

ICI TURKEY EXPORT CLIMATE INDEX

Istanbul Chamber of Industry

Demand conditions in export markets improve markedly again

KEY FINDINGS

Export Climate Index remains at 54.7 in October

Strong expansions in US and Middle East

Weaker growth in some parts of Europe

TURKEY MANUFACTURING ECI



LAST TWELVE MONTHS

Nov-20	48.9
Dec-20	50.5
Jan-21	49.9
Feb-21	51.5
Mar-21	54.7
Apr-21	56.0
May-21	58.4
Jun-21	58.5
Jul-21	57.7
Aug-21	55.9
Sep-21	54.7
Oct-21	54.7

The export climate for Turkish manufacturers continued to improve markedly at the start of the final quarter of the year, as strong growth of activity in the Middle East and US compensated for signs of a slowdown in Europe. Meanwhile, the negative effects of the latest wave of the COVID-19 pandemic across the Asia-Pacific region waned.

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 remained at 54.7 in October, thereby signalling a further marked improvement in demand conditions for Turkish manufacturing exporters, albeit one that was the joint-softest since February.

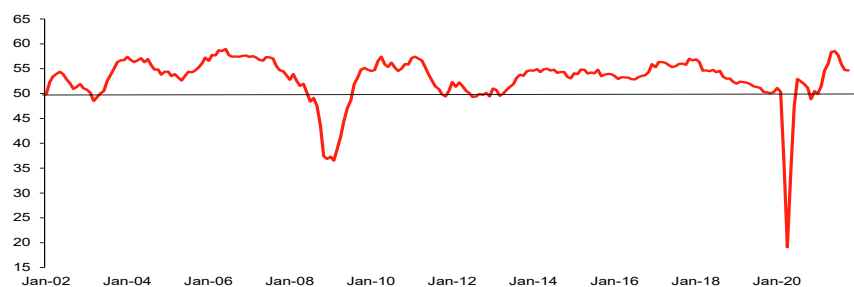
The world's largest economy - the US - recorded a sharp increase in business activity in October, and one that was the fastest in three months.

Marked expansions were also often seen in the Middle East at the start of the final quarter. The UAE posted the strongest rise in non-oil output since July 2019, while the expansion in Saudi Arabia was the fastest in almost four years. Moreover, Qatar posted the sharpest rise in activity of all the countries covered in October. On a less positive note, further reductions in demand were seen in Egypt and Lebanon.

The generally strong growth picture in the US and Middle East compensated for signs of expansions moderating in Europe as severe supply-chain disruption limited rates of increase. Slower rises in activity were seen in Germany, France, Italy and Spain. The rate of growth in Germany was the softest since February, while France, Italy and Spain each recorded the slowest expansion since April.

Manufacturing PMI Export Climate Index

sa, %50=improvement since previous month



In contrast, the UK and Netherlands bucked this trend and registered sharper increases in output than in September.

After suffering during the third quarter of the year due to outbreaks of the COVID-19 pandemic, there were signs of recovery in the Asia-Pacific region in October. Australia, Malaysia, Japan and Vietnam all saw activity return to growth, while Mainland China posted a rise in output for the second month running.

Across the other BRIC economies, a strong improvement in demand was registered in India, while Brazil saw output rise solidly. Russia on the other hand, posted a slight reduction in activity for the second time in the past three months.

Comment

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

“While the unprecedented bout of supply-chain disruption makes exporting goods around the world more difficult, the latest data show that underlying demand conditions at least remain conducive to growth. There have been some signs of a slowdown in Europe in recent months, but the baton has been taken up by parts of the Middle East which are growing strongly, while the US saw output rise at the fastest pace in three months during October.”

For further information, please contact:

Istanbul Chamber of Industry

Nesrin Akçay, Economic Research and Corporate Finance Department Mng.

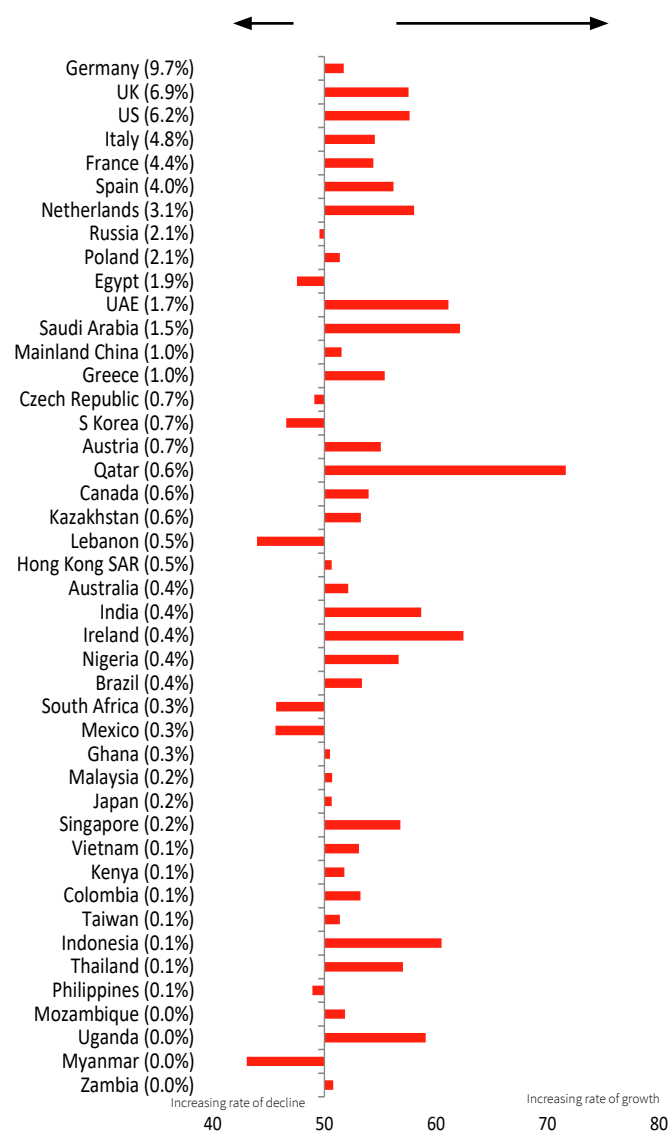
Telephone +90 212 252 29 00 Ext: 180

Email: nakcay@iso.org.tr

Country rankings

PMI Output Index (ordered by export weight in full-year 2020)

sa, >50= growth since previous month



Sources: ICI, IHS Markit

IHS Markit

Andrew Harker, Economics 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 (NYSE: 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 © 2021 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.