

## **Notes On the Changes in the Questionnaire of Survey of Expectations as of April 2006:**

### **1. Expectation of CPI Inflation**

The number of questions regarding consumer inflation has been increased from four to six. Through this revision, the “expectation of CPI inflation for the following month” has been added as the third question in the monthly inflation expectations section of the Survey, which already included the questions about the expectations of CPI inflation for the current month and for the second month ahead. In the annual inflation expectations section, the “annual CPI expectation after 24 months” is included in addition to the previous two questions, namely the expectation of year-end inflation for the current year and the expected CPI inflation over the next twelve months. For the questions related to the annual inflation expectations in 12 and 24 months, the beginning and the end of the related periods are stated explicitly in the questionnaire and the expectations of the interest are the annual inflation rates by the end of the specified 12- and 24-month periods.

### **2. Expectation of the Annual Compound Interest Rate of Treasury Bills**

Due to the outstanding stock of floating rate government bonds with quarterly coupon payments, the Turkish Treasury keeps issuing 3-month-reference Treasury bills. However, as announced in the 2006 program, floating rate bonds with semi-annual coupon payments will also be issued regularly each month throughout 2006. Thus, in accordance with the domestic borrowing strategy of 2006 announced by the Turkish Treasury, questions regarding the annual compound interest rate of 3-month Treasury bill auctions have been omitted. Instead, the expectations of the annual compound interest rates of the 6-month Treasury bills to be auctioned 3- and 12-months ahead are included.

### **3. Expectation of Annual Compound Interest Rate of Government Bond**

In order to assess long-term interest rate expectations, two questions have been added to the Survey. These questions refer to the interest rate expectations for the 5-year TRY denominated fixed rate government bonds with semi-annual coupon payments to be auctioned the 3- and 12-month periods ahead.

### **4. Expectation of the Money Market Overnight Annual Simple Interest Rate**

Regarding expectations of the money market overnight annual simple interest rate, two questions inquiring about the expectations for the 3 and 12 month periods ahead have been added to the Survey, while one of the previous questions regarding the year-end expectation has been omitted.

### **5. Expectation of US Dollar Rate In The Interbank Foreign Exchange Market**

The question related to the expectation of the US dollar rate by the end of the next 12 months is asked, in addition to the previous two questions.

### **6. Expectation of the Current Account Balance**

There is no change in this question.

### **7. Expectation of the GNP Growth Rate**

The question related to the expectation of the next year's GNP growth rate has been added to the Survey.