

I. Overview

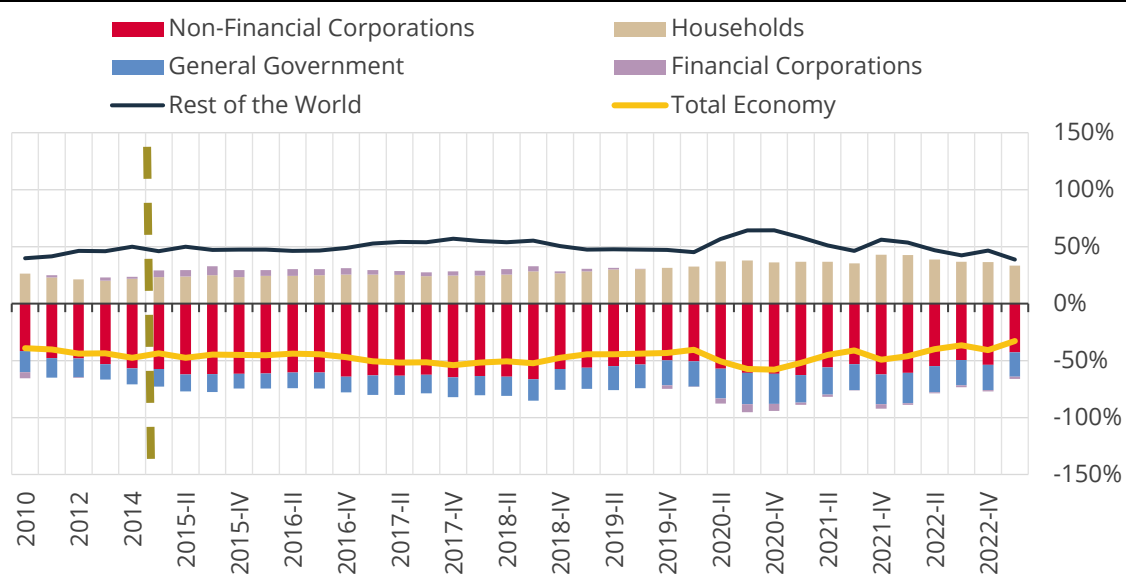
Table 1: Financial Net Worth by Sectors (TRY Billion)^{1,2}

	Total Economy	Non-Financial Corporations	Financial Corporations	General Government	Households	Rest of the Worlds
Financial Assets	57,144	23,812	22,520	2,905	7,906	4,979
Liabilities	62,768	31,154	22,827	6,571	2,215	11,602
Financial Net Worth	-5,624	-7,342	-307	-3,666	5,691	6,623

Source: CBRT

An analysis of the domestic economy's financial balance sheets by sectors as of 2023Q1 reveals that the total economy was a financial borrower, while 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 (Stock) to GDP, by Sectors (%)²



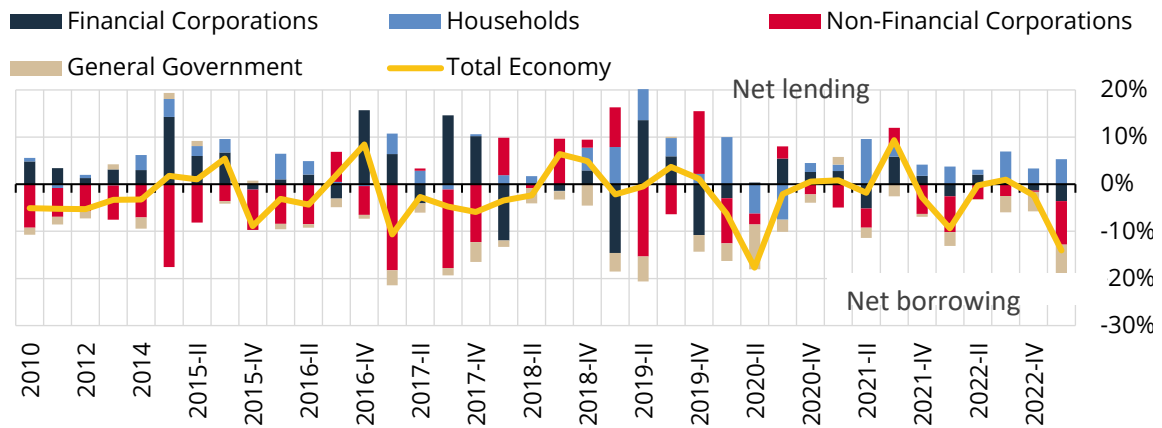
Sources: CBRT, TURKSTAT.

Last Observation: 2023-I

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 (%)

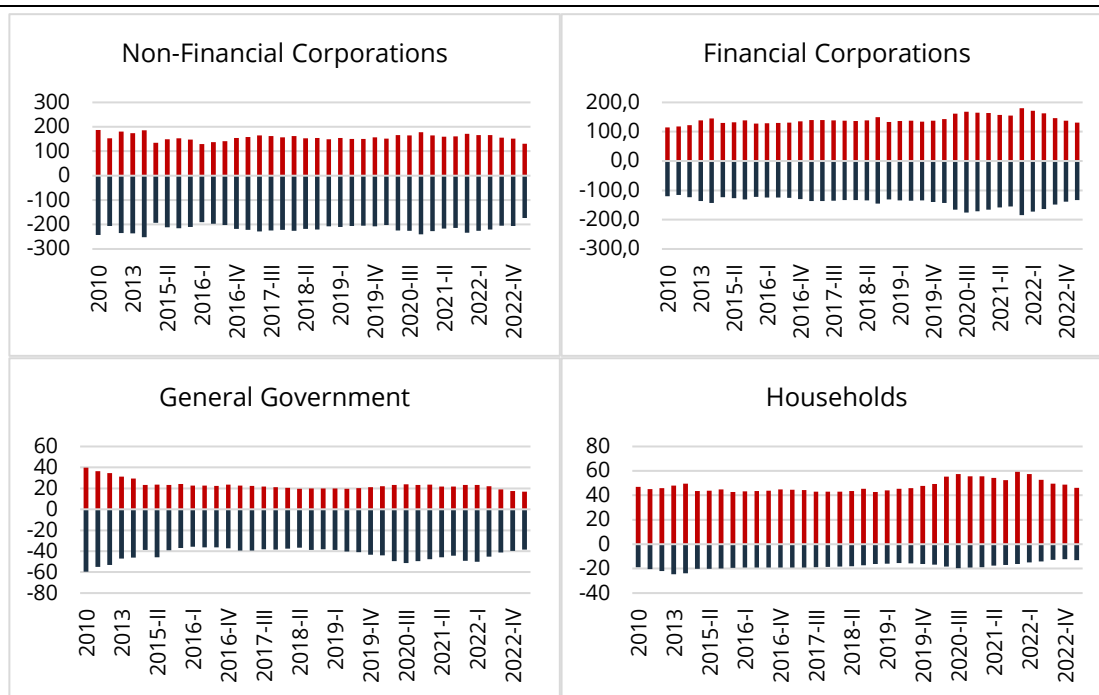


Sources: CBRT, TURKSTAT.

Last Observation:2023-I

According to net financial transactions conducted by sectors, the total economy, which was a net borrower of 2% of GDP in the previous quarter, became a net borrower of 14% of GDP in the first quarter of 2023. In terms of contributions to this ratio, non-financial corporations stood as the biggest borrower in this quarter with 9% of GDP. Households, on the other hand, was a net lender of 5% of GDP (Chart 2).

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

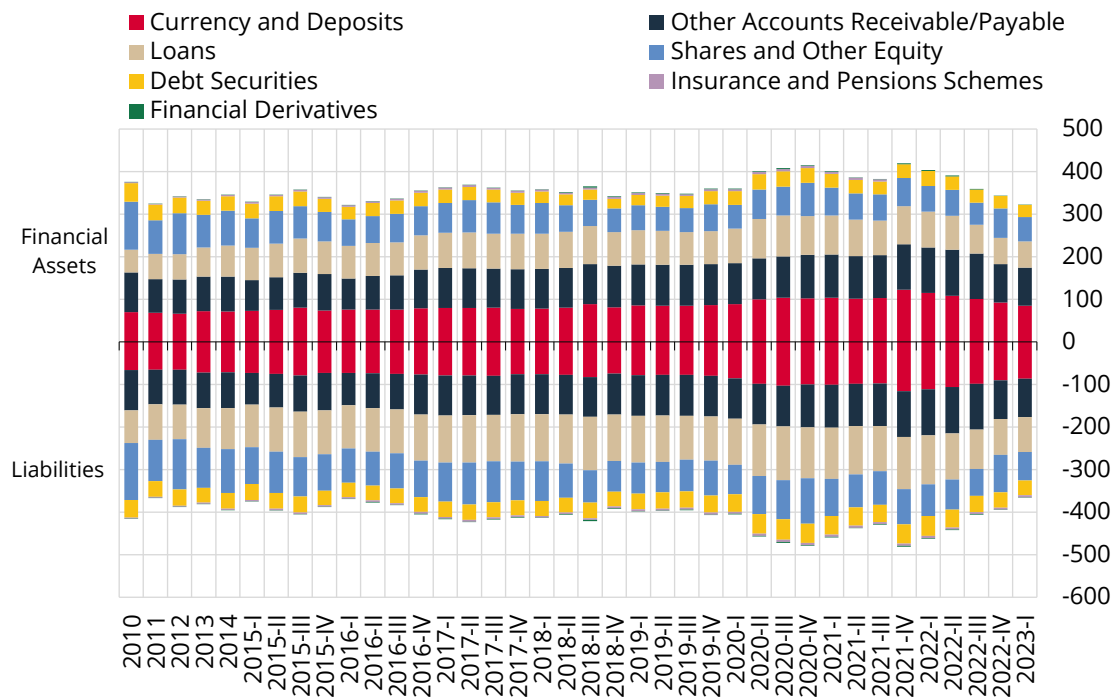


Sources: CBRT, TURKSTAT.

Last Observation: 2023-I

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

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



Sources: CBRT, TURKSTAT.

Last Observation: 2023-I

(*) Monetary gold and SDR are excluded.

In 2023Q1, other accounts receivable, and currency and deposits had the largest weight in assets, while other accounts payable, currency and deposits, and loans had the largest weight in liabilities (Chart 4).