

I. Overview

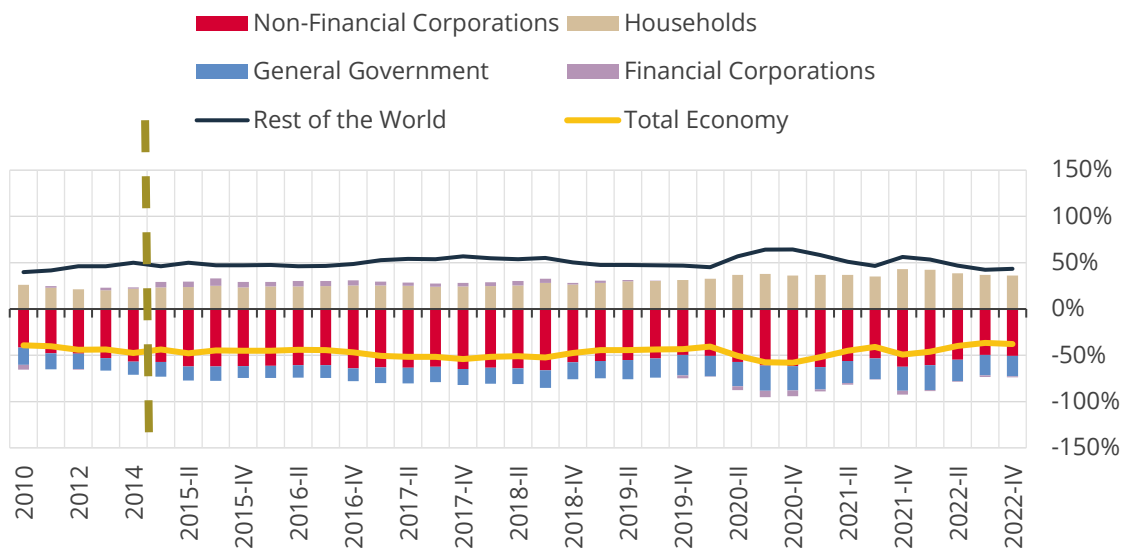
Table 1: Financial Net Worth by Sectors (TRY Billion)^{1,2}

	Total Economy	Non-Financial Corporations	Financial Corporations	General Government	Households	Rest of the World
Financial Assets	56,017	25,506	20,583	2,649	7,279	5,103
Liabilities	61,671	33,120	20,722	5,971	1,858	11,614
Net Financial Worth	-5,654	-7,614	-139	-3,322	5,421	6,511

Source: CBRT

An analysis of the domestic economy's financial balance sheets by sectors as of 2022Q4 reveals that the total economy was a financial borrower, while 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 Financial Net Worth (Stock) to GDP, by Sectors (%)²

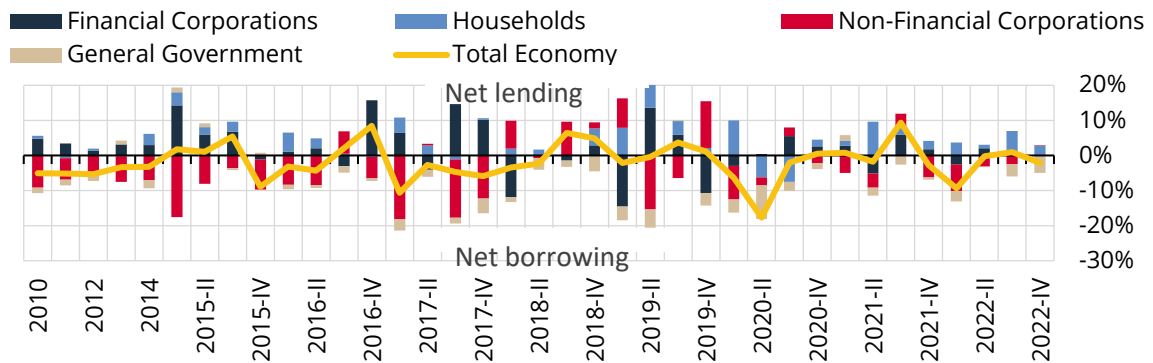


Sources: CBRT, TURKSTAT.

Last Observation: 2022-IV

¹ 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.

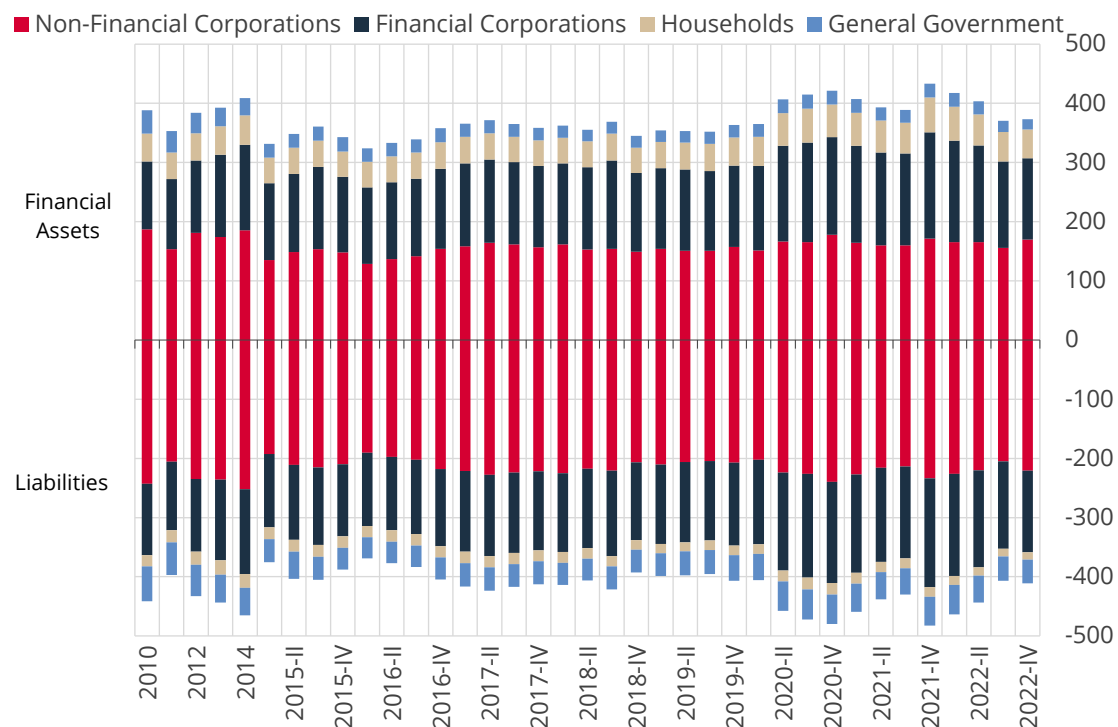
² The households sector also covers non-profit institutions serving households.

Chart 2: Net Lending/Borrowing (Transaction), Ratio to GDP, by Sectors (%)

Sources: CBRT, TURKSTAT.

Last Observation:2022-IV

According to net financial transactions conducted by sectors, the total economy, which was a net lender of 1% of GDP in the previous quarter, became a net borrower of 2% of GDP in the fourth quarter of 2022. In terms of contributions to this ratio, households stood as the biggest lender in this quarter with 2.8% of GDP. The general government, on the other hand, was a net borrower of 5% of GDP (Chart 2).

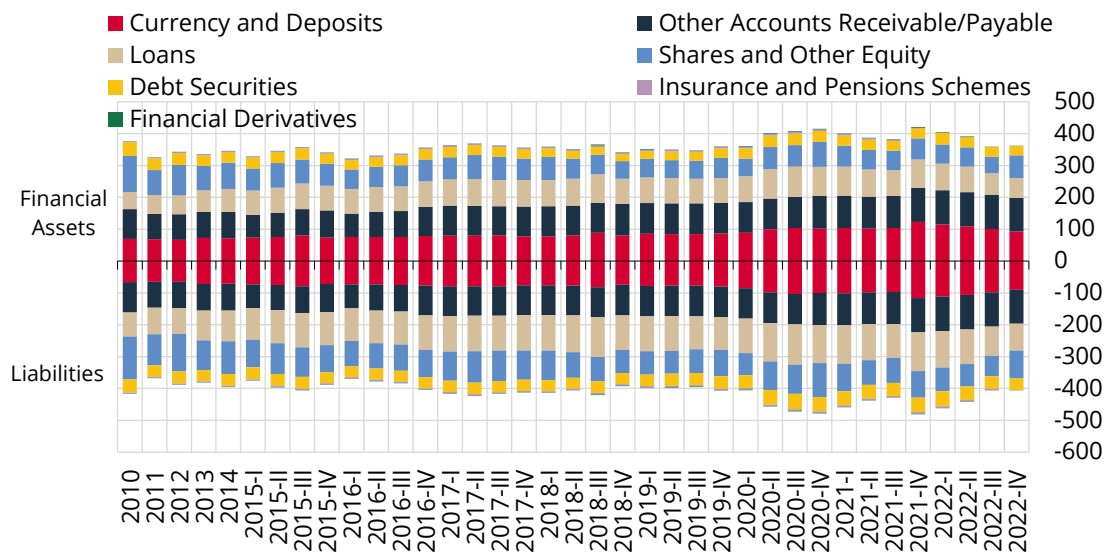
Chart 3: Financial Assets and Liabilities to GDP by Sectors (%)

Sources: CBRT, TURKSTAT.

Last Observation: 2022-IV

An analysis of financial assets and liabilities by sectors over the recent period reveals that non-financial corporations constituted the largest sector on both assets and liabilities sides (Chart 3).

Chart 4: Distribution of Financial Instruments-Total Economy, Ratio to GDP* (%)



Sources: CBRT, TURKSTAT.

Last Observation: 2022-IV

(*) Monetary gold and SDR are excluded.

In 2022Q4, other accounts receivable, and currency and deposits had the largest weight in assets, while shares and other equity and other accounts payable items had the largest weight in liabilities (Chart 4).