

Istanbul Chamber of Industry Türkiye PMI® Manufacturing Index

March sees PMI reading of 47.3

March 2025 Key findings:

- Output and new orders continue to ease
- Inventory levels stabilise
- Slight moderation of employment

Summary

The end of the first quarter of 2025 signalled a further moderation in the Turkish manufacturing sector. Output, new orders, employment and purchasing all eased in March, although there was a stabilisation of inventory holdings and suppliers' delivery times shortened for the first time in six months. Meanwhile, rates of both input cost and output price inflation eased from those seen in February.

The headline Istanbul Chamber of Industry Türkiye Manufacturing PMI® is a composite single-figure indicator of manufacturing performance. It is derived from indicators for new orders, output, employment, suppliers' delivery times and stocks of purchases. Any figure greater than 50.0 indicates overall improvement of the sector.

The headline PMI posted below the 50.0 no-change mark again in March, extending the current sequence of moderating business conditions to one year. At 47.3, the PMI was down from 48.3 in February and the lowest since October last year.

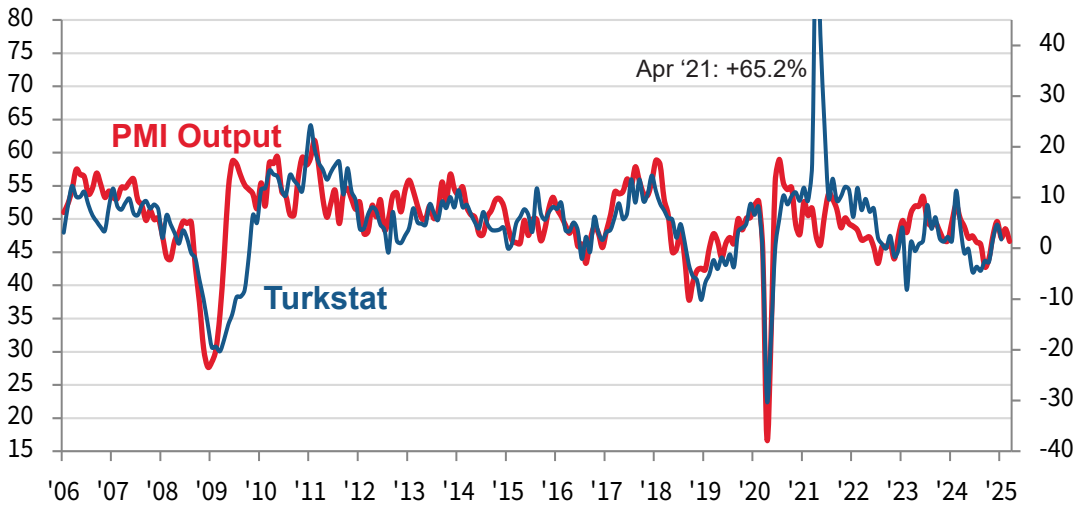
New orders slowed again in March, the twenty-first consecutive month in which that has been the case. Moreover, the latest moderation was the most pronounced since last October. New export orders also eased, and at the fastest pace since November 2022.

Challenging market conditions were said to be behind the latest slowdown in new orders, and also contributed to a scaling back of manufacturing production in March. Output has now moderated on

Historical overview

PMI Output Index, 50.0 = no change

industrial production yr/yr%



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a monthly basis throughout the past year, with the latest softening the sharpest since October 2024.

Manufacturers responded to slower new orders by scaling back employment, the fourth month running in which this has been the case. The reduction in staffing levels was only slight, however, and the weakest since December.

Purchasing activity also eased in March, while stocks of both inputs and finished products were broadly unchanged. Stability in post-production inventories ended a ten-month sequence of depletion.

A lack of demand for inputs meant that suppliers were able to speed up deliveries. Lead times shortened for the first time in six months, and to the greatest extent since December 2022.

Input costs continued to increase sharply in March, largely as a result of currency weakness. The pace of inflation eased, however, and was at a three-month low. Output prices also rose at a slower rate, and one that was the softest in the year-to-date.

Comment

Commenting on the Istanbul Chamber of Industry Türkiye Manufacturing PMI survey data, Andrew Harker, Economics Director at S&P Global Market Intelligence, said:

"Challenging market conditions both at home and abroad meant for further moderations in output and new orders in March as Turkish firms struggled to secure business. There was a lack of pressure on capacity across the sector, with suppliers able to speed up deliveries to the greatest extent since December 2022. Inflationary pressures remained marked, however, as firms had to contend with the ongoing impacts of currency weakness."

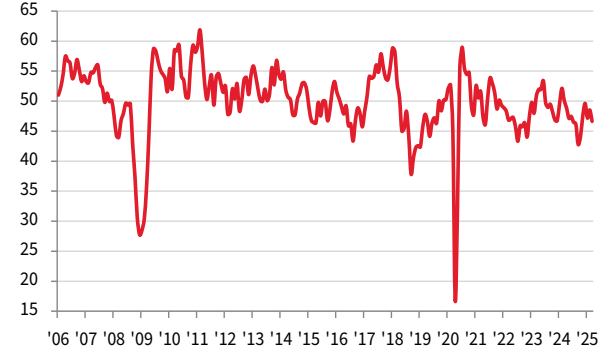
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Output Index

Q. Please compare your production/output this month with the situation one month ago.

Turkish manufacturers scaled back their production volumes in March, thereby extending the current sequence of slowing output to a year. The latest moderation was solid and the sharpest since last October. According to respondents, challenging demand conditions was the main factor leading to the easing of output.

sa, 50 = no change on previous month

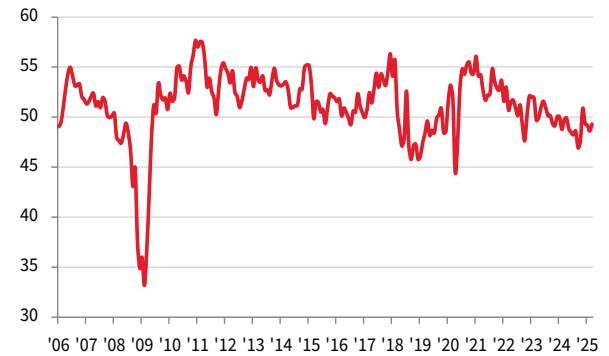


Employment Index

Q. Please compare the level of employment at your unit this month with the situation one month ago.

March data pointed to a fourth consecutive monthly scaling back of employment in the Turkish manufacturing sector as firms responded to a lack of new orders. That said, the latest reduction in staffing levels was only marginal and the least marked in 2025 so far.

sa, 50 = no change on previous month



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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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S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

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About PMI:

Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely-watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. www.spglobal.com/marketintelligence/en/mi/products/pmi

Notes to Editors:

The Istanbul Chamber Of Industry Türkiye Manufacturing PMI® (Purchasing Managers' Index) is produced by S&P Global. The report features original survey data collected from a representative panel of around 400 companies based in the Turkish manufacturing sector. The panel is stratified by GDP and company workforce size, based on the industry contribution to GDP.

Survey responses reflect the change, if any, in the current month compared to the previous month based on data collected mid-month. For each of the indicators the 'Report' shows the percentage reporting each response, the net difference between the number of higher/better responses and lower/worse responses, and the 'diffusion' index. This index is the sum of the positive responses plus a half of those responding 'the same'.

Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change. An index reading above 50 indicates an overall increase in that variable, below 50 an overall decrease.

S&P Global do not revise underlying survey data after first publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series. Historical data relating to the underlying (unadjusted) numbers, first published seasonally adjusted series and subsequently revised data are available to subscribers from S&P Global. Please contact economics@spglobal.com.

The Manufacturing Purchasing Managers' Index (PMI) is a composite index based on five of the individual indexes with the following weights: New Orders - 0.3, Output - 0.25, Employment - 0.2, Suppliers' Delivery Times - 0.15, Stock of Items Purchased - 0.1, with the Delivery Times Index inverted so that it moves in a comparable direction.

March data were collected 05-24 March 2025.

The Purchasing Managers' Index (PMI) survey methodology has developed an outstanding reputation for providing the most up-to-date possible indication of what is really happening in the private sector economy by tracking variables such as sales, employment, inventories and prices. The indices are widely used by businesses, governments and economic analysts in financial institutions to help better understand business conditions and guide corporate and investment strategy. In particular, central banks in many countries (including the European Central Bank) use the data to help make interest rate decisions. PMI surveys are the first indicators of economic conditions published each month and are therefore available well ahead of comparable data produced by government bodies.

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