

Türkiye: Weekly Banking Tracker

Deniz Ergun

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- On the week of 1st November, the weekly growth of FX-adjusted credits slightly decelerated from 0.6% to 0.5% due to both consumer and commercial credits in the sector. However, last 2 weeks' push moved up the trend rate of total credit growth a bit.
- Among the sub-segments of TL credits, deceleration in consumer credits was seen in all of its subsegments, led by private banks. Consumer credit cards accelerated due to strong increase in public banks. However, its 4w trend rate (with still below 1%) continues to imply a moderation in this segment taking into account previous months' averages.
- Weekly deceleration in TL commercial credits continued mainly due to non-SME lending in private banks which brought down the 4 week trend rate close to 0%.
- FC credits' weekly growth accelerated; and turned back to positive growth rates after contraction in the last 2 weeks of October. This was due to non-SME lending in the sector. Spreads on FC (USD) credits started to move up again as well.
- Regarding deposits, weekly change in TL deposits was very limited with TL 6.6bn rise. FC deposits fell by \$377mn led by the fall in corporates' USD deposits by \$560mn. Adjusted from price effects, FC deposits fell by \$957mn on a weekly basis resulting in an overall decline of \$17.5bn year to date (\$24.3bn since end March) according to the CBRT. Dollarization ratio fell to 36.6%.
- The FC protected scheme (in US dollar terms) continued to fall to \$39.3bn. The share of TL deposits excluding FC protected scheme in total deposits rose from 53.5% to 53.9% (vs. the CBRT's target of 50% in 2024).
- Movement in interest rates was limited last week. TL commercial credit rates fell by 47bps to 56.2%. Consumer rates rose slightly by 24bps to 66%.
- As released by the CBRT, TL deposit rates rose by 20bps to 56%. The highest rate is in up to 3 months with 59%. Rates at longer maturities up to 1yr and above 1yr brackets continued their volatile weekly move and rose by 327bps to 50.5% and fell by 760bps 36.3%, respectively.
- The Non-Performing Loans (NPL) amount rose significantly last week with the fastest weekly increase since 2019. The NPL ratio rose to 1.78%. Compared to year-end, the ratio for consumer credit cards rose from 1.3% to 2.7% and for consumer credits from 2% to 2.6%. The ratio for commercial credits remained rather stable hovering btw 1.6-1.7%. The slight weekly upward movements in the NPL ratio of commercial credits seen in the last couple of weeks continue to be caused by SME credits where the NPL ratio reached 2%.

Figure 1. **Total Loans (FX adjusted, weekly, 4-week moving average)**

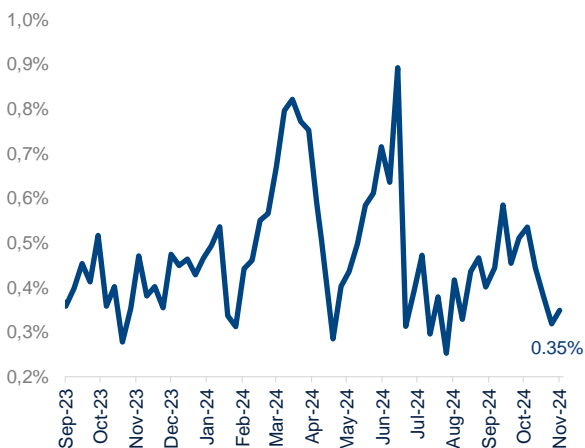


Figure 2. **Total Loans (FX adjusted, weekly, 4-week moving average)**

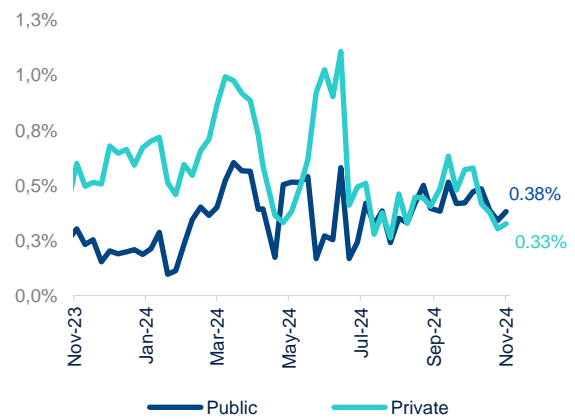


Figure 3. **Consumer Loans in Segments (weekly, 4-week moving average)**

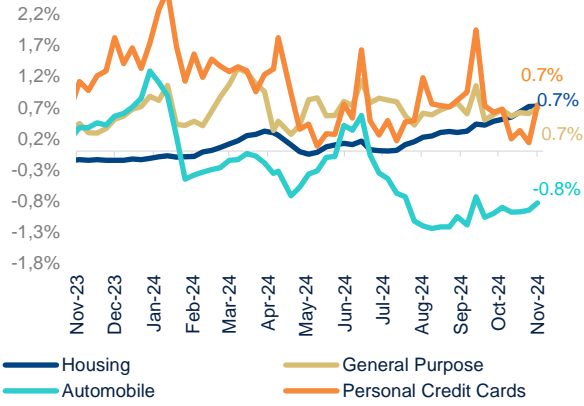


Figure 4. **Consumer Loans (w/o personal credit cards, weekly, 4-week moving average)**

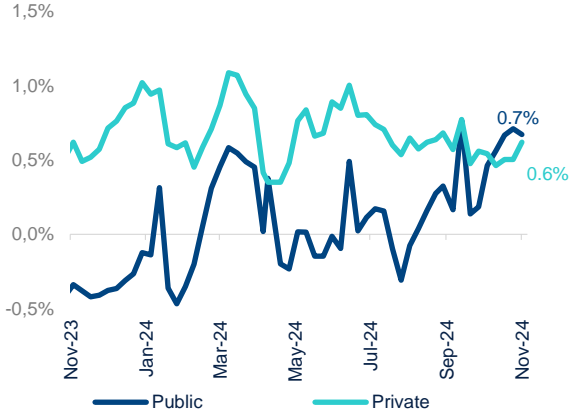


Figure 5. **Commercial Loans (TL & USD, weekly, 4-week moving average)**

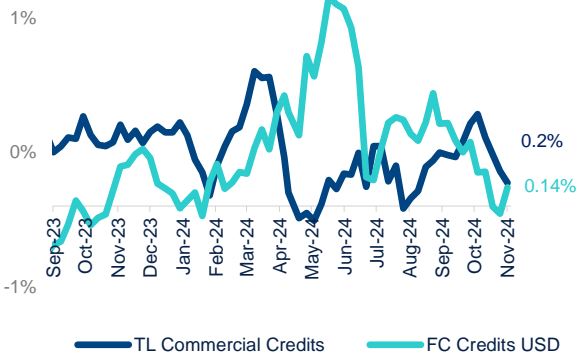


Figure 6. **TL Commercial Loans (weekly, 4-week moving average)**

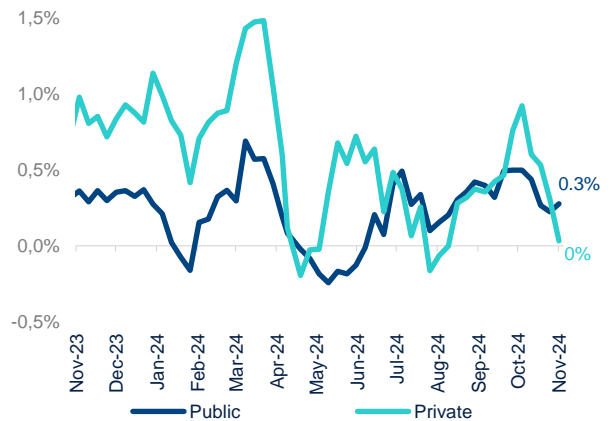


Figure 7. **TL SME Credits (weekly, 4-week moving average)**

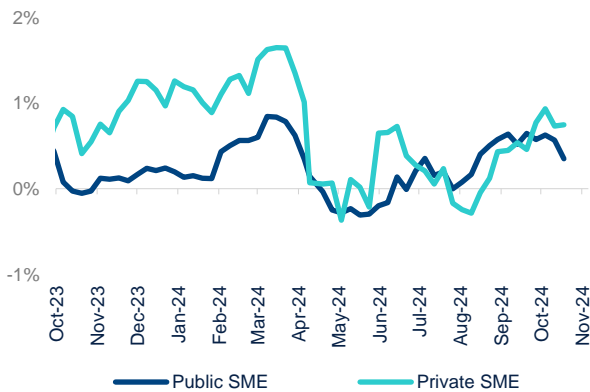


Figure 8. **TL Non-SME Commercial Credits (weekly, 4-week moving average)**

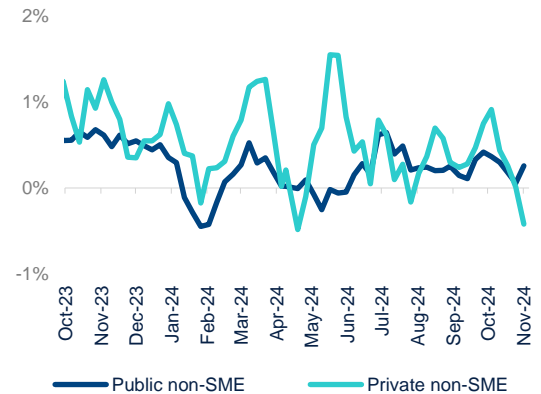


Figure 9. **FC SME Credits** (in USD, weekly, 4-week moving average)

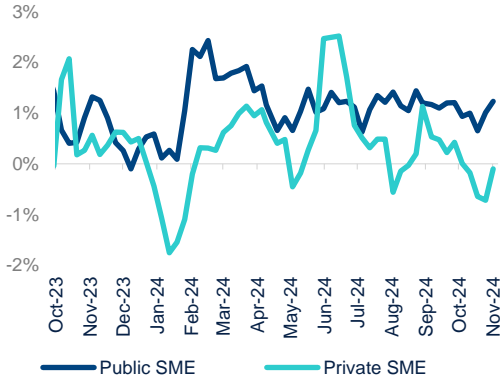


Figure 10. **FC Non-SME Credits** (in USD, weekly, 4-week moving average)

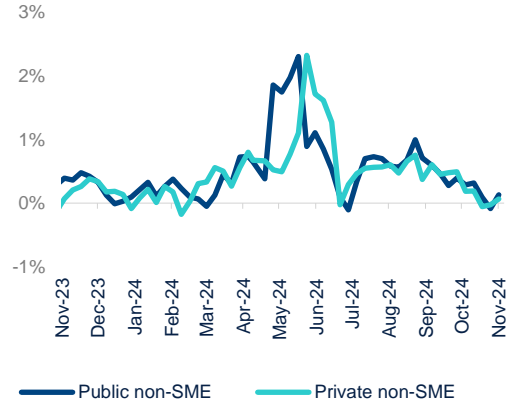


Figure 11. **Deposit Growth** (TL & FC in USD, weekly, 4-week moving average)

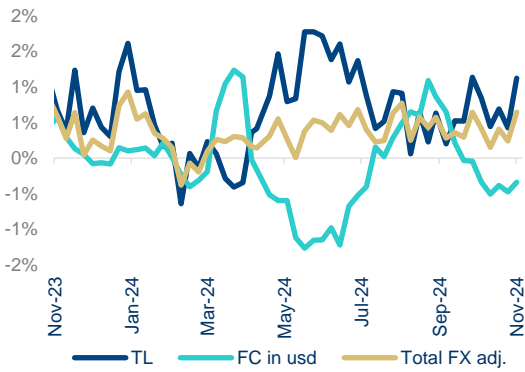


Figure 12. **FC Protected Time Deposits** (bn USD)

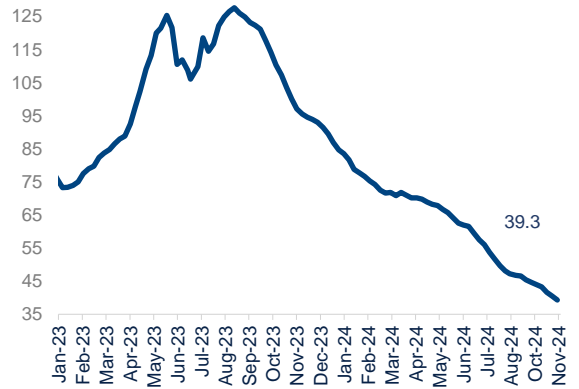


Figure 13. **FC Commercial Credit Interest Rates** (4w avg.%)

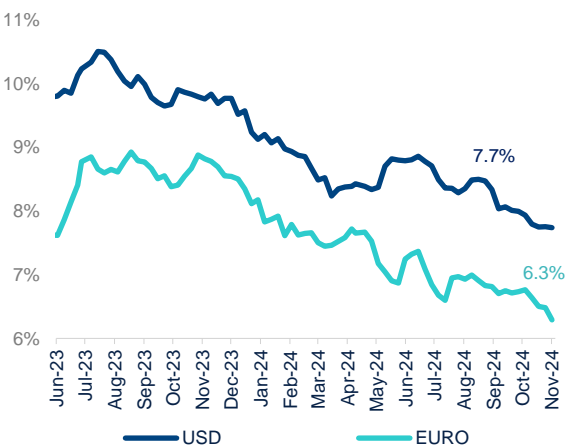


Figure 14. **FC Interest Rate Spread** (4w avg.%)

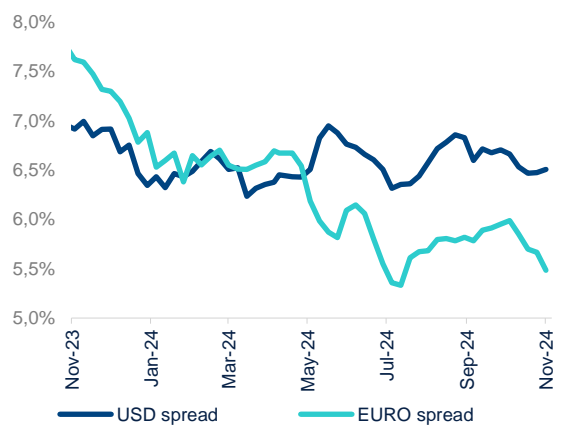


Figure 15. **EURO Deposit Interest Rates (4w avg %)**

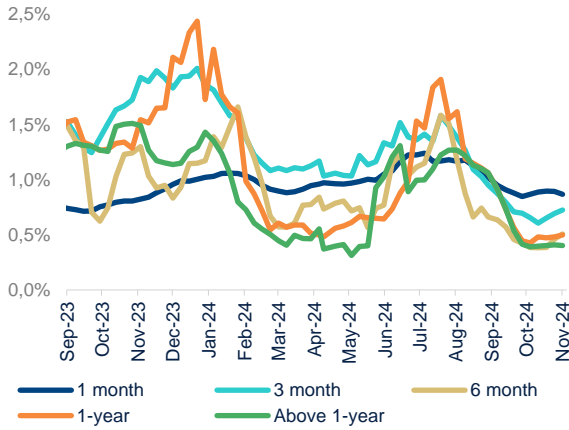


Figure 16. **USD Deposit Interest Rates (4w avg %)**

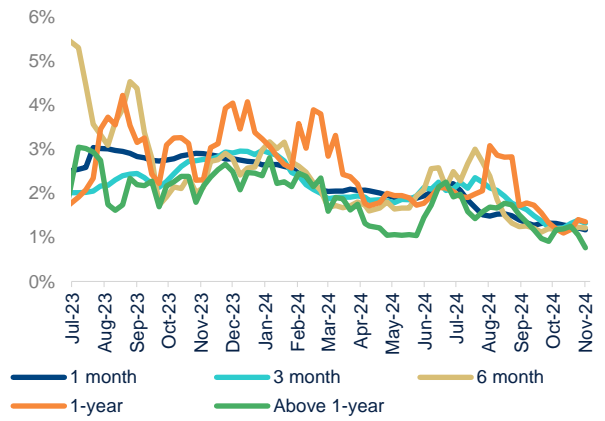


Figure 17. **TL Interest Rates (%)**

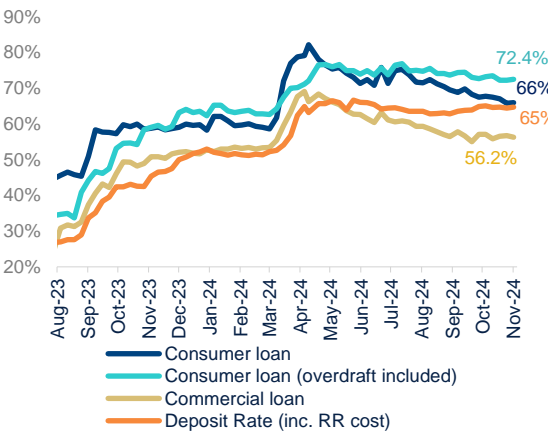


Figure 18. **TL Deposit Interest Rates (%)**

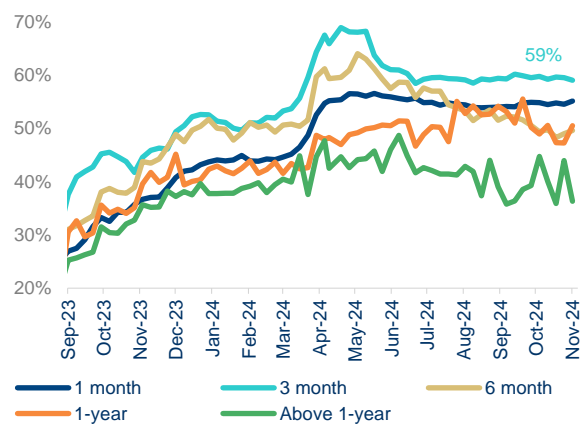


Figure 19. **Consumer Interest Rates (%)**

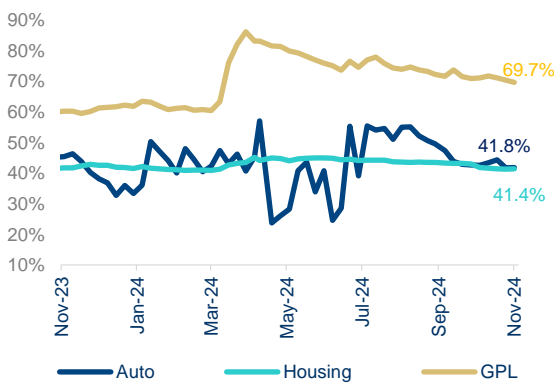
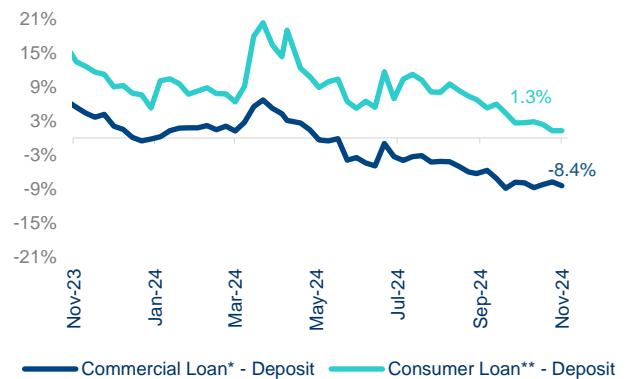


Figure 20. **Interest Rate Spread (% , including TL RR cost)**



* 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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