

Monetary Developments

Data Governance and Statistics
Department

January 2024



Evaluations

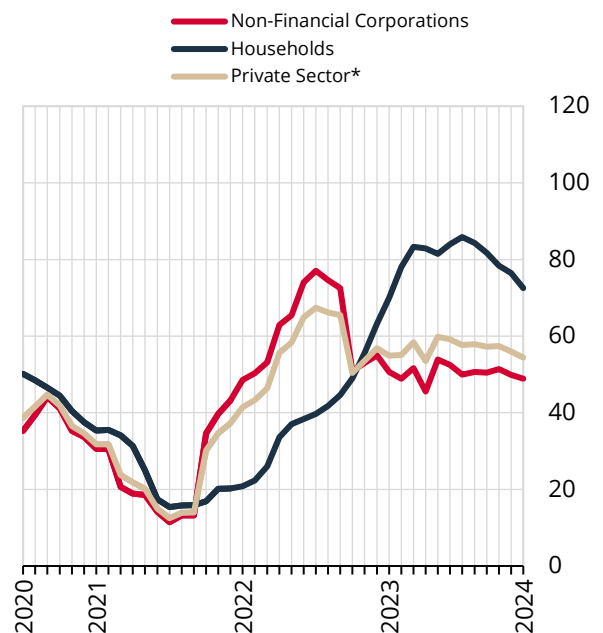
The broad money supply M3 grew annually by 63.6% in January 2024, following the 65.9 -percent year-on-year growth in December 2023. While the annual growth rate of M1, the narrowest measure of money supply, was 52.9% in December 2023, it was 52.5% in January 2024.

The annual rate of increase in loans granted by the monetary sector to households is 72.5% in January 2024. Meanwhile, the loans extended to non-financial corporations increased 49.9% in December 2023 compared to previous year, while it increased year on year 48.9% in January 2024.

Chart 1. Monetary Aggregates (January 2024, Annual % Growth)



Chart 2. Loans (January 2024, Annual % Growth)



(*) Private Sector includes Agricultural Sales and Credit Cooperatives, Non-profit Inst. Serving Households and Other as well as Non-Financial corp. and Households.

An analysis of the contribution of broad money components to the annual growth in money supply reveals that the largest contribution came from time deposits, followed by demand deposits.

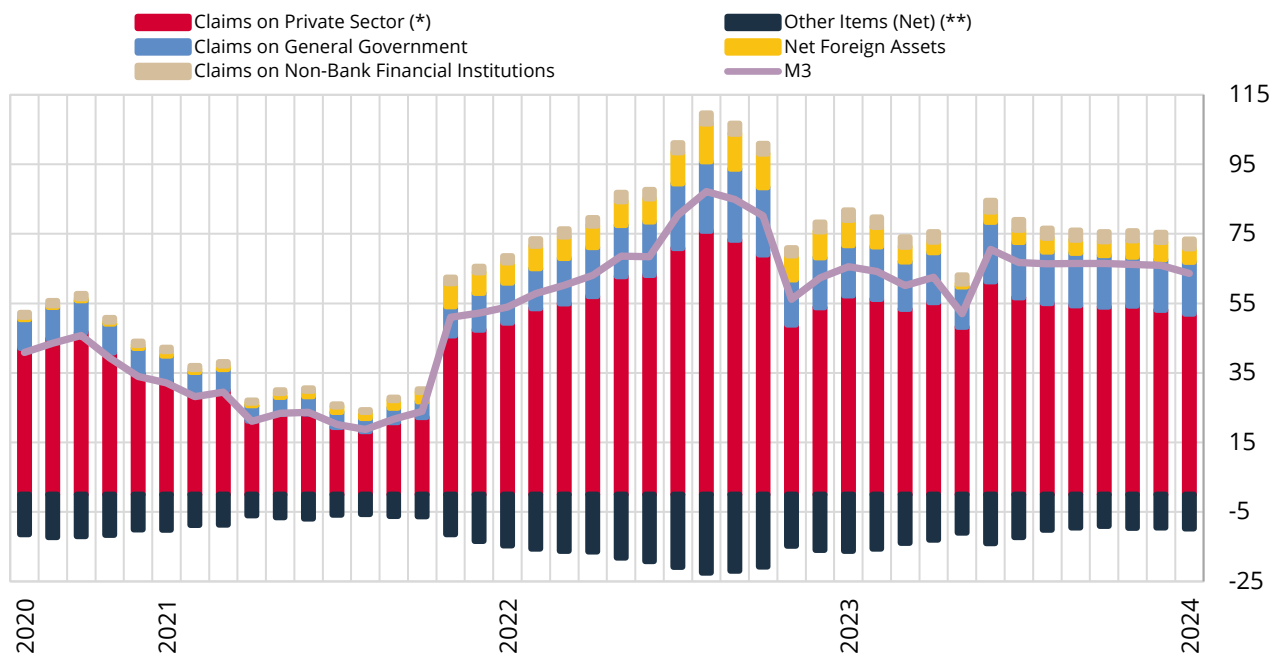
The increase in time deposits contributed 39.7% to the 63.6% annual growth in the broad money M3 in January 2024 while demand deposits added 20%. Other components had a limited contribution to the growth.

Table 1. Contribution of Broad Money Components to the Annual Growth in M3 Money Supply
(January 2024)

	January 2024 (Million TRY)	November 2023 (%)	December 2023 (%)	January 2024 (%)
M3	14.179.076	66,24	65,89	63,59
Funds Received from Repo Transactions	245.030	0,81	0,89	1,10
Money Market Funds	198.114	0,71	0,70	0,89
Debt Securities Issued	30.324	0,16	0,14	0,14
M2-M1	8.842.926	41,80	41,80	39,66
Time Deposits (TRY)	6.760.730	31,85	32,12	30,32
Time Deposits (FX)	2.082.196	9,94	9,68	9,34
M1	4.862.682	22,77	22,37	21,81
Currency Outside Banks	399.026	2,04	1,92	1,79
Demand Deposits (TRY)	1.276.172	5,98	6,12	5,72
Demand Deposits (FX)	3.187.485	14,75	14,34	14,30

Source: CBRT

Chart 3. Reflection of Annual Growth in M3 Money Supply to Counterpart Items (January 2024)



(*) Claims on Private Sector includes Claims on Non-Financial Public Enterprises.

(**) Transactions of the monetary sector are netted under "Other Items (Net)".

The growth in M3 is reflected in counterparts as an increase in claims on the private sector, the general government, non-bank financial institutions and net foreign assets by 52%, 14.9%, 2.6% and 3.9% respectively. On the other hand, other items (net) had a reducing effect by 9.8%.