

# ICI TURKEY EXPORT CLIMATE INDEX

Istanbul Chamber of Industry

## Export climate improves modestly again in April



### KEY FINDINGS

Signs of improving demand in Europe

Continued strong growth in Middle East

US activity increases at softer pace

### TURKEY MANUFACTURING ECI



#### LAST TWELVE MONTHS

May-18	54.5
Jun-18	54.8
Jul-18	54.3
Aug-18	54.6
Sep-18	53.4
Oct-18	53.0
Nov-18	53.0
Dec-18	52.4
Jan-19	52.0
Feb-19	52.4
Mar-19	52.3
Apr-19	52.2

Demand conditions in Turkish manufacturing export markets continued to improve modestly in April. The Middle East remained a key source of expansion, while there were signs of growth recovering in Europe. On the other hand, demand softened in the US.

The Turkey Manufacturing Export Climate Index is calculated by weighting together national PMI data on output trends from PMI surveys. Weights are derived from statistics on the relative importance of individual trading partners' contributions to the exports of Turkish manufacturers.

The Istanbul Chamber of Industry Turkey Manufacturing Export Climate Index ticked down to 52.2 in April from 52.3 in March, signalling a broadly similar improvement to the export climate for Turkish manufacturers as has been seen during 2019 to-date. The latest strengthening in demand in export markets extended the current period of improvement to six years.

Key European markets showed some signs of growth recovering in April, following a recent soft patch. Germany had recorded the slowest expansion of business activity for 69 months in March, but April saw the rate of growth quicken slightly.

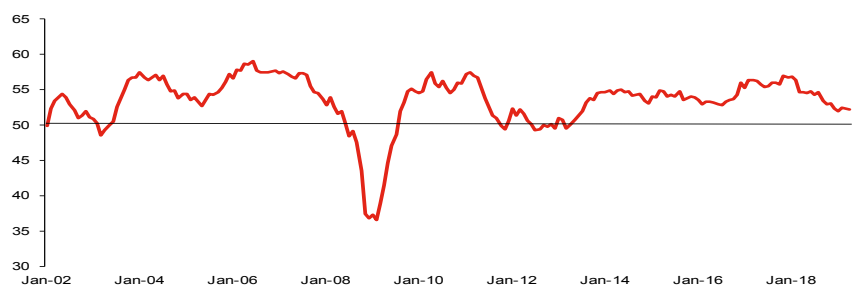
Likewise, the UK posted a marginal improvement in output at the start of the second quarter, following no change in the previous month, and France saw a return to growth.

Areas of continued weakness in Europe included Italy, Poland and the Czech Republic where business activity decreased.

Demand from the US continued to soften in April, with growth of activity easing for the second month running to the weakest in just over two years. As the world's largest economy and one of the main destinations for Turkish manufactured exports, economic trends in the US have a sizeable impact on Turkish export orders. Elsewhere in North America, Ca-

### Manufacturing PMI Export Climate Index

sa, >50= improvement since previous month



Embargoed until: 15 May at 10:00 (Istanbul) / 07:00 (UTC)



nada posted the first fall in manufacturing production since October 2016.

The Middle East remained a key area of strength. Both the UAE and Saudi Arabia posted substantial increases in non-oil business activity that were faster than in March. Meanwhile, Egypt registered a return to growth for the first time in almost a year-and-a-half.

All four BRIC nations recorded improvements in demand conditions during April. Of these, the largest contribution to Turkish manufacturing exports comes from Russia, where output continued to rise solidly.

### Comment

Commenting on the Istanbul Chamber of Industry Turkey Manufacturing Export Climate Index, Andrew Harker, Associate Director, IHS Markit, said:

“Turkish exporters will have been relieved to see a number of European trading partners arrest recent slowdowns in April, and will hope that the soft-patch seen over the opening quarter is soon a thing of the past.

“Less positive was a further slowdown in growth in the US, with the potential implications weakness in the world’s largest economy has for global trade flows.”

### For further information, please contact:

#### Istanbul Chamber of Industry

Nesrin Akçay, Economic Research and Corporate Finance Department Mng.

Telephone +90 212 252 29 00 Ext: 180

Email: nakcay@iso.org.tr

### Country rankings

PMI Output Index (ordered by export weight in full-year 2018)  
sa, >50= growth since previous month



#### IHS Markit

Andrew Harker, Associate Director

Telephone +44 1491 461 016

Email: andrew.harker@ihsmarkit.com



## About Export Climate Index

The Export Climate PMI indices are calculated by weighting together national PMI survey data on output trends. Weights are derived from official statistics relating to the relative importance of individual trading partners' contributions to the external trade of a specific country. By weighting together the output trends from national PMI surveys according to their importance to the external trade of Turkish manufacturers, an advance indicator for the economic health of their export markets is obtained. All data are seasonally adjusted.

Any reading above the 50.0 no-change mark indicates an improvement in the health of the export climate, with any reading below 50.0 signalling a deterioration. The further away from 50.0 the index reading is, the greater the change in the export climate.

## About Istanbul Chamber of Industry

Driving strength from her members' contributions to Turkish economy and since her foundation in 1952, Istanbul Chamber of Industry (ICI) stands out as Turkey's largest chamber of industry and one of the most powerful representatives of Turkish industry. The added value generated by ICI members represents more than 40% of the total added value propagated by Turkish industry. ICI members actualize approximately 35% of production of Turkish industry. 36% of Turkey's Top 500 Industrial Enterprises consists of ICI members.

ICI promotes the sustainable development of Turkish industry and contributes the improvement of her competitiveness via offering innovative services to her members. For this purpose, she develops new projects and services to the use of industrialists in crucial fields such as; innovation, technology development, university-industry cooperation, vocational training, international relations, environment and energy with local and international partnerships.

Generating and conducting economic researches together with gathering data, ICI holds the widest knowledge on Istanbul industry whilst giving direction to Turkish industrialists and providing intense contribution for shaping economic and industrial policies.

## About IHS Markit

IHS Markit (Nasdaq: INFO) is a world leader in critical information, analytics and solutions for the major industries and markets that drive economies worldwide. The company delivers next-generation information, analytics and solutions to customers in business, finance and government, improving their operational efficiency and providing deep insights that lead to well-informed, confident decisions. IHS Markit has more than 50,000 business and government customers, including 80 percent of the Fortune Global 500 and the world's leading financial institutions.

IHS Markit is a registered trademark of IHS Markit Ltd. and/or its affiliates. All other company and product names may be trademarks of their respective owners © 2019 IHS Markit Ltd. All rights reserved.

**The intellectual property rights to the Istanbul Chamber of Industry Turkey Export Climate Index provided herein are owned by or licensed to IHS Markit. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without IHS Markit's prior consent. IHS Markit shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall IHS Markit be liable for any special, incidental, or consequential damages, arising out of the use of the data. Purchasing Managers' Index™ and PMI® are either registered trade marks of Markit Economics Limited or licensed to Markit Economics Limited. Istanbul Chamber of Industry uses the above marks under license. IHS Markit is a registered trademark of IHS Markit Ltd.**