

Macro: Foreign trade balance deteriorated due to geopolitical developments

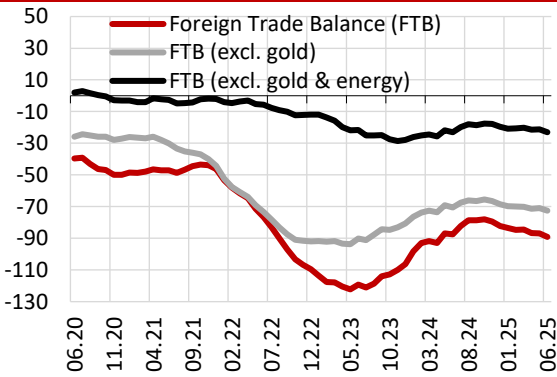
According to the provisional data released by the Ministry of Trade, foreign trade deficit was realized as \$8.2 billion in June. Thus, foreign trade deficit, was \$49.4 billion in the first half of the year, and rose to \$89.2 billion in 12-month cumulative terms. According to seasonally adjusted figures, foreign trade deficit increased on a monthly basis. This deterioration was mainly driven by the increase in energy imports due to the rise in energy commodity prices stemming from geopolitical developments, as well as the demand for non-energy commodities, which was brought forward due to concerns of price hikes due to geopolitical risks. The rise in the parity and the slowdown in gold imports limited the deterioration in external deficit.

We assess that the current course of the external deficit continues to be in line with our current account deficit forecast of around \$20 billion for the year-end. However, risks stemming from tariffs and geopolitical developments persist, albeit to a lesser extent.

According to the provisional data released by the Ministry of Trade, exports increased by 8.0% yoy to \$20.5 billion while imports rose by 15.3% yoy to \$28.7 billion in June. Thus, foreign trade deficit increased by \$2.3 billion yoy to \$8.2 billion in June. In the first half of the year, the foreign trade deficit was \$49.4 billion, while the 12-month cumulative deficit widened from \$86.9 billion to \$89.2 billion (Table 1 and Chart 1).

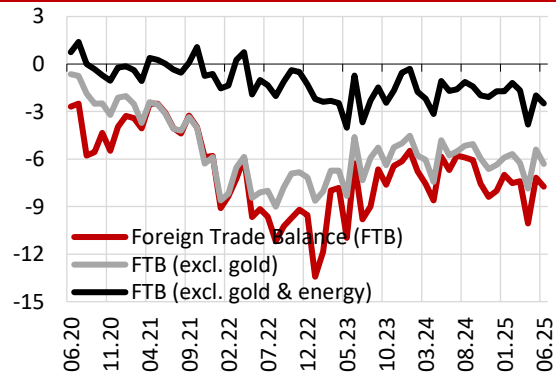
In seasonally and calendar adjusted (s.a.) terms, foreign trade balance deteriorated slightly. After recovering in May, the external balance excluding gold and energy (s.a.) deteriorated again in June. Gold imports declined on a monthly basis, while energy imports increased due to the geopolitical-driven oil price hike (Chart 2).

Chart 1. Foreign Trade Balance (12-month cumulative, billion \$)



Source: TURKSTAT, MoT, Akbank

Chart 2. Foreign Trade Balance (seasonally adjusted, billion \$)



Exports

Exports (s.a.) remained flat on a monthly basis in June (Table 3, Chart 3). Gold exports amounted to \$128 million in June, below the average of the last 7 months. Energy exports (s.a.), which had declined in the last 3 consecutive months, posted a strong increase of 15.0% thanks to the rise in oil prices. Thus, the monthly increase in exports excluding gold and energy (s.a.) remained limited. On a quarterly basis, export growth lost momentum.

According to regional data (s.a.), exports to the EU-27 increased slightly despite the rise in parity (1.13→1.15), while exports to Other Europe and the Near and Middle East decreased (Charts 5 and 6, Table 3). Exports to North America increased by 1.0% in June after high volatility in April and May due to tariffs. In quarterly terms, exports to the EU-27 continued to increase, while exports to the Near and Middle East and North America decreased.

According to goods groups, exports (s.a.) decreased in consumption and capital goods, but increased in intermediate goods (Charts 7 and 8, Table 3). In quarterly terms, exports of capital goods posted a strong qoq increase, while exports of consumption goods declined.

Chart 3. Exports (seasonally adj., billion \$)

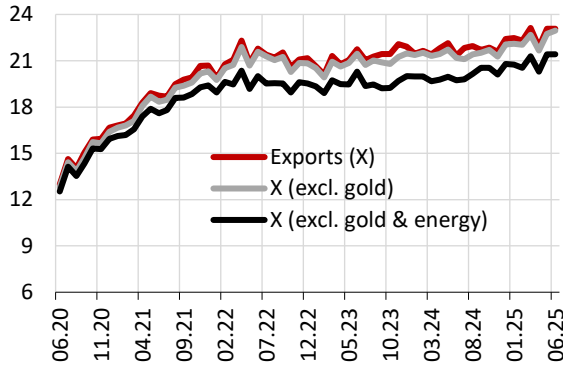


Chart 4. Imports (seasonally adj., billion \$)

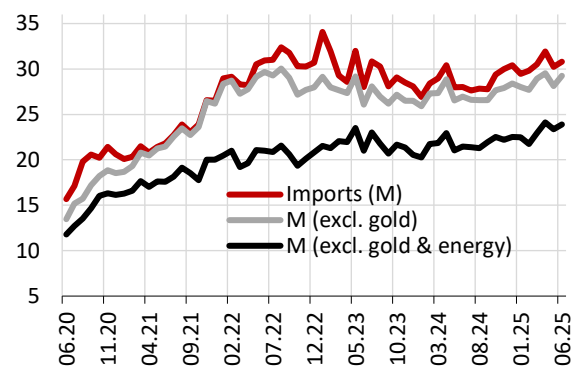


Chart 5. Exports by Region (seasonally adjusted, billion \$)

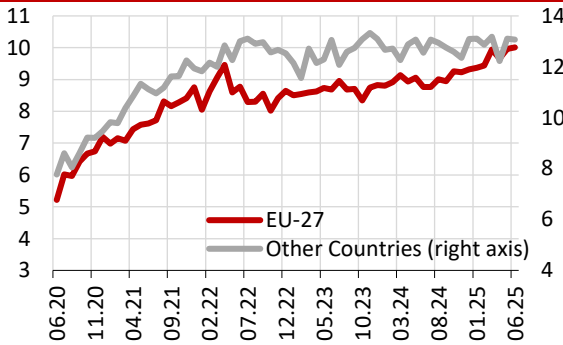


Chart 6. Exports by Region (seasonally adjusted, billion \$)

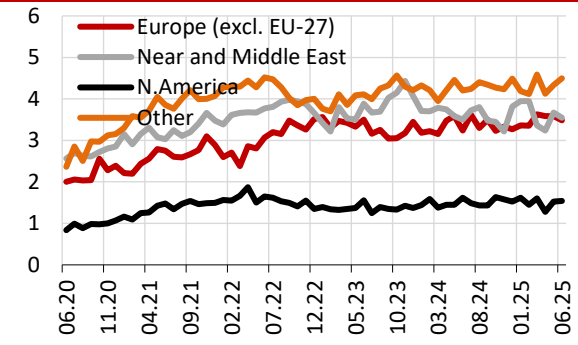


Chart 7. Intermediate Goods Exports (seasonally adjusted, billion \$)

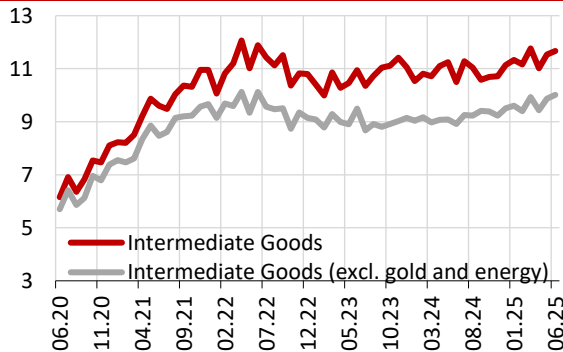
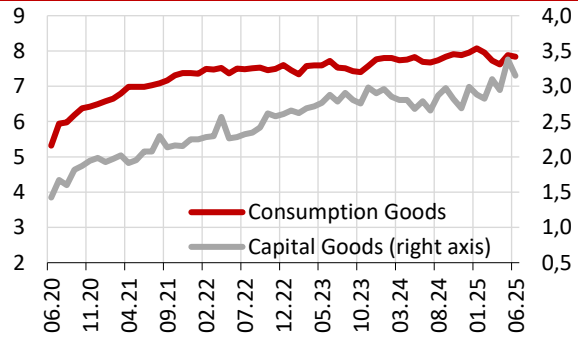


Chart 8. Capital and Consumption Goods Exports (seasonally adjusted, billion \$)



Source: TURKSTAT, MoT, Akbank

Imports

Imports (s.a.) increased by 1.9% mom in June due to the rise in energy and core imports despite the decline in gold imports (Chart 4, Table 3). Gold imports were realized as \$1.55 billion, below the 12-month average (\$1.67 billion). 12-month cumulative gold imports amounted to \$20.6 billion (Chart 9). Energy imports (s.a.) increased by 12.6% mom (Brent oil average price: \$64.0/bbl→\$69.8/bbl) following the rise in oil prices due to geopolitical developments. Imports grew by 3.5% mom in the second quarter due to the rise in gold and core imports despite the decline in energy imports.

Chart 9. Gold Imports (billion \$)



Chart 10. Energy Imports (billion \$)

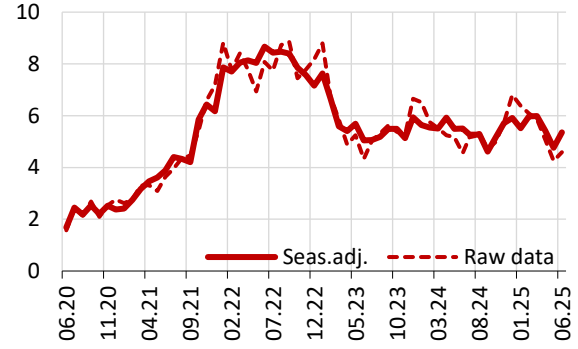


Chart 11. Intermediate Goods Imports (seasonally adjusted, billion \$)

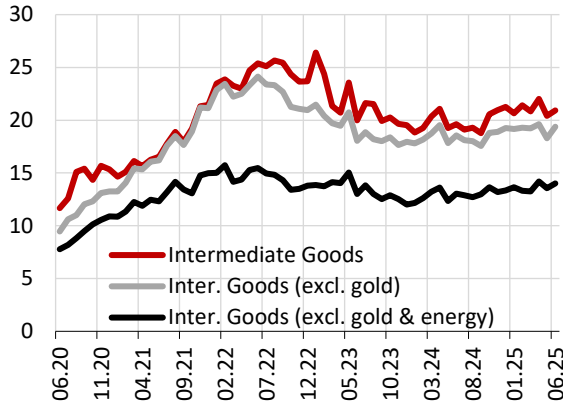
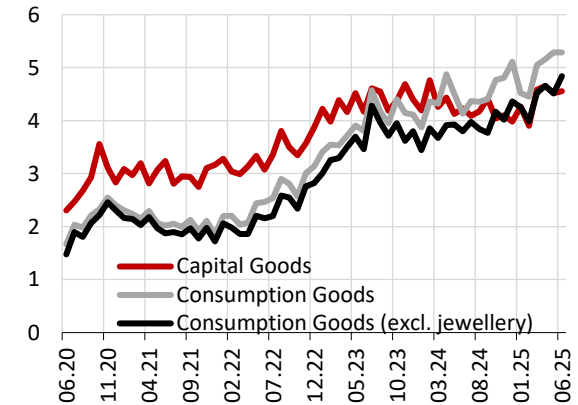
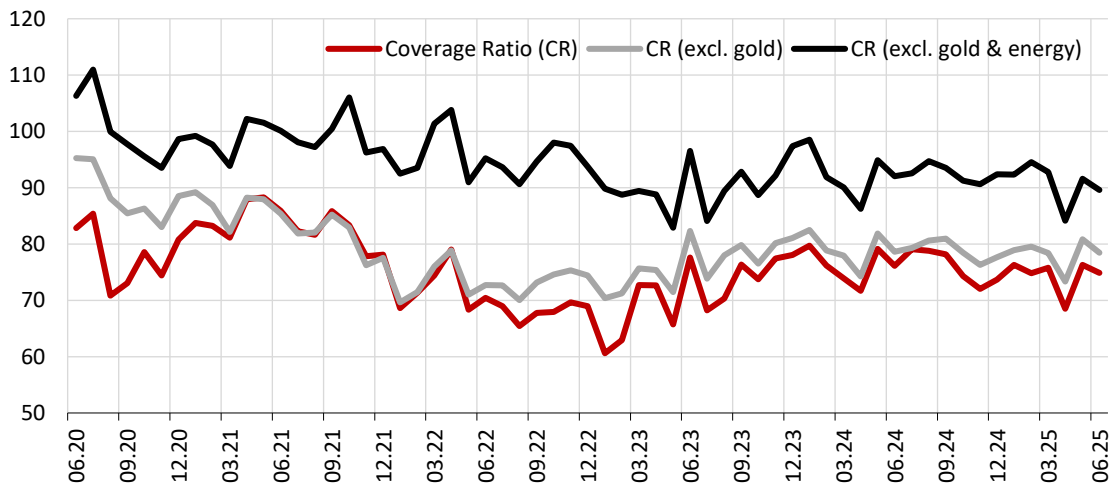


Chart 12. Capital and Consumption Goods Imports (seasonally adjusted, billion \$)



Core imports excluding gold and energy (s.a.) increased by 2.3% mom. The rise in core imports was mainly driven by the 3.4% rise in imports of intermediate goods excluding gold and energy and the 0.8% rise in imports of capital goods. On the other hand, imports of consumption goods remained flat (Charts 11-12). However, the decline in jewelry imports was notable. Excluding jewelry, imports of consumption goods rose by 7.2% mom (Chart 12, Table 3). As a result, the ratio of exports to imports excluding gold and energy (s.a.) declined from 91.6% to 89.6% (Chart 13).

Chart 13. Coverage Ratio (% , seasonally adjusted)



Source: TURKSTAT, MoT, Akbank

Table 1. Foreign Trade (raw data, billion USD)

	2020	2021	2022	2023	2024	12-Month Cumulative	First 6 Months	
						June 2025	2024	2025
Foreign Trade Balance	-49.9	-46.2	-109.5	-106.3	-82.2	-89.2	-42.5	-49.4
Exports	169.6	225.2	254.2	255.6	261.8	267.0	126.2	131.4
Imports	219.5	271.4	363.7	362.0	344.0	356.1	168.7	180.9
Foreign Trade Balance (excl. gold and energy)	-3.0	-2.1	-11.9	-27.9	-19.6	-23.1	-12.3	-15.9
Exports (excl. gold and energy)	162.5	213.2	234.8	234.9	241.7	247.4	115.9	121.5
Imports (excl. gold and energy)	165.4	215.2	246.7	262.8	261.3	270.5	128.2	137.4
Foreign Trade Balance (gold)	-22.7	-1.9	-17.5	-25.7	-13.6	-16.5	-6.6	-9.5
Exports (gold)	2.5	3.6	2.9	4.3	3.5	4.0	1.2	1.8
Imports (gold)	25.2	5.5	20.4	30.0	17.1	20.6	7.8	11.2
Foreign Trade Balance (energy)	-24.2	-42.2	-80.1	-52.7	-49.0	-49.5	-23.6	-24.1
Exports (energy)	4.7	8.5	16.4	16.4	16.6	15.6	9.1	8.2
Imports (energy)	28.9	50.7	96.5	69.1	65.6	65.1	32.7	32.3
Exports	169.6	225.2	254.2	255.6	261.8	267.0	126.2	131.4
Exports (EU-27)	70.0	93.1	103.0	104.3	108.5	112.8	53.4	57.7
Exports (excl. EU-27)	99.6	132.2	151.1	151.3	153.3	154.2	72.8	73.8
Exports (Other Europe)	24.4	31.5	36.6	39.7	40.1	41.2	18.8	19.8
Exports (Near and Middle East)	31.3	38.4	45.0	45.6	43.6	43.1	21.0	20.6
Exports (North America)	11.2	16.4	18.8	16.5	18.1	18.1	8.6	8.6
Exports (Other)	32.7	45.9	50.7	49.6	51.5	51.8	24.5	24.8
Exports (Capital Goods)	19.8	24.8	29.0	33.7	34.0	35.3	16.2	17.5
Exports (Intermediate Goods)	80.3	115.2	133.4	129.0	130.6	133.7	63.8	66.8
Inter. Goods Exp.(excl. gold and energy)	73.2	103.1	114.1	108.3	110.6	114.1	53.4	56.9
Exports (Consumption Goods)	68.3	83.8	89.8	90.7	93.7	94.0	44.9	45.2
Imports	219.5	271.4	363.7	362.0	344.0	356.1	168.7	180.9
Imports (Capital Goods)	31.8	35.9	40.5	52.7	50.6	51.1	24.6	25.1
Imports (Intermediate Goods)	163.0	210.1	292.4	261.3	238.3	246.2	118.1	126.0
Inter. Goods Imp. (excl. gold)	137.8	204.6	272.0	231.3	221.2	225.6	110.3	114.8
Inter. Goods Imp. (excl. gold and energy)	108.9	154.0	175.4	162.2	155.6	160.5	77.5	82.5
Imports (Consumption Goods)	24.1	24.9	30.5	47.6	54.5	58.1	25.8	29.4
Jewelry Imports	1.4	1.6	3.0	3.9	7.8	7.2	3.7	3.1
Consumption Goods Imp. (excl. jewelry)	22.7	23.4	27.5	43.7	46.7	50.9	22.1	26.3
Coverage Ratio	77.0	83.1	69.8	71.1	76.2	75.1	74.8	72.8
Coverage Ratio (excl. gold)	85.7	83.7	73.2	76.0	79.1	78.5	77.7	76.5
Coverage Ratio (excl. gold and energy)	97.8	99.2	95.2	89.9	92.7	91.7	90.7	88.8

Source: TURKSTAT, MoT

Table 2. Foreign Trade (raw data, billion USD)

	Mar.25	Apr.25	May.25	Jun.25	2024-Q3	2024-Q4	2025-Q1	2025-Q2
Foreign Trade Balance	-7.2	-12.1	-6.6	-8.2	-17.5	-22.3	-22.5	-26.9
Exports	23.4	20.8	24.8	20.5	66.4	69.1	65.3	66.1
Imports	30.6	32.9	31.5	28.7	83.9	91.4	87.8	93.1
Foreign Trade Balance (excl. gold and energy)	-1.7	-6.2	-1.9	-3.6	-3.7	-3.6	-4.2	-11.7
Exports (excl. gold and energy)	21.5	19.2	23.2	19.0	61.4	64.5	60.1	61.4
Imports (excl. gold and energy)	23.2	25.4	25.1	22.6	65.1	68.0	64.3	73.1
Foreign Trade Balance (gold)	-1.1	-2.2	-1.8	-1.4	-2.0	-5.0	-4.1	-5.4
Exports (gold)	0.4	0.2	0.3	0.1	1.5	0.8	1.1	0.7
Imports (gold)	1.6	2.4	2.1	1.6	3.5	5.8	5.2	6.1
Foreign Trade Balance (energy)	-4.4	-3.7	-3.0	-3.2	-11.7	-13.7	-14.2	-9.9
Exports (energy)	1.5	1.3	1.3	1.4	3.6	3.8	4.1	4.0
Imports (energy)	5.9	5.1	4.3	4.6	15.3	17.5	18.3	13.9
Exports	23.4	20.8	24.8	20.5	66.4	69.1	65.3	66.1
Exports (EU-27)	10.5	9.2	10.8	9.4	26.8	28.3	28.3	29.4
Exports (excl. EU-27)	12.9	11.6	14.0	11.2	39.6	40.8	37.0	36.8
Exports (Other Europe)	3.6	3.3	3.7	3.1	10.8	10.5	9.7	10.1
Exports (Near and Middle East)	3.3	3.0	3.8	2.8	11.1	11.5	10.9	9.7
Exports (North America)	1.6	1.3	1.7	1.3	4.5	5.0	4.3	4.3
Exports (Other)	4.5	4.0	4.7	3.9	13.2	13.9	12.1	12.6
Exports (Capital Goods)	3.2	2.9	3.6	2.8	8.5	9.3	8.2	9.3
Exports (Intermediate Goods)	11.9	10.8	12.2	10.7	33.9	33.0	33.0	33.8
Inter. Goods Exp. (excl. gold and energy)	10.0	9.3	10.6	9.2	28.9	28.3	27.8	29.1
Exports (Consumption Goods)	7.9	6.8	8.6	6.5	23.2	25.6	23.2	21.9
Imports	30.6	32.9	31.5	28.7	83.9	91.4	87.8	93.1
Imports (Capital Goods)	4.5	4.6	4.6	4.2	13.1	12.9	11.7	13.4
Imports (Intermediate Goods)	20.9	22.8	21.3	19.4	57.6	62.5	62.5	63.5
Inter. Goods Imp. (excl. gold)	19.3	20.4	19.2	17.9	54.1	56.7	57.3	57.4
Inter. Goods Imp.(excl. gold and energy)	13.4	15.4	14.9	13.3	38.8	39.2	39.0	43.5
Imports (Consumption Goods)	5.2	5.4	5.6	5.1	13.0	15.7	13.4	16.0
Jewelry Imports	0.7	0.7	1.0	0.3	1.4	2.7	1.2	1.9
Consumption Goods Imp. (excl. jewelry)	4.5	4.7	4.6	4.8	11.6	13.0	12.2	14.1
Coverage Ratio	76.5	63.2	78.9	71.5	79.2	75.6	74.4	71.2
Coverage Ratio (excl. gold)	79.1	67.5	83.4	75.2	80.8	79.8	77.7	75.3
Coverage Ratio (excl. gold and energy)	92.8	75.7	92.5	84.1	94.3	94.8	93.5	84.1

Source: TURKSTAT, MoT

Table 3. Foreign Trade (Seasonally and calendar adjusted)

	Monthly % Change				Quarterly % Change			
	Mar.25	Apr.25	May.25	Jun.25	2024-Q3	2024-Q4	2025-Q1	2025-Q2
Exports	3.7	-5.4	5.5	0.0	0.3	0.6	3.1	0.2
Exports (excl. gold)	2.9	-4.5	4.9	0.9	-0.5	1.6	2.7	0.8
Energy Exports	-6.6	-1.9	-2.9	15.0	-26.8	1.7	17.2	-0.1
Exports (excl. gold and energy)	3.6	-4.6	5.5	0.1	1.6	1.6	1.9	0.9
Exports (gold)	71.4	-51.3	56.3	-62.4	58.2	-44.7	34.9	-37.3
Exports (EU-27)	5.3	-2.9	3.2	0.4	-0.2	4.1	3.4	3.0
Exports (Other Europe)	2.5	-7.2	7.2	-0.3	0.6	-1.9	2.9	-1.9
Exports (Near and Middle East)	8.3	-1.3	0.1	-2.9	1.1	-5.6	5.1	3.0
Exports (North America)	-14.7	-3.7	13.2	-3.3	1.6	-4.8	7.5	-7.1
Exports (Other)	10.5	-20.1	19.2	1.0	-3.5	8.8	-1.5	-6.8
Exports (excl. EU-27)	11.4	-10.1	5.0	3.9	0.9	0.1	-0.8	0.5
Exports (Capital Goods)	9.8	-4.9	14.6	-6.8	2.8	0.0	3.6	7.6
Exports (Intermediate Goods)	5.5	-6.4	4.7	1.2	0.2	-1.1	5.3	-0.1
Inter. Goods (excl. gold and energy)	5.6	-5.0	4.6	1.5	3.1	0.8	2.9	1.3
Exports (Consumption Goods)	-2.8	-1.4	3.4	-0.5	-0.1	2.2	0.0	-1.7
Imports	2.3	4.6	-5.3	1.9	-3.7	7.9	0.0	3.5
Imports (excl. gold)	4.4	2.1	-4.7	4.0	-3.2	5.3	0.8	2.7
Imports (excl. gold and energy)	5.6	5.1	-3.1	2.3	-1.2	4.0	-0.1	6.3
Energy Imports	0.1	-9.5	-12.1	12.6	-10.7	10.9	4.2	-11.2
Imports (gold)	-24.5	50.8	-12.0	-26.6	-13.5	66.4	-11.1	17.2
Imports (Capital Goods)	17.4	1.5	-2.8	0.8	-0.9	-4.4	5.1	7.7
Imports (Intermediate Goods)	-2.6	5.7	-7.3	2.5	-4.6	9.8	0.1	0.8
Inter. Goods Imp. (excl. gold and energy)	-0.4	7.1	-4.6	3.4	-1.1	4.2	0.1	3.8
Inter. Goods Imp. (excl. gold)	-0.2	1.9	-6.7	5.8	-4.0	6.1	1.3	-0.7
Imports (Consumption Goods)	13.4	2.1	2.5	0.0	-2.8	11.8	-4.5	12.2
Jewelry Imports	12.2	-4.9	54.8	-42.1	-17.4	38.5	-40.9	36.5
Consumption Goods Imp. (excl. jewelry)	13.5	3.0	-3.1	7.2	-0.5	8.3	1.7	9.8

Source: TURKSTAT. MoT. Akbank

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