

ICI TÜRKIYE EXPORT CLIMATE INDEX

Istanbul Chamber of Industry

Strongest improvement in export climate in six months

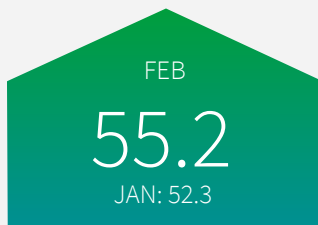
KEY FINDINGS

Export Climate Index rises to 55.2 in February

Omicron wave subsides in key export markets

Parts of Asia still under pressure from COVID-19 disruption

TÜRKIYE MANUFACTURING ECI



LAST TWELVE MONTHS

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
Nov-21	55.1
Dec-21	53.9
Jan-22	52.3
Feb-22	55.2

Demand conditions in export markets showed signs of improvement in February as the Omicron wave of the COVID-19 pandemic eased across a number of key export destinations for Turkish manufacturers.

The Türkiye 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 Türkiye Manufacturing Export Climate Index rose to 55.2 in February from 52.3 in January to signal a marked improvement in the demand climate for Turkish manufacturing exporters, and one that was the strongest since last August.

The main factor behind the more marked improvement in demand conditions in February was the passing of the Omicron

wave in a number of key export markets. In fact, each of the top six export destinations for Turkish manufactured products saw output trends improve midway through the first quarter amid reduced COVID-19 disruption.

Germany continued to see activity recover following the decline recorded at the end of last year, with output up markedly in February. Elsewhere in the eurozone, France and Italy saw growth pick up from January, while Spain signalled a strong rebound in output following a decline at the start of the year.

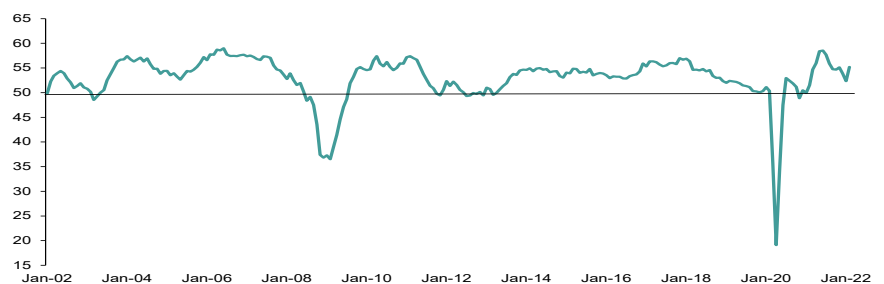
After the rate of expansion in activity in the US had softened to a one-and-a-half year low in January, growth picked up in February.

The UK posted a strong acceleration in the rate of increase in February, with output rising at the sharpest pace in eight months.

The main export market for Turkish manufacturers in the Middle East - the

Manufacturing PMI Export Climate Index

sa, >50= improvement since previous month



UAE - also saw growth improve, with non-oil activity now having risen sharply for a sustained period. Meanwhile, Qatar posted the strongest increase in output of all the countries covered by the report. Less positive were continued reductions in activity in Egypt and Lebanon.

Although the Omicron wave of the pandemic subsided in a number of key export destinations, other parts of the world experienced disruption as a result of the spread of the virus, primarily in Asia. Hong Kong SAR was particularly affected, posting a sharp reduction in activity that was the most marked of all those covered.

Meanwhile, output in Mainland China was broadly unchanged for the second month running and Japan posted the fastest decline in activity since August last year.

Comment

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

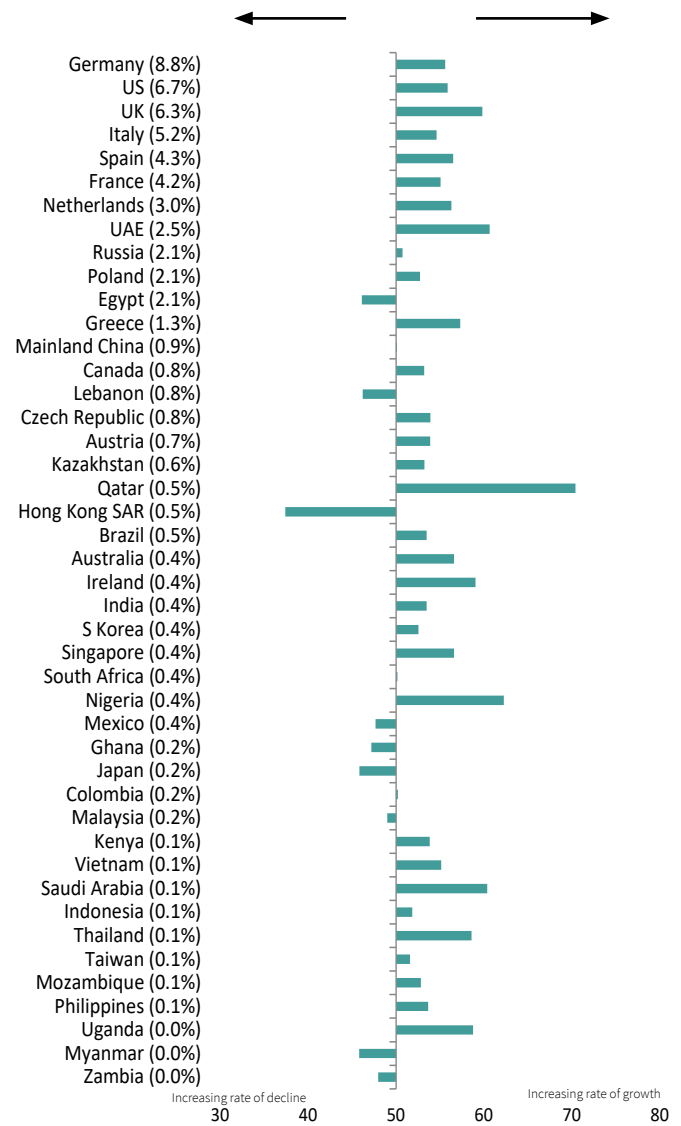
“The lessening impact of the Omicron wave, particularly in key export markets, gave Turkish manufacturing exporters a boost in February. Hopes are growing that the era of disruption caused by the pandemic is coming to an end. However, the conflict in Ukraine poses a renewed threat to business, with the impact on international demand still to be seen.”

**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 2021)
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 Türkiye'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 Türkiye'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 © 2022 IHS Markit Ltd. All rights reserved.

The intellectual property rights to the Istanbul Chamber of Industry Türkiye 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.