

# COPING WITH RAMPANT INFLATION

## Introduction

In September 2023 I bought a pair of walking shoes from an online retailer, the price was 3,499tl, which at the time was £103. If you know me, you'll know I like to do a lot of walking so it's no surprise that the shoes are already on their last legs. So, I had a look at replacing them. The price now is 6,799tl which equates to £137. The average rate of annual inflation since September 2023 in Turkish Lira is 59%. What is more troubling for ex-pats is that the same figure for inflation in GBP (£) is 21%. So, regardless of whether you are paid in Turkish Lira or GBP (£) you will, to some extent, be feeling the pinch.



This is a fairly recent development. Back in the 1990's when I first came to Turkey the exchange rate was hurtling ever upwards every month, but regardless of the exchange rate year after year a beer cost 50p! When getting ready to go out for the evening, with a family of five, I would squeeze the roll of cash in my pocket. If there was any kind of resistance from that roll, I knew I had enough cash for the evening. Prices were extremely low.

At that time, it was also true that living standards for locals were extremely low. This has changed significantly. In the 1990's most Turks lived in a multi-generational family home. When a young couple got married, they moved in with their parents and this is where they lived when they had their first children. These days the majority of young couples wouldn't consider anything less than a furnished and equipped 2+1 apartment. That's where much of the demand for construction in Turkey's towns and cities has come from.

In this document I'll try and take a look at the causes of inflation and what you and local businesses can and are doing to help mitigate inflation's effects. To do that, I'll be doing some online research but I'll also look at my own experiences here and back in the UK before I came to Turkey. I'll also be talking to friends and local business owners.

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## **What is Causing Inflation in Turkey?**

If you ask this of a politician anywhere in the world, the first things they mention are the effects of the pandemic, the war in Ukraine and global economics. As with most political “answers” there is a grain of truth here but it neatly avoids any responsibility for a country’s politicians. Turkey has suffered some of these issues, but also has a long history of inflation and wild currency fluctuations.

### A General Review of Turkey’s Recent Inflation Causes

Inflation in Turkey has been driven by a combination of domestic policy decisions, external economic pressures, and political instability.

#### Key Factors Contributing to Inflation

1. Monetary Policy and Currency Depreciation

The Turkish lira has experienced significant depreciation, partly due to political events such as the arrest of Istanbul Mayor Ekrem İmamoğlu in March 2025. This led to a 5% drop in the lira’s value, increasing the cost of imports and contributing to inflation. In response, the Central Bank raised its policy rate to 49% and sold \$50 billion in foreign reserves to stabilize the currency.

2. High Interest Rates and Economic Growth

Turkey’s central bank had previously reduced interest rates to stimulate growth, despite high inflation. This unorthodox policy led to a weakened lira and increased inflation. However, in 2023, the bank began raising rates to 50% to combat inflation, which had peaked at over 75% in May 2024 .

3. Energy Prices and Import Dependency

Turkey imports about 90% of its oil needs. Rising global energy prices have thus significantly impacted domestic inflation, as the country faces higher costs for energy imports.

4. Minimum Wage Increases

In January 2024, Turkey raised its minimum wage by approximately 49% to support workers amid rising living costs. While this measure aimed to alleviate financial strain, it also contributed to inflation by increasing demand and production costs.

5. Political Instability and Investor Confidence

Political events, such as the arrest of opposition figures, have led to market uncertainty and capital outflows. These developments have further pressured the lira and exacerbated inflationary trends.

#### What is the Outlook?

While inflation has shown signs of slowing, reaching 37.86% annually in April 2025, it remains a significant concern. The Central Bank’s aggressive interest rate hikes and foreign currency interventions aim to stabilize the economy, but challenges persist due to external economic pressures and domestic political factors.

Clearly Turkey is not yet out of the battle with inflation. Most ex-pat currencies are not seeing increases in exchange rates that match the rate of inflation. You can expect to be feeling the pinch for some time to come.

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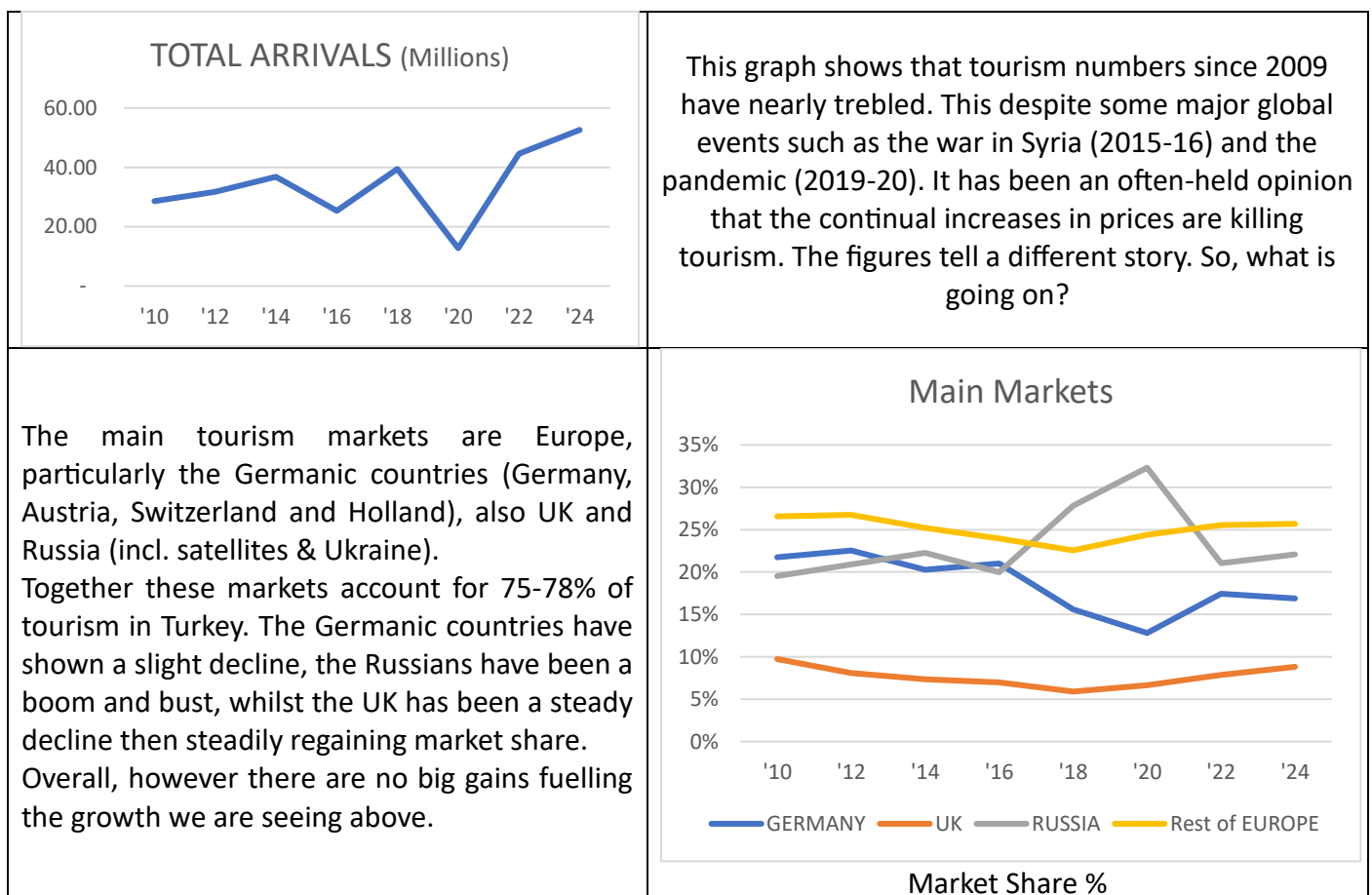
## How Businesses are Reacting

I talked with a few business owners and as a business owner myself I am always interested to hear from local business people. The variety of opinions and views on how to cope are extremely varied. Some characteristics are common everywhere in the world. Resistance to & fear of change, frustration with politicians and administrators, worries about external forces over which there is no control (e.g. Donald Trump) and market changes are among the most common. Local businesses face all these challenges and their future success and or survival depends on how they deal with them.

Inflation is currently top of the list of concerns for businesses throughout the region. It is clear that many people in business and their customers consider Turkey as a uniquely harsh victim of inflation and that it is entirely a Turkish issue. Whilst it is true that Turkey is suffering more than most, global issues are also significant contributors to Turkey's inflationary issues.

Most of us are primarily interested and involved with tourism, we love and use some or all of the beach resorts, restaurants & bars, hotels, pansiyons, all-inclusive resorts, places to visit, tours, boat trips and activities. So, for the purposes of this document, I will focus on the tourism sector, the businesses, the tourists and the ex-pat community.

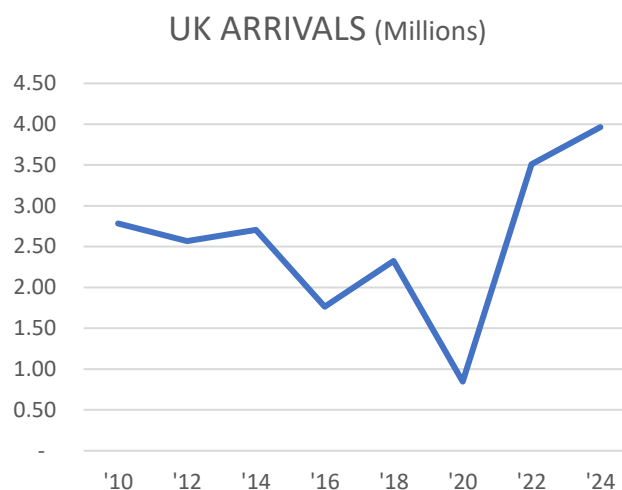
Turkey has gone through and continues to go through significant economic challenges one of which is the ever-present state of flux that the tourism industry has to deal with. This is a market that is very much affected by external forces. To illustrate this, let's explore a timeline over the last 16 years.



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If you talk to ex-pats and businesses in this area, you'll often hear that the UK sector is in significant decline. But the UK market share has been steadily growing in an increasingly larger market for the last six years.

Some business owners and locals point to the massive increase in All-Inclusive resorts in this area and in other parts of Turkey. Locally we have the developments by Liberty and others in Koca Çalış, Çalış & Ölüdeniz. These pale into insignificance compared to the developments to the East of Antalya where there are now millions of All-Inclusive beds available.



Although fewer in numbers and market share there has been some contribution to growth from other markets notably Southern Europe (e.g. Spain, Italy, France) as well as Latin America and the Far East (particularly a strong recovery to pre-pandemic levels by China & Korea).

The demographics of customers in Fethiye area reflects these figures although more so in central Fethiye and the All-Inclusive resorts. It is noticeable in Çalış but less so in Ovaçık, Hisaronu & Ölüdeniz. These last four areas have traditionally been very dependent on UK tourism, but with a minimal level of All-Inclusive resorts. In recent years the number of UK tourists not choosing All-Inclusive has fallen, thus established businesses in these areas have seen a decline in their traditional markets, whilst a boom in All-Inclusive has passed them by.

Çalış & downtown Fethiye are changing, perhaps more so than the other areas. There are many new restaurants, coffee shops, bars along the front and around the Kordon. Most seem to be targeting a more upmarket clientele. The traditional “cheap beer, Full English & Sunday Lunch” offerings are slowly being replaced. Some may stay busy, for some time to come, by getting a bigger share of a shrinking market.

In summary Fethiye's businesses are facing high levels of inflation at a time when investment of money and effort in change is becoming increasingly important.

Specific Challenges for businesses: -

- Rents are increasing, at least, in line with inflation
- Wages are being increased by government initiatives (minimum wage)
- Wage demands by employees are increasing due to market rates and conditions and due to the lowest level of unemployment for decades. Staff retention is even more difficult.
- Foreign customers have less money to spend due to cost-of-living problems at home. Their money is now worth less because exchange rates are running behind inflation
- Many regular guests are either no longer coming or are choosing All-Inclusive. A good portion of new customers to the area are choosing All-Inclusive to fix or control their holiday budget.
- The demographics of tourists is changing, fewer traditional and more from growing markets. Southern European, S.E. Asian & Latin American guests are often younger than the guests they are replacing.
- As well as changing numbers there are also cultural changes to satisfy. Asians tend to avoid an All-Day Full-English Breakfast!

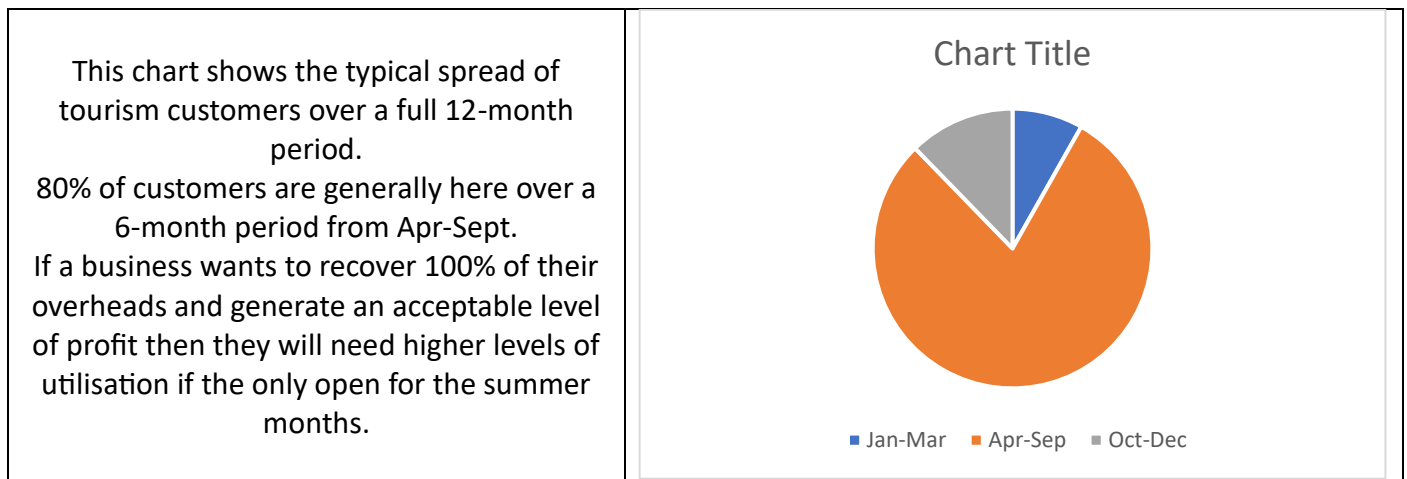
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## What Can Businesses Do?

I have reviewed the significant cost factors that have to be dealt with by businesses. The measures they are primarily taking vary from discounting prices, to reducing portions, increasing value for money (e.g. live music in bars), staying open longer (extending the season) & others. There are many tactical moves that can be made.

However, in a well-run and successful tourism business gross margins (sales minus purchased costs will aim to be around 66%). Half of this will go to cover overheads and the other half for profit. A portion of the net margin or profit would be expected to be reinvested in the business each year. The remaining portion is the owner's reward for his investment in the business.

To achieve these goals, a business would be expected to run at 60% or more utilisation over a 12-month period. However, for many businesses the flow of customers isn't even month-by-month.



There are several actions that a business can take.

- Lower prices - This is only an option if the business is in a location where lower prices will attract a lot more customers. But lower sales prices cover less of the overheads and generate less profit. So, this method needs to generate a lot of extra business.
- Maintain prices in line with inflation – inflationary times often lead to increased competition. A business may be maintaining margins but may lose customers or existing customers will come less often or buy less when they do come.
- Prices rises under inflation but offer more – adding in extras such as live music or special events (e.g. add TV's to make a sports bar, arrange quizzes or hobby club sessions, add free deserts)
- Change with the times – changing times can bring opportunities. When traditional tourism drops and new markets increase, this can be challenging but also profitable if you have the right proposition. If we look at Çalış and Fethiye Kordon you will notice an increase in coffee bars, sushi bars, high end fish restaurants and more top of the range restaurants. These are responding to new markets such as domestic tourism, non-traditional customers. Many of these new ventures are being quite successful offering a more upmarket experience, but at a higher price.

In these challenging times some businesses will fail but others will just survive and hope for better times. A few businesses will do very well as they react to and seize new opportunities. Most will be operating at reduced margins and doing what they can to cut costs.

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### **How can a tourism business be more resilient?**

The Turkish economy is nothing if not turbulent. Over the last 25 years that I have lived here and also run a business I have seen enough peaks and troughs to last a lifetime. Some businesses in this area have also been around that long as well. So how do these 'long-life' enterprises manage to survive where others have failed?

Generally speaking, their survival has little to do with luck. To stay around for that length of time needs an initial understanding of a business opportunity and a plan to make the most of it. A constant review of all aspects of the business' operation is as important as the initial ideas and plan. Most businesses are not an overnight success; it normally takes time to build a business to its full potential.

Here are some options for businesses: -

Options	How?
Diversification	Become involved in other complimentary business sectors
Added Value	Bike &, car rentals, regular live music, weddings & engagement planning (e,g, add Sushi to your menu, offer bundled prices, promote half board rather than B&B, charity sponsorship etc)
Changes	Expect there to be changes, spot them early and plan for them.
Sales Pricing	Understand the total effect of any price changes, particularly in respect of margins & overhead recovery
Optimise	Look out for or negotiate purchase prices, and agreements, reduce staff costs by improving operating processes & by reducing staff numbers. Reduce the sales options (e.g. simplifying menus). Use minimum spend or minimum rental periods, offer bundle pricing (meal & drink for a fixed price, Half & or Full Board, all inclusive, include maintenance in a property sales contract. Etc.) Look for reductions in stock holdings. Reduce wastage.
This list is far from a complete list for all businesses but is an indication of the kinds of steps that are being considered by business owners in these turbulent times. There are examples of all these tactical moves in most tourist areas in the region.	

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## **Conclusions**

Businesses in the region are facing turbulent times. The successful and resilient businesses will be making changes that you can see and many that you can't. Suffice to say there will be changes that you will notice around the town, some you will like, some you won't. Fortunately, there are a large number of choices for Fethiye's customers. Your favourite restaurant may have gone and be replaced with a new business that may or may not suit your taste or budget but you will almost certainly find a great alternative.

From my discussions with business owners and looking at menu prices, house purchase and rental prices, most if not all businesses are running on margins that are well below the norm and will be making difficult decisions.

When businesses get their "value-for-money" proposition wrong they will normally fail unless the proposition is changed; the only variable is how long that will take. The good news for customers is that there will soon be a replacement and there is plenty of choice.

The "value-for-money" proposition offered by a business will probably not appeal to everyone. If it doesn't appeal to you, it doesn't mean it's a bad business. A BMW showroom may not have a car you want to buy, but it's most likely a good and profitable business where the cars just don't match your needs or your wallet.

Many businesses are left with reduced margins because costs are going up whilst their usual footfall is lower and prices can't be increased at inflationary rates. All this combines to increase the risk to the business.

## **Important Conclusions**

There are two outstanding items that have become apparent during my discussions: -

Businesses – There may be a few businesses that are making excessive profits. A poor value for money proposition will increasingly struggle in the social media age and most will probably crash during the season, often leaving large debts to suppliers, landlords and staff. The vast majority of businesses are in a battle to survive and are operating at painfully low margins. If you are going out and about in Fethiye, Çalış, Ovaçık, Hisaronu, Ölüdeniz and the wider area you will generally find somewhere to match your wallet and where you can enjoy good value for money.

Customers – By far the most notable change in the numbers and culture of tourists in this area is the growth in domestic tourism. Customers in upmarket coffee Cafes, fish restaurants & specialist restaurants are increasingly domestic tourists. Turks' disposable incomes have risen significantly and many "top-end" outlets are predominantly occupied by them. More on this in the next part of this document.

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## Summary

The last two years has seen significant changes to: -

- number of tourists
- nationality of tourists
- requirements of tourists
- costs of goods & people
- property costs & Rentals
- economic & political fluctuations (global & local)
- cost of living issues in traditional markets



Turks have endured decades of economic, political & military turmoil both domestic and abroad. They have a strong resilience to such changes. In the UK 8% inflation was described as a cost-of-living **CRISIS**. Most Turks would cut off a limb to be “suffering” single digit inflation.

It should come as no surprise therefore that established and new businesses are omni-present in Turkey. A genuine look at prices in Turkey, Europe, USA and much of the far East will show that Turkey is no longer a rock-bottom, bargain-basement destination that it used to be. Prices have moved closer to those in UK & Europe. However, the cost-of-living AND more importantly quality of life here is still a very attractive proposition for tourists and non-Turkish residents.

## My Own Experiences

In the last 25 years I have seen many changes, legal, cultural, economic & quality of life for me and my family and for Turkish people. When my wife, my daughter and I first moved here we were well aware that we would need to be financially secure for life. This meant that we had to plan for a stay of a number of decades (my daughter was 17).

We were lucky enough to be in a position to spend 2 years learning about life & business in Turkey. The experience we gained was invaluable in our longer-term planning. We were able to invest in property and a business (a small, 13 room, boutique hotel). We had to plan for life within a shaky & erratic economy. What has happened in the years since then is that the economy has become less shaky and less erratic. At the end of our first year the value of TL halved without warning overnight.



The stabilisation of the economy means that proper credit has become available for 90million Turks. This has funded a rapid increase in the quality of life for Turks. White goods, TV's, Computers, Smart phones are now affordable for most Turks. The cost of living has risen because “living” now includes these “extras.” This has

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to some extent fuelled inflation although the viability of these items has also fuelled business growth. Generally, this is quite a healthy situation. Unfortunately, Turkey has a collection of volatile borders (Syria, Iran, Iraq & the Türkiç nations) where skirmishes and global wars (such as the Iraqi & Syrian wars) have caused mayhem for the tourism sector.

In 2001 prices were so low, a loaf of bread was pennies and a meal for two, with beers was as low as £3.50. If you had any knowledge of Turkish history and economics you would know that this is not sustainable over the long term. The exchange rate varied from 0.98TL to 2.2TL for GBP (£) a loaf cost 0.125TL.

So, what does the next 25 years hold in store? The quality (resilience & inflation rates) of the economy will probably improve over time. However, it is likely that domestic politics and global issues may still cause hiccups in the overall improvement.

The quality of life for Turks will most likely continue to improve in line with general economic growth. The cost of living will continue to rise but probably at a more manageable rate. However, it should be borne in mind that the current cost of living is still significantly lower than in many of the ex-pat community's home countries. Whilst challenging at times the Turkish economy ranks around 17-18<sup>th</sup> in the G20. In others words a significant global economy that is unlikely to collapse. A cost-of-living comparison is included further on in this document.

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## How the ex-pats are doing?

As I outlined in the introduction to this document foreign currency such as GBP (£), Euro, USD might buy you more Turkish Lira than they did in the past, but prices have increased at a much higher rate. This means that items cost more now if measured in those currencies. This means that some people on fixed incomes that are paid in a “hard” currency will not be able to enjoy the lifestyle they had when they first moved to or started holidaying in Turkey. Some who were on higher incomes may now find that they are having to tighten their belts. Even those with incomes high enough to not be worried by these changes will be aware of the issue and will be noticing the difference.

Interestingly Turkish people are benefitting from higher incomes driven by increases in minimum wages and low rates of unemployment. For many there has been a significant increase in their quality of life, albeit an increase from a relatively low base. Quality of life for Turks is now much more akin to UK and other European countries.

## Risks ex-pats are Facing

Many resident ex-pats and seasonal ex-pats have come here to enhance their quality of life. For the reasons already discussed, their disposable income has been significantly eroded by inflation regardless of which currency you measure it in.

The reduction of disposable income is attacked from two directions. Firstly, the increases in fixed and regular costs and secondly by the increased prices for those items you buy with your disposable income. The fixed and regular costs include items such as: -

- Rent & property costs
- Property Maintenance
- Insurances (Property & Health)
- Utilities (Gas, Water, Electric)
- Motor vehicle purchase & maintenance
- Transport
- Basic food and drink



If all these items are increasing with the rate of inflation or more then these costs will eat into your disposable income. Some of these costs have at times risen by more than the rate of inflation. As the exchange rate of your home currency has not been keeping up with the rate of Turkish inflation your disposable (in home currency) income will be getting eaten away.

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## What Can you do the Help Your Situation?

I remember as a teenager watching the news in the seventies that an ever-present news item was inflation. Wage increases were fuelling prices which were driving inflation upwards in a never-ending spiral. But then, all-of-a-sudden inflation dropped out of the news. I also remember interest rates in the 80's rising from 3-4% to 15% on my mortgage. Whilst this took a significant lump out of our wages, we had no choice but to get on with life as best we could.

Similarly, earlier this year, the markets took a tumble due to global events such as Donald Trump's economic policies. This had worrying implications for my pension funds and savings policies, but the only thing you can do is ride it out as best you can. History tells us that these "disasters" are transient and will come to pass.

People and businesses are more financially resilient than it may at first appear. Businesses cannot thrive in times of financial crisis, uncertainty and inflation. It is a core element of economic theory that such events will balance out over time.

So where are we in this cycle of our Turkish Bust-&-Boom economy? The signs are that official inflation rates are falling from the highs of 2024, which went from 65% to 85% to 75%.



In the second quarter of 2025, Turkey's GDP grew by 4.8% year-on-year, surpassing both the market consensus of 4.1% and a forecast of 3.8%. This marks a notable acceleration compared to previous quarters, partially supported by a favourable base effect. The growth was primarily driven by robust private consumption and increased investment activity. As a result, GDP growth for the first half of the year reached 3.3%.

Turkey's annual inflation rate eased to 33.52% in July 2025 from 35.05% in June, coming in below market expectations of 34.05%. The future targets are end of 2025 25-29% & 13-19% in 2026. So, the key drivers of the economy seem to be heading in the right direction (for now?)

A major expense for your Turkish life is property. Property sales prices have normalised by dropping a little and stabilised after a glut of price increases. This will probably not effect rent prices for now but they are expected to have a similar normalisation in the medium term.

Food prices are now rising at a rate closer to the official interest rates, whereas for most of 2024 food inflation was way above official rates. In terms of home currency, food prices are rising closer to the increase in exchange rates. This means that while the Lira price in the shops may continue to increase the home-currency price will be staying more stable.

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Insurances are increasing at a high rate of increase due to local inflationary costs such as people & utilities as well as major elements being priced in a foreign currency (typically Euro & USD). It is important to remember that some insurances are starting from a much lower base than prices in Europe & USA. As an example, the private health insurance for my wife is just less than £1,000 for this year, paid in 10 instalments, in a fixed TL amount over 10 months, therefore the price per month in GBP (£) is less each month as the currency rate increases. This is much lower than an equivalent policy in the UK.

Property Maintenance prices such as insurance (DASK & general) are increasing but are considerably lower than in Europe & USA. Similarly labour costs are increasing but are generally still lower than those in home countries. The last two increases in minimum wage have been quite a bit below inflation rates. So, it seems the government are trying to put a lid on wage costs.

Utilities (Gas, Water, Electric) have all been increasing, often by rates higher than the general inflation rate. There is no competitive market for these services. Therefore, there is little you can do other than to ensure you avoid excessive usage.

Motor vehicle purchase is much higher than in most home countries due to high taxation on sales of new vehicles. This also drives up the price of second-hand vehicles. However, if you buy a new or nearly new vehicle then the depreciation will be much less than at home. In 25 years, I have never sold a vehicle for less than I paid for it in TL. Obviously, there is a loss in "hard" currency but total vehicle ownership can come at a lower or similar cost as in UK.

Vehicle maintenance costs are rising at a rate due to wage rises and import costs on spares. Average fuel prices have also risen rapidly but are still approximately 30-35% lower than in UK.

Transport prices, such as local and intercity busses & trains are lower than in most home countries. A local bus (Dolmuş) around Fethiye currently costs 30tl roughly 55p per journey (e.g. Koca Çalış to Çalış is the same price as Koca Çalış to Fethiye). Intercity busses are world class and a great way to see the country. An overnight bus from Fethiye to Cappadocia or Istanbul are priced from TL 1,000 & TL 1,400 (GBP 18 & GBP 25) respectively. These trips are 11 & 13 hours respectively, a lot longer than most bus trips in UK. The intercity roads are great quality and the bus makes regular comfort stops and will make a longer stop at roadside-services where you can get a decent meal if you wish. Many busses are fitted with free wi-fi and GPS systems.

Food and drink for home prices have suffered some of the highest rates of inflation, which has thankfully eased off recently. Restaurateurs have had to increase prices in line with the base costs. Food & drink whether it's for home consumption or in restaurants and bars is now more expensive than last year. However, competition between supermarkets, markets, restaurants and bars means that higher than average inflation rates have, to some extent, been minimised.

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## Should I Stay or Should I Go?

This is a core question and a number of people have already gone home or moved on. There are a number of reasons why people have left. For many on a relatively low fixed income, the lifestyle of 5-10 years ago is no longer viable. This is particularly true for those renting their home. Many home owners have enjoyed good rental income when they are not using their property. Some have decided that the new legislations on renting properties out makes the income less attractive and have sold when the property was sold at a premium price. Some have moved on to other countries with a variety of outcomes. The price of a beer in Spain is a lot less than in Turkey, but this doesn't necessarily mean that Spain is a cheaper place to live!

There has been a lot of spurious gossip about soaring prices in Turkey in certain newspapers and on social media. This so-called news often relates to specific areas and specific incidents or situations. The truth as it relates to Fethiye and surrounding areas is that our local area is very significantly cheaper than many other resorts and offers bargain prices across the board when compared to Istanbul, Ankara and many of our home country tourist destinations.

### A Non-Scientific Comparison of Costs of Living Here and in UK.

I have not conducted a full economic analysis of the relative merits of these two destinations. I have merely contrasted headline figures for the major costs for my own situation and that of my sister-in-law. We both own modest semi-detached properties in mid-range areas. The costs are for two people living in each property. The list of items is by no means complete but has been selected to give an indication of the major items that contribute to the costs of living.

Annual Household Costs	Our Costs in Koca Çaliş	Sister-in-law in Manchester	Difference
Electric	146.27	1,080.00	933.73
Water	151.64	996.00	844.36
Gas	51.75	360.00	308.25
Rates	10.91	2,040.00	2,029.09
Phones	333.25	720.00	386.75
Internet	124.93	636.00	511.07
Food & Drinks (Home)	3,273.00	4,200.00	927.00
<b>TOTAL ANNUAL BILLS</b>	<b>4,091.75</b>	<b>10,032.00</b>	<b>5,940.25</b>
TR as a %age of UK	41%		

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## Buckle Down & Ride it Out?

If you have been living here for a few years or coming here for a few months each year or are a regular tourist to Turkey, then you will have found that it has become more expensive each year. Many seasonal residents and tourists will still decide that Fethiye and Çaliş still offer better value than they can get at home or in other tourist destinations.

For some traditional tourists or short-term residents, the total cost of their stay including flight prices and not looking so much as the total cost of living may be attracted to other options by All-Inclusive options closer to home or destinations with lower beer prices.

If, as is the case for many ex-pats and seasonal tourists, that they have been here or coming here for a good number of years. These people have invested time and money in Turkey and will to some extent feel bound up with Fethiye and Turkey. Those that have been around for 10 years or more will have witnessed a number of booms and busts in tourism and economy. Many will feel they still want to carry on with the lifestyle they have over here. There is no way to measure the value of year round great weather, stunning scenery, history & culture as a backdrop to however they choose to spend their days. Most would find it difficult to settle back into their previous home-country lives. Fethiye and Turkey in general really is a paradise to be freely enjoyed.

## Budgeting



Even the improved disposable income shown above it is clear that the base cost-of-living takes up the majority of a basic income.

The first step to effective management of income and costs is effective budgeting. A household budget needs to be worked out from full and detailed information on what is being spent on what and when. Few costs are fixed across each month, so monthly variations must be taken into account.

The second necessity for an effective budget is that it is closely monitored on a regular basis. If you budget 15,000tl for monthly shopping you need a way to keep track of your actual spend. This can be difficult if you do some or a lot of your shopping in local markets for cash and don't get a receipt.

You must work out how you are going to collect this information. I do make a reckoning of how much I have spent on local market shopping trip. Just about everything else I pay for on a credit card and the monthly statement is always an interesting read. It also shows me how much I am spending from my disposable income. In business I have developed business plans to raise operating capital from banks and used the budgets to control the business almost on a daily basis. Putting an effective budget together on monitoring it may seem a daunting task. However, in my experience the development of budgets leaves you with a good knowledge of what items you can have an effect on and what items need critical management. As an example, you will know how much you have to spend at the market and how important it is to manage consumption of water, gas & electric and how that varies with the seasons.

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How much detail do you need? This is a matter of personal preference and how much time you are willing to spend looking at your budget. I tend to work at a 'mid-range' level of detail: -

- Electric – From monthly bank statement
- Gas – I make a note when I buy gas
- Water (Mains & Drinking Water) – Water bill from monthly bank statement & a note of drinking water deliveries
- Rates - From monthly bank statement
- Insurances – From credit card statement
- Phones - From monthly bank statement
- Internet - From monthly bank statement
- Shopping – From credit card statement
- Meals Out – From credit card statement
- Other items – Clothes, Home maintenance, gifts etc.

We live a relatively frugal day to day life in order to be able to enjoy our travelling which I budget separately. This year we will have travelled to Thailand, Indonesia, Borneo, Botswana Safari & Prague.

I check utility bills each month to see if there are any unexpected highs. The shopping I control to try and meet a monthly target of 15,000tl or less. So I only look at the total sale value for each shopping trip. The objective for the shopping budget is to see if it is being met or if it needs to be increased (inflation will do that. I only look at the budget month on month in Lira. I might occasionally review an annual budget in both Lira and Sterling (GBP).

Most of my information comes from online banking systems, which means I don't have to keep and record till receipts. There are good online banking services from most banks and many are available in English. I also benefit from having my utility bills paid automatically by our bank. This is easy to set up if the utility is in your name (which it should be) and you have a Turkish bank account. Just take your bank details into the accounts office for the utility. They will set it up and you don't need to do anything at the bank.

Finally, and most important of all check your cash flow to make sure you are staying within your budget targets and take action if it's getting close, not when it's gone too far!

### **Lifestyle Changes**

When, in the eighties, our mortgage went up from 4% to 15% we had to make changes! We both got part-time jobs and we made some cutbacks on our spending. In other words we increased our income and took a good look at what we were spending our money on; what was important and what could we do without?

If the current levels of inflation are causing you problems or stress or you want to be a bit more careful with your money you have the same options we had back in the eighties: -

- Increase your regular income
- Cut back on your spending

Everybody's situation is different and for many the option to increase income is limited or not possible at all. As I'm not a qualified financial advisor I will not be offering financial advice as to how you can increase your regular income. Your financial advisor is the best person to ask about this.

## COPING WITH RAMPANT INFLATION

How do you cut back on your spending when everything is getting more expensive? The first thing I would say is that 'cutting cost' isn't a term that brings a smile to your face. I prefer to think of it as a way to improve my disposable income (the money I spend on fun things!)

For me the good news is that I firmly believe that Turkey is a country where you can easily make savings without spoiling your quality of life. Let me give you an example or two: -

- Meat, Chicken & Fish are the most expensive items on your shopping list. Obviously, you can opt for cheaper cuts but that doesn't make massive savings. Turkey is a country where, if you eat local/traditional dishes, you could almost accidentally become a vegetarian. The ingredients for these dishes are readily available and are cheap. Also, many Turkish dishes feature an abundance of vegetables and a small amount of meat. I'm not advocating changing from being a traditional meat-&-two-veg ex-pat to an evangelical vegetarian or vegan. Rather I would suggest spicing up your meals with a couple of Turkish specialities. Two primarily veggie dishes will reduce your spend on proteins. More on this later.
- Last week I went out for two meals with friends. One was a special meal (the last) before our friends went home. The other was a leisurely lunch with family members. The first cost about 2,500tl per person the second cost less than 270tl per person. The two meals could not be compared or considered in any way equal but they do illustrate the range of prices that are available. Some of us may be able to afford the 'special meal' option several times a week and most of us would not choose the budget meal as a regular night out. You can choose from a wide range of options that are available, year-round across the region. We tend to opt for a special meal maybe once a month and then eat budget to medium on a weekly basis. We also love hosting dinner parties with friends.

### Simple Steps

A quick look at your till receipts and your shopping budget will show you what items are adding most to your spend. Typically, this will be meat, chicken, fish & seafood. How can you replace them?

Turks, when they are on holiday, are kings of the BBQ! A meal without grilled meat or fish is not a holiday meal of choice. Turks living on a tight budget will opt for soups, sulu yemek (stews), beans and pulses. All of these options are available in Turkish Lokantas (canteen like restaurants, where you choose your meal from a bewildering display of dishes. This is a great way to find cheap meals, that you like and can make at home using budget friendly ingredients.



## COPING WITH RAMPANT INFLATION

Each year the price for all kinds of beans and pulses is advertised on Turkish TV. Each item is compared to meat, chicken and fish for the amount of protein you get for your money. Here's a some of the most commonly used beans and pulses: -

English	Turkish	English	Turkish
White Beans	Kuru Fasulye	Red Kidney Beans	Meksika Fasulye
Lentils Red, Green, Yellow	Mercimek Kırmızı, Yeşil, Sarı	Kidney Beans	Barbunya
Bulgur Wheat	Bulgur Pilavı	Black Beans	Siyah Fasulye
Black Eyed Beans		Mung Beans	Maş Fasulye
Chickpeas	Nohut	Orzo (Looks like brown rice when cooked)	Arpa Şehriye

Here are a couple of web sites that will offer to ideas and guides to using various types of beans & pulses

<https://feelgoodfoodie.net/recipe/how-to-cook-beans/>

<https://theforkedspoon.com/types-of-beans/>

To get the most out of dried beans I would commend you to get a pressure cooker if you don't already have one. Most of these beans can be also be found ready cooked (tinned) in most supermarkets but are more expensive than cooking your own. Cooking your own is cheaper and you have control over how many you use each time. Generally, these commodity items are cheaper in the budget supermarkets such as A101 & BIM.

Arpa Şehriye (orzo) is not a bean it's seed shaped pieces of pasta. They are browned by frying them before they are cooked in boiling water. They swell with the water and look like pieces of brown rice and are then added to white rice as a decoration. You can also use orzo to add texture to soups and stews, my daughter regularly cooks a tomato & orzo soup.

There is an increasing variety of beans available on supermarket shelves which you can add to your shop if you know how to use them. There are also tinned 'ready meals' known as pilaki using dried and fresh produce. Ideal for a quick snack for very little money.



	<p>Learning to cook Turkish food can be fun and it's not particularly tricky like some French &amp; Italian cuisines. A cookbook is a good investment, the one opposite is about £12 on Amazon UK, it's on Kindle and FREE on Kindle Unlimited. It does not pretend to be comprehensive but is a good starter. As you can see from the links above there's lots of ideas on the internet and many are in the form of video demonstrations (ideal for a beginner).</p> <p>What about some Turkish Cookery classes. Mel Ozsimsek runs classes in Patlangiç where you'll learn to prepare and enjoy some traditional dishes.</p> <p>See melsturkishkitchen on Instagram &amp; Facebook.</p>
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## COPING WITH RAMPANT INFLATION

Shopping-Around is an obvious step to get a bit more for your money. When we lived in the UK, we would do the typical weekly shop and a monthly (ish) shop for bulk items. When I ran our hotel kitchen, we did twice weekly deliveries for fresh fruit and veg and weekly deliveries for groceries. We would do bulk purchases of meat, chicken, fish & seafood. My first challenge when we moved to Fethiye was to only shop for two people. We still did weekly shops for some time but latterly I have taken to only shopping for daily needs. We also plan shopping trips based on what we are buying and where is best to buy it. There are so many supermarkets around now that this is not a challenging planning process, in fact we normally include it as part of our day-to-day activities. We still do market trip for fresh goods, butter and cheese most weeks.

Many supermarkets will offer cut price items as they near their sell by date. Obviously, this isn't an issue when you are shopping day-to-day. Some are better for choice & sometimes quality others are better for 'SPOT' deals or commodity items as well as basic fruit & vegetables.



25% OFF!



25% OFF!



25% OFF!

Shopping day-to-day means you only buy what you need and you can often pick-up discounted items which you can use immediately.

My daughter, who is English and her Turkish husband have two fast growing and demanding children to take care of. They're not by any means on basic wages but they both work in salaried jobs that are more adequate than exciting. So with the two kids enthusiastically demolishing the family budget, they need to keep a close eye on expenses.

Having moved to Turkey with us 25 years ago, Vicky has a lot of experience of Turkish shopping, ways and means. She has a rota of mid-week meals that she rotates week-by-week to provide good nourishing meals without going mad at the shops. Her meals are mostly Turkish but quite a few are also quite European. In this way she is able to be sparing with meat and chicken and to use a lot of beans & pulses. Maybe some dishes would be fun to try for yourselves and recipes can be found online. Give it a go!

## **COPING WITH RAMPANT INFLATION**

Lentil Soup, Chicken & Rice	Mercimek çorbası, tavuklu pilav
Roast Chicken Bulgur Wheat	Bütün tavuk, bulgur pilavi
Chickpeas with Mince, Rice & Yoghurt	Etlı nohut, pilav, yoğurt
Grilled Chicken, Pasta in Sauce & Yoghurt	Izgara tavuk, soslu makarna, salata, yoğurt
Spaghetti bolognese	Spaghetti Bolonez
Chicken, Creamy Mushrooms & Rice	Kremalı mantarlı tavuk ve pilav
Orzo & Tomato Soup, Pasta & Sauce	Şehriyeli Domates corbası, soslu makarna
White Beans, Rice & Yoghurt	Kuru fasulye, pilav, yoğurt
Potato Stew	Patates oturtma
Chicken Casserole	Tavuk sote
Baked Chicken in White Sauce	Beşamel soslu Chicken bake
Kidney Beans & Rice	Barbunya, pilav
Soup of the Day & Pastries	Corba, borek
Chicken korma	Tavuklu Kori
Mince & Courgette, Bulgur, Mint & Yoghurt Dip	Kıymalı kabak, bulgur pilav, cacik
Mince & Potatoes stew, Rice	Kıymalı Patates yemeği pilav
Chicken Fajitas	Tavuk fajitas
Tortellini Soup, Pasta	Yüksük çorbası, makarna
Meatball Stew, Lentil & Bulgur Rice	sulu köfte, mercimekli bulgur pilavi
Chicken, Chickpeas, Rice & Tom Soup (Takeaway)	Tavuklu nohutlu pilav Tom soup
Meat and Potato Stew	Etlı patates yemeği
Spaghetti with Mince, Yoghurt	Kıymalı makarna, yogurt
Lentil Soup, Pastries	Mercimek çorbası, borek
Meat & Chickpeas, Rice & Yoghurt	Etlı Nohut yemeği, pilavı, yoğurt
Chicken Salad & Chips	Tavuk, salata, cips
Chilli & Rice	Chilli, pilav
Turkish Tortellini + Yoghurt or Sauce	Manti
Chicken, Lentil & Bulgur Rice	Tavuk, mercimekli bulgur pilavi
White Beans & Rice	Kuru fasulye, pilav
Creamy chicken and pasta	Soslu Tavuk & Makarna
Meatballs Pasta & Salad	köfte, makarna, salata
Chicken stew, mash	Tavuk sulu yemeği & puree Patates
Kidney Beans, Rice & Yoghurt	Barbunya, pilav, yogurt
Mince & Cauliflower, Bulgur Wheat	Kıymalı Karnıbahar, bulgur pilavı
Pizza, chips	Pizza, patates kızartması
Mexican Chicken & Rice	Meksikalı tavuk sote and pilav
Home Made Tomato Soup & Sausage Roll	Domates çorbası, sosi borek
Meatballs & Pasta	köfte makarna oturtma?
Turkish Tortellini	Manti
Chicken & Potato Stew, Rice	Tavuklu patates yemeği, pilav
The Weekend menu is to visit Mum & Dad's bargain Kitchen & Restaurant on most Saturdays. Sunday is Baba's Day which will be a rooftop BBQ, Baba's home-made pizza or an occasional meal out or a special meal in.	

## **COPING WITH RAMPANT INFLATION**

Using a weekly menu plan enables you plan within your budget and helps you make decisions about how much you want to spend on food at home. For my daughter keeping a limit on household spends allows the family to spend more on what is important to them, extra lessons, activities and fun, birthdays & Xmas for the kids.

### **Not Going Out!**

Few people move to Turkey to live a monastic life staying in all the time and living on bread and gruel! For most people the major attraction is a better (healthier, sunnier, more enjoyable) lifestyle. For some the lower cost of living is a way of getting the most out of a hard-earned pension.

Most ex-pats have previously been to their new home destination on holiday. Their holiday experience has often been of a low cost or great value-for-money experience. This is a holiday experience that often bears little similarity to day-to-day life back home. Even if they have opted for a self-catering option, most will eat out most nights, have a few lunches at beachside bars. For most people this is not their normal life back home.

Many newly landed ex-pats find themselves amidst one of their favourite holiday destinations and initially live the holiday lifestyle. For the majority this is not sustainable. The main reason being the cost. When I moved to the small coastal village of Adrasan 25 years ago, certainly off the beaten tourist trail, you could to a large extent, live the holiday lifestyle on a UK pension. That was never going to last. For those considering moving here in the future, if this is your objective think very carefully and plan even more carefully for the future. There is nothing wrong with celebrating your new home and new lifestyle when you first arrive. But then most will have to think about how they are really going to live in the future.



If spending less on going out here some ideas that will help. The businesses in the area are all having to reduce costs and will often have to provide a little less to maintain prices. Similarly, to reduce your going-out spends you will have to eat at a lower cost or eat less frequently.

If you know another solution you may soon become very wealthy and not have to worry about inflation!

## COPING WITH RAMPANT INFLATION

Here are some and options that will help you spend less on going out. Many are aimed at saving money with a minimum impact on your social life.

Some very sociable friends of ours now rarely eat out. They eat at home and then go out enjoy the company of friends and the events (pool & darts leagues etc.) that they enjoy

Eating lower on the hog. When you eat out take a good look at some of the cheaper items on a menu. Maybe try something new. Some of the really tasty options can often be found lower down the price list. Have a mid-day meal at home and then choose a lighter more economic item when you go out in the evening



Take advantage of the vast array of restaurant types, styles & prices. Trying more traditional Turkish restaurants, particularly those that are popular with Turkish people, can have a number of benefits. You may broaden your general food knowledge, help you to meet and enjoy times with local people & save you some money. This can be a great experience for a group of friends.

Do something different. There are many ways to enjoy going out without spending a lot of money. I am a regular with a number of walking groups, I play Rummicub ('Turkish OK') on a weekly basis, I play Backgammon on a weekly basis in winter and regularly go to see English language films at the cinema. There are many, many other activities and clubs that are easy to find and join in on. I have added a list of some of them later on.



Have friends round for dinner. My wife Sue & I love hosting dinner parties. I like to cook and having managed our hotel restaurant for 17 years I've picked up one or two tips. Sue is 'Front-of-House & Bar Manager. We love it but recognise that this may not be everybody's cup of tea

Organising a dinner party based on a few bowls of nibbles and a takeout main and a dessert from a supermarket cold shelf can be a lot of fun and will save you money. This doesn't have to be a pizza evening; there are many options available including a Sunday Roast, Fish & Chips, Indian Food, a Turkish Banquet or for that special meal hiring in a chef!

**Go out less often?** Probably the least popular option! But not necessarily a bad idea. We have reduced the frequency of our nights out, but make sure to have regular special meals (Date Nights) and a range of meals on other nights. We will often cut back a bit when we have friends coming, so we can afford a more holiday lifestyle when they are here. We will always do meals in with friends, which means we can also invite family around as well for a good old catch up.



# COPING WITH RAMPANT INFLATION

## Budget Restaurants – Where are they?

Some traditional Turkish restaurants can offer fabulous value for not a lot of money. However, they tend to operate on very tight margins; for this reason, they are rarely found in the tourism hotspots. So, you may have to seek them out. Look for the places where working Turks go to eat. Most locals who work in tourism will be provided with meals at their place of work, this is another reason why such restaurants are rarely in popular tourist areas.

What type of restaurants? Turks will refer to Lokantas where you will find a daily selection of ‘home-made’ dishes. Unfortunately, most Lokantas do not have the word Lokanta in their name. Keep on looking they are well worth finding. There is one in Foca (Çalış) where you pile up as much or little of whatever mezes that you want on your plate, they then weigh it and charge you by the weight.

There are also pide restaurants which specialise in pizza oven baked Turkish pizzas, they will often offer a few other items such as wraps, doner kebabs as well.

There are then all the fast-food restaurants. I find the well-known (USA) brands not to be particularly fast or good value. However, some of the local brands may still not be fast but they do offer better value. Try a few in the Erasta Shopping-Mall Food Hall to see which ones you like. [MAPS LINK](#).

### Here are some of my favourites

Lezzet Lokantası - a classic Lokanta in the heart of Fethiye harbour area. If you're going on a boat trip I highly recommend having a breakfast of soup with the locals, many of whom work on the boats. The meal menu runs at a price of 150tl according to their online menu. Read the reviews!

[MAPS LINK](#)



Yesil Asma – In Foca (Çalış) this where they weigh your meze plate for you. Nice clean place with modern décor. Very popular with staff from the court buildings opposite. Eating low on the hog isn't always downmarket. [MAPS LINK](#)

ALO 24 – A Classic Pide, Wraps and Kebab Restaurant and takeout establishment. A go to for the local Turks all over the surrounding area. Classy service in a clean and modern setting Whatever your budget or hunger is telling, you will find a great value meal here. Click on the Maps link and take time reading the menu which run to 5 or 6 full page sections in English & Turkish. [MAPS LINK](#)



## COPING WITH RAMPANT INFLATION

The owners of these establishments may take offence being grouped with 'Turkish Budget Restaurants.' I have included them here because, in my humble opinion, they offer exceptional value for the area they are in.

Lee's Chicken is a specialist fried chicken restaurant situated right on the seafront on Çalış Kordon. If a simple meal with great sunset views sounds good then try them out. A friend of ours told us she thought Lee's Chicken was better than Kentucky Fried Chicken.

[MAPS LINK](#)



Karma Restaurant is situated in the heart of the Fethiye Harbour area. Prices here are considerably lower than the average for the area. It sits on the edge Beşkaza Square and has a wide range of snacks, meals & drinks. It is also a choice place to watch the world go by. [MAPS LINK](#)

Lukka Bar is a low priced restaurant and bar located at the Koca Çalış end of the Çalış Beach Kordon. It runs a really good kitchen with a wide range of meals & snacks. Drinks are very reasonable and there are a host of TV screens for your favourite sports. Good music. [MAPS LINK](#)



Nil Bar & Restaurant is a long time ex-pat favourite located on the seafront in Çalış. Famous for its Sunday Lunches, Nil also has a very wide-ranging menu and drinks at good value mid-range prices. There are regular and ad-hoc events and celebrations arranged by irrepressible Angel Öznür! [MAPS LINK](#)



Turtle Restaurant in Ovaçik is popular with ex-pats in the area. Famous for the Sunday lunches and lively music nights featuring local rock star [Emre Tezcan](#). The owner Emre (another one!) runs a tight ship, good food and service are his watchwords. [MAPS LINK](#)

Mancero's Kitchen is our go-to for a special meal or celebration. It's not a budget option but does offer excellent value and a great wine list. For us it's great value within the top of the range options. [MENU](#)

# COPING WITH RAMPANT INFLATION

## Tips from the Kitchen

Over a 17 year period my wife Sue and I ran our small hotel in the coastal village of Adrasan. Amongst other things, I managed the kitchen for the hotel. Adrasan is quite isolated and many shops and services you would expect to need to stock and organise a kitchen just weren't available. Fortunately, we employed a couple of remarkable Turkish chefs. Working closely with those guys I learned a lot about running a kitchen, how to cook and resilience in the face of isolation and Turkish apathy from suppliers.

Now that I've retired from the day-to-day running of the hotel, I have been able to rely on those skills in my domestic kitchen. So here are a few ideas that might save you money in your own kitchen.

### Avoiding the high cost of imported foodstuffs

Any visit to the import shops in and around Fethiye will show you that the customs duties & luxury good taxes that are applied to imported foods make them very expensive compared to the price of the same items at home. However, if you have a bit of time to spare, you can avoid some of these costs:-

**Golden Syrup** is expensive over here and you can sometimes find budget brand honey that is cheaper. But it really is easier and a lot cheaper to make your own. I have made quite a few batches myself and it really is good. You would be well advised to buy a sugar thermometer to help with this. You can also use it in jam making and checking roasts.

Recipe & Video [LINK](#)

Kitchen Thermometer at Trendyol – [LINK](#) 148.13tl

**Black Treacle** - You can also make Black Treacle, just in time for your Christmas cake, using virtually the same method. Recipe & Video [LINK](#)

**JAMS** Now you've got a sugar thermometer there's no reason not to make jams & marmalades with all the wonderful fresh fruit that is cheap when it's in season. There are any number of recipes online. I have a plum tree and a mandarin tree in my garden. I make **Mandarin Marmalade** from the Mandarins, **Plum Jam** and **Plum Chutney** from the plums. This year I have also used Mangoes when they have been cheap (49tl each) to make **Mango Chutney** to go with my curries and Poppadoms. I once found a recipe for poppadoms using ground yellow lentils for the flour. I haven't tried that yet as it seemed a bit of a faff.


**Branston Pickle** is expensive and Branstons keep the recipe as a highly guarded secret but I have been given a recipe that makes a very good alternative.



Making your own (better?) versions of these family favourites can be a fun & satisfying way to save!


## COPING WITH RAMPANT INFLATION

Other favourites of mine that are easy and rewarding to make include **Hob Nob Biscuits** with or without chocolate (you can choose milk or plain or bitter plain chocolate!) **Ginger Nuts** (always good to have on hand), **Marzipan** for the Xmas Cake & **Lancashire Parkin** (like Yorkshire Parkin but more generous!). I have also made the grandkids **Easter Eggs** on a couple of occasions. My recipe is fun and has an original outcome. A really easy hack is my own take on **Baked Beans**, and a money saver that definitely produces a better product is home-made **Custard**

LINKS to the Recipes			
<a href="#">Mandarin Marmalade</a>	<a href="#">Plum Jam</a>	<a href="#">Plum Chutney</a>	<a href="#">Mango Chutney</a>
<a href="#">Branston Pickle</a>	<a href="#">Hob Nob Biscuits</a>	<a href="#">Ginger Nut Biscuits</a>	<a href="#">Marzipan</a>
<a href="#">Lancashire Parkin</a>	<a href="#">Best Ever Custard</a>	<a href="#">Novelty Easter Eggs</a>	<a href="#">Navy Baked Beans</a>
My Baked Beans	<p>I use the recipe above <b>BUT</b>            I make the stock by boiling an onion in water with some veggie stock powder. I then liquify it with a blender to avoid having pieces of onion in the final dish. More like Heinz?</p>		

### Using Alternatives

As well as making your own improved versions of branded products you can also save by using alternative items. Here are a couple of examples.

<p>We love Asian Food and have travelled S E Asia quite extensively. Finding economic ingredients for these dishes can be tricky and expensive. But, it doesn't have to be. A Thai Curry for two people only needs a small amount of curry paste. One pot has many, many portions in it. Once opened it has to be kept in a fridge or it goes off and is wasted. This takes up valuable space in your fridge if you like Red, Green, Massaman &amp; Penang curries. This is no compensation for the large space left in your wallet. If you get a paste recipe it has lots of hard to find and expensive ingredients. Here's how I made my own small portions of a <b>Red Thai Curry Paste</b>.</p>	
<p><u>Thai Cookbook Recipe: -</u>            10 Large Dried Chillies            10 Small Dried Chillies            ½ Teaspoon Cumin            ½ Teaspoon Coriander Seeds            30 Cloves Garlic            2 to 3 Shallots            1 Tablespoon GALANGAL root (finely sliced)            1 Teaspoon Kafir Lime peel (finely sliced)            1 Teaspoon Salt            1 Teaspoon Shrimp Paste</p>	<p><u>Alternate Ingredients: -</u>            Mix of dried chillies to your taste available from most dried goods shops or market stalls            ½ Teaspoon Cumin &gt;&gt;            ½ Teaspoon Coriander Seeds &gt;&gt;&gt;&gt; Same            30 Cloves Garlic &gt;&gt;            Use <b>FRESH GINGER</b>             Use ordinary <b>LIMES</b> or <b>GREEN LEMON</b>            Same            Use <b>Anchovy Paste</b> (Balık Ezmesi) from Migros cold shelf.</p> <div style="text-align: center;">  </div>

## COPING WITH RAMPANT INFLATION

Another extremely effective alternative ingredient is **Soya Mince** which is an incredibly cheap **part** alternative to minced beef or lamb. If you've never used it, you might be surprised to learn that it a common ingredient in mince dishes in Europe. You may have had it without knowing you had.



Soya mince is not, in my opinion, a replacement for beef or lamb, it doesn't have the fat that gives the meaty taste. But it most certainly can be used as part of the mince you use in many dishes. Typically, it works well as up to 30% of the mince in dishes like Spaghetti Bolognese, Chilli Con Carne, Mince and Onion Pie, Lasagne & Keema Peas (a favourite simple Indian Curry). It also works well as part of a sausage mix for sausage rolls when mixed with minced beef, chicken or pork.

So it's pretty flexible and it's easy to use. And this is where it get really interesting; you need to soak it in boiling water 1½-2 times the amount of soya. When soaking I add a few drops of soy sauce for colour and some stock powder to add flavour.

When you use boiling water 2:1 with the soya you end up with 3 times the amount of mince as the soya you have used.

This means that the bag of soya mince pictured (contains 400g of soya will make up **1.2kg of mince for 148TL!**

This equates to less than 124TL per kilo. This compares with mince in Migros which ranges from 733-908TL per kilo depending on the amount of fat content (15% to Low).

The soya mince pictured is available from Trendyol [CLICK LINK](#)

The soaking process takes no more than 20 minutes and can be hurried along by putting the mix in a microwave for a minute or so once the mince has started to absorb the boiling water.

I haven't used soya mince in burgers or meatballs but if I tried it I would use quite a bit less than 30%. It is important when buying it that you buy KIYMA (Mince). There is another soya meat available in small cubes. I have never found this to be as easy to use or to end up tasting like small pieces of real meat but feel free to try it.

### When in Rome Do as the Romans Do – When in Turkey . . .

Turkish people have lived with high inflation for many decades and have become masters of how to best deal with it. The locals are your best 'dealing with inflation' role models. Here are a few traits that you would do well to follow.

#### In the Open Markets

When an item of produce first appears in the markets I often hear ex-pats using it as an example of how market traders are robbing them. Turks don't moan about it, they just don't buy it! In the last 25 years I have noted that only buying what is in , not only saves you money but also adds variety to your diet. It also leads you to buying what is good to eat at that time of year. Fruits and salads are at their cheapest in summer. The amazing array of root vegetables and greenery in autumn and winter are great for heart warming stews. It's also very healthy to eat more veg and less meat and this is easy when the veggies are so good.

Only buy what you need. If I find that market traders are unwilling to sell less than a kilo at a time, I buy the produce in supermarkets. This saves money and reduces waste.

# COPING WITH RAMPANT INFLATION

## Choose Where you Shop

Markets do vary in price. Generally, markets that are in more traditional areas (fewer ex-pats) are a little cheaper. I find there is a wide range of prices in the central Fethiye Market. Some of this variety is quality based, some is on stalls that specialise in a few items, but there is also a variety which seems to be related to the stall's position. Have a good look round & decide what quality you need; if you are using something today or tomorrow do you need the best quality?

Fruit has been expensive throughout 2025, largely (I understand) from heavy frosts early in the growing season. This has led to shortages putting the prices up and some stalls and supermarkets buy poor quality to hold back prices. I eat a lot of bananas and have found the best place to buy them this year has been the budget supermarkets (BIM & A101). I refused to buy the rotting, black & soft imported bananas at 120TL per kilo in Migros but found better quality imported one in BIM at 89TL (26% OFF!).

I have frequently found that the commodity fruit & vegetables in A101 in Çiftlik Village were cheaper than those in the Çiftlik Open Market.



Here's a couple of stalls in Çiftlik Market (including my favourite cheese stall. I found the pictures in a feature about a trip to Çiftlik and some of the other markets.

It's all on the **Turkey for Life** Website. Here's the [LINK](#)

So, with all these difficulties in the markets, why would you bother going there? Open markets, particularly the larger ones have a wider variety of produce available. When produce is at the peak of its season then markets are generally the best place to buy them.

There are also many other food products available such as Cheeses, Olives, Dried Goods & Herbs and Spices. A visit to these stalls can become like a foodie's taste tour. The majority of cheeses in supermarkets is rather bland or very expensive. Turkey has a massive range of cheeses to choose from. The good news is you always get to try before you buy. Cheese stalls also sell butter in 500g and 1kg packets. This is normally salted butter and has a good flavour. I buy all my cheeses from a particular market stall and the prices are very reasonable. To get you started try the Izmir Tulum Peynir or Bergama. These are like a full flavour cheddar and are great perfect for cooking. Give it a taste test and choose the flavour you like and the consistency for slicing (some can be a bit flaky).

# COPING WITH RAMPANT INFLATION

## Around the House

A significant part of your “fixed” budget (services you have to have) are your utilities. Electric, Water (including trash handling) & Gas. It is common sense to use only what you need.

### Obvious Things to Do to Economise

#### ELECTRIC



**Kettle** – Make sure you only boil enough water for what you need. Cups of tea & coffee take hardly any water in a kettle.

**Lights** – Turn off the ones you don’t need, maybe automate some. We have automated a very low power strip of lights for our entry hall.

**Solar** – Use solar where you can. E.g. outside lights.

**Air-Con** – Turn if off when you’re not in the room. Open windows and doors to let in a breeze. We use ours in the bedroom, just to cool it down (30 mins) before we go to bed.

#### WATER



**Shower** – Showers use a lot of water (less than a bath) and are a major part of most household water bills. Can you cut the time you spend in the shower? We all like a nice long invigorating shower, but they do cost money.

**Dishwashers** – Use less soap and water than handwashing but load them carefully to make sure they are as full as is feasible without over cramming. If dishes have been standing around or in the machine for a while give them a rinse; they dry very quickly in warm weather.

**Pool & Gardens** – Our garden is quite small but we have no alternative to mains water for watering our trees & plants. I have installed an automatic system that takes care of watering when we’re away. It also allows me to control how long and how frequently the garden is watered. Even so, in summer our water bills go up by about 30%.

If you have a pool then the cost of filling it with mains water will be very high. In most parts of the area, you will be able to dig a **bore hole well**. This one-time investment will provide free water thereafter. This can also be a good idea if you have a larger garden to water.

**Drinking Water** – For many years I drank tap water and had no issues, however I find the water in Koca Çalış doesn’t taste as good as bottled water. We have a water cooler which provides nice, cold drinking water. The minerals in the water tend to clog up the kettle and other devices. So, I’m planning to install a water filter on the tap in the kitchen. We already have basic filters on the dishwasher and washing machine. So, I’m planning to install a water filter on the tap in the kitchen. We already have basic filters on the dishwasher and washing machine.

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## GAS

Propane Gas is a commodity item, the price of which is pretty much fixed. Thus the only action you can take to economise is to use it as sparingly as possible. When use it for cooking look around at what alternatives there are. Here are a few ideas to reduce gas usage.

- Pressure Cooker
- Air-Fryer
- Stacked Pans for steaming vegetables (very healthy!)
- heat water on a woodburning stove if you have one.
- A gas fire can be a cheap way to get a quick blast to warm a room.



## Avoiding Headaches

If you are feeling the from the effects of inflation and it seems harder each month to finance your chosen lifestyle, then setting a budget and living by it can help. Your budget should include some money for unexpected items. This might a problem with a car, a broken-down washing machine or some repairs around the home. You might also want to set up a “rainy day” fund as part of your budget plan. This might be a significant amount of cash that might be invested but is quick & easy to get at.

If you don't have a rainy-day fund then a serious accident or illness that comes out-of-the-blue is likely to cause you a good deal of stress & concern. It's a sad reality that as we get older, our health generally deteriorates, recovery times are longer and costs increase year-on-year (welcome to retirement!) When times are getting harder it's easier to start cutting corners, which is rarely an economic master plan. Carpenters are always trained to measure twice and cut once. In other words, take more care up-front and avoid accidents (costs) later.



Maintenance and insurance are two pillars of sound economic planning that have stood the test of time over Millenia. Another fundamental of good business practice is to document/contract transactions; failure to do so almost always ends up with disputes and compromises. Living in a foreign and culturally different country makes it more difficult to reach advantageous (to you) compromises.



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## Health Insurance

It is currently a requirement to qualify for residency that you have adequate health insurance. It is a fact of life that as people age, they are more prone to health issues. As time goes by, those issues tend to become more serious and more expensive. There is no more difficult situation than having to face up to a large hospital bill with inadequate insurance (or none at all).

If you are already concerned about your day-to-day cost of living then a sudden, large medical bill is something to be avoided.

My wife, Sue and I have had SGK state insurance since we started our business 23 years ago. We have also taken out a private insurance which covers us for major illnesses. The private insurance is certainly a cost but has already proved, particularly in my case, to have been a wise investment. I have had four major heart operations and significant treatments after a traffic accident. I have also had a large number of lesser interventions relating to heart problems. None of which has cost me any money. Because of the illnesses I have had my premiums are significantly higher than normal but are only slightly above a basic healthcare plan in the UK. Sue's annual premium is less than £1,000, which we think is quite a bargain.

One potential problem with Turkish based PRIVATE health insurance is that it is normally not available for anyone over 65. If you think you should investigate this there are a number of brokers around. A quick enquiry on the Ex-Pat's Facebook page will give you plenty to choose from.

If you are avoiding health insurance costs to subsidise your day-to-day costs you are taking a risk which is made worse by these inflationary times.

## Car Insurance

There are two main categories of vehicle insurance. There is the basic traffic insurance which is a third party policy which is mandatory by law. Then there is KASKO which is the equivalent of COMPREHENSIVE in UK. Whilst this is optional, not taking it does have consequences. E.g, you have a crash for which blame is shared and you will have to pay for your repairs or go without a vehicle. Neither option is great.

## Building Insurance

Turkey is a very active earthquake zone and earthquake insurance for a property is mandatory. This is normally the responsibility of the property owner (landlord for rented properties). It's quite cheap, ours for a 3-floor town House is just over TL100 per month.

You should also consider household contents insurance, which I find to be quite reasonable. There is loads of choice from brokers and most banks.

# **COPING WITH RAMPANT INFLATION**

## Travel Insurance

Holiday / Travel insurance there are limits on Turkish policies for pre-existing problems. My heart problems are not optionally covered by any policy that I have found. Pre-existing conditions can be covered as an option by some European policies but they require you to be registered with a home-country doctor and sometimes to be resident in the home country.

We have used two different policies for our travels in recent years.

A basic travel insurance for trips for a few days to short haul destinations (e.g. Prague Christmas Markets). We used to use Garanti Bank but they discontinued offering a large part of their cover, so we have been getting this kind of policy from a local agent. See Ayse Basihos on ex-pats Facebook Page. [LINK](#)

The other insurance we have used for long haul, long stay trips that have an adventurous edge. This insurance is available as an add on to a flight booking with Turkish Airlines. It is only available to Turkish Citizens and Turkish Residents. It is a very comprehensive policy and is ideal for our trips to remote destinations such as a Safari in Botswana, Africa or a journey through the jungle in Borneo.

To get this insurance you MUST tick the box to declare you are a Turkish citizen and then enter either your TCN (Turkish ID number). For residents who are not Turkish enter your Kimlik Number (begins 99).

The policy is issued by a Turkish Airlines Partner. The policy is available in English and the support web site for claims and traveller assistance is also in English. The Brand name is xcover which is underwritten by Sompo of Japan. See the [LINK](#)

## Insurance – General

The above covers most types of common insurance. There are other insurances for the likes of boats and other outdoor equipment, personal insurance, life insurance etc. Some equipment and personal insurance cover may be optionally covered by household contents policies.

However, in these inflationary times there is one overriding principal. There are only two ways to deal with large, unexpected requirements for cash. The first is to have a rainy-day pot that is large enough and flexible enough to cover the cost. The second is insurance. If you have that large pot of cash sat in your rainy-day fund, you could invest it and use the gains to subsidise your insurance needs.

## Handshakes are NOT Contracts

In the last couple of years the single most common complaint about inflation in Turkey relate to rents and rent increases. First some background. In 2024 with inflation running around 75-85% the government limited rent increases to 25%. As increases became due renters were complaining that increases were unreasonable of 65% or more. Once the limit was removed rent increases stayed as high as ever. There are two reasons for this: -

- Landlords didn't want to abide by the limit which seriously eroded their income
- Landlords wanted to catch up on revenue lost when the increases were limited well below inflation

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For renters, big increases in a significant part of their outgoings were a shock and caused many an emotional response. Amongst some of the worst effected the complainers on social media it was common that dodgy contracts or no contracts were in place, rents had been paid in cash with no receipts given. Lump sums were paid in advance for extended (1 year and over) deals. These situations were often suggested at the outset by landlords who wanted to evade tax on rental income. They were offering apparently good savings on this major cost. What they didn't mention was that it removed any legal protection for your stay in your home.

If you wanted a good doorstop, I would suggest you get a copy of the legislation relating to renting of properties. The **short version** I was shown by a lawyer was bigger than A5 page size, with very fine print and ran to about 8" (21cm) in thickness. The majority of this tome describes who is responsible for what (e.g. maintenance, local authority taxes, who must own and pay utility bills). It also details how rents are to be paid and how increases are to be calculated.

This is also where your rights are documented for things such as notice periods and termination of contracts. You may be surprised to know that these laws work heavily in favour of the renter rather than the landlord. But if you haven't got a contract that states what you are actually paying and proof of your payment record, via bank statements your legal position is, to all intents and purposes, null & void and the landlord can chuck you out at will and charge whatever rent he wants. Landlords can sometimes lose their generosity at rental renewal time when inflation is hurting them badly. **Get a formal contract and register it at a notary office.**

### Are You Living Here or On a Long-Term Holiday?

The people who move here, invest in a holiday home or visit for extended stays each year, generally have one thing in common, they have been here on holiday before they became an "ex-pat". For most people the annual two-week holiday is a time to relax, go out and enjoy the good life. It bears very little similarity to their day-to-day lives back at home. The holiday experience (& let's face it Fethiye delivers great holiday experiences) is what often attracts people to making a more permanent commitment to the area.

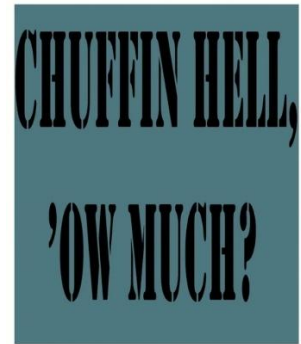


How's the Weather in Winter?

A challenge most people have to deal with is changing from holiday mode into "I'm living here now!" mode. On first arriving for your 'permanent' stay it's natural to celebrate and go to all your favourite holiday places (beaches, bars & restaurants etc.) Now you're fully into holiday mode! So how do you change to living-here-now mode?

If you're thinking of making the move I highly commend taking a couple of extended stays of maybe 4 weeks or more to celebrate your arrival and to research and make plans for your move. I'd suggest coming out of season for one of your stays. Fethiye and Çaliş are open to a large extent all year but Ovaçik, Hisaronü and Ölüdeniz will be mostly closed for the "Off Season" and the weather can be very different in January & February. You need to see how living here in the cold & the rain is different to summer holidays. On the up side, even in winter the weather will be significantly better than Northern Europe.

If you already live here full or part time you may need to look at how to adjust your lifestyle to ease the pressure on your budget.



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When you live in a holiday destination the obvious ways of spending your time are what you do when you're on holiday. But there may well be a lot of other, less obvious options. If you stay(s) are longer term you will need to look after your physical and mental well being; this is fundamental to a happy life.

## So, what else is there to do?

The font of all knowledge for ideas is the existing ex-pat community. I recently asked this question of the ex-pat community via the Fethiye area Ex-pat Zone Facebook page [LINK](#). The group, which has 9,900+ members is a very useful asset for all aspects of hplidaying and livig around Fethiye. Un surprisingly within a couple of days I had received over 50 answers with ideas of things to do, the majority of which are either free or charge a nominal fee. The suggestions covered any number of hobbies for you to enjoy and to help make your time here much more satisfying.

## Suggestions Included. –

- |                              |                          |
|------------------------------|--------------------------|
| Quizzes                      | Darts & Pool             |
| Walking Groups               | Bowling (Green & 10 pin) |
| Skiing & Snow Walks          | Knitting                 |
| Cookery Courses              | Turkish Social Groups    |
| Backgammon                   | Painting & Arts Groups   |
| Cycling Groups               | Kayaks & Paddle Boards   |
| Rummicub (Okay)              | Dancing Groups           |
| Christian Church & Community | Camping Group            |
| Paragliding (Solo)           | International Group      |
| Volunteer Groups             | Animal Care Groups       |

This is far from an exhaustive list but does give an idea of the range of what is available and shows that your time can be spent usefully (Healthily), happily and cheaply! There are also some amazing places to go and visit. There's loads of historical sites, most of which are now more accessible and more informative. If you are a citizen of resident you can buy a Muzee Kart (Museum Card) for 500tl that gives you unlimited access to all state run ancient sites. I visited Phaselis, near Antalya recently with a friend. He bought the >Muzee Kart for 500tl rather than paying the 490tl entrance fee! There's the classic sightseeing trips to Ölüdeniz, The Cable Car to the summit of Baba Dağ and River, Lake and Turtle Beach at Dalyan; but there are many other places that are worthy of a visit, particularly if you have a car. This is one of the main reasons we chose to move to Fethiye some 7 years ago.

I am going to try and build on the initial responses illustrated above to build a more formal directory with more information soon. Watch this spece. If you want to see the post and replies search for Jon Graham on the Fethiye Area Ex-pat Zone Facebook page.



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## And Finally

Inflation at the levels we have seen recently and are still seeing today cause concern for some people as well as stress & worry for others. But knee jerk reactions rarely find solutions. The current economic situation is unusual in that high inflation and relatively low increases in currency exchange rates have combined to cause difficulties for many ex-pats, particularly if they are on a fixed income or a pension with minimal annual increases.

Turkey has become a more expensive place to live, but so has the rest of the world. A very low level of unemployment has meant that Turks are well placed to negotiate wage increases above and beyond minimum wage increases. This is one factor that is fuelling key elements of inflation, particularly food and housing costs.

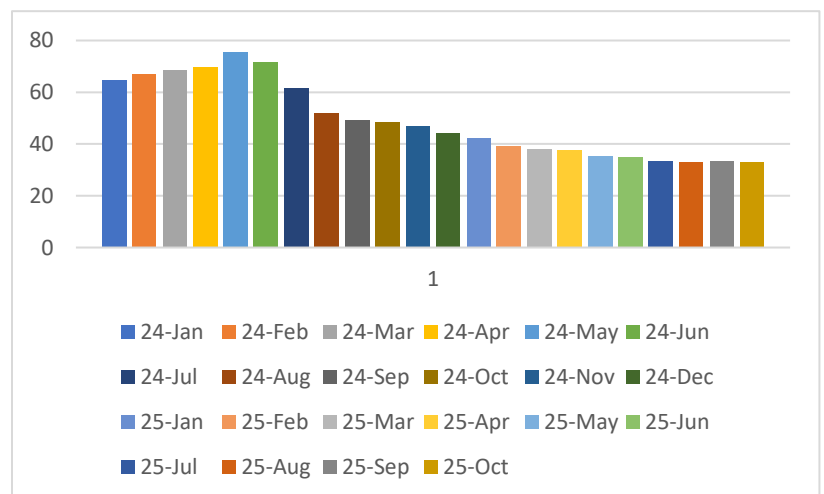
To enjoy a life in Turkey you need to be properly funded but this is the case wherever you live. Overall living costs in Turkey are significantly lower than in UK, most of Europe (including Spain & Portugal), the Americas, Australia & New Zealand.

Fethiye is not the cheapest place to live in Turkey but is considerably cheaper than most major Turkish cities. What it does have is an excellent quality of life with great surroundings, an ambient climate & year-round outdoor living.

A few (10-12) years ago we could fly to S.E. Asia for 8-10 weeks and live more cheaply than we would have done in Turkey (even taking account of the cost of flights). 20+ years ago you could live like a king in Turkey on a basic UK state pension. Neither of these situations are still available today: the world has moved on.

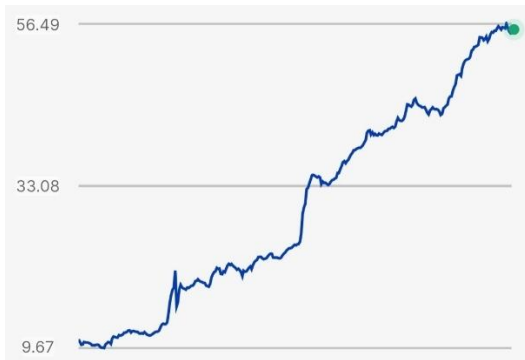
But to my mind, Turkey still offers great value for money. You may have to be a bit more careful with your money than you were before. Inflation this week has dropped below 33%, a major improvement from 85% at times last year.

There are still some tough times ahead for the economists that are fighting inflation, but as you can see the worst seems to be over. The graph is the Consumer Price Index annualised rates. Some elements like food and housing are higher than the general rate but others are also a lot lower.



CPI Month-By-Month 24-01 to 25-10

## COPING WITH RAMPANT INFLATION



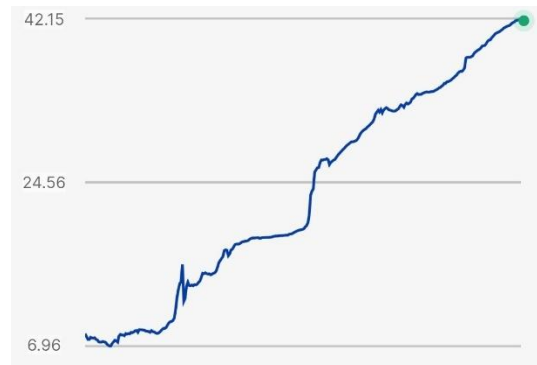
GBP (£) Exchange Rate – 5 Years

Similarly, the U\$D rate has grown 505% in the last 5 years. Most established currencies have shown similar steady growth over this period. As inflation decreases the value of your home currency will continue to grow minimising the inflationary effects. In the medium to long term we can expect the Turkish economy to become more mature as it has, particularly over the last 10 years. Administration has become an increasing overhead but the Black economy has continued to fade. These are the most significant drivers to a more stable economy.

Turkey's economy has historically had a high level of inflation and high increases in currency valuations but the outlook is that both will ease over the medium term.

There are signs that this is expected to take some of the traditional dynamics out of the economy and lead to a more stable situation that in turn will allow further growth in the economy.

The GBP (£) exchange rate has grown 484% over the last 5 years.



U\$D Exchange Rate – 5 Years

There is no single silver bullet to solve your inflationary problems or concerns. The solution is the same as it always has been, no matter where you live. Buckle down and ride it out. These things always come to pass and for Turkey generally and Fethiye in particular the future is looking brighter.

### What are the Concerns?

The housing market has seen dynamic changes in recent times and whilst sales prices have dropped and normalised from unsustainable highs, rental rates have remained stubbornly high and are likely to continue to rise in line with inflation.

Food inflation has remained stubbornly high, as it has in UK but this is a significant item for most ex-pats as it affects shop prices and restaurant prices.

Turkey has a history of self-destructive economic measures (most recently lowering interest rates in times of high inflation). There have also been a number of political events that have caused concern for investors and hence economic problems. Will there be more? Probably, but as the economy stabilises and matures the impact will be somewhat less damaging. Politics in Turkey needs to mature in line with the economic maturity, sadly thus far there is little sign of progress.