Trade Bulletin

MARCH 2026

FOREWORD

Dear Readers,

In this March issue of the Genç Ticaretçiler Trade Bulletin, we focus on several important developments shaping both Türkiye's trade outlook and the broader global economic environment. The issue begins with an assessment of Türkiye's trade performance in March 2026, providing a concise overview of recent export and import trends as well as the changing balance in foreign trade.

We then turn to the international arena with an analysis of the impact of U.S.–Iran tensions on oil markets and international trade. This article explores how geopolitical uncertainty in the region may affect energy prices, transportation costs, supply chains, and the overall stability of global trade flows.

The issue also examines additional EU tariffs on Chinese electric vehicles, highlighting their potential implications for global trade relations, the automotive sector, and the evolving dynamics of competition in the electric vehicle market. This development also reflects the growing role of trade policy instruments in strategic industries linked to green transformation and industrial competitiveness.

Together, these topics highlight the close interconnection between national trade performance, geopolitical developments, and shifting trade policies. As international commerce becomes increasingly sensitive to both economic indicators and political risks, staying informed about these changes remains essential. We hope this issue offers readers a clear and thought-provoking perspective on some of the key developments affecting trade in March 2026.

Enjoy reading.

Genç Ticaretçiler

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Türkiye’s Trade Performance: March 2026

In March 2026, Türkiye’s total exports declined by 6.4% year-on-year to USD 21.9 billion, while imports increased by 8.4% compared to the same month of the previous year, reaching USD 33.2 billion. As a result of this development, the foreign trade deficit widened to USD 11.3 billion, and the export-to-import coverage ratio fell from 76.5% to 66.1%. Although a limited increase was observed in total trade volume, this rise was driven primarily by the expansion in imports, making the deterioration in the foreign trade balance more apparent in March. Overall, these figures indicate a pattern in which import-driven pressure became more pronounced in Türkiye’s foreign trade performance.

Table 1. Turkish Monthly Foreign Trade Data (Million USD)

	Export	Import
March 2026	21.918	33.181
March 2025	23.406	30.600
Difference	**% -6,4**	**% 8,4**

Source: Ministry of Commerce of the Republic of Türkiye (2026)

A country-level examination reveals that Germany, the United States, and Italy were the leading export destinations, while China, Germany, and Russia stood out as the main import partners. China’s substantial share in total imports indicates the continued dependence of Türkiye’s production processes on foreign intermediate inputs. From the perspective of country groups, the European Union remained Türkiye’s most important trading partner on both the export and import sides, while Asian countries maintained their strong position in imports. This structure suggests that Türkiye follows a trade pattern in which it produces for the European market while relying considerably on externally sourced intermediate goods in its production processes.

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Resources:

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The Impact of U.S.–Iran Tensions on Oil Markets and International Trade

The Iran-US tension has caused a major upheaval in global energy markets and international trade. In particular, the near-complete closure of the Strait of Hormuz has put approximately one-fifth of the world's oil supply at risk, leading to a rapid rise in prices and major disruptions in supply chains.

Source: Generated by AI

With the start of the conflict, oil prices surpassed the $100 mark. It is estimated that as the war continues and the crisis deepens, oil prices could reach $150 or even $200. In the Gulf countries, which are among the most affected by this crisis, oil exports have fallen by more than 60% due to the blockade. This is considered the largest supply contraction globally. This is not only a supply contraction but also leads to increased freight costs, sudden increases in insurance prices, increased costs due to the use of new shipping routes, inflation due to rising energy prices, and a slowdown in global growth.

The strait is the only sea route to international waters for producers such as Iraq, Kuwait, Qatar, Saudi Arabia, and the UAE. The economies of these countries are directly dependent on oil and LNG exports. Closing the strait has caused billions of dollars in losses in daily export revenues for these countries. Iran, which controls the strait, uses this position as a geopolitical bargaining chip and threat against sanctions.

Disruptions to traffic through the Strait of Hormuz pose serious risks of energy shortages, lower industrial production, and direct interruptions to technology supply chains, including semiconductors, automotive, and pharmaceuticals, particularly in Asian countries that consume around 80% of the oil transported through the strait. Since roughly one-third of global fertilizer trade also passes through this route, any disruption is likely to have further consequences for agricultural production and food prices worldwide

As the crisis deepened, countries engaged in international trade began seeking new ways to reduce their dependence on the Strait of Hormuz. Saudi Arabia started using the East-West inland pipeline to ship oil via the Red Sea. The UAE, on the other hand, uses the Fujairah pipeline with a capacity of 1.5 million barrels per day. However, the total capacity of these pipelines can only handle a small fraction of the 20 million barrels passing through the strait. Members of the International Energy Agency (IEA) decided to make available a 400-million-barrel emergency oil reserve to balance the market. With the closure of the strait, the route for trade shifted to Türkiye. The port of Mersin and the Ibrahim Halil border crossing connecting to Iraq constitute the safest land route alternative. Turkey is focusing on projects such as the Middle Corridor and the Development Road to diversify its energy and trade routes. In addition, regional countries are developing terrestrial fiber optic cable projects (SilkLink, SONIC, etc.) that position Türkiye as a gateway to Europe to protect digital data flow.

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Additional EU Tariffs on Chinese Electric Vehicles

The European Union has decided to impose new tariffs on electric vehicles manufactured in China. In recent years, the European automotive industry has faced increasing difficulties in the transition to electric vehicles, while competition from Chinese manufacturers has intensified, leading to a decline in the market share of European producers. In response to these developments, the European Commission deemed it appropriate to introduce additional tariffs on China-made electric vehicles, arguing that Chinese manufacturers benefit from extensive state subsidies that create unfair competition in the European market.

Source: Generated by AI

According to the decision, additional tariffs will be applied on top of the existing 10% import duty on automobiles, with rates varying depending on the manufacturer. For some Chinese producers, these additional tariffs are reported to range between 7.8% and 35.3%. As a result, the total tariff rate could reach considerably high levels for certain models.

The European Union states that this measure aims to protect domestic car manufacturers and to strengthen the competitiveness of the European automotive industry. The rapid rise of Chinese manufacturers in electric vehicle technologies has become a strategic concern for Europe's automotive sector. Officials from the European Commission argue that Chinese producers gain a pricing advantage in the European market due to heavy state subsidies, which they believe disrupt market balance.

Although this decision may create a new source of tension in global trade, it does not have a direct impact on Türkiye. Since the additional tariffs apply only to electric vehicles produced in China, automobiles manufactured in Türkiye or Turkish-based electric vehicle initiatives are not directly covered by this regulation. Therefore, Türkiye's automotive sector and domestic electric vehicle producers are not expected to face an immediate direct commercial impact from this decision.

However, the reduction of the price advantage enjoyed by Chinese manufacturers in the European market could alter competitive dynamics in the long term and may indirectly influence the European automotive market. According to experts, this move by the European Union may trigger new debates in trade relations between China and the EU. Considering that the electric vehicle industry is expected to become one of the most strategic segments of the global automotive market in the coming years, the significance of this decision becomes even more evident.

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