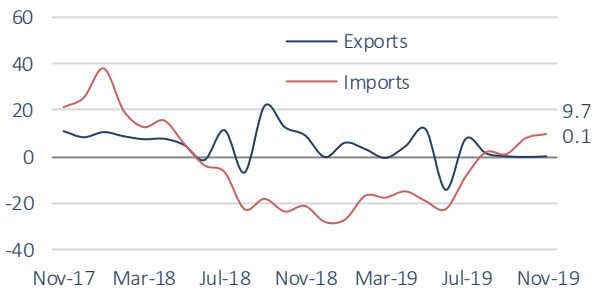




### Foreign trade deficit continued to expand.

In November, export volume had a flat course compared to the previous year and reached 15.5 billion USD, while import volume increased by 9.7% to 17.7 billion USD. Thus, foreign trade deficit continued to expand rapidly and reached 2.2 billion USD in November. Import coverage ratio, which reached 95.8% in November 2018, became 87.4% in the same month of this year.

Foreign Trade Figures  
(annual % change)



According to the 12-month cumulative figures, the export volume, which has been around 171 billion USD since July, maintained this trend in November as well. The decline of cumulative import volume has lost momentum and this figure has exceeded 200 billion USD after 5 months again.

### Decline in major export chapters...

In November, export volume of motor vehicles and other major export chapters declined annually. Export volume of 6 chapters out of first 10 with highest export volume declined in this period yoy and this played a role in the flat course of exports. In terms of chapters, motor vehicles continued to have highest exports, while boilers and machinery remained as second. Exports of iron and steel, one of the leading export chapters, contracted by 47.7% (592 million USD) on an annual basis due to tax and quota measures of the US and EU, limiting the increase in export volume by 3.8 pts.

### Main export markets...

In November, Germany remained as the largest export market. Iraq and the United Kingdom were recorded as

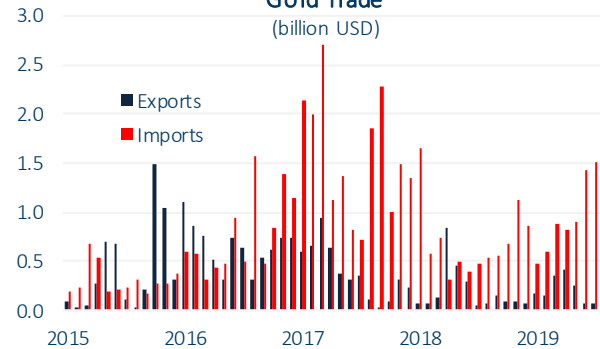
other countries with the largest export, respectively. In this period, export volume increased only to Iraq, among the first 5 countries with the highest export. From top 5 markets, export volume to USA, which is aimed to increase, declined by 18.2% yoy in November.

Analyzing country groups reveals that, in November exports to EU countries decreased by 4.9%, whereas exports to Near and Middle Eastern countries increased by 10.2%

### Gold import increased rapidly.

In November, expansion in import volume was driven by growth of precious stones and metals imports. The increase in the mentioned chapter made the strongest contribution with 6.6 pts to 9.7% rise of imports volume. On the other hand, mineral fuels continued to have the largest import volume.

Gold Trade  
(billion USD)



### Expectations...

In November, import volume continued to expand parallel to the gradual recovery in domestic demand. On the other hand, weak course of the European Union economies continues to suppress export volume. It is expected that foreign trade deficit will gradually widen as the recovery in domestic economic activity becomes more evident in the coming period. In this context, we think that the 12-month cumulative current account balance will move back to negative zone in the first half of 2020.

Foreign Trade Figures	(billion USD)					
	November		Change	Jan-Nov		Change
	2018	2019	(%)	2018	2019	(%)
Exports	15.5	15.5	0.1	154.1	156.9	1.8
Imports	16.2	17.7	9.7	206.5	183.7	-11.0
<b>Foreign Trade Deficit</b>	<b>-0.7</b>	<b>-2.2</b>	<b>232.2</b>	<b>-52.4</b>	<b>-26.8</b>	<b>-48.8</b>
Import Coverage (%)	95.8	87.4	-	74.6	85.4	-

Source: Datastream, Turkstat

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