



TURKISH INDUSTRIALISTS' AND BUSINESSMEN'S ASSOCIATION

THE
TURKISH
ECONOMY
'93



TURKISH INDUSTRIALISTS' AND BUSINESSMEN'S ASSOCIATION

THE TURKISH ECONOMY '93

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Meşrutiyet Cad No. 74 80050 Tepebaşı / Istanbul / TURKEY

Phones: 249 19 29, 249 54 48, 249 08 95, 249 07 23 Fax: 249 13 50

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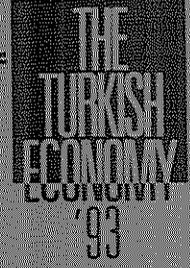
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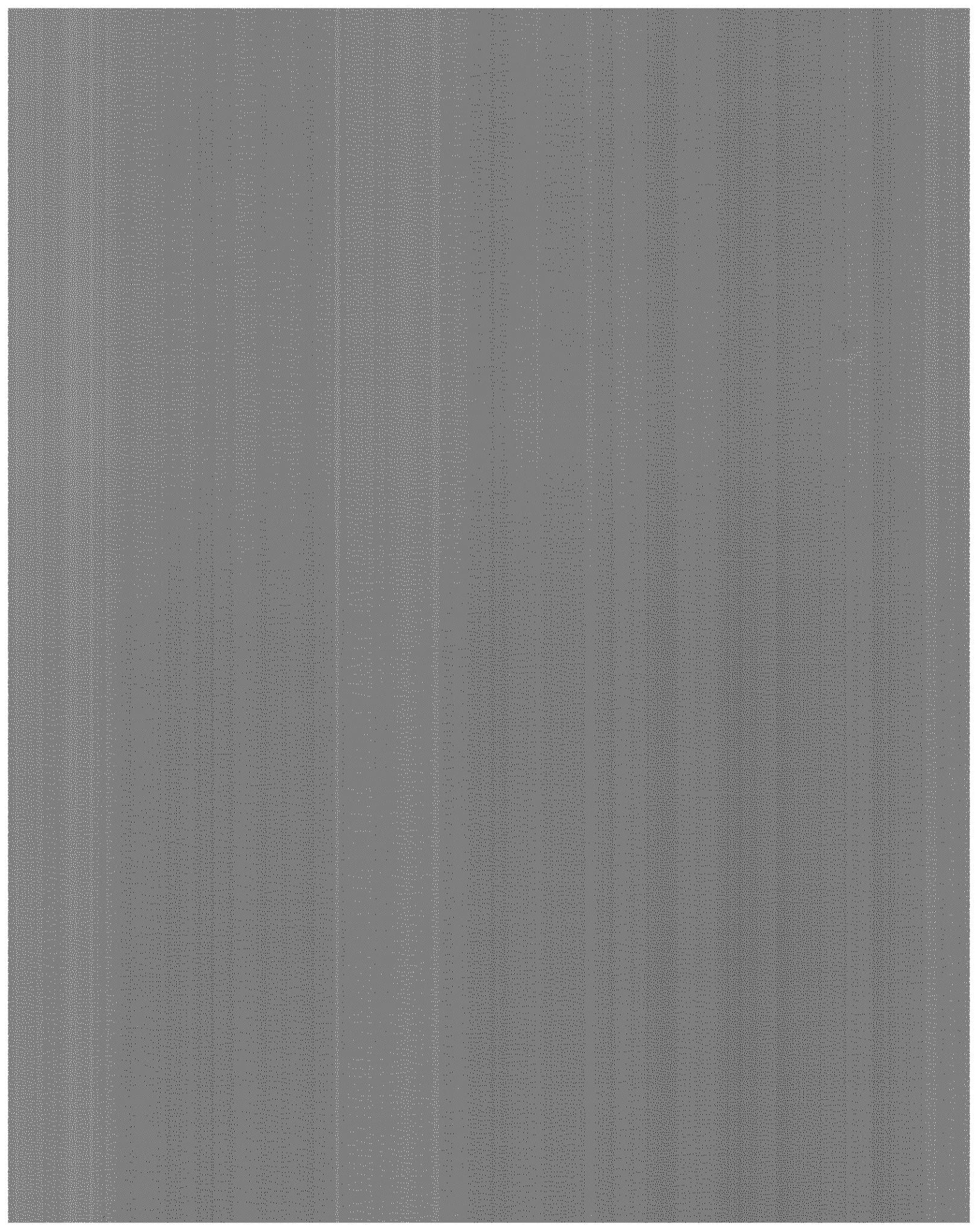
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THE TURKISH ECONOMY

1993

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FOREWORD

"Turkish Economy 1993" is the 18th consecutive Annual Report published in English by the Secretariat of "TÜSİAD", The Turkish Industrialists' and Businessmen's Association. This Report is now accepted throughout the business world as an authoritative work of reference on the Turkish Economy.

The main sources used in the preparation of this Report were the various publications of the State Planning Organization, the Ministries, the Central Bank, the State Institute of Statistics, the ANKA Agency, OECD and the World Bank.

This report was prepared by the TÜSİAD research group, which included Nilgün Demirtaş, Head of Economic Research Department and, Veyis Fertekligil, Ümit Izmen, Arzu Turhan. Profs. Dr. Erdoğan Alkin, Süleyman Özmucur, and adviser Dr. Adnan Büyükdeniz and Azmi Fertekligil made contributions and comments in their respective fields of specialisation. Many thanks are due to Dr. Alfred Kuehn for his close collaboration on the manuscript with TÜSİAD research group.

Final editing of this Report rested with Mr. E.İhsan Özol, the TÜSİAD Secretary General. It is emphasised that the Report does not necessarily reflect the views of TÜSİAD members nor, of course, is it to be considered in anyway whatever to be an official publication.

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Copies of this report are available from the Association on a single order or subscription basis.

BASIC STATISTICS OF TURKEY (1992)

Population & Employment (000 persons)

| | | |
|---|---|--------|
| Total population | : | 58,961 |
| Annual average population increase (%) | : | 2.17 |
| Urban population as a percentage of total (%) | : | 54.0 |
| Life expectancy (years) | : | 67.2 |
| Crude mortality (per 1000) | : | 6.9 |
| Infant mortality (per 1000 live births) | : | 53.9 |
| Total civilian labour force | : | 21,184 |
| Civilian employment | : | 19,528 |
| Agriculture | : | 8,788 |
| Industry | : | 3,437 |
| Services | : | 7,303 |
| Unemployment rate (%) | : | 7.8 |

Culture, Education & Welfare Indicators

| | | |
|-------------------------------------|---|------|
| Literacy Rate (%) | : | 90.0 |
| Passenger cars per 1000 inhabitants | : | 43 |
| TV sets per 1000 inhabitants | : | 239 |
| Telephones per 1000 inhabitants | : | 165 |
| Population per doctor | : | 1027 |
| Population per hospital bed | : | 409 |

Gross National Product (TL Billion)

| | |
|----------------------|-------------|
| at current prices | : 1,072,114 |
| at 1987 prices | : 91.7 |
| Real growth rate (%) | : 5.9 |
| Per capita (\$) | : 2,622 |

Balance of Payments (\$ Million)

| | |
|-------------------------|----------|
| Balance of Trade | : -8,191 |
| Current Account Balance | : -943 |
| Workers' Remittances | : 3,074 |
| Tourism Revenues | : 3,639 |
| Tourism Expenditures | : 776 |

Foreigners Arriving in Turkey (persons) : 7,076,096

Foreign Trade (\$ Million)

| | |
|---|----------|
| Imports | : 22,872 |
| Imports by commodity groups (as % of total) | |
| Investment goods | : 29.6 |
| Consumer goods | : 13.0 |
| Raw materials | : 57.4 |
| Exports | : 13,598 |
| Exports by sector (as % of total) | |
| Agriculture & Livestock | : 19.7 |
| Industry | : 78.2 |
| Mining & Quarrying | : 2.1 |

Foreign Exchange Buying Rates (TL, End of Year 1992)

| | | |
|---------------|---|---------|
| US Dollar | : | 8,555.9 |
| Deutsche Mark | : | 5,302.7 |

Consolidated Budget (TL Billion)

| | | |
|----------------|---|---------|
| Total Revenue | : | 179,449 |
| Tax Revenues | : | 141,868 |
| Expenditure | : | 223,053 |
| Budget Balance | : | -43,606 |

Energy

| | | |
|---|---|--------|
| Gross Electricity Production (GWh) | : | 67,287 |
| Energy consumption per capita (Kg of oil) | : | 997 |

Prices (annual increase %) & Wages

| | | |
|---|---|---------|
| Wholesale Prices Index (1987 = 100) | : | 61.4 |
| Consumer Prices (1987 = 100) | : | 66.0 |
| Average gross wages of insured workers (TL per day) | | |
| Public Sector | : | 180,937 |
| Private Sector | : | 294,236 |

International Reserves (\$ Million)

| | | |
|------------------------------|---|--------|
| Gold | : | 1,494 |
| Convertible foreign exchange | : | 13,760 |

Public Debts (Cumulative)

| | | |
|-----------------------|---|---------|
| Foreign (\$ Million) | : | 54,706 |
| Domestic (TL Billion) | : | 181,101 |

Monetary Indicators (TL Billion)

| | | |
|--------------------------|---|---------|
| Banknotes in circulation | : | 35,033 |
| Money Supply (M2) | : | 182,988 |
| Total Bank Deposits | : | 160,244 |
| Total Bank Credits | : | 154,662 |

Gross Fixed Investments (TL Billion)

| | | |
|--------------------------|---|---------|
| Total | : | 167,590 |
| as percentage of GNP (%) | : | 21.6 |

SUMMARY AND CONCLUSIONS

Economic revival - Thanks chiefly to increased private consumption

The world economy last year remained in recession and, in the face of the severe demand restraint called for by a now structurally high budget deficit and a domestic inflation rate edging up to 70 percent annually, several of Turkey's coalition government's targets could not be met. That said, however, Turkey's economic performance in 1992 was quite impressive. Recovering from near stagnation in 1991, the Gross National Product rose by almost six percent under the impetus of improvements in industrial production and in the output of the services sector, along with a measure of recovery in agricultural production. In 1991, this latter had been adversely affected by the bi-annual production cycle and the effects of the Gulf War on trade with the Arab countries.

Private consumption was the main force behind Turkey's economic recovery; this rose by an estimated 10.6 percent under the influence of big increases (7.2 percent) in households' disposable incomes, which probably resulted from fears of still rising inflation, along with easier access to consumer credit.

No real improvement in private fixed capital investment

Private fixed capital investment, which, at constant prices, had fallen by some 3.5 percent in 1991, rose by only 1.4 percent last year. At the same time, however, private fixed capital investment's share in GNP fell from 12.2 percent to only 11.6 percent.

This slow rate of recovery in private fixed capital investment was probably due to some extent to the late announcement of revised tax incentives for investors, coupled with the increased difficulty in locating suitable development sites in or in the vicinity of urban centres. Another factor was - and remains - the high level of interest rates resultant from the government's unduly large borrowing requirement; this was close to 13 of GNP last year, and it had exceeded 16 percent in 1991.

Against the poor showing of private fixed capital investment, commercial stocks were increased in anticipation of a lasting consumer boom. Private sector inventories increased in value by an overall 2.1 percent in 1992.

Exports showed a satisfactory trend in 1992

Despite the slow-down in economic activity in most OECD countries, and the virtual collapse of the economies of former Eastern-Bloc countries, in US dollar terms, merchandise exports increased by nearly nine percent last year.

Imports increased to an even greater extent, and foreign grants in connection with the Gulf War began to diminish, so that, in spite of a rise in invisible earnings, the current account showed a negative balance of nearly one billion US dollars.

The foreign trade deficit widened in the four months of 1993 because imports grew faster than exports as a result of the strong domestic demand. Exports rose by 7.0 percent to \$4,931 million whilst imports increased by no less than 31.5 percent to \$8,789 million. As a result, the cumulative trade deficit widened by 85.7 percent to \$3,858 million and the exports/imports ratio fell from 68.9 percent in the first quarter of 1992 to 56.1 percent.

The government's 1993 Economic Programme forecasts 12 percent increase in both exports and imports, to \$17 billion and \$25.8 billion, respectively, with a consequent widening of the foreign trade deficit by \$700 million to \$8.7 billion. In view of the first quarter's results, however, it is unlikely that these targets will be met; whilst exports should increase marginally to \$15 billion, imports may exceed \$24 billion.

During the first three months of the year, the current account swung from a modest

\$155 million deficit in 1992 to a deficit of \$922 million. This deficit was mainly covered by securities issued abroad and by the inflow of short-term capital funds resultant from the Lira's high real return in dollar terms.

Economic policy

Despite the fact that public investment was considerably curtailed in order to combat the high rate of inflation, a long, uphill task lies ahead of the economy's being put on a sound, better balanced growth path.

The reasons for this assessment are not difficult to discern. In its past reports, TÜSIAD has often criticised the authorities for not more consistently combatting inflation with appropriate policies, and for creating obstacles in the path of the faster development of a dynamic private sector. Historically governments have endeavoured to borrow their way out of under-development, in the first place by using foreign loans and grants to build up an economic infrastructure, along with a large State-owned industrial base. Unfortunately, this policy resulted in the country's being saddled with too many inefficient economic units, since industrial targets collided with social policy considerations, and the absence of clear market signals in a planned economy led to output short-falls. Whilst problems resultant from this approach began to mount soon after it was adopted in the early 1960's, it was not until the oil price crisis that the situation became untenable to the point at which the policy had to be abandoned in 1980.

Due to the delay in their privatisation, the State Economic Enterprises remained the major source of economic imbalance

The plans for privatisation of the SEE's ran into various difficulties, in great part because of reluctance to accept the need for large-scale personnel redundancies and the ruthless closing down of uneconomic production units. When the new government took office late in 1991, it inherited a record public sector deficit amounting to 16.3 percent of GNP, along with a State Enterprise complex which had largely become unable to service its contracted debts or its commitments to other State agencies. Whereas about one-third of the SEE's deficit was attributable to agricultural sales organisations- hence, was the result in part of the application of the government's rural sector policies - by far the largest share of the deficit was doubtless due to inefficient management and/or structural shortcomings in the State sector.

Economic policies in 1992 were principally dictated by the need to regain control over public budgets and render monetary policy more efficient in controlling inflation. A large part of the SEE's domestic debts was consolidated, if not in fact written-off, as had so often been the case in the past. SEE prices were allowed to rise to slightly more realistic levels, a move which naturally boosted the inflation rate early in the year. However, the State Enterprises and the Treasury continued to borrow heavily from the Central Bank and/or the money market, so that the SEE's ran up new arrears to each other and to various government agencies.

About one-third of the SEE's total debt of TL 89 trillion at the end of 1991 had been consolidated, but by the end of 1992 payments arrears stood at TL 40 trillion, and the Enterprises' total debt had risen to TL 149.3 trillion.

An unsatisfactory Budgetary performance

The reported Consolidated Budget deficit for the period January-April, 1993 is an indication that serious fiscal problems remain unresolved and that inflation is likely to persist at its present high level of well over 50 percent on an annual basis. In fact, the Budget deficit has in four months reached TL 35.8 trillion which is 60 percent of the deficit initially forecast for the year as a whole. Whilst revenues have grown slightly faster than in 1992, expenditure has soared beyond expectations, mainly because of a rapid increase in interest payments and transfers to the SEE's and certain other public sector institutions. Personnel costs also increased very rapidly during the January-April period.

Needless to say, the big Budget deficit, along with the huge domestic debt servicing requirement, placed an additional burden on the Treasury, increasing its own borrowing need.

Budget performance during the first four months of 1993 raises doubts as to the government's ability to meet its fiscal targets for the year. The 1993 Economic Programme foresees a sizeable reduction, to 9 percent, in the PSBR/GNP ratio, on the assumption that the Budget deficit will fall to 4.3 percent of

GNP. In four months the deficit exceeded well over half the year's anticipated total, and the SEE's deficit is likely to exceed original expectations as price adjustments were merely delayed for political considerations.

The Central Bank failed to realise its monetary programme targets

Largely as a result of the Treasury's bigger than planned cash requirements, and consequently heavier demands on the Central Bank for funds, the Bank failed to achieve the targets set in its own 1992 Monetary Programme; this was based on expectations of a year-end inflation rate of only 43 percent and a Budget deficit of no more than TL 32 trillion. With the objective of absorbing excess liquidity and at the same time limiting depreciation in the external value of the Lira, the Bank continued to intervene in both the foreign exchange market and the money market. These interventions inevitably led to deviation from its medium-term Monetary Programme, and to market imbalance as between the inflation, exchange, and interest rates within the economy. The Bank's increased indebtedness resultant from its money market operations (Open Market Sales), naturally considerably reduced its ability to manipulate market interest rates.

It is noteworthy that the Central Bank has this year refrained from announcing specific targets for monetary aggregates and critical balance sheet items. This would seem to indicate the likelihood, if not the certainty, that the 1993 monetary aggregates will increase at faster rate than monetary authority considers to be acceptable.

Reserve money expanded faster in 1992 than in the previous year, principally because of the increase in net domestic assets resulting from the Central Bank's having substantially increased domestic credit facilities, chiefly to the public sector. In the first quarter of 1993, reserve money expanded faster than in the same period of 1992, by around 15 percent as against 10 percent. The previously rapid growth in the M2 money supply continued in 1992, with this monetary magnitude (inclusive of foreign currency deposits of domestic origin) growing by some 80 percent over that year. Growth in the M2 money supply during the first quarter of 1993 was roughly on a par with that in the previous year.

More foreign currency deposits within total bank deposits

Total bank deposits increased by 59 percent in 1992, as against a 63 percent rise in the previous year. Given that consumer prices rose by 66 percent in 1992, there was in fact no real growth in the Bank's deposit-taking resources. However, as a result of the widespread "currency substitution" within the economy, foreign currency deposits' share of total deposits continued to increase, reaching around 40-45 percent at the year-end. Total deposits showed no real growth during the first quarter of 1993.

Whereas the growth in bank deposits was slower in 1992, the volume of credits extended by the deposit banks grew more rapidly than in the previous year. During the first quarter of 1993, deposit banks' credits increased by about 30 percent, whereas the Central Bank's credit line expanded at a

markedly slower rate than in the corresponding period of last year.

Little change in the inflation rate

The annual rate of rise in the State Institute of Statistics' Consumer Prices Index fell from 71.1 percent in 1991 to 66 percent in 1993. On the other hand, the SIS's Wholesale Prices Index showed that the rate of inflation as measured by this Index increased from 59.2 percent to 61.4 percent over the year 1992.

Whilst it is true that inflation in 1992 and in the first quarter of the current year remained high but relatively stable, the situation certainly leaves no room for complacency. Households continue to prefer to spend their income rather than deposit money with the commercial banks, and the already high volume of foreign exchange in accounts held by private individuals and businesses increased quite substantially.

In the first six months of 1993, the Wholesale Prices Index showed an overall increase of 25.1 percent, as against a rise of 25.7 percent in January to June of last year. Over the same period, the Consumer Prices Index was up by 27.7 percent, compared with a 26.7 percent increase in 1992.

It has to be noted, however, that a major reason for the slower rise in prices so far this year is that public sector price increases have deliberately been delayed; there has been no fundamental change in the excessively high rate of real inflation.

High interest rates have encouraged short-term foreign borrowing

One of the major policy objectives of the pre-Çiller government was to bring about a substantial reduction in market interest rates but there was no visible success in this direction in 1992, nor in the first half of the current year. In the view of many market operators, the recent reduction in bank deposit interest rates, led by public sector deposit banks, will be short-lived, since the pressure of public sector deficits will continue on the financial markets, and there are and must remain expectations of prolonged high inflation within the economy.

Important interest rate differentials resultant from the high Lira interest rate policy and the slower depreciation of the Lira against the major foreign currencies lie behind the continued rise in short-term foreign exchange borrowing.

Increased short-term commitment within the foreign debt total

Directly related to the interest rate problem is the fact that short-term foreign loans have increased to a high level; indeed, it was due to such commitments that the total foreign debt increased from 46.5 percent to 48.4 percent of GNP during 1992. Furthermore, the short-term debt's share of the total rose by a fifth last year, from 18.1 percent in 1991 to 23.1 percent. Net foreign direct investments, on the other hand, were down in the first quarter of 1993; the total of \$94 million was 40 percent lower than that registered in the same period of 1992.

There is growing concern over the increasing share of short-term foreign exchange capital within the total currency holdings.

Policies for the medium-term

It is generally accepted that there is no short-term solution for Turkey's economic and financial problems. Policies will have to be designed and consistently applied without regard to political party considerations. These policies must be aimed at putting an effective end to the public sector over-spending which limit the growth of real incomes and private investment, and involve the expense of an unduly large foreign debt.

An immediate target for these essential new policies must be to reduce the enormous consolidated budget and industrial SEE deficits. In so far as the budget is concerned, tax collection must be improved, subsidies reduced and, the tax base broadened; at the

same time, the growth in expenditure must be curtailed. Loss-making SEE's should be subjected to management reviews to determine the true causes of losses and unduly low productivity.

The privatisation process should be accelerated and production units which cannot be privatised or made into profitable concerns should be closed down.

These suggestions cannot for obvious reasons be considered as exhaustive but rather as an indication of the sort of action which is needed to restore greater equilibrium in the public sector's accounts and deal an effective blow at the forces lying behind wholesale inflation.

No section of the population can expect to escape from making some sacrifices once the nation's belt-tightening begins. TÜSIAD is ready to cooperate with the new government in the development and support of an effective and equitable medium-term economic adjustment programme.

CHAPTER I

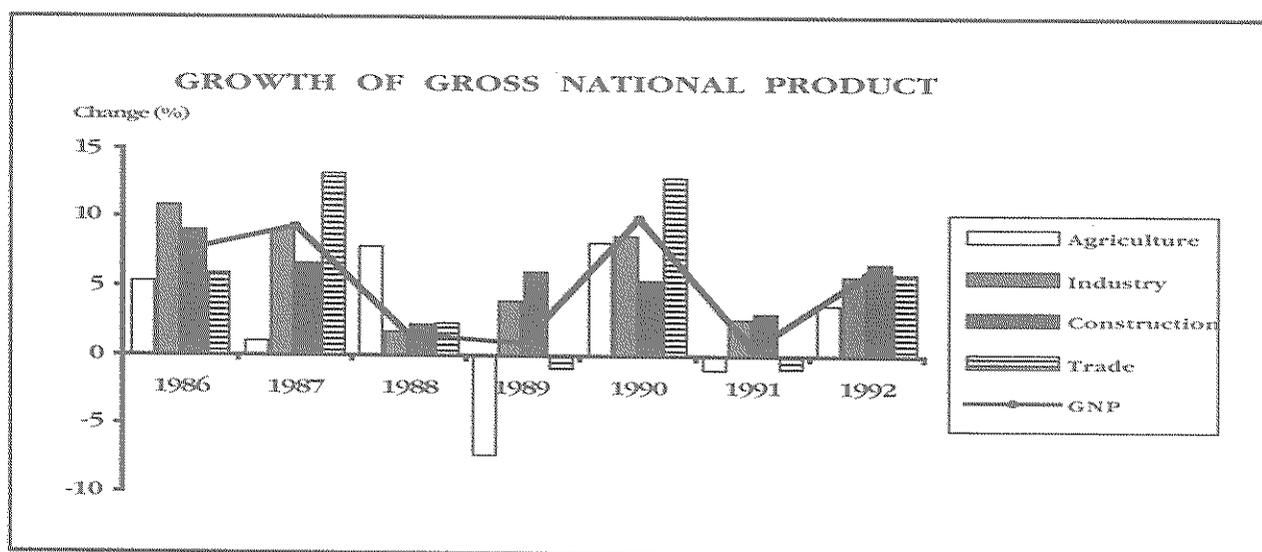
**GROSS NATIONAL PRODUCT,
INVESTMENT, PRODUCTION
AND LABOUR MARKET**

GROSS NATIONAL PRODUCT, INVESTMENT, PRODUCTION AND LABOUR MARKET

I. GNP PERFORMANCE

The GNP at current prices exceeded the TL 1 quadrillion-mark for the first time in 1992, attaining TL 1 quadrillion 72.1 trillion liras; real per-capita income increased 2 percent, to \$2,662. At constant 1987 prices the economy is estimated to have expanded by almost 6 percent compared to near stagnation in 1991.

The State Institute of Statistics has started to calculate the national income also in terms of expenditure categories. Until last year the SIS had employed only the production technique. The 1992 growth in the GDP has been calculated at 5.5 percent according to the production technique and at 4.8 percent according to the spending technique. The difference is due mainly to statistical problems in collecting the data, and will, no doubt, be



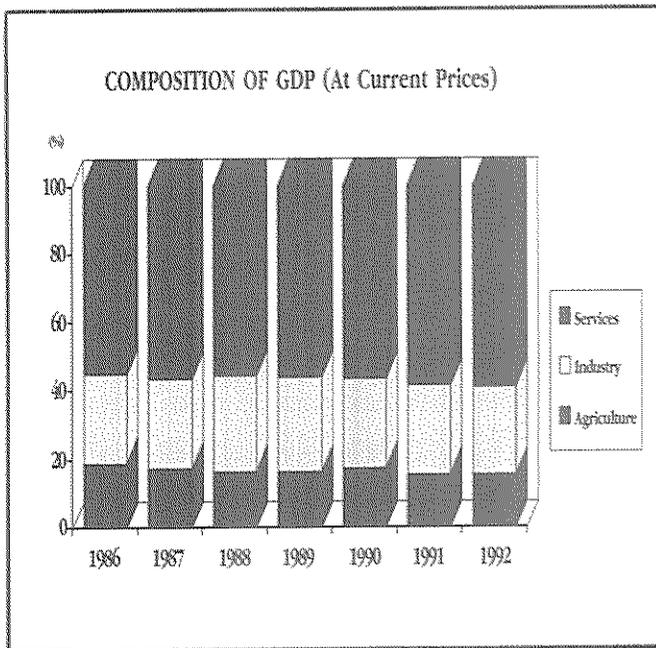
GNP GROWTH BY MAIN ECONOMIC SECTORS (%)

(At 1987 Prices)

In Producers' Value

| Sectors | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
|--------------|------|------|------|------|------|------|------|
| Agriculture | 5.4 | 1.1 | 7.9 | -7.4 | 8.2 | -1.2 | 3.7 |
| Industry | 11.0 | 9.1 | 1.8 | 4.0 | 8.7 | 2.7 | 5.8 |
| Construction | 9.1 | 6.7 | 2.3 | 6.1 | 5.5 | 3.1 | 6.7 |
| Trade | 6.0 | 13.3 | 2.4 | -1.1 | 13.0 | -1.1 | 6.0 |
| GDP | 7.8 | 9.0 | 2.2 | -0.5 | 9.8 | 1.0 | 5.5 |
| GNP | 7.5 | 9.3 | 1.5 | 0.9 | 9.9 | 0.5 | 5.9 |

Source: SIS



narrowed down, once the new method becomes routine.

According to the spending technique which SIS used for the first time, the GDP was found to be TL 1.03 quadrillion at current prices. The difference in GDP between the two calculation techniques amounted to TL 29.74

trillion. SIS opted for including that difference in private consumer expenditures.

Calculations carried out according to the production technique show that in 1992 the GNP expanded in constant prices by 5.9 percent to TL 91.57 trillion. In 1991, the GNP had expanded only 0.5 percent at constant prices.

Growth in real terms materialized at 3.7 percent in the agricultural sector, at 5.8 percent in the industrial sector, at 6.0 percent in the trade sector and at 5.9 percent in the transportation and communications sector; it declined by 2.1 percent in the financial institutions' sector. The rate of growth attained 2.5 percent in housing ownership, 5.1 percent in business and personal services, at 3.4 percent in public services and 12.7 percent in import taxes. In 1992, the GDP recorded a growth of 5.5 percent.

On a quarterly basis total GNP grew by 6.8 percent in the first quarter, 5.4 percent and 5.6 percent in the following two quarters, and 6.2 percent in the last three months of 1992.

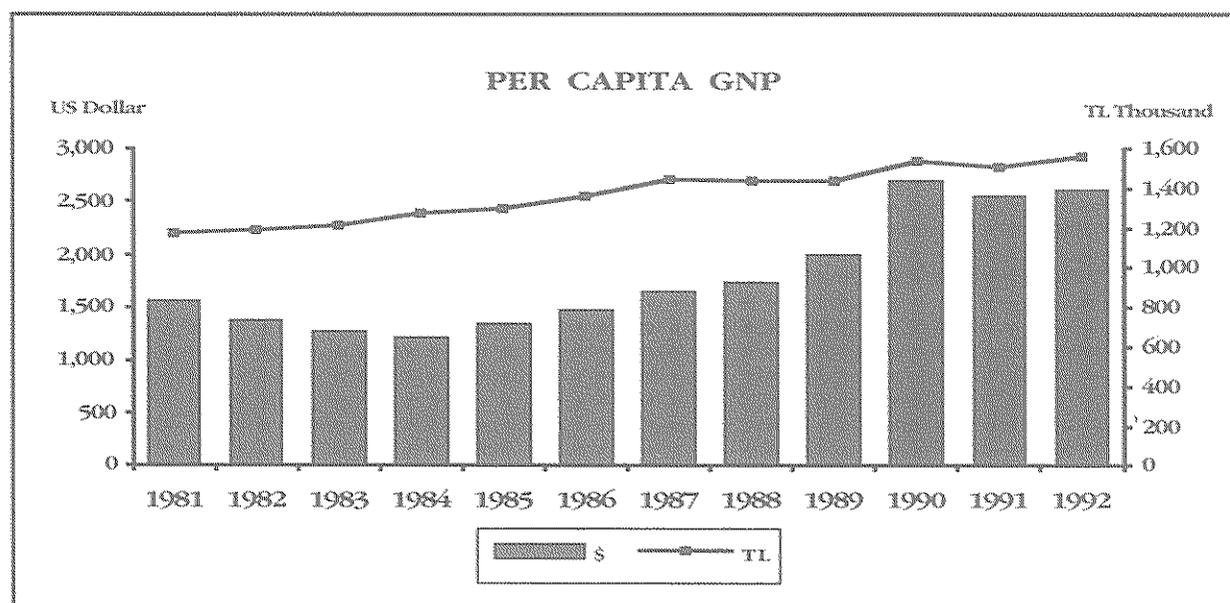
| GDP SHARES BY MAIN ECONOMIC SECTORS (%) | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| In Producers' Value | | | | | | | |
| At Constant 1987 prices | | | | | | | |
| Sectors | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
| Agriculture | 18.7 | 17.4 | 18.3 | 17.1 | 16.8 | 16.3 | 16.0 |
| Industry | 26.4 | 26.4 | 26.3 | 27.5 | 27.2 | 26.6 | 26.8 |
| Services | 54.9 | 56.2 | 55.4 | 55.4 | 56.0 | 57.1 | 57.2 |
| GDP | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| At Current Prices | | | | | | | |
| Agriculture | 19.1 | 17.4 | 16.6 | 16.5 | 17.4 | 15.7 | 15.4 |
| Industry | 26.0 | 26.4 | 27.9 | 27.8 | 26.4 | 26.0 | 25.9 |
| Services | 54.9 | 56.2 | 55.5 | 55.7 | 56.2 | 58.3 | 58.7 |
| GDP | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: SIS

| EXPENDITURE ON THE GDP (Annual; at 1987 prices; TL Million) | | | | | | |
|--|-------------|-----------|-----------------|-------------|-----------|-----------------|
| | 1991 | Share (%) | Growth rate (%) | 1992 | Share (%) | Growth rate (%) |
| Private Final Consumption Exp. | 58,325,827 | 68.9 | 1.4 | 61,217,943 | 69.0 | 5.0 |
| Govern. Final Consumption Exp. | 6,579,321 | 7.8 | 2.8 | 6,828,598 | 7.7 | 3.8 |
| Gross Fixed Capital Formation | 22,174,491 | 26.2 | 1.9 | 24,805,165 | 28.0 | 11.9 |
| Public Sector | 7,424,512 | 8.8 | 3.8 | 8,244,387 | 9.3 | 11.0 |
| Private Sector | 14,749,979 | 17.4 | 1.0 | 16,560,778 | 18.7 | 12.3 |
| Change in Stocks | -939,037 | -1.1 | - | -1,227,490 | -1.4 | 30.7 |
| Exports of Goods and Services | 15,543,198 | 18.4 | 4.8 | 17,069,573 | 19.2 | 9.8 |
| Imports of Goods and Services | -17,081,024 | -20.2 | -5.2 | -19,994,599 | -22.5 | 17.1 |
| Gross Domestic Product | 84,602,776 | 100.0 | 0.3 | 88,699,190 | 100.0 | 4.8 |
| Statistical Discrepancy | 1,391,438 | - | - | 2,020,261 | - | - |
| Gross Domestic Product * | 85,994,214 | - | - | 90,719,451 | - | - |

* By production

Source: SIS



II. MACRO EQUILIBRIUM OF THE ECONOMY

According to the available SPO estimates, the foreign balance was TL 4,338 billion in 1992 and the total domestic demand increased by around 7.5 percent, that is by considerably more than the GNP, leading to an increase of the contribution from abroad, in real terms.

This was mainly due to a strong expansion of private consumption and investment, which grew by 10.6 and 18.1 percent, respectively. Private disposable income also expanded (7.2 percent) though considerably less than private total expenditure. This contrasts with a strong fall in real terms of public sector income by 10.7 percent and a cut in public investment of one-fifth.

| MACRO EQUILIBRIUM OF THE ECONOMY | | | |
|--|-------------|--------------|-------------------|
| (At Constant Prices, TL Billion) | | | |
| | 1991 | 1992* | Change (%) |
| GNP | 112,207.0 | 118,266.0 | 5.4 |
| Foreign Balance** | 1,869.0 | 4,338.0 | -2.2 |
| Total Domestic Demand | 114,076.0 | 122,604.0 | 7.5 |
| Total Investment | 26,551.0 | 26,727.0 | 0.7 |
| Fixed Investment | 27,013.0 | 27,355.0 | 1.3 |
| Public | 11,986.0 | 12,118.0 | 1.1 |
| Private | 15,028.0 | 15,238.0 | 1.4 |
| Stockbuilding** | -462.0 | -628.0 | -0.1 |
| Public | 167.0 | -2,390.0 | -2.3 |
| Private | -629.0 | 1,762.0 | 2.1 |
| Total Consumption | 87,525.0 | 95,877.0 | 9.5 |
| Public Disposable Income | 11,390.0 | 10,168.0 | -10.7 |
| Public Consumption | 10,630.0 | 10,831.0 | 1.9 |
| Public Savings | 760.0 | -663.0 | -187.2 |
| Public Investment | 12,153.0 | 9,727.0 | -20.0 |
| Public Savings - Investment Gap | -11,393.0 | -10,391.0 | -8.8 |
| Private Disposable Income | 100,816.0 | 108,098.0 | 7.2 |
| Private Consumption | 76,894.0 | 85,046.0 | 10.6 |
| Private Savings | 23,922.0 | 23,052.0 | -3.6 |
| Private Investment | 14,399.0 | 17,000.0 | 18.1 |
| Private Savings - Investment Gap | 9,523.0 | 6,052.0 | -36.4 |

* Realization Estimate

**Percentage changes indicate the contributions to the GNP growth

Source: SPO

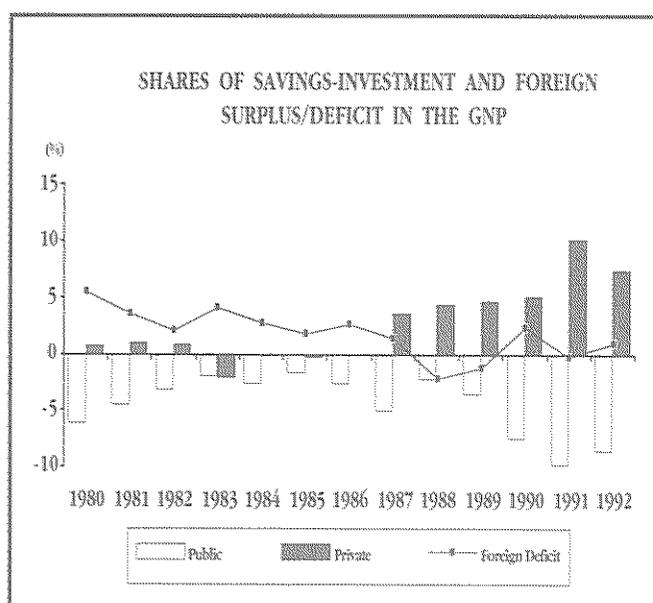
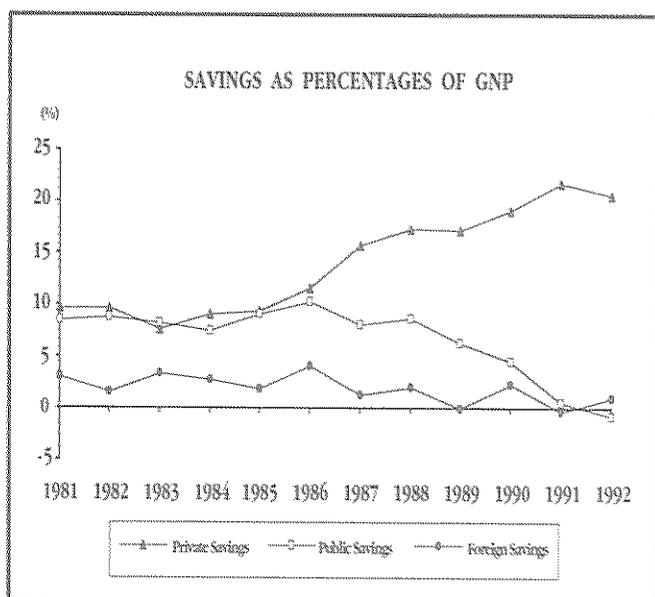
Total investment and fixed capital investment increased slightly. The increase was of 0.7 percent in total investment, as against 1.3 percent in fixed investment. In the previous year, total investment and fixed investment had decreased by 15.6 and 1.0 percent, respectively.

Whilst at constant prices, public savings fell drastically in 1992, private savings fell only by 3.6 percent. The total savings share within GNP, which was 22.0 percent in 1991, decreased to 18.9 percent last year.

The share of total consumption within total resources, which was 76.7 percent in 1991,

increased to 78.2 percent in 1992, whereas the share of total investment within total resources decreased to 21.8 percent, from 23.3 percent in 1991.

There is a meaningful statistical relationship between the public savings-investment deficit and the inflation rate. Calculations made on the basis of 1980-1992 data, indicate that a decrease of 1 percent in the public savings-investment deficit causes around 5 percent decrease in the inflation rate. On the other hand, the statistical relationship between the public-savings investment deficit and the growth rate is less marked.



III. INVESTMENT

Fixed Capital Investment

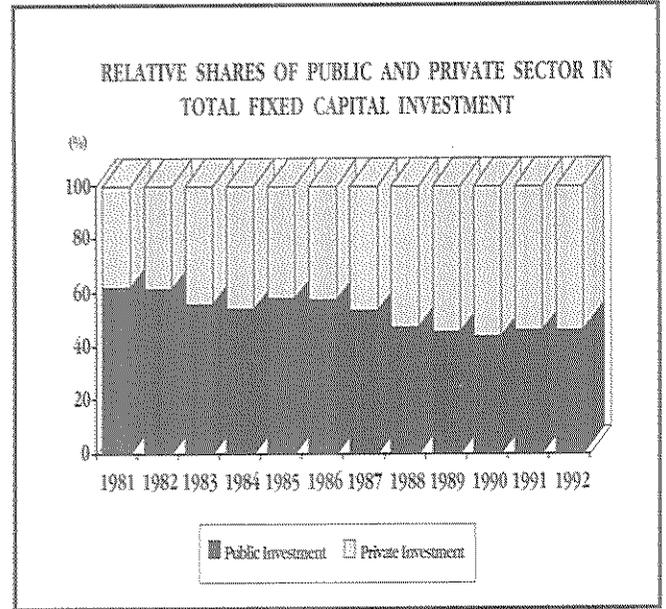
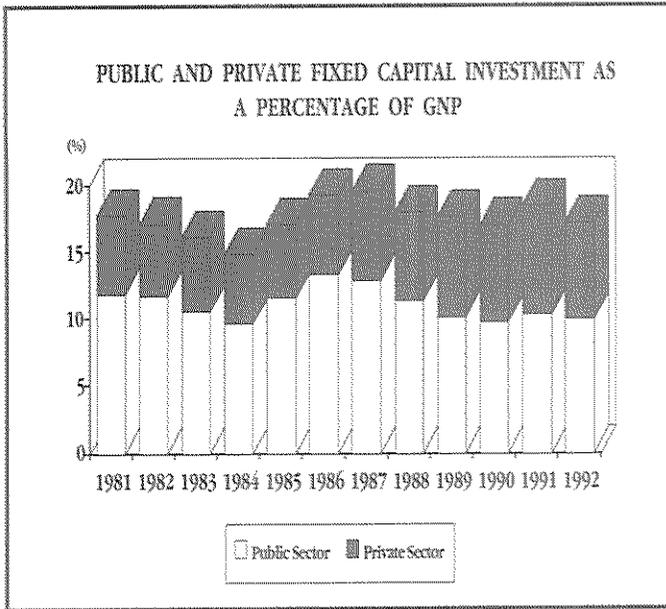
The share of total fixed investment within GNP in 1992 was around 21.6 percent, whilst the share of total investment was 21.1 percent, at current prices. These rates were 22.6 and 22.2 percent, respectively, in 1991. The share of private fixed investment within GNP decreased

to 11.6 percent in 1992 from a level of 12.2 percent in 1991 and the share of public fixed investment fell to 10.0 percent from 10.4 percent.

Transportation and communications and energy were the leading sectors within total public investment in 1992. Their shares were 34.5 and 18.9 percent, respectively. These sectors were followed by the other services with 14.0 percent, and by agriculture with 9.6 percent. The education sector's share which was 6.5 percent 1991, increased to 7.4 percent last year.

| Sectors | Public | | Private | | Total | |
|----------------------------|--------|-------|---------|-------|-------|-------|
| | 1991 | 1992 | 1991 | 1992 | 1991 | 1992 |
| Agriculture | 11.3 | 9.6 | 4.3 | 4.0 | 7.5 | 6.6 |
| Mining | 3.5 | 3.4 | 1.3 | 1.2 | 2.3 | 2.2 |
| Manufacturing | 5.1 | 5.4 | 27.7 | 27.8 | 17.3 | 17.4 |
| Energy | 17.0 | 18.9 | 1.5 | 1.0 | 8.6 | 9.3 |
| Transport & Communications | 37.0 | 34.5 | 13.1 | 13.8 | 24.1 | 23.4 |
| Tourism | 1.5 | 1.4 | 6.1 | 5.0 | 4.0 | 3.3 |
| Housing | 2.1 | 2.3 | 40.7 | 41.9 | 23.0 | 23.5 |
| Education | 6.5 | 7.4 | 0.7 | 0.6 | 3.4 | 3.7 |
| Health | 2.5 | 3.2 | 1.3 | 1.3 | 1.9 | 2.2 |
| Others | 13.4 | 14.0 | 3.4 | 3.3 | 8.0 | 8.2 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: SPO

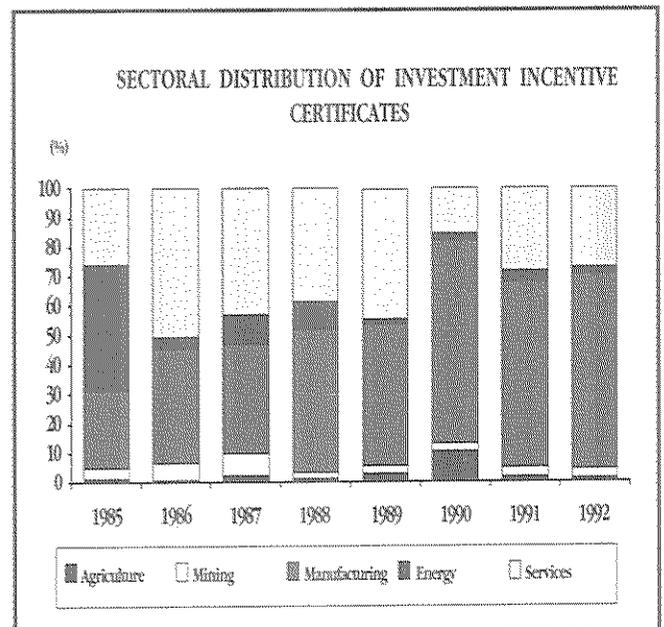


Total fixed capital investments rose by 1.3 percent in 1992 at constant prices. In the public sector, the increase in fixed capital investment was very slow with a rise of 1.1 percent compared to 3.8 percent in 1991. Fixed private investment, which had decreased by around 3.5 percent at constant prices in 1991, rose by 1.4 percent last year. The shares of the housing and manufacturing sectors within the total fixed private investment with 41.9 and 27.8 percent, respectively, were higher than a year earlier. Private fixed investment in transport and communication also increased its share considerably, to 13.8 percent.

Still subsidised investments in the manufacturing sector expanded by 42.8 percent at current prices to TL 34,079 trillion. The manufacturing sector was followed by services with TL 13,877 trillion worth of investments, a rise of 29.9 percent. Agricultural investments increased by 15.2 percent and mining investments rose by 8.8 percent whilst energy investments declined 31.7 percent.

Investment Incentive Certificates

The sum of private investment within the total of incentive certificates issued last year rose by 34.4 percent at current prices, from TL 38,131 billion in 1991 to TL 51,230 billion. However, in real terms there was a drop of 17.1 percent in these investments in 1992, due to various factors, which acted as a disincentive.



**DISTRIBUTION OF INVESTMENT INCENTIVE CERTIFICATES
ACCORDING TO THEIR APPLICATION**

(As Percentage of Total)

| Type of Investment | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| New Investments | 63.9 | 74.4 | 78.8 | 76.7 | 69.0 | 60.7 |
| Expansions | 9.1 | 12.0 | 8.1 | 11.3 | 18.8 | 20.7 |
| Completions | 0.6 | 1.5 | 0.9 | 1.4 | 3.7 | 2.2 |
| Renewals | 3.0 | 0.7 | 1.1 | 0.8 | 1.5 | 3.3 |
| Quality Improvement | 0.4 | 0.3 | 0.1 | 0.2 | 0.1 | 0.2 |
| Elimination of Bottlenecks | 1.5 | 2.0 | 1.0 | 1.6 | 0.6 | 1.3 |
| Modernization | 20.6 | 7.4 | 8.0 | 5.4 | 5.2 | 8.0 |
| Integration of Facilities | 0.8 | 1.6 | 1.8 | 1.6 | 0.3 | 1.4 |
| Financial Leasing | 0.1 | 0.1 | 0.0 | 0.5 | 0.2 | 2.0 |
| Transfers | 0.0 | 0.0 | 0.1 | 0.5 | 0.7 | 0.2 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: SPO

The sectoral distribution of investment incentive certificates issued in 1992 again showed a heavy concentration in manufacturing (66.5 percent), followed by services (27.1 percent) and mining (2.9 percent).

Last year so-called new investments reached TL 31,090 trillion, a rise of 18.2 percent at current prices, which means a substantial decline in real terms. Incentives were also accorded to modernization, renewal, completion and leasing investments, respectively which though of lesser importance, rose much faster than new investments.

On a regional basis, investments almost came to a halt in Eastern and Southeastern Anatolia. But there has also been a marked fall in the number of incentive-backed investments in the Mediterranean region. Contrasting with the considerable decline in the above mentioned regions, the Marmara region broke a new record last year.

Investment incentive certificates in the first quarter of 1993 were markedly above those of the corresponding period of last year (87.1 percent). There was a tremendous increase especially in February due to the implementation of the new Decree related to

SECTORAL DISTRIBUTION OF INVESTMENT INCENTIVE CERTIFICATES

(January-March, TL Million)

| Sectors | 1992 | Share (%) | 1993 | Share (%) | Change (%) |
|---------------|------------------|--------------|-------------------|--------------|-------------|
| Agriculture | 20,100 | 0.2 | 33,388 | 0.2 | 66.1 |
| Mining | 130,147 | 1.3 | 597,101 | 3.3 | 358.8 |
| Manufacturing | 6,322,771 | 64.8 | 10,599,408 | 58.0 | 67.6 |
| Energy | 0 | 0.0 | 37,334 | 0.2 | - |
| Services | 3,288,717 | 33.7 | 6,995,090 | 38.3 | 112.7 |
| Total | 9,761,735 | 100.0 | 18,262,321 | 100.0 | 87.1 |

Source: SPO

| INVESTMENT INCENTIVE CERTIFICATES ACCORDING TO THEIR APPLICATION (January-March, TL Million) | | | | | |
|---|------------------|--------------|-------------------|--------------|-------------|
| Type of Investment | 1992 | Share (%) | 1993 | Share (%) | Change (%) |
| Transfers | 4,698 | 0.0 | 58,193 | 0.3 | 1,138.7 |
| New Investments | 7,216,505 | 73.9 | 12,522,195 | 68.6 | 73.5 |
| Expansions | 1,283,674 | 13.2 | 4,336,314 | 23.7 | 237.8 |
| Completions | 549,203 | 5.6 | 122,608 | 0.7 | -77.7 |
| Renewals | 9,883 | 0.1 | 553,967 | 3.0 | - |
| Quality Improvement | 0 | 0.0 | 7,288 | 0.0 | - |
| Elimination of Bottlenecks | 40,816 | 0.4 | 136,777 | 0.7 | 235.1 |
| Modernization | 509,223 | 5.2 | 243,080 | 1.3 | -52.3 |
| Integration of Facilities | 90,528 | 0.9 | 151,699 | 0.8 | 67.6 |
| Financial Leasing | 57,205 | 0.6 | 118,704 | 0.6 | 107.5 |
| Restoration | 0 | 0.0 | 8,322 | 0.0 | - |
| Research and Develop. | 0 | 0.0 | 3,174 | 0.0 | - |
| Total | 9,761,735 | 100.0 | 18,262,321 | 100.0 | 87.1 |

Source: SPO

investments. Whilst the manufacturing sector was again the leading sector among the others, the highest rise was seen in the mining sector. Although the Marmara Region was first in the amount of investment certificates, the most important increase was realized in the Southeast Anatolian Region.

New Investment Incentives

The principles of the 1993 incentive policy were finalized on January 1993. Investment incentives will be made available to the priority areas, agriculture, animal husbandry, tourism, health, computer technology, flower growing, ceramics and ship building.

Interest-free loans will be extended to animal husbandry farms which have been completed but are not yet in operation and to animal husbandry investments in forest villages, which are particularly poor areas. Support will

also be extended to tourism investments near completion.

In order to promote winter sports, incentive investments will be made available for projects in the provinces of Kars, Erzurum, Çankırı and Kastamonu.

Also included into the scope of the incentives programme are investments in the organized industrial zones which although completed have yet to start production owing to the lack of equipment.

Small and medium-sized industrial enterprises will benefit from additional incentives. Large investments of over \$100 million will be promoted regardless of their location and field of activity.

Furthermore, new incentives are being introduced to stimulate the textile industry's modernization and technology transfer investments.

Construction

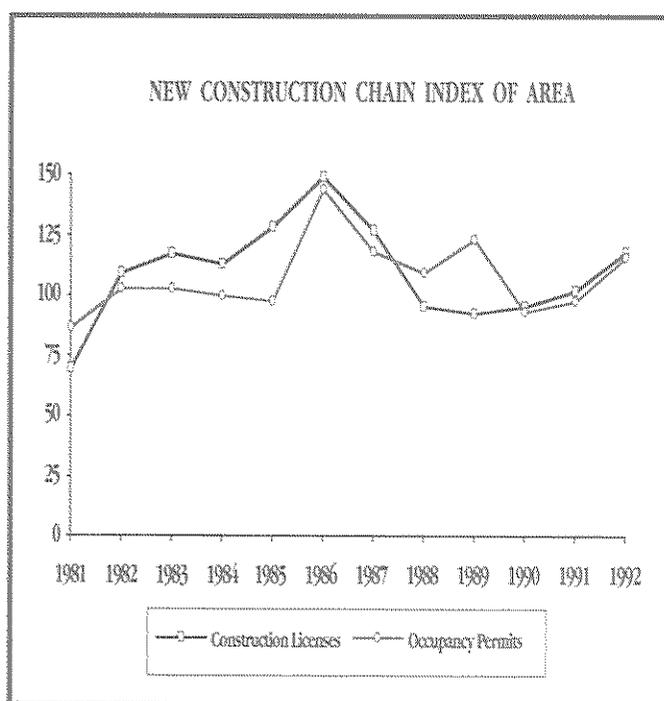
Building costs soared 70 percent on average last year as compared to 1991. The highest cost increase in building inputs was observed in labour costs. According to the quarterly averages, the costs rose 83.7 percent for labour, 72.0 percent for machinery and 63.7 percent for materials.

According to SIS figures, in 1992 the number of construction licences and the number of occupancy permits increased by 13.6 percent and 12.0 percent, respectively. Last year, the municipalities issued 138,015 building licences and 103,470 occupancy permits.

In 1992, the value of the buildings licenses increased by 94.9 percent and their area rose by 18.7 percent, as compared to 1991.

The total area for which construction licences were issued amounted to 72,836,008 square metres. The number of dwelling units for which construction licences were granted rose from 392,943 in 1991 to 467,024 in 1992. Of the buildings given construction licences, 101,209 were houses, 365,815 apartments, 4,013 commercial premises, 2,930 industrial buildings, and 812 were health, social and cultural buildings.

Compared to the previous year, the number of construction licences rose by 16.4 percent for houses, 18.3 percent for apartments and 35.1 percent for industrial constructions. On the other hand, the number of construction licences fell by 39 percent for commercial premises, by 12.8 percent for health, social and cultural buildings and by 4.4 percent for other buildings.



| CONSTRUCTION LICENCES ISSUED AND OCCUPANCY PERMITS | | | |
|--|------------|------------|-------------|
| | 1991 | 1992 | Changes (%) |
| Construction | | | |
| Licences Number | 121,502 | 138,015 | 13.6 |
| Area (M sqm) | 61,459,617 | 72,836,008 | 18.5 |
| Value (TL million) | 44,625,972 | 86,954,256 | 94.9 |
| Number of dwelling units | 392,943 | 467,024 | 18.9 |
| Occupancy | | | |
| Permits Number | 92,399 | 103,470 | 12.0 |
| Area (M sqm) | 32,595,057 | 37,751,037 | 15.8 |
| Value (TL million) | 23,518,047 | 45,111,971 | 91.8 |
| Number of dwelling units | 227,471 | 263,318 | 15.8 |

Source: SIS

According to SIS, buildings costs became 14.6 percent more expensive in the first quarter of 1993 as compared to the previous quarter.

In the January-March period labour costs soared 22.1 percent as compared to the last quarter of 1992. The cost of construction machinery went up 17 percent and that of building materials 10.8 percent.

Building costs increased 65.1 percent in the first quarter of 1993 compared to the same period last year. Instrumental in that rise was the 74.0 percent growth in labour costs, and increases of 71.4 percent in machinery prices and of 60.4 percent in building materials.

As of average of the four quarters, the increase in building costs materialized at 68.3 percent. The average rise in labour costs reached 80.9 percent, in machinery costs 70.8 percent and in building materials 62.3 percent.

| BUILDING COST INDEX | | | | |
|---------------------------------------|------|------|------|------|
| Change On Previous Quarter (%) | | | | |
| | 92/2 | 92/3 | 92/4 | 93/1 |
| General | 11.5 | 17.0 | 10.4 | 14.6 |
| Labour costs | 10.7 | 18.2 | 9.0 | 22.1 |
| Machinery | 8.8 | 17.9 | 14.1 | 17.0 |
| Building materials | 11.9 | 16.4 | 11.1 | 10.8 |
| Apartments blocs | 11.5 | 17.0 | 10.3 | 14.7 |
| Houses | 11.5 | 16.8 | 10.9 | 14.6 |
| Other | 11.4 | 17.2 | 10.4 | 14.5 |

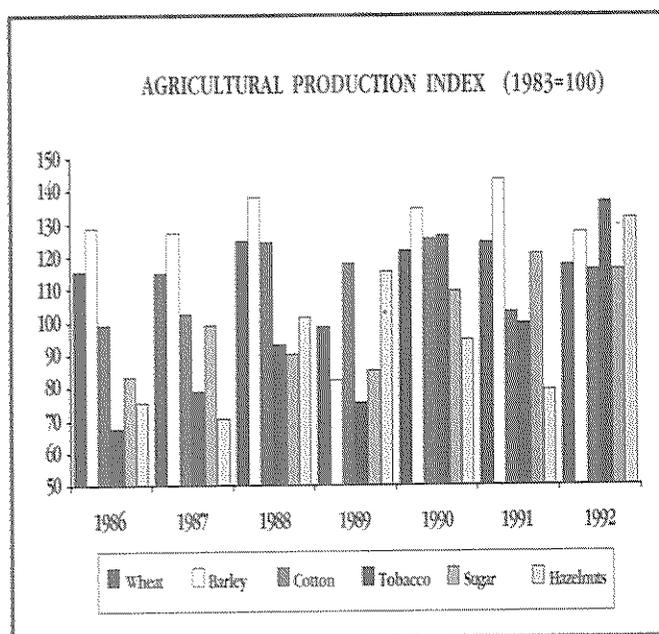
Source: SIS

IV. PRODUCTION

Agricultural Production

After a poor performance in 1991, when GNP growth in the agricultural sector, at constant prices, was negative and actually fell by 1.2 percent, agriculture registered only a moderate improvement of 3.7 percent in 1992. Agriculture grew 4.5 percent in the first quarter of 1992, 3.7 percent in the second quarter, 3.3 percent in the third quarter and 4.4 percent in the fourth quarter.

Wheat production decreased from 20.4 million tonnes to 19.3 million tonnes in 1992 (down by 5.4 percent), and barley production fell from 7.8 million tonnes in 1991 to 6.9 million tonnes. Tobacco and cotton production rose by 40.5 percent and 6.2 percent, respectively. Hazelnut production registered an outstanding improvement, recording a 65.1 percent increase as compared to the previous year.

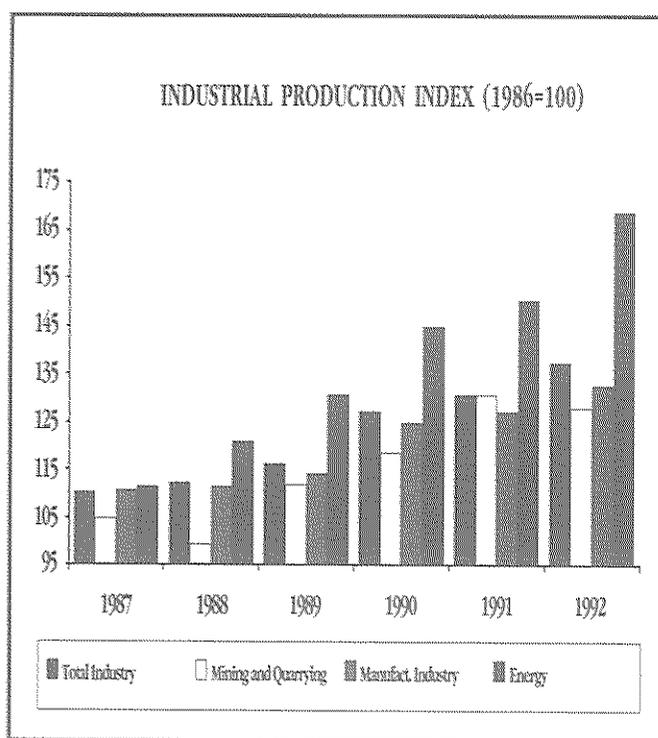


Industrial Production

The industrial sector staged a good performance in 1992. According to the State Institute of Statistics, industrial output rose by 5.1 percent on average last year. However, it has been observed that the growth rate gradually slowed down in the course of the year. At 10.6 percent in the first quarter, the rate of growth dropped to 5.2 percent in the second quarter, to 3.4 percent in the third quarter and further down to 2.1 percent in the last quarter. Therefore, the resulting average output rise was 5.1 percent. In 1991, industrial production had risen by 2.6 percent.

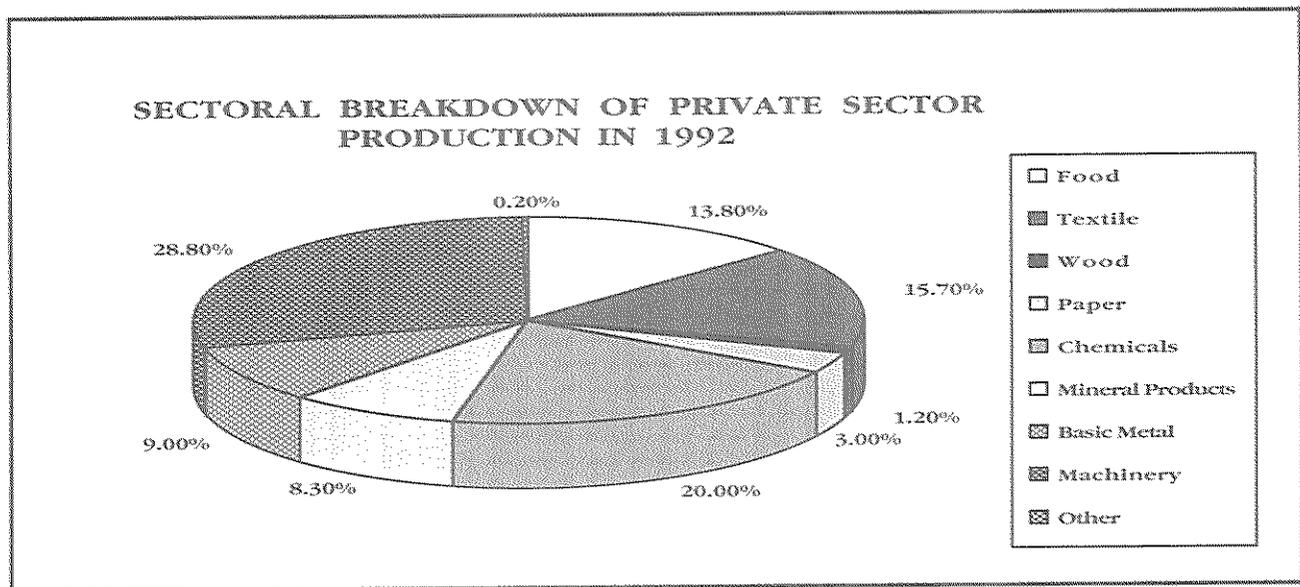
By sub-sectors, the highest increase was observed in the energy sector with 12.2 percent. Energy production had increased by 3.8 percent in 1991. The biggest component of the industrial sector, manufacturing recorded a 4.3 percent output rise last year as against 1.8 percent in 1991. On the contrary, production fell by 2 percent in the mining sector. In this sector, output had expanded by 10.1 percent in 1991.

Within the manufacturing industry, the highest production rise was reported for the paper and printing sector and soil and earthware industry, with 12.0 percent. Production growth was 8.9 percent in the machinery industry, 6.7 percent in the heavy metal industry, 4.2 percent in the forestry products, but only 2.8 percent in textiles and 2.6 percent in the chemical industry. Production actually dropped by 2.7 percent in the food sector.



| PERCENTAGE CHANGES IN INDUSTRIAL PRODUCTION INDEX COMPARED TO THE SAME PERIOD OF THE PREVIOUS YEAR | | | | | | | |
|---|----------|----------|-----------|----------|----------------|---------|-------|
| | | | | | Annual Average | | |
| | I.Quart. | II.Quar. | III.Quar. | IV.Quar. | Public | Private | Total |
| Industry | | | | | | | |
| 1991 | -2.1 | 2.4 | 6.5 | 3.4 | 3.9 | 1.6 | 2.6 |
| 1992 | 10.6 | 5.2 | 3.4 | 2.1 | 3.8 | 6.2 | 5.1 |
| 1993 | 5.3 | | | | | | |
| Mining | | | | | | | |
| 1991 | 12.1 | 15.2 | 7.6 | 8.1 | 13.7 | -2.7 | 10.1 |
| 1992 | 3.8 | -2.3 | -0.9 | -8.4 | -3.3 | 3.8 | -2.0 |
| 1993 | -9.9 | | | | | | |
| Manufacturing Ind. | | | | | | | |
| 1991 | -4.3 | 2.0 | 6.4 | 2.8 | 1.6 | 1.9 | 1.8 |
| 1992 | 10.1 | 4.4 | 2.3 | 1.5 | 1.2 | 5.8 | 4.3 |
| 1993 | 5.8 | | | | | | |
| Energy | | | | | | | |
| 1991 | 3.8 | 0.4 | 6.3 | 4.3 | 5.1 | -10.4 | 3.8 |
| 1992 | 15.9 | 12.8 | 10.4 | 9.9 | 10.8 | 29.8 | 12.2 |
| 1993 | 8.0 | | | | | | |

Source: SIS



The use of electrical power rose significantly last year reflecting a revival in industrial activities. Figures compiled by the State Planning Organization indicate an increase of 6 percent in electricity use in 1992 contrasting with a fall of 2.9 percent in 1991. Power use in urban centers and overall electricity consumption rose by 13.5 percent and 10 percent, respectively in 1992.

| THE SHARE OF THE PRIVATE SECTOR IN MANUFACTURING INDUSTRIES | | |
|--|-------------|-------------|
| (%) | | |
| | 1991 | 1992 |
| Food-Beverages-Tobacco | 57.3 | 57.1 |
| Textiles-Leather | 92.5 | 93.4 |
| Wood Products, Furniture | 72.6 | 72.5 |
| Paper Products, Printing | 71.2 | 73.9 |
| Chem.,Petr.,Rubber,Plas. | 49.5 | 49.1 |
| Non-Metallic Mineral Pr. | 86.6 | 86.1 |
| Basic Metal Industry | 62.7 | 65.3 |
| Mach.,Equip.,Trans.Vehi. | 93.8 | 94.5 |
| Other Manufacturing | 93.3 | 92.6 |
| Total | 69.6 | 70.7 |

Source: TÜSLAD's calculations based on SIS data.

| SECTORAL BREAKDOWN OF PRIVATE SECTOR PRODUCTION | | |
|--|--------------|--------------|
| (%) | | |
| | 1991 | 1992 |
| Food-Beverages-Tobacco | 15.1 | 13.8 |
| Textiles-Leather | 15.4 | 15.7 |
| Wood Products, Furniture | 1.1 | 1.2 |
| Paper Products, Printing | 2.6 | 3.0 |
| Chem.,Petr.,Rubber,Plas. | 20.8 | 20.0 |
| Non-Metallic Mineral Pr. | 8.1 | 8.3 |
| Basic Metal Industry | 9.2 | 9.0 |
| Mach.,Equip.,Trans.Vehi. | 27.5 | 28.8 |
| Other Manufacturing | 0.2 | 0.2 |
| Total | 100.0 | 100.0 |

Source: TÜSLAD's calculations based on SIS data.

Overall utilization of installed industrial production capacity was 76.5 percent in 1992, as against 74.5 percent in the previous year. Capacity utilization in the manufacturing industry improved largely to the revival in domestic demand and in raw material imports.

Industrial production went up 5.3 percent in the first quarter of 1993 compared to the corresponding period in 1992. During the first

three months of the year output expanded 8.0 percent in energy and 5.8 percent in manufacturing but declined 9.9 percent in mining.

The capacity use ratio in the industrial sector, 73.8 percent in the first quarter of 1992 rose to 77.0 percent in the corresponding period this year mainly under the impact of the relative improvement in the insufficiency in external demand as the main factor for low capacity utilization.

The increase in the consumption of electricity, one of the indicators of industrial growth, is below last year's level. Industrial electricity consumption rose 6.1 percent in the first two months of the year as against an increase of 14.4 percent in January-February , 1992.

Productivity

The average labour productivity in the period of 1983-1991 was realized around TL 45.2 million in the private and TL 27.9 million in the public sector, according to the "500 Largest Industrial Firms" publication of the Istanbul

| LABOUR PRODUCTIVITY | | | |
|-------------------------------------|--------|---------|--------|
| Net Value Added/Number of Employees | | | |
| (At 1990 Prices, TL Thousand) | | | |
| Years | Public | Private | Total |
| 1983 | 17,322 | 36,014 | 25,205 |
| 1984 | 21,641 | 37,366 | 28,671 |
| 1985 | 25,433 | 36,372 | 30,020 |
| 1986 | 24,450 | 44,066 | 32,871 |
| 1987 | 34,275 | 51,821 | 42,169 |
| 1988 | 36,570 | 47,135 | 41,271 |
| 1989 | 35,180 | 46,194 | 40,184 |
| 1990 | 32,463 | 52,099 | 41,611 |
| 1991 | 26,613 | 61,862 | 42,646 |
| Average | 27,878 | 45,222 | 35,624 |

Source: Istanbul Chamber of Industry

| CAPITAL PRODUCTIVITY | | | |
|-------------------------------|--------|---------|-------|
| Net Value Added/Fixed Assets | | | |
| (At 1990 Prices, TL Thousand) | | | |
| Years | Public | Private | Total |
| 1983 | 0.407 | 0.969 | 0.625 |
| 1984 | 0.496 | 0.992 | 0.700 |
| 1985 | 0.304 | 0.933 | 0.463 |
| 1986 | 0.268 | 1.046 | 0.468 |
| 1987 | 0.306 | 1.152 | 0.515 |
| 1988 | 0.316 | 1.096 | 0.495 |
| 1989 | 0.310 | 1.049 | 0.491 |
| 1990 | 0.287 | 1.063 | 0.499 |
| 1991 | 0.252 | 1.007 | 0.499 |
| Average | 0.327 | 1.034 | 0.528 |

Source: Istanbul Chamber of Industry

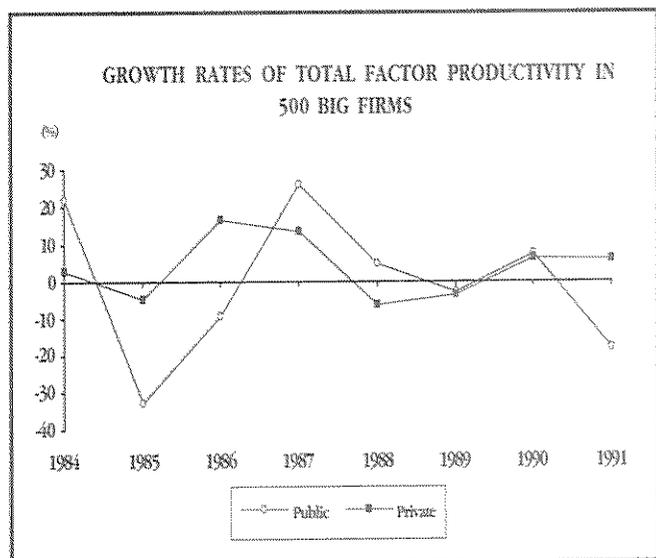
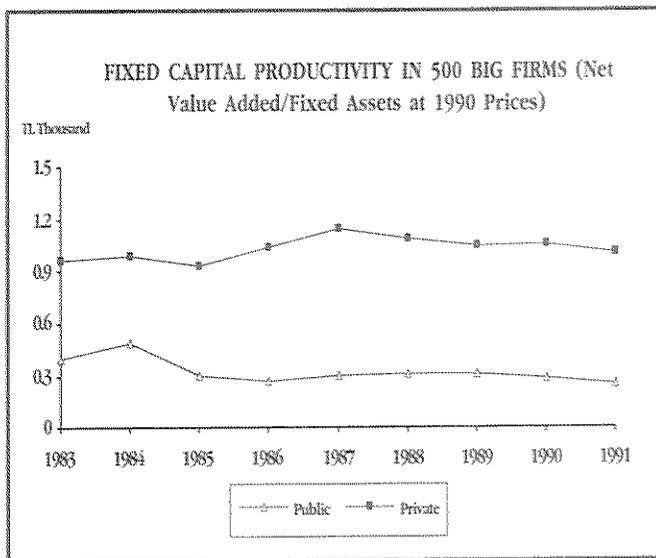
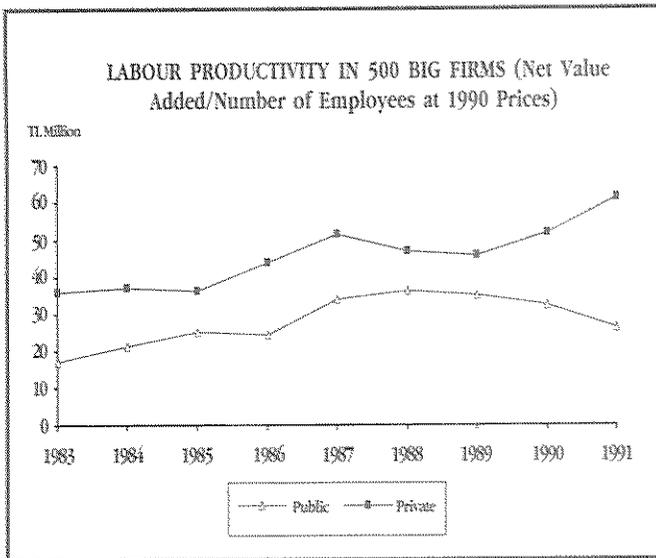
| TOTAL FACTOR PRODUCTIVITY | | | |
|----------------------------------|--------|---------|-------|
| GROWTH RATE (%) | | | |
| Years | Public | Private | Total |
| 1984 | 22.0 | 3.0 | 11.9 |
| 1985 | -32.7 | -4.9 | -34.3 |
| 1986 | -9.2 | 16.7 | 4.2 |
| 1987 | 26.5 | 13.7 | 21.3 |
| 1988 | 4.9 | -6.2 | -2.1 |
| 1989 | -2.7 | -3.7 | -1.8 |
| 1990 | 7.4 | 6.5 | 2.0 |
| 1991 | -18.0 | 6.2 | 0.7 |
| Average | -2.1 | 3.9 | 0.2 |

Source: Istanbul Chamber of Industry

Chamber of Industry. The net value added/fixed assets ratio, the capital productivity , was realized at around 1.034 in the private sector and at 0.324 in the public sector.

The average growth rate in total factor productivity, that is the weighted average of labour and capital productivity, was 3.9 percent in the private sector, in the period of 1984-1991. In the public sector, the total factor productivity fell by 2.1 percent for the same period.

Whilst there was a 6.2 percent increase in the total productivity of the private sector in 1991, there was a sharp fall in the total



productivity of the public sector, with 18 percent. These results strongly indicate the reality that there are considerable differences between the two sectors.

V. LABOUR MARKET

Employment

Unemployment declined slightly in 1992, according to the latest figures released by the State Institute of Statistics. The rate of the jobless declined from 8.0 percent in April 1992 to 7.8 percent in October 1992.

The semi-annual household labour force survey carried out by SIS in April and October each year shows that the labour force rose 1.6 percent or by 337,000 persons from 20,847,000 in April 1992 to 21,184,000 persons in October the same year. The number of employed went up 1.9 percent or by 356,000 persons to 19,528,000 persons while the number of the jobless declined 1.1 percent or by 19,000 to 1,656,000 persons.

Out of the 1,656,000 unemployed, 1,107,000 were urban jobless. The rate of unemployment in urban centers was running at 11.7 percent in October 1992, down on 12.1 percent in April. The rate of unemployment in the rural sector remained unchanged at 4.7 percent.

As of October 1992, 42.6 percent of the 19,528,000 employed (8,316,000) resided in urban centers and 57.4 percent (11,212,000) in rural areas. Forty-five percent of the total employed were engaged in agricultural activities, 37.4 percent in services and 17.6 percent in industry.

| MAIN INDICATORS OF THE HOUSEHOLD LABOUR FORCE SURVEY | | | |
|--|--------------|------------|--------------|
| | October 1991 | April 1992 | October 1992 |
| Civilian Employment (in thousands) | | | |
| Turkey | 19,016 | 19,172 | 19,528 |
| Urban centers | 7,806 | 8,195 | 8,316 |
| Rural areas | 11,211 | 10,977 | 11,212 |
| Unemployment Rate (%) | | | |
| Turkey | 8.3 | 8.0 | 7.8 |
| Urban centers | 12.1 | 12.1 | 11.7 |
| Rural areas | 5.4 | 4.7 | 4.7 |

Source: SIS



These figures, however, can not be directly compared with similar statistics from other OECD countries, mainly because of large structural differences due to high population growth, low skill levels, widespread child labour and hidden unemployment, particularly in rural areas.

Collective Bargaining Agreements

During 1992, 1,783 collective bargaining agreements were made; these involved 450,906 workers and 9,537 establishments. It should be noted that the number of workers covered by collective agreements is relatively small - around 15 percent of the labour force - ; but, they are concentrated in the modern sector of the economy and a good part of them possesses higher skills.

The number of strike actions conducted in 1992 was the lowest of the past six years. The reduction in the number of strike actions observed in 1992 was matched by a fall in the number of lock-outs materialized at an all time low last year.

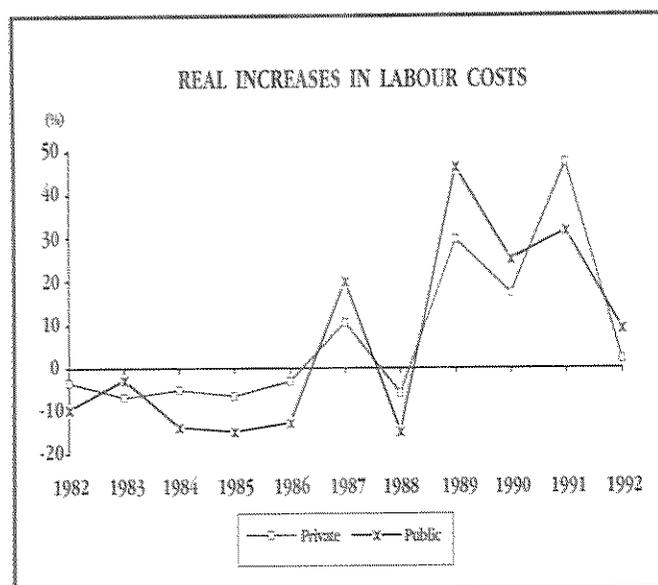
| COLLECTIVE BARGAINING AGREEMENTS | | | | | |
|--------------------------------------|-----------|-----------|-----------|-----------|--------|
| | 1989 | 1990 | 1991 | 1992 | 1993* |
| Number of Collective Bar. Agreements | 2,725 | 1,954 | 5,030 | 1,783 | 91 |
| Number of Workers Involved | 829,341 | 483,852 | 1,089,549 | 450,906 | 28,468 |
| Number of Establishments | 10,329 | 11,399 | 13,169 | 9,537 | 1,078 |
| STRIKES | | | | | |
| | 1989 | 1990 | 1991 | 1992 | 1993* |
| Number of Strikes | 171 | 458 | 398 | 98 | 22 |
| Number of Workers Involved | 39,435 | 166,306 | 164,968 | 62,189 | 2,444 |
| Number of Working Days Lost | 2,911,407 | 3,466,550 | 3,809,354 | 1,153,578 | 52,059 |

*January 1993

Source: Ministry of Labour and Social Security

Wages

Nominal wages had been increased by more than 100 percent in 1991 due to labour union and pre-election pressures and therefore the real wages had risen sharply in the same year. In 1992, the wage increases were more moderate and the rise of the real wages was lower than in the previous year. Accordingly, the increase in labour costs in real terms was 9.1 percent in the public sector, and only 2.1 percent in the private sector.



| WORKERS' WAGES AND DEVELOPMENTS IN LABOUR COSTS | | | | |
|--|------------------------|-----------------------------|------------------------|-----------------------------|
| (TL/Day) | | | | |
| Years | Public Sector | | Private Sector | |
| | Nominal Wage | Total Labour Cost | Nominal Wage | Total Labour Cost |
| 1990 | 44,541.3 | 73,960.0 | 68,160.0 | 83,115.0 |
| 1991 (1) | 97,278.2 | 161,528.7 | 169,268.0 | 203,490.0 |
| 1992 (2) | 180,937.3 | 300,443.3 | 294,236.3 | 354,075.0 |
| REAL INCREASES(*) | | | | |
| Years | Public Sector | | Private Sector | |
| | Real Wage Increase (%) | R. Labour Cost Increase (%) | Real Wage Increase (%) | R. Labour Cost Increase (%) |
| 1990 | 28.1 | 25.3 | 16.2 | 17.3 |
| 1991 (1) | 31.6 | 31.6 | 49.6 | 47.5 |
| 1992 (2) | 9.1 | 9.1 | 2.0 | 2.1 |

(1) Provisional for the Public Sector (2) Estimate

(*) SIS Consumer Prices Index was used in real increases calculations

The base is 1987=100 since 1990

Source: TISK, SPO, SIS

CHAPTER II

FOREIGN ECONOMIC RELATIONS

FOREIGN ECONOMIC RELATIONS

I. DEVELOPMENTS IN THE WORLD ECONOMY

The world economy, after attaining high growth rates during the Eighties was confronted with a recession in 1990, which deepened in 1991: world output decreased by 0.3 percent in 1991. In 1992, economy recovered in the U.S.A. but recession deepened in Japan and continental Europe. The IMF estimated world output growth at 0.8 percent in 1992.

During the Eighties, economic policy in industrial countries was directed towards maintaining price stability mainly using tight monetary policies. These policies were influential in bringing down the inflation rate but they also reduced growth and led to higher unemployment levels. Several major countries, notably the U.S, Japan, Canada and the U.K. therefore favored some loosening of policy via lower interest rates in order to stimulate economic activity. Consequently short-term interest rates in the U.S. fell to their lowest in last 30 years with 2.6 percent. On the other hand, Germany, whose major problem remained persistent inflation, caused by rising public sector deficits pursued high interest rate policy. The short-term rate rose to a high 9.8 percent in 1992. Consequently, there appeared an interest rate differential

| WORLD ECONOMY (% changes) | | | |
|--------------------------------|-------|-------|-------|
| | 1991 | 1992 | 1993 |
| Real GDP growth | | | |
| Industrial countries | 0.8 | 1.5 | 1.7 |
| E.Europe and former USSR | -16.9 | -15.5 | -8.8 |
| Developing countries | 3.3 | 6.1 | 5.1 |
| Consumer price increase | | | |
| Industrial countries | 3.3 | 3.2 | 3.0 |
| E.Europe and former USSR | 134.7 | 776.0 | 416.0 |
| Developing countries | 42.7 | 38.7 | 33.6 |

Source: The Economist, May 1st 1993

between the industrialised countries never seen before. The high interest rates in Germany, where reunification has soared fiscal deficits, affected borrowing conditions throughout Europe. Members of the European Monetary System maintain high rates despite falling inflation. Besides interest rate pressure, other negative developments in the world economy and volatility in foreign exchange markets, caused 1992 to be a difficult year for international financial markets. Speculative attacks on several European currencies forced some countries to devalue and some others to leave the system altogether (the U.K. and Italy). This interest rate differential when combined with other developments, strengthened devaluation expectations and the value of US dollar fell to historically low levels against the Deutsche Mark.

By contrast, developing countries experienced favorable growth in 1992 (6.1 percent). Interest rate reductions in the U.S. and Canada eased their foreign debt burden and there was an apparent improvement in the conditions of access to international financial markets for the majority of the developing countries.

In the Middle and Eastern European countries and in the newly independent republics of the former USSR, transition towards a market economy from a centrally planned economy made further progress. Whilst attempts directed at privatisation and the establishment of a legal frame for a market economy continue, the reforms were partially effective on the output potential: the reduction in output in Eastern European countries is estimated to have been lower in 1992 as compared to 1991. Decreases in production, increasing budget deficits, rising unemployment and inflation, balance of payments problems, import shortages and foreign debt servicing difficulties, were common problems that these countries encountered in 1992. Economic difficulties are likely to continue and if accompanied by social and ethnic unrest would make the successful implementation of economic stabilisation measures even harder.

Moves to protectionism and attempts towards "managed trade" agreements have become more detrimental for benefits from free trade. A settlement has not yet been reached in the GATT-Uruguay Round Negotiations, and uncertainties for the world trade outlook remain. Nevertheless, in 1992 world trade expanded by about 4 percent.

Expectations regarding the world economy are not overly pessimistic. It seems that inflationary pressures are lessening in industrialised countries. Interest rate cuts together with moves to bring down public deficits are estimated to open the way for world growth. Several leading nations have already taken steps at this direction. The possibility of further monetary easing is warranted on the grounds of current weakness of economic activity and declining inflation in most industrialised countries. Prospective reductions in interest rates in Germany will permit lower interest rates across Europe in the coming months and will make a positive impact on growth potentials. Provided that obstacles such as high short-term real interest rates, asset-price deflation, financial tensions, depressed level of consumer and business confidence are overcome, it is estimated that economic recovery will start towards the end of 1993 and world trade and world output could grow again somewhat faster than in the last few years.

II. FOREIGN TRADE

In 1992, the real depreciation of the TL helped exports to maintain a sufficient growth rate. On the other hand, strong recovery of domestic demand facilitated the revival of imports. As the growth rate of imports turned out to be higher than that of exports, the trade deficit widened. All of \$ 7.2 billion of the \$ 8.2 billion overall trade deficit was financed by net invisible earnings and unrequited transfers. An inflow of \$ 3.6 billion and \$ 1.4 billion in long-term and in short-

term capital more than compensated the current account deficit of \$ 0.9 billion and strengthened the foreign exchange reserves of the Central Bank and commercial banks.

Even though exports increased by 8.3 percent, totalling \$ 14.7 billion, they nevertheless fell \$ 1.1 billion short of the programmed target. Imports increased by 8.7 percent, reaching \$ 22.9 billion, which has only \$ 400 million below the targeted level of \$ 23.3 billion. As a result of the poorer than expected export performance, the trade deficit increased by 9.4 percent reaching \$ 8.2 billion.

Foreign terms of trade improved in the first half of 1992 but deteriorated in the second part of the year. According to the 12 month averages, import prices decreased by 1.9 percent, whilst export prices increased by 1.3 percent. The increase in the export and import volume was 3 percent and 1.7 percent, respectively. The increase in volumes came mainly from the agricultural sector for imports and from the industrial sector for

| FOREIGN TRADE INDICES | |
|-----------------------|-------------------------------|
| | Percent change (1992/1991) |
| Quantity | |
| Exports | 3.0 |
| Imports | 1.7 |
| Price | |
| Exports | 1.3 |
| Imports | -1.9 |

Source: SIS

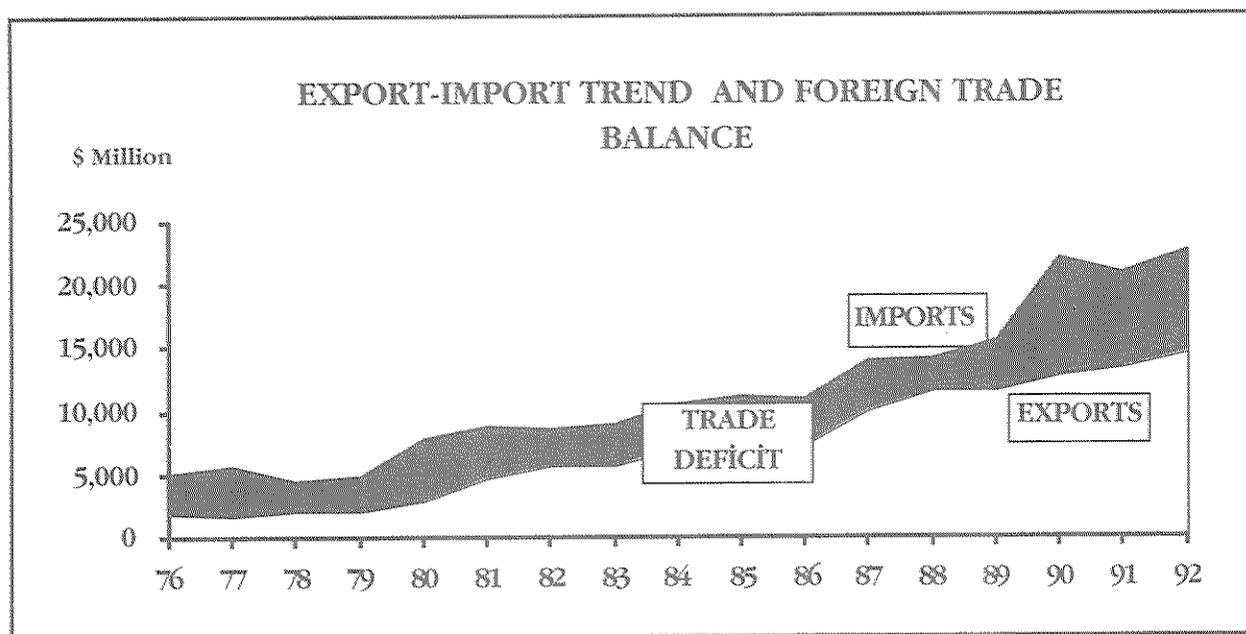
exports.

The increase in total exports depended solely on industrial goods exports which increased by 15.2 percent. But exports of agricultural produce fell by 17.1 percent due to difficulties in transportation to Western Europe, caused by the war in Yugoslavia. Mining exports also fell by 7.3 percent. As a result, the share of exports of industrial goods rose to 82.8 percent from 77.8 percent in 1991 and the share of exports of agricultural produce decreased to 15.4 percent from a level of 20.1 percent in 1991.

| FOREIGN TRADE AND GROSS DOMESTIC PRODUCT | | | | |
|--|-------------------|-----------|-----------|-----------|
| | | 1990 | 1991 | 1992* |
| GNP | TL Billion | 287,254.2 | 453,206.0 | 774,319.0 |
| Exports | TL Billion | 34,071.0 | 57,373.4 | 101,859.2 |
| | \$ Million | 12,959.5 | 13,593.0 | 14,715.0 |
| Imports | TL Billion | 58,755.2 | 88,914.3 | 159,602.6 |
| | \$ Million | 22,302.3 | 21,047.0 | 22,872.0 |
| Foreign Trade Volume | TL Billion | 92,826.2 | 146,287.7 | 261,461.8 |
| | \$ Million | 35,261.8 | 34,640.0 | 37,587.0 |
| Exports in GDP (%) | | 11.9 | 12.7 | 13.2 |
| Imports in GDP (%) | | 20.5 | 19.6 | 20.6 |
| Foreign Trade in GDP (%) | | 32.3 | 32.3 | 33.8 |
| Share of Exports in Total Trade (%) | | 36.8 | 39.2 | 39.1 |
| Share of Imports in Total Trade (%) | | 63.2 | 60.8 | 60.9 |
| Export/Import (%) | | 58.1 | 64.6 | 64.3 |

* SPO estimate

Source: SPO, SIS



| SECTORAL DISTRIBUTION OF FOREIGN TRADE | | | | | | | |
|---|----------|----------|-----------|------------|----------|-----------|------------|
| (\$ Million) | | | | | | | |
| | 1990 | 1991 | Share (%) | Change (%) | 1992* | Share (%) | Change (%) |
| A. IMPORTS | 22,302.0 | 21,047.0 | 100.0 | -5.6 | 22,870.7 | 100.0 | 8.7 |
| 1. PUBLIC | 7,468.7 | 6,946.6 | 33.0 | -7.0 | 5,902.1 | 25.8 | -15.0 |
| Consumption Goods | 872.1 | 857.7 | 4.1 | -1.7 | 576.9 | 2.5 | -32.7 |
| Investment Goods | 1,178.4 | 1,665.7 | 7.9 | 41.4 | 1,392.7 | 6.1 | -16.4 |
| Raw Materials | 5,418.2 | 4,423.2 | 21.0 | -18.4 | 3,932.5 | 17.2 | -11.1 |
| 2. PRIVATE | 14,833.6 | 14,100.4 | 67.0 | -4.9 | 16,968.6 | 74.2 | 20.3 |
| Consumption Goods | 2,149.9 | 2,052.8 | 9.8 | -4.5 | 2,377.6 | 10.4 | 15.8 |
| Investment Goods | 4,609.1 | 4,385.8 | 20.8 | -4.8 | 5,432.1 | 23.8 | 23.9 |
| Raw Materials | 8,074.6 | 7,661.8 | 36.4 | -5.1 | 9,158.6 | 40.0 | 19.5 |
| 3. TOTAL | | | 100.0 | | | 100.0 | |
| Consumption Goods | 3,022.0 | 2,910.5 | 13.8 | -3.7 | 2,954.5 | 12.9 | 1.5 |
| Investment Goods | 5,787.5 | 6,051.5 | 28.8 | 4.6 | 6,824.8 | 29.8 | 12.8 |
| Raw Materials | 13,492.8 | 12,085.0 | 57.4 | -10.4 | 13,091.1 | 57.2 | 8.3 |
| B. EXPORTS | 12,959.0 | 13,593.0 | 100.0 | 4.9 | 14,714.6 | 100.0 | 8.3 |
| 1. PUBLIC | 675.0 | 1,215.0 | 8.9 | 80.0 | 1,351.8 | 9.2 | 11.3 |
| 2. PRIVATE | 12,284.0 | 12,379.0 | 91.1 | 0.8 | 13,362.8 | 90.8 | 7.9 |
| C. FOREIGN TRADE BALANCE | -9,343.3 | -7,453.0 | 100.0 | -20.2 | -8,156.1 | 100.0 | 9.4 |
| 1. PUBLIC | -6,793.7 | -5,731.6 | 76.9 | -15.6 | -4,550.3 | 55.8 | -20.6 |
| 2. PRIVATE | -2,549.6 | -1,721.4 | 23.1 | -32.5 | -3,605.8 | 44.2 | 109.5 |

* Provisional

Source: SPO, Undersecretariat of Treasury and Foreign Trade

EXPORTS BY SECTORS AND BY COUNTRY GROUPS

(\$ Million)

| | 1991 | Share (%) | 1992 | Share (%) | Change (%) | 1993* | Share (%) |
|--------------------------|---------------|------------|---------------|------------|------------|----------------|--------------|
| BY SECTORS | | | | | | | |
| Agriculture | 2,726 | 20.1 | 2,259 | 15.4 | -17.1 | 832.4 | 16.9 |
| Mining | 286 | 2.1 | 265 | 1.8 | -7.3 | 61.2 | 1.2 |
| Industry | 10,582 | 77.8 | 12,191 | 82.8 | 15.2 | 4,037.7 | 81.9 |
| BY COUNTRY GROUPS | | | | | | | |
| EC Countries | 7,042 | 51.8 | 7,601 | 51.7 | 7.9 | 2,274.1 | 46.1 |
| EFTA Countries | 591 | 4.3 | 632 | 4.3 | | 173.8 | |
| Other OECD | 1,224 | 9.0 | 1,113 | 7.6 | -9.0 | 438.6 | 8.9 |
| Islamic Countries | 2,666 | 19.6 | 2,775 | 18.9 | 4.1 | 816.7 | 16.6 |
| Other European Countries | 1,152 | 8.5 | 1,315 | 8.9 | 14.2 | 580.7 | 11.8 |
| Others | 919 | 6.8 | 1,279 | 8.7 | 39.2 | 647.4 | 13.1 |
| TOTAL | 13,594 | 100 | 14,715 | 100 | 8.3 | 4,931.3 | 100.0 |

* January-April. Provisional

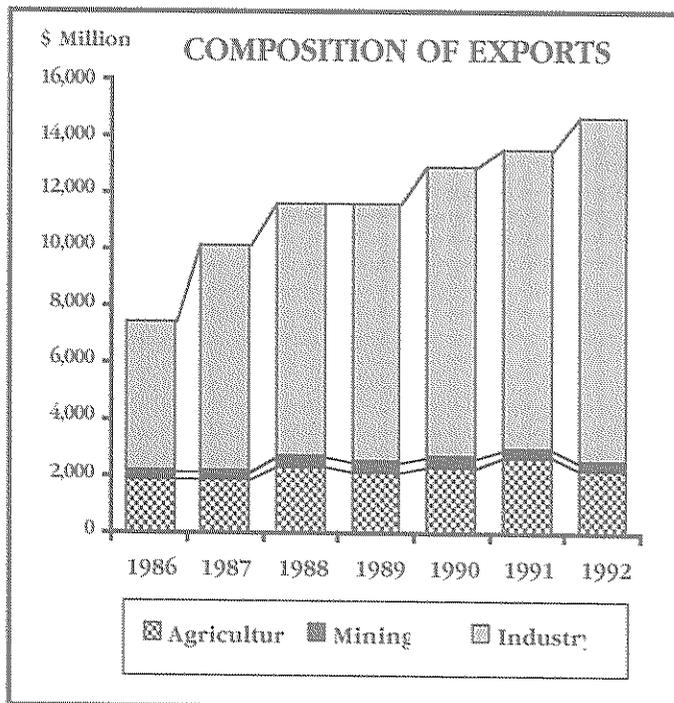
Source: SIS

Exports of processed agricultural products, cement, rubber and plastic, forestry products, textiles, metal products, machinery and motor vehicles rose

particularly.

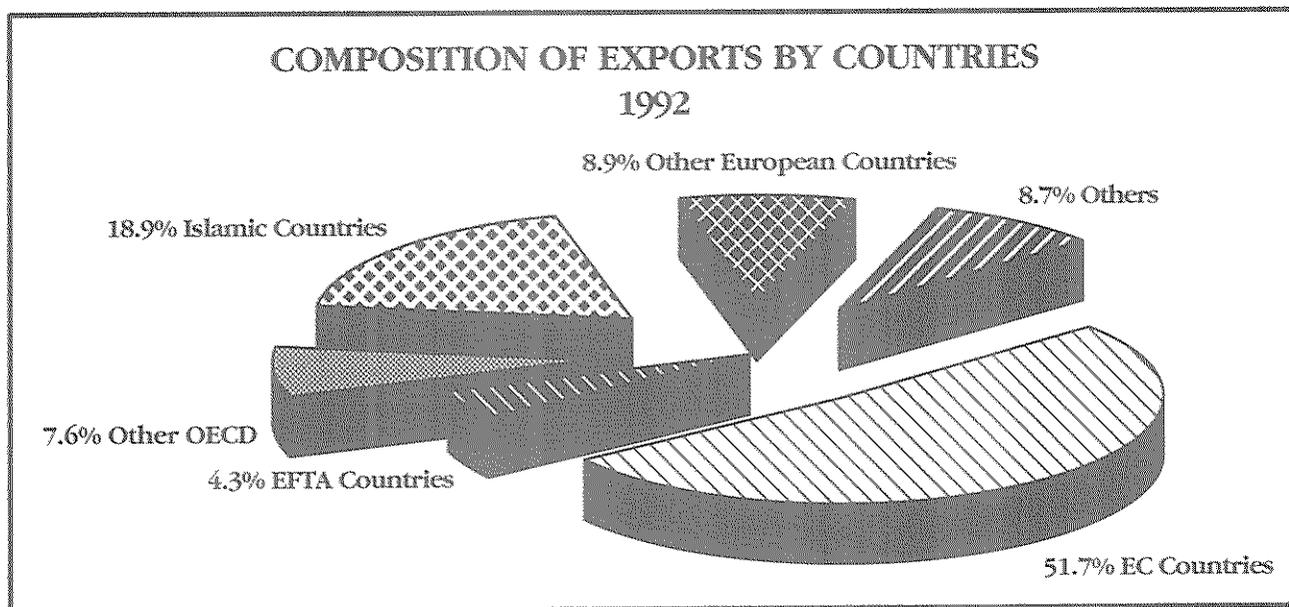
As a consequence of stronger growth of demand, imports and especially imports of investment goods and raw materials showed a solid increase in 1992. Due to imports of machinery and equipment, investment goods imports, which had a share of 29.8 percent in total imports (28.8 percent in 1991) experienced an increase of 12.8 percent, and raw materials with a share of 57.2 percent, increased by 8.3 percent, whilst imports of consumption goods, with a share of 12.9 percent, rose by 1.5 percent. Although imports of crude oil increased by 7.2 percent, the share of crude oil imports in the total remained nearly unchanged. Gold imports also rose by 23 percent to \$ 1.4 billion.

Foreign trade relations with Germany ranked first, as usual. Exports to Germany constituted 25 percent of the total, whilst imports from that country totalled 16.4



percent. Italy, the U.S., France and the United Kingdom constituted the other major markets for Turkish exports. On the other hand, exports to Turkey's non-conventional export

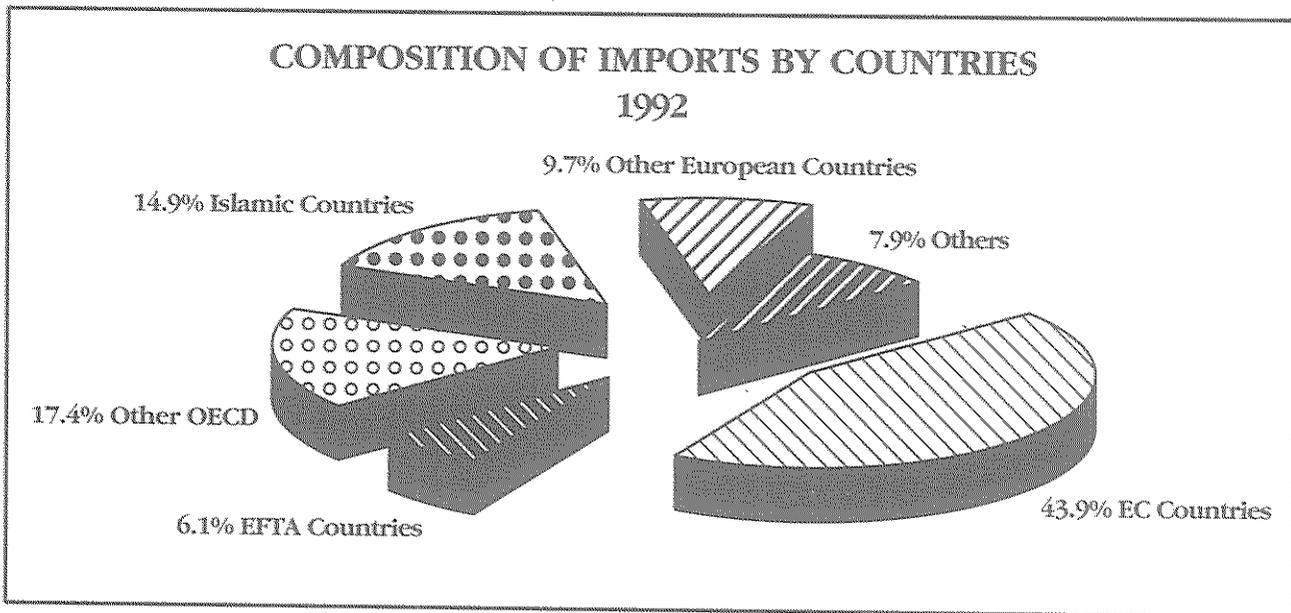
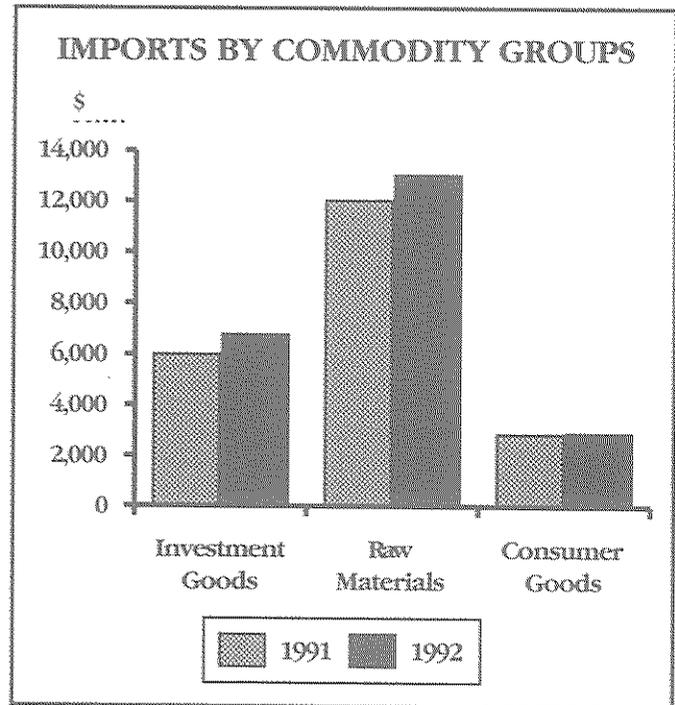
markets also resumed a strong growth in 1992. Exports to other European countries rose by 14.2 percent and to other countries by 39.2 percent.



| IMPORTS BY COMMODITY AND BY COUNTRY GROUPS | | | | | | | |
|---|---------------|------------|---------------|------------|------------|----------------|--------------|
| (\$ Million) | | | | | | | |
| | 1991 | Share (%) | 1992 | Share (%) | Change (%) | 1993* | Share (%) |
| BY COMMODITY | | | | | | | |
| Investment Goods | 6,052 | 28.8 | 6,825 | 29.8 | 12.8 | 2,636.3 | 30.0 |
| Raw Materials | 12,085 | 57.4 | 13,091 | 57.2 | 8.3 | 5,010.2 | 57.0 |
| Consumer Goods | 2,911 | 13.8 | 2,955 | 12.9 | 1.5 | 1,142.5 | 13.0 |
| BY COUNTRY GROUPS | | | | | | | |
| EC Countries | 9,222 | 43.8 | 10,049 | 43.9 | 9.0 | 3,627.7 | 41.3 |
| EFTA Countries | 1,215 | 5.8 | 1,399 | 6.1 | 15.1 | 521.2 | 5.9 |
| Other OECD | 3,634 | 17.3 | 3,974 | 17.4 | 9.4 | 1,806.2 | 20.6 |
| Islamic Countries | 3,175 | 15.1 | 3,414 | 14.9 | 7.5 | 1,144.7 | 13.0 |
| Other European Countries | 2,026 | 9.6 | 2,218 | 9.7 | 9.5 | 946.9 | 10.8 |
| Others | 1,775 | 8.4 | 1,818 | 7.9 | 2.4 | 742.2 | 8.4 |
| TOTAL | 21,047 | 100 | 22,871 | 100 | 8.7 | 8,788.9 | 100.0 |

* January-April, Provisional
Source: SIS, SPO

In the 1993 Economic Programme, exports are expected to rise to \$ 17 billion and imports to \$ 25.8 billion. However, developments in the first four months of 1993 are not as optimistic as the programme targets imply. In the January-April period of 1993 exports rose to \$ 4,931 billion, from \$ 4,608 billion, and imports increased to \$ 8,789 billion from \$ 6,685 billion in the same months of 1992. This means that during this period, exports climbed by 7 percent and imports by 31.5 percent, and as a result of which, the trade deficit rose by 85.7 percent over the same period of 1992.



In the first four months of 1993, industrial and agricultural exports expanded by 8.3 percent and 4.9 percent, respectively; while mining exports decreased by some 29.7 percent. Whilst investment goods' imports increased by 34.2 percent, imports of consumption goods rose by 32.2 percent and

raw material imports by 29.9 percent. The ratio of exports to imports decreased to 56.1 percent from 68.9 percent in the same period of last year.

During this period, Turkey's trade balance deteriorated with OECD, Other European and Islamic countries. Exports to

OECD and Islamic countries decreased by 0.2 percent and 11.4 percent, whereas imports from these countries rose by 28.4 percent and 21.7 percent, respectively. In this period, exports to Other European and Other countries expanded by 61.2 percent and 49.5 percent respectively. Among these countries, exports to China grew the fastest, making this country the third major export market of Turkey after Germany and United Kingdom.

The new Decree For The Promotion of Exports and Foreign Exchange Generating Activities came into force in January 1993. The new regulations did not contain any important changes. Eximbank credits, energy incentives and use of foreign exchange for duty exempted imports will continue as export promotion incentives. The priority sectors are chosen to be sectors such as fresh and frozen fruits and vegetables, textiles, ready-wear, iron-steel, glassware, ceramics, processed food, carpets and rags, mining products, flowers, leather, footwear and saddlery.

Free Trade Zones

Total volume of trade from the five free trade zones which have become operative in 1988, has reached to \$ 1,622 million by the end of March-1993. Mersin free trade zone accounted for 76 percent of the total trade volume.

As of end of March 1993, there have been 1,375 applications of which 190 are foreign. 571 firms, of which 83 are foreign, received operating licences. 52 percent of these firms will involve in general trading, 22 percent in production and 26 percent in storing, banking, insurance and leasing activities.

Investments in the free trade zones amounted to \$ 74.2 million by the end of March 1993. Of the total investment, Mersin free zone received \$ 38.4 million.

Transit trade accounted for \$453 million of total trade volume. Trade with Turkey constituted the bulk of trading activities of the free trade zones (43 percent of total volume of trade).

| GENERAL INFORMATION ABOUT FREE TRADE ZONES | | | | |
|---|------------------------|---------------------------------|--------------------------------------|--|
| (As of 31 March 1993) | | | | |
| | Total Area (m2) | Number of Licenced Users | Total Investment (\$ Million) | Total Trade volume (\$ Million) |
| Mersin | 750,000 | 241 | 38 | 1,228 |
| Antalya | 550,000 | 94 | 11 | 96 |
| Agean | 2,200,000 | 76 | 10 | 107 |
| Adana-Yumurtalik | 4,800,000 | - | 9 | - |
| İstanbul-Atatürk Airport | - | 80 | 4 | 184 |
| İstanbul-Trakya | 240,000 | 70 | - | - |
| Trabzon | 38,000 | 10 | 3 | 7 |
| Total | 8,578,000 | 571 | 74 | 1,622 |

Source: Undersecretariat of Treasury and Foreign Trade

| FREE ZONE TRADE VOLUME | | | | | | | |
|--------------------------|------|------|------|------|------|-------|-------|
| (\$ Million) | | | | | | | |
| | 1988 | 1989 | 1990 | 1991 | 1992 | 1993* | TOTAL |
| Turkey to zones | 0 | 6 | 8 | 48 | 92 | 17 | 172 |
| Zones to Turkey | 4 | 21 | 48 | 69 | 151 | 42 | 335 |
| Other countries to zones | 8 | 63 | 60 | 99 | 158 | 48 | 435 |
| Zones to other countries | 1 | 28 | 22 | 48 | 98 | 30 | 226 |
| Total | 13 | 118 | 138 | 264 | 498 | 138 | 1,169 |
| Transit trade | 71 | 17 | 110 | 158 | 79 | 19 | 453 |
| Grand total | 83 | 135 | 248 | 422 | 577 | 156 | 1,622 |

* January-March

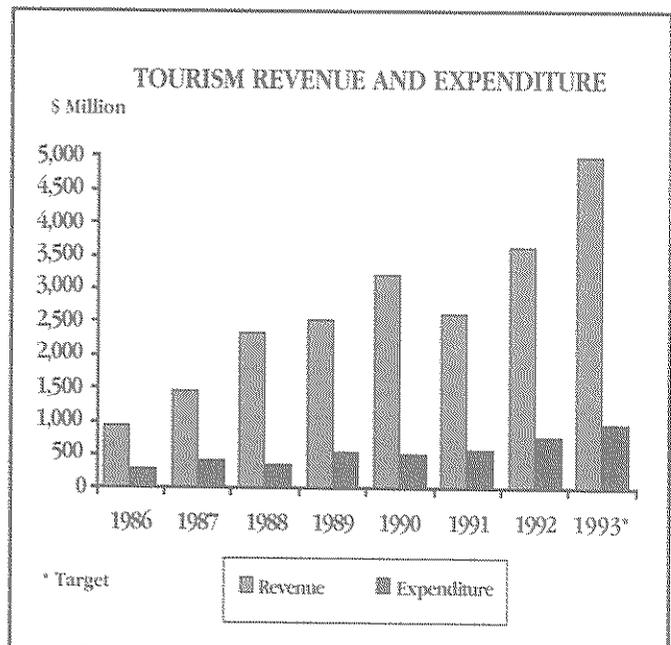
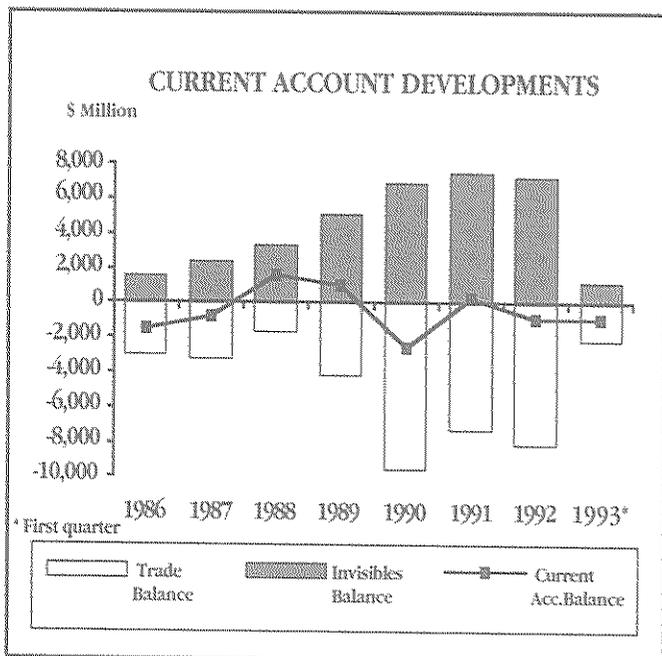
Source: Undersecretariat of Treasury and Foreign Trade

III. BALANCE OF PAYMENTS

Current Account

The current account revenues increased by 4.6 percent, whilst expenditures rose by 9 percent, as a result of which the current account balance turned into a deficit of \$ 943 million, from a surplus of \$258 million in 1991. The deterioration in the current account

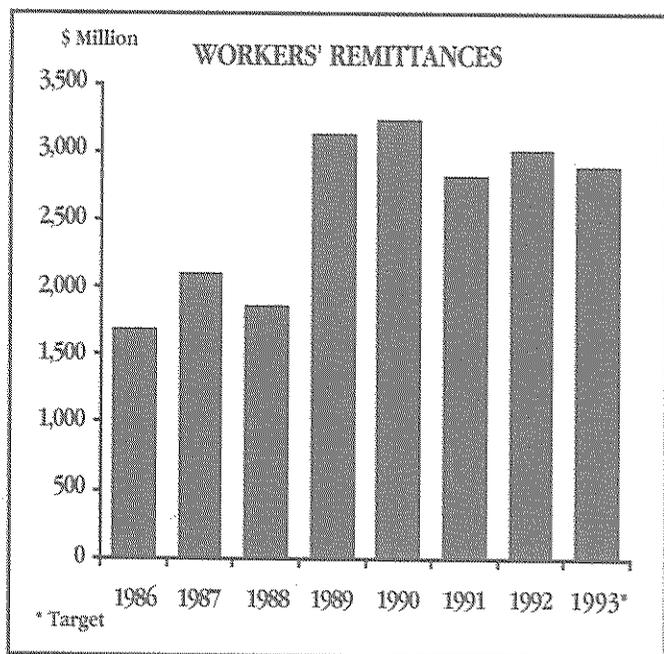
balance came mainly from the widening trade deficit and a large reduction in official unrequited transfers as a result of lower foreign financial grants in connection with the Gulf War. The increasing trade deficit was partially offsetted by the 37 percent increase in tourism revenues. A decrease in the volume of net interest payments in 1992 also prevented the current account deficit from expanding further.



| BALANCE OF PAYMENTS | | | | |
|--|---------|---------|---------|--------|
| (\$ Million) | | | | |
| | 1990 | 1991 | 1992 | 1993* |
| A. CURRENT ACCOUNT BALANCE | -2,625 | 258 | -943 | -922 |
| 1. Trade Balance | -9,555 | -7,340 | -8,191 | -2,206 |
| a. Merchandise Exports (FOB) | 13,026 | 13,667 | 14,891 | 3,725 |
| Exports (FOB) | 12,959 | 13,593 | 14,715 | 3,674 |
| Transit Trade | 67 | 74 | 176 | 51 |
| b. Merchandise Imports | -22,581 | -21,007 | -23,082 | -5,931 |
| Imports (CIF) | -22,302 | -21,047 | -22,872 | -5,908 |
| Gold Imports | -1,532 | -1,161 | -1,430 | -335 |
| Transit Trade | -46 | -64 | -151 | -43 |
| Freight-Insurance | 1,299 | 1,265 | 1,371 | 355 |
| 2. Balance of Invisibles | 2,437 | 2,499 | 3,189 | 445 |
| a. Invisible Earnings | 8,933 | 9,315 | 10,451 | 2,116 |
| Tourism | 3,225 | 2,654 | 3,639 | 373 |
| Others | 5,708 | 6,661 | 6,812 | 1,743 |
| b. Invisible Expenditure | -6,496 | -6,816 | -7,262 | -1,671 |
| Tourism | -520 | -592 | -776 | -157 |
| Foreign Debt Interest | -3,264 | -3,430 | -3,217 | -753 |
| Others | -2,712 | -2,794 | -3,269 | -791 |
| 3. Unrequited Transfers | 4,506 | 5,099 | 4,059 | 839 |
| a. Private Incomes | 3,374 | 2,879 | 3,147 | 656 |
| Workers' Remittances | 3,246 | 2,819 | 3,008 | 638 |
| Import Waivers | 128 | 60 | 139 | 18 |
| Migrants' Transfers | 0 | 0 | 0 | 0 |
| b. Private Unrequited Transfer | -25 | -25 | 0 | 0 |
| c. Official Unrequited Transfer | 1,144 | 2,245 | 912 | 18 |
| B. CAPITAL EXCLUDING RESERVES | 3,966 | -2,397 | 3,648 | 2,826 |
| 1. Private Foreign Capital | 713 | 783 | 779 | 94 |
| 2. Portfolio Investments | 547 | 648 | 2,411 | 1,028 |
| 3. Long-term Capital | -294 | -808 | -938 | 198 |
| Credit Use | 3,595 | 3,784 | 3,523 | 888 |
| Dresdner | 49 | -497 | 410 | 293 |
| Principal Accounts Repayments | -3,938 | -4,095 | -4,871 | -983 |
| 4. Short-term Capital | 3,000 | -3,020 | 1,396 | 1,506 |
| Assets | -409 | -2,563 | -2,438 | 1,520 |
| Liabilities | 3,409 | -457 | 3,834 | -14 |
| C. NET ERRORS & OMISSIONS | -411 | 940 | -1,221 | -829 |
| D. EXCEPTIONAL FINANCING | 0 | 0 | 0 | 0 |
| E. COUNTERPART ITEMS | 364 | 170 | 0 | 0 |
| F. RESERVE TRANSACTIONS | -1,308 | 1,029 | 1,484 | -1,975 |
| IMF | -53 | 0 | 2 | 2 |
| Official | -1,255 | 1,029 | -1,484 | -1,975 |

*January-March

Source: The Central Bank of Turkey



The current account balance continued to deteriorate in the first three months of 1993 as a result of the worsening trade balance. The deficit rose by six times to \$ 922 million, when compared with the same period of 1992. Trousim revenues rose substantially by 15.8 percent whilst workers' remittances decreased by 3.6 percent over the same period of 1992. A sixty percent increase in foreign debt interest payments and the cut down in official transfers aggravated the current account deficit.

Capital Balance

The capital balance excluding reserves turned into an inflow of \$ 3.6 billion in 1992 as against an outflow of 2.4 billion in 1991. This shift resulted from the increase in portfolio investment and short-term capital inflows.

Despite the decrease in the foreign investment permits, net foreign investments

remained at their level of 1991 with \$ 779 million.

The total of portfolio investments, which had decreased to levels of around \$ 600 million in 1990 and 1991 due to the Gulf conflict, rose significantly to \$ 2,411 million in response to the heavy financing requirements of the public sector. The same trend was also seen in short-term capital movements. As the cost of domestic credit rose above that of foreign, there was a net inflow of \$ 1.4 billion in short-term funds in 1992, compared to a net outflow of \$ 3 billion in 1991.

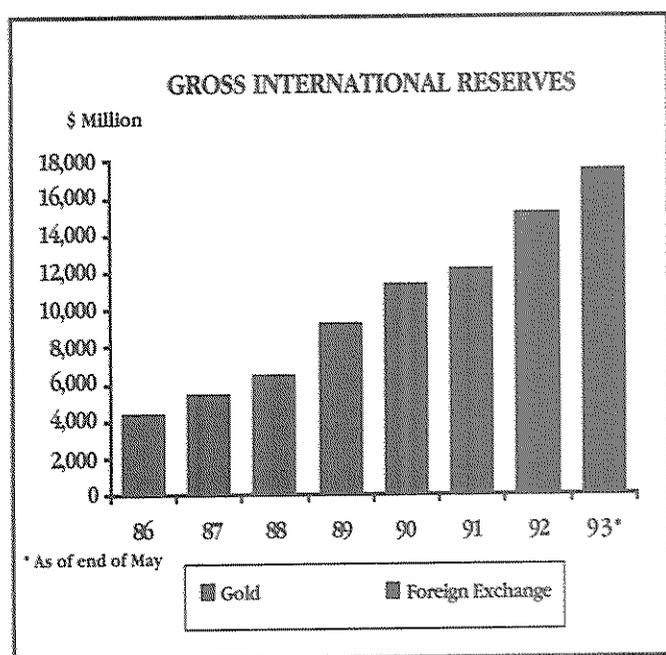
The same trend continued in the January-March period of 1993: net direct foreign capital inflow remained at \$ 94 million as against \$165 million in the same period of 1992; portfolio investments rose 4.6 times to \$ 1,028 and short-term capital turned to an inflow of \$1,506 from an outflow of \$ 365 million as contrast to the same period of 1992.

International Reserves

Long-term capital inflows of \$ 7.1 billion and net short term capital inflows of \$ 1.4 billion were more than sufficient to finance the current account deficit of \$ 943 million and debt repayments of \$ 4,871 million. Hence, foreign exchange reserves of the Central Bank and deposit money banks increased by \$ 1.2 billion and \$ 1.8 billion in 1992.

Total foreign exchange reserves decreased until April in 1992 along with a decline of 1.5 billion in Central Bank's

foreign exchange reserves. However, from this month onwards, Central Bank's reserves began to increase and reached 6.41 billion at the end of the year. Foreign exchange reserves of both the Central Bank and commercial banks continued to increase in the first five months of 1993, reaching \$ 16 billion at end of May. This level of foreign exchange reserves corresponds approximately to eight months of imports.



IV FOREIGN CAPITAL INVESTMENT

In 1992, foreign investment permits issued, increased in number but decreased in value to \$ 1,820 million, compared to \$ 1,967 million in 1991. Capacity increases and portfolio investments made up the bulk of total investments, with shares of 49.6 percent and 22.5 percent, respectively; whilst new investments constituted only 17 percent of the total.

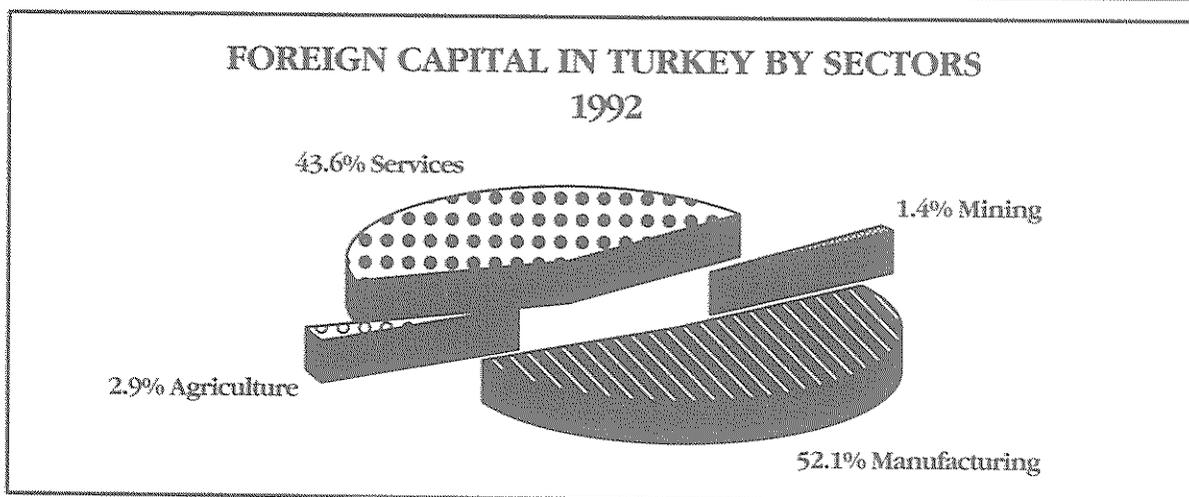
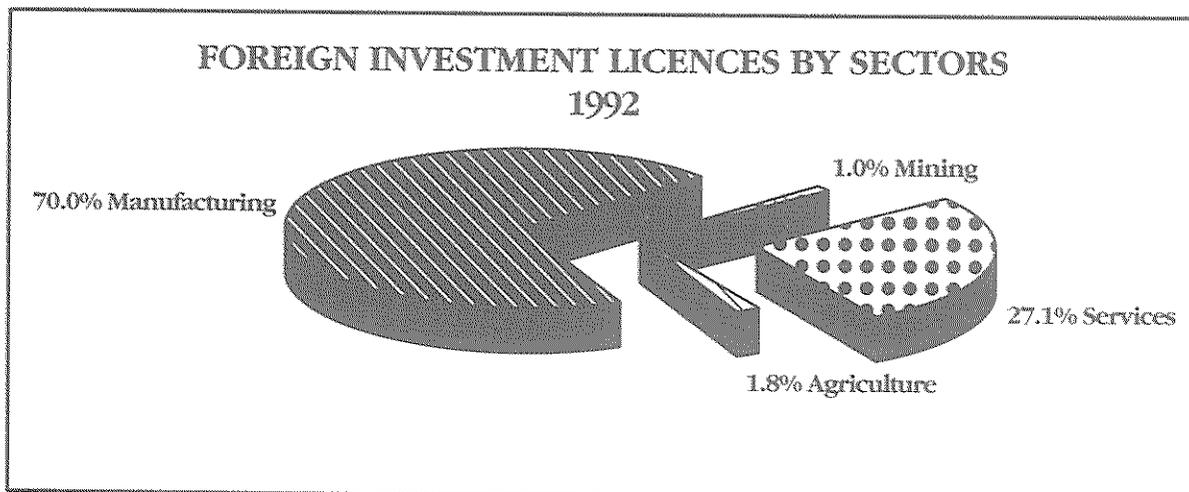
The manufacturing and services sectors respectively accounted for 70 percent and 27 percent of total permits issued. The major part of permits in the manufacturing sector went to the food, transport equipment and electrical machinery and electronics sectors. The banking and tourism sub-sectors made up 43 percent of the permits in the services sector.

| FOREIGN CAPITAL INVESTMENT APPROVALS UNDER LAW NO: 6224 & DECREE NO: 86/10353 | | | | |
|---|-----------------|--------------------|-----------------------|------------------|
| Years | Number of Firms | Amounts \$ Million | Cumulative \$ Million | Entry \$ Million |
| 1980 | 100 | 97.0 | 325.5 | 35.0 |
| 1981 | 127 | 337.5 | 663.0 | 141.0 |
| 1982 | 170 | 167.0 | 830.0 | 103.0 |
| 1983 | 185 | 102.7 | 932.7 | 87.0 |
| 1984 | 267 | 271.4 | 1,204.1 | 162.0 |
| 1985 | 317 | 234.5 | 1,438.6 | 158.0 |
| 1986 | 474 | 364.0 | 1,803.0 | 170.0 |
| 1987 | 698 | 536.0 | 2,339.0 | 171.0 |
| 1988 | 827 | 825.0 | 3,164.0 | 387.0 |
| 1989 | 990 | 1,511.0 | 4,675.0 | 738.0 |
| 1990 | 943 | 1,861.0 | 6,536.0 | 789.0 |
| 1991 | 945 | 1,967.0 | 8,503.0 | 910.0 |
| 1992 | 1,082 | 1,820.0 | 10,323.0 | 913.0 |
| 1993* | 342 | 443.8 | 10,766.8 | - |

* January-April

Source: SPO, ANKA

The OECD countries held 89 percent of total permits issued; 62 percent belonged to the EC countries. The share of Islamic countries in total permits was 6.9 percent. In terms of industrial countries, France ranked first with 19 percent, followed by the Netherlands with 15 percent, and the U.S. with 11 percent.



The total value of investment permits issued by the SPO decreased nearly by 26 percent to a level of \$ 443.8 million during the first four months of 1993 as compared to the same period of 1992. Sixty-five percent of the total permits were in the manufacturing sector, while 32.5 percent in services. The share of new investment in total investment licences decreased further to 12.3 percent whilst the largest share went to capital expansion with 54 percent.

As of end-April 1993, the total number of foreign companies operating in Turkey rose to 2,388, with an aggregate foreign capital of TL 13,420 billion. Fifty-six percent of this amount is invested in the

manufacturing sector and 40.4 percent in the services sector.

V. FOREIGN EXCHANGE RATES

The devaluation rate of the TL was higher in the first half of the year and especially in the first three months than in the remaining part of the year.

The real devaluation policy which was abandoned in the period beginning with the last quarter of 1988 and ending in the first quarter of 1990, was reintroduced in 1991 to continue until August 1992. In real terms, TL depreciated against US Dollar, but

appreciated against Deutsche Mark. During 1992, the trade weighted real effective exchange depreciated and then appreciated, consequently, staying at its level of end-1991.

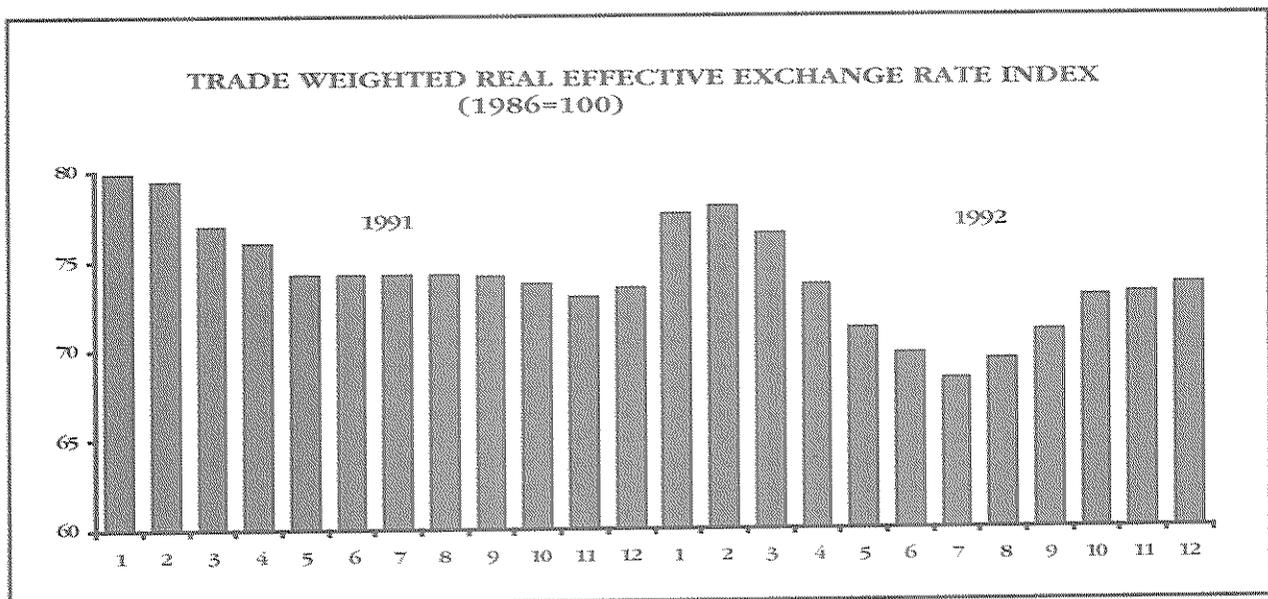
The 1992 Lira devaluation rates against the Japanese Yen, US Dollar, Belgian Franc and French Franc were 70.3 percent, 68.6 percent, 59.3 percent and 59.1 percent, respectively. The percentages for the Deutsche Mark, Austrian Schilling, Swiss Franc and the Sterling were, in that order, 58.8 percent, 58.7 percent, 56.4 percent and 36.7 percent.

The Lira continued to depreciate also in the current year. However, the devaluation rate remained well behind the rate of inflation, indicating a real appreciation of TL against major currencies except for Japanese Yen. At the end of May 1993, the Lira had devalued by 35.1 percent against the Japanese Yen, by 21.3 percent against Sterling by 19.3 percent against French Franc, and by 18.9 percent against the US Dollar. The devaluation rate against the Deutsche Mark was 17.9 percent.

| EXCHANGE BUYING RATES | | | | | |
|-----------------------|---------|----------|------------|----------|------------|
| (End of Year, TL) | | | | | |
| | 1991 | 1992 | Change (%) | 1993* | Change (%) |
| US Dollar | 5,074.8 | 8,555.9 | 68.6 | 10,176.6 | 18.9 |
| Sterling | 9,482.3 | 12,957.8 | 36.7 | 15,718.8 | 21.3 |
| DM | 3,339.8 | 5,302.7 | 58.8 | 6,250.2 | 17.9 |
| French Franc | 978.3 | 1,556.5 | 59.1 | 1,856.7 | 19.3 |
| Swiss Franc | 3,748.0 | 5,862.2 | 56.4 | 6,984.2 | 19.1 |
| Belgian Franc | 162.1 | 258.3 | 59.3 | 304.2 | 17.8 |
| Austrian Schilling | 474.7 | 753.5 | 58.7 | 886.9 | 17.7 |
| Japanese Yen | 40.3 | 68.7 | 70.3 | 92.8 | 35.1 |

* As of end of May

Source: The Central Bank of Turkey



Source: The Central Bank of Turkey

VI. FOREIGN DEBTS

The external debt stock which increased to \$ 50.5 billion at the end of 1991 from \$ 49 billion at the end of 1990, rose further to \$ 54.7 billion at the end of 1992. Although the real increase in the total debt stock was \$ 5.6 billion, the devaluation of Deutsche Mark against US dollar gave way to a cross currency effect of \$1.4 billion, the result of which was a nominal increase of only \$ 4.2 billion in total debt stock. \$ 0.7 billion of the \$ 4.2 billion increase in the total debt stock came from the increase in long and medium term debt, whilst \$ 3.5 billion from short-term debts.



| OUTSTANDING FOREIGN DEBTS | | | | | |
|---------------------------------|--------|-----------|--------|-----------|------------|
| (\$ Million) | | | | | |
| | 1991 | Share (%) | 1992* | Share (%) | Change (%) |
| Medium&Long-term | 41,372 | 81.9 | 42,046 | 76.9 | 1.6 |
| Public (Including SEE's) | 32,590 | 64.5 | 33,070 | 60.5 | 1.5 |
| Central Bank | 6,530 | 12.9 | 6,150 | 11.2 | -5.8 |
| Private Sector | 2,252 | 4.5 | 2,826 | 5.2 | 25.5 |
| Short-term | 9,117 | 18.1 | 12,660 | 23.1 | 38.9 |
| Central Bank | 557 | 1.1 | 572 | 1.0 | 2.7 |
| Deposit Money Banks | 5,216 | 10.3 | 7,157 | 13.1 | 37.2 |
| Other Sectors | 3,344 | 6.6 | 4,931 | 9.0 | 47.5 |
| Total | 50,489 | 100.0 | 54,706 | 100.0 | 8.4 |

* Provisional

Source: The Central Bank of Turkey

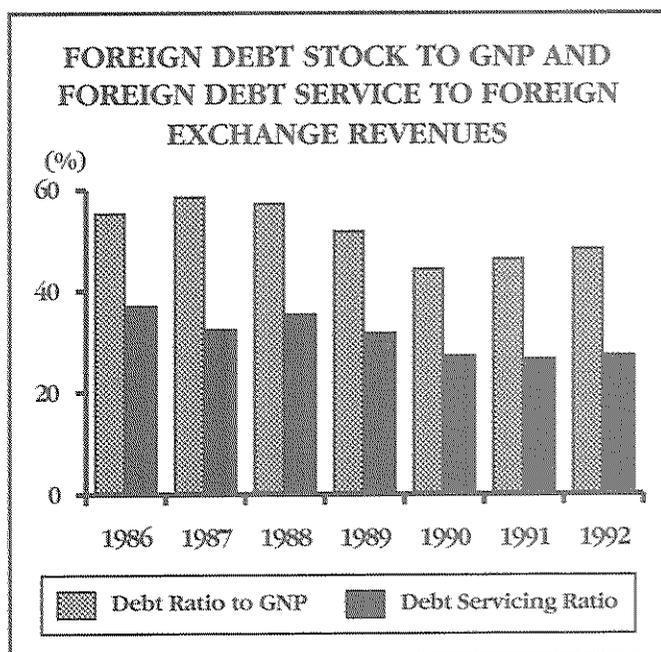
External debt indicators deteriorated in 1992. In terms of GNP, the level of the foreign debt, nevertheless, remained below 50 percent, which constitutes one of the criterias for high indebtedness. The ratio of short-term debt within the total foreign debt rose to 23.1 percent in 1992 from a low of

13.8 percent in 1989. The increase in short term debts came mainly from foreign exchange credits received by deposit money banks. Along with a rise in the share of short-term debt, the average maturity also decreased and the average spread increased.

| FOREIGN DEBT INDICATORS | | | | | | | |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|
| | (%) | | | | | | |
| | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
| Debt Ratio to GNP | 54.8 | 58.8 | 57.5 | 52.0 | 44.5 | 46.5 | 48.5 |
| Short Term/Total Debt | 19.7 | 18.9 | 15.8 | 13.8 | 19.4 | 18.1 | 23.1 |
| Total Debt/Exports | 424.7 | 390.7 | 341.4 | 354.4 | 376.4 | 369.3 | 367.4 |
| Payments Ratio to GNP | 8.0 | 8.1 | 10.1 | 8.9 | 6.6 | 6.9 | 7.2 |
| Debt Servicing Ratio* | 36.4 | 32.6 | 35.6 | 31.9 | 27.4 | 26.8 | 27.5 |

* External debt payments expressed as the percentage of earnings from exports and other goods and services and unrequited transfers.

Source: Undersecretariat of Treasury and Foreign Trade



Foreign Debt Payments

Over the year 1992, total debt servicing payments reached \$8,088 million, of which \$4,871 million was in repayments of principal and \$3,217 million in interest payments. The total figure represents a 7.5 percent increase over the previous year's \$7,525 million. During January-March period of 1993, total debt servicing amounted to \$1,736 million, of which \$983 million was in repayments of principal and \$753 million in interest payments.

| ANNUAL DEBT SERVICING PAYMENTS | | | | | | | | |
|--------------------------------|--------------|-------|-------|-------|-------|-------|-------|--------|
| | (\$ Million) | | | | | | | |
| | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992* | 1993** |
| Principal | 2,551 | 3,130 | 4,359 | 4,263 | 3,986 | 4,095 | 4,871 | 4,256 |
| Interest | 2,134 | 2,387 | 2,799 | 2,907 | 3,264 | 3,430 | 3,217 | 2,894 |
| Total | 4,685 | 5,517 | 7,158 | 7,170 | 7,250 | 7,525 | 8,088 | 7,150 |

* Provisional

** Projection

Source: Undersecretariat of Treasury and Foreign Trade

CHAPTER III

ECONOMIC AND FISCAL POLICIES

ECONOMIC AND FISCAL POLICIES

Economic policy discussion in 1992 again focussed on the continuation of the high inflationary trend and the measures to be applied in order to reverse it. It was generally accepted that the main areas of concern in the economy were the related issues of vast public sector borrowing requirement and rapid monetary expansion.

I. PUBLIC FINANCE

The public sector borrowing requirement (excluding grants) is estimated to have fallen to 12.9 percent of GNP in 1992, following a 16.3 percent requirement in 1991. In particular, the ratio of the Consolidated Budget Deficit to GNP was 5.6 percent, and that of the SEE's deficit was 3.0 percent. However the reduction-welcome as it is- was far short of the government's target of 8.8 percent.

It is generally accepted that the high rate of inflation has mainly been caused by the vast PSBR, and that until such time as the PSBR/GNP ratio can be reduced to more realistic levels, inflationary pressures on the economy are bound to remain.

For 1993, the government aims at reducing the overall PSBR to 9.1 percent of GNP. Hence the authorities seem to have scaled down their ambition in view of the formidable obstacles that

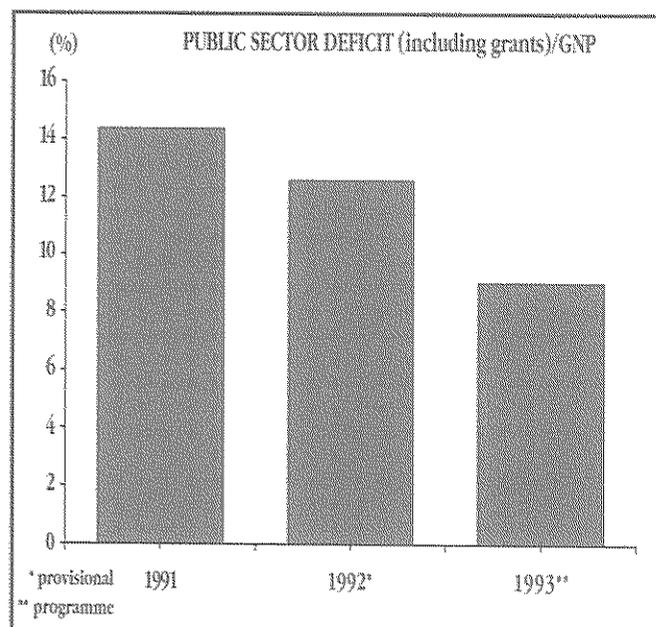
face all austerity programs in developing countries with relatively high population growth.

| PUBLIC SECTOR BORROWING REQUIREMENTS | | | |
|---|--------|--------|---------|
| (TL Billion, %) | | | |
| | 1991 | 1992* | 1993** |
| Public Sector Deficit | 65,372 | 97,439 | 110,242 |
| General Government | 33,516 | 56,186 | 53,310 |
| SEEs | 19,943 | 23,463 | 32,375 |
| Public Sector Deficit/GNP (including grants) | 14.4 | 12.6 | 9.0 |
| Consolidated Budget/GNP | 7.1 | 5.6 | 4.3 |
| SEEs/GNP | 4.4 | 3.0 | 2.6 |

**Provisional*

***Programme*

Source: SPO



Consolidated Budget

Budget revenue and expenditure in 1992 amounted to TL 179,449 billion and TL 223,055 billion, with 88.1 percent and 68.5 percent increases, respectively over 1991. The Budget deficit, therefore, amounted to TL 43,606 billion.

While the share of investment in total expenditure increased, transfers to the SEEs dropped to 3.7 percent in 1992 from 10.0 percent

in 1991. Meanwhile, personnel expenditure raised its share in total expenditure from 37.0 percent in 1991 to 41.7 percent in 1992, whereas the share of interest payments slightly declined.

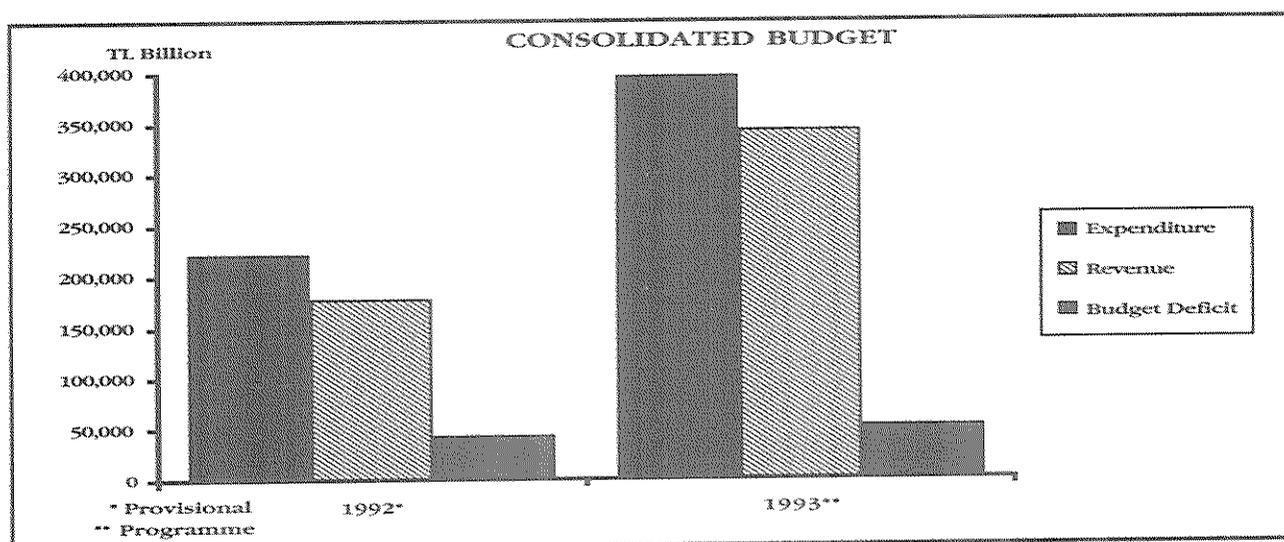
The 1993 Consolidated Budget foresees an overall shortfall of TL 53,214 billion, which is 22.0 percent larger than last year's deficit, but which implies a drastic cut in the ratio of the deficit to GNP (to only 4.3 percent).

| CONSOLIDATED BUDGET | | | | | |
|-----------------------------------|---------|---------|------------|--------------------------|--------------------------|
| (TL Billion) | | | | | |
| | 1992* | 1993** | Change (%) | Share in GNP (%) 1992 | Share in GNP (%) 1993 |
| EXPENDITURE | 223,055 | 397,614 | 78.3 | 28.8 | 32.4 |
| Current | 113,102 | 179,726 | 58.9 | 14.6 | 14.6 |
| Personnel | 93,088 | 145,000 | 55.8 | 12.0 | 11.8 |
| Other Current | 20,014 | 34,726 | 73.5 | 2.6 | 2.8 |
| Investment | 32,186 | 46,238 | 43.7 | 4.2 | 3.8 |
| Transfers | 77,767 | 98,650 | 26.9 | 10.0 | 8.0 |
| REVENUE | 179,449 | 344,400 | 91.9 | 23.2 | 28.1 |
| Tax Revenues | 141,868 | 243,600 | 71.7 | 18.3 | 19.8 |
| Non-Tax Revenues | 33,639 | 97,900 | 191.0 | 4.3 | 8.0 |
| Special Revenues and Funds | 3,942 | 2,900 | -26.4 | 0.5 | 0.2 |
| BUDGET DEFICIT | 43,606 | 53,214 | 22.0 | 5.6 | 4.3 |

* Provisional

** Programme

Source: Undersecretariat of Treasury and Foreign Trade



Of the TL 397,614 billion expenditure, TL 145,000 billion is earmarked for personnel and TL 34,726 billion for other current expenditure. An amount of TL 46,238 billion has been set aside for investments, and TL 98,650 billion for transfers. Expenditure is projected to rise by 78.3 percent in 1993, raising its share in GNP from 28.8 percent in 1992 to 32.4 percent in 1993.

The share of personnel expenditure in the total expenditure has been decreased from 41.7 percent in 1992 to 36.5 percent for 1993, whilst the share of investment expenditure has been reduced to 11.6 percent, from 14.4 percent in 1992. Transfer payments, have risen from 16.8 percent to 24.8 percent of total outgo.

Overall Budget revenue is estimated at TL 344,400 billion, of which TL 243,600 billion is reckoned as tax revenue, an expected increase of 71.7 percent over 1992. Revenues are budgeted to grow by 91.9 percent, about 13.6 percentage points faster than expenditures which would raise their share in GNP by 5 percentage points in 1993.

Last year, over one fifth of the consolidated budget revenues were used to pay interest on the domestic and external public debt. Of that sum TL 30.5 trillion went to financing of domestic debts and the remainder to external interest payments. Interest and personnel expenditures together accounted for almost two thirds of the consolidated budget revenues in 1992.

The consolidated budget deficit has improved in April as compared to both the previous months and 1992 performance. The deficit materialized at TL 4.1 trillion in April comparing favorably with TL 5 trillion in January, TL 17.5 trillion in February and TL 9.3 trillion in March. But the April deficit takes up to TL 35.8 trillion of total shortfall for the first four months of the year, a 212.2 percent growth on

the same period in 1992. The slow down in the budget deficit observed in April as compared to previous month is due to the increased tax collection in April and to lower domestic debt interest payments. The four months deficit TL 35.8 trillion have represented close to the TL 53.2 trillion shortfall targeted for the whole of 1993.

| CONSOLIDATED BUDGET REALIZATION | | | |
|--|-------------|-------------|---------------|
| (January-April, TL Billion) | | | |
| | 1992 | 1993 | Change |
| | | | % |
| EXPENDITURE | 55,670 | 122,495 | 120.0 |
| Current | 28,328 | 51,155 | 80.6 |
| Personnel | 26,398 | 47,306 | 79.2 |
| Other Current | 1,930 | 3,849 | 99.4 |
| Investment | 4,052 | 7,904 | 95.1 |
| Transfers | 23,290 | 63,436 | 172.4 |
| REVENUE | 44,197 | 86,673 | 96.1 |
| Tax Revenue | 34,794 | 64,975 | 86.7 |
| Non-Tax Revenue | 1,717 | 3,415 | 98.9 |
| Special Revenues and Funds | 6,503 | 16,380 | 151.9 |
| BUDGET DEFICIT | 11,473 | 35,822 | 212.2 |

Source: Undersecretariat of Treasury and Foreign Trade

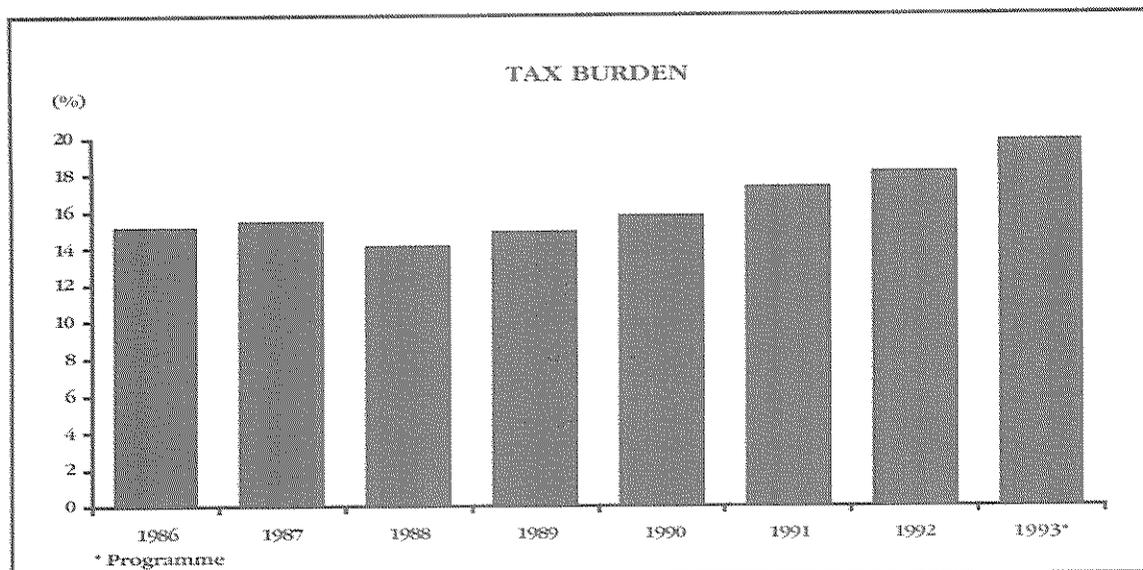
A principal aspect of Turkey's Budget problems over many years has been the low tax burden. This is defined as a percentage of tax income to GNP, and it is much lower than in other OECD countries. Although it has risen somewhat from its level during the 1980's, it is still below 20 percent.

| TAX REVENUES | | | |
|------------------------|-----------------------|-------------|-------------------|
| (TL Billion, %) | | | |
| | Tax Revenues** | GNP | Tax Burden |
| 1986 | 5,972.0 | 39,190.5 | 15.2 |
| 1987 | 9,051.0 | 58,387.2 | 15.5 |
| 1988 | 14,231.0 | 100,154.2 | 14.2 |
| 1989 | 25,550.3 | 170,633.2 | 15.0 |
| 1990 | 45,399.5 | 287,254.0 | 15.8 |
| 1991 | 78,642.8 | 453,206.0 | 17.4 |
| 1992 | 141,868.0 | 774,319.0 | 18.2 |
| 1993* | 243,600.0 | 1,227,682.7 | 19.8 |

* Programme

** Tax revenues are coming to General Budget and does not include local administrations' and funds' shares

Source: Undersecretariat of Treasury and Foreign Trade



The Inflation Tax

An economy's willingness to hold money - that is its demand for money- generally grows with its real GNP. If the money issue exceeds the increase in economy's willingness to hold money, the result is inflation, which operates like a tax. The table below provides estimates of the inflation tax as a share of GNP. When the money

stock held by the economy is a small percentage of GNP, the inflation tax will be correspondingly small.

Since notes and coins are a government liability and an asset of the private domestic sector, the reduction in their real value is similar to a tax on currency.

| INFLATION TAX* | | | | | |
|----------------|------------------|-------------------|--------------------------------|------------------------------|------------------------------|
| | Inflation Rate** | GNP TL Billion | Reserve Money*** TL Billion | Reserve Money As % of GNP | Inflation Tax As % of GNP |
| 1987 | 55.1 | 58,564 | 4,807 | 8.2 | 2.9 |
| 1988 | 75.2 | 100,582 | 7,774 | 7.7 | 3.3 |
| 1989 | 68.8 | 170,412 | 13,492 | 7.9 | 3.2 |
| 1990 | 60.4 | 287,254 | 20,504 | 7.1 | 2.7 |
| 1991 | 71.1 | 454,838 | 30,018 | 6.6 | 2.7 |
| 1992 | 66.0 | 774,319 | 48,658 | 6.3 | 2.5 |

Inflation tax is calculated as $M^(i/1+i)$ where M is the average reserve money and i is the decimal inflation rate. Over any interval for which the prices rise by i , each money unit loses $i/(1+i)$ of its purchasing power.

**Consumer Price Index 1986-1988 1977=100
1989-1992 1987=100

***Average of reserve money at year-end and year beginning
Source: SIS, The Central Bank of Turkey, World Bank

Domestic Debts

Last year, financial markets were again confronted with the uncertainties and, consequently, the higher risks perceived by lenders hampered the public sector borrowing at improved terms. Furthermore, the public sector's massive credit demand continued to reduce the funds available to the private sector. Hence interest rates rose, especially in respect of short-term facilities. Average interest rates on government bonds increased from 72 percent to 75 percent. As to Treasury Bills, interest rates rose from 53 percent to 71 percent for nine months' maturities, from 69 percent to 74 percent for six months', and from 68 percent to 74 percent for three months' maturities.

| NET DOMESTIC BORROWING (TL Billion) | | | |
|--|---------------|------------------|-------------------|
| Years | Net Borrowing | Share in GNP (%) | Share in Exp. (%) |
| 1987 | 896 | 3.2 | 6.9 |
| 1988 | 2,433 | 6.2 | 11.3 |
| 1989 | 5,982 | 10.2 | 15.4 |
| 1990 | 7,942 | 7.9 | 11.6 |
| 1991 | 2,279 | 1.3 | 1.7 |
| 1992* | 15,408 | 2.0 | 7.0 |
| 1993** | 49,000 | 4.0 | 12.3 |

* Provisional

** Programme

Source: SPO

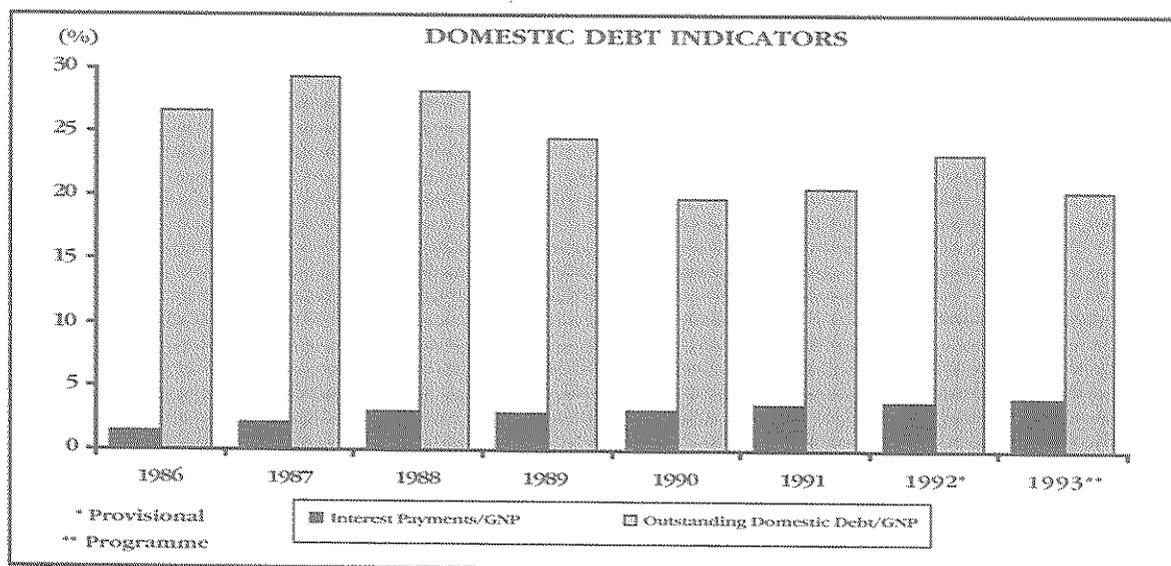
In 1991, 25.1 percent of the borrowing and 57.5 percent of the debt stock had been in the form of long term papers (one to six years maturity), whereas in 1992 the ratios were only 43.7 percent and 56.3 percent, respectively.

| DOMESTIC DEBT INDICATORS (%) | | | | | | | | |
|-------------------------------|------|------|------|------|------|------|-------|--------|
| | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992* | 1993** |
| Interest Payments/GNP | 1.6 | 2.2 | 3.1 | 3.0 | 3.3 | 3.7 | 3.9 | 4.3 |
| Outstanding Domestic Debt/GNP | 26.7 | 29.4 | 28.3 | 24.6 | 19.9 | 20.7 | 23.4 | 20.4 |

* Provisional

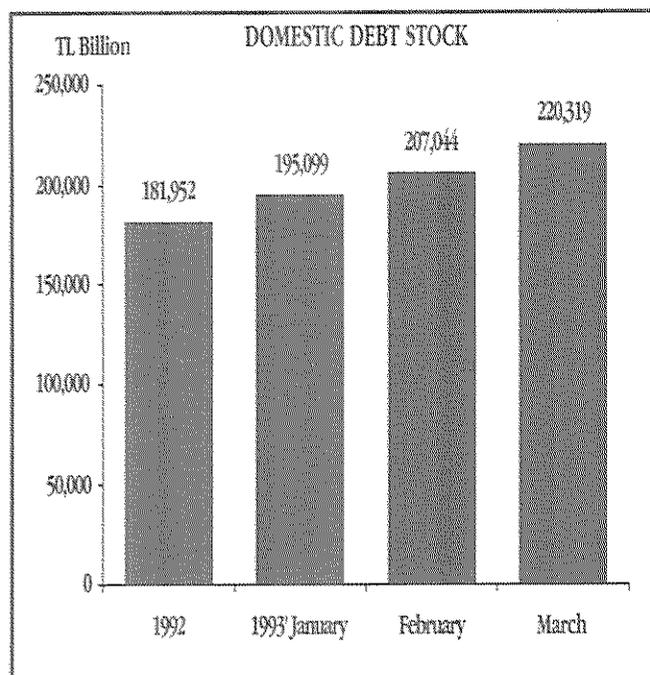
** Programme

Source: Undersecretariat of Treasury and Foreign Trade



Outstanding domestic debt relative to GNP is estimated to have increased to 23.4 percent in 1992, whilst the ratio of domestic debt servicing to GNP rose from 10.5 percent to 13.2 percent due to the change in the maturity structure of government paper.

Outstanding domestic debt stock reached TL 181.9 trillion at the end of 1992. At the January-March period in 1993, domestic debt stock exceeded TL 220 trillion. The highest increase in debt stock resulted from short-term borrowing via Treasury bills. The level reached at the end of March endangers the Treasury's target of TL 251 trillion as of the end of 1993.



| MATURITY COMPOSITION OF DOMESTIC BORROWING | | | | | | |
|--|--------|------|---------|------|-----------|------|
| (TL Billion) | | | | | | |
| | 1991 | | 1992 | | 1993 Feb. | |
| | Amount | % | Amount | % | Amount | % |
| 1 Year | 8,351 | 18.2 | 28,680 | 21.2 | 4,851 | 11.1 |
| 1.5 Years | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| 2 Years | 1,469 | 3.2 | 1,924 | 1.4 | 130 | 0.3 |
| 3 Years | 1,090 | 2.4 | 1,167 | 0.9 | 85 | 0.2 |
| 4,5,6 Years | 37 | 0.1 | 0 | 0.0 | 4,000 | 9.1 |
| Other | 564 | 1.2 | 27,282 | 20.2 | 82 | 0.2 |
| Bonds Total | 11,510 | 25.1 | 59,053 | 43.7 | 9,148 | 20.9 |
| 1 Month | | | | | | |
| 3 Months | 17,096 | 37.3 | 47,823 | 35.4 | 26,218 | 59.9 |
| 6 Months | 10,453 | 22.8 | 14,660 | 10.9 | 3,207 | 7.3 |
| 9 Months | 6,247 | 13.6 | 9,053 | 6.7 | 5,209 | 1.9 |
| Private T.B 4 months | 240 | 0.5 | 0 | 0.0 | 0 | 0.0 |
| Private T.B 6 months | 240 | 0.5 | 0 | 0.0 | 0 | 0.0 |
| Other | 0 | | 4,390 | 3.3 | 0 | 0.0 |
| T. Bills Total | 34,277 | 74.7 | 75,926 | 56.3 | 34,634 | 79.1 |
| General Total | 45,788 | | 134,979 | | 43,782 | |

* Programme

Source: Treasury and Foreign Trade General Directorate of Public Finance

II. STATE ECONOMIC ENTERPRISES

The State Economic Enterprises (SEE's) continued to be a major obstacle to the consolidation of the public budget, despite a special debt reduction programme and massive subsidies in 1991.

In 1992, the SEE's operating loss is estimated to have been as high as 11.5 percent of sales revenue; whilst the loss/GNP ratio was 2.1 percent, compared to 3.9 percent in 1991.

The debt consolidation of 1991 had eased some TL 30.0 trillion off the shoulders of SEE's, including arrears on Central Bank operating loans, back taxes (including VAT) and social security contributions for employees, yet in 1992 these items are reported to have risen again to an

accumulated TL 40.0 trillion. Other domestic debt has risen too, leading to a doubling of the domestic debt of SEE's from end December 1991 to end December 1992 by close to TL 50.0 trillion. Domestic and external debts of SEE's together rose to TL 149.3 trillion, from TL 89.1 trillion at the end of the preceding year.

It appears that the Turkish State Monopolies (TEKEL) and the Turkish Grain Board together account for about a third of the SEE's aggregate deficit and receive the largest share of budget transfers. But running arrears in payments due to other public institutions and lax handling of issues pertaining to cost control- notably in regard to progress in labour productivity, as noted earlier- are habits that can be observed over a larger spectrum of SEE's.

| FINANCING OF OPERATIONAL SEEs | | | | | |
|-----------------------------------|--------|--------|--------|---------|--------|
| (TL Billion) | | | | | |
| Sources and Uses of Funds | 1989 | 1990 | 1991 | 1992* | 1993** |
| Total Fund Resources | 42,704 | 63,143 | 76,516 | 101,625 | 84,563 |
| Total Use of Funds | 38,574 | 56,874 | 77,259 | 94,348 | 90,257 |
| Surplus or Deficit | 4,130 | 6,268 | -743 | 7,277 | -5,694 |
| Fixed Investment | 6,929 | 9,861 | 13,144 | 21,090 | 22,140 |
| Financing Requirement | 2,799 | 3,592 | 13,887 | 13,813 | 27,834 |
| Budgetary Transfers | 1,223 | 1,265 | 12,200 | 9,470 | 22,050 |
| Foreign Project Loans | 1,576 | 2,327 | 1,688 | 4,343 | 5,784 |
| Surplus or Deficit/GNP | 2.4 | 2.2 | -0.2 | 1.0 | -0.5 |
| Financing Requirement of SEEs/GNP | 1.6 | 1.3 | 3.1 | 1.8 | 2.3 |
| Budget Transfers to Sees/GNP | 0.7 | 0.4 | 2.7 | 1.2 | 1.8 |
| SEEs Consolidated Profit-Loss/GNP | 0.7 | -0.3 | -3.9 | -2.1 | -1.7 |

* Estimate

** Programme

Source: Treasury and Foreign Trade General Directorate of Public Finance

| DEBT STOCK OF SEE's | | | |
|------------------------------|-------------------|-------------------|-------------------|
| (TL Billion) | | | |
| | 31/12/1991 | 31/12/1992 | Change (%) |
| Domestic Debts | 50,710 | 98,748 | 94.7 |
| Commercial banks | 13,158 | 12,421 | -5.6 |
| Rediscount credits | 6,415 | 17,373 | 170.8 |
| Tax | 8,211 | 18,545 | 125.9 |
| Social Security Institutions | 3,619 | 4,126 | 14.0 |
| Public agencies | 12,252 | 33,508 | 173.5 |
| Private | 1,613 | 5,542 | 243.6 |
| Producers | 3,791 | 3,432 | -9.5 |
| SEE's | 1,651 | 3,801 | 130.2 |
| Foreign Debts | 38,342 | 50,543 | 31.8 |
| On-lending | 19,340 | 35,952 | 85.9 |
| Guaranteed | 15,413 | 17,127 | 11.1 |
| TOTAL | 89,052 | 149,291 | 67.6 |

Source: Undersecretariat of Treasury and Foreign Trade

III . MONETARY TRENDS

The Central Bank's 1992 Monetary Program, based on the assumptions of a budget deficit of TL 32 trillion, the Treasury's short-terms advances from the Central Bank not exceeding TL 11 trillion and an end-of-year inflation rate of 43 percent, had initially targeted a growth of 40-50 percent in Central Bank Money, 38-48 percent in growth in Total Domestic Liabilities, 27-39 percent in Net Domestic Assets and a growth of 37-47 percent in the size of the Balance Sheet. These targets which were consistent with lower inflation rates in the economy, were not met in the course of the year because of the Treasury's higher-than planned (if not unexpected) and excessive resort to Central Bank financing in meeting its cash needs during the year. As a result, the net domestic assets grew by 74.5 percent, the total domestic liabilities by 98.5 percent, the

Central Bank money by 99.5 percent and finally the size of the Central Bank's balance sheet by 83.1 percent.

The expansionary fiscal policies of the previous government in 1991 had resulted in huge budget deficit, which was financed mainly from Central Bank sources. The increased liquidity in the economy together with resurgence of high inflationary expectations speeded up the process of "currency substitution" in the economy, resulting in increased demand pressure on the domestic foreign exchange markets during the first quarter of 1992. The Central Bank, with the objective of absorbing excess liquidity and keeping the depreciation in the external value of TL within certain limits, interfered both in the foreign exchange market (by selling US dollars) and in the money market (through Open Market Sales); all such interferences inevitably led to a deviation from the medium term targets of the monetary program.

| MONETARY PROGRAM OF THE CENTRAL BANK (1992) | | | | |
|---|-----------------|---------|----------|--------|
| (Planned vs. Actual) | | | | |
| | TL Billion | | % Change | |
| | Planned | Actual | Planned | Actual |
| Net Domestic Assets | 73,700-80,700 | 101,500 | 27-39 | 74.7 |
| Total Domestic Liabilities | 80,700-86,500 | 115,900 | 38-48 | 98.5 |
| "Central Bank Money" | 61,500-66,000 | 87,800 | 40-50 | 99.5 |
| Size of CB' Balance Sheet | 132,600-142,300 | 177,200 | 37-47 | 83.1 |

The concentration of public sector's debt repayments in the first quarter of 1992 created immediate cash problems for the new government. The funds required for high debt repayments were generated mainly from Central Bank sources, given the government's intention to achieve interest rate cuts in the economy over the short-run. As a result of the government's preference for Central Bank financing, the Bank's credits to the public sector excessively expanded in 1992. The Central Bank, in order to offset the expansionary effect of its credit expansion on liquidity, resorted to Open Market Operations to mop up the excess liquidity.

The Central Bank's intervention in the domestic foreign exchange markets in the first

quarter of the year led to decline in the official foreign exchange reserves, as a result of which the official reserves went down to \$ 3.7 billion by the end of March 1992, from \$ 4.9 billion at the end of 1991.

On the other hand, The Central Bank's Open Market Operations (O.M.O.) continued well into the first half of the year. As a result, the Bank's liabilities due to such operations increased from TL 8.8 trillion at the end of March 1992, to TL 12 trillion in June and TL 14.1 trillion in September. Increased indebtedness of the Central Bank due to O.M.O. obviously reduced the Bank's ability in maneuvering market interest rates to a substantial extent.

| MAIN MONETARY INDICATORS | | | | |
|-------------------------------|--------------|---------|------------|--------|
| | (TL Billion) | | Change (%) | |
| | 1992 | 1993* | 1992** | 1993** |
| Banknotes Issued | 35,033 | 40,897 | 15.6 | 16.7 |
| Reserve Money | 60,276 | 69,724 | 10.4 | 15.6 |
| M1 Money Supply | 70,521 | 74,552 | 4.6 | 5.7 |
| M2 Money Supply (***) | 289,513 | 348,746 | 21.6 | 20.5 |
| Central Bank Credits (direct) | 37,419 | 44,153 | 71.6 | 17.0 |
| Deposit Banks' Credits | 140,427 | 185,220 | 27.5 | 31.9 |
| Total Credit Stock | 192,081 | 245,723 | 33.0 | 27.9 |
| Total Deposits | 160,244 | 181,482 | 14.4 | 13.2 |
| Sight | 47,566 | 48,552 | -3.1 | 2.0 |
| Time (Inclusive of C5) | 112,678 | 132,930 | 19.9 | 18.0 |
| Wholesale Prices Index (****) | - | - | 24.5 | 18.8 |
| Consumer Prices Index (****) | - | - | 25.0 | 19.7 |

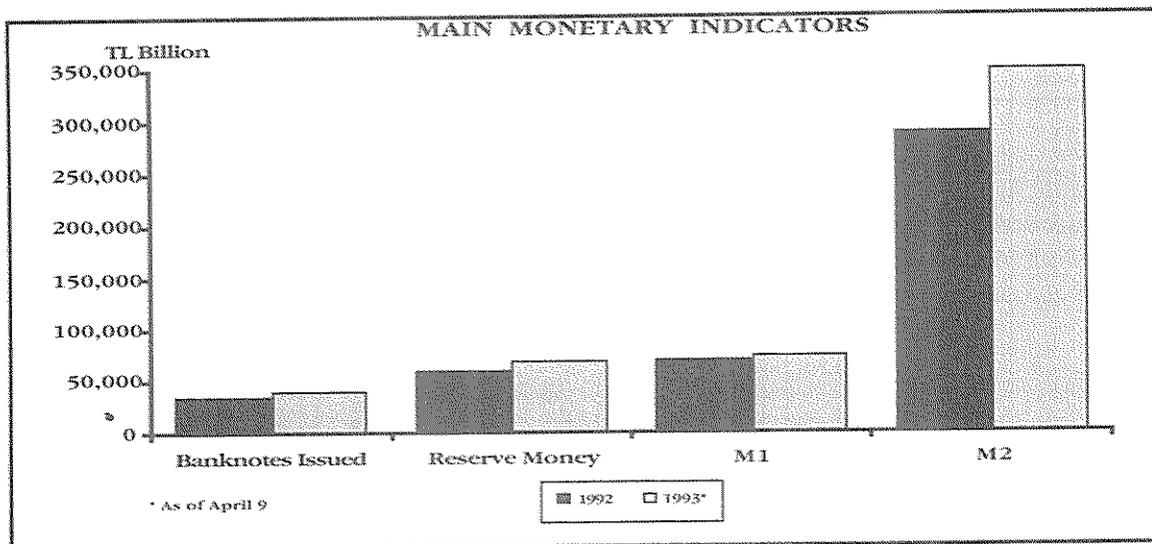
* As of April 9

** January-April 9

*** Inclusive of foreign currency deposits of domestic origin

**** January-April

Source: The Central Bank of Turkey, SIS



In contrast to developments in the first half of the year, in the second half domestic borrowing gained importance in meeting public sector's borrowing requirements. As a result, whilst the planned end-of-year domestic debt stock was TL 128 trillion, the acceleration in public borrowing resulted in surpassing this target; the government's domestic debt reached TL 181.9 trillion by the end of 1992.

The shift of emphasis away from Central Bank financing towards domestic borrowing in financing public sector deficits, together with stability in international foreign exchange markets, led to relative stability in the domestic foreign exchange markets. The official reserves began picking up again, partly as a result of the Treasury's bond sales abroad. The Central Bank's (official) foreign exchange reserves reached to \$ 7.5 billion as of end of 1992, further rising to \$ 7.8 billion by mid February 1993.

Deposit interest rates, after showing a rising trend in the second quarter of the year, displayed a declining trend due to a relative

deceleration in the rate of inflation and relative stability in the foreign exchange markets. Nonetheless, deposit interest rates remained at around 70 percent on average, throughout the year.

Possibly because of uncertainties with regard to fiscal and budgetary developments in the economy, the Central Bank stated that it would not announce and implement a monetary program for the year 1993. It appears that, monetary policies shall again be largely subordinated to and determined by fiscal developments in the economy. The consolidated budget deficit reached to TL 31.7 trillion in the first quarter of 1993, as opposed to the TL 4.8 trillion deficit in the corresponding period of 1992, which resulted in a cash deficit of TL 23.6 trillion. The cash deficit was financed mainly through short-term borrowing (partly by Central Bank Advances, but largely by sale of Treasury bills). Whilst the net domestic borrowing showed a small decline, net foreign borrowing increased by around TL 1.8 trillion in the first quarter of 1993, with the purpose of financing the cash deficit.

| FINANCING OF CONSOLIDATED BUDGET DEFICIT | | | |
|---|--------------|--------------|-------------------|
| (TL Billion) | | | |
| | 1992* | 1993* | Change (%) |
| Budget Revenue | 31,947 | 60,078 | 88.1 |
| Budget Expenditure | -36,813 | -91,825 | 149.4 |
| Budget Balance (Deficit) | -4,866 | -31,747 | 552.4 |
| Advances and Deferred Payments (net) | -1,389 | 8,050 | - |
| Cash Balance (Deficit) | -6,255 | -23,697 | 278.8 |
| Financing of Cash Deficit | 6,255 | 23,697 | 278.8 |
| Net Foreign Borrowing | 121 | 1,779 | 1,370.2 |
| Net Domestic Borrowing | 4,168 | -458 | - |
| Short-term Borrowing: | 8,368 | 30,642 | 266.1 |
| From Central Bank (net) | 9,429 | 5,749 | -40.1 |
| Treasury Bills (net sales) | -1,061 | 24,893 | - |
| Other | -6,402 | -8,266 | 29.1 |
| Net Error | -127 | 112 | - |

**January-March*

Source: The Central Bank of Turkey

The much higher-than-expected budget deficit in the first quarter of 1993 will no doubt, translate into another difficult year for the Central Bank in controlling liquidity in the economy.

Reserve Money and Money Supply

Resort to Central Bank financing in meeting the Treasury's cash needs during the first quarter of 1992 resulted in a substantial growth in the banknote issue, with the resultant excess liquidity in the economy creating demand pressure in the domestic foreign exchange markets. The Central Bank on the other hand strived to mop up the excess liquidity through intervention both in the money market (Open Market Sales) and the foreign exchange markets (US dollars sales against TL). Massive intervention in the foreign exchange markets resulted in falling Central Bank reserves.

The banknote issue displayed more rapid growth in 1992 (around 70 percent) as compared to the previous year's 45 percent. The currency in circulation grew by around 68 percent.

The expansion in reserve money was faster in 1992 as compared to 1991, this expansion being largely due to the increase in net domestic assets resulting from the substantial domestic credit expansion. As a result, reserve money expanded by around 67 percent during 1992 as compared to the 60 percent in the previous year.

The M1 money supply (narrow definition) grew by 67 percent in 1992 as compared to the 44 percent in the previous year. The substantial growth in the M2 money supply continued also in 1992, this monetary magnitude (inclusive of foreign currency deposits of domestic origin) rose by around 82 percent.

Largely as a result of stability of deposit interest rates during 1992, the money creation multiplier remain relatively stable.

Focusing on the first quarter of 1993, most monetary magnitudes were observed to be expanding at rates close to those of the previous year. The banknote issue grew by

around 17 percent (as of April 9) against the 15.6 percent in the corresponding period of the previous year, whilst the M2 money supply expanded by around 20 percent as against the 21 percent in the previous year. Reserve money expanded at a higher rate by 15.6 percent (as of April 9) as compared to 10.4 percent of the previous year.

| DETERMINATION OF MONEY SUPPLY | | | |
|---|-------------|-------------|--------------|
| (TL Billion) | | | |
| | 1991 | 1992 | 1993* |
| BANKNOTES ISSUED | 20,707 | 35,033 | 40,897 |
| (-) Bank Vaults | 2,161 | 3,852 | 4,429 |
| Currency in Circulation | 18,546 | 31,181 | 36,468 |
| (+) Sight Deposits | 23,487 | 39,231 | 38,060 |
| Deposits with Central Bank | 083 | 109 | 24 |
| M1 MONEYSUPPLY | 42,116 | 70,521 | 74,552 |
| (+) Time Deposits | 68,112 | 108,751 | 128,831 |
| Certificates of Deposits | 3,338 | 3,716 | 4 |
| M2 MONEY SUPPLY | 113,566 | 182,988 | 207,150 |
| (+) Foreign Currency Deposits of Domestic Origin | 45,401 | 106,525 | 141,596 |
| M2 MONEY SUPPLY (new definition) | 158,967 | 289,513 | 348,746 |
| (+) Public Deposits | 5,224 | 8,546 | 10,824 |
| Other Deposits with Central Bank | 2,022 | 3,961 | 5,375 |
| M3 MONEY SUPPLY | 166,213 | 302,020 | 364,945 |

* As of April 9

Source: The Central Bank of Turkey

| FACTORS DETERMINING BANKNOTES ISSUED | | | |
|---|-------------|-------------|--------------|
| (TL Billion) | | | |
| | 1991 | 1992 | 1993* |
| A-Expansionary Factors | 100,595.9 | 179,506.6 | 215,608.8 |
| 1.Gold/Foreign Currency Holdings | 33,474.1 | 67,041.8 | 81,931.7 |
| 2.Foreign Credits | 5,509.0 | 9,200.6 | 10,208.7 |
| 3.Securities Portfolio | 600.6 | 130.4 | 10,328.6 |
| 4.Domestic Credits | 21,631.7 | 46,100.5 | 63,194.8 |
| 5.Accounts to Be Redeemed | 32,426.3 | 35,072.1 | 27,503.1 |
| 6.Other Assets | 6,954.2 | 21,961.2 | 22,441.9 |
| B-Contractionary Factors | 79,889.0 | 144,474.1 | 167,165.8 |
| 1.Deposits | 29,822.6 | 55,281.5 | 61,919.8 |
| 2.Foreign Credits Received | 37,152.5 | 58,728.5 | 68,102.8 |
| 3.Import Deposits/Guarantees | 73.7 | 1,835.2 | 2,226.5 |
| 4.Other Liabilities | 12,840.3 | 28,628.9 | 34,916.7 |
| (A)-(B)=Banknotes Issued | 20,706.9 | 35,032.5 | 48,443.0 |

* As of March

Source: The Central Bank of Turkey, SPO

The money creation multiplier was again on a relatively stable trend in the first quarter of 1993, largely as a result of the Central Bank's rational monetary management in the economy. Nevertheless, in the face of larger-than-planned deficit in the government budget, the Central Bank is likely to be confronted with difficult policy options in the remaining part of the year.

IV . BANK DEPOSITS, CREDITS AND INTEREST RATES

Deposits

Interest rates payable on various maturities of bank deposits remained markedly stable throughout 1992.

Comperatively lower return on longer maturities (and higher return on shorter maturities) were meant to influence inflationary expectations in a positive manner over the medium run. Whilst the highest return was paid for the Treasury bills, followed by 3- month bank deposits, government bonds and foreign currency holding, those investing in the shares market received negative returns on average.

Given the fact that inflation was around 70 percent, there was thus no real growth in the banks' sources generated through deposit-taking.

Resultant from the widespread "currency substitution" in the economy, the foreign currency deposits of domestic origin continued to grow rapidly also during the course of 1992, with the share of such

deposits in total deposits reaching to annual 40-45 percent.

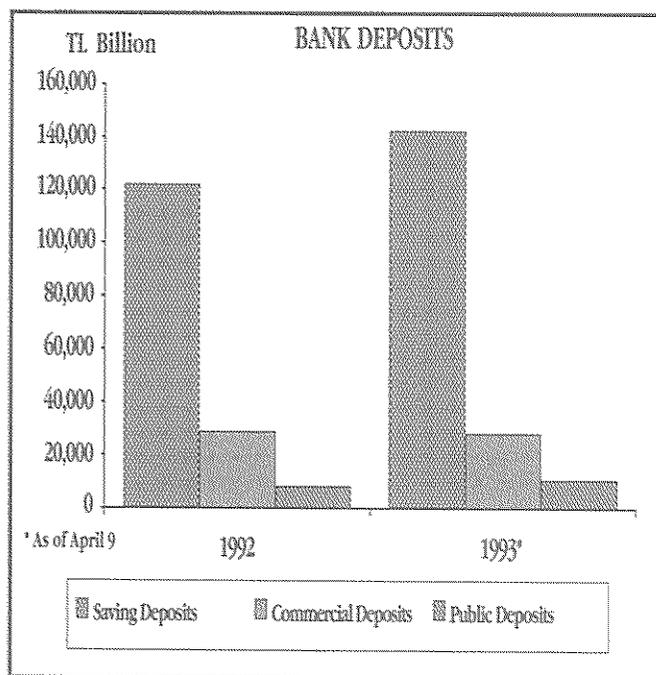
| BANK DEPOSITS | | | | |
|------------------------|--------------|---------|------------|--------|
| | (TL Billion) | | Change (%) | |
| | 1992 | 1993* | 1992** | 1993** |
| Savings Dep. | 122,487 | 142,233 | 19.0 | 16.1 |
| Sight | 15,441 | 16,473 | 10.8 | 6.7 |
| Time*** | 107,046 | 125,760 | 20.2 | 17.5 |
| Commercial Dep. | 29,211 | 28,425 | -6.6 | -2.7 |
| Sight | 23,790 | 21,587 | -12.3 | -9.3 |
| Time | 5,421 | 6,838 | 14.8 | 26.1 |
| Public Dep. | 8,546 | 10,824 | 19.7 | 26.7 |
| Sight | 8,335 | 10,492 | 19.6 | 25.9 |
| Time | 211 | 332 | 22.1 | 57.3 |
| Total Dep. | 160,244 | 181,482 | 14.5 | 13.3 |
| (Consolidated) | | | | |

* As of April 9

** From end of previous year to April 9

*** Inclusive of certificates of deposits

Source: The Central Bank of Turkey, Ankara



Total deposits grew at a slightly lower rate in the first quarter of 1993 (until April 9) by around 13.3 percent as compared to the 14.5 percent during the same period of last year. Whilst sight and time savings deposits

were observed to be growing at lower rates in 1993, public deposits, constituting around 6 percent of total deposits, grew at a higher rate in the first quarter of 1993.

All in all, there has been no real growth in bank deposits this year (as of April 9).

Credits

As opposed to the relatively slower growth of bank deposits, credits by deposit bank grew at a considerably higher rate in 1992, by around 79 percent as compared to the 53 percent in the previous year. The Central Bank's direct credits also grew at a higher rate in 1992 (by around 110 percent as compared to the 98 percent in 1991). As a result, the total credit stock in the economy expanded at the rate of 80 percent which meant strong credit expansion in the economy in real terms, given the yearly percentage change in wholesale prices of 62 percent. Of this credit expansion, deposit bank credits accounted for around 70 percent, and the remaining 30 percent being due to Central Bank's credits extended mainly to the public sector; notably in the form of advances to the Treasury in the face of the latter's high cash requirements .

| TOTAL CREDIT STOCK | | | | |
|---------------------------|----------------|---------|------------|--------|
| | (TL Billion) | | Change (%) | |
| | 1992 | 1993* | 1992** | 1993** |
| I. Bank Credits | 154,662 | 201,570 | 25.4 | 30.3 |
| Deposit Banks | 140,427 | 185,220 | 27.5 | 31.9 |
| Invest. and Develop Banks | 14,235 | 16,350 | 9.0 | 14.9 |
| II. Central Bank | | | | |
| Direct Credits | 37,419 | 44,153 | 71.6 | 18.0 |
| Total Credit Stock | 192,081 | 245,723 | 33.0 | 27.9 |

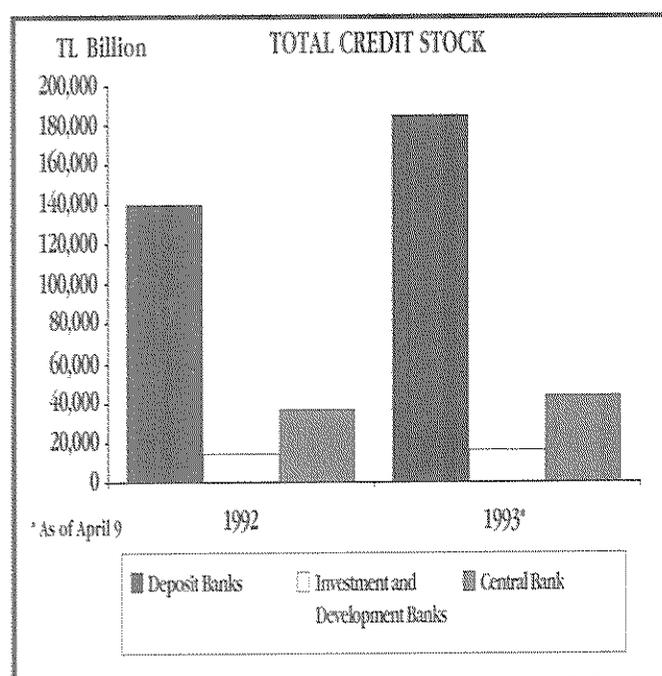
* As of April 9

** From end of previous year to April 9

Source: The Central Bank of Turkey

Credit extended by the investment and development banks grew at a considerably lower rate in 1992 (by around 39 percent) as opposed to 63 percent in 1991.

In the first quarter of 1993, deposit banks' credits were observed to have grown at a higher rate (by around 30 percent) whilst the Central Bank's credit expansion was at a much lower rate than in the corresponding period of the previous year.



Credits extended by the investment and development banks grew at a slightly higher rate in the first quarter of 1993, compared to 9.0 percent growth in the corresponding period 1992.

Similar as in the previous years, the borrowing cost of foreign currency denominated funds continue to be lower (cheaper) as compared to the cost of TL funds (the cost of such funds amounting to around 100 percent to the end user).

The high PSBR continues to be a major problem in the domestic fund markets where the public sector as the biggest borrower and thus tends to crowd out the private sector's resources. As a matter of fact, an outstanding proportion of the public debt (around 90 percent) is held in the portfolios of banks and of investment funds managed by banks.

Interest Rates

One of the major policy objectives of the government was to bring about a substantial reduction in market interest rates. No visible achievement was, however, attained on this front throughout 1992, largely due to the high PSBR and the resultant pressure on the financial markets. With the objective of initiating interest rate cuts, during the first half of 1992, the government tended to prefer Central Bank financing to domestic borrowing in meeting the Treasury's huge cash requirements. This policy was, however, reversed in the latter half of the year, and as a result, domestic borrowing again became the

main source of finance for meeting the Treasury's needs. Hence, whilst interest rates payable on government bonds were pulled down to low as 71-72 percent for a short period in the first months of the 1992, they began to rise again under the pressure of heavy government borrowing, reaching 78.2 percent in July.

Whilst the term structure of bank deposit interest rates was determined in a way to influence inflationary expectations positively, interest rates levelled off around 70 percent throughout the year.

Mainly led by the public deposit banks, interest rates on short term deposits were cut in the latter half of the first quarter of 1993, bringing the average deposit interest rate payable on 3 month deposits from 68.3 percent in January to 63.4 percent in March. To many market participants, this looks to be a short-lived temporary reduction in interest rates as it can not be sustained in the presence of continuing pressure of public sector deficits on the financial markets, and high inflationary expectations in the economy.

| INTEREST RATES | | | | | | |
|-------------------------|------|------|------|--------|--------|--------|
| | 1992 | | 1993 | | | |
| | Oct | Dec | Jan | Feb 12 | Feb 26 | Mar.12 |
| Central Bank | | | | | | |
| Rediscount Rates | | | | | | |
| Short-term | 48.0 | 48.0 | 48.0 | 48.0 | 48.0 | 48.0 |
| Advance * | 54.5 | 54.5 | 54.5 | 54.5 | 54.5 | 54.5 |
| Deposit Interest | | | | | | |
| Rates ** | | | | | | |
| 3-month | 67.4 | 68.3 | 68.3 | 66.6 | 63.4 | 63.4 |
| 6-month | 67.1 | 67.7 | 67.7 | 67.8 | 67.1 | 67.1 |
| one-year | 72.6 | 72.8 | 72.8 | 74.7 | 73.8 | 73.8 |

* As effective from the beginning of 1990, discount window practice is applied.

** Average of interest rates implemented by the top 10 Turkish commercial banks accounting for around 85 percent of total deposits. Net return on bank deposits is to be found by deducting 10.5 percent withholding Tax+Fund from the above gross rates.

Source: The Central Bank of Turkey

The Central Bank rediscount rates remained unchanged from the second quarter of 1991, and still stand at 48 percent for short-term (general) rediscount credits and 54.5 percent for advances.

In 1992, the interbank money market rates which reflect short-term liquidity trends in the Turkish commercial banking system, fluctuated between a minimum 60.3 percent and a maximum 70.3 percent (for over-night transactions) and between 62.4 percent and 85.3 percent (for one week transactions). There were, however, no erratic movement of interest rates in this market, unlike the first quarter of the previous year when interest rates climbed to as high as 116 percent.

During the first four months of the year, interbank money market rates have remained within the range of 60-63 percent for overnight transactions.

V. PRICES AND INFLATION

Despite some deceleration in the rate of inflation as compared to the end of the previous year, double digit inflation continued to be a major policy concern in 1992. The yearly (December - on - December) percentage rate of change in the SIS's Consumer Prices Index fell from 71.1 percent in 1991, to 66.0 percent in December 1992. In the SIS's Wholesale Prices Index, the rate of inflation as measured by this index rose from 59.2 percent in December 1991, to 61.4 percent in December 1992. The decelerating trend of prices continued into the first 6 months of 1993; however, the yearly (June to June)

percentage change in consumer prices rise to 67.2, and in whole sales prices to 60.6 percent.

| PERCENTAGE CHANGE IN PUBLIC AND PRIVATE SECTOR PRICES (*) | | |
|--|---------------|---------------|
| | 1992** | 1993** |
| Private Sector Prices | 30.3 | 25.6 |
| Public Sector Prices | 23.8 | 23.9 |

* SIS's Wholesale Prices Index (1987=100)

** January-June

Source: SIS

The Wholesale Prices Index decreased to 25.1 percent in the first 6 months of 1993 as compared to the 25.7 percent in the same period of 1992, whilst the consumer prices index was up by 27.7 percent in the first 6 months, as opposed to the 26.7 in the previous year.

The fact that consumer prices are rising at a higher rate than wholesale prices is an indication of excess demand factors in the formation of inflation. As a matter of fact, expansionary fiscal (and the accommodating monetary) policies throughout 1992 boosted aggregate effective demand with lagged effects on prices also during the current year.

One reason for the slower rise in prices in recent months is delayed public sector price adjustments since the beginning of the year. Whilst the private sector prices rose by 25.6 percent in the first 6 months of the year, public prices lagged well behind, rising by 23.9 percent where public prices are ultimately adjusted the inflation rate is likely to reaccelerate in the remaining months of the year. As a matter of fact, the government's inflation rate of 51.0 (change in deflator) per-

cent for the year is unlikely to be achieved given the first six month trend of prices in the economy.

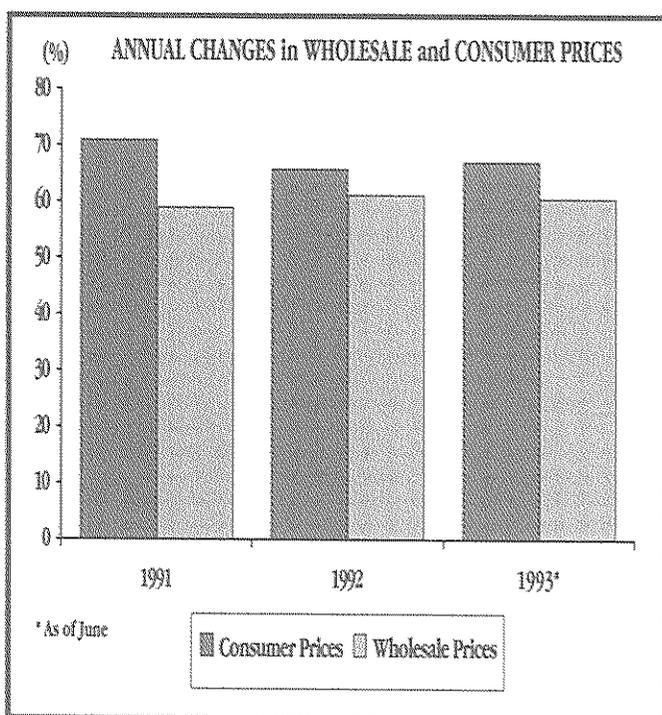
The end-of-year inflation rate likely to remain around 60-70 percent, given the adverse monetary implications of higher-than-expected public deficits, the expected depreciation of TL against main currencies, the adjustment of public prices in the coming months and high inflationary expectations.

| INDICATORS OF INFLATION | | | |
|-------------------------|-------|--------------------------|------------------------------------|
| | | Yearly Percentage Change | Yearly Average Percentage Change** |
| Consumer Prices | 1991 | 71.1 | 66.0 |
| | 1992 | 66.0 | 70.1 |
| | 1993* | 67.2 | 63.8 |
| Wholesale Prices | 1991 | 59.2 | 55.3 |
| | 1992 | 61.4 | 62.1 |
| | 1993* | 60.6 | 57.4 |

* As of June

** Average of yearly (12 month) percentage changes.

Source: SIS



VI. GOLD PRICES

The value of gold remained relatively stable in the London market throughout 1992, the value of one ounce of gold declining from \$ 366.3 at the end of 1991, to \$ 362.2 and rising to \$ 364.4 at the beginning of 1993. A similar trend was observed in the Istanbul market where the price of one gram of gold rose from TL 59,325 at the end of the previous year, to TL 91,820 at the end of 1992, which was 55 percent increase in TL terms. Given the 62 percent depreciation of TL against dollar for the year, this meant that gold prices in the local market did not fully adjust to prices in the London market.

The gold prices in the local market continued to rise also in the first months of 1993, albeit at decreasing rates.

In late March 1993, the government amended the relevant clauses of the Law No 32 on the Protection of the External Value of the Turkish Lira, whereby some new rules were introduced on gold exchange. According to these regulations ;

| WHOLESALE PRICES | | | | |
|------------------|-----------------------|------|--------------------|------|
| | Annual Rate of Change | | Percentage Change* | |
| | 1992 | 1993 | 1992 | 1993 |
| Agriculture | 53.9 | 46.5 | 17.7 | 29.1 |
| Mining | 62.4 | 60.6 | 24.1 | 23.7 |
| Manufacturing | 56.2 | 59.9 | 26.2 | 23.2 |
| Energy | 98.4 | 75.1 | 59.9 | 36.2 |
| Overall | 57.7 | 54.7 | 25.7 | 25.1 |

* January - June

Source: SIS

| GOLD PRICES | | | | | | |
|-------------|----------------------|------------------|------------|------------------|--------------------|------------------|
| Years | İstanbul Gold Market | | | | London Gold Market | |
| | Gold Billion | | Cumhuriyet | | (USD/ounce) | Annual Change(%) |
| | (TL/gr) | Annual Change(%) | (TL/each) | Annual Change(%) | | |
| 1991 | | | | | | |
| December | 59,325 | 66.8 | 396,750 | 67.4 | 366.3 | -2.5 |
| 1992 | | | | | | |
| March | 68,750 | 62.5 | 465,750 | 65.7 | 357.1 | -1.3 |
| June | 76,900 | 65.6 | 511,666 | 65.1 | 352.2 | -3.6 |
| September | 83,433 | 57.5 | 558,666 | 56.9 | 358.2 | 3.2 |
| December | 91,820 | 54.7 | 614,600 | 54.9 | 362.2 | -1.1 |
| 1993 | | | | | | |
| January | 94,275 | 52.1 | 635,250 | 54.1 | 364.4 | -1.0 |
| February | 98,250 | 48.7 | 659,000 | 49.7 | 360.0 | -3.0 |

Source: The Central Bank of Turkey

a) The Central Bank's previous monopoly over the importation of precious metals was ended and banks holding gold exchange licence are now authorized to import gold into the country.

b) The value of gold would be determined freely (previously the price of gold in TL terms was fixed by the Central Bank)

c) Residents in Turkey and abroad would be allowed to open gold accounts with Central Bank and commercial banks.

VII . THE CAPITAL MARKET AND STOCK EXCHANGE

Important legislative and operational changes took place in the capital market in

1992. In April, the Capital Market Law itself was amended by Law No. 3794 and, at the same time, numerous administrative and other reforms were completed in the Istanbul Stock Exchange. These latter led to the creation of new markets and instruments, such as re-purchase agreements (REPO) and the recognition of preferential drawing rights.

After having stagnated for months, the Stock Exchange entered 1993 on a positive note. The Composite Index which stood at 4,000 in December 1992, soared to 8,000 in the first five months of this year, and a similar trend was to be observed in the volume of shares actually traded. Welcome though this situation is in so far as investors are concerned, the real losses which the market sustained in 1991 have still not been made good.

Primary Market Transactions

In the final quarter of 1992, The Capital Market Board granted issue permits valued at TL 13.8 trillion, which represented more than half the total for the whole year. The principal reason for this sudden interest was the introduction of "Asset -Backed" securities, and in January 1993 no less than 80.8 percent of the total issue permits granted by the board (TL 2.2 billion) was represented by these new instruments. Their introduction has thus resulted in a significant change in the composition of issue permits, reducing for the-time being at least, the importance of more traditional securities.

Indeed, the distribution of securities registered with the Board in 1992 was as follows - 65.7 percent asset-backed securities, 22.5 percent shares, 4.2 percent finance bills, 3.8 percent bonds, 0.31 percent bank bills and bank guaranteed bills, and 0.24 percent profit and loss sharing certificates. At the end of last year, the total nominal value of securities in circulation was TL 168.1 trillion, whilst by the end of February of this year the total had reached TL 192.2 trillion. The private sector amounted for 28 percent of this amount, and the public sector for 72 percent. The ratio of private sector securities to GNP in February 1993 was 8.5 percent.

Improved Secondary Market and Stock Exchange Turnovers

Turnover in the secondary market totalled TL 97.9 billion in January and TL 103.6

billion in February, 1993, figures which showed increases of 176 percent and 215 percent, respectively, over the same months of the year. Government bonds accounted for 23.9 percent of the February total, Treasury bills for 10.7 percent, and company shares for 10.7 percent too. Of two month's total transactions, 88.6 percent were conducted by the banks and only 11.4 percent by intermediary institutions. At the end of 1993, the shares and bonds of 1,291 private sector companies were quoted on the Stock Exchange, a total which had rose to 1,800 by the end of march of this year. Also at the end of March, the nominal value of these companies' shares and bonds was TL 52.3 trillion and TL 1.0 trillion, respectively. Bank shares predominated to a marked extent within the former total , followed in importance by those of investment and holding companies. As to bonds, the most important issuers were the electrical equipment, pharmaceuticals, chemicals, paints and dyestuff industries. Also in the month of March, only 150 companies' shares were actually traded on the Stock Exchange.

Istanbul Stock Exchange Transactions

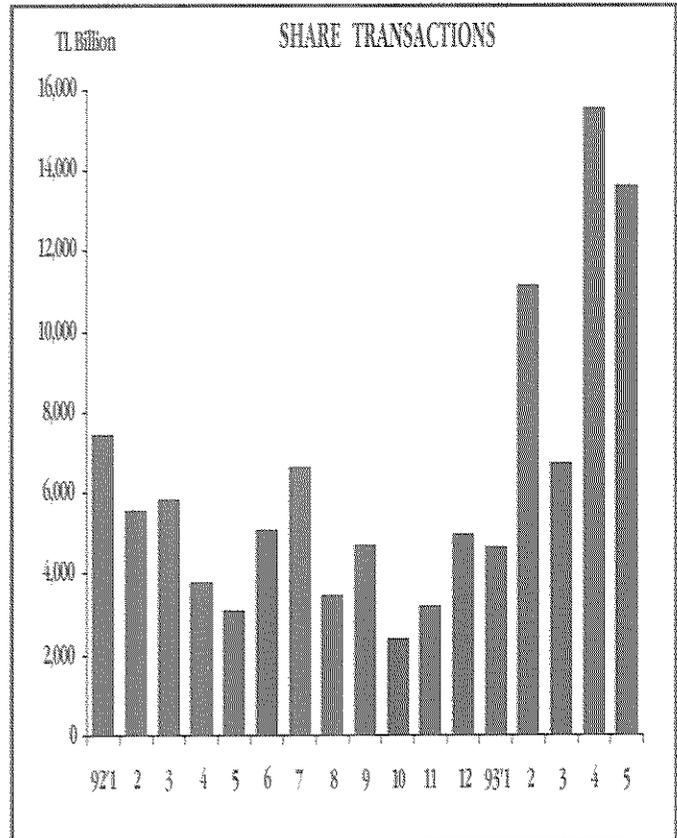
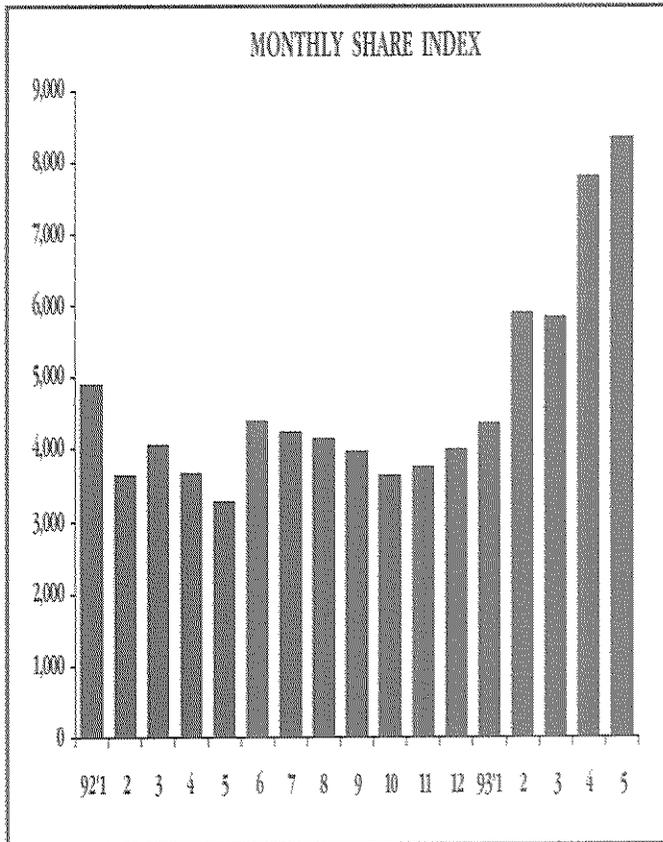
As already pointed out, 1992 was not a good year for share prices, but by the beginning of May of this year the Composite Index had moved up to 8000's. Furthermore, daily turnovers in shares reached the half-trillion mark and, on April 30, for instance, no less than TL 1.1 trillion.

| MOVEMENTS IN THE SHARE PRICES INDEX IN ISTANBUL STOCK EXCHANGE (month-end closing prices) | | | |
|---|---------|---------|---------|
| | 1991 | 1992 | 1993 |
| January | 4,213.5 | 4,926.2 | 4,383.0 |
| February | 5,102.6 | 3,664.4 | 5,923.6 |
| March | 4,520.0 | 4,076.6 | 5,864.2 |
| April | 3,554.3 | 3,686.4 | 7,807.6 |
| May | 3,626.4 | 3,297.4 | 8,375.8 |
| June | 3,587.4 | 4,407.2 | |
| July | 3,041.4 | 4,264.1 | |
| August | 3,301.3 | 4,157.8 | |
| September | 2,937.6 | 3,976.4 | |
| October | 2,746.8 | 3,642.7 | |
| November | 4,058.5 | 3,786.2 | |
| December | 4,369.2 | 4,004.2 | |

Source: Istanbul Stock Exchange Bulletins

| SHARE TRANSACTIONS (Million TL) | | | |
|------------------------------------|-------------------|-------------------|-------------------|
| | 1991 | 1992 | 1993 |
| January | 1,644,689 | 7,477,408 | 4,657,251 |
| February | 3,981,934 | 5,556,016 | 11,166,596 |
| March | 2,753,075 | 5,853,188 | 6,740,627 |
| April | 1,401,092 | 3,820,128 | 15,585,481 |
| May | 2,960,401 | 3,104,253 | 13,613,820 |
| June | 1,770,307 | 5,071,955 | |
| July | 2,628,244 | 6,627,548 | |
| August | 3,663,055 | 3,503,792 | |
| September | 1,960,500 | 4,704,031 | |
| October | 1,903,284 | 2,422,583 | |
| November | 4,944,484 | 3,219,831 | |
| December | 5,893,738 | 4,975,838 | |
| TOTAL | 35,487,078 | 56,339,901 | 51,763,775 |

Source: Istanbul Stock Exchange Bulletins



The principal factors behind this sharp improvement were as follows:

- The new Decree exempting Mutual Funds from tax, provided they represent at least 25 percent of the share capital.
- Lower interest rates on bank deposits, Treasury bonds, and foreign currency deposits.
- A fall in the inflation rate after the turn of the year.
- Speculation in some of the more important companies' shares.

Transactions in Certificates of Debt

The securities other than shares which are traded on the Stock Exchange are Treasury bills, government bonds, revenue-sharing certificates, foreign exchange-indexed bonds, housing certificates and certain other bonds, commercial paper, bank bills, bank-guaranteed bills, and asset backed securities. Funds related to these various certificates of debt play an important role in financing Turkey's economic activities, and operations in these securities

| TRANSACTIONS IN DEBT INSTRUMENTS (TL Million) | | | |
|---|---|---|-------------|
| | Public Sector Treasury Bills, Government Bonds and Others | Private Sector Company Shares, Commercial Papers Bank Bonds | Total |
| 1991 | 278,722,813 | 13,088,254 | 291,811,067 |
| 1992 | 606,769,346 | 20,014,335 | 626,783,681 |
| 1993* | 265,572,690 | 5,320,759 | 270,833,449 |

*January-March

Source: Capital Market Board and Istanbul Stock Exchange Bulletins.

more than doubled between 1991 and 1992, principally because of the big increase in the public sector's demand for funds. The table published here also emphasises the relatively minor role played in this market by private sector shares and bills, etc.

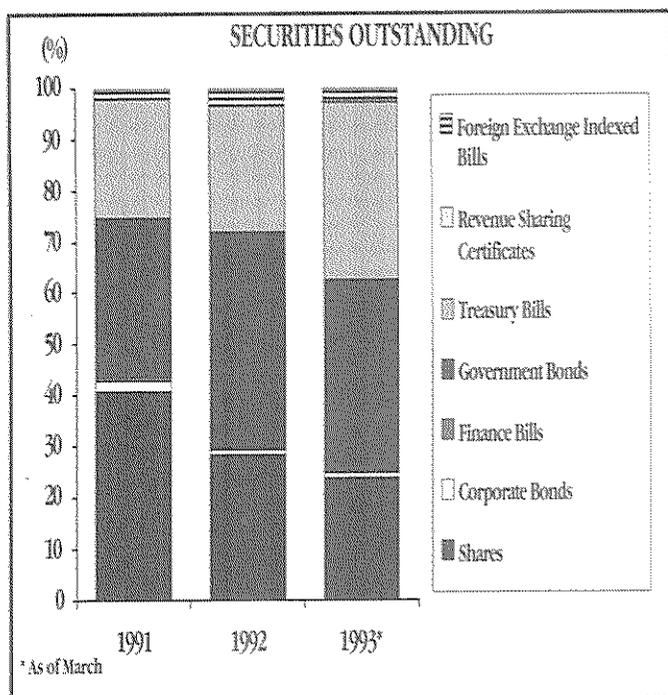
Business in the Bonds and Bills Market

A new market - "The Bonds and Bills Market" - was set up in the Stock Exchange in 1991. It is intended as a means of providing the rapid transfer of securities into cash and it quickly attracted a substantial turnover. Government bonds, Treasury bills, revenue-sharing certificates, corporate bonds and financing bills are all traded in this increasingly popular market. It will be noted, however, that here, too operations in private sector securities are in a very small minority.

| MOVEMENTS IN THE BONDS AND BILLS MARKET (TL Billion) | | |
|---|---------------------------|---------------------------|
| | 1992 | 1993* |
| | Volume of Transactions | Volume of Transactions |
| Public Sector, Government Bonds, Treasury Bills, Revenue-Sharing Certificates | 17,876.9 | 17,948.1 |
| Private Sector Shares, Commercial papers and Bank Bonds | 19.5 | - |
| TOTAL | 17,878.5 | 17,948.1 |

* January-March

Source: Capital Market Board



Off-Exchange Stock Transactions

Transactions known as "Under Lot" or "Decimal Transactions" provide a secure and orderly medium for the lesser sales and purchases handled by intermediaries. As will be seen from the following table, however, turnover is as yet quite modest in relation to that of the securities market as a whole.

| OFF-EXCHANGE STOCK TRANSACTIONS (TL Million) | | | |
|---|-----------|--------|--------|
| Years | Purchases | Sales | Total |
| 1991 | 45,862 | 39,582 | 85,444 |
| 1992 | 37,797 | 26,398 | 64,195 |
| 1993* | 12,332 | 11,902 | 24,234 |

* January-March

Source: Istanbul Stock Exchange Bulletins

Re-Purchase Market

The regulations governing re-purchase agreements came into effect in February of this year. This new market provides facilities which

are especially tailored to meet the needs of private and institutional investors with large sums of money to invest in the short term. Repurchase, and reverse re-purchase thus provides a means of allowing for better cash management. Between February and April, re-purchase ratios fluctuated between 59.14 and 65.90 percent. For the banks, the advantage of this new facility lied in the fact that funds so obtained are not subject to minimum reserve requirements, which means that costs are reduced.

DEVELOPMENTS IN THE RE-PURCHASE AND REVERSE RE-PURCHASE MARKET

(TL Million)

| 1993 | Trading volume |
|----------|----------------|
| February | 485,050 |
| March | 1,278,550 |
| April* | 1,875,900 |

* The first two days of April are excluded.

Source: Istanbul Stock Exchange Bulletins

The Profitability of Shares and Alternative Investments

It is normally to be expected that in an efficiently operated Stock Exchange, investments in corporate shares are the most profitable. In Turkey, where the Istanbul Stock Exchange in its present form is a relatively new institution, the return on shares was very high indeed in the initial years. Indeed, it was 86.51 percent in 1986, 295.8 percent in 1987, and 511.24 percent in 1989. However, a negative return of -37.3 percent was registered in 1988 and for each of the past three years of return has been below the rate of inflation, 55.0 percent in 1990, 41.9 percent in 1991 and 1.67 percent in 1992. In the second week of May 1993, however the return exceeded 100

percent. Market returns naturally depend upon a number of factors, among which may be mentioned- the rate of inflation, interest and exchange rate levels and, last but not least, the speculative moods of economic market operators.

Inflation moderated slightly in 1992 and interest rates fell; at the beginning of this year, the high rates of deposit interests were gradually reduced by the government. Early in

February 1993, interest rates were lowered by from 1 to 16 percent; the three months' rate was reduced to 64-74 percent and the annual rate to from 72-81 percent. Some banks reduced their three-months' and increased their annual rates. Furthermore, between January and April , the interest rates on Treasury bills were reduced by four or five points. It is as a result of these various reductions that investors have returned to the Istanbul Stock Exchange.

**CALENDER OF MAIN
ECONOMIC POLICY MEASURES
1992/1993**

1992/1993 ECONOMIC MEASURES

1992

January 4

Customs tariffs revised.

January 5

Publication of the Council of Ministers' decision on the establishment of the Money, Credits and Coordination Board for achieving coordination in and adopting the necessary measures for the formulation and implementation of economic and financial policies, and policies regarding money and credits.

January 16

Publication of the Council of Ministers decision on the coordination and implementation of the 1992 Program.

January 18

Revision of the conditions required for obtaining the title of Foreign Trade Capital Company.

January 24

With the communique published by the Central Bank on Common Liquid Assets, the principles were determined for government domestic borrowing bills to be rated as liquid assets.

January 31

The Capital Market Board drew up regulations for intermediary institutions and their activities. On condition of obtaining the necessary permission from the Capital Market Board, intermediary institutions will be able to carry out the management of customer portfolios and investment consulting, and to operate agencies.

The 1992 Program was published.

February 1

The Central Bank of the Republic of Turkey set the variable interest rate to be applied on credits coming under the External Credits Exchange Rate

| | |
|--------------------|--|
| | Difference Fund at 70.40 percent annually for all credits regardless of term to be effective from February 1, 1992. |
| February 12 | Permission was granted for the import of all goods on the list of investment goods whose import is subject to direct registration that arrived at the customs prior to February 12 as second-hand goods regardless, with a few exceptions, of the age limit. |
| February 15 | Revision of import regime. Protection rates on some wares were raised by means of the increase or re-introduction of Mass Housing Fund deductions. Regulations for border and coast trade were put into effect. |
| February 18 | The Capital Market Board published 8 communiques concerning the drafting of financial statements and reports, independent auditing, and share certificates. |
| March 1 | The Central Bank of the Republic of Turkey set the variable interest rate to be applied on credits coming under the External Credits Exchange Rate Difference Fund at 67.94 percent annually for all credits regardless of term to be effective from March 1, 1992 |
| March 6 | Revision of the Customs Entry Tariff. The insurance margin concerning the principal in savings deposits was raised to TL 50 million. |
| March 15 | The Ministry of Finance and Customs readjusted income tax rates by increasing various fixed margins and amounts specified in the General Communique for Income Tax and the Income Tax Law. |
| March 17 | Publication of the general communique of the Act on Public Accounting, Financial Consulting and Chartered Accounting. |
| March 20 | Decision on the Encouragement of Exports and Foreign Exchange Earning Activities came into |

effect. It was decided that a 25 percent rebate be applied on the price of electricity used in the production of export goods, and that exporting manufacturers procure the petroleum which they use in the production of export goods at international prices, free of customs duties and all types of funds, excluding VAT.

For the purpose of modernizing their existing facilities, firms with a touristic operation certificate were granted the opportunity of importing machinery and equipment free of duty at an amount equivalent to 30 percent of the increase in their annual foreign exchange revenues.

The Framework Decision on Foreign Capital was put into effect.

March 26

Publication of a directive regulating the working conditions of real and legal entities engaged in international land transportation services with the purpose of making these services more regular and reliable.

March 28

With a communique published by the Capital Market Board, principles and rules were established regarding the preparation and submittal to the authorities of consolidated financial statements to be drawn up by company groups.

Publication of the decision on the becoming effective of the principles concerning the encouragement and guidance of investments, foreign exchange earning services and enterprises.

March 29

Publication of the Budget Act for the 1992 Fiscal Year.

April 3

Publication of the act on the "Acceleration of the Collection of Some Public Receivables and the Increase of the Basis of Assessment". The said published act stipulates a 70 per cent amnesty for supplements for default, interest for defaults and fines concerning taxes, duties and debts, on

condition that the original principal be paid in 1992 in four equal installments.

April 8

Publication of the communiques by the Undersecretariat of Treasury and Foreign Trade on encouragement of exports and foreign exchange earning activities, and the encouragement and guidance of investments, foreign exchange earning services and enterprises.

April 10

A "Foreign Trade and Marketing Coordination Committee" was formed within the Undersecretariat of Treasury and Foreign Trade.

April 12

The 1992 work program concerning cooperation on industrial, technical, cultural and social matters and customs union between the Turkish Government and the EEC was ratified.

The Council of Ministers re-regulated the principles concerning the determination and payment of the Resource Utilization Support Fund deduction for animal husbandry investments with encouragement certificates.

April 18

The treaty between Turkey and EFTA lands on the development of economic and technical cooperation, that became effective as of April 1, 1992, was ratified.

April 20

The Ministry of Finance and Customs revised the principles of the Customs Regulations specifying the imports which real and legal entities could effect free of customs duty and funds.

April 22

The Council of Ministers raised the equity resources which banks are required to possess at the time of establishment and for their branches.

April 28

Within the framework of the Financial Leasing Act, the rules regulating the principles concerning the establishment and operation of financial leasing companies was published.

- May 1** The Central Bank of the Republic of Turkey set the variable interest rate to be applied on credits coming under the External Credits Exchange Rate Difference Fund at 67.91 percent annually for all credits regardless of term to be effective from May 1, 1992.
- May 13** Publication of the law amending the Capital Market Act and one article of the Banking Code and rescinding some articles of Decree Law no. 35.
- May 21** The Tax Exemptions Agreement between Turkey and USA was expanded to also include VAT.
- May 26** Publication of the budget implementation directives drawn up in the direction of the provisions of the Budget Act for the 1992 Fiscal Year with regard to the consolidation and entry, as income, of fund resources.
- May 27** The Council of Ministers decided to privatise Et ve Balık Kurumu (meat and fish), Türkiye Süt Endüstrisi Kurumu (dairy products), Orman Ürünleri Sanayi Kurumu (forestry products), Denizcilik Bankası (Maritime Bank) and Yem Sanayii T.A.Ş. (fodder).
- May 28** The Mass Housing Administration under the Prime Minister's Office published a communique on the provision of credits to mass housing projects which have not previously obtained credits from the Mass Housing Fund and which are still under construction with the purpose of enabling the completion of these.
- June 1** The Central Bank of the Republic of Turkey set the variable interest rate to be applied on credits coming under the External Credits Exchange Rate Difference Fund at 68.63 percent annually for all credits regardless of term to be effective from June 1, 1992.
- June 2** Publication of the Ministry of Finance and Customs communique containing the VAT rates to be applied on the activities of travel agencies outside the

country and on purchases of goods and services to be effected from the USA with the purpose of joint defense.

June 7

The principles regarding the allocation of credits to travel agencies from the Fund for Encouragement of Foreign Exchange Earning Investments and Services were announced.

June 25

The Black Sea Regional Cooperation Declaration which provides for the development of commercial, economic, scientific and technological cooperation between member countries, and which was realized through the initiative of Turkey was signed.

July 7

With an amendment in the import regime, the fund rates applied on some articles were readjusted.

July 8

Publication by the Council of Ministers of the regulations on the determination of term and limit in financial leasing transactions.

July 11

Publication of the act stipulating the amendment of the provisions of the Tax Procedure Act, and the Income Tax, Corporation Income Tax and Duties Acts concerning duties and charges imposed on imports, and the provisions regarding the consolidation of the funds levied on income and corporation income taxes, and the annulment of some provisions.

The act on the arbitration of mutual debts of public institutions and enterprises was ratified.

July 19

The principles concerning the resources of the Fund for the Encouragement of Investments and Foreign Exchange Earning Services and payments from the fund and the procedure for making credits originating from the fund available were revised by the Council of Ministers.

July 28

Acting from the principle of a single wage on a national level, minimum wages were set at TL 1,449,000 monthly for workers above the age of 16

and TL 1, 116,900 for workers who have not as yet completed the age of 16.

August 1

The Central Bank of the Republic of Turkey set the variable interest rate to be applied on credits coming under the External Credits Exchange Rate difference Fund at 74.43 percent annually for all credits regardless of term to be effective from August 1, 1992.

August 5

Ratification of the "Project agreement for the development of small and medium scale industry through Türkiye Halk Bankası" within the framework of technical cooperation between Turkey and Federal Germany.

August 6

Publication by the Ministry of Finance and Customs of the regulations enabling retail shops outside the customs boundary to sell wares produced locally.

August 15

Amendments were made in the "list of conditional exports" of the export regulations.

August 20

Publication of the communique allowing for border trade from the Fatsa port.

August 28

The loan agreement concerning the obtainment of a US \$ 9.2 million credit from the International Construction and Development Bank to finance the Treasury data systems project was signed.

September 3

Amendments were made to the principles of pricing the sale and purchase of crude oil and petroleum products and the decision concerning the operation of the Fuel-Oil Price Stabilization Fund.

The amendment of some articles of the Public Partnership Fund Regulation came into force.

September 5

Rates determining the minimum and maximum amounts of the fixed taxes and duties stipulated in some articles of the Municipal Revenues Act were increased 10 fold.

September 9

The regulation on the distribution and utilization of the appropriations for assistance to local governments which are included in the State Planning Organization budget in order to support the projects of Provincial Governments and Municipalities in provinces prioritized in development, and to ensure efficiency, speed and effectiveness in their services and investments was signed.

Ratification of the loan agreement on the US \$ 55 million credit obtained from the International Construction and Development Bank to finance the Agricultural Research Project.

September 14

Ratification of the protocol on voiding the treaties between the Republic of Turkey and the German Democratic Republic.

September 17

Ratification of the agreement signed in Paris in April concerning the ECU 30 thousand credit obtained from the Social Development Fund of the Council of Europe.

September 23

Publication of the Council of Ministers decision on the amendment of the principles for the encouragement and guidance of investments, foreign exchange earning services and enterprises.

September 27

Publication of the communique regulating the principles and procedures for the allocation against payment of lands and plots in the possession of the Treasury to real and private law legal entities who wish to make investments with educational purposes on these areas.

October 1

The Central Bank of the Republic of Turkey set the variable interest rate to be applied on credits coming under the External Credits Exchange Rate Difference Fund at 75.77 percent annually for all credits regardless of term to be effective from October 1, 1992.

- October 3** Publication of the Council of Ministers decision to the effect that the nature and maximum limits of benefits other than interests to be secured in credit transactions and the charges to be collected may be freely determined by banks.
- October 7** Publication by the Undersecretariat of Treasury and Foreign Trade of the communique on the revision of the communique encouraging exports and foreign exchange earning activities. The conditions under which firms producing the exported finished product can benefit from energy reductions and / or exemption were revised.
- October 8** The project for the "Development of animal husbandry in Turkey" was signed between Turkey and the United Nations Development Program.
- October 16** Publication by the Council of Ministers of the "1993 Program" and the "Decision on the implementation, coordination and monitoring of the 1993 program".
- October 21** Publication of a decision on the postponement and payment in installments of the debts of small merchants and artisans, people engaged in free arts and industrialists and businessmen to Halk Bank.
- November 1** The Central Bank of the Republic of Turkey set the variable interest rate to be applied on credits coming under the External Credits Exchange Rate Difference Fund at 74.73 percent annually for all credits regardless of term to be effective from November 1, 1992.
- November 3** The Council of Ministers determined the general investment and financing program for Public Economic Enterprises and their affiliates for the year 1993.
- November 9** Publication of the decision on the ratification of the regulations concerning the "Consulting Assistance in Tax Supervision Services" project contracted within the framework of the technical cooperation agreement between Turkey and Federal Germany.

November 12

Publication of the Council of Ministers' decision on the amendment of the decree concerning the determination of the value added tax rates to be applied on goods and services.

December 8

Publication of the communique by the Ministry of Finance and Customs specifying the economic assets subject to depreciation included in the balance sheets of income and corporation income tax payers who keep books on a balance sheet basis (excluding chartered companies, but including mercantile partnerships, ordinary limited partnerships and ordinary partnerships) and setting the 1992 revaluation rate for these assets at 61.5 percent.

December 18

Communiques were published by the Ministry of Finance and Customs providing for the amendment of the acts concerning charges, stamp duties, corporation income tax, valuable papers, and Act no. 3417 on the encouragement of the employed people to save and the evaluation of these savings.

The economic enterprises of foundations occupied in the subjects of education, health, culture and scientific research and development became subject to corporation income tax to be effective from 1.1. 1992. On the other hand, economic enterprises of associations that are beneficial for the public (excluding those that are granted tax exemption) have also become subject to corporation income tax. With the same communique, Treasury bonds, government securities and public partnership bonds were also made subject to a minimum corporation income tax of 23 percent.

December 28

With a decision of the Council of Ministers' permission was granted to the establishment of the Credit Lyonnais Bankası T.A.Ş. with a TL 25 billion capital and with headquarters in İstanbul.

December 31

With a decision of the Council of Ministers' the income brackets in the 1993 income tax rates were

readjusted and the brackets were increased by 60 percent.

1993

January 2

The principles of the purchase, sale and pricing of crude oil and petroleum products and the decision on the functioning of the Fuel-Oil Price Stabilization Fund were amended. In accordance with this amendment, no stocking capacity or obligatory stocking will not be required in petroleum products and LPG to be imported within the framework of the Border and Coast Trade regulations.

Publication by the Ministry of Finance and Customs of the General Customs Communique (Temporary Exemption) concerning the examination of and deciding upon the applications coming under the coverage of Article 119/6 of Customs Act no. 1615.

Publication by the Ministry of Finance and Customs of the Customs Monopoly Communique (Entry Regime) explaining the annulled taxes, duties and funds, the reductions and harmonization to be made in customs duties, and the principles of implementation for the new regulations stipulated by the decision on the import regime.

Publication by the Ministry of Finance and Customs of the Duties' Act General Communique which appends new articles and brings new regulations, to be effective from 1993, to the "Act on the Amendments to be Made to Some Tax Laws" and the "Duties' Act".

January 3

Ratification of the "Maritime Agreement" between the Government of the Republic of Turkey and the Government of the People's Republic of China.

January 5

Publication by the Undersecretariat of Treasury and Foreign Trade on the regulations concerning the addition of an article to the Export Regulations. With

these regulations an article regarding participation in fairs and exhibitions was added to the Export Regulations.

Publication by the Undersecretariat of Treasury and Foreign Trade, in accordance with the Decision on the Regulation and Support of Exports and the Export Regulations, of a communique on Fairs and Exhibitions Outside the Country stipulating the practical procedures and principles for participation both as a national representative or individually in fairs and exhibitions to be organized outside the country.

January 9

Publication of the communique concerning Act no. 32 on the protection of the value of the Turkish currency making all types of credit borrowing from abroad and the issuing of bonds and other instruments of borrowing on international markets by public institutions and enterprises and municipalities contingent upon the prior permission of the Undersecretariat for Treasury and Foreign Trade.

January 12

Publication of the decision on the ratification of the protocol of the first round of the meetings of the mixed economic commission between the governments of Turkey and the Russian Federation.

January 16

Publication of the decision on the ratification of the agreement between the Republic of Turkey and Japan concerning the mutual encouragement and protection of investments.

January 17

Publication of the treaty on financial cooperation between the Government of the Republic of Turkey and the German Federal Republic.

January 29

Publication of the Council of Ministers' decision on the encouragement of exports and foreign exchange earning activities and the principles for the encouragement and guidance of investments, foreign exchange earning services and enterprises

| | |
|--------------------|---|
| February 1 | <p>Publication of the decision concerning the ratification of the scientific and technical cooperation treaty signed between the Government of the Republic of Turkey and the Government of the Russian Federation.</p> <p>The Central Bank of the Republic of Turkey set the variable interest rate to be applied on credits coming under the External Credits Exchange Rate Difference Fund at 74.71 percent annually for all credits regardless of term to be effective from February 1, 1993.</p> |
| February 4 | <p>Publication of the communique containing the rules for the dividends to be distributed by banks sold by means of offering their shares to the public.</p> <p>Publication of a communique to supplement the communique concerning the commitment to buy back or sell and the trade of securities.</p> |
| February 5 | <p>The commercial, economic and technical cooperation treaty was signed between the Government of Turkey and the Government of Senegal.</p> |
| February 7 | <p>Publication of the communique on the criteria to be employed in choosing the suitable price in constructions tenders to be undertaken in 1993.</p> |
| February 12 | <p>Publication of import communique no. 93/18 by the Undersecretariat of Treasury and Foreign Trade.</p> |
| February 15 | <p>Publication of the communique no. 93/1 on standardization in foreign trade by the UTFT.</p> |
| February 20 | <p>Publication of the general communique on corporation income tax.</p> <p>Publication of the communique on the encouragement of exports and foreign exchange earning activities.</p> <p>Publication of the communique concerning the encouragement and guidance of investments, foreign exchange earning services and enterprises.</p> |

February 21

Publication of the decision concerning the ratification of the protocol between the Government of Turkey and the Government of Tunisia on the establishment of an agricultural cooperation committee.

February 23

Publication of the decision concerning the ratification of the touristic cooperation agreement signed between the Government of Turkey and the Government of the Kingdom of Morocco.

March 1

The Central Bank of the Republic of Turkey set the variable interest rate to be applied on credits coming under the External Credits Exchange Rate Difference Fund at 73.05 percent annually for all credits regardless of term to be effective from March 1, 1993.

March 10

Regulations were drawn up with respect to the principles of the formation, administration and operation of free zones and the collection and spending of the Fund for the Establishment and Development of free zones.

March 31

Publication of the communique by the Ministry of Industry and Commerce setting down the principles for investments without encouragement certificates made in organized industrial regions and the application of fund-originated credits in small and medium scale enterprises.

April 1

The Central Bank of the Republic of Turkey set the variable interest rate to be applied on credits coming under the External Credits Exchange Rate Difference Fund at 69.91 percent annually for all credits regardless of term to be effective from April 1, 1993.

The Development Bank of Turkey announced the principles for the application, investigation, evaluation, allocation, payment, and collection of the credits to be allocated to incomplete touristic investments from the Fund for Encouraging Investments and Foreign Exchange Earning Services.

- April 2** Act no. 32 on the Protection of the Value of Turkish Currency was amended. Identification was made obligatory in effective sales amounting to US \$ 10,000 or equivalent. Furthermore, it became obligatory that goods manufactured of valuable metals and stones to be exported abroad be stamped with a distinctive seal, and that a certificate be drawn up for these.
- April 3** Publication by the Capital Market Board of the regulations providing for the foundation and the principles of functioning of the Valuable Metal Exchange.
- April 6** Publication of the Council of Ministers' decision amending those articles of the decision on the Resource Utilization Support Fund concerning the application of sanctions.
- April 7** Publication of the Council of Ministers' decision raising the monetary sums for the equity resources of banks.
- April 8** Publication of the Council of Ministers' decision permitting the establishment and operation of the Istanbul Free Leather Zone by DESBAS - Istanbul Deri Serbest Bölge Kurucusu ve İşleticisi A.Ş.
- April 9** Publication of the circular by the Central Bank concerning the amendments made to Act no. 32 on the Protection of the Value of Turkish Currency.
- April 10** Ratification of the trade and economic cooperation treaty signed between the Republic of Turkey and the Republic of Georgia.
- April 15** Ratification of the treaties on cooperation in the sphere of tourism signed between the Republic of Turkey and Kyrgyzstan, Uzbekistan, Turkmenistan and Kazakhstan.
- April 16** Ratification of the Mixed Transport Commission Accord Protocol between the Government of Turkey and the Government of the Syrian Arab Republic.

- April 17** Ratification of the agreement concerning the credit totalling 65 million Swiss Franks obtained from the Social Development Fund of the Council of Europe to finance the Erzincan project.
- May 1** The Central Bank of the Republic of Turkey set the variable interest rate to be applied on credits coming under the External Credits Exchange Rate Difference Fund at 66.96 percent annually for all credits regardless of term to be effective from May 1, 1993.
- May 2** The Council of Ministers raised the funds levied on wheat imports from 30 dollars to 100 dollars per ton, and the funds levied on imports of wheat meal from 100 dollars to 150 dollars.
- May 13** Ratification by the Council of Ministers of the memorandum signed on July 10, 1992 regarding the participation of Turkey in the Inter-enterprise Cooperation Network (BC-NET) of the European Communities, and the cultural, educational and scientific exchange program signed on March 7, 1993 between the Government of Turkey and the Government of the Albanian Republic.
- May 4** The International Treaty on International Textile Trade, whose period of effectiveness expired on December 21, 1992, was prolonged for 1 year by the Council of Ministers.
- May 10** Undersecretariat of Treasury and Foreign Trade defined the standarts to be applied in the export of some vegetables.
- May 28** The Council of Ministers amended the procedures and principles for the deduction of funds in the production, sale and import of leaf tobacco and tobacco products, and the utilization of this fund.
- May 29** The Council of Ministers amended the Decision on the Foundation of the Development and Support Fund.

APPENDIX I

TÜSİAD FORECASTS FOR 1993

TÜSİAD started its first exercise with an econometric model in 1983. The first "annual econometric model" was completed and published under the title "A Model for Forecasting Turkish Economy 1965-1983" in 1984. The same model was revised with 1965-84 data and the results were published ("An Econometric Model for Turkey, 1965-84"). A quarterly econometric model was published in 1987.

In this Appendix we present the results based on our short-term econometric model. It is assumed that there will be no significant changes in present economic policies or in the present business environment.

The 1993 GNP growth rate is expected to be 4.4 percent. The growth rate in agriculture is forecast at 2.6 percent, that in industry 5.5 percent. Services are expected to grow by 4.7 percent.

Total investment is expected to increase by 2.4 percent, and total consumption by 4.6 percent.

| SUMMARY OF TÜSİAD FORECASTS FOR 1993 | |
|---|--------|
| Real Growth Rate (%): | |
| Agriculture | 2.6 |
| Industry | 5.5 |
| Services | 4.7 |
| GNP | 4.4 |
| Total Fixed Capital Investments | 2.4 |
| Total Consumption | 4.6 |
| Inflation rate (%) | 68.0 |
| Exports (\$ Billion) | 15.2 |
| Imports (\$ Billion) | 24.5 |
| Foreign Exchange Rate (TL/\$) | |
| Year End | 14,800 |
| Percentage Change (1993/1992) | 72.6 |
| Annual Average | 11,600 |
| Percentage Change (1993/1992) | 68.5 |

The inflation rate will be around 68.0 percent.

Imports will be \$ 24.5 billion and exports \$ 15.2 billion.

As a year-end figure for 1993, the exchange rate is expected to be 14,800 TL/\$.

APPENDIX II

RESULTS OF A QUESTIONNAIRE ON TÜSİAD MEMBERS' FUTURE EXPECTATIONS

In May 1993, TÜSİAD prepared and distributed to all its members a questionnaire which was aimed at providing a thorough survey of economic developments in Turkey.

The results of this TÜSİAD initiative were indicative of the importance which is now placed on the forecasting of economic development.

66 members answered the questionnaire. No less than 75.8 percent of the respondents have special sections or staff concerned with forecasting in their companies. Seventy-one percent of these companies employ 1 to 9 persons and 8 percent of them employ more than 9 persons in forecasting work. Overall, these forecasting groups average about five persons each.

| NUMBER OF PERSONS DEALING WITH FORECASTS | |
|---|------|
| Persons | (%) |
| 0 | 20.6 |
| 1-9 | 71.4 |
| 10+ | 8.0 |

Of the respondents 68.2 percent use market research, another 68.2 percent compare current year's results with those of the previous year, 65.2 percent use managers' judgement, 47 percent depend upon the forecasts of regional sales agents, 43.9 percent use consumer surveys,

21.2 percent use regression and correlation techniques, 21.2 percent use time series analyses, 19.7 percent use econometric models and 18.2 percent use technological forecasts.

| METHODS EMPLOYED FOR FORECASTS | |
|---|-------------------------------------|
| Method | Firms Employing These Methods(%) |
| Market research | 68.2 |
| Comparison of previous year's results, statistical analyses, extrapolation | 68.2 |
| Judgement of managers | 65.2 |
| Sales agents' forecasts | 47.0 |
| Consumer surveys | 43.9 |
| Regression, correlation | 21.2 |
| Time series analyses | 21.2 |
| Econometric models | 19.7 |
| Technological forecasts | 18.2 |
| Exponential smooting | 7.6 |

No less than 86.4 percent of TÜSİAD members use our Association's forecasts, whereas 80.3 percent utilize SPO forecasts. It is interesting to note that all of our members also make use of other institutions' forecasts.

| INSTITUTIONAL HELP IN FORECASTING | |
|--------------------------------------|-------|
| Institution | (%) |
| TÜSİAD | 86.4 |
| SPO | 80.3 |
| Others | 100.0 |
| None | 0.0 |

Results obtained by the questionnaires may further be summarised as follows:

Among the variables that affect fixed capital investments negatively, 54.5 percent of members cite high interest rates as the major cause. Other important factors are economic instability, stagnating domestic demand, insufficiency of credits, political instability and inadequacy of external demand.

| FACTORS NEGATIVELY EFFECTING INVESTMENTS | |
|--|------|
| Factors | (%) |
| High interest rates | 54.5 |
| Economic instability | 19.7 |
| Inadequate domestic demand | 7.6 |
| Insufficient credit facilities | 7.6 |
| Political instability | 6.1 |
| Inadequate external demand | 1.5 |

According to 34.8 percent of TÜSIAD's members, inflation is the major problem of the Turkish economy in 1993, whereas 25.8 percent points out to public sector expenditure as the most important problem.

| THE MOST IMPORTANT PROBLEMS OF 1993 | |
|-------------------------------------|------|
| Problems | (%) |
| Inflation | 34.8 |
| Budget expenditure | 25.8 |
| Domestic debts | 12.1 |
| High interest rates | 6.1 |
| Lack of technology | 4.5 |
| Education and health | 3.0 |

Budget Expenditure is ranked first among the major problems of Turkish economy in 1997 by 19.7 percent of TÜSIAD members. On

the other hand, 15.2 percent of the members consider unemployment as the major economic problem of 1997.

Importance of education and health will increase whilst inflation will lose its weight in the preceeding years.

| THE MOST IMPORTANT PROBLEMS TO BE RESOLVED IN 1997 | |
|--|------|
| Problems | (%) |
| Budget expenditure | 19.7 |
| Unemployment | 15.2 |
| Inflation | 13.6 |
| lack of technology | 10.9 |
| Education and health | 10.6 |
| Income distribution | 8.7 |
| Energy problem | 6.1 |
| Growth rate | 4.5 |
| Foreign debts | 3.0 |
| Domestic debts | 2.2 |
| Foreign trade deficit | 1.5 |

In all, 72.3 percent of the respondents expect that the period 1993-1997 will be more successful than was the previous half decade.

| EXPECTATIONS AS REGARDS THE PERIOD 1993-1997 IN COMPARISON WITH 1988-1992 (%) | |
|---|------|
| Period | (%) |
| 1993-1997 period will be more succesful | 72.3 |
| 1988-1992 period was more succesful | 27.7 |

Questionnaire results suggest that the economic stand of TÜSIAD members improved in 1992. More than half of the respondents reported that they increased their production in 1992 as compared to 1991. Only 9.6 percent declared a fall in production levels. Furthermore 55.5 percent of the members

reported an increase in their capacity utilization. Fixed capital investments increased in 49 percent, stayed at the level of previous year in 36 percent and decreased in 15 percent of the respondent firms.

| EVALUATION OF ECONOMIC STAND IN 1992 COMPARED TO 1991 | | | |
|--|-----------|-----------|-----------|
| | Increased | No Change | Decreased |
| Production | 63.5 | 26.9 | 9.6 |
| Capacity utilisation | 55.5 | 31.5 | 13.0 |
| Fixed capital investments | 49.1 | 35.8 | 15.1 |
| Average stocks | 14.3 | 49.0 | 36.7 |
| Total sales | 64.0 | 20.0 | 16.0 |
| Exports | 41.3 | 41.3 | 17.4 |
| Price level | 55.8 | 26.9 | 17.3 |

TÜSIAD members expect that 1993 will be better than 1992 and 74.6 percent of the respondents expect to increase production with respect to the previous year. Moreover, 70.9 percent predicts increases in sales volume, whereas only 7.3 percent predict a decrease. Export increase, on the other hand, is expected only by 37.2 percent of the respondents.

| EXPECTATIONS OF ECONOMIC STAND IN 1993 AS COMPARED TO 1992 | | | |
|---|-----------|-----------|-----------|
| | Increased | No Change | Decreased |
| Production | 74.6 | 22.2 | 3.2 |
| Capacity utilisation | 72.1 | 24.6 | 3.3 |
| Fixed capital investments | 59.3 | 20.4 | 20.3 |
| Average stocks | 15.1 | 45.3 | 39.6 |
| Total sales | 70.9 | 21.8 | 7.3 |
| Exports | 37.2 | 31.4 | 31.4 |
| Price level | 53.6 | 33.9 | 12.5 |

Forecasts of TÜSIAD members regarding the Turkish economy are as follows:

In 1993, in real terms, GNP is expected to grow by 5 percent, and the manufacturing industry by 5.5 percent.

It is expected that the number of building permits will increase by 12 percent in 1993, and by a further 11 percent in 1994.

Fixed capital investment will increase by 1.5 percent in 1993 and by 1.5 percent again in 1994.

In 1993, exports and imports will reach \$ 16 billion and \$ 25 billion, respectively. Foreign debts are expected to reach, to total \$ 58 billion.

According to respondents, the inflation rate will be 65 percent in 1993 and 60 percent in 1994.

Interest rates on credits and deposits are expected to decrease in three years to come.

Wage increases will be 5 percentage points above the rate of inflation expected in 1993.

The rate of increase in gold prices will be below the inflation rate.

The percentage increase in the money supply, 65 percent in 1993 and 60 percent in 1994, will be in line with the rate of inflation.

In 1993 and in 1994 tax revenues are expected to increase by 80 percent. The Budget deficit will increase to TL 70,000 billion in 1993, and further to TL 75,000 billion in 1994.

Time deposits are expected to increase by a smaller margin (60 percent) than bank credits (75 percent).

| FORECASTS OF TÜSİAD MEMBERS REGARDING THE TURKISH ECONOMY* | | | | |
|---|-------------|-------------|-------------|-------------|
| | 1992 | 1993 | 1994 | 1995 |
| I. INCOME/PRODUCTION/INVESTMENT | | | | |
| Real Growth Rate (%) | | | | |
| GNP | 5.9 | 5.0 | 5.0 | 5.0 |
| Manufacturing Sector | 5.6 | 5.5 | 6.0 | 6.0 |
| Number of Building Permits | 13.6 | 12.0 | 11.0 | 10.9 |
| Fixed Capital Investment | 1.3 | 1.5 | 1.5 | 1.5 |
| II. FOREIGN ECONOMY | | | | |
| Exports (\$ Billion) | 14.7 | 16.0 | 17.6 | 19.5 |
| Imports (\$ Billion) | 22.9 | 25.0 | 26.9 | 28.5 |
| Foreign Exchange Buying Rate (End of year) | | | | |
| TL/\$ | 8,555.9 | 13,600.0 | 21,000.0 | 27,871.0 |
| TL/DM | 5,302.7 | 8,400.0 | 12,900.0 | 19,000.0 |
| Workers' Remittances (\$ Billion) | 3.0 | 3.1 | 3.4 | 3.5 |
| Foreign Debts (\$ Billion) | 54.7 | 58.0 | 60.0 | 63.0 |
| III. WAGES/PRICES/INTEREST RATES | | | | |
| Inflation (%) | 66.0 | 65.0 | 60.0 | 55.0 |
| Interest Rate on One Year Deposits (%) | 74.2 | 73.0 | 69.5 | 65.0 |
| Interest Rate on Credits (%) | 99.8 | 95.0 | 90.0 | 83.5 |
| Gold Ingot (gr., end of year) | 91,820 | 147,000 | 220,000 | 321,000 |
| Average Wage Increase (%) | 74.0 | 70.0 | 68.0 | 62.5 |
| IV. PUBLIC FINANCE/MONEY/CREDITS | | | | |
| Increase in Tax Revenues (%) | 80.6 | 80.0 | 80.0 | 80.0 |
| Growth in Money Supply (M2) (%) | 61.1 | 65.0 | 60.0 | 60.0 |
| Budget Deficits (TL Billion) | 43,606 | 70,000 | 75,000 | 90,000 |
| Increase in Bank Credits (%) | 73.9 | 75.0 | 75.0 | 70.0 |
| Increase in Time Deposits (%) | 57.5 | 60.0 | 58.0 | 60.0 |

(* Median values; half of the respondents' forecasts are below and the other half's are above the values given in the table above. 1992 figures are actual, 1993-1995 are the forecasts of TÜSİAD members.

**STATISTICAL ANNEX
FOR
CHAPTER I**

| GROSS NATIONAL PRODUCT (GNP) | | | | | | |
|---|-----------------------------|-------------------------------|----------------------------|-----------------------------|-------------------------------|----------------------------|
| (Producers' Values at 1987 Prices) | | | | | | |
| KIND OF ACTIVITY | 1991 | | | 1992 | | |
| | Value TL Million | Sectoral Share (%) | Growth Rate (%) | Value TL Million | Sectoral Share (%) | Growth Rate (%) |
| Agriculture | 14,021,015.2 | 16.2 | -1.2 | 14,533,951.1 | 15.9 | 3.7 |
| Agriculture & Livestock | 13,101,432.0 | 15.1 | -0.8 | 13,428,244.2 | 14.6 | 2.5 |
| Forestry | 655,106.5 | 0.8 | -6.2 | 824,171.4 | 0.9 | 25.8 |
| Fishing | 264,476.7 | 0.3 | -9.6 | 281,535.5 | 0.3 | 6.5 |
| Industry | 22,902,770.6 | 26.5 | 2.7 | 24,288,003.9 | 26.5 | 6.0 |
| Mining & Quarrying | 1,619,573.2 | 1.9 | 4.5 | 1,623,788.3 | 1.8 | 0.3 |
| Manufacturing | 19,168,963.5 | 22.2 | 2.3 | 20,240,828.2 | 22.1 | 5.6 |
| Electricity, Gas, Water | 2,114,233.9 | 2.4 | 4.5 | 2,363,387.4 | 2.6 | 11.8 |
| Construction | 5,493,651.0 | 6.3 | 3.1 | 5,861,653.9 | 6.4 | 6.7 |
| Trade | 17,783,205.1 | 20.6 | -1.1 | 18,848,082.4 | 20.6 | 6.0 |
| Transportation & Commun. | 10,672,526.9 | 12.3 | 0.8 | 11,307,143.8 | 12.3 | 5.9 |
| Financial Institutions | 2,515,369.3 | 2.9 | 0.8 | 2,463,100.0 | 2.7 | -2.1 |
| Ownership of Dwellings | 4,725,186.9 | 5.5 | 2.4 | 4,841,138.7 | 5.3 | 2.5 |
| Business & Personal Scrv. | 1,975,796.1 | 2.3 | 1.2 | 2,076,081.3 | 2.3 | 5.1 |
| (-)Imputed Banking Services Charges | 2,166,011.8 | 2.5 | 0.2 | 2,115,621.2 | 2.3 | -2.3 |
| Sectoral Total | 77,923,509.3 | 90.0 | 0.8 | 82,043,533.8 | 89.5 | 5.3 |
| Government Services | 4,117,262.1 | 4.8 | 2.4 | 4,258,576.6 | 4.6 | 3.4 |
| Private Non-Profit Ins. | 377,380.8 | 0.4 | 3.5 | 385,814.8 | 0.4 | |
| TOTAL | 82,418,152.2 | 95.2 | 0.9 | 86,687,925.2 | 94.6 | 5.2 |
| Import Duties | 3,576,062.1 | 4.1 | 4.1 | 4,031,525.3 | 4.4 | 12.7 |
| GDP (In Purch.Values) | 85,994,214.3 | 99.4 | 1.0 | 90,719,450.5 | 99.0 | 5.5 |
| Net Factor Income from the Rest of the World | 539,633.7 | 0.6 | -46.7 | 951,911.5 | 1.0 | 76.4 |
| GNP (In Purch.Values) | 86,533,848.0 | 100.0 | 0.5 | 91,671,362.0 | 100.0 | 5.9 |

Source : SIS

| GROSS NATIONAL PRODUCT (GNP) | | | | | | |
|---|--|-------------------------------|----------------------------|-----------------------------|-------------------------------|----------------------------|
| KIND OF ACTIVITY | (Producers' Values At Current Prices) | | | | | |
| | 1991 | | | 1992 | | |
| | Value TL Million | Sectoral Share (%) | Growth Rate (%) | Value TL Million | Sectoral Share (%) | Growth Rate (%) |
| Agriculture | 97,201,530.0 | 15.6 | 36.6 | 163,430,779.9 | 15.2 | 68.1 |
| Agriculture & Livestock | 90,872,893.7 | 14.6 | 37.1 | 149,315,648.9 | 13.9 | 64.3 |
| Forestry | 3,356,826.1 | 0.5 | 28.1 | 9,055,017.5 | 0.8 | 169.7 |
| Fishing | 2,971,810.2 | 0.5 | 31.7 | 5,060,113.5 | 0.5 | 70.3 |
| Industry | 160,863,436.3 | 25.8 | 62.6 | 274,613,434.0 | 25.6 | 70.7 |
| Mining & Quarrying | 11,629,312.8 | 1.9 | 55.7 | 17,805,719.1 | 1.7 | 53.1 |
| Manufacturing | 136,381,873.2 | 21.9 | 61.8 | 230,244,771.4 | 21.5 | 68.8 |
| Electricity, Gas, Water | 12,852,250.3 | 2.1 | 78.7 | 26,562,943.5 | 2.5 | 106.7 |
| Construction | 41,552,722.7 | 6.7 | 70.3 | 68,864,549.8 | 6.4 | 65.7 |
| Trade | 117,121,992.8 | 18.8 | 53.2 | 202,484,448.5 | 18.9 | 72.9 |
| Transportation & Commun. | 76,188,594.1 | 12.2 | 59.5 | 133,350,215.2 | 12.4 | 75.0 |
| Financial Institutions | 26,059,835.1 | 4.2 | 105.9 | 46,249,323.3 | 4.3 | 77.5 |
| Ownership of Dwellings | 23,227,599.8 | 3.7 | 75.7 | 41,215,523.6 | 3.8 | 77.4 |
| Business & Personal Serv. | 13,726,835.9 | 2.2 | 57.5 | 23,486,695.9 | 2.2 | 71.1 |
| (-)Imputed Banking Services Charges | 23,281,981.7 | 3.7 | 136.7 | 48,160,551.9 | 4.5 | 106.9 |
| Sectoral Total | 532,660,565.0 | 85.6 | 55.1 | 905,534,418.3 | 84.5 | 70.0 |
| Government Services | 61,050,573.0 | 9.8 | 86.1 | 111,841,009.0 | 10.4 | 83.2 |
| Private Non-Profit Ins. | 2,331,752.0 | 0.4 | 53.3 | 3,553,395.0 | 0.3 | 52.4 |
| TOTAL | 596,042,890.0 | 95.7 | 57.8 | 1,020,928,822.3 | 95.2 | 71.3 |
| Import Duties | 22,206,002.2 | 3.6 | 65.8 | 40,713,146.3 | 3.8 | 83.3 |
| GDP (In Purch. Values) | 618,248,892.2 | 99.3 | 58.0 | 1,061,641,968.6 | 99.0 | 71.7 |
| Net Factor Income from the Rest of the World | 4,314,136.5 | 0.7 | 4.8 | 10,471,873.6 | 1.0 | 142.7 |
| GNP (In Purch. Values) | 622,563,028.7 | 100.0 | 57.5 | 1,072,113,842.2 | 100.0 | 72.2 |

Source : SIS

| MACRO EQUILIBRIUM OF THE ECONOMY (TL Billion) | | | | | | | | | | | |
|--|-------------------|------------|----------|-----------|-----------------------|--------|-------|--------|-------------|---------|--|
| | Macro Equilibrium | | | | Percentages of GNP(%) | | | | Changes (%) | | |
| | 1991 (1)* | 1991 (2)** | 1992(3)* | 1992(4)** | 1991* | 1991** | 1992* | 1992** | (3)/(1) | (4)/(2) | |
| GNP | 112,207 | 453,206 | 118,266 | 774,319 | 100.0 | 100.0 | 100.0 | 100.0 | 5.4 | 70.9 | |
| Foreign Balance | 1,869 | -1,072 | 4,338 | 8,500 | 1.7 | -0.2 | 3.7 | 1.1 | -2.2 | 3.8 | |
| Total Domestic Demand | 114,076 | 452,135 | 122,604 | 782,819 | 101.7 | 99.8 | 103.7 | 101.1 | 7.5 | 73.1 | |
| Total Investment | 26,551 | 100,530 | 26,727 | 163,487 | 23.7 | 22.2 | 22.6 | 21.1 | 0.7 | 62.6 | |
| Fixed Investment | 27,013 | 102,393 | 27,355 | 167,590 | 24.1 | 22.6 | 23.1 | 21.6 | 1.3 | 63.7 | |
| Public | 11,986 | 47,030 | 12,118 | 77,712 | 10.7 | 10.4 | 10.2 | 10.0 | 1.1 | 65.2 | |
| Private | 15,028 | 55,363 | 15,238 | 89,878 | 13.4 | 12.2 | 12.9 | 11.6 | 1.4 | 62.3 | |
| Stockbuilding | -462 | -1,863 | -628 | -4,103 | -0.4 | -0.4 | -0.5 | -0.5 | -0.1 | -4.5 | |
| Public | 167 | 673 | -2,390 | -15,620 | 0.1 | 0.1 | -2.0 | -2.0 | -2.3 | -2.3 | |
| Private | -629 | -2,535 | 1,762 | 11,517 | -0.6 | -0.6 | 1.5 | 1.5 | 2.1 | -2.2 | |
| Total Consumption | 87,525 | 351,604 | 95,877 | 619,332 | 78.0 | 77.6 | 81.1 | 80.0 | 9.5 | 76.1 | |
| Public Disposable Income | 11,390 | 75,303 | 10,168 | 124,964 | 10.2 | 16.6 | 8.6 | 16.1 | -10.7 | 65.9 | |
| Public Consumption | 10,630 | 72,175 | 10,831 | 129,555 | 9.5 | 15.9 | 9.2 | 16.7 | 1.9 | 79.5 | |
| Public Savings | 760 | 3,129 | -663 | -4,592 | 0.7 | 0.7 | -0.6 | -0.6 | | | |
| Public Investment | 12,153 | 47,703 | 9,727 | 62,091 | 10.8 | 10.5 | 8.2 | 8.0 | -20.0 | 30.2 | |
| Public Savings - Investment | -11,393 | -44,575 | -10,391 | -66,683 | -10.2 | -9.8 | -8.8 | -8.6 | -8.8 | 49.6 | |
| Private Disposable Income | 100,816 | 377,903 | 108,098 | 649,355 | 89.8 | 83.4 | 91.4 | 83.9 | 7.2 | 71.8 | |
| Private Consumption | 76,894 | 279,430 | 85,046 | 489,777 | 68.5 | 61.7 | 71.9 | 63.3 | 10.6 | 75.3 | |
| Private Savings | 23,922 | 98,474 | 23,052 | 159,578 | 21.3 | 21.7 | 19.5 | 20.6 | -3.6 | 62.1 | |
| Private Investment | 14,399 | 52,827 | 17,000 | 101,395 | 12.8 | 11.7 | 14.4 | 13.1 | 18.1 | 91.9 | |
| Private Savings - Investment | 9,523 | 45,646 | 6,052 | 58,183 | 8.5 | 10.1 | 5.1 | 7.5 | | | |
| Private Savings Ratio | | | | | 23.7 | 26.1 | 21.3 | 24.6 | | | |
| Fixed Investment / GNP | | | | | 24.1 | 22.6 | 23.1 | 21.6 | | | |
| Domestic Savings / GNP | | | | | 22.0 | 22.4 | 18.9 | 20.0 | | | |

* At 1988 Prices

** At Current Prices

Source : SPO

FIXED CAPITAL INVESTMENT AT CURRENT PRICES

(TL Billion)

| SECTORS | 1991 | | | 1992 | | | Percentage Changes | | |
|----------------|-------------|---------|---------|--------|---------|---------|--------------------|---------|-------|
| | Public | Private | Total | Public | Private | Total | Public | Private | Total |
| | Agriculture | 5,299 | 2,369 | 7,668 | 7,489 | 3,630 | 11,119 | 41.3 | 53.2 |
| Mining | 1,663 | 731 | 2,394 | 2,607 | 1,104 | 3,711 | 56.8 | 51.0 | 55.0 |
| Manufacturing | 2,393 | 15,334 | 17,727 | 4,192 | 24,972 | 29,164 | 75.2 | 62.9 | 64.5 |
| Energy | 7,990 | 814 | 8,804 | 14,711 | 936 | 15,647 | 84.1 | 15.0 | 77.7 |
| Transportation | 17,393 | 7,248 | 24,641 | 26,784 | 12,392 | 39,176 | 54.0 | 71.0 | 59.0 |
| Tourism | 709 | 3,359 | 4,068 | 1,059 | 4,511 | 5,570 | 49.4 | 34.3 | 36.9 |
| Housing | 996 | 22,513 | 23,509 | 1,774 | 37,659 | 39,433 | 78.1 | 67.3 | 67.7 |
| Education | 3,069 | 379 | 3,448 | 5,724 | 548 | 6,272 | 86.5 | 44.6 | 81.9 |
| Health | 1,196 | 745 | 1,941 | 2,487 | 1,212 | 3,699 | 107.9 | 62.7 | 90.6 |
| Other Services | 6,320 | 1,871 | 8,191 | 10,886 | 2,914 | 13,800 | 72.2 | 55.7 | 68.5 |
| TOTAL | 47,030 | 55,363 | 102,393 | 77,712 | 89,878 | 167,590 | 65.2 | 62.3 | 63.7 |

Source : SFO

| GROSS FIXED INVESTMENT IN THE PRIVATE SECTOR | | | | | | | | | | | | |
|--|-----------------------------------|----------|---|-------|-------|------|-------|-------|-------|-------|-------|--|
| SECTORS | 1992(TL Billion) (1988 Prices) | Share(%) | Percentage Volume Change Over Previous Year | | | | | | | | | |
| | | | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | |
| Agriculture | 668 | 4.4 | 2.1 | -16.4 | -12.2 | 20.4 | -12.3 | -26.7 | 48.2 | -11.7 | 2.3 | |
| Mining | 175 | 1.1 | 4.3 | 25.4 | 7.9 | 35.1 | 7.7 | 2.1 | 5.3 | 0.5 | -9.5 | |
| Manufacturing | 4,654 | 30.5 | 5.9 | 6.0 | 13.9 | -4.2 | 0.7 | -4.3 | 63.6 | -1.4 | 1.2 | |
| Energy | 163 | 1.1 | 12.8 | -91.0 | 145.0 | -7.2 | 65.8 | 29.4 | -11.3 | 12.6 | -29.4 | |
| Transport.& Comm. | 2,444 | 16.0 | 13.8 | 9.2 | -5.9 | 3.9 | -5.5 | -0.7 | 55.0 | 3.7 | 12.3 | |
| Tourism | 747 | 4.9 | 88.7 | 31.7 | 61.8 | 48.2 | 44.4 | 37.8 | 9.9 | -5.0 | -14.5 | |
| Housing | 5,553 | 36.4 | 8.8 | 14.9 | 36.7 | 44.6 | 29.2 | 6.3 | -8.0 | -8.7 | 1.2 | |
| Education | 94 | 0.6 | 9.0 | 103.2 | 35.1 | 27.5 | 5.5 | 27.0 | 24.6 | 15.9 | -6.7 | |
| Health | 194 | 1.3 | 7.0 | 140.2 | 44.5 | 20.0 | -17.6 | 51.3 | 58.9 | 45.6 | -1.0 | |
| Other Services | 546 | 3.6 | 10.1 | 8.7 | 8.6 | 8.5 | 3.9 | 4.5 | 11.0 | 0.6 | 4.6 | |
| TOTAL | 15,238 | 100.0 | 8.4 | 8.2 | 16.4 | 18.6 | 13.5 | 3.3 | 18.8 | -3.5 | 1.4 | |
| Private Sector Total | 15,238 | 55.7 | 8.4 | 8.2 | 16.4 | 18.6 | 13.5 | 3.3 | 18.8 | -3.5 | 1.4 | |
| Public Sector Total | 12,118 | 44.3 | -5.3 | 23.2 | 7.6 | -4.1 | -13.7 | -6.6 | 8.0 | 3.8 | 1.1 | |
| Grand Total | 27,356 | 100.0 | 0.1 | 16.7 | 10.9 | 5.1 | -1.2 | -1.4 | 13.9 | -0.3 | 1.3 | |

Source : SPO

FIXED CAPITAL INVESTMENTS BY SECTORS IN 1992*

(Current Prices, TL Billion)

| SECTORS | General + Annexed | | SEEs | Funds | Bank | Revolving Fund | Sub-Total | Percent Distri. | Local Administ. | Total Public | Percent Distri. | Private Sector | Percent Distri. | General Total | Percent Distri. |
|-----------------------|-------------------|-----------------|-----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|
| | Budgets | Budgets + SEEs | | | | | | | | | | | | | |
| Agriculture | 6,650.0 | 462.0 | 0.0 | 0.0 | 0.0 | 316.0 | 7,428.0 | 10.5 | 61.0 | 7,489.0 | 9.6 | 3,630.0 | 4.0 | 11,119.0 | 6.6 |
| Mining | 728.0 | 1,879.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2,607.0 | 3.7 | 0.0 | 2,607.0 | 3.4 | 1,104.0 | 1.2 | 3,711.0 | 2.2 |
| Manufacturing | 33.0 | 2,161.0 | 1,921.0 | 11.0 | 10.0 | 10.0 | 4,136.0 | 5.8 | 55.0 | 4,191.0 | 5.4 | 24,972.0 | 27.8 | 29,163.0 | 17.4 |
| Energy | 4,905.0 | 8,400.0 | 1,400.0 | 0.0 | 0.0 | 0.0 | 14,705.0 | 20.7 | 6.0 | 14,711.0 | 18.9 | 936.0 | 1.0 | 15,647.0 | 9.3 |
| Transportation | 6,458.0 | 8,144.0 | 9,861.0 | 0.0 | 0.0 | 125.0 | 24,588.0 | 34.6 | 2,196.0 | 26,784.0 | 34.5 | 12,392.0 | 13.8 | 39,176.0 | 23.4 |
| Tourism | 354.0 | 0.0 | 101.0 | 11.0 | 11.0 | 110.0 | 576.0 | 0.8 | 483.0 | 1,059.0 | 1.4 | 4,511.0 | 5.0 | 5,570.0 | 3.3 |
| Housing | 713.0 | 0.0 | 854.0 | 0.0 | 0.0 | 0.0 | 1,567.0 | 2.2 | 207.0 | 1,774.0 | 2.3 | 37,659.0 | 41.9 | 39,433.0 | 23.5 |
| Education | 3,946.0 | 1.0 | 952.0 | 0.0 | 0.0 | 321.0 | 5,220.0 | 7.3 | 505.0 | 5,725.0 | 7.4 | 548.0 | 0.6 | 6,273.0 | 3.7 |
| Health | 1,552.0 | 15.0 | 434.0 | 0.0 | 0.0 | 395.0 | 2,396.0 | 3.4 | 91.0 | 2,487.0 | 3.2 | 1,212.0 | 1.3 | 3,699.0 | 2.2 |
| Other Services | 4,430.0 | 677.0 | 365.0 | 2,203.0 | 125.0 | 125.0 | 7,800.0 | 11.0 | 3,085.0 | 10,885.0 | 14.0 | 2,914.0 | 3.2 | 13,799.0 | 8.2 |
| Economic | 2,409.0 | 677.0 | 265.0 | 45.0 | 125.0 | 125.0 | 3,521.0 | 5.0 | 236.0 | 3,757.0 | 4.8 | | | 3,757.0 | 2.2 |
| Social | 2,021.0 | 0.0 | 100.0 | 2,158.0 | 0.0 | 0.0 | 4,279.0 | 6.0 | 2,849.0 | 7,128.0 | 9.2 | | | 7,128.0 | 4.3 |
| TOTAL | 29,769.0 | 21,739.0 | 15,888.0 | 2,225.0 | 1,402.0 | 1,402.0 | 71,023.0 | 100.0 | 6,689.0 | 77,712.0 | 100.0 | 89,878.0 | 100.0 | 167,590.0 | 100.0 |
| % Distribution | 38.3 | 28.0 | 20.4 | 2.9 | 1.8 | 91.4 | | | 8.6 | 100.0 | | | | | |

*Realization estimate

Source: SPO

**SECTORAL DISTRIBUTION OF INVESTMENT INCENTIVE
CERTIFICATES IN 1992**

| SECTORS | Total Investment | | Capital | Foreign Exchange | Employment |
|----------------------|------------------|------------|------------|----------------------|------------|
| | Number | TL Million | TL Million | Requirement (\$ 000) | (Persons) |
| Agriculture | 24 | 663,028 | 58,903 | 34,727 | 1,135 |
| Crops | 10 | 119,618 | 12,800 | 1,880 | 456 |
| Livestock | 5 | 394,420 | 31,034 | 24,200 | 449 |
| Fisheries | 9 | 148,990 | 15,069 | 8,647 | 230 |
| Mining | 63 | 1,486,217 | 39,950 | 104,519 | 2,753 |
| Manufacturing | 1,003 | 34,079,244 | 1,684,389 | 2,329,761 | 66,737 |
| Food Beverages | 119 | 5,011,465 | 300,393 | 236,012 | 10,313 |
| Textiles & Clothing | 337 | 12,862,529 | 485,079 | 1,027,633 | 21,710 |
| Forestry Products | 20 | 499,149 | 57,891 | 31,835 | 1,316 |
| Paper | 7 | 119,460 | 3,450 | 7,923 | 315 |
| Leather Products | 22 | 330,402 | 31,563 | 12,360 | 1,785 |
| Rubber & Plastics | 37 | 671,174 | 34,567 | 49,943 | 1,367 |
| Chemicals | 38 | 2,671,153 | 192,135 | 147,096 | 1,872 |
| Glass & Glassware | 19 | 390,001 | 11,400 | 31,101 | 5,038 |
| Iron & Steel | 26 | 729,402 | 62,970 | 41,140 | 1,228 |
| Non-Ferrous Metals | 12 | 271,128 | 14,545 | 24,056 | 586 |
| Transport Vehicles | 75 | 2,180,210 | 81,025 | 169,772 | 3,698 |
| Metal Goods | 54 | 2,156,723 | 102,264 | 157,667 | 7,838 |
| Prof.Data Meas.Eq. | 10 | 107,731 | 7,338 | 5,021 | 307 |
| Machinery | 30 | 370,764 | 26,415 | 16,639 | 1,356 |
| Electrical Machinery | 24 | 849,791 | 91,132 | 49,124 | 1,001 |
| Electronics | 21 | 919,510 | 82,848 | 65,616 | 918 |
| Cement | 65 | 2,140,764 | 40,780 | 113,641 | 1,644 |
| Clay & Cement Prod. | 24 | 288,418 | 11,050 | 14,991 | 935 |
| Ceramics | 14 | 675,215 | 13,450 | 59,275 | 649 |
| Construction | 8 | 84,949 | 500 | 5,853 | 1,260 |
| Others | 41 | 749,306 | 35,594 | 63,063 | 1,601 |
| Energy | 10 | 1,124,421 | 8,765 | 99,027 | 129 |
| Services | 454 | 13,877,162 | 204,342 | 1,026,599 | 45,271 |
| Transportation | 146 | 5,226,437 | 29,060 | 455,298 | 11,835 |
| Tourism | 115 | 1,725,612 | 37,002 | 67,976 | 6,997 |
| Trade | 67 | 1,964,012 | 74,105 | 131,828 | 17,268 |
| Education | 30 | 649,955 | 10,215 | 12,839 | 2,973 |
| Health | 47 | 1,589,616 | 16,810 | 128,082 | 3,753 |
| Others | 49 | 2,721,530 | 37,150 | 230,576 | 2,445 |
| TOTAL | 1,554 | 51,230,072 | 1,996,349 | 3,594,633 | 116,025 |

Source : SPO

**DISTRIBUTION OF INVESTMENT INCENTIVE CERTIFICATES
ACCORDING TO THEIR APPLICATION IN 1992**

| | Number | Total Investment TL Million | Capital TL Million | Foreign Exchange Requirement (\$ 000) | Employment (Persons) |
|----------------------------|--------------|--------------------------------|-----------------------|--|-------------------------|
| Restoration | 4 | 96,238 | 1,755 | 3,920 | 229 |
| Transfer | 4 | 42,513 | 6,100 | 839 | 440 |
| New Investment | 816 | 31,090,215 | 1,216,824 | 2,073,621 | 78,874 |
| Expansion | 350 | 10,622,447 | 525,204 | 806,606 | 18,325 |
| Completion | 53 | 1,147,337 | 29,342 | 91,916 | 3,661 |
| Renewals | 34 | 1,613,050 | 12,810 | 123,054 | 507 |
| Quality Improvement | 11 | 108,483 | 2,510 | 8,123 | 348 |
| Elimination of Bottlenecks | 35 | 653,474 | 17,106 | 48,820 | 827 |
| Modernization | 133 | 4,095,415 | 130,403 | 281,943 | 9,501 |
| Integration of Facilities | 27 | 728,321 | 41,900 | 51,501 | 606 |
| Financial Leasing | 87 | 1,032,579 | 12,395 | 104,290 | 2,707 |
| TOTAL | 1,554 | 51,230,072 | 1,996,349 | 3,594,633 | 116,025 |

SECTORAL DISTRIBUTION OF INVESTMENT INCENTIVE CERTIFICATES

(Percentages)

| | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
|----------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Agriculture | 2.3 | 1.1 | 2.6 | 10.6 | 1.5 | 1.3 |
| Mining | 7.6 | 2.0 | 2.7 | 2.7 | 3.6 | 2.9 |
| Manufacturing | 37.5 | 49.2 | 48.3 | 68.8 | 62.6 | 66.5 |
| Energy | 9.4 | 9.3 | 1.9 | 2.0 | 4.3 | 2.2 |
| Services | 43.2 | 38.4 | 44.5 | 15.9 | 28.0 | 27.1 |
| Transportation | 19.0 | 17.2 | 14.3 | 2.7 | 9.0 | 10.2 |
| Tourism | 12.2 | 16.8 | 18.5 | 7.4 | 4.0 | 3.4 |
| Others | 12.0 | 4.4 | 11.7 | 5.7 | 15.0 | 13.5 |
| TOTAL | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source : SPO

**REGIONAL DISTRIBUTION OF INVESTMENT INCENTIVE
CERTIFICATES IN 1992**

| | Number | Total Investment TL Million | Capital TL Million | Foreign Exchange Requirement (\$ 000) | Employment (Persons) |
|--------------------|--------------|--------------------------------|-----------------------|--|-------------------------|
| Marmara | 750 | 28,411,959 | 1,062,090 | 2,165,547 | 57,592 |
| Central Anatolia | 197 | 7,061,540 | 258,756 | 409,652 | 20,368 |
| Aegean | 264 | 4,900,198 | 296,459 | 301,965 | 13,863 |
| Mediterranean | 138 | 4,268,562 | 150,434 | 289,908 | 9,010 |
| Black Sea | 112 | 3,611,057 | 179,302 | 224,253 | 9,363 |
| East Anatolia | 42 | 832,821 | 28,156 | 32,185 | 2,311 |
| Southeast Anatolia | 32 | 1,157,551 | 17,152 | 78,454 | 1,545 |
| Multiregional | 19 | 986,384 | 4,000 | 92,669 | 1,973 |
| TOTAL | 1,554 | 51,230,072 | 1,996,349 | 3,594,633 | 116,025 |

Source : SPO

**REGIONAL DISTRIBUTION OF INVESTMENT INCENTIVE CERTIFICATES
AS PERCENTAGE OF TOTAL**

| | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Marmara | 28.6 | 43.1 | 41.2 | 33.6 | 31.2 | 55.5 |
| Central Anatolia | 8.2 | 11.5 | 8.5 | 6.6 | 17.5 | 13.8 |
| Aegean | 14.8 | 14.5 | 11.2 | 8.7 | 10.7 | 9.6 |
| Mediterranean | 11.6 | 10.5 | 11.4 | 11.7 | 11.6 | 8.3 |
| Black Sea | 4.3 | 3.7 | 4.4 | 5.6 | 4.9 | 7.0 |
| East Anatolia | 1.4 | 2.6 | 3.9 | 10.9 | 4.4 | 1.6 |
| Southeast Anatolia | 5.4 | 11.7 | 8.2 | 22.7 | 12.6 | 2.3 |
| Multiregional | 25.7 | 2.4 | 11.2 | 0.2 | 7.1 | 1.9 |
| TOTAL | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source : SPO

SECTORAL BREAKDOWN OF INVESTMENT INCENTIVE CERTIFICATES

(Jan-March 1993)

| SECTORS | No. of Licences | Total Investment TL Million | Share in Total (%) | Capital TL Million | Foreign Exchange Requirement(\$ 000) | Employment Persons |
|-----------------------|-----------------|--------------------------------|-----------------------|-----------------------|---|-----------------------|
| Agriculture | 4 | 33,388 | 0.2 | 3,900 | 953 | 100 |
| Agricultural Products | | 29,040 | 0.2 | 3,400 | 840 | 95 |
| Fishery Products | 1 | 4,348 | 0.0 | 500 | 113 | 5 |
| Mining | 20 | 597,101 | 3.3 | 30,860 | 30,794 | 987 |
| Manufacturing | 255 | 10,599,408 | 58.0 | 544,675 | 598,524 | 14,122 |
| Food & Beverages | 38 | 1,915,671 | 10.5 | 94,900 | 99,447 | 3,260 |
| Textiles & Clothing | 84 | 4,052,421 | 22.2 | 149,035 | 272,395 | 4,929 |
| Forestry Products | 10 | 496,462 | 2.7 | 35,000 | 31,257 | 307 |
| Paper | 2 | 61,053 | 0.3 | 3,000 | 3,735 | 8 |
| Leather & Hide | 9 | 125,016 | 0.7 | 14,500 | 2,117 | 691 |
| Rubber | 12 | 218,410 | 1.2 | 16,750 | 12,549 | 449 |
| Chemicals | 13 | 349,196 | 1.9 | 14,010 | 14,704 | 435 |
| Iron & Steel | 6 | 137,152 | 0.8 | 0 | 8,020 | 65 |
| Non-Ferrous Metals | 2 | 21,343 | 0.1 | 1,000 | 1,077 | 150 |
| Motor Vehicles | 16 | 411,299 | 2.3 | 20,122 | 22,471 | 693 |
| Metallic Goods | 15 | 1,102,588 | 6.0 | 123,950 | 47,138 | 1,300 |
| Meas.&Optical Devices | 1 | 3,976 | 0.0 | 1,500 | 122 | 11 |
| Machinery | 3 | 169,472 | 0.9 | 24,000 | 5,080 | 52 |
| Electrical Machines | 2 | 145,201 | 0.8 | 13,502 | 8,228 | 128 |
| Electronics | 3 | 207,572 | 1.1 | 2,606 | 11,507 | 219 |
| Cement | 13 | 385,905 | 2.1 | 6,600 | 18,967 | 121 |
| Clay & Cement Pro. | 8 | 108,294 | 0.6 | 2,400 | 4,810 | 243 |
| Construction | 1 | 14,025 | 0.1 | 0 | 984 | 320 |
| Ceramics | 5 | 436,050 | 2.4 | 12,850 | 22,628 | 480 |
| Others | 12 | 184,058 | 1.0 | 8,950 | 11,288 | 261 |
| Energy | 4 | 37,334 | 0.2 | 1,000 | 1,372 | 22 |
| Services | 124 | 6,995,090 | 38.3 | 50,295 | 373,439 | 6,651 |
| Transportation | 42 | 5,181,293 | 28.4 | 16,370 | 267,764 | 2,835 |
| Tourism | 28 | 319,428 | 1.7 | 5,505 | 8,448 | 1,384 |
| Trade | 19 | 337,168 | 1.8 | 15,000 | 23,910 | 746 |
| Education | 3 | 54,487 | 0.3 | 800 | 382 | 372 |
| Health | 9 | 277,868 | 1.5 | 3,270 | 16,227 | 443 |
| Others | 23 | 824,846 | 4.5 | 9,350 | 56,708 | 871 |
| GRAND TOTAL | 407 | 18,262,321 | 100.0 | 630,730 | 1,005,082 | 21,882 |

Source: SPO

| | | NEW CONSTRUCTION | | | | | |
|---|---|--------------------------------------|------------|-------------|----------------------------------|------------|-------------|
| | | (According to Construction Licences) | | | (According to Occupancy Permits) | | |
| | | Cumulative | | Changes (%) | Cumulative | | Changes (%) |
| | | 1991 | 1992 | | 1991 | 1992 | |
| General Total | A | 121,502 | 138,015 | 13.6 | 92,399 | 103,470 | 12.0 |
| | B | 61,459,617 | 72,836,008 | 18.5 | 32,595,057 | 37,751,037 | 15.8 |
| | C | 44,625,972 | 86,954,256 | 94.9 | 23,518,047 | 45,111,971 | 91.8 |
| | D | 392,943 | 467,024 | 18.9 | 227,471 | 263,318 | 15.8 |
| Houses | A | 67,090 | 78,085 | 16.4 | 36,888 | 43,365 | 17.6 |
| | B | 10,014,724 | 11,713,961 | 17.0 | 4,992,660 | 4,287,854 | -14.1 |
| | C | 6,945,260 | 13,354,080 | 92.3 | 2,960,898 | 5,678,134 | 91.8 |
| | D | 89,308 | 101,209 | 13.3 | 41,253 | 48,015 | 16.4 |
| Apartment buildings | A | 41,684 | 49,298 | 18.3 | 50,617 | 55,041 | 8.7 |
| | B | 36,361,422 | 45,285,430 | 24.5 | 21,105,665 | 24,924,185 | 18.1 |
| | C | 26,661,517 | 54,503,791 | 104.4 | 15,330,374 | 30,251,544 | 97.3 |
| | D | 303,635 | 365,815 | 20.5 | 186,218 | 215,303 | 15.6 |
| Commercial buildings | A | 6,619 | 4,013 | -39.4 | 2,297 | 2,392 | 4.1 |
| | B | 8,453,453 | 7,787,526 | -7.9 | 4,203,996 | 4,797,046 | 14.1 |
| | C | 6,165,439 | 9,386,221 | 52.2 | 3,034,483 | 5,525,525 | 82.1 |
| Industrial buildings | A | 2,168 | 2,930 | 35.1 | 1,103 | 1,262 | 14.4 |
| | B | 3,213,727 | 4,986,183 | 55.2 | 1,805,762 | 2,042,992 | 13.1 |
| | C | 2,324,373 | 6,023,770 | 159.2 | 1,323,285 | 2,479,013 | 87.3 |
| Medical, social and cultural buildings | A | 931 | 812 | -12.8 | 253 | 222 | -12.3 |
| | B | 1,744,470 | 1,519,405 | -12.9 | 421,521 | 326,587 | -22.5 |
| | C | 1,331,029 | 1,906,577 | 43.2 | 309,592 | 383,937 | 24.0 |
| Other buildings | A | 3,010 | 2,877 | -4.4 | 1,241 | 1,188 | -4.3 |
| | B | 1,671,821 | 1,543,503 | -7.7 | 770,259 | 667,567 | -13.3 |
| | C | 1,198,354 | 1,779,817 | 48.5 | 559,415 | 793,818 | 41.9 |

A : Number

B : Area (000 sq.m)

C : Value (TL Million)

D : Number of dwelling units

Source : SIS

ESTIMATED QUANTITIES OF AGRICULTURAL PRODUCTION

(000 Tonnes)

| CROPS | 1991 | 1992* | Changes (%) | CROPS | 1991 | 1992* | Changes (%) |
|---------------------|--------|--------|-------------|----------------------------|-------|-------|-------------|
| Cereals | | | | Citrus | | | |
| Wheat | 20,400 | 19,300 | -5.4 | - Lemons | 429 | 420 | -2.1 |
| Barley | 7,800 | 6,900 | -11.5 | - Mandarins | 390 | 370 | -5.1 |
| Rye | 256 | 225 | -12.1 | - Oranges | 830 | 820 | -1.2 |
| Oats | 255 | 250 | -2.0 | Nuts in Shell | | | |
| Maize | 2,180 | 2,100 | -3.7 | - Walnuts | 122 | 115 | -5.7 |
| Rice in husk | 200 | 215 | 7.5 | - Hazelnuts | 315 | 520 | 65.1 |
| Pulses | | | | Grapelike Fruits | | | |
| Broad beans | 75 | 68 | -9.3 | - Mulberries | 82 | 80 | -2.4 |
| Chickpeas | 855 | 810 | -5.3 | - Figs | 314 | 300 | -4.5 |
| Dry beans | 214 | 205 | -4.2 | - Grapes | 3,600 | 3,460 | -3.9 |
| Lentils | 440 | 430 | -2.3 | Tea | 683 | 732 | 7.2 |
| Cow vetch | 172 | 165 | -4.1 | Leafy Vegetables | | | |
| Indus.Crops | | | | - Cabbage | 560 | 580 | 3.6 |
| Tobacco | 228 | 320 | 40.4 | - Black cab. | 124 | 118 | -4.8 |
| Sugarbeet | 15,474 | 14,800 | -4.4 | - Spinach | 160 | 158 | -1.3 |
| Cotton | 1,540 | 1,635 | 6.2 | - Leeks | 320 | 307 | -4.1 |
| Oilseeds | | | | Fruit Bearing Vege. | | | |
| Sunflower | 800 | 950 | 18.8 | - Melon-water | 5,700 | 5,250 | -7.9 |
| Peanuts | 60 | 58 | -3.3 | - Squash | 270 | 280 | 3.7 |
| Soyabeans | 110 | 95 | -13.6 | - Cucumbers | 1,010 | 1,050 | 4.0 |
| Tuber Crops | | | | - Eggplants | 750 | 740 | -1.3 |
| Dry onion | 1,600 | 1,700 | 6.3 | - Tomatoes | 6,200 | 6,400 | 3.2 |
| Dry garlic | 70 | 67 | -4.3 | - Stuff peppers | 350 | 370 | 5.7 |
| Potatoes | 4,600 | 4,500 | -2.2 | - Green peppers | 570 | 575 | 0.9 |
| Pome Fruits | | | | Leguminous Vege. | | | |
| Pears | 403 | 415 | 3.0 | - Green beans | 436 | 450 | 3.2 |
| Quinces | 78 | 80 | 2.6 | - Green broad beans | 59 | 56 | -5.1 |
| Apples | 1,900 | 2,000 | 5.3 | - Calavance | 33 | 35 | 6.1 |
| Stone Fruits | | | | Rootbulb & | | | |
| Plums | 186 | 185 | -0.5 | Tuberous Vege. | | | |
| Apricots | 276 | 320 | 15.9 | - Green garlic | 25 | 27 | 8.0 |
| Cherries | 150 | 155 | 3.3 | - Green onions | 200 | 210 | 5.0 |
| Peaches | 350 | 370 | 5.7 | - Carrots | 171 | 190 | 11.1 |
| Olives | 640 | 950 | 48.4 | | | | |

Source : SIS

*The second provisional estimate

| SECTORAL DISTRIBUTION OF PRODUCTION | | | | | | | | | | | |
|-------------------------------------|------------------|--------------------|------------------|---------------|--------------------|------------------|----------------|--------------------|------------------|-------------|-------|
| (Constant 1988 Prices TL Billion) | | | | | | | | | | | |
| SECTORS | 1991 Realization | | | 1992 Estimate | | | 1993 Programme | | | Changes (%) | |
| | Value | Sectoral Share (%) | Percent Distrib. | Value | Sectoral Share (%) | Percent Distrib. | Value | Sectoral Share (%) | Percent Distrib. | 92/91 | 93/92 |
| Agriculture | 26,595 | 21.0 | 100.0 | 27,444 | 20.4 | 100.0 | 28,266 | 20.0 | 100.0 | 3.2 | 3.0 |
| Agricultural Production | 15,129 | 12.0 | 53.5 | 15,615 | 11.6 | 56.9 | 16,015 | 11.3 | 56.7 | 3.2 | 2.6 |
| Animal Husbandry | 9,173 | 7.2 | 34.5 | 9,470 | 7.1 | 34.5 | 9,793 | 6.9 | 34.6 | 3.2 | 3.4 |
| Forestry | 1,657 | 1.3 | 6.2 | 1,682 | 1.3 | 6.1 | 1,734 | 1.2 | 6.1 | 1.5 | 3.1 |
| Fisheries | 636 | 0.5 | 2.4 | 677 | 0.5 | 2.5 | 724 | 0.5 | 2.6 | 6.4 | 6.9 |
| Industry | 99,999 | 79.0 | 100.0 | 106,787 | 79.6 | 100.0 | 113,204 | 80.0 | 100.0 | 6.8 | 6.0 |
| Mining | 3,796 | 3.0 | 3.8 | 3,818 | 2.8 | 3.6 | 3,966 | 2.8 | 3.5 | 0.6 | 3.9 |
| Manufacturing | 92,033 | 72.7 | 92.0 | 98,406 | 73.3 | 92.2 | 104,296 | 73.7 | 92.1 | 6.9 | 6.0 |
| Consumption Goods | 33,359 | 26.4 | 33.4 | 35,539 | 26.5 | 33.3 | 37,291 | 26.4 | 32.9 | 6.5 | 4.9 |
| Intermediate Goods | 38,926 | 30.7 | 38.9 | 41,926 | 31.2 | 39.3 | 44,359 | 31.4 | 39.2 | 7.7 | 5.8 |
| Investment Goods | 19,748 | 15.6 | 19.7 | 21,244 | 15.8 | 19.9 | 22,646 | 16.0 | 20.0 | 7.6 | 6.6 |
| Electricity,Gas,Water | 4,170 | 3.3 | 4.2 | 4,563 | 3.4 | 4.3 | 4,942 | 3.5 | 4.4 | 9.4 | 8.3 |
| Production (Physical) | 126,594 | 100.0 | | 134,231 | 100.0 | | 141,470 | 100.0 | | 6.0 | 5.4 |

Source: SPO

| PRODUCTION VALUES OF THE MANUFACTURING INDUSTRY | | | | |
|--|-----------------------|-----------------------|----------------------------|---------------------------|
| & RATES OF CHANGES (TL Billion) | | | | |
| INDUSTRY GROUPS | 1991 | 1992 | 1992 | |
| | Current Prices | Current Prices | Share in Total MFG. | Growth (%) Current |
| Food-Beverages-Tobacco | 42,188 | 67,012 | 18.3 | 58.8 |
| Public | 17,928 | 28,781 | 7.8 | 60.5 |
| Private | 24,260 | 38,231 | 10.5 | 57.6 |
| Textiles-Leather | 26,836 | 46,581 | 11.6 | 73.6 |
| Public | 2,015 | 3,071 | 0.9 | 52.4 |
| Private | 24,821 | 43,510 | 10.7 | 75.3 |
| Wood Products, Furniture | 2,350 | 4,426 | 1.0 | 88.3 |
| Public | 643 | 1,216 | 0.3 | 89.1 |
| Private | 1,707 | 3,210 | 0.7 | 88.0 |
| Paper Products, Printing | 5,962 | 11,374 | 2.6 | 90.8 |
| Public | 1,716 | 2,973 | 0.7 | 73.3 |
| Private | 4,246 | 8,401 | 1.8 | 97.9 |
| Chem.,Petr.,Rubber,Plas. | 67,763 | 112,572 | 29.3 | 66.1 |
| Public | 34,254 | 57,271 | 14.8 | 67.2 |
| Private | 33,509 | 55,301 | 14.5 | 65.0 |
| Non-Metallic Mineral Pr. | 15,004 | 26,600 | 6.5 | 77.3 |
| Public | 2,004 | 3,699 | 0.9 | 84.6 |
| Private | 13,000 | 22,901 | 5.6 | 76.2 |
| Basic Metals Industry | 23,523 | 38,059 | 10.2 | 61.8 |
| Public | 8,771 | 13,224 | 3.8 | 50.8 |
| Private | 14,752 | 24,835 | 6.4 | 68.4 |
| Mach.,Equip.,Trans.Vehi. | 47,016 | 84,209 | 20.4 | 79.1 |
| Public | 2,902 | 4,591 | 1.3 | 58.2 |
| Private | 44,114 | 79,618 | 19.1 | 80.5 |
| Other Manufacturing | 329 | 620 | 0.1 | 88.4 |
| Public | 22 | 46 | 0.0 | 109.1 |
| Private | 307 | 574 | 0.1 | 87.0 |
| TOTAL | 230,941 | 391,486 | 100.0 | 69.5 |
| Public | 70,271 | 114,890 | 30.4 | 63.5 |
| Private | 160,670 | 276,596 | 69.6 | 72.2 |

**Provisional*

Source : SIS

| PRODUCTION OF SELECTED INDUSTRIAL COMMODITIES | | | |
|---|------------|------------|-------------|
| ITEMS | Jan-Mar,92 | Jan-Mar,93 | Changes (%) |
| Writing Paper | 18,077 | 23,451 | 29.7 |
| Newsprint | 28,268 | 29,203 | 3.3 |
| Sulphuric acid | 199,024 | 194,029 | -2.5 |
| Ammonium sulfate | 96,958 | 68,432 | -29.4 |
| Compound Fertilizer | 234,212 | 372,831 | 59.2 |
| Crude petroleum | 1,049,513 | 951,471 | -9.3 |
| Liquified petroleum gas | 164,970 | 193,669 | 17.4 |
| Gasoline (Normal) | 467,359 | 556,142 | 19.0 |
| Gasoline (Super) | 163,041 | 225,245 | 38.2 |
| Kerosene | 53,721 | 84,790 | 57.8 |
| Diesel fuel | 1,450,371 | 1,549,136 | 6.8 |
| Fuel oil | 1,920,891 | 2,357,324 | 22.7 |
| Cement | 4,363,190 | 4,337,960 | -0.6 |
| Molten Steel | 2,431,190 | 2,738,843 | 12.7 |
| Pig iron | 111,181 | 91,435 | -17.8 |
| Slab | 357,221 | 393,056 | 10.0 |
| Bloom | 573,751 | 668,583 | 16.5 |
| Ingot | 491,349 | 633,684 | 29.0 |
| Rolled Products | 248,211 | 338,361 | 36.3 |
| Angles | 4,539 | 0 | -100.0 |
| Profiles | 19,047 | 14,129 | -25.8 |
| Plate | 45,765 | 63,899 | 39.6 |
| Sheet | 250,143 | 297,180 | 18.8 |
| Blister copper | 7,633 | 85,838 | 1,024.6 |

Source : SIS

| PRODUCTION OF SELECTED DURABLE CONSUMER GOODS | | | |
|---|------------------------------|------------|-------------|
| ITEMS | Cumulative Quantity Produced | | Changes (%) |
| | Jan-Mar,92 | Jan-Mar,93 | |
| Refrigerators | 232,442 | 195,331 | -16.0 |
| Washing Machines | 236,490 | 242,847 | 2.7 |
| Oven | 233,442 | 146,306 | -37.3 |
| Vacuum Cleaners | 161,987 | 172,657 | 6.6 |
| Sewing Machines | 64,951 | 51,314 | -21.0 |
| Television Sets | 594,179 | 449,930 | -24.3 |
| Videos | 33,676 | 6,731 | -80.0 |
| Music Sets | 22,900 | 26,778 | 16.9 |
| Automobiles | 66,062 | 84,229 | 27.5 |
| Buses | 373 | 446 | 19.6 |
| Trucks | 4,947 | 4,887 | -1.2 |
| Pick-ups | 4,349 | 4,081 | -6.2 |
| Tractors | 4,660 | 5,465 | 17.3 |
| Minibuses | 4,532 | 4,887 | 7.8 |

Source : SIS

PRODUCTION INDEX OF MANUFACTURING INDUSTRY

(1986=100)

| SECTORS | 1989 | | | 1990 | | | 1991 | | | 1992 | | |
|------------------------------------|--------|---------|-------|--------|---------|-------|--------|---------|-------|--------|---------|-------|
| | Public | Private | Total | Public | Private | Total | Public | Private | Total | Public | Private | Total |
| | | | | | | | | | | | | |
| Food-Beverages-Tobacco | 105.0 | 129.2 | 115.4 | 108.3 | 144.0 | 123.7 | 120.8 | 153.0 | 134.6 | 113.7 | 154.0 | 131.0 |
| I. Quarter | 100.5 | 100.5 | 100.5 | 107.3 | 111.2 | 109.0 | 110.6 | 117.0 | 113.4 | 112.7 | 125.9 | 118.4 |
| II. Quarter | 82.8 | 126.4 | 101.5 | 89.6 | 152.4 | 116.6 | 98.8 | 144.1 | 118.3 | 93.0 | 149.2 | 117.1 |
| III. Quarter | 100.9 | 161.8 | 127.1 | 95.0 | 160.8 | 123.3 | 120.2 | 197.4 | 153.4 | 113.3 | 189.7 | 146.1 |
| IV. Quarter | 135.9 | 128.1 | 132.5 | 141.2 | 151.6 | 145.7 | 153.3 | 153.3 | 153.4 | 135.6 | 151.0 | 142.2 |
| Textiles-Clothing-Leather | 91.9 | 116.8 | 113.9 | 111.3 | 117.3 | 116.5 | 83.7 | 109.5 | 106.5 | 78.2 | 113.6 | 109.5 |
| I. Quarter | 85.4 | 109.3 | 106.5 | 113.5 | 117.0 | 116.6 | 79.7 | 107.6 | 104.4 | 70.8 | 112.3 | 107.5 |
| II. Quarter | 89.5 | 104.7 | 103.0 | 101.1 | 112.6 | 111.3 | 85.5 | 102.5 | 100.5 | 77.3 | 104.0 | 100.9 |
| III. Quarter | 92.4 | 120.4 | 117.2 | 121.2 | 109.2 | 110.6 | 92.2 | 108.8 | 106.9 | 85.9 | 111.8 | 108.8 |
| IV. Quarter | 100.4 | 132.8 | 129.0 | 106.1 | 130.4 | 127.6 | 77.3 | 119.2 | 114.3 | 78.6 | 126.1 | 120.6 |
| Wood | 102.7 | 104.0 | 103.5 | 109.7 | 128.8 | 121.5 | 102.4 | 121.1 | 114.0 | 98.4 | 131.2 | 118.8 |
| I. Quarter | 97.9 | 97.4 | 97.6 | 102.4 | 131.3 | 122.8 | 102.4 | 115.3 | 110.4 | 105.4 | 117.8 | 113.1 |
| II. Quarter | 96.8 | 101.9 | 100.0 | 109.6 | 126.9 | 117.6 | 81.4 | 115.3 | 102.4 | 82.6 | 130.3 | 112.2 |
| III. Quarter | 113.3 | 122.5 | 119.0 | 117.7 | 134.8 | 128.3 | 124.7 | 131.9 | 129.2 | 102.2 | 138.8 | 124.9 |
| IV. Quarter | 102.2 | 110.7 | 108.7 | 113.6 | 128.7 | 125.2 | 98.5 | 123.8 | 117.9 | 116.8 | 136.9 | 132.1 |
| Paper-Printing | 93.7 | 106.5 | 103.5 | 108.7 | 119.8 | 117.2 | 88.1 | 122.1 | 113.8 | 108.6 | 125.8 | 121.7 |
| I. Quarter | 114.2 | 104.8 | 107.0 | 114.2 | 124.8 | 121.4 | 88.1 | 112.9 | 107.1 | 106.5 | 125.3 | 120.9 |
| II. Quarter | 105.7 | 120.4 | 117.0 | 121.3 | 144.4 | 139.0 | 123.5 | 133.0 | 130.8 | 129.6 | 154.6 | 148.7 |
| III. Quarter | 120.9 | 116.8 | 118.7 | 122.8 | 122.5 | 122.7 | 121.5 | 122.3 | 122.0 | 127.3 | 123.3 | 125.2 |
| IV. Quarter | 130.9 | 107.5 | 118.7 | 116.8 | 124.3 | 120.7 | 119.6 | 114.6 | 117.0 | 116.6 | 121.5 | 119.1 |
| Chemicals-Petrol-Rubber | 105.7 | 120.8 | 113.5 | 119.3 | 96.4 | 107.4 | 112.7 | 113.6 | 113.2 | 123.3 | 117.9 | 120.5 |
| I. Quarter | 126.6 | 118.2 | 122.2 | 129.2 | 140.7 | 135.2 | 127.6 | 129.9 | 128.8 | 134.3 | 129.7 | 131.9 |
| II. Quarter | 120.3 | 120.6 | 120.5 | 125.8 | 128.7 | 127.3 | 126.2 | 131.2 | 128.8 | 135.1 | 124.0 | 129.4 |
| III. Quarter | 120.2 | 126.5 | 125.5 | 115.0 | 133.0 | 130.4 | 129.9 | 137.5 | 136.4 | 137.1 | 155.4 | 152.7 |
| IV. Quarter | 88.3 | 114.0 | 110.1 | 84.6 | 121.4 | 115.9 | 74.4 | 124.0 | 116.5 | 69.2 | 141.0 | 130.2 |
| Soil Products | 136.1 | 130.7 | 131.5 | 106.0 | 131.5 | 127.7 | 146.6 | 123.2 | 126.7 | 164.7 | 165.1 | 165.0 |
| I. Quarter | 146.1 | 132.8 | 134.8 | 144.1 | 141.1 | 141.6 | 167.1 | 158.8 | 160.0 | 191.5 | 163.0 | 167.3 |
| II. Quarter | 110.4 | 128.6 | 125.8 | 125.3 | 138.1 | 136.2 | 131.4 | 144.1 | 142.2 | 123.0 | 152.6 | 148.1 |
| III. Quarter | 89.7 | 130.2 | 113.4 | 117.4 | 143.0 | 132.4 | 108.5 | 131.8 | 122.2 | 109.7 | 144.9 | 130.4 |
| IV. Quarter | 99.9 | 117.9 | 110.5 | 120.0 | 141.7 | 132.7 | 96.1 | 112.9 | 106.0 | 97.8 | 127.4 | 115.2 |
| Basic Metals | 79.9 | 125.5 | 106.6 | 112.7 | 137.3 | 127.1 | 113.5 | 136.6 | 127.0 | 110.8 | 125.8 | 119.6 |
| I. Quarter | 78.7 | 129.2 | 106.2 | 113.5 | 140.9 | 129.6 | 110.7 | 137.8 | 126.6 | 109.7 | 160.0 | 139.2 |
| II. Quarter | 105.4 | 148.1 | 130.4 | 123.5 | 151.9 | 140.2 | 113.7 | 139.9 | 129.1 | 120.5 | 166.4 | 147.4 |
| III. Quarter | 76.7 | 102.5 | 100.0 | 93.8 | 135.9 | 131.7 | 108.9 | 151.5 | 147.3 | 112.7 | 166.1 | 160.8 |
| IV. Quarter | 56.9 | 88.2 | 85.1 | 75.6 | 121.7 | 117.2 | 91.9 | 111.7 | 109.7 | 103.7 | 162.7 | 156.9 |
| Machinery&Trans. Equip. | 67.4 | 96.7 | 93.8 | 86.8 | 140.3 | 135.0 | 88.8 | 155.0 | 148.5 | 90.3 | 155.1 | 148.7 |
| I. Quarter | 61.7 | 97.8 | 94.3 | 80.2 | 123.7 | 119.4 | 106.2 | 154.1 | 149.4 | 89.9 | 161.2 | 154.2 |
| II. Quarter | 120.9 | 127.5 | 126.8 | 132.7 | 157.8 | 155.3 | 148.4 | 183.9 | 180.4 | 167.0 | 185.2 | 183.4 |
| III. Quarter | 110.0 | 116.5 | 114.2 | 115.6 | 130.1 | 125.1 | 117.7 | 132.5 | 127.3 | 119.2 | 140.2 | 132.9 |
| IV. Quarter | 112.3 | 103.8 | 106.8 | 111.4 | 122.0 | 118.2 | 110.0 | 114.1 | 112.7 | 109.8 | 132.4 | 124.5 |
| T. Manufacturing Industry | 99.7 | 113.8 | 107.4 | 107.6 | 123.2 | 117.7 | 106.9 | 127.1 | 120.0 | 111.0 | 133.0 | 125.3 |
| I. Quarter | 110.2 | 120.6 | 117.0 | 115.7 | 133.4 | 127.2 | 122.0 | 142.7 | 135.4 | 123.5 | 146.6 | 138.5 |
| II. Quarter | 121.9 | 127.9 | 125.8 | 129.2 | 141.6 | 137.2 | 131.9 | 145.8 | 140.9 | 132.5 | 148.8 | 143.1 |

Source : SIS

| OPEN UNEMPLOYMENT | | | | | | | | | | |
|-------------------|-----------|--------------------------|-----------|-------------|-------------|-------------|---------|-------------|---------|-------------|
| MONTHS | 1988 | Changes (%) ^a | 1989 | Changes (%) | 1990 | Changes (%) | 1991 | Changes (%) | 1992 | Changes (%) |
| January | 1,143,240 | 4.5 | 1,170,864 | 2.4 | 979,513.0 | -16.3 | 881,381 | -10.0 | 844,533 | -4.2 |
| February | 1,149,495 | 4.1 | 1,108,172 | -3.6 | 1,018,890.0 | -8.0 | 872,095 | -14.4 | 849,490 | -2.6 |
| March | 1,155,081 | 2.6 | 1,119,171 | -3.1 | 1,030,810.0 | -7.9 | 874,874 | -15.1 | 852,950 | -2.5 |
| April | 1,154,503 | 1.5 | 1,112,148 | -3.7 | 1,002,707.0 | -9.8 | 887,115 | -11.5 | 866,459 | -2.3 |
| May | 1,151,332 | 2.0 | 1,091,865 | -5.2 | 1,014,055.0 | -7.1 | 875,316 | -13.7 | 882,226 | 0.8 |
| June | 1,153,475 | 2.2 | 1,066,102 | -7.6 | 1,008,803.0 | -5.4 | 855,407 | -15.2 | 869,713 | 1.7 |
| July | 1,153,762 | 2.7 | 1,056,214 | -8.5 | 977,524.0 | -7.5 | 841,946 | -13.9 | 865,861 | 2.8 |
| August | 1,157,642 | 3.0 | 1,071,157 | -7.5 | 966,825.0 | -9.7 | 847,507 | -12.3 | 837,430 | -1.2 |
| September | 1,162,556 | 2.8 | 1,049,395 | -9.7 | 955,831.0 | -8.9 | 861,993 | -9.8 | 820,481 | -4.8 |
| October | 1,161,560 | 3.0 | 1,036,853 | -10.7 | 953,146.0 | -8.1 | 848,092 | -11.0 | 806,357 | -4.9 |
| November | 1,159,496 | 2.8 | 1,022,469 | -11.8 | 917,755.0 | -10.2 | 836,820 | -8.8 | 809,504 | -3.3 |
| December | 1,162,548 | 2.4 | 1,009,840 | -13.1 | 896,132.0 | -11.3 | 825,567 | -7.9 | 775,901 | -6.0 |

Source : Labour Placement Office

^aChange relative to the same month of the previous year

| | 1991* | | | | | | 1992* | | Changes | |
|------------------------------------|--------|-------|--------|-------|--------|------|-------|--|----------|---------|
| | Demand | | Share | | Demand | | Share | | Absolute | Percent |
| | | | | | | | | | | |
| Agriculture | 8,954 | 48.0 | 8,077 | 43.7 | -877.0 | -9.8 | | | | |
| Industry | 2,927 | 15.7 | 2,795 | 15.1 | -132.0 | -4.5 | | | | |
| Mining | 137 | 0.7 | 139 | 0.8 | 2.0 | 1.5 | | | | |
| Manufacturing | 2,775 | 14.9 | 2,638 | 14.3 | -137.0 | -4.9 | | | | |
| Electricity, Gas, Water | 15 | 0.1 | 18 | 0.1 | 3.0 | 20.0 | | | | |
| Construction | 865 | 4.6 | 943 | 5.1 | 78.0 | 9.0 | | | | |
| Commerce | 2,125 | 11.4 | 2,252 | 12.2 | 127.0 | 6.0 | | | | |
| Transportation | 780 | 4.2 | 885 | 4.8 | 105.0 | 13.5 | | | | |
| Financial Institutions | 411 | 2.2 | 469 | 2.5 | 58.0 | 14.1 | | | | |
| Other Services | 2,607 | 14.0 | 3,041 | 16.5 | 434.0 | 16.6 | | | | |
| TOTAL | 18,669 | 100.0 | 18,462 | 100.0 | -207.0 | -1.1 | | | | |
| Non-Agricultural Employment | 9,715 | 52.0 | 10,385 | 55.6 | 670.0 | 6.9 | | | | |

*April

Source : SPO

| APPLICATIONS TO AND PLACEMENTS BY THE LABOUR PLACEMENT OFFICE, REGISTERED UNEMPLOYED AND WORKERS MIGRATING ABROAD | | | | |
|--|-----|---------|---------|-------------|
| | | 1991 | 1992 | Changes (%) |
| Applications | (T) | 691,450 | 814,544 | 17.8 |
| | (M) | 524,939 | 638,970 | 21.7 |
| | (F) | 166,511 | 175,574 | 5.4 |
| Labour Demand by Establishments | (T) | 269,081 | 301,355 | 12.0 |
| | (M) | 183,486 | 215,810 | 17.6 |
| | (F) | 85,595 | 85,545 | -0.1 |
| Placements | (T) | 269,577 | 297,765 | 10.5 |
| | (M) | 183,088 | 212,652 | 16.1 |
| | (F) | 86,489 | 85,113 | -1.6 |
| Public Sector | (T) | 145,106 | 183,043 | 26.1 |
| | (M) | 133,284 | 168,750 | 26.6 |
| | (F) | 11,822 | 14,293 | 20.9 |
| Private Sector | (T) | 124,471 | 114,722 | -7.8 |
| | (M) | 49,804 | 43,902 | -11.9 |
| | (F) | 74,667 | 70,820 | -5.2 |
| Agricultural | (T) | 91,786 | 101,550 | 10.6 |
| | (M) | 26,605 | 35,517 | 33.5 |
| | (F) | 65,181 | 66,033 | 1.3 |
| Non-agricultural | (T) | 177,791 | 196,215 | 10.4 |
| | (M) | 156,483 | 177,135 | 13.2 |
| | (F) | 21,308 | 19,080 | -10.5 |
| Registered Unemployed (1) | (T) | 825,567 | 775,901 | -6.0 |
| | (M) | 674,294 | 647,468 | -4.0 |
| | (F) | 151,273 | 128,433 | -15.1 |
| Workers Migrating Abroad | (T) | 53,020 | 60,000 | 13.2 |
| | (M) | 52,719 | 59,633 | 13.1 |
| | (F) | 301 | 367 | 21.9 |

(1) Unemployed registrations include those seeking work who are not employed at a minimum wage rate. It excludes those already employed but looking for a better job, those who will consider work only at certain places and retired persons drawing a pension.

T: Total

M: Male

F: Female

Source : Labour Placement Office

DEVELOPMENTS IN THE LABOUR MARKET (15+AGE, IN THOUSANDS)

| | 1990 | 1991 | | 1992* | Change | |
|---------------------------------------|----------|----------|----------|----------|--------|-------|
| | Oct. (1) | Apr. (2) | Oct. (3) | Apr. (4) | (3/1) | (4/2) |
| Civilian Labour Force | 20,163 | 20,145 | 19,789 | 20,073 | -1.9 | -0.4 |
| Civilian Employment | 18,681 | 18,669 | 18,171 | 18,462 | -2.7 | -1.1 |
| Unemployed | 1,482 | 1,476 | 1,618 | 1,611 | 9.2 | 9.1 |
| Unemployment rate (%) | 7.3 | 7.3 | 8.2 | 8.0 | | |
| CIVILIAN EMPLOYMENT by SECTORS | | | | | | |
| AGRICULTURE | 8,616 | 8,954 | 8,473 | 8,077 | -1.7 | -9.8 |
| INDUSTRY | 2,955 | 2,927 | 2,745 | 2,795 | -7.1 | -4.5 |
| Mining | 223 | 137 | 205 | 139 | -8.1 | 1.5 |
| Manufacturing Ind. | 2,720 | 2,775 | 2,511 | 2,638 | -7.7 | -4.9 |
| Electricity, Gas and Water | 12 | 15 | 29 | 18 | 141.7 | 20.0 |
| SERVICES | 7,110 | 6,788 | 6,953 | 7,590 | -2.2 | 11.8 |
| Construction | 895 | 865 | 946 | 943 | 5.7 | 9.0 |
| Transportation | 844 | 780 | 771 | 885 | -8.6 | 13.5 |
| Commerce | 2,173 | 2,125 | 2,156 | 2,252 | -0.8 | 6.0 |
| Financial Institutions | 409 | 411 | 439 | 469 | 7.3 | 14.1 |
| Other Services | 2,789 | 2,607 | 2,641 | 3,041 | -5.3 | 16.6 |
| TOTAL | 18,681 | 18,669 | 18,171 | 18,462 | -2.7 | -1.1 |

*Provisional

Source: SPO

**STATISTICAL ANNEX
FOR
CHAPTER II**

| EXPORTS | | | | | | | | | | |
|--------------|---------|---------|---------|-------------|-------|------------|----------|----------|-------------|-------|
| (\$ Million) | | | | | | | | | | |
| MONTHS | | | | Changes (%) | | Cumulative | | | Changes (%) | |
| | 1990 | 1991 | 1992 | 91/90 | 92/91 | 1990 | 1991 | 1992 | 91/90 | 92/91 |
| January | 1,024.8 | 1,068.1 | 1,223.0 | 4.2 | 14.5 | 1,024.8 | 1,068.1 | 1,223.0 | 4.2 | 14.5 |
| February | 987.7 | 1,041.4 | 1,081.0 | 5.4 | 3.8 | 2,012.5 | 2,109.5 | 2,304.0 | 4.8 | 9.2 |
| March | 981.8 | 1,269.3 | 1,246.0 | 29.3 | -1.8 | 2,994.3 | 3,378.8 | 3,550.0 | 12.8 | 5.1 |
| April | 872.2 | 883.7 | 1,058.0 | 1.3 | 19.7 | 3,866.5 | 4,262.5 | 4,608.0 | 10.2 | 8.1 |
| May | 920.4 | 1,058.4 | 1,247.0 | 15.0 | 17.8 | 4,786.9 | 5,320.9 | 5,855.0 | 11.2 | 10.0 |
| June | 952.8 | 962.7 | 998.0 | 1.0 | 3.7 | 5,739.7 | 6,283.6 | 6,853.0 | 9.5 | 9.1 |
| July | 781.9 | 989.0 | 1,216.0 | 26.5 | 23.0 | 6,521.6 | 7,272.6 | 8,069.0 | 11.5 | 11.0 |
| August | 985.2 | 1,067.9 | 1,206.0 | 8.4 | 12.9 | 7,506.8 | 8,340.5 | 9,275.0 | 11.1 | 11.2 |
| September | 1,091.4 | 1,151.4 | 1,279.0 | 5.5 | 11.1 | 8,598.2 | 9,491.9 | 10,554.0 | 10.4 | 11.2 |
| October | 1,310.0 | 1,325.1 | 1,412.0 | 1.2 | 6.6 | 9,908.2 | 10,817.0 | 11,966.0 | 9.2 | 10.6 |
| November | 1,388.0 | 1,332.2 | 1,247.0 | -4.0 | -6.4 | 11,296.2 | 12,149.2 | 13,213.0 | 7.6 | 8.8 |
| December | 1,663.1 | 1,444.0 | 1,502.0 | -13.2 | 4.0 | 12,959.3 | 13,593.2 | 14,715.0 | 4.9 | 8.3 |

| IMPORTS | | | | | | | | | | |
|--------------|---------|---------|---------|-------------|-------|------------|----------|----------|-------------|-------|
| (\$ Million) | | | | | | | | | | |
| MONTHS | | | | Changes (%) | | Cumulative | | | Changes (%) | |
| | 1990 | 1991 | 1992 | 91/90 | 92/91 | 1990 | 1991 | 1992 | 91/90 | 92/91 |
| January | 1,501.4 | 1,676.0 | 1,637.0 | 11.6 | -2.3 | 1,501.4 | 1,675.7 | 1,637.0 | 11.6 | -2.3 |
| February | 1,491.1 | 1,419.0 | 1,553.0 | -4.8 | 9.4 | 2,992.5 | 3,094.7 | 3,190.0 | 3.4 | 3.1 |
| March | 1,714.1 | 1,820.7 | 1,751.0 | 6.2 | -3.8 | 4,706.6 | 4,915.4 | 4,941.0 | 4.4 | 0.5 |
| April | 1,317.5 | 1,308.0 | 1,742.0 | -0.7 | 33.2 | 6,024.1 | 6,223.4 | 6,683.0 | 3.3 | 7.4 |
| May | 1,990.5 | 1,814.1 | 1,838.0 | -8.9 | 1.3 | 8,014.6 | 8,037.5 | 8,521.0 | 0.3 | 6.0 |
| June | 1,567.4 | 1,624.0 | 1,906.0 | 3.6 | 17.4 | 9,582.0 | 9,661.5 | 10,427.0 | 0.8 | 7.9 |
| July | 1,523.9 | 1,761.0 | 2,036.0 | 15.6 | 15.6 | 11,105.9 | 11,422.5 | 12,463.0 | 2.9 | 9.1 |
| August | 2,007.3 | 1,738.0 | 1,867.0 | -13.4 | 7.4 | 13,113.2 | 13,160.5 | 14,330.0 | 0.4 | 8.9 |
| September | 1,903.4 | 1,745.0 | 1,953.0 | -8.3 | 11.9 | 15,016.6 | 14,905.5 | 16,283.0 | -0.7 | 9.2 |
| October | 2,423.8 | 1,869.1 | 1,905.0 | -22.9 | 1.9 | 17,440.4 | 16,774.6 | 18,188.0 | -3.8 | 8.4 |
| November | 2,409.4 | 1,914.0 | 2,078.0 | -20.6 | 8.6 | 19,849.8 | 18,688.6 | 20,266.0 | -5.8 | 8.4 |
| December | 2,452.4 | 2,358.3 | 2,606.0 | -3.8 | 10.5 | 22,302.2 | 21,046.9 | 22,872.0 | -5.6 | 8.7 |

Source: SIS, SPO

| EXPORTS BY SECTORS | | | | | |
|---|-----------------|-----------------------|-----------------|-----------------------|-------------|
| (\$ Million) | | | | | |
| SECTORS | 1991 | Share in Total (%) | 1992* | Share in Total (%) | Changes (%) |
| I. AGRICULTURAL & LIVESTOCK | 2,683.0 | 19.7 | 2,203.5 | 15.0 | -17.9 |
| A. Agricultural Products | 2,405.0 | 17.7 | 1,999.1 | 13.6 | -16.9 |
| Cereals | 280.0 | 2.1 | 416.0 | 2.8 | 48.6 |
| Leguminous vegetables | 242.0 | 1.8 | 200.0 | 1.4 | -17.4 |
| Industrial plants | 795.0 | 5.8 | 414.0 | 2.8 | -47.9 |
| Fruits | 853.0 | 6.3 | 771.0 | 5.2 | -9.6 |
| Vegetables | 192.0 | 1.4 | 161.0 | 1.1 | -16.1 |
| Others | 43.0 | 0.3 | 37.0 | 0.3 | -14.0 |
| B. Livestock & Animal Products | 218.0 | 1.6 | 140.3 | 1.0 | -35.6 |
| C. Fishery Products | 49.7 | 0.4 | 49.9 | 0.3 | 0.4 |
| D. Forestry Products | 10.2 | 0.1 | 14.1 | 0.1 | 38.2 |
| II. MINING & QUARRYING | 286.0 | 2.1 | 264.4 | 1.8 | -7.6 |
| III. INDUSTRY | 10,625.0 | 78.2 | 12,246.7 | 83.2 | 15.3 |
| A. Agro-based Processed Products | 1,212.0 | 8.9 | 1,337.2 | 9.1 | 10.3 |
| B. Petroleum Products | 277.0 | 2.0 | 231.3 | 1.6 | -16.5 |
| C. Other Industrial Products | 9,135.0 | 67.2 | 10,678.2 | 72.6 | 16.9 |
| Cement | 111.0 | 0.8 | 138.8 | 0.9 | 25.0 |
| Chemicals | 463.0 | 3.4 | 491.3 | 3.3 | 6.1 |
| Rubber & Plastics | 316.0 | 2.3 | 380.2 | 2.6 | 20.3 |
| Leather & Hides | 620.0 | 4.6 | 567.9 | 3.9 | -8.4 |
| Forestry Products | 16.0 | 0.1 | 27.5 | 0.2 | 71.9 |
| Textiles | 4,328.0 | 31.8 | 5,268.1 | 35.8 | 21.7 |
| Glass & Ceramics | 358.0 | 2.6 | 395.0 | 2.7 | 10.3 |
| Iron & Steel | 1,451.0 | 10.7 | 1,558.0 | 10.6 | 7.4 |
| Non-ferrous Metals | 174.0 | 1.3 | 164.2 | 1.1 | -5.6 |
| Metallic Goods | 32.7 | 0.2 | 76.2 | 0.5 | 133.0 |
| Machinery | 232.0 | 1.7 | 321.9 | 2.2 | 38.8 |
| Electrical Appliances | 533.0 | 3.9 | 591.0 | 4.0 | 10.9 |
| Motor Vehicles | 254.6 | 1.9 | 381.8 | 2.6 | 50.0 |
| Others | 245.0 | 1.8 | 316.3 | 2.1 | 29.1 |
| TOTAL | 13,594.0 | 100.0 | 14,715.0 | 100.0 | 8.2 |

* Provisional

Source: UTFT, SPO

EXPORTS BY SECTORS

(January-March, \$ Million)

| SECTORS | 1992 | Share in Total (%) | 1993* | Share in Total (%) | Changes (%) |
|---|---------|-----------------------|---------|-----------------------|-------------|
| I. AGRICULTURAL & LIVESTOCK | 614.8 | 17.3 | 671.9 | 18.3 | 9.3 |
| A. Agricultural Products | 575.7 | 16.2 | 595.9 | 16.2 | 3.5 |
| Cereals | 116.6 | 3.3 | 50.1 | 1.4 | -57.0 |
| Leguminous vegetables | 43.7 | 1.2 | 42.6 | 1.2 | -2.5 |
| Industrial plants | 212.3 | 6.0 | 325.1 | 8.8 | 53.1 |
| Fruits | 156.8 | 4.4 | 138.3 | 3.8 | -11.8 |
| Vegetables | 36.2 | 1.0 | 29.2 | 0.8 | -19.3 |
| Others | 10.1 | 0.3 | 10.6 | 0.3 | 5.0 |
| B. Livestock & Animal Products | 25.0 | 0.7 | 63.0 | 1.7 | 152.0 |
| C. Fishery Products | 10.1 | 0.3 | 9.9 | 0.3 | -2.6 |
| D. Forestry Products | 4.0 | 0.1 | 3.9 | 0.1 | -2.5 |
| II. MINING & QUARRYING | 69.3 | 2.0 | 45.6 | 1.2 | -34.2 |
| III. INDUSTRY | 2,865.9 | 80.7 | 2,955.9 | 80.5 | 3.1 |
| A. Agro-based Processed Products | 324.4 | 9.1 | 294.7 | 8.0 | -9.2 |
| B. Petroleum Products | 27.3 | 0.8 | 26.6 | 0.7 | -2.6 |
| C. Other Industrial Products | 2,514.2 | 70.8 | 2,634.6 | 71.7 | 4.8 |
| Cement | 35.3 | 1.0 | 26.3 | 0.7 | -25.5 |
| Chemicals | 120.4 | 3.4 | 105.6 | 2.9 | -12.3 |
| Rubber & Plastics | 93.0 | 2.6 | 94.9 | 2.6 | 2.0 |
| Leather & Hides | 111.0 | 3.1 | 113.7 | 3.1 | 2.4 |
| Forestry Products | 5.1 | 0.1 | 5.6 | 0.2 | 9.8 |
| Textiles | 1,272.8 | 35.9 | 1,313.7 | 35.8 | 3.2 |
| Glass & Ceramics | 100.4 | 2.8 | 90.9 | 2.5 | -9.5 |
| Iron & Steel | 352.3 | 9.9 | 495.6 | 13.5 | 40.7 |
| Non-ferrous Metals | 44.0 | 1.2 | 40.2 | 1.1 | -8.6 |
| Metallic Goods | 8.5 | 0.2 | 8.8 | 0.2 | 3.5 |
| Machinery | 75.8 | 2.1 | 64.4 | 1.8 | -15.0 |
| Electrical Appliances | 124.8 | 3.5 | 124.2 | 3.4 | -0.5 |
| Motor Vehicles | 104.1 | 2.9 | 71.5 | 1.9 | -31.3 |
| Others | 66.3 | 1.9 | 79.1 | 2.2 | 19.3 |
| TOTAL | 3,550.0 | 100.0 | 3,673.5 | 100.0 | 3.5 |

* Provisional

Source: UFTI

EXPORTS BY COUNTRIES

(\$ Million)

| COUNTRIES | 1991 | Share in Total (%) | 1992 | Share in Total (%) | Changes (%) |
|--|--------|-----------------------|--------|-----------------------|-------------|
| OECD COUNTRIES | 8,856 | 65.2 | 9,348 | 63.5 | 5.6 |
| A) EEC Countries | 7,042 | 51.8 | 7,603 | 51.7 | 8.0 |
| West Germany | 3,413 | 25.1 | 3,660 | 24.9 | 7.2 |
| Belgium-Luxembourg | 287 | 2.1 | 290 | 2.0 | 0.9 |
| Denmark | 87 | 0.6 | 93 | 0.6 | 6.2 |
| France | 689 | 5.1 | 809 | 5.5 | 17.5 |
| Netherlands | 475 | 3.5 | 500 | 3.4 | 5.2 |
| United Kingdom | 676 | 5.0 | 797 | 5.4 | 17.9 |
| Ireland | 19 | 0.1 | 24 | 0.2 | 23.6 |
| Italy | 972 | 7.1 | 943 | 6.4 | -3.0 |
| Greece | 144 | 1.1 | 146 | 1.0 | 1.4 |
| Spain | 238 | 1.8 | 299 | 2.0 | 25.8 |
| Portugal | 43 | 0.3 | 42 | 0.3 | -0.9 |
| B) EFTA Countries | 591 | 4.3 | 633 | 4.3 | 7.1 |
| C) Other OECD Countries | 1,223 | 9.0 | 1,112 | 7.6 | -9.1 |
| USA | 913 | 6.7 | 865 | 5.9 | -5.3 |
| Japan | 226 | 1.7 | 163 | 1.1 | -28.1 |
| Others | 84 | 0.6 | 85 | 0.6 | 0.8 |
| ISLAMIC COUNTRIES | 2,730 | 20.1 | 2,784 | 18.9 | 2.0 |
| Iran | 487 | 3.6 | 455 | 3.1 | -6.5 |
| Iraq | 122 | 0.9 | 212 | 1.4 | 73.3 |
| Saudi Arabia | 485 | 3.6 | 486 | 3.3 | 0.3 |
| Kuwait | 16 | 0.1 | 66 | 0.4 | 302.4 |
| TRNC | 132 | 1.0 | 149 | 1.0 | 12.9 |
| Others | 1,488 | 10.9 | 1,415 | 9.6 | -4.9 |
| OTHER EUROPEAN COUNTRIES | 1,152 | 8.5 | 646 | 4.4 | -43.9 |
| USSR | 611 | 4.5 | - | - | - |
| Bulgaria | 76 | 0.6 | 72 | 0.5 | -5.1 |
| Czechoslovakia | 64 | 0.5 | 52 | 0.4 | -18.4 |
| Hungary | 35 | 0.3 | 27 | 0.2 | -22.0 |
| Poland | 141 | 1.0 | 186 | 1.3 | 31.8 |
| Romania | 105 | 0.8 | 173 | 1.2 | 64.7 |
| Yugoslavia | 83 | 0.6 | 67 | 0.5 | -19.7 |
| Albania | 21 | 0.2 | 21 | 0.1 | -2.8 |
| Others | 15 | 0.1 | 33 | 0.2 | 113.6 |
| COMMONWEALTH OF INDEPEN. STATE. | - | - | 684 | - | - |
| Russian Federation | - | - | 442 | - | - |
| Turkish Republics | - | - | 187 | - | - |
| Others | - | - | 56 | - | - |
| OTHER CONTRIES | 856 | 6.3 | 1,253 | 8.5 | 46.3 |
| India | 47 | 0.3 | 42 | 0.3 | -11.0 |
| China | 20 | 0.2 | 147 | 1.0 | 619.1 |
| South Korea | 316 | 2.3 | 191 | 1.3 | -39.6 |
| Hong Kong | 30 | 0.2 | 48 | 0.3 | 62.4 |
| Other | 443 | 3.3 | 826 | 5.6 | 86.4 |
| TOTAL | 13,593 | 100.0 | 14,715 | 100.0 | 8.3 |

* Provisional

Source: SPO

EXPORTS BY COUNTRIES

(January-March, \$ Million)

| COUNTRIES | 1992 | Share in Total (%) | 1993 | Share in Total (%) | Changes (%) |
|---------------------------------|---------|-----------------------|---------|-----------------------|-------------|
| OECD COUNTRIES | 2,265.4 | 63.8 | 2,219.9 | 60.4 | -2.0 |
| A) EEC Countries | 1,787.7 | 50.4 | 1,712.2 | 46.6 | -4.2 |
| Germany | 866.0 | 24.4 | 864.0 | 23.5 | -0.2 |
| Belgium-Luxembourg | 71.8 | 2.0 | 72.8 | 2.0 | 1.4 |
| Denmark | 21.5 | 0.6 | 25.7 | 0.7 | 19.5 |
| France | 183.9 | 5.2 | 179.7 | 4.9 | -2.3 |
| Netherlands | 124.8 | 3.5 | 137.0 | 3.7 | 9.8 |
| United Kingdom | 183.0 | 5.2 | 193.1 | 5.3 | 5.5 |
| Ireland | 4.2 | 0.1 | 4.2 | 0.1 | 0.0 |
| Italy | 218.5 | 6.2 | 158.0 | 4.3 | -27.7 |
| Greece | 33.7 | 0.9 | 22.7 | 0.6 | -32.6 |
| Spain | 69.6 | 2.0 | 43.7 | 1.2 | -37.2 |
| Portugal | 10.7 | 0.3 | 11.3 | 0.3 | 5.6 |
| B) Other OECD Countries | 477.7 | 13.5 | 507.7 | 13.8 | 6.3 |
| USA | 247.8 | 7.0 | 294.3 | 8.0 | 18.8 |
| Japan | 63.9 | 1.8 | 57.4 | 1.6 | -10.2 |
| Switzerland | 57.3 | 1.6 | 58.4 | 1.6 | 1.9 |
| Austria | 53.1 | 1.5 | 52.3 | 1.4 | -1.5 |
| Others | 55.6 | 1.6 | 45.3 | 1.2 | -18.6 |
| ISLAMIC COUNTRIES | 709.6 | 20.0 | 587.9 | 16.0 | -17.2 |
| Iran | 129.7 | 3.7 | 77.2 | 2.1 | -40.5 |
| Iraq | 31.4 | 0.9 | 29.2 | 0.8 | -7.0 |
| Saudi Arabia | 118.6 | 3.3 | 141.8 | 3.9 | 19.6 |
| Jordan | 54.0 | 1.5 | 31.5 | 0.9 | -41.7 |
| TRNC | 31.8 | 0.9 | 30.2 | 0.8 | -5.0 |
| Libya | 80.1 | 2.3 | 41.2 | 1.1 | -48.6 |
| Egypt | 37.1 | 1.0 | 41.5 | 1.1 | 11.9 |
| Algeria | 35.5 | 1.0 | 21.2 | 0.6 | -40.3 |
| Syria | 51.9 | 1.5 | 51.3 | 1.4 | -1.2 |
| Others | 139.5 | 3.9 | 122.8 | 3.3 | -12.0 |
| OTHER EUROPEAN COUNTRIES | 284.4 | 8.0 | 416.4 | 11.3 | 46.4 |
| Russian Federation | 111.5 | 3.1 | 131.3 | 3.6 | 17.8 |
| Azerbaijan | 11.5 | - | 16.2 | 0.4 | - |
| Bulgaria | 20.2 | 0.6 | 10.6 | 0.3 | -47.5 |
| Czech and Slovak Republics | 13.5 | 0.4 | 19.5 | 0.5 | 44.4 |
| Hungary | 6.1 | 0.2 | 6.9 | 0.2 | 13.1 |
| Poland | 42.4 | 1.2 | 52.7 | 1.4 | 24.3 |
| Romania | 40.4 | 1.1 | 35.5 | 1.0 | -12.1 |
| Former Yugoslavia | 21.8 | 0.6 | 19.2 | 0.5 | -11.9 |
| Others | 17.0 | 0.5 | 124.5 | 3.4 | 632.4 |
| OTHER COUNTRIES | 290.5 | 8.2 | 449.6 | 12.2 | 54.8 |
| India | 10.2 | 0.3 | 6.3 | 0.2 | -38.2 |
| China | 10.6 | 0.3 | 171.8 | 4.7 | 1,520.8 |
| South Korea | 115.2 | 3.2 | 6.9 | 0.2 | -94.0 |
| Taiwan | 51.7 | 1.5 | 121.1 | 3.3 | 134.2 |
| Other | 102.8 | 2.9 | 143.5 | 3.9 | 39.6 |
| TOTAL | 3,549.9 | 100.0 | 3,673.5 | 100.0 | 3.5 |

Source: SIS

IMPORTS BY SECTORS

(\$ Million)

| SECTORS | 1991 | Share in Total (%) | 1992* | Share in Total (%) | Changes (%) |
|---|--------|-----------------------|--------|-----------------------|-------------|
| I. AGRICULTURAL & LIVESTOCK | 808 | 3.8 | 1,178 | 5.2 | 45.8 |
| Vegetable Products | 377 | 1.8 | 661 | 2.9 | 75.3 |
| Livestock and Animal Products | 288 | 1.4 | 353 | 1.5 | 22.6 |
| Fishery Products | 10 | 0.0 | 19 | 0.1 | 90.0 |
| Forestry Products | 133 | 0.6 | 145 | 0.6 | 9.0 |
| II. MINING & QUARRYING | 2,992 | 14.2 | 3,054 | 13.4 | 2.1 |
| Non-metallic and Metallic Ores | 87 | 0.4 | 80 | 0.3 | -8.0 |
| Fuels, Coals, etc. | 111 | 0.5 | 80 | 0.3 | -27.9 |
| Others | 2,793 | 13.3 | 2,894 | 12.7 | 3.6 |
| III. INDUSTRY | 17,248 | 81.9 | 18,638 | 81.5 | 8.1 |
| A. Agro-based Processed Products | 1,172 | 5.6 | 1,139 | 5.0 | -2.8 |
| Food | 598 | 2.8 | 622 | 2.7 | 4.0 |
| Tobacco | 298 | 1.4 | 185 | 0.8 | -37.9 |
| Forestry | 79 | 0.4 | 111 | 0.5 | 40.5 |
| Fibres for Textile | 196 | 0.9 | 221 | 1.0 | 12.8 |
| B. Petroleum Products | 962 | 4.6 | 865 | 3.8 | -10.1 |
| C. Other Industrial Products | 15,113 | 71.8 | 16,634 | 72.7 | 10.1 |
| Cement | 22 | 0.1 | 18 | 0.1 | -18.2 |
| Chemicals | 2,464 | 11.7 | 2,625 | 11.5 | 6.5 |
| Rubber & Plastics | 841 | 4.0 | 979 | 4.3 | 16.4 |
| Leather & Hides | 117 | 0.6 | 132 | 0.6 | 12.8 |
| Forestry Products | 22 | 0.1 | 26 | 0.1 | 18.2 |
| Textiles | 557 | 2.6 | 730 | 3.2 | 31.1 |
| Glass & Ceramics | 181 | 0.9 | 196 | 0.9 | 8.3 |
| Iron & Steel | 2,010 | 9.6 | 2,117 | 9.3 | 5.3 |
| Non-ferrous Metals | 451 | 2.1 | 426 | 1.9 | -5.5 |
| Metallic Goods | 121 | 0.6 | 135 | 0.6 | 11.6 |
| Machinery | 3,756 | 17.8 | 4,043 | 17.7 | 7.6 |
| Electrical Appliances | 1,858 | 8.8 | 1,746 | 7.6 | -6.0 |
| Motor Vehicles | 1,558 | 7.4 | 2,238 | 9.8 | 43.6 |
| Others | 1,153 | 5.5 | 1,223 | 5.3 | 6.1 |
| TOTAL | 21,047 | 100.0 | 22,871 | 100.0 | 8.7 |

*Provisional

Source: UIFT

IMPORTS BY SECTORS

(January-March, \$ Million)

| SECTORS | 1992 | Share in Total (%) | 1993* | Share in Total (%) | Changes (%) |
|---|-------|-----------------------|-------|-----------------------|-------------|
| I. AGRICULTURAL & LIVESTOCK | 213 | 4.3 | 377 | 6.4 | 76.9 |
| Vegetable Products | 107 | 2.2 | 249 | 4.2 | 133.9 |
| Livestock and Animal Products | 69 | 1.4 | 84 | 1.4 | 22.3 |
| Fishery Products | 6 | 0.1 | 5 | 0.1 | -14.5 |
| Forestry Products | 31 | 0.6 | 38 | 0.6 | 23.9 |
| II. MINING & QUARRYING | 617 | 12.5 | 761 | 12.9 | 23.2 |
| Non-metallic and Metallic Ores | 18 | 0.4 | 16 | 0.3 | -11.4 |
| Fuels, Coals, etc. | 599 | 12.1 | 744 | 12.6 | 24.3 |
| Others | 0 | 0.0 | 0 | 0.0 | 122.2 |
| III. INDUSTRY | 4,132 | 83.6 | 4,771 | 80.8 | 15.5 |
| A. Agro-based Processed Products | 248 | 5.0 | 292 | 4.9 | 17.8 |
| Food | 148 | 3.0 | 134 | 2.3 | -9.7 |
| Tobacco | 27 | 0.5 | 72 | 1.2 | 165.9 |
| Forestry | 26 | 0.5 | 27 | 0.4 | 1.9 |
| Fibres for Textile | 46 | 0.9 | 59 | 1.0 | 28.9 |
| B. Petroleum Products | 198 | 4.0 | 239 | 4.1 | 21.1 |
| C. Other Industrial Products | 3,667 | 74.2 | 4,240 | 71.8 | 15.6 |
| Cement | 1 | 0.0 | 2 | 0.0 | 68.0 |
| Chemicals | 612 | 12.4 | 638 | 10.8 | 4.2 |
| Rubber & Plastics | 213 | 4.3 | 240 | 4.1 | 13.0 |
| Leather & Hides | 24 | 0.5 | 35 | 0.6 | 44.3 |
| Forestry Products | 4 | 0.1 | 5 | 0.1 | 22.5 |
| Textiles | 143 | 2.9 | 214 | 3.6 | 50.4 |
| Glass & Ceramics | 43 | 0.9 | 45 | 0.8 | 4.2 |
| Iron & Steel | 461 | 9.3 | 590 | 10.0 | 28.0 |
| Non-ferrous Metals | 96 | 1.9 | 99 | 1.7 | 3.3 |
| Metallic Goods | 27 | 0.6 | 28 | 0.5 | 3.7 |
| Machinery | 840 | 17.0 | 917 | 15.5 | 9.1 |
| Electrical Appliances | 432 | 8.7 | 440 | 7.4 | 1.9 |
| Motor Vehicles | 504 | 10.2 | 649 | 11.0 | 28.7 |
| Others | 267 | 5.4 | 338 | 5.7 | 26.5 |
| TOTAL | 4,941 | 100.0 | 5,908 | 100.0 | 19.6 |

*Provisional

Source: UTFT

| IMPORTS BY COUNTRIES | | | | | |
|--|---------------|--------------------|---------------|--------------------|-------------|
| (\$ Million) | | | | | |
| COUNTRIES | 1991 | Share in Total (%) | 1992 | Share in Total (%) | Changes (%) |
| OECD COUNTRIES | 14,071 | 66.9 | 15,438 | 67.5 | 9.7 |
| A) EEC COUNTRIES | 9,222 | 43.8 | 10,050 | 43.9 | 9.0 |
| West Germany | 3,232 | 15.4 | 3,756 | 16.4 | 16.2 |
| Belgium-Luxembourg | 557 | 2.6 | 551 | 2.4 | -1.1 |
| Denmark | 95 | 0.5 | 105 | 0.5 | 10.2 |
| France | 1,227 | 5.8 | 1,350 | 5.9 | 10.1 |
| Netherlands | 642 | 3.0 | 699 | 3.1 | 8.9 |
| United Kingdom | 1,166 | 5.5 | 1,187 | 5.2 | 1.8 |
| Ireland | 43 | 0.2 | 51 | 0.2 | 19.7 |
| Italy | 1,845 | 8.8 | 1,919 | 8.4 | 4.0 |
| Greece | 77 | 0.4 | 87 | 0.4 | 13.4 |
| Spain | 320 | 1.5 | 320 | 1.4 | -0.0 |
| Portugal | 18 | 0.1 | 24 | 0.1 | 31.7 |
| B) EFTA COUNTRIES | 1,215 | 5.8 | 1,414 | 6.2 | 16.3 |
| C) OTHER OECD COUNTRIES | 3,634 | 17.3 | 3,974 | 17.4 | 9.4 |
| USA | 2,255 | 10.7 | 2,601 | 11.4 | 15.3 |
| Japan | 1,092 | 5.2 | 1,112 | 4.9 | 1.9 |
| Others | 287 | 1.4 | 261 | 1.1 | -9.1 |
| ISLAMIC COUNTRIES | 3,188 | 15.1 | 3,415 | 14.9 | 7.1 |
| Iran | 91 | 0.4 | 365 | 1.6 | 303.2 |
| Iraq | 1 | 0.0 | 1 | 0.0 | 80.0 |
| Saudi Arabia | 1,829 | 8.7 | 1,665 | 7.3 | -9.0 |
| Kuwait | 0 | 0.0 | 68 | 0.3 | - |
| TRNC | 6 | 0.0 | 8 | 0.0 | 48.2 |
| Others | 1,263 | 6.0 | 1,307 | 5.7 | 3.5 |
| OTHER EUROPEAN COUNTRIES | 2,025 | 9.6 | 976 | 4.3 | -51.8 |
| USSR | 1,097 | 5.2 | - | - | - |
| Bulgaria | 140 | 0.7 | 223 | 1.0 | 59.4 |
| Czechoslovakia | 155 | 0.7 | 184 | 0.8 | 18.4 |
| Hungary | 134 | 0.6 | 97 | 0.4 | -27.4 |
| Poland | 151 | 0.7 | 87 | 0.4 | -42.3 |
| Romania | 199 | 0.9 | 255 | 1.1 | 28.4 |
| Yugoslavia | 148 | 0.7 | 97 | 0.4 | -34.5 |
| Albania | 1 | 0.0 | 1 | 0.0 | 66.7 |
| Others | 1 | 0.0 | 32 | 0.1 | 2,566.7 |
| COMMONWEALTH OF INDEPEN. STATE. | - | - | 1,235 | - | - |
| Russian Federation | - | - | 1,036 | - | - |
| Turkish Republics | - | - | 97 | - | - |
| Others | - | - | 102 | - | - |
| OTHER COUNTRIES | 1,763 | 8.4 | 1,807 | 7.9 | 2.5 |
| India | 87 | 0.4 | 100 | 0.4 | 15.0 |
| China | 172 | 0.8 | 172 | 0.8 | 0.3 |
| South Korea | 361 | 1.7 | 373 | 1.6 | 3.3 |
| Hong Kong | 77 | 0.4 | 78 | 0.3 | 1.7 |
| Other | 1,067 | 5.1 | 1,084 | 4.7 | 1.6 |
| TOTAL | 21,047 | 100.0 | 22,871 | 100.0 | 8.7 |

* Provisional

Source: SIS

IMPORTS BY COUNTRIES

(January-March, \$ Million)

| COUNTRIES | 1992 | Share in Total (%) | 1993 | Share in Total (%) | Changes (%) |
|---------------------------------|---------|-----------------------|---------|-----------------------|-------------|
| OECD COUNTRIES | 3,482.9 | 70.5 | 3,882.0 | 65.7 | 11.5 |
| A) EEC COUNTRIES | 2,216.1 | 44.8 | 2,405.7 | 40.7 | 8.6 |
| West Germany | 817.7 | 16.5 | 845.4 | 14.3 | 3.4 |
| Belgium-Luxembourg | 127.0 | 2.6 | 142.7 | 2.4 | 12.4 |
| Denmark | 23.4 | 0.5 | 22.3 | 0.4 | -4.7 |
| France | 290.7 | 5.9 | 366.3 | 6.2 | 26.0 |
| Netherlands | 174.0 | 3.5 | 179.0 | 3.0 | 2.9 |
| United Kingdom | 266.5 | 5.4 | 261.3 | 4.4 | -2.0 |
| Ireland | 11.2 | 0.2 | 12.6 | 0.2 | 12.5 |
| Italy | 422.3 | 8.5 | 459.6 | 7.8 | 8.8 |
| Greece | 17.5 | 0.4 | 18.1 | 0.3 | 3.4 |
| Spain | 61.2 | 1.2 | 89.0 | 1.5 | 45.4 |
| Portugal | 4.6 | 0.1 | 9.4 | 0.2 | 104.3 |
| B) OTHER OECD COUNTRIES | 1,266.8 | 25.6 | 1,476.3 | 25.0 | 16.5 |
| USA | 610.4 | 12.4 | 755.5 | 12.8 | 23.8 |
| Japan | 250.9 | 5.1 | 279.6 | 4.7 | 11.4 |
| Switzerland | 207.2 | 4.2 | 129.9 | 2.2 | -37.3 |
| Austria | 65.3 | 1.3 | 81.8 | 1.4 | 25.3 |
| Others | 133.0 | 2.7 | 229.5 | 3.9 | 72.6 |
| ISLAMIC COUNTRIES | 645.1 | 13.1 | 857.9 | 14.5 | 33.0 |
| Iran | 15.1 | 0.3 | 147.2 | 2.5 | 874.8 |
| Iraq | - | - | - | - | - |
| Saudi Arabia | 361.8 | 7.3 | 388.8 | 6.6 | 7.5 |
| Kuwait | 0.0 | 0.0 | 18.8 | 0.3 | - |
| TRNC | 1.0 | 0.0 | 1.2 | 0.0 | 20.0 |
| Libya | 98.4 | 2.0 | 55.2 | 0.9 | -43.9 |
| Egypt | 12.1 | 0.2 | 28.0 | 0.5 | 131.4 |
| Algeria | 3.2 | 0.1 | 4.6 | 0.1 | 43.8 |
| United Arab Emirates | 63.7 | 1.3 | 79.5 | 1.3 | 24.8 |
| Others | 89.8 | 1.8 | 134.6 | 2.3 | 49.9 |
| OTHER EUROPEAN COUNTRIES | 426.2 | 8.6 | 667.2 | 11.3 | 56.5 |
| Russian Federation | 202.0 | 4.1 | 348.1 | 5.9 | 72.3 |
| Ukraine | 9.1 | 0.2 | 47.9 | 0.8 | 426.4 |
| Bulgaria | 43.9 | 0.9 | 49.2 | 0.8 | 12.1 |
| Czech and Slovak Republics | 34.4 | 0.7 | 35.9 | 0.6 | 4.4 |
| Hungary | 23.6 | 0.5 | 20.3 | 0.3 | -14.0 |
| Poland | 16.1 | 0.3 | 17.9 | 0.3 | 11.2 |
| Romania | 54.0 | 1.1 | 57.0 | 1.0 | 5.6 |
| Former Yugoslavia | 37.3 | 0.8 | 19.5 | 0.3 | -47.7 |
| Others | 5.8 | 0.1 | 71.4 | 1.2 | 1,131.0 |
| OTHER COUNTRIES | 388.0 | 7.9 | 500.8 | 8.5 | 29.1 |
| India | 17.2 | 0.3 | 38.7 | 0.7 | 125.0 |
| China | 59.6 | 1.2 | 41.8 | 0.7 | -29.9 |
| South Korea | 81.7 | 1.7 | 115.9 | 2.0 | 41.9 |
| Taiwan | 43.9 | 0.9 | 57.5 | 1.0 | 31.0 |
| Other | 185.6 | 3.8 | 246.9 | 4.2 | 33.0 |
| TOTAL | 4,942.1 | 100.0 | 5,907.8 | 100.0 | 19.5 |

Source: SIS

| IMPORTS BY COMMODITY GROUPS (\$ Million) | | | | | | | | |
|---|----------|-----------|----------|-----------|----------|-----------|----------|-----------|
| | 1989 | | 1990 | | 1991 | | 1992 | |
| | Value | Share (%) | Value | Share (%) | Value | Share (%) | Value | Share (%) |
| Investment Goods | 3,845.1 | 24.3 | 5,789.7 | 26.0 | 6,051.5 | 28.8 | 6,772.4 | 29.6 |
| Construction Goods | 690.3 | 4.4 | 769.6 | 3.5 | 820.0 | 3.9 | 791.9 | 3.5 |
| Machinery & Equipment | 3,134.5 | 19.8 | 4,930.1 | 22.1 | 5,139.7 | 24.4 | 5,885.6 | 25.7 |
| Livestock | 20.4 | 0.1 | 89.9 | 0.4 | 91.8 | 0.4 | 94.9 | 0.4 |
| Raw Materials | 10,558.1 | 66.9 | 13,489.0 | 60.5 | 12,085.0 | 57.4 | 13,127.7 | 57.4 |
| Consumer Goods | 1,388.9 | 8.8 | 3,023.5 | 13.6 | 2,910.5 | 13.8 | 2,971.4 | 13.0 |
| TOTAL | 15,792.1 | 100.0 | 22,302.1 | 100.0 | 21,047.0 | 100.0 | 22,871.5 | 100.0 |

| IMPORTS BY SOURCE OF FINANCING (\$ Million) | | | | | |
|--|---------------------------|--------|--------|--------|--------|
| | 1988 | 1989 | 1990 | 1991 | 1992 |
| | Programmed Imports | 12,970 | 14,340 | 20,876 | 19,238 |
| Financial Letting | | | 227 | 99 | 469 |
| Liberalization | 12,159 | 13,685 | 20,587 | 19,159 | 21,618 |
| Allocation | | | | 0 | 0 |
| Subject to Licence | 811 | 655 | 62 | 0 | 0 |
| Non-Programmed Imports | 1,365 | 1,453 | 1,426 | 1,789 | 568 |
| NATO | 142 | 107 | 113 | 86 | 86 |
| Foreign Capital in Kind | 14 | 10 | 18 | 106 | 8 |
| Project Credits | 1,140 | 1,229 | 896 | 532 | 335 |
| Imports With Waivers | 69 | 107 | 400 | 1,065 | 139 |
| TOTAL | 14,335 | 15,792 | 22,302 | 21,047 | 22,872 |

Source: SIS

| TRADE DEFICIT | | | | | | |
|----------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| (\$ million) | | | | | | |
| MONTHS | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 |
| January | 141.0 | 291.8 | 476.6 | 607.6 | 414.0 | 519.0 |
| February | 183.8 | 98.6 | 503.4 | 378.2 | 472.0 | 836.0 |
| March | 366.0 | 125.4 | 732.4 | 552.0 | 505.0 | 880.0 |
| April | 323.6 | 297.5 | 445.3 | 424.0 | 684.0 | |
| May | 362.3 | 477.6 | 1,070.0 | 755.0 | 591.0 | |
| June | 370.7 | 458.3 | 614.6 | 661.0 | 908.0 | |
| July | 208.5 | 517.6 | 741.9 | 772.0 | 820.0 | |
| August | 323.8 | 565.6 | 1,022.1 | 670.0 | 661.0 | |
| September | 140.8 | 343.1 | 811.8 | 594.0 | 674.0 | |
| October | 106.7 | 445.6 | 1,113.8 | 544.0 | 493.0 | |
| November | 143.7 | 342.4 | 1,021.4 | 582.0 | 831.0 | |
| December | 2.5 | 204.0 | 789.2 | 914.0 | 1,104.0 | |
| CUMULATIVE | | | | | | |
| MONTHS | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 |
| January | 141.0 | 291.8 | 476.6 | 607.6 | 414.0 | 519.0 |
| February | 324.8 | 390.4 | 979.9 | 985.8 | 886.0 | 1,355.0 |
| March | 690.8 | 515.8 | 1,712.3 | 1,537.8 | 1,391.0 | 2,235.0 |
| April | 1,014.4 | 813.3 | 2,157.6 | 1,961.8 | 2,075.0 | |
| May | 1,376.7 | 1,290.9 | 3,227.7 | 2,716.8 | 2,666.0 | |
| June | 1,747.3 | 1,749.2 | 3,842.3 | 3,377.8 | 3,574.0 | |
| July | 1,955.8 | 2,266.7 | 4,584.3 | 4,149.8 | 4,394.0 | |
| August | 2,279.6 | 2,832.4 | 5,606.4 | 4,819.8 | 5,055.0 | |
| September | 2,420.4 | 3,175.5 | 6,418.2 | 5,413.8 | 5,729.0 | |
| October | 2,527.1 | 3,621.1 | 7,532.1 | 5,957.8 | 6,222.0 | |
| November | 2,670.9 | 3,963.5 | 8,553.5 | 6,539.8 | 7,053.0 | |
| December | 2,673.4 | 4,167.4 | 9,342.7 | 7,453.8 | 8,157.0 | |

Source: SIS, SPO

| WORKERS' REMITTANCES BY MONTHS (1) | | | | | | | | | | |
|------------------------------------|-------|---------|---------|-------------|-------|------------|---------|---------|-------------|-------|
| (\$ million) | | | | | | | | | | |
| MONTHS | 1991 | 1992(*) | 1993(*) | Changes (%) | | Cumulative | | | Changes (%) | |
| | | | | 92/91 | 93/92 | 1990 | 1991 | 1992 | 91/90 | 92/91 |
| January | 222.0 | 207.0 | 216.0 | -6.8 | 4.3 | 187.0 | 222.0 | 207.0 | 18.7 | -6.8 |
| February | 219.0 | 185.0 | 200.0 | -15.5 | 8.1 | 400.0 | 441.0 | 392.0 | 10.3 | -11.1 |
| March | 236.0 | 178.0 | 222.0 | -24.6 | 24.7 | 640.0 | 677.0 | 570.0 | 5.8 | -15.8 |
| April | 200.0 | 220.0 | | 10.0 | | 864.0 | 877.0 | 790.0 | 1.5 | -9.9 |
| May | 224.0 | 175.0 | | -21.9 | | 1,136.0 | 1,101.0 | 965.0 | -3.1 | -12.4 |
| June | 213.0 | 299.0 | | 40.4 | | 1,418.0 | 1,314.0 | 1,264.0 | -7.3 | -3.8 |
| July | 306.0 | 269.0 | | -12.1 | | 1,752.0 | 1,620.0 | 1,533.0 | -7.5 | -5.4 |
| August | 304.0 | 318.0 | | 4.6 | | 2,115.0 | 1,924.0 | 1,851.0 | -9.0 | -3.8 |
| September | 258.0 | 313.0 | | 21.3 | | 2,474.0 | 2,182.0 | 2,164.0 | -11.8 | -0.8 |
| October | 233.0 | 265.0 | | 13.7 | | 2,775.0 | 2,415.0 | 2,429.0 | -13.0 | 0.6 |
| November | 232.0 | 319.0 | | 37.5 | | 3,037.0 | 2,647.0 | 2,748.0 | -12.8 | 3.8 |
| December | 254.0 | 326.0 | | 28.3 | | 3,325.0 | 2,901.0 | 3,074.0 | -12.8 | 6.0 |

(1) Including official remittances except for 1993

*Provisional

Source: SPO

| TOURISM REVENUE - MONTHLY | | | | | | | | | | |
|---------------------------|-------|---------|---------|-------------|-------|------------|---------|---------|-------------|-------|
| (\$ Million) | | | | | | | | | | |
| MONTHS | 1991 | 1992(*) | 1993(*) | Changes (%) | | Cumulative | | | Changes (%) | |
| | | | | 91/90 | 92/91 | 1990 | 1991 | 1992 | 91/90 | 92/91 |
| January | 84.0 | 95.0 | 101.0 | 13.1 | 6.3 | 85.0 | 84.0 | 95.0 | -1.2 | 13.1 |
| February | 86.0 | 126.0 | 115.0 | 46.5 | -8.7 | 164.0 | 170.0 | 221.0 | 3.7 | 30.0 |
| March | 125.0 | 166.0 | 157.0 | 32.8 | -5.4 | 294.0 | 295.0 | 387.0 | 0.3 | 31.2 |
| April | 144.0 | 252.0 | | 75.0 | | 633.0 | 439.0 | 639.0 | -30.6 | 45.6 |
| May | 186.0 | 369.0 | | 98.4 | | 993.0 | 625.0 | 1,008.0 | -37.1 | 61.3 |
| June | 250.0 | 398.0 | | 59.2 | | 1,289.0 | 875.0 | 1,406.0 | -32.1 | 60.7 |
| July | 320.0 | 465.0 | | 45.3 | | 1,609.0 | 1,195.0 | 1,871.0 | -25.7 | 56.6 |
| August | 434.0 | 578.0 | | 33.2 | | 2,108.0 | 1,629.0 | 2,449.0 | -22.7 | 50.3 |
| September | 384.0 | 502.0 | | 30.7 | | 2,543.0 | 2,013.0 | 2,951.0 | -20.8 | 46.6 |
| October | 308.0 | 418.0 | | 35.7 | | 2,882.0 | 2,321.0 | 3,369.0 | -19.5 | 45.2 |
| November | 201.0 | 159.0 | | -20.9 | | 3,066.0 | 2,522.0 | 3,528.0 | -17.7 | 39.9 |
| December | 131.0 | 111.0 | | -15.3 | | 3,225.0 | 2,653.0 | 3,639.0 | -17.7 | 37.2 |

* Provisional

Source: SPO

INTERNATIONAL RESERVES

(\$ Million)

| | Gold | Central Bank | Commercial Bank | Gross Reserves | Overdrafts | Net Reserves |
|----------------|---------|--------------|-----------------|----------------|------------|--------------|
| 1991 | | | | | | |
| January | 1,467.4 | 4,694.1 | 3,573.5 | 9,735.0 | 11.2 | 9,723.8 |
| February | 1,467.4 | 4,167.4 | 3,893.0 | 9,525.8 | 15.0 | 9,512.8 |
| March | 1,479.3 | 3,716.8 | 4,534.5 | 9,730.6 | 26.1 | 9,704.5 |
| April | 1,467.6 | 4,146.0 | 4,249.0 | 9,862.6 | 24.9 | 9,837.7 |
| May | 1,468.0 | 4,553.3 | 4,452.7 | 10,474.0 | 8.9 | 10,465.1 |
| June | 1,468.0 | 5,051.8 | 4,412.1 | 10,931.9 | 14.0 | 10,917.9 |
| July | 1,480.7 | 4,966.3 | 4,686.8 | 11,133.8 | 21.8 | 11,112.0 |
| August | 1,504.4 | 4,910.9 | 5,306.1 | 11,721.4 | 8.3 | 11,713.1 |
| September | 1,504.5 | 4,973.4 | 5,110.6 | 11,588.5 | 11.7 | 11,576.8 |
| October | 1,493.1 | 4,757.4 | 5,545.9 | 11,796.4 | 12.3 | 11,784.1 |
| November | 1,475.5 | 4,901.0 | 5,910.0 | 12,286.5 | 8.3 | 12,278.2 |
| December | 1,493.3 | 4,918.1 | 5,842.0 | 12,253.4 | 3.3 | 12,250.1 |
| 1992 | | | | | | |
| January | 1,508.2 | 4,705.3 | 5,811.0 | 12,024.5 | 20.6 | 12,003.9 |
| February | 1,514.5 | 4,249.3 | 6,041.7 | 11,805.5 | 4.7 | 11,800.8 |
| March | 1,532.6 | 3,734.6 | 5,894.0 | 11,161.2 | 9.0 | 11,152.2 |
| April | 1,532.6 | 3,443.3 | 5,964.6 | 10,940.5 | 4.9 | 10,935.6 |
| May | 1,532.6 | 3,591.2 | 6,254.9 | 11,378.7 | 6.4 | 11,372.3 |
| June | 1,532.5 | 4,350.3 | 6,471.8 | 12,354.6 | 9.2 | 12,345.4 |
| July | 1,493.8 | 5,091.1 | 7,499.4 | 14,084.3 | 9.8 | 14,074.5 |
| August | 1,499.8 | 5,811.5 | 7,577.1 | 14,888.4 | 10.4 | 14,878.0 |
| September | 1,493.9 | 5,663.5 | 7,539.4 | 14,666.8 | 5.8 | 14,661.0 |
| October | 1,493.8 | 5,680.2 | 7,552.7 | 14,726.7 | 14.4 | 14,712.3 |
| November | 1,496.8 | 5,626.8 | 6,640.0 | 13,763.6 | 15.2 | 13,748.4 |
| December | 1,493.7 | 6,116.0 | 7,644.0 | 15,253.7 | 1.5 | 15,252.2 |
| 1993(*) | | | | | | |
| January | 1,494.0 | 6,380.0 | 7,886.0 | 15,760.0 | 9.0 | 15,751.0 |
| February | 1,494.0 | 7,136.0 | 7,566.0 | 16,196.0 | 16.0 | 16,180.0 |
| March | 1,491.0 | 7,151.0 | 7,940.0 | 16,582.0 | 6.0 | 16,576.0 |
| April | 1,491.0 | 7,067.0 | 8,384.0 | 16,942.0 | 7.0 | 16,935.0 |
| May, 22 | 1,497.0 | 6,924.0 | 9,037.0 | 17,458.0 | 11.0 | 17,447.0 |

(*) As of last week

Source: Central Bank, ANKA

BREAKDOWN BY COUNTRIES OF FOREIGN CAPITAL COMPANIES

OPERATING IN TURKEY

(As of end of 1992, TL Billion)

| COUNTRIES | Number of Companies | Current Foreign Capital | Share in Total For. Cap. (%) | Companies' Total Capital | For. Cap. As % of Total |
|-------------------------------------|---------------------|-------------------------|------------------------------|--------------------------|-------------------------|
| OECD Countries | 1.461 | 10,718,259 | 88.8 | 19,526,967 | 54.9 |
| - EC Countries | 1.005 | 7,060,501 | 58.5 | 12,135,850 | 58.2 |
| Belgium | 28 | 61,362 | 0.5 | 125,352 | 49.0 |
| Denmark | 19 | 53,226 | 0.4 | 124,557 | 42.7 |
| Germany | 429 | 1,532,350 | 12.7 | 3,731,921 | 41.1 |
| France | 118 | 1,446,971 | 12.0 | 1,982,395 | 73.0 |
| The Netherlands | 102 | 1,627,113 | 13.5 | 2,366,796 | 68.8 |
| Great Britain | 172 | 1,248,960 | 10.4 | 1,743,476 | 71.6 |
| Ireland | 4 | 13,511 | 0.1 | 32,979 | 41.0 |
| Spain | 13 | 46,466 | 0.4 | 77,316 | 60.1 |
| Italy | 87 | 931,088 | 7.7 | 1,681,109 | 55.4 |
| Luxembourg | 15 | 90,181 | 0.8 | 259,280 | 34.8 |
| Portugal | 1 | 402 | 0.0 | 410 | 98.1 |
| Greece | 17 | 8,868 | 0.1 | 10,259 | 86.4 |
| - Other OECD Countries | 456 | 3,657,758 | 30.3 | 7,391,117 | 49.5 |
| USA | 171 | 1,402,122 | 11.6 | 2,451,389 | 57.2 |
| Australia | 5 | 1,569 | 0.0 | 9,350 | 16.8 |
| Austria | 45 | 50,711 | 0.4 | 87,049 | 58.3 |
| Finland | 11 | 13,489 | 0.1 | 24,193 | 55.8 |
| Sweden | 27 | 99,619 | 0.8 | 160,777 | 62.0 |
| Switzerland | 143 | 1,429,980 | 11.9 | 3,304,396 | 43.3 |
| Iceland | 1 | 26,500 | 0.2 | 26,500 | 100.0 |
| Japan | 35 | 491,947 | 4.1 | 921,205 | 53.4 |
| Canada | 10 | 129,631 | 1.1 | 389,704 | 33.3 |
| Norway | 7 | 12,091 | 0.1 | 16,445 | 73.5 |
| New Zeland | 1 | 99 | 0.0 | 109 | 90.8 |
| ISLAMIC COUNTRIES | 561 | 697,904 | 5.8 | 2,003,532 | 34.8 |
| - Middle East Countries | 522 | 544,519 | 4.5 | 1,758,132 | 31.0 |
| United Arab Emirates | 13 | 38,217 | 0.3 | 66,663 | 57.3 |
| Bahrain | 7 | 49,719 | 0.4 | 87,056 | 57.1 |
| Yemen | 3 | 611 | 0.0 | 1,076 | 56.8 |
| Islamic Development Bank | 10 | 15,328 | 0.1 | 360,339 | 4.3 |
| Iraq | 32 | 20,922 | 0.2 | 42,946 | 48.7 |
| Iran | 199 | 49,190 | 0.4 | 56,498 | 87.1 |
| Turkish Rep. Of N. Cyprus | 25 | 35,712 | 0.3 | 45,352 | 78.7 |
| Qatar | 7 | 27,528 | 0.2 | 53,944 | 51.0 |
| Kuwait | 7 | 24,980 | 0.2 | 43,829 | 57.0 |
| Lebanon | 39 | 19,906 | 0.2 | 22,903 | 86.9 |
| Syria | 97 | 28,507 | 0.2 | 54,030 | 52.8 |
| Saudi Arabia | 54 | 227,311 | 1.9 | 914,800 | 24.9 |
| Jordan | 29 | 6,588 | 0.1 | 8,696 | 75.8 |
| - Northern African Countries | 26 | 135,103 | 1.1 | 226,052 | 59.8 |
| Algeria | 2 | 4,088 | 0.0 | 8,110 | 50.4 |
| Morocco | 1 | 150 | 0.0 | 150 | 100.0 |
| Libya | 15 | 121,403 | 1.0 | 205,152 | 59.2 |
| Egypt | 7 | 5,180 | 0.0 | 5,841 | 88.7 |
| Tunisia | 1 | 4,282 | 0.0 | 6,799 | 63.0 |



BREAKDOWN BY COUNTRIES OF FOREIGN CAPITAL COMPANIES

OPERATING IN TURKEY

(As of end of 1992, TL Billion)

| COUNTRIES | Number of Companies | Current Foreign Capital | Share in Total For. Cap. (%) | Companies' Total Capital | For. Cap. As % of Total |
|---|----------------------------|--------------------------------|-------------------------------------|---------------------------------|--------------------------------|
| - Other Islamic Countries | 13 | 18,282 | 0.2 | 19,348 | 94.5 |
| Afghanistan | 2 | 403 | 0.0 | 535 | 75.3 |
| Malaysia | 1 | 150 | 0.0 | 150 | 100.0 |
| Pakistan | 9 | 16,885 | 0.1 | 17,720 | 95.3 |
| Sudan | 1 | 844 | 0.0 | 943 | 89.5 |
| EASTERN EUROPEAN COUNT. | 47 | 32,549 | 0.3 | 65,953 | 49.4 |
| - C.I.S. | 27 | 18,217 | 0.2 | 38,051 | 47.9 |
| Azerbaijan | 5 | 4,679 | 0.0 | 8,580 | 54.5 |
| Georgia | 1 | 416 | 0.0 | 850 | 48.9 |
| Russian Federation | 21 | 13,122 | 0.1 | 28,621 | 45.9 |
| - Other Eastern European Countries | 20 | 14,332 | 0.1 | 27,902 | 51.4 |
| Bulgaria | 4 | 1,938 | 0.0 | 4,340 | 44.7 |
| Czechoslovakia | 2 | 2,168 | 0.0 | 2,168 | 100.0 |
| Hungary | 2 | 2,728 | 0.0 | 5,561 | 49.1 |
| Poland | 1 | 900 | 0.0 | 1,000 | 90.0 |
| Romania | 1 | 1,575 | 0.0 | 3,500 | 45.0 |
| Yugoslavia | 10 | 5,023 | 0.0 | 11,333 | 44.3 |
| OTHER COUNTRIES | 261 | 616,014 | 5.1 | 1,843,034 | 33.4 |
| - Southeast Asian Countries | 34 | 139,946 | 1.2 | 421,395 | 33.2 |
| China | 7 | 5,798 | 0.1 | 11,997 | 48.3 |
| South Korea | 8 | 22,427 | 0.2 | 43,973 | 51.0 |
| India | 3 | 964 | 0.0 | 973 | 99.1 |
| Hong Kong | 7 | 11,138 | 0.1 | 27,917 | 39.9 |
| Singapore | 5 | 94,300 | 0.8 | 313,911 | 30.0 |
| Taiwan | 3 | 3,819 | 0.0 | 21,124 | 18.1 |
| Thailand | 1 | 1,500 | 0.0 | 1,500 | 100.0 |
| - Other Countries | 227 | 476,068 | 4.0 | 1,421,639 | 33.5 |
| Antigo&Barbuda | 1 | 100 | 0.0 | 200 | 50.0 |
| Argentina | 1 | 775 | 0.0 | 3,027 | 25.6 |
| Bahamas | - | 5,100 | 0.0 | 5,666 | 90.0 |
| Bermuda | 2 | 8,369 | 0.1 | 16,019 | 52.2 |
| Brazil | - | 21 | 0.0 | 21 | 100.0 |
| Cayman Islands | 4 | 11,281 | 0.1 | 17,184 | 65.7 |
| Ethiopia | - | 898 | 0.0 | 1,411 | 63.6 |
| Dutch Antilles | 1 | 1,000 | 0.0 | 1,000 | 100.0 |
| IFC | 3 | 90,140 | 0.8 | 870,398 | 10.4 |
| Israel | 14 | 5,501 | 0.1 | 9,983 | 55.1 |
| Jamaica | - | 350 | 0.0 | 350 | 100.0 |
| Jersey Island | 2 | 283,756 | 2.4 | 290,757 | 97.6 |
| Canary Islands | - | 3,207 | 0.0 | 3,207 | 100.0 |
| Joint | 180 | - | - | - | - |
| Liberia | 2 | 25,195 | 0.2 | 26,976 | 93.4 |
| Liechtenstein | 8 | 14,324 | 0.1 | 15,929 | 89.9 |
| Panama | 8 | 20,190 | 0.2 | 149,931 | 13.5 |
| Peru | 1 | 115 | 0.0 | 120 | 95.8 |
| Uruguay | - | 1,243 | 0.0 | 2,960 | 42.0 |
| Vanuatu | - | 500 | 0.0 | 500 | 100.0 |
| Virgin Islands | - | 4,000 | 0.0 | 6,000 | 66.7 |
| TOTAL | 2,330 | 12,064,726 | 100.0 | 23,439,486 | 51.5 |

BREAKDOWN BY COUNTRIES OF FOREIGN CAPITAL COMPANIES

OPERATING IN TURKEY

(As of end of March 1993, TL Million)

| COUNTRIES | Number of Companies | Current Foreign Capital | Share in Total For. Cap. (%) | Companies' Total Capital | For. Cap. As % of Total |
|-------------------------------------|---------------------|-------------------------|------------------------------|--------------------------|-------------------------|
| OECD Countries | 1,486 | 11,605,019 | 89.4 | 21,517,787 | 53.9 |
| - EC Countries | 1,023 | 7,480,494 | 57.6 | 12,846,140 | 58.2 |
| Belgium | 28 | 65,424 | 0.5 | 136,757 | 47.8 |
| Denmark | 19 | 47,726 | 0.4 | 114,557 | 41.7 |
| Germany | 436 | 1,330,231 | 10.2 | 3,444,010 | 38.6 |
| France | 122 | 1,937,951 | 14.9 | 2,750,170 | 70.5 |
| The Netherlands | 102 | 1,526,893 | 11.8 | 205,234 | 74.4 |
| Great Britain | 175 | 1,363,697 | 10.5 | 2,057,679 | 66.3 |
| Ireland | 5 | 13,911 | 0.1 | 33,779 | 41.2 |
| Spain | 13 | 47,670 | 0.4 | 78,778 | 60.5 |
| Italy | 89 | 1,048,585 | 8.1 | 1,902,697 | 55.1 |
| Luxembourg | 15 | 88,838 | 0.7 | 264,080 | 33.6 |
| Portugal | 1 | 402 | 0.0 | 410 | 98.1 |
| Greece | 18 | 9,166 | 0.1 | 10,879 | 84.3 |
| - Other OECD Countries | 463 | 4,124,525 | 31.8 | 8,671,647 | 47.6 |
| USA | 173 | 1,748,082 | 13.5 | 3,400,582 | 51.4 |
| Australia | 5 | 1,569 | 0.0 | 9,350 | 16.8 |
| Austria | 46 | 59,527 | 0.5 | 108,710 | 54.8 |
| Finland | 11 | 18,121 | 0.1 | 35,773 | 50.7 |
| Sweden | 28 | 103,989 | 0.8 | 167,127 | 62.2 |
| Switzerland | 142 | 1,482,084 | 11.4 | 3,470,201 | 42.7 |
| Iceland | 1 | 26,500 | 0.2 | 26,500 | 100.0 |
| Japan | 38 | 511,112 | 3.9 | 952,094 | 53.7 |
| Canada | 11 | 160,631 | 1.2 | 483,956 | 33.2 |
| Norway | 7 | 12,811 | 0.1 | 17,245 | 74.3 |
| New Zeland | 1 | 99 | 0.0 | 109 | 90.8 |
| ISLAMIC COUNTRIES | 563 | 743,574 | 5.7 | 2,106,289 | 35.3 |
| - Middle East Countries | 524 | 614,433 | 4.7 | 1,884,158 | 32.6 |
| United Arab Emirates | 13 | 38,217 | 0.3 | 66,663 | 57.3 |
| Bahrain | 7 | 50,499 | 0.4 | 89,136 | 56.7 |
| Yemen | 3 | 611 | 0.0 | 1,076 | 56.8 |
| Islamic Development Bank | 10 | 17,313 | 0.1 | 372,857 | 4.6 |
| Iraq | 33 | 22,122 | 0.2 | 44,146 | 50.1 |
| Iran | 198 | 74,498 | 0.6 | 81,767 | 91.1 |
| Turkish Rep. Of N. Cyprus | 25 | 35,712 | 0.3 | 45,352 | 78.7 |
| Qatar | 7 | 52,528 | 0.4 | 103,944 | 50.5 |
| Kuwait | 7 | 24,980 | 0.2 | 43,829 | 57.0 |
| Lebanon | 38 | 19,756 | 0.2 | 22,587 | 87.4 |
| Syria | 98 | 29,964 | 0.2 | 64,310 | 46.6 |
| Saudi Arabia | 55 | 241,644 | 1.9 | 939,785 | 25.7 |
| Jordan | 29 | 6,588 | 0.1 | 8,696 | 75.8 |
| - Northern African Countries | 25 | 110,334 | 0.9 | 201,283 | 54.8 |
| Algeria | 2 | 4,088 | 0.0 | 8,110 | 50.4 |
| Morocco | 1 | 150 | 0.0 | 150 | 100.0 |
| Libya | 14 | 96,634 | 0.7 | 180,383 | 53.6 |
| Egypt | 7 | 5,180 | 0.0 | 5,841 | 88.7 |
| Tunisia | 1 | 4,282 | 0.0 | 6,799 | 63.0 |



BREAKDOWN BY COUNTRIES OF FOREIGN CAPITAL COMPANIES

OPERATING IN TURKEY

(As of end of March 1993, TL Million)

| COUNTRIES | Number of Companies | Current Foreign Capital | Share in Total For. Cap. (%) | Companies' Total Capital | For. Cap. As % of Total |
|---|---------------------|-------------------------|------------------------------|--------------------------|-------------------------|
| - Other Islamic Countries | 14 | 18,807 | 0.1 | 20,848 | 90.2 |
| Afghanistan | 2 | 403 | 0.0 | 535 | 75.3 |
| Malaysia | 1 | 525 | 0.0 | 1,500 | 35.0 |
| Pakistan | 1 | 150 | 0.0 | 150 | 100.0 |
| Sudan | 9 | 16,885 | 0.1 | 17,720 | 95.3 |
| EASTERN EUROPEAN COUNT. | 49 | 34,106 | 0.3 | 68,503 | 49.8 |
| - C.I.S. | 28 | 18,970 | 0.2 | 38,851 | 48.8 |
| Azerbaijan | 5 | 4,679 | 0.0 | 8,530 | 54.5 |
| C.I.S. | 1 | 400 | 0.0 | 800 | 50.0 |
| Georgia | 1 | 416 | 0.0 | 850 | 48.9 |
| Russian Federation | 21 | 13,475 | 0.1 | 28,621 | 47.1 |
| - Other Eastern European Countries | 21 | 15,136 | 0.1 | 28,652 | 51.1 |
| Bulgaria | 5 | 2,338 | 0.0 | 5,340 | 43.8 |
| Czechoslovakia | 2 | 2,168 | 0.0 | 2,168 | 100.0 |
| Hungary | 2 | 2,728 | 0.0 | 5,561 | 49.1 |
| Poland | 1 | 900 | 0.0 | 1,000 | 90.0 |
| Romania | 2 | 2,025 | 0.0 | 4,400 | 46.0 |
| Yugoslavia | 9 | 4,977 | 0.0 | 11,183 | 44.5 |
| OTHER COUNTRIES | 265 | 603,116 | 4.6 | 1,898,392 | 31.8 |
| - Southeast Asian Countries | 34 | 134,292 | 1.0 | 411,857 | 32.5 |
| China | 7 | 5,798 | 0.0 | 11,997 | 48.3 |
| South Korea | 8 | 16,423 | 0.1 | 34,085 | 48.2 |
| India | 3 | 1,314 | 0.0 | 1,323 | 99.3 |
| Hong Kong | 7 | 11,138 | 0.1 | 27,917 | 39.9 |
| Singapore | 5 | 94,300 | 0.7 | 313,911 | 30.0 |
| Taiwan | 3 | 3,819 | 0.0 | 21,124 | 18.1 |
| Thailand | 1 | 1,500 | 0.0 | 1,500 | 100.0 |
| - Other Countries | 231 | 468,824 | 3.6 | 1,486,535 | 31.5 |
| Argentina | 1 | 775 | 0.0 | 3,027 | 25.6 |
| Bahamas | - | 5,100 | 0.0 | 6 | 90.0 |
| Bermuda | 3 | 8,469 | 0.1 | 16,219 | 52.2 |
| Brazil | - | 21 | 0.0 | 21 | 100.0 |
| Cayman Islands | 4 | 11,284 | 0.1 | 17,184 | 65.7 |
| Ethiopia | - | 898 | 0.0 | 1,411 | 63.6 |
| IFC | 3 | 81,271 | 0.6 | 931,044 | 8.7 |
| Israel | 16 | 8,126 | 0.1 | 15,233 | 53.3 |
| Jamaica | - | 350 | 0.0 | 350 | 100.0 |
| Jersey Island | 2 | 283,756 | 2.2 | 290,757 | 97.6 |
| Canary Islands | - | 3,207 | 0.0 | 3,207 | 100.0 |
| Joint | 183 | - | - | - | - |
| Liberia | 2 | 25,195 | 0.2 | 26,976 | 93.4 |
| Liechtenstein | 8 | 14,324 | 0.1 | 15,929 | 89.9 |
| Panama | 8 | 20,190 | 0.2 | 149,931 | 13.5 |
| Peru | 1 | 115 | 0.0 | 120 | 95.8 |
| Uruguay | - | 1,243 | 0.0 | 2,960 | 42.0 |
| Vanuatu | - | 500 | 0.0 | 500 | 100.0 |
| Virgin Islands | - | 4,000 | 0.0 | 6,000 | 66.7 |
| TOTAL | 2,363 | 12,986,318 | 100.0 | 25,591,899 | 50.7 |

BREAKDOWN BY SECTORS OF FOREIGN CAPITAL COMPANIES

OPERATING IN TURKEY

(As of end of 1992, TL Million)

| SECTORS | Number of Companies | Current Foreign Capital | Share in Total For. Cap. (%) | Companies' Total Capital | For. Cap. As % of Total |
|-----------------------------------|---------------------|-------------------------|------------------------------|--------------------------|-------------------------|
| Agriculture | 65 | 351,259 | 2.9 | 474,401 | 74.0 |
| Vegetable products | 14 | 86,006 | 0.7 | 90,955 | 94.6 |
| Animal husbandry | 17 | 66,576 | 0.6 | 160,865 | 41.4 |
| Fishery products | 11 | 9,182 | 0.1 | 17,667 | 52.0 |
| Forestry | 2 | 1,988 | 0.0 | 6,160 | 32.3 |
| Agricultural services | 21 | 187,507 | 1.6 | 198,753 | 94.3 |
| Mining | 37 | 168,238 | 1.4 | 217,976 | 77.2 |
| Metal ore mining | 2 | 1,043 | 0.0 | 1,840 | 56.7 |
| Other mining | 35 | 167,195 | 1.4 | 216,136 | 77.4 |
| Manufacturing | 677 | 6,289,198 | 52.1 | 12,988,941 | 48.4 |
| Food | 88 | 654,361 | 5.4 | 1,045,831 | 62.6 |
| Beverages | 3 | 14,549 | 0.1 | 17,213 | 84.5 |
| Tobacco | 8 | 795,663 | 6.6 | 1,000,633 | 79.5 |
| Wearing apparel exc. knitted prd. | 2 | 384 | 0.0 | 390 | 98.5 |
| Textiles | 32 | 84,639 | 0.7 | 236,247 | 35.8 |
| Ready-made garments | 84 | 185,065 | 1.5 | 333,470 | 55.5 |
| Leather & leather products | 16 | 7,146 | 0.1 | 13,325 | 53.6 |
| Shoes | 1 | 3,500 | 0.0 | 7,000 | 50.0 |
| Forestry products | 8 | 93,757 | 0.8 | 182,386 | 51.4 |
| Paper | 11 | 105,539 | 0.9 | 174,636 | 60.4 |
| Printing & publishing | 6 | 76,130 | 0.6 | 83,670 | 91.0 |
| Chemicals | 18 | 192,413 | 1.6 | 305,659 | 63.0 |
| Industrial chemicals | 19 | 175,380 | 1.5 | 276,419 | 63.4 |
| Other chemicals | 42 | 477,973 | 4.0 | 577,786 | 82.7 |
| Other petroleum & coal prd. | 5 | 89,351 | 0.7 | 110,312 | 81.0 |
| Rubber | 1 | 20,128 | 0.2 | 20,750 | 97.0 |
| Plastic | 27 | 227,647 | 1.9 | 289,959 | 78.5 |
| Tyre | 5 | 135,598 | 1.1 | 309,168 | 43.9 |
| Fertilizers | 2 | 11,120 | 0.1 | 20,138 | 55.2 |
| Non metallic mineral prd. | 1 | 49 | 0.0 | 100 | 49.0 |
| Ceramic & cement prd. | 14 | 41,062 | 0.3 | 351,931 | 11.7 |
| Glassware | 8 | 69,880 | 0.6 | 615,571 | 11.4 |
| Cement | 9 | 130,972 | 1.1 | 139,979 | 93.6 |
| Basic metal industry | 2 | 2,316 | 0.0 | 4,116 | 56.3 |
| Iron-steel | 11 | 469,971 | 3.9 | 2,402,100 | 19.6 |
| Non-ferrous metals | 14 | 184,146 | 1.5 | 387,350 | 47.5 |
| Machinery | 8 | 2,993 | 0.0 | 9,459 | 31.6 |
| Fabricated metal products | 30 | 57,302 | 0.5 | 100,515 | 57.0 |
| Non-electrical machinery | 21 | 18,178 | 0.2 | 47,825 | 38.0 |
| Electrical machinery | 44 | 259,380 | 2.1 | 585,561 | 44.3 |
| Electronics | 32 | 478,355 | 4.0 | 701,974 | 68.1 |
| Motor vehicles | 15 | 880,299 | 7.3 | 1,953,915 | 45.1 |
| Motor vehicles ancillary ind. | 32 | 189,644 | 1.6 | 411,641 | 46.1 |
| Measuring & controlling equip. | 11 | 42,376 | 0.4 | 76,553 | 55.4 |
| Aircraft | 45 | 23,680 | 0.2 | 48,326 | 49.0 |
| Other | 45 | 88,252 | 0.7 | 147,036 | 60.0 |



**BREAKDOWN BY SECTORS OF FOREIGN CAPITAL COMPANIES
OPERATING IN TURKEY**

(As of the end of 1992, TL Million)

| SECTORS | Number of Companies | Current Foreign Capital | Share in Total For. Cap. (%) | Companies' Total Capital | For. Cap. As % of Total |
|-------------------------------|---------------------|-------------------------|------------------------------|--------------------------|-------------------------|
| Services | 1,551 | 5,257,331 | 43.6 | 9,759,896 | 53.9 |
| Trade | 867 | 1,007,271 | 8.3 | 1,817,110 | 55.4 |
| Restaurants | 48 | 465,689 | 3.9 | 622,459 | 74.8 |
| Hotels | 205 | 1,103,321 | 9.1 | 2,721,222 | 40.5 |
| Construction | 33 | 30,279 | 0.3 | 55,418 | 54.6 |
| Land transportation | 16 | 2,921 | 0.0 | 5,637 | 51.8 |
| Marine transportation | 15 | 40,106 | 0.3 | 58,318 | 68.8 |
| Air transportation | 39 | 31,263 | 0.3 | 73,687 | 42.4 |
| Other transportation services | 25 | 40,712 | 0.3 | 44,459 | 91.6 |
| Communication | 3 | 970 | 0.0 | 1,850 | 52.4 |
| Banking & other financing | 34 | 1,125,615 | 9.3 | 2,024,297 | 55.6 |
| Financial institutions | 17 | 686,276 | 5.7 | 719,236 | 95.4 |
| Insurance | 27 | 194,770 | 1.6 | 436,936 | 44.6 |
| Leasing | 5 | 29,278 | 0.2 | 40,930 | 71.5 |
| Private education | 6 | 7,563 | 0.1 | 7,810 | 96.8 |
| Research | 5 | 2,079 | 0.0 | 3,190 | 65.2 |
| Health | 8 | 53,739 | 0.4 | 478,250 | 11.2 |
| Other social services | 71 | 171,954 | 1.4 | 213,005 | 80.7 |
| Cinema & entertainment | 1 | 200 | 0.0 | 8,000 | 2.5 |
| Other personel services | 4 | 52,490 | 0.4 | 55,500 | 94.6 |
| Other services | 122 | 210,736 | 1.7 | 375,582 | 56.1 |
| TOTAL | 2,330 | 12,066,026 | 100.0 | 23,441,214 | 51.5 |

Source: ANKA

**BREAKDOWN BY SECTORS OF FOREIGN CAPITAL COMPANIES
OPERATING IN TURKEY**

(As of end of March 1993, TL Million)

| SECTORS | Number of Companies | Current Foreign Capital | Share in Total For. Cap. (%) | Companies' Total Capital | For. Cap. As % of Total |
|-----------------------------------|---------------------|-------------------------|------------------------------|--------------------------|-------------------------|
| Agriculture | 66 | 356,624 | 2.7 | 477,941 | 74.6 |
| Vegetable products | 15 | 91,006 | 0.7 | 95,955 | 94.8 |
| Animal husbandry | 16 | 65,460 | 0.5 | 157,766 | 41.5 |
| Fishery products | 12 | 10,622 | 0.1 | 19,267 | 55.1 |
| Forestry | 2 | 1,988 | 0.0 | 6,160 | 32.3 |
| Agricultural services | 21 | 187,548 | 1.4 | 198,793 | 94.3 |
| Mining | 37 | 225,012 | 1.7 | 277,978 | 80.9 |
| Metal mining | 2 | 1,043 | 0.0 | 1,840 | 56.7 |
| Other mining | 35 | 223,969 | 1.7 | 276,138 | 81.1 |
| Manufacturing | 685 | 7,116,914 | 54.8 | 14,534,341 | 49.0 |
| Food | 91 | 712,395 | 5.5 | 1,119,615 | 63.6 |
| Beverages | 3 | 14,549 | 0.1 | 17,213 | 84.5 |
| Tobacco | 8 | 796,015 | 6.1 | 1,000,633 | 79.6 |
| Textiles | 3 | 1,184 | 0.0 | 1,390 | 85.2 |
| Wearing apparel exc. knitted prd. | 33 | 55,845 | 0.4 | 153,794 | 36.3 |
| Ready-made garments | 84 | 225,854 | 1.7 | 449,939 | 50.2 |
| Leather & leather products | 16 | 11,636 | 0.1 | 17,725 | 65.6 |
| Shoes | 1 | 3,500 | 0.0 | 7,000 | 50.0 |
| Forestry products | 7 | 93,459 | 0.7 | 181,766 | 51.4 |
| Paper | 11 | 105,539 | 0.8 | 174,636 | 60.4 |
| Printing & publishing | 6 | 76,130 | 0.6 | 83,670 | 91.0 |
| Chemicals | 18 | 192,513 | 1.5 | 305,859 | 62.9 |
| Industrial chemicals | 20 | 177,156 | 1.4 | 278,269 | 63.7 |
| Other chemicals | 42 | 592,953 | 4.6 | 800,785 | 74.0 |
| Other petroleum & coal prd. | 5 | 89,351 | 0.7 | 110,312 | 81.0 |
| Rubber | 1 | 20,128 | 0.2 | 20,750 | 97.0 |
| Plastic | 27 | 227,963 | 1.8 | 300,223 | 75.9 |
| Tyre | 5 | 135,598 | 1.0 | 309,168 | 43.9 |
| Fertilizers | 3 | 12,995 | 0.1 | 23,885 | 54.4 |
| Non metallic mineral prd. | 1 | 49 | 0.0 | 100 | 49.0 |
| Ceramic & cement prd. | 13 | 40,214 | 0.3 | 368,711 | 10.9 |
| Glass | 8 | 69,880 | 0.5 | 615,571 | 11.4 |
| Cement | 9 | 202,304 | 1.6 | 211,479 | 95.7 |
| Basic metal industry | 3 | 15,001 | 0.1 | 26,316 | 57.0 |
| Iron-steel | 11 | 474,603 | 3.7 | 2,413,680 | 19.7 |
| Non-ferrous metals | 13 | 176,319 | 1.4 | 373,650 | 47.2 |
| Machinery | 8 | 2,993 | 0.0 | 9,459 | 31.6 |
| Fabricated metal products | 30 | 57,972 | 0.4 | 100,515 | 57.7 |
| Non-electrical machinery | 21 | 18,178 | 0.1 | 47,825 | 38.0 |
| Electrical machinery | 45 | 316,437 | 2.4 | 758,235 | 41.7 |
| Electronics | 33 | 518,553 | 4.0 | 816,629 | 63.5 |
| Motor vehicles | 16 | 992,858 | 7.6 | 2,135,415 | 46.5 |
| Motor vehicles ancillary ind. | 32 | 340,948 | 2.6 | 620,098 | 55.0 |
| Measuring & controlling equip. | 11 | 42,376 | 0.3 | 76,553 | 55.4 |
| Aircraft | 2 | 213,616 | 1.6 | 435,951 | 49.0 |
| Other | 45 | 89,823 | 0.7 | 167,521 | 53.6 |

**BREAKDOWN BY SECTORS OF FOREIGN CAPITAL COMPANIES
OPERATING IN TURKEY**

(As of end of March 1993, TL Million)

| SECTORS | Number of Companies | Current Foreign Capital | Share in Total For. Cap. (%) | Companies' Total Capital | For. Cap. As % of Total |
|-------------------------------|---------------------|-------------------------|------------------------------|--------------------------|-------------------------|
| Services | 1,575 | 5,287,769 | 40.7 | 10,301,639 | 51.3 |
| Trade | 890 | 669,752 | 5.2 | 1,105,650 | 60.6 |
| Restaurants | 43 | 539,404 | 4.2 | 695,794 | 77.5 |
| Hotels | 211 | 1,148,665 | 8.8 | 2,918,818 | 39.4 |
| Construction | 36 | 32,419 | 0.2 | 58,668 | 55.3 |
| Land transportation | 16 | 2,921 | 0.0 | 5,637 | 51.8 |
| Marine transportation | 16 | 40,226 | 0.3 | 58,440 | 68.8 |
| Air transportation | 37 | 31,088 | 0.2 | 73,512 | 42.3 |
| Other transportation services | 22 | 15,474 | 0.1 | 18,475 | 83.8 |
| Communication | 3 | 970 | 0.0 | 1,850 | 52.4 |
| Banking & other financing | 34 | 1,144,564 | 8.8 | 2,207,466 | 51.8 |
| Financial institutions | 17 | 696,566 | 5.4 | 729,526 | 95.5 |
| Insurance | 26 | 199,260 | 1.5 | 434,436 | 45.9 |
| Leasing | 3 | 17,675 | 0.1 | 29,320 | 60.3 |
| Private education | 6 | 7,563 | 0.1 | 7,810 | 96.8 |
| Research | 5 | 2,079 | 0.0 | 3,190 | 65.2 |
| Health | 8 | 58,974 | 0.5 | 864,330 | 6.8 |
| Other social services | 70 | 192,279 | 1.5 | 243,963 | 78.8 |
| Cinema & entertainment | 1 | 299 | 0.0 | 8 | 3,737.5 |
| Other personel services | 7 | 203,589 | 1.6 | 343,100 | 59.3 |
| Other services | 124 | 284,001 | 2.2 | 493,554 | 57.5 |
| TOTAL | 2,363 | 12,986,318 | 100.0 | 25,591,899 | 50.7 |

Source: ANKA

| EXCHANGE RATES | | | | | | | |
|-----------------------|--------------|----------|------------------|-----------------|----------------|------------------|-----------------|
| (Monthly Average, TL) | | | | | | | |
| | US Dollar | Sterling | Deutsche Mark | French Franc | Swiss Franc | Belgian Franc | Japanese Yen |
| 1990 | | | | | | | |
| January | 2,328.5 | 3,840.7 | 1,376.7 | 404.6 | 1,536.1 | 65.7 | 16.1 |
| February | 2,377.6 | 4,029.4 | 1,417.0 | 417.5 | 1,596.5 | 67.9 | 16.4 |
| March | 2,452.7 | 3,992.8 | 1,439.4 | 426.6 | 1,625.7 | 69.4 | 16.1 |
| April | 2,502.7 | 4,100.0 | 1,482.0 | 441.4 | 1,677.7 | 71.7 | 15.8 |
| May | 2,547.5 | 4,274.4 | 1,533.1 | 455.0 | 1,795.6 | 74.4 | 16.6 |
| June | 2,626.4 | 4,480.8 | 1,557.9 | 463.2 | 1,841.2 | 75.8 | 17.1 |
| July | 2,662.2 | 4,777.8 | 1,617.8 | 482.5 | 1,904.2 | 78.7 | 17.8 |
| August | 2,677.3 | 5,088.3 | 1,704.0 | 508.4 | 2,046.5 | 83.0 | 18.2 |
| September | 2,715.8 | 5,106.5 | 1,729.6 | 516.6 | 2,080.2 | 84.2 | 19.5 |
| October | 2,739.7 | 5,327.3 | 1,795.3 | 536.6 | 2,139.1 | 87.3 | 21.1 |
| November | 2,773.8 | 5,449.3 | 1,865.3 | 554.7 | 2,208.9 | 90.5 | 21.6 |
| December | 2,871.1 | 5,522.7 | 1,914.6 | 564.2 | 2,241.2 | 92.6 | 21.5 |
| 1991 | | | | | | | |
| January | 2,987.7 | 5,773.9 | 1,978.1 | 582.7 | 2,349.1 | 96.1 | 18.2 |
| February | 3,131.4 | 6,161.8 | 2,117.5 | 622.4 | 2,476.6 | 102.9 | 24.0 |
| March | 3,527.0 | 6,452.8 | 2,199.9 | 646.7 | 2,549.3 | 106.8 | 25.8 |
| April | 3,826.8 | 6,650.5 | 2,229.8 | 659.9 | 2,640.2 | 108.5 | 27.7 |
| May | 3,983.5 | 6,861.1 | 2,313.6 | 683.0 | 2,733.0 | 112.5 | 28.8 |
| June | 4,227.0 | 6,986.4 | 2,373.9 | 700.0 | 2,772.2 | 115.4 | 30.3 |
| July | 4,373.1 | 7,215.9 | 2,446.7 | 721.2 | 2,825.3 | 118.9 | 31.7 |
| August | 4,507.8 | 7,587.8 | 2,584.3 | 760.7 | 2,962.7 | 125.6 | 33.0 |
| September | 4,647.4 | 7,994.6 | 2,729.7 | 802.6 | 3,123.0 | 132.6 | 34.5 |
| October | 4,842.9 | 8,345.3 | 2,865.8 | 841.0 | 3,277.4 | 139.2 | 37.1 |
| November | 4,946.4 | 8,781.2 | 3,040.7 | 890.1 | 3,438.7 | 147.6 | 38.1 |
| December | 5,049.3 | 9,230.1 | 3,230.5 | 945.6 | 3,647.2 | 156.8 | 39.4 |
| 1992 | | | | | | | |
| January | 5,306.8 | 9,625.0 | 3,373.1 | 988.7 | 3,795.4 | 163.8 | 42.3 |
| February | 5,659.6 | 10,072.9 | 3,502.1 | 1,028.5 | 3,897.1 | 170.1 | 44.5 |
| March | 6,091.1 | 10,507.6 | 3,667.7 | 1,079.2 | 4,042.5 | 178.0 | 45.9 |
| April | 6,414.4 | 11,254.4 | 3,887.9 | 1,149.3 | 4,224.1 | 189.0 | 48.0 |
| May | 6,707.7 | 12,119.7 | 4,126.4 | 1,227.6 | 4,429.2 | 200.6 | 51.3 |
| June | 6,878.5 | 12,736.0 | 4,365.3 | 1,296.8 | 4,813.7 | 212.2 | 54.2 |
| July | 6,939.2 | 13,321.9 | 4,653.0 | 1,379.1 | 5,197.6 | 225.8 | 55.2 |
| August | 7,087.8 | 13,736.3 | 4,876.5 | 1,438.6 | 5,448.3 | 236.8 | 56.1 |
| September | 7,274.3 | 13,512.0 | 5,023.1 | 1,475.8 | 5,698.5 | 243.6 | 59.2 |
| October | 7,570.6 | 12,609.8 | 5,130.0 | 1,512.3 | 5,786.6 | 249.0 | 62.6 |
| November | 8,110.1 | 12,421.9 | 5,121.3 | 1,513.9 | 5,692.8 | 249.0 | 65.5 |
| December | 8,345.1 | 12,946.6 | 5,275.5 | 1,547.5 | 5,869.5 | 256.7 | 67.2 |
| 1993 | | | | | | | |
| January | 8,699.0 | 13,289.9 | 5,379.5 | 1,586.0 | 5,885.3 | 261.4 | 69.6 |
| February | 9,047.6 | 13,048.2 | 5,518.2 | 1,629.5 | 5,971.4 | 267.7 | 75.5 |
| March | 9,391.2 | 13,736.3 | 5,698.9 | 1,676.1 | 6,182.3 | 276.7 | 80.4 |
| April | 9,547.6 | 14,713.3 | 5,982.1 | 1,764.4 | 6,521.0 | 290.0 | 84.9 |

Source: SPO, Central Bank

| FOREIGN DEBTS | | | | |
|----------------------------------|--------|--------|--------|--------|
| (\$ Million) | | | | |
| | 1989 | 1990 | 1991 | 1992* |
| TOTAL DEBT | 41,751 | 49,035 | 50,489 | 54,706 |
| A. BY MATURITY | | | | |
| 1. Medium & Long-term | 36,006 | 39,535 | 41,372 | 42,046 |
| 2. Short-term | 5,745 | 9,500 | 9,117 | 12,660 |
| B. BY BORROWERS | | | | |
| 1. Medium & Long-term | 36,006 | 39,535 | 41,372 | 42,046 |
| a. Consolidated Budget | 21,213 | 22,660 | 25,143 | 25,470 |
| Direct Borrowing | 12,230 | 13,219 | 14,599 | 15,826 |
| Annexed Budget | 3,333 | 3,646 | 3,458 | 3,007 |
| Onlending | 5,650 | 6,795 | 7,086 | 6,636 |
| b. Other Public Sector | 13,187 | 14,077 | 13,977 | 13,750 |
| Central Bank | 6,975 | 7,321 | 6,530 | 6,150 |
| SEE's | 4,392 | 4,785 | 5,185 | 5,057 |
| Local Administration | 998 | 1,032 | 1,159 | 1,701 |
| Extra Budgetary Funds | 822 | 939 | 1,103 | 842 |
| c. Private Sector | 1,606 | 1,798 | 2,252 | 2,826 |
| 2. Short-term | 5,745 | 9,500 | 9,117 | 12,660 |
| Central Bank | 799 | 855 | 557 | 572 |
| Deposit Banks | 3,118 | 5,373 | 5,216 | 7,157 |
| Other Sectors | 1,828 | 3,272 | 3,344 | 4,931 |
| C. BY CREDITORS | | | | |
| 1. Medium & Long-term | 36,006 | 39,535 | 42,046 | 42,046 |
| Multilateral Agencies | 8,740 | 9,564 | 10,069 | 8,891 |
| Bilateral Lenders | 11,431 | 12,984 | 14,587 | 15,207 |
| Commercial Banks | 10,269 | 10,720 | 10,992 | 12,167 |
| Private Creditors | 5,566 | 6,267 | 5,724 | 5,781 |
| 2. Short-term | 5,745 | 9,500 | 9,117 | 12,660 |
| Commercial Banks | 1,841 | 3,845 | 4,144 | 6,490 |
| Private Creditors | 3,904 | 5,655 | 4,973 | 6,170 |
| D. BY TYPE OF LOANS | | | | |
| 1. Medium & Long-term | 36,006 | 39,535 | 41,372 | 42,046 |
| Project-program Loans | 18,929 | 21,116 | 22,815 | 22,069 |
| Euro Currency Loans | 10,269 | 10,720 | 10,992 | 12,167 |
| Rescheduled Debts | 66 | 12 | 11 | 10 |
| CTLD's | 0 | 0 | 0 | 0 |
| Banker's Credits | 0 | 0 | 0 | 0 |
| NGTA's | 66 | 12 | 11 | 10 |
| Private Sector | 6,742 | 7,687 | 7,554 | 7,800 |
| 2. Short-term | 5,745 | 9,500 | 9,117 | 12,660 |
| a. Credits | 2,950 | 5,524 | 6,134 | 10,065 |
| Banker's Credits | 35 | 51 | 0 | 0 |
| Overdrafts | 30 | 24 | 3 | 2 |
| Acceptance Credits | 891 | 1,386 | 1,504 | 2,630 |
| Pre-Export Financing | 218 | 146 | 486 | 945 |
| Foreign Exchange Loans | 1,776 | 3,833 | 4,141 | 6,488 |
| b. Deposits | 2,795 | 2,983 | 2,983 | 2,595 |
| Foreign Exchange Deposits Ac. | 2,061 | 2,429 | 2,429 | 2,025 |
| Dresdner Bank | 733 | 553 | 553 | 569 |
| CTDL's | 1 | 1 | 1 | 1 |

* Provisional

Source: Undersecretariat of Treasury and Foreign Trade

**STATISTICAL ANNEX
FOR
CHAPTER III**

| REALIZATION OF THE CONSOLIDATED BUDGET BALANCE (TL Billion) | | | | | |
|--|---------|------------------------|----------------------|-------------|---------|
| | 1991(1) | 1992(2) Provisional | 1993(3) Programme | Changes (%) | |
| | | | | (2/1) | (3/2) |
| Revenues | | | | | |
| Direct Taxes | 96,747 | 179,449 | 344,400 | 85.5 | 91.9 |
| Indirect Taxes | 41,094 | 71,613 | 119,000 | 74.3 | 66.2 |
| Non-tax Revenues | 37,692 | 70,255 | 124,600 | 86.4 | 77.4 |
| Grants | 8,723 | 31,939 | 979,000 | 266.1 | 2,965.2 |
| Annexed Budget | 8,434 | 1,700 | 900 | -79.8 | -47.1 |
| | 947 | 3,942 | 2,000 | 316.3 | -49.3 |
| Expenditures | | | | | |
| Personnel | 130,263 | 223,055 | 397,614 | 71.2 | 78.3 |
| Other Current | 49,291 | 93,088 | 145,000 | 88.9 | 55.8 |
| Investment | 11,112 | 20,014 | 34,726 | 80.1 | 73.5 |
| Interest Payments | 17,146 | 32,186 | 46,238 | 87.7 | 43.7 |
| Transfer to SEEs | 24065 | 40,298 | 73,000 | 67.5 | 81.2 |
| Other Transfers | 12,443 | 8,170 | 19,400 | -34.3 | 137.5 |
| Budget Balance | 14,495 | 29,299 | 79,250 | 102.1 | 170.5 |
| Cash Balance | -33,516 | -43,606 | -53,214 | 30.1 | 22.0 |
| Financing | -33,426 | -55,623 | -53,214 | 66.4 | -4.3 |
| Foreign Borrowing, Net | 33,426 | 55,623 | 53,214 | 66.4 | -4.3 |
| Domestic Borrowing, Net | 1,921 | 3,933 | 1,310 | 104.7 | -66.7 |
| Short Term Borrowing | 2,279 | 15,408 | 49,000 | 576.1 | 218.0 |
| Other | 23,509 | 41,389 | 2,904 | 76.1 | -93.0 |
| | 4,228 | 5,107 | - | 20.8 | - |

Source : Undersecretariat of Treasury and Foreign Trade

| | | MAIN MONETARY INDICATORS | | | | | | |
|------------------------------|--|--------------------------|---------|---------|---------|-------------------|-------|--------|
| | | TL Billion | | | | Percentage Change | | |
| | | 1990 | 1991 | 1992 | 1993 | 1991 | 1992 | 1993** |
| Banknotes Issued | | 14,265 | 20,707 | 35,033 | 40,897 | 45.2 | 69.2 | 16.7 |
| Reserve Money | | 23,967 | 36,069 | 60,276 | 69,724 | 50.5 | 67.1 | 15.7 |
| Money Supply (M1) | | 29,326 | 42,116 | 70,521 | 74,552 | 43.6 | 67.4 | 5.7 |
| Money Supply (M2) | | 70,707 | 113,566 | 182,988 | 207,150 | 60.6 | 61.1 | 13.2 |
| Central Bank Credit (Direct) | | 4,526 | 17,671 | 37,419 | 44,153 | 290.4 | 111.8 | 18.0 |
| Deposit Banks' Credits | | 51,385 | 78,663 | 140,427 | 185,220 | 53.1 | 78.5 | 31.9 |
| Total Credit Stock*** | | 61,746 | 106,605 | 192,081 | 245,723 | 72.7 | 80.2 | 27.9 |
| Total Deposit | | 61,395 | 100,161 | 160,244 | 181,482 | 63.1 | 60.0 | 13.3 |
| Sight | | 19,851 | 28,607 | 47,566 | 48,552 | 44.1 | 66.3 | 2.1 |
| Time | | 41,244 | 71,554 | 112,678 | 143,422 | 73.5 | 57.5 | 27.3 |
| Wholesale Prices' Index* | | - | - | - | - | 59.2 | 61.4 | 53.3 |
| Consumer Prices' Index* | | - | - | - | - | 71.1 | 66.0 | 58.0 |

* Percentage change (annual averages)

** As of April 9

***Included Investment and Development Bank Credits

Source: Central Bank

| DISTRIBUTION OF DEPOSIT BANK CREDITS BY ECONOMIC SECTORS | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| (Percentages) | | | | | | | | | |
| | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
| Agriculture | 16.9 | 17.2 | 15.9 | 18.4 | 19.9 | 19.9 | 20.0 | 18.0 | 17.2 |
| Industry | 27.2 | 31.2 | 25.7 | 22.8 | 18.6 | 14.3 | 12.8 | 12.5 | 13.1 |
| Small Artisans | 5.3 | 4.6 | 4.7 | 4.3 | 4.2 | 4.0 | 3.9 | 3.5 | 3.3 |
| Construction | 7.9 | 10.6 | 13.6 | 16.8 | 18.1 | 15.0 | 13.2 | 10.0 | 9.8 |
| Tourism | 0.2 | 0.1 | 0.1 | 0.0 | 1.1 | 1.2 | 1.3 | 1.2 | 1.1 |
| Foreign Trade | 22.4 | 17.4 | 19.8 | 14.7 | 14.0 | 16.0 | 15.4 | 20.4 | 20.9 |
| Domestic Trade | 17.5 | 15.0 | 20.6 | 21.5 | 21.8 | 26.0 | 29.8 | 30.1 | 30.2 |
| Other Financial Institutions | 0.6 | 0.3 | 0.2 | 0.0 | 0.6 | 2.1 | 0.9 | 1.1 | 1.1 |
| Undistributed | 2.0 | 3.6 | 1.4 | 1.5 | 1.7 | 1.5 | 2.7 | 3.2 | 3.3 |
| TOTAL | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

DISTRIBUTION OF CENTRAL BANK CREDITS BY ECONOMIC SECTORS

| DISTRIBUTION OF CENTRAL BANK CREDITS BY ECONOMIC SECTORS | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| (Percentages) | | | | | | | | | |
| | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
| Advances to Treasury | 60.0 | 61.1 | 59.7 | 40.9 | 40.5 | 38.3 | 44.0 | 59.2 | 66.1 |
| Agricultural Support | 5.2 | 9.5 | 11.8 | 22.2 | 21.0 | 19.7 | 18.9 | 23.6 | 20.3 |
| Agriculture | 3.7 | 3.5 | 2.7 | 13.4 | 13.5 | 13.8 | 11.2 | 5.3 | 5.9 |
| Industry | 21.9 | 19.8 | 20.7 | 18.0 | 16.3 | 17.6 | 13.3 | 4.2 | 2.6 |
| Small Trader's and Artisans | 0.8 | 2.1 | 1.6 | 4.5 | 1.1 | 1.2 | 1.4 | 0.6 | 0.4 |
| Export | 3.8 | 0.5 | 0.0 | 1.6 | 6.7 | 8.7 | 2.8 | 0.0 | 0.0 |
| Trade | 2.0 | 1.9 | 1.8 | 1.1 | 0.3 | 0.1 | 8.5 | 6.9 | 4.6 |
| Other | 0.6 | 1.5 | 1.6 | 0.9 | 0.5 | 0.6 | 0.0 | 0.0 | 0.0 |
| TOTAL | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: SIS

WHOLESALE PRICE INDICES

(1987=100)

| | General | Changes (%) | Agriculture | Changes (%) | Mining | Changes (%) | Manufacturing | Changes (%) | Energy | Changes (%) |
|-----------|---------|-------------|-------------|-------------|---------|-------------|---------------|-------------|---------|-------------|
| 1990 | 425.7 | 51.6 | 421.9 | 47.8 | 402.5 | 61.3 | 430.8 | 48.5 | 373.1 | 45.1 |
| January | 355.3 | 4.4 | 344.7 | 8.3 | 335.5 | 3.2 | 362.0 | 3.3 | 313.1 | 6.9 |
| June | 408.5 | 1.5 | 423.3 | 0.5 | 356.2 | 2.2 | 407.4 | 1.7 | 376.4 | 2.0 |
| December | 505.6 | 2.5 | 470.6 | 4.6 | 524.3 | 2.3 | 520.7 | 1.9 | 425.1 | 3.5 |
| 1991 | 661.4 | 59.2 | 636.4 | 68.9 | 657.1 | 56.3 | 669.1 | 55.1 | 653.2 | 84.6 |
| January | 528.8 | 4.6 | 494.0 | 5.0 | 511.9 | -2.4 | 540.6 | 3.8 | 517.6 | 21.8 |
| February | 556.6 | 5.3 | 555.0 | 12.3 | 524.5 | 2.5 | 558.8 | 3.4 | 529.6 | 2.3 |
| March | 583.6 | 4.9 | 598.6 | 7.8 | 574.0 | 9.4 | 580.7 | 3.9 | 542.8 | 2.5 |
| April | 615.0 | 5.4 | 651.6 | 8.9 | 597.7 | 4.1 | 606.6 | 4.5 | 554.3 | 2.1 |
| May | 632.9 | 2.9 | 619.5 | -4.9 | 614.7 | 2.8 | 638.9 | 5.3 | 603.0 | 8.8 |
| June | 641.5 | 1.4 | 607.8 | -1.9 | 626.4 | 1.9 | 652.9 | 2.2 | 632.4 | 4.9 |
| July | 655.9 | 2.2 | 596.6 | -1.8 | 653.9 | 4.4 | 675.1 | 3.4 | 647.7 | 2.4 |
| August | 686.9 | 4.7 | 611.4 | 2.5 | 690.6 | 5.6 | 707.3 | 4.8 | 727.8 | 12.4 |
| September | 717.0 | 4.4 | 655.6 | 7.2 | 716.7 | 3.8 | 733.8 | 7.5 | 747.1 | 2.7 |
| October | 742.2 | 3.5 | 693.0 | 5.7 | 756.3 | 5.5 | 755.2 | 5.6 | 766.4 | 2.6 |
| November | 770.8 | 3.8 | 759.1 | 9.5 | 798.9 | 5.6 | 771.7 | 2.6 | 784.9 | 2.4 |
| December | 805.0 | 4.4 | 795.0 | 4.7 | 819.4 | 2.6 | 807.8 | 4.7 | 784.9 | 0.0 |
| 1992 | 1,071.2 | 61.4 | 1,035.6 | 49.3 | 1,050.8 | 57.1 | 1,068.4 | 63.4 | 1,291.6 | 94.6 |
| January | 893.8 | 11.0 | 915.8 | 15.2 | 861.1 | 5.1 | 872.4 | 8.0 | 1,097.1 | 39.8 |
| February | 940.7 | 5.2 | 1,063.7 | 16.1 | 872.4 | 1.3 | 888.9 | 1.9 | 1,120.3 | 2.1 |
| March | 981.0 | 4.3 | 1,168.9 | 9.9 | 890.1 | 2.0 | 909.7 | 2.3 | 1,147.8 | 2.5 |
| April | 1,002.5 | 2.2 | 1,160.0 | -0.8 | 900.5 | 1.2 | 941.4 | 3.5 | 1,174.3 | 2.3 |
| May | 1,009.5 | 0.7 | 1,050.1 | -9.5 | 960.7 | 6.7 | 983.1 | 4.4 | 1,211.9 | 3.2 |
| June | 1,012.0 | 0.2 | 935.4 | -10.5 | 1,016.7 | 5.9 | 1,019.7 | 3.7 | 1,254.7 | 3.5 |
| July | 1,030.6 | 1.8 | 854.8 | -8.6 | 1,111.0 | 9.3 | 1,065.9 | 5.2 | 1,305.6 | 4.0 |
| August | 1,080.4 | 4.8 | 903.2 | 5.7 | 1,134.6 | 2.1 | 1,174.4 | 4.8 | 1,346.0 | 3.1 |
| September | 1,148.1 | 6.3 | 994.2 | 10.1 | 1,155.4 | 1.8 | 1,180.2 | 5.6 | 1,395.7 | 3.7 |
| October | 1,211.8 | 5.5 | 1,069.1 | 7.5 | 1,201.3 | 4.0 | 1,242.1 | 5.2 | 1,438.0 | 3.0 |
| November | 1,254.1 | 3.5 | 1,125.0 | 5.2 | 1,249.2 | 4.0 | 1,279.9 | 3.0 | 1,480.8 | 3.0 |
| December | 1,289.3 | 3.6 | 1,186.6 | 5.5 | 1,286.8 | 3.0 | 1,320.0 | 3.1 | 1,527.1 | 3.1 |
| 1993 | | 22.2 | | 34.5 | | 19.1 | | 18.1 | | 32.1 |
| January | 1,364.8 | 5.0 | 1,279.6 | 7.8 | 1,297.3 | 0.8 | 1,365.9 | 3.5 | 1,792.2 | 17.4 |
| February | 1,436.0 | 5.2 | 1,438.6 | 12.4 | 1,384.5 | 6.7 | 1,409.3 | 3.2 | 1,841.0 | 2.7 |
| March | 1,504.3 | 4.8 | 1,602.2 | 11.4 | 1,455.0 | 5.1 | 1,447.4 | 2.7 | 1,897.3 | 3.1 |
| April | 1,543.6 | 2.6 | 1,660.7 | 3.6 | 1,498.0 | 3.0 | 1,479.4 | 2.2 | 1,956.3 | 3.1 |
| May | 1,588.0 | 2.9 | 1,595.5 | -3.9 | 1,532.1 | 2.3 | 1,558.5 | 5.3 | 2,016.7 | 3.0 |

Source: Ministry of Finance and Custom

SECURITIES OUTSTANDING

(TL Billion)

| | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993* |
|-----------------------|----------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|
| Private Sector | 2,099.6 | 3,839.9 | 7,993.2 | 16,076.5 | 34,484.1 | 51,600.4 | 54,664.4 |
| Shares | 1,614.0 | 3,132.0 | 6,727.0 | 14,476.0 | 32,304.1 | 49,139.4 | 52,271.1 |
| Corporate Bonds | 436.3 | 539.4 | 776.0 | 1,391.9 | 1,655.6 | 1,704.7 | 1,706.9 |
| Finance Bills | 49.3 | 168.5 | 490.2 | 208.6 | 524.4 | 756.3 | 686.4 |
| Public Sector | 5,360.6 | 8,407.3 | 15,485.2 | 25,369.9 | 44,718.7 | 121,596.4 | 162,871.4 |
| Government Bonds | 2,407.2 | 4,880.3 | 10,862.8 | 18,801.2 | 24,697.2 | 73,109.8 | 81,502.8 |
| Treasury Bills | 1,923.3 | 2,541.9 | 3,537.3 | 5,468.6 | 18,258.1 | 42,246.7 | 75,128.7 |
| Rev. Sharing Cert. | 630.0 | 585.0 | 685.0 | 800.0 | 100.0 | 0.0 | 0.0 |
| For. Ex. Ind. B. | 400.0 | 400.0 | 400.0 | 300.0 | 1,663.4 | 6,239.9 | 6,239.9 |
| GRAND TOTAL | 7,460.2 | 12,247.0 | 23,478.4 | 41,446.4 | 79,202.8 | 173,196.8 | 217,535.8 |

* January - March

Source: Capital Market Board - Monthly Bulletin

ISTANBUL STOCK EXCHANGE SHARE INDEX

| MONTHS | 1989 | 1990 | 1991 | 1992 | 1993 |
|-----------|---------|---------|---------|---------|---------|
| January | 379.7 | 3,641.3 | 4,213.5 | 4,926.2 | 4,383.0 |
| February | 487.1 | 3,516.1 | 5,102.6 | 3,664.4 | 5,923.6 |
| March | 465.9 | 3,294.3 | 4,520.0 | 4,076.6 | 5,864.2 |
| April | 533.6 | 3,308.2 | 3,554.3 | 3,686.4 | 7,807.6 |
| May | 654.0 | 3,852.1 | 3,626.4 | 3,297.4 | 8,375.8 |
| June | 795.9 | 4,133.0 | 3,587.4 | 4,407.2 | |
| July | 701.4 | 5,384.5 | 3,041.4 | 4,264.1 | |
| August | 876.0 | 4,939.2 | 3,301.3 | 4,157.8 | |
| September | 1,475.3 | 5,085.2 | 2,937.6 | 3,976.4 | |
| October | 1,664.0 | 4,570.4 | 2,746.8 | 4,004.8 | |
| November | 1,507.5 | 3,257.0 | 4,058.5 | 3,786.2 | |
| December | 2,217.7 | 3,255.8 | 4,369.2 | 4,004.2 | |

Source: ISE

TRANSACTIONS VOLUMES OF VARIOUS SECURITIES

(TL Billion)

| | S | CB | GB | TB | BB | RSC | FB | FEIB | HC | ABS | TOTAL |
|--------------|-----------------|-----------------|------------------|------------------|--------------|-----------------|----------------|-----------------|-------------|---------|------------------|
| 1991 | | | | | | | | | | | |
| January | 1,650.3 | 771.2 | 9,461.1 | 6,258.7 | 6.0 | 864.4 | 35.9 | 126.6 | 2.1 | | 19,176.3 |
| February | 4,063.9 | 686.8 | 8,970.5 | 5,160.8 | 6.0 | 14.0 | 29.1 | 113.6 | 7.7 | | 19,052.4 |
| March | 2,785.2 | 783.8 | 9,055.8 | 7,319.0 | 7.5 | 36.4 | 28.5 | 174.4 | 2.5 | | 20,193.1 |
| April | 1,405.6 | 743.2 | 9,937.7 | 5,416.4 | 4.6 | 4.8 | 20.8 | 289.3 | 1.8 | | 17,824.2 |
| May | 3,046.4 | 1,151.3 | 13,523.5 | 14,168.3 | 13.8 | 19.5 | 30.1 | 230.3 | 4.3 | | 32,187.5 |
| June | 1,808.3 | 875.3 | 15,627.4 | 11,311.7 | 12.4 | 196.8 | 29.3 | 166.0 | 1.5 | | 30,028.7 |
| July | 2,636.5 | 1,135.4 | 18,256.0 | 14,612.6 | 3.1 | 70.4 | 34.0 | 621.2 | 3.0 | | 37,372.2 |
| August | 3,674.4 | 1,040.5 | 11,348.1 | 12,488.3 | 8.7 | 16.7 | 33.5 | 289.6 | 3.5 | | 28,903.3 |
| September | 1,960.5 | 1,210.0 | 10,686.7 | 11,928.6 | 7.0 | 9.6 | 65.5 | 186.8 | 3.2 | | 26,057.9 |
| October | 1,905.7 | 1,413.3 | 11,215.0 | 13,948.9 | 21.4 | 1.8 | 83.0 | 138.0 | 4.3 | | 28,731.4 |
| November | 4,944.5 | 1,400.5 | 13,270.4 | 13,308.2 | 6.6 | 10.5 | 76.1 | 176.4 | 4.5 | | 33,197.7 |
| December | 5,893.7 | 1,217.6 | 10,828.5 | 15,843.8 | 49.6 | 657.9 | 47.0 | 315.8 | 7.8 | | 34,861.7 |
| Total | 35,775.0 | 12,428.9 | 142,180.7 | 131,765.3 | 146.7 | 1,902.8 | 512.8 | 2,828.0 | 46.2 | | 327,586.4 |
| 1992 | | | | | | | | | | | |
| January | 7,489.3 | 991.7 | 10,590.8 | 15,516.4 | 19.4 | 261.3 | 26.4 | 576.9 | 2.1 | | 35,474.3 |
| February | 5,562.7 | 1,019.3 | 10,825.8 | 14,289.2 | 18.8 | 312.6 | 36.8 | 761.2 | 1.5 | | 32,827.9 |
| March | 5,858.3 | 1,110.3 | 11,155.8 | 17,749.7 | 29.9 | 540.3 | 72.2 | 862.1 | 3.6 | | 37,382.2 |
| April | 3,825.4 | 894.8 | 11,078.9 | 19,338.7 | 26.6 | 529.3 | 72.4 | 955.1 | 2.1 | | 36,723.3 |
| May | 3,108.2 | 780.1 | 13,624.8 | 22,029.8 | 75.2 | 1,397.4 | 368.3 | 633.1 | 2.6 | | 42,019.5 |
| June | 5,076.3 | 883.9 | 13,577.1 | 28,520.6 | 35.7 | 750.2 | 105.1 | 925.7 | 2.0 | | 49,876.6 |
| July | 6,635.3 | 772.8 | 17,551.8 | 36,630.4 | 58.2 | 1,076.3 | 121.8 | 407.3 | 2.1 | 83.1 | 63,256.0 |
| August | 3,508.2 | 752.2 | 18,065.5 | 34,226.2 | 11.7 | 978.4 | 115.4 | 375.3 | 5.8 | 947.4 | 58,121.8 |
| September | 4,708.9 | 1,077.8 | 17,095.7 | 42,085.8 | 34.1 | 1,911.5 | 57.3 | 18.8 | 6.1 | 239.1 | 67,943.4 |
| October | 2,427.8 | 943.0 | 23,318.1 | 35,123.2 | 55.8 | 1,053.9 | 49.3 | 1,011.9 | 4.0 | 103.2 | 64,226.1 |
| November | 3,223.5 | 999.9 | 27,187.9 | 49,787.6 | 49.7 | 2,460.5 | 42.1 | 1,087.1 | 1.8 | 872.1 | 84,943.3 |
| December | 4,979.6 | 1,075.9 | 34,927.6 | 60,384.8 | 2.0 | 2,411.9 | 72.5 | 3,661.4 | 0.6 | 2,244.9 | 108,388.4 |
| Total | 56,403.5 | 11,301.7 | 208,999.8 | 375,682.4 | 417.1 | 13,683.6 | 1,139.6 | 11,275.9 | 34.3 | | 681,182.8 |
| 1993 | | | | | | | | | | | |
| January | 4,660.9 | 675.3 | 33,411.1 | 58,182.1 | 2.5 | 2,996.2 | 53.4 | 881.3 | 0.0 | 436.1 | 101,298.9 |
| February | 11,178.7 | 895.9 | 25,095.1 | 59,281.8 | 1.5 | 8,430.2 | 31.3 | 125.9 | 0.0 | 684.1 | 105,724.6 |
| March | 6,749.2 | 419.9 | 25,634.9 | 74,292.9 | 100.4 | 521.6 | 7.4 | 2,071.2 | 1.5 | 780.7 | 110,579.8 |

S: Shares

BB: Bank Bills-Bank Guaranteed Bills

HC: Housing Certificates

CB: Corporate Bonds

RSC: Revenue Sharing Certificates

ABS: Asset Backed Securities

GB: Government Bonds

FB: Finance Bills

FEIB: Foreign Exchange Indexed Bonds

TB: Treasury Bills

Source: Capital Market Board-March 1992, Monthly Bulletin

HISTORICAL STATISTICS

| PER CAPITA GNP | | | | | | |
|----------------|---------------------------------|------------------------------------|----------|-------------|-------------------------------|---------------------|
| (1968-1991) | | | | | | |
| YEARS | Population Mid-Year (000) | At Current Producers' Prices | At US \$ | Changes (%) | At 1987 Constant Prices | Real Changes (%) |
| 1970 | 35,321 | 5,715 | 523 | -7.7 | 949,913 | 2.2 |
| 1971 | 36,215 | 7,007 | 463 | -11.6 | 994,543 | 4.7 |
| 1972 | 37,132 | 8,259 | 578 | 24.8 | 1,063,241 | 6.9 |
| 1973 | 38,072 | 10,219 | 716 | 23.9 | 1,089,753 | 2.5 |
| 1974 | 39,036 | 13,756 | 978 | 36.7 | 1,101,652 | 1.1 |
| 1975 | 40,078 | 16,943 | 1,164 | 18.9 | 1,140,778 | 3.6 |
| 1976 | 40,915 | 20,875 | 1,291 | 10.9 | 1,221,714 | 7.1 |
| 1977 | 41,768 | 26,446 | 1,462 | 13.2 | 1,233,009 | 0.9 |
| 1978 | 42,640 | 38,724 | 1,572 | 7.5 | 1,224,880 | -0.7 |
| 1979 | 43,530 | 64,694 | 1,837 | 16.9 | 1,191,830 | -2.7 |
| 1980 | 44,438 | 120,663 | 1,556 | -15.3 | 1,140,436 | -4.3 |
| 1981 | 45,540 | 176,551 | 1,574 | 1.1 | 1,172,097 | 2.8 |
| 1982 | 46,688 | 229,169 | 1,387 | -11.9 | 1,185,985 | 1.2 |
| 1983 | 47,864 | 294,814 | 1,280 | -7.7 | 1,209,691 | 2.0 |
| 1984 | 49,070 | 462,932 | 1,234 | -3.6 | 1,271,681 | 5.1 |
| 1985 | 50,306 | 715,117 | 1,353 | 9.6 | 1,295,851 | 1.9 |
| 1986 | 51,433 | 1,012,259 | 1,487 | 9.9 | 1,362,790 | 5.2 |
| 1987 | 52,561 | 1,446,574 | 1,658 | 11.5 | 1,446,574 | 6.1 |
| 1988 | 53,715 | 2,436,209 | 1,706 | 2.9 | 1,435,529 | -0.8 |
| 1989 | 54,893 | 4,245,888 | 1,986 | 16.4 | 1,436,716 | 0.1 |
| 1990 | 56,098 | 7,047,220 | 2,675 | 34.7 | 1,535,619 | 6.9 |
| 1991 | 57,326 | 10,860,046 | 2,571 | -3.9 | 1,509,504 | -1.7 |
| 1992 | 58,584 | 18,300,455 | 2,622 | 2.0 | 1,564,785 | 3.7 |

Source : SIS

| GENERAL EQUILIBRIUM OF THE ECONOMY (In Current Prices, TL Billion) | | | | | | | | | | |
|---|--------|--------|--------|--------|---------|---------|---------|---------|---------|--|
| | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | |
| GNP | 18,375 | 27,789 | 39,177 | 58,391 | 100,154 | 170,633 | 287,254 | 453,206 | 774,319 | |
| Foreign Balance | 513 | 525 | 1,023 | 840 | -2,129 | -2,049 | 6,810 | -1,072 | 8,500 | |
| Total Resources | 18,888 | 28,314 | 40,200 | 59,231 | 98,025 | 168,585 | 294,064 | 452,135 | 782,819 | |
| Total Investment | 3,550 | 5,796 | 9,655 | 14,823 | 24,047 | 38,138 | 74,883 | 100,530 | 163,487 | |
| Fixed Capital Investment | 3,286 | 5,554 | 9,121 | 14,101 | 24,166 | 38,304 | 64,580 | 102,393 | 167,590 | |
| Public | 1,776 | 3,228 | 5,299 | 7,558 | 11,510 | 17,351 | 28,097 | 47,030 | 77,712 | |
| Private | 1,510 | 2,326 | 3,821 | 6,543 | 12,656 | 20,953 | 36,484 | 55,363 | 89,878 | |
| Stock Changes | 263 | 242 | 534 | 723 | -119 | -167 | 10,303 | -1,863 | -4,103 | |
| Public | 2 | -48 | 43 | 233 | -520 | -464 | 65,780 | 673 | -15,620 | |
| Private | 261 | 289 | 491 | 490 | 401 | 297 | 3,723 | -2,535 | 11,517 | |
| Total Consumption | 15,339 | 22,513 | 30,545 | 44,408 | 73,979 | 130,447 | 219,181 | 351,604 | 619,332 | |
| Public Disposable Income | 2,953 | 5,044 | 7,600 | 10,149 | 17,546 | 30,257 | 53,234 | 75,303 | 124,964 | |
| Public Consumption | 1,648 | 2,368 | 3,553 | 5,323 | 8,815 | 19,395 | 39,962 | 72,175 | 129,555 | |
| Public Savings | 1,304 | 2,676 | 4,047 | 4,826 | 8,731 | 10,862 | 13,272 | 3,129 | -4,592 | |
| Public Investment | 1,777 | 3,181 | 5,343 | 7,790 | 10,990 | 16,887 | 34,676 | 47,703 | 62,091 | |
| Public Investment-Savings Gap | -473 | -505 | -1,295 | -2,964 | -2,260 | -6,025 | -21,404 | -44,575 | -66,683 | |
| Private Disposable Income | 15,422 | 22,745 | 31,577 | 48,242 | 82,609 | 140,376 | 234,019 | 377,903 | 649,355 | |
| Private Consumption | 13,691 | 20,150 | 26,993 | 39,085 | 65,164 | 111,052 | 179,219 | 279,430 | 489,777 | |
| Private Savings | 1,732 | 2,595 | 4,584 | 9,157 | 17,445 | 29,324 | 54,800 | 98,474 | 159,578 | |
| Private Investment | 1,772 | 2,615 | 4,312 | 7,033 | 13,057 | 21,251 | 40,206 | 52,827 | 101,395 | |
| Private Investment-Savings Gap | -40 | -20 | 272 | 2,124 | 4,388 | 8,074 | 14,595 | 45,646 | 58,183 | |
| Private Savings Ratio | 11 | 11 | 15 | 19 | 21 | 21 | 23 | 26 | 25 | |
| Total Domestic Savings | 3,036 | 5,271 | 8,632 | 13,983 | 26,176 | 40,186 | 68,073 | 101,602 | 154,987 | |
| Fixed Capital Investment/GNP | 18 | 20 | 23 | 24 | 24 | 22 | 23 | 23 | 22 | |
| Domestic Savings/GNP | 17 | 19 | 22 | 24 | 26 | 24 | 24 | 22 | 20 | |

Source: SPO

| GROSS NATIONAL PRODUCT | | | | |
|---|---------------|---------------|---------------|-----------------|
| (In Current Prices, TL Million) | | | | |
| | 1989 | 1990 | 1991 | 1992 |
| Agriculture | 38,302,414.5 | 71,174,161.7 | 97,201,530.0 | 163,430,779.9 |
| Agriculture and Livestock | 35,455,586.9 | 66,298,570.1 | 90,872,893.7 | 149,315,648.9 |
| Forestry | 1,890,657.0 | 2,619,911.0 | 3,356,826.1 | 9,055,017.5 |
| Fishing | 956,170.6 | 2,255,680.6 | 2,971,810.2 | 5,060,113.5 |
| Industry | 62,017,285.7 | 98,948,874.3 | 160,863,436.3 | 274,613,434.0 |
| Mining | 5,047,348.5 | 7,468,524.1 | 11,629,312.8 | 17,805,719.1 |
| Manufacturing | 52,561,488.7 | 84,287,891.7 | 136,381,873.2 | 230,244,771.4 |
| Electricity, Gas and Water | 4,408,448.5 | 7,192,458.5 | 12,852,250.3 | 26,562,943.5 |
| Construction | 15,740,940.2 | 24,397,585.5 | 41,552,722.7 | 68,864,549.8 |
| Trade | 45,253,850.2 | 76,438,845.5 | 117,121,992.8 | 202,484,448.5 |
| Transportation and Communication | 27,942,872.8 | 47,781,203.9 | 76,188,594.1 | 133,350,215.2 |
| Financial Institutions | 6,498,931.4 | 12,659,531.3 | 26,059,835.1 | 46,249,323.3 |
| Ownership of Dwellings | 8,390,268.6 | 13,218,396.4 | 23,227,599.8 | 41,215,523.6 |
| Business and Personal Services | 5,159,119.8 | 8,714,829.5 | 13,726,835.9 | 23,486,695.9 |
| (Less) Imputed Bank Service Charges | 2,561,645.8 | 9,838,059.4 | 23,281,981.7 | 48,160,551.9 |
| Sectoral Total | 206,744,037.4 | 343,495,368.7 | 532,660,565.0 | 905,534,418.3 |
| Government Services | 15,535,058.0 | 32,804,587.0 | 61,050,573.0 | 111,841,009.0 |
| Total | 223,169,654.0 | 377,820,730.6 | 596,042,890.0 | 1,020,928,822.3 |
| Import Duties | 6,853,998.7 | 13,396,841.2 | 22,206,002.2 | 40,713,146.3 |
| GDP (In Purchasers' Value) | 230,023,652.7 | 391,217,571.8 | 618,248,892.2 | 1,061,641,968.6 |
| Net Factor Income From The Rest Of The World | 3,045,929.0 | 4,117,576.9 | 4,314,167.1 | 10,471,873.6 |
| GNP (In Purchasers' Value) | 233,069,581.7 | 395,334,948.7 | 622,563,028.7 | 1,072,113,842.2 |

Source: SIS

| SAVINGS AND DISPOSABLE INCOMES AS PERCENTAGES OF GNP | | | | | | | | | | |
|--|----------------------|----------------------------|----------------|----------------------|---------------------------|------------------|------------------|------------------|------------------|--|
| YEARS | Pr.Dis.Inc. / GNP | Pr.Savings /PR.DIS.INC. | Pr.Sav/ GNP | Pub.Dis.Inc./ GNP | Pub.Sav./ Pub.Dis.Inc. | Pub.Sav./ GNP | Dom.Sav./ GNP | For.Sav./ GNP | Tot.Sav./ GNP | |
| 1968 | 79.5 | 11.7 | 9.3 | 20.5 | 43.3 | 8.9 | 18.2 | 1.8 | 20.0 | |
| 1969 | 79.3 | 12.3 | 9.7 | 20.7 | 42.9 | 8.9 | 18.6 | 1.5 | 20.1 | |
| 1970 | 79.6 | 12.6 | 10.0 | 20.4 | 41.5 | 8.5 | 18.5 | 1.3 | 19.8 | |
| 1971 | 79.5 | 13.2 | 10.3 | 20.5 | 36.8 | 7.5 | 17.8 | 0.8 | 18.6 | |
| 1972 | 79.4 | 11.7 | 9.3 | 20.6 | 43.6 | 9.0 | 18.3 | 0.0 | 18.3 | |
| 1968/1972 | 79.5 | 12.3 | 9.8 | 20.5 | 41.5 | 8.6 | 18.3 | 1.3 | 19.6 | |
| 1973 | 79.3 | 14.3 | 11.4 | 20.7 | 42.5 | 8.8 | 20.2 | 2.1 | 18.1 | |
| 1974 | 81.7 | 12.5 | 10.2 | 18.7 | 40.1 | 7.4 | 17.4 | 2.3 | 19.7 | |
| 1975 | 79.0 | 11.1 | 8.8 | 20.9 | 42.9 | 8.9 | 17.7 | 5.2 | 22.9 | |
| 1976 | 78.6 | 12.0 | 9.4 | 20.6 | 39.2 | 8.1 | 17.5 | 5.6 | 23.1 | |
| 1977 | 79.0 | 13.8 | 10.8 | 21.1 | 29.7 | 6.8 | 17.0 | 7.0 | 24.0 | |
| 1973/1977 | 79.3 | 12.7 | 10.1 | 20.3 | 38.8 | 7.9 | 18.0 | 3.6 | 21.6 | |
| 1978 | 81.3 | 14.7 | 13.0 | 18.7 | 34.9 | 6.7 | 19.8 | 2.7 | 22.5 | |
| 1979 | 84.0 | 20.6 | 17.2 | 15.3 | 16.3 | 2.6 | 19.7 | 2.0 | 21.7 | |
| 1980 | 82.5 | 12.9 | 10.6 | 17.5 | 30.0 | 5.2 | 15.8 | 5.5 | 21.3 | |
| 1981 | 80.6 | 12.2 | 9.8 | 19.3 | 44.7 | 8.6 | 18.4 | 3.2 | 21.9 | |
| 1982 | 80.3 | 12.3 | 9.8 | 19.7 | 45.3 | 8.9 | 18.7 | 1.7 | 20.4 | |
| 1978/1982 | 81.8 | 14.5 | 12.1 | 18.2 | 34.2 | 6.4 | 18.5 | 3.0 | 22.5 | |
| 1983 | 81.5 | 9.4 | 7.7 | 18.5 | 44.9 | 8.3 | 16.0 | 3.5 | 19.5 | |
| 1984 | 83.6 | 9.1 | 9.2 | 16.4 | 46.3 | 7.6 | 16.8 | 2.8 | 19.6 | |
| 1985 | 82.3 | 11.4 | 9.4 | 17.7 | 52.4 | 9.2 | 18.6 | 1.9 | 20.5 | |
| 1986 | 80.6 | 14.5 | 11.7 | 19.4 | 53.2 | 10.3 | 22.0 | 4.1 | 26.1 | |
| 1987 | 82.6 | 19.0 | 15.7 | 17.4 | 47.5 | 8.2 | 24.0 | 1.4 | 25.4 | |
| 1983/1987 | 82.1 | 12.7 | 10.7 | 17.9 | 48.8 | 8.7 | 19.5 | 2.7 | 22.2 | |
| 1988 | 82.5 | 21.1 | 17.4 | 17.5 | 49.7 | 8.7 | 25.7 | 2.1 | 26.1 | |
| 1989 | 82.3 | 20.9 | 17.2 | 17.7 | 35.9 | 6.4 | 23.6 | -0.1 | 22.3 | |
| 1990 | 81.5 | 23.4 | 19.1 | 18.5 | 24.9 | 4.6 | 23.7 | 2.4 | 26.1 | |
| 1991 | 83.4 | 26.1 | 21.7 | 16.6 | 4.3 | 0.7 | 22.4 | -0.2 | 22.2 | |
| 1992 | 83.9 | 24.6 | 20.6 | 16.1 | -3.7 | -0.6 | 20.0 | 1.1 | 21.1 | |
| 1988/1992 | 82.7 | 23.2 | 19.2 | 17.3 | 22.2 | 4.0 | 23.1 | 1.1 | 23.6 | |

**RELATIVE SHARES OF THE PUBLIC & PRIVATE SECTOR IN TOTAL
FIXED CAPITAL INVESTMENT**

| YEARS | Total Fixed Investment | Public Fixed Investment | | Private Fixed Investment | |
|-------|------------------------|-------------------------|-----------|--------------------------|-----------|
| | | TL Billion | Share (%) | TL Billion | Share (%) |
| 1976 | 146 | 75 | 51.5 | 71 | 48.5 |
| 1977 | 195 | 108 | 55.4 | 87 | 44.6 |
| 1978 | 280 | 135 | 48.2 | 145 | 51.8 |
| 1979 | 479 | 238 | 49.7 | 241 | 50.3 |
| 1980 | 864 | 482 | 55.8 | 382 | 44.2 |
| 1981 | 1,254 | 780 | 62.2 | 474 | 37.8 |
| 1982 | 1,664 | 1,023 | 61.5 | 641 | 38.5 |
| 1983 | 2,182 | 1,226 | 56.2 | 956 | 43.8 |
| 1984 | 3,286 | 1,776 | 54.0 | 1,510 | 46.0 |
| 1985 | 5,555 | 3,228 | 58.1 | 2,326 | 41.9 |
| 1986 | 9,115 | 5,258 | 57.7 | 3,856 | 42.3 |
| 1987 | 14,128 | 7,558 | 53.5 | 6,571 | 46.5 |
| 1988 | 24,182 | 11,494 | 47.5 | 12,688 | 52.5 |
| 1989 | 38,159 | 17,356 | 45.5 | 20,803 | 54.5 |
| 1990 | 64,580 | 28,097 | 43.5 | 36,483 | 56.5 |
| 1991 | 102,393 | 47,030 | 45.9 | 55,363 | 54.1 |
| 1992 | 167,590 | 77,712 | 46.4 | 89,878 | 53.6 |

Source: SPO

PRIVATE INVESTMENT IN HOUSING

| YEARS | Investments in Housing (TL Million) | GNP (TL Billion) | As Percentage of GNP (%) |
|-------|-------------------------------------|------------------|--------------------------|
| 1978 | 68 | 1,291 | 5.2 |
| 1979 | 135 | 2,200 | 6.1 |
| 1980 | 187 | 4,435 | 4.2 |
| 1981 | 145 | 6,554 | 2.2 |
| 1982 | 195 | 8,735 | 2.2 |
| 1983 | 263 | 11,552 | 2.3 |
| 1984 | 415 | 18,375 | 2.3 |
| 1985 | 745 | 27,789 | 2.7 |
| 1986 | 1,356 | 39,310 | 3.4 |
| 1987 | 2,857 | 58,390 | 4.9 |
| 1988 | 6,349 | 100,582 | 6.3 |
| 1989 | 10,732 | 170,412 | 6.3 |
| 1990 | 16,123 | 287,254 | 5.6 |
| 1991 | 22,513 | 453,206 | 5.0 |
| 1992 | 37,659 | 774,319 | 4.9 |

Source: SPO

| NEW CONSTRUCTION (Construction Licences) | | | | | |
|---|--------------|------------------------|----------------|--------------------------|----------------|
| YEARS | TL Million | Square Metres (000) | Chain Index | Cost Per Square Metre | Chain Index |
| 1980 | 249,539.7 | 28,422.4 | 83.4 | 8,780.0 | 390.1 |
| 1981 | 209,336.5 | 19,884.3 | 70.0 | 10,528.0 | 119.9 |
| 1982 | 288,052.0 | 21,728.7 | 109.3 | 13,257.0 | 125.9 |
| 1983 | 485,336.4 | 25,554.9 | 117.6 | 18,992.0 | 143.3 |
| 1984 | 799,095.0 | 28,888.6 | 113.1 | 27,661.0 | 145.7 |
| 1985 | 1,615,191.0 | 37,251.0 | 129.0 | 43,360.0 | 156.8 |
| 1986 | 3,881,419.0 | 55,624.0 | 149.3 | 69,780.0 | 160.9 |
| 1987 | 6,668,935.6 | 70,912.1 | 127.5 | 94,045.0 | 134.8 |
| 1988 | 12,174,500.0 | 67,861.3 | 95.7 | 179,403.0 | 190.8 |
| 1989 | 17,232,579.0 | 62,923.9 | 92.7 | 273,864.0 | 152.7 |
| 1990 | 26,077,451.0 | 60,083.0 | 95.5 | 434,023.8 | 158.5 |
| 1991 | 44,625,972.0 | 61,459.6 | 102.3 | 726,102.5 | 167.3 |
| 1992 | 86,954,256.0 | 72,836.0 | 118.5 | 1,193,836.2 | 164.4 |

Source: SIS

| NEW CONSTRUCTION (Occupancy Permits) | | | | | |
|---|--------------|------------------------|----------------|--------------------------|----------------|
| YEARS | TL Million | Square Metres (000) | Chain Index | Cost Per Square Metre | Chain Index |
| 1980 | 145,303.5 | 17,835.1 | 114.1 | 8,147.0 | 158.7 |
| 1981 | 166,449.9 | 15,469.9 | 86.7 | 1,076.0 | 132.1 |
| 1982 | 210,283.6 | 15,945.1 | 103.1 | 13,188.0 | 122.6 |
| 1983 | 297,300.0 | 15,931.0 | 103.0 | 18,662.0 | 173.4 |
| 1984 | 445,820.0 | 15,882.0 | 99.7 | 28,071.0 | 150.4 |
| 1985 | 675,054.0 | 15,489.0 | 97.5 | 43,583.0 | 155.3 |
| 1986 | 1,524,261.0 | 22,295.0 | 143.9 | 68,368.0 | 156.9 |
| 1987 | 2,421,119.3 | 26,385.6 | 118.4 | 91,759.0 | 134.2 |
| 1988 | 5,131,898.3 | 28,777.4 | 109.1 | 178,331.0 | 194.4 |
| 1989 | 9,761,683.0 | 35,588.1 | 123.7 | 274,296.0 | 153.8 |
| 1990 | 14,542,782.0 | 33,322.6 | 93.6 | 436,424.0 | 159.1 |
| 1991 | 23,518,047.0 | 32,595.1 | 97.8 | 721,522.0 | 165.3 |
| 1992 | 45,111,971.0 | 37,751.0 | 115.8 | 1,194,986.5 | 165.6 |

Source: SIS

| AGRICULTURAL PRODUCTION | | | | | | | | | | | | |
|-------------------------|--------|--------|--------|--------|-------|--------|--------|--------|--------|--------|--------|--------|
| (000 Tonnes) | | | | | | | | | | | | |
| | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
| Cereals | | | | | | | | | | | | |
| Wheat | 17,000 | 17,500 | 16,400 | 17,200 | 1,700 | 19,000 | 18,900 | 21 | 16 | 20,000 | 20,400 | 19,300 |
| Barley | 5,900 | 6,400 | 5,425 | 6,500 | 6,500 | 7,000 | 6,900 | 8 | 5 | 7,300 | 7,800 | 6,900 |
| Maize | 1,200 | 1,360 | 1,480 | 1,500 | 1,900 | 2,300 | 2,400 | 2 | 2 | 2,100 | 2,180 | 2,100 |
| Rye | 530 | 430 | 380 | 360 | 360 | 350 | 380 | 263 | 191 | 240 | 256 | 225 |
| Other | 780 | 841 | 807 | 754 | 733 | - | - | - | 546 | 600 | 455 | 465 |
| Pulses | 868 | 1,222 | 1,363 | 1,287 | 1,457 | 1,900 | 2,120 | 2,080 | 1,453 | 1,950 | 1,751 | 1,678 |
| Industrial Crops | | | | | | | | | | | | |
| Sugar Beet | 11,165 | 12,732 | 12,770 | 11,100 | 9,830 | 10,662 | 12,717 | 11,534 | 10,929 | 13,986 | 15,474 | 14,800 |
| Tobacco | 168 | 210 | 229 | 178 | 170 | 1,584 | 182 | 313 | 270 | 296 | 228 | 320 |
| Cotton | 488 | 488 | 520 | 542 | 577 | 1,408 | 1,450 | 1,500 | 1,580 | 1,650 | 1,540 | 1,635 |
| Oilseeds | 1,656 | 1,507 | 1,690 | 1,746 | 1,961 | 1,190 | 1,430 | 2360 | 1,361 | 1,085 | 970 | 1,103 |
| Fruit and Nuts | | | | | | | | | | | | |
| Grapes | 3,700 | 3,650 | 3,400 | 3,300 | 3,300 | 3,000 | 3,300 | 3,350 | 5,430 | 3,500 | 3,600 | 3,460 |
| Figs | 250 | 280 | 330 | 330 | 340 | 370 | 355 | 350 | 279 | 300 | 314 | 300 |
| Hazelnuts | 350 | 220 | 392 | 300 | 180 | 300 | 280 | 403 | 550 | 375 | 315 | 520 |
| Citrus Fruit | 1,225 | 1,235 | 1,299 | 1,299 | 996 | 1,360 | 1,310 | 1,410 | 1,411 | 1,437 | 1,649 | 1,610 |

Source : SIS & SPO

| AGRICULTURAL PRODUCTION INDEX | | | | | | | | | | | | |
|-------------------------------|-------|--------|-------|----------|--------|---------|-------|----------------|--------|-----------|--------|-------|
| (1983=100) | | | | | | | | | | | | |
| YEARS | Wheat | Barley | Rice | Potatoes | Cotton | Tobacco | Sugar | Sunflower Seed | Olives | Hazelnuts | Grapes | Figs |
| 1971 | 82.3 | 76.9 | 92.6 | 68.9 | 100.0 | 75.9 | 46.6 | 65.0 | 81.6 | 42.4 | 113.3 | 59.1 |
| 1972 | 74.4 | 68.6 | 64.6 | 72.1 | 104.1 | 78.5 | 46.2 | 78.3 | 254.8 | 48.5 | 101.0 | 65.4 |
| 1973 | 61.0 | 53.4 | 84.2 | 72.1 | 98.2 | 65.1 | 39.9 | 78.3 | 83.1 | 64.0 | 98.4 | 57.6 |
| 1974 | 67.1 | 61.4 | 79.3 | 74.6 | 114.6 | 88.9 | 44.7 | 58.7 | 210.0 | 62.3 | 98.4 | 47.4 |
| 1975 | 89.9 | 83.0 | 79.3 | 81.6 | 91.9 | 87.3 | 54.4 | 68.2 | 140.3 | 80.9 | 95.4 | 53.0 |
| 1976 | 100.6 | 90.3 | 83.7 | 93.4 | 90.9 | 141.5 | 73.6 | 76.9 | 274.4 | 62.5 | 90.6 | 56.9 |
| 1977 | 101.5 | 87.6 | 87.3 | 91.8 | 110.1 | 108.3 | 70.4 | 63.6 | 100.0 | 74.0 | 93.5 | 53.0 |
| 1978 | 101.8 | 87.6 | 100.6 | 90.1 | 91.0 | 127.7 | 69.2 | 67.8 | 275.0 | 79.1 | 102.8 | 56.0 |
| 1979 | 106.7 | 96.6 | 119.1 | 94.1 | 91.2 | 94.6 | 68.6 | 82.5 | 107.5 | 76.5 | 102.9 | 60.6 |
| 1980 | 100.6 | 97.7 | 75.7 | 98.4 | 95.8 | 99.5 | 53.0 | 104.9 | 337.5 | 63.8 | 105.8 | 62.1 |
| 1981 | 103.7 | 108.7 | 104.8 | 98.4 | 93.5 | 73.4 | 87.4 | 80.4 | 100.0 | 89.3 | 108.8 | 75.7 |
| 1982 | 106.7 | 117.9 | 111.1 | 98.4 | 93.6 | 90.8 | 99.7 | 83.9 | 330.0 | 56.1 | 107.3 | 84.8 |
| 1983 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 1984 | 104.9 | 119.8 | 88.9 | 104.9 | 111.1 | 75.9 | 87.0 | 99.3 | 200.0 | 75.9 | 97.1 | 100.0 |
| 1985 | 103.7 | 119.8 | 85.7 | 134.4 | 99.2 | 72.9 | 77.0 | 111.9 | 150.0 | 45.6 | 97.1 | 103.0 |
| 1986 | 115.9 | 129.0 | 87.3 | 131.1 | 99.2 | 67.8 | 83.5 | 131.5 | 252.5 | 75.9 | 88.2 | 112.1 |
| 1987 | 115.2 | 127.2 | 88.9 | 137.7 | 102.8 | 79.0 | 99.6 | 153.8 | 150.0 | 70.9 | 97.1 | 107.6 |
| 1988 | 125.0 | 138.2 | 83.6 | 142.6 | 124.5 | 93.7 | 90.3 | 160.8 | 275.0 | 101.9 | 98.5 | 106.1 |
| 1989 | 98.8 | 82.9 | 104.8 | 133.1 | 118.2 | 76.0 | 85.6 | 174.8 | 125.0 | 115.4 | 100.9 | 84.5 |
| 1990 | 122.0 | 134.6 | 73.0 | 141.0 | 125.5 | 126.5 | 109.5 | 120.3 | 275.0 | 94.9 | 102.9 | 90.6 |
| 1991 | 124.4 | 143.8 | 63.5 | 150.8 | 103.2 | 100.0 | 121.2 | 111.9 | 160.0 | 79.7 | 105.9 | 95.2 |
| 1992 | 117.7 | 127.2 | 71.4 | 147.5 | 115.9 | 136.7 | 115.9 | 125.9 | 250 | 131.6 | 105.9 | 95.2 |

Source: Ministry Finance and Customs

PRODUCTION OF MAJOR INDUSTRIAL COMMODITIES

| | Volume | | | | | Change (%) | | | |
|--------------------------------------|---------|---------|---------|---------|---------|------------|-------|-------|------|
| | 1988 | 1989 | 1990 | 1991 | 1992 | 1989 | 1990 | 1991 | 1992 |
| Mining | | | | | | | | | |
| Hard Coal (Th.Tons) | 6,688 | 6,259 | 5,604 | 5,210 | 4,791 | -6.4 | -10.5 | -7.0 | -8.0 |
| Lignite (Th.Tons) | 39,025 | 51,863 | 45,826 | 44,511 | 49,847 | 32.9 | -11.6 | -2.9 | 12.0 |
| Crude Petroleum (Th.Tons) | 2,565 | 2,877 | 3,720 | 4,520 | 4,296 | 12.2 | 29.3 | 21.5 | -5.0 |
| Manufacturing | | | | | | | | | |
| Cotton Yarn (Tons) | 49,916 | 42,138 | 44,858 | 47,366 | 47,177 | -15.6 | 6.5 | 5.6 | -0.4 |
| Wool Yarn (Tons) | 4,338 | 3,958 | 4,378 | 4,001 | 3,739 | -8.8 | 10.6 | -8.6 | -6.5 |
| Filtered Cigarette (Tons) | 55,598 | 56,450 | 56,480 | 67,740 | 61,602 | 1.5 | 0.1 | 19.9 | -9.1 |
| Raki and Beer (Tons) | 322 | 375 | 432 | 480 | 543 | 16.5 | 15.2 | 11.1 | 13.1 |
| News print (Th. Tons) | 107 | 135 | 166 | 96 | 119 | 26.2 | 23.0 | -42.2 | 24.0 |
| Kraft Paper (Th.Tons) | 83 | 95 | 103 | 88 | 88 | 14.5 | 8.4 | -14.6 | 0.0 |
| Sulfuric Acid (Th.Tons) | 732 | 617 | 716 | 532 | 642 | -15.7 | 16.0 | -25.7 | 20.7 |
| Nitrogen Based Fer.(Th.Tons) | 4,018 | 2,806 | 3,035 | 2,559 | 3,081 | -30.2 | 8.2 | -15.7 | 20.4 |
| Phosphate Based Fer.(Th.Tons) | 3,822 | 2,796 | 3,175 | 2,406 | 3,255 | -26.8 | 13.6 | -24.2 | 35.3 |
| Polyethylen (Tons) | 232,515 | 234,032 | 235,599 | 256,001 | 260,571 | 0.7 | 0.7 | 8.7 | 1.8 |
| PVC (Tons) | 130,829 | 129,454 | 136,655 | 131,638 | 150,453 | -1.1 | 5.6 | -3.7 | 14.3 |
| LPG (Th.Tons) | 706 | 684 | 692 | 709 | 709 | -3.1 | 1.2 | 2.5 | 0.0 |
| Naphta (Th. Tons) | 1,830 | 1,582 | 1,525 | 1,140 | 1,242 | -13.6 | -3.6 | -25.2 | 8.9 |
| Gasoline (Th.Tons) | 2,504 | 2,582 | 2,855 | 2,772 | 2,946 | 3.1 | 10.6 | -2.9 | 6.3 |
| Motor Oil (Th.Tons) | 6,559 | 6,170 | 6,548 | 6,332 | 6,565 | -5.9 | 6.1 | -3.3 | 3.7 |
| Fuel-Oil (4,5,6) (Th.Tons) | 8,993 | 8,007 | 8,243 | 8,444 | 8,441 | -11.0 | 2.9 | 2.4 | -0.0 |
| Bottles and Glass Articles (Th.Tons) | 312 | 334 | 377 | 358 | 422 | 7.1 | 12.9 | -5.0 | 17.9 |
| Crude Iron (Th.Tons) | 4,462 | 3,523 | 4,827 | 4,594 | 4,508 | -21.0 | 37.0 | -4.8 | -1.9 |
| Steel Ingot (Th.Tons) | 8,009 | 7,854 | 9,413 | 9,398 | 10,343 | -1.9 | 19.8 | -0.2 | 10.1 |
| Blistered Copper (Tons) | 12,910 | 21,306 | 18,840 | 28,380 | 29,980 | 65.0 | -11.6 | 50.6 | 5.6 |
| Alumina (Tons) | 181,662 | 200,560 | 177,915 | 159,091 | 156,474 | 10.4 | -11.3 | -10.6 | -1.6 |
| Cement (Th.Tons) | 22,675 | 23,800 | 24,416 | 26,037 | 28,552 | 5.0 | 2.6 | 6.6 | 9.7 |
| Tractor (No.) | 31,327 | 19,602 | 30,739 | 21,964 | 23,012 | -37.4 | 56.8 | -28.5 | 4.8 |
| Automobile (No.) | 120,796 | 118,095 | 166,222 | 195,599 | 265,090 | -2.2 | 40.8 | 17.7 | 35.5 |
| Truck (No.) | 12,766 | 11,581 | 16,679 | 16,906 | 20,743 | -9.3 | 44.0 | 1.4 | 22.7 |
| Bus and Minibus (No.) | 8,913 | 8,846 | 14,331 | 15,584 | 19,302 | -0.8 | 62.0 | 8.7 | 23.9 |
| Energy | | | | | | | | | |
| Electrical Energy (Mil.Kwh) | 48,049 | 52,043 | 57,542 | 57,713 | 66,983 | 8.3 | 10.6 | 0.3 | 16.1 |

Source: SPO,SIS

PRODUCTION GROWTH RATE INDEX IN MANUFACTURING SECTOR

(Change Over the Previous Year's Same Quarter)

| | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
|---|-------|-------|--------|--------|-------|--------|-------|
| Food-Beverages-Tobacco | | | | | | | |
| I. Quarter | 4.23 | 11.40 | 14.20 | 2.50 | 5.5 | 0.90 | 4.80 |
| II. Quarter | 9.17 | 15.30 | 3.40 | 10.30 | 3.6 | -1.50 | 10.20 |
| III. Quarter | 1.15 | 5.40 | 11.10 | 11.70 | -5.2 | 11.20 | 2.40 |
| IV. Quarter | 14.62 | 14.90 | -8.40 | 6.40 | 1.9 | 1.00 | -0.60 |
| Textiles-Clothing-Leather | | | | | | | |
| I. Quarter | 27.73 | 0.20 | 30.50 | -14.20 | 7.5 | -6.30 | 4.50 |
| II. Quarter | 25.32 | 10.30 | 12.40 | -5.50 | 3.6 | -11.30 | 4.40 |
| III. Quarter | 18.39 | 6.60 | 0.40 | 7.40 | -1.9 | -2.50 | 7.70 |
| IV. Quarter | 6.70 | 15.30 | -5.00 | 4.50 | -8.4 | -3.30 | 7.90 |
| Wood | | | | | | | |
| I. Quarter | 27.78 | 19.70 | -1.70 | -13.70 | 13.0 | -32.90 | 11.00 |
| II. Quarter | 25.55 | 0.70 | -8.70 | 1.10 | 9.3 | -13.60 | -8.30 |
| III. Quarter | 39.35 | 21.70 | -0.40 | 3.50 | -3.0 | -8.60 | 11.60 |
| IV. Quarter | -2.21 | 2.50 | -16.30 | 10.00 | -3.4 | 1.30 | 21.50 |
| Paper-Printing | | | | | | | |
| I. Quarter | -2.37 | 14.80 | 15.30 | -12.20 | 5.8 | -16.40 | 4.40 |
| II. Quarter | 5.03 | 15.30 | -3.60 | -5.40 | 3.5 | -9.10 | 16.00 |
| III. Quarter | 3.96 | 20.40 | -9.60 | 5.90 | 6.2 | -6.20 | 20.90 |
| IV. Quarter | 8.08 | -1.20 | -13.70 | 9.50 | 12.7 | -9.50 | 23.80 |
| Chemicals Petroleum Prod.-Rubber | | | | | | | |
| I. Quarter | 0.74 | 1.50 | 11.20 | -6.00 | 9.3 | -12.90 | 8.70 |
| II. Quarter | 3.95 | 9.80 | 2.10 | 6.70 | -7.7 | 12.30 | 0.80 |
| III. Quarter | -0.23 | 8.60 | -3.90 | 6.10 | -2.2 | 2.80 | -3.00 |
| IV. Quarter | -2.55 | 10.40 | -1.70 | 13.30 | -12.1 | 4.70 | -1.60 |
| Soil Products | | | | | | | |
| I. Quarter | 7.37 | -1.40 | 17.60 | 5.00 | -3.5 | -3.60 | 1.70 |
| II. Quarter | 16.27 | 17.90 | 5.70 | 5.70 | 2.1 | -11.20 | 21.40 |
| III. Quarter | 10.60 | 17.70 | 4.30 | 3.70 | 4.2 | 9.60 | 7.10 |
| IV. Quarter | 19.03 | 19.80 | -2.20 | 6.10 | -2.8 | 12.00 | 15.20 |
| Basic Metals | | | | | | | |
| I. Quarter | 21.93 | 21.80 | 0.80 | -3.60 | 12.7 | -19.80 | 10.90 |
| II. Quarter | 23.53 | 24.10 | -1.90 | 20.60 | -1.3 | 2.30 | 4.70 |
| III. Quarter | 50.45 | 4.40 | -13.50 | 19.30 | 6.3 | -1.30 | 18.10 |
| IV. Quarter | 11.73 | 11.30 | -6.10 | 4.40 | 19.7 | -10.90 | 19.20 |
| Machinery&Trans. Equip. | | | | | | | |
| I. Quarter | 21.67 | 3.70 | 20.40 | -28.50 | 33.6 | -0.40 | 39.70 |
| II. Quarter | 13.99 | 0.20 | -2.20 | -13.00 | 33.6 | 7.20 | 0.40 |
| III. Quarter | 8.38 | 8.00 | -12.20 | 5.50 | 27.1 | 14.30 | 8.50 |
| IV. Quarter | 4.95 | 15.10 | -21.80 | 14.00 | 24.8 | 10.90 | 10.20 |
| Other Manufacturing Industry | | | | | | | |
| I. Quarter | 14.64 | 5.00 | 16.20 | -13.70 | 15.0 | -21.00 | 12.20 |
| II. Quarter | 13.60 | 8.50 | 1.60 | 0.00 | 7.6 | -19.60 | 18.80 |
| III. Quarter | 11.48 | 8.00 | -5.60 | 8.40 | 6.7 | 8.50 | 7.70 |
| IV. Quarter | 5.59 | 13.20 | -11.00 | 9.80 | 5.4 | -15.20 | 13.40 |

Source : Istanbul Chamber of Industry

| LABOUR MARKET AND SECTORAL EMPLOYMENT IN TURKEY (1) | | | | | | | | | |
|---|----------|----------|----------|----------|--------|--------|--------|----------|----------|
| (AGE 15+, IN THOUSANDS) | | | | | | | | | |
| | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 (2) | 1992 (3) |
| Civilian Labour Force | 17,024.0 | 17,395.0 | 17,708.0 | 18,027.0 | 19,674 | 20,139 | 20,163 | 19,789 | 20,073 |
| Civilian Employment | 15,019.0 | 15,362.0 | 15,842.0 | 16,316.0 | 18,093 | 18,476 | 18,681 | 18,171 | 18,462 |
| Unemployed | 2,005 | 2,033 | 1,866 | 1,711 | 1,581 | 1,663 | 1,482 | 1,618 | 1,611 |
| Unemployment Rate (%) | 11.7 | 11.5 | 10.5 | 9.4 | 8 | 8 | 7 | 8 | 8 |
| Civilian Employment by Sector | | | | | | | | | |
| Agriculture | 7,975.0 | 8,095.0 | 8,206.0 | 8,321.0 | 8,745 | 9,096 | 8,616 | 8,473 | 8,077 |
| Industry | 2,205.0 | 2,271.0 | 2,388.0 | 2,495.0 | 2,730 | 2,804 | 2,955 | 2,745 | 2,795 |
| Mining | 192.0 | 202.0 | 216.0 | 219.0 | 214 | 147 | 223 | 205 | 139 |
| Manufacturing | 1,902.0 | 1,954.0 | 2,052.0 | 2,152.0 | 2,488 | 2,627 | 2,720 | 2,511 | 2,638 |
| Electricity, Gas, Water | 111.0 | 115.0 | 120.0 | 124.0 | 28 | 31 | 12 | 29 | 18 |
| Construction | 723.0 | 743.0 | 798.0 | 847.0 | 1,002 | 974 | 895 | 946 | 943 |
| Commerce | 1,440.0 | 1,493.0 | 1,575.0 | 1,658.0 | 2,003 | 2,003 | 2,173 | 2,156 | 2,252 |
| Transportation | 563.0 | 581.0 | 604.0 | 628.0 | 766 | 812 | 844 | 771 | 885 |
| Banking | 336.0 | 346.0 | 357.0 | 367.0 | 421 | 431 | 409 | 439 | 469 |
| Other Services | 1,777.0 | 1,833.0 | 1,914.0 | 2,000.0 | 2,426 | 2,356 | 2,789 | 2,641 | 3,041 |
| TOTAL | 15,019.0 | 15,362.0 | 15,842.0 | 16,316.0 | 18,093 | 18,477 | 18,681 | 18,171 | 18,462 |

(1) A new series has been established on the basis of the provisional results of 1988 Household and Labour Force Survey.

*Provisional

2 October

3 April

Source : SPO

| EXPORTS, IMPORTS AND GROSS DOMESTIC PRODUCT | | | | | | |
|---|------------------------|---------------|---------------|--------------------|-------------------|--------------------------|
| (TL Billion) | | | | | | |
| YEARS | Gross Domestic Product | Exports (FOB) | Imports (CIF) | Exports in GDP (%) | Imports in GDP(%) | Foreign Trade in GDP (%) |
| 1977 | 862.9 | 31.3 | 104.9 | 3.6 | 12.2 | 15.8 |
| 1978 | 1,274.8 | 55.4 | 113.3 | 4.3 | 8.9 | 13.2 |
| 1979 | 2,155.9 | 75.7 | 178.5 | 3.5 | 8.3 | 11.8 |
| 1980 | 4,328.0 | 221.5 | 613.3 | 5.1 | 14.2 | 19.3 |
| 1981 | 6,411.2 | 530.7 | 1,002.4 | 8.3 | 15.6 | 23.9 |
| 1982 | 8,607.1 | 937.1 | 1,461.4 | 10.9 | 17.0 | 27.9 |
| 1983 | 11,531.8 | 1,299.0 | 2,127.1 | 11.3 | 18.4 | 29.7 |
| 1984 | 18,212.1 | 2,608.3 | 4,034.9 | 14.3 | 22.2 | 36.5 |
| 1985 | 27,513.6 | 4,153.0 | 5,994.9 | 15.1 | 21.8 | 36.9 |
| 1986 | 39,168.7 | 5,012.3 | 7,561.2 | 12.8 | 19.3 | 32.1 |
| 1987 | 58,299.0 | 12,228.0 | 16,995.6 | 21.0 | 29.2 | 50.1 |
| 1988 | 100,573.0 | 16,909.9 | 20,793.0 | 16.8 | 20.7 | 37.5 |
| 1989 | 170,412.4 | 24,819.3 | 33,762.2 | 14.8 | 20.2 | 35.0 |
| 1990 | 287,254.2 | 34,071.0 | 58,755.2 | 12.0 | 20.7 | 32.8 |
| 1991 | 454,838.0 | 57,373.4 | 88,914.2 | 12.7 | 19.6 | 32.3 |
| 1992 | 774,319.0 | 101,859.2 | 159,602.6 | 13.2 | 20.6 | 33.8 |

Source: SPO

| SHARE OF EXPORTS & IMPORTS IN TOTAL VOLUME OF TRADE | | | | | | |
|---|---------------|---------------|-----------------|----------------------|----------------------|-------------------|
| (\$ Million) | | | | | | |
| YEARS | Exports (FOB) | Imports (CIF) | Volume of Trade | Share of Exports (%) | Share of Imports (%) | Export Import (%) |
| 1976 | 1,960 | 5,129 | 7,089 | 27.6 | 72.4 | 38.2 |
| 1977 | 1,753 | 5,796 | 7,549 | 23.2 | 76.8 | 30.2 |
| 1978 | 2,288 | 4,599 | 6,887 | 33.2 | 66.8 | 49.7 |
| 1979 | 2,261 | 5,069 | 7,330 | 30.8 | 69.2 | 44.6 |
| 1980 | 2,910 | 7,909 | 10,819 | 26.9 | 73.1 | 36.8 |
| 1981 | 4,703 | 8,933 | 13,636 | 34.5 | 65.5 | 52.6 |
| 1982 | 5,746 | 8,843 | 14,589 | 39.4 | 60.6 | 65.0 |
| 1983 | 5,728 | 9,235 | 14,963 | 38.3 | 61.7 | 62.0 |
| 1984 | 7,134 | 10,757 | 17,891 | 39.9 | 60.1 | 66.3 |
| 1985 | 7,958 | 11,344 | 19,302 | 41.2 | 58.8 | 70.2 |
| 1986 | 7,457 | 11,105 | 18,562 | 40.2 | 59.8 | 67.1 |
| 1987 | 10,190 | 14,158 | 24,348 | 41.9 | 58.1 | 72.0 |
| 1988 | 11,662 | 14,335 | 25,997 | 44.9 | 55.1 | 81.4 |
| 1989 | 11,625 | 15,792 | 27,417 | 42.4 | 57.6 | 73.6 |
| 1990 | 12,960 | 22,302 | 35,262 | 36.8 | 63.2 | 58.1 |
| 1991 | 13,593 | 21,047 | 34,640 | 39.2 | 60.8 | 64.6 |
| 1992 | 14,715 | 22,872 | 37,587 | 39.1 | 60.9 | 64.3 |
| 1993 (*) | 3,674 | 5,908 | 9,582 | 38.3 | 61.7 | 62.2 |

(*) January-March

Source: SIS

TURKISH EXPORTS BY MAIN SECTORS

(\$ Million)

| YEARS | Agriculture | Share in Total (%) | Mining | Share in Total (%) | Industry | Share in Total (%) |
|---------|-------------|-----------------------|--------|-----------------------|----------|-----------------------|
| 1976 | 1,254.4 | 64.0 | 110.0 | 5.6 | 595.8 | 30.4 |
| 1977 | 1,041.4 | 59.4 | 125.9 | 7.2 | 585.8 | 33.4 |
| 1978 | 1,542.8 | 67.4 | 124.1 | 5.4 | 621.3 | 27.2 |
| 1979 | 1,343.6 | 59.4 | 132.5 | 5.9 | 785.1 | 34.7 |
| 1980 | 1,671.7 | 57.4 | 193.4 | 6.6 | 1,047.4 | 36.0 |
| 1981 | 2,219.4 | 47.2 | 193.4 | 4.1 | 2,290.1 | 48.7 |
| 1982 | 2,140.5 | 37.3 | 175.5 | 3.1 | 3,430.1 | 59.7 |
| 1983 | 1,880.7 | 32.8 | 188.9 | 3.3 | 3,658.2 | 63.9 |
| 1984 | 1,748.9 | 24.5 | 239.8 | 3.4 | 5,145.0 | 72.1 |
| 1985 | 1,719.4 | 21.6 | 243.8 | 3.1 | 5,994.8 | 75.3 |
| 1986 | 1,885.6 | 25.2 | 266.9 | 3.6 | 5,324.3 | 71.2 |
| 1987 | 1,852.5 | 18.2 | 272.3 | 2.7 | 8,065.2 | 79.1 |
| 1988 | 2,341.4 | 20.1 | 377.3 | 3.2 | 8,943.5 | 76.7 |
| 1989 | 2,126.0 | 16.4 | 413.0 | 3.2 | 9,086.0 | 70.1 |
| 1990 | 2,347.0 | 18.1 | 332.0 | 2.6 | 10,281.0 | 79.3 |
| 1991 | 2,726.0 | 20.1 | 286.0 | 2.1 | 10,582.0 | 77.8 |
| 1992 | 2,259.0 | 15.4 | 265.0 | 1.8 | 12,191.0 | 82.8 |
| 1993(*) | 677.5 | 18.4 | 45.6 | 1.2 | 2,950.6 | 80.3 |

(*) January-March

Source: SIS

| WORKERS' REMITTANCES BY MONTHS ⁽¹⁾ | | | | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| (\$ MILLION) | | | | | | | | | | | | | |
| MONTHS | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991* | 1992* |
| January | 83.3 | 134.9 | 149.2 | 121.2 | 83.4 | 151.9 | 97.6 | 115.2 | 96.0 | 190.0 | 187.0 | 222.0 | 207.0 |
| February | 173.3 | 143.5 | 130.8 | 105.6 | 98.5 | 134.0 | 100.3 | 98.7 | 96.0 | 236.0 | 213.0 | 219.0 | 185.0 |
| March | 111.7 | 139.7 | 147.3 | 129.3 | 98.7 | 122.8 | 91.1 | 137.3 | 105.0 | 190.0 | 240.0 | 236.0 | 178.0 |
| April | 114.8 | 159.1 | 152.4 | 117.1 | 81.7 | 123.1 | 118.7 | 149.4 | 137.0 | 172.0 | 224.0 | 200.0 | 220.0 |
| May | 103.2 | 162.1 | 160.1 | 107.7 | 119.2 | 128.5 | 106.1 | 171.6 | 158.0 | 185.0 | 272.0 | 224.0 | 175.0 |
| June | 155.0 | 212.4 | 165.6 | 109.9 | 139.8 | 98.3 | 121.4 | 186.1 | 133.0 | 243.0 | 282.0 | 213.0 | 299.0 |
| July | 279.4 | 313.2 | 246.5 | 164.0 | 233.8 | 216.0 | 216.6 | 231.4 | 172.0 | 319.0 | 334.0 | 306.0 | 269.0 |
| August | 279.5 | 377.7 | 300.9 | 191.6 | 242.8 | 182.8 | 192.4 | 238.3 | 225.0 | 424.0 | 363.0 | 304.0 | 318.0 |
| September | 207.3 | 266.4 | 196.5 | 139.7 | 172.9 | 183.5 | 183.7 | 224.7 | 172.0 | 374.0 | 359.0 | 258.0 | 313.0 |
| October | 205.1 | 211.8 | 203.6 | 140.0 | 160.2 | 162.3 | 166.3 | 216.3 | 170.0 | 315.0 | 301.0 | 233.0 | 265.0 |
| November | 172.6 | 183.2 | 143.1 | 103.8 | 183.3 | 136.6 | 157.6 | 153.6 | 187.0 | 232.0 | 262.0 | 232.0 | 319.0 |
| December | 185.9 | 185.7 | 190.7 | 123.8 | 266.9 | 134.4 | 164.2 | 179.4 | 214.0 | 258.0 | 288.0 | 254.0 | 326.0 |
| TOTAL | 2,071.1 | 2,489.7 | 2,186.7 | 1,553.7 | 1,881.2 | 1,774.2 | 1,696.0 | 2,102.0 | 1,865.0 | 3,138.0 | 3,325.0 | 2,901.0 | 3,074.0 |

(1): Including official remittances

* Provisional

Source: Central Bank, SPO

| BALANCE OF PAYMENTS | | | | | | | | | | | | | |
|--|--------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| (\$ Million) | | | | | | | | | | | | | |
| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 * |
| Exports (FOB) | 2,910 | 4,703 | 5,890 | 5,905 | 7,389 | 8,255 | 7,583 | 10,322 | 11,929 | 11,780 | 13,026 | 13,667 | 14,891 |
| Imports (FOB) | -7,513 | -8,567 | -8,518 | -8,895 | -10,331 | -11,230 | -10,664 | -13,551 | -13,706 | -15,999 | -22,581 | -21,007 | -23,082 |
| Trade Balance | -4,603 | -3,864 | -2,628 | -2,990 | -2,942 | -2,975 | -3,081 | -3,229 | -1,777 | -4,219 | -9,555 | -7,340 | -8,191 |
| Invisible Earnings | 762 | 1,316 | 2,038 | 2,041 | 2,366 | 3,162 | 3,338 | 4,195 | 6,026 | 7,098 | 8,933 | 9,315 | 10,451 |
| Tourism | 326 | 380 | 373 | 420 | 548 | 1,094 | 950 | 1,476 | 2,355 | 2,557 | 3,225 | 2,654 | 3,639 |
| Others | 436 | 936 | 1,665 | 1,621 | 1,818 | 2,068 | 2,388 | 2,719 | 3,671 | 4,541 | 5,708 | 6,661 | 6,812 |
| Invisible Expenditures | -1,738 | -1,946 | -2,639 | -2,734 | -2,945 | -3,184 | -3,646 | -4,162 | -4,812 | -5,476 | -6,496 | -6,816 | -7,262 |
| Tourism | -104 | -103 | -149 | -128 | -277 | -324 | -313 | -448 | -358 | -565 | -520 | -592 | -776 |
| Interest Payments | -1,138 | -1,443 | -1,565 | -1,511 | -1,586 | -1,753 | -2,134 | -2,387 | -2,799 | -2,907 | -3,264 | -3,430 | -3,217 |
| Others | -496 | -400 | -925 | -1,095 | -1,082 | -1,107 | -1,199 | -1,327 | -1,655 | -2,004 | -2,712 | -2,794 | -3,269 |
| Unrequited Tran. (Private) Credit | 2,166 | 2,559 | 2,189 | 1,569 | 1,901 | 1,782 | 1,718 | 2,088 | 1,846 | 3,171 | 3,374 | 2,879 | 3,147 |
| Workers' Remittances | 2,071 | 2,490 | 2,140 | 1,513 | 1,807 | 1,714 | 1,634 | 2,021 | 1,776 | 3,040 | 3,246 | 2,819 | 3,008 |
| Others | 95 | 69 | 49 | 56 | 94 | 68 | 84 | 67 | 70 | 131 | 128 | 60 | 139 |
| Unrequited Tran. (Private) Debit | -13 | 0 | 0 | -20 | -16 | -20 | -15 | -22 | -19 | -36 | -25 | -25 | 0 |
| Unrequited Transfers (Official) | 18 | -1 | 88 | 211 | 197 | 222 | 221 | 324 | 332 | 423 | 1,144 | 2,245 | 912 |
| CURRENT ACC.BALANCE | -3,408 | -1,936 | -952 | -1,923 | -1,439 | -1,013 | -1,465 | -806 | 1,596 | 961 | -2,625 | 258 | -943 |
| CAPITAL EXC. RESERVES | 672 | 899 | 280 | 883 | 73 | 1,065 | 2,124 | 1,891 | -958 | 780 | 4,037 | -2,397 | 3,648 |
| Direct Investments | 18 | 95 | 55 | 46 | 113 | 99 | 125 | 106 | 354 | 663 | 700 | 783 | 779 |
| Portfolio Investments | 0 | 0 | 0 | 0 | 0 | 0 | 146 | 282 | 1,178 | 1,586 | 547 | 648 | 2,411 |
| Capital Movements | 654 | 804 | 225 | 837 | -40 | 966 | 1,853 | 1,503 | -2,490 | -1,469 | 2,790 | -3,828 | 458 |
| Other Long-term | 656 | 683 | 127 | 39 | 612 | -513 | 1,041 | 1,453 | -209 | -885 | -210 | -808 | -938 |
| Short-term | -2 | 121 | 98 | 798 | -652 | 1,479 | 812 | 50 | -2,281 | -584 | 3,000 | -3,020 | 1,396 |
| NET ERRORS & OMISSIONS | 1,434 | 649 | -75 | 409 | 469 | -837 | -118 | -506 | 515 | 971 | -468 | 940 | -1,221 |
| EXCEPTIONAL FINANCING | 1,373 | 315 | 902 | 622 | 1,002 | 676 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| COUNTERPART ITEMS | 19 | 68 | 13 | 161 | -171 | 233 | 249 | 390 | -263 | 50 | 364 | 170 | 0 |
| Overall Balance | 90 | -5 | 168 | 152 | -66 | 124 | 790 | 969 | 890 | 2,762 | 1,308 | -1,029 | 1,484 |
| CHANGES IN RESERVES | -90 | 5 | -168 | -152 | 66 | -124 | -790 | -969 | -890 | -2,762 | -1,308 | 1,029 | -1,484 |

* Provisional

Source: Central Bank, SPO

| INTERNATIONAL RESERVES | | | | | |
|------------------------|-------|---------------------------------|------------------------------|-------------|--------------|
| (\$ Million) | | | | | |
| YEARS | Gold | Gross Foreign Exchange Reserves | Gross International Reserves | Over-Drafts | Net Reserves |
| 1975 | 146 | 1,097 | 1,243 | 51 | 1,192 |
| 1976 | 146 | 1,058 | 1,204 | 124 | 1,080 |
| 1977 | 146 | 721 | 867 | 240 | 627 |
| 1978 | 150 | 902 | 1,052 | 341 | 711 |
| 1979 | 155 | 795 | 950 | 244 | 706 |
| 1980 | 155 | 1,308 | 1,463 | 254 | 1,209 |
| 1981 | 155 | 1,571 | 1,726 | 69 | 1,657 |
| 1982 | 155 | 1,873 | 2,028 | 48 | 1,980 |
| 1983 | 155 | 2,098 | 2,253 | 164 | 2,089 |
| 1984 | 800 | 3,099 | 3,899 | 417 | 3,482 |
| 1985 | 1,040 | 2,615 | 3,655 | 376 | 3,279 |
| 1986 | 1,237 | 3,187 | 4,424 | 77 | 4,347 |
| 1987 | 1,535 | 3,959 | 5,494 | 282 | 5,212 |
| 1988 | 1,368 | 5,228 | 6,596 | 168 | 6,429 |
| 1989 | 1,354 | 7,762 | 9,116 | 30 | 9,086 |
| 1990 | 1,468 | 9,943 | 11,411 | 24 | 11,387 |
| 1991 | 1,493 | 10,760 | 12,253 | 3 | 12,250 |
| 1992 | 1,494 | 13,760 | 15,254 | 2 | 15,253 |
| 1993 (*) | 1,487 | 14,968 | 16,455 | 9 | 16,446 |

| GROSS FOREIGN EXCHANGE RESERVES | | | |
|---------------------------------|--------------|-------|---------------------------------|
| (\$ Million) | | | |
| YEARS | Central Bank | Banks | Gross Foreign Exchange Reserves |
| 1981 | 928 | 643 | 1,571 |
| 1982 | 1,080 | 793 | 1,873 |
| 1983 | 1,253 | 845 | 2,098 |
| 1984 | 1,239 | 1,860 | 3,099 |
| 1985 | 1,020 | 1,595 | 2,615 |
| 1986 | 1,368 | 1,819 | 3,187 |
| 1987 | 1,719 | 2,240 | 3,959 |
| 1988 | 2,307 | 2,921 | 5,228 |
| 1989 | 4,831 | 3,128 | 7,762 |
| 1990 | 5,972 | 3,971 | 9,943 |
| 1991 | 4,918 | 5,842 | 10,760 |
| 1992 | 6,116 | 7,644 | 13,760 |
| 1993 (*) | 6,651 | 8,318 | 14,969 |

(*) As of April 24

Source: Central Bank

| EXCHANGE BUYING RATES | | | | | | | |
|------------------------------|------------------|-----------------|----------------------|---------------------|--------------------|----------------------|---------------------------|
| (End of year, TL) | | | | | | | |
| YEARS | US Dollar | Sterling | Deutsche Mark | French Franc | Swiss Franc | Belgian Franc | Austrian Schilling |
| 1976 | 16.5 | 26.4 | 6.9 | 3.8 | 6.8 | 0.5 | 1.0 |
| 1977 | 19.3 | 34.7 | 8.6 | 3.9 | 8.9 | 0.5 | 1.2 |
| 1978 | 25.0 | 50.1 | 13.9 | 6.0 | 16.7 | 0.9 | 1.9 |
| 1979 | 35.0 | 79.0 | 20.2 | 8.6 | 21.9 | 1.2 | 2.8 |
| 1980 | 89.3 | 210.1 | 45.2 | 19.5 | 50.2 | 2.8 | 6.4 |
| 1981 | 132.3 | 250.3 | 58.4 | 23.1 | 73.4 | 3.5 | 8.3 |
| 1982 | 184.9 | 300.6 | 78.3 | 27.6 | 93.1 | 4.0 | 11.1 |
| 1983 | 280.0 | 401.4 | 101.8 | 33.3 | 128.0 | 5.1 | 14.4 |
| 1984 | 444.3 | 514.3 | 141.1 | 46.2 | 170.4 | 7.1 | 20.1 |
| 1985 | 574.0 | 826.6 | 233.2 | 76.1 | 276.8 | 11.4 | 33.1 |
| 1986 | 755.9 | 1,109.3 | 388.0 | 117.2 | 464.6 | 18.7 | 55.2 |
| 1987 | 1,018.4 | 1,892.6 | 638.7 | 188.3 | 788.5 | 29.8 | 90.8 |
| 1988 | 1,816.0 | 3,252.4 | 1,015.4 | 297.9 | 1,200.6 | 48.5 | 144.6 |
| 1989 | 2,304.4 | 3,723.9 | 1,369.6 | 400.6 | 1,501.2 | 65.1 | 194.7 |
| 1990 | 2,951.1 | 5,579.0 | 1,928.8 | 568.1 | 2,259.6 | 93.4 | 274.2 |
| 1991 | 5,069.8 | 9,472.8 | 3,336.8 | 977.3 | 3,744.3 | 160.5 | 474.2 |
| 1992 | 8,573.0 | 12,983.8 | 5,313.3 | 1,559.6 | 5,873.9 | 258.9 | 755.0 |
| 1993 (*) | 9,983.0 | 15,307.5 | 6,206.3 | 1,838.0 | 6,863.2 | 301.8 | 882.2 |

| CHANGES IN FOREIGN EXCHANGE RATES | | | | | | | |
|--|------------------|-----------------|----------------------|---------------------|--------------------|----------------------|---------------------------|
| (1976=100) | | | | | | | |
| YEARS | US Dollar | Sterling | Deutsche Mark | French Franc | Swiss Franc | Belgian Franc | Austrian Schilling |
| 1976 | 110.0 | 84.9 | 114.2 | 109.4 | 121.4 | 112.5 | 107.8 |
| 1977 | 128.3 | 111.6 | 143.3 | 111.4 | 158.0 | 135.0 | 130.0 |
| 1978 | 166.7 | 161.1 | 231.2 | 170.6 | 297.7 | 220.0 | 210.0 |
| 1979 | 233.3 | 254.1 | 337.0 | 245.7 | 390.2 | 310.0 | 313.3 |
| 1980 | 595.0 | 675.6 | 752.5 | 558.3 | 896.4 | 702.5 | 706.7 |
| 1981 | 882.0 | 804.7 | 972.5 | 659.1 | 1,310.4 | 865.0 | 924.4 |
| 1982 | 1,232.7 | 966.4 | 1,304.2 | 788.6 | 1,661.6 | 992.5 | 1,235.6 |
| 1983 | 1,866.7 | 1,290.6 | 1,695.8 | 950.0 | 2,285.2 | 1,272.5 | 1,594.4 |
| 1984 | 2,962.0 | 1,653.6 | 2,350.8 | 1,319.7 | 3,043.4 | 1,762.5 | 2,236.7 |
| 1985 | 3,826.7 | 2,657.7 | 3,885.8 | 2,173.7 | 4,942.1 | 2,855.0 | 3,677.8 |
| 1986 | 5,039.3 | 3,566.8 | 6,465.8 | 3,347.1 | 8,296.4 | 4,662.5 | 6,131.1 |
| 1987 | 6,789.0 | 6,085.5 | 10,644.2 | 5,380.0 | 14,080.4 | 7,457.5 | 10,093.3 |
| 1988 | 12,106.5 | 10,457.9 | 16,922.8 | 8,512.6 | 21,440.0 | 12,127.5 | 16,064.4 |
| 1989 | 15,362.5 | 11,973.9 | 22,827.0 | 11,446.6 | 26,807.5 | 16,275.0 | 21,631.1 |
| 1990 | 19,674.0 | 17,938.9 | 32,146.7 | 16,231.4 | 40,350.0 | 23,350.0 | 30,466.7 |
| 1991 | 33,798.4 | 30,459.3 | 55,612.7 | 27,922.9 | 66,862.1 | 40,127.5 | 52,690.0 |
| 1992 | 57,153.3 | 41,748.6 | 88,554.8 | 44,559.4 | 104,891.6 | 64,712.5 | 83,888.9 |
| 1993(*) | 66,553.3 | 49,220.3 | 103,438.8 | 52,515.1 | 122,557.7 | 75,457.5 | 98,016.7 |

(*) As of May 17

Source: Central Bank, ANKA

SECTORAL DISTRIBUTION OF CUMULATIVE INFLOW OF FOREIGN CAPITAL

(TL Million)

| YEARS | Manufacturing | Agriculture | Mining | Services | TOTAL |
|--------------------------|---------------|-------------|---------|-----------|------------|
| 1980 | 8,413 | 1 | 20 | 1,208 | 9,642 |
| 1981 | 15,573 | 641 | 120 | 2,680 | 19,014 |
| 1982 | 31,661 | 1,018 | 300 | 10,668 | 43,647 |
| 1983 | 41,660 | 1,488 | 432 | 17,774 | 61,354 |
| 1984 | 71,837 | 2,293 | 631 | 38,431 | 113,192 |
| 1985 | 118,169 | 6,101 | 813 | 83,327 | 208,410 |
| 1986 | 155,120 | 8,795 | 3,274 | 135,725 | 302,914 |
| 1987 | 248,063 | 23,956 | 5,917 | 157,632 | 435,568 |
| 1988 | 419,294 | 39,272 | 8,867 | 317,282 | 784,715 |
| 1989 | 998,609 | 53,320 | 17,208 | 880,418 | 1,949,555 |
| 1990 | 2,018,268 | 81,133 | 39,546 | 1,728,553 | 3,867,500 |
| 1991 | 3,386,404 | 243,937 | 142,714 | 2,706,450 | 6,479,505 |
| 1991 | 6,289,198 | 351,259 | 168,238 | 5,257,331 | 12,066,026 |
| C H A N G E S (%) | | | | | |
| 1980 | - | - | - | - | - |
| 1981 | 85.1 | 64,000.0 | 500.0 | 121.9 | 97.2 |
| 1982 | 103.3 | 58.8 | 150.0 | 298.1 | 129.6 |
| 1983 | 31.6 | 46.2 | 44.0 | 66.6 | 40.6 |
| 1984 | 72.4 | 54.1 | 46.1 | 116.2 | 84.5 |
| 1985 | 64.5 | 166.1 | 28.8 | 116.8 | 84.1 |
| 1986 | 31.3 | 44.2 | 302.7 | 62.9 | 45.3 |
| 1987 | 59.9 | 172.4 | 80.7 | 16.1 | 43.8 |
| 1988 | 69.0 | 63.9 | 49.9 | 101.3 | 80.2 |
| 1989 | 138.2 | 35.8 | 94.1 | 177.5 | 148.4 |
| 1990 | 102.1 | 52.2 | 129.8 | 96.3 | 98.4 |
| 1991 | 67.8 | 200.7 | 260.9 | 56.6 | 67.5 |
| 1992 | 85.7 | 44.0 | 17.9 | 94.3 | 86.2 |
| S H A R E (%) | | | | | |
| 1980 | 87.3 | 0.0 | 0.2 | 12.5 | 100.0 |
| 1981 | 81.9 | 3.4 | 0.6 | 14.1 | 100.0 |
| 1982 | 72.5 | 2.3 | 0.7 | 24.4 | 100.0 |
| 1983 | 67.9 | 2.4 | 0.7 | 29.0 | 100.0 |
| 1984 | 63.5 | 2.0 | 0.6 | 34.0 | 100.0 |
| 1985 | 56.7 | 2.9 | 0.4 | 40.0 | 100.0 |
| 1986 | 51.2 | 2.9 | 1.1 | 44.8 | 100.0 |
| 1987 | 57.0 | 5.5 | 1.4 | 36.2 | 100.0 |
| 1988 | 53.4 | 5.0 | 1.1 | 40.4 | 100.0 |
| 1989 | 51.2 | 2.7 | 0.9 | 45.2 | 100.0 |
| 1990 | 52.2 | 2.1 | 1.0 | 44.7 | 100.0 |
| 1991 | 52.3 | 3.8 | 2.2 | 41.8 | 100.0 |
| 1992 | 52.1 | 2.9 | 1.4 | 43.6 | 100.0 |

Soruce: SPO, ANKA

FOREIGN CAPITAL INVESTMENT IN TURKEY

(\$ Million)

| YEARS | Number Of Firms | Annual Inflow | Annual Growth Rate (%) | Cumulative Inflow | Cumulative Growth Rate (%) | Share of Annual Inflow In Cumulative |
|-------------|-----------------|---------------|------------------------|-------------------|----------------------------|--------------------------------------|
| Before 1975 | - | - | - | 189.6 | - | - |
| 1975 | 106 | 15.1 | - | 204.7 | 8.0 | 7.4 |
| 1976 | 99 | 8.9 | -41.1 | 213.6 | 4.3 | 4.2 |
| 1977 | 99 | 9.2 | 3.4 | 222.8 | 4.3 | 4.1 |
| 1978 | 97 | 11.7 | 27.2 | 234.5 | 5.3 | 5.0 |
| 1979 | 91 | -6.4 | - | 228.1 | -2.7 | - |
| 1980 | 100 | 97.0 | - | 325.1 | 42.5 | 29.8 |
| 1981 | 127 | 337.5 | 247.9 | 662.6 | 103.8 | 50.9 |
| 1982 | 170 | 167.0 | -50.5 | 829.6 | 25.2 | 20.1 |
| 1983 | 185 | 102.7 | -38.5 | 932.3 | 12.4 | 11.0 |
| 1984 | 267 | 271.4 | 164.3 | 1,203.7 | 29.1 | 22.5 |
| 1985 | 317 | 234.5 | -13.6 | 1,438.2 | 19.5 | 16.3 |
| 1986 | 474 | 364.0 | 55.2 | 1,802.2 | 25.3 | 20.2 |
| 1987 | 698 | 536.5 | 47.4 | 2,338.7 | 29.8 | 22.9 |
| 1988 | 827 | 824.5 | 53.7 | 3,163.2 | 35.3 | 26.1 |
| 1989 | 990 | 1,470.5 | 78.3 | 4,633.7 | 46.5 | 31.7 |
| 1990 | 943 | 1,784.3 | 21.3 | 6,418.0 | 38.5 | 27.8 |
| 1991 | 945 | 1,909.4 | 7.0 | 8,327.4 | 29.8 | 22.9 |
| 1992 | 1082 | 1,819.9 | -4.7 | 10,147.3 | 21.9 | 17.9 |

Source: SPO, ANKA

CONSOLIDATED BUDGET

(TL Billion)

| | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
|----------------------------------|---------|---------|--------|---------|---------|---------|
| Revenue | | | | | | |
| Direct Taxes | 10,139 | 17,587 | 31,662 | 56,573 | 96,747 | 179,449 |
| Indirect Taxes | 4,483 | 7,066 | 13,569 | 23,657 | 41,094 | 71,613 |
| Non-Tax Revenues | 4,560 | 7,166 | 11,968 | 21,742 | 37,549 | 70,255 |
| Annexed Budget | 921 | 2,540 | 4,844 | 8,032 | 8,723 | 31,939 |
| Special Revenues | 160 | 774 | 1,166 | 1,506 | 947 | 3,942 |
| | 15 | 41 | 115 | 1,636 | 8,434 | 1,700 |
| Expenditure | | | | | | |
| Personnel | 12,599 | 21,447 | 38,660 | 68,527 | 130,263 | 223,055 |
| Other Current Exp. | 2,987 | 5,053 | 12,465 | 26,465 | 49,291 | 93,088 |
| Interest Payments | 1,518 | 2,407 | 4,048 | 6,987 | 11,112 | 20,014 |
| | 2,266 | 4,978 | 8,259 | 13,966 | 24,073 | 40,298 |
| -Foreign | 1,006 | 1,816 | 3,144 | 4,353 | 7,132 | 9,753 |
| -Domestic | 1,260 | 3,159 | 5,115 | 9,613 | 16,941 | 30,545 |
| Investments | | | | | | |
| Transfers | 445 | 1,025 | 1,253 | 11,054 | 28,641 | 37,469 |
| Budget Deficit | - 2,460 | - 3,860 | -6,998 | -11,954 | -33,516 | -43,606 |
| Cash Deficit | - 2,164 | - 3,941 | -7,635 | -12,354 | -33,426 | -55,623 |
| Financing | | | | | | |
| Net Foreign Indebtedness | 2,164 | 3,941 | 7,635 | 12,354 | 33,426 | 55,623 |
| Borrowings | 175 | 176 | -444 | 41 | 1,921 | 3,933 |
| Transferred Credits | 941 | 2,379 | 2,808 | 4,834 | 9,891 | 18,730 |
| Payments | 106 | 152 | 545 | 655 | 998 | 883 |
| | 872 | - 2,355 | -3,797 | -5,448 | -8,968 | -15,680 |
| Net Domestic Indebtedness | 767 | 2,433 | 5,982 | 7,942 | 2,279 | 15,408 |
| Borrowings | 1,908 | 3,816 | 8,983 | 12,523 | 11,510 | 35,657 |
| Payments | - 1,141 | - 1,383 | -3,001 | -4,581 | -9,231 | -20,249 |
| Short-Term Borrowing | 1,185 | 1,064 | 1,452 | 2,263 | 23,509 | 41,389 |
| Central Bank (net) | 355 | 675 | 457 | 331 | 10,719 | 17,411 |
| Treasury Bonds (net) | 830 | 389 | 995 | 1,932 | 12,790 | 23,978 |
| Other | 37 | 268 | 645 | 2,108 | 5,718 | 5,107 |

Source: Undersecretariat of Treasury and Foreign Trade

| MONEY AND BANKING | | | | | | | | | | | | | |
|-----------------------------|---------|---------|---------|---------|---------|----------|----------|----------|----------|----------|-----------|-----------|-----------|
| (End of Period, TL Billion) | | | | | | | | | | | | | |
| | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993* |
| Money Supply | | | | | | | | | | | | | |
| M1 | 972.0 | 1,341.9 | 1,941.0 | 2,252.5 | 3,420.0 | 5,357.4 | 8,682.3 | 11,311.5 | 20,357.0 | 29,326.0 | 42,116.0 | 70,521.0 | 74,552.0 |
| Money In Circulation | 280.6 | 411.9 | 547.5 | 735.5 | 1,011.4 | 1,415.1 | 2,274.7 | 3,425.6 | 7,015.0 | 12,699.0 | 18,546.0 | 31,181.0 | 36,468.0 |
| Sight Deposits | 686.9 | 926.7 | 1,374.0 | 1,485.3 | 2,388.7 | 3,926.5 | 6,400.8 | 7,873.8 | 13,317.0 | 16,607.0 | 23,487.0 | 39,231.0 | 38,060.0 |
| Deposits With Central Bank | 4.5 | 3.3 | 19.5 | 31.7 | 19.9 | 15.8 | 6.8 | 12.1 | 25.0 | 20.0 | 83.0 | 109.0 | 24.0 |
| M2 | 1,637.1 | 2,554.1 | 3,287.4 | 5,178.7 | 8,539.7 | 12,276.3 | 17,702.0 | 27,195.2 | 49,152.0 | 70,707.0 | 113,566.0 | 182,988.0 | 207,150.0 |
| Time Deposits | 514.6 | 954.6 | 1,232.6 | 2,652.5 | 4,446.4 | 6,131.6 | 7,652.4 | 14,643.5 | 26,841.0 | 39,018.0 | 68,112.0 | 108,751.0 | 128,831.0 |
| Certificates of Deposits | 150.5 | 257.6 | 113.8 | 273.7 | 673.3 | 787.3 | 1,367.3 | 1,240.2 | 1,954.0 | 2,363.0 | 3,338.0 | 3,716.0 | 3,767.0 |
| M3 | 2,140.1 | 3,174.1 | 3,977.7 | 5,932.8 | 9,185.1 | 13,111.2 | 19,050.3 | 29,465.3 | 51,832.0 | 75,128.0 | 120,812.0 | 195,495.0 | 223,349.0 |
| Other Quasi Money | 503.0 | 620.0 | 690.3 | 754.1 | 645.4 | 834.9 | 1,348.3 | 2,270.1 | 2,680.0 | 4,421.0 | 7,246.0 | 12,507.0 | 5,375.0 |
| Credits | | | | | | | | | | | | | |
| Central Bank (Direct) | 925.5 | 910.5 | 1,234.1 | 879.9 | 1,299.6 | 1,130.2 | 2,169.9 | 3,164.0 | 3,887.0 | 4,526.0 | 17,671.0 | 37,419.0 | 44,153.0 |
| Deposit Money Banks | 1,318.7 | 1,800.5 | 2,417.5 | 3,149.2 | 5,604.6 | 7,683.7 | 16,024.3 | 22,769.6 | 30,404.0 | 51,385.0 | 78,663.0 | 140,427.0 | 185,220.0 |
| Investment and Dev. Bank | 245.2 | 345.4 | 428.2 | 535.0 | 646.0 | 1,008.1 | 1,465.3 | 2,734.4 | 3,852.0 | 4,903.0 | 10,271.0 | 14,235.0 | 16,350.0 |
| Bank Deposits | | | | | | | | | | | | | |
| Total | 1,509.5 | 2,357.4 | 3,083.2 | 4,980.7 | 8,061.6 | 10,390.3 | 14,382.8 | 25,351.4 | 43,889.0 | 61,395.0 | 100,161.0 | 160,244.0 | 181,482.0 |
| Sight | 686.9 | 926.7 | 1,374.0 | 1,905.0 | 2,658.8 | 3,906.0 | 6,332.8 | 7,596.4 | 13,318.0 | 16,607.0 | 23,487.0 | 39,231.0 | 38,060.0 |
| Time | 514.6 | 954.6 | 1,232.6 | 3,075.1 | 5,402.8 | 5,122.8 | 7,355.3 | 15,449.0 | 28,795.0 | 41,381.0 | 71,450.0 | 121,013.0 | 143,422.0 |

* As of April 9

Source: Central Bank

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