

Türkiye: Weekly Banking Tracker

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- After two weeks of strong acceleration, the weekly growth of FX-adjusted credits decelerated sharply on the 2nd week of August from almost 1% increase to 0.1%. This movement is caused by commercial credits of both public and private banks. Total credits' 4 week average trend fell to 0.3%.
- Among the sub-segments of TL credits, TL commercial credits' weekly growth has been decelerating since two weeks led by the SME lending of private banks. Consumer credits accelerated last week due to private banks' general purpose loans. Having in mind the monthly growth rate limitation of 2% on this segment, 4 week increase has been more than 2% in both public and private banks. Consumer credit cards' growth was negative last week due to contraction in private banks and also strong deceleration in public banks.
- FC credits' weekly growth decelerated due to non-SME lending in the sector. Monthly growth is 1.6% in both public and private banks (where monthly growth limit has been reduced to 1.5% for FC loans as of July 22nd).
- In the case of deposits, TL deposits rose only by TL 19bn, due to decline the TL demand deposits of households (TL36bn) compared to inflows to TL time deposits of corporates and households (TL 59bn). FC deposits rose by \$2.5bn due to the increase in corporates' USD deposits by \$2bn. Adjusted from price effects, FC deposits rose by \$2.8bn on a weekly basis (\$2.1bn rise in corporates, \$0.7bn rise in households), resulting in an overall decline of \$12.7bn year to date (\$19.5bn since end March) according to the CBRT.
- The FC protected scheme (in US dollar terms) fell by another \$2.1bn to USD 51.6bn. The share of TL deposits excluding FC protected scheme in total deposits fell to 51.8% vs 52% previous week (vs. the CBRT's target of 50% in 2024).
- Commercial rates fell last week by 73bps to 58.6% and consumer rates rose by 84bps to 72.3%. The rise in consumer loans was caused by the strong increase in general purpose loan rates by 76bps moving up to 76.4%. Hence, spreads on consumer segment extended by 150 -bps whereas spreads on commercial segments remain negative.
- As released by the CBRT, TL deposit rates fell by 60bps to 55.2%. The highest rate remains to be in up to 3 months with 58.5%. EUR and USD deposit rates continue to hover around 1.1% and 1.7% respectively.
- Although being still much below the historical levels, the Non-Performing Loans (NPL) ratio of the sector maintains its slow upward trend to 1.71%. The increase stems for general purpose loans and consumer credit cards. However, the NPL ratio of SME credits started to move up as well since end of June'24.

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

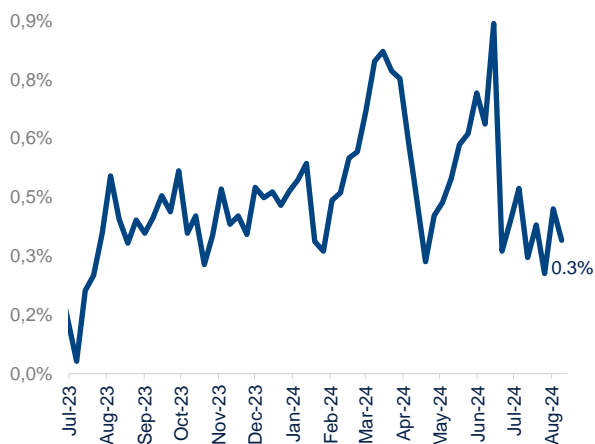


Figure 2. **Total Loans (FX adjusted, weekly, 4-week moving average)**

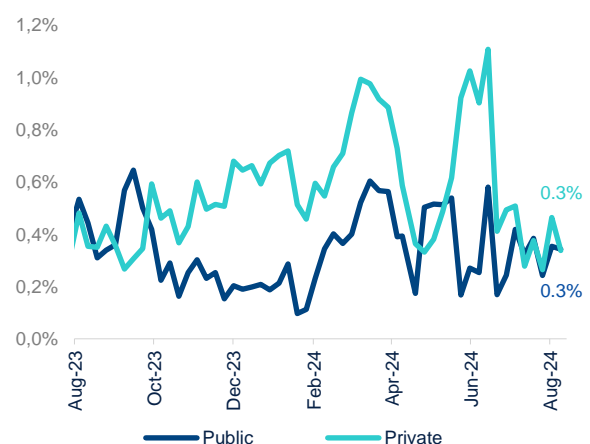


Figure 3. **Consumer Loans in Segments (weekly, 4-week moving average)**

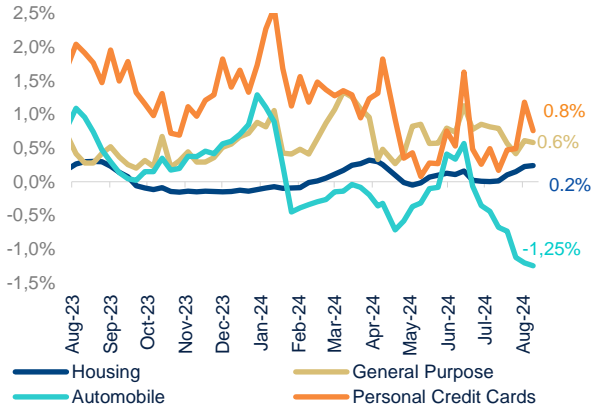


Figure 4. **Consumer Loans (w/o personal credit cards, weekly, 4-week moving average)**

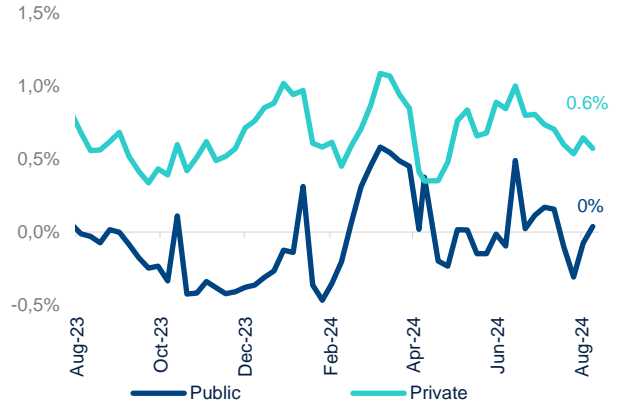


Figure 5. **Commercial Loans (TL & USD, weekly, 4-week moving average)**

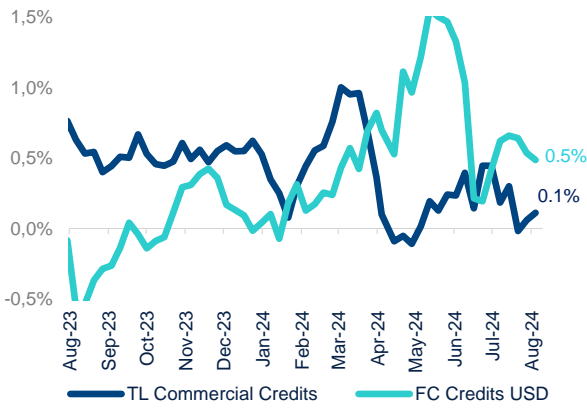


Figure 6. **TL Commercial Loans (weekly, 4-week moving average)**

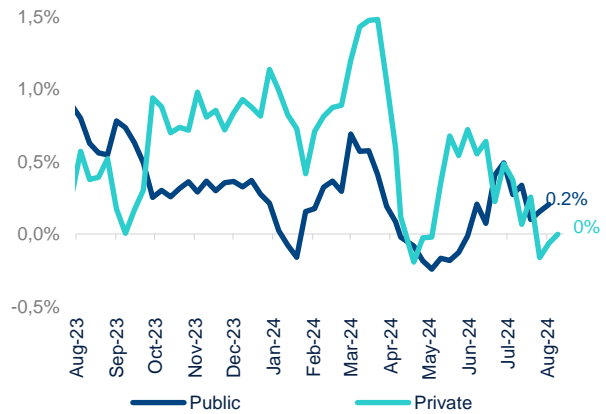


Figure 7. **TL SME Credits (weekly, 4-week moving average)**

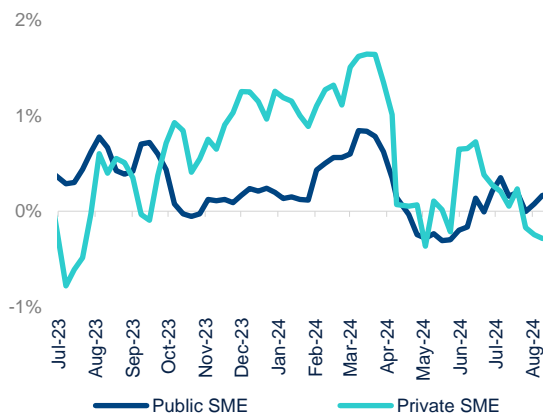


Figure 8. **TL Non-SME Commercial Credits (weekly, 4-week moving average)**

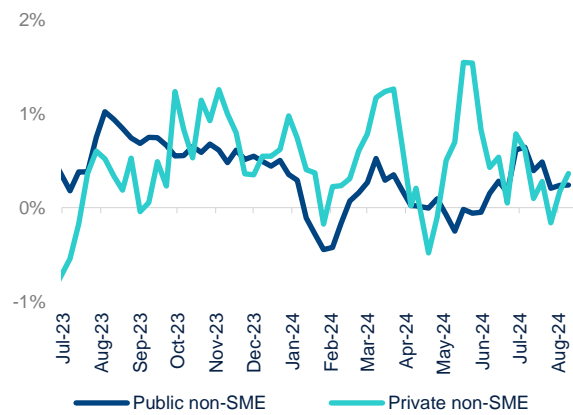


Figure 9. **FC SME Credits** (in USD, weekly, 4-week moving average)

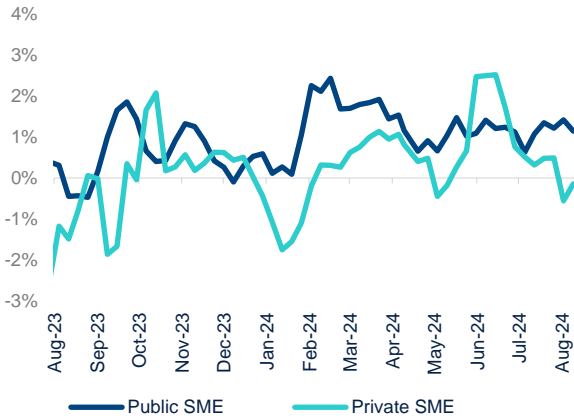


Figure 10. **FC Non-SME Credits** (in USD, weekly, 4-week moving average)

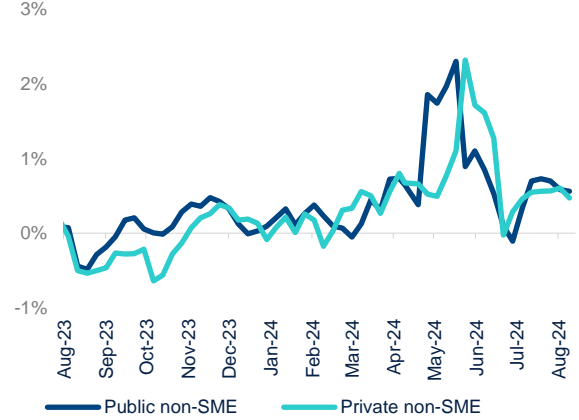


Figure 11. **Deposit Growth** (TL & FC in USD, weekly, 4-week moving average)

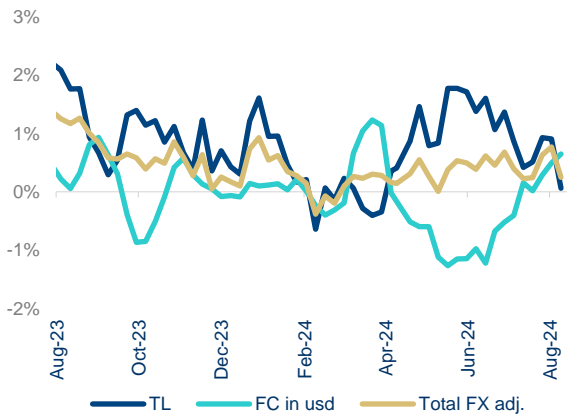


Figure 12. **FC Protected Time Deposits** (bn USD)

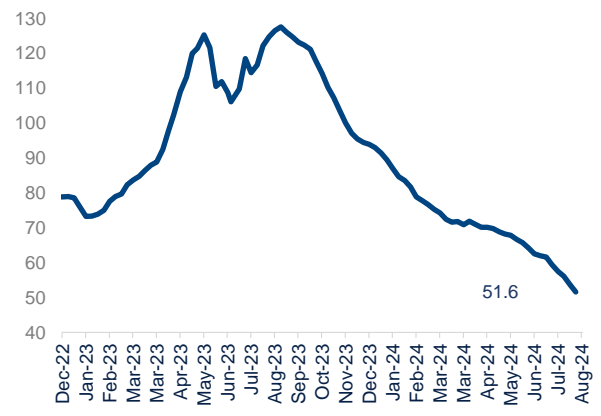


Figure 13. **FC Commercial Credit Interest Rates** (4w avg.%)

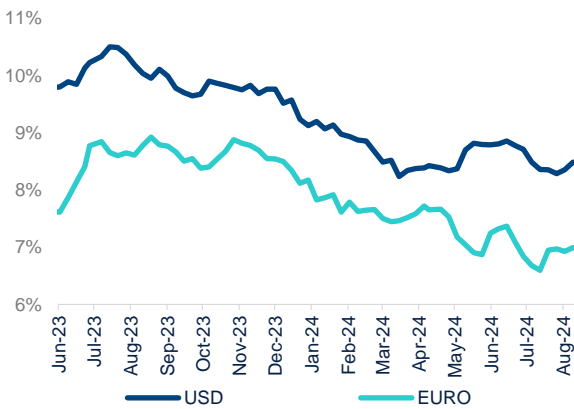


Figure 14. **FC Interest Rate Spread** (4w avg.%)

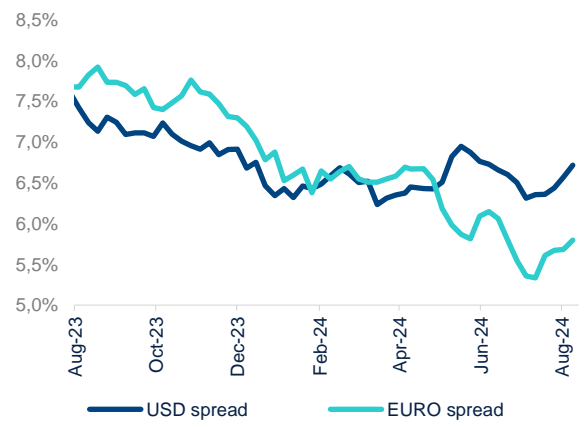


Figure 15. **EURO Deposit Interest Rates (4w avg %)**

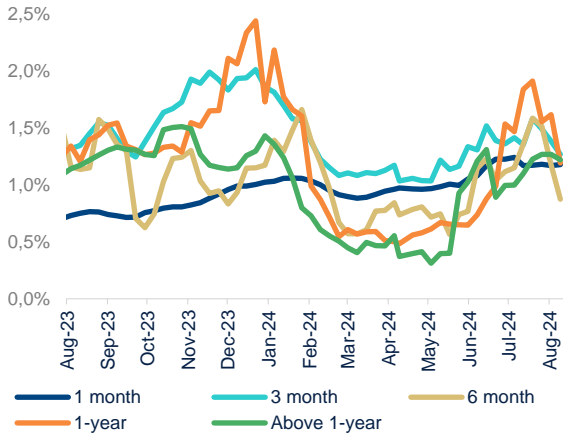


Figure 16. **USD Deposit Interest Rates (4w avg %)**

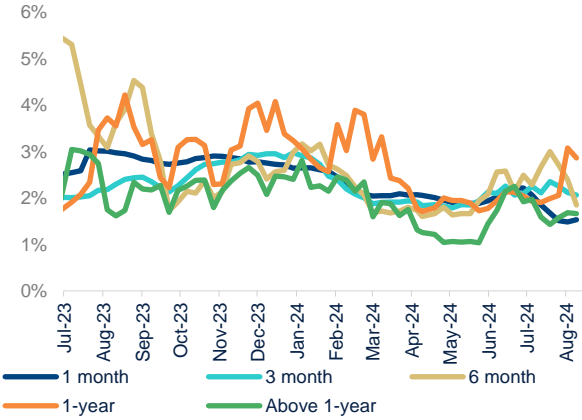


Figure 17. **TL Interest Rates (%)**

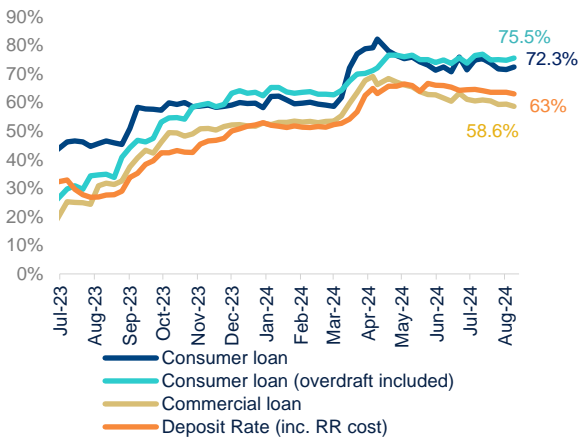


Figure 18. **TL Deposit Interest Rates (%)**

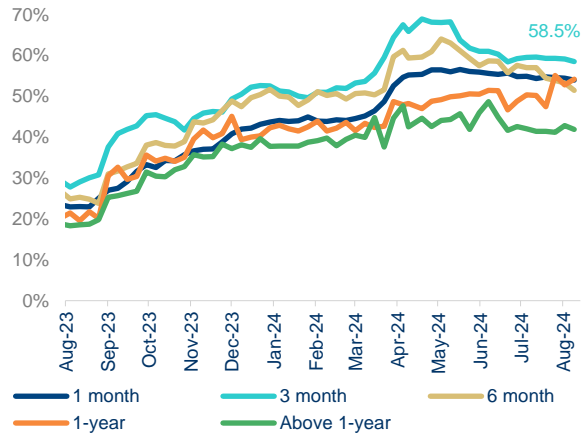


Figure 19. **Consumer Interest Rates (%)**

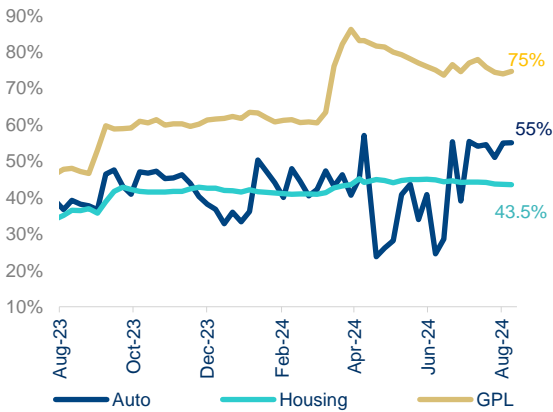
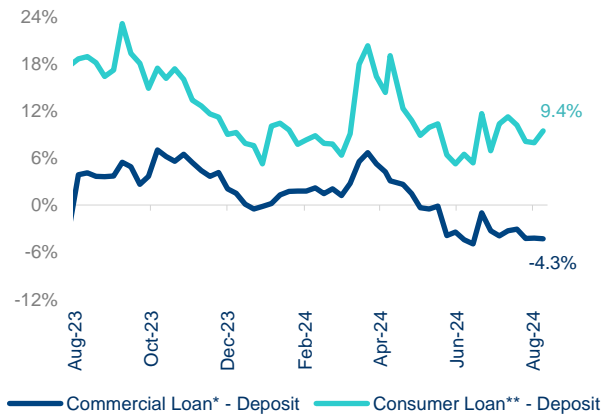


Figure 20. **Interest Rate Spread (% , including TL RR cost)**



* 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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