





## NOVEMBER 2011 ECONOMIC OUTLOOK FOR TURKEY: ANSWERS FROM TISK AND TÜSIAD

MAIN FORECAST						
Annual % change		2011,0	2012,0			
Real GDP growth		7,5	4,0			
Consumer price inflation		8,3	5,2			
Unemployment rate		10,5	10,4			
Employment growth		5,9	1,4			
government net lending (% of GDP)		1,0	0,8			
gross public debt (% of GDP)		1,0	1,1			
current account balance (% of GDP)		-9,4	-8,0			
Components of aggregate demand - in	real terms					
Annual % change						
Private consumption		6,1	3,0			
Public consumption		6,5	3,1			
Investment (Gross Fixed Capital Formation	n)	19,3	6,2			
Private non-residential investment	•••	-2,8	-2,6			
Exports		5,2	7,4			
Imports		13,1	3,9			
imports		13,1	3,9			
ECONOMIC SENTIMENT						
	Positive	Negative	Unchanged			
Trend in business climate over the next	t	Industry				
6 months		Services				
	Positive	Negative	Unchanged			
Translin mustitability area the most C	rositive		Offichanged			
Trend in profitability over the next 6 months		Industry				
months		Services				
	Increase	Increase	Unchanged	Decrease	Decrease	
	(faster pace)	(slower pace)	Unchanged	(slower pace)	(faster pace)	
Investment intentions over the next 6				Industry		
months				Services		
				00///000		
	Global demand	Domestic demand	Cost of finance	Availability of finance	Company Profitability	Capacity Utilisation
Influence on companies' investment decisions	na	positive	positive	positive	positive	positive
	Replacement	Extension	Rationalisation	Innovation		
Driving force behind investment decisions in the next 6 months	positive	positive	positive	positive		
	Industry: past 6 months Industry: next 6 months		Services: past 6	Services: next 6		
		•	months	months		
Overall trend in employment	Up	Same	Up	Same		





ACCESS TO FINANCE AND IMPAC	CT OF THE CRISIS ON P	OTENTIAL GROWT	Н		
Compared to 6 months ago,					
cost/access to finance has been	sharply up / restrained	up / more difficult	same	down / easier	
for SME.		up / more annean		down / easier	
TOT SIME	S		Cost		
			Access		
for larger companies (>250 employees	;)		Cost		
			Access		
Over the next 6 months, cost /access to	o				
finance will be	sharply up / restrained	up / more difficult	same	down / easier	
for SME		Cost	a	down, oddion	
TOT GIVIE	3	0031		A 00000	
				Access	
f	. 1				
for larger companies (>250 employees	5)				
				Access	
	Consolidation of		Francisco constitu	Detter was of eviction	
		Access to capital	Engcouraging equity	Better use of existing	Greater potential for
	banking sector balance	markets	financing through tax	EU instruments	Public-Private-
	sheets	marnoto	reforms	(including EIB)	Partnerships
Measures to alleviate current financial	Very limited effect	Very limited effect	Very limited effect	Very limited effect	Very limited effect
difficulties for SMEs	very miniou eneed	vory minica and a	very minica enece	very immed eneet	very infinited eneet
announties for SWES					
	Consolidation of	Access to capital	Encouraging equity	Better use of existing	Greater potential for
	Consolidation of banking sector balance	Access to capital	Encouraging equity financing through tax	Better use of existing EU instruments	Greater potential for Public-Private-
		Access to capital markets			<del>-</del>
	banking sector balance	•	financing through tax	EU instruments	Public-Private-
	banking sector balance	•	financing through tax	EU instruments	Public-Private-
Measures to alleviate current financial	banking sector balance sheets	markets	financing through tax reforms	EU instruments (including EIB)	Public-Private- Partnerships
Measures to alleviate current financial difficulties for midsize and large	banking sector balance	•	financing through tax	EU instruments	Public-Private-
	banking sector balance sheets	markets	financing through tax reforms	EU instruments (including EIB)	Public-Private- Partnerships





	Tight, appropriate for				Loose, appropriate for
	the euro area	Tight	Appropriate	Loose	the euro area
onetary policy is					2.0 02.0 2.02
	adequate	inadequate			
Consistency between fiscal and monetary policies	yes				
		satisfactory	neither satisfactory nor	unsatisfactory	no clear committment
	excellent committment	committment	unsatisfactory	committment	creating an extremely
Regarding the sustainability of public		yes			
Exit Strategies Fight fiscal rules and more effective Institutions Greater efficiency of public	excessive focus	sufficient focus	satisfactory nor unsufficier	unsufficient focus	so far ignored
Credible cost-cutting measures ncreased scope of public-private					
Reform of pension systems mproved efficiency of healthcare ector					
Entry Strategies More and better-targeted education and raining	excessive focus	sufficient focus	satisfactory nor unsufficier	unsufficient focus	so far ignored
More and better targeted R&D and Prioritisation of infrastructure investments Growth enhancing tax reforms					
and the state of t					
	4.1 00/ II 11				
a 2015, the government deficit will	respect the 3% limit no	be in balance no			
. 20.0, and government denote will	110	110			