Türkiye: Weekly Banking Tracker

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- On the week of 18th October, the weekly growth of FX-adjusted credits decelerated sharply from 0.2% to 0.05% led by the contraction in consumer credits of public banks. Trend rate of total credit growth continued to move down as well.
- Among the sub-segments of TL credits, all consumer credits' subsegments decelerated in both public and private banks. (Housing credits decelerated whereas auto and general purpose loans' growth rate contracted in the sector.) Consumer credit cards' contracted also sharply in public banks. Trend rate in credit cards implies a moderation in this segment.
- TL commercial credits' growth turned from negative to positive due to both SME and non-SME lending in the sector. The overall trend rate of TL commercial credits is moving downwards though.
- FC credits' weekly growth was negative due to both SME and non-SME lending in private banks. Overall trend rate entered the negative area, after having reached the lowest level last week since the introduction of monthly caps in this credit segment in April. Spreads on FC credits are falling since 3 weeks.
- Regarding deposits, TL deposits rose by TL 131bn ($3.7bn) due to rise in hholds' and corporates' TL time deposits. FC deposits rose by $3.1bn led by the rise in corporates' USD deposits by $2.2bn and hholds' gold deposits by $1.1bn. Adjusted from price effects, FC deposits rose by $2bn on a weekly basis ($2bn rise in corporates) resulting in an overall decline of $15bn year to date ($22bn since end March) according to the CBRT. Dollarization ratio remained at 37%.
- The fall in FC protected scheme (in US dollar terms) was strong with $1.7bn declining to $41.6bn. The share of TL deposits excluding FC protected scheme in total deposits rose from 54.7% to 55.1% (vs. the CBRT's target of 50% in 2024).
- TL commercial credit rates rose by 68bps to 56.5%. Consumer rates fell by 40bps to 67% led by the fall in general purpose loan rates by 152bps to 74%. Housing rates have been following a slow but steady downward trend since June; and fell to 41.4% from 45% by end-June. Followed by that, the 4w average in housing credits also follows a steady upward trend.
- As released by the CBRT, TL deposit rates rose by 11bps to 56.1%. The highest rate is in up to 3 months with 59.6%. Rates at longer maturities up to 1yr and above 1yr brackets continued their volatile weekly move and fell by around 300bps to 47.3% and 36%, respectively.
- The Non-Performing Loans (NPL) ratio of the sector stayed at 1.74%. The NPL ratio of consumer credits is stable whereas commercial credits' NPL is accelerating led by the SMEs.

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

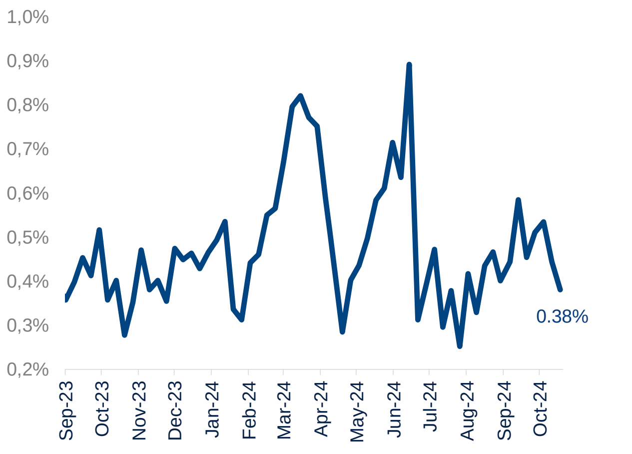


Figure 2. **Total Loans** (FX adjusted, weekly, 4-week moving average)

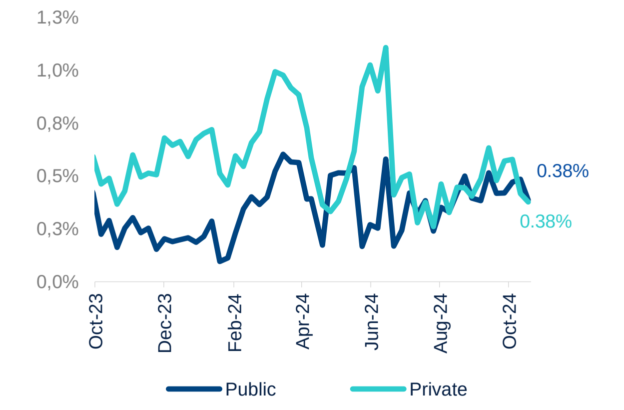


Figure 3. **Consumer Loans in Segments** (weekly, 4-week moving average)

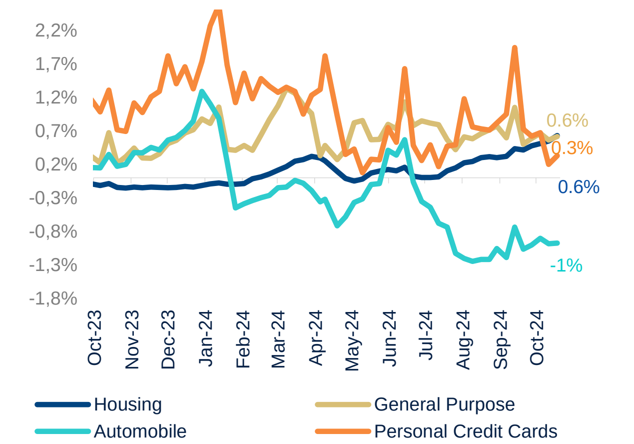


Figure 4. **Consumer Loans** (w/o personal credit cards, weekly, 4-week moving average)

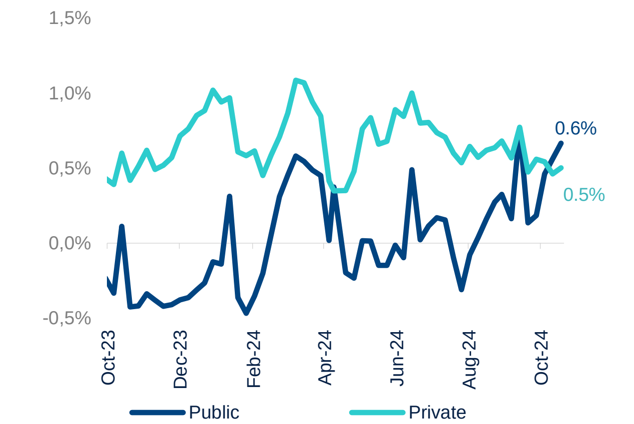


Figure 5. **Commercial Loans** (TL & USD, weekly, 4-week moving average

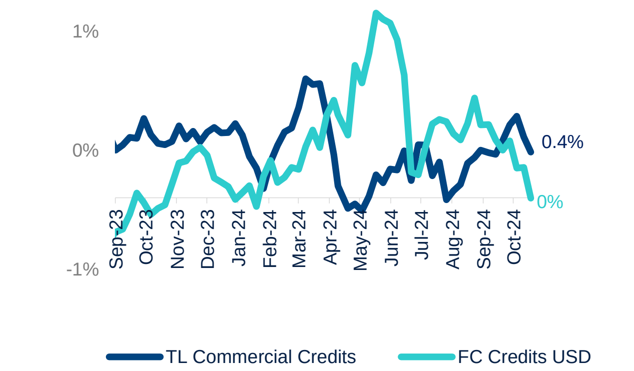


Figure 6. **TL Commercial Loans** (weekly, 4-week moving average)

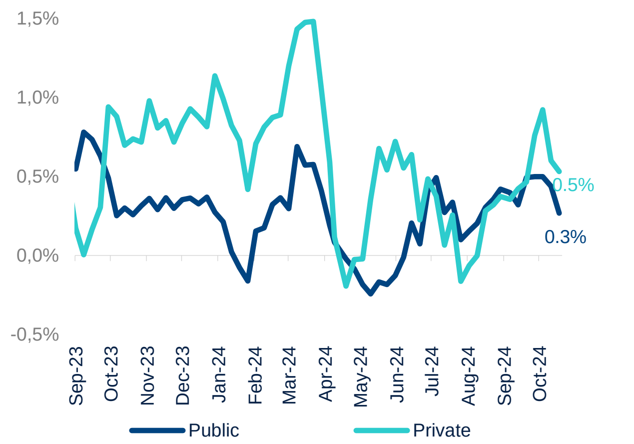


Figure 7. **TL SME Credits** (weekly, 4-week moving average)

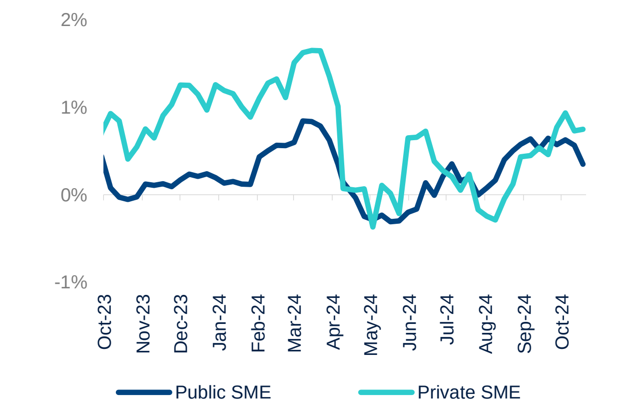


Figure 8. **TL Non-SME Commercial Credits** (weekly, 4-week moving average)

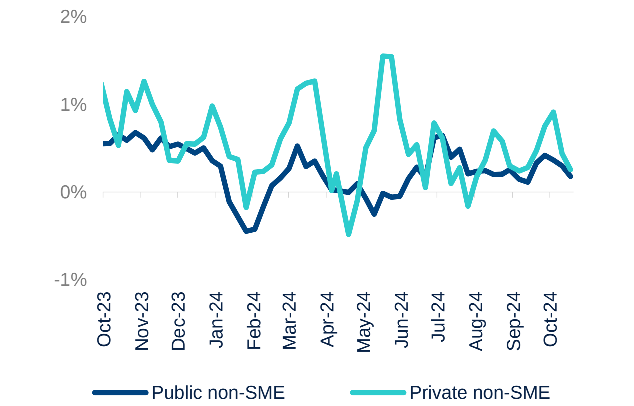


Figure 9. **FC SME Credits** (in USD, weekly, 4-week moving average)

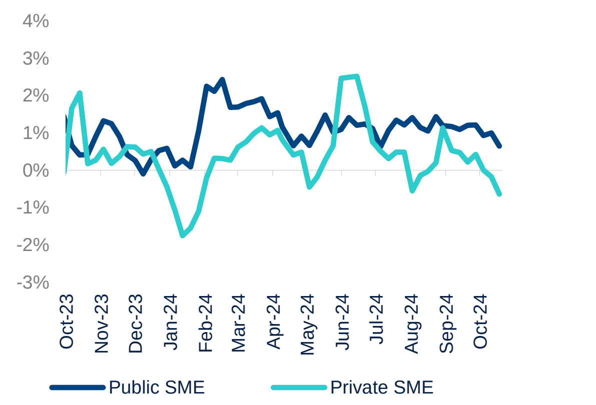


Figure 10. **FC Non-SME Credits** (in USD, weekly, 4-week moving average)

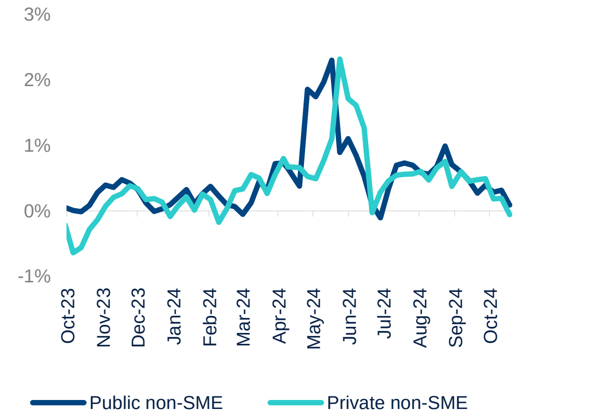


Figure 11. **Deposit Growth** (TL & FC in USD, weekly, 4-week moving average)

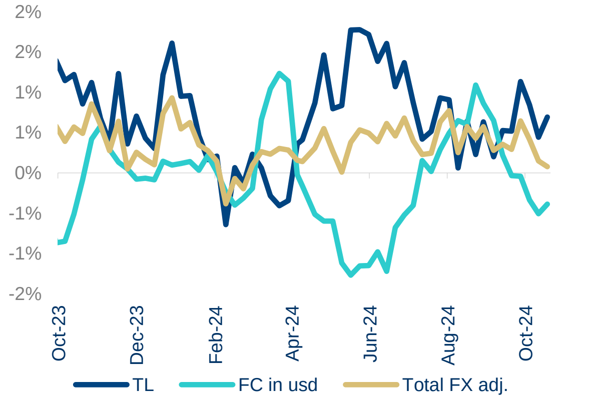


Figure 12. **FC Protected Time Deposits** (bn USD)

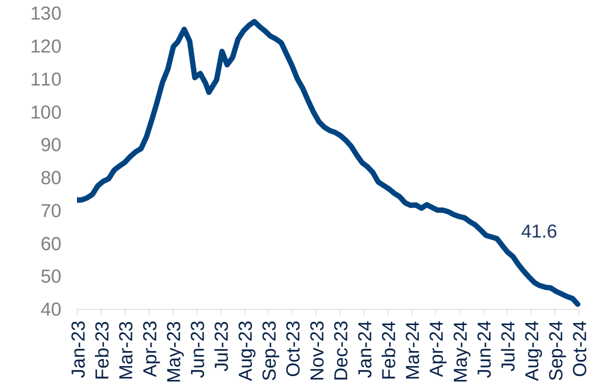


Figure 13. **FC Commercial Credit Interest Rates** (4w avg.%)

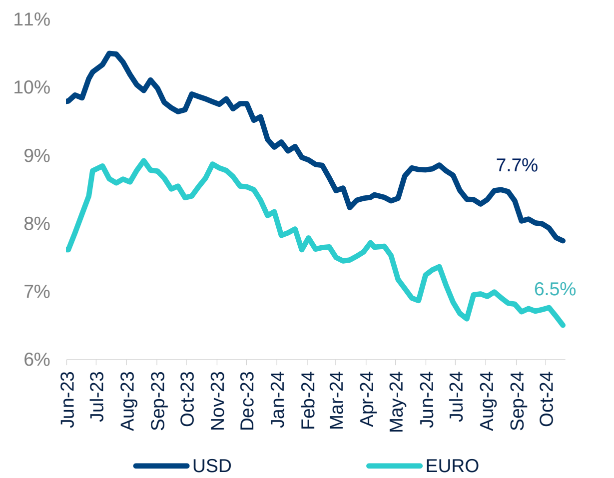


Figure 14. **FC Interest Rate Spread** (4w avg.%)

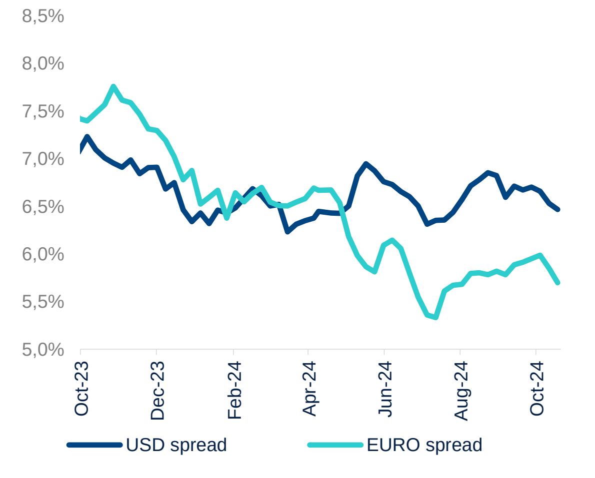


Figure 15. **EURO Deposit Interest Rates** (4w avg %)

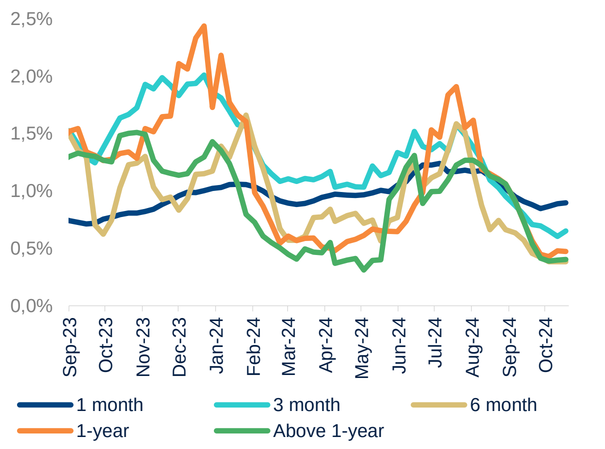


Figure 16. **USD Deposit Interest Rates** (4w avg %)

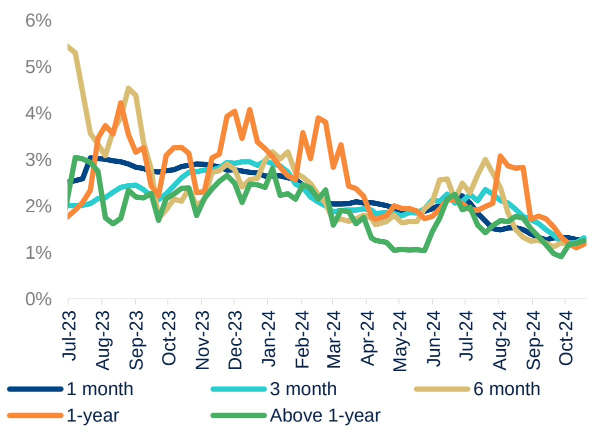


Figure 17. **TL Interest Rates** (%)

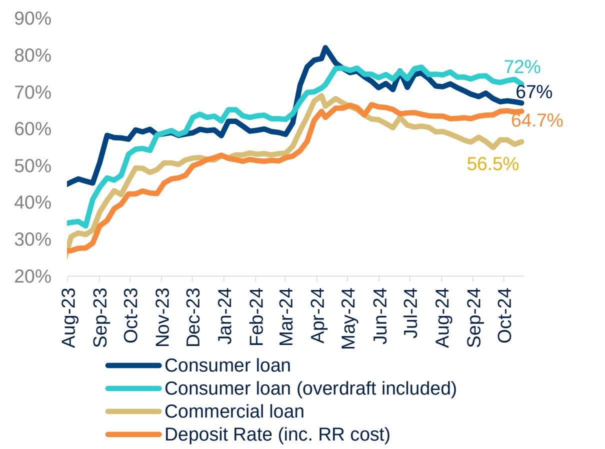


Figure 18. **TL Deposit Interest Rates** (%)

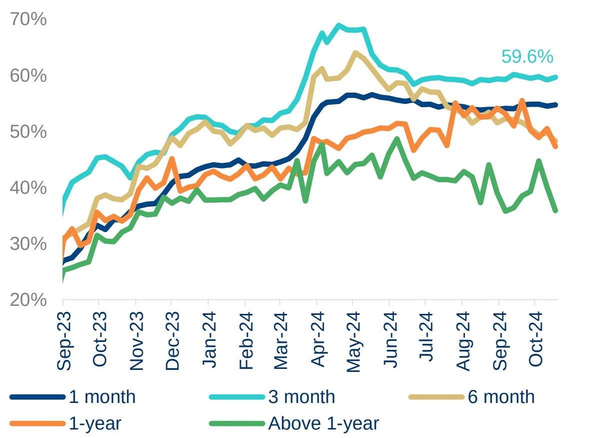


Figure 19. **Consumer Interest Rates** (%)

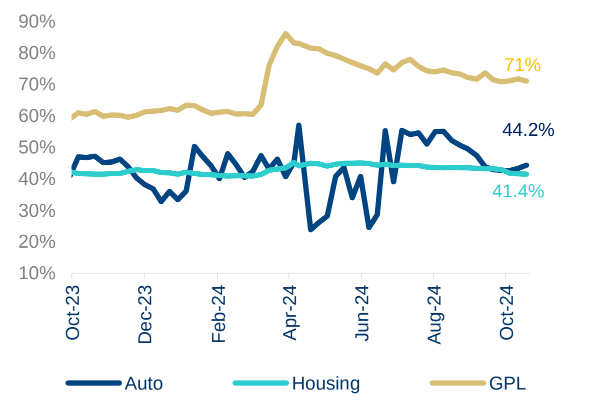
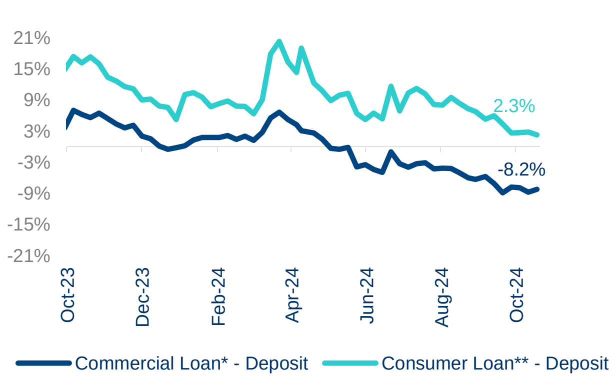


Figure 20. **Interest Rate Spread** (%, including TL RR cost)



* 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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