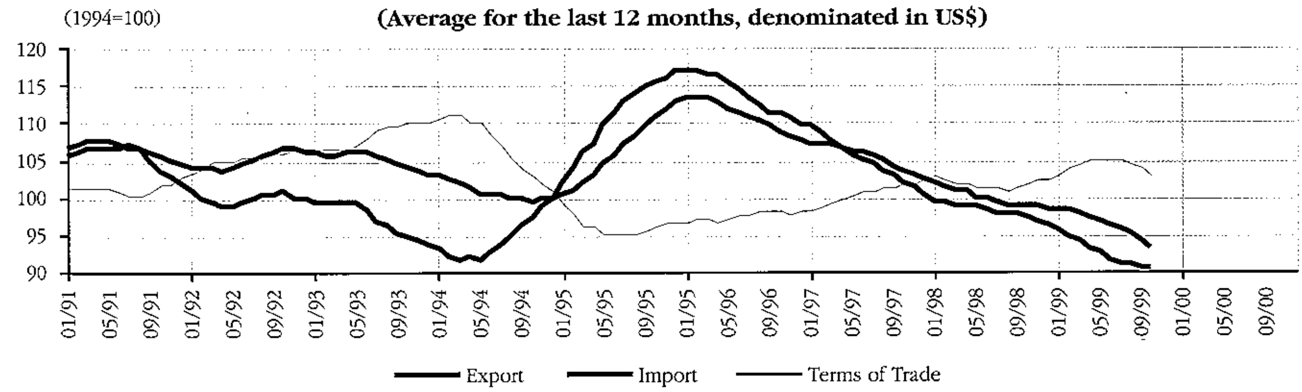
GRAPH 16

FOREIGN TRADE QUANTITY INDEX



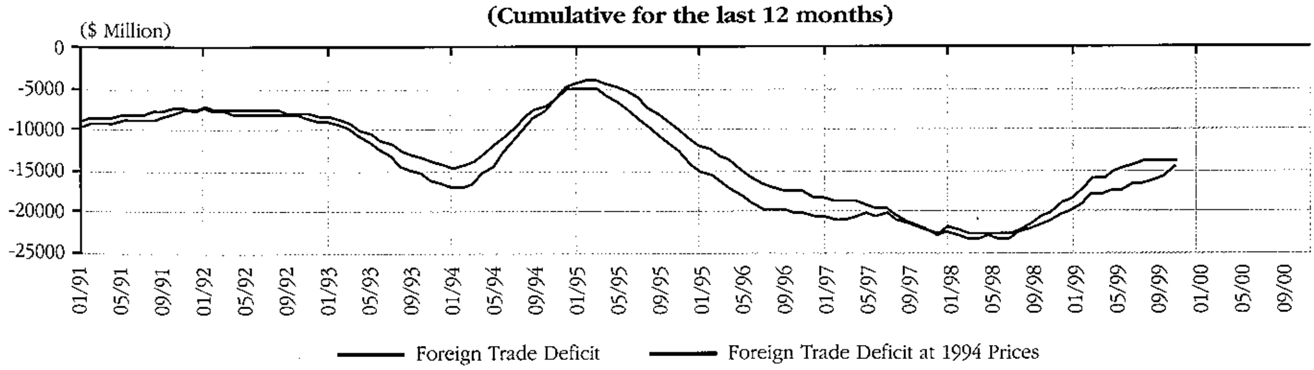
GRAPH 17

FOREIGN TRADE PRICE INDICES AND TERMS OF TRADE (Average for the last 12 months, denominated in US$)



GRAPH 18

FOREIGN TRADE DEFICIT (Cumulative for the last 12 months)



TÜSİAD MACROECONOMIC SCENARIO

	1998					1999					2000					2000	Government
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	December	Programme
GNP (at 1987 prices)*	9.5	4.5	2.6	0.6	**3.9**	-8.6	-3.3	-6.6	1.0	**-4.4**	5.3	4.2	4.9	3.6	**4.5**	-	5.5
Inflation (WPI)*	89.2	79.9	68.4	58.2	**71.8**	48.8	50.1	53.6	58.2	**53.1**	62.2	54.5	45.0	34.7	**47.7**	** 30.0	38.5
Reserve Money*	90.1	86.6	84.4	84.4	**86.0**	84.1	66.2	64.1	71.7	**70.7**	72.8	69.7	60.4	55.2	**63.5**	-	-
Budget Revenues (TL trillion)	2,041	2,972	3,239	3,636	**11,888**	2,994	4,519	5,092	6,367	**18,973**	5,570	6,874	8,020	8,884	**29,348**	-	32,585
Budget Expenditures (TL trillion)	3,002	3,896	4,386	4,301	**15,585**	5,447	7,021	7,331	8,216	**28,014**	8,018	9,120	10,082	14,583	**41,803**	-	46,968
Budget Balance (TL trillion)	-961	-924	-1,147	-665	**-3,698**	-2,452	-2,501	-2,239	-1,849	**-9,041**	-2,447	-2,246	-2,062	-5,700	**-12,456**	-	-14,383
Budget Balance ($ billion)	-4.4	-3.7	-4.2	-2.3	**-14.5**	-7.2	-6.3	-5.1	-3.7	**-22.4**	-4.4	-3.8	-3.4	-8.9	**-20.5**	-	-25.1
Budget Balance (over GNP, %)					**-7.0**					**-10.7**					**-9.6**	-	-11.5
Nominal Exchange Rate (TL/USD)	219,385	252,532	272,037	292,747	**259,175**	340,696	395,326	437,887	496,351	**417,565**	556,769	587,238	607,713	640,624	**598,086**	**655,662**	573,030
Nominal Exchange Rate*	84.7	83.9	67.7	55.6	**70.9**	55.3	56.5	61.0	69.5	**61.1**	63.4	48.5	38.8	29.1	**43.2**	**24.6**	37.8
Real Exchange Rate (WPI 94=100)	39.95	38.61	38.81	40.40	**39.44**	38.28	37.02	37.02	37.69	**37.50**	37.99	38.52	38.68	39.34	**38.63**	**39.26**	37.67
Real Exchange Rate*	0.5	-3.4	0.5	4.1	**0.6**	-4.2	-4.1	-4.6	-6.7	**-4.9**	-0.8	4.0	4.5	4.4	**3.0**	**4.4**	0.5
Nominal Int.Rate (compounded, %)	131.1	104.0	110.5	143.6	**122.3**	119.7	103.3	107.9	102.5	**108.3**	63.2	60.2	54.0	50.3	**56.9**	**45.1**	-
Real Int. Rate (compounded, %)	47.6	35.4	25.0	54.0	**28.6**	47.6	35.4	35.4	28.0	**36.6**	0.7	3.7	6.2	11.5	**5.5**	**11.6**	-
Imports ($ billion)	11.3	12.0	11.6	11.0	**45.9**	8.0	10.2	10.4	11.3	**39.9**	10.8	12.2	11.8	13.2	**48.1**	-	46.0
Exports ($ billion)	6.7	6.6	6.7	6.9	**26.9**	6.4	6.1	6.2	7.1	**25.8**	6.7	6.5	7.0	8.5	**28.8**	-	28.3
Foreign Trade Balance ($ billion)	-4.6	-5.4	-4.9	-4.1	**-19.0**	-1.6	-4.1	-4.2	-4.2	**-14.1**	-4.1	-5.6	-4.8	-4.7	**-19.2**	-	-17.8

Coloured figures are TÜSİAD estimates.
(*) Denotes annual average percentage change over the same period of the previous year.
(-) Not available
(**) End of year government target is 20 %

TÜSİAD: Meşrutiyet Caddesi 74, Tepebaşı 80050, İSTANBUL. Tel:(0212) 249 54 48 - 249 07 23 Fax: (0212) 249 13 50
Publisher: Erkut Yücaoğlu **Editor:** Ümit İzmen

Production: Lebib Yalkın Yayımları ve Basım İşleri A.Ş.

This issue of TÜSİAD Quarterly Economic Survey is prepared by using the most recent data and estimations available as of February 2000.

TÜSİAD-T/2000-02-281

ISSN: 1300-3860