Macro: Improvement in foreign trade balance again

According to the Ministry of Trade's provisional data, the foreign trade deficit widened by $0.9 billion year-on-year in July, reaching $7.4 billion. Seasonally and calendar adjusted (s.a.) data revealed an improvement in the foreign trade deficit, driven primarily by a decline in gold and energy imports. While gold imports slowed, the month-on-month decline in energy imports continued. Exports, meanwhile, increased on a monthly basis. Factors limiting export growth included the weakening economic outlook in Middle Eastern countries stemming from geopolitical developments and the pullback in the euro/dollar exchange rate.

The volatility in commodity prices continues to pose a risk factor for imports. The renewed rise in energy prices starting in the second week of July could halt the decline in energy imports. Meanwhile, the weakening trend in core imports may signal a slowdown in economic activity. The July inflation data released today also contained developments that could be interpreted as signs of a slowdown. However, the volatility in commodity prices also makes it difficult to draw conclusions from nominal figures.

According to the Ministry of Trade's provisional data, exports rose by 2.9% year-on-year (yoy) to $25.6 billion in July, while imports increased by 5.2% yoy to $33.0 billion. Consequently, the foreign trade deficit widened by $0.9 billion yoy, reaching $7.4 billion, while the 12-month cumulative foreign trade deficit rose from $95.8 billion to $96.8 billion (Table 1 and Chart 1).

According to seasonally and calendar-adjusted data (s.a.), a marked improvement was observed in the foreign trade balance on a monthly basis. This was primarily driven by the monthly decline in imports (Chart 2). The decrease in core imports was the most notable factor in the overall drop in imports.

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

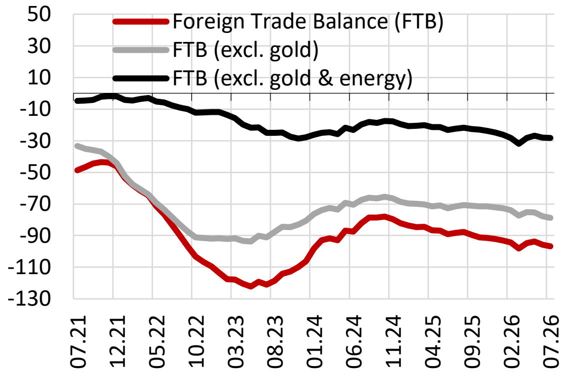
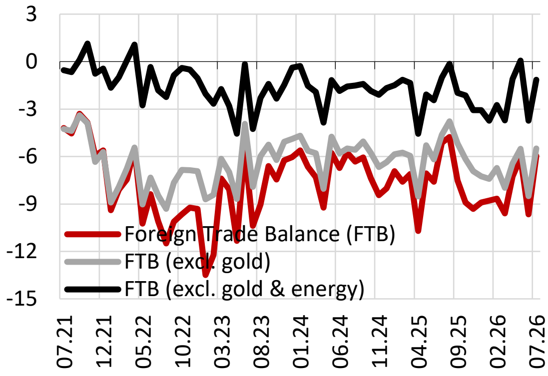


Chart 2. Foreign Trade Balance (seasonally adjusted, billion $)



Source: TURKSTAT, MoT, Akbank

Exports

Exports (s.a.) rose by 3.2% in July following the sharp decline in June (Table 3, Chart 3). While energy exports decreased on a monthly basis, increases in gold exports and in core exports excluding gold and energy drove the rise in the headline export.

According to regional export data (s.a.), exports to EU-27 countries saw a modest increase of 0.4% in July following a two-month decline. While exports to the Near and Middle East region rose in July after falling in June, the increase was insufficient to offset the previous month's decline. An increase was also observed in exports to North America (Charts 5 and 6, Table 3). On a country-by-country basis, exports to the UK have been declining since the beginning of the year (with the exception of March and May).

By product groups (s.a.), the increase in exports was widespread. The most pronounced increase was observed in consumer goods. Exports of capital goods recorded an increase in July following a two-month decline (Charts 7 and 8, Table 3).

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

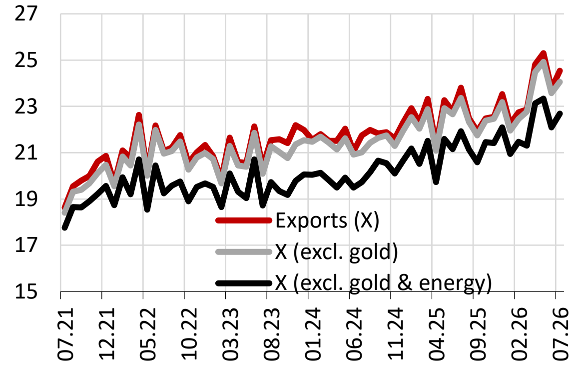
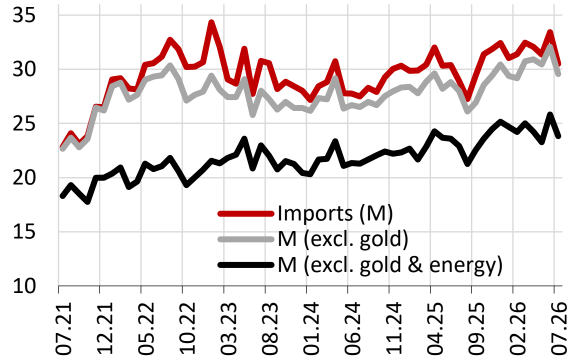


Chart 4. Imports (seasonally adj., billion $)



Source: TURKSTAT, MoT, Akbank

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

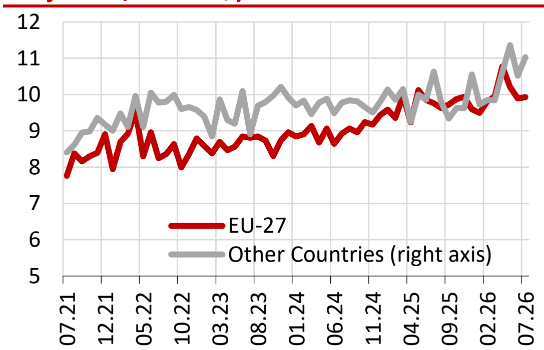


Chart 6. Exports by Region (seasonally adjusted, billion $)

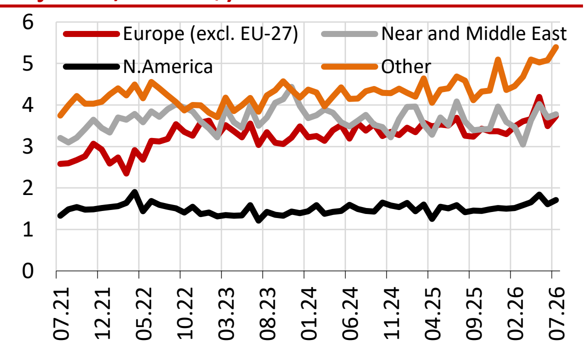


Chart 7. Intermediate Goods Exports (seasonally adjusted, billion $)

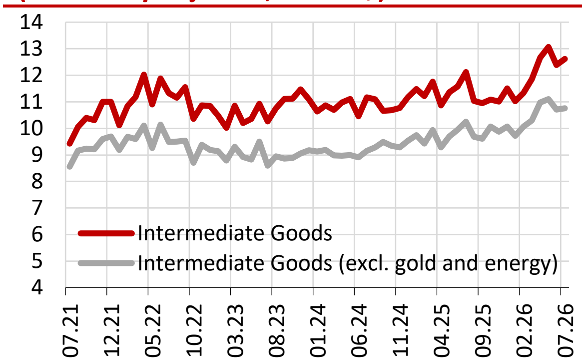
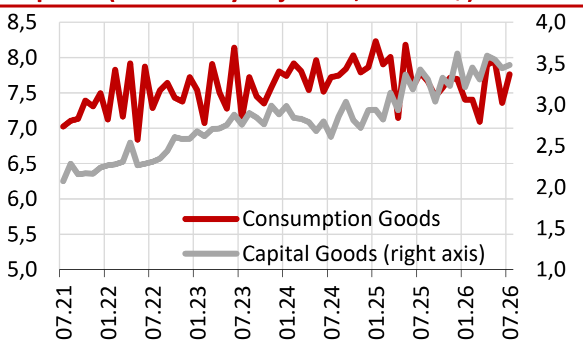


Chart 8. Capital and Consumption Goods Exports (seasonally adjusted, billion $)



Source: TURKSTAT, MoT, Akbank

Imports

Imports (s.a.) declined by 8.8% in July, following a 6.5% monthly increase in June (Chart 4, Table 3). After accelerating in June, **gold imports** slowed again in July, falling to $0.9 billion (Chart 9). The decline in **energy imports** (s.a.) continued; energy imports (s.a.) fell by 12.9% month-on-month (mom) in June and by 8.5% in July. The fact that energy prices began to rise again in the second week of July could halt the pullback in energy imports. Imports excluding gold and energy (s.a.) fell by 7.7% mom, contributing to the decline in total imports. The trend in core imports may signal a slowdown in activity. The July inflation data released today also contained developments that could be interpreted as signs of a slowdown. However, the volatility in commodity prices driven by geopolitical developments makes it difficult to draw conclusions regarding nominal figures.

According to the classification of product groups, the decline in imports extended across all major product categories, with the exception of consumer goods (Chart 12, Table 3). The most pronounced decline was recorded in intermediate goods, excluding gold and energy. Imports of capital goods have also shown a downward trend, barring the months of March and June. Conversely, consumer goods have seen an increase over the past two months, with a 2.9% rise in July. Excluding jewelry, consumer goods imports increased by 3.4% (having previously declined for two consecutive months). In July, the export-to-import coverage ratio (s.a.), excluding gold and energy rose from 85.5% to 95.2%

Chart 9. Gold Imports (billion $)

Chart 10. Energy Imports (billion $)

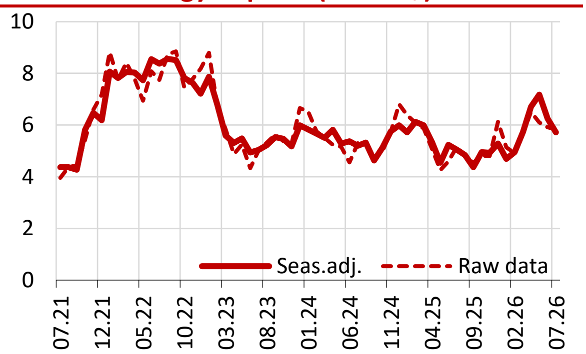


Chart 11. Intermediate Goods Imports (seasonally adjusted, billion $)

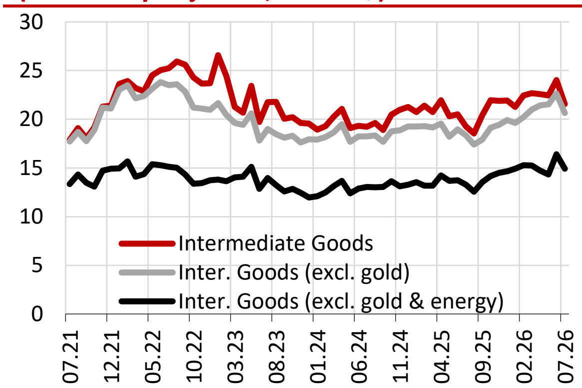


Chart 12. Capital and Consumption Goods Imports (seasonally adjusted, billion $)

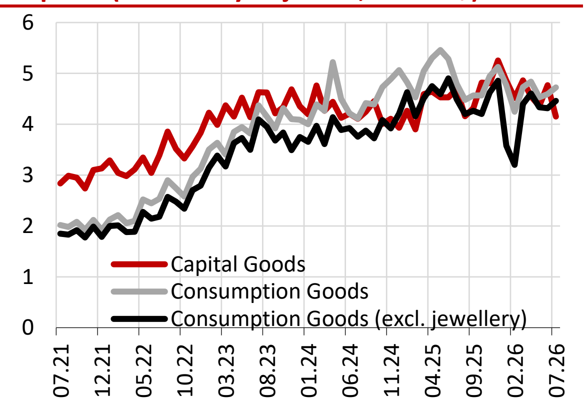
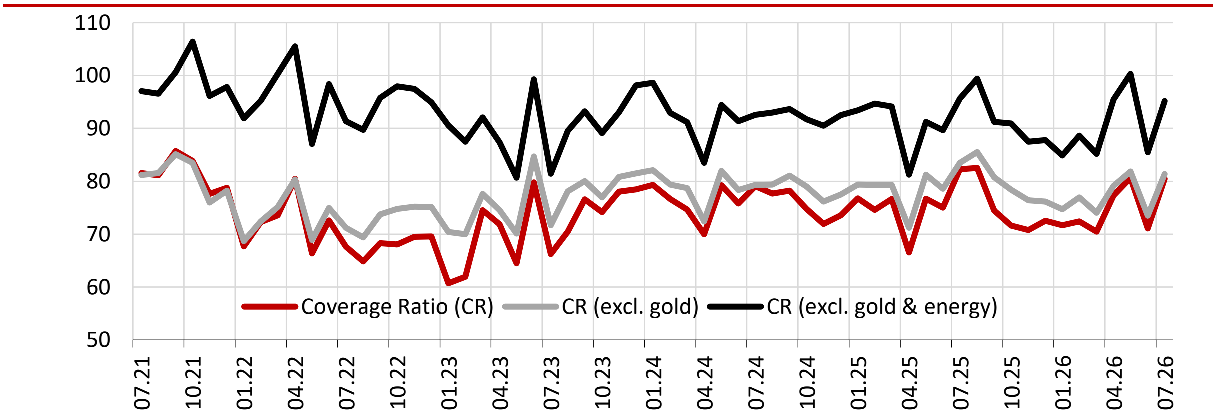


Chart 13. Coverage Ratio (%, seasonally adjusted)



Source: TURKSTAT, MoT, Akbank

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

	2021	2022	2023	2024	2025	12-month cum. July 2026	First 7 months 2025	First 7 months 2026
Foreign Trade Balance	**-46.2**	**-109.5**	**-106.3**	**-82.2**	**-92.2**	**-96.8**	**-55.9**	**-60.5**
Exports	225.2	254.2	255.6	261.8	273.2	278.6	156.3	161.6
Imports	271.4	363.7	362.0	344.0	365.4	375.3	212.2	222.1
Foreign Trade Balance (excl. gold and energy)	**-2.1**	**-11.9**	**-27.9**	**-19.6**	**-24.8**	**-28.2**	**-18.1**	**-21.5**
Exports (excl. gold and energy)	213.2	234.8	234.9	241.7	254.9	261.0	144.5	150.5
Imports (excl. gold and energy)	215.2	246.7	262.8	261.3	279.7	289.2	162.6	172.0
Foreign Trade Balance (gold)	**-1.9**	**-17.5**	**-25.7**	**-13.6**	**-20.1**	**-18.0**	**-10.0**	**-7.9**
Exports (gold)	3.6	2.9	4.3	3.5	3.1	2.9	2.2	2.1
Imports (gold)	5.5	20.4	30.0	17.1	23.1	20.9	12.2	10.0
Foreign Trade Balance (energy)	**-42.2**	**-80.1**	**-52.7**	**-49.0**	**-47.3**	**-50.5**	**-27.8**	**-31.0**
Exports (energy)	8.5	16.4	16.4	16.6	15.3	14.7	9.6	9.0
Imports (energy)	50.7	96.5	69.1	65.6	62.5	65.2	37.4	40.1
Exports	**225.2**	**254.2**	**255.6**	**261.8**	**273.2**	**278.6**	**156.3**	**161.6**
Exports (EU-27)	**93.1**	**103.0**	**104.3**	**108.5**	**116.8**	**118.5**	**67.7**	**69.4**
Exports (excl. EU-27)	**132.2**	**151.1**	**151.3**	**153.3**	**156.4**	**160.0**	**88.6**	**92.3**
Exports (Other Europe)	31.5	36.6	39.7	40.1	41.2	41.9	23.8	24.5
Exports (Near and Middle East)	38.4	45.0	45.6	43.6	43.9	42.8	24.8	23.8
Exports (North America)	16.4	18.8	16.5	18.1	17.9	18.7	10.3	11.1
Exports (Other)	45.9	50.7	49.6	51.5	53.4	56.6	29.7	32.8
Exports (Capital Goods)	**24.8**	**29.0**	**33.7**	**33.9**	**38.7**	**40.5**	**21.2**	**23.0**
Exports (Intermediate Goods)	**115.2**	**133.4**	**129.0**	**130.6**	**135.9**	**140.2**	**79.6**	**83.9**
Inter. Goods Exports (excl. gold and energy)	103.1	114.1	108.3	110.6	117.6	122.6	67.8	72.8
Exports (Consumption Goods)	**83.8**	**89.8**	**90.7**	**93.7**	**92.9**	**90.7**	**53.1**	**50.9**
Imports	**271.4**	**363.7**	**362.0**	**344.0**	**365.4**	**375.3**	**212.2**	**222.1**
Imports (Capital Goods)	**35.9**	**40.5**	**52.7**	**50.6**	**54.9**	**55.6**	**30.5**	**31.2**
Imports (Intermediate Goods)	**210.1**	**292.4**	**261.3**	**238.3**	**250.1**	**261.8**	**146.4**	**158.2**
Inter. Goods Imports (excl. gold)	204.6	272.0	231.3	221.2	226.9	240.9	134.2	148.2
Inter. Goods Imports (excl. gold and energy)	154.0	175.4	162.2	155.6	164.4	175.7	96.8	108.1
Imports (Consumption Goods)	**24.9**	**30.5**	**47.6**	**54.5**	**59.2**	**56.5**	**34.8**	**32.0**
Jewelry Imports	1.6	3.0	3.9	7.8	5.0	5.0	3.4	3.5
Cons. Goods Imports (excl. jewelry)	23.4	27.5	43.7	46.7	54.3	51.4	31.4	28.5
Coverage Ratio	**83.1**	**69.8**	**71.1**	**76.2**	**74.9**	**74.4**	**73.7**	**72.9**
Coverage Ratio (excl. gold)	83.7	73.2	76.0	79.1	79.1	78.1	77.0	75.3
Coverage Ratio (excl. gold and energy)	99.2	95.2	89.9	92.7	91.4	90.6	89.1	87.8

Source: TURKSTAT, MoT

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

	Apr.26	May.26	Jun.26	July.26	2025-Q4	2026-Q1	2026-Q2	2026-Q3*
Foreign Trade Balance	**-8.5**	**-5.6**	**-10.4**	**-7.4**	**-25.0**	**-28.6**	**-24.5**	**-7.4**
Exports	25.4	22.4	24.9	25.6	72.8	63.3	72.7	25.6
Imports	33.9	28.1	35.3	33.0	97.8	91.9	97.3	33.0
Foreign Trade Balance (excl. gold and energy)	**-2.5**	**-0.6**	**-4.7**	**-2.4**	**-5.7**	**-11.3**	**-7.8**	**-2.4**
Exports (excl. gold and energy)	23.7	20.5	23.3	23.8	69.0	59.2	67.5	23.8
Imports (excl. gold and energy)	26.2	21.0	28.0	26.2	74.7	70.5	75.3	26.2
Foreign Trade Balance (gold)	**-0.8**	**-0.6**	**-1.2**	**-0.5**	**-6.8**	**-4.9**	**-2.5**	**-0.5**
Exports (gold)	0.3	0.4	0.2	0.5	0.5	0.7	0.9	0.5
Imports (gold)	1.2	0.9	1.4	0.9	7.3	5.6	3.4	0.9
Foreign Trade Balance (energy)	**-5.2**	**-4.5**	**-4.5**	**-4.5**	**-12.5**	**-12.3**	**-14.2**	**-4.5**
Exports (energy)	1.3	1.6	1.4	1.3	3.2	3.4	4.3	1.3
Imports (energy)	6.5	6.1	5.9	5.8	15.7	15.7	18.5	5.8
Exports	**25.4**	**22.4**	**24.9**	**25.6**	**72.8**	**63.3**	**72.7**	**25.6**
Exports (EU-27)	**11.2**	**9.3**	**10.7**	**10.2**	**30.1**	**28.0**	**31.2**	**10.2**
Exports (excl. EU-27)	**14.2**	**13.2**	**14.2**	**15.5**	**42.6**	**35.2**	**41.6**	**15.5**
Exports (Other Europe)	3.6	3.9	3.5	3.9	10.9	9.6	11.0	3.9
Exports (Near and Middle East)	3.5	3.3	3.7	4.0	12.0	9.3	10.6	4.0
Exports (North America)	1.7	1.6	1.7	1.8	4.7	4.2	5.0	1.8
Exports (Other)	5.3	4.3	5.3	5.7	15.0	12.2	15.0	5.7
Exports (Capital Goods)	**3.8**	**3.0**	**3.7**	**3.7**	**11.4**	**8.9**	**10.4**	**3.7**
Exports (Intermediate Goods)	**13.1**	**11.7**	**13.4**	**13.3**	**33.9**	**32.3**	**38.2**	**13.3**
Inter. Goods Exports (excl. gold and energy)	11.5	9.8	11.8	11.5	30.2	28.2	33.0	11.5
Exports (Consumption Goods)	**7.9**	**7.0**	**7.5**	**7.9**	**24.9**	**20.7**	**22.3**	**7.9**
Imports	**33.9**	**28.1**	**35.3**	**33.0**	**97.8**	**91.9**	**97.3**	**33.0**
Imports (Capital Goods)	**4.7**	**3.8**	**5.0**	**4.8**	**16.1**	**13.0**	**13.4**	**4.8**
Imports (Intermediate Goods)	**24.1**	**20.4**	**25.2**	**22.9**	**65.5**	**65.6**	**69.7**	**22.9**
Inter. Goods Imports (excl. gold)	23.0	19.5	23.9	21.9	58.2	60.0	66.3	21.9
Inter. Goods Imports (excl. gold and en.)	16.4	13.4	17.9	16.1	42.5	44.3	47.7	16.1
Imports (Consumption Goods)	**5.0**	**3.9**	**5.0**	**5.3**	**15.6**	**12.8**	**13.9**	**5.3**
Jewelry Imports	0.3	0.2	0.2	0.2	1.1	2.5	0.7	0.2
Cons. Goods Imports (excl. jewelry)	4.7	3.7	4.8	5.0	14.6	10.3	13.2	5.0
Coverage Ratio	**74.9**	**79.9**	**70.6**	**77.7**	**74.4**	**68.9**	**74.8**	**77.7**
Coverage Ratio (excl. gold)	76.5	81.3	72.9	78.4	79.9	72.6	76.6	78.4
Coverage Ratio (excl. gold and energy)	90.4	97.4	83.2	90.8	92.4	83.9	89.7	90.8

*As of July

Source: TURKSTAT, MoT

Table 3. Foreign Trade (Seasonally and calendar adjusted)

	Monthly % Change				Quarterly % Change			
	Apr.26	May.26	Jun.26	July.26	2025-Q4	2026-Q1	2026-Q2	2026-Q3*
Exports	**8.5**	**2.0**	**-6.1**	**3.2**	**0.5**	**-1.0**	**8.9**	**-0.4**
Exports (excl. gold)	**7.6**	**1.8**	**-5.4**	**2.0**	**0.9**	**-1.3**	**8.7**	**-1.1**
Energy Exports	-7.3	17.3	-6.1	-7.9	-18.9	11.9	28.4	-7.1
Exports (excl. gold and energy)	8.6	0.9	-5.4	2.7	2.1	-1.9	7.6	-0.7
Exports (gold)	**235.0**	**15.2**	**-49.2**	**152.4**	**-34.0**	**32.5**	**32.5**	**61.8**
Exports (EU-27)	**8.3**	**-5.2**	**-3.2**	**0.4**	**1.0**	**-0.5**	**5.5**	**-3.6**
Exports (Other Europe)	**8.7**	**7.5**	**-8.0**	**5.3**	**0.2**	**-1.4**	**11.4**	**1.9**
Exports (Near and Middle East)	1.7	14.5	-16.7	6.8	-0.3	2.3	9.3	-1.4
Exports (North America)	19.2	10.9	-8.0	2.1	-2.6	-6.4	12.5	-0.2
Exports (Other)	4.2	11.4	-12.8	6.5	-0.1	3.5	10.8	0.6
Exports (excl. EU-27)	8.8	-1.3	1.0	6.2	2.8	-1.9	12.5	6.5
Exports (Capital Goods)	**8.7**	**-1.3**	**-2.9**	**1.1**	**4.1**	**-2.0**	**6.2**	**-1.4**
Exports (Intermediate Goods)	**6.8**	**3.2**	**-5.2**	**1.9**	**-1.5**	**1.8**	**11.4**	**-0.7**
Inter. Goods (excl. gold and energy)	6.7	1.1	-3.6	0.5	1.6	0.2	9.0	-1.5
Exports (Consumption Goods)	**11.4**	**0.6**	**-7.4**	**5.5**	**0.3**	**-4.7**	**6.0**	**0.3**
Imports	**-1.1**	**-2.2**	**6.5**	**-8.8**	**11.8**	**-0.8**	**2.1**	**-5.6**
Imports (excl. gold)	**0.6**	**-1.6**	**5.4**	**-7.9**	**9.1**	**1.0**	**4.7**	**-5.1**
Imports (excl. gold and energy)	-3.1	-4.0	11.0	-7.7	9.7	0.9	-0.8	-2.5
Energy Imports	16.8	7.1	-12.9	-8.5	6.2	1.5	30.9	-14.8
Imports (gold)	**-32.3**	**-18.4**	**43.8**	**-30.0**	**59.0**	**-23.3**	**-38.5**	**-17.6**
Imports (Capital Goods)	**-6.5**	**-4.1**	**9.4**	**-12.9**	**13.1**	**-4.3**	**-3.9**	**-8.9**
Imports (Intermediate Goods)	**-0.5**	**-0.5**	**6.9**	**-10.2**	**13.0**	**1.0**	**4.0**	**-6.3**
Inter. Goods Imp. (excl. gold and en.)	-3.5	-2.6	14.4	-9.1	10.1	4.9	0.1	-1.6
Inter. Goods Imp. (excl. gold)	2.1	0.4	5.3	-9.0	9.0	4.0	7.9	-5.7
Imports (Consumption Goods)	**2.2**	**-6.4**	**1.4**	**2.9**	**5.8**	**-6.1**	**1.5**	**1.5**
Jewelry Imports	-30.9	-15.8	43.1	-5.8	8.2	168.7	-72.5	11.7
Consumption Goods Imp. (excl. jewelry)	4.7	-5.9	-0.5	3.4	5.6	-18.3	18.5	1.0

*As of July

Source: TURKSTAT, MoT

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