



Monetary Developments

**Data Governance and Statistics
Department**

November 2021

Evaluations

The broad money supply M3 grew annually by 51% in November 2021, following the 24-percent year-on-year growth in October 2021. The annual growth rate of M1, the narrowest measure of money supply, increased from 22.2% in October to 59.5% in November 2021.

The annual rate of increase in loans granted by the monetary sector to households is 16.9% in November 2021. Meanwhile, the loans extended to non-financial corporations increased 13.2% in October 2021 compared to previous year, while it increased year on year 34.6% in November 2021.

Chart 1. Monetary Aggregates (November 2021, Annual % Growth)

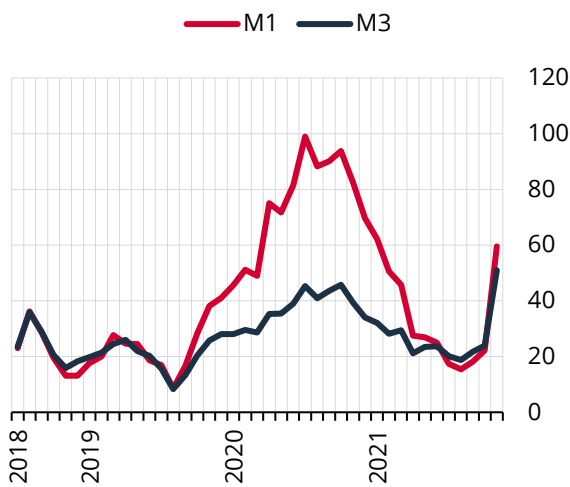
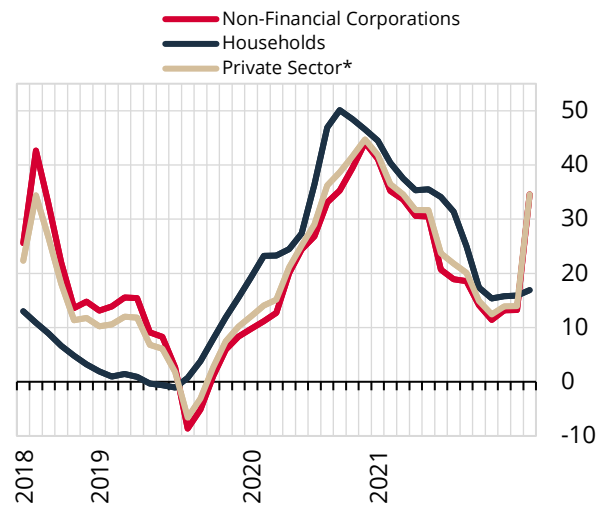


Chart 2. Loans (November 2021, Annual % Growth)



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

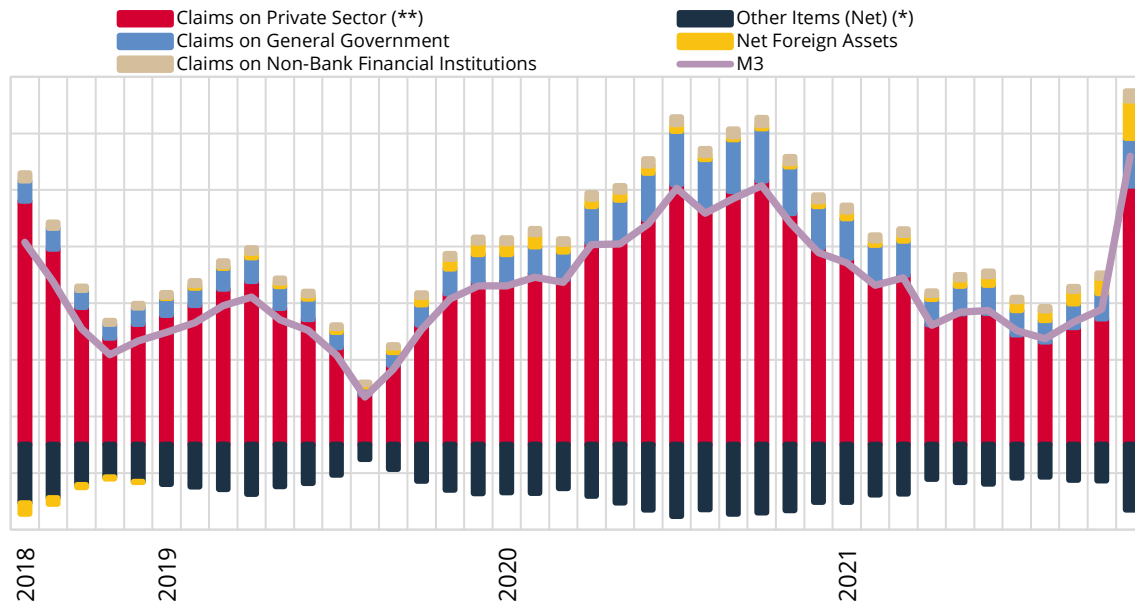
An analysis of the contribution of broad money components to the annual growth in money supply reveals that the largest contribution came from time deposits, followed by demand deposits.

The increase in time deposits contributed 30.2% to the 51% annual growth in the broad money M3 in November 2021 while demand deposits added 17.2%. Other components had a limited contribution to the growth.

Table 1. Contribution of Broad Money Components to the Annual Growth in M3 Money Supply (November 2021)

	November 2021 (Million TRY)	September 2021 (%)	October 2021 (%)	November 2021 (%)
M3	5,158,077	21.70	23.96	50.96
Funds Received from Repo Transactions	21,613	0.07	0.09	0.21
Money Market Funds	60,677	0.28	0.31	0.60
Debt Securities Issued	54,069	0.27	0.30	0.53
M2-M1	3,052,538	13.35	14.64	30.16
Time Deposits (TRY)	1,362,228	7.11	7.63	13.46
Time Deposits (FX)	1,690,310	6.24	7.00	16.70
M1	1,969,180	7.73	8.63	19.46
Currency Outside Banks	226,008	1.08	1.19	2.23
Demand Deposits (TRY)	462,432	2.09	2.34	4.57
Demand Deposits (FX)	1,280,740	4.56	5.11	12.65

Source: CBRT

Chart 3. Reflection of Annual Growth in M3 Money Supply to Counterpart Items (November 2021)

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

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

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 45.8%, 8.4%, 1.6% and 6.6% respectively. On the other hand, other items (net) had a reducing effect by 11.5%.