



DECEMBER 2024

REPUBLIC OF TÜRKİYE  
MINISTRY OF TRADE

# FOCUS BUSINESS TÜRKİYE

## Contents:

- Türkiye's Exports Hit Record Level of \$262B in 2024: President Erdogan
- Türkiye's Economy in 2024: A Year of Change and Policy Shifts
- Merchandise Trade Continues to Expand in Third Quarter of 2024
- Goods Barometer Shows Moderate Trade Growth as Policy Uncertainty Looms
- Global Trade on Track to Hit All-Time High in 2024
- Palestinian Businesspeople Seek to Boost Trade Volume with Türkiye
- Türkiye, Iran Aim to Reach \$30B in Bilateral Trade
- Vegetable Oil Prices Push FAO Food Price Index to 19-Month High
- Türkiye Set to Become Regional Tech Hub
- Türkiye's Battery Sector Investments in 2024 Topped \$1B
- Events- Trade Fairs
- Send Us Your Inquiry

## NEWS

### Türkiye's Exports Hit Record Level of \$262B in 2024: President Erdogan

Türkiye's foreign trade gap narrows from \$106.3B to \$82.2B year-on-year in 2024



Türkiye's exports hit a record high level of \$262 billion during the last year, up by 2.5% on a yearly basis, President Recep Tayyip Erdogan announced January 3, 2025.

The country's foreign trade deficit, which was at \$106.3 billion in 2023, decreased to \$82.2 billion, he said during an event in Istanbul.

The export-import coverage ratio reached 76.1% in 2024, up 5.5 percentage points on a yearly basis, Erdogan stressed.

In December alone, the country's exports rose by 2.2% to \$23.5 billion, which is another record level, he added.

On Türkiye's gross domestic product (GDP), Erdogan said per capita income in the country, which was at \$13,243 in 2023, is expected to exceed \$15,000 in 2024 and surpass \$17,000 in 2025.

He said Türkiye aims to reach 4% growth in 2025 with the support of net exports and fixed capital investments.

*Türkiye, growing 2.1% in the third quarter, achieved positive growth rates over the last 17 quarters, he recalled.*

*For the source of news, please visit [AA](#) website.*

## Türkiye's Economy in 2024: A Year of Change and Policy Shifts

**Turkish economy saw bold monetary shifts, taming inflation to a 17-month low and earning global credit upgrades**



Türkiye's economy in 2024 experienced one of its most transformative years in recent memory, marked by critical policy adjustments aimed at tackling inflation, stabilizing markets and preparing for sustainable growth.

The year began with the continuation of strict monetary policies but ended with a significant shift in strategy, highlighting the government's adaptive approach to evolving economic challenges.

The main focus of the economic management this year was taming inflation, which had plagued Türkiye for years.

This policy succeeded in reducing inflation to a 17-month low of 47.09% by November, marking a turning point in the country's battle against soaring prices.

But the most notable development came in late December, when the central bank shifted course by cutting its key interest rate for the first time in nearly two years.

The decision to trim the policy rate from 50% to 47.5% signaled a cautious move to support economic growth as inflationary pressures eased.

The bank emphasized that it remained committed to maintaining price stability and would monitor inflation closely before making further adjustments.

The international community took note. Global credit rating agencies upgraded Türkiye's rating significantly throughout 2024.

In July, Moody's raised Türkiye's long-term foreign- and domestic-currency issuer and foreign-currency senior unsecured ratings to 'B1' from 'B3' with a positive outlook, citing effective monetary policies and improved economic stability.

Then in September, Fitch Ratings upgraded Türkiye's long-term foreign currency issuer default rating to 'BB-' from 'B+' with a stable outlook, reflecting improved external buffers, reduced contingent foreign exchange liabilities, the expectation of lower inflation and lower current account deficits.

The most notable upgrade came in November when S&P Global raised Türkiye’s long-term sovereign credit rating from ‘B+’ to ‘BB-.’

This reflected a growing confidence in Türkiye’s economic management and its commitment to addressing structural challenges.

In addition to these rating upgrades, Türkiye saw a significant improvement in its international reserves which hit a record level of \$159.4 billion as of December 6, 2024.

Türkiye's five-year credit default swaps (CDS) dipped below 250 basis points on Dec. 6 for the first time since February 2020, leading to easier access to financing with decreased costs, satisfying foreign investors.

The performance of Türkiye's benchmark BIST 100 stock index also reflected renewed investor sentiment. Throughout 2024, the index saw a robust recovery, rising nearly 34% by year-end, led by gains in the banking and industrial sectors.

Increased foreign investment flowed into Turkish equities as international investors responded positively to the central bank’s policies and the government’s commitment to structural reforms.

On the fiscal front, the government took measures to protect households from the lingering effects of high prices. A 30% hike in the minimum wage for 2025 was announced, aiming to balance the needs of workers with the broader economic effort to keep inflation under control.

For the source of news, please visit [AA](#) website.

### Merchandise Trade Continues to Expand in Third Quarter of 2024

World merchandise trade volume rose 1.1% quarter-on-quarter and 3.3% year-on-year, on a seasonally adjusted basis, in the third quarter of 2024, marking the fourth consecutive quarter of moderate trade expansion.

**Chart 1: World merchandise trade volume and value, 2019Q1 - 2024Q3**  
(Indices, 2019 = 100)



Source: WTO estimates for values; WTO-UNCTAD estimates for volume.  
Note: World trade refers to average of world exports and imports.

By comparison, merchandise trade in current US dollar terms was up 4.3% year-on-year in Q3. This represents a significant improvement from the 1.8% increase seen in Q2 and the 1.4% contraction observed in Q1. For the year through September, trade volume was up 2.4% compared to the same period in 2023, slightly less than the WTO's most recent forecast of 2.7% for 2024 [issued on 10 October](#).

Meanwhile, the value of merchandise trade was up 1.6% over 2023. Slower trade growth in value terms than in volume terms implies a small (less than 1%) decline in prices of traded goods during this period.

The projected 2.7% increase in the volume of world merchandise trade in 2024 is attainable if quarter-on-quarter growth in Q4 continues at around the same rate as in Q3. This is quite likely since the most recent [WTO Goods Trade Barometer of 9 December](#) signalled continued trade expansion through the end of the year. However, the short-term outlook for trade is clouded by rising global trade tensions.

*For the source of information, please visit [WTO](#) website.*

### Goods Barometer Shows Moderate Trade Growth as Policy Uncertainty Looms

**Global goods trade continued to expand at a moderate pace in the fourth quarter of 2024 according to the latest WTO Goods Trade Barometer. However, prospects for trade in 2025 are uncertain as they may be affected by possible trade policy shifts.**

#### Goods trade barometer

Index value, October 2024 = 102.7



The Goods Trade Barometer is a composite leading indicator for world trade, providing real-time information on the trajectory of merchandise trade relative to recent trends. Barometer values greater than 100 are associated with above-trend trade volumes while barometer values less than 100 suggest that goods trade has either fallen below trend or will do so in the near future.

The latest reading of 102.7 for the barometer index (represented by the blue line above) is both above the quarterly trade volume index (represented by the black line) and greater than the baseline value of 100 for the index, suggesting that trade will continue to grow steadily through the fourth quarter. However, the outlook is clouded by rising economic uncertainty, including possible shifts in trade policy.

All of the barometer's component indices remain on or above trend except for the electronic components index (95.4), which has stabilized below trend. Indices representing export orders and raw materials indices are both on trend (100.5) while those representing air freight (102.9), automotive products (104.0) and container shipping (105.8) are firmly above trend. The container shipping index showed the biggest improvement over the last three months while the air freight index lost momentum. Export orders, usually the most predictive of the barometer's components, remain very close to the baseline value of 100, suggesting steady trade growth in the near term.

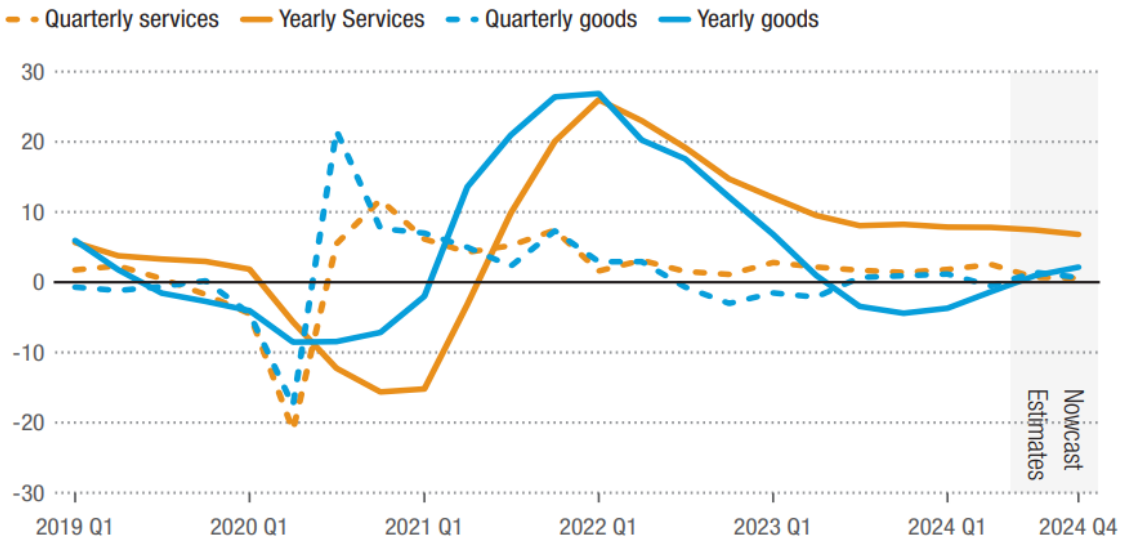
According to the [WTO's most recent trade forecast of 10 October](#), trade volume growth for the whole of 2024 should come in at around 2.7% while growth in 2025 is expected to reach 3.0%. The latest forecast only showed modest changes at the global level compared to the previous forecast in April, although there were some notable revisions by region. Exports of Asian economies and imports of North American countries grew faster than expected in the first half of 2024. Meanwhile, European trade flows continued to decline on both the export and import sides, weighing down global trade growth. The next WTO trade forecast will be issued in April 2025.

For the source of information, please visit [WTO](#) website.

### Global Trade on Track to Hit All-Time High in 2024

- Global trade adds US\$ 1 trillion in 2024, nearing \$33 trillion, driven by robust growth in services.
- Q3 trade growth was led by developed countries, while developing regions lagged behind and trade growth in East Asia stalled.
- ICT and apparel sectors drove trade growth in Q3, while trade in the automotive sector declined.
- 2025 trade outlook: growing uncertainty amid risks of trade wars and ongoing geopolitical challenges.

### Global trade growth in goods and services remained largely positive in 2024 Annual and quarterly growth in the value of trade in goods and services



Sources: UNCTADstat; UNCTAD calculations based on national statistics.

Note: Quarterly growth is the quarter over quarter growth rate of seasonally adjusted values. The annual growth is calculated using a trade-weighted moving average over the past four quarters. Figures for Q3 2024 are estimates. Q4 2024 is a [nowcast](#) as of 26 November 2024.

Global trade is expected to maintain its upward trajectory in the second half of 2024. Trade in goods increased by approximately 1.5 per cent quarter-over-quarter (QoQ) in Q3, while services trade grew by around 1 per cent. According to the UNCTAD nowcast, this positive momentum is expected to continue into Q4. As a result, global trade is set to exceed its 2022 record, reaching nearly US\$ 33 trillion in 2024. This record high is largely driven by an annual 7 per cent increase in services trade, while goods trade is projected to grow by about 2 per cent in 2024 and remain below its 2022 peak.

Overall, global trade is expected to expand by about US\$ 1 trillion (or 3.3 per cent) in 2024, with both goods and services contributing approximately US\$ 500 billion each.

Prices for traded goods increased slightly in Q3 2024 but are expected to remain stable in Q4 2024. Overall, prices for traded goods are projected to remain unchanged on an annual basis.

### Global trade dynamics and trade dependence

Since the second half of 2022, there has been a significant shift towards more politically aligned trade relationships. This shift suggests that bilateral trade has increasingly favoured countries with similar geopolitical positions, a trend often referred to as friend-shoring. By the second half of 2023, this trend began to stabilize. At the same time, global trade has become more concentrated around major trading partners, although this trend started to reverse in 2024.

For the source of information, please visit [UNCTAD](https://unctad.org/) website.

### Palestinian Businesspeople Seek to Boost Trade Volume with Türkiye

**Turkish construction sector's exports greatly contribute to Palestine's reconstruction, say heads of business associations**



The Palestinian business community is looking forward to increasing their trade volume with Türkiye in many areas, especially in construction, Kamel Mujahed, head of the Palestinian Businessmen Association, told the press.

The Second Term Meeting of the Türkiye-Palestine Economic Cooperation Council was held in Istanbul on December 26, 2024 during which delegations and business representatives of the two countries met and signed a memorandum of understanding.

“The most important topic is the trade between Türkiye and Palestine,” said Mujahed. “Türkiye is a very close country to Palestine, and goods made in Türkiye have good brand value in Palestine.”

Mujahed said the Palestinian private sector's needs were discussed at meetings held as a part of the council. Exports of iron, steel, and other steel derivatives are needed in Palestine, he said.

He highlighted that the council allowed parties to exchange views on further cooperation opportunities to make large investments in the Jenin Industrial Free Zone.

On issues in bilateral trade, he urged the inclusion of 41 agricultural products, including Palestinian dates, in customs exemption

“We mainly need grain, steel, and fertilizer from Türkiye,” he said, emphasizing the importance of boosting trade.

“The estimated amount of steel needed in Palestine is at least 1 million tons per year, and 700 tons per year for grains,” he added.

Ahmed Khalil Ibrahim Kadi, head of the Palestinian Contractors Association, said Türkiye is a significant trade partner of Palestine and that Turkish products have gained an important place and size in the Palestinian market, especially ones in the construction sector.

Kadi said that the Turkish government and people of Türkiye provided great help for the reconstruction of Palestine.

He added that the deals signed at the council will benefit Turkish exporters and the business communities of the two countries.

*For the source of information, please visit [AA](#) website.*

## Türkiye, Iran Aim to Reach \$30B in Bilateral Trade

**‘We are also trying to strengthen border crossings and markets between the two countries,’ says Turkish Trade Minister.**



Bolat noted that they want to revive the preferential trade agreement signed with Iran in 2015 and implement a comprehensive agreement on tourism.

Iran and Türkiye are working hard to reach a target of \$30 billion in bilateral trade, Turkish Trade Minister Omer Bolat has said.

After meeting with Iranian President Masoud Pezeshkian as part of his visit to the capital Tehran for the 29th Meeting of the Türkiye-Iran Joint Economic Cooperation Commission, Bolat said Türkiye wants to renew its energy agreement with Iran, according to a statement released by the Iranian Presidency on December 11, 2024.

Pointing out that they will modernise the border gates to facilitate the common customs trade between the two countries, Bolat said: “We are trying to open two more border gates with Iran.”

“We are also trying to strengthen border crossings and markets between the two countries,” he added.



### **Strengthening relations**

Bolat noted that they also want to revive the preferential trade agreement signed with Iran in 2015 and implement a comprehensive agreement on tourism.

Pezeshkian said he has always emphasised the necessity and importance of strengthening relations between Islamic countries and that they discussed this in their meetings with Turkish President Recep Tayyip Erdogan.

“We should solve the problems among us in a brotherly manner and strengthen the power of the Islamic world in a practical way,” he said, adding that Islamic countries would benefit from sharing their capacities with each other, from trade markets to transportation routes and other potentials.

For the source of information, please visit [TRT World](#) website.

## SECTORS

### Vegetable Oil Prices Push FAO Food Price Index to 19-Month High

#### Declines in meat, cereal, sugar prices offset overall hike, says UN food body



Global food prices inched higher in November as surging vegetable oil and dairy costs pushed the UN Food and Agriculture Organization (FAO) Food Price Index to 127.5 points, its highest level since April 2023.

The index was up 0.5% from October and 5.7% from November 2023, the UN food body said.

While vegetable oil prices surged, declines in meat, cereal, and sugar prices offset the overall hike.

The FAO Vegetable Oil Price Index soared 7.5% month-on-month to 164.1 points in November, its highest level since July 2022. Palm oil prices led the surge, bolstered by concerns over lower-than-expected production due to excessive rainfall in Southeast Asia.

The dairy price index edged up 0.6% to 139.9 points during the same period, driven by whole milk powder. Butter prices hit a record high, fueled by tight inventories and strong demand.

The FAO Cereal Price Index dropped by 2.7% to 111.4 points last month. Wheat prices dropped as harvests in the Southern Hemisphere boosted supply, and improved crop conditions in key Northern Hemisphere regions eased concerns.

The indexes for meat and sugar dipped by 0.8% and 2.4% to 118.1 points and 126.4 points, respectively.

For the source of information, please visit [AA](#) website.

### Türkiye Set to Become Regional Tech Hub

#### Türkiye's digital, green transformation, foreign investor interest, engineering capabilities, and qualified workforce have great significance for growth, says Investment Office official

Türkiye is on the path to becoming a regional technology hub for international investments, as more and more foreign firms carry out research and development efforts in the country, Bekir Polat, the vice president of Türkiye's Investment Office, told the press.



Polat said Türkiye last year reached a gross domestic product (GDP) of \$1.2 trillion and the country aims to join the ranks of the world's top 10 economies, noting the importance of Türkiye's digital and green transformation targets and investments to achieve the goal.

He said Yandex's new Yazeka, an artificial intelligence-powered search engine specifically engineered for the Turkish market, is a testament to foreign firms' interest in Türkiye's engineering power and qualified workforce, noting that the Investment Office will support Yandex in future investments, such as in cloud technology and taxi-on-demand applications.

"It is of great importance for foreign companies like Yandex to take advantage of Türkiye's engineering capacity and develop new technologies via the country's research and development capabilities – such investments are critical to support Türkiye's digital ecosystem," he said.

Türkiye continues to be a safe harbor for long-term investments, while the world struggles with wars, and its competitive investment environment contribute to that, he said.

Polat underlined that macro balances can shift quickly, such as when supply chains were disrupted during the pandemic, and trade protectionism and regional conflicts can also affect investors.

"When we look at the century-long history of Türkiye, there are international companies that have been investing throughout that time, as these direct investments are made with much longer-term commitments," he said.

Polat stated that Türkiye became one of the largest suppliers to Europe with its successful efforts in digital and green transformation after the pandemic, while Türkiye's free trade agreement and the Customs Union with the European Union enables it to reach 1.3 billion people and a total combined economy of \$30 trillion. Green and digital transformation will be the most important focuses for Türkiye's foreign direct investment strategy for 2024-2028, he added.

*For the source of news, please visit [AA](#) website.*

## **Türkiye's Battery Sector Investments in 2024 Topped \$1B**

**Number of battery production facilities in Türkiye to reach 11, as nation is on path to reach 80-gigawatt-hour storage target by 2030, says sector representative**



Investments by Türkiye's battery sector this year totaled more than \$1 billion with incentives and regulations to reach an 80-gigawatt-hour storage target by 2030.

Investments in energy storage systems and the battery sector are growing worldwide, and Türkiye's two cell production facilities and nearly 100 lithium ion battery production factories of various scale actively carry out their operations.

Türkiye aims to become a regional production and investment base for battery technology by building a capacity of 80 gigawatt-hours by 2030, part of the country's HIT-30 investment program.

Kadem Usta, head of the Turkish Cell, Battery Pack Manufacturers and Suppliers Association, told Anadolu that this year saw critical developments for the battery industry worldwide.

"The integration of renewable energy sources and recycling efforts were prominent worldwide, while Türkiye's investment projects and HIT-30 incentives were the main drivers of focus in the sector, as the program encourages battery production and energy storage systems, leading to accelerated investments," he said.

Usta said new facilities that can produce cell and batteries of up to 5 gigawatt-hours will be established in Ankara, Istanbul, the Aegean province of Izmir, and the northwestern city of Kocaeli.

"While the agreements signed this year exceeded \$1 billion in investments, with the new additions the number of battery production facilities in Türkiye will reach 11," he said.

Usta said the legal infrastructure for battery and storage power plants has yet to be fully shaped despite draft regulations, but the first approvals are expected next year.

Türkiye's battery imports were the same as last year, at around \$1.1 billion, he said, adding that he expects exports to wrap up the year jumping from \$39 million to \$48 million.

Usta said the association held a summit attended by international companies who showed an interest, which strengthened Türkiye's position in the battery business.

As for 2025, Usta said more companies are expected to join the industry with domestic and foreign partnerships, which is a testament to Türkiye's significant potential for energy independence and competitiveness in the global market.

He added that association will hold a battery summit in October 2025.

*For the source of information, please visit [AA](#) website.*

## EVENTS

Turkish Companies From Various Sectors Will Participate in the Fairs Listed Below:

### INTERNATIONAL FAIRS

FAIR	DATE		SECTOR	PLACE
EXPO RIVA SCHUH & GARDA BAGS 2025 I	11.01.2025	14.01.2025	TEXTILE, APPAREL, READY-TO-WEAR, LEATHER AND TECHNOLOGIES	RIVA DEL GARDA, ITALY
BAU	13.01.2025	17.01.2025	BUILDING/CONSTRUCTION PRODUCTS AND TECHNOLOGIES	MUNICH, GERMANY
THE LONDON TEXTILE FAIR 2025-1	14.01.2025	15.01.2025	TEXTILE	LONDON, ENGLAND
INTERSEC 2025	14.01.2025	16.01.2025	SAFETY, SECURITY, EMERGENCY SERVICES AND FIRE PROTECTION TECHNOLOGIES	DUBAI, UAE
PREMIERE VISION NEW YORK 2025	14.01.2025	15.01.2025	TEXTILES, APPAREL, READY-TO-WEAR, LEATHER AND TECHNOLOGIES	NEW YORK, USA
BARCELONA TEXTILE EXPO 2025- 1	14.01.2025	16.01.2025	TEXTILES, APPAREL, READY-TO-WEAR, LEATHER AND TECHNOLOGIES	BARCELONA, SPAIN
INTERFILIERE / SALON INTERNATIONAL DE LA LINGERIE / WHO.S NEXT 2025-1	18.01.2025	20.01.2025	TEXTILES, APPAREL, READY-TO-WEAR, LEATHER AND TECHNOLOGIES	PARIS, FRANCE
PAPER & TISSUE SHOW 2025-10th International Paper & Tissue Show	21.01.2025	23.01.2025	PAPER AND PAPER PRODUCTION MACHINES, PRINTING TECHNOLOGIES, HYGIENE PAPERS, ETC.	ABU DHABI, UAE
COSMOPROF NORTH AMERICA MIAMI 2025	21.01.2025	23.01.2025	CHEMICAL INDUSTRY AND TECHNOLOGIES	MIAMI, USA
SHOT SHOW 2025	21.01.2025	24.01.2025	HUNTING EQUIPMENT, WEAPON	LAS VEGAS, USA

FAIR	DATE		SECTOR	PLACE
MUNICH FABRIC START 2025-1 THE SOURCE	21.01.2025	22.01.2025	TEXTILE, GARMENT, READY-MADE CLOTHING, LEATHER AND TECHNOLOGIES	MUNICH, GERMANY
COSMETICA 2025	22.01.2025	25.01.2025	BEAUTY AND COSMETICS	ALGERIA, ALGERIA
MUNICH FABRIC START 2025-I	22.01.2025	22.01.2025	TEXTILE AND APPAREL, APPAREL AND TECHNOLOGIES	MUNICH, GERMANY
ARAB HEALTH 2025	27.01.2025	30.01.2025	MEDICAL EQUIPMENT AND DEVICES	DUBAI, UAE

For the source of information, please visit [Ministry of Trade](#) website.

#### DOMESTIC FAIRS

FAIR	DATE		SECTOR	PLACE
INTERNATIONAL ISTANBUL FURNITURE FAIR	21.01.2025	25.01.2025	HOME-OFFICE FURNITURE, DECORATION UNITS, ACCESSORIES, DESIGN	ISTANBUL
ATRAX'25- 12TH INTERNATIONAL AMUSEMENT, PARK, SPORTS, AND RECREATION INDUSTRY EXHIBITION	30.01.2025	01.02.2025	ENTERTAINMENT, PARK, PLAYGROUND, SPORTS, RECREATION, POOL, ENVIRONMENTAL PROTECTION, LEISURE AREAS	ISTANBUL

For the source of information, please visit [Ministry of Trade](#) website.

SEND US YOUR INQUIRY

**For your inquiries about Turkish exports,**  
please contact << [ihticari@trade.gov.tr](mailto:ihticari@trade.gov.tr) >> by indicating  
the Harmonized System (HS) Code of the product/sector of your interest.

**Warning:** This bulletin is prepared by Republic of Türkiye Ministry of Trade Directorate General of Exports only for information purposes, by making use of public resources which are assumed to be reliable. Ministry of Trade does not accept the liability of harms and losses that may result from the utilization of information included in this bulletin.