



# ICI TÜRKIYE EXPORT CLIMATE INDEX

Istanbul Chamber of Industry

Export demand conditions improve modestly

## KEY FINDINGS

ECI posts 50.8 in July

Solid expansion in output in the US

Eurozone shows signs of weakness

## TÜRKIYE MANUFACTURING ECI



### LAST TWELVE MONTHS

Aug-23	49.1
Sep-23	49.0
Oct-23	48.5
Nov-23	49.5
Dec-23	49.7
Jan-24	50.6
Feb-24	51.1
Mar-24	51.6
Apr-24	52.3
May-24	52.8
Jun-24	51.6
Jul-24	50.8

Turkish manufacturers continued to see export demand conditions improve overall at the start of the second half of 2024, thanks to solid growth of activity in the US, UK and the UAE. The rate of improvement in the export climate lost momentum, however, amid signs of weakness in the eurozone.

The 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 posted 50.8 in July to signal a seventh consecutive monthly strengthening of the export climate. That said, the index was down from 51.6 in June and pointed to the least marked improvement in export demand conditions since January.

The US remained a key source of improving demand during July. Output rose solidly, and at a pace that was only slightly slower than the 26-month high seen in June.

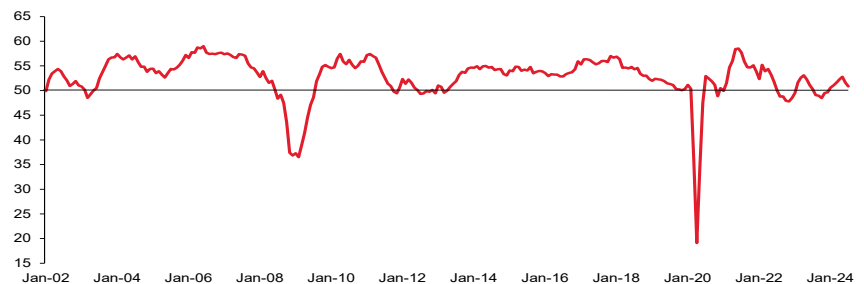
A strong rise in business activity was meanwhile seen in the UAE again in July, despite growth easing to the slowest since September 2021. Elsewhere in the Middle East, Saudi Arabia and Kuwait saw output increase, but reductions were recorded in Egypt and Lebanon.

Turning to Europe, there were mixed trends in business performance at the start of the third quarter. The third-largest export market for Turkish manufacturers - the UK - signalled a solid increase in output that was faster than that seen in the previous month.

In the eurozone, the picture was less positive. Germany, which accounts for around 8% of Turkish manufacturing exports, saw business activity decrease for the second month running, and at a faster pace. Output also fell in France,

## Manufacturing PMI Export Climate Index

sa, >50= improvement since previous month





Italy and the Netherlands. More positive was a solid increase in activity in Spain.

Manufacturers in central Europe continued to struggle, with the Czech Republic, Poland and Romania all seeing production decline in July.

Russia posted a renewed expansion in output during July, following a first reduction in 17 months in June.

Of the countries covered by the report, India posted the fastest expansion in output during July as growth remained substantial. At the other end of the scale, business activity in Kenya was heavily disrupted by protests and political instability, leading to a rapid decline.

**Comment**

Commenting on the Istanbul Chamber of Industry Türkiye Manufacturing Export Climate Index, Andrew Harker, Economics Director, S&P Global Market Intelligence, said:

“While the export climate continued to improve overall in July, this masked differing trends in some of the key export markets for Turkish manufacturers. Firms could be looking to focus on sales to the US, UK and UAE for now as demand conditions there are improving solidly. On the other hand, the eurozone is on less of a stable footing, with a number of economies there having returned to contraction territory in the past couple of months.”

**For further information, please contact:  
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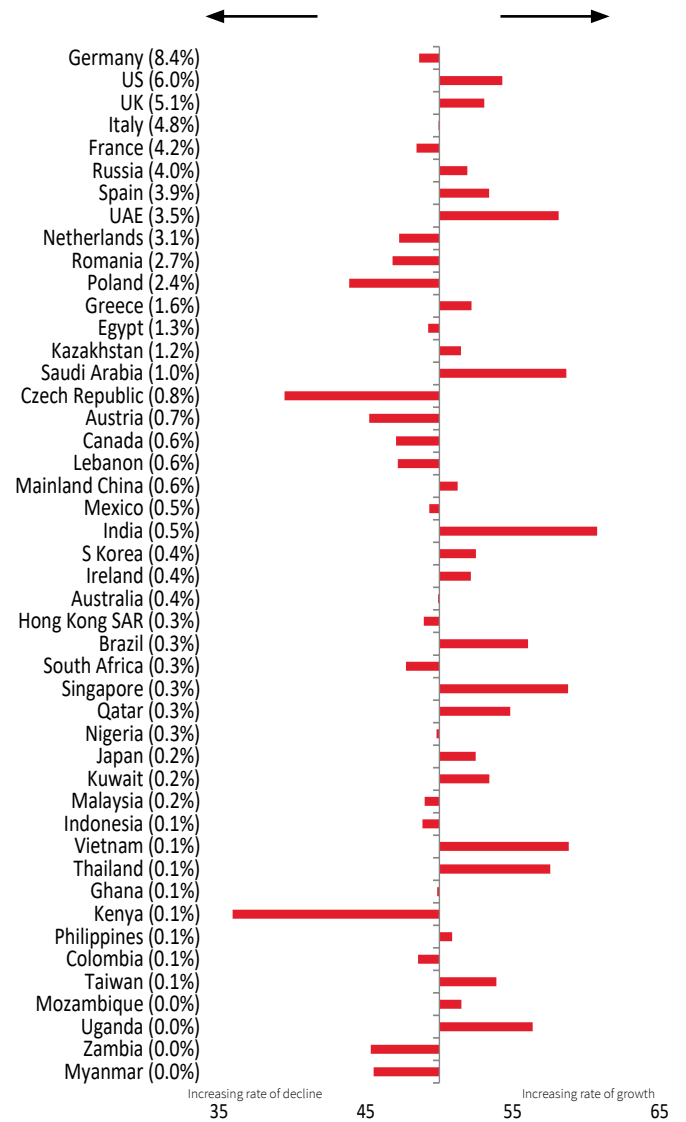
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**Country rankings**

PMI Output Index (ordered by export weight in full-year 2023)

sa, >50= growth since previous month



Sources: ICI, S&P Global PMI.

**S&P Global Market Intelligence**

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## 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.

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