



REPUBLIC OF TÜRKİYE
MINISTRY OF TRADE



TÜRKİYE
CENTURY



THE 100TH ANNIVERSARY OF THE REPUBLIC OF TÜRKİYE

ECONOMIC OUTLOOK

August 2024

Last Updated: September 07, 2024

Note: The data, opinions, and assessments presented in this report do not constitute a commitment towards any individual, institution, or organization, and are solely for informational purposes.

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A- MACROECONOMIC DEVELOPMENTS

MACROECONOMIC DEVELOPMENTS

Main Economic Indicators

	2015	2016	2017	2018	2019	2020	2021	2022	2023
GDP Growth, 2009 Prices, %	6.1	3.3	7.5	3	0.8	1.9	11.4	5.5	5.1
GDP, at Current Prices, Billion TL	2,351	2,627	3,134	3,761	4,318	5,049	7,256	15,012	26,546
GDP, at Current Prices, Billion USD	867	869	859	798	760	717	808	906	1,130
Population, Thousand People, Mid-Year	78,218	79,278	80,313	81,407	82,579	83,385	84,147	85,280	85,326
GDP Per Capita, at Current Prices, USD	11,085	10,964	10,696	9,799	9,208	8,600	9,601	10,659	13,243
Export (GTS, F.O.B.), Billion USD	151.0	149.2	164.5	177.2	180.8	169.6	225.2	254.2	255.6
Export (GTS)/GDP, %	17.4	17.2	19.1	22.2	23.8	23.7	27.9	28.1	22.6
Import (GTS, C.I.F.), Billion USD	213.6	202.2	238.7	231.2	210.3	219.5	271.4	363.7	362.0
Import (GTS)/GDP, %	24.6	23.3	27.8	29.0	27.7	30.6	33.6	40.2	32.0
Export/Import Ratio (% , GTS)	70.7	73.8	68.9	76.6	86.0	77.3	83	69.9	70.6
Travel Income, Billion USD	33.2	23.8	28.1	32.1	38.8	14.2	27.9	45.4	49.5
Foreign Direct Investment, Billion USD	19.3	13.8	11.2	12.5	9.5	7.7	12.9	13.7	10.6
Current Account Balance/GDP, %	-2.5	-2.6	-4.1	-1.8	2.0	-4.3	-0.8	-5.1	-4.0
Labor Force Participation Rate, %	51.3	52.0	52.8	53.2	53.0	49.3	51.4	53.1	53.3
Unemployment Rate, %	10.3	10.9	10.9	11.0	13.7	13.2	12.0	10.4	9.4
Employment Rate, %	46.0	46.3	47.1	47.4	45.7	42.8	45.2	47.5	48.3
CPI (2003=100), Annual Average, %	7.7	7.8	11.1	16.3	15.2	12.3	19.6	72.3	53.9

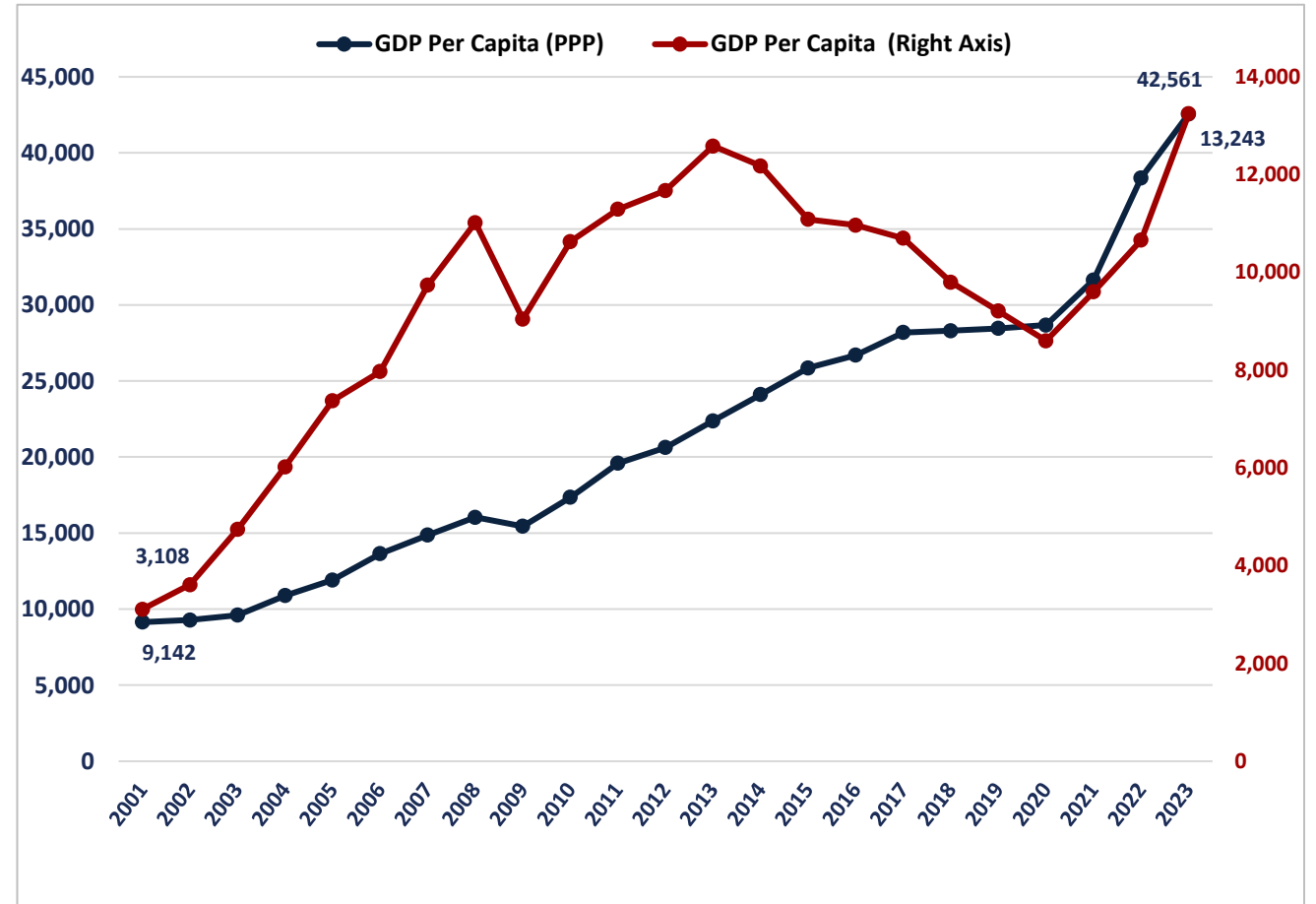
Source: TURKSTAT, CBRT

MACROECONOMIC DEVELOPMENTS

GDP Per Capita

- GDP per capita increased by 3.6 times in 2023 compared to 2002, from USD 3,608 to USD 13,243.
- In Purchasing Power Parity (PPP) terms, GDP per capita exceeded USD 42,561 in 2023.

GDP Per Capita, USD



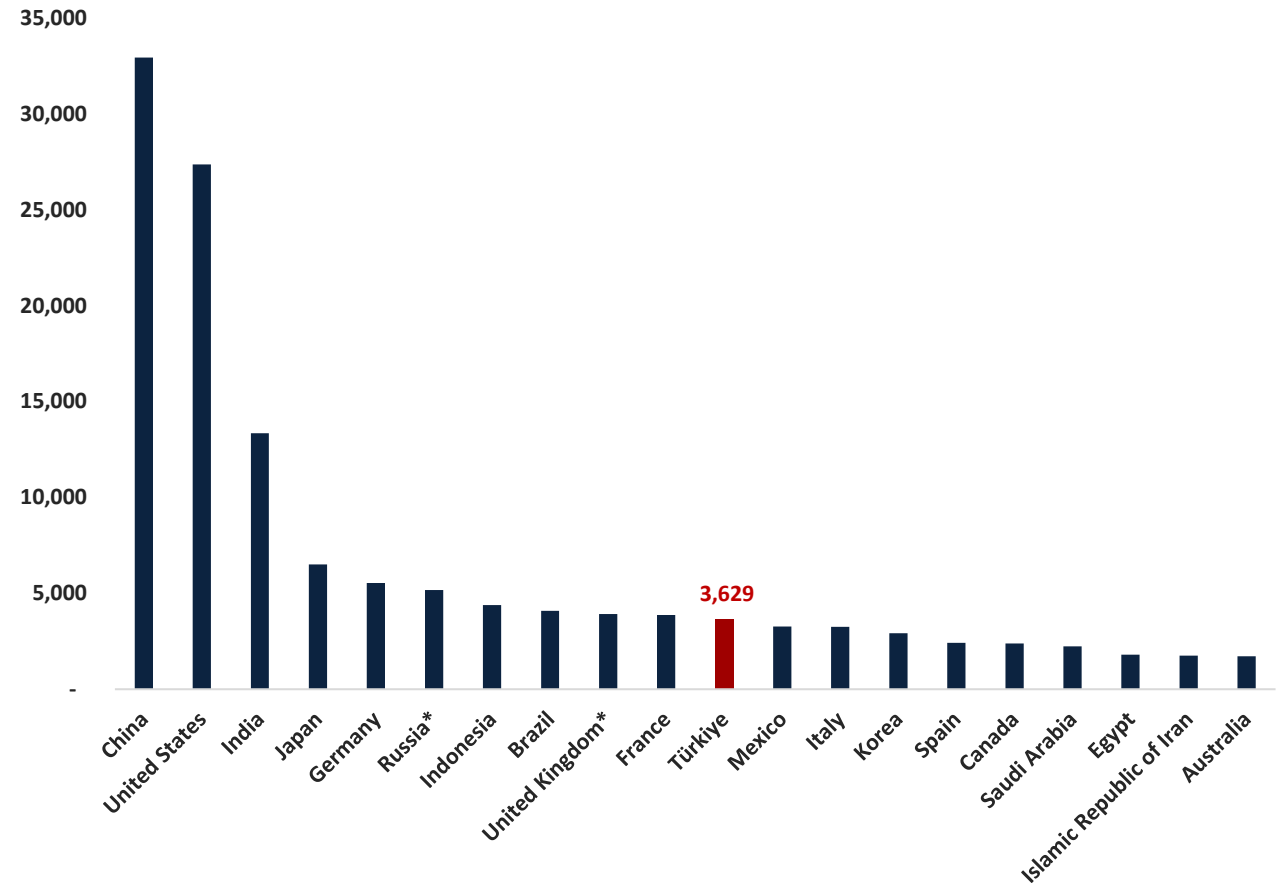
Source: TURKSTAT, PPP (2022)

MACROECONOMIC DEVELOPMENTS

Top 20 Economies

- In 2023, Türkiye ranked as the 11th largest economy in the world and the 4th in Europe according to Purchasing Power Parity GDP figures.

Top 20 Economies (Purchasing Power Parity (PPP))



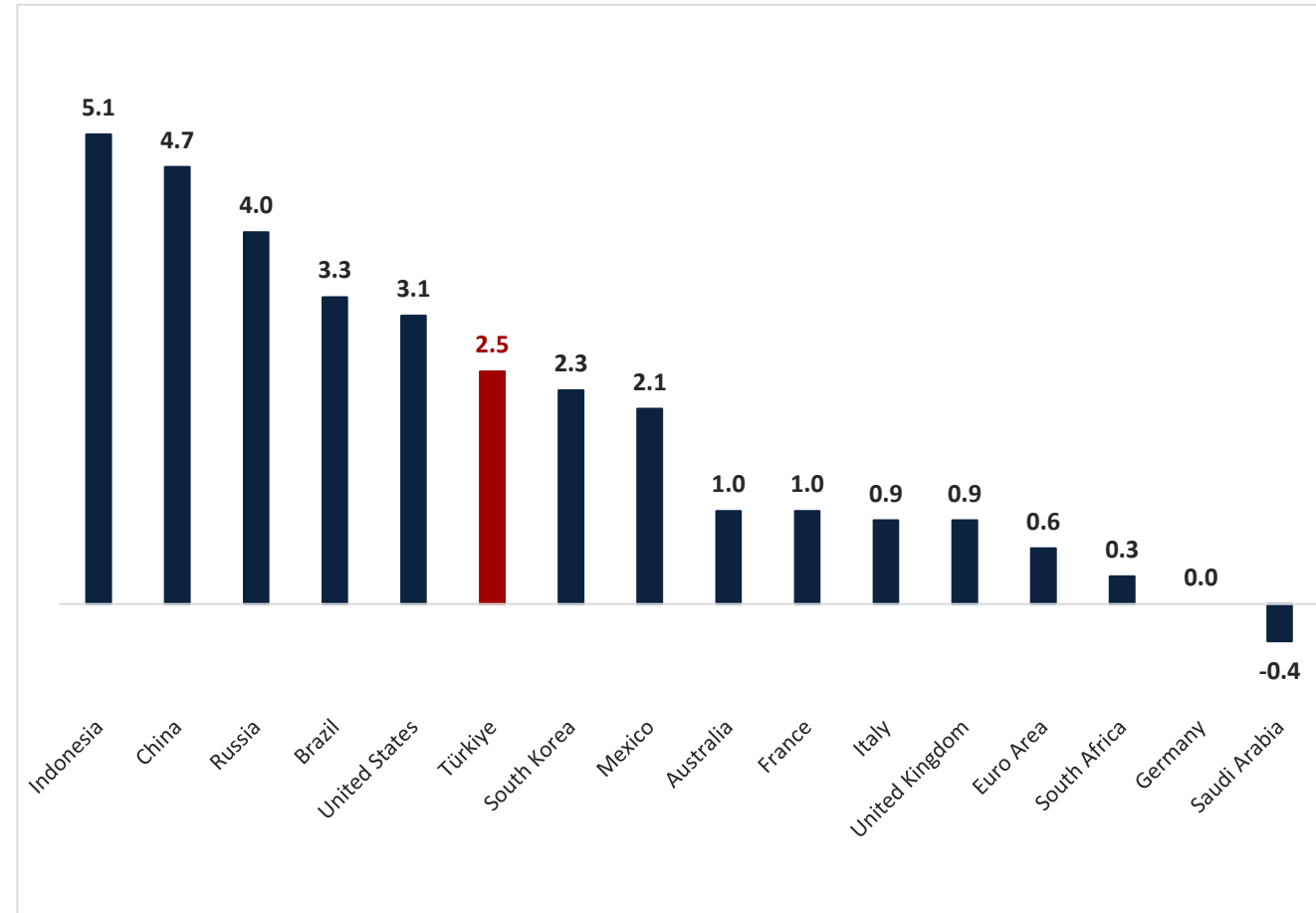
Source: IMF
*2022 Data.

MACROECONOMIC DEVELOPMENTS

GDP Growth of G20 Countries

- The Turkish economy grew by 2.5% in the second quarter of 2024.

GDP Changes (%) for G20 Countries with Announced Data (2024 Q2)



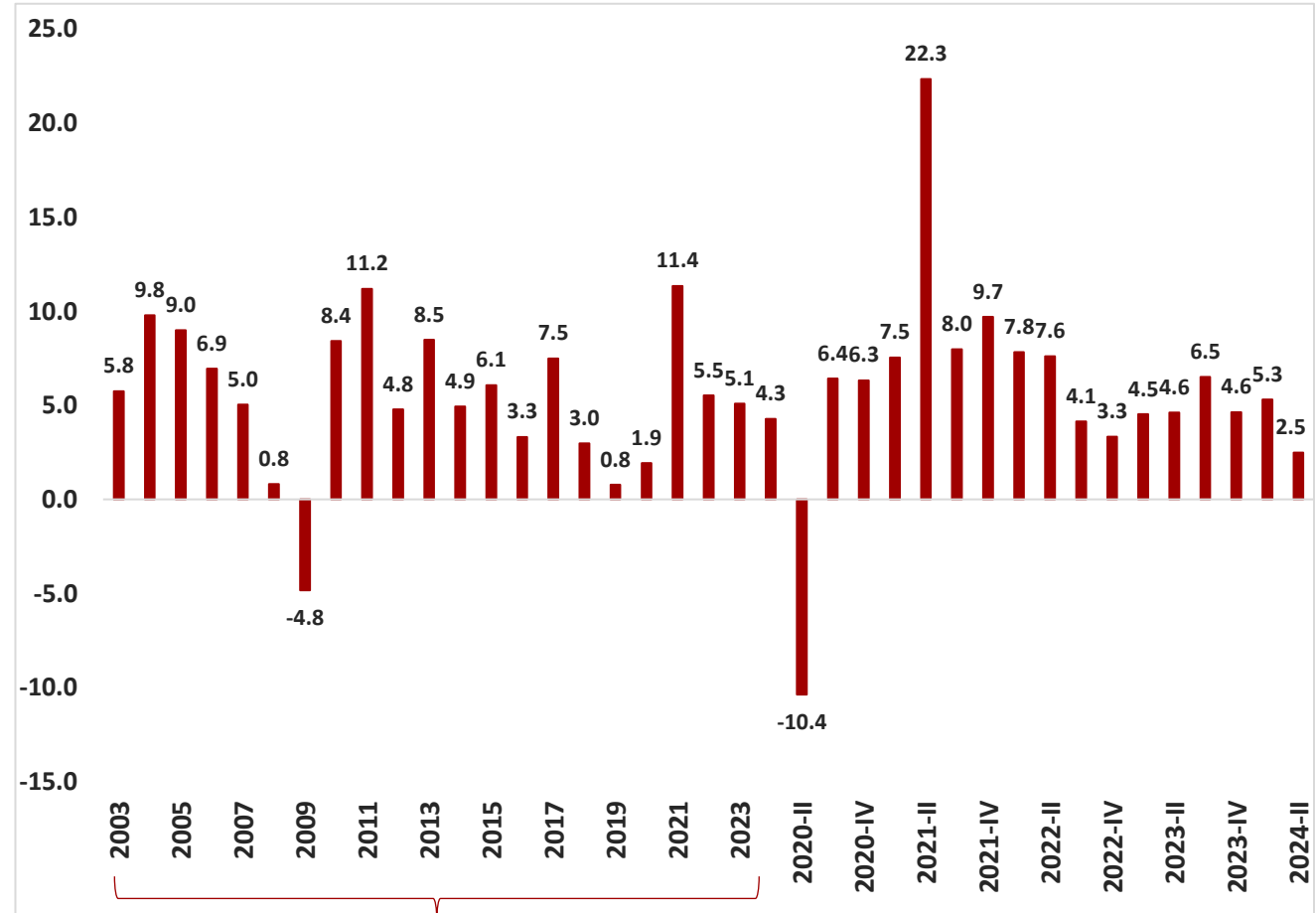
Source: S&P Global, EIU, Bureau of Economic Analysis, Eurostat

MACROECONOMIC DEVELOPMENTS

Quarterly GDP Growth Rates

- The Turkish economy grew by 2.5% in the second quarter of 2024.
- In the 2003-2023 period, the annual average growth rate of Türkiye was 5.4%.

Real GDP Growth Rates (%)



Source: TURKSTAT

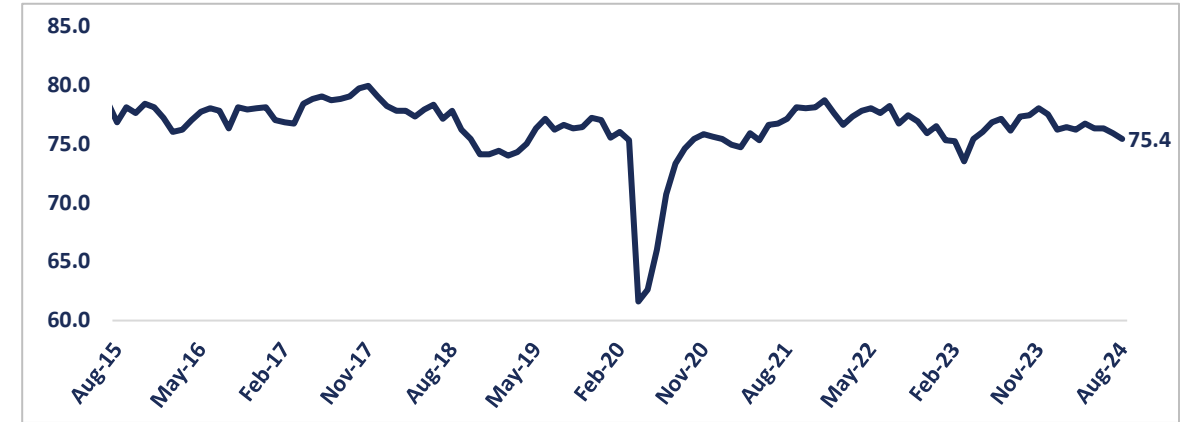
Annual Increases

MACROECONOMIC DEVELOPMENTS

Industrial Production

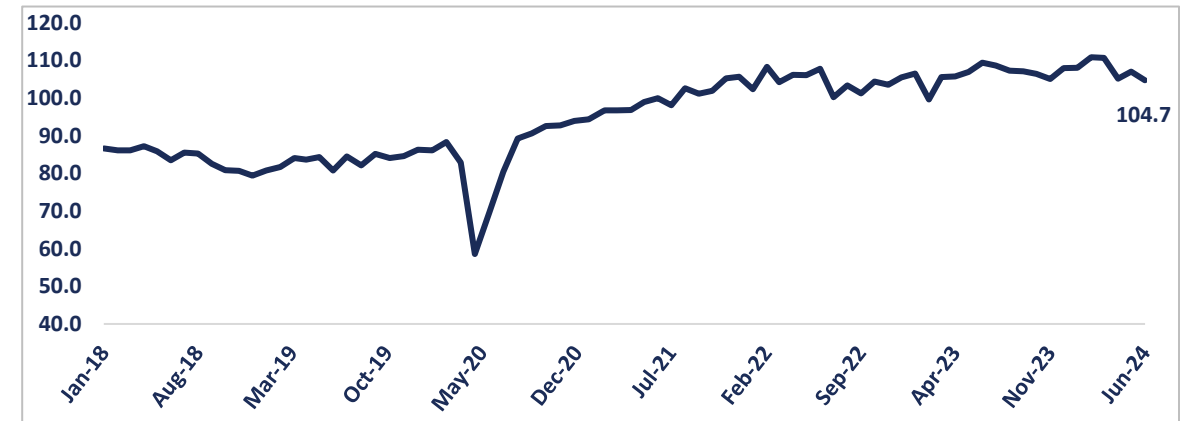
- In August 2024, the capacity utilization rate decreased by 0.7 points on annual basis and by 0.5 points on monthly basis reaching 75.4%.
- In June 2024, seasonally adjusted industrial production index decreased by 2.1% compared to the previous month and calendar adjusted industrial production index decreased by 4.7% compared to the same month of the previous year.

Capacity Utilization Rate in Manufacturing Industry (%)



Source: CBRT

Industrial Production Index (2021=100)*



Source: TURKSTAT, *Seasonally and Calendar Adjusted Index (2021=100)

MACROECONOMIC DEVELOPMENTS

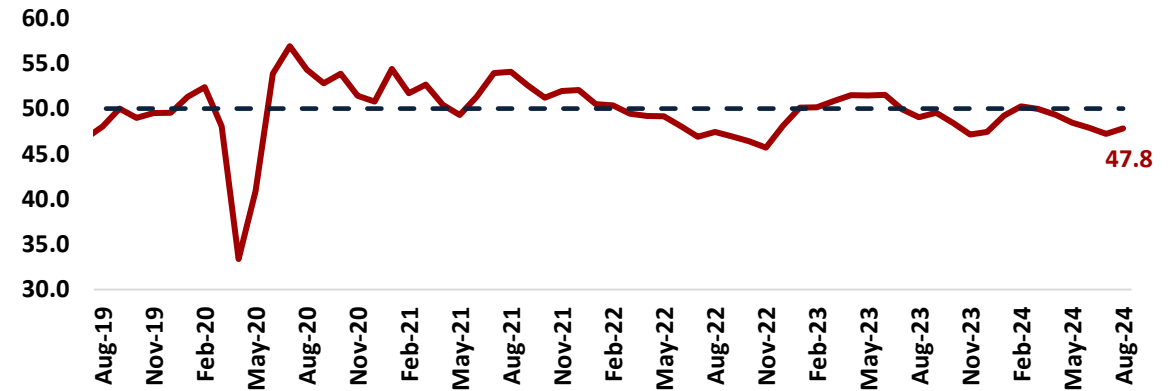
Purchasing Managers' Index (PMI)

- In August 2024, the PMI was recorded at 47.8.

- In August 2024, the New Export Orders Index was recorded at 50.5.

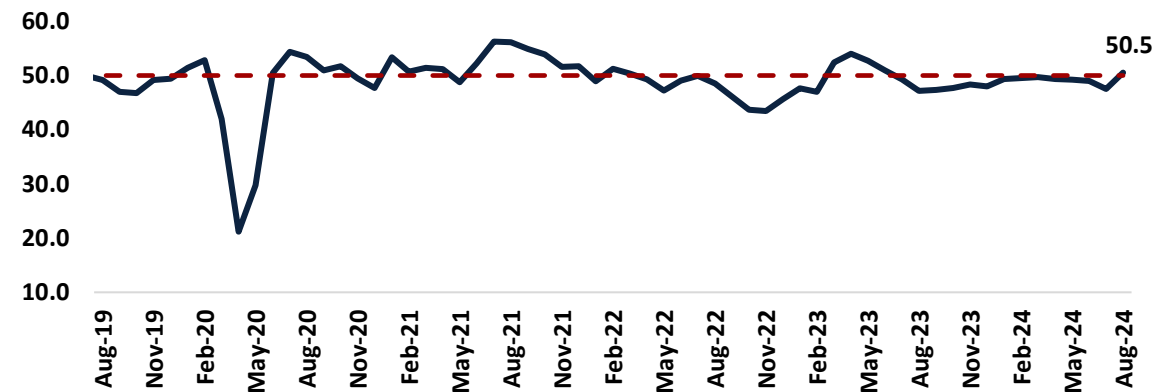
Note: The indexes measured above 50 indicates an increase, the indexes measured below 50 indicates a decline.

Purchasing Managers' Index (PMI)*



Source: S&P Global

New Export Orders Index*

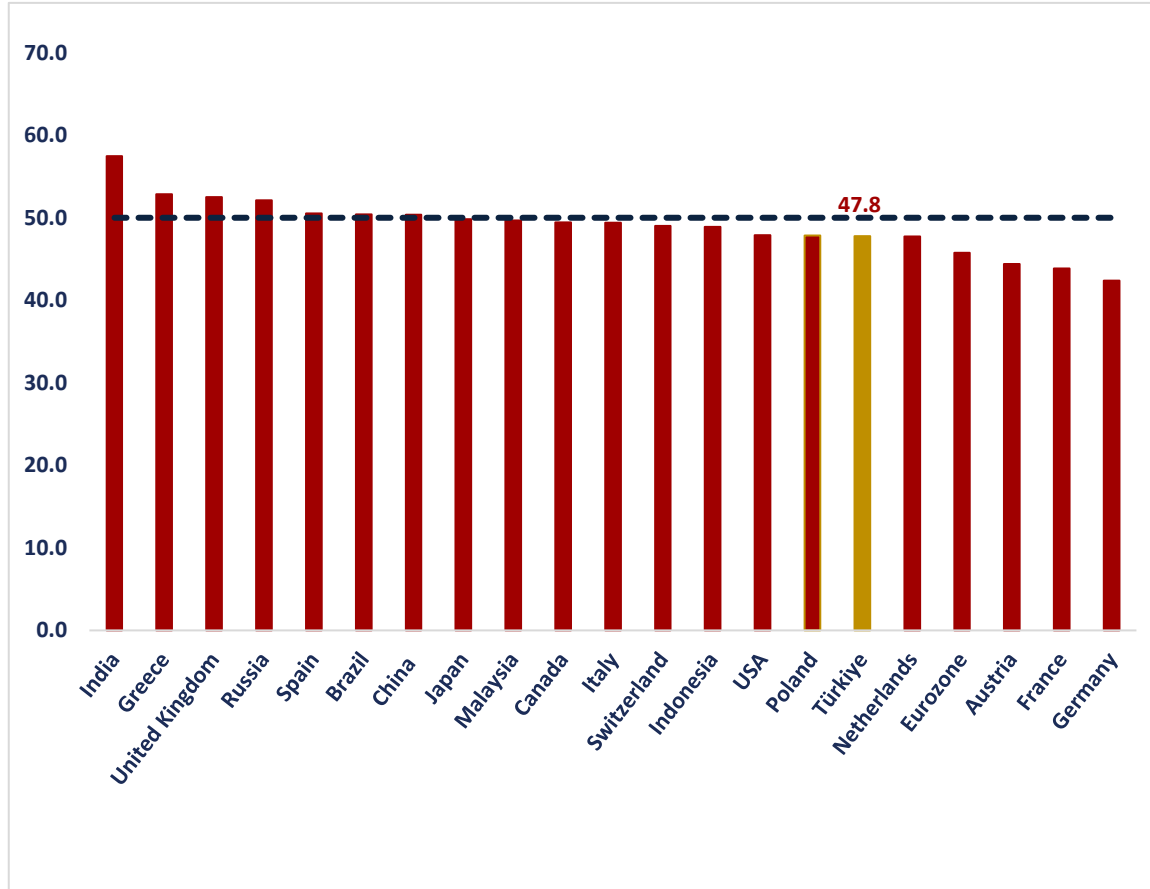


Source: S&P Global

MACROECONOMIC DEVELOPMENTS

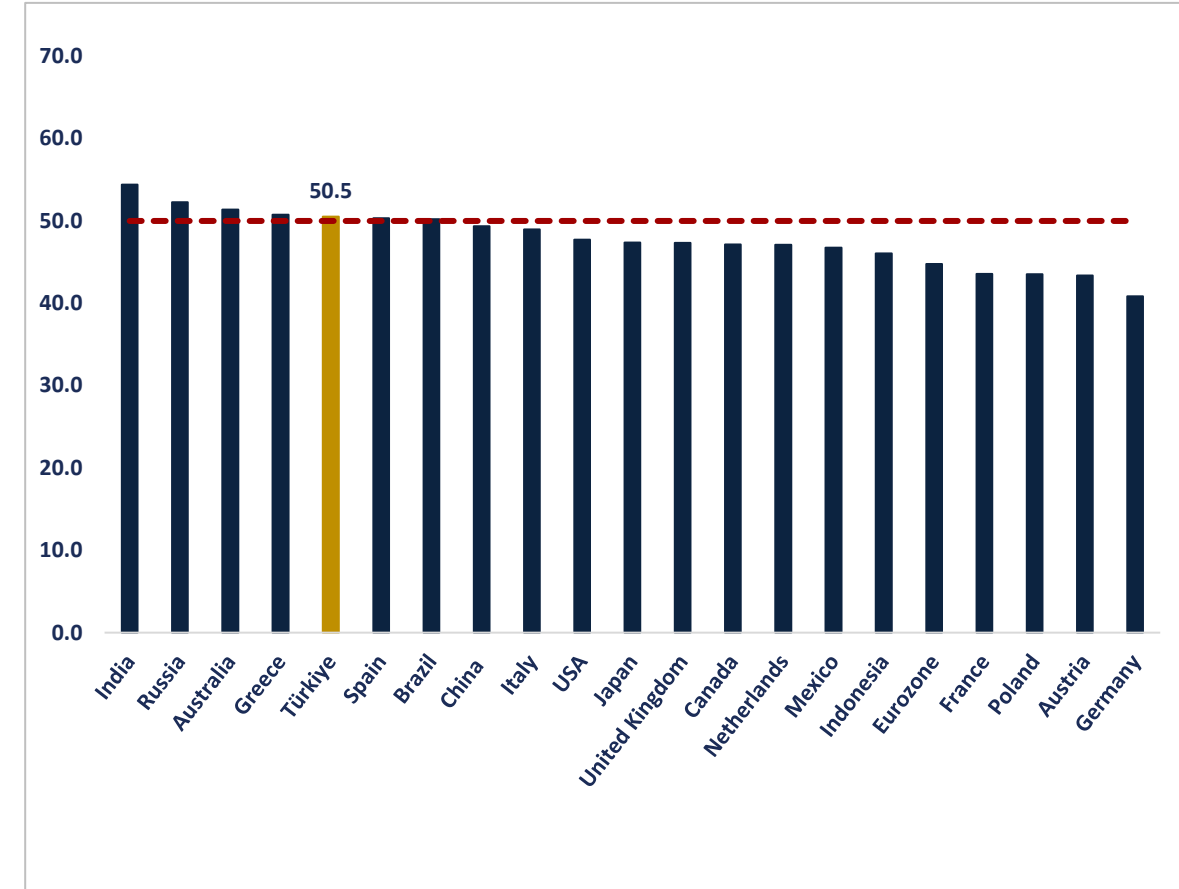
Purchasing Managers' Index (PMI)

PMI Index*, August 2024



Source: S&P Global

New Export Orders Index*, August 2024



Source: S&P Global

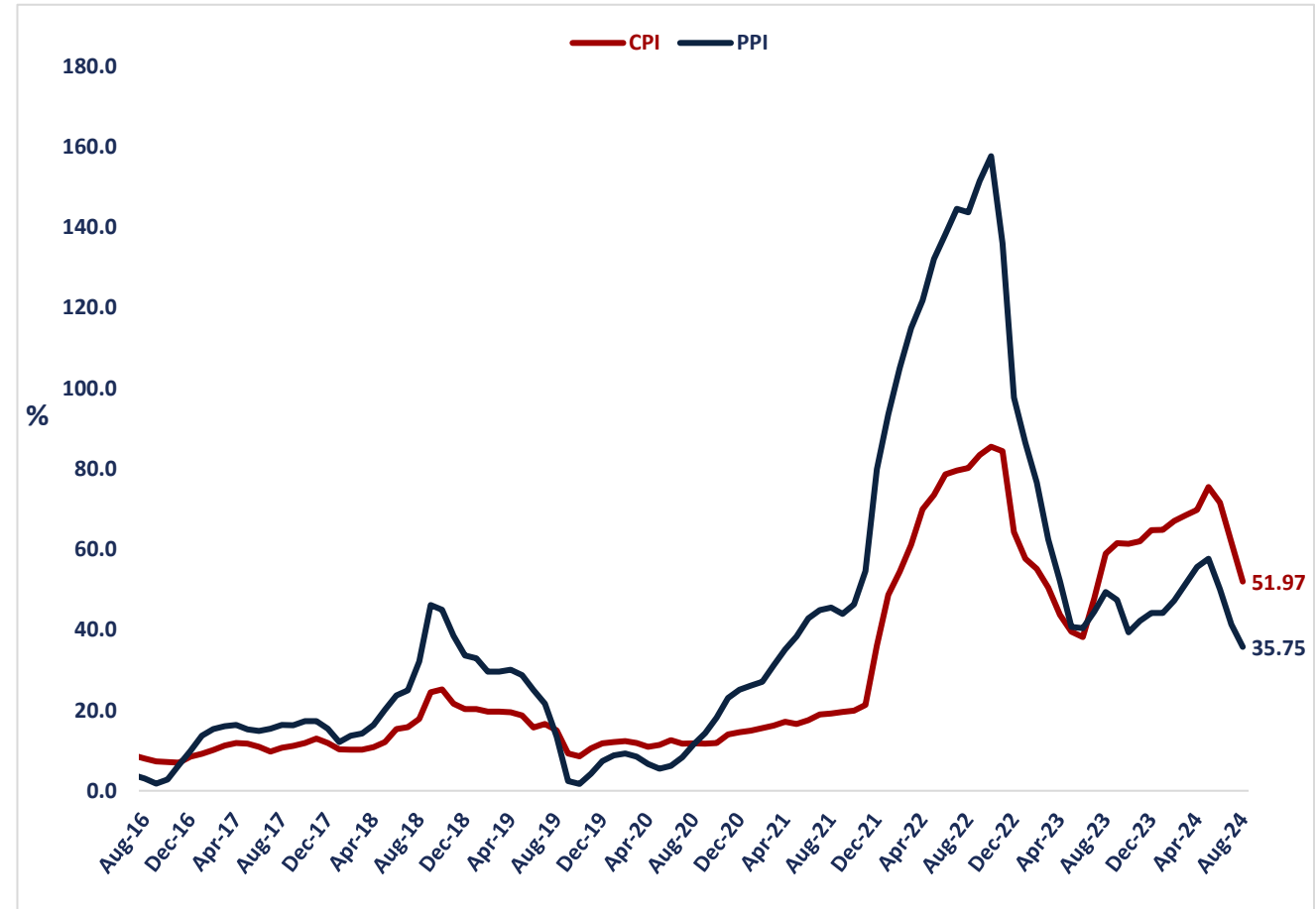
*The indexes measured above 50 indicates an increase, the indexes measured below 50 indicates a decline. Seasonally Adjusted Series.

MACROECONOMIC DEVELOPMENTS

Annual Inflation

- In August 2024, Consumer Price Index (CPI) inflation was 51.97% and Producer Price Index (PPI) inflation was 35.75%.

Price Indices (YoY, %)



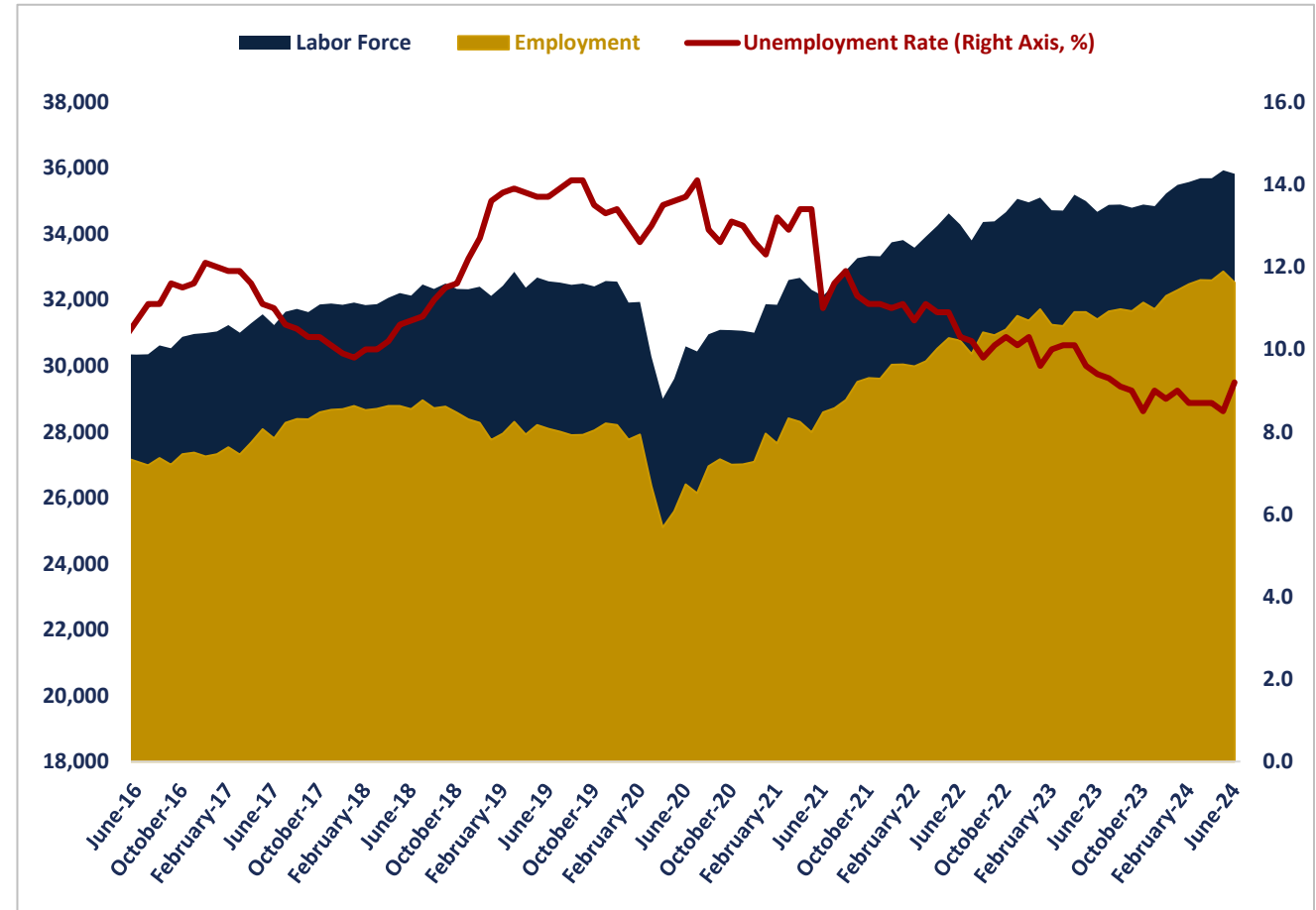
Source: TURKSTAT

MACROECONOMIC DEVELOPMENTS

Labor Market

- Seasonally adjusted unemployment rate was 9.2% in June 2024.
- In July 2024, the seasonally adjusted unemployment rate was 4.3% in the US, 6.4% in the Euro Area, 3.4% in Germany, 7.5% in France and 6.5% in Italy.
- In June 2024, the number of employed persons decreased by 341 thousand to 32 million 522 thousand people and the employment rate decreased by 0.6 percentage points to 49.3%.

Developments in Turkish Labor Market (Thousands)*



Source: TURKSTAT

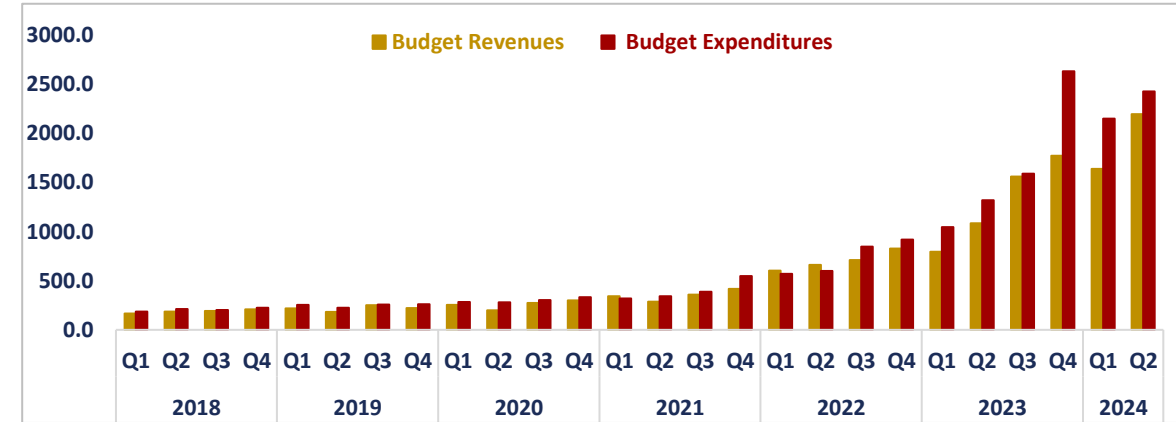
*Seasonally Adjusted Series

MACROECONOMIC DEVELOPMENTS

Central Government Budget

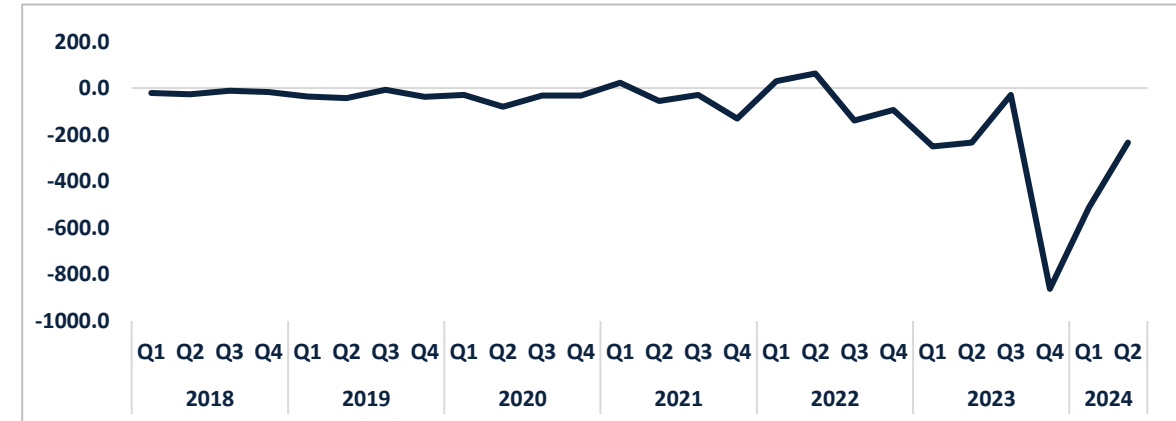
- In July 2024, central government budget revenues were 730.9 billion TL, budget expenditures were 827.7 billion TL, and the budget deficit was 96.8 billion.
- In the second quarter of 2024, central government budget expenditures totaled 2,427.9 billion TL, with revenues at 2,194.2 billion TL, leading to a budget deficit of 233.7 billion TL.

Central Government Budget Realizations (Billion TL)



Source: Ministry of Treasury and Finance

Central Government Budget Balance (Billion TL)



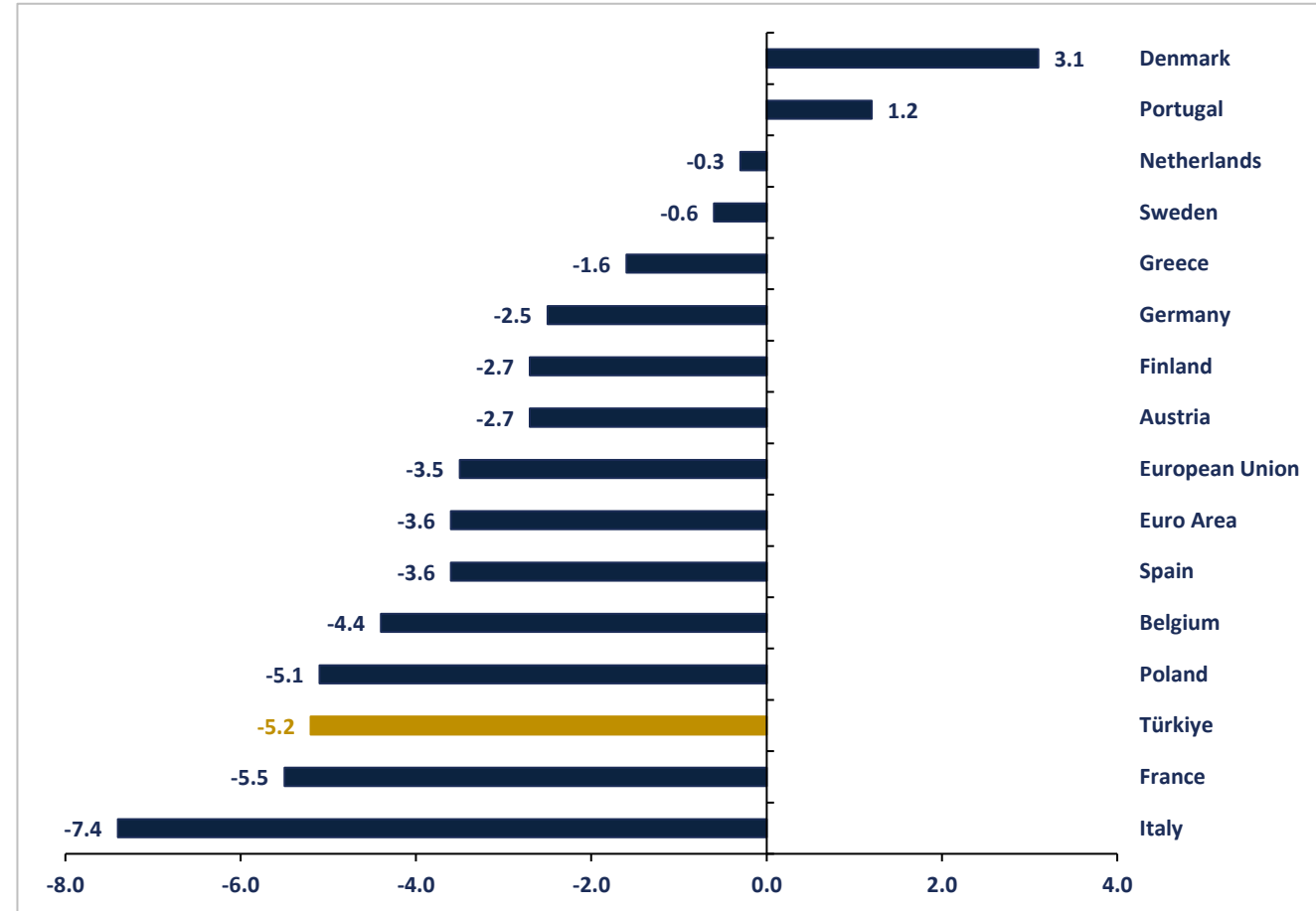
Source: Ministry of Treasury and Finance

MACROECONOMIC DEVELOPMENTS

Central Government Budget Balance

- The ratio of Türkiye's Central Government Budget Balance to GDP realized as -5.2% in 2023.

Central Government Budget Balance / GDP (%), 2023



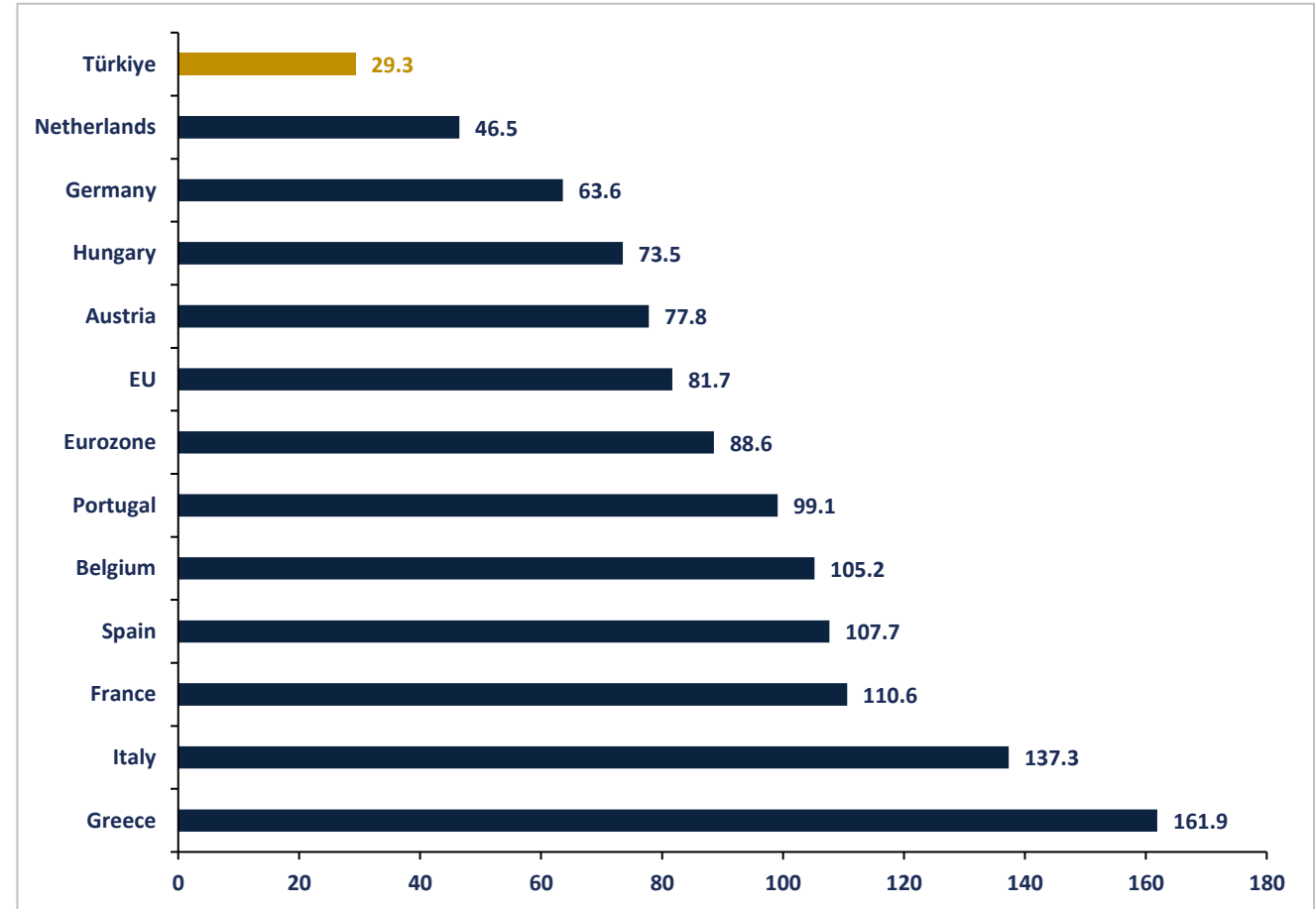
Source: Ministry of Treasury and Finance, Eurostat

MACROECONOMIC DEVELOPMENTS

General Government Debt Stock / GDP

- The ratio of Türkiye's EU-defined General Government Debt Stock to GDP was 29.3% in 2023, well below the Maastricht Criterion of 60%.

General Government Debt Stock / GDP (%), 2023



Source: Ministry of Treasury and Finance, Eurostat

MACROECONOMIC DEVELOPMENTS

Balance of Payments

- In June 2024, the current account surplus decreased by USD 361 million year-on-year to USD 407 million.

Balance of Payments

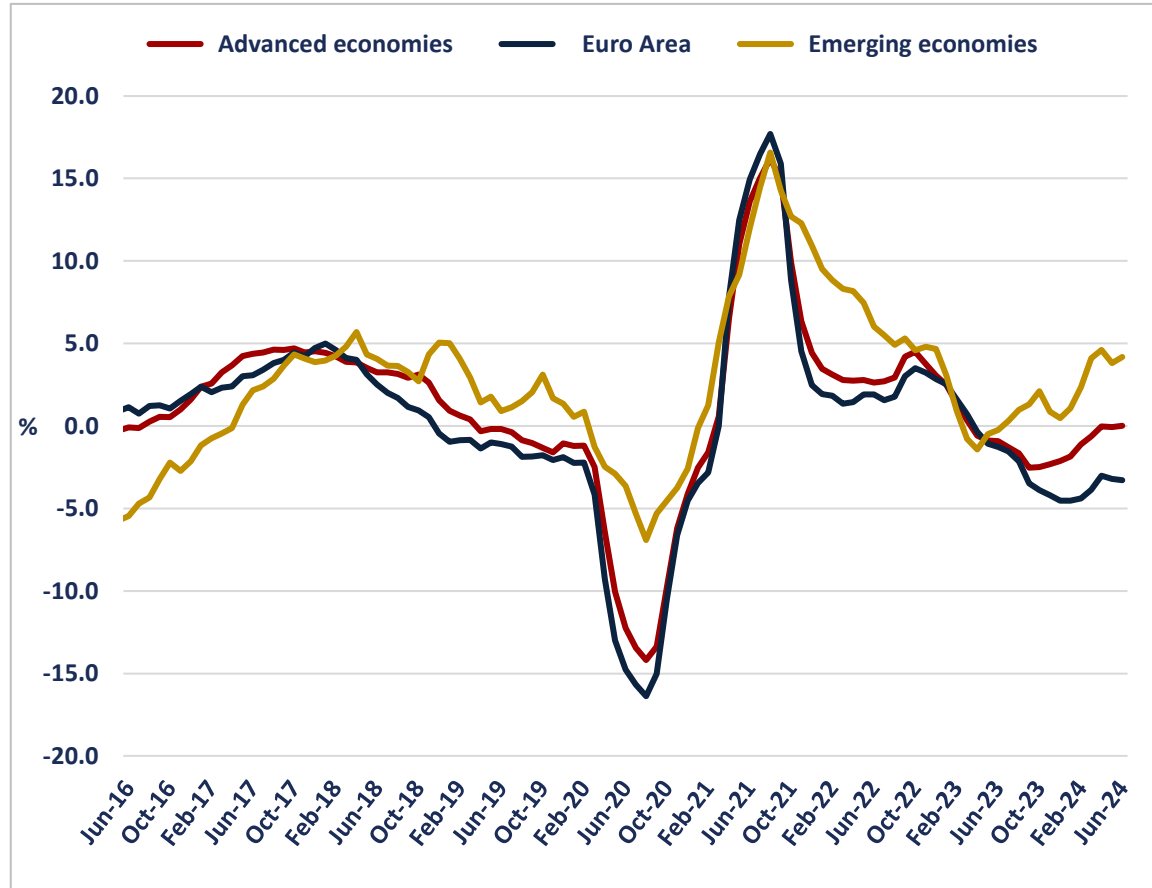
Million USD	June			January-June		
	2023	2024	Difference	2023	2024	Difference
I- CURRENT ACCOUNT	768	407	-361	-36,670	-16,494	20,176
A. BALANCE ON GOODS	-3,839	-4,139	-300	-50,982	-30,485	20,497
B. BALANCE ON SERVICES	5,205	5,603	398	20,021	21,401	1,380
C. BALANCE ON PRIMARY INCOME	-788	-1,055	-267	-5,986	-7,368	-1,382
D. BALANCE ON SECONDARY INCOME	190	-2	-192	277	-42	-319
II- CAPITAL ACCOUNT	-13	-6	7	-85	-28	57
III- FINANCIAL ACCOUNT	7,714	1,176	-6,538	-45,045	-27,994	17,051
Direct Investment	-132	-447	-315	-2,253	-1,968	285
Net Acquisition of Financial Assets	300	395	95	2,689	2,724	35
Net Incurrence of Liabilities	432	842	410	4,942	4,692	-250
Equity Capital	132	554	422	2,306	2,403	97
Inflow	164	561	397	2,458	2,846	388
Outflow	32	7	-25	152	443	291
Other Capital (Net)	81	190	109	459	754	295
Real Estate (Net)	219	98	-121	2,177	1,535	-642
Portfolio Investment	-1,836	-591	1,245	1,111	-12,208	-13,319
Other Investment	-1,518	972	2,490	-17,370	-7,543	9,827
Reserve Assets	11,200	1,242	-9,958	-26,533	-6,275	20,258
IV- NET ERRORS AND OMISSIONS	6,959	775	-6,184	-8,290	-11,472	-3,182

Source: CBRT

MACROECONOMIC DEVELOPMENTS

Developments in Global Trade Volume Indices*

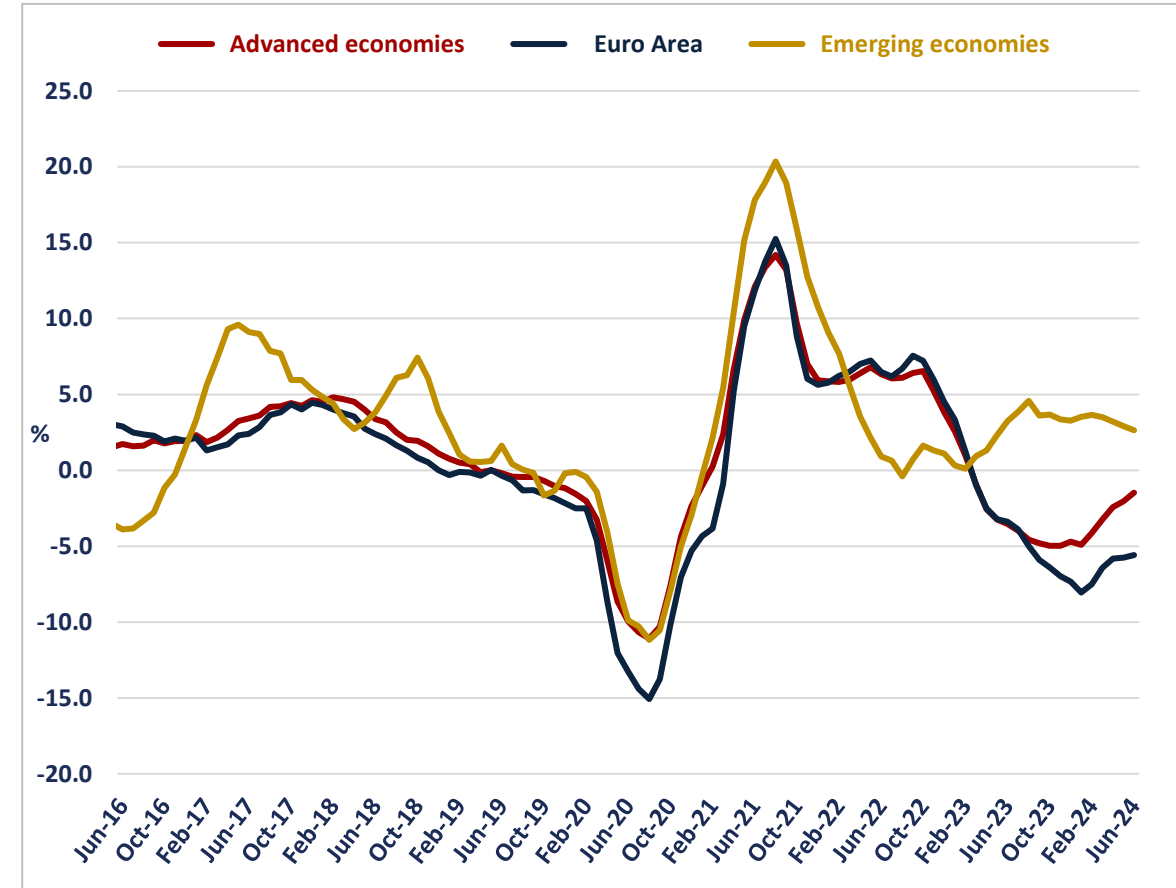
Export Volume Index (Annual Changes with 6 Month Moving Av.)



Source: Netherlands Bureau for Economic Policy Analysis (CPB)

* Trade Indices (2021=100), Volumes, Seasonally adjusted series.

Import Volume Index (Annual Changes with 6 Month Moving Av.)



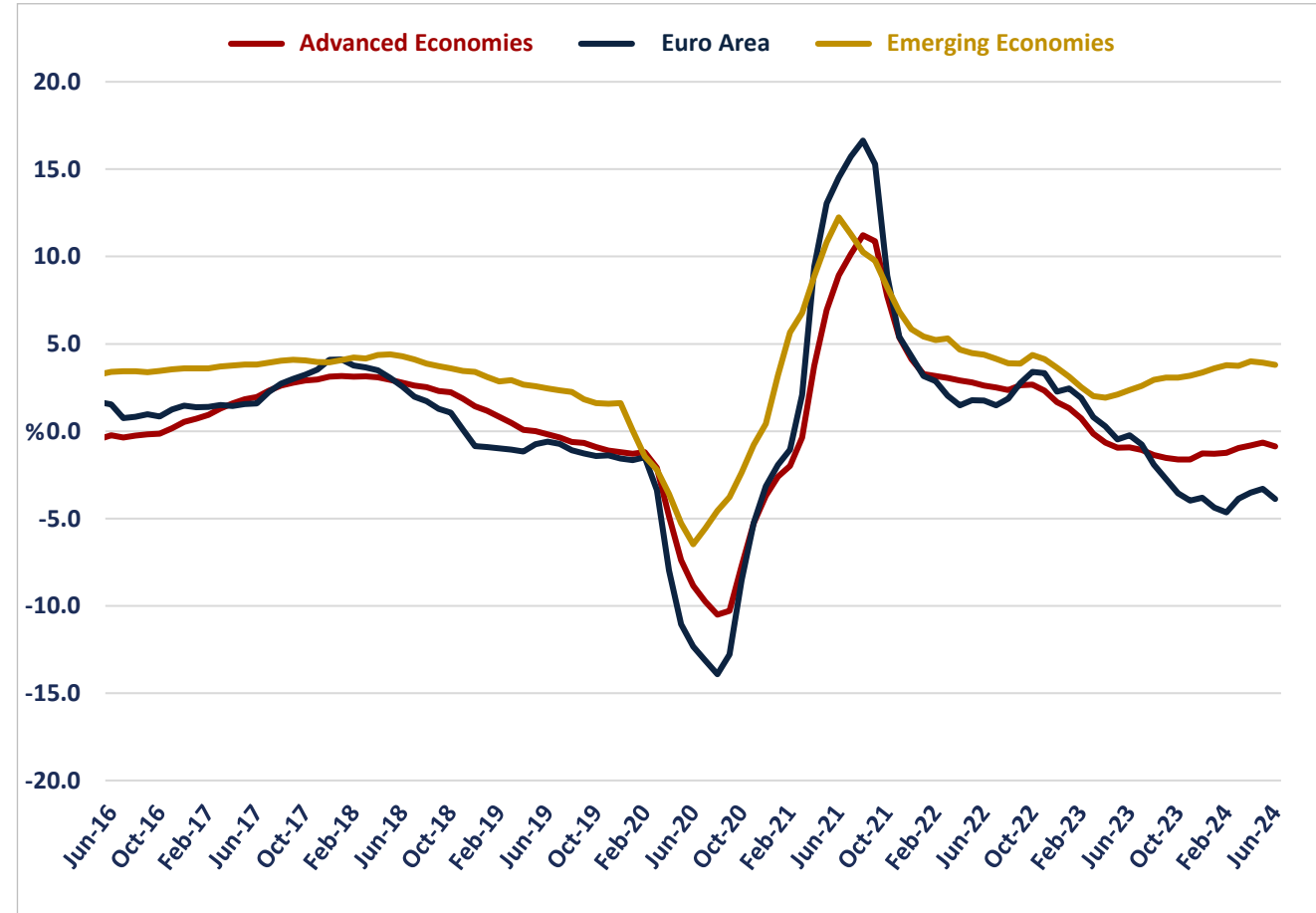
Source: Netherlands Bureau for Economic Policy Analysis (CPB)

MACROECONOMIC DEVELOPMENTS

Developments in Global Industrial Production Index

- As of June 2024, the decline in industrial production rate in the Euro Area and advanced economies has accelerated again, while the upward trend of recent months has slowed down in emerging economies.

Industrial Production* (Annual Changes with 6 Month Moving Average)



Source: Netherlands Bureau for Economic Policy Analysis (CPB)

* Industrial Production Index (2021=100), Seasonally adjusted series.

B- MACROECONOMIC OUTLOOK

MACROECONOMIC OUTLOOK

2025-2027 Medium Term Program Main Economic Targets

	2023	2024 (E)	2025 (P)	2026 (P)	2027 (P)
GDP (Billion TL, Current Prices)	26,546	44,218	61,540	72,915	83,132
GDP Per Capita (USD)	13,243	15,551	17,028	18,990	20,420
Real GDP Growth	5.1	3.5	4.0	4.5	5.0
Unemployment Rate (%)	9.4	9.3	9.6	9.2	8.8
Tourism Revenues (Billion USD)	55.9	59.6	63.6	68.7	74.1

In line with the general framework of the 12th Development Plan (2024-2028), the program aims to strengthen macroeconomic and financial stability, promote high value-added production, achieve growth through productivity and export growth with a focus on green and digital transformation and a permanent improvement in the current account balance, reduce inflation to single digits in the medium term, improve the business and investment environment, and establish a policy ground based on maintaining fiscal discipline while effectively combating disasters.

*Source: Ministry of Treasury and Finance, Medium Term Program
E: Estimate, P: Program*

MACROECONOMIC OUTLOOK

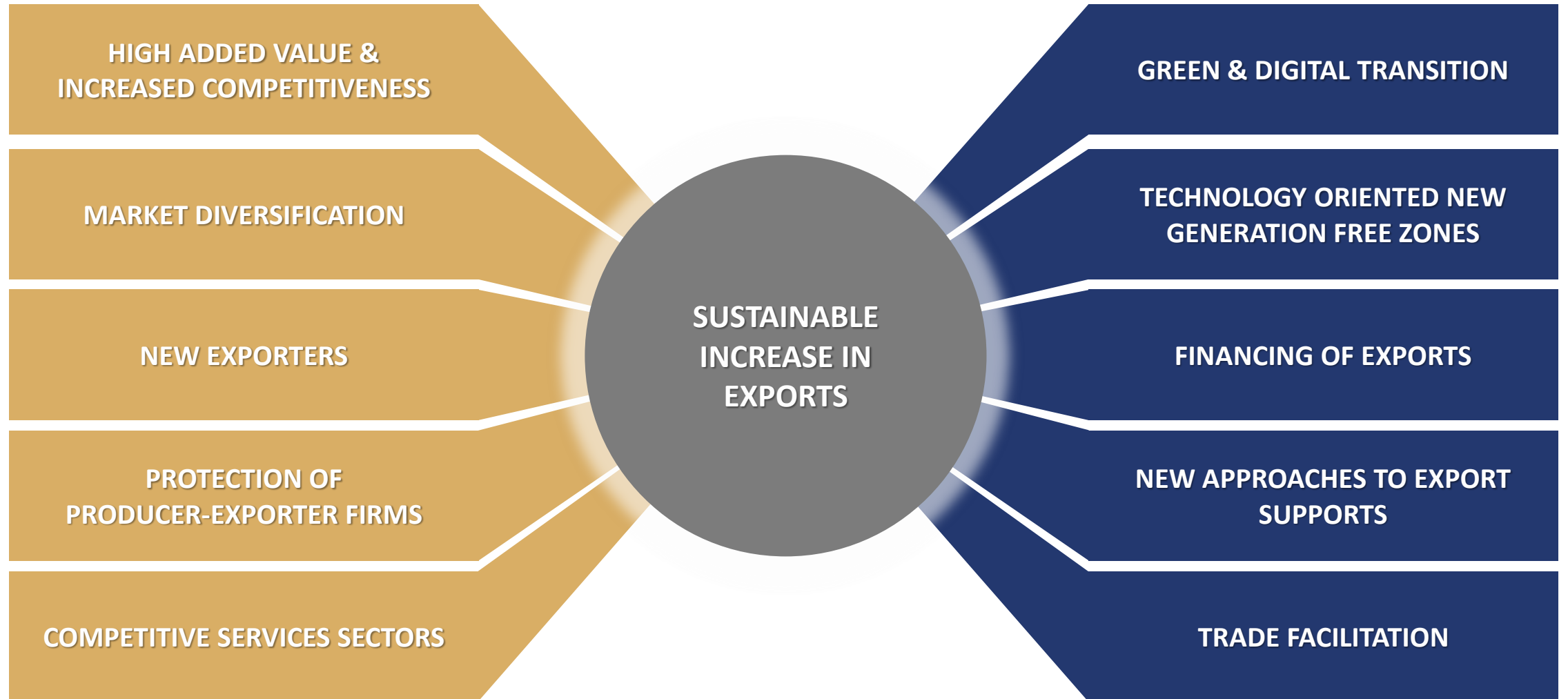
2025-2027 Medium Term Program Merchandise Trade Targets

	2023	2024 (E)	2025 (P)	2026 (P)	2027 (P)
Exports (Billion USD) (GTS)	255.6	264.0	279.6	296.1	319.6
Imports (Billion USD) (GTS)	362.0	345.0	369.0	390.6	417.5
Balance of Trade (Billion USD)	-106.3	-81.0	-89.4	-94.6	-97.9
Volume of Trade/GDP (%)	54.7	45.8	44.3	41.8	41.6
Exports/Imports (%)	70.6	76.5	75.8	75.8	76.6

*Source: Ministry of Treasury and Finance, Medium Term Program
E: Estimate, P: Program*

MACROECONOMIC OUTLOOK

Export Master Plan Targets



DISTANT COUNTRIES STRATEGY

Why Distant Countries?

- About two-thirds of Türkiye's total exports go to countries that are relatively close to Türkiye.
- Türkiye's average export distance remains below the world average.
- Distant countries account for 62% of the world's population and contribute to 64% of global GDP.
- With the Distant Countries Strategy, we aim to quadruple our exports of goods to 18 countries that averaged approximately USD 20 billion from 2018-2020.
- Our goal is to increase this figure to around USD 80 billion, thereby raising our share to 1% of these countries' total imports from around the world.

Increasing Türkiye's share in world trade

It's recognized that our country has the potential to capture a significant portion of major markets that are geographically distant and have high incomes.

Diversifying export markets

The tendency of our exporters to geographically distant and major markets will contribute significantly to diversification of our export markets.

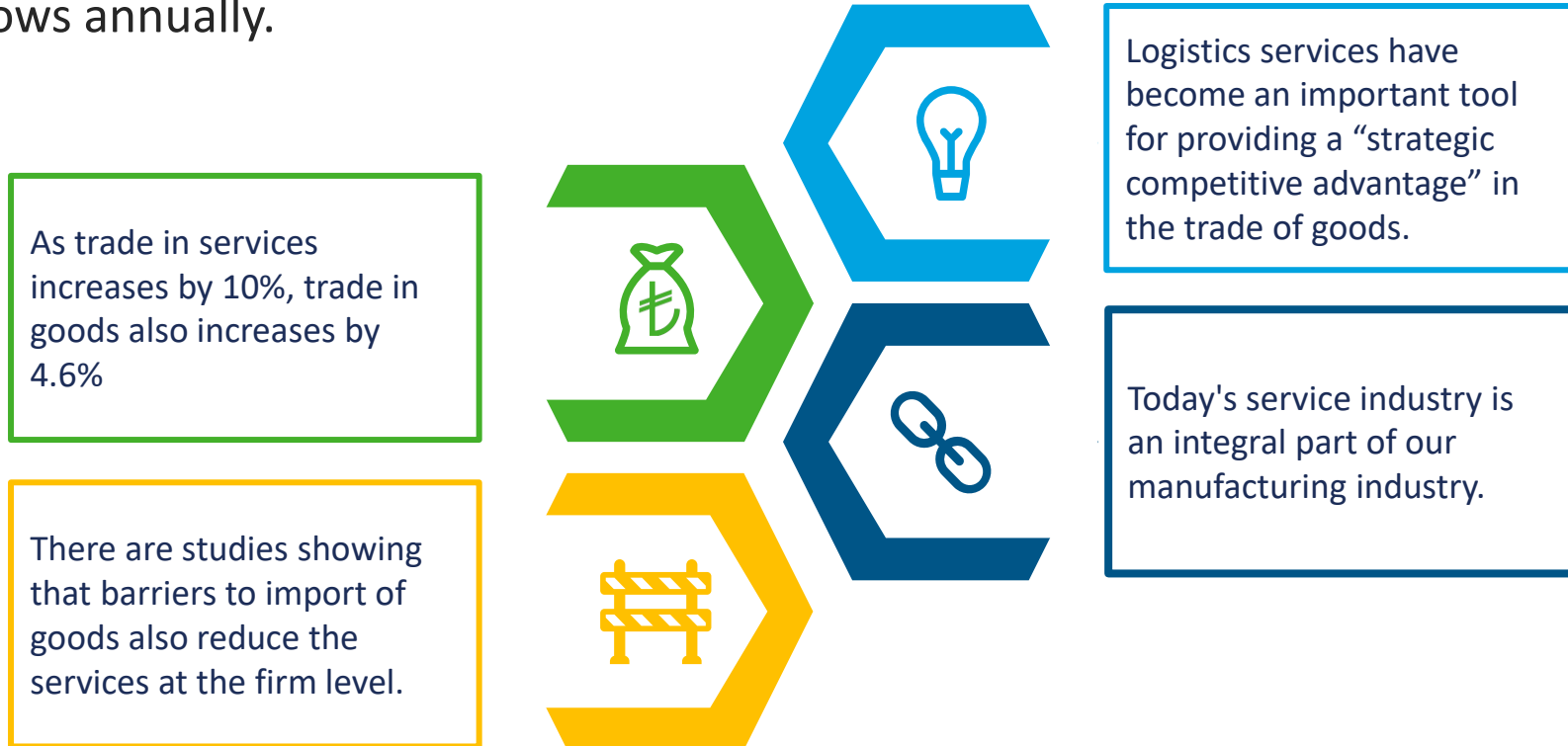
Guidance to exporters

A guiding strategy document has been released to extend Türkiye's average export range from 3,065 km to the global average of 4,744 km, and also to gain a foothold in distant major markets.

DISTANT COUNTRIES STRATEGY

Goods and Services as Complementary Elements

- Within the context of the Distant Countries Strategy, trade in goods and services is viewed as complementary elements. The significance of the services sector on the global economy and its impact on exports of goods grows annually.



- These points indicate that policies for the trade of goods and services should be considered inseparable and approached with a holistic view.

DISTANT COUNTRIES STRATEGY

Targeted Countries



MACROECONOMIC OUTLOOK

GDP Forecasts of International Organizations

International Organizations	Year	GDP Growth Forecast for Selected Countries/Country Groups (%)							
		World	Euro Zone	USA	Brazil	Russia	India	China	Japan
IMF	2023	3.3	0.5	2.5	2.9	3.6	8.2	5.2	1.9
	2024	3.2	0.9	2.6	2.1	3.2	7.0	5.0	0.7
	2025	3.3	1.5	1.9	2.4	1.5	6.5	4.5	1.0
OECD	2023	3.1	0.5	2.5	2.9	1.3	7.8	5.2	1.9
	2024	3.1	0.7	2.6	1.9	2.6	6.6	4.9	0.5
	2025	3.2	1.5	1.8	2.1	1.0	6.6	4.5	1.1
World Bank	2023	2.6	0.5	2.5	2.9	3.6	8.2	5.2	1.9
	2024	2.6	0.7	2.5	2.0	2.9	6.6	4.8	0.7
	2025	2.7	1.4	1.8	2.2	1.4	6.7	4.1	1.0

Source: IMF (July 2024), OECD (May 2024), World Bank (June 2024)

MACROECONOMIC OUTLOOK

Forecasts for World Trade

WTO Forecasts for Merchandise Trade Volume (%)

Regions	2023	2024	2025
Volume of World Merchandise Trade	-1.2	2.6	3.3
Exports			
North America	3.7	3.6	3.7
South and Central America	1.9	2.6	1.4
Europe	-2.6	1.7	1.8
Asia	0.1	3.4	3.4
Imports			
North America	-2.0	1.0	3.3
South and Central America	-3.1	2.7	3.4
Europe	-4.7	0.1	3.1
Asia	-0.6	5.6	4.7

Source: WTO (April 2024)

IMF Forecasts for Goods and Services Trade (%)

Real Growth (%)	2023	2024	2025
Volume of World Trade	0.8	3.1	3.4
Advanced Economies	0.1	2.5	2.8
Emerging Economies	2.0	4.2	4.5

Source: IMF (July 2024)

C- DEVELOPMENTS IN EXTERNAL TRADE

1) MERCHANDISE TRADE

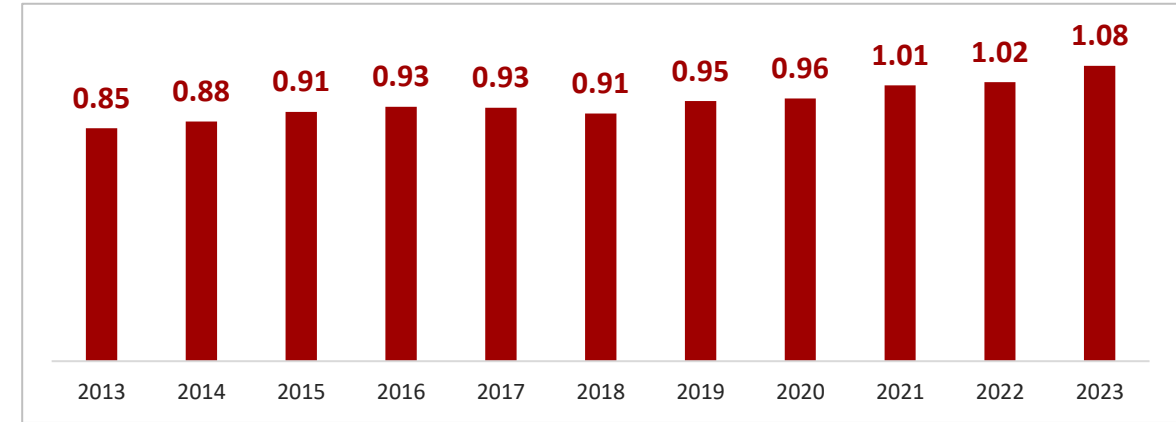
MERCHANDISE TRADE

Türkiye's Share in Global Merchandise Exports

- Türkiye's share in global merchandise exports was %1.08 in 2023.

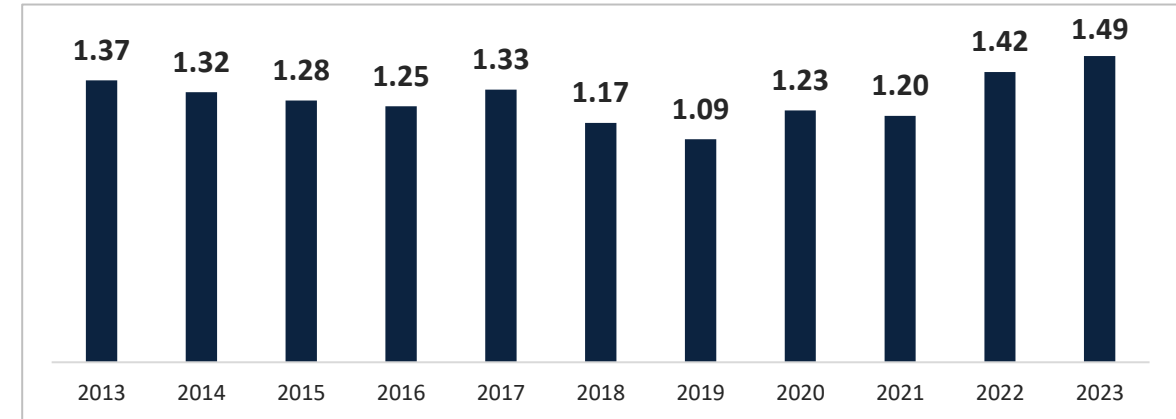
- Türkiye's share in global merchandise imports was %1.49 in 2023.

Türkiye's Share in Global Merchandise Exports (%)



Source: WTO

Türkiye's Share in Global Merchandise Imports (%)



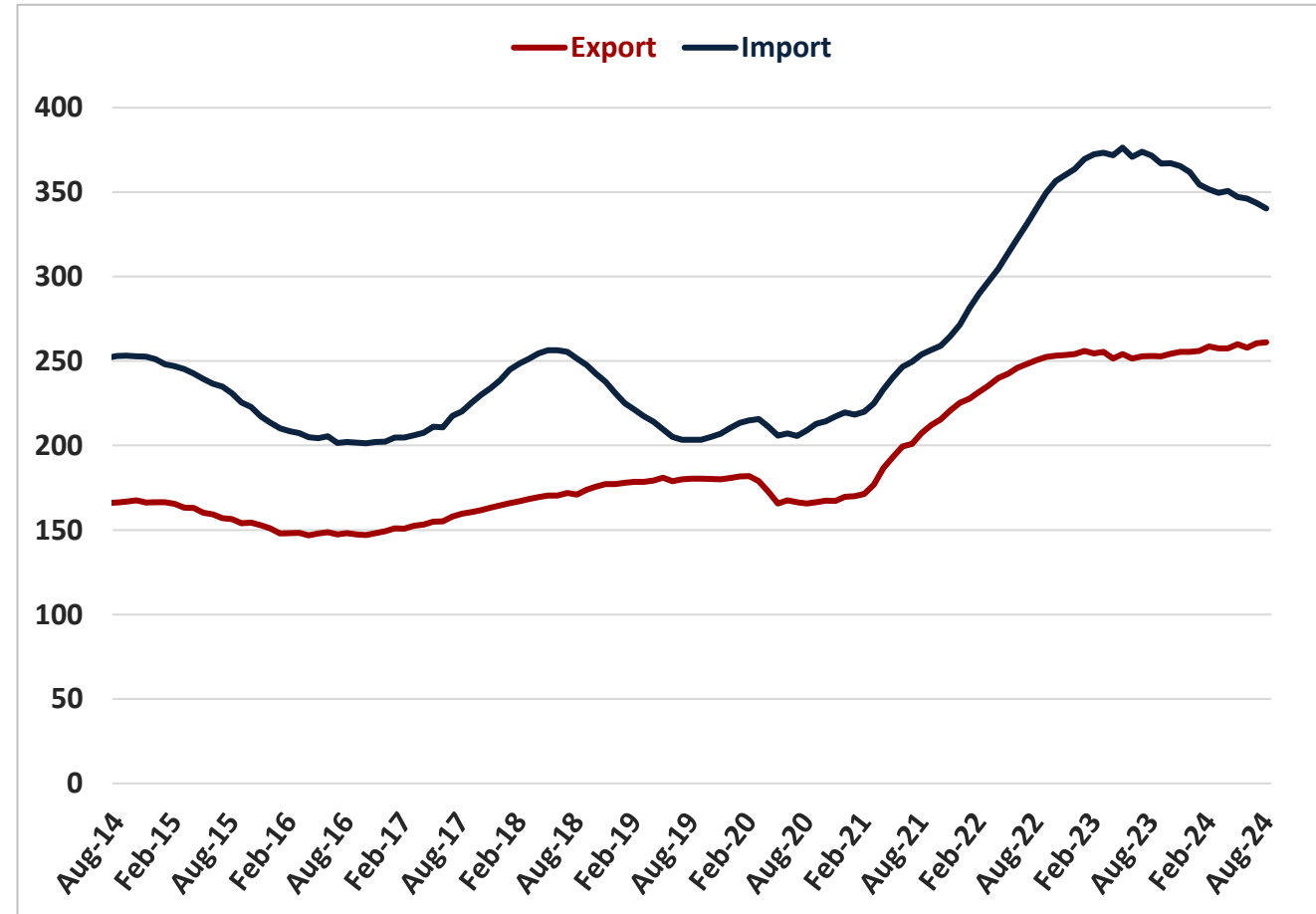
Source: WTO

MERCHANDISE TRADE

Monthly Exports and Imports

- In August 2024, compared to the same month of the previous year, exports increased by 2.4% to USD 22.1 billion and imports decreased by 10.8% to USD 27.0 billion.
- As a result, the foreign trade deficit decreased by 43.4% YoY and stood at USD 4.9 billion.

Annualized Monthly Exports and Imports (Billion USD)



Source: Ministry of Trade, TURKSTAT

MERCHANDISE TRADE

Foreign Trade Indices (2015=100)

Foreign Trade Indices	2021		2022		2023		2023 June		2024 June	
	Index	Change %	Index	Change %	Index	Change %	Index	Change %	Index	Change %
Export Unit Value Index	103.1	9.7	112.6	9.3	113.3	0.5	115.0	-1.5	114.4	-0.6
Export Volume Index	144.7	21.3	149.5	3.4	149.6	0.1	143.8	-9.5	132.4	-8.0
Import Unit Value Index	116.3	23.3	148.2	27.4	130.7	-11.8	127.6	-16.4	129.4	1.4
Import Volume Index	109.1	0.7	115.1	5.5	129.6	12.6	114.7	-1.3	108.2	-5.7
Terms of Trade	89.0	-10.7	76.1	-14.5	86.7	14.0	90.2	17.8	88.4	-2.0

In 2023, the export unit value index decreased by 0.2% compared to the previous year whereas the import unit value index increased by 11.7%.

Source: TURKSTAT

MERCHANDISE TRADE

Development of Foreign Trade

(Million USD)	2022	2023	2022/2023 Change (%)	2023 August	2024 August	2023/2024 Change (%)	2023 January-August	2024 January-August	2023/2024 Change (%)
Export	254,170	255,627	0.6	21,556	22,063	2.4	164,453	170,801	3.9
Energy Export ¹	16,411	16,389	-0.1	1,639	1,358	-17.2	9,829	11,726	19.3
Gold Export	1,051	4,330	311.9	262.9	543	106.6	1,857	2,487	34.0
Import	363,711	361,967	-0.5	30,268	26,991	-10.8	247,021	225,666	-8.6
Energy Import ¹	96,549	69,114	-28.4	5,324	5,243	-1.5	46,179	43,271	-6.3
Gold Import	20,440	30,017	46.9	3,324	1,293	-61.1	22,633	10,076	-55.5
Foreign Trade Volume	617,880	617,594	0.0	51,824	49,054	-5.3	411,474	396,467	-3.6
Foreign Trade Balance	-109,541	-106,339	-2.9	-8,712	-4,928	-43.4	-82,569	-54,866	-33.6
Balance excl. Energy	-29,403	-53,615	82.3	-5,028	-1,043	-79.3	-46,218	-23,321	-49.5
Export/Import (%) ¹	69.9	70.6	0.7*	71.2	81.7	10.5*	66.6	75.7	9.1*
Export/Import (%) ²	89.0	81.7	-7.3*	79.8	95.2	15.4*	77.0	87.2	10.2*
Export/Import (%) ³	95.9	89.4	-6.6*	90.9	98.6	7.7*	85.7	90.9	5.1*

⁽¹⁾Energy corresponds to Chapter 27.

⁽²⁾Excluding energy

⁽³⁾ Excluding energy and gold

(*) Coverage rate changes represent percentage point difference.

Source: Ministry of Trade

MERCHANDISE TRADE

Distribution of Foreign Trade in Broad Economic Categories

Export

Million Dollar	Annual			August			January - August		
	2022	2023	Change	2023	2024	Change	2023	2024	Change
Investment Goods	29,035	33,659	15.9	2,770	2,759	-0.4	21,131	21,567	2.1
Intermediate Goods	133,417	129,009	-3.3	11,128	11,471	3.1	83,397	86,993	4.3
Consumption Goods	89,812	90,681	1.0	7,535	7,574	0.5	58,368	60,319	3.3
Others	1,906	2,278	19.5	124	259	109.4	1,557	1,922	23.4
TOTAL	254,170	255,627	0.6	21,556	22,063	2.4	164,453	170,801	3.9

Source: Ministry of Trade

Import

Million Dollar	Annual			August			January - August		
	2022	2023	Change	2023	2024	Change	2023	2024	Change
Investment Goods	40,535	52,742	30.1	4,516	4,032	-10.7	34,169	33,458	-2.1
Intermediate Goods	292,437	261,311	-10.6	21,606	18,765	-13.1	182,263	157,341	-13.7
Consumption Goods	30,482	47,642	56.3	4,133	4,180	1.1	30,405	34,580	13.7
Others	257	272	6.0	14	14	-4.3	184	288	56.5
TOTAL	363,711	361,967	-0.5	30,268	26,991	-10.8	247,021	225,666	-8.6

Source: Ministry of Trade

MERCHANDISE TRADE

Main Export Items

CODE	EXPORT (Million Dollar)	Annual			August			January - August		
	CHAPTER	2022	2023	Change (%)	2023	2024	Change (%)	2023	2024	Change (%)
87	Vehicles other than railway or tramway rolling-stock, parts thereof	26,801	30,829	15.0	2,366	2,267	-4.2	19,877	20,445	2.9
84	Boilers, machineries and mechanical appliances, parts thereof	22,671	25,262	11.4	2,183	2,229	2.1	16,583	16,810	1.4
85	Electrical machinery and equipment, parts thereof	13,704	15,454	12.8	1,321	1,427	8	10,020	10,567	5.5
71	Precious stones, precious metals, pearls and articles thereof	10,208	13,647	33.7	1,058	1,406	32.9	7,492	8,612	14.9
27	Mineral fuels, minerals oils and product of their distillation	16,411	16,389	-0.1	1,639	1,358	-17.2	9,829	11,726	19.3
39	Plastic and articles thereof	11,572	10,572	-8.6	933	1,004	7.6	7,028	7,180	2.2
61	Knitted and crocheted goods and articles thereof	11,006	10,278	-6.6	907	946	4.2	6,873	6,641	-3.4
72	Iron and steel	14,671	8,860	-39.6	843	888	5.4	5,747	6,838	19
73	Articles of iron and steel	10,533	10,051	-4.6	823	843	2.4	6,530	6,451	-1.2
62	Non knitted and crocheted goods and articles thereof	8,458	8,037	-5.0	658	671	1.8	5,636	5,100	-9.5
	Subtotal	146,035	149,380	2.3	12,732	13,038	2.4	95,615	100,371	5.0
	Total	254,170	255,627	0.6	21,556	22,063	2.4	164,453	170,801	3.9

Source: Ministry of Trade

*Sorted by August 2024 values

MERCHANDISE TRADE

Main Import Items

CODE	IMPORT (Million Dollar)	Annual			August			January - August		
	CHAPTER	2022	2023	Change (%)	2023	2024	Change (%)	2023	2024	Change (%)
27	Mineral fuels, minerals oils and product of their distillation	96,549	69,114	-28.4	5,324	5,243	-1.5	46,179	43,271	-6.3
84	Boilers, machineries and mechanical appliances, parts thereof	34,574	40,968	18.5	3,533	3,070	-13.1	27,281	26,301	-3.6
87	Vehicles other than railway or tramway rolling-stock, parts thereof	17,678	32,261	82.5	2,885	2,262	-21.6	20,201	20,594	1.9
85	Electrical machinery and equipment, parts thereof	21,535	27,948	29.8	2,290	2,092	-8.7	18,617	17,585	-5.5
72	Iron and steel	28,367	24,160	-14.8	1,917	1,972	2.9	17,506	15,642	-10.6
71	Precious stones, precious metals, pearls and articles thereof	23,458	33,912	44.6	3,498	1,708	-51.2	24,661	14,501	-41.2
39	Plastic and articles thereof	18,976	16,215	-14.5	1,319	1,290	-2.2	11,390	10,551	-7.4
29	Organic chemicals	11,120	9,181	-17.4	760	791	4.2	6,386	6,395	0.1
76	Aluminium and articles thereof	7,683	6,293	-18.1	445	562	26.4	4,203	3,917	-6.8
90	Optics, photography, cinema	5,244	6,453	23.0	503	514	2.3	4,255	4,280	0.6
	Subtotal	265,183	266,503	0.5	22,473	19,504	-13.2	180,679	163,038	-9.8
	Total	363,711	361,967	-0.5	30,268	26,991	-10.8	247,021	225,666	-8.6

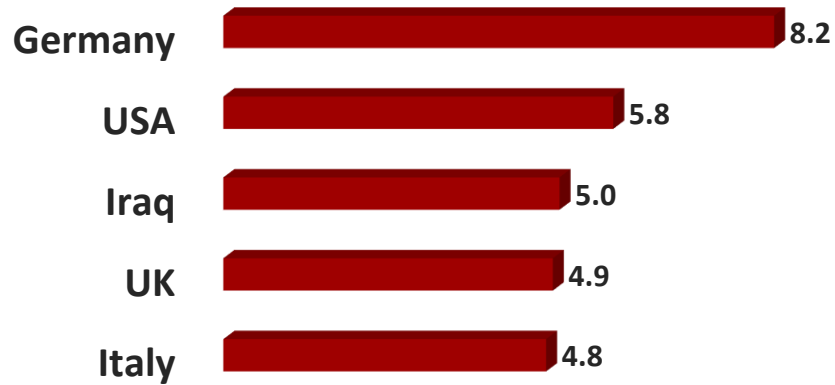
Source: Ministry of Trade

*Sorted by August 2024 values

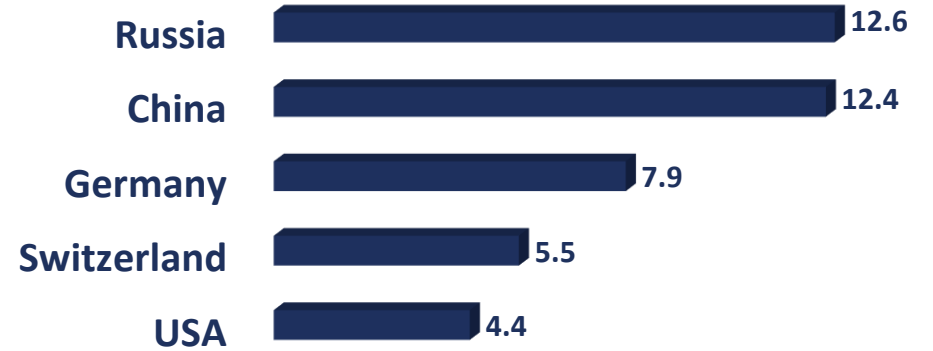
MERCHANDISE TRADE

Main Trade Partners

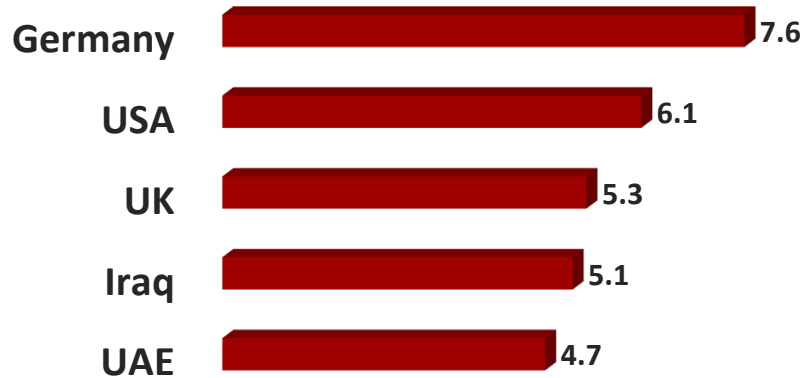
Top 5 Export Partners in 2023 (Share in Total Exports)



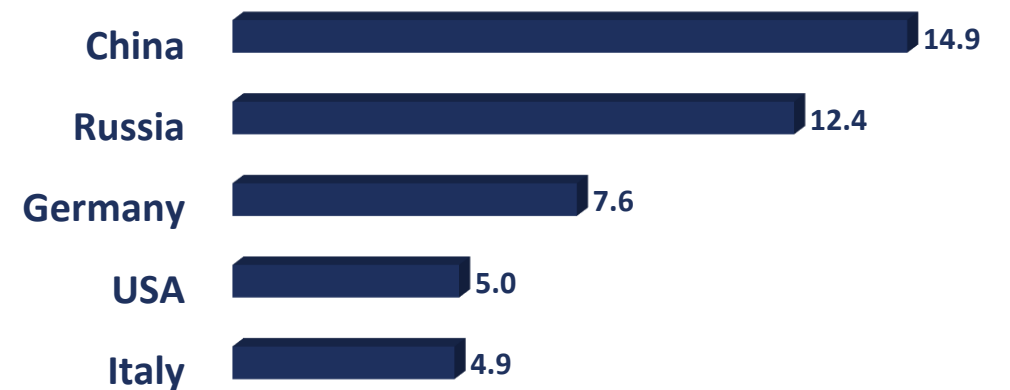
Top 5 Import Partners in 2023 (Share in Total Imports)



Top 5 Export Partners August 2024 (Share in Total Exports)



Top 5 Import Partners August 2024 (Share in Total Imports)



Source: Ministry of Trade

MERCHANDISE TRADE

Exports by Regions

Million Dollar			Annual				August				January - August			
			2022	2023	Share (%)	Change (%)	2023	2024	Share (%)	Change (%)	2023	2024	Share (%)	Change (%)
Rank	Main Country Groups	Country Groups												
1	Europe	European Union (EU-27)	103,049	104,284	40.8	1.2	8,519	8,817	40.0	3.5	68,932	71,290	41.7	3.4
		Other European Countries	36,629	39,680	15.5	8.3	3,420	3,392	15.4	-0.8	25,918	25,893	15.2	-0.1
2	Africa	Other African Countries	9,509	7,724	3.0	-18.8	724	607	2.8	-16.2	5,028	4,595	2.7	-8.6
		North African Countries	14,110	13,674	5.3	-3.1	1,166	1,290	5.8	10.6	8,331	9,243	5.4	10.9
3	America	South American Countries	3,356	2,540	1.0	-24.3	223	388	1.8	73.9	1,661	1,962	1.1	18.1
		North American Countries	18,773	16,507	6.5	-12.1	1,455	1,480	6.7	1.7	10,764	11,653	6.8	8.3
		Central America and the Caribbean	2,768	2,759	1.1	-0.4	239	240	1.1	0.3	1,717	1,890	1.1	10.1
4	Asia	Other Asian Countries	18,324	19,345	7.6	5.6	1,687	1,791	8.1	6.1	12,231	13,548	7.9	10.8
		Near and Middle Eastern	44,982	45,556	17.8	1.3	3,806	3,921	17.8	3.0	27,726	28,717	16.8	3.6
5	Australia & New Zealand	Australia and New Zealand	1,089	1,075	0.4	-1.3	96	114	0.5	19.5	657	828	0.5	26.0
6	Others	Other Countries	1,581	2,484	1.0	57.2	222	24	0.1	-89.2	1,487	1,183	0.7	-20.5
Total			254,170	255,627	100.0	0.6	21,556	22,063	100.0	2.4	164,453	170,801	100.0	3.9

Source: Ministry of Trade

MERCHANDISE TRADE

Imports by Regions

Million Dollar			Annual				August				January - August			
			2022	2023	Share (%)	Change (%)	2023	2024	Share (%)	Change (%)	2023	2024	Share (%)	Change (%)
Rank	Main Country Groups	Country Groups												
1	Europe	European Union (EU-27)	93,287	106,050	29.3	13.7	8,533	8,209	30.4	-3.8	70,499	72,516	32.1	2.9
		Other European Countries	87,506	78,330	21.6	-10.5	5,595	4,865	18.0	-13.1	56,192	44,159	19.6	-21.4
2	Africa	Other African Countries	3,412	3,076	0.8	-9.8	275	293	1.1	6.5	1,931	2,255	1.0	16.7
		North African Countries	6,099	7,291	2.0	19.5	610	672	2.5	10.1	4,817	5,282	2.3	9.7
3	America	South American Countries	9,919	7,161	2.0	-27.8	741	817	3.0	10.3	4,804	5,868	2.6	22.1
		North American Countries	16,545	17,085	4.7	3.3	1,513	1,427	5.3	-5.7	11,558	11,641	5.2	0.7
		Central America and the Caribbean	1,421	1,496	0.4	5.3	126	111	0.4	-12.4	959	960	0.4	0.2
4	Asia	Other Asian Countries	87,935	90,837	25.1	3.3	7,921	7,641	28.3	-3.5	61,862	58,089	25.7	-6.1
		Near and Middle Eastern	21,346	24,824	6.9	16.3	3,147	1,689	6.3	-46.3	16,266	12,654	5.6	-22.2
5	Australia & New Zealand	Australia and New Zealand	1,690	1,220	0.3	-27.8	90	112	0.4	24.7	903	914	0.4	1.2
6	Others	Other Countries	34,552	24,597	6.8	-28.8	1,716	1,155	4.3	-32.7	17,231	11,329	5.0	-34.3
Total			363,711	361,967	100.0	-0.5	30,268	26,991	100.0	-10.8	247,021	225,666	100.0	-8.6

Source: Ministry of Trade

MERCHANDISE TRADE

Exports by Province of Activity (Top 5 Provinces, Million USD)

City	August 2023	August 2024	Change	Share (%)	2022	2023	Change	Share (%)
İstanbul	5,109	4,782	-6.4	21.2	55,244	59,541	7.8	23.3
Kocaeli	2,356	2,833	20.3	12.6	30,618	29,817	-2.6	11.7
İzmir	2,110	1,909	-9.5	8.5	25,007	24,664	-1.4	9.6
Bursa	1,464	1,292	-11.8	5.7	17,137	17,796	3.8	7.0
Tekirdağ	1,141	1,165	2.1	5.2	13,511	12,828	-5.1	5.0

Sorted By August 2024

*In addition to the export statistics compiled on the basis of the provinces where the headquarters of the firms are located, the Ministry has also compiled Export Statistics by Provinces of Activity, which are calculated on the basis of production locations.

Source: Ministry of Trade, TURKSTAT

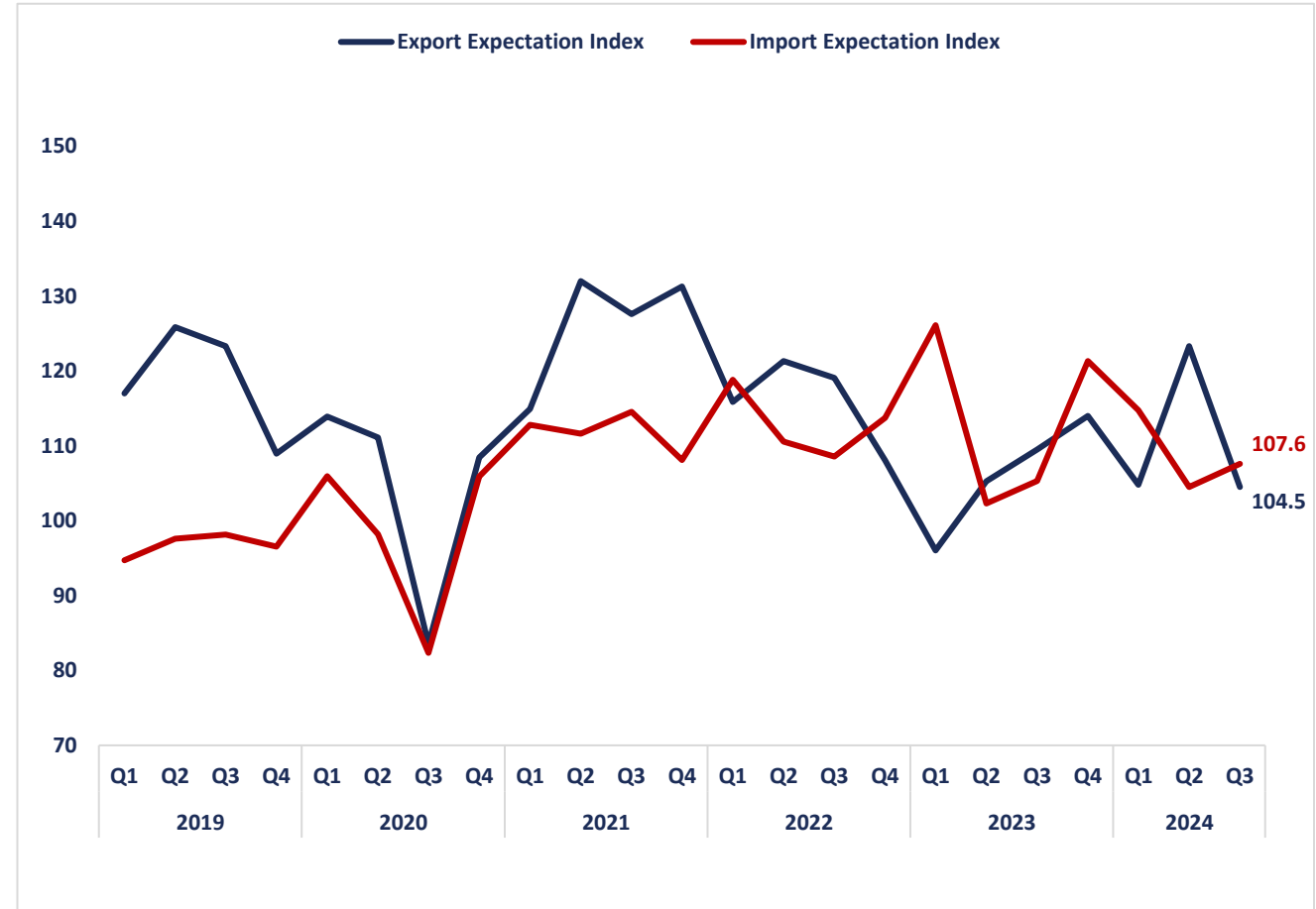
MERCHANDISE TRADE

Foreign Trade Expectation Survey

- In the 3rd quarter of 2024, the export expectations index is 104.5 and the import expectations index is 107.6.

*An index greater than 100 indicates that expectations are expected to increase (optimistic), less than 100 indicates that expectations are expected to decrease (pessimistic) and 100 indicates that no change is expected (neutral).

Foreign Trade Expectation Survey (FTES)*



Source: Ministry of Trade

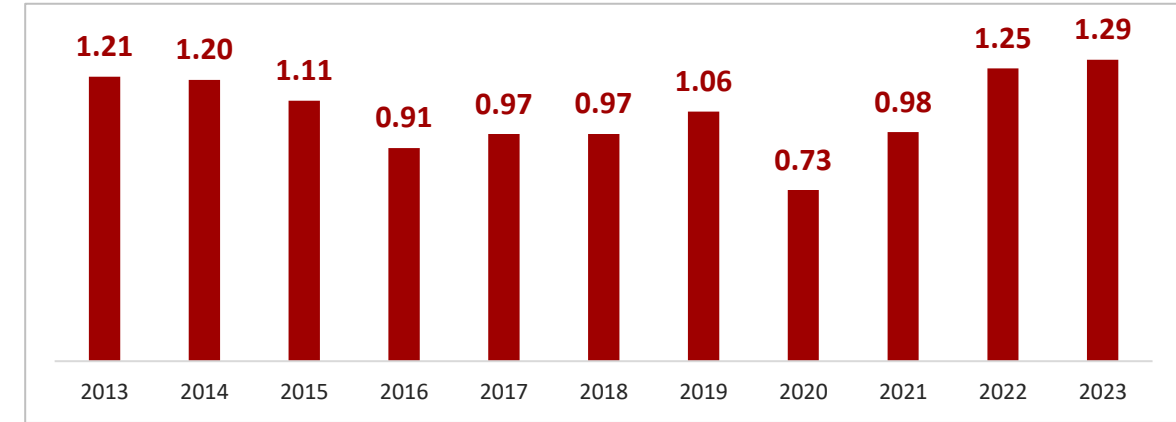
2) SERVICES TRADE

SERVICES TRADE

Türkiye's Share in Global Services Trade

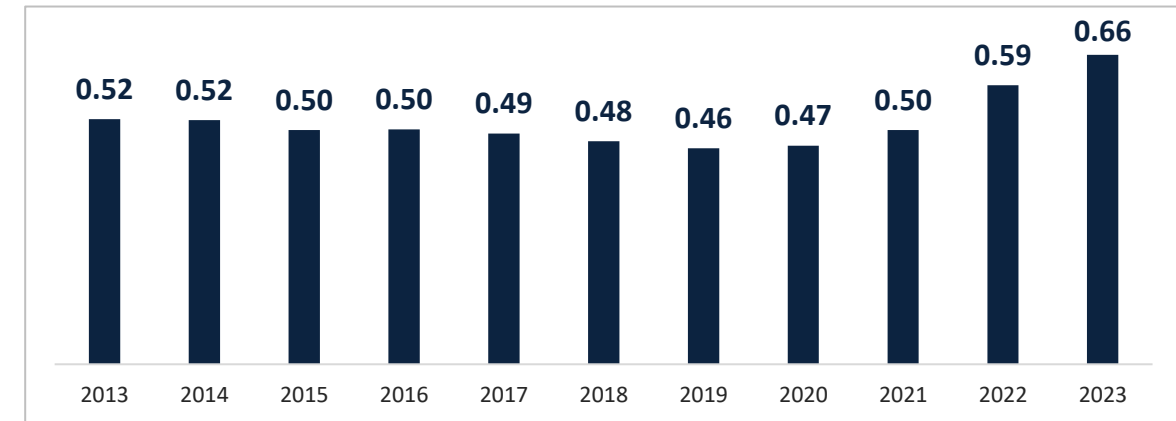
- Türkiye's share in global exports of services realized as 1.29% in 2023.
- Türkiye's share in global imports of services realized as 0.66% in 2023.

Türkiye's Share in Global Services Exports (%)



Source: WTO

Türkiye's Share in Global Services Imports (%)



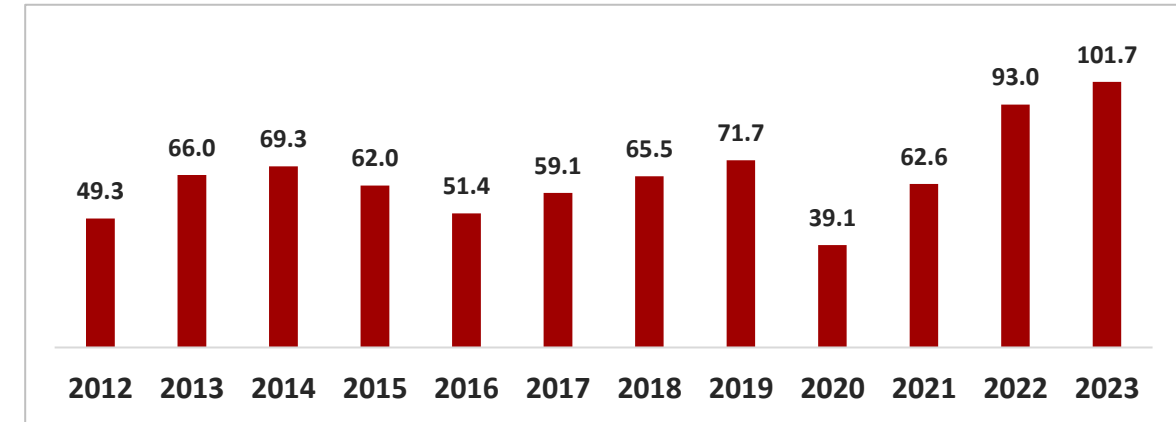
Source: WTO

SERVICES TRADE

Türkiye's Services Trade

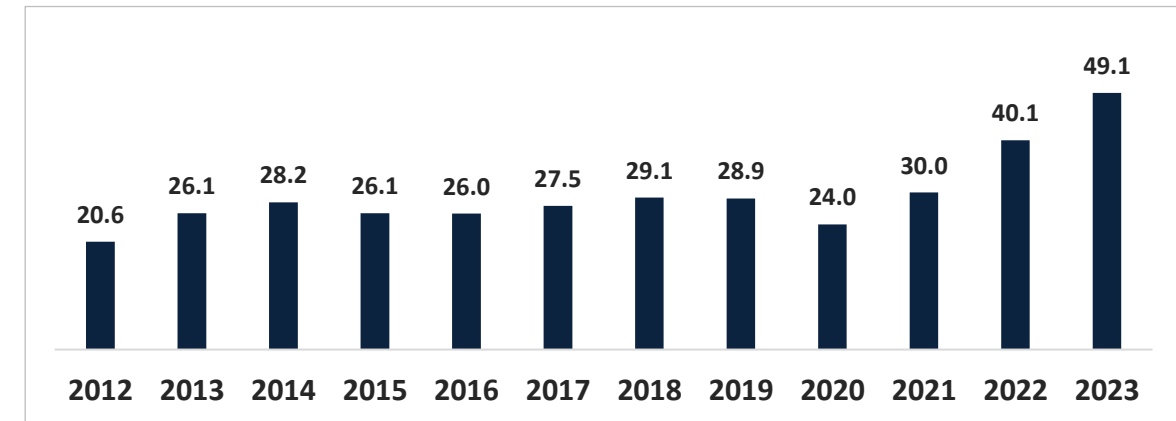
- Türkiye's services exports amounted to USD 101.7 billion in 2023.
- Türkiye's services imports was realized as USD 49.1 billion in 2023. Thus, the balance of services recorded a surplus of USD 52.6 billion in 2023.

Türkiye's Services Exports (Billion USD)



Source: CBRT

Türkiye's Services Imports (Billion USD)



Source: CBRT

SERVICES TRADE

Balance of Payments - Services Items

Credit Million Dollar	June			January - June		
	2023	2024	Change (%)	2023	2024	Change (%)
Services	9,640	10,220	6.0	43,140	47,241	9.5
Transport	3,101	3,202	3.3	16,075	17,046	6.0
Travel	5,002	5,479	9.5	19,301	21,722	12.5
Construction	17	23	35.3	117	120	2.6
Insurance and pension services	397	259	-34.8	1,618	1,513	-6.5
Financial Services	33	30	-9.1	197	231	17.3
Charges for the use of intellectual property	41	46	12.2	206	210	1.9
Telecommunications, computer, information serv,	310	360	16.1	1,605	2,000	24.6
Other business services	375	447	19.2	2,140	2,438	13.9
Personal, cultural, and recreational services	20	26	30.0	155	154	-0.6
Government goods and services	47	45	-4.3	225	212	-5.8
Debit Million Dollar	June			January - June		
	2023	2024	Change (%)	2023	2024	Change (%)
Services	4,435	4,617	4.1	23,119	25,840	11.8
Transport	1,499	1,636	9.1	9,020	10,185	12.9
Travel	701	689	-1.7	3,381	3,515	4.0
Construction	1	2	100.0	25	5	-80.0
Insurance and pension services	353	346	-2.0	2,185	2,482	13.6
Financial Services	46	48	4.3	294	303	3.1
Charges for the use of intellectual property	423	431	1.9	1,648	1,839	11.6
Telecommunications, computer, information serv,	405	424	4.7	1,984	2,204	11.1
Other business services	695	805	15.8	3,351	4,023	20.1
Personal, cultural, and recreational services	44	46	4.5	222	289	30.2
Government goods and services	94	105	11.7	616	637	3.4

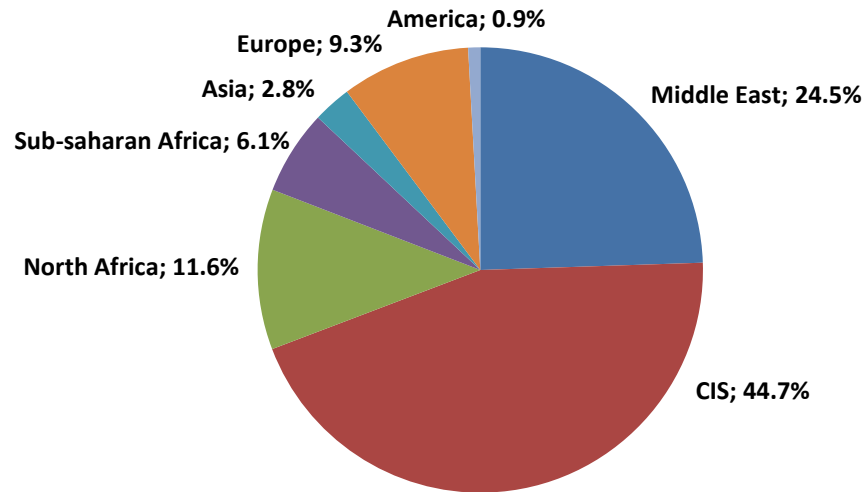
Source: CBRT

SERVICES TRADE

Contracting Services Abroad

- There are 40 Turkish companies in the list of the world's 250 largest contracting companies in 2023. In this regard, Türkiye ranks 2nd after China.

Distribution of Contracting Services By Country Groups (%)
(1971-2024 August)



Contracting Services Abroad

Years	Projects	Countries	Project Volume (Billion USD)	Cum. Project Volume (Billion USD)	Avr. Project Volume (Billion USD)
1971-2002	2,425	48	49.8	49.8	0.021
2003	339	35	6.4	56.1	0.019
2004	477	36	8.6	64.8	0.018
2005	452	33	12.9	77.7	0.029
2006	577	35	22.4	100.1	0.039
2007	613	45	25.6	125.7	0.042
2008	667	39	24.7	150.4	0.037
2009	505	45	20.1	170.6	0.040
2010	632	50	23.3	193.9	0.037
2011	561	51	24.8	218.7	0.044
2012	551	49	31.7	250.4	0.058
2013	437	50	31.2	281.6	0.071
2014	360	54	26.7	308.3	0.074
2015	287	57	24.0	332.3	0.084
2016	221	56	15.0	347.3	0.068
2017	314	52	17.9	365.2	0.057
2018	388	53	22.7	387.9	0.058
2019	544	45	19.9	407.8	0.037
2020	386	42	16.9	424.7	0.044
2021	454	71	31.1	455.8	0.069
2022	506	67	20.0	475.8	0.039
2023	433	68	28.1	503.9	0.065
2024*	148	41	11.2	515.1	0.076

Source: Ministry of Trade

* 2024 January-August Data.

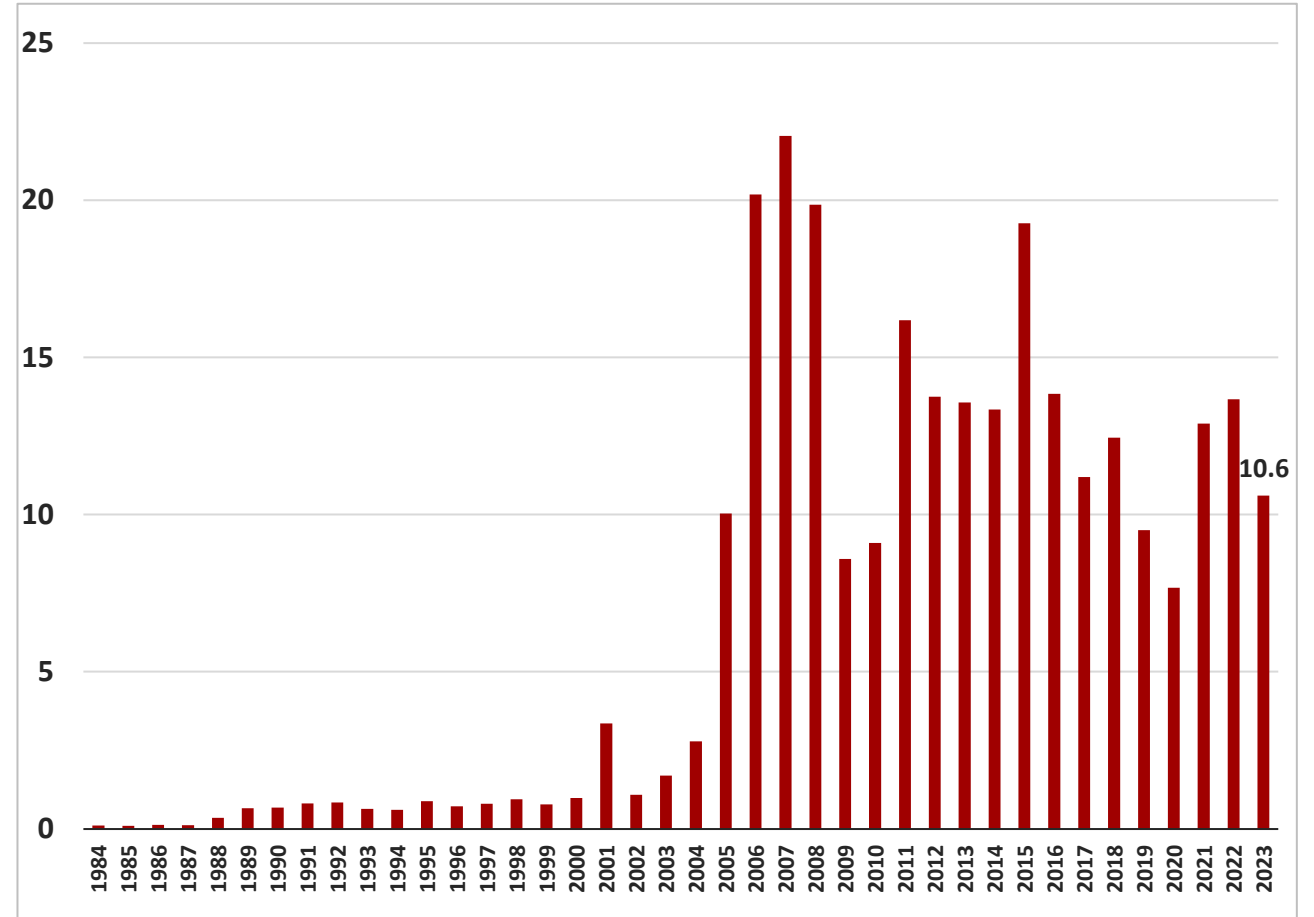
D- INVESTMENT CLIMATE

INVESTMENT CLIMATE

Foreign Direct Investment

- FDI stock reached USD 262.2 billion over the 2003-2023 period. It was USD 14.6 billion in the 1984-2002 period.
- In June 2023, FDI inflows realized as 432 million dollars. In June 2024, FDI inflows realized as 842 million dollars.

Foreign Direct Investment (Billion USD)



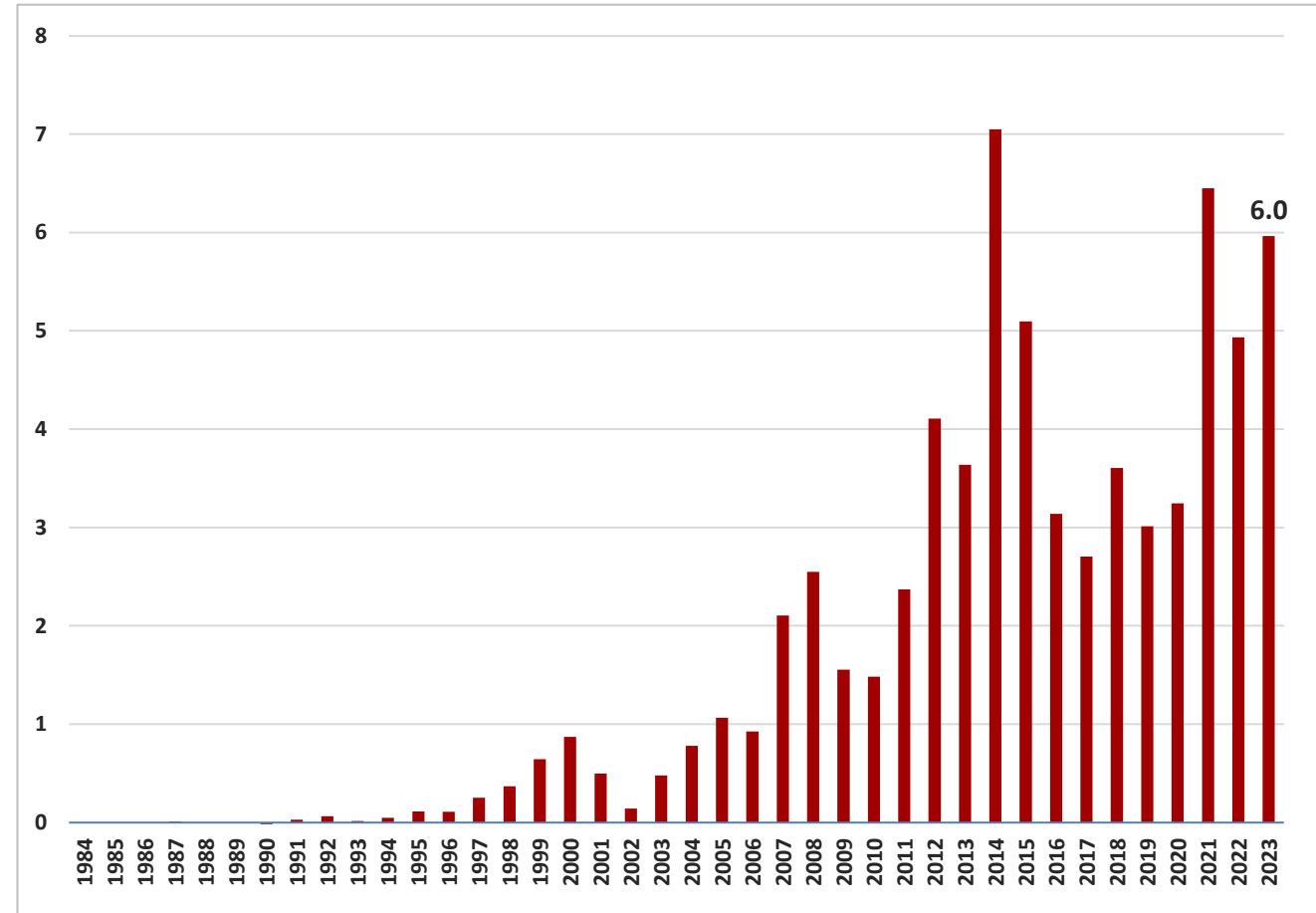
Source: CBRT

INVESTMENT CLIMATE

Foreign Direct Investment Abroad

- Direct investments from Türkiye to abroad reached USD 66.2 billion from 2003 to 2023 on a cumulative basis.
- In June 2024, foreign direct investment increased by 32% compared to the same month of the previous year, and realized as 395 million dollars.

Foreign Direct Investment Abroad (billion USD)

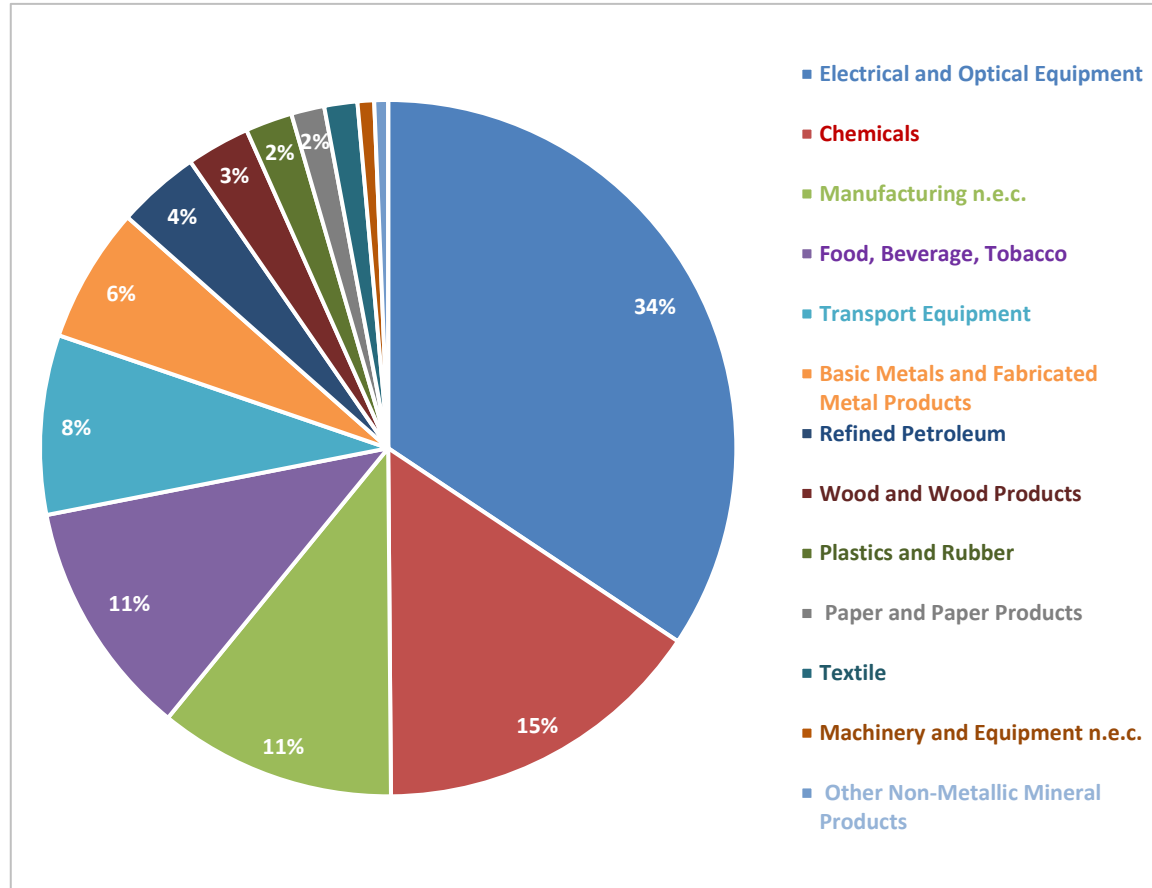


Source: CBRT

INVESTMENT CLIMATE

The Sectoral Breakdown of Foreign Investments

Breakdown of Investment in Manu. Industry (%) (2024 January-June)



Source: CBRT

The Sectoral Breakdown of Foreign Investments (Million USD)

SECTORS	Annual		January - June	
	2022	2023	2023	2024
AGRICULTURE	71	28	7	166
INDUSTRIAL SECTORS	2,099	2,373	1,219	983
Mining and Quarrying	174	171	170	171
Manufacturing	1,565	1,706	788	780
Electricity, Gas, Steam and Air-conditioning Supply	360	494	261	32
Water Supply; Sewerage, Waste Management and Remediation	0	2	0	0
SERVICES SECTOR	4,815	3,177	1,232	1,697
TOTAL	6,985	5,578	2,458	2,846

Source: CBRT

INVESTMENT CLIMATE

Breakdown of Foreign Investments by Country (Million USD)

Rank*	Countries	2023 FDI	2024 FDI (June)	2024 FDI (January-June)
1	Ireland	272	139	243
2	Netherlands	1134	109	561
3	Germany	687	72	287
4	Switzerland	207	65	139
5	United Arab Emirates	584	37	91
6	South Korea	32	35	39
7	Taiwan	57	21	31
8	United States of America	255	13	384
9	Denmark	18	12	19
10	China	36	10	31
11	Luxembourg	83	8	17
12	Italy	59	7	63
13	Spain	130	5	69
14	Oman	0	5	5
15	Azerbaijan	53	5	62
16	Hong Kong, China	50	5	38
17	Australia	36	3	27
18	South Africa	4	3	3
19	Belgium	159	2	12
20	Japan	111	1	2
	LIST TOTAL	3,967	557	2,123
	TOTAL	5,578	561	2,846

Source: CBRT

*Sorted by FDI in June 2024

E- FREE ZONES

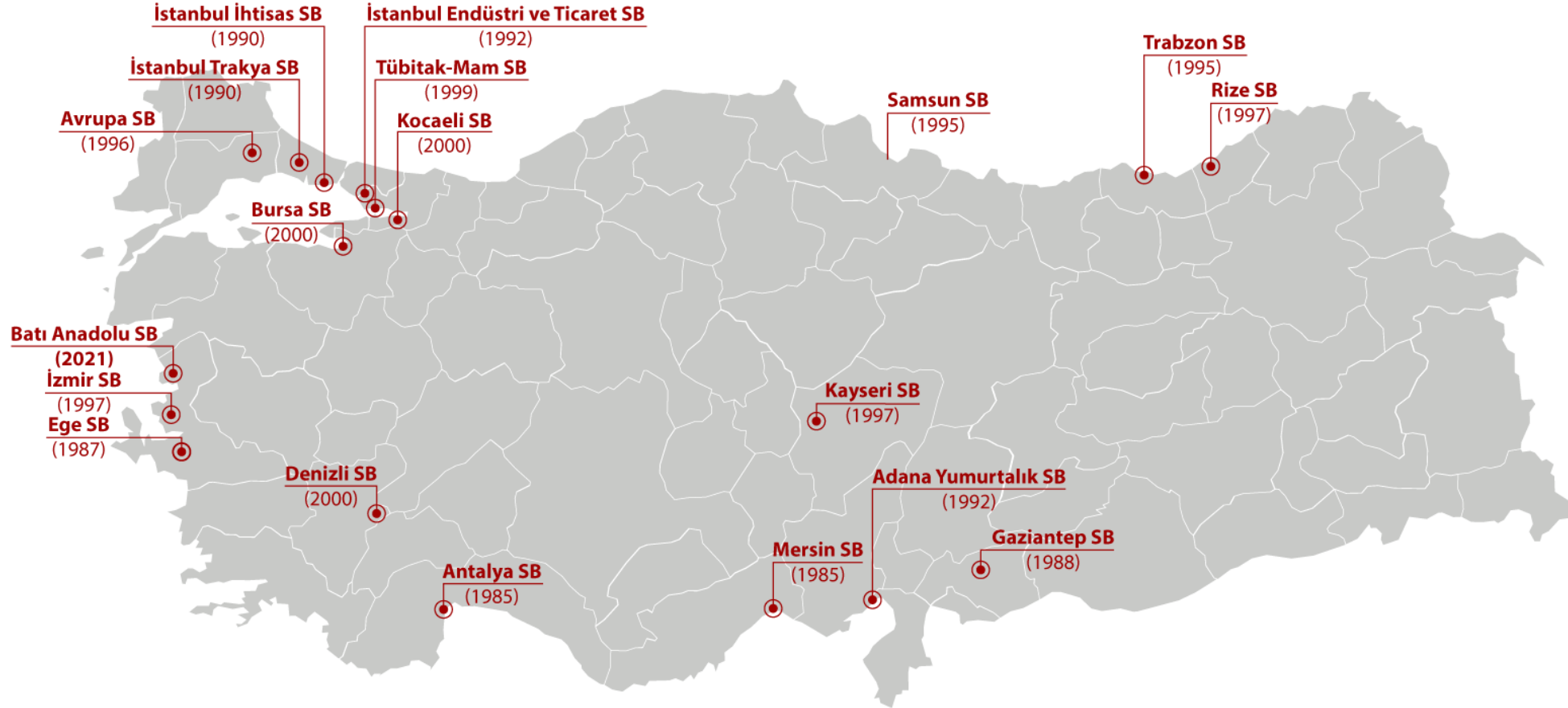
FREE ZONES

The Advantages of Free Zones

- Tax advantages for manufacturers
- Medium-and long-term investment view
- Availability to transfer profits
- Commercial facilities
- Exemption from customs duties
- Acquisition of the documents relating to the free movement of goods under the scope of Customs Union with the EU
- Principle of equality
- No time restrictions
- Flexibility to adjust to the market needs and conditions
- Reliable inflation accounting
- Market access to domestic and foreign markets
- Reduced bureaucratic procedures and dynamic business management
- Strategic advantages
- Affordable and compatible infrastructure
- Supply chain opportunities

FREE ZONES

Free Zones in Türkiye



As of August 2024, 95,534 people were employed in Free Zones.

FREE ZONES

Specialized Free Zones

- Specialized Free Zones project was implemented in order to increase the share of R&D, value added and high technology products and services production in foreign trade from free zones.
- In this context, Istanbul Specialized Free Zone was declared on 20/02/2020.
- With the President's Decree No. 2635, R&D-intensive; employment and rent supports are provided to high value-added, innovation and technology-focused investments focusing on exports with wider opportunities.
- Investments on software and IT production in specialized free zones were included among the priority investments and benefit from Region 5 Incentives in General Investment Incentives Scheme.



FREE ZONES

Trade Flows of Free Zones (Million USD)

Million USD	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024**
From Domestic Market To Free Zones	2,887	2,732	2,205	2,125	2,376	2,563	2,665	2,574	3,466	3,808	3,870	2,318
From Free Zones To Abroad	7,701	7,958	7,494	7,041	7,525	8,147	7,978	7,727	9,755	11,431	12,655	7,929
From Abroad To Free Zones	7,490	7,059	6,550	5,868	6,404	6,453	5,633	7,028	7,073	11,155	9,278	5,066
From Free Zones To Domestic Market	5,162	4,683	4,012	3,999	4,073	3,766	3,379	4,729	4,325	6,430	5,063	2,578
TOTAL TRADE VOLUME*	23,240	22,432	20,261	19,033	20,378	20,929	19,656	22,058	24,618	32,823	30,867	17,891

In January-August 2024, the total inward and outward trade flows in the free zones was USD 17.9 billion.

Source: General Directorate of Free Zones, Ministry of Trade

**Total inward and outward trade flows*

*** Includes data for January-August 2024.*

FREE ZONES

Concentration in Free Zones by Industries

Istanbul Specialized FZ	Services and Software
Antalya FZ	Yacht-building, Medical Equipment
Kocaeli FZ	Ship-building
Avrupa FZ	Ready-Wear
Mersin FZ	Ready Wear
Bursa FZ	Automotive sub-industries
Izmir FZ	Leather
TUBITAK – MAM Technology FZ	R&D Activities
Adana Yumurtalik FZ	Ship Repair and Maintenance

Source: General Directorate of Free Zones, Ministry of Trade

**F- BILATERAL, PLURILATERAL, REGIONAL and
MULTILATERAL TRADE**

BILATERAL, PLURILATERAL, REGIONAL and MULTILATERAL TRADE

Trade Relations of Türkiye

■ Bilateral Trade Relations

- Europe, Asia-Pacific, Eurasia, Middle East and North Africa, Sub-Saharan Africa, Americas
- Türkiye has a Joint Economic Commission (JEC) mechanism with 125 countries and an Economic and Commercial Joint Committee (JETCO) mechanism with 27 countries, 19 of which are EU member countries.

■ Regional Trade Relations

- EU, ECO, D8, BSEC, OIC, COMCEC, Organization of Turkic States

■ Multilateral Trade Relations

- WTO, G20

BILATERAL, PLURILATERAL, REGIONAL and MULTILATERAL TRADE

Free and Preferential Trade Agreements

In Force	
FTA	
EFTA (1992) Revised EFTA (2021)	Serbia (2010) Additional Protocols (2019)
Israel (1997)	Montenegro (2010) Additional Protocols (2022)
North Macedonia (2000)	Chile (2011)
Bosnia and Herzegovina (2003) Revised Bosnia and Herzegovina (2021)	Mauritius (2013)
Tunisia (2005)	South Korea (2013) Investment and Services (2018)
Palestine (2005)	Malaysia (2015) Additional Protocol (Internal Approval)
Morocco (2006)	Moldova (2016)
Egypt (2007)	Faroe Islands (2017)
Albania (2008)	Singapore (2017)
Georgia (2008) Additional Protocols (Internal Approval)	Kosovo (2019)
United Kingdom (2021)	Venezuela (2020)
United Arab Emirates (2023)	

In Force	
PTA	
Iran (2015)	Azerbaijan (2021) Additional Protocol (Internal Approval)
Pakistan (2023)	Uzbekistan (2023)

Completed Negotiations	On-going Negotiations
FTA	FTA/PTA
Lebanon	Japan
Qatar	Thailand
Sudan	Indonesia
Ukraine	PTA
	Mauritania

In force: 23 FTAs and 4 PTAs

Negotiation Process Completed: 4 FTAs

Negotiation Process Ongoing: 3 FTAs and 1 PTA

BILATERAL, PLURILATERAL, REGIONAL and MULTILATERAL TRADE

G20 Presidency

- G20 is composed of United States, Germany, Argentina, European Union, Australia, Brazil, China, Indonesia, France, South Africa, South Korea, India, United Kingdom, Italy, Japan, Canada, Mexico, Russia, Saudi Arabia and Türkiye.
- G20 accounts for 80% of the world economy, 75% of global trade and is home to almost two thirds of the world's population.
- G20 Term Presidency is carried out by a member country every year. In 2020, G20 Term Presidency has been assumed by Saudi Arabia. In 2021, the G20 Term Presidency was carried out by Italy. In 2022, G20 Presidency was carried out by Indonesia. In 2023, the G20 Presidency has been assumed by India. G20 Presidency is being assumed by Brazil in 2024 and will be assumed by South Africa in 2025.

BILATERAL, PLURILATERAL, REGIONAL and MULTILATERAL TRADE

Organization of Turkic States

Organization of Turkic States (OTS)

	Member States
	Azerbaijan
	Kazakhstan
	Kyrgyzstan
	Uzbekistan
	Türkiye
Observer Countries	
	Turkish Republic of Northern Cyprus (TRNC)
	Hungary
	Turkmenistan

Economic Indicators of Member and Observer Countries (2022)

Countries	GDP (Billion USD)	GDP Growth Rate (%)	Merchandise Export (Billion USD)	Merchandise Import (Billion USD)
Member States				
Azerbaijan	69.9	4.6	40.8	13.5
Kazakhstan	225.8	3.2	84.4	500.0
Kyrgyzstan	11.1	7.0	2.3	4.3
Uzbekistan	80.4	5.7	19.3	30.7
Türkiye	905.5	5.6	254.2	363.7
Observer Countries				
TRNC*	3.4	4.0	0.1	1.3
Hungary**	168.3	4.9	148.9	158.0
Turkmenistan**	78.0	1.8	10.6	4.0

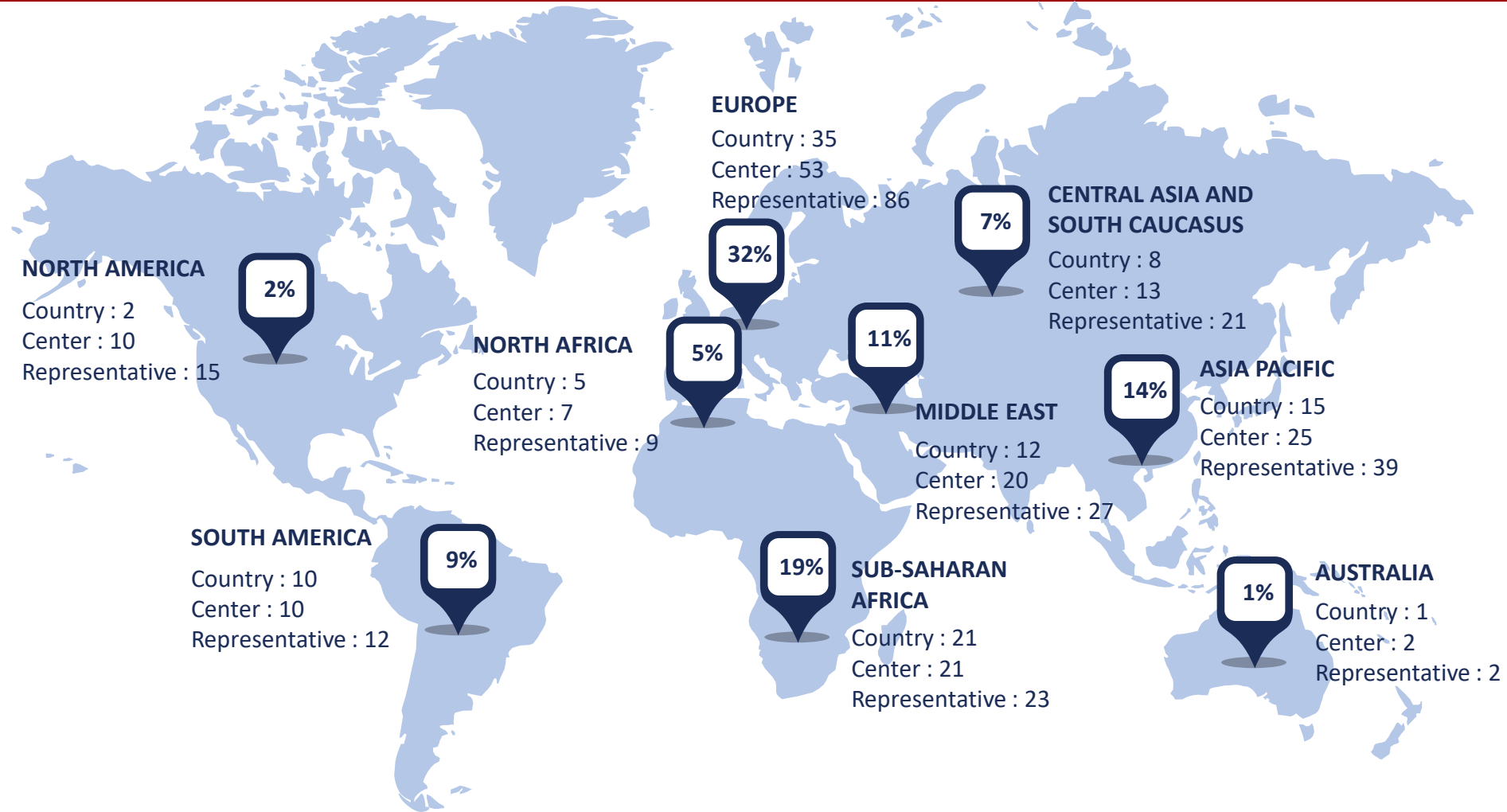
Source: Trademap, IMF, Turkish Cypriot Chamber of Commerce, Central Bank of TRNC, Economic Outlook of the Turkic Republics

*2021 Year Data

**Estimated Data

BILATERAL, PLURILATERAL, REGIONAL and MULTILATERAL TRADE

Ministry of Trade Overseas Organization



Currently, **234** Representatives of the Ministry are serving in **109** countries and **161** centers, **3** of which are Permanent Representations.



REPUBLIC OF TÜRKİYE
MINISTRY OF TRADE



TURKIYE
CENTURY



THE 100TH ANNIVERSARY OF THE REPUBLIC OF TÜRKİYE