

## Macro: Widespread increase in industrial production in November

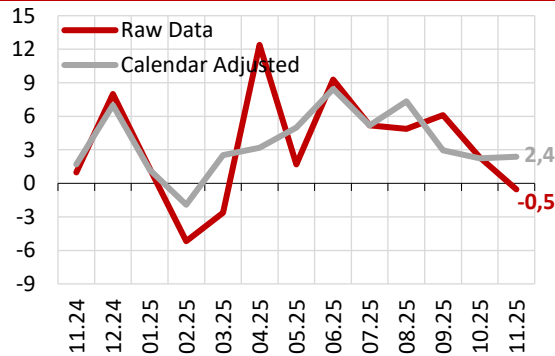
In November, the Industrial Production Index (IPI) recorded a surprisingly high monthly increase of 2.5% in seasonally and calendar adjusted (s.a.) terms. On an annual basis, the IPI declined by 0.5%. Nevertheless, when adjusted for calendar effects, this corresponded to an annual growth rate of 2.4% compared to the previous month.

Volatility in the IPI stemming from capital goods has continued in November. While other transportation equipment and computers, electronics, and optical instruments contributed 1.1 percentage points to the monthly change in IPI, the IPI increased more moderately by 1.4% excluding these two sectors. Despite the monthly increase in November, the quarterly decline continues, which is more limited excluding capital goods.

Survey-based leading indicators for the manufacturing industry have not yet shown any signs of a sustained recovery in the manufacturing sector. However, both the PMI and the Business Tendency Surveys showed some improvement in demand indicators. In addition, we observed a deterioration in cost expectations due to anticipated wage increases at the beginning of the year. The fact that most sectors recorded increases in November may also indicate a production increase brought forward somewhat before the expected cost increases. This effect is likely to strengthen and continue in December. Indeed, PMI data also showed an increase in December. Finally, the clothing sector continues to diverge negatively. Production in the clothing sector has been declining for the last 6 months, and the cumulative decrease over this period has reached 17.3%. Compared to the end of 2024, the production loss is approximately 26%, and the sector's production is at its lowest level since May 2021.

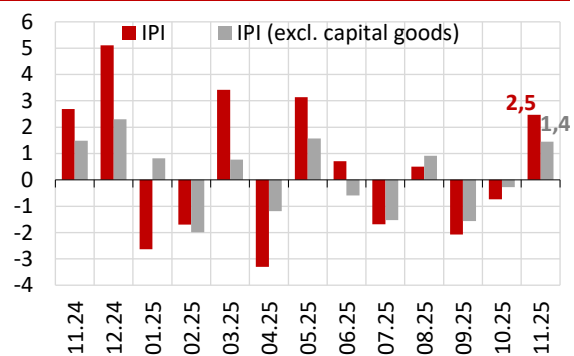
**The Industrial Production Index (IPI), adjusted for seasonal and calendar effects (m.a.), increased by 2.5% month-on-month (mom).** On an annual basis, the IPI decreased by 0.5%, but when adjusted for calendar effects (one working day less than last year), it recorded an increase of 2.4% year-on-year (yoy), close to the increase in October (Chart 1).

**Chart 1. IPI (yoy, %)**



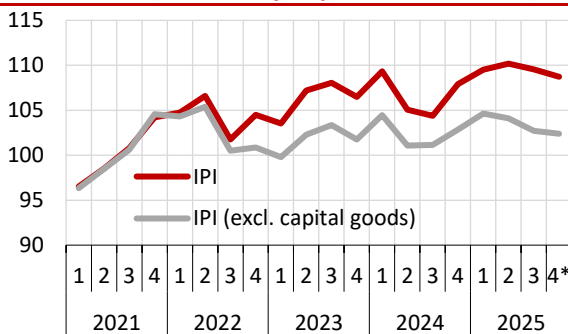
Source: Turkstat

**Chart 2. IPI (seasonally adjusted, mom, %)**



Source: Turkstat, Akbank

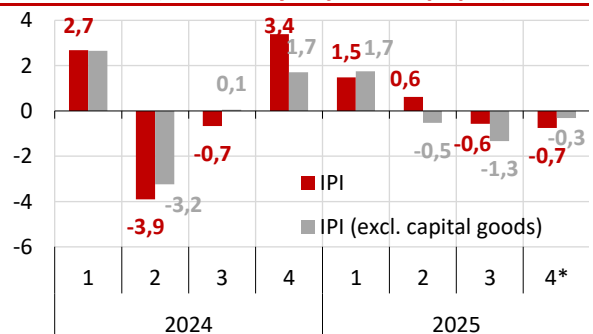
**Chart 3. IPI (seasonally adjusted, 2021=100)**



\*October-November average.

Source: Turkstat, Akbank

**Chart 4. IPI (seasonally adjusted, qoq, %)**



\* October-November average.

Source: Turkstat, Akbank

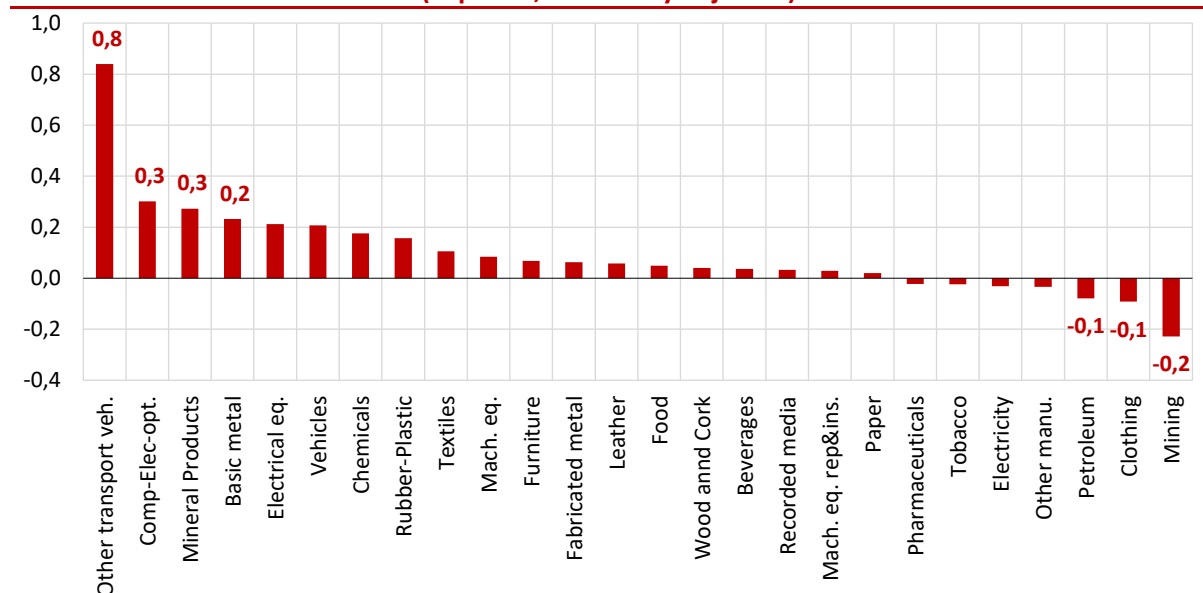
In October-November, the IPI (s.a.) remained 0.7% below the Q3 average, indicating that the weakening in production continued into the last quarter. Capital goods, which had been limiting IPI for the past four months, supported IPI again in November with the contribution of its volatile components (Charts 2 and 3). Despite this increase, capital goods continued to limit IPI in October-November. As of November, IPI excluding capital goods contracted more moderately by 0.3% on a quarterly basis (Chart 4).

In November, the majority of sectors contributed to the monthly increase. The highest positive contributions to the monthly change came from the defense industry linked **other transportation equipment** manufacturing, and the manufacturing of **computers, electronics, and optical instruments** (0.8 and 0.3 points, respectively), which have historically shown high volatility. Therefore, the monthly increase in IPI excluding these two sectors, for a healthier tracking of the main trend in IPI, is more limited at 1.4%. On the other hand, the fact that this core indicator has leveled off on a quarterly basis after contractions in the last two quarters can be considered a partially positive development.

In November, strong growth in **construction-related sectors** (mineral products, base metals, fabricated metals, rubber and plastics) was also noteworthy. Aggregated, production in construction-related sectors increased by 3.1% on a monthly basis, exceeding the average of the IPI. On a quarterly basis, while losing momentum, they recorded a 0.8% increase. This month, we also observed increases in **core capital goods** (vehicles, machinery and equipment, etc.). **Textiles** also recorded an increase (1.7%), exceeding last month's decrease (-1.1%). The **food** sector also continued to increase, albeit at a slower rate.

On the other hand, **clothing** continues to be the worst-performing sector. Production in the clothing sector has been declining for six months. The cumulative decrease over the six months has reached 17.3%. Compared to the end of 2024, the production loss reached 26%. Production is at its lowest level since May 2021.

**Chart 5. Contributions to the Monthly Change in IPI in September**  
(% points, seasonally adjusted)

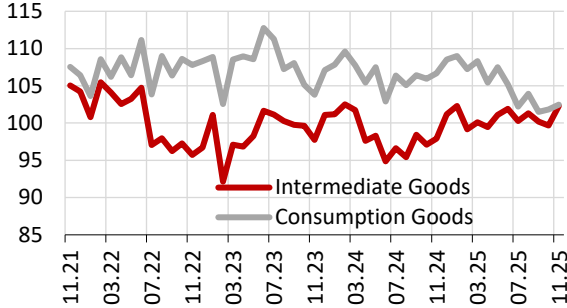


Source: Turkstat, Akbank

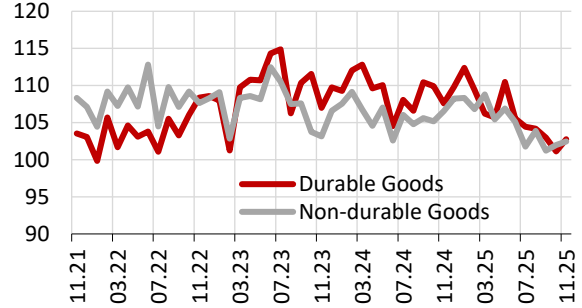
**The monthly increase was widespread across product groups, excluding energy.** Capital goods manufacturing increased by 5.9% on a monthly basis, driven by sharp movement in computer, electronic, and optical instrument manufacturing and transportation equipment (Chart 8). Monthly

production increases in intermediate goods, durable consumer goods, and non-durable consumer goods (s.a.) were 2.6%, 1.6%, and 0.5%, respectively (Charts 6 and 7). In the energy sector, a decline was recorded, particularly due to mining.

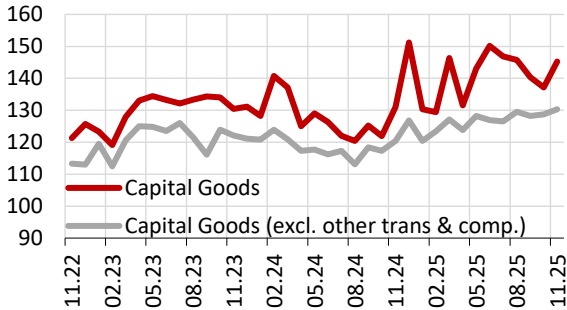
**Chart 6. Intermediate and Consumption Goods (seasonally adjusted, 2021=100)**



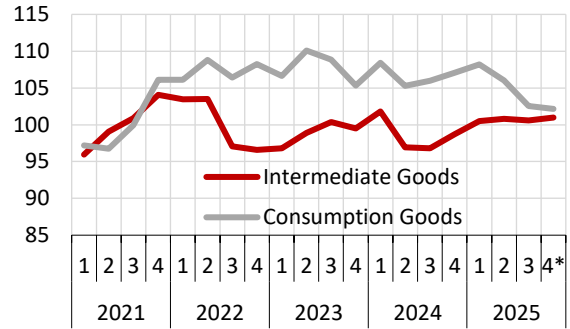
**Chart 7. Consumption Goods (seasonally adjusted, 2021=100)**



**Chart 8. Capital Goods (seasonally adjusted, 2021=100)**



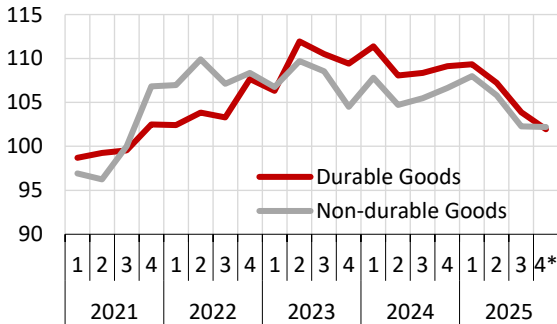
**Chart 9. Intermediate and Consumption Goods (seasonally adjusted, 2021=100)**



Source: Turkstat, Akbank

Source: Turkstat, Akbank

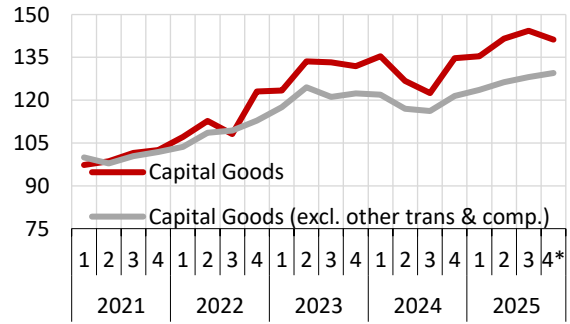
**Chart 10. Consumption Goods (seasonally adjusted, 2021=100)**



\* October-November average.

Source: Turkstat

**Chart 11. Capital Goods (seasonally adjusted, 2021=100)**



\* October-November average.

Source: Turkstat, Akbank

Table 1. Industrial Production Index (Annual % Change)

	Aug.25	Sep.25	Oct.25	Nov.25	2025-Q1	2025-Q2	2025-Q3	2025-Q4*	First 11 months
<b>IPI</b>	<b>4.9</b>	<b>6.1</b>	<b>2.3</b>	<b>-0.5</b>	<b>-2.2</b>	<b>7.4</b>	<b>5.4</b>	<b>0.9</b>	<b>3.0</b>
<b>Mining and quarrying</b>	<b>2.0</b>	<b>5.6</b>	<b>9.8</b>	<b>-2.1</b>	<b>-2.1</b>	<b>5.6</b>	<b>2.9</b>	<b>3.9</b>	<b>2.5</b>
Mining of coal and lignite	-16.6	4.7	3.0	6.3	-0.6	-2.4	-13.7	4.6	-3.9
Extraction of crude petrol. and n. gas	14.9	23.5	19.7	12.3	42.8	32.3	19.7	15.9	27.8
Mining of metal ores	2.1	-1.9	11.9	-27.7	-8.6	-2.5	0.0	-7.7	-4.4
Other mining and quarrying	5.1	6.6	6.3	8.4	-8.5	10.0	8.1	7.3	4.3
<b>Manufacturing</b>	<b>5.1</b>	<b>6.2</b>	<b>2.0</b>	<b>-0.4</b>	<b>-2.7</b>	<b>7.7</b>	<b>5.7</b>	<b>0.8</b>	<b>2.9</b>
Food products	7.1	4.7	-2.1	-5.4	0.1	10.9	5.9	-3.8	3.4
Beverages	2.8	1.7	-3.6	9.9	-3.8	5.6	3.4	2.6	2.2
Tobacco products	11.1	12.8	14.5	4.2	-7.2	14.7	12.1	9.3	7.2
Textiles	-9.1	-4.1	-7.5	-11.5	-4.9	-1.1	-6.8	-9.5	-5.4
Wearing apparel	-19.8	-19.6	-22.1	-28.5	-0.4	-6.7	-18.9	-25.2	-12.2
Leather and related products	-6.3	-5.0	-10.0	-9.2	-2.3	-2.6	-5.9	-9.6	-4.7
Wood and cork products	6.1	17.1	11.5	9.1	-1.1	18.1	11.5	10.2	9.3
Paper and paper products	8.4	3.7	0.1	-1.6	-3.3	6.7	5.3	-0.8	2.1
Recorded media	0.0	9.4	-7.6	-3.3	-5.6	-2.4	-0.2	-5.6	-3.1
Coke and refined petroleum prod.	9.3	32.9	17.7	-4.1	4.4	9.4	14.1	6.1	8.7
Chemicals and chemical prod.	4.4	8.6	3.9	3.7	-3.8	3.8	4.6	3.8	1.9
Basic pharmaceutical products	18.0	14.1	14.9	7.4	-12.9	8.7	12.4	11.1	3.5
Rubber and plastic products	-0.6	0.9	-1.6	-0.6	-8.4	5.4	0.7	-1.1	-1.0
Other non-metallic mineral prod.	9.0	13.5	8.2	12.0	-5.2	10.6	11.9	10.0	6.7
Base metals	7.0	7.1	4.4	3.5	-0.1	6.1	6.6	3.9	4.1
Fabricated metal products	16.6	16.0	14.4	4.6	4.3	15.3	15.7	9.3	11.3
Comp., electronic and optical prod.	8.6	25.0	11.5	46.0	4.6	27.8	27.6	26.6	21.3
Electrical equipment	2.4	6.1	6.4	7.8	-3.3	4.4	2.8	7.1	2.3
Machinery and equipment	-4.8	-5.4	-9.2	-9.1	-8.8	-3.0	-5.3	-9.2	-6.4
Motor vehicles	14.2	8.4	8.0	11.2	-12.3	8.6	9.4	9.6	2.6
Other transport equipment	53.7	27.0	22.7	2.5	-5.8	23.0	47.4	10.7	18.1
Furniture	2.4	9.4	1.1	1.0	-4.3	5.5	4.9	1.0	1.9
Other manufacturing	-10.2	-12.3	-14.8	-19.8	-2.4	4.6	-9.7	-17.3	-5.8
Repair& instl. of mach. and eq.	9.3	8.5	0.6	-1.1	9.0	17.3	8.2	-0.3	9.1
<b>Electricity, gas, steam</b>	<b>6.1</b>	<b>5.3</b>	<b>0.6</b>	<b>-2.0</b>	<b>5.0</b>	<b>4.9</b>	<b>5.7</b>	<b>-0.7</b>	<b>4.2</b>
<b>IPI</b>	<b>4.9</b>	<b>6.1</b>	<b>2.3</b>	<b>-0.5</b>	<b>-2.2</b>	<b>7.4</b>	<b>5.4</b>	<b>0.9</b>	<b>3.0</b>
Intermediate Goods	3.8	4.9	2.7	1.6	-4.6	6.1	4.3	2.2	1.9
Durable Consumer Goods	-7.3	-3.9	-8.7	-6.9	-3.5	-0.2	-5.4	-7.8	-4.0
Non-durable Consumer Goods	-0.2	-0.5	-5.6	-9.4	-2.2	5.0	-1.0	-7.5	-1.2
Energy	5.6	11.5	5.4	-1.2	6.4	6.9	6.7	2.0	5.8
Capital Goods	18.0	16.1	12.3	7.3	-1.4	14.9	18.1	9.7	10.2
Low Technology	-1.8	-1.1	-6.0	-9.1	-2.1	4.3	-1.6	-7.6	-1.5
Medium-Low Technology	5.9	8.5	3.5	1.7	-1.8	8.8	6.8	2.6	4.2
Medium-High Technology	15.6	8.9	7.9	4.9	-4.0	4.8	10.2	6.3	4.1
High Technology	7.7	34.4	27.8	25.6	-6.9	40.0	32.3	26.7	20.7

\* as of November

Source: Turkstat

Table 2. Industrial Production Index (Seasonally and Calendar Adjusted)

	Monthly % Change				Quarterly % Change			
	Aug.25	Sep.25	Oct.25	Nov.25	2025-Q1	2025-Q2	2025-Q3	2025-Q4*
<b>IPI</b>	<b>0.5</b>	<b>-2.1</b>	<b>-0.7</b>	<b>2.5</b>	<b>1.5</b>	<b>0.6</b>	<b>-0.6</b>	<b>-0.7</b>
<b>Mining and quarrying</b>	<b>0.1</b>	<b>1.0</b>	<b>1.2</b>	<b>-4.8</b>	<b>5.8</b>	<b>1.1</b>	<b>-2.4</b>	<b>-0.6</b>
Mining of coal and lignite	5.6	16.6	-1.3	5.7	3.0	2.6	-12.5	14.1
Extraction of crude petrol. and n. gas	-1.1	4.2	0.7	-1.2	4.5	6.3	2.1	2.4
Mining of metal ores	-6.2	-1.7	2.8	-23.6	7.2	-1.3	-1.5	-12.3
Other mining and quarrying	3.5	-4.2	1.2	3.7	8.4	0.6	0.0	1.3
<b>Manufacturing</b>	<b>0.7</b>	<b>-2.2</b>	<b>-0.8</b>	<b>3.1</b>	<b>1.3</b>	<b>0.7</b>	<b>-0.7</b>	<b>-0.5</b>
Food products	1.5	-1.6	2.0	0.4	4.5	-1.6	-2.3	1.6
Beverages	0.0	-5.0	3.5	7.7	-0.6	0.8	-3.1	3.9
Tobacco products	0.0	-6.0	6.8	-5.2	-1.8	12.4	0.8	-0.2
Textiles	0.2	0.5	-1.1	1.7	-2.1	-3.3	-3.9	0.2
Wearing apparel	-0.3	-3.2	-1.5	-2.4	-4.0	-8.6	-8.9	-4.9
Leather and related products	-2.8	-3.9	-1.4	7.5	0.6	-3.9	-4.0	-1.4
Wood and cork products	0.5	6.2	-1.9	3.1	7.5	-0.9	-2.3	3.8
Paper and paper products	0.3	-3.7	-1.1	0.9	0.4	1.6	-0.4	-3.1
Recorded media	8.3	0.5	-12.5	4.9	4.0	-1.6	3.3	-7.7
Coke and refined petroleum prod.	-0.7	-4.6	-0.8	-3.1	12.0	1.8	-3.3	-5.7
Chemicals and chemical products	3.7	0.3	-0.9	4.1	0.9	0.0	0.0	2.6
Basic pharmaceutical products	13.8	-6.8	6.3	-1.2	-1.9	8.9	3.3	5.1
Rubber and plastic products	-0.6	-1.0	-2.0	4.1	1.8	0.4	-2.9	-0.8
Other non-metallic mineral products	-0.9	0.7	-1.4	4.1	5.5	2.1	1.9	0.8
Base metals	2.7	-3.0	0.1	4.4	2.0	-1.6	3.0	1.2
Fabricated metal products	5.8	-2.0	0.4	0.8	0.4	1.3	5.7	1.3
Computer. electronic and optical prod.	-20.0	29.3	-23.4	15.7	19.1	1.1	2.2	-9.6
Electrical equipment	-1.1	0.8	1.2	4.8	2.1	1.9	0.4	3.7
Machinery and equipment	3.1	-5.6	1.0	2.1	-3.0	-3.6	-1.1	-0.8
Motor vehicles	0.4	-0.2	1.1	3.1	2.9	7.2	-1.7	2.6
Other transport equipment	-2.2	-26.5	-0.3	23.4	-11.8	17.8	3.9	-11.0
Furniture	1.3	0.9	-2.1	2.5	1.4	-0.9	0.7	0.2
Other manufacturing	3.0	-5.0	-1.2	-1.8	-1.0	-2.9	-6.8	-4.4
Repair and installation of mach. and equip.	0.3	-1.9	-3.8	0.9	2.9	3.2	-4.2	-4.5
<b>Electricity, gas, steam</b>	<b>-2.5</b>	<b>-2.4</b>	<b>-1.2</b>	<b>-0.5</b>	<b>0.9</b>	<b>-0.7</b>	<b>2.6</b>	<b>-3.8</b>
<b>IPI</b>	<b>0.5</b>	<b>-2.1</b>	<b>-0.7</b>	<b>2.5</b>	<b>1.5</b>	<b>0.6</b>	<b>-0.6</b>	<b>-0.7</b>
Intermediate Goods	1.0	-1.1	-0.5	2.6	1.8	0.3	-0.2	0.4
Durable Consumer Goods	-0.2	-1.2	-1.8	1.6	0.2	-1.9	-3.2	-1.8
Non-durable Consumer Goods	2.1	-2.6	0.7	0.5	1.3	-2.0	-3.3	-0.1
Energy	-1.5	-1.3	-1.0	-0.7	3.6	0.6	-0.1	-2.7
Capital Goods	-0.8	-3.7	-2.3	5.9	0.5	4.6	1.9	-2.1
Low Technology	0.8	-1.5	-0.1	0.8	0.9	-2.5	-3.3	-0.4
Medium-Low Technology	1.3	-2.0	-1.4	2.8	2.9	1.0	-0.5	-0.9
Medium-High Technology	4.4	-7.2	0.7	4.8	0.8	3.3	3.0	-0.5
High Technology	-16.3	15.5	-7.6	10.5	-1.4	9.4	-0.9	0.7

\* as of November

Source: Turkstat

This report is prepared by Akbank Economic Research

[Economic.research@akbank.com](mailto:Economic.research@akbank.com)

Çağlar Yüncüler, PhD – Vice President

[Caglar.Yunculer@akbank.com](mailto:Caglar.Yunculer@akbank.com)

M. Sibel Yapıcı

[Sibel.Yapici@akbank.com](mailto:Sibel.Yapici@akbank.com)

Sercan Pişkin

[Sercan.Piskin@akbank.com](mailto:Sercan.Piskin@akbank.com)

DISCLAIMER STATEMENT: The text, information and graphs in this report and comments has been prepared from the primary accessible systemic sources on a bona fide basis, and without consideration to establishing any guarantee and assurance for establishing a basis for any informed decision under any name or form, in terms of their accuracy, validity and effectiveness, and thus it has only been gathered for information purposes. Akbank TAŞ, Ak Yatırım AŞ and their employees will not be held responsible for any damages resulting from the comments included in this report such as lack of information and/or updates. Akbank TAŞ and Ak Yatırım AŞ may modify and/or remove the above information and recommendations at any time, without having to serve any prior notice and/or warning in any way, manner or form. Since this report and comments, the comprehensive information and recommendations which have been prepared in the form of general investment suggestions for the purpose of providing general information do not include any commitment by Akbank TAŞ and Ak Yatırım AŞ, the consequences of any decisions taken, conclusions reached, transactions made and any risks caused by any private and/or legal person based on such information will therefore rest with such persons. For this reason, Akbank T.A.Ş., Ak Yatırım A.Ş. and their employees shall not by any means or in any manner be liable for any material and moral damages, loss of profits, or any direct and/or indirect damages, whatsoever, incurred by the persons concerned or 3rd parties, as a result of the decisions taken, conclusions reached, or transactions performed by private and/or legal persons due to reliance on the information contained in this report, the comments and recommendations herein, and the persons concerned understand and accept that they are not entitled to claim any indemnity, whatsoever, from Akbank TAŞ, Ak Yatırım AŞ and their employees for any damages suffered/to be suffered. The information given in this report, and the comments and recommendations contained herein do not constitute an "investment consultancy" service and/or activity, but fall within the scope of a general investment consultancy activity, and individuals and entities willing to receive an investment consultancy service must contact entities and institutions that are authorized to provide such service and obtain such service under a service agreement pursuant to the legislations of CMB. Investment consultancy services are offered under an investment consultancy agreement to be signed between brokerage houses, portfolio management companies, banks that do not admit deposits and the clients. The comments and recommendations contained herein depend upon the personal opinions of the persons who make the comments and recommendations. Since such opinions have been arranged in the scope of a general investment consultancy activity they do not contain reports, comments and recommendations specific to a person, and may therefore not suit your financial status, risk and return preferences. Thus, making investment decisions solely based on the information contained herein might not bring an outcome that meets your expectations.

