

Türkiye: Weekly Banking Tracker

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- Since Oct 11th was the day for finalizing credit growth monthly caps, the weekly growth of FX-adjusted credits decelerated further to 0.2% from 0.4% mainly on top of commercial credits in the overall sector, which brought down the trend rate of total credit growth as well.
- Among the sub-segments of TL credits, the deceleration in TL commercial credits deepened further due to both SME and non-SME lending in the sector. The trend rate of SME lending is rather stable whereas it moves down for big firms with the last week's impact.
- Contrary to commercial credits, consumer credits gained momentum again due to private banks, and in all subsegments of consumer credits. Consumer credit card growth remained almost stable in private banks whereas they decelerated (from 4% to 2% w-o-w) in public banks which overall moved down its 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 gained only a slight momentum (also due to SME and non-SME lending in the sector) keeping its trend rate stable, albeit at the lowest level since the introduction of monthly caps in this credit segment in April.
- Regarding deposits, TL deposits rose by TL 237.4bn (\$6.7bn) due to rise in official inst. TL demand deposits (TL181bn). FC deposits fell significantly by \$3.3bn due to the fall in corporates USD deposit by \$3bn. This might further contribute to the deterioration in the net short FX position of the real sector seen since April'24 where the deterioration is deepened by the decline in corporates' FX deposits following the rapid increase in their FC borrowing. Adjusted from price effects, FC deposits fell by \$2.8bn on a weekly basis (\$2.8bn fall in corporates; 50mn rise in households), resulting in an overall decline of \$17bn year to date (\$24bn since end March) according to the CBRT. Dollarization ratio fell to 37% from 37.9% due to the de-dollarization.
- The fall in FC protected scheme (in US dollar terms) continued last week with \$631mn declining to \$43.3bn. The share of TL deposits excluding FC protected scheme in total deposits rose from 53.6% to 54.7% previously (vs. the CBRT's target of 50% in 2024).
- Credit interest rates fell last week. The fall in TL commercial credit rates was higher with 112bps (falling to 55.8%) compared to 26bps decline in consumer credit rates. General purpose and auto loan rates rose by around 75bps (to 72% and 43% respectively). Housing rates have been following a slow but steady downward trend since June and fell to 41.6% from 45% by end June. Followed by that, the ongoing growth in housing credits seen in private banks since June is now being followed by public banks since 3 weeks.
- As released by the CBRT, TL deposit rates fell from 56.25% to 55.9%. The highest rate is in up to 3 months with 59.2%. Rates at above 1yr bracket continued its volatile weekly move and fell by 470bps to almost 40%.
- The Non-Performing Loans (NPL) ratio of the sector stayed at 1.74%. The NPL ratio of consumer credit cards is at 2.7%. The ratio fell slightly for consumer credits with the slight decline in the NPL amount of all consumer subsegments.

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

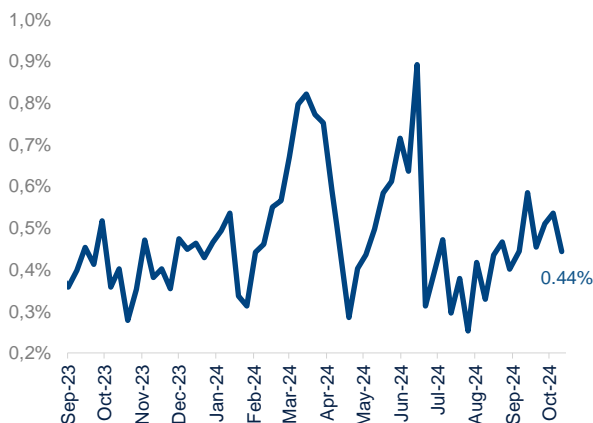


Figure 2. **Total Loans (FX adjusted, weekly, 4-week moving average)**

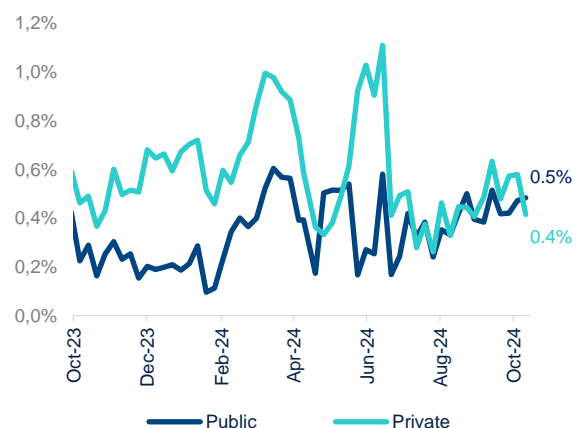


Figure 3. **Consumer Loans in Segments (weekly, 4-week moving average)**

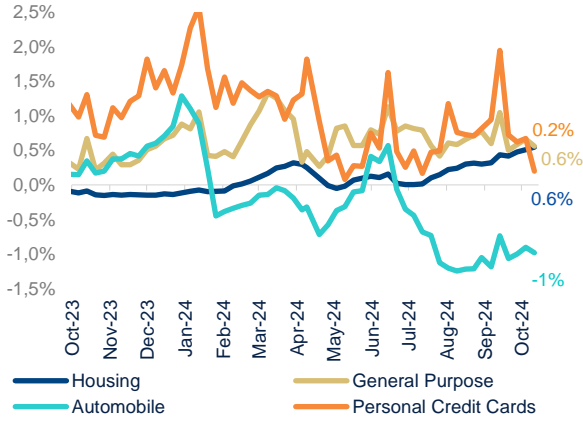


Figure 4. **Consumer Loans (w/o personal credit cards, weekly, 4-week moving average)**

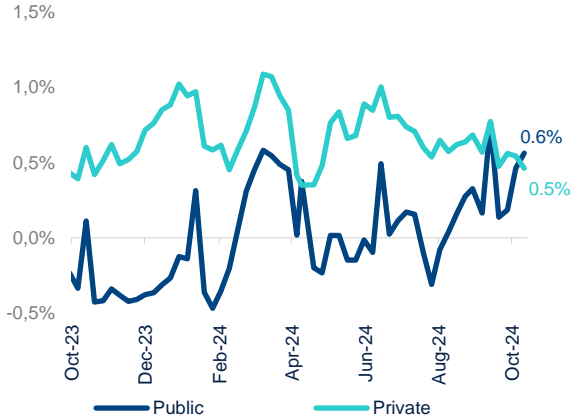


Figure 5. **Commercial Loans (TL & USD, weekly, 4-week moving average)**

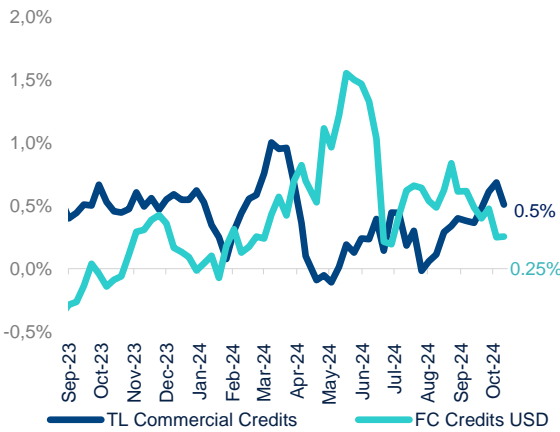


Figure 6. **TL Commercial Loans (weekly, 4-week moving average)**

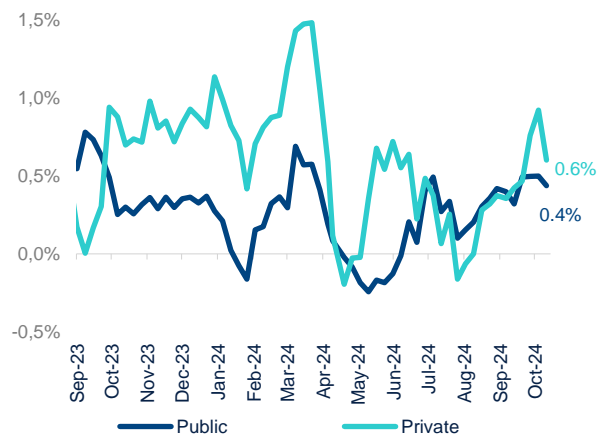


Figure 7. **TL SME Credits (weekly, 4-week moving average)**

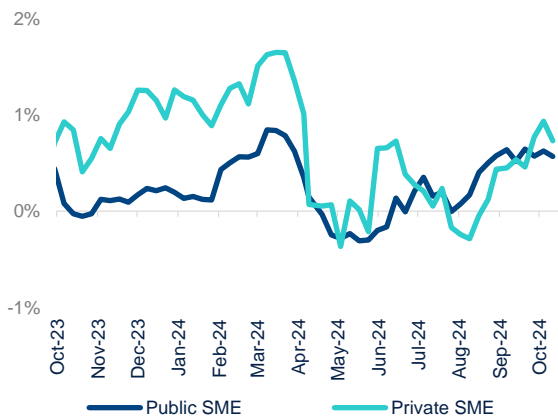


Figure 8. **TL Non-SME Commercial Credits (weekly, 4-week moving average)**

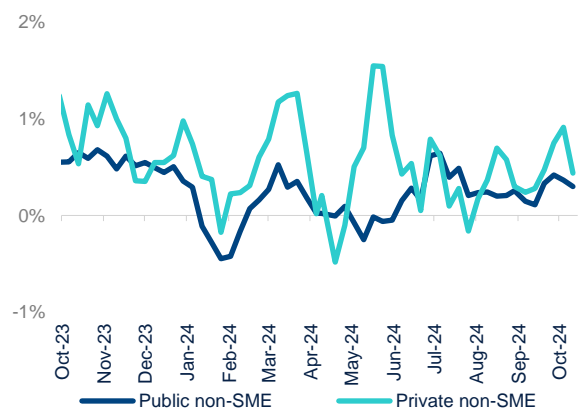


Figure 9. **FC SME Credits** (in USD, weekly, 4-week moving average)

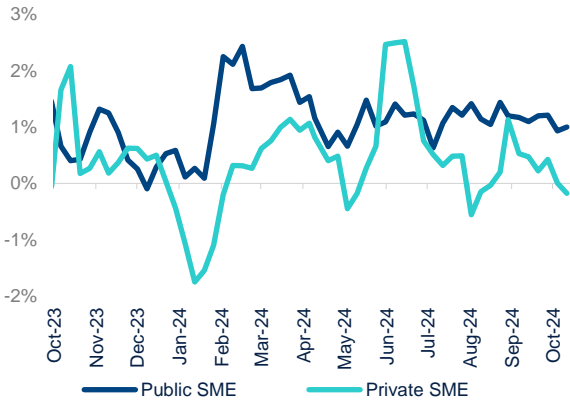


Figure 10. **FC Non-SME Credits** (in USD, weekly, 4-week moving average)

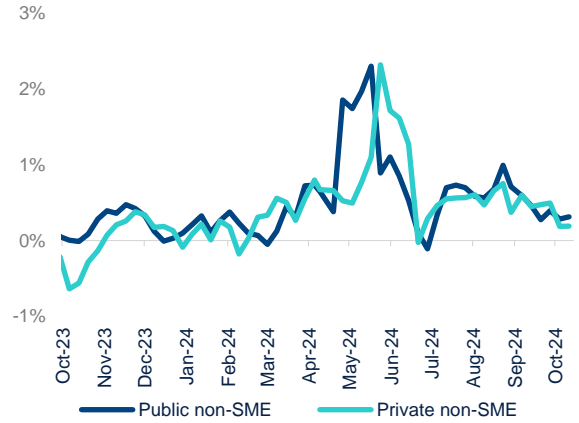


Figure 11. **Deposit Growth** (TL & FC in USD, weekly, 4-week moving average)

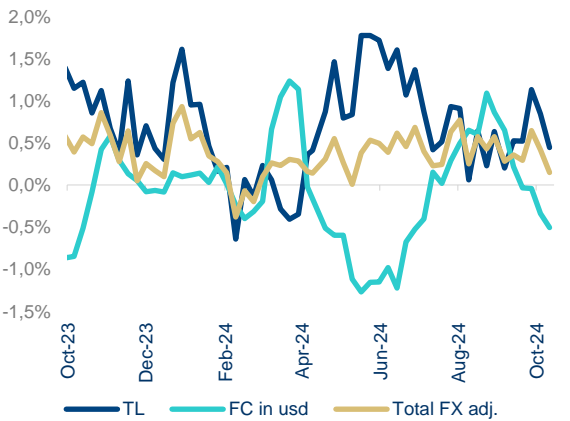


Figure 12. **FC Protected Time Deposits** (bn USD)

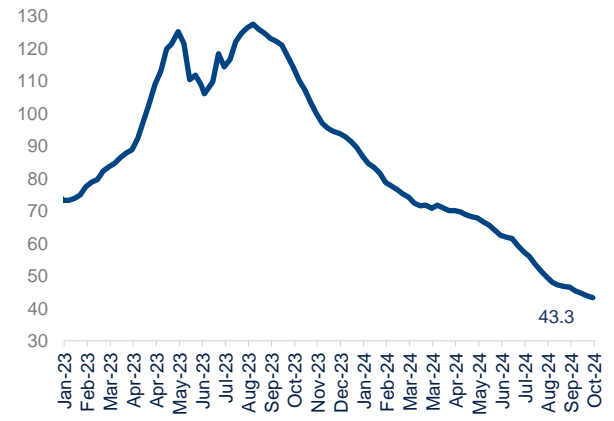


Figure 13. **FC Commercial Credit Interest Rates** (4w avg.%)

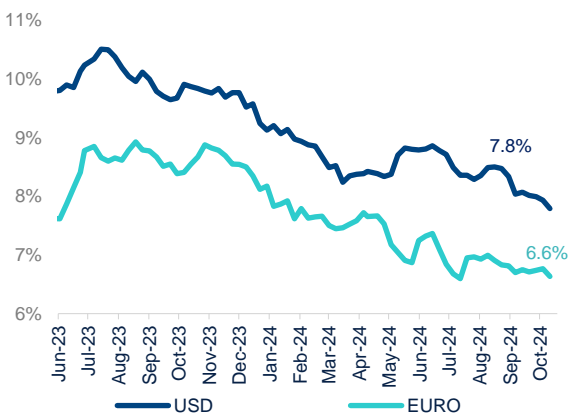


Figure 14. **FC Interest Rate Spread** (4w avg.%)

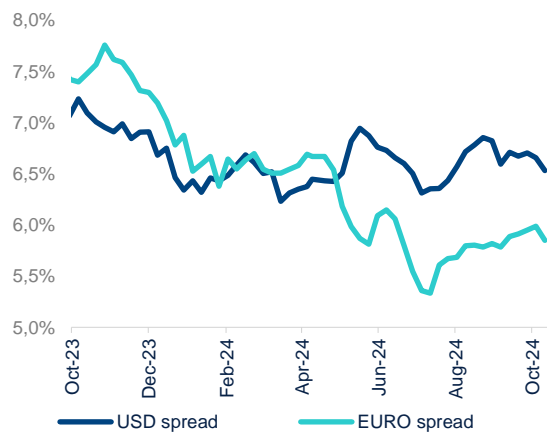


Figure 15. **EURO Deposit Interest Rates (4w avg %)**

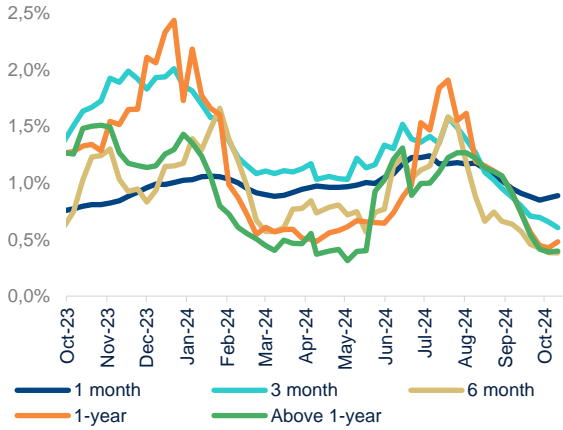


Figure 16. **USD Deposit Interest Rates (4w avg %)**

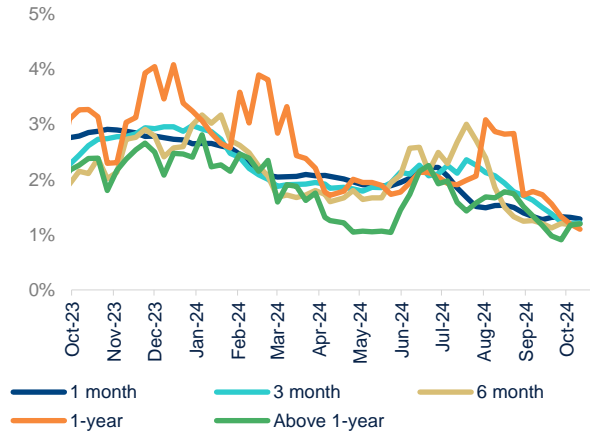


Figure 17. **TL Interest Rates (%)**

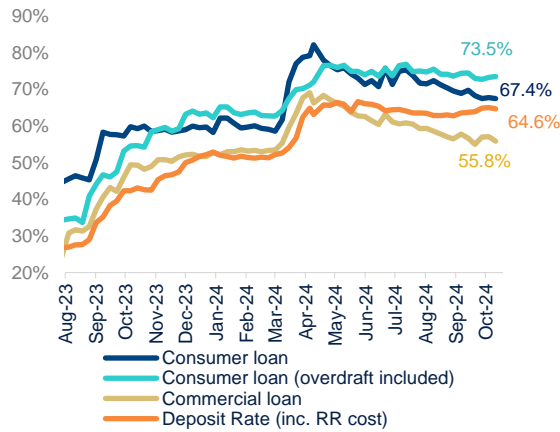


Figure 18. **TL Deposit Interest Rates (%)**

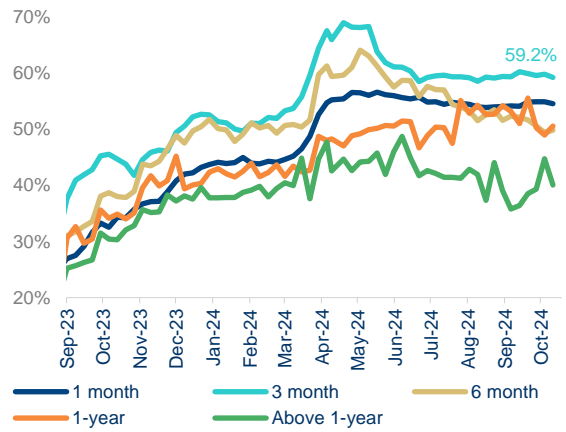


Figure 19. **Consumer Interest Rates (%)**

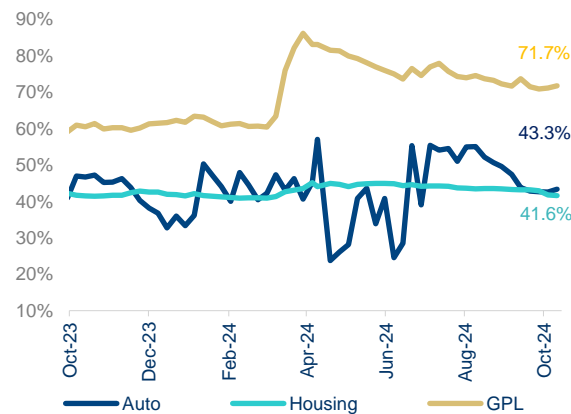
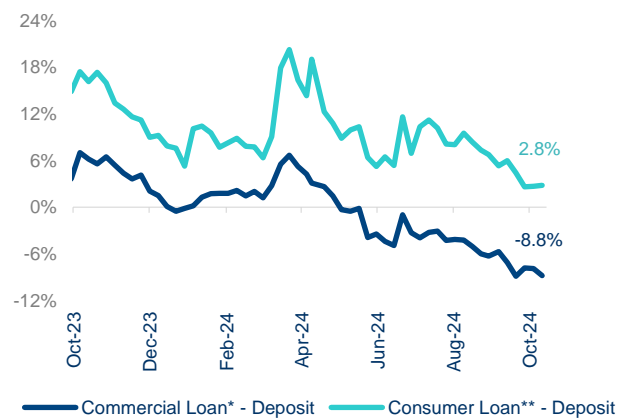


Figure 20. **Interest Rate Spread (% , including TL RR cost)**



* 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: BRSB, CBRT and Garanti BBVA Research

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