

OBSERVATORY REPORT - 5
(Turkey's ECONOMIC OUTLOOK : MAY 2019)
MAIN INDICATORS :

Compiled and edited by **Kenan Mortan**

PMI INDEX	
46.8 POINTS (APR '19) ↓ (MAX. 100 POINTS)	
Source:	Istanbul Chamber of Industry

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CAPACITY USAGE INDEX :	
75.0 % (FEB.'19) ↑ 84 % (DEC. '07)	
Source	Central Bank of Turkey

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CDS (CREDIT RISK PREMIUM) :	
443 POINTS (APRIL .'19) ↓ 166 POINTS (DEC.'17) (MAX. RISK 600 POINTS)	
Source	Reuters

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BİST 100 (IST. STOCK EXC.) IND.	
: 94.179 (MARCH.'19) ↑ 100.000 (JUNE.'18)	
Source	Reuters

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WELL BEING	
TURKEY	: 2.5 ('18)
OECD AVE.	: 6.0 ('18)
Source	OECD Better Life Index

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GROWTH OF THE DISPOSABLE INCOME	
POOREST : % 21 RICHEST : %7 (2007-2016 PERIOD)	
Source	TÜİK: Turkish Statistical Institute)

HOW IS THE MARKET MOOD ?		
Country	2018-19	2013
Rating by:		
S&P :	B + Stable (FEB 2019)	B +
MOODY'S	BA- (2018)	B1
FITCH	BB- (May 2019)	B
Source	Reuters	

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PRODUCERS CONFIDENCE INDEX	
*105.5 POINTS (APRIL.'19) ↑ *120 POINTS (DEC.'10)	
Source	TÜİK: Turkish Statistical Institute)

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CONSUMER CONFIDENCE INDEX	
-19.5 POINTS ↓ (APRIL 19)	
Source	TEPAV

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GROWTH : (GROWTH RATE) & PROJECTION	
GROWTH RATE: 2.6 % ('18) ↓ (Slumpflation and High Inflation Stage)	
PROJECTION:	
*-1.8% (OECD)	
* 3.5% ('18) -TUIK & ISBANK	
* -2.5% ('19) (IMF/April '19)	
*-0.4 % ('19) (S&P)	
*-2.0 % ('19) MOODY'S	
Source	TUIK & ISBANK & World Bank

AVERAGE INCOME :	
TURKEY : 8.719 \$ (JAN.'19)	
WORLD : 11.114 \$ (JAN.'19)	
Note : Below 10.000 \$ is middle income trap !	
Source	World Bank

STARVATION LINE :	
2.106 TL (APRIL '19) ↓	
1.941 TL (DEC.'18)	
Note 1: For Family with 4 members	
Note 2: Min. Wage is 2.020 TL /net (Jan. '19)	
Source	Türk-İş

GOVERNANCE (RULE OF LAW)	
TURKEY : 50% ('16)	
OECD AVE.: 90% ('16)	
Source	World Bank

POVERTY LINE :	
6.862TL (APRIL '19) ↓	
6.322 TL (DEC.'18)	
Source	Türk-İş

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UNEMPLOYMENT RATE :	
UNEMP. RATE : AVE. 14.7 % (JAN '19)	
OECD UNEMP. RATE :	
Men : 5 %	
Women : 6 %	
15-24 Age Group: 26.7% ↑	
PROJECTION FOR 2019 : 12.3 %	
Source	TÜİK, OECD & TEPAV

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THE COST OF THE MONEY	
State Bond : 21.7 % : (MARCH.'19)	
Real Cost Bank Interest Rate : 27-28% (MARCH '19)	
Source	Central Bank of Turkey & Reuters

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PRICE LEVEL : (FEB. '19)	
Consumer Price Increase.: 19.5 % ↑ (APRIL '19)	
Wholesale Price Inc. : 30.1 % ↑ (APRIL '19)	
Central Bank of Turkey PROJECTION for 2019: 14.6% (JAN '19)	
Treasure & Finance Min.PROJECTION for 2019:15.9 % (JAN '19)	
Source	TÜİK: Turkish Statistical Institute) & Central Bank of Turkey

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FOREIGN DEBT / GNP :	
2018 : 56 % ↓	
2017 : 53%	
2003: 42%	
(2028 : 100%)	
Source	Central Bank of Turkey & TÜSİAD

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MIN. WAGE % OF THE MEDIAN WAGE :	
TURKEY : 80% (JAN.'19)	
OECD : 50% (JUL.'18)	
Source	OECD

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AIR QUALITY :	
TURKEY : 24 ('15)	
OECD : 15 ('15)	
Note : Unit per thousand capita.	
Source	OECD

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QUALITY OF LIFE : (Max.10 Points)	
TURKEY: 1	
NORWAY: 9.5	
Source	OECD Turkey Survey

NOTES FOR MAY 2019 REPORT:

- 1)** Unemployment amount has increased to 872.000 in January 2019. Youth unemployment reached record level of the last 10 years.
- 2)** Discrepancy between state and NGO figures.
- 3)** TEPAV : Turkey's confidence index performance is lower than in EU-28.
- 3)** URAK study: during the 2016-18 period, the competitiveness gap among cities has widened.
- 4)** In order to balance double digit inflation, the government organized price controlled sales in 16.000 points throughout the country. In spite of this measure, wholesale prices of 294 items out of 418 increased in April 2019.
- 5)** Budget balance has been deteriorating from April 2018 to April 2019. Deficit increased by 77 % during that period.