

FINANCIAL ACCOUNTS REPORT

DATA GOVERNANCE AND
STATISTICS DEPARTMENT

2024-I



What Are Financial Accounts?

- Financial Accounts are statistics that show the level of assets and liabilities in an economy based on sectors and financial instruments in line with international standards. In addition to the financial assets and liabilities of households, non-financial corporations, financial corporations and the general government arising from their economic activities, these statistics also show relations of sectors with each other and the rest of the world. The from-whom-to-whom matrices produced as part of financial accounts portray inter-sectoral relations on the basis of financial instruments such as loans, deposits and securities, and thereby provide indicators for how sources are distributed across sectors.
- Financial accounts are prepared for quarterly periods using sectoral balance sheets and are issued by a breakdown of consolidated/non-consolidated stock and transaction data.
- Some of the definitions and classifications used in financial accounts are given below:
 - **Total economy (residents):** It consists of the total of resident sectors (non-financial corporations, financial corporations, general government, households, non-profit institutions serving households).
 - **Rest of the World (non-residents):** It contains all persons and legal entities residing abroad more than one year. In the context of financial accounts, it shows the assets and liabilities the rest of the world acquire by engaging in transactions with residents.
 - **Stock:** It denotes the level of financial assets and liabilities at quarter-ends.
 - **Flow (periodic change):** It shows the stock difference between two quarters by transaction and revaluation breakdowns.
 - **Transaction:** It is calculated by subtracting the valuation effect driven by changes in exchange rates and prices from the flow figure computed for a relevant quarter, and shows adjusted net changes between two quarters.
 - **Valuation:** It refers to the change in the relevant quarter, which stems from the exchange rate and price effects.
 - **Consolidated/Non-Consolidated:** In consolidated data, financial relations are netted at sector and sub-sector levels. In non-consolidated data, all transactions are shown on a gross basis. The rest of the world is the only sector that is not subject to consolidation.
 - **Financial net worth (net financial position):** It is calculated by subtracting total liabilities from total financial assets (stock). A positive value denotes that the sector is a net creditor, whereas a negative value denotes that the sector is a net debtor.
 - **Net lender/net borrower:** It is calculated by subtracting the use of external financing from acquisition of financial assets. A positive value indicates that the sector is a **net lender**, whereas a negative value indicates that the sector is a **net borrower**.
 - **Finansal varlık edinimi:** İlgili dönem için sektör bazında finansal varlık kalemleri için hesaplanan işlem tutarlarının toplamıdır.
 - **Acquisition of financial assets:** It is the sum of transaction amounts calculated for financial asset items by sectors for the relevant quarter
 - **Use of external financing:** It is the total transaction amount calculated for liabilities by sectors for the relevant quarter.

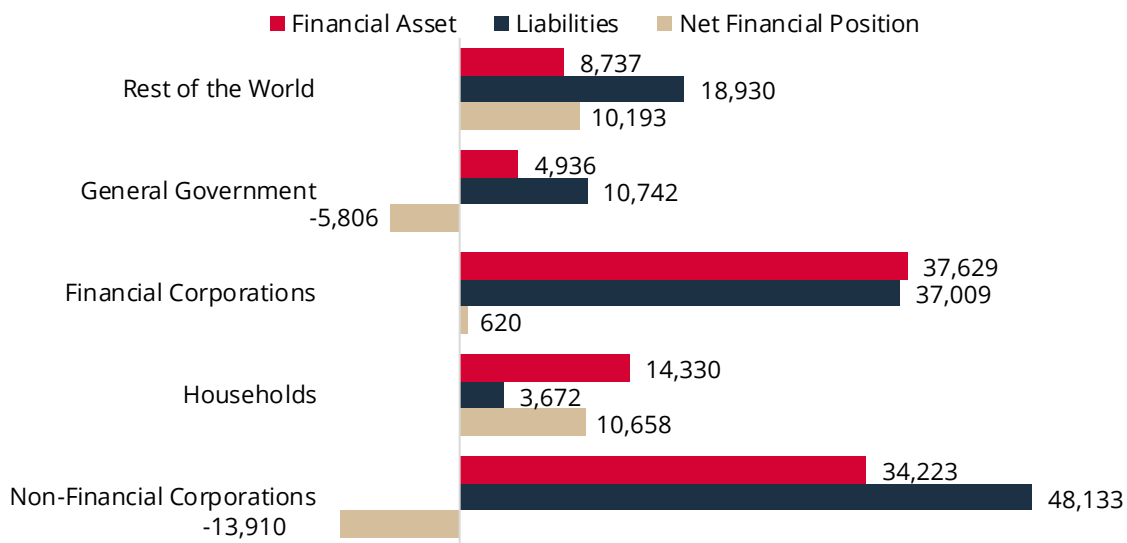
For detailed methodological information on definitions, classifications and calculation methods used in financial accounts: [Metadata](#)

2024Q1 Developments- Summary

According to sectoral financial balance sheets, resident sectors' total financial assets and liabilities at end-quarter amounted to TRY 91.1 trillion and TRY 99.6 trillion, respectively. Below is a summary of developments pertaining to the first quarter of 2024:

- The ratio of the net financial position deficit of the Turkish economy to gross domestic product (GDP) increased by 2.6 points quarter-on-quarter to 27.7%.
- According to net financial transactions conducted by sectors, the total economy, which was a net borrower of 0.7% of GDP in the previous quarter, became a net borrower of 5.5% of GDP in the fourth quarter.

Chart: Net Financial Position by Sectors, Stock (TRY Billion)¹



Source: CBRT

Last Observation: 2024-I

- An analysis of the domestic economy's financial balance sheets by sectors reveals that the total economy was a financial borrower, households and the rest of the world were creditors, and non-financial corporations and the general government were debtors. Meanwhile, due to their financial intermediation activities, financial corporations generated a near-balanced net financial position.
- Among households' financial assets, currency and deposits stand out with a share of approximately 62%, and almost all liabilities are composed of loans.
- Financial assets and liabilities of non-financial corporations were driven by other accounts receivable and other accounts payable items, which are composed of corporates' commercial transactions with each other, with 69% and 51% shares, respectively.
- A cross-country comparison of indebtedness ratios for all sectors reveals that the total debt of resident sectors was low in Türkiye. In the first quarter of 2024, the ratio to GDP of total debt in the form of loans and debt securities was 103%, down from the previous quarter.

Contents

What Are Financial Accounts?	1
2024Q1 Developments- Summary.....	2
I. Overview	4
II. Total Economy	5
III. Financial Corporations.....	7
IV. General Government	8
V. Firms (Non-Financial Corporations).....	9
VI. Households.....	11
VII. From-Whom-to-Whom Tables	12
VIII. Total Debt and Country Comparisons	14