



T.C. TİCARET
BAKANLIĞI

TURKISH ECONOMY & BUSINESS ENVIRONMENT

Interconnected Business Series: Turkey-Vietnam
21.07.2020



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A- MACROECONOMIC DEVELOPMENTS

B- FOREIGN TRADE FIGURES

C- INVESTMENT CLIMATE and PROMINENT SECTORS



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DID YOU **KNOW?**

...The world's **oldest
known human
settlement** is in
Çatalhöyük, Turkey
(7500 BC).





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A-MACROECONOMIC DEVELOPMENTS



MAIN ECONOMIC INDICATORS

Population:
83,1 million
(2019)

Capital:
Ankara

Currency:
Turkish Lira (1
\$=6,86 TL) (July
2020)

GDP:
754 billion \$
(2019)

GDP per Capita:
9.127 \$ (2019)

GDP Growth:
%0,9 (2019)

**Inflation in
Consumer Prices:**
%12,6 (June
2020)

Labor Force:
29,3 million
(April 2020)

Unemployment:
%13,8 (April
2020)

44,7 million
tourists (2019)

**WB Ease of Doing
Business Rank:**
33 (2020)

**UN E-Government
Development
Index:**
53 (2020)

**UN Human
Development
Index:**
59 (2020)

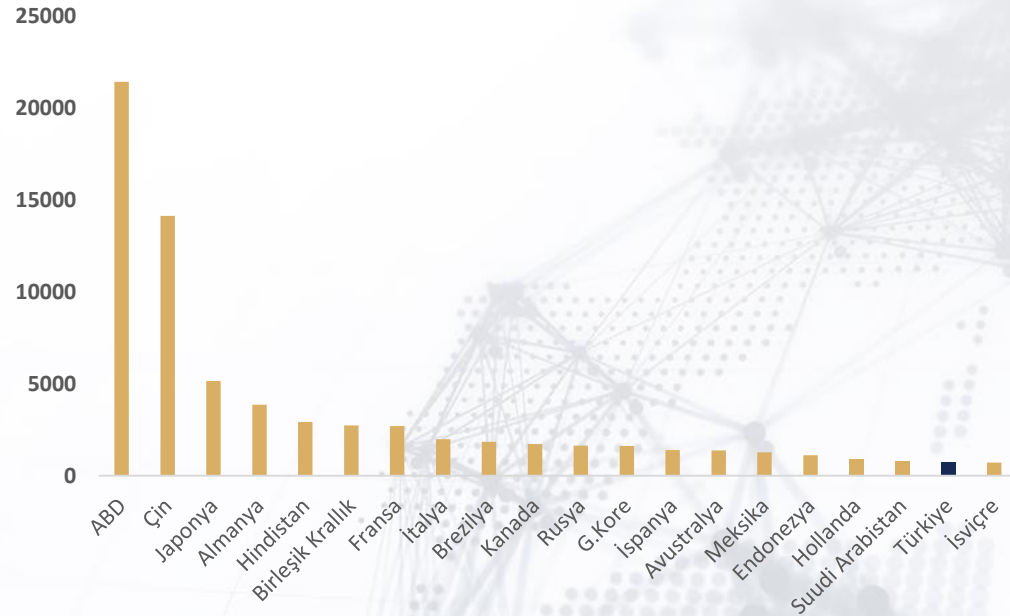
**Global
Competitiveness
Index:**
61 (2019)

Credit Rating:
BB- (stable)
(2020)



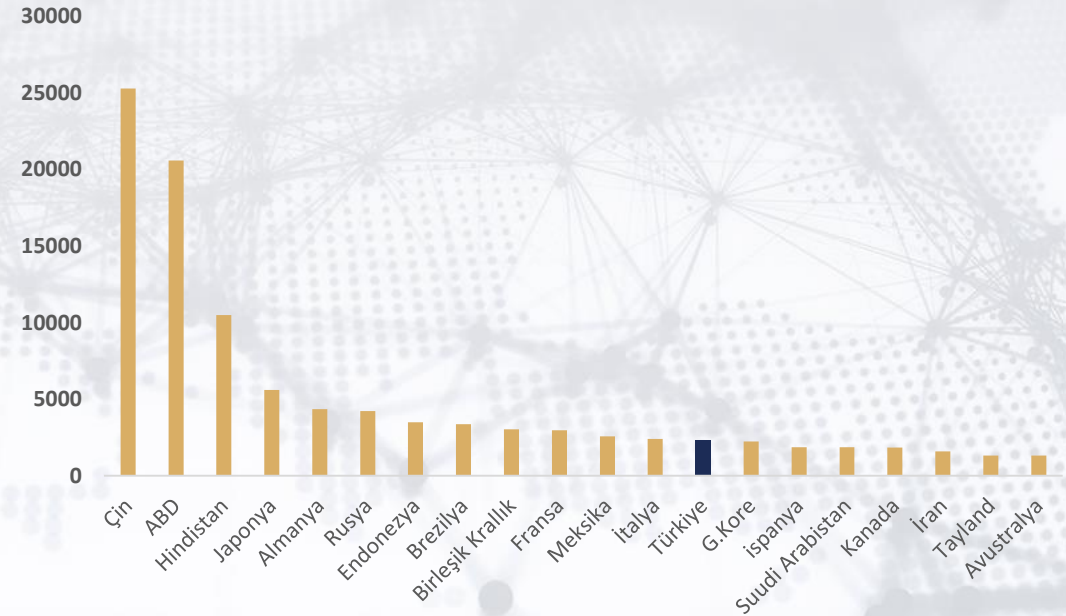
TOP 20 ECONOMY OF THE WORLD (PER REEL GDP AND PER GDP-PPP)

GDP billion USD



Source: TÜİK, IMF

GDP(PPP) billion USD



Source: IMF



COMPOSITION OF GDP



21%

industry

6%

agriculture

9%

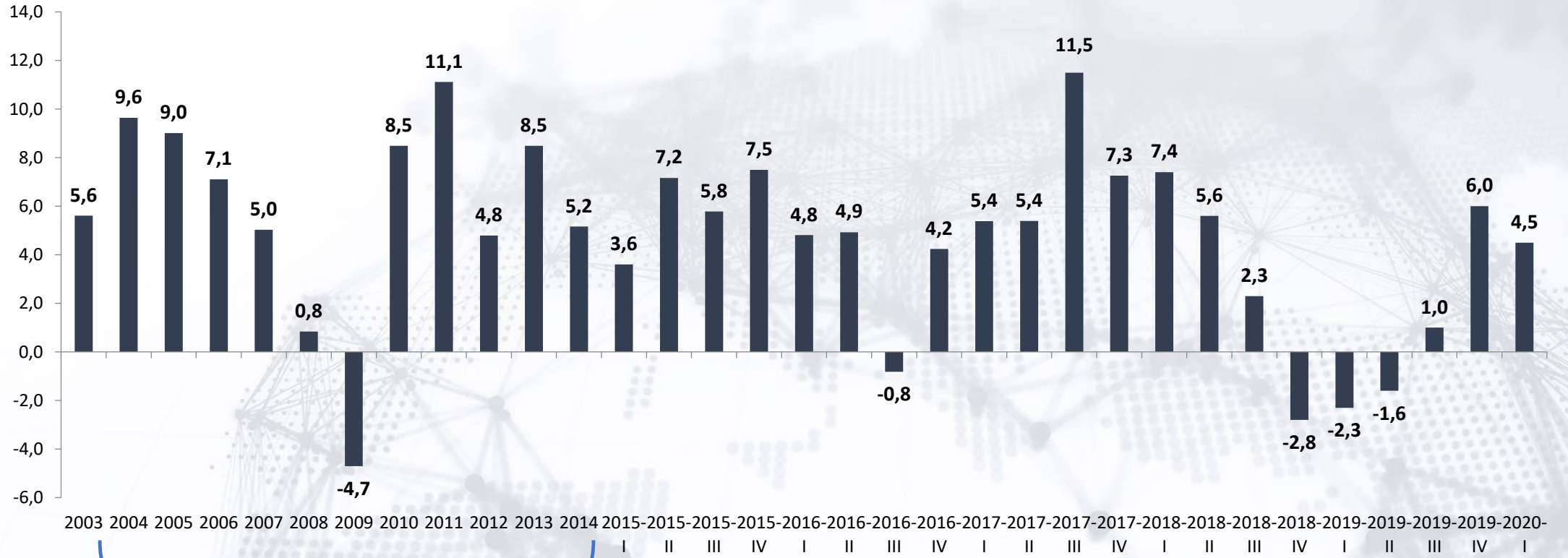
construction

64%

services



GDP GROWTH IN YEARS (%)

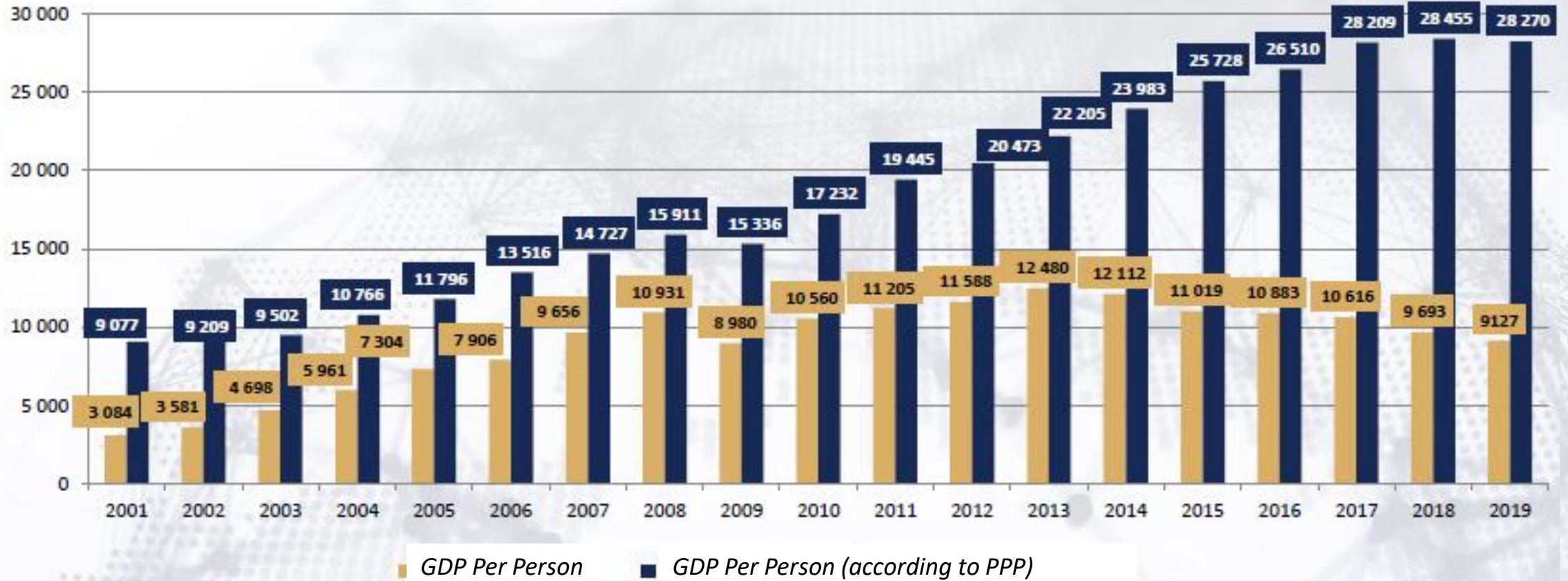


Yearly Changes

Source: TÜİK



GDP PER PERSON, USD

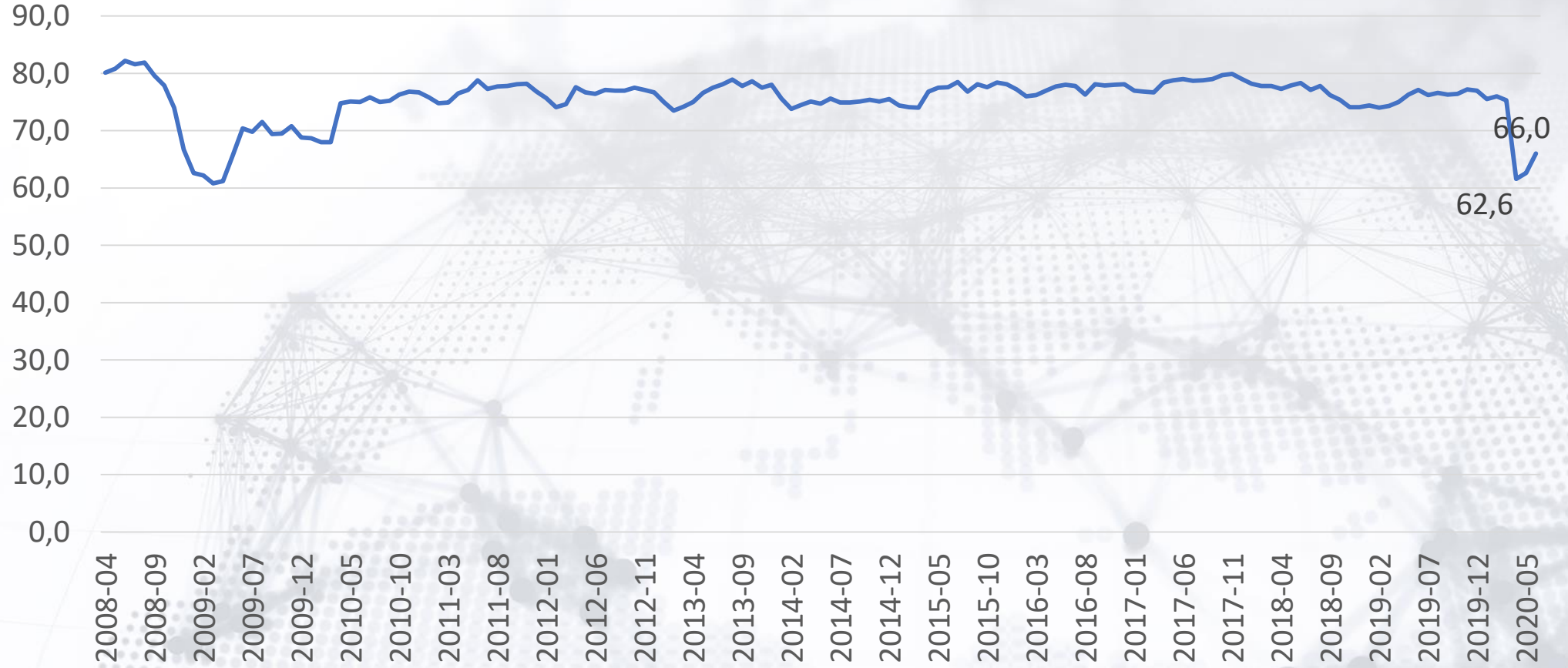


Source: TÜİK



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MANUFACTURING INDUSTRY CAPACITY UTILISATION RATE (%)



Source: TCMB



INDUSTRIAL PRODUCTION INDEX (IPI)



Source: TÜİK



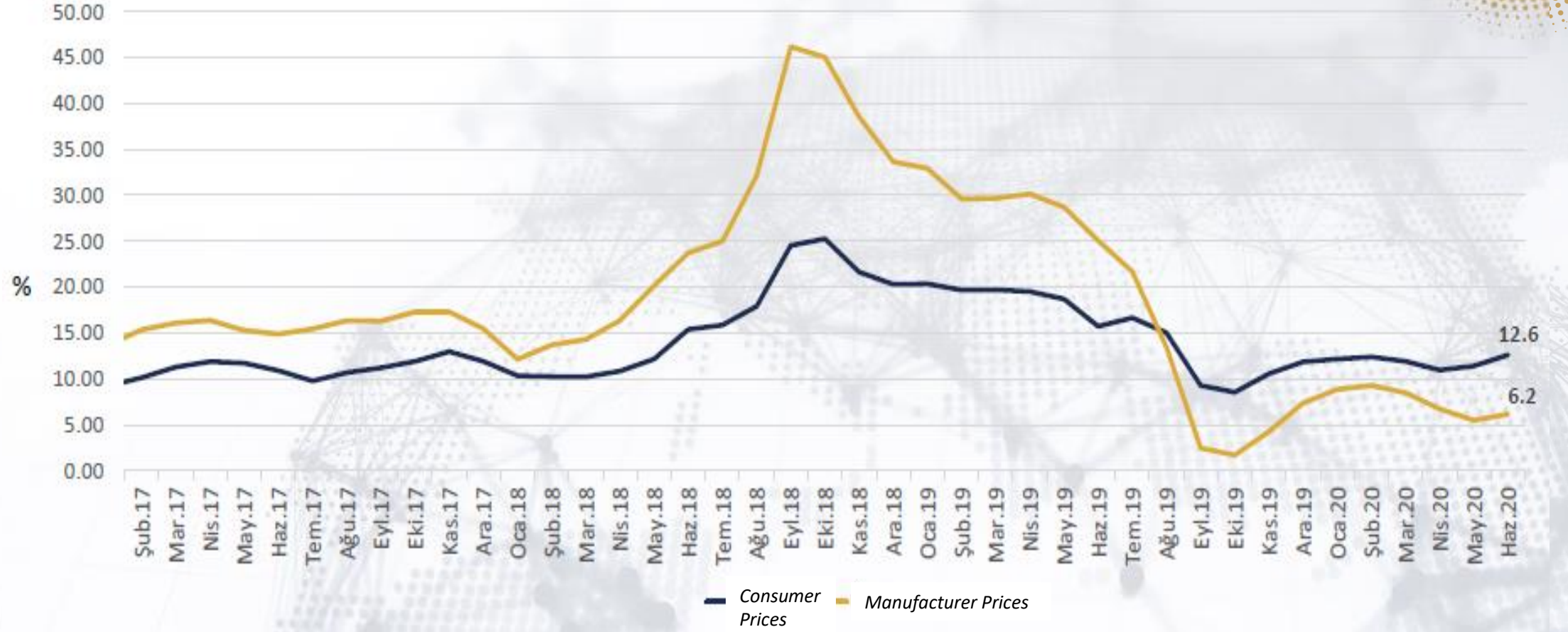
PURCHASING MANAGERS' INDEX (PMI)



Source: Markit Economics

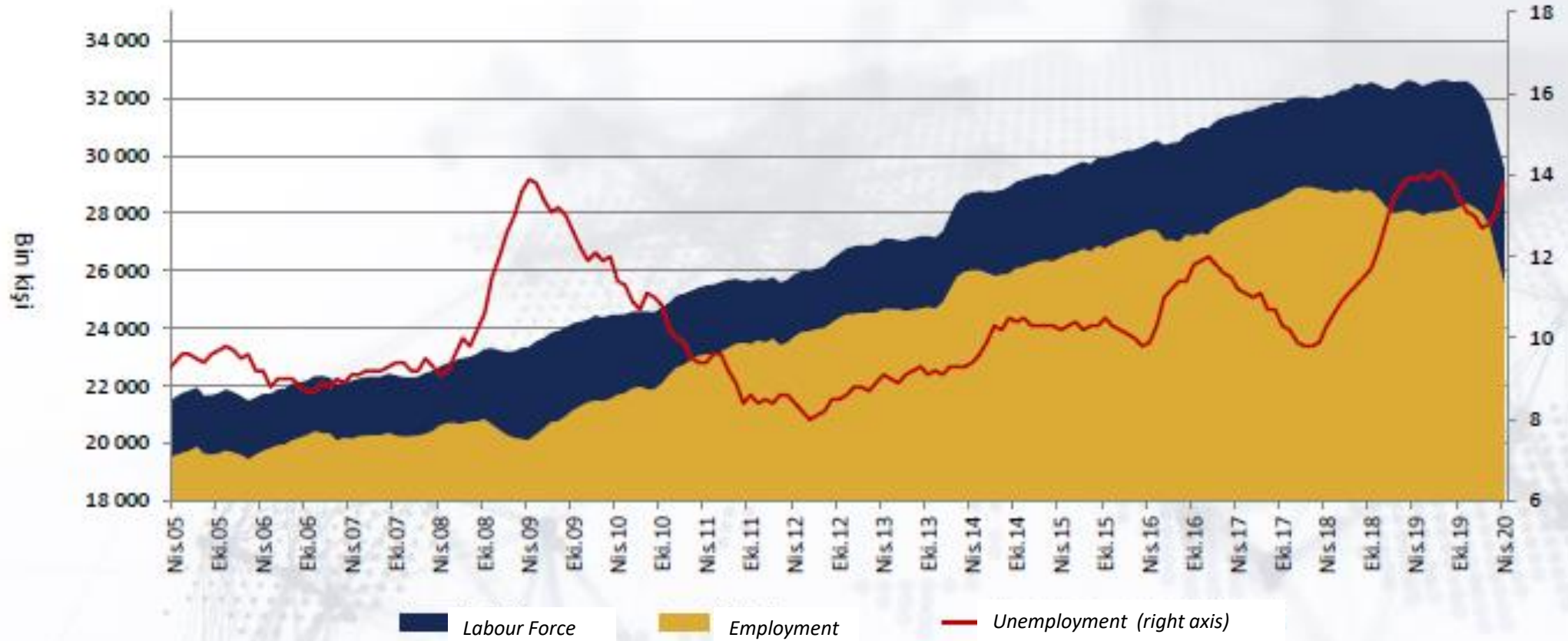


INFLATION





LABOR MARKET

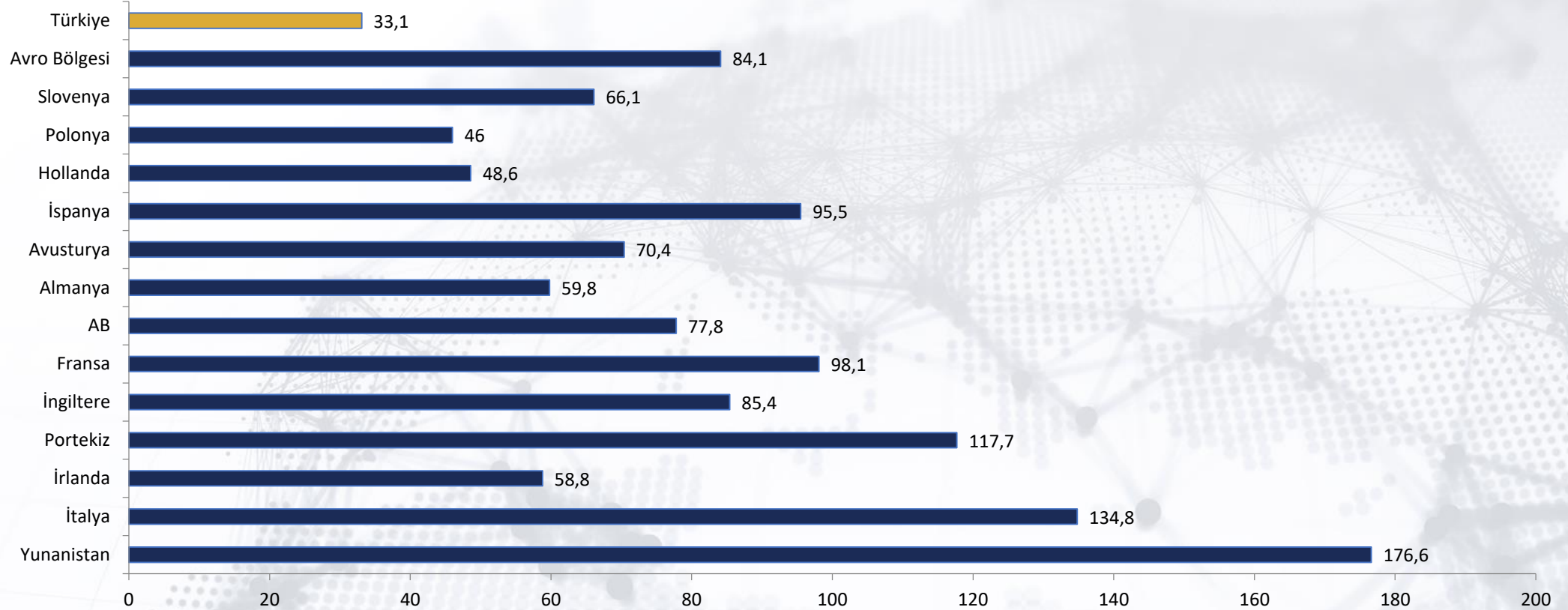


Source: TÜİK

Note: Seasonally Adjusted Data



GOVERNMENT DEBT STOCK / GDP (%), 2019



Source: Turkish Ministry of Treasury and Finance, Eurostat



2020-2022 New Economic Program (YEP) Goals

	2019	2020 (P)	2021 (P)	2022 (P)
GDP (Billion TL, Current Prices)	4.269	4.872	5.484	6.070
GDP per Capita (\$)	9.093	9.738	10.144	10.534
GDP Real Growth (%)	0,5	5,0	5,0	5,0
Unemployment Rate (%)	12,9	11,8	10,6	9,8
Inflation (%)	12	8,5	6	4,9
Travel Income (Billion \$)	29,0	34,3	40,1	46,5
Current Account Balance (Billion \$)	1,0	-9,6	-7,0	0,0
Current Account Balance / GDP (%)	0,1	-1,2	-0,8	0,0

Source: Turkish Ministry of Treasury and Finance



DID YOU KNOW?

...Turkey receives children from around the world each year on **April 23rd** to “honor and cherish the freedom and independence of all people.”





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B- FOREIGN TRADE FIGURES



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0 1) TRADE IN GOODS



Turkish Foreign Trade in 2019

Share in World
export:
%0,9

Share in World
import:
%1,09

Export:
180.8 billion USD

Import:
210.3 billion USD

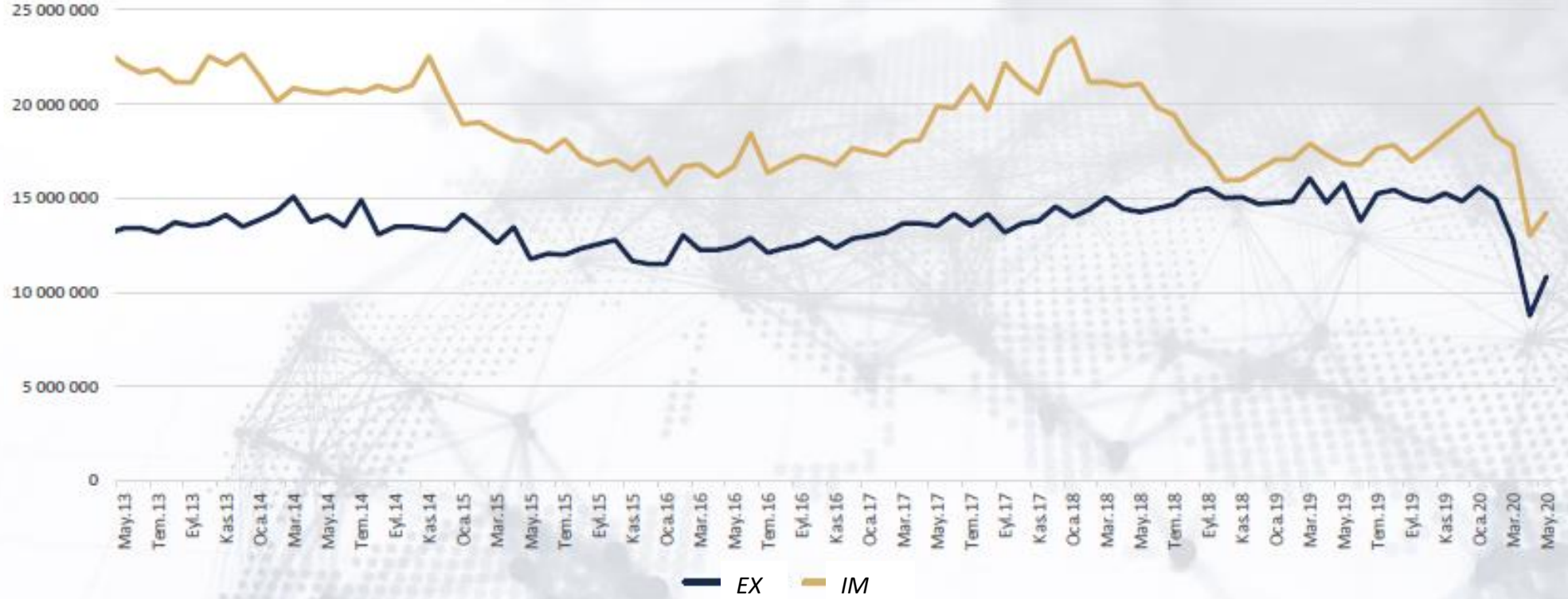
Export/import
coverage ratio:
%86

Export to 192
countries

More than 90k
exporters



Monthly Import and Export Figures



Source: TÜİK

Note: Seasonally adjusted data.



Classification of Broad Economic Categories (BEC)

EXPORT

Export (Million \$)	January-May		
	2019	2020	change (%)
Capital Goods	9.294	6.783	-27,0
Intermediate Goods	36.657	30.234	-17,5
Consumer Goods	30.399	24.185	-20,4
Others	379	383	1,0
TOTAL	76.729	61.586	-13,7

IMPORT

Import (Million \$)	January-May		
	2019	2020	change (%)
Capital Goods	10.187	11.106	9,0
Intermediate Goods	68.293	62.860	-8,0
Consumer Goods	8.360	8.354	-0,1
Others	247	271	9,7
TOTAL	87.087	82.591	-5,2

Source: TÜİK



Main Exports

HS	Export (Million USD)	January-April		
	HS Code Definition	2019	2020	% Change
84	Nuclear reactors, boilers, machinery and mechanical	5.835	5.148	-11,8
72	Iron and steel	3.687	2.807	-23,8
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers; television image and	3.105	2.718	-12,5
87	Vehicles; other than railway or tramway rolling stock, and parts and accessories thereof	9.026	6.559	-27,3
39	Plastics and articles thereof	2.262	2.107	-6,8
73	Iron or steel articles	2.183	1.993	-8,7
8	Fruit and nuts, edible; peel of citrus fruit or melons	1.311	1.495	14,1
27	Mineral fuels, mineral oils and products of their distillation;	2.746	1.917	-30,2
61	Apparel and clothing accessories; knitted or crocheted	3.039	2.347	-22,8
20	Preparations of vegetables, fruit, nuts or other parts of plants	649	806	24,3

* Ranked according to export volume in April 2020.

Source: TÜİK



Main Imports

HS	Export (Million USD)	January-April		
	HS Code Definition	2019	2020	% Change
84	Nuclear reactors, boilers, machinery and mechanical	6.943	7.266	4,7
27	Mineral fuels, mineral oils and products of their distillation;	14.729	11.464	-22,2
72	Iron and steel	4.903	4.870	-0,7
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers; television image and	4.936	4.842	-1,9
39	Plastics and articles thereof	3.915	3.894	-0,5
71	Natural, cultured pearls; precious, semi-precious stones;	3.939	5.903	49,9
87	Vehicles; other than railway or tramway rolling stock, and parts and accessories thereof	2.815	3.712	31,9
29	Organic chemicals	2.079	2.000	-3,8
30	Pharmaceutical products	1.576	1.723	9,3
90	Optical, photographic, cinematographic, measuring,	1.447	1.596	10,3

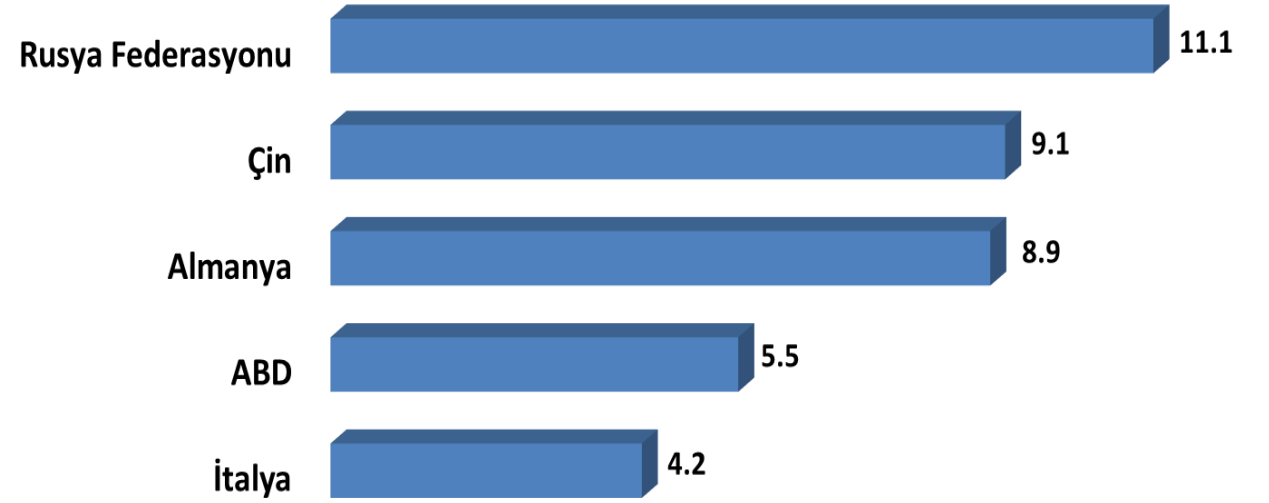
* Ranked according to export volume in April 2020.

Source: TÜİK

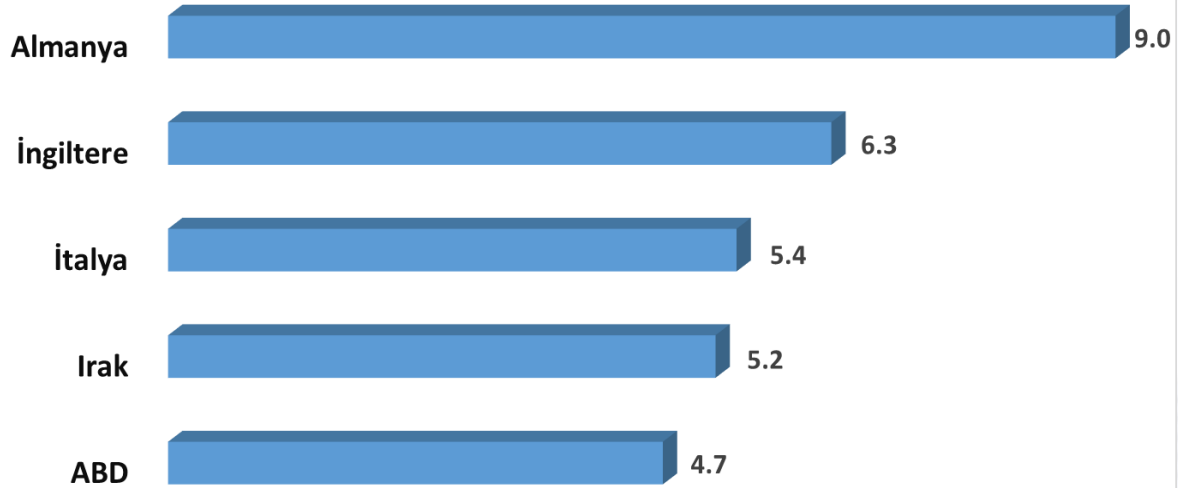


Principal Trade Partners

2019 Import, First 5 Economy (% Share)



2019 Export, First 5 Economy (% Share)

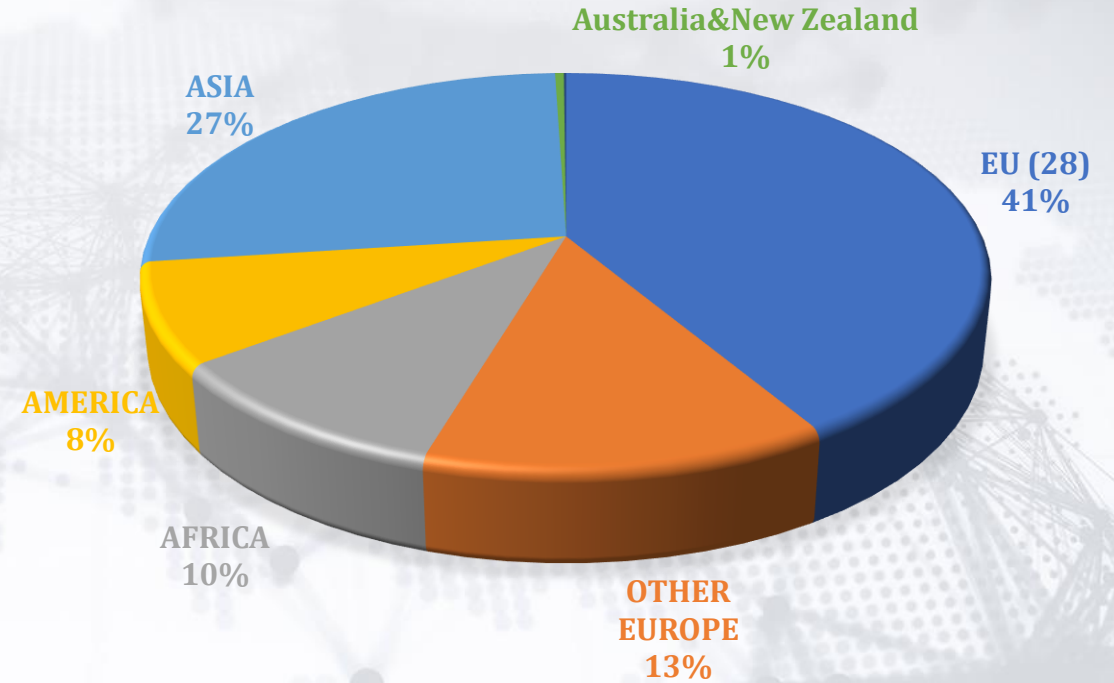
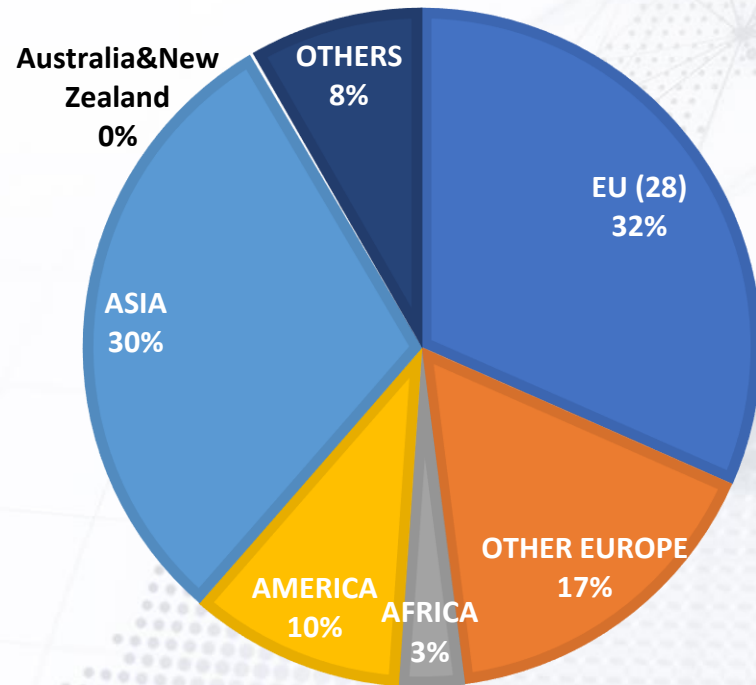


Source: TÜİK



Regional Distribution of Turkish Exports, Q1, 2020

Regional Distribution of Turkish Imports, Q1, 2020



Source: TÜİK



DID YOU KNOW?

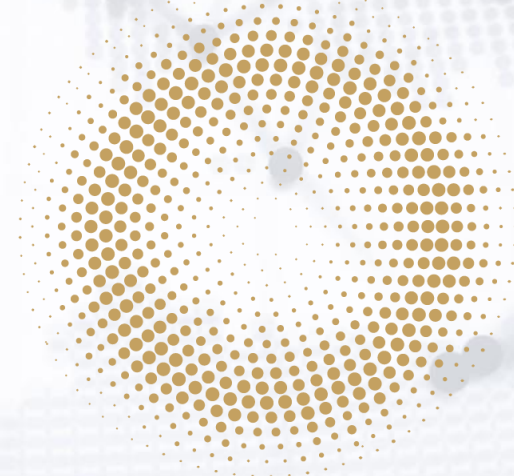
...The **most valuable silk carpet** in the world which has 144 knots per square centimeter is located in the Mevlana Museum in Konya. In the 13th Century, **Marco Polo** wrote “the best and handsomest of rugs are woven here... and silks of crimson and other rich colors”.



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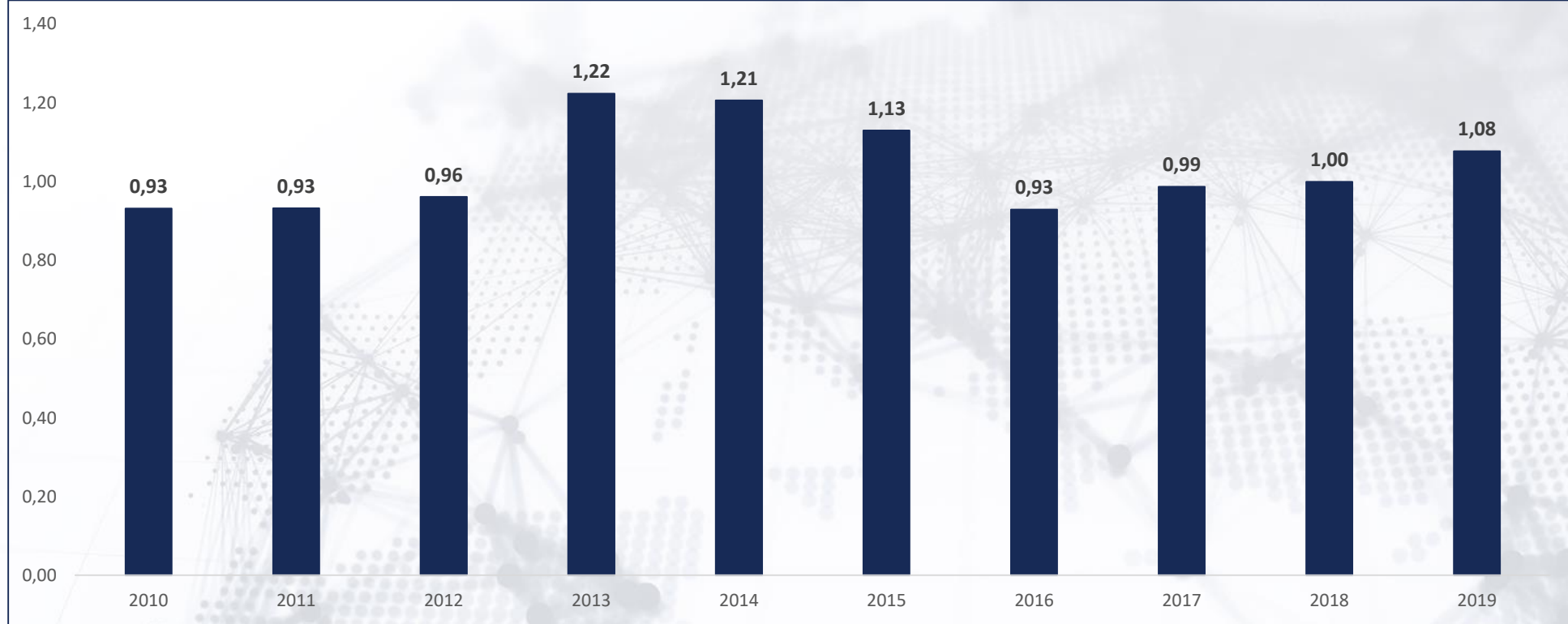


2) TRADE IN SERVICES





Türkiye's Share in Global Export in Services (%)



Source: TCMB, WTO



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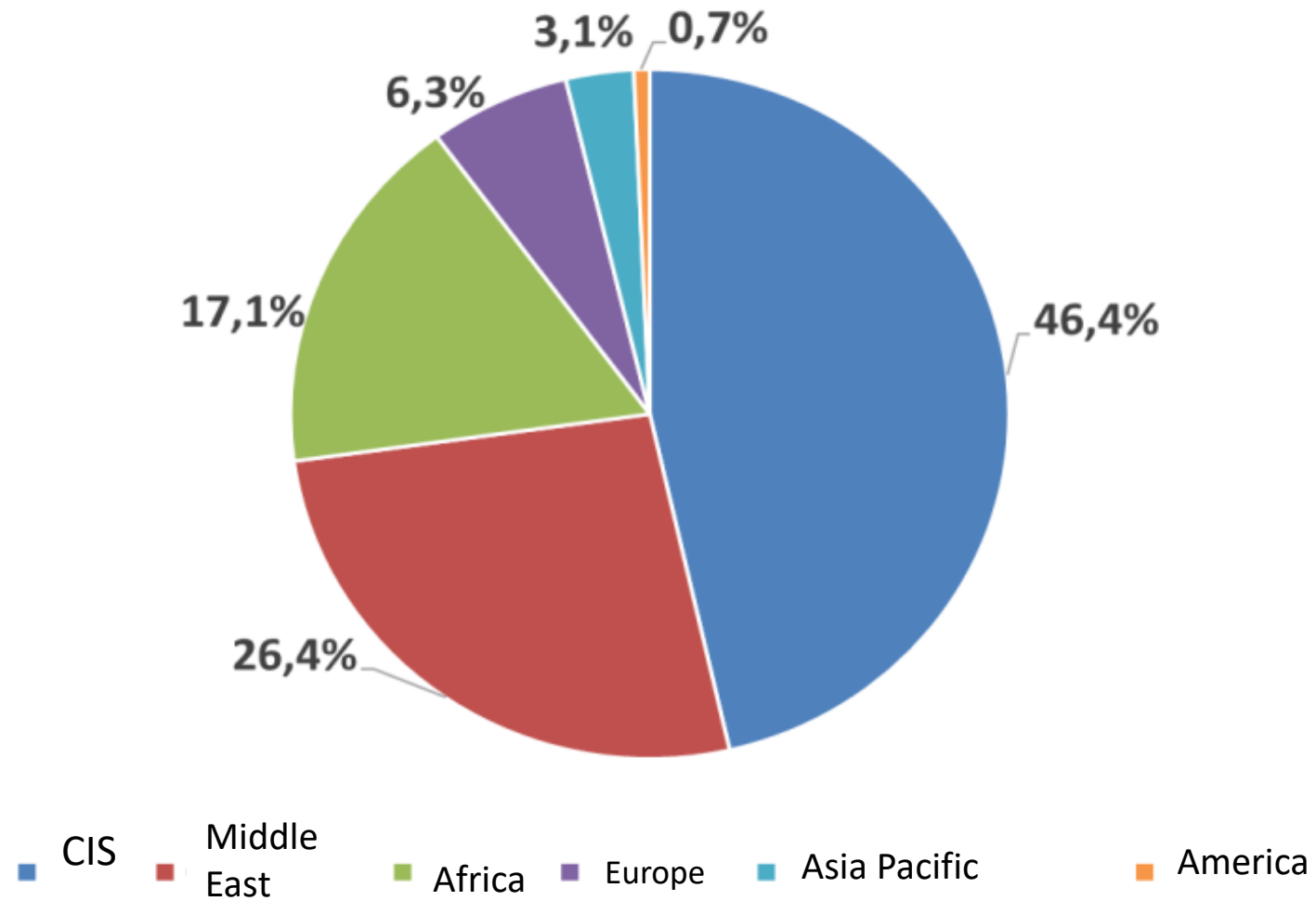
Türkiye's Share in Global Import in Services (%)



Source: TCMB, WTO



Turkish Contractors Worldwide



Turkish Contractors by Region, July 2020

Source: Ministry of Trade



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DID YOU KNOW?

... Two of the **Seven Wonders of the Ancient World** stood in Turkey - the Temple of Artemis at Ephesus and the Mausoleum at Halicarnassus, Bodrum.





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C-INVESTMENT CLIMATE AND PROMINENT SECTORS

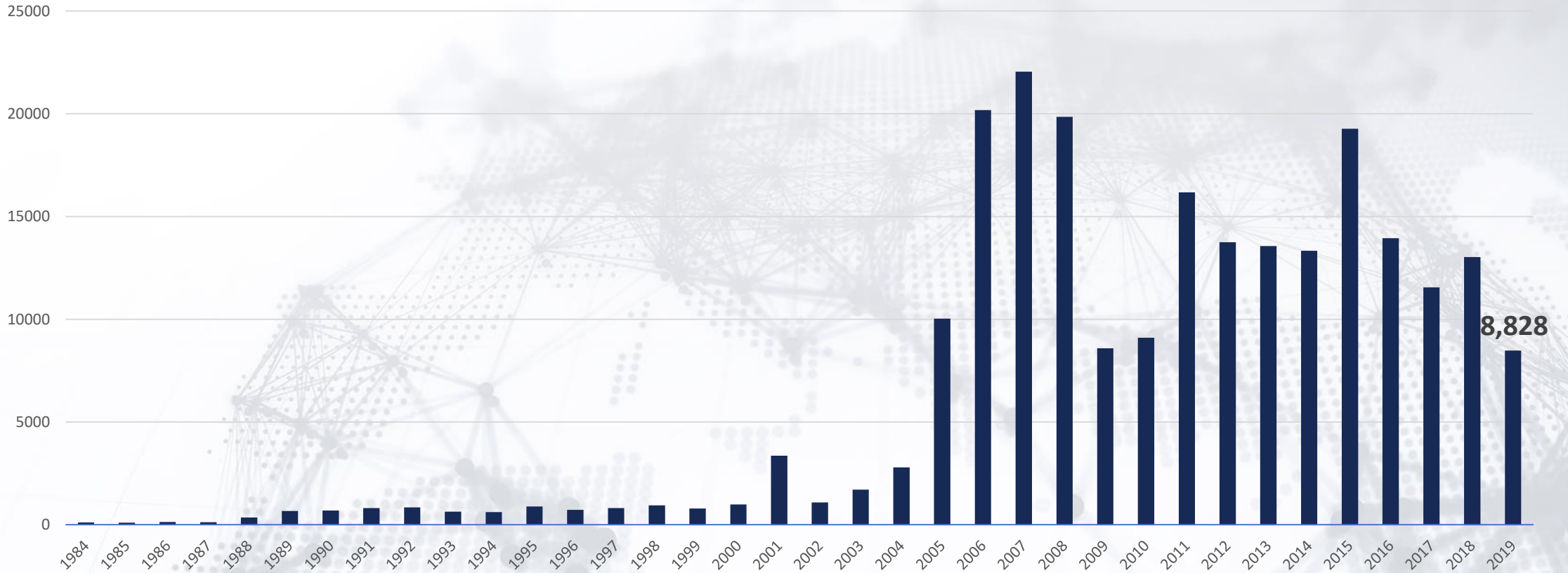


Avoidance of Double Taxation Treaties

1. ABD
2. Almanya
3. Arnavutluk
4. Avusturya
5. Avustralya
6. Azerbaycan
7. BAE
8. Bahreyn
9. Bangladeş
10. Belçika
11. Beyaz Rusya
12. Bosna Hersek
13. Brezilya
14. Bulgaristan
15. Cezayir
16. Çek Cumhuriyeti
17. Çin Halk Cumhuriyeti
18. Danimarka
19. Endonezya
20. Estonya
21. Etiyopya
22. Fas
23. Filipinler
24. Finlandiya
25. Fransa
26. Güney Afrika
27. Güney Kore
28. Gürcistan
29. Hindistan
30. Hırvatistan
31. Hollanda
32. İngiltere
33. İran
34. İrlanda
35. İspanya
36. İsrail
37. İsveç
38. İsviçre
39. İtalya
40. Japonya
41. Katar
42. Kazakistan
43. Kırgızistan
44. Kuveyt
45. K.K.T.C.
46. Kanada
47. Kosova
48. Letonya
49. Litvanya
50. Lübnan
51. Lüksemburg
52. Macaristan
53. Makedonya
54. Malezya
55. Mısır
56. Moğolistan
57. Moldova
58. Malta
59. Meksika
60. Norveç
61. Özbekistan
62. Pakistan
63. Polonya
64. Portekiz
65. Romanya
66. Rusya
67. S. Arabistan
68. Sırbistan-Karadağ
69. Singapur
70. Slovakya
71. Slovenya
72. Suriye
73. Sudan
74. Tacikistan
75. Tayland
76. Tunus
77. Türkmenistan
78. Ukrayna
79. Umman
80. Ürdün
81. Vietnam
82. Yeni Zelanda
83. Yunanistan
84. Yemen
85. Gambiya



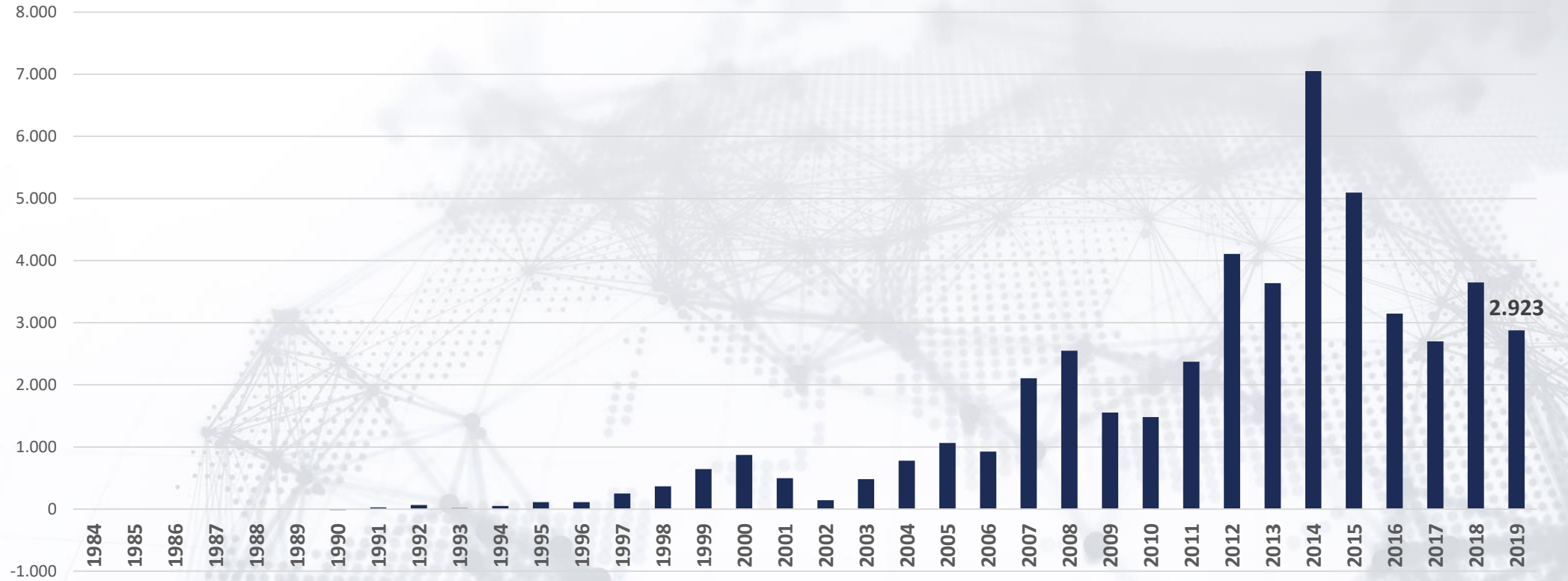
Foreign Direct Investment (FDI), Billion USD



Source: TCMB



Turkish FDI Abroad, Billion USD



Source: TCMB



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Invest In Türkiye

Presidency of the Repul x + v

https://www.invest.gov.tr/en/pages/home-page.aspx

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INVESTMENT OFFICE

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Free Trade Zones (FTZ)





Free Trade Agreements (FTA)

1. EFTA (Norveç, İsviçre, İzlanda, Liechtenstein) (1992)
2. İsrail (1997)
3. Makedonya (2000)
4. Bosna Hersek (2003)
5. Filistin (2005)
6. Tunus (2005)
7. Fas (2006)
8. Suriye *
9. Mısır (2007)

10. Arnavutluk (2008)
11. Gürcistan (2008)
12. Karadağ (2010)
13. Sırbistan (2010)
14. Şili (2011)
15. Güney Kore (2013)
16. Mauritius (2013)
17. Lübnan**
18. Kosova (2019)

19. Malezya (2015)
20. Moldova (2016)
21. Faroe Adaları (2017)
22. Singapur (2017)
23. Sudan**
24. Venezuela**
25. Katar **
26. Gana **

(*) *On hold*

(**) *National Approval Process*



Ongoing Negotiations for FTA's

Ongoing Negotiations

1. Japonya
2. Tayland
3. Endonezya
4. Ukrayna
5. Somali

Other Negotiations

1. Peru
2. Kolombiya
3. Kamerun
4. MERCOSUR
5. Kongo Demokratik Cumhuriyeti
6. Körfez İşbirliği Konseyi
7. Pakistan
8. Ekvator
9. Meksika
10. Cibuti
11. Çad



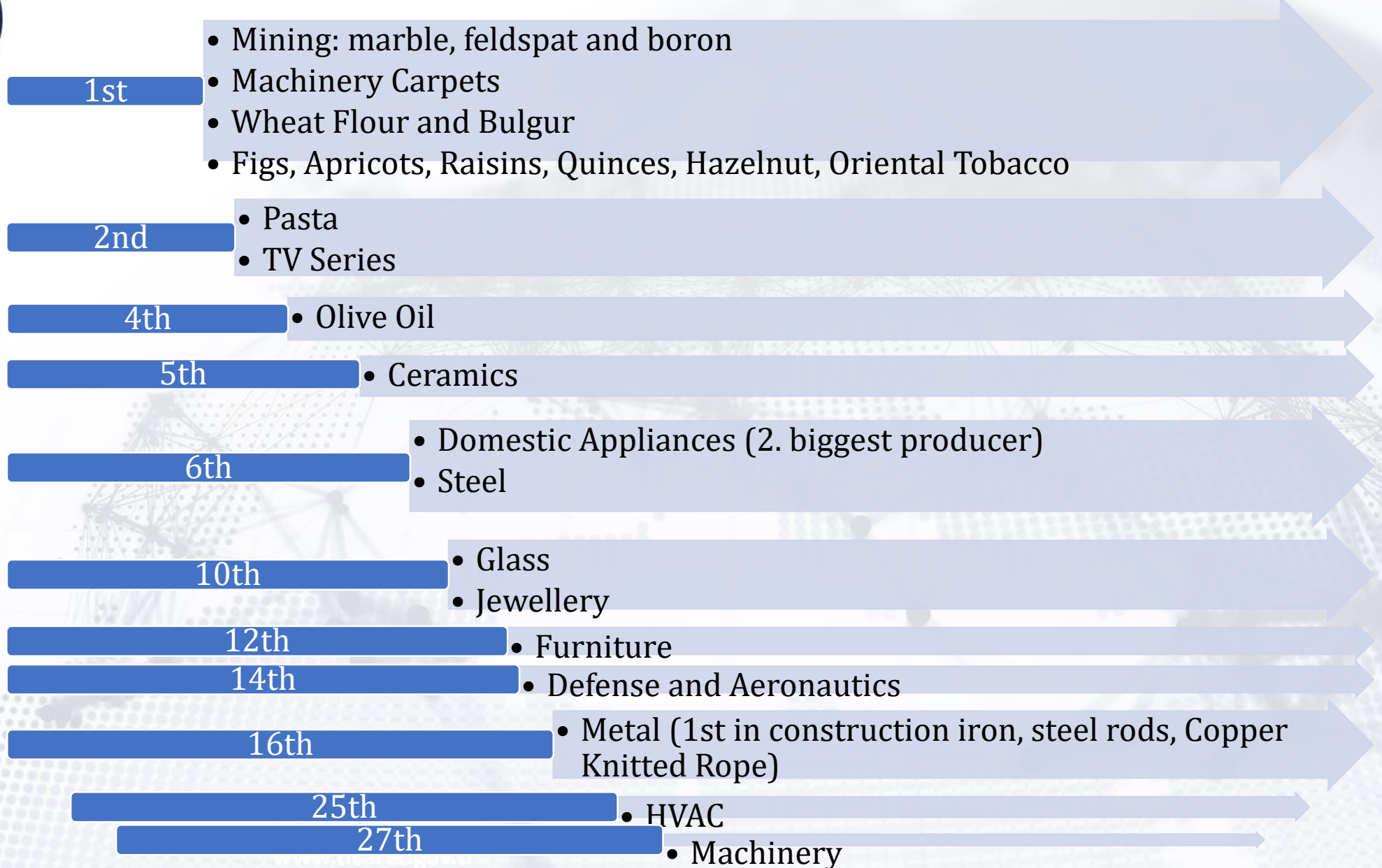
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Ministry of Trade, Offices of Commercial Counsellors





World Export Rankings of Turkish Sectors (2019)





Turkish Sectors by Export Volume

Sector	2018	2019	Change(%)
Automotive	31,6	30,6	-3,1
Chemicals	17,3	20,6	18,6
Textile	17,6	17,7	0,4
Steel	15,5	13,9	-10,6
Electronics	11,3	11,2	-0,5

Turkish Sectors by Increase in Export Volume

Sector	2018	2019	Change(%)
Defense & Aeronautics	2	2,7	34,6
Hazelnut Products	1,6	2	24,5
Chemicals	17,3	20,6	18,6



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DID YOU KNOW?

... **Göbekli Tepe is one of the most important archaeological sites in the world.** The discovery of this stunning 10,000 year old site in the 1990s CE sent shock waves through the archaeological world and beyond, with some researchers even claiming it was the site of the biblical Garden of Eden.





**T.C. TİCARET
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Thank You For Your Attention

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