

WIDEN YOUR  
WORLD



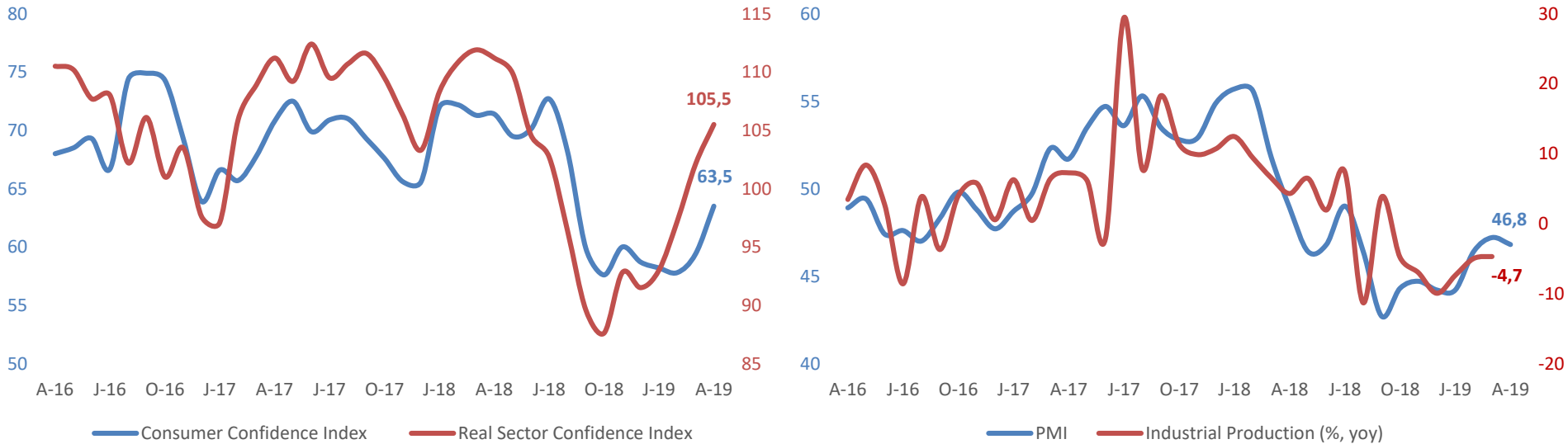
# TURKEY: RECENT DEVELOPMENTS

## January – April 2019



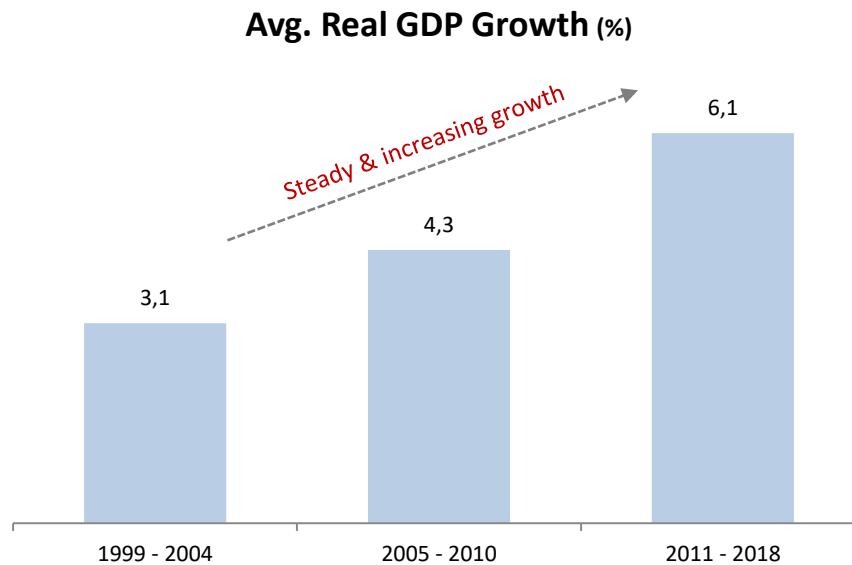
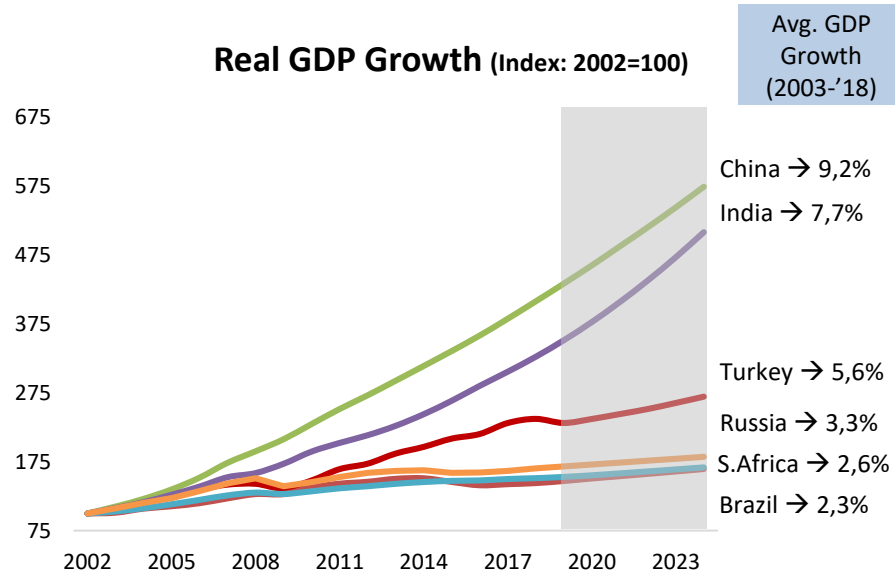
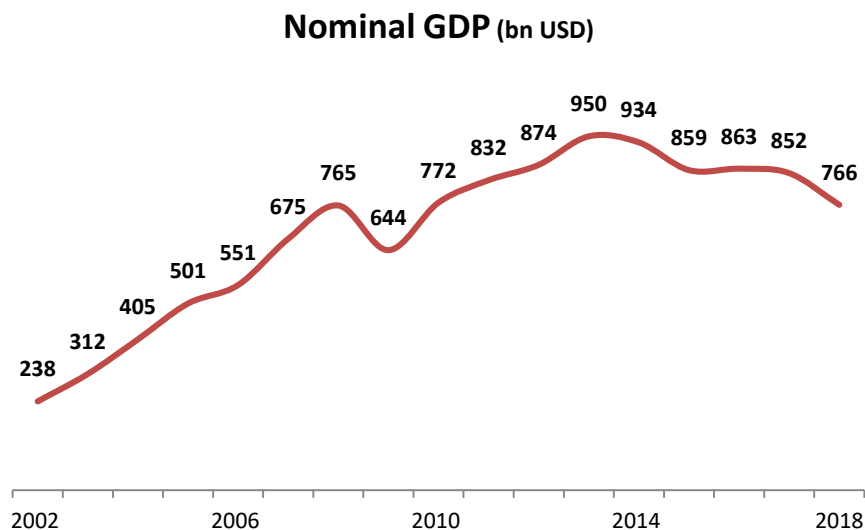
# Economy is recovering after the currency shock in August 2018

CBRT Survey of Expectations (end of 2019)	Forecast (as of May 2019)
CPI	16,7%
GDP	0,3%
Current Account (bn USD)	-14,7
USDTRY	6,43

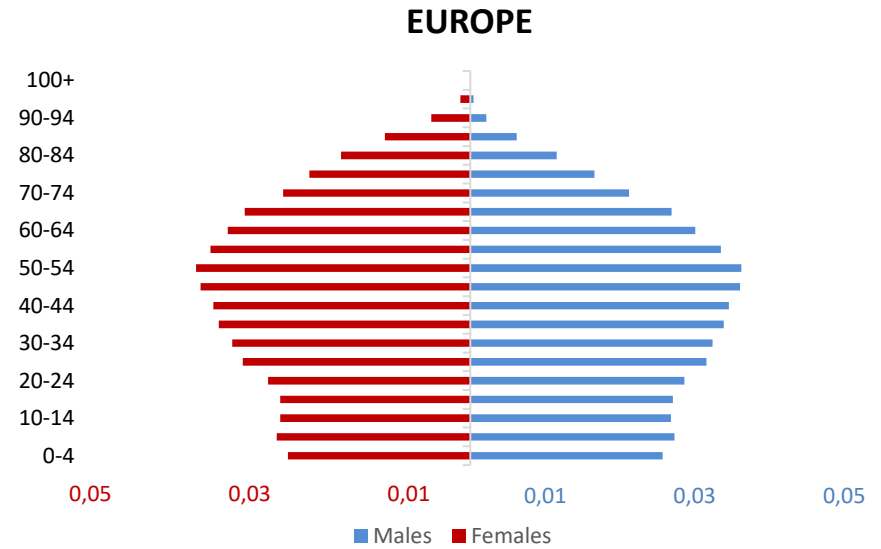
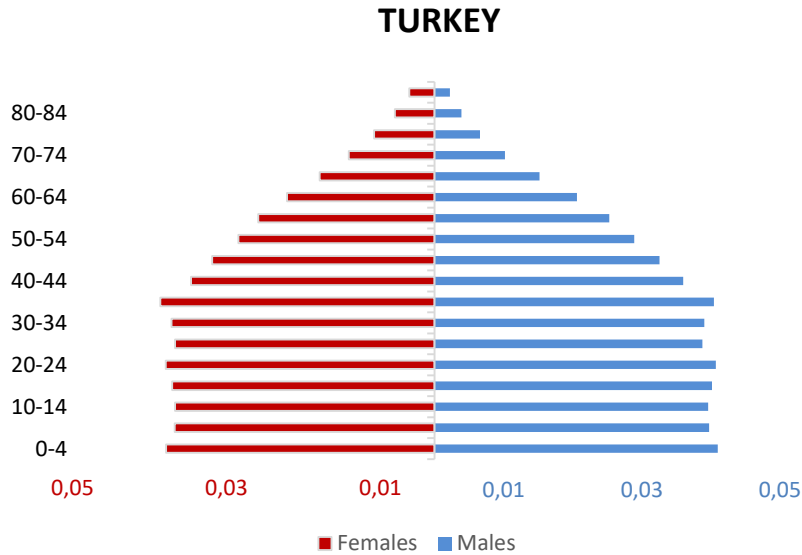


\* Source: CBRT  
 \*\* as of May 2019

# Nominal GDP quadrupled in last 15 years

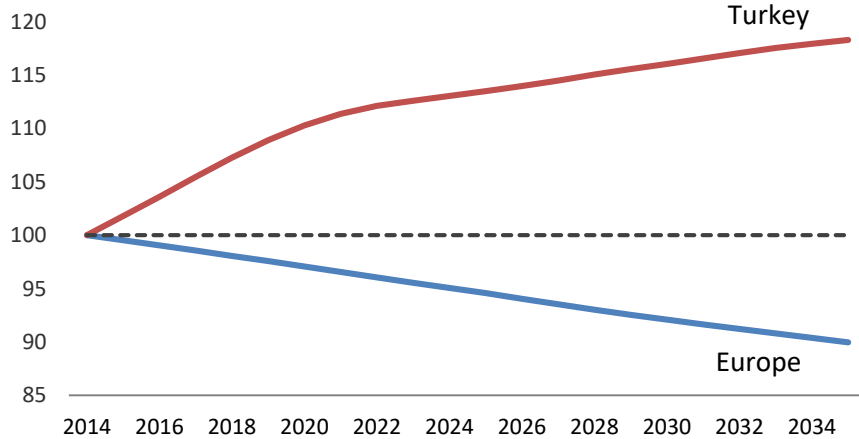


# Favourable Demographics: Half of population under age 30



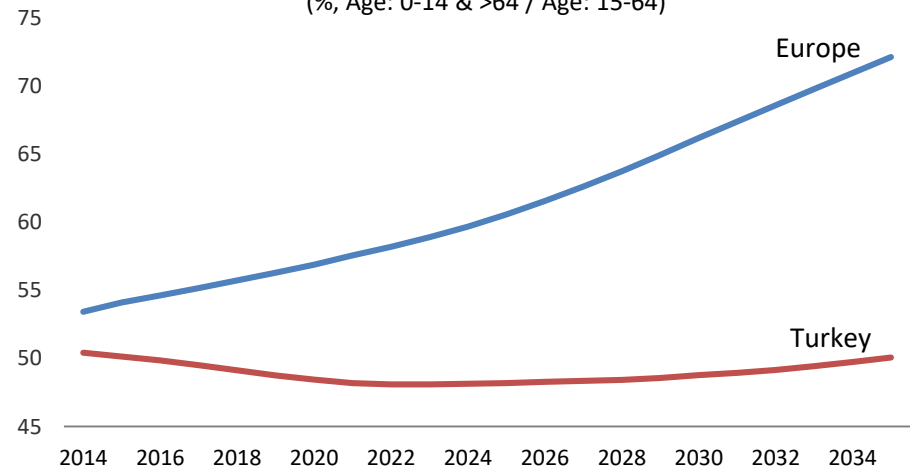
### Working Age Population

(15-64) (Index: 2014=100)



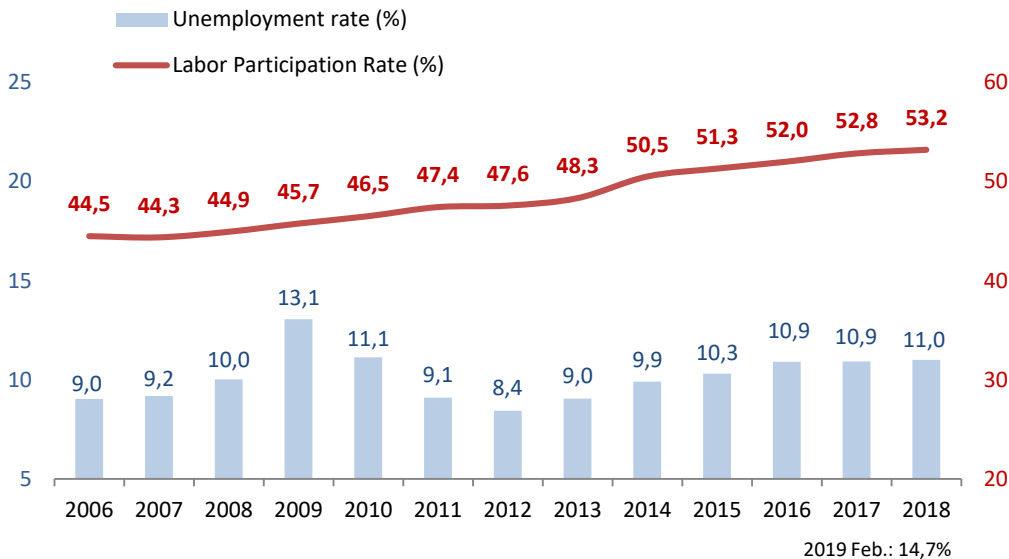
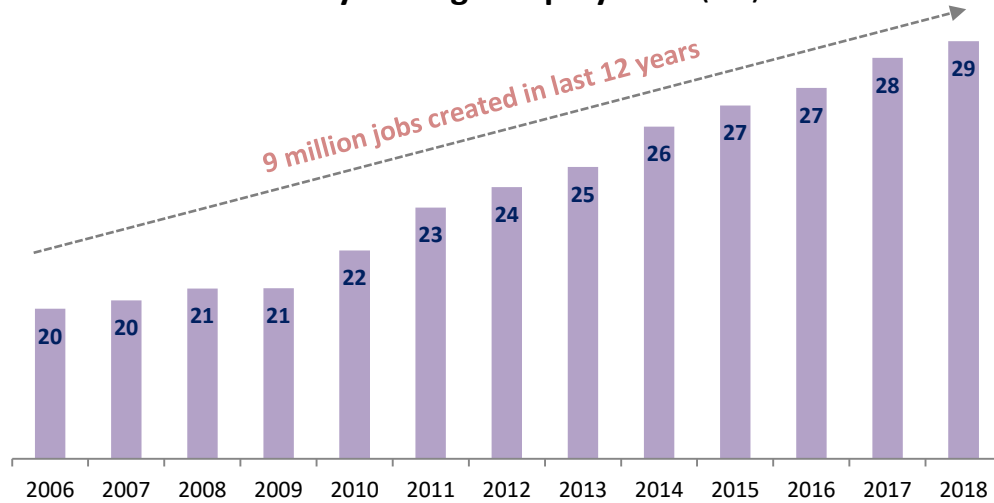
### Total Dependency Ratio

(%, Age: 0-14 & >64 / Age: 15-64)



# High potential with young population and improving workforce

Yearly Average Employment (mio)



2014-18 avg.  
827k

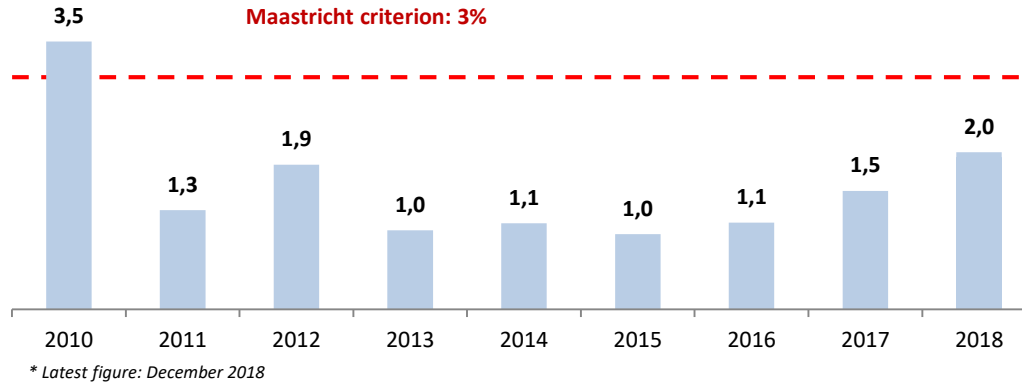


700k new job is created  
between 2006-18 in each  
year averagely.

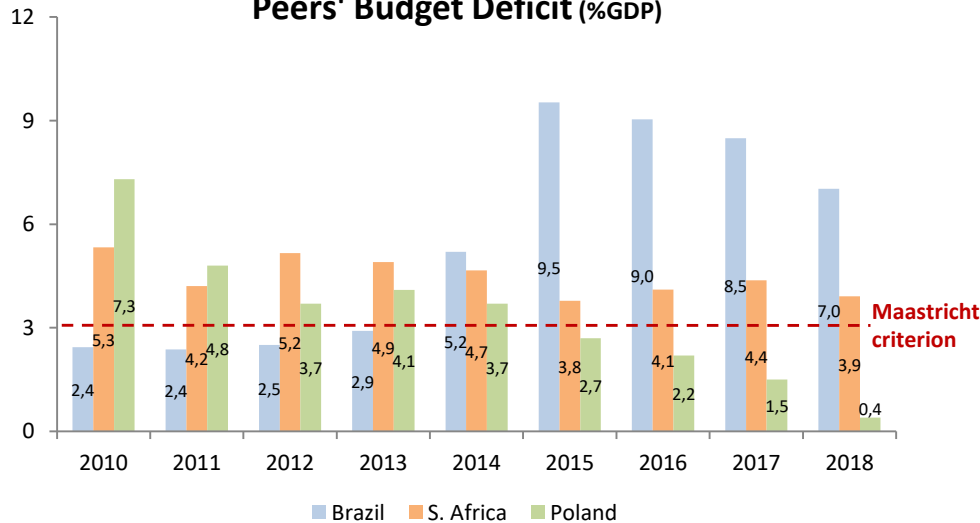
2006-13 avg.  
621k

# Strong fiscal discipline has been the main pillar of economic policy

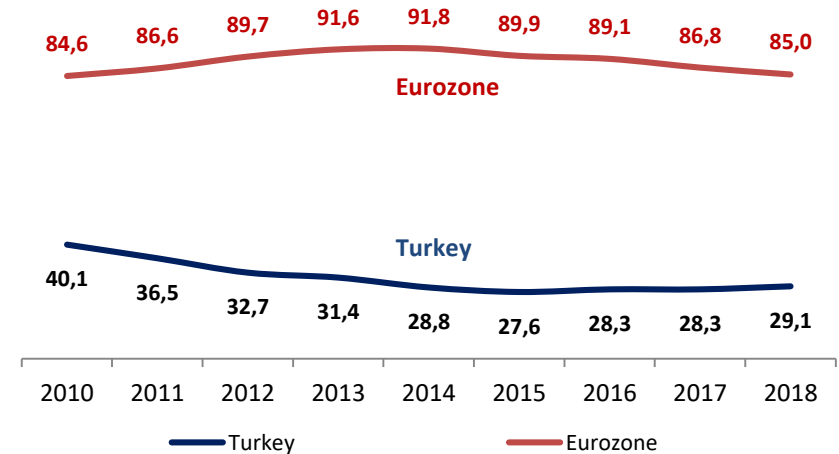
## Budget Deficit (%GDP)



## Peers' Budget Deficit (%GDP)

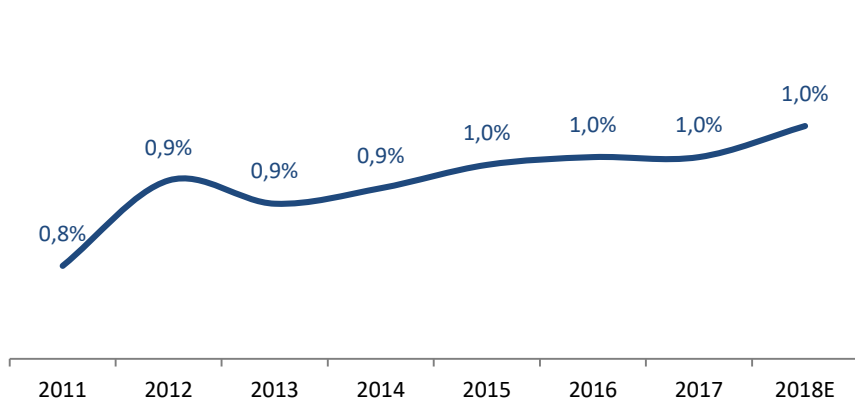


## General Government Debt Stock (%GDP)

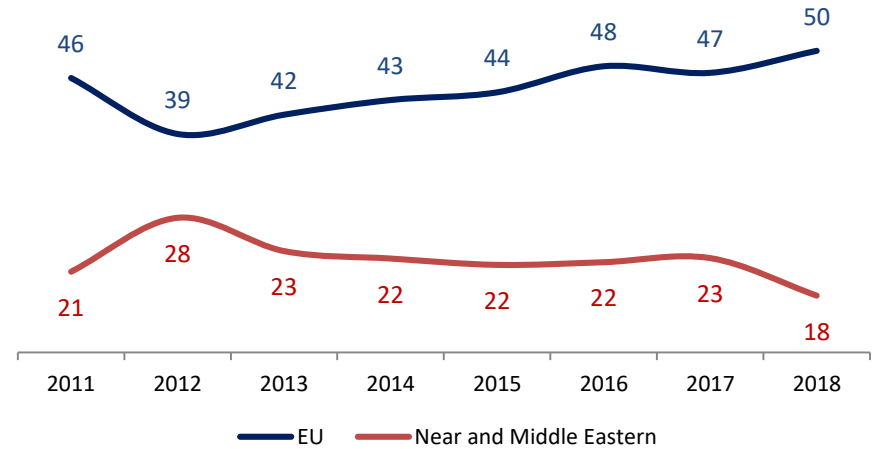


# Decreasing trade gap with diversified export markets

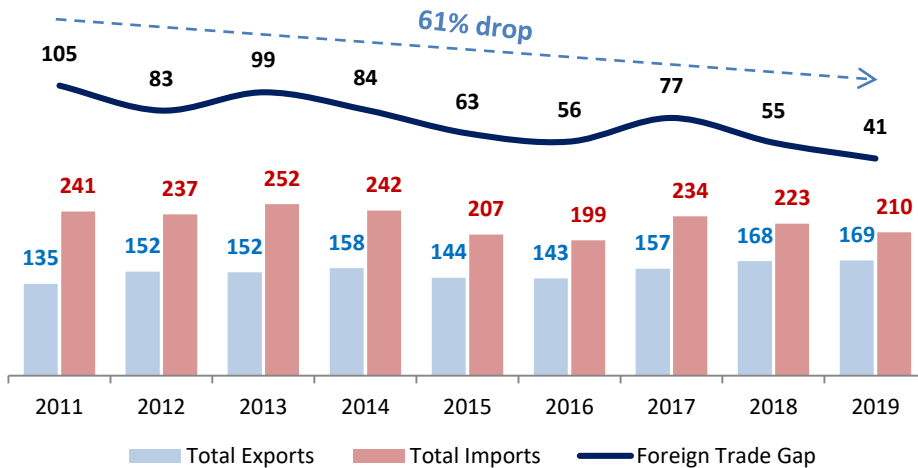
## Turkey's Share in World Total Export



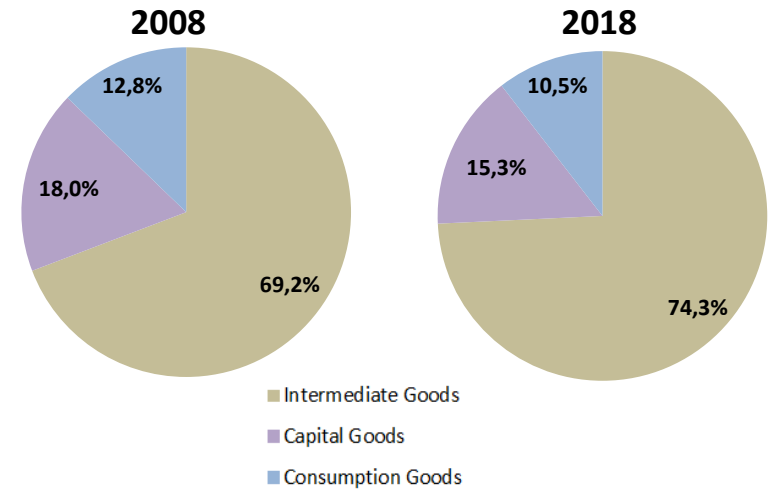
## Exports (% of total)



## Trade Balance (bn USD, 12-month cumulative)



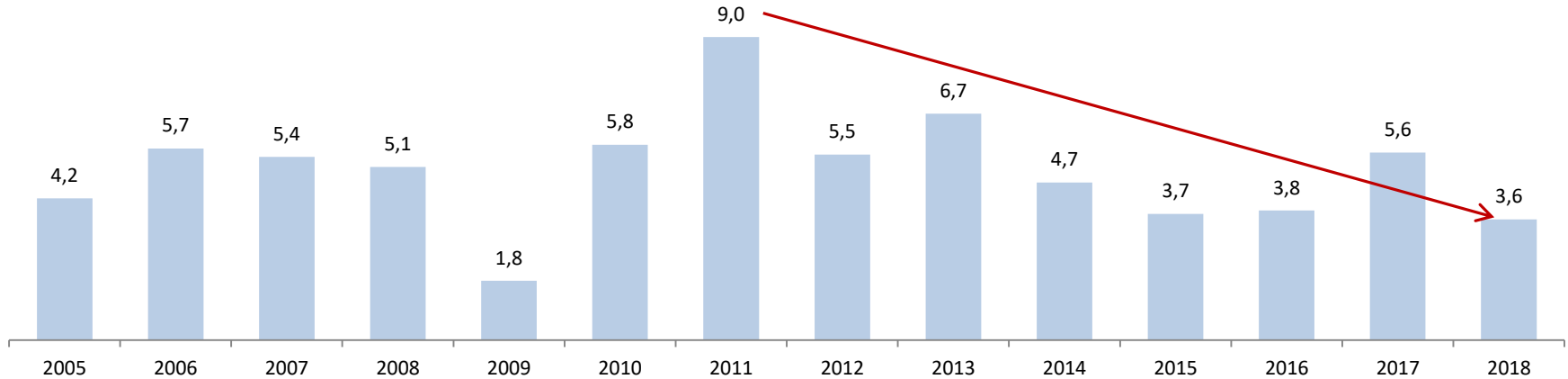
## Composition of Imports (%)



\* Latest figure: February 2019

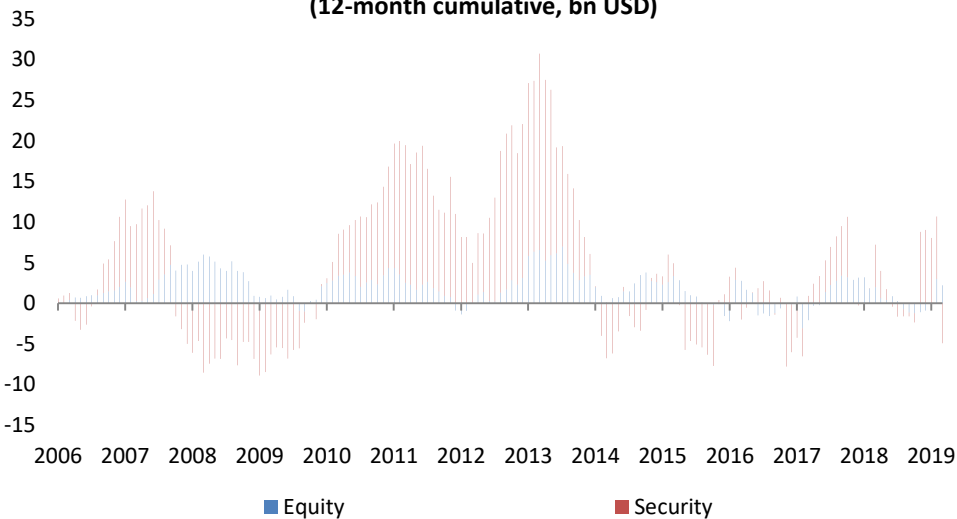
# Current account deficit is decreasing

## Current Account Deficit (% GDP)

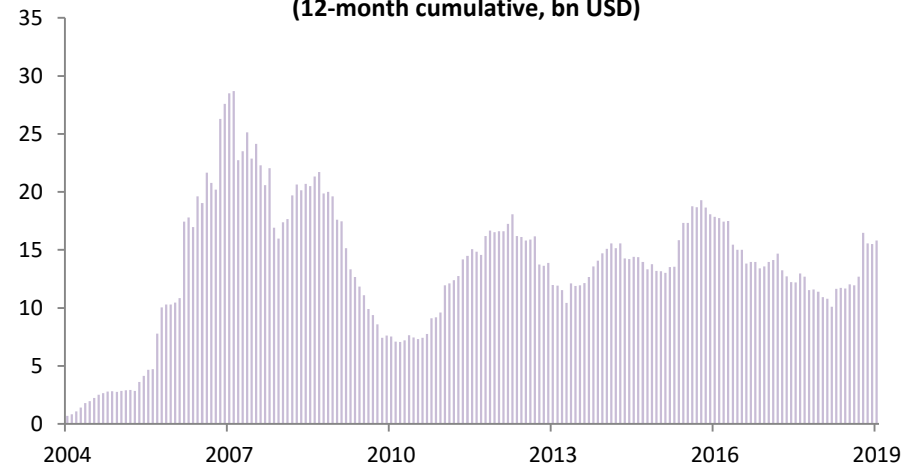


\* 2019 IMF forecast: -0,7%  
\*\* Latest figure: Q4, 2018

## Portfolio Inflows (12-month cumulative, bn USD)

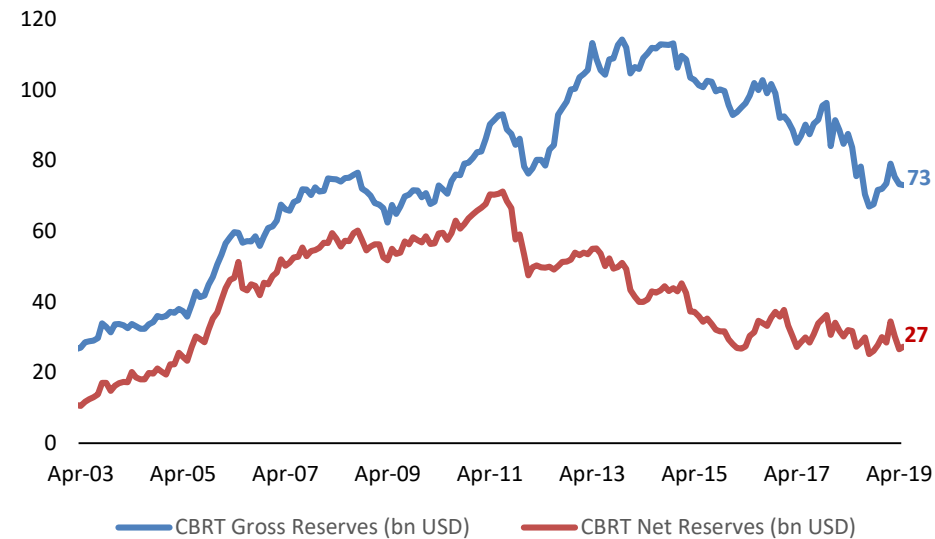
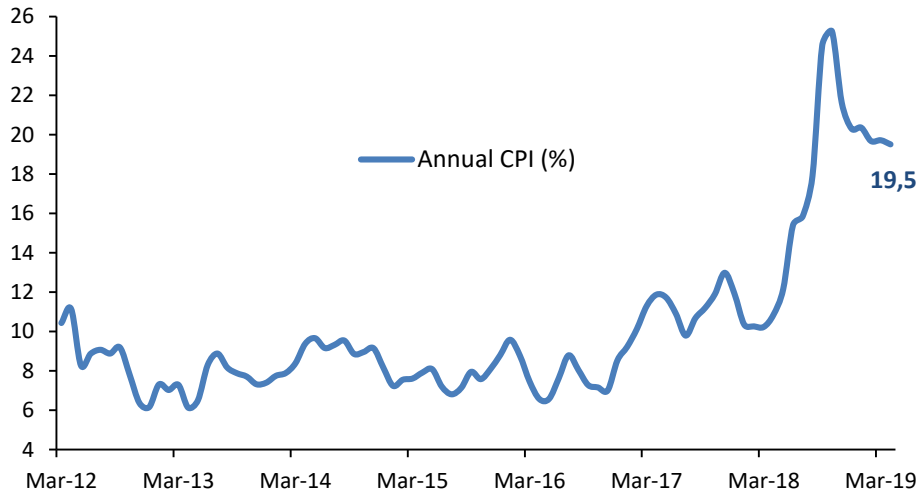
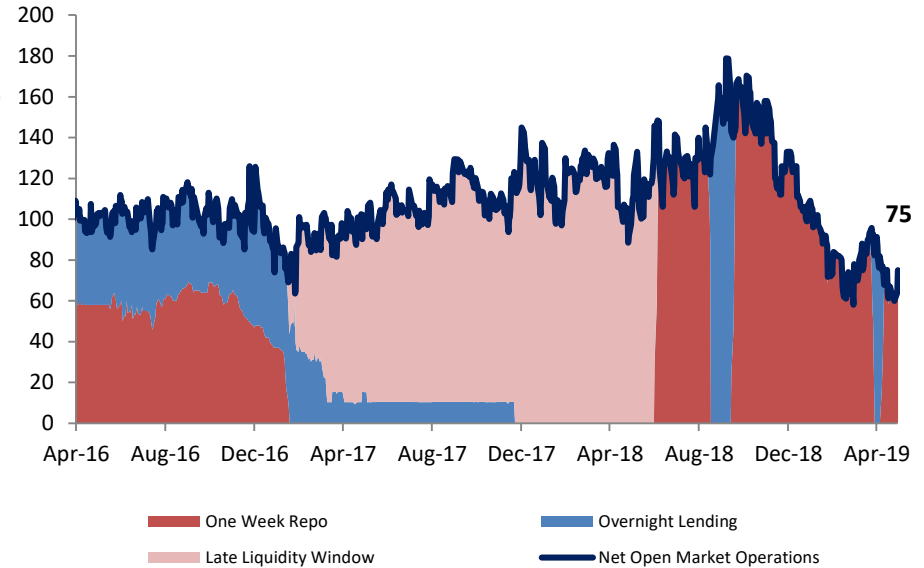
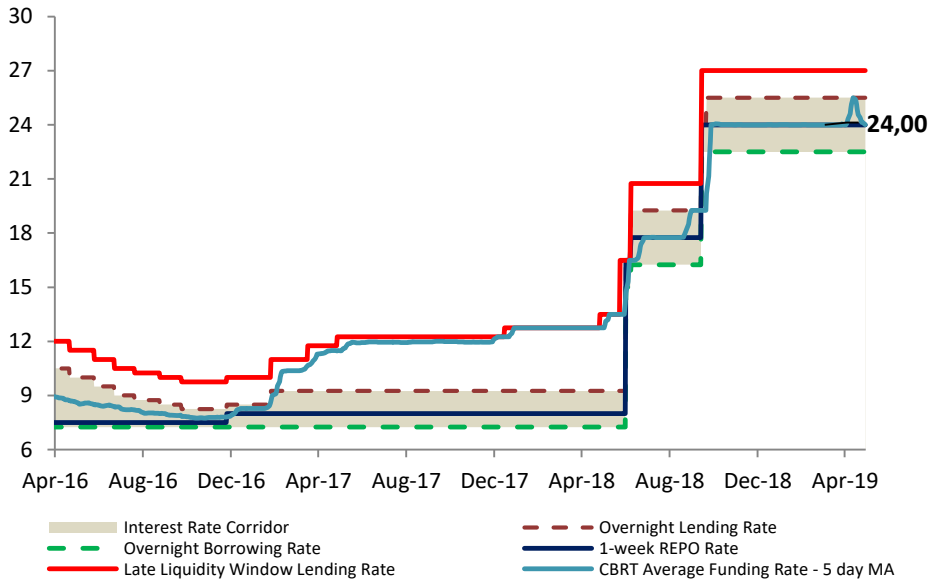


## Foreign Direct Investment Inflows (12-month cumulative, bn USD)



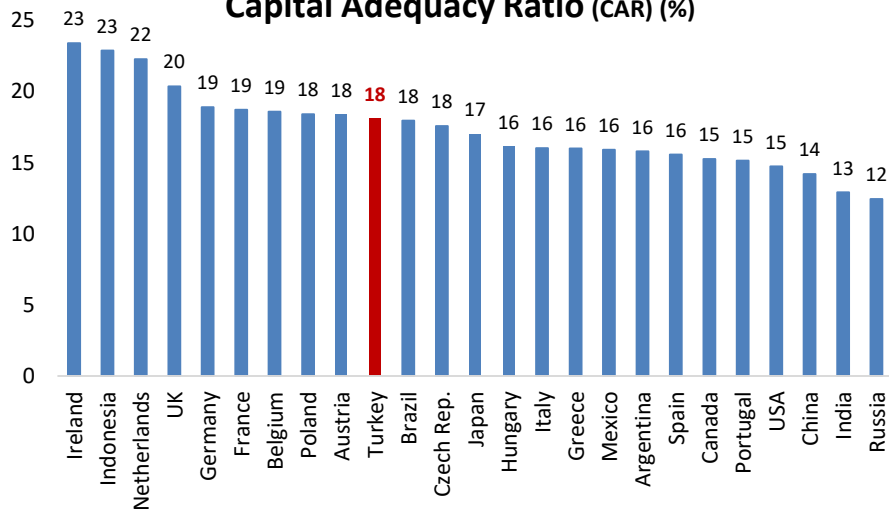


# Central bank is implementing tight monetary policy

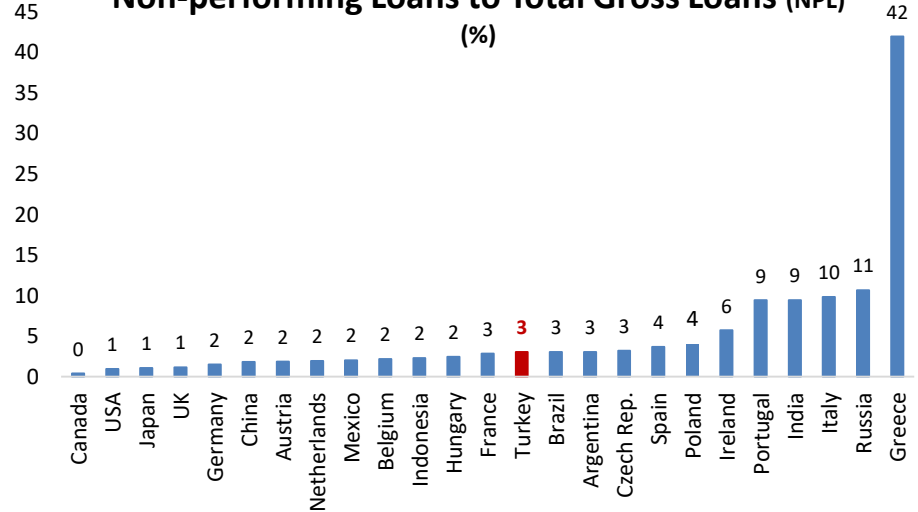


# Well capitalized, strong banking sector attracts foreign interest

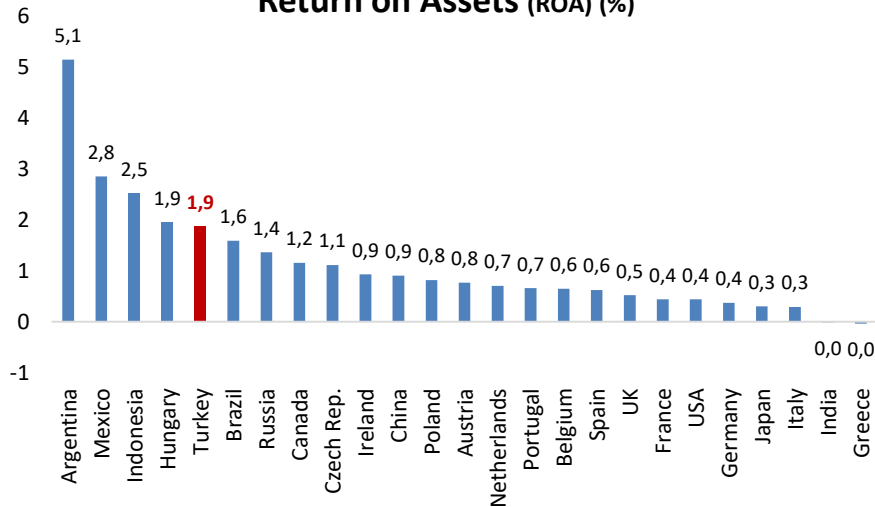
### Capital Adequacy Ratio (CAR) (%)



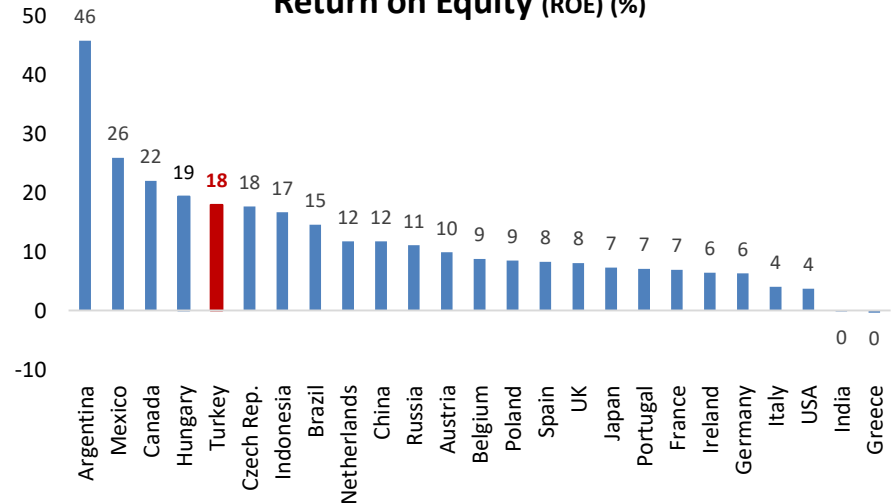
### Non-performing Loans to Total Gross Loans (NPL) (%)



### Return on Assets (ROA) (%)



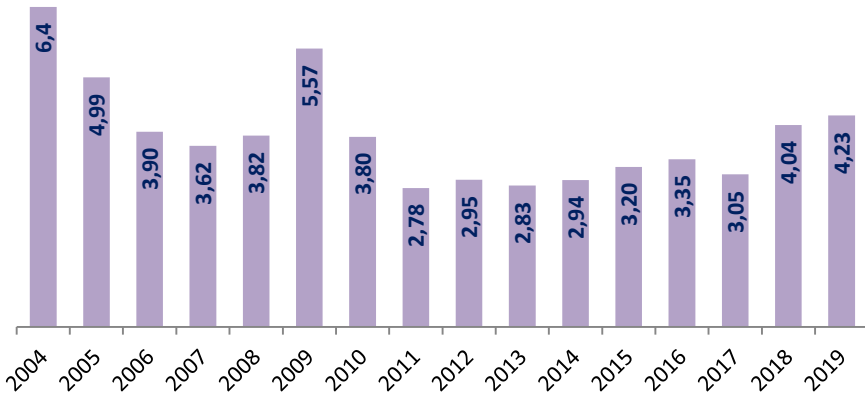
### Return on Equity (ROE) (%)



Source: IMF FSI Latest Available Data for Each Country by May 2019.

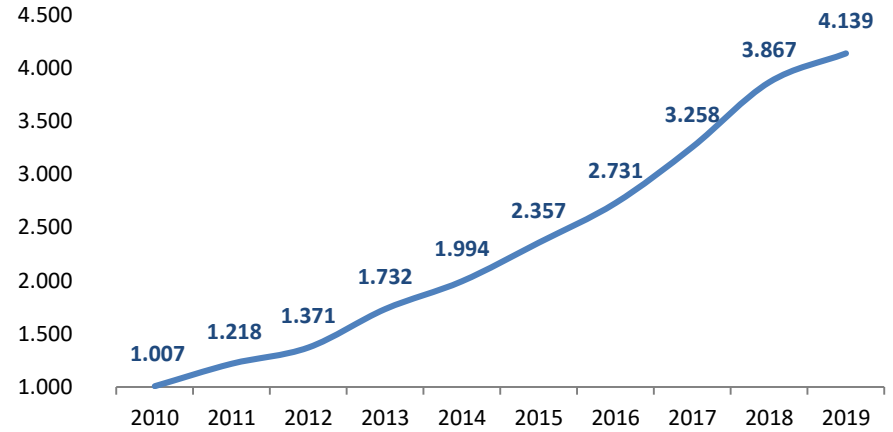
# The banking sector grew as a result of its strong asset quality and was able to maintain high profits

### Non-Performing Loan Ratio (%)

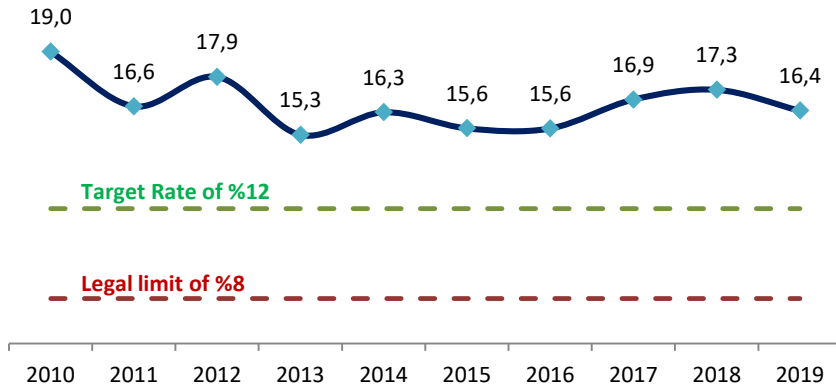


\* Latest figure: Mar 2019

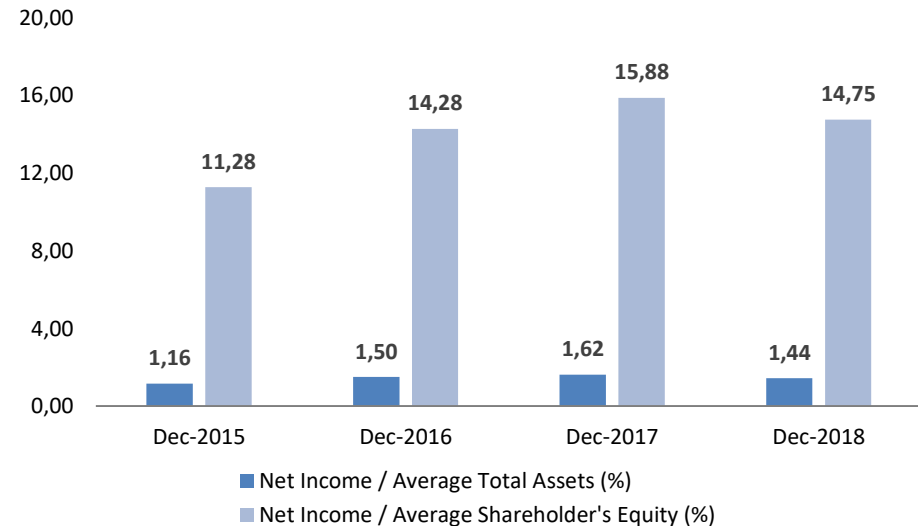
### Banking Sector Total Asset (billion TL)



### Capital Adequacy Ratio (%)



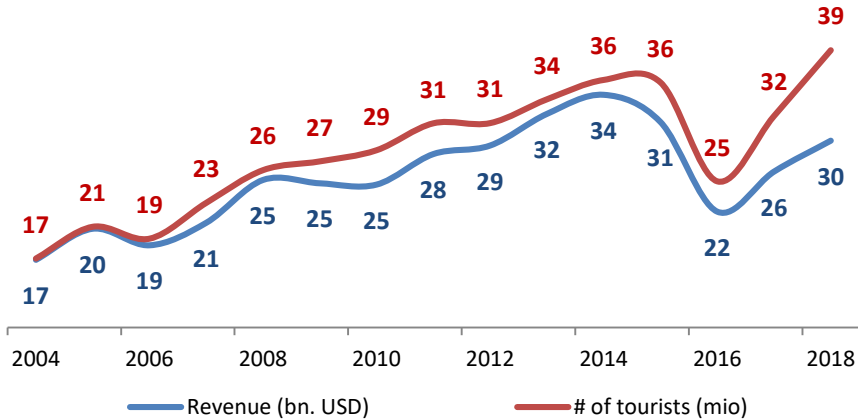
### Profitability Ratio (%)



\* Latest figure: Mar 2019

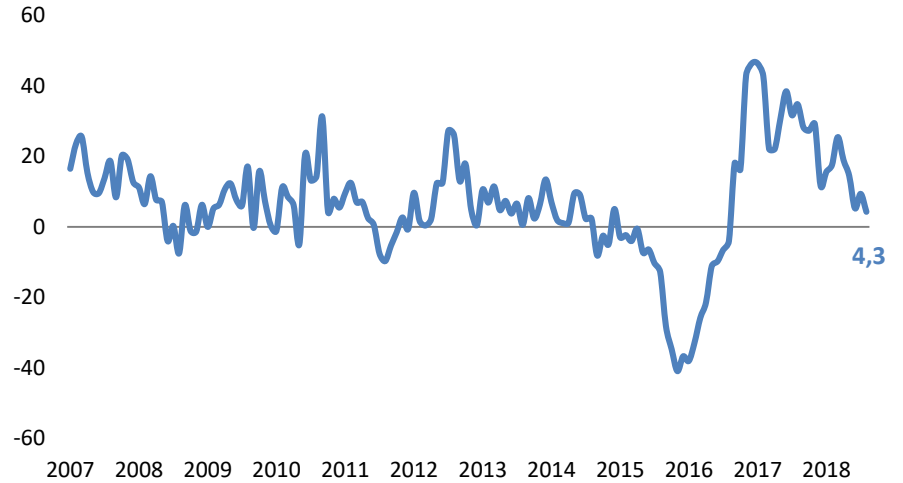
# Tourism revenues and number of visitors doubled between 2004-2014. Strong recovery in 2018!

### # of Foreign Visitors vs. Revenues

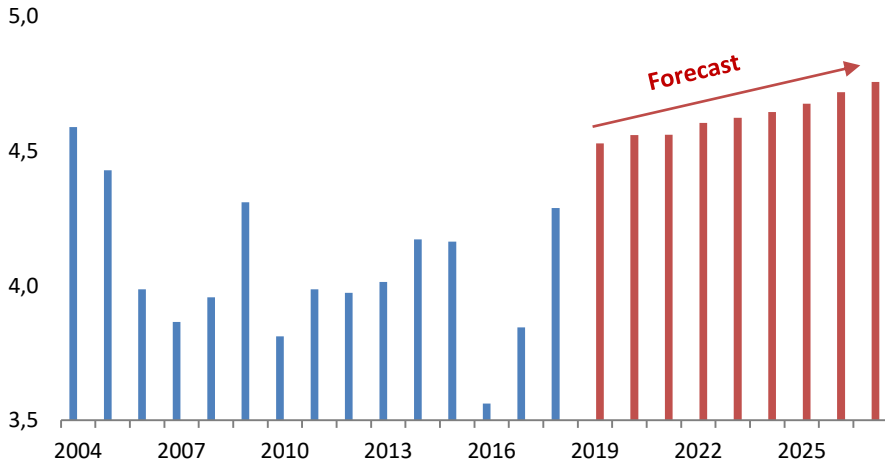


\* Latest figure: Q4 - 2018

### Turkey Foreign Arriving Visitors Change (YoY,%)

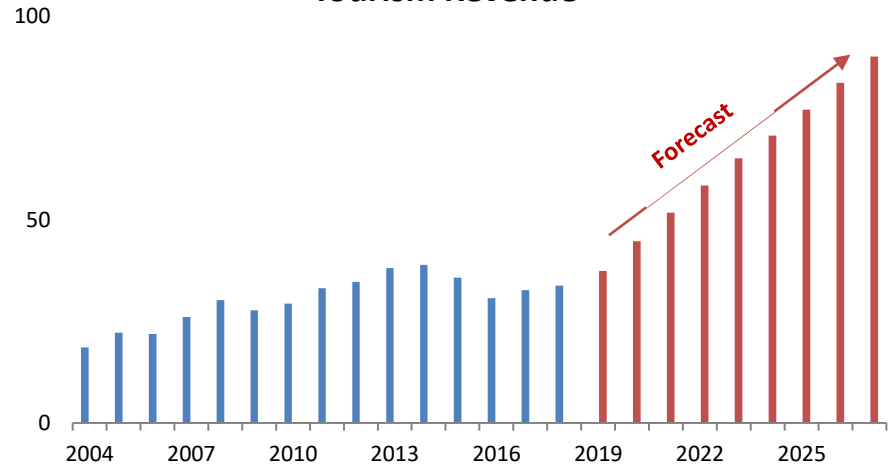


### Direct Contribution to GDP\* (%)

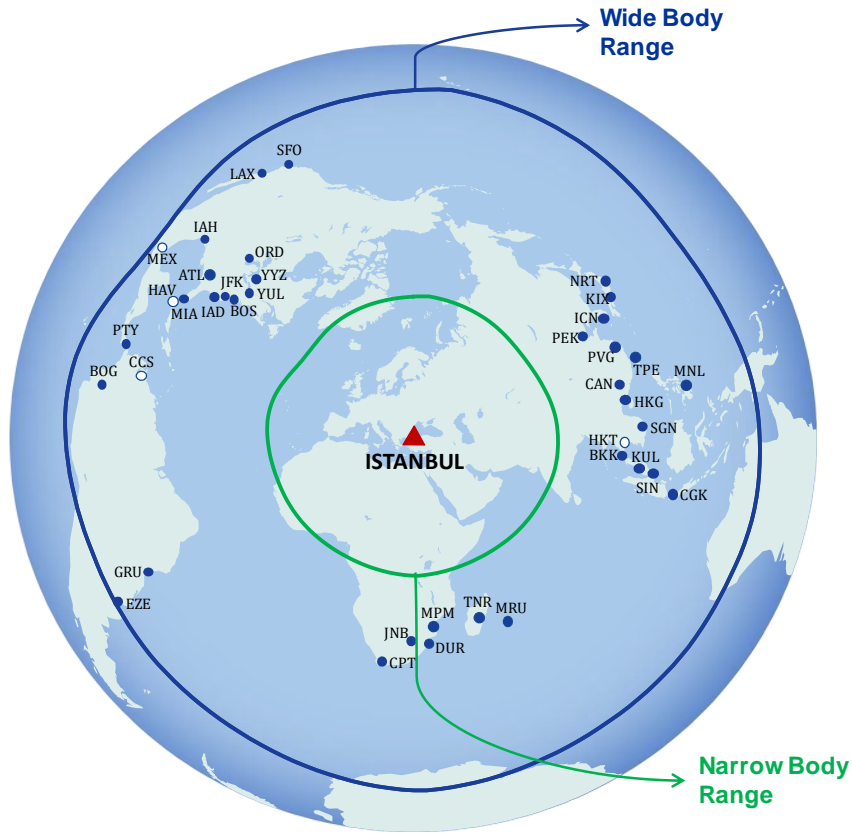


\* Based on WTTC data

### Tourism Revenue\*

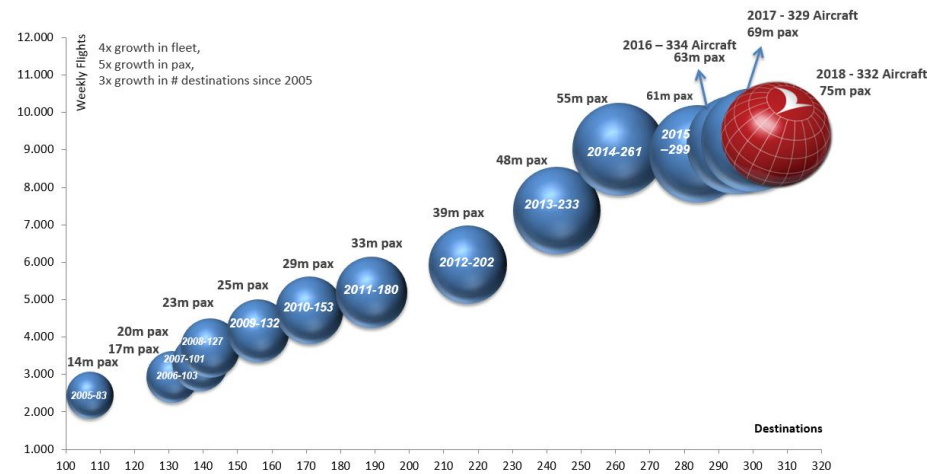
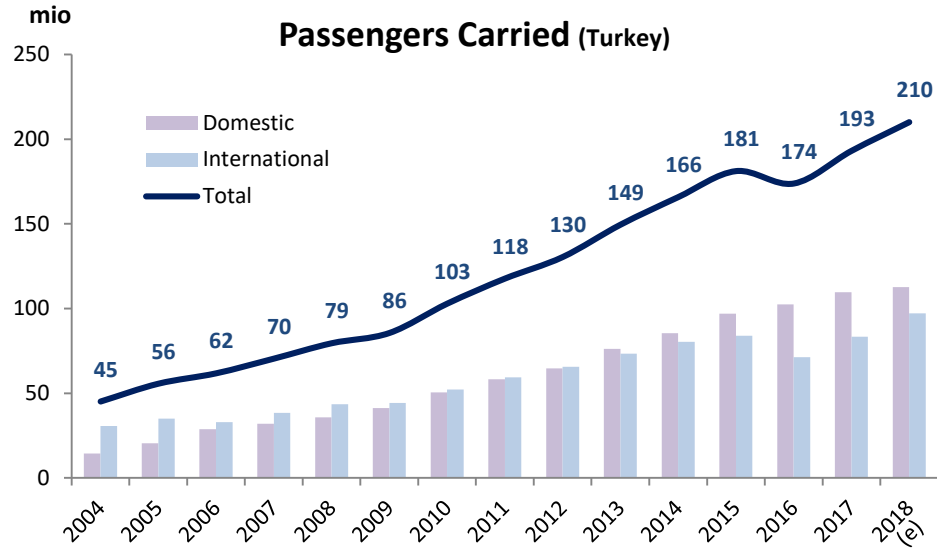


# Air traffic more than tripled in last 10 years



## Narrow Body Range Capability to and from Istanbul (with full passenger payload)

- ✓ 201 out of 257 international destinations
- ✓ More than 40% of world-wide international traffic
- ✓ Over 60 national capitals
- ✓ All of Europe, Middle East, Central Asia and North and East Africa



- As of 31.12.2018
- Note: Diameters of the bubbles are proportional to the number of passengers carried.

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