

The Relationship Between Individual Credits and Consumer Price Indices (CPI): Turkey Example (2003-2016) / Bireysel Krediler ve Tüketici Fiyat Endeksi (Tüfe) Arasındaki İlişki: Türkiye Örneği (2003-2016)

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ABSTRACT

Meeting the limitless human needs is one of the most important issues, considered since emergence of the earth. The people spend to meet their needs and these expenditures become one of the factors determining the economic shape of the states in the world. The insufficiency of the income that is necessary to meet the needs caused the people to go toward the different instruments. Individual credits are one of the most instruments that are used at the present days to meet human needs. Individual credits including vehicle, housing, need credits, and credit card expenditures are a spending instrument introduced by financial institutes, in order for consumer to acquire goods or services. Consumer behaviors are one of the instruments determining the prices of goods and services. The behaviors of consumers can affect the price of goods or service in the positive or negative direction. This also leads the prices of goods and services to form in a certain period for consumers. This case called consumer price index (CPI) is one of the most important instruments showing inflation formation of the countries. Inflation is that the general level of prices continuously rise and, as a result of this, that consumers loss their purchasing powers. This case reveals once more the importance of spending behaviors of consumers on country economy. In this context, in the study, in Turkey, in the period of 2003-2016, it was wanted to be studied the effect of consumer behaviors on price variations. The aim of the study is to examine individual credits in Turkey, used by consumer, and its effect on consumer prices. Therefore, in Turkey, individual credits used in quarterly periods, and consumer price index (CPI) were compared via regression analysis. The items of individual credits used in the study were dealt with as independent variables affecting CPI. In the first study carried out, it was identified that individual credits had a positive directional effect on the prices. In addition, Granger causality tests were made and it was seen that there was a causality relationships between two variables.

KEYWORDS Individual Credit; Consumer Price Index; Inflation; Turkish Economy; Regression Analysis; Causality Test