

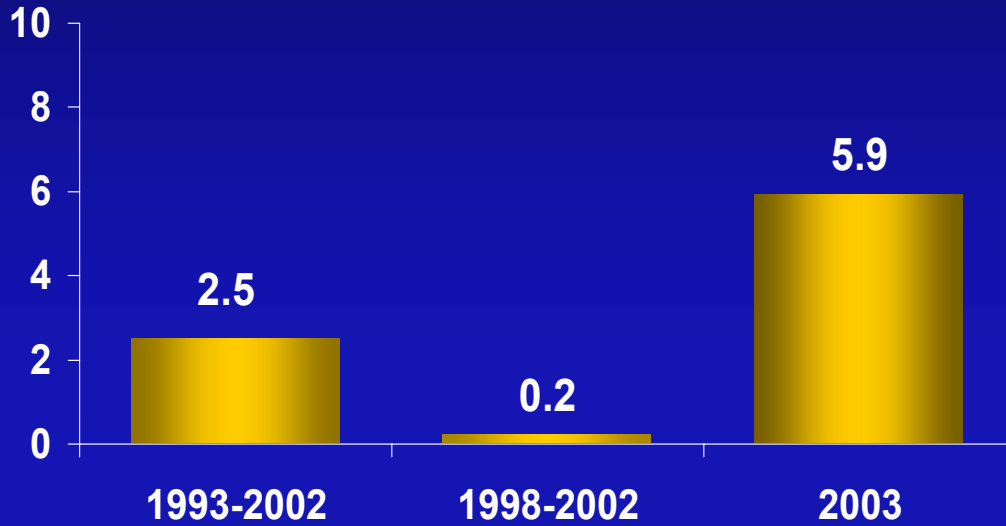


# **TURKEY: ECONOMIC PROSPECTS**

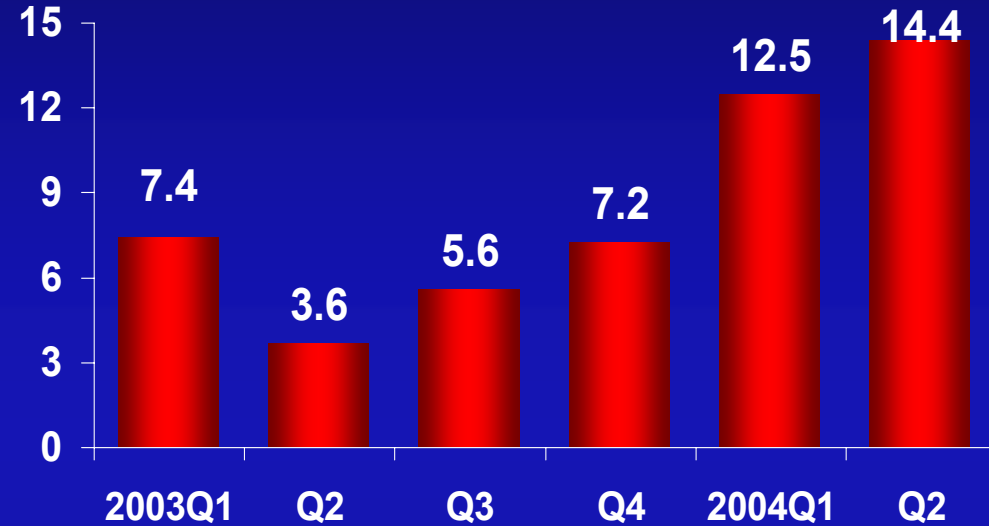
**October 2004**

# Growth Performance

## GNP Growth (%)



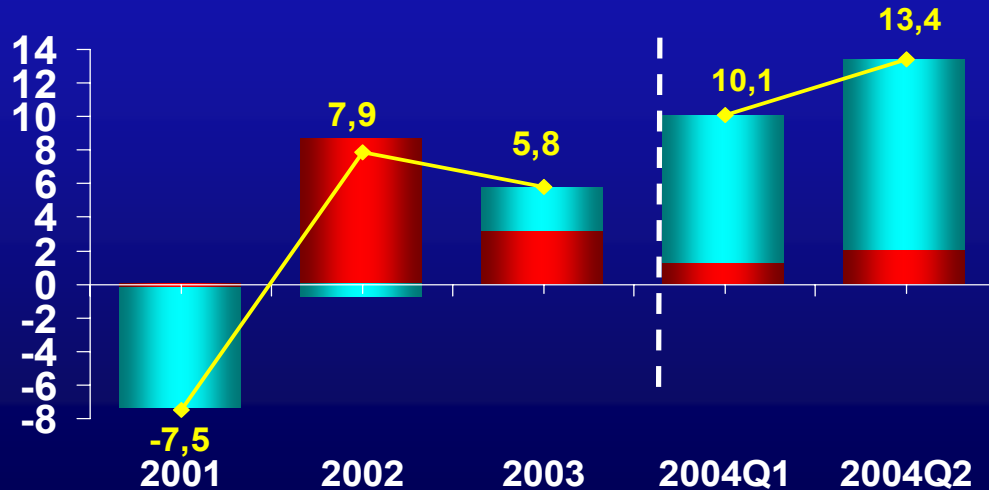
## Quarterly GNP Growth (%)



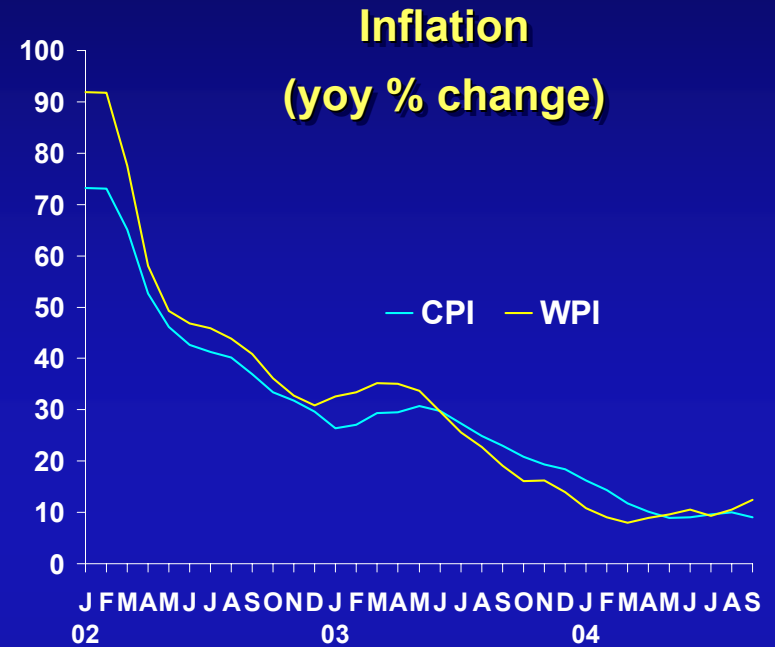
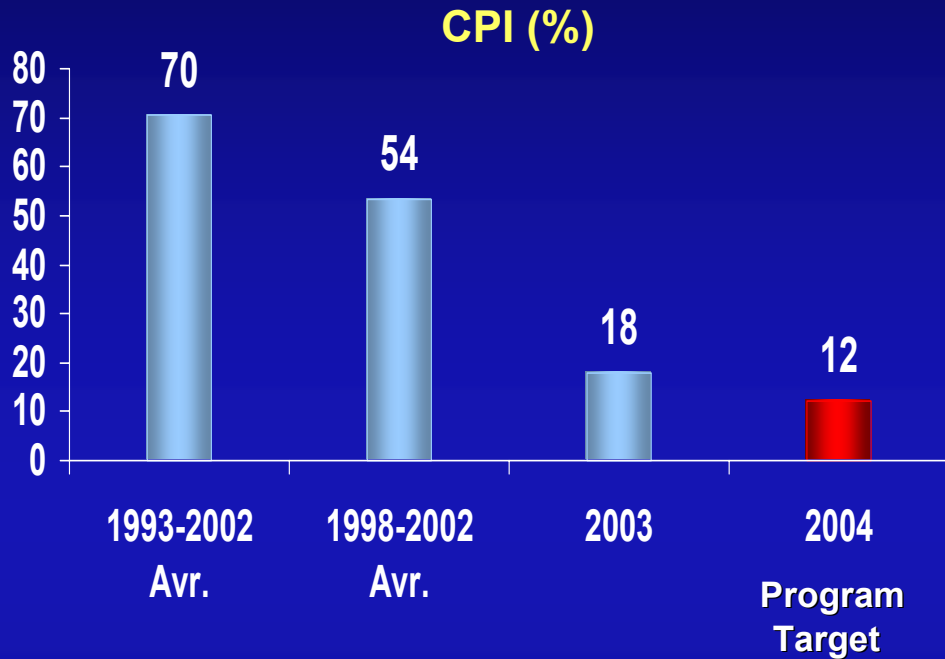
## GNP Growth Expectation for 2004 (CBRT Survey, %)



## Contributions to GDP Growth (%)



# Inflation



12.5  
9.0



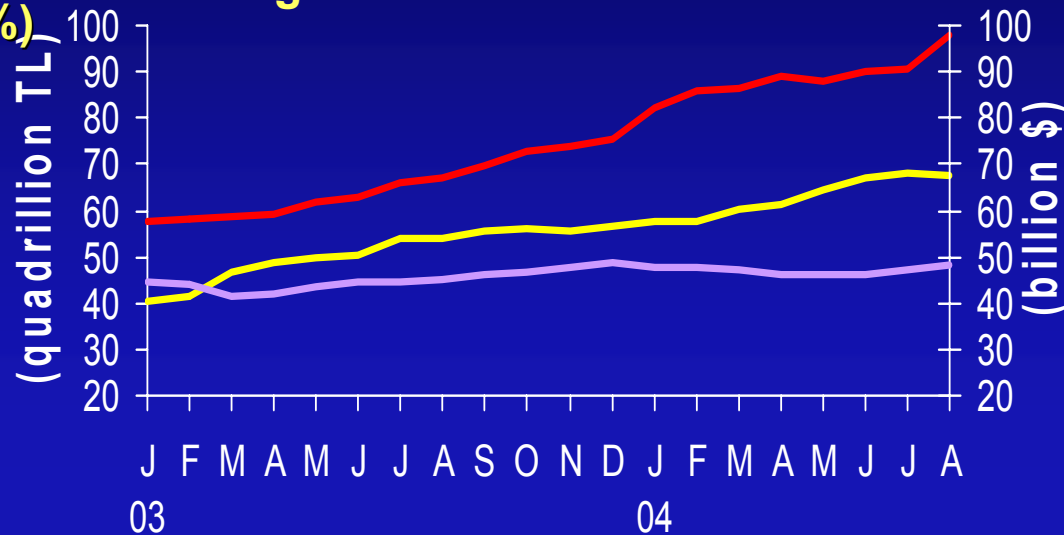
— Annual CPI Target

# Market Sentiment

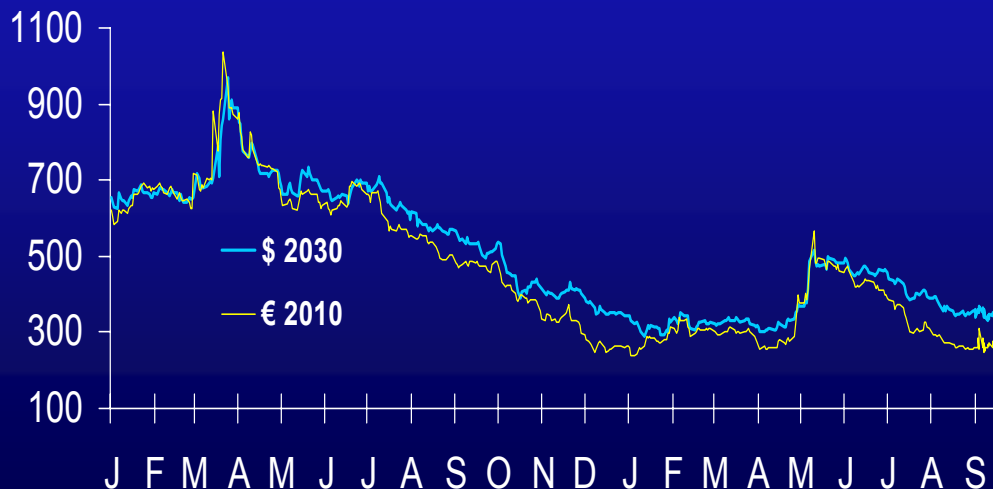
## Benchmark TL Denominated Bond Interest Rates (Annually Compounded, %)



## Strong Demand for TL Instruments

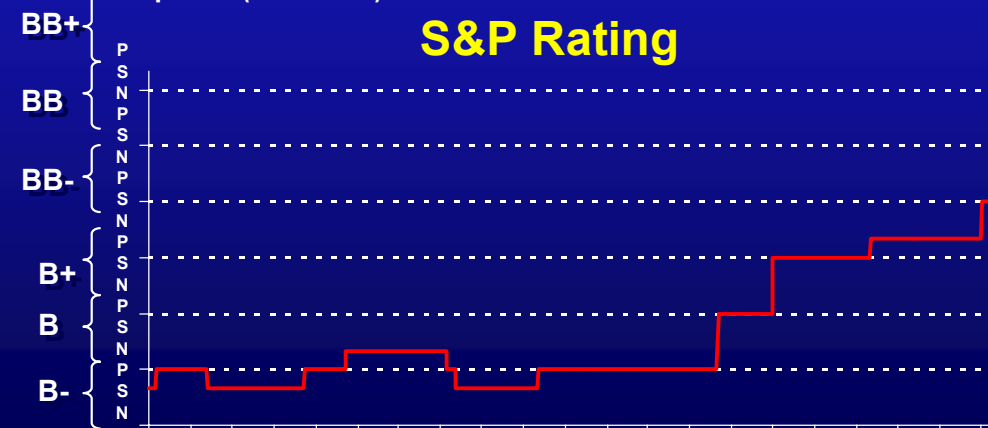


## Eurobond Spreads(bp)



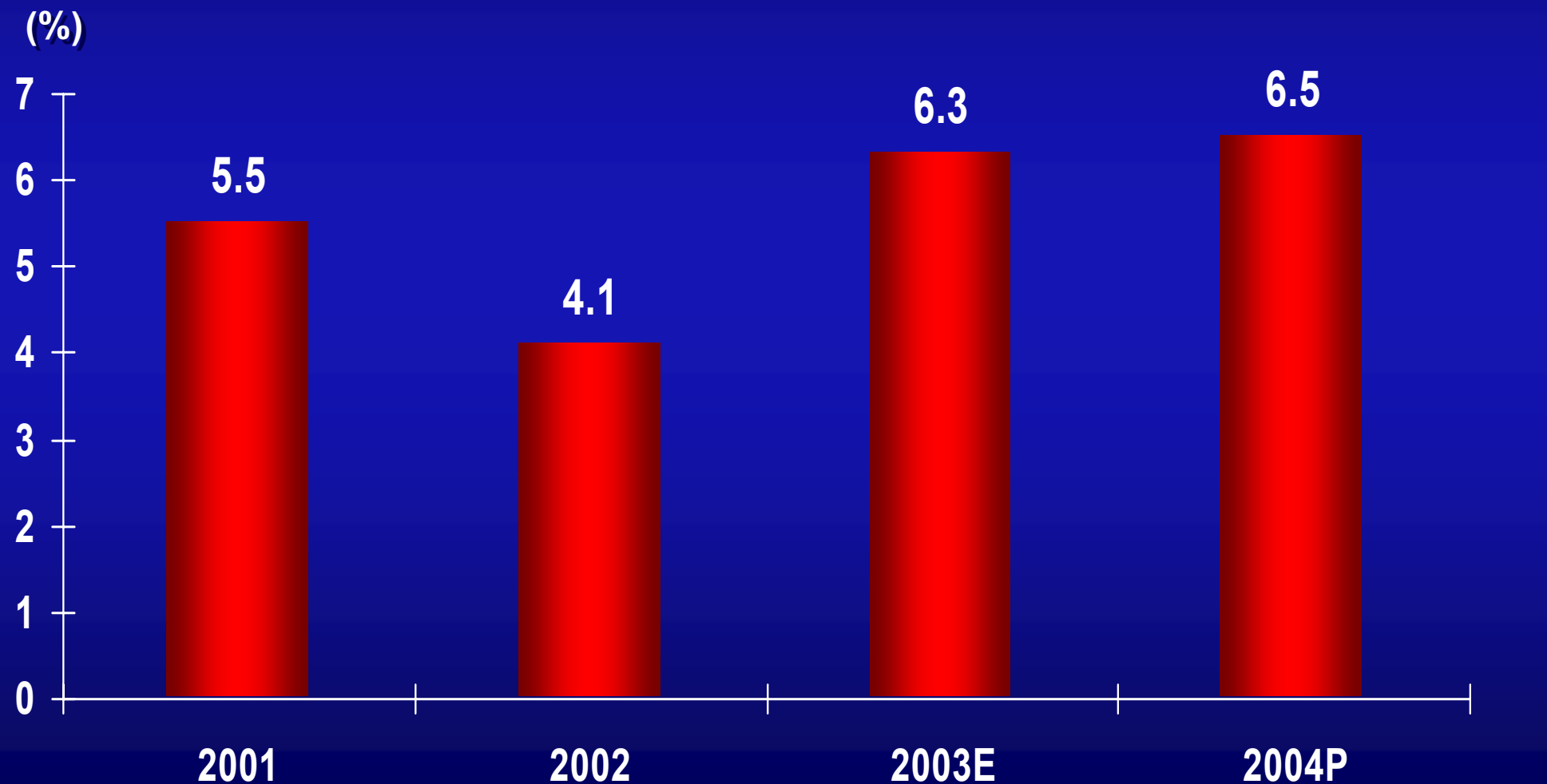
- TL deposits (in TL qn)
- Holdings of TL paper (including repos) by non-bank residents (in TL qn)
- FX deposits (in US\$ bn)

## S&P Rating



# Fiscal Adjustment

## Public Sector Primary Surplus / GNP

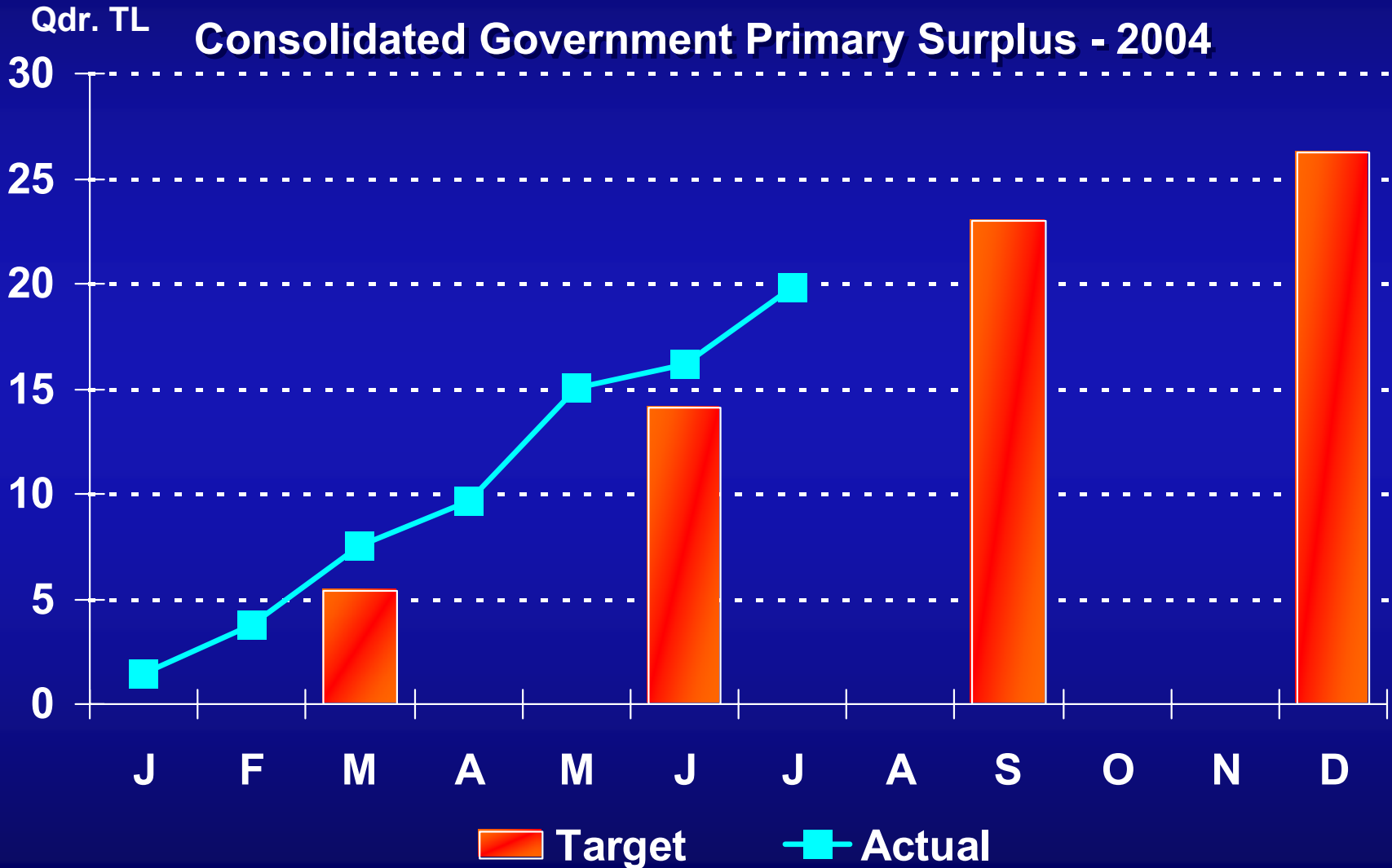


Note: The method of calculation for 2001 - 2002 is different from 2003 - 2004.

E: Estimate

P: Program

# Fiscal Targets Under the Program Overperformed in the First Half of 2004



# Declining Debt Burden

## Net Public Debt Stock / GNP

