

Türkiye: Weekly Banking Tracker

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31 May 2024

- FC adjusted weekly credit growth accelerated strongly from 0.1% to 1.6% in the week ending by May 24th mainly due to both consumer and commercial credits in private banks. Total credits' 4 week average rose slightly to 0.61%.
- Among the sub-segments of TL credits, the weekly growth in TL commercial credits decelerated due to non-SME lending in the sector. Consumer credits' weekly contraction turned into positive growth thanks to the increase in auto and general purpose loans. Also the negative growth seen in credit cards since 2 weeks turned into a strong growth.
- FC credits' weekly growth continued to accelerate strongly, led by private banks' non-SME lending. However, with the 23rd May CBRT regulation, a monthly growth limit of 2% has been introduced for FC loans which will suppress the growth in this segment going forward.
- In the case of deposits, TL deposits rose by TL 184.6bn, led by the TL time deposits of households and TL demand deposits of official institutions. The fall in FC deposits was another \$1.4bn due to the outflows from households' USD deposits by \$1.4bn. Yet, adjusted from price effects, FC deposits fell by \$708mn on a weekly basis (\$1.5bn decline from households, \$0.8bn increase in corporates), resulting in a fall of \$8.4bn year to date (\$15.3bn since end March) according to the CBRT.
- The decline in FC protected scheme (in US dollar terms) continued to decelerate again last week and declined by \$371mn to USD 67.85bn. The share of TL deposits excluding FC protected scheme in total deposits rose to 47.86% (vs. the CBRT's target of 50% in 2024).
- Commercial interest rates have been declining since 5 weeks and fell by another 100bps to 62.7%. Consumer rates fell also by 118bps to 73%, led by the decline in general purpose loans by 110bps to 77% and auto loan rates by 969bps to 33.9%.
- Regarding FC interest rates, commercial rates on EUR fell by 31bps to 6.8%; and by 46bps to 8.4% on USD credits. EUR deposits rates, on the other hand, rose by 14bps to 1.1% and USD deposit rates rose to 2% led by the rise in up to 6months bracket with 167bps increasing to 3.3% narrowing down the spreads on both segments.
- As released by the CBRT, TL deposit rates continued to fall by another 62bps to 58.1%. Among the brackets, the sharpest decline was in above 1yr with 383bps, resulting in 41.9%. The highest rate remains to be in up 3 months with almost 62% which also fell by 194bps.
- The Non-Performing Loans (NPL) ratio of the sector fell to 1.5% (1.19% in public; 1.99% in private).

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



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

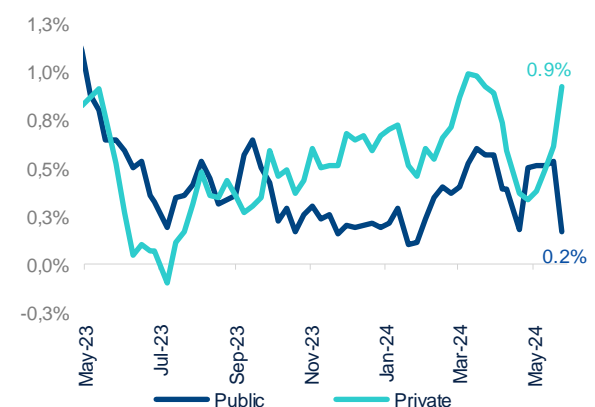


Figure 3. **Consumer Loans in Segments (weekly, 4-week moving average)**

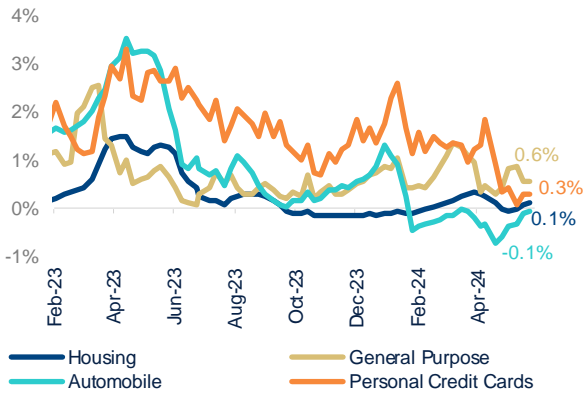


Figure 4. **Consumer Loans (w/o personal credit cards, weekly, 4-week moving average)**

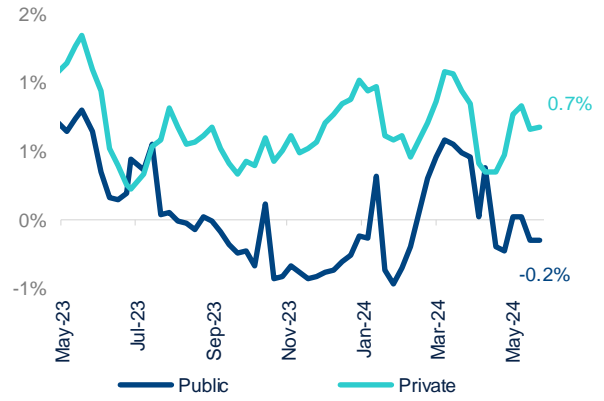


Figure 5. **Commercial Loans (TL & USD, weekly, 4-week moving average)**

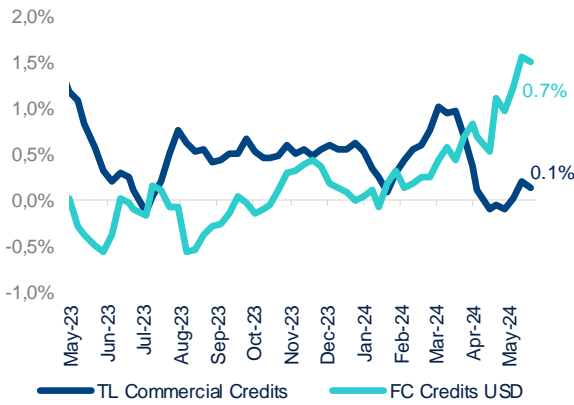


Figure 6. **TL Commercial Loans (weekly, 4-week moving average)**

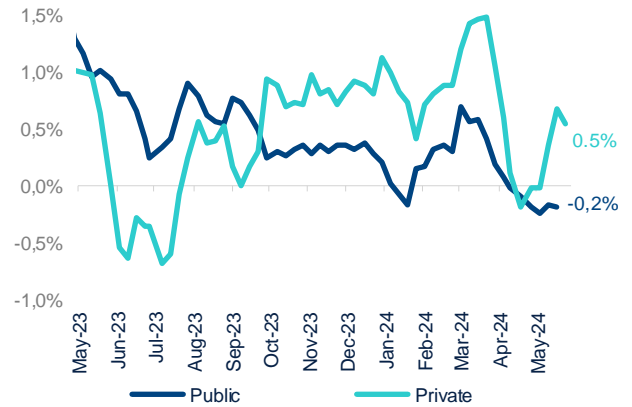


Figure 7. **TL SME Credits (weekly, 4-week moving average)**

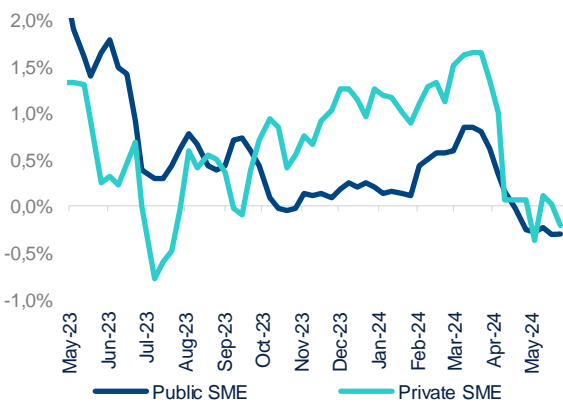


Figure 8. **TL Non-SME Commercial Credits (weekly, 4-week moving average)**

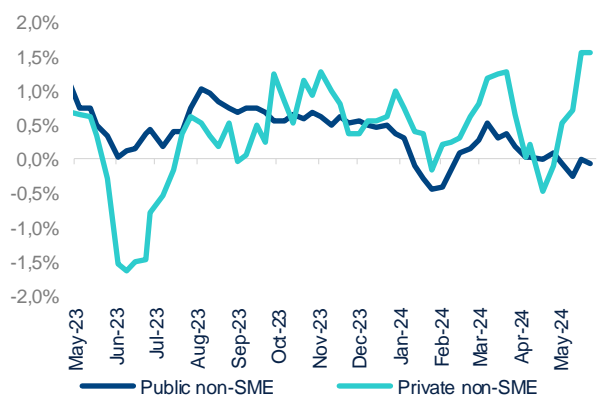


Figure 9. **FC SME Credits** (in USD, weekly, 4-week moving average)

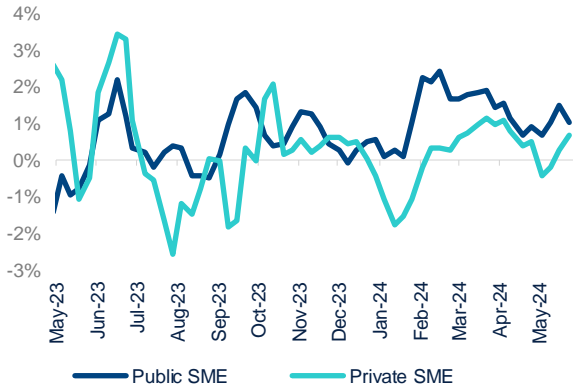


Figure 10. **FC Non-SME Credits** (in USD, weekly, 4-week moving average)

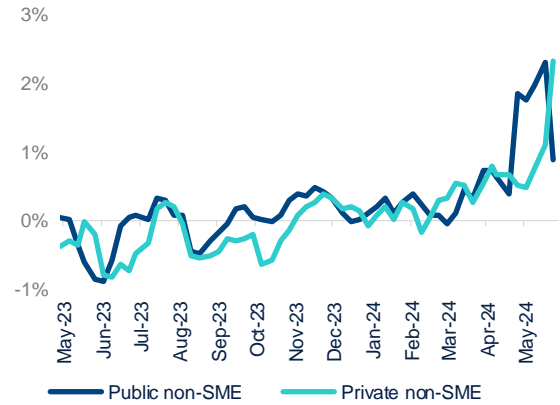


Figure 11. **Deposit Growth** (TL & FC in USD, weekly, 4-week moving average)

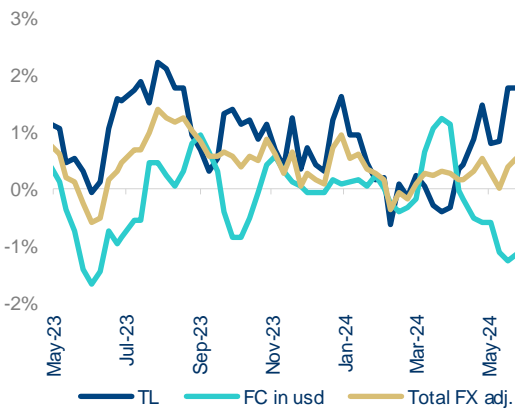


Figure 12. **FC Protected Time Deposits** (bn USD)



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

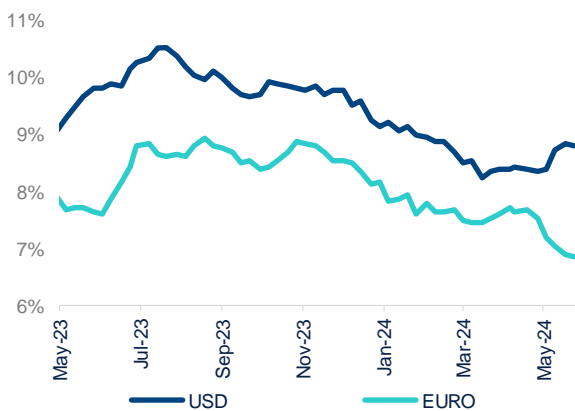


Figure 14. **FC Interest Rate Spread** (4w avg.%)

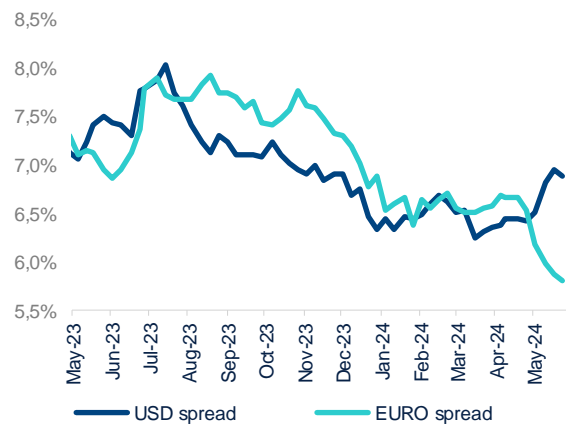


Figure 15. **EURO Deposit Interest Rates (4w avg %)**

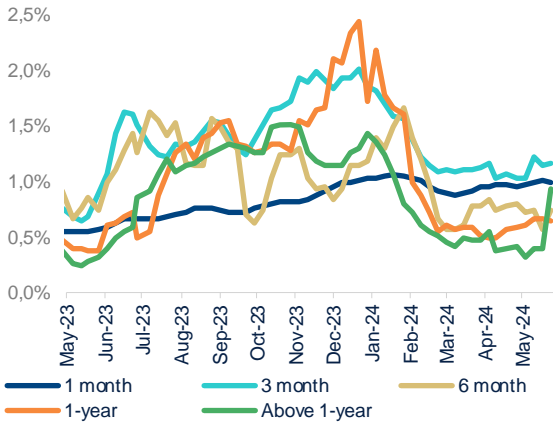


Figure 16. **USD Deposit Interest Rates (4w avg %)**

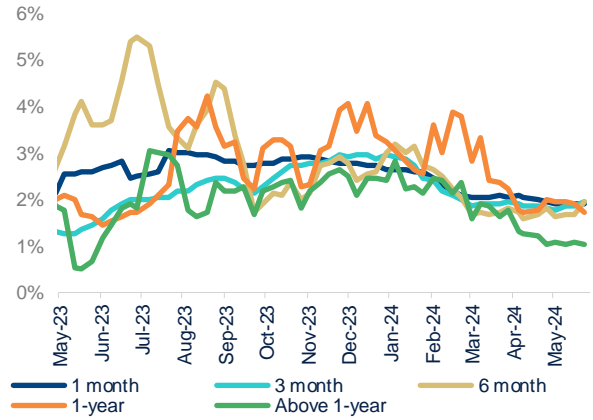


Figure 17. **TL Interest Rates (%)**

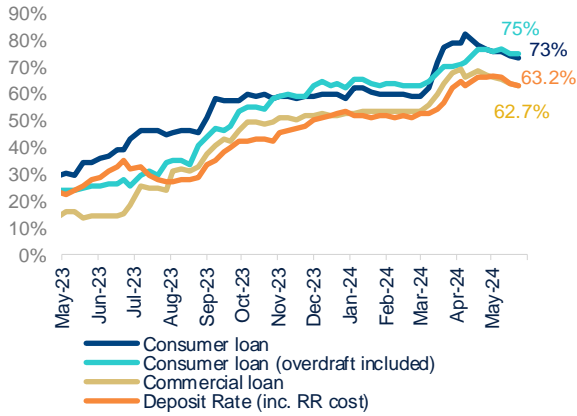


Figure 18. **TL Deposit Interest Rates (%)**

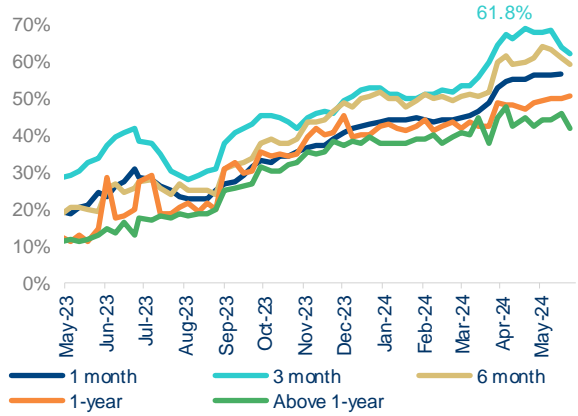


Figure 19. **Consumer Interest Rates (%)**

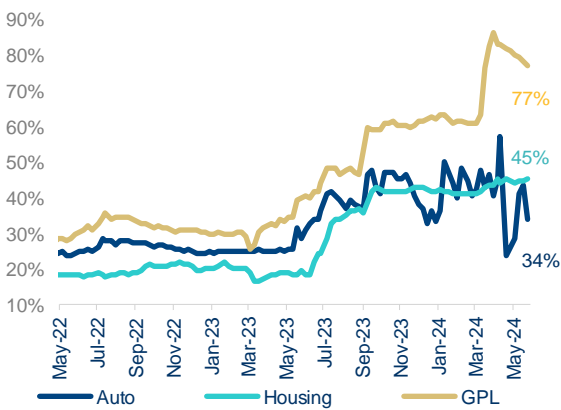
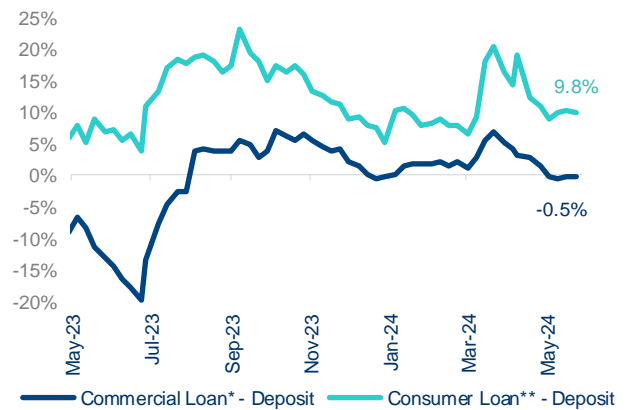


Figure 20. **Interest Rate Spread (% , including TL RR cost)**



* 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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