

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.

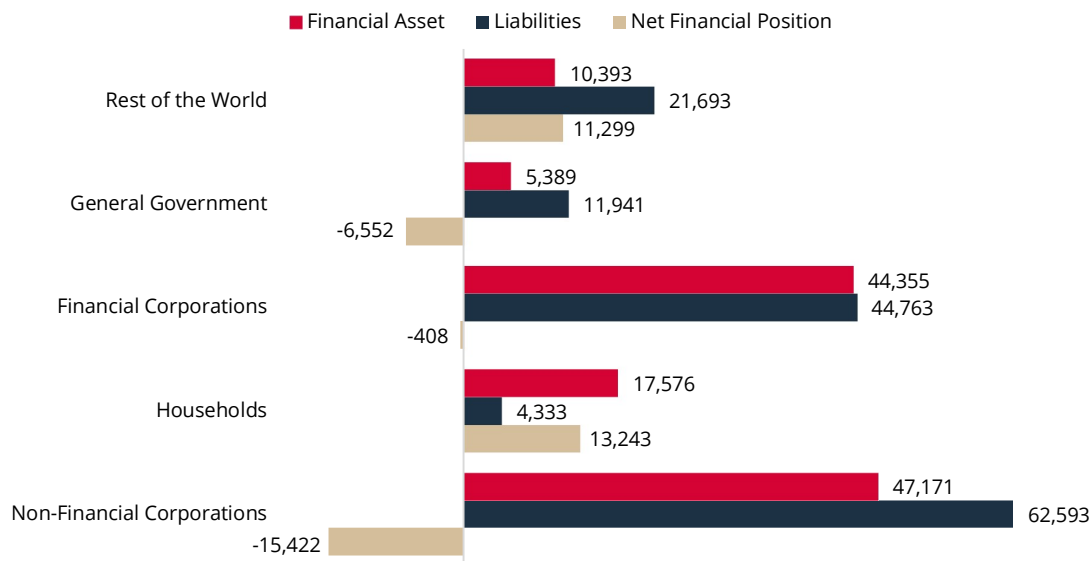
For detailed methodological information on definitions, classifications, and calculation methods used in financial accounts: [Metadata](#)

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