

## **ABSTRACT**

### **THE RELATIONSHIP BETWEEN EXCHANGE RATE AND FOREIGN TRADE IN TURKEY: COINTEGRATION ANALYSIS OF THE TERM 1992-2013**

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Nowadays economics of almost all countries of the World become dependent on each other, academic Works relating to foreign trade continue rapidly. On account of theories and policies of foreign trade go on to change and improve. Together with increasing the importance of foreign trade rapidly, concepts and methods using to evaluation of this become different. So to express as a unit or to be known in terms of income of import and export is inadequate. In the research , while examining foreign trade of Turkish economy is aimed, this insufficientness was taken into consideration. In this respect, the rate of export meeting to import was used in this work and it is very important because of including informations about all of the concepts that are import, export and balance of foreign trade.

Conceptual explanations of foreign trade, examination of data of foreign trade and empirical analysis are the parts of the work. In the research the relation between exchange rate and variables of rate of export meeting to import was analysed using the data of the term form 1992 to 2013. The relation was tested with Johansen co-integration method. Stability of the variables are analysed by the ADF and PP methods. The consequence of co-integration testi which was made as appropriate to econometric progresses, it was conjectured that there is a co-integration relation between the given variables.

**Keywords:** Foreign Trade, Exchange Rate, Rate of Exports Meeting Imports, Cointegration.