



Türkei: Stand der Wirtschaft

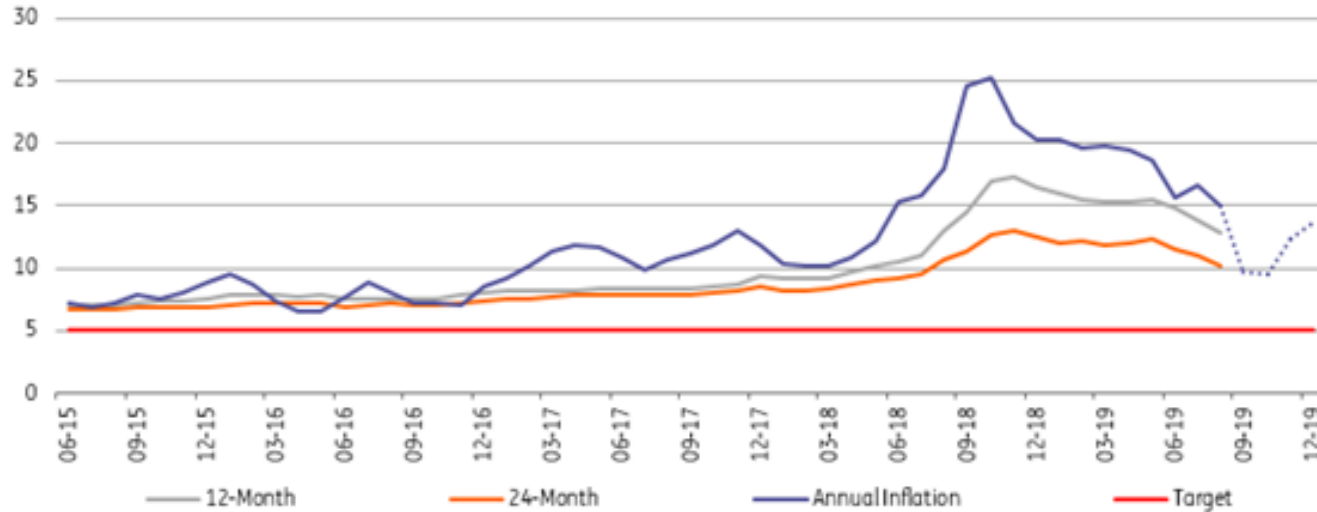
Dr. Markus C. SLEVOGT

3. September 2019

Das große Bild

- ❑ Escalation in US-China tariff war
- ❑ Slowing US growth
- ❑ Long recession in Germany
- ❑ Chinese debt crisis
- ❑ Chinese industrial production growth is at a 30-year low at 4.8%
- ❑ Brexit
- ❑ Financial market jitters
- ❑ String of Emerging Markets in recession

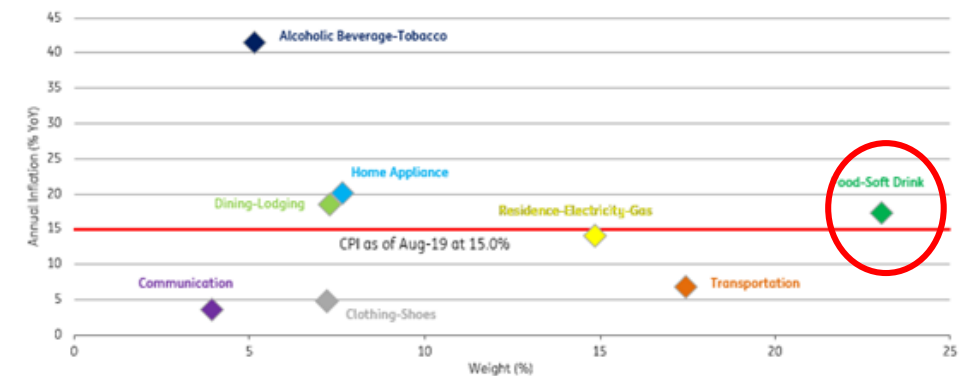
Inflation



Source: TurkStat, ING Bank

“Turkish inflation will follow a much more positive trend in the rest of the year,” Treasury and Finance Minister Berat Albayrak said on Nov. 5, adding that the worst is over for Turkey regarding inflation.

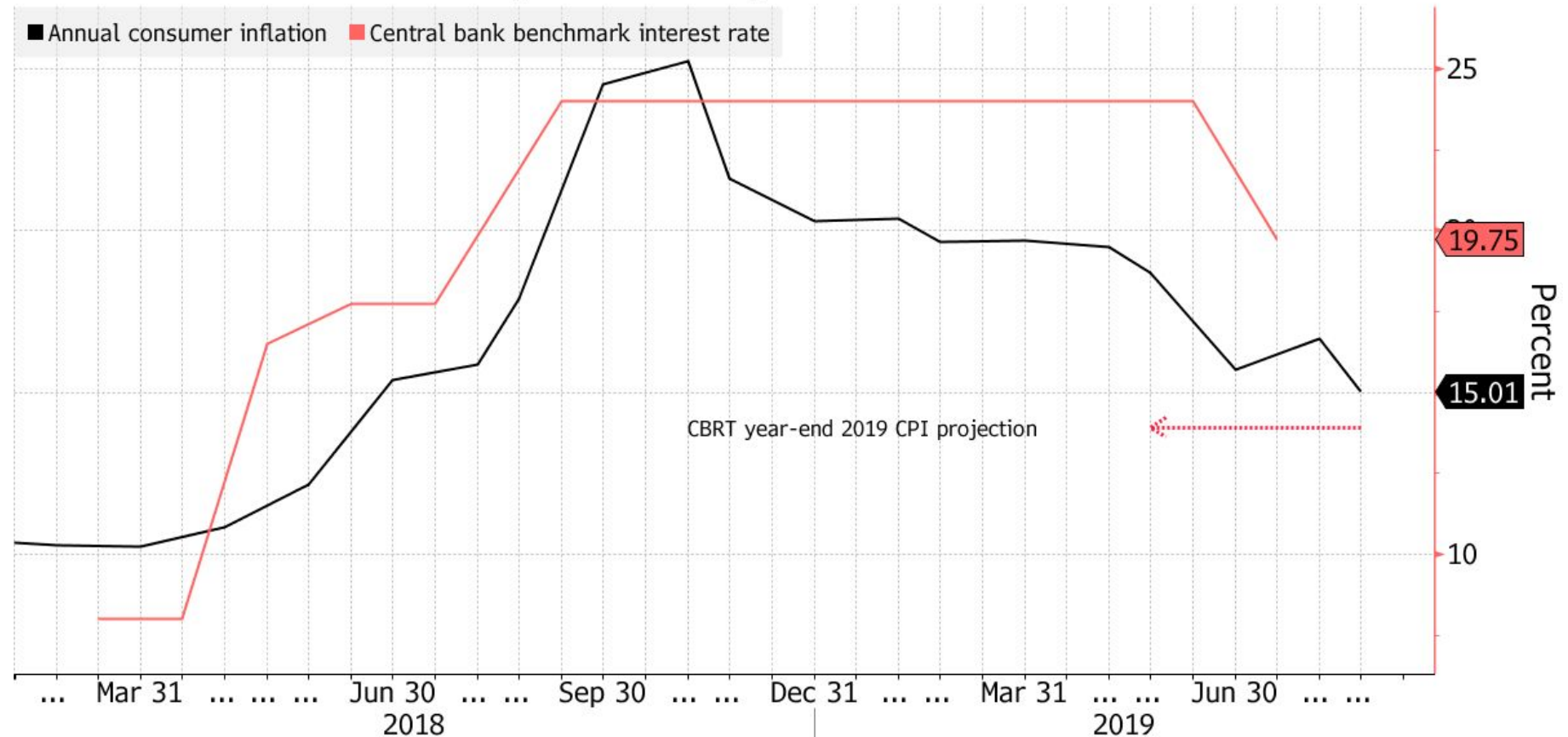
“We expect a pronounced drop in the second half of this year due to supportive base effects.” (ING Bank Turkey, March 4th, 2019)



Zinsen

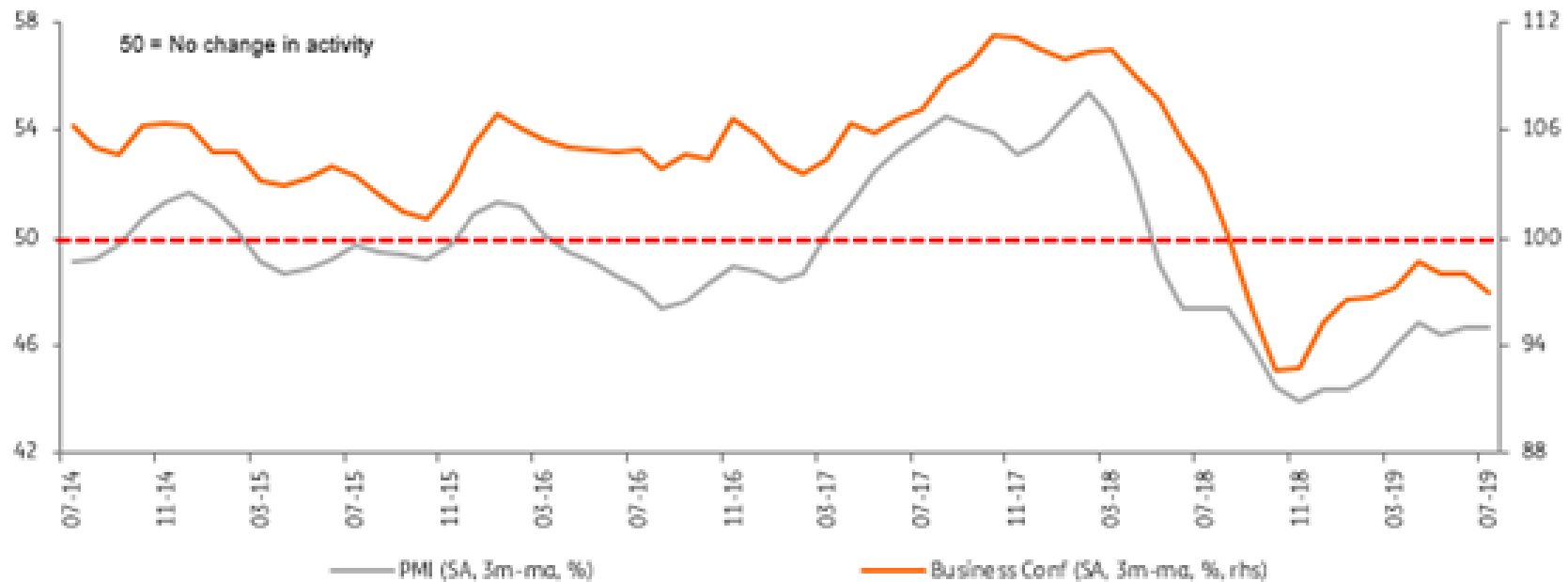
Cuts Ahead

Turkish inflation slowdown paves the way for more rate cuts



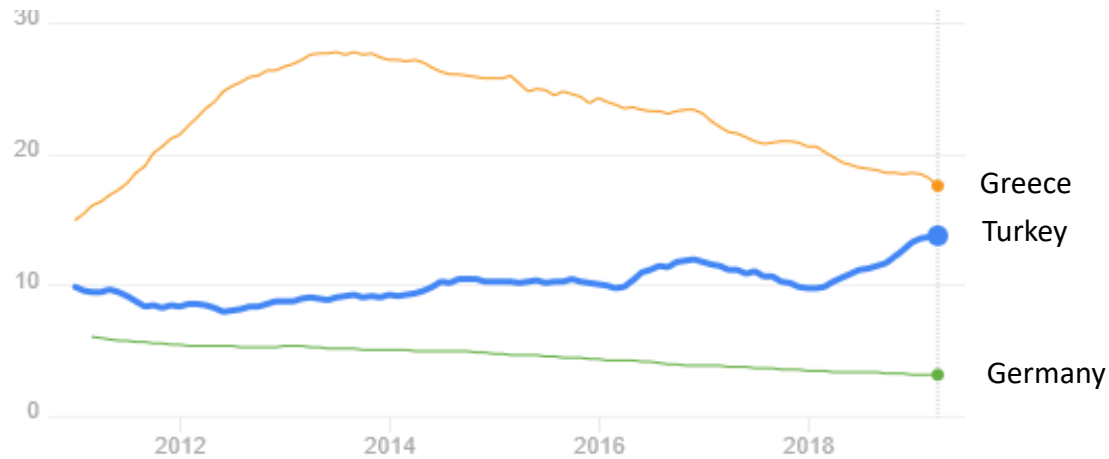
Source: CBRT, Turkstat

Confidence

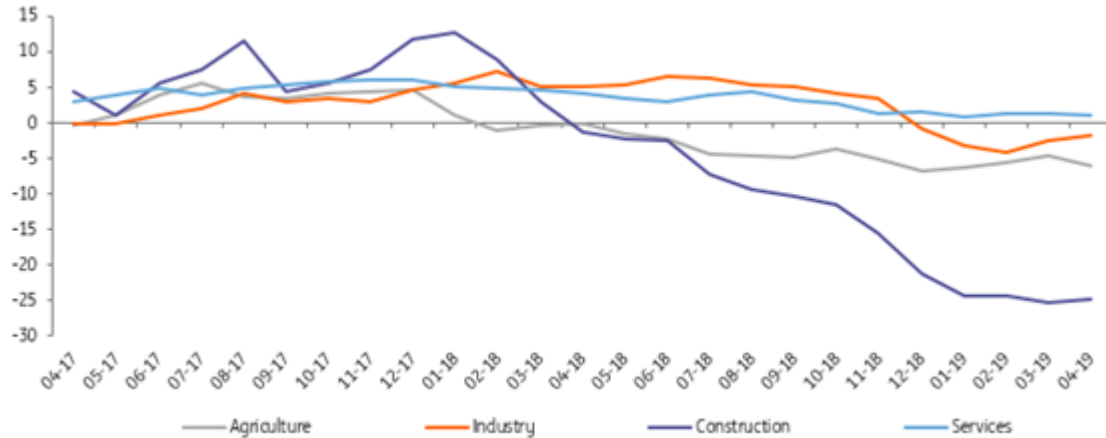


"After hitting a bottom of 42.7 in September 2018, Turkey's PMI [Purchasing Managers' Index] bounced back. But this recovery has stalled in recent months, reflecting the weakness of the rebound fuelled by stimulus measures and an expansionary fiscal stance." (ING Bank Turkey, August 2019)

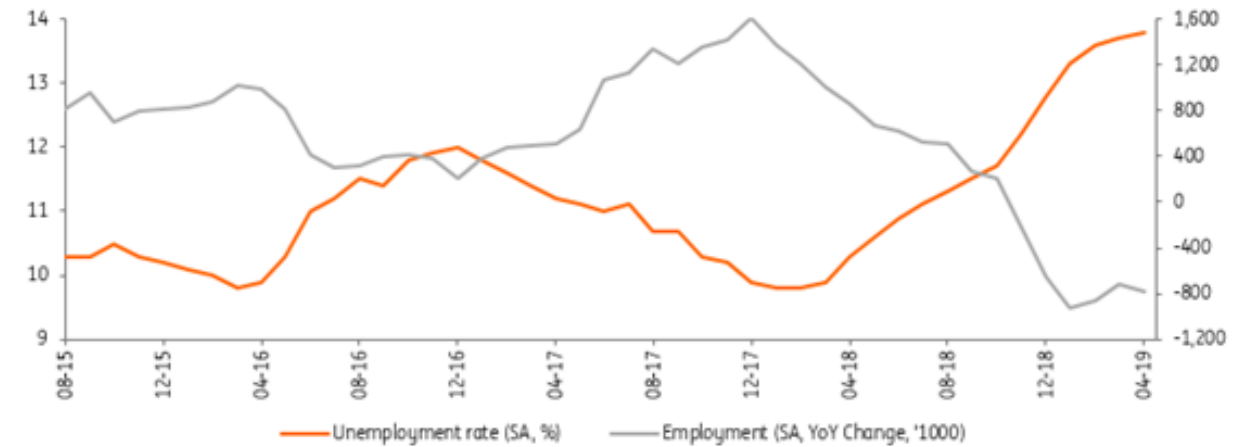
Arbeitslosigkeit



Source: EuroStat



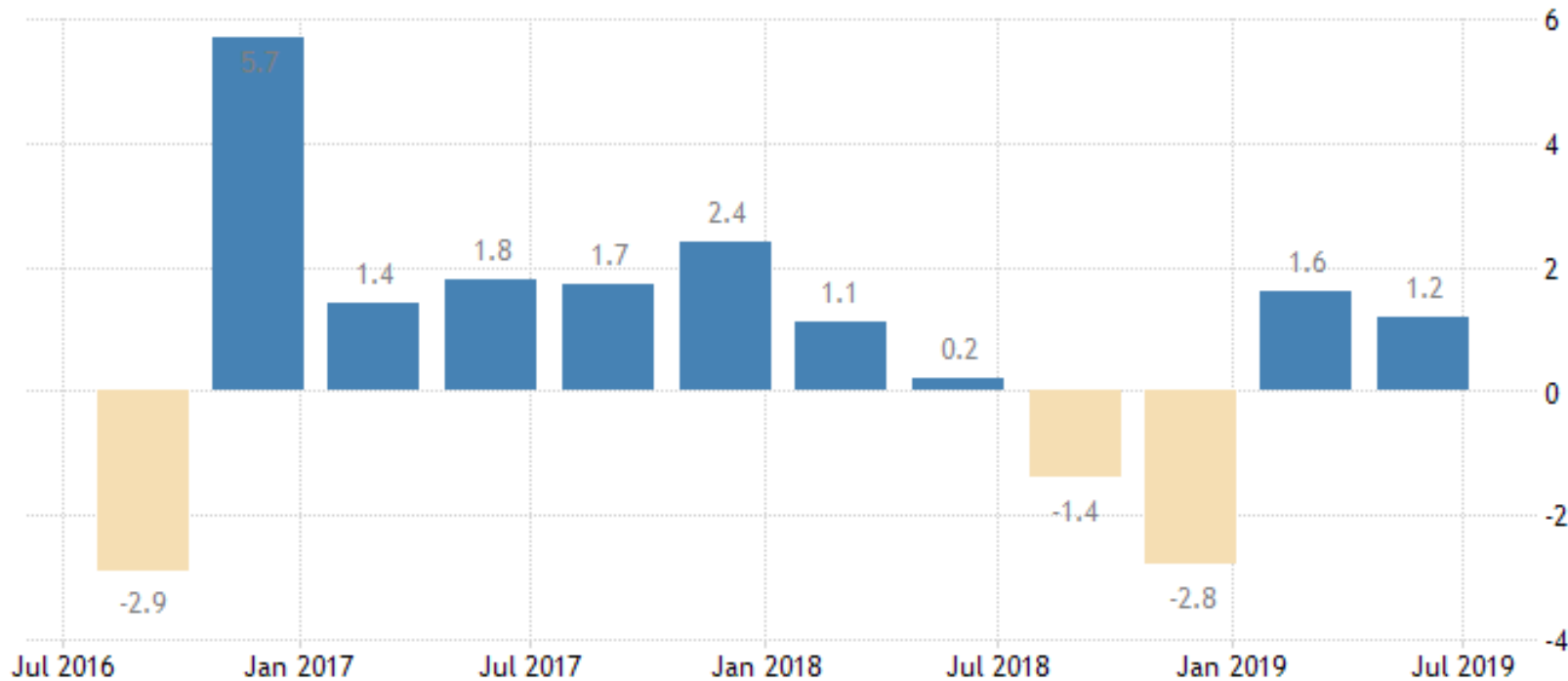
Source: TurkStat, ING Bank



Source: TurkStat, ING Bank

"Overall, unemployment data hints at continuing strains in the labour market, though to a much lesser extent than in August 2018, given the support from the government subsidy to social security contributions of large firms and recovering activity. However, employment conditions are likely to remain challenging in the near term given still sub-par economic performance." (ING Bank Turkey, July 2019)

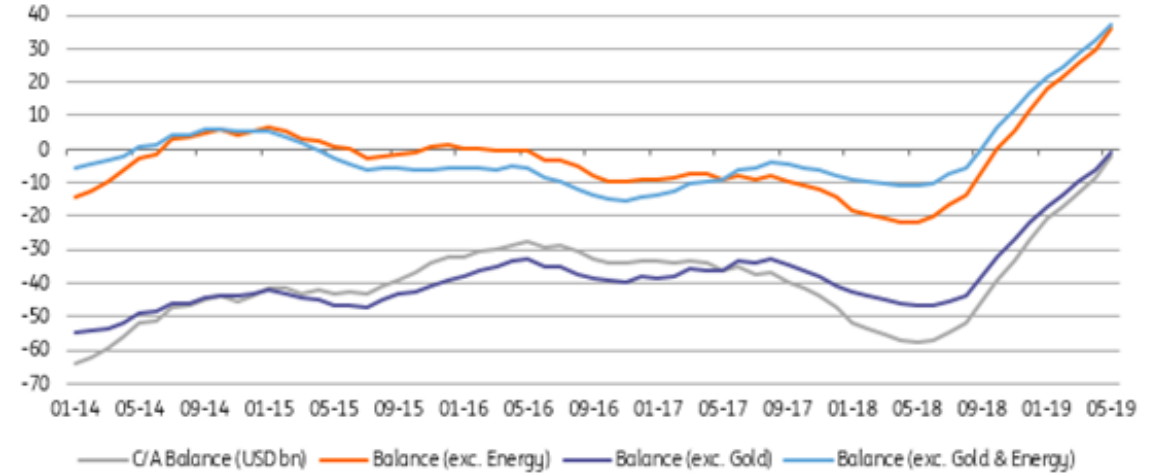
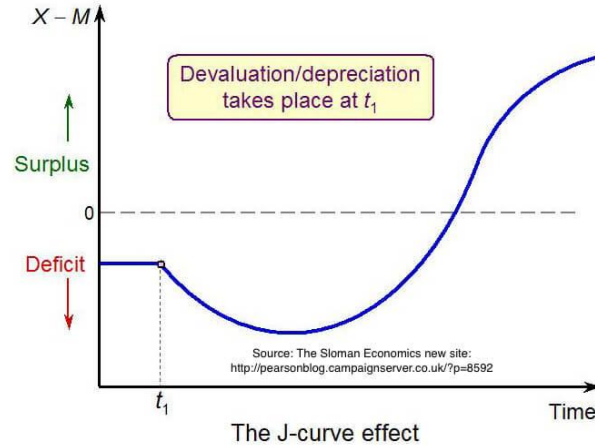
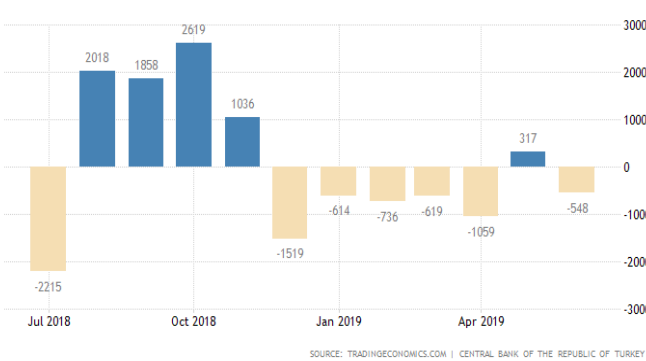
Wachstum



SOURCE: TRADINGECONOMICS.COM | TURKISH STATISTICAL INSTITUTE

- ❑ Main growth drivers: **Government Spending, Export**
- ❑ Growth Quality: “The deepening **decline in fixed investments is a worry**, particularly given negative repercussions for the supply side of the economy in the coming years.” (Deutsche Bank, Sept. 2nd, 2019)
- ❑ The median estimate in a Bloomberg survey of economists sees the **economy shrinking 1.5%** in 2019, the first annual contraction since 2009.

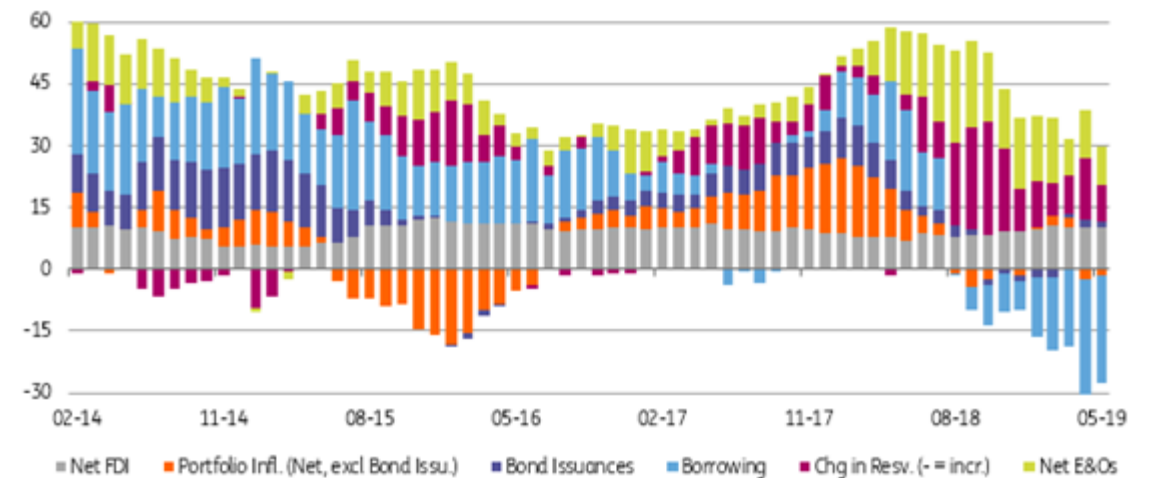
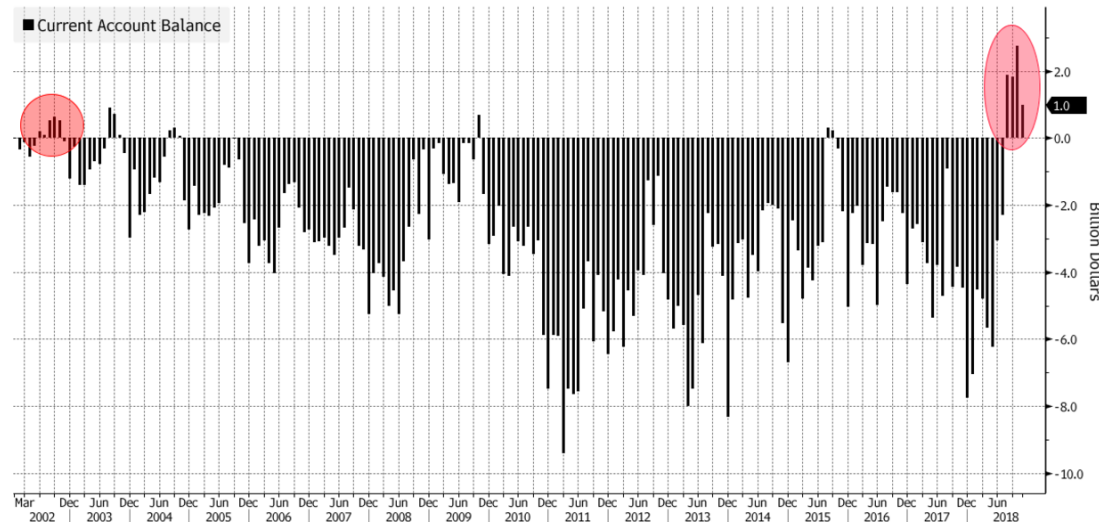
Leistungsbilanzdefizit



Source: CBT, ING Bank

Running Surplus

Turkey posted current-account surplus for fourth month in a row



Probleme

International:

- ❑ Syria (US, Russia, Iran, Assad, Kurds/YPG, Islamic State (ISIS), others...)
- ❑ S 400 & US Sanctions, Countering America's Adversaries Through Sanctions Act (CAATSA)
- ❑ F35 / Russian Su-35 and Su-57 jets

National:

- ❑ Economy
- ❑ Political tension
- ❑ Syrian refugees



Währung

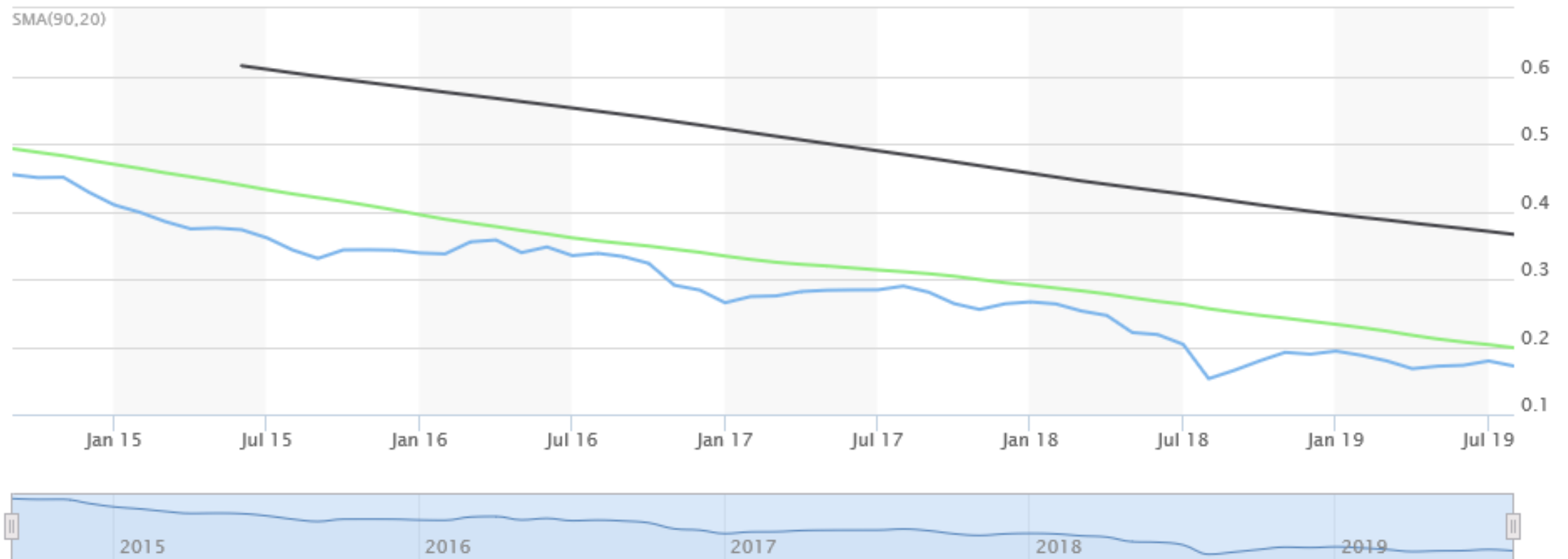
*"The lira will come under pressure from a deepening economic contraction, upside risks to stubbornly high inflation, a wide balance-of-payments gap, a "bleak" outlook for the nation's banks which face a mounting pile of bad loans, and a **"de facto dollarization"** of the economy."* (TD Securities, March 1st, 2019)

TRY to USD Chart

18 Aug 2013 00:00 UTC - 17 Aug 2018 15:57 UTC TRY/USD close:0.16506 low:0.14247 high:0.51570



Währung



**"Für März 2020 vermuten wir 9,30 Lira gegenüber dem Euro
und 7,75 Lira gegenüber dem Dollar. " (Commerzbank, Juli 2019)**

CDS - Entwarnung?

Turkey - 5 Years CDS



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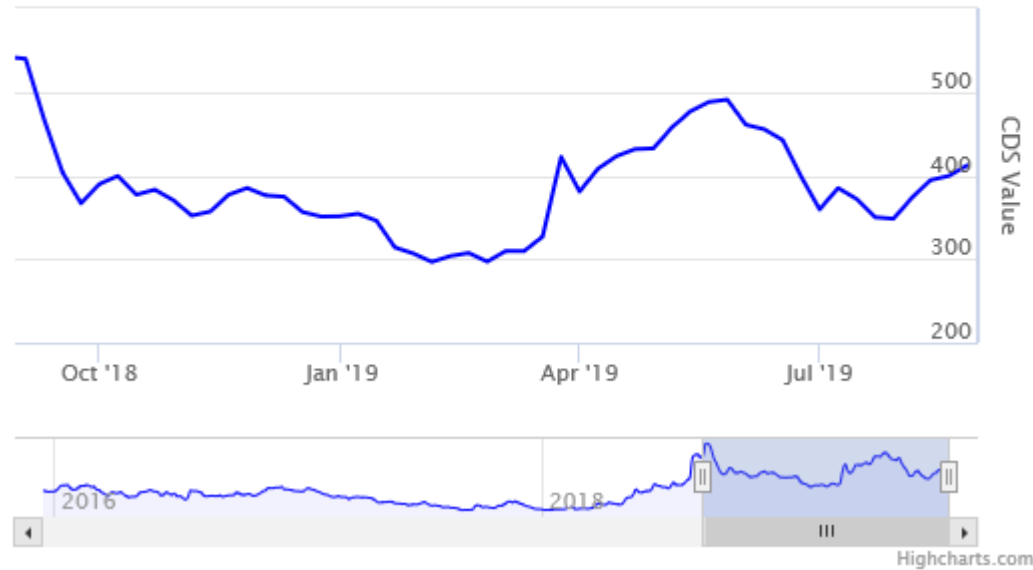


CDS - Entwarnung?

Turkey - 5 Years CDS

Zoom 1m 3m 6m YTD 1y All

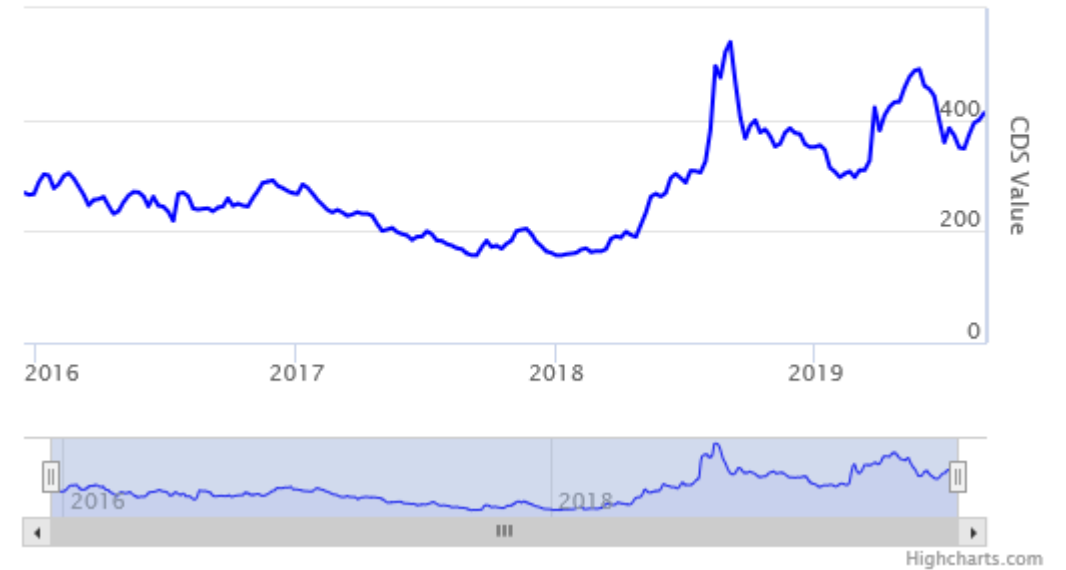
From Aug 30, 2018 To Aug 30, 2019



Turkey - 5 Years CDS

Zoom 1m 3m 6m YTD 1y All

From Dec 14, 2015 To Aug 30, 2019

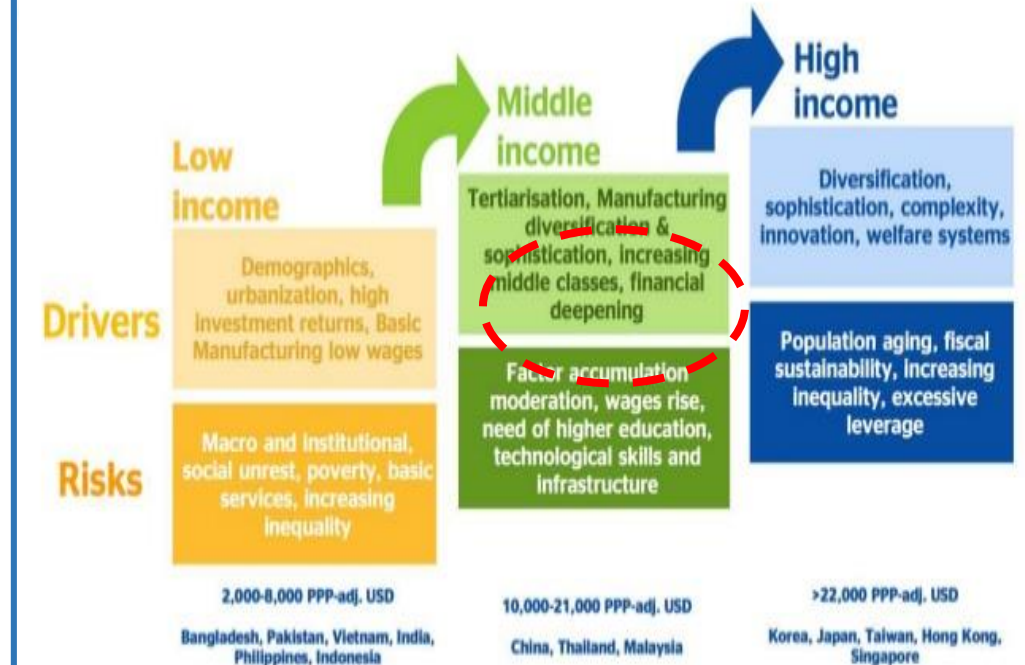
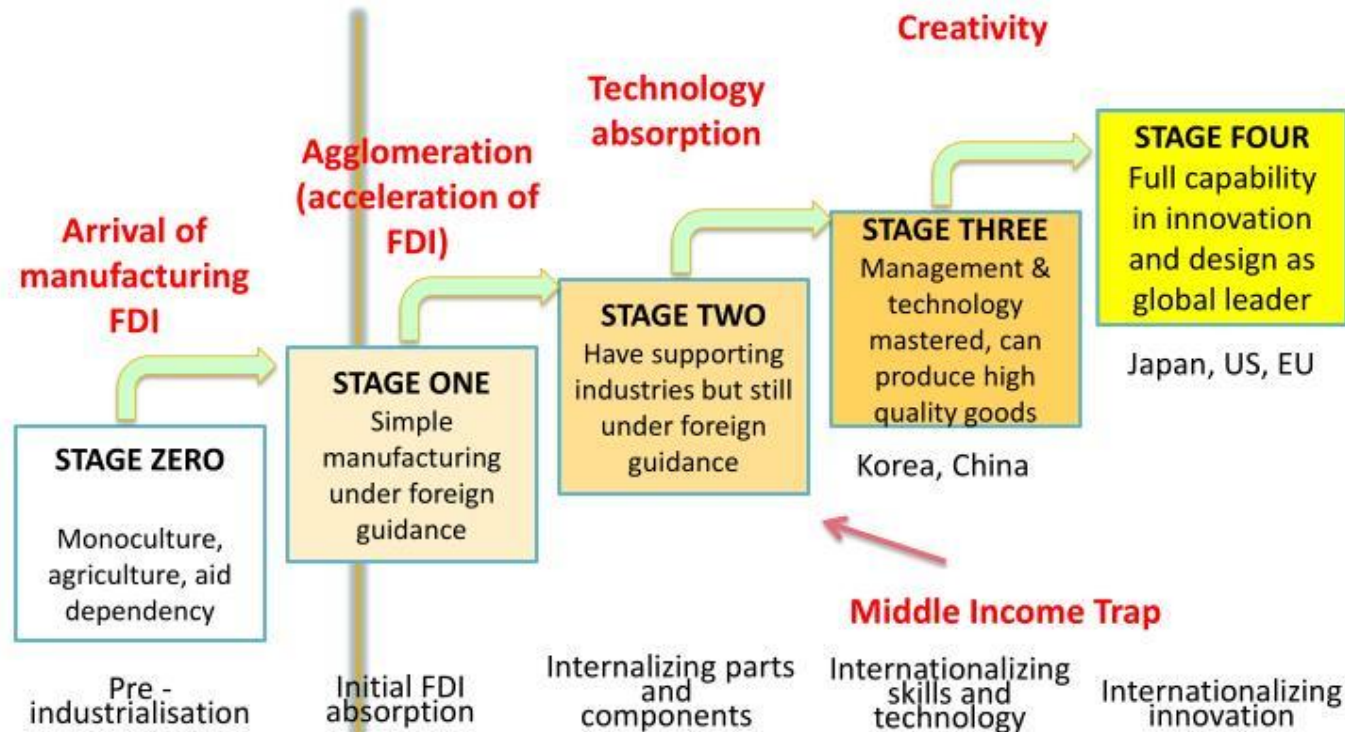


Middle Income Trap

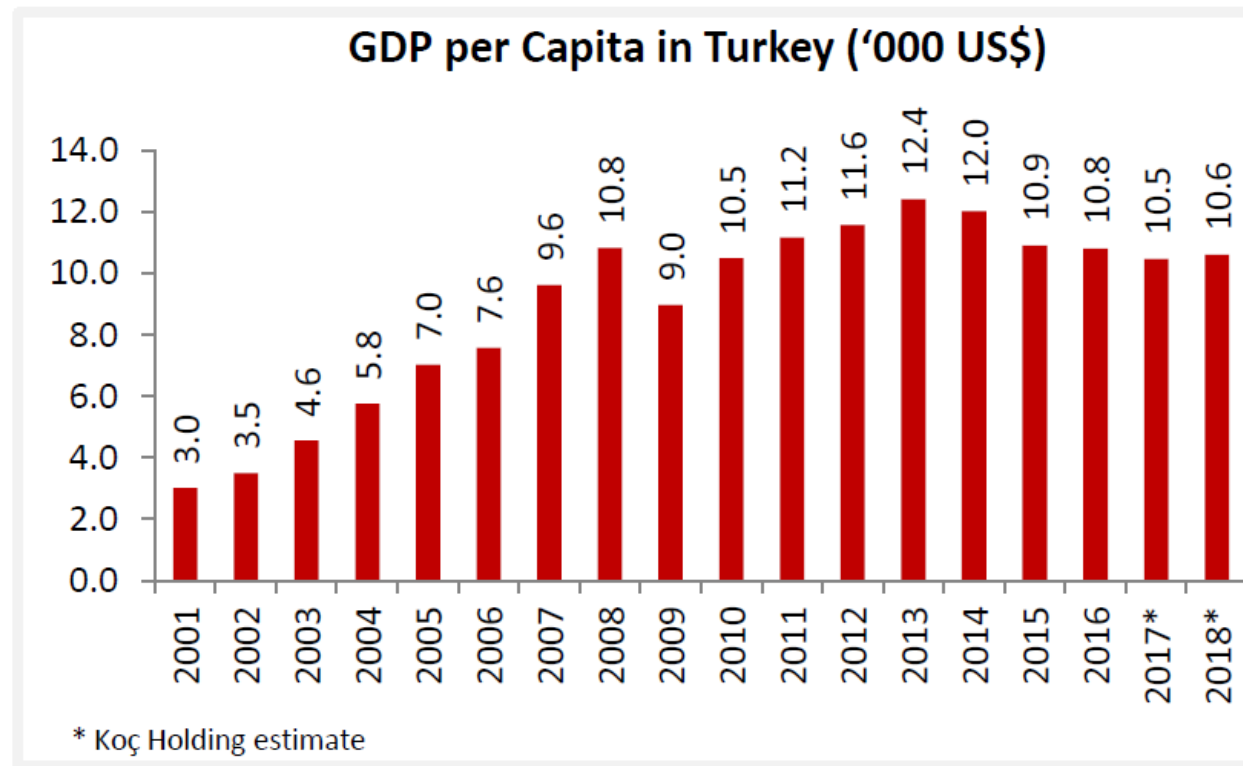


PARTNER FOR PROSPERITY

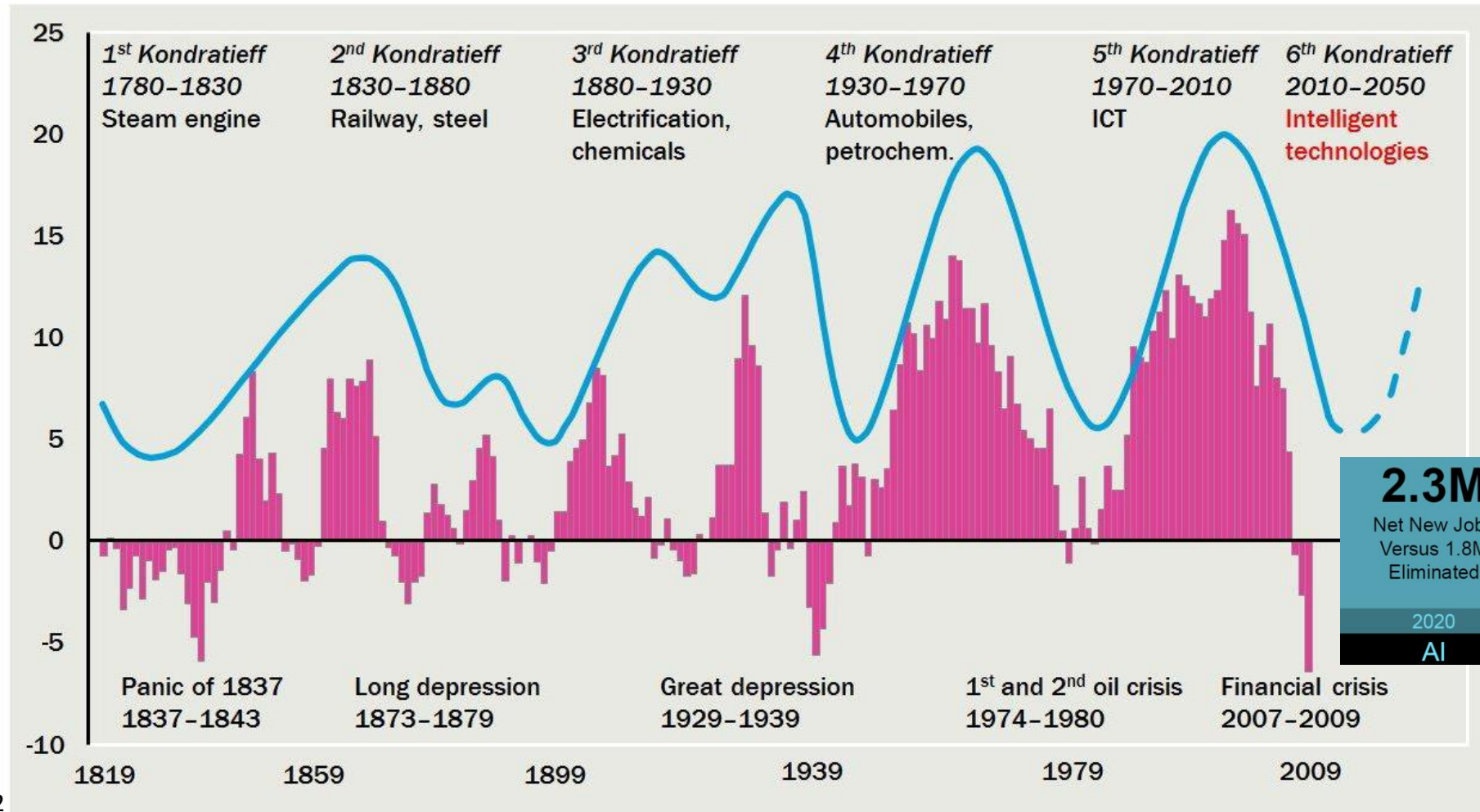
Stages of catching-up Industrialization



Middle Income Trap



Big Picture - Kondratieff



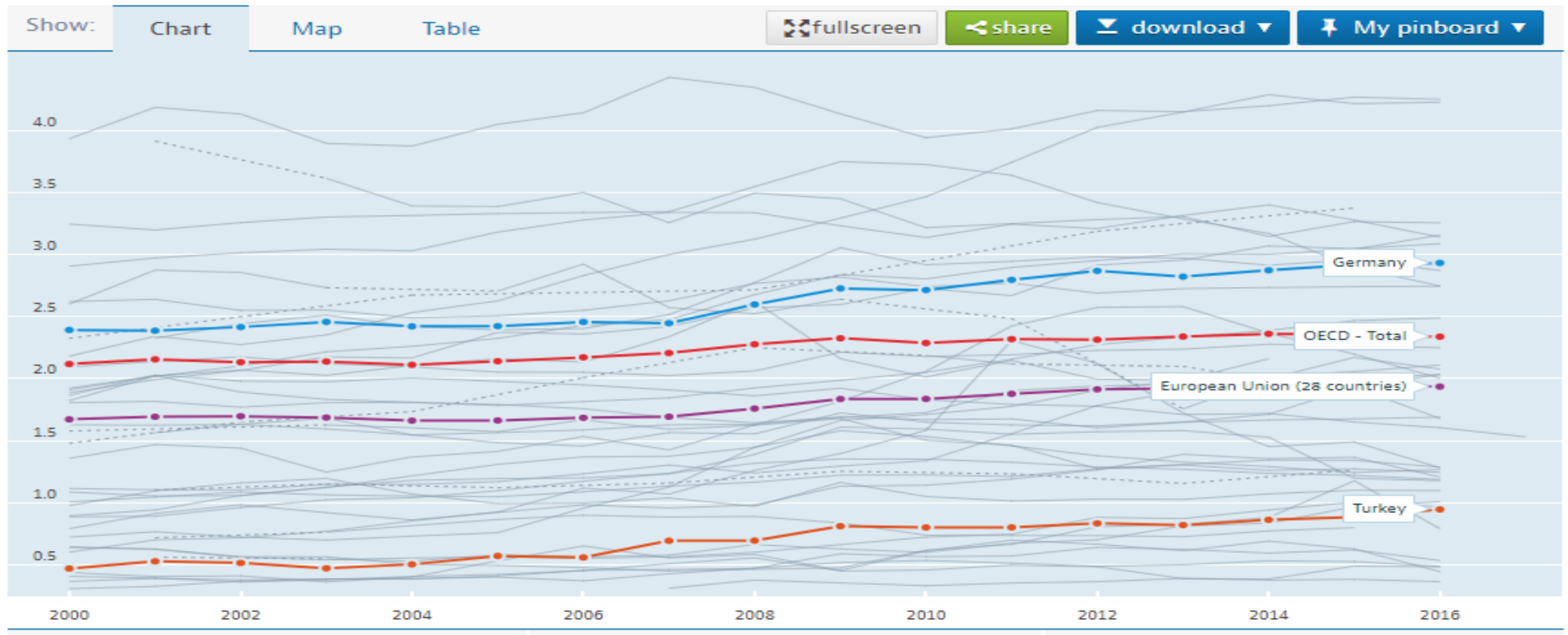
Source:
Gartner
2018

Source: Markku
Wilenius/Sofi Kurki, 2012

Forschung und Entwicklung

Gross domestic spending on R&D Total, % of GDP, 2000 – 2017

Source: Main Science and Technology Indicators



2001 Replay with V, J or U Shape?

