

Appendix

Appendix 1 - Macroprudential Regulations on Retail and Corporate Loans

Macroprudential Tools	Regulation	Macroprudential Measures (Tightening)	Enforcement Date	Macroprudential Measures (Easing)	Enforcement Date
Credit restrictions	Regulation on Bank Cards and Credit Cards	Increasing minimum payment rates of credit cards	17.12.2010 01.01.2014 (kademeli geçiş) ¹		
		Loan/Income ratio restriction for credit card limits	08.10.2013		
		Closing credit cards in certain cases	17.06.2011 08.10.2013		
		Limiting the installment period of credit card debt	01.02.2014 13.05.2014 22.10.2014	Extending the installment period of credit card debt	25.11.2015 27.09.2016
	Regulation on Credit Operations of Banks Regulation on Principles for Establishment and Operations of Financial Leasing, Factoring and Financing Companies	Restricting maturity of vehicle loans to 48 months and consumer loans except housing and vehicle loans to 36 months	31.12.2013	Extending maturity restriction for consumer loans except housing and vehicle loans to 48 months	27.09.2016
		Loan/Value ratio restriction (75%) for housing loans extended to consumers	01.01.2011	Increasing the Loan/Value ratio restriction to 80% for housing loans extended to consumers	27.09.2016
		Loan/Value ratio restriction (50%) for housing loans extended for commercial purposes	01.01.2011	Abolition of Loan/Value ratio restriction for housing loans extended for commercial purposes	04.04.2013
		Loan/Value ratio restriction for vehicle loans (70% up to 50,000 TL of the billing value, 50% for the rest)	01.02.2014		
Capital adequacy	Regulation on Measurement and Assessment of Capital Adequacy of Banks	Increasing risk weights applied to consumer loans and credit cards	22.03.2008 18.06.2011 08.10.2013	Decreasing risk weights applied to consumer loans and credit cards (To comply with Basel regulations)	01.07.2012 31.03.2016
General provisions	Regulation on Procedures and Principles for Determination of Qualifications of Loans and Other Receivables by Banks and Provisions to Be Set Aside	Incremental general provision rates for consumer loans except housing loans ²	18.06.2011 08.10.2013 24.12.2013 ³	Abolition of incremental general provision rates for consumer loans except housing loans	27.09.2016
				Reducing general provision rates • to 0% for export loans ⁴ , • by half for SME loans, which are categorized in the first group	08.10.2013
	Regulation on Accounting Applications and Financial Tables of Financial Leasing, Factoring and Financing Companies			Reducing general provision rates • to 0% for SME loans and syndicated loans for large-scale public procurements, • by half for commercial loans, which are categorized in the first group	14.12.2016
				Reducing general provision rates by half for commercial loans, SME loans and export loans, which are categorized in the second group	14.12.2016
Reserve requirements	Communiqué on Reserve Requirements	Inclusion of financing companies in the reserve requirement system	06.12.2013		

¹ The minimum payment rates for credit cards were gradually increased every 6 months from the end of 2010 till the end of 2013, at the beginning of 2014 and at the beginning of 2015. The timetable for the gradual transition to minimum payment rates is given on page 52 of the Financial Stability Report November 2014, Issue 19.

² The application is detailed in pages 57 and 58 of the Financial Stability Report November 2014, Issue 19.

³ The enforcement date of the regulation for finance companies.

⁴ The transactions that are deemed as export loans have been clarified with the regulation that entered into force on 14.02.2015, so the loans extended to transit commercial, export sales and deliveries and foreign exchange earning services and activities are evaluated in this scope.

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Abbreviations

BAT	Banks Association of Turkey
BIS	Bank for International Settlements
BIST	Istanbul Stock Exchange
BKK	Individual Credit Card
BRSA	Banking Regulation and Supervision Agency
CAR	Capital Adequacy Ratio
CB	Central Bank
CBRT	Central Bank of the Republic of Turkey
CC	Credit Card
CDS	Credit Default Swap
CMA	Capital Markets Board of Turkey
CNY	Chinese Yuan
CPI	Consumer Price Index
DF	Discount Factor
DTH	Foreign Exchange Deposit Account
EAD	Exposure at Default
EBITDA	Earnings before Interest Taxes Depreciation and Amortization
ECC	Economic Coordination Committee
ECL	Expected Credit Loss
EU	European Union
FED	Federal Reserve System
FOMC	Federal Open Market Committee
FX	Foreign Exchange
FXNG	FX Net General Position
GDDS	Government Domestic Debt Securities
GDP	Gross Domestic Product
GOÜ	Developing Countries
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICR	Interest Coverage Ratio
IFRS	International Financial Reporting Standards
IFS	International Financial Statistics
IMF	International Monetary Fund
KGF	Credit Guarantee Fund
KKB	Credit Bureau of Turkey
LCR	Liquidity Coverage Ratio
LGD	Loss Given Default
LLW	Late Liquidity Window



MA	Moving Average
MKK	Central Registry Agency
NAFTA	North American Free Trade Agreement
NPL	Non-Performing Loans
NSFR	Net Stable Funding Ratio
PD	Probability of Default
PMC	Pension Monitoring Center
PMI	Purchasing Managers' Indexes
PPS	Private Pension System
Q	Quarter
RHA	Right Hand Axis
RLS	Retail Loan Score
ROA	Return on Assets
ROM	Reserve Option Mechanism
RWA	Risk Weighted Assets
SCT	Special Consumption Tax
SME	Small and Medium-Sized Enterprises
SMEDO	Small and Medium Enterprises Development Organization
TFRS	Turkey Financial Reporting Standards
TL	Turkish Lira
TOBB	Union of Chambers and Commodity Exchanges of Turkey
TOKİ	Housing Development Administration of Turkey
TPP	Trans-Pacific Partnership
TURKSTAT	Turkish Statistical Institute
USA	United States of America
VAT	Value Added Tax
WTO	World Trade Organization