

SURGE IN TEPE CONTINUES

A. TEPE, maintaining the upward trend, stood at 6.8 in September 2010. TEPE increased by 3.6 points month-on-month and by 11.7 points year-on-year.

Figure-1. TEPE (September 2009, September 2010)

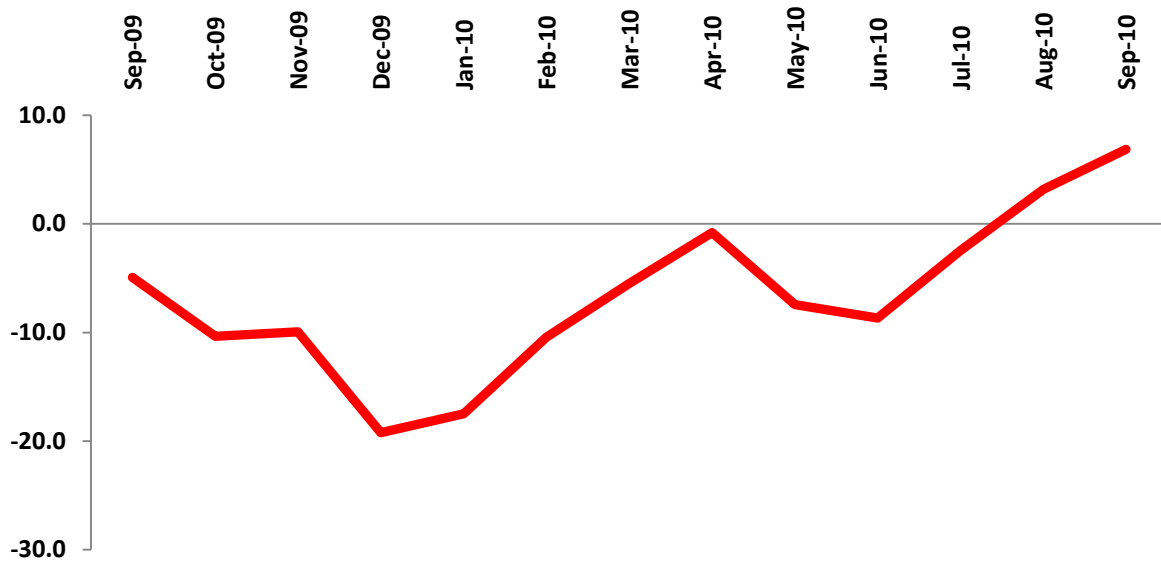


Table-1. TEPE

	January	February	March	April	May	June	July	August	September	October	November	December
2008					-19,6	-23,8	-20,6	-7,8	-9,4	-20,7	-27,2	-30,8
2009	-29,5	-26,0	-17,1	-9,8	-10,1	-8,8	-6,8	-5,1	-4,9	-10,3	-9,9	-19,2
2010	-17,5	-10,4	-5,5	-0,8	-7,4	-8,7	-2,5	3,2	6,8			

B. Expectations for the next three months remained constant in September 2010, compared to the month before. 42.9 percent of TEPE participants expect recovery in their business activities while a 24.3 percent expect deterioration in business activities. This implies 3.5 points of increase compared to September 2009.

Figure-2. TEPE – Expectations for the next three months (%increase- %decrease)

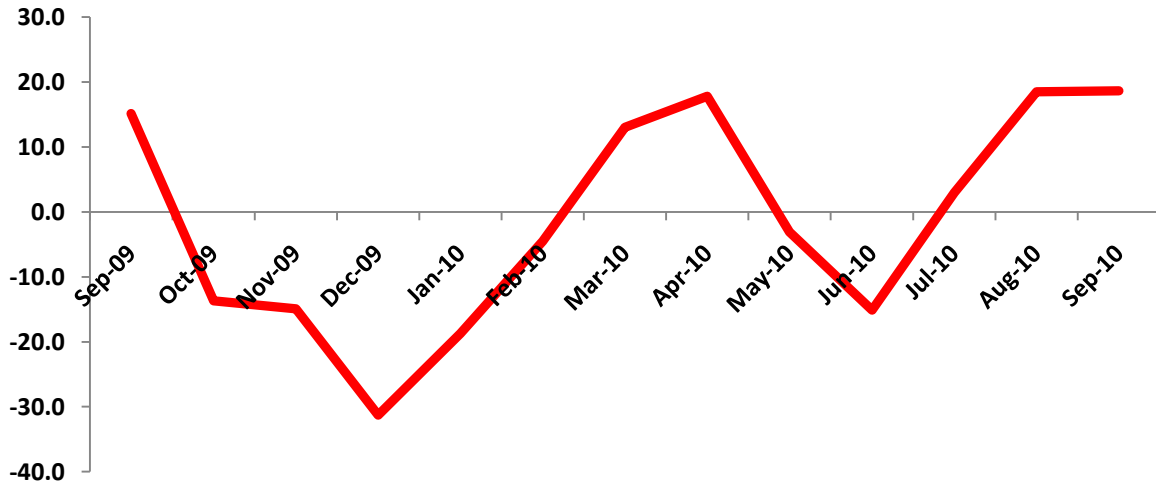


Table-2. TEPE – Expectations for the next three months (%increase- %decrease)

%	January	February	March	April	May	June	July	August	September	October	November	December
2008					-26,3	-39,0	-21,6	4,9	0,9	-31,5	-44,0	-53,2
2009	-40,1	-27,6	-24,0	-1,3	-11,9	-7,5	-3,2	5,7	15,1	-13,7	-14,9	-31,3
2010	-18,7	-4,5	13,0	17,8	-3,1	-15,1	3,0	18,5	18,6			

C. The difference between the participants who declared an improvement in business activities and who declared a deterioration in business activities compared to the same period in the year before increased by 43.8% year-on-year and dropped by 0.7 percent compared to July 2010.

Figure-3. TEPE - Year-on-year change in business activities (%increase- %decrease)

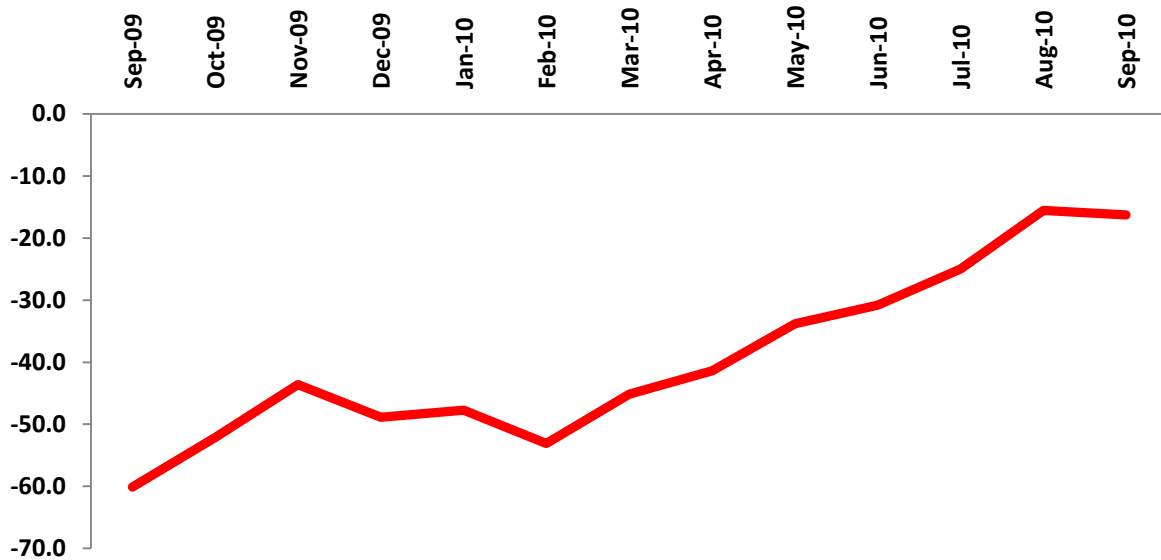


Table-3. TEPE - Year-on-year change in business activities (%increase- %decrease)

%	January	February	March	April	May	June	July	August	September	October	November	December
2008					-60,1	-60,7	-61,5	-47,6	-55,5	-57,1	-62,7	-68,1
2009	-73,4	-73,2	-64,6	-66,4	-56,8	-35,3	-39,6	-42,5	-60,1	-52,1	-43,6	-48,9
2010	-47,7	-53,1	-45,2	-41,4	-33,9	-30,8	-25,0	-15,6	-16,3			

D. TEPE stood above the EU-27 average also in September 2010. EU-27 Retail Index in September 2010 was 1.6 in September 2010. Thus, EU-27 witnessed a 9.6 points of year-on-year increase in September 2010.

Figure-4. Comparison of TEPE and EU-27 Retail Index (September-2009, September-2010)

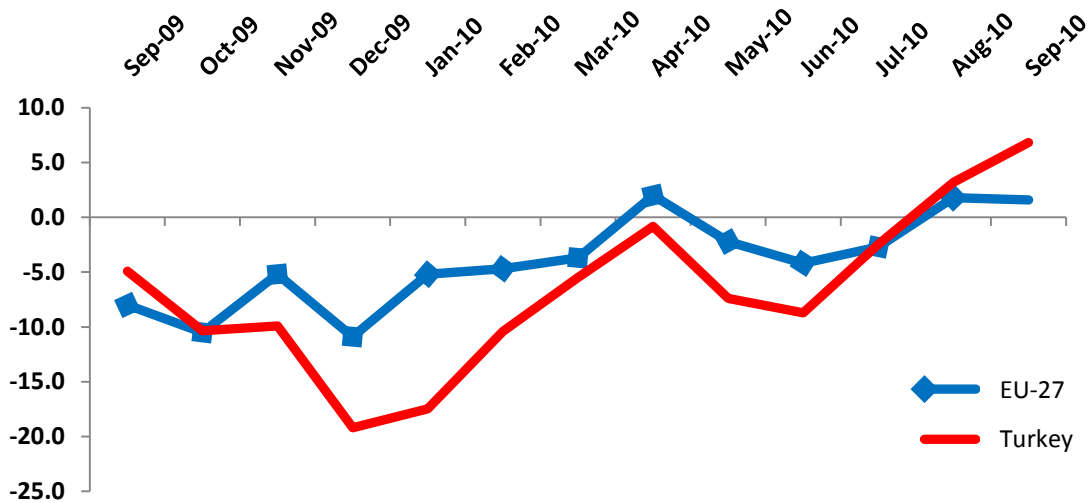


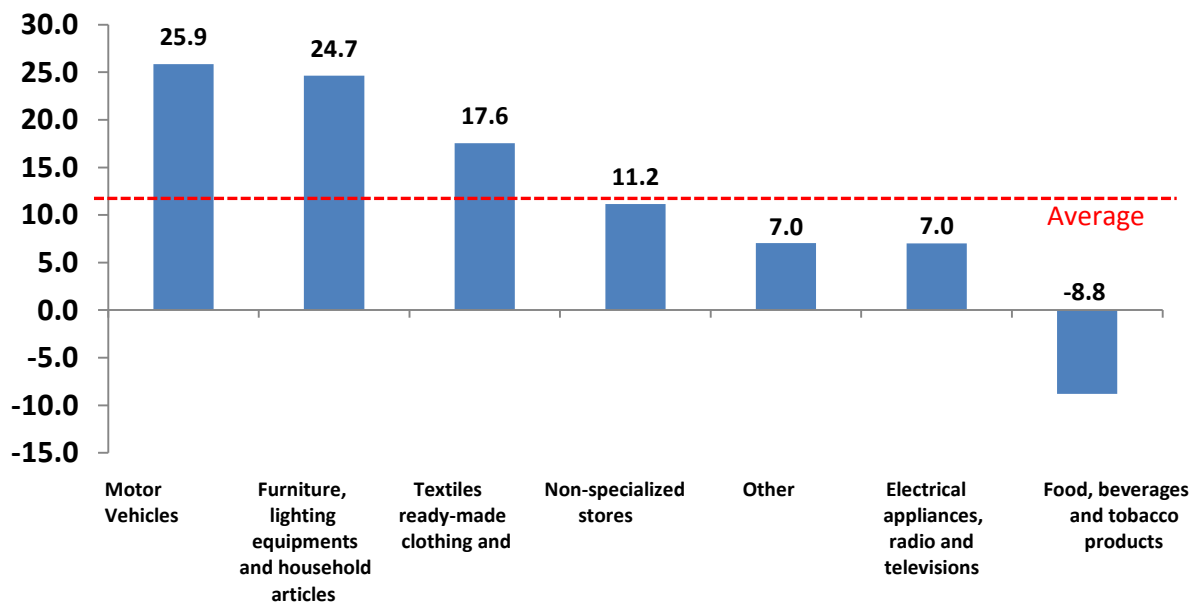
Table-4. EU-27

%	January	February	March	April	May	June	July	August	September	October	November	December
2008					-1,7	-4,8	-13,9	-13,2	-12,4	-16,3	-18,8	-29,0
2009	-25,9	-22,1	-18,8	-17,1	11,9	-13,7	-14,1	-8,8	-8,0	-10,5	-5,2	-10,9
2010	-5,2	-4,7	-3,7	2,0	-2,2	-4,2	-2,7	1,8	1,6			

* EU-27 uses NACE Rev 2.2 classification since May 2010.

E. A closer examination of sub-sectors reveals that in September 2010, motor vehicles, furniture, lighting equipments n.e.c. and textile and ready-made clothing sectors performed well. While non-specialized stores achieved an average performance, electrical appliances, radio and television, and other sectors had a relatively weaker performance. In the examined month, food, beverages and tobacco products sector had a negative index value.

Figure-5. Year-on-year change in TEPE, September-2010 (points)



F. In September 2010 detailed results of TEPE survey give similar results to August 2010. A recovery in business activities compared to the past three months whereas there was a drop in orders placed with suppliers and employment expectations. On the other hand, expectations for the three months ahead did not change. It is also observed that business activities surged significantly compared to the same period in the year before.

Table-5. Detailed results by TEPE questions (%)

Questions	Index 09/2009	Index 08/2010	Index 09/2010	Month-on- month change 09/2010	Year-on-year change 09/2010
How has your business activity developed over the past three months ? It has...	-56,4	-27,3	-20,4	6,9	36,0
Do you consider the volume of inventories you currently hold to be...? ¹	26,5	18,3	22,3	4,0	-4,2
How do you expect your orders placed with suppliers to change over the next 3 months? They will...	-10,5	8,8	5,0	-3,8	5,5
How do you expect your business activity (sales) to change over the next 3 months? It will...	15,1	18,5	18,6	0,1	3,5
How do you expect your firm's total employment to change over the next 3 months? It will...	1,5	5,4	3,1	-2,3	1,6
How do you expect the prices you charge to change over the next 3 months? They will...	4,6	4,6	4,6	0,0	0,0
How has your business activity developed this year compared to the same period in the last year? It has...	-60,1	-15,6	-16,3	-0,7	43,8
Do you expect an increase in the number of your stores next year?	5,5	14,0	15,9	1,9	10,4

¹ Positive inventory level indicates that current level of inventory stands below the normal.
The (-) values in Table-4 implies that negative expectations are more dominant than positive expectations.