

# Türkiye: Weekly Banking Tracker

Deniz Ergun  
5 July 2024

- The weekly growth of FX-adjusted credits decelerated from 1.2% to 0.3% due to both commercial and consumer credits of public and private banks. Total credits' 4 week average trend rose to 0.5%.
- Among the sub-segments of TL credits, weekly growth in TL commercial credits was negative due to SME and non-SME lending in the sector. Deceleration in consumer credits happened in all subsegments. Regarding the CBRT growth caps of 2% in GPL, 4w growth in this segment came down and got closer to the monthly growth cap of 2%. Credit cards continued their strong momentum in public banks whereas they contracted in private banks on a weekly basis.
- FC credits' weekly growth continued to accelerate for the second week in a row led by the non-SME lending the sector. 4w average is at 1.9% in the sector (monthly growth limit of 2% for FC loans).
- In the case of deposits, TL deposits fell by TL 190bn, caused by the TL demand deposits of mainly corporates and official institutions. FC deposits fell by \$589mn due to decline in corporates' USD deposits by \$1.14bn. Adjusted from price effects, FC deposits fell by \$1.7bn on a weekly basis (\$1.5bn fall in corporates, \$0.21bn fall in households), resulting in an overall decline of \$16.8bn year to date (\$23.6bn since end March) according to the CBRT.
- The decline in the FC protected scheme (in US dollar terms) continues with deceleration and fell by another \$409mn to USD 61.56bn. The share of TL deposits excluding FC protected scheme in total deposits slightly declined to 50.2% (vs. the CBRT's target of 50% in 2024).
- Commercial interest rates continued to decline by another 55bps to 60.5%. Consumer interest rates on the other hand rose sharply by 354bps to almost 75% led by the increase in general purpose loan rates by 236bps rising to 77%. Spreads on this segment improved by 330bps.
- As released by the CBRT, TL deposit rates rose again only slightly by 19bps to 56.5%. Among the brackets, the biggest increase was in up to 1yr with 153bps, resulting in 50.3%. The highest rate remains to be in up to 3 months with 59.5% followed by up to 6months bracket with 57%.
- The Non-Performing Loans (NPL) ratio of the sector rose to 1.6% led by increase in NPL amount of private banks (1.26% in public; 2% in private). The increase is led by the ongoing upward movement in credit cards and GPL. Public banks' NPL in commercial credits has been moving up since May as well.

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

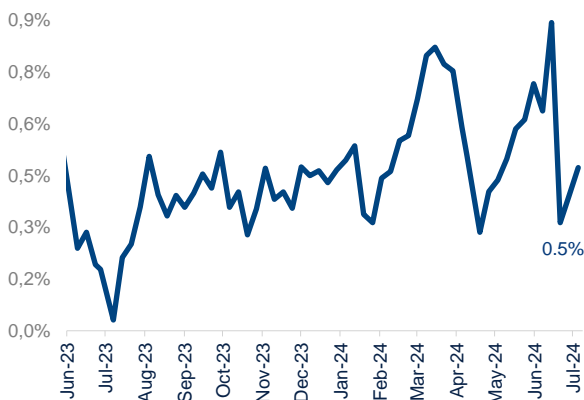


Figure 2. **Total Loans (FX adjusted, weekly, 4-week moving average)**

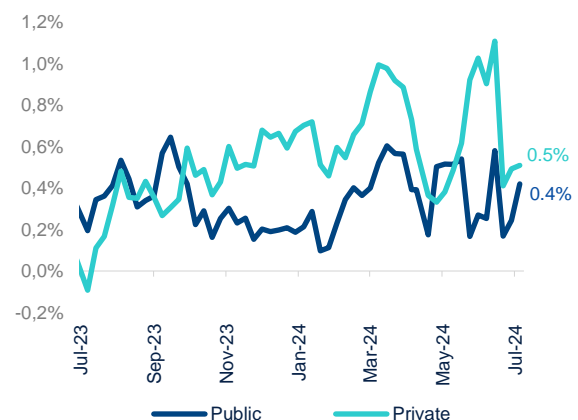


Figure 3. **Consumer Loans in Segments (weekly, 4-week moving average)**

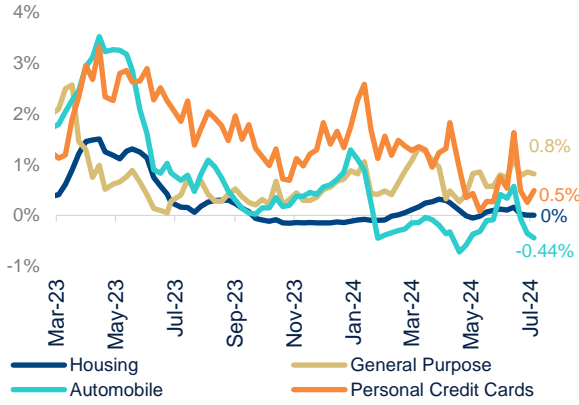


Figure 4. **Consumer Loans (w/o personal credit cards, weekly, 4-week moving average)**

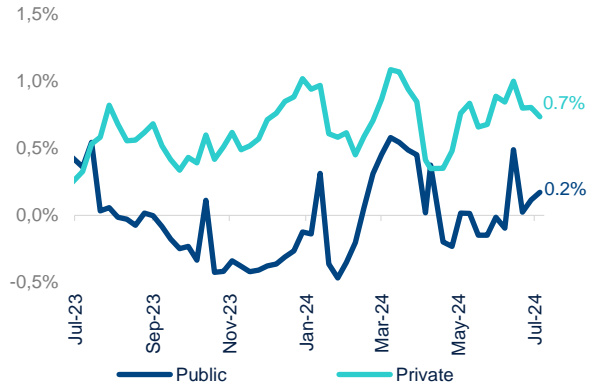


Figure 5. **Commercial Loans (TL & USD, weekly, 4-week moving average)**

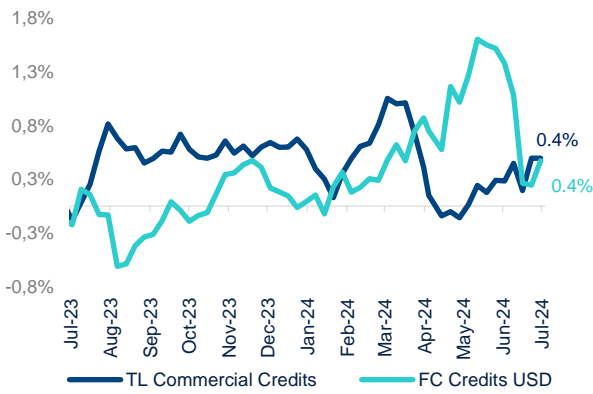


Figure 6. **TL Commercial Loans (weekly, 4-week moving average)**

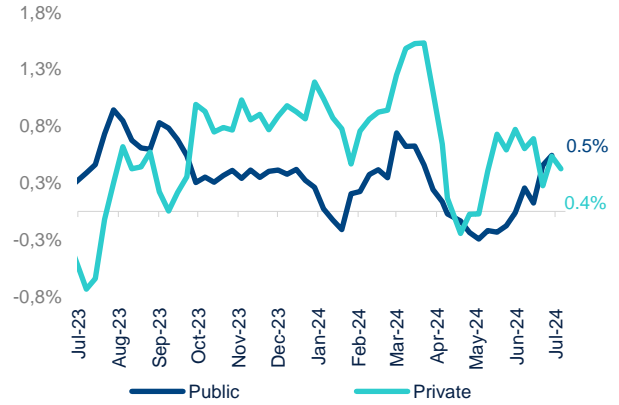


Figure 7. **TL SME Credits (weekly, 4-week moving average)**

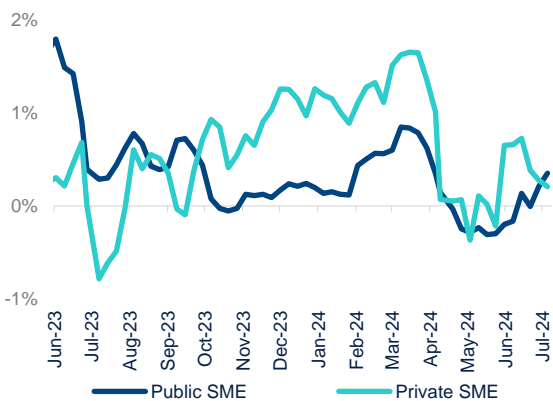


Figure 8. **TL Non-SME Commercial Credits (weekly, 4-week moving average)**

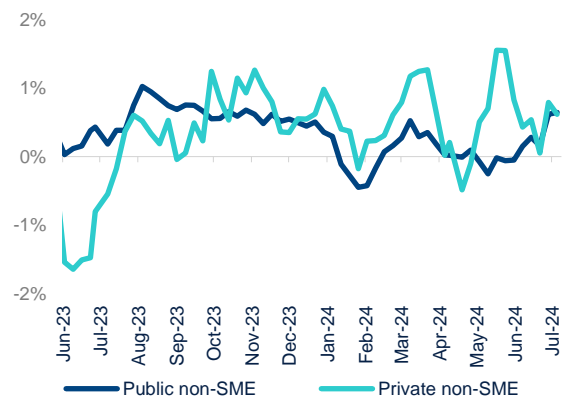


Figure 9. **FC SME Credits** (in USD, weekly, 4-week moving average)

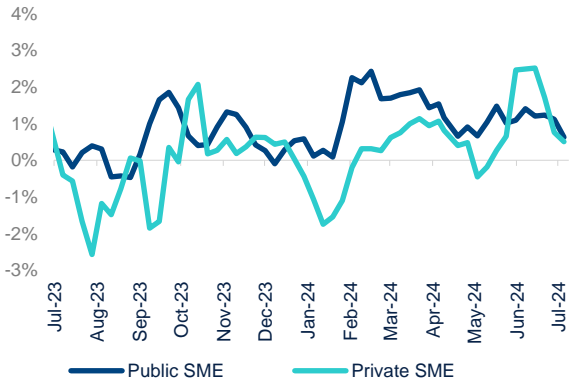


Figure 10. **FC Non-SME Credits** (in USD, weekly, 4-week moving average)

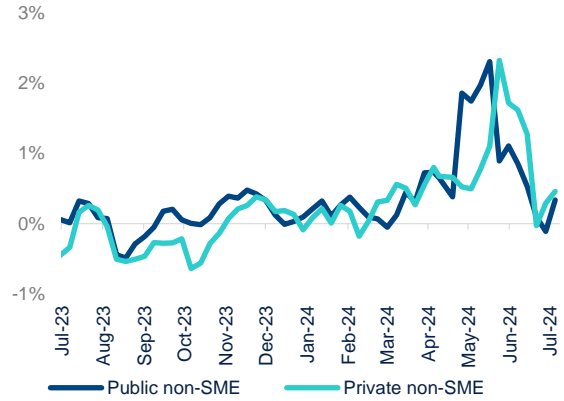


Figure 11. **Deposit Growth** (TL & FC in USD, weekly, 4-week moving average)

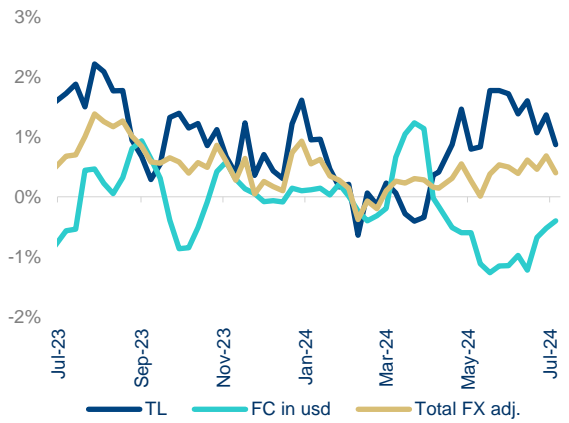


Figure 12. **FC Protected Time Deposits** (bn USD)

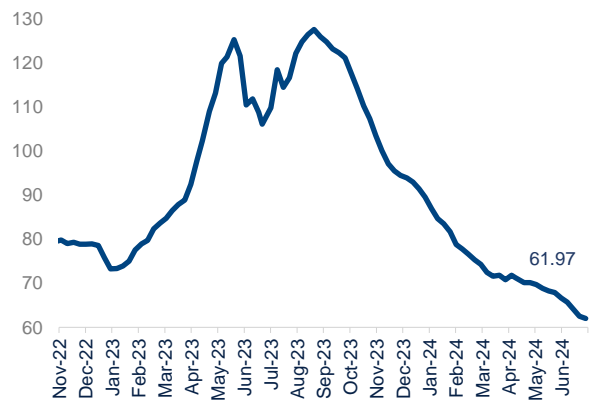


Figure 13. **FC Commercial Credit Interest Rates** (4w avg.%)

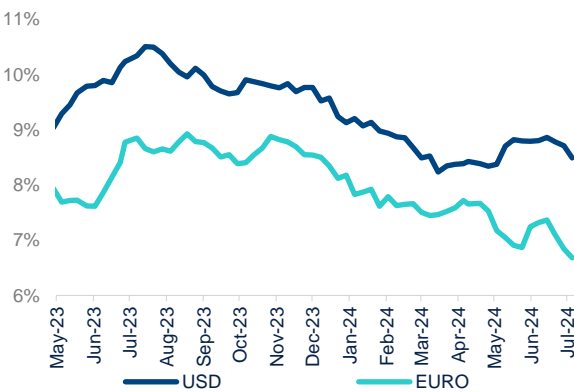


Figure 14. **FC Interest Rate Spread** (4w avg.%)

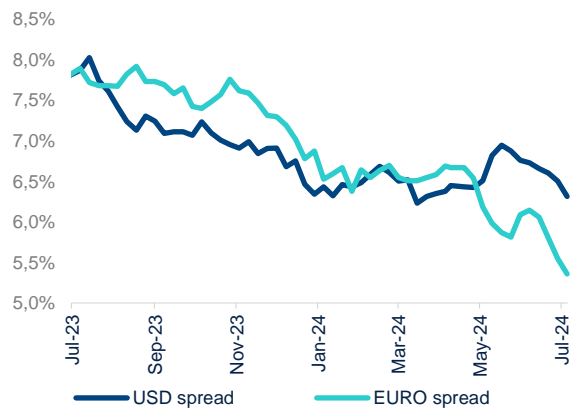


Figure 15. **EURO Deposit Interest Rates (4w avg %)**

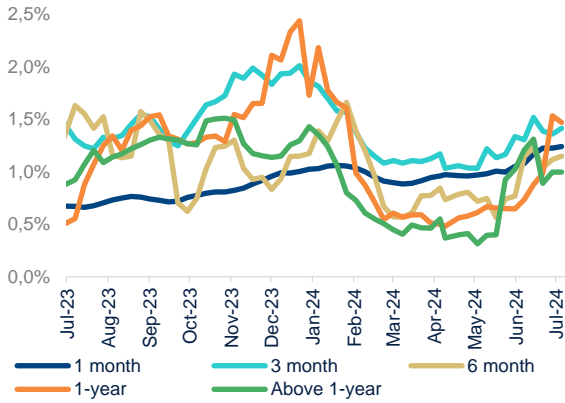


Figure 16. **USD Deposit Interest Rates (4w avg %)**

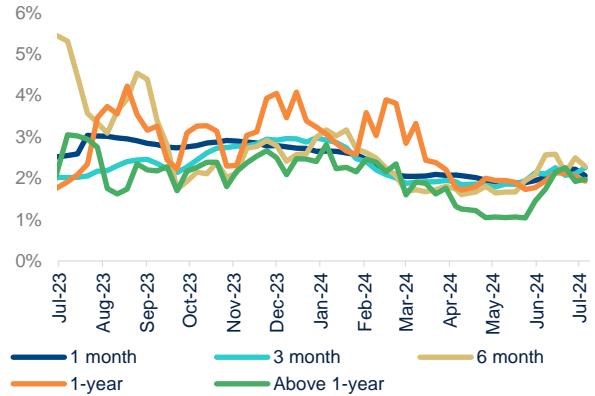


Figure 17. **TL Interest Rates (%)**

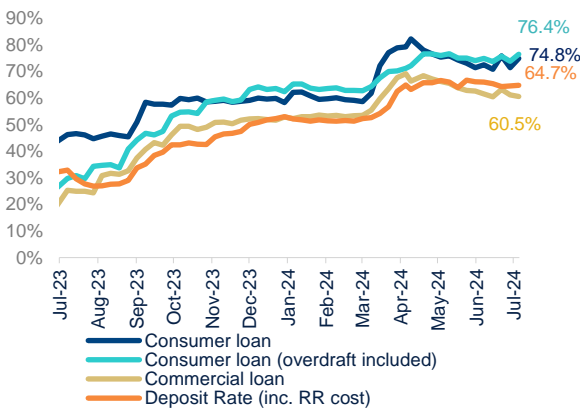


Figure 18. **TL Deposit Interest Rates (%)**

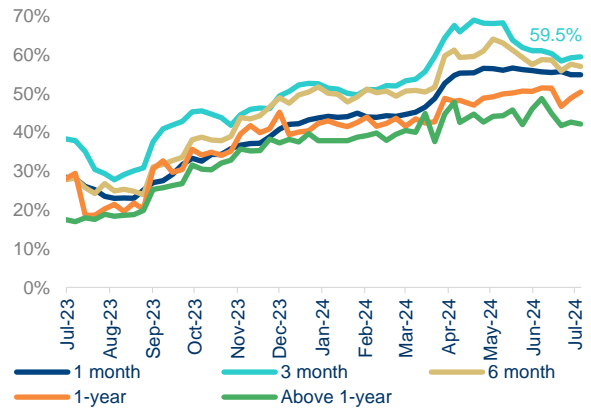


Figure 19. **Consumer Interest Rates (%)**

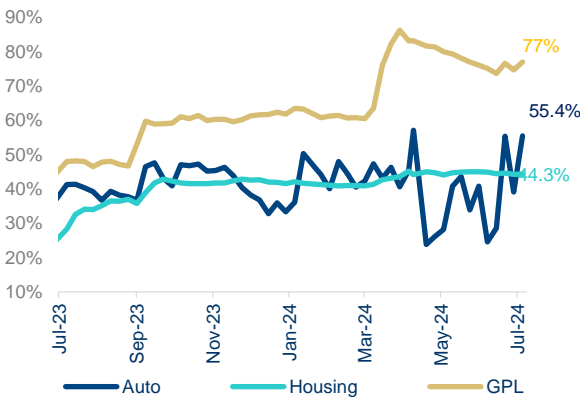
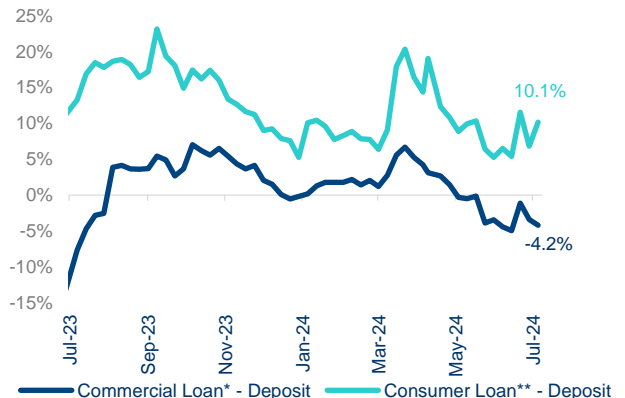


Figure 20. **Interest Rate Spread (% , including TL RR cost)**



\* 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

## **DISCLAIMER**

This document has been prepared by BBVA Research Department. It is provided for information purposes only and expresses data, opinions or estimations regarding the date of issue of the report, prepared by BBVA or obtained from or based on sources we consider to be reliable, and have not been independently verified by BBVA. Therefore, BBVA offers no warranty, either express or implicit, regarding its accuracy, integrity or correctness.

Any estimations this document may contain have been undertaken according to generally accepted methodologies and should be considered as forecasts or projections. Results obtained in the past, either positive or negative, are no guarantee of future performance.

This document and its contents are subject to changes without prior notice depending on variables such as the economic context or market fluctuations. BBVA is not responsible for updating these contents or for giving notice of such changes.

BBVA accepts no liability for any loss, direct or indirect, that may result from the use of this document or its contents.

This document and its contents do not constitute an offer, invitation or solicitation to purchase, divest or enter into any interest in financial assets or instruments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind.

With regard to investment in financial assets related to economic variables this document may cover, readers should be aware that under no circumstances should they base their investment decisions on the information contained in this document. Those persons or entities offering investment products to these potential investors are legally required to provide the information needed for them to take an appropriate investment decision.

The content of this document is protected by intellectual property laws. Reproduction, transformation, distribution, public communication, making available, extraction, reuse, forwarding or use of any nature by any means or process is prohibited, except in cases where it is legally permitted or expressly authorised by BBVA.