



## COVID-19 EFFECT IN EXPORT: ANALYSIS OF TURKEY'S EXPORT PERFORMANCE TO TOP 5 COUNTRIES IN EXPORT

İHRACATTA COVID-19 ETKİSİ: TÜRKİYE'NİN İHRACATTA İLK 5 ÜLKEYE İHRACAT PERFORMANSININ ANALİZİ

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### Abstract

The Covid-19 pandemic, which started in Wuhan, China in 2019, become a global health crisis by spreading to many countries in a short time. Considering the effects of the pandemic on international trade, many countries have taken measures of customs transactions, and these measures caused global changes in the supply chain flow in trade. The supply chain disruptions that led by trade-related pandemic measurements has caused to decrease in economic growth, the slowdown in trade, and weakening of financial markets. Turkey was among the countries that took customs measurements. In this study, it is aimed to understand how Turkey's export performance is affected by the trade-related pandemic measures. In this context, it was examined whether Turkey's exports were affected during the strict implementation of pandemic measures at customs. Afterwards, it was evaluated whether a "new normal" has emerged in exports after the pandemic measures taken at customs decreased with the normalization throughout the country.

**Keywords:** Covid-19, Export, New normal, Trade, Customs.

### Öz

2019 yılında Çin'in Wuhan kentinde başlayan Covid-19 salgını, kısa sürede birçok ülkeye yayılarak küresel bir sağlık krizine dönüşmüştür. Salgının uluslararası ticaret üzerindeki etkileri göz önüne alındığında, birçok ülke gümrük işlemlerine yönelik önlemler almış ve bu önlemler ticarete tedarik zinciri akışında küresel değişimlere neden olmuştur. Ticaretle ilişkili pandemi önlemlerinin yol açtığı tedarik zinciri aksaklıkları, ekonomik büyümenin azalmasına, ticaretin yavaşlamasına ve finans piyasalarının zayıflamasına neden olmuştur. Türkiye de gümrük önlemleri alan ülkeler arasında yer almıştır. Bu çalışmada, ticaretle ilişkili pandemi önlemlerinin Türkiye'nin ihracat performansını nasıl etkilediğinin anlaşılması amaçlanmıştır. Bu kapsamda, gümrüklerde sıkı pandemi önlemlerinin uygulanması sırasında Türkiye'nin ihracatının etkilenip etkilenmediği incelenmiştir. Sonrasında, ülke genelindeki normalleşmeyle birlikte gümrüklerde alınan pandemi önlemlerinin azalmasının ardından ihracatta "yeni bir normal" in ortaya çıkıp çıkmadığı değerlendirilmiştir.

**Anahtar Kelimeler:** Covid-19, İhracat, Yeni normal, Ticaret, Gümrük.

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## 1. Introduction

The Covid-19 pandemic, which started in Wuhan, China in 2019, spread to many countries in a short time and turned into a global health crisis. According to the data of the World Health Organization (WHO), as of July 2021, a total of 184,324,026 cases were seen and 3,992,680 people died due to Covid-19 (WHO, 2021). It has been observed that the Covid-19 pandemic, which is expected to have multidimensional effects in different fields (Cahapay, 2020), shook the global economy by revealing the economic and institutional constraints of most countries, as well as the crisis it created in the field of health (Aybar, 2020).

Although the Covid-19 pandemic is a relatively recent phenomenon, it has been observed that many studies have been carried out on the effects of the pandemic in different fields. While discussions about post-pandemic changes and the "new normal" are still ongoing, it is noteworthy that studies have compared the Covid-19 crisis to other global crises in history. In particular, it has been seen that the changes after the global impact historical events such as the Spanish Flu, the 9/11 terrorist attacks, and the 2008 Global Financial Crisis that shaped the predictions regarding the post-Covid-19 process. Pointing out that the Cold War, the First and the Second World Wars caused system-changing breaks on a global scale, Ulutaş (2020) predicts that the Covid-19 pandemic may cause paradigm shifts similar to the 9/11 attacks and the 2008 Global Financial Crisis and lead to the questioning of the international system. On the other hand, although it reminds of the Spanish Flu, Ebola, SARS and MERS outbreaks, he states that the measures taken and the practices introduced within the framework of the Covid-19 pandemic are differentiated by creating a comprehensive threat perception that can transform the habits of the 21st century (Ulutaş, 2020). Global crises inevitably cause debates on change and continuity. In addition, Aydın (2020) suggests that expectations and predictions can be developed for the continuation of the current order based on past experiences. The Spanish Flu (1918) pandemic is considered as the most similar experience to the Covid-19 pandemic. After the Spanish Flu pandemic, which had global effects, there were no radical changes in the world order, but changes in domestic policy such as public health, preparation for epidemics and establishment of institutions were observed (Aydın, 2020). Zarifoğlu (2020), on the other hand, states that the Covid-19 crisis resembles the post-1929 Great Depression in terms of its economic and social effects, and the Cold War period that started after the Second World War in terms of political and international relations. From this point of view, larger and more interventionist states, strong national and central institutions, post-Covid-19 suggest that a rapid production-based growth can be predicted in the Western world (Zarifoğlu, 2020). Hanioglu (2020) draws attention to the fact that Covid-19, which is the deadliest pandemic the modern world has seen after the Spanish Flu, will inevitably cause significant changes in different areas and the scope of these changes will be determined by the duration and destruction of the pandemic. In the current situation, he evaluates that Covid-19 may lead to results such as global economic recession, strengthening of authoritarianism, widespread use of remote working and artificial intelligence, narrowing of private life, increase in the share of health and emergency planning in budgets (Hanioglu, 2020).

The transformations brought about by the global and multidimensional effects of the pandemic have started to bring the existing "new world order" discussions to the agenda more within the scope of international politics and globalization discussions (Aydın, 2020). In this context, with the Covid-19 pandemic, the concept of "new normal" has been defined in many areas of life such as education (Cahapay, 2020), health (Khan, et.al., 2020), use of technology (Hanioglu, 2020), online consumer behavior (Türkmen, 2020), economy (Anadolu Agency, 2020; European Parliament, 2020; Ulutaş, 2020) and international relations (Yücel, 2020;

Aydınlı, 2020). Also, “new normal” has been started to be used frequently by politicians (DW, 2020), news channels (The Telegraph, 2021; Anadolu Agency, 2020) and international organizations (UNCTAD, 2020; European Parliament, 2020). It is seen that the concept of “new normal” changes in different contexts and is shaped differently according to the needs of each field.

During the pandemic, health facilities were affected first and had to adapt quickly to treat the increasing number of Covid-19 patients. (Cobianchi, Pugliese, Peloso, Dal Mas, & Angelos, 2020). It has been observed that practices such as remote consultation in health services, the use of new technologies in the field of health, and the development of more proactive approaches in providing appropriate health services have come to the fore in the new normal understanding in health services (Khan, et al., 2020). In terms of education, the introduction of online education models, the combination of classical education methods with online education, and the creation of a technological infrastructure that can be better prepared for the global pandemic crises are among the education goals within the scope of the new normal. (Cahapay, 2020). In the reflections of the "new normal" in social life, the rapidly developing "virtualization" trend has become multidimensional (Aydın, 2020). In addition, it has been seen that many white-collar jobs can actually be carried out independently of the place, as the methods of working from home during the Covid-19 process come to the fore in working practices in business life (Zarifoğlu, 2020). The experience of working from home has led many companies to switch to a predominantly teleworking system and has led some companies to consider working from home as the new normal working order in the future (Bonacini, et.al. 2020).

After the Covid-19 pandemic, it is expected that innovation expectations and criticisms will also be in the field of economy. Iyke (2020) stated that pandemics, that occur unexpectedly or have unpredictable results, have significant effects on financial markets by causing negative sensitivities and panic. According to Aydın (2020), considering the possible effects of the Covid-19 pandemic on the international order, it is expected that the China-US competition, which has been going on for a while, will accelerate and enter a period of economic tension. Aybar (2020), on the other hand, predicts that economic actors who can produce instruments such as virtual intelligence, robotics, 5G technologies, big data and industry 4.0 and add them to the production chain will come forth in the new global economic order. Suggesting that the Covid-19 pandemic will be the biggest global economic crisis after the 1930s Economic Depression, Vidya and Prabheesh (2020) argue that the effects of the post-Covid-19 era to global economic growth is expected as the decrease in economic growth, the slowdown in trade, the emergence of global imbalances, and the weakening of financial markets. Vidya and Prabheesh also remarks the stressful effects of the pandemic on the world economy, stating that the Covid-19 pandemic has caused disruptions in the supply chain and a decrease in the volume of international trade.

Evaluating the impact of the Covid-19 pandemic on the global economy dynamics, Zarifoğlu (2020) states that the pandemic mostly affects the supply chains designed across borders and globally at the first stage. Due to the decrease in production capacity in China, where the pandemic started, and then the increasing demand due to the virus hitting Western countries, disruptions in the supply chain have emerged. In this context, it is noteworthy that many companies operating in different fields have started to design new supply chains, diversify geographical sources and create local alternatives in the fields they can do (Zarifoğlu, 2020). In addition, Zarifoğlu mentions that in the long term, it can be expected that the supply chains will shift to non-Chinese locations and local, and the production center of gravity will shift to the Western geography. According to Ulutaş (2020), although it is not yet clear to what extent the pandemic will affect the global economy, it is expected to lead countries to focus on

increasing their effectiveness in the global supply chain, as well as human mobility and political transformations. In addition, polarizations in global trade and commercial losses that may occur due to the temporary stoppage of the global supply chain are a threat but suggest that they may create new opportunities for Turkey (Ulutaş, 2020). With its crowded and young population, Turkey stands out both with its being a large market and with its workforce potential. Geographically, being a transfer center between the Middle East, Turkic Republics and Europe is seen as an advantage in terms of logistics as the means of cost and time (Erturgut, 2019). In this context, it is considered that Turkey may have the potential to gain opportunities in international trade with its geographical location and human capacity, in case production centers shift to the Western geography with the experience of Covid-19.

Considering the effects of the pandemic on international trade, many countries have taken measures of customs transactions. These measures have led to transformations in the foreign trade of the countries and caused changes in the supply chain flow in trade. Turkey's first customs restrictions started with the closure of the customs gates to Iran as of 23.02.2020, and contactless trade practices were emphasized (Ministry of Trade, 2021). Restrictions on customs also extended to Iraq (Ministry of Trade, 2021), Bulgaria (Ministry of Trade, 2021; Hürriyet, 2020a), Greece (Hürriyet, 2020a) and Syria (Hürriyet, 2020b) border gates in March 2020, and borders with 17 countries in total were closed in March. (Hürriyet, 2020c). The Covid-19 normalization process in June 2020 was also reflected on the customs, and the border gates started to open in the first week of June (Hürriyet, 2020c). Especially with the opening of the Habur customs gate on the Iraq border, it has been noted that export production and border mobility increased rapidly in the region (Hürriyet, 2020d).

In this study, it is aimed to understand how Turkey's export performance is affected within the scope of Covid-19 pandemic measures. In this context, it was examined whether Turkey's exports were affected during the strict implementation of pandemic measures at customs. Afterwards, it was evaluated whether a "new normal" has emerged in exports after the pandemic measures taken at customs decreased with the normalization throughout the country. Turkey, has taken various customs decisions, including temporary closure of customs gates and measures to facilitate foreign trade in the future. In this study, it is aimed to develop a perspective on the potential effects of the Covid-19 pandemic in the supply chain by examining the foreign trade figures of Turkey. In this context, Turkey and Turkey's exports have been examined during the Covid-19 pandemic process and two hypotheses have been developed:

- (i) Covid-19 has affected Turkey's export activity.
- (ii) Covid-19 has created a new normal in Turkey's exports in terms of monetary value.

## **2. Literature Review**

The literature review conducted within the scope of this study was made under two sub-titles: which factors affect international trade and how the concept of "new normal" is defined in different fields.

### **2.1. Literature review on factors determining international trade**

Gourdon (2009) analyzes the validity of the Heckscher-Ohlin model, which is based on countries' different factor endowments, and which forms the basis of international neo-classical trade. In addition to the link between countries' factor endowments and trade flows, differences in consumers' preferences, technology, or returns to scale are also evaluated in the study. The main findings of the study are as follows:

- (i) The traditional factor endowment model is still important in determining the trade structure,
- (ii) The productivity gap, consumer preferences and returns to scale should also be included to determine the comparative advantage in the products produced,
- (iii) The trade intensity decreases with the population, size matters,
- (iv) Lower trade barriers increase trade intensity for both exporter and importer clusters,
- (v) Lower trade barriers increase trade intensity for infrastructure-related costs,
- (vi) For manufactured clusters, rises in total factor productivity net increases exports and reduces net imports for manufactured products.

Abd-el-Rahman (1991), on the other hand, aimed to reveal macro and micro economic determinants in order to understand foreign trade by examining the comparative advantages and disadvantages of firms producing the same type of goods under imperfect competition conditions. The study showed that the gap between exporters and non-exporters in comparative disadvantage industries is quite large when it comes to productivity. According to the analysis, various forms of participation in international trade have been identified, including one-way trade, in-range or vertical differentiation trade, and two-way trade in similar products or bilateral or triple-horizontal differentiation trade.

Prasad and Gable (1998) suggest some new empirical perspectives on the relationship between international trade and macroeconomic fluctuations in industrial economies. The main assumption of the study is that exports and imports are driven by the same set of determinants as the balance of trade. As a result of the study, it is shown that relative demand shocks, which lead to increases in relative output and accompanying exchange rate valuations, cause decreases in the balance of trade in almost all cases, and supply shocks have large and lasting effects. In addition, the immediate reactions to exports reveal a similar nominal shock picture. Temporary increases in relative output led to increase in exports, but the numbers decline in the long run. Demand shocks cause an appreciation in the exchange rate and a decline in exports. On the other hand, supply shocks have different effects on exports in different countries.

Zeddies (2011) defined the scope and determinants of international production in the EU and emphasized that the pattern of international trade has changed in recent decades and has increased in absolute and relative terms. The bilateral trade of 15 European countries has been analyzed in order to identify the main determinants of international production networks. In the analysis, the importance of factor price differences in shifting production to foreign countries or supplying components from foreign countries has been defined. While differences in labor costs increase the international fragmentation of production in bilateral trade, firm size, and number of establishments in trading partner countries are also important determinants. In addition, service connection costs, telecommunication technologies and the quality of transportation networks also affect the bilateral trade structure. On the other hand, it has been observed that product market regulations have significantly prevented the international fragmentation of production.

According to the studies examined within the literature review, the main factors determining international trade are:

- (i) The productivity difference (capital and labor costs) due to the factor endowments of the countries,
- (ii) Foreign investment preferences due to cost differences,

- (iii) Consumers' preferences, technology, or economies of scale,
- (iv) Country size and population density,
- (v) Variables such as trade infrastructure, trade barriers and product market regulations,
- (vi) Macroeconomic fluctuations that cause supply and demand shocks,
- (vii) Trade costs, technology infrastructure and the quality of transportation networks.

It is expected that the Covid-19 pandemic has affected international trade due to unexpected changes in trade supply and demand, logistics disruptions due to countries closing their borders, and changing consumer habits.

## **2.2. Literature review on the concept of "new normal"**

According to Karakaş (2020), the dynamism of change that has existed in the world for the last two centuries causes people to get used to the "new normals". Karakaş defined the concept of "new normal" as a process and strategy in terms of eliminating the crisis period and its effects, with new behaviors, new attitudes, new opportunities and new forms of interaction. In addition, the study emphasizes the uncertainties about how the new normal will be like, and suggests that the discourse of "new normal" has a functional role in shaping new situations in various fields such as economy, international relations, health and social life.

El-Erian (2010), remarks that the concept of "new normal" was emerged in the field of business. "New normal" term was used to explain the situation of industrial economies returning to their former situation after the recession. In addition, Yücel (2020) argues that "new normal" call the modern society to question their approaches to the existing policies, ways of doing business, procedures, protocols, relations, orders and norms that make up the modern society and world order. And the concept of "new normal" that emerged with the Covid-19 pandemic has a founding, transformative and descriptive power.

Lee (2020) refers to the concept of new normal in healthcare services, and underlines the practices that emerged with Covid-19 in healthcare as a part of the new normal. This "new normal" concept in healthcare services includes hygiene habits, "high reliability" practices, redesign of the healthcare service delivery, and new skills required in the process. According to Lee, new practices used in healthcare will be effective in providing better, more convenient and less costly healthcare services after the pandemic ends.

In the 2019 report "From 'Never Again' to The 'New Normal'" prepared by the WHO, the Ebola outbreak that emerged in West Africa in 2013-2016 revealed that the world failed to prepare for and respond to health emergencies. According to the report, the Ebola outbreak has revealed the need for new actors to intervene under a global pandemic circumstances, and the need for new leadership, coordination and financing models.

It is observed that the integration of online teaching and face-to-face education as the "new normal" in education was also discussed before Covid-19. Dziuban et. al (2018) states that some academics have adopted the blended learning model in higher education as the "new traditional model" or "new normal". On the other hand, the study emphasized that this mixed model will lead to curriculum and policy-based discussions. In the study, student success, withdrawal from courses, and the perception of the learning environment with various methods are remarked as important problems in education. And, the adaption of these educational challenges to blended learning methods are discussed.

Study reveals that co-education increases access for most students, resulting in better success rates for both minority and non-minority students. In addition, it is stated that students believe that blended learning is more effective.

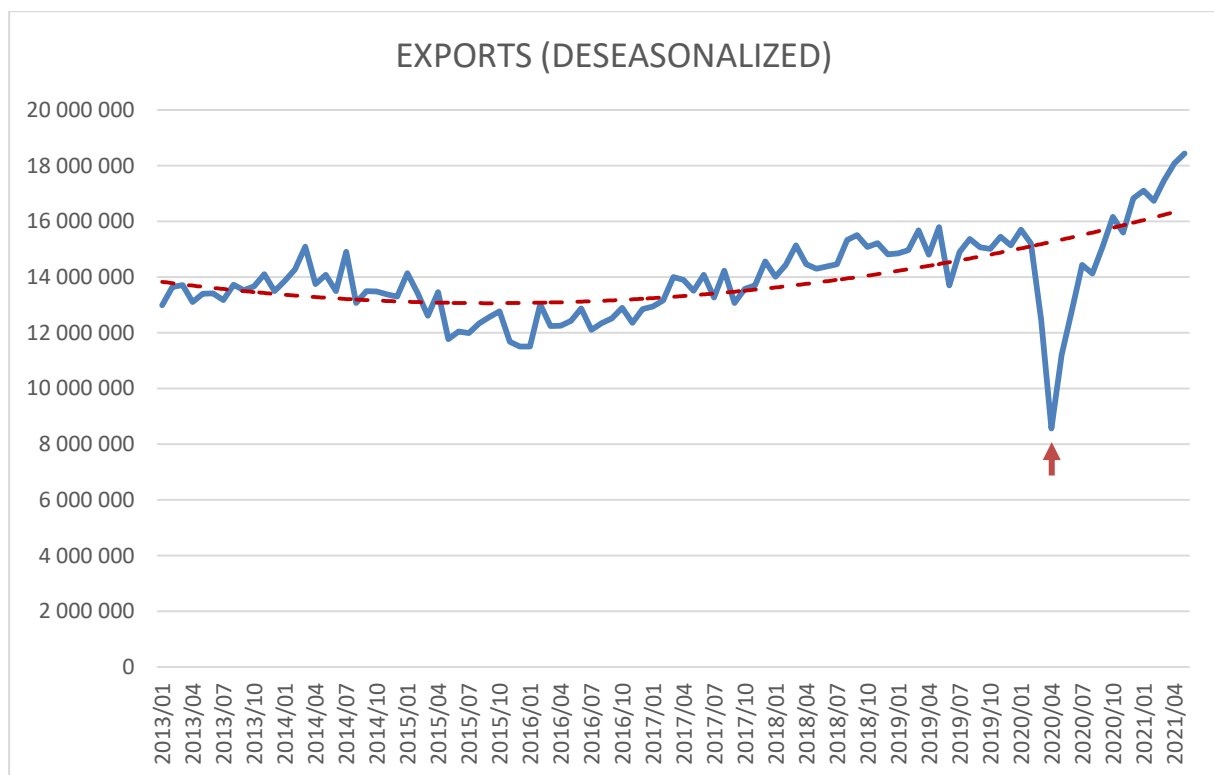
Gagnon, Johannsen, and Lopez-Salido's (2016) research examined the relationship between demographic structure and the formation of the "new normal" in the US economy. In the study, while examining the transition process of the US economy to the new normal since the 1930s Economic Depression, the productivity increase in line with demographic changes was taken into account. There has been a rapid transition to the new normal in the US economy, especially after the Second World War, due to the demographic factors of the baby boomer generation and the increase in information technology increased productivity. On the other hand, demographic changes such as decrease in labor force growth rate, increase in life expectancy, change in family composition, increase in international migration affect real interest rates and GDP growth. The study focused on a possible new normal for the US economy and the effects of the US demographic transition for the next few decades. According to the model created, it is suggested that low interest rates, low production growth and low investment rates will now remain at this level and the US economy will enter a new normal.

According to Lemoine and Unal (2017), who examined the concept of "new normal" in the Chinese economy after the 2008 Global Financial Crisis, the change in external conditions shaping China's economic position and the structural changes in the local economy triggered changes in the Chinese economy after the 2008 Financial Crisis. In the findings of the study, it was revealed that the driving forces in China's foreign trade changed after the crisis and its share in the global production chain was affected. For this reason, it is suggested in the research that the model of being the "workshop of the world" in China after the 2008 crisis has turned into the "new normal" trade model. In the new normal, the factors determining China's foreign trade are based more on domestic demand and domestic industrial capabilities than on its participation in the global production chain. In addition, this new normal also affects China's trading partners by changing its geographical trade structure.

Within the scope of the literature review, it has been seen that various definitions have been made on the concept of "new normal" in different fields and in different contexts. Although the definition and scope of the new normal may change, in this study, the "new normal" has been defined as a drastic change resulting in a difference on a specific subject that persists over foreseeable future.

### **3. Method and Findings**

The export data used in the study is taken from the Turkish Statistical Institute (TÜİK). The range of the data is from January 2013 to May 2021. The original table consists of the export data of Turkey with 219 countries on a monthly basis. In order to find out if there has been a change that can be related to the Covid-19 pandemic, Turkey's deseasonalized total export chart is extracted, and a two-dimensional chart is created on excel for visualization as shown in Figure 1.

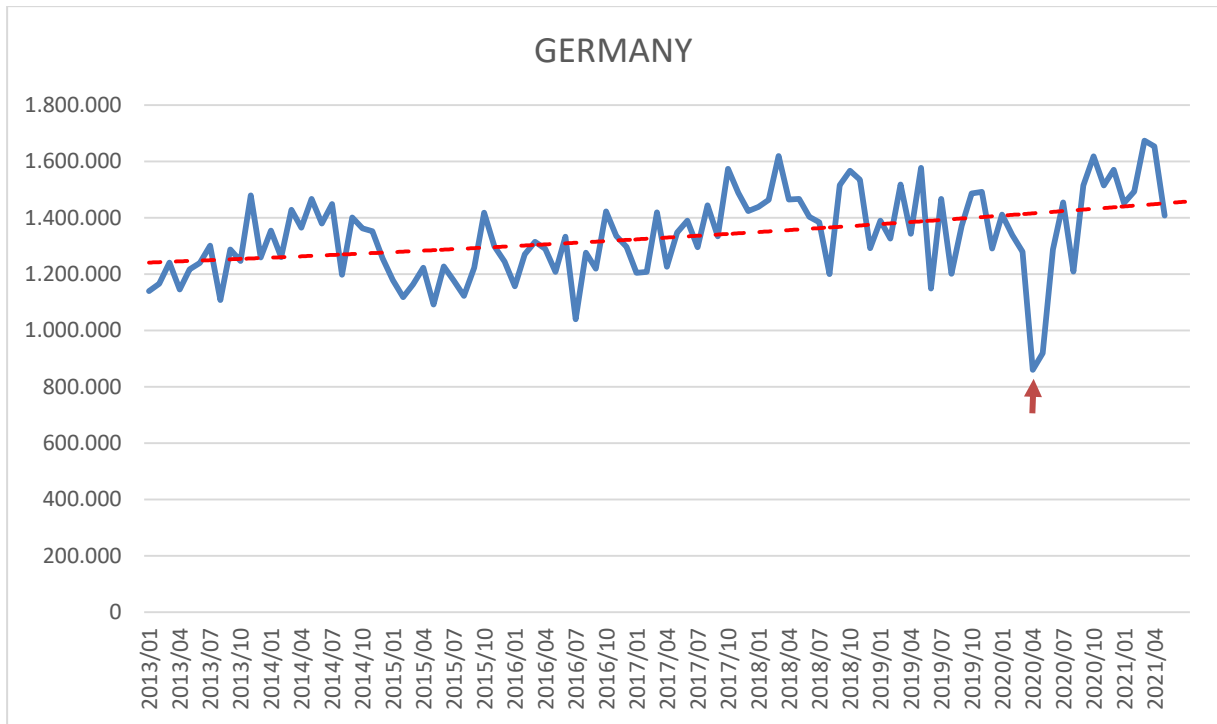


**Figure 1:** Turkey's total monthly exports (deseasonalized data) between 2013/01 and 2021/05. Numbers in 1000.

As seen in figure 1, a drastic fall in exports can be observed in April 2020 (shown with upwards red arrow). Also, the percentage change from March 2020 to April 2020 was calculated as -31%, the largest percentage fall within the studied period, followed by almost an equal rise in the next month. This particular movement can be defined as a “V-shaped recovery” as a sharp fall is recovered in a similar period (e.g. Hong & Tornell, 2005; Yao & Zhang, 2011; Sharma, Bouchaud, Gualdi, Tarzia, & Zamponi, 2021). Evident from the chart presented in Table 1, a V-shaped pattern was formed starting on March 2020, almost exactly on the polynomial trend line (shown as a red dotted line), then a sharp decline, bottoming on April 2020, and climbing back close to the polynomial trend line sharply the next month. After detecting a major drop in exports and the pattern it follows, dates were examined, and it is found out that the starting month of the V-shaped pattern coincides with the date of the first known Covid-19 case in Turkey (Zorlu, 2020). Also, because V-shape patterns usually occur after an unexpected internal or external shock (Yao & Zhang, 2011), and Covid-19 pandemic being an unforeseeable phenomenon that affected the supply chains, the definition fits with the conclusion drawn from the data presented in Figure 1.

After the general outlook, Turkey's top five export partners' (Germany, United Kingdom, Iraq, Italy, and the USA respectively) data and graphs for the same period are inspected separately as well. In order to sustain homogeneity of data used in the research, subject countries' data is deseasonalized by using the ratio to moving average technique by using  $s=12$  as the data is divided into months. Actual and deseasonalized data for the studied countries are presented in Appendix I. Figure 2 shows the graph of the data of Germany, Turkey's biggest export partner in the studied period.

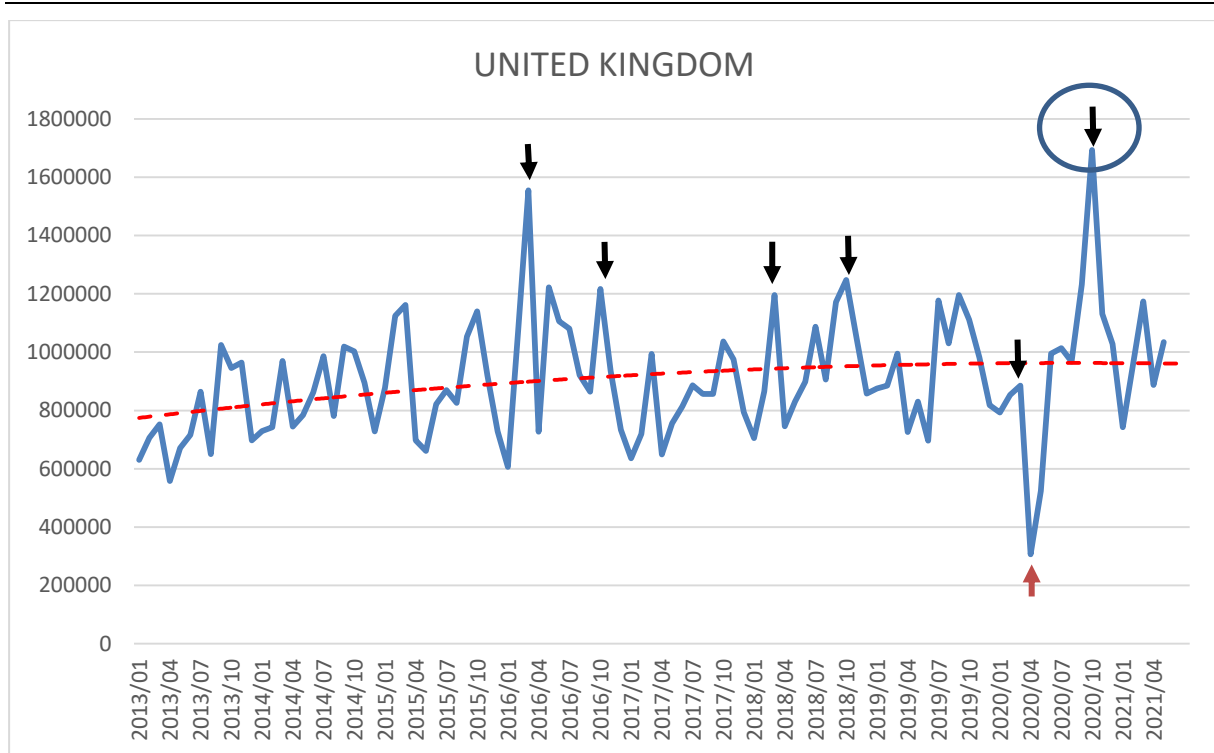




**Figure 2:** Turkey's monthly exports to Germany. Numbers in 1000.

As it can be observed in Figure 2, Turkey's export to Germany fell drastically from March 2020 to April 2020 (shown with upward red arrow), and it recovered back close to the polynomial trend line within the next two months. Judging by the timing of the sharp fall and the recovery time, it can be argued that Turkey's export to Germany shows the same characteristics as the general outlook. The April 2020 bottom can be defined as an uncharacteristic fall because even though the graph does not offer an obvious pattern at the first glance, yearly bottoms had occurred between June and August in previous years.

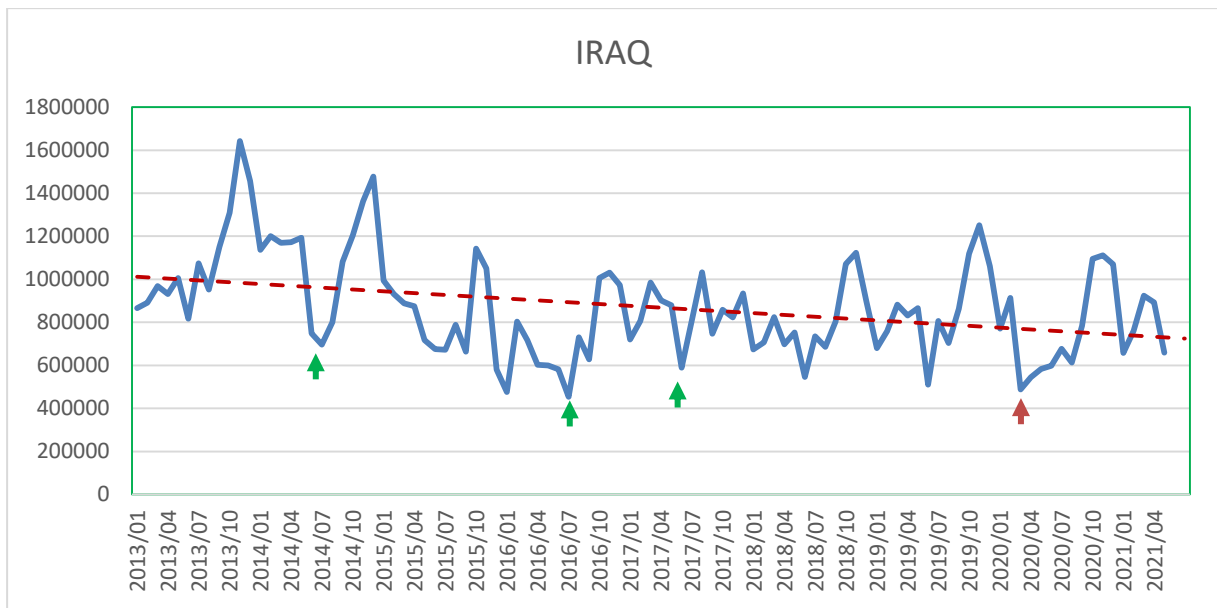
Figure 3 shows the graphical representation of Turkey's exports data with the United Kingdom:



**Figure 3:** Turkey's monthly exports to Germany. Numbers in 1000.

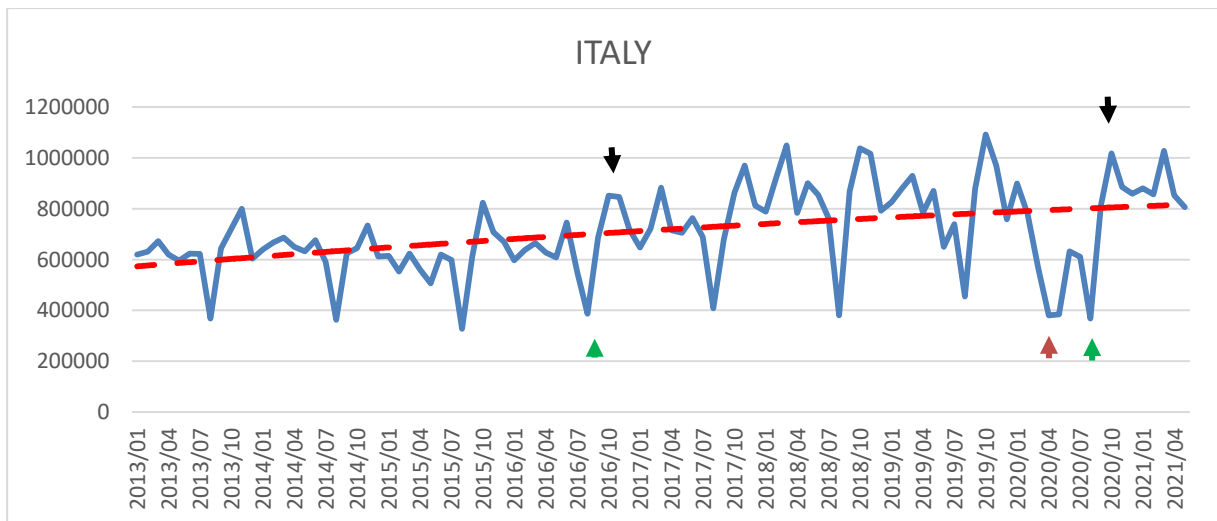
Turkey's export to the United Kingdom graph also shows a sharp decrease in April 2020 (upward red arrow). Examining the graph closer, a recurring theme can be observed through the years. Turkey's export to the United Kingdom shows a two-top pattern, i.e. as shown in the graph with downward black arrows. It is visible from the chart that in March and October Turkey's exports to the United Kingdom formed local tops every year except 2020. In 2020, March exports failed to form a local top above the polynomial trend line, despite a slight increase after February. Regardless of the irregular move in March 2020, a V-shaped recovery is also visible in Figure 3 too. Furthermore, the expected second top in October 2020 formed an all times high as shown in Figure 3 (circled area).

Figure 4 below shows Turkey's monthly exports to Iraq, Turkey's third-biggest export partner within the studied period:



**Figure 4:** Turkey's monthly exports to Iraq. Numbers in 1000.

Iraq's graph tells a different story compared to Germany and the United Kingdom. The sharp decrease shown with the upward red arrow has occurred in March 2020 instead of April, and the pattern looks more like an L-shaped recovery rather than a V-Shaped one. This indicates that there was a different circumstance affecting the two country's international trade. Turkey's exports with Germany and the United Kingdom suffered a blow in the month following the first confirmed Covid-19 case in Turkey, yet for Iraq, the sharp decline occurred the month after the first confirmed case in Iraq instead (Reuters, 2020), and March 2020 resulted in a year-low level, which normally occurred on July in previous years (i.e. shown with upwards green arrows). July being the seasonal year-low, might have prevented a V-Shape recovery. Export numbers stayed below the polynomial trend line until September 2020.

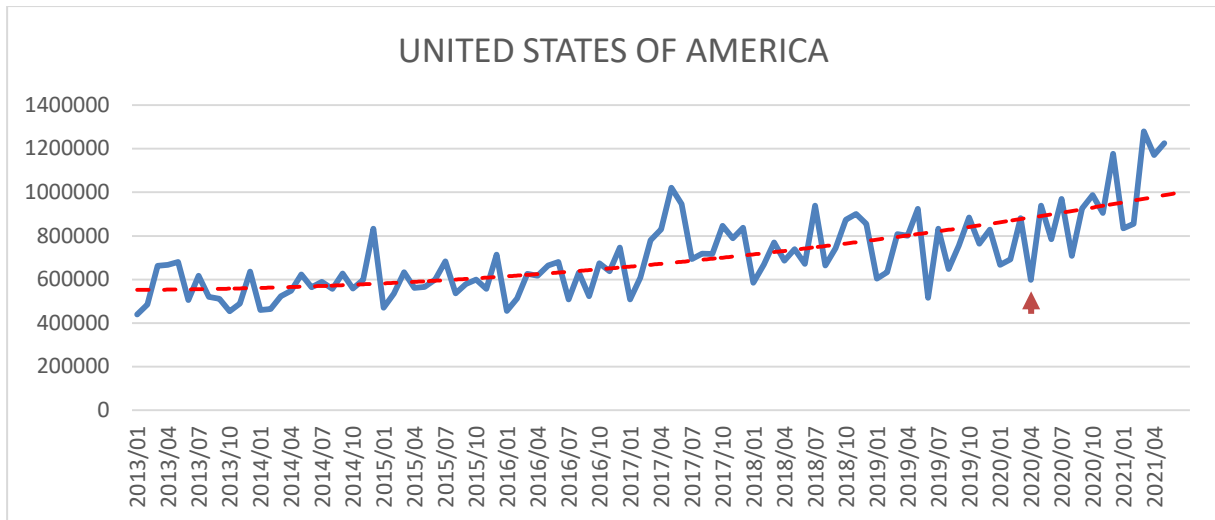


**Figure 5:** Turkey's monthly exports to Italy. Numbers in 1000.

The chart shows a steep fall in April 2020, which is in line with the overall exports graph. However, the recovery resembles a W-shaped recovery, rather than a V-shaped one. Arguably, this is mainly because Turkey's exports to Italy show a pattern which has bottoms in August (shown with upward green arrows), and tops in either October or November

(shown with downward black arrows), historically. Exports' graph showed an expected year-low value in August and this resulted in a W-shaped recovery.

Figure 6 shows Turkey's exports to her fifth-largest export partner, the United States of America:



**Figure 6:** Turkey's monthly exports to the United States of America. Numbers in 1000.

Inspecting Turkey's export graph to the USA, even though a visible fall has occurred in April 2020, followed by an increase in the month after, because no recurring pattern detected in the chart, it is difficult to argue that the fall in April 2020 had a groundbreaking or norm-disrupting effect.

#### 4. Conclusion and Future Research

The Covid-19 pandemic has started in Wuhan, China and become a global health crisis by affecting many countries. Due to pandemic crisis and its multidimensional effects, the concept of "new normal" has been discussed and observed in different fields. Considering from the aspect of trade, the pandemic measurements led to supply chain disruptions on the global scale. Pandemic has decreased the production capacity of China, and increased the demand in Western countries that affected from virus. Not long after, the supply chain disruptions caused to decrease in economic growth, the slowdown in trade, and weakening of financial markets. In addition, the customs measures affected the international transactions, and foreign trade operations has struggled to adapt the global changes.

Turkey was among the countries that took customs measurements, especially to the countries that hit by the virus. Firstly, Turkey stopped its border transactions with its neighbor country Iran, and extended the border precautions to other countries. In the study, it is aimed to understand how Turkey's export performance is affected by the pandemic measures. On the purpose of understanding the effects, Turkey's export volumes to its top 5 countries in export (Germany, the UK, the USA, Iraq, and Italy) has analysed to determine whether a "new normal" has emerged in exports after the pandemic measures taken at customs.

As it is seen, different circumstances and determinants may affect export performance. The export volumes to Germany and the UK decreased significantly after the first Covid-19 case confirmed in Turkey. However, considering the export to Iraq, Turkey export has decreased after the first confirmed Covid-19 case in Iraq. Export to Italy has fluctuations, however it is also expectable considering the differences in export value during the previous years. On the

other hand, although there has been decreases and increases in export to the USA, it is not possible to say there is a specific pattern in the export data. This may refer to different factors that affected export of Turkey to the USA. Despite the decreases, the export volumes to these 5 countries had recovered in a short time. Along with the pandemic crisis, Turkey has taken different customs decisions, including the closure of the customs and precautions to facilitate foreign trade at the same time. As a result, the trade related decisions have affected Turkey's export activity. On the other side, it is not possible to say that a "new normal" has emerged in Turkey's exports in terms of monetary value. Turkey's export to top 5 countries in export has decreased during the first months of Covid-19, and by the June 2020, the exports to these countries has increased. However, the apparent recovery in export has occurred in the same level before Covid-19. Therefore, a concept of "new" normal in Turkey's export has not seen within the context of this study. Although, it is possible to suggest that there is a recovery and normalization in exports towards the normal/usual volumes.

In the study, the top 5 countries in Turkey's export has analysed, and the data of export in value examined. For future researches, it is possible to extend the study to analyse the export to different countries, and also examine the import activities. In addition, Covid-19 pandemic is still a continuing phenomenon, therefore the conclusive effects and results in trade may change in time. Pandemic's emerging effects and changes direct countries to adapt to the new circumstances. Along with the adaptation, new trade related opportunities and potentials may occur for countries like Turkey.

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