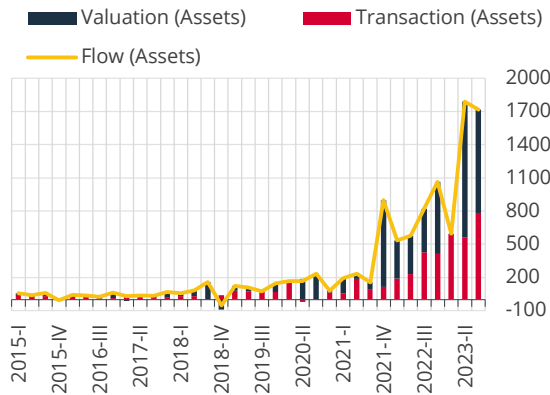


III. Households

In 2023Q3, household financial assets increased by TRY 1,718 billion quarter-on-quarter, TRY 784 billion of which was driven by transactions. Out of TRY 933 billion of valuation, TRY 711 billion stemmed from valuation in equities due to price changes, while exchange rate valuation of FX deposits was TRY 127 billion (Chart 7). Meanwhile, household financial liabilities recorded a quarter-on-quarter rise of TRY 227 billion, almost all of which resulted from an increase in loans transactions (Chart 8).

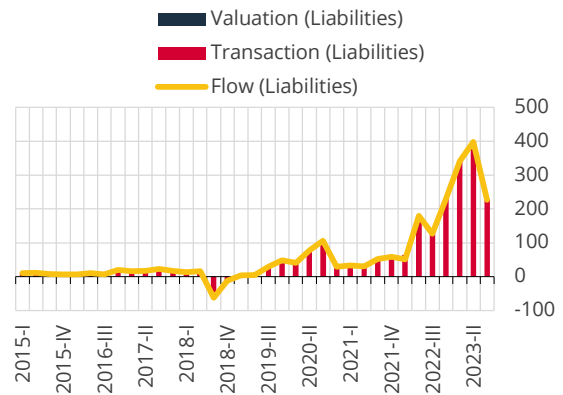
Chart 7: Financial Assets, Flow (TRY Billion)



Source: CBRT

Last Observation: 2023-III

Chart 8: Liabilities, Flow (TRY Billion)

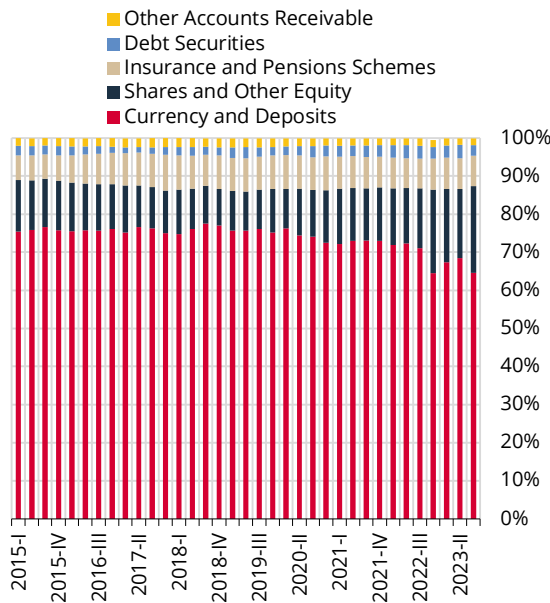


Source: CBRT

Last Observation: 2023-III

In 2023Q3, the distribution of household financial instruments did not change significantly. The leading instrument in household financial assets was currency and deposits with a share of about 65%, followed by shares and other equity (Chart 9). As for household liabilities, almost all were composed of loans (Chart 10).

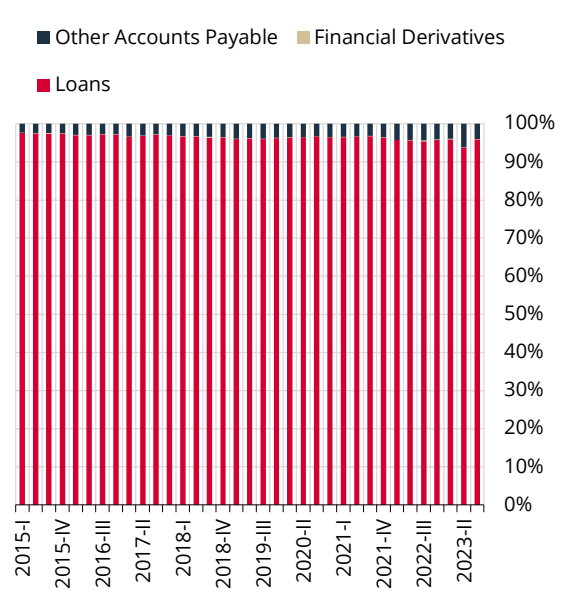
Chart 9: Breakdown of Financial Assets by Instruments (%)



Source: CBRT

Last Observation: 2023-III

Chart 10: Breakdown of Liabilities by Instruments (%)

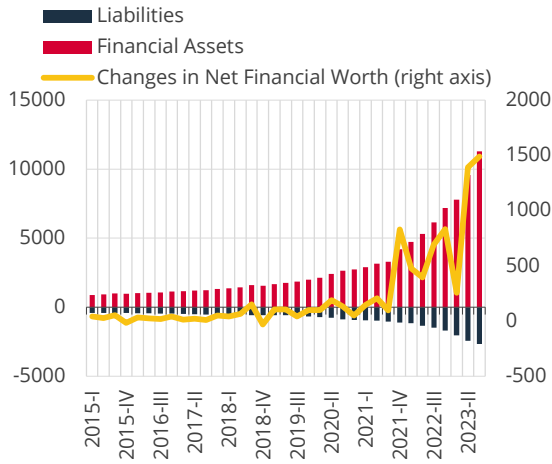


Source: CBRT

Last Observation: 2023-III

In 2023Q3, household financial net worth increased by TRY 1,491 billion (Chart 11). Household indebtedness indicators suggest that the ratio of household debt to GDP (11.3%) has been stable, while the ratio of debt to total financial assets (22.5%) slightly decreased quarter-on-quarter, and the ratio of debt to disposable income (29%) continued to decline (Chart 12).

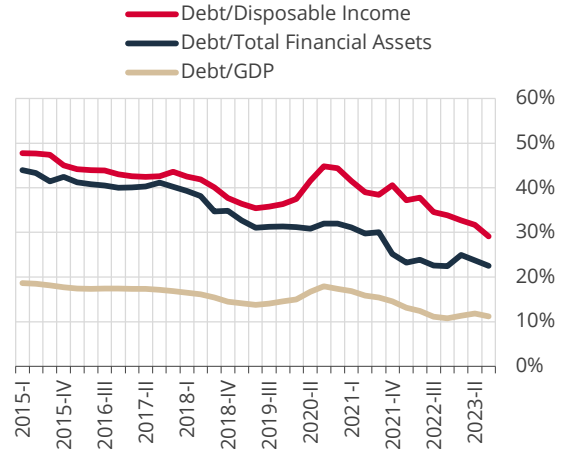
Chart 11: Change in Financial Net Worth of Households (TRY Billion)



Source: CBRT

Last Observation: 2023-III

Chart 12: Household Debt* (%)



Source: CBRT, TURKSTAT.

Last Observation: 2023-III

* Household debt is composed of loans.