

# 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.

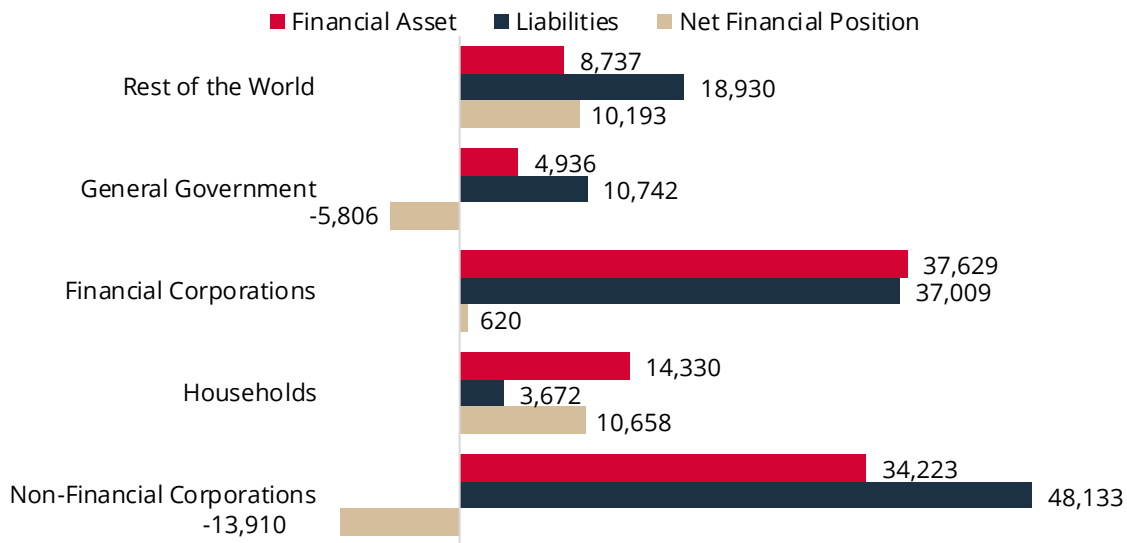
For detailed methodological information on definitions, classifications and calculation methods used in financial accounts: [Metadata](#)

## 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)<sup>1</sup>**



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.

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## I. Overview

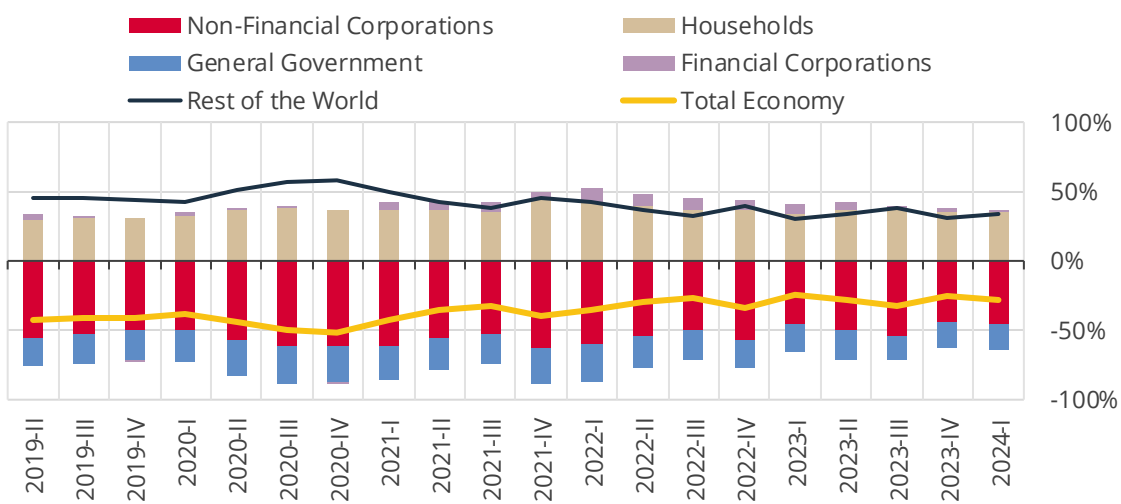
**Table 1: Net Financial Position by Sectors (TRY Billion)<sup>2</sup>**

	Total Economy	Non-Financial Corporations	Financial Corporations	General Government	Households	Rest of the World
Financial Assets	91,117	34,223	37,629	4,936	14,330	8,737
Liabilities	99,556	48,133	37,009	10,742	3,672	18,930
Net Financial Position	-8,439	-13,910	620	-5,806	10,658	10,193

Source: CBRT

An analysis of the domestic economy's financial balance sheets by sectors for 2024Q1 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 financial net worth (Table 1, Chart 1).

**Chart 1: Ratio of Net Financial Position (Stock) to GDP, by Sectors (%)<sup>3</sup>**



Sources: CBRT, TURKSTAT

Last Observation: 2024-I

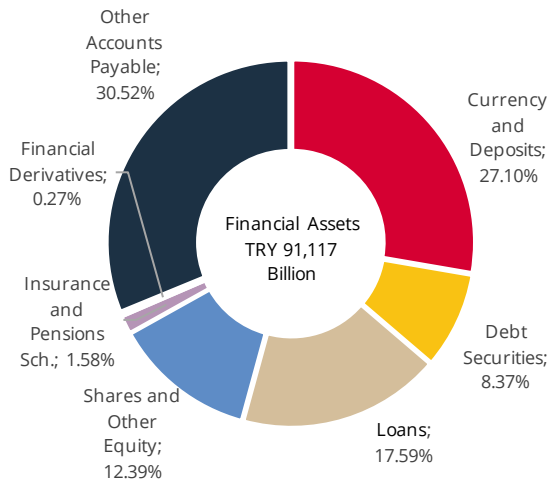
<sup>2</sup>Pursuant to the methodology, there is a difference between the financial net worth of total domestic economy and rest of the world, since there is no counterpart sector for monetary gold. The rest of the world has been reported based on residency, so as to be compatible with the International Investment Position Statistics.

<sup>3</sup> The households sector also covers non-profit institutions serving households.

## II. Total Economy

In 2024Q1, financial assets of the total economy rose by TRY 10,658 billion over the previous quarter to TRY 91,117 billion (Chart 2). This quarterly rise stemmed from the TRY 7,011 billion increase in transactions and the TRY 3,647 billion increase in valuation. All of the following items recorded valuation: TRY 1,023 billion in currency and deposits due to the exchange rate, TRY 368 billion in loans, TRY 78 billion in debt securities due to prices and the exchange rate and TRY 1,616 billion in equities driven by prices (Chart 3).

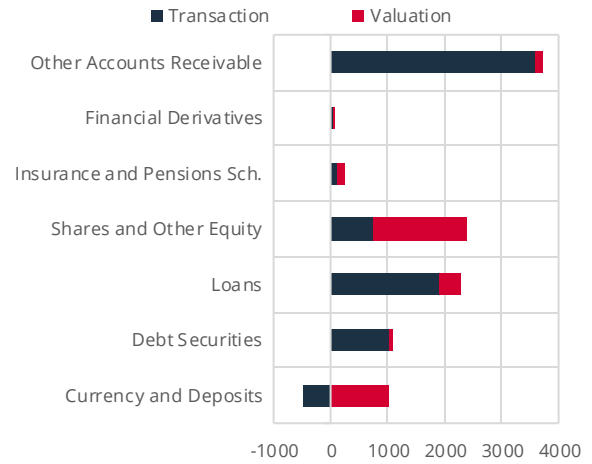
**Chart 2: Breakdown of Financial Assets by Instruments, Stock (%)**



Source: CBRT

Last Observation: 2024-I

**Chart 3: Financial Assets, Flow (TRY Billion)**

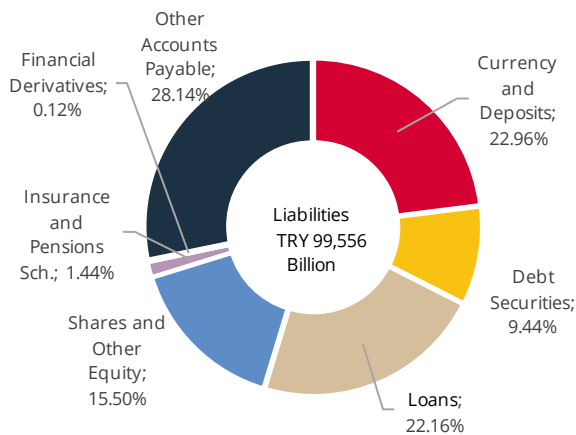


Source: CBRT

Last Observation: 2024-I

Financial liabilities of the total economy increased by TRY 12,499 billion quarter-on-quarter to TRY 99,556 billion in 2024Q1 (Chart 4). This quarterly increase was driven by the TRY 7,492 billion rise in transactions and the TRY 5,007 billion rise in valuation (Chart 13). The valuation effect was TRY 796 billion in deposits due to the exchange rate, TRY 784 billion in loans, TRY 382 billion in debt securities due to prices and the exchange rate and TRY 2,675 billion in shares and other equity due to prices (Chart 5).

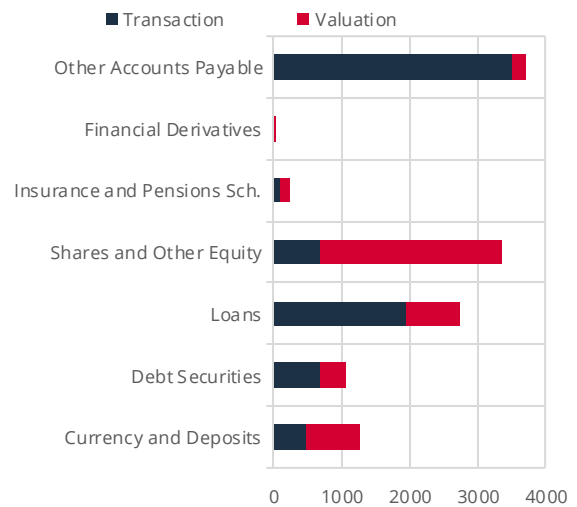
**Chart 4: Breakdown of Liabilities by Instruments, Stock (%)**



Source: CBRT

Last Observation: 2024-I

**Chart 5: Liabilities, Flow (TRY Billion)**

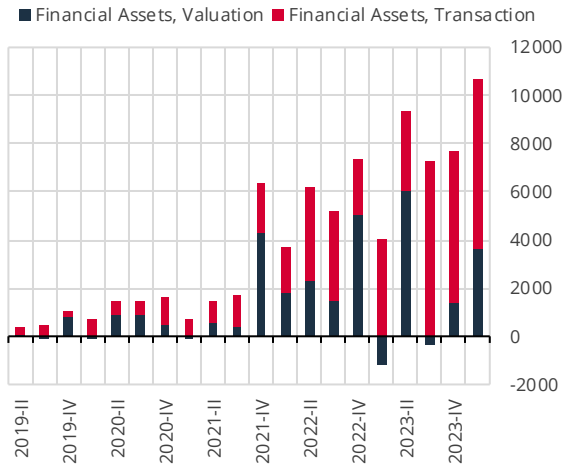


Source: CBRT

Last Observation: 2024-I

The change in assets and liabilities was largely driven by transactions in the first quarter of the year, while the valuation effect became higher than the previous quarter (Charts 6 and 7).

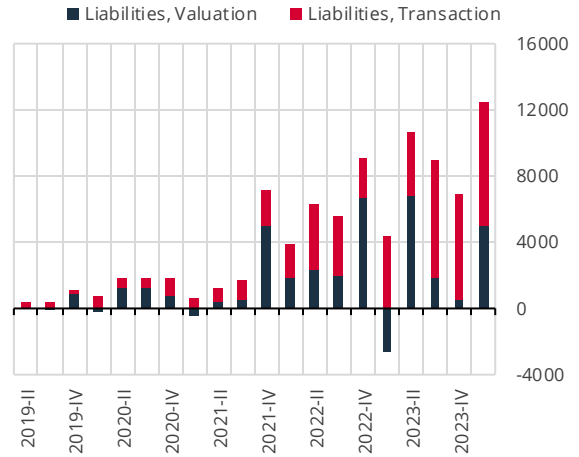
**Chart 6: Quarterly Change in Financial Assets of the Total Economy (TRY Billion)**



Source: CBRT

Last Observation: 2024-I

**Chart 7: Quarterly Change in Liabilities of the Total Economy (TRY Billion)**

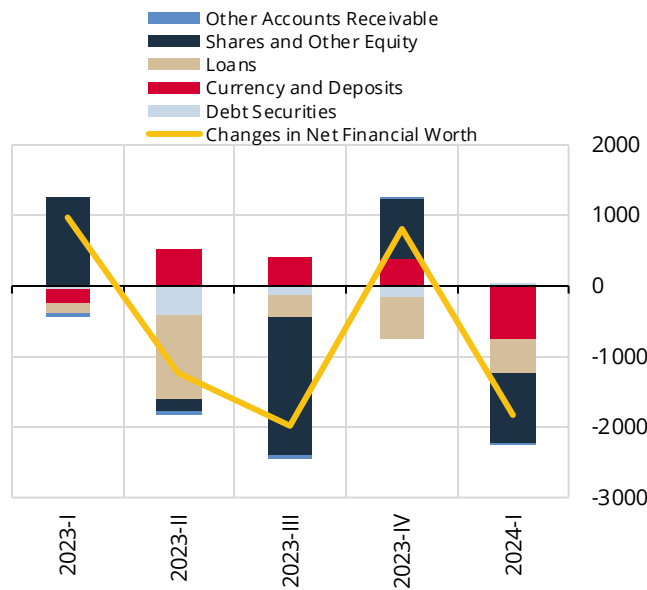


Source: CBRT

Last Observation: 2024-I

In 2024Q1, the net financial position of the total economy dropped by TRY 1,841 billion over the previous quarter. This change was driven by the net change in the total economy's currency and deposits, loans, shares and equity, and other accounts receivable items on the liabilities side, and by the net change in the debt securities item on assets the side (Chart 8). The ratios of the sector's debts to GDP and to total financial assets stood at 103% and 35%, respectively (Chart 9).

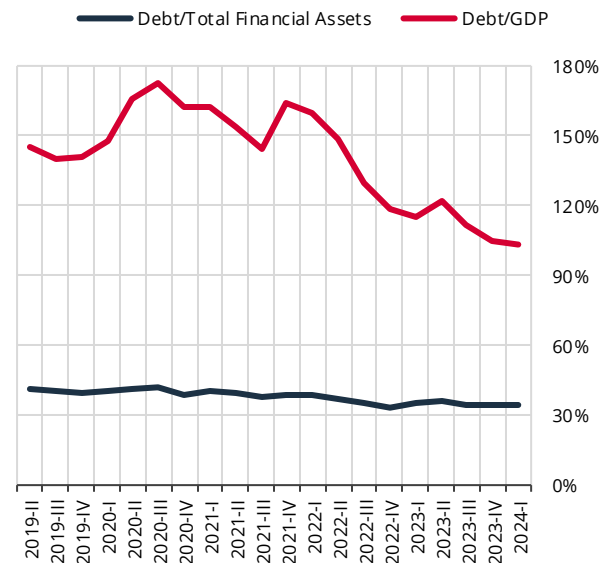
**Chart 8: Change in Net Financial Position of the Total Economy (TRY Billion)**



Source: CBRT

Last Observation: 2024-I

**Chart 9: Liabilities of the Total Economy \* (%)**



Source: CBRT

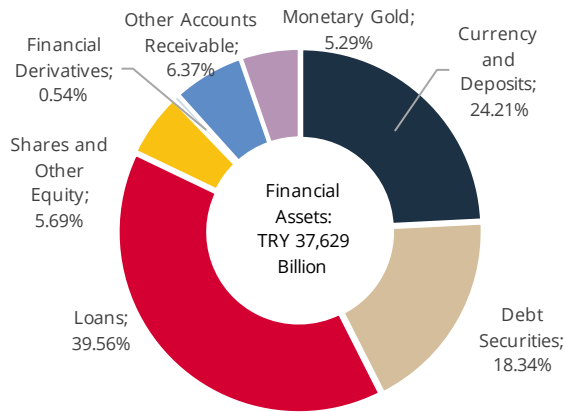
Last Observation: 2024-I

Note: Debts are composed of loans and debt securities.

### III. Financial Corporations

In 2024Q1, financial assets of financial corporations rose by TRY 4,279 billion over the previous quarter to TRY 37,629 billion (Chart 10). This rise originated from the TRY 1,456 billion increase in valuation as well as the TRY 2,823 billion increase in transactions (Chart 11).

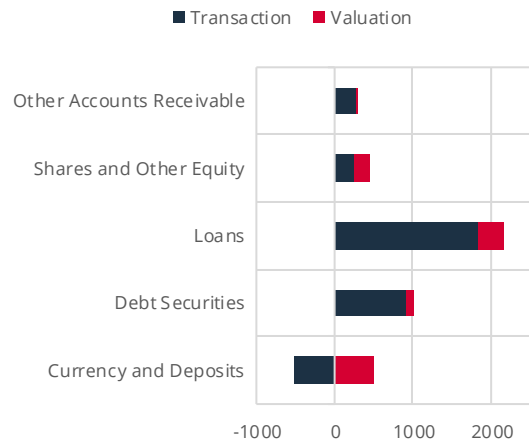
**Chart 10: Breakdown of Financial Assets by Instruments, Stock (%)**



Source: CBRT

Last Observation: 2024-I

**Chart 11: Financial Assets, Flow (TRY Billion)**

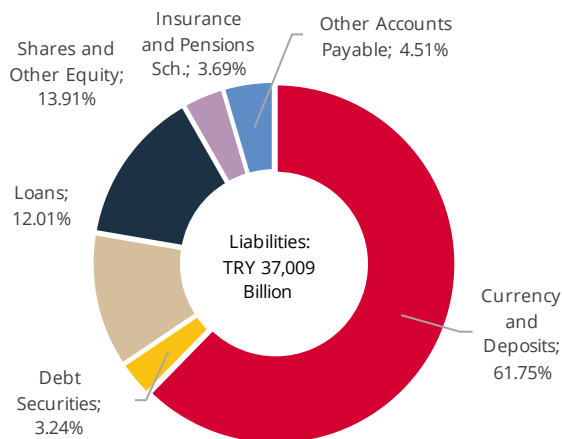


Source: CBRT

Last Observation: 2024-I

During the same period, liabilities of financial corporations increased by TRY 4,383 billion to TRY 37,009 billion (Chart 12). This increase was driven by the TRY 1,963 billion rise in valuation and the TRY 2,420 billion rise in transactions (Chart 13).

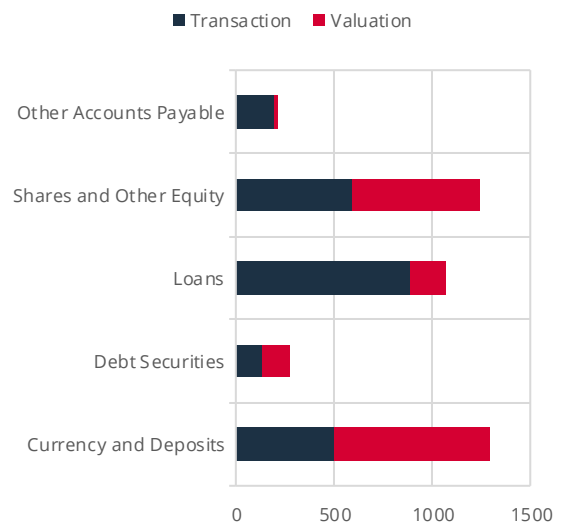
**Chart 12: Breakdown of Liabilities by Instruments, Stock (%)**



Source: CBRT

Last Observation: 2024-I

**Chart 13: Liabilities, Flow (TRY Billion)**



Source: CBRT

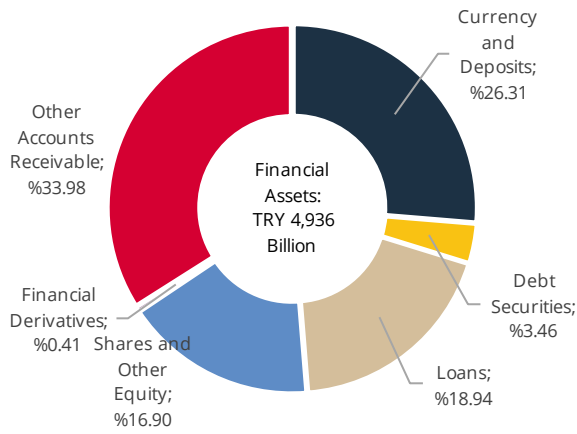
Last Observation: 2024-I



## IV. General Government

Financial assets of the general government increased by TRY 154 billion over the previous quarter to TRY 4,936 billion in 2024Q1 (Chart 14). This increase was due to the TRY 84 billion rise in transactions in addition to the TRY 70 billion rise in valuation (Chart 15).

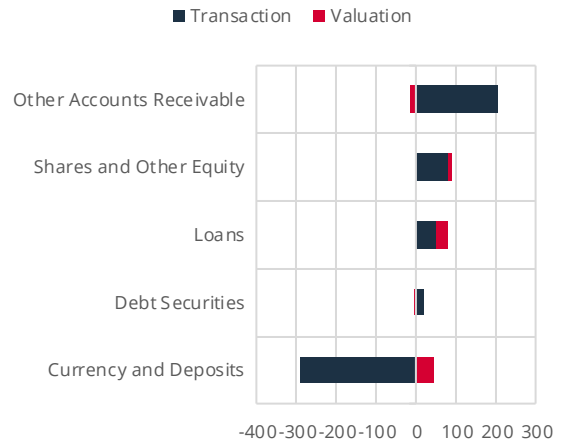
**Chart 14: Breakdown of Financial Assets by Instruments, Stock (%)**



Source: CBRT

Last Observation: 2024-I

**Chart 15: Financial Assets, Flow (TRY Billion)**

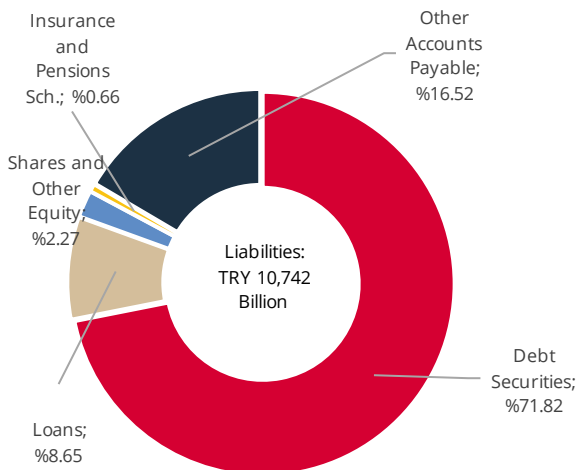


Source: CBRT

Last Observation: 2024-I

During the same period, liabilities of the general government rose by TRY 869 billion to TRY 10,742 billion (Chart 16). This rise resulted from the TRY 296 billion increase in valuation and the TRY 574 billion rise in transactions (Chart 17).

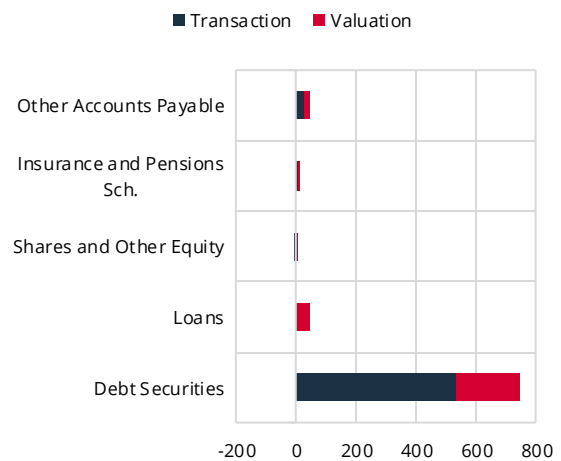
**Chart 16: Breakdown of Liabilities by Instruments, Stock (%)**



Source: CBRT

Last Observation: 2024-I

**Chart 17: Liabilities, Flow (TRY Billion)**



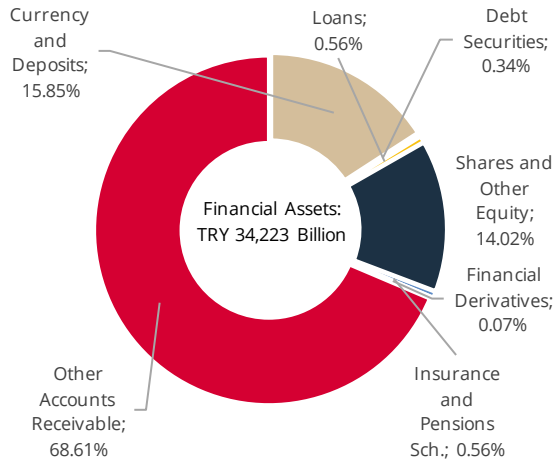
Source: CBRT

Last Observation: 2024-I

## V. Firms (Non-Financial Corporations)

In the first quarter of 2024, financial assets of non-financial corporations increased by TRY 4,313 billion quarter-on-quarter and reached TRY 34,223 billion (Chart 18). This change was due to the TRY 1,021 billion increase in valuation and the TRY 3,292 billion rise in transactions (Chart 19).

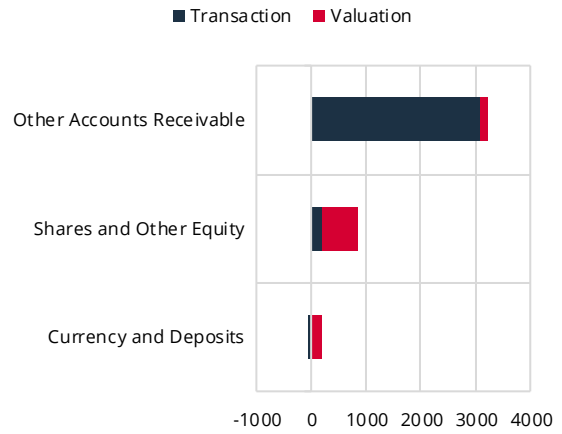
**Chart 18: Breakdown of Financial Assets by Instruments, Stock (%)**



Source: CBRT

Last Observation: 2024-I

**Chart 19: Financial Assets, Flow (TRY Billion)**

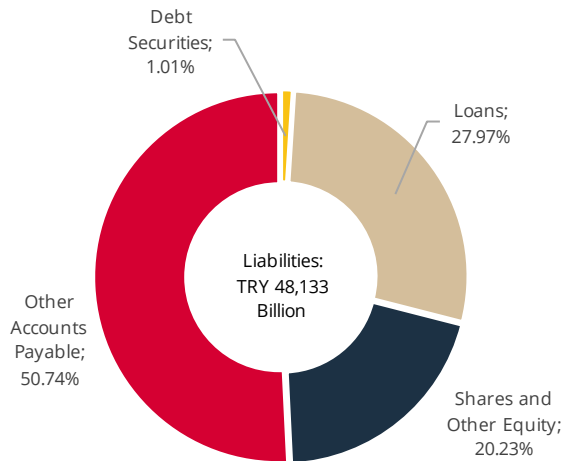


Source: CBRT

Last Observation: 2024-I

During the same period, liabilities of non-financial corporations increased by TRY 6,820 billion and reached TRY 48,133 billion (Chart 20). Of this increase, TRY 2,747 billion stemmed from valuation and TRY 4,073 billion from the rise in transactions (Chart 21).

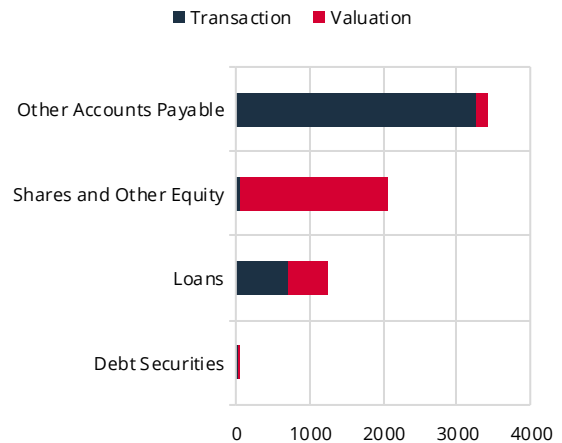
**Chart 20: Breakdown of Liabilities by Instruments, Stock (%)**



Source: CBRT

Last Observation: 2024-I

**Chart 21: Liabilities, Flow (TRY Billion)**

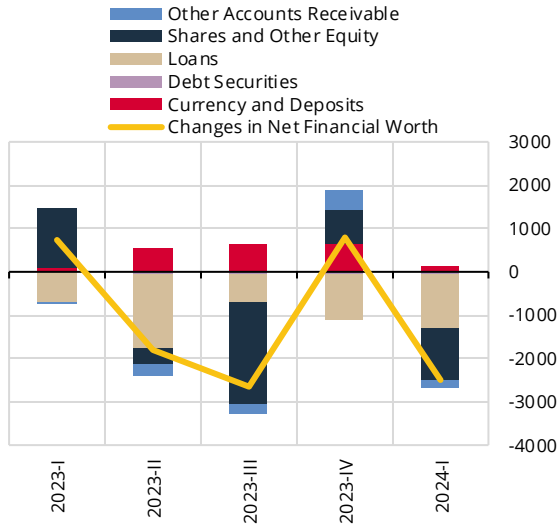


Source: CBRT

Last Observation: 2024-I

In the first quarter of 2024, net financial position of non-financial corporations decreased by TRY 2,507 billion compared to the previous quarter. This decrease was mainly driven by the net change in loans, other accounts receivable, debt securities, and shares and equity items on the liabilities side, while the net change in currency and deposits items on the assets side (Chart 22). The ratio of the sector's debt to GDP and to total financial assets was 46% and 41%, respectively (Chart 23).

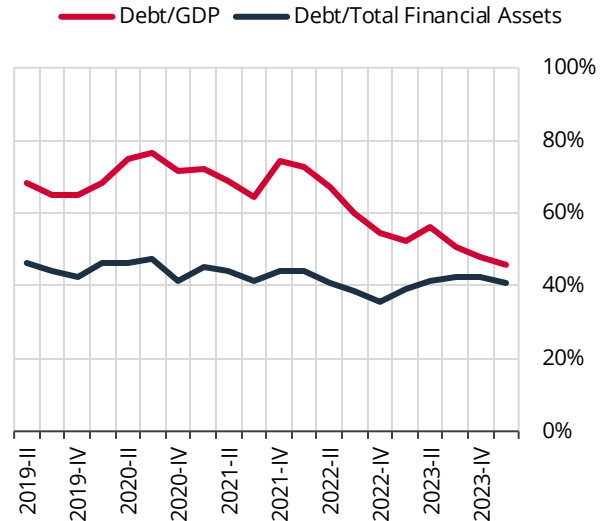
**Chart 22: Change in Net Financial Position of Non-Financial Corporations (TRY Billion)**



Source: CBRT

Last Observation: 2024-I

**Chart 23: Non-Financial Corporations' Debt\* (%)**



Source: CBRT, TURKSTAT.

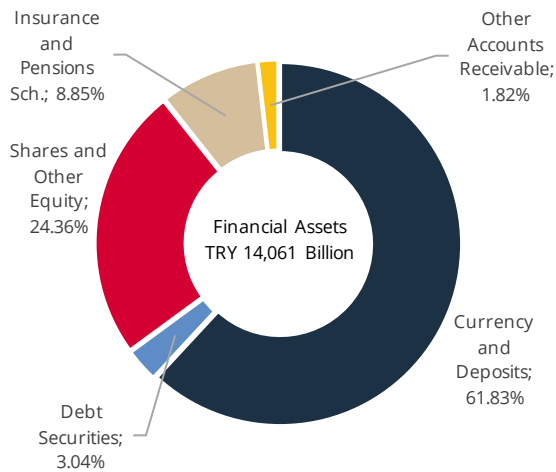
Last Observation: 2024-I

Note: Debts are composed of loans and debt securities.

## VI. Households

In 2024Q1, household financial assets increased by TRY 1,874 billion quarter-on-quarter and reached TRY 14,061 billion (Chart 24). The quarterly increase was due to the TRY 803 billion rise in transactions and TRY 1,071 billion rise in valuation. Deposits recorded an exchange rate-driven valuation of TRY 270 billion and TRY 380 billion worth of transactions (Chart 25).

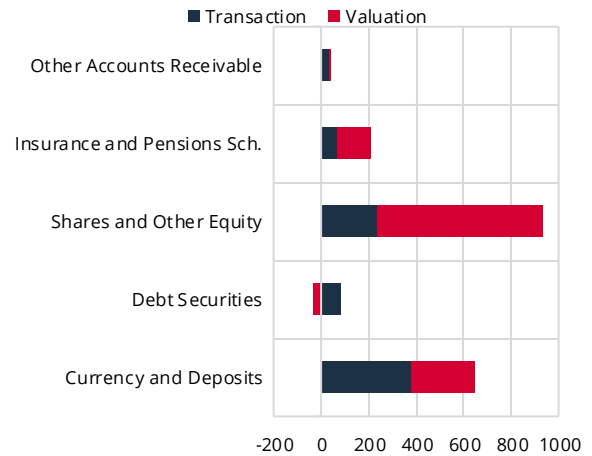
**Chart 24: Breakdown of Financial Assets by Instruments, Stock (%)**



Source: CBRT

Last Observation: 2024-I

**Chart 25: Financial Assets, Flow (TRY Billion)**

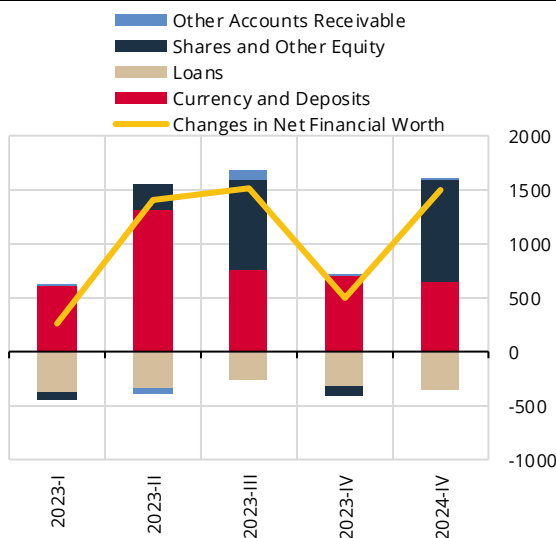


Source: CBRT

Last Observation: 2024-I

In the same quarter, household liabilities posted a quarter-on-quarter rise of TRY 386 billion and almost all of this increase was driven by transactions. Accordingly, the sector's net financial position increased by TRY 1,489 billion in the first quarter of 2024, driven by the increase in currency and deposits, and shares and equity (Chart 26). An analysis of household indebtedness indicators reveals that while the ratio of household debt to GDP (11%) remained flat, the ratio of debt to total financial assets (23%) decreased slightly compared to the previous quarter, and the ratio of debt to disposable income (27%) continued to decline (Chart 27).

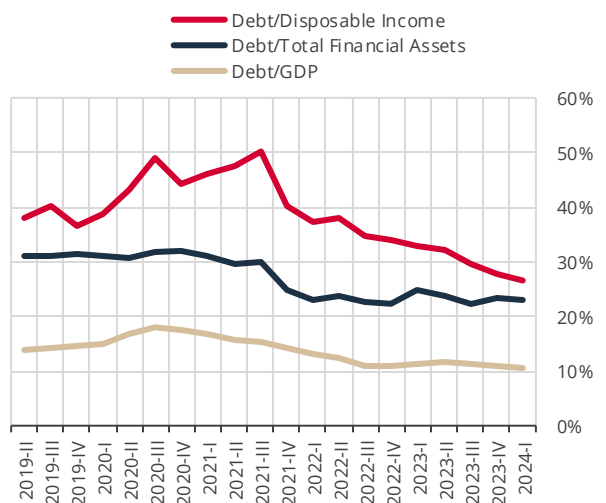
**Chart 26: Change in Net Financial Position of Households (TRY Billion)**



Source: CBRT

Last Observation: 2024-I

**Chart 27: Household Debt (%)**



Source: CBRT

Last Observation: 2024-I

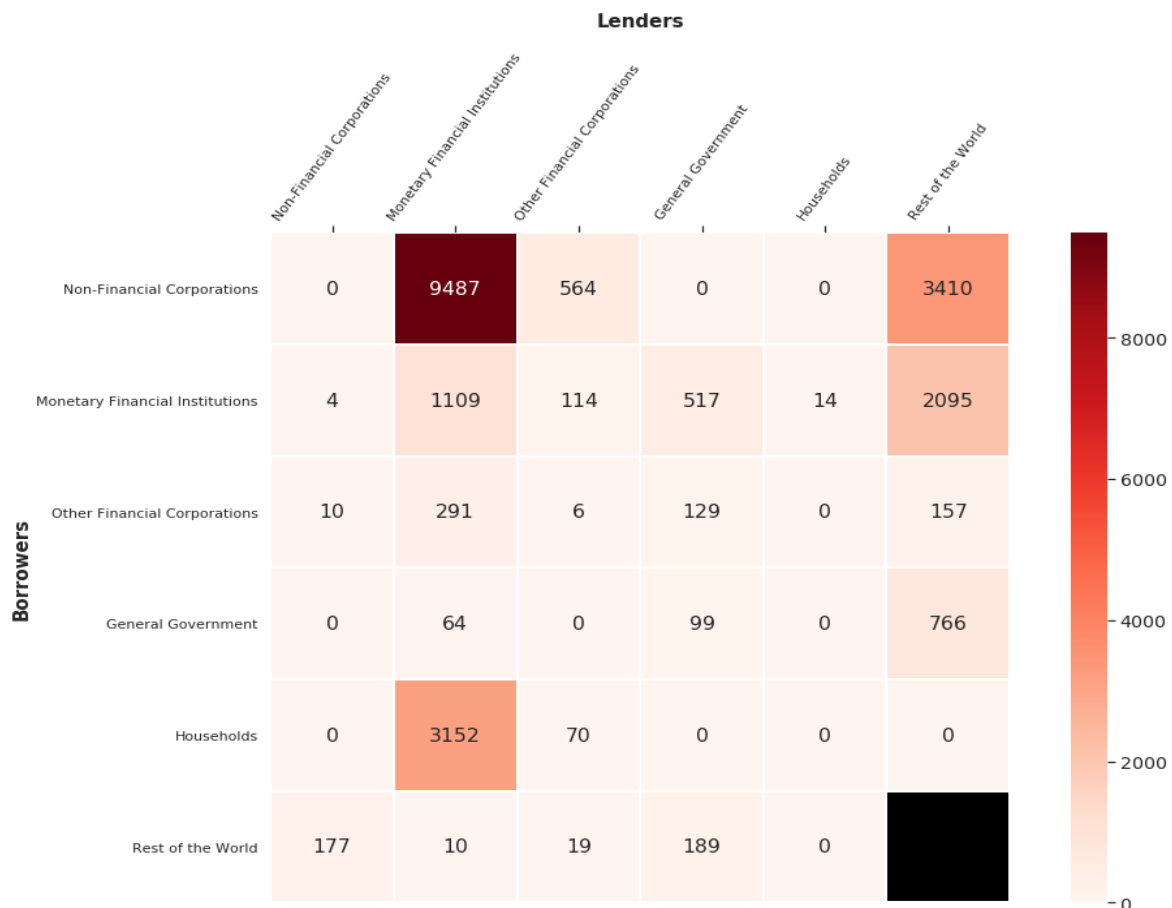
## VII. From-Whom-to-Whom Tables

Below is the breakdown of relations among economic sectors compiled as loans, deposits and debt securities according to from-whom-to-whom matrices.

### VII.I. Loans

An analysis of the from-whom-to-whom matrices of loans reveals that in the first quarter of 2024, the strongest connection occurred between non-financial corporations and monetary and financial corporations. Monetary and financial corporations extended a total of TRY 14,112 billion worth of loans, of which TRY 9,487 billion was granted to non-financial corporations and TRY 3,152 billion to households. Domestic sectors borrowed TRY 6,428 billion from the rest of the world, out of which non-financial corporations received TRY 3,410 billion, monetary and financial institutions received TRY 2,095 billion, and general government received TRY 766 billion (Chart 28).

**Chart 28: Loans, From-Whom-to-Whom** (Stock, TRY Billion)

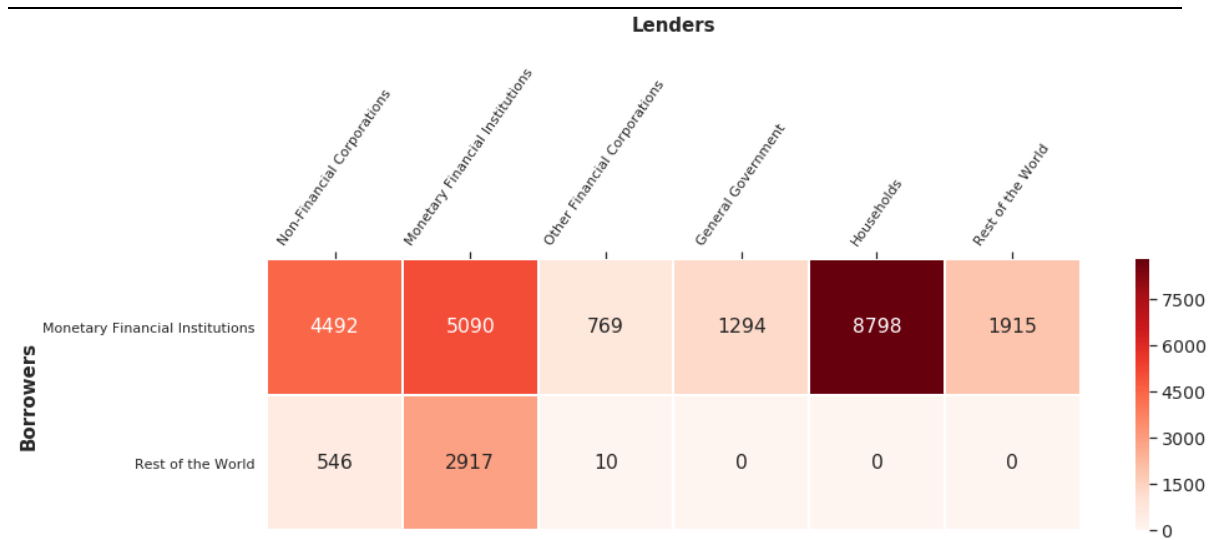


Source: CBRT

Last Observation:2024-IV

### VII.II. Deposits

In 2024Q1, of the total TRY 25,831 billion worth of deposits, TRY 22,358 billion were taken by monetary and financial institutions and TRY 3,473 billion by the rest of the world. Most of the deposits in monetary and financial institutions belonged to households (TRY 8,798 billion), non-financial corporations (TRY 4,492 billion) and monetary and financial institutions (TRY 5,090 billion). Meanwhile, the majority of deposits taken by the rest of the world (TRY 2,917 billion) was held by monetary and financial institutions.

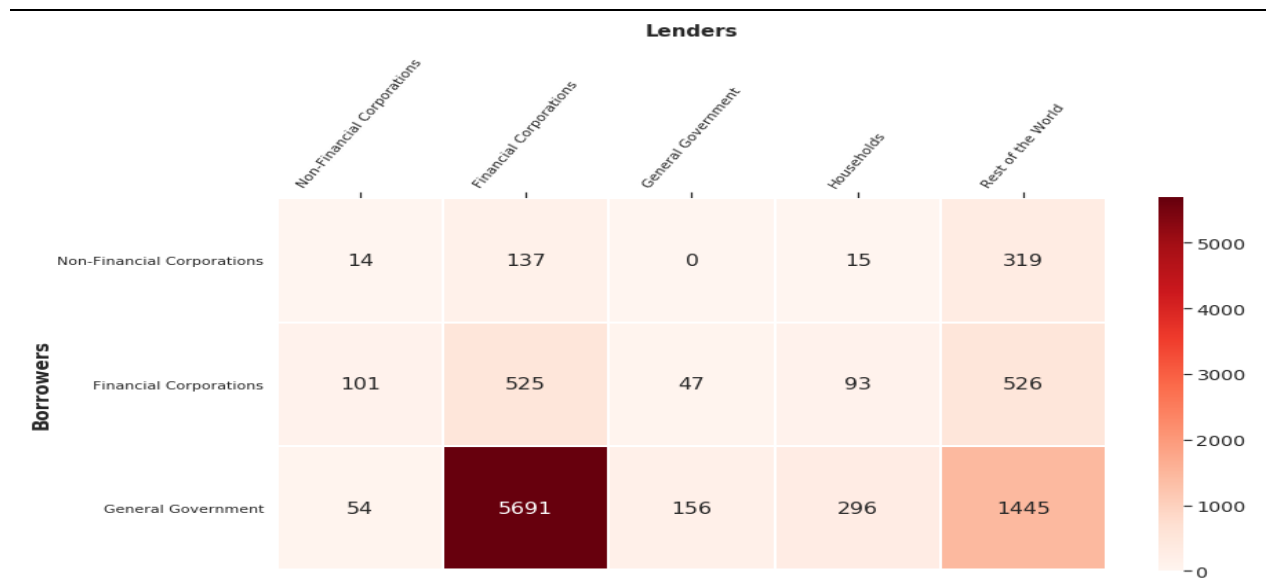
**Chart 29: Deposits, From-Whom-to-Whom** (Stock, TRY Billion)

Source: CBRT

Last Observation: 2024-I

**VII.III. Debt Securities**

The market value of the stock of the debt securities issued by the residents is TRY 9,419 billion as of 2024Q1, out of which TRY 7,642 billion were issued by the general government, TRY 1,292 billion by financial corporations and TRY 485 billion by non-financial corporations. Most of the debt securities issued by the general government were held by financial corporations (TRY 5,691 billion) and the rest of the world (TRY 1,445 billion) (Chart 30).

**Chart 30: Debt Securities, From-Whom-to-Whom** (Stock, TRY Billion)<sup>4</sup>

Source: CBRT

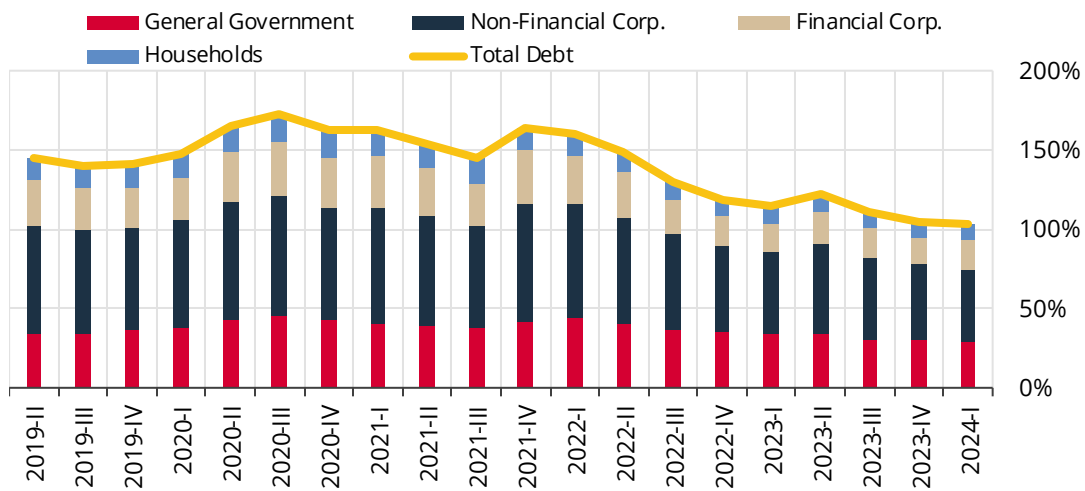
Last observation: 2024-IV

<sup>4</sup> Whom-to-whom table for debt securities is compiled from the securities database.

## VIII. Total Debt and Country Comparisons

The ratio of resident sectors' financial accounts-defined total debt, which is the sum of loans they utilize and the debt securities they issue, to GDP stood at 103% in 2024Q1 (Chart 31)

**Chart 31: Total Debt of Resident Sectors/GDP\* (%)**



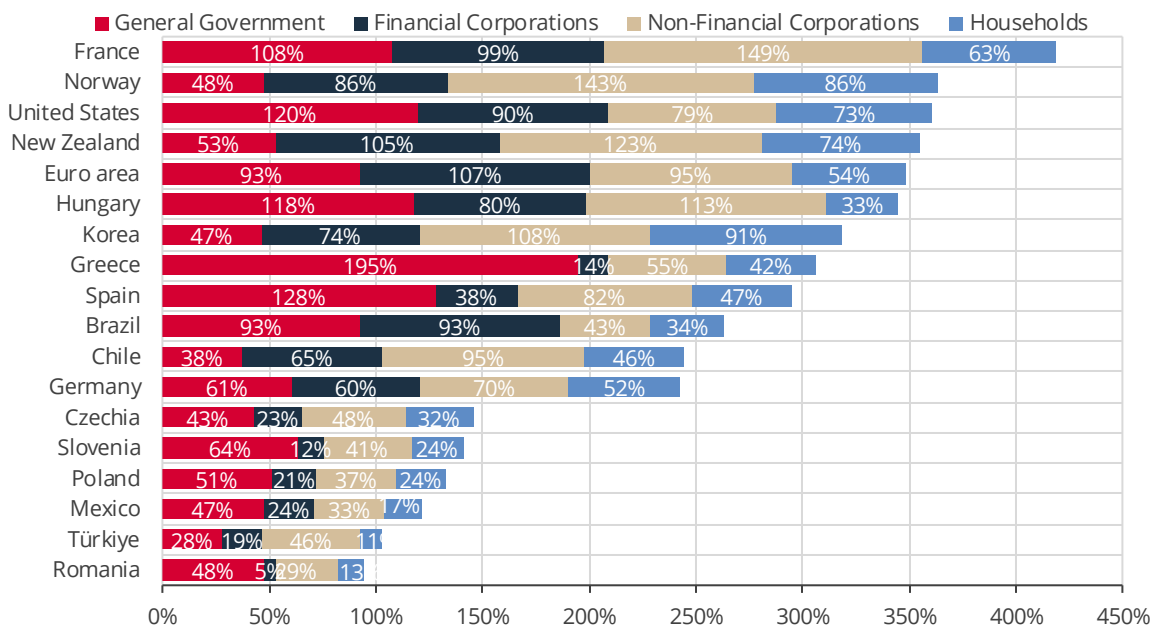
Source: CBRT, TURKSTAT.

Last Observation: 2024-I

(\*) Debts are composed of loans and debt securities.

A cross-country comparison of indebtedness ratios for all sectors reveals that the total debt of resident sectors in Türkiye was low in 2024Q1 (Chart 32).

**Chart 32: Cross-Country Comparison of Debt/GDP by Sectors\* (%)**



Source: CBRT, TURKSTAT, OECD.

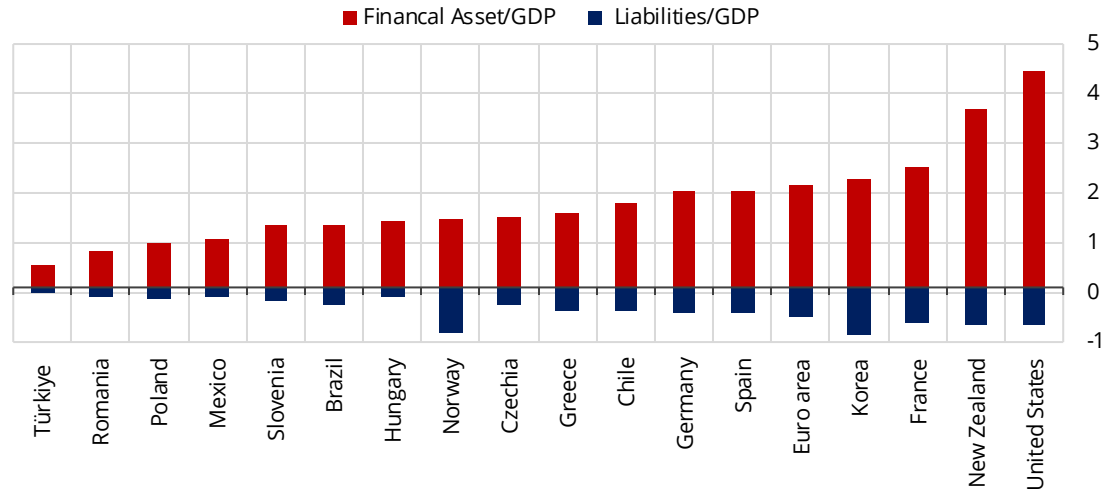
Last observation: 2024-I

(\*) Debts are composed of loans and debt securities.

Note: Other country data is as of 2023Q4.

The ratio of household financial assets to GDP was approximately 46% as of the first quarter of 2024. Across peer emerging economies, this ratio ranges between 74% (Romania) and 169% (Chile), while this ratio is even higher in advanced economies included in the sample. In terms of the ratio of household liabilities to GDP, Türkiye has the lowest level of indebtedness (11%) among the countries compared in 2024Q1 (Chart 33).

**Chart 33: Cross-Country Comparisons for Households**



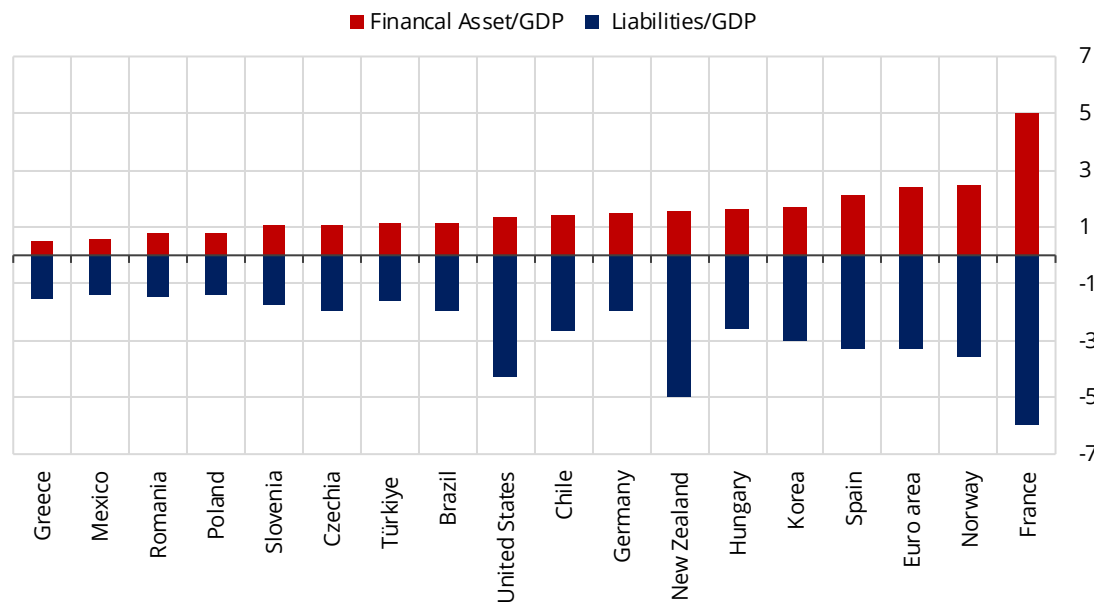
Source: CBRT, TURKSTAT, OECD.

Last observation: 2024-I

Note: Other country data is as of 2023Q4.

The ratio of non-financial corporations' total financial assets to GDP stood at 112% as of 2024Q1. This ratio ranges between 50% (Greece) and 163% (Hungary) across emerging economies in the sample. A cross-country comparison of liabilities to GDP ratios shows that Türkiye was among the countries with low indebtedness with an indebtedness ratio of 158% (Chart 34).

**Chart 34: Cross-Country Comparisons for Non-Financial Corporations**



Source: CBRT, TURKSTAT, OECD.

Last observation: 2024-I

Note: Other country data is as of 2023Q4.