

Uluslar Arasi Emtia Fiyatlarindan İç Fiyatlara Asimetrik Ve Doğrusal Olmayan Fiyat Geçişkenliği: Türkiye İçin Nardl Modeli Bulguları / Asymetric and Nonlinear Pass-Through of International Commodity Prices to Internal Prices: Nardl Model Evidence for Turkey

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A B S T R A C T

The aim of this paper is to measure asymmetric and nonlinear pass-through of international commodity prices to internal prices in the Turkish case. For this purpose, monthly data set of various international commodity prices (oil and food prices) and internal prices (ie. consumer price indices) for the period 2003M02-2015M02 (145 observations) are utilized. The econometric estimation of the study is based on the recently developed NARDL Model. This model offers a proper possibility to simultaneously test the short and long-run nonlinearity through positive and negative “Partial Sum Decompositions” of the international commodity prices to internal prices (ie. consumer price indices). According to our findings, it is concluded that there is a pass-through from international oil and food prices to domestic prices or inflation rate in an asymmetrical sense. The NARDL Model, in hand, also allows us to quantify the respective responses of the internal prices to positive and negative commodity price shocks from the “Asymmetric Dynamic Multipliers”. Hence, domestic inflation rates’ response to international oil and food prices is asymmetrical respectively in 20-month and 15-month periods.

KEYWORDS International commodity price shocks; NARDL Model; asymmetric pass-through

JEL C22, Q40, Q47