

Türkiye: Weekly Banking Tracker

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- In the week ending by March 8, foreign currency adjusted weekly credit growth remained at around 1%. Total credits' 13-week annualized trend rose from 29.4% to 34.4% due to impact of strong weekly growth rates of the last 3 weeks.
- Among the sub-segments of TL credits, TL commercial credits' weekly growth continued to accelerate due to both SME and non-SME lending in public banks. Consumer credits' weekly growth (excluding credit cards) rose slightly with general purpose loans in public banks. The weekly growth of consumer credit cards fell significantly in the sector.
- Weekly growth of FC credits rose strongly with non-SME lending in both public and private banks.
- In the case of deposits, TL deposits fell by TL 81.3 led by the fall in TL demand deposits of official inst. and time&demand deposits of hholds. Residents' FC deposits rose by \$5.7bn due to increase in both corporates' (\$2.3bn) and hholds' USD deposits (\$1.8bn). Gold deposits of hholds rose also by around \$1.5bn. Adjusted from price effects, FC deposits rose by \$3.9bn according to our calculations. Year to date, FC deposits increased by \$4.3bn if price effects are adjusted.
- The FC protected scheme (in US dollar terms) continued to fall and declined to USD 72.4bn. The share of TL deposits excluding FC protected scheme in total deposits fell to 42% (vs. the CBRT's target of 50% in 2024).
- Weekly increases in interest rates were high last week, with almost 200bps in commercial rates (rising to 55.3%) and 313bps in consumer rates (rising to 61.7%). Spreads on both commercial and consumer segments improved significantly, by around 150bps and 270bps respectively.
- The CBRT introduced new reserve requirement (RR) steps that might tighten TL liquidity and have an upward impact on deposit rates. Accordingly, banks with assets over TL500bn will hold 25% of the RR for TL liabilities in blocked accounts, while the banks with assets over TL100bn will hold 15% of the RR for TL liabilities in blocked accounts. Furthermore, the CBRT included deposits with a maturity of less than 1 month to pay remuneration rate on RR quarterly.
- As released by the CBRT, TL deposit rates rose by 38bps to 48.2%. Among the brackets, the strongest increase was in up to 1yr bracket with 183bps rising to 43.4%. The highest TL deposit interest rate remains to be in up to 3months bracket with 53.6%.
- On FC deposit rates, EUR rates fell to 0.9%; and USD deposit rates rose to 2.1%. The highest FC deposit rates stand at up to 3 months maturity bracket in EUR with 0.92%; and in up to 1yr in USD with 3.65%.
- The Non-Performing Loans (NPL) ratio of the sector is at 1.5% (1.16% in public; 2% in private).

13-Week Average, Annualized Growth Rates (if not particularly specified)

Figure 1. Total Loans (FX adjusted)

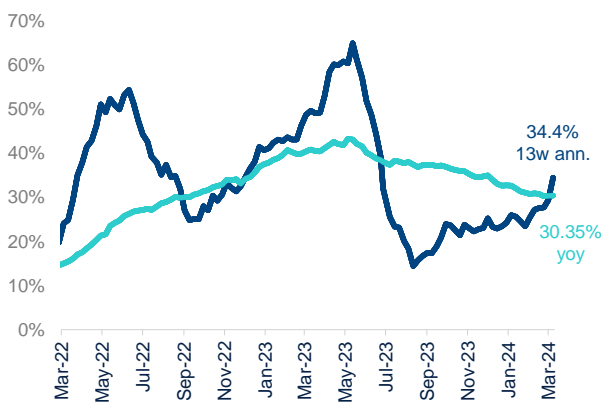


Figure 2. Total Loans (FX adjusted)

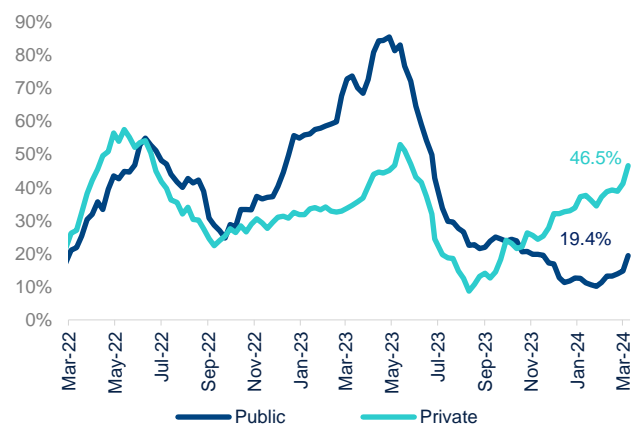


Figure 3. **Consumer Loans in Segments (4-week average)**

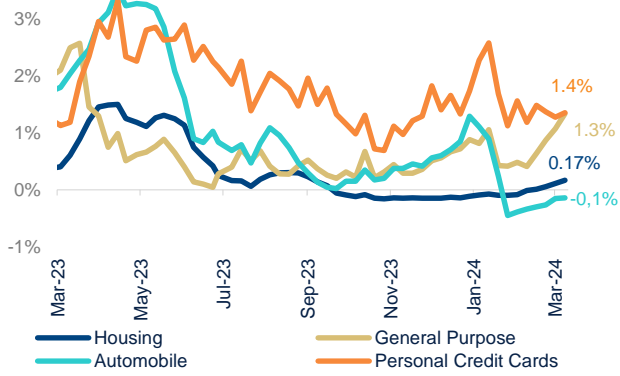


Figure 4. **Consumer Loans (w/o personal credit cards, 4-week average)**

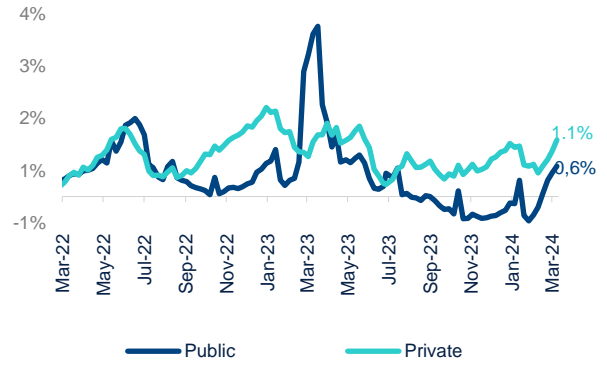


Figure 5. **Commercial Loans (TL & USD)**

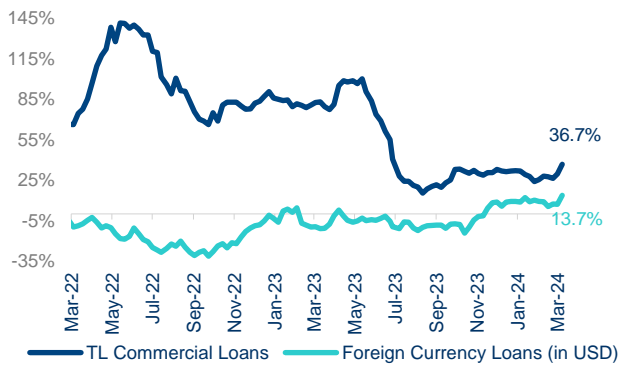


Figure 6. **TL Commercial Loans**

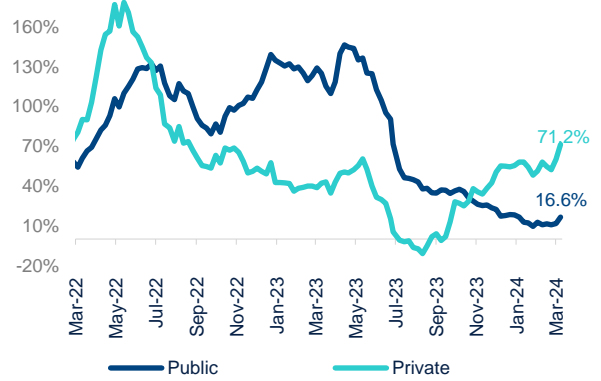


Figure 7. **TL SME Credit**

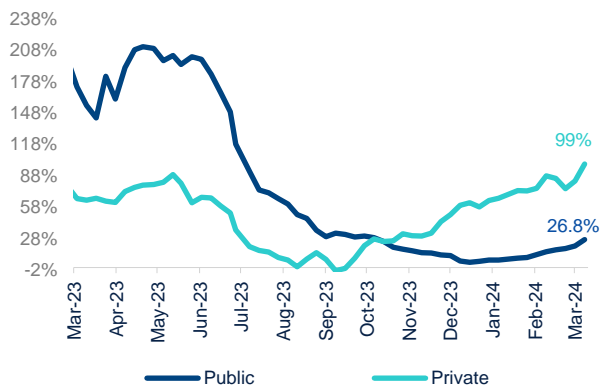


Figure 8. **TL Non-SME Commercial Credit**

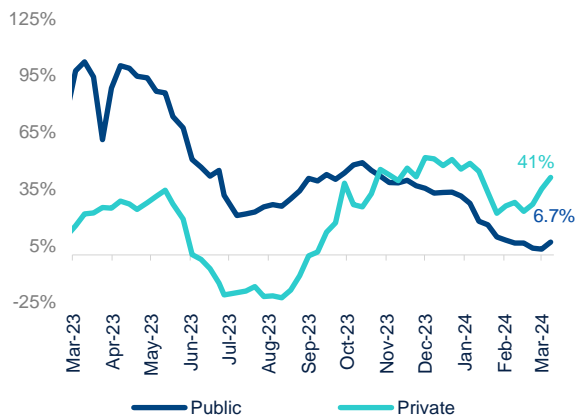


Figure 9. **FC SME Credits (in USD)**

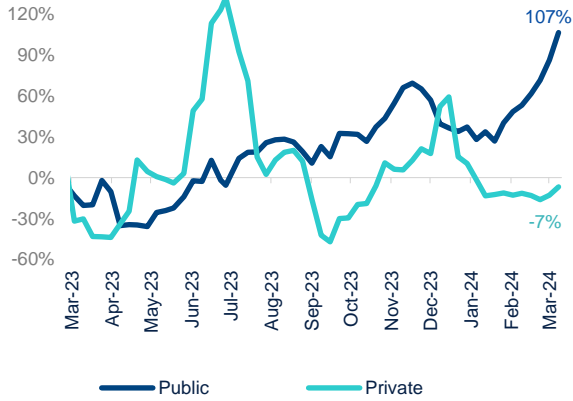


Figure 10. **FC Non-SME Credits (in USD)**

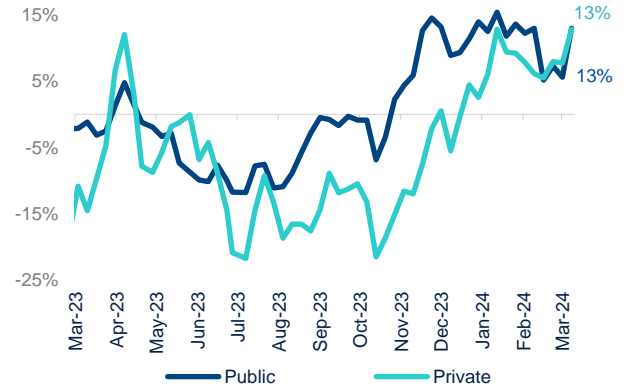


Figure 11. **Deposit Growth (TL & FC in USD)**

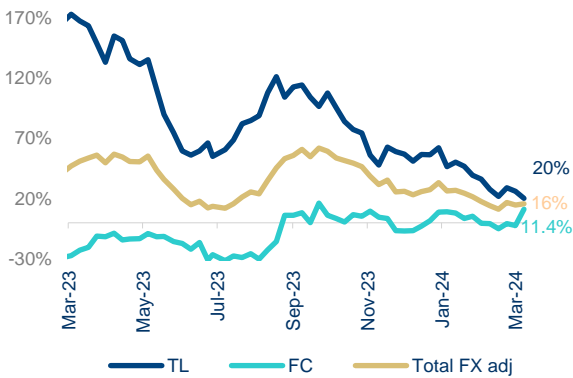


Figure 12. **FC Protected Time Deposits (bn USD)**

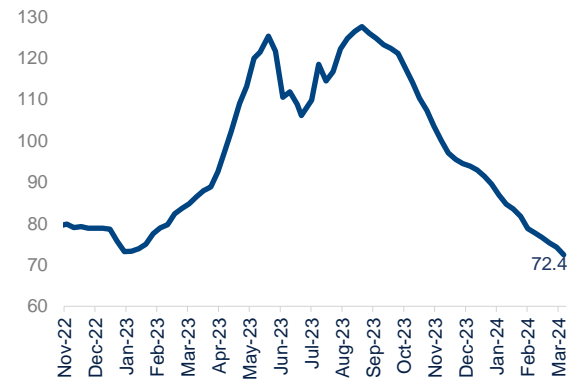


Figure 13. **Share of TL Deposits (% , excluding FC Protected Deposits)**

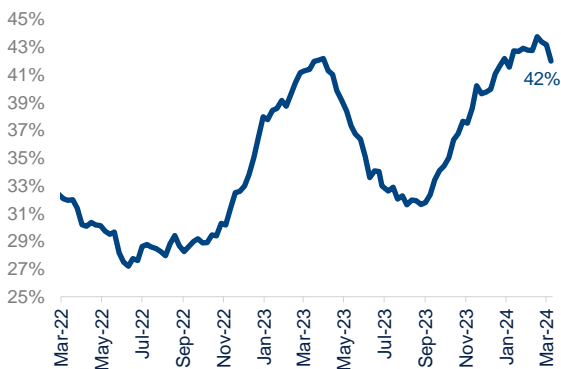


Figure 14. **Net FC Position of the Deposit Banks (% , ratio to Equity)**

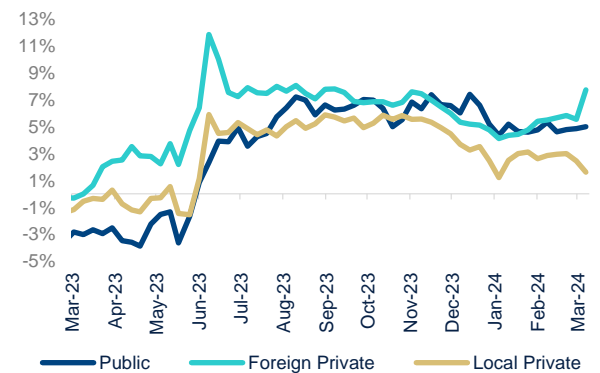


Figure 15. TL Interest Rates (%)

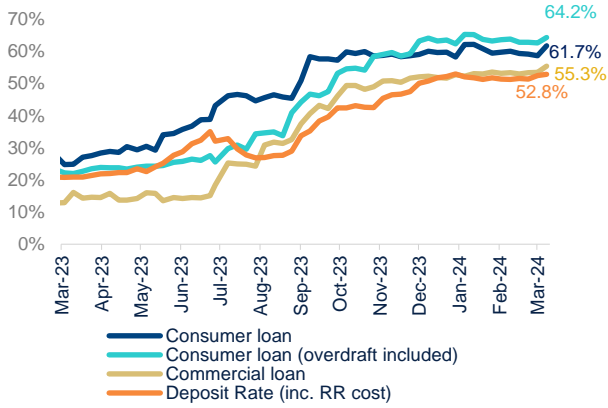


Figure 16. TL Deposit Interest Rates (%)

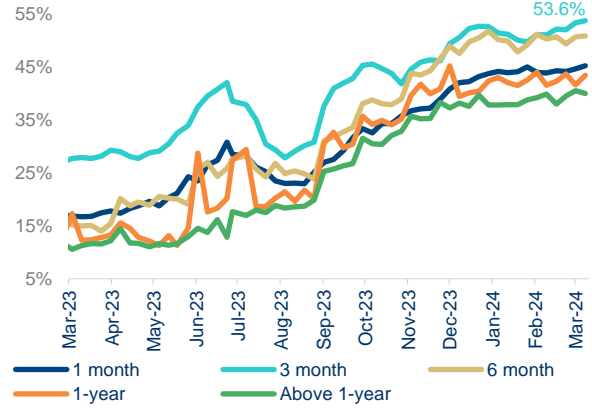


Figure 17. EURO Deposit Interest Rates (4w avg %)

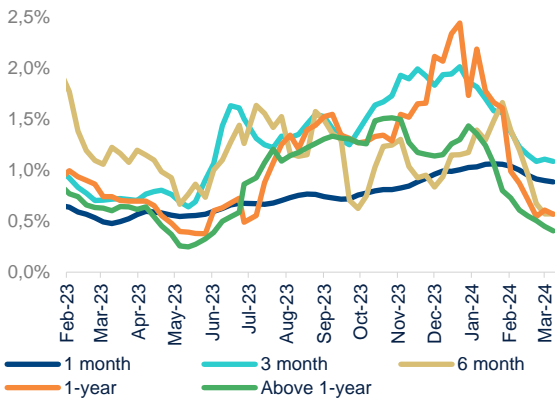


Figure 18. USD Deposit Interest Rates (4w avg %)

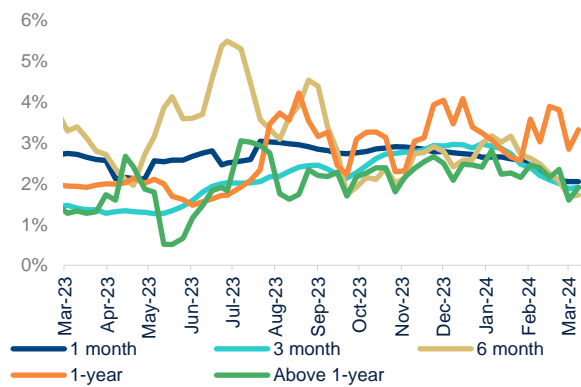


Figure 19. Consumer Interest Rates (%)

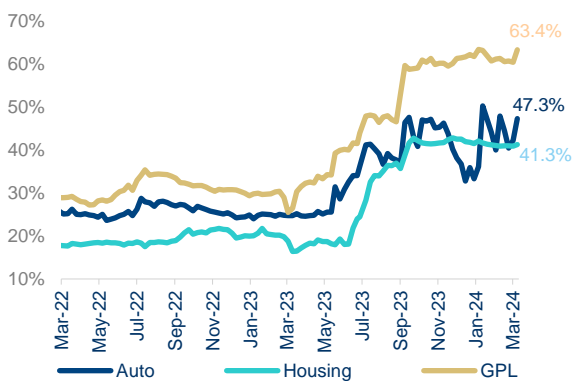
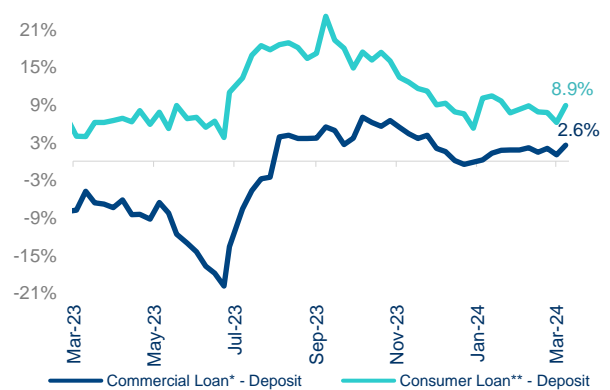


Figure 20. Interest Rate Spread (% , including TL RR cost)



* excludes corporate overdraft account rates and corporate credit card rates. ** excludes other consumer overdraft account rates.
* The FX adj. credits are calculated using the revised methodology of the CBRT on the exchange rate adjustment:

Source: BRSA, CBRT and Garanti BBVA Research

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