CONCEPT AND DEFINITION
INDUSTRIAL TURNOVER INDEX

Bünyamin EMİROSMAN
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Muscat, Umman
Preamble

- Before start
- Business statistics ➔ SBR, SBS, STS
- STS coverage
### Indicators covered by the STS Regulation, by domain or annex

<table>
<thead>
<tr>
<th>Annex/domain</th>
<th>List of indicators</th>
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</table>
| **A-Industry** | Production  
*Turnover, domestic turnover, non-domestic turnover*  
Number of persons employed, hours worked, gross wages and salaries  
Producer prices, domestic producer prices, non-domestic producer prices |
| **B-Construction** | Production, production of buildings, production of civil engineering  
Number of persons employed, hours worked, gross wages and salaries  
Construction costs, material costs, wage costs  
Building permits: number of dwellings, building permits: useful floor area in m² |
| **C-Retail trade** | *Turnover*  
Number of persons employed, hours worked, gross wages and salaries  
Deflator of sales |
| **D-Services** | *Turnover*  
Number of persons employed, hours worked, gross wages and salaries  
Producer prices |
CONTENTS

- Definition
- Purpose
- Classification
- Scope and coverage
Definition

- **Turnover**
  - Sales, Shipments, Deliveries
- Demand for industrial output
- **Global idea of sales**
  - Sales of goods
  - Merchantized goods,
  - Services provided to other units
Definition

Turnover is defined by annex I of the Commission Regulation (EC) No 1503/2006 as:

- the totals invoiced by the observation unit during the reference period. This corresponds to market sales of goods or services supplied to third parties.

- Turnover also includes all other charges (transport, packaging, etc.) passed onto the customer, even if these charges are listed separately in the invoice. (...
The most important components of industrial turnover are invoiced services provided by the unit and the sales of products;

Produced by the unit,

Produced by third parties with raw materials of the unit,

Purchased for resale by the unit
Definition

Subject to the treatment of income classified as

- other operating income,
- financial income and
- extraordinary income

in company accounts are excluded.
Definition

• **Domestic turnover/Non-domestic turnover**

• The objectives and characteristics of indices for variable (turnover) also apply to the indices for the distinction between domestic and non-domestic turnover.

• The indices of domestic and non-domestic turnover require turnover to be split according to the first destination of the product based on the change of ownership (whether or not there are also corresponding physical movements of goods across frontiers).

• The destination is determined by the residency of the third party that purchased the goods and services. The domestic market is defined as third parties resident in the same national territory as the observation unit.
Purpose

- Turnover is used to assess current developments in sales.
- To give a global idea of sales evolution including the sales of goods and services to other units.
- For industry, Turnover index can be seen as a complement to production in formation in short term analysis.
- Deflated turnover can be used as proxy for the IPI.
Classification

- **NACE Rev.2** is used for Activity Classification

- NACE Rev. 2 is the classification of economic activities corresponding to **ISIC Rev. 4** at European level. Though more disaggregated than ISIC Rev. 4, NACE Rev. 2 is completely in line with it and can thus be regarded as its European version.
Classification

Economic activity (NACE Rev. 2)
Total industry
  B-Mining and quarrying
  C-Manufacturing

MIGS (Main Industrial Groups)
  IG - Intermediate goods
  DCG - Durable consumer goods
  NDCG - Non-Durable consumer goods
  E - Energy
  CG - Capital goods

Total turnover
  Domestic turnover
  Non-domestic turnover
Classification

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Total turnover
  Domestic turnover
  Non-domestic turnover
Classification

Total industry
B-Mining and quarrying
  05-Mining of coal and lignite
  06-Extraction of crude petroleum and natural gas
  07-Mining of metal ores
  08-Other mining and quarrying
C-Manufacturing
  10-Manufacture of food products
  11-Manufacture of beverages
  12-Manufacture of tobacco products
  13-Manufacture of textiles
  14-Manufacture of wearing apparel
  15-Manufacture of leather and related products
  16-Manufacture of wood and of products of wood and cork (except furniture)
  17-Manufacture of paper and paper
  18-Printing and reproduction of recorded media
  19-Manufacture of coke and refined petroleum products
  20-Manufacture of chemicals and chemical products
  21-Manufacture of basic pharmaceutical products and pharmaceutical preparations
  22-Manufacture of rubber and plastic products
  23-Manufacture of other non-metallic mineral products
  24-Manufacture of basic metals
  25-Manufacture of fabricated metal products (except machinery and equipment)
  26-Manufacture of computer, electronic and optical products
  27-Manufacture of electrical equipment
  28-Manufacture of machinery and equipment n.e.c.
  29-Manufacture of motor vehicles, trailers and semi-trailers
  30-Manufacture of other transport equipment
  31-Manufacture of furniture
  32-Other manufacturing
  33-Repair and installation of machinery and equipment
Scope and Coverage

Statistical Units:

STS-Regulations require ➔ Kind of Activity Unit (KAU)

TurkStat ➔ Use mix of LKAU, KAU and Enterprise for observation unit

Unit of measure:

All turnover data is compiled by local currency "TL".
Scope and Coverage

Geographic coverage: is whole Turkey.

• Regional and/or provincial indices are not calculated.

Sectoral coverage:

• Regulations require coverage of Sections B (Mining and quarrying) and C (Manufacturing) in relation to NACE Rev.2.
• The sub-indicators of turnover are also limited by their geographical market between domestic and non-domestic markets.
• TurkStat calculates indices coverage of Sections B and C at 4-digit level, but publishes at 2-digit level.
THANK YOU