

# Association of Financial Institutions

## Economic Outlook Index Bulletin

### July 2025



#### Academic Advisors

Assoc. Prof. Dr. İbrahim SIRMA  
Prof. Dr. Murat ŞEKER  
Assoc. Prof. Dr. Arif SALDANLI  
Assoc. Prof. Dr. Hakan BEKTAŞ

#### Researchers

Assoc. Prof. Dr. Şeref BOZOKLU  
Assoc. Prof. Dr. Elçin ŞİŞMANOĞLU  
Assist. Prof. Dr. Sümeyra UZUN

Association of Financial Institutions

Esentepe Mah. Büyükdere Cad. Bahar Sok. No: 13 River Plaza Kat: 18 Office No: 48-49 34394 Şişli /  
İSTANBUL

0212 924 44 70

<https://www.fkb.org.tr/>

[fkb@fkb.org.tr](mailto:fkb@fkb.org.tr)

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**PREFACE**

Within the scope of the protocol signed between the Association of Financial Institutions (AFI), which has an important mission for the development of the non-bank finance sector, and Istanbul University for the creation of *the Association of Financial Institutions Economic Outlook Index*; The Index and its sub-indices are produced based on the data contained in the Receivables Recording Center (RRC) and the Financial Leasing Contract Registration System (FLCRS) which are operated within AFI under Law No. 6361 on Financial Leasing, Factoring, Financing and Saving Finance Companies and the Financing Sector data used in the reporting and statistical activities of the AFI.

The RRC and FLCRS, which were established within the Association according to Law No. 6361 and have been in operation since 2015 with the inclusion of additional functions in line with the importance we attach to digitalization, and the data on the Financing Sector provide essential input to the index formation. To date, 51 million documents have been processed through the RRC, which records trade receivables and payment instruments assigned to factoring companies and banks. Furthermore, over 236 thousand contracts have been registered in the FLCRS, which registers financial leasing contracts signed by financial leasing companies, participation, development and investment banks.

The index, which is created with instant data from these two systems and data on the transaction volume and number of contracts in the Financing Sector, is intended to be the leading indicator measuring Turkey's trade and investment trend. At the same time, the Economic Outlook Expectations Survey, conducted with the participation of sector representatives, identifies the economic expectations and trends of the sector. The aforementioned surveys are conducted by the academic team at Istanbul University, and the results are periodically shared with the public every month.

**Association of Financial Institutions  
Statistics and Economic Research**

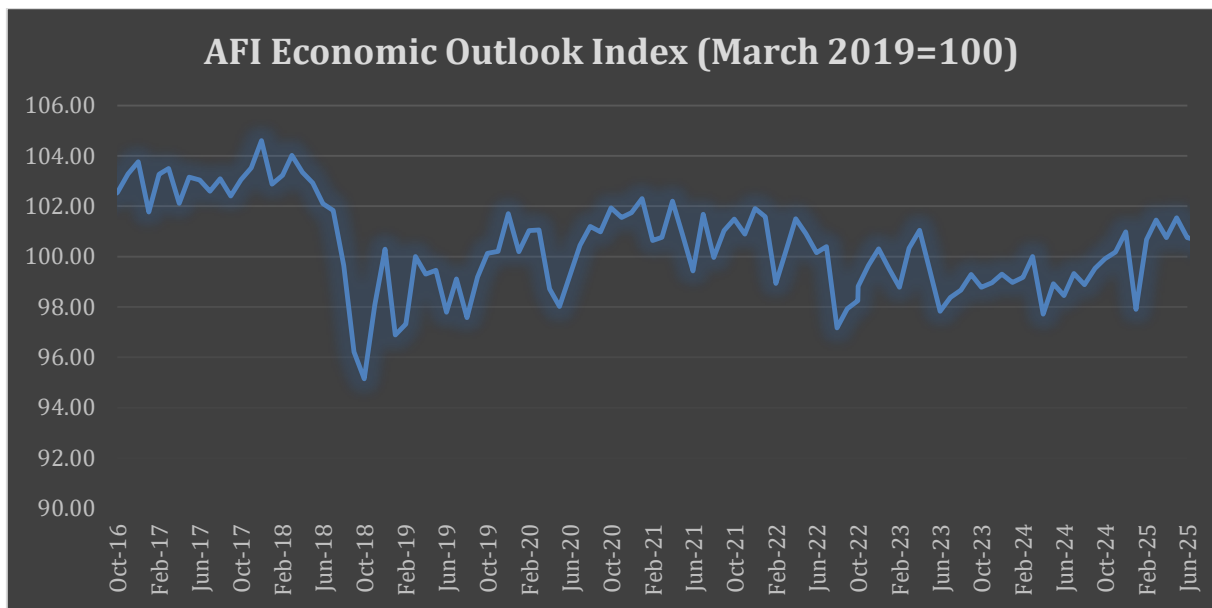
## 1. Association of Financial Institutions Economic Outlook Index (AFI - EGE) Results

The Association of Financial Institutions Economic Outlook Index (AFI-EGE) is an index derived from the Receivables Recording Center (RRC) and Financial Leasing Contract Registration System (FLCRS) databases, along with the Financing Sector data subject to reporting and statistical activities of the AFI. AFI-EGE is a composite index that includes three sub-indices:

- AFI Factoring Sector Index
- AFI Financial Leasing Sector Index
- AFI Financing Sector Index

The metadata of the index is based on monthly frequency data starting from February 2015. As detailed in the methodology, as a result of the analysis, March 2019 data was determined as the base period. An increase in the value of the composite and sub-indices to be announced monthly should be interpreted positively for the economic outlook, while a decrease should be interpreted negatively.

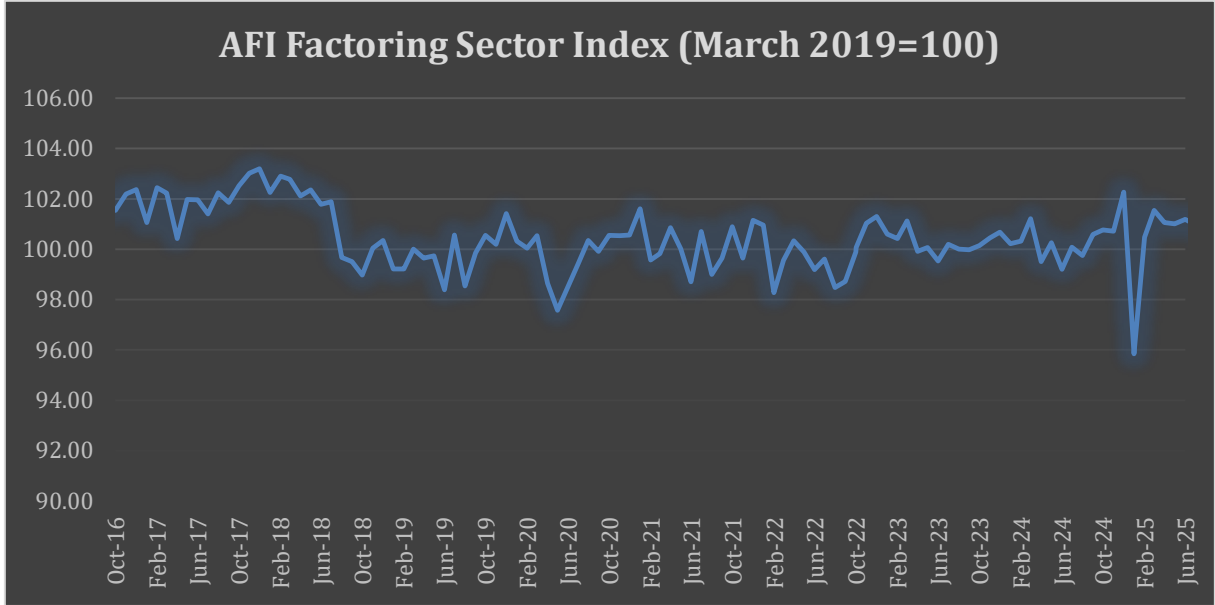
AFI-EGE has been calculated monthly since February 2015. The index increased until March 2018, then declined starting in April 2018, reaching its lowest value in October 2018. The index, which began to increase again in November 2018, has been fluctuating according to the course of the sectors that make up the index. In June, the AFI-EGE decreased by 0.79 points compared to May and declined to 100.75 points.



**Graph 1: AFI-Economic Outlook Index**

### 1.1. AFI Factoring Sector Index

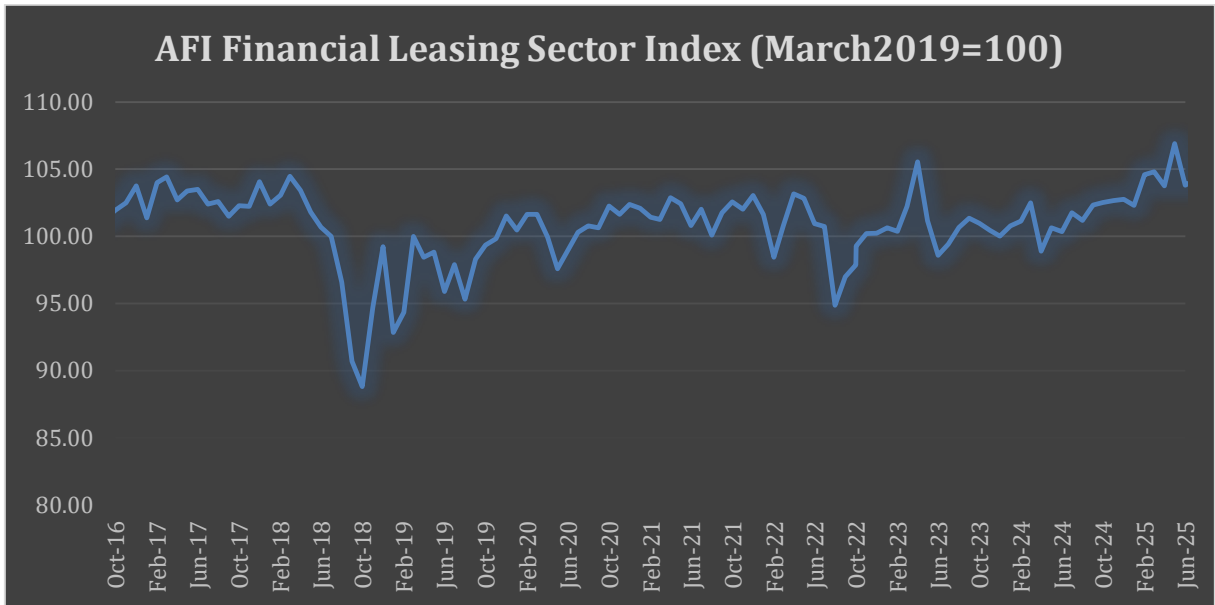
The index, which is derived from the Receivables Recording Center (RRC) and the data used in reporting and statistical activities of the AFI, reached its lowest value in January 2025 with 95.85 points and its highest value in March 2015 with 103.59 points. The index fluctuates according to the course of the factoring sector. Looking at the change in the index in recent months, it is seen that the index value, which was 101.01 according to May 2025 data, increased by 0.18 points to 101.19 points in June.



**Graph 2: AFI Factoring Sector Index**

### 1.2. AFI Financial Leasing Sector Index

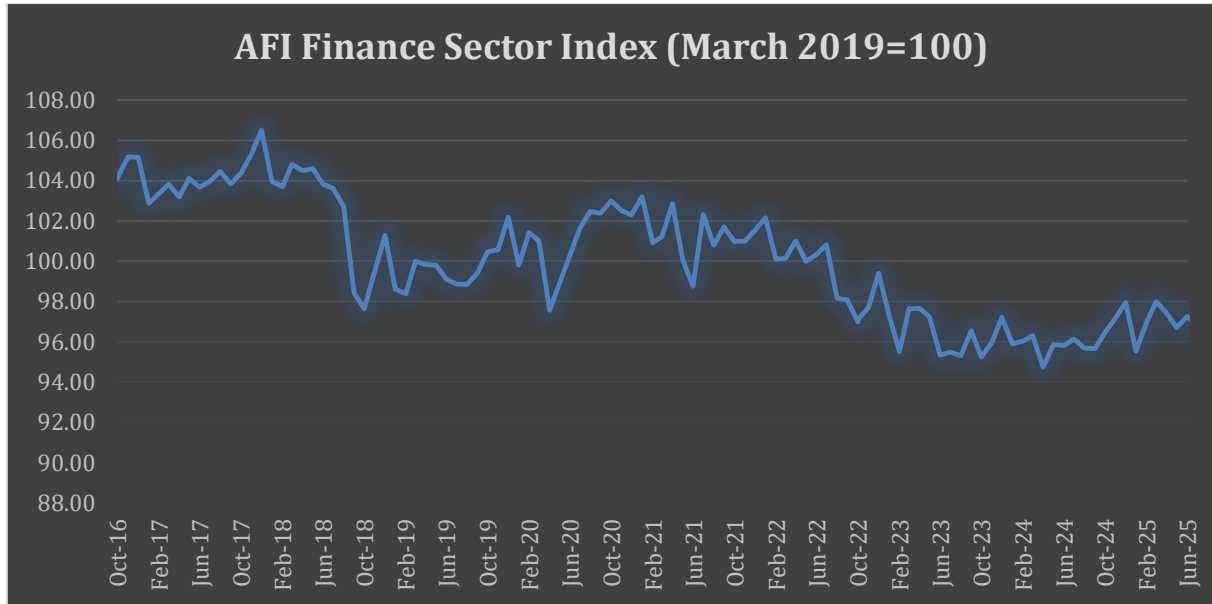
The index, which is derived from the Financial Leasing Contract Registration System (FLCRS) database and the data used in reporting and statistical activities of the AFI, reached its lowest value in October 2018 with 88.82 points and its highest value in May 2025 with 106.90 points. The index, calculated based on data obtained from the financial leasing sector, fluctuates according to the course of the sector. According to May 2025 data, the index value of 106.9 points decreased by 3.1 points to 103.8 points in June.



**Graph 3: AFI Financial Leasing Sector Index**

### 1.3. AFI Financing Sector Index

The index, which is derived from data used in reporting and statistical activities of the AFI, reached its lowest value in April 2024 with 94.75 points and its highest value in December 2017 with 106.52 points. Looking at the data of the index in recent months, it is seen that the index, which was 96.7 points in May 2025, increased by 0.56 points to 97.26 points in June.



**Graph 4: AFI Financing Sector Index**

## 2. Association of Financial Institutions Economic Outlook Expectations Survey Results

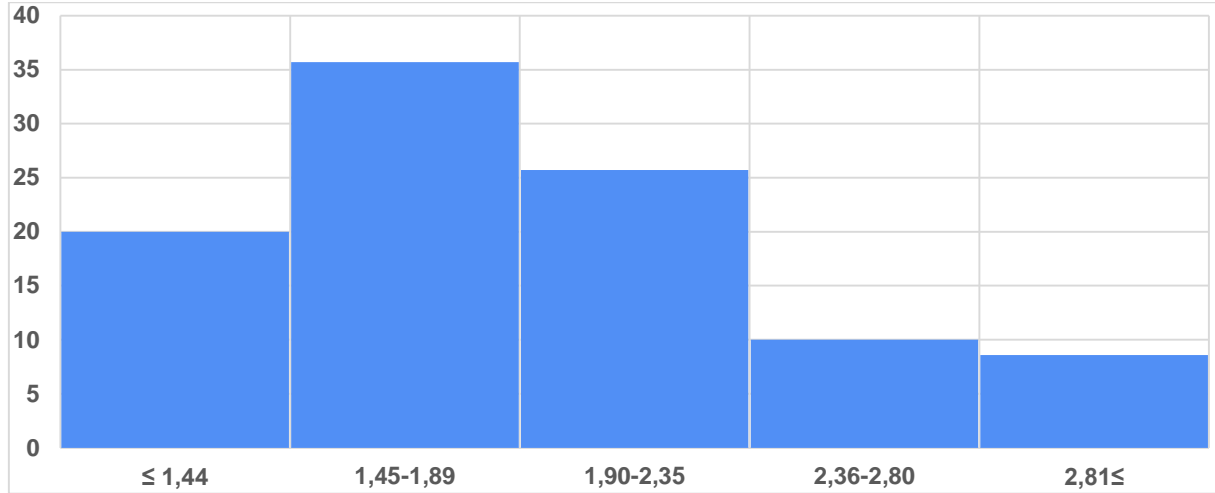
The July Economic Outlook Expectations Survey of the Association of Financial Institutions (AFI) was answered by 79 respondents between July 1, 2025, and July 7, 2025, and the results were evaluated by aggregating the responses of the respondents. This survey has been conducted with executives of AFI member companies operating in the Financial Leasing, Factoring, Financing, Asset Management, and Savings Finance sectors. In addition, participation has also been obtained from the executives and experts of the AFI. The results of this survey, which will be conducted regularly every month, aim to monitor the expectations of AFI members regarding the economy and their sectors.

**Table 1: Participant Profile**

Participant Profile	Respondent
Factoring	32
Financial Leasing	8
Financing	14
Savings Finance	4
Asset Management	13
Professionals	8
<b>TOTAL</b>	<b>79</b>

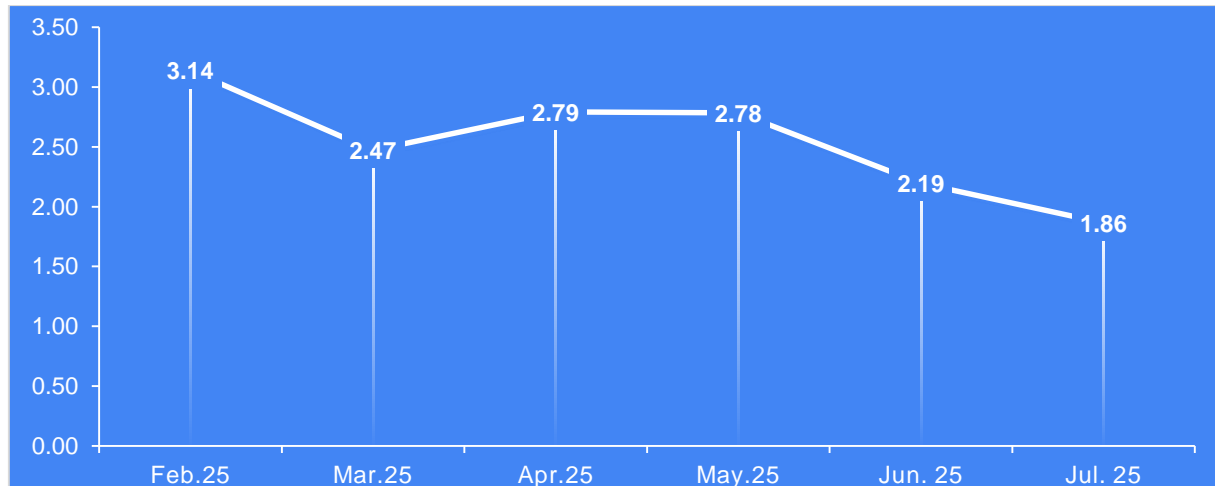
## 2.1. Inflation Expectations

In the survey, sector executives were asked about their inflation expectations for the end of the current month, the end of the current year, and the end of the following year. In the July 2025 survey period, when the monthly inflation expectations of the participants are evaluated, it is observed that 20 percent are below 1.44, 35.7 percent are in the range of 1.45-1.89, 25.7 percent are in the range of 1.90-2.35, 10 percent are in the range of 2.36-2.80, and 8.6 percent are above 2.81.



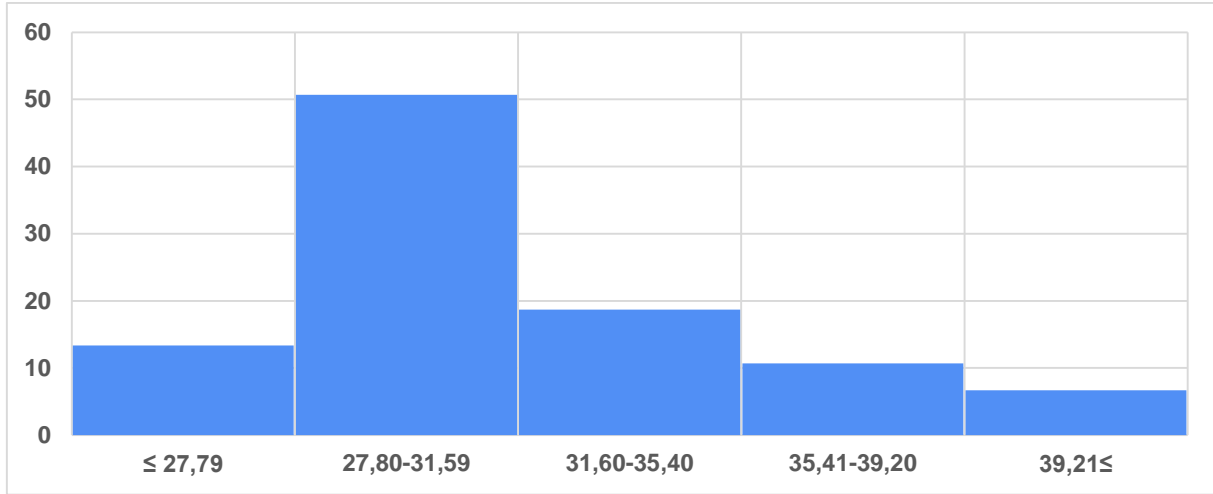
**Graph 5: Monthly Inflation Expectations**

After excluding outliers from the calculation, it is determined that the average inflation expectation for July is 1.86%. When the course of the average monthly inflation expectation for the last 6 months is analyzed, it is seen that a fluctuating outlook has emerged in the change of monthly inflation expectations according to the responses provided by the participants.



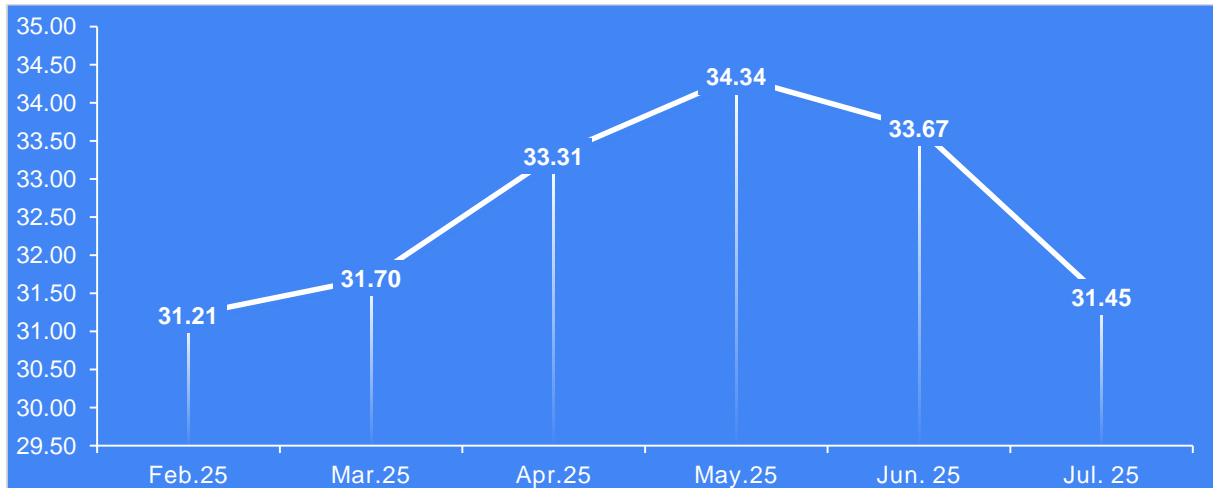
**Graph 6: Change in Monthly Inflation Expectations**

When the current year-end inflation expectations of the respondents are analyzed, it is observed that 13.3 percent of them are below 27.79, 50.7 percent are in the range of 27.80-31.59, 18.7 percent are in the range of 31.60-35.40, 10.7 percent are in the range of 35.41-39.20, and 6.7 percent are above 39.21.



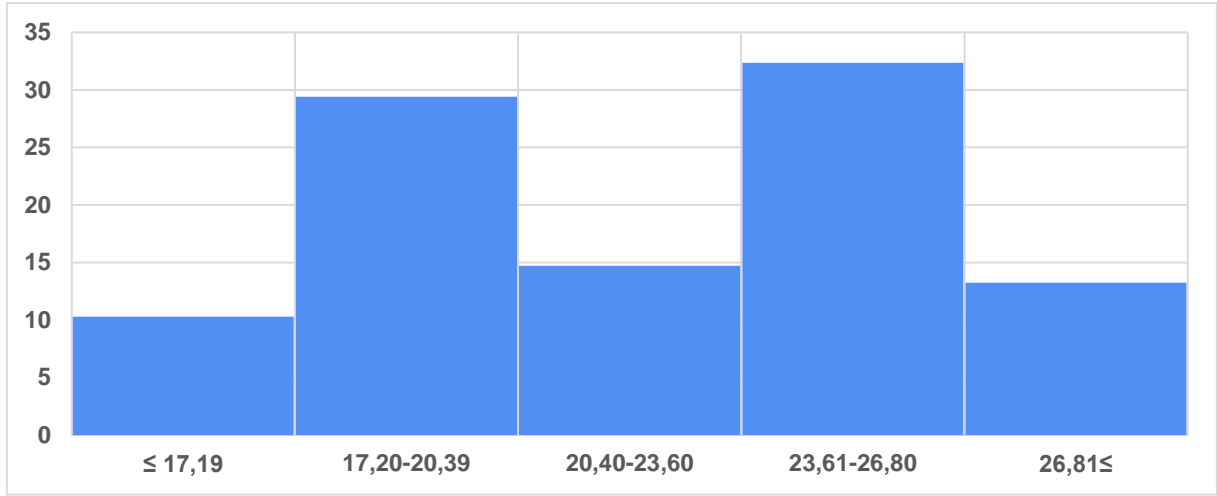
**Graph 7: Current Year-End Inflation Expectations**

After excluding outliers from the calculation, it is determined that the average current year-end inflation expectation is 31.45% for the end of 2025 in July. When the course of the average current year-end inflation expectation for the last 6 months is analyzed, respondents stated that they anticipate a general increase in the initial months and a decrease in the last months regarding the change in current year-end inflation expectations.



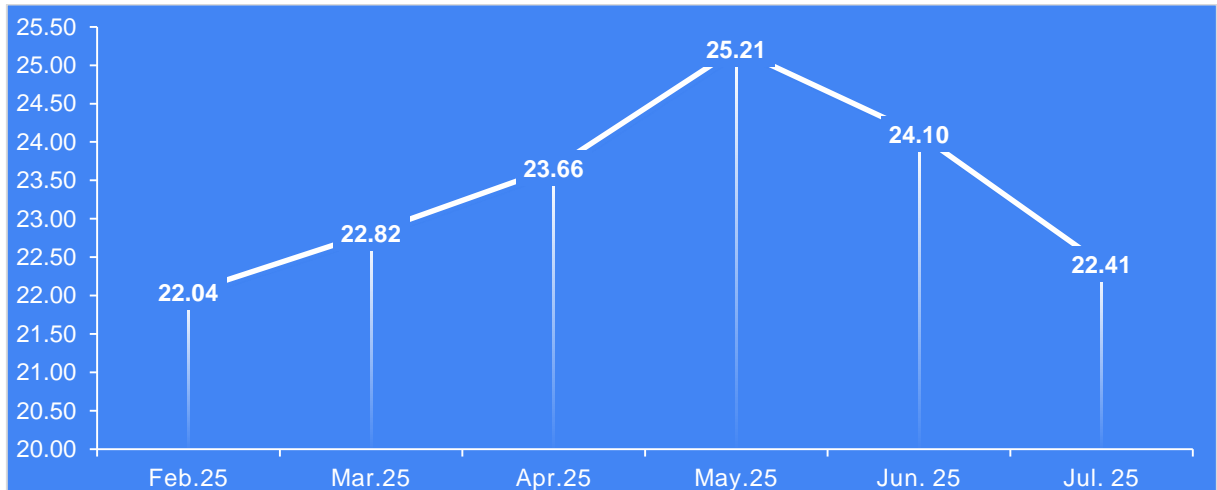
**Graph 8: Change in Current Year-End Inflation Expectations**

When the year-end inflation expectations of the participants for the next year are evaluated, it is observed that 10.3 percent of the participants' inflation expectations are below 17.19, 29.4 percent are in the range of 17.20-20.39, 14.7 percent are in the range of 20.40-23.60, 32.4 percent are in the range of 23.61-26.80, and 13.2 percent are above 26.81.



**Graph 9: Inflation Expectations for the End of Next Year**

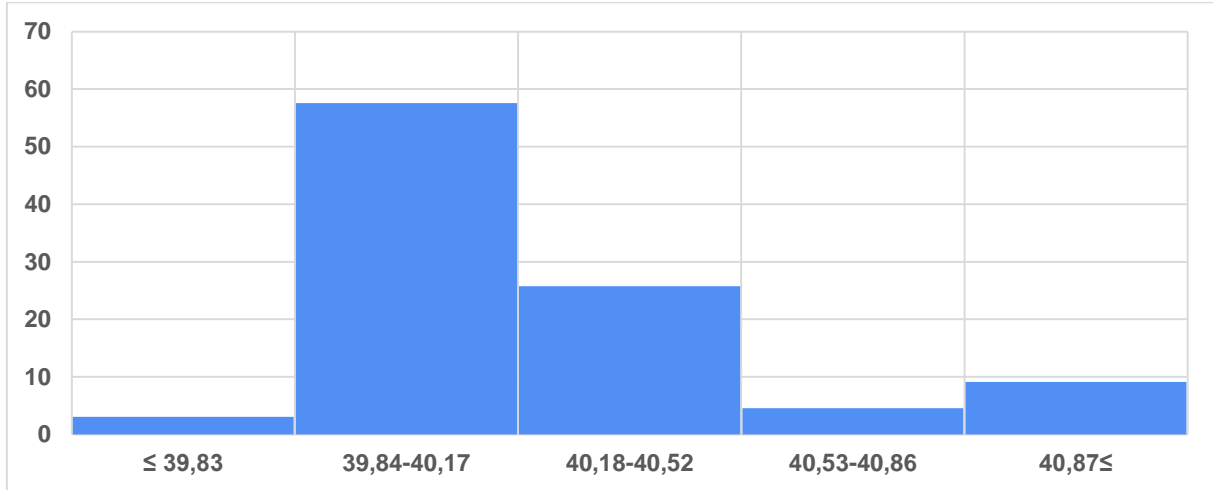
After excluding outliers from the calculation, it is determined that the average inflation expectation for the end of next year is 22.41% for the end of 2026 in July. When the last 6-month course of the average inflation expectation for the end of next year is analyzed, participants stated that they generally expect an increase in the initial months and a decrease in the last months regarding the change in inflation expectations for the end of next year.



**Graph 10: Change in Inflation Expectations for the End of Next Year**

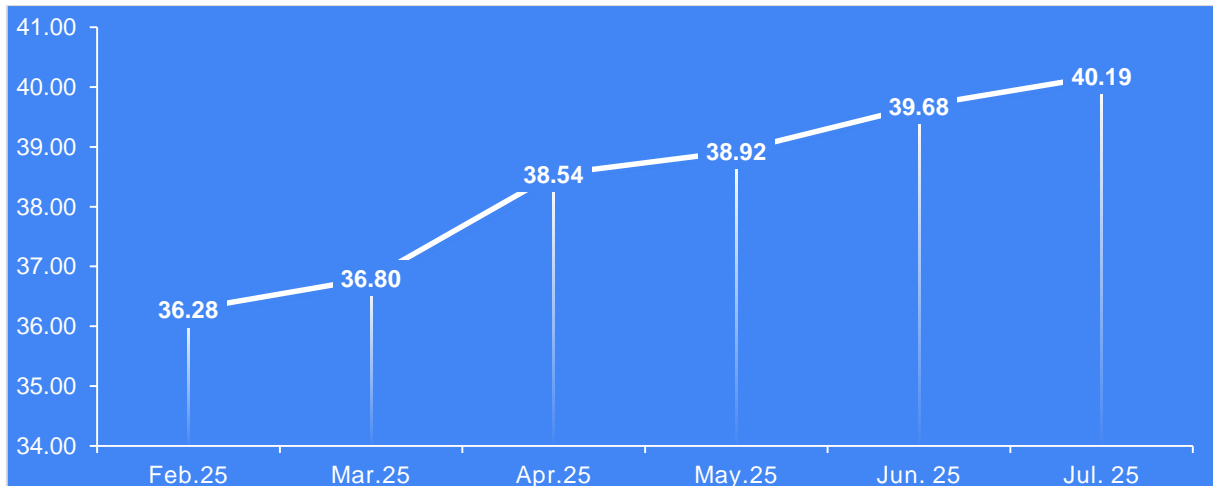
## 2.2. Exchange Rate Expectations

In the survey, sector executives were asked about their US dollar exchange rate expectations for the end of the current month, the end of the current year, and the end of the following year. When the current month-end US dollar exchange rate expectations of the participants are evaluated, it is observed that 3 percent are below 39.83, 57.6 percent are in the range of 39.84-40.17, 25.8 percent are in the range of 40.18-40.52, 4.6 percent are in the range of 40.53-40.86, and 9.1 percent are above 40.87.



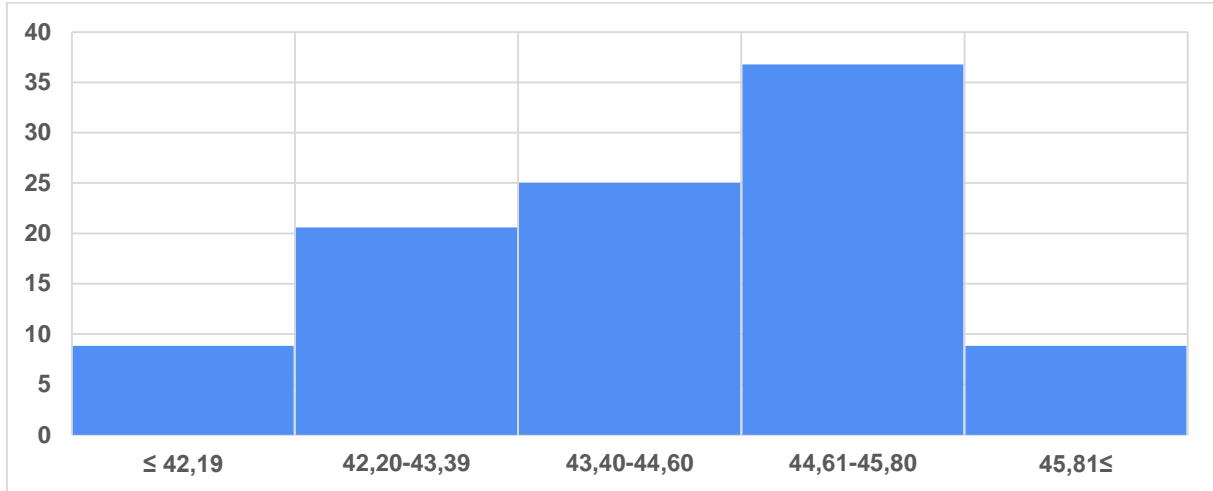
**Graph 11: Current Month-end US Dollar Exchange Rate Expectations**

After excluding outliers from the calculation, it is determined that the average US dollar exchange rate expectation for the end of July is 40.19 TRY. When the last 6-month course of the averages of the current month-end US dollar exchange rate expectation is analyzed, participants stated that they generally anticipate an increase in the change of the current month-end US dollar exchange rate.



**Graph 12: Change in Current Month-end US Dollar Exchange Rate Expectations**

In the survey, sector executives were asked about their expectations for the US dollar exchange rate at the end of the current month, the end of the current year and the end of the next year. When the current year-end US dollar exchange rate expectations of the participants are evaluated, it is observed that 8.8 percent are below 42.19, 20.6 percent are in the range of 42.20-43.39, 25 percent are in the range of 43.40-44.60, 36.8 percent are in the range of 44.61-45.80, and 8.8 percent are above 45.81.



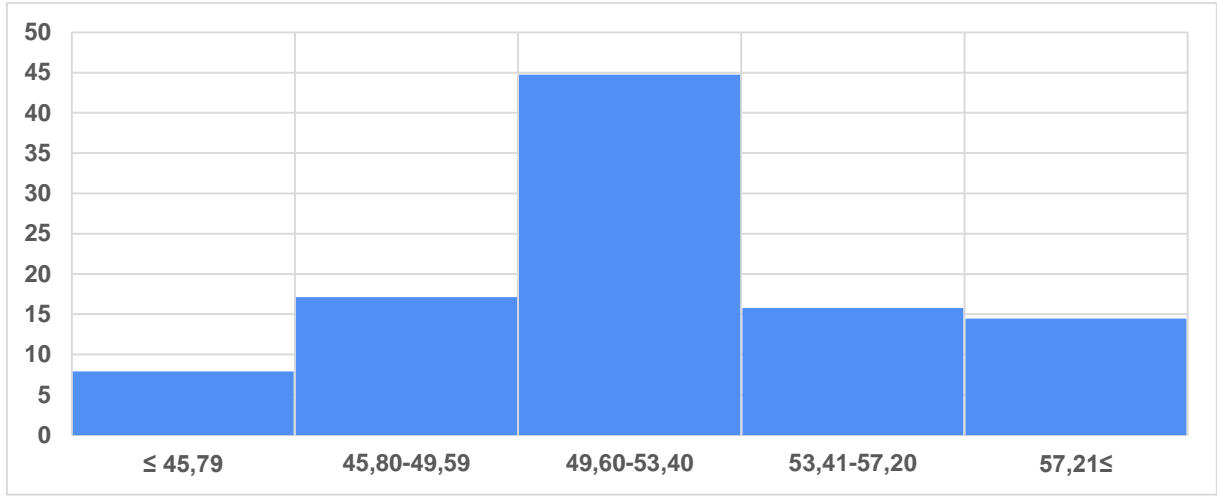
**Graph 13: Current Year-End US Dollar Exchange Rate Expectations**

After excluding outliers from the calculation, it is determined that the average current year-end US dollar exchange rate expectation is 44.14 TRY for the end of 2025 in July. When the course of the average current year-end US dollar exchange rate expectation for the last 6 months is analyzed, participants stated that they expect a decrease in the first month and a general increase in the following months regarding the change in the current year-end US dollar exchange rate.



**Graph 14: Change in Current Year-End US Dollar Exchange Rate Expectations**

When the participants' expectations for the US dollar exchange rate at the end of next year are evaluated, it is observed that 7.9 percent are below 45.79, 17.1 percent are in the range of 45.80-49.59, 44.7 percent are in the range of 49.60-53.40, 15.8 percent are in the range of 53.41-57.20, and 14.5 percent are above 57.21.



**Graph 15: Dollar Exchange Rate Expectations for the End of Next Year**

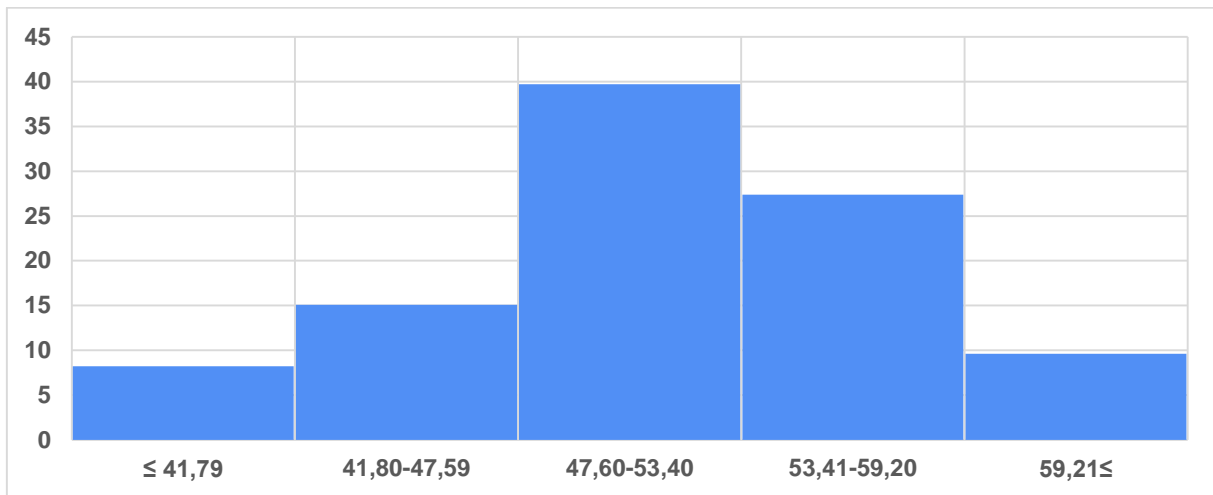
After excluding outliers from the calculation, it is determined that the average US dollar exchange rate expectation is 51.76 TRY for the end of 2026 in July. When the last 6-month course of the average of the US dollar exchange rate expectation for the end of next year is analyzed, it is seen that a fluctuating outlook has emerged in the change of the US dollar exchange rate expectation for the end of next year.



**Graph 16: Change in US Dollar Exchange Rate Expectations for the End of Next Year**

### 2.3. Interest Rate Expectations

The survey asked sector executives about their short-term commercial loan interest rate and sectoral average interest rate expectations. When the short-term commercial loan interest rate expectations of the respondents are evaluated, it is observed that 8.2 percent are below 41.79, 15.1 percent are in the range of 41.80-47.59, 39.7 percent are in the range of 47.60-53.40, 27.4 percent are in the range of 53.41-59.20, and 9.6 percent are above 59.21.



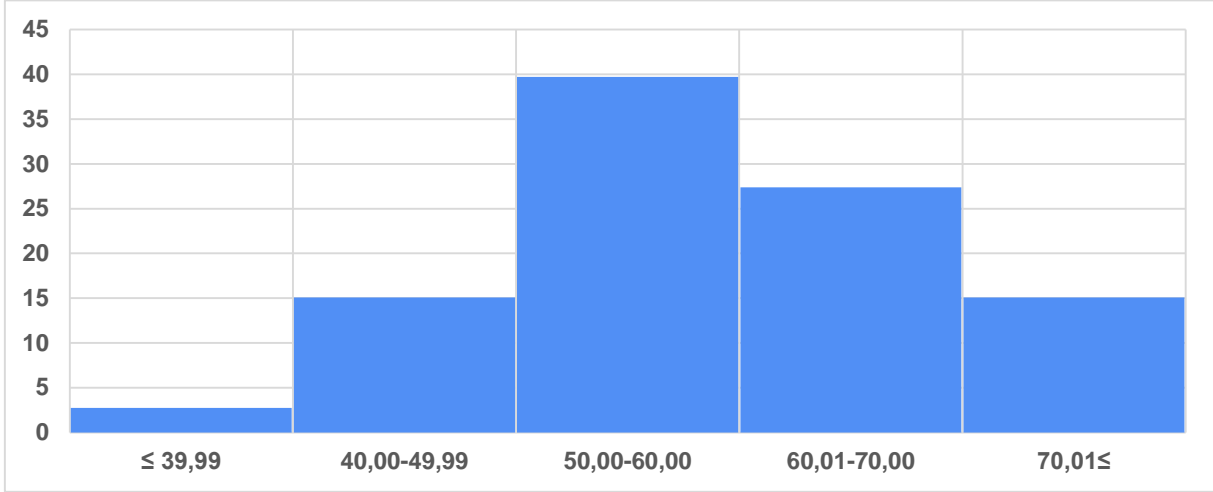
**Graph 17: Short-Term Commercial Loan Interest Rate Expectations**

After excluding outliers from the calculation, it is determined that the average short-term commercial loan interest rate expectation in July is 50.73%. Analyzing the course of the average short-term commercial loan interest rate expectation for the last 6 months, it is seen that a fluctuating outlook has emerged in the change of short-term commercial loan interest rate expectations.



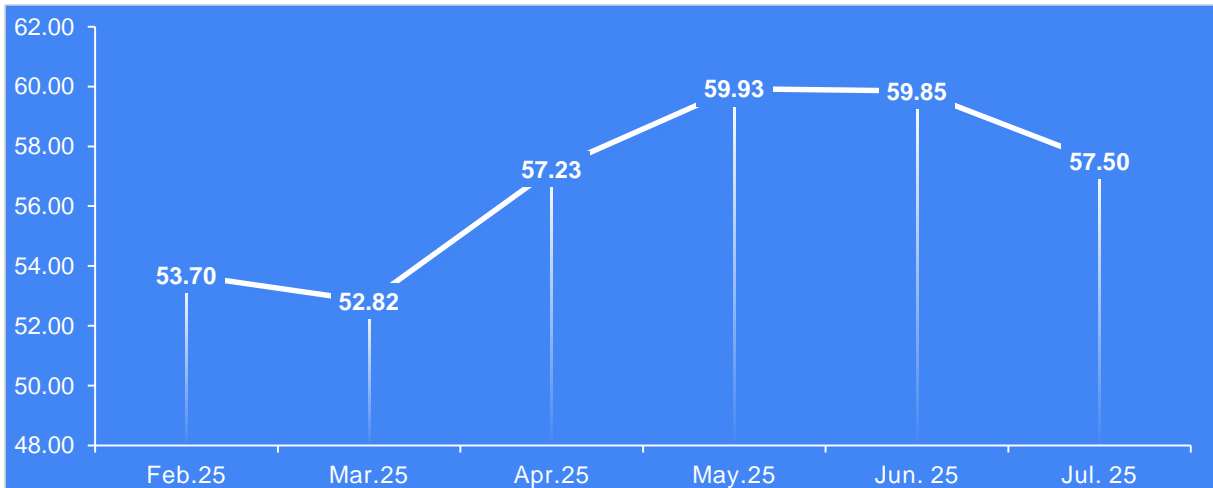
**Graph 18: Change in Short-Term Commercial Loan Interest Rate Expectations**

When the sector average interest rate expectations of the participants are analyzed, it is observed that 2.7 percent are below 39.99, 15.1 percent are in the range of 40.00-49.99, 39.7 percent are in the range of 50.00-60.00, 27.4 percent are in the range of 60.01-70.00, and 15.1 percent are above 70.01.



**Graph 19: Sector Average Interest Rate Expectations**

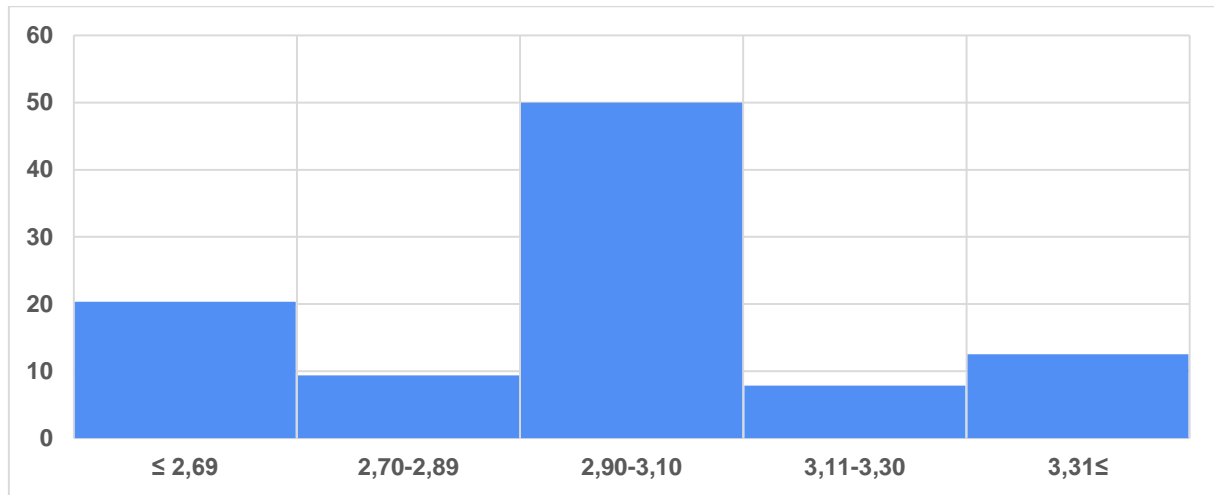
After excluding outliers from the calculation, it is determined that the average sectoral average interest rate expectation is 57.50% in July. Analyzing the course of the sector average interest rate expectation averages for the last 6 months, it is seen that a fluctuating outlook has emerged in the change of the sector average interest rate expectations.



**Graph 20 : Change in Sector Average Interest Rate Expectations**

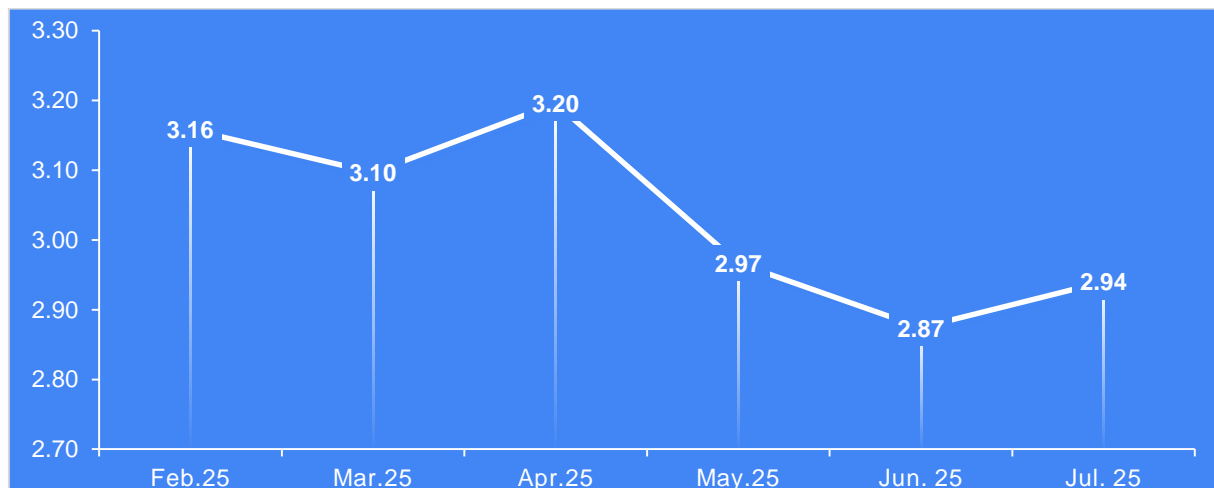
## 2.4. GDP Growth Expectations

In the survey, sector executives were asked about their current year-end and next year-end Gross Domestic Product (GDP) growth expectations. When the current year-end GDP growth expectations of the respondents are evaluated, it is observed that 20.3 percent of them are below 2.69, 9.4 percent are in the range of 2.70-2.89, 50 percent are in the range of 2.90-3.10, 7.8 percent are in the range of 3.11-3.30, and 12.5 percent are above 3.31.



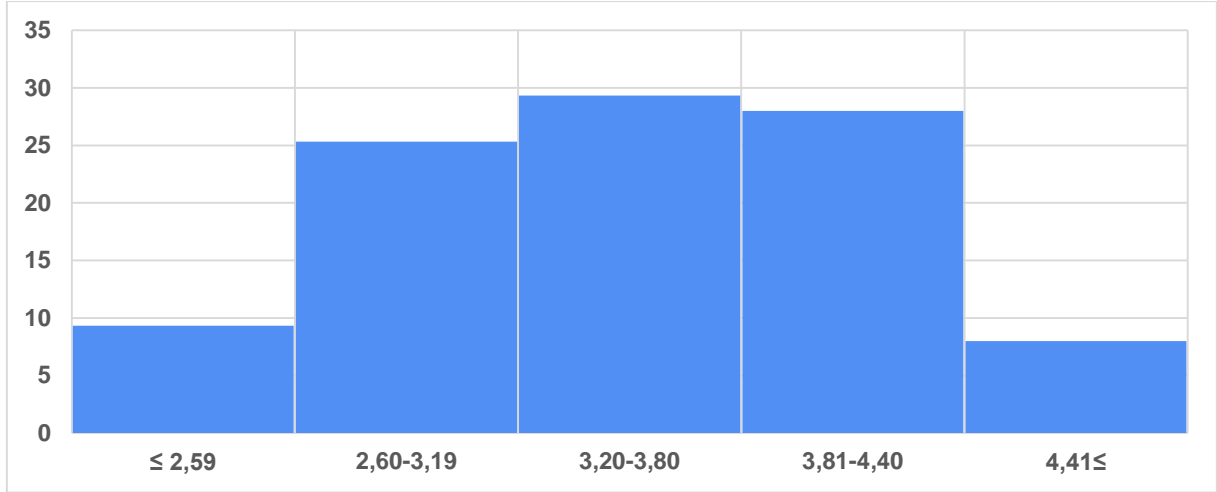
**Graph 20: Current Year-End GDP Growth Expectations**

After excluding outliers from the calculation, it is determined that the average GDP growth expectation for end-2025 is 2.94% in July. Analyzing the course of the average current year-end GDP growth expectation for the last 6 months, it is seen that a fluctuating outlook has emerged in the change of the participants' current year-end GDP growth expectations.



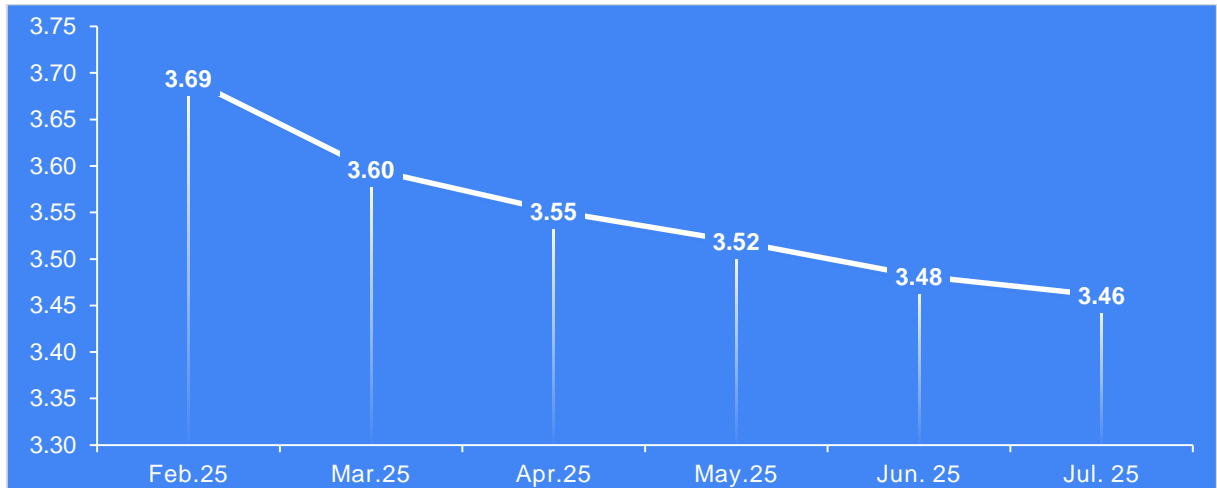
**Graph 21: Change in Current Year-End GDP Growth Expectations**

When the GDP growth expectations of the participants for the end of next year are analyzed, it is observed that 9.3 percent of the participants' GDP growth expectations are below 2.59, 25.3 percent are in the range of 2.60-3.19, 29.3 percent are in the range of 3.20-3.80, 28 percent are in the range of 3.81-4.40, and 8 percent are above 4.41.



**Graph 22: GDP Growth Expectations for the End of Next Year**

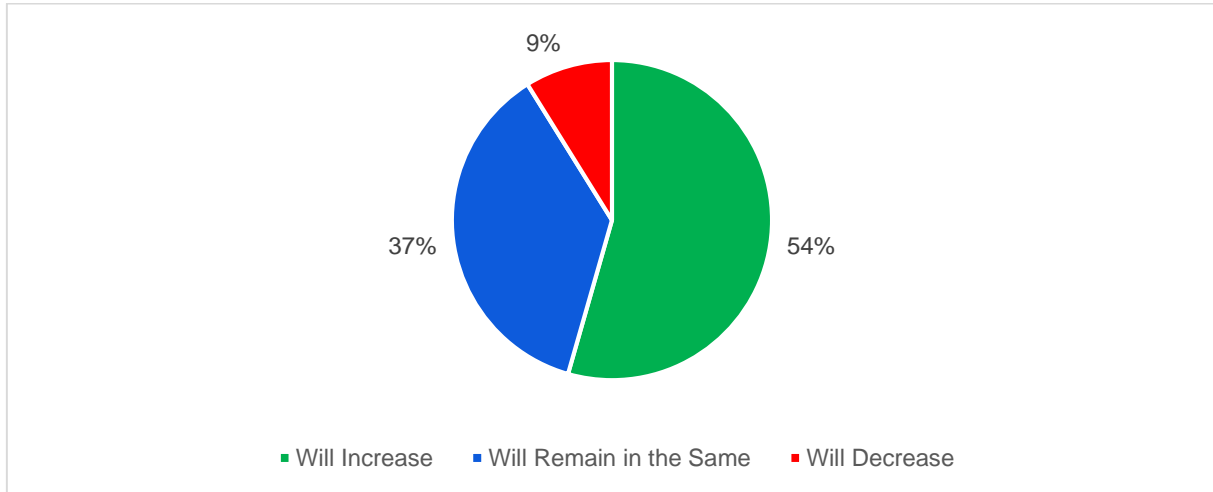
After excluding outliers from the calculation, it is determined that the average GDP growth expectation for end-2026 is 3.46% in July. Analyzing the last 6-month course of the average GDP growth expectation for the end of next year, it is seen that the participants generally stated that they expect a decrease in the change of the GDP growth expectation for the end of next year.



**Graph 23: Change in GDP Growth Expectations for the End of Next Year**

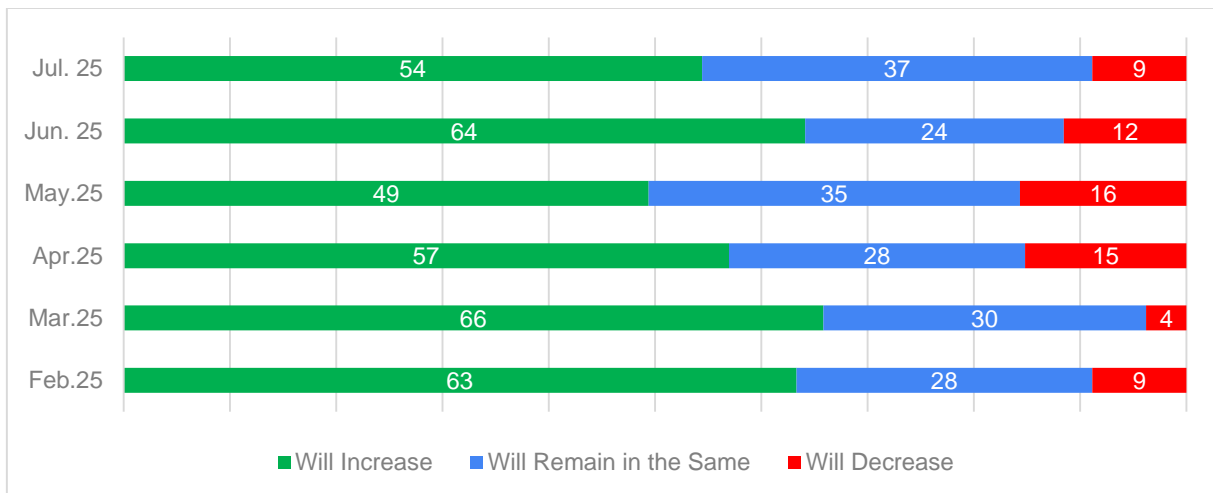
### 2.5. Sectoral Expectations

In the survey, sector executives were asked about their expectations regarding the transaction volume, non-performing loan ratio (NPL), change in collection, and general course of events in their sectors. When the transaction volume expectations in their sectors for the next 3-month period compared to the previous 3-month period are evaluated in July, 54 percent of the participants stated that it would increase, 9 percent stated that it would decrease, and 37 percent stated that it would remain the same.



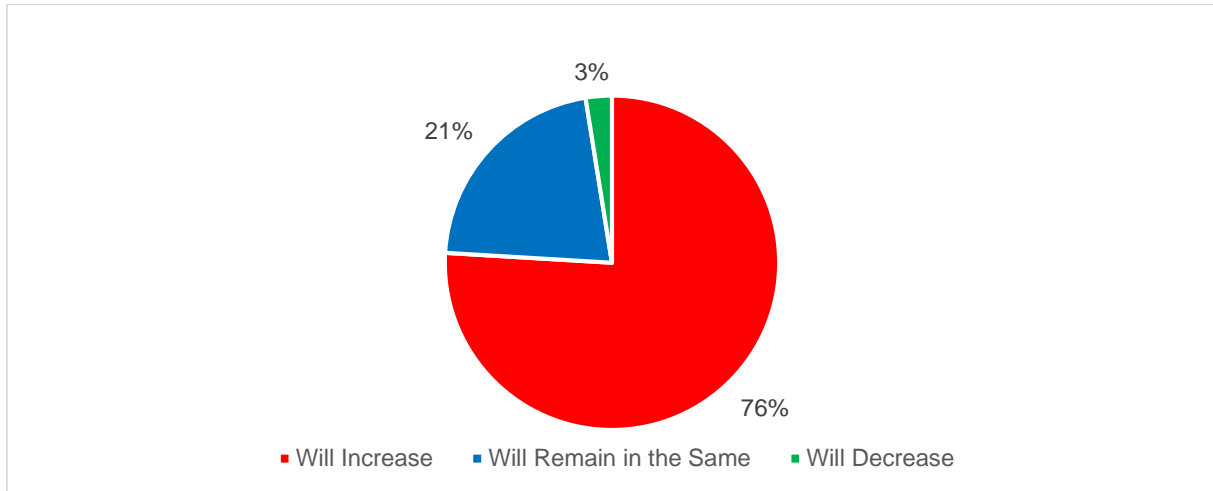
**Graph 25 : Trading Volume Expectation**

When the last 6-month course of the change in the participants' expectations for the transaction volume in their sectors in the next 3-month period compared to the previous 3-month period is analyzed, it is seen that a fluctuating outlook has emerged in the participants' expectations for the transaction volume in their sectors.



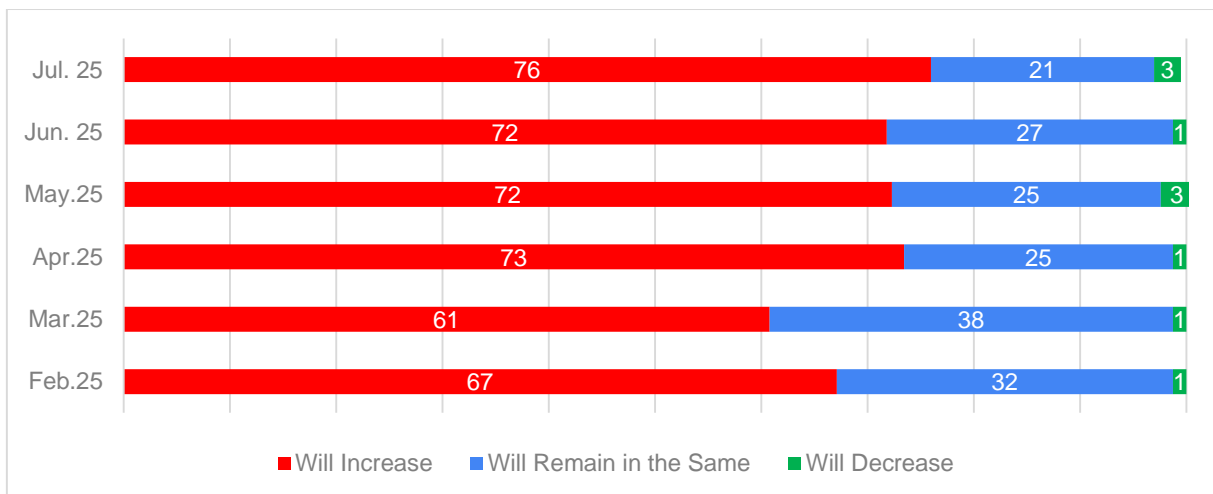
**Graph 24: Change in Trading Volume Expectations**

Regarding the expectations for the change in the non-performing loan ratio (NPL) in the next 3 months in July; 76 percent of the participants stated that it would increase, 3 percent stated that it would decrease, and 21 percent stated that it would remain the same.



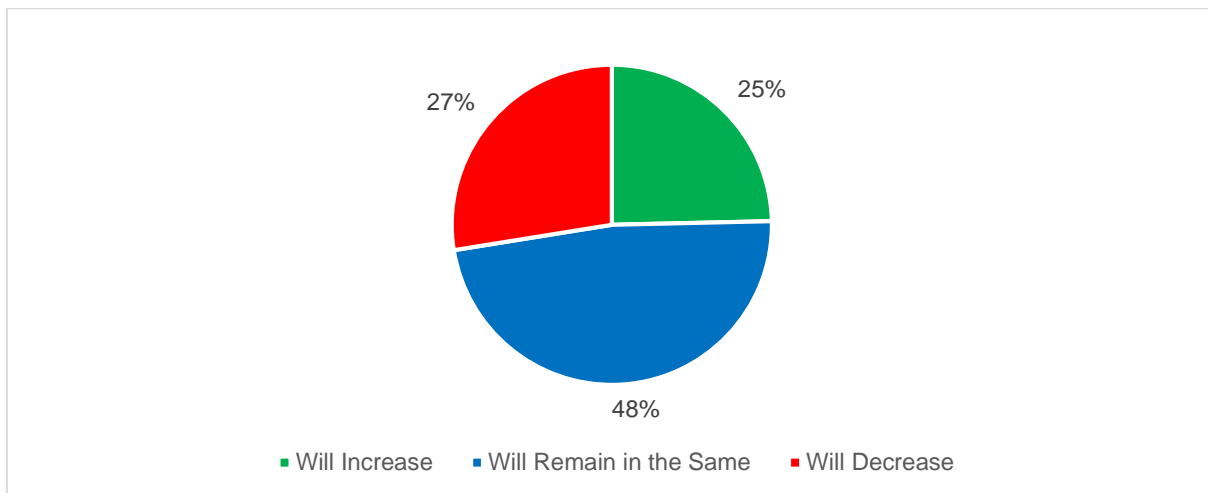
**Graph 25: Non-Performing Loan Ratio Expectations**

An analysis of the last 6-month course of the participants' expectations for the change in the non-performing loan ratio (NPL) in the next 3 months reveals that the participants anticipate a decrease in the increase expectations for the NPL change in the first month and a general increase in the last months.



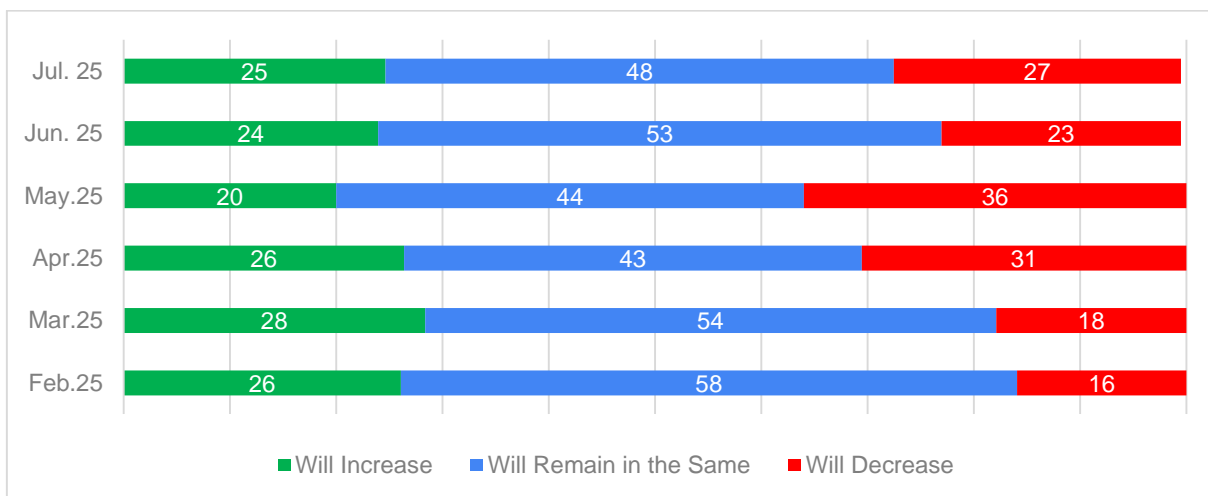
**Graph 26: Change in Non-Performing Loan Ratio Expectations**

When the expectations of the participants about the change in collections in their sectors in the next 3 months in July are evaluated; 25 percent of the participants stated that it would increase, 27 percent stated that it would decrease, and 48 percent stated that it would remain unchanged.



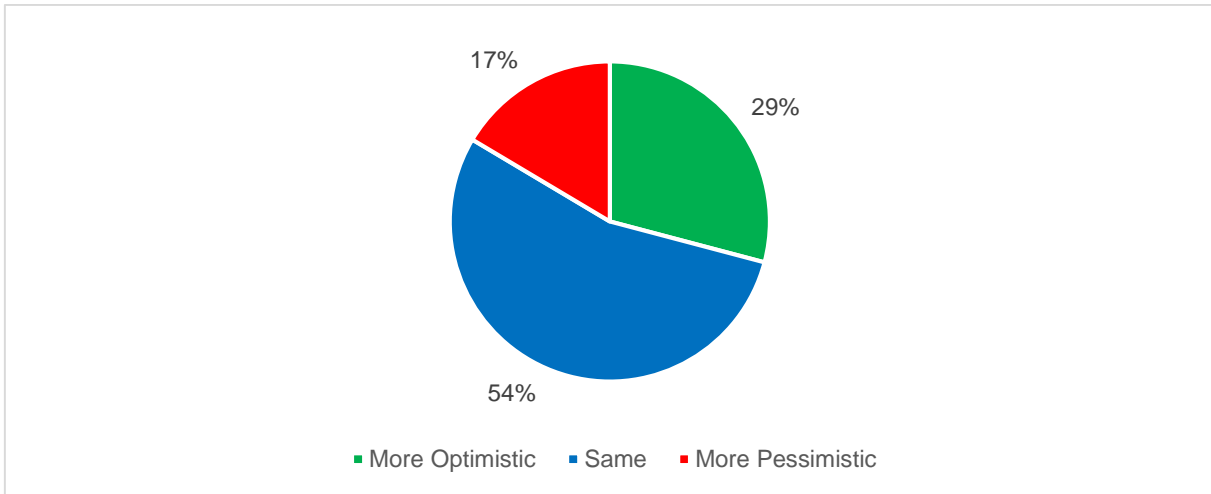
**Graph 27: Collection Change Expectations**

When the last 6-month course of the expectations of the respondents about the change in collections in their sectors in the next 3 months is analyzed, it is seen that a fluctuating outlook has emerged in the participants' expectations for an increase in the collection change.



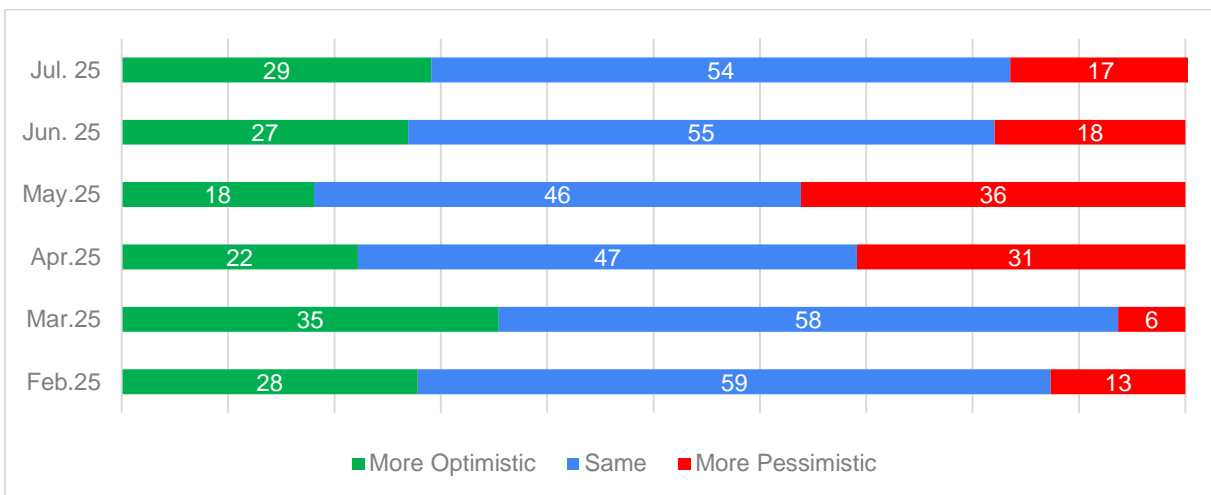
**Graph 28: Change in Collection Change Expectations**

When evaluating the expectations of the participants in July about the general course of their sectors in the next 3 months compared to the previous 3-month period; 29 percent of the participants stated that they would be more optimistic, 17 percent more pessimistic, and 54 percent that it would be the same.



**Graph 29: Expectations for General Outlook**

An analysis of the course of respondents' expectations for the general outlook in their sectors for the next 3 months compared to the previous 3-month period over the last 6 months reveals that a fluctuating outlook has emerged in the respondents' expectations for an increase in the general outlook of their sectors.



**Graph 30: Change in Expectations for General Outlook**

## General Evaluation

The AFI Economic Outlook Index, which has been calculated since February 2015 and followed an upward trend until March 2018, displayed a downward trend after this date and reached its lowest level in October 2018 with a value of 95.15. The index, which has followed a fluctuating course since November 2018, decreased by 0.79 points in June 2025 compared to the previous month and reached 100.75.

The Factoring Sector Index, a subcomponent of the AFI Economic Outlook Index, increased by 0.18 points to 101.19 in June 2025. The Financial Leasing Sector Index, a subcomponent of the AFI Economic Outlook Index, decreased by 3.1 points to 103.8 in June 2025. The Financing Sector Index, one of the subcomponents of the AFI Economic Outlook Index, increased by 0.56 points to 97.26 in June 2025. Despite the increases in the Factoring and Financing Sector Indices, the AFI Economic Outlook Index decreased in June 2025 due to the decline in the Financial Leasing Index.

When the recent course of the AFI Economic Outlook Index is analyzed; it is observed that the 2.29 point decrease observed in April 2024 was followed by a 1.21 point increase in May 2024, a 0.46 point decrease in June 2024, a 0.86 point increase in July 2024, a 0.44 point decrease in August 2024, followed by increases of 0.65 points in September 2024, 0.39 points in October 2024, 0.26 points in November 2024 and 0.81 points in December 2024. Except for August, the AFI Economic Outlook Index displayed an upward trend in the last 6 months of 2024. While this upward trend left its place to a 3.09 point decrease in January 2025, this decrease was compensated by a 2.78 point increase in February 2025, the index rose by 0.77 points in March 2025, decreased by 0.70 points in April 2025 and increased by 0.79 points in May 2025. The value of the index in June 2025, 100.75, was realized below the December value of 100.99, which was the highest value of 2024, and above the 2024 average of 99.34. From the general course of the index, it is understood that the months with a decline are compensated by months with an increase and the index values have recently shown small oscillations around a distinct average. Keeping in mind that the AFI Economic Outlook Index is an indicator reflecting economic expectations, along with the effects of economic policies implemented towards tightening and stability, it would be appropriate to consider the medium and medium-long term time horizon and observe the course of the index in the following periods in order to reach a clear judgment on the permanence of monthly changes.

According to the July results of the AFI Economic Outlook Expectations Survey; participants' inflation expectations for end-July 2025, end-2025, and end-2026 were realized as 1.86%, 31.45% and 22.41%, respectively. Considering that the June 2025 survey results were 2.19% for the month-end, 33.67% for the end of 2025 and 24.10% for the end of 2026; it is observed that the inflation expectations of the survey participants are in a downward direction for each time frame. As can be seen in Chart 8 and Chart 10, the upward trend in inflation expectations for the end of 2025 and 2026 that started in February 2025 peaked in May 2025 and reversed as of June 2025. Inflation expectations for 2025 and 2026 were formed at a higher level than the Medium-Term Programme (MTP) forecasts of 17.5% and 9.7% and the IMF forecasts of 24% and 17.2%, respectively. Although inflation expectations exhibit a fluctuating trend from period to period, expectations regarding the year-ends maintain their stable paths. Due to the nature of inflation, the speed and degree of reflection of the factors affecting inflation on the inflation rate differentiate in the short, medium and long term. Therefore, it would be appropriate to accept the change in inflation expectations from one survey period to another as normal and to evaluate the monetary policy stance and the determinants of inflation by taking into account the time horizon in which expectations are formed in order to understand the path that inflation will follow. In this context, considering the changes in expectations especially for the year-ends, it is observed that the monetary policy stance in the medium and medium-long term continues

to be reflected in inflation expectations as seen in Chart 8 and Chart 10, and inflation expectations have settled on a stagnant stable path.

According to the July results of the AFI Economic Outlook Expectations Survey; participants' dollar exchange rate expectations were realized as 40.19, 44.14 and 51.76 for end-July 2025, end-2025 and end-2026, respectively. Considering that the June 2025 survey results were 39.68 for the month-end, 44.13 for the end of 2025 and 50.88 for the end of 2026; as can be seen in Chart 12, Chart 14 and Chart 16, it is observed that participants' expectations for the level of the exchange rate are negligible for the end of 2025 and show a partial increase for the end of July 2025 and end of 2026. Considering the year-end expectations of the participants, a depreciation of around 17.26% is expected in the Turkish Lira in 2026 compared to the previous year. Looking at the course of the Turkish Lira depreciation expectations; it is seen that they were 19.60%, 18.23%, 18.81%, 18.27%, 18.07%, 20.49%, 20.62%, 20.46%, 22.22% for the months of April, May, June, July, August, September, October, November, December of 2024 and 16.56%, 17%, 15%, 17%, 15%, 15.29% for the months of January, February, March, April, May, June of 2025, respectively. In this context, it can be said that the depreciation expectation in TL entered a decreasing trend in 2025 compared to 2024, and although monthly fluctuations continue, it increased in July 2025 compared to the previous month. According to the July survey results, the expectation of depreciation in TL at the end of 2026, which was 17.26%, was formed below the inflation expectation of 22.41% for the same period. In this context, it can be said that participants consider the pass-through from the exchange rate to inflation as an important, though not the entire, reason for price increases in future periods. Compared to the IMF forecasts of 52.57 and 62.97 and the MTP forecasts of 42 and 44.6 for end-2025 and end-2026 (the average dollar exchange rate expectation derived from the annual national income forecasts in TL and dollar terms), it is seen that the survey participants are in an expectation formation below the IMF forecast and above the MTP forecast for both time frames. It is observed that the fluctuations seen in Turkey's CDS premium since January 2024 (on average; 293.65, 259.20, 271.35, 255.61, 265.75, 256.81, 266.16, 251.12, 259.68 in the months of April, May, June, July, August, September, October, November, December of 2024 and 249.68, 254.36, 313.59, 338.94, 319.18 in the months of January, February, March, April, May of 2025, respectively) continue and in June 2025, the CDS premium decreased by 34.82 points compared to the previous month and reached 284.36. It is possible to say that the changes in the CDS premium, as an indicator of market participants' risk perception regarding the country's economy, continue to be reflected in exchange rate expectations.

According to the July results of the AFI Economic Outlook Expectations Survey, the short-term commercial loan interest rate expectation for the next 3 months decreased by 2.2 points compared to June to 50.73% and the sector average interest rate expectation for AFI member institutions decreased by 2.35 points compared to June to 57.50%. As can be seen in Chart 18 and Chart 20, the decreasing expectation trend observed regarding credit interest rates since January 2025 was replaced by an increase as of March and a decrease again as of May. The decreases observed in interest rate expectations indicate that positive-stable expectations in the credit market have revived. It would be appropriate to observe the survey results of future periods to evaluate the duration and permanence of the downward trend observed after May. According to CBRT data, the average annualized commercial loan interest applied to loans extended by banks (all being the first week) was around 67.42% in April 2024; 65.74% in May 2024; 63.18% in June 2024; 63.10% in July 2024; 61.66% in August 2024; 60.93% in September 2024; 60.74% in October 2024; 60.34% in November 2024; 61.25% in December 2024; 62.19% in January 2025; 57.08% in February 2025; 57.02% in March 2025; 63.58% in April 2025; 63.33% in May 2025 and 64.88% in June 2025. It is seen that the expectation values regarding the sector average interest rates move in alignment with the realized market interest rates.

According to the July results of the AFI Economic Outlook Expectations Survey, the GDP growth rate expectation of the participants increased by 0.07% for the end of 2025 to 2.94% and decreased by 0.02% for the end of 2026 to 3.46% compared to June. When compared with the results of the June expectations survey, as can be traced from Chart 22 and Chart 24, a negligible increase in the growth rate expectation for the end of 2025 and a negligible decrease for the end of 2026 are observed. Compared with the MTP forecasts of 4% and 4.5% and the IMF forecasts of 2.7% and 3.2% for the same years, the GDP growth rate expectation of the participants was realized below the MTP forecast and above the IMF forecast for both the end of 2025 and end of 2026.

According to the July results of the AFI Economic Outlook Expectations Survey, 54% of the participants stated that the trading volume would increase in the next 3-month period compared to the previous 3-month period, 37% would remain unchanged and 9% would decrease. Considering that these rates were 64%, 24% and 12% in the June survey, it is observed that the trading volume expectation exhibits a positive stable trend as can also be traced from Chart 26. According to the July survey results, while the increase in the expectation for the change in non-performing loan ratio for the next 3-month period was realized as 76%, 21% of the participants predict that the ratio will remain unchanged. When the survey results are compared with the June survey values of 72% and 27% respectively, as can be traced from Chart 28, it is observed that the non-performing loan ratio expectation shows a partial negative upward trend. 25% of the July survey participants predict that the collection rate will increase in the next 3-month period, 48% will remain unchanged and 27% will decrease. Considering that these rates were 24%, 53% and 23% respectively in the June survey, as can be traced from Chart 30, it is observed that the expectation for collection change exhibits a positive stable trend. When transaction volume, non-performing loan ratio and collection change values are evaluated together, it can be stated that the cautious expectations of the survey participants are dominant.

According to the July results of the AFI Economic Outlook Expectations Survey, 29% of the participants stated that the next 3 months would be better than the current situation, 54% would not be different and 17% would be worse. When these results regarding the general outlook expectation are compared with the June results of 27%, 55% and 18% respectively, it is seen that positive expectations continue as seen in Chart 32. In 2024, the expectations for April and October emerged as two separate time frames where pessimism was highest, the probability of moving away from a stable situation increased, and the expectation that stability would be maintained across the sector by period remained proportionally low. Nevertheless, May and November of 2024 were two periods where the probability of moving away from the stable situation seen in April and October changed direction towards returning to stability in the context of general outlook expectations. In the June 2025 and current month bulletins, as seen in Chart 32, it is striking that optimism gained stability from January 2025 to March 2025. In March, the general outlook expectation evolved from the positive stable trend in previous months to a positive increasing outlook. In April, this situation reversed, a positive increasing general outlook expectation gave way to a negative cautious situation, and this expectation continued in May. In June, it is observed that negative expectations left their place to a positive trend and positive expectations continued in July. When expectations regarding transaction volume, non-performing loan ratio and collection change are evaluated together, it can be said that optimistic expectations regarding the general sector have started to gain stability for the upcoming period. Nonetheless, it would be appropriate to accept that it is normal for the expectation formation to change in each survey period and therefore, to observe the course of expectations in future periods to reach a distinct judgment on long-term trends and the permanence of monthly changes.

**Annex 1: Index Tables**

**Table 2: Association of Financial Institutions Economic Outlook Index**

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
2015		99,21	102,00	101,10	100,34	100,72	100,81	100,10	100,22	100,31	100,57	102,51
2016	99,58	100,64	103,50	102,81	103,43	103,79	101,72	102,41	102,29	102,54	103,28	103,76
2017	101,77	103,27	103,50	102,11	103,15	103,04	102,59	103,10	102,40	103,06	103,52	104,60
2018	102,87	103,23	104,02	103,34	102,92	102,10	101,83	99,65	96,22	95,15	98,09	100,29
2019	96,89	97,31	100,00	99,30	99,46	97,80	99,11	97,57	99,19	100,12	100,20	101,71
2020	100,20	101,04	101,06	98,72	98,02	100,45	101,20	100,98	101,94	101,56	101,75	102,30
2021	100,63	100,77	102,20	100,84	99,42	101,68	99,96	101,04	101,48	100,89	101,91	101,58
2022	98,94	100,17	101,51	100,90	100,16	100,39	97,17	97,92	98,25	98,82	99,64	100,31
2023	99,51	98,78	100,33	101,04	99,49	97,82	98,37	98,66	99,29	98,78	98,96	99,31
2024	98,97	99,17	100,00	97,71	98,92	98,46	99,32	98,88	99,53	99,92	100,18	100,99
2025	97,90	100,68	101,45	100,75	101,54	100,75						

**Table 3: Association of Financial Institutions Factoring Sector Index**

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
2015		101,67	103,59	102,14	101,24	102,04	101,54	101,47	101,82	102,58	101,65	103,08
2016	100,76	102,20	102,46	101,53	101,95	102,11	100,69	101,48	101,78	101,55	102,19	102,37
2017	101,06	102,44	102,22	100,43	101,97	101,96	101,40	102,24	101,85	102,52	103,02	103,20
2018	102,25	102,91	102,77	102,11	102,35	101,79	101,88	99,67	99,51	98,98	100,04	100,35
2019	99,21	99,22	100,00	99,64	99,74	98,40	100,57	98,54	99,85	100,55	100,20	101,41
2020	100,32	100,04	100,54	98,64	97,57	99,40	100,35	99,91	100,54	100,54	100,56	101,60
2021	99,57	99,82	100,85	100,01	98,71	100,70	99,00	99,65	100,90	99,64	101,15	100,96
2022	98,27	99,56	100,33	99,89	99,19	99,61	98,48	98,72	99,90	100,07	101,03	101,30
2023	100,60	100,43	101,12	99,91	100,07	99,54	100,20	100,00	99,98	100,14	100,45	100,68
2024	100,22	100,32	101,21	99,50	100,26	99,21	100,08	99,75	100,59	100,76	100,71	102,27
2025	95,85	100,48	101,55	101,06	101,01	101,19						

**Table 4: Association of Financial Institutions Leasing Sector Index**

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
2015		100,60	104,58	103,47	102,63	102,54	102,91	101,19	101,95	101,05	101,63	104,06
2016	102,38	102,20	103,96	102,83	103,73	104,46	101,13	101,18	101,33	101,94	102,49	103,76
2017	101,37	103,99	104,43	102,71	103,37	103,50	102,41	102,58	101,50	102,28	102,24	104,08
2018	102,41	103,08	104,47	103,41	101,81	100,69	99,99	96,58	90,70	88,82	94,70	99,23
2019	92,83	94,34	100,00	98,43	98,83	95,88	97,90	95,31	98,30	99,35	99,83	101,53
2020	100,47	101,64	101,63	99,95	97,58	100,29	100,77	100,63	102,27	101,62	102,37	102,09
2021	101,41	101,25	102,89	102,43	100,79	102,02	100,09	101,75	102,57	102,01	103,04	101,62
2022	98,43	100,81	103,17	102,82	100,96	100,73	94,86	96,98	97,86	99,27	100,20	100,22
2023	100,62	100,37	102,24	105,55	101,16	98,59	99,43	100,67	101,36	100,97	100,45	100,02
2024	100,79	101,14	102,49	98,88	100,64	100,35	101,75	101,18	102,32	102,53	102,65	102,75
2025	102,30	104,59	104,81	103,75	106,90	103,80						

**Table 5: Association of Financial Institutions Financing Sector Index**

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
<b>2015</b>		95,37	97,81	97,69	97,15	97,59	97,98	97,63	96,90	97,31	98,42	100,39
<b>2016</b>	95,60	97,52	104,07	104,08	104,59	104,80	103,35	104,59	103,76	104,14	105,17	105,16
<b>2017</b>	102,87	103,36	103,83	103,19	104,12	103,67	103,96	104,47	103,85	104,37	105,30	106,52
<b>2018</b>	103,95	103,70	104,82	104,49	104,60	103,83	103,62	102,70	98,44	97,65	99,52	101,29
<b>2019</b>	98,62	98,38	100,00	99,84	99,81	99,11	98,86	98,86	99,42	100,48	100,57	102,19
<b>2020</b>	99,81	101,43	101,01	97,57	98,91	101,65	102,47	102,38	103,00	102,51	102,30	103,20
<b>2021</b>	100,92	101,22	102,87	100,07	98,77	102,32	100,79	101,71	100,98	101,01	101,54	102,16
<b>2022</b>	100,11	100,14	101,01	100,00	100,33	100,83	98,17	98,07	96,99	97,13	97,69	99,41
<b>2023</b>	97,30	95,52	97,64	97,65	97,23	95,34	95,48	95,32	96,54	95,24	95,98	97,22
<b>2024</b>	95,90	96,04	96,31	94,75	95,87	95,81	96,14	95,69	95,67	96,46	97,19	97,94
<b>2025</b>	95,54	96,97	98,00	97,44	96,70	97,26						

## Annex 2: Methodology

Table 6: Association of Financial Institutions Economic Outlook Index - Methodology

<b>Methodology</b>	<b>Association of Financial Institutions Economic Outlook Index</b>																											
<i>Purpose of the Study</i>	Monitoring the market with a composite index based on indicators related to the financial leasing, factoring and financing sectors in the production, sales and consumption channels of the economy.																											
<i>Definition of Data</i>	Number of contracts/invoices, amount and duration indicators to monitor the economic course of the financial leasing, factoring and financing sectors over time.																											
<i>Sectoral Scope</i>	It covers financial leasing, factoring and financing sectors.																											
<i>Time Scope</i>	The base period of the index is March 2019; statistics on the results are available since January 2015.																											
<i>Basic Period/Year</i>	March 2019																											
<i>Reference Period</i>	The current month.																											
<i>Unit of Measure</i>	Number of Contracts/Invoices - Number Contract/Invoice Amount - TL Contract/Invoice Term – Month																											
<i>Periodicity</i>	Frequency of data collection: Monthly Frequency of publication of data: Monthly																											
<i>Timeliness</i>	The average production time for each published data is 4 days.																											
<i>Publication Schedule</i>	It is published on the website of the Association of Financial Institutions on Wednesday of the third week of each month and announced to the public.																											
<i>Calculation Method</i>	<p>The Association of Financial Institutions Economic Outlook Index measures the change in the economic outlook over time by using variables indicating the production, sales and consumption channels of the financial leasing, factoring and financing sectors. After presenting the theoretical framework of the index, the dataset covering the period January 2015-September 2022 was analyzed, then March 2019 was set as the reference period in accordance with the nature of the data and monthly changes were monitored as of the following periods.</p> <p>The indicators and their weights are based on desk research and expert opinion surveys conducted during the index development period.</p> <table border="1"> <thead> <tr> <th><b>Main Groups of the Economic Outlook Index</b></th> <th><b>Weights</b></th> </tr> </thead> <tbody> <tr> <td><b>Financial Leasing</b></td> <td></td> </tr> <tr> <td>- Number of Contracts</td> <td>0,16</td> </tr> <tr> <td>- Contract Amount (TL)</td> <td>0,40</td> </tr> <tr> <td>- Contract Maturity (month)</td> <td>0,44</td> </tr> <tr> <td><b>Factoring</b></td> <td></td> </tr> <tr> <td>- Number of Invoices</td> <td>0,25</td> </tr> <tr> <td>- Invoice Amount (TL)</td> <td>0,28</td> </tr> <tr> <td>- Invoice Term (month)</td> <td>0,47</td> </tr> <tr> <td><b>Financing Companies</b></td> <td></td> </tr> <tr> <td>- Number of Contracts</td> <td>0,29</td> </tr> <tr> <td>- Contract Amount (TL)</td> <td>0,20</td> </tr> <tr> <td>- Contract Maturity (month)</td> <td>0,51</td> </tr> </tbody> </table> <p>The main groups of the Economic Outlook Index were included in the index calculation with equal importance, and the weights of the indicators in the calculation of subcomponents were determined using the Analytic Hierarchy Process (AHP) based on an expert opinion survey.</p> <p>Data on the indicators included in the index are provided by the Association of Financial Institutions, and data editing and control procedures are carried out to make the raw data available for inclusion in the index. Using the data compiled on a monthly basis, the index bulletin is announced to the public on Wednesday of the third week of the following month.</p>		<b>Main Groups of the Economic Outlook Index</b>	<b>Weights</b>	<b>Financial Leasing</b>		- Number of Contracts	0,16	- Contract Amount (TL)	0,40	- Contract Maturity (month)	0,44	<b>Factoring</b>		- Number of Invoices	0,25	- Invoice Amount (TL)	0,28	- Invoice Term (month)	0,47	<b>Financing Companies</b>		- Number of Contracts	0,29	- Contract Amount (TL)	0,20	- Contract Maturity (month)	0,51
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- Contract Maturity (month)	0,51																											

**Table 7: Association of Financial Institutions Economic Outlook Expectations Survey - Methodology**

<b>Methodology</b>	<b>Association of Financial Institutions Economic Outlook Expectations Survey</b>
<i>Purpose of the Study</i>	Monitoring the expectations of decision makers and experts in the financial leasing, factoring, financing, asset management and savings finance sectors regarding various macroeconomic variables.
<i>Definition of Data</i>	These are indicators produced to monitor short- and long-term expectations for key macroeconomic variables such as consumer inflation, exchange rate, GDP growth rate, non-performing loan ratio and interest rates.
<i>Sectoral Scope</i>	The participant panel consists of decision makers, experts and professionals from the financial leasing, factoring, financing, asset management and savings finance sectors.
<i>Time Scope</i>	The Economic Outlook Survey has been conducted since October 2023 and statistics on the results have been available since then.
<i>Basic Period/Year</i>	October 2023
<i>Reference Period</i>	The current month.
<i>Unit of Measure</i>	Consumer Inflation Expectation - Percent US Dollar Rate Expectation - TRY Short-Term Commercial Loan Interest Rate Expectation - Percent Sector Average Interest Rate Expectation - Percent GDP Growth Expectation - Percent Trading Volume Expectation - Categorical Non-Performing Loan Ratio Expectation - Categorical Expectation of Change in Collection - Categorical Expectations for the General Outlook - Categorical
<i>Periodicity</i>	Frequency of data collection: Monthly Frequency of publication of data: Monthly
<i>Timeliness</i>	The average production time for each published data is 7 days.
<i>Publication Schedule</i>	It is published on the website of the Association of Financial Institutions on Wednesday of the third week of each month and announced to the public.
<i>Calculation Method</i>	In the data analysis of the Economic Outlook Survey, the data set is summarized using descriptive statistics. At this stage, the appropriate measure of central tendency is calculated considering the measurement level and frequency distribution of the data. In other words, the appropriate mean is selected to calculate the value that represents the data alone. In this process, outliers or extreme outliers in the dataset are analyzed and the most appropriate statistics are preferred among the means calculated by removing outlier <sup>1</sup> or extreme outlier <sup>2</sup> and trimmed means <sup>3</sup> .

<sup>1</sup> Outlier Value: Calculated according to Tukey's Hinges method, Q1: Lower Quartile, Q3: Upper Quartile; values less than  $Q1 - 1.5 * (Q3 - Q1)$  and greater than  $Q3 + 1.5 * (Q3 - Q1)$  are considered outliers.

<sup>2</sup> Extreme Outlier Value: Calculated according to Tukey's Hinges method, Q1: Lower Quartile, Q3: Upper Quartile; values less than  $Q1 - 3 * (Q3 - Q1)$  and greater than  $Q3 + 3 * (Q3 - Q1)$  are accepted as extreme values.

<sup>3</sup> Trimmed Mean: The arithmetic mean calculated by removing the highest and lowest values of a certain percentage from the data set.

**ANNEX 3: Questionnaire Form**

**Table 8: Summary Results of the Economic Outlook Expectation Survey**

<b>Financial Institutions Association Economic Outlook Expectations Survey</b>			
	<u>Monthly Inflation</u>	<u>Annual Inflation</u>	
	End of Current Month	Current Year End (Jan - Dec)	End of Next Year (Jan - Dec)
What is your consumer inflation expectation? (%)	1,86	31,45	22,41
What is your expectation for the US dollar exchange rate in the interbank foreign exchange market? (TRY)	40,19	44,14	51,76
What is your annual GDP growth expectation?(%)		2,94	3,46
What is your expectation for the short-term commercial credit interest rate?	<b>3 Months Later</b> 50,73		
What is your expected average interest rate in your sector?	<b>3 Months Later</b> 57,50		
What is your expectation for the transaction volume in your sector (compared to the previous 3-month period)?	<b>3 Months Later</b> Will Increase 54%	Same 37%	Will Decrease 9%
What is your expectation regarding the change in the non-performing loan (NPL) ratio?	<b>3 Ay Sonrası</b> Will Increase 76%	Same 21%	Will Decrease 3%
What are your expectations regarding changes in collections in your industry?	<b>3 Ay Sonrası</b> Will Increase 25%	Same 48%	Will Decrease 27%
What are your expectations regarding the general trend in your sector (compared to the previous three-month period)?	<b>3 Ay Sonrası</b> More Optimistic 29%	Same 54%	More Pessimistic 17%

- The Association of Financial Institutions Economic Outlook Index and Expectations Survey Statistics Project has been carried out by Istanbul University and the Association of Financial Institutions since March 2022.
- The results of the expectations survey are calculated based on the evaluations of the participants and do not reflect the opinions and estimates of the Association of Financial Institutions.
- The index results are the product of an academic research using data from the Receivables Recording Center (RRC), the Financial Leasing Contract Registration System (FLCRS) and data compiled by the AFI and do not reflect the views and estimates of the Association of Financial Institutions.