

FINANCIAL ACCOUNTS REPORT

DATA GOVERNANCE AND STATISTICS
DEPARTMENT

2024-III



What Are Financial Accounts?

- Financial Accounts are statistics that show the level of assets and liabilities in an economy in terms of sectors and financial instruments in line with international standards. In addition to the financial assets and liabilities of households, non-financial corporations, financial corporations, and the general government arising from their economic activities, these statistics also show relations of sectors with each other and the rest of the world. The from-whom-to-whom matrices produced as part of financial accounts portray inter-sectoral relations on the basis of financial instruments such as loans, deposits, and securities and thereby provide indicators for how resources are distributed across sectors.
- Financial accounts are prepared for quarterly periods using sectoral balance sheets and are issued as a breakdown of consolidated/non-consolidated stock and transaction data.
- Some of the definitions and classifications used in financial accounts are given below:
 - **Total economy (residents):** This consists of the total of resident sectors (non-financial corporations, financial corporations, general government, households, and non-profit institutions serving households).
 - **Rest of the world (non-residents):** This contains all persons and legal entities residing abroad for more than one year. In the context of financial accounts, it shows the assets and liabilities the rest of the world acquires by engaging in transactions with residents.
 - **Stock:** This denotes the level of financial assets and liabilities at quarter-ends.
 - **Flow (periodic change):** This shows the stock difference between two quarters by transaction and valuation breakdowns.
 - **Transaction:** This is calculated by subtracting the valuation effect driven by changes in exchange rates and prices from the flow figure computed for a relevant quarter and shows adjusted net changes between two quarters.
 - **Valuation:** This refers to the change in the relevant quarter stemming from exchange rate and price effects.
 - **Consolidated/Non-Consolidated:** In consolidated data, financial relations are netted at sector and sub-sector levels. In non-consolidated data, all transactions are shown on a gross basis. The rest of the world is the only sector that is not subject to consolidation.
 - **Financial net worth (net financial position):** This is calculated by subtracting total liabilities from total financial assets (stock). A positive value denotes that the sector is a net creditor, whereas a negative value denotes that the sector is a net debtor.
 - **Net lender/net borrower:** This is calculated by subtracting the use of external financing from the acquisition of financial assets. A positive value indicates that the sector is a **net lender**, whereas a negative value indicates that the sector is a **net borrower**.
 - **Acquisition of financial assets:** This is the sum of transaction amounts calculated for financial asset items by sectors for the relevant quarter.
 - **Use of external financing:** This is the total transaction amount calculated for liabilities by sectors for the relevant quarter.

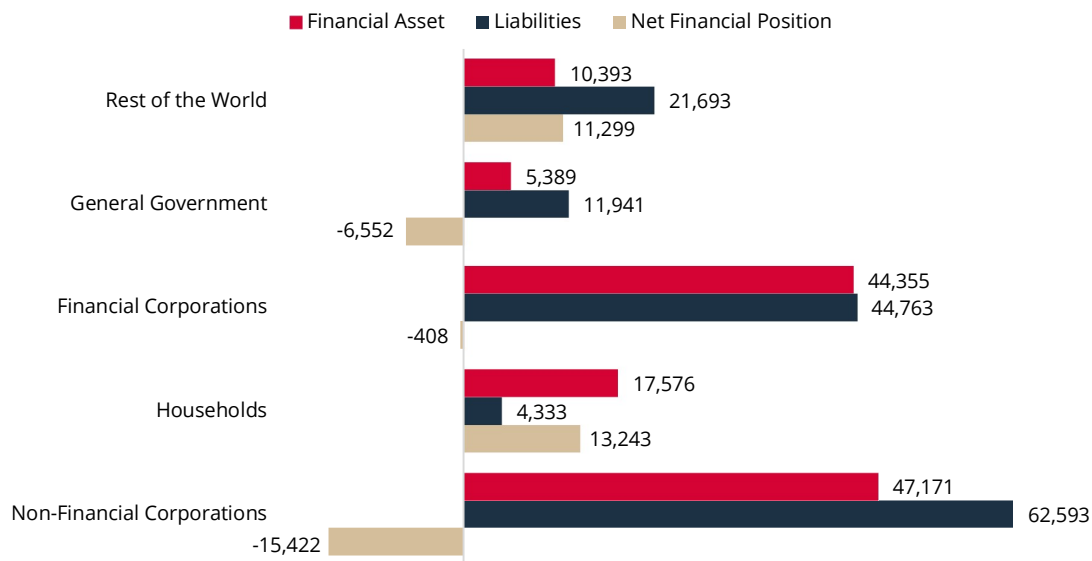
For detailed methodological information on definitions, classifications, and calculation methods used in financial accounts: [Metadata](#)

2024Q3 Developments – Summary

According to sectoral financial balance sheets, resident sectors' total financial assets and liabilities at end-quarter amounted to TRY 114 trillion and TRY 124 trillion, respectively. Below is a summary of developments pertaining to the third quarter of 2024:

- The ratio of the net financial position deficit of the Turkish economy to gross domestic product (GDP) decreased by 6 points quarter-on-quarter to 23.3%.
- According to net financial transactions conducted by sectors, the total economy, which was a net lender of 0.11% of GDP in the previous quarter, is a net borrower of 3.4% of GDP in the third quarter.

Chart: Net Financial Position by Sectors, Stock (TRY Billion)



Source: CBRT

Last Observation: 2024-III

- An analysis of the domestic economy's financial balance sheets by sectors 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 net financial position.
- Among households' financial assets, currency and deposits stand out with a share of approximately 60%, and almost all liabilities are composed of loans.
- Financial assets and liabilities of non-financial corporations were driven by other accounts receivable and other accounts payable items, which are composed of corporates' commercial transactions with each other, with 64% and 49% shares, respectively.
- A cross-country comparison of indebtedness ratios for all sectors reveals that the total debt of resident sectors was low in Türkiye. In the third quarter of 2024, the ratio to GDP of total debt in the form of loans and debt securities was 93%, down from the previous quarter.

Contents

What Are Financial Accounts?	1
2024Q3 Developments- Summary	2
I. Overview	4
II. Total Economy	5
III. Financial Corporations.....	7
IV. General Government	8
V. Firms (Non-Financial Corporations).....	9
VI. Households	11
VII. From-Whom-to-Whom Tables	12
VIII. Total Debt and Country Comparisons.....	14

I. Overview

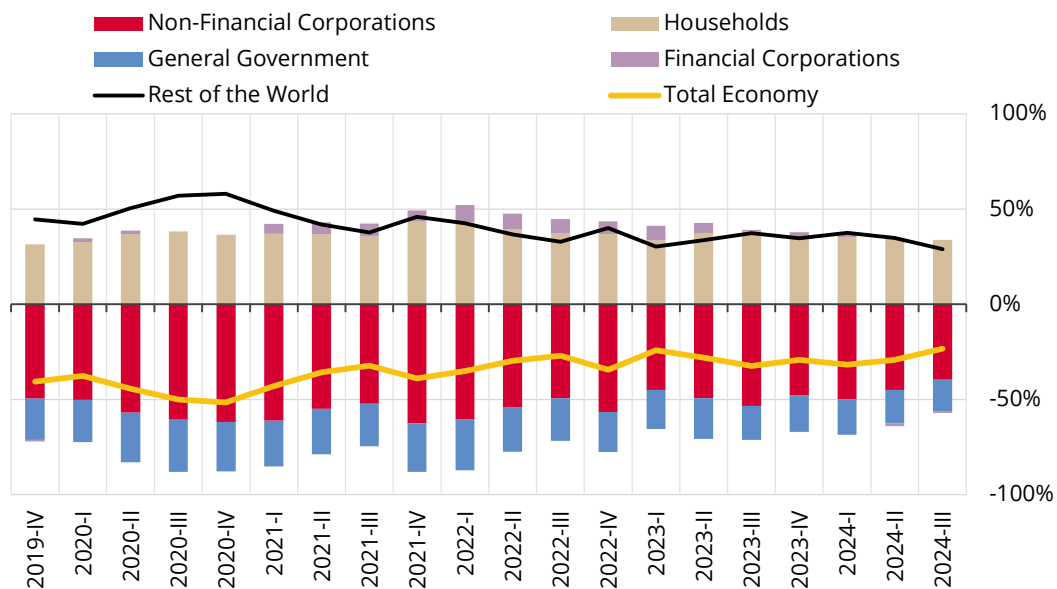
Table 1: Net Financial Position by Sectors (TRY Billion)¹

	Total Economy	Non-Financial Corporations	Financial Corporations	General Government	Households	Rest of the World
Financial Assets	114,492	47,171	44,355	5,389	17,576	10,393
Liabilities	123,631	62,593	44,763	11,941	4,333	21,693
Net Financial Position	-9,139	-15,422	-408	-6,552	13,243	11,299

Source: CBRT

An analysis of the domestic economy's financial balance sheets by sectors for 2024Q3 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 Net Financial Position (Stock) to GDP, by Sectors (%)²



Sources: CBRT, TURKSTAT

Last Observation: 2024-III

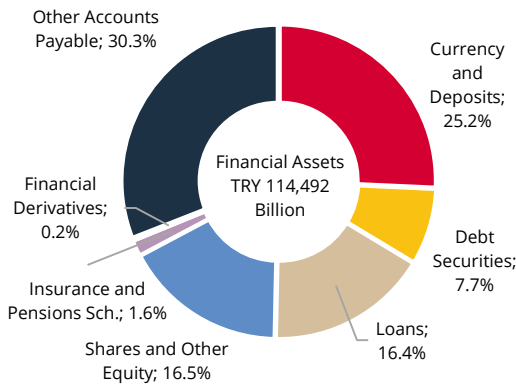
¹ Pursuant to the methodology, there is a difference between the financial net worth of the total domestic economy and the rest of the world since there is no counterpart sector for monetary gold. The rest of the world has been reported based on residency, so as to be compatible with the International Investment Position Statistics.

² The households sector also covers non-profit institutions serving households.

II. Total Economy

In 2024Q3, financial assets of the total economy rose by TRY 8,715 billion over the previous quarter to TRY 114,492 billion (Chart 2). This quarterly rise stemmed from the TRY 6,969 billion increase in transactions and the TRY 1,746 billion increase in valuation. Currency and deposits recorded an exchange rate-driven valuation of TRY 854 billion, debt securities recorded a price- and exchange rate-driven valuation of TRY 396 billion, while equities recorded a price-driven negative valuation of TRY 401 billion (Chart 3).

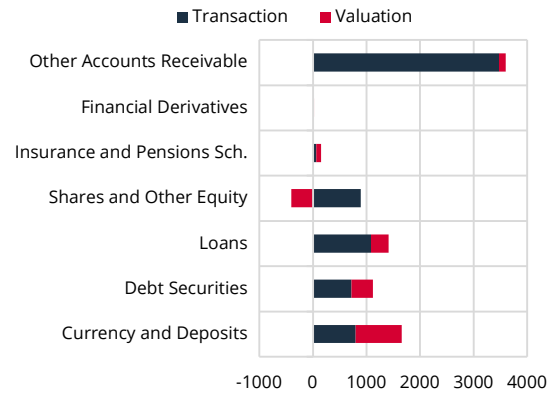
Chart 2: Breakdown of Financial Assets by Instruments, Stock (%)



Source: CBRT

Last Observation: 2024-III

Chart 3: Financial Assets, Flow (TRY Billion)

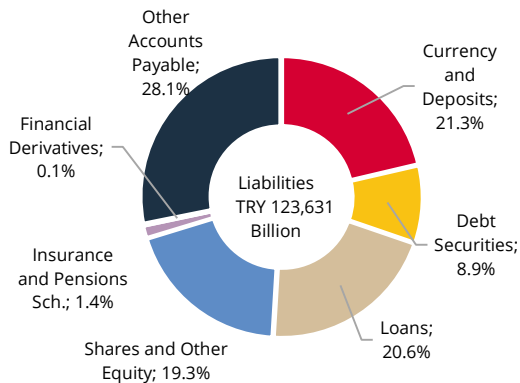


Source: CBRT

Last Observation: 2024-III

Financial liabilities of the total economy increased by TRY 7,556 billion quarter-on-quarter to TRY 123,631 billion in 2024Q3 (Chart 4). This quarterly increase was driven by the TRY 7,374 billion rise in transactions and the TRY 183 billion rise in valuation. The valuation effect was TRY 673 billion in deposits due to the exchange rate, TRY 600 billion in loans, and TRY 323 billion in debt securities due to prices and the exchange rate. On the other hand, the shares and other equity item recorded a negative valuation of TRY 1,644 billion due to prices (Chart 5).

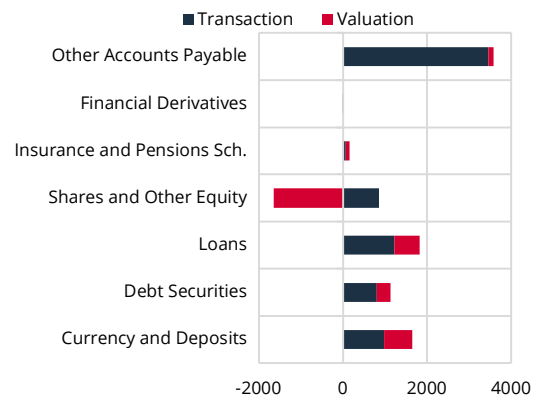
Chart 4: Breakdown of Liabilities by Instruments, Stock (%)



Source: CBRT

Last Observation: 2024-III

Chart 5: Liabilities, Flow (TRY Billion)

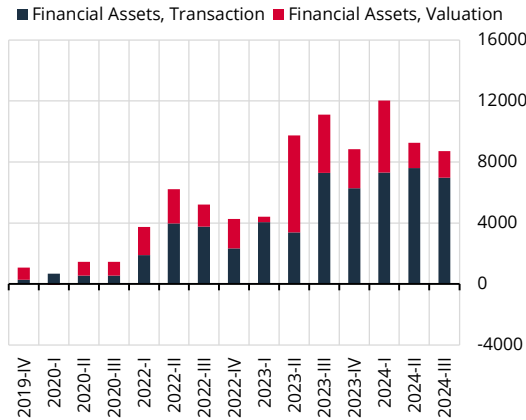


Source: CBRT

Last Observation: 2024-III

The change in assets and liabilities was largely driven by transactions in the third quarter of the year, while the valuation effect weakened in comparison to the previous quarter, particularly in liabilities (Charts 6 and 7).

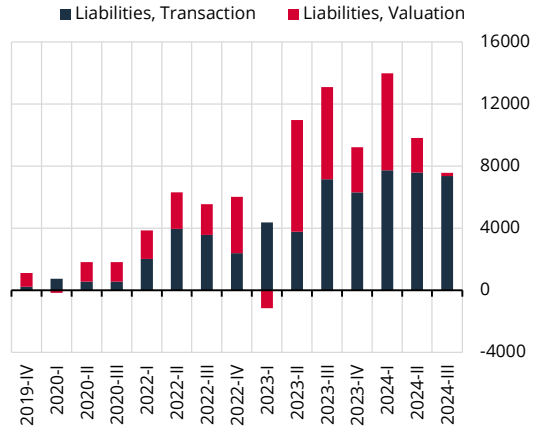
Chart 6: Quarterly Change in Financial Assets of the Total Economy (TRY Billion)



Source: CBRT

Last Observation: 2024-III

Chart 7: Quarterly Change in Liabilities of the Total Economy (TRY Billion)

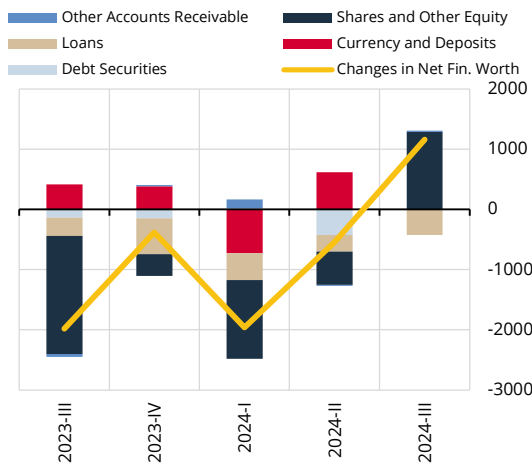


Source: CBRT

Last Observation: 2024-III

In 2024Q3, the net financial position of the total economy rose by TRY 1,159 billion over the previous quarter. This change was driven by the net change in the total economy's loans and debt securities on the liabilities side, and by the net change in the other accounts receivable and shares and other equity items on the assets side. Meanwhile, the currency and deposits item had a relatively low effect (Chart 8). The ratios of the sector's debts to GDP and to total financial assets stood at 93% and 32%, respectively (Chart 9).

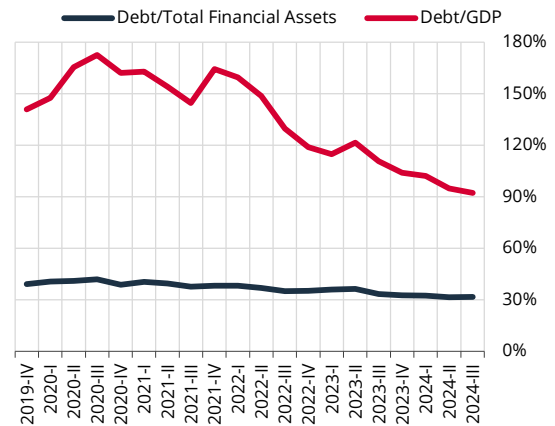
Chart 8: Change in Net Financial Position of the Total Economy (TRY Billion)



Source: CBRT

Last Observation: 2024-III

Chart 9: Liabilities of the Total Economy* (%)



Source: CBRT, TURKSTAT.

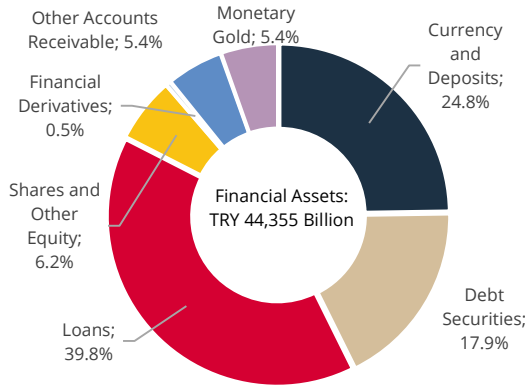
Last Observation: 2024-III

(*): Debts are composed of loans and debt securities.

III. Financial Corporations

In 2024Q3, financial assets of financial corporations rose by TRY 3,579 billion over the previous quarter to TRY 44,355 billion (Chart 10). This rise originated from the TRY 1,891 billion increase in transactions as well as the TRY 1,688 billion increase in valuation (Chart 11).

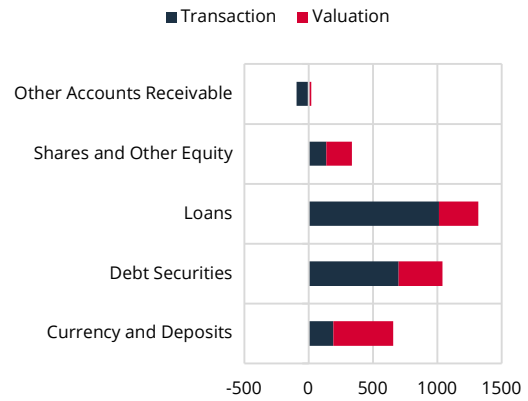
Chart 10: Breakdown of Financial Assets by Instruments, Stock (%)



Source: CBRT

Last Observation: 2024-III

Chart 11: Financial Assets, Flow (TRY Billion)

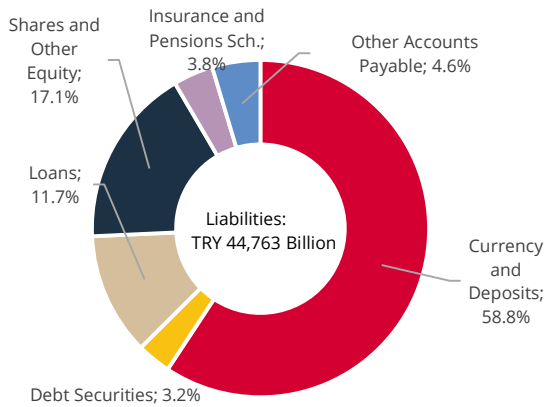


Source: CBRT

Last Observation: 2024-III

During the same period, liabilities of financial corporations increased by TRY 3,442 billion to TRY 44,763 billion (Chart 12). This increase was driven by the TRY 2,374 billion rise in transactions and the TRY 1,068 billion rise in valuation (Chart 13).

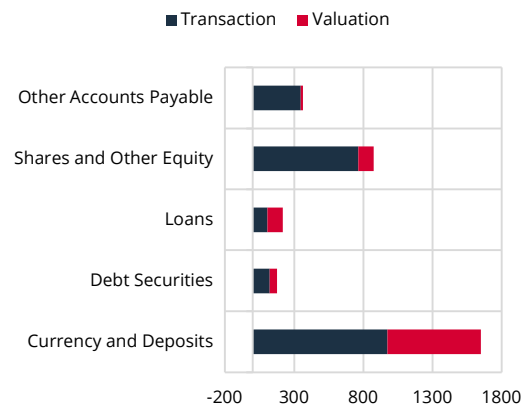
Chart 12: Breakdown of Liabilities by Instruments, Stock (%)



Source: CBRT

Last Observation: 2024-III

Chart 13: Liabilities, Flow (TRY Billion)



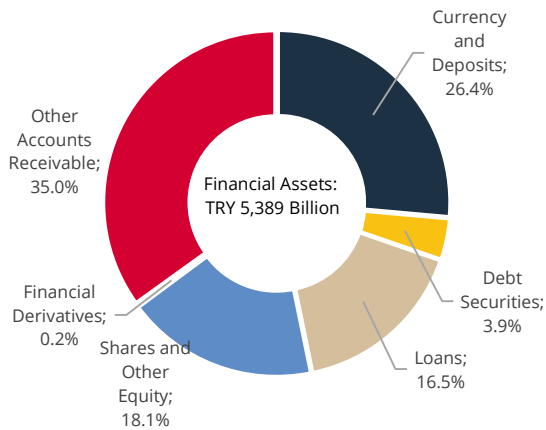
Source: CBRT

Last Observation: 2024-III

IV. General Government

Financial assets of the general government increased by TRY 400 billion over the previous quarter to TRY 5,389 billion in 2024Q3 (Chart 14). This increase was due to the TRY 293 billion rise in transactions and the TRY 107 billion rise in valuation (Chart 15).

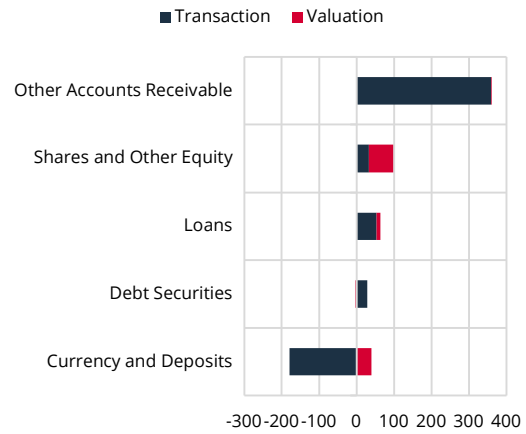
Chart 14: Breakdown of Financial Assets by Instruments, Stock (%)



Source: CBRT

Last Observation: 2024-III

Chart 15: Financial Assets, Flow (TRY Billion)

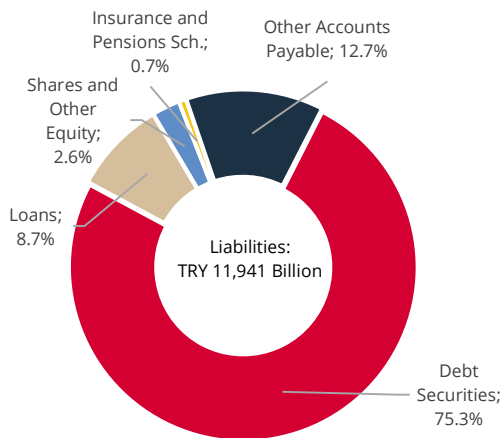


Source: CBRT

Last Observation: 2024-III

During the same period, liabilities of the general government rose by TRY 797 billion to TRY 11,941 billion (Chart 16). This rise resulted from the TRY 429 billion increase in transactions and the TRY 368 billion rise in valuation (Chart 17).

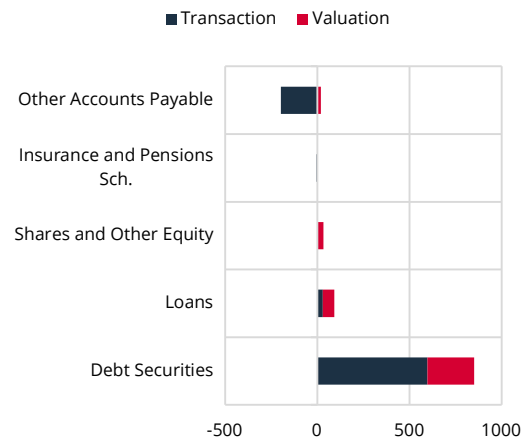
Chart 16: Breakdown of Liabilities by Instruments, Stock (%)



Source: CBRT

Last Observation: 2024-III

Chart 17: Liabilities, Flow (TRY Billion)



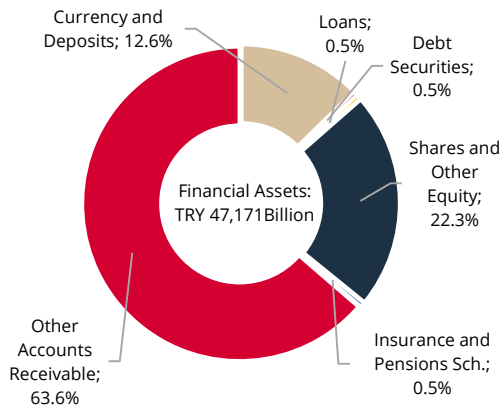
Source: CBRT

Last Observation: 2024-III

V. Firms (Non-Financial Corporations)

In the third quarter of 2024, financial assets of non-financial corporations increased by TRY 3,319 billion quarter-on-quarter and reached TRY 47,171 billion (Chart 18). This change was due to the TRY 3,704 billion increase in transactions and the TRY 385 billion decrease in valuation (Chart 19).

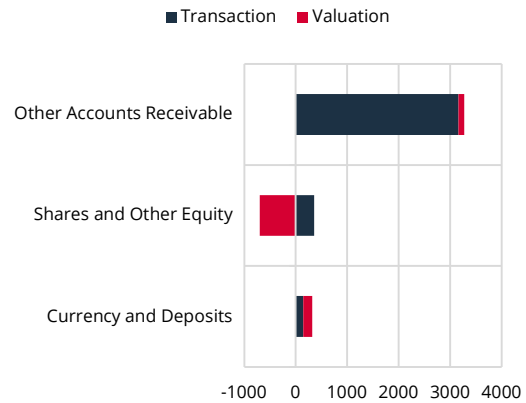
Chart 18: Breakdown of Financial Assets by Instruments, Stock (%)



Source: CBRT

Last Observation: 2024-III

Chart 19: Financial Assets, Flow (TRY Billion)

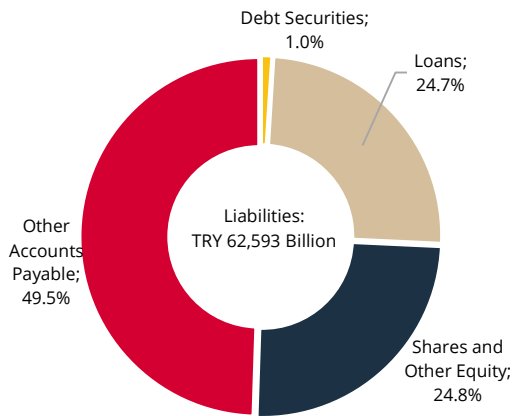


Source: CBRT

Last Observation: 2024-III

During the same period, liabilities of non-financial corporations went up by TRY 2,953 billion and reached TRY 62,593 billion (Chart 20). Of this increase, TRY 4,207 billion stemmed from the increase in transactions and TRY 1,254 billion from the decrease in valuation (Chart 21)

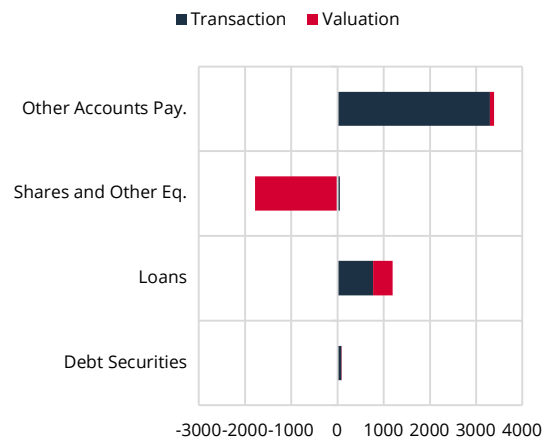
Chart 20: Breakdown of Financial Assets by Instruments, Stock (%)



Source: CBRT

Last Observation: 2024-III

Chart 21: Liabilities, Flow (TRY Billion)

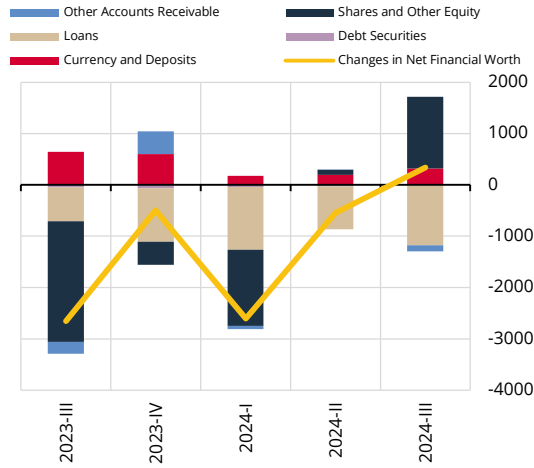


Source: CBRT

Last Observation: 2024-III

In the third quarter of 2024, the net financial position of non-financial corporations increased by TRY 366 billion compared to the previous quarter. This increase was mainly driven by the net change in loans, other accounts receivable, and debt securities items on the liabilities side and the net change in currency and deposits and shares and other equity items on the assets side (Chart 22). The ratios of the sector's debt to GDP and to total financial assets were 41% and 34%, respectively (Chart 23).

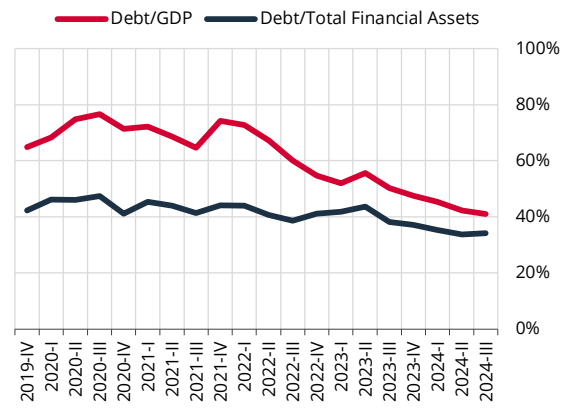
Chart 22: Change in Net Financial Position of Non-Financial Corporations (TRY Billion)



Source: CBRT

Last Observation: 2024-III

Chart 23: Non-Financial Corporations' Debt* (%)



Sources: CBRT, TURKSTAT.

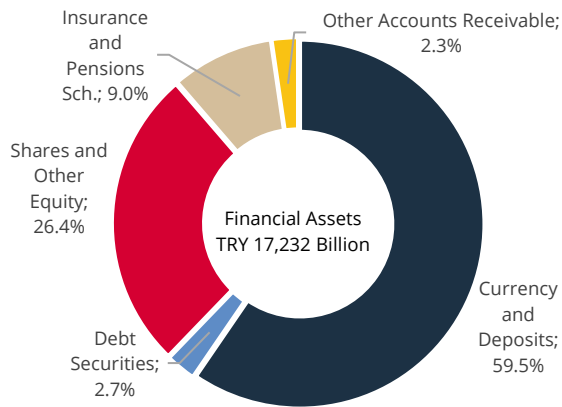
Last Observation: 2024-III

(*) Debts are composed of loans and debt securities.

VI. Households

In 2024Q3, household financial assets increased by TRY 1,394 billion quarter-on-quarter and reached TRY 17,232 billion (Chart 24). The quarterly increase was due to the TRY 1,047 billion rise in transactions and the TRY 348 billion rise in valuation. Deposits recorded TRY 611 billion worth of transactions and an exchange rate-driven valuation of TRY 173 billion (Chart 25).

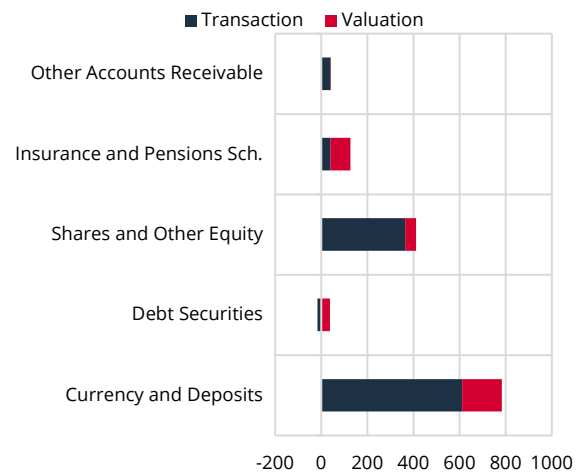
Chart 24: Breakdown of Financial Assets by Instruments, Stock (%)



Source: CBRT

Last Observation: 2024-III

Chart 25: Financial Assets, Flow (TRY Billion)

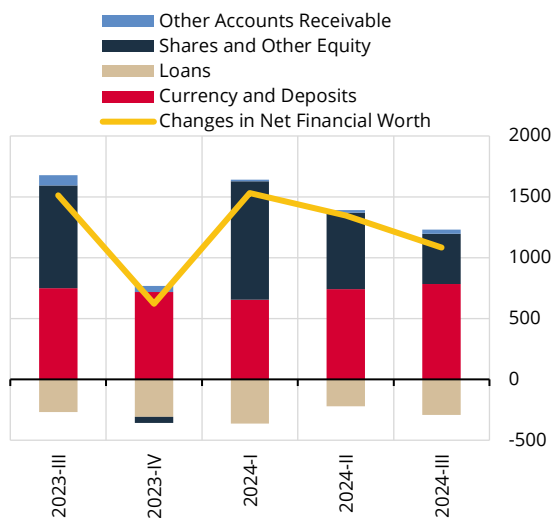


Source: CBRT

Last Observation: 2024-III

In the same period, household liabilities posted a quarter-on-quarter rise of TRY 310 billion, and almost all of this increase was driven by transactions. Accordingly, the sector's net financial position was up by TRY 1,085 billion in the third quarter of 2024, driven by the increase in currency and deposits and shares and other equity (Chart 26). An analysis of household indebtedness indicators reveals that while the ratio of household debt to GDP (9.5%) and the ratio of debt to total financial assets (22%) remained flat compared to the previous quarter, the ratio of debt to disposable income (22%) continued to decline (Chart 27).

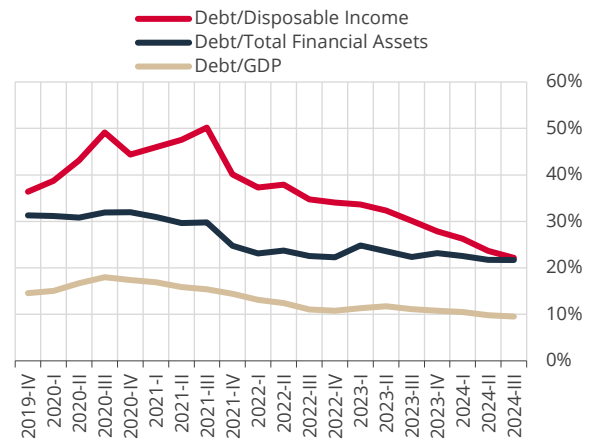
Chart 26: Change in Net Financial Position of Households (TRY Billion)



Source: CBRT

Last Observation: 2024-III

Chart 27: Household Debt (%)



Sources: CBRT, TURKSTAT.

Last Observation: 2024-III

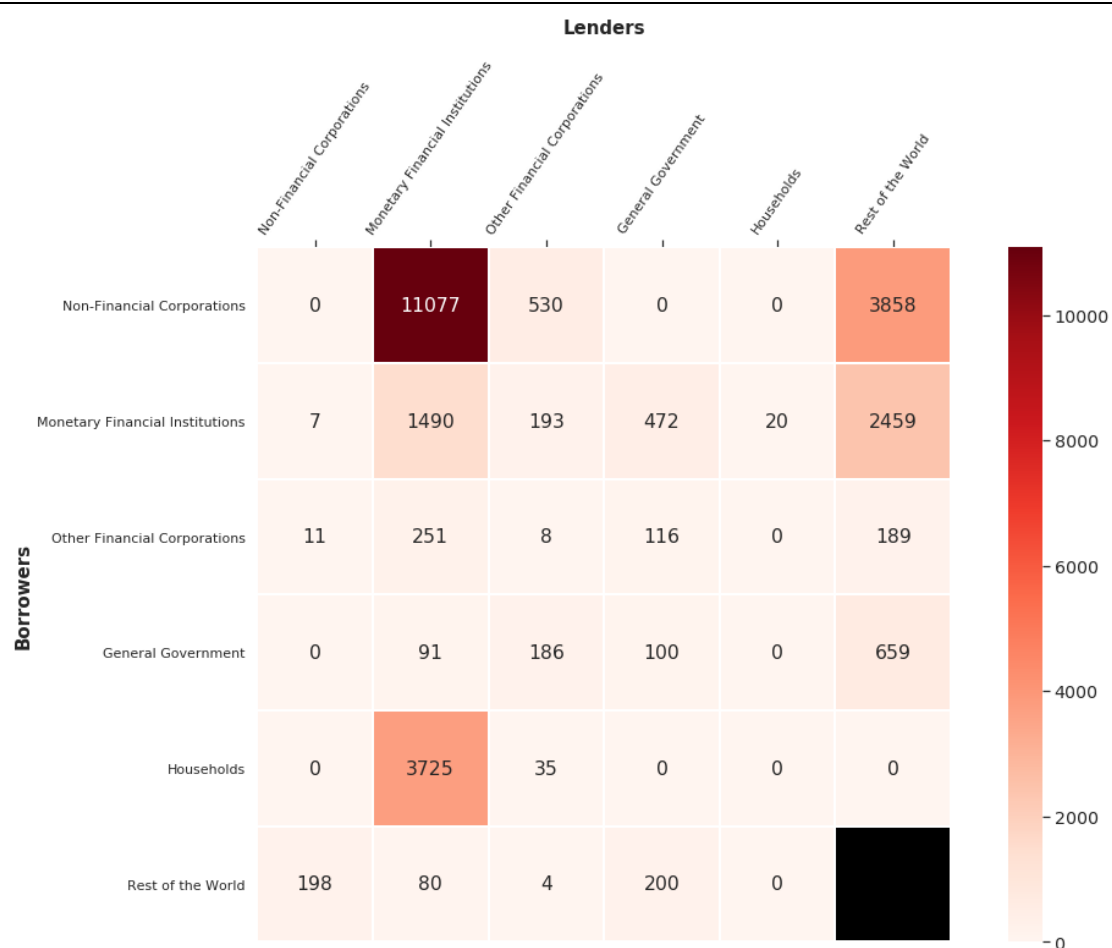
VII. From-Whom-to-Whom Tables

Below is the breakdown of relations among economic sectors compiled as loans, deposits, and debt securities according to from-whom-to-whom matrices.

VII.I. Loans

An analysis of the from-whom-to-whom matrices of loans reveals that the strongest connection occurred between non-financial corporations and monetary and financial institutions in 2024Q3. Monetary and financial institutions extended a total of TRY 16,714 billion worth of loans, of which TRY 11,077 billion was granted to non-financial corporations and TRY 3,704 billion to households. Domestic sectors borrowed TRY 7,165 billion from the rest of the world, out of which non-financial corporations received TRY 3,858 billion, monetary and financial institutions received TRY 2,459 billion, and general government received TRY 659 billion (Chart 28).

Chart 28: Loans, From-Whom-to-Whom, Stock (TRY Billion)

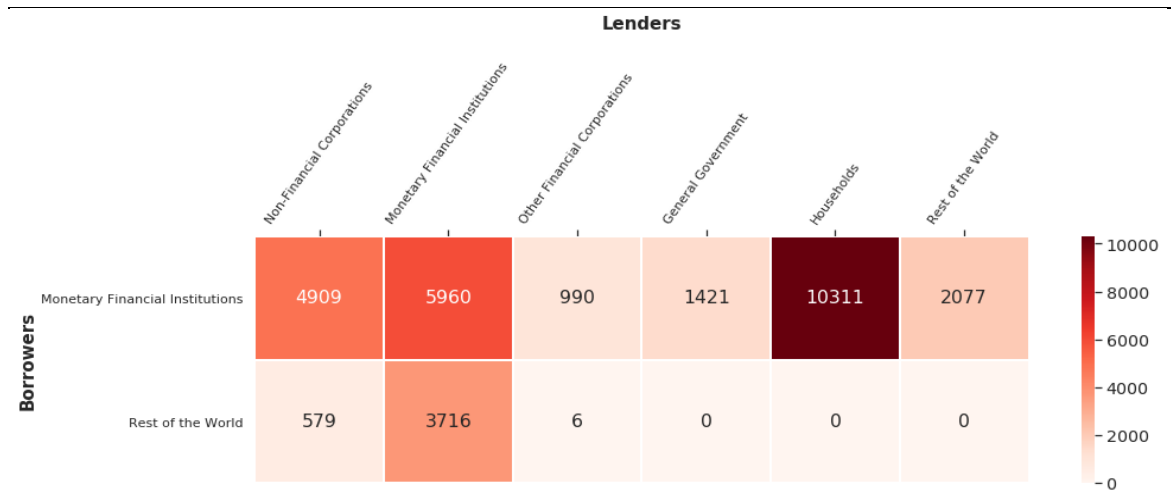


Source: CBRT

Last Observation:2024-III

VII.II. Deposits

In 2024Q3, of the total TRY 29,970 billion worth of deposits, TRY 25,668 billion were taken by monetary and financial institutions and TRY 4,301 billion by the rest of the world. Most of the deposits in monetary and financial institutions belonged to households (TRY 10,311 billion), non-financial corporations (TRY 4,909 billion), and monetary and financial institutions (TRY 5,960 billion). Meanwhile, a large portion of deposits taken by the rest of the world (TRY 3,716 billion) was held by monetary and financial institutions (Chart 29).

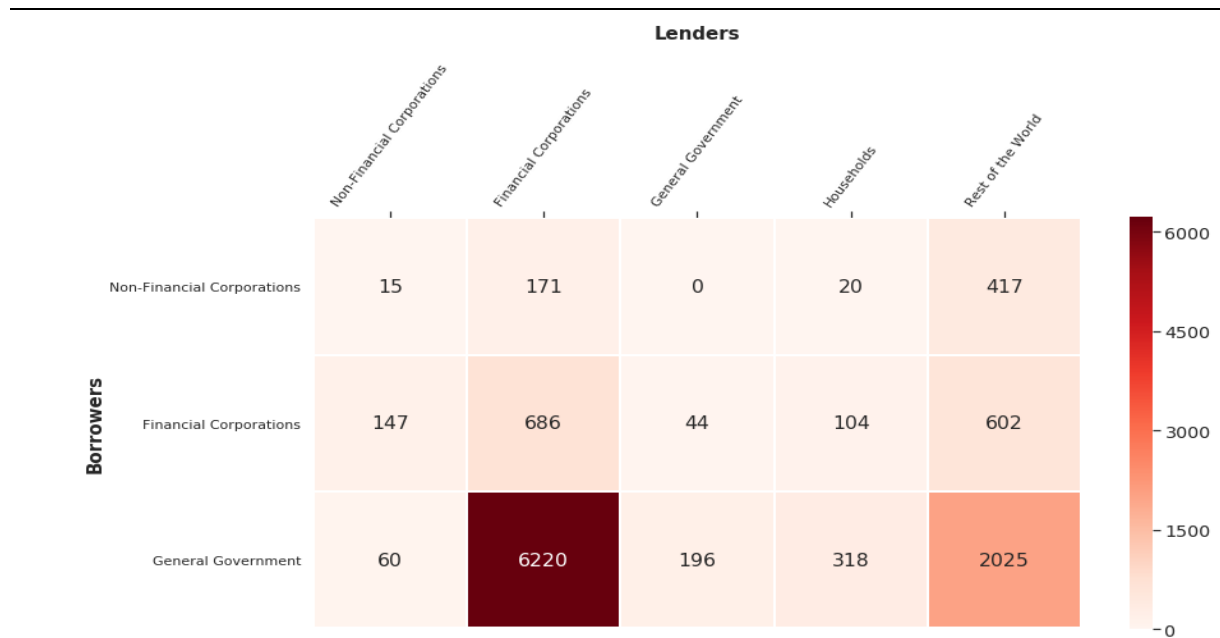
Chart 29: Deposits, From-Whom-to-Whom, Stock (TRY Billion)

Source: CBRT

Last Observation: 2024-III

VII.III. Debt Securities

The market value of the stock of the debt securities issued by the residents is TRY 11,025 billion as of 2024Q3, out of which TRY 8,819 billion were issued by the general government, TRY 1,583 billion by financial corporations, and TRY 623 billion by non-financial corporations. Most of the debt securities issued by the general government were held by financial corporations (TRY 6,220 billion) and the rest of the world (TRY 2,025 billion) (Chart 30).

Chart 30: Debt Securities, From-Whom-to-Whom (TRY Billion)¹

Source: CBRT

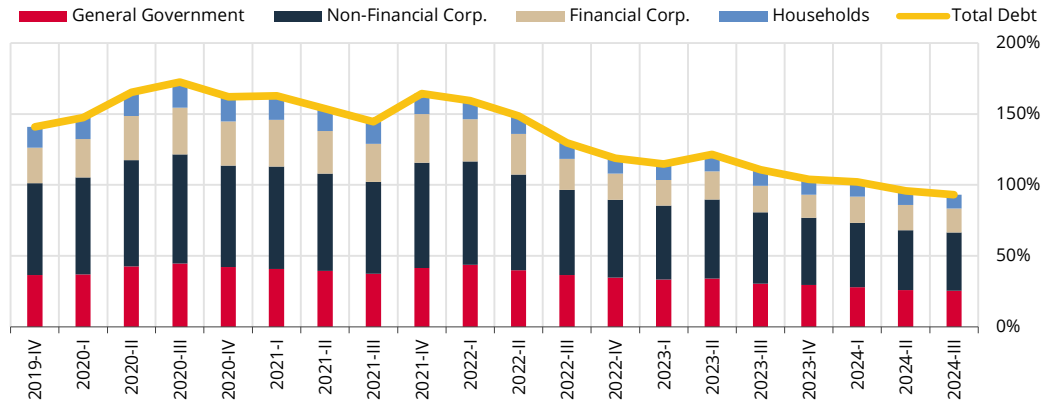
Last Observation: 2024-III

¹ Whom-to-whom table for debt securities is compiled from the securities database.

VIII. Total Debt and Country Comparisons

The ratio of resident sectors' financial accounts-defined total debt, which is the sum of loans they utilize and the debt securities they issue, to GDP decreased somewhat and stood at 93% in 2024Q3 (Chart 31).

Chart 31: Total Debt of Resident Sectors/GDP* (%)



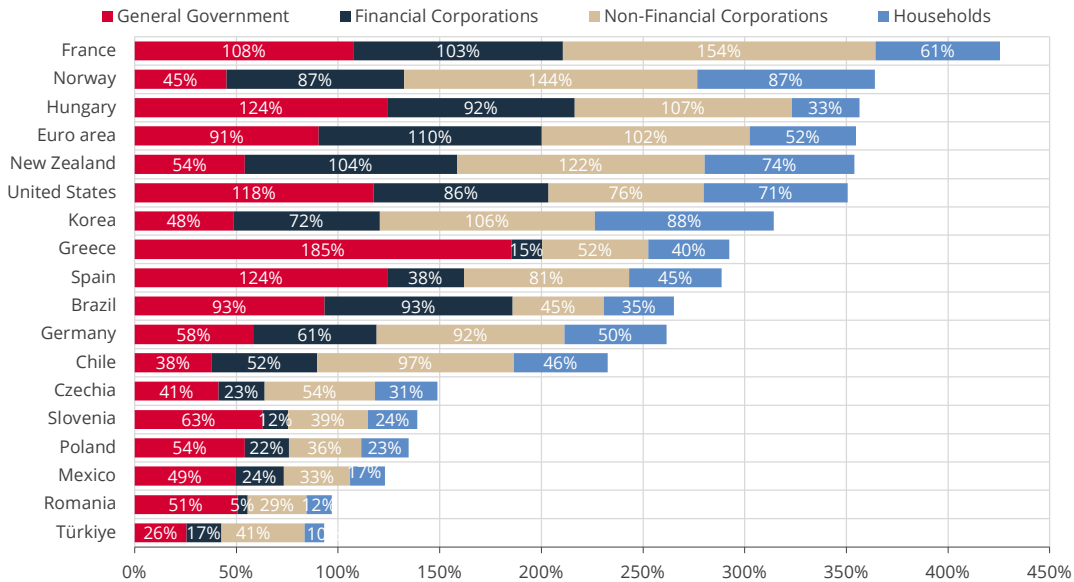
Sources: CBRT, TURKSTAT

Last observation: 2024-III

(*) Debts are composed of loans and debt securities.

A cross-country comparison of indebtedness ratios for all sectors reveals that the total debt of resident sectors in Türkiye was low in 2024Q3 (Chart 32).

Chart 32: Cross-Country Comparison of Debt/GDP by Sectors* (%)



Sources: CBRT, TURKSTAT, OECD

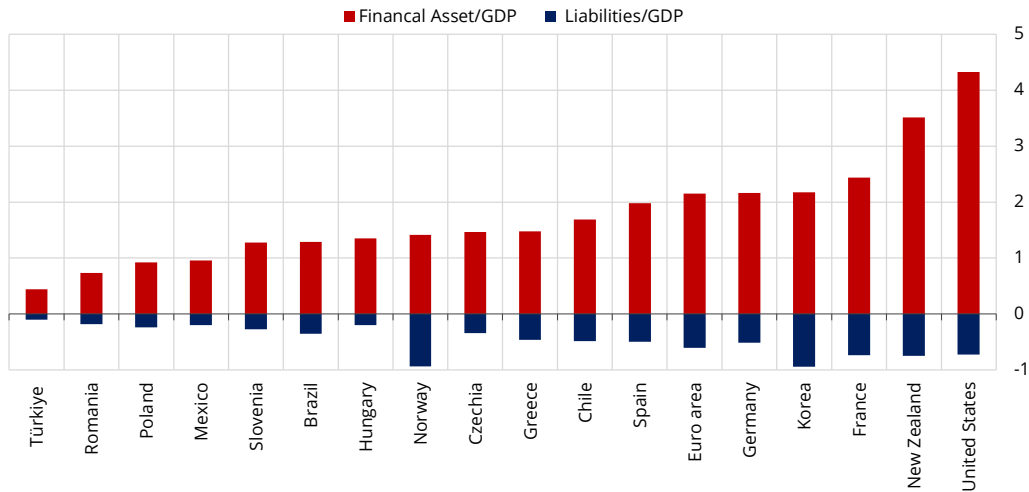
Last Observation: 2024-III

(*) Debts are composed of loans and debt securities.

Note: Other country data is as of 2024Q2.

The ratio of household financial assets to GDP was approximately 44% as of the third quarter of 2024. Across peer emerging economies, this ratio ranges between 73% (Romania) and 169% (Chile), and is even higher in advanced economies included in the sample. On the other hand, the ratio of household liabilities to GDP indicates that Türkiye stood out as the country with the lowest level of indebtedness (10%) among the countries compared in 2024Q3 (Chart 33).

Chart 33: Cross-Country Comparisons for Households



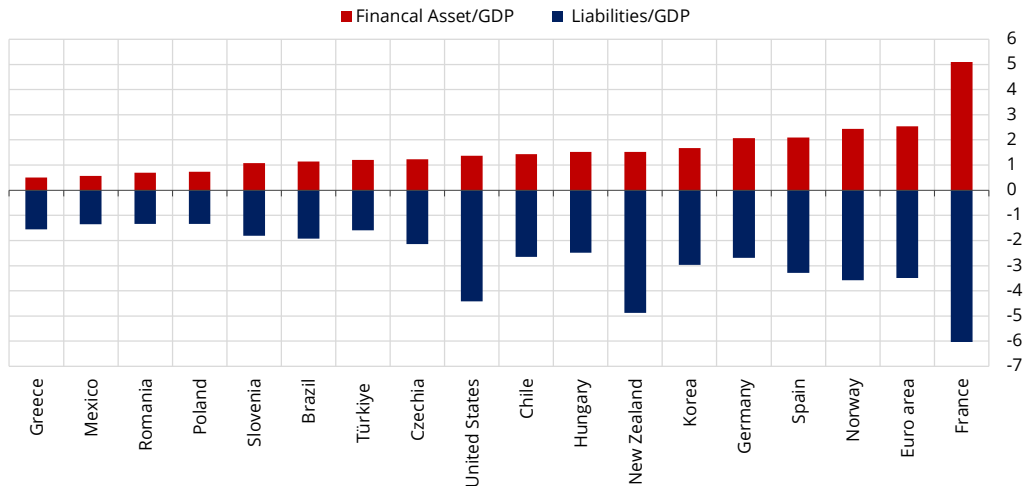
Sources: CBRT, TURKSTAT, OECD

Last Observation: 2024-III

Note: Other country data is as of 2024Q2.

The ratio of non-financial corporations' total financial assets to GDP stood at 120% as of 2024Q3. This ratio ranges between 50% (Greece) and 153% (Hungary) across emerging economies in the sample. A cross-country comparison of liabilities to GDP ratios shows that Türkiye was among the countries with low indebtedness with an indebtedness ratio of 160% (Chart 34).

Chart 34: Cross-Country Comparisons for Non-Financial Corporations



Sources: CBRT, TURKSTAT, OECD

Last Observation: 2024-III

Note: Other country data is as of 2024Q2.