

T.C.
MINISTRY OF FINANCE
General Directorate of Budget and Fiscal Control



MONTHLY BUDGET REVIEW

FEBRUARY 2014

IN FEBRUARY 2014, BUDGET RAN 1.7 BILLION TL SURPLUS COMPARED TO THE BUDGET DEFICIT OF 1.4 BILLION TL IN FEBRUARY 2013.

IN FEBRUARY 2014, PRIMARY SURPLUS WAS RECORDED AS 5 BILLION TL COMPARED TO THE PRIMARY SUPRLUS OF 3.5 BILLION TL IN FEBRUARY 2013.

IN FEBRUARY 2014, BUDGET REVENUES AMOUNTED TO 34.4 BILLION TL, AN INCREASE OF 5.9 PERCENT COMPARED TO THE SAME PERIOD OF THE PREVIOUS YEAR. BUDGET EXPENDITURES AMOUNTED TO 32.8 BILLION TL DECREASING BY 3.5 PERCENT.

IN FEBRUARY 2014, TAX REVENUES AMOUNTED TO 29.5 BILLION, AN INCREASE OF 7 PERCENT COMPARED TO THE SAME PERIOD OF THE PREVIOUS YEAR. NON-INTEREST BUDGET EXPENDITURES AMOUNTED TO 29.4 BILLION TL INCREASING BY 1.7 PERCENT.

A. FEBRUARY 2014 CENTRAL GOVERNMENT BUDGET REVIEW

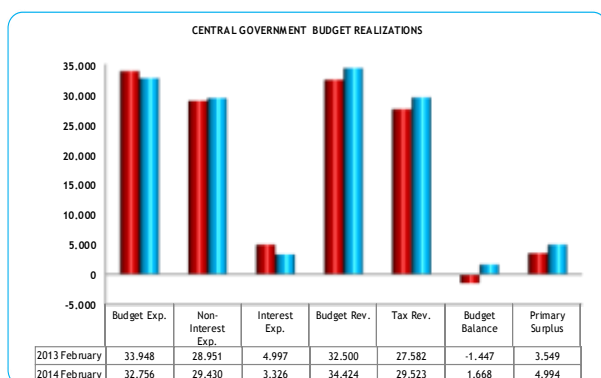
1. BUDGET BALANCE

Central government budget expenditures, budget revenues, budget balance and primary surplus in February 2014 are listed in the table on the right side.

In February 2014, central government budget ran 1 billion 668 million TL surplus, compared to the deficit of 1 billion 447 million TL in February 2013.

In February 2014, central government budget ran 4 billion 994 million TL primary surplus, compared to the primary surplus of 3 billion 549 million TL in February 2013.

CENTRAL GOVERNMENT BUDGET REALIZATIONS							
Million TL	2013			2014			Rate of Change
	Annual	February		Target	February		February
	Real.	Real.	%	Real.	%		
Budget Exp.	407.890	33.948	8,3	436.433	32.756	7,5	-3,5
Non-Interest Exp.	357.904	28.951	8,1	384.433	29.430	7,7	1,7
Interest Exp.	49.986	4.997	10,0	52.000	3.326	6,4	-33,4
Budget Rev.	389.441	32.500	8,3	403.175	34.424	8,5	5,9
Tax Rev.	326.125	27.582	8,5	348.353	29.523	8,5	7,0
Budget Balance	-18.449	-1.447	7,8	-33.258	1.668	-5,0	
Primary Surplus	31.537	3.549	11,3	18.742	4.994	26,6	40,7



In February 2014, budget expenditures rose to 32 billion 756 million, a decrease of 3.5 percent from the budget expenditures of 33 billion 948 million TL in February 2013.

In February 2014, non-interest budget expenditures amounted to 29 billion 430 million TL, an increase of 1.7 percent from non-interest budget expenditures of 28 billion 951 million TL in February 2013.

On the other hand, in February 2014, interest expenditures rose to 3 billion 326 million, a decrease of 33.4 percent compared to the same month of the previous year.

In February 2014, the budget revenues were recorded as 34 billion 424 million TL, an increase of 5.9 percent from 32 billion 500 million TL in February 2013. Tax revenues increased by 7 percent amounting to 29 billion 523 million TL.

2. BUDGET EXPENDITURES

February 2014 Budget Expenditures based on the economic classification are listed in the table on the right side.

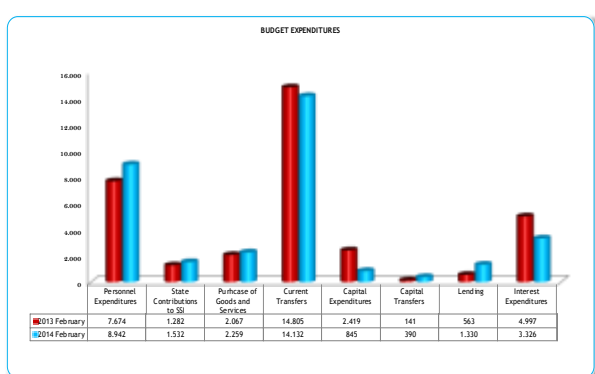
In February 2014, 32 billion 756 million TL was spent from the appropriation for 2014 central government budget expenditures allocated as 436 billion 443 million TL. The expenditure was 33 billion 948 million TL on a year-on-year basis.

BUDGET EXPENDITURES							
Million TL	2013			2014		Rate of Change (%)	
	Annual	February		Target	February		
	Real.	Real.	%	Real.	%		
Budget Expenditures	407.890	33.948	8,3	436.433	32.756	7,5	-3,5
Non-Interest Expenditures	357.904	28.951	8,1	384.433	29.430	7,7	1,7
Personnel Expenditures	96.237	7.674	8,0	109.969	8.942	8,1	16,5
State Contributions to SSI	16.305	1.282	7,9	18.875	1.532	8,1	19,5
Purchase of Goods and Services	36.268	2.067	5,7	37.590	2.259	6,0	9,3
Current Transfers	148.735	14.805	10,0	163.554	14.132	8,6	-4,5
Capital Expenditures	43.609	2.419	5,5	36.689	845	2,3	-65,1
Capital Transfers	7.655	141	1,8	6.518	390	6,0	177,2
Lending	9.094	563	6,2	7.645	1.330	17,4	136,2
Contingency Appropriations	0	0		3.593	0	0	0
Interest Expenditures	49.986	4.997	10,0	52.000	3.326	6,4	-33,4

For the non-interest expenditures, 29 billion 430 million TL was spent in February 2014 and 7.7 percent of the appropriation allocated as 384 billion 433 million TL was used.

In February 2014, personnel expenditures were recorded as 8 billion 942 million TL, an increase of 16.5 on a year on year basis. For the personnel expenditures, 8.1 percent of the appropriation allocated as 109 billion 969 million TL was used in February 2014.

In February 2014 state contributions to social security institutions were 1 billion 532 million TL, an increase of 19.5 on a year on year basis and 8.1 percent of 18 billion 875 million TL appropriation allocated in the budget was used.



In February 2014, the expenditures on the purchase of goods and services were recorded as 2 billion 259 million TL, an increase of 9.3 percent compared to the same month of the previous year and 6 percent of 37 billion 590 million TL appropriation allocated in the budget was used this month.

In February 2014, current transfers decreased by 4.5 percent compared to the same month of the previous year and were recorded as 14 billion 132 million TL and 8.6 percent of 163 billion 554 million TL appropriation allocated in the budget was used this month.

In February 2014, the amount transferred for health, retirement and social aid expenditures was 6 billion 376 million TL. The amount of the transfer to the Treasury for the payment of 5 percentages in employer's social security premium was 250 million TL.

In February 2014, agricultural support payments included in current transfers were recorded as 1 billion 957 million TL, and shares of local administrations were recorded as 3 billion 354 million TL.

In February 2014, capital expenditures amounted to 845 million TL, and capital transfers amounted to 390 million TL. Lending expenditures were 1 billion 330 million TL.

On the other hand, in February 2014, interest expenditures were 3 billion 326 million, a decrease of 33.4 percent compared to the same month of the previous year.

3. BUDGET REVENUES

February 2014 Budget Revenues are listed on the right side.

In February 2014, budget revenues was recorded as 34 billion 424 million TL, increasing by 5.9 percent from the budget revenues of 32 billion 500 million TL in February 2013.

February 2014 tax collections were recorded as 29 billion 523 million TL, increasing by 7 percent compared to the same month of the previous year.

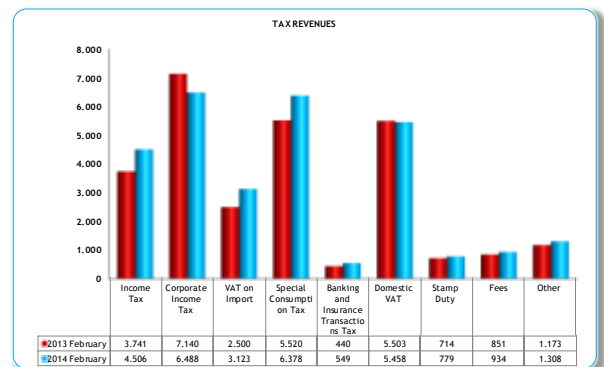
Million TL	BUDGET REVENUES						Rate of Change (%)
	2013			2014			
	Annual Real.	February Real.	%	Target	February Real.	%	February
Budget Revenues	389,441	32,500	8,3	403,175	34,424	8,5	5,9
General Budget Revenues	376,105	31,017	8,2	392,968	32,726	8,3	5,5
Tax Revenues	326,125	27,582	8,5	348,353	29,523	8,5	7,0
Non-Tax Revenues	49,980	3,434	6,9	44,615	3,203	7,2	-6,7
Own Rev. of Special Budget Adm.	10,662	667	6,3	7,223	843	11,7	26,2
Rev. of Reg. and Sup. Agencies	2,673	816	30,5	2,984	856	28,7	4,8

Million TL	TAX REVENUES						Rate of Change (%)
	2013			2014			
	Annual Real.	February Real.	%	Target	February Real.	%	February
Income Tax	63.760	3.741	5,9	70.768	4.506	6,4	20,5
Corporate Income Tax	28.988	7.140	24,6	31.095	6.488	20,9	-9,1
VAT on Import	37.995	2.500	6,6	39.626	3.123	7,9	24,9
Special Consumption Tax	85.461	5.520	6,5	89.391	6.378	7,1	15,5
Banking and Insurance Transactions Tax	6.160	440	7,1	7.131	549	7,7	24,7
Domestic VAT	62.726	5.503	8,8	64.820	5.458	8,4	-0,8
Stamp Duty	9.416	714	7,6	10.384	779	7,5	9,0
Fees	12.906	851	6,6	14.964	934	6,2	9,8
Other	18.712	1.173	6,3	20.175	1.308	6,5	11,5
Total Gen Budget Tax Rev.	326.125	27.582	8,5	348.353	29.523	8,5	7,0

In February 2014, general budget non-tax revenues amounted to 3 billion 203 million TL decreasing by 6.7 percent compared to the same month of the previous year.

In February 2014, revenues of special budget administrations were 843 million TL and revenues of regulatory and supervisory agencies were 856 million TL.

In February 2014, the changes in taxes on a year-over-year basis are as follows; 24.9 percent increase in domestic VAT, 24.7 percent increase in banking and insurance transactions tax, 20.5 percent increase in income tax, 15.5 percent increase in excise duty, 9.8 percent increase in fees, 9 percent increase in stamp tax and 11.5 percent increase in other taxes collection, and 9.1 percent decrease in corporate tax, 8 per thousand decrease in VAT on import.



IN JANUARY-FEBRUARY PERIOD 2014, BUDGET HAD 3,6 BILLION TL SURPLUS WHILE IT HAD 4,5 BILLION SURPLUS IN JANUARY-FEBRUARY PERIOD 2013.

IN JANUARY-FEBRUARY PERIOD 2014, PRIMARY SURPLUS RECORDED AS 11,9 BILLION TL WHILE IT WAS 14,7 BILLION TL IN THE SAME PERIOD OF THE PREVIOUS YEAR.

IN JANUARY-FEBRUARY PERIOD 2014, BUDGET REVENUES AMOUNTED TO 72.3 BILLION, AN INCREASE OF 4.3 PERCENT COMPARED TO THE SAME PERIOD OF THE PREVIOUS YEAR. BUDGET EXPENDITURES AMOUNTED TO 68.8 BILLION TL INCREASING BY 6 PERCENT.

IN JANUARY-FEBRUARY PERIOD 2014, TAX REVENUES INCREASED BY 11.1 PERCENT COMPARED TO THE SAME PERIOD OF THE PREVIOUS YEAR AND AMOUNTED TO 62.2 BILLION TL. NON-INTEREST BUDGET EXPENDITURES INCREASED BY 10.5 PERCENT AND AMOUNTED TO 60.4 BILLION TL.

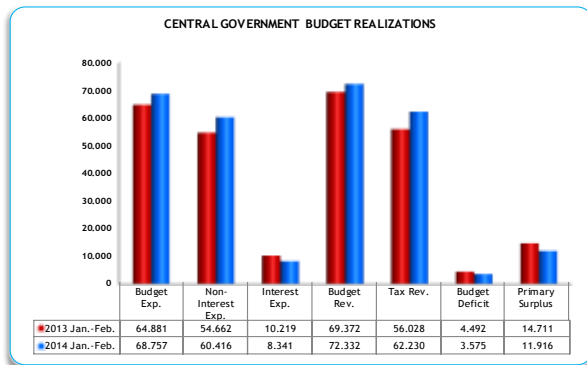
B. JANUARY-FEBRUARY 2014 CENTRAL GOVERNMENT BUDGET REVIEW

1. BUDGET BALANCE

Central government budget expenditures, budget revenues, budget balance and primary surplus in January-February period 2014 are listed in the table on the right side.

In January-February period 2014, central government budget had 3 billion 575 million TL surplus while it had 4 billion 492 million TL surplus in the same period of the previous year.

Million TL	CENTRAL GOVERNMENT BUDGET REALIZATIONS						Rate of Change (%)
	2013			2014			
	Annual Real.	Jan.-Feb. Real.	%	Target	Jan.-Feb. Real.	%	
Budget Exp.	407.890	64.881	15,9	436.433	68.757	15,8	6,0
Non-Interest Exp.	357.904	54.662	15,3	384.433	60.416	15,7	10,5
Interest Exp.	49.986	10.219	20,4	52.000	8.341	16,0	-18,4
Budget Rev.	389.441	69.372	17,8	403.175	72.332	17,9	4,3
Tax Rev.	326.125	56.028	17,2	348.353	62.230	17,9	11,1
Budget Deficit	-18.449	4.492	-24,3	-33.258	3.575	-10,7	
Primary Surplus	31.537	14.711	46,6	18.742	11.916	63,6	-19,0



In January-February period 2014, primary surplus was recorded as 11 billion 916 million TL.

In January-February period 2014, budget expenditures rose to 68 billion 757 million TL, an increase of 6 percent from the budget expenditures of 64 billion 881 million TL in January-February period 2013.

In January-February 2014, non-interest budget expenditures amounted to 60 billion 416 million TL, an

increase of 10.5 percent from non-interest budget expenditures of 54 billion 662 million TL in January-February 2013.

On the other hand, In January- February 2014, interest expenditures were 8 billion 341 million, a decrease of 18.4 percent compared to the same period of the previous year.

In January- February 2014, budget revenues rose to 72 billion 332 million, an increase of 4.3 percent from the budget expenditures of 69 billion 372 million TL in January-February 2013. In the related period, tax revenues increased by 11.1 percent amounting to 62 billion 230 million TL.

2. BUDGET EXPENDITURES

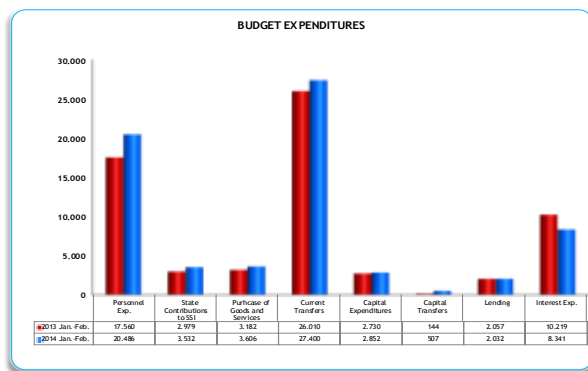
January-February 2014 Budget Expenditures based on the economic classification are listed in the table on the right side.

In January-February 2014, central government budget expenditures were recorded as 68 billion 757 million TL.

In January-February 2014, personnel expenditures were recorded as 20 billion 486 million TL, an increase of 16.7 percent on a year on year basis.

In January-February 2014, state contributions to social security institutions were recorded as 3 billion 532 million TL, an increase of 18.6 percent on a year on year basis.

In January-February 2014, the expenditures on the purchase of goods and services were recorded as 3 billion 606 million TL, an increase of 13.3 percent on a year on year basis.



was 1 billion 332 million TL in the same period.

In January-February 2014, agricultural support payments included in current transfers were recorded as 2 billion 364 million TL.

In January-February 2014, shares of local administrations were recorded as 6 billion 53 million TL, an increase of 16.3 percent compared to the same period of the previous year.

Million TL	BUDGET EXPENDITURES						
	2013			2014			Rate of Change (%)
	Annual Real.	Jan.-Feb. Real.	%	Target	Jan.-Feb. Real.	%	
Budget Exp.	407,890	64,881	15,9	436,433	68,757	15,8	6,0
Non-Interest Exp.	357,904	54,662	15,3	384,433	60,416	15,7	10,5
Personnel Exp.	96,237	17,560	18,2	109,969	20,486	18,6	16,7
State Contributions to SSI	16,305	2,979	18,3	18,875	3,532	18,7	18,6
Purchase of Goods and Servis	36,268	3,182	8,8	37,590	3,606	9,6	13,3
Current Transfers	148,735	26,010	17,5	163,554	27,400	16,8	5,3
Capital Expenditures	43,609	2,730	6,3	36,689	2,852	7,8	4,5
Capital Transfers	7,655	144	1,9	6,518	507	7,8	252,4
Lending	9,094	2,057	22,6	7,645	2,032	26,6	-1,2
Contingency Appropriations	0	0		3,593	0	0,0	
Interest Exp.	49,986	10,219	20,4	52,000	8,341	16,0	-18,4

In January- February 2014, current transfers were 27 billion 400 million, an increase of 5.3 percent compared to the same period of the previous year.

In January-February 2014, the amount transferred for health, retirement and social aid expenditures was 14 billion 222 million TL, an increase of 2.4 percent compared to the same period of the previous year. The amount of the transfer to the Treasury for the payment of 5 percentages in employer's social security premium

In January-February 2014, capital expenditures amounted to 2 billion 852 million TL, and capital transfers amounted to 507 million TL.

In January-February 2014, lending expenditures were recorded as 2 billion 32 million TL.

In January- February 2014, interest expenditures were 8 billion 341 million, a decrease of 18.4 percent compared to the same period of the previous year.

3. BUDGET REVENUES

The figures for the January- February 2014 Budget Revenues are listed on the right side.

In January- February 2014, budget revenues rose to 72 billion 332 million, an increase of 4.3 percent from the budget expenditures of 69 billion 372 million TL in January-February 2013.

January-February 2014 tax collections were recorded as 62 billion 230 million TL, increasing by 11.1 percent compared to the same month of the previous year.

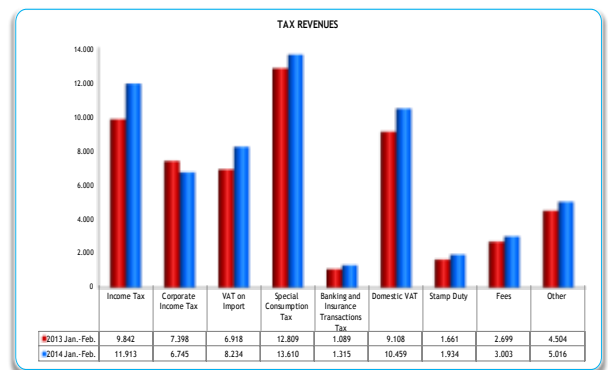
Million TL	BUDGET REVENUES						Rate of Change (%)
	2013			2014			
	Annual Real.	Jan.-Feb. Real.	%	Target	Jan.-Feb. Real.	%	
Budget Revenues	389.441	69.372	17,8	403.175	72.332	17,9	4,3
General Budget Revenues	376.105	67.087	17,8	392.968	69.610	17,7	3,8
Tax Revenues	326.125	56.028	17,2	348.353	62.230	17,9	11,1
Non-Tax Revenues	49.980	11.059	22,1	44.615	7.380	16,5	-33,3
Own Revenues of Special Budget Adm	10.662	1.195	11,2	7.223	1.483	20,5	24,1
Revenues of Regulatory and Supervisc	2.673	1.091	40,8	2.984	1.240	41,5	13,7

Million TL	TAX REVENUES						Rate of Change (%)
	2013			2014			
	Annual Real.	Jan.-Feb. Real.	%	Target	Jan.-Feb. Real.	%	
Income Tax	63.760	9.842	15,4	70.768	11.913	16,8	21,0
Corporate Income Tax	28.988	7.398	25,5	31.095	6.745	21,7	-8,8
VAT on Import	37.995	6.918	18,2	39.626	8.234	20,8	19,0
Special Consumption Tax	85.461	12.809	15,0	89.391	13.610	15,2	6,3
Banking and Insurance Transactions Tax	6.160	1.089	17,7	7.131	1.315	18,4	20,8
Domestic VAT	62.726	9.108	14,5	64.820	10.459	16,1	14,8
Stamp Duty	9.416	1.661	17,6	10.384	1.934	18,6	16,5
Fees	12.906	2.699	20,9	14.964	3.003	20,1	11,3
Other	18.712	4.504	24,1	20.175	5.016	24,9	11,3
Total Gen Budget Tax Rev.	326.125	56.028	17,2	348.353	62.230	17,9	11,1

In January-February 2014, general budget non-tax revenues amounted to 7 billion 380 million TL decreasing by 33.3 percent compared to the same month of the previous year.

In January-February 2014, revenues of special budget administrations were 1 billion 483 million TL and revenues of regulatory and supervisory agencies were 1 billion 240 million TL.

In February 2014, the changes in taxes on a year-over-year basis are as follows; 21 percent increase in income tax, 20.8 percent increase in banking and insurance transactions tax, 19 percent increase in domestic VAT, 16.5 percent in stamp tax, 14.8 percent in VAT on import, 11.3 percent increase in fees, 6.3 percent increase in excise duty, 11.3 percent increase in other taxes collection and 8.8 percent decrease in corporate tax.



On the other hand, total amount of general budget tax revenues, enterprise and ownership revenues as well as interest, share and fine revenues collected within the scope of Law No:6111 as of February 28th, 2014 was 25 billion 456 million TL.