

White Goods Industry Monthly Data - November

Domestic demand robust despite the tight monetary policy, exports remain weak

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According to Turkish White Good Manufacturers Association data, among the six main products (Refrigerator, Washing Machine, Dish Washer, Oven, Deep Freeze, and Dryer) production shrank by 10% and imports by 11% while domestic sales rose 7% YoY in November. Imports rose 13% yearly.

In the first 11 months of the year, domestic demand rose 7% YoY. In the same term, exports shrank by 3% YoY. Thus, total sales remained flat yearly in the first eleven months of 2024. In the same term production decreased 2% YoY.

While domestic demand remained dynamic despite prevailing tight monetary policy, we think this is largely due to the seasonality of purchases made by distributors towards the end of the year. (Recall that TURKBESD data reflects the purchases of distributors.) On the export side, the contraction continues albeit at a slower pace due to the low base effect, in line with our expectations. We expect export demand to weaken until economic conditions improve, especially in the main market of Europe. In the domestic market, activity may continue in December due to the seasonality effect. However, shrinking purchasing power, tight monetary policy and installment restrictions continue to pose risks to the demand outlook. We evaluate the latest data as **SLIGHTLY NEGATIVE** for sector stocks **ARCLK**, **VESTL** and **VESBE**.

Figure 1: 6 Main Products (Refrigerator, Washing Machine, Dish Washer, Oven, Deep Freeze, Dryer)

(unit)	Jan-November 23	Jan-November 24	Change
PRODUCTION	30.147.820	29.694.014	-2%
DOMESTIC SALES	8.918.433	9.563.571	7%
EXPORTS	21.250.829	20.697.687	-3%
IMPORTS	495.901	689.984	39%

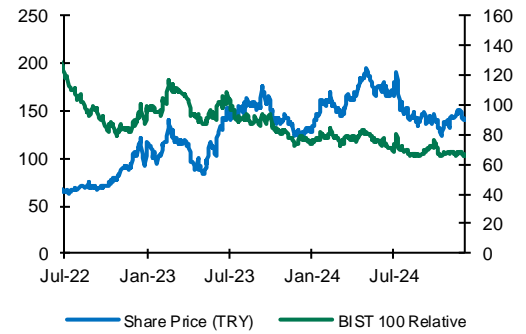
Source: TURKBESD (White Goods Manufacturers Association of Turkey)

Figure 2: Data for 6 Main Products



ARCELIK (ARCLK)

	TRY	US\$
Close	142,90	4,07
Target Price	267,50	7,60
Upside Potential	87%	
Recommendation	OUTPERFORM	
52 Week High:	195,00	6,07
52 Week Low:	123,70	3,61
Bloomberg/Reuters Ticker:	ARCLK.TI / ARCLK.IS	



VESTEL BEYAZ ESYA (VESBE)

	TRY	US\$
Close	17,25	0,49
Target Price	30,55	0,87
Upside Potential	77%	
Recommendation	OUTPERFORM	
52 Week High:	23,36	0,73
52 Week Low:	14,71	0,48
Bloomberg/Reuters Ticker:	VESBE.TI / VESBE.IS	



Figure 3: Figures by Products

(unit)	November 23	November 24	Change (Yearly)	October 24	November 24	Change (Monthly)	Jan-November 23	Jan-November 24	Change (Yearly)
Refrigerator									
Production	596.355	554.673	-7%	602.346	554.673	-8%	7.298.214	6.592.553	-10%
Exports	391.375	345.756	-12%	449.649	345.756	-23%	4.841.408	4.369.195	-10%
Domestic Sales	164.602	153.853	-7%	171.604	153.853	-10%	2.278.304	2.127.262	-7%
Washing Machine									
Production	754.223	552.218	-27%	588.484	552.218	-6%	7.790.886	6.572.414	-16%
Exports	515.374	370.120	-28%	474.853	370.120	-22%	5.392.151	4.430.692	-18%
Domestic Sales	222.913	219.881	-1%	216.626	219.881	2%	2.422.290	2.326.656	-4%
Dish Machine									
Production	524.098	438.379	-16%	509.721	438.379	-14%	5.483.088	5.516.738	1%
Exports	378.829	336.823	-11%	399.133	336.823	-16%	3.643.362	3.832.696	5%
Domestic Sales	145.625	157.002	8%	144.488	157.002	9%	1.816.995	1.790.467	-1%
Oven									
Production	503.690	459.499	-9%	501.995	459.499	-8%	5.414.072	5.424.078	0%
Exports	420.147	387.074	-8%	459.617	387.074	-16%	4.383.070	4.480.873	2%
Domestic Sales	83.555	82.600	-1%	76.236	82.600	8%	985.770	919.270	-7%
Deep Freeze									
Production	106.363	98.817	-7%	94.768	98.817	4%	1.569.053	1.632.037	4%
Exports	89.652	69.372	-23%	86.868	69.372	-20%	891.306	819.121	-8%
Domestic Sales	25.749	34.562	34%	22.440	34.562	54%	679.055	899.430	32%
Dryer									
Production	367.439	465.558	27%	479.504	465.558	-3%	2.592.507	3.956.194	53%
Exports	308.753	355.940	15%	393.255	355.940	-9%	2.099.532	2.765.110	32%
Domestic Sales	101.133	148.099	46%	139.711	148.099	6%	736.019	1.500.486	104%

Source: TURKBESD (White Goods Manufacturers Association of Turkey)

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