

Textile and Ready-Wear Industry in Turkey

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FMConsulting prepares market snapshot reports from selected trusted sources in Turkey which are regularly updated. These reports are brief presentations overviewing available facts & figures on major industries in Turkey. If you need a specific research on different segments, please contact with our Head of Market Research Department Mrs. Berna Gurleyen (b.gurleyen@fmconsulting.com). We would be happy to support you.



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A. Overview

► Industry Profile

Nearly **59 thousand** active companies and **1 mn** people (excluding unregistered) employed in the textile, ready wear and leather industry. (Source: Social Security Institution, 2016)

Manufacturing	Production Value (USD bn) 2013	Number of Companies 2014	Share of SMEs* in Total Number of Companies, 2014	Number of Foreign Companies 2015	Number of Registered Employees 2014
Textile	36.53	17,522	98.17%	594	444,156
Ready Wear	24.55	34,692	99.37%	131	497,193
Leather Products	4.29	6,767	99.82%	126	64,533
Total	65.37	58,981	99.07%	851	1,005,882

*SMEs: companies with less than 250 employees

Source: Ministry of Science Industry and Technology, Social Security Institution, Ministry of Economy, 2016



▶ Turkey's Position

Turkey's Position in the World and EU		
Category	World Rank	EU Rank
Manufacturing		
Thread manufacturing*	3	1
Knit fabric manufacturing*	2	1
Woven fabric manufacturing*	5	2
Cotton manufacturing***	8	NA
Cotton consumption***	4	NA
Organic cotton manufacturing***	3	NA
Hosiery manufacturing***	2	NA
Carpet manufacturing*	3	2
Exports		
Textile exports to World/EU**	7	2
Clothing exports to World/EU***	7	3
Knitted clothing exports***	5	NA
Woven clothing exports***	9	NA

*Source: Istanbul Chamber of Industry, 2014

**Source: Ministry of Economy, 2014, Ministry of Science, Industry and Technology, 2013

***Source: Ministry of Economy, 2014

****Source: Ministry of Science, Industry and Technology, 2013



B. Supply

▶ Production Capacity

- Production capacity of cotton, silk and wool thread (as of Sep. 2013): **958 thousand tons.** (Source: Istanbul Chamber of Industry, 2014)
- Production capacity of textile fabric (as of Sep. 2013): **1.56 bn sqm.** (Source: Istanbul Chamber of Industry, 2014)
- Production capacity of knit fabric (as of Sep. 2013): **1.2-1.5 mn tons.** (Source: Istanbul Chamber of Industry, 2014)
- Production of knit fabric (2012): **650-700 thousand tons.** (Source: Istanbul Chamber of Industry, 2014)

Turkey's Production Capacities

Category	Capacity in 2011	Capacity in 2012	Share in the World in 2012	Rank in the World in 2012
Short Fiber Yarn Spinner Capacity	6,500,000	6,941,328	2.7%	5.
Long Fiber Yarn Spinner Capacity	775,364	835,696	5.6%	4.
Open-End Rotor Capacity	600,000	617,516	7.4%	4.
Drawtexture False Twist Spinner Capacity	NA	59,076	1.5%	5.

Source: ITMF (International Textile Machinery Shipment Statistics) and ITKIB (The General Secretariat of Istanbul Textile and Apparel Exporter Associations), 2016



▶ Exports and Imports

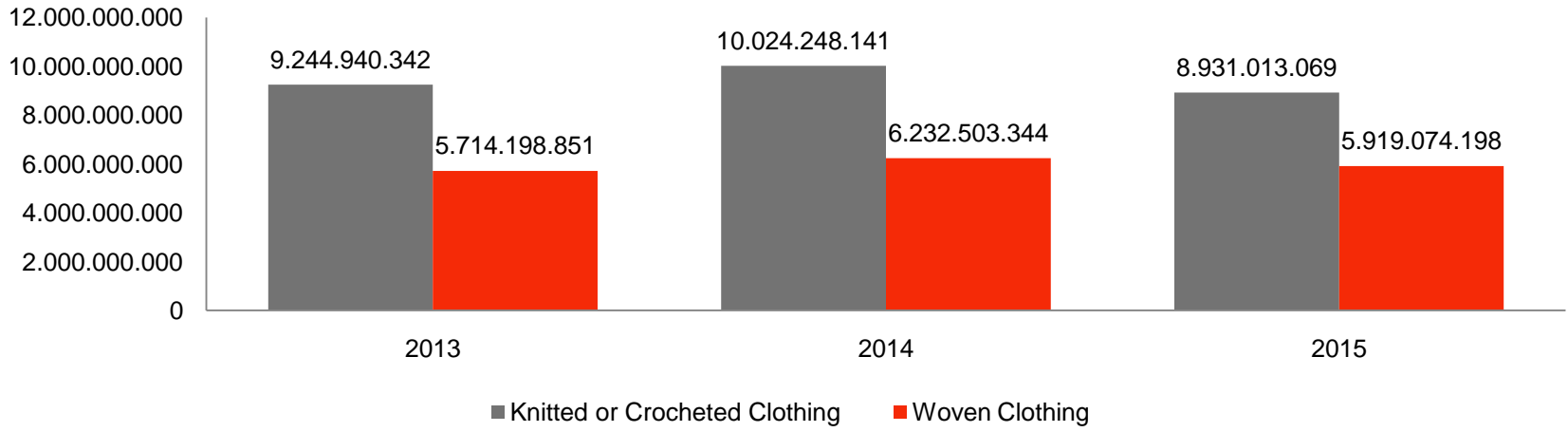
- **65%** of the clothing production is exported. (Source: Ministry of Economy, 2014)
- **80%** of the clothing exported is cotton clothing. (Source: Ministry of Economy, 2014)
- Turkey is a **net exporter** of ready-wear products but a **net importer** of textiles.
- Textile, ready-wear and leather products together constitute the **largest** share in the total exports of Turkey among all the sectors: **18.9%** in 2015 (Source: Turkish Statistical Institute, 2016)
- The majority (**60%**) of ready wear exports is composed of knitted clothing whereas the majority (**67%**) of ready wear imports is composed of woven clothing. (Source: Turkish Statistical Institute, 2016)
- Exports of textile products and raw materials annually grew by **12%** btw. 2009-2014, whereas imports have increased by **11%** each year. (Source: ITKIB [The General Secretariat of Istanbul Textile and Apparel Exporter Associations], 2015)



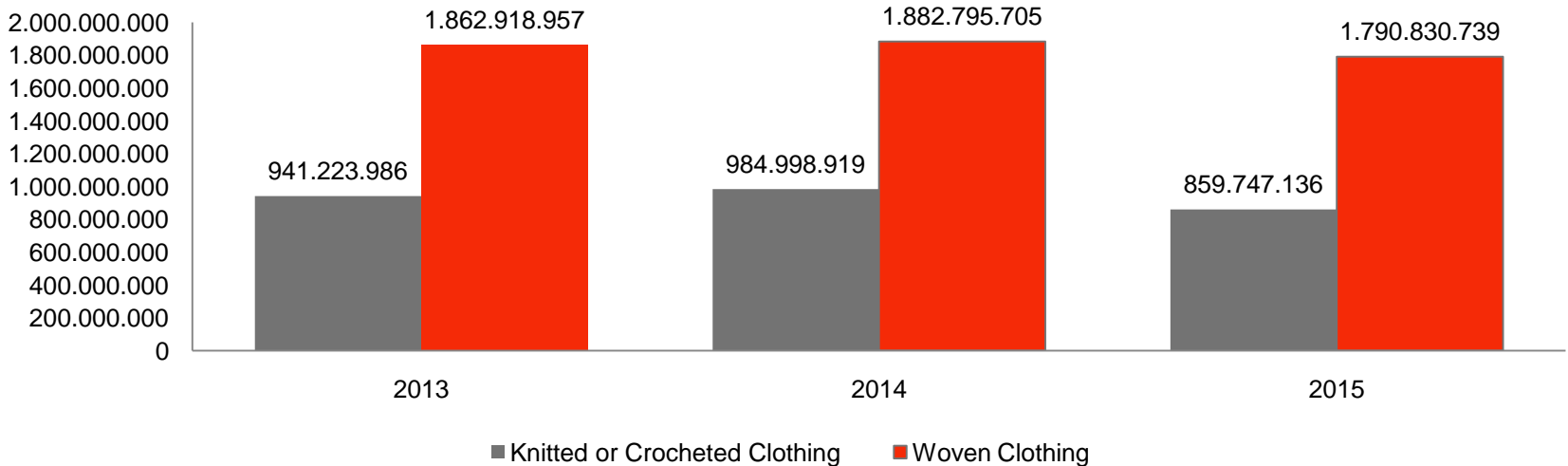
C. Foreign Trade

▶ Ready Wear Exports and Imports

Exports of Ready Wear



Imports of Ready Wear

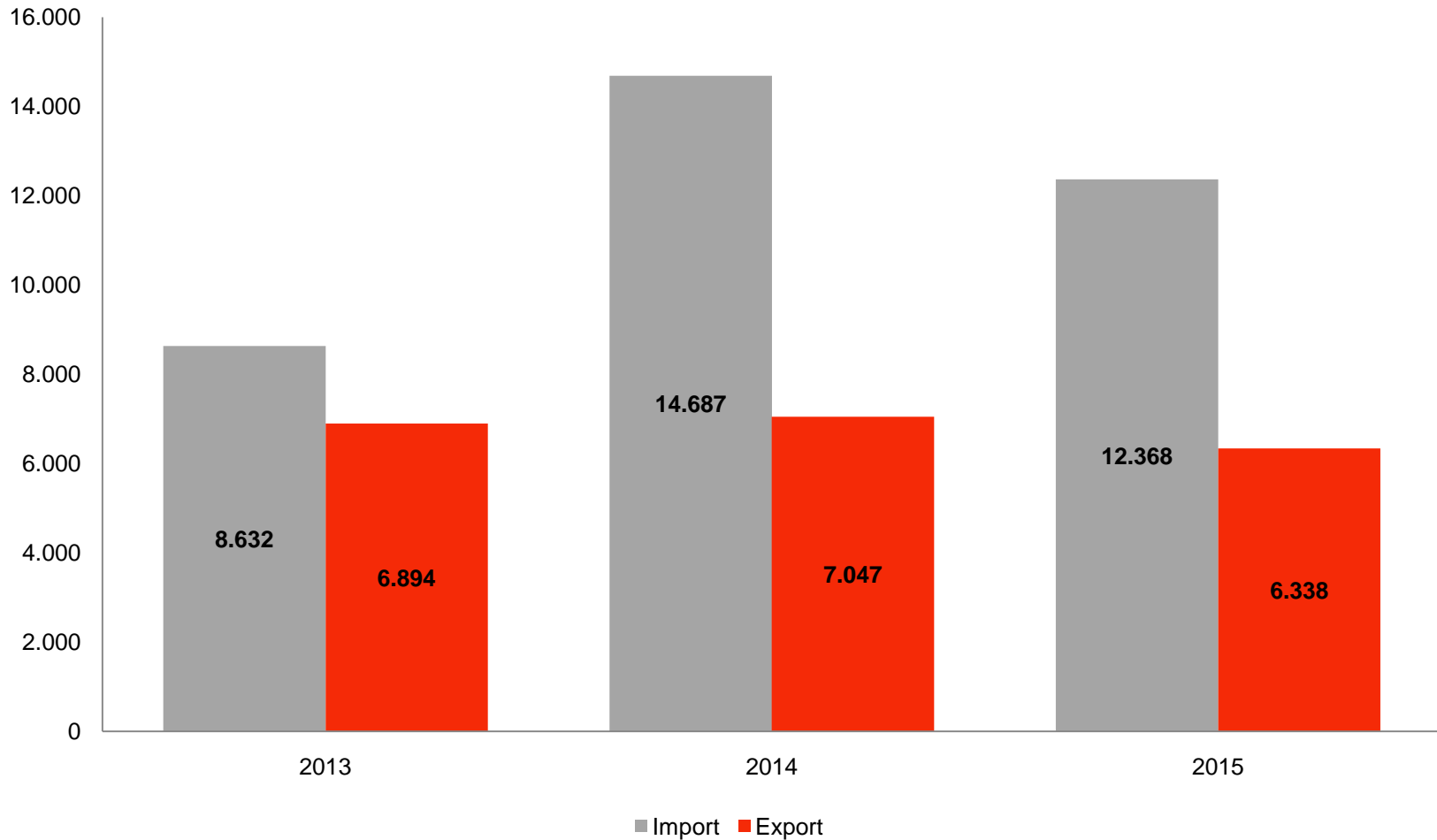


Source: Turkish Statistical Institute, 2016



► Textile Exports and Imports

Foreign Trade of Textile Products and Raw Materials (in million USD)

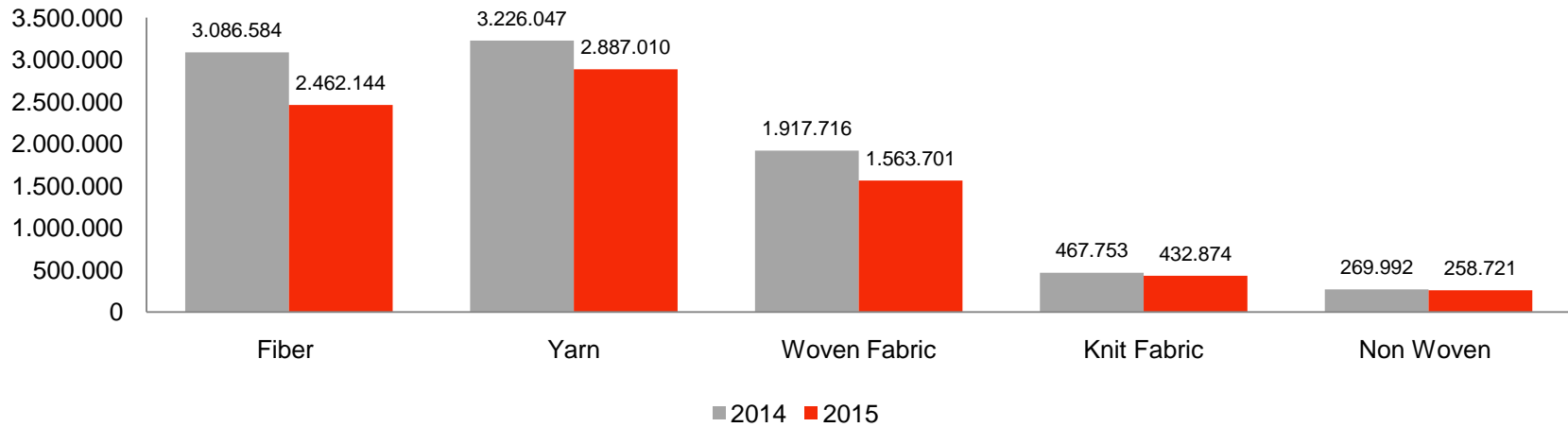




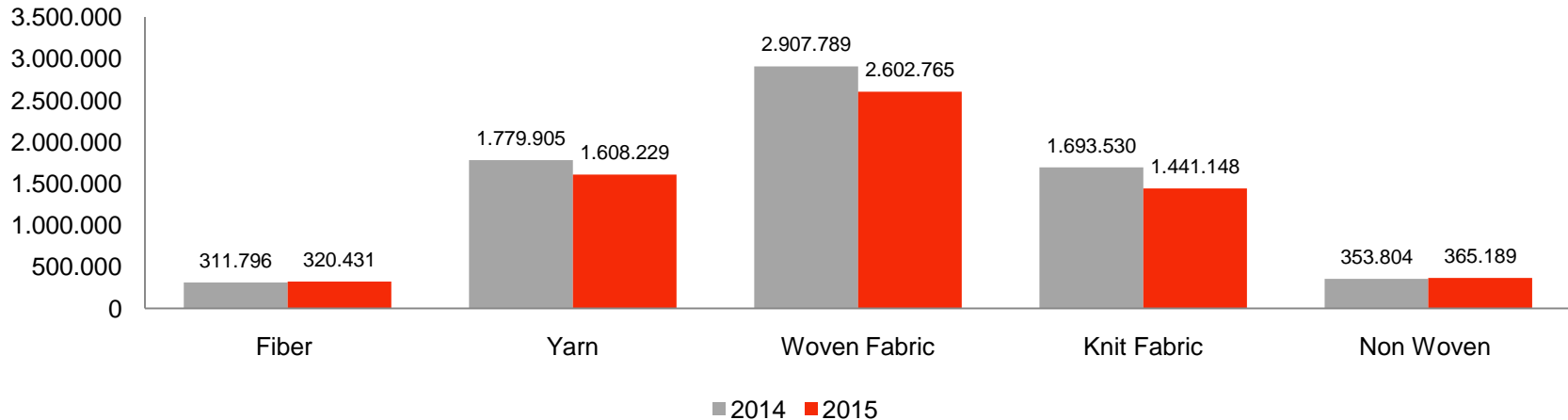
C. Foreign Trade

▶ Textile Foreign Trade By Type of Goods

Import of Textile Products and Raw Materials



Export of Textile Products and Raw Materials





C. Foreign Trade

► Main Countries in Foreign Trade of Turkey

Main Destinations of Exports and Main Sources of Imports, 2014, USD mn			
Textile Products and Raw Materials Exports		Textile Products and Raw Materials Imports	
Russia	879.6	China	1,903.9
Italy	754.3	USA	993.8
Germany	450.7	India	849.7
Romania	366.4	Indonesia	752.4
UK	335.1	Italy	559.6
Ready-Wear Exports		Ready-Wear Imports	
Germany	3,874.4	China	906.2
UK	2,467.2	Bangladesh	772.4
Spain	1,633.7	Italy	165.9
France	1,114.2	Egypt	137.8
Netherlands	948.2	India	121.0

Source: Ministry of Economy (2015), ITKIB (The General Secretariat of Istanbul Textile and Apparel Exporter Associations , 2015)



▶ Largest Textile Manufacturers

Rank*	Company Name	Production Based Net Sales, TRY mn, 2014
58	Sanko Tekstil İşletmeleri	1,524.2
79	Gülsan Sentetik Dokuma	1,045.3
127	Korteks Mensucat	718.0
132	Beyteks Tekstil	694.2
134	Kordsa Global Endüstriyel İplik ve Kord Bezi	685.2
146	Zorluteks Tekstil	622.1
147	Kipaş Mensucat İşletmeleri	620.9
152	Merinos Halı	614.0
162	Menderes Tekstil	586.3
192	Boyteks Tekstil	511.4

*Rank among top 500 manufacturing enterprises in Turkey with respect to production based net sales in 2014.

**EUR 1 = TRY 2.19 in 2014

Source: Istanbul Chamber of Industry, 2015



D. Main Companies

▶ Largest Ready Wear Manufacturers

Rank*	Company Name	Production Based Net Sales, TRY mn, 2014
271	Hugo Boss Tekstil Sanayi Ltd. Şti.	370.7
296	Şık Makas Giyim San. ve Tic. A.Ş.	340.8
348	Altınyıldız Tekstil ve Konfeksiyon A.Ş.	298.0
373	Üniteks Tekstil Gıda Motorlu Araçlar San. ve Tic. A.Ş.	284.9
385	Erak Giyim San. ve Tic. A.Ş.	276.5
389	Sarar Giyim Tekstil Enerji San. ve Tic. A.Ş.	270.3
390	Sun Tekstil San. ve Tic. A.Ş.	270.2
460	Eroğlu Giyim San. Tic. A.Ş.	232.8
546	Penti Çorap San. ve Tic. A.Ş.	193.5
556	Aster Tekstil San. ve Dış Tic. A.Ş.	191.2

*Rank among top 1000 manufacturing enterprises in Turkey with respect to production based net sales in 2014.

**EUR 1 = TRY 2.19 in 2014

Source: Istanbul Chamber of Industry, 2015



▶ Targets and Expectations

Major
threats:

Production moving to lower labor cost countries like
China, India, Bangladesh, Vietnam

Low priced **imports** from China, India, Myanmar

Economical and political **uncertainties** in Middle East

Major
strategies:

Concentration on **high value added products and branding**

Investment and R&D focus on **technical textiles**

Strengthening the position of being regional **fashion and shopping center**

2023
targets:

Ready-wear exports of **USD 52 bn**

Textile exports of **USD 20 bn**

Leather product exports of **USD 4.5 bn**

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