

Türkiye: Weekly Banking Tracker

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- The weekly growth of FX-adjusted credits decelerated in the first week of October from 1% to 0.4% due to both consumer and commercial credits in the overall sector. The upward move in total credits' both 4 week and 13w trend rates imply though only a moderation in credit growth (with trend rates being also higher than the previous years' averages).
- Among the sub-segments of TL credits, TL commercial credits' weekly growth decelerated after the previous 2 weeks' strong growth rates. The deceleration was due to both SME and non-SME lending in the sector. The trend rates in both segments are moving up to around 20%.
- Deceleration in consumer credits was mainly led by private banks, and in all subsegments of consumer credits. Consumer credit card growth was also negative in private banks whereas they continued to grow at close to 4% w-o-w in public banks which overall moves up the credit cards' trend rate. The recent regulations of the CBRT are expected to lower these levels by squeezing consumption in high card limits as of November.
- FC credits' weekly growth was negative last week (also due to both SME and non-SME lending in the sector) causing a significant downward move in its trend rate, the lowest level since the introduction of monthly caps in this credit segment in April.
- In the case of deposits, fall in TL deposits was TL 306bn due to sharp declines in both corporates (TL 112bn) and official inst. TL demand deposits (TL179bn). FC deposits fell by \$905mn due to the fall in hholds' USD (\$585) and gold deposits (\$523mn) compared to \$202mn increase in corporates USD deposits. Adjusted from price effects, FC deposits rose by \$50mn on a weekly basis (\$0.7bn rise in corporates; 0.63bn fall in hholds), resulting in an overall decline of \$14.2bn year to date (\$21bn since end March) according to the CBRT. Dollarization ratio rose to 37.9% from 37.3% due outflows from TL deposits.
- The fall in FC protected scheme (in US dollar terms) continued last week with \$715mn declining to \$43.9bn. The share of TL deposits excluding FC protected scheme in total deposits fell from 54.2% from 53.6% previously (vs. the CBRT's target of 50% in 2024).
- TL commercial credit rates fell only by 6bps to 56.9% and spreads in this segment remain negative since May compared to spreads in FC commercial credits hovering around 6-7%. Consumer credit rates rose by 25bps to 67.7% due to rise in general purpose loan rates.
- As released by the CBRT, TL deposit rates rose from 56.1% to 56.25%. The highest rate is in up to 3 months with 59.7%. Rates at above 1yr bracket rose by 544bps to almost 45%.
- The Non-Performing Loans (NPL) ratio of the sector rose to 1.74%. The NPL amount of the sector rose by almost 40% year to date. The NPL ratio of consumer credit cards is at 2.7% with steady weekly increases. The ratio remains stable at 1.6% for commercial credits, being historically low and posing no risk in this segment yet. This finding is also emphasized in the latest [CBRT analysis](#) published in their blog. However, still being also historically low, the ongoing steady increases in the NPL amounts of consumer credits will be supported with the BRSA decision on the availability of restructuring general purpose loans and consumer credit card debts up to 5 years.

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

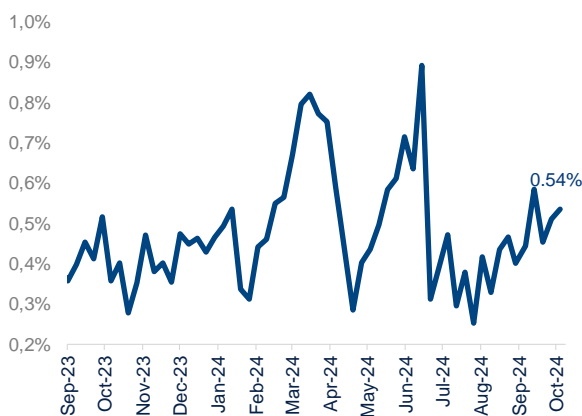


Figure 2. **Total Loans (FX adjusted, weekly, 4-week moving average)**

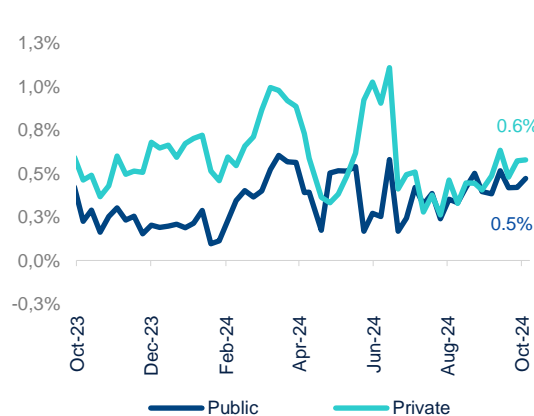


Figure 3. **Consumer Loans in Segments (weekly, 4-week moving average)**

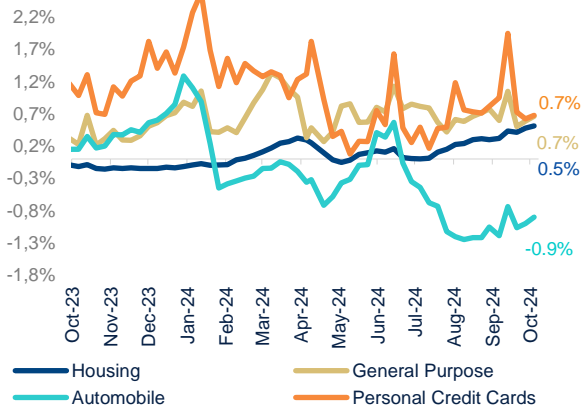


Figure 4. **Consumer Loans (w/o personal credit cards, weekly, 4-week moving average)**

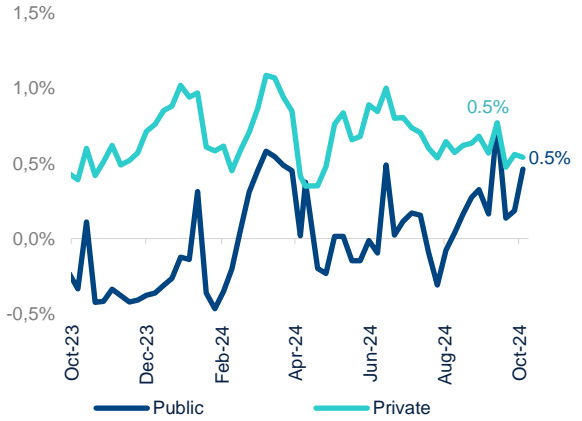


Figure 5. **Commercial Loans (TL & USD, weekly, 4-week moving average)**

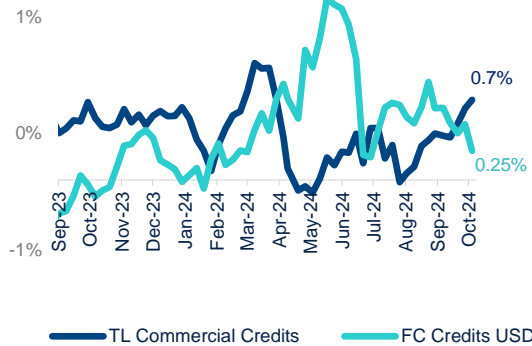


Figure 6. **TL Commercial Loans (weekly, 4-week moving average)**

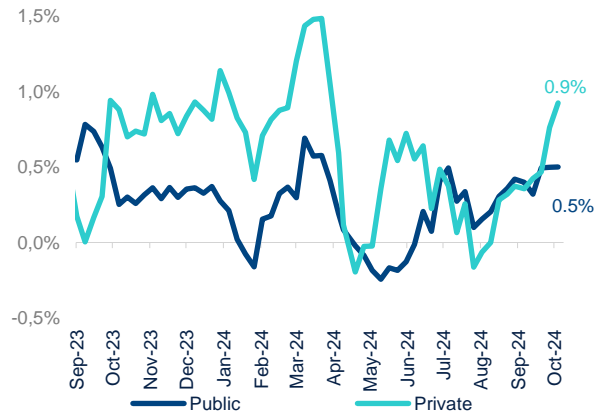


Figure 7. **TL SME Credits (weekly, 4-week moving average)**

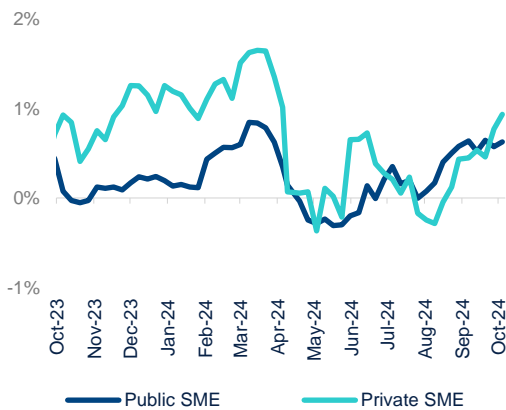


Figure 8. **TL Non-SME Commercial Credits (weekly, 4-week moving average)**

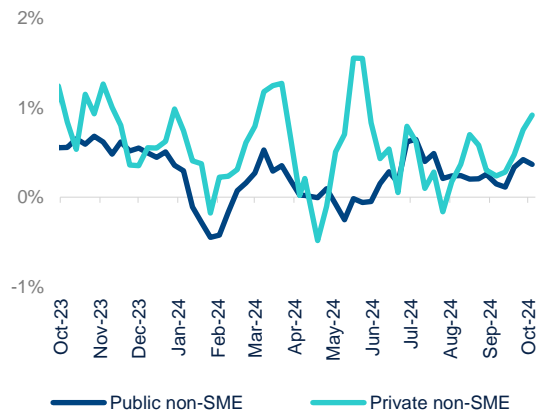


Figure 9. **FC SME Credits** (in USD, weekly, 4-week moving average)

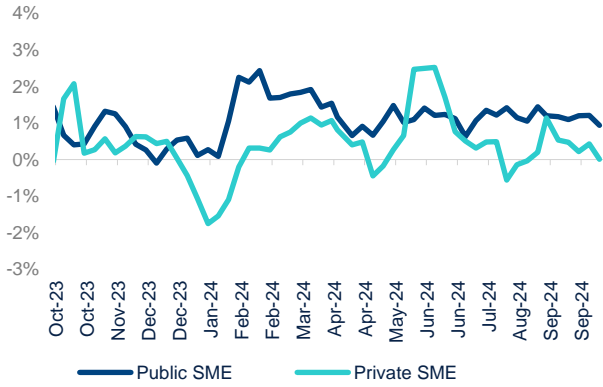


Figure 10. **FC Non-SME Credits** (in USD, weekly, 4-week moving average)

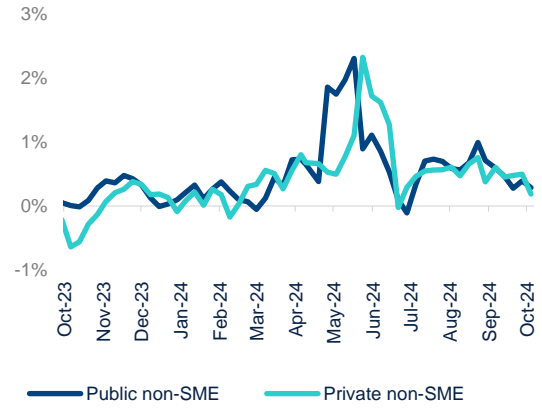


Figure 11. **Deposit Growth** (TL & FC in USD, weekly, 4-week moving average)

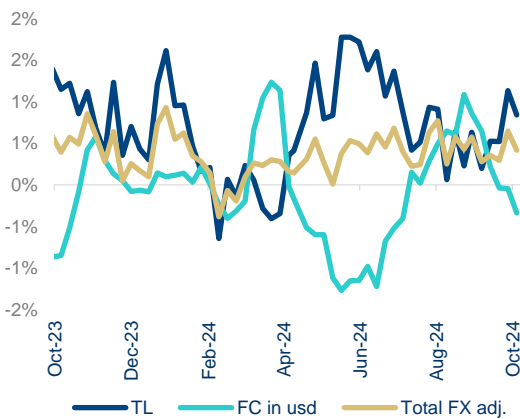


Figure 12. **FC Protected Time Deposits** (bn USD)

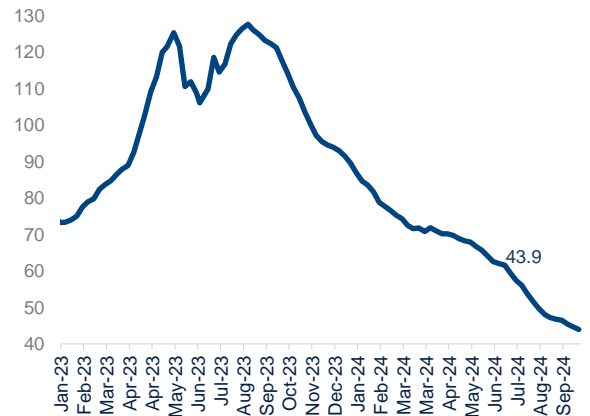


Figure 13. **FC Commercial Credit Interest Rates** (4w avg.%)

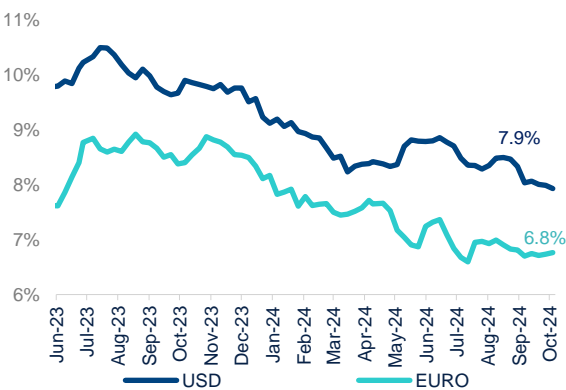


Figure 14. **FC Interest Rate Spread** (4w avg.%)

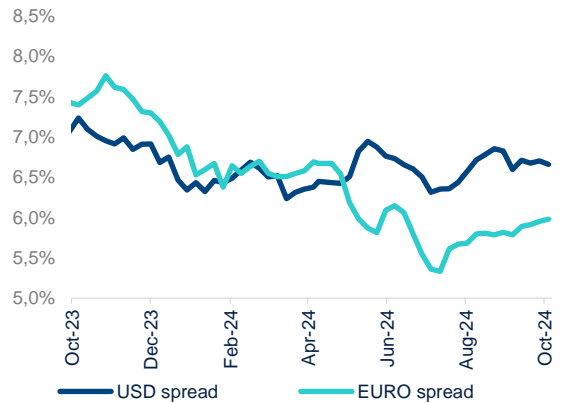


Figure 15. **EURO Deposit Interest Rates (4w avg %)**

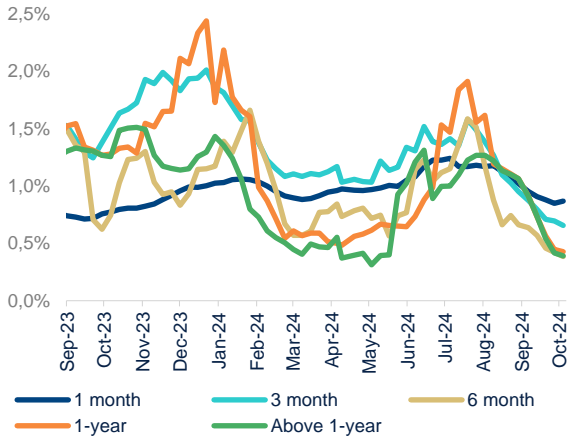


Figure 16. **USD Deposit Interest Rates (4w avg %)**

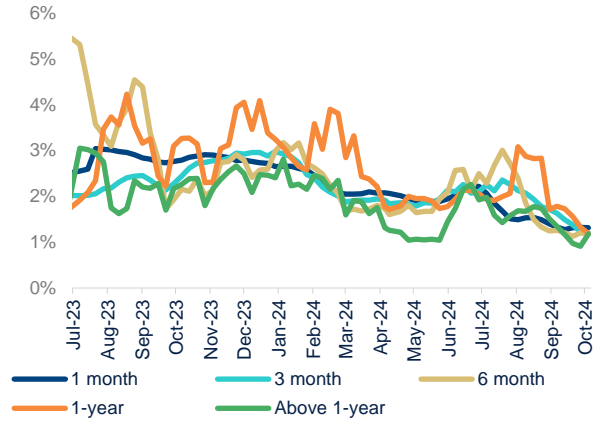


Figure 17. **TL Interest Rates (%)**

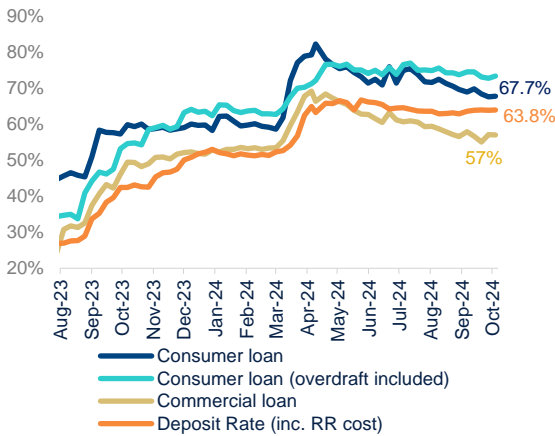


Figure 18. **TL Deposit Interest Rates (%)**

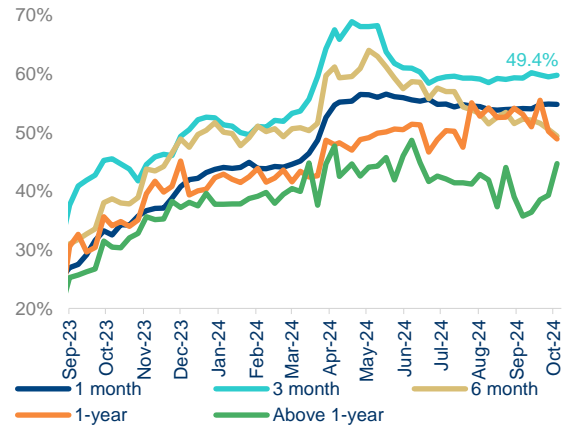


Figure 19. **Consumer Interest Rates (%)**

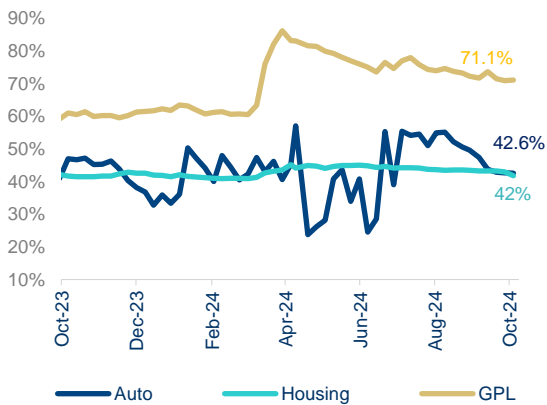
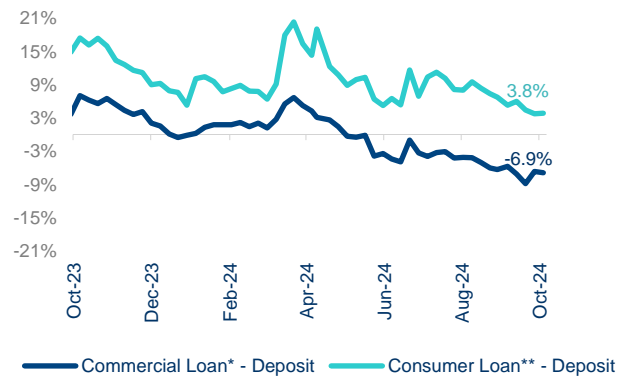


Figure 20. **Interest Rate Spread (% , including TL RR cost)**



* 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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