Turkey and China have agreed to increase economic cooperation and take their annual bilateral trade to USD 100 billion. On a two-day state visit to China, Turkey's President Recep Tayyip Erdogan held talks with the Chinese President Xi Jinping covering economic and political issues concerning the two countries. Accompanied by a large delegation of ministers, private sector representatives, government officials, including the President of the Investment Support and Promotion Agency of Turkey (ISPAT), Arda Ermut, strengthening ties with the world's second largest economy topped the agenda of President Erdogan, as both sides agreed to work on increasing bilateral trade and investments. Turkey and China, both G-20 members, already enjoy close ties in a number of fields including infrastructure, finance and information technologies. Addressing the participants of the Turkish-Chinese Business Forum held in Beijing, the Turkish President noted the importance of strategic cooperation that existed between the two countries and called for more Chinese investments into Turkey. "While the improvement in Turkish-Chinese trade in the last 12 years is remarkable, up from USD 2 billion in 2002 to USD 28 billion in 2014, we must also work together to balance this trade which is currently tilted towards China's favor", Erdogan said, calling on to Chinese companies to increase their investments in Turkey. Stressing Turkey's role in the 'Silk Road Economic Belt' project drawn up to facilitate trade in Eurasia, Erdogan said that Turkey's infrastructure projects such as the Marmaray, an undersea rail tunnel connecting Europe and Asia and transportation projects of Baku-Tbilisi-Kars Railway and Edirne-Kars Railway, both undergoing trial runs, would be key components of the modern 'Silk Road'. Erdogan also underlined Turkey's support for the Asian Infrastructure Investment Bank. Chinese President Xi Jinping, for his part, said that both nations have agreed on extending their strategic cooperation and expressed interest in Turkey's high speed rail and nuclear energy projects. The two leaders also discussed using local currencies in bilateral trade and establishing a Turkish-Chinese university.
Bosch Turkey’s automotive division accounts for the production of one-fifth of the injectors used in diesel motor vehicles running on the world’s roads.

The German industrial conglomerate is heavily engaged in research and development (R&D) activities on automotive technologies at its Bursa plant located in northwestern Turkey, exporting engineering services to its subsidiaries worldwide, in addition to fuel injectors, braking systems and other components that find their way into vehicles made by over 30 auto brands.

Speaking of the Turkish division’s role in Bosch’s global business, President of Bosch Turkey and the Middle East Steven Young highlighted the importance of the Bursa plant for research on automotive technologies.

“The Bursa plant is home to the second-largest R&D facility that is developing diesel fuel injectors in Bosch’s global network. The recently commissioned braking systems unit is involved in the development of a new type of brake technology that will hit the market in 2016,” Young said, adding that one out of five diesel-engine automobiles on the world’s roads were equipped with fuel injectors made in the Bosch Bursa plant.

“Turkey’s automotive exports have reached almost USD 2 billion in June, more than any other industry. 41 percent of that total is made up of automotive components,” the Bosch Turkey executive said, noting the automotive industry’s leading role in Turkey’s exports.

The Turkish automotive industry reached a historic high in exports with USD 22.5 billion in 2014. Ford, Fiat, Hyundai, Renault, Toyota and Honda, as well as a large number of component suppliers, have production operations in the country, clustered around the industrial region of Marmara, primarily for export markets.

A newly-commissioned manufacturing plant along with an increasing demand at home and abroad will significantly raise the levels of production and exports of Ford Otosan this year, according to a biannual operations report released by the company.

The JV between Ford Motor Company and Turkey's Koc Holding expects record levels of production and sales in 2015 as investments of about USD 1.6 billion in design and production operations over the last 5 years in Turkey begins to pay off.

“Strong performance in the domestic market and the key European markets in the first half of the year will translate into a year-end sales figure of 394,000", the report cited, estimating the overall sales figure in the Turkish auto market this year to be around 988,000 units, indicating a 23 percent increase from 2014.

“The Yenikoy plant which entered production in 2014 will help Ford Otosan reach a production volume of 344,000 motor vehicles in 2015, up from last year’s 245,000"; the report said. The highest-ever production figures for the company so far were realized in 2011 with 296,000 units.

Last year, Ford Otosan exported USD 3.5 billion worth of motor vehicles to 106 countries worldwide, becoming the largest exporter of Turkey’s automotive industry for the fourth time.

The company's Yenikoy plant manufactures the Courier Line, Tourneo Courier and Transit Courier, at a combined rate of 110,000 units per year. The Gölcük plant, also in Kocaeli, manufactures variants of Transit series medium commercial vehicles while Inonu plant in Eskisehir is engaged in heavy truck production. Ford Otosan also has an engineering center in the country, employing 1,300 engineers that work on the development of engines and vehicles.
Residential properties in Turkey continue to gain value, with prices rising by 18.6 percent year-on-year according to Global House Price Index Q1 2015, prepared by international real estate consultancy firm Knight Frank.

Second only to Hong Kong in the 56-location index with a 18.6-percent rate of increase, Turkey emerged as the top-performing housing market in Europe, leaving behind Ireland, Luxembourg, Estonia, and Iceland.

One of the top tourism destinations in the world and with a steadily growing economy and population, the country has been enjoying increasing demand from foreign realty investors in recent years.

The amount of real estate purchases by foreigners in Turkey reached USD 4.3 billion in 2014, up 41 percent over the preceding year.

Prime Development to invest USD 1 bn in Turkey

German real estate developer Prime Development plans to have a USD 1 billion Turkish portfolio over the next 2-3 years, according to its CEO, Artug Cetin. The company has started a shopping center project in Sivas, located in Central Anatolia Region, at an investment cost of TRY 200 million.

Speaking to the press about their investment plans, Artug Cetin said that Primemall SivasPark, their fourth shopping center in the country, will increase their portfolio to USD 650 million. "With the upcoming projects, our portfolio in Turkey will reach USD 1 billion in the next 2-3 years", Prime Development CEO said, adding that the company was planning to expand into housing and office projects as well.

"Turkey takes up 20 percent share in our USD 2.5 billion investment portfolio in a total of 15 countries, signifying the importance we attach to the country", Cetin remarked. Over the last decade, the number of shopping centers has rapidly increased in Turkey, reaching 350 as of the end of 2014, according to Council of Shopping Centers of Turkey (AYD) data.
Turkey has undergone a profound economic transformation over the last decade and its economic fundamentals are quite solid. It is the 17th largest economy in the world and the 6th largest economy in Europe with a current GDP of approximately USD 800 billion in 2014.

Turkey’s emerging economy presents a need for infrastructure investments in various industries. The main industries include, but are not limited to, construction, residential and non-residential buildings, transportation and energy.

Regarding the infrastructure sector, the government allocated USD 26 billion in 2013. 30 percent of this budget is for the transportation sector, followed by education, energy, healthcare, and agriculture. Some of the major targets are as following:

- Having an export volume of USD 500 billion and being one of the top ten economies in the world.
- Increasing the length of high-speed railway lines to 10,000 km from 888 km with a 25 percent CAGR.
- Reaching 8,000 km of motorways from 2,155 km in 2015.
- Increasing the passenger capacity of airports from 165 million to 400 million by 2023.
- Reaching a 32 million TEU handling capacity for container transport.
- Having a 10 million DWT shipbuilding capacity.
- Increasing the number of marinas to 100 with a yacht capacity of 50,000.

As regards the energy sector, Turkey aims to increase its installed power capacity to 100,000 MW by 2023 up from 71,430 MW in 2015. The aforementioned targets in the energy sector require significant infrastructure investments in Turkey and offer ample opportunities for investors.

New plans and targets also continue for urban renewal projects. Since the enactment of the Urban Transformation Law No. 6306, the Turkish government has decided to retrofit and renovate buildings that are prone to destruction during natural disasters, which includes 6.5 million residences, with a budget of USD 400 billion.