

Istanbul Chamber of Industry Istanbul PMI® Manufacturing Index

Istanbul Manufacturing PMI at 52.2 in June

June 2017 Key findings:

- New orders continue to rise solidly
- Further increases in output and jobs
- Input price inflation slows for sixth month running

Summary

The Istanbul Manufacturing PMI® signalled another solid overall improvement in business conditions in the city's manufacturing sector mid-way through 2017. Rates of growth for output, new orders and employment all eased since May, but remained stronger than their respective long-run series averages. The latest survey data also signalled a further weakening in inflationary pressures in the goods-producing sector.

The headline Istanbul Chamber of Industry Istanbul Manufacturing PMI is a composite single-figure indicator of manufacturing performance. It is derived from indicators for new orders, output, employment, suppliers' delivery times and stocks of purchases. Any figure greater than 50.0 indicates overall

improvement of the sector.

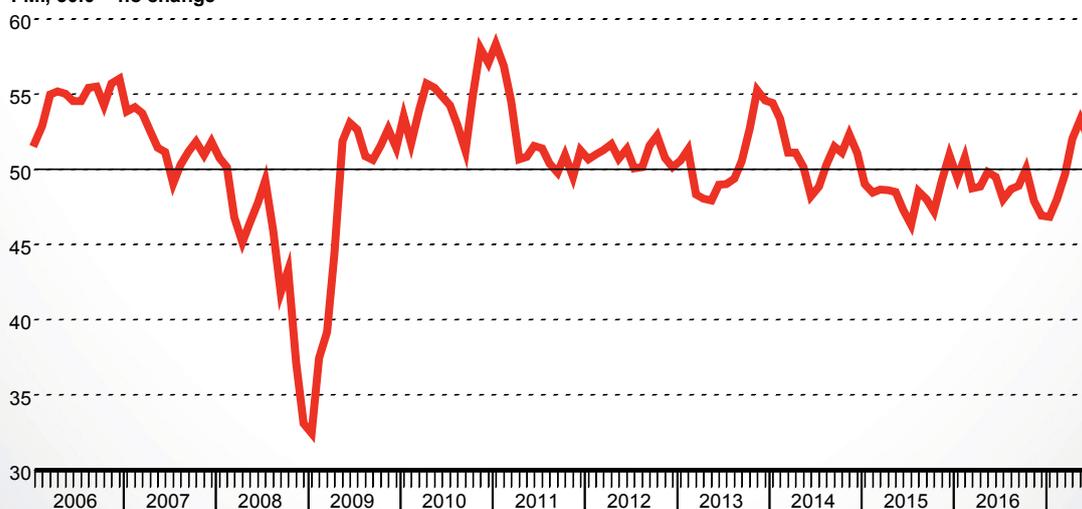
The PMI registered 52.2 in June, from 53.3 in May. This signalled a further solid overall improvement in business conditions at manufacturers. The headline figure remained above its long-run average (since January 2006) of 50.5 and was the second-highest since November 2014.

Four of the five PMI components provided positive contributions to the headline figure in June, the exception being stocks of purchases. The easing in the PMI figure since May reflected slower increases in new orders, output and employment. That said, these all still increased at historically strong rates, and suppliers' delivery times continued to lengthen. New work rose at the second-fastest pace since

continued...

Historical overview

PMI, 50.0 = no change



Embargoed until: 10:00 (ISTANBUL) / 0700 (UTC) July 3 2017

Istanbul Chamber of Industry Istanbul PMI® Manufacturing Index

February 2014.

Output rose for the fourth successive month in June, the longest sequence of continuous expansion in two-and-a-half years. The rate of expansion was the third-fastest since November 2014. Output growth reflected work on both new and existing orders, with the latter declining at the sharpest rate in three months.

Purchasing activity among manufacturers in Istanbul increased for the third month running in June. This placed pressure on suppliers, whose delivery times lengthened for the sixth consecutive month.

Input prices paid by manufacturers continued to rise in June. That said, the rate of inflation slowed for the sixth consecutive month to the weakest since September 2016. Similarly, output prices charged by manufacturers increased at the slowest rate in the past eight months.

Comment

Commenting on the Istanbul Chamber of Industry Istanbul Manufacturing PMI survey data, Trevor Balchin, Senior Economist at IHS Markit, said:

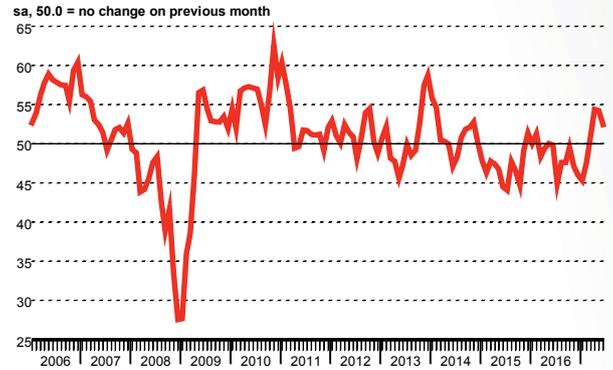
“The PMI for Istanbul was at its second-highest level in over two-and-a-half years in June, indicating a sustained upturn in business conditions at manufacturers in the city. Output, new orders and jobs all expanded at faster rates than their respective long-run series averages, while cost pressures were the weakest in nine months.”

Istanbul Chamber of Industry Istanbul PMI[®] Manufacturing Index

Output Index

Q. Please compare your production/output this month with the situation one month ago.

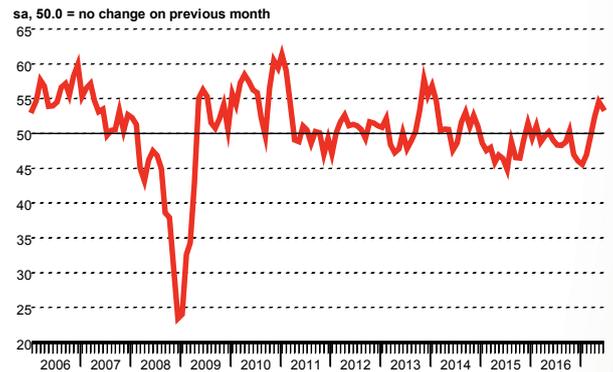
Manufacturing production in Istanbul rose for the fourth successive month in June, mainly linked to new orders. The rate of expansion was slower than April's 38-month record, but stronger than the long-run series average.



New Orders Index

Q. Please compare your new orders received (in units) this month with the situation one month ago.

The volume of new work received by manufacturers based in Istanbul increased for the third month running in June. The rate of expansion moderated since May's 39-month record, but was stronger than the long-run series average and the second-fastest since February 2014.



For further information, please contact:

Istanbul Chamber of Industry

Nesrin Akçay, Economic Research Department Mng.
Telephone +90 212 252 29 00 Ext: 180
Email: nakcay@iso.org.tr

IHS Markit

Trevor Balchin, Senior Economist
Telephone +44 1491 461 065
Email: trevor.balchin@ihsmarkit.com

Joanna Vickers, Corporate Communications
Telephone +44 207 260 2234
Email: joanna.vickers@ihsmarkit.com

Istanbul Chamber of Industry Istanbul PMI® Manufacturing Index

Istanbul Chamber Of Industry

Driving strength from her members' contributions to Turkish economy and since her foundation in 1952, Istanbul Chamber of Industry (ICI) stands out as Turkey's largest chamber of industry and one of the most powerful representatives of Turkish industry. The added value generated by ICI members represents about 36% of the total added value propagated by Turkish industry. ICI members actualize approximately 34% of production of Turkish industry. Almost 40% of Turkey's Top 500 Industrial Enterprises consists of ICI members.

ICI promotes the sustainable development of Turkish industry and contributes the improvement of her competitiveness via offering innovative services to her members. For this purpose, she develops new projects and services to the use of industrialists in crucial fields such as; innovation, technology development, university-industry cooperation, vocational training, international relations, environment and energy with local and international partnerships.

Generating and conducting economic researches together with gathering data, ICI holds the widest knowledge on Istanbul industry whilst giving direction to Turkish industrialists and providing intense contribution for shaping economic and industrial policies.

About IHS Markit:

IHS Markit (Nasdaq: INFO) is a world leader in critical information, analytics and expertise to forge solutions for the major industries and markets that drive economies worldwide. The company delivers next-generation information, analytics and solutions to customers in business, finance and government, improving their operational efficiency and providing deep insights that lead to well-informed, confident decisions. IHS Markit has more than 50,000 key business and government customers, including 85 percent of the Fortune Global 500 and the world's leading financial institutions. Headquartered in London, IHS Markit is committed to sustainable, profitable growth.

About PMI:

Purchasing Managers' Index™ (PMI®) surveys are now available for over 30 countries and also for key regions including the eurozone. They are the most closely-watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. To learn more go to www.markit.com/product/pmi.

Notes to Editors:

The Istanbul Chamber Of Industry Istanbul Manufacturing PMI® (Purchasing Managers' Index™) is produced by IHS Markit. The report features original survey data collected from a representative panel of around 300 companies based in Istanbul's manufacturing sector. The panel is stratified by Standard Industrial Classification (SIC) group, based on the industry contribution to GDP.

Survey responses reflect the change, if any, in the current month compared to the previous month based on data collected mid-month. For each of the indicators the 'Report' shows the percentage reporting each response, the net difference between the number of higher/better responses and lower/worse responses, and the 'diffusion' index. This index is the sum of the positive responses plus a half of those responding 'the same'.

Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change. An index reading above 50 indicates an overall increase in that variable, below 50 an overall decrease.

IHS Markit do not revise underlying survey data after first publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series. Historical data relating to the underlying (unadjusted) numbers, first published seasonally adjusted series and subsequently revised data are available to subscribers from IHS Markit. Please contact economics@ihsmarkit.com.

The Manufacturing Purchasing Managers' Index (PMI) is a composite index based on five of the individual indexes with the following weights: New Orders - 0.3, Output - 0.25, Employment - 0.2, Suppliers' Delivery Times - 0.15, Stock of Items Purchased - 0.1, with the Delivery Times Index inverted so that it moves in a comparable direction.

The Purchasing Managers' Index (PMI) survey methodology has developed an outstanding reputation for providing the most up-to-date possible indication of what is really happening in the private sector economy by tracking variables such as sales, employment, inventories and prices. The indices are widely used by businesses, governments and economic analysts in financial institutions to help better understand business conditions and guide corporate and investment strategy. In particular, central banks in many countries (including the European Central Bank) use the data to help make interest rate decisions. PMI surveys are the first indicators of economic conditions published each month and are therefore available well ahead of comparable data produced by government bodies.

The intellectual property rights to the Istanbul Chamber of Industry Istanbul Manufacturing PMI® provided herein are owned by or licensed to IHS Markit. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without IHS Markit's prior consent. IHS Markit shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall IHS Markit be liable for any special, incidental, or consequential damages, arising out of the use of the data. Purchasing Managers' Index™ and PMI® are either registered trade marks of Markit Economics Limited or licensed to Markit Economics Limited. Istanbul Chamber of Industry uses the above marks under license. IHS Markit is a registered trademark of IHS Markit Ltd.