



Istanbul Chamber of Industry Istanbul PMI™ Manufacturing Index

Istanbul PMI rises to 52.1 in April

April 2017 Key findings:

- Strongest improvement in manufacturing conditions since November 2014
- Output expands at strongest rate in over three years
- Weaker inflationary pressures signalled

Summary

The Istanbul Manufacturing PMI™ rose sharply in April, signalling the strongest overall performance of Istanbul's manufacturing sector since November 2014. Growth of output accelerated as new business increased at the fastest rate in nearly two-and-a-half years. Purchasing activity, exports and employment also expanded during the month. The latest survey results also signalled a moderation 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.

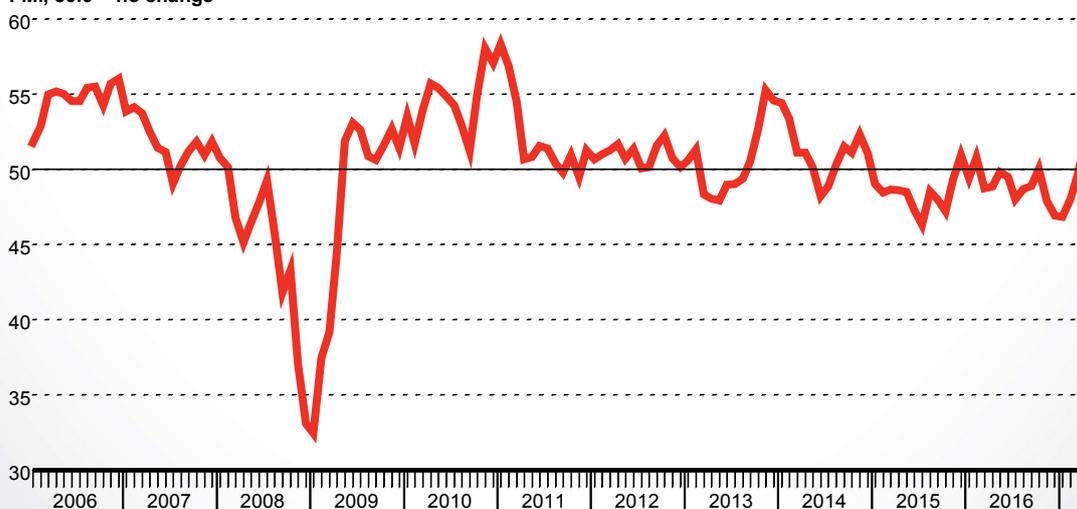
The PMI rose sharply to 52.1 in April, from 49.7 in March. The latest figure was the highest since November 2014 and stronger than the long-run series average (since January 2006) of 50.5, signalling a relatively sharp improvement in manufacturing operating conditions in Turkey's largest city.

The upward movement in the headline PMI figure in April was reflected in all five of its components. The output index rose sharply to a 38-month high, and the new orders and employment indices both moved above 50.0, signalling growth. Suppliers' delivery times lengthened to a slightly greater extent than in March. The stocks of purchases index remained below 50.0 but rose since March.

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Historical overview

PMI, 50.0 = no change



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Manufacturing new orders in Istanbul rose at the fastest rate since November 2014 in April. The survey results signalled improving domestic demand and export business, with the latter rising at the fastest rate in over three years. Subsequently, output increased at the quickest rate since February 2014 and manufacturers added to their workforces for the first time since last October. Backlogs of work continued to fall, albeit at the slowest rate in six months.

April data indicated further increases in both input and output prices in the manufacturing sector, but the rates of inflation both slowed to six-month lows.

Comment

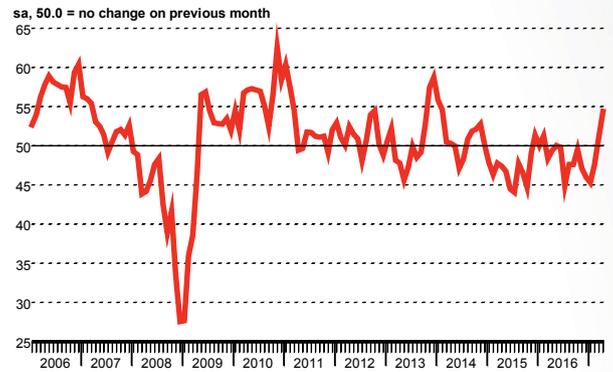
Commenting on the Istanbul Chamber of Industry Istanbul Manufacturing PMI survey data, Trevor Balchin, Senior Economist at IHS Markit, said:

“The PMI for Istanbul moved sharply higher in April and breached the no-change mark of 50.0, indicating a strong improvement in operating conditions at manufacturers in the city. Moreover, growth rates for output, new orders and employment were all above their long-run averages. The latest survey also indicated a further easing in cost pressures with input price inflation slowing for the fourth successive month.”

Output Index

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

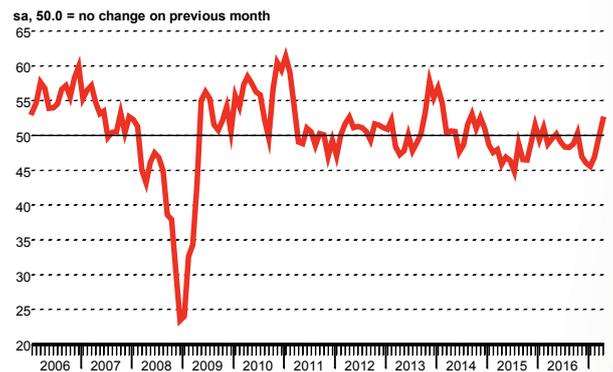
Manufacturing output in Istanbul rose for the second month running in April. Moreover, the rate of expansion strengthened to the fastest since February 2014. The seasonally adjusted Output Index was well above its long-run trend level of 50.7.



New Orders Index

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

The seasonally adjusted New Orders Index rose above the no-change mark of 50.0 in April, signalling higher intakes of new work at manufacturers in Istanbul. The rate of growth was the fastest since November 2014.



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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 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.

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 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.

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