



# Navigating the Future

MTP Targets, EM Outlook, and Gold-Denominated Issuances in Our Debt Management

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# Outline

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- **Key takeaways from MTP and Outlook on EMs**
- **Gold-Denominated Issuances in Our Debt Management**

# Key takeaways from MTP

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- Monetary Policy Normalization



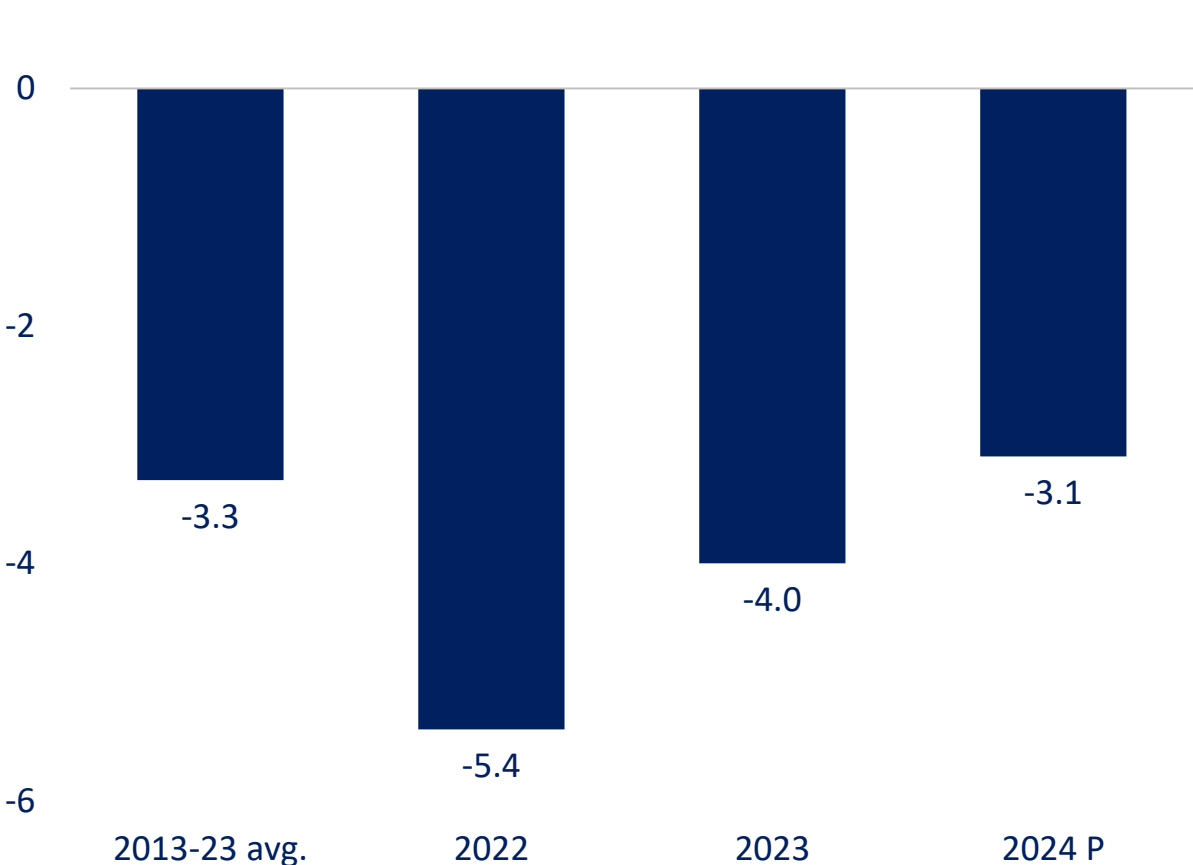
- Fiscal Consolidation



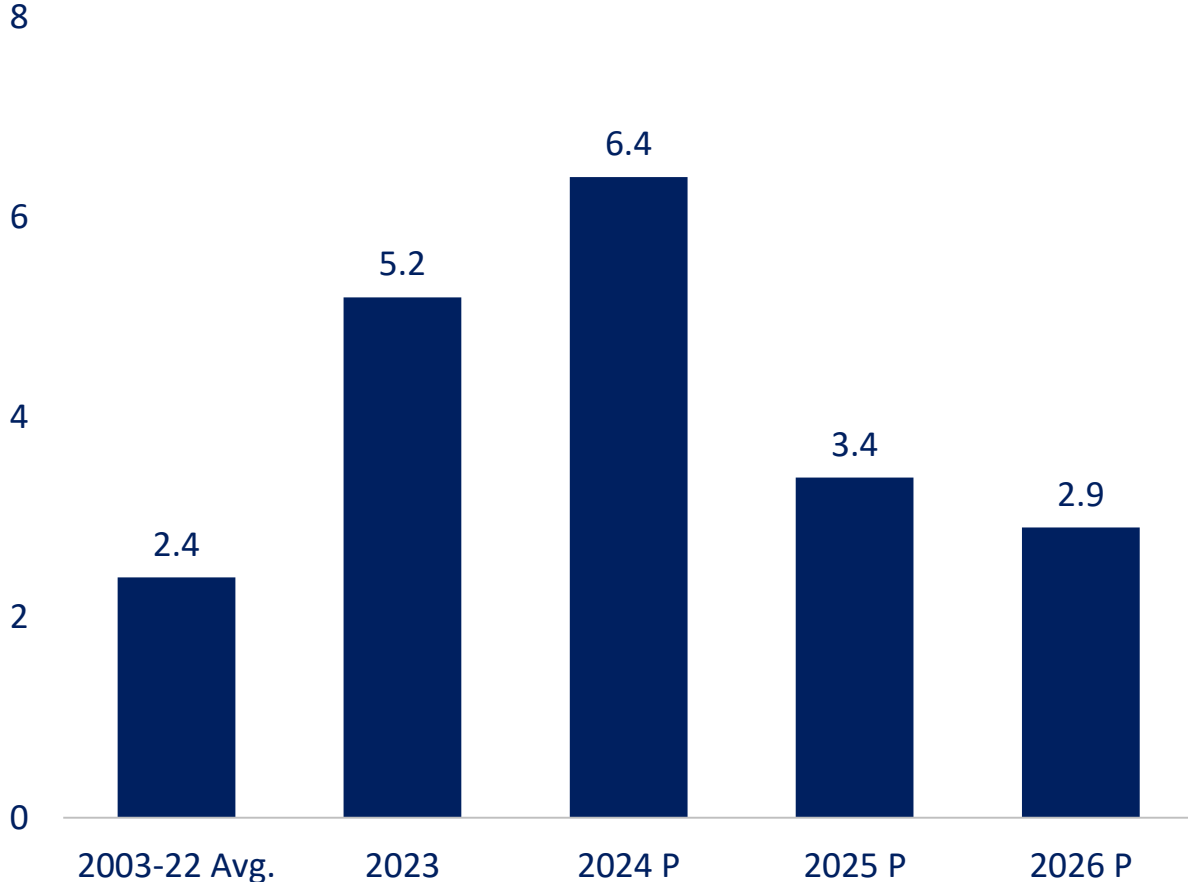
- Structural Reform Agenda

# Improving current account balance and fiscal outlook

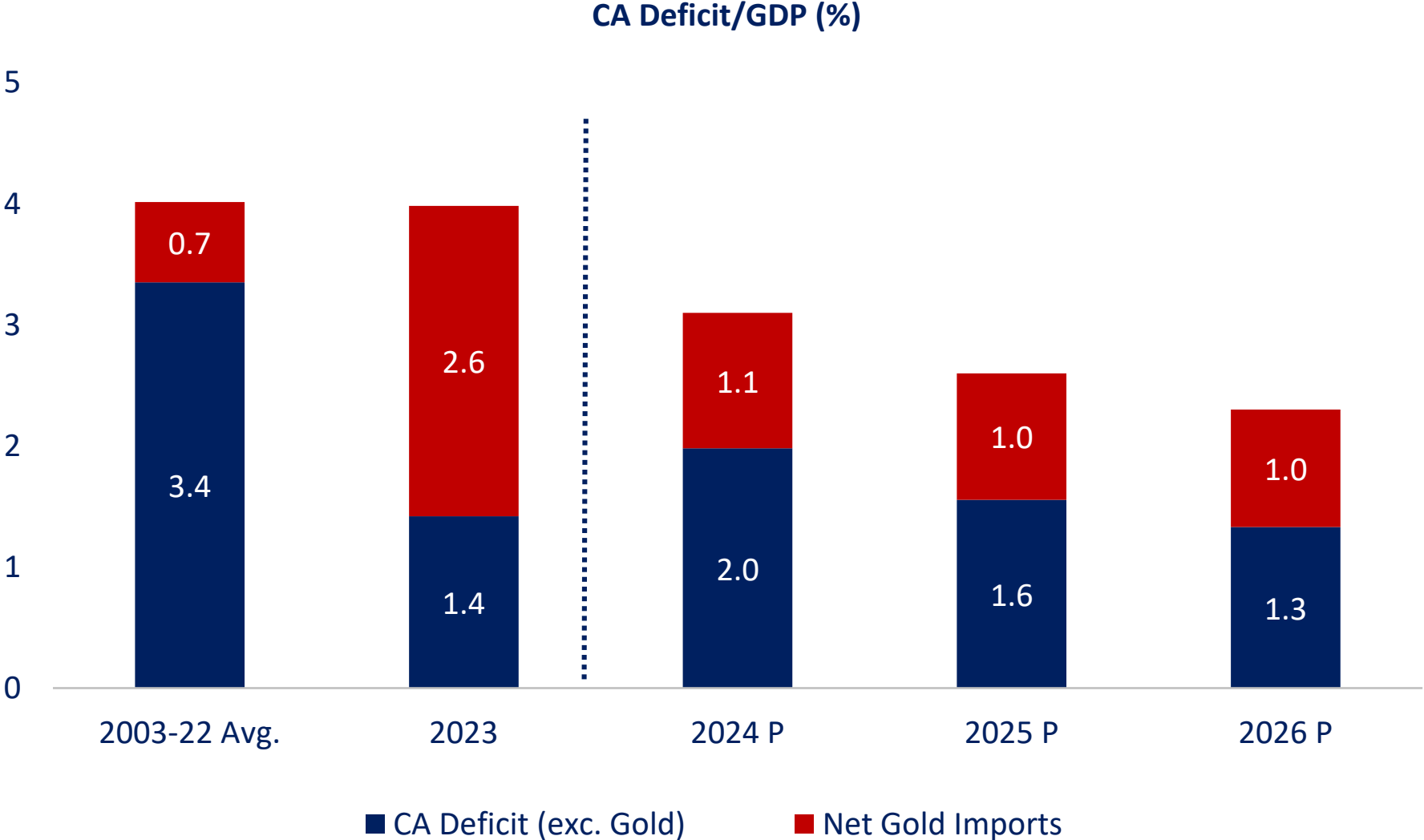
### Current Account Balance/GDP (%)



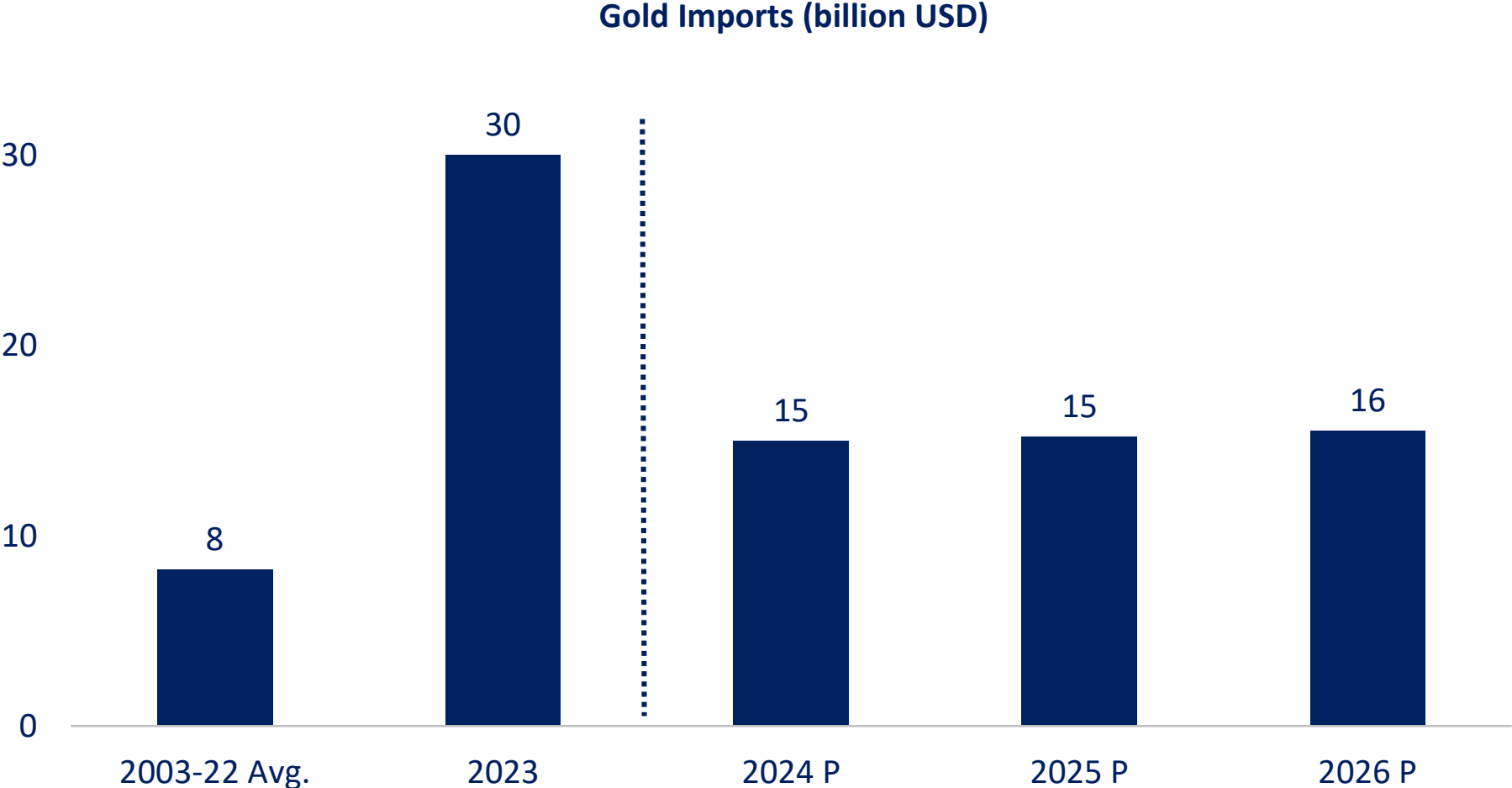
### Central Government Budget Deficit/GDP (%)



# Anticipated CA Outlook



# Normalization of Gold Imports

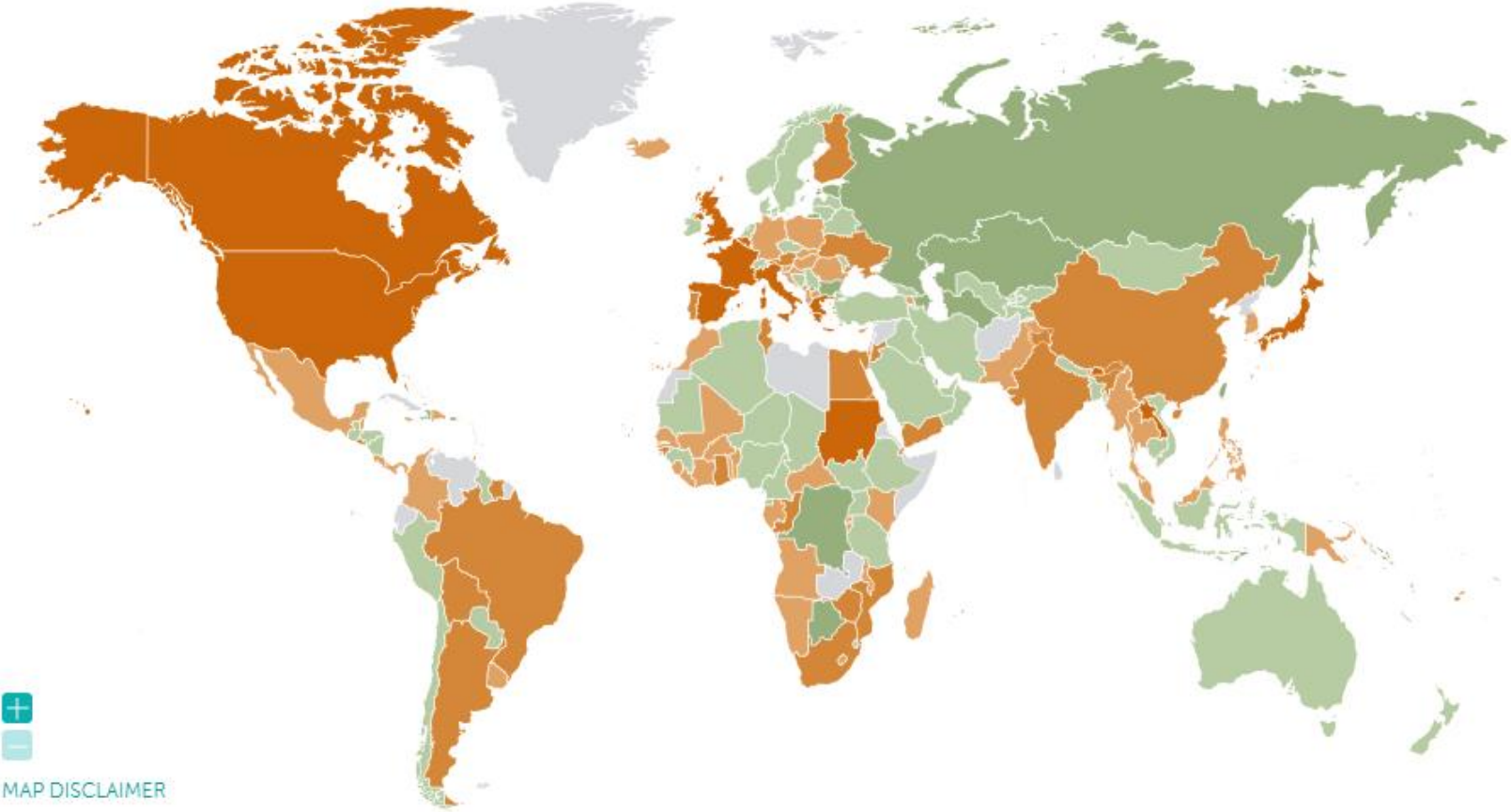


# While EMs navigate rising debt levels, Türkiye stands as an outlier

MAP (2024)



● 100% or more ● 75% - 100% ● 50% - 75% ● 25% - 50% ● Less than 25% ● no data



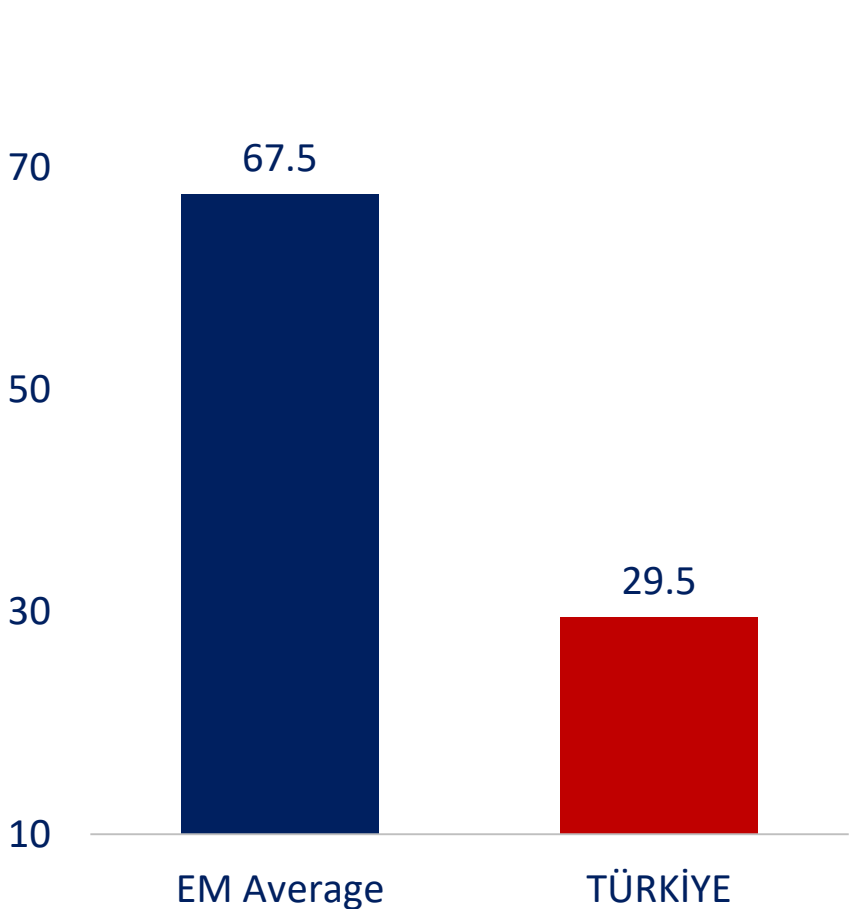
MAP DISCLAIMER



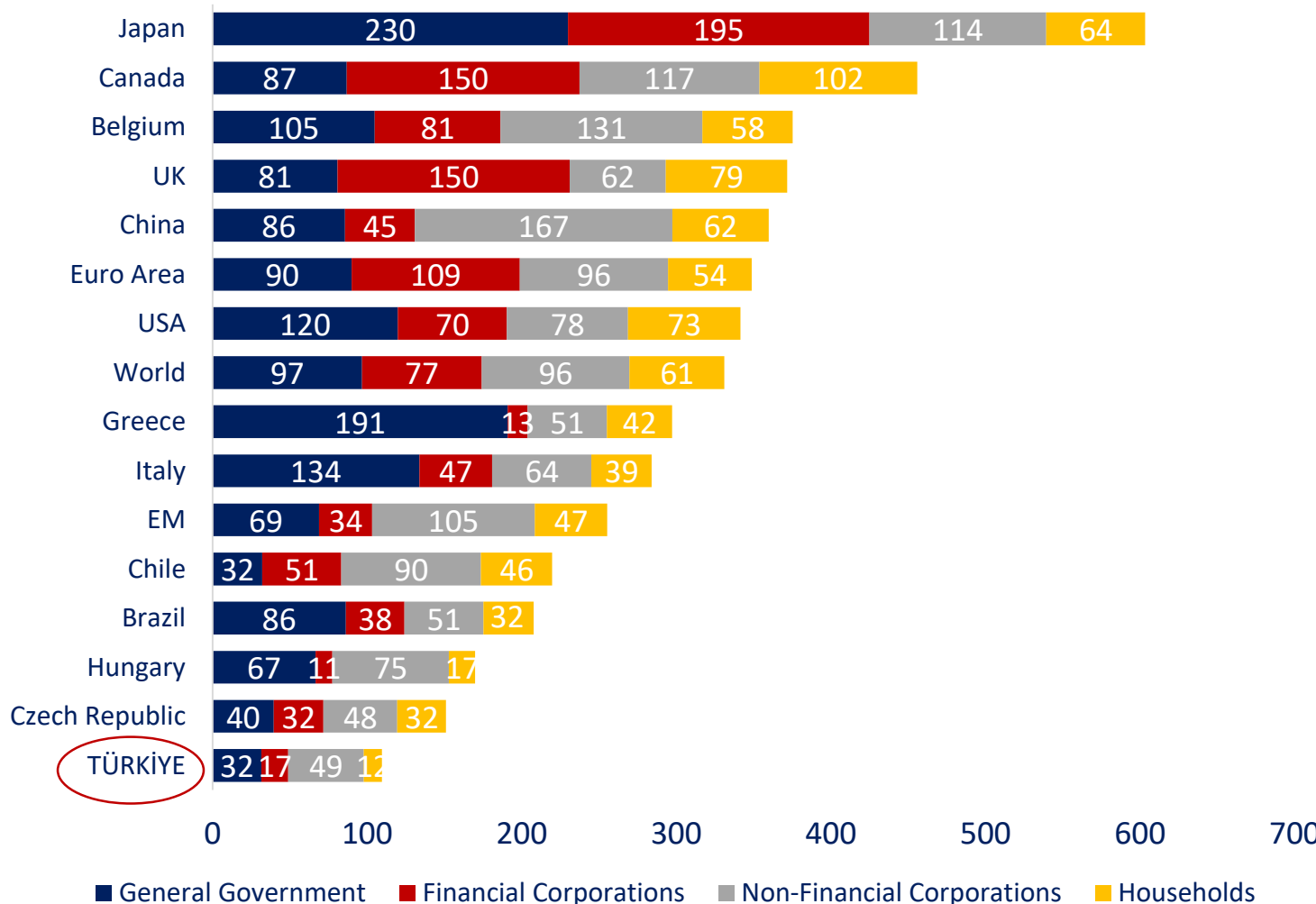
2024

# Substantially low indebttness levels

Gross Public Debt/GDP (%)



Debt/GDP Ratio (%)



Note: As of Q4 2023  
Source: MoTF, TURKSTAT, IIF



# Outlook on Emerging Markets

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- Decent growth outlook



- Still one of the most mispriced asset classes



- Addressing the challenge of rising debt levels



- As EM countries continue to improve policy, a return of investors and inflows should build in 2024

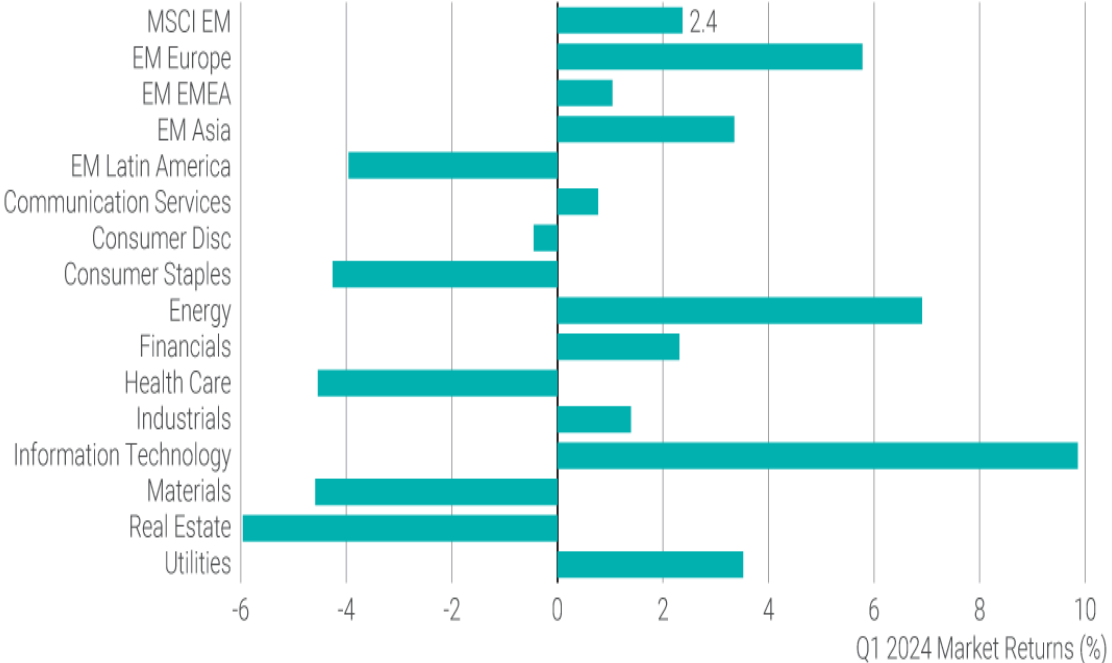
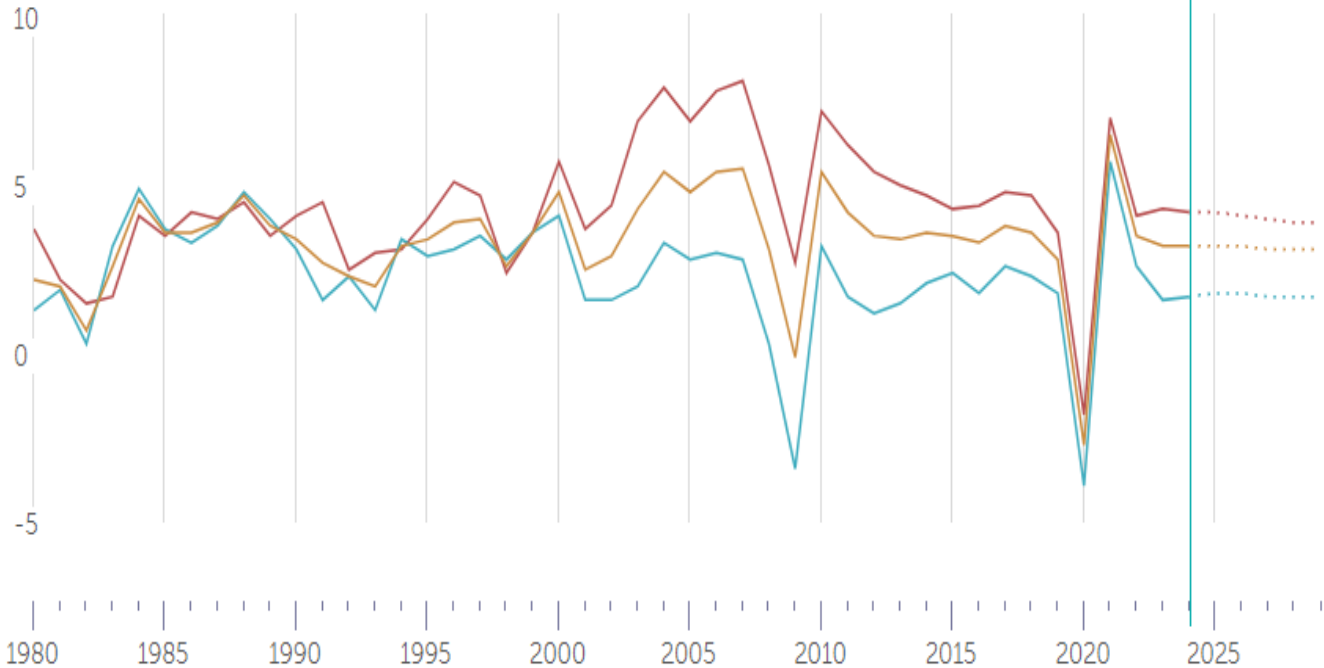
# EM growth still shines while EM returns led by Europe, Asia, Energy and Tech

Real GDP Growth (%)

2024 Q1 Market Returns (%)

TREND (1980-2029)

Annual percent change



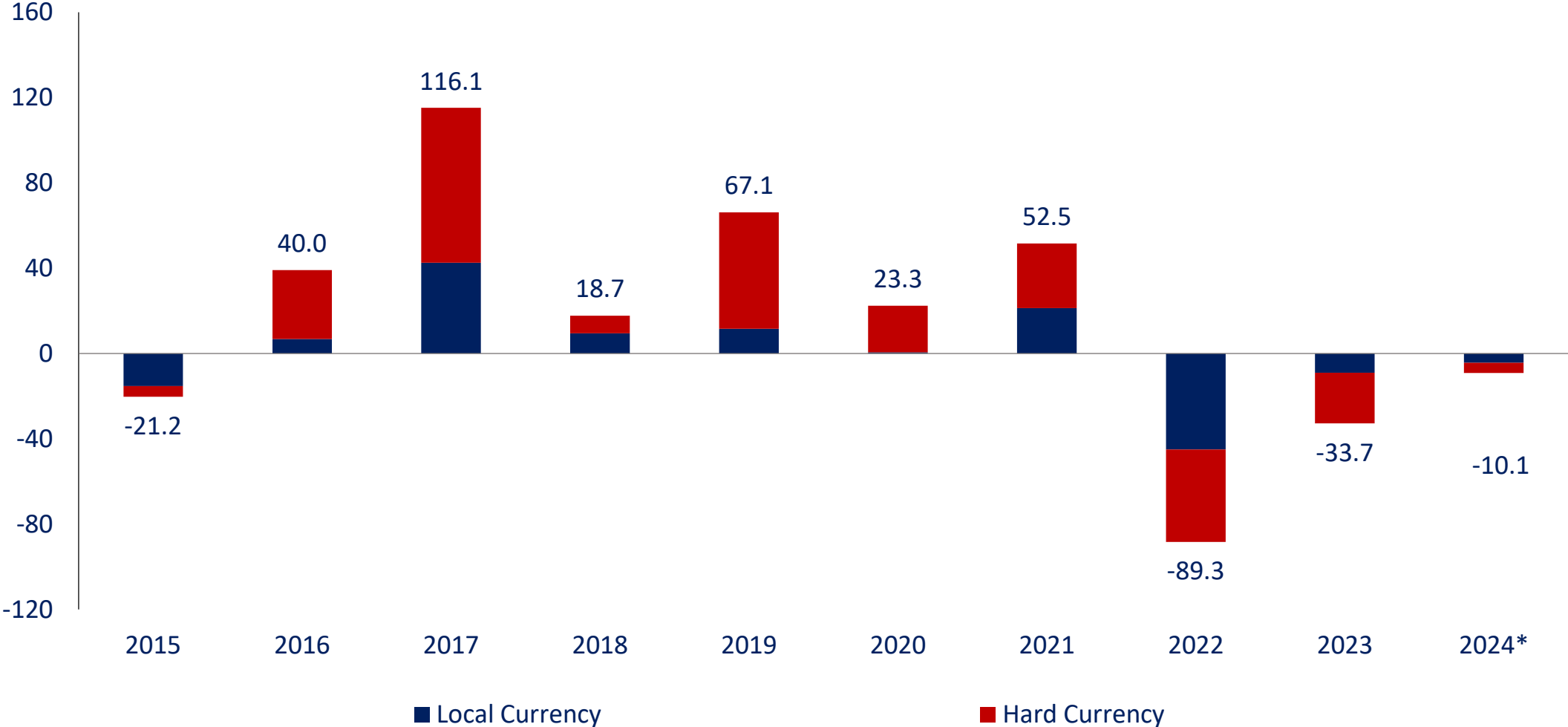
SELECTION (2024)

- ⊗ Emerging market and developing economies +≡..... 4.2
- ⊗ Advanced economies +≡..... 1.7
- ⊗ World ≡..... 3.2

Source: IMF, MSCI

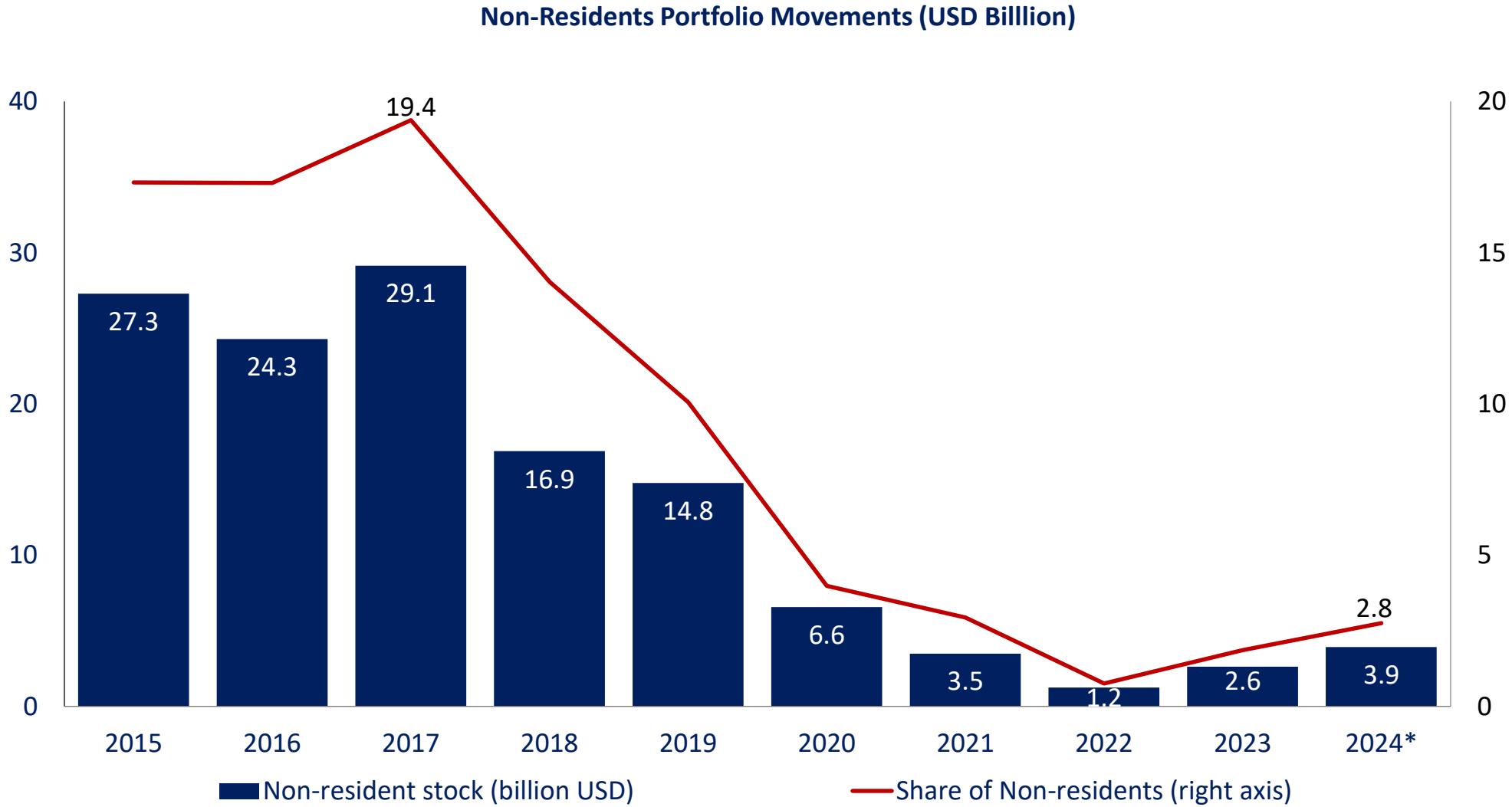
# Are Investors ready to return to Emerging Markets?

EM Bond/Bond Market Fund Flows (USD billion)



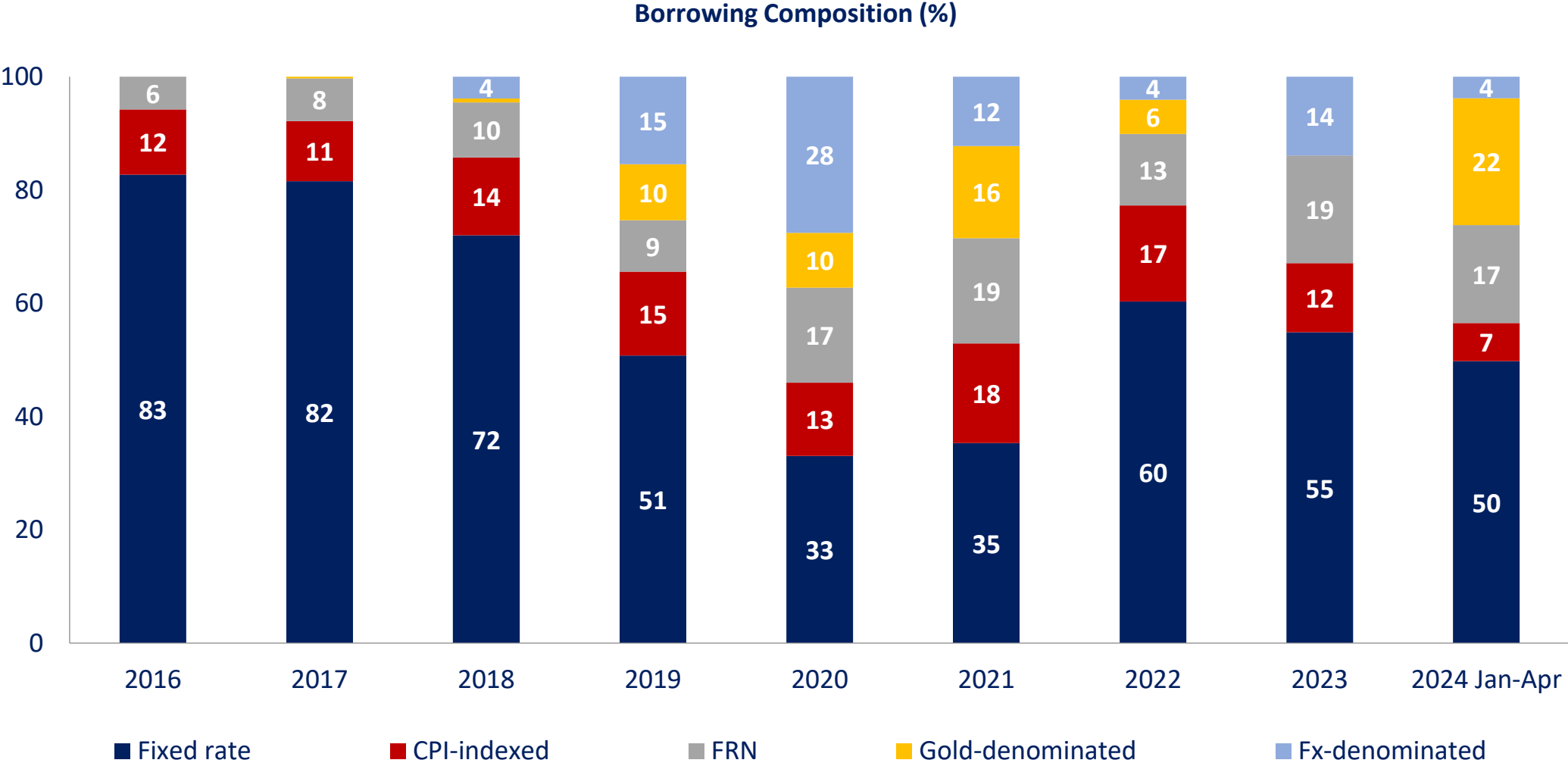
\* As of March 2024  
Source: JP Morgan

# As conventional policies rule, the role of local currency markets will improve



\* As of May 03, 2024  
Source: CBRT

# Composition of Domestic Borrowing





**Thank you.**