

Monetary Developments

Data Governance and Statistics
Department

March 2025

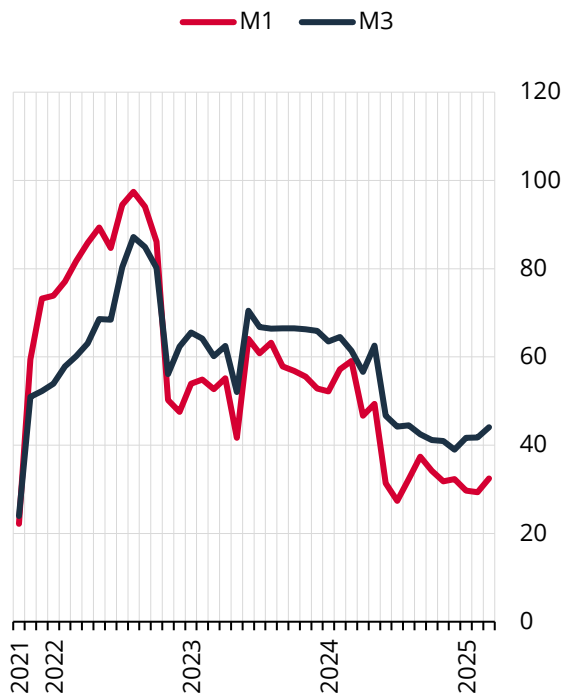


Evaluations

The broad money supply M3 grew annually by 44.1% in March 2025 following the 41.8 -percent year-on-year growth in February 2025. The annual growth rate of M1, the narrowest measure of money supply, was 29.4% in February 2025 which was 32.4% in March 2025 (Chart 1).

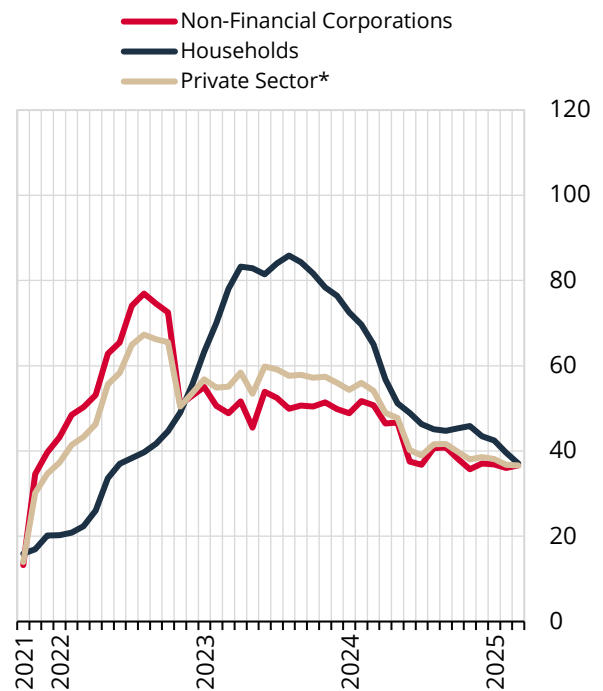
The annual rate of increase in loans granted by the monetary sector to households was 37.1% in March 2025 while it was 39.6% in February 2025. Meanwhile, the loans extended to non-financial corporations increased by 36.1% in February 2025 compared to previous year, while it increased by 36.7% on year-on-year basis in March 2025 (Chart 2).

Chart 1. Monetary Aggregates (March 2025, Annual % Growth)



Source: CBRT

Chart 2. Loans (March 2025, Annual % Growth)



Source: CBRT

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

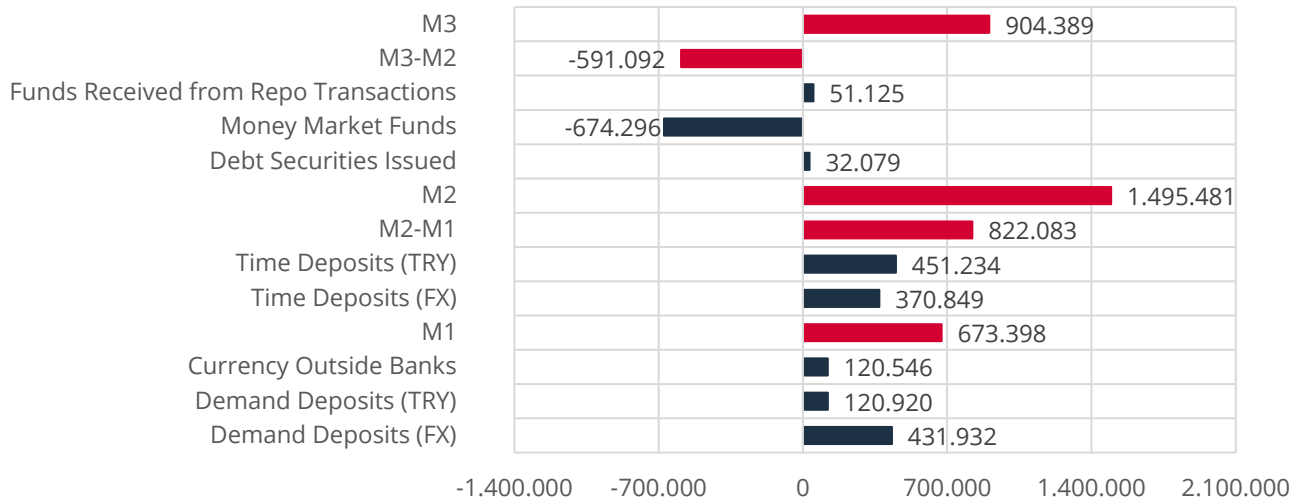
An analysis of the contribution of broad money components to the annual growth in money supply reveals that the largest contribution came from time deposits which is followed by demand deposits. In March 2025, 25.7% of the annual growth of 44.1% in M3 came from time deposits while 13.4% came from demand deposits. Meanwhile, other components had a limited contribution to the growth. Regarding the 4.4% monthly growth in the broad money M3 in March 2025, the main contribution came from the increase in TL time deposits which grew by 4.0% and money market funds had a decreasing effect with 3.3% (Table 1).

Table 1. Contribution of Broad Money Components to Growth in M3 Money Supply (March 2025)

	Money Supply (Million TRY)	Contribution of Components to M3 Annual Growth (%)	Contribution of Components to M3 Monthly Growth (%)
M3	21.587.119	44.1	4.4
M3-M2	1.692.408	3.5	-2.9
Funds Received from Repo Transactions	850.680	1.7	0.2
Money Market Funds	781.783	1.6	-3.3
Debt Securities Issued	59.945	0.1	0.2
M2	19.894.711	40.6	7.2
M2-M1	12.589.132	25.7	4.0
Time Deposits (TRY)	10.127.655	20.7	2.2
Time Deposits (FX)	2.461.477	5.0	1.8
M1	7.305.580	14.9	3.3
Currency Outside Banks	760.643	1.6	0.6
Demand Deposits (TRY)	2.088.237	4.3	0.6
Demand Deposits (FX)	4.456.700	9.1	2.1

Source: CBRT

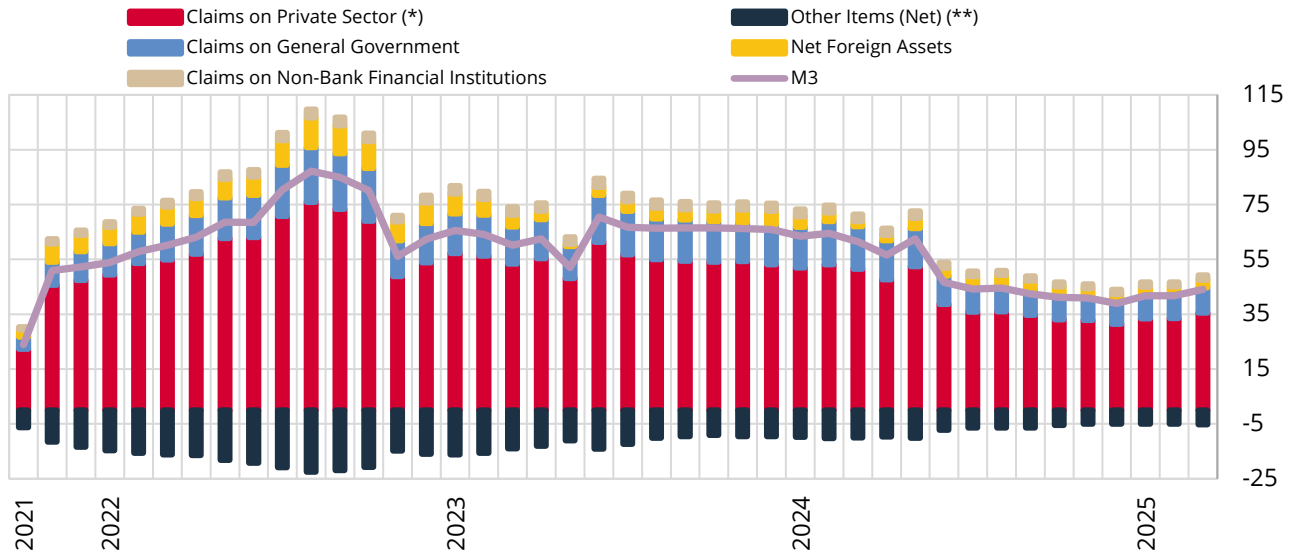
Broad money supply M3 increased by 904 Billion TL monthly in March 2025. In the same period, M1 increased by 673 Billion TL due to the increase in FX demand deposits (Chart 3).

Chart 3. Monthly Change of M3 Money Supply and Its Components (March 2025, Million TRY)

Source: CBRT

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 35.6%, 9.2%, 1.6% and 2.8% respectively. On the other hand, other items (net) had a reducing effect by 5.2% (Chart 4).

Chart 4. Reflection of Annual Growth in M3 Money Supply to Counterpart Items (March 2025, % Change)



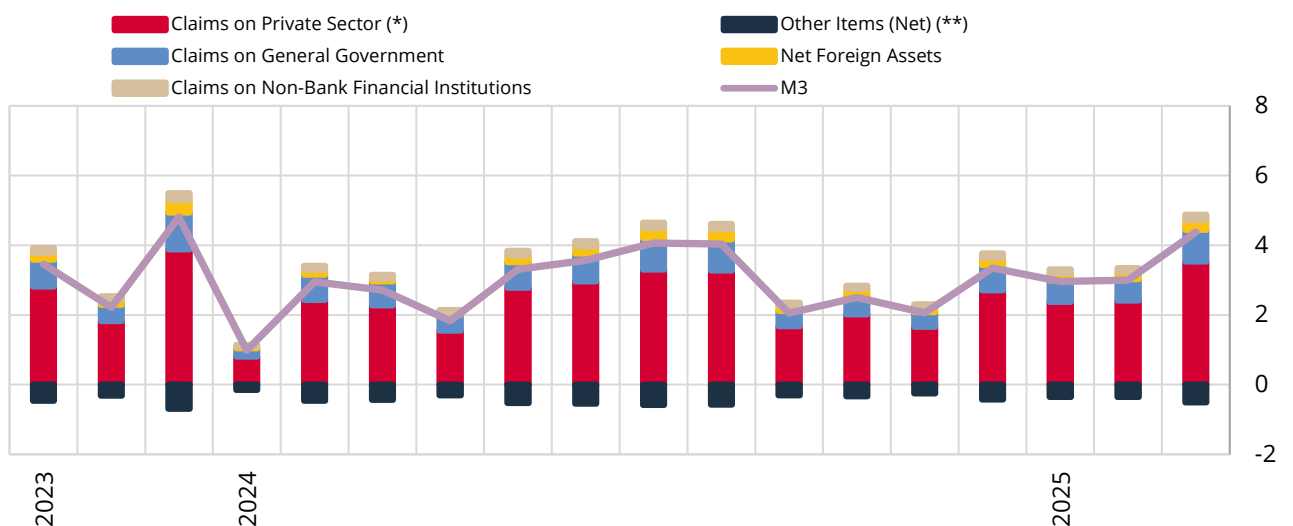
Source: CBRT

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

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

The monthly 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 3.5%, 0.9%, 0.2% and 0.3% respectively. On the other hand, other items (net) had a reducing effect by 0.5%. (Chart 5)

Chart 5. Reflection of Monthly Growth in M3 Money Supply to Counterpart Items (March 2025, % Change)



Source: CBRT

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

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