

Türkiye: Weekly Banking Tracker

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- Foreign currency adjusted weekly credit growth has been decelerating since the start of April; and turned into negative weekly growth with -0.22% in the week ending by April 19th, due to both commercial and consumer credits of public banks. Total credits' 13-week annualized trend continued to decline from 34.3% to 33.7%.
- Among the sub-segments of TL credits, contraction in TL commercial credit accelerated due to public banks' non-SME lending. Consumer credits slightly accelerated thanks to general purpose loans in private banks. Weekly growth in consumer credit cards turned into sharp contraction in the sector, led by public banks.
- Weekly contraction in FC credits seen last week accelerated this week due to both SME and non-SME lending in public banks.
- In the case of deposits, TL deposits rose by TL 66.2, with the rise in TL time deposits of households & corporates. Residents' FC deposits rose by \$347mn. Hholds' USD deposits fell by \$1.7bn whereas their gold deposits rose by \$1bn. Corporates' USD deposits increased by \$933mn as well. Adjusted from price effects, FC deposits rose by 1.1bn on a weekly basis and by \$3bn year to date according to the CBRT.
- The FC protected scheme (in US dollar terms) fell by almost \$1.2bn to USD 70.15bn. The share of TL deposits excluding FC protected scheme in total deposits remained at 43% (vs. the CBRT's target of 50% in 2024).
- The CBRT revised the required reserves in such a way that the maximum remuneration applied to the required reserves maintained for FC protected TL deposits based on the renewal and Turkish lira conversion rate is set at 60% of the policy rate, while the max. remuneration for standard TL deposits based on the Turkish lira conversion rate is set at 80% of the policy rate. With this measure, the Bank aims to accelerate the conversion from FX protected TL deposits to standard TL deposits.
- Commercial credit rates rose by 21bps to 68.3% and consumer rates fell by 415bps to 78%. Decline in consumer rates was caused by the sharp fall in auto rates which fell from 57% to 24%. General purpose loan rates fell slightly to 81.5% and housing rates rose to 45%.
- As released by the CBRT, TL deposit rates rose by 236bps to 60.3%. Among the brackets, the highest rise was in up to 3-month bracket with 303bps moving up to 69% which also remains to be the highest TL rate among the brackets.
- The Non-Performing Loans (NPL) ratio of the sector rose to 1.54% (1.2% in public; 2% in private).

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

Figure 1. Total Loans (FX adjusted)

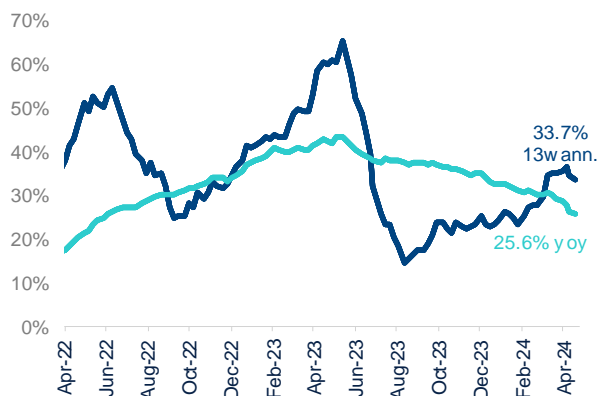


Figure 2. Total Loans (FX adjusted)



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

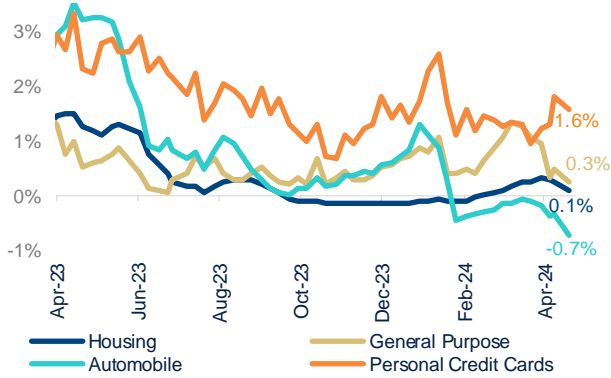


Figure 4. **Consumer Loans (w/o personal credit cards, 4-week average)**

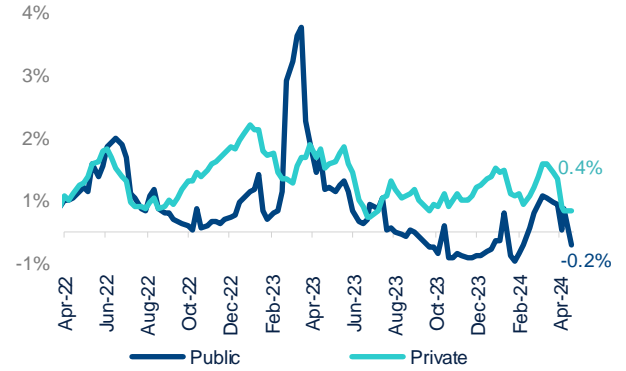


Figure 5. **Commercial Loans (TL & USD)**

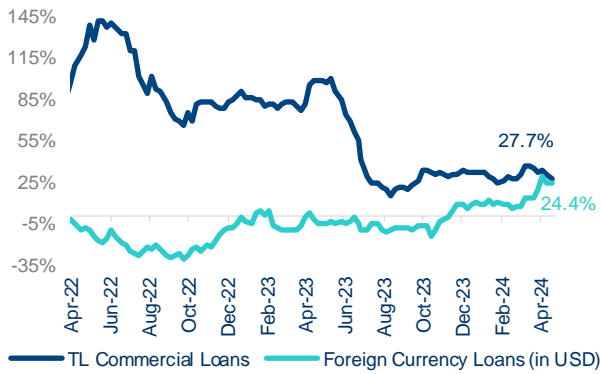


Figure 6. **TL Commercial Loans**

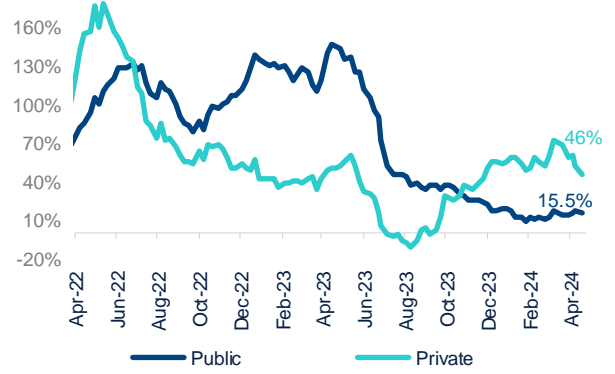


Figure 7. **TL SME Credit**

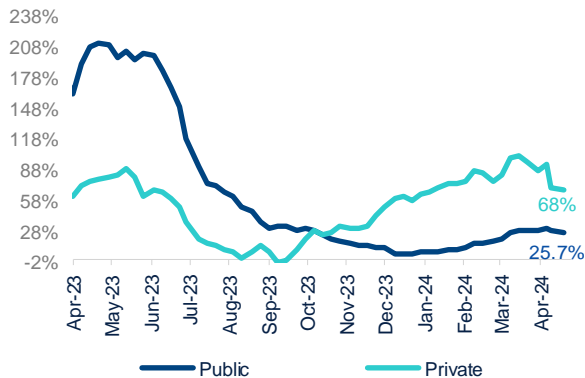


Figure 8. **TL Non-SME Commercial Credit**

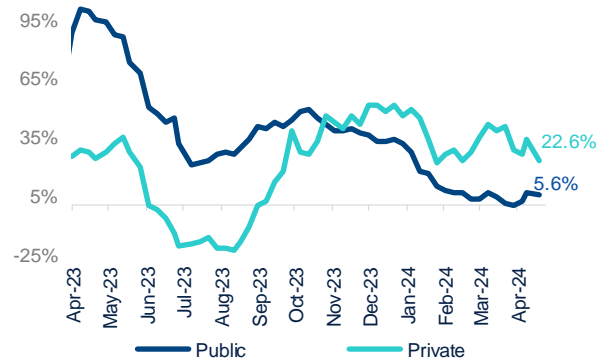


Figure 9. **FC SME Credits (in USD)**

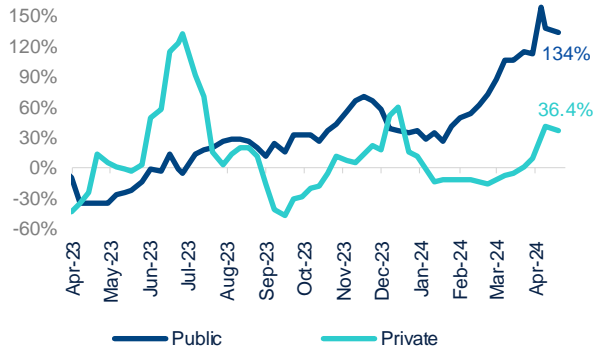


Figure 10. **FC Non-SME Credits (in USD)**

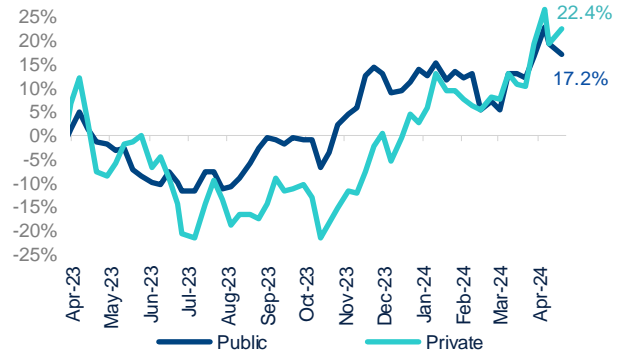


Figure 11. **Deposit Growth (TL & FC in USD)**

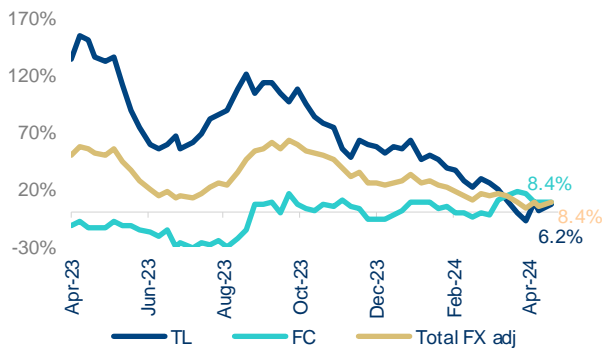


Figure 12. **FC Protected Time Deposits (bn USD)**

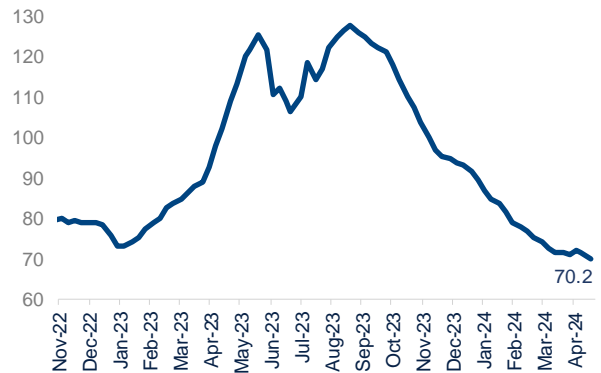


Figure 13. **Share of TL Deposits (% , excluding FC Protected Deposits)**

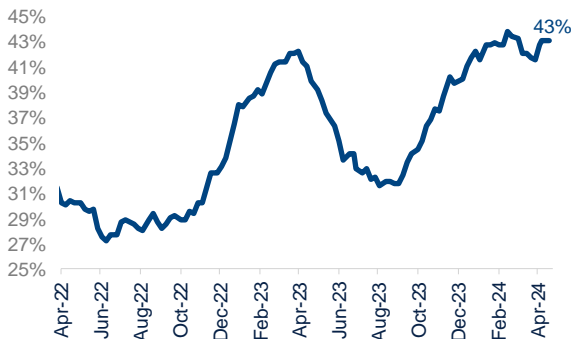


Figure 14. **Net FC Position of the Deposit Banks (% , ratio to Equity)**

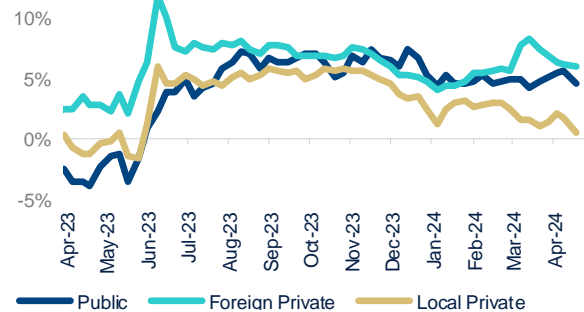


Figure 15. **TL Interest Rates (%)**

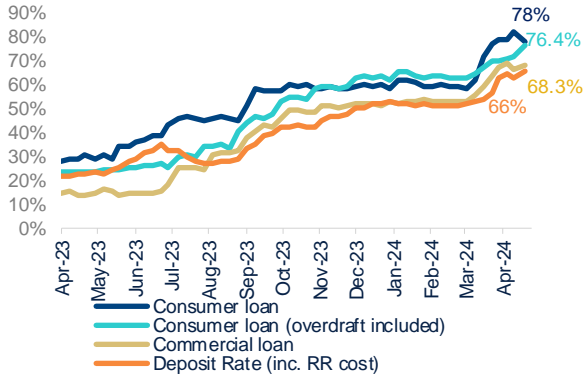


Figure 16. **TL Deposit Interest Rates (%)**

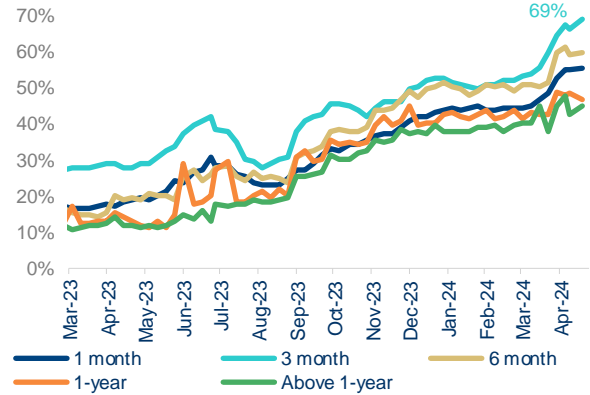


Figure 17. **EURO Deposit Interest Rates (4w avg %)**

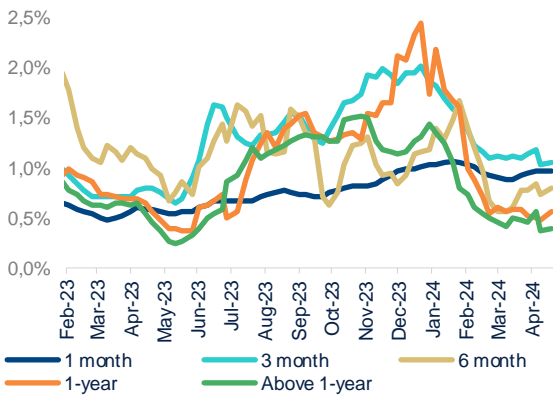


Figure 18. **USD Deposit Interest Rates (4w avg %)**

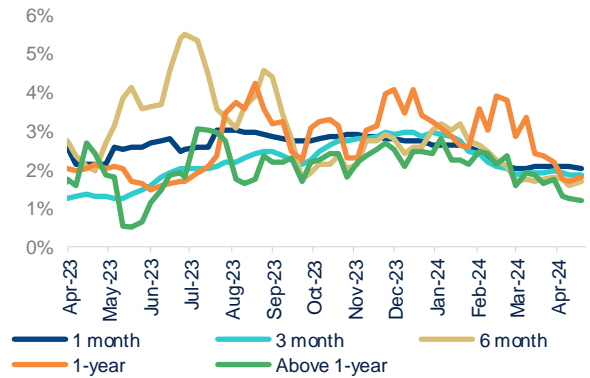


Figure 19. **Consumer Interest Rates (%)**

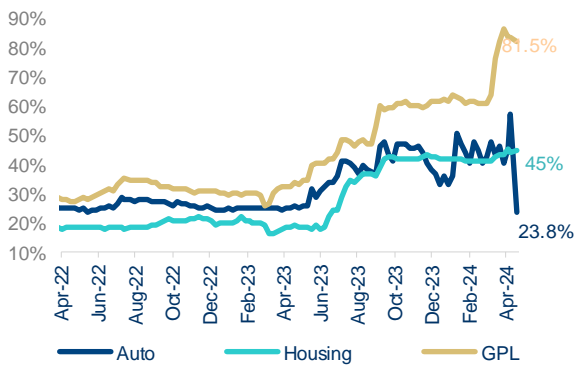
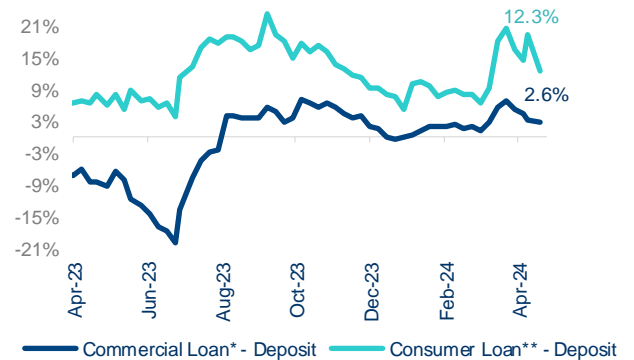


Figure 20. **Interest Rate Spread (%) (including TL RR cost)**



* 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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