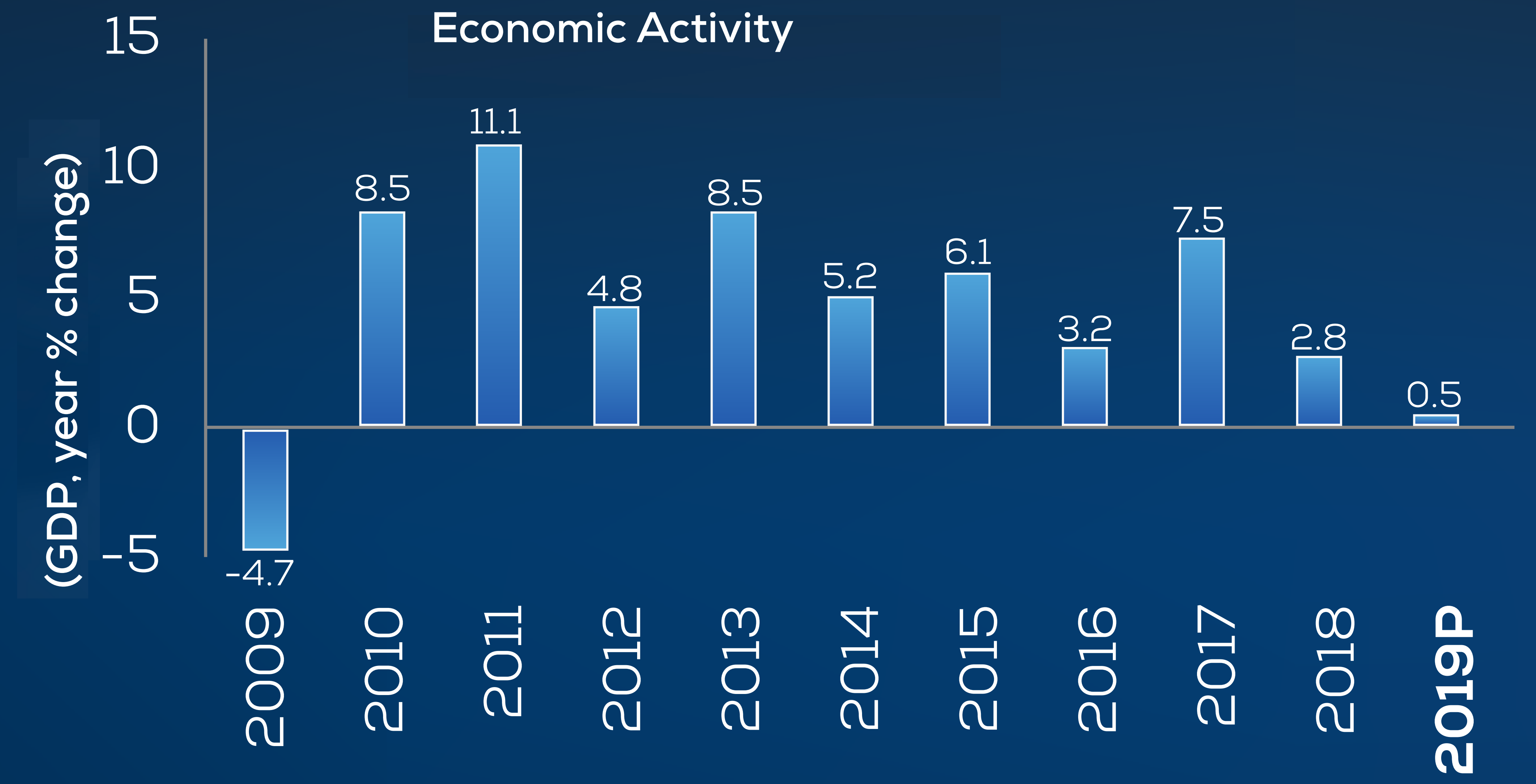
TÜRKİYE CUMHURİYETİ HAZİNE VE MALİYE BAKANLIĞI

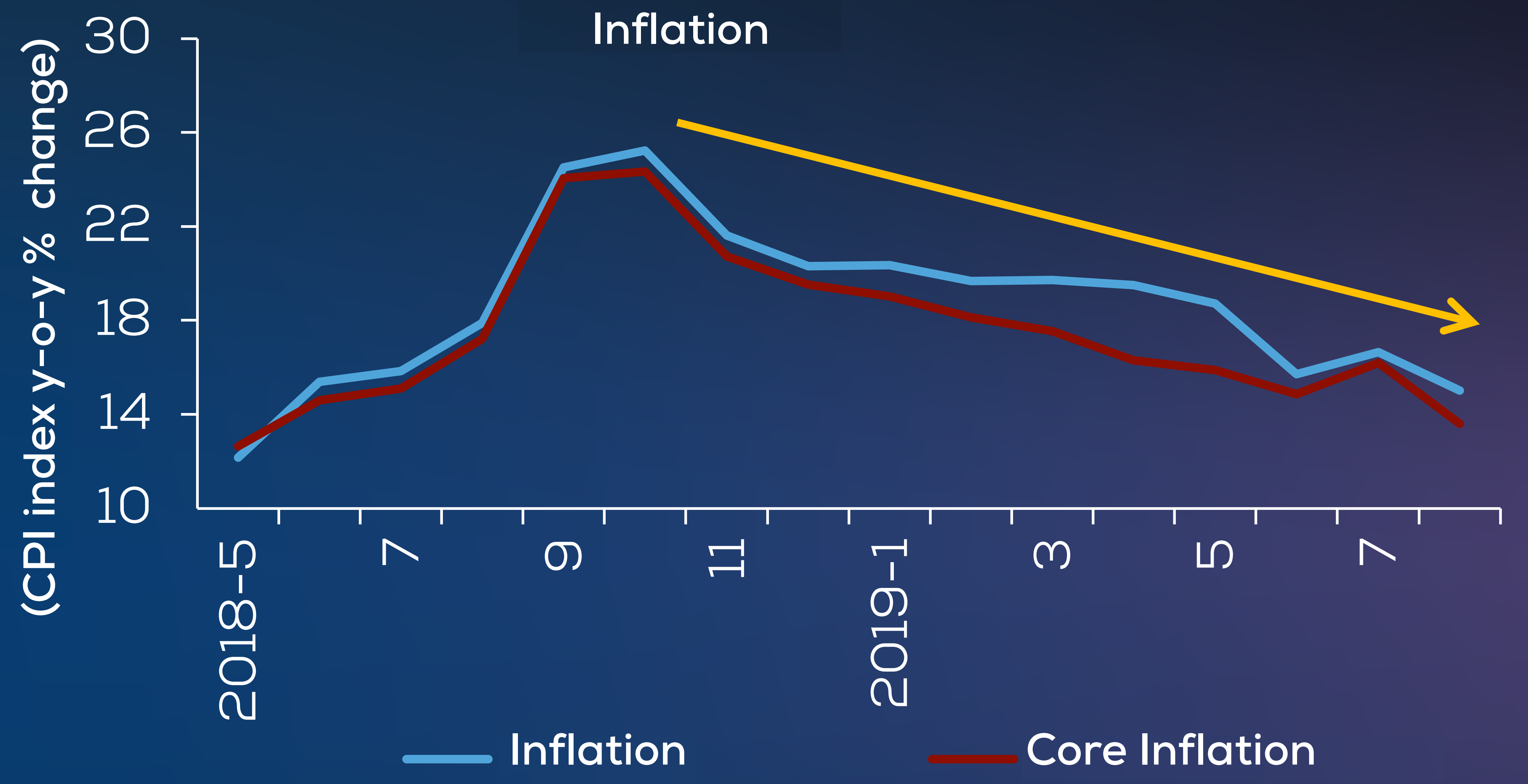
NEW ECONOMY PROGRAM

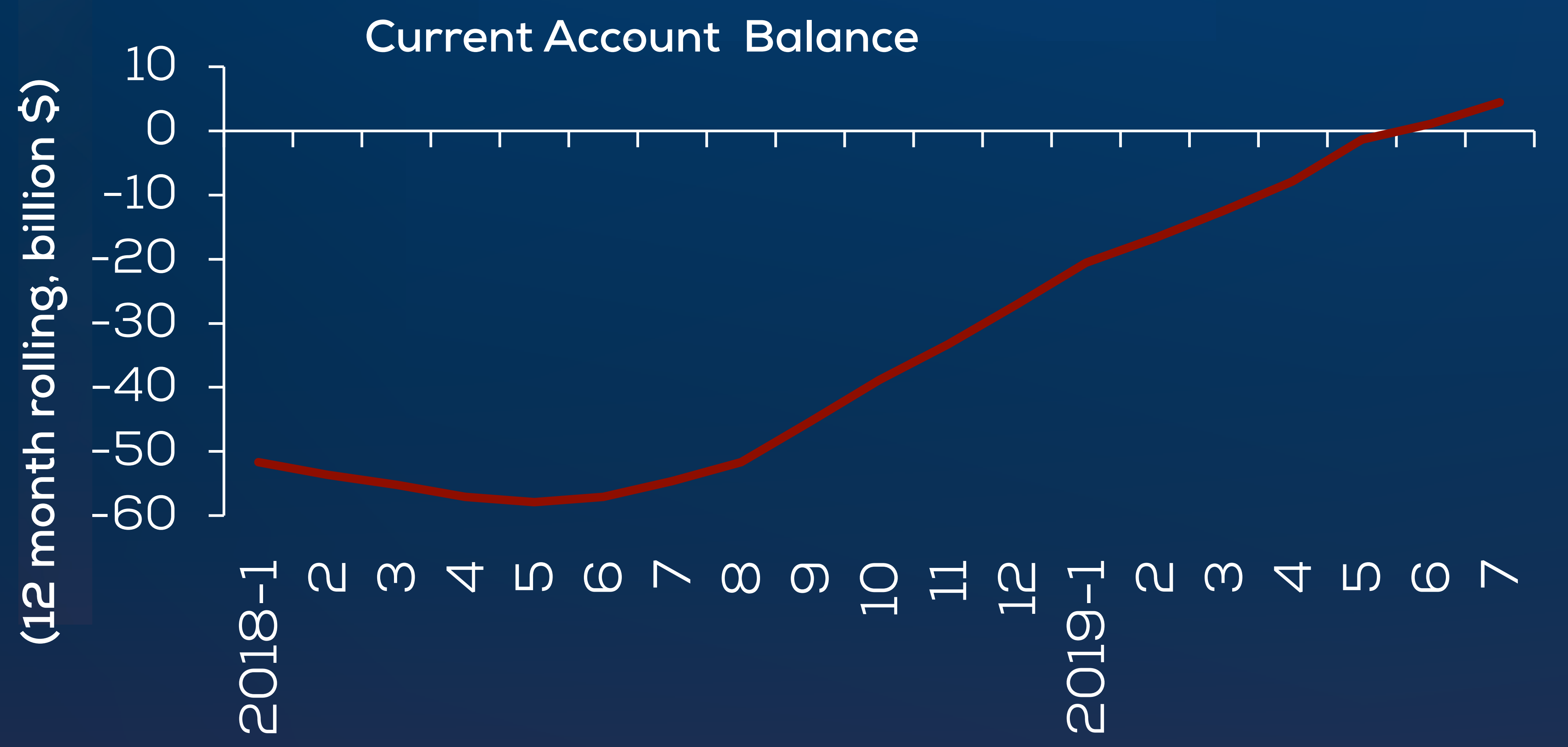
2020-2021-2022

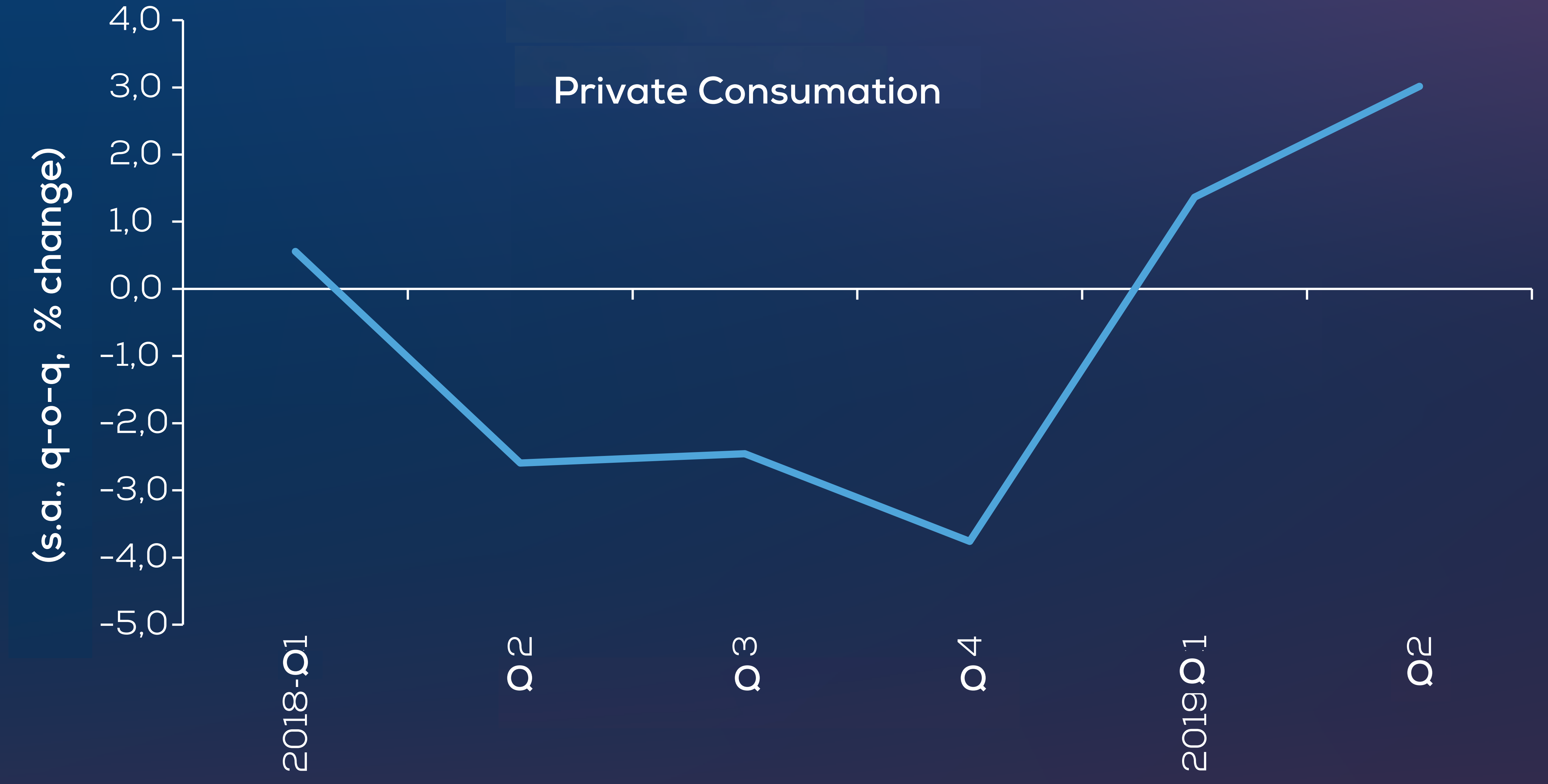
Transformation Begins...

REBALANCING IN ECONOMY





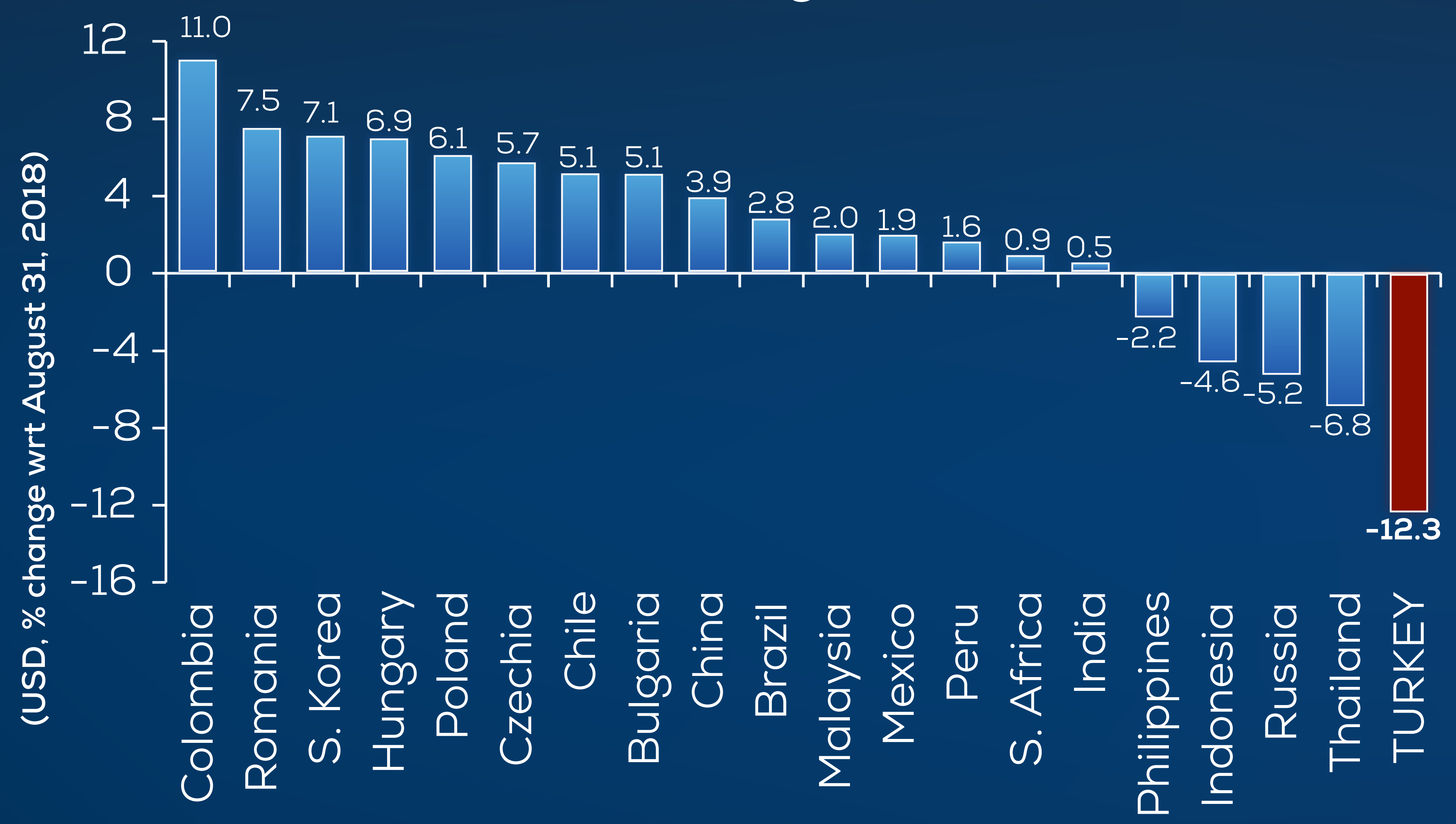




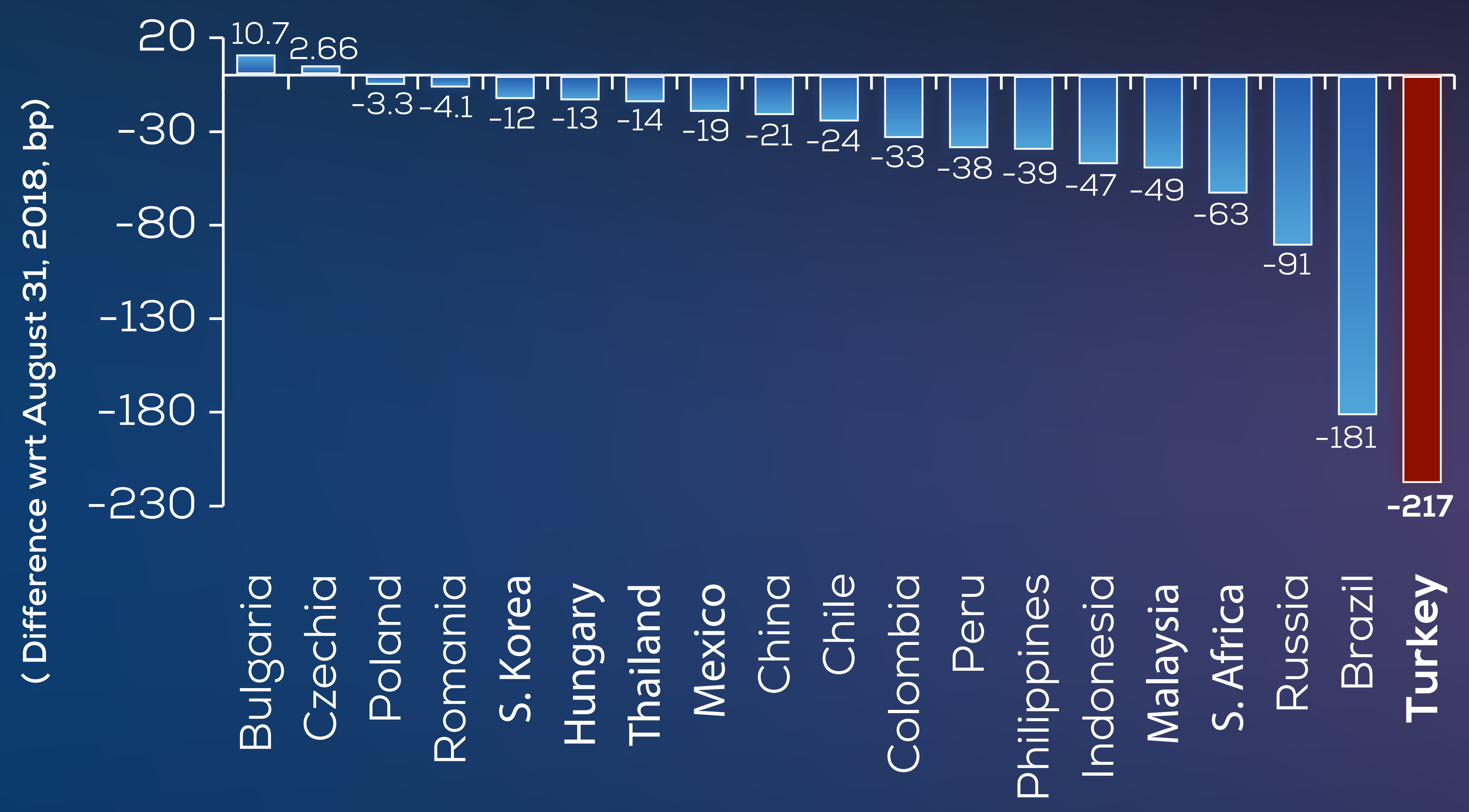
P: New Economic Program 2020-22
Source: TURKSTAT, CBRT

NORMALIZATION IN FINANCIAL MARKETS

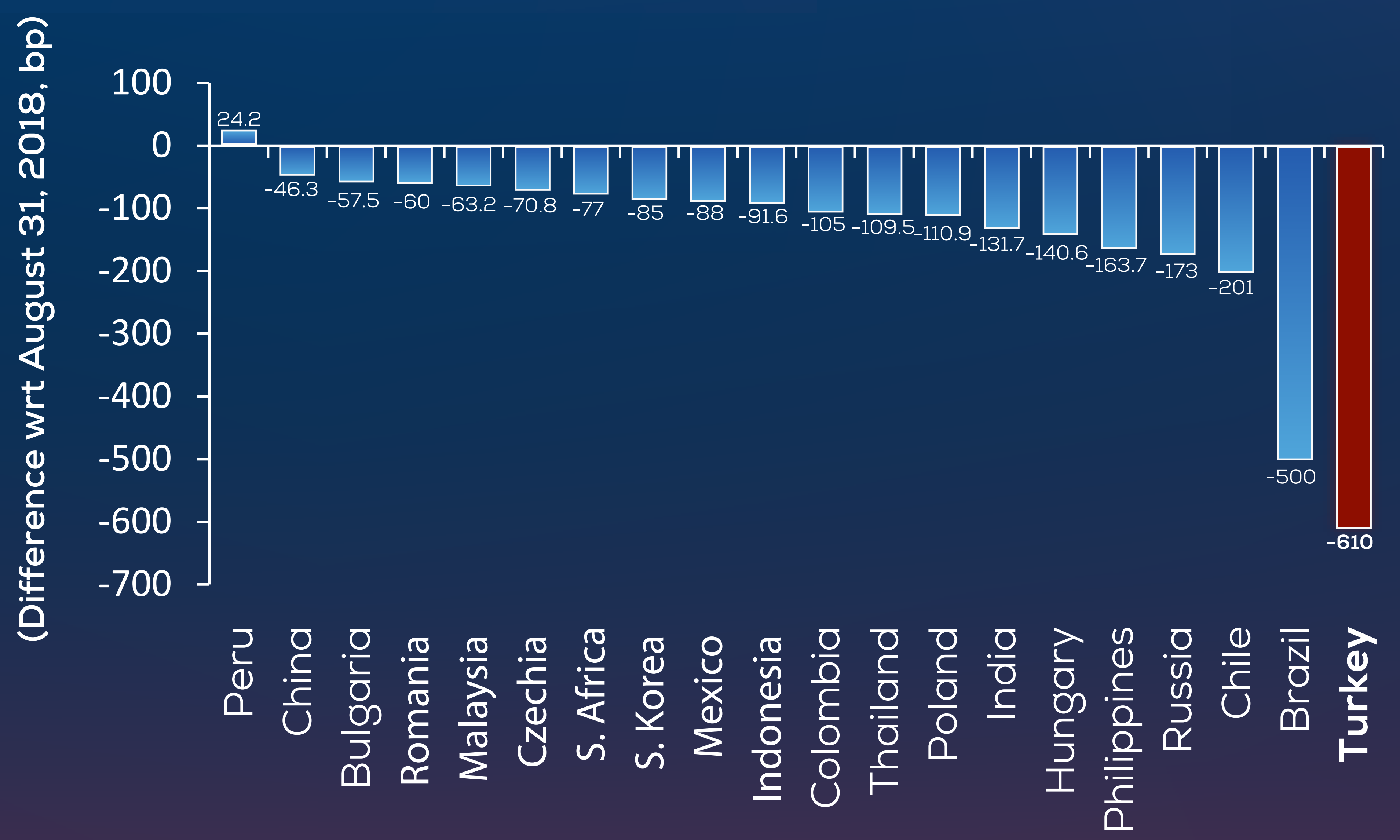
Exchange Rates



CDS Risk Premium Difference



10 Year Government Bond Yield Difference



Source: Reuters

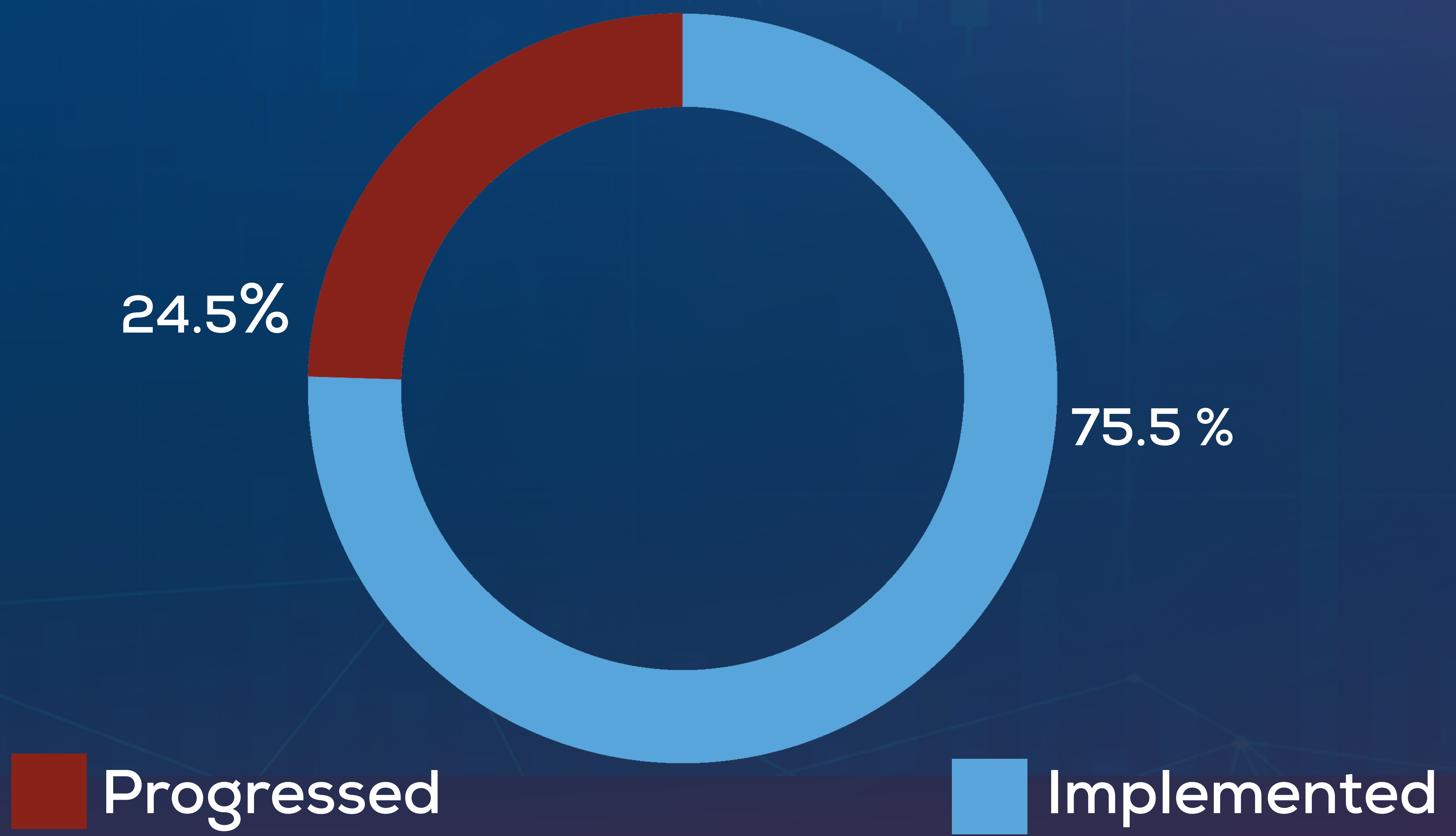
NEW ECONOMY PROGRAM (2019-2021) ACTION PLAN

Progress of Actions by Target Year

Target Year	Number of Actions Implemented	Total in Share %	Number of Actions Progressed	Total in Share %	Total
2019	40	75.47	13	24.53	53
2020	1	3.85	25	96.15	26
2021	3	9.09	30	90.91	33
Total	44	39.39	68	60.71	112

Of the 53 actions planned to be implemented in 2019, 40 Actions (75.5%) were implemented and progress was made in 13 actions (24.5%)

Target Year 2019 Status of Actions %

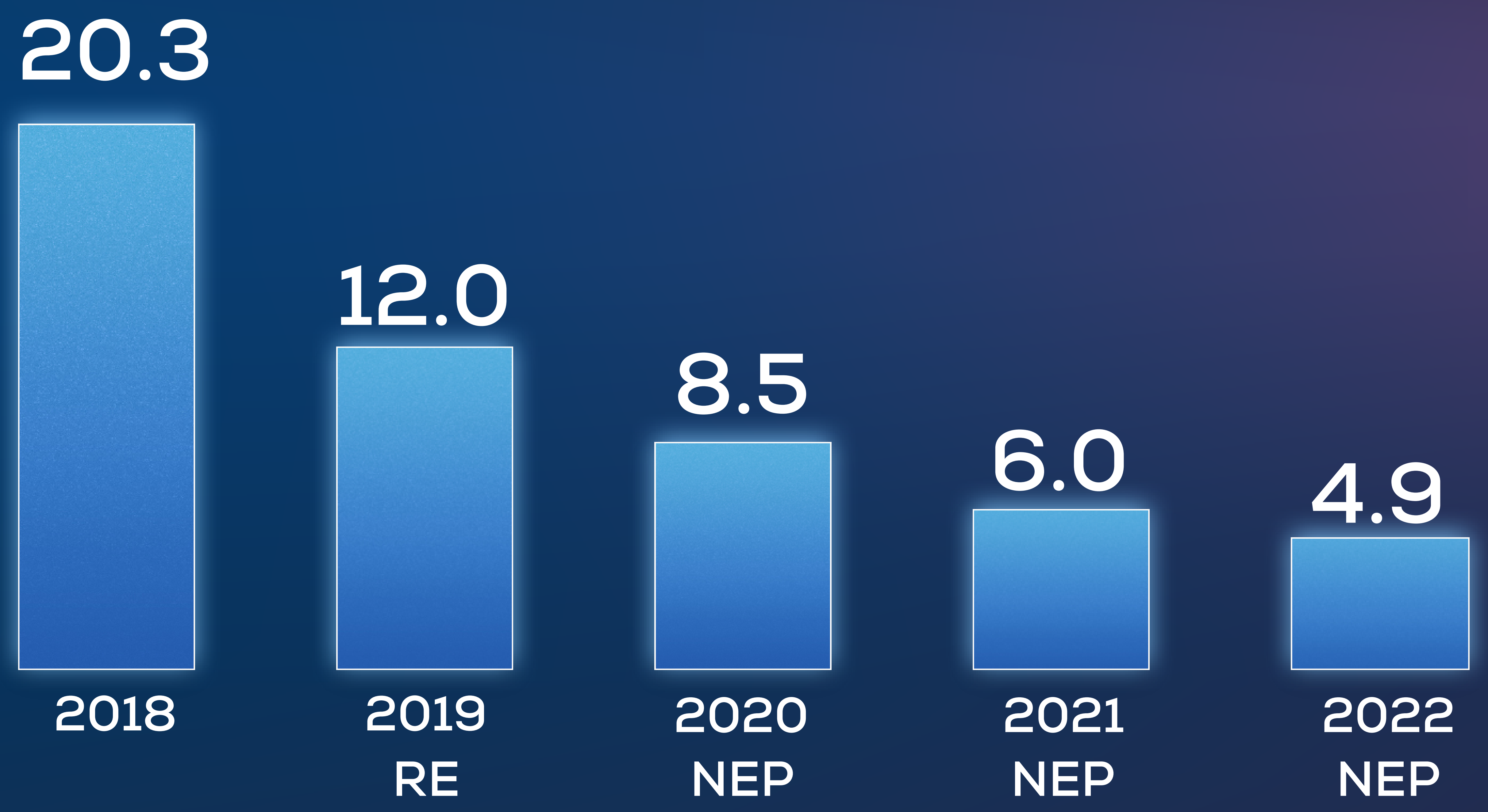


Of the 112 actions in the 2019-2021 New Economy Program

- 44 have been implemented
- Progress was made in 68 actions

PRICE STABILITY

Inflation Target, %



Policies and Measures

- Coordination of Monetary and Fiscal Policies
- Struggle with Stickiness in Prices
- Measures Against Pass-Through in Goods and Services Prices
- Combating Food Inflation
- Increasing Competition and Productivity in the Goods and Services Markets

CURRENT ACCOUNT BALANCE

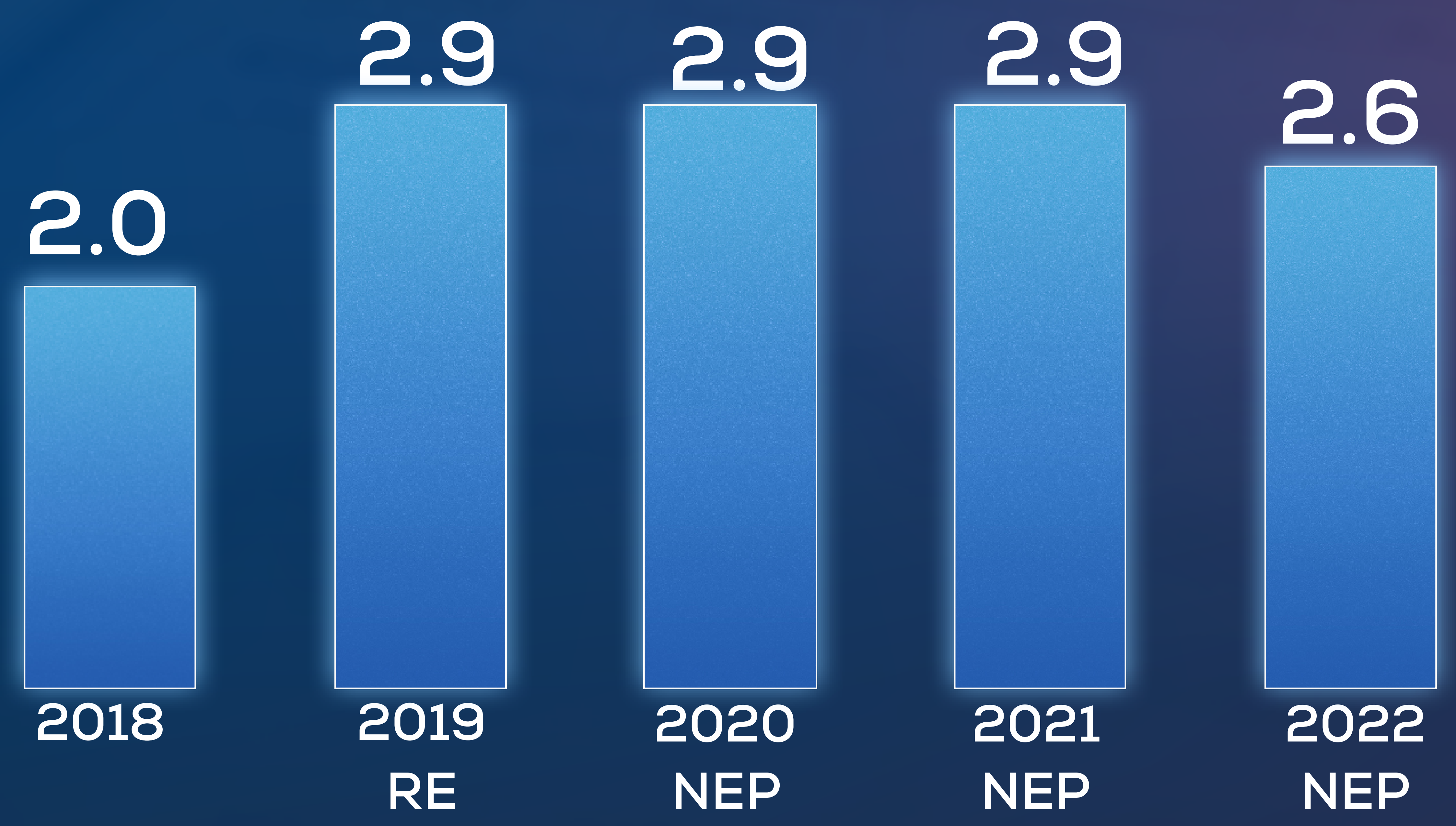
Current Account Balance / GDP, %

Policies and Measures

- Localization of Imported Intermediate Goods
- Tourism Strategy Document
- Prioritization of Current Account Balance in Investment-Incentive-Tax Enforcements
- Export Master Plan
- Logistics Master Plan

PUBLIC FINANCE

Central Government Budget Deficit/GDP (%)



UPPER LIMIT FOR BUDGET DEFICIT/GDP: 3 %

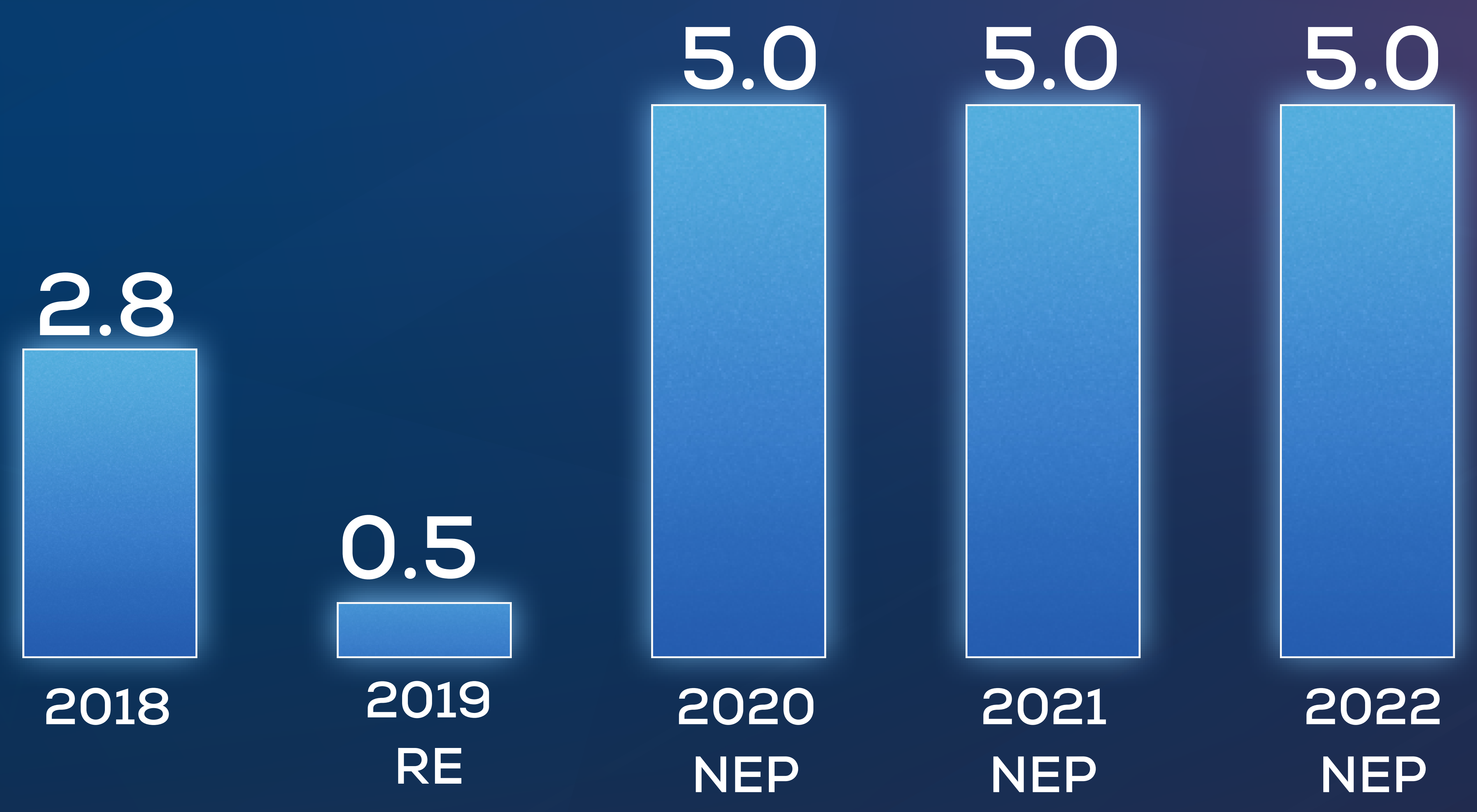
TAX REFORM

IMPROVING THE EFFICIENCY OF TAX AUDIT

INSTITUTIONALIZATION OF THE PUBLIC FINANCE TRANSFORMATION OFFICE

SUSTAINABLE GROWTH

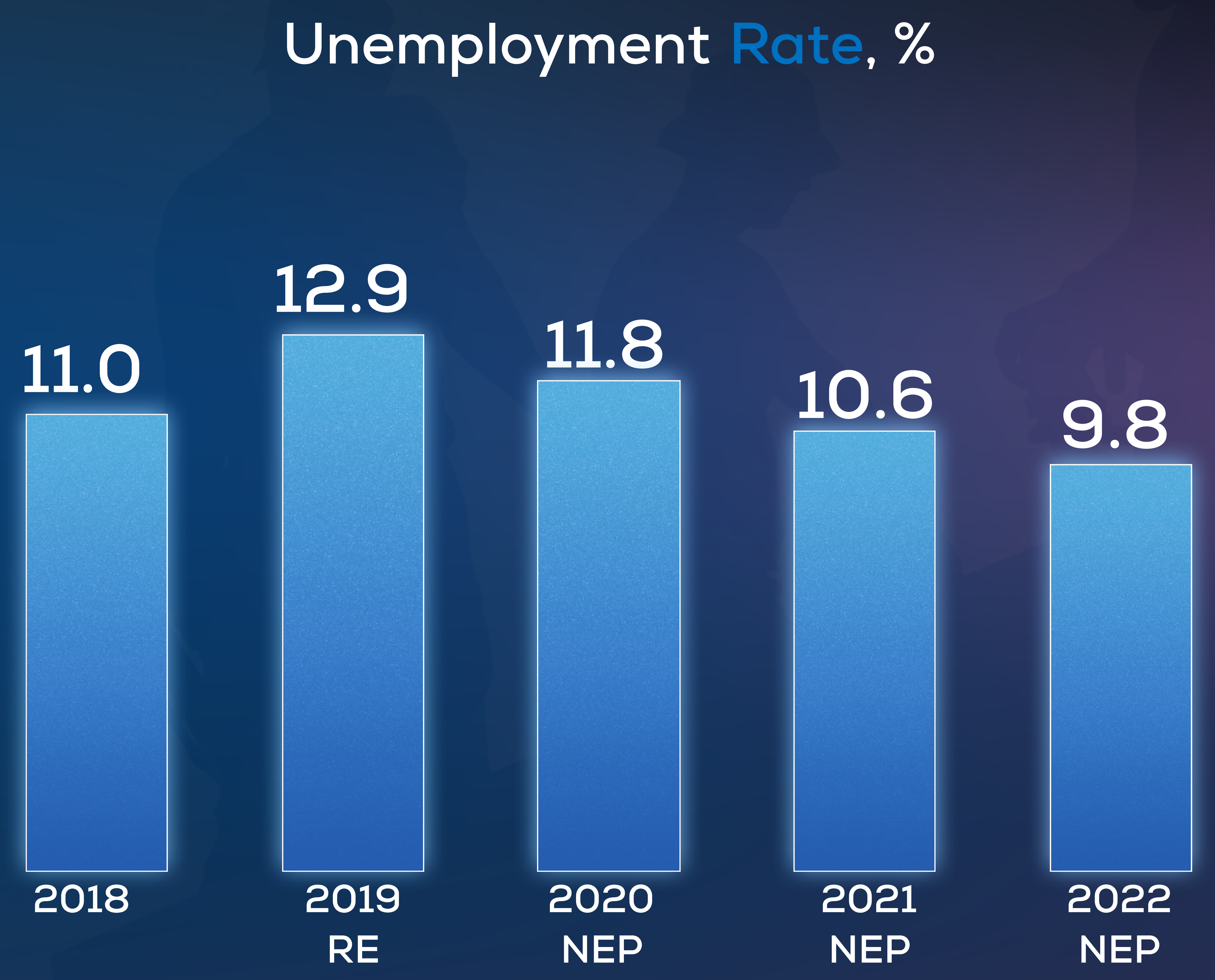
Growth Rate, %



Policies and Measures

- Prudent Sector Oriented Loans Policy
- Industrial Strategy Document
- Wealth Fund Investment Strategy
- Judicial Reform
- National Productivity Plan
- Revision of Regulations that Complicate Company Growth
- Sector Prioritization in accordance with the Development Plan

EMPLOYMENT



Policies and Measures

- Revival of Critical Sectors
- Revision of Employment Incentives
- Vocational and Entrepreneurship Programs for Youth and Women
- Positive Effect of Growth on Employment
- 2023 Education Vision

FINANCIAL STABILITY

- Reducing Dollarization
- Improving Credit Channels
- Deepening Capital Markets
- Complementary Insurance
- 2020 is a New Start for Banks' Asset Quality
- İstanbul Finance Center

NEW ECONOMY PROGRAM

2020-2021-2022

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