

I. Overview

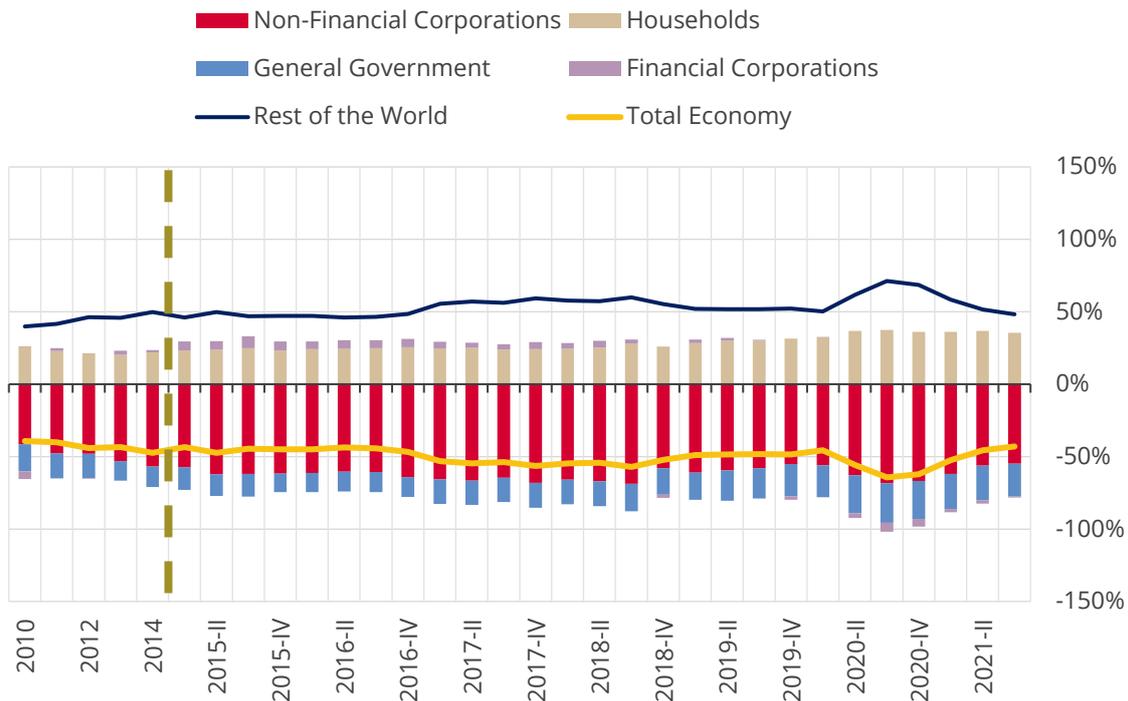
Table 1: Financial Net Worth by Sectors (TRY Billion)^{1,2}

	Total Economy	Non-Financial Corporations	Financial Corporations	General Government	Households	Rest of the World
Financial Assets	25,359	10,301	10,341	1,341	3,375	2,397
Liabilities	28,112	13,818	10,394	2,798	1,101	5,491
Financial Net Worth	-2,753	-3,517	-53	-1,457	2,274	3,094

Source: CBRT

An analysis of the domestic economy's financial balance sheets by sectors as of 2021Q3 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 Financial Net Worth to (Stock) GDP by Sectors (%)²



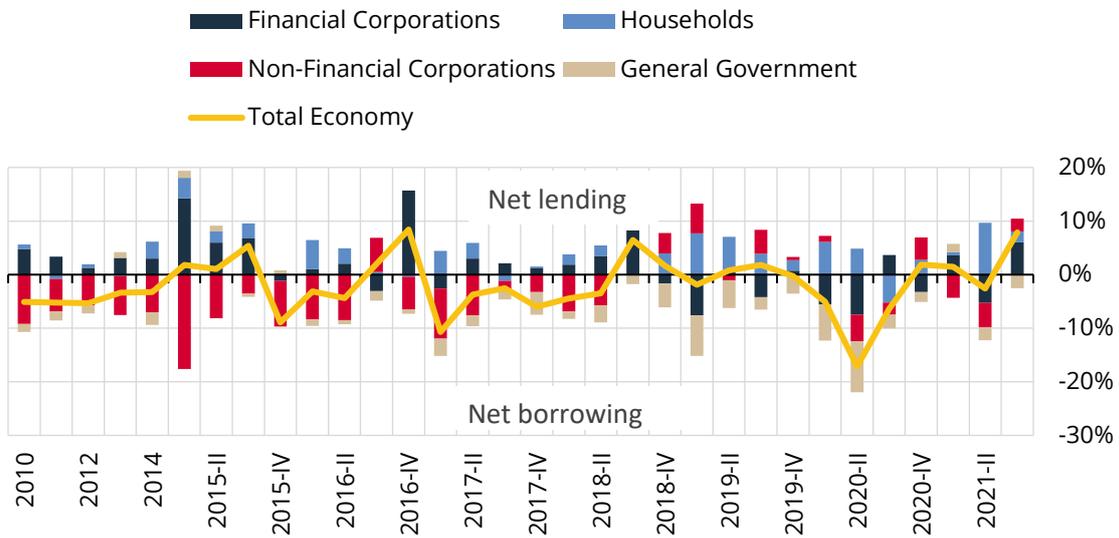
Sources: CBRT, TURKSTAT.

Last Observation: 2021-III

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 (%)

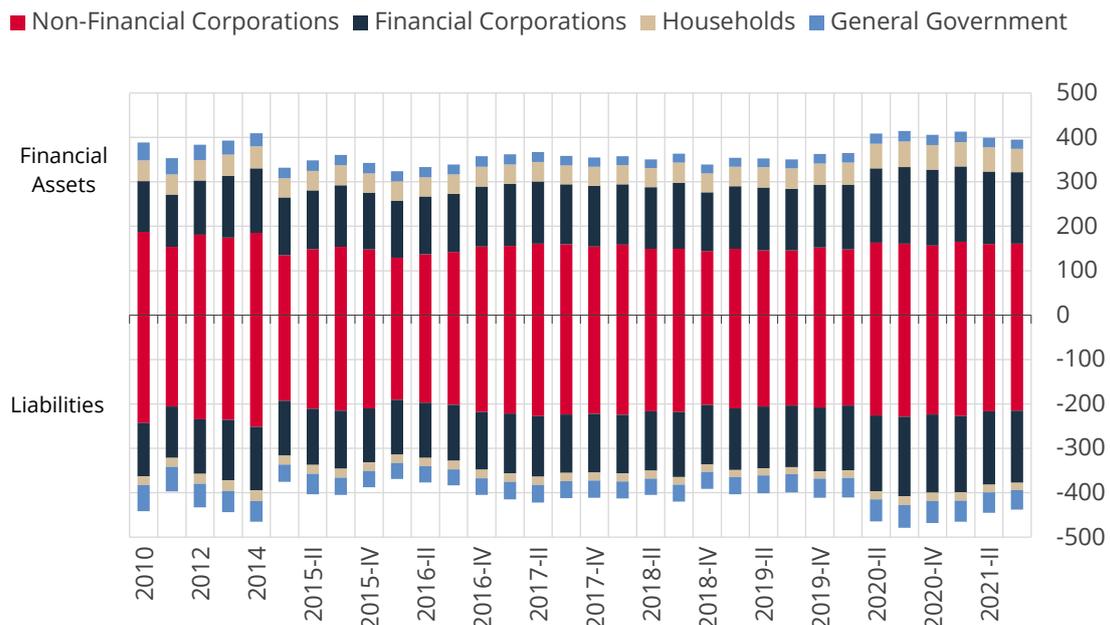


Sources: CBRT, TURKSTAT.

Last Observation: 2021-III

According to net financial transactions conducted by sectors, the total economy, which was a net borrower of 2,6% of GDP in the previous quarter, became a net lender of 7,9% of GDP in the third quarter of 2021. In terms of contributions to this ratio, financial corporations stood as the biggest lender in this quarter with 6% of GDP, followed by non-financial corporations and households with a lending of around 2% of GDP. General government, on the other hand, was a net borrower of 3% of GDP (Chart 2).

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

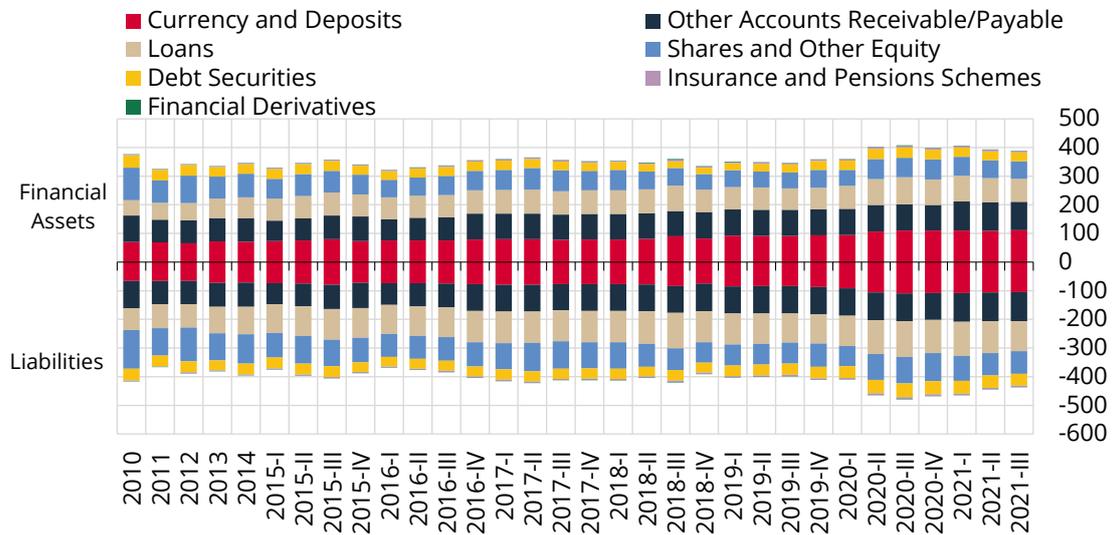


Sources: CBRT, TURKSTAT.

Last Observation: 2021-III

An analysis of financial assets and liabilities by sectors over the recent period suggests that financial corporations constituted the largest sector on the assets side whereas non-financial corporations stood as the largest sector on the liabilities side (Chart 3).

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



Sources: CBRT, TURKSTAT.

Last Observation: 2021-III

(*) Monetary gold and SDR are excluded.

In 2021Q3, currency and deposits, along with other receivables, had the largest weight in assets while loans as well as currency and deposits had the largest weight in liabilities (Chart 4).