



**BANKING
REGULATION AND SUPERVISION
AGENCY**

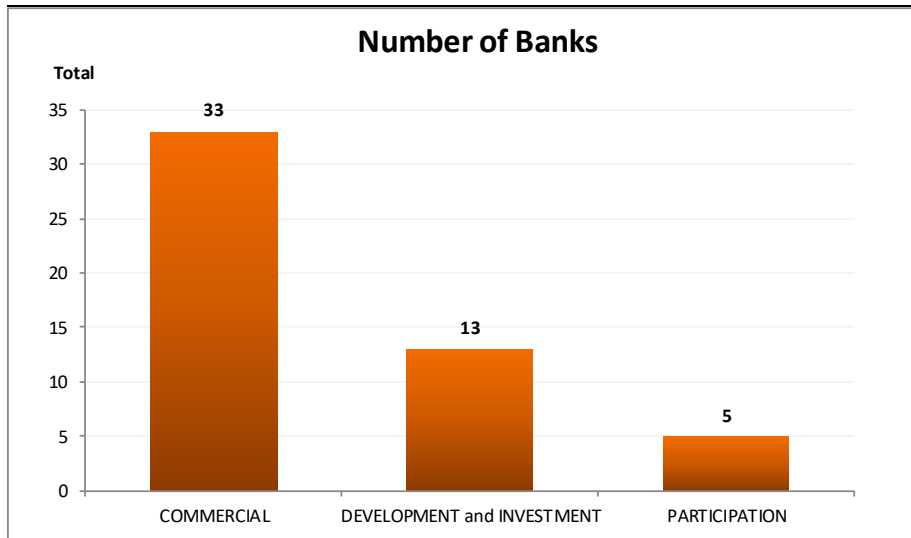


TURKISH BANKING SECTOR MAIN INDICATORS SEPTEMBER 2017

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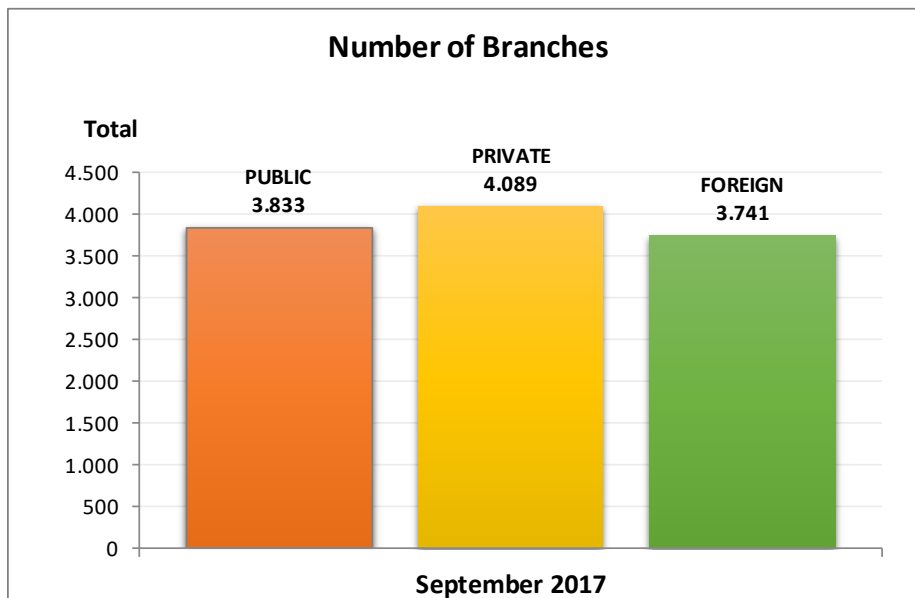
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Number of Banks, Branches and Personnel

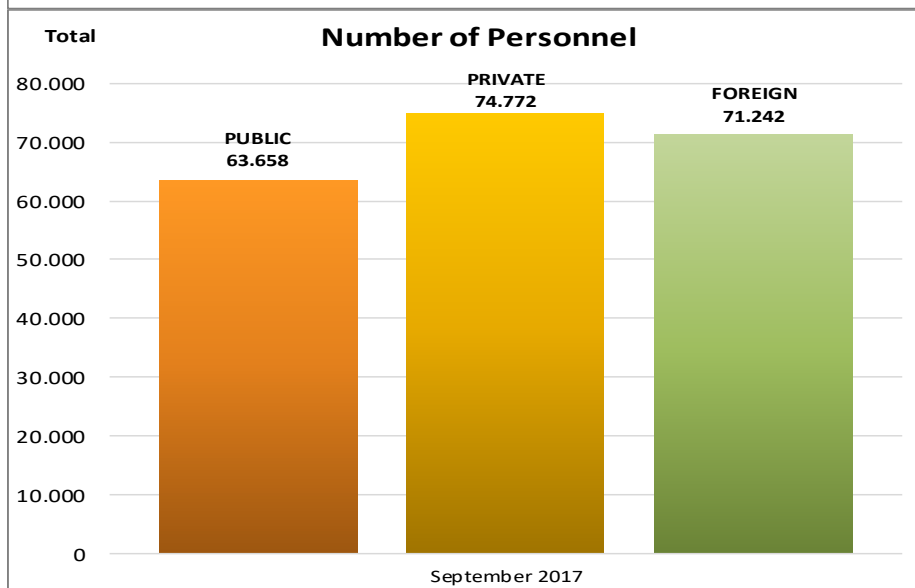


As of September 2017, 51 banks operating in Turkish Banking Sector as;

- 33 Deposit banks,
- 13 Development and Investment banks, and
- 5 Participation banks.



Number of branches and personnel in banking sector decreased by 46 and 697, respectively when compared to the previous quarter (June 2017).



As of September 2017 period, number of branches realized as 11.663 while number of personnel realized as 209.672.

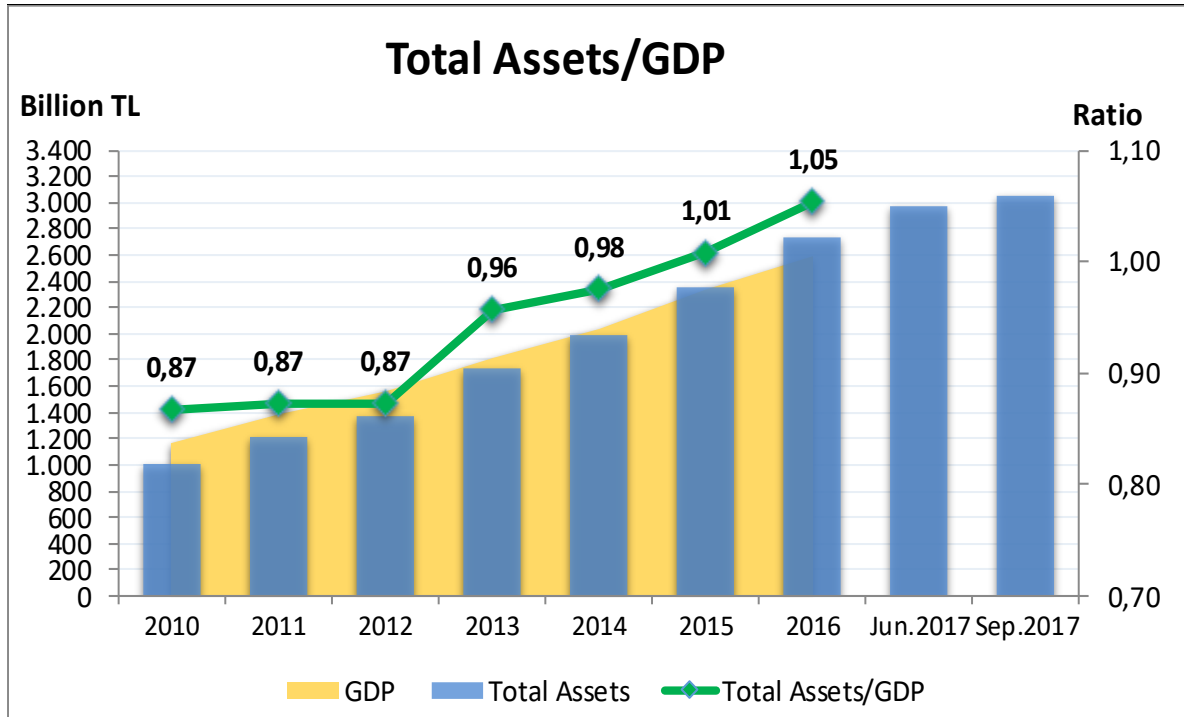
Selected Balance Sheet Items

ASSETS	Total	Change (%)	
	(Billion TL)	Previous Quarter	Previous End of Year
CASH and CASH-LIKE ITEMS*	216	-4,3	-2,7
REQUIRED RESERVES	221	2,9	20,2
LOANS	1.994	3,9	15,0
NON-PERFORMING LOANS (GROSS)	63	2,2	8,0
SECURITIES	376	2,0	6,9
OTHER ASSETS	246	1,3	3,3
TOTAL ASSETS	3.054	2,8	11,8
LIABILITIES			
DEPOSITS	1.635	3,6	12,5
DUE TO BANKS	427	0,5	2,4
FUNDS FROM REPO TRANSACTIONS	97	11,0	-29,6
SECURITIES ISSUED	135	3,0	16,0
EQUITIES	345	4,2	14,9
OTHER LIABILITIES	414	-1,2	35,6
TOTAL LIABILITIES	3.054	2,8	11,8
* Sum of Cash, Receivables from Central Bank, Money Market, and banks items			

Total assets of Turkish Banking Sector increased by 11.8% to TL 3.054 billion in September 2017 when compared to the previous year-end.

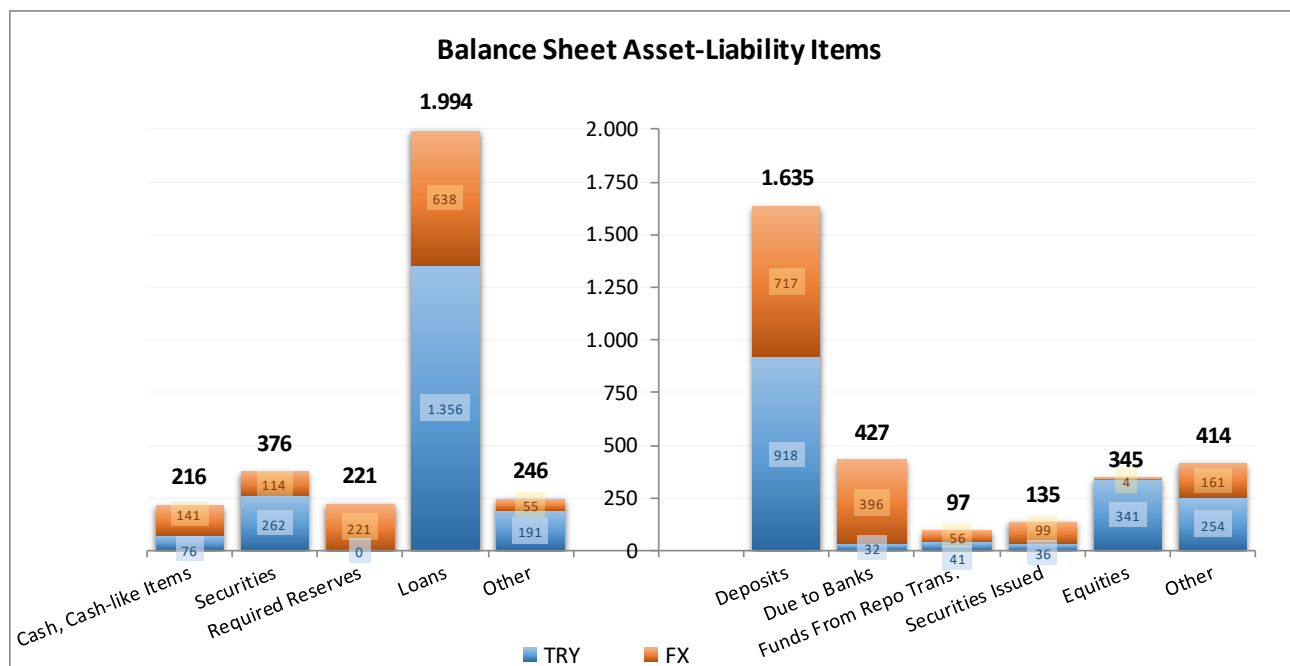
OFF-BALANCE SHEET ITEMS	Total	Change (%)	
	(Billion TL)	Previous Quarter	Previous End of Year
Contingencies	618	3,9	11,9
Commitments	3.210	11,8	29,0
- Derivative Financial Instruments	2.494	10,5	26,6
- Other Commitments	716	16,5	38,2

Of off-balance sheet items,
 - Contingencies increased by 3.9%;
 - Derivative financial assets increased by 26.6%
 in September 2017 when compared to the previous year-end.



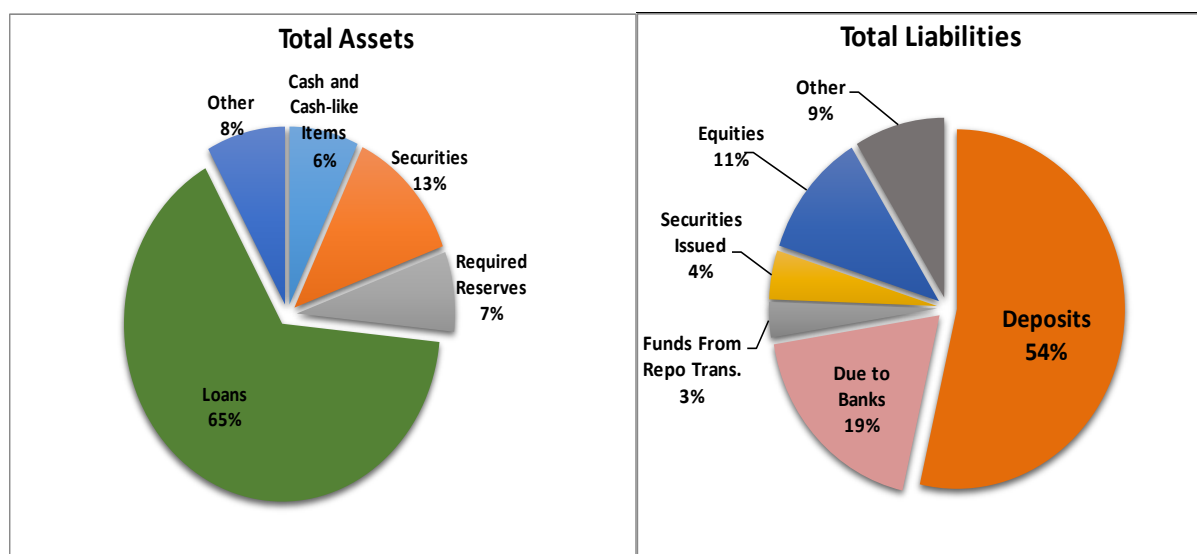
The ratio of asset size of Turkish Banking Sector to GDP realized as 1.05 as of end-2016.

On-Balance Sheet Figures



The ratio of FX assets in balance sheet to total assets realized as 38% while the ratio of total FX liabilities to total liabilities realized as 47%.

The share of FX loans in total loans is 32% while the ratio of FX deposit to total deposit is 44%.

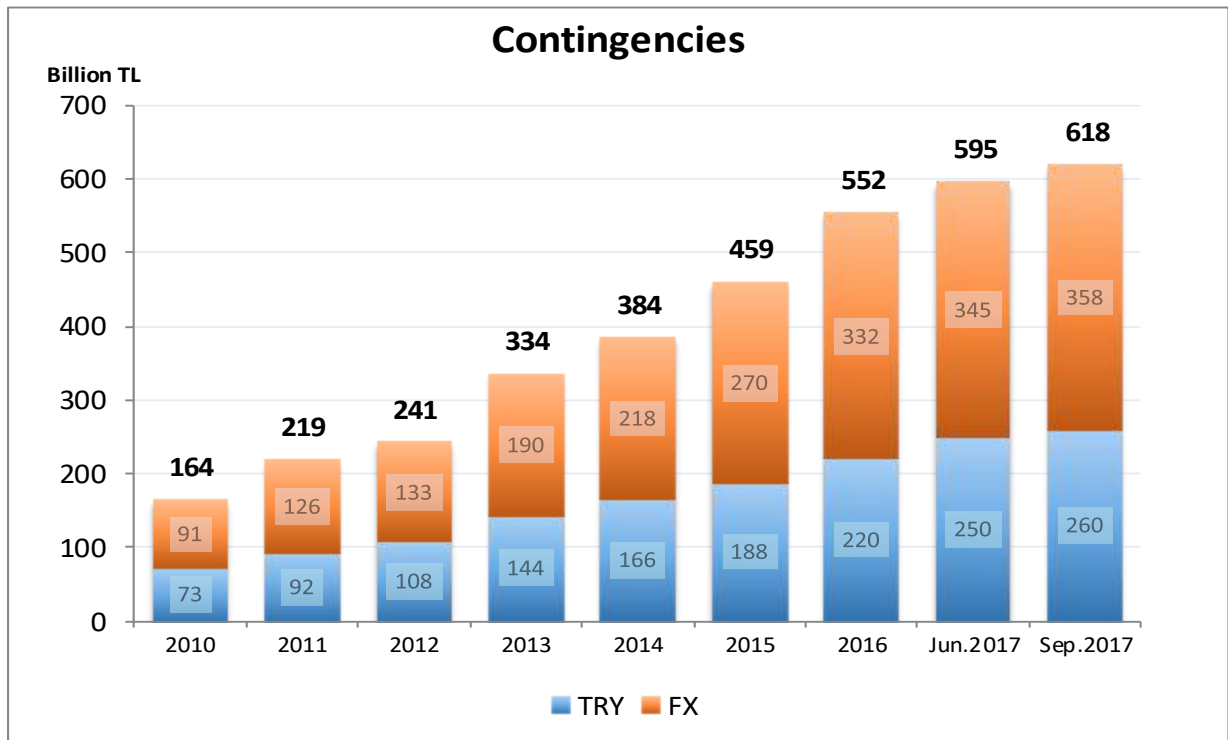


The share of loans, securities and required reserves in total assets realized as 65%, 13% and 7%, respectively.

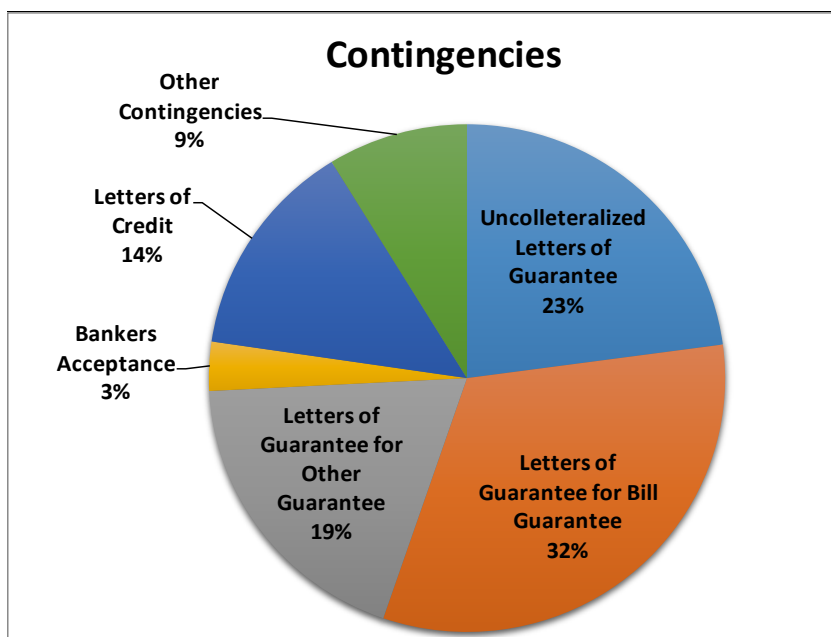
While deposit has the biggest share by 54% in total liabilities, share of payables to banks is 19% and funds from repo is 3%.

The share of equities in total liabilities is 11%.

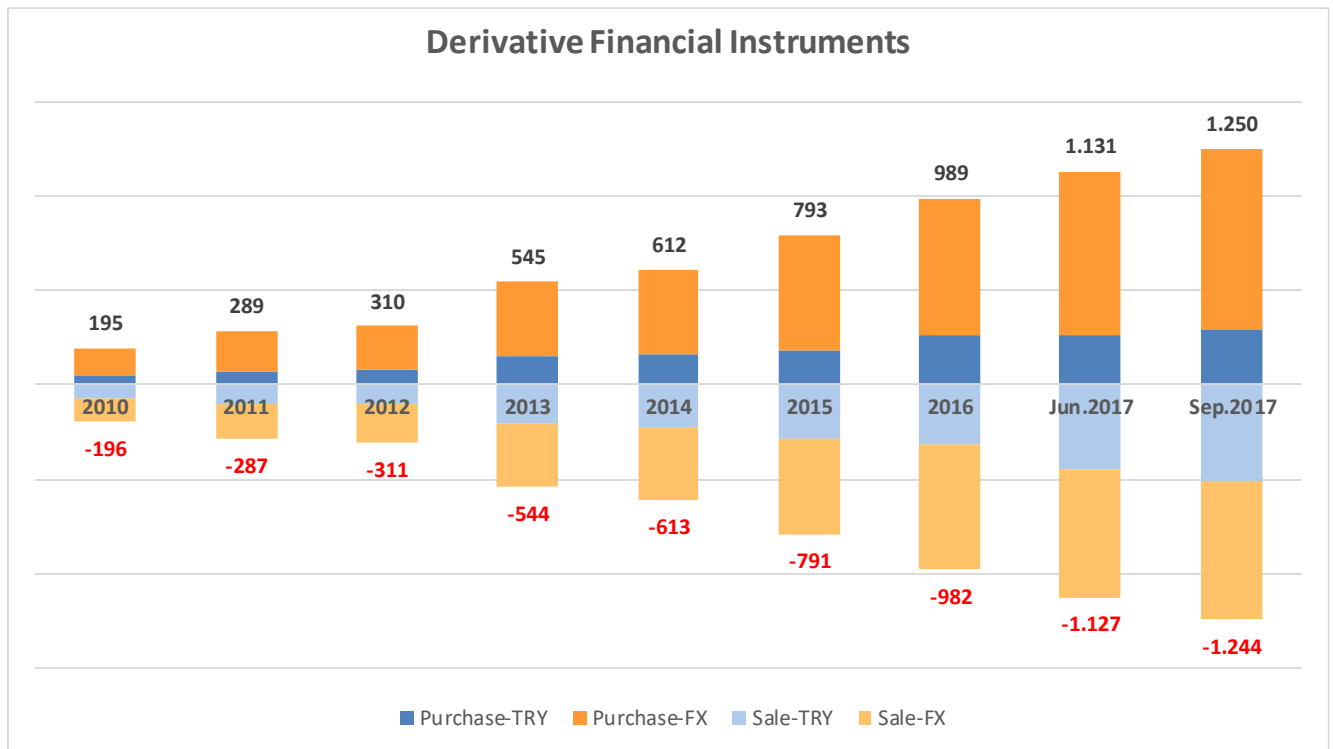
Off-Balance Sheet Figures



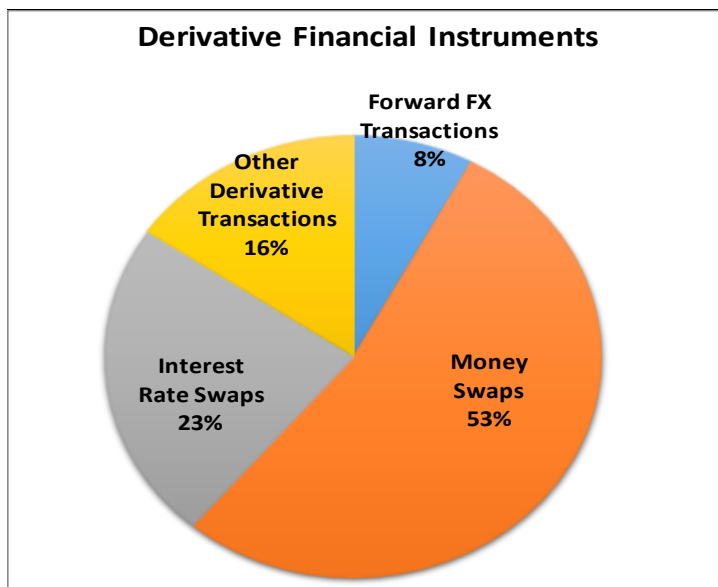
As of September 2017, size of contingencies realized as TL 618 billion.



As letters of guarantee is the biggest share in contingencies, share of letters of credit is 14%.

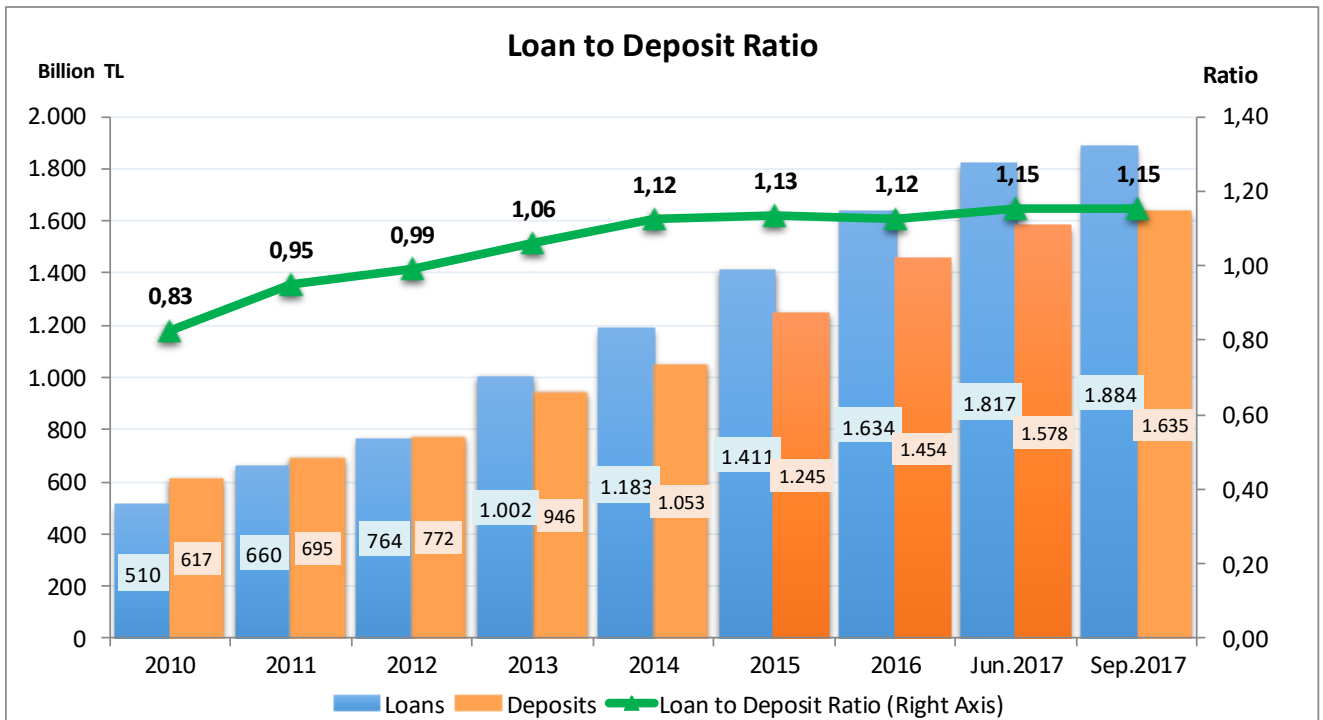


As of September 2017, derivative purchase amount realized as TL 1.250 billion and derivative sales amount realized as TL 1.244 billion.



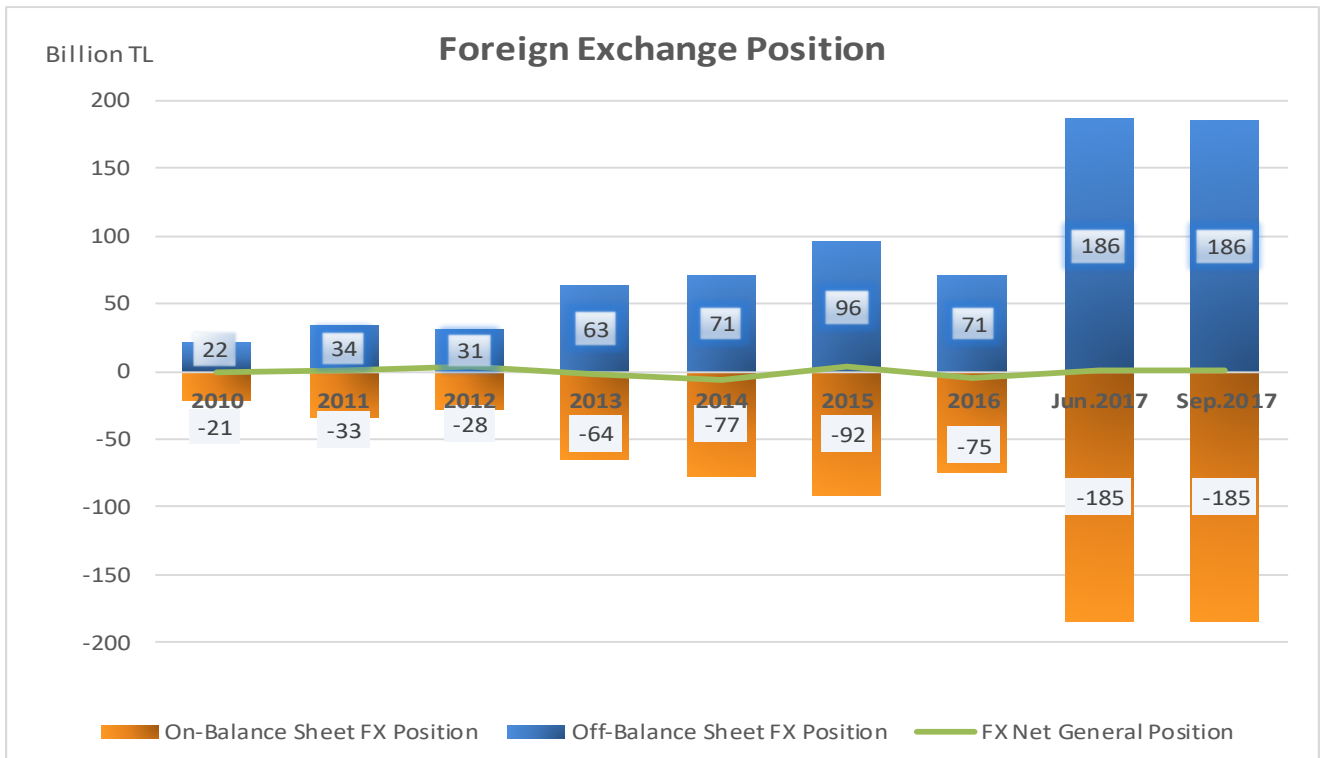
53% of derivative transactions in off-balance sheet items is from swap money transactions, 23% from swap interest rate and 8% is from forward exchange transactions.

Development of Main Figures



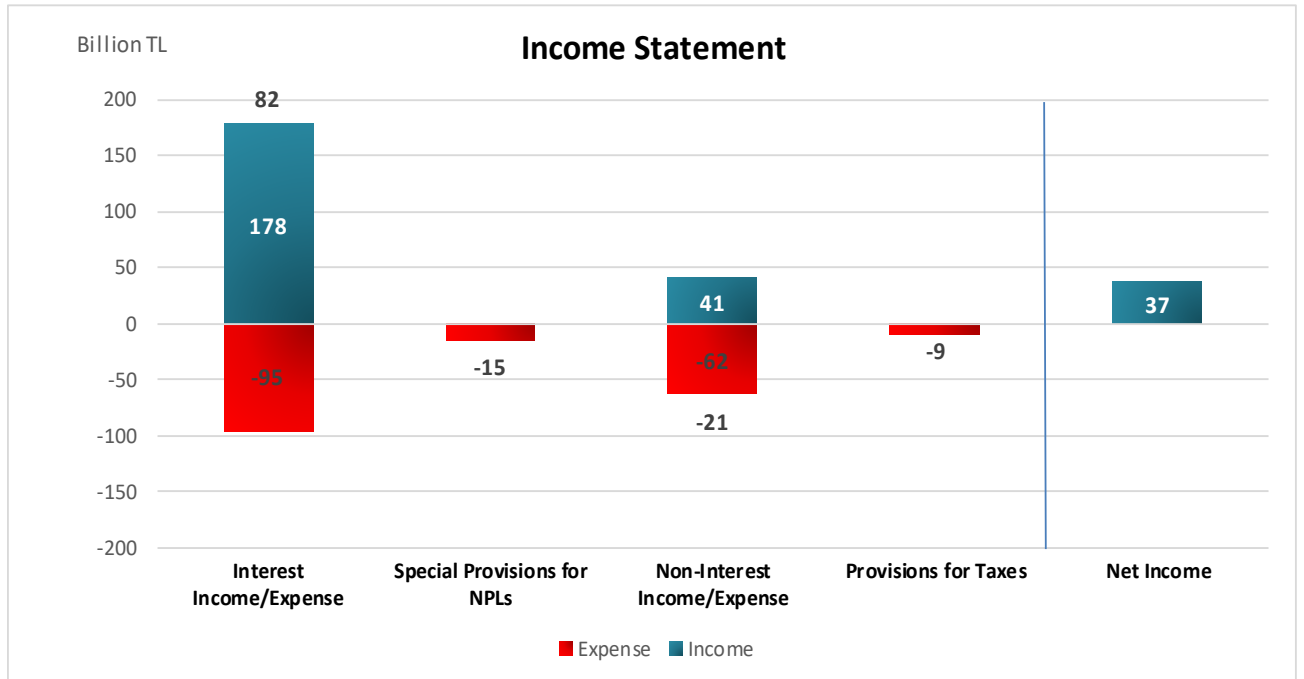
While loans in the third quarter of the year realized as TL 1.994 trillion, deposit realized as TL 1.635 trillion. Conversion ratio of deposit to loans is 1,15 as of September 2017.

* Investment banks' loans is not included to Total Loans.

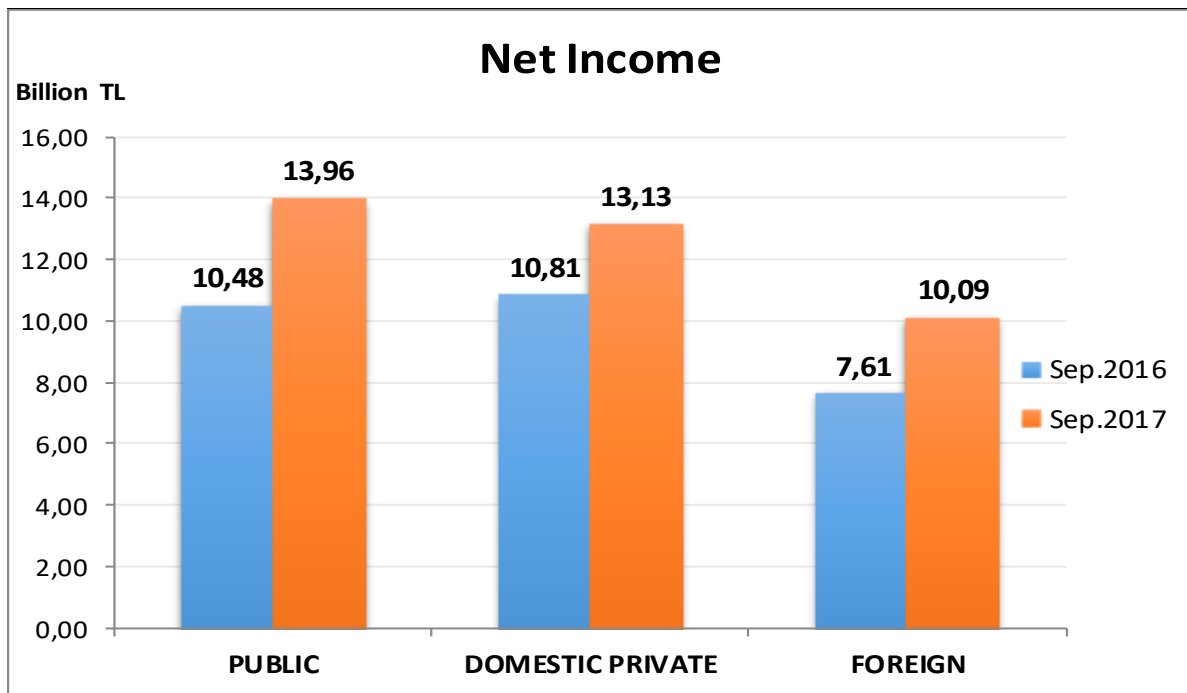


Off-balance sheet FX position has a surplus of TL 186 billion while on-balance sheet FX position has a deficit of TL 185 billion and FX Net General Position has a surplus of approximately TL 1 billion.

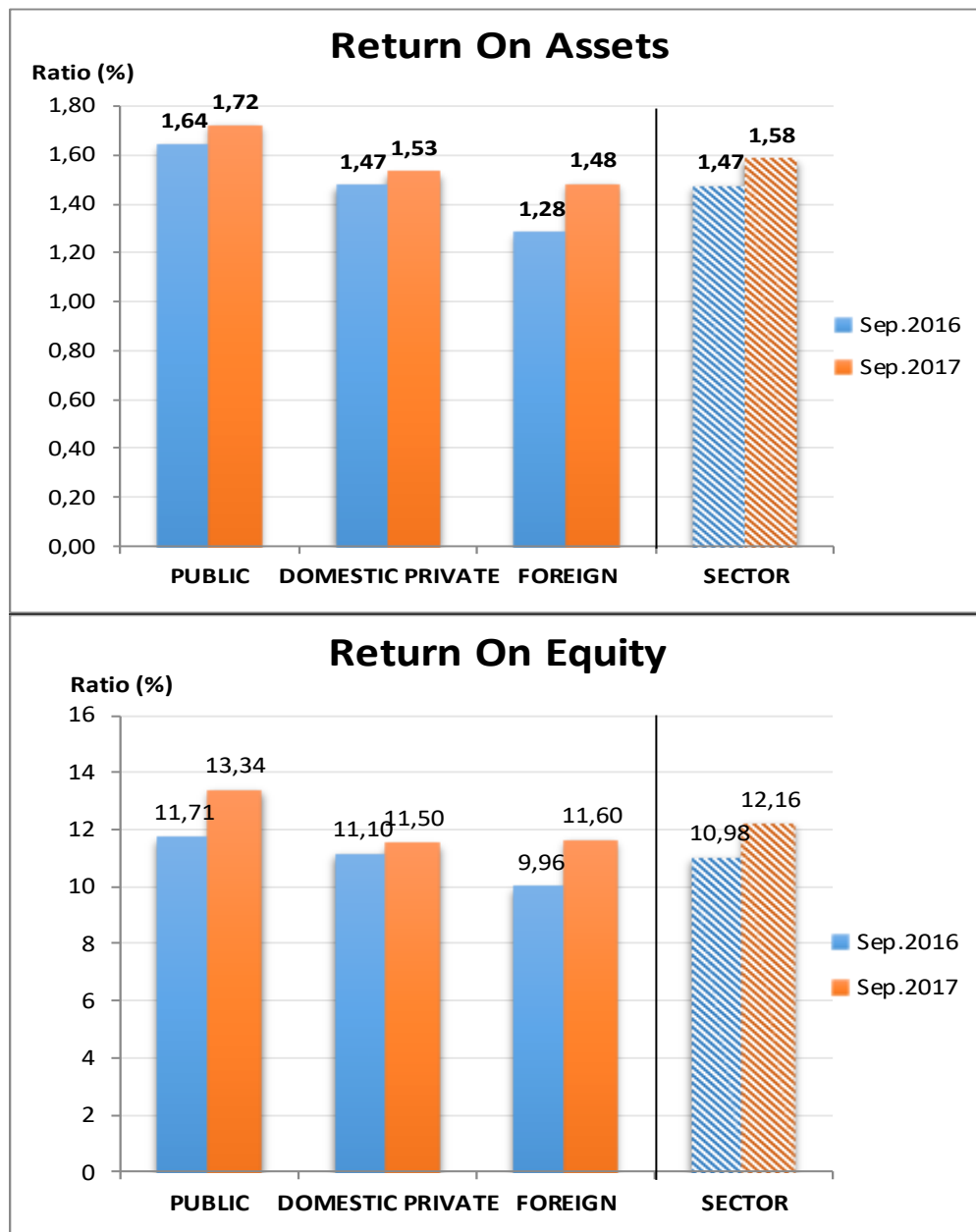
PROFITABILITY



In the income statement of banking sector, interest income realized as TL 178 billion and interest expense realized as TL 95 billion. As of September 2017, net income of Turkish Banking Sector is TL 37 billion.



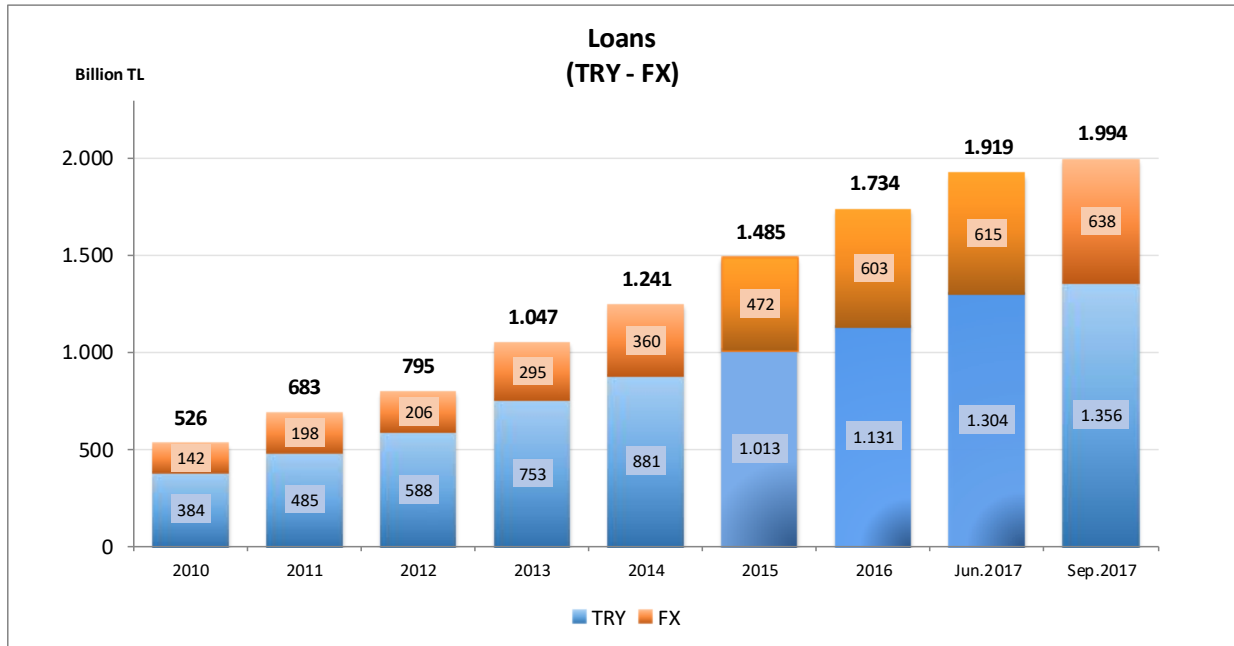
Net income of September 2017 period increased in public, domestic private and foreign bank groups when compared to the same period of 2016.



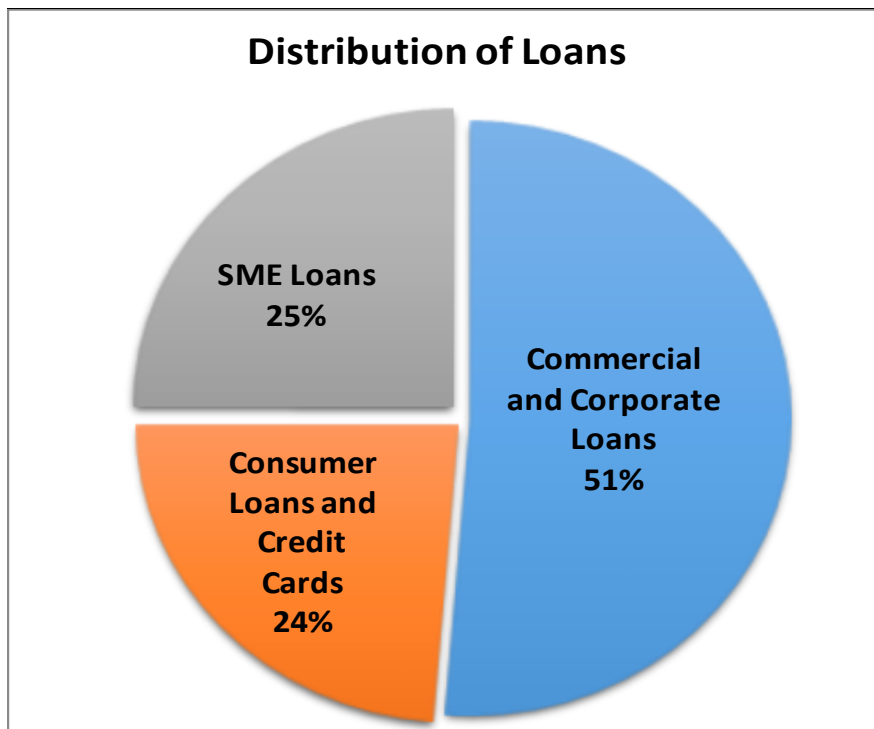
ROE of Turkish banking sector realized higher in public and domestic private and foreign banks group when compared to the same period of the previous year.

ROA of Turkish banking sector as of September 2017 realized higher as to the same period of the previous year.

LOANS

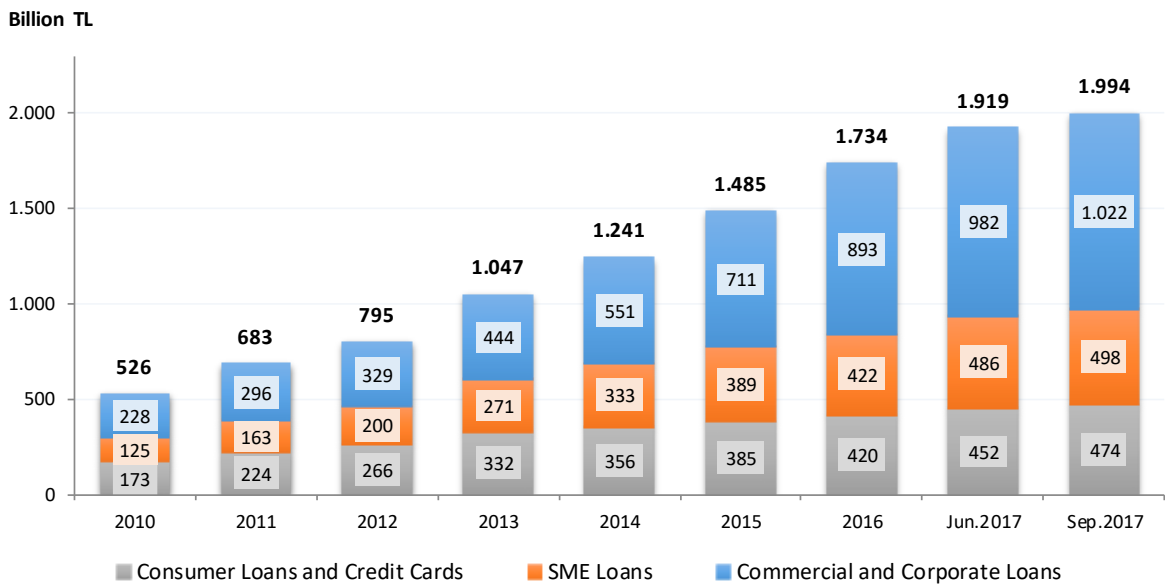


As of September 2017, total loans TL 1.994 billion and off which TL 1.356 billion is comprised of TL and TL 638 billion is comprised of FX loans.



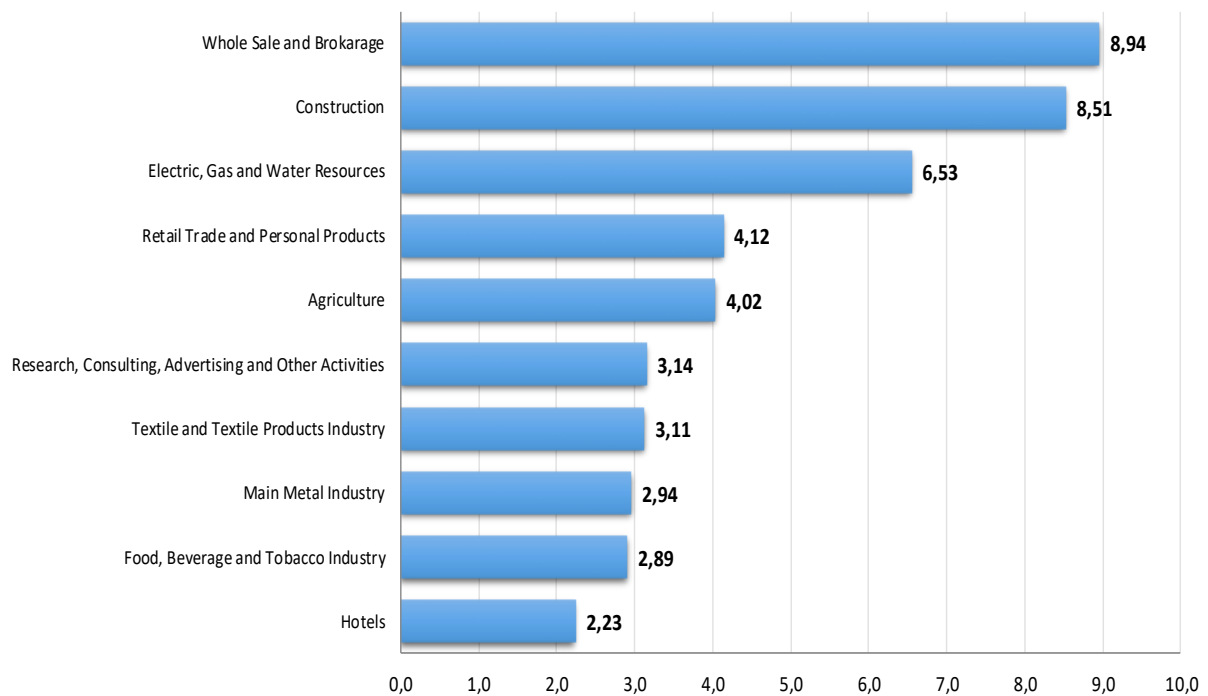
Share of commercial and corporate loans is 51%, share of SMEs loans is 25% and share of consumer loans (including credit cards) is 24% in total loans.

Development in Loans by Types

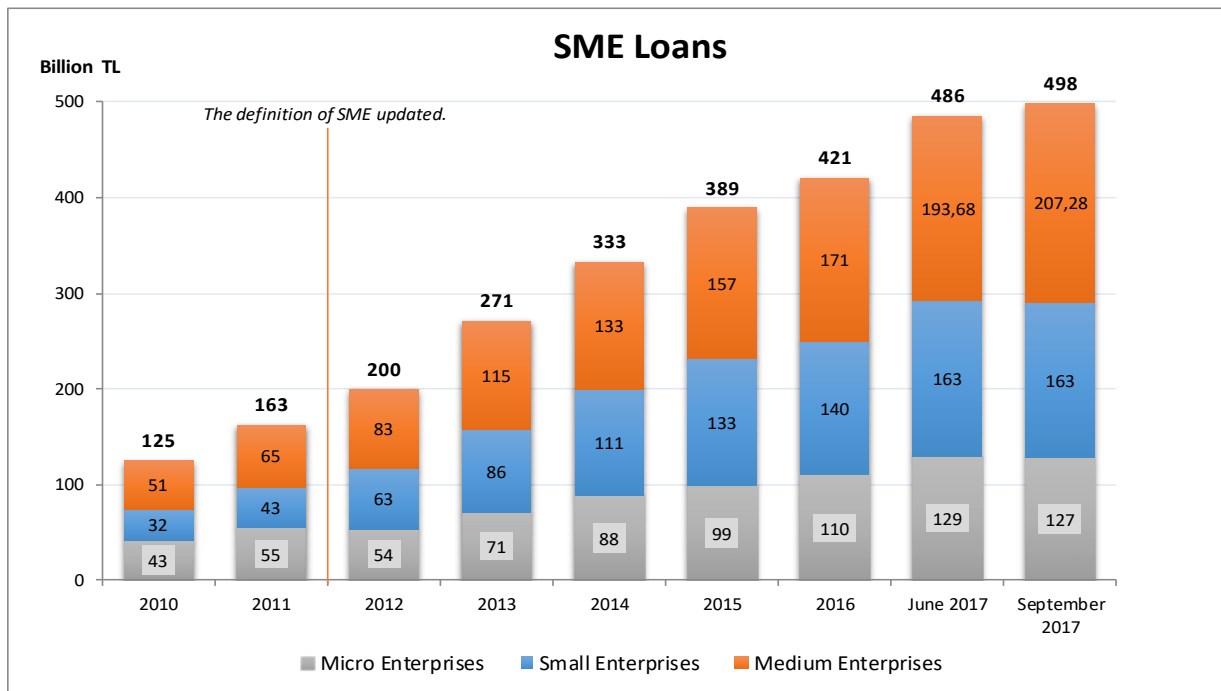


As of September 2017; commercial and corporate loans realized as TL 1.022 billion, SMEs loans as TL 498 billion while consumer loans and credit cards realized as TL 474 billion.

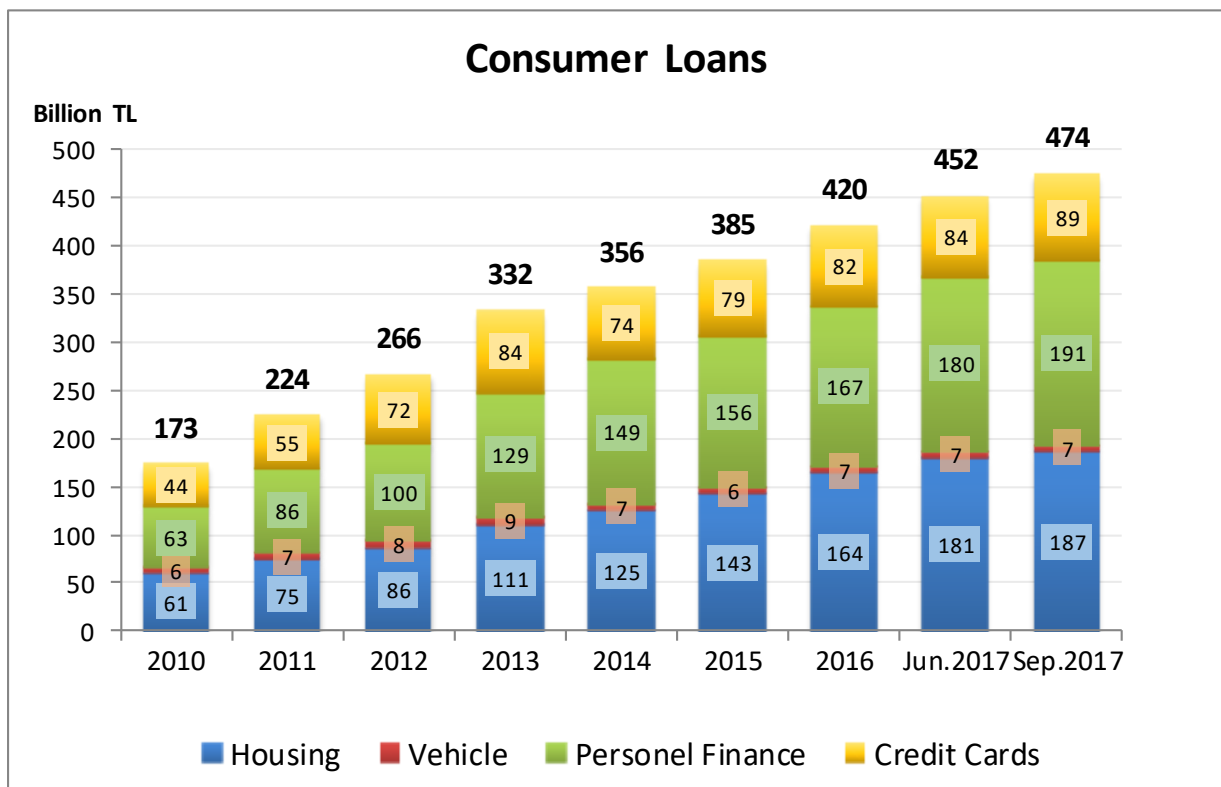
Selected Sector Loans to Total Loans



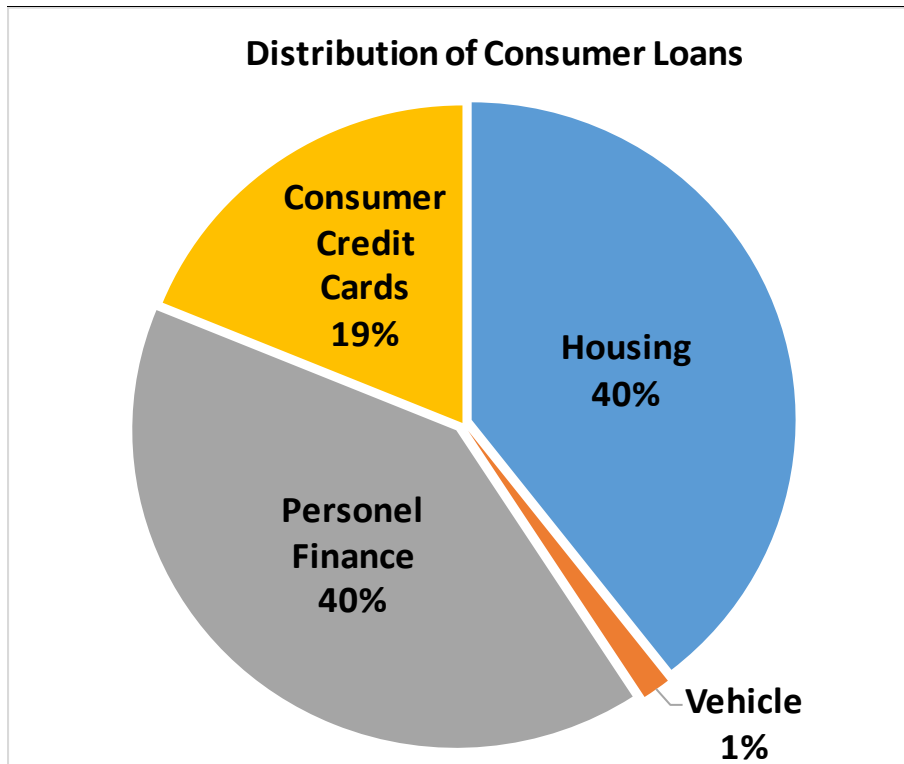
The share of wholesale trade and brokerage sector in total loans is 8,94% and share of construction sector is 8,51%.



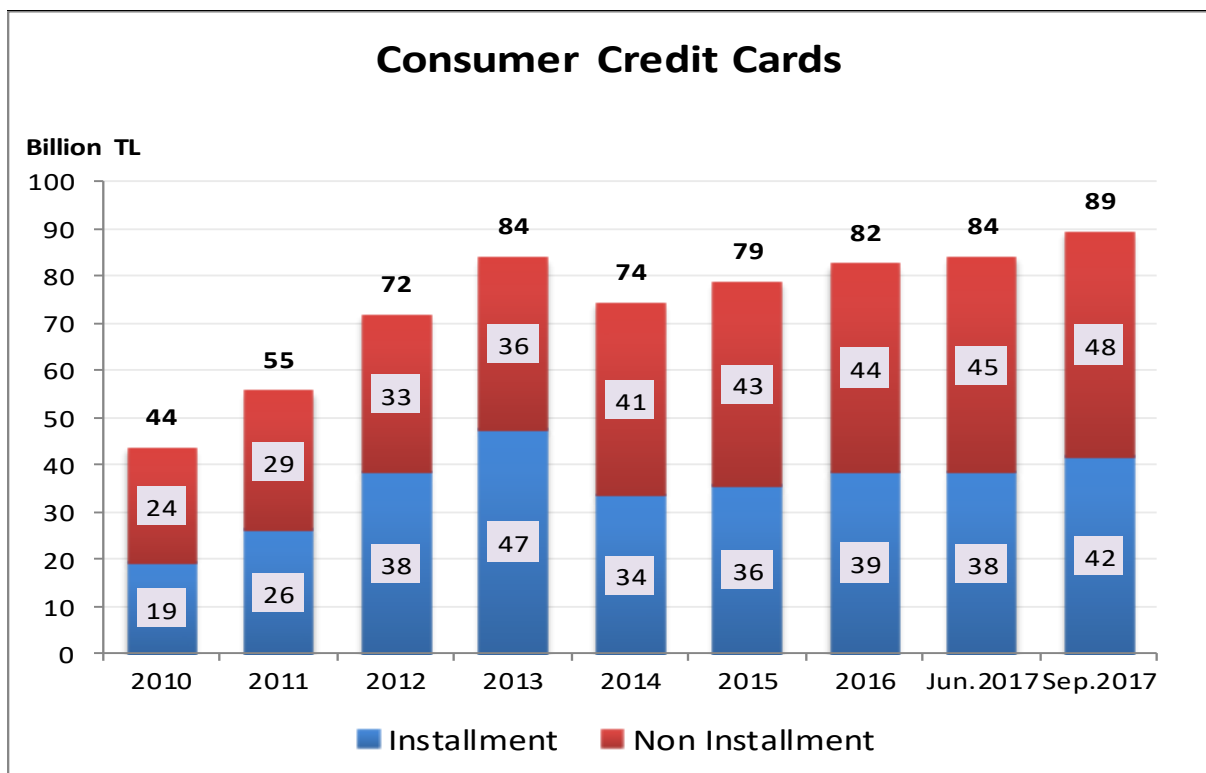
According to operating classes, SMEs loans increased when compared to the previous quarter.



In September 2017 period, consumer loans increased as to the previous quarter and realized as TL 474 billion. Housing loans, credit cards as well as personal finance loans realized as TL 187 billion, TL 89 billion and TL 191 billion, respectively.

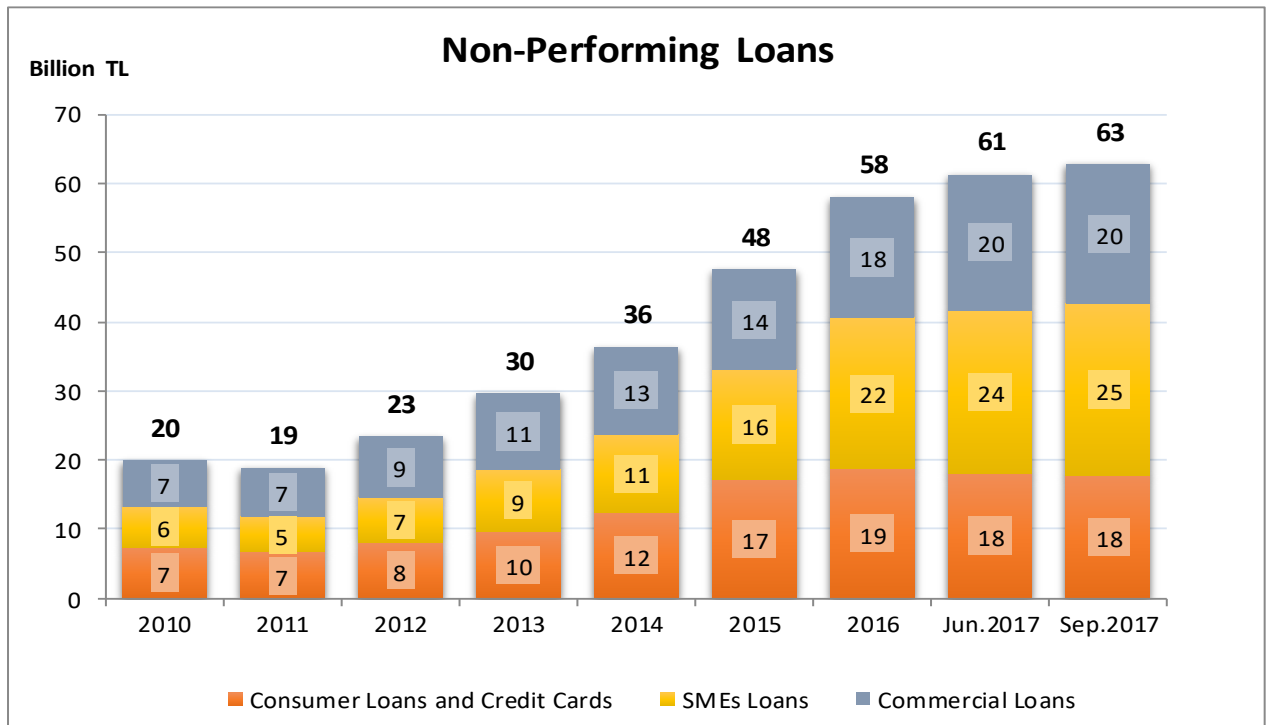


In consumer loans, the share of personal finance loans is 40%, housing loans 40% and share of credit cards is 19%.

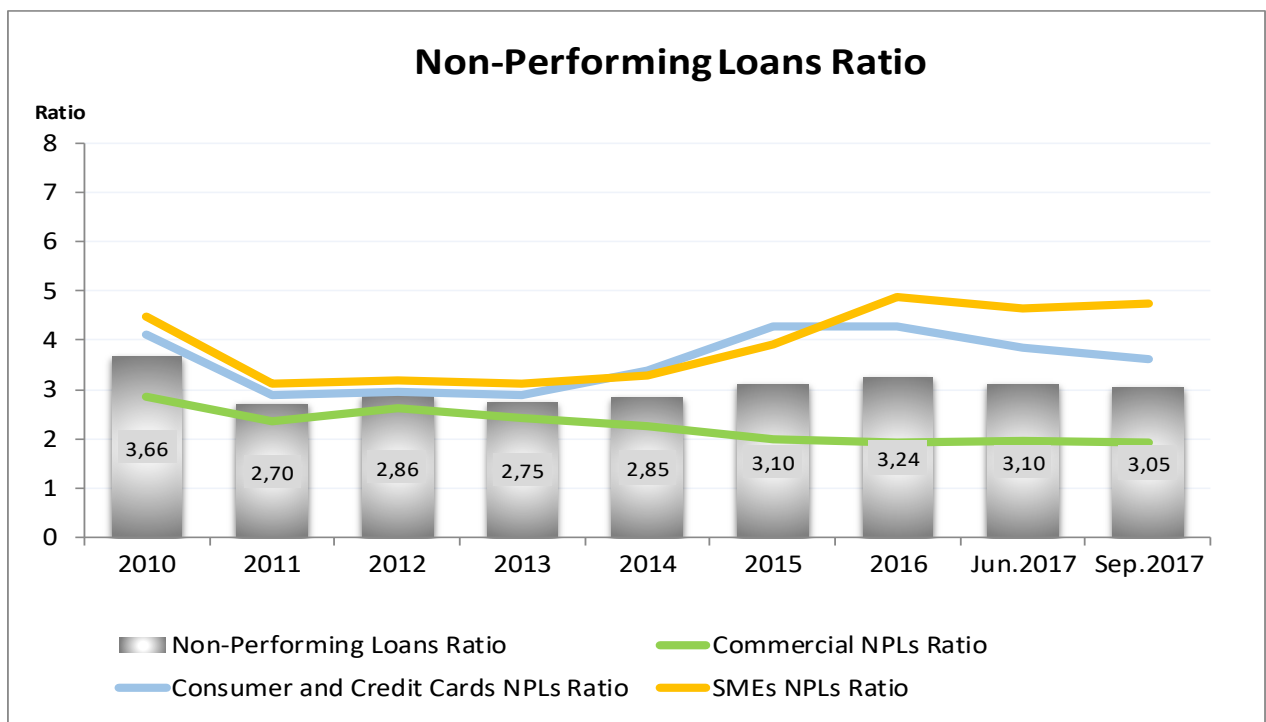


Personal credit cards amount increased when compared to the previous period and realized as TL 89 billion in September 2017.

Non-performing Loans

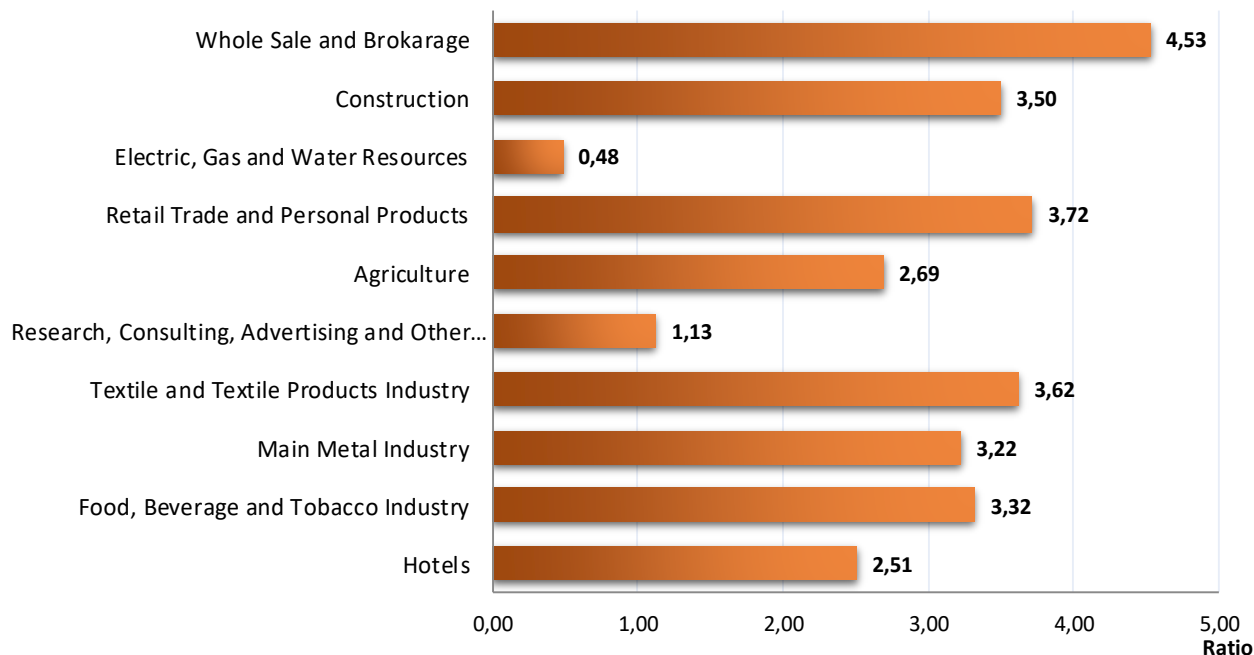


As of September 2017, gross amount of NPLs is TL 63 billion.



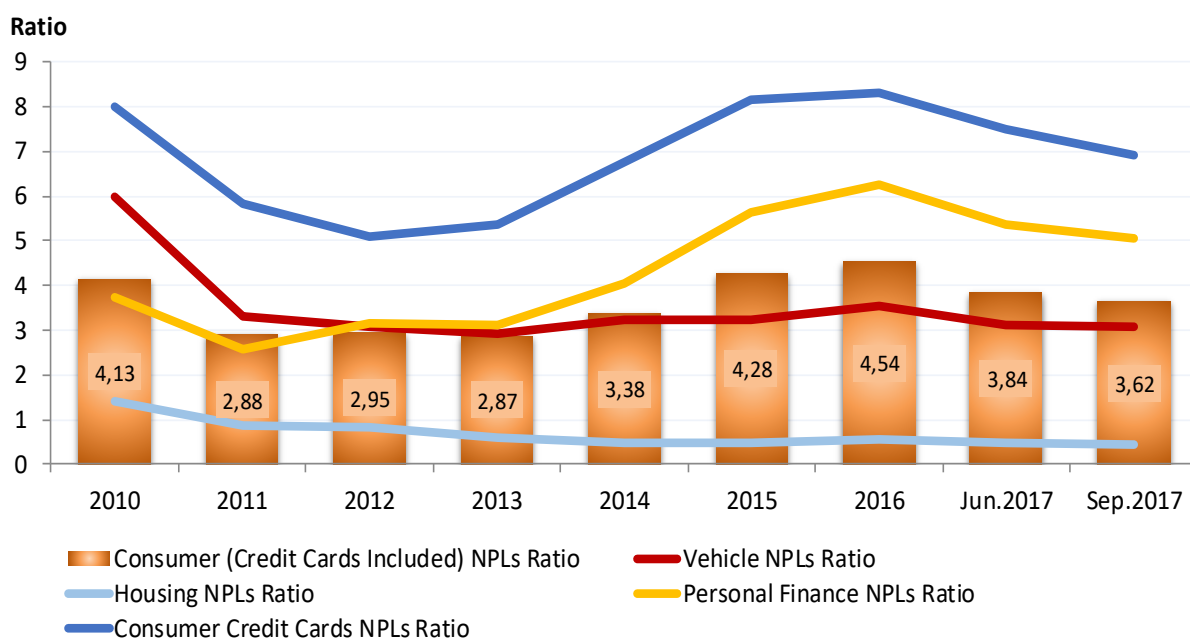
NPLs to loans in banking sector realized as 3,05% in September 2017.

Selected Sectors NPLs Ratios



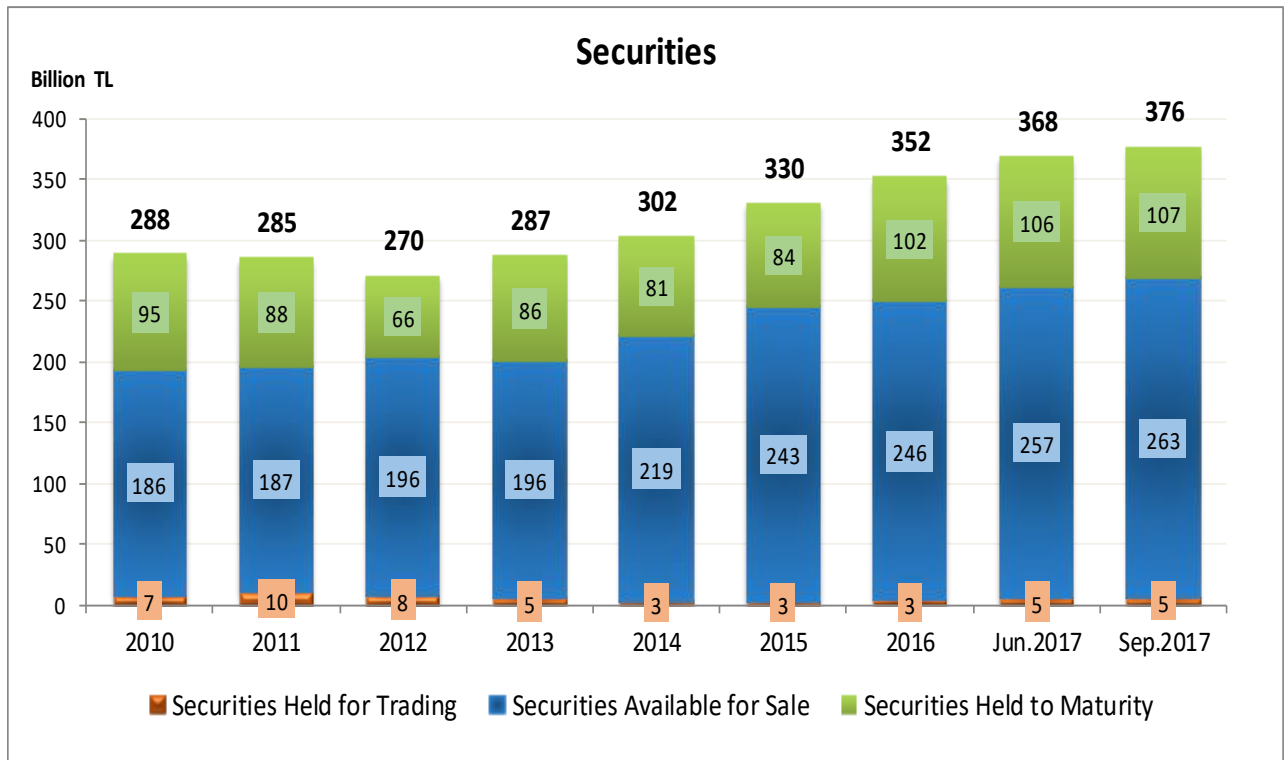
NPLs to loans in sectoral loans realized as 4,53% in wholesale trade and brokerage, 3,50% in construction sector and 2,69% in agricultural sector.

Consumer NPLs Ratios

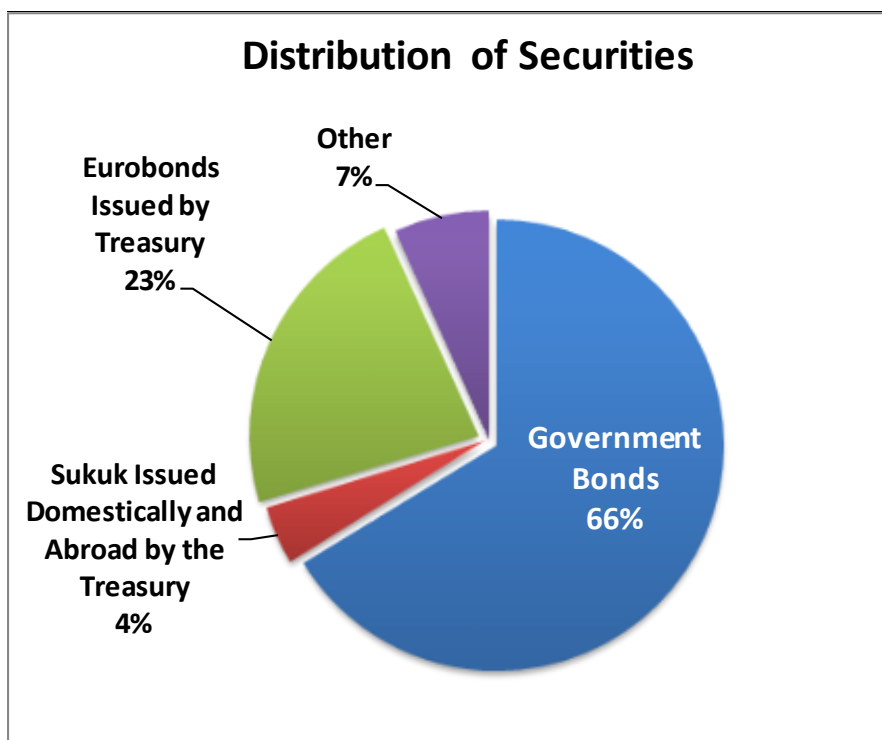


NPLs to loans of consumer loans (including personal credit cards) realized as 3,62% in September 2017 period.

Securities

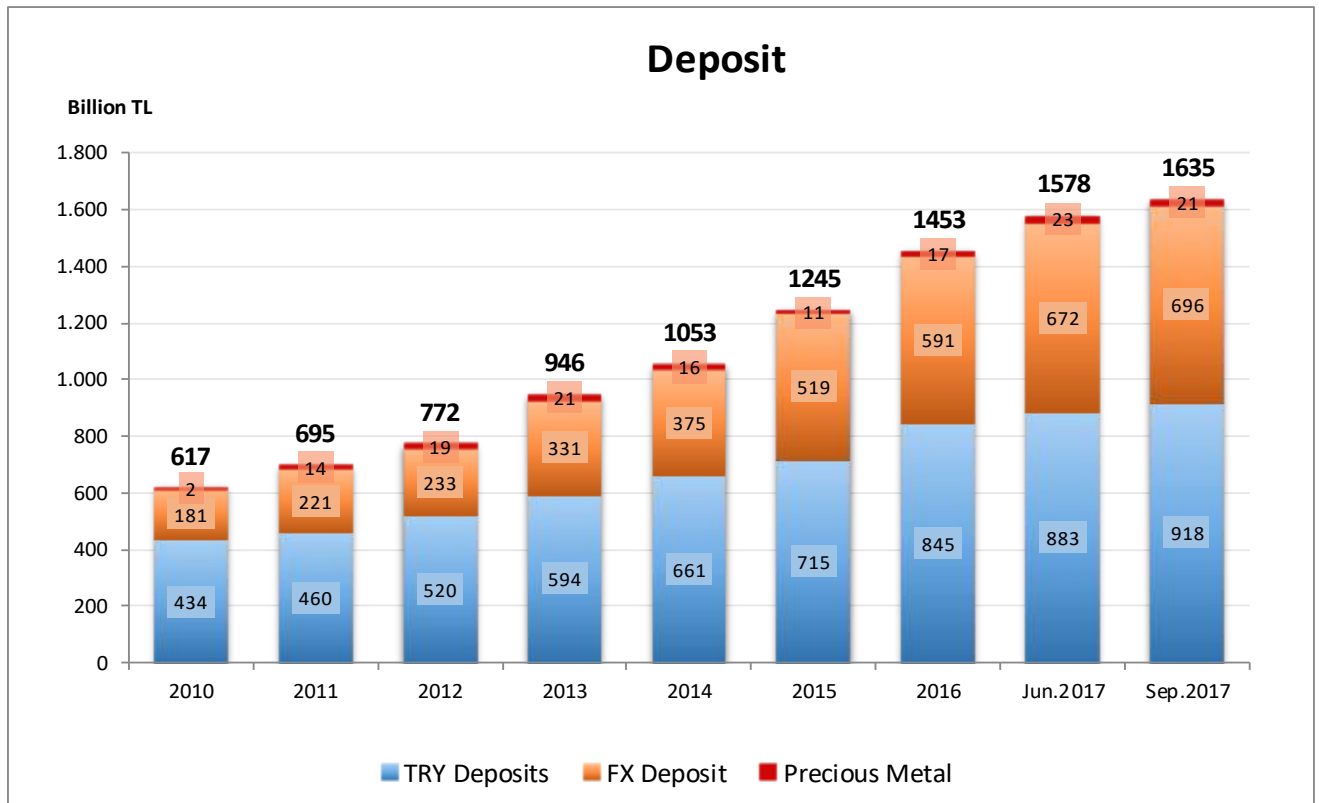


Total securities increased when compared to the previous quarter and realized as TL 376 billion.

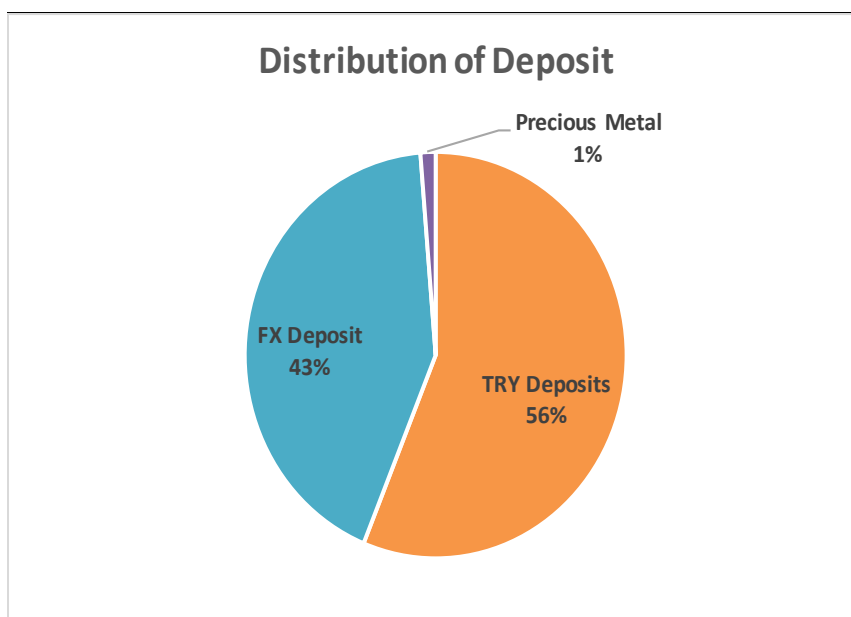


65% of securities comprised of Government bonds, 24% are Eurobond issued by Treasury and 4% are comprised of sukuk.

Deposit

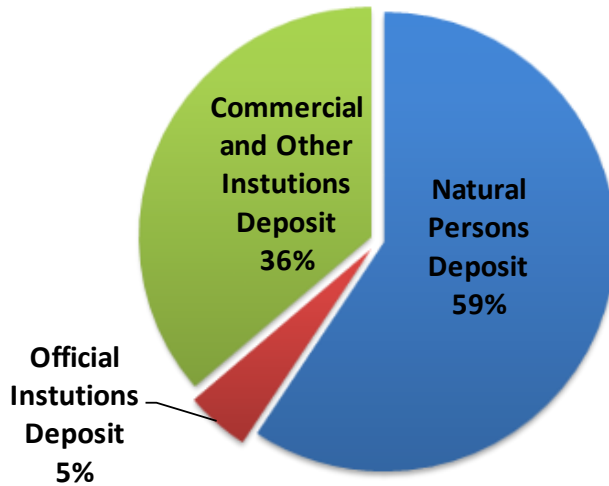


TL 918 billion of total deposits is comprised of TL Deposit /Participation Funds, TL 696 billion comprised of FX Deposit Account/Participation Funds and TL 21 billion is comprised of precious metals accounts.



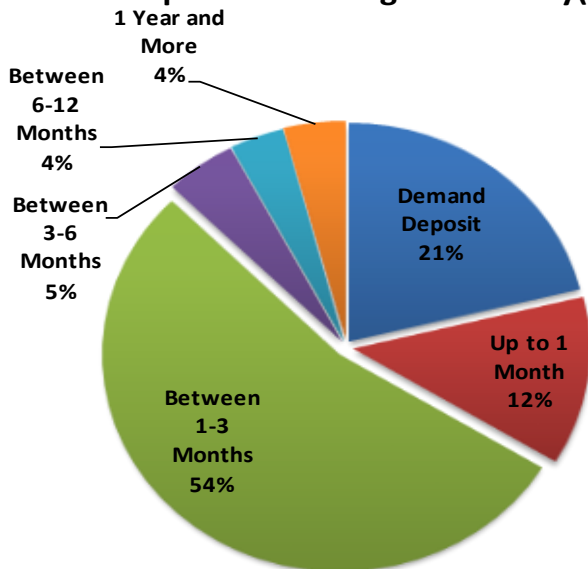
56% of total Deposit is TRY Deposit/Participation funds, 43% of FX Deposit/Participation funds and 1% of Precious Metal.

Deposit According to Types



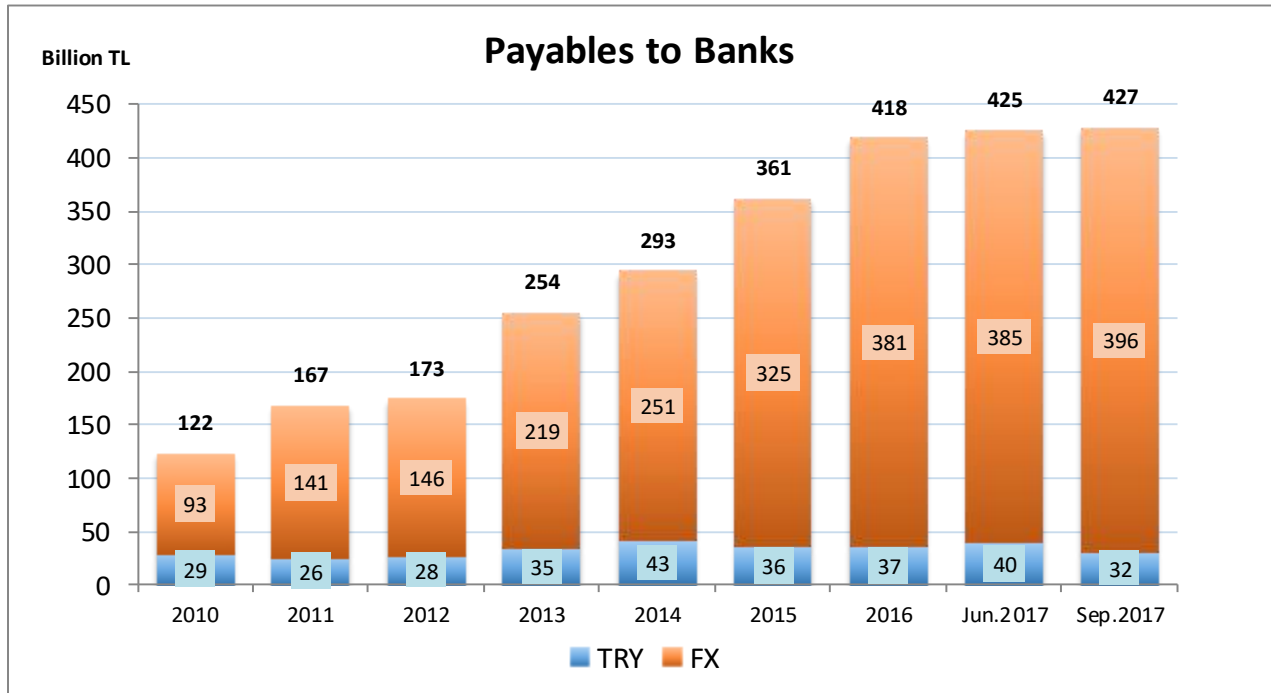
While 59% of deposits is comprised of natural person deposits, the share of commercial and other institutions' deposit is 36% and share of official institutions' deposit is 5%.

Deposit According to Maturity(%)

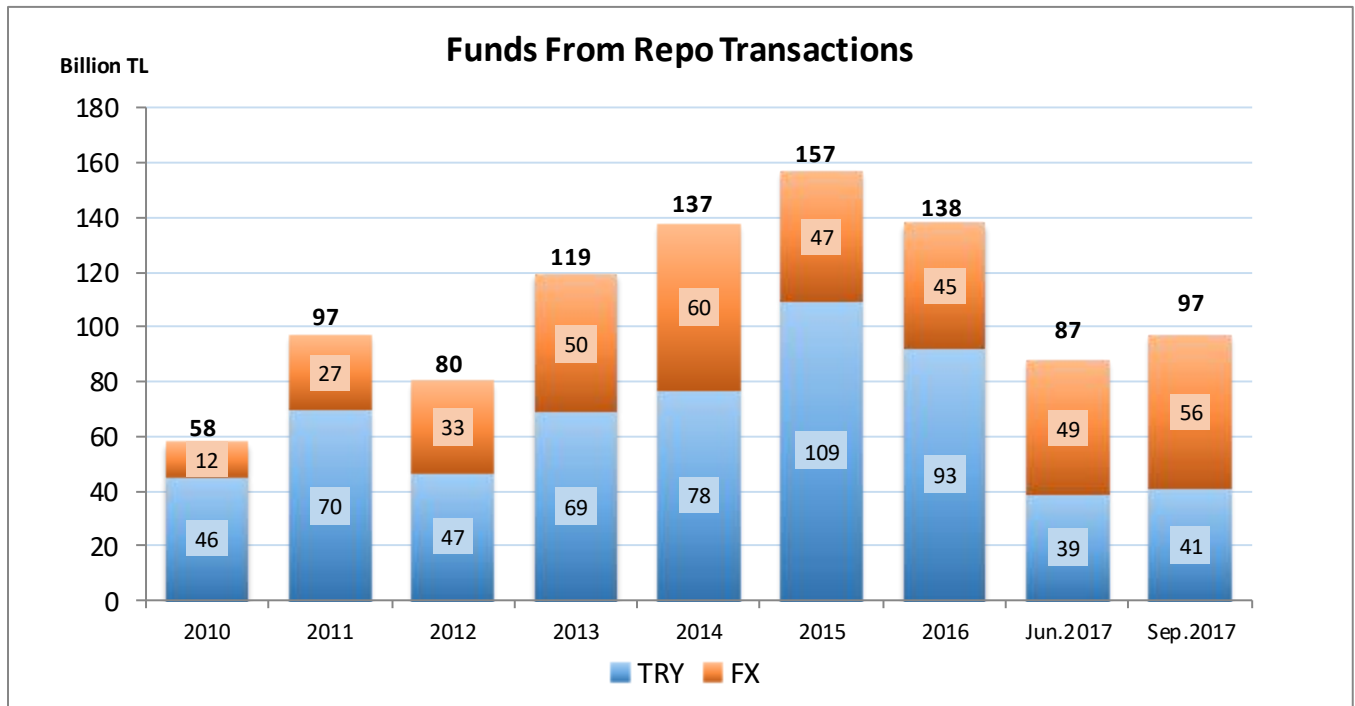


The share of demand deposit in total deposit is 21% and off time deposits by their opening maturity, 18% is up to 1 month and 53% is between 1-3 months.

Payables to Banks and Repo Transactions

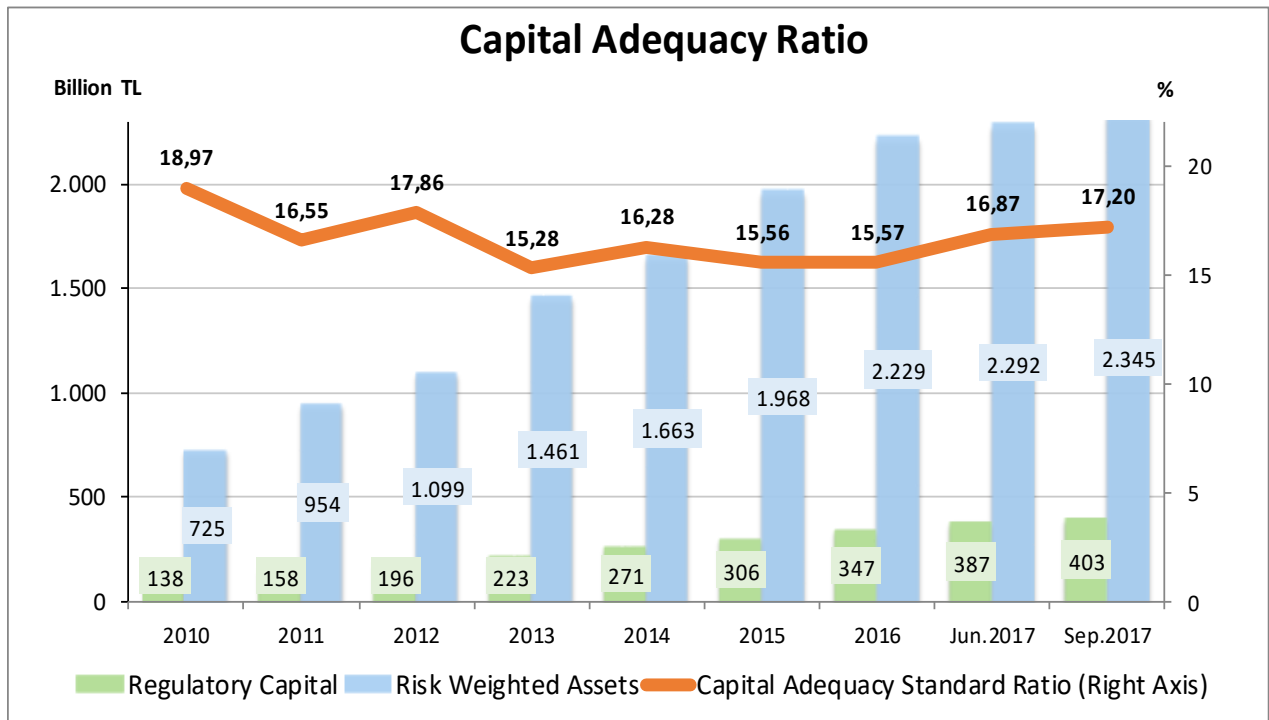


Payables to banks amount to a total of TL 427 billion as TL 32 billion Turkish Lira and TL 396 billion FX.

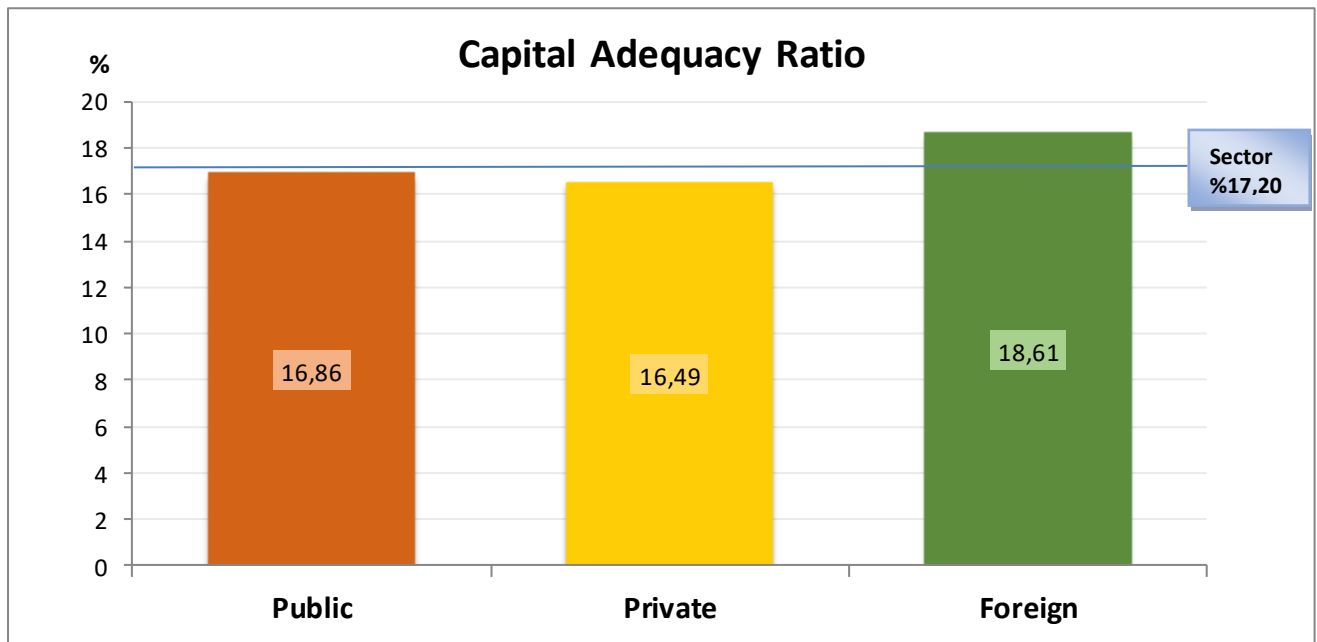


Fund amount from Repo transactions increased when compared to the previous quarter and realized as TL 97 billion in September 2017.

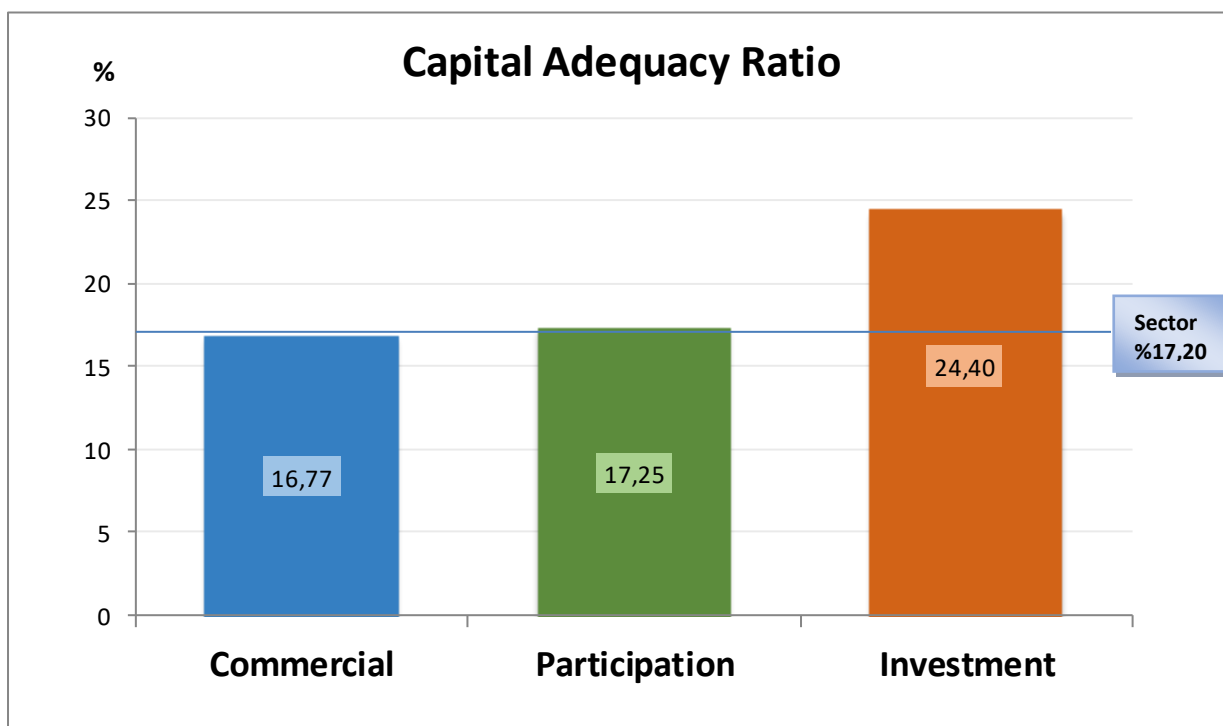
Capital Adequacy



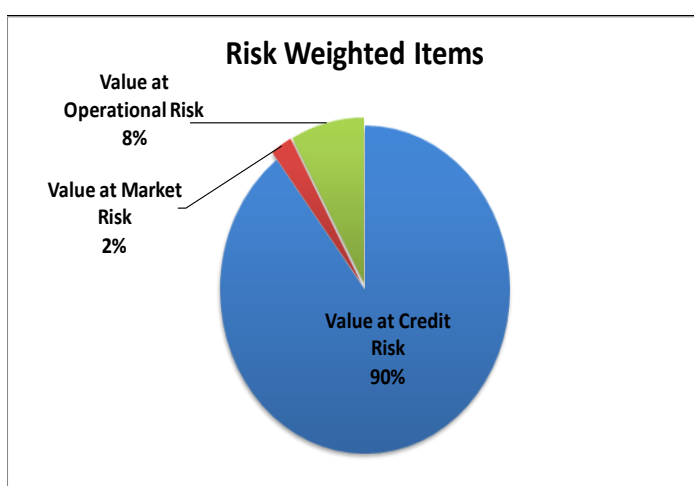
Capital adequacy ratio of Turkish Banking Sector realized as 17.20% in September 2017.



By bank ownership groups, capital adequacy of foreign banks is 18,61% and it is above the sector average by 17,20%.



By function groups, capital adequacy ratio realized as 16,77%, 17,25% and 24,40% for deposit banks, participation banks as well as development and investment banks, respectively.



In capital adequacy calculation, 90% of risk-weighted assets is comprised of amount subject to credit risk, 8% comprised of amount subject to operational risk and 3% comprised of amount subject to market risk.

EXPLANATIONS

- In Turkish Banking Sector Main Financial Data publication prepared by the Banking Regulation and Supervision Agency (BRSA), statistical information on selected financial statements of banks are prepared by using non-consolidated temporary financial statements.
- Gross Domestic Product (GDP) is the data on current prices published by Turkish Statistical Institute.
- Resource of the information published is the periodical reports taken via Bank Reporting System and sent by banks on electronic media. Mentioned periodic information may change after its publication due to the updates made by various reasons.
- Monetary amounts published, unless stated otherwise, is “TL Billion” and there may be differences in some sub-groups arising from arithmetic sum and rounding.
- Detailed data by sector, bank groups and function groups can be accessed from Turkish Banking Sector Interactive Monthly Bulletin application.
- Data and explanations on the scope of data in Interactive Monthly Bulletin are also valid for the data included in this publication.

Department of Data and System Management

Banking Regulation and Supervision Agency

September 2017



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