MONTHLY BRIEF

TURKEY-U.S.
ECONOMIC OUTLOOK

SEPTEMBER
2017

TÜRKİYE ABD İŞ KONSEYİ
TURKEY US BUSINESS COUNCIL
TAİK

DEİK
DIŞ EKONOMİK İLİŞKİLER KURULU
FOREIGN ECONOMIC RELATIONS BOARD

Monthly Brief

TURKEY-U.S. ECONOMIC OUTLOOK

ABOUT DEİK

Foreign Economic Relations Board of Turkey (DEIK) is responsible for leading foreign economic relations of Turkish private sector in a myriad of sectors particularly foreign trade, international investment and services, international construction activities and logistics, exploring inward and outward investment opportunities as well as increasing the export volume of Turkish businesses and coordinating similar business development activities.

ABOUT TAİK

The Turkey-U.S. Business Council (TAİK), operating under the umbrella of the Foreign Economic Relations Board of Turkey (DEİK) was formed in 1985 as the first council, with the aim to enhance trade and investment relations between the U.S. and Turkey.

TAİK operates with a mission to create a platform to facilitate development of economic relations between the U.S. and Turkey through its wide spectrum of activities such as conferences, forums, business summits, lobbying visits, networking luncheons and dinners, educational site visits,etc. With its broad range of activities and worldwide network, TAİK represents a role model for other organizations in pursuit of similar goals.

DIŞ EKONOMİK İLİŞKİLER KURULU
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UPDATE ON TURKISH ECONOMY

5.1%

Turkish economic growth has been registered as 5.1% in the second quarter of 2017.

$833.4 BILLION

Turkey's GDP is registered as $833.4 billion.

$151 BILLION

Turkey's annualized exports of goods increased by 7.4% to reach $151 billion.

10.2%

Unemployment in Turkey is unchanged at 10.2% in June 2017.

$37.1 BILLION

Turkey's current account deficit (CAD) is registered as $5.1 billion in July, annualized CAD reached $37.1 billion mainly due to foreign trade deficit. The ratio of current account deficit to GDP is 4.1%

₺25.2 BILLION

Turkey's central government budget deficit reached 25.2 billion TL in January-August period of 2017. The ratio of central government budget deficit to GDP is 2%

10%

2017 year-end inflation expectation for Turkey stands at 10%

GDP Growth in the Second Quarter

Turkey's GDP growth has been registered as 5.1% in the second quarter of 2017 compared to the same quarter of 2016. This figure was slightly below the expectations pointing to 5.3%. A major reason of this lower than expected performance is thought to be the 10-day administrative holiday due to the festival of Ramadan which took place in the third quarter of last year. The 6.5% annual growth rate without seasonal adjustment, on the other hand, confirms overall acceleration in economic growth.

Spending Side of Growth

A further look into the spending components of growth demonstrates that the expansion of government consumption spending which was registered as 9.7% in the first quarter of 2017 slowed down by 4.3% in the second quarter. It seems like government's attempt to accelerate growth via consumption spending has now faded to be replaced by public investment spending.

A remarkable acceleration is visible in investment spending. Fixed capital investments registered a high-growth rate of 9.5% compared to the same quarter of 2016, whereas construction investments stand as the major contributor of such growth. Machinery and equipment investments on the other hand, the key component to increase the country's productive capacity, decreased by 8.6% in the second quarter of 2017.

One of the best news regarding the overall GDP growth is the 10.5% increase in Turkey's exports of goods and services while increase in imports stayed at 2.3%. Hence, the contribution of net exports to growth continued to stay at the positive side in the second quarter following a similar performance in the first quarter.

Private consumption expenditures, as perhaps the most important component of growth in Turkey, slowed down in the second quarter to 3.2%, while maintaining its role as a pushing force behind overall growth. Furthermore, a general outlook of the growth performance in the second quarter demonstrates a healthier composition compared to the first quarter. Shift from private and public consumption to investment spending – albeit mainly composed of construction spending – as the main contributors of growth, coupled with the positive contribution of net exports enabled the overall GDP growth to stay above 5%.

Production Side of Growth

An overview from the production side demonstrates that growth in the second quarter is more diffused across sectors. Increase in agricultural production, for instance, which registered a relatively poor performance in previous periods, has now recovered and the manufacturing industry maintains its growth performance. The latest figures reveal that annual production of Turkish economy is at $833.4 billion, the ratio of central government budget deficit to GDP is 2%, and the ratio of current account deficit to GDP increased to 4.1%.

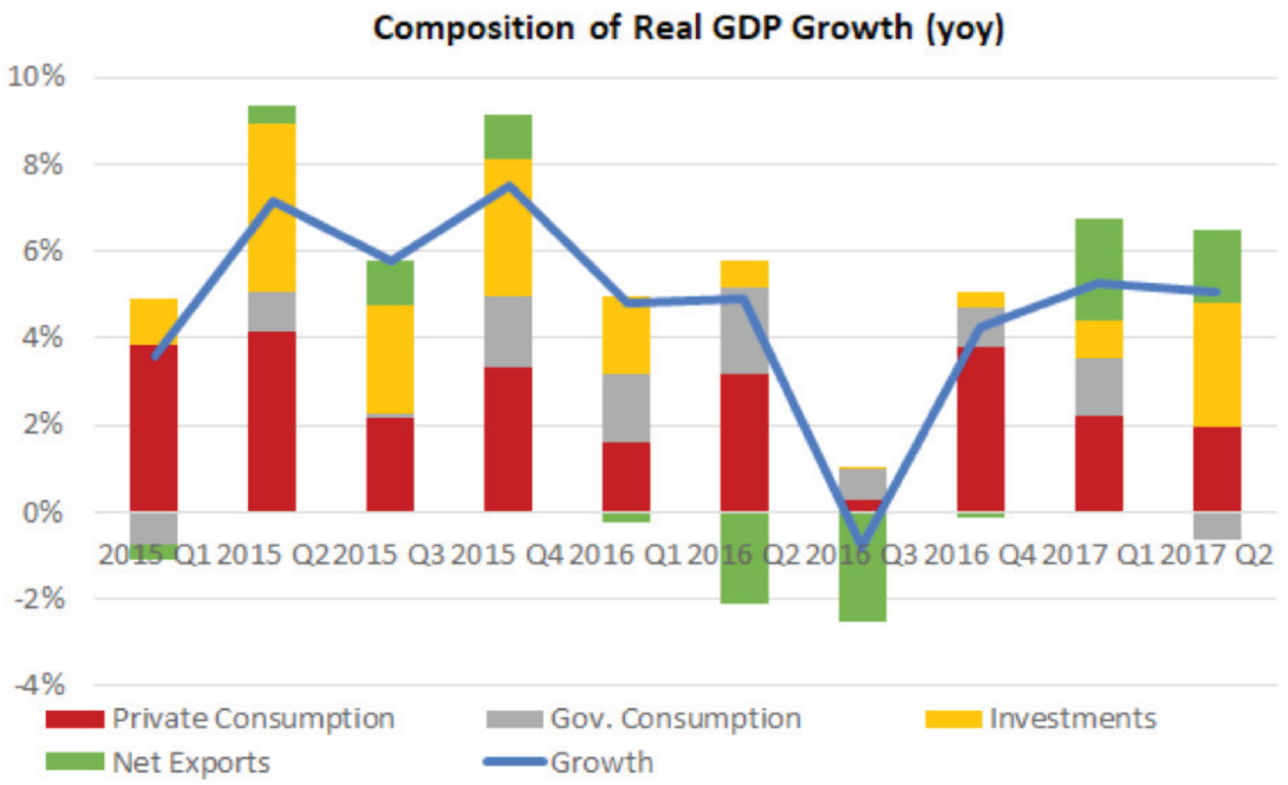
Increase in capacity utilization rate and production in manufacturing industry highlight the strengthening performance of growth, despite the Credit Guarantee Fund's now vanishing positive effect on overall economic activity. Such positive indicators also led several international institutions to revise Turkey's year-end economic growth expectations above 5%.

Current Account Deficit

The slight increase in Turkey's current account deficit seems to emanate from energy and gold trade, while CAD excluding energy and gold trade maintains its declining trend for the last eight months. Nonetheless, capital inflows are far from their previous level despite a slight increase in portfolio investments within the last couple of months. Debt rollover ratios of banks and the real sector registered strong decline as the long-term debt rollover ratio of Turkish banks stay below 100% in July 2017. Even though these hiccups in capital inflows do not occupy the country's economic agenda lately, such indicators portray a medium-term weakness in Turkish economy. A closer overview of annual net financing gap/surplus signifies an increase in financing deficit on a monthly base for the last year. While this gap is currently not above previously managed levels, the increasing trend in this figure requires particular attention in the coming days.

Inflation

Turkey's inflationary outlook is another hot topic in the country's overall economic outlook. Consumer Price Index (CPI) inflation which was registered as 9.8% in July 2017 (only single-digit level since February) increased to 11.2% in September, surpassing market expectations. Major components of such increase have been transportation and food prices. Increase in core inflation - which excludes unprocessed foods, alcohol, tobacco and energy - from 9.46% to 10.98% feeds the concerns that CPI inflation increase may not be due to cyclical effects. The Producer Price Index (PPI) inflation at 16.28% further signifies an upward pressure in prices that may not ease in the short-term. Accordingly, expectations on inflation for the next 12 and 24 months as well as inflation in services maintain their high-levels. Year-end inflation expectations for Turkey also increased to 9.7%.



UPDATE ON TURKEY-U.S. TRADE RELATIONS

$128.6 **BILLION**

U.S. exports of goods in July 2017 decreased by 0.3% to $128.6 billion compared to previous month.

$193.9 **Billion**

U.S. imports of goods in July 2017 declined by 0.2% to $193.9 billion compared to previous month.

$748 **Million**

U.S. exports of goods to Turkey in July 2017 decreased by 2.9% to $748 million compared to previous month. Total U.S. exports to Turkey in the first seven months of 2017 has reached to $5.47 billion.

$883 **Million**

U.S. imports of goods from Turkey in July 2017 decreased by 1.47% to $883 million compared to previous month. Total U.S. imports from Turkey in the first seven months of 2017 has reached to $5.73 billion.

29th

Turkey is U.S.' 29th largest export market in the first seven months of 2017. Leading U.S. exporting industries to Turkey in July 2017 are aircraft, spacecraft and parts ($118 million), cotton ($101 million), iron and steel ($82 million), machinery and spare parts ($53 million), and mineral fuels ($48 million) which in total comprise 53.7% of overall exports to Turkey in July.

34th

Turkey is U.S.' 34th largest sourcing market in the first seven months of 2017. Leading Turkish exporting industries to U.S. in July 2017 are motor vehicles and spare parts ($136 million), iron and steel ($124 million), machinery and spare parts ($65 million), articles of iron or steel ($51 million), and carpets ($41 million) which in total comprise 47.2% of overall exports to the U.S. in July.

3100

Number of people employed by U.S. affiliates of Turkish enterprises in the year 2015, according to the latest statistics released by the Bureau of Economic Analysis.

$4.66 **Billion**

Total assets of Turkish majority owned bank and non-bank U.S. affiliates in 2015, according to the latest statistics of U.S. Bureau of Economic Analysis.

Source: InnoNative Advisors

TURKISH TRADE CENTER OPENS IN NEW YORK

A new Turkish Trade Center has been opened in the heart of one of the world's largest financial centers – New York's Manhattan.

"New York is where everything begins, is designed, born and distributed all around the world," Turkish Economy Minister Nihat Zeybekci said at the opening ceremony. He added: "New York's gross domestic product is around $1.4 trillion, higher than the GDP of Russia."

Located near Fifth Avenue, the center will provide offices for Turkish companies that want a physical presence in the world's biggest economy to access the U.S. market. The 2,500 square meters (26,900 square feet) of space is divided into four sectors – home textile, apparel, carpet and business contacts. The goal of the center is to increase the volume of Turkish exports to the U.S. "Turkey's export volume to the U.S. was $6.6 billion last year, while import volume was $10.9 billion," Mehmet Buyukeksi, chairman of the Turkish Exporters Assembly, said. "These numbers are not sufficient. They must be increased."

"However, when we look at the first eight months of 2016, there is a 36 percent increase in Turkish exports to the U.S., compared to last year, reaching $5.1 billion." Minister Zeybekci emphasized the importance of an export-oriented economic growth model. "3.9 percent of the 5.2 percent growth rate during the first two quarters of the year came from exports and production," he said. After growing by 3.2 percent last year, Turkey's economy posted strong growth rates of 5.2 percent and 5.1 percent in the first and second quarters of 2017 respectively.

Those figures were above major economies such as the U.S., U.K. and Germany, which saw second quarter year-on-year growth of 2.2 percent, 1.7 percent and 2.1 percent respectively, according to the Organization for Economic Cooperation and Development.

Outlining ways to avoid debt and a current account deficit, Zeybekci highlighted attracting sustainable foreign investment and transferring Turkey's resources towards exports. "That's why, as a government, we are providing $3 million per annum to support Turkish Trade Center in New York," he said. The center follows similar Turkish enterprises in Iran, Dubai and Chicago. Others are due to be opened in Moscow, Frankfurt, London, Tokyo and Oslo, Zeybekci said.

TURKEY UNVEILS 2018-2020 ECONOMIC PROGRAM

Turkey's Medium Term Program (MTP) – intended to implement essential actions for higher economic growth, employment and better income distribution – was introduced by Deputy Prime Minister Mehmet Şimşek.

Speaking at a news conference, Deputy Prime Minister Mehmet Şimşek said the MTP's main objective is to catch sustainable growth performance by maintaining macro-economic stability and raising the quality of human sources and the labor force.

"In this respect, to boost high-value-added production, to improve business and investment environment, to increase the corporate quality of the public sector are the other requirements for solid growth," Şimşek said. He also said creating new jobs and providing fairer income distribution were targeted in the MTP along with fiscal discipline, lower inflation and an improved current account balance.

"Over the past 15 years the growth performance of Turkey's economy has soared significantly," Şimşek said. "Economic indicators show that our economy will grow 5.5 percent this year. That ratio is also the MTP's target for the period of 2018-2020." According to the Turkish Statistical Institute (TurkStat) Turkey's annual growth rates were 6.1 percent in 2015 and 3.2 percent last year. The Turkish economy expanded beyond expectations in the first (5.2 percent) and second (5.1 percent) quarters of this year.

Şimşek also stated that GDP per capita reached nearly $11,000 as of 2016, a climb from $3,500 in 2002. "By the end of the MTP, we aim to hike the GDP per capita to over $13,000, which is above the threshold of $12,235 for the upper-income group, according to World Bank definitions," he said.

On the fiscal discipline side, Şimşek noted that the current account deficit of Turkey is now at a manageable level -- 3.8 percent of the country's GDP in 2016. The target current account deficit/GDP ratio is 4.6 percent for this year, 4.3 percent for next year, 4.1 percent in 2019 and 3.9 percent in 2020, as stated in the MTP. "To improve the investment environment is our top priority to finance the country's current account deficit," Şimşek said.
Turkey's annual current account deficit last year was around $32.5 billion, relatively stable compared to the 2015 figure of $32.1 billion. According to central bank figures, the country's highest annual current account deficit in the last 20 years was $74.4 billion in 2011. "Due to the measures taken to support the economy this year, we expect that the ratio of central government budget deficit to the GDP will temporarily increase to two percent," Şimşek said.

Turkey's public debt stock to GDP ratio was over 72 percent in 2002, and fell to 28.1 percent last year, Şimşek noted, adding: "The government is expecting a progressive improvement in the central budget balance by increasing the quality of budget revenues, savings and efficiency of investments."

Earlier this year, the Turkish government reduced a 6.7 percent special consumption tax on white goods to zero, and lowered 18 percent VAT on furniture to eight percent for a specific time period, in a bid to support domestic demand.

In March, the government also introduced a new framework for a credit guarantee fund (CGF), which aims to help small and medium-sized enterprises obtain credit via banks by providing the Treasury with guarantees for losses from possible non-performing loans. The budget deficit/GDP ratio was 1.3 percent last year, and it is expected to be 1.9 percent in 2018, 1.8 percent in 2019, and 1.6 percent at the end of the MTP period.

Şimşek stated that the government has provided over 0.9 million additional employment annually on average, and said: "We still have not reached the desired levels of unemployment due to the faster increase of the labor force participation rate." According to TurkStat, the unemployment rate in Turkey stood at 10.2 percent in June, compared to same month last year, meaning 3.25 million people aged 15 and over were jobless.

"Since the beginning of this year, a gradual improvement in the unemployment rate has been observed thanks to the measures taken to create new jobs and the acceleration in economic growth," Şimşek said. The targeted annual unemployment rate at the end of 2017 is 10.8 percent, 10.5 percent for next year, 9.9 percent in 2019 and 9.6 percent in 2020.

Şimşek also said permanent price stability is essential for sustainable economic growth and pointed to the goal of reaching five percent inflation in 2020. "Inflation is predicted to be 9.5 percent at the end of this year, while it was 8.5 percent in 2016," he said. "Tight standing in monetary policy is expected until reaching targeted levels." Over the past three months, annual inflation stood at 10.9 percent in June, 9.79 percent in July, and 10.68 percent in August, according to TurkStat.

STRUCTURAL REFORM KEY TO MAINTAINING TURKEY'S GROWTH

Turkey will maintain its structural reform program amid tight monetary controls to strengthen growth: Deputy Prime Minister Mehmet Şimşek.

The country has seen an average growth rate of by 5.6 percent over the last 14 years, despite a number of challenges, one of which last year's defeated coup attempt. Şimşek told an audience at the Istanbul Financial Summit that the government aimed to maintain the same average growth over the next 30 years. "We will continue our efforts to increase efficiency, improve the quality of institutions and take the country to high-income level, along with increasing predictability," he said.

Macroeconomic financial stability would be fundamental to increased wealth, he added. "Our most important priorities are decreasing the inflation rate to single digit numbers, maintaining the current account deficit at a sustainable level and preserving financial discipline."

He particularly highlighted trade with partners in the Middle East and EU as crucial to Turkey's financial success and said Istanbul would become ever more important as a global financial center.

The summit is focused on financial technologies, such as digital finance platforms to send money by mobile phone, and Şimşek said Turkey would concentrate on developing the sector to emerge as a key exporter of fintech products. "We will pave the way for investors who run businesses in this sector and provide all the necessary support through legal regulation and incentives," he said. Şimşek claimed Turkey could take a 15-20 percent share in the world fintech market if the sector was to grow at the same rate as the country's wider economy.

"We will directly provide sources to funds that support promising technology firms and start-ups in Turkey," he said, including a crowdfunding platform. He also suggested establishing a specialized investment banking system from Turkey's sovereign wealth fund.

GLOBAL INVESTMENT BANKS REVISE UP TURKEY GROWTH FORECASTS

Following the announcement of second quarter growth data, which hit 5.1 percent, the world's leading investment banks revised their forecasts for Turkey's 2017 gross domestic production (GDP) growth.

Supported by government incentives, the GDP growth in the second quarter hit 5.1 percent and the growth for the first quarter was also changed to 5.2 percent. Both economists and the economy administration of the government claim that the strong performance will also continue in the upcoming quarters.

Multinational investment banks JP Morgan, Morgan Stanley and Japanese Nomura upgraded their forecasts for Turkey's 2017 growth. Moreover, American multinational finance company Goldman Sachs predicted that the Turkish economy may expand 7 percent in the third quarter, but noted that the growth may decelerate in the last quarters and kept the prediction unchanged.

Pointing out that the Turkish economy grew below the market expectations yet above JP Morgan's predictions, JP Morgan announced that the bank has raised the growth estimates for 2017 from 4.6 percent to 5.3 percent once more, drawing attention to the contribution of exports in the GDP expansion. The bank maintained its 2018 growth estimate at 3.1 percent.

Emphasizing that consumer confidence index, tourist numbers and manufacturing purchasing managers index (PMI) expansion continue in the second half, JP Morgan noted that the growth may decelerate to some extent once the incentive measures and credit guarantee mechanism finalizes.

U.S.-based investment bank Morgan Stanley also revised its growth estimates on Turkey after the country registered 5.1 percent GDP expansion in the first half of the year with the impact of strong credit expansion. The bank raised its estimate for 2017 to 4.3 percent from 3.3 percent. Employment, consumer confidence and leverage indices point out that the growth in the private sector consumption will continue to increase to a large extent in the second half, the bank noted. In light of this data, the bank said, it revised up Turkey growth estimate by 1 percent.

Moreover, Japanese financial institution Nomura increased its growth prediction for the Turkish economy to 5.5 percent and kept its 2018 forecast at 3 percent and added that there are upward risks for 2018 estimates.

FITCH: TURKISH BANKS' FOREIGN CURRENCY LIQUIDITY SOUND

Turkish banks external debt increased in the first six months of the year but the sector foreign currency (FC) liquidity remains sufficient to cover maturing short-term FC debt, according to Fitch Ratings.

"Banks' external debt raised $9 billion to $172 billion in the first half of this year, reflecting a pick-up in bond issuance in benign market conditions and foreign-exchange movements that resulted in upward revaluations of euro and lira obligations," a written statement by Fitch Ratings said. "More than half of this debt, $96 billion, is short-term, as measured by remaining maturities. However, net of the most stable sources of funding, we estimate an external debt service requirement of $50 billion - $55 billion over 12 months," it added.

Turkey's banking sector made 25.35 billion Turkish liras (nearly $7.25 billion) net profit between January and June this year, an increase of 33.2 percent year-on-year, according to the Banking Regulation and Supervision Agency of Turkey.

Fitch also stated that the banking sector would maintain an adequate access to debt market with an ability to roll over its foreign debt, "while their available FC liquidity should mean they are reasonably placed to cope with a short-lived market closure".

The agency warned, however, that a prolonged loss of market access would bring considerable risks for banks' FC liquidity and Turkey's external finances more generally. "The banking sector's net FC position is close to zero, but banks are exposed to significant credit risk on FC loans to weakly hedged corporates," Fitch said.

Turkish banking sector posted 37.5 billion Turkish liras (around $10.7 billion) net profit last year while total assets of the sector stood at 2.73 trillion liras (some $778 billion) as of Dec. 30, 2016.

E-COMMERCE GIANT AMAZON IN TALKS WITH TURKISH PRODUCERS FOR HOME TEXTILE PRODUCTS

A procurement committee from the European branch of the global e-commerce giant Amazon has visited Denizli, an industrial city in southwestern Turkey dubbed as "the capital of textile," to meet with Turkish exporters and visit home textile companies.

Top executives of Luxembourg-based Amazon Europe, including Shibu Thrakan, Otavio Alves, Krishna Murali and Gül Sönmez, who were hosted with support from Turkey's Ministry of Economy, met with exporters from the Denizli Exporters' Union (DENİB). Amazon officials presented possible ways of cooperation and also provided information regarding trading methods in the Amazon platform.

Thrakan said that Turkish companies can be involved in the Amazon platform under the Amazon brand or with exclusive brands and products they will develop specifically for the platform. Highlighting Turkey's favorable geographical location, Thrakan said the availability of daily shipments to almost every point in Europe is an important advantage. DENİB Chairman Süleyman Kocasert told that they expect Amazon EU to quickly increase its purchases from Denizli within a short period of time. "There have recently been very positive developments regarding Amazon's point of view toward Turkey. Turkey has a strong potential for e-commercial business. Amazon noticed that as well. I hope that our cooperation will bring good results as soon as possible," Kocasert said.

He noted that following a visit by officials from another e-commerce giant Alibaba.com, Amazon officials were also able to see the production technology, quality and delivery speed at the manufacturing sites. E-commerce is growing rapidly in the world, but in Turkey it is in its initial stage, Kocasert said, adding that cooperation with Amazon platform will provide essential increase for the country's trade. Kocasert noted that e-commerce has a share of less than 5 percent in the total exports of the home textile sector. "We aim to increase e-commerce infrastructure by two, three or even fourfold. In the next three years, the share of e-commerce in Denizli's total trade volume will increase above 5 percent and we will be talking about two-digit figures for 2023," he added.

Pointing to Amazon's preparations to enter the Turkish market, recently reported after the e-commerce giant founded a Turkish subsidiary in Istanbul, Kocasert argued that these developments will have a positive effect on the purchasing process in Turkey. "I think these are processes that have a complementary, domino effect on each other. Amazon is in talks with the Ministry of Economy to enter the Turkish market," he said. "Amazon is very big in the U.S. and Europe and has, recently, been very pleased with their structuring in China and India, as well as Brazil. We can say that Turkey will be the next successful market."

Denizli is a center for Turkey's home textiles production. Products from the city are exported to 165 countries worldwide. According to recent figures, the city's towel exports to the U.S. increased by 23 percent during the first eight months of the year and were recorded at $55 million compared to the same period last year. Turkey is also one of the largest home textile suppliers of Europe. The overall home textile exports in 2015 were recorded at $3 billion, and the major markets for exports were Germany, the U.S., U.K., France and Russia.

TURKEY'S TREASURY BORROWS $315M THROUGH AUCTION

Turkish Treasury borrowed 1.12 billion Turkish liras (nearly $315 million) from the domestic market in an auction, according to an official statement.

Turkey's Undersecretariat of Treasury announced that two-year fixed coupon bonds (semiannually, re-opened, fifth issue) were up for auction that will be settled on September 27, 2017 and mature on May 15, 2019.

According to the statement, the total tender for the securities was 3.75 billion Turkish liras (some $1.06 billion) with a 30 percent accepted/tendered rate.

The Treasury said the interest rate of the fixed coupon bonds was accepted at a 5.79 percent term rate while annual simple and compound interest rates were 11.57 and 11.91 percent, respectively.

TURKISH EXPORTS UP NEARLY 12 PCT IN AUGUST, RISE FOR 10TH CONSECUTIVE MONTH

Turkey's exports increased by 11.9 percent on a yearly basis to climb $12.4 billion in August, Turkish Exporters Assembly (TIM) announced.

"Exports in the first eight months of the current year increased by 10.7 percent to $102.5 billion, and the exports in the last 12 month increased by 7.8 percent to $151.8 billion," the association said.

"Since November 2016, our exports have been increasing steadily. We believe that we will reach $155 billion by the end of the year and meet our target," Mehmet Büyükekşi, TIM chairman, said in the statement.

Germany remained the top export destinations for Turkey with $1.3 billion, which accounts for approximately 10 percent of the country's exports in August, with an increase of 11.3 percent, TIM said. The association noted that Iraq, United Kingdom, the U.S. and Spain followed Germany in the list, while shares of Turkey's export to 28 EU member states were 47 percent in August with an amount of $5.9 billion.

TIM figures showed that the biggest rises in exports were recorded in trade with Russia (58.9 percent), China (43.1 percent) and the United Arab Emirates (35.1 percent), while 16 countries of Turkey's top 20 export destinations witnessed increase in export value.

In August, the automotive sector performed the best "as usual" with $1.8 billion export, followed by ready-made garments and apparel with $1.7 billion, and chemicals with $1.5 billion exports.

TURKEY SIGNS $400 MILLION LOAN AGREEMENT WITH WORLD BANK

Turkey's Treasury announced on Sept. 11 that the World Bank has lent a 350.9 million Euro ($400 million) loan to the country as part of the Resilience, Inclusion and Growth Development Policy Financing (RIG-DPF) program.

The loan agreement is signed to support Turkey's efforts to increase domestic savings, enhance economic participation among vulnerable groups and address structural bottlenecks to ensure sustainable growth, the Treasury stated. It added that the total maturity of the loan was 10 years, including a grace period of three-and-a-half years.

According to the World Bank, the policies, strategies and reform actions supported under the program center on three strategic outcomes: "The first pillar aims to increase domestic savings to help address external imbalances and reduce fiscal risks," the bank said in a press release. "The second pillar aims to support participation of women, youth, long-term unemployed, and Syrians under temporary protection in the labor market. The third pillar aims to remove structural bottlenecks to sustainable growth," it stated, adding that this would be achieved by enacting an appropriate legal framework for the protection of industrial property.

The World Bank also said that removing structural bottlenecks would be achieved by improving the allocation of capital, by facilitating access to credit for small and medium enterprises, and by deregulating network industries through the liberalization of the railways sector.

TURKISH PM INDICATES $300 BLN INVESTMENT, MAINLY ON TRANSPORT, IN THE NEXT DECADE

Turkish Prime Minister Binali Yıldırım said on Sept. 10 that $300 billion worth of investments will be made in the country in the next 10 years.

Yıldırım said $100 billion of investment will be made in the transport sector in the next decade in Turkey, as he addressed a meeting of businessmen and representatives of non-governmental organizations in the northwestern province of Eskişehir.

He said $100 billion each will be invested in health technology, information, communication and virtual reality sectors. “I am talking about $300 billion of investment. And I am not talking about the distant future, I am talking about the next 10 years,” he said. “We are working to make our country a center for global investors,” he added. He said that in the last 15 years, $186 billion of global direct investment was made in Turkey.

UPCOMING EVENTS

9TH TURKEY INVESTMENT CONFERENCE, 29 November 2017

9th Turkey Investment Conference, organized by the Turkey-U.S. Business Council (TAIK), will take place in New York on 29 November 2017

This forum is principally designed to bring highly regarded Turkish opinion leaders, senior government officials, and corporate executives together with institutional investors interested in better understanding the investment landscape in Turkey.

16TH NEW YORK TURKISH FILM FESTIVAL, 30 November-3 December 2017

16th New York Turkish Film Festival, organized by the American Turkish Society (ATS) and supported by the Turkey-U.S. Business Council (TAİK) as the signature sponsor, will take place between 30 November – 3 December in New York. Over the years, The New York Turkish Film Festival (NYTFF) has become one of the most important international film festivals in New York, presenting more than 300 films – many of them award-winning – welcoming 30,000 viewers and receiving significant coverage. In addition to showcasing the best of recent Turkish cinema to audiences in New York City, NYTFF hosts a number of glamorous receptions, dinners and parties featuring celebrity guests throughout the festival.

The “Ayla” film, which received the 2017 Cultural Citation Award at the Annual Conference on U.S.-Turkey Relations organized by the American Turkish Council (ATC) and the Turkey-U.S. Business Council (TAİK) on May 23, 2017, will be screened on the opening night of the festival on November 30th. Ayla, has also been selected as The Official Entry from Turkey for the 90th Academy Awards-Best Foreign Language Film.

Please follow this link for details.

PAST EVENTS

DOING BUSINESS IN THE U.S. INFORMATION SESSION, 9 August 2017

Doing Business in the United States Information Session, organized by the DEİK/Turkey-U.S. Business Council in cooperation with the European American Investment Council (EAIC) took place on August 9th, in Istanbul. The information session brought together numerous Turkish professionals interested in starting or expanding their businesses in the United States.

RECEPTION IN HONOR OF HOUSTON MAYOR SYLVESTER TURNER, 13 July 2017

Borusan Holding CEO and Turkey-U.S. Business Council Texas Committee Chairman Agah Uğur welcomed Mayor of Houston Sylvester Turner and his delegation at a special event in their honor at the Borusan Contemporary Museum.

TAiK CALIFORNIA VISIT, 24-26 May 2017

DEİK/Turkey-U.S. Business Council California Committee organized two events in San Francisco and Los Angeles between 24-26 May 2017. The events, which are a first for the newly established California Committee, aimed to institute the first connection with the region and were good opportunities to meet potential counterparts and cooperation partners.

Please follow this link for the visit report.

36TH ATC-TAIK ANNUAL CONFERENCE ON U.S.-TURKEY RELATIONS, 21-23 May 2017

Convening more than 400 representatives from numerous sectors, government offices, government affiliated organizations and non-governmental organizations, the 36th ATC-TAIK Joint Annual Conference on U.S.-Turkey Relations took place between 21-23 May 2017 at the Trump International Hotel in Washington D.C.

Please follow this link for the conference report.

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