

Türkiye: Weekly Banking Tracker

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- Foreign currency adjusted weekly credit growth decelerated further to 0.3% in the week ending by May 10th. This is due to both commercial and consumer credits in public banks. Total credits' 13-week annualized trend fell from 36.4% to 35.1%.
- Among the sub-segments of TL credits, the weekly negative growth in TL commercial credits continued but with a slight deceleration thanks to both SME and non-SME lending in private banks. Consumer credits moderate, caused by auto loans and general purpose loans of public banks; whereas the acceleration in private banks' general purpose loans is noteworthy. On the other hand, the deceleration in consumer credit cards turned into a weekly contraction, bringing down its trend rate further to 63% (compared to its peak levels of around 290% in Jun 23).
- FC credits' weekly growth accelerated strongly, led by private banks' SME lending. Thanks to continuous weekly growth seen since the last quarter of 2023, its trend rate reached 48%, the highest level since 2011. Although the acceleration in FC credits is seen in the overall sector and in both SME and non-SME firms, the main push is coming from public banks' SME lending which grew by 29% since the start of the year.
- In the case of deposits, TL deposits rose by TL 135.1bn, due to an increase in TL time deposits of households by TL 113bn. Regarding FC deposits, they fell by another \$3.2bn due to outflows from corporates' USD deposits by \$2.2bn and households' USD deposits by \$1.75bn. Adjusted from price effects, FC deposits fell by \$4.3bn on a weekly basis and by \$6.5bn year to date (of which 13.4bn in the last 6 weeks since the local election, \$7bn from households and \$6.4bn from corporates) according to the CBRT.
- The fall in FC protected scheme (in US dollar terms) accelerated last week and declined by \$857mn to USD 68.9bn. The share of TL deposits excluding FC protected scheme in total deposits rose to 45.4% (vs. the CBRT's target of 50% in 2024).
- Commercial interest rates have been declining since the last 3 weeks. The fall was 74bps realizing at 65.3% last week. Consumer rates rose slightly by 47bps to 75.8%. General purpose loans fell by 70bps to 79.2%. Auto rates rose sharply by 1260bps to 40.8% and housing rates by 64bps to 44.7%.
- Regarding FC credit interest rates, commercial rates on EUR rose by 54bps to 7% compared to a declining trend in the previous 3 weeks. USD commercial rates have been increasing in the same period and rose again last week by 18bps to 9.1% widening the spreads on this segment.
- As released by the CBRT, TL deposit rates came down by 52bps to 60.5%. Among the brackets, the highest decline was in up to 6-month bracket with 102bps, resulting in 63%. The highest TL rate remains to be in up to 3-month bracket with 68.2%.
- The Non-Performing Loans (NPL) ratio of the sector is at 1.55% (1.2% in public; 2% in private).

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

Figure 1. Total Loans (FX adjusted)

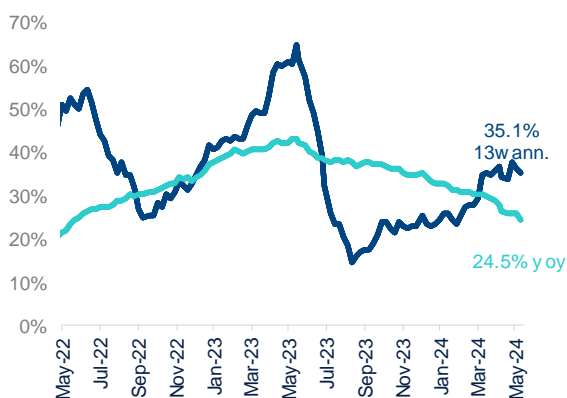


Figure 2. Total Loans (FX adjusted)



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

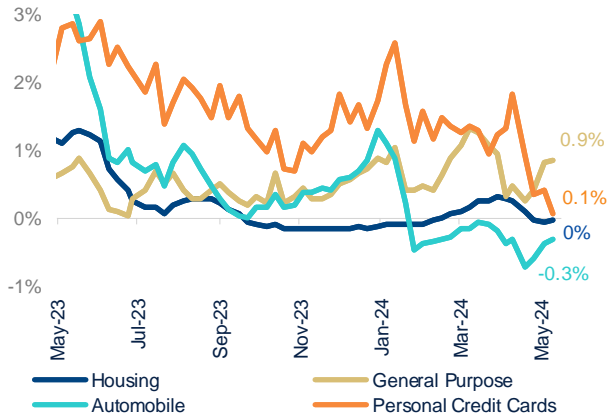


Figure 4. **Consumer Loans (w/o personal credit cards, 4-week average)**

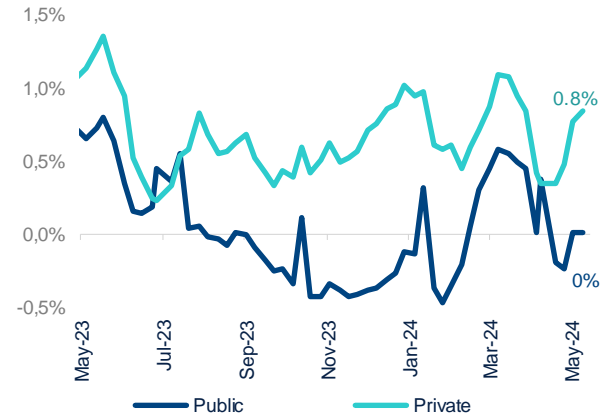


Figure 5. **Commercial Loans (TL & USD)**

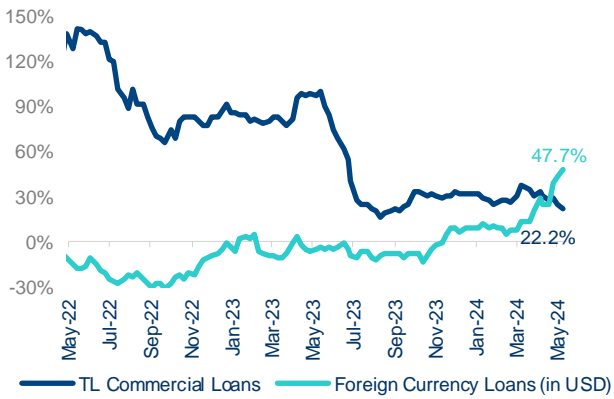


Figure 6. **TL Commercial Loans**

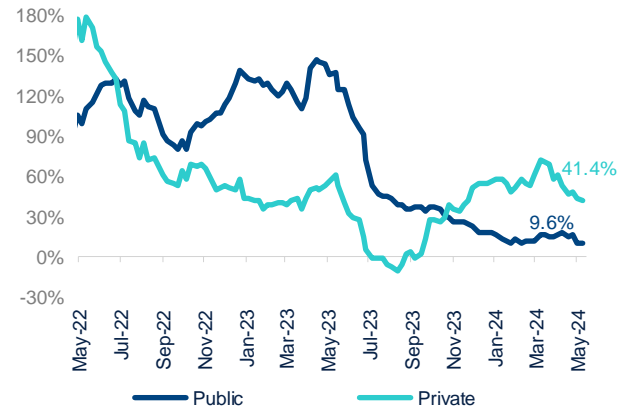


Figure 7. **TL SME Credit**

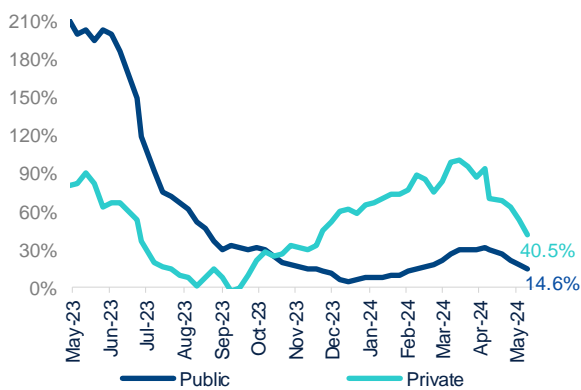


Figure 8. **TL Non-SME Commercial Credit**

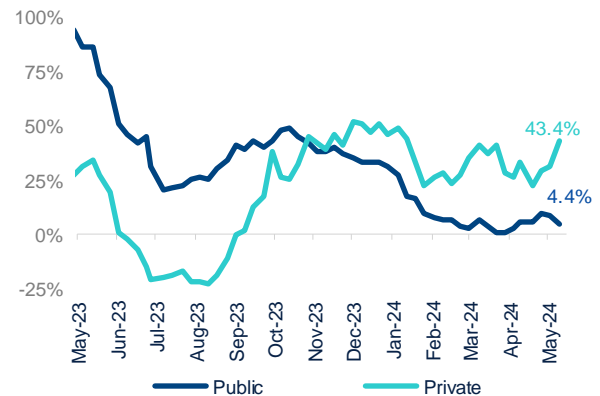


Figure 9. **FC SME Credits (in USD)**

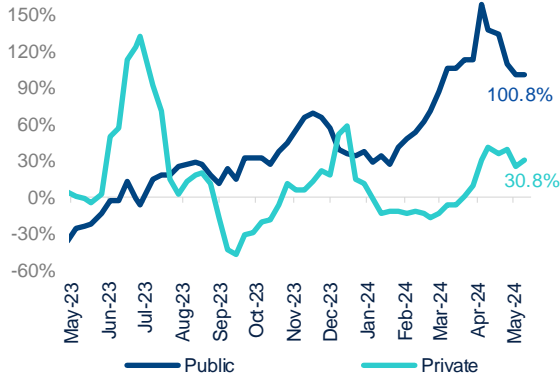


Figure 10. **FC Non-SME Credits (in USD)**

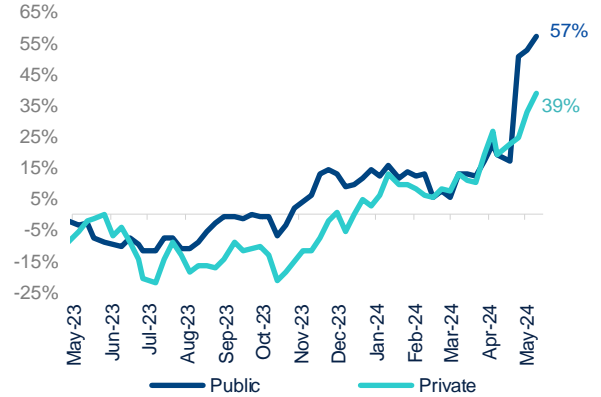


Figure 11. **Deposit Growth (TL & FC in USD)**

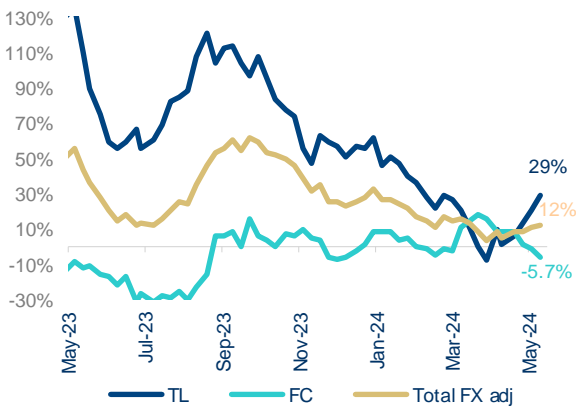


Figure 12. **FC Protected Time Deposits (bn USD)**

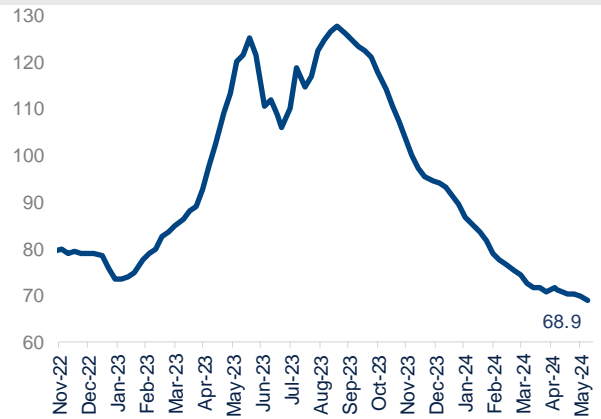


Figure 13. **FC Commercial Credit Interest Rates (%)**

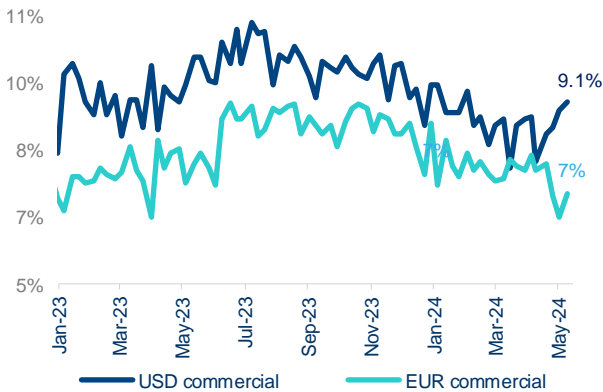


Figure 14. **FC Interest Rate Spread (4w avg.%)**

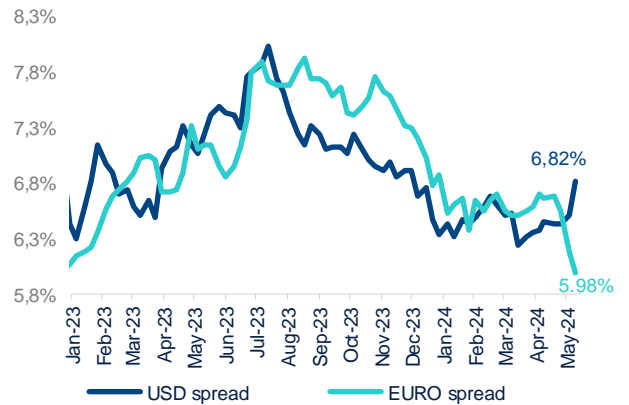


Figure 15. **TL Interest Rates (%)**

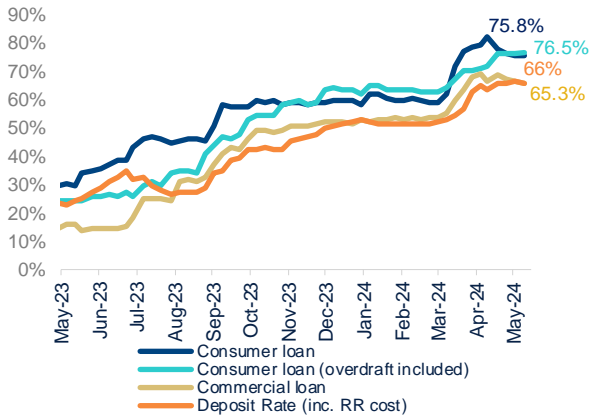


Figure 16. **TL Deposit Interest Rates (%)**

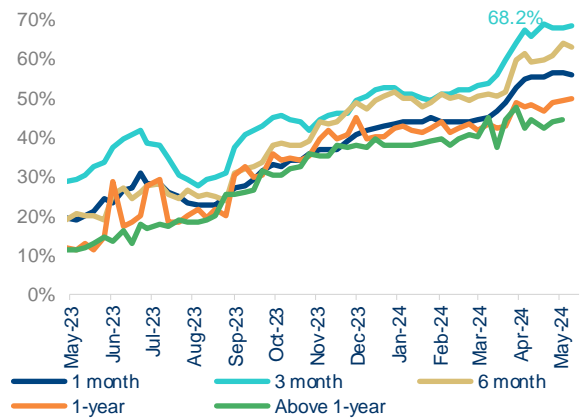


Figure 17. **EURO Deposit Interest Rates (4w avg %)**

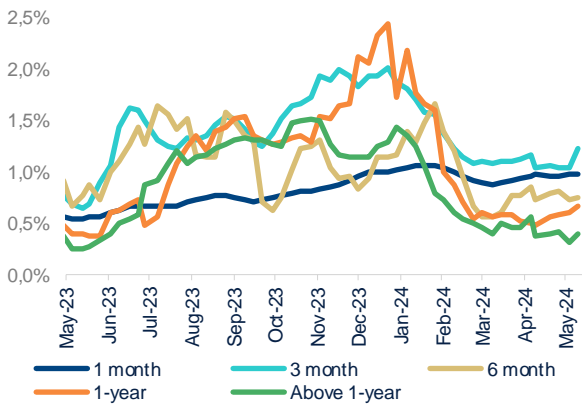


Figure 18. **USD Deposit Interest Rates (4w avg %)**

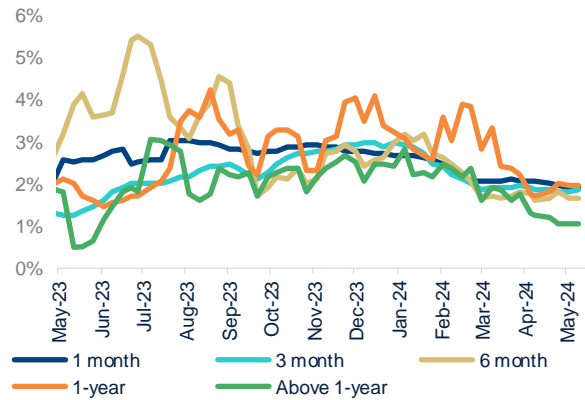


Figure 19. **Consumer Interest Rates (%)**

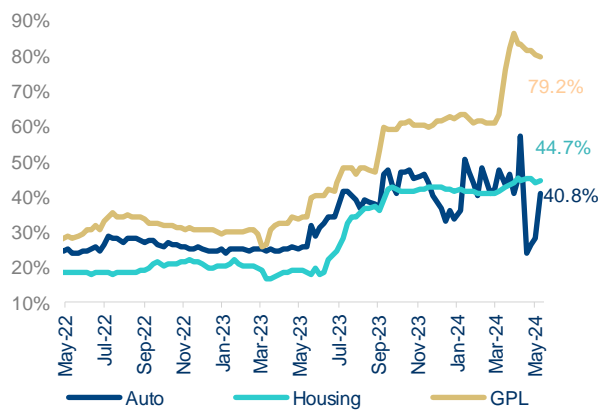
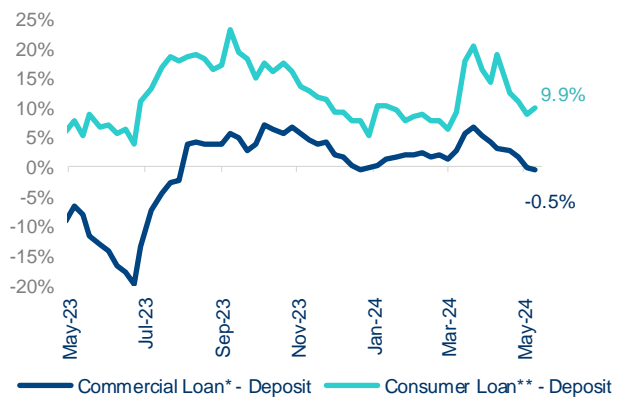


Figure 20. **Interest Rate Spread (%) (including TL RR cost)**



* 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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