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2018





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FOREWORD



Many of the world's economies maintained their growths in 2018 as well. However, growing debt stocks and international trade disagreements are decelerating the growth trend. After the powerful growth, which started in 2017 and continued in the first half of 2018, worldwide growth rates started to decline as from the second half of 2018.

The first factor, which caused that, is the slowdown in China's economy. As a precaution against increasing macro imbalances, regulatory steps, which China initiated, have led to tightening and slowdown in the economy. In addition, trade tensions with the US lowered exportation. Growing anxieties over the economy and the debt cycle in the Euro Area, the world's third-largest economy, have slowed down economic activities across Europe.

While US economy enhances its employment, it also keeps up its growth process. However, the escalation in protectionist tendencies, which restrict foreign trade, boosts also production costs. The fact that US Federal Reserve's making monetary tightening process slowdown is reflected positively in the flow of funds worldwide

and especially in developing markets. In summary, a more static economic course and instable recovery is waiting for the world. On the other contrary, recession in general portion of economies is not foreseen

Japan was the only country from the Far East, among the world's top five economies in 2000. Then China entered into this list. It is expected that India enter into the list in 2019. Thus, three of the world's five largest economies will be Far Eastern countries, and one of them will be the USA and the other one will be Germany. Over the last two decades, India has made the biggest uptrend among top 20 major economies. While it was 13th in 2000 then climbs up to 5th in 2019. Whereas US economy maintains its position, European countries are receding.

Before the 2001 crisis, Turkey was at 19th position in the world. In 2014, it had risen to 16th position together with the accurate economic program, which it applied after the crisis, and the speed-up brought along by provided political stability. However, this positive trend could not be preserved. It dropped back to 17th position in 2017 and to the 18th position in 2018.

Turkey was one of the countries whose economy stepped out of global 2009 crisis most quickly. A rapid growth process begun as from 2010. However, growing borrowing and the expanding foreign exchange deficit made economy become more fragile. United States Federal Reserve FED had announced in May 2013 that it will finish the expansionary monetary process and tightening will start afterwards. This situation had a negative impact upon developing countries such as Turkey, which are based on external financing.

With the addition of new tensions, which are experienced between USA in August 2018, a rapid deterioration occurred in foreign exchange & interest markets. This situation reflected to financial market; credit and cash flow were negatively affected. Business slowed down in the real economy. Production and employment declined. As a result of these, the economy had entered in the recession process in the last quarter.

The government has implemented various measures against this circumstance. It has reinforced the market by decreasing consumption taxes in various sectors, reducing the burdens over employment and widening the credit guarantee system. The effects of all these are expected to be seen more obviously as from the second quarter of 2019 and it is expected to step out of recession in the second half of the year.

Nonetheless, we have not started treatment of the disease yet. Steps are taken aiming at diminishing the symptoms of the disease and the discomfort caused by the illness, dressing treatment is made but fundamental measures are not. Action required to do is to reduce the risk premium in interest rates that go up and head for structural measures in order to increase the confidence of the real sector and households by providing stability to the foreign exchange market.

In order to maintain stability and growth process in economy, the main required matter is that to have a new, steady and consistent growth story. Because it is not possible to sustain former growth model based on external borrowing and stimulating domestic consumption. There is a need to alter the growth process based on domestic demand and external sources. In this context, there is also a need of comprehensive reform process and new targets, which will enable our country to look ahead.

What we will do is obvious. We saw that we could implement reforms as we desire and focus on the subject and showed it everyone by climbing 17 ranks in the Ease of Doing Business Index. Now we are required to show a similar result-oriented practice on other structural reforms and principally in the rule of law.

It is beneficial that Turkey spends the same effort as the one, aiming to move up in Ease of Doing Business Index, as in the Rule of Law Index. In this context, we need to focus on a realistic judicial reform agenda and the operational problems of the courts. The matter, Rule of Law, is of great importance in terms of ensuring the supremacy of law and getting out of the country outlook in which everything can happen anytime tomorrow.

If we focus on doing what we are required to do, we will get reward of it again. In addition, such an effort and work can bring about a number of additional benefits besides increasing investments. In this way, a new step could be taken about modernization of the Customs Union with the European Union. Taking steps for the modernization of Customs Union means at the same time that Turkey's automatic possession of structural reform agenda, which it is looking for a lot in this environment.

The world is on the brink of a new industrial revolution. The input of this new economic paradigm is neither natural resources nor geography. To be successful in this new race, we need skilled players and a good corporate system. We have player potential and we are an enterprising nation but we lack system. Fortune favors the prepared mind. If we comprehend the spirit of time and fix our deficiencies, we can start a new breakthrough too.

Turkey is a great country and able to overcome every problem. As long as we maintain our unity and our stability. In order to render our country's tomorrow stronger than today, Turkey's private sector will continue on investment, production, employment and exportation with perseverance and determination.

I hope our 2018 Economic Report, in which the developments in Turkey's and the world's economy are evaluated, would be beneficial to our community and those concerned.

M. Rifat HİSARCIKLIOĞLU



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75th GENERAL ASSEMBLY



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ICONS AND ABBREVIATIONS

SYMBOLS

-	: Information is not available.
\$: US Dollar
€	: Euro
m ²	: Square Meters
GWh	: Gigawatt hours (GWh = 1 billion KWh)
KHa	: Global hectares
Km ²	: Square kilometers
KWh	: Kilowatt hours
MW	: Megawatt
bbl	: Barrel (1 bbl = 159 litres)
lb	: 1 lb = 0,4536 Kg
log	: Logarithmic value
MT	: Metric ton
cts	: Cents
Kişi/Km ²	: Population density
‰	: Per mille

ABBREVIATIONS

EU	: European Union
USA	: United States of America
AÇSHB	: Ministry of Family, Labor and Social Services
ABPRS	: Address Based Population Registration System
ASEAN	: Association of Southeast Asian Nations
BDDK	: Banking Regulation and Supervision Agency
BDT	: Commonwealth of Independent States
BİST	: Istanbul Stock Exchange
ÇATAK	: Protection of Agricultural Land for Environmental Purposes
DHMI	: State Airports Authority
DİBS	: Government Domestic Debt Securities
DTH	: Foreign Exchange Deposit Account
EFTA	: European Free Trade Association
ECO	: Economic Cooperation Organization
Fed	: US Federal Reserve
G-7	: USA, Germany, France, UK, Italy, Japan and Canada
GİB	: President of Revenue Management
LLW	: Late Liquidity Window
GDP	: Gross Domestic Product



HMB	: Ministry of Treasury and Finance
IMF	: International Monetary Fund
IIF	: International Finance Institute
NUTS	: Nomenclature of Territorial Units for Statistics
ICO	: Islamic Cooperation Organization
ISO	: Istanbul Chamber of Industry
BSEC	: Black Sea Economic Cooperation
SEE	: State Economic Enterprise
GCI	: Global Competitiveness Index
MEB	: Ministry of Education
MKK	: Central Registry Agency
MTEP	: Million Tons Equivalent Oil
NACE	: Statistical Classification of Economic Activities in the European Community
NAFTA	: North American Free Trade Agreement
OECD	: Organization for Economic Cooperation and Development
OIB	: Privatization Administration
SCT	: Special Consumption Tax
ROM	: Reserve Option Mechanism
SB	: Ministry of Health
SBB	: Strategy and Budget Directorate
SGK	: Social Security Institution
SGP	: Purchasing Power Parity
SKR	: Industry Capacity Report
SPK	: Capital Markets Board
STB	: Ministry of Industry and Technology
TB	: Ministry of Commerce
TBB	: The Banks Association of Turkey
TBBRM	: Banks Association of Turkey Risk Center
CBRT	: Central Bank of Turkey Republic
TEPAV	: Economic Policy Research Foundation of Turkey
THY	: Turkish Airlines
TKBB	: Participation Banks Association of Turkey
TMSF	: Savings Deposit Insurance Fund
TOBB	: Union of Chambers and Commodity Exchanges of Turkey
CPI	: Consumer Price Index
TÜİK	: Turkish Statistical Institute
F-PPI	: Foreign Producer Price Index
D-PPI	: Domestic Producer Price Index
YF	: Investment Fund
YP	: Foreign Currency

The cover features a central black circle with the text 'WORLD ECONOMY' in white. This circle is surrounded by a ring divided into four colored segments: light blue, dark blue, red, and yellow. The entire graphic is set against a background of concentric circles and a blue grid pattern.

WORLD ECONOMY

75th
GENERAL ASSEMBLY



75th GENERAL ASSEMBLY

AN OVERVIEW OF WORLD ECONOMY¹

It was recorded 3.3 % growth in 2016, in which the weakest performance after financial crisis realized in world economy. The recovery which started in global economic activities and investments at the beginning of 2017, continued with strengthening in the second half of the year. World growth rate in 2017, increased to 3.8 %, the highest amount since 2011; depending on the remarkable recovery observed in investment in developed countries, strong growth in emerging Asia, notable improvement in economic activities in emerging Europe and recovery observed in many commodity exporters.

A partial weakening in global growth was observed in 2018 together with the structural resistances experienced globally in country economies, efficient resource allocation due to increases, which tariff policies created in trade costs, prevention of investment and productivity and the increase of downside risks to global growth in the last six months. Global economic expansion slowed down in the second half of 2018 after a broad-based rise in cyclic growth lasting for nearly two years, depending on the trade tensions arising from tariff hikes between the USA and China, decline in business confidence across many economies, high policy uncertainty and tightening of financial conditions. The combination of country-specific and sector-specific factors against this global background has further reduced this momentum. Geopolitical risks and tensions, capital outflows in emerging and developing economies and contraction in financial conditions has affected global growth negatively. Thus, in the International Monetary Fund's (IMF) April 2019 World Economic Outlook (WEO) Forecast, the global growth rate was projected as 3.6 %, marked down 0.1 point compared to the January 2019 update.

Owing to transference of the weakness in the second half of 2018 to the first quarter of 2019, global growth rate is projected to be 3.3 % by falling below the forecast in January 2019 and 3.6 % in 2020.

Uncertainties in trade policies created by the tariff increases implemented in the USA and China earlier this year and negative impacts such as weakening financial markets lay the ground for downward revision of the International Monetary Fund's (IMF) 2019 global growth forecast in World Economic Outlook (WEO) April 2019 Report compared to WEO January 2019 Report.

¹ In preparing this section, IMF's "World Economic Outlook, October, 2018", "World Economic Outlook, Update January 2019" and "World Economic Outlook, April, 2019" reports were used.

In addition, the introduction of new auto emission standards in Germany in the second half of 2018, embarking domestic demand in Italy with concerns about national and financial risks, natural disasters happening in Japan, macro-economic tension and contraction in Argentina and Turkey as well as the role of the negative effects of commercial activities on China and other Asian economies have played a role in the downward revision.

The risks in front of the growth point out a downward tendency in consequence of many reasons. Increase in the trade tensions beyond those already included in the forecasts maintains to be a significant source of risk. Considering the high public sector and private sector debts, the tightening of global financial conditions since autumn may cause further deterioration of risk sensitivity together with a series of triggering negative growth effects beyond increasing commercial tensions. United Kingdom's willing to withdraw from the European Union and the pressure of commercial activities on China and other Asian economies could be counted among these potential risks. Uncertainties in the policy agenda of the new administrations, the long-term shutdown of the US Federal Government, extraordinary climate changes, the loss of confidence in establishment institutions and political parties and geopolitical tensions are among other factors affecting the global investment and global growth downward.

Although the risk balance continues to be disadvantageous as in the WEO October 2018 Report and the January 2019 update of the Report; the results of trade negotiations, which constitute the key sources of risks, and the situation that financial conditions will take place in the coming months will be decisive on the its direction of its global outlook. If countries resolve their differences without increasing irregular trade barriers and if the market sensitivity recovers, increased confidence and easier financial conditions could strengthen each other being able to provide growth above baseline forecasts.

Common shared policy priority of countries should be resolving trade disputes and policy uncertainties resulting as an effect of it, quickly and in a collaborative manner, rather than elevating harmful trade barriers, protectionism and destabilizing the already slowing global economy. It is considered necessary that the potential

production increase, augmenting comprehensiveness and taking measures to strengthen the fiscal and financial buffers in an environment where the debt burden is heavy for all economies and in which more stringent financial conditions exists.

Countries have to work together and cooperate in order to protect and disseminate earnings from global trade integration based on rules for decades, and so as to tackle the challenges that go beyond their borders. In this context, it would be appropriate to 'increase their cooperation in order to reduce trade costs, resolve commercial disagreements, complete fiscal regulatory reform agendas, strengthen international taxation, improve cyber security, cope with corruption and climate change, take fiscal policy measures that support structural reforms and growth so as to increase productivity and labor supply, prepare manpower to the new technologies that will change the nature of the way they do business regardless of their income level' and attach importance to innovation, research and development. Thus, it has become even more important to ensure that global growth is more inclusive than ever, in the face of these changing global conditions.

Gross Domestic Product

Although it has been foreseen in April 2018 that economic activity accelerates in almost all regions of the world and the global economy grows by 3.9 % in 2018 and 2019; global expansion has weakened considerably in the second half of 2018 due to the effects of financial tightening as well as US-China trade tensions, macroeconomic tensions in Turkey and Argentina, disruptions in the automobile sector in Germany, tighter loan policies in China, normalization of advanced economies' monetary policies.

According to the World Economic Outlook Report of the International Monetary Fund (IMF) in April 2019, the global growth in 2018 was 3.6 % due to the slowdown in the second half of the year. Thus, the world economy growth rate which came about at 3.4 % in 2016 and 3.8 % in 2017, decreased by 0.2 point in 2018 (Table 1, Chart 1).

Table 1. GDP Growth Rates

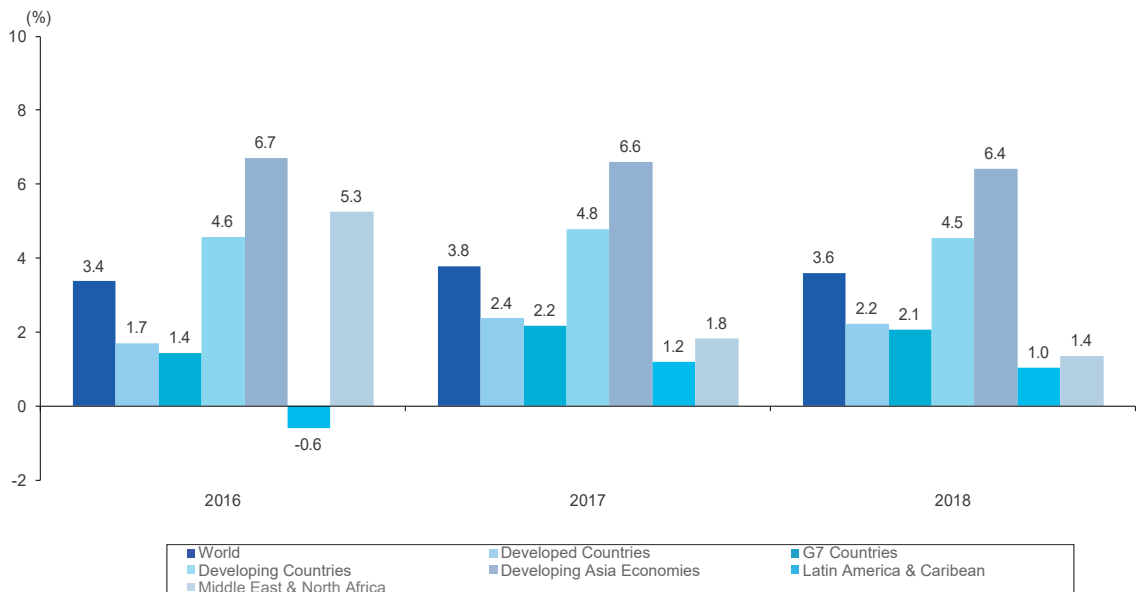
Country Groups/Countries	2016	2017	2018 (%)
World	3.4	3.8	3.6
Developed Countries	1.7	2.4	2.2
USA	1.6	2.2	2.9
Euro Area	2.0	2.4	1.8
Germany	2.2	2.5	1.5
France ⁽¹⁾	1.2	2.2	1.5
Italy ⁽¹⁾	1.1	1.6	0.9
Spain	3.2	3.0	2.5
Greece ⁽¹⁾	-0.2	1.5	2.1
Japan	0.6	1.9	0.8
Canada	1.1	3.0	1.8
United Kingdom	1.8	1.8	1.4
G7 Countries	1.4	2.2	2.1
Developing Countries	4.6	4.8	4.5
Russia ⁽¹⁾	0.3	1.6	2.3
Turkey	3.2	7.4	2.6
Developing Asia Economies	6.7	6.6	6.4
China	6.7	6.8	6.6
India	8.2	7.2	7.1
ASEAN-5 ⁽²⁾	5.0	5.4	5.2
Latin America and Caribbean	-0.6	1.2	1.0
Brazil	-3.3	1.1	1.1
Mexico ⁽¹⁾	2.9	2.1	2.0
Middle East and North Africa	5.3	1.8	1.4

Source: IMF. World Economic Outlook. April 2019.

(1) : 2018 data is conjectural.

(2) : Indonesia. Malaysia. Philipines. Thailand and Vietnam.

Chart 1. Chosen Country Groups GDP Growth Rates



Source: IMF.

This development was influenced by the decline in the growth speed of other countries and all country groups in spite of the fact that much more economic growth is experienced in USA, Russia, Greece compared to the previous year and recession in Brazil.

When the growth rates are examined by country groups, although the growth rate of developed countries increased in 2017 compared to the previous year, it is seen that growth rate came about at level of 2.2 % entering into downward trend in 2018. The 2019 January update of this level is 0.1 percentage points lower than the forecast in the World Economic Outlook Report. Despite the positive growth performance in the USA, the decline in the growth rates of Euro Area, Japan, Canada and the UK has moved the growth rate of advanced countries group downward, though at a very small rate.

While the growth rate of emerging market economies increased by 0.2 percentage points in 2017 compared to the previous year, it was decreased to 4.5 % in 2018 with % 0.3 percentage points decline. Growth rate in G7 countries decreased limitedly from 2.2 % to 2.1 % and in emerging Asian economies from 6.6 % to 6.4 %. Whereas the negative outlook in Latin America and the Caribbean was reversed in 2017, growth rate in these countries came about at 1.0 % in 2018 with 0.2 percentage points decline. Growth rate which decline to 1.8 % in Middle East and Northh African countries in 2017, came about at 1.4 % in 2018.

With the help of financial incentives and favorable financial conditions, increase in private consumption and investment expenditures and consumer confidence sailing at high levels; growth rate in the United States of America, the world's largest economy, increased by 0.7 percentage points to 2.9 % in 2018. Thus, the US has kept the downward movement in the global economy at a limited level.

As a result of decline in financial incentives, US growth rate is expected to decrease to 2.3 % in 2019 and to be at 1.9 % in 2020. According to the October report, while revision of growth rate forecast for 2019, which is revised downward, is reflecting the impact of government shutdown and financial expenditure, which came about lower than anticipated level; small upward revision of 2020 is the reflection of a more coherent attitude in monetary policy according to the forecast in October. However, the foreseen expansion rates for both years are above the estimated potential growth rate of the USA economy in both years. Strong domestic demand growth will support increased imports and contribute to widening USA current account deficit.

Euro Area growth rate decreased by 1.8 % compared to the previous year due to developments affecting many countries, particularly Germany, Italy and France. While the economies of Germany and France, which are the two largest economies of the region, experienced a significant contraction in growth rate, Greece's growth rate, which is among the small economies of the region, increased by 0.6 percentage points. Thus, it is projected that the growth rate of 2019 will decrease to % 1.3 and be 1.5 % in 2020 by 0.3 percentage points lower than rate projected in January. Poor private consumption in Germany, revision of automobile emission standards and weak industrial production with the presence of limited external demand, weak domestic demand in Italy, rising borrowing costs and weakening of investments as public debt interest rise, negative impact of street protests and industrial activities in France has led to these revisions.

The UK's economy growth rate, which was 1.8 % in 2016 and 2017, came about by 1.4 % in 2018 due to the impact of the Brexit process. The growth rate of the UK in 2019 is forecasted to be 1.2 % with 0.3 percentage points decrease compared to January. The negative impact of the long-term uncertainty related to Brexit and the positive effects of the financial incentives announced in the 2019 budget were reflected in this above-mentioned forecast. This baseline projection assumes that a Brexit deal is reached in 2019 and that the United Kingdom transitions gradually to the new regime. However, as of mid-March, the form Brexit will ultimately take remained highly uncertain.

After the mitigation measures such as the implementation of additional fiscal support this year in order to mitigate the effects of planned consumption tax rate (which is planned in October 2019) increase in Japan, where the growth rate declined from 1.9 % to 0.8 % in 2018; the growth rate in 2019 and 2020 is projected to be by 1.0 % and by 0.5 % respectively.

The growth rate in the developing countries group, which was 4.5 % in 2018, is expected to be 4.4 % and 4.8 % for the years 2019 and 2020 respectively.

Growth in the Commonwealth of Independent States is projected to be 2.3 % slightly lower than the October 2018 projection. This prediction is based on the negative impact of weakening oil prices on Russia's growth.

The Iran's growth rate for 2018 and 2019 was expected to be sharply low, reflecting the pressure of US's revitalizing sanctions on Iran. Likewise, due to the market turmoil, sharp loss of currency, high uncertainty of investment and consumer demand; Turkey's growth rate forecast is also expected to fall sharply.

Growth in emerging and developing Asia is expected to dip to 6.3 % in 2019 and 2020 (from 6.4 % in 2018).

The growth rates of China and a number of Asian economies fell following commercial measures recently revealed. Growth rate of China's economy came about at 6.6 % with 0.2 percentage points contraction compared to previous year. Despite fiscal stimulus that compensate for some of the effects of the US high tariffs, China's economy, whose growth rate declined from 6.8 % to 6.6 %, owing to 'the existence of trade tensions with the USA' and 'the fact that the required tightening financial regulation coming into force'; is projected to slow in 2019 and 2020.

Supported by the effects of monetary tightening at a rate lower than expected and low oil prices and due to the reasons such as declining inflationary pressures; India is projected to grow up in 2019.

In Latin America and the Caribbean, although the growth rate was 0.1 percentage points lower than the rate expected before as 1.0 % in 2018 and 0.2 percentage points lower than the growth rate experienced in 2017; the region's economy, recovering better over the next two years, is projected to grow 1.4 % in 2019 and 2.4 % in 2020. In Brazil, growth is projected to strengthen from 1.1 % in 2018 to 2.1 % in 2019 and to 2.5 % in 2020. In Mexico, growth is now forecast to remain below 2 % in 2019–20. Argentina's economy is projected to contract in the first half of 2019 as domestic demand slows with tighter policies. On the other hand, Argentina's economy is projected to return to growth in the second half of the year as real disposable income recovers and agricultural production rebounds after last year's drought. Venezuela's economy is expected to contract by one-fourth in 2019, and a further 10 % in 2020—a greater collapse than projected in the October 2018 WEO. Contraction in aforementioned country restricts average growth rates for the region and for the emerging market and developing economy group in both years.

Growth in the Middle East, Northh Africa, Afghanistan, and Pakistan region, which is 1,8 % in 2018, is expected to decline to 1.5 % in 2019 and also recover to about 3.2 % in 2020. The outlook for the region is weighed down by multiple factors, including slower oil GDP growth in Saudi Arabia; ongoing macroeconomic adjustment challenges in Pakistan; US sanctions in Iran and the other fact that recovery from the collapse associated with the war is now expected to be slower than previously anticipated in other economies including Iraq, Syria, and Yemen.

The growth rate of Middle East and Northh Africa decreased by 0.4 percentage points and came about as 1.4 % compared to the previous year.

1.2 GDP Per Capita by Purchasing Power Parity

Purchasing Power Parity (PPP) is an important indicator that allows to compare the countries' national income values in a given period and achieve more meaningful results by eliminating differentiation of price levels between countries.

According to IMF's WEO Report released in April 2019; across sub-Saharan Africa and the Middle East, Northh Africa, Afghanistan, and Pakistan region, 41 economies, accounting for close to 10 % of global GDP in purchasing-power-parity terms, these countries are projected to grow by less than advanced economies in per capita terms over the next five years. This situation implies that their living standards are set to fall further behind those economies.

Taking into consider PPP, highest increase in gross domestic product in 2018 is observed in emerging Asian economies with 7.8 %, while the lowest value is observed in Central America and Northh Africa by 1.5 % and in Latin America and Caribbean by 2.4 %. While country group having the highest GDP Per Capita according to Purchasing Power Parity is G7 countries with 53.148 Dollars and the country group having the lowest GDP Per Capita according to PPP is Developing Asia Economies with 12.487 Dollars. (Table 2, Chart 2).

According to the estimated data in IMF's WEO Report released in April 2019, highest Per Capita Income among countries is from USA as \$62,606 PCI. Germany's PCI is \$52,559, Canada's PCI is \$49,651, France's PCI is \$45,775, United Kingdom's PCI is \$45,705, Japan's PCI is \$44,227 and Spain's PCI is \$40,139. Lowest per capita income according to PPP among countries are from India as \$7,874 PCI, Brazil's PCI by \$16,154 and China's PCI by \$18,110.

Table 2. GDP Per Capita (According to Purchasing Power Parity)

Country Groups/Countries	(Dollars)				
	2016	2017	2018	Change (%)	
				2017	2018
Developed Countries	47,702	49,548	51,573	3.9	4.1
USA ⁽¹⁾	57,877	59,895	62,606	3.5	4.5
Euro Area	-	-	-	-	-
Germany	48,843	50,804	52,559	4.0	3.5
France ⁽¹⁾	42,525	44,168	45,775	3.9	3.6
Italy ⁽¹⁾	37,004	38,358	39,637	3.7	3.3
Spain ⁽¹⁾	36,522	38,320	40,139	4.9	4.7
Greece ⁽¹⁾	26,850	27,812	29,123	3.6	4.7
Japan ⁽¹⁾	41,155	42,819	44,227	4.0	3.3
Canada	46,627	48,342	49,651	3.7	2.7
United Kingdom ⁽¹⁾	43,013	44,365	45,705	3.1	3.0
G7 Countries	49,311	51,129	53,148	3.7	4.0
Developing Countries	11,270	11,865	12,521	5.3	5.5
Russia ⁽¹⁾	27,002	27,964	29,267	3.6	4.7
Turkey	25,014	27,049	27,956	8.1	3.4
Developing Asia Economies	10,762	11,579	12,487	7.6	7.8
China ⁽¹⁾	15,417	16,682	18,110	8.2	8.6
India ⁽²⁾	6,761	7,287	7,874	7.8	8.0
ASEAN-5 ⁽³⁾	11,694	12,418	13,222	6.2	6.5
Latin America and Caribbean	15,527	15,840	16,220	2.0	2.4
Brazil ⁽⁴⁾	15,407	15,739	16,154	2.2	2.6
Mexico ⁽¹⁾	19,375	19,949	20,602	3.0	3.3
Middle East and North Africa	18,394	18,546	18,821	0.8	1.5

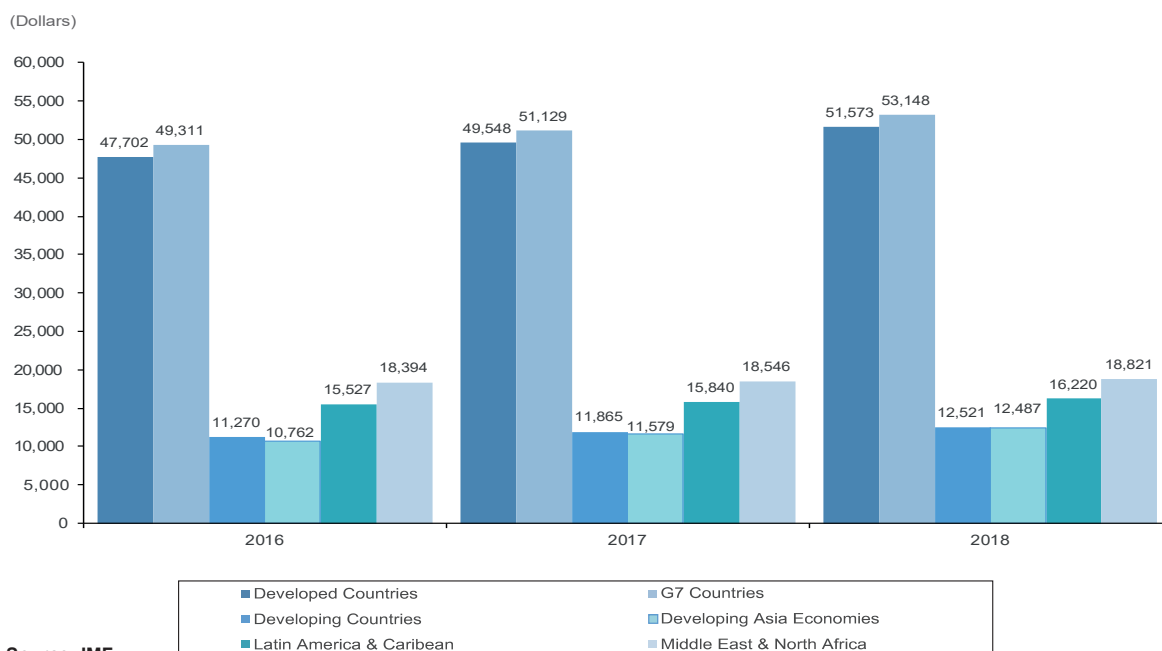
Source: IMF, World Economic Outlook, April 2019.

(1): 2018 data is conjectural.

(2): 2016, 2017 and 2018 data is conjectural.

(3): Indonesia, Malaysia, Philippines, Thailand and Vietnam.

(4): 2017 and 2018 data is conjectural.

Chart 2. GDP Per Capita (According to Purchasing Power Parity)

1.3 Consumer Price Index

The stagnation in the global economy after the financial crisis is reflected in the inflation rates. Consumer price inflation, which dropped to its lowest level in 2015 after the crisis in 2008, which started to increase in 2016, continued to increase rapidly in 2017 and in 2018.

Consumer price inflation remained limited across advanced economies, and it has been determined that in emerging markets and economies, consumer price inflation is offset as a result of inflationary pressures' being alleviated by decline in oil prices and in some countries, reflection of decline in foreign exchange prices to the local prices.

Global inflation came about as 3.7 % in 2018 with 0.4 percentage points increase compared to the previous year. The upward movement in inflation was mainly driven by the upward pressure in commodity prices, particularly in energy and oil prices.

Annual inflation in terms of country groups was 1.7 % and 1.8 % respectively in developed countries and G7 countries. Annual inflation rose to 5.0 % with a 0.5 percentage increase in developing countries. In addition, in emerging Asian countries it decreased to 2.3 % with a 0.5 percentage decline, in Latin America and Caribbean it rose to 7.1 % with a 1.2 percentage points increase, in North Africa and Middle East it rose to 13.7 % with a 6.2 % increase. According to the table, inflation rate diminishes in USA, Greece, United Kingdom, India and Mexico and in other countries, it increases (Table 3, Chart 3).

Inflation in USA, which is among Advanced Countries Group, is 2.0 % with a 0.2 percentage points decline and in United Kingdom, it is 2.3 % with a 0.7 percentage decline in 2018. In Japan, it rose to 0.8 % with a 0.2 percentage points increase and in Canada; it rose to 2.1 % with a 0.3 percentage increase.

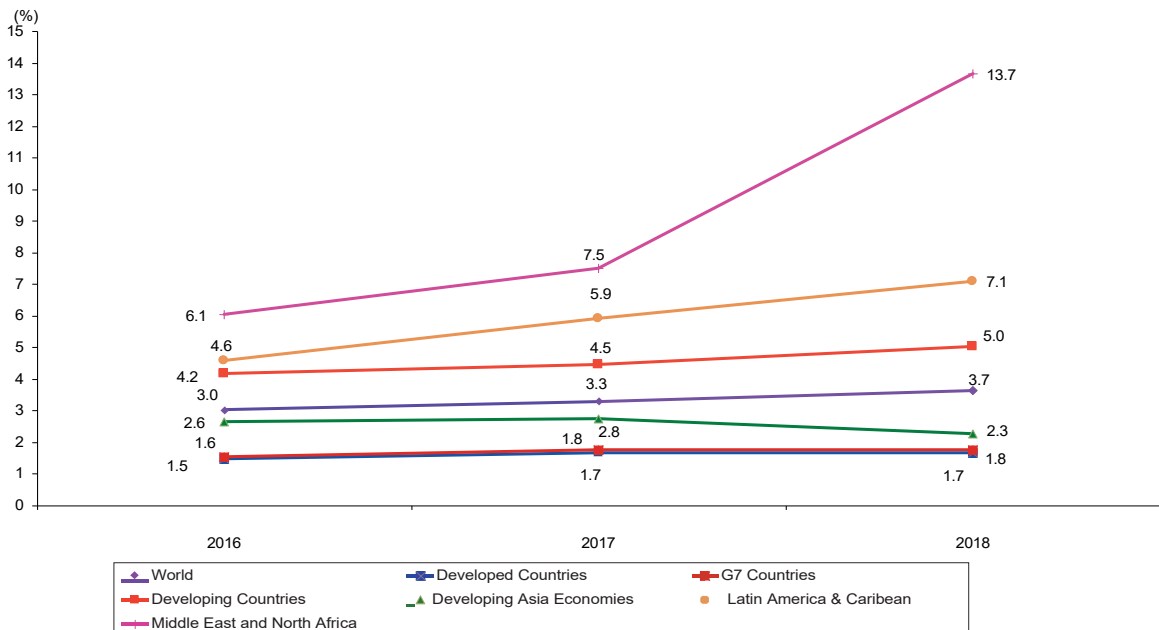
Sharp decline in Russia's inflation in 2016 and 2017 have lost continuity and the general rate of increase in prices in 2018 came about as 4.3 % with an increase by 1.8 points. In China, inflation rose by 0.1 percentage points to 1.9 % while it decreased by 1.9 % to 2.7 % in India.

Table 3. Consumer Price Index Change Rates

Country Groups/Countries	2016	2017	2018
World	3.0	3.3	3.7
Developed Countries	1.5	1.7	1.7
USA ⁽¹⁾	2.2	2.2	2.0
Euro Area	1.1	1.3	1.5
Germany	1.7	1.5	1.8
France ⁽¹⁾	0.8	1.3	2.0
Italy ⁽¹⁾	0.5	1.0	1.2
Spain ⁽¹⁾	1.6	1.1	1.2
Greece ⁽¹⁾	0.3	1.0	0.6
Japan ⁽¹⁾	0.3	0.6	0.8
Canada	1.4	1.8	2.1
United Kingdom ⁽¹⁾	1.2	3.0	2.3
G7 Countries	1.6	1.8	1.8
Developing Countries	4.2	4.5	5.0
Russia ⁽¹⁾	5.4	2.5	4.3
Turkey	8.5	11.9	20.3
Developing Asia Economies	2.6	2.8	2.3
China ⁽¹⁾	2.1	1.8	1.9
India ⁽²⁾	3.6	4.6	2.7
ASEAN-5 ⁽³⁾	2.6	2.9	2.5
Latin America and Caribbean	4.6	5.9	7.1
Brazil ⁽⁴⁾	6.3	2.9	3.7
Mexico ⁽¹⁾	3.4	6.8	4.8
Middle East and North Africa	6.1	7.5	13.7

Source: IMF, World Economic Outlook, April 2019

(1): Indonesia, Malaysia, Philippines, Thailand and Vietnam

Chart 3. Consumer Price Index Change Rates

Source: IMF

1.4 International Commodity Markets and Prices of Selected Commodities

The upward trend in global commodity markets, which started in 2017, continued in 2018 as well. While the rate of change in oil and energy price indices is above the data of the previous year, the price increases for the remaining goods remained below the previous year's data.

In 2018, compared to the previous year, the price index of petroleum and non-petroleum commodity was higher by 13.0 %, non-petroleum commodity price index was higher by 1.6 %, industrial inputs price index was higher by 5.1 %, agricultural raw material price index was higher by 1.9 %, metal products price index was higher by 6.2 %, energy price index was higher by 27.3 % and oil price index was higher by 29.4 %; while food and beverage products price index decreased by 1.1 % (Table 4)

The November 30, 2018, signing of the US-Mexico-Canada Agreement to replace the North American Free Trade Agreement; the extension past March 1, 2019, of the truce between the United States and China on tariff increases; and the announced reduction in Chinese tariffs on US car imports are steps taken in order to diminish trade tensions. However, outcomes remain subject to a negotiation process in the case of the US–China dispute and domestic ratification processes for the US-Mexico-Canada Agreement. Therefore, global trade, investment and production are threatened by policy uncertainty and other ongoing trade tensions.

Table 4. World Good Prices Index

Components	(2005=100)				
	Index			Change (%)	
	2016	2017	2018	2017	2018
Petroleum and Non-petroleum commodity price index	100.0	113.6	128.4	13.6	13.0
Non-petroleum commodity price index	100.0	106.4	108.1	6.4	1.6
Food and beverage price index	100.0	103.2	102.1	3.2	-1.1
Industrial inputs price index	100.0	117.3	123.4	17.3	5.1
Agricultural raw material price index	100.0	105.2	107.2	5.2	1.9
Metal product price index	100.0	122.1	129.8	22.1	6.2
Energy price index	100.0	123.9	157.7	23.9	27.3
Oil price index	100.0	123.4	159.6	23.4	29.4

Source: IMF, World Economic Outlook, April 2019.

Failure to resolve differences and a resulting increase in tariff barriers above and beyond what is incorporated into the forecast would lead to higher costs of imported intermediate, capital goods, and higher final goods prices for consumers. It has been evaluated that beyond these direct impacts, it is evaluated that higher trade policy uncertainty and concerns of escalation and retaliation would reduce business investment, disrupt supply chains, and slow productivity growth. The resulting depressed outlook for corporate profitability could dent financial market sentiment and further dampen growth.

Crude oil prices have fluctuated since August as a reflection of the supply effects, including US policy on Iran's oil exports and concerns that global demand would loosen. As of the beginning of January, crude oil price per barrel was approximately US \$ 55, and it is foreseen that the prices will remain at these levels for the next 4-5 years. The prices of metal and agricultural products have softened slightly since August, partly due to reduced demand from China.

While most of the increase in energy consumption is expected to come from emerging markets with high flexibility in energy demand, significant energy demand is expected in developed economies where income elasticity is almost zero. However, in the near future it is not possible for emerging markets to reach saturation in energy demand, even in the case of stable gains and productivity.

Climate change and market powers will play a key role in creating future energy policies. Energy markets will create price interactions by encouraging or limiting technological innovation with energy regulations. It is the role of policymakers to exploit these interactions to develop ecologically sustainable economies.

According to data released in IMF's April 2019 WEO Report, food product whose price increased most in 2018 is wheat with 28.1 % and these products follows it: banana with 6.8 %, corn with 6.4 %, peanuts with 5.1 % and rice with 1.0 % likewise. It is seen that food products whose prices fall most are sugar with 22.6 % (open market), tea with 17.7 %, coffee with 15.2 % (strong aroma), olive oil with 13.6 % and coffee with 9.9 % (soft aroma) (Table 5).

Table 5. Price of Selected Products in International Markets

Selected Goods	Measures ⁽¹⁾	Prices			Change (%)	
		2016	2017	2018	2017	2018
Wheat	\$/MT	143.2	145.3	186.1	1.5	28.1
Corn	\$/MT	159.2	154.6	164.5	-2.9	6.4
Rice	\$/MT	388.3	399.1	403.1	2.8	1.0
Soy bean	\$/MT	362.7	358.8	342.5	-1.1	-4.5
Peanut	\$/MT	1,798.3	1,949.4	2,048.4	8.4	5.1
Sunflower oil	\$/MT	1,009.7	953.0	900.8	-5.6	-5.5
Olive oil	\$/MT	3,978.5	4,529.8	3,911.7	13.9	-13.6
Orange	\$/MT	1.7	1.5	1.5	-8.6	-2.9
Banana	\$/MT	1,002.4	1,074.2	1,147.7	7.2	6.8
Sugar (Free Market)	cts/lb	18.1	15.8	12.3	-12.7	-22.6
Tea	cts/Kg	287.4	362.2	298.3	26.0	-17.7
Coffee (Soft aroma)	cts/lb	164.6	152.4	137.4	-7.4	-9.9
Coffee (Strong aroma)	cts/lb	94.3	104.1	88.3	10.4	-15.2
Cotton	cts/lb	74.2	83.6	91.4	12.6	9.3
Wool (23 Micron)	cts/Kg	1,017.1	1,089.2	1,519.2	7.1	39.5
Rubber	cts/lb	74.5	90.8	70.4	21.9	-22.4
Aluminium	\$/MT	1,604.2	1,967.7	2,108.5	22.7	7.2
Copper	\$/MT	4,867.9	6,169.9	6,529.8	26.7	5.8
Nickel	\$/MT	9,595.2	10,409.6	13,114.1	8.5	26.0
Zinc	\$/MT	2,090.0	2,890.9	2,922.4	38.3	1.1
Iron	\$/MT	58.6	71.1	70.1	21.5	-1.4
Crude Oil (Brent)	\$/bbl	44.0	54.4	71.1	23.5	30.6
Crude Oil (West Texas)	\$/bbl	43.2	50.9	64.8	17.8	27.2

Source: IMF, World Economic Outlook, April 2019.

(1) : lb=0.4536 Kg, bbl(barrel)=159 lt, MT: Metric Ton

Crude oil price increased by 30.6% and rose from \$ 54.4 a barrel to \$ 71.1 a barrel in 2018 compared to year 2017. West Texas crude oil price is increased 27.2 % in 2018. While aluminum price increases by 7.2 %, copper price by 5.8 %, nickel price by 26 %, zinc price by 1.1 % moreover rubber decreases by 22.4 % and iron (ore) by 1.4 %.

1.5 Central Government Budget Balance

Emerging markets and developing economies are tested by difficult external conditions in second half of 2018 due to trade tensions, rising US interest rates, appreciation of the dollar, capital outflows and volatile oil prices. It is emphasized in IMF reports that policy measures for some economies should address high private debt burdens and maturity mismatches and strengthen macro prudential frameworks. It is evaluated also that exchange rate flexibility can complement these policies by helping to buffer external shocks and monetary policy measures can provide support to domestic activity as needed, where inflation expectations are well anchored. It is suggested that fiscal policy should ensure debt ratios remain sustainable under the more challenging external financial conditions. It is stated that improving the targeting of subsidies and rationalizing recurrent expenditures can help preserve capital outlays needed to boost potential growth and social spending to enhance inclusion. It is emphasized that concerted efforts in these areas for low-income developing countries would also help diversify production structures and their progress toward the UN Sustainable Development Goals.

In 2018, Germany, Greece and Russia had a surplus of central government budgets, while other countries' central government budgets had a deficit. While Greece's surplus with regard to its GDP declines 1.6 %, in Germany it increased 0.4 percentage points in 2018. Russia's central government budget, which had a deficit since 2015, has a surplus of 2.8 % with regard to its GDP in 2018. In 2018 while central government budget deficit ratio with regard to GDP for France, Japan, United Kingdom, India and Brazil declined, these ratios for USA, Italy, Spain, China and Mexico increased. In 2017, Canada's central government budget had a surplus of 0.1 percentage points with regard to its GDP; in 2018, it had a deficit of 0.2 percentage (Table 6).

Table 6. Central Administration Budget Balance (GDP)

Country Groups/Countries	2016	2017	2018 (%)
Developed Countries	-2.4	-2.3	-2.5
USA ⁽¹⁾	-3.9	-4.0	-4.7
Euro Area	-0.8	-0.7	-0.7
Germany	1.0	0.9	1.3
France ⁽¹⁾	-2.8	-2.6	-2.5
Italy ⁽¹⁾	-1.4	-1.6	-1.7
Spain ⁽¹⁾	-2.9	-2.6	-2.7
Greece ⁽¹⁾	5.6	4.8	3.2
Japan ⁽¹⁾	-4.1	-3.4	-3.1
Canada	0.8	0.1	-0.2
United Kingdom ⁽¹⁾	-2.8	-1.9	-1.4
G7 Countries	-3.0	-2.9	-3.1
Developing Countries	-	-	-
Russia ⁽¹⁾	-3.4	-1.1	2.8
Turkey ⁽¹⁾	-3.3	-5.0	-5.7
Developing Asia Economies	-	-	-
China	-3.6	-3.9	-4.8
India	-7.3	-6.7	-6.6
ASEAN-5 ⁽²⁾	-	-	-
Latin America and Caribbean	-	-	-
Brazil	-7.5	-6.5	-5.7
Mexico	-4.1	-2.4	-2.5

Source: IMF, World Economic Outlook, April 2019.

(1) : 2018 data is conjectual.

(2) : Indonesia, Malaysia, Philippines, Thailand and Vietnam.

Central government's budget deficit with regard to GDP in 2018, it increases 4.7 % for USA, 1.7 % for Italy, 2.7 % for Spain, 4.8 % for China, 2.5 % for Mexico and it decreases 2.5 % for France, 3.1 % for Japan, 1.4 % for United Kingdom, 6.6 % for India and 5.7 % for Brazil.

Central government's budget deficit with regard to GDP by country groups increased to 2.5 % in advanced countries and to 3.1 % in G7 countries and remained as 0.7 percentage point in Euro Area like in the previous year.

1.6 World Trade Volume

The course of change in the world economy reflects also global foreign trade. Foreign trade growth rate which is 5.4 % effected by increasing economic activities in 2017 and 3.8 % in 2018 due to stagnation in economic activities and increasing protectionism trends (Table 7).

Table 7. World Trade Volume (Goods and Service Trade) Change Rates

Country Groups/Countries	2016	2017	2018 (%)
World Trade Volume	2.2	5.4	3.8
World Export Volume	2.2	5.4	3.5
Developed Countries	1.8	4.4	3.1
USA ⁽¹⁾	-0.1	3.0	3.9
Euro Area	2.7	5.1	3.1
Germany	2.1	5.3	2.2
France ⁽¹⁾	1.5	4.5	3.0
Italy ⁽¹⁾	2.1	5.9	1.9
Spain ⁽¹⁾	5.2	5.2	2.2
Greece ⁽¹⁾	-1.8	6.8	8.1
Japan	1.7	6.8	3.1
Canada ⁽¹⁾	1.3	1.1	3.3
United Kingdom	1.0	5.6	0.1
G7 Countries	1.1	4.5	2.8
Developing Countries	2.9	7.2	4.3
Russia	1.6	4.8	6.3
Turkey	-1.2	12.3	9.2
Developing Asia Economies	2.9	9.8	5.5
China	1.1	9.1	4.0
India	6.7	10.0	9.1
ASEAN-5 ⁽²⁾	4.9	11.8	7.3
Latin America and Caribbean	3.0	4.9	3.0
Brazil	3.7	11.4	7.1
Mexico	3.7	3.9	5.7
Middle East and North Africa	3.9	0.6	-1.0
World Import Volume	2.3	5.4	4.1
Developed Countries	2.5	4.3	3.3
USA ⁽¹⁾	1.9	4.6	4.6
Euro Area	3.9	3.7	3.0
Germany	4.0	5.3	3.4
France ⁽¹⁾	3.0	4.0	1.2
Italy ⁽¹⁾	3.6	5.5	2.3
Spain ⁽¹⁾	2.9	5.6	3.6
Greece ⁽¹⁾	0.3	7.1	7.1
Japan	-1.6	3.4	3.2
Canada ⁽¹⁾	0.0	4.2	2.9
United Kingdom	3.3	3.5	0.7
G7 Countries	2.1	4.4	3.2
Developing Countries	1.8	7.5	5.6
Russia	-4.3	16.7	3.8
Turkey	4.7	8.9	-9.2
Developing Asia Economies	4.8	9.4	8.5
China	4.7	7.1	7.9
India	4.0	13.8	9.6
ASEAN-5 ⁽²⁾	5.2	12.1	9.7
Latin America and Caribbean	-2.5	4.7	4.3
Brazil	-8.2	5.1	6.8
Mexico	2.9	6.2	6.2
Middle East and North Africa	-1.2	2.7	-0.6

Source: IMF, World Economic Outlook, April 2019.

(1): 2018 data is conjectural.

(2): Indonesia, Malaysia, Philippines, Thailand and Vietnam.

Worlds export growth rate came about as 3.5 % in 2018 with 1.9 percentage decrease. When it comes to the assessment with regard to country groups; it is seen that Middle Eastern and North African Countries export volumes decreased; while export volumes of other country groups except these increased and their growth rates decreased.

Export growth rate for developed countries declined to 3.1 % from 4.4 %. Among these countries, USA export growth rate came about as 3.9 % with 0.9 percentage points increase. Euro Area export growth rate came about as 3.1 % with 2.0 % decrease. Other Euro Area countries except Greece, featured in table, their export growth rates decreased. Export growth rate in Germany in 2018 came about as 2.2 % with a 3.1 % decrease. It is expected that it realize as 3.0 % with a 1.5 % decrease in France, as 1.9 % with a 4.0 % decrease in Italy and as 2.2 % with a 3.0 % decrease in Spain. Greece's 2018 export growth rate is set to be 8.1 % with 1.3 % increase. Among other developed countries, Japan's export growth rate came about as 3.1 % with 3.7 % decrease. It is estimated that Canada's export growth rate increases to 3.3 % with 2.2 % increase. United Kingdom's export growth rate came about as 0.1 percentage points with 5.5 % decrease compared to previous year.

Recovery in exports in developing countries and emerging Asian economies in 2017 declined in 2018 and both groups experienced a decline in the growth rate of exports. Among these countries, Russia's export growth rate came about as 6.3 %, for China as 4.0 % and for India as 9.1 %.

Latin America and Caribbean export growth rate lost momentum this year. Export rate of this region which increased by 4.9 % in 2017, increased also by 3.0 % in 2018. Brazil's export growth rate is 7.1 % in 2018 and for Mexico, it is 5.7 %.

According to 2018 projections, world import growth rate came about as 4.1 % with a 1.3 % decrease. Import growth rate for developed countries and developing countries are respectively 3.3 % and 5.6 %. Among developed countries, USA's import increased 4.6 % the same as last year. While, in the same country group, United Kingdom's import increased by 0.7 percentage points and Japan's import increased by 3.2 %, on the other hand it is expected that Canada's import decreases by 2.9 %. It is seen that among developing countries, Russia's import volume, 16.7 % - a huge amount in - 2017, came about as 3.8 % in 2018. China's import volume increased by 7.9 % (expanding) and India's import volume increased by 9.6 % (slowing).

Euro Area import volume growth rate came about as 3.0 % in 2018 with a 0.7 percentage points decrease while it was 3.7 % in 2017. Import volume growth declining among that country group, it is projected for Germany as 3.4 %, for France as 1.2 %, for Italy as 2.3 % and for Spain as 3.6 %. For Greece it is projected import volume growth rate is projected to be by 7.1 %, the same import growth rate as last year.

1.7 Current Account Balance

Current account surplus by GDP for developed countries, which came about as 0.9 percentage in 2017, came about as 0.7 percentage points with a 0.2 percentage points decline in 2018. Current account deficit by GDP in 2018 is 0.3 percentage for G7 countries, 0.1 percentage points for developed countries and developing countries, 1.9 % for Latin America and Caribbean. In Euro Area, it had a surplus of 3.0 % by GDP. While there were current account balance deficits for Latin America, Middle East, and North Africa in 2016/2017, it improved in 2018 and had an average surplus of 3.1 % by GDP (Table 8, Chart 4).

Table 8. Current Account Balance/GDP

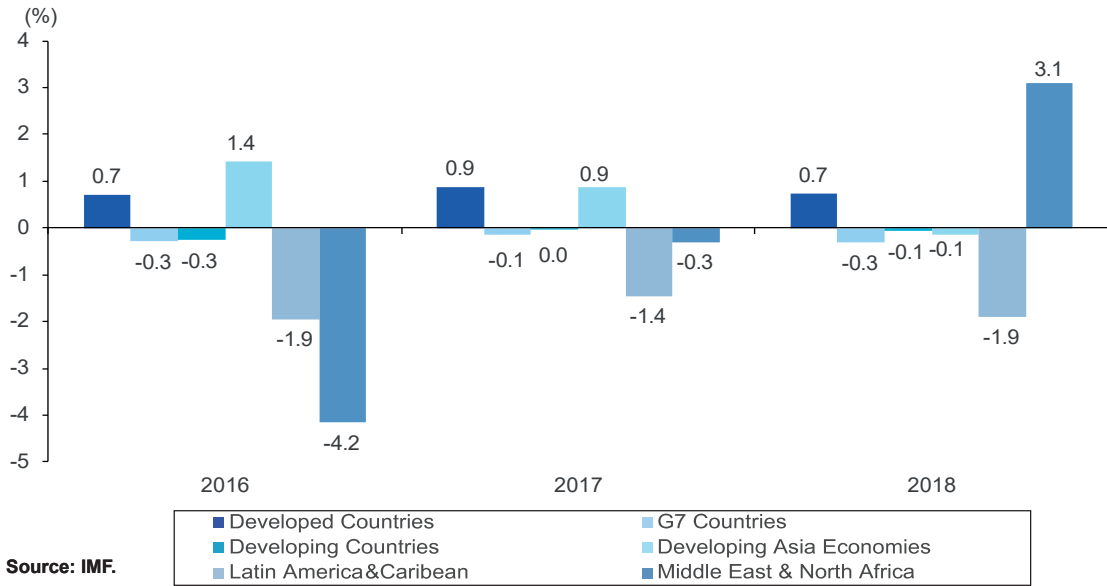
Country Groups/Countries	2016	2017	2018 (%)
Developed Countries	0.7	0.9	0.7
USA ⁽¹⁾	-2.3	-2.3	-2.3
Euro Area	3.2	3.2	3.0
Germany	8.5	8.0	7.4
France ⁽¹⁾	-0.8	-0.6	-0.7
Italy ⁽¹⁾	2.5	2.8	2.6
Spain ⁽¹⁾	2.3	1.8	0.8
Greece ⁽¹⁾	-2.3	-2.4	-3.4
Japan	4.0	4.0	3.5
Canada	-3.2	-2.8	-2.6
United Kingdom	-5.2	-3.3	-3.9
G7 Countries	-0.3	-0.1	-0.3
Developing Countries	-0.3	0.0	-0.1
Russia ⁽¹⁾	1.9	2.1	7.0
Turkey	-3.8	-5.6	-3.6
Developing Asia Economies	1.4	0.9	-0.1
China	1.8	1.4	0.4
India	-0.6	-1.8	-2.5
ASEAN-5 ⁽²⁾	2.0	2.1	0.6
Latin America and Caribbean	-1.9	-1.4	-1.9
Brazil	-1.3	-0.4	-0.8
Mexico	-2.3	-1.7	-1.8
Middle East and North Africa	-4.2	-0.3	3.1

Source: IMF, World Economic Outlook, April 2019.

(1): 2018 data is conjectural.

(2): Indonesia, Malaysia, Philippines, Thailand and Vietnam.

Chart 4. Current Account Balance/GDP



Source: IMF.

Among Euro Area, whose current account balance maintains its surplus; it is seen that Germany is one of the countries which has highest current account balance surplus with 7.4 % of GDP in 2018. Among countries featured in table; France’s current account deficit is 0.7 % of GDP and Greece’s current account deficit is 3.4 % of GDP; Italy’s current account surplus is 2.6 % of GDP and Spain’s current account surplus is 0.8 %.

Among developed countries, Japan’s current account balance surplus is 3.5 % of GDP, when it comes to USA, Canada and United Kingdom; it had a deficit of 2.3 % of GDP, 2.6 % of GDP and 3.9 % of GDP respectively.

Current account balance in 2018 for Russia it had a surplus of 7.0 % of GDP, for China 0.4 % of GDP, for India it had a deficit of 2.5 % of GDP and for Brazil 0.8 % of GDP and for Mexico 1.8 % of GDP.

1.8 Unemployment Rates

According to IMF’s Report updated in 2019 January; it is emphasized that all countries should emphasize measures that boost productivity, raise labor force participation, particularly of women and, in some cases, youth, and ensure adequate social insurance, including for those vulnerable to structural transformation.

Unemployment rates of advanced economies group in 2018 came about as 5.1 % with a 0.5 percentage points decline. Unemployment in USA while it was 4.9 % in 2016, declined to 4.4 % in 2017 and, downward trend going on, declined to 3.9 % in 2018

Among other developed countries, it is estimated that unemployment in Japan realizes as 2.8 % with a 0.4 percentage points decline compared to last year. Unemployment rate in Canada realizing as 5.8 % with a 0.5 percentage points decline; in the same period for United Kingdom it falls to 4.1 % with a 0.3 percentage decline.

Unemployment rate in Euro Area declined to 8.2 % from 9.1 % in 2018 maintaining its downward trend. Having relatively low unemployment data in the region, unemployment in Germany came about as 3.4 %. Above-mentioned rates declining compared to 2017, they realized for France as 9.1 %, for Italy as 10.6 %, for Spain as 15.3 % and for Greece as 19.6 %.

Among developing countries group, unemployment rates for Russia and China are 4.8 % and 3.8 % respectively. Unemployment in Brazil realized as 12.3 % with a 0.5 percentage points decline and in Mexico, it realized as 3.3 % with a 0.1 percentage decline (Table 9, Chart 5).

Table 9. Unemployment Rates

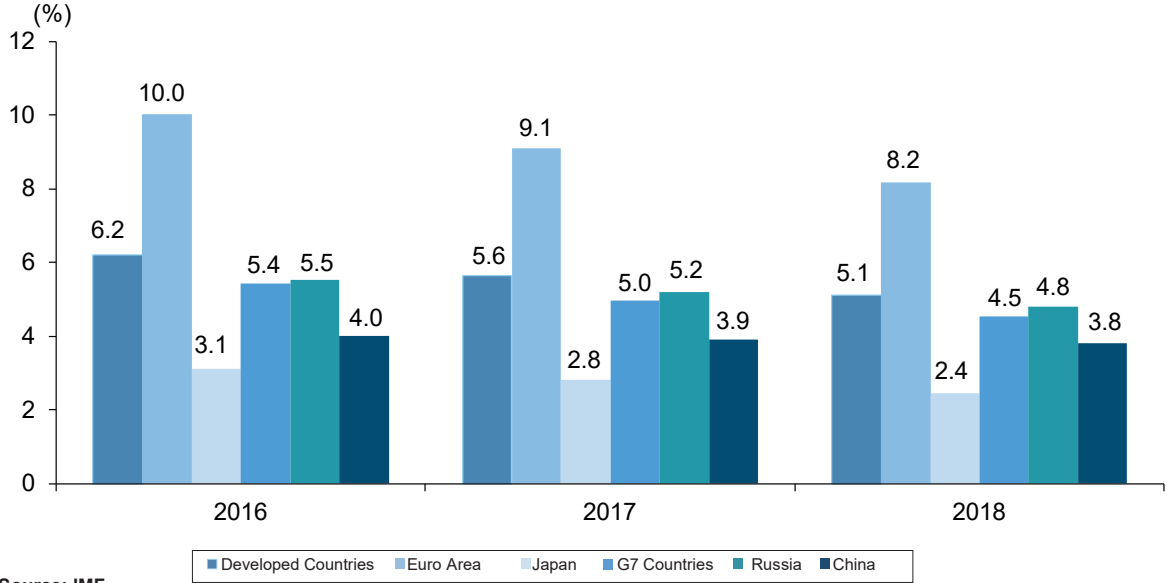
Country Groups/Countries	2016	2017	(%) 2018
Developed Countries	6.2	5.6	5.1
USA ⁽¹⁾	4.9	4.4	3.9
Euro Area	10.0	9.1	8.2
Germany	4.2	3.8	3.4
France ⁽¹⁾	10.1	9.4	9.1
Italy ⁽¹⁾	11.7	11.3	10.6
Spain ⁽¹⁾	19.6	17.2	15.3
Greece ⁽¹⁾	23.6	21.5	19.6
Japan ⁽¹⁾	3.1	2.8	2.4
Canada	7.0	6.3	5.8
United Kingdom	4.9	4.4	4.1
G7 Countries	5.4	5.0	4.5
Developing Countries	-	-	-
Russia ⁽¹⁾	5.5	5.2	4.8
Turkey	10.9	10.9	11.0
Developing Asia Economies	-	-	-
China	4.0	3.9	3.8
India	-	-	-
ASEAN-5 ⁽²⁾	-	-	-
Latin America and Caribbean	-	-	-
Brazil	11.3	12.8	12.3
Mexico	3.9	3.4	3.3
Middle East and North Africa	-	-	-

Source: IMF, World Economic Outlook, April 2019.

(1): 2018 data is conjectual.

(2): Indonesia, Malaysia, Philipines, Thailand and Vietnam.

Chart 5. Unemployment Rates



Source: IMF.

1.9 Global Competitiveness Index

The World Economic Forum's (WEF) 2018 Global Competitiveness Report (GCR) is based on a new index published for the first time this year in the competitiveness rankings of countries. The main objective of this index, named “Global Competitiveness Index 4.0”, has a characteristic of compass in order to add the “productivity triggered by the 2008 crisis and the Fourth Industrial Revolution and driving forces and dynamics of long-term growth” into the definition of competitiveness, thus help policy-makers and other stakeholders to shape and monitor economic strategies.

Twelve new components are used in Index in terms of four main concepts of Fourth Industrial Revolution; resilience, agility, innovation ecosystems, human centric approach.

Main determinations emphasized in report are explained as follows: “Currently, there are deep divides between countries when it comes to current competitiveness—and the risk of further divergence. In the age of the Fourth Industrial Revolution, all economies have the opportunity to carve a path to competitiveness. The promise of leveraging technology for economic leapfrogging remains largely unfulfilled. The main reason for this is inability for institutions, infrastructure and skills. Fostering

innovation requires holistic strategies. Most economies have yet to master these strategies. Enhancing the fundamentals of competitiveness improves resilience to shocks. Achieving equality, sustainability and growth together needs proactive, far-sighted leadership.”

Among 140 country in Global Competitiveness Index 2018, top ten countries are USA, Singapore, Germany, Switzerland, Japan, Holland, Hong Kong SAR, United Kingdom, Sweden and Denmark (Table 10).

Table 10. Global Competitiveness Index 4.0 (GCI 4.0)

Countries	GCI 2018 4.0			GCI 2017 4.0	
	Ranking	Score	Change	Ranking	Score
USA	1	85.6	0	1	84.8
Singapore	2	83.5	0	2	83.0
Germany	3	82.8	0	3	82.6
Switzerland	4	82.6	0	4	82.4
Japan	5	82.5	3	8	81.6
Netherlands	6	82.4	-1	5	82.2
Hong Kong SAR	7	82.3	0	7	82.0
United Kingdom	8	82.0	-2	6	82.1
Sweden	9	81.7	0	9	81.6
Denmark	10	80.6	1	11	79.9
Finland	11	80.3	1	12	79.8
Canada	12	79.9	-2	10	80.0
Taiwan, China	13	79.3	0	13	79.2
Australia	14	78.9	1	15	78.2
Korean Republic	15	78.8	2	17	78.0
Norway	16	78.2	-2	14	79.0
France	17	78.0	1	18	77.4
New Zealand	18	77.5	-2	16	78.1
Luxemburg	19	76.6	3	22	76.0
Israel	19	76.6	0	19	76.2
Belgium	20	76.6	-2	18	76.6
Turkey	61	61.6	-3	58	61.4

Source: World Economic Forum

Note: Global Competitiveness 4.0 Index, which was first scaled with differentiated components between 0-100 points in 2018; Since it covers the developments affecting the long term, recent developments are reflected in the data only if it is a variable that can be effective in the long term. In order to compare the 2017 indicators of 140 countries with the new measurement in 2018, WEF experts developed a method for GCI 4.0.



According to Global Competitiveness Index 4.0 calculations, Turkey dropped back to 61st from 58th on overall GCI 4.0 among 140 country in 2018.

Turkey has relative strengths on infrastructure (72.6 points), public health (86.2 points) and the innovation ecosystem (50.6 points). It is emphasized in report that while Turkey's innovation performance is good (19th), with strong research institutions and a good publication record, ideas generated face many bottlenecks further down the value chain in terms of barriers to entrepreneurship and market functioning.



TURKISH ECONOMY

75th
GENERAL ASSEMBLY



75th GENERAL ASSEMBLY



AN OVERVIEW OF TURKISH ECONOMY

Turkey's economy, which shrank in 2009, following the economic crisis, which is effective worldwide, has reached its highest growth rate after the crisis in 2011 by entering into a rapid recovery. During the following years, growth was positive, together with its fluctuating course.

As a result of the slowdown in global economic activities and the geopolitical and political negativities in 2016, growth declined to its lowest level after the crisis. Consequently, precautionary measures were taken to revive the economy; within the scope of efforts to facilitate access to finance in cooperation with the private sector, loans were provided and tax reductions, employment and production incentives were introduced. Thus, as a result of the positive developments in the external conjuncture at the end of 2017, 7.4 % growth came about above the expectations. This was also the highest growth rate recorded after 2013.

Taking into consider high growth rate that occurred in 2017, growth rate for Turkey which is projected 5.5 % in 2018-2020 Medium Term Program is revised as 3.8 % in 2019-2021 New Economic Program (Medium Term Program).

Turkey's economy grew at the level of 2.6 % -slowing down- compared to 2017 as a result of uncertainty in global market, stiff depreciation of Turkish Lira experienced in August, tight monetary policy implemented by Central Bank of Turkey in order to prevent depreciation of the Turkish Lira and rise in inflation, adverse effects of tightening in financial conditions to domestic demand and investments. It was the increase in exports that restrained the decline in growth. In 2018, the growth rate remained below the forecasts and came about as the lowest level after 2009.

In 2018, added value of the agricultural sector increased by 1.3 %, added value of the industrial sector increased by 1.1 %, added value of the construction sector decreased by 1.9 %. The added value of the services sector, which is the sum of trade, transportation, accommodation and food service activities, increased by 5.6 % due to the revival in the tourism sector.

According to the volume index chained by the expenditure method, household final consumption expenditures increased by 1.1 % and the state's final consumption expenditures increased by 3.6 % in 2018. Thus, total consumption expenditures' growth rate decreased by 4.3 % to 1.6 compared to 2017, while total fixed capital investments, whose growth rate decreased by 9.5 %, decreased by 1.7 %.

GDP Per capita, which reached its highest level in 2013 with \$12,480, has shown a continuous downward trend in the following years. In 2018, it decreased by 9.2 % compared to the previous year and declined to \$9,632 moreover, it fell below ten-thousand dollars for the first time after 2010. The decline in GDP per capita was mainly due to the contraction in economic growth, population growth and the rapid increase in the dollar exchange rate.

The difficulty in access to finance owing to the increase in interest rates and exchange rates in 2018 and the depreciation of the Turkish Lira caused a contraction in economic activities and negatively affected the industrial sector. The high rate of increase in producer prices increased costs and the downward change in domestic and external demand also intensively suppressed industrial sector production. The rate of increase in industrial production, which was 8.9 % in 2017, remained at 1.8 % in 2018.

While growth rate of exports slowed down in 2018, growth rate of inflation, which was largely caused by the exchange rate increases, caused a significant contraction in domestic demand. In parallel with the decline in domestic and foreign demand, the industrial sector reduced capacity utilization. Thus, the capacity utilization rate of the manufacturing industry, which rose to 78.5 % in 2017, decreased by 1.7 % to 76.8 % in 2018. In the manufacturing industry sub-sectors, the highest capacity utilization was in the production of paper and paper products with 84.1 %, production of motor vehicles, trailers and semi-trailers follows it with 84.0 % after then production of wood and wooden products with 83.7 %. Sub-sectors whose capacity utilization rates are lowest are production of leather and related products with 58.8 %, other productions with 63.7 % and production of beverages with 67.5 %.

The volume of transactions of the commodity exchanges, which increased by 6.2 % in 2016, increased by 17.3 % in 2017 and 18.3 % in 2018. Thus, the transaction volume of commodity exchanges, which was TRY 250,335 million in 2017, increased to TRY 296,157 million in 2018.

According to industry capacity report statistics released by the Union of Chambers and Commodity Exchanges of Turkey within the scope of Official Statistics Program; the number of industrial capacity reports, which are still valid as of the end of 2018, increased by 13.1 % and reached to 73,303 compared to the end of 2017. According to the main activity groups, the activity group which had the highest number of

the current capacity reports in 2018 were fabricated metal products production sector (except machinery and equipment) with 10.9 %, the activity group which had the least number of capacity reports were the forestry and industrial and firewood production sector with 3 capacity reports.

The construction sector, which is one of the most important sectors supporting economic growth, showed a significant contraction in 2018 due to its reaching saturation point, the slowdown in the economy and the high interest rates. While added value of that sector declined by 1.9 % in 2018; 'construction licenses issued by the municipalities for the constructions planned to be started' declined 48.9 % to 143,820 m², in terms of total construction area of occupancy permits which were licensed and completed and also given by municipalities increased by 5.1 % to 169,943 m². The high rate of decrease in construction license gives the impression that the problematic situation of the sector will continue.

Housing sales, which increased in 2017 due to reductions in interest rates of bank loans and campaigns launched in order to speed up the sector, decreased in 2018 on account of difficulty in access to finance together with rise in loan interest rates and contraction in demands. Housing sales decreased by 2.4 % across Turkey in 2018; 276,820 of these housing sales are mortgaged and other 1,098,578 of it are sold through other means.

According to another statistics, established and closed companies, published by TOBB within the scope of Official Statistic Program; in 2018, totally 85,273 companies were established, of these companies, 11,996 companies are joint stock companies, 73,264 companies are limited liability companies, 11 companies are collective companies and 2 companies are limited partnership companies. Number of companies established, increased by 17.0 %, and number of cooperatives increased by 17.6 % and number of sole proprietorships increased by 20.6 % compared to previous year.

In 2018, number of joint stock companies and limited partnership companies closed down increased by 5.7 % and by 33.3 % respectively, compared to the previous year, whereas number of 'limited liability and limited partnership companies' decreased by 9.4 %. The number of sole proprietorships and cooperatives closed down decreased by 11.0 and 12.8 % respectively.

Changes different from each other were observed in the number of protested notes and dishonored checks, which are among the most important components of the view of commercial life. The number of notes protested fell by 0.2 % to 938,000, while the number of dishonored checks increased by 35.1 % to 588,000.

The recovery process in the tourism sector, which started in 2017, continued in 2018 as well. As the relations with Russia, one of our most important tourism markets, gradually improved, moreover due to increasing number of tourists from USA, Israel and EU countries; total number of tourist increased significantly. High increase in exchange rates in the second half of the year made local tourists prefer homeland.

The number of visitors departing from our country increased by 18.1 % to 45,629 persons, the number of entering citizens declined by 5.7 % to 8,383 persons. When it comes to the ranking of visitors by nationality departing from our country; Russian Federation is the first in ranking and followed by Germany, Bulgaria, Georgia and England.

The tourism income in 2018 increased by 12.3 % to 29,513 million dollars, the tourism expense decreased by 4.7 % to 4,896 million dollars, thus the net tourism income increased by 16.4 % to 24,617 million dollars.

In order to contribute increasing in investments and support and direct them, incentive applications are maintained. During the year, 5,914 investment incentive certificates were issued and it has been aimed to create jobs for 255,007 persons thanks to a fixed investment amounting to TRY 157,296 million. Among the fixed investments subjected to incentive certificate, while the services sector has the largest share with 41.2 %, followed by the manufacturing sector with 40.9 %, energy sector with 13.9 %, the mining sector with 2.4 %, and the agriculture sector with 1.6 %. In 2018, share of energy sector in total investment incentives compared to previous year declined significantly, other sectors shares increased.

Main aim of The Central Bank of the Republic of Turkey (CBRT) is to obtain and maintain price stability. CBRT aims to keep inflation at levels consistent with the target and takes into consider financial stability and works in cooperation with other institutions to eliminate the structural elements that prevent inflation's decreasing. Annual Change Rate of Consumer Price Index is used as inflation target and 2 points up and down this target is determined as uncertainty range.

CBRT set the inflation target at level of 5.0 % in the text of “2018 Monetary and Exchange Policy”, in line with the agreement reached with the Government within the scope of monetary policy focused on price stability. Within framework of the Medium Term Program and robust monetary policy stand in 2018-2020 inflation rate is projected to approach 5.0 % target.

At the end of 2018, inflation came about at level of 20.30 %, 15.30 % up from the target and exceeded the uncertainty range by 13.30 %. CBRT has indicated basic factors for the inflation being remarkably above the target, as the high depreciation of the Turkish Lira in 2018 and in relation with this, deterioration in pricing behaviors. It has also indicated that demand conditions keeping powerful in the first half of the year support upward pressure.

Concerning main expenditure groups, the highest price increase was seen in home furniture with 31.36 %, followed by the increase in group of various goods and services with 28.80 %, group of food and non-alcoholic beverages with 25.11 %. The lowest price increase occurred in the main expenditure group of alcoholic drinks and tobacco with 2.39 %, communication with 9.62 % and group of education with 10.19 %.

B and C Core Inflation Index indicator, which are closely monitored by CBTR, came about above expectations in 2018. These indicators, which are effective on projecting inflation's future and specifying monetary policy, are effected by the depreciation of the Turkish Lira and its reflection through main goods group and distortion in expectations. B (core inflation) index which is calculated by excluding unprocessed food products, energy, alcoholic drinks and tobacco as well as gold increased by 20.15 %, C (core inflation) index which is calculated by excluding energy, food and non-alcoholic beverages, alcoholic drinks and tobacco products, gold increased by 19.53 %.

Domestic Producer Price Index increased with a sharp rise to 33.64 % in 2018, driven by the increase in manufacturing, industry and energy prices and kept its high course. While depreciation of the Turkish Lira pressed upward on imports prices, energy costs rose owing to increase in oil prices. Owing to the increase in commodity prices (oil, metal, and energy) thus noticeably rising energy prices as a result of regulations within electricity and natural gas producer prices, increased inflation expectations due to input cost increases in manufacture of food products; and also caused strong rise in consumer prices.

CBRT implemented a monetary policy focusing on price stability in 2018. Inflation targeting regime is the core of the monetary policy. Inflation expectations, pricing behaviors and developments in all other factors affecting inflation are taken into consideration within the creation of monetary policy decisions. While these implementations are maintained, financial stability is guarded as in the previous years. The implementations of the monetary policy was formed to get closer to the inflation rate defined at the target of 5 %.

CBRT implemented solid monetary tightening in order to contribute to price stability in 2018. In the first quarter of the year, it has maintained its tight stance in monetary policy and fixed borrowing interest rate at level of 12.75 % within the framework of Late Liquidity Window Application (LLW/GLP). CBRT, which made a rational monetary tightening in April, strengthened its tight stance in monetary policy in May taking into consideration unhealthy price formations and risks, which escalations in inflation expectations pose about increase in general pricing behaviors. Within scope of the Late Liquidity Window Facility (GLP), increased lending interest rate in April to 13.5 % and in May to 16.5 %.

CBRT announced decision to complete the simplification process within operational framework of monetary policy was taken on 28th May 2018 and in this context LLW is excluded from main policy instrument, CBRT funding started to be made by means of One-week repo auctions. While One-week repo auction interest rate became the policy interest and this rate is equaled with CBRT borrowing rate implemented within LLW at the day of announcement. It has been aimed at increasing predictability of monetary policy and strengthening monetary transmission mechanism within new framework.

The CBRT Monetary Policy Committee decided to strengthen monetary tightening in June, emphasizing the fact that “Despite moderate outlook in demand conditions, high levels of inflation and inflation expectations continue to pose a risk on pricing behaviors”. Within this framework, it rose One-week repo auction interest rate, which is the policy interest, from 16.5 % to 17.75 %

After sudden rise in exchange rates due to excessive volatility observed in financial markets in early August; CBRT adopted a series of measures, which supported the Turkish Lira and foreign exchange liquidity methods, and which also focused on financial stability.

CBRT Monetary Policy Committee, seeing increase in fluctuating exchange rates, rise policy interest from 17.75 % to 24.0 % - tightening strongly monetary policy- and announced that overnight CBRT funding will start overweek. And also, in order to support 'markets operating efficiently in the face of unhealthy price formations' and 'transmission mechanism', CBRT has expanded the tools he owned and used them effectively.

Assessing the situation as follows: "The increase in prices due to the exchange rate movements and the strengthening of producer-originated cost-driven pressures continue to pose risks to the inflation outlook." CBRT Monetary Policy Committee fixed policy interest at level of 24.0 % to the end of the year by maintaining its tight monetary stance.

As a result of tight monetary policy practices put into force during 2018, narrowly defined M1 money supply increased by 14.0 % to TRY 512,524 million, M2 money supply increased by 19.4 % to TRY 1,940,590 million and M3 money supply increased by 18.6 % to TRY 1,988,305 million in comparison to the previous year.

While savings deposits in deposit banks rising with 15.3 % to TRY 626,317 million, commercial institutions deposits rising with 0.4 percentage to TRY 236,232 million, other institutions' deposits rising with 7.4 % to TRY 41,220 million; official institutions deposits came about by rising with 8.7 % to TRY 66,882 million and foreign exchange deposit accounts with 33.4 % to TRY 847,660 million. Thus total deposits accrued as TRY 1,952,951 million with an increase of 20.0 %.

Decrease in the momentum of loan growth in early 2018 continued during the whole year and bank loans' growth dropped back to 12.3 % with an 8.8 % decline compared to previous year at the end of the year. Decrease in the momentum of loan growth is effected by "high base effect in 2017, weakening domestic demand, 'entering into the balancing process over personal loans as well as commercial loans', tightening in financial conditions and increase in loan interest rates". In 2018, an amount of TRY 2,213,669 million loans was released for utilization by banks.

The year of 2018 was a tough year in which financial markets experienced significant losses. Borsa Istanbul (BIST) Index, which rose to its highest level with 119,528.8 in January, experienced a strong decrease after the second half of the year. Trade wars abroad between USA and China, USA Federal Reserve FED's decisions to increase interests, credit rating agencies decreasing Turkey's credit note, tensions

with USA, uncertainties brought along with early election decision, sharp fluctuations in foreign exchange rates and CBRT's decisions to increase interests are decisive in the developments in the stock market. Effected by Turkey's credit notes declining in June, BIST Index decreased to the level of 96,520.1. While BIST Index recovered slightly in July after Presidential Election and General Deputy Elections and due to the supposition of political stability, it continued to decline afterwards. The sharp fluctuations in foreign exchange rates in early August and the emergence of economic crisis expectations in the markets supported the fall in the stock exchange. BIST Index while it declined to 90,200.7 in October, the lowest level of 2018, closed at level of 91,270.5 in December. Although fluctuating during the rest of the year, it remained at very low levels. Total trading volume of BIST at the end of 2018 rose by 35.1 % to TRY 1,983,235 million.

Number of domestic investors having share portfolio in 2018 at BIST rose to 1,169,188 with an increase by 8.1 % and the number of foreign investors rose to 9,731 with an increase by 1.7 % compared to 2017. Thus total number of foreign investors at BIST increased by 8.1 % to 1,178,919. In 2018, contrary to increase in the numbers of domestic and foreign investors, their portfolio values decreased. Among the total number of investors who invested in Borsa Istanbul, share of the domestic investors was 99.2 % and share of foreign investors was 0.8 % as it was the case in the previous year.

The Medium Term Fiscal Plan (2018-2020) suggests that the fiscal policy will be implemented in a manner consistent with basic purposes and priorities of the economy policy, contributing to protection of the economic stability, increasing the growth policy, keeping the current account deficit under control, encouragement of domestic savings and investments. It was aimed at improving the ratio of public expenditure and income to national income and increasing its efficiency, increasing the share of tax revenues in public revenues and ensuring health and continuity in income sources, controlling the public sector borrowing requirement, and the protection of earnings in the field of public finance by means of sustainable fiscal policies.

It was aimed that public expenditures are used primarily at infrastructure investments that will support growth, in the areas of incentives, regional development and educational fields and R & D supports by means of using the resources economically and efficiently. It was declared that fiscal discipline will be maintained and structural reforms will continue to be supported.

It was pointed out that maintaining fiscal discipline in 2018 monetary and exchange rate policy was one of the factors that decrease the susceptibility of Turkish economy against adverse external shocks. It was noted that discipline in fiscal policies would be maintained in order to achieve price stability. However, the incentives, social supports, and economic developments implemented in the name of revitalizing the economy caused deviation in fiscal policy implementations and increased budget deficit.

At the end of 2018, budget revenues and expenses exceeded estimates. Compared to the previous year, budget revenues increased by 20.2 % to TRY 757,834 million, budget expenses increased by 22.4 % to TRY 830,450 million and the budget deficit went up to TRY 72,615 million with an increase of 52.0 %. The non-interest surplus decreased by 84.9 % to TRY 1,346 million. The ratio of budget revenues to cover the expenses was by 91.3 %.

The borrowing policies, which have been carried out within the framework of medium-term strategic criteria in order to finance the central government budget deficit since 2003, aim to reduce costs to the most appropriate level within the framework of the principles of Increasing Predictability, Transparency and Accountability. Economic programs, prepared with fiscal discipline, and debt management policies, which are compatible with monetary and fiscal policies, are implemented.

It was aimed at lending mainly over TRY and through the use of fixed-interest rate instruments as in the previous years, reducing significantly the share of foreign exchange debts shares in total debt stock, extending the average maturities of lending, and maintaining a strong cash reserve in order to reduce possible liquidity risk in cash and debt management.

Based on the last three years' data, it is observed that upward trend in the central government total debt stock continues in 2018. It is striking that while increase in trend of the central government's domestic debt stock slows, the external debt stock shows a quick rise. Although the need for public financing is largely met through domestic borrowing, its share in the total debt stock has been gradually shrinking and the share of external borrowing has been increasing by years.

Central government domestic borrowing stock in 2018 increased by 9.5 % to TRY 586,142 million, external borrowing stock by 40.9 % to TRY 480,644 million and total debt stock by 21.7 % to 1,066,786 million TRY.

CBRT maintained its application of fluctuating foreign exchange rate in 2018. Exchange rate is not used as a policy instrument in applied foreign exchange rate regime. The CBRT does not have a nominal or real exchange rate target. Exchange rates are determined by supply and demand conditions in the market. The foreign exchange supply and demand are affected by the economic fundamentals, monetary and fiscal policies implemented, international developments and expectations. CBRT reacts by changing its monetary policy stance when exchange rates are cut off from economic fundamentals and when the excessive exchange rate fluctuation poses a risk in terms of financial stability. CBRT takes necessary measures with its instruments by means of monitoring the developments in foreign exchange rates and risk factors so that foreign exchange market functions effectively. The exchange rate risk is managed by economic units. In 2018, the exchange rate policy was implemented within framework of these principles.

In 2018, due to start of the election process, rise in inflation rates, policies to increase domestic demand, political uncertainties, high external debt payments and the willingness of the real sector to close open positions and external interventions; high rates of increases experienced in foreign exchange rates especially in the second and third quarters. The tension with the US and that country's raising iron and steel tariffs increased foreign exchange rate to the upper levels. In the last quarter, on account of policies implemented against exchange rate increases, economic contraction's reducing the need for foreign exchange and psychological pressures' being broken; foreign exchange rates decreased towards balancing.

As of the year end, according to the annual average values and in nominal terms, value of US dollar rose against Turkish Lira by 32.4 % to TRY 4.82597, Euro rose by 38.0 % to TRY 5.67717, English Pound rose by 36.6 % to TRY 6.40203, and Japanese Yen rose by 34.2 to TRY 4.35021.

High rating momentum of the world export and import volumes thus effecting world trade effected also Turkey's foreign trade positively and the drop of exports in the last two years and the drop of imports in the last three years was replaced by double-digit increases.

Increase rate noted in exports in 2017 continued in 2018, even though slowing a little. Despite contraction in domestic demand, 'foreign demand's being remained

relatively vigorous, rapid increase in exchange rates especially in the third quarter of the year and the depreciation of the Turkish Lira' supported the increase in exports. While implementing of protectionist measures, which USA launched and also includes China appears as a negative example in terms of exports; incentives introduced to increase production and exports had a positive effect.

With the slowdown in economic activities and the rebalancing process in 2018, the contraction in domestic demand limited the increase in imports. The deceleration of gold imports, which increased rapidly in 2017, was also effective in the contraction in imports.

At the end of the year, Exports rise by 7.0 % from USD 156,993 million to USD 167,967 million, imports declined by 4.6 % from USD 233,800 million to USD 223,046 million. The foreign trade deficit declined by 28.3 % to USD 55,079 million due to decrease in imports contrary to increase in exports in 2018. The foreign trade volume rose by 0.1 percentage points to USD 391,014 million due to increase in exports. The ratio of the export to cover the import increased by 8.2 point from 67.1 % to 75.3 % compared to 2017.

Current account balance, in which it was observed a significant level of deterioration in 2017, showed a relatively recovery 'within the framework of a series of measures implemented and economic balance process'. Current accounts deficit decreased by 41.3 % to USD 27,813 million compared to 2017, at the same time this was the lowest current account deficit since 2009. Decline in foreign trade deficit due to increase in exports and decrease in imports was the main factor effecting the decrease of current account deficit. Increase in travel revenues, the most important item of service revenues, and increase in revenues from primary investment made a positive contribution to this reduction but increase in primary investment expenditures had a negative impact.

Direct international investment inflows, "which decreased due to recession experienced in the global economy and geopolitical developments in the region including Turkey effecting negatively risk perceptions of investors"; increased by 9.6 % to the level of USD 6,064 million in 2018. In 2018, direct capital inflows to Turkey were USD 6,534 million and capital outflows were USD 470 million.

The gross foreign debt stock, which was increased by 2.4 % in 2016 and by 11.2 % in 2017, declined by 2.3 % to USD 444,878 million. Share of short-term debts in gross foreign debt stock decreased to 26.1 %, share of long-term debts increased to 73.9 %. Whereas public sector's foreign debt increased, conversely private sector's foreign debt decreased.

According to the results of the Address-Based Population Registration System (ABPRS), population of Turkey rose to 82 million 4 thousand people as of 2018 year-end with an increase by 1 million 193 thousand people compared to the preceding year. Population growth rate rose from 12.4 % in 2017 to 14.7 % in 2018. Population density (number of people per square kilometer) that was 105 in 2017 ascended to 107 in 2018 with an increase by 2 person. Out of this population, 75 million 666 thousand people live in province and district centers, 6 million 337 thousand people live in towns and villages.

Growth performance, which was observed in Turkey's economy in recent years, did not reflect to labor force market at intended extend; employment-friendly growth could not be attained. The unemployment rates, which was sailing at single digit between 2011 and 2014 rose to double digits again since 2015. The upward trend in the unemployment rate continued with a small acceleration until the end of 2018.

The factors which have played a key role in the negative situation in employment markets in 2018 were the slowing down performances of global and national growth, pressure on production owing to 'the halt in domestic consumption, investment expenditures and export growth', 'the increase of employment falling behind the increase of labor force', increase in participation rates of labor force.

The unemployment rate, which was by 10.9 % in 2016 and 2017, increased by 0.1 points to the level of 11.0 % in 2018. While female unemployment rate declined to 13.9 % by 0.2 points decrease, male unemployment rate rose to 9.5 % by 0.1 percentage points increase. The youth unemployment rate (15-24 years of age), which is the major problem of developed and developing countries, declined to 20.3 % decreasing by 0.5 points.

In 2008, employment rate in agriculture sector declined to 5 million 297 thousand person by 3.1 % compared to previous year; employment rate in industry sector increased by 2.5 % to 7 million 666 thousand person; employment rate in services sector increased by 3.5 % to 15 million 774 thousand person. Thus, the total people employed became 28 million 738 thousand person, increasing by 3.6 %.

1. ECONOMIC INDICATORS

1.1 Gross Domestic Product

Due to cautionary measures aimed at stimulating economic activities, loans provided within the scope of efforts aiming at facilitating access to finance through private sector cooperation, tax reductions, incentives for employment and production as well as positive external conjuncture; Turkey's economy showed a strong performance in 2017 with the growth rate by 7.4 %.

Having taken into consider high growth rate that occurred in 2017, it is projected for Turkey's economy to grow 5.5 % in 2018-2020 Medium-Term Program however, by taking into consideration developments during the year; this ratio was revised to 3.8 % in 2019-2021 New Economy Program (Medium Term Program).

Turkey's economy, which opened 2018 with this strong growth, grew by 7.4 % in the first quarter and by 5.2 % in the second quarter with the support of domestic demand. In consequence of global capital outflows from developing countries, early election resolution, fluctuations in foreign exchange rates, diplomatic crisis experienced in August; growth rate lost momentum and declined to 1.6 % in third quarter. Turkey's economy shrank by 3.0 % in the last quarter due to weak outlook of economic activity, slowdown in domestic demand and 'the fact that all main sectors, private consumption and fixed capital investment expenditures' pulling down the growth rate'.

Throughout 2018 year, decelerating compared to 2017, Turkey's economy grew by 2.6 percent on account of uncertainties in global market, Turkish Liras' sharp depreciation in August, CBRT's tight monetary policy aiming to 'prevent Turkish Lira's depreciation and increase in inflation' and tightening in financial conditions effecting domestic demand and investments. It was the increase in exports that restrained the decline in growth. The growth rate of 2018 remained below the forecasts and came about at the lowest level after 2009 (Table 11).

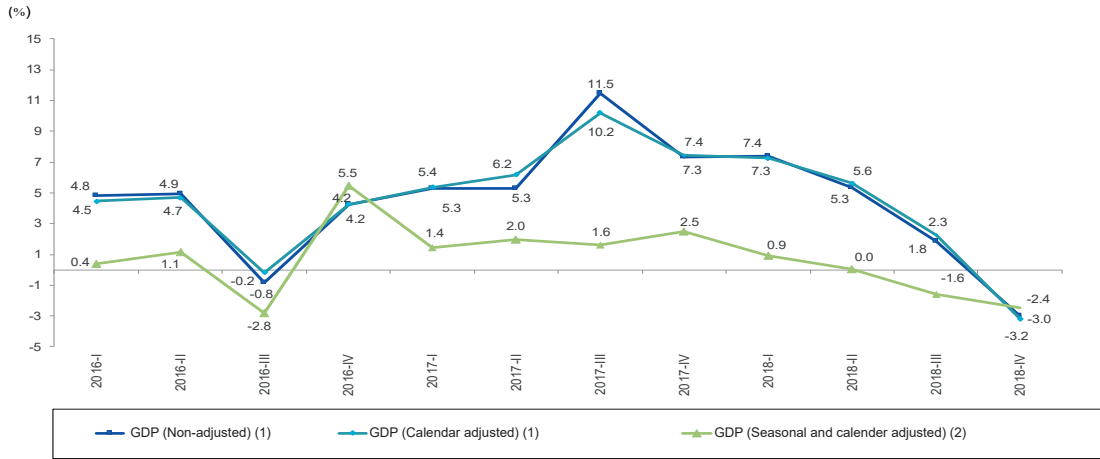
Table 11. Gross Domestic Product, Chained Volume Index by Lines of Economic Activity (A10)

(2009=100)

Lines of Economic Activity (Nace Rev 2)	Volume (Thousand TRY)			Index			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Agriculture, forestry and fishing	101,399,804	106,347,301	107,755,640	124.8	130.9	132.6	4.9	1.3
Industry	311,049,784	339,375,244	342,959,067	168.9	184.2	186.2	9.1	1.1
Manufacturing industry	259,788,258	283,498,084	286,513,860	171.5	187.2	189.2	9.1	1.1
Construction	117,588,337	128,174,791	125,714,135	209.4	228.2	223.9	9.0	-1.9
Services	345,207,257	382,683,436	404,168,177	158.8	176.1	185.9	10.9	5.6
Information and communication	41,036,573	46,392,758	48,506,458	151.1	170.8	178.6	13.1	4.6
Finance and insurance activities	69,665,872	72,350,408	73,598,187	186.0	193.1	196.5	3.9	1.7
Realty activities	134,171,405	137,586,267	141,264,095	128.0	131.2	134.7	2.5	2.7
Professional, administrative and support services activities	85,543,197	94,455,521	92,023,738	192.2	212.2	206.8	10.4	-2.6
Public administration, education, human health and social services activities	156,739,215	162,204,658	175,918,717	132.0	136.6	148.2	3.5	8.5
Other services activities	28,786,735	30,903,735	31,709,725	148.2	159.1	163.2	7.4	2.6
Total of sectors	1,388,148,448	1,497,435,396	1,540,880,089	155.8	168.0	172.9	7.9	2.9
Tax-subvention	188,431,092	196,413,462	196,342,104	174.3	181.7	181.6	4.2	0.0
Gross domestic product (with buyer prices)	1,576,365,403	1,693,665,799	1,737,135,816	157.8	169.5	173.9	7.4	2.6

Source: TÜİK.

GDP chained volume index net of calendar affect; while it grew by 7.3 % in the first quarter, by 5.6 % in the second quarter and by 2.3 % in the third quarter, with a decreasing rate compared to the same quarters of the previous year, moreover it contracted by 3.2 % in the last quarter. GDP net of calendar and season affect grew by 0.9 percentage points in first quarter, remained at the same level in second quarter, contracted by 1.6 % in third quarter and by 2.4 % in fourth quarter compared to previous quarter. Turkey's economy, which contracted two times based on quarterly period, has entered into technic recession process first time since 2009 (Chart 6).

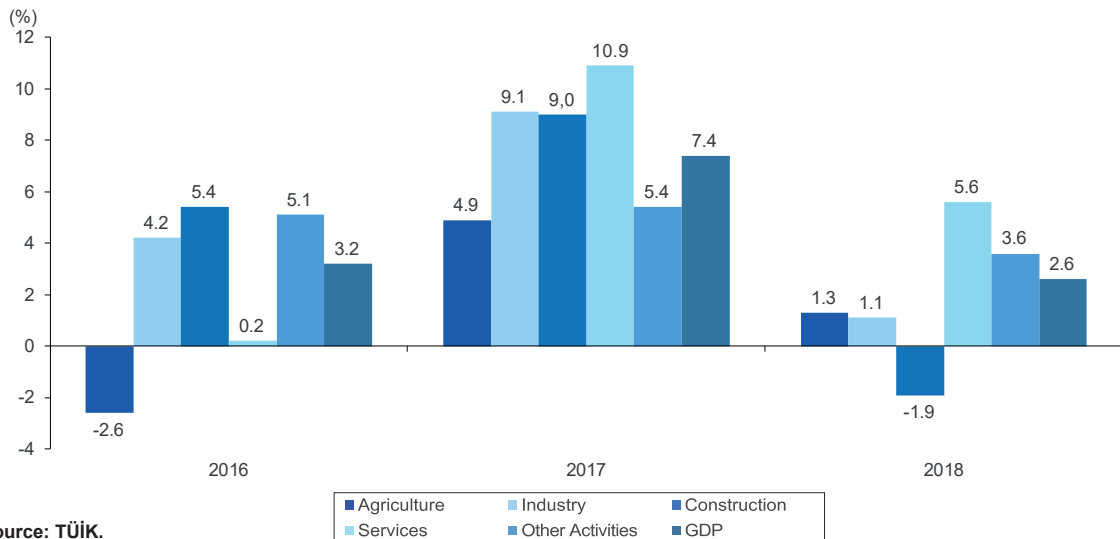
Chart 6. Gross Domestic Product Growth Rates By Periods

Source: TÜİK.

(1): Change is according to the quarter of the previous year

(2): Change is according to the previous quarter.

In 2018, the added value of the agricultural sector increased by 1.3 %, the industrial sector by 1.1 % but construction sector contracted by 1.9 %. The added value of services sector, which consists of the sum of trade, transport, accommodation and food service activities, increased by 5.6 % due to recovery in tourism sector. Compared to previous year decreases in growth rates of agricultural sector realized by 3.6 %, by 5.3 % for services sector, by 8.0 % for industrial sector and by 10.9 % for construction sector. Because of increase in foreign exchange rates experienced in August 2018, the most contracted sector was construction sector, which showed a strong growth performance in last years (Chart 7).

Chart 7. Growth Rates of Activities Constituting the Gross Domestic Product (Chained Volume Index, 2009=100)

Source: TÜİK.

Counted with the production method in 2017, GDP grew by 19.1 % with current prices reaching TRY 3,700,989. This amount is consisted of aggregation of agriculture sector by TRY 213,350 million, industry sector by TRY 823,310 million, construction sector by TRY 266,163 million, services sector by TRY 870,899 million, other sectors by TRY 1,139,217 million, moreover TRY 388,050 million of it comprised of taxes and subsidies (Table 12).

Table 12. Gross Domestic Product at Current Prices by Economic Activity Lines (A10)

Lines of Economic Activity (Nace Rev 2)	Value (Thousand TRY)			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Agriculture, forestry and fishing	161,304,618	189,000,175	213,350,153	6.2	6.1	5.8	17.2	12.9
Industry	511,805,709	639,841,826	823,310,347	19.6	20.6	22.2	25.0	28.7
Manufacturing industry	432,979,604	545,380,495	705,318,021	16.6	17.6	19.1	26.0	29.3
Construction	223,362,831	265,977,449	266,163,291	8.6	8.6	7.2	19.1	0.1
Services	560,899,479	690,397,791	870,899,157	21.5	22.2	23.5	23.1	26.1
Information and communication	63,445,420	78,228,377	91,335,135	2.4	2.5	2.5	23.3	16.8
Finance and Insurance activities	87,062,982	100,677,894	114,180,596	3.3	3.2	3.1	15.6	13.4
Realty activities	201,561,274	222,753,822	252,121,559	7.7	7.2	6.8	10.5	13.2
Professional, administrative, support service activities	137,294,413	168,888,062	194,016,934	5.3	5.4	5.2	23.0	14.9
Public administration, education, human health and social services activities	301,625,124	338,350,810	419,403,649	11.6	10.9	11.3	12.2	24.0
Other service activities	50,534,616	58,525,639	68,158,946	1.9	1.9	1.8	15.8	16.5
Total of sectors	2,298,896,464	2,752,641,846	3,312,939,766	88.1	88.6	89.5	19.7	20.4
Tax-subvention	309,629,285	353,894,906	388,049,723	11.9	11.4	10.5	14.3	9.7
Gross domestic product (with buyer prices)	2,608,525,749	3,106,536,751	3,700,989,489	100.0	100.0	100.0	19.1	19.1

Source: TÜİK.

In 2018, share of the agriculture sector within GDP declined by 0.3 points to 5.8 %, share of the industry sector declined by 1.4 % to 7.2 %, share of other activities declined by 0.3 percentage points to 30.8 %, share of industry sector increased by 1.6 % to 22.2 %, share of services sector rose by 1.3 % to 23.5 % compared to previous year. (Table 13, Chart 8).

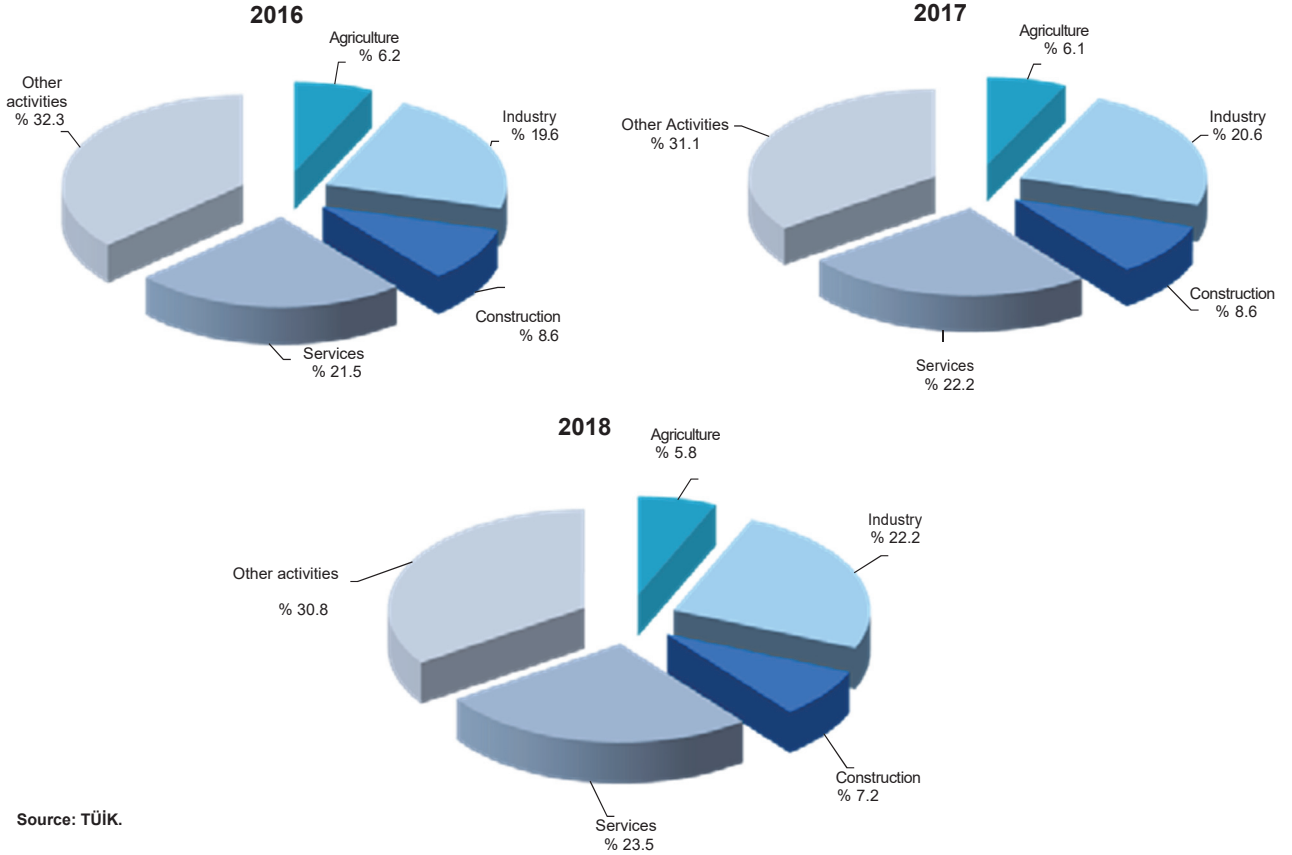
Table 13. Shares of Sectors in Gross Domestic Product ⁽¹⁾

Lines of Economic Activity	(With Current Prices, %)		
	2016	2017	2018
Agriculture	6.2	6.1	5.8
Industry	19.6	20.6	22.2
Construction	8.6	8.6	7.2
Services	21.5	22.2	23.5
Other activities ⁽¹⁾	32.3	31.1	30.8
Total of sectors	88.1	88.6	89.5
Tax- subventions	11.9	11.4	10.5
Gross domestic product	100.0	100.0	100.0

Source: TÜİK.

(1): Included areas information and communication includes financial and insurance activities, real estate activities, professional, administrative and support service activities, public administration, education, human health and social service activities and other service activities.

Chart 8. Sectors Shares in Gross Domestic Product (Current prices)



According to the volume index chained by expenditures method, final consumption expenditures of households rose by 1.1 % and final consumption expenditures of the state rose by 3.6 % in 2018. Thus, the growth rate of total consumption expenditures decreased by 4.3 points to 1.6 % compared to 2017, while the growth rate of total fixed capital investments contracted by 1.7 %, whose growth rate declined 9.5 points (Table 14).

Export of goods and services increased by 11.9 % and offered a limited contribution to the growth due to high growth rate of imports in 2017. In 2018, export of goods and services increased by 7.5 %; slowdown in domestic demand and 'increase in foreign exchange rates' caused 'reduction in imports volume', thus 'while imports of goods and services decreased'; net exports contributed strongly to the growth.

Table 14. Gross Domestic Product, Chained Volume Index by Expenditure Method

(2009=100)

Spending Components	Volume (Thousand TRY)			Index			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Consumption of resident household and non-profit organization serving households	964,776,578	1,023,654,840	1,035,415,138	155.7	165.2	167.1	6.1	1.1
State's final consume spendings	219,457,591	230,458,131	238,733,724	139.3	146.3	151.5	5.0	3.6
Gross fixed capital formation	465,757,226	502,134,981	493,427,423	208.3	224.6	220.7	7.8	-1.7
Changes in stock ⁽¹⁾	-	-	-	-	-	-	-	-
Export of goods and services	334,411,729	374,373,609	402,400,724	148.3	166.0	178.4	11.9	7.5
(Minus) import of goods and services	368,277,492	406,296,017	374,004,373	157.8	174.1	160.2	10.3	-7.9
Gross domestic product	1,576,365,403	1,693,665,799	1,737,135,816	157.8	169.5	173.9	7.4	2.6

Source: TÜİK.

(1): Inventory changes were calculated by using residue method, contains statistical error.

In 2018, the share of final consumption expenditures of households within GDP with current prices declined by 1.4 points to 57.6 % and share of the state's final consumption expenditures decreased by 0.1 points to 14.4 %, whereas the share of total consumption expenditures decreased by 1.5 points to 72.0 %, share of the gross fixed capital formation increased by 0.3 points to 29.7 % (Table 15).

Table 15. Gross Domestic Product, with Current Prices by Expenditure Method

Spending Components	Value (Thousand TRY)			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Consumption of resident household and non-profit organization serving households	1,560,518,475	1,834,155,684	2,131,013,061	59.8	59.0	57.6	17.5	16.2
State's final consumption expenditures	386,976,636	450,496,428	533,268,767	14.8	14.5	14.4	16.4	18.4
Gross fixed capital formation	764,661,719	931,869,607	1,098,074,039	29.3	30.0	29.7	21.9	17.8
Changes in stock ⁽¹⁾	-28,362,562	30,230,140	-17,772,902	-1.1	1.0	-0.5	-	-
Import of goods and services	572,964,838	770,552,594	1,095,952,404	22.0	24.8	29.6	34.5	42.2
(Minus) Export of goods and services	648,233,357	910,767,701	1,139,545,881	24.9	29.3	30.8	40.5	25.1
Gross domestic product	2,608,525,749	3,106,536,751	3,700,989,489	100.0	100.0	100.0	19.1	19.1

Source: TÜİK.

(1): Inventory changes were calculated by using residue method, contains statistical error.

In 2018, within the group of final consumption expenditures of households, which consists of expenditures made by households and nonprofit organizations serving households; Non-durable goods expenditures increased by 5.1 % and services sector expenditures increased by 3.1 %. Expenditures of durable goods group reduced by 16.2 % and expenditures of semi durable goods group reduced by 2.2 %. (Table 16).

Table 16. Household Final Consumption Expenditures, Chained Volume Indexed by Durability Type

(2009=100)

Type of Durability	Index			Change (%)	
	2016	2017	2018	2017	2018
Durable goods	221.5	251.8	211.1	13.7	-16.2
Semi durable goods	174.5	185.4	181.4	6.3	-2.2
Non-durable goods	142.7	152.3	160.2	6.7	5.1
Services	152.0	157.9	162.8	3.9	3.1
Consumption of residential households	155.8	165.4	167.4	6.1	1.2

Source: TÜİK.

The services group constituted the largest portion of final consumption expenditures of households with a share of 42.1 %, followed by the non-durable goods with a share of 37.2 %, semi-durable goods with a share of 11.3 % and durable goods with a share of 9,4 (Table 17).

Table 17. Final Consumption Expenditures, with current Prices according to Durability Types

Capital Classification	Value (Thousand TRY)			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Durable goods	154,385,842	195,108,456	199,693,416	9.9	10.7	9.4	26.4	2.3
Semi durable goods	172,305,277	204,755,389	238,796,938	11.1	11.2	11.3	18.8	16.6
Non-durable goods	551,219,628	652,661,315	790,135,280	35.5	35.8	37.2	18.4	21.1
Services	674,065,901	772,396,458	892,642,867	43.4	42.3	42.1	14.6	15.6
Consumption of residential households	1,551,976,649	1,824,921,618	2,121,268,501	100.0	100.0	100.0	17.6	16.2

Source: TÜİK.

According to gross fixed capital formation, based on the chained volume index by expenditure method; while construction investments increased by 2,5 %, machine equipment investments increased by 8.9 % and other assets decreased by 0.6 percentage points (Table 18).

Table 18. Gross Fixed Capital Formation, Chained Volume Index

Capital Classification	(2009=100)					
	Index			Change (%)		
	2016	2017	2018	2017	2018	
Construction	215.3	241.6	247.6	12.2	2.5	
Machine and Equipment	210.9	212.5	193.7	0.8	-8.9	
Other Actives	158.1	174.1	173.1	10.1	-0.6	
Generated non-financial assets	208.3	224.6	220.7	7.8	-1.7	

Source: TÜİK.

According to gross fixed capital formation with current prices and by expenditure method, construction investments had the largest share by 58.8 %, the share of machinery and equipment investments by 33.9 % and share of other assets came about by 7.3 %. While the share of construction investments increased compared to the previous year, the share of machinery and equipment investments and other assets decreased (Table 19).

Table 19. Gross Fixed Capital Formation with Current Prices

Capital Classification	Value (Thousand TRY)			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
	Construction	424.474.920	535.290.868	646.188.967	55,5	57,4	58,8	26,1
Machine and Equipment	283.865.721	327.036.646	372.012.780	37,1	35,1	33,9	15,2	13,8
Other Actives	56.321.078	69.542.093	79.872.293	7,4	7,5	7,3	23,5	14,9
Generated non-financial assets	764.661.719	931.869.607	1.098.074.039	100,0	100,0	100,0	21,9	17,8

Source: TÜİK.

In 2018, GDP per capita elevated to TRY 45,463 according to the current prices with an increase by 17.5 %. GDP per capita which was \$ 10,602 in 2017 declined with a drop by 9.2 % to \$ 9.632 in 2018 (Table 20).

Table 20. Gross Domestic Product Per Capital

Years	Mid-Year Population ⁽¹⁾ (Thousand People)	With Current Prices			
		Turkish Lira (TRY)	Change (%)	US Dollar (\$)	Change (%)
2016	79,278	32,904	10.0	10,883	-1.2
2017	80,313	38,680	17.6	10,602	-2.6
2018	81,407	45,463	17.5	9,632	-9.2

Source: TÜİK.

(1): Calculated by using annual results of Address Based Population Registration System.

1.2 Sectoral Developments

1.2.1 Agriculture

Having a wide influence range in economic and social area, agriculture sector has a strategic importance due to 'its share of GDP, employment, consumption investments, providing raw material to other sectors and exports'. This importance grows gradually owing to competition brought along by globalized economy and market conditions changing rapidly. Its being depended on natural conditions in Turkey, strengthens risk and uncertainty factors. Climate changes deteriorates supply/demand balance; despite supports given; agriculture sector is effected negatively by these developments.

In 2018, the agricultural sector underwent a non-fertile year because of unfavorable climate conditions and inadequate precipitation. The agricultural sector's added value, compared to the same period of the previous year, increased by 7.3 % in first quarter, decreased by 1.1 % in second quarter, increased by 1.8 % in third quarter and decreased again by 0.5 percentage points in fourth quarter. Thus, the added value of the agricultural sector grew by 1.3 % in 2018.

It has been observed diminutions in production rates compared to last year due to 'inadequate precipitation in March-April 2018, deterioration in product quality and decrease in efficiency'. Production of cereals and other herbal products which rose by 4.7 % in 2017 decreased to 64,404,453 tons with a reduction by 5.8 % in 2018. Cereal production which increased by 2.4 % in 2017 due to favorable weather conditions, decreased by 4.8 % in 2018. In the group of cereal products, while it became the product, which declined the most among selected products; the wheat production displayed a decrease by 7.0 %, corn (grains) production declined by 3.4 % and barley production declined by 1.4 % and paddy production increased by 4.4 % (Table 21, Chart 9).

Table 21. Cereals and Other Herbal Goods Production Amounts

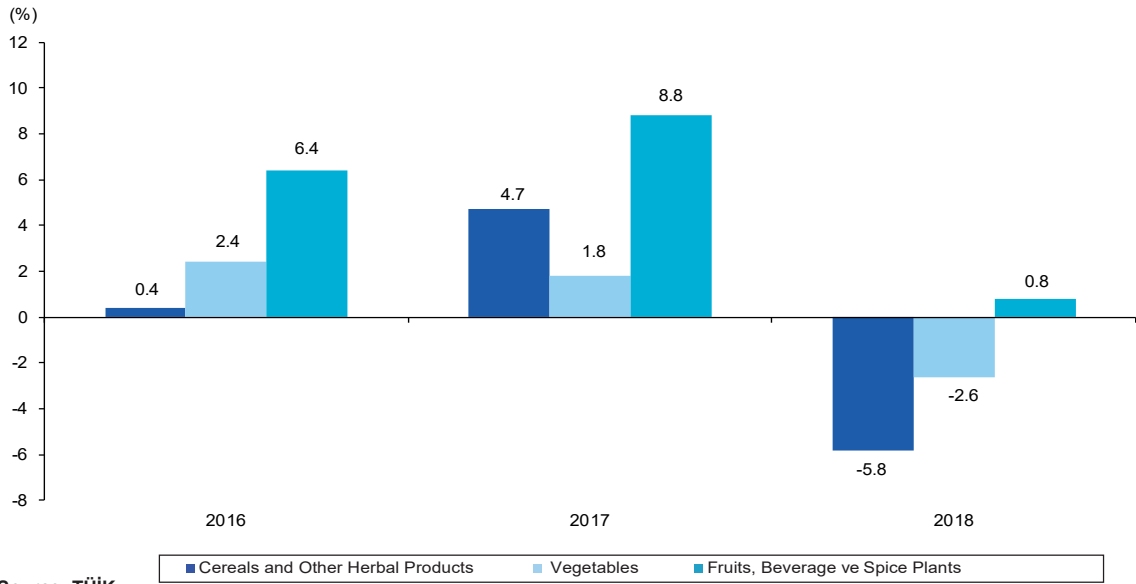
Cereals and Other Herbal Products	Production (Ton)			Change (%)	
	2016	2017	2018	2017	2018
Cereals	35,281,164	36,132,767	34,408,699	2.4	-4.8
Wheat	20,600,000	21,500,000	20,000,000	4.4	-7.0
Barley	6,700,000	7,100,000	7,000,000	6.0	-1.4
Corn (grain)	6,400,000	5,900,000	5,700,000	-7.8	-3.4
Paddy	920,000	900,000	940,000	-2.2	4.4
Other	661,164	732,767	768,699	10.8	4.9
Potato, Legumes, Edible Roots and bumps	5,831,576	5,966,229	5,776,742	2.3	-3.2
Potato	4,750,000	4,800,000	4,550,000	1.1	-5.2
Chickpea	455,000	470,000	630,000	3.3	34.0
Lentil (red)	345,000	400,000	310,000	15.9	-22.5
Beans (dry)	235,000	239,000	220,000	1.7	-7.9
Lentil (green)	20,000	30,000	43,000	50.0	43.3
Other	26,576	27,229	23,742	2.5	-12.8
Oil Seeds	2,220,629	2,413,370	2,467,495	8.7	2.2
Sunflower	1,670,716	1,964,385	1,949,229	17.6	-0.8
Peanut	164,186	165,330	173,835	0.7	5.1
Soy	165,000	140,000	140,000	-15.2	0.0
Cole (canola)	125,000	60,000	125,000	-52.0	108.3
Safflower	58,000	50,000	35,000	-13.8	-30.0
Other	37,727	33,655	44,431	-10.8	32.0
Tobacco ⁽¹⁾	74,238	93,666	80,200	26.2	-14.4
Sugar beet ⁽¹⁾	19,592,731	21,149,020	18,900,000	7.9	-10.6
Other forage crops (cereal straw and crusts are excluded)	111,974	98,537	92,069	-12.0	-6.6
Fedder beet	111,974	98,537	92,069	-12.0	-6.6
Raw crops used in textile	2,100,008	2,450,009	2,570,010	16.7	4.9
Cotton (unseed)	2,100,000	2,450,000	2,570,000	16.7	4.9
Hemp (fiber)	7	7	7	0.0	0.0
Linen (fiber)	1	2	3	100.0	50.0
Crops and forage crops used in perfumery, pharmaceuticals and similiar areas.	103,341	92,105	109,238	-10.9	18.6
Vicia sativa	66,987	58,423	59,515	-12.8	1.9
Hash (capsule)	16,550	13,836	26,991	-16.4	95.1
Rose (for oil)	12,267	13,372	14,773	9.0	10.5
Other	7,537	6,474	7,959	-14.1	22.9
Total	65,315,661	68,395,703	64,404,453	4.7	-5.8

Source: TÜİK.

(1): 2018 data is vaild.

The production amount of potato, legumes, edible roots and stems group, which increased by 2.3 % in 2017 and decreased by 3.2 % in 2018. The potato production, of which has the greatest share in this group, decreased by 5.2 %, red lentil production decreased by 22.5 % and green lentil production increased by 43.3 %.

Chart 9. Herbal Production Change Rates



Source: TÜİK.

In production of oily seeds group, there was an increase by 8.7 % in 2017 and an increase by 2.2 % in 2018. The sunflower production, which constitutes the biggest proportion in the group, declined by 0.8 %, biggest increase was observed in canola production by 108.3 %.

The tobacco production, which increased by 26.2 % in 2017, decreased by 14.4 % in 2018 and came about at 80,200 tons. The sugar beet production which increased by 7.9 % in 2017, decreased by 10.6 % in 2018; there was also a decrease in fodder beet production by 6.6 %. The raw cotton production which increased by 16.7 % in 2017, showed an increase by 4.9 % in 2018.

The decline by 10.9 %, which was observed in the production of crops used in perfumery, pharmacy and similar fields and also in the production of forage crops seeds in 2017, replaced with 18.6 % increase in 2018. Vetch production, which is the largest amount of production under this group, increased by 1.9 %; the largest increase came about from poppy (capsule) production by 95.1 %.

In the vegetable products production, the increase came about by 1.8 % in 2017 and a decrease by 2.6 % in 2018 and production rate reduced to 30,032,827 tons. While tuber and root vegetables group production decreased by 2.5 %, highest decrease in the group was observed in the dry onion production by 9.4 % 'due to its price instability, producer preferences and lack of water availability in some regions'; highest increase was observed in leek production by 21.5 % owing to increase in yields (Table 22, Chart 9).

Table 22. Production Amounts of Vegetable Goods

Vegetables	Production (Ton)			Change (%)	
	2016	2017	2018	2017	2018
Tuber and root vegetables	3,399,810	3,425,820	3,340,787	0.8	-2.5
Onion (dry)	2,120,581	2,131,513	1,930,695	0.5	-9.4
Carrot	554,736	569,533	642,837	2.7	12.9
Leek	227,172	208,239	252,958	-8.3	21.5
Turnip (red)	179,353	178,344	177,067	-0.6	-0.7
Scallion	134,479	138,993	142,854	3.4	2.8
Other	183,489	199,198	194,376	8.6	-2.4
Vegetables grown for their fruit	25,955,248	25,430,915	24,696,085	-2.0	-2.9
Tomatoes	12,600,000	12,750,000	12,150,000	1.2	-4.7
Watermelon	3,928,892	4,011,313	4,031,174	2.1	0.5
Cucumber	1,811,681	1,827,782	1,848,273	0.9	1.1
Melon	1,854,356	1,813,422	1,753,942	-2.2	-3.3
Pepper (gravy, capia)	957,030	1,107,713	1,128,060	15.7	1.8
Pepper (green)	967,466	945,361	930,349	-2.3	-1.6
Eggplant	854,049	883,917	836,284	3.5	-5.4
French bean	638,532	630,347	580,949	-1.3	-7.8
Marrow	351,550	449,561	474,527	27.9	5.6
Other	1,991,692	1,011,499	962,527	-49.2	-4.8
Other vegetables classified in somewhere else	1,911,839	1,968,834	1,995,955	3.0	1.4
Cabbage (white)	524,976	520,796	516,951	-0.8	-0.7
Spinach	210,999	222,177	225,174	5.3	1.3
Lettuce	233,662	223,449	215,725	-4.4	-3.5
Cauliflower	195,248	199,710	225,151	2.3	12.7
Cabbage (red)	186,826	188,316	187,948	0.8	-0.2
Lettuce (curly)	179,712	185,070	187,658	3.0	1.4
Lettuce (iceberg)	65,068	81,904	84,160	25.9	2.8
Parsley	58,190	80,304	78,961	38.0	-1.7
Cabbage (black leaf)	71,018	66,605	57,034	-6.2	-14.4
Other	186,140	200,503	217,193	7.7	8.3
Total	30,266,897	30,825,569	30,032,827	1.8	-2.6

Source: TÜİK.

The production of vegetables grown for their fruits decreased by 2.0 % in 2017 and decreased by 2.9 % in 2018. Highest increase in production in the selected products of this group came about in production of marrow by 5.6 %. Farmers' inclination to this crop due to economic profits was effective in increasing pumpkin production. The highest decrease was observed in red beans production which decreased by 7.8 % because of producers orientation to kidney beans.

The production amount of other vegetables group, not classified elsewhere, increased by 3.0 % in 2017 and by 1.4 % in 2018. Highest increase materialized in cauliflower production by 12.7 % due to increase in cultivation areas; highest decrease came about at black leaf cabbage production by 14.4 % owing to decrease in cultivation areas.

The increase by 8.8 %, ‘which was recorded in production of fruit products, drink and spice crops’ remained at level of 0.8 % and production amount came about by 22,278,904 tons. The grape production decreased by 6.4 % in 2018. Climatic conditions, decrease in productivity, excessive hormone, stimulant usage and shifts in production were effective in this decrease. The production in the group of other fruits and nuts increased by 1.1 %. In 2018, as part of this group, the total production of banana, fig, avocado and kiwi, increased by 18.7 %, the production of citrus increased by 2.8 % and other fruits rose by 6.4 %. Highest increase in production among the group consisted of banana, fig, avocado and kiwi; was observed by 35.2 % in banana production; lemon by 9.2 % in citrus group, apple by 19.6 % in other fruits group are other fruits, which increased at most. (Table 23, Chart 9).

Table 23. Fruit Products, Beverage and Spice Plants Production Amounts

Fruits, Beverage and Spice Plants	Production (Ton)			Change (%)	
	2016	2017	2018	2017	2018
Grape	4,000,000	4,200,000	3,933,000	5.0	-6.4
Other Fruits and nuts	14,693,529	16,380,293	16,561,028	11.5	1.1
Banana, fig, avacado, kiwi	657,276	733,627	870,471	11.6	18.7
Banana	305,926	369,009	498,888	20.6	35.2
Fig	305,450	305,689	306,499	0.1	0.3
Other	45,900	58,9290	65,084	28.4	10.4
Citrus Fruits	4,293,007	4,769,726	4,902,052	11.1	2.8
Orange	1,850,000	1,950,000	1,900,000	5.4	-2.6
Mandarin	1,337,037	1,550,469	1,650,000	16.0	6.4
Lemon	850,600	1,007,133	1,100,000	18.4	9.2
Other	255,370	262,1240	252,052	2.6	-3.8
Other Fruits	7,078,496	7,661,036	8,154,458	8.2	6.4
Apple	2,925,828	3,032,164	3,625,960	3.6	19.6
Peach	674,136	771,459	789,457	14.4	2.3
Apricot	730,000	985,000	750,000	34.9	-23.9
Cherry	599,650	627,132	639,564	4.6	2.0
Pomegranate	465,200	502,606	537,847	8.0	7.0
Pear	472,250	503,004	519,451	6.5	3.3
Strawberry	415,150	400,167	440,968	-3.6	10.2
Plum	297,589	291,934	296,878	-1.9	1.7
Sour cherry	192,500	181,874	184,167	-5.5	1.3
Other	306,193	365,696	370,166	19.4	1.2
Olive and other nuts	2,664,750	3,215,904	2,634,047	20.7	-18.1
Olive	1,730,000	2,100,000	1,500,467	21.4	-28.5
Hazelnut	420,000	675,000	515,000	60.7	-23.7
Pistachio	170,000	78,000	240,000	-54.1	207.7
Walnut	195,000	210,000	215,000	7.7	2.4
Other	149,750	152,904	163,580	2.1	7.0
Spice Plants	278,248	228,662	284,876	-17.8	24.6
Red Pepper	228,531	179,264	227,380	-21.6	26.8
Cumin	18,586	19,175	24,195	3.2	26.2
Other	31,131	30,223	33,301	-2.9	10.2
Tea	1,350,000	1,300,000	1,500,000	-3.7	15.4
Total	20,321,777	22,108,955	22,278,904	8.8	0.8

Source: TÜİK.

Production amount of olive and other nuts, another sub-component of the other fruits and nuts group, increased by 20.7 % in 2017 and decreased by 18.1 % in 2018. The production of olive, among the selected nuts, while it increased by 21.4 % in 2017, decreased by 28.5 % due to 2018 year's being absent-year and disease in some areas. Drop, which was recorded in hazelnut production by 54.1 % in 2017, replaced with increase by 207.7 % in 2018. The fact that "the year was absent-year and also the increase in productivity due to the transition to the aqueous system in regions, where production is intensive such as Sanliurfa" has been effective in this high rate of increase in production.

The production amount of spice crops, which declined by 17.8 % in 2017, increased by 24.6 % to 284,876 tons due to productivity increase. Highest increase in production of selected spice plants was observed in red pepper production by 26.8 %.

While the tea production recorded a decrease by 3.7 % in 2017 in comparison to the previous year; despite the same area exists in 2018, an increase by 15.4 % was recorded due to increase in yields, and the production amounted to 1,500,000 tons.

Agricultural Subsidy Payments

The Council of Ministers Decision 2018/11460 concerning the agricultural subsidy payments to be made in 2018 was published in the volume of the Official Gazette dated 26th February 2018. The decision was drafted with a view to widen environmentally sensitive agricultural production, increase productivity and quality, support research and development projects, rendering policies applied effective, contribute to the solution of primary problems of the sector, ensure sustainability and keep agricultural records up-to-date and also it includes issues related to agricultural subsidies to be implemented in 2018.

Within framework of Agricultural Catchment Basins Production and Subsidy Model in Turkey, subsidy model is implemented for vegetable product lists with regards to production on a county basis. Subsidies for breeding were differentiated on a province and county basis, support of coastal fisheries in aquaculture has been launched meanwhile by recording the activities in it.

In 2018, a substantial rate of increase was observed in agriculture subsidy payments owing to increasing diesel fuel supports in crop production. Agricultural subsidy payments which increased by 10.7 % in 2017 demonstrated an increase by 13.9

% in 2018. The highest increase in agricultural subsidy payments was agricultural subsidy payments for rural development by 116.9 %. While Region-based agricultural subsidy payments showed an increase by 29.5 %; and components included in such payments such as diesel support payment decreased by 171.4 %, organic agriculture, good agriculture, soil analysis additional area-based payments given small enterprises increased by 15.9 %, hazelnut support payment increased by 1.8 % moreover support for protection of agricultural areas in terms of environmental objectives decreased by 50.6 %, fertilizer support payment decreased by 31.3 %, supports for the use of certified seeds and seedlings increased by 20.4 %, and compensatory payments decreased by 2.6 %. Difference payment subsidy services decreased by 11.1 %, other agricultural payment increased by 28.6 % furthermore agricultural insurance support services increased by 11.4 % and live stock breeding subsidy payments increased by 6.6 % (Table 24).

Table 24. Agricultural Subsidy Payments⁽¹⁾

Subject of Subsidy	(Current Prices)							
	Value (Million TRY)			Share (%)			Change (%)	
	2016	2017	2018 ⁽²⁾	2016	2017	2018	2017	2018
Area based agricultural subsidy payments	3,304	3,006	3,892	28.8	23.6	26.9	-9.0	29.5
Area based extra pay (organical agriculture, good agriculture, soil analysis, small sized enterprise subsidy)	321	295	342	2.8	2.3	2.4	-8.1	15.9
Diesel	720	700	1,900	6.3	5.5	13.1	-2.8	171.4
Fertilizer	880	805	553	7.7	6.3	3.8	-8.5	-31.3
Licensed seed and sapling use	213	211	168	1.9	1.7	1.2	-0.9	-20.4
Environment oriented protection of cultivated areas (ÇATAK)	135	160	79	1.2	1.3	0.5	18.5	-50.6
Hazelnut	850	835	850	7.4	6.6	5.9	-1.8	1.8
Compensatory payments	186	191	186	1.6	1.5	1.3	2.7	-2.6
Potato wart subsidy	15	0	0	0.1	0.0	0.0	-	-
Tea pruning indemnity and costs	171	191	186	1.5	1.5	1.3	11.7	-2.6
Deficiency payments subsidy Services	3,174	3,888	3,456	27.6	30.6	23.9	22.5	-11.1
Legumes and Cereals	800	1,207	998	7.0	9.5	6.9	50.9	-17.3
Tea	170	165	170	1.5	1.3	1.2	-2.9	3.0
Products with supply deficit ⁽³⁾	2,204	2,516	2,289	19.2	19.8	15.8	14.2	-9.0
Husbandry supply payments	3,031	3,848	4,103	26.4	30.2	28.3	27.0	6.6
Rural development oriented agricultural subsidy ⁽⁴⁾	1,169	795	1,724	10.2	6.2	11.9	-32.0	116.9
Agriculture insurance support services	704	860	958	6.1	6.8	6.6	22.2	11.4
Other agriculture related supports	107	133	171	0.9	1.0	1.2	24.3	28.6
Total	11,489	12,722	14,489	100.0	100.0	100.0	10.7	13.9

Source: SBB.

(1): 2016 and 2017 related institution budget data are facts and Charts of calculation.

(2): Effectuation expectation.

(3): It is given to cotton, olive oil, sunflower, soy beans, canola, safflower, and grain corn.

(4): 210 millions TRY in 2016, 216 millions TRY in 2017 and 339 millions TRY in 2018 of the budget were granted to Agriculture and Rural Development Support institution

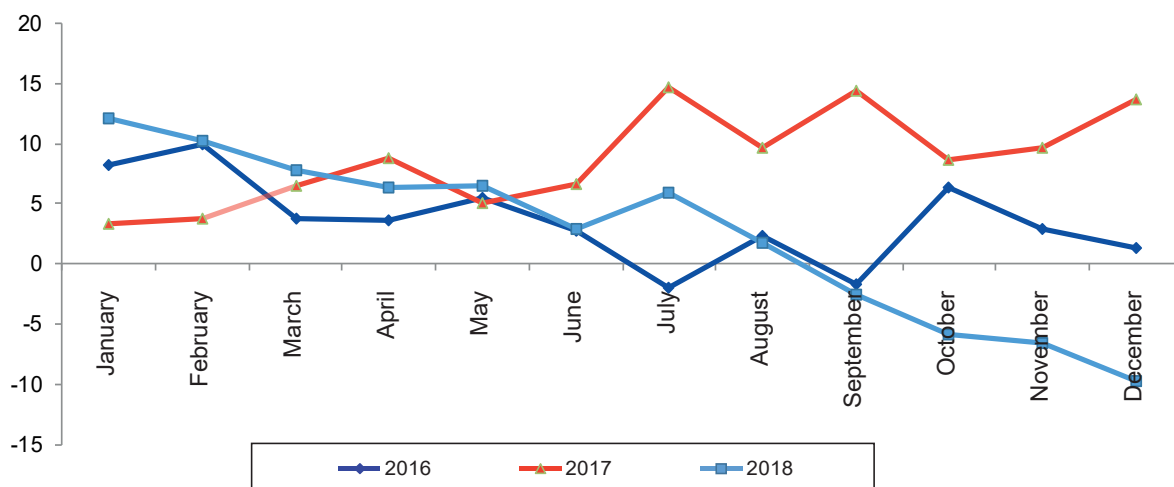
In 2018, the largest share in subsidy payments was acquired by livestock breeding subsidy payments with 28.3 % followed by area-based agricultural subsidy payments by 26.9 % and difference payment subsidy services by 23.9 %. Compared to the previous year, whereas share of area-based agricultural subsidy payments increased, the share of difference payments subsidy services and livestock breeding subsidy payments decreased.

1.2.2 Industry

Due to 'increase in interest rates and foreign exchange rates, access to finance becoming more difficult and depreciation in Turkish Lira' effected negatively industry sector and resulted contraction in economic activities. The fact that 'high rates of increase in consumer prices, downward change in domestic and external demand' pressed heavily on industry sector production. Compared to the same period of previous year, industry production rates grew in first quarter by 7.9 %, in second quarter by 4.0 % and 0.1 % in third quarter but in last quarter reduced sharply by 6.4 %. Added value of industry sector throughout 2018 year came about by 1.1 % due to positive effect, which was in first half of the year.

Industry production net of calendar effect compared to same month of previous year, which increased by 13.7 % in December 2017, opened 2018 year with a strong increase by 12.0 %. In February, this increase reduced to 10.2 %; increase trend fluctuated in following months by dropping one digit number and switched to decrease as from September. "Increase in costs because of increase in interests' and foreign exchange rates and contraction in domestic demand" had a negative effect on production. Industry production displayed a contraction by 2.5 % in September; this contraction increased with gradually momentum and rose to 9.8 % in December. Thus, growth rate of industry production, which was 8.9 % in 2017, remained at level of 1.8 % in 2018. With regards to subsectors of the industry, these apparent decreases in manufacturing industry sector production and electricity, gas, steam and air conditioning production and distribution have played a role in sharp decreases in industry production (Chart 10).

Chart 10. Industrial Product Index Change Rates (Annual Average, %)
(Calendar Adjusted, 2015=100)



Source: TÜİK.

Compared to previous year with regards to sub-sectors of industry; mining and quarrying sector increased by 7.9 %, manufacturing industry sector production increased by 1.5 %, electricity, gas, steam and air conditioning production and distribution increased by 1.8 %. When rates of change demonstrated by the industrial sector production index are compared with the data of the previous year, it is seen that downward trend was in all sectors. “Decrease in growth rate of mining and quarrying sector by 0.6 points, decrease in manufacturing industry sector production by 7.5 points, decrease in electricity, gas, steam and air conditioning production and distribution by 6.0 points” caused decrease in total industry production growth rate by 7.1 points (Table 25, Chart 11).

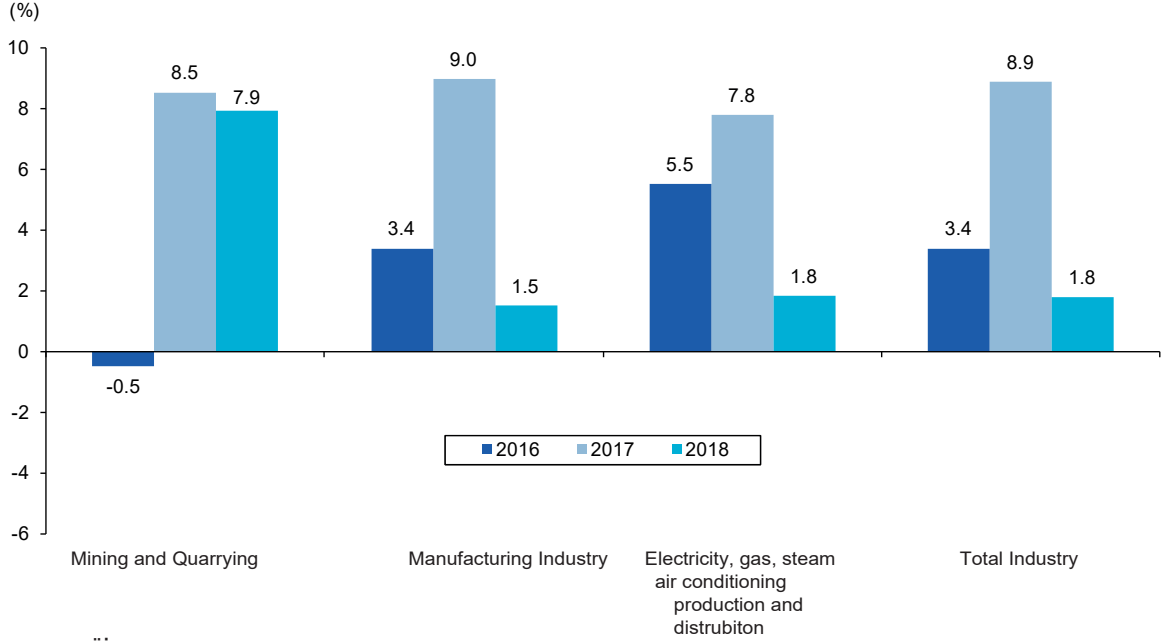
Table 25. Industry Production Index

Sectors	(2015=100)				
	Production Index ⁽¹⁾			Change (%)	
	2016	2017	2018	2017	2018
Mining and quarrying	99.5	108.0	116.5	8.5	7.9
Manufacturing industry	103.4	112.7	114.4	9.0	1.5
Electricity, gas, steam and air conditioning production and distribution	105.5	113.7	115.8	7.8	1.8
Total industry	103.4	112.6	114.6	8.9	1.8

Source: TÜİK.

(1): Annual average calendar adjusted data.

Chart 11. Industrial Production Index Change Rates by Sectors (Annual Average, %) (Calendar Adjusted, 2015=100)



Source: TÜİK.

According to the main industrial groups' classification, significant reduction attracts attention in all sectors of industrial production in 2018. Manufacturing of intermediate goods increased by 0.6 %, manufacturing of durable goods increased by 0.1 %, manufacturing of non-durable goods increased by 4.6 %, energy generation increased by 2.5 %, manufacturing of capital goods increased by 0.2 % (Table 26, Chart 12).

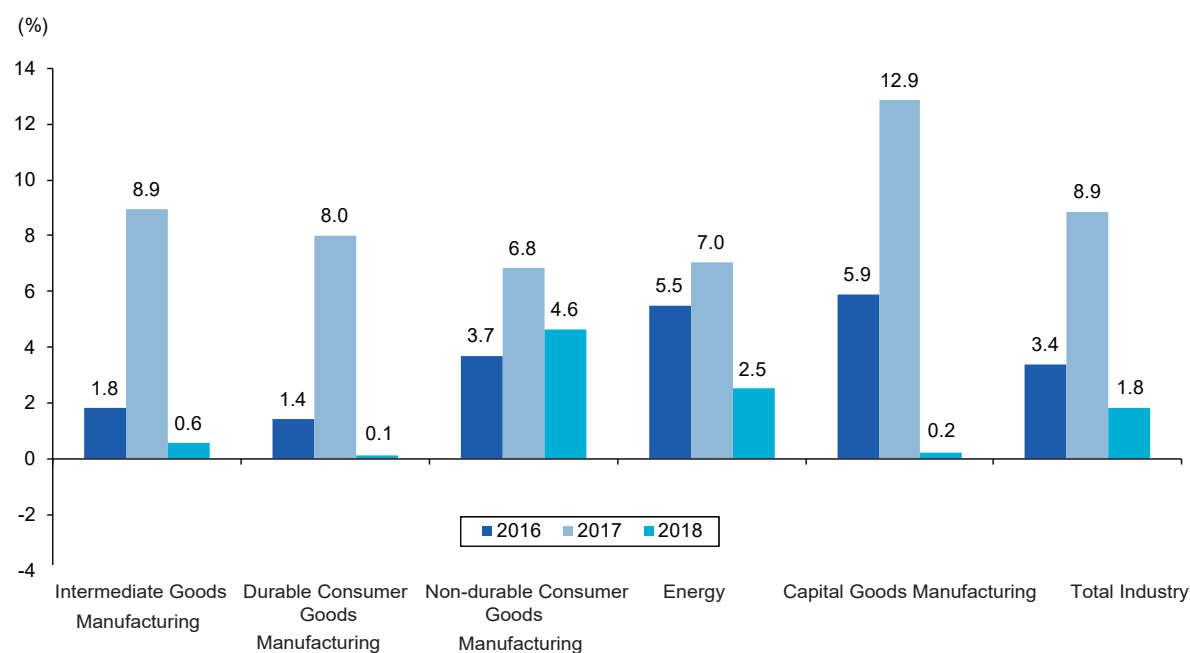
According to production numbers by technology groups, whose counting started yet, highest increase in production groups was high tech groups by 10.6 %, followed by low tech groups by 2.6 % and medium-high tech groups by 1.1 %. Medium-low tech group production is the only group, which decreased by 1.5 %.

Table 26. Industry Production Index Accordingly the Key Industry Groups

	Production Index ⁽¹⁾			Change (%)	
	2016	2017	2018	2017	2018
Key Industry manufacturing					
Intermediate good manufacturing	101.8	110.9	111.5	8.9	0.6
Durable consumer good manufacturing	101.4	109.5	109.6	8.0	0.1
Non-durable consumer good manufacturing	103.7	110.8	115.9	6.8	4.6
Energy	105.5	112.9	115.7	7.0	2.5
Manufacturing of capital goods	105.9	119.5	119.8	12.9	0.2
Product groups					
Low technology	103.0	110.2	113.0	7.0	2.6
Low-to-mid technology	103.4	113.6	111.9	10.0	-1.5
Mid-to-high technology	103.0	114.0	115.2	10.7	1.1
High technology	109.7	123.2	136.3	12.3	10.6
Total industry	103.4	112.6	114.6	8.9	1.8

Source: TÜİK.

(1): Annual average calendar adjusted data.

Chart 12. Industrial Production Index Change Rates by Main Industrial Groups (Annual Average, %) (Calendar Adjusted, 2015=100)

Source: TÜİK.

1.2.2.1 Mining and Quarrying

Decline in growth rate of mining and quarrying sector production in 2018 reduced from 8.5 % to 7.9 %, remaining at a limited level compared to other industrial sectors. With regards to sub-sectors, crude oil and natural gas production increased by 14.9 %, metal ores mining production increased by 13.4 %, charcoal and lignite production increased by 12.1 %, other mining and quarrying production increased by 2.7 %. When the rates of change recorded for mining and quarrying sector production index on subsectors basis in 2018 compared with results of 2017; it is observed that all-subsectors increased except other mining and quarrying sub-sector (Table 27).

Table 27. Mining and Quarrying Production Index

Sub Sectors	(2015=100)				
	Production Index ⁽¹⁾			Change (%)	
	2016	2017	2018	2017	2018
Coal and lignite extraction	111.5	120.6	135.2	8.2	12.1
Crude oil and natural gas extraction	99.6	100.4	115.4	0.9	14.9
Metal ores mining	93.7	99.3	112.6	6.0	13.4
Other mining and quarrying	98.5	109.7	112.7	11.5	2.7
Total (mining and quarrying)	99.5	108.0	116.5	8.5	7.9

Source: TÜİK.

(1): Annual average calendar adjusted data

1.2.2.2 Manufacturing Industry

Compared to the same quarters of the previous year, added value of the manufacturing industry grew by 8.4 % in the first quarter, by 4.4 % in second quarter and by 0.5 % in third quarter and as a result of increase in the effects of the economic contraction which became clear in second half of the year it completed the year with a contraction by 7.4 % in fourth quarter of 2018. As of the end of the year and compared to the previous year; growth rate of added value of the manufacturing industry came about as 1.1 % with a decrease by 8.0 %.

Manufacturing industry production opened 2018 year with an increase rate by 12.3 % in January, the highest increase of the year, but this increase lost momentum and switched to contraction as of September. “Due to increase in inflation driven by negative developments in foreign exchange rates and reduction in demand”, contraction in manufacturing industry production, which started by 3.0 % in September accelerated and rose to 10.8 % in December. The manufacturing industry production index which displayed 9.0 % annual increase, despite its being supported by external demand, increased by 1.5 % in 2018 owing to reduction in domestic demand (Table 28).

Table 28. Manufacturing Industry Production Index

Subsectors	(2015=100)					
	Production Index ⁽¹⁾			Change (%)		
	2016	2017	2018	2017	2018	
Food products manufacturing	105.5	114.4	120.5	8.5	5.3	
Beverages manufacturing	100.3	109.2	120.6	8.9	10.5	
Tobacco products manufacturing	102.6	100.2	110.4	-2.4	10.2	
Textile products manufacturing	101.3	107.5	110.2	6.1	2.5	
Garments manufacturing	103.4	108.3	113.4	4.7	4.7	
Leather and related products manufacturing	108.1	118.6	117.3	9.7	-1.1	
Wood, wooden products and mushroom products manufacturing (Furniture excluded)	107.9	116.5	106.4	8.0	-8.7	
Paper and paper products manufacturing	104.8	113.8	111.7	8.6	-1.9	
Printation and distribution of recorded media	92.2	96.0	97.8	4.1	1.9	
Coke and refined petroleum products manufacturing	99.6	100.2	89.8	0.6	-10.4	
Chemicals and chemical products manufacturing	100.8	107.3	114.1	6.4	6.3	
Basic pharmaceutical products and manufacturing of pharmaceutical tools	106.9	114.2	122.5	6.8	7.3	
Rubber and plastic products manufacturing	104.3	115.9	117.6	11.2	1.5	
Other non-metallic mineral products manufacturing	102.2	112.2	109.5	9.8	-2.4	
Main metal industry	98.8	104.7	103.3	6.0	-1.4	
Fabricated metal products manufacturing (machine and equipment excluded)	105.7	118.1	114.1	11.8	-3.4	
Computers, electronics and optical products manufacturing	116.6	133.7	142.1	14.7	6.3	
Electricity equipment manufacturing	99.0	107.9	105.7	9.1	-2.1	
Unclassified machine and equipment manufacturing	100.9	110.6	110.8	9.6	0.2	
Engined land vehicle, trailers and semitrailers manufacturing	106.9	124.9	121.6	16.8	-2.6	
Other transportation vehicles manufacturing	111.4	131.0	157.5	17.7	20.2	
Furniture manufacturing	98.4	112.0	103.5	13.8	-7.6	
Other manufacturings	98.6	100.7	101.5	2.1	0.8	
Installation and repair of machinery equipment	106.9	119.0	119.1	11.3	0.1	
Total (manufacturing industry)	103.4	112.7	114.4	9.0	1.5	

Source: TÜİK.

(1): Annual average calendar adjusted data.

In 2018, the highest production increase in the manufacturing industry by subsectors was recorded in other manufacture of transportation vehicles by 20.2 %, followed by manufacture of bevarages by 10.5 % and manufacture of tobacco and tobacco products by 10.2 %. The highest production decrease in the manufacturing industry with regards to subsectors was recorded in manufacture of coke and refined petroleum products by 10.4 %, followed by manufacture of wood, wooden products and mushroom products by 8.7 % (except furniture) and manufacture of furniture by 7.6 %.

In 2018, ‘increase in inflation rates driven largely by increase in foreign exchange rates’ caused a serious contraction in domestic demand. Industry sector diminished its capacity utilization parallel to the decline in demand. Thus, manufacturing industry capacity utilization rate, which rose to 78.5 % with a 1.1 points increase compared to previous year, came about by 76.8 % with a 1.7 points decrease in 2018 (Table 29).

Table 29. Manufacturing Industry Capacity Utilization Rates

Subsectors (NACE Rev.2)	Capacity Utilization Rate			Change (Points)	
	2016	2017	2018	2017	2018
Food products manufacturing	72.8	73.4	73.0	0.6	-0.4
Beverages manufacturing	63.1	66.0	67.5	2.9	1.5
Tobacco products manufacturing	78.3	73.7	74.6	-4.6	0.9
Textile products manufacturing	77.7	79.8	79.4	2.1	-0.3
Garments manufacturing	78.5	79.4	80.2	0.9	0.8
Leather and related products manufacturing	57.4	58.6	58.8	1.2	0.1
Wood, wooden products and mushroom products manufacturing (Furnitrues excluded)	83.9	82.7	83.7	-1.2	1.0
Paper and paper products manufacturing	85.3	84.6	84.1	-0.7	-0.6
Printation and distribution of recorded media	71.3	72.8	74.3	1.6	1.5
Coke and refined petroleum products manufacturing	87.3	83.6	78.4	-3.8	-5.2
Chemicals and chemical products manufacturing	76.0	79.2	76.9	3.2	-2.3
Basic pharmaceuic products and manufacturing of pharmaceuic tools	72.9	69.4	70.8	-3.5	1.4
Rubber and plastic products manufacturing	73.0	75.1	75.0	2.1	-0.1
Other non-metallic mineral products manufacturing	78.0	78.5	75.7	0.4	-2.7
Main metal industry	76.6	79.2	80.1	2.6	0.9
Fabricated metal products manufacturing (machine and equipment excluded)	72.9	72.2	71.7	-0.7	-0.5
Computers, electronics and optical products manufacturing	80.0	79.6	76.2	-0.5	-3.3
Electricity equipment manufacturing	77.7	78.7	75.0	0.9	-3.7
Unclassified machine and equipment manufacturing	76.3	79.2	74.6	2.8	-4.6
Engined land vehicle, trailers and semitrailers manufacturing	83.9	86.3	84.0	2.4	-2.4
Other transportation vehicles manufacturing	74.9	79.8	76.5	4.9	-3.3
Furniture manufacturing	71.4	74.3	73.5	2.9	-0.9
Other manufacturings	63.1	65.2	63.7	2.1	-1.5
Installation and repair of machinery and equipment	67.3	70.2	73.1	2.9	2.9
Total (manufacturing industry)	77.4	78.5	76.8	1.1	-1.7

Source: TCMB.

In 2018, the highest capacity utilization rate among the manufacturing industry subsectors was in the sector of paper and paper products manufacturing with 84.1 %, followed by manufacture of motor land vehicle, trailer and semitrailer by 84.0 %, manufacture of wood, wooden products and mushroom products by 83.7 %. Subsectors, which had the lowest capacity utilization rate, were sub-sectors of leather and related products manufacturing by 58.8 %, other manufactures with 63.7 %, and manufacture of beverages with 67.5 %.

In 2018 compared to the preceding year, while the sub-sector with the highest increase in manufacturing industry capacity utilization rate in 2017 compared to the preceding year was the sector of installation and repair of machinery and equipment by 2.9 points; the sector, where capacity utilization rate decreased most, was the sector of manufacture of coke and refined petroleum products by 5.2 points. Capacity utilization rate of Sub-sector of manufacture of other transportation vehicles, which increased most in 2017 by 4.9 points decreased by 3.3 points in 2018. Capacity utilization rate of sub-sector of manufacture of tobacco products, which decreased most in 2017 by 4.6 points, increased by 0.9 percentage points in 2018.

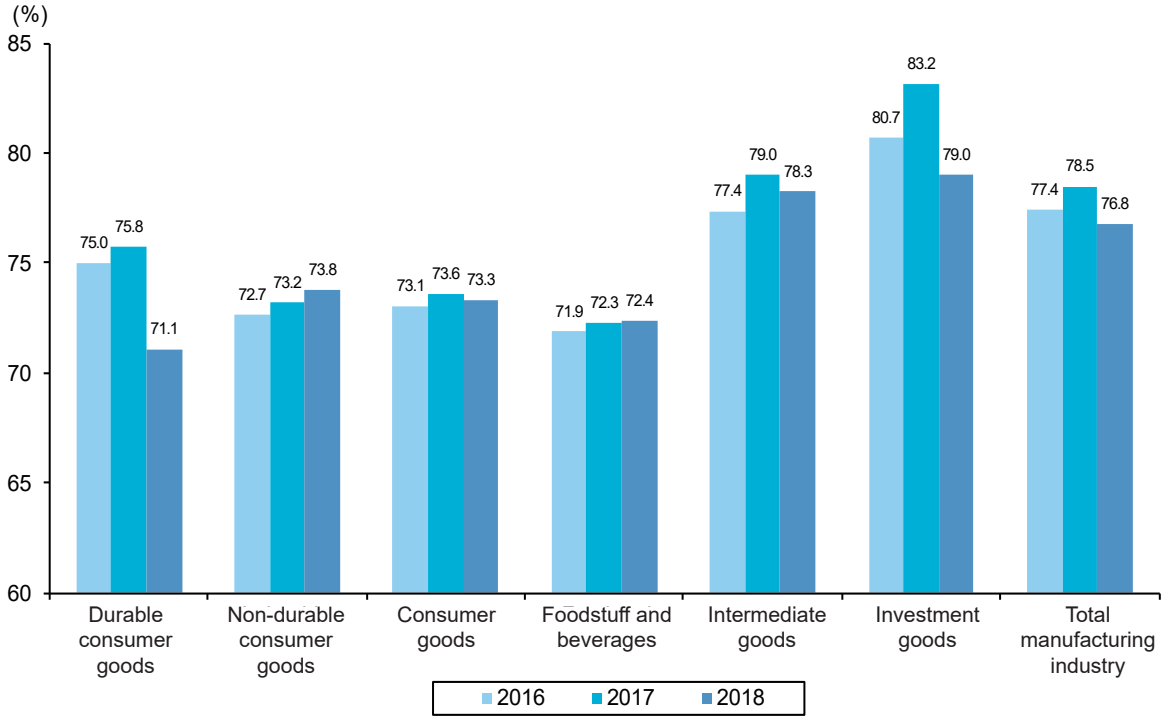
In 2018, capacity utilization rate by commodity groups compared to previous year; non-durable goods increased by 0.6 percentage points, foodstuff and beverages increased by 0.1 percentage points furthermore other commodity groups decreased. Capacity utilization rate increased in non-durable goods to 73.8 %, foodstuff and beverages to 72.4 % furthermore in durable consumer goods in reduced to 71.1 %, in consumer goods to 73.3 %, in intermediate goods to 78.3 % and in investment goods to 79.0 % (Table 30, Chart 13).

Table 30. Capacity Utilization Rates According to Product Classes

Commodity Groups	Capacity Utilization Rate			Change (Points)	
	2016	2017	2018	2017	2018
Durable consumers goods	75.0	75.8	71.1	0.7	-4.7
Non-durable consumers goods	72.7	73.2	73.8	0.5	0.6
Consumers goods	73.1	73.6	73.3	0.5	-0.3
Foodstuff and beverages	71.9	72.3	72.4	0.4	0.1
Intermediate goods	77.4	79.0	78.3	1.7	-0.8
Investment goods	80.7	83.2	79.0	2.5	-4.1
Total manufacturing industry	77.4	78.5	76.8	1.1	-1.7

Source: TCMB.

Chart 13. Capacity Utilization Rates According to the Commodity Groups (Weighted Average, %)



Source: TCMB.

Industrial Capacity Report Statistics

The industrial capacity report is a certificate ‘showing the production power of all public and private sector institutions, which carry out industrial production, effective for 3 years following the approval date’. The responsibility for publishing statistics in this regard has been vested in the Union of Chambers and Commodity Exchanges of Turkey (TOBB) within scope of the Official Statistics Program. TOBB has been announcing industrial capacity report statistics annually since 2011.

According to the industrial capacity report statistics, number of industrial capacity reports which were still valid as of the end of 2018 increased by 13.1 % to 73,303 compared to end of 2017 and total number of employed person increased by 7.8 % to 3,133,499 (Table 31, Chart 14).

Table 31. Number of Capacity Reports and Total Number of Employees by Employee Range ⁽¹⁾

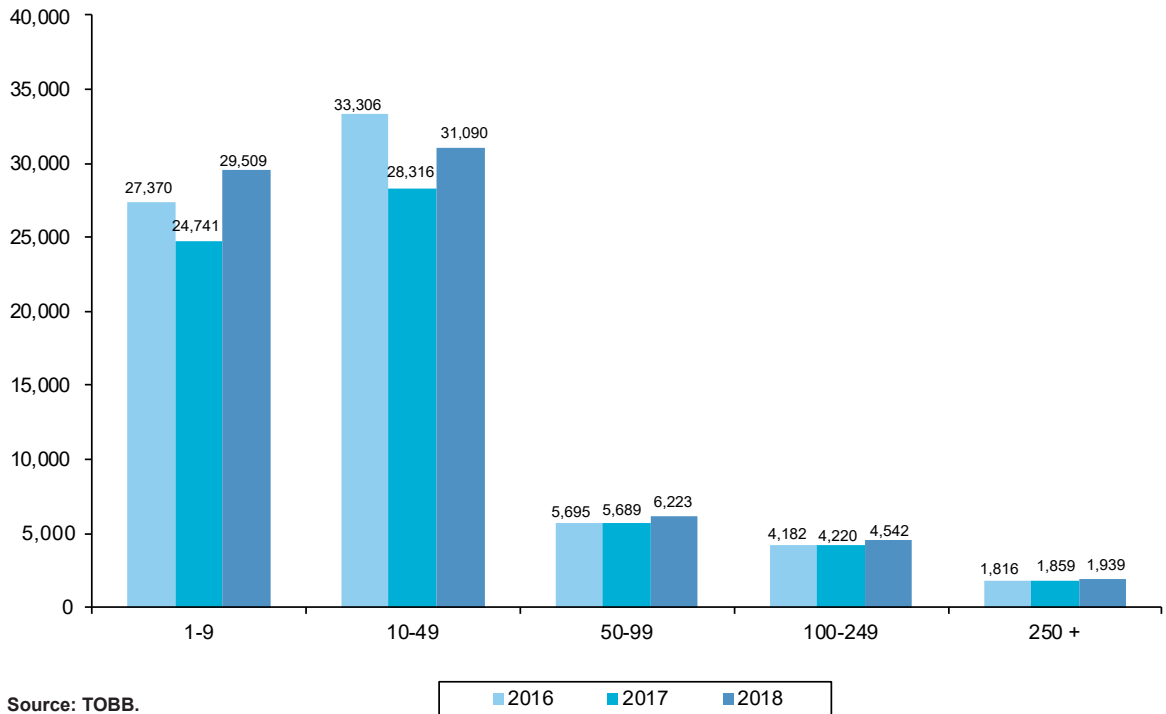
Employee range	Capacity Report Number			Total Employees Number		
	2016	2017	2018	2016	2017	2018
1-9	27,370	24,741	29,509	144,713	132,607	155,618
10-49	33,306	28,316	31,090	770,270	671,327	732,302
50-99	5,695	5,689	6,223	401,056	399,868	435,865
100-249	4,182	4,220	4,542	641,933	650,478	699,607
250 +	1,816	1,859	1,939	1,036,148	1,051,231	1,110,107
Total	72,369	64,825	73,303	2,994,120	2,905,511	3,133,499
	Share (%)					
1-9	37.8	38.2	40.3	4.8	4.6	5.0
10-49	46.0	43.7	42.4	25.7	23.1	23.4
50-99	7.9	8.8	8.5	13.4	13.8	13.9
100-249	5.8	6.5	6.2	21.4	22.4	22.3
250 +	2.5	2.9	2.6	34.6	36.2	35.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: TOBB.

(1): The number of capacity reports which are valid as of the end of the related year.

Chart 14. Number of Industry Capacity Reports by Employee Range

(Quantity)



Source: TOBB.

Of the capacity reports still valid in 2018, 40.3 % belongs to the companies with 1 to 9 employee(s), 42.4 % belongs to the companies with 10 to 49 employees, 8.5 % belongs to the companies with 50-99 employees, 6.2 % belongs to the companies with 100 to 249 employees, and 2.6 % belongs to the companies with 250 and more employees.

When it comes to the distribution of companies, which have received capacity reports still valid as of the end of 2018, with regards to the number of employees in the period, when the report is issued; it is observed that the number of employees in the companies with 1 to 9 employees comprised 5.0 % of the total number of employees, companies with 10 to 49 employees comprised 23.4 % of the total number of employees, companies with 50 to 99 employees comprised 13.9 % of the total number of employees, companies with 100 to 249 employees comprised 22.3 % of the total number of employees, and companies with 250 and more employees comprised 35.4 % of the total number of employees.

The activity group which had the highest number of industrial capacity reports which were valid in 2018 with regards to main activity groups was the manufacture of fabricated metal products (except for machinery and equipment) by 10.9 %, followed by manufacture of foodstuff by 10.3 %, machinery and equipment manufacturing not classified elsewhere by 8.8 % and manufacture of textile products by 7.8 %. Among the activity groups, which had the least number of the current capacity reports, were the forestry and industrial and firewood production with 3 capacity reports, crude oil and natural gas extraction with 7 capacity reports, and fishing and aquaculture breeding with 20 reports. When number of capacity reports, still in force in 2018, compared with the preceding year; wholesale trading (except motor land vehicles and motorcycles) declined by 8.0 %, storage and auxiliary activities for transportation by 1.1 % on the contrary other sub-sectors except these increased. Highest rate of increase came about in 'computer programming, consulting and relevant activities' by 184.2 %, manufacture of tobacco products by 36.4 %, 'production and distribution of electricity, gas, vapor, and aeration systems' by 31.5 % (Table 32).

Table 32. Number of Industrial Capacity Reports by Main Activity Groups ⁽¹⁾

Subsectors (NACE Rev. 2)	Capacity Report Number			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Fabricated metal products manufacturing (machine and equipment excluded)	9,742	8,749	10,105	10.8	10.7	10.9	-10.2	15.5
Food products manufacturing	10,193	8,863	9,465	11.3	10.8	10.3	-13.0	6.8
Unclassified machine and equipment manufacturing	7,634	7,071	8,136	8.5	8.6	8.8	-7.4	15.1
Textile products manufacturing	7,113	6,438	7,207	7.9	7.9	7.8	-9.5	11.9
Rubber and plastic products manufacturing	6,466	5,866	6,561	7.2	7.2	7.1	-9.3	11.8
Other non-metallic mineral products manufacturing	5,672	5,235	5,745	6.3	6.4	6.2	-7.7	9.7
Garments manufacturing	5,113	4,386	5,130	5.7	5.4	5.6	-14.2	17.0
Chemicals and chemical products manufacturing	3,504	3,288	3,636	3.9	4.0	3.9	-6.2	10.6
Furniture manufacturing	3,585	3,061	3,505	4.0	3.7	3.8	-14.6	14.5
Electricity equipment manufacturing	3,043	2,889	3,305	3.4	3.5	3.6	-5.1	14.4
Other mining and quarrying	3,236	3,005	3,279	3.6	3.7	3.6	-7.1	9.1
Main metal industry	2,653	2,573	2,779	2.9	3.1	3.0	-3.0	8.0
Waste collection, breeding and disposal activities	2,049	1,969	2,258	2.3	2.4	2.4	-3.9	14.7
Manufacture of wood, wooden and mushroom products manufacturing (except furniture) manufacture of articles of straw and plaiting materials	2,292	1,886	2,142	2.5	2.3	2.3	-17.7	13.6
Engined land vehicle (trailer) and semitrailers manufacturing	2,010	1,819	1,993	2.2	2.2	2.2	-9.5	9.6
Other manufacturings	1,761	1,602	1,850	2.0	2.0	2.0	-9.0	15.5
Paper and paper products manufacturing	1,564	1,482	1,684	1.7	1.8	1.8	-5.2	13.6
Office management, supported and employment support activities	1,777	1,574	1,632	2.0	1.9	1.8	-11.4	3.7
Leather and similar products manufacturing	1,350	1,247	1,471	1.5	1.5	1.6	-7.6	18.0
Printing and distribution of recorded media	1,449	1,236	1,397	1.6	1.5	1.5	-14.7	13.0
Food and beverages services activities	1,414	1,267	1,387	1.6	1.5	1.5	-10.4	9.5
Manufacture of computer, electronics and optical products	1,141	1,131	1,370	1.3	1.4	1.5	-0.9	21.1
Electricity, gas, steam and air conditioning supply	668	699	919	0.7	0.9	1.0	4.6	31.5
Computer programming, consulting and related activities	281	316	898	0.3	0.4	1.0	12.5	184.2
Manufacture of other transport equipment	728	683	806	0.8	0.8	0.9	-6.2	18.0
Crop and animal production, hunting and related service activities	628	549	596	0.7	0.7	0.6	-12.6	8.6
Beverage manufacturing	572	486	547	0.6	0.6	0.6	-15.0	12.6
Wholesale and retail trade and repair of motor vehicles and motorcycles	496	480	519	0.5	0.6	0.6	-3.2	8.1
Wholesale trade (except motor vehicles and motorcycles)	565	547	503	0.6	0.7	0.5	-3.2	-8.0
Manufacture of coke coal and refined petroleum products	349	323	344	0.4	0.4	0.4	-7.4	6.5
Mining of metal ores	235	241	269	0.3	0.3	0.3	2.6	11.6
Manufacture of basic pharmaceutical products and pharmaceutical materials	214	220	237	0.2	0.3	0.3	2.8	7.7
Installation and repair of machinery and equipment	174	171	181	0.2	0.2	0.2	-1.7	5.8
Extraction of coal and lignite	203	179	179	0.2	0.2	0.2	-11.8	0.0
Storage and support activities for transport	241	179	177	0.3	0.2	0.2	-25.7	-1.1
Manufacture of tobacco products	34	44	60	0.0	0.1	0.1	29.4	36.4
Other service activities	24	22	25	0.0	0.0	0.0	-8.3	13.6
Fisheries and aquaculture	15	19	20	0.0	0.0	0.0	26.7	5.3
Extraction of crude oil and natural gas	6	6	7	0.0	0.0	0.0	0.0	16.7
Forestry and industrial logging	4	3	3	0.0	0.0	0.0	-25.0	0.0
Total ⁽²⁾	90,198	81,804	92,327	100.0	100.0	100.0	-9.3	12.9

Source: TOBB.

(1): Numbers of capacity reports which are still valid as of the end of the related year.

(2): As a capacity report may contain products from more than one sector, the total may be different from other table data.

The outlook of concentration based on groups of technology remained unchanged in industry capacity reports, which are valid as at the end of 2018; and when enterprises with low technology shift to classes of high technology; share of industry capacity report in total capacity reports maintained its low-level. However, it stands out that share of low technology in capacity reports by years decreased and share of high technology and share of medium high technology group increased. In industry capacity reports which are valid in 2018, 40.2 % of it belongs to low technology group, 33.5 % of it belongs to medium low technology group, 24.1 % of belongs to medium high technology group, 2.2 % of it belongs to high technology group (Table 33, Chart 15).

Table 33. Number of Industrial Capacity Reports by Technology Groups ⁽¹⁾

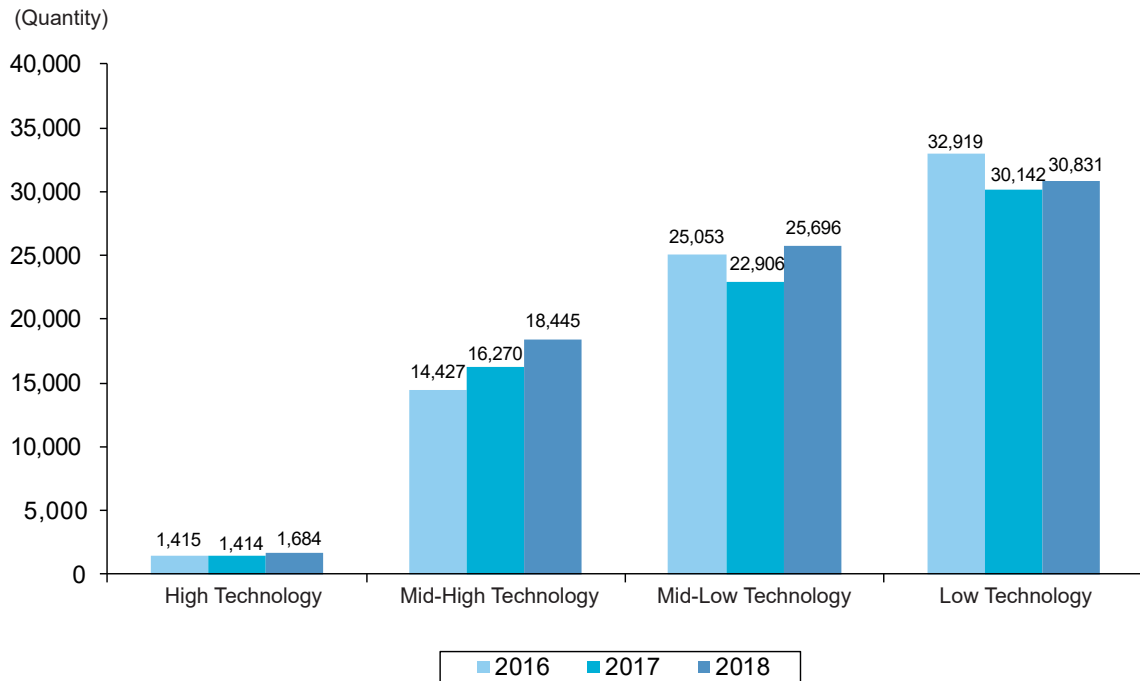
Technology Groups	Capacity Report Numbers			Share (%)		
	2016	2017	2018	2016	2017	2018
High Technology	1,415	1,414	1,684	1.9	2.0	2.2
Mid-High Technology	14,427	16,270	18,445	19.5	23.0	24.1
Mid-Low Technology	25,053	22,906	25,696	33.9	32.4	33.5
Low Technology	32,919	30,142	30,831	44.6	42.6	40.2
Total ⁽²⁾	73,814	70,732	76,656	100.0	100.0	100.0

Source: TOBB.

(1): Numbers of capacity reports which are valid as of the end of the related year.

(2): As a capacity report may contain products from more than one sector, the total may be different from other table data.

Chart 15. Number of Industrial Capacity Reports by Technology Groups



Source: TOBB.

Classification of capacity reports numbers still in force in 2018 according to NUTS Level 1 in respect of regions is as follows: Istanbul region is first with 21.254 capacity reports, followed by Aegean region at second place with 10,843 capacity reports and East Marmara region with 10.439 capacity reports at the third place (Table 34).

Table 34. Number of Industrial Capacity Reports and Total Employees by Region ⁽¹⁾

Region Code	NUTS Level-1	Capacity Report Number			Total Employee Number		
		2016	2017	2018	2016	2017	2018
TR1	İstanbul	20,146	18,429	21,254	658,896	619,046	663,121
TR2	West Marmara	3,446	3,199	3,545	222,463	228,453	243,247
TR3	Aegean	10,853	9,839	10,843	482,643	466,949	500,994
TR4	East Marmara	10,224	9,281	10,439	637,794	638,133	689,806
TR5	West Anatolia	7,693	6,701	7,875	251,032	237,192	261,974
TR6	Mediterranean	6,720	5,798	6,411	237,420	230,453	245,705
TR7	Central Anatolia	3,053	2,640	2,963	127,489	117,877	126,655
TR8	West Black Sea	2,439	2,128	2,305	123,978	119,420	127,237
TR9	East Black Sea	1,374	1,229	1,366	50,877	50,735	53,880
TRA	Northeast Anatolia	502	390	472	12,108	12,133	12,840
TRB	Central East Anatolia	1,419	1,156	1,317	41,770	38,540	44,560
TRC	Southeast Anatolia	4,500	4,031	4,513	147,650	146,528	163,480
TR	Turkey	72,369	64,821	73,303	2,994,120	2,905,459	3,133,499
Share (%)							
TR1	İstanbul	27.8	28.4	29.0	22.0	21.3	21.2
TR2	West Marmara	4.8	4.9	4.8	7.4	7.9	7.8
TR3	Aegean	15.0	15.2	14.8	16.1	16.1	16.0
TR4	East Marmara	14.1	14.3	14.2	21.3	22.0	22.0
TR5	West Anatolia	10.6	10.3	10.7	8.4	8.2	8.4
TR6	Mediterranean	9.3	8.9	8.7	7.9	7.9	7.8
TR7	Central Anatolia	4.2	4.1	4.0	4.3	4.1	4.0
TR8	West Black Sea	3.4	3.3	3.1	4.1	4.1	4.1
TR9	East Black Sea	1.9	1.9	1.9	1.7	1.7	1.7
TRA	Northeast Anatolia	0.7	0.6	0.6	0.4	0.4	0.4
TRB	Central East Anatolia	2.0	1.8	1.8	1.4	1.3	1.4
TRC	Southeast Anatolia	6.2	6.2	6.2	4.9	5.0	5.2
TR	Turkey	100.0	100.0	100.0	100.0	100.0	100.0

Source: TOBB.

Note: Other employees (temporary, seasonal, etc.) are included in the number of employees.

(1): The number of capacity reports which are valid as of the end of the related year.

In terms of number of employees, East Marmara region ranked first with 689,806 employees, followed by Istanbul region in the second place with 663,121 employees, Aegean region in the third place with 500,994 employees.

Whereas, share of Istanbul and West Anatolia regions increased in terms of number of industry capacity reports; share of West Anatolia, Central Anatolia, South East Anatolia regions increased in terms of total numbers of employees.

1.2.2.3 Energy

One of the most important factors and inputs in economic development, energy varies in parallel with economic growth. Change rate of energy sector production index, one of the most important indicators of that sector, rose by 5.5 % in 2016, by 7.8 % in 2017 and by 1.8 % in 2018 (with a 6.0 points decline). “The increase in foreign exchange rates together with ‘energy’s having been depended on imported sources rather than domestic and renewable energy sources’ and stagnation in economic activity” have been effective in slowdown in energy production (Table 35).

Table 35. Energy Sector Production Index

Years	Production Index ⁽¹⁾	(2015=100) Change (%)
2016	105.5	5.5
2017	113.7	7.8
2018	115.8	1.8

Source: TÜİK.

(1): Calendar-adjusted annual average values.

In order to make the highest contribution to the welfare of the country by exploiting energy resources and natural resources in an efficient and environmentally sensitive manner, 2017-2023 International Energy Efficiency Action Plan was prepared and put into practice at the beginning of 2018. With this plan, it was aimed at ensuring reduction in Turkey primary energy consumption by 23.9 MTEO (million tons equal with petroleum) until 2023 cumulatively.

The electricity energy production which increased by 8.3 % in 2017 compared to the preceding year is projected to increase from 297,278 GWh to 307,489 GWh in 2017 with an increase by 3.4 %. When looking into distribution of the electrical energy generation by resources according to estimations of 2018; 31.2 % of it is expected from natural gas thermal power plants, 22.3 % of it is expected from hard coal thermal power plants, 18.7 % of it is expected from hydraulic power plants, 14.8 % of it is expected from lignite thermal power plants, 11.5 of it is expected from

geothermal wind and sun power plants, 1.1 % of it is expected from biogas, waste and other thermal power plants and 0.4 % of it is expected from thermal power plants running on fuel (Table 36, Chart 16).

Table 36. Distribution of Electrical Energy Production by Energy Sources

(GWh)

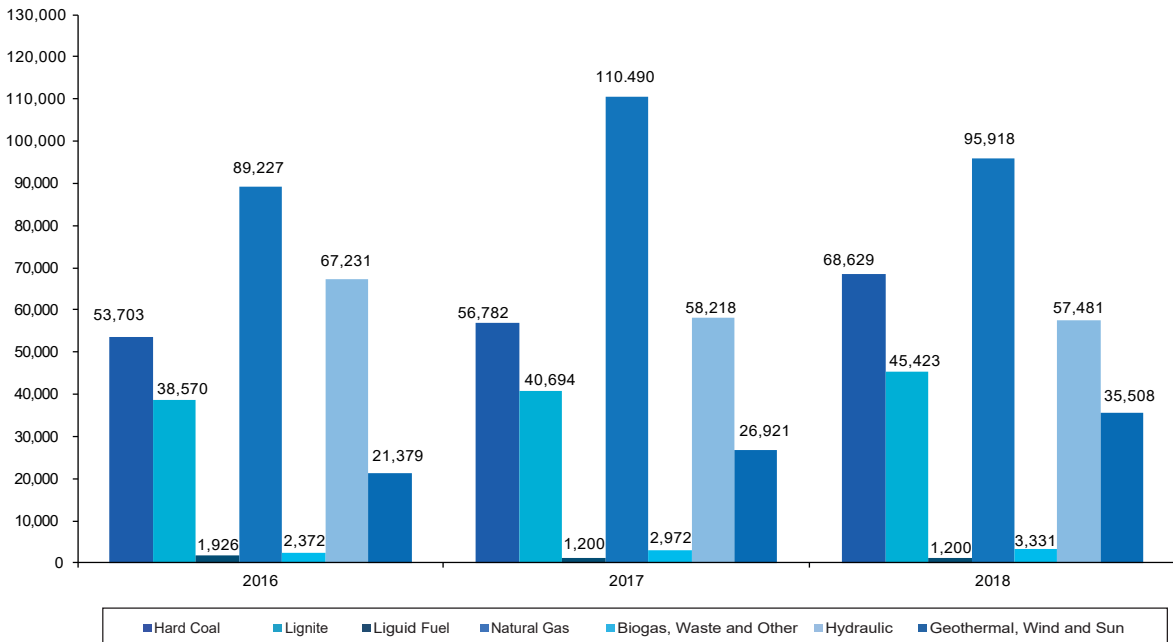
Years	Thermal														Hydraulics	Geothermal, Wind Sun		General Total	
	Hard Coal		Lignite		Liquid Fuel		Natural Gas		Biogas, Waste Other		Thermal Total		Amount	Share (%)		Amount	Share (%)	Amount	Share (%)
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)		Amount	Share (%)	Amount	Share (%)
2016	53,703	19.6	38,570	14.1	1,926	0.7	89,227	32.5	2,372	0.9	185,798	67.7	67,231	24.5	21,379	7.8	274,408	100.0	
2017	56,782	19.1	40,694	13.7	1,200	0.4	110,490	37.2	2,972	1.0	212,138	71.4	58,218	19.6	26,921	9.1	297,278	100.0	
2018 ⁽¹⁾	68,629	22.3	45,423	14.8	1,200	0.4	95,918	31.2	3,331	1.1	214,500	69.8	57,481	18.7	35,508	11.5	307,489	100.0	

Source: SBB.

(1): Estimation of realization.

Chart 16. Distribution of Electric Energy Production by Energy Sources

(GWh)



Source: SBB.

The electrical energy consumption that increased by 8.3 % in 2017 is estimated to be 307.489 GWh in 2018 with an increase by 3.4 %. Consumption per capita is projected to rise from 3.672 KWh to 3.756 KWh, with an increase by 2.3 percent compared to the preceding year (Table 37).

Table 37. Developments in Electricity Production and Consumption

Years	Electric Power Installed Power (MW)							Production (GWh)							Import	Export	Consume (GWh)	Consume per capita (KWh)
	Thermal		Hydraulics		Geothermal, Wind and Sun			Thermal		Hydraulics		Geothermal, Wind and Sun						
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)	Total Amount	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)	Total Amount				
2016	44,411	56.6	26,681	34.0	7,405	9.4	78,497	185,798	67.7	67,231	24.5	21,379	7.8	274,408	6,330	1,452	279,286	3,537
2017	46,926	55.1	27,273	32.0	11,001	12.9	85,200	212,138	71.4	58,218	19.6	26,921	9.1	297,278	2,728	3,304	296,702	3,672
2018 ⁽¹⁾	48,544	53.8	28,319	31.4	13,370	14.8	90,233	214,500	69.8	57,481	18.7	35,508	11.5	307,489	2,500	2,500	307,489	3,756

Source: SBB.

(1): Realization estimation.

Electricity energy export is projected to reduce by 24.3 % and electric energy import is projected to drop by 8.4 % at the level of 2,500 GWh.

In 2018, compared to the preceding year, thermal electrical energy installed power increased by 3.4 % to 48,544 MW, hydraulic electrical energy installed power increased by 3.8 % to 28,319 MW, geothermal, wind and solar electrical energy installed power increased by 21.5 % to 13,370 MW. In 2018, the share of thermal power plants, hydraulic power plants and geothermal and wind power plants within the total electrical energy installed power were 53.8, 31.4 and 14.8 respectively.

1.2.3 Services

1.2.3.1 Construction

The construction sector has always preserved its significance as the locomotive sector because of its structure that brings vitality to the economy and creates employment. Besides the fact that construction sector was one of the most important sectors supporting economic growth in 2016 and 2017, the biggest contribution to the sector was made by housing production and housing sales. However due to reasons such as sector's reaching saturation point, slowdown in the economy and high rates of credit interests, that sector contracted greatly in 2018.

Building licenses issued by the municipalities for constructions planned to be performed, with regards to surface area, increased by 36.1 % in 2017 and, in 2018, it decreased from 281,713 thousand m² to 143,820 thousand m² with a decline by 48.9 %. In terms of intention of utilization, residential buildings with two and more apartments have the highest share in the construction of buildings by 97,099 thousand m², while hotels and similar buildings have the smallest share with 2,114 thousand m².

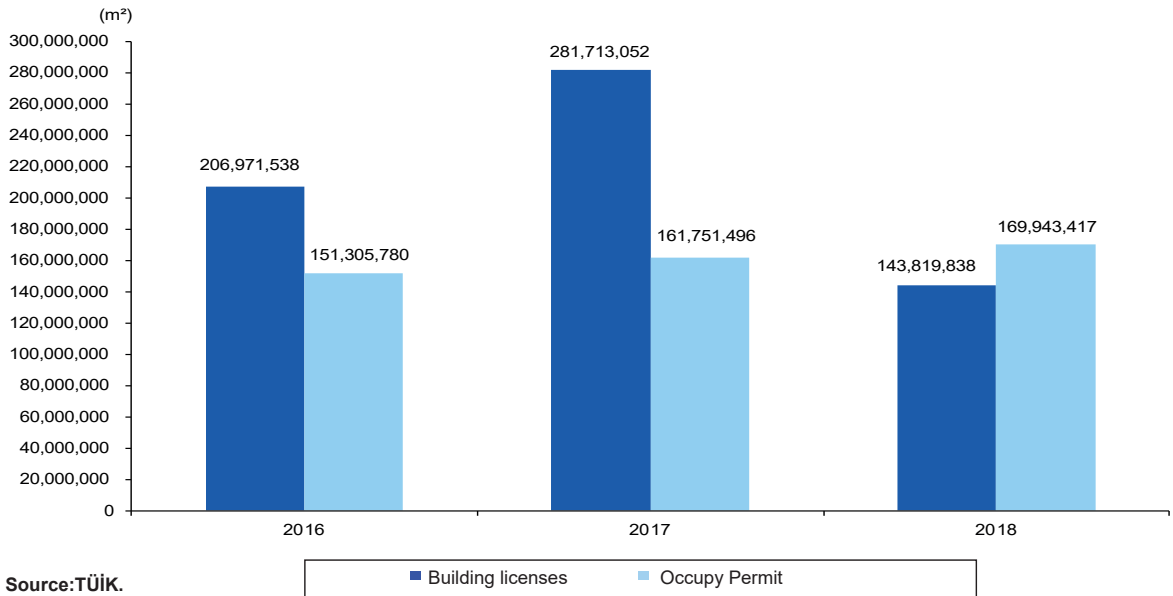
In terms of construction licenses, in 2018, only in wholesale and retail trading buildings increased and it was by 10.0 %, whereas other constructions decreased. Highest rate of decline was in office (workplace) buildings by 81.8 %, residential buildings with two and more apartments declined by 55.2 %, hotels and similar buildings decreased by 43.2 % (Table 38, Chart 17).

Table 38. Building Construction Area by Building License

Purpose of Use				Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Residential buildings with one apartment	4,905,531	5,724,051	4,463,218	2.4	2.0	3.1	16.7	-22.0
Residential buildings with two or more apartments	154,165,606	216,584,585	97,099,316	74.5	76.9	67.5	40.5	-55.2
Hotels and similar buildings	3,012,747	3,720,919	2,113,742	1.5	1.3	1.5	23.5	-43.2
Office (workplace) buildings	7,926,729	11,759,683	2,145,764	3.8	4.2	1.5	48.4	-81.8
Wholesale and retail trading buildings	6,940,232	6,930,763	7,625,326	3.4	2.5	5.3	-0.1	10.0
Industrial buildings and warehouses	6,987,008	8,525,421	7,971,994	3.4	3.0	5.5	22.0	-6.5
Others	23,033,685	28,467,630	22,400,478	11.1	10.1	15.6	23.6	-21.3
Total	206,971,538	281,713,052	143,819,838	100.0	100.0	100.0	36.1	-48.9

Source: TÜİK

Chart 17. Building Licenses and The Surface Area of The Buildings That are Given Permission to be Used



Source:TÜİK.

Among the buildings for which building licenses were issued in 2018 and in terms of their share in the total construction area; residential buildings with two or more apartments have the largest share by 67.5 % followed by industrial buildings and warehouses by 5.5 %, wholesale and retail trading buildings by 5.3 %, residential

buildings with one apartment by 3.1 %, hotels and similar buildings and office (workplace) buildings by 1.5 %.

In 2018, total construction area of occupancy permits issued by the municipalities for the constructions, which were licensed and completed, rose from 161,751 thousand m² to 169,943 thousand m² with an increase by 5.1 %. The highest share in the total construction area owes to residential buildings with two and more apartments by 128,870 thousand m², while hotels and similar buildings have the smallest share by 2,381 thousand m² (Table 39).

Table 39. Building Construction Acreages By Building Permits

Purpose of Use	(m ²)								
				Share (%)			Change (%)		
	2016	2017	2018	2016	2017	2018	2017	2018	
Residential buildings with one apartment	4,031,238	4,350,294	4,436,244	2.7	2.7	2.6	7.9	2.0	
Residential buildings with two or more apartments	111,008,969	121,837,708	128,870,265	73.4	75.3	75.8	9.8	5.8	
Hotels and similar buildings	3,056,558	2,624,774	2,380,664	2.0	1.6	1.4	-14.1	-9.3	
Office (workplace) buildings	6,013,947	6,656,902	4,260,450	4.0	4.1	2.5	10.7	-36.0	
Wholesale and retail trading buildings	8,695,063	8,424,300	10,358,522	5.7	5.2	6.1	-3.1	23.0	
Industrial buildings and warehouses	6,264,301	4,922,279	6,931,756	4.1	3.0	4.1	-21.4	40.8	
Others	12,235,704	12,935,239	12,705,516	8.1	8.0	7.5	5.7	-1.8	
Total	151,305,780	161,751,496	169,943,417	100.0	100.0	100.0	6.9	5.1	

Source: TÜİK.

Among buildings for which building occupancy permit was given and in terms of their intention of utilization; the construction area of office (workplace) buildings decreased by 36.0 %, the construction area of hotels and similar buildings decreased by 9.3 %, the construction area of industrial buildings and warehouses increased by 40.8 %, construction area of wholesale and retail trading buildings increased by 23.0 %, the construction area of residential buildings with two and more apartments increased by 5.8 %, the construction area of residential buildings with one apartment increased by 2.0 %.

Among the buildings for which occupancy permits were issued in 2018, residential buildings with two or more apartments took the lead in terms of their share in the total construction area, as the case in the prior years. Among the total occupancy permits in 2018, residential buildings with two or more apartments have the share of 75.8 %, followed by wholesale and retail buildings by 6.1 %, industrial buildings and depots by 4.1 %, residential buildings with one apartment by 2.6 %, office (workplace) buildings by 2.5 %, hotels and similar buildings by 1.4 %.

Housing sales, which increased in 2017 due to the campaigns launched in order to speed up the sector and reductions in interest rates of bank loans, decreased due to difficulty in access to finance and contraction in demand together with increase in loan interests.

Housing sales, which increased by 5.1 % in 2017, decreased by 2.4 % in 2018. Throughout Turkey, total of 1,375,398 residences handed over through sales in 2018. Of these residences, 276,820 was sold with mortgage and the remaining 1,098,578 was sold through other means. Sales with mortgage consists of 20.1 % of residence sales, whereas other sales consist of 79.9 % of residence sales. Compared to 2017, mortgage sales decreased by 41.5 % and other sales increased by 17.3 %. Of these sales, 651,572 is the first sale and 723,826 is the second hand sale (Table 40).

Table 40. Housing Sales Numbers

	2016	2017	2018	Share (%)			Change (%)	
				2016	2017	2018	2017	2018
Mortgaged sales ⁽¹⁾	449,508	473,099	276,820	33.5	33.6	20.1	5.2	-41.5
First sale ⁽³⁾	200,373	206,723	125,389	14.9	14.7	9.1	3.2	-39.3
Second hand sale ⁽⁴⁾	249,135	266,376	151,431	18.6	18.9	11.0	6.9	-43.2
Other sales ⁽²⁾	891,945	936,215	1,098,578	66.5	66.4	79.9	5.0	17.3
First sale ⁽³⁾	431,313	452,975	526,183	32.2	32.1	38.3	5.0	16.2
Second hand sale ⁽⁴⁾	460,632	483,240	572,395	34.3	34.3	41.6	4.9	18.4
Total sales	1,341,453	1,409,314	1,375,398	100.0	100.0	100.0	5.1	-2.4

Source: TÜİK.

(1): Mortgaged sale is the presentation of the same house as collateral in order to form the loan collateral of the borrowed house.

(2): Other house sales include sales other than mortgaged house sales.

(3): The first sale is the first sale of a house that has acquired an easement / condominium by the host company or person.

(4): Second-hand sale is the person who buys the house from the first sale and sells this house to another person again.

1.2.3.2 Trading Volume of Commodity Exchanges

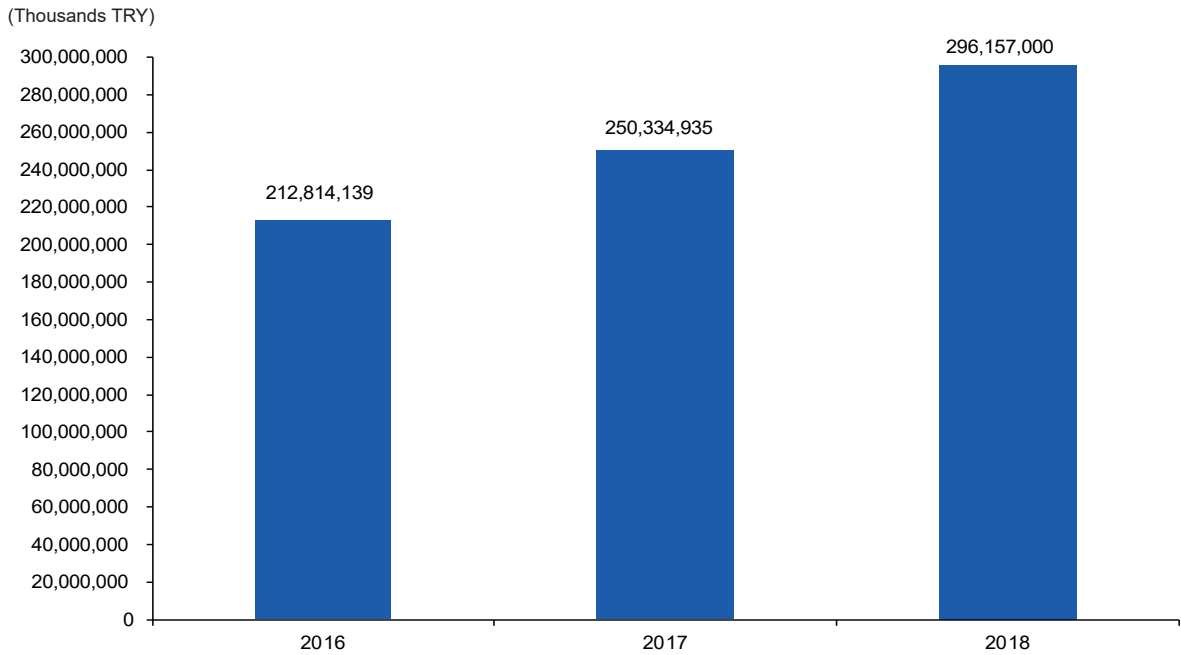
The trading volume of commodity exchanges, which increased by 6.2 % in 2016, increased by 17.6 % in 2017 and by 18.3 % in 2018. Thus, the trading volume of commodity exchanges that amounted to TRY 250,335 million in 2017 rose to TRY 296,157 million in 2018. In real terms, the trading volume of commodity exchanges which increase by 5.1 % in 2017, decreased by 1.7 % in 2017 (Table 41, Chart 18)

Table 41. Trading Volume of Commodity Exchanges

Years	Trading Volume		CPI (2003=100) Annual	(Thousand TRY) Trading Volume Reel	
	Value	Change (%)	Change (%)	Change (%)	
2016	212,814,139	6.2	8.5	-2.1	
2017	250,334,935	17.6	11.9	5.1	
2018	296,157,000	18.3	20.3	-1.7	

Source: TOBB.

Chart 18. Commodity Exchanges Volume



Source: TOBB.

In the ranking of first 20 commodity exchanges according to the exchange volume of transactions in 2018, leading position of Istanbul Commodity Exchange continued, as was the case in prior years. Trading volume of Istanbul Commodity Exchange, which increased by 20.3 % in 2017 compared to the preceding year ranked at the first place with TRY 35,396 million with an increase by 23.9 % in 2018. Istanbul Commodity Exchange was followed by the Commodity Exchange of Izmir with TRY 16,436 million, Commodity Exchange of Şanlıurfa with TRY 14,618 million and Commodity Exchange of Konya with TRY 13,354 million. Within the total trading volume of commodity exchanges in 2018, the shares of Istanbul Commodity Exchange, Commodity Exchange of Izmir, Commodity Exchange of Şanlıurfa and Commodity Exchange of Konya were by 12.0 %, 5.5 %, 4.9 % and 4.5 % respectively (Table 42).

Table 42. First 20 Commodity Exchanges by Trading Volume

Commodity Exchanges ⁽¹⁾	(Thousand TRY)							
	Transaction Volume			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
İstanbul	23,739,099	28,562,029	35,395,848	11.2	11.4	12.0	20.3	23.9
İzmir	9,562,055	13,190,263	16,435,938	4.5	5.3	5.5	37.9	24.6
Şanlıurfa	10,434,354	12,334,391	14,617,800	4.9	4.9	4.9	18.2	18.5
Konya	8,452,841	10,725,117	13,353,804	4.0	4.3	4.5	26.9	24.5
Ankara	6,791,697	8,646,264	12,448,423	3.2	3.5	4.2	27.3	44.0
Sakarya	7,301,413	8,270,580	9,491,898	3.4	3.3	3.2	13.3	14.8
Gaziantep	8,096,480	7,626,894	9,349,859	3.8	3.0	3.2	-5.8	22.6
Adana	6,008,320	9,351,997	9,312,946	2.8	3.7	3.1	55.7	-0.4
Mersin	5,684,064	5,986,216	7,415,642	2.7	2.4	2.5	5.3	23.9
Diyarbakır	5,408,399	5,395,852	5,443,560	2.5	2.2	1.8	-0.2	0.9
Ordu	3,030,047	3,784,602	4,836,049	1.4	1.5	1.6	24.9	27.8
Bandırma	3,239,076	4,337,516	4,747,895	1.5	1.7	1.6	33.9	9.5
Düzce	3,861,189	3,916,749	4,607,853	1.8	1.6	1.6	1.4	17.6
Aydın	2,687,765	3,687,155	4,581,324	1.3	1.5	1.5	37.2	24.3
Samsun	4,240,486	4,788,190	4,531,785	2.0	1.9	1.5	12.9	-5.4
Afyonkarahisar	3,086,031	3,481,899	4,217,830	1.5	1.4	1.4	12.8	21.1
Tekirdağ	2,829,842	3,136,550	4,152,300	1.3	1.3	1.4	10.8	32.4
Balıkesir	2,685,742	3,111,635	4,103,929	1.3	1.2	1.4	15.9	31.9
Kızıltepe	4,103,306	4,045,373	3,930,199	1.9	1.6	1.3	-1.4	-2.8
Bursa	2,636,489	3,083,120	3,769,260	1.2	1.2	1.3	16.9	22.3
Total ⁽²⁾	212,814,139	250,334,935	296,157,000	100.0	100.0	100.0	17.6	18.3

Source: TOBB.

(1): These are the first 20 commodity exchanges according to 2018 transaction volume..

(2): Total transaction volume on all exchanges

Compared to 2017, in 2018, the commodity exchange seeing the highest increase in the trading volume among the first 20 commodity exchanges is Commodity Exchange of Ankara with 44.0 %, followed by Commodity Exchange of Tekirdag with 32.4 %, Commodity Exchange of Balıkesir with 31.9 %, Commodity Exchange of Ordu with 27.8 %.

Among the first 20 commodity exchanges according to the trading volume ranking in 2018, when compared to 2017; Commodity Exchange of Samsun is the commodity exchange seeing the greatest fall in the trading volume with a drop by 5.4 %, followed by Commodity Exchange of Kızıltepe with a drop by 2.8 % and Commodity Exchange of Adana with a drop by 0.4 %. In 2018, the highest increase in trading volume among 113 commodity exchanges compared to 2017 was recorded in Commodity Exchange of Nizip with 177,9 % and the greatest decrease was recorded in Commodity Exchange of Iskenderun with 53.6 %.

1.2.3.3 Companies Founded and Closed Down

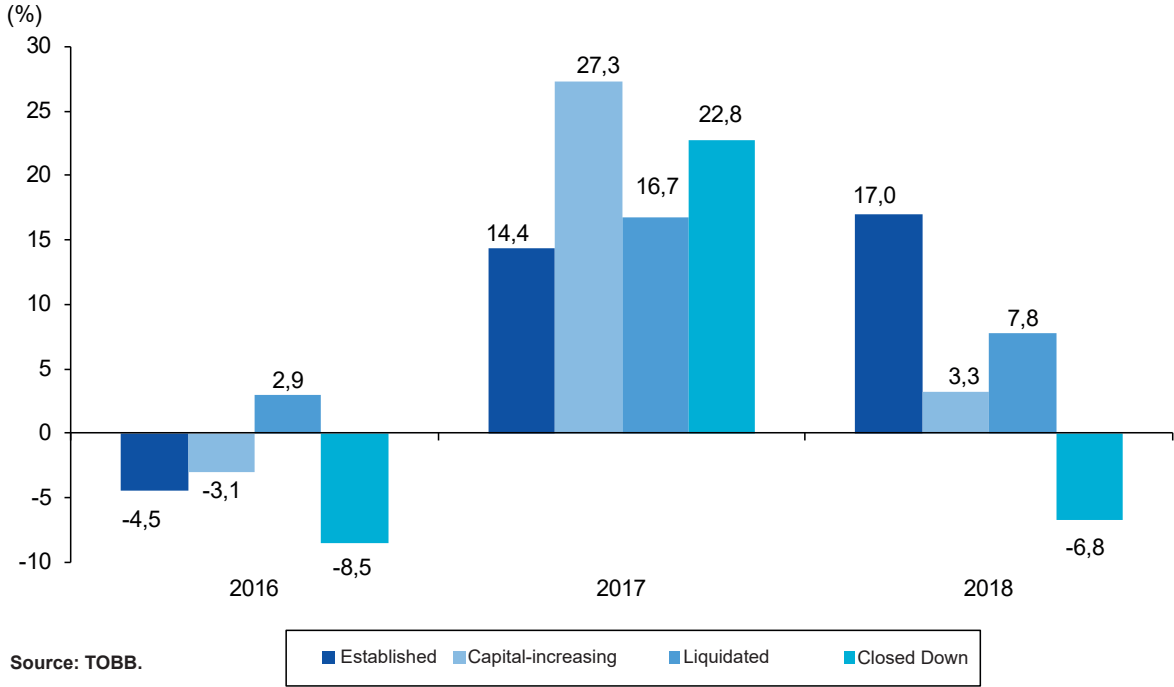
In 2018, totally 85,273 companies were incorporated, of these companies, 11,996 companies are joint stock companies, 73,264 companies are limited liability companies, 11 companies are unlimited companies and 2 companies are limited partnership companies. The number of joint stock companies incorporated decreased by 6.4 percent and the number of unlimited companies decreased by 15.4 percent, whereas the number of limited liability companies incorporated increased by 22.1 percent and the number of limited liability companies by 100.0 percent similarly. Thus, the total number of companies incorporated in 2018 increased by 17.0 percent. Number of sole proprietorships founded decreased by 20.6 percent and number of the cooperatives founded increased by 17.6 percent (Table 43, Figure 19).

Table 43. Number of Companies and Cooperatives Established, Closed Down, Capital Increased and Liquidated

Company Type		2016	2017	2018	Change (%)	
					2017	2018
Joint stock company	Established	12,249	12,823	11,996	4.7	-6.4
	Capital-raising	6,152	7,200	7,743	17.0	7.5
	Liquidated	1,330	1,713	1,865	28.8	8.9
	Closed	2,261	2,317	2,450	2.5	5.7
Limited company	Established	51,453	60,023	73,264	16.7	22.1
	Capital-raising	17,398	22,789	23,227	31.0	1.9
	Liquidated	8,513	9,779	10,528	14.9	7.7
	Closed	8,645	11,116	10,075	28.6	-9.4
Unlimited company	Established	14	13	11	-7.1	-15.4
	Liquidated	47	45	48	-4.3	6.7
	Closed	82	64	58	-22.0	-9.4
Limited partnership	Established	0	1	2	-	100.0
	Liquidated	2	5	2	150.0	-60.0
	Closed	4	3	4	-25.0	33.3
Sole proprietorships	Established	41,975	44,241	35,112	5.4	-20.6
	Closed	29,530	27,786	24,728	-5.9	-11.0
Total	Established	105,691	117,101	120,385	10.8	2.8
	Capital-raising	23,550	29,989	30,970	27.3	3.3
	Liquidated	9,892	11,542	12,443	16.7	7.8
	Closed	40,522	41,286	37,315	1.9	-9.6
Cooperative	Established	778	911	1,071	17.1	17.6
	Liquidated	1,048	1,002	815	-4.4	-18.7
	Closed	1,296	1,185	1,033	-8.6	-12.8

Source: TOBB.

Chart 19. Rate of Change of Number of Companies Established, Closed Down, Capital Increasing and Liquidating



In 2018, number of joint stock companies increased by 5.7 % and the number of limited partnership companies closed down increased by 33.3 %, the number of limited liability and unlimited companies decreased by 9.4 % compared to previous year. The number of sole proprietorships and cooperatives closed down decreased by 11.0 % and by 12.8 % respectively.

1.2.3.4 Protested Bills and Dishonored Cheques

Number of protested bills, which decreased by 7.6 % in 2017, dropped from 940,000 to 938,000 in 2018 with a drop by 0.2 percentage points. The amount of protested bills rose from TRY 12,686 million to TRY 18,737 million with an increase by 47.7 %.

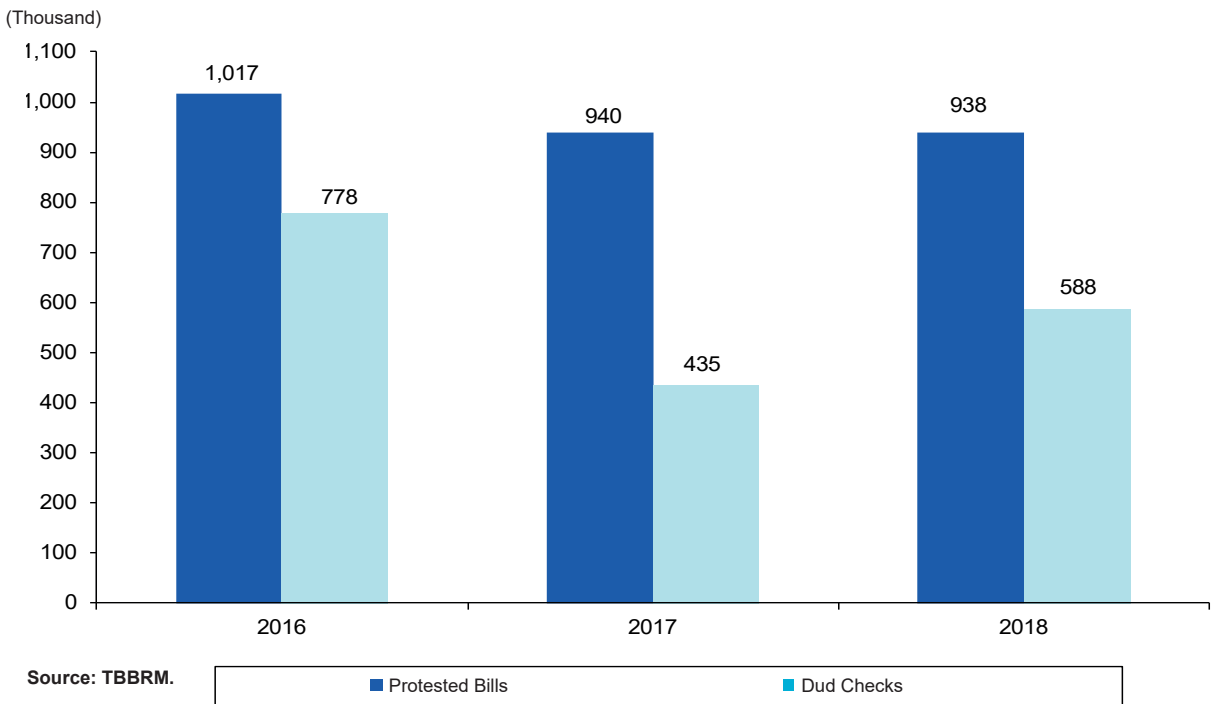
The number of dishonored cheques, which decreased in 2017 to a great extent, turned its direction to upward. The number of dishonored cheques rose by 35.1 % from 435,000 to 588,000 in 2018 and the amount of dishonored cheques rose by 72.1 % from TRY 17,077 million to TRY 29,381 million (Table 44, Chart 20).

Table 44. Protested Bills and Dud Checks

Years	Protested Bills				Dud Checks			
	Number (Thousand)	Change (%)	Amount (Million TRY)	Change (%)	Number (Thousand)	Change (%)	Amount (Million TRY)	Change (%)
2016	1,017	1.7	12,288	21.9	778	0.3	27,438	0.5
2017	940	-7.6	12,686	3.2	435	-44.1	17,077	-37.8
2018	938	-0.2	18,737	47.7	588	35.1	29,381	72.1

Source: TBBRM.

Chart 20. Protested Bills and Dud Checks



Source: TBBRM.

1.2.3.5 Tourism

Turkey is an eye-catching country in terms of tourism with its unique countryside, its geographical position and climate, cultural heritage and historical background as well as different holiday alternatives offered at an affordable price. Tourism sector occupies an important place in country's economy.

The tourism sector, which experienced a major decline in 2016 as a result of 'security problems, geopolitical problems and tensions in foreign policy,' recovered rapidly by means of attaining significant improvements in 2017. In parallel with the increase in

international tourism movements, tourism activities have increased in our country as well.

The year 2018 was also a positive year for tourism similar with 2017. In addition to improving relations with Russia, one of our most important tourism markets, and owing to increase in the number of tourists coming from USA, Israel and EU countries; the total number of tourists has increased significantly. High rates of increase in foreign exchange rates in the second half of the year triggered domestic tourists to prefer homeland.

When compared to the previous year, the number of foreign visitors departing from our country in 2018 increased by 18.1 % and rose from 38,620 thousand to 45,629 thousand people, and the number of citizens arriving decreased by 5.7 % and declined from 8,887 thousand to 8,383 thousand people (Table 45).

Table 45. Number Of Visitors Departing And Citizens Arriving

Years	Visitor Departing		Citizen Arriving	
	Number	Change (%)	Number	Change (%)
2016	31,365	-24.6	7,892	-9.8
2017	38,620	23.1	8,887	12.6
2018	45,629	18.1	8,383	-5.7

Source: TÜİK.

In the ranking of the visitors departing from our country in 2018 based on the first 20 nationalities, Russian Federation took the lead with 4,500 thousand people, followed by Germany with 3,679 thousand people, Bulgaria with 2,296 thousand people, and Georgia with 2,077 thousand people, and England with 1,884 thousand people, and Iran with 1,866 thousand people, Ukraine with 1,133 thousand people.

The highest increase by the top 20 countries in the ranking of visitors departing from our country in 2018, when compared to 2017, was recorded by Spain, which entered the list as 20th with an increase of 65.5 %, joining the list as 20th, followed by England by 34.2 %, Italy by 32.4 %, USA by 31.2 %. The number of outsiders with Iran nationality who depart from our country decreased by 19.4 % and outsiders with Georgia nationality decreased by 14.2 % (Table 46).

Table 46. Number of Foreign Visitors Departing from Turkey by Nationalities

Nationalities ⁽¹⁾	(Thousand People)				
	2016	2017	2018	Change (%)	
				2017	2018
Russian Federation	683	3,524	4,500	415.7	27.7
Germany	3,301	2,992	3,679	-9.4	23.0
Bulgaria	1,598	1,779	2,296	11.3	29.0
Georgia	2,178	2,420	2,077	11.1	-14.2
England	1,417	1,404	1,884	-0.9	34.2
İran	1,574	2,314	1,866	47.0	-19.4
Ukraine	812	1,023	1,133	26.0	10.7
Netherlands	718	632	802	-11.9	26.8
Azerbaijan	542	692	793	27.6	14.6
Greece	569	595	665	4.6	11.8
France	478	471	590	-1.4	25.1
USA	439	314	412	-28.4	31.2
İsrael	241	316	397	31.6	25.4
Belgium	314	322	382	2.5	18.9
Sweden	260	230	297	-11.5	29.3
Austria	256	235	273	-8.4	16.5
İtaly	209	200	264	-4.3	32.4
Denmark	284	210	242	-26.2	15.3
Switzerland	187	177	222	-5.3	25.6
Spain	102	105	173	2.5	65.5

Source: TÜİK.

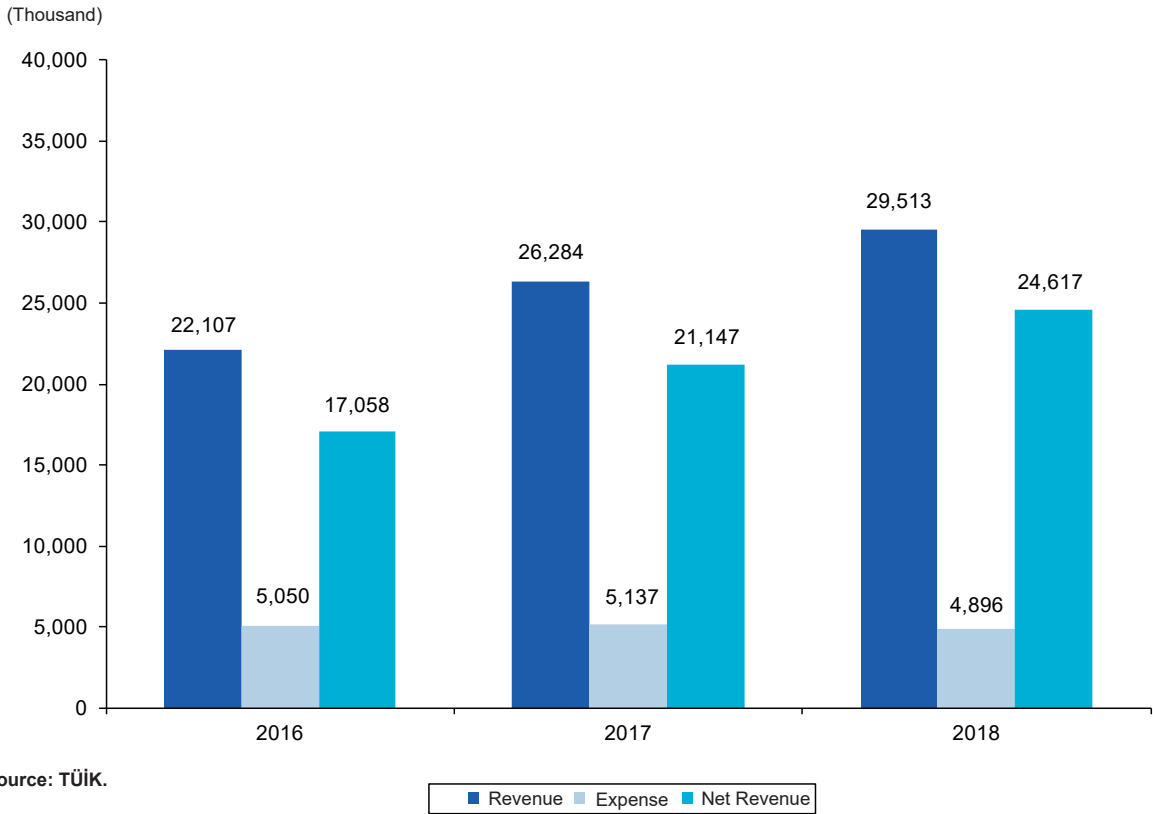
(1): According to 2018, the first 20 nationalities are given.

Tourism revenues that increased by 18.9 % in 2017 maintained its pace with an increase of \$ 29,513 million with an increase by 12.3 % in 2018. Tourism expenditures, which increased by 1.7 % in 2017, declined by 4.7 % to USD 4,896 million in 2018. Thus, net tourism revenues increased by 16.4 % to \$ 24,617 million (Table 47, Chart 21).

Table 47. Tourism Revenues-Expenditure Balance and Average Expenditures

Years	Revenue (Million Dollars)	Expense (Million Dollars)	Net Revenue (Million Dollars)	Average Expenditure Per Outgoing Visitor (Dollars)	Average Expenditure Per Citizen (Dollars)
2016	22,107	5,050	17,058	705	640
2017	26,284	5,137	21,147	681	578
2018	29,513	4,896	24,617	647	584

Source: TÜİK.

Chart 21. Tourism Revenues and Expenses

Although the number of arriving tourists and total tourism revenues increased compared to the previous year, due to the increase in the foreign exchange rate; expenditures made by per visitor decreased. In 2018, average expenditure per visitor departing fell from \$ 681 to \$ 647 compared to the preceding year, whereas average expenditure per citizen rose from \$ 578 to \$ 584.

1.2.3.6 Transportation

In 2018, compared to the preceding year, an increase by 4.5 % came about in domestic passenger transports, and similarly an increase by 8.6 % in passenger transports abroad, an increase by 4.0 % in domestic cargo transports, and an increase by 10.6 % in cargo transports abroad (Table 48).

Table 48. Transportation Statistics

Transport Methods	Passenger Transport							
	(Million Passenger-Km)			Change (%)		Share (%)		
	2016	2017	2018 ⁽¹⁾	2017	2018	2016	2017	2018
Domestic								
Highway ⁽²⁾	300,852	314,734	327.585	4.6	4.1	89.6	89.3	89.0
Railroads	3,268	3,644	4.055	11.5	11.3	1.0	1.0	1.1
Airway	31,730	34,018	36.487	7.2	7.3	9.4	9.7	9.9
Total	335,850	352,396	368.127	4.9	4.5	100.0	100.0	100.0
Overseas								
Airway ⁽³⁾	109,768	118,148	128.273	7.6	8.6	100.0	100.0	100.0
Total	109,768	118,148	128.273	7.6	8.6	100.0	100.0	100.0
Transport Methods	Cargo Transport							
	(Million Tons)			Change (%)		Share (%)		
	2016	2017	2018 ⁽¹⁾	2017	2018	2016	2017	2018
Domestic								
Highway ⁽²⁾	253,139	262,739	273.414	3.8	4.1	89.3	88.4	88.5
Railroads	10,971	12,290	12.370	12.0	0.7	3.9	4.1	4.0
Airway	19,492	22,087	23.156	13.3	4.8	6.9	7.4	7.5
Total	283,602	297,1160	308.940	4.8	4.0	100.0	100.0	100.0
Overseas								
Airway ⁽³⁾	453	416	460	-8.2	10.6	100.0	100.0	100.0
Total	453	416	460	-8.2	10.6	100.0	100.0	100.0

Source: SBB.

(1): Estimation of realization.

(2): It should be carried on the road network under the responsibility of the General Directorate of Highways.

(3): Only transports made by THY.

Highways continued to be predominant in the transports of domestic passengers and cargo, airways in the passenger transports abroad and railways in the cargo transport. Due to the low standard of the railroad transportation and the fact that its physical infrastructure is mainly single line, and insufficient physical infrastructure for seaway transportation, the highway network was predominantly used for the cargo and passenger transportation in 2018.

In 2018, 89.0 % of the domestic passenger transports were made by highway, 1.1 % by railroad and 9.9 % by airway; and all of the passenger transports abroad were made by airway. While share of the highway in domestic passenger transports decreased by 0.3 percentage, share of the airway increased by 0.2 percentage, and share of the railroad increased by 0.1 percentage compared with previous year.

In the domestic cargo transports, a share by 88.5 % was made by the highway, of 4.0 % by the seaways, of 7.5 % by the seaway. All the cargo transports abroad were made by railroads.

In 2018, 209,989 thousand passengers were transported by airways throughout Turkey, including 112,758 thousand of it were transported domestically, and 97,231 thousand of it were people transported abroad. While the number of passengers transported with airways by State Airports Administration was 174,319 thousand, of these passengers: 89,567 thousand people traveled domestically and 84,752 thousand people traveled abroad. In 2018, the number of passengers using airway for domestic trips throughout Turkey increased by 3.0 % and the number of passengers using the airway for overseas trips increased by 16.4 % (Table 49).

Table 49. Turkey-Wide Passenger and Cargo Transportation Made by State Administration

Components	Passenger Transport ⁽²⁾			Change (%)		Cargo Transport (Ton) ⁽³⁾			Change (%)	
	2016	2017	2018 ⁽¹⁾	2017	2018	2016	2017	2018 ⁽¹⁾	2017	2018
DHMI										
Domestic	81,823,288	87,872,971	89,566,992	7.4	1.9	713,351	739,724	760,897	3.7	2.9
Overseas	61,367,405	72,757,605	84,751,903	18.6	16.5	2,011,888	2,381,450	2,711,678	18.4	13.9
DHMI Total	143,190,693	160,630,576	174,318,895	12.2	8.5	2,725,239	3,121,174	3,472,575	14.5	11.3
Turkey Wide										
Domestic	102,499,358	109,511,390	112,758,017	6.8	3.0	857,335	884,811	915,790	3.2	3.5
Overseas	71,244,179	83,533,953	97,231,289	17.3	16.4	2,219,579	2,596,400	2,906,104	17.0	11.9
General Total	173,743,537	193,045,343	209,989,306	11.1	8.8	3,076,914	3,481,211	3,821,894	13.1	9.8

Source: DHMI.

(1): Temporary.

(2): Turkey direct transits excluded.

(3): The total amount of baggage, cargo and mail carried by airway.

In 2018, 3,822 thousand tons of cargo was transported by the airways throughout Turkey and of this amount, 916 thousand tons were transported domestically, and 2,906 thousand tons were transported abroad. While the amount of cargo carried by the State Airports Administration was 3,473 thousand tons, of this amount; 761 thousand tons were transported domestically and 2,712 thousand tons were transported abroad.

1.3 Investments

In 2018, public sector fixed capital investments are projected to rise to TRY 156,763 million with an increase by 22.2 %, whereas the private sector fixed capital investments are projected to rise to TRY 946,507 million with an increase by 18.7 %. Thus, it is projected that the total fixed capital investments that increased by 22.0 % in 2017 will increase to TRY 1,103,270 million with an increase by 19.2 % in 2018 due to the effect of the fall in rate of growth in public and private sector fixed capital investments (Table 50, Chart 22).

Table 50. Fixed Capital Investments

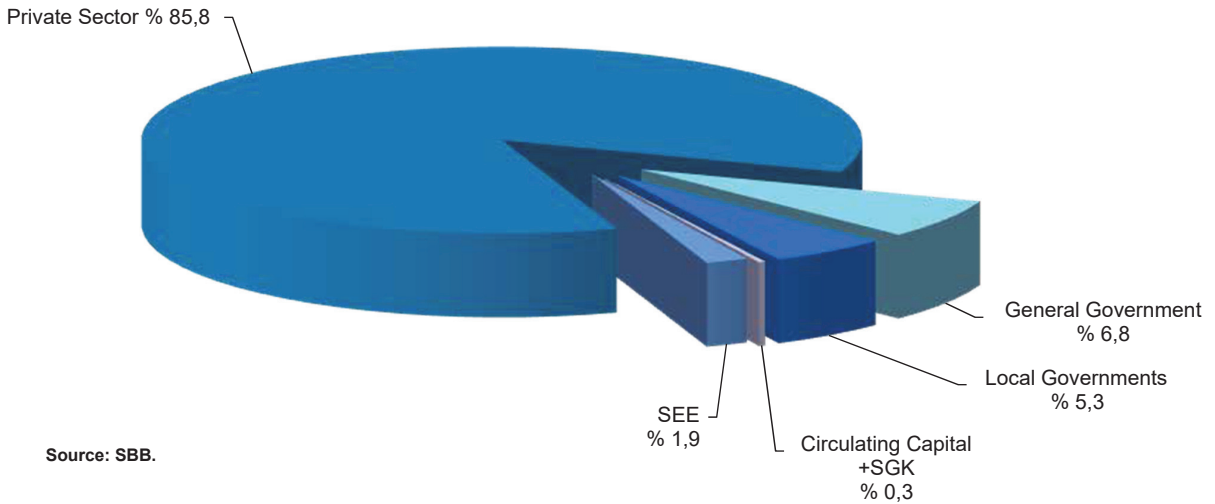
	(Current Prices, Million TRY)								
	2016	2017	2018 ⁽²⁾	Share (%)			Change (%)		
				2016	2017	2018	2017	2018	
General Government ⁽¹⁾	55,348	66,735	75,102	7.3	7.2	6.8	20.6	12.5	
SEE	8,802	13,536	20,825	1.2	1.5	1.9	53.8	53.8	
Operator	8,700	13,442	20,701	1.1	1.5	1.9	54.5	54.0	
Organizations within the Scope of Privatization	102	94	124	0.0	0.0	0.0	-7.8	31.9	
Provincial Banks	0	0	0	0.0	0.0	0.0	-	-	
Circulating Capital+SGK	2,129	1,050	2,876	0.3	0.1	0.3	-50.7	173.9	
Local Governments	33,712	46,935	57,960	4.4	5.1	5.3	39.2	23.5	
Public Sector	99,991	128,256	156,763	13.2	13.9	14.2	28.3	22.2	
Private Sector	658,839	797,407	946,507	86.8	86.1	85.8	21.0	18.7	
Total Fixed Capital Investment	758,830	925,663	1,103,270	100.0	100.0	100.0	22.0	19.2	

Source: SBB.

(1): Excluding investment labor.

(2): Realization estimate.

Chart 22. Distribution of Fixed Capital Investments (2018, %)



Compared to 2017, the highest rise among the public sector fixed capital investments was projected to be in the investments of the revolving fund and social security organizations by 173.9 %, similarly State Economic Enterprises by 53.8 %, investments of the local governments by 23.5 %, investments of general government by 12.5 %.

It is projected that the share of the public sector fixed capital investments within total fixed capital investments, which were by 13.9 % in 2017, will increase to 14.2 % and share of private sector fixed capital investments decrease to 85.8 %, which were by 86.1 % in 2017.

Of the public sector fixed capital investments, 47.9 % of it will be implemented by the central government, 37.0 % of it by local governments, 13.3 % of it by the SEEs, and 1.8 % of it by the revolving fund and social security organizations.

Within the private sector fixed capital investments, in comparison to the previous year, whereas the shares of manufacturing, tourism, education and other service sectors increased; shares of energy, transportation and housing sectors decreased, furthermore, shares of agriculture, mining and health sectors remained unchanged. In 2018, the sector with the highest share in the private sector fixed capital investments is the housing sector with a share of 32.1 %, followed by the transportation sector with a share of 31.9 % and the manufacturing sector with a share of 22.8 %. Agriculture had the smallest share within the private sector fixed capital investments with 0.9 % followed by the energy sector with 1.7 % and the mining sector with 1.6 % (Table 51).

Table 51. Fixed Capital Investments by Sectors ⁽¹⁾

Sectors	(Current Prices, Percentage Distribution)		
	2016	2017	2018 ⁽²⁾
	Private Sector		
Agriculture	0.9	0.9	0.9
Mining	1.6	1.7	1.7
Manufacturing	20.9	22.6	22.8
Energy	1.2	1.3	1.2
Transportation	32.8	32.0	31.9
Tourism	2.0	1.8	2.0
Housing	33.6	32.5	32.1
Education	1.9	2.0	2.1
Health	2.5	2.6	2.6
Other Services	2.5	2.6	2.7
Private Sector	100.0	100.0	100.0
	Public Sector		
Agriculture	8.6	8.9	8.4
Mining	0.9	1.0	1.8
Manufacturing	0.6	0.5	0.7
Energy	3.6	3.7	3.9
Transportation	35.3	35.9	34.8
Tourism	0.6	0.5	0.4
Housing	0.9	1.3	1.4
Education	12.0	10.8	11.1
Health	5.4	5.3	6.4
Other Services	32.2	32.1	31.2
Public Sector	100.0	100.0	100.0
	Total		
Agriculture	2.0	2.1	2.0
Mining	1.5	1.6	1.7
Manufacturing	18.1	19.4	19.5
Energy	1.5	1.6	1.6
Transportation	33.2	32.6	32.3
Tourism	1.8	1.6	1.8
Housing	29.1	28.0	27.6
Education	3.3	3.3	3.4
Health	2.9	3.0	3.2
Other Services	6.6	6.9	6.9
Total	100.0	100.0	100.0

Source: SBB.

(1): Including investment wormanship in the general government budget.

(2): Estimation of realization.

In 2018, within the public sector fixed capital investments, the shares of agriculture, mining, manufacturing, energy, housing, education and health sectors increased; the shares of the agriculture, transportation, tourism and other services sectors decreased compared to the preceding year.

Within the public sector total fixed capital investments, the most predominant sectors were the transportation sector with a share of 34.8 %, others services sector with a share of 31.2 % and education sector with a share of 11.1 %, whereas the sectors with the lowest shares were tourism sector with 0.4 %, manufacturing sector with 0.7 % and the housing sector with 1.4 %.

Regional Public Investments

Investment Program 2018 has been prepared in line with targets set forth in Tenth Development Plan, 2018-2020 Medium Term Program and 2018 Program and public investments have been materialized within the framework of such program. Public investments have focused on investments, which will improve economic and social infrastructure, by considering sectoral, regional and project-based priorities.

It was projected to execute TRY 94,954 million in public investments in 2018. While 61.8 % of the public investments was made in various provinces covering more than one province, 38.2 % of them was distributed solely to 81 provinces. The province that took the highest share from public investments in 2018 was Istanbul with 10.8 % followed by Ankara with 5.4 %, Izmir with 2.2 %, and Aksaray with 1.3 % (Table 52).

According to the evaluation made in 2018 based on provinces and sectors; it is observed that public investments are concentrated in the transportation-communication sector, and followed by the investments made in other public services, education, agriculture, health, energy and mining sectors. Manufacturing, housing and tourism sectors stand out as the sectors, in which least public investment is made (Table 53).

In 2018 while education investment was executed in all provinces, with regards to other sectors there are some provinces in which no public investment was executed. The sectoral investments with the highest amounts were the agriculture investment in Diyarbakır with TRY 648,300 thousand, mining investment with TRY 495,745 thousand in Ankara, manufacturing investment with TRY 97,860 thousand in Kırıkkale, energy investment with TRY 857,123 thousand in Mardin, transportation-communication investment with TRY 8,905,122 thousand in Istanbul, tourism investment with TRY 11,776 thousand in Ankara, housing investment with TRY 10.600 thousand in Diyarbakır, education investment with TRY 355,585 thousand in Istanbul and health investment with TRY 486,936 thousand in Ankara.

Table 52. Distribution of Public Investments by Provinces

Provinces	(Thousand TRY)					
	2016	2017	2018 ⁽¹⁾	Share (%)		
				2016	2017	2018
Adana	642,957	1,011,186	341,337	0.8	1.1	0.4
Adıyaman	286,759	289,752	171,313	0.4	0.3	0.2
Afyonkarahisar	329,974	683,622	257,207	0.4	0.7	0.3
Ağrı	267,702	204,985	84,006	0.3	0.2	0.1
Aksaray	347,733	702,829	1,270,172	0.5	0.7	1.3
Amasya	189,614	186,163	41,032	0.2	0.2	0.0
Ankara	4,534,169	5,840,055	5,111,814	5.9	6.2	5.4
Antalya	923,840	1,049,602	1,013,510	1.2	1.1	1.1
Ardahan	79,214	96,210	20,887	0.1	0.1	0.0
Artvin	464,031	680,762	556,198	0.6	0.7	0.6
Aydın	287,519	402,348	174,066	0.4	0.4	0.2
Balıkesir	444,793	521,338	279,163	0.6	0.6	0.3
Bartın	143,089	169,477	109,000	0.2	0.2	0.1
Batman	341,350	327,318	73,937	0.4	0.3	0.1
Bayburt	106,604	112,080	57,400	0.1	0.1	0.1
Bilecik	100,168	163,122	86,879	0.1	0.2	0.1
Bingöl	326,191	213,549	70,004	0.4	0.2	0.1
Bitlis	136,714	158,780	85,423	0.2	0.2	0.1
Bolu	148,332	188,491	67,093	0.2	0.2	0.1
Burdur	174,020	255,662	104,387	0.2	0.3	0.1
Bursa	768,695	1,132,286	646,038	1.0	1.2	0.7
Çanakkale	404,117	449,353	378,544	0.5	0.5	0.4
Çankırı	145,634	191,553	111,249	0.2	0.2	0.1
Çorum	261,853	307,278	75,850	0.3	0.3	0.1
Denizli	467,467	388,971	268,474	0.6	0.4	0.3
Diyarbakır	1,369,143	1,556,929	1,042,845	1.8	1.6	1.1
Düzce	117,807	143,911	55,280	0.2	0.2	0.1
Edirne	349,401	379,291	172,162	0.5	0.4	0.2
Elazığ	328,492	369,506	233,046	0.4	0.4	0.2
Erzincan	226,644	218,395	214,460	0.3	0.2	0.2
Erzurum	698,318	756,022	299,475	0.9	0.8	0.3
Eskişehir	468,626	563,869	310,858	0.6	0.6	0.3
Gaziantep	517,949	795,618	451,540	0.7	0.8	0.5
Giresun	227,439	327,025	82,800	0.3	0.3	0.1
Gümüşhane	121,868	130,930	53,750	0.2	0.1	0.1
Hakkari	230,649	165,715	44,846	0.3	0.2	0.0
Hatay	398,597	614,250	550,500	0.5	0.6	0.6
İğdır	111,859	124,901	103,300	0.1	0.1	0.1
Isparta	169,783	231,426	60,390	0.2	0.2	0.1
İstanbul	8,220,294	12,022,983	10,258,357	10.7	12.7	10.8
İzmir	1,762,975	2,751,278	2,083,263	2.3	2.9	2.2
Kahramanmaraş	448,470	608,397	423,926	0.6	0.6	0.4
Karabük	123,356	152,558	33,010	0.2	0.2	0.0

Table 52. Distribution of Public Investments by Provinces (Continued)

(Thousand TRY)

Provinces	2016	2017	2018 ⁽¹⁾	Share (%)		
				2016	2017	2018
Karaman	164,921	223,042	53,333	0.2	0.2	0.1
Kars	232,159	256,140	102,506	0.3	0.3	0.1
Kastamonu	176,003	214,452	235,328	0.2	0.2	0.2
Kayseri	486,796	481,886	214,854	0.6	0.5	0.2
Kırıkkale	289,716	278,342	122,650	0.4	0.3	0.1
Kırklareli	212,650	242,307	97,510	0.3	0.3	0.1
Kırşehir	107,085	153,575	73,207	0.1	0.2	0.1
Kilis	93,577	130,853	58,314	0.1	0.1	0.1
Kocaeli	589,576	725,481	451,617	0.8	0.8	0.5
Konya	1,225,040	1,462,063	953,381	1.6	1.5	1.0
Kütahya	313,885	430,833	205,472	0.4	0.5	0.2
Malatya	369,808	570,733	381,006	0.5	0.6	0.4
Manisa	307,095	506,766	155,476	0.4	0.5	0.2
Mardin	1,120,459	1,191,761	929,635	1.5	1.3	1.0
Mersin	546,150	701,995	567,788	0.7	0.7	0.6
Muğla	244,904	412,450	390,829	0.3	0.4	0.4
Muş	125,654	164,256	73,232	0.2	0.2	0.1
Nevşehir	125,661	122,380	49,650	0.2	0.1	0.1
Niğde	154,912	150,385	47,650	0.2	0.2	0.1
Ordu	314,305	364,837	93,952	0.4	0.4	0.1
Osmaniye	142,023	166,823	74,823	0.2	0.2	0.1
Rize	331,449	564,404	228,410	0.4	0.6	0.2
Sakarya	305,892	504,523	327,935	0.4	0.5	0.3
Samsun	408,019	511,698	223,000	0.5	0.5	0.2
Siirt	132,872	144,192	61,010	0.2	0.2	0.1
Sinop	147,463	197,725	115,815	0.2	0.2	0.1
Sivas	347,115	509,557	255,672	0.5	0.5	0.3
Şanlıurfa	655,129	611,736	184,326	0.9	0.6	0.2
Şırnak	287,537	575,207	169,133	0.4	0.6	0.2
Tekirdağ	501,320	595,744	158,349	0.7	0.6	0.2
Tokat	197,015	326,192	159,440	0.3	0.3	0.2
Trabzon	306,217	372,553	169,120	0.4	0.4	0.2
Tunceli	116,572	125,427	29,012	0.2	0.1	0.0
Uşak	146,656	180,724	57,680	0.2	0.2	0.1
Van	404,310	564,245	259,832	0.5	0.6	0.3
Yalova	68,298	85,837	52,750	0.1	0.1	0.1
Yozgat	280,356	291,666	104,714	0.4	0.3	0.1
Zonguldak	464,489	619,966	485,117	0.6	0.7	0.5
Various Provinces	35,948,917	41,145,815	58,651,322	46.9	43.5	61.8
Total	76,606,214	94,518,347	94,953,641	100.0	100.0	100.0

Source:SBB.

(1): Collective and aggregated project details will be determined by the organizations. It is not comparable to previous years.

Table 53. Sectoral Distribution of Public Investments by Provinces (2018)

Provinces	(Thousand TRY)										Provincial Total
	Agriculture	Mining	Manufacturing	Energy	Transportation-Communication	Tourism	Housing	Educaiton	Health	Other Public Services	
Adana	75,000	0	3,000	0	30,552	0	0	60,150	71,500	101,135	341,337
Adıyaman	43,200	0	0	0	53,000	3,500	4,202	22,550	26,455	18,406	171,313
Afyonkarahisar	20,000	51,000	50,350	0	27,275	0	0	25,000	27,192	56,390	257,207
Ağrı	20,000	0	0	0	40,602	0	3,652	11,752	0	8,000	84,006
Aksaray	10,000	0	0	0	1,212,850	6,320	0	16,002	10,000	15,000	1,270,172
Amasya	12,000	0	0	0	7,850	0	0	20,702	0	480	41,032
Ankara	14,190	495,745	43,080	69,475	1,185,913	11,776	6,285	230,035	486,936	2,568,379	5,111,814
Antalya	101,001	0	0	20,000	673,359	0	1,050	48,500	60,000	109,600	1,013,510
Ardahan	0	0	0	0	2	0	0	19,885	0	1,000	20,887
Artvin	5,000	0	0	473,617	40,002	0	0	16,004	0	21,575	556,198
Aydın	75,000	0	0	0	2,000	0	0	19,200	33,260	44,606	174,066
Balıkesir	82,000	67,500	39,101	0	31,002	0	0	39,160	20,400	0	279,163
Bartın	39,000	0	0	15,000	5,000	0	0	15,000	35,000	0	109,000
Batman	0	0	0	0	6,000	0	2,400	16,502	40,000	9,035	73,937
Bayburt	0	0	0	0	0	0	0	22,400	35,000	0	57,400
Bilecik	0	0	0	0	700	0	0	21,700	60,000	4,479	86,879
Bingöl	13,000	0	0	10,000	1,000	0	500	20,500	25,000	4	70,004
Bitlis	0	0	0	17,000	47,850	0	4,073	16,500	0	0	85,423
Bolu	10,000	0	0	2	19,814	0	0	23,498	2,296	11,483	67,093
Burdur	5,000	0	0	0	50,000	0	0	14,195	25,000	10,192	104,387
Bursa	52,000	3,000	3,500	35,000	3,500	4,001	0	32,352	155,057	357,628	646,038
Çanakkale	12,500	0	0	160,533	114,472	9,050	388	39,500	21,739	20,362	378,544
Çankırı	60,000	0	0	0	15,000	5,249	0	13,000	17,000	1,000	111,249
Çorum	20,000	0	0	0	20,000	0	1,750	29,000	0	5,100	75,850
Denizli	35,000	0	2,000	5,000	27,002	0	0	33,400	12,500	153,572	268,474
Diyarbakır	648,300	0	0	5,000	201,704	0	10,600	29,000	45,002	103,239	1,042,845
Düzce	0	0	0	0	15,000	0	0	14,000	15,000	11,280	55,280
Edirne	91,000	0	2,000	100	34,860	0	0	26,012	10,000	8,190	172,162
Elazığ	31,000	0	2,060	31,000	20,116	0	420	35,500	16,500	96,450	233,046
Erzincan	15,800	0	0	0	97,750	0	700	25,110	75,000	100	214,460
Erzurum	73,300	0	2,000	0	58,250	4,500	350	45,350	68,545	47,180	299,475
Eskişehir	22,000	25,167	45,334	0	102	0	0	37,702	30,000	150,553	310,858
Gaziantep	22,100	0	0	8,200	166,065	0	1,050	14,200	90,002	149,923	451,540
Giresun	10,000	0	0	0	0	0	0	22,800	50,000	0	82,800
Gümüşhane	20,000	0	0	15,000	10,000	0	2,000	6,750	0	0	53,750
Hakkari	10,000	0	0	1	4,500	0	8,295	6,200	0	15,850	44,846
Hatay	70,100	0	0	0	256,710	0	0	45,100	45,202	133,388	550,500
İğdir	17,000	0	0	0	30,000	0	0	17,300	0	39,000	103,300
Isparta	13,600	0	0	0	10,000	0	2,000	29,410	4,000	1,380	60,390
İstanbul	30	0	11,500	176,110	8,905,122	0	0	355,585	432,452	377,558	10,258,357
İzmir	77,001	0	20,330	31,602	1,366,942	3,300	0	84,121	188,000	311,967	2,083,263
Kahramanmaraş	31,000	46,000	0	63,200	157,862	0	0	22,010	45,000	58,854	423,926
Karabük	5,000	0	0	0	2	0	0	23,008	0	5,000	33,010

Table 53. Sectoral Distribution of Public Investments by Provinces (2018) (Continued)

Provinces	(Thousand TRY)										Provincial Total
	Agriculture	Mining	Manufacturing	Energy	Transportation-Communication	Tourism	Housing	Educaiton	Health	Other Public Services	
Karaman	0	0	0	10,264	12,000	464	0	17,000	0	13,605	53,333
Kars	60,000	0	0	0	8,050	1	1,700	20,200	11,055	1,500	102,506
Kastamonu	43,100	0	0	2	160,750	0	0	21,098	10	10,368	235,328
Kayseri	61,000	0	0	0	47,000	0	0	38,404	60,000	8,450	214,854
Kırkkale	6,000	0	97,860	0	0	0	0	15,420	0	3,370	122,650
Kırklareli	18,500	1,000	0	10,000	0	0	0	18,010	50,000	0	97,510
Kırşehir	0	0	0	0	2	0	0	31,499	28,400	13,306	73,207
Kilis	15,000	0	0	0	0	0	4,225	15,000	2	24,087	58,314
Kocaeli	0	0	0	22,500	50,000	0	0	31,200	122,023	225,894	451,617
Konya	253,100	0	0	24,502	397,597	3,105	0	76,400	70,500	128,177	953,381
Kütahya	20,000	67,000	72,100	0	13,000	0	342	23,600	1,000	8,430	205,472
Malatya	55,000	0	0	0	110,222	0	6,223	19,400	73,000	117,161	381,006
Manisa	52,800	0	0	0	16,176	0	0	26,010	58,000	2,490	155,476
Mardin	0	0	0	857,123	23,500	0	0	16,000	25,012	8,000	929,635
Mersin	76,100	0	0	6,502	266,902	1,337	0	43,945	90,215	82,787	567,788
Muğla	37,000	0	0	0	56,700	9,000	0	23,500	71,000	193,629	390,829
Muş	13,000	0	0	0	21,000	10,000	5,000	22,000	0	2,232	73,232
Nevşehir	0	0	0	20,000	20,000	0	0	7,500	0	2,150	49,650
Niğde	0	0	0	0	950	200	0	18,000	25,000	3,500	47,650
Ordu	0	0	0	0	82,184	0	0	11,500	0	268	93,952
Osmaniye	10,000	0	0	0	0	0	0	13,100	25,000	26,723	74,823
Rize	0	0	91,200	0	76,510	8,000	8,200	24,000	0	20,500	228,410
Sakarya	0	0	51,112	0	241,496	10,000	0	14,500	2	10,825	327,935
Samsun	83,000	0	0	0	29,000	0	0	30,450	44,770	35,780	223,000
Siirt	0	0	0	0	41,500	0	2,000	17,510	0	0	61,010
Sinop	11,000	0	0	2	40,000	0	0	20,000	36,813	8,000	115,815
Sivas	45,000	0	9,300	0	88,454	1	0	21,020	78,000	13,897	255,672
Şanlıurfa	60,000	0	0	0	25,060	1,000	2,360	14,000	0	81,906	184,326
Şırnak	30,000	0	0	0	75,504	0	7,617	24,002	20,000	12,010	169,133
Tekirdağ	0	0	4,500	8,002	92,874	0	0	21,730	0	31,243	158,349
Tokat	27,000	0	0	0	37,002	0	0	14,725	62,305	18,408	159,440
Trabzon	5,000	0	0	0	69,500	1,000	1,500	15,100	25,000	52,020	169,120
Tunceli	3,100	0	0	0	0	0	2,300	23,602	0	10	29,012
Uşak	0	0	0	0	15,000	0	0	17,600	25,000	80	57,680
Van	15,000	0	6,000	50,000	130,000	0	0	35,500	10,002	13,330	259,832
Yalova	5,500	0	0	7,000	1,000	3,000	0	11,250	25,000	0	52,750
Yozgat	16,500	0	0	5,000	22,700	0	1,000	43,350	15,064	1,100	104,714
Zonguldak	10,000	27,400	0	0	362,601	0	4,800	9,002	45,000	26,314	485,117
Various Provinces	7,362,566	1,230,972	220,270	3,367,300	18,441,335	281,252	329,222	10,977,083	5,187,971	11,253,351	58,651,322
Total	10,255,388	2,014,784	776,597	5,524,037	36,025,299	376,056	426,204	13,508,855	8,564,182	17,482,239	94,953,641

Source: SBB.

The State maintained incentive practices in order to contribute increase in investments, support investments and direct them in 2018.

The amount of fixed investments subjected to investment incentive certificate, which increase by 100.9 % in 2017, decreased by 13.1 % in 2018. Thus, the fixed investments subjected to investment incentive certificate, which amounted to TRY 180,972 million in 2017, reduced to TRY 157,296 million in 2018 (Table 54).

Table 54. Investment Incentive Certificates by Sectors

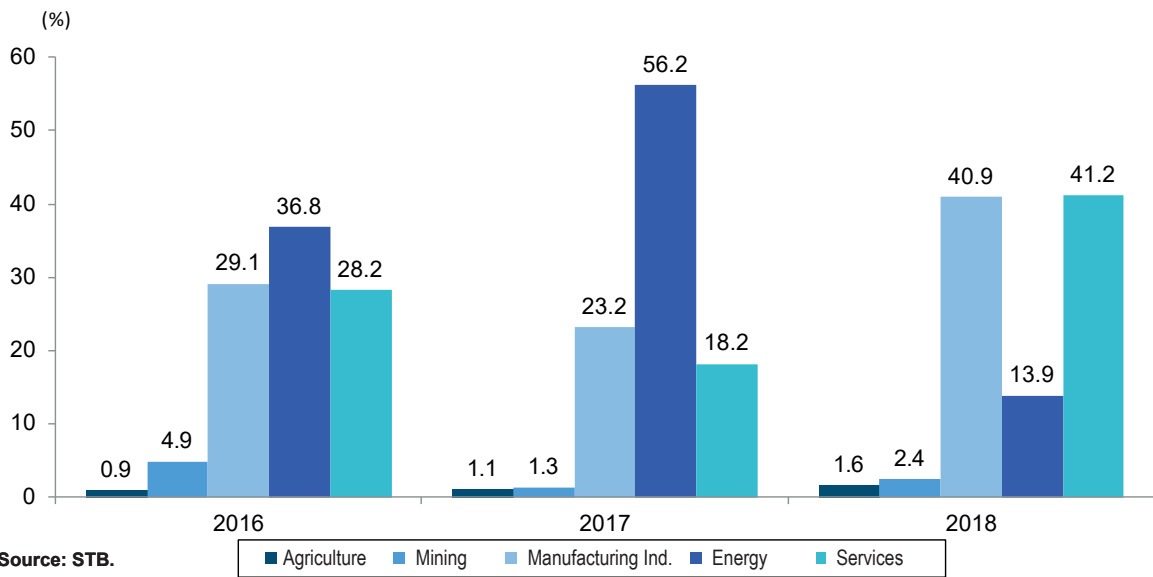
Sectors	Number of Certificates			Fixed Investment (Million TRY)			Employment (People)		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Agriculture	133	243	281	829	1,988	2,528	2,877	6,639	5,272
Mining	94	173	166	4,416	2,314	3,785	2,368	3,961	3,545
Manufacturing									
Industry	1,773	2,869	3,250	26,234	42,061	64,285	62,596	101,779	126,629
Energy	1,844	2,255	619	33,175	101,709	21,833	4,525	7,284	4,317
Services	1,223	1,866	1,598	25,415	32,900	64,865	61,290	107,010	115,244
Total	5,067	7,406	5,914	90,069	180,972	157,296	133,656	226,673	255,007
	Change (%)								
Agriculture	-9.5	82.7	15.6	15.3	139.9	27.2	9.9	130.8	-20.6
Mining	-26.6	84.0	-4.0	38.8	-47.6	63.6	5.2	67.3	-10.5
Manufacturing									
Industry	-3.0	61.8	13.3	-0.9	60.3	52.8	-2.3	62.6	24.4
Energy	120.6	22.3	-72.5	-6.8	206.6	-78.5	17.1	61.0	-40.7
Services	-17.8	52.6	-14.4	-26.8	29.4	97.2	-14.0	74.6	7.7
Total	14.5	46.2	-20.1	-10.6	100.9	-13.1	-7.3	69.6	12.5
	Share (%)								
Agriculture	2.6	3.3	4.8	0.9	1.1	1.6	2.2	2.9	2.1
Mining	1.9	2.3	2.8	4.9	1.3	2.4	1.8	1.7	1.4
Manufacturing									
Industry	35.0	38.7	55.0	29.1	23.2	40.9	46.8	44.9	49.7
Energy	36.4	30.4	10.5	36.8	56.2	13.9	3.4	3.2	1.7
Services	24.1	25.2	27.0	28.2	18.2	41.2	45.9	47.2	45.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: STB.

The amount of investment incentive certificates issued to the energy sector decreased by 78.5 % to TRY 21,833 million and the amount of the incentive certificates given to the other sector increased in 2018 in comparison to the previous year. While amounts of investment incentive certificates given to services sectors increased by 97.2 % to TRY 64,865 million, for mining sector it increased by 63.6 % to TRY 3,785 million, manufacturing industry sector by 52.8 % to TRY 64,285 million, agriculture sector by 27.2 % to TRY 2,528 million.

In 2017 while energy sector had the largest share by 56.2 % among fixed capital investments subjected to incentive certificate, the services sector had the largest share by 41.2 % in 2018. Followed by manufacturing industry sector with a share by 40.9 %, energy sector with a share by 13.9 %, mining sector with a share by 2.4 % and agriculture sector with a share by 1.6 % in 2018. In 2018, compared to the previous year, whereas the share of energy sector from investment incentives decreased; shares of other sectors increased (Chart 23).

Chart 23. Sectoral Breakdown of Investment Incentives (Fixed Investment)



Source: STB.

In 2018, it was aimed to provide employment for 255,007 people with a total of 5,914 investments with incentive certificate. For these people, it has been targeted to employ 126,629 people constituting 49.7 % of the aforesaid group, at manufacturing industry; 115,244 people, constituting 45.2 % of the aforesaid group, at the services sector, 5,272 people, constituting 2.1 % of the aforesaid group, at the agriculture, 4,317 people, constituting 1.7 % of the aforesaid group, at energy and 3,545 people, constituting 1.4 of the aforesaid group, at the mining sector.

While the amount of 3,662 incentive certificates issued in 2018 for the completely new investments was TRY 80,821 million, the amount of 1,733 incentive certificates issued for extensional investments was TRY 59,615 million, and the amount of 519 incentive certificates issued for other investments was TRY 16,860 million. Among investments subjected to incentive certificate, completely new investments constituted 51.4 %, extensional investments constituted 37.9 %, and other investments constituted 10.7 % (Table 55).

Table 55. Investment Incentive Certificates by Contents

Content of Investment	Number of Certificates			Fixed Investment (Million TRY)			Employment (People)		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Completely new investment	3,790	5,345	3,662	59,771	144,465	80,821	103,064	177,547	182,063
Extension	932	1,533	1,733	20,405	26,515	59,615	25,046	40,874	66,105
Other	345	528	519	9,893	9,992	16,860	5,546	8,252	6,839
Total	5,067	7,406	5,914	90,069	180,972	157,296	133,656	226,673	255,007
	Change (%)								
Completely new investment	21.7	41.0	-31.5	-19.7	141.7	-44.1	-5.0	72.3	2.5
Extension	-1.9	64.5	13.0	4.4	29.9	124.8	-15.5	63.2	61.7
Other	-5.2	53.0	-1.7	47.8	1.0	68.7	-7.8	48.8	-17.1
Total	14.5	46.2	-20.1	-10.6	100.9	-13.1	-7.3	69.6	12.5
	Share (%)								
Completely new investment	74.8	72.2	61.9	66.4	79.8	51.4	77.1	78.3	71.4
Extension	18.4	20.7	29.3	22.7	14.7	37.9	18.7	18.0	25.9
Other	6.8	7.1	8.8	11.0	5.5	10.7	4.1	3.6	2.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: STB.

Of 255,007 people, who were planned to be employed in the investments, which were subjected to incentive certificates in 2018; it was projected to employ 71.4 % of it in completely new investments, 25.9 % of it in extensional investments, and 2.7 % of it in other investments.

When it comes to distribution of investment incentive certificates by regions, among the fixed investments with incentive certificate amounting to totally TRY 157,296 million as issued in 2018; the region 1 took the first place with a share of 56.7 % and TRY 89,247 million, followed by the region 2 with a share of 17.0 % and TRY 26,732 million, the region 3 with a share of 9.9 % and TRY 15,607 million; the investments covering more than one province, which are referred to as various regions, took a share of 2.5 % from the investment incentives with TRY 3,995 million (Table 56, Chart 24).

While the amount of investment incentive certificates given in 2018, when compared to the previous year, increased by 116.6 % in region 1 and followed by various regions by 115.3 % and region 2 by 34.3 %. With the investments subjected to incentive certificate, it was envisaged to provide employment for 99,662 people in the region 1, 35,669 people in the region 2, 21,586 people in the region 3, 24,059 people in the region 4, 20,753 people in the region 5, and 52,013 people in the region 6.

Table 56. Investment Incentive Certificates by Region

Regions ⁽¹⁾	Number of Certificates		Fixed Investment (Million TRY)					Employment (People)				
			2017		2018		Change (%)	2017		2018		Change (%)
	2017	2018	Value	Share (%)	Value	Share (%)		Number Of People	Pay (%)	Number Of People	Share (%)	
1 st Region	2,395	2,295	41,212	22.8	89,247	56.7	116.6	85,134	37.6	99,662	39.1	17.1
2 nd Region	1,215	957	19,905	11.0	26,732	17.0	34.3	32,734	14.4	35,669	14.0	9.0
3 rd Region	1,027	809	89,164	49.3	15,607	9.9	-82.5	24,009	10.6	21,586	8.5	-10.1
4 th Region	1,109	608	13,825	7.6	9,241	5.9	-33.2	20,478	9.0	24,059	9.4	17.5
5 th Region	792	409	6,551	3.6	5,782	3.7	-11.8	21,170	9.3	20,753	8.1	-2.0
6 th Region	844	821	8,460	4.7	6,693	4.3	-20.9	42,608	18.8	52,013	20.4	22.1
Various Region ⁽²⁾	24	15	1,855	1.0	3,995	2.5	115.3	540	0.2	1,265	0.5	134.3
Total	7,406	5,914	180,972	100.0	157,296	100.0	-13.1	226,673	100.0	255,007	100.0	12.5

Source: STB.

(1): 1st Region: Ankara, Antalya, Bursa, Eskişehir, İstanbul, İzmir, Kocaeli, Muğla,

2nd Region: Adana, Aydın, Bolu, Çanakkale (Bozcaada ve Gökçeada ilçeleri hariç), Denizli, Edirne, Isparta, Kayseri, Kırklareli, Konya, Sakarya, Tekirdağ, Yalova,

3rd Region: Balıkesir, Bilecik, Burdur, Gaziantep, Karabük, Karaman, Manisa, Mersin, Samsun, Trabzon, Uşak, Zonguldak,

4th Region: Afyonkarahisar, Amasya, Artvin, Bartın, Çorum, Düzce, Elazığ, Erzincan, Hatay, Kastamonu, Kırıkkale, Kirşehir, Kütahya, Malatya, Nevşehir, Rize, Sivas,

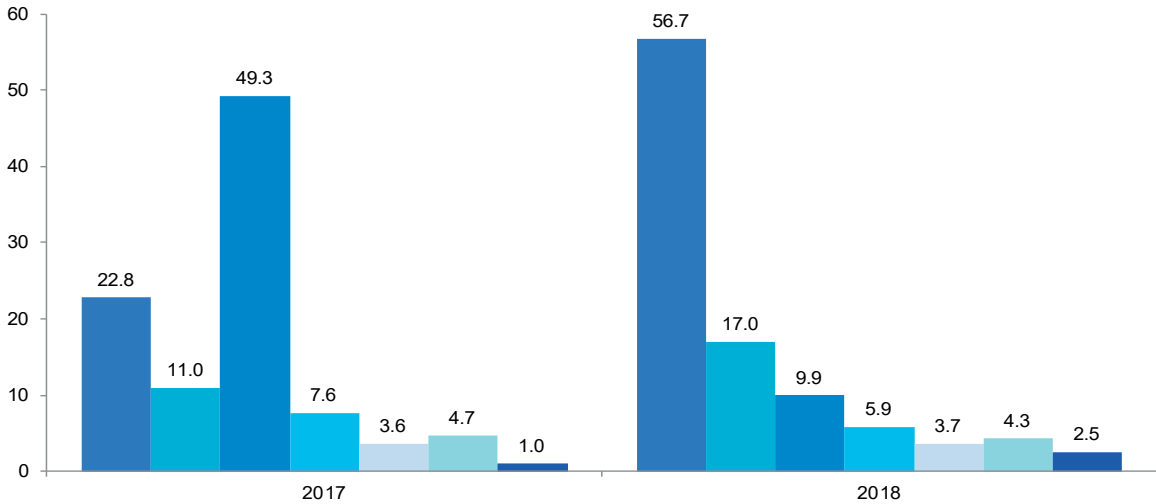
5th Region: Adıyaman, Aksaray, Bayburt, Çankırı, Erzurum, Giresun, Gümüşhane, Kahramanmaraş, Kilis, Niğde, Ordu, Osmaniye, Sinop, Tokat, Tunceli, Yozgat,

6th Region: Ağrı, Ardahan, Batman, Bingöl, BİTRİS, Diyarbakır, Hakkari, Iğdır, Kars, Mardin, Muş, Siirt, Şanlıurfa, Şırnak, Van, Bozcaada ve Gökçeada provinces.

(2): Investments covering multiple provinces.

Chart 24. Regional Distribution of Investment Incentives (Fixed Investment)

(%)



Source: STB.

■ 1st Region ■ 2nd Region ■ 3rd Region ■ 4th Region ■ 5th Region ■ 6th Region ■ Various Region

The incentives given to foreign investors, which increased at a high rate in 2017 decreased in 2018. Of 5,914 investment incentive certificates in total, 333 certificates were issued for foreign capital investments and 5,581 certificates were issued for domestic capital investments in 2018. Of the fixed investment amount of investment incentive certificates, TRY 42,521 million corresponding to 27.0 % was given to foreign capital investments, and TRY 114,776 million corresponding to 73.0 % was given to domestic capital investments (Table 57).

Table 57. Investment Incentive Certificates by Support Classes

Support Class	Number of Certificates			Fixed Investment (Million TRY)			Employment (People)		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Foreign Capital									
Regional	120	228	231	7,966	10,684	33,702	8,965	16,966	19,177
Large Scale	2	4	5	327	821	1,894	300	567	630
General	95	106	93	15,186	6,441	2,578	1,552	1,702	1,943
Strategic Investment	0	2	4	0	76,070	4,347	0	2,778	690
Total	217	340	333	23,479	94,017	42,521	10,817	22,013	22,440
Domestic Capital									
Regional	1,930	3,571	3,689	25,326	49,490	65,817	89,348	174,130	187,312
Large Scale	5	4	13	4,716	1,968	5,673	6,916	1,070	10,303
General	2,911	3,482	1,875	32,262	28,739	38,934	24,968	27,481	33,746
Strategic Investment	4	9	4	4,287	6,757	4,352	1,607	1,979	1,206
Total	4,850	7,066	5,581	66,590	86,955	114,776	122,839	204,660	232,567
General Total	5,067	7,406	5,914	90,069	180,972	157,296	133,656	226,673	255,007
Foreign Capital Change (%)									
Regional	0.8	90.0	1.3	102.1	34.1	215.4	53.9	89.2	13.0
Large Scale	-77.8	100.0	25.0	-98.7	151.2	130.7	-83.5	89.0	11.1
General	-10.4	11.6	-12.3	346.5	-57.6	-60.0	-48.7	9.7	14.2
Strategic Investment	-	-	100.0	-	-	-94.3	-	-	-75.2
Total	-8.8	56.7	-2.1	-33.3	300.4	-54.8	-4.6	103.5	1.9
Domestic Capital Change (%)									
Regional	-8.9	85.0	3.3	-6.9	95.4	33.0	-12.9	94.9	7.6
Large Scale	-66.7	-20.0	225.0	38.9	-58.3	188.3	163.7	-84.5	862.9
General	42.0	19.6	-46.2	41.9	-10.9	35.5	-3.4	10.1	22.8
Strategic Investment	-33.3	125.0	-55.6	-64.8	57.6	-35.6	-7.9	23.1	-39.1
Total	15.8	45.7	-21.0	1.7	30.6	32.0	-7.5	66.6	13.6
General Total	14.5	46.2	-20.1	-10.6	100.9	-13.1	-7.3	69.6	12.5
Foreign Capital Share (%)									
Regional	2.4	3.1	3.9	8.8	5.9	21.4	6.7	7.5	7.5
Large Scale	0.0	0.1	0.1	0.4	0.5	1.2	0.2	0.3	0.2
General	1.9	1.4	1.6	16.9	3.6	1.6	1.2	0.8	0.8
Strategic Investment	0.0	0.0	0.1	0.0	42.0	2.8	0.0	1.2	0.3
Total	4.3	4.6	5.6	26.1	52.0	27.0	8.1	9.7	8.8
Domestic Capital Share (%)									
Regional	38.1	48.2	62.4	28.1	27.3	41.8	66.8	76.8	73.5
Large Scale	0.1	0.1	0.2	5.2	1.1	3.6	5.2	0.5	4.0
General	57.5	47.0	31.7	35.8	15.9	24.8	18.7	12.1	13.2
Strategic Investment	0.1	0.1	0.1	4.8	3.7	2.8	1.2	0.9	0.5
Total	95.7	95.4	94.4	73.9	48.0	73.0	91.9	90.3	91.2
General Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: STB.

Of the incentives given to foreign capital investments, TRY 33,702 million is covered by regional incentive applications, TRY 1,894 million is covered by large-scale incentive applications, TRY 2,578 million is covered by general incentive applications and TRY 4,347 million is covered by the strategic investment. It is seen that, among investment incentives with foreign capital, the share of regional and large-scale incentives increased; the share of incentives given to strategic investments and general investments decreased. Of the incentives given to domestic capital investments, TRY 65,817 million is covered by regional investment, TRY 5,673 million is covered by large-scale investment, TRY 38,934 million is covered by general investment, and TRY 4,352 million is covered by strategic investment. While the share of strategic investments in incentives with local capital decreased, the share of other incentives increased.

Of the employment projected to provide in 2018 thanks to investments with incentive certificates, it is planned that 8.8 % of it will be created with foreign capital investments (with 7.5 % of it being at the regional investment class, 0.2 % of it being at the large-scale investment class, 0.8 % of it being at the general investment class, 0.3 of it % being at the strategic investment class) and that 91.2 % of it will be created with local capital investments, (with 73.5 % of it being at the class of regional investment, 4.0 % of it being at the class of large-scale investment, 13.2 % of it being at the class of general investment and 0.5 % of it being at the strategic investment class.

1.4 Monetary and Financial Developments

1.4.1 Inflation

1.4.1.1 Consumer Price Index

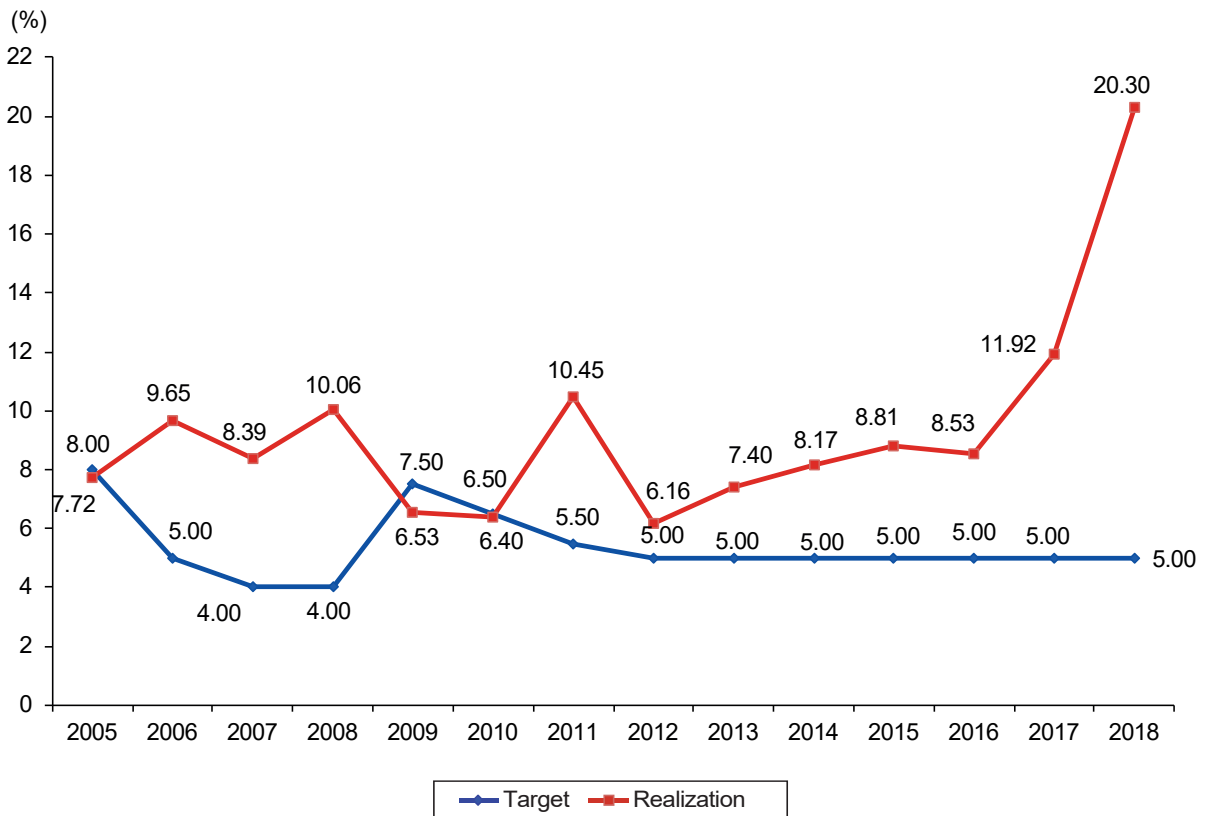
The basic goal of the Central Bank of Republic of Turkey (CBRT) is to assure and maintain the price stability. CBRT aims to keep inflation at levels consistent with the target and takes into consider financial stability and works in cooperation with other institutions to eliminate the structural elements that prevent inflation's decreasing.

Annual Change Rate of Consumer Price Index is used as inflation target. Inflation targets are specified with central government according to three-year periods. 2 points up and down inflation target is determined as uncertainty range and In case inflation is ouTÜİKde the uncertainty range at the end of the year, the CBRT is writes an open letter to the Government due to its accountability.

CBRT preserved the inflation target at level of 5.0 % in the text of “2018 Monetary and Exchange Policy”, in line with the agreement reached with the Government within the scope of monetary policy focused on price stability. Within framework of the Medium Term Program and robust monetary policy stand in 2018-2020 inflation rate is projected to approach 5.0 % target. Uncertainty range, which is determined 2 points up and down inflation target at the end of the year, maintained to be part of CBRT’s accountability. In case inflation is outside the uncertainty range at the end of the year, it was stated that the CBRT would write an open letter to the Government.

While inflation stayed below the target in 2005, 2009 and 2010; in 2012, it was at the limit of uncertainty range and in other years, it was above the uncertainty range. At the end of 2018, inflation was at level of 20.30 %, 15.30 % up from the target and exceeded the uncertainty range by 13.30 point. At the same time, this level is 8.38 % above previous year’s inflation rate (Chart 25).

Chart 25. Inflation Targets and Realization

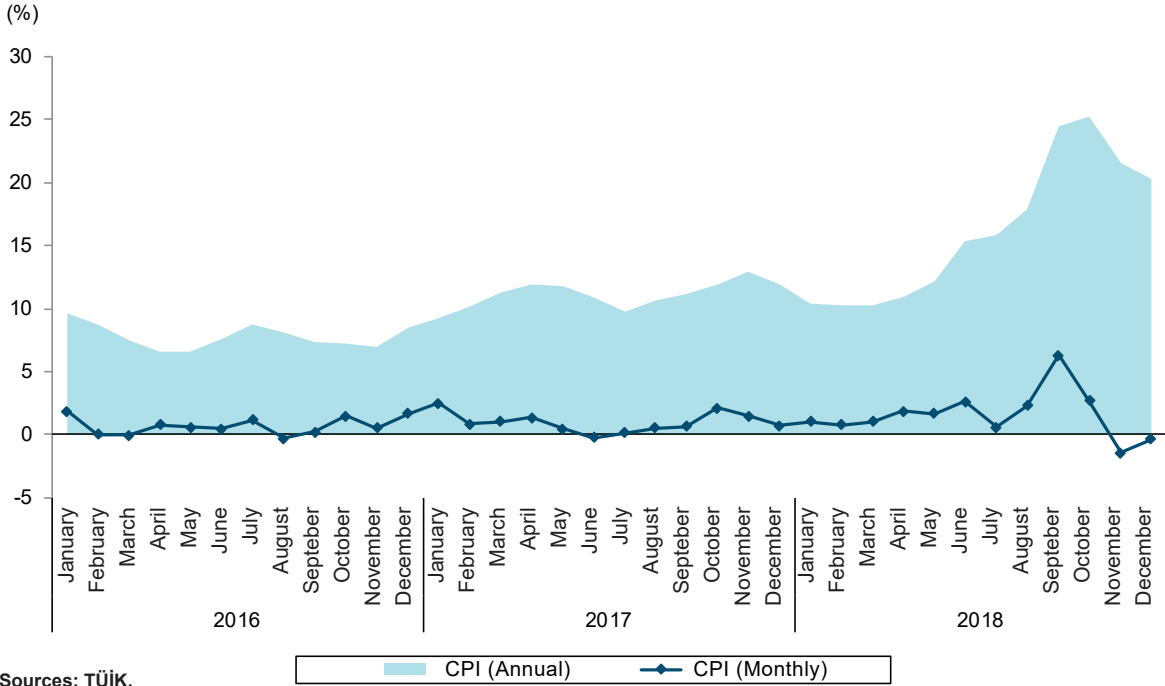


Inflation's realization above the uncertainty range in 2018, CBRT's accountability came into view. CBRT explained the reasons, from which inflation deviate off the target and the measures taken and to be taken in order to reach the target, in the open letter that it wrote to the Government on 30th January 2019. CBRT has indicated basic factors for the inflation being remarkably above the target are the high depreciation of the Turkish Lira in 2018 and deterioration in pricing behaviors in relation with this. It was stated that demand conditions sailing powerfully in the first half of year contributed to the upward pressure on inflation.

Annual inflation with regards to CPI (Consumer Price Index) opened 2018 year by 10.35 %, best level of last six months, declined to 10.26 % and to 10.23 % in Mars, the lowest level of the year. While high base impact was effective in this reduction, cumulative cost pressures, demand conditions sailing powerful and deterioration in forecasts continued to affect inflation. Reduction trend in inflation ended with 10.85 % increase in April; following months of the year, historical upturns came into effect. Impact of demand conditions, which inflation gets higher, maintained with a litTRYe shrinkage; inflation rose to the highest level of last six months with 15.39 % increase. As well as depreciation of the Turkish Lira, increase in oil and commodity prices, cost-oriented occurrences, flexibility in food prices and deterioration in pricing behaviors have made an upward pressure on inflation. In the following months, inflation came about at 24.52 % by maintaining its upward trend. Depreciation of the Turkish Lira in third quarter was the main defining factor on high rate of increase in inflation.

After the historic increase by 24.24 % in October since 2002, inflation decreased and the upward trend, which started in April, reduced to 21.62 %. CPI (Consumer Price Index) ended the year at level of 20.30 % with a 1.32 % monthly decrease. CBRT's tight monetary policy, appreciation in Turkish Lira, decrease in crude oil prices, weak course in domestic demand, decline in imports prices by Turkish Lira and tax reductions made after November in automotive, furniture and white goods have played a significant role in the decrease of inflation which came about in the last two months of the year. While consumer Price Inflation reached the highest level on monthly base at 6.30 % in September, in November and December reductions by 1.44 % and 0.40 % came about respectively (Chart 26).

Chart 26. Consumer Price Index Change Rates (Monthly and Annual)



Sources: TÜİK.

As of the end of 2018, change rates of price index in the main expenditure groups of food and non-alcoholic beverages, housing, household goods, entertainment, culture and various goods and services remained above the general index change rate of Consumer Price Index (CPI). Other than these, change rates of price index in the main expenditure groups of alcoholic drinks and tobacco, clothing and footwear, health, transportation, communication, education, restaurants and hotels came about below the CPI general index rate of change. Highest contribution to the increase in inflation came from the group of food and alcoholic drinks, which is predominant in main expenditures group (Table 58, Chart 27).

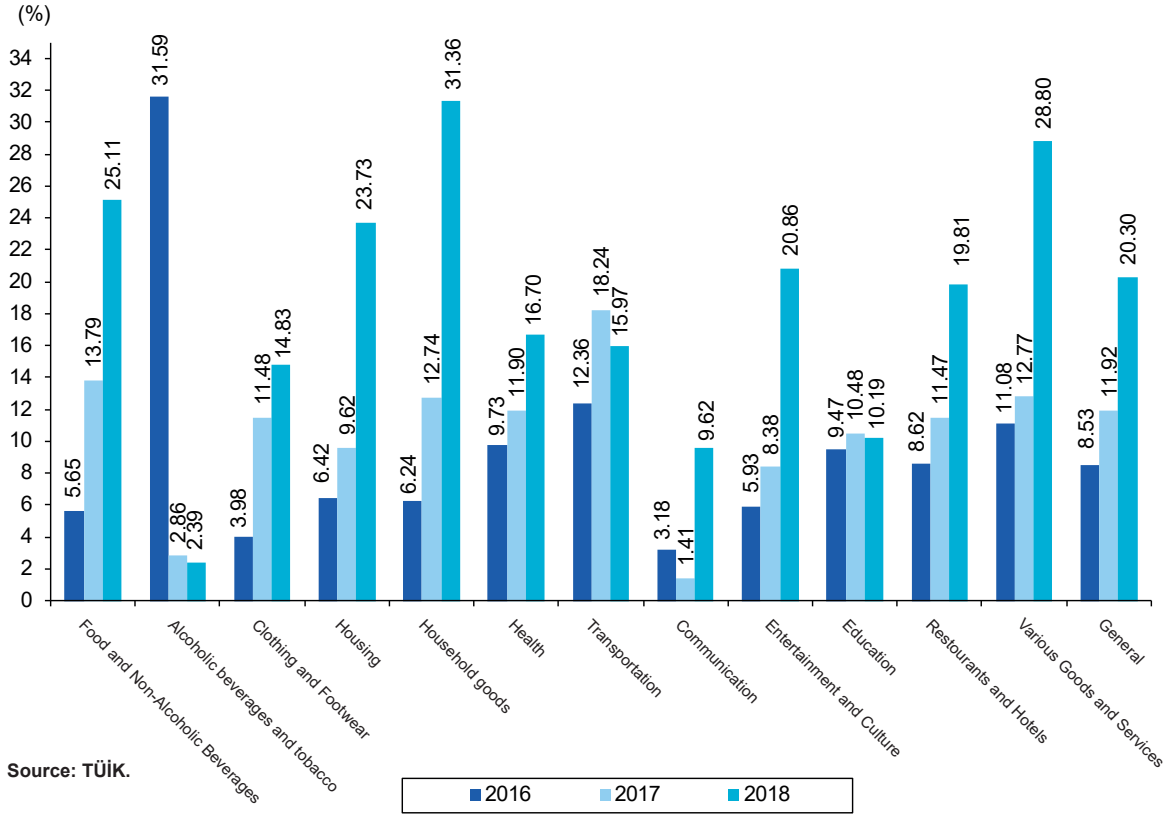
Table 58. Consumer Price Index by Main Expenditure Groups

(2003=100)

	2016		2017		2018	
	Index	Change (%)	Index	Change (%)	Index	Change (%)
Main Expenditure Groups	Twelve Month Average					
Food and Non-Alcoholic Beverages	309.81	5.79	349.16	12.70	411.87	17.96
Alcoholic beverages and tobacco	511.04	18.13	589.94	15.44	598.55	1.46
Clothing and footwear	188.17	7.38	201.44	7.05	228.93	13.64
Housing	318.66	6.57	344.28	8.04	398.69	15.80
Household goods	224.40	8.59	242.74	8.17	300.13	23.64
Health	170.39	9.57	191.56	12.42	215.27	12.38
Transportation	258.75	7.44	302.21	16.80	367.99	21.77
Communication	130.68	2.76	134.26	2.74	140.40	4.57
Entertainment and culture	201.05	7.11	220.74	9.79	249.29	12.94
Education	280.97	8.23	309.00	9.98	341.38	10.48
Restaurants and hotels	418.02	10.18	460.94	10.27	530.58	15.11
Various goods and services	336.63	11.31	378.01	12.29	453.11	19.87
General	280.85	7.78	312.14	11.14	363.13	16.33
	End of the Year					
Food and Non-Alcoholic Beverages	319.35	5.65	363.38	13.79	454.64	25.11
Alcoholic beverages and tobacco	574.89	31.59	591.36	2.86	605.52	2.39
Clothing and Footwear	198.34	3.98	221.10	11.48	253.89	14.83
Housing	327.01	6.42	358.47	9.62	443.54	23.73
Household goods	229.43	6.24	258.65	12.74	339.77	31.36
Health	174.67	9.73	195.46	11.90	228.10	16.70
Transportation	276.27	12.36	326.65	18.24	378.82	15.97
Communication	132.90	3.18	134.77	1.41	147.74	9.62
Entertainment and culture	205.86	5.93	223.11	8.38	269.64	20.86
Education	293.62	9.47	324.39	10.48	357.45	10.19
Restaurants and hotels	432.87	8.62	482.50	11.47	578.07	19.81
Various goods and services	349.12	11.08	393.72	12.77	507.12	28.80
General	292.54	8.53	327.41	11.92	393.88	20.30

Source: TÜİK.

Chart 27. Consumer Price Index Change Rates by Main Expenditures Groups (By Year-End)



With regards to main expenditure groups, the highest price increase was seen in household goods with 31.36 %, followed by the increase in group of various goods and services with 28.80 %, group of food and non-alcoholic drinks with 25.11 %. The lowest price increase occurred in the main expenditure group of alcoholic drinks and tobacco with 2.39 %, communication with 9.62 % and group of education with 10.19 %.

B and C Core Inflation Index indicator, which are closely monitored by CBTR, passed a course above expectations. These indicators, which are effective on projecting inflation's future and specifying monetary policy, are effected by the depreciation of the Turkish Lira and its reflection through main goods group and distortion in expectations. B core inflation index which is calculated by excluding unprocessed food products, energy, alcoholic drinks and tobacco as well as gold increased by 20.15 %, C core inflation index which is calculated by excluding energy, food and non-alcoholic beverages, alcoholic drinks and tobacco products, gold increased by 19.53 % (Table 59, Chart 28).

Table 59. Consumer Price Index With Specified Scope

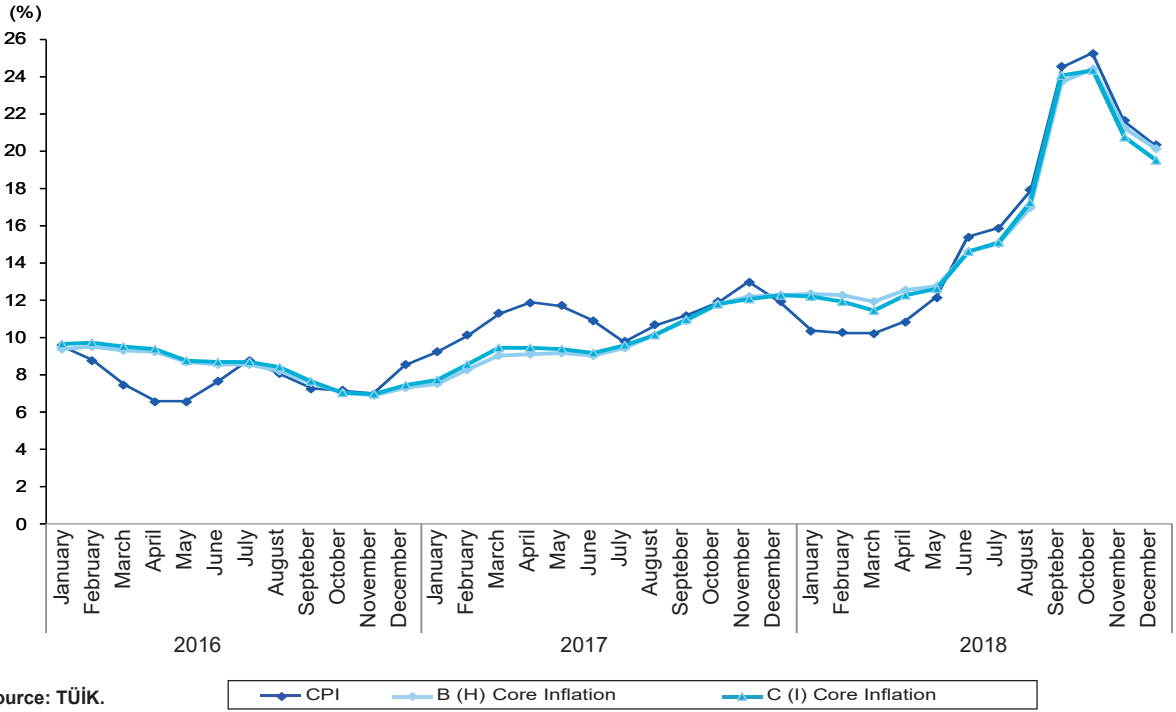
(2003=100)

Group/Content	2016		2017		2018	
	Index	Change (%)	Index	Change (%)	Index	Change (%)
	Twelve Month Average					
1. Special CPI aggregates						
A CPI with seasonal products excluded	289.31	8.03	321.34	11.07	373.74	16.31
B(1) CPI excluding unprocessed food products, energy, alcoholic beverages, tobacco and gold	252.91	8.32	278.06	9.94	324.26	16.61
C(2) CPI excluding energy, food and non-alcoholic beverages, spirits and tobacco products and gold	244.31	8.47	268.95	10.09	313.23	16.46
D CPI excluding raw food, alcoholic beverages and tobacco products	263.21	7.73	290.03	10.19	339.29	16.98
2. Goods	272.30	7.48	305.11	12.05	361.05	18.33
Energy	284.28	3.71	314.28	10.55	369.56	17.59
Food and non-alcoholic beverages	309.81	5.79	349.16	12.70	411.87	17.96
Unprocessed food	327.27	3.39	381.35	16.52	452.05	18.54
Processed Food	292.60	7.97	319.90	9.33	375.36	17.34
Energy and non-food goods	236.72	10.25	265.84	12.30	315.90	18.83
Basic Goods ⁽³⁾	191.45	8.44	212.90	11.20	259.17	21.73
Clothing and footwear ⁽⁴⁾	187.14	7.35	200.29	7.03	227.58	13.63
Durable goods (gold excluded)	173.27	9.42	194.31	12.14	244.09	25.62
Other basic goods	212.75	8.16	241.19	13.37	295.43	22.49
Drinks with alcohol, tobacco and gold	526.07	18.25	615.51	17.00	658.30	6.95
3. Service	304.45	8.45	332.20	9.11	370.68	11.58
Rent	382.53	8.67	417.45	9.13	457.81	9.67
Restaurant and Hotels	418.02	10.18	460.94	10.27	530.58	15.11
Transportation Services ⁽⁵⁾	311.25	6.21	344.43	10.66	381.35	10.72
Communication Services ⁽⁵⁾	147.85	3.65	152.57	3.19	160.31	5.08
Other Services	297.79	9.82	326.47	9.63	366.83	12.36
	End of the Year					
1. Special CPI aggregates						
A CPI with seasonal products excluded	301.76	9.46	336.00	11.35	404.12	20.27
B(1) CPI excluding unprocessed food products, energy, alcoholic beverages, tobacco and gold	261.24	7.29	293.33	12.28	352.44	20.15
C(2) CPI excluding energy, food and non-alcoholic beverages, spirits and tobacco products and gold	252.81	7.48	283.90	12.30	339.34	19.53
D CPI excluding raw food, alcoholic beverages and tobacco products	272.83	7.70	305.86	12.11	368.51	20.48
2. Goods	284.91	8.72	321.93	12.99	394.95	22.68
Energy	299.59	8.67	330.79	10.41	399.66	20.82
Food and non-alcoholic beverages	319.35	5.65	363.38	13.79	454.64	25.11
Unprocessed food	339.70	4.52	392.54	15.55	498.86	27.09
Processed Food	299.78	6.67	336.36	12.20	414.45	23.22
Energy and non-food goods	249.58	10.97	283.25	13.49	344.93	21.78
Basic Goods ⁽³⁾	198.93	6.77	229.67	15.45	286.32	24.67
Clothing and footwear ⁽⁴⁾	197.34	3.92	220.05	11.51	252.51	14.75
Durable goods (gold excluded)	178.68	7.93	210.99	18.08	256.51	21.57
Other basic goods	220.56	7.68	253.94	15.13	349.49	37.63
Drinks with alcohol, tobacco and gold	588.57	31.25	623.62	5.96	677.59	8.65
3. Service	313.94	8.11	343.68	9.47	393.39	14.46
Rent	398.85	9.30	435.60	9.21	477.48	9.61
Restaurant and Hotels	432.87	8.62	482.50	11.47	578.07	19.81
Transportation Services ⁽⁵⁾	318.41	6.63	358.09	12.46	399.98	11.70
Communication Services ⁽⁵⁾	150.94	4.29	153.76	1.87	169.08	9.96
Other Services	306.45	9.15	335.22	9.39	387.37	15.56

Source: TÜİK.

- (1) It is the continuation of the old special comprehensive H indicator.
- (2) It is the continuation of the former special comprehensive I indicator.
- (3) Basic goods consist of the remaining goods when the scope of service is excluded from the special comprehensive C indicator.
- (4) Only goods are included in the clothing and footwear group.
- (5) Only services are covered.

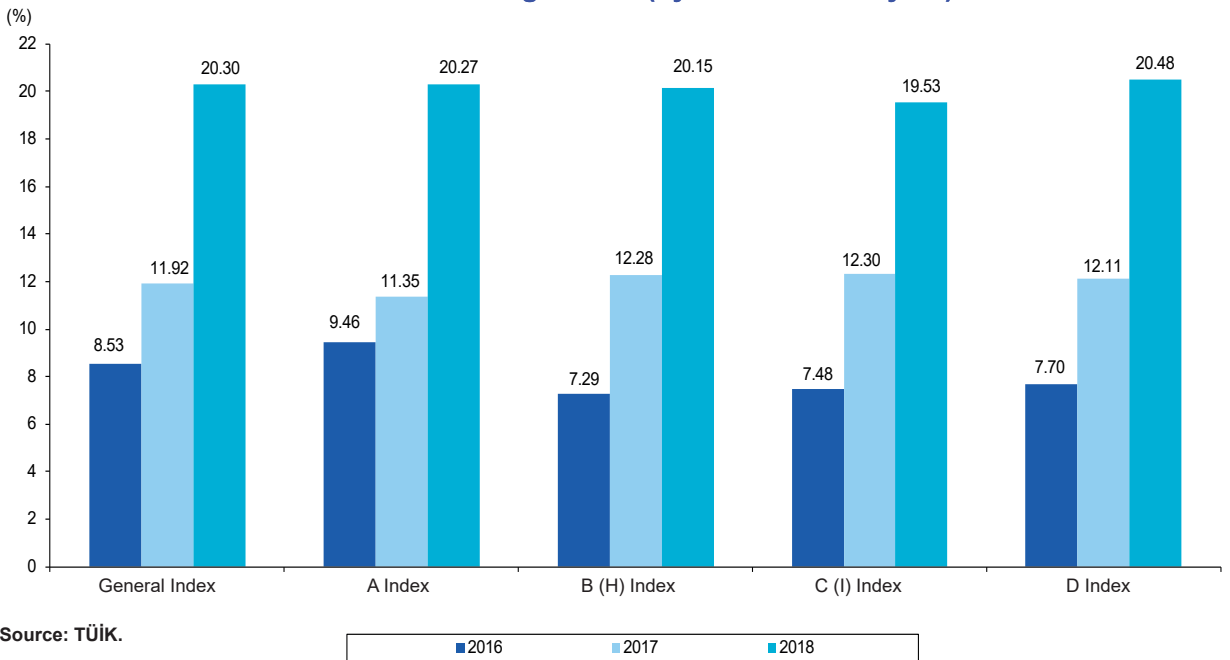
Chart 28. CPI, B (H) and C (I) Core Inflation (Annual)



Source: TÜİK.

The price indicator A excluding seasonal products increased by 20.27 %, whereas the price indicator D excluding unprocessed food, alcoholic drinks and tobacco products increased by 20.48 % (Chart 29).

Chart 29. Consumer Price Index Change Rates (by the end of the year)



Source: TÜİK.

The inflation in goods group increased by 22.68 % at the end of the year, while the energy increased by 20.82 %, food and non-alcoholic beverages by 25.11 % and energy and non-food goods by 21.78 %, which are all sub-groups of the prices group.

Due to 'depreciation in Turkish Lira, cost-oriented increases in accordance with that, alive demand in tourism sector, increases in fuel prices and deterioration in forecast'; service group inflation, rose to 14.46 %. In this group inflation, price increases in restaurants and hotels and transportation services were particularly effective.

CPI at Regional Level

When looking into the annual increase rates of 2018 CPI Charts according to NUTS Level-2, the highest rate is seen to be in the TRA2 region covering the provinces of Ağrı, Kars, Iğdır, Ardahan with 23.53 %, followed by TRC3 region covering Mardin, Batman, Şırnak, Siirt in the second place with 23.32 %, and TRC2 region covering Şanlıurfa, Diyarbakır in the third place with 23.20 %. According to NUTS Level-2, the lowest increase was seen in Ankara TR51 region with 18.23 %, followed by TR10 region covering İstanbul in the second place with 18.96 %, and TR21 region covering provinces of Tekirdağ, Edirne and Kırklareli in the third place with 19.66 % (Table 60).

Table 60. Consumer Price Index by Region

		2016		2017		(2003=100) 2018	
Region		Index	Change (%)	Index	Change (%)	Index	Change (%)
Code	NUTS Level-2	Twelve Month Average					
TR10	İstanbul	287.01	7.26	317.84	10.74	367.16	15.52
TR21	Tekirdağ, Edirne, Kırklareli	282.29	7.58	313.01	10.88	363.66	16.18
TR22	Balıkesir, Çanakkale	295.49	8.30	330.03	11.69	380.70	15.35
TR31	İzmir	287.45	8.46	321.63	11.89	375.80	16.84
TR32	Aydın, Denizli, Muğla	284.31	8.12	318.07	11.88	374.89	17.86
TR33	Manisa, Afyonkarahisar, Kütahya, Uşak	279.47	8.18	310.11	10.96	363.22	17.13
TR41	Bursa, Eskişehir, Bilecik	281.71	8.18	312.12	10.79	361.97	15.97
TR42	Kocaeli, Sakarya, Düzce, Bolu, Yalova	286.85	7.60	318.75	11.12	371.44	16.53
TR51	Ankara	293.08	8.28	324.02	10.56	372.40	14.93
TR52	Konya, Karaman	281.62	7.77	315.82	12.14	369.82	17.10
TR61	Antalya, Isparta, Burdur	272.10	7.90	302.44	11.15	355.29	17.47
TR62	Adana, Mersin	288.53	9.31	322.83	11.89	378.67	17.30
TR63	Hatay, Kahramanmaraş, Osmaniye	277.97	7.63	311.03	11.90	367.84	18.26
TR71	Kırıkkale, Aksaray, Niğde, Nevşehir, Kırşehir	285.02	7.58	318.96	11.91	369.23	15.76
TR72	Kayseri, Sivas, Yozgat	290.02	7.66	324.72	11.97	378.35	16.51
TR81	Zonguldak, Karabük, Bartın	277.13	8.28	312.10	12.62	365.74	17.19
TR82	Kastamonu, Çankırı, Sinop	275.97	7.94	307.53	11.44	358.43	16.55
TR83	Samsun, Tokat, Çorum, Amasya	281.01	7.71	313.90	11.70	368.17	17.29
TR90	Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane	280.16	8.25	312.85	11.67	368.52	17.80
TRA1	Erzurum, Erzincan, Bayburt	282.61	7.41	314.94	11.44	368.28	16.94
TRA2	Ağrı, Kars, Iğdır, Ardahan	289.69	7.91	324.28	11.94	378.63	16.76
TRB1	Malatya, Elazığ, Bingöl, Tunceli	278.52	7.98	310.64	11.53	365.01	17.50
TRB2	Van, Muş, Bitlis, Hakkari	282.88	7.32	316.80	11.99	370.82	17.05
TRC1	Gaziantep, Adıyaman, Kilis	287.10	7.79	323.82	12.79	379.01	17.05
TRC2	Şanlıurfa, Diyarbakır	287.85	8.08	321.27	11.61	375.80	16.97
TRC3	Mardin, Batman, Şırnak, Siirt	259.54	7.88	289.57	11.57	339.70	17.31
TR	Turkey	280.85	7.78	312.14	11.14	363.13	16.33
End of the Year							
TR10	İstanbul	298.67	8.00	333.20	11.56	396.37	18.96
TR21	Tekirdağ, Edirne, Kırklareli	293.92	8.71	329.16	11.99	393.88	19.66
TR22	Balıkesir, Çanakkale	309.18	9.74	344.45	11.41	413.02	19.91
TR31	İzmir	300.09	8.93	339.35	13.08	408.73	20.44
TR32	Aydın, Denizli, Muğla	296.89	9.31	333.89	12.46	408.73	22.41
TR33	Manisa, Afyonkarahisar, Kütahya, Uşak	290.80	8.93	325.22	11.84	396.61	21.95
TR41	Bursa, Eskişehir, Bilecik	293.54	8.80	327.35	11.52	393.29	20.14
TR42	Kocaeli, Sakarya, Düzce, Bolu, Yalova	297.95	7.83	335.62	12.64	402.54	19.94
TR51	Ankara	304.02	8.72	337.77	11.10	399.34	18.23
TR52	Konya, Karaman	293.44	8.51	332.13	13.18	401.55	20.90
TR61	Antalya, Isparta, Burdur	283.13	8.61	317.16	12.02	385.07	21.41
TR62	Adana, Mersin	301.84	9.86	338.66	12.20	412.97	21.94
TR63	Hatay, Kahramanmaraş, Osmaniye	290.79	8.76	328.25	12.88	400.75	22.09
TR71	Kırıkkale, Aksaray, Niğde, Nevşehir, Kırşehir	297.96	8.69	332.62	11.63	401.88	20.82
TR72	Kayseri, Sivas, Yozgat	304.65	9.74	340.55	11.78	410.70	20.60
TR81	Zonguldak, Karabük, Bartın	291.54	9.88	327.75	12.42	396.70	21.04
TR82	Kastamonu, Çankırı, Sinop	289.45	10.09	321.86	11.20	392.04	21.80
TR83	Samsun, Tokat, Çorum, Amasya	292.78	8.34	329.06	12.39	402.56	22.34
TR90	Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane	292.21	9.34	328.21	12.32	401.08	22.20
TRA1	Erzurum, Erzincan, Bayburt	295.81	9.12	331.81	12.17	399.49	20.40
TRA2	Ağrı, Kars, Iğdır, Ardahan	303.54	9.79	338.15	11.40	417.70	23.53
TRB1	Malatya, Elazığ, Bingöl, Tunceli	291.64	8.78	327.42	12.27	396.35	21.05
TRB2	Van, Muş, Bitlis, Hakkari	294.23	8.28	334.23	13.59	410.77	22.90
TRC1	Gaziantep, Adıyaman, Kilis	300.40	8.15	339.11	12.89	415.83	22.62
TRC2	Şanlıurfa, Diyarbakır	301.60	9.47	339.21	12.47	417.89	23.20
TRC3	Mardin, Batman, Şırnak, Siirt	271.80	9.08	305.01	12.22	376.14	23.32
TR	Turkey	292.54	8.53	327.41	11.92	393.88	20.30

Source: TÜİK.

1.4.1.2 Domestic Producer Price Index

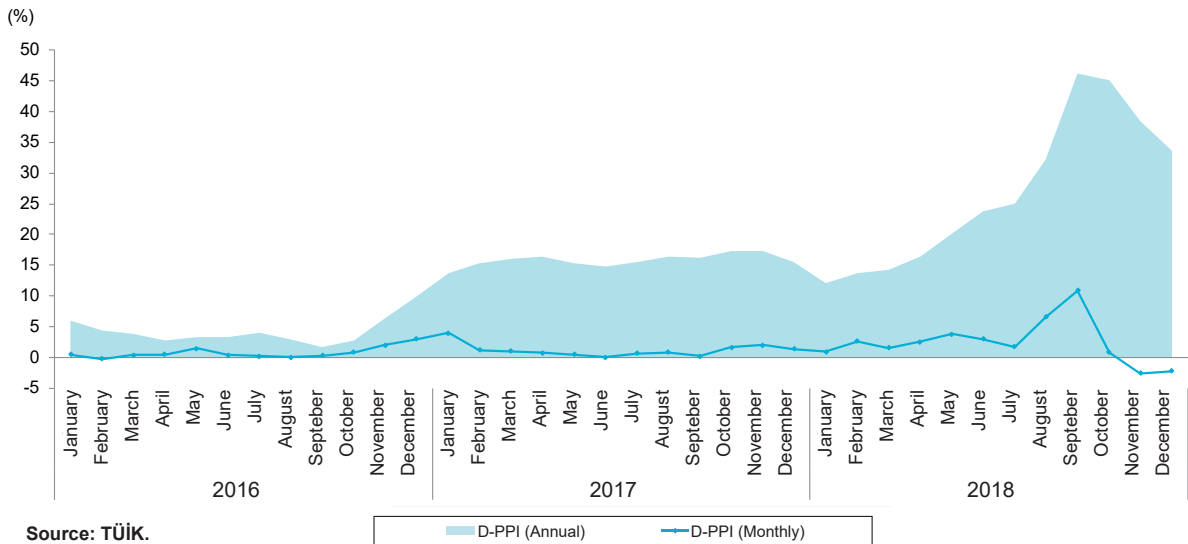
Domestic Producer Price Index (D-PPI) maintained its high course with a sharp increase by 33.64 % in 2018, driven by the increase in manufacturing industry and energy prices. Depreciation of the Turkish Lira caused an upward pressure on import prices and the rise in oil prices gave rise to energy costs. The increase in commodity prices (oil, metal, energy) and the energy prices rising evidentTRYy as a result of arrangements in electric and natural gas prices increased inflation expectations in input cost rise of manufacture of food and caused also strong growth in consumer prices (Table 61, Chart 30).

Table 61. Domestic Producer Price Index

Sectors	(2003=100)					
	2016		2017		2018	
	Index	Change (%)	Index	Change (%)	Index	Change (%)
	Twelve Months Average					
Mining and quarrying	344.19	1.98	393.20	14.24	485.92	23.58
Manufacturing	257.54	5.57	302.65	17.52	383.30	26.65
Electricity, gas production and distribution	218.44	-8.56	212.10	-2.90	285.59	34.65
Water supply; sewage, waste management and remediation activities	265.94	8.35	294.99	10.92	315.56	6.97
General	257.81	4.30	298.60	15.82	379.25	27.01
	End of the Year					
Mining and quarrying	359.32	8.01	417.29	16.13	518.87	24.34
Manufacturing	276.42	12.07	322.43	16.64	422.74	31.11
Electricity, gas production and distribution	208.55	-11.79	209.40	0.41	366.50	75.02
Water supply; sewage, waste management and remediation activities	272.55	7.21	303.34	11.30	331.04	9.13
General	274.09	9.94	316.48	15.47	422.94	33.64

Source: TÜİK.

Chart 30. Domestic Producer Price Index Change Rates (Monthly and Annual)

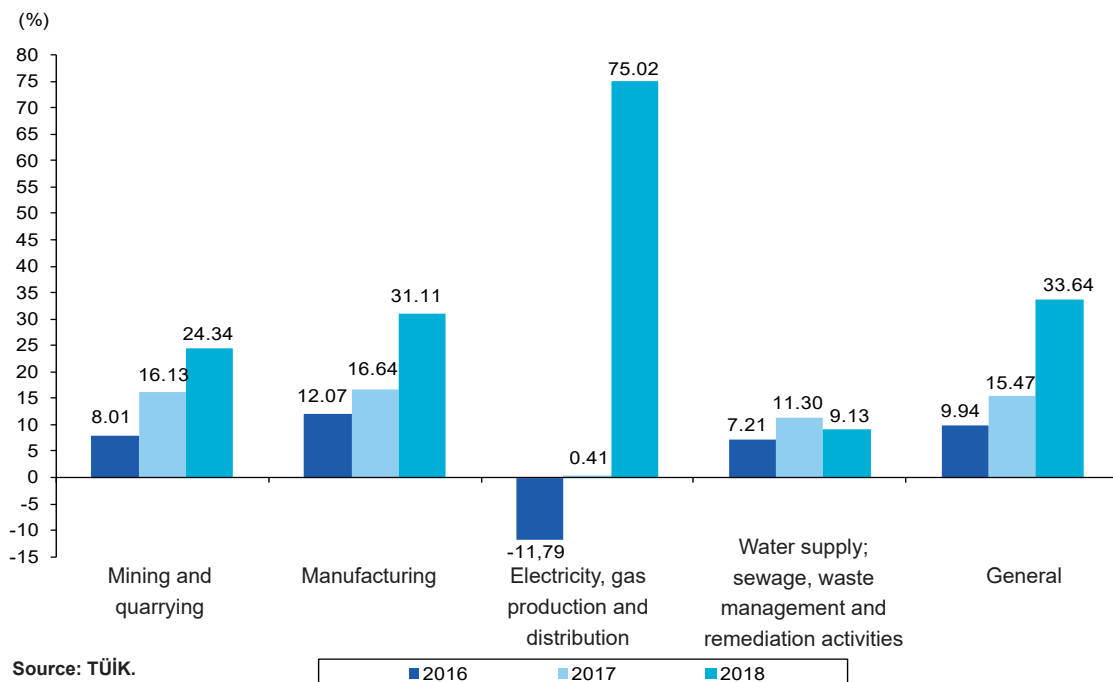


Source: TÜİK.

The D-PPI that increased by 15.47 % at the end of 2017 opened the first month of 2018 by declining with an annual increase of 12.14 % owing to high base effect. Due to the reflection of price increases in mining, electric, gas production and distribution; D-PPI increase rate, which came about at 14.28 % in March, rose to 23.71 % on account of electric, gas production and distribution sector and sub-sectors of manufacture. Increase in domestic consumer prices maintained its course by strengthening itself in third quarter of the year. Particularly because of increases in cost pressures by energy and intermediate goods, D-PPI annual inflation attained historic levels with increases by 46.15 % in September and 45.01 % in October. D-PPI growth rate declined to 38.54 % in November owing to appreciation in Turkish Lira, positive occurrences among mainly oil and metal in international commodity prices; completed the year at level of 33.64 % in December with an increase of 18.17 % compared to the previous year end. Increases in commodity prices mainly occurrences in foreign exchange rates and oil have played a significant role in D-PPI's driving a strong course in the year. While it reached the highest level on monthly basis in October by 10.88 % increase, diminutions by 2.53 % and by 2.22 % came about in November and December respectively.

In 2018, within sub-sectors of industry; prices of electricity, gas generation and production sector increased by 75.02 %, similarly manufacturing industry by 31.11 %, prices of the mining and quarrying sector by 24.34 %, prices of the water supply sector by 9.13 % (Chart 31).

Chart 31. Domestic Producer Price Index Change Rates (By Year-End)



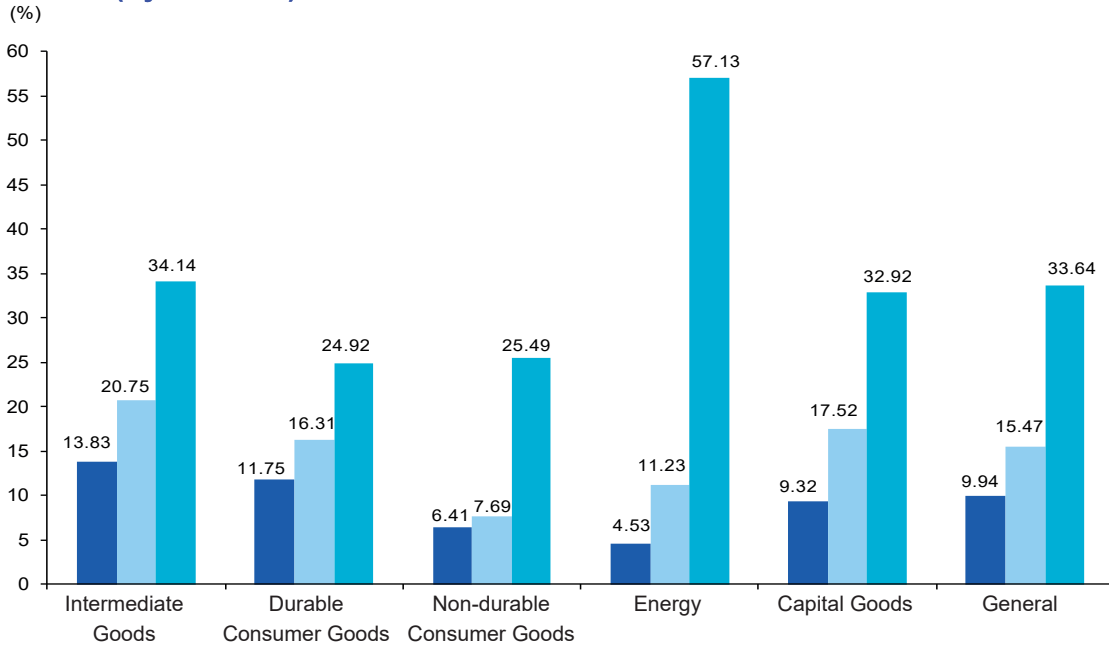
According to the main industrial groups' classification in D-PPI, the highest increase at the end of 2018 was at energy prices with 57.13 %. Similarly followed by increase in prices of intermediate goods with 34.14 %, prices of the capital goods with 32.92 %, prices of non-durable consumer goods with 25.49 %. The group with the lowest increase was prices of the durable consumer goods with 24.92 % (Table 62, Chart 32).

Table 62. Domestic Producer Price Index by Main Industrial Groups

Main Industry Groups	(2003=100)					
	2016		2017		2018	
	Index	Change (%)	Index	Change (%)	Index	Change (%)
	Twelve Month Average					
Intermediate goods	259.93	5.65	315.32	21.31	413.08	31.00
Durable consumer goods	198.58	11.46	226.65	14.14	272.33	20.15
Non-durable consumer goods	242.25	4.33	265.11	9.44	307.73	16.08
Energy	312.41	-5.82	351.29	12.45	492.97	40.33
Capital goods	223.80	7.78	257.74	15.16	330.62	28.28
General	257.81	4.30	298.60	15.82	379.25	27.01
	End of the Year					
Intermediate goods	283.38	13.83	342.17	20.75	458.98	34.14
Durable consumer goods	205.67	11.75	239.22	16.31	298.83	24.92
Non-durable consumer goods	249.59	6.41	268.78	7.69	337.29	25.49
Energy	332.61	4.53	369.96	11.23	581.33	57.13
Capital goods	235.92	9.32	277.25	17.52	368.52	32.92
General	274.09	9.94	316.48	15.47	422.94	33.64

Source: TÜİK.

Chart 32. Domestic Producer Price Index Change Rates by Main Industrial Groups (By Year-End)



Source: TÜİK.



1.4.1.3 Agricultural Products Producer Price Index

Annual inflation of agricultural products which was 16.47 % in 2017, reduced to the level of 15.89 % with 0.58 % decrease in 2018. Rise in prices of the agricultural sector was driven by depreciation of the Turkish Lira, import-based agriculture, and high cost of fundamental inputs and raw materials such as fertilizer, pesticides and energy (diesel oil). Within sub-sectors of agricultural PPI, fishery displayed an increase by 25.31 %, similarly forestry products by 15.69 %, and agriculture and hunting products by 15.64 % (Table 63).

Table 63. Agricultural Products Producer Price Index

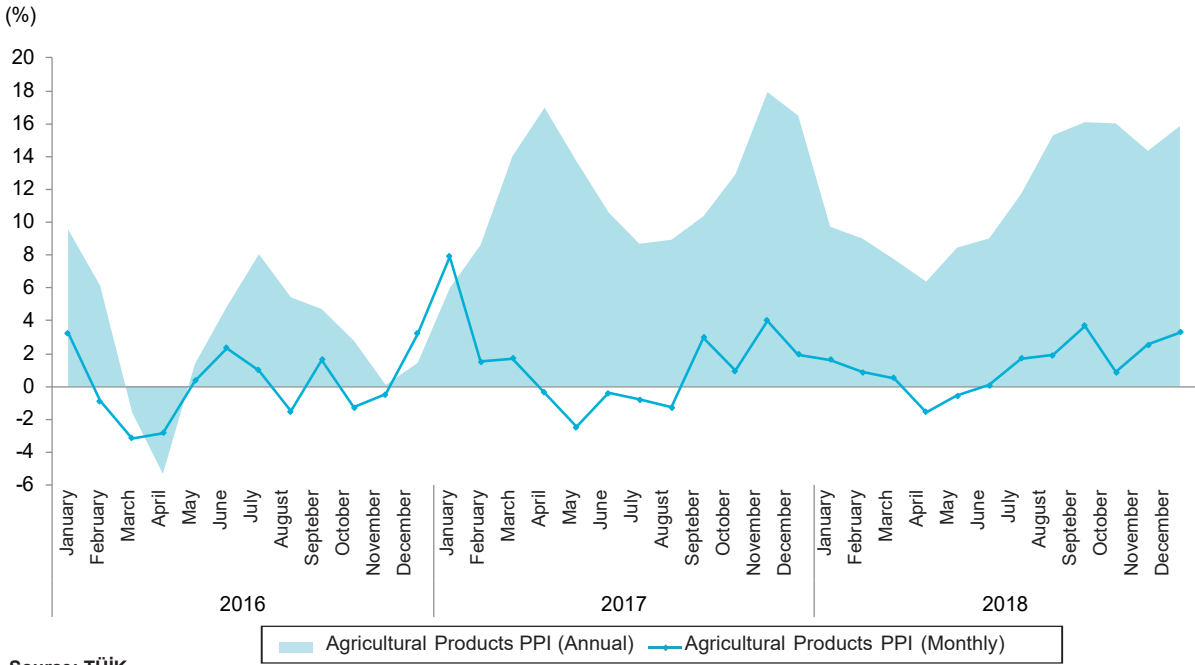
Sectors	(2015=100)					
	2016		2017		2018	
	Index	Change (%)	Index	Change (%)	Index	Change (%)
	Twelve Month Average					
Agriculture and hunting products	103.03	3.03	115.18	11.79	128.14	11.25
Forestry products	98.54	-1.46	116.75	18.48	143.06	22.54
Fishing	106.87	6.87	125.07	17.03	146.65	17.25
General	103.04	3.04	115.47	12.06	128.92	11.65
	End of the Year					
Sectors						
Agriculture and hunting products	105.26	1.34	122.51	16.39	141.67	15.64
Forestry products	95.35	-0.71	117.89	23.64	136.39	15.69
Fishing	107.23	7.52	122.62	14.35	153.66	25.31
General	105.11	1.46	122.42	16.47	141.87	15.89

Source: TÜİK.

While supply conditions, cruising positively in the first months of 2018 owing to weather conditions, made a downward pressure on agriculture prices, weather conditions such as inundation and hail played a restrictive role on supply during the rest of the year. In 2018, agricultural PPI on annual basis rose first TRY to two digits numbers in July with an increase by 11.72 %, reached its highest level at 16.09 % in September. Agricultural PPI's monthly change came about with a decrease by 1.56 % in April and similarly 0.55 percentage in May, furthermore reached its top level by 3.68 % in September (Chart 33).

In 2018, increase in Agricultural PPI did not reflect to consumer food inflation in parallel; a certain differentiating between agricultural PPI and growth rate of CPI food prices was observed. That divergence on the outlook of producer and consumer prices have been mainly effected by market failures in storable products.

Chart 33. Agricultural Products Producer Price Index Change Rates (Monthly and Annual)



Source: TÜİK.

1.4.1.4 Foreign Producer Price Index

The Foreign Producer Price Index (F-PPI) which increased by 19.75 % at the end of 2017 increased by 33.45 % in 2018 with a rise by 13.7 % as of the year-end. In terms of F-PPI and among sub-sectors of industry, mining and quarrying sector increased by 38.05 %, manufacturing industry sector increased by 33.36 %. According to the main industrial group classification, prices of intermediate goods showed the highest increase with 36.29 %, prices of capital goods increased by 33.49 %, prices of durable consumption goods increased by 31.66, prices of non-durable consumption goods increased by 31.31, energy prices increased by 15.99 (Table 64).

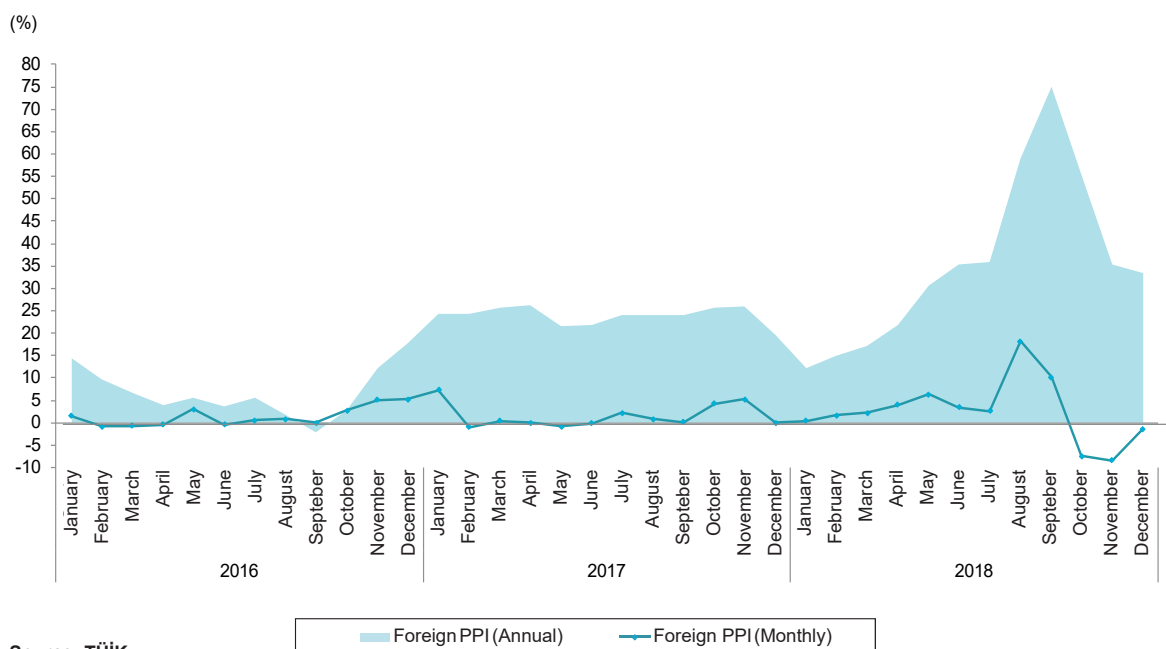
F-PPI reached its lowest level in terms of annual change with 12.09 % in January and reached its highest level in terms of annual change with 75.04 % in September. In terms of monthly change, it reached highest level by 18.16 % in August, reduced by 7.45/8.44 and 1.32 %s in October, November and December respectively (Chart 34).

Table 64. Foreign Producer Price Index

	(2010=100)					
	2016		2017		2018	
	Index	Change (%)	Index	Change (%)	Index	Change (%)
	Twelve Month Average					
Sectors						
Mining and quarrying	166.31	8.43	203.93	22.62	273.23	33.98
Manufacturing Industry	163.46	6.64	202.65	23.98	275.08	35.74
Main Industrial Groups						
Intermediate goods	167.74	7.08	212.67	26.78	294.85	38.65
Durable consumers good	147.92	6.69	179.71	21.50	235.76	31.19
Non-durable consumers good	170.90	5.79	202.07	18.24	263.95	30.62
Energy	144.80	-5.83	214.07	47.84	338.28	58.02
Capital good	156.09	8.80	189.44	21.37	258.04	36.21
General	163.51	6.68	202.67	23.95	275.02	35.70
	End of the Year					
Sectors						
Mining and quarrying	190.04	22.61	214.92	13.09	296.69	38.05
Manufacturing Industry	184.38	17.63	221.05	19.89	294.79	33.36
Main Industrial Groups						
Intermediate goods	190.62	19.20	233.46	22.47	318.19	36.29
Durable consumers good	165.10	16.44	194.39	17.74	255.93	31.66
Non-durable consumers good	187.66	12.16	217.04	15.66	284.99	31.31
Energy	202.20	58.29	241.63	19.50	280.27	15.99
Capital good	171.76	14.62	207.01	20.52	276.34	33.49
General	184.48	17.73	220.92	19.75	294.81	33.45

Source: TÜİK.

Chart 34. Foreign Producer Price Index Change Rates (Monthly and Annual)



Source: TÜİK.

1.4.2 Money, Bank

The Central Bank of Republic of Turkey (CBRT) implemented a monetary policy focusing on price stability in 2018. Inflation targeting regime is the core of the monetary policy. During the process of monetary policy decision-making, inflation expectations, pricing behaviors and developments in all other factors, which affect inflation, are taken into consideration. While these implementations are maintained, financial stability is taken into consideration as the case was in the previous years.

Inflation target was projected to be 5 % in Medium Term Program covering 2018-2020 period in agreement with the Government. The implementations of the monetary policy was formed to get inflation closer to the target.

CBRT implemented solid monetary tightening in order to contribute to price stability throughout 2018. It has maintained its tight stance in monetary policy and fixed borrowing interest rate at level of 12.75 % within the framework of Late Liquidity Window Facility (LLW/GLP). CBRT which made a rational monetary tightening in April, strengthened its tight stance in monetary policy in May taking into consideration general pricing behaviors risks, which unhealthy price formations and rise in inflation expectations formed². Within scope of the Late Liquidity Window Facility (GLP), increased lending interest rate in April to 13.5 % and in May to 16.5 %.

CBRT announced the decision to complete the simplification process within operational framework of monetary policy is taken on 28th May 2018 and, in this context LLW is excluded from main policy instrument, CBRT funding started to be made by means of one-week repo auctions. While one-week repo auction interest rate became the policy interest, this rate is equaled with CBRT borrowing rate, which is implemented within LLW at the day of announcement.³ It has been aimed at increasing predictability of monetary policy and strengthening monetary transmission mechanism within new framework.

The CBRT Monetary Policy Committee decided strengthening monetary tightening in June emphasizing the fact that despite moderate outlook in demand conditions, high levels of inflation and inflation expectations continue to pose a risk on pricing

² CBRT, "Monetary and Foreign Exchange Policy"

³ CBRT 14 June 2018-"Monetary Policy Committee Meeting Summary"

behaviors. Within this framework, it rose One-week repo auction interest rate, which is the policy interest, from 16.5 % to 17.75 %.

After sudden rise in exchange rates due to excessive volatility observed in financial markets in early August; CBRT adopted a series of measures, which focused on financial stability and supported the Turkish Lira and foreign exchange liquidity methods.

CBRT Monetary Policy Committee, seeing increase in fluctuating exchange rates, rise policy interest from 17.75 % to 24.0 % by tightening strongly monetary policy and announced that over-night CBRT funding will start to be made over-week. And also in order to support markets operating efficientTRYy against unhealthy price formations and support monetary transmission mechanism, CBRT has expanded its instruments and used them effectively.

CBRT Monetary Policy Committee, having evaluated the fact that: “The increase in prices due to the exchange rate movements and the strengthening of cost-driven and producer-originated pressures continue to pose risks to the inflation outlook.”, fixed policy interest at level of 24.0 % to the end of the year by maintaining its tight monetary stance (Table 65).

Table 65. Interest Rates Central Bank of the Republic of Turkey

Date	One-Week Repo Auction Interest Rate	Overnight Borrowing Interest Rate	Overnight Lending Interest Rate	Late Liquidity Window (GLP) Lending Interest Rate
18 th January 2018	8.00	7.25	9.25	12.75
7 th March 2018	8.00	7.25	9.25	12.75
25 th April 2018	8.00	7.25	9.25	13.50
24 th May 2018	8.00	7.25	9.25	16.50
1 st June 2018	16.50	15.00	16.50	16.50
8 th June 2018	17.75	16.25	19.25	20.75
14 th September 2018	24.00	22.50	24.00	27.00
21 st September 2018	24.00	22.50	25.50	27.00

Source: TCMB.

As a result of tight monetary policy practices put into force during 2018, money in circulation, which is sub-item of M1 money supply increased by 3.5 % to TRY 123,371 million, FX (foreign exchange) demand deposits increased by 39.9 % to TRY 213,411 million, TRY demand deposits decreased by 1.2 % to TRY 175,743 million. When it is taken into consideration that CPI increased by 20.30 % in 2018, it is observed that in real terms money in circulation decreased by 14.0 % and TRY demand deposits decreased by 17.9 % and FX demand deposit increased by 16.3 %. Thus, while the narrowly defined M1 money supply rose to TRY 512,524 million with an increase nominally by 14.0 % and in real terms it decreased by 5.2 % (Table 66, Chart 35).

Table 66. Money Supplies

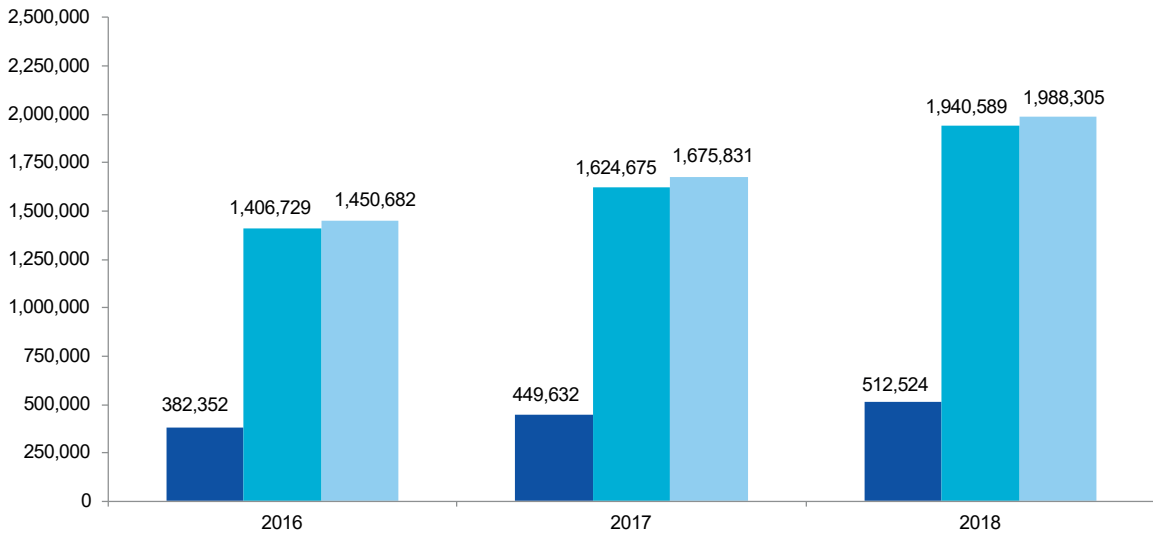
Money supplies	2016	2017	2018	(Thousand TRY) Change (%)	
				2017	2018
M1	382.351.496	449.631.796	512.524.057	17,6	14,0
Circulating Money	111.762.364	119.198.420	123.370.553	6,7	3,5
Demand deposits (TRY)	158.143.756	177.874.445	175.742.871	12,5	-1,2
Demand deposits (FX)	112.445.377	152.558.931	213.410.632	35,7	39,9
M2	1.406.729.188	1.624.675.300	1.940.589.523	15,5	19,4
Time deposits (TRY)	628.527.559	703.071.573	797.310.452	11,9	13,4
Time deposits (FX)	395.850.133	471.971.930	630.755.014	19,2	33,6
M3	1.450.681.529	1.675.831.303	1.988.304.795	15,5	18,6
Repo	6.935.989	5.376.687	8.353.176	-22,5	55,4
Money market funds	12.634.902	13.875.478	13.052.992	9,8	-5,9
Securities Issued	24.381.451	31.903.838	26.309.105	30,9	-17,5

Source: TCMB.

FC: Foreign exchange.

Chart 35. Money supplies

(Million TRY)



Source: TCMB.



In 2018, the time TRY deposits, which are a sub-item of the M2 money supply, increased by 13.4 % to TRY 797,310 million, whereas the time foreign exchange deposits increased by 33.6 % to 630,755 million TRY. Thus, the M2 money supply increased by 19.4 % and came about at TRY 1,940,590 million. In real terms, 0.7 % decrease occurred in the M2 money supply. While the M3 money supply increased by 18.6 % to TRY 1,988,305 million, and decreased by 1.4 % in real terms.

The total deposits in deposit banks accrued as 1,952,951 million TRY with an increase of 20.0 % in 2018. The savings deposits, which holds an important place within total deposits, increased by 15.3 % to TRY 626,317 million, the commercial institutions deposits increased by 0.4 % to TRY 236,232 million, other institutions' deposits increased by 7.4 % to TRY 41,220 million, the public institutions deposits decreased by 8.7 % to TRY 66,882 million. While foreign exchange deposit accounts increased by 33.4 % to TRY 847,660 million and valuable metals vault accounts in foreign currency increased by 57.2 % to TRY 32,622 million, while interbank deposits increased by 26.5 % to TRY 102,019 million. While the largest share in total deposits belonged to foreign exchange deposit accounts with 43.4 % as in the previous year, an important part of these accounts consisted of foreign exchange time deposit accounts. The foreign exchange deposits account was followed by savings deposits with a share of 32.1 %, the share of time deposits, which ranked under it, was realized by 27.8 %. Total deposits decreased by 0.2 % in real terms compared to the preceding year (Table 67, Chart 36).

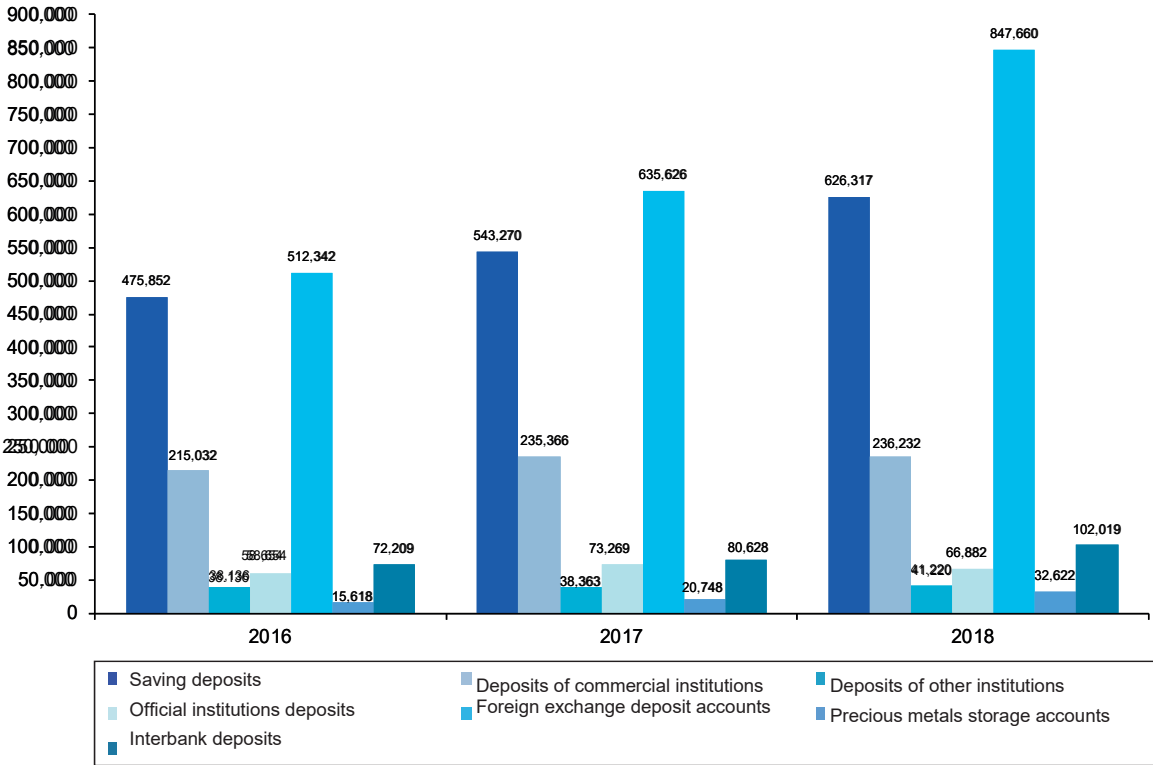
Table 67. Deposits in the Deposit Banks

Deposit Types	(Thousand TRY)								
	2016	2017	2018	Share (%)			Change (%)		
				2016	2017	2018	2017	2018	
Saving deposits	475,851,788	543,270,359	626,317,133	34.3	33.4	32.1	14.2	15.3	
Checking	77,706,790	87,026,815	83,400,534	5.6	5.3	4.3	12.0	-4.2	
Deposit	398,144,998	456,243,544	542,916,599	28.7	28.0	27.8	14.6	19.0	
Deposits of commercial institutions	215,032,378	235,365,508	236,231,516	15.5	14.5	12.1	9.5	0.4	
Checking	54,615,019	64,999,365	55,412,076	3.9	4.0	2.8	19.0	-14.7	
Deposit	160,417,359	170,366,143	180,819,440	11.6	10.5	9.3	6.2	6.1	
Deposits of other institutions	38,136,395	38,362,538	41,220,063	2.7	2.4	2.1	0.6	7.4	
Checking	7,509,466	7,080,781	7,571,321	0.5	0.4	0.4	-5.7	6.9	
Deposit	30,626,929	31,281,757	33,648,742	2.2	1.9	1.7	2.1	7.6	
Official institutions deposits	58,653,965	73,268,540	66,881,919	4.2	4.5	3.4	24.9	-8.7	
Checking	16,616,426	18,400,297	25,511,532	1.2	1.1	1.3	10.7	38.6	
Deposit	42,037,539	54,868,243	41,370,387	3.0	3.4	2.1	30.5	-24.6	
Foreign exchange deposit accounts	512,342,333	635,626,101	847,660,201	36.9	39.1	43.4	24.1	33.4	
Checking	100,908,333	134,506,650	186,123,832	7.3	8.3	9.5	33.3	38.4	
Deposit	411,434,000	501,119,451	661,536,369	29.6	30.8	33.9	21.8	32.0	
Precious metal deposit accounts (FC)	15,617,790	20,747,749	32,621,746	1.1	1.3	1.7	32.8	57.2	
Checking	12,238,569	16,046,313	26,873,795	0.9	1.0	1.4	31.1	67.5	
Deposit	3,379,221	4,701,436	5,747,951	0.2	0.3	0.3	39.1	22.3	
Interbank deposits	72,209,312	80,627,819	102,018,501	5.2	5.0	5.2	11.7	26.5	
Total deposits	1,387,843,961	1,627,268,614	1,952,951,079	100.0	100.0	100.0	17.3	20.0	

Source: TCMB.

Chart 36. Deposit in Deposit Banks

(Million TRY)



Source: TCMB.

Total bank loans, which grew by 5.0 points in 2017 compared to previous year, entered into slowing process as from the first quarter of 2018. Decrease in the momentum of loan growth in early 2018 continued during the whole year and dropped back to 12.3 % with an 8.8 points decline compared to previous year at the end of the year. Decrease in the momentum of loan growth is effected by high base effect in 2017, weakening domestic demand, entering into the balancing process over personal loans as well as commercial loans, tightening in financial conditions and increase in loan interest rates.

The total bank loans increased nominally by 12.3 % in 2018, decreased by 6.7 % in real terms. Thus, the loan volume which amounted to TRY 1,971,683 million in 2017 rose to TRY 2,213,669 million in 2018 (Table 68).

Table 68. Bank Loans⁽¹⁾

Bank Loans	2016	2017	2018	(Thousand TRY)	
				Change (%)	
				2017	2018
Bank Loans					
Deposit banks loans	1,458,303,679	1,751,207,327	1,920,138,685	20.1	9.6
TRY	1,019,745,717	1,272,060,087	1,298,198,709	24.7	2.1
Commercial and personal loans	938,617,825	1,175,900,935	1,182,347,396	25.3	0.5
Specialized loans	81,127,892	96,159,152	115,851,313	18.5	20.5
Agricultural loans	47,457,809	55,329,228	64,384,405	16.6	16.4
Loans to tradesman and artisans	23,657,801	27,863,351	37,367,806	17.8	34.1
Housing loans	61,189	53,591	46,711	-12.4	-12.8
Other	9,951,093	12,912,982	14,052,391	29.8	8.8
Foreign currencies	438,557,962	479,147,240	621,939,976	9.3	29.8
Commercial and personal loans	433,897,158	473,172,463	615,369,193	9.1	30.1
Specialized loans	4,660,804	5,974,777	6,570,783	28.2	10.0
Agricultural loans	0	0	0	-	-
Loans to tradesman and artisans	4,307,337	5,548,352	5,937,898	28.8	7.0
Housing loans	0	0	0	-	-
Other	353,467	426,425	632,885	20.6	48.4
Development and investment bank loans	95,741,522	124,679,147	183,112,187	30.2	46.9
TRY	26,691,586	35,145,292	35,893,572	31.7	2.1
Export Credit Bank of Turkey	5,502,404	6,313,859	2,956,672	14.7	-53.2
Other	21,189,182	28,831,433	32,936,900	36.1	14.2
Foreign currencies	69,049,936	89,533,855	147,218,615	29.7	64.4
Export Credit Bank of Turkey	47,321,724	62,926,137	110,035,529	33.0	74.9
Other	21,728,212	26,607,718	37,183,086	22.5	39.7
Participation banks loans	74,230,440	95,796,943	110,418,117	29.1	15.3
TRY	63,313,618	80,867,316	78,913,511	27.7	-2.4
Foreign currencies	10,916,822	14,929,627	31,504,606	36.8	111.0
Total	1,628,275,641	1,971,683,417	2,213,668,989	21,1	12,3

Sources: TCMB.

(1): Includes domestic loans.

Among total loans, loans of deposit banks increased by 9.6 % to 1,920,139 million TRY, loans of development and investment banks increased by 46.9 % to TRY 183,112 million, and loans of participation banks increased by 15.3 % to TRY 110,418 million. Turkish Lira loans of deposit banks increased by 2.1 % to TRY 1,298,199 million; and among components thereof, commercial and personal loans increased by 0.5 % to TRY 1,182,347 million, agricultural loans by 16.4 % to TRY 64,384 million, loans to tradesmen and artisans decreased by 34.1 % to TRY 37,368 million, and housing loans decreased by 12.8 % to TRY 47,000 million. Foreign exchange loans of deposit banks increased by 29.8 % to TRY 621,940 million; and among important components thereof, foreign exchange commercial and personal loans increased by 30.1 % to TRY 615,369 million, and tradesmen and artisans' loans increased by 7.0 % to TRY 5,938 million.

In 2018, development and investment bank loans in Turkish Lira increased by 2.1 % to TRY 35,894 million, development and investment bank loans in foreign exchange increased by 64.4 % to TRY 147,219 million.

Participation bank loans in Turkish Lira decreased by 2.4 % to TRY 78,914 million, participation bank loans in foreign exchange increased by 111.0 % to TRY 31,505 million.

High rates of decreases were observed on growth rate of consumer loans in banking sector in 2018. Compared to 2017, deposit bank consumer loans increased by 0.7 % to TRY 383,413 million, development and investment banks consumer loans decreased by 10.2 % to TRY 1,832 million, and participation banks consumer loans decreased by 3.7 % to TRY 14,369 million. The housing loans provided by deposit banks decreased by 1.4 % to TRY 175,956 million, development, and vehicle loans decreased by 11.2 % to TRY 5,544 million. High rate of decline in foreign exchange-indexed loans continued in 2018 (Table 69).

Table 69. Consumer Loans in Banking Sector

				(Thousand TRY)		
				Change (%)		
		2016	2017	2018	2017	2018
Deposit Banks		322,564,969	380,711,430	383,413,264	18.0	0.7
	Housing	152,395,520	178,459,560	175,955,849	17.1	-1.4
	Vehicle	6,015,072	6,241,832	5,544,184	3.8	-11.2
	Other	164,154,377	196,010,038	201,913,231	19.4	3.0
Indexed to Foreign Currency	Housing	161,603	107,267	76,716	-33.6	-28.5
	Vehicle	1	0	0	-100.0	-
	Other	3,186	1,636	851	-48.7	-48.0
Investment and Development Banks		1,741,474	2,040,608	1,831,702	17.2	-10.2
	Housing	1,892	350	1,125	-81.5	221.4
	Vehicle	49,836	213,288	150,652	-	-29.4
	Other	1,689,746	1,826,970	1,679,925	8.1	-8.0
Indexed to Foreign Currency	Housing	1,411	208	87	-85.3	-58.2
	Vehicle	0	0	0	-	-
	Other	65	0	0	-100.0	-
Participation Banks		13,507,519	14,918,780	14,368,537	10.4	-3.7
	Housing	11,659,398	13,138,644	12,546,600	12.7	-4.5
	Vehicle	653,480	738,368	817,112	13.0	10.7
	Other	1,194,641	1,041,768	1,004,825	-12.8	-3.5
Indexed to Foreign Currency	Housing	2,140	676	13	-68.4	-98.1
	Vehicle	0	0	0	-	-
	Other	33,037	24,470	16,883	-25.9	-31.0

Source: TCMB.

In 2018, compared to the previous year, while the number of real persons failing to pay their personal credit card debt decreased by 7.9 % to 806,709, the number of real persons failing to pay their personal loan debts increased by 20.4 % reaching 902,918, and the number of real persons failing to pay their personal loan or credit card debts increased by 7.4 % to 1,388,673 (Table 70).

Table 70. Number of Real Persons Not Paying Individual Credit and Credit Card Debts

Years	Number of Real Persons Not Paying Individual Credit Debt ⁽¹⁾	Number of Real Persons Not Paying Individual Credit Card Debt ⁽¹⁾	Number of Real Persons Not Paying Individual Credit or Individual Credit Card Debt ⁽²⁾
2016	727,268	975,015	1,321,053
2017	750,201	875,465	1,293,314
2018	902,918	806,709	1,388,673
Change (%)			
2016	0.3	-2.7	-0.8
2017	3.2	-10.2	-2.1
2018	20.4	-7.9	7.4

Source: TBBRM.

(1); It is the number of individual persons who are subject to legal follow-up due to their individual credit and credit card in the related year.
(2); In the relevant year, only the individual credit is the number of individual persons who have been legally followed by credit card only, both for individual credit and credit card.

The gross foreign exchange reserves which decreased by 2.5 % in 2017, declined by 2.1 % to 110,258 million dollars in 2018. The gold reserve decreased by 14.5 % and came about at 20,130 million dollars. In connection with these changes, the gross international reserves decreased by 4.2 %, from 136,170 million dollars to 130,388 million dollars (Table 71, Chart 37).

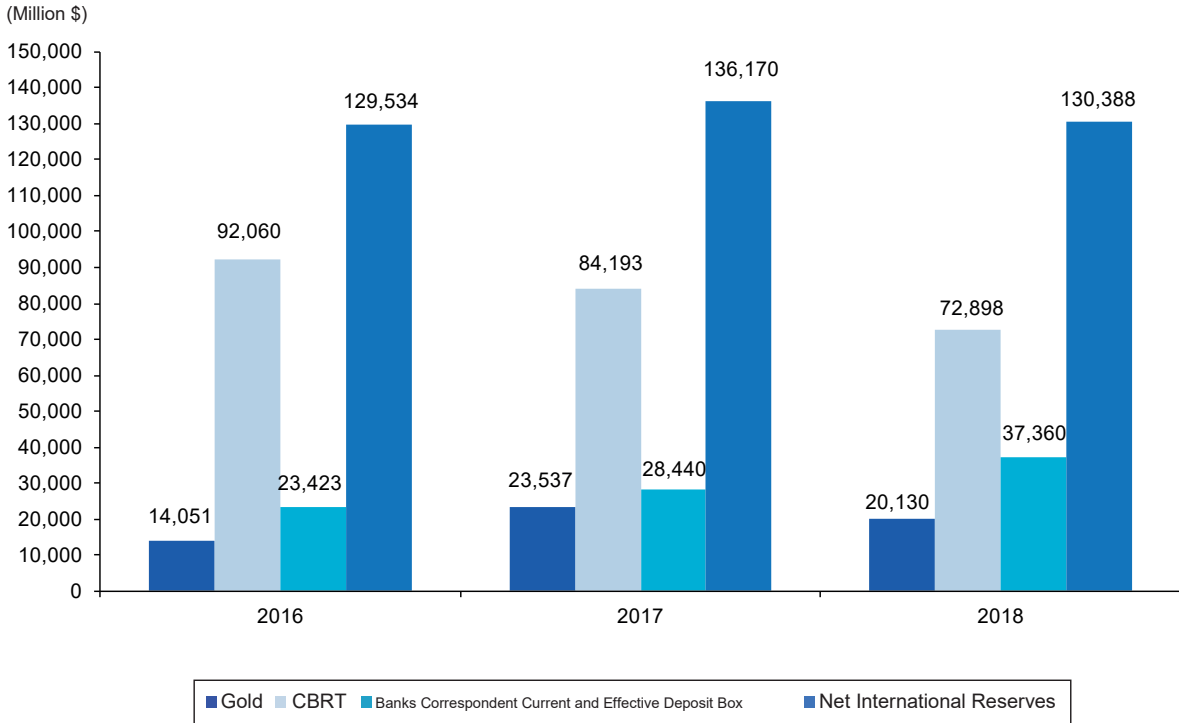
Table 71. International Reserves

(Million Dollars)

Years	Gross Foreign Exchange Reserves				Gross International Reserves	Reporter Deficits	Net International Reserves
	Gold	CBRT	Banks Correspondent Current and Effective Deposit Box	Total			
2016	14,051	92,060	23,423	115,483	129,534	0	129,534
2017	23,537	84,193	28,440	112,633	136,170	0	136,170
2018	20,130	72,898	37,360	110,258	130,388	0	130,388

Source: TCMB.

Chart 37. International Reserves



Source: TCMB.

The rate of imports covered by CBRT foreign exchange reserves that was at the level of 5.6 months in 2017 decreased to 3.9 months in 2018. The fact that decrease in the CBRT foreign exchange reserves' being above the decrease in imports played a role in this reduction (Table 72).

Table 72. CBRT Reserves and Import Coverage Ratio

(Million Dollars)

Years	CBRT Foreign Exchange	Imports	Monthly Average Import	Monthly Average Export Coverage Ratio
2016	92,060	198,618	16,552	5.6
2017	84,193	233,800	19,483	4.3
2018	72,898	223,046	18,587	3.9

Source: TCMB, TÜİK.

As of the 2018 year, in the banking sector, in which deposit banking is predominant, totally 52 banks engaged in activities with 34 deposit, 13 development and investment, and 5 participation banks. Of the deposit banks, 3 are state-owned banks, 9 are privately owned banks, 21 are foreign banks, and 1 bank remains within the scope of the Savings Deposit Insurance Fund. Of the development and investment banks, 3 are state-owned banks, 6 are privately-owned banks, and 4 are foreign banks. 2 of the participation banks are state-owned, 3 are foreign banks. In the Turkish banking system, 65.4 % of the banks consist of deposit banks, 25.0 % of development and investment banks, and 9.6 % of participation banks (Table 73).

Table 73. Bank, Branch and Personnel Information in the Turkish Banking System

Banks	Number of Banks			Number of Branches			Number of Personnel		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Deposit banks	34	34	34	10,740	10,500	10,400	191,363	188,266	186,918
State-owned banks	3	3	3	3,702	3,677	3,718	57,586	58,502	60,195
Privately - owned banks	9	9	9	4,132	4,013	3,963	73,742	73,460	72,025
Banks transferred to the SDIF	1	1	1	1	1	1	231	225	220
Banks with foreign capital	21	21	21	2,905	2,809	2,718	59,804	56,079	54,478
Development and investment banks	13	13	13	41	50	54	5,336	5,238	5,395
State-owned banks	3	3	3	23	31	32	3,766	3,627	3,770
Privately - owned banks	6	6	6	14	15	18	1,373	1,411	1,433
Banks with foreign capital	4	4	4	4	4	4	197	200	192
Participation banks	5	5	5	967	1,034	1,122	14,532	15,031	15,654
State-owned banks	2	2	2	81	126	171	1,165	1,616	2,134
Banks with foreign capital	3	3	3	886	908	951	13,367	13,415	13,520
Total	52	52	52	11,748	11,584	11,576	211,231	208,535	207,967
	Share (%)								
Banks	Number of Banks			Number of Branches			Number of Personnel		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Deposit banks	65.4	65.4	65.4	91.4	90.6	89.8	90.6	90.3	89.9
State-owned banks	5.8	5.8	5.8	31.5	31.7	32.1	27.3	28.1	28.9
Privately - owned banks	17.3	17.3	17.3	35.2	34.6	34.2	34.9	35.2	34.6
Banks transferred to the SDIF	1.9	1.9	1.9	0.0	0.0	0.0	0.1	0.1	0.1
Banks with foreign capital	40.4	40.4	40.4	24.7	24.2	23.5	28.3	26.9	26.2
Development and investment banks	25.0	25.0	25.0	0.3	0.4	0.5	2.5	2.5	2.6
State-owned banks	5.8	5.8	5.8	0.2	0.3	0.3	1.8	1.7	1.8
Privately - owned banks	11.5	11.5	11.5	0.1	0.1	0.2	0.6	0.7	0.7
Banks with foreign capital	7.7	7.7	7.7	0.0	0.0	0.0	0.1	0.1	0.1
Participation banks	9.6	9.6	9.6	8.2	8.9	9.7	6.9	7.2	7.5
State-owned banks	3.8	3.8	3.8	0.7	1.1	1.5	0.6	0.8	1.0
Privately - owned banks	5.8	5.8	5.8	7.5	7.8	8.2	6.3	6.4	6.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: TBB, TKBB.

The total number of branches in the banking sector decreased by 8 in 2018 to 11,576. The number of state-owned deposit bank branches increased by 41 to 3,718, the number of private sector deposit bank branches decreased by 50 to 3,963, while the number of branches of foreign deposit banks decreased by 91 to 2,718. Thus, the number of deposit bank branches decreased by 100 to 10,400. The number of branches of the development and investment banks increased by 4 to 54, and the number of branches of participation banks increased by 88 to 1,122.

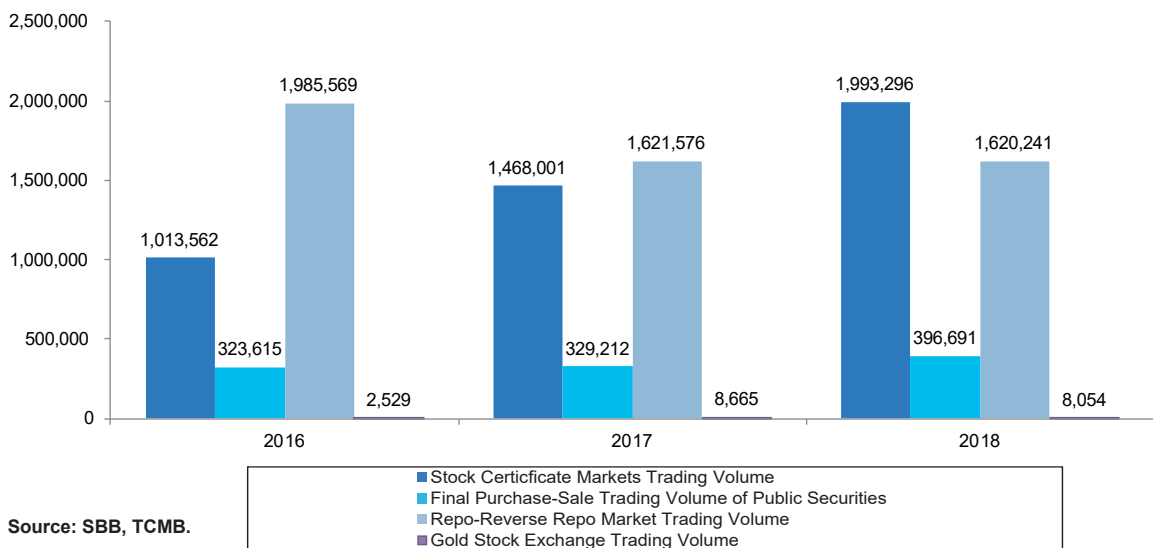
The total number of people employed in the banking system, which was 208,535 in 2017, decreased by 568 to 207,967 in 2018. 89.9 % of the personnel working in the sector is employed by deposit banks, 2.6 % of them by development and investment banks, and 7.5 % by participation banks.

1.4.3 Capital Market

In the securities market in 2018, the trading volume of the stock markets increased by 35.8 % compared to the previous year, reaching TRY 1,993,296 million, public securities outright trading volume increased by 20.5 % to TRY 396,691 million, the repo - reverse repo market trading volume decreased by 0.1 % to TRY 1,620,241 million, the volume of transactions carried out with TRY at the gold exchange decreased by 7.1 % to TRY 8,054 million (Table 74, Chart 38).

Chart 38. Various Indicators in Stock Exchanges

(Million TRY)



Source: SBB, TCMB.

Table 74. Various Indicators in Stock Markets

		(Million TRY)			
Years	Months	Stocks Market Trading Volume	Final Purchase-Sale Trading Volume of Public Securities	Repo-Reverse Repo Market Trading Volume	Gold Stock Exchange Trading Volume
2016	January	84,253	32,646	185,521	49
	February	95,581	30,899	189,938	240
	March	108,159	30,582	214,411	146
	April	101,720	26,288	189,101	162
	May	90,475	3,152	190,200	467
	June	75,190	32,661	164,952	204
	July	73,664	27,233	149,493	264
	August	75,789	23,536	172,221	228
	September	64,659	26,980	127,446	157
	October	84,696	28,140	137,625	185
	November	86,088	36,209	129,471	211
	December	73,286	25,289	135,190	215
	Total	1,013,562	323,615	1,985,569	2,529
2017	January	111,191	38,572	159,157	488
	February	99,686	29,316	144,094	605
	March	104,397	38,946	170,524	875
	April	94,090	32,004	153,832	902
	May	126,122	25,467	131,689	763
	June	102,568	26,231	109,810	772
	July	119,892	2,517	120,612	922
	August	136,944	23,445	120,799	507
	September	117,490	20,724	105,820	739
	October	140,841	27,583	125,854	694
	November	177,209	31,217	136,989	652
	December	137,571	33,189	142,396	746
	Total	1,468,001	329,212	1,621,576	8,665
2018	January	190,750	36,796	125,048	803
	February	149,256	32,738	119,770	594
	March	165,474	35,507	121,980	900
	April	160,231	33,380	105,916	1,576
	May	161,881	31,832	113,485	682
	June	144,699	33,939	98,228	487
	July	211,030	32,034	148,061	397
	August	170,633	26,994	168,359	588
	September	172,574	35,744	141,311	864
	October	185,564	37,093	138,462	550
	November	166,684	41,463	159,044	279
	December	114,522	19,171	180,577	334
	Total	1,993,296	396,691	1,620,241	8,054

Source: SBB, TCMB.

The month during which the stock markets trading volume was the highest was July, and the month with the highest public securities outright trading volume was November, the repo - reverse repo market trading volume was the highest in December, while the greatest trading volume for transactions carried out over TRY at the gold exchange was seen in April.

Borsa İstanbul (BIST)

2018 was a tough year in which financial markets experienced significant losses. Borsa İstanbul (BIST) Index, which rose to its highest level with 119.528,8 in January, experienced a strong decrease after the second half of the year. Trade wars abroad between USA and China, USA Federal Reserve FED's decisions to increase interests, credit rating agencies decreasing Turkey's credit note, tensions with USA, uncertainties brought along with early election decision, sharp fluctuations in foreign exchange rates and CBRT's decisions to increase interests are decisive in the developments in the stock market.

BIST 100 Index started to decline as from February after rapid escalation in January. In consequence of Turkey’s credit notes declining in June, BIST Index, which decreased to the level of 96,520.1, continued to decline despite it recovered slightly in July after Presidential Election and General Deputy Elections and due to the supposition of political stability is provided. The sharp fluctuations in foreign exchange rates in early August and the emergence of economic crisis expectations in the markets supported the fall in the stock exchange. Despite it passed a fluctuating course during the rest of the year, it remained generally at low levels. BIST Index declining to 90,200.7 in October, the lowest level of 2018, closed at level of 91,270.5 in December (Table 75).

Table 75. Borsa İstanbul (BIST) Index and Trading Volume

Years	Months	Trading Volume (Thousand TRY)	BIST 100 Index (January 1986=1)	Consumers Price Index (2003=100)		Trading Volume	
				Index	Change (%)	Nominal Change(%)	Real Change (%)
2016	January	84,253,201	73,481.1	274.4	1.8	-6.4	-8.1
	February	95,581,225	75,814.4	274.4	0.0	13.4	13.5
	March	108,159,342	83,268.0	274.3	0.0	13.2	13.2
	April	101,720,209	85,327.8	276.4	0.8	-6.0	-6.7
	May	90,475,189	77,803.4	278.0	0.6	-11.1	-11.6
	June	75,190,204	76,817.2	279.3	0.5	-16.9	-17.3
	July	73,664,074	75,405.5	282.6	1.2	-2.0	-3.2
	August	75,789,465	75,967.6	281.8	-0.3	2.9	3.2
	September	64,658,885	76,488.4	282.3	0.2	-14.7	-14.8
	October	84,696,188	78,536.2	286.3	1.4	31.0	29.1
	November	86,087,916	73,995.2	287.8	0.5	1.6	1.1
	December	73,286,449	78,138.7	292.5	1.6	-14.9	-16.2
2017	January	111,190,544	86,295.7	299.7	2.5	51.7	48.1
	February	99,686,405	87,478.3	302.2	0.8	-10.3	-11.1
	March	104,396,518	88,947.4	305.2	1.0	4.7	3.7
	April	94,089,820	94,655.3	309.2	1.3	-9.9	-11.0
	May	126,121,755	97,541.6	310.6	0.4	34.0	33.4
	June	102,567,546	100,440.4	309.8	-0.3	-18.7	-18.5
	July	119,891,963	107,531.4	310.2	0.1	16.9	16.7
	August	136,944,325	110,010.5	311.9	0.5	14.2	13.6
	September	117,490,220	102,907.7	313.9	0.7	-14.2	-14.8
	October	140,841,308	110,142.6	320.4	2.1	19.9	17.4
	November	177,209,467	103,984.4	325.2	1.5	25.8	24.0
	December	137,571,310	115,333.0	327.4	0.7	-22.4	-22.9
2018	January	183,141,633	119,528.8	330.8	1.0	33.1	31.8
	February	149,255,853	118,950.8	333.2	0.7	-18.5	-19.1
	March	165,473,570	114,930.2	336.5	1.0	10.9	9.8
	April	160,230,938	104,282.8	342.8	1.9	-3.2	-4.9
	May	161,880,635	100,652.3	348.3	1.6	1.0	-0.6
	June	144,699,242	96,520.1	357.4	2.6	-10.6	-12.9
	July	211,029,787	96,952.2	359.4	0.6	45.8	45.0
	August	170,632,696	92,723.4	367.7	2.3	-19.1	-21.0
	September	172,574,437	99,956.9	390.8	6.3	1.1	-4.9
	October	185,563,843	90,200.7	401.3	2.7	7.5	4.7
	November	166,683,813	95,416.0	395.5	-1.4	-10.2	-8.9
	December	112,068,113	91,270.5	393.9	-0.4	-32.8	-32.5

Source: BİST, SPK, TÜİK.

Total trading volume of BIST which increased by 44.8 % in 2017, increased by 35.1 % in 2018 from TRY 1,468,001 million to 1,983,235 million TRY. Highest trading volume on monthly basis came about with TRY 211,030 million in July and lowest trading volume came about with TRY 112,068 million in December.

In 2018, the month with the highest real increase in the total trading volume in Borsa Istanbul was July with 45.0 %, and this was followed by January with 31.8 % and Mars with 9.8 %. The month with the highest real decrease in the total trading volume were December with 32.5 %, August with 21.0 %, and February with 19.1 %.

Number of domestic investors having share portfolio in 2018 at BIST rose to 1,169,188 with an increase by 8.1 % and the number of foreign investors rose to 9,731 with an increase by 1.7 % compared to 2017. Thus total number of investors who have share portfolio in Borsa Istanbul increased by % 8.1 and came about at 1,178,919 in 2018 compared to 2017. Portfolio values decreased contrary to increase in the numbers of domestic and foreign investors. Portfolio value at BIST of domestic investors decreased by 9.4 % to TRY 111,117 million, that of foreign investors decreased by 12.1 % to TRY 204,225 million, and total portfolio value decreased by 11.1 % to TRY 315,342 million. Among the total number of investors who invested in Borsa Istanbul, share of the domestic investors was 99.2 % and share of foreign investors was 0.8 % as the case in the previous year, share of domestic investors according to portfolio values is by 35.2 % and that of foreign investors is by 64.8 % (Table 76).

Table 76. Number of Investors Investing in Borsa Istanbul and Portfolio Value

Investors Origin	Number of Investors			Change (%)		Portfolio Value (Million TRY)			Change (%)	
	2016	2017	2018	2017	2018	2016	2017	2018	2017	2018
Domestic	1,031,309	1,081,334	1,169,188	4.9	8.1	90,321	122,614	111,117	35.8	-9.4
Foreign	9,485	9,569	9,731	0.9	1.7	156,511	232,261	204,225	48.4	-12.1
Total	1,040,794	1,090,903	1,178,919	4.8	8.1	246,832	354,875	315,342	43.8	-11.1

Source: MKK.

Among the countries in the top ten in 2018 according to the portfolio value within the foreign investors investing in Borsa Istanbul; USA takes the first place with 1,219 investors and a portfolio of TRY 59,905 million, UK the second place with

388 investors with a portfolio of TRY 27,293 million, and Russian Federation the third place with 5 investors with a portfolio of TRY 15,741 million. In 2018, among the foreign investors in our country, the top ten countries with their portfolio value of 159.959 million TRY represent 78.3 % of the total foreign portfolio value of 204,225 million TRY (Table 77).

Table 77. Top Ten Countries for Foreign Investors in Borsa Istanbul ⁽¹⁾

Countries	Number of Investors	Share (%)	(Year 2018)	
			Portfolio Value (Million TRY)	Share (%)
United States of America	1,219	12,5	59,905	29.3
United Kingdom	388	4,0	27,293	13.4
Russian Federation	5	0,1	15,741	7.7
Qatar	6	0,1	14,745	7.2
Luxemburg	256	2,6	14,669	7.2
Ireland	154	1,6	7,879	3.9
Singapore	9	0,1	5,514	2.7
Netherlands	125	1,3	5,491	2.7
Cayman Islands	111	1,1	4,936	2.4
Canada	163	1,7	3,786	1.9
Total of 10 Countries	2,436	25,0	159,959	78.3
Total Foreign Investors	9,731	100,0	204,225	100.0

Source: MKK.

(1): The first ten countries for foreign investors investing in BIST by portfolio value.

1.4.4 Public Finance

It was stated in The Medium Term Fiscal Plan (2018-2020) that “The fiscal policy will be implemented in a manner contributing to protection of the economic stability consistent with ‘basic purposes and priorities of the economy policy and monetary policy targets’, increasing the growth potential, keeping the current account deficit at a sustainable level, encouragement of domestic savings and contributing to investment incentives. It was aimed at improving the ratio of ‘public expenditure and income’ to ‘national income’ and increasing its efficiency, increasing the share of tax revenues in public revenues and ensuring healthiness and continuity in revenue sources, controlling the public sector borrowing requirement, and the protection of achievement in the field of public finance by means of sustainable fiscal policies.

It was aimed that public expenditures are used economically and efficiently, principally in ‘infrastructure investments that would support growth’, in the areas

of incentives, regional development and educational fields and R & D supports by means of using the resources. It was stated that fiscal discipline will be protected and structural reforms will continue to be supported.

In the Medium Term Program (2018-2020), it has been predicted that the ratio of public sector's general balance to GDP will have a deficit of 1.0 % at the end of 2018 and it was tried to make fiscal policy of 2018 implemented in this framework.

It is projected that the growth rate in general government revenues will change to an upward trend, thus the general government revenues which increased by 13.7 % in 2017 will come about at level of TRY 1,224,324 million in 2018 with an increase by 19.1% (Table 78).

Table 78. General Government Revenues ⁽¹⁾

Income	(Current Prices, Million TRY)								
	2016	2017	2018 ⁽²⁾	Change (%)		Share (%)			
				2017	2018	2016	2017	2018	
Taxes	470,431	549,775	644,752	16.9	17.3	52.0	53.5	52.7	
Indirect	138,106	164,314	205,104	19.0	24.8	15.3	16.0	16.8	
Direct	315,094	367,247	416,784	16.6	13.5	34.8	35.7	34.0	
Wealth	17,231	18,213	22,865	5.7	25.5	1.9	1.8	1.9	
Regular non-tax revenues	46,273	47,823	71,370	3.3	49.2	5.1	4.7	5.8	
Factor revenues	129,576	144,839	168,303	11.8	16.2	14.3	14.1	13.7	
Social funds	248,442	280,738	331,899	13.0	18.2	27.5	27.3	27.1	
Total	894,722	1,023,175	1,216,324	14.4	18.9	98.9	99.5	99.3	
Privatization revenues	9,583	4,995	8,000	-47.9	60.2	1.1	0.5	0.7	
Total Revenues	904,305	1,028,170	1,224,324	13.7	19.1	100.0	100.0	100.0	

KSource: SBB, TÜİK.

(1): General government; central government budget, local administrations, revolving funds, Unemployment Insurance Fund, social security institutions, general health insurance and funds.

(2): Estimation of realization

Tax revenues, which make up a substantial portion of the general government revenues, are expected to increase by 17.3 % to TRY 644,752 million in 2018. Non-tax normal revenues are expected to increase by 49.2 % to TRY 71,370 million, factor revenues by 16.2 % to TRY 168,303 million and social funds by 18.2 % to TRY 331,899 million. It is estimated that the privatization revenues, which decreased by 47.9 % in 2017, will increase by 60.2 % to 8,000 million TRY in 2018.

It is expected that the share of the revenue components within government revenues 52.7 % in taxes, 5.8 % in non-tax normal revenues, 13.7 % in factor revenues, 27.1 % in social funds, from 14.3 %, and 0.7 % in privatization revenues.

The general government expenditures which increased by 15.4 % in 2017 are expected to reach TRY 1,312,629 million in 2018 with a 20.9 % increase. It is expected that current expenditures will increase by 22.7 % to TRY 589,188 million, among the subordinate items of investment expenditures fixed capital investments will rise by

18.5 % to 135,938 million TRY, public inventories will have a deficit of TRY 478 million. Thus, the general government investment expenditures which increased by 25.9 % in 2017 will increase by 18.6 % in 2018 and reach 136,416 million TRY. The general government transfer expenditures, which increased by 16.0 % in 2017, are expected to rise by 19.7 % in 2018, reaching TRY 587,025 million. The current transfers and capital transfers, which constitute the substantial part of transfer expenditures, will rise respectively to TRY 560,891 million with an increase of 20.3 % and to TRY 26,134 million with an increase of 9.2 %. During this period, non-interest expenditures are expected to increase by 20.1 % to 1,231,187 million TRY (Table 79).

Table 79. General Government Expenditures ⁽¹⁾

Expenses	(Current Prices, Million TRY)							
	2016	2017	2018 ⁽²⁾	Change (%)		Share (%)		
				2017	2018	2016	2017	2018
Current expenditures	426,499	480,106	589,188	12.6	22.7	45.3	44.2	44.9
Investment expenditures	91,416	115,056	136,416	25.9	18.6	9.7	10.6	10.4
Fixed capital	91,189	114,719	135,938	25.8	18.5	9.7	10.6	10.4
Stock change	226	336	478	48.7	42.3	0.0	0.0	0.0
Transfer expenditures	422,554	490,331	587,025	16.0	19.7	44.9	45.2	44.7
Current expenditures	399,883	466,408	560,891	16.6	20.3	42.5	43.0	42.7
Investment expenditures	22,671	23,923	26,134	5.5	9.2	2.4	2.2	2.0
Non-interest expenditures	887,732	1,025,208	1,231,187	15.5	20.1	94.4	94.4	93.8
Total expenditure	940,469	1,085,493	1,312,629	15.4	20.9	100.0	100.0	100.0

Source: SBB, TÜİK.

(1): General government; central government budget, local administrations, revolving funds, Unemployment Insurance Fund, social security institutions, general health insurance and funds.

(2): Estimation of realization

The share of current expenditures within the general government expenditure in 2018 came about at 44.9 %, that of investment expenditures by 10.4 %, and the share of transfer expenditures by 44.7 %.

1.4.4.1 Central Government Budget

The Central Government Budget Law of 2018 aimed that the central administrative budget expenditure should be TRY 762,753 million, while the budget revenues should be TRY 696,829 million. According to these targets, it was envisaged that the budget balance would produce a deficit of TRY 65,924 million, and the non-interest balance would produce a surplus of TRY 5,776 million. The ratio of the budget deficit to the GDP was intended to be 1.9 %.

The tight fiscal policy, which was implemented in line with the tight monetary policy, was abandoned in 2017 and an expansionary fiscal policy was carried out throughout the year in order to remedy the slowdown in economic activities and invigorate the economy. New tax incentives, subsidies and tax reductions aimed to boost production, investment and employment.

It was pointed out that maintaining fiscal discipline in 2018 monetary and exchange rate policy was one of the factors that decrease the susceptibility of Turkish economy against adverse external shocks. It was noted that Discipline in fiscal policies would be maintained in order to achieve price stability. However, ‘the incentives implemented in the name of revitalizing the economy’ and social supports and economic developments caused deviation in fiscal policy implementations and increased budget deficit.

Fiscal policy was defined as the main supporter of economic balance process in the New Economy Program which was announced on 20th September 2018 and it was aimed that ‘Savings and Income Transformation Program will be prepared by Public Finance Transformation and Change Office which will be established newly’, and provide permanent improvements in public finance.

At the end of 2018, budget revenues and expenses exceeded forecasts. Budget expenses came about above target by TRY 67,697 million %, Budget revenues came about above target by TRY 61,005 million. Budget deficit came about at TRY 72,615 million with TRY 6,691 million above target; the non-interest surplus came about at TRY 1,346 million with TRY 4,430 million below target. While ‘the high rate of increase in interest expenditures in line with interest increases’ and ‘the continuity of increase in personal costs and current transfers’ had a negative impact on budget realizations, but increase in tax revenues and non-tax revenues had a positive impact on it.

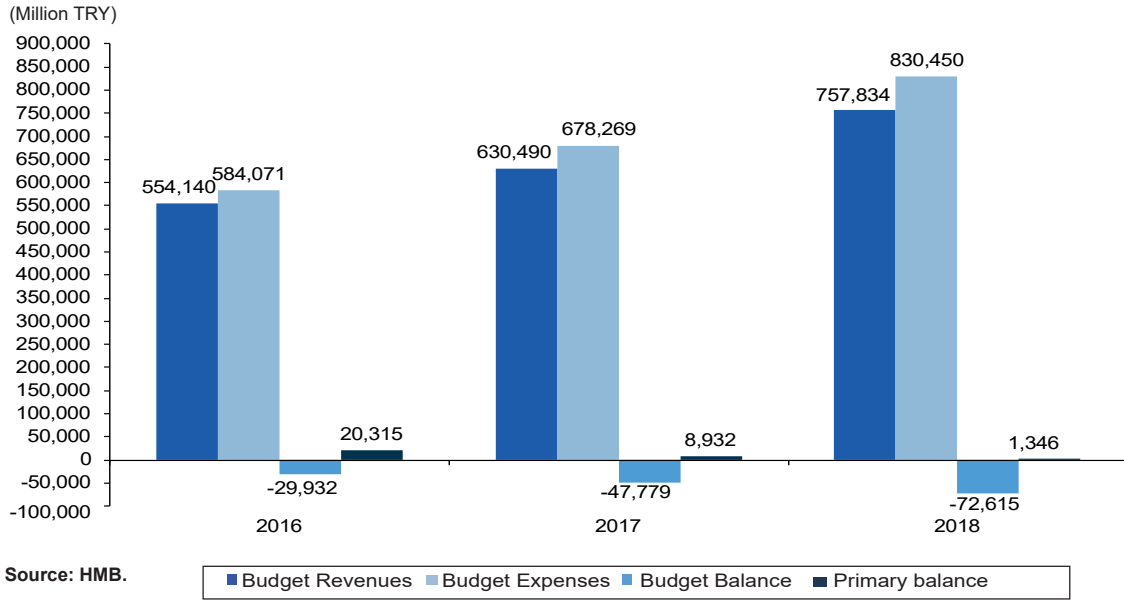
At the end of 2018, compared to the preceding year, budget revenues increased from TRY 630,490 million to TRY 757,834 million with an increase of 20.2 %, and budget expenses increased from TRY 678,269 million to TRY 830,450 million with an increase of 22.4 %. Owing to The budget expenditures which displayed much more increase compared to budget revenues, budget deficit increased by 52.0 %, rising from TRY 47,779 million to TRY 72,615 million. The non-interest surplus decreased by 84.9 %, from TRY 8,932 million to TRY 1,346 million. The ratio by which the budget revenues cover the budget expenses was 91.3 % (Table 80, Chart 39).

Table 80. Central Government Budget Realization

Components	(Current Prices Million TRY)							
				Change (%)		Rate to GDP		
	2016	2017	2018	2017	2018	2016	2017	2018
Budget expenses	584,071	678,269	830,450	16.1	22.4	22.4	21.8	22.4
Non-interest expenses	533,825	621,557	756,488	16.4	21.7	20.5	20.0	20.4
Interest expenditures	50,247	56,712	73,961	12.9	30.4	1.9	1.8	2.0
Budget revenues	554,140	630,490	757,834	13.8	20.2	21.2	20.3	20.5
Budget balance	-29,932	-47,779	-72,615	59.6	52.0	-1.1	-1.5	-2.0
Primary balance	20,315	8,932	1,346	-56.0	-84.9	0.8	0.3	0.0

Source: HMB, TÜİK.

Chart 39. Central Government Budget Realization



The ratio of the 2018 central government budget revenues to the GDP At current prices increased from 20.3 % to 20.5 %, while the ratio of the central government budget expenditures increased from 21.8 % to 22.4 %. While the ratio of the central government budget deficit to the GDP rose from 1.5 % to 2.0 %, the ratio of the non-interest central government budget surplus to the GDP declined from 0.3 % to 0,0 %.

1.4.4.1.1 Revenues

The main objective of the public revenue policies to be followed during 2018-2020 were set as in a manner which improves the competitiveness power of economy on international level, encourages employment and investments, extends tax substructure and declines informality, increases domestic savings, contributes to Turkey's being a regional and global finance center in line with 'the main target that providing the required income for public fiscal system from healthy and sustainable sources', and also with 'the targets that providing justice and effectiveness in tax system'⁴. While Revenue policy in 2018 was executed in this manner, different regulations came into force in order to augment public revenues throughout the year. It was explained that augmenting revenues is one of the main objectives in New Economy Program, which was announced in September.

While 'Sectoral tax incentives which are applied on budget revenue realizations' had a negative impact; tax regulations which augment revenues, 'non-tax revenues obtained by regulations such as re-configuration of taxes and premium debts, reconstruction peace, military service with fee' had a positive impact.

⁴ Ministry of Treasury and Finance, "Central Government Budget Realizations and Expectations Report-2018"

While the central government budget revenues, which increased by 13.8 % in 2017, rose to 757,834 million TRY with an increase of 20.2 % in 2018, came about by 61,005 million TRY above the target (Table 81).

Table 81. Central Government Budget Revenues

Components	(Million TRY)								
				Change (%)		Share (%)			
	2016	2017	2018	2017	2018	2016	2017	2018	
A- General budget revenues	533,203	607,138	729,117	13.9	20.1	96.2	96.3	96.2	
1- Tax revenues	459,002	536,617	621,311	16.9	15.8	82.8	85.1	82.0	
Taxes on income and earnings	139,574	165,306	217,658	18.4	31.7	25.2	26.2	28.7	
Income tax	96,605	112,401	138,986	16.4	23.7	17.4	17.8	18.3	
Income tax based on declaration	4,522	5,038	7,115	11.4	41.2	0.8	0.8	0.9	
Income tax in simple procedure	375	226	206	-39.8	-8.9	0.1	0.0	0.0	
Income tax withholding	89,752	104,847	129,097	16.8	23.1	16.2	16.6	17.0	
Temporary income tax	1,956	2,289	2,569	17.0	12.2	0.4	0.4	0.3	
Corporation tax	42,970	52,906	78,672	23.1	48.7	7.8	8.4	10.4	
Corporate tax based on declaration	2,820	2,280	4,238	-19.2	85.9	0.5	0.4	0.6	
Corporate withholding tax	278	239	259	-14.0	8.5	0.1	0.0	0.0	
Provisional corporate tax	39,872	50,387	74,175	26.4	47.2	7.2	8.0	9.8	
Taxes on property	10,606	11,543	13,766	8.8	19.3	1.9	1.8	1.8	
Inheritance and transfer tax	619	718	921	15.9	28.4	0.1	0.1	0.1	
Motor vehicle tax	9,986	10,825	12,844	8.4	18.7	1.8	1.7	1.7	
Domestic goods and services taxes	191,329	212,001	213,031	10.8	0.5	34.5	33.6	28.1	
Internal Value Added Tax	53,987	55,584	56,353	3.0	1.4	9.7	8.8	7.4	
Special consumption tax	120,402	138,339	133,901	14.9	-3.2	21.7	21.9	17.7	
Banking and insurance transactions tax	11,068	13,270	18,184	19.9	37.0	2.0	2.1	2.4	
Fortune Games tax	900	993	1,155	10.3	16.3	0.2	0.2	2.4	
Special communication tax	4,976	3,817	3,440	-23.3	-9.9	0.9	0.6	0.2	
Other goods and services taxes	-3	-1	-2	-64.1	152.2	0.0	0.0	0.5	
Taxes on international trade and transactions	86,248	112,932	138,041	30.9	22.2	15.6	17.9	0.5	
Customs duties	9,065	12,329	15,245	36.0	23.7	1.6	2.0	18.2	
Value added tax on imports	76,836	100,096	122,114	30.3	22.0	13.9	15.9	2.0	
Other foreign trade revenues	348	508	683	46.1	34.4	0.1	0.1	16.1	
Stamp duty	13,419	15,596	16,959	16.2	8.7	2.4	2.5	0.1	
Fees	17,822	19,237	21,659	7.9	12.6	3.2	3.1	2.2	
Unclassified Other taxes	2	1	197	-50.0	19,551.8	0.0	0.0	2.9	
2- Other non-tax revenues	74,201	70,520	107,806	-5.0	52.9	13.4	11.2	14.2	
B- Revenues of special budget administrations	17,012	19,148	23,543	12.6	22.9	3.1	3.0	3.1	
C- Revenues of regulatory and supervisory agencies	3,925	4,204	5,175	7.1	23.1	0.7	0.7	0.7	
Total	554,140	630,490	757,834	13.8	20.2	100.0	100.0	100.0	

Source:HMB.

Tax revenues, which had the highest share within the central government budget revenues, and rose to TRY 621,311 million in 2018 with an increase of 15.8 %. Therefore, the tax revenues that were forecasted as TRY 599,425 million realized TRY 21,886 million above that target. The share of tax revenues within the total central government budget, which was 85.1 % in 2017, decreased to 82.0 % in 2018.

Taxes on income and earnings increased by 31.7 % in 2018 compared to the previous year, and their share in total revenues was 28.7 %. TRY 138,986 million of these taxes were income tax, and TRY 78,672 million were corporation tax. Compared to 2017, income tax collection increased by 23.7 % and corporate tax collection

increased by 48.7 %. Within income tax items, income tax based on return with 41.2 % and income tax withholding with 23.1 % were the highest increase items, while the increase in corporation tax was supported by an 85.9 % increase in the corporation tax based on return and by 47.2 % increase temporary corporation tax. The share of income tax in the total central government budget revenues was 18.3 %, and the share of corporation tax was 10.4 %.

The taxes on property became TRY 13,766 million with an increase by 19.3 % compared to 2017. While the taxes on goods and services received domestically increased by 0.5 % to TRY 213,031 million in 2017 and its share in central government total budget revenues decreased from 33.6 % to 28.1 %. Value added tax collected domestically in 2018 increased by 1.4 % to TRY 56,353 million, and private consumption tax decreased by 3.2 % to 133,901 million TRY

Among the tax revenues, the direct taxes composed of the total of taxes on incomes and profits, property taxes and taxes not elsewhere classified increased by 31.0 % to TRY 231,621 million, and the indirect taxes composed of the domestics taxes on goods and services, the taxes on international trade and transactions, and stamp taxes and fees increased by 8.3 % to TRY 389,690 million. Within the total tax revenues, the share of direct taxes was 37.2 %, while that of indirect taxes was 62.7 %.

Non-tax revenues which decreased by 5.0 % in 2017 became one of the most important items supporting the increase in the central government budget revenues with an increase of 52.9 % in 2018. While non-tax revenues were realized as TRY 107,806 million, their share in the total central government budget revenues increased to 14.2 %.

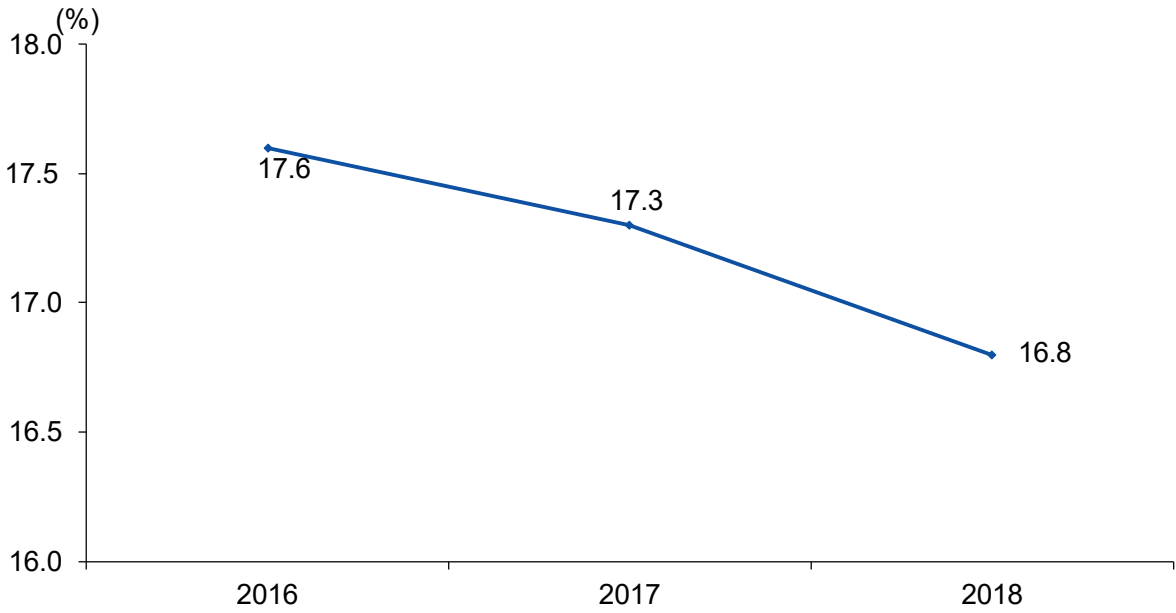
The revenues of special budget institutions increased by 22.9 % to TRY 23,543 million, and the revenues of regulatory and supervisory institutions increased by 23.1 % to TRY 5,175 million.

Tax burden, which is defined as the ratio of total tax revenues to GDP, decreased from 17.3 % to 16.8 % with a decrease of 0.5 points in 2018 (Table 82, Chart 40).

Table 82. Tax Burden and Tax Flexibility Coefficients

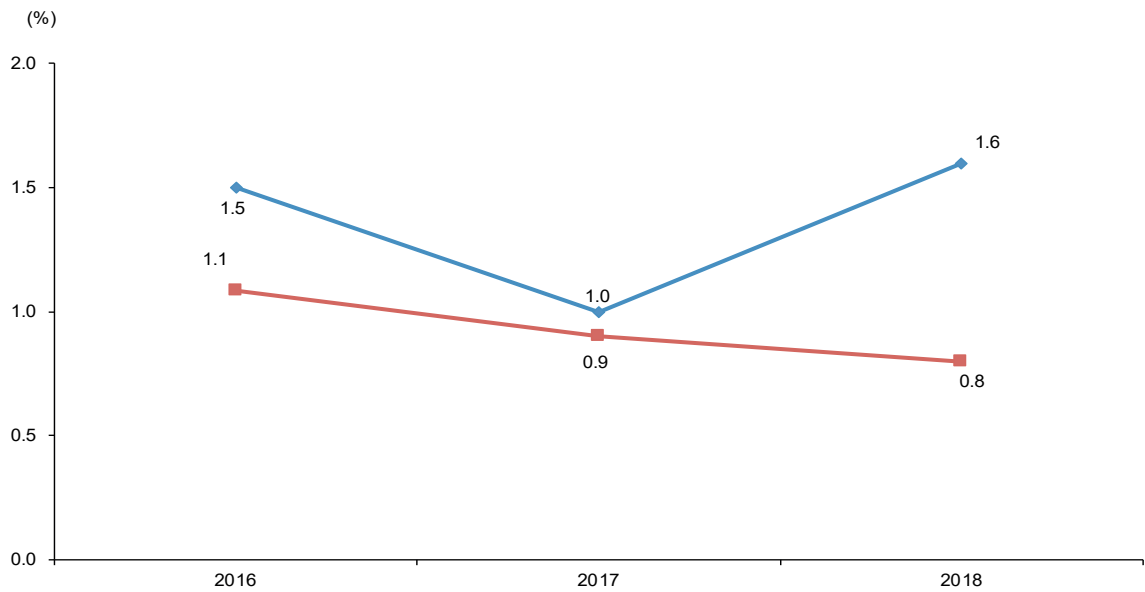
Indicator	2016	2017	2018
Total tax burden	17.6	17.3	16.8
Total tax flexibility	1.1	0.9	0.8
Income + corporate tax flexibility	1.5	1.0	1.6

Source: HMB, TÜİK.

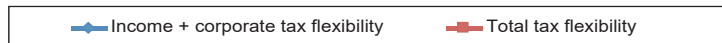
Chart 40. Tax Burden

Source: HMB, TÜİK.

The tax flexibility coefficient, which shows the sensitivity of tax revenues to changes in GDP, which was 1.1 % in 2016, fell to 0.9 % in 2017 and to 0.8 % in 2018. The revenue and corporation tax flexibility, which was 1.5 % in 2016, declined to 1.0 % in 2017, and increased again to 1.6 % in 2018 (Chart 41).

Chart 41. Tax Flexibility Coefficients

Source: HMB, TÜİK.



1.4.4.1.2 Expenditures

Increases in 'Expenditures which were made within the scope of financial measures and incentives that were executed in order to support economic growth and augment investment, employment and exports', current transfers and personnel expenses in 2018 caused increases in budget expenses. Increasing interest expenses in parallel with increases in interest rates and increases in borrowing costs became one of the most important reasons of increase in expense item.

Continuity of minimum wage support, accelerated investment expenses, increasing tourism subsidies, university hospitals debts, feast premiums paid to retired people, inflation differences paid to public servants and workers, additional staff appointments and public employment of contract workers in public sector⁵ were the most important components which support increase in expenses.

It has been explained that the main aim of public finance is increasing fiscal discipline and decreasing 'expenditures of commodity and service, capital, main investment, current transfer and interest' in the New Economic Program that was presented to public opinion in September.

Compared to previous year, budget expenditures rose from TRY 678,269 million to TRY 830,450 million with an increase by 22,4 % and came about TRY 67,697 million over the budget target in 2018 (Table 83).

Non-interest expenditures rose by 21.7 % to TRY 756,488 million. It has been evaluated that personnel expenses, commodity and service expenses, current transfers and capital expenditures were more influential in this development.

Personnel expenses which increased by % 8.9 in 2017 rose by 23.9 % to TRY 200,889 million, state premium expenses to social security institutions rose by 26.0 % to TRY 34,369 million, purchase expenses of goods and services rose by 12.8 % to TRY 71,728 million, current transfers rose by 19.3 % to TRY 323,099 million, capital expenses rose by 24.0 % to TRY 87,986 million, capital transfers rose by 63.1 % to TRY 21,672 million, and lending rose by 25.5 % to TRY 16,746 million.

⁵ Ministry Of Treasury And Finance, "Annual Economic Report-2018"

Table 83. Central Government Budget Expenditures

Components	(Million TRY)							
	2016	2017	2018	Change (%)		Share (%)		
				2017	2018	2016	2017	2018
A-Expenses excluding interest	533,825	621,557	756,488	16.4	21.7	91.4	91.6	91.1
Personnel expenses	148,864	162,146	200,889	8.9	23.9	25.5	23.9	24.2
State premiums to SSI	24,699	27,272	34,369	10.4	26.0	4.2	4.0	4.1
Expenses for purchase of goods and services	54,100	63,600	71,728	17.6	12.8	9.3	9.4	8.6
Defense and security	14,141	18,222	23,442	28.9	28.6	2.4	2.7	2.8
Health expenses	378	345	505	-8.7	46.5	0.1	0.1	0.1
Borrowing overheads	275	370	419	34.3	13.3	0.0	0.1	0.1
Other goods and services purchase expenses	39,306	44,663	47,362	13.6	6.0	6.7	6.6	5.7
Current transfers	224,847	270,924	323,099	20.5	19.3	38.5	39.9	38.9
Duty losses	5,832	7,371	7,407	26.4	0.5	1.0	1.1	0.9
Treasury aids	116,763	143,525	161,035	22.9	12.2	20.0	21.2	19.4
Transfers to non-profit organizations	2,465	3,401	3,475	37.9	2.2	0.4	0.5	0.4
Transfers to households	5,432	6,279	7,264	15.6	15.7	0.9	0.9	0.9
Agricultural support payments	11,489	12,722	14,552	10.7	14.4	2.0	1.9	1.8
Other transfers to households	7,202	10,173	16,238	41.3	59.6	1.2	1.5	2.0
Social transfers	10,814	12,226	13,781	13.0	12.7	1.9	1.8	1.7
Transfers abroad	2,239	2,633	3,238	17.6	23.0	0.4	0.4	0.4
Shares allocated from income	62,609	72,594	96,109	15.9	32.4	10.7	10.7	11.6
Capital expenses	59,677	70,983	87,986	18.9	24.0	10.2	10.5	10.6
Capital transfers	8,881	13,342	16,746	50.2	25.5	1.5	2.0	2.0
Lending	12,756	13,291	21,672	4.2	63.1	2.2	2.0	2.6
B-Interest expenses	50,247	56,712	73,961	12.9	30.4	8.6	8.4	8.9
Total	584,071	678,269	830,450	16.1	22.4	100.0	100.0	100.0

Source: HMB.

In 2018, the share of the current transfers constituting a significant part of the central government budget expenditures was 38.9 %, while the share of personnel expenses was 24.2 %, that of state premium expenses to SSI (Social Security Institution) 4.1 %, the share of expenditures of purchasing goods and services 8.6 %, the share of capital expenditures was 10.6 %, and the share of capital transfers was 2.0 and the share of lending was 2.6 %.

Interest expenditures, which switched to increase in 2017, kept its tendency and rose by 30.4 % from TRY 56,712 million to TRY 73,961 million in 2018. The share of interest expenditures in central government budget expenditures increased by 0.5 points to 8.9 %.

1.4.4.2 Funds

Within the scope of the fund balance, in 2018, four funds continued to be monitored, including ‘the Support and Price Stabilization Fund’ within the budget; ‘the Social Assistance and Solidarity Fund’, ‘the Defense Industry Support Fund’ and the ‘Privatization Fund’ outside the budget.

In 2018, it is expected that revenues of the funds included in the public sector general balance would be TRY 22,747 million, and that their expenses would be TRY 27,300 million, and consequently, the fund balance would produce a deficit of TRY 4,552 million (Table 84).

Table 84. Fund Balance ⁽¹⁾

(Current Prices, Million TRY)

Components	2016	2017	2018 ⁽²⁾	Change (%)	
				2017	2018
A. Fund Revenues	11,131	13,368	22,747	20.1	70.2
Tax revenues	8,935	10,575	17,695	18.4	67.3
Regular non-tax revenues	1,919	1,800	2,172	-6.2	20.7
Factor revenues (Net)	276	993	509	259.8	-48.7
Current transfers (Net)	0	0	0	-	-
Capital transfers (Net)	0	0	2,371	-	-
B. Fund Expenses	15,311	22,148	27,300	44.7	23.3
Current expenses	8,811	12,085	20,305	37.2	68.0
Factor Expenses (Net)	0	0	0	-	-
Fixed capital investments	0	0	0	-	-
Current transfers (Net)	4,719	5,755	6,995	22.0	21.5
Capital transfers (Net)	1,781	4,308	0	141.9	-
C. Revenue-expense difference	-4,181	-8,780	-4,552	110.0	-48.2
D. Finance	4,181	8,780	4,552	110.0	-48.2
Use of external debt	0	0	0	-	-
External debt payment	0	0	0	-	-
Domestic debt-credit relationship (Net)	-233	-39	30	-83.3	-176.9
Cash-bank exchange	4,413	8,819	4,523	99.8	-48.7

Source: SBB.

(1): Unemployment Insurance Fund is excluded.

(2): Realization estimation.

1.4.4.3 State-Economic Enterprises

As part of the Presidential Annual Programme for 2019, October 2018 as of 18 operating under Decree Law No. 233 State-Owned Enterprise (KIT) and privatization within the scope of 50 % Turkish maritime enterprises with excess public share A.Ş., TÜRKŞEKER Joint Stock Company and Sumerian Holding Joint Stock Company. It is monitored within the scope of KIT balance. 2018 in business KIT revenues increased by 22.4% to TRY 170,380 million and expenses by 34.0 % the increase is expected to rise to TRY 183,395 million. (Table 85).

Table 85. Operator KIT Financing Balance

Components	2016	2017	2018 ⁽¹⁾	Change (%)	
				2017	2018
(Current Prices, Million TRY)					
A. Total revenues	119,928	139,204	170,380	16.1	22.4
I. Operating income	104,927	119,647	147,744	14.0	23.5
1. Sales revenue of goods and services	87,517	100,969	126,825	15.4	25.6
2. Other income	17,410	18,678	20,919	7.3	12.0
II. Funds remaining within the organization	4,826	7,760	6,999	60.8	-9.8
1. Depreciation	4,242	4,932	5,526	16.3	12.0
2. Provisions	584	2,828	1,473	384.2	-47.9
III. Budget and funds	10,175	11,797	15,637	15.9	32.6
IV. Other income	0	0	0	-	-
B. Total expenses	110,942	136,880	183,395	23.4	34.0
I. Operating expenses	90,466	114,340	151,444	26.4	32.5
1. Cost of selling goods and services	71,143	93,934	127,940	32.0	36.2
2. Other expenses	19,323	20,405	23,504	5.6	15.2
II. Investment expenditures	8,700	13,442	20,701	54.5	54.0
III. Inventory increase	224	-305	912	-236.2	-399.0
IV. Fixed asset increase	4,311	2,654	2,695	-38.4	1.5
V. Direct taxes	3,848	3,130	3,045	-18.7	-2.7
VI. Dividend payments	1,999	2,199	3,249	10.0	47.7
VII. Other expenses	1,394	1,420	1,349	1.9	-5.0
C. Income-expense difference	8,986	2,324	-13,015	-74.1	-660.0
D. Finance	-8,986	-2,324	13,015	-74.1	-660.0
I. Cash bank exchange	-2,535	1,346	3,406	-153.1	153.0
II. Domestic borrowing (net)	-6,174	-3,227	5,798	-47.7	-279.7
III. External borrowing (net)	-278	-444	3,812	59.7	-958.6

Source: SBB.

(3): Realization estimation.

1.4.4.4 Public Finance Deficit

Public sector balance, which gave a deficit of TRY 56,168 million in 2017, in 2018 Budget interest of TRY 101,618 million, giving a surplus of TRY 544 million in 2017 public sector funding balance excluding payments, TRY 27,657 million in 2018 it is estimated that it will open (Table 86).

Table 86. Public Sector Borrowing Requirement

Components	(Current Prices, MillionTRY)					
				Rate to GDP		
	2016	2017	2018 ⁽¹⁾	2016	2017	2018
Central government budget	29,932	47,779	72,615	1.1	1.5	2.0
KİT	-8,448	-1,155	12,834	-0.3	0.0	0.3
Operator	-8,986	-2,324	13,015	-0.3	-0.1	0.4
Organizations within the scope of privatization	539	1,169	-181	0.0	0.0	0.0
Local administrations	10,413	15,963	21,957	0.4	0.5	0.6
Circulating capital	890	-70	666	0.0	0.0	0.0
Social security institutions	878	-1,611	0	0.0	-0.1	0.0
Unemployment Insurance Fund	-10,128	-13,518	-11,006	-0.4	-0.4	-0.3
Funds	4,181	8,780	4,552	0.2	0.3	0.1
Borrowing requirement	27,718	56,168	101,618	1.1	1.8	2.7
Budget interest payments	50,247	56,712	73,961	1.9	1.8	2.0
Non-interest borrowing requirement	-22,529	-544	27,657	-0.9	0.0	0.7

Source: SBB, HMB.

Note: The (-) sign indicates more

(1): Realization esmitation.

Central government with highest share in public sector deficit in 2018 the budget deficit increased by 52.0% from the previous year to TRY 72,615 million. Operator kits 12,834 million TRY, local administrations 21,957 million TRY, returns capitalised organisations have a deficit of TRY 666 million and funds of TRY 4,552 million, the Unemployment Insurance Fund is expected to give an excess of TRY 11,006 million.

Central government budget deficit to GDP ratio from 1.5% to 2.0%, budget interest the ratio of payments to GDP to 2.0% from 1.8% due to the increase in interest rates it's elevated. Deficit was given at 0.7% of GDP in 2018.

1.4.4.5 Privatization

Privatization carried out by the privatization administration since 1984 has been in the majority of the organizations covered by privatization in recent years with the completion of the privatization works, it has slowed considerably.

Privatization transaction amount to 1,293 million dollars in 2016, 751 in 2017 it fell to million dollars, and in 2018, it increased to 1,359 million dollars. Two thousand eighteen the privatization programme of the year 5 thousand dollars the amount of customization in the block sale of public shares in subsidiaries and affiliates of institutions, facilities and 1,210 million dollars in the privatization program the privatization program of facilities and sales of assets the assets of the institutions, 144 thousand dollars in the establishment of the privatization program the privatization program or public facilities program also shares with the assets belonging to the organizations of the cycles consisted of a cost to the public institutions. A total of 70,244 million dollars has been implemented since 1986 (Table 87).

Table 87. Privatization Transaction

Transactions	(Thousand Dollars)				
	1986-2015	2016	2017	2018	Cumulative Total 1986-2018
Block sale of public shares, including entities in the privatization program and their subsidiaries and affiliates	35,086,548	0	141,486	4,534	35,232,568
Public institutions in the privatization program public offering of shares	9,572,900	0	0	0	9,572,900
Institutions in the privatization program and their sale of public shares in its subsidiaries	1,288,019	0	6,378	0	1,294,397
Sale of facilities and assets belonging to institutions in the privatization program as well as facilities and assets included in the privatization program	19,714,053	1,286,277	507,976	1,210,073	22,718,379
Transfer of public shares in the institutions in the privatization program and the facilities and assets belonging to the organizations in the privatization program or included in the privatization program to public institutions	1,180,598	6,255	95,025	143,962	1,425,840
Total	66,842,118	1,292,532	750,865	1,358,569	70,244,084

Source: ÖİB.

According to cumulative results covering the years 1986-2018, 50.2% of the total privatization revenues were derived from block sales, 32.3% from plant and asset sales, 13.6% from Initial Public Offering, 1.8% from BİST sales and 2.0% from price transfers.

1.4.4.6 Central Government Debt Stock

Since 2003, it is aimed to reduce costs to the most appropriate level within the framework of borrowing policies carried out within the framework of medium term strategic criteria for financing the central government budget deficit and to increase predictability, transparency and accountability. Economic programs prepared with fiscal discipline and debt management policies in line with monetary and fiscal policies are implemented⁶.

Borrowing in 2018 is also mainly in TRY and fixed interest by using instruments, it is aimed to significantly reduce the share of foreign currency debt in the total debt stock, to extend the average maturity, to keep strong cash reserves against liquidity risk that may occur in cash and debt management⁶.

The recent three-year data from the report shows that the upward trend in central government total debt stock continued in 2018 as well. While the upward trend of central government domestic debt stock slowed in 2018, it is worth noting that foreign debt stock has shown a rapid increase. Although the public financing needs are largely met through domestic borrowing, over the years its share in the total debt stock has been gradually shrinking, while the share of foreign borrowing has been increasing.

Central government total debt stock, which was TRY 876,493 million in 2017, increased by 21.7% to TRY 1,066,786 million in 2018. The central government domestic debt stock increased by 14.3% in 2017 to TRY 586,142 million, an increase of 9.5% in 2018. Foreign debt stock also increased by 40.9% to TRY 480,644 million in 2018, following a 17.1% increase in 2017. Central government total debt stock in dollar terms, which increased 7.6% in 2017, decreased 12.7% in 2018 to \$ 202,397 million. In dollar terms, domestic debt stock decreased by 21.5% to \$ 111,214 million, while foreign debt stock increased by 1.0% to \$ 91,183 million (Table 88, Chart 42).

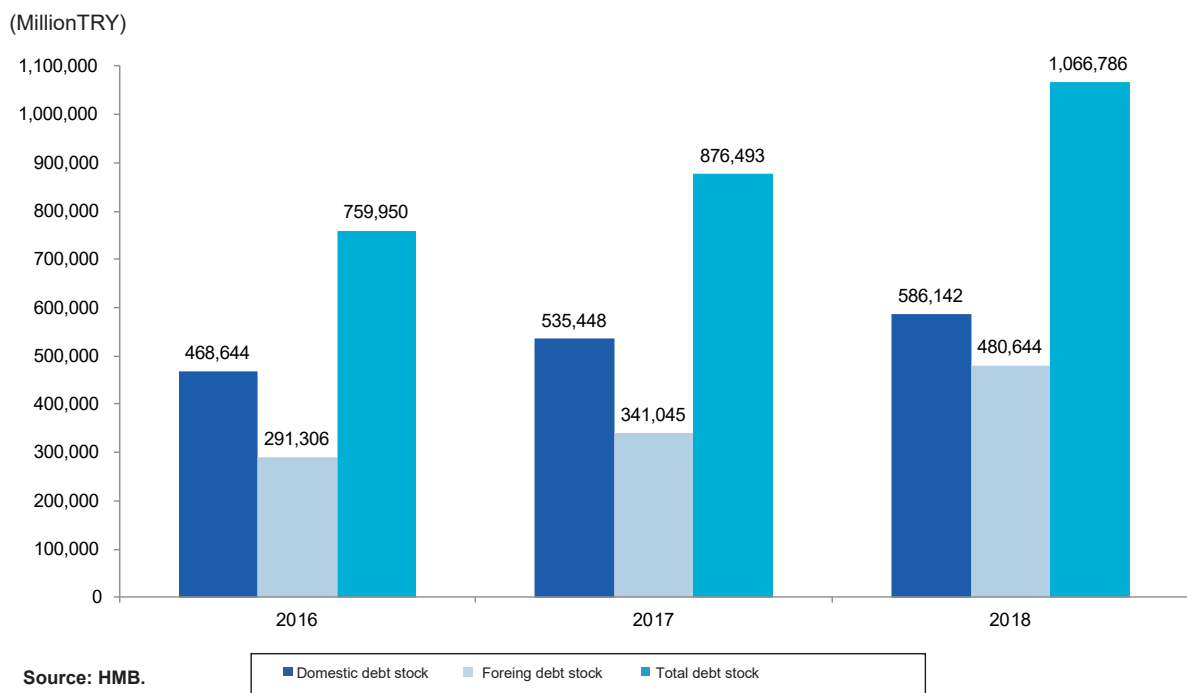
⁶ Ministry of Treasury and Finance 2018 Budget Justification

Table 88. Central Government Total Debt Stock

Components	2016	2017	2018 ⁽¹⁾	Change (%)	
				2017	2018
	(Million TRY)				
Domestic debt stock	468,644	535,448	586,142	14.3	9.5
Foreign debt stock	291,306	341,045	480,644	17.1	40.9
Total debt stock	759,950	876,493	1,066,786	15.3	21.7
	(Million \$)				
Domestic debt stock	132,930	141,702	111,214	6.6	-21.5
Foreign debt stock	82,615	90,241	91,183	9.2	1.0
Total debt stock	215,545	231,943	202,397	7.6	-12.7
	Share (%)				
Domestic debt stock	61.7	61.1	54.9		
Foreign debt stock	38.3	38.9	45.1		
Total debt stock	100.0	100.0	100.0		
	Ratio of GDP				
Domestic debt stock	18.0	17.2	15.8		
Foreign debt stock	11.2	11.0	13.0		
Total debt stock	29.1	28.2	28.8		

Source: HMB.

(1): Temporary.

Chart 42. Central Government Debt Stock

Share of domestic debt stock in central government debt stock in 2018 to 2017 the share of foreign debt stock declined from 61.1% to 54.9%, compared to 38.9% to 45.1 % it's elevated.

In 2018, the ratio of domestic debt stock to GDP decreased by 1.4 percentage points to 15.8% , the ratio of foreign debt stock to GDP increased by 2.0 percentage points to 13.0%, central government total the ratio of debt stock to GDP increased by 0.6 percentage points to 28.8%.

A total of TRY 122,760 million of domestic debt was paid in 2018. Its TRY 73,558 million, of which 59.9% is main money, 40.1% is 49,202 million interest payments were made on the part of TRY. Net of TRY 50,488 million in 2018 domestic borrowing was carried out. Net borrowing is down 24.4% compared to 2017, total pay has increased by 23.1% (Table 89).

Table 89. Central Government Domestic Debt Stock

(Million TRY)

Years	Payments			Borrowing			Debt Stock	Change (%)
	Principal	Interest	Total	Sales	Payment	Net Borrowing		
2016	63,547	36,746	100,293	92,067	63,548	28,519	468,644	6.5
2017	60,443	39,310	99,753	127,248	60,443	66,805	535,448	14.3
2018 ⁽¹⁾	73,558	49,202	122,760	124,047	73,559	50,488	586,142	9.5

Source: HMB.

(1): Temporary.

Weighted average cost of domestic borrowing, which was 10.1% in 2016, in 2017 11.4% rose to 17.5% in 2018. Maturity of domestic debt stock there has also been some deterioration in its structure compared to 2017, with the interior having 71.2 months the average maturity of borrowing decreased to 59.3 months (Table 90).

Table 90. Average Maturity and Cost of Domestic Borrowing

Components	2016	2017	2018 ⁽¹⁾
Cumulative Maturity (Month) ⁽²⁾	67.4	71.2	59.3
Compound interest (%) ⁽³⁾	10.1	11.4	17.5

Source: HMB.

(1): Temporary.

(2): Includes cash domestic borrowing.

(3): Weighted average cost of TRY denominated fixed income domestic borrowing.

Within the total central government debt stock was 1,066,789 million TRY in 2018, the Turkish Lira bills payable amounting to 581,496 million TRY represented 54.4%, whereas foreign exchange bills payable amounting to 485,290 million TRY represented 45.5%.

Within the total debt stock, fixed-rate promissory notes constituted 75.3%, floating-rate promissory notes 12.0%, and CPI-indexed promissory notes constituted 12.7%. Total debt stock in Turkish while the share of fixed-rate bonds indexed to TRY was 34.7%, the share of floating-rate securities was 7.1% and the share of CPI-indexed securities was 12.7%, while the share of fixed-rate instruments indexed to foreign exchange was 40.6% and the share of variable interest securities was 4.9% (Table 91).

Table 91. Central Government Debt Stock Foreign Exchange / Interest Structure ⁽¹⁾

Components	Stock Value (Million TRY)			Share (%)		
	2016	2017	2018 ⁽²⁾	2016	2017	2018
Total debt stock	759,950	876,493	1,066,786	100.0	100.0	100.0
Fixed	530,436	646,729	803,753	69.8	73.8	75.3
Variable	122,697	110,200	127,656	16.1	12.6	12.0
CPI indexed	106,817	119,564	135,377	14.1	13.6	12.7
In Turkish Liras	468,644	535,447	581,496	61.7	61.1	54.5
Fixed	278,945	348,401	370,567	36.7	39.7	34.7
Variable	82,882	67,482	75,552	10.9	7.7	7.1
CPI indexed	106,817	119,564	135,377	14.1	13.6	12.7
Foreign Currency	291,306	341,045	485,290	38.3	38.9	45.5
Fixed	251,491	298,328	433,186	33.1	34.0	40.6
Variable	39,815	42,717	52,104	5.2	4.9	4.9
Domestic debt stock	468,644	535,447	586,142	61.7	61.1	54.9
Fixed	278,945	348,401	375,213	36.7	39.7	35.2
Variable	82,882	67,482	75,552	10.9	7.7	7.1
CPI indexed	106,817	119,564	135,377	14.1	13.6	12.7
External debt stock	291,306	341,045	480,644	38.3	38.9	45.1
Fixed	251,491	298,328	428,540	33.1	34.0	40.2
Variable	39,815	42,717	52,104	5.2	4.9	4.9

Source: HMB.

(1): Domestic and external debt stock consists of principal liabilities.

(2): Temporary.

In 2018, in the distribution of domestic debt stock by lenders compared to the previous year; While the share of the banking sector increased from 47.1% to 53.6%, the share of non-bank sector decreased from 31.0% to 30.2%, and the share of decreased CBRT from 2.5% to 2.1%. Within total domestic debt stock, under the sub-section of the banking sector, the share of public banks was 22.3%, the share of private banks was 19.1%, the share of foreign banks was 9.7% and the share of development and investment banks was 1.1%, and the share of participation banks was 1.4%. The

share of real persons in the non-banking sector in total debt stock was 0.6%, the share of legal persons was 24.3% and the share of securities investment funds was 5.4%. Thus, while the share of domestic investors in domestic debt stock increased from 80.6% to 86.0%, the share of foreign investors decreased from 19.4% to 14.0%. As a result of these evaluations, it is seen that there is a deviation from the strategic criteria and indicators determined for borrowing at the end of 2018 (Table 92).

Table 92. Distribution of Domestic Debt Stock by Assets ⁽¹⁾

Components	Stock Value (Million TRY)			Share (%)		
	2016	2017	2018 ⁽³⁾	2016	2017	2018
Banking sector	236,368	270,359	339,488	47.6	47.1	53.6
Public banks	93,279	101,631	141,093	18.8	17.7	22.3
Private banks	84,194	102,240	120,676	16.9	17.8	19.1
Foreign banks	48,947	55,884	61,480	9.9	9.7	9.7
Development and investment banks	3,908	4,326	7,202	0.8	0.8	1.1
Participation Banks	6,040	6,279	9,037	1.2	1.1	1.4
Non-banking sector	160,562	178,003	191,342	32.3	31.0	30.2
Real people	898	1,300	3,498	0.2	0.2	0.6
Legal entities	127,961	143,247	153,603	25.8	24.9	24.3
Securities mutual funds	31,704	33,456	34,241	6.4	5.8	5.4
CBRT ⁽²⁾	13,879	14,481	13,603	2.8	2.5	2.1
Total domestic residents	410,809	462,843	544,433	82.7	80.6	86.0
Non-residents	85,987	111,307	88,920	17.3	19.4	14.0
Total	496,796	574,150	633,353	100.0	100.0	100.0

Source: HMB.

(1): Inventory data are evaluated with the Official Gazette prices. Repo and so on. GDSs used in collateral transactions are shown in the data of the sub-sector where the collateral is located.

(2): Includes amounts arising from open market transactions.

(3): Temporary

1.4.5 Gold Prices

Due to the fact that it is seen as a safe haven within the investment vehicles and gained in the long term, high price increases have been realized in 2018 under almost every investor's portfolio.

Interest rate policies pursued by the U.S. Central Bank (Fed), continuing geopolitical risks the expectation that it will, the negative effects of trade wars and dollar exchange rates continuing rises are the most significant affecting rises in gold prices there have been elements.

The price of ounce of gold, which averaged US \$ 1,249 in 2016, increased to US \$ 1,258 in 2017 and US \$ 1,270 in 2018. In 2018, gold prices in the domestic markets rose to a record high level, yielding 37.2% nominal and 17.9% real gain for

investors. Gold bullion appreciated by 33.4% in nominal terms and 14.7% in real terms (Table 93).

Table 93. Gold Prices

Years	Months	Cumhuriyet Gold ⁽¹⁾ (TRY/Piece)	Gold Ingot ⁽¹⁾ (TRY/Gr)	1 Ons Gold ⁽²⁾ (ABD \$/Ons)	CPI (2003=100)		Cumhuriyet Gold		Gold ingot	
					Index Value	Change (%)	Nominal Change (%)	Reel Change (%)	Nominal Change (%)	Reel Change (%)
2016	January	704	106	1,101	274.4	1.8	4.0	2.1	5.0	3.1
	February	755	114	1,212	274.4	0.0	7.2	7.3	7.5	7.6
	March	767	116	1,254	274.3	0.0	1.6	1.6	1.8	1.8
	April	752	113	1,242	276.4	0.8	-2.0	-2.7	-2.6	-3.3
	May	791	120	1,256	278.0	0.6	5.2	4.6	6.2	5.6
	June	794	120	1,281	279.3	0.5	0.4	-0.1	0.0	-0.5
	July	836	126	1,337	282.6	1.2	5.3	4.1	5.0	3.8
	August	847	128	1,339	281.8	-0.3	1.3	1.6	1.6	1.9
	September	842	127	1,325	282.3	0.2	-0.6	-0.8	-0.8	-1.0
	October	842	126	1,262	286.3	1.4	0.0	-1.4	-0.8	-2.2
	November	877	132	1,234	287.8	0.5	4.2	3.6	4.8	4.2
	December	875	131	1,150	292.5	1.6	-0.2	-1.8	-0.8	-2.4
	Annual	807	122	1,249	280.8	7.8	19.9	11.3	19.9	11.2
2017	January	957	145	1,188	299.7	2.5	9.4	6.8	10.4	7.7
	February	975	146	1,235	302.2	0.8	1.9	1.1	0.8	0.0
	March	975	146	1,230	305.2	1.0	0.0	-1.1	-0.1	-1.1
	April	998	150	1,274	309.2	1.3	2.4	1.1	3.1	1.7
	May	962	143	1,244	310.6	0.4	-3.7	-4.1	-4.4	-4.8
	June	959	143	1,259	309.8	-0.3	-0.3	-0.1	-0.3	0.0
	July	953	142	1,240	310.2	0.1	-0.6	-0.8	-0.5	-0.7
	August	969	145	1,281	311.9	0.5	1.7	1.2	2.1	1.6
	September	980	147	1,312	313.9	0.7	1.1	0.5	1.5	0.8
	October	1,008	152	1,277	320.4	2.1	2.9	0.8	2.9	0.8
	November	1,067	160	1,282	325.2	1.5	5.8	4.2	5.7	4.2
	December	1,092	158	1,271	327.4	0.7	2.4	1.7	-1.2	-1.9
	Annual	991	148	1,258	312.1	11.1	22.8	10.5	21.9	9.6
2018	January	1,115	162	1,333	330.8	1.0	2.1	1.1	2.3	1.2
	February	1,119	163	1,331	333.2	0.7	0.4	-0.3	0.4	-0.4
	March	1,141	166	1,325	336.5	1.0	2.0	1.0	2.2	1.2
	April	1,197	175	1,333	342.8	1.9	4.9	3.0	5.1	3.1
	May	1,281	187	1,306	348.3	1.6	7.0	5.3	7.2	5.5
	June	1,304	191	1,279	357.4	2.6	1.8	-0.8	1.8	-0.8
	July	1,306	192	1,237	359.4	0.6	0.2	-0.4	0.6	0.0
	August	1,600	234	1,203	367.7	2.3	22.5	19.8	21.9	19.1
	September	1,674	242	1,197	390.8	6.3	4.6	-1.6	3.7	-2.5
	October	1,600	231	1,221	401.3	2.7	-4.4	-6.9	-4.5	-7.0
	November	1,478	213	1,221	395.5	-1.4	-7.6	-6.2	-7.9	-6.6
	December	1,502	217	1,254	393.9	-0.4	1.6	2.0	1.7	2.1
	Annual	1,360	198	1,270	363.1	16.3	37.2	17.9	33.4	14.7

Source: TCMB.

(1): Sales prices.

(2): London is the selling price

1.4.6 Exchange Rates

Central Bank of the Republic of Turkey (CBRT) has continued in 2018, the floating exchange rate regime. In the current exchange rate regime, exchange rate is not used as a policy tool. The CBRT does not have a nominal or real exchange rate target. Exchange rates are determined by supply and demand conditions in the market. Foreign exchange supply and demand, economic fundamentals, applied money and finance policies are influenced by international developments and expectations. The CBRT reacts by changing its monetary policy stance if the exchange rate breaks significantly from economic fundamentals and excessive volatilities pose a risk to financial stability. In order to operate the foreign exchange market effectively, the developments in the exchange rates and the risk factors are monitored and the necessary tools are available. Foreign currency risk is managed by economic units.

In 2018, in the management of foreign exchange liquidity; The Central Bank increased its product range based on the efficient use of its reserves and contributed to the foreign exchange liquidity management of banks. By means of required reserve ratios and Reserve Option Mechanism (ROM), foreign exchange liquidity was provided to the system through. In this context, foreign currency and TRY required reserve ratios were reduced, and the upper limit of foreign exchange opportunity ratio was reduced within the scope of ROM, and foreign exchange deposit auctions for Turkish lira deposits continued. In addition, Turkish lira reconciliated future foreign exchange selling auctions, which started on 20 November 2017, continued in 2018 as well. From August 31, 2018, it has been started to carry out TRY reconciliated settlement future transactions in the Futures and Options Market⁷.

In order to increase the effectiveness of banks in Turkish lira and foreign exchange liquidity management, on 1 November 2018, Turkish lira exchange swap market transactions were initiated and foreign exchange gold market transactions were initiated to ensure the inclusion of domestic gold savings in the financial system.

Due to the repayment of loans in Turkish lira to companies engaged in foreign exchange earning activities and services, CBRT continued to be the most contributing instrument to foreign exchange reserves. In 2018, \$ 14,902 million was added to CBT foreign exchange reserves through the export rediscount loan. While the foreign exchange demand of energy importer state-owned enterprises (KIT) of

⁷ CBRT, Money and Exchange Policy 2019

\$ 7,699 million was met by the CBRT, there were no foreign exchange sales to the foreign exchange markets either through foreign exchange purchase and sale auctions or directly. Thus, net foreign exchange purchases of \$ 7,203 million were made by the CBRT in 2018 (Table 94).

Table 94. Foreign Exchange Trading Amounts Made by the CBRT

(Million Dollars)

Years	Export Rediscount Credits	Foreign Exchange Currency Auctions	Foreign Exchange Selling Auctions	Foreign Buying Interventions	Foreign Selling Interventions	Foreign Exchange Sales to Energy Importing SOEs	Total Net Currency Purchases
2016	15,022	0	3,400	0	0	5,084	6,538
2017	12,490	0	0	0	0	7,851	4,639
2018	14,902	0	0	0	0	7,699	7,203

Source: TCMB.

High rate increases in foreign exchange rates especially in the second and third quarters due to the election environment in 2018, the rise in inflation rates, policies to increase domestic demand, political uncertainties, high external debt payments and the desire of the real sector to close open positions and external interventions. It has experienced. The tension experienced abroad with the USA and the increase in iron and steel tariffs by this country increased the exchange rate increase to the upper levels. In the last quarter, the policies implemented against the exchange rate increases, the economic contraction reduced the need for foreign exchange and the breaking of psychological pressures and the balancing of exchange rates.

As of the year end, according to the annual average values and in nominal terms, value of USA Dollar appreciated against Turkish Lira by 32.4% and rose to TRY 4.82597, Euro appreciated by 38,0% and rose to TRY 5.67717 and the British Pound appreciated by 36,6% and rose to TRY 6.40203, The Japanese Yen appreciated by 34.2% and rose to TRY 4.32021 (Table 95).

Table 95. Exchange Rate by Years

(Foreign Exchange Buying Rate, Annual Average)

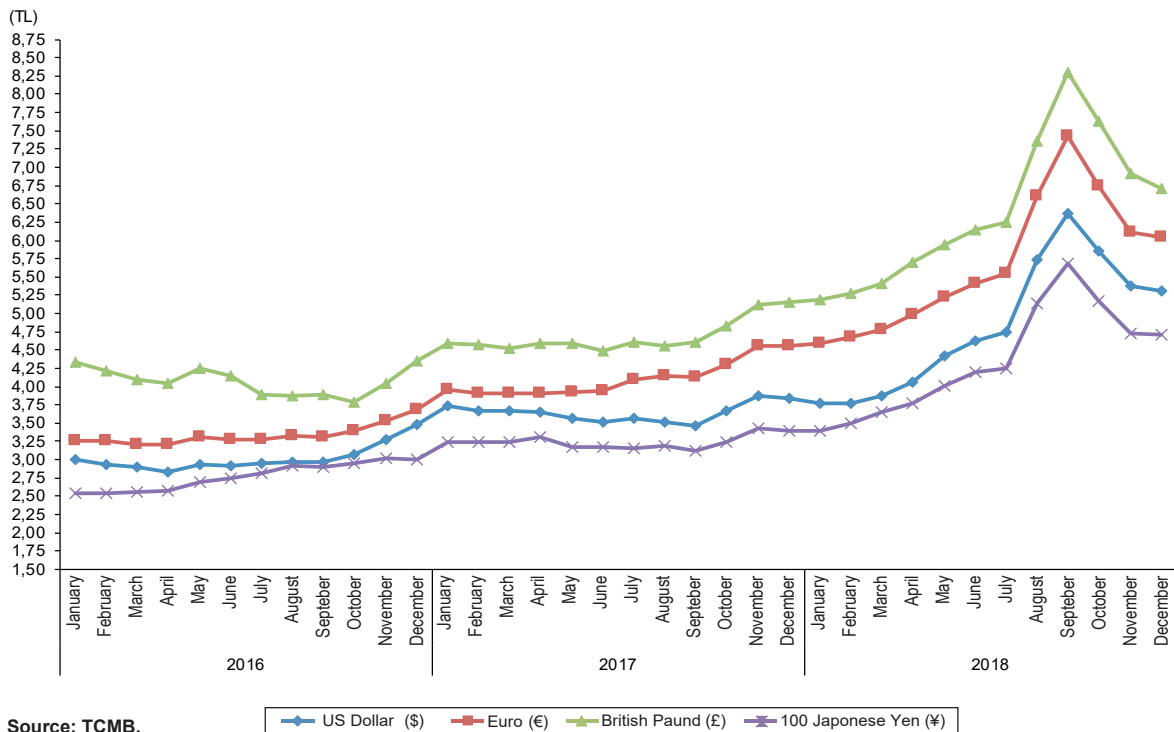
Years	US Dollar	Change (%)	Euro	Change (%)	British Pound	Change (%)	Japanese Yen	Change (%)
2016	3.01854	11.0	3.33768	10.6	4.07741	-1.8	2.77296	23.7
2017	3.64494	20.8	4.11388	23.3	4.68748	15.0	3.24099	16.9
2018	4.82597	32.4	5.67717	38.0	6.40203	36.6	4.35021	34.2

Source: TCMB.

Average monthly rates were TRY 3.84770 in December 2017 the US dollar started 2018 with a 2.0% decrease and in January it was TRY 3.77233 it has declined to its level. In the following months, the dollar rate of exchange increased by 20.7% in August, with a single-digit increase in the band of 0.2-8.9% continuously in the period up to August. The dollar rate rose to TRY 5.73019 in August and to TRY 6.36687 in September, an increase of 11.1%. In the last three months of the year, however, it has been on a downward trend. Thus, the average dollar rate at the end of 2018 was TRY 4.82597, an increase of 32.4% from the previous year. The Euro also started 2018 by rising 0.9% on a monthly basis, rising to its highest levels in August and September, and falling in the following months. Thus, the average Euro value at the end of 2018 was TRY 5.67717, up 38.0% from the previous year.

In 2018, the US dollar appreciated by 13.8% and the Euro by 18.6% against the Turkish lira according to the real consumer price index. Looking at the monthly real changes in 2018, the US dollar experienced the largest depreciation in October with 10.4% and the highest increase in value with 18.0% in August. The highest depreciation of the Euro in October was 11.6% and the highest increase was 16.5%. It is observed that he lived in August (Table 96, Chart 43).

Chart 43. Exchange Rates



Source: TCMB.

— US Dollar (\$) — Euro (€) — British Pound (£) — 100 Japanese Yen (¥)

Table 96. Exchange Rates

(Foreign Exchange Buying Rate, Monthly Average)

Years	Months	US Dollar (\$)	Euro (€)	CPI (2003=100)		Nominal Change (%)		Real Change (%)	
				Index Value	Change (%)	\$	€	\$	€
2016	January	3.00695	3.26692	274.4	1.8	3.1	3.1	1.2	1.2
	February	2.94066	3.26280	274.4	0.0	-2.2	-0.1	-2.2	-0.1
	March	2.89174	3.20635	274.3	0.0	-1.7	-1.7	-1.6	-1.7
	April	2.83474	3.21340	276.4	0.8	-2.0	0.2	-2.7	-0.6
	May	2.92660	3.31473	278.0	0.6	3.2	3.2	2.6	2.6
	June	2.91699	3.27736	279.3	0.5	-0.3	-1.1	-0.8	-1.6
	July	2.95756	3.27097	282.6	1.2	1.4	-0.2	0.2	-1.3
	August	2.96286	3.32075	281.8	-0.3	0.2	1.5	0.5	1.8
	September	2.96010	3.31651	282.3	0.2	-0.1	-0.1	-0.3	-0.3
	October	3.06794	3.38664	286.3	1.4	3.6	2.1	2.2	0.7
	November	3.26745	3.53439	287.8	0.5	6.5	4.4	6.0	3.8
	December	3.48893	3.68128	292.5	1.6	6.8	4.2	5.1	2.5
	Annual	3.01854	3.33768	280.8	7.8	11.0	10.6	3.0	2.6
2017	January	3.73489	3.96549	299.7	2.5	7.0	7.7	4.5	5.1
	February	3.67236	3.91099	302.2	0.8	-1.7	-1.4	-2.5	-2.2
	March	3.66594	3.91577	305.2	1.0	-0.2	0.1	-1.2	-0.9
	April	3.65384	3.91010	309.2	1.3	-0.3	-0.1	-1.6	-1.4
	May	3.56386	3.93239	310.6	0.4	-2.5	0.6	-2.9	0.1
	June	3.51899	3.94866	309.8	-0.3	-1.3	0.4	-1.0	0.7
	July	3.55987	4.09142	310.2	0.1	1.2	3.6	1.0	3.5
	August	3.51248	4.14362	311.9	0.5	-1.3	1.3	-1.8	0.8
	September	3.46805	4.13769	313.9	0.7	-1.3	-0.1	-1.9	-0.8
	October	3.66226	4.30829	320.4	2.1	5.6	4.1	3.5	2.0
	November	3.87905	4.54963	325.2	1.5	5.9	5.6	4.4	4.0
	December	3.84770	4.55252	327.4	0.7	-0.8	0.1	-1.5	-0.6
	Annual	3.64494	4.11388	312.1	11.1	20.8	23.3	8.6	10.9
2018	January	3.77233	4.59128	330.8	1.0	-2.0	0.9	-2.9	-0.2
	February	3.77802	4.67317	333.2	0.7	0.2	1.8	-0.6	1.0
	March	3.88088	4.78546	336.5	1.0	2.7	2.4	1.7	1.4
	April	4.05403	4.98381	342.8	1.9	4.5	4.1	2.5	2.2
	May	4.41415	5.22230	348.3	1.6	8.9	4.8	7.1	3.1
	June	4.62822	5.40696	357.4	2.6	4.8	3.5	2.2	0.9
	July	4.74801	5.54531	359.4	0.6	2.6	2.6	2.0	2.0
	August	5.73019	6.60658	367.7	2.3	20.7	19.1	18.0	16.5
	September	6.36687	7.42468	390.8	6.3	11.1	12.4	4.5	5.7
	October	5.85937	6.74170	401.3	2.7	-8.0	-9.2	-10.4	-11.6
	November	5.37349	6.10608	395.5	-1.4	-8.3	-9.4	-6.9	-8.1
	December	5.30612	6.03868	393.9	-0.4	-1.3	-1.1	-0.9	-0.7
	Annual	4.82597	5.67717	363.1	16.3	32.4	38.0	13.8	18.6

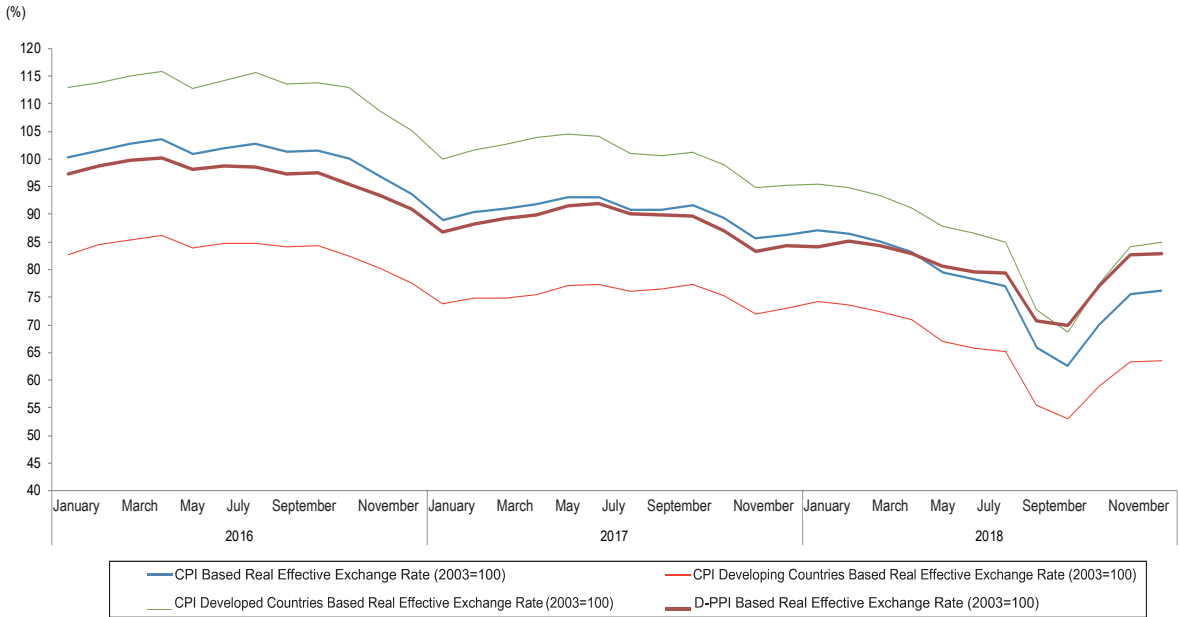
Source: TCMB, TÜİK.

The real effective exchange rate is one of the most important indicators of the competitiveness of countries in international markets. In 2018, real effective exchange rates depreciated by 14.4% on the basis of CPI, and the index depreciated by 77.23 on average, and by 9.7% on the D-PPI basis, reaching 79.95 (Table 97, Chart 44).

Table 97. Real Effective Exchange Rate

Years	Months	CPI Based Real Effective Exchange Rate (2003=100)	CPI Developing Countries Based Real Effective Exchange Rate (2003=100)	CPI Developed Countries Based Real Effective Exchange Rate (2003=100)	D-PPI Based Real Effective Exchange Rate (2003=100)
2016	January	100.26	82.77	112.93	97.31
	February	101.64	84.57	113.70	98.71
	March	102.71	85.27	115.11	99.85
	April	103.61	86.22	115.89	100.14
	May	100.83	83.86	112.82	98.05
	June	101.97	84.66	114.27	98.79
	July	102.71	84.80	115.68	98.50
	August	101.41	84.21	113.65	97.36
	September	101.58	84.32	113.85	97.58
	October	100.13	82.44	113.05	95.44
	November	96.75	80.18	108.60	93.32
	December	93.63	77.48	105.24	91.02
	Annual	100.60	83.40	112.90	97.17
2017	January	89.01	73.77	99.92	86.82
	February	90.39	74.78	101.61	88.32
	March	90.97	74.91	102.70	89.34
	April	91.79	75.44	103.81	89.98
	May	93.07	77.14	104.47	91.53
	June	92.99	77.32	104.07	92.04
	July	90.76	76.01	100.93	90.18
	August	90.90	76.57	100.57	89.83
	September	91.71	77.40	101.30	89.66
	October	89.40	75.19	99.05	86.98
	November	85.57	71.94	94.82	83.34
	December	86.37	72.95	95.32	84.34
	Annual	90.24	75.29	100.71	88.53
2018	January	87.12	74.15	95.49	84.17
	February	86.49	73.67	94.74	85.07
	March	85.13	72.43	93.34	84.27
	April	83.24	70.95	91.13	82.83
	May	79.42	67.00	87.74	80.67
	June	78.21	65.77	86.65	79.69
	July	77.04	65.07	85.02	79.43
	August	65.83	55.52	72.75	70.73
	September	62.50	52.99	68.73	69.94
	October	70.00	58.95	77.46	77.02
	November	75.67	63.39	84.13	82.72
	December	76.15	63.51	85.00	82.88
	Annual	77.23	65.28	85.18	79.95

Source: TCMB.

Chart 44. Real Effective Foreign Exchange Rate Indices

Source: TÜİK.

1.5 Foreign Economic Developments

1.5.1 Foreign Trade Indicators

The growth experienced in the world economy in 2017 had a positive impact on world trade. World export and import volume and so the high rate of acceleration before seen in Turkey's foreign trade volume also positively affected trade and the two-year decline in exports and the three-year decline in imports were replaced by double-digit increases.

Although the growth rate of exports in 2017 decelerated, it continued in 2018 as well. Despite the contraction in domestic demand, foreign demand remained vigorous, the rapid increase in exchange rates, especially in the third quarter of the year and the depreciation of the Turkish lira supported the increase in exports. In the global trade, the introduction of protection measures, including the US-initiated China, the incentives introduced to increase production and exports had a positive effect. At the end of the year, exports increased by 7.0% compared to the previous year.

The start of the slowdown in economic activity in 2018 and the economy with the introduction of the balancing process, the downsizing in domestic demand has limited the increase in imports. The slowdown of gold imports in 2017, which increased at a high rate in 2018, has also been instrumental in the contraction in imports. Imports increased by 4.6% in 2017.

Thus, exports rose from \$ 156,993 million to \$ 167,967 million, while imports decreased from \$ 233,800 million to \$ 223,046 million.

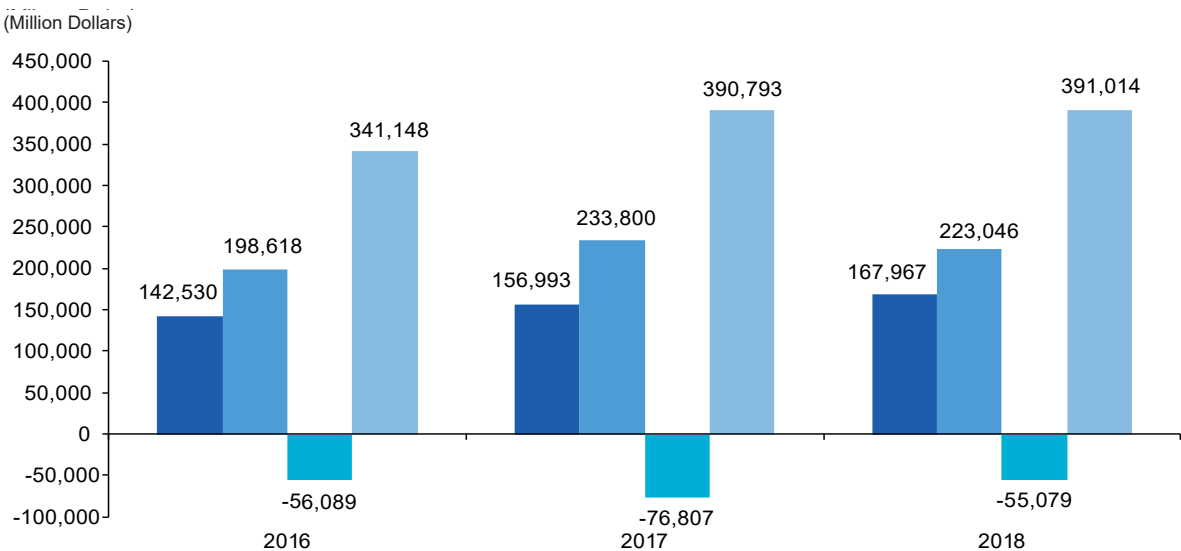
Despite the increase in exports, the foreign trade deficit, which increased by 36.9% in 2017 due to the decrease in imports, decreased by 28.3% in 2018 and became 55.079 million dollars. Foreign trade volume increased by 0.1% to 391.014 million dollars due to the increase in exports (Table 98, Chart 45).

Table 98. Foreign Trade Indicators

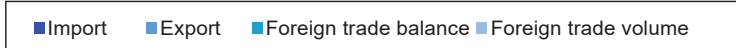
Components	(Million Dollars)				
	Value			Change (%)	
	2016	2017	2018	2017	2018
Export	142,530	156,993	167,967	10.1	7.0
Import	198,618	233,800	223,046	17.7	-4.6
Foreign trade volume	341,148	390,793	391,014	14.6	0.1
Foreign trade balance	-56,089	-76,807	-55,079	36.9	-28.3
Ratio of imports covered by exports	71,8	67,1	75,3	-	-

Source: TÜİK.

Chart 45. Foreign Trade Indicators

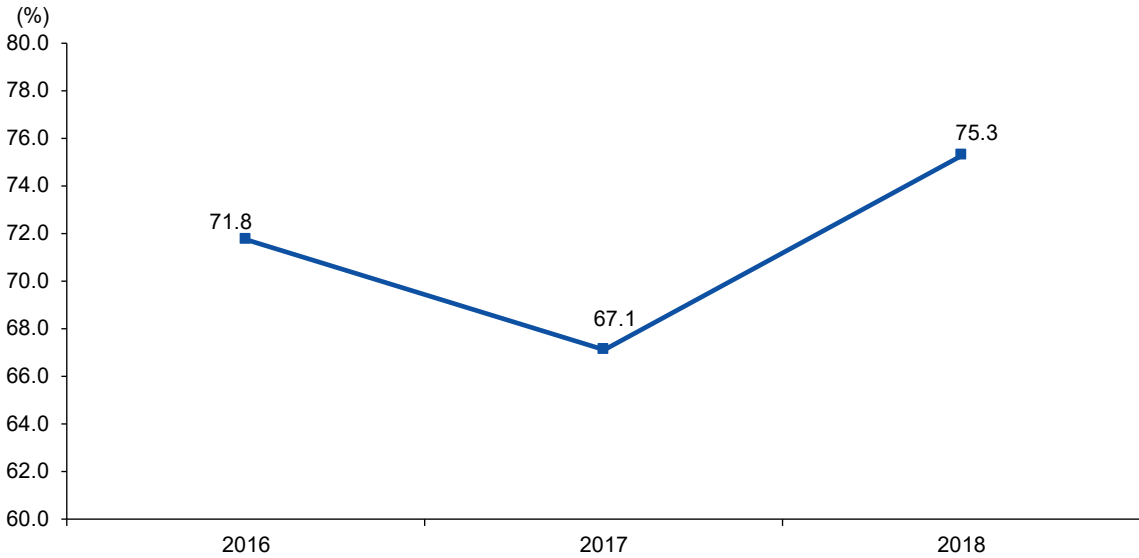


Source: TÜİK



The ratio of imports to exports increased by 8.2 points in 2018 compared to 2017, from 67.1% to 75.3% in 2018 (Chart 46).

Chart 46. Ratio of Imports Covered by Exports



Source: TÜİK.

1.5.1.1 Export

Exports increased by 10.1% in 2017 and increased by 7.0% in 2018. In terms of foreign demand, the revival in trade demand of the European Union countries, which are our most important trading partners, the competitive advantage provided by the depreciation of the Turkish lira, and the fact that firms turned to foreign markets and new markets in the face of the contraction in domestic demand were effective in increasing exports. At the end of 2018, exports rose from \$ 156,993 million to \$ 167,967 million.

In 2018, exports of the mining and quarrying sector decreased by 3.1% to \$ 3,400 million while exports of other sectors increased. Agriculture and forestry sector exports increased 5.1% to 5,557 million dollars, fisheries sector exports increased 7.7% to 486 million dollars, manufacturing sector exports increased 7.2% to 157,750 million dollars (Table 99).

Table 99. Exports by Sector

Sectors	(Million Dollars)							
	Value			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Agriculture and forestry	5,397	5,287	5,557	3.8	3.4	3.3	-2.0	5.1
Fishing	414	451	486	0.3	0.3	0.3	8.9	7.7
Mining and quarrying	2,677	3,509	3,400	1.9	2.2	2.0	31.1	-3.1
Manufacturing	133,596	147,138	157,750	93.7	93.7	93.9	10.1	7.2
Other	446	608	774	0.3	0.4	0.5	36.3	27.4
Total	142,530	156,993	167,967	100.0	100.0	100.0	10.1	7.0

Source: TÜİK.

When the shares of sectors in total exports are compared, it is seen that manufacturing sector has the biggest share with 93.9%, followed by agriculture and forestry sector with 3.3%, mining and quarrying sector with 2.0%, and fishing sector with 0.3%.

According to the broad economic grouping in 2018, compared with the previous year, exports of capital (investment) goods increased by 8.1% to 19,845 million dollars, exports of semi-products increased by 8.5% to 79,288 million dollars and export of consumer goods increased by 4.9% to 68,052 million dollars (Table 100).

Table 100. Exports by Broad Economic Group Classification

Broad Economic Group Classification	(Million Dollars)							
	Value			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Capital (investment) goods	15,891	18,352	19,845	11.1	11.7	11.8	15.5	8.1
Intermediate goods	66,890	73,063	79,288	46.9	46.5	47.2	9.2	8.5
Consumer goods	58,877	64,878	68,052	41.3	41.3	40.5	10.2	4.9
Others	871	700	783	0.6	0.4	0.5	-19.7	11.9
Total	142,530	156,993	167,967	100.0	100.0	100.0	10.1	7.0

Source: TÜİK.

When the shares of main goods groups in total exports are compared with the previous year, it is observed that the share of capital (investment) and intermediate (raw material) goods has increased and the share of consumer goods has decreased. In 2018, 11.8% of exports were composed of capital (investment) goods, 47.2% of intermediate (raw material) goods and 40.5% of consumer goods.

In 2018, exports of motor vehicles, tractors, bicycles, motorcycles and other land vehicles, their parts and parts were ranked first with 26,759 million dollars. The share of this group in total exports increased by 0.7 percentage points compared to the previous year, to 15.9%. Exports of boilers, machinery, mechanical devices and instruments, nuclear reactors, their components and parts were ranked second with a value of \$ 15,830 million and a share of 9.4%, while exports of iron and steel were ranked third with a value of \$ 11,551 million and a share of 6.9% (Table 101).

Table 101. First Ten Chapters in Exports

Chapters ⁽¹⁾	(Million Dollars)								
	Value			Share (%)			Change (%)		
	2016	2017	2018	2016	2017	2018	2017	2018	
Motor vehicles, tractors, bicycles, motorcycles and other road vehicles, parts and accessories thereof	19,802	23,941	26,759	13.9	15.2	15.9	20.9	11.8	
Boilers, machinery, mechanical devices and appliances, nuclear reactors, parts thereof	12,339	13,825	15,830	8.7	8.8	9.4	12.0	14.5	
Iron and steel	6,180	8,230	11,551	4.3	5.2	6.9	33.2	40.3	
Knitted garments and accessories	8,849	8,840	9,052	6.2	5.6	5.4	-0.1	2.4	
Electrical machinery and equipment, sound recording-making, television image-sound recording-making devices, components part-accessory	7,828	8,090	8,724	5.5	5.2	5.2	3.3	7.8	
Precious or semi-precious stones, precious metals, pearls, imitation jewelry, coins	12,176	10,879	7,171	8.5	6.9	4.3	-10.7	-34.1	
Articles of iron or steel	4,964	5,599	6,543	3.5	3.6	3.9	12.8	16.9	
Non-woven apparel and accessories	5,925	5,948	6,268	4.2	3.8	3.7	0.4	5.4	
Plastics and articles thereof	5,026	5,474	6,045	3.5	3.5	3.6	8.9	10.4	
Mineral fuels, mineral oils and products of their distillation, bituminous substances, mineral waxes	3,211	4,327	4,411	2.3	2.8	2.6	34.7	1.9	
Total Export	142,530	156,993	167,967	100.0	100.0	100.0	10.1	7.0	

Source: TÜİK.

(1): These are the top 10 chapters in the ranking made according to 2018 export values.

Iron and steel with the highest export growth of 40.3% in 2018 within these chapters while exports, the only sector with a decrease of 34.1% was precious or semi-precious stones, precious metals, imitation jewellery and metal coins.

1.5.1.2 Import

Imports increased by 17.7% in 2017 and decreased by 4.6% in 2018. Decrease in production and consumption demand with the contraction in the economy and the depreciation of the Turkish lira were the main reasons supporting the decline in imports. At the end of 2018, imports decreased from 233,800 million dollars to 223,046 million dollars (Table 102).

Table 102. Imports by Sector

Sectors	(Million Dollar)							
	Value			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Agriculture and forestry	7,041	8,987	9,284	3.5	3.8	4.2	27.6	3.3
Fishing	56	58	51	0.0	0.0	0.0	3.6	-12.2
Mining and quarrying	19,009	26,079	28,968	9.6	11.2	13.0	37.2	11.1
Manufacturing	167,243	190,748	175,978	84.2	81.6	78.9	14.1	-7.7
Other	5,269	7,928	8,765	2.7	3.4	3.9	50.5	10.6
Total	198,618	233,800	223,046	100.0	100.0	100.0	17.7	-4.6

Source: TÜİK.

In 2018, imports of mining and quarrying sector increased by 11.1% to 28,968 million dollars and agriculture and forestry sector imports rose by 3.3% to 9,284 million dollars compared to the previous year. Imports of the fisheries sector decreased by 12.2% to 51 million dollars and manufacturing imports decreased by 7.7% to 175,978 million dollars.

Compared to the share of sectors in total imports, the manufacturing industry sector 78.9% of the share, 13.0% of the share of the mining and quarrying sector, agriculture and the share of the forestry sector is 4.2%, with the share of the fisheries sector being per cent it appears to be too small to be expressed.

Capital (investment) goods in 2018 according to broad economic group classification imports decreased by 11.5% to 29,303 million dollars, intermediate (raw material) goods imports decreased by 0.8% to 170,049 million dollars, consumer goods imports decreased by 19.7% to 22,877 million dollars (Table 103).

Table 103. Imports by Broad Economic Group Classification

Broad Economic Group Classification	(Million TRY)							
	Value			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Capital (investment) goods	35,919	33,116	29,303	18.1	14.2	13.1	-7.8	-11.5
Intermediate goods	134,315	171,462	170,049	67.6	73.3	76.2	27.7	-0.8
Consumer goods	27,947	28,488	22,877	14.1	12.2	10.3	1.9	-19.7
Other	437	734	817	0.2	0.3	0.4	68.1	11.3
Total	198,618	233,800	223,046	100.0	100.0	100.0	17.7	-4.6

Source: TÜİK.

76.2% of total imports consisted of intermediate (raw material) goods, 13.1% of capital (investment) goods and 10.3% of consumer goods.

In 2018, mineral fuels, mineral oils and products obtained from their distillation, bituminous materials and mineral waxes took the first place among the top 10 chapters which had the highest share in total imports with 43,004 million dollars. The share of this group in total imports increased by 3.4 points compared to the previous year and rose to 19.3%. Boilers, machinery, mechanical devices and tools, nuclear reactors, their components and parts imports ranked second with a value of 25,770 million dollars and 11.6%, while iron and steel imports ranked third with a value of 18,401 million dollars and 8.3% (Table 104).

Table 104. First Ten Chapters in Imports

Chapters ⁽¹⁾	(Million USD)							
	Value			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Mineral fuels, mineral oils and products of their distillation, bituminous substances, mineral waxes	27,169	37,205	43,004	13.7	15.9	19.3	36.9	15.6
Boilers, machinery, mechanical devices and appliances, nuclear reactors, parts thereof	27,297	27,164	25,770	13.7	11.6	11.6	-0.5	-5.1
Iron and steel	12,575	16,762	18,401	6.3	7.2	8.3	33.3	9.8
Electrical machinery and equipment, sound recording-making, television picture-sound recording-making devices, parts-accessories	20,135	21,152	16,569	10.1	9.0	7.4	5.1	-21.7
Motor vehicles, tractors, bicycles, motorcycles and other road vehicles, parts and accessories thereof	17,841	17,428	13,895	9.0	7.5	6.2	-2.3	-20.3
Plastics and articles thereof	11,628	13,265	12,938	5.9	5.7	5.8	14.1	-2.5
Precious or semi-precious stones, precious metals, pearls, imitation jewelery, coins	7,204	17,444	12,557	3.6	7.5	5.6	142.1	-28.0
Organic chemical products	4,360	5,388	5,973	2.2	2.3	2.7	23.6	10.9
Optics, photoCharty, cinema, measurement, control, adjustment, medical, surgical instruments and apparatus, parts and accessories thereof	4,633	4,999	4,684	2.3	2.1	2.1	7.9	-6.3
Pharmaceutical products	4,217	4,449	4,363	2.1	1.9	2.0	5.5	-1.9
Total Export	198,618	233,800	223,046	100.0	100.0	100.0	17.7	-4.6

Source: TÜİK.

(1): In the ranking made according to the import values of 2018, the top 10 chapters.

Among these chapters, the highest import increase in 2018 was in the imports of mineral fuels, mineral oils and products obtained from their distillation, bituminous materials, mineral waxes with 15.6%, the highest decrease being precious or semi-precious stones, precious metals with 28.0%, pearls, imitation jewelery, metal coins.

1.5.1.3 Foreign Trade by Provinces

As of 2018, Istanbul has the highest export value as of the provinces with \$ 85,060 million as in previous years. Istanbul's exports accounted for 50.6% of Turkey's total exports. Istanbul with 11,150 million dollars and 6.6% of total exports to Bursa with 10,236 million dollars izmir, which performs 6.1% of the total exports, followed. Among the provinces ranked in the top 10 in the ranking according to export values for 2018, Hatay was the province with the highest increase in exports compared to the previous year, with 22.5% (Table 105).

Table 105. Top Ten Exporter Provinces

Provinces ^{(1), (2)}	(Million Dollars)							
	Value			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
İstanbul	76,072	81,297	85,060	53.4	51.8	50.6	6.9	4.6
Bursa	9,766	10,536	11,150	6.9	6.7	6.6	7.9	5.8
İzmir	8,330	9,254	10,236	5.8	5.9	6.1	11.1	10.6
Kocaeli	6,528	8,180	8,904	4.6	5.2	5.3	25.3	8.9
Ankara	6,463	6,742	7,613	4.5	4.3	4.5	4.3	12.9
Gaziantep	6,419	6,581	6,865	4.5	4.2	4.1	2.5	4.3
Sakarya	2,554	5,255	5,639	1.8	3.3	3.4	105.7	7.3
Denizli	2,403	2,779	3,109	1.7	1.8	1.9	15.6	11.9
Hatay	1,745	2,333	2,857	1.2	1.5	1.7	33.7	22.5
Manisa	1,874	1,994	2,217	1.3	1.3	1.3	6.4	11.2
Total of first 10 Provinces	122,154	134,950	143,651	85.7	86.0	85.5	10.5	6.4
Total Export	142,530	156,993	167,967	100.0	100.0	100.0	10.1	7.0

Source: TÜİK.

(1): In the ranking made according to the export values of 2018, they are in the top 10 provinces.

(2): Provincial data is formed according to the presence of the initiative centers.

Istanbul owns the highest import value in Turkey with 120,579 million Dollars consisting 54.1% of Turkey's total imports. Istanbul was followed by Kocaeli, consisting 6.3% of total imports, with 13,977 million dollars, and Ankara, consisting 6.0% of total imports, with 13,454 million dollars. Among the top 10 provinces in terms of import values in 2018, Kocaeli was the province with the highest increase in imports by 20.1% compared to 2017, while Manisa was the province with the highest decrease in imports by 12.4% (Table 106).

Table 106. Top Ten Importer Provinces

Provinces ^{(1), (2)}	(Million Dollars)							
	Value			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
İstanbul	116,097	134,213	120,579	58.5	57.4	54.1	15.6	-10.2
Kocaeli	8,064	11,637	13,977	4.1	5.0	6.3	44.3	20.1
Ankara	10,838	12,446	13,454	5.5	5.3	6.0	14.8	8.1
İzmir	8,811	9,833	9,118	4.4	4.2	4.1	11.6	-7.3
Bursa	8,710	9,124	8,517	4.4	3.9	3.8	4.7	-6.6
Gaziantep	4,817	5,236	5,015	2.4	2.2	2.2	8.7	-4.2
Hatay	2,571	3,852	4,071	1.3	1.6	1.8	49.8	5.7
Sakarya	2,113	3,086	3,183	1.1	1.3	1.4	46.0	3.1
Manisa	2,702	3,170	2,776	1.4	1.4	1.2	17.3	-12.4
Adana	1,803	2,169	2,258	0.9	0.9	1.0	20.3	4.1
Total of first 10 Provinces	166,526	194,765	182,949	83.8	83.3	82.0	17.0	-6.1
Total Export	198,618	233,800	223,046	100.0	100.0	100.0	17.7	-4.6

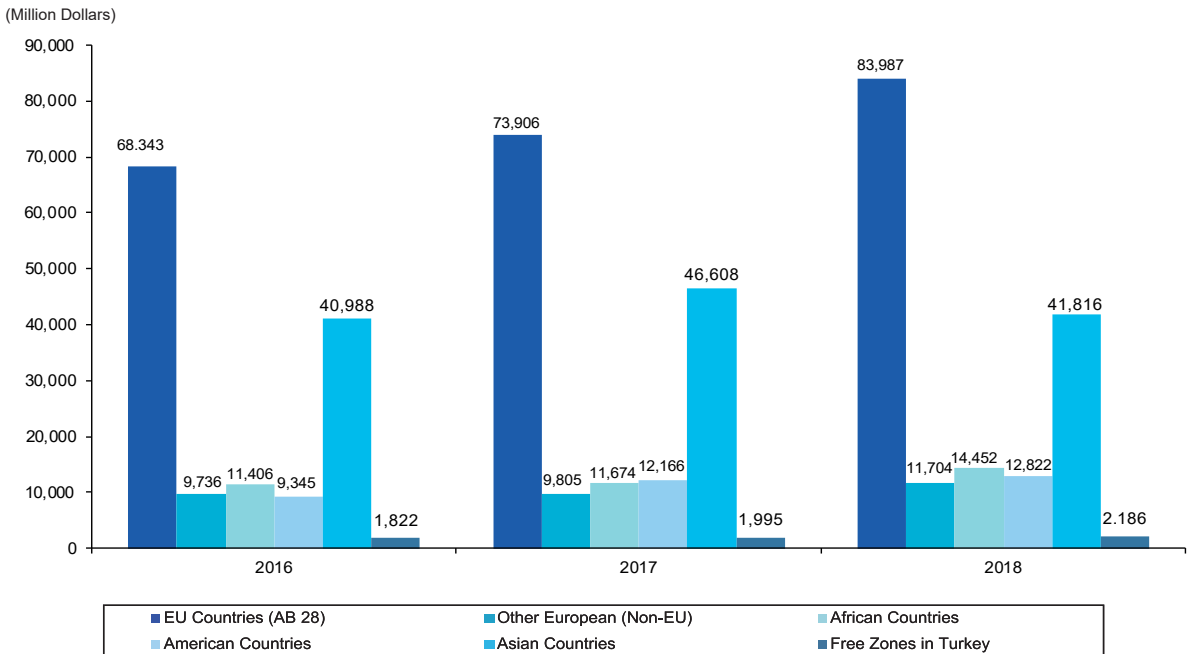
Source: TÜİK.

(1): In the ranking made according to the import values of 2018, these are the top 10 provinces.

(2): Provincial data is formed according to the presence of the initiative centers.

1.5.1.4 Foreign Trade by Country Groups

We carried out a large portion of our total foreign trade exports to EU countries in 2018 increased by 13.6% 83,987 million dollars, Turkey Free Area exports to increase 9.6% to 2,186 million dollars, the other group of countries to the exports increased by 0.9% and increased to 81,794 million dollars (Table 107, Chart 47).

Chart 47. Exports by Certain Country Groups

Source: TÜİK.

Table 107. Foreign Trade Indicators by Country Groups

(Million Dollar)

Country Groups	Export							
	Value			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
A- European Union Countries (EU 28)	68,343	73,906	83,987	48.0	47.1	50.0	8.1	13.6
B- Free Areas in Turkey	1,822	1,995	2,186	1.3	1.3	1.3	9.5	9.6
C- Other countries	72,365	81,092	81,794	50.8	51.7	48.7	12.1	0.9
1- Other Europe (Except EU)	9,736	9,805	11,704	6.8	6.2	7.0	0.7	19.4
2- African countries	11,406	11,674	14,452	8.0	7.4	8.6	2.3	23.8
North Africa	7,755	7,525	9,479	5.4	4.8	5.6	-3.0	26.0
Other Africa	3,651	4,149	4,973	2.6	2.6	3.0	13.6	19.9
3- Countries of America	9,345	12,166	12,822	6.6	7.7	7.6	30.2	5.4
North America	7,404	9,700	9,577	5.2	6.2	5.7	31.0	-1.3
Central America and the Caribbean	846	1,171	1,473	0.6	0.7	0.9	38.4	25.8
South America	1,095	1,295	1,772	0.8	0.8	1.1	18.3	36.8
4- Asian Countries	40,988	46,608	41,816	28.8	29.7	24.9	13.7	-10.3
Near and Middle East	31,304	35,337	29,463	22.0	22.5	17.5	12.9	-16.6
Other Asia	9,684	11,271	12,353	6.8	7.2	7.4	16.4	9.6
5- Australia and New Zealand	736	648	805	0.5	0.4	0.5	-12.0	24.3
6- Other Countries and Regions	153	192	195	0.1	0.1	0.1	25.7	1.3
Total	142,530	156,993	167,967	100.0	100.0	100.0	10.1	7.0
Country Groups	Import							
	Value			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
A- European Union Countries (EU 28)	77,501	85,205	80,812	39.0	36.4	36.2	9.9	-5.2
B- Free Areas in Turkey	1,435	1,564	1,327	0.7	0.7	0.6	9.0	-15.2
C- Other countries	119,682	147,030	140,907	60.3	62.9	63.2	22.9	-4.2
1- Other Europe (Except EU)	21,907	31,381	29,391	11.0	13.4	13.2	43.2	-6.3
2- African countries	5,356	7,177	7,048	2.7	3.1	3.2	34.0	-1.8
North Africa	3,201	4,143	4,594	1.6	1.8	2.1	29.4	10.9
Other Africa	2,155	3,034	2,454	1.1	1.3	1.1	40.8	-19.1
3- Countries of America	16,990	21,009	22,919	8.6	9.0	10.3	23.7	9.1
North America	11,931	14,119	14,358	6.0	6.0	6.4	18.3	1.7
Central America and the Caribbean	967	960	786	0.5	0.4	0.4	-0.7	-18.1
South America	4,092	5,930	7,775	2.1	2.5	3.5	44.9	31.1
4- Asian Countries	68,018	76,954	69,377	34.2	32.9	31.1	13.1	-9.8
Near and Middle East	13,761	19,786	17,858	6.9	8.5	8.0	43.8	-9.7
Other Asia	54,257	57,168	51,519	27.3	24.5	23.1	5.4	-9.9
5- Australia and New Zealand	655	2,236	1,108	0.3	1.0	0.5	241.6	-50.4
6- Other Countries and Regions	6,758	8,274	11,064	3.4	3.5	5.0	22.4	33.7
Total	198,618	233,800	223,046	100.0	100.0	100.0	17.7	-4.6

Source: TÜİK.

Table 107. Foreign Trade Indicators by Country Groups (Continued)

(Million Dollar)

Country Groups	Foreign Trade Volume							
	Value			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
A- European Union Countries (EU 28)	145,844	159,111	164,799	42.8	40.7	42.1	9.1	3.6
B- Free Areas in Turkey	3,256	3,559	3,513	1.0	0.9	0.9	9.3	-1.3
C- Other countries	192,047	228,122	222,701	56.3	58.4	57.0	18.8	-2.4
1- Other Europe (Except EU)	31,643	41,185	41,095	9.3	10.5	10.5	30.2	-0.2
2- African countries	16,762	18,850	21,500	4.9	4.8	5.5	12.5	14.1
Northh Africa	10,956	11,668	14,073	3.2	3.0	3.6	6.5	20.6
Other Africa	5,806	7,183	7,427	1.7	1.8	1.9	23.7	3.4
3- Countries of America	26,335	33,175	35,741	7.7	8.5	9.1	26.0	7.7
Northh America	19,335	23,819	23,935	5.7	6.1	6.1	23.2	0.5
Central America and the Caribbean	1,813	2,131	2,260	0.5	0.5	0.6	17.5	6.0
South America	5,187	7,226	9,547	1.5	1.8	2.4	39.3	32.1
4- Asian Countries	109,006	123,562	111,192	32.0	31.6	28.4	13.4	-10.0
Near and Middle East	45,065	55,123	47,321	13.2	14.1	12.1	22.3	-14.2
Other Asia	63,941	68,439	63,872	18.7	17.5	16.3	7.0	-6.7
5- Australia and New Zealand	1,391	2,884	1,913	0.4	0.7	0.5	107.4	-33.7
6- Other Countries and Regions	6,911	8,466	11,259	2.0	2.2	2.9	22.5	33.0
Total	341,148	390,793	391,014	100.0	100.0	100.0	14.6	0.1

Source: TÜİK.

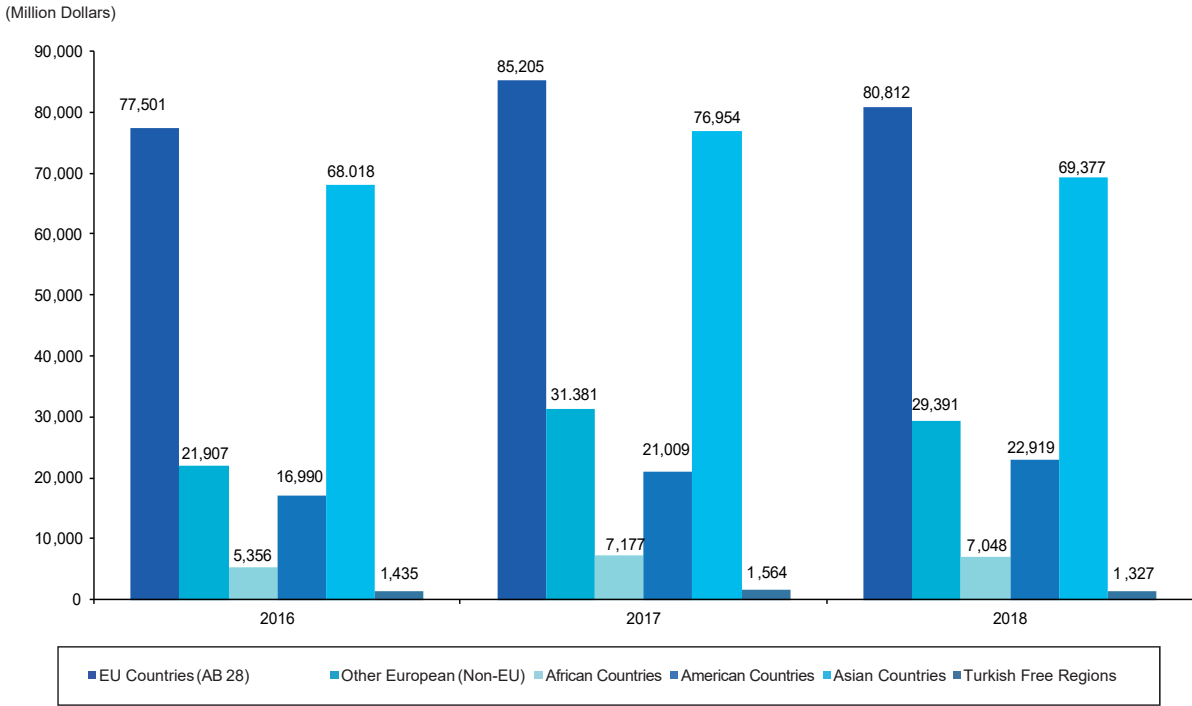
While the share of exports in total exports to EU countries in 2018, Turkey's exports to the Free Zone to share remained unchanged, it decreased the share of exports to other countries. Exports to EU countries in total exports structure in 2018 of 50.0%, the share of Turkey's exports to the free zone of 1.3%, the share of exports to other countries in the group was 48.7%.

In 2018, exports to other countries group amounted to \$ 11,704 million to European countries other than EU countries, \$ 14,452 million to African countries, \$ 12,822 million to American countries, \$ 41,816 million to Asian countries, \$ 805 million to Australia and New Zealand and 195 million dollars other countries and regions.

The share of exports to European countries other than the EU in total exports is 7.0%, the share of exports to African countries is 8.6%, the share of exports to American countries is 7.6%, the share of exports to Asian countries is 24.9%, Australia and New Zealand The share of exports to Turkey was 0.5% and the share of exports to other countries and regions was 0.1%.

Imports from EU countries decreased 5.2% in 2018 to \$ 80,812 million, imports from free areas of Turkey decreased by 15.2% to \$ 1,327 million, imports from other countries Group decreased by 4.2% to \$ 140,907 million (Chart 48).

Chart 48. Imports by Certain Country Groups



Source: TÜİK.

While the ratio of exports to the EU countries from Turkish Free Zones within the total imports decreased, the ratio of exports to the other countries increased. The ratio of imports from the EU countries within the total imports occurred at 36.2%, the ratio of imports from Turkish Free Zones occurred at 0.6% and the ratio of the imports from other country groupings occurred at 63.2%.

\$ 29,391 million of imports worth \$ 140,907 million were imported from other European countries except EU, \$ 7,048 million were from African countries, \$ 22,919 million were from American countries, \$ 69,377 million were from Asian countries and \$ 1,108 million from Australia and New Zealand \$ 11,064 million was made from other countries and regions.

Imports from non-EU European countries in total imports has a share of 13.2%, imports from African countries has 3.2%, imports from American countries has 10.3%, imports from Asian countries has 31.1%, imports from Australia and New Zealand has 0.5% and imports from other countries and regions has 5.0%.

Foreign trade volume which increased by 14.6% in 2017 decelerated and occurred as \$ 391,014 million in 2018 with an increase of 0.1%. Foreign trade volume with EU countries rose to \$ 164,799 million with an increase of 3.6% whereas foreign trade volume with Turkey Free Areas fell to \$ 3,513 million with a decrease of 1.3% and foreign trade volume with countries under other countries group to fell to \$ 222,701 million with a decrease of 2.4%.

Foreign trade with other European countries except EU decreased by 0.2%, foreign trade with Asian countries decreased by 10.0%, foreign trade with Australia and New Zealand decreased by 33.7%, foreign trade with African countries increased by 14.1%, foreign trade with American countries increased by 7.7% and foreign trade with other countries and regions increased by 33.0%.

In terms of selected country groupings, the value of exports occurred at \$93.787 million for the Economic Cooperation and Development (OECD) countries, \$41.181 million for the Islamic Cooperation Organization (OIC) countries, \$17.834 million for the Black Sea Economic Cooperation (BSEC) countries, \$9.716 million for the Commonwealth of Independent States (CIS) countries, \$7.265 million for the Eight Developing Countries (D-8), \$7.144 million for the Economic Cooperation (ECO), \$3.966 million for the Turkish Republics and \$2.276 million for the European Free Trade Union (EFTA) countries. (Table 108).

In 2018, the highest increase was 38.9% in EFTA countries and highest decrease was 11.9% in ECO countries.

Exports to OECD countries were 55.8%, exports to OIC countries were 24.5%, exports to BSEC countries were 10.6%, exports to CIS countries were 5.8%, exports to ECO countries and D-8 countries were %4.3, Exports to the Turkish Republics account for 2.4% and EFTA countries for 1.4%.

Table 108. Foreign Trade Indicators by Selected Country Groups

(Million Dollars)

Selected Country Groups	Export								
	Value			Share (%)			Change (%)		
	2016	2017	2018	2016	2017	2018	2017	2018	
Organization for Economic Cooperation and Development (OECD)	77,420	82,726	93,787	54.3	52.7	55.8	6.9	13.4	
European Free Trade Association (EFTA)	3,267	1,638	2,276	2.3	1.0	1.4	-49.8	38.9	
Black Sea Economic Cooperation (BSEC)	13,078	15,635	17,834	9.2	10.0	10.6	19.5	14.1	
Organization for Economic Cooperation (ECO)	9,603	8,105	7,144	6.7	5.2	4.3	-15.6	-11.9	
Commonwealth of Independent States (CIS)	7,750	9,102	9,716	5.4	5.8	5.8	17.5	6.7	
Turkish Republics	3,992	4,165	3,966	2.8	2.7	2.4	4.3	-4.8	
Islamic Cooperation Organization (IOC)	41,232	45,133	41,181	28.9	28.7	24.5	9.5	-8.8	
D-8 Developing Eight Countries ⁽¹⁾	9,127	7,125	7,265	6.4	4.5	4.3	-21.9	2.0	
General Total	142,530	156,993	167,967	100.0	100.0	100.0	10.1	7.0	
Selected Country Groups	Import								
	Value			Share (%)			Change (%)		
	2016	2017	2018	2016	2017	2018	2017	2018	
Organization for Economic Cooperation and Development (OECD)	100,923	116,368	107,172	50.8	49.8	48.0	15.3	-7.9	
European Free Trade Association (EFTA)	3,162	7,776	3,611	1.6	3.3	1.6	145.9	-53.6	
Black Sea Economic Cooperation (BSEC)	24,183	30,605	32,812	12.2	13.1	14.7	26.6	7.2	
Organization for Economic Cooperation (ECO)	7,740	11,206	10,428	3.9	4.8	4.7	44.8	-6.9	
Commonwealth of Independent States (CIS)	20,729	26,079	28,145	10.4	11.2	12.6	25.8	7.9	
Turkish Republics	2,605	3,185	2,953	1.3	1.4	1.3	22.3	-7.3	
Islamic Cooperation Organization (IOC)	23,178	31,957	28,416	11.7	13.7	12.7	37.9	-11.1	
D-8 Developing Eight Countries ⁽¹⁾	10,867	15,351	13,548	5.5	6.6	6.1	41.3	-11.7	
General Total	198,618	233,800	223,046	100.0	100.0	100.0	17.7	-4.6	
Selected Country Groups	Foreign Trading Volume								
	Value			Share (%)			Change (%)		
	2016	2017	2018	2016	2017	2018	2017	2018	
Organization for Economic Cooperation and Development (OECD)	178,343	199,094	200,959	52.3	50.9	51.4	11.6	0.9	
European Free Trade Association (EFTA)	6,428	9,414	5,887	1.9	2.4	1.5	46.5	-37.5	
Black Sea Economic Cooperation (BSEC)	37,262	46,240	50,645	10.9	11.8	13.0	24.1	9.5	
Organization for Economic Cooperation (ECO)	17,342	19,311	17,572	5.1	4.9	4.5	11.4	-9.0	
Commonwealth of Independent States (CIS)	28,479	35,182	37,862	8.3	9.0	9.7	23.5	7.6	
Turkish Republics	6,597	7,350	6,919	1.9	1.9	1.8	11.4	-5.9	
Islamic Cooperation Organization (IOC)	64,411	77,090	69,597	18.9	19.7	17.8	19.7	-9.7	
D-8 Developing Eight Countries ⁽¹⁾	19,994	22,477	20,813	5.9	5.8	5.3	12.4	-7.4	
General Total	341,148	390,793	391,013	100.0	100.0	100.0	14.6	0.1	

Source: TÜİK.

(1): Turkey, Iran, Pakistan, Bangladesh, Malaysia, Indonesia, Egypt, Nigeria

In 2018, the highest imports were made from OECD countries with \$ 107,172 million, followed by BSEC countries with \$32.812 million, OIC countries with \$28.416 million, CIS countries with \$ 28,145 million, D-8 countries with \$ 13,548 million, ECO countries with \$ 10,428 million and from EFTA countries with \$ 3,611 million and Turkish Republics with \$ 2,953 million. In 2018, imports from all country groups under this title increased by only 7.2% in the BSEC countries and by 7.9% in the CIS countries, while imports from other country groups decreased. The highest decrease was in imports from EFTA countries with 53.6%.

In 2018, 200.959 million dollars of foreign trade volume, to the selected country groups, is done with OECD countries consisting by 51.4%, 69,597 million dollars of it is done with OIC countries consisting by 17.8%, 50,645 million dollars of it is done with BSEC countries consisting by 13.0%, 37,862 million dollars of it is done with CIS countries consisting by 9%, 20.813 million dollars of it is done with D-8 countries consisting by 5.3%, 17,572 million dollars of it is done with ECO countries consisting by 4.5%, 6,919 million dollars of it is done with Turkic Republics consisting 1.8% and 5,887 million dollars of it is done with EFTA countries consisting by 1.5%.

Among the top ten exporting countries, Germany ranked first with \$ 16,143 million, taking 9.6% of total exports, and exports to this country increased by 6.8% compared to 2017. The United Kingdom, which received 6.6% of total exports with \$ 11,111 million, ranked second, while exports to this country increased by 15.7% compared to 2017. Italy ranked third with \$ 9,563 million, taking 5.7% of total exports and 12.9% increase in exports to this country compared to 2017. Among the top ten countries of the previous year, Belgium was the country with the highest increase in exports with 25.4%, while the country with the highest decrease was Iraq with 7.8%. In 2018, 48.3% of the total exports to the top ten countries were achieved (Table 109).

Table 109. Top Ten Exporting Countries

Countries ⁽¹⁾	Value			Share (%)			(Million Dollars) Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Germany	13,999	15,119	16,143	9.8	9.6	9.6	8.0	6.8
United Kingdom	11,686	9,603	11,111	8.2	6.1	6.6	-17.8	15.7
Italy	7,581	8,473	9,563	5.3	5.4	5.7	11.8	12.9
Iraq	7,637	9,055	8,350	5.4	5.8	5.0	18.6	-7.8
USA	6,623	8,654	8,304	4.6	5.5	4.9	30.7	-4.0
Spain	4,988	6,302	7,712	3.5	4.0	4.6	26.3	22.4
France	6,022	6,584	7,289	4.2	4.2	4.3	9.3	10.7
Netherlands	3,589	3,864	4,762	2.5	2.5	2.8	7.7	23.2
Belgium	2,548	3,151	3,952	1.8	2.0	2.4	23.7	25.4
Israel	2,956	3,407	3,895	2.1	2.2	2.3	15.3	14.3
Total of the first ten countries	67,629	74,214	81,079	47.4	47.3	48.3	9.7	9.3
Total export	142,530	156,993	167,967	100.0	100.0	100.0	10.1	7.0

Source: TÜİK.

(1): In the ranking made according to the export values of 2018, they are among the top 10 countries.

The Russian Federation took the first place among the top ten countries with 21,990 million dollars and 9.9% share, while imports from this country increased by 12.7% compared to 2017. China ranked second with 20,719 million dollars, accounting

for 9.3% of total imports and imports from China decreased by 11.3% compared to 2017. Germany, consisting 9.1% of the total imports with 20.407 million dollars, took third place and imports from this country continued to decline and decreased by 4.2% in 2017. In 2018, among the top ten countries taking part in our imports India was the country with the highest imports increase by 21.2% while China became the country with the highest decrease by 11.3%. In 2018, the share of the top 10 countries in total imports was 54.4% (Table 110).

Table 110. Top Ten Most Imported Countries

Countries ⁽¹⁾	Value			Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Russian Federation	15,162	19,514	21,990	7.6	8.3	9.9	28.7	12.7
China	25,441	23,371	20,719	12.8	10.0	9.3	-8.1	-11.3
Germany	21,475	21,302	20,407	10.8	9.1	9.1	-0.8	-4.2
USA	10,868	11,952	12,378	5.5	5.1	5.5	10.0	3.6
Italy	10,218	11,305	10,155	5.1	4.8	4.6	10.6	-10.2
India	5,757	6,217	7,536	2.9	2.7	3.4	8.0	21.2
United Kingdom	5,320	6,549	7,446	2.7	2.8	3.3	23.1	13.7
France	7,365	8,071	7,413	3.7	3.5	3.3	9.6	-8.2
Iran	4,700	7,492	6,931	2.4	3.2	3.1	59.4	-7.5
South Korea	6,384	6,609	6,343	3.2	2.8	2.8	3.5	-4.0
Total of the first ten countries	112,691	122,380	121,317	56.7	52.3	54.4	8.6	-0.9
Total export	198,618	233,800	223,046	100.0	100.0	100.0	17.7	-4.6

Source: TÜİK.

(1): In the ranking made according to the import values of 2018, they are among the top 10 countries.

1.5.1.5 Foreign Trade with Neighbouring Countries

Exports to neighbouring countries in 2018 fell to \$ 19,637 million with a decrease of 5.2%. The neighbouring countries' share in total exports fell from 13.2% to 11,7 with a decrease of 1,5 percentage point compared to the previous year.

Among the neighboring countries, Iraq was the country with the highest export value of \$ 8,350 million and it was followed by Bulgaria with \$ 2,670 million and Iran with \$ 2,393 million. In 2018, exports to Iraq decreased by 7.8%, exports to Bulgaria by 4.7% and exports to Iran by 26.6% compared to the previous year. The highest increase in exports was recorded in exports to Greece with 25.6% (Table 111).

Table 111. Foreign Trade with Neighbouring Countries

(Million Dollars)

Neighboring Countries	Export								
	Value			Share (%)			Change (%)		
	2016	2017	2018	2016	2017	2018	2017	2018	
Azerbaijan- Nakhchivan	1,285	1,357	1,475	0.9	0.9	0.9	5.6	8.7	
Bulgaria	2,384	2,803	2,670	1.7	1.8	1.6	17.6	-4.7	
Armenia	0	0	0	0.0	0.0	0.0	0.0	0.0	
Georgia	1,177	1,209	1,315	0.8	0.8	0.8	2.8	8.8	
Iraq	7,637	9,055	8,350	5.4	5.8	5.0	18.6	-7.8	
Iranian	4,966	3,259	2,393	3.5	2.1	1.4	-34.4	-26.6	
Syria	1,322	1,363	1,345	0.9	0.9	0.8	3.1	-1.3	
Greece	1,427	1,663	2,089	1.0	1.1	1.2	16.5	25.6	
Sum of neighboring items	20,198	20,709	19,637	14.2	13.2	11.7	2.5	-5.2	
Grand Total	142,530	156,993	167,967	100.0	100.0	100.0	10.1	7.0	
Neighboring Countries	Import								
	Value			Share (%)			Change (%)		
	2016	2017	2018	2016	2017	2018	2017	2018	
Azerbaijan- Nakhchivan	278	351	379	0.1	0.2	0.2	26.3	8.0	
Bulgaria	2,142	2,773	2,501	1.1	1.2	1.1	29.5	-9.8	
Armenia	1	2	2	0.0	0.0	0.0	100.0	0.0	
Georgia	212	215	234	0.1	0.1	0.1	1.4	8.8	
Iraq	836	1,528	1,420	0.4	0.7	0.6	82.8	-7.1	
Iranian	4,700	7,492	6,931	2.4	3.2	3.1	59.4	-7.5	
Syria	65	71	69	0.0	0.0	0.0	9.2	-2.8	
Greece	1,187	1,833	2,104	0.6	0.8	0.9	54.4	14.8	
Sum of neighboring items	9,421	14,265	13,640	4.7	6.1	6.1	51.4	-4.4	
Grand Total	198,618	233,800	223,046	100.0	100.0	100.0	17.7	-4.6	
Neighboring Countries	Foreign Trading Volume								
	Value			Share (%)			Change (%)		
	2016	2017	2018	2016	2017	2018	2017	2018	
Azerbaijan- Nakhchivan	1,563	1,708	1,854	0.5	0.4	0.5	9.3	8.5	
Bulgaria	4,526	5,576	5,171	1.3	1.4	1.3	23.2	-7.3	
Armenia	1	2	2	0.0	0.0	0.0	100.0	0.0	
Georgia	1,389	1,424	1,549	0.4	0.4	0.4	2.5	8.8	
Iraq	8,473	10,583	9,770	2.5	2.7	2.5	24.9	-7.7	
Iranian	9,666	10,751	9,324	2.8	2.8	2.4	11.2	-13.3	
Syria	1,387	1,434	1,414	0.4	0.4	0.4	3.4	-1.4	
Greece	2,614	3,496	4,193	0.8	0.9	1.1	33.7	20.0	
Sum of neighboring items	29,619	34,974	33,278	8.7	8.9	8.5	18.1	-4.8	
Grand Total	341,148	390,793	391,014	100.0	100.0	100.0	14.6	0.1	

Source: TÜİK.

Imports to neighbouring countries in 2018 fell to \$ 13,640 million with a decrease of 4.4%. The neighbouring countries' share in total imports remained unchanged at 6.1% level compared to the previous year.

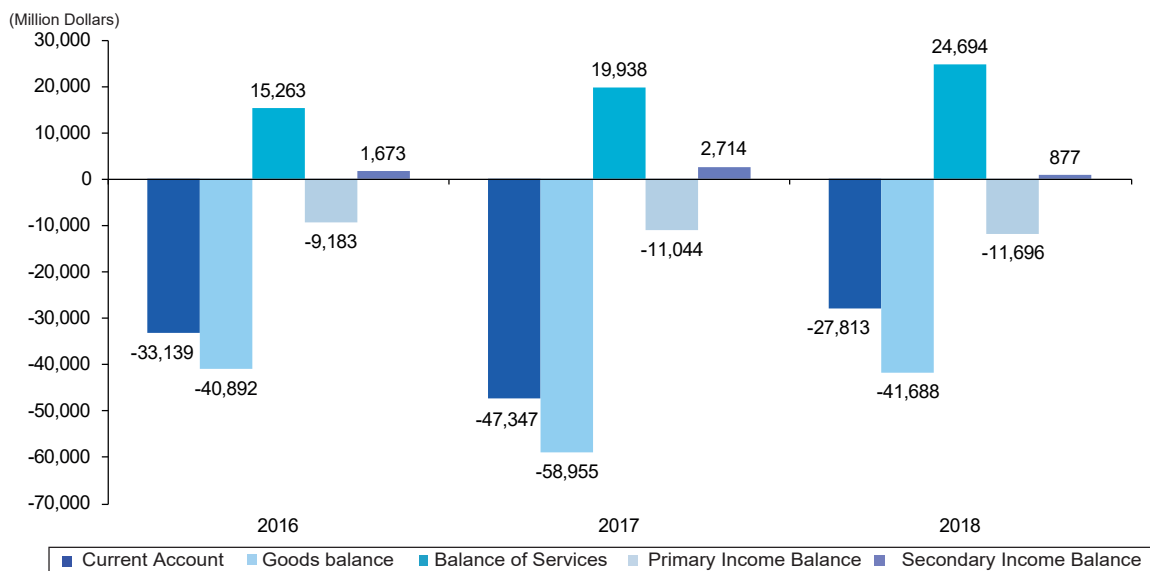
Among the neighboring countries, Iran was the top import country with \$ 6,931 million, followed by Bulgaria with \$ 2,501 million and Greece with \$ 2,104 million. Compared to the previous year, imports from Iran decreased by 7.5%, from Bulgaria by 9.8%, while imports from Greece increased by 14.8% in 2018.

The volume of the foreign trade with neighbouring countries increased by 18.1% in 2017, it decreased by 4.8% in 2018 and fell from \$ 34,974 million to \$ 33,278 million. The share of foreign trade volume with neighboring countries in total foreign trade volume fell from 8.9% to 8.5%, decreased 0.4 points compared to 2017.

1.5.2 Balance of Payments

Current account balances which experienced a considerable amount of deterioration in 2017 showed a relative improvement in 2018 as part of a series of measures implemented and the balancing process in the economy. As the current account deficit fell to \$ 27,813 million level with a decrease of 41.3%, it also was the lowest current deficit that occurred after 2009. The decline in the foreign trade deficit due to the increase in exports and the decrease in imports occurred as the most important factor for the decline in the current account deficit. While the increase in the travel incomes which is the most important item in service revenues and the increase in primary investment incomes made a positive distribution to this decline, the increase in primary investment expenses distributed negatively (Table 112, Chart 49).

Chart 49. Balance of Payments



Source: TCMB.

Table 112. Balance of Payments

Components	2016	2017	2018	(Million Dollars)	
				Change (%)	
				2017	2018
Current Account	-33,139	-47,347	-27,813	42.9	-41.3
Export	150,161	166,159	174,645	10.7	5.1
Import	191,053	225,114	216,333	17.8	-3.9
Goods Balance	-40,892	-58,955	-41,688	44.2	-29.3
Service Revenues	37,391	43,667	47,761	16.8	9.4
Travel Revenues	18,743	22,478	25,220	19.9	12.2
Other Revenues	18,648	21,189	22,541	13.6	6.4
Service Expenses	22,128	23,729	23,067	7.2	-2.8
Travel Expenses	4,783	4,823	4,595	0.8	-4.7
Other expenses	17,345	18,906	18,472	9.0	-2.3
Goods and Services Balance	-25,629	-39,017	-16,994	52.2	-56.4
Revenues from Primary Investment	5,362	4,959	6,132	-7.5	23.7
Interest Income	2,142	2,355	2,743	9.9	16.5
Other Income	3,220	2,604	3,389	-19.1	30.1
Primary Investment Expenses	14,545	16,003	17,828	10.0	11.4
Interest Expenses	5,595	6,314	7,703	12.9	22.0
Other Expenses	8,950	9,689	10,125	8.3	4.5
Goods, Services and Primary Income Balance	-34,812	-50,061	-28,690	43.8	-42.7
Income from Secondary Investment	1,673	2,714	877	62.2	-67.7
Worker Income	575	413	378	-28.2	-8.5
Other Transfers	1,098	2,301	499	109.6	-78.3
Capital Account	23	17	58	-26.1	241.2
Finance Account	-22,825	-38,509	3,639	68.7	-109.4
Direct Investments: Net Asset Acquisition	3,138	2,701	3,648	-13.9	35.1
Direct Investments: Net Liability	13,950	11,546	13,160	-17.2	14.0
Portfolio Investments: Net Asset Acquisition	1,511	-394	3,119	-126.1	-891.6
Portfolio Investments: Net Liability	7,850	24,082	255	206.8	-98.9
Stocks	823	3,192	-908	287.8	-128.4
Debt Securities	7,027	20,890	1,163	197.3	-94.4
Other Investments: Net Asset Acquisition	6,144	8,095	10,903	31.8	34.7
Central Bank	0	0	0	-	-
General Government	-236	-322	110	36.4	-134.2
Banks	7,646	6,663	7,306	-12.9	9.7
Other Sectors	-1,266	1,754	3,487	-238.5	98.8
Other Investments: Net Liability	11,818	13,283	616	12.4	-95.4
The Central Bank	-122	550	4,366	-550.8	693.8
General Government	-925	-1,367	-835	47.8	-38.9
Banks	810	4,092	-12,124	405.2	-396.3
Other Sectors	12,055	10,008	9,209	-17.0	-8.0
Current, Capital and Finance Accounts	-10,291	-8,821	-31,394	-14.3	255.9
Net errors and omissions	11,104	614	21,017	-94.5	3,323.0
General Balance	-813	8,207	10,377	-1,109.5	26.4
Reserves Balance	813	-8,207	-10,377	-1,109.5	26.4
Official Reserves	813	-8,207	-10,377	-1,109.5	26.4
International Monetary Fund Loans	0	0	0	-	-
Balance of Payments Financing	0	0	0	-	-

Source: TCMB.

Exports increased by 5.1% in 2018 as shown in the balance of payments whereas imports decreased by 3.9%. Thus, balance of goods deficit fell to \$ 41,688 million with a decrease of 29.3%.

The improvement that occurred in the tourism-sector in 2018 reflected in the travel revenues. They rose to \$ 25,220 million with an increase of 12.2% whereas travel expenses fell to \$ 4,595 million with a decrease of 4.7%. Thus, net travel revenues rose to \$ 20,625 million with an increase of 16.8%. Net incomes from the transportation item rose to \$ 7,433 million with an increase of 37.7% whereas the net incomes from the construction item fell to \$ 303 million with a decrease of 30.8%. Net service revenues in 2018 rose to \$ 24,694 million with an increase of 23.9% compared to the previous year.

The net outflows in the primary income balance, which consisted of wage payments and investments income items, continued in 2018 and increased by 5.9% to US \$ 11,696 billion. This development was mainly driven by the rise in net outflows in other investments, which stemmed from interest expenses, to \$ 4,960 million, up by \$ 1,001 million, and also net outflows stemmed from investment revenues, up by \$ 459 million, to \$ 10,744 million.

Net inputs from secondary income balance that consists of General Government and other sectors' current transfers fell to \$ 877 million with a decrease of 67.7%.

In 2017, net inputs from direct investments rose from \$ 8.846 million to 9,512 million dollars with a decrease of 7,5% compared to the previous year.

There was a net output of \$ 2,864 million in portfolio investments and \$ 10,287 million in other investments.

Official reserves which decreased by \$ 8,207 million in 2017 decreased by \$,377 million in 2018.

In 2018, foreign financing requirement, which is defined as the sum of current transactions and net errors and omissions, was \$ 6,796 million.

1.5.3 Direct International Investments

Net international investment inflows which decreased due to the negative effects of the ongoing stagnation in the global economy in 2016 and 2017 and the risk perception of the investors caused by the geopolitical political developments of the geography in which Turkey is located rose to \$ 6,064 million level with an increase of 9.6% in 2018 (Table 113).

Table 113. International Direct Investment Inflows (Actual Inflows)

(Million Dollars)

Years	International Direct Capital						Real estate (Net)	Total Investment (Net Obligation Formation)
	Capital			Other Capital (Net) ⁽¹⁾	Total (Net)	Real estate (Net)		
	Investment	Liquidation	Net					
2016	7,525	621	6,904	3,156	10,060	3,890	13,950	
2017	7,401	1,869	5,532	1,371	6,903	4,643	11,546	
2018 ⁽²⁾	6,534	470	6,064	1,184	7,248	5,915	13,163	
	Change (%)							
2016	-37.8	70.6	-41.1	-6.9	-33.5	-6.4	-27.6	
2017	-1.6	201.0	-19.9	-56.6	-31.4	19.4	-17.2	
2018	-11.7	-74.9	9.6	-13.6	5.0	27.4	14.0	

Source: TCMB.

(1): It is the credit value obtained by the foreign partners of the companies with international capital

(2): Temporary.

While there was \$ 6,534 million of direct capital flow into Turkey, there was a capital outflow of \$ 470 million. Thus, compared to the previous year, the total net investment cost occurred as \$ 13,163 million with an increase of 14.0% in 2018 with the inflow of net capital of \$ 6,064 million, \$ 1,184 million of net other capital inflow with foreign partners of international companies with capital and net sale of real property worth \$ 5,915 million.

International direct capital share which is 59.8% of the net total investment inflows in 2017 fell to 55.1% in 2018 whereas net sales of real property share rose from 40.2% to 44.9%.

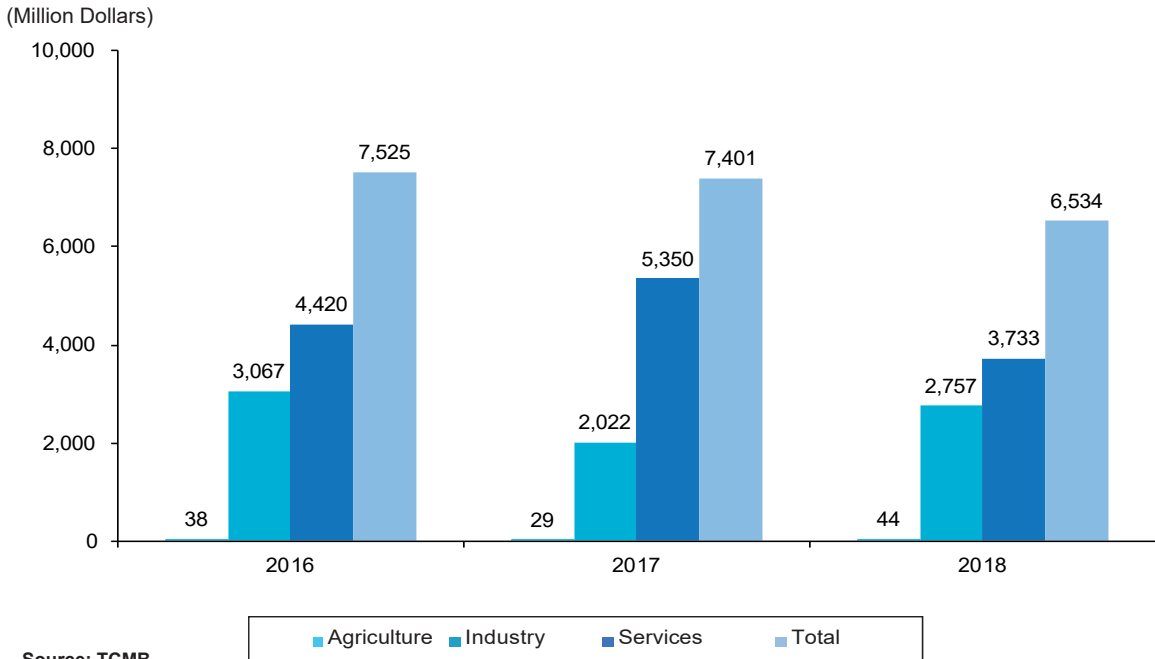
Service-sector received the highest share of international direct investment inflows in 2018. While wholesale and retail trade activities item received the highest share of the investment inflows for the service-sector, most of the investment inflow in the industrial-sector stemmed from manufacturing-sector. In 2018, agricultural-sector was the sector that received the least interest from foreign investors. International direct investment capital inflow occurred in agricultural-sector as \$ 44 million of which is 0.7% of the total, in industrial-sector as \$ 2,757 million of which is 42.2% of the total and in service-sector as \$ 3,733 million of which is 57.1% of the total (Table 114, Chart 50).

Table 114. Sectoral Distribution of International Direct Investment Capital Inflows

Sectors	(Million Dollars)							
	Value			Share (%)			Change (%)	
	2016	2017	2018 ⁽¹⁾	2016	2017	2018	2017	2018
Agricultural Sector	38	29	44	0.5	0.4	0.7	-23.7	51.7
Agriculture, hunting, forestry and fishing	38	29	44	0.5	0.4	0.7	-23.7	51.7
The industry sector	3,067	2,022	2,757	40.8	27.3	42.2	-34.1	36.4
Mining and Quarrying	148	448	73	2.0	6.1	1.1	202.7	-83.7
Manufacturing Industry	2,240	1,202	2,000	29.8	16.2	30.6	-46.3	66.4
Manufacture Food, Beverage and Tobacco products	706	198	505	9.4	2.7	7.7	-72.0	155.1
Manufacture Textile and garmen	35	66	62	0.5	0.9	0.9	88.6	-6.1
Manufacture of Leather and Leather related products	11	0	0	0.1	0.0	0.0	-100.0	-
Manufacture of wood and wood products	1	0	0	0.0	0.0	0.0	-100.0	-
Manufacture of paper and paper products and printing and reproduction of recorded media	73	93	108	1.0	1.3	1.7	27.4	16.1
Manufacture of coke and refined petroleum products	0	0	164	0.0	0.0	2.5	-	-
Manufacture of chemicals, chemical products and basic pharmaceutical products and materials	288	142	321	3.8	1.9	4.9	-50.7	126.1
Manufacture of rubber and plastic products	93	253	27	1.2	3.4	0.4	172.0	-89.3
Manufacture of other non-metallic mineral products	24	64	330	0.3	0.9	5.1	166.7	415.6
Manufacture of basic metal and fabricated metal products (except machinery)	628	126	47	8.3	1.7	0.7	-79.9	-62.7
Manufacture of machinery and equipment (non-classified)	23	35	22	0.3	0.5	0.3	52.2	-37.1
Manufacture of computer, electrical, electronic and optical products	242	157	149	3.2	2.1	2.3	-35.1	-5.1
Manufacture of Transportation vehicles	59	38	188	0.8	0.5	2.9	-35.6	394.7
Manufacture of furniture and other non-classified manufacturing	57	30	77	0.8	0.4	1.2	-47.4	156.7
Electricity, gas and water	679	372	684	9.0	5.0	10.5	-45.2	83.9
Services Sector	4,420	5,350	3,733	58.7	72.3	57.1	21.0	-30.2
Construction	293	626	214	3.9	8.5	3.3	113.7	-65.8
Wholesale and retail trade	688	1,077	1,117	9.1	14.6	17.1	56.5	3.7
Transportation and storage	635	1,333	598	8.4	18.0	9.2	109.9	-55.1
Accommodation and food service activities	250	82	238	3.3	1.1	3.6	-67.2	190.2
Information and communication	92	565	179	1.2	7.6	2.7	514.1	-68.3
Finance and insurance activities	1,765	1,464	1,041	23.5	19.8	15.9	-17.1	-28.9
Real estate activities	283	21	48	3.8	0.3	0.7	-92.6	128.6
Professional, scientific and technical activities	73	52	59	1.0	0.7	0.9	-28.8	13.5
Administrative and support service activities	23	27	20	0.3	0.4	0.3	17.4	-25.9
Education	13	0	0	0.2	0.0	0.0	-100.0	-
Human health and social service activities	274	65	103	3.6	0.9	1.6	-76.3	58.5
Culture, art, entertainment, leisure and sports activities	18	9	20	0.2	0.1	0.3	-50.0	122.2
Other service activities	13	29	94	0.2	0.4	1.4	123.1	224.1
Activities of Households as Employers; Households for their own use	0	0	1	0.0	0.0	0.0	-	-
Activities of International Organizations and Representatives	0	0	1	0.0	0.0	0.0	-	-
Total	7,525	7,401	6,534	100.0	100.0	100.0	-1.6	-11.7

Source: TCMB

(1): Temporary

Chart 50. Sectoral Distribution of International Direct Investment Capital Inflows

Source: TCMB.

The activities with the most intense foreign capital inflows in terms of sub-sectors manufacturing with \$ 2,000 million, wholesale and retail trade with \$ 1,117 million, finance and insurance activities with \$ 1,041 million and electricity, gas and water activities with \$ 684 million.

In 2018, direct international capital inflows consist of EU countries with \$ 3,863 million of which is 59.1% of the total, Asian countries with \$ 1,750 million of which is 26.8% of the total, USA with \$ 446 million of which is 6.8% of the total, non-EU European countries with \$ 371 million of which is 5.7% of the total, the other countries with \$ 80 million of which is 5.7% of the total and African countries and sourced capital with \$ 24 million of which is 0.4% of the total.

International direct capital inflow which increased by 27.4% in 2017 had a decrease of 19.7% in 2018. While the capital inflows received from Italy, Luxembourg and France which participate in the EU experienced a rapid rise, the capital inflow received from Spain, Netherlands and Belgium had a decline. Capital inflows received from non-EU European countries increased by 214.4%, from USA by 147.8% and from Asian countries by 2.9% whereas the capital inflows received from African countries and other countries decreased by 44.2% and 85.5% respectively (Table 115, Chart 51).

Table 115. Distribution of FDI inflows by Countries

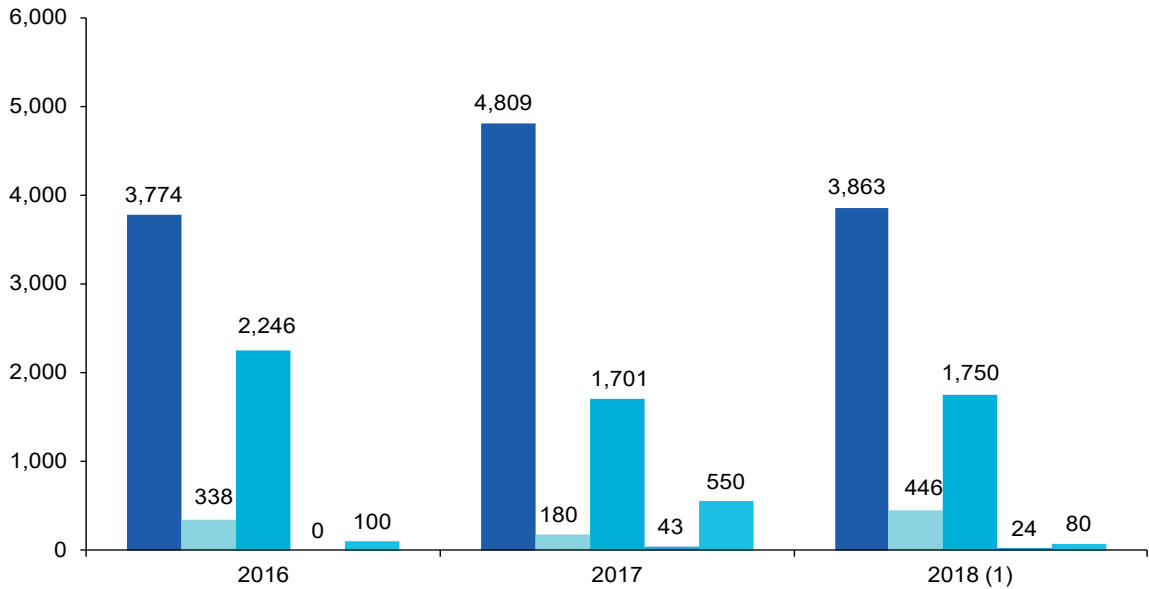
Country Groups	(Million Dollars)							
	Value			Share (%)			Change (%)	
	2016	2017	2018 ⁽¹⁾	2016	2017	2018	2017	2018
EU Countries	3,774	4,809	3,863	50.2	65.0	59.1	27.4	-19.7
Germany	440	312	349	5.8	4.2	5.3	-29.1	11.9
Austria	344	320	465	4.6	4.3	7.1	-7.0	45.3
Belgium	13	223	212	0.2	3.0	3.2	1,615.4	-4.9
France	90	107	293	1.2	1.4	4.5	18.9	173.8
Netherlands	1,016	1,727	833	13.5	23.3	12.7	70.0	-51.8
England	974	328	409	12.9	4.4	6.3	-66.3	24.7
Spain	318	1,460	233	4.2	19.7	3.6	359.1	-84.0
Italy	87	128	509	1.2	1.7	7.8	47.1	297.7
Luxemburg	335	96	329	4.5	1.3	5.0	-71.3	242.7
Other EU Countries	157	108	231	2.1	1.5	3.5	-31.2	113.9
Other European Countries (except EU)	1,067	118	371	14.2	1.6	5.7	-88.9	214.4
African countries	0	43	24	0.0	0.6	0.4	-	-44.2
USA	338	180	446	4.5	2.4	6.8	-46.7	147.8
Asian Countries	2,246	1,701	1,750	29.8	23.0	26.8	-24.3	2.9
Near and Middle East Countries	1,358	1,260	887	18.0	17.0	13.6	-7.2	-29.6
Gulf Countries	540	252	356	7.2	3.4	5.4	-53.3	41.3
Other Near and Middle Eastern Countries	818	1,008	531	10.9	13.6	8.1	23.2	-47.3
Other Asian Countries	888	441	863	11.8	6.0	13.2	-50.3	95.7
China	301	115	23	4.0	1.6	0.4	-61.8	-80.0
Other countries	100	550	80	1.3	7.4	1.2	450.0	-85.5
Total	7,525	7,401	6,534	100.0	100.0	100.0	-1.6	-11.7

Source: TCMB.

(1): Temporary.

Chart 51. Distribution of FDI inflows by Countries

(Million Dollars)



Source: TCMB.

(1): Temporary.



1.5.4 External Debts

While gross external debt stock which increased by 2.4% and 11.2% in 2016 and 2017 respectively, it increased by 2.3% in 2018. Thus, gross external debt stock which occurred as \$ 455,545 million in 2017 fell to \$ 444,877 million in 2018.

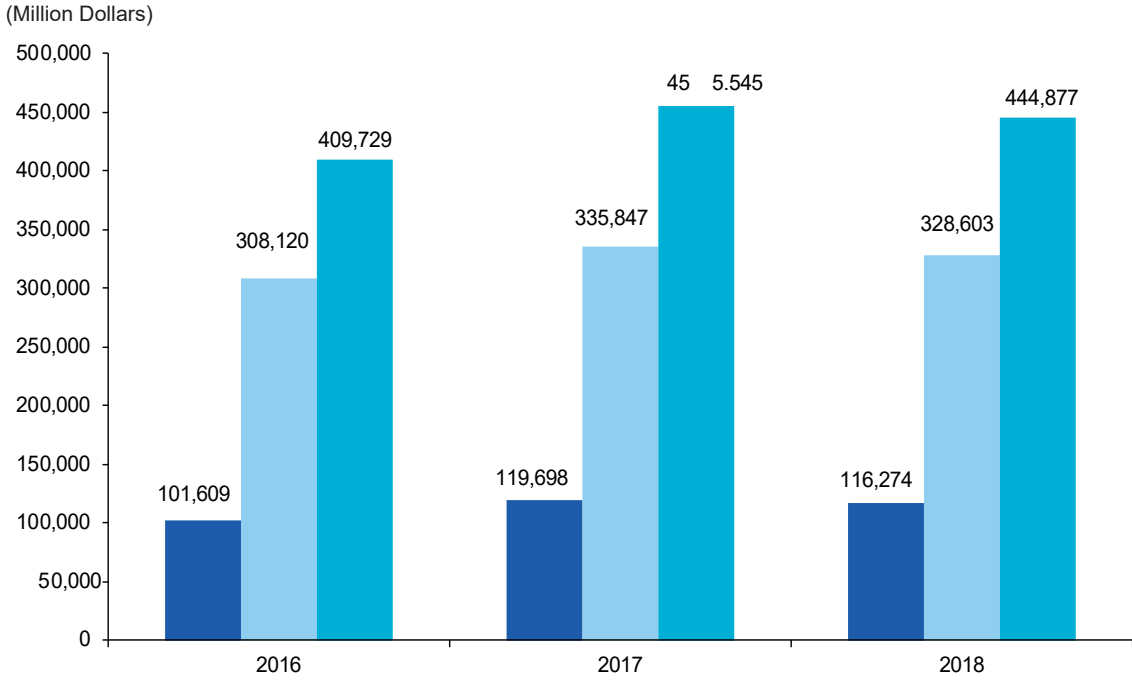
Short-term loans which performed a rapid rise in 2017 fell to \$ 116,274 million with an decrease of 2.9% in 2018 compared to the previous year. Long-term loans also fell to \$ 328,603 million with a decrease of 2.2%. Depending on these changes, the maturity structure of external debt stock also changed in 2018. Short-term loans share of gross debt stock came down from 26.3% to 26.1% whereas long-term loans share rose from 73.7% to 73.9% (Table 116, Chart 52).

Table 116. Gross External Debt Stock

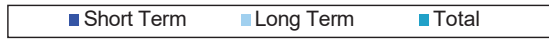
	(Million Dollars)		
Indicators	2016	2017	2018
External debt stock	409,729	455,545	444,877
Change (%)	2.4	11.2	-2.3
Short Term	101,609	119,698	116,274
Change (%)	-3.6	17.8	-2.9
Share in debt stock (%)	24.8	26.3	26.1
Long term	308,120	335,847	328,603
Change (%)	4.5	9.0	-2.2
Share in debt stock (%)	75.2	73.7	73.9
	By Borrowers		
Short Term	101,609	119,698	116,274
Public	19,720	22,111	22,483
CBRT	399	1,753	5,914
Private	81,490	95,834	87,877
Long term	308,120	335,847	328,603
Public	103,654	114,466	118,079
CBRT	711	8	8
Private	203,755	221,373	210,516
Total Public	123,374	136,577	140,562
Change (%)	5.8	10.7	2.9
Share in debt stock (%)	30.1	30.0	31.6
CBRT toplam	1,110	1,761	5,922
Change (%)	-16.4	58.6	236.3
Share in debt stock (%)	0.3	0.4	1.3
Custom total	285,245	317,207	298,393
Change (%)	1.0	11.2	-5.9
Share in debt stock (%)	69.6	69.6	67.1

Source: HMB.

Chart 52. External Debt Stock



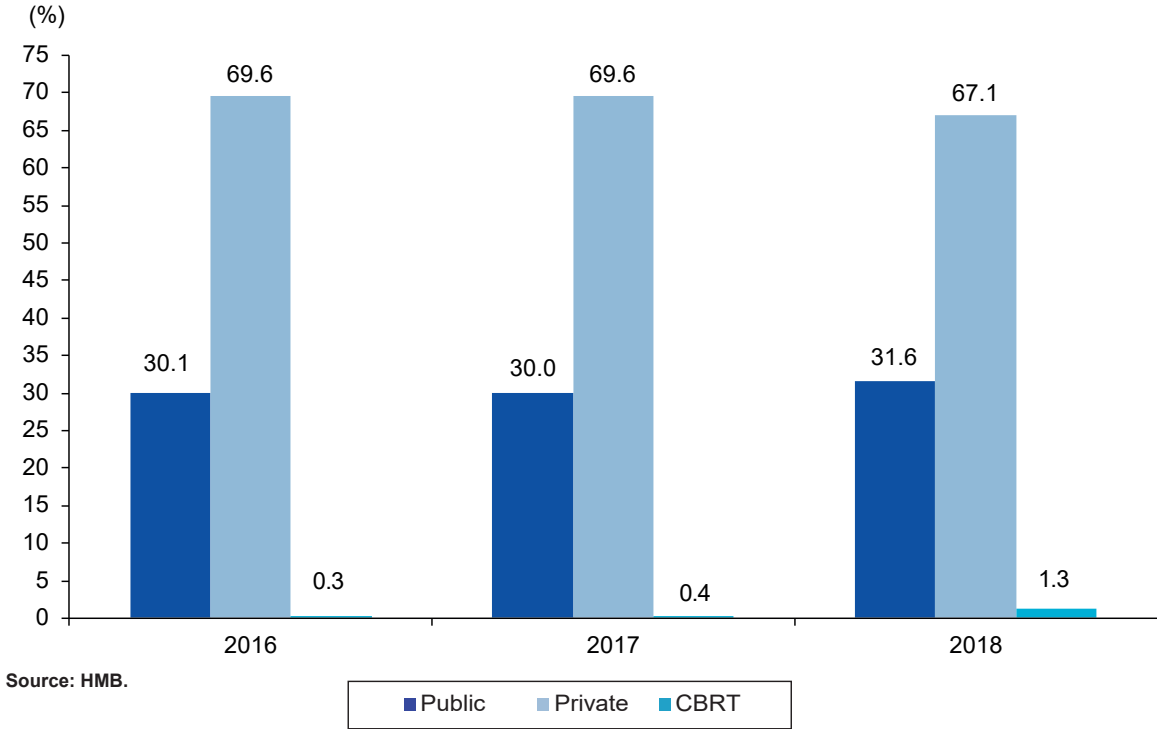
Source: HMB.



It is interesting that private-sector's external debt decreases whereas public-sector's increases. While public-sector's external debt rose to \$ 140,562 million with an increase of 2.9%, private-sector's external debt fell to \$ 298,393 million with a decrease of 5.9%. CBRT's external debt also performed a rapid rise and it rose from \$ 1,761 million to \$ 5,922 million.

While public-sector's external debt consisted of \$ 118,079 million of long-term and \$ 22,483 million of short-term debts, private-sector's external debt consisted of \$ 210,516 million of long-term and \$ 87,877 million of short-term debts.

While public-sector's share of total external debt stock rose from 30.0% to 31.6% and CBRT's share rose from 0.4% to 1.3%, private-sector's share fell from 69.6% to 67.1% (Chart 53).

Chart 53. Distribution of External Debt Stock by Debtors

Private Sector's Long and Short-Term Loans Received From Abroad

Private sector's long and short-term loans received from abroad by the end of 2018 fell to \$ 225,814 million with a decrease of 5.9% compared to the end of 2017. There was a decrease in the private sector's long and short-term loans received from abroad in 2018. While short-term loans made up the 7.7% of the total loan in 2017, this rate fell to 6.8% in 2018. The long-term loans made up the 92.3% of the total loan in 2017, this rate rose to 93.2% in 2018 (Table 117).

The short term loans private sector received from abroad occurred as \$ 15,298 million by the end of 2018, decreased by 17.6% compared to the end of the previous year. \$ 11,426 million of which is 74.7% of the private sector's short-term loans belonged to financial sector whereas \$ 3,871 million of which is 25.3% of the total belonged to non-financial sector.

\$ 9,481 million of the short-term loans of private sector of financial sector belongs to banks while \$ 1,945 million belongs to non-financial institutions. \$ 3,228 million of non-financial private sector's short-term consists of credits while \$ 643 million consists of credits that are considered foreign capital.

Table 117. Short-and Long-Term Loans Payable by Private Sector Abroad

	Value (Million Dollars)			Share (%)			Change (%)		
	2016	2017	2018	2016	2017	2018	2017	2018	
By Borrower	Short Term⁽¹⁾								
Financial	12,023	15,367	11,426	84.5	82.8	74.7	27.8	-25.6	
Banks ⁽²⁾	10,434	12,726	9,481	73.3	68.5	62.0	22.0	-25.5	
Non-banking financial institutions	1,588	2,641	1,945	11.2	14.2	12.7	66.2	-26.3	
Non-financial	2,213	3,199	3,871	15.5	17.2	25.3	44.6	21.0	
Credits	2,117	3,056	3,228	14.9	16.5	21.1	44.3	5.6	
Foreign capital loans	95	132	643	0.7	0.7	4.2	38.3	388.6	
Bond	0	11	0	0.0	0.1	0.0	-	-100.0	
Total	14,235	18,566	15,298	100.0	100.0	100.0	30.4	-17.6	
	Long Term								
Financial	106,047	114,413	102,866	52.0	51.7	48.9	7.9	-10.1	
Banks	86,972	95,744	84,878	42.7	43.3	40.3	10.1	-11.3	
Non-banking financial institutions	19,075	18,669	17,988	9.4	8.4	8.5	-2.1	-3.7	
Non-financial	97,708	106,959	107,651	48.0	48.3	51.1	9.5	0.6	
Credits	79,239	85,668	87,670	38.9	38.7	41.6	8.1	2.3	
Foreign capital loans	12,319	13,902	13,077	6.0	6.3	6.2	12.9	-5.9	
Commercial Credits	419	421	436	0.2	0.2	0.2	0.4	3.6	
Bond	5,730	6,968	6,468	2.8	3.1	3.1	21.6	-7.2	
Total	203,755	221,373	210,516	100.0	100.0	100.0	8.6	-4.9	
	Total								
Short Term	14,235	18,566	15,298	6.5	7.7	6.8	30.4	-17.6	
Long Term	203,755	221,373	210,516	93.5	92.3	93.2	8.6	-4.9	
Short Term + Long Term	217,990	239,938	225,814	100.0	100.0	100.0	10.1	-5.9	

Source: TCMB.

(1): Commercial loans not included.

(2): Payables arising from repo transactions are not included.

Private sector's long-term loans received from abroad occurred as \$ 210,516 million by the end of 2018 as it decreased by 4.9% compared to the end of the previous year. \$ 102,886 million of which is 48.9% of the total long-term loans belongs to financial sector while \$ 107,651 million of which is 51.1% belongs to non-financial private sector.

\$ 84,878 million of the long-term loans of private sector consist of the loans of banks while \$ 17,988 million consist of the loans of non-banking financial institutions. \$ 87,670 million of non-financial sector's long-term loans consist of credits, \$ 13,077 million of credits that are considered foreign capitals, \$ 436 million of commercial credits and \$ 6,468 million of bonds.

The Sectoral Distribution of the Non-Financial Private Sector's Long and Short-Term Loans Received From Abroad

\$ 2,732 million of which was 70.6% of the non-financial private-sector's long and short-term loans received from abroad in 2018 was used by the industrial-sector, \$ 1,088 million which was 28.1% of the total was used by service-sector and \$ 51 million which was 1.3% of the total was used by agricultural-sector (Table 118).

\$ 67,498 million of which was 62,7% of the non-financial private-sector's long and short-term loans received from abroad in 2018 was used by service-sector while \$ 39,590 million which was 36,8% of the total and \$ 563 million which was 0,5% of the total was used by industrial and agricultural-sectors respectively.

Table 118. Sectoral Distribution of Short and Long Term Debts Received from Abroad by Non-Financial Private Sector ⁽¹⁾

Sectors	Short Term ⁽²⁾						Long Term					
	Value (Million Dollars)			Share (%)			Value (Million Dollars)			Share (%)		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
Agriculture Sector	84	142	51	3.8	4.5	1.3	445	565	563	0.5	0.5	0.5
Agriculture, forestry and fishing	84	142	51	3.8	4.5	1.3	445	565	563	0.5	0.5	0.5
The Industry Sector	1,009	1,849	2,732	45.6	57.8	70.6	39,993	43,482	39,590	40.9	40.7	36.8
Mining and quarrying	145	317	58	6.5	9.9	1.5	1,130	1,315	1,500	1.2	1.2	1.4
Production	847	1,504	2,618	38.3	47.0	67.6	27,287	28,949	26,015	27.9	27.1	24.2
Manufacture of food, beverages and tobacco	57	119	262	2.6	3.7	6.8	4,117	5,109	4,062	4.2	4.8	3.8
Manufacture of textiles and clothing	56	58	78	2.5	1.8	2.0	2,906	3,013	2,729	3.0	2.8	2.5
Manufacture of leather and related products	2	2	0	0.1	0.1	0.0	56	31	22	0.1	0.0	0.0
Manufacture of wood and wood products	0	0	0	0.0	0.0	0.0	419	430	434	0.4	0.4	0.4
Manufacture of paper and paper products and printing and reproduction of recorded media	4	4	10	0.2	0.1	0.3	566	510	554	0.6	0.5	0.5
Manufacture of coke and refined petroleum products	121	669	1,231	5.5	20.9	31.8	4,456	5,645	4,909	4.6	5.3	4.6
Manufacture of chemicals, chemical products and basic pharmaceutical products and materials	16	57	137	0.7	1.8	3.5	2,459	2,640	2,711	2.5	2.5	2.5
Manufacture of rubber and plastic products	18	7	7	0.8	0.2	0.2	980	723	756	1.0	0.7	0.7
Manufacture of other non-metallic mineral products	58	21	36	2.6	0.6	0.9	1,442	1,476	1,381	1.5	1.4	1.3
Manufacture of basic metal and fabricated metal products (machine equipment excluded)	64	107	99	2.9	3.4	2.5	2,727	2,691	2,735	2.8	2.5	2.5
Manufacture of machinery and equipment (non-classified)	3	2	1	0.1	0.1	0.0	374	413	417	0.4	0.4	0.4
Manufacture of computer, electrical, electronic and optical products	266	213	296	12.0	6.7	7.7	3,467	3,080	2,665	3.5	2.9	2.5
Transportation vehicles	170	132	339	7.7	4.1	8.8	3,140	2,907	2,457	3.2	2.7	2.3
Manufacture of furniture and other manufacturing industry	15	113	121	0.7	3.5	3.1	177	281	181	0.2	0.3	0.2
Electricity, gas, steam and air conditioning supply	15	28	56	0.7	0.9	1.4	11,490	13,125	11,985	11.8	12.3	11.1
Water supply, sewerage, waste management and rehab activities	0	0	0	0.0	0.0	0.0	86	93	91	0.1	0.1	0.1
Services sector	1,120	1,208	1,088	50.6	37.8	28.1	57,270	62,913	67,498	58.6	58.8	62.7
Build	110	133	100	5.0	4.1	2.6	13,155	16,159	20,616	13.5	15.1	19.2
Wholesale and retail trade	743	401	546	33.6	12.5	14.1	4,522	5,791	5,646	4.6	5.4	5.2
Transportation and storage	25	20	13	1.1	0.6	0.3	15,982	16,360	17,374	16.4	15.3	16.1
Accommodation and food service activities	12	9	12	0.6	0.3	0.3	2,387	2,201	1,715	2.4	2.1	1.6
Information and communication	125	121	154	5.6	3.8	4.0	10,051	9,930	9,572	10.3	9.3	8.9
Real estate activities	22	21	15	1.0	0.6	0.4	5,490	5,578	6,048	5.6	5.2	5.6
Professional, scientific and technical activities	65	256	163	2.9	8.0	4.2	1,227	1,188	876	1.3	1.1	0.8
Administrative and support service activities	10	69	76	0.5	2.1	2.0	1,661	2,046	2,050	1.7	1.9	1.9
Public Administration and Defense; Compulsory Social Security	0	0	0	0.0	0.0	0.0	16	1	0	0.0	0.0	0.0
Education	0	0	0	0.0	0.0	0.0	226	214	152	0.2	0.2	0.1
Human health and social work activities	6	34	6	0.3	1.1	0.1	1,870	2,863	2,917	1.9	2.7	2.7
Culture, arts, entertainment, leisure and sports	0	0	0	0.0	0.0	0.0	320	335	300	0.3	0.3	0.3
Other service activities	3	145	5	0.1	4.5	0.1	362	244	230	0.4	0.2	0.2
Activities of Households as Employers	0	0	0	0.0	0.0	0.0	0	2	1	0.0	0.0	0.0
Activities of International Organizations and Representatives	0	0	0	0.0	0.0	0.0	0	0	0	0.0	0.0	0.0
Total	2,213	3,199	3,871	100.0	100.0	100.0	97,708	106,959	107,651	100.0	100.0	100.0

Source: TCMB.

(1): The sectoral breakdown of private sector borrowing from abroad is published according to NACE Rev 2.

(2): Commercial loans not included.



75th GENERAL ASSEMBLY





SOCIAL INDICATORS

75th
GENERAL ASSEMBLY



75th GENERAL ASSEMBLY



2. SOCIAL INDICATORS

2.1 Population

According to the results revealed by the Address-Based Population Registration System (ABPRS), by the end of 2018, Turkey's population rose to 82,004 thousand people with an increase of 1,193 thousand people compared to the previous year. While the annual population growth was 12.4% in 2017, it rose to 14.7% in 2018. While the population density (people per sq. km) was 105 people in 2017, it rose to 107 people with an increase of 2 people.

75,666 thousand of the population lives in city and district centers and 6,337 thousand in towns and villages. The rate of habitants in city and district centers was 92.5% in 2017 whereas it fell to 92.3% in 2018. The rate of habitants in towns and villages was 7.5% whereas it rose to 7.7% in 2018 (Table 119, Chart 54).

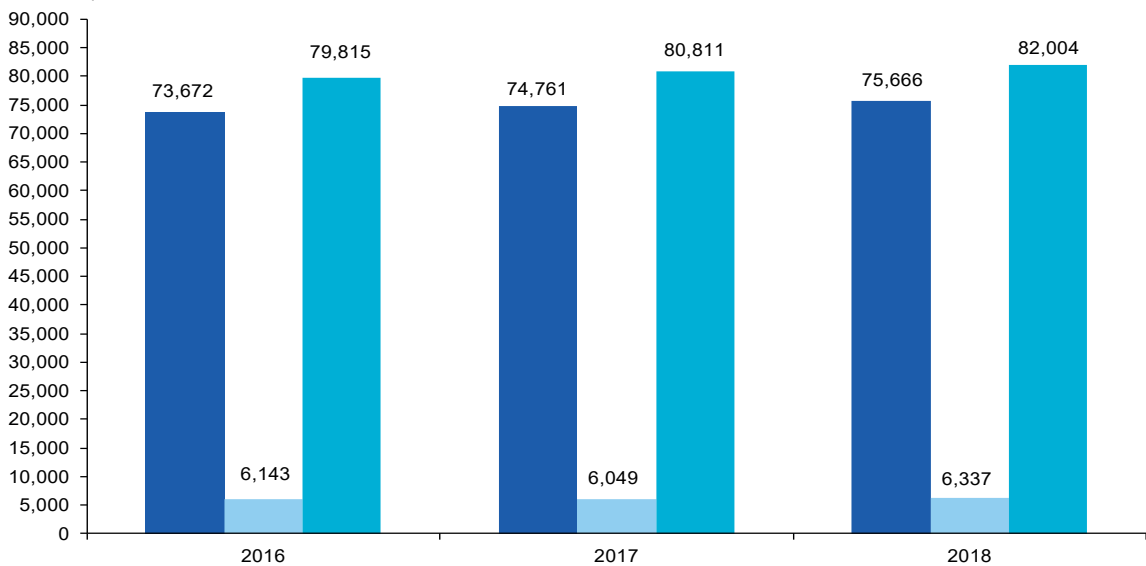
Table 119. Key Population Indicators

Year	Total Population (Thousand People)			Province and District Centers (Thousand People)			Towns and Villages (Thousand People)			Annual Increase Rate(%)	Population Density
	Total	Male	Female	Total	Male	Female	Total	Male	Female		
2016	79,815	40,044	39,771	73,672	36,936	36,736	6,143	3,108	3,035	13.5	104
2017	80,811	40,535	40,275	74,761	37,470	37,291	6,049	3,065	2,984	12.4	105
2018	82,004	41,140	40,864	75,666	37,912	37,754	6,337	3,228	3,110	14.7	107

Source: TÜİK.

Chart 54. Province / District Center and Town / Village Populations

(Thousand People)



Source: TÜİK.

■ Population of Province and District Center ■ Town and Village Population ■ Total population

The total population in 2018 was made up of 41,140 thousand males and 40,864 thousand females. Same as the previous year, male population rate occurred at 50.2% and female population rate at 49.8%.

According to the Nomenclature of Territorial Units for Statistics Level-1, Istanbul region ranked first with 15,068 thousand people, Aegean region ranked second with 10,514 thousand people and Mediterranean region ranked third with 10,461 thousand people. The ranking didn't change in the assessment made for women and men separately. While in male population the Istanbul region ranked first with 7,542 thousand people, the Aegean region ranked second with 5,252 thousand people and the Mediterranean region ranked third with 5,249 thousand people, in female population the Istanbul region once again ranked first with 7,525 thousand people, the Aegean region ranked second with 5,262 thousand people and the Mediterranean region ranked third with 5,212 thousand people. The Northeast Anatolia region ranked last with 2,221 thousand people compared to the total population, 1,129 thousand people compared to male population and 1,082 thousand people compared to female population (Table 120).

The sex ratio across the Turkey which was 100.6 in 2017 increased to 100.7 in 2018. The regions where this ratio, the percentaged rate of male population to female population is highest are Central East Anatolia with 104.5, the Northeast Anatolia with 104.4 and the West Marmara with 102.7. The region where the sex ratio is lowest is West Anatolia with 98.4. Compared to the previous year, the sex ratio in 2018 decreased in the Istanbul, the West Marmara, the Aegean, the East Marmara, the West Anatolia and the Mediterranean regions whereas it increased in the Central Anatolia, the West Black Sea, the Northeast Anatolia, Central East Anatolia and the Southeast Anatolia regions.

Population density of the Istanbul region which occurred as 2,892 in 2017 rose to 2,900 with an increase of 8 people. The Istanbul region is followed by the East Marmara region with 163 people per km², the Aegean, the Mediterranean and the Southeast Anatolia with 118 people. The region with lowest population density is the Northeast Anatolia region with 31 people.

Table 120. Selected Indicators for Population by Classification of Statistical Region Units Level-1

Years	Region Code	NUTS Level-1	Population (Thousand)			Migration ⁽¹⁾ (Thousand People)					Yearly Population Increase Rate (%)	Population Indensity	Total Age Addition Total		Young Addition Rate (age 0-14)	Elder Addition Rate (age +65)
			Total	Male	Female	Gender Rate	Received Migration	Given Migration	Net Migration	Net Migration Rate (%)			Male	Female		
2016	TR1	Istanbul	14,804	7,424	7,380	100.6	370	441	-71	-4.8	10.0	2,849	40.2	31.3	8.9	
	TR2	Western Marmara	3,442	1,742	1,700	102.4	138	100	37	10.9	16.0	80	42.5	25.3	17.2	
	TR3	Aegean	10,265	5,127	5,138	99.8	228	185	43	4.2	12.5	115	43.3	28.0	15.3	
	TR4	Eastern Marmara	7,684	3,863	3,821	101.1	257	179	78	10.2	24.4	158	43.2	30.8	12.4	
	TR5	West Anatolia	7,753	3,849	3,904	98.6	223	204	19	2.4	14.3	107	43.6	31.9	11.7	
	TR6	Mediterranean	10,183	5,116	5,067	101.0	223	224	0	0.0	14.1	115	48.7	37.0	11.6	
	TR7	Middle Anatolia	3,948	1,973	1,975	99.9	116	117	0	-0.1	13.8	43	49.5	34.8	14.6	
	TR8	Western Blacksea	4,551	2,257	2,294	98.4	171	165	6	1.4	10.8	62	47.3	28.6	18.8	
	TR9	Eastern Blacksea	2,646	1,319	1,327	99.4	138	98	39	15.0	27.9	75	47.0	28.3	18.7	
	TRA	Northh East Anatolia	2,201	1,123	1,078	104.2	83	109	-26	-11.9	2.7	31	57.0	45.2	11.8	
	TRB	Middle East Anatolia	3,828	1,949	1,879	103.7	97	148	-51	-13.1	0.7	49	56.7	47.1	9.7	
	TRC	South East Anatolia	8,509	4,302	4,207	102.3	149	223	-74	-8.7	14.6	113	66.7	58.9	7.8	
	TR	TURKEY	79,815	40,044	39,771	100.7	2,193	2,193	0	0.0	13.6	104	47.2	34.9	12.3	
2017	TR1	Istanbul	15,029	7,529	7,500	100.4	417	423	-6	-0.4	15.1	2,892	40.3	31.0	9.2	
	TR2	Western Marmara	3,504	1,776	1,727	102.8	139	104	35	10.1	17.7	82	42.9	25.4	17.5	
	TR3	Aegean	10,384	5,189	5,195	99.9	238	195	44	4.2	11.5	116	43.8	28.0	15.8	
	TR4	Eastern Marmara	7,825	3,930	3,894	100.9	262	184	79	10.1	18.1	161	43.6	30.8	12.8	
	TR5	West Anatolia	7,872	3,908	3,964	98.6	230	203	27	3.4	15.2	109	43.8	31.8	12.1	
	TR6	Mediterranean	10,304	5,177	5,127	101.0	225	234	-9	-0.9	11.8	116	48.9	36.9	12.0	
	TR7	Middle Anatolia	3,977	1,987	1,991	99.8	115	127	-12	-3.1	7.4	44	49.3	34.5	14.8	
	TR8	Western Blacksea	4,574	2,269	2,305	98.4	168	177	-9	-2.0	5.0	62	47.5	28.3	19.2	
	TR9	Eastern Blacksea	2,633	1,312	1,322	99.2	106	139	-33	-12.6	-4.6	75	46.8	27.9	18.9	
	TRA	Northh East Anatolia	2,188	1,117	1,071	104.2	76	123	-47	-21.1	-6.0	31	56.1	44.2	11.9	
	TRB	Middle East Anatolia	3,855	1,962	1,893	103.7	110	145	-35	-9.0	7.1	50	55.9	46.1	9.8	
	TRC	South East Anatolia	8,665	4,379	4,287	102.2	170	203	-32	-3.7	18.2	115	66.2	58.3	7.9	
	TR	TURKEY	80,811	40,535	40,275	100.6	2,256	2,256	0	0.0	12.4	105	47.3	34.7	12.6	
2018	TR1	Istanbul	15,068	7,542	7,525	100.2	385	596	-210	-13.9	2.6	2,900	40.4	31.1	9.4	
	TR2	Western Marmara	3,570	1,808	1,761	102.7	152	111	40	11.4	18.7	83	43.7	25.5	18.2	
	TR3	Aegean	10,514	5,252	5,262	99.8	260	212	48	4.6	12.5	118	44.3	28.0	16.3	
	TR4	Eastern Marmara	7,968	3,998	3,970	100.7	250	230	20	2.5	18.2	163	44.0	31.0	13.1	
	TR5	West Anatolia	7,962	3,949	4,012	98.4	233	271	-37	-4.7	11.3	110	44.2	31.8	12.4	
	TR6	Mediterranean	10,461	5,249	5,212	100.7	251	256	-5	-0.4	15.2	118	49.1	36.7	12.4	
	TR7	Middle Anatolia	4,065	2,031	2,034	99.9	163	131	33	8.1	21.8	45	49.4	34.0	15.4	
	TR8	Western Blacksea	4,689	2,335	2,354	99.2	252	183	69	14.9	24.7	64	47.4	27.8	19.6	
	TR9	Eastern Blacksea	2,719	1,356	1,363	99.5	194	112	82	30.5	32.0	77	46.5	27.1	19.4	
	TRA	Northh East Anatolia	2,211	1,129	1,082	104.4	100	111	-11	-4.8	10.4	31	55.2	43.0	12.3	
	TRB	Middle East Anatolia	3,930	2,008	1,922	104.5	144	140	4	1.0	19.2	51	54.9	44.8	10.0	
	TRC	South East Anatolia	8,848	4,481	4,367	102.6	183	216	-33	-3.7	20.9	118	65.6	57.6	8.1	
	TR	TURKEY	82,004	41,140	40,864	100.7	2,569	2,569	0	0.0	14.7	107	47.4	34.5	12.9	

Source: TÜİK.

(1): Migration between provinces within the region is not covered.

The region that received the most net migration in 2018 on the basis of NUTS Level-1 was the East Black Sea region with 82 thousand people. The net migration rate in the East Black Sea region which occurred as 12.6‰ in 2017 rose to 30.5‰ in 2018. The West Black Sea region ranked second by its net migration rate with 69 thousand people. The net migration rate of the West Black Sea region rose from -2.0‰ to 14.9‰. While the Aegean region ranked third with 48 thousand people, its net migration rate rose from 4.2‰ to 4.6‰. The region with highest emigration rate was the Istanbul region with 210 thousand people. The migration rate of the Istanbul region which occurred as 15.1‰ in 2017 decreased to 2.6‰ in 2018.

There was a population growth in all the regions in 2018 according to the NUTS Level-1 and the highest population growth occurred in the East Black Sea region with 32.0‰, followed by the West Black Sea with 24.7‰ and the Central Anatolia region with 21.8‰.

The total number of age dependency ratio in 2018 which occurs as the numbers of people in the “0-14” and “aged 65 and over” age groups for every one hundred people among the age group of “15-64” increased to 47.4% by 0,1 percentage point. According to the NUTS Level-1, highest ratio of age dependency was recorded in the Southeast Anatolia region with 65.6% and lowest was recorded in the Istanbul region with 40.4%. The highest rate of young dependency rate that occurs as the number of people in the “0-14” age group for every one hundred people in the “15-64” age group was recorded in the Southeast Anatolia region with 57.6% whereas the lowest rate was recorded in the West Marmara region with 25.5%. The highest rate in the elderly dependency rate was recorded in the West Black Sea region with 19.6% whereas the lowest was recorded in the Southeast Anatolia region with 8.1%.

According to the NUTS Level-3, while Cankiri ranked first among the cities that received the most net immigration with 28,027 people, Ordu ranked second with 24,661 and Mugla with 18,340. The city with the highest rate of emigration was Istanbul with 210,321 people and it was followed by Ankara with 37,365 and by Adana with 18,978. The city with the highest net migration rate was Cankiri with 138.5‰ and the one with the lowest migration rate was Ağrı with -17.3‰ (Table 121).

Table 121. Migration Date by Classification of Statistical Region Units Level-3 2018

Province code	NUTS Level-3	Total Population	Received Migration	Given Migration	Net Migration	Net Migration Rate (‰)	Order Number by Received Migration	Sequence No by Given Migration
TR621	Adana	2,220,125	51,660	70,638	-18,978	-8.5	14	7
TRC12	Adıyaman	624,513	22,034	22,897	-863	-1.4	48	38
TR332	Afyonkarahisar	725,568	26,976	25,049	1,927	2.7	41	35
TRA21	Ağrı	539,657	20,091	29,482	-9,391	-17.3	51	31
TR712	Aksaray	412,172	16,680	14,441	2,239	5.4	62	62
TR834	Amasya	337,508	16,760	15,237	1,523	4.5	61	58
TR510	Ankara	5,503,985	184,382	221,747	-37,365	-6.8	2	2
TR611	Antalya	2,426,356	95,920	80,349	15,571	6.4	4	4
TRA24	Ardahan	98,907	7,342	6,376	966	9.8	81	80
TR905	Artvin	174,010	15,934	8,876	7,058	41.4	64	76
TR321	Aydın	1,097,746	47,005	36,462	10,543	9.7	15	21
TR221	Balıkesir	1,226,575	55,238	40,028	15,210	12.5	9	19
TR813	Bartın	198,999	13,399	8,813	4,586	23.3	72	77
TRC32	Batman	599,103	23,099	22,525	574	1.0	45	40
TRA13	Bayburt	82,274	9,450	7,772	1,678	20.6	78	78
TR413	Bilecik	223,448	11,956	12,597	-641	-2.9	76	66
TRB13	Bingöl	281,205	15,770	12,216	3,554	12.7	66	70
TRB23	Bittlis	349,396	17,602	17,398	204	0.6	58	51
TR424	Bolu	311,810	18,307	14,827	3,480	11.2	57	60
TR613	Burdur	269,926	15,417	12,537	2,880	10.7	68	67
TR411	Bursa	2,994,521	80,940	80,086	854	0.3	5	5
TR222	Çanakkale	540,662	29,473	21,068	8,405	15.7	37	42
TR822	Çankırı	216,362	40,460	12,433	28,027	138.5	23	68
TR833	Çorum	536,483	24,363	20,212	4,151	7.8	43	46
TR322	Denizli	1,027,782	28,047	28,906	-859	-0.8	39	32
TRC22	Diyarbakır	1,732,396	43,836	50,822	-6,986	-4.0	21	12
TR423	Düzce	387,844	17,445	12,790	4,655	12.1	59	65
TR212	Edirne	411,528	18,792	17,162	1,630	4.0	55	52
TRB12	Elazığ	595,638	30,152	24,358	5,794	9.8	36	36
TRA12	Erzincan	236,034	19,727	17,511	2,216	9.4	54	49
TRA11	Erzurum	767,848	32,501	35,431	-2,930	-3.8	32	22
TR412	Eskişehir	871,187	35,995	32,946	3,049	3.5	29	27
TRC11	Gaziantep	2,028,563	44,704	62,206	-17,502	-8.6	19	8
TR903	Giresun	453,912	40,358	25,953	14,405	32.2	24	34
TR906	Gümüşhane	162,748	30,333	22,764	7,569	47.6	34	39
TRB24	Hakkari	286,470	12,756	10,156	2,600	9.1	75	73
TR631	Hatay	1,609,856	36,499	42,655	-6,156	-3.8	28	16
TRA23	Iğdır	197,456	9,225	10,122	-897	-4.5	79	74
TR612	Isparta	441,412	28,789	19,584	9,205	21.1	38	47
TR100	İstanbul	15,067,724	385,482	595,803	-210,321	-13.9	1	1
TR310	İzmir	4,320,519	130,092	117,113	12,979	3.0	3	3

Source: TÜİK,

**Table 121. Migration Date by Classification of Statistical Region Units Level-3
2018 (Continued)**

Province code	NUTS Level-3	Total Population	Received Migration	Given Migration	Net Migration	Net Migration Rate (%)	Order Number by Received Migration	Sequence No by Given Migration
TR632	Kahramanmaraş	1,144,851	33,619	33,661	-42	0.0	31	25
TR812	Karabük	248,014	18,384	17,433	951	3.8	56	50
TR522	Karaman	251,913	12,777	10,448	2,329	9.3	74	72
TRA22	Kars	288,878	14,441	16,620	-2,179	-7.5	70	53
TR821	Kastamonu	383,373	27,175	18,397	8,778	23.2	40	48
TR721	Kayseri	1,389,680	38,690	48,047	-9,357	-6.7	25	14
TR711	Kırıkkale	286,602	20,575	15,076	5,499	19.4	50	59
TR213	Kırklareli	360,860	16,936	14,745	2,191	6.1	60	61
TR715	Kırşehir	241,868	15,835	12,144	3,691	15.4	65	71
TRC13	Kilis	142,541	8,861	6,929	1,932	13.6	80	79
TR421	Kocaeli	1,906,391	80,457	79,970	487	0.3	6	6
TR521	Konya	2,205,609	58,300	60,571	-2,271	-1.0	7	10
TR333	Kütahya	577,941	22,582	20,392	2,190	3.8	47	45
TRB11	Malatya	797,036	36,901	35,234	1,667	2.1	27	23
TR331	Manisa	1,429,643	41,189	39,056	2,133	1.5	22	20
TRC31	Mardin	829,195	30,216	31,738	-1,522	-1.8	35	29
TR622	Mersin	1,814,468	55,779	61,917	-6,138	-3.4	8	9
TR323	Muğla	967,487	52,642	34,302	18,340	19.1	13	24
TRB22	Muş	407,992	15,742	20,789	-5,047	-12.3	67	44
TR714	Nevşehir	298,339	13,120	12,315	805	2.7	73	69
TR713	Niğde	364,707	22,654	15,676	6,978	19.3	46	56
TR902	Ordu	771,932	54,813	30,152	24,661	32.5	10	30
TR633	Osmaniye	534,415	19,965	20,900	-935	-1.7	52	43
TR904	Rize	348,608	31,266	16,413	14,853	43.5	33	54
TR422	Sakarya	1,010,700	37,659	32,704	4,955	4.9	26	28
TR831	Samsun	1,335,716	53,228	48,543	4,685	3.5	12	13
TRC34	Siirt	331,670	15,017	15,726	-709	-2.1	69	55
TR823	Sinop	219,733	20,922	9,793	11,129	52.0	49	75
TR722	Sivas	646,608	45,861	26,271	19,590	30.8	18	33
TRC21	Şanlıurfa	2,035,809	44,448	56,748	-12,300	-6.0	20	11
TRC33	Şırnak	524,190	19,779	15,485	4,294	8.2	53	57
TR211	Tekirdağ	1,029,927	53,895	41,010	12,885	12.6	11	18
TR832	Tokat	612,646	46,391	41,326	5,065	8.3	17	17
TR901	Trabzon	807,903	46,593	33,344	13,249	16.5	16	26
TRB11	Tunceli	88,198	11,211	5,884	5,327	62.3	77	81
TR334	Uşak	367,514	13,691	13,011	680	1.9	71	63
TRB21	Van	1,123,784	34,691	44,954	-10,263	-9.1	30	15
TR425	Yalova	262,234	16,232	12,905	3,327	12.8	63	64
TR723	Yozgat	424,981	25,715	22,524	3,191	7.5	42	41
TR811	Zonguldak	599,698	24,363	24,105	258	0.4	44	37
TR	Türkiye	82,003,882	3,057,606	3,057,606	0	0.0	-	-

Source: TÜİK.

When the annual migration rates in 2018 according to the NUTS Level-3 are examined it is seen that the cities with highest migration rates are Cankiri with 150.8‰, Tunceli with 66.8‰ and Sinop with 57.6‰. While Gumushane was the only province that experienced a decline in its population with -44.6‰, Adana and Istanbul were the only provinces that experienced the smallest growth with 1.6‰ and 2.6‰ respectively (Table 122).

Table 122. Annual Population Growth Rate and Population Density According to Level-3 Classification of Statistical Region Units in 2018

Province Code	NUTS Level-3	Yearly Population Increase Rate (%) ⁽¹⁾	Population Growth Rate No	Population Density	Province Code	NUTS Level-3	Yearly Population Increase Rate (%) ⁽¹⁾	Population Growth Rate No	Population Density		
TR621	Adana	1.6	80	160	14	TR632	Kahramanmaraş	15.2	50	80	33
TRC12	Adıyaman	15.2	49	89	29	TR812	Karabük	14.5	54	60	45
TR332	Afyonkarahisar	13.7	55	51	56	TR522	Karaman	21.0	34	28	74
TRA21	Ağrı	6.3	76	47	61	TRA22	Kars	4.2	78	29	73
TR712	Aksaray	24.0	26	54	52	TR821	Kastamonu	29.1	16	29	71
TR834	Amasya	22.8	30	59	46	TR721	Kayseri	9.4	71	82	32
TR510	Ankara	10.8	67	224	8	TR711	Kırıkkale	27.8	19	63	41
TR611	Antalya	25.9	23	117	21	TR213	Kırklareli	13.4	57	57	48
TRA24	Ardahan	18.5	43	20	79	TR715	Kırşehir	30.8	14	38	65
TR905	Artvin	46.3	5	24	76	TRC13	Kilis	44.6	6	100	25
TR321	Aydın	15.5	48	140	17	TR421	Kocaeli	12.2	61	528	2
TR221	Balıkesir	17.9	44	86	31	TR521	Konya	11.6	63	57	49
TR813	Bartın	27.6	20	96	26	TR333	Kütahya	9.9	68	48	60
TRC32	Batman	23.4	28	129	19	TRB11	Malatya	13.1	58	68	39
TRA13	Bayburt	22.8	31	22	78	TR331	Manisa	11.7	62	109	23
TR413	Bilecik	7.9	74	52	55	TRC31	Mardin	23.8	27	94	27
TRB13	Bingöl	28.3	17	34	68	TR622	Mersin	11.4	66	117	20
TRB23	Bitlis	22.9	29	50	58	TR323	Muğla	30.2	15	75	34
TR424	Bolu	28.1	18	37	67	TRB22	Muş	8.5	73	51	57
TR613	Burdur	19.3	40	39	64	TR714	Nevşehir	20.2	37	55	50
TR411	Bursa	19.5	38	287	6	TR713	Niğde	33.4	13	50	59
TR222	Çanakkale	19.1	41	54	53	TR902	Ordu	39.1	10	130	18
TR822	Çankırı	150.8	1	29	72	TR633	Osmaniye	12.6	59	171	12
TR833	Çorum	15.1	52	42	62	TR904	Rize	51.7	4	89	28
TR322	Denizli	8.8	72	88	30	TR422	Sakarya	20.5	35	209	9
TRC22	Diyarbakır	18.9	42	115	22	TR831	Samsun	17.2	47	147	16
TR423	Düzce	26.7	22	151	15	TRC34	Siirt	22.2	32	61	44
TR212	Edirne	11.4	65	68	38	TR823	Sinop	57.6	3	38	66
TRB12	Elazığ	20.3	36	70	36	TR722	Sivas	39.9	9	23	77
TRA12	Erzincan	19.3	39	20	80	TRC21	Şanlıurfa	24.9	24	108	24
TRA11	Erzurum	9.6	69	30	69	TRC33	Şırnak	40.8	8	73	35
TR412	Eskişehir	12.2	60	63	42	TR211	Tekirdağ	24.0	25	163	13
TRC11	Gaziantep	11.4	64	297	5	TR832	Tokat	17.4	45	62	43
TR903	Giresun	37.1	12	66	40	TR901	Trabzon	27.1	21	173	11
TR906	Gümüşhane	-44.6	81	25	75	TRB11	Tunceli	66.8	2	12	81
TRB24	Hakkari	38.1	11	40	63	TR334	Uşak	6.9	75	69	37
TR631	Hatay	21.7	33	276	7	TRB21	Van	15.1	51	58	47
TRA23	İğdir	13.7	56	55	51	TR425	Yalova	43.0	7	310	4
TR612	Isparta	17.3	46	53	54	TR723	Yozgat	15.0	53	30	70
TR100	İstanbul	2.6	79	2,900	1	TR811	Zonguldak	4.7	77	182	10
TR310	İzmir	9.5	70	360	3	TR	Türkiye	14.7	-	107	-

Source: TÜİK.

(1): In the calculation of annual population growth rates and population densities, last year administrative division structure was taken into consideration.

In 2018, the first three provinces with the highest population density were Istanbul with 2,900 people per km², Kocaeli with 528 people and İzmir with 360 people whereas the provinces with lowest rates were Tunceli with 12 people per km² and Ardahan and Erzincan with 20 people.

Median Age

The growth in the median age of a population, which is the most obvious indicator of the aging of population, shows that the elderly population increases faster than the young population. The median age for male population which was 30.8 years in 2016 reached to 31.1 years with 3 months increase in 2017 and to 31.4 years with a 3 months increase in 2018 as well. For the female population, the median age that was 32.0 years in 2016 reached to 32.4 years with 4 months increase in 2017 and to 32.7 years with 3 months increase in 2018 (Table 123).

Table 123. Median Age by Gender

Years	Male	Change (%)	Female	Change (%)	Total	Change (%)
2016	30.8	1.3	32.0	1.3	31.4	1.3
2017	31.1	1.0	32.4	1.3	31.7	1.0
2018	31.4	1.0	32.7	0.9	32.0	0.9

Source: TÜİK.

The median age rate for the total population which was 31.4 in 2016 rose to 31.7 with 3 months increase in 2017 and to 32.0 with 3 months increase in 2018.

Thus, according to the median age rate between 2016-2018, the total population in Turkey got 6 months older as male and female populations got 6 months and 7 months older respectively.

2.2 Education

2.2.1 Schooling Rates

The schooling rates in primary education in the 2017/'18 academic year rose 91.16% to 91.54% with an increase of 0.38 percentage point compared to the previous academic year. It rose from 91.08% to 91.42% with an increase of 0.34 percentage points in male students and from 91.24% to 91.68% with an increase of 0,44 in female students (Table 124).

Table 124. Schooling Rates by Level of Education ⁽¹⁾

Academic Year	Schooling Rate	Primary School			Secondary School			Secondary Education			Higher Education		
		Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
2015/'16	Gross	99.19	98.91	99.48	107.13	105.49	108.87	109.85	112.28	107.29	95.91	100.55	91.04
	Net	94.87	94.54	95.22	94.39	94.36	94.43	79.79	79.36	80.24	40.87	39.21	42.62
2016/'17	Gross	95.97	95.93	96.01	105.29	104.49	106.14	106.94	109.99	103.73	103.28	102.19	98.52
	Net	91.16	91.08	91.24	95.68	95.60	95.76	82.54	82.69	82.38	42.43	40.53	44.41
2017/'18	Gross	96.86	96.93	96.78	102.46	101.59	103.37	108.39	112.07	104.50	107.40	111.05	103.59
	Net	91.54	91.42	91.68	94.47	94.26	94.69	83.58	83.77	83.39	45.64	43.99	47.36

Source: MEB.

(1) : Schooling rates were calculated according to the Address Based Population Registration System, Population Census results.

The net schooling rates in the secondary schools 2017/'18 academic year fell from 95.68% to 94.47% with a decrease of 1.21 percentage point in total compared to the previous academic year. It fell from 95.60% to 94.26% with a decrease of 1.34 percentage point in male students and from 95,76% to 94,69% with a decrease of 1.07 percentage point in female students.

The net schooling rates in the secondary education in the 2017/'18 academic year rose from 82.54% to 83.58% with an increase of 1.04 percentage point in total compared to the previous year. It rose from 82.69% to 83.77% with an increase of 1.08 percentage point in male students and from 82.38% to 83.39% with an increase of 1.01 percentage point in female students.

The net schooling rates in higher education in the 2017/'18 academic year frose from 42.43% to 45.64% with an increase of 3.21 percentage points in total compared to the previous year. It rose from 40.53% to 43.99% with an increase of 3.46 percentage points in male students and from 44.41% to 47.36% with an increase of 2.95 percentage points in female students.

The highest net schooling rate in total in the 2017/'18 academic year according to the age groups is among the 10-13 age group with 98.62% (Table 125).

Table 125. Net Schooling Ratio by Age Groups (Birth Years) ⁽¹⁾

Academic Year	Gender								(%)
		3 Years	4 Years	5 Years	3-5 Years	4-5 Years	6-9 Years	10-13 Years	14-17 Years
2015/'16	Total	11.74	33.56	67.17	39.54	50.46	98.81	99.05	85.31
	Male	11.67	33.62	67.42	39.63	50.61	98.72	99.11	85.14
	Female	11.81	33.50	66.91	39.45	50.30	98.90	98.98	85.49
2016/'17	Total	12.48	36.15	70.43	41.68	53.01	98.13	99.23	87.43
	Male	12.48	36.13	70.81	41.81	53.20	98.08	99.33	87.85
	Female	12.48	36.17	70.02	41.54	52.81	98.19	99.12	86.99
2017/'18	Total	12.37	38.11	75.14	44.02	56.62	98.35	98.62	87.64
	Male	12.43	38.11	75.48	44.15	56.78	98.28	98.71	88.10
	Female	12.31	38.11	74.79	43.89	56.46	98.42	98.53	87.15

Source: MEB.

(1) : Net enrollment rates by age groups (birth years); regardless of the educational level (type of education) to which the student belongs, the total number of students in the relevant age group is divided by the total population in the age group.

2.2.2 The Numbers of Schools, Students, Teachers, Graduates and Classrooms

The number of students in formal education in the 2017/'18 academic year occurred as 17,885,248 with an increase of 1.0% compared to the previous year as 9,231,077 of the total number of students were male and 8,654,171 of it were female. 14,949,713 of the total number of students study at public schools, 1,351,712 of it at private schools and 1,586,823 of it participate in open learning (Table 126).

Table 126. Number of Schools/Institutions, Students, Teachers and Classrooms

Academic Year	School Type	School/Institutions	Number of Students ⁽¹⁾			Number of teachers ⁽²⁾	Classrooms
			Total	Male	Female		
2015/'16	Total Formal Education	61,203	17,588,958	9,059,597	8,529,361	993,794	651,828
	Formal Education (Official)	51,620	14,540,339	7,439,698	7,100,641	863,126	553,066
	Formal Education (Private)	9,581	1,174,409	623,309	551,100	130,668	98,762
	Formal Education (Open Education)	2	1,874,210	996,590	877,620	-	-
2016/'17	Total Formal Education	63,153	17,702,938	9,197,938	8,505,000	989,231	654,434
	Formal Education (Official)	53,098	14,731,376	7,557,567	7,173,809	868,289	554,405
	Formal Education (Private)	10,053	1,217,755	661,121	556,634	120,962	100,029
	Formal Education (Open Education)	2	1,753,807	979,250	774,557	-	-
2017/'18	Total Formal Education	65,568	17,885,248	9,231,077	8,654,171	1,030,130	686,800
	Formal Education (Official)	53,870	14,946,713	7,604,228	7,342,485	880,673	568,645
	Formal Education (Private)	11,694	1,351,712	739,791	611,921	149,457	118,155
	Formal Education (Open Education)	4	1,586,823	887,058	699,765	-	-

Source: MEB.

(1): The number of distant education students includes active students who are newly enrolled and renewed in the 1st, 2nd and 3rd semesters.

(2): The number of teachers includes only teachers in schools affiliated to MoNE

The number of teachers working at formal education institutions in the 2017/18 academic year rose to 1,030,130 with an increase of 4.1% compared to the previous academic year. 880,673 of these teachers work at public schools while 149,457 of them work at private schools.

The number of formal education schools in the 2017/18 academic year rose to 65,568 with an increase of 3.8% compared to the previous academic year. 53,870 of these schools are public schools, 11,694 of them are private schools and 4 are open education schools. The number of classrooms in all of public and private schools rose to 686,800 with an increase of 4.9%.

The number of schools in the primary school in the 2017/18 academic year fell to 24,967 with a decrease of 2.0% compared to the previous academic year, the number of teachers rose to 297,176 with an increase of 1.5% and the number of students to 5,104,599 with an increase of 2.7%. The number of schools in the secondary rose to 18,745 with an increase of 4.8%, the number of teachers to 339,850 with an increase of 4.8% and the number of students to 5,590,134 with an increase of 0.6% (Table 127).

Table 127. Number of School/Unit, Teacher, Student and Graduated Students by School Type and Academic Year

School Type	Academic Year	School/Unit ⁽³⁾	Teacher ⁽⁴⁾	Student ⁽¹⁾⁽²⁾	Graduated
Primary School	2015/16	26,522	302,961	5,360,703	-
	2016/17	25,479	292,878	4,972,430	-
	2017/18	24,967	297,176	5,104,599	-
Secondary School	2015/16	17,343	322,680	5,211,506	1,161,901
	2016/17	17,879	324,350	5,554,415	1,192,799
	2017/18	18,745	339,850	5,590,134	-
General Secondary Education	2015/16	5,311	151,458	3,047,503	472,169
	2016/17	5,225	147,052	3,136,440	495,727
	2017/18	5,717	159,579	3,074,642	-
Vocational and technical Secondary Education	2015/16	5,239	184,232	2,760,140	515,465
	2016/17	5,851	185,988	2,713,530	505,261
	2017/18	6,066	188,390	2,614,785	-
Faculty and College	2015/16	3,735	156,168	6,186,007	753,480
	2016/17	3,729	151,763	6,627,505	749,707
	2017/18	3,827	158,098	7,010,598	-

Source: MEB.

(1): It also includes open primary and open high school students.

(2): Includes number of associate and undergraduate students.

(3): Active schools were included.

(4): Total teachers include permanent and contracted teachers.

The number schools in general secondary education rose to 5,717 with an increase of 9.4% and the number of teachers to 159,579 with an increase of 8.5% whereas the number of students fell to 3,074,642 with a decrease of 2.0%. The number of schools in the vocational and technical education rose to 6,066 with an increase

of 3.7% and the number of teachers to 188,390 with an increase of 1.3% whereas the number of students fell to 2,614,785 with a decrease of 3.6%. The number of faculties and colleges in the 2017/18 academic year rose to 3,827 with an increase of 2.6%, the number of teachers to 158,098 with an increase of 4.2% and the number of students to 7,010,598 with an increase of 5.8%.

2.3 Health

The Health Statistics Yearbook was calculated according to the international standards and the retrospective data was revised in accordance with these standards. According to the recent statistics revealed by the Ministry of Health, the total number of hospitals in 2017 increased to 1,518 by 8 compared to the previous year and the number of beds increased to 225,863 by 8,092. In the ranking, the general number of the hospitals that occupied the first place increased by 19 and the number of beds by 9,907 whereas the number of maternity and pediatric hospitals that occupied the second place decreased by 5 and the number of beds by 821; the ophthalmology hospitals that occupied the third place decreased by 2 and the number of beds by 20. The 1,404 of the 1,518 hospitals in our country in 2017 were general hospitals while the 26 of them were maternity and pediatric hospitals, 25 were ophthalmology hospitals and the other 63 hospital served in other branches (Table 128).

Table 128. Number of Hospitals and Beds by Branches ⁽¹⁾

Branches	Number of Patient			Number of Beds		
	2015	2016	2017	2015	2016	2017
General Hospital	1,406	1,385	1,404	188,849	196,951	206,858
Gynecology and Pediatric Hospital	36	31	26	6,433	5,549	4,728
Ophthalmology Hospital	27	27	25	580	623	603
Physical Therapy and Rehabilitation Hospital	16	20	18	2,038	2,943	2,477
Chest Diseases Hospital	15	14	14	3,660	3,668	3,643
Psychiatric Hospital	11	12	11	4,231	4,352	4,019
Cardiovascular Surgery Hospital	5	5	4	609	632	599
Pediatric Diseases Hospital	5	4	4	1,759	1,307	1,294
Bone Diseases Hospital	3	3	3	436	436	436
Occupational Diseases Hospital	2	3	3	156	298	298
Oncology Hospital	2	2	2	696	816	712
Surgical Hospital	1	-	-	70	-	-
Orthopedics and Traumatology Hospital	1	1	1	29	33	33
Leprosy Hospital	1	1	1	34	34	34
Hospital for children with leukemia	1	1	1	14	75	75
Spastic children's hospital and rehabilitation center	1	1	1	54	54	54
Total	1,533	1,510	1,518	209,648	217,771	225,863

Source: SB.

(1): Data for 2018 has not been published as of the date of the report.

There's a constant growth in the number of health personnel every year. The number of health personnel that increased by 1.7% in 2016 occurred as 920,939 with an increase of 5.7% in 2017. Compared to the previous year, the number of specialists in 2017 rose to 80,951 with an increase of 3.0%, the number of practicing physician

rose to 44,649 with an increase of 3,7% and the number physician assistants rose to 24,397 with an increase of 5.4%. Thus total number of physicians increased by 3,6% to 149.997. The number of dentists rose to 27,889 with an increase of 4.6% and the number of pharmacists rose to 28,512 with an increase of 2.3%. The number of nurses rose to 166,142 with an increase of 8.6%, the number of midwives rose to 53,741 with an increase of 2.4%, the number of other health personnel rose to 155,417 with an increase of 7.5% and the number of workers employed within the scope of procurement of other personnel and services rose to 339,241 with an increase of 5.4% (Table 129, Chart 55).

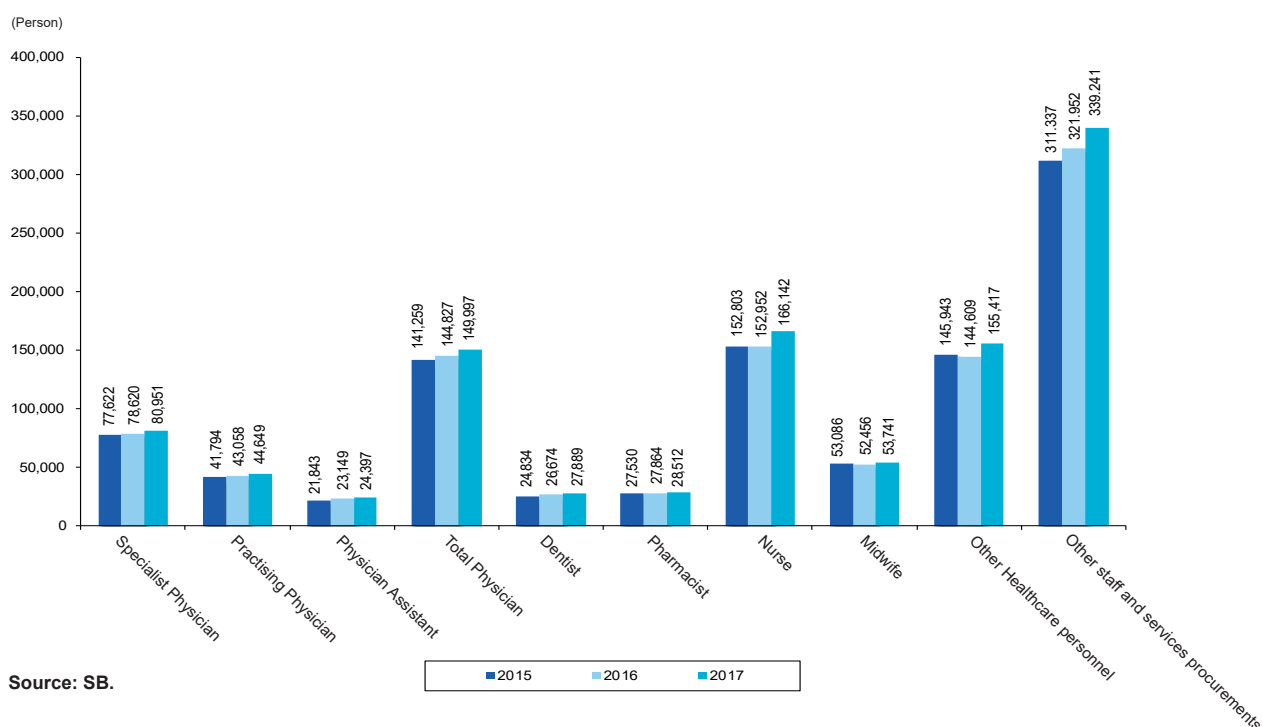
Table 129. Number of Healthcare Personnel (All Sectors) ⁽¹⁾

Health Personnel	2015	2016	2017	Change (%)	
				2016	2017
Specialist Physician	77,622	78,620	80,951	1.3	3.0
Practising Physician	41,794	43,058	44,649	3.0	3.7
Physician Assistant	21,843	23,149	24,397	6.0	5.4
Total Physician	141,259	144,827	149,997	2.5	3.6
Dentist	24,834	26,674	27,889	7.4	4.6
Pharmacist	27,530	27,864	28,512	1.2	2.3
Nurse	152,803	152,952	166,142	0.1	8.6
Midwife	53,086	52,456	53,741	-1.2	2.4
Other healthcare personnel	145,943	144,609	155,417	-0.9	7.5
Other staff and service procurement	311,337	321,952	339,241	3.4	5.4
Total number of staff	856,792	871,334	920,939	1.7	5.7

Source: SB.

(1): Data for 2018 has not been published as of the date of the report.

Chart 55. Number of Healthcare Personnel (All Sectors)



Source: SB.

2.4 Labor Life

2.4.1 Labor Force

2.4.1.1 Key Indicators Labor Force

The growth in Turkey's economy in the recent years didn't reflect to the labor market at a required extent thus, an employment-friendly growth couldn't be obtained. The single-digit unemployment rate between 2011-2014 increased to double digits in 2015. The unemployment rate continued its upward trend with small percentages until the end of 2018.

During the negativity experienced in the labor market in 2018; the slowdown in the global and national growth, the pressure on production created by the domestic consumption, the investment expenditures, the stagnation in the exports growth, the employment growth falling behind the growth in labor force and the participation rate in the labor force were the factors that stood out the most.

While the unemployment rate that was 10.9% in 2017 rose to 11.0% by increasing 0.1 percentage point in 2018, it came down to 13,9% with a decrease of 0.2 percentage point for women and it rose to 9.5% with an increase of 0.1 percentage point for men. Thus, the employment rate occurred as 0,5 percentage point above the estimated rate of the Annual Programme of 2018 which was 10.5% and 0.2 percentage point above the rate estimated by Annual Presidency Programme of 2019 and the New Economic Programme 2019-2021 (The Medium Term Programme) which was 11.3% (Table 130).

While the non-agricultural unemployment rate in 2018 occurred as 12.9% with a decrease of 0.1 percentage point compared to the previous year; it increased by 0.1 percentage point in men and decreased by 0.7 percentage point in women. The youth unemployment rate (15-24 years) which is an important problem in both the developed and the developing countries came down to 20.3% with a decrease of 0.5%. The unemployment rate among the youth, which is quite above the total unemployment rate decreased by 0.2 percentage point and 0.8 percentage point for men and women respectively (Chart 56).

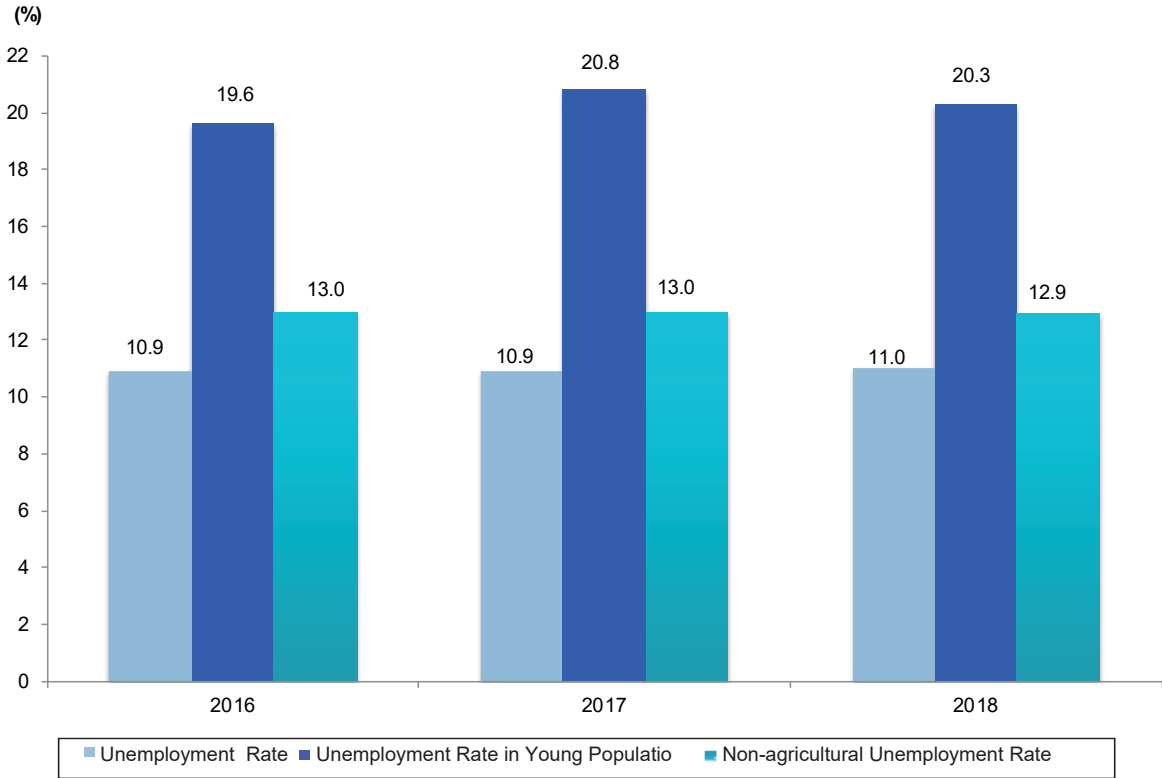
As an important indicator in terms of the economy's potential, the labor force participation rate in the population aged 15 and over rose to 53.2 with an increase of 0.4 percentage point in 2018. The labor force participation rate occurred as 72.7% with an increase of 0.2 percentage point and 34.2% with an increase of 0.6% in men and women respectively.

Table 130. Key Labor Force Indicators

Indicators	(15+ Age, Thousand People)				
	2016	2017	2018	2017	2018
		Total		Change (%)	
Population of 15 years of age and over	58,720	59,894	60,654	2.0	1.3
Labor Force	30,535	31,643	32,274	3.6	2.0
Employed	27,205	28,189	28,738	3.6	1.9
Unemployed	3,330	3,454	3,537	3.7	2.4
Population not in Labor Force	28,185	28,251	28,380	0.2	0.5
				Difference (Points)	
Labor Force Participation Rate (%)	52.0	52.8	53.2	0.8	0.4
Employment Rate (%)	46.3	47.1	47.4	0.8	0.3
Unemployment Rate (%)	10.9	10.9	11.0	0.0	0.1
Non-agricultural unemployment rate (%)	13.0	13.0	12.9	0.0	-0.1
Unemployment Rate in the Young Population (15-24 age) (%)	19.6	20.8	20.3	1.2	-0.5
		Male		Change (%)	
Population of 15 years of age and over	29,031	29,649	30,007	2.1	1.2
Labor Force	20,899	21,484	21,801	2.8	1.5
Employed	18,893	19,460	19,720	3.0	1.3
Unemployed	2,006	2,024	2,082	0.9	2.9
Population not in Labor Force	8,133	8,166	8,206	0.4	0.5
				Difference (Points)	
Labor Force Participation Rate (%)	72.0	72.5	72.7	0.5	0.2
Employment Rate (%)	65.1	65.6	65.7	0.5	0.1
Unemployment Rate (%)	9.6	9.4	9.5	-0.2	0.1
Non-agricultural unemployment rate (%)	10.9	10.7	10.8	-0.2	0.1
Unemployment Rate in the Young Population (15-24 age) (%)	17.4	17.8	17.6	0.4	-0.2
		Female		Change (%)	
Population of 15 years of age and over	29,689	30,244	30,647	1.9	1.3
Labor Force	9,637	10,159	10,473	5.4	3.1
Employed	8,312	8,729	9,018	5.0	3.3
Unemployed	1,324	1,431	1,455	8.1	1.7
Population not in Labor Force	20,052	20,085	20,174	0.2	0.4
				Difference (Points)	
Labor Force Participation Rate (%)	32.5	33.6	34.2	1.1	0.6
Employment Rate (%)	28.0	28.9	29.4	0.9	0.5
Unemployment Rate (%)	13.7	14.1	13.9	0.4	-0.2
Non-agricultural unemployment rate (%)	18.1	18.5	17.8	0.4	-0.7
Unemployment Rate in the Young Population (15-24 age) (%)	23.7	26.1	25.3	2.4	-0.8

Source: TÜİK.

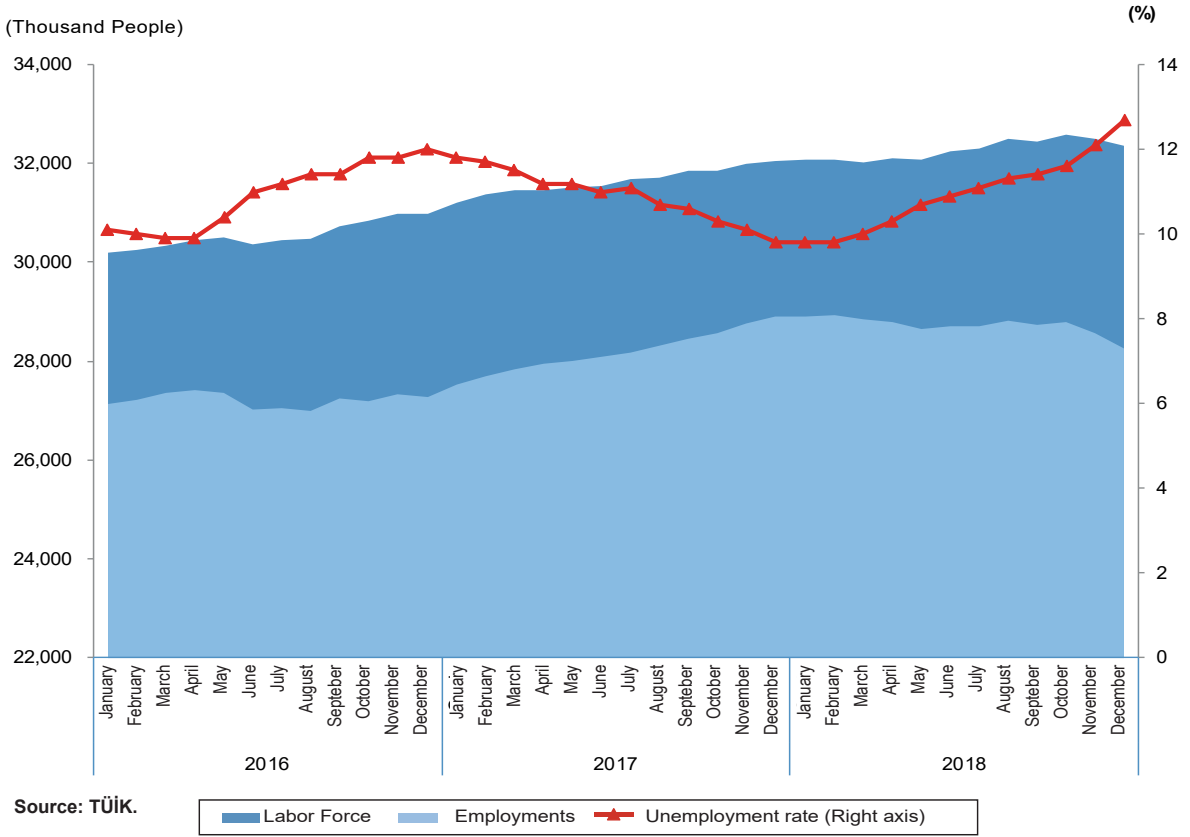
Chart 56. Unemployment Rates



Source: TÜİK.

The labor force rate in 2018 rose to 32 million 274 thousand people with an increase of 631 thousand people. The number of labor force consisted of 21 million 801 thousand men and 10 million 473 thousand women. The 28 million and 738 thousand people employed in 2018 consisted of 19 million 720 thousand men and 9 million 18 thousand women. While the number of the unemployed rose to 3 million 537 thousand from 3 million 454 thousand with an increase of 83 thousand people, the numbers of unemployed men and women were calculated as 2 million 82 thousand and 1 million 455 thousand respectively. Compared to the previous year, the employment rate in 2018 rose to 47.4% with an increase of 0.3 percentage point. The employment rate occurred as 65.7% with an increase of 0.1 percentage point in men and 29.4% with an increase of 0.5 percentage point for women.

The seasonally adjusted unemployment rate occurring as 9.8% in January and February, showed a continual upward trend starting in March, parallel to the economical activity and the contraction experienced in the employment market and rose to the level of 12.7% in December 2018 (Chart 57).

Chart 57. Seasonally Adjusted Labor Force Indicators

2.4.1.2 Labor Force by Education

More than half of the labor force which is the total of the employed and the unemployed consist of those with education below high school level. Those educated below high school made up the 51.8% of the total labor force in 2018 and they were followed by higher education graduates with 23.8%, vocational or technical high school graduates with 10.9%, high school graduates with 10.3% and the illiterate with 3.2% (Table 131, Chart 58).

The total the employed in 2018 consists of those educated below high school with 52.3%, higher education graduates with 23.4%, vocational or technical high school graduates with 10.8%, high school graduates with 10.0% and the illiterate with 3.4%.

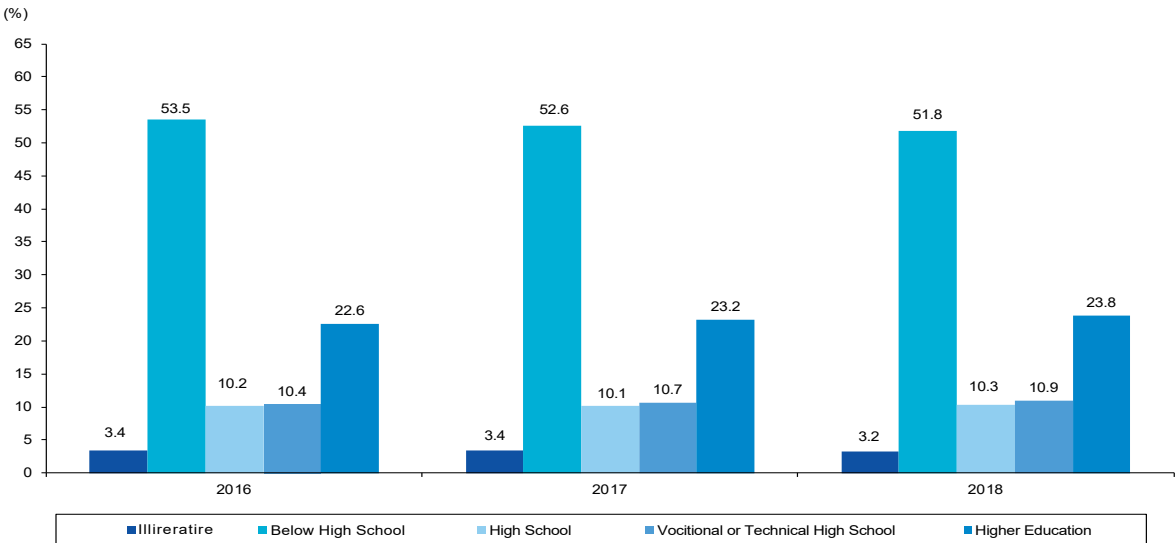
When we look at the education statuses of the unemployed, it consists of those educated below high school with 47.9%, higher education graduates with 26.9%, high school graduates with 12.2%, vocational or technical high school graduates with 11.3 and the illiterate with 1.7%.

Table 131. Labor Force Status by Education

		(15+ Age, Thousand People)							
Education Status	Labor Status	2016	2017	2018	Share (%)			Change (%)	
					2016	2017	2018	2017	2018
Illiterate	Labor Force	1.038	1.076	1.045	3,4	3,4	3,2	3,7	-2,9
	Employed	978	1.013	985	3,6	3,6	3,4	3,6	-2,8
	Unemployed	60	63	60	1,8	1,8	1,7	5,0	-4,8
Below High School	Labor Force	16.328	16.644	16.734	53,5	52,6	51,8	1,9	0,5
	Employed	14.670	15.009	15.040	53,9	53,2	52,3	2,3	0,2
	Unemployed	1.658	1.636	1.694	49,8	47,4	47,9	-1,3	3,5
High School	Labor Force	3.100	3.202	3.311	10,2	10,1	10,3	3,3	3,4
	Employed	2.685	2.777	2.879	9,9	9,9	10,0	3,4	3,7
	Unemployed	415	425	433	12,5	12,3	12,2	2,4	1,9
Vocational or Technical High School	Labor Force	3.177	3.371	3.508	10,4	10,7	10,9	6,1	4,1
	Employed	2.808	2.970	3.109	10,3	10,5	10,8	5,8	4,7
	Unemployed	369	401	399	11,1	11,6	11,3	8,7	-0,5
Higher Education	Labor Force	6.892	7.350	7.676	22,6	23,2	23,8	6,6	4,4
	Employed	6.064	6.420	6.725	22,3	22,8	23,4	5,9	4,8
	Unemployed	828	930	951	24,9	26,9	26,9	12,3	2,3
Total	Labor Force	30.535	31.643	32.274	100,0	100,0	100,0	3,6	2,0
Total	Employed	27.205	28.189	28.738	100,0	100,0	100,0	3,6	1,9
Total	Unemployed	3.330	3.454	3.537	100,0	100,0	100,0	3,7	2,4

Source: TÜİK.

Chart 58. Distribution of Labor Force By Education



Source: TÜİK.

While the proportions of the illiterate, high school graduates and vocational or technical high school graduates among the total of the unemployed decreased, the proportion of those educated below high school increased and the proportion of higher education graduates remained unchanged. Among the labor force in total, the proportions of high school graduates, vocational or technical high school and higher education graduates increased whereas the proportions of the illiterate and those educated below high school decreased. This situation indicates that there is a growth in the education status.

2.4.1.3 Labor Force Indicators at Regional Level

When the laborforce indicators rose according to the NUTS Level-1 were examined, it was seen that the Istanbul region ranked number one in all indicators in 2018 as well. The population aged 15 and over in the Istanbul region in 2018 rose to 11 million 741 thousand people, the labor rose force to 6 million 738 thousand people, the employed rose to 5 million 899 thousand people and the non-labor force rose to 5 million 3 thousand people whereas the number of the unemployed fell to 839 thousand people. All the indicators in Northeast Anatolia region took the lowest rates. While the population aged 15 and over in the Northeast Anatolia region rose to 1 million 500 thousand people, the labor force rose to 738 thousand people and the employed fell to 691 thousand people, the population of the unemployed and the non-labor force rose to 47 thousand and 761 thousand people respectively (Table 132).

Table 132. Labor Force Indicators by Level-1 Classification of Economic Region Units-1

		(15+ Age. Thousand People)														
		2016					2017					2018				
Region Code	Nuts Level-1	Population 15 Years and Over	Labor	Employed	Unemployed	Non-Labor Force Population	Population 15 Years and Over	Labor	Employed	Unemployed	Non-Labor Force Population	Population 15 Years and Over	Labor	Employed	Unemployed	Non-Labor Force Population
TR1	Istanbul	11,416	6,427	5,558	869	4,988	11,457	6,578	5,664	914	4,879	11,741	6,738	5,899	839	5,003
TR2	Western Marmara	2,660	1,415	1,314	101	1,244	2,723	1,483	1,375	108	1,240	2,780	1,513	1,412	101	1,267
TR3	Aegean	7,906	4,272	3,876	396	3,634	8,127	4,439	4,007	433	3,688	8,163	4,552	4,108	445	3,610
TR4	Eastern Marmara	5,755	2,978	2,683	295	2,776	5,950	3,164	2,838	326	2,786	6,035	3,252	2,941	312	2,782
TR5	Western Anatolia	5,736	2,998	2,702	296	2,738	5,876	3,089	2,787	302	2,787	6,016	3,125	2,847	278	2,890
TR6	Mediterranean	7,364	3,745	3,302	443	3,619	7,593	3,901	3,456	445	3,692	7,611	3,958	3,477	481	3,653
TR7	Middle Anatolia	2,863	1,453	1,301	151	1,410	2,927	1,459	1,289	171	1,468	2,964	1,463	1,284	179	1,502
TR8	Western Black sea	3,414	1,807	1,668	138	1,608	3,510	1,851	1,732	119	1,659	3,526	1,911	1,787	124	1,615
TR9	Eastern Black sea	2,001	1,089	1,040	49	911	2,054	1,112	1,072	40	943	2,038	1,113	1,045	69	925
TRA	North east Anatolia	1,533	772	734	38	761	1,511	756	714	41	756	1,500	738	691	47	761
TRB	Middle east Anatolia	2,623	1,197	1,089	108	1,426	2,638	1,307	1,178	129	1,331	2,668	1,346	1,147	199	1,322
TRC	South east Anatolia	5,450	2,381	1,937	444	3,069	5,527	2,504	2,078	426	3,023	5,613	2,563	2,100	464	3,049
TR	Turkey	58,720	30,535	27,205	3,330	28,185	59,894	31,643	28,189	3,454	28,251	60,654	32,274	28,738	3,537	28,380
Share (%)																
TR1	Istanbul	19.4	21.0	20.4	26.1	17.7	19.1	20.8	20.1	26.5	17.3	19.4	20.9	20.5	23.7	17.6
TR2	Western Marmara	4.5	4.6	4.8	3.0	4.4	4.5	4.7	4.9	3.1	4.4	4.6	4.7	4.9	2.9	4.5
TR3	Aegean	13.5	14.0	14.2	11.9	12.9	13.6	14.0	14.2	12.5	13.1	13.5	14.1	14.3	12.6	12.7
TR4	Eastern Marmara	9.8	9.8	9.9	8.9	9.8	9.9	10.0	10.1	9.4	9.9	9.9	10.1	10.2	8.8	9.8
TR5	Western Anatolia	9.8	9.8	9.9	8.9	9.7	9.8	9.8	9.9	8.7	9.9	9.9	9.7	9.9	7.9	10.2
TR6	Mediterranean	12.5	12.3	12.1	13.3	12.8	12.7	12.3	12.3	12.9	13.1	12.5	12.3	12.1	13.6	12.9
TR7	Middle Anatolia	4.9	4.8	4.8	4.5	5.0	4.9	4.6	4.6	5.0	5.2	4.9	4.5	4.5	5.1	5.3
TR8	Western Black sea	5.8	5.9	6.1	4.1	5.7	5.9	5.8	6.1	3.4	5.9	5.8	5.9	6.2	3.5	5.7
TR9	Eastern Black sea	3.4	3.6	3.8	1.5	3.2	3.4	3.5	3.8	1.2	3.3	3.4	3.4	3.6	2.0	3.3
TRA	North east Anatolia	2.6	2.5	2.7	1.1	2.7	2.5	2.4	2.5	1.2	2.7	2.5	2.3	2.4	1.3	2.7
TRB	Middle east Anatolia	4.5	3.9	4.0	3.2	5.1	4.4	4.1	4.2	3.7	4.7	4.4	4.2	4.0	5.6	4.7
TRC	South east Anatolia	9.3	7.8	7.1	13.3	10.9	9.2	7.9	7.4	12.3	10.7	9.3	7.9	7.3	13.1	10.7
TR	Turkey	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: TÜİK.

The region with the highest labor force participation rate in 2018 according to the NUTS Level-1 was the Istanbul region with 57.4%, which is the same as the previous year whereas the region with the lowest rate was the Southeast Anatolia region with 45.7%, which increased by 0.4 percentage point. The largest growth in labor force participation rate was in the West Black Sea region with an increase of 1.5 percentage point, the largest decline was in the Northeast Anatolia region with a decrease of 0,8 percentage point (Table 133).

Table 133. Labor Force Indicators by Classification of Economic Region Units Level-1-2

(15+ Age, %)

Region Code	NUTS Level-1	2016			2017			2018		
		Labor Force Participation Rate	Unemployment Rate	Employment Rate	Labor Force Participation Rate	Unemployment Rate	Employment Rate	Labor Force Participation Rate	Unemployment Rate	Employment Rate
TR1	Istanbul	56.3	13.5	48.7	57.4	13.9	49.4	57.4	12.5	50.2
TR2	Western Marmara	53.2	7.1	49.4	54.5	7.3	50.5	54.4	6.7	50.8
TR3	Aegean	54.0	9.3	49.0	54.6	9.8	49.3	55.8	9.8	50.3
TR4	Eastern Marmara	51.8	9.9	46.6	53.2	10.3	47.7	53.9	9.6	48.7
TR5	Western Anatolia	52.3	9.9	47.1	52.6	9.8	47.4	52.0	8.9	47.3
TR6	Mediterranean	50.9	11.8	44.8	51.4	11.4	45.5	52.0	12.2	45.7
TR7	Middle Anatolia	50.8	10.4	45.5	49.9	11.7	44.0	49.3	12.2	43.3
TR8	Western Black sea	52.9	7.7	48.9	52.7	6.4	49.3	54.2	6.5	50.7
TR9	Eastern Black sea	54.4	4.5	52.0	54.1	3.6	52.2	54.6	6.2	51.3
TRA	Northh east Anatolia	50.4	4.9	47.9	50.0	5.5	47.3	49.2	6.4	46.1
TRB	Middle east Anatolia	45.6	9.0	41.5	49.5	9.9	44.7	50.4	14.8	43.0
TRC	South east Anatolia	43.7	18.7	35.5	45.3	17.0	37.6	45.7	18.1	37.4
TR	Turkey	52.0	10.9	46.3	52.8	10.9	47.1	53.2	11.0	47.4

Source: TÜİK.

The region with the highest unemployment rate in 2018 was the Southeastern Anatolia region with 18.1% with an increase of 1.1 percentage point compared to the previous year whereas the region with the lowest rate was the East Black Sea region with 6.2%, which increased by 2.6 percentage points. The largest growth in the unemployment rate was in the Central East Anatolia region with an increase of 4.9 percentage points, the largest decline was in the Istanbul region with a decrease of 1.4 percentage point.

The region with the highest employment rate in 2018 was recorded in the East Black Sea region with 51.3%, which decreased by 0.9 percentage point compared to the previous year and the lowest rate was recorded in the Southeast Anatolia region with 37.4%, which decreased by 0.2 percentage point compared to the previous year. The largest growth in the employment was in the West Black Sea region with an increase of 1.4 percentage point, the largest decline was in the Central East Anatolia region with a decrease of 1.7 percentage point

2.4.2 Employment

2.4.2.1 Sectoral Distribution of Employment

The number of people employed in the agricultural-sector in 2018 fell to 5 million 297 thousand people by a decrease of 3.1% whereas the number of people employed in

the industrial-sector rose to 7 million and 666 thousand people by an increase of 2.5% and the people employed in the service-sector to 15 million 774 thousand people by an increase of 3.5%. Thus the total number of the employed rose to 28 million 738 thousand people as it increased by 1.9%.

The agricultural-sector share in the total employment in 2018 fell to 18.4% with a decrease of 1.0 percentage point compared to last year whereas the industrial-sector share increased to 26.7% by 0.2 percentage point and the service-sector share to 54.9% by 0.8 percentage point.

The service-sector provided the largest contribution to employment by providing additional employment to 528 thousand people, public administration and the defense-sector as well as human health and social services activities being the sub-sectors that provided the most contribution. While the employment in agricultural-sector decreased by 167 thousand people, it increased by 188 thousand people in the industrial-sector. While 263 thousand people working in the manufacturing-sector were provided additional employment, the employment in the construction-sector decreased by 103 thousand people due to the contraction in the sector (Table 134, Chart 59).

Table 134. Sectoral Distribution of Employed

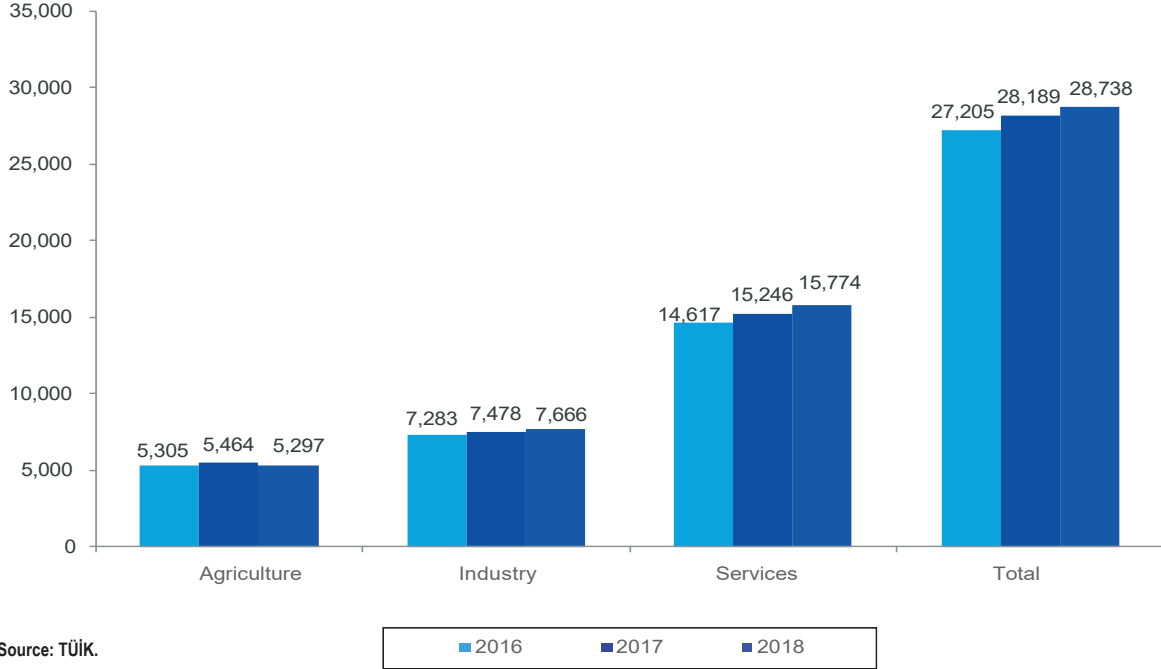
Sectors	(≥15 Age, thousand people)							
				Share (%)			Change (%)	
	2016	2017	2018	2016	2017	2018	2017	2018
Agriculture	5,305	5,464	5,297	19.5	19.4	18.4	3.0	-3.1
Agriculture, forestry and fishing	5,305	5,464	5,297	19.5	19.4	18.4	3.0	-3.1
Industry	7,283	7,478	7,666	26.8	26.5	26.7	2.7	2.5
Mining and Quarrying	125	137	151	0.5	0.5	0.5	9.6	10.2
Manufacturing	4,915	4,969	5,232	18.1	17.6	18.2	1.1	5.3
Electricity, gas, steam, water supply and sewers	257	277	292	0.9	1.0	1.0	7.8	5.4
Construction	1,987	2,095	1,992	7.3	7.4	6.9	5.4	-4.9
Services	14,617	15,246	15,774	53.7	54.1	54.9	4.3	3.5
Wholesale and retail trade	3,758	3,934	4,038	13.8	14.0	14.1	4.7	2.6
Transportation and storage	1,185	1,235	1,255	4.4	4.4	4.4	4.2	1.6
Accommodation and food service activities	1,471	1,523	1,630	5.4	5.4	5.7	3.5	7.0
Information and communication	248	258	231	0.9	0.9	0.8	4.0	-10.5
Finance and insurance activities	301	271	255	1.1	1.0	0.9	-10.0	-5.9
Real estate activities	242	286	293	0.9	1.0	1.0	18.2	2.4
Professional, scientific and technical activities	846	895	912	3.1	3.2	3.2	5.8	1.9
Administrative and support service activities	1,397	1,551	1,127	5.1	5.5	3.9	11.0	-27.3
Public administration and defense	1,453	1,462	1,811	5.3	5.2	6.3	0.6	23.9
Education	1,607	1,608	1,689	5.9	5.7	5.9	0.1	5.0
Human health and social work activities	1,123	1,187	1,428	4.1	4.2	5.0	5.7	20.3
Culture, arts, entertainment, leisure and sports	141	154	183	0.5	0.5	0.6	9.2	18.8
Other service activities	844	883	925	3.1	3.1	3.2	4.6	4.8
Total	27,205	28,189	28,738	100.0	100.0	100.0	3.6	1.9

KSOURCE: TÜİK.

(Note): Charts may not be total due to rounding.

Chart 59. Sectoral Distribution of Employed

(Thousand People)



Source: TÜİK.

2.4.2.2 Employment Statistics at Regional Level

It is seen that the highest value of the agricultural-sector according to the NUTS Level-1 in terms of the sectoral distribution of the employment in 2018 was in the Aegean region with 834 thousand people whereas the lowest was in Istanbul region with 70 thousand people. The highest value of industrial-sector was recorded in the Istanbul region with 1 million 900 thousand people whereas the lowest was recorded in the Northeast Anatolia with 88 thousand people. Same with the industrial-sector, the region where the highest value of the service-sector was recorded in the Istanbul region with 3 million 929 thousand people whereas the lowest was recorded in the Northeast Anatolia with 295 thousand people (Table 135).

The region with the highest share of the agricultural-sector among the employed was the Northeast Anatolia region with 44.7% and the lowest was the Istanbul region with 1.2%.

The region with the highest share of the industrial-sector among the employed was the East Marmara region with 38.4% and the lowest was the Northeast Anatolia region with 12.7%.

The region with the highest share of the service-sector among the employed was the Istanbul region with 66.6% and the lowest was the West Black Sea region with 41.3%.

Table 135, Sectoral Allocation of Employed Persons By Classification Of Economic Region Units Level-1

		(15+ Years, Thousand People)								
Year	Region Code	NUTS Level-1	Sectors				Share (%)			
			Agriculture	Industry ⁽¹⁾	Services	Total	Agriculture	Industry	Services	
2016	TR1	İstanbul	51	1,822	3,685	5,558	0.9	32.8	66.3	
	TR2	West Marmara	298	399	617	1,314	22.7	30.4	47.0	
	TR3	Aegean	894	1,081	1,901	3,876	23.1	27.9	49.0	
	TR4	East Marmara	320	1,049	1,315	2,683	11.9	39.1	49.0	
	TR5	West Anatolia	272	693	1,736	2,702	10.1	25.6	64.2	
	TR6	Mediterranean	771	695	1,836	3,302	23.3	21.0	55.6	
	TR7	Middle Anatolia	396	309	596	1,301	30.4	23.8	45.8	
	TR8	West Black sea	666	311	691	1,668	39.9	18.6	41.4	
	TR9	East Black sea	439	162	439	1,040	42.2	15.6	42.2	
	TRA	Northh east Anatolia	373	87	274	734	50.8	11.9	37.3	
			Middle east							
	TRB	Anatolia	384	200	505	1,089	35.3	18.4	46.4	
	TRC	South east Anatolia	439	475	1,022	1,937	22.7	24.5	52.8	
	TR	Turkey	5,305	7,283	14,617	27,205	19.5	26.8	53.7	
2017	TR1	İstanbul	66	1,800	3,799	5,664	1.2	31.8	67.1	
	TR2	West Marmara	323	397	655	1,375	23.5	28.9	47.6	
	TR3	Aegean	872	1,097	2,037	4,007	21.8	27.4	50.8	
	TR4	East Marmara	363	1,117	1,358	2,838	12.8	39.4	47.9	
	TR5	West Anatolia	281	702	1,804	2,787	10.1	25.2	64.7	
	TR6	Mediterranean	761	712	1,983	3,456	22.0	20.6	57.4	
	TR7	Middle Anatolia	346	331	611	1,289	26.8	25.7	47.4	
	TR8	West Black sea	691	333	707	1,732	39.9	19.2	40.8	
	TR9	East Black sea	463	162	447	1,072	43.2	15.1	41.7	
	TRA	Northh east Anatolia	337	91	286	714	47.2	12.7	40.1	
			Middle east							
	TRB	Anatolia	444	241	493	1,178	37.7	20.5	41.9	
	TRC	South east Anatolia	516	496	1,067	2,078	24.8	23.9	51.3	
	TR	Turkey	5,464	7,478	15,246	28,189	19.4	26.5	54.1	
2018	TR1	İstanbul	70	1,900	3,929	5,899	1.2	32.2	66.6	
	TR2	West Marmara	312	411	690	1,412	22.1	29.1	48.9	
	TR3	Aegean	834	1,153	2,122	4,108	20.3	28.1	51.7	
	TR4	East Marmara	385	1,128	1,427	2,941	13.1	38.4	48.5	
	TR5	West Anatolia	295	715	1,838	2,847	10.4	25.1	64.6	
	TR6	Mediterranean	717	721	2,039	3,477	20.6	20.7	58.6	
	TR7	Middle Anatolia	323	321	640	1,284	25.2	25.0	49.8	
	TR8	West Black sea	722	327	738	1,787	40.4	18.3	41.3	
	TR9	East Black sea	424	170	450	1,045	40.6	16.3	43.1	
	TRA	Northh east Anatolia	309	88	295	691	44.7	12.7	42.7	
			Middle east							
	TRB	Anatolia	404	236	507	1,147	35.2	20.6	44.2	
	TRC	South east Anatolia	503	497	1,100	2,100	24.0	23.7	52.4	
	TR	Turkey	5,297	7,667	15,774	28,738	18.4	26.7	54.9	

Source: TÜİK,

(1): The construction sector is considered within the industry,

2.4.2.3 Employment Status

In 2018, the 19 million 536 thousand people of the working population aged 15 and over that consists of 28 million 738 thousand people were employed as a waged, salaried and casual employees while the 6 million 191 thousand people worked as employers and self-employed and the 3 million 12 thousand people as unpaid family workers. The number of people who were employed as waged, salaried and casual employees and the people who worked as employers and self employed in 2018 increased by 3,0% and 1,6% respectively compared to last year, whereas the number of unpaid family workers decreased by 3,9% (Table 136, Chart 60).

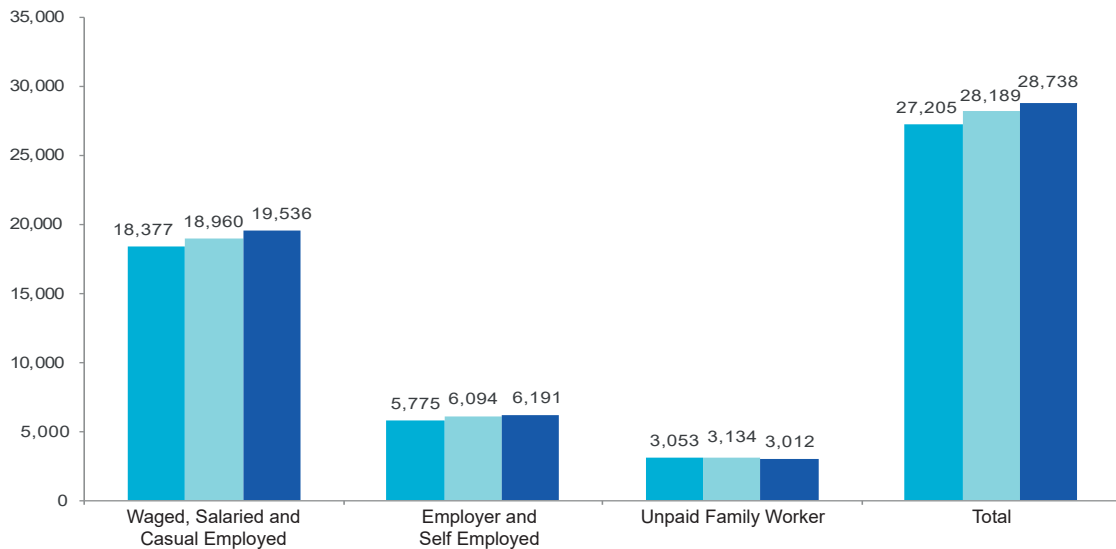
Table 136. Employment Status Of Employed

Status at Work	(15+ Years, Thousand People)							
				Share (%)		Change (%)		
	2016	2017	2018	2016	2017	2018	2017	2018
Agriculture	5,305	5,464	5,297	19.5	19.4	18.4	3.0	-3.1
Waged, Salaried and Casual Employed	548	570	544	3.0	3.0	2.8	4.0	-4.6
Employer and Self Employed	2,243	2,324	2,313	38.8	38.1	37.4	3.6	-0.5
Unpaid Family Worker	2,514	2,571	2,440	82.3	82.0	81.0	2.3	-5.1
Non-agricultural	21,901	22,724	23,441	80.5	80.6	81.6	3.8	3.2
Waged, Salaried and Casual Employed	17,830	18,391	18,991	97.0	97.0	97.2	3.1	3.3
Employer and Self Employed	3,532	3,770	3,877	61.2	61.9	62.6	6.7	2.8
Unpaid Family Worker	539	563	572	17.7	18.0	19.0	4.5	1.6
Sum	27,205	28,189	28,738	100.0	100.0	100.0	3.6	1.9
Waged, Salaried and Casual Employed	18,377	18,960	19,536	100.0	100.0	100.0	3.2	3.0
Employer and Self Employed	5,775	6,094	6,191	100.0	100.0	100.0	5.5	1.6
Unpaid Family Worker	3,053	3,134	3,012	100.0	100.0	100.0	2.7	-3.9

Source: TÜİK.

Chart 60. Employment Status Of Employed

(Thousand People)



Source: TÜİK



5 million 297 thousand people that make up the 18.4% of the total workers employed in 2018 were employed in the agricultural-sector. While the 544 thousand people of the total that works in agriculture were employed as waged, salaried and casual employees, 2 million 313 thousand people were working as employers and self-employed and the 2 million and 440 thousand people as unpaid family workers.

23 million 441 thousand people that make up the 81.6% of the total employed work in the non-agricultural sectors. While 18 million 991 thousand people of the total non-agricultural workers were employed as waged, salaried and casual employees, 3 million 877 thousand people work as employers and self-employed and 572 thousand people as unpaid family workers.

According to the assessments carried out by the NUTS Level-1 as of the employment status of the total employment in 2018; the highest number of workers who are waged, salaried and casual employees was recorded in the Istanbul region with 4 million 765 thousand people whereas the lowest was in the Northeast Anatolia region with 330 thousand people. The highest number of employers and self-employed was recorded in Istanbul region with 1 million 41 thousand people whereas the lowest was in the Northeast Anatolia region with 181 thousand people. The region where the number of unpaid family workers was highest was the Aegean region with 476 thousand people and lowest was the Istanbul region with 92 thousand people (Table 137).

The number of people employed in the agricultural-sector as waged, salaried and casual employees was the highest in the Mediterranean region with 142 thousand people and it was the lowest in the East Black Sea region with 6 thousand people. The number of people working as employers and self-employed was highest in the Aegean region with 352 thousand people and it was lowest in the Istanbul region with 51 thousand people. The region where the number of unpaid family workers was highest was the West Black Sea region with 412 thousand people and lowest was the Istanbul region with 11 thousand people.

The number of people employed in the non-agricultural sectors as waged, salaried and casual employees was highest in the Istanbul region with 4 million 758 thousand people and it was lowest in the Northeast Anatolia region with 320 thousand people. The number of people working as employers and self-employed was highest in the Istanbul region with 990 thousand people and it was lowest in the Northeast Anatolia region with 57 thousand people. The region where the number of unpaid family workers was highest is the Aegean region with 108 thousand people and lowest was the Northeast Anatolia region with 6 thousand people.

Table 137. Employment Status Of Employed Persons According To Classification Of Economic Region Units Level-1

(15+ Years, Thousand People)

Years	Region Code	NUTS Level-1	Total				Agriculture				Non-Agriculture			
			Total	Waged		Unpaid family worker	Total	Waged		Unpaid family worker	Total	Waged		Unpaid family worker
				Salaried	Employer and Self-Casual			Salaried	Employer and Self-Casual			Salaried	Employer and Self-Casual	
2016	TR1	İstanbul	5,558	4,551	920	87	51	1	42	8	5,508	4,550	878	80
	TR2	West Marmara	1,314	845	307	163	298	33	139	126	1,016	811	168	37
	TR3	Aegean	3,876	2,466	891	519	894	110	370	415	2,982	2,356	522	104
	TR4	Eastern Marmara	2,683	2,034	469	180	320	27	162	131	2,363	2,008	307	48
	TR5	Western Anatolia	2,702	2,043	483	176	272	31	118	124	2,429	2,012	365	52
	TR6	Mediterranean	3,302	2,155	757	390	771	168	303	300	2,531	1,987	454	90
	TR7	Central Anatolia	1,301	747	308	247	396	14	156	226	905	733	151	21
	TR8	Western Black sea	1,668	814	428	426	666	21	256	389	1,002	793	171	38
	TR9	Eastern Black sea	1,040	488	374	179	439	8	262	170	601	480	112	9
	TRA	Northh east Anatolia	734	300	207	228	373	7	147	218	361	292	59	9
	TRB	Central east Anatolia	1,089	603	246	240	384	17	138	229	705	586	107	11
	TRC	South east Anatolia	1,937	1,331	387	218	439	111	149	179	1,497	1,220	238	39
	TR	Turkey	27,205	18,377	5,775	3,053	5,305	548	2,243	2,514	21,901	17,830	3,532	539
2017	TR1	İstanbul	5,664	4,556	1,012	97	66	4	49	13	5,598	4,552	962	84
	TR2	West Marmara	1,375	858	341	175	323	31	155	137	1,052	827	187	38
	TR3	Aegean	4,007	2,606	904	496	872	116	361	396	3,134	2,490	544	100
	TR4	Eastern Marmara	2,838	2,146	485	207	363	41	167	154	2,474	2,105	318	52
	TR5	Western Anatolia	2,787	2,082	512	193	281	23	124	135	2,505	2,059	388	58
	TR6	Mediterranean	3,456	2,286	791	380	761	170	302	289	2,696	2,115	489	91
	TR7	Central Anatolia	1,289	778	301	209	346	13	150	183	942	766	151	26
	TR8	Western Black sea	1,732	850	452	430	691	23	274	394	1,041	827	178	35
	TR9	Eastern Black sea	1,072	495	383	193	463	9	271	183	608	487	112	10
	TRA	Northh east Anatolia	714	321	197	196	337	8	140	190	377	313	57	6
	TRB	Central east Anatolia	1,178	617	281	280	444	15	164	265	734	602	117	15
	TRC	South east Anatolia	2,078	1,364	435	279	516	117	168	231	1,562	1,247	267	48
	TR	Turkey	28,189	18,960	6,094	3,134	5,464	570	2,324	2,571	22,724	18,391	3,771	563
2018	TR1	İstanbul	5,899	4,765	1,041	92	70	8	51	11	5,829	4,758	990	81
	TR2	West Marmara	1,412	876	364	172	312	30	154	127	1,101	846	210	45
	TR3	Aegean	4,108	2,706	926	476	834	113	352	368	3,274	2,592	574	108
	TR4	Eastern Marmara	2,941	2,224	518	199	385	48	187	151	2,555	2,176	331	48
	TR5	Western Anatolia	2,847	2,101	540	207	295	24	124	146	2,553	2,076	415	61
	TR6	Mediterranean	3,477	2,313	785	379	717	142	292	283	2,759	2,170	493	96
	TR7	Central Anatolia	1,284	790	303	191	323	15	147	161	961	776	156	30
	TR8	Western Black sea	1,787	865	473	449	722	20	290	412	1,065	845	183	37
	TR9	Eastern Black sea	1,045	508	373	164	424	6	262	156	620	501	111	8
	TRA	Northh east Anatolia	691	330	181	180	309	10	124	174	383	320	57	6
	TRB	Central east Anatolia	1,147	637	266	244	404	15	160	228	743	621	106	16
	TRC	South east Anatolia	2,100	1,422	420	258	503	112	169	222	1,597	1,310	252	36
	TR	Turkey	28,738	19,536	6,190	3,012	5,297	544	2,313	2,440	23,441	18,991	3,878	572

Source: TÜİK.

2.4.2.4 Unregistered Workers' Status in the Sector and the Employment

While there is a decrease in unregistered employment rates, it still preserves its place as a socio-economic issue in the country's agenda. The total of people who were not bound to any social security institution in 2018 is calculated as 33.4% as it decreased by 0.6 percentage point compared to the previous year. This ratio in men rose to 29.4% with an increase of 0.2 percentage point while it fell to 42.1% with a decrease of 2.5 percentage points.

The rate of the people who were employed unregistered in agricultural-sector fell to 82.7% with a decrease of 0.6 percentage point in 2018 compared to last year. It is seen that the highest rate of unregistered employment was in women who are employed in the agricultural-sector. The unregistered employment rate in men who were employed in the agricultural-sector rose to 76.2% as it increased by 1.8 percentage point and fell to 90.9% in women as it decreased by 3.3 percentage points.

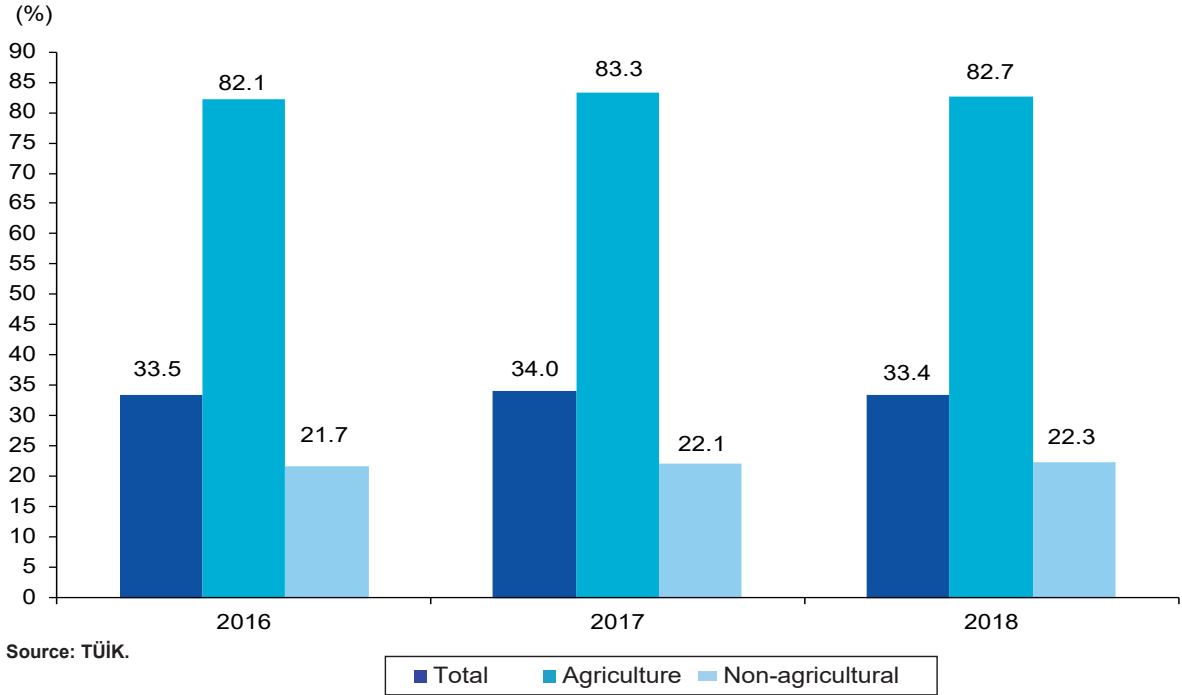
The rate of unregistered workers who were employed in the non-agricultural sectors rose to 22.3% with an increase of 0.2 percentage point compared to the previous year. This rate in men rose to 21.2% as it increased by 0.2 percentage point and it remained unchanged at the level 24.9% in women (Table 138, Chart 61).

Table 138. Unregistered Employment Rate

Sector	Share (%)		
	2016	2017	2018
	Grand Total		
Total	33.5	34.0	33.4
Agriculture	82.1	83.3	82.7
Non-agricultural	21.7	22.1	22.3
Male			
Total	28.8	29.2	29.4
Agriculture	72.2	74.4	76.2
Non-agricultural	20.8	21.0	21.2
Female			
Total	44.3	44.6	42.1
Agriculture	94.3	94.2	90.9
Non-agricultural	24.2	24.9	24.9

Source: TÜİK.

Chart 61. Unregistered Employment Rate



2.4.2.5 Unemployed by The Length of Job Search

It is seen that the 77.6% of the unemployed by the length of job search was unemployed for less than a year and the 22.4% of the total was unemployed for over a year or longer. It is seen that the average length of time when the jobseekers increase their job search sharply is 1-2 months. The biggest raise by the length of job search time occurred in the rate of the unemployed for 3 years or longer with an increase of 20.8% (Table 139).

Table 139. Unemployed by Job Seek Times

Job Search (unemployment) Time				(Thousand People)				
	2016	2017	2018	Share (%)			Change (%)	
				2016	2017	2018	2017	2018
Unemployed for less than a year	2,644	2,699	2,745	79.4	78.1	77.6	2.1	1.7
1-2 month	1,380	1,382	1,463	41.4	40.0	41.4	0.1	5.9
3-5 month	792	792	780	23.8	22.9	22.1	0.0	-1.5
6-8 month	353	390	359	10.6	11.3	10.1	10.5	-7.9
9-11 month	118	134	143	3.5	3.9	4.0	13.6	6.7
Unemployed for one year or more (Long term unemployed)	686	756	792	20.6	21.9	22.4	10.2	4.8
1 year and more, less than 2 years	492	534	546	14.8	15.5	15.4	8.5	2.2
2 years and more, less than 3 years	124	150	158	3.7	4.3	4.5	21.0	5.3
3 years and more	70	72	87	2.1	2.1	2.5	2.9	20.8
Unemployed	3,330	3,454	3,537	100.0	100.0	100.0	3.7	2.4

Source: TÜİK.

2.4.3 Collective Labor Agreement and Fees

There was a decrease in the number of collective labor agreement with a proportion of 21.5% compared to last year while the number of workplaces and workers within the scope of these agreements decreased by 50.0% and 22.6% respectively. A total of 3,510 collective labor agreements were made in 11,515 workplaces in 2018. 69,812 of workers who made the 11.3% of the total of 619,664 workers within the scope of collective labor agreements worked at the public sector and the 549,852 of the workers who make the 88.7% of the total at the private-sector (Table 140).

Table 140. Workplaces and Number of Workers Covered by Collective Labor Agreements

Variable	Number			Share (%)			Change (%)	
	2016	2017	2018 ⁽¹⁾	2016	2017	2018	2017	2018
Numbers of contracts made	2,725	4,472	3,510	-	-	-	64.1	-21.5
Number of workplaces	9,731	23,051	11,515	-	-	-	136.9	-50.0
Number of workers								
Public	60,552	235,720	69,812	12.6	29.5	11.3	289.3	-70.4
Private	421,685	564,568	549,852	87.4	70.5	88.7	33.9	-2.6
Total	482,237	800,288	619,664	100.0	100.0	100.0	66.0	-22.6

Source: AÇSHB.

(1): Temporary.

It was decided in the public-sector that one strike would take place in 2018, however, the data concerning the amount of workers participated in the strike and the number of work days lost couldn't be provided. 54,109 days of work were lost due to the participation of 979 workers in the 11 strikes that took place in the private-sector. A loss of 54,109 work days occurred due to 979 workers participating in a total of 12 strikes (Table 141).

Table 141. Strike Application

Sector	Numbers of Strikes Held			Number of Workers Participating in Strike			Workdays Lost			Change in the Workdays Lost (%)	
	2016	2017	2018 ⁽¹⁾	2016	2017	2018 ⁽¹⁾	2016	2017	2018 ⁽¹⁾	2017	2018
Public	2	2	1	299	839	0	1,794	5,034	0	180.6	-
Private	19	24	11	2,219	2,894	979	96,610	131,907	54,019	36.5	-59.0
Total	21	26	12	2,518	3,733	979	98,404	136,941	54,019	39.2	-60.6

Source: AÇSHB.

(1): Temporary.

The net worker's wage in 2018 during the public outage within the scope of the collective labor agreement rose nominally to 4,853.83 TRY/monthly with an increase of 11.7% and the cost of labor to 9,090.08 TRY/monthly with an increase of 11.2% while in real terms there was a decrease in the worker's wage by 4.0% and in the cost of labor by 12.4% (Table 142).

Table 142. Development In Public Sector Worker Wages by the Collective Labor Agreement⁽¹⁾

Year	Net Avails ⁽²⁾	(TRY/Month)				
		Nominal Change (%)	Real Change (%) ⁽³⁾	Cost Of Labour	Nominal Change (%)	Real Change (%) ⁽⁴⁾
2016	3,705.04	7.6	-0.1	6,849.80	7.7	3.3
2017	4,346.60	17.3	5.6	8,175.83	19.4	3.1
2018	4,853.83	11.7	-4.0	9,090.08	11.2	-12.4

Source: SBB, TÜİK.

(1): Municipalities are excluded.

(2): Net salary for single employees includes minimum living allowance

(3): In the calculation of the real increase in net wage, the change in TurkStat's Consumer Price Index of 2003 base year according to the twelve-month averages was used.

(4): In calculating the real increases in labor cost, the change in TURKSTAT's 2003 Domestic Producer Price Index according to the twelve month averages were used.

The daily gross minimum wage in 2018 was determined as 67,65 TRY, the monthly gross minimum wage as 2,029.50 TRY and the monthly net minimum wage as 1,603.12 TRY. The monthly gross minimum wage in 2018 increased by 14.2% compared to the payment at the end of the previous year (Table 143)

Table 143. Daily And Monthly Minimum Fees

Effective Dates	Gross Minimum Wage			Net Minimum Wage ⁽¹⁾	
	Daily	Monthly	Change (%)	Monthly	Change (%)
01.01.2016 - 31.12.2016	54.90	1,647.00	-	1,300.99	-
01.01.2017 - 31.12.2017	59.25	1,777.50	7.9	1,404.06	7.9
01.01.2018 - 31.12.2018	67.65	2,029.50	14.2	1,603.12	14.2

Source: AÇSHB.

(1): Minimum living allowance of 123.53 TRY for 2016, 133.31 TRY for 2017 and 152.21 TRY for 2018 were added to the net minimum wage.

The cost of minimum wage to the employer in 2018 is 2,384.66 TRY, as 314.57 TRY of the total was deducted by the SGK for the employer share of premium and 40.59 TRY by the Unemployment Insurance Fund deduction (Table 144).

Table 144 . Cost of Minimum Wage to Employer

	(TRY/Month)
	01.01.2016 - 31.12.2016
Minimum wage	1,647.00
SSI Premium % 15,5 (Employer Contribution) ⁽¹⁾	255.29
Employer Unemployment Insurance Fund % 2	32.94
Total Cost To Employer ⁽²⁾	1,935.23
	01.01.2017 - 31.12.2017
Minimum wage	1,777.50
SSI Premium % 15,5 (Employer Contribution) ⁽¹⁾	275.51
Employer Unemployment Insurance Fund % 2	35.55
Total Cost To Employer ⁽²⁾	2,088.56
	01.01.2018 - 31.12.2018
Minimum wage	2,029.50
SSI Premium % 15,5 (Employer Contribution) ⁽¹⁾	314.57
Employer Unemployment Insurance Fund % 2	40,59
Total Cost To Employer ⁽²⁾	2,384.66

Source: AÇSHB.

(1): According to Article 81 (i) of Law No. 5510, the employer who fulfills the conditions stated in the sub-clause is provided with a 5-point reduction in the employer's share of the SSI premium. For employers who do not meet the required conditions, the employer share of SSI premium is 20.5%. Article 81 of the Law no. 5510 to be effective as of 01.09.2013 with the regulation made by Article 9 of the Law no. The short-term insurance branch premium rate is 2% of the insured's premium-based earnings.

(2): In 2016, 2017 and 2018, TRY 3.33 of the total cost to the employer was covered by the Treasury.

The average salary of a civil servant received in 2018 rose nominally to 3,505.90 TRY with an increase of 15.4 while the monthly average salary cost rose to 4,639.13 TRY with an increase of 15.2%. In real terms, the net civil servant salary decreased by 0.8% and the average salary cost by 9.3% (Table 145).

Table 145. Nominal And Real Changes In Civil Servant Salaries

	(TRY/Month)					
Year	Weighted Average Salary ^{(1) (2)}	Nominal Change (%)	Real Change (%) ⁽³⁾	Average Salary Cost	Nominal Change (%)	Real Change (%) ⁽⁴⁾
2016	2,780.89	14.5	6.2	3,684.83	14.3	9.6
2017	3,038.53	9.3	-1.7	4,026.91	9.3	-5.6
2018	3,505.90	15.4	-0.8	4,639.13	15.2	-9.3

Sources: SBB, HMB, TÜİK.

(1): Average net salary for single employees includes minimum living allowance.

(2): Includes family allowance, emergency compensation, additional compensation paid in priority priority development regions, fixed overtime fees paid on the highest civil servant's pension, and lodging compensation, except payments from the Revenue Administration Development Fund. The weighted average of all classes was taken.

(3): In calculating the real increases in weighted average salaries, the change in TurkStat's Consumer Price Index of 2003 with the twelve-month averages was used.

(4): In the calculation of real increases in average salary costs, the change in TurkStat's 2003 Domestic Producer Price Index according to the twelve-month averages was used.



75th GENERAL ASSEMBLY





**ANNEX- I
KEY ECONOMIC AND
SOCIAL INDICATORS
(2014-2018)**

75th
GENERAL ASSEMBLY



75th GENERAL ASSEMBLY



KEY ECONOMIC AND SOCIAL INDICATORS (2014-2018)

I. ECONOMIC INDICATORS	2014	2015	2016	2017	2018
GROSS DOMESTIC PRODUCT					
With current prices (Million TRY)	2,044,466	2,338,647	2,608,526	3,106,537	3,700,989
With current prices (Million \$)	934,855	861,879	862,744	851,490	784,087
GDP per capita with current prices (\$)	12,112	11,019	10,883	10,602	9,632
GROWTH RATE (Chained volume index 2009=100, %)					
GDP growth rate (%)	5.2	6.1	3.2	7.4	2.6
Agriculture	0.6	9.4	-2.6	4.9	1.3
Industry	5.6	5.1	4.2	9.1	1.1
Construction	5.0	4.9	5.4	9.0	-1.9
Services	6.8	6.6	0.2	10.9	5.6
Other activities	6.0	4.7	5.1	5.4	3.6
GDP- SECTOREL DISTRIBUTION (With current prices, %)					
Agriculture	6.6	6.9	6.2	6.1	5.8
Industry	20.1	19.8	19.6	20.6	22.2
Construction	8.1	8.2	8.6	8.6	7.2
Services	22.3	22.2	21.5	22.2	23.5
Other activities	31.4	31.1	32.3	31.1	30.8
PRODUCTION					
Agricultural added value (Chained volume index, Million TRY)	95,165	104,085	101,400	106,347	107,756
Industry value added (Chained volume index, Million TRY)	284,016	298,382	311,050	339,375	342,959
Industrial production index (Calender adjusted)	94.5	100.0	103.4	112.7	114.1
Manufacturing industry production index (Calender adjusted)	94.1	100.0	103.4	112.7	114.4
Capacity utilization rate in manufacturing industry (%)	75.0	76.8	77.4	78.5	76.8
INVESTMENT					
Fixed capital investments (With current prices, Million TRY)	351,724	398,611	758,830	925,663	1,103,270
Public (excluding investment workmen ship)	75,509	89,776	99,991	128,256	156,763
Private	276,215	308,835	658,839	797,407	946,507
Investment incentive certificates (Pcs)	3,771	4,427	5,067	7,406	5,914
Agriculture	92	147	133	243	281
Mining	154	128	94	173	166
Manufacturing	2,013	1,828	1,773	2,869	3,250
Energy	263	836	1,844	2,255	619
Services	1,249	1,488	1,223	1,866	1,598
INFLATION					
Annual average percentage change					
CPI	8.85	7.67	7.78	11.14	16.33
Domestic PPI	10.25	5.28	4.30	15.82	27.01
Year-end percentage change					
CPI	8.17	8.81	8.53	11.92	20.30
Domestic PPI	6.36	5.71	9.94	15.47	33.64
CASH-BANK (Million TRY)					
M1	251,992	312,006	382,351	449,632	512,524
M ²	1,018,546	1,195,810	1,406,729	1,624,675	1,940,590
M3	1,063,152	1,238,083	1,450,682	1,675,831	1,988,305
Credit stock	1,172,731	1,402,616	1,628,276	1,971,683	2,213,669
Deposit	992,074	1,170,462	1,387,844	1,627,269	1,952,951

KEY ECONOMIC AND SOCIAL INDICATORS (2014-2018)

I. ECONOMIC INDICATORS	2014	2015	2016	2017	2018
CAPITAL MARKET					
Istanbul Borsa trading volume (thousand and TRY)	872,931	1,025,874	1,013,562	1,468,001	1,983,235
BIST 100 index	85,721	71,727	78,139	115,333	91,271
PUBLIC FINANCE					
General government budget (Million TRY)					
Revenues	425,383	482,780	554,140	630,490	757,834
Expences	448,752	506,305	584,071	678,269	830,450
Budget balance	-23,370	-23,525	-29,932	-47,779	-72,615
Non-interest balance	26,544	29,479	20,315	8,932	1,346
General government debt stock	612,517	678,245	759,950	876,493	1,066,786
Domestic debt stock (Million TRY)	414,649	440,124	468,644	535,448	586,142
Foreign debt stock (Million TRY)	197,868	238,121	291,306	341,045	480,644
Privatization trancis (Million \$)	6,279	1,996	1,293	751	1,359
EXCHANGE RATES (Annual Average)					
TRY/USD (buying)	2.18679	2.71865	3.01854	3.64494	4.82597
TRY/Euro (buying)	2.90597	3.01807	3.33768	4.11388	5.67717
FOREIGN TRADE (Million \$)					
Export	157,610	143,839	142,530	156,993	167,967
Import	242,177	207,234	198,618	233,800	223,046
Balance of foreign trade	-84,567	-63,395	-56,089	-76,807	-55,079
Foreign trade volume	399,787	351,073	341,148	390,793	391,013
Ratio of exports to imports (%)	65.1	69.4	71.8	67.1	75.3
BALANCE OF PAYMENTS (Million \$)					
Goods balance	-63,593	-48,128	-40,892	-58,955	-41,668
Export	168,926	151,970	150,161	166,159	174,645
Import	232,519	200,098	191,053	225,114	216,333
Current account balance	-43,610	-32,145	-33,139	-47,347	-27,813
Worker remittances	838	714	575	413	378
Travel revenues	29,552	26,616	18,743	22,478	25,220
INTERNATIONAL RESERVES (Gross, Million \$)	141,830	128,052	129,534	136,170	130,388
INTERNATIONAL DIRECT INVESTMENTS (Million \$)					
International direct capital (Net)	9,016	15,118	10,060	6,903	7,248
Capital	8,371	11,729	6,904	5,532	6,064
Other capital (Net)	645	3,389	3,156	1,371	1,184
Real estate (Net)	4,321	4,156	3,890	4,643	5,915
International direct investments (Net liability insurance)	13,337	19,274	13,950	11,546	13,163
FOREIGN DEBT STOCK (Million \$)					
Short term	135,148	105,370	101,609	119,698	116,274
Long term	270,746	294,922	308,120	335,847	328,603
Sum	405,894	400,292	409,729	455,545	444,877
Public	121,268	116,638	123,374	136,577	140,562
CBRT	2,484	1,327	1,110	1,761	5,922
Private	282,132	282,327	285,245	317,207	298,393

KEY ECONOMIC AND SOCIAL INDICATORS (2014-2018)


II SOCIAL INDICATORS	2014	2015	2016	2017	2018
POPULATION (Thousand People)					
Total population	77,696	78,741	79,815	80,811	82,004
Male	38,984	39,511	40,044	40,535	41,140
Female	38,712	39,230	39,771	40,275	40,864
Annual population growth rate (%)	13,3	13,4	13,5	12,4	14,7
Population of province and district centers	71,286	72,523	73,672	74,761	75,666
Share of population of province and district centers in total population (%)	91,7	92,1	92,3	92,5	92,3
Town and village population	6,410	6,218	6,143	6,049	6,337
Share of the population of the town and villages in total population (%)	8,3	7,9	7,7	7,5	7,7
Population density	101	102	104	105	107
Total age dependency ratio	47,6	47,6	47,2	47,3	47,4
Young dependency ratio (0-14 year)	35,8	35,4	34,9	34,7	34,5
Old dependency ratio (65+ year)	11,8	12,2	12,3	12,6	12,9
Median age	30,7	31,0	31,4	31,7	32,0
EDUCATION					
	2013/'14	2014/'15	2015/'16	2016/'17	2017/'18
Primary school net schooling rate (Sum)	99,6	96,3	94,9	91,2	91,5
Secondary school net schooling rate (Sum)	94,5	94,4	94,4	95,7	94,5
Secondary education net schooling rate (Sum)	76,7	79,4	79,8	82,5	83,6
Higher education net schooling rate (Sum)	39,9	39,5	40,9	42,4	45,6
EMPLOYMENT					
Population 15 years of age and over (Thousand People)	56,986	57,854	58,720	59,894	60,654
Laboring force (Thousand People)	28,786	29,678	30,535	31,643	32,274
Employed (Thousand People)	25,933	26,621	27,205	28,189	28,738
Agriculture	5,470	5,483	5,305	5,464	5,297
Industry ⁽¹⁾	7,228	7,246	7,283	7,478	7,666
Services	13,235	13,891	14,617	15,246	15,774
Unemployed (Thousand People)	2,853	3,057	3,330	3,454	3,537
Population not in labor force (Thousand People)	28,200	28,176	28,185	28,251	28,380
Sectoral distribution of employment (%)					
Agriculture	21,1	20,6	19,5	19,4	18,4
Industry ⁽¹⁾	27,9	27,2	26,8	26,5	26,7
Services	51,0	52,2	53,7	54,1	54,9
Labor force participation rate (%)	50,5	51,3	52,0	52,8	53,2
Employment rate (%)	45,5	46,0	46,3	47,1	47,4
Unemployment rate (%)	9,9	10,3	10,9	10,9	11,0
Non-agricultural unemployment rate	12,0	12,4	13,0	13,0	12,9
Unemployment rate in the young population	17,9	18,5	19,6	20,8	20,3

(1): The construction sector is considered within the industrial sector.



75th GENERAL ASSEMBLY





**ANNEX II- SELECTED
ECONOMIC AND SOCIAL
INDICATORS BY
PROVINCES AND REGIONS**

75th
GENERAL ASSEMBLY

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Table 1. Gross Domestic Product with Current Prices ⁽¹⁾

Provinces	Value (Thousand TRY)			Share (%)		
	2015	2016	2017	2015	2016	2017
Adana	47,145,799	52,962,478	62,341,484	2.0	2.0	2.0
Adiyaman	8,979,132	9,888,180	11,462,927	0.4	0.4	0.4
Afyon	14,556,182	16,210,370	18,396,477	0.6	0.6	0.6
Ağrı	5,295,361	6,060,146	6,864,248	0.2	0.2	0.2
Aksaray	8,174,323	8,878,570	10,636,326	0.3	0.3	0.3
Amasya	7,202,969	7,934,400	9,124,840	0.3	0.3	0.3
Ankara	211,949,666	240,197,198	280,580,928	9.1	9.2	9.0
Antalya	74,493,829	75,987,775	90,123,458	3.2	2.9	2.9
Ardahan	1,771,003	1,952,775	2,275,965	0.1	0.1	0.1
Artvin	4,213,226	4,623,096	5,428,573	0.2	0.2	0.2
Aydın	22,308,132	25,032,004	30,164,852	1.0	1.0	1.0
Balıkesir	28,713,009	32,675,168	38,568,113	1.2	1.3	1.2
Bartın	3,650,650	4,065,529	4,667,830	0.2	0.2	0.2
Batman	7,068,369	8,013,325	9,844,878	0.3	0.3	0.3
Bayburt	1,428,560	1,639,191	1,812,028	0.1	0.1	0.1
Bilecik	7,497,365	8,241,498	9,510,480	0.3	0.3	0.3
Bingöl	3,915,008	4,486,954	5,213,336	0.2	0.2	0.2
Bitlis	4,464,907	4,821,119	5,303,289	0.2	0.2	0.2
Bolu	9,674,905	10,464,493	12,122,650	0.4	0.4	0.4
Burdur	6,737,473	7,395,191	8,338,245	0.3	0.3	0.3
Bursa	94,307,320	105,631,178	127,583,972	4.0	4.0	4.1
Çanakkale	14,985,511	16,970,442	20,107,429	0.6	0.7	0.6
Çankırı	4,008,902	4,526,837	5,017,882	0.2	0.2	0.2
Çorum	10,217,731	11,365,987	13,149,077	0.4	0.4	0.4
Denizli	26,462,081	30,185,494	36,181,089	1.1	1.2	1.2
Diyarbakır	23,534,372	26,305,464	30,781,062	1.0	1.0	1.0
Düzce	10,081,325	10,873,578	12,662,300	0.4	0.4	0.4
Edirne	10,194,183	11,179,992	12,755,222	0.4	0.4	0.4
Elazığ	10,925,299	12,160,103	14,151,577	0.5	0.5	0.5
Erzincan	5,453,591	6,107,003	7,318,411	0.2	0.2	0.2
Erzurum	13,333,639	15,110,155	17,601,924	0.6	0.6	0.6
Eskişehir	26,293,309	29,425,535	34,654,513	1.1	1.1	1.1
Gaziantep	41,519,648	46,461,540	55,583,482	1.8	1.8	1.8
Giresun	8,292,800	8,262,953	9,805,481	0.4	0.3	0.3
Gümüşhane	2,907,414	3,155,580	3,580,023	0.1	0.1	0.1
Hakkari	3,565,017	4,124,741	4,839,212	0.2	0.2	0.2
Hatay	28,992,347	33,067,675	40,454,193	1.2	1.3	1.3
İğdır	3,112,499	3,371,900	4,311,204	0.1	0.1	0.1
Isparta	9,539,399	11,227,125	12,830,111	0.4	0.4	0.4
İçel	41,891,412	47,281,412	55,569,151	1.8	1.8	1.8
İstanbul	722,567,040	809,206,842	970,188,957	30.9	31.0	31.2

Table 1. Gross Domestic Product with Current Prices (Continued)⁽¹⁾

Provinces	Value (Thousand TRY)			Share (%)		
	2015	2016	2017	2015	2016	2017
İzmir	141,865,413	158,679,974	191,467,959	6.1	6.1	6.2
Kahramanmaraş	19,576,465	21,599,981	25,726,998	0.8	0.8	0.8
Karabük	5,446,783	6,150,249	7,462,251	0.2	0.2	0.2
Karaman	6,692,917	7,163,257	8,699,535	0.3	0.3	0.3
Kars	4,492,609	4,887,743	5,854,108	0.2	0.2	0.2
Kastamonu	8,179,864	9,090,307	10,561,050	0.3	0.3	0.3
Kayseri	33,958,097	38,051,098	45,176,638	1.5	1.5	1.5
Kırıkkale	6,019,947	6,620,757	8,873,912	0.3	0.3	0.3
Kırklareli	10,495,761	11,632,481	13,666,040	0.4	0.4	0.4
Kırşehir	4,463,669	5,159,177	6,381,291	0.2	0.2	0.2
Kilis	2,268,679	2,428,785	2,947,172	0.1	0.1	0.1
Kocaeli	85,480,670	96,168,842	120,073,662	3.7	3.7	3.9
Konya	50,148,816	55,703,817	66,122,142	2.1	2.1	2.1
Kütahya	12,631,627	13,949,989	16,312,701	0.5	0.5	0.5
Malatya	13,812,526	15,262,464	17,675,478	0.6	0.6	0.6
Manisa	37,556,721	42,134,824	49,689,856	1.6	1.6	1.6
Mardin	12,097,121	13,279,195	15,865,104	0.5	0.5	0.5
Muğla	27,021,948	29,338,301	34,886,252	1.2	1.1	1.1
Muş	5,312,100	5,807,569	6,541,556	0.2	0.2	0.2
Nevşehir	6,238,433	6,619,324	7,561,833	0.3	0.3	0.2
Niğde	7,123,893	7,544,915	8,804,380	0.3	0.3	0.3
Ordu	13,998,148	13,635,903	16,323,302	0.6	0.5	0.5
Osmaniye	8,892,417	10,225,284	12,472,906	0.4	0.4	0.4
Rize	8,233,291	9,080,767	10,642,817	0.4	0.3	0.3
Sakarya	26,408,292	29,427,768	35,718,138	1.1	1.1	1.1
Samsun	28,081,838	30,681,173	35,575,071	1.2	1.2	1.1
Siirt	4,171,344	4,642,088	5,372,742	0.2	0.2	0.2
Sinop	3,856,246	4,341,359	4,878,365	0.2	0.2	0.2
Sivas	12,933,178	14,354,075	16,687,585	0.6	0.6	0.5
Şanlıurfa	21,037,001	23,306,682	27,847,279	0.9	0.9	0.9
Şırnak	6,809,836	7,663,767	9,316,657	0.3	0.3	0.3
Tekirdağ	33,585,052	38,295,122	46,964,486	1.4	1.5	1.5
Tokat	9,891,687	10,701,612	12,150,560	0.4	0.4	0.4
Trabzon	19,141,894	21,071,519	24,103,158	0.8	0.8	0.8
Tunceli	2,137,496	2,407,308	2,787,034	0.1	0.1	0.1
Uşak	8,291,981	9,441,855	11,393,572	0.4	0.4	0.4
Van	11,507,236	13,594,625	15,538,170	0.5	0.5	0.5
Yalova	7,415,950	8,515,766	10,379,164	0.3	0.3	0.3
Yozgat	7,738,300	8,566,791	9,608,761	0.3	0.3	0.3
Zonguldak	12,207,540	13,768,242	16,519,867	0.5	0.5	0.5
Turkey	2,338,647,494	2,608,525,749	3,106,536,751	100.0	100.0	100.0

Source: TÜİK.

(1): 2018 data will be declared on 20th December 2019.

Table 2. Gross Domestic Product Per Capita ⁽¹⁾

Provinces	GDP Per Capita (TRY)						GDP Per Capita (\$)					
	2015	Rank No	2016	Rank No	2017	Rank No	2015	Rank No	2016	Rank No	2017	Rank No
Adana	21,682	42	24,157	38	28,221	36	7,991	42	7,990	38	7,735	36
Adiyaman	14,958	70	16,300	71	18,706	72	5,512	70	5,391	71	5,127	72
Afyon	20,568	47	22,775	46	25,725	49	7,580	47	7,533	46	7,051	49
Ağrı	9,657	81	11,125	81	12,729	81	3,559	81	3,679	81	3,489	81
Aksaray	21,211	44	22,673	47	26,622	46	7,817	44	7,499	47	7,297	46
Amasya	22,367	34	24,469	35	27,810	40	8,243	34	8,093	35	7,623	40
Ankara	40,679	3	45,247	3	52,000	3	14,992	3	14,965	3	14,253	3
Antalya	33,028	9	32,916	12	38,408	12	12,172	9	10,887	12	10,528	12
Ardahan	17,703	62	19,765	57	23,292	56	6,524	62	6,537	57	6,384	56
Artvin	24,927	25	27,483	25	32,486	22	9,187	25	9,090	25	8,904	22
Aydın	21,292	43	23,595	42	28,072	38	7,847	43	7,804	42	7,694	38
Balıkesir	24,172	28	27,425	26	32,127	24	8,908	28	9,071	26	8,806	24
Bartın	19,208	54	21,225	52	24,188	53	7,079	54	7,020	52	6,630	53
Batman	12,575	78	14,015	78	16,943	75	4,634	78	4,635	78	4,644	75
Bayburt	17,952	59	19,433	62	21,247	65	6,616	59	6,427	62	5,824	65
Bilecik	35,508	5	38,274	5	43,230	7	13,086	5	12,659	5	11,849	7
Bingöl	14,685	71	16,719	69	19,205	70	5,412	71	5,530	69	5,264	70
Bitlis	13,162	74	14,145	77	15,536	78	4,851	74	4,678	77	4,258	78
Bolu	33,600	7	35,413	9	40,202	10	12,383	7	11,713	9	11,019	10
Burdur	26,153	20	28,457	21	31,694	27	9,638	20	9,412	21	8,687	27
Bursa	33,501	8	36,780	7	43,707	6	12,346	8	12,165	7	11,980	6
Çanakkale	29,236	14	32,852	13	38,292	13	10,775	14	10,866	13	10,496	13
Çankırı	21,997	39	24,816	34	27,127	44	8,107	39	8,208	34	7,435	44
Çorum	19,418	51	21,587	50	24,897	51	7,156	51	7,140	50	6,824	51
Denizli	26,836	19	30,199	17	35,745	16	9,890	19	9,988	17	9,797	16
Diyarbakır	14,310	72	15,812	72	18,251	73	5,274	72	5,230	72	5,003	73
Düzce	28,163	15	29,760	18	33,857	19	10,379	15	9,843	18	9,280	19
Edirne	25,396	22	27,803	23	31,551	28	9,359	22	9,195	23	8,648	28
Elazığ	19,116	55	21,091	54	24,348	52	7,045	55	6,976	54	6,674	52
Erzincan	24,425	27	27,206	28	31,990	25	9,002	27	8,998	28	8,768	25
Erzurum	17,479	64	19,825	56	23,122	57	6,442	64	6,557	56	6,338	57
Eskişehir	32,084	11	35,207	10	40,639	9	11,824	11	11,644	10	11,139	9
Gaziantep	21,731	41	23,789	41	27,933	39	8,009	41	7,868	41	7,656	39
Giresun	19,361	52	18,970	63	22,238	62	7,135	52	6,274	63	6,095	62
Gümüşhane	19,526	50	19,510	61	20,923	66	7,196	50	6,453	61	5,735	66
Hakkari	12,845	77	15,093	74	17,805	74	4,734	77	4,992	74	4,880	74
Hatay	18,991	56	21,412	51	25,846	48	6,999	56	7,082	51	7,084	48
İğdır	16,190	67	17,506	67	22,248	61	5,967	67	5,790	67	6,098	61
Isparta	22,698	33	26,445	31	29,797	34	8,365	33	8,746	31	8,167	34
İçel	24,128	29	26,872	29	31,151	30	8,892	29	8,888	29	8,538	30
İstanbul	49,773	1	54,933	1	65,041	1	18,343	1	18,169	1	17,827	1

Table 2. Gross Domestic Product Per Capita ⁽¹⁾ (Continued)

Provinces	GDP Per Capita (TRY)						GDP Per Capita (\$)					
	2015	Rank No	2016	Rank No	2017	Rank No	2015	Rank No	2016	Rank No	2017	Rank No
İzmir	34,261	6	37,817	6	45,034	5	12,626	6	12,508	6	12,344	5
Kahramanmaraş	17,914	60	19,554	60	22,968	58	6,602	60	6,467	60	6,295	58
Karabük	23,261	32	25,662	33	30,658	32	8,573	32	8,488	33	8,403	32
Karaman	27,739	17	29,369	19	35,344	18	10,223	17	9,714	19	9,688	18
Kars	15,252	69	16,784	68	20,276	67	5,621	69	5,551	68	5,558	67
Kastamonu	22,062	37	24,254	37	28,188	37	8,131	37	8,022	37	7,726	37
Kayseri	25,500	21	28,186	22	33,027	21	9,398	21	9,322	22	9,053	21
Kırıkkale	22,240	35	24,152	39	31,879	26	8,196	35	7,988	39	8,738	26
Kırklareli	30,392	12	33,300	11	38,619	11	11,201	12	11,014	11	10,585	11
Kırşehir	19,915	49	22,651	48	27,476	42	7,339	49	7,492	48	7,531	42
Kilis	17,489	63	18,577	64	22,064	63	6,445	63	6,144	64	6,048	63
Kocaeli	48,806	2	53,267	2	64,659	2	17,987	2	17,618	2	17,723	2
Konya	23,659	30	25,958	32	30,461	33	8,719	30	8,585	32	8,349	33
Kütahya	22,102	36	24,365	36	28,471	35	8,146	36	8,058	36	7,804	35
Malatya	17,910	61	19,640	59	22,546	60	6,600	61	6,496	59	6,180	60
Manisa	27,331	18	30,342	16	35,367	17	10,073	18	10,035	16	9,694	17
Mardin	15,259	68	16,674	70	19,758	69	5,623	68	5,515	70	5,416	69
Muğla	29,968	13	32,017	14	37,461	14	11,044	13	10,589	14	10,268	14
Muş	12,957	76	14,248	76	16,131	77	4,775	76	4,712	76	4,422	77
Nevşehir	21,774	40	22,918	45	25,930	47	8,025	40	7,580	45	7,107	47
Niğde	20,649	46	21,632	49	25,006	50	7,610	46	7,154	49	6,854	50
Ordu	19,265	53	18,433	65	21,867	64	7,100	53	6,096	65	5,994	64
Osmaniye	17,442	65	19,758	58	23,760	54	6,428	65	6,535	58	6,513	54
Rize	24,996	23	27,516	24	32,149	23	9,212	23	9,101	24	8,812	23
Sakarya	28,006	16	30,493	15	36,314	15	10,321	16	10,085	15	9,954	15
Samsun	22,026	38	23,823	40	27,272	43	8,117	38	7,879	40	7,475	43
Siirt	13,062	75	14,439	75	16,607	76	4,814	75	4,775	75	4,552	76
Sinop	18,873	57	21,197	53	23,629	55	6,955	57	7,011	53	6,477	55
Sivas	20,831	45	23,155	43	26,861	45	7,677	45	7,658	43	7,362	45
Şanlıurfa	11,256	79	12,161	80	14,185	79	4,148	79	4,022	80	3,888	79
Şırnak	13,910	73	15,737	73	18,878	71	5,126	73	5,205	73	5,174	71
Tekirdağ	36,414	4	40,083	4	47,479	4	13,420	4	13,257	4	13,014	4
Tokat	16,598	66	17,886	66	20,171	68	6,117	66	5,916	66	5,529	68
Trabzon	24,937	24	27,228	27	30,789	31	9,190	24	9,005	27	8,439	31
Tunceli	24,768	26	28,613	20	33,846	20	9,128	26	9,463	20	9,277	20
Uşak	23,607	31	26,530	30	31,487	29	8,700	31	8,775	30	8,630	29
Van	10,548	80	12,378	79	14,080	80	3,887	80	4,094	79	3,859	80
Yalova	32,277	10	35,880	8	42,117	8	11,895	10	11,867	8	11,544	8
Yozgat	18,165	58	20,385	55	22,886	59	6,694	58	6,742	55	6,273	59
Zonguldak	20,436	48	23,073	44	27,662	41	7,531	48	7,631	44	7,582	41
Turkey	29,899		32,904		38,680		11,019		10,883		10,602	

Source: TÜİK.

(1): 2018 data will be declared on 20th December 2019.

Table 3. Number of Industry Capacity Reports ⁽¹⁾

Provinces				Change (%)		Provinces				Change (%)	
	2016	2017	2018	2017	2018		2016	2017	2018	2017	2018
Adana	1,654	1,405	1,557	-15.1	10.8	Kahramanmaraş	792	659	717	-16.8	8.8
Adıyaman	254	224	231	-11.8	3.1	Karabük	147	136	156	-7.5	14.7
Afyonkarahisar	903	807	873	-10.6	8.2	Karaman	218	184	221	-15.6	20.1
Ağrı	50	36	37	-28.0	2.8	Kars	82	72	99	-12.2	37.5
Aksaray	261	249	280	-4.6	12.4	Kastamonu	252	234	246	-7.1	5.1
Amasya	176	154	172	-12.5	11.7	Kayseri	1,571	1,347	1,544	-14.3	14.6
Ankara	4,780	4,123	4,963	-13.7	20.4	Kırıkkale	141	149	160	5.7	7.4
Antalya	1,277	1,109	1,289	-13.2	16.2	Kırklareli	331	321	354	-3.0	10.3
Ardahan	27	23	31	-14.8	34.8	Kırşehir	108	92	107	-14.8	16.3
Artvin	84	67	70	-20.2	4.5	Kilis	90	67	69	-25.6	3.0
Aydın	845	676	731	-20.0	8.1	Kocaeli	2,398	2,305	2,588	-3.9	12.3
Balıkesir	902	780	892	-13.5	14.4	Konya	2,695	2,394	2,691	-11.2	12.4
Bartın	126	107	113	-15.1	5.6	Kütahya	394	362	397	-8.1	9.7
Batman	250	211	259	-15.6	22.7	Malatya	541	468	525	-13.5	12.2
Bayburt	24	17	16	-29.2	-5.9	Manisa	1,497	1,402	1,557	-6.3	11.1
Bilecik	319	310	299	-2.8	-3.5	Mardin	324	253	266	-21.9	5.1
Bingöl	90	65	79	-27.8	21.5	Mersin	1,260	1,127	1,228	-10.6	9.0
Bitlis	55	49	61	-10.9	24.5	Muğla	627	563	598	-10.2	6.2
Bolu	268	243	259	-9.3	6.6	Muş	85	62	67	-27.1	8.1
Burdur	399	344	347	-13.8	0.9	Nevşehir	279	222	250	-20.4	12.6
Bursa	5,004	4,358	4,955	-12.9	13.7	Niğde	178	173	172	-2.8	-0.6
Çanakkale	368	346	392	-6.0	13.3	Ordu	290	268	309	-7.6	15.3
Çankırı	108	88	93	-18.5	5.7	Osmaniye	253	231	246	-8.7	6.5
Çorum	401	334	366	-16.7	9.6	Rize	249	226	251	-9.2	11.1
Denizli	1,549	1,319	1,479	-14.8	12.1	Sakarya	947	863	989	-8.9	14.6
Diyarbakır	460	360	416	-21.7	15.6	Samsun	578	529	564	-8.5	6.6
Düzce	370	360	414	-2.7	15.0	Siirt	52	36	43	-30.8	19.4
Edirne	273	255	283	-6.6	11.0	Sinop	112	107	114	-4.5	6.5
Elazığ	308	249	304	-19.2	22.1	Sivas	355	272	290	-23.4	6.6
Erzincan	133	105	116	-21.1	10.5	Şanlıurfa	700	634	720	-9.4	13.6
Erzurum	142	105	133	-26.1	26.7	Şırnak	73	87	97	19.2	11.5
Eskişehir	714	685	775	-4.1	13.1	Tekirdağ	1,572	1,497	1,624	-4.8	8.5
Gaziantep	2,297	2,159	2,412	-6.0	11.7	Tokat	244	192	209	-21.3	8.9
Giresun	158	157	167	-0.6	6.4	Trabzon	520	440	495	-15.4	12.5
Gümüşhane	73	71	74	-2.7	4.2	Tunceli	49	28	34	-42.9	21.4
Hakkari	51	36	35	-29.4	-2.8	Uşak	514	483	547	-6.0	13.3
Hatay	711	640	710	-10.0	10.9	Van	240	199	212	-17.1	6.5
Iğdır	44	32	40	-27.3	25.0	Yalova	204	157	160	-23.0	1.9
Isparta	374	283	317	-24.3	12.0	Yozgat	160	136	160	-15.0	17.6
İstanbul	20,146	18,429	21,260	-8.5	15.4	Zonguldak	295	247	272	-16.3	10.1
İzmir	4,524	4,227	4,661	-6.6	10.3	Total	72,369	64,821	73,309	-10.4	13.1

Source: TOBB.

(1): The number of capacity reports which are valid as of the end of the year.

Table 4. Number of Employees in Facilities with Industry Capacity Report ⁽¹⁾

Provinces				Change (%)		Provinces				Change (%)	
	2016	2017	2018	2017	2018		2016	2017	2018	2017	2018
Adana	59,806	58,270	61,203	-2.6	5.0	Kahramanmaraş	44,767	44,386	45,967	-0.9	3.6
Adıyaman	9,051	8,689	9,250	-4.0	6.5	Karabük	10,106	9,854	10,961	-2.5	11.2
Afyonkarahisar	20,847	20,209	21,978	-3.1	8.8	Karaman	18,378	16,792	16,859	-8.6	0.4
Ağrı	1,393	1,445	1,117	3.7	-22.7	Kars	1,143	1,347	1,728	17.8	28.3
Aksaray	10,529	11,310	12,694	7.4	12.2	Kastamonu	10,764	9,910	10,891	-7.9	9.9
Amasya	8,557	8,718	9,287	1.9	6.5	Kayseri	73,676	65,870	70,303	-10.6	6.7
Ankara	161,199	151,947	169,878	-5.7	11.8	Kırkkale	6,919	7,185	7,587	3.8	5.6
Antalya	34,028	32,803	35,807	-3.6	9.2	Kırklareli	28,814	32,155	33,680	11.6	4.7
Ardahan	261	146	237	-44.1	62.3	Kırşehir	4,835	5,346	5,924	10.6	10.8
Artvin	2,852	2,706	2,945	-5.1	8.8	Kilis	1,668	1,444	1,221	-13.4	-15.4
Aydın	30,343	28,473	29,263	-6.2	2.8	Kocaeli	186,881	188,183	201,736	0.7	7.2
Balıkesir	35,507	33,897	35,728	-4.5	5.4	Konya	71,455	68,453	75,237	-4.2	9.9
Bartın	8,334	8,928	9,277	7.1	3.9	Kütahya	27,574	26,326	28,729	-4.5	9.1
Batman	8,349	7,904	11,357	-5.3	43.7	Malatya	21,525	19,854	22,294	-7.8	12.3
Bayburt	322	230	253	-28.6	10.0	Manisa	101,846	95,231	102,715	-6.5	7.9
Bilecik	22,781	23,661	24,477	3.9	3.4	Mardin	5,831	6,235	7,380	6.9	18.4
Bingöl	1,942	1,964	2,339	1.1	19.1	Mersin	36,347	35,243	38,753	-3.0	10.0
Bitlis	1,189	1,012	1,793	-14.9	77.2	Muğla	15,242	14,264	15,235	-6.4	6.8
Bolu	18,277	18,253	19,278	-0.1	5.6	Muş	2,487	1,933	2,660	-22.3	37.6
Burdur	10,183	9,096	10,381	-10.7	14.1	Nevşehir	6,380	5,268	5,835	-17.4	10.8
Bursa	264,297	258,638	284,142	-2.1	9.9	Niğde	7,885	7,123	6,653	-9.7	-6.6
Çanakkale	13,523	16,174	17,328	19.6	7.1	Ordu	12,005	12,488	14,285	4.0	14.4
Çankırı	7,927	7,799	8,942	-1.6	14.7	Osmaniye	11,357	11,919	13,026	4.9	9.3
Çorum	15,300	14,528	14,978	-5.0	3.1	Rize	14,287	14,537	14,105	1.7	-3.0
Denizli	69,169	66,259	70,885	-4.2	7.0	Sakarya	57,133	60,317	66,080	5.6	9.6
Diyarbakır	10,331	8,401	10,721	-18.7	27.6	Samsun	20,312	20,349	21,729	0.2	6.8
Düzce	26,470	24,568	25,678	-7.2	4.5	Siirt	1,390	1,183	1,644	-14.9	39.0
Edirne	14,908	13,721	14,227	-8.0	3.7	Sinop	5,046	5,094	5,272	1.0	3.5
Elazığ	8,822	8,299	8,547	-5.9	3.0	Sivas	11,534	10,983	11,170	-4.8	1.7
Erzincan	4,292	4,794	4,623	11.7	-3.6	Şanlıurfa	14,271	14,550	17,343	2.0	19.2
Erzurum	3,852	3,452	4,158	-10.4	20.5	Şırnak	1,548	2,405	2,547	55.4	5.9
Eskişehir	53,419	55,898	57,441	4.6	2.8	Tekirdağ	129,711	132,506	142,284	2.2	7.4
Gaziantep	95,211	95,717	102,017	0.5	6.6	Tokat	8,160	8,701	10,210	6.6	17.3
Giresun	6,640	6,699	6,985	0.9	4.3	Trabzon	13,372	12,371	13,636	-7.5	10.2
Gümüşhane	1,721	1,934	1,924	12.4	-0.5	Tunceli	694	734	906	5.8	23.4
Hakkari	565	508	599	-10.1	17.9	Uşak	19,683	19,897	22,292	1.1	12.0
Hatay	30,028	28,792	29,158	-4.1	1.3	Van	4,546	4,236	5,422	-6.8	28.0
Iğdır	845	719	724	-14.9	0.7	Yalova	8,536	8,615	10,974	0.9	27.4
Isparta	10,904	9,944	11,410	-8.8	14.7	Yozgat	5,731	4,792	6,489	-16.4	35.4
İstanbul	658,896	619,046	663,121	-6.0	7.1	Zonguldak	29,472	25,539	25,690	-13.3	0.6
İzmir	197,939	196,290	209,897	-0.8	6.9	Toplam	2,994,120	2,905,459	3,133,499	-3.0	7.8

Source: TOBB.

(1): Other employees (temporary, seasonal, etc.) are included in the number of employees.

Table 5. Commodity Exchange Volume of Trancastions

Exchanges	Transaction Volume (Thousand TRY)						Change (%)	
	2016	Rank No	2017	Rank No	2018	Rank No	2017	2018
Adana	6,008,320	8	9,351,997	5	9,312,946	8	55.7	-0.4
Adıyaman	473,732	93	526,037	91	687,345	85	11.0	30.7
Afyonkarahisar	3,086,031	15	3,481,899	17	4,217,830	16	12.8	21.1
Akhisar	1,499,022	36	1,679,868	39	1,797,412	42	12.1	7.0
Aksaray	1,416,270	39	1,773,852	37	2,189,067	37	25.2	23.4
Akşehir	352,497	98	444,189	96	503,886	96	26.0	13.4
Akyazı	343,991	100	384,605	98	377,627	105	11.8	-1.8
Alaca	479,161	92	503,460	93	523,204	95	5.1	3.9
Alaşehir	1,152,384	48	1,606,981	42	2,186,965	38	39.4	36.1
Ankara	6,791,697	7	8,646,264	6	12,448,423	5	27.3	44.0
Antakya	1,409,257	40	1,573,370	43	1,910,431	41	11.6	21.4
Antalya	1,349,344	42	1,786,947	36	2,474,742	32	32.4	38.5
Aydın	2,687,765	20	3,687,155	16	4,581,324	14	37.2	24.3
Babaeski	344,864	99	358,360	101	433,564	101	3.9	21.0
Bafra	406,116	96	555,584	89	664,836	88	36.8	19.7
Balıkesir	2,685,742	21	3,111,635	20	4,103,929	18	15.9	31.9
Bandırma	3,239,076	14	4,337,516	12	4,747,895	12	33.9	9.5
Batman	1,019,413	55	1,098,404	57	1,204,916	60	7.7	9.7
Biga	659,767	78	732,647	80	858,232	80	11.0	17.1
Boğazlıyan	388,161	97	483,965	95	582,945	94	24.7	20.5
Bolvadin	148,829	111	218,628	110	300,199	110	46.9	37.3
Burdur	706,671	76	801,186	72	1,057,930	68	13.4	32.0
Bursa	2,636,489	22	3,083,120	22	3,769,260	20	16.9	22.3
Ceyhan	2,003,399	28	2,514,490	28	3,117,118	25	25.5	24.0
Cihanbeyli	284,688	102	311,669	104	338,045	107	9.5	8.5
Çanakkale	774,014	71	976,550	63	1,294,555	55	26.2	32.6
Çankırı	820,992	68	782,607	75	875,491	79	-4.7	11.9
Çarşamba	2,221,054	25	2,002,049	34	2,245,167	35	-9.9	12.1
Çorlu	1,021,255	54	1,290,648	51	1,429,085	50	26.4	10.7
Çorum	1,390,155	41	1,248,368	53	1,429,113	49	-10.2	14.5
Çubuk	288,955	101	373,463	99	602,078	92	29.2	61.2
Denizli	2,100,284	26	2,783,562	24	3,474,338	22	32.5	24.8
Diyarbakır	5,408,399	10	5,395,852	10	5,443,560	10	-0.2	0.9
Düzce	3,861,189	13	3,916,749	14	4,607,853	13	1.4	17.6
Edirne	1,815,319	32	2,222,801	29	2,617,069	29	22.4	17.7
Edremit	853,802	63	944,552	65	1,353,013	54	10.6	43.2
Elazığ	437,174	95	488,759	94	633,327	91	11.8	29.6
Ereğli/Konya	1,175,176	46	1,300,330	50	1,740,973	44	10.6	33.9
Erzincan	202,148	108	306,161	106	393,055	103	51.5	28.4
Erzurum	724,250	75	692,153	81	713,728	83	-4.4	3.1
Eskişehir	1,493,711	38	1,903,597	35	2,092,677	39	27.4	9.9
Fatsa	517,897	90	537,774	90	494,443	97	3.8	-8.1
Gaziantep	8,096,480	5	7,626,894	8	9,349,859	7	-5.8	22.6
Gemlik	1,063,935	53	961,962	64	891,217	77	-9.6	-7.4
Giresun	2,689,984	19	3,136,911	18	3,069,549	26	16.6	-2.1
Gönen	1,086,841	51	1,312,258	49	1,527,959	47	20.7	16.4
Haymana	110,311	113	135,735	113	205,123	113	23.0	51.1
Hayrabolu	761,681	72	752,459	79	683,426	86	-1.2	-9.2
İğdir	141,114	112	232,430	109	422,709	102	64.7	81.9
İlgın	538,985	86	782,762	74	914,886	74	45.2	16.9
Isparta	846,520	66	1,039,826	60	1,226,571	59	22.8	18.0
İpsala	533,368	88	579,678	88	599,820	93	8.7	3.5
İskenderun	1,132,093	49	2,742,265	25	1,272,247	56	142.2	-53.6
İstanbul	23,739,099	1	28,562,029	1	35,395,848	1	20.3	23.9
İzmir	9,562,055	3	13,190,263	2	16,435,938	2	37.9	24.6
Kadirli	567,715	83	647,256	84	655,768	89	14.0	1.3
Kahramanmaraş	1,495,073	37	2,037,774	33	2,577,308	30	36.3	26.5

Table 5. able 5. Commodity Exchange Volume of Trancastions (Continued)

Exchanges	Transaction Volume (Thousand TRY)						Change (%)	
	2016	Rank No	2017	Rank No	2018	Rank No	2017	2018
Karacabey	1,154,522	47	1,373,878	47	2,200,654	36	19.0	60.2
Karaman	1,081,169	52	1,371,836	48	1,639,227	45	26.9	19.5
Karapınar	798,789	70	985,113	61	1,178,044	64	23.3	19.6
Kars	177,067	109	142,451	112	279,353	112	-19.6	96.1
Kastamonu	265,368	104	265,469	108	337,921	108	0.0	27.3
Kayseri	2,465,069	23	2,549,259	27	2,821,620	27	3.4	10.7
Keşan	540,596	85	652,663	83	675,143	87	20.7	3.4
Kırıkkale	624,062	81	585,037	87	726,810	82	-6.3	24.2
Kırklareli	680,586	77	780,291	77	888,196	78	14.6	13.8
Kırşehir	946,416	60	1,183,547	54	1,239,166	58	25.1	4.7
Kızıltepe	4,103,306	12	4,045,373	13	3,930,199	19	-1.4	-2.8
Konya	8,452,841	4	10,725,117	4	13,353,804	4	26.9	24.5
Kozan	813,299	69	923,319	66	1,033,475	70	13.5	11.9
Kumluca	214,971	107	315,788	103	457,486	100	46.9	44.9
Kütahya	538,860	87	613,106	85	637,382	90	13.8	4.0
Lüleburgaz	1,248,193	43	1,643,708	40	1,753,947	43	31.7	6.7
Malatya	1,852,922	30	1,772,835	38	2,383,514	33	-4.3	34.4
Malkara	752,112	73	782,375	76	899,550	76	4.0	15.0
Manisa	1,885,833	29	2,631,804	26	3,504,832	21	39.6	33.2
Mersin	5,684,064	9	5,986,216	9	7,415,642	9	5.3	23.9
Muğla	573,145	82	782,917	73	1,003,513	71	36.6	28.2
Mustafakemalpaşa	456,653	94	366,393	100	486,311	98	-19.8	32.7
Nazilli	961,201	58	1,400,828	45	1,375,245	52	45.7	-1.8
Nevşehir	982,356	57	1,071,759	59	1,188,836	62	9.1	10.9
Niğde	542,178	84	777,268	78	910,495	75	43.4	17.1
Nizip	957,978	59	519,737	92	1,444,246	48	-45.7	177.9
Nusaybin	2,389,273	24	3,047,137	23	1,423,398	51	27.5	-53.3
Ordu	3,030,047	16	3,784,602	15	4,836,049	11	24.9	27.8
Osmaniye	998,762	56	1,077,888	58	1,098,215	67	7.9	1.9
Ödemiş	859,115	62	1,179,916	55	1,558,910	46	37.3	32.1
Polatlı	1,696,679	34	1,632,413	41	2,348,531	34	-3.8	43.9
Reyhanlı	634,693	79	840,076	70	702,871	84	32.4	-16.3
Rize	1,844,721	31	2,171,373	31	2,736,187	28	17.7	26.0
Sakarya	7,301,413	6	8,270,580	7	9,491,898	6	13.3	14.8
Salihli	630,663	80	836,691	71	1,142,989	66	32.7	36.6
Samsun	4,240,486	11	4,788,190	11	4,531,785	15	12.9	-5.4
Sandıklı	157,993	110	188,571	111	347,311	106	19.4	84.2
Sivas	849,047	64	846,786	69	985,615	72	-0.3	16.4
Söke	1,117,351	50	1,399,319	46	1,932,624	40	25.2	38.1
Sungurlu	256,243	105	310,442	105	383,637	104	21.2	23.6
Susurluk	848,232	65	979,193	62	1,360,762	53	15.4	39.0
Şanlıurfa	10,434,354	2	12,334,391	3	14,617,800	3	18.2	18.5
Tarsus	1,738,937	33	2,216,218	30	2,552,210	31	27.4	15.2
Tekirdağ	2,829,842	18	3,136,550	19	4,152,300	17	10.8	32.4
Terme	1,610,480	35	1,431,959	44	1,199,259	61	-11.1	-16.3
Tokat	515,934	91	597,436	86	822,899	81	15.8	37.7
Trabzon	3,029,033	17	3,096,213	21	3,168,441	24	2.2	2.3
Turgutlu	527,081	89	679,080	82	947,634	73	28.8	39.5
Uşak	735,302	74	914,436	67	1,271,970	57	24.4	39.1
Uzunköprü	911,351	61	1,102,722	56	1,151,544	65	21.0	4.4
Ünye	2,052,921	27	2,060,891	32	3,254,750	23	0.4	57.9
Van	1,202,916	45	415,624	97	474,006	99	-65.4	14.0
Yenişehir	821,437	67	895,438	68	1,039,649	69	9.0	16.1
Yerköy	275,789	103	335,514	102	282,907	111	21.7	-15.7
Yozgat	1,222,350	44	1,281,826	52	1,183,792	63	4.9	-7.6
Zile	254,421	106	275,064	107	334,620	109	8.1	21.7
Total	212,814,139	-	250,334,935	-	296,157,000	-	17.6	18.3

Source: TOBB.

Table 6. Consumer Price Index

(2003=100)

NUTS Level 2	2016		2017		2018	
	Index	Change (%)	Index	Change (%)	Index	Change (%)
	Twelve Month Average					
Istanbul	287.01	7.26	317.84	10.74	367.16	15.52
Tekirdağ, Edirne, Kırklareli	282.29	7.58	313.01	10.88	363.66	16.18
Balıkesir, Çanakkale	295.49	8.30	330.03	11.69	380.70	15.35
İzmir	287.45	8.46	321.63	11.89	375.80	16.84
Aydın, Denizli, Muğla	284.31	8.12	318.07	11.88	374.89	17.86
Manisa, Afyonkarahisar, Kütahya, Uşak	279.47	8.18	310.11	10.96	363.22	17.13
Bursa, Eskişehir, Bilecik	281.71	8.18	312.12	10.79	361.97	15.97
Kocaeli, Sakarya, Düzce, Bolu, Yalova	286.85	7.60	318.75	11.12	371.44	16.53
Ankara	293.08	8.28	324.02	10.56	372.40	14.93
Konya, Karaman	281.62	7.77	315.82	12.14	369.82	17.10
Antalya, Isparta, Burdur	272.10	7.90	302.44	11.15	355.29	17.47
Adana, Mersin	288.53	9.31	322.83	11.89	378.67	17.30
Hatay, Kahramanmaraş, Osmaniye	277.97	7.63	311.03	11.90	367.84	18.26
Kırkkale, Aksaray, Niğde, Nevşehir, Kırşehir	285.02	7.58	318.96	11.91	369.23	15.76
Kayseri, Sivas, Yozgat	290.02	7.66	324.72	11.97	378.35	16.51
Zonguldak, Karabük, Bartın	277.13	8.28	312.10	12.62	365.74	17.19
Kastamonu, Çankırı, Sinop	275.97	7.94	307.53	11.44	358.43	16.55
Samsun, Tokat, Çorum, Amasya	281.01	7.71	313.90	11.70	368.17	17.29
Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane	280.16	8.25	312.85	11.67	368.52	17.80
Erzurum, Erzincan, Bayburt	282.61	7.41	314.94	11.44	368.28	16.94
Ağrı, Kars, Iğdır, Ardahan	289.69	7.91	324.28	11.94	378.63	16.76
Malatya, Elazığ, Bingöl, Tunceli	278.52	7.98	310.64	11.53	365.01	17.50
Van, Muş, Bitlis, Hakkari	282.88	7.32	316.80	11.99	370.82	17.05
Gaziantep, Adıyaman, Kilis	287.10	7.79	323.82	12.79	379.01	17.05
Şanlıurfa, Diyarbakır	287.85	8.08	321.27	11.61	375.80	16.97
Mardin, Batman, Şırnak, Siirt	259.54	7.88	289.57	11.57	339.70	17.31
Turkey	280.85	7.78	312.14	11.14	363.13	16.33
	End of the Year					
Istanbul	298.67	8.00	333.20	11.56	396.37	18.96
Tekirdağ, Edirne, Kırklareli	293.92	8.71	329.16	11.99	393.88	19.66
Balıkesir, Çanakkale	309.18	9.74	344.45	11.41	413.02	19.91
İzmir	300.09	8.93	339.35	13.08	408.73	20.44
Aydın, Denizli, Muğla	296.89	9.31	333.89	12.46	408.73	22.41
Manisa, Afyonkarahisar, Kütahya, Uşak	290.80	8.93	325.22	11.84	396.61	21.95
Bursa, Eskişehir, Bilecik	293.54	8.80	327.35	11.52	393.29	20.14
Kocaeli, Sakarya, Düzce, Bolu, Yalova	297.95	7.83	335.62	12.64	402.54	19.94
Ankara	304.02	8.72	337.77	11.10	399.34	18.23
Konya, Karaman	293.44	8.51	332.13	13.18	401.55	20.90
Antalya, Isparta, Burdur	283.13	8.61	317.16	12.02	385.07	21.41
Adana, Mersin	301.84	9.86	338.66	12.20	412.97	21.94
Hatay, Kahramanmaraş, Osmaniye	290.79	8.76	328.25	12.88	400.75	22.09
Kırkkale, Aksaray, Niğde, Nevşehir, Kırşehir	297.96	8.69	332.62	11.63	401.88	20.82
Kayseri, Sivas, Yozgat	304.65	9.74	340.55	11.78	410.70	20.60
Zonguldak, Karabük, Bartın	291.54	9.88	327.75	12.42	396.70	21.04
Kastamonu, Çankırı, Sinop	289.45	10.09	321.86	11.20	392.04	21.80
Samsun, Tokat, Çorum, Amasya	292.78	8.34	329.06	12.39	402.56	22.34
Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane	292.21	9.34	328.21	12.32	401.08	22.20
Erzurum, Erzincan, Bayburt	295.81	9.12	331.81	12.17	399.49	20.40
Ağrı, Kars, Iğdır, Ardahan	303.54	9.79	338.15	11.40	417.70	23.53
Malatya, Elazığ, Bingöl, Tunceli	291.64	8.78	327.42	12.27	396.35	21.05
Van, Muş, Bitlis, Hakkari	294.23	8.28	334.23	13.59	410.77	22.90
Gaziantep, Adıyaman, Kilis	300.40	8.15	339.11	12.89	415.83	22.62
Şanlıurfa, Diyarbakır	301.60	9.47	339.21	12.47	417.89	23.20
Mardin, Batman, Şırnak, Siirt	271.80	9.08	305.01	12.22	376.14	23.32
Turkey	292.54	8.53	327.41	11.92	393.88	20.30

Source: TÜİK.

Table 7. Number of Companies Established and Closed

Provinces	2017									2018								
	Established			Liquidated			Closed			Liquidated			Closed					
	Firm	Cooperative	Real Person Commercial Business	Firm	Cooperative	Firm	Cooperative	Real Person Commercial Business	Firm	Cooperative	Real Person Commercial Business	Firm	Cooperative	Firm	Cooperative	Real Person Commercial Business		
Adana	1,565	10	543	237	15	218	13	321	1,597	10	495	298	13	260	11	278		
Adıyaman	192	8	108	19	3	38	0	34	197	7	93	50	8	17	1	44		
Afyonkarahisar	334	11	298	37	8	59	7	90	322	12	206	39	7	45	8	142		
Ağrı	111	2	136	2	1	5	2	16	98	2	98	4	0	2	1	21		
Amasya	117	3	98	13	2	16	4	36	117	3	61	14	2	20	4	40		
Ankara	8,066	171	2,434	957	101	1,314	135	1,849	8,538	225	1,540	1,307	78	1,032	108	1,839		
Antalya	2,910	27	1,077	274	35	339	44	740	3,443	25	945	323	41	341	44	675		
Artvin	64	4	54	3	2	6	2	25	91	6	46	0	3	3	2	48		
Aydın	640	6	817	66	22	113	37	455	600	19	578	95	20	89	31	416		
Balıkesir	514	15	481	56	27	74	42	255	616	16	328	65	24	76	44	271		
Bilecik	86	2	70	8	6	20	2	48	101	5	68	10	0	17	6	72		
Bingöl	129	5	84	7	4	9	5	22	110	3	64	6	0	7	4	25		
Bitlis	116	1	89	9	3	11	1	25	100	2	74	10	2	7	3	39		
Bolu	145	5	79	20	1	21	4	35	149	1	83	25	4	21	7	43		
Burdur	142	3	111	12	7	10	7	63	175	2	62	13	5	16	6	40		
Bursa	2,873	48	870	270	31	373	50	391	3,387	35	800	361	29	360	42	474		
Çanakkale	310	56	162	31	10	36	6	104	341	23	124	33	11	33	11	113		
Çankırı	65	6	26	2	9	6	11	40	71	4	17	8	7	7	6	16		
Çorum	238	21	190	20	8	25	6	106	248	39	136	34	13	46	12	123		
Denizli	702	6	731	71	24	83	23	271	661	13	586	95	15	98	25	289		
Diyarbakır	917	9	474	54	8	81	9	55	969	13	307	85	3	60	9	52		
Edirne	194	17	118	15	7	22	16	112	204	13	107	21	7	18	13	80		
Elazığ	205	5	173	51	5	53	7	70	251	11	145	46	5	60	6	137		
Erzincan	83	1	141	15	2	12	6	88	111	1	108	10	2	20	3	70		
Erzurum	206	5	96	22	6	20	22	46	213	6	104	38	9	30	18	58		
Eskişehir	544	6	928	57	9	104	9	413	627	9	647	86	5	81	12	491		
Gaziantep	1,811	8	835	128	5	180	8	180	2,123	9	670	167	4	141	5	190		
Giresun	136	5	106	12	6	22	12	42	169	5	103	25	4	13	4	49		
Gümüşhane	31	6	56	4	4	5	5	28	36	4	47	5	6	5	4	22		
Hakkari	71	1	64	1	3	2	1	19	91	1	68	1	0	2	1	17		
Hatay	1,060	6	480	81	10	107	6	381	1,335	6	406	121	15	116	12	184		
Isparta	251	2	100	40	14	42	18	62	219	9	105	48	18	45	19	94		
Mersin	1,762	17	738	161	11	223	17	419	2,026	20	558	176	8	181	9	284		
İstanbul	26,972	61	18,171	5,433	92	7,046	115	6,258	34,690	47	15,418	6,056	70	6,689	98	6,519		
İzmir	4,627	57	2,383	614	51	832	59	775	4,977	133	1,815	777	48	799	66	972		
Kars	58	1	78	4	2	3	0	20	52	1	58	4	3	5	0	30		
Kastamonu	131	10	100	17	4	22	13	59	157	17	84	26	4	17	5	60		
Kayseri	1,019	18	980	117	16	186	23	187	1,075	16	375	192	24	161	17	326		
Kırklareli	202	2	166	14	4	22	3	109	194	4	162	19	4	20	3	167		
Kırşehir	74	8	108	16	1	11	2	60	72	13	66	16	5	13	3	49		

Table 7. Number of Companies Established and Closed (Continued)

Provinces	2017									2018								
	Established			Liquidated			Closed			Liquidated			Liquidated			Closed		
	Firm	Cooperative	Real Person Commercial Business	Firm	Cooperative	Firm	Cooperative	Real Person Commercial Business	Firm	Cooperative	Real Person Commercial Business	Firm	Cooperative	Firm	Cooperative	Firm	Cooperative	Real Person Commercial Business
Kocaeli	1,694	7	1,009	219	6	224	17	183	1,734	8	680	264	9	227	11	207		
Konya	1,438	30	772	147	35	202	58	325	1,677	49	730	182	39	237	46	429		
Kütahya	177	8	234	16	9	22	18	107	224	2	169	28	12	26	13	125		
Malatya	322	6	246	31	6	45	6	81	383	8	262	44	3	30	9	79		
Manisa	531	14	615	56	16	66	19	273	599	12	432	56	19	59	21	289		
K.maraş	442	8	402	42	2	50	21	125	500	7	219	64	11	71	10	175		
Mardin	428	10	165	12	12	14	23	29	483	4	138	15	13	9	17	42		
Muğla	860	12	591	123	17	207	20	352	1,071	17	509	153	12	135	15	299		
Muş	92	3	57	5	9	17	11	12	91	4	38	15	11	8	8	14		
Nevşehir	144	18	112	14	48	22	39	65	223	14	78	29	41	26	47	58		
Niğde	100	3	71	17	6	32	6	32	155	3	77	20	4	22	6	31		
Ordu	238	4	172	33	3	24	10	102	223	2	133	20	3	35	3	154		
Rize	107	6	105	19	7	31	6	51	134	7	81	21	7	24	12	63		
Sakarya	608	3	325	56	12	79	20	118	692	8	246	84	4	75	8	126		
Samsun	636	13	545	54	8	93	8	204	611	5	309	86	5	79	5	198		
Siirt	100	6	49	9	1	3	0	10	93	1	52	9	0	8	0	7		
Sinop	37	6	56	4	4	9	6	21	73	6	52	4	7	5	6	35		
Sivas	250	6	179	23	3	47	8	93	292	11	111	49	4	37	5	108		
Tekirdağ	674	7	777	66	11	74	13	413	722	9	536	78	7	80	13	377		
Tokat	175	4	209	17	8	24	15	107	165	7	168	28	4	15	11	83		
Trabzon	445	3	143	17	4	29	12	84	463	6	128	26	10	27	6	80		
Tunceli	21	2	21	0	0	6	0	8	28	4	21	3	0	1	2	37		
Ş.Urfa	816	10	420	47	2	83	1	53	849	8	415	90	4	65	4	77		
Uşak	191	2	219	29	3	30	5	61	184	4	143	27	3	26	4	70		
Van	375	5	326	41	14	72	15	106	427	10	291	64	7	56	12	139		
Yozgat	116	12	188	6	7	13	6	63	148	9	83	17	9	10	5	75		
Zonguldak	195	5	147	16	4	34	3	109	203	3	153	18	5	24	11	130		
Aksaray	256	5	129	28	4	28	9	36	287	6	117	39	4	35	3	29		
Bayburt	22	1	16	1	2	0	2	11	19	4	15	4	0	1	0	12		
Karaman	120	9	173	4	4	15	4	29	125	12	145	14	5	8	3	65		
Kırıkkale	91	2	64	6	2	6	9	15	97	2	31	13	4	7	1	29		
Batman	299	5	143	19	2	27	1	27	339	5	131	31	1	14	2	40		
Şirnak	243	6	113	8	0	14	1	10	221	5	59	14	1	5	2	17		
Bartın	47	0	62	3	1	11	3	98	41	2	35	6	2	3	1	92		
Ardahan	30	1	33	3	0	1	1	24	24	1	22	0	0	1	1	14		
Iğdır	54	2	71	2	0	7	1	78	71	5	100	4	1	4	0	57		
Yalova	253	6	154	20	2	24	8	27	311	4	109	33	2	32	1	48		
Karabük	108	2	67	9	10	11	18	51	92	2	52	11	14	10	14	81		
Kilis	74	0	63	3	2	3	0	22	197	0	82	3	0	8	0	17		
Osmaniye	185	4	137	15	2	18	4	34	194	2	114	36	1	23	5	64		
Düzce	204	1	105	18	4	29	5	47	261	2	88	32	1	23	3	45		
Toplam	72,871	912	44,238	10,228	871	13,517	1,184	18,005	85,279	1,070	35,111	12,443	815	12,564	1,029	18,976		

Source: TOBB.

Table 8. Turkey 1000 Biggest Industrial Organizations (ISO 1000)

Provinces	2016	2017	Provinces	2016	2017
Adana	23	25	Konya	21	21
Adıyaman	0	0	Kütahya	6	6
Afyonkarahisar	3	2	Malatya	1	1
Ağrı	0	0	Manisa	20	22
Amasya	1	1	Kahramanmaraş	23	25
Ankara	57	58	Mardin	1	1
Antalya	6	7	Muğla	2	2
Artvin	0	0	Muş	1	0
Aydın	5	5	Nevşehir	1	1
Balıkesir	15	13	Niğde	0	0
Bilecik	5	4	Ordu	8	8
Bingöl	0	0	Rize	2	2
Bitlis	0	0	Sakarya	14	13
Bolu	4	4	Samsun	10	9
Burdur	2	2	Siirt	1	1
Bursa	66	66	Sinop	0	0
Çanakkale	4	4	Sivas	2	2
Çankırı	0	0	Tekirdağ	20	20
Çorum	0	0	Tokat	2	1
Denizli	24	22	Trabzon	4	4
Diyarbakır	1	1	Tunceli	0	0
Edirne	4	2	Şanlıurfa	0	0
Elazığ	1	1	Uşak	4	4
Erzincan	0	0	Van	0	0
Erzurum	1	1	Yozgat	0	0
Eskişehir	9	10	Zonguldak	3	3
Gaziantep	58	57	Aksaray	0	0
Giresun	3	3	Bayburt	0	0
Gümüşhane	0	0	Karaman	3	4
Hakkari	0	0	Kırıkkale	0	0
Hatay	12	15	Batman	0	0
Isparta	2	2	Şırnak	0	1
Mersin	10	10	Bartın	0	0
İstanbul	346	331	Ardahan	0	0
İzmir	74	80	Iğdır	0	0
Kars	0	0	Yalova	4	2
Kastamonu	1	1	Karabük	5	5
Kayseri	30	30	Kilis	0	0
Kırklareli	1	2	Osmaniye	3	4
Kırşehir	1	1	Düzce	4	4
Kocaeli	64	74			

Source: İSO, TEPAV.

Table 9. Number of Protested Bills⁽¹⁾ (2,000 TRY and Above)

Provinces	2016	2017	2018	(Pieces)	
				Change (%)	
				2017	2018
İstanbul	155,167	147,571	150,120	-4.9	1.7
Ankara	79,419	77,323	78,580	-2.6	1.6
Konya	44,113	43,699	51,425	-0.9	17.7
İzmir	47,497	45,646	46,690	-3.9	2.3
Bursa	32,554	31,897	33,092	-2.0	3.7
Antalya	38,074	32,742	29,511	-14.0	-9.9
Gaziantep	17,738	17,192	16,582	-3.1	-3.5
Samsun	14,657	15,392	16,531	5.0	7.4
Kayseri	16,637	15,844	16,308	-4.8	2.9
Kocaeli	15,111	14,848	15,859	-1.7	6.8
Adana	17,528	15,003	15,270	-14.4	1.8
Manisa	13,929	13,767	14,208	-1.2	3.2
Mersin	14,513	13,361	13,771	-7.9	3.1
Balıkesir	13,660	12,882	13,513	-5.7	4.9
Muğla	14,411	13,217	12,591	-8.3	-4.7
Denizli	10,432	10,361	12,171	-0.7	17.5
Aydın	10,914	10,853	11,771	-0.6	8.5
Sakarya	9,560	10,054	9,919	5.2	-1.3
Ordu	7,869	7,812	8,766	-0.7	12.2
Trabzon	8,225	8,359	8,725	1.6	4.4
Hatay	9,837	8,243	8,635	-16.2	4.8
Şanlıurfa	8,463	7,954	8,439	-6.0	6.1
Kahramanmaraş	7,547	7,506	7,908	-0.5	5.4
Tekirdağ	7,231	7,527	7,611	4.1	1.1
Afyonkarahisar	6,792	6,767	6,739	-0.4	-0.4
Eskişehir	6,757	6,721	6,710	-0.5	-0.2
Çorum	5,356	5,346	5,641	-0.2	5.5
Diyarbakır	5,858	5,002	5,611	-14.6	12.2
Malatya	5,050	5,103	5,432	1.0	6.4
Erzurum	5,196	4,652	5,348	-10.5	15.0
Çanakkale	5,317	4,826	5,245	-9.2	8.7
Zonguldak	5,000	4,761	5,056	-4.8	6.2
Tokat	4,237	4,500	5,007	6.2	11.3
Düzce	4,481	4,578	4,791	2.2	4.7
Sivas	4,190	4,494	4,618	7.3	2.8
Van	4,443	4,358	4,609	-1.9	5.8
Isparta	4,977	4,365	4,403	-12.3	0.9
Aksaray	3,793	3,447	4,180	-9.1	21.3
Kütahya	3,981	3,911	4,178	-1.8	6.8
Giresun	4,255	4,060	4,120	-4.6	1.5
Uşak	4,256	4,246	4,018	-0.2	-5.4
Edirne	4,020	3,716	3,960	-7.6	6.6
Amasya	4,144	3,760	3,885	-9.3	3.3
Bolu	3,476	3,542	3,311	1.9	-6.5
Osmaniye	4,174	3,498	3,249	-16.2	-7.1
Rize	3,332	2,825	3,217	-15.2	13.9
Kastamonu	2,692	2,689	3,188	-0.1	18.6
Nevşehir	3,133	3,141	3,080	0.3	-1.9
Elazığ	3,369	3,072	3,037	-8.8	-1.1
Karaman	3,074	2,790	3,020	-9.2	8.2

Table 9. Number of Protested Bills⁽¹⁾ (2,000 TRY and Above) (Continued)

Provinces	2016	2017	2018	Change (%)	
				2017	2018
Adıyaman	2,483	2,401	3,016	-3.3	25.6
Burdur	2,716	2,875	2,841	5.9	-1.2
Yozgat	2,971	2,797	2,710	-5.9	-3.1
Kırklareli	3,089	2,760	2,662	-10.7	-3.6
Mardin	2,358	2,230	2,607	-5.4	16.9
Niğde	2,951	3,211	2,596	8.8	-19.2
Kırşehir	2,363	2,376	2,443	0.6	2.8
Kırıkkale	2,436	2,186	2,183	-10.3	-0.1
Karabük	1,841	1,878	2,133	2.0	13.6
Yalova	2,084	1,857	2,130	-10.9	14.7
Batman	1,798	1,847	2,019	2.7	9.3
Artvin	2,333	1,961	1,987	-15.9	1.3
Ağrı	1,623	1,744	1,813	7.5	4.0
Muş	1,625	1,859	1,781	14.4	-4.2
Bartın	1,666	1,663	1,762	-0.2	6.0
Sinop	1,808	1,650	1,708	-8.7	3.5
Bilecik	1,740	1,512	1,616	-13.1	6.9
Kars	1,449	1,453	1,521	0.3	4.7
Çankırı	1,195	1,310	1,453	9.6	10.9
Erzincan	1,445	1,471	1,435	1.8	-2.4
İğdır	944	1,351	1,305	43.1	-3.4
Bitlis	1,091	1,315	1,269	20.5	-3.5
Ardahan	1,135	926	1,269	-18.4	37.0
Gümüşhane	925	975	1,085	5.4	11.3
Bingöl	921	935	1,041	1.5	11.3
Hakkari	630	735	932	16.7	26.8
Şırnak	703	841	919	19.6	9.3
Bayburt	523	401	507	-23.3	26.4
Kilis	697	484	491	-30.6	1.4
Siirt	390	477	484	22.3	1.5
Tunceli	197	169	179	-14.2	5.9
Total	780,569	748,873	775,546	-4.1	3.6
Total under 2.000TRY⁽²⁾	236,409	190,914	162,652	-19.2	-14.8
Grand Total	1,016,978	939,787	938,198	-7.6	-0.2

Source: TBBRM.

(1): Cities are ranked according to data of the year 2018.

(2): The minimum notification limit of the notes is 2.000 TRY and the amounts below this are reported in bulk.

Table 10. Amount of Protested Bills⁽¹⁾ (Bills of 2,000 TRY and Above)

Provinces	2016	2017	2018	Change (%)	
				2017	2018
İstanbul	3,296,488	3,721,848	5,960,840	12.9	60.2
Ankara	1,649,481	1,206,905	1,867,739	-26.8	54.8
İzmir	774,580	740,304	984,805	-4.4	33.0
Konya	451,934	508,728	792,985	12.6	55.9
Antalya	562,657	610,982	741,144	8.6	21.3
Bursa	413,847	498,522	528,034	20.5	5.9
Muğla	142,697	223,830	497,996	56.9	122.5
Gaziantep	489,329	284,209	452,299	-41.9	59.1
Adana	295,457	259,270	393,971	-12.2	52.0
Kayseri	204,707	208,153	390,751	1.7	87.7
Mersin	168,778	182,136	365,574	7.9	100.7
Kocaeli	241,810	393,484	331,174	62.7	-15.8
Şanlıurfa	224,791	207,505	317,065	-7.7	52.8
Manisa	135,025	211,270	266,828	56.5	26.3
Samsun	169,447	190,488	230,198	12.4	20.8
Denizli	151,402	135,208	217,437	-10.7	60.8
Diyarbakır	86,794	98,805	204,749	13.8	107.2
Aydın	120,216	115,480	188,465	-3.9	63.2
Sakarya	110,857	134,435	185,140	21.3	37.7
Kahramanmaraş	94,242	123,357	164,470	30.9	33.3
Hatay	96,684	176,204	163,968	82.2	-6.9
Eskişehir	75,079	92,389	161,882	23.1	75.2
Balıkesir	115,551	123,935	156,945	7.3	26.6
Tekirdağ	77,252	81,557	141,468	5.6	73.5
Trabzon	102,585	115,815	133,002	12.9	14.8
Ordu	72,864	73,096	97,988	0.3	34.1
Osmaniye	64,692	57,421	95,374	-11.2	66.1
Çanakkale	64,699	46,308	93,101	-28.4	101.0
Malatya	43,662	51,071	92,173	17.0	80.5
Sivas	32,949	53,506	90,291	62.4	68.7
Mardin	30,974	37,309	86,988	20.5	133.2
Amasya	34,439	31,614	86,106	-8.2	172.4
Afyonkarahisar	104,363	80,097	85,784	-23.3	7.1
Düzce	48,485	43,594	83,114	-10.1	90.7
Çorum	71,109	43,065	77,031	-39.4	78.9
Zonguldak	51,447	46,411	76,130	-9.8	64.0
Van	64,856	54,219	75,836	-16.4	39.9
Nevşehir	27,602	32,249	69,302	16.8	114.9
Erzurum	67,062	59,825	69,077	-10.8	15.5
Uşak	52,295	52,514	67,677	0.4	28.9
İğdır	15,880	80,283	66,542	405.6	-17.1
Tokat	38,318	73,927	63,560	92.9	-14.0
Kırıkkale	26,602	21,100	61,012	-20.7	189.2
Aksaray	32,365	32,687	60,540	1.0	85.2
Batman	56,279	69,554	57,418	23.6	-17.4
Edirne	35,594	43,604	56,069	22.5	28.6
Şırnak	13,613	12,502	54,988	-8.2	339.8
Isparta	42,527	50,785	53,993	19.4	6.3
Giresun	30,086	33,294	52,713	10.7	58.3
Kütahya	37,728	37,985	50,038	0.7	31.7

Table 10. Amount of Protested Bills⁽¹⁾ (Bills of 2,000 TRY and Above) (Continued)

(Thousand TRY)

Provinces	2016	2017	2018	Change (%)	
				2017	2018
Elazığ	30,285	37,478	49,263	23.8	31.4
Artvin	43,039	23,667	49,096	-45.0	107.4
Burdur	31,585	33,991	45,834	7.6	34.8
Adıyaman	32,011	32,308	45,259	0.9	40.1
Kırşehir	26,105	24,657	43,354	-5.5	75.8
Kastamonu	27,718	27,064	43,019	-2.4	59.0
Bolu	33,034	42,164	42,638	27.6	1.1
Rize	23,162	22,906	40,648	-1.1	77.5
Bingöl	10,631	9,041	38,425	-15.0	325.0
Niğde	32,756	31,382	38,161	-4.2	21.6
Yalova	23,769	26,419	38,147	11.1	44.4
Kırklareli	39,357	28,910	37,252	-26.5	28.9
Muş	21,361	24,018	36,372	12.4	51.4
Karaman	31,095	26,234	35,419	-15.6	35.0
Yozgat	26,011	26,761	31,856	2.9	19.0
Ardahan	12,168	10,251	25,603	-15.8	149.8
Gümüşhane	10,186	9,050	25,523	-11.1	182.0
Ağrı	20,184	20,177	24,959	0.0	23.7
Karabük	14,580	14,930	24,362	2.4	63.2
Bilecik	18,742	14,979	22,359	-20.1	49.3
Erzincan	10,805	12,368	21,212	14.5	71.5
Kars	16,837	14,270	20,434	-15.2	43.2
Bitlis	12,438	17,926	17,890	44.1	-0.2
Çankırı	14,456	16,553	17,865	14.5	7.9
Bartın	12,359	14,708	15,262	19.0	3.8
Sinop	10,878	14,492	15,112	33.2	4.3
Siirt	4,987	5,174	10,336	3.7	99.8
Kilis	6,421	7,711	9,359	20.1	21.4
Hakkari	7,637	7,699	9,019	0.8	17.1
Bayburt	5,263	3,859	6,064	-26.7	57.1
Tunceli	1,507	1,980	3,108	31.4	56.9
Total	12,023,549	12,465,967	18,544,987	3.7	48.8
Total under 2.000TRY⁽²⁾	264,584	220,291	192,132	-16.7	-12.8
Grand Total	12,288,133	12,686,258	18,737,119	3.2	47.7

Source: TBBRM.

(3): Cities are ranked according to data of the year 2018

(4): The minimum notification limit of the notes is 2.000 TRY and the amounts below this are reported in bulk..

Table 11. Number of Checks with Bad Transaction ⁽¹⁾

Provinces and Regions ⁽²⁾	2016	2017	2018	Change (%)	
				2017	2018
Istanbul	212,747	119,584	169,931	-43.8	42.1
Western Marmara	24,887	13,663	20,540	-45.1	50.3
Balıkesir	8,722	4,163	4,403	-52.3	5.8
Çanakkale	2,965	1,750	3,844	-41.0	119.7
Edirne	2,719	1,228	1,443	-54.8	17.5
Kırklareli	2,627	1,912	2,064	-27.2	7.9
Tekirdağ	7,854	4,610	8,786	-41.3	90.6
Aegea	85,929	45,358	62,720	-47.2	38.3
Afyonkarahisar	4,502	2,423	2,444	-46.2	0.9
Aydın	8,271	5,158	4,882	-37.6	-5.4
Denizli	9,505	4,110	6,374	-56.8	55.1
İzmir	39,661	21,373	33,410	-46.1	56.3
Kütahya	3,525	1,805	2,194	-48.8	21.6
Manisa	8,846	4,379	5,914	-50.5	35.1
Muğla	8,454	4,530	5,688	-46.4	25.6
Uşak	3,165	1,580	1,814	-50.1	14.8
Eastern Marmara	89,446	45,747	66,512	-48.9	45.4
Bilecik	2,229	952	726	-57.3	-23.7
Bolu	2,995	1,381	1,370	-53.9	-0.8
Bursa	38,083	20,721	24,368	-45.6	17.6
Düzce	4,433	2,466	3,784	-44.4	53.4
Eskişehir	9,408	3,618	5,129	-61.5	41.8
Kocaeli	20,315	9,494	18,331	-53.3	93.1
Sakarya	9,428	5,596	10,236	-40.6	82.9
Yalova	2,555	1,519	2,568	-40.5	69.1
Western Anatolia	73,151	43,578	64,391	-40.4	47.8
Ankara	55,825	32,766	49,962	-41.3	52.5
Karaman	1,717	955	1,473	-44.4	54.2
Konya	15,609	9,857	12,956	-36.9	31.4
Mediterranean	109,615	56,086	64,600	-48.8	15.2
Adana	24,875	13,862	14,390	-44.3	3.8
Antalya	45,012	20,146	19,900	-55.2	-1.2
Burdur	1,935	820	1,013	-57.6	23.5
Hatay	9,463	5,493	5,762	-42.0	4.9
Isparta	1,977	1,179	1,616	-40.4	37.1
Mersin	15,469	8,269	13,287	-46.5	60.7
Kahramanmaraş	6,462	3,952	5,404	-38.8	36.7
Osmaniye	4,422	2,365	3,228	-46.5	36.5
Central Anatolia	29,168	16,070	17,523	-44.9	9.0
Aksaray	1,776	1,133	1,210	-36.2	6.8
Kayseri	11,263	7,263	7,902	-35.5	8.8
Kırıkkale	2,226	1,091	925	-51.0	-15.2
Kırşehir	1,601	727	701	-54.6	-3.6
Nevşehir	2,117	907	958	-57.2	5.6
Niğde	2,573	1,101	1,015	-57.2	-7.8
Sivas	4,899	2,543	3,285	-48.1	29.2
Yozgat	2,713	1,305	1,527	-51.9	17.0

Table 11. Number of Checks with Bad Transaction (Continued)

Provinces and Regions ⁽²⁾	2016	2017	2018	Change (%)	
				2017	2018
Western Black Sea	34,409	19,815	22,105	-42.4	11.6
Amasya	3,864	2,128	1,400	-44.9	-34.2
Bartın	1,385	619	903	-55.3	45.9
Çankırı	721	602	953	-16.5	58.3
Çorum	4,275	1,664	2,545	-61.1	52.9
Karabük	1,821	939	1,176	-48.4	25.2
Kastamonu	1,288	1,001	1,736	-22.3	73.4
Samsun	11,797	6,945	7,547	-41.1	8.7
Sinop	686	523	470	-23.8	-10.1
Tokat	3,270	2,360	1,664	-27.8	-29.5
Zonguldak	5,302	3,034	3,711	-42.8	22.3
Eastern Black Sea	17,272	12,411	19,704	-28.1	58.8
Artvin	950	634	1,262	-33.3	99.1
Giresun	2,365	1,477	3,236	-37.5	119.1
Gümüşhane	670	388	705	-42.1	81.7
Ordu	3,431	2,367	3,688	-31.0	55.8
Rize	2,754	1,796	2,174	-34.8	21.0
Trabzon	7,102	5,749	8,639	-19.1	50.3
Northheastern Anatolia	13,539	9,840	11,936	-27.3	21.3
Ağrı	3,372	3,730	2,899	10.6	-22.3
Ardahan	646	254	519	-60.7	104.3
Bayburt	514	266	365	-48.2	37.2
Erzincan	1,503	637	784	-57.6	23.1
Erzurum	4,183	2,663	5,351	-36.3	100.9
İğdır	1,902	1,495	1,082	-21.4	-27.6
Kars	1,419	795	936	-44.0	17.7
Central Eastern Anatolia	26,611	16,202	21,496	-39.1	32.7
Bingöl	1,819	1,176	2,274	-35.3	93.4
Bitlis	2,675	1,991	2,386	-25.6	19.8
Elazığ	6,760	3,148	3,215	-53.4	2.1
Hakkari	2,038	789	1,219	-61.3	54.5
Malatya	4,902	3,250	4,215	-33.7	29.7
Muş	2,033	1,947	2,571	-4.2	32.0
Tunceli	306	302	278	-1.3	-7.9
Van	6,078	3,599	5,338	-40.8	48.3
Southeastern Anatolia	61,147	36,758	46,838	-39.9	27.4
Adıyaman	2,887	1,825	2,969	-36.8	62.7
Batman	4,170	3,507	4,258	-15.9	21.4
Diyarbakır	12,284	7,031	9,644	-42.8	37.2
Gaziantep	19,097	10,866	12,653	-43.1	16.4
Kilis	808	342	368	-57.7	7.6
Mardin	6,044	3,406	4,701	-43.6	38.0
Siirt	1,473	941	1,228	-36.1	30.5
Şanlıurfa	10,926	7,759	9,089	-29.0	17.1
Şırnak	3,458	1,081	1,928	-68.7	78.4
Other⁽³⁾	25	2	1	-92.0	-50.0
Total	777,946	435,114	588,297	-44.1	35.2

Source: TBRRM.

(1): Checks with unpaid transactions of 1,000,000,000 TRY or higher are not included in the report.

(2): The Classification of Statistical Region Units was used in the Decision of Council of Ministers numbered 2002/4720 published in the Official Gazette dated 22.09.2002 and numbered 24884.

(3): Notices of the Turkish Republic of North Cyprus and foreign branches of banks..

Table 12. Amount of Checks with Bad Transaction ⁽¹⁾

Provinces and Regions ⁽²⁾	2016	2017	2018	Change (%)	
				2017	2018
İstanbul	9,673,582	5,970,509	10,427,740	-38.3	74.7
Western Marmara	703,519	391,941	734,473	-44.3	87.4
Balıkesir	248,843	111,330	141,675	-55.3	27.3
Çanakkale	71,052	43,062	144,861	-39.4	236.4
Edirne	63,538	32,376	58,840	-49.0	81.7
Kırklareli	82,472	59,353	55,192	-28.0	-7.0
Tekirdağ	237,614	145,820	333,906	-38.6	129.0
Aegea	2,559,580	1,553,383	2,991,107	-39.3	92.6
Afyonkarahisar	118,915	51,396	86,589	-56.8	68.5
Aydın	231,583	208,222	209,809	-10.1	0.8
Denizli	326,428	129,297	364,466	-60.4	181.9
İzmir	1,279,646	784,997	1,754,337	-38.7	123.5
Kütahya	73,136	43,478	61,957	-40.6	42.5
Manisa	216,571	133,272	218,574	-38.5	64.0
Muğla	230,020	155,757	242,668	-32.3	55.8
Uşak	83,281	46,965	52,706	-43.6	12.2
Eastern Marmara	2,935,470	1,624,314	2,877,076	-44.7	77.1
Bilecik	68,808	26,935	16,968	-60.9	-37.0
Bolu	61,629	34,404	60,512	-44.2	75.9
Bursa	1,212,602	778,489	1,091,484	-35.8	40.2
Düzce	112,631	56,072	140,773	-50.2	151.1
Eskişehir	348,586	129,801	217,020	-62.8	67.2
Kocaeli	814,049	380,319	857,913	-53.3	125.6
Sakarya	258,265	183,019	387,182	-29.1	111.6
Yalova	58,900	35,275	105,224	-40.1	198.3
Western Anatolia	2,913,908	2,106,858	3,836,032	-27.7	82.1
Ankara	2,397,077	1,749,221	3,269,618	-27.0	86.9
Karaman	39,123	18,300	29,241	-53.2	59.8
Konya	477,708	339,336	537,173	-29.0	58.3
Mediterranean	3,472,096	1,819,083	2,900,192	-47.6	59.4
Adana	811,683	542,275	676,833	-33.2	24.8
Antalya	1,487,839	632,146	915,343	-57.5	44.8
Burdur	54,946	24,878	35,146	-54.7	41.3
Hatay	267,250	134,296	213,256	-49.7	58.8
Isparta	57,542	34,966	57,009	-39.2	63.0
Mersin	520,883	258,773	662,122	-50.3	155.9
Kahramanmaraş	166,709	117,978	178,872	-29.2	51.6
Osmaniye	105,244	73,772	161,611	-29.9	119.1
Central Anatolia	818,661	479,506	666,102	-41.4	38.9
Aksaray	51,005	24,718	44,399	-51.5	79.6
Kayseri	357,010	238,419	312,895	-33.2	31.2
Kırıkkale	56,111	25,786	27,079	-54.0	5.0
Kırşehir	38,483	19,238	28,537	-50.0	48.3
Nevşehir	62,889	29,223	26,111	-53.5	-10.6
Niğde	69,204	23,746	62,652	-65.7	163.8
Sivas	139,784	91,004	126,988	-34.9	39.5
Yozgat	44,175	27,371	37,439	-38.0	36.8

Table 12. Amount of Checks with Bad Transaction ⁽¹⁾ (Continued)

(Thousand TRY)

Provinces and Regions ⁽²⁾	2016	2017	2018	Change (%)	
				2017	2018
Western Black Sea	773,876	537,564	712,855	-30.5	32.6
Amasya	78,734	45,240	46,825	-42.5	3.5
Bartın	27,213	13,157	27,426	-51.7	108.5
Çankırı	17,246	12,290	24,957	-28.7	103.1
Çorum	78,187	47,476	98,178	-39.3	106.8
Karabük	48,256	36,594	38,670	-24.2	5.7
Kastamonu	31,428	20,109	63,570	-36.0	216.1
Samsun	307,251	239,031	233,086	-22.2	-2.5
Sinop	12,937	8,672	16,785	-33.0	93.5
Tokat	72,768	63,225	47,208	-13.1	-25.3
Zonguldak	99,857	51,770	116,151	-48.2	124.4
Eastern Black Sea	373,163	353,450	733,024	-5.3	107.4
Artvin	15,413	11,709	45,812	-24.0	291.3
Giresun	38,038	37,647	96,898	-1.0	157.4
Gümüşhane	13,940	8,753	24,489	-37.2	179.8
Ordu	74,544	55,278	125,358	-25.8	126.8
Rize	55,706	47,264	78,230	-15.2	65.5
Trabzon	175,522	192,800	362,236	9.8	87.9
Northeastern Anatolia	319,350	266,054	392,933	-16.7	47.7
Ağrı	75,438	97,446	82,332	29.2	-15.5
Ardahan	16,736	7,118	17,119	-57.5	140.5
Bayburt	7,652	6,050	11,743	-20.9	94.1
Erzincan	37,946	12,736	22,681	-66.4	78.1
Erzurum	96,341	73,970	199,232	-23.2	169.3
İğdır	47,163	39,425	26,909	-16.4	-31.7
Kars	38,074	29,309	32,917	-23.0	12.3
Central Eastern Anatolia	707,060	457,161	836,707	-35.3	83.0
Bingöl	54,115	36,079	75,812	-33.3	110.1
Bitlis	52,454	45,188	68,752	-13.9	52.1
Elazığ	187,032	90,399	156,536	-51.7	73.2
Hakkari	34,055	17,527	47,617	-48.5	171.7
Malatya	139,077	80,770	161,829	-41.9	100.4
Muş	59,479	69,366	113,449	16.6	63.6
Tunceli	6,459	6,501	7,783	0.7	19.7
Van	174,389	111,332	204,929	-36.2	84.1
Southeastern Anatolia	2,161,929	1,495,133	2,272,235	-30.8	52.0
Adıyaman	89,459	55,496	106,581	-38.0	92.1
Batman	136,787	136,751	193,483	0.0	41.5
Diyarbakır	438,384	270,405	524,394	-38.3	93.9
Gaziantep	753,227	448,255	619,452	-40.5	38.2
Kilis	15,773	6,900	13,412	-56.3	94.4
Mardin	196,952	177,231	240,849	-10.0	35.9
Siirt	29,297	20,095	41,232	-31.4	105.2
Şanlıurfa	435,148	341,344	434,289	-21.6	27.2
Şırnak	66,901	38,657	98,543	-42.2	154.9
Other⁽³⁾	36	28	75	-21.0	163.8
Total	27,412,231	17,054,983	29,380,552	-37.8	72.3

Source: TBBRM.

(1): Checks with unpaid transactions of 1,000,000,000 TRY or higher are not included in the report.

(2): The Classification of Statistical Region Units was used in the Decision of Council of Ministers numbered 2002/4720 published in the Official Gazette dated 22.09.2002 and numbered 24884.

(3): Notices of the Turkish Republic of North Cyprus and foreign branches of banks.

Table 13. Deposit Amounts (2018)

(Thousand TRY)

Provinces	Savings Deposit	Savings Deposit (TRY)	Savings Deposit (DTH)	Other Deposits	Other Deposits	Other Deposits (DTH)	Total Deposits
Adana	20.827.067	15.083.020	5.744.047	5.763.948	3.815.844	1.948.104	26.591.015
Adıyaman	1.895.703	1.258.645	637.058	546.714	488.639	58.075	2.442.417
Afyonkarahisar	4,685,190	2,777,496	1,907,694	1,086,246	664,968	421,278	5,771,436
Ağrı	822,024	541,615	280,409	402,260	337,811	64,449	1,224,284
Aksaray	3,343,845	1,445,898	1,897,947	485,673	361,847	123,826	3,829,518
Amasya	1,906,539	1,234,459	672,080	325,909	278,013	47,896	2,232,448
Ankara	108,343,317	61,860,185	46,483,132	141,373,465	90,067,568	51,305,897	249,716,782
Antalya	35,632,108	22,119,597	13,512,511	12,242,022	4,655,882	7,586,140	47,874,130
Ardahan	377,864	297,178	80,686	94,317	88,277	6,040	472,181
Artvin	1,270,634	913,776	356,858	339,189	275,899	63,290	1,609,823
Aydın	13,321,207	9,095,168	4,226,039	2,660,136	1,688,394	971,742	15,981,343
Balıkesir	14,918,465	9,755,798	5,162,667	2,308,198	1,691,018	617,180	17,226,663
Bartın	1,747,630	1,168,917	578,713	250,802	208,719	42,083	1,998,432
Batman	1,371,881	867,206	504,675	1,145,664	558,663	587,001	2,517,545
Bayburt	324,167	167,077	157,090	159,011	145,841	13,170	483,178
Bilecik	1,298,575	901,805	396,770	370,945	314,813	56,132	1,669,520
Bingöl	951,235	498,337	452,898	275,589	250,473	25,116	1,226,824
Bitlis	610,134	450,171	159,963	341,293	326,332	14,961	951,427
Bolu	2,349,670	1,602,789	746,881	607,151	372,695	234,456	2,956,821
Burdur	2,399,841	1,542,336	857,505	526,181	307,671	218,510	2,926,022
Bursa	31,992,610	19,840,004	12,152,606	14,706,131	6,689,619	8,016,512	46,698,741
Çanakkale	6,355,820	4,437,146	1,918,674	1,156,637	971,610	185,027	7,512,457
Çankırı	1,138,895	796,009	342,886	246,907	217,698	29,209	1,385,802
Çorum	3,548,359	2,010,656	1,537,703	613,492	433,049	180,443	4,161,851
Denizli	12,379,894	7,663,971	4,715,923	4,255,470	1,952,379	2,303,091	16,635,364
Diyarbakır	4,916,318	3,202,345	1,713,973	1,726,298	1,474,571	251,727	6,642,616
Düzce	1,879,673	1,177,664	702,009	484,542	351,669	132,873	2,364,215
Edirne	4,985,000	3,616,411	1,368,589	1,100,599	655,704	444,895	6,085,599
Elazığ	3,374,925	1,843,931	1,530,994	1,517,961	606,306	911,655	4,892,886
Erzincan	1,714,484	984,742	729,742	284,233	254,726	29,507	1,998,717
Erzurum	2,440,535	1,389,468	1,051,067	1,084,802	982,104	102,698	3,525,337
Eskişehir	10,520,105	6,751,448	3,768,657	3,933,081	3,008,714	924,367	14,453,186
Gaziantep	10,006,352	5,666,952	4,339,400	9,884,554	2,826,415	7,058,139	19,890,906
Giresun	3,853,433	2,321,376	1,532,057	463,067	389,372	73,695	4,316,500
Gümüşhane	779,709	422,949	356,760	145,971	128,733	17,238	925,680
Hakkari	477,540	354,364	123,176	454,595	403,972	50,623	932,135
Hatay	13,936,223	7,808,140	6,128,083	3,388,225	1,817,708	1,570,517	17,324,448
İğdır	906,386	434,712	471,674	220,297	167,822	52,475	1,126,683
İsparta	4,519,972	2,688,110	1,831,862	790,428	659,673	130,755	5,310,400
İstanbul	449,482,153	222,385,637	227,096,516	367,250,162	164,634,691	202,615,471	816,732,315
İzmir	80,749,709	51,964,633	28,785,076	26,252,722	12,614,359	13,638,363	107,002,431
Kahramanmaraş	4,116,147	2,230,941	1,885,206	1,774,174	854,584	919,590	5,890,321
Karabük	1,792,880	1,319,204	473,676	789,610	356,954	432,656	2,582,490
Karaman	1,830,753	987,557	843,196	706,202	386,239	319,963	2,536,955
Kars	993,690	777,625	216,065	427,630	397,278	30,352	1,421,320
Kastamonu	2,504,376	1,784,677	719,699	1,224,081	435,430	788,651	3,728,457
Kayseri	10,560,407	5,300,290	5,260,117	4,912,048	2,703,198	2,208,850	15,472,455

Table 13. Deposit Amounts (2018) (Continued)

(Thousand TRY)

Provinces	Savings Deposit	Savings Deposit (TRY)	Savings Deposit (DTH)	Other Deposits	Other Deposits	Other Deposits (DTH)	Total Deposits
Kırıkkale	1,479,214	978,839	500,375	316,428	286,574	29,854	1,795,642
Kırklareli	4,314,057	3,155,342	1,158,715	709,590	568,946	140,644	5,023,647
Kırşehir	2,293,789	1,151,630	1,142,159	353,415	275,986	77,429	2,647,204
Kilis	475,314	237,789	237,525	356,836	337,922	18,914	832,150
Kocaeli	19,491,287	11,134,476	8,356,811	19,096,294	8,209,817	10,886,477	38,587,581
Konya	13,838,563	7,321,748	6,516,815	4,952,773	3,097,908	1,854,865	18,791,336
Kütahya	3,427,357	1,674,432	1,752,925	848,359	581,185	267,174	4,275,716
Malatya	4,430,733	2,698,545	1,732,188	885,654	665,805	219,849	5,316,387
Manisa	11,155,201	8,070,509	3,084,692	3,947,046	2,074,527	1,872,519	15,102,247
Mardin	1,939,181	1,112,171	827,010	911,767	747,688	164,079	2,850,948
Mersin	18,092,315	12,105,468	5,986,847	4,909,496	3,059,620	1,849,876	23,001,811
Muğla	20,270,468	12,743,020	7,527,448	3,097,930	1,846,719	1,251,211	23,368,398
Muş	626,437	400,083	226,354	326,880	312,231	14,649	953,317
Nevşehir	3,031,931	1,250,641	1,781,290	543,333	434,007	109,326	3,575,264
Niğde	1,901,682	1,300,680	601,002	502,803	441,695	61,108	2,404,485
Ordu	4,656,450	3,379,995	1,276,455	734,745	640,492	94,253	5,391,195
Osmaniye	1,866,837	1,427,070	439,767	448,745	400,930	47,815	2,315,582
Rize	2,403,839	1,519,624	884,215	663,680	589,366	74,314	3,067,519
Sakarya	5,991,227	3,672,319	2,318,908	2,652,609	1,316,827	1,335,782	8,643,836
Samsun	9,116,272	5,931,628	3,184,644	2,339,733	1,730,723	609,010	11,456,005
Siirt	570,721	392,331	178,390	465,045	437,819	27,226	1,035,766
Sinop	1,744,506	1,115,163	629,343	314,942	279,967	34,975	2,059,448
Sivas	4,207,162	2,449,225	1,757,937	895,019	748,978	146,041	5,102,181
Şanlıurfa	3,126,985	2,247,624	879,361	1,578,806	1,464,256	114,550	4,705,791
Şırnak	777,115	488,630	288,485	591,481	474,816	116,665	1,368,596
Tekirdağ	9,282,382	6,662,646	2,619,736	2,961,214	1,563,300	1,397,914	12,243,596
Tokat	2,517,948	1,649,064	868,884	461,164	413,894	47,270	2,979,112
Trabzon	8,562,192	4,849,929	3,712,263	1,712,282	1,295,685	416,597	10,274,474
Tunceli	1,173,527	711,277	462,250	166,475	149,049	17,426	1,340,002
Uşak	4,407,402	2,510,756	1,896,646	606,058	457,998	148,060	5,013,460
Van	2,034,470	1,492,269	542,201	794,967	729,979	64,988	2,829,437
Yalova	3,268,776	1,804,851	1,463,925	2,350,868	634,553	1,716,315	5,619,644
Yozgat	2,775,648	1,247,604	1,528,044	368,074	304,120	63,954	3,143,722
Foreign	103,413,431	21,687,345	81,726,086	38,757,051	1,903,810	36,853,241	142,170,482
Zonguldak	6,627,210	4,370,011	2,257,199	2,097,933	1,169,879	928,054	8,725,143

Source: BDDK.

Table 14. Loan Amounts by Bank Groups (2018)

(Thousand TRY)

Provinces	Group	Total Cash Loans	Cash Loans	Non-Performing Loans	Non-cash Loans
Adana	Public	18,325,316	17,658,044	667,272	2,778,997
	Foreign	10,671,860	9,946,493	725,367	2,826,447
	Domestic Private	15,898,587	14,915,446	983,141	3,113,378
Adıyaman	Domestic Private	1,239,066	1,184,456	54,610	139,097
	Foreign	892,605	842,863	49,742	294,936
	Public	3,166,408	3,092,977	73,431	288,445
Afyonkarahisar	Public	5,315,428	5,115,700	199,728	274,818
	Foreign	1,972,478	1,821,877	150,601	135,808
	Domestic Private	2,618,805	2,431,372	187,433	191,802
Ağrı	Domestic Private	489,471	463,561	25,910	120,497
	Foreign	493,167	446,198	46,969	93,825
	Public	1,771,011	1,728,181	42,830	199,180
Aksaray	Public	2,496,380	2,455,576	40,804	274,221
	Foreign	965,044	921,555	43,489	128,661
	Domestic Private	1,049,578	1,011,376	38,202	225,015
Amasya	Domestic Private	1,278,482	1,193,909	84,573	144,013
	Foreign	898,529	831,486	67,043	82,503
	Public	2,276,761	2,204,845	71,916	84,098
Ankara	Public	140,841,218	136,466,991	4,374,227	77,831,937
	Foreign	77,508,977	73,503,114	4,005,863	31,105,800
	Domestic Private	112,878,468	108,762,617	4,115,851	53,119,105
Antalya	Domestic Private	23,066,114	21,981,655	1,084,459	4,361,853
	Foreign	17,983,376	16,526,570	1,456,806	2,497,723
	Public	46,155,721	44,934,940	1,220,781	5,193,852
Ardahan	Public	846,039	827,093	18,946	30,837
	Foreign	250,825	243,208	7,617	3,222
	Domestic Private	139,533	133,824	5,709	31,864
Artvin	Domestic Private	667,434	638,054	29,380	85,102
	Foreign	223,765	213,674	10,091	18,205
	Public	1,351,866	1,305,577	46,289	61,590
Aydın	Public	9,167,681	8,922,656	245,025	495,978
	Foreign	5,157,327	4,790,076	367,251	572,813
	Domestic Private	5,739,749	5,472,202	267,547	405,818
Balıkesir	Domestic Private	6,709,998	6,366,367	343,631	1,065,972
	Foreign	4,467,205	4,232,268	234,937	534,932
	Public	9,726,110	9,560,891	165,219	880,494
Bartın	Public	1,158,602	1,118,860	39,742	137,757
	Foreign	567,126	540,474	26,652	138,064
	Domestic Private	606,360	577,012	29,348	115,121
Batman	Domestic Private	1,677,941	1,593,592	84,349	414,252
	Foreign	901,166	783,861	117,305	581,503
	Public	1,575,766	1,478,918	96,848	1,031,631
Bayburt	Public	488,754	482,784	5,970	19,150
	Foreign	97,892	89,677	8,215	7,984
	Domestic Private	93,953	89,683	4,270	9,306
Bilecik	Domestic Private	817,960	762,490	55,470	41,293
	Foreign	693,093	653,334	39,759	49,924
	Public	3,024,887	2,977,126	47,761	93,828
Bingöl	Public	1,080,150	1,042,356	37,794	156,544
	Foreign	208,792	188,053	20,739	60,329
	Domestic Private	219,552	210,140	9,412	41,977
Bitlis	Domestic Private	467,549	430,136	37,413	399,730
	Foreign	302,805	290,607	12,198	232,061
	Public	1,514,867	1,461,607	53,260	555,350

Table 14. Loan Amounts by Bank Groups (2018) (Continued)

(Thousand TRY)

Provinces	Group	Total Cash Loans	Cash Loans	Non-Performing Loans	Non-cash Loans
Bolu	Public	2,341,541	2,299,120	42,421	238,654
	Foreign	1,360,012	1,308,741	51,271	140,250
	Domestic Private	1,063,960	995,806	68,154	129,066
Burdur	Domestic Private	1,048,838	996,568	52,270	87,208
	Foreign	926,668	880,656	46,012	44,026
	Public	2,270,069	2,228,738	41,331	98,950
Bursa	Public	35,235,250	34,700,661	534,589	6,775,751
	Foreign	18,961,182	18,089,605	871,577	4,254,949
	Domestic Private	23,564,418	22,764,293	800,125	6,424,015
Çanakkale	Domestic Private	2,327,153	2,239,956	87,197	145,174
	Foreign	1,740,148	1,661,426	78,722	150,389
	Public	4,503,466	4,406,739	96,727	214,667
Çankırı	Public	1,658,464	1,621,764	36,700	33,660
	Foreign	1,080,626	1,049,429	31,197	74,492
	Domestic Private	525,034	499,206	25,828	44,100
Çorum	Domestic Private	2,097,535	1,976,470	121,065	232,081
	Foreign	1,711,527	1,597,864	113,663	236,391
	Public	4,958,911	4,817,418	141,493	549,852
Denizli	Public	19,240,865	18,965,710	275,155	2,847,469
	Foreign	7,801,143	7,534,858	266,285	1,310,568
	Domestic Private	19,447,469	19,019,608	427,861	3,898,377
Diyarbakır	Domestic Private	3,944,257	3,680,443	263,814	807,538
	Foreign	3,395,320	3,087,523	307,797	1,289,346
	Public	6,610,069	6,223,097	386,972	1,413,980
Düzce	Public	2,563,231	2,486,309	76,922	222,187
	Foreign	1,688,806	1,549,832	138,974	176,911
	Domestic Private	1,362,180	1,269,499	92,681	96,689
Edirne	Domestic Private	2,185,459	2,101,952	83,507	152,878
	Foreign	1,443,673	1,379,176	64,497	61,750
	Public	3,336,196	3,274,663	61,533	181,274
Elazığ	Public	4,618,118	4,449,053	169,065	936,590
	Foreign	2,123,598	2,003,231	120,367	837,383
	Domestic Private	2,192,702	2,038,165	154,537	1,043,284
Erzincan	Domestic Private	490,778	474,481	16,297	74,657
	Foreign	461,465	442,203	19,262	87,103
	Public	1,377,509	1,350,878	26,631	62,582
Erzurum	Public	7,867,449	7,736,671	130,778	678,077
	Foreign	1,458,957	1,371,961	86,996	208,720
	Domestic Private	1,614,954	1,488,959	125,995	276,422
Eskişehir	Domestic Private	4,334,790	4,043,350	291,440	1,123,929
	Foreign	4,531,761	4,287,316	244,445	931,062
	Public	7,117,128	6,940,379	176,749	1,469,455
Gaziantep	Public	28,245,009	27,219,009	1,026,000	6,655,079
	Foreign	12,857,778	11,745,102	1,112,676	5,299,300
	Domestic Private	19,999,929	18,773,918	1,226,011	5,257,799
Giresun	Domestic Private	1,387,281	1,301,475	85,806	146,812
	Foreign	1,003,194	938,198	64,996	113,736
	Public	2,912,695	2,836,723	75,972	176,544
Gümüşhane	Public	914,069	905,093	8,976	40,690
	Foreign	170,599	164,168	6,431	5,440
	Domestic Private	264,198	255,899	8,299	22,596
Hakkari	Domestic Private	193,051	185,068	7,983	42,368
	Foreign	164,827	159,980	4,847	14,188
	Public	1,241,465	1,220,558	20,907	114,246

Table 14. Loan Amounts by Bank Groups (2018) (Continued)

(Thousand TRY)

Provinces	Group	Total Cash Loans	Cash Loans	Non-Performing Loans	Non-cash Loans
Hatay	Public	16,191,721	15,376,076	815,645	3,630,928
	Foreign	5,795,485	5,398,413	397,072	1,735,139
	Domestic Private	7,837,475	6,872,686	964,789	2,863,550
İğdır	Domestic Private	382,286	322,117	60,169	48,809
	Foreign	319,490	291,681	27,809	27,707
	Public	953,281	909,121	44,160	40,865
Isparta	Public	2,718,893	2,659,018	59,875	182,304
	Foreign	1,392,354	1,274,898	117,456	119,108
	Domestic Private	1,564,552	1,490,085	74,467	203,382
İstanbul	Domestic Private	349,360,975	334,977,806	14,383,169	121,961,344
	Foreign	297,225,616	283,081,801	14,143,815	89,484,851
	Public	344,065,795	336,845,962	7,219,833	140,239,384
İzmir	Public	48,439,848	46,986,563	1,453,285	8,787,455
	Foreign	32,034,740	30,519,507	1,515,233	6,941,292
	Domestic Private	40,365,612	38,994,750	1,370,862	9,438,418
Kahramanmaraş	Domestic Private	5,547,221	5,334,948	212,273	1,564,691
	Foreign	4,166,757	4,007,254	159,503	1,308,235
	Public	10,544,613	10,383,377	161,236	2,558,250
Karabük	Public	2,297,480	2,253,475	44,005	1,714,478
	Foreign	1,077,819	1,031,573	46,246	267,261
	Domestic Private	1,377,783	1,341,894	35,889	822,757
Karaman	Domestic Private	867,671	828,893	38,778	321,039
	Foreign	840,328	803,501	36,827	132,101
	Public	2,556,758	2,502,102	54,656	498,229
Kars	Public	1,505,846	1,465,903	39,943	60,582
	Foreign	580,751	551,762	28,989	39,919
	Domestic Private	571,612	543,934	27,678	54,280
Kastamonu	Domestic Private	1,345,956	1,277,667	68,289	105,168
	Foreign	1,969,425	1,903,223	66,202	87,237
	Public	2,558,503	2,504,913	53,590	127,733
Kayseri	Public	12,100,731	11,811,584	289,147	1,737,228
	Foreign	6,451,610	6,081,687	369,923	1,490,126
	Domestic Private	7,259,089	6,857,503	401,586	2,051,938
Kırıkkale	Domestic Private	904,351	842,103	62,248	430,334
	Foreign	925,521	852,917	72,604	326,886
	Public	1,763,145	1,699,447	63,698	58,899
Kırklareli	Public	3,042,427	2,972,117	70,310	104,608
	Foreign	1,167,561	1,047,770	119,791	53,008
	Domestic Private	2,291,884	2,222,523	69,361	192,236
Kırşehir	Domestic Private	773,016	737,432	35,584	126,965
	Foreign	1,079,292	1,049,357	29,935	136,505
	Public	2,822,326	2,764,853	57,473	339,015
Kilis	Public	600,878	572,263	28,615	50,053
	Foreign	196,119	174,549	21,570	37,889
	Domestic Private	288,500	272,963	15,537	166,154
Kocaeli	Domestic Private	17,868,527	17,295,733	572,794	7,378,395
	Foreign	15,496,257	14,788,596	707,661	5,194,929
	Public	21,031,955	20,500,264	531,691	8,790,429
Konya	Public	26,572,234	25,982,801	589,433	4,220,443
	Foreign	9,877,326	9,257,648	619,678	2,269,253
	Domestic Private	11,532,230	11,053,551	478,679	2,081,693
Kütahya	Domestic Private	2,029,002	1,883,508	145,494	476,206
	Foreign	1,432,550	1,315,652	116,898	128,568
	Public	3,828,323	3,695,311	133,012	266,818

Table 14. Loan Amounts by Bank Groups (2018) (Continued)

(Thousand TRY)

Provinces	Group	Total Cash Loans	Cash Loans	Non-Performing Loans	Non-cash Loans
Malatya	Public	4,516,742	4,406,300	110,442	418,240
	Foreign	1,772,274	1,622,988	149,286	285,394
	Domestic Private	2,204,083	2,052,056	152,027	305,387
Manisa	Domestic Private	6,927,334	6,448,754	478,580	1,165,532
	Foreign	6,232,027	5,873,097	358,930	1,309,527
	Public	12,259,661	11,729,205	530,456	1,424,478
Mardin	Public	3,118,385	2,953,773	164,612	301,230
	Foreign	1,445,879	1,283,130	162,749	295,135
	Domestic Private	1,734,563	1,575,054	159,509	364,792
Mersin	Domestic Private	10,283,701	9,541,389	742,312	1,579,525
	Foreign	8,107,748	7,446,195	661,553	1,699,857
	Public	12,173,134	11,756,079	417,055	1,573,346
Muğla	Public	8,857,566	8,595,553	262,013	952,160
	Foreign	5,920,381	5,630,569	289,812	280,893
	Domestic Private	8,566,814	8,328,014	238,800	753,053
Muş	Domestic Private	312,934	298,002	14,932	99,747
	Foreign	294,685	272,008	22,677	62,271
	Public	1,402,266	1,364,629	37,637	467,527
Nevşehir	Public	2,183,063	2,135,571	47,492	165,709
	Foreign	905,436	859,987	45,449	164,645
	Domestic Private	1,091,048	1,025,548	65,500	90,432
Niğde	Domestic Private	1,013,273	955,095	58,178	193,190
	Foreign	913,364	866,111	47,253	135,279
	Public	2,225,211	2,193,283	31,928	114,655
Ordu	Public	4,734,205	4,665,345	68,860	362,771
	Foreign	2,101,371	1,992,376	108,995	218,510
	Domestic Private	2,236,308	2,127,529	108,779	245,001
Osmaniye	Domestic Private	1,857,771	1,722,315	135,456	141,815
	Foreign	1,305,033	1,192,815	112,218	223,686
	Public	3,617,419	3,476,629	140,790	473,508
Rize	Public	3,968,918	3,931,113	37,805	200,623
	Foreign	1,336,400	1,288,054	48,346	186,789
	Domestic Private	1,458,619	1,396,408	62,211	163,142
Sakarya	Domestic Private	4,457,420	4,221,893	235,527	1,098,989
	Foreign	4,336,667	4,103,854	232,813	642,414
	Public	7,965,264	7,714,018	251,246	1,657,682
Samsun	Public	9,135,583	8,845,501	290,082	1,323,840
	Foreign	4,110,262	3,783,414	326,848	848,631
	Domestic Private	5,403,559	5,105,235	298,324	878,108
Siirt	Domestic Private	451,341	423,730	27,611	475,167
	Foreign	1,115,567	1,082,809	32,758	344,175
	Public	2,864,299	2,837,639	26,660	519,265
Sinop	Public	1,503,417	1,471,533	31,884	51,840
	Foreign	322,886	297,840	25,046	20,208
	Domestic Private	586,355	561,042	25,313	41,785
Sivas	Domestic Private	1,703,739	1,562,403	141,336	191,851
	Foreign	1,569,187	1,434,813	134,374	206,307
	Public	5,066,760	4,844,620	222,140	317,074
Şanlıurfa	Public	6,303,928	5,992,425	311,503	644,941
	Foreign	2,771,389	2,459,855	311,534	579,245
	Domestic Private	3,483,101	3,159,942	323,159	507,071
Şırnak	Domestic Private	582,755	569,200	13,555	313,164
	Foreign	432,968	405,514	27,454	142,675
	Public	1,333,556	1,282,945	50,611	147,649

Table 14. Loan Amounts by Bank Groups (2018) (Continued)

(Thousand TRY)

Provinces	Group	Total Cash Loans	Cash Loans	Non-Performing Loans	Non-cash Loans
Tekirdağ	Public	8,831,758	8,599,830	231,928	668,185
	Foreign	4,765,509	4,535,194	230,315	908,581
	Domestic Private	6,932,606	6,589,377	343,229	998,104
Tokat	Domestic Private	1,587,330	1,467,889	119,441	137,973
	Foreign	1,135,098	1,040,519	94,579	101,900
	Public	3,269,319	3,174,328	94,991	180,145
Trabzon	Public	6,684,452	6,544,693	139,759	983,943
	Foreign	3,180,631	3,017,151	163,480	873,480
	Domestic Private	4,496,408	4,308,694	187,714	744,961
Tunceli	Domestic Private	108,530	105,235	3,295	12,673
	Foreign	171,210	163,982	7,228	19,004
	Public	690,404	677,678	12,726	32,629
Uşak	Public	2,851,095	2,760,776	90,319	280,073
	Foreign	1,433,208	1,372,469	60,739	230,269
	Domestic Private	1,522,977	1,411,727	111,250	209,226
Van	Domestic Private	1,514,331	1,432,052	82,279	411,987
	Foreign	1,096,694	1,002,768	93,926	315,620
	Public	4,082,294	3,987,192	95,102	749,355
Yalova	Public	2,859,306	2,814,656	44,650	2,465,007
	Foreign	1,017,923	964,416	53,507	633,353
	Domestic Private	1,523,304	1,464,364	58,940	492,547
Yozgat	Domestic Private	1,049,786	988,476	61,310	99,417
	Foreign	944,295	888,748	55,547	162,939
	Public	2,962,764	2,895,767	66,997	130,604
Zonguldak	Public	2,309,378	2,145,465	163,913	605,050
	Foreign	1,958,659	1,821,732	136,927	852,928
	Domestic Private	3,080,329	2,944,404	135,925	212,765

Source: BDDK.

Table 15. Loan To Deposit Ratio And Non-Performing Loan Ratio

(%)

Provinces	Loan to deposit ratio and non-performing loan ratio		Non performing loans total cash credit ratio	
	2017	2018	2017	2018
Adana	177.9	160.0	4.9	5.3
Adıyaman	208.1	196.8	2.8	3.4
Afyonkarahisar	169.6	155.7	5.3	5.4
Ağrı	180.2	206.4	3.7	4.2
Aksaray	106.6	98.2	2.2	2.7
Amasya	211.0	190.3	4.3	5.0
Ankara	112.7	125.9	3.2	3.8
Antalya	197.6	176.9	3.3	4.3
Ardahan	258.3	257.2	2.3	2.6
Artvin	148.8	138.2	3.3	3.8
Aydın	138.1	122.7	3.7	4.4
Balıkesir	129.1	117.5	2.9	3.6
Bartın	127.9	112.2	4.3	4.1
Batman	163.8	133.6	5.2	7.2
Bayburt	134.7	135.2	2.3	2.7
Bilecik	189.3	261.4	4.5	3.2
Bingöl	119.5	108.3	3.9	4.5
Bitlis	192.1	216.1	3.4	4.5
Bolu	161.9	151.1	3.2	3.4
Burdur	147.0	139.4	2.5	3.3
Bursa	166.6	154.1	2.4	2.8
Çanakkale	147.4	112.4	2.2	3.1
Çankırı	216.3	214.8	2.0	2.9
Çorum	207.4	195.8	3.5	4.3
Denizli	248.9	265.8	2.0	2.1
Diyarbakır	193.9	182.7	5.4	6.9
Düzce	210.0	204.6	4.9	5.5
Edirne	126.1	112.7	2.8	3.0
Elazığ	177.9	160.1	4.2	5.0
Erzincan	108.8	99.3	2.5	2.7
Erzurum	308.1	273.9	2.6	3.1
Eskişehir	118.6	105.5	3.6	4.5
Gaziantep	304.2	271.7	3.4	5.5
Giresun	132.5	117.9	3.1	4.3
Gümüşhane	137.9	134.0	1.6	1.8
Hakkari	142.4	168.8	2.2	2.1
Hatay	180.8	162.1	5.4	7.3
İğdır	167.0	145.4	4.7	8.0
Isparta	112.2	95.9	3.1	4.4
İstanbul	116.7	112.4	2.5	3.6
İzmir	121.8	110.5	3.1	3.6

Table 15. Loan To Deposit Ratio And Non-Performing Loan Ratio (Continued)

(%)

Provinces	Loan to deposit ratio and non-performing loan ratio		Non performing loans total cash credit ratio	
	2017	2018	2017	2018
Kahramanmaraş	319.8	300.0	2.0	2.6
Karabük	144.6	167.6	2.5	2.7
Karaman	165.7	143.5	2.7	3.1
Kars	180.7	180.7	3.4	3.6
Kastamonu	164.9	150.2	2.9	3.2
Kayseri	173.2	144.5	3.3	4.1
Kırıkkale	188.3	182.3	4.9	5.5
Kırklareli	137.2	127.9	3.9	4.0
Kırşehir	165.4	168.8	2.7	2.6
Kilis	117.2	110.6	3.3	6.1
Kocaeli	136.9	130.5	3.0	3.3
Konya	230.6	207.5	2.9	3.5
Kütahya	172.6	156.0	5.5	5.4
Malatya	156.4	141.4	4.1	4.9
Manisa	174.9	161.6	3.0	5.4
Mardin	224.9	201.1	4.5	7.7
Mersin	146.1	125.1	4.2	6.0
Muğla	114.5	99.0	2.8	3.4
Muş	183.4	198.9	2.6	3.7
Nevşehir	134.2	108.8	3.7	3.8
Niğde	181.2	163.8	2.6	3.3
Ordu	168.2	158.2	2.6	3.2
Osmaniye	249.9	265.8	4.6	5.7
Rize	189.5	195.5	2.1	2.2
Sakarya	202.0	174.9	2.7	4.3
Samsun	163.1	151.5	4.4	4.9
Siirt	259.4	348.8	1.9	2.0
Sinop	124.5	115.8	3.4	3.4
Sivas	154.2	139.7	4.0	6.0
Şanlıurfa	256.4	212.8	5.8	7.5
Şırnak	134.9	159.3	2.7	3.9
Tekirdağ	167.6	162.3	2.8	3.9
Tokat	205.7	188.7	4.6	5.2
Trabzon	133.5	126.9	2.9	3.4
Tunceli	77.3	71.9	2.6	2.4
Uşak	113.9	107.6	4.5	4.5
Van	185.0	200.1	3.1	4.1
Yalova	125.0	89.4	2.4	2.9
Yozgat	160.1	149.0	3.5	3.7
Zonguldak	87.9	81.9	5.1	5.9
Turkey General	126.6	122.6	3.0	3.9

Source: BDDK.

Table 16. Income Tax Active Taxpayer Numbers

Provinces	Income Tax Active Taxpayer Numbers			Change (%)	
	2016	2017	2018	2017	2018
Adana	528,957	540,082	552,988	2.1	2.4
Adıyaman	74,390	77,871	83,579	4.7	7.3
Afyonkarahisar	149,085	153,540	159,710	3.0	4.0
Ağrı	50,026	51,268	53,971	2.5	5.3
Amasya	76,551	78,053	79,198	2.0	1.5
Ankara	1,564,760	1,595,827	1,628,161	2.0	2.0
Antalya	954,947	963,417	989,007	0.9	2.7
Artvin	47,520	49,087	51,170	3.3	4.2
Aydın	290,387	298,593	307,772	2.8	3.1
Balıkesir	332,573	341,712	354,452	2.7	3.7
Bilecik	52,201	53,111	54,842	1.7	3.3
Bingöl	29,137	31,001	34,423	6.4	11.0
Bitlis	38,629	39,415	40,115	2.0	1.8
Bolu	81,020	82,044	84,233	1.3	2.7
Burdur	81,609	83,744	86,810	2.6	3.7
Bursa	949,827	977,019	1,012,432	2.9	3.6
Çanakkale	156,430	162,778	170,279	4.1	4.6
Çankırı	31,293	31,790	32,516	1.6	2.3
Çorum	129,374	130,577	134,155	0.9	2.7
Denizli	277,584	283,665	292,228	2.2	3.0
Diyarbakır	166,752	167,098	175,751	0.2	5.2
Edirne	106,310	109,744	113,588	3.2	3.5
Elazığ	100,341	102,915	107,214	2.6	4.2
Erzincan	46,715	48,180	49,257	3.1	2.2
Erzurum	114,786	116,426	119,138	1.4	2.3
Eskişehir	259,622	264,038	272,102	1.7	3.1
Gaziantep	491,081	496,598	503,916	1.1	1.5
Giresun	84,179	87,136	91,429	3.5	4.9
Gümüşhane	22,380	22,550	23,296	0.8	3.3
Hakkari	20,914	22,480	24,376	7.5	8.4
Hatay	293,755	292,409	307,542	-0.5	5.2
Isparta	104,935	107,467	110,098	2.4	2.4
İçel	464,139	474,663	490,924	2.3	3.4
İstanbul	5,799,674	5,916,654	6,033,480	2.0	2.0
İzmir	1,500,964	1,532,754	1,573,784	2.1	2.7
Kars	39,193	39,145	40,065	-0.1	2.4
Kastamonu	94,175	95,458	97,564	1.4	2.2
Kayseri	363,672	379,243	389,353	4.3	2.7
Kırklareli	101,523	101,272	105,091	-0.2	3.8
Kırşehir	43,649	46,543	48,891	6.6	5.0
Kocaeli	539,057	550,735	570,474	2.2	3.6
Konya	628,028	644,644	664,938	2.6	3.1
Kütahya	117,238	119,651	124,456	2.1	4.0
Malatya	136,251	139,789	145,783	2.6	4.3

Table 16. Income Tax Active Taxpayer Numbers (Continued)

Provinces	Income Tax Active Taxpayer Numbers			Change (%)	
	2016	2017	2018	2017	2018
Manisa	345,719	358,164	373,316	3.6	4.2
Kahramanmaraş	181,857	189,872	199,819	4.4	5.2
Mardin	89,085	89,833	97,217	0.8	8.2
Muğla	405,267	419,519	441,814	3.5	5.3
Muş	39,732	40,036	41,772	0.8	4.3
Nevşehir	84,287	85,708	89,062	1.7	3.9
Niğde	69,885	74,366	78,949	6.4	6.2
Ordu	130,834	135,491	143,800	3.6	6.1
Rize	82,291	84,225	85,211	2.4	1.2
Sakarya	241,543	245,745	254,087	1.7	3.4
Samsun	306,517	315,674	325,452	3.0	3.1
Siirt	25,464	26,888	28,143	5.6	4.7
Sinop	45,880	47,606	49,823	3.8	4.7
Sivas	116,546	120,450	124,160	3.3	3.1
Tekirdağ	283,041	289,696	301,037	2.4	3.9
Tokat	103,123	106,231	110,050	3.0	3.6
Trabzon	174,651	178,898	184,563	2.4	3.2
Tunceli	12,213	12,603	13,088	3.2	3.8
Şanlıurfa	315,921	315,003	322,674	-0.3	2.4
Uşak	88,763	90,970	94,633	2.5	4.0
Van	122,528	125,980	131,211	2.8	4.2
Yozgat	90,012	91,450	94,026	1.6	2.8
Zonguldak	117,723	118,951	119,905	1.0	0.8
Aksaray	92,155	94,474	98,839	2.5	4.6
Bayburt	11,339	11,657	12,517	2.8	7.4
Karaman	53,240	54,717	58,519	2.8	6.9
Kırıkkale	54,971	56,831	58,055	3.4	2.2
Batman	64,374	66,357	69,002	3.1	4.0
Şırnak	63,873	54,214	52,901	-15.1	-2.4
Bartın	41,020	41,906	43,781	2.2	4.5
Ardahan	13,865	14,174	14,708	2.2	3.8
Iğdır	30,660	28,972	29,483	-5.5	1.8
Yalova	79,238	82,498	84,833	4.1	2.8
Karabük	60,154	62,351	64,016	3.7	2.7
Kilis	24,206	24,278	25,019	0.3	3.1
Osmaniye	95,968	98,379	101,100	2.5	2.8
Düzce	82,831	84,351	87,835	1.8	4.1
Total	21,776,409	22,240,704	22,888,971	2.1	2.9

Source: GİB.

Table 17. Corporate Tax Number of Active Taxpayers

Provinces	Corporate Tax Number of active taxpayers			Change (%)	
	2016	2017	2018	2017	2018
Adana	163,881	172,990	182,933	5.6	5.7
Adıyaman	25,291	25,173	26,786	-0.5	6.4
Afyonkarahisar	46,728	47,734	50,224	2.2	5.2
Ağrı	16,658	16,704	17,799	0.3	6.6
Amasya	18,465	18,246	18,717	-1.2	2.6
Ankara	957,840	999,154	1,044,227	4.3	4.5
Antalya	320,384	328,942	351,027	2.7	6.7
Artvin	11,160	11,528	12,306	3.3	6.7
Aydın	84,879	86,137	89,610	1.5	4.0
Balıkesir	66,568	69,393	74,667	4.2	7.6
Bilecik	11,959	12,043	12,587	0.7	4.5
Bingöl	16,050	16,942	18,057	5.6	6.6
Bitlis	13,137	13,639	14,652	3.8	7.4
Bolu	22,619	23,000	23,643	1.7	2.8
Burdur	20,713	21,164	22,223	2.2	5.0
Bursa	316,527	334,823	361,030	5.8	7.8
Çanakkale	37,167	39,188	42,584	5.4	8.7
Çankırı	8,663	8,905	9,481	2.8	6.5
Çorum	28,233	29,266	31,223	3.7	6.7
Denizli	84,140	87,882	92,613	4.4	5.4
Diyarbakır	88,283	85,151	91,793	-3.5	7.8
Edirne	26,872	28,249	29,721	5.1	5.2
Elazığ	37,825	38,294	39,741	1.2	3.8
Erzincan	11,777	12,336	13,183	4.7	6.9
Erzurum	33,801	34,263	35,881	1.4	4.7
Eskişehir	74,882	76,921	79,505	2.7	3.4
Gaziantep	145,973	154,558	169,963	5.9	10.0
Giresun	22,074	22,316	23,863	1.1	6.9
Gümüşhane	6,018	6,171	6,615	2.5	7.2
Hakkari	9,524	10,208	11,045	7.2	8.2
Hatay	105,288	104,594	114,091	-0.7	9.1
Isparta	32,340	33,191	34,649	2.6	4.4
İçel	154,633	163,748	179,163	5.9	9.4
İstanbul	3,168,059	3,329,867	3,534,136	5.1	6.1
İzmir	541,617	558,823	592,221	3.2	6.0
Kars	8,869	9,168	9,682	3.4	5.6
Kastamonu	17,685	17,888	19,310	1.1	7.9
Kayseri	117,834	123,513	131,909	4.8	6.8
Kırklareli	22,622	22,766	24,569	0.6	7.9
Kırşehir	11,574	11,885	12,355	2.7	4.0
Kocaeli	191,727	194,122	205,627	1.2	5.9
Konya	186,441	189,023	200,965	1.4	6.3
Kütahya	27,903	27,924	29,288	0.1	4.9
Malatya	42,373	43,723	46,966	3.2	7.4

Table 17. Corporate Tax Number of Active Taxpayers (Continued)

Provinces	Corporate Tax Number of active taxpayers			Change (%)	
	2016	2017	2018	2017	2018
Manisa	71,693	74,226	79,021	3.5	6.5
Kahramanmaraş	52,296	54,268	57,775	3.8	6.5
Mardin	46,798	48,460	52,934	3.6	9.2
Muğla	120,584	120,775	128,358	0.2	6.3
Muş	14,792	14,290	14,935	-3.4	4.5
Nevşehir	28,668	29,133	30,912	1.6	6.1
Niğde	16,053	16,571	17,616	3.2	6.3
Ordu	31,589	32,362	33,919	2.4	4.8
Rize	21,913	22,235	23,074	1.5	3.8
Sakarya	71,674	73,269	78,106	2.2	6.6
Samsun	71,980	75,024	78,449	4.2	4.6
Siirt	9,521	10,257	11,174	7.7	8.9
Sinop	9,569	9,599	10,081	0.3	5.0
Sivas	34,626	35,977	37,685	3.9	4.7
Tekirdağ	82,694	86,071	92,226	4.1	7.2
Tokat	24,352	24,995	26,094	2.6	4.4
Trabzon	55,752	57,633	61,083	3.4	6.0
Tunceli	3,184	3,318	3,492	4.2	5.2
Şanlıurfa	87,606	86,903	90,933	-0.8	4.6
Uşak	21,950	23,066	24,726	5.1	7.2
Van	52,315	55,990	58,210	7.0	4.0
Yozgat	20,538	20,544	21,757	0.0	5.9
Zonguldak	28,956	29,584	31,044	2.2	4.9
Aksaray	26,771	27,544	29,906	2.9	8.6
Bayburt	3,235	3,455	3,634	6.8	5.2
Karaman	16,049	16,155	17,120	0.7	6.0
Kırıkkale	15,001	15,105	15,743	0.7	4.2
Batman	32,828	33,420	35,663	1.8	6.7
Şırnak	29,031	28,856	30,515	-0.6	5.7
Bartın	7,818	7,494	7,760	-4.1	3.5
Ardahan	2,851	3,072	3,286	7.8	7.0
İğdır	9,761	9,611	10,100	-1.5	5.1
Yalova	23,299	24,558	26,907	5.4	9.6
Karabük	14,360	14,288	14,820	-0.5	3.7
Kilis	6,031	6,609	8,187	9.6	23.9
Osmaniye	23,027	23,275	24,527	1.1	5.4
Düzce	26,223	26,446	28,105	0.9	6.3
Total	8,572,444	8,905,993	9,452,507	3.9	6.1

Source: GIB.

Table 18. Domestic Trade Volume

(Million TRY)

Provinces	2015	2016	Change (%)	Provinces	2015	2016	Change (%)
Adana	85,596	100,926	17.9	Konya	112,635	129,492	15.0
Adıyaman	10,272	9,402	-8.5	Kütahya	11,932	12,226	2.5
Afyonkarahisar	17,013	18,458	8.5	Malatya	13,059	14,724	12.8
Ağrı	4,042	4,927	21.9	Manisa	45,045	49,751	10.4
Amasya	6,503	6,689	2.9	Kahramanmaraş	33,439	38,770	15.9
Ankara	634,975	687,309	8.2	Mardin	19,464	23,233	19.4
Antalya	110,699	108,016	-2.4	Muğla	23,492	28,902	23.0
Artvin	1,920	2,274	18.4	Muş	3,616	4,300	18.9
Aydın	22,958	26,577	15.8	Nevşehir	8,184	9,122	11.5
Balıkesir	35,351	39,822	12.6	Niğde	6,830	7,758	13.6
Bilecik	5,350	5,824	8.8	Ordu	14,822	18,522	25.0
Bingöl	2,843	3,321	16.8	Rize	9,696	11,041	13.9
Bitlis	5,428	5,274	-2.8	Sakarya	48,587	58,356	20.1
Bolu	11,502	12,834	11.6	Samsun	40,472	46,482	14.8
Burdur	9,523	10,179	6.9	Siirt	4,746	5,486	15.6
Bursa	211,080	238,761	13.1	Sinop	2,170	3,101	42.9
Çanakkale	11,352	12,100	6.6	Sivas	13,525	15,736	16.4
Çankırı	4,459	5,008	12.3	Tekirdağ	44,476	52,589	18.2
Çorum	17,004	16,830	-1.0	Tokat	8,206	9,479	15.5
Denizli	70,060	79,828	13.9	Trabzon	27,897	30,965	11.0
Diyarbakır	43,900	47,259	7.7	Tunceli	735	963	31.1
Edirne	10,709	12,583	17.5	Şanlıurfa	36,457	39,167	7.4
Elazığ	14,550	17,206	18.3	Uşak	11,860	13,642	15.0
Erzincan	2,759	3,284	19.0	Van	10,484	16,789	60.1
Erzurum	13,199	16,855	27.7	Yozgat	6,288	9,470	50.6
Eskişehir	35,580	39,326	10.5	Zonguldak	27,980	28,264	1.0
Gaziantep	127,723	136,459	6.8	Aksaray	10,078	12,233	21.4
Giresun	7,245	8,689	19.9	Bayburt	581	732	26.0
Gümüşhane	972	1,180	21.4	Karaman	8,898	9,789	10.0
Hakkari	1,885	1,662	-11.8	Kırıkkale	4,748	5,746	21.0
Hatay	72,390	80,411	11.1	Batman	14,457	19,539	35.2
Isparta	8,108	9,449	16.5	Şırnak	7,537	6,807	-9.7
Mersin	63,494	81,878	29.0	Bartın	3,664	4,253	16.1
İstanbul	2,829,317	3,217,745	13.7	Ardahan	544	641	17.8
İzmir	332,002	376,160	13.3	Iğdır	2,094	2,198	5.0
Kars	1,949	2,248	15.4	Yalova	6,803	7,797	14.6
Kastamonu	6,022	7,275	20.8	Karabük	13,143	14,369	9.3
Kayseri	64,049	71,685	11.9	Kilis	1,422	1,577	10.9
Kırklareli	10,157	9,819	-3.3	Osmaniye	11,095	12,132	9.3
Kırşehir	6,777	5,554	-18.0	Düzce	13,585	13,637	0.4
Kocaeli	228,812	247,344	8.1	Total	2,922,135	3,289,106	12.6

Source: STB, TEPAV.

Table 19. Foreign Trade Indicators

(Thousand Dollars)

Provinces	Export			Import			Foreign Trade Volume		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Adana	1,607,018	1,822,615	1,997,661	1,803,482	2,168,824	2,258,180	3,410,501	3,991,439	4,255,841
Adıyaman	338,329	131,623	81,298	51,820	89,088	41,835	390,150	220,711	123,133
Afyonkarahisar	296,187	318,453	341,753	121,148	121,490	83,100	417,335	439,942	424,853
Ağrı	52,134	43,092	28,771	144,691	192,270	96,879	196,825	235,362	125,650
Amasya	76,165	93,139	110,037	44,052	42,946	53,811	120,218	136,085	163,849
Ankara	6,463,475	6,741,888	7,613,121	10,837,711	12,445,753	13,454,174	17,301,186	19,187,641	21,067,295
Antalya	997,112	1,243,564	1,362,405	1,124,060	1,119,030	829,360	2,121,172	2,362,594	2,191,765
Artvin	55,859	52,063	52,470	24,746	35,324	23,342	80,605	87,387	75,812
Aydın	617,679	704,328	721,221	271,682	258,221	258,624	889,361	962,549	979,845
Balıkesir	519,260	536,805	608,814	414,317	410,323	416,806	933,577	947,128	1,025,621
Bilecik	77,231	96,913	101,449	146,024	151,493	150,018	223,255	248,405	251,467
Bingöl	1,202	1,688	971	1,368	16,555	755	2,570	18,243	1,726
Bitlis	2,666	3,989	6,369	19,245	11,405	3,370	21,911	15,394	9,739
Bolu	133,045	141,399	143,074	153,815	201,527	180,605	286,860	342,926	323,679
Burdur	178,941	206,395	200,971	46,508	55,653	37,718	225,449	262,048	238,689
Bursa	9,765,910	10,536,085	11,149,895	8,710,001	9,123,638	8,517,369	18,475,910	19,659,723	19,667,264
Çanakkale	108,595	124,738	152,730	74,856	78,403	76,168	183,451	203,141	228,899
Çankırı	78,791	148,618	183,897	95,069	143,363	149,819	173,860	291,982	333,715
Çorum	201,021	170,720	741,975	216,803	214,779	514,859	417,824	385,499	1,256,834
Denizli	2,403,335	2,778,975	3,109,370	1,666,338	2,022,645	1,989,330	4,069,673	4,801,620	5,098,700
Diyarbakır	158,300	197,796	210,998	77,458	89,337	82,752	235,758	287,133	293,750
Edirne	39,318	42,076	52,300	72,791	100,659	63,060	112,109	142,734	115,360
Elazığ	252,862	321,596	220,615	51,851	77,328	33,660	304,713	398,924	254,274
Erzincan	9,219	10,583	11,311	6,949	8,667	4,779	16,168	19,250	16,091
Erzurum	17,516	17,055	18,546	30,659	39,950	42,781	48,175	57,004	61,327
Eskişehir	862,054	902,009	1,060,820	741,199	820,524	918,391	1,603,253	1,722,533	1,979,211
Gaziantep	6,418,991	6,580,702	6,864,702	4,816,682	5,236,442	5,015,190	11,235,673	11,817,143	11,879,892
Giresun	167,067	155,048	152,102	14,695	16,207	21,981	181,762	171,255	174,083
Gümüşhane	37	51,258	34,226	157	140	4,875	193	51,398	39,101
Hakkari	23,588	71,881	58,434	3,286	51,530	34,725	26,874	123,411	93,160
Hatay	1,744,917	2,333,076	2,857,484	2,570,899	3,852,350	4,071,376	4,315,816	6,185,426	6,928,860
Isparta	151,733	193,482	197,239	94,974	103,563	51,032	246,707	297,045	248,271
Mersin	1,493,352	1,505,844	1,706,663	1,180,640	1,340,303	1,158,097	2,673,992	2,846,147	2,864,761
İstanbul	76,071,914	81,296,883	85,060,133	116,097,055	134,212,594	120,578,595	192,168,969	215,509,477	205,638,727
İzmir	8,330,122	9,253,968	10,235,718	8,811,052	9,832,569	9,118,296	17,141,174	19,086,537	19,354,013
Kars	136	361	208	2,580	4,322	10,378	2,716	4,683	10,586
Kastamonu	43,396	92,600	127,864	151,934	216,325	244,956	195,330	308,925	372,820
Kayseri	1,527,163	1,641,959	2,087,316	1,459,759	1,812,450	1,402,840	2,986,922	3,454,410	3,490,156
Kırklareli	187,062	166,887	179,225	369,182	156,943	158,583	556,244	323,829	337,809
Kırşehir	167,995	189,436	225,988	211,476	285,627	322,386	379,470	475,063	548,374
Kocaeli	6,527,579	8,180,038	8,904,222	8,063,742	11,637,006	13,976,928	14,591,321	19,817,043	22,881,151
Konya	1,314,877	1,551,636	1,785,166	1,008,981	1,048,857	908,548	2,323,858	2,600,493	2,693,715
Kütahya	181,183	217,387	217,542	131,248	194,082	108,722	312,431	411,470	326,264
Malatya	250,631	238,277	229,416	86,187	145,429	105,549	336,817	383,706	334,965
Manisa	1,874,348	1,993,511	2,217,133	2,702,136	3,169,725	2,775,999	4,576,484	5,163,235	4,993,132
Kahramanmaraş	873,848	955,599	998,447	1,294,434	1,387,264	1,185,598	2,168,282	2,342,863	2,184,045

Table 19. Foreign Trade Indicators (Continued)

(Thousand TRY)

Provinces	Export			Import			Foreign Trade Volume		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Mardin	877,922	910,870	872,653	93,541	148,545	247,315	971,463	1,059,415	1,119,968
Muğla	415,397	448,361	499,206	192,768	296,125	235,843	608,165	744,486	735,049
Muş	496	7,128	6,146	5,069	1,117	1,420	5,565	8,245	7,567
Nevşehir	50,061	61,151	53,172	40,474	34,307	37,507	90,535	95,458	90,680
Niğde	58,810	60,379	58,386	37,008	35,439	35,816	95,819	95,817	94,203
Ordu	163,226	224,981	203,694	40,196	65,264	38,368	203,422	290,244	242,062
Rize	160,692	160,532	150,697	19,911	10,622	16,109	180,603	171,154	166,805
Sakarya	2,553,889	5,254,589	5,639,445	2,113,319	3,086,411	3,182,934	4,667,208	8,341,000	8,822,379
Samsun	367,592	462,770	634,089	589,776	792,363	826,843	957,367	1,255,133	1,460,932
Siirt	125,769	27,980	19,261	92,832	12,969	50,226	218,600	40,949	69,487
Sinop	21,272	19,586	28,682	11,119	6,823	11,339	32,391	26,409	40,021
Sivas	80,161	92,324	97,118	69,673	58,791	55,611	149,835	151,115	152,729
Tekirdağ	982,344	1,099,564	1,257,060	933,738	1,071,261	1,134,261	1,916,082	2,170,824	2,391,321
Tokat	17,433	17,780	19,175	19,310	24,110	17,710	36,743	41,890	36,885
Trabzon	1,341,863	1,197,170	964,385	85,902	71,796	94,948	1,427,765	1,268,967	1,059,333
Tunceli	131	520	646	279	3,317	295	410	3,837	941
Şanlıurfa	190,804	153,530	157,000	164,832	157,433	153,134	355,636	310,963	310,134
Uşak	249,903	249,605	245,506	199,426	250,273	214,317	449,328	499,878	459,823
Van	38,465	44,438	37,486	56,500	69,192	48,349	94,965	113,629	85,835
Yozgat	21,447	12,737	10,054	32,483	31,797	23,884	53,930	44,534	33,938
Zonguldak	240,915	323,841	504,470	757,746	1,302,466	1,334,001	998,661	1,626,306	1,838,471
Aksaray	79,857	99,201	113,784	50,654	50,191	76,572	130,511	149,391	190,357
Bayburt	6,912	117	1,227	13,148	583	225	20,060	700	1,452
Karaman	306,451	318,281	303,477	143,052	134,770	107,929	449,503	453,052	411,406
Kırıkkale	19,913	10,342	10,786	17,447	6,567	13,905	37,360	16,909	24,691
Batman	26,381	34,770	38,396	38,633	159,002	70,367	65,014	193,772	108,762
Şırnak	407,324	468,026	358,433	33,435	32,141	19,777	440,759	500,166	378,210
Bartın	13,806	19,672	33,585	12,137	10,941	13,477	25,943	30,613	47,061
Ardahan	1,835	2,055	1,315	337	96	-	2,172	2,152	1,315
İğdir	96,697	103,870	86,539	16,833	26,879	20,980	113,530	130,749	107,519
Yalova	357,613	379,589	312,173	178,109	630,373	623,867	535,722	1,009,963	936,039
Karabük	245,163	326,129	365,935	456,295	721,194	849,461	701,458	1,047,323	1,215,396
Kilis	105,204	71,251	80,803	34,808	29,061	43,976	140,012	100,311	124,779
Osmaniye	142,070	162,682	271,843	600,859	659,846	739,287	742,929	822,528	1,011,131
Düzce	98,466	108,328	107,068	79,208	87,459	80,156	177,675	195,787	187,224
Total	142,529,584	156,992,940	167,967,219	198,618,235	233,799,651	223,046,481	341,147,819	390,792,592	391,013,699

Source: TÜİK.

Table 20. Number of Exporters ⁽¹⁾

Provinces	2016	2017	2018	Change (%)	
				2017	2018
Adana	1,202	1,297	1,304	7.9	0.5
Adıyaman	70	59	54	-15.7	-8.5
Afyonkarahisar	304	326	328	7.2	0.6
Ağrı	62	68	63	9.7	-7.4
Amasya	42	47	45	11.9	-4.3
Ankara	4,238	4,417	4,652	4.2	5.3
Antalya	1,211	1,397	1,487	15.4	6.4
Artvin	91	93	111	2.2	19.4
Aydın	305	349	327	14.4	-6.3
Balıkesir	284	342	387	20.4	13.2
Bilecik	57	64	55	12.3	-14.1
Bingöl	9	10	8	11.1	-20.0
Bitlis	9	9	14	0.0	55.6
Bolu	71	71	85	0.0	19.7
Burdur	156	165	160	5.8	-3.0
Bursa	4,294	4,603	4,789	7.2	4.0
Çanakkale	73	78	84	6.8	7.7
Çankırı	26	29	33	11.5	13.8
Çorum	132	151	154	14.4	2.0
Denizli	1,078	1,114	1,125	3.3	1.0
Diyarbakır	149	184	195	23.5	6.0
Edirne	74	81	106	9.5	30.9
Elazığ	67	53	58	-20.9	9.4
Erzincan	12	18	13	50.0	-27.8
Erzurum	48	45	47	-6.3	4.4
Eskişehir	343	371	364	8.2	-1.9
Gaziantep	2,158	2,520	2,504	16.8	-0.6
Giresun	46	51	54	10.9	5.9
Gümüşhane	2	4	7	100.0	75.0
Hakkari	18	32	29	77.8	-9.4
Hatay	1,147	1,262	1,286	10.0	1.9
Isparta	123	128	149	4.1	16.4
Mersin	1,218	1,338	1,397	9.9	4.4
İstanbul	33,640	35,184	35,918	4.6	2.1
İzmir	4,627	4,875	5,092	5.4	4.5
Kars	2	3	2	50.0	-33.3
Kastamonu	47	49	52	4.3	6.1
Kayseri	1,129	1,254	1,275	11.1	1.7
Kırklareli	58	63	86	8.6	36.5
Kırşehir	23	29	29	26.1	0.0
Kocaeli	1,556	1,641	1,751	5.5	6.7
Konya	1,741	1,895	2,019	8.8	6.5
Kütahya	96	111	109	15.6	-1.8
Malatya	172	185	187	7.6	1.1
Manisa	526	573	581	8.9	1.4
Kahramanmaraş	298	294	309	-1.3	5.1

Table 20. Number of Exporters ⁽¹⁾ (Continued)

Provinces	2016	2017	2018	Change (%)	
				2017	2018
Mardin	277	330	326	19.1	-1.2
Muğla	259	290	301	12.0	3.8
Muş	4	8	7	100.0	-12.5
Nevşehir	77	84	94	9.1	11.9
Niğde	58	57	51	-1.7	-10.5
Ordu	78	83	95	6.4	14.5
Rize	86	99	98	15.1	-1.0
Sakarya	386	421	473	9.1	12.4
Samsun	248	264	281	6.5	6.4
Siirt	20	20	15	0.0	-25.0
Sinop	19	22	19	15.8	-13.6
Sivas	66	73	71	10.6	-2.7
Tekirdağ	470	548	588	16.6	7.3
Tokat	31	32	36	3.2	12.5
Trabzon	245	252	259	2.9	2.8
Tunceli	3	4	4	33.3	0.0
Şanlıurfa	213	233	224	9.4	-3.9
Uşak	176	182	181	3.4	-0.5
Van	60	65	49	8.3	-24.6
Yozgat	22	20	30	-9.1	50.0
Zonguldak	64	65	68	1.6	4.6
Aksaray	79	97	104	22.8	7.2
Bayburt	1	2	3	100.0	50.0
Karaman	98	91	107	-7.1	17.6
Kırıkkale	15	17	16	13.3	-5.9
Batman	62	65	66	4.8	1.5
Şırnak	215	255	237	18.6	-7.1
Bartın	18	23	28	27.8	21.7
Ardahan	8	6	4	-25.0	-33.3
İğdır	144	152	139	5.6	-8.6
Yalova	94	124	127	31.9	2.4
Karabük	31	36	32	16.1	-11.1
Kilis	91	93	105	2.2	12.9
Osmaniye	62	60	61	-3.2	1.7
Düzce	129	144	148	11.6	2.8
Bilinmeyen ⁽²⁾	8	10	3,099	25.0	30.890.0
Total	66,951	71,259	76,430	6.4	7.3

Source: TB, TÜİK.

(1): Data; Based on the provincial centers of the tax offices to which the firms belong, the Ministry of Treasury and Finance records

(2): Tax office refers to temporary records that have not yet been determined.

Table 21. Province/District Center, Town / Village Population and Annual Population Growth Rate,

Provinces	Total		Province and District Center		Towns and Villages		Annual Population Growth Rate (1) (%)	
	2017	2018	2017	2018	2017	2018	2017	2018
Adana	2,216,475	2,220,125	2,216,475	2,220,125	-	-	6.7	1.6
Adıyaman	615,076	624,513	414,025	421,889	201,051	202,624	7.5	15.2
Afyonkarahisar	715,693	725,568	422,268	424,667	293,425	300,901	1.6	13.7
Ağrı	536,285	539,657	305,531	304,543	230,754	235,114	-11.1	6.3
Aksaray	402,404	412,172	279,254	285,502	123,150	126,670	14.3	24.0
Amasya	329,888	337,508	237,142	239,660	92,746	97,848	10.8	22.8
Ankara	5,445,026	5,503,985	5,445,026	5,503,985	-	-	18.3	10.8
Antalya	2,364,396	2,426,356	2,364,396	2,426,356	-	-	15.3	25.9
Ardahan	97,096	98,907	38,162	39,392	58,934	59,515	-12.7	18.5
Artvin	166,143	174,010	104,578	102,882	61,565	71,128	-11.5	46.3
Aydın	1,080,839	1,097,746	1,080,839	1,097,746	-	-	11.7	15.5
Balıkesir	1,204,824	1,226,575	1,204,824	1,226,575	-	-	7.2	17.9
Bartın	193,577	198,999	83,120	83,026	110,457	115,973	6.2	27.6
Batman	585,252	599,103	462,893	478,243	122,359	120,860	13.9	23.4
Bayburt	80,417	82,274	49,603	45,467	30,814	36,807	-114.3	22.8
Bilecik	221,693	223,448	179,248	180,302	42,445	43,146	15.4	7.9
Bingöl	273,354	281,205	175,824	168,180	97,530	113,025	14.0	28.3
Bitlis	341,474	349,396	199,202	205,566	142,272	143,830	0.7	22.9
Bolu	303,184	311,810	218,001	220,274	85,183	91,536	10.9	28.1
Burdur	264,779	269,926	181,030	183,351	83,749	86,575	12.8	19.3
Bursa	2,936,803	2,994,521	2,936,803	2,994,521	-	-	12.1	19.5
Çanakkale	530,417	540,662	319,786	326,026	210,631	214,636	20.2	19.1
Çankırı	186,074	216,362	133,056	132,297	53,018	84,065	11.9	150.8
Çorum	528,422	536,483	392,654	392,004	135,768	144,479	1.1	15.1
Denizli	1,018,735	1,027,782	1,018,735	1,027,782	-	-	12.9	8.8
Diyarbakır	1,699,901	1,732,396	1,699,901	1,732,396	-	-	15.9	18.9
Düzce	377,610	387,844	244,068	250,162	133,542	137,682	19.4	26.7
Edirne	406,855	411,528	298,264	300,198	108,591	111,330	12.7	11.4
Elazığ	583,671	595,638	452,615	428,667	131,056	166,971	8.4	20.3
Erzincan	231,511	236,034	130,224	172,931	101,287	63,103	24.0	19.3
Erzurum	760,476	767,848	760,476	767,848	-	-	-2.0	9.6
Eskişehir	860,620	871,187	860,620	871,187	-	-	18.5	12.2
Gaziantep	2,005,515	2,028,563	2,005,515	2,028,563	-	-	15.7	11.4
Giresun	437,393	453,912	290,637	277,674	146,756	176,238	-16.0	37.1
Gümüşhane	170,173	162,748	122,805	80,306	47,368	82,442	-10.9	-44.6
Hakkari	275,761	286,470	150,058	167,905	125,703	118,565	29.2	38.1
Hatay	1,575,226	1,609,856	1,575,226	1,609,856	-	-	12.8	21.7
İğdır	194,775	197,456	110,240	111,183	84,535	86,273	10.3	13.7
İsparta	433,830	441,412	315,533	322,023	118,297	119,389	15.1	17.3
İstanbul	15,029,231	15,067,724	15,029,231	15,067,724	-	-	15.1	2.6
İzmir	4,279,677	4,320,519	4,279,677	4,320,519	-	-	13.2	9.5
Kahramanmaraş	1,127,623	1,144,851	1,127,623	1,144,851	-	-	13.4	15.2
Karabük	244,453	248,014	186,450	188,642	58,003	59,372	8.7	14.5
Karaman	246,672	251,913	182,510	186,664	64,162	65,249	4.3	21.0
Kars	287,654	288,878	135,948	136,729	151,706	152,149	-7.4	4.2
Kastamonu	372,373	383,373	233,814	232,670	138,559	150,703	-12.2	29.1
Kayseri	1,376,722	1,389,680	1,376,722	1,389,680	-	-	13.0	9.4
Kırkkale	278,749	286,602	245,749	245,458	33,000	41,144	2.7	27.8

Table 21. Province/District Center, Town / Village Population and Annual Population Growth Rate,

Provinces	Total		Province and District Center		Towns and Villages		Annual Population Growth Rate (1) (%)	
	2017	2018	2017	2018	2017	2018	2017	2018
Kırklareli	356,050	360,860	253,754	256,750	102,296	104,110	12.3	13.4
Kırşehir	234,529	241,868	184,445	186,260	50,084	55,608	19.6	30.8
Kilis	136,319	142,541	102,168	106,061	34,151	36,480	41.1	44.6
Kocaeli	1,883,270	1,906,391	1,883,270	1,906,391	-	-	28.3	12.2
Konya	2,180,149	2,205,609	2,180,149	2,205,609	-	-	8.7	11.6
Kütahya	572,256	577,941	402,348	404,603	169,908	173,338	-2.4	9.9
Malatya	786,676	797,036	786,676	797,036	-	-	6.9	13.1
Manisa	1,413,041	1,429,643	1,413,041	1,429,643	-	-	11.5	11.7
Mardin	809,719	829,195	809,719	829,195	-	-	16.8	23.8
Mersin	1,793,931	1,814,468	1,793,931	1,814,468	-	-	11.3	11.4
Muğla	938,751	967,487	938,751	967,487	-	-	16.1	30.2
Muş	404,544	407,992	168,023	180,094	236,521	227,898	-4.8	8.5
Nevşehir	292,365	298,339	182,965	187,114	109,400	111,225	5.0	20.2
Niğde	352,727	364,707	199,485	209,875	153,242	154,832	3.6	33.4
Ordu	742,341	771,932	742,341	771,932	-	-	-11.0	39.1
Osmaniye	527,724	534,415	405,036	408,057	122,688	126,358	10.6	12.6
Rize	331,041	348,608	222,418	206,088	108,623	142,520	0.0	51.7
Sakarya	990,214	1,010,700	990,214	1,010,700	-	-	13.5	20.5
Samsun	1,312,990	1,335,716	1,312,990	1,335,716	-	-	13.1	17.2
Siirt	324,394	331,670	209,390	218,347	115,004	113,323	6.2	22.2
Sinop	207,427	219,733	118,692	129,425	88,735	90,308	9.4	57.6
Sivas	621,301	646,608	464,455	470,589	156,846	176,019	0.1	39.9
Şanlıurfa	1,985,753	2,035,809	1,985,753	2,035,809	-	-	23.0	24.9
Şirnak	503,236	524,190	311,887	328,906	191,349	195,284	39.4	40.8
Tekirdağ	1,005,463	1,029,927	1,005,463	1,029,927	-	-	32.9	24.0
Tokat	602,086	612,646	389,603	386,219	212,483	226,427	-1.0	17.4
Trabzon	786,326	807,903	786,326	807,903	-	-	8.9	27.1
Tunceli	82,498	88,198	54,382	55,860	28,116	32,338	3.7	66.8
Uşak	364,971	367,514	258,744	273,837	106,227	93,677	17.2	6.9
Van	1,106,891	1,123,784	1,106,891	1,123,784	-	-	6.1	15.1
Yalova	251,203	262,234	181,036	192,288	70,167	69,946	38.7	43.0
Yozgat	418,650	424,981	269,334	270,658	149,316	154,323	-5.7	15.0
Zonguldak	596,892	599,698	371,071	365,669	225,821	234,029	-1.1	4.7
Total	80,810,525	82,003,882	74,761,132	75,666,497	6,049,393	6,337,385	12.4	14.7

Source: TÜİK.

(1): In the calculation of annual population growth rates, the administrative division structure of the last year is taken into consideration.

Table 22. Province/District Center, Town / Village Population and Population Density by Gender (2018)

Provinces	Total			Province and District Centers			Towns and Villages			Population Density
	Total	Male	Female	Total	Male	Female	Total	Male	Female	
Adana	2,220,125	1,106,811	1,113,314	2,220,125	1,106,811	1,113,314	-	-	-	160
Adiyaman	624,513	314,998	309,515	421,889	212,011	209,878	202,624	102,987	99,637	89
Afyonkarahisar	725,568	360,152	365,416	424,667	210,216	214,451	300,901	149,936	150,965	51
Ağrı	539,657	280,923	258,734	304,543	156,694	147,849	235,114	124,229	110,885	47
Aksaray	412,172	204,792	207,380	285,502	141,527	143,975	126,670	63,265	63,405	54
Amasya	337,508	169,920	167,588	239,660	121,163	118,497	97,848	48,757	49,091	59
Ankara	5,503,985	2,728,900	2,775,085	5,503,985	2,728,900	2,775,085	-	-	-	224
Antalya	2,426,356	1,222,086	1,204,270	2,426,356	1,222,086	1,204,270	-	-	-	117
Ardahan	98,907	51,593	47,314	39,392	20,675	18,717	59,515	30,918	28,597	20
Artvin	174,010	87,715	86,295	102,882	51,622	51,260	71,128	36,093	35,035	24
Aydın	1,097,746	546,092	551,654	1,097,746	546,092	551,654	-	-	-	140
Balıkesir	1,226,575	612,738	613,837	1,226,575	612,738	613,837	-	-	-	86
Bartın	198,999	98,913	100,086	83,026	40,769	42,257	115,973	58,144	57,829	96
Batman	599,103	301,413	297,690	478,243	240,265	237,978	120,860	61,148	59,712	129
Bayburt	82,274	41,377	40,897	45,467	22,714	22,753	36,807	18,663	18,144	22
Bilecik	223,448	116,923	106,525	180,302	95,122	85,180	43,146	21,801	21,345	52
Bingöl	281,205	143,524	137,681	168,180	84,834	83,346	113,025	58,690	54,335	34
Bitlis	349,396	181,970	167,426	205,566	107,920	97,646	143,830	74,050	69,780	50
Bolu	311,810	154,711	157,099	220,274	110,038	110,236	91,536	44,673	46,863	37
Burdur	269,926	135,240	134,686	183,351	92,675	90,676	86,575	42,565	44,010	39
Bursa	2,994,521	1,498,219	1,496,302	2,994,521	1,498,219	1,496,302	-	-	-	287
Çanakkale	540,662	273,092	267,570	326,026	164,132	161,894	214,636	108,960	105,676	54
Çankırı	216,362	109,512	106,850	132,297	66,925	65,372	84,065	42,587	41,478	29
Çorum	536,483	265,678	270,805	392,004	193,641	198,363	144,479	72,037	72,442	42
Denizli	1,027,782	512,109	515,673	1,027,782	512,109	515,673	-	-	-	88
Diyarbakır	1,732,396	875,468	856,928	1,732,396	875,468	856,928	-	-	-	115
Düzce	387,844	194,051	193,793	250,162	125,173	124,989	137,682	68,878	68,804	151
Edirne	411,528	209,390	202,138	300,198	152,441	147,757	111,330	56,949	54,381	68
Elazığ	595,638	296,641	298,997	428,667	212,760	215,907	166,971	83,881	83,090	70
Erzincan	236,034	120,348	115,686	172,931	87,240	85,691	63,103	33,108	29,995	20
Erzurum	767,848	383,435	384,413	767,848	383,435	384,413	-	-	-	30
Eskişehir	871,187	434,112	437,075	871,187	434,112	437,075	-	-	-	63
Gaziantep	2,028,563	1,023,716	1,004,847	2,028,563	1,023,716	1,004,847	-	-	-	297
Giresun	453,912	226,067	227,845	277,674	136,738	140,936	176,238	89,329	86,909	66
Gümüşhane	162,748	82,468	80,280	80,306	39,560	40,746	82,442	42,908	39,534	25
Hakkari	286,470	157,107	129,363	167,905	92,761	75,144	118,565	64,346	54,219	40
Hatay	1,609,856	809,484	800,372	1,609,856	809,484	800,372	-	-	-	276
İğdir	197,456	102,171	95,285	111,183	57,021	54,162	86,273	45,150	41,123	55
Isparta	441,412	219,681	221,731	322,023	160,255	161,768	119,389	59,426	59,963	53
İstanbul	15,067,724	7,542,231	7,525,493	15,067,724	7,542,231	7,525,493	-	-	-	2 900
İzmir	4,320,519	2,152,585	2,167,934	4,320,519	2,152,585	2,167,934	-	-	-	360

Table 22. Province/District Center, Town / Village Population and Population Density by Gender (2018)

Provinces	Total			Province and District Centers			Towns and Villages			Population Density
	Total	Male	Female	Total	Male	Female	Total	Male	Female	
Kahramanmaraş	1,144,851	580,410	564,441	1,144,851	580,410	564,441	-	-	-	80
Karabük	248,014	124,596	123,418	188,642	92,211	96,431	59,372	32,385	26,987	60
Karaman	251,913	125,992	125,921	186,664	93,020	93,644	65,249	32,972	32,277	28
Kars	288,878	149,510	139,368	136,729	69,984	66,745	152,149	79,526	72,623	29
Kastamonu	383,373	191,431	191,942	232,670	115,261	117,409	150,703	76,170	74,533	29
Kayseri	1,389,680	696,658	693,022	1,389,680	696,658	693,022	-	-	-	82
Kırıkkale	286,602	143,305	143,297	245,458	122,216	123,242	41,144	21,089	20,055	63
Kırklareli	360,860	185,181	175,679	256,750	131,931	124,819	104,110	53,250	50,860	57
Kırşehir	241,868	120,278	121,590	186,260	92,285	93,975	55,608	27,993	27,615	38
Kilis	142,541	72,841	69,700	106,061	52,996	53,065	36,480	19,845	16,635	100
Kocaeli	1,906,391	963,326	943,065	1,906,391	963,326	943,065	-	-	-	528
Konya	2,205,609	1,094,441	1,111,168	2,205,609	1,094,441	1,111,168	-	-	-	57
Kütahya	577,941	284,675	293,266	404,603	199,312	205,291	173,338	85,363	87,975	48
Malatya	797,036	396,877	400,159	797,036	396,877	400,159	-	-	-	68
Manisa	1,429,643	720,337	709,306	1,429,643	720,337	709,306	-	-	-	109
Mardin	829,195	417,000	412,195	829,195	417,000	412,195	-	-	-	94
Mersin	1,814,468	905,520	908,948	1,814,468	905,520	908,948	-	-	-	117
Muğla	967,487	493,140	474,347	967,487	493,140	474,347	-	-	-	75
Muş	407,992	208,431	199,561	180,094	91,366	88,728	227,898	117,065	110,833	51
Neşehir	298,339	147,438	150,901	187,114	91,458	95,656	111,225	55,980	55,245	55
Niğde	364,707	183,109	181,598	209,875	105,081	104,794	154,832	78,028	76,804	50
Ordu	771,932	386,547	385,385	771,932	386,547	385,385	-	-	-	130
Osmaniye	534,415	269,875	264,540	408,057	204,247	203,810	126,358	65,628	60,730	171
Rize	348,608	174,130	174,478	206,088	101,792	104,296	142,520	72,338	70,182	89
Sakarya	1,010,700	505,645	505,055	1,010,700	505,645	505,055	-	-	-	209
Samsun	1,335,716	662,086	673,630	1,335,716	662,086	673,630	-	-	-	147
Siirt	331,670	171,189	160,481	218,347	114,401	103,946	113,323	56,788	56,535	61
Sinop	219,733	109,296	110,437	129,425	63,571	65,854	90,308	45,725	44,583	38
Sivas	646,608	323,575	323,033	470,589	233,897	236,692	176,019	89,678	86,341	23
Şanlıurfa	2,035,809	1,026,719	1,009,090	2,035,809	1,026,719	1,009,090	-	-	-	108
Şırnak	524,190	277,585	246,605	328,906	172,163	156,743	195,284	105,422	89,862	73
Tekirdağ	1,029,927	527,975	501,952	1,029,927	527,975	501,952	-	-	-	163
Tokat	612,646	305,977	306,669	386,219	191,454	194,765	226,427	114,523	111,904	62
Trabzon	807,903	399,377	408,526	807,903	399,377	408,526	-	-	-	173
Tunceli	88,198	49,118	39,080	55,860	30,916	24,944	32,338	18,202	14,136	12
Uşak	367,514	182,931	184,583	273,837	137,553	136,284	93,677	45,378	48,299	69
Van	1,123,784	574,461	549,323	1,123,784	574,461	549,323	-	-	-	58
Yalova	262,234	131,403	130,831	192,288	95,373	96,915	69,946	36,030	33,916	310
Yozgat	424,981	211,936	213,045	270,658	135,069	135,589	154,323	76,867	77,456	30
Zonguldak	599,698	297,303	302,395	365,669	179,369	186,300	234,029	117,934	116,095	182
Total	82,003,882	41,139,980	40,863,902	75,666,497	37,912,323	37,754,174	6,337,385	3,227,657	3,109,728	107

Source: TÜİK.

Table 23. Migration Statistics (2018)

Provinces	Total Population	Received Migration	Given Migration	Net Migration	Net Migration Rate (‰)
Adana	2,220,125	51,660	70,638	-18,978	-8.51
Adıyaman	624,513	22,034	22,897	-863	-1.38
Afyonkarahisar	725,568	26,976	25,049	1,927	2.66
Ağrı	539,657	20,091	29,482	-9,391	-17.25
Aksaray	412,172	16,680	14,441	2,239	5.45
Amasya	337,508	16,760	15,237	1,523	4.52
Ankara	5,503,985	184,382	221,747	-37,365	-6.77
Antalya	2,426,356	95,920	80,349	15,571	6.44
Ardahan	98,907	7,342	6,376	966	9.81
Artvin	174,010	15,934	8,876	7,058	41.40
Aydın	1,097,746	47,005	36,462	10,543	9.65
Balıkesir	1,226,575	55,238	40,028	15,210	12.48
Bartın	198,999	13,399	8,813	4,586	23.31
Batman	599,103	23,099	22,525	574	0.96
Bayburt	82,274	9,450	7,772	1,678	20.61
Bilecik	223,448	11,956	12,597	-641	-2.86
Bingöl	281,205	15,770	12,216	3,554	12.72
Bitlis	349,396	17,602	17,398	204	0.58
Bolu	311,810	18,307	14,827	3,480	11.22
Burdur	269,926	15,417	12,537	2,880	10.73
Bursa	2,994,521	80,940	80,086	854	0.29
Çanakkale	540,662	29,473	21,068	8,405	15.67
Çankırı	216,362	40,460	12,433	28,027	138.51
Çorum	536,483	24,363	20,212	4,151	7.77
Denizli	1,027,782	28,047	28,906	-859	-0.84
Diyarbakır	1,732,396	43,836	50,822	-6,986	-4.02
Düzce	387,844	17,445	12,790	4,655	12.07
Edirne	411,528	18,792	17,162	1,630	3.97
Elazığ	595,638	30,152	24,358	5,794	9.77
Erzincan	236,034	19,727	17,511	2,216	9.43
Erzurum	767,848	32,501	35,431	-2,930	-3.81
Eskişehir	871,187	35,995	32,946	3,049	3.51
Gaziantep	2,028,563	44,704	62,206	-17,502	-8.59
Giresun	453,912	40,358	25,953	14,405	32.25
Gümüşhane	162,748	30,333	22,764	7,569	47.61
Hakkari	286,470	12,756	10,156	2,600	9.12
Hatay	1,609,856	36,499	42,655	-6,156	-3.82
Iğdır	197,456	9,225	10,122	-897	-4.53
Isparta	441,412	28,789	19,584	9,205	21.07
İstanbul	15,067,724	385,482	595,803	-210,321	-13.86
İzmir	4,320,519	130,092	117,113	12,979	3.01

Table 23. Migration Statistics (2018) (Continued)

Provinces	Total Population	Received Migration	Given Migration	Net Migration	Net Migration Rate (‰)
Kahramanmaraş	1,144,851	33,619	33,661	-42	-0.04
Karabük	248,014	18,384	17,433	951	3.84
Karaman	251,913	12,777	10,448	2,329	9.29
Kars	288,878	14,441	16,620	-2,179	-7.51
Kastamonu	383,373	27,175	18,397	8,778	23.16
Kayseri	1,389,680	38,690	48,047	-9,357	-6.71
Kırıkkale	286,602	20,575	15,076	5,499	19.37
Kırklareli	360,860	16,936	14,745	2,191	6.09
Kırşehir	241,868	15,835	12,144	3,691	15.38
Kilis	142,541	8,861	6,929	1,932	13.65
Kocaeli	1,906,391	80,457	79,970	487	0.26
Konya	2,205,609	58,300	60,571	-2,271	-1.03
Kütahya	577,941	22,582	20,392	2,190	3.80
Malatya	797,036	36,901	35,234	1,667	2.09
Manisa	1,429,643	41,189	39,056	2,133	1.49
Mardin	829,195	30,216	31,738	-1,522	-1.83
Mersin	1,814,468	55,779	61,917	-6,138	-3.38
Muğla	967,487	52,642	34,302	18,340	19.14
Muş	407,992	15,742	20,789	-5,047	-12.29
Nevşehir	298,339	13,120	12,315	805	2.70
Niğde	364,707	22,654	15,676	6,978	19.32
Ordu	771,932	54,813	30,152	24,661	32.47
Osmaniye	534,415	19,965	20,900	-935	-1.75
Rize	348,608	31,266	16,413	14,853	43.53
Sakarya	1,010,700	37,659	32,704	4,955	4.91
Samsun	1,335,716	53,228	48,543	4,685	3.51
Siirt	331,670	15,017	15,726	-709	-2.14
Sinop	219,733	20,922	9,793	11,129	51.96
Sivas	646,608	45,861	26,271	19,590	30.76
Şanlıurfa	2,035,809	44,448	56,748	-12,300	-6.02
Şırnak	524,190	19,779	15,485	4,294	8.23
Tekirdağ	1,029,927	53,895	41,010	12,885	12.59
Tokat	612,646	46,391	41,326	5,065	8.30
Trabzon	807,903	46,593	33,344	13,249	16.53
Tunceli	88,198	11,211	5,884	5,327	62.28
Uşak	367,514	13,691	13,011	680	1.85
Van	1,123,784	34,691	44,954	-10,263	-9.09
Yalova	262,234	16,232	12,905	3,327	12.77
Yozgat	424,981	25,715	22,524	3,191	7.54
Zonguldak	599,698	24,363	24,105	258	0.43
Total	82,003,882	3,057,606	3,057,606	0	0.00

Source: TÜİK.

Table 24. Schooling Rates by Level of Education (2017/'2018)

Provinces	Schooling Rate ⁽³⁾	Primary School			Secondary School			Secondary Education (High School)			General Secondary Education ⁽¹⁾			Vocational and Technical Secondary Education ⁽²⁾		
		Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
İstanbul	Gross	96.56	96.53	96.60	104.26	103.27	105.31	118.52	121.41	115.44	59.27	61.22	57.18	59.25	60.19	58.26
	Net	92.29	92.16	92.43	95.38	95.36	95.40	87.17	86.50	87.89	38.38	37.66	39.14	48.80	48.84	48.75
Tekirdağ	Gross	96.87	96.65	97.11	102.09	101.50	102.71	109.87	111.86	107.68	59.76	56.95	62.85	50.10	54.91	44.83
	Net	91.50	91.09	91.94	94.33	94.21	94.45	84.06	83.77	84.38	43.00	39.60	46.74	41.06	44.17	37.65
Edirne	Gross	98.56	98.38	98.74	101.44	100.74	102.16	104.98	106.64	103.22	63.35	59.17	67.76	41.63	47.48	35.46
	Net	91.13	91.10	91.15	93.65	93.56	93.74	85.97	84.90	87.09	51.12	45.77	56.76	34.84	39.13	30.33
Kırklareli	Gross	97.11	97.10	97.13	100.75	100.12	101.42	109.77	115.56	103.79	65.13	62.28	68.08	44.64	53.28	35.71
	Net	90.89	90.72	91.07	93.90	93.59	94.23	88.23	89.49	86.91	51.08	46.62	55.69	37.14	42.87	31.22
Balıkesir	Gross	96.14	96.23	96.04	100.79	99.93	101.71	113.81	116.80	110.64	59.45	55.52	63.62	54.36	61.28	47.02
	Net	90.74	90.42	91.07	94.95	94.49	95.44	88.18	87.47	88.94	45.13	40.57	49.96	43.06	46.90	38.98
Çanakkale	Gross	95.64	95.76	95.52	100.56	99.31	101.89	111.51	113.31	109.59	65.22	59.62	71.23	46.29	53.69	38.36
	Net	89.48	89.25	89.71	93.66	93.33	94.01	89.30	89.35	89.25	50.87	45.18	56.95	38.43	44.16	32.30
İzmir	Gross	96.20	96.35	96.04	104.00	102.31	105.80	118.96	122.99	114.68	65.18	62.91	67.59	53.78	60.08	47.09
	Net	91.17	90.97	91.37	94.67	94.30	95.05	88.05	87.30	88.83	45.10	40.84	49.63	42.95	46.47	39.21
Aydın	Gross	95.40	95.55	95.23	100.91	100.14	101.73	110.08	115.59	104.28	63.84	61.45	66.36	46.24	54.13	37.93
	Net	90.41	90.07	90.76	94.82	94.41	95.26	86.97	87.27	86.64	50.04	45.86	54.44	36.93	41.42	32.20
Denizli	Gross	95.60	95.62	95.57	99.74	99.15	100.36	110.83	113.65	107.88	60.28	57.66	63.04	50.55	55.99	44.84
	Net	89.48	89.24	89.73	93.62	93.40	93.86	90.38	89.95	90.83	47.04	43.22	51.06	43.34	46.74	39.77
Muğla	Gross	95.25	95.38	95.12	100.82	100.16	101.52	114.79	119.78	109.48	71.25	68.66	74.00	43.54	51.13	35.48
	Net	89.99	89.72	90.27	93.89	93.44	94.36	87.51	87.15	87.88	52.53	47.22	58.18	34.98	39.94	29.70
Manisa	Gross	95.54	95.75	95.33	100.71	100.03	101.44	109.19	113.20	104.89	51.44	47.14	56.04	57.75	66.06	48.85
	Net	90.58	90.33	90.85	95.22	94.73	95.73	87.76	88.21	87.28	39.96	35.36	44.89	47.80	52.86	42.39
Afyonkarahisar	Gross	94.35	94.63	94.06	100.98	100.03	101.98	103.23	107.16	99.06	52.23	50.09	54.51	51.00	57.08	44.55
	Net	90.12	90.16	90.09	94.77	94.23	95.33	81.93	81.90	81.96	38.47	34.05	43.16	43.46	47.86	38.80
Kütahya	Gross	95.06	95.14	94.98	101.24	99.86	102.71	120.54	121.42	119.59	61.98	57.63	66.64	58.56	63.79	52.95
	Net	90.89	90.82	90.96	95.92	95.63	96.24	94.80	94.82	94.77	45.90	41.92	50.16	48.90	52.90	44.61
Uşak	Gross	95.86	95.73	95.99	100.60	100.13	101.11	115.11	118.78	111.27	67.54	63.00	72.30	47.57	55.79	38.97
	Net	90.21	89.89	90.57	94.96	94.91	95.01	89.73	87.62	91.95	53.12	47.77	58.73	36.61	39.84	33.22
Bursa	Gross	96.00	96.00	96.00	100.72	99.64	101.87	111.45	113.35	109.41	52.46	50.00	55.10	59.00	63.35	54.32
	Net	91.06	90.79	91.35	94.55	94.30	94.81	88.94	89.09	88.78	39.93	37.45	42.61	49.01	51.64	46.17
Eskişehir	Gross	95.79	95.59	96.02	100.67	99.46	101.93	119.21	120.36	118.00	71.44	63.66	79.65	47.77	56.69	38.35
	Net	90.59	90.16	91.05	94.49	94.29	94.69	94.57	94.96	94.16	56.51	50.20	63.16	38.07	44.76	31.00
Bilecik	Gross	94.26	93.92	94.61	100.84	100.49	101.21	120.72	125.24	115.89	53.04	49.56	56.77	67.68	75.67	59.13
	Net	89.94	89.49	90.42	94.24	93.80	94.71	94.65	94.94	94.34	37.82	32.82	43.18	56.83	62.12	51.16
Kocaeli	Gross	95.34	95.30	95.37	102.45	101.23	103.75	122.27	124.74	119.62	60.64	58.48	62.97	61.63	66.27	56.66
	Net	91.34	91.12	91.58	95.53	95.31	95.75	92.04	91.55	92.56	43.67	40.78	46.77	48.37	50.76	45.79
Sakarya	Gross	95.90	96.21	95.57	101.74	100.48	103.06	113.28	113.15	113.41	53.10	47.11	59.44	60.18	66.04	53.97
	Net	91.27	91.33	91.21	95.24	94.95	95.55	88.86	88.33	89.41	41.31	36.94	45.94	47.55	51.39	43.47
Düzce	Gross	94.93	94.93	94.92	100.96	99.55	102.41	111.85	113.23	110.41	48.95	44.60	53.50	62.90	68.63	56.91
	Net	91.17	91.00	91.35	95.04	94.56	95.54	87.46	86.67	88.29	37.55	33.09	42.21	49.91	53.58	46.08
Bolu	Gross	95.37	95.59	95.12	98.66	97.70	99.69	124.22	129.81	118.26	59.23	52.85	66.04	65.00	76.96	52.22
	Net	90.68	90.22	91.18	93.71	93.11	94.35	99.33	100.00	94.03	45.62	40.24	51.36	53.71	64.04	42.67
Yalova	Gross	95.28	95.69	94.84	100.87	99.54	102.28	114.47	116.62	112.16	64.83	63.26	66.51	49.64	53.37	45.65
	Net	90.33	90.59	90.05	94.13	93.66	94.63	89.08	90.02	88.07	48.91	46.96	51.00	40.17	43.06	37.07
Ankara	Gross	95.51	95.77	95.24	101.47	100.06	102.96	118.15	119.74	116.47	67.12	64.80	69.58	51.03	54.95	46.90
	Net	90.98	90.89	91.09	94.98	94.65	95.32	92.84	92.05	93.67	50.42	47.25	53.77	42.41	44.80	39.89
Konya	Gross	95.16	95.17	95.16	100.37	99.66	101.12	109.70	113.93	105.27	51.20	52.39	49.95	58.51	61.54	55.32
	Net	90.05	89.83	90.29	94.21	93.87	94.56	85.56	85.52	85.60	36.69	35.92	37.48	48.88	49.60	48.12

Table 24. Schooling Rates by Level of Education (2017/'2018)

Provinces	Schooling Rate ⁽³⁾	Primary School			Secondary School			Secondary Education (High School)			General Secondary Education ⁽¹⁾			Vocational and Technical Secondary Education ⁽²⁾		
		Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Karaman	Gross	93.52	93.24	93.82	101.94	101.51	102.40	120.01	121.40	118.57	70.33	65.84	74.97	49.68	55.56	43.59
	Net	89.74	89.54	89.96	95.75	95.64	95.86	92.41	90.30	94.58	53.15	47.49	58.99	39.26	42.81	35.59
Antalya	Gross	95.44	95.62	95.26	101.19	99.86	102.60	118.79	121.00	116.45	72.03	70.12	74.06	46.76	50.88	42.39
	Net	89.66	89.36	89.99	93.54	93.05	94.06	88.98	88.06	89.95	51.66	47.99	55.56	37.32	40.07	34.39
Isparta	Gross	95.78	96.18	95.37	99.51	99.03	100.03	122.74	122.76	122.72	67.14	62.17	72.46	55.59	60.58	50.26
	Net	89.73	89.59	89.88	93.80	93.73	93.87	98.94	97.94	100.00	53.06	47.80	58.68	45.88	50.14	41.34
Burdur	Gross	96.56	96.06	97.11	99.48	98.64	100.37	121.93	128.84	114.61	66.08	61.19	71.26	55.84	67.64	43.35
	Net	88.19	87.52	88.93	91.55	91.18	91.94	91.08	90.39	91.80	51.87	46.54	57.50	39.21	43.85	34.30
Adana	Gross	97.20	97.33	97.06	101.37	100.83	101.94	106.18	110.10	102.07	59.53	57.38	61.79	46.65	52.72	40.28
	Net	91.63	91.41	91.85	94.04	93.80	94.29	82.40	82.64	82.15	47.10	43.77	50.60	35.30	38.87	31.54
Mersin	Gross	96.19	96.12	96.27	102.14	101.52	102.80	107.41	110.50	104.15	57.84	56.02	59.75	49.58	54.48	44.40
	Net	91.22	90.87	91.58	95.08	94.80	95.37	84.45	84.34	84.57	45.15	42.12	48.34	39.30	42.21	36.23
Hatay	Gross	95.66	95.84	95.47	100.55	99.92	101.22	100.87	104.78	96.79	53.17	52.75	53.61	47.71	52.04	43.18
	Net	91.47	91.34	91.60	94.84	94.53	95.17	82.56	83.29	81.80	42.22	39.93	44.61	40.34	43.36	37.19
Kahramanmaraş	Gross	95.93	96.09	95.77	100.92	100.17	101.72	101.19	105.26	96.86	46.36	46.33	46.38	54.83	58.93	50.48
	Net	90.98	90.73	91.23	94.09	93.55	94.67	79.83	80.66	78.95	34.58	32.93	36.33	45.25	47.73	42.62
Osmaniye	Gross	95.47	95.43	95.51	100.92	100.85	100.99	106.71	109.45	103.85	53.61	51.30	56.04	53.10	58.15	47.81
	Net	87.58	86.99	88.21	92.11	91.56	92.69	84.72	83.55	85.95	42.35	38.39	46.49	42.38	45.16	39.46
Kırkkale	Gross	96.93	97.24	96.59	101.03	100.42	101.65	115.70	120.86	110.32	52.96	49.31	56.77	62.73	71.55	53.54
	Net	91.73	91.82	91.64	95.43	95.46	95.40	92.96	93.46	92.44	41.96	38.87	45.18	51.00	54.59	47.26
Aksaray	Gross	94.01	94.22	93.79	99.67	98.78	100.62	105.97	113.74	98.04	55.03	51.78	58.35	50.94	61.96	39.68
	Net	89.96	89.88	90.04	94.00	93.46	94.59	84.23	87.92	80.46	40.87	36.10	45.76	43.35	51.82	34.70
Niğde	Gross	95.06	95.38	94.72	102.20	101.85	102.57	98.77	100.28	97.21	54.75	51.91	57.69	44.01	48.38	39.51
	Net	90.64	90.43	90.86	95.66	95.19	96.17	80.99	78.89	83.16	43.06	38.28	47.98	37.94	40.60	35.19
Nevşehir	Gross	94.88	95.24	94.50	101.54	100.39	102.74	104.44	107.65	101.13	57.22	56.01	58.47	47.21	51.63	42.66
	Net	90.37	90.36	90.37	95.42	94.64	96.23	84.99	84.72	85.26	44.87	42.29	47.53	40.11	42.42	37.73
Kırşehir	Gross	95.02	95.54	94.48	98.37	98.00	98.74	113.72	117.59	109.70	59.86	55.60	64.26	53.86	61.99	45.44
	Net	89.56	89.62	89.49	93.34	93.15	93.54	94.27	94.56	93.97	48.84	44.22	53.63	45.43	50.34	40.34
Kayseri	Gross	96.10	96.16	96.03	101.01	99.81	102.26	115.80	118.49	112.97	58.15	55.41	61.04	57.65	63.08	51.94
	Net	91.37	91.16	91.60	95.08	94.73	95.45	90.12	89.45	90.83	43.23	39.51	47.15	46.89	49.94	43.68
Sivas	Gross	94.92	95.33	94.49	102.25	101.00	103.55	111.79	114.61	108.88	59.15	57.15	61.22	52.64	57.46	47.66
	Net	91.25	91.47	91.03	96.06	95.74	96.39	88.37	87.80	88.96	43.39	40.10	46.79	44.98	47.70	42.17
Yozgat	Gross	91.62	91.62	91.61	94.95	94.12	95.82	103.08	108.43	97.64	52.85	50.15	55.59	50.23	58.27	42.04
	Net	87.45	87.27	87.65	89.83	89.69	89.97	82.38	83.44	81.29	40.13	35.04	45.31	42.25	48.40	35.98
Zonguldak	Gross	94.68	94.74	94.61	101.91	100.84	103.03	114.96	114.74	115.19	57.73	51.18	64.60	57.24	63.56	50.59
	Net	91.04	90.97	91.10	96.28	96.11	96.47	91.19	90.71	91.69	45.79	39.76	52.13	45.40	50.95	39.56
Karabük	Gross	96.56	96.38	96.74	102.97	102.32	103.65	123.10	125.58	120.41	68.05	64.84	71.53	55.04	60.74	48.88
	Net	91.54	91.13	91.96	95.49	95.24	95.75	96.27	96.61	95.90	52.42	48.26	56.93	43.84	48.35	38.97
Bartın	Gross	95.60	95.42	95.80	103.77	102.47	105.21	118.56	117.30	119.87	51.62	47.24	56.12	66.94	70.06	63.74
	Net	91.71	91.46	91.98	97.11	97.08	97.13	95.35	94.31	96.43	39.03	35.48	42.67	56.33	58.82	53.76
Kastamonu	Gross	95.53	95.90	95.15	103.59	102.03	105.23	118.96	118.85	119.08	55.93	49.01	63.01	63.03	69.83	56.06
	Net	91.38	91.40	91.35	96.36	96.04	96.69	92.01	92.71	91.29	37.72	32.50	43.07	54.29	60.21	48.22
Çankırı	Gross	90.59	90.05	91.17	96.34	95.74	96.95	108.97	112.54	105.23	53.78	49.32	58.45	55.19	63.21	46.78
	Net	85.99	85.04	86.99	89.53	89.14	89.93	83.73	83.51	83.96	37.87	32.24	43.76	45.86	51.27	40.19
Sinop	Gross	97.19	97.72	96.65	102.98	102.06	103.93	116.74	118.63	114.79	60.80	56.20	65.53	55.93	62.43	49.27
	Net	92.54	92.75	92.33	95.85	95.59	96.13	90.40	89.95	90.87	43.57	38.70	48.57	46.83	51.25	42.29
Samsun	Gross	94.73	94.87	94.59	102.92	101.82	104.07	113.38	113.68	113.07	61.35	56.72	66.19	52.03	56.97	46.88
	Net	91.01	90.94	91.09	96.62	96.29	96.96	90.22	89.64	90.83	47.03	42.54	51.71	43.20	47.10	39.11

Table 24. Schooling Rates by Level of Education (2017/'2018)

Provinces	Schooling Rate ⁽³⁾	Primary School			Secondary School			Secondary Education (High School)			General Secondary Education ⁽¹⁾			Vocational and Technical Secondary Education ⁽²⁾		
		Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Tokat	Gross	89.95	89.81	90.09	96.84	95.98	97.73	107.21	111.11	103.14	49.05	46.48	51.74	58.16	64.63	51.40
	Net	85.79	85.44	86.16	90.23	89.99	90.48	86.33	88.29	84.29	37.20	34.04	40.51	49.13	54.25	43.78
Çorum	Gross	95.32	95.23	95.42	101.84	101.02	102.71	114.24	115.76	112.71	65.16	61.06	69.31	49.08	54.69	43.40
	Net	90.43	90.28	90.59	94.88	94.96	94.80	88.83	88.25	89.43	48.84	44.60	53.14	39.99	43.65	36.28
Amasya	Gross	96.09	96.39	95.77	100.40	99.28	101.61	119.89	122.29	117.39	59.24	54.88	63.76	60.64	67.41	53.63
	Net	91.15	91.07	91.25	94.92	94.46	95.40	97.06	97.96	96.14	46.57	42.07	51.23	50.50	55.88	44.91
Trabzon	Gross	94.85	95.06	94.62	102.06	101.55	102.59	119.38	120.40	118.33	59.10	57.37	60.88	60.28	63.03	57.45
	Net	90.96	90.90	91.03	96.46	96.58	96.34	95.28	94.23	96.36	46.96	44.51	49.48	48.32	49.72	46.88
Ordu	Gross	93.86	94.04	93.67	101.13	100.13	102.20	107.88	108.27	107.47	50.08	45.52	54.78	57.80	62.74	52.69
	Net	90.56	90.51	90.62	95.95	95.57	96.37	89.56	88.35	90.81	40.42	35.56	45.45	49.14	52.79	45.36
Giresun	Gross	91.75	92.02	91.46	97.51	96.19	98.89	111.97	114.96	108.82	52.81	48.92	56.91	59.16	66.05	51.91
	Net	88.42	88.30	88.54	93.00	92.48	93.54	92.32	93.87	90.69	41.33	37.44	45.42	50.99	56.43	45.27
Rize	Gross	95.26	95.09	95.43	103.74	103.80	103.68	135.36	141.28	129.28	60.52	57.14	63.98	74.84	84.13	65.30
	Net	91.22	91.35	91.08	97.22	98.44	95.93	100.00	100.00	99.64	44.39	40.70	48.17	57.96	64.28	51.47
Artvin	Gross	93.90	94.05	93.74	103.09	101.65	104.59	115.94	115.96	115.92	64.93	59.47	70.64	51.01	56.48	45.28
	Net	90.89	90.80	90.97	97.08	97.05	97.12	93.66	94.50	92.78	50.78	47.40	54.32	42.88	47.10	38.47
Gümüşhane	Gross	63.06	62.52	63.63	66.01	64.86	67.24	71.70	73.69	69.58	39.24	41.44	36.90	32.46	32.25	32.69
	Net	60.66	60.06	61.29	62.25	61.92	62.60	57.07	58.29	55.78	29.39	29.90	28.84	27.69	28.38	26.94
Erzurum	Gross	98.08	98.16	97.99	103.54	102.09	105.05	97.76	102.37	92.98	53.98	56.59	51.26	43.79	45.78	41.71
	Net	92.09	92.19	91.97	94.58	94.06	95.12	74.65	75.70	73.56	40.16	39.64	40.71	34.49	36.06	32.85
Erzincan	Gross	94.45	94.38	94.53	101.09	99.69	102.58	115.08	118.63	111.45	58.60	56.63	60.61	56.49	62.00	50.83
	Net	89.86	89.73	89.99	93.68	93.40	93.97	89.86	91.10	88.58	42.81	39.66	46.05	47.04	51.44	42.54
Bayburt	Gross	93.78	95.06	92.47	99.00	97.61	100.44	113.27	114.68	111.71	54.41	50.75	58.46	58.86	63.92	53.25
	Net	90.46	91.15	89.75	93.42	92.71	94.15	89.68	89.08	90.35	40.14	35.44	45.35	49.54	53.64	45.00
Ağrı	Gross	103.68	103.66	103.70	112.13	111.46	112.83	69.03	70.76	67.19	38.76	38.85	38.67	30.27	31.91	28.53
	Net	94.20	94.53	93.85	93.20	93.09	93.33	53.53	53.01	54.09	29.21	27.46	31.07	24.32	25.55	23.01
Kars	Gross	98.33	98.21	98.46	107.07	106.79	107.36	84.91	85.70	84.06	48.63	47.16	50.22	36.28	38.54	33.83
	Net	92.52	92.68	92.35	96.14	96.03	96.25	68.65	66.98	70.44	37.15	33.69	40.87	31.50	33.29	29.57
İğdir	Gross	99.70	99.83	99.57	106.77	106.70	106.86	91.15	86.48	96.09	55.86	49.21	62.89	35.29	37.27	33.20
	Net	93.58	93.63	93.52	95.13	94.81	95.48	75.97	70.49	81.77	45.71	38.24	53.62	30.25	32.24	28.15
Ardahan	Gross	97.26	97.35	97.17	105.04	104.79	105.31	99.17	98.42	99.97	44.60	41.67	47.74	54.57	56.75	52.23
	Net	93.15	93.17	93.13	98.24	97.85	98.65	81.82	78.26	85.62	34.80	29.77	40.17	47.02	48.48	45.45
Malatya	Gross	95.96	96.38	95.53	102.14	100.98	103.34	120.06	124.89	114.93	61.13	61.23	61.02	58.93	63.66	53.92
	Net	91.23	91.18	91.28	95.78	95.34	96.25	93.21	93.19	93.24	46.45	44.27	48.77	46.76	48.92	44.48
Elazığ	Gross	95.60	95.45	95.76	103.51	102.42	104.66	114.27	118.80	109.55	63.25	63.68	62.80	51.02	55.12	46.75
	Net	91.30	91.24	91.35	96.19	95.90	96.50	88.95	89.88	87.98	48.14	46.47	49.88	40.81	43.41	38.10
Bingöl	Gross	96.29	95.82	96.78	104.70	103.65	105.79	101.81	107.34	95.98	56.16	61.07	50.99	45.65	46.27	45.00
	Net	91.72	91.47	91.98	94.86	95.16	94.56	76.76	78.29	75.15	39.95	41.84	37.97	36.81	36.45	37.18
Tunceli	Gross	94.79	95.54	93.98	98.17	97.80	98.58	115.50	120.29	110.28	74.38	75.24	73.45	41.12	45.05	36.83
	Net	90.43	90.23	90.64	93.28	93.32	93.24	83.17	84.17	82.07	54.13	52.33	56.08	29.04	31.84	25.99
Van	Gross	103.48	103.52	103.45	105.31	104.81	105.83	81.07	84.37	77.60	37.87	41.50	34.05	43.20	42.87	43.54
	Net	94.07	94.16	93.97	92.47	92.36	92.59	61.46	61.39	61.53	26.69	26.94	26.42	34.77	34.45	35.10
Muş	Gross	102.43	102.17	102.70	103.49	104.75	102.17	66.86	73.60	59.73	29.83	32.68	26.81	37.03	40.92	32.92
	Net	93.16	93.36	92.96	90.32	91.40	89.18	51.00	54.21	47.60	20.44	20.63	20.24	30.55	33.58	27.35
Bitlis	Gross	100.42	100.79	100.03	105.96	105.49	106.46	82.40	94.43	69.63	45.69	54.35	36.50	36.71	40.08	33.12
	Net	93.26	93.49	93.03	94.31	94.10	94.54	61.46	68.16	54.34	31.87	36.37	27.10	29.59	31.79	27.25
Hakkari	Gross	101.92	102.60	101.20	98.83	98.71	98.95	92.89	98.92	86.54	42.78	45.85	39.55	50.11	53.08	46.99
	Net	91.72	92.07	91.35	87.48	87.97	86.96	65.77	65.67	65.88	27.49	25.69	29.37	38.29	39.98	36.51

Table 24. Schooling Rates by Level of Education (2017/'2018)

Provinces	Schooling Rate ⁽³⁾	Primary School			Secondary School			Secondary Education (High School)			General Secondary Education ⁽¹⁾			Vocational and Technical Secondary Education ⁽²⁾		
		Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Gaziantep	Gross	97.84	98.04	97.62	102.20	101.60	102.84	99.05	103.64	94.21	55.85	55.55	56.16	43.20	48.09	38.04
	Net	92.80	92.73	92.89	94.52	94.33	94.72	78.21	78.57	77.83	42.60	39.80	45.56	35.61	38.77	32.27
Adıyaman	Gross	96.22	96.12	96.32	102.05	102.08	102.03	105.37	110.27	100.21	49.82	51.88	47.65	55.55	58.39	52.56
	Net	91.77	91.51	92.03	95.39	95.22	95.56	82.46	81.92	83.03	36.74	35.21	38.35	45.72	46.70	44.68
Kilis	Gross	97.54	97.84	97.21	100.72	99.60	101.93	101.29	110.00	92.53	46.85	46.00	47.72	54.44	64.00	44.81
	Net	91.48	91.49	91.46	92.79	91.93	93.73	79.07	80.12	78.00	33.46	28.14	38.83	45.60	51.99	39.17
Şanlıurfa	Gross	103.24	103.19	103.29	105.02	104.68	105.38	79.32	90.04	68.01	41.90	46.14	37.42	37.42	43.90	30.59
	Net	94.36	94.52	94.20	92.24	92.51	91.95	60.92	66.34	55.20	30.33	31.13	29.48	30.59	35.21	25.71
Diyarbakır	Gross	100.23	100.46	99.98	103.54	103.22	103.87	91.82	98.12	85.23	48.60	52.70	44.31	43.22	45.42	40.92
	Net	93.86	93.89	93.83	94.29	94.11	94.49	68.60	69.41	67.76	33.85	33.28	34.46	34.75	36.13	33.30
Mardin	Gross	100.73	100.79	100.67	104.01	103.33	104.72	89.21	98.40	79.69	49.54	53.38	45.56	39.67	45.02	34.13
	Net	93.51	93.59	93.42	94.31	94.18	94.44	68.77	72.00	65.43	35.65	35.31	36.00	33.13	36.69	29.43
Batman	Gross	98.66	98.98	98.34	105.41	104.74	106.11	97.95	105.28	90.35	58.54	62.43	54.50	39.41	42.85	35.86
	Net	92.67	92.76	92.58	94.81	94.39	95.25	72.62	73.92	71.28	42.56	42.15	42.98	30.07	31.77	28.30
Şırnak	Gross	104.35	104.69	104.00	106.33	106.06	106.60	84.69	92.30	76.73	39.68	41.43	37.86	45.01	50.87	38.88
	Net	94.01	94.18	93.83	93.48	93.23	93.74	62.86	64.76	60.87	25.87	23.53	28.32	36.99	41.23	32.55
Siirt	Gross	102.87	102.53	103.22	103.88	103.25	104.55	88.72	101.23	75.43	45.25	53.64	36.35	43.46	47.59	39.08
	Net	93.70	93.48	93.91	92.95	92.91	92.99	65.60	70.46	60.44	30.44	33.24	27.47	35.16	37.22	32.97
Turkey	Gross	96.86	96.93	96.78	102.46	101.59	103.37	108.39	112.07	104.50	56.62	56.03	57.24	51.77	56.04	47.26
	Net	91.54	91.42	91.68	94.47	94.26	94.69	83.58	83.77	83.39	41.31	38.88	43.87	42.28	44.89	39.52

Source: MEB.

Note 1. IBBS level 3 enrollment rates are calculated by the Turkey Statistical Institute.

Note 2. 2017 / '18 school enrollment rates in calculating the number of students in using population residing in Turkey and T.R. citizens. Foreign nationals residing in Turkey is calculated by keeping the population outside the scope and the number of foreign students.

(1) General High School, Anatolian High School, Anatolian Teacher High School, Science High School, Social Sciences High School, Fine Arts High School, Sports High School and Private High Schools.

(2) Imam Hatip High School, Anatolian Imam Hatip High School, Vocational and Technical High Schools, Special Education Vocational High Schools and Private Vocational High Schools.

(3) Open Middle School students are included in the calculation of secondary school gross enrollment rates. In secondary education, gross and net enrollment rates were calculated and Open Education High School students were included..

Table 25. Labor Force Status of Population (2018)

(15+ age – Thousand People)

NUTS Level-2	Population aged 15 years and above	Labor force	Employment	Unemployed	Population not in labor force	Labor force participation rate (%)	Unemployment rate (%)	Non-agricultural unemployment rate (%)	Total Employment Rate (%)	Male Employment Rate (%)	Female Employment Rate (%)
İstanbul	11,741	6,738	5,899	839	5,003	57.4	12.5	12.6	50.2	68.6	32.0
Tekirdağ, Edirne, Kırklareli	1,397	834	772	62	562	59.7	7.5	8.7	55.3	75.0	35.0
Balıkesir, Çanakkale	1,384	679	640	39	705	49.1	5.7	7.5	46.3	63.3	29.8
İzmir	3,430	1,928	1,663	265	1,502	56.2	13.8	14.6	48.5	66.1	31.2
Aydın, Denizli, Muğla	2,368	1,348	1,256	93	1,020	56.9	6.9	8.9	53.0	68.2	38.2
Manisa, Afyonkarahisar, Kütahya, Uşak	2,365	1,276	1,189	87	1,089	54.0	6.8	9.3	50.3	68.1	32.7
Bursa, Eskişehir, Bilecik	3,134	1,661	1,511	149	1,473	53.0	9.0	9.9	48.2	65.8	30.5
Kocaeli, Sakarya, Düzce, Bolu, Yalova	2,901	1,592	1,430	162	1,309	54.9	10.2	11.7	49.3	68.9	29.1
Ankara	4,238	2,224	1,999	225	2,014	52.5	10.1	10.4	47.2	66.7	28.0
Konya, Karaman	1,777	901	848	53	876	50.7	5.9	7.7	47.7	69.0	27.7
Antalya, Isparta, Burdur	2,356	1,340	1,185	155	1,016	56.9	11.6	13.4	50.3	66.4	34.1
Adana, Mersin	2,981	1,495	1,327	168	1,486	50.1	11.2	13.3	44.5	62.4	27.4
Hatay, Kahramanmaraş, Osmaniye	2,274	1,124	965	158	1,151	49.4	14.1	17.4	42.4	61.7	24.2
Kırıkkale, Aksaray, Niğde, Nevşehir, Kırşehir	1,163	600	534	66	563	51.6	10.9	14.6	45.9	65.6	27.2
Kayseri, Sivas, Yozgat	1,801	863	749	113	938	47.9	13.2	16.3	41.6	62.8	21.4
Zonguldak, Karabük, Bartın	816	407	374	33	409	49.9	8.0	11.3	45.9	62.5	30.1
Kastamonu, Çankırı, Sinop	608	344	327	17	265	56.5	5.1	8.7	53.7	67.7	40.4
Samsun, Tokat, Çorum, Amasya	2,102	1,161	1,086	74	941	55.2	6.4	10.3	51.7	67.2	36.8
Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane	2,038	1,113	1,045	69	925	54.6	6.2	9.9	51.3	65.4	37.7
Erzurum, Erzincan, Bayburt	767	370	342	28	397	48.2	7.5	11.1	44.6	64.2	25.6
Ağrı, Kars, Iğdır, Ardahan	733	369	349	19	365	50.3	5.3	10.6	47.6	65.0	29.6
Malatya, Elazığ, Bingöl, Tunceli	1,293	676	621	54	617	52.3	8.0	11.8	48.1	66.6	30.4
Van, Muş, Bitlis, Hakkari	1,374	670	525	144	705	48.7	21.5	29.6	38.2	56.9	19.5
Gaziantep, Adıyaman, Kilis	1,870	876	764	112	994	46.8	12.8	14.4	40.9	62.6	19.2
Şanlıurfa, Diyarbakır	2,315	1,106	900	206	1,208	47.8	18.6	24.8	38.9	58.6	20.3
Mardin, Batman, Şırnak, Siirt	1,428	581	436	146	847	40.7	25.0	27.7	30.5	50.8	11.9
Turkey	60,654	32,274	28,738	3,537	28,380	53.2	11.0	12.9	47.4	65.7	29.4

Source: TÜİK.

Table 26. Sectoral Distribution of Employed

(15+ age – Thousand People)

NUTS Level-2	Total	Agriculture	Industry ⁽¹⁾	Service	Agriculture (%)	Industry (%)	Service (%)
İstanbul	5,899	70	1,900	3,929	1.2	32.2	66.6
Tekirdağ, Edirne, Kırklareli	772	129	273	371	16.7	35.3	48.0
Balıkesir, Çanakkale	640	183	139	319	28.5	21.7	49.8
İzmir	1,663	141	539	983	8.5	32.4	59.1
Aydın, Denizli, Muğla	1,256	328	284	644	26.1	22.6	51.3
Manisa, Afyonkarahisar, Kütahya, Uşak	1,189	365	329	495	30.7	27.7	41.6
Bursa, Eskişehir, Bilecik	1,511	171	616	724	11.3	40.8	47.9
Kocaeli, Sakarya, Düzce, Bolu, Yalova	1,430	214	512	703	15.0	35.8	49.2
Ankara	1,999	75	470	1,455	3.7	23.5	72.8
Konya, Karaman	848	220	245	384	25.9	28.8	45.2
Antalya, Isparta, Burdur	1,185	224	183	778	18.9	15.4	65.7
Adana, Mersin	1,327	257	300	770	19.4	22.6	58.0
Hatay, Kahramanmaraş, Osmaniye	965	236	238	490	24.5	24.7	50.8
Kırıkkale, Aksaray, Niğde, Nevşehir, Kırşehir	534	153	109	273	28.6	20.4	51.1
Kayseri, Sivas, Yozgat	749	170	212	367	22.7	28.3	49.0
Zonguldak, Karabük, Bartın	374	120	87	168	32.0	23.1	44.9
Kastamonu, Çankırı, Sinop	327	148	52	127	45.2	15.8	39.0
Samsun, Tokat, Çorum, Amasya	1,086	455	189	443	41.9	17.4	40.7
Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane	1,045	424	170	450	40.6	16.3	43.1
Erzurum, Erzincan, Bayburt	342	122	40	181	35.6	11.6	52.8
Ağrı, Kars, Iğdır, Ardahan	349	187	48	114	53.5	13.8	32.7
Malatya, Elazığ, Bingöl, Tunceli	621	215	107	299	34.5	17.3	48.2
Van, Muş, Bitlis, Hakkari	525	189	129	207	36.0	24.5	39.5
Gaziantep, Adıyaman, Kilis	764	115	252	397	15.0	33.0	51.9
Şanlıurfa, Diyarbakır	900	324	157	419	36.1	17.4	46.5
Mardin, Batman, Şırnak, Siirt	436	63	88	284	14.6	20.2	65.2
Turkey	28,738	5,297	7,667	15,774	18.4	26.7	54.9

Source: TÜİK.

(1) The construction sector is considered within the industrial sector.

Table 27. Number of Compulsory Insured Under 4/a ⁽¹⁾

Provinces	2017			2018			Share (%)			
	Male	Female	Total	Male	Female	Total	2017		2018	
							Male	Female	Male	Female
Adana	234,039	79,940	313,979	220,924	85,796	306,720	74.5	25.5	72.0	28.0
Adıyaman	43,097	11,489	54,586	41,831	12,758	54,589	79.0	21.0	76.6	23.4
Afyonkarahisar	72,645	21,023	93,668	67,235	23,232	90,467	77.6	22.4	74.3	25.7
Ağrı	21,798	5,843	27,641	22,562	7,310	29,872	78.9	21.1	75.5	24.5
Amasya	31,274	10,920	42,194	28,748	11,731	40,479	74.1	25.9	71.0	29.0
Ankara	804,562	339,053	1,143,615	770,339	354,460	1,124,799	70.4	29.6	68.5	31.5
Antalya	317,805	146,202	464,007	320,931	161,785	482,716	68.5	31.5	66.5	33.5
Artvin	19,571	5,996	25,567	18,939	6,223	25,162	76.5	23.5	75.3	24.7
Aydın	116,273	48,819	165,092	101,046	50,597	151,643	70.4	29.6	66.6	33.4
Balıkesir	125,613	50,372	175,985	122,198	54,556	176,754	71.4	28.6	69.1	30.9
Bilecik	33,449	12,253	45,702	32,731	12,540	45,271	73.2	26.8	72.3	27.7
Bingöl	22,426	5,625	28,051	21,736	6,109	27,845	79.9	20.1	78.1	21.9
Bitlis	21,700	4,952	26,652	22,351	6,645	28,996	81.4	18.6	77.1	22.9
Bolu	40,374	18,780	59,154	38,724	19,831	58,555	68.3	31.7	66.1	33.9
Burdur	28,091	9,511	37,602	24,961	9,835	34,796	74.7	25.3	71.7	28.3
Bursa	482,735	216,032	698,767	462,255	223,526	685,781	69.1	30.9	67.4	32.6
Çanakkale	62,859	24,248	87,107	58,351	25,153	83,504	72.2	27.8	69.9	30.1
Çankırı	19,888	7,038	26,926	18,855	7,727	26,582	73.9	26.1	70.9	29.1
Çorum	44,749	16,108	60,857	40,705	17,098	57,803	73.5	26.5	70.4	29.6
Denizli	132,792	66,957	199,749	120,164	68,681	188,845	66.5	33.5	63.6	36.4
Diyarbakır	119,741	29,513	149,254	119,802	35,084	154,886	80.2	19.8	77.3	22.7
Edirne	37,786	22,392	60,178	36,903	24,445	61,348	62.8	37.2	60.2	39.8
Elazığ	57,564	13,359	70,923	51,759	16,220	67,979	81.2	18.8	76.1	23.9
Erzincan	24,834	7,331	32,165	22,186	7,337	29,523	77.2	22.8	75.1	24.9
Erzurum	67,076	17,647	84,723	63,384	20,011	83,395	79.2	20.8	76.0	24.0
Eskişehir	124,809	52,032	176,841	114,905	53,786	168,691	70.6	29.4	68.1	31.9
Gaziantep	244,218	51,249	295,467	234,543	57,740	292,283	82.7	17.3	80.2	19.8
Giresun	36,990	17,900	54,890	34,591	18,271	52,862	67.4	32.6	65.4	34.6
Gümüşhane	11,786	4,096	15,882	11,170	3,954	15,124	74.2	25.8	73.9	26.1
Hakkari	18,221	4,502	22,723	20,276	6,358	26,634	80.2	19.8	76.1	23.9
Hatay	130,304	39,504	169,808	126,370	42,727	169,097	76.7	23.3	74.7	25.3
Isparta	44,074	17,427	61,501	41,034	18,522	59,556	71.7	28.3	68.9	31.1
Mersin	189,531	65,260	254,791	173,985	68,080	242,065	74.4	25.6	71.9	28.1
İstanbul	2,813,999	1,312,799	4,126,798	2,671,231	1,370,434	4,041,665	68.2	31.8	66.1	33.9
İzmir	623,871	293,391	917,262	591,738	306,047	897,785	68.0	32.0	65.9	34.1
Kars	19,114	6,358	25,472	17,444	7,055	24,499	75.0	25.0	71.2	28.8
Kastamonu	36,197	13,354	49,551	34,935	14,294	49,229	73.0	27.0	71.0	29.0
Kayseri	172,435	47,774	220,209	165,206	51,218	216,424	78.3	21.7	76.3	23.7
Kırklareli	46,905	22,349	69,254	43,678	23,427	67,105	67.7	32.3	65.1	34.9
Kırşehir	21,741	5,357	27,098	19,982	5,874	25,856	80.2	19.8	77.3	22.7
Kocaeli	374,602	127,458	502,060	365,685	134,947	500,632	74.6	25.4	73.0	27.0

Table 27. Number of Compulsory Insured Under 4/a ⁽¹⁾ (Continued)

Provinces	2017			2018			Share (%)			
	Male	Female	Total	Male	Female	Total	2017		2018	
							Male	Female	Male	Female
Konya	253,055	61,806	314,861	235,761	65,120	300,881	80.4	19.6	78.4	21.6
Kütahya	66,847	20,260	87,107	61,596	21,780	83,376	76.7	23.3	73.9	26.1
Malatya	77,829	22,489	100,318	76,106	24,355	100,461	77.6	22.4	75.8	24.2
Manisa	182,559	67,904	250,463	170,426	71,104	241,530	72.9	27.1	70.6	29.4
Kahramanmaraş	121,655	26,006	147,661	115,026	28,080	143,106	82.4	17.6	80.4	19.6
Mardin	69,260	12,712	81,972	63,534	15,126	78,660	84.5	15.5	80.8	19.2
Muğla	131,737	50,116	181,853	127,247	53,840	181,087	72.4	27.6	70.3	29.7
Muş	20,353	5,557	25,910	20,905	6,544	27,449	78.6	21.4	76.2	23.8
Nevşehir	29,156	9,352	38,508	29,099	11,018	40,117	75.7	24.3	72.5	27.5
Niğde	29,359	8,298	37,657	28,097	9,254	37,351	78.0	22.0	75.2	24.8
Ordu	59,298	28,751	88,049	54,016	30,776	84,792	67.3	32.7	63.7	36.3
Rize	34,479	12,567	47,046	33,269	13,277	46,546	73.3	26.7	71.5	28.5
Sakarya	134,209	51,313	185,522	124,215	52,781	176,996	72.3	27.7	70.2	29.8
Samsun	122,620	51,376	173,996	114,508	55,057	169,565	70.5	29.5	67.5	32.5
Siirt	24,758	4,523	29,281	26,332	6,533	32,865	84.6	15.4	80.1	19.9
Sinop	17,440	7,750	25,190	16,751	8,616	25,367	69.2	30.8	66.0	34.0
Sivas	59,033	16,141	75,174	57,650	18,168	75,818	78.5	21.5	76.0	24.0
Tekirdağ	189,565	82,855	272,420	179,578	84,670	264,248	69.6	30.4	68.0	32.0
Tokat	44,748	15,855	60,603	42,895	17,942	60,837	73.8	26.2	70.5	29.5
Trabzon	87,839	36,087	123,926	82,450	36,685	119,135	70.9	29.1	69.2	30.8
Tunceli	5,593	2,393	7,986	5,819	3,130	8,949	70.0	30.0	65.0	35.0
Şanlıurfa	113,868	25,860	139,728	112,109	33,136	145,245	81.5	18.5	77.2	22.8
Uşak	45,817	19,204	65,021	41,967	19,719	61,686	70.5	29.5	68.0	32.0
Van	68,417	15,389	83,806	70,426	19,451	89,877	81.6	18.4	78.4	21.6
Yozgat	30,859	8,858	39,717	30,274	9,948	40,222	77.7	22.3	75.3	24.7
Zonguldak	67,296	20,819	88,115	65,114	23,006	88,120	76.4	23.6	73.9	26.1
Aksaray	39,567	10,258	49,825	39,414	11,886	51,300	79.4	20.6	76.8	23.2
Bayburt	6,755	2,277	9,032	6,038	2,281	8,319	74.8	25.2	72.6	27.4
Karaman	31,215	13,571	44,786	26,389	12,902	39,291	69.7	30.3	67.2	32.8
Kırıkkale	28,733	8,051	36,784	25,777	8,362	34,139	78.1	21.9	75.5	24.5
Batman	46,750	12,004	58,754	49,745	15,071	64,816	79.6	20.4	76.7	23.3
Şırnak	41,192	7,048	48,240	39,460	8,434	47,894	85.4	14.6	82.4	17.6
Bartın	22,291	8,544	30,835	18,665	8,871	27,536	72.3	27.7	67.8	32.2
Ardahan	10,402	2,499	12,901	9,819	2,856	12,675	80.6	19.4	77.5	22.5
İğdır	13,010	4,364	17,374	12,295	4,801	17,096	74.9	25.1	71.9	28.1
Yalova	40,909	13,635	54,544	41,329	14,477	55,806	75.0	25.0	74.1	25.9
Karabük	28,575	9,882	38,457	26,936	10,315	37,251	74.3	25.7	72.3	27.7
Kilis	11,107	4,498	15,605	11,768	4,821	16,589	71.2	28.8	70.9	29.1
Osmaniye	42,052	12,108	54,160	40,553	13,451	54,004	77.6	22.4	75.1	24.9
Düzce	47,850	23,029	70,879	45,950	24,401	70,351	67.5	32.5	65.3	34.7
Total	10,389,595	4,088,222	14,477,817	9,895,701	4,333,469	14,229,170	717.6	28.2	69.5	30.5

Source: SGK.

(1): 4/a: Those who are employed by one or more employers with a service contract within the scope of the Social Insurance and General Health Insurance Law no. 5510.

Table 28. 4/a Number of Businesses Covered ⁽¹⁾

Provinces	2017					2018					T. Change 2018/2017 (%)
	Permanent (I)	Temporary (II)	Public (I)	Private (II)	Total (I+II)	Permanent (I)	Temporary (II)	Public (I)	Private (II)	Total (I+II)	
Adana	37,397	4,398	671	41,124	41,795	37,966	3,563	979	40,550	41,529	-0.6
Adiyaman	5,692	1,515	288	6,919	7,207	6,163	1,221	362	7,022	7,384	2.5
Afyonkarahisar	10,831	2,601	736	12,696	13,432	11,476	1,925	936	12,465	13,401	-0.2
Ağrı	2,012	801	220	2,593	2,813	2,322	528	335	2,515	2,850	1.3
Amasya	4,976	1,227	242	5,961	6,203	5,335	903	345	5,893	6,238	0.6
Ankara	132,386	13,075	2,252	143,209	145,461	134,827	10,662	3,245	142,244	145,489	0.0
Antalya	64,458	6,900	625	70,733	71,358	67,437	5,184	987	71,634	72,621	1.8
Artvin	3,154	794	226	3,722	3,948	3,343	665	331	3,677	4,008	1.5
Aydın	24,071	3,782	613	27,240	27,853	25,000	2,816	893	26,923	27,816	-0.1
Balıkesir	24,975	4,976	708	29,243	29,951	26,158	3,835	990	29,003	29,993	0.1
Bilecik	3,850	949	240	4,559	4,799	4,028	715	337	4,406	4,743	-1.2
Bingöl	1,734	806	197	2,343	2,540	2,099	518	277	2,340	2,617	3.0
Bitlis	2,096	839	255	2,680	2,935	2,253	557	375	2,435	2,810	-4.3
Bolu	6,119	1,274	274	7,119	7,393	6,357	1,005	390	6,972	7,362	-0.4
Burdur	5,054	1,166	290	5,930	6,220	5,367	868	392	5,843	6,235	0.2
Bursa	70,053	8,383	743	77,693	78,436	72,022	6,127	1,096	77,053	78,149	-0.4
Çanakkale	12,293	2,544	486	14,351	14,837	12,636	1,908	613	13,931	14,544	-2.0
Çankırı	2,310	849	272	2,887	3,159	2,482	608	369	2,721	3,090	-2.2
Çorum	7,269	1,591	473	8,387	8,860	7,572	1,152	581	8,143	8,724	-1.5
Denizli	22,720	3,828	527	26,021	26,548	23,603	2,339	690	25,252	25,942	-2.3
Diyarbakır	13,464	2,094	571	14,987	15,558	14,932	1,554	874	15,612	16,486	6.0
Edirne	8,501	1,283	347	9,437	9,784	8,855	940	548	9,247	9,795	0.1
Elazığ	6,495	1,517	312	7,700	8,012	7,011	1,290	490	7,811	8,301	3.6
Erzincan	2,942	946	261	3,627	3,888	3,224	681	332	3,573	3,905	0.4
Erzurum	8,328	2,216	635	9,909	10,544	8,833	1,617	863	9,587	10,450	-0.9
Eskişehir	17,305	3,715	527	20,493	21,020	18,065	2,790	676	20,179	20,855	-0.8
Gaziantep	30,990	3,035	400	33,625	34,025	31,600	2,344	636	33,308	33,944	-0.2
Giresun	7,070	2,057	480	8,647	9,127	7,567	1,593	591	8,569	9,160	0.4
Gümüşhane	1,640	716	190	2,166	2,356	1,773	485	253	2,005	2,258	-4.2
Hakkari	876	573	135	1,314	1,449	1,028	392	228	1,192	1,420	-2.0
Hatay	20,072	3,431	461	23,042	23,503	21,033	2,729	716	23,046	23,762	1.1
Isparta	7,783	1,577	398	8,962	9,360	8,213	1,086	583	8,716	9,299	-0.7
Mersin	33,153	5,189	584	37,758	38,342	34,255	3,924	883	37,296	38,179	-0.4
İstanbul	491,639	34,573	3,829	522,383	526,212	501,661	27,517	5,213	523,965	529,178	0.6
İzmir	119,391	12,185	1,732	129,844	131,576	121,894	9,681	2,249	129,326	131,575	0.0
Kars	2,219	844	292	2,771	3,063	2,436	565	373	2,628	3,001	-2.0
Kastamonu	6,030	1,646	570	7,106	7,676	6,520	1,285	764	7,041	7,805	1.7
Kayseri	27,564	3,819	531	30,852	31,383	28,532	3,292	708	31,116	31,824	1.4
Kırklareli	6,903	1,601	295	8,209	8,504	7,315	1,143	465	7,993	8,458	-0.5
Kırşehir	3,060	911	198	3,773	3,971	3,242	666	290	3,618	3,908	-1.6
Kocaeli	38,992	7,605	633	45,964	46,597	40,560	6,334	905	45,989	46,894	0.6
Konya	39,736	6,602	898	45,440	46,338	40,837	5,096	1,199	44,734	45,933	-0.9
Kütahya	8,731	2,157	426	10,462	10,888	9,125	1,626	565	10,186	10,751	-1.3
Malatya	10,402	1,930	442	11,890	12,332	11,020	1,613	604	12,029	12,633	2.4
Manisa	23,947	4,783	668	28,062	28,730	24,646	3,686	896	27,436	28,332	-1.4
Kahramanmaraş	13,385	2,781	477	15,689	16,166	14,132	2,086	637	15,581	16,218	0.3

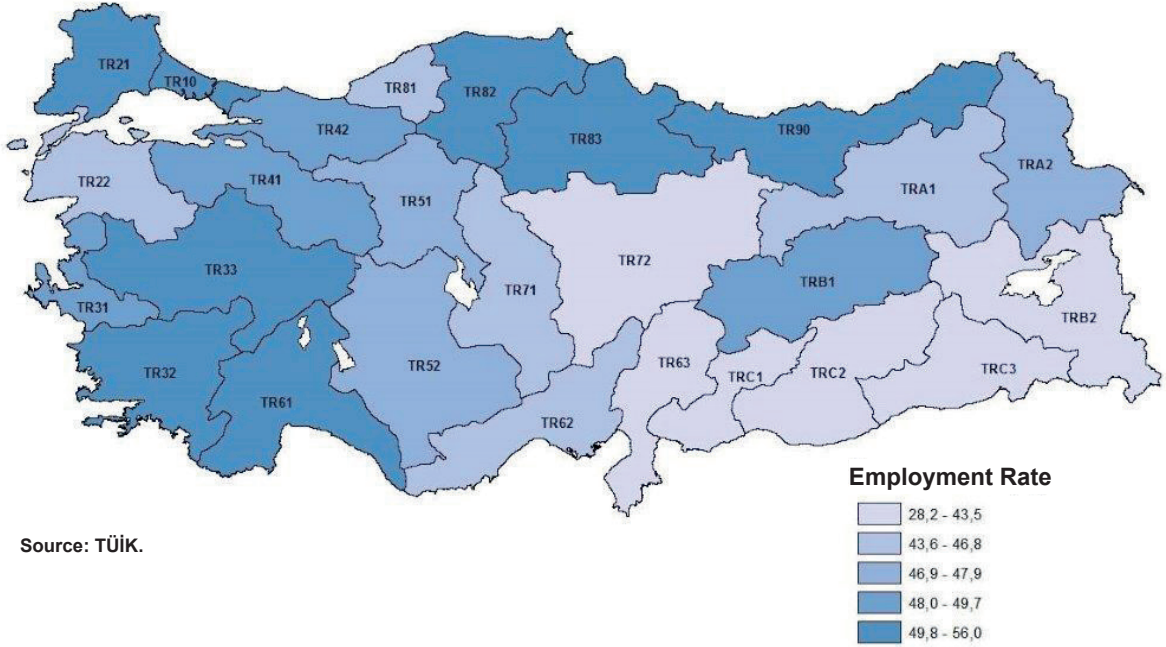
Table 28. 4/a Number of Businesses Covered ⁽¹⁾ (Continued)

Provinces	2017					2018					T. Change 2018/2017 (%)
	Permanent (I)	Temporary (II)	Public (I)	Private (II)	Total (I+II)	Permanent (I)	Temporary (II)	Public (I)	Private (II)	Total (I+II)	
Mardin	4,827	1,343	301	5,869	6,170	5,280	1,008	409	5,879	6,288	1.9
Muğla	30,736	4,275	579	34,432	35,011	32,235	3,389	792	34,832	35,624	1.8
Muş	1,752	692	237	2,207	2,444	2,005	456	338	2,123	2,461	0.7
Nevşehir	5,338	962	238	6,062	6,300	5,855	683	338	6,200	6,538	3.8
Niğde	4,816	1,469	262	6,023	6,285	5,039	1,081	322	5,798	6,120	-2.6
Ordu	11,077	2,159	481	12,755	13,236	11,832	1,702	581	12,953	13,534	2.3
Rize	5,971	1,236	371	6,836	7,207	6,435	1,007	450	6,992	7,442	3.3
Sakarya	19,891	3,346	534	22,703	23,237	20,415	2,362	651	22,126	22,777	-2.0
Samsun	21,861	4,441	642	25,660	26,302	22,832	3,530	957	25,405	26,362	0.2
Siirt	1,831	629	216	2,244	2,460	2,026	467	305	2,188	2,493	1.3
Sinop	3,380	892	260	4,012	4,272	3,550	707	325	3,932	4,257	-0.4
Sivas	8,094	2,126	484	9,736	10,220	8,562	1,545	623	9,484	10,107	-1.1
Tekirdağ	20,940	3,925	375	24,490	24,865	21,577	2,920	570	23,927	24,497	-1.5
Tokat	7,317	1,722	413	8,626	9,039	7,699	1,235	580	8,354	8,934	-1.2
Trabzon	15,612	2,926	550	17,988	18,538	17,050	2,555	743	18,862	19,605	5.8
Tunceli	853	414	165	1,102	1,267	1,032	236	254	1,014	1,268	0.1
Şanlıurfa	10,213	3,150	385	12,978	13,363	11,178	2,583	562	13,199	13,761	3.0
Uşak	7,754	1,609	288	9,075	9,363	8,098	1,117	337	8,878	9,215	-1.6
Van	7,301	1,588	412	8,477	8,889	8,018	1,240	650	8,608	9,258	4.2
Yozgat	4,695	1,367	479	5,583	6,062	4,990	942	588	5,344	5,932	-2.1
Zonguldak	9,668	1,651	461	10,858	11,319	9,895	1,318	638	10,575	11,213	-0.9
Aksaray	5,972	1,439	256	7,155	7,411	6,236	1,113	309	7,040	7,349	-0.8
Bayburt	881	355	114	1,122	1,236	987	243	145	1,085	1,230	-0.5
Karaman	3,793	946	242	4,497	4,739	4,009	649	318	4,340	4,658	-1.7
Kırıkkale	4,026	1,026	264	4,788	5,052	4,069	690	298	4,461	4,759	-5.8
Batman	3,598	783	169	4,212	4,381	4,093	617	249	4,461	4,710	7.5
Şırnak	1,981	699	198	2,482	2,680	2,281	537	295	2,523	2,818	5.1
Bartın	3,586	782	159	4,209	4,368	3,678	533	237	3,974	4,211	-3.6
Ardahan	924	386	148	1,162	1,310	1,040	252	212	1,080	1,292	-1.4
İğdır	1,558	457	194	1,821	2,015	1,708	330	254	1,784	2,038	1.1
Yalova	5,789	1,353	174	6,968	7,142	6,085	1,032	266	6,851	7,117	-0.4
Karabük	4,424	855	201	5,078	5,279	4,535	596	281	4,850	5,131	-2.8
Kilis	1,276	402	177	1,501	1,678	1,361	303	221	1,443	1,664	-0.8
Osmaniye	5,811	1,305	279	6,837	7,116	6,052	982	390	6,644	7,034	-1.2
Düzce	6,981	1,293	226	8,048	8,274	7,276	929	336	7,869	8,205	-0.8
Total	1,648,595	226,087	37,564	1,837,118	1,874,682	1,705,768	174,003	51,888	1,827,883	1,879,771	0.3

Source: SGK.

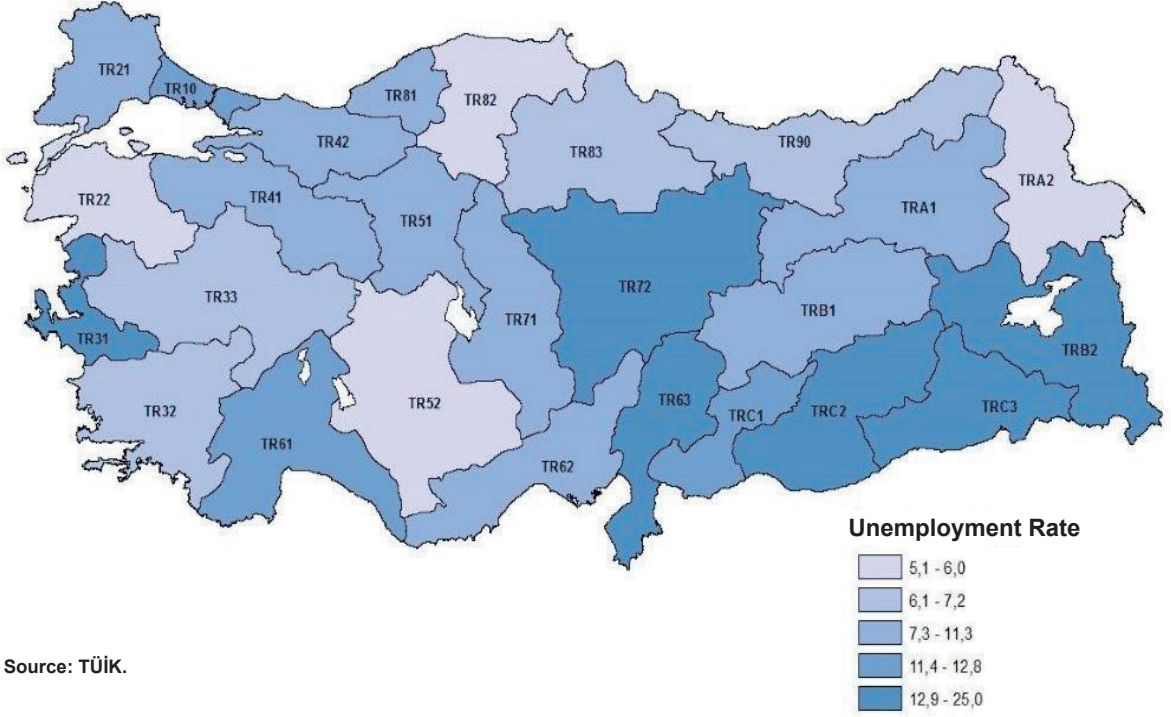
(1): 4/a: Those who are employed by one or more employers with a service contract within the scope of the Social Insurance and General Health Insurance Law no. 5510.

Map 1. Employment Rate, NUTS Level 2 (2018)



Source: TÜİK.

- | | |
|---|---|
| TR10 (İstanbul) | TR71 (Kırıkkale, Aksaray, Niğde, Nevşehir, Kırşehir) |
| TR21 (Tekirdağ, Edirne, Kırklareli) | TR72 (Kayseri, Sivas, Yozgat) |
| TR22 (Balıkesir, Çanakkale) | TR81 (Zonguldak, Karabük, Bartın) |
| TR31 (İzmir) | TR82 (Kastamonu, Çankırı, Sinop) |
| TR32 (Aydın, Denizli, Muğla) | TR83 (Samsun, Tokat, Çorum, Amasya) |
| TR33 (Manisa, Afyonkarahisar, Kütahya, Uşak) | TR90 (Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane) |
| TR41 (Bursa, Eskişehir, Bilecik) | TRA1 (Erzurum, Erzincan, Bayburt) |
| TR42 (Kocaeli, Sakarya, Düzce, Bolu, Yalova) | TRA2 (Ağrı, Kars, Iğdır, Ardahan) |
| TR51 (Ankara) | TRB1 (Malatya, Elazığ, Bingöl, Tunceli) |
| TR52 (Konya, Karaman) | TRB2 (Van, Muş, Bitlis, Hakkari) |
| TR61 (Antalya, Isparta, Burdur) | TRC1 (Gaziantep, Adıyaman, Kilis) |
| TR62 (Adana, Mersin) | TRC2 (Şanlıurfa, Diyarbakır) |
| TR63 (Hatay, Kahramanmaraş, Osmaniye) | TRC3 (Mardin, Batman, Şırnak, Siirt) |

Map 2. Unemployment Rate, NUTS Level 2 (2018)

Source: TÜİK.

TR10 (İstanbul)

TR21 (Tekirdağ, Edirne, Kırklareli)

TR22 (Balıkesir, Çanakkale)

TR31 (İzmir)

TR32 (Aydın, Denizli, Muğla)

TR33 (Manisa, Afyonkarahisar, Kütahya, Uşak)

TR41 (Bursa, Eskişehir, Bilecik)

TR42 (Kocaeli, Sakarya, Düzce, Bolu, Yalova)

TR51 (Ankara)

TR52 (Konya, Karaman)

TR61 (Antalya, Isparta, Burdur)

TR62 (Adana, Mersin)

TR63 (Hatay, Kahramanmaraş, Osmaniye)

TR71 (Kırıkkale, Aksaray, Niğde, Nevşehir, Kırşehir)

TR72 (Kayseri, Sivas, Yozgat)

TR81 (Zonguldak, Karabük, Bartın)

TR82 (Kastamonu, Çankırı, Sinop)

TR83 (Samsun, Tokat, Çorum, Amasya)

TR90 (Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane)

TRA1 (Erzurum, Erzincan, Bayburt)

TRA2 (Ağrı, Kars, Iğdır, Ardahan)

TRB1 (Malatya, Elazığ, Bingöl, Tunceli)

TRB2 (Van, Muş, Bitlis, Hakkari)

TRC1 (Gaziantep, Adıyaman, Kilis)

TRC2 (Şanlıurfa, Diyarbakır)

TRC3 (Mardin, Batman, Şırnak, Siirt)