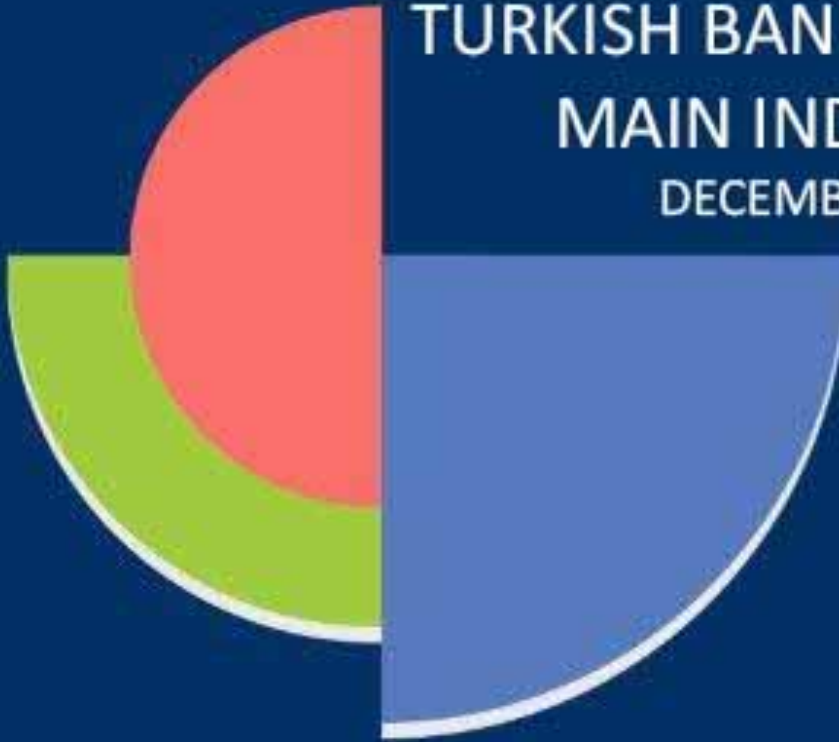




**BANKING  
REGULATION AND SUPERVISION  
AGENCY**

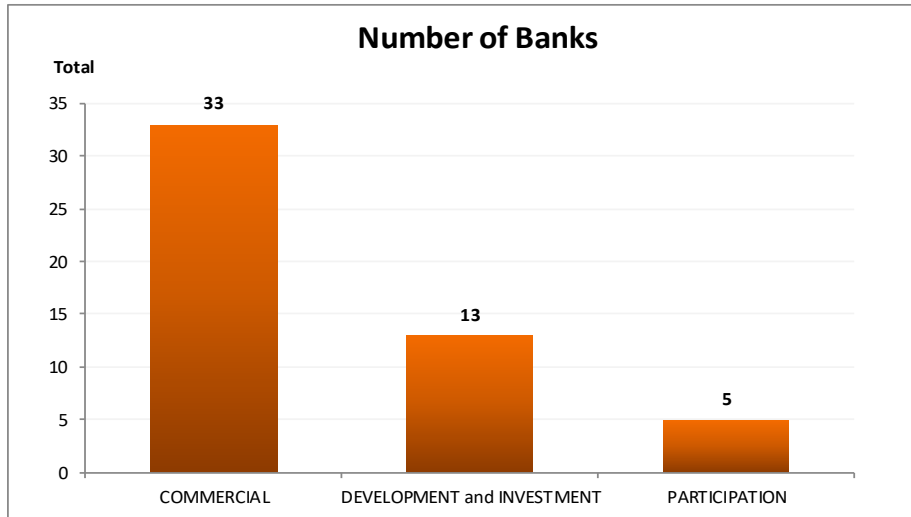


**TURKISH BANKING SECTOR  
MAIN INDICATORS  
DECEMBER 2017**

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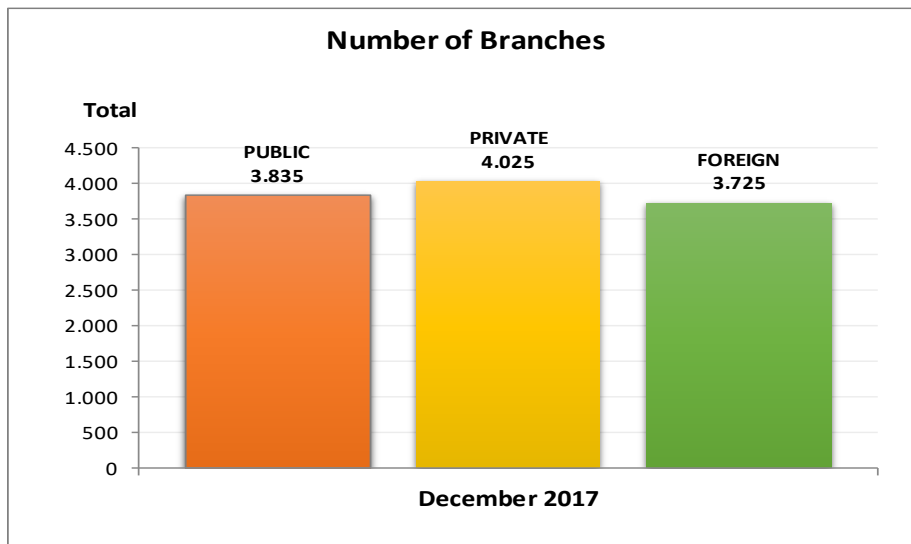
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# Number of Banks, Branches and Personnel

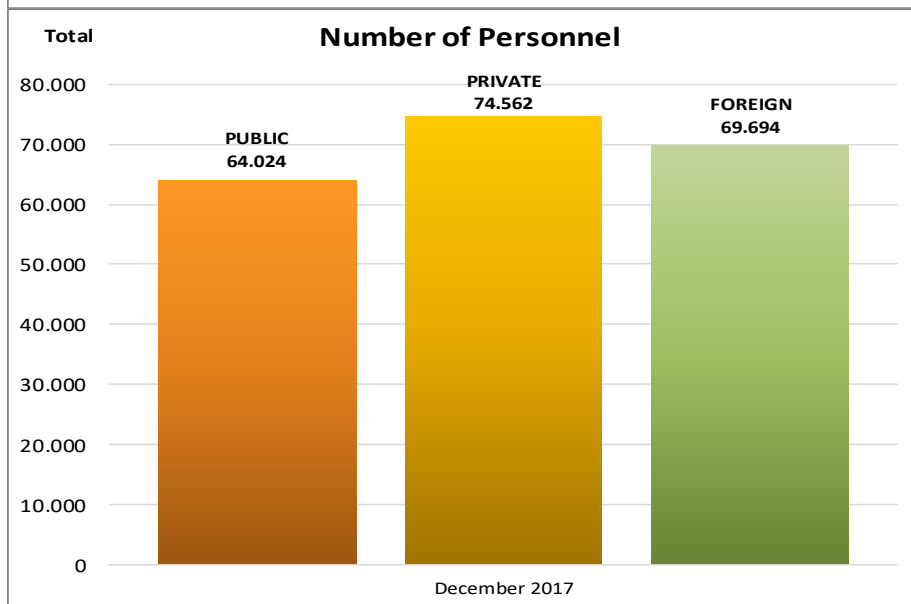


As of December 2017, there are 51 banks operating in Turkish Banking Sector as;

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



Number of branches and personnel in banking sector decreased by 78 and 1392, respectively when compared to the previous quarter (September 2017).



As of December 2017 period, number of branches realized as 11,585 while number of personnel realized as 208,280.

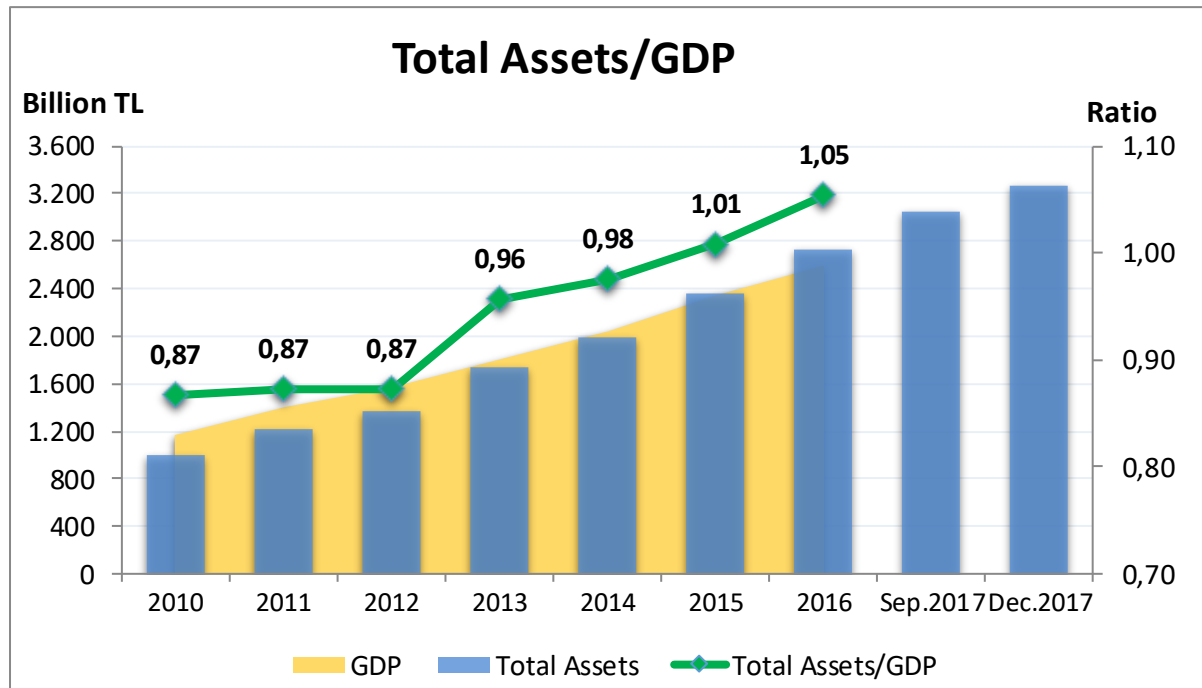
## Selected Balance Sheet Items

ASSETS	Total	Changes (%)	
	(Billion TL)	Previous Quarter	Previous End of Year
CASH and CASH-LIKE ITEMS*	262	20,9	17,6
REQUIRED RESERVES	227	2,3	23,1
LOANS	2.098	5,2	21,0
NON-PERFORMING LOANS (GROSS)	64	1,9	10,0
SECURITIES	402	6,9	14,3
OTHER ASSETS	270	9,4	13,1
<b>TOTAL ASSETS</b>	<b>3.258</b>	<b>6,7</b>	<b>19,3</b>
<b>LIABILITIES</b>			
DEPOSITS	1.711	4,6	17,7
DUE TO BANKS	475	11,1	13,8
FUNDS FROM REPO TRANSACTIONS	99	1,9	-28,2
SECURITIES ISSUED	145	7,9	25,1
EQUITIES	359	4,1	19,6
OTHER LIABILITIES	468	13,1	53,3
<b>TOTAL LIABILITIES</b>	<b>3.258</b>	<b>6,7</b>	<b>19,3</b>
* Sum of Cash, Receivables from Central Bank, Money Market, and banks items			

Total assets of Turkish Banking Sector increased by 6,7% to TL 3.258 billion in December 2017 when compared to the previous year-end.

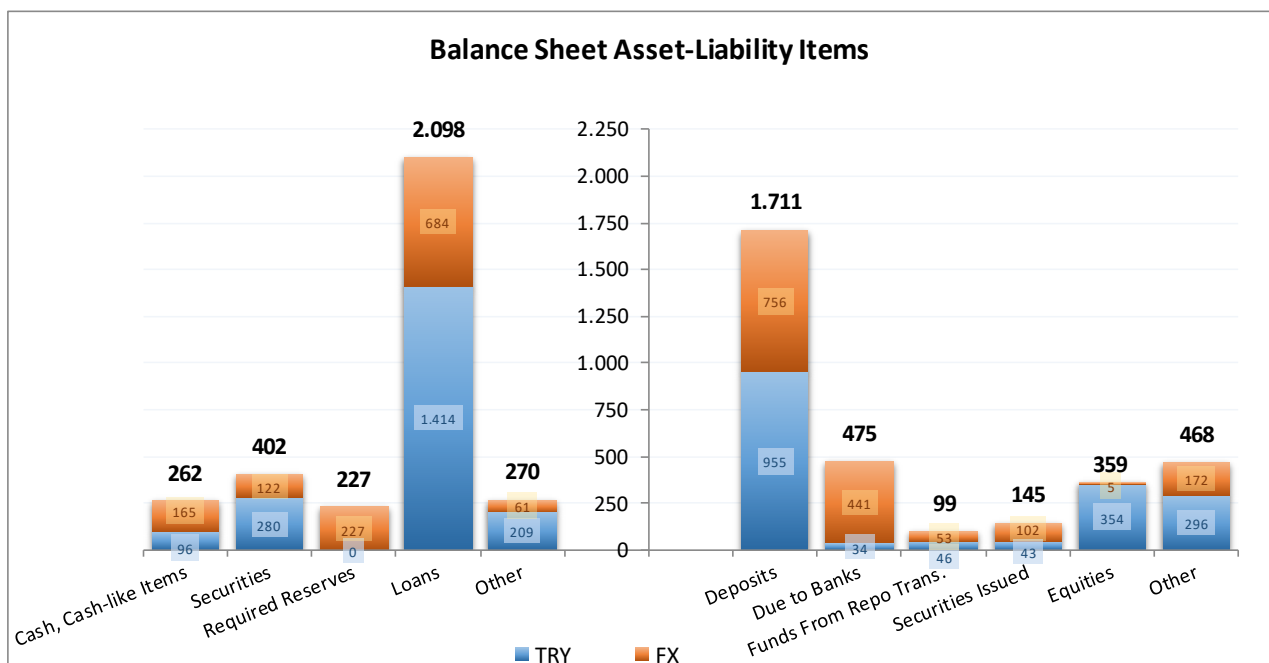
OFF-BALANCE SHEET ITEMS	Total	Changes (%)	
	(Billion TL)	Previous Quarter	Previous End of Year
Contingencies	658	6,4	19,2
Commitments	3.248	1,2	30,5
- Derivative Financial Instruments	2.542	1,9	29,0
- Other Commitments	705	-1,4	36,2

Of off-balance sheet items,  
 - Contingencies increased by 6,4%;  
 - Derivative financial assets increased by 1,9%  
 in December 2017 when compared to the previous year-end.



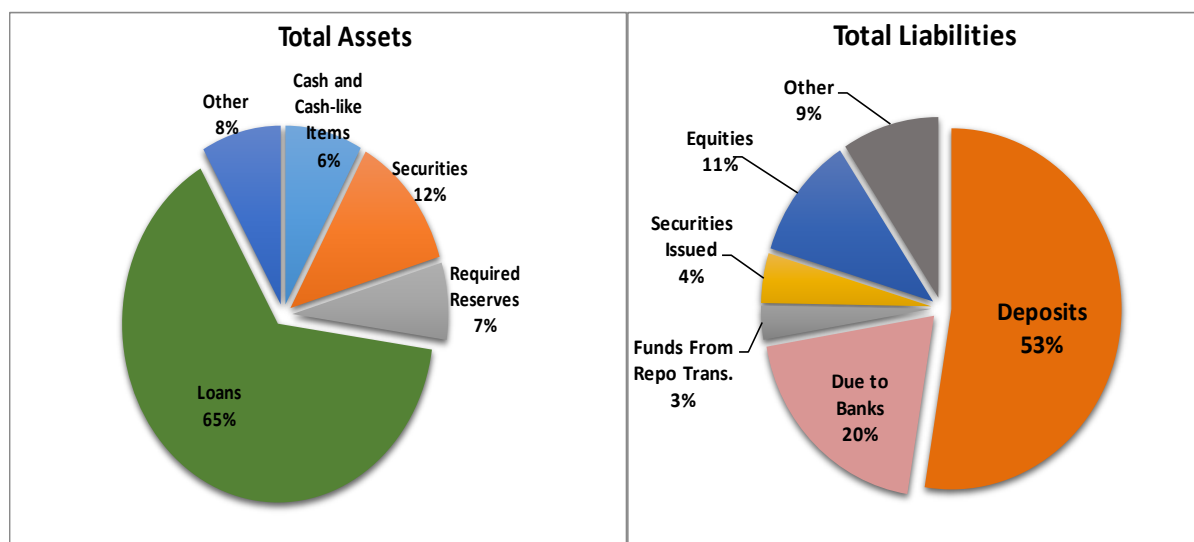
The ratio of asset size of Turkish Banking Sector to GDP realized as 1,05 as of end-2016.

## Selected Balance Sheet Figures



The ratio of FX assets in balance sheet to total assets realized as 39% while the ratio of total FX liabilities to total liabilities realized as 47%.

The share of FX loans in total loans is 33% while the ratio of FX deposit to total deposit is 44%.

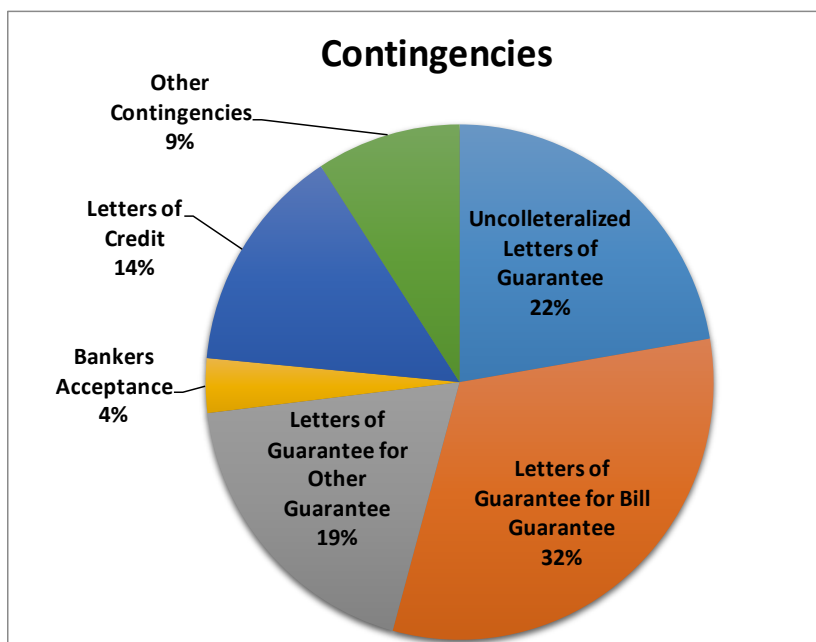
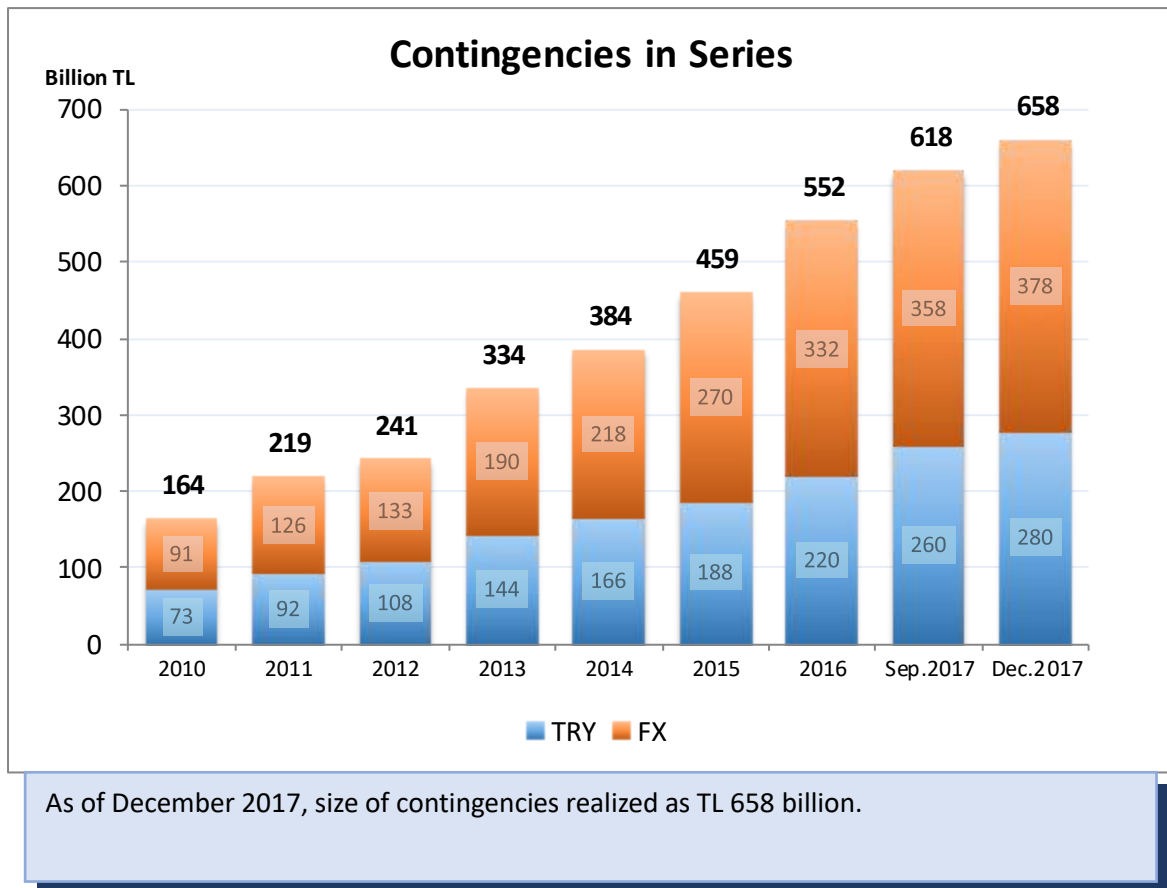


The share of loans, securities and required reserves in total assets realized as 65%, 12% and 7%, respectively.

While deposit has the biggest share by 53% in total liabilities, share of payables to banks is 20% and funds from repo is 3%.

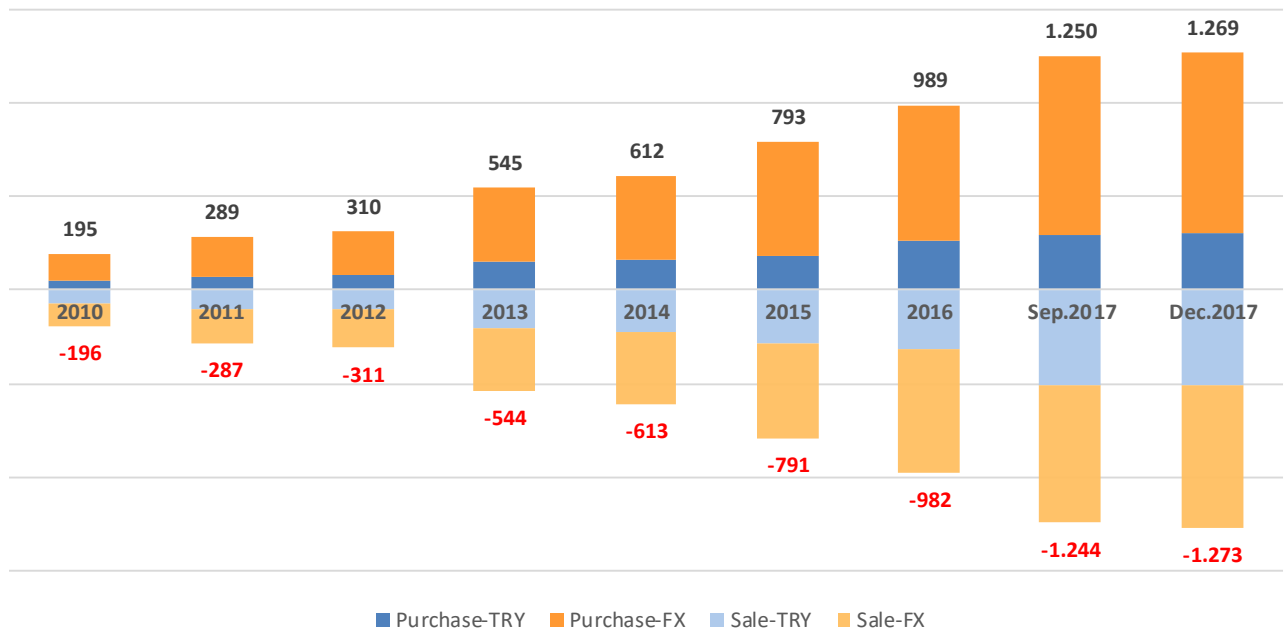
The share of equities in total liabilities is 11%.

## Off-Balance Sheet Figures



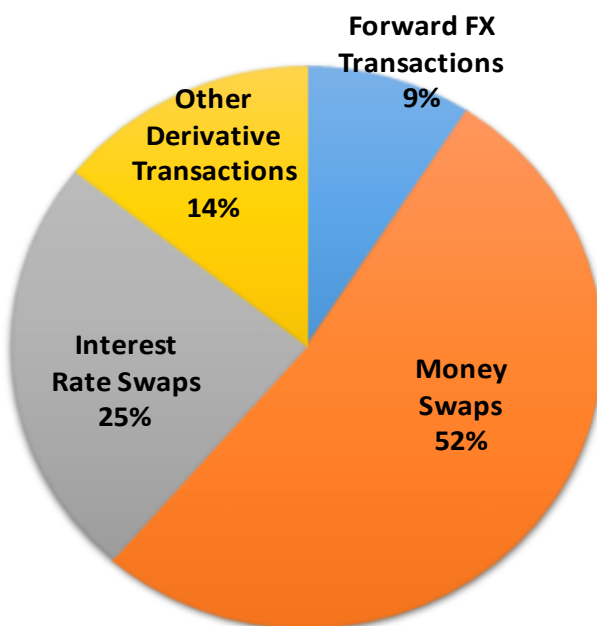
As letters of guarantee is the biggest share in contingencies, share of letters of credit is 14%.

## Derivative Financial Instruments



As of December 2017, derivative purchase amount realized as TL 1.269 billion and derivative sales amount realized as TL 1.273 billion.

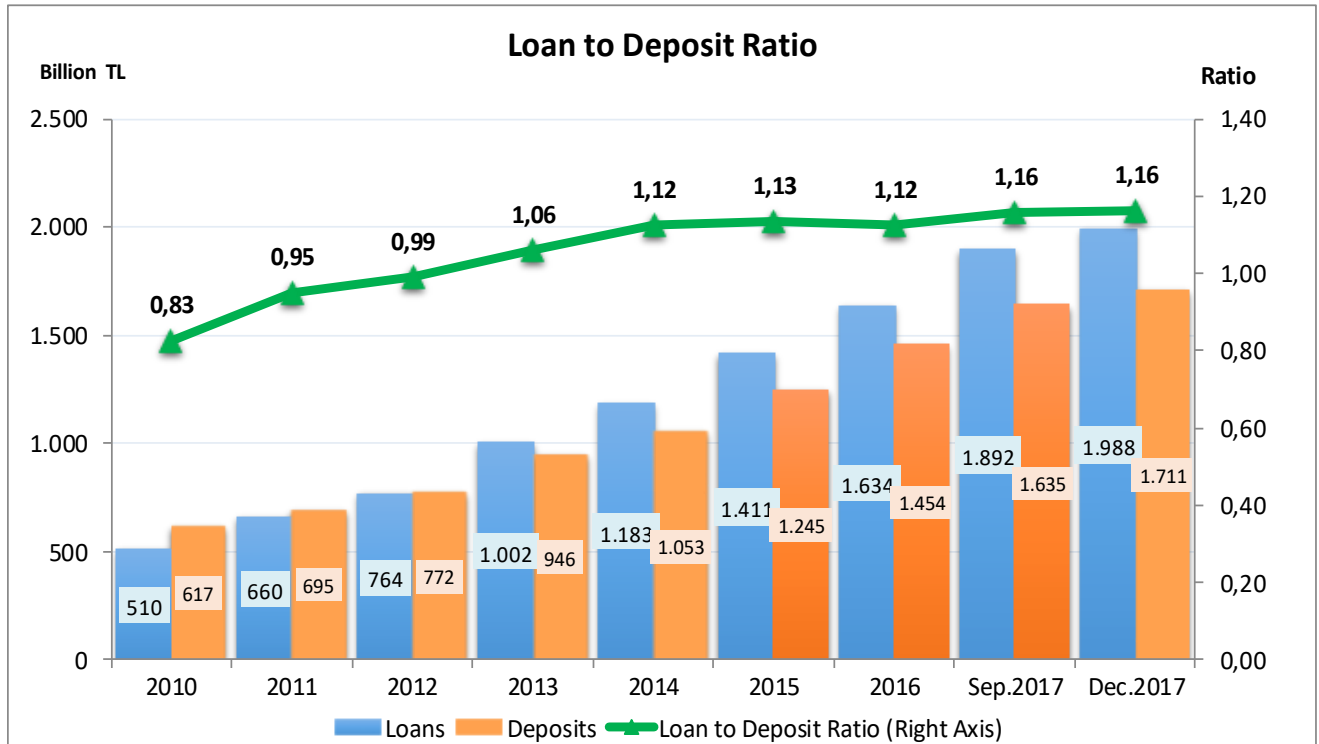
## Derivative Financial Instruments



52% of derivative transactions in off-balance sheet items is from swap money transactions, 25% from swap interest rate transactions and 9% is from forward exchange transactions.

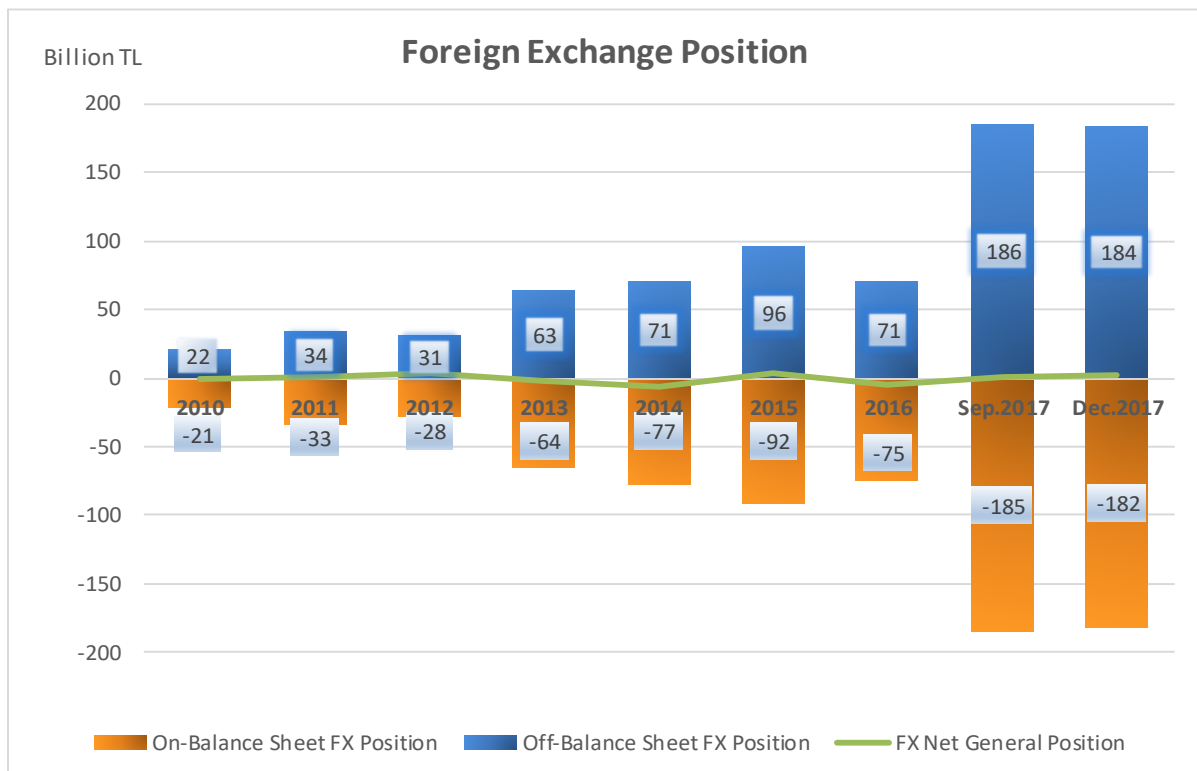


## Development of Main Figures



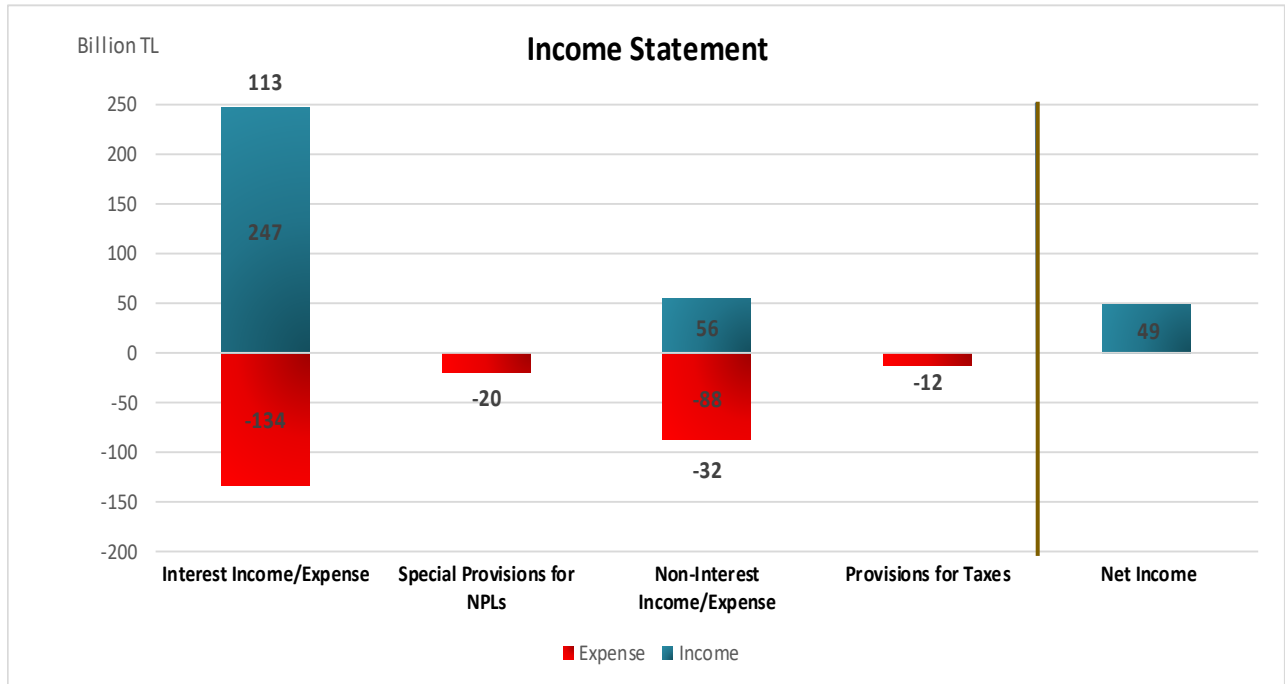
While loans in the fourth quarter of the year realized as TL 1.988 trillion, deposit realized as TL 1.711 trillion. Conversion ratio of deposit to loans is 1,16 as of December 2017.

\*Total loans doesn't include loans of development and investment banks.

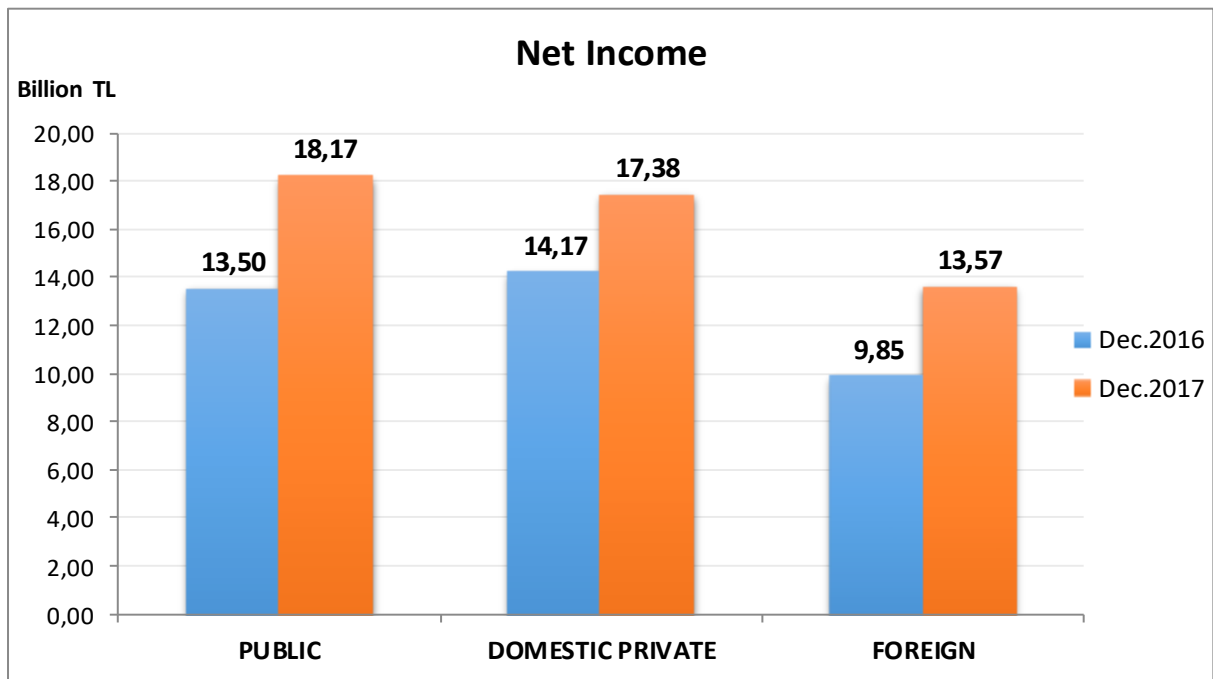


Off-balance sheet FX position has a surplus of TL 184 billion while on-balance sheet FX position has a deficit of TL 182 billion and FX Net General Position has a surplus of approximately TL 2 billion.

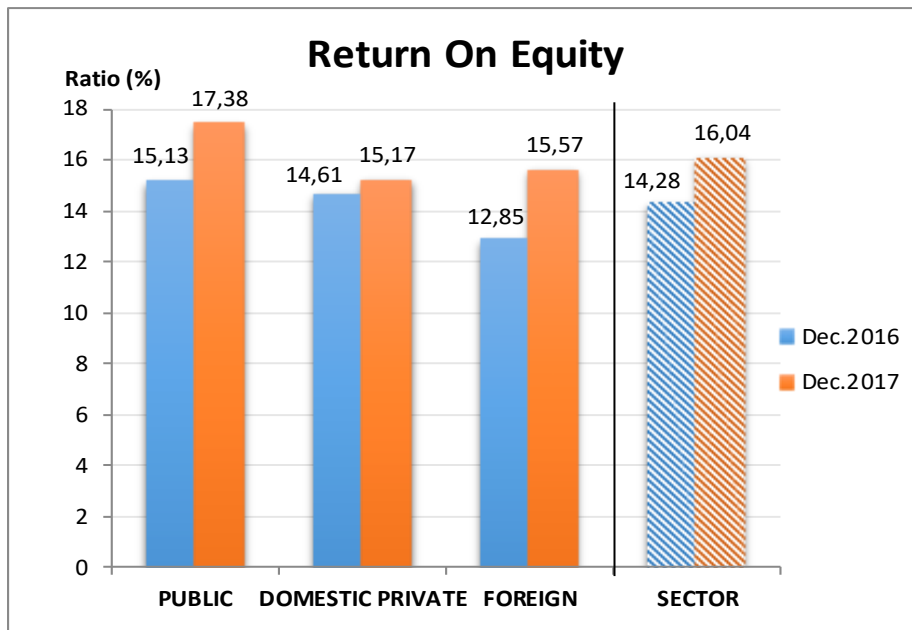
# PROFITABILITY



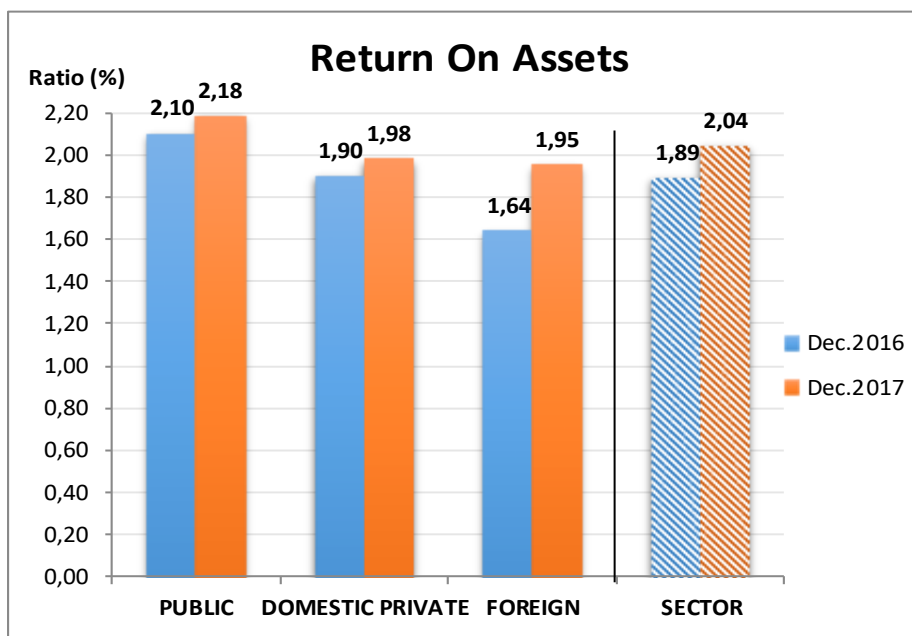
In the income statement of banking sector, interest income realized as TL 247 billion and interest expense realized as TL 134 billion. As of December 2017, net income of Turkish Banking Sector is TL 49 billion.



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

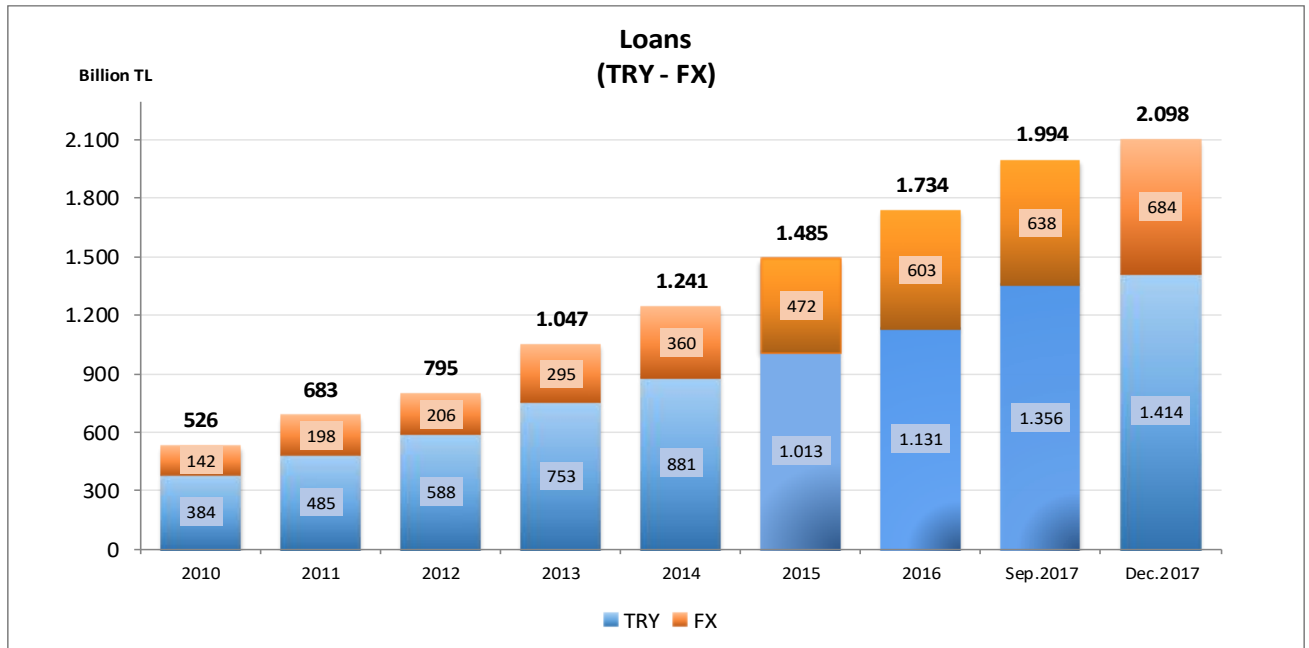


ROE of Turkish banking sector realized higher in public and domestic private and foreign banks group when compared to the same period of the previous year.

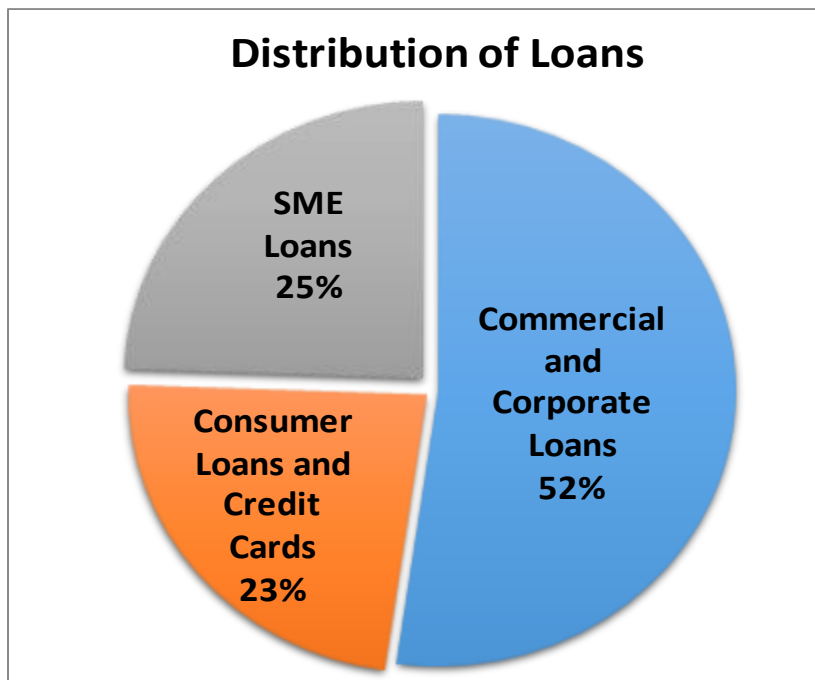


ROA of Turkish banking sector as of December 2017 realized higher as to the same period of the previous year.

# LOANS

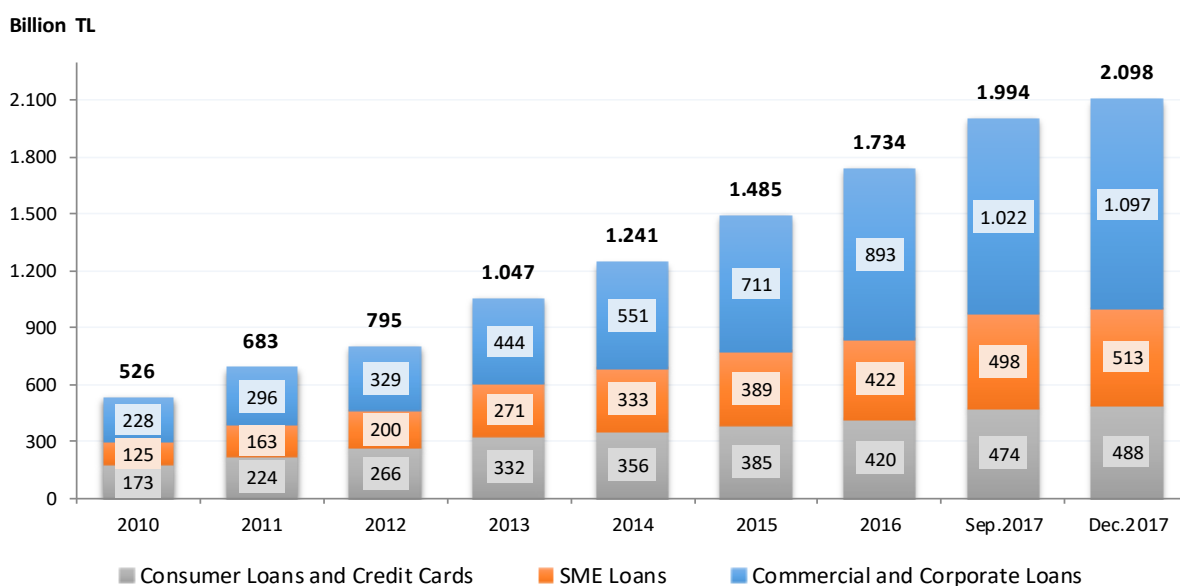


As of December 2017, total loans amount to TL 2.098 billion and TL 1.414 billion of the mentioned amount is comprised of TL loans while TL 684 billion is comprised of FX loans.



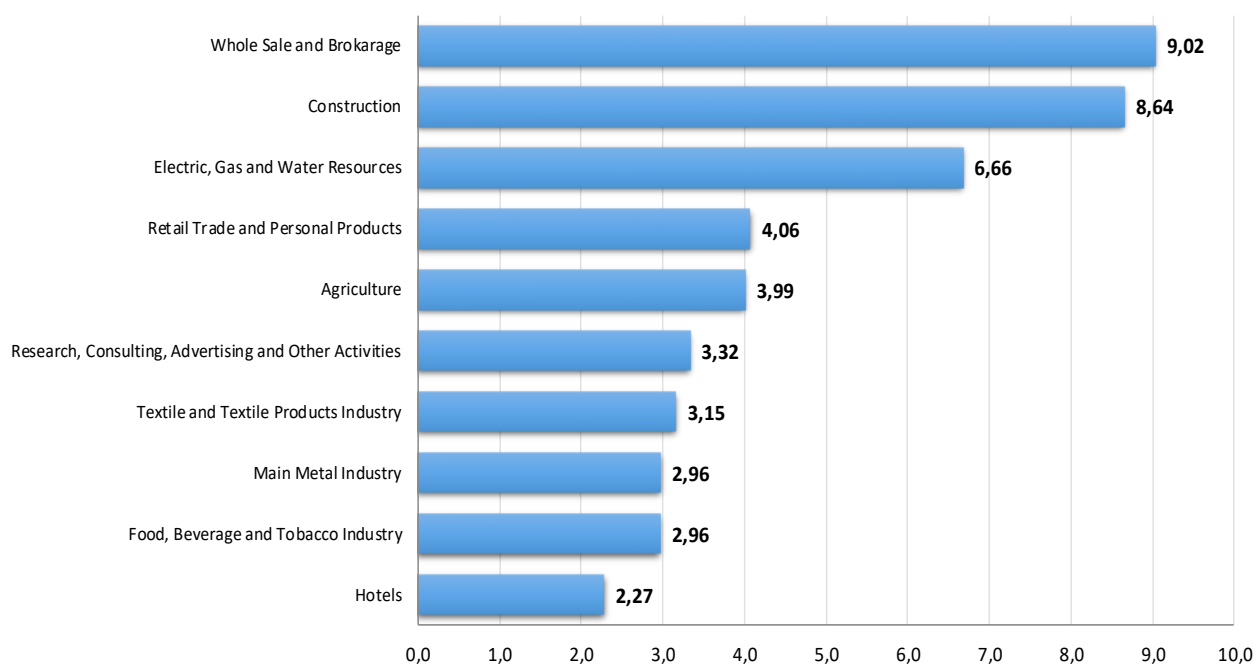
Share of commercial and corporate loans is 52%, share of SMEs loans is 23% and share of consumer loans (including credit cards) is 25% in total loans.

## Development of Loans by Types

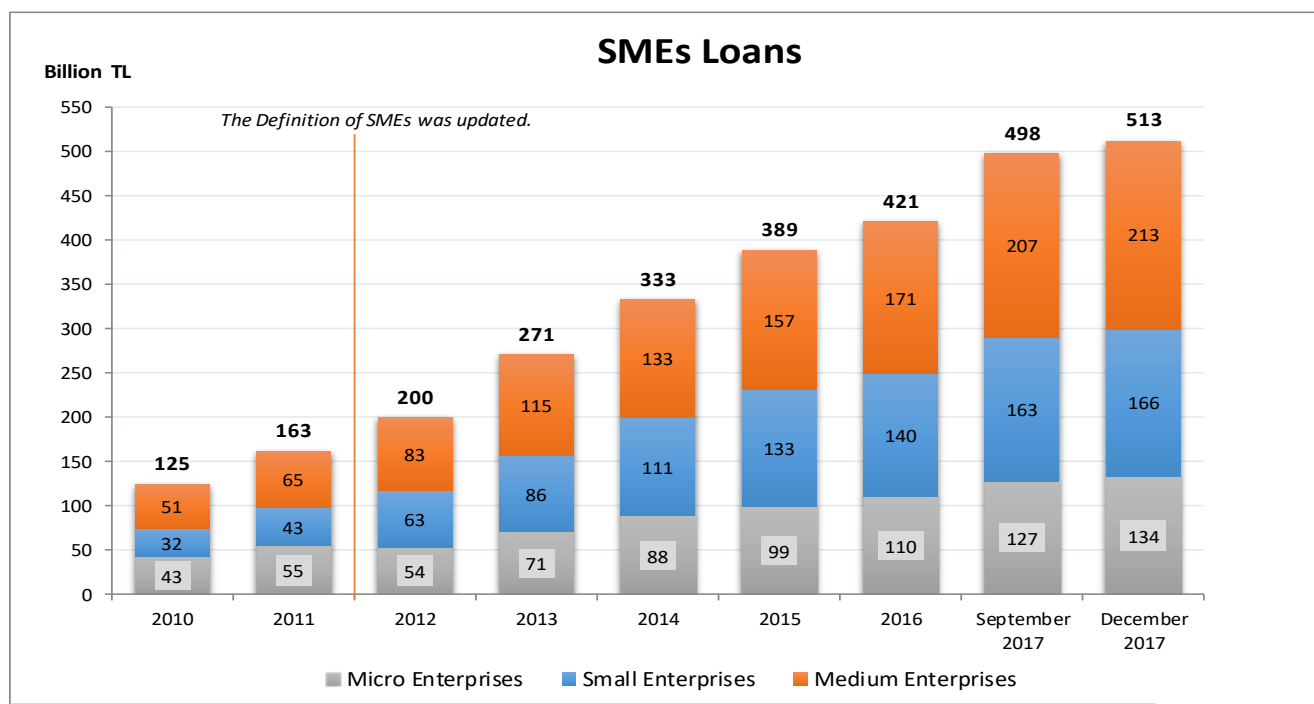


As of December 2017; commercial and corporate loans realized as TL 1.097 billion, SMEs loans as TL 513 billion while consumer loans and credit cards realized as TL 488 billion.

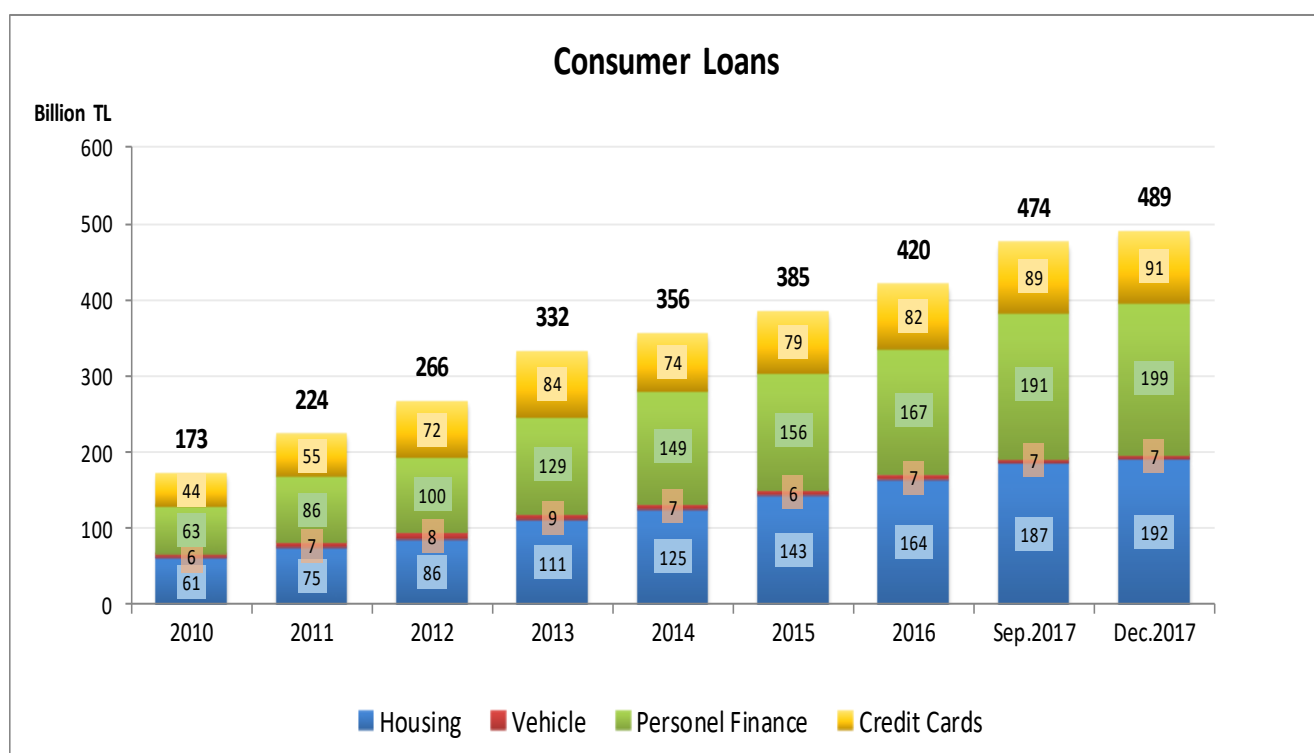
## Selected Sector Loans to Total Loans



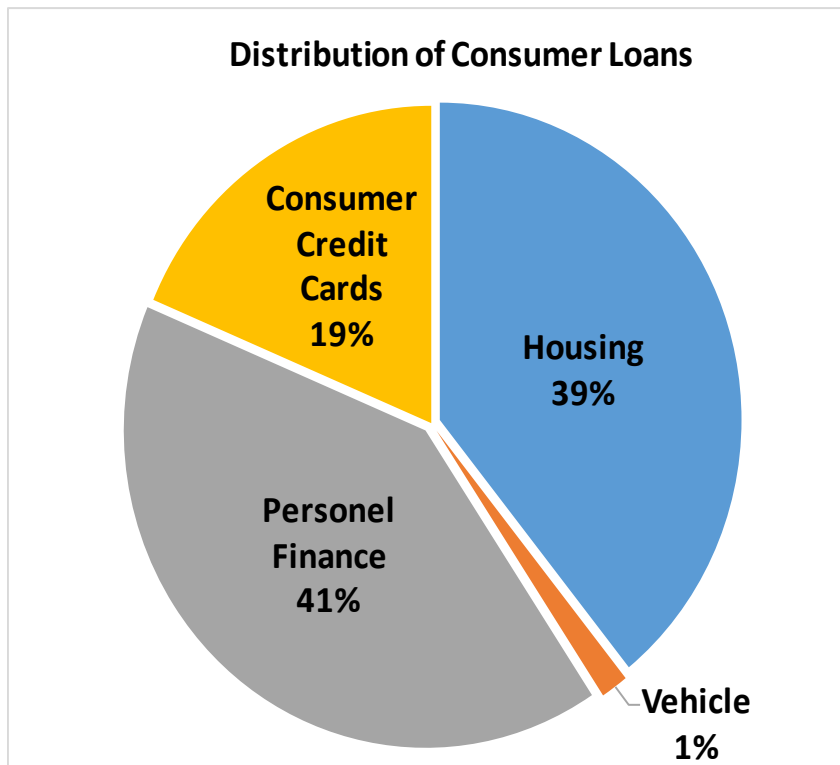
The share of wholesale trade and brokerage sector in total loans is 9,02% and share of construction sector is 8,64%.



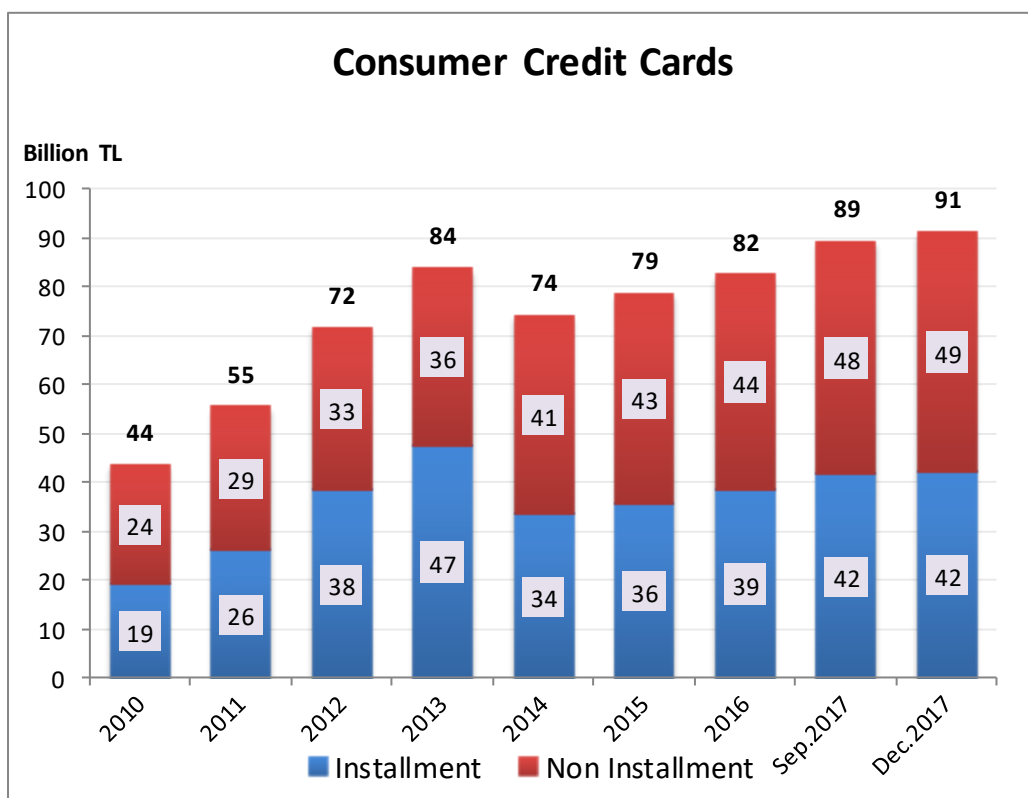
According to operating classes, SMEs loans increased when compared to the previous quarter.



In December 2017 period, consumer loans increased as to the previous quarter and realized as TL 489 billion. Housing loans, credit cards as well as personal finance loans realized as TL 192 billion, TL 91 billion and TL 199 billion, respectively.

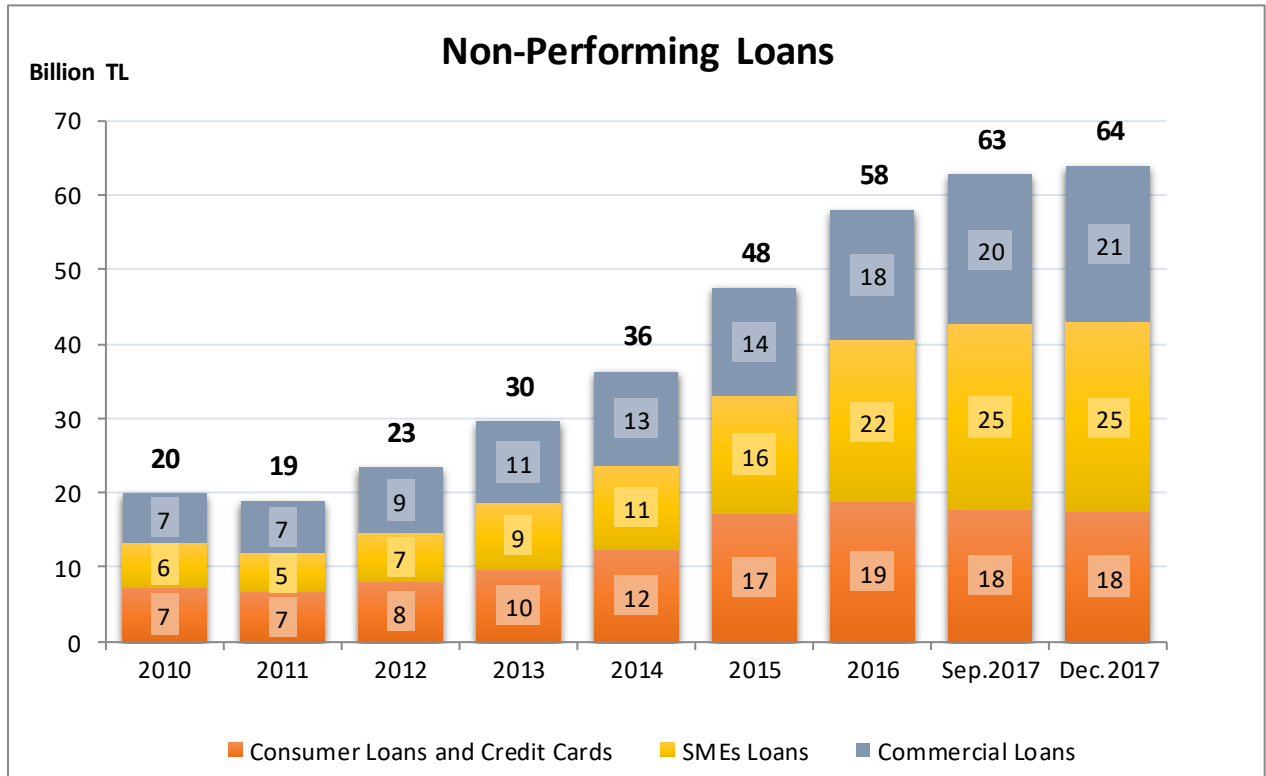


In consumer loans, the share of personal finance loans is 41%, housing loans 39% and share of credit cards is 19%.

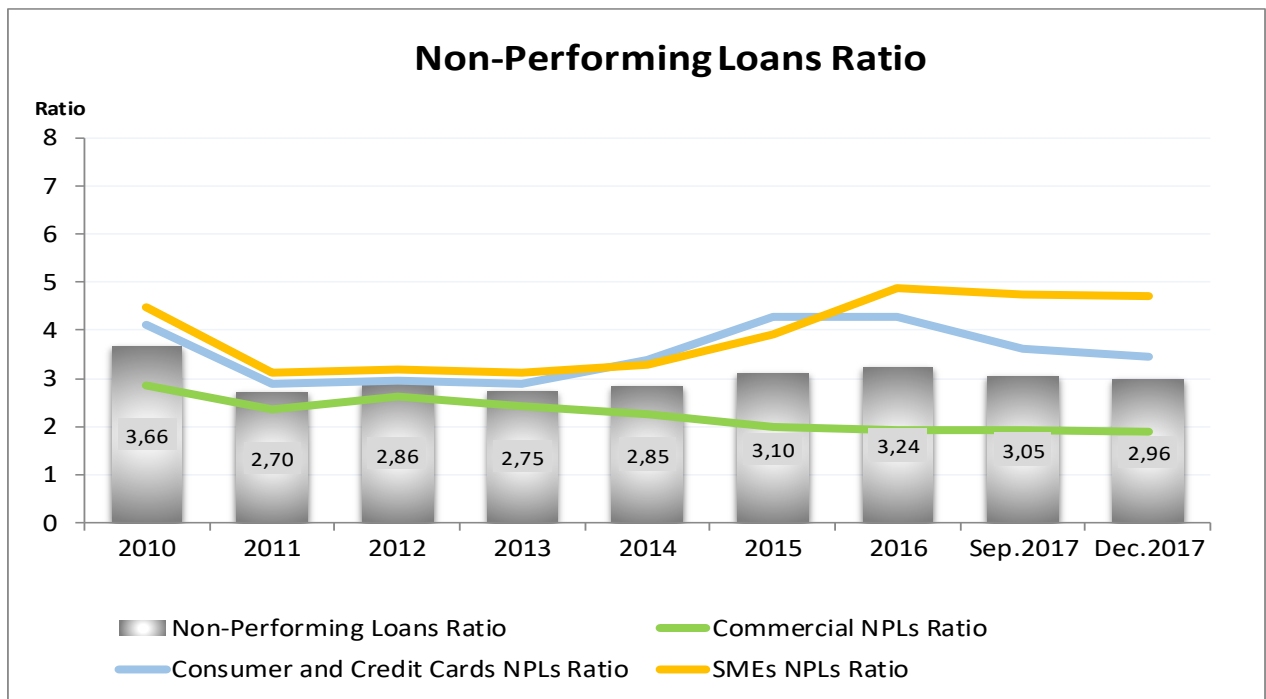


Personal credit cards amount increased when compared to the previous period and realized as TL 91 billion in December 2017.

# Non-performing Loans



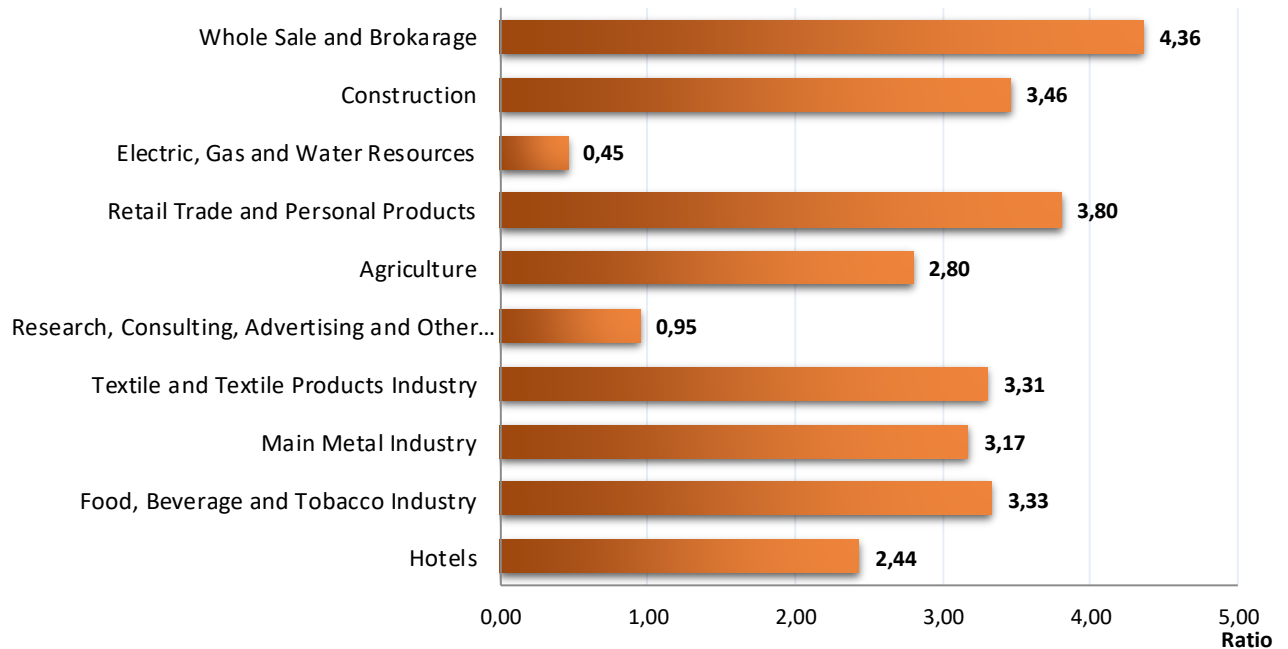
As of December 2017, gross amount of NPLs is TL 64 billion.



NPLs to Loans ratio in banking sector realized as 2,96% in December 2017.

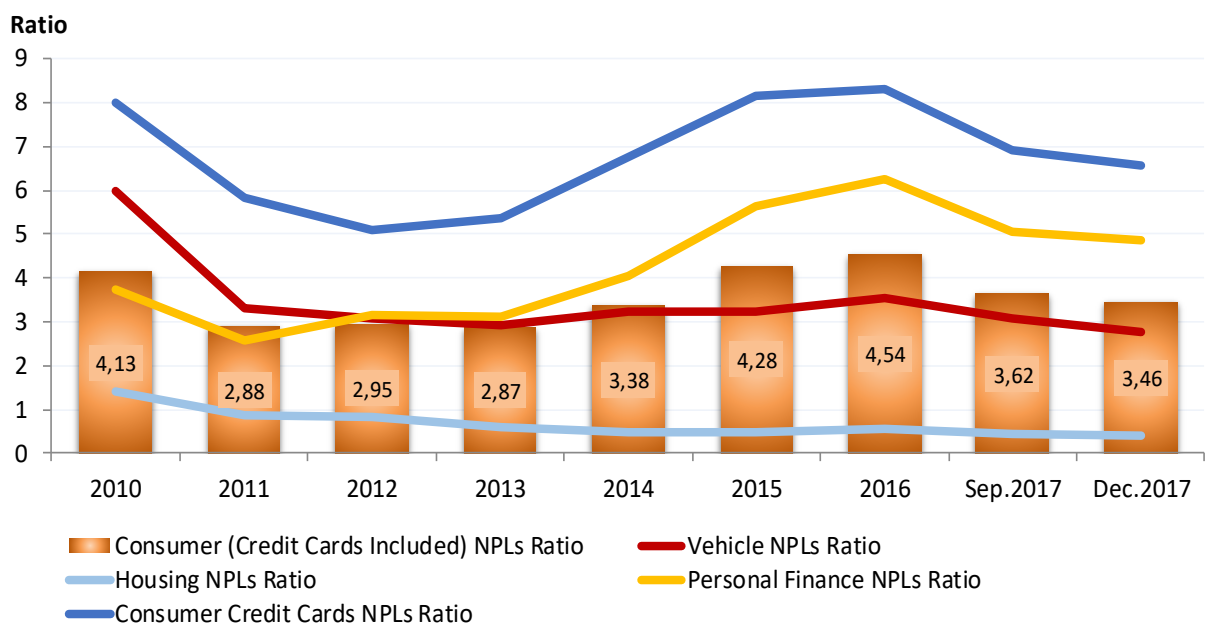


### Selected Sectors NPLs Ratios



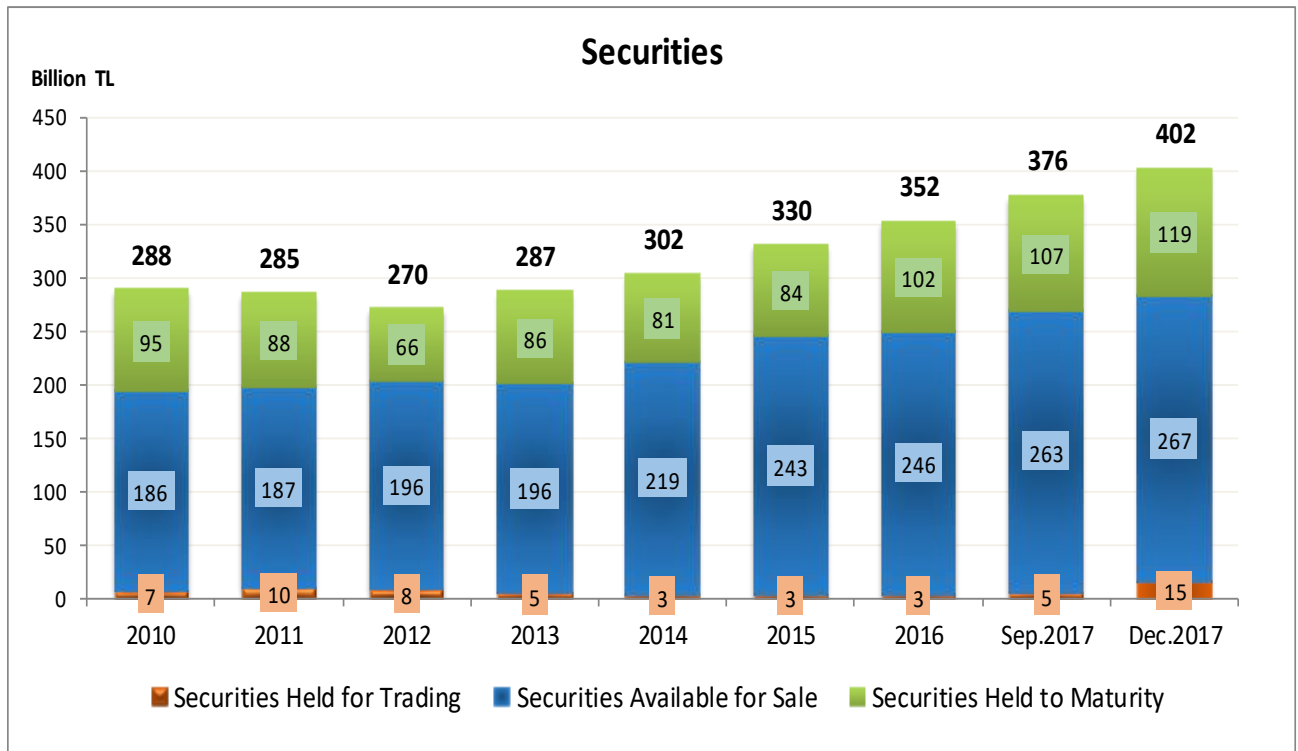
NPLs to Loans ratio in sectoral loans realized as 4,36% in wholesale trade and brokerage, 3,46% in construction sector and 3,80% in retail trade and personal products sector.

### Consumer NPLs Ratios

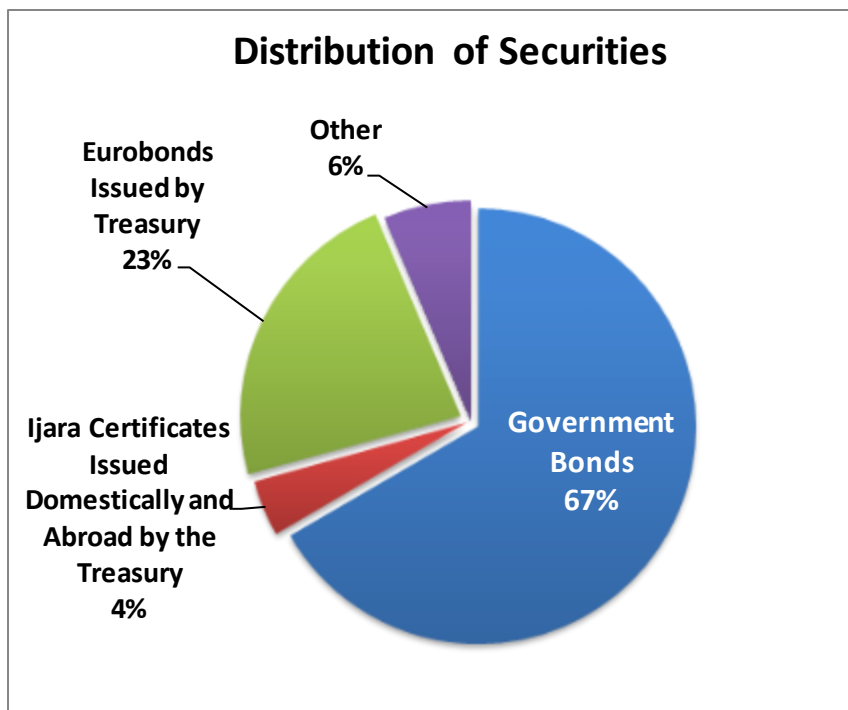


NPLs to Loans ratio of consumer loans (including personal credit cards) realized as 3,46% in December 2017 period.

## Securities

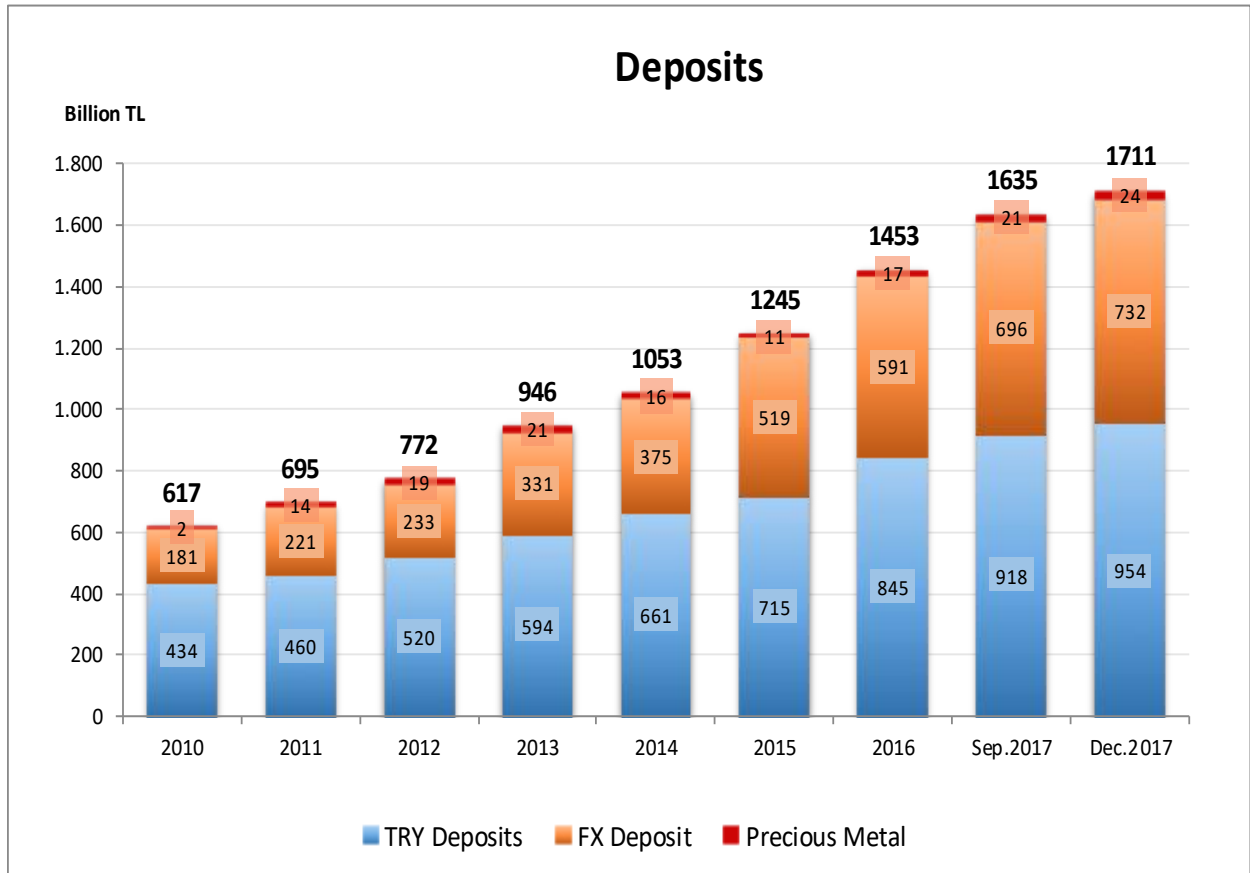


Total securities increased when compared to the previous quarter and realized as TL 402 billion.

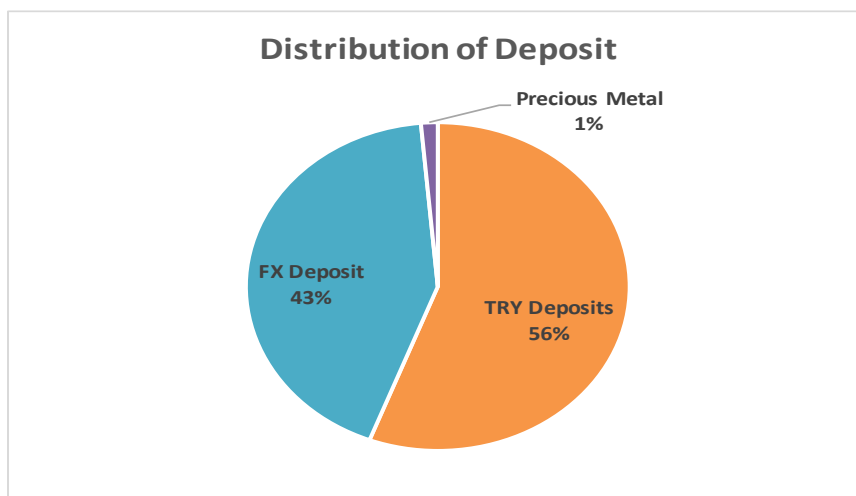


67% of securities are comprised of Government bonds, 23% are Eurobond issued by Treasury and 4% are comprised of sukuk.

# Deposit

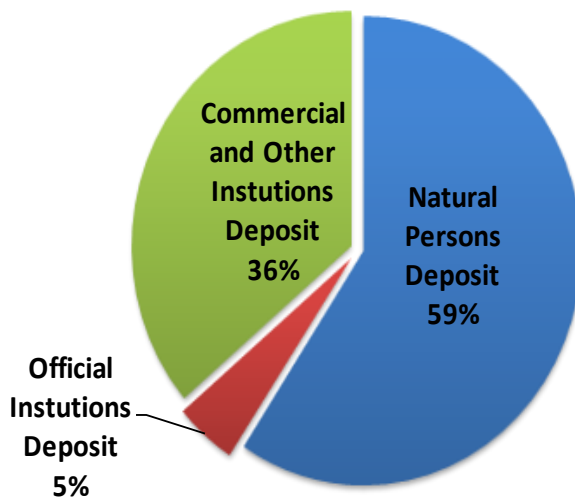


TL 954 billion of total deposits is comprised of TL Deposits /Participation Funds, TL 732 billion comprised of FX Deposits Account/Participation Funds and TL 24 billion is comprised of precious metals accounts.



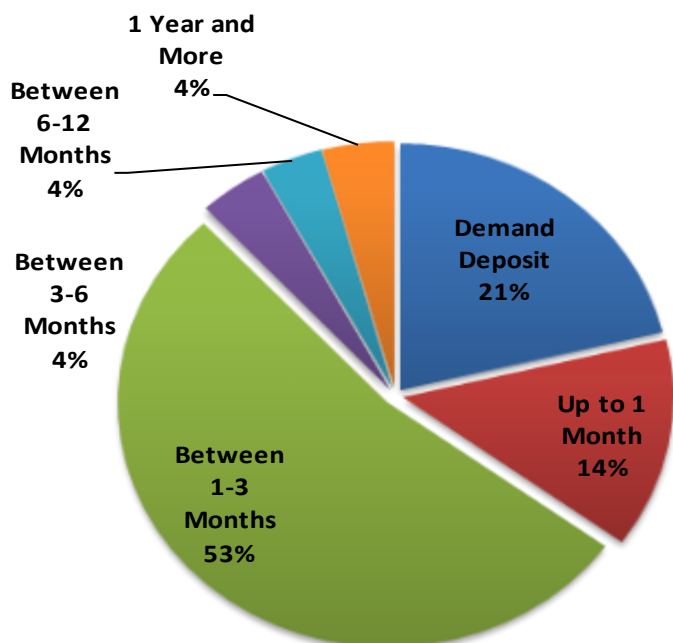
56% of total Deposit is TRY Deposit/Participation funds, 43% of FX Deposit/Participation funds and 1% of Precious Metal.

### Deposit According to Types



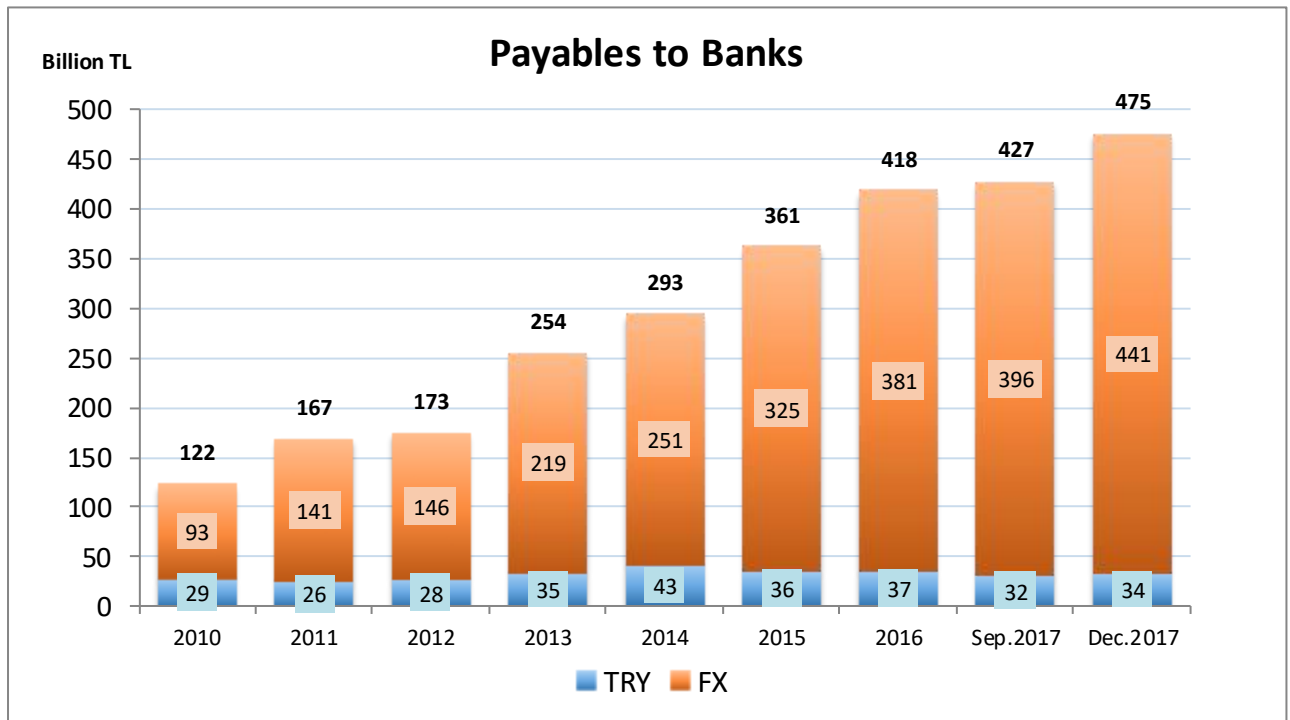
While 59% of deposits is comprised of natural person deposits, the share of commercial and other institutions deposit is 36% and share of official institutions' deposit is 5%.

### Deposit According to Maturity(%)

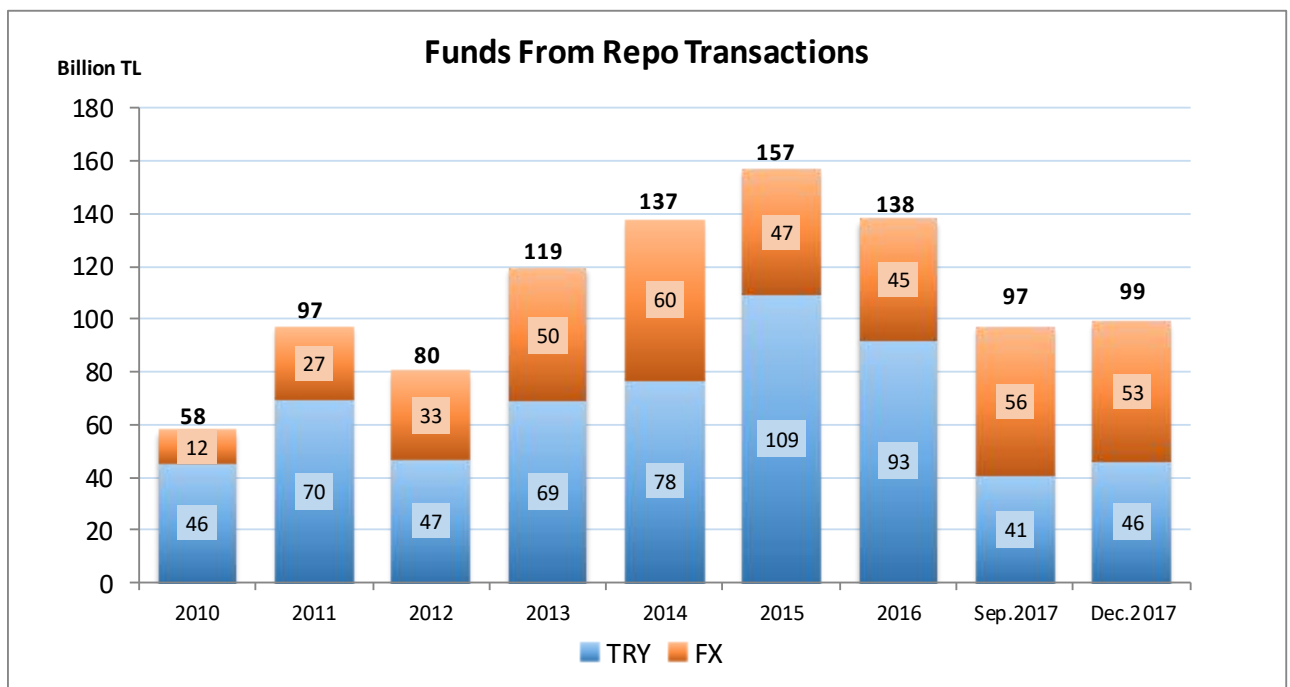


The share of demand deposit in total deposits by their opening maturities is 21% and share of 1-3 month deposits is 53%.

## Payables to Banks and Repo Transactions

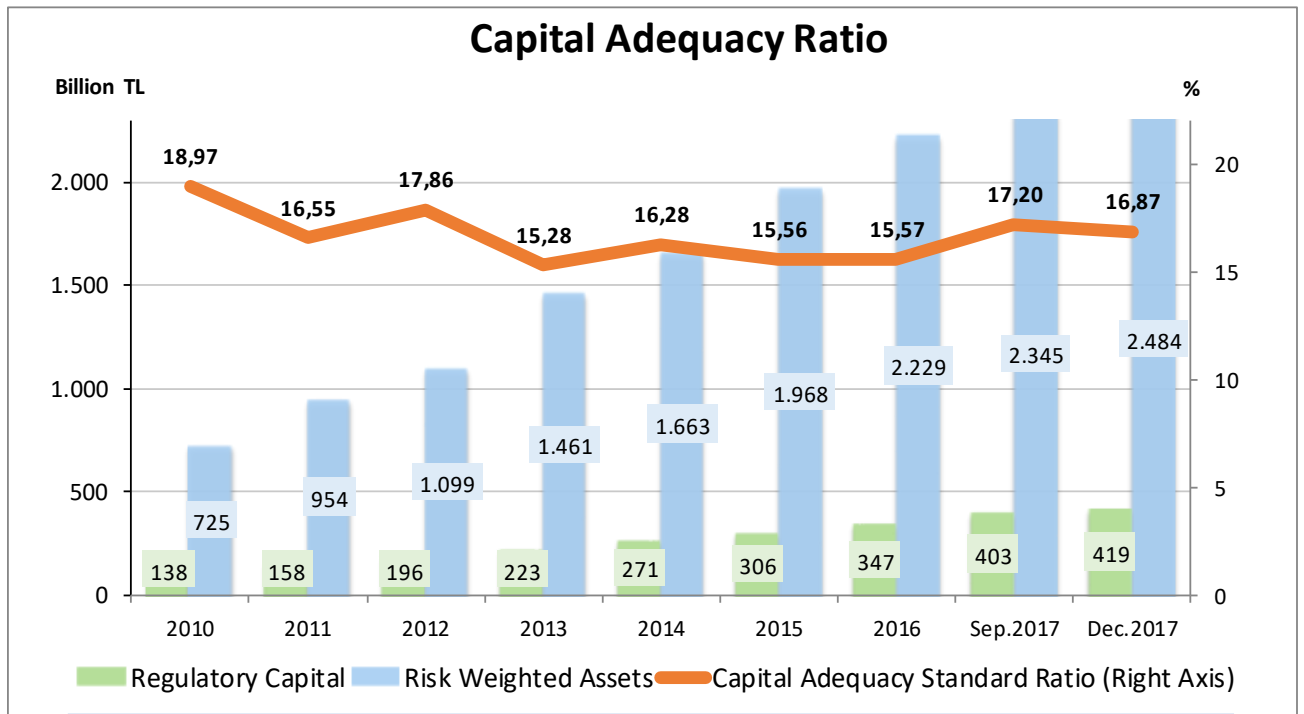


Payables to banks amount to a total of TL 475 billion as TL 34 billion Turkish Lira and TL 441 billion FX.

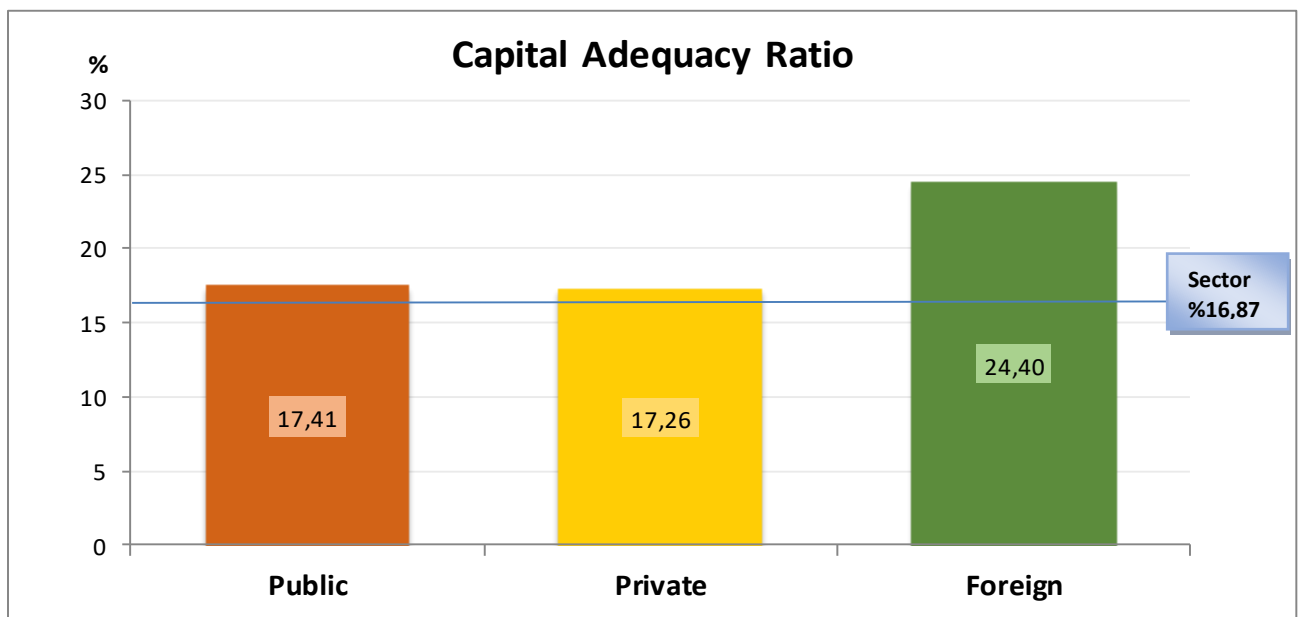


Fund amount from Repo transactions increased when compared to the previous quarter and realized as TL 99 billion in December 2017.

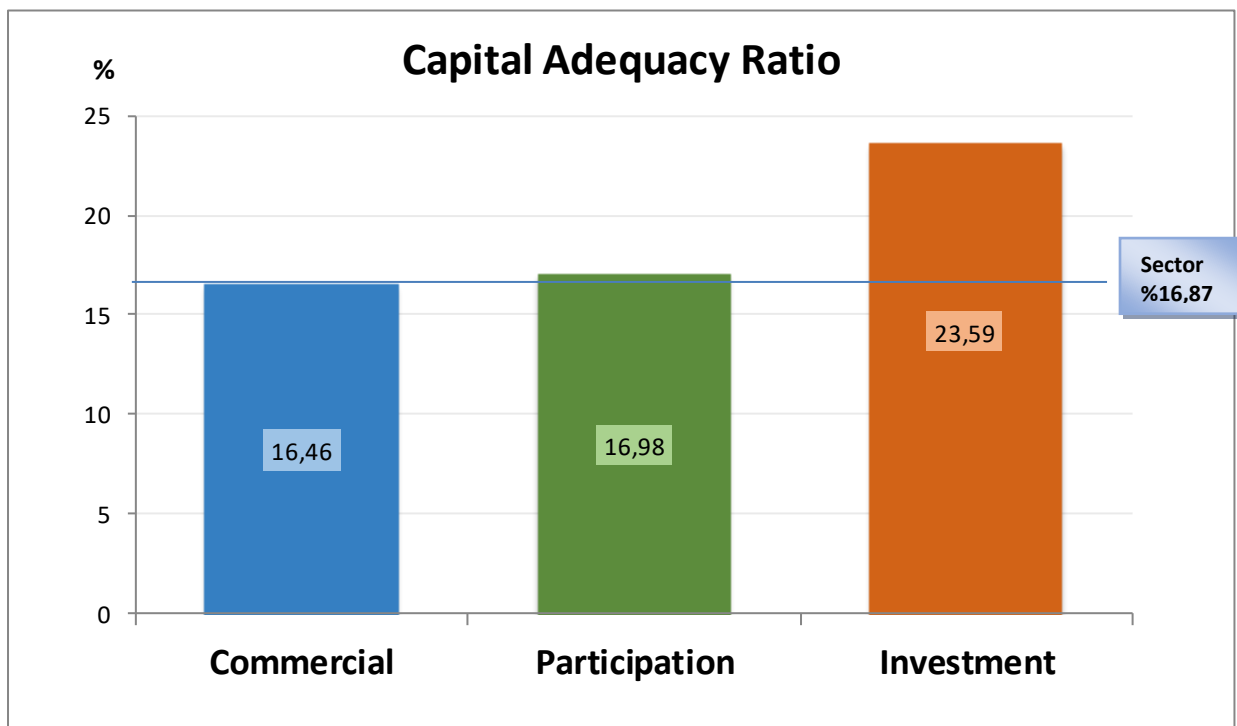
# Capital Adequacy



Capital adequacy ratio of Turkish Banking Sector realized as 16,87 % in December 2017.



By bank ownership groups, capital adequacy of foreign banks is above the sector average by 24,40 %.



By function groups, capital adequacy ratio realized as 16,46%, 16,98% and 23,59% 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 2% 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*

*December 2017*





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