



Turkish Banking Sector by International Comparisons

December 2019

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- ▶ This study was prepared using data provided by the S&P Global Market Intelligence
 - ▶ The aim of the study is to assess developments in the Turkish Banking Sector, making international comparisons and to provide information to the public.
 - ▶ Whilst every effort has been made to ensure that the information contained in this study is correct, The Banks Association of Turkey cannot accept any responsibility for any errors or omissions or for any consequences resulting therefrom.
 - ▶ In the study, the developed and developing economies averages were calculated within the selected countries.

Dev.: Developed Economies

Emer.: Emerging Economies

As of December 2018.



Highlights

In selected countries,

- ▶ Assets to GDP ratio in Turkey is close to the average of the emerging countries (Emer.) and is about one-third of the developed countries (Dev.)
- ▶ While per capita assets are slightly above the average of emerging countries, they are around one-tenth of developed countries.
- ▶ In Turkey loans per capita is close to the average of the emerging countries.
- ▶ Turkey has one of the highest loan to deposit ratio.
- ▶ In Turkey, while loan to asset ratio is higher than average, deposit to liabilities ratio is below the average.



Highlights - 2

In selected countries,

- ▶ Turkey's banking sector operating expenses / operating income ratio is below the average of emerging countries.
- ▶ Net fee and commission income are relatively low in Turkey. The ratio of net fee commission income to operating expenses is below the average of emerging countries.
- ▶ The ratio of non-performing loans to total loans is below the emerging country average.
- ▶ The profit margin is narrower. The difference between return on equity and returns on public debt securities is lower than the average of emerging and developed countries.



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- ▶ Income/Expenses
- ▶ Profitability
- ▶ Selected Ratios



Macroeconomic Indicators



Selected Countries*

	Gdp (billion USD)	Population (million people)	Gdp per Capita (USD)
Germany	3,957	83	47,766
France	2,782	65	42,803
UK	2,859	67	42,579
Japan	4,971	127	39,076
Italy	2,075	61	34,233
Spain	1,420	47	30,420
Hungary	155	10	16,013
Polond	586	38	15,316
Argentina	520	44	11,714
Malaysia	359	32	11,373
Russia	1,654	149	11,119
Mexico	1,222	126	9,687
Turkey	769	82	9,342
Brazil	1,868	209	8,931
South Africa	368	58	6,370
India	2,718	1,353	2,010

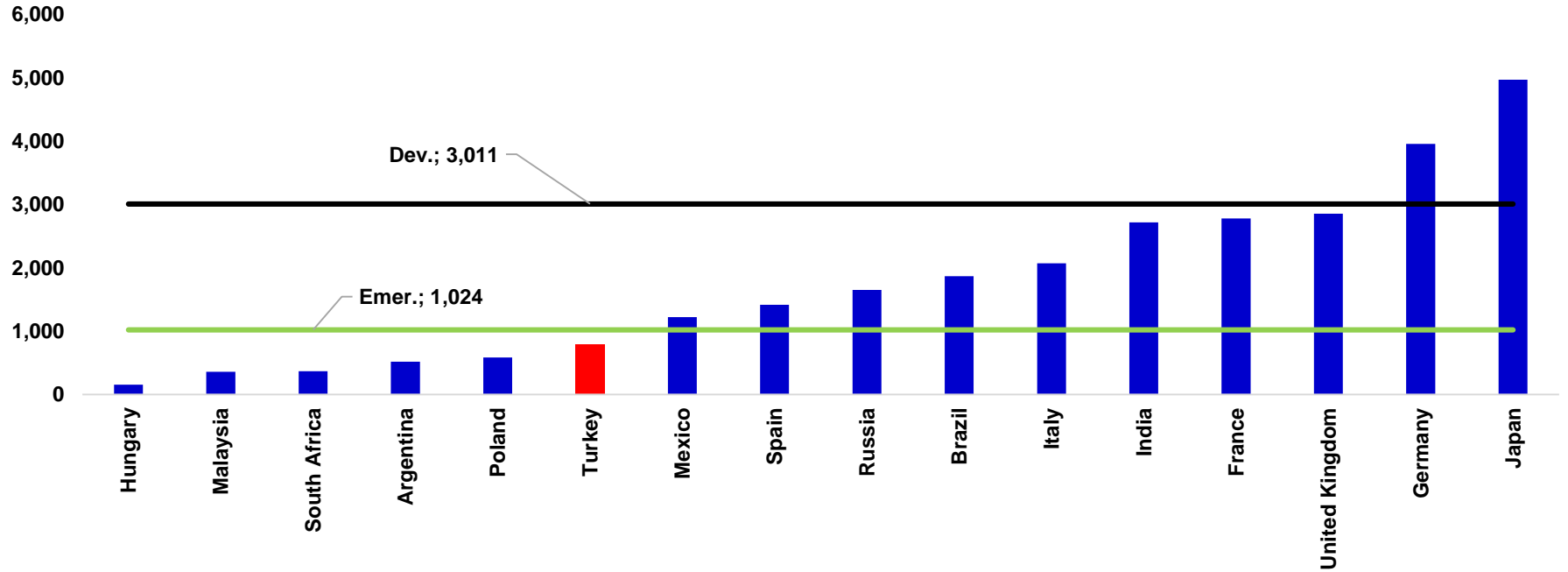
Developed

Emerging

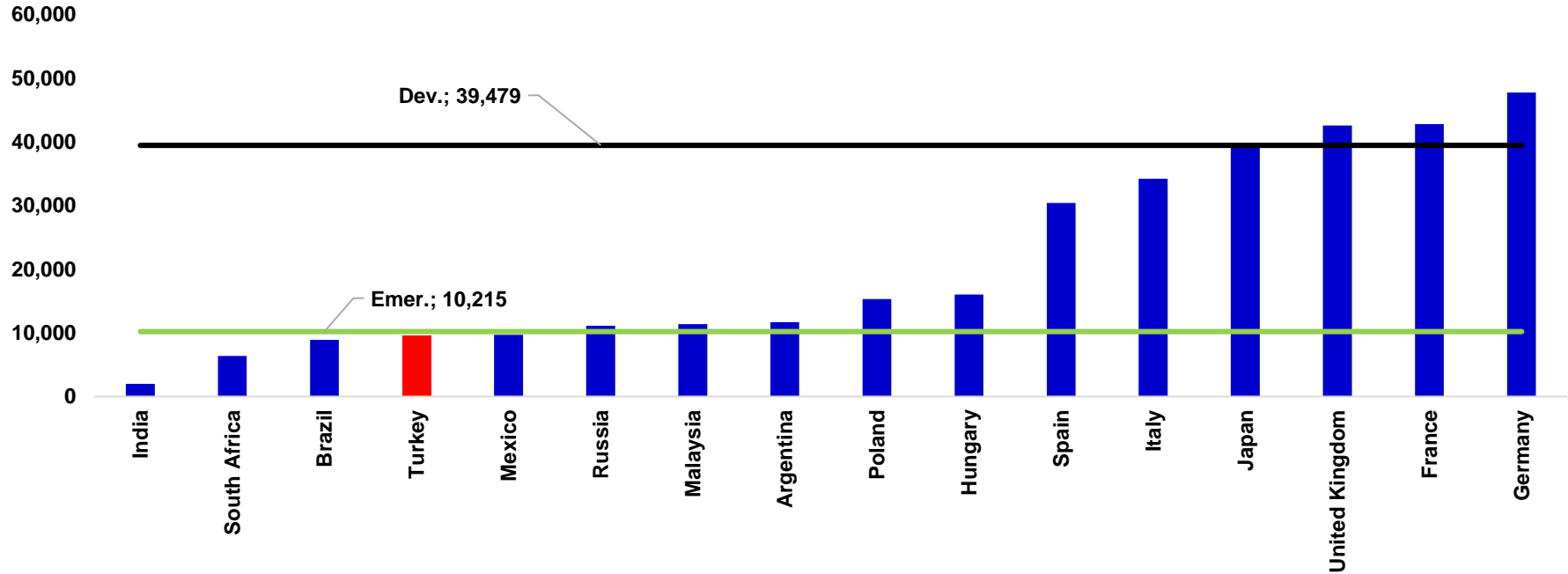


*As of December 2018.

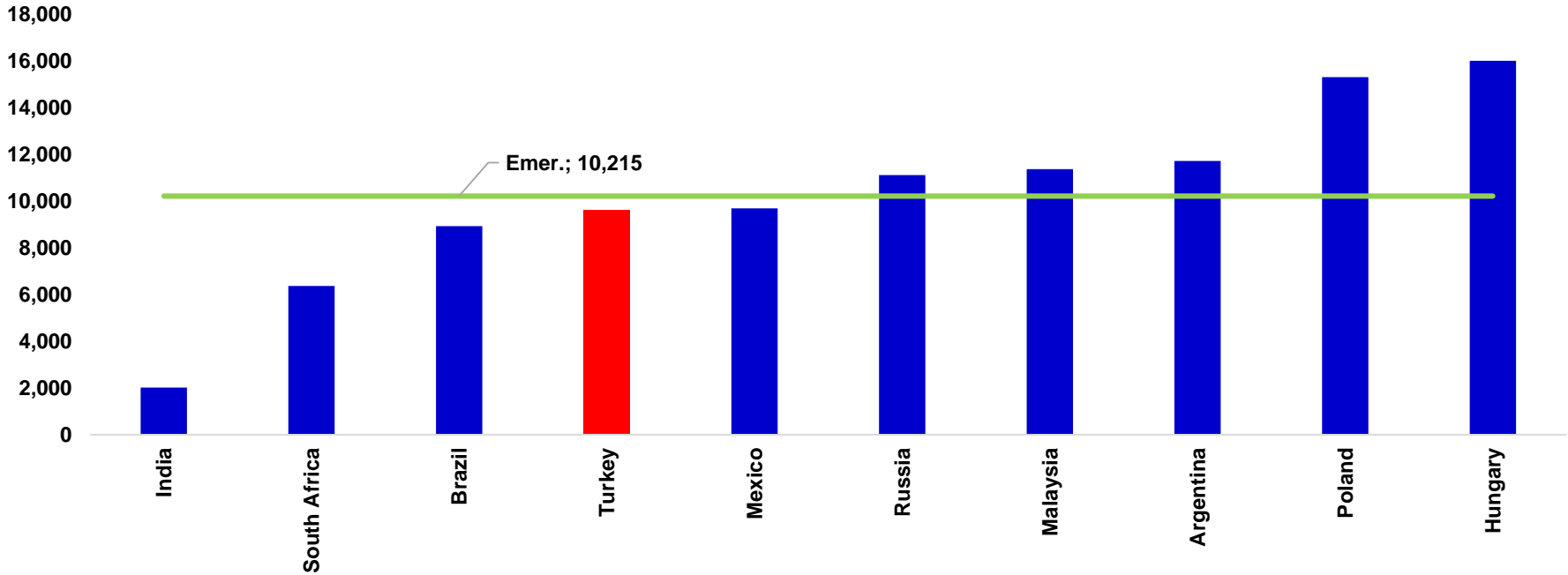
Gdp (USD billion)



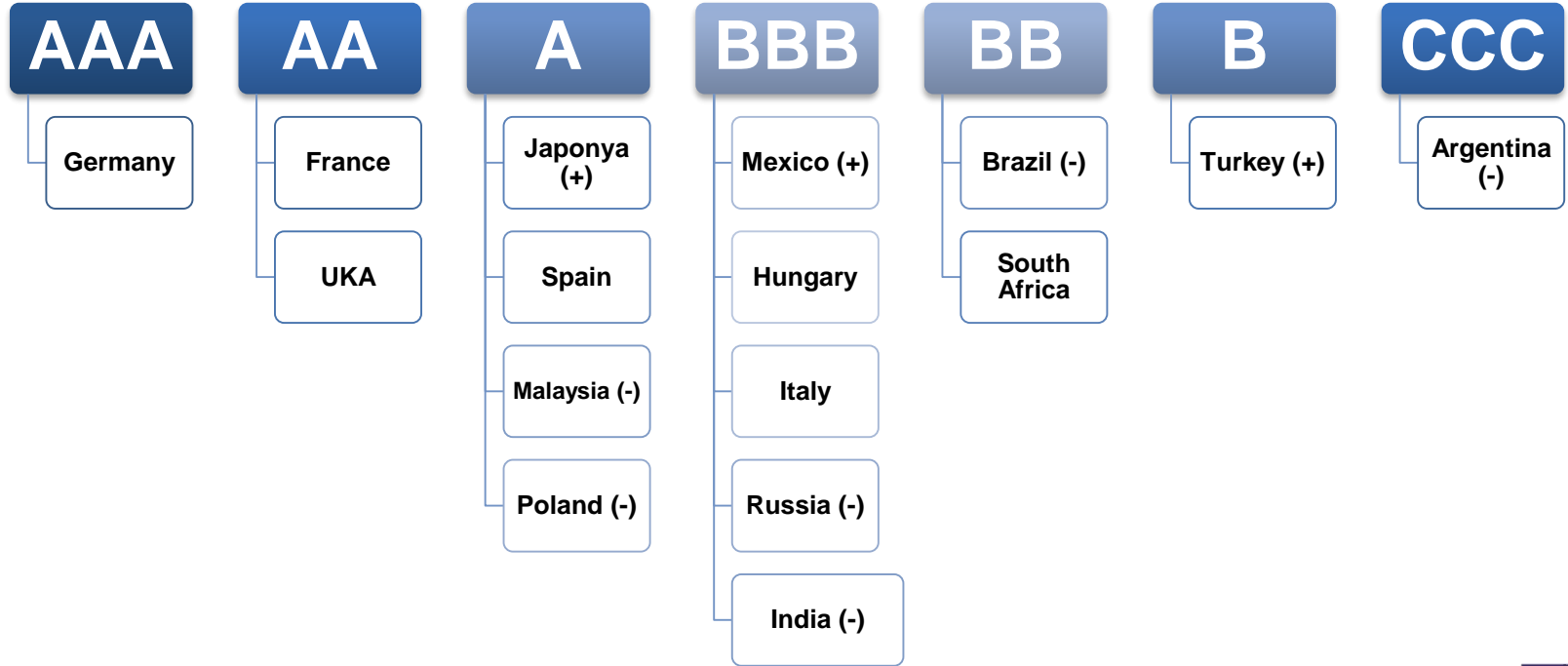
Gdp per Capita (USD)



Gdp per Capita (Emerging Economies, USD)



Credit Ratings(S&P)



Balance Sheet

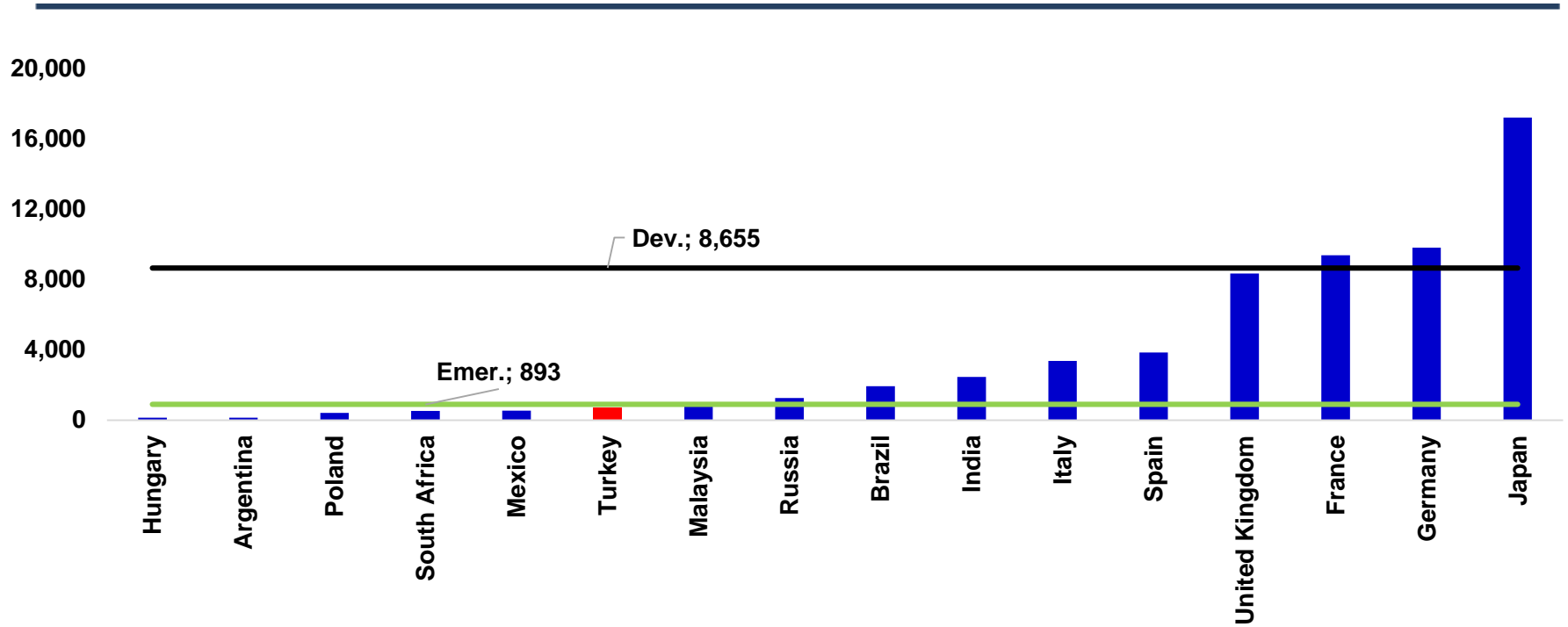


Assets*

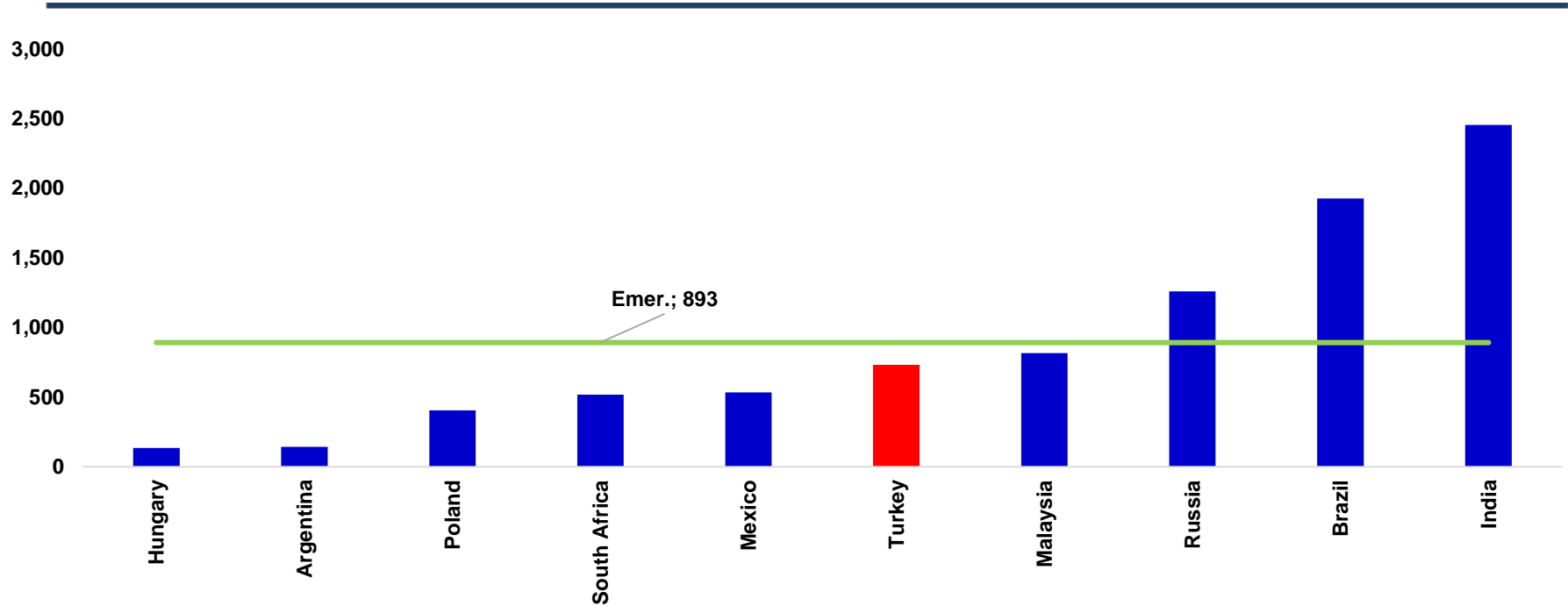
	Assets (Billion USD)	Assets/gdp (percent)	Assets per capita (USD)
Japan	17,196	346	135,188
Germany	9,809	248	118,428
France	9,379	337	144,311
United Kingdom	8,331	291	124,083
Spain	3,851	271	82,490
Italy	3,366	162	55,520
India	2,454	90	1,814
Brazil	1,928	103	9,214
Russia	1,260	76	8,470
Malaysia	816	228	2,893
Turkey	732	93	8,930
Mexico	535	44	4,242
South Africa	518	141	8,962
Poland	406	69	10,621
Argentina	144	28	3,254
Hungary	135	87	13,859

*As of December 2018

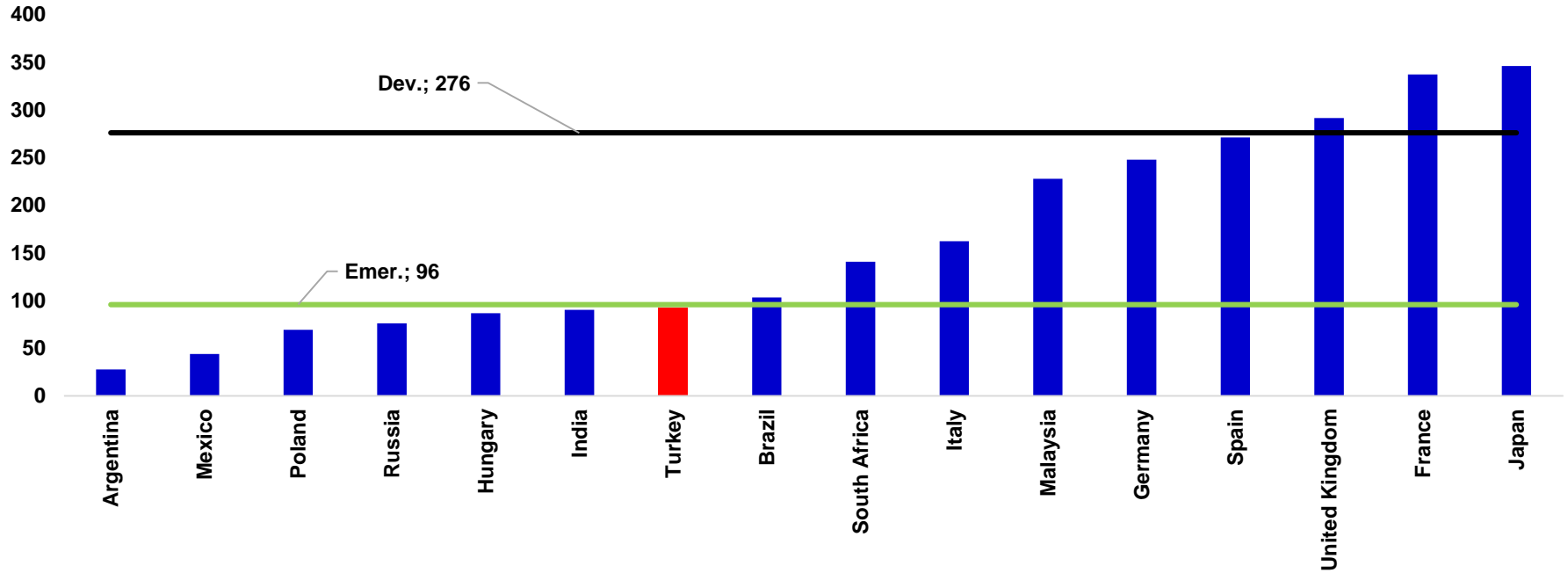
Total Assets (Billion USD)



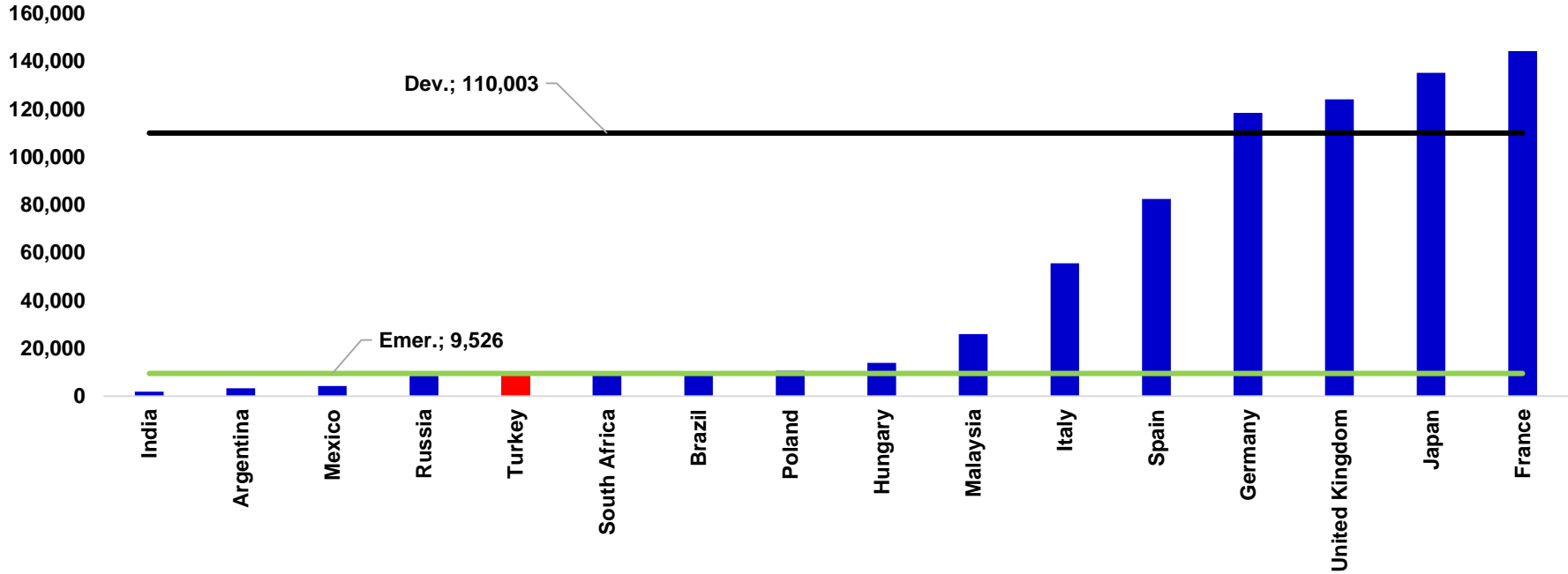
Total Assets (Emerging Economies, USD billion)



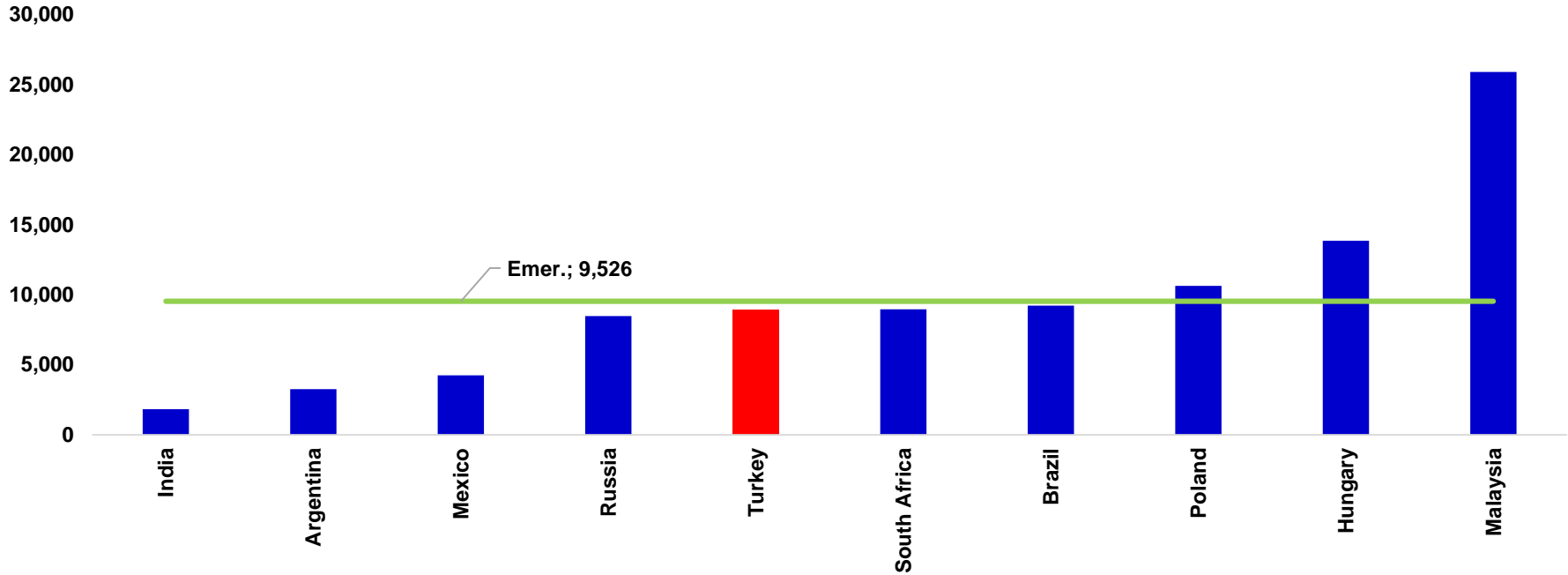
Total Assets to Gdp (percent)



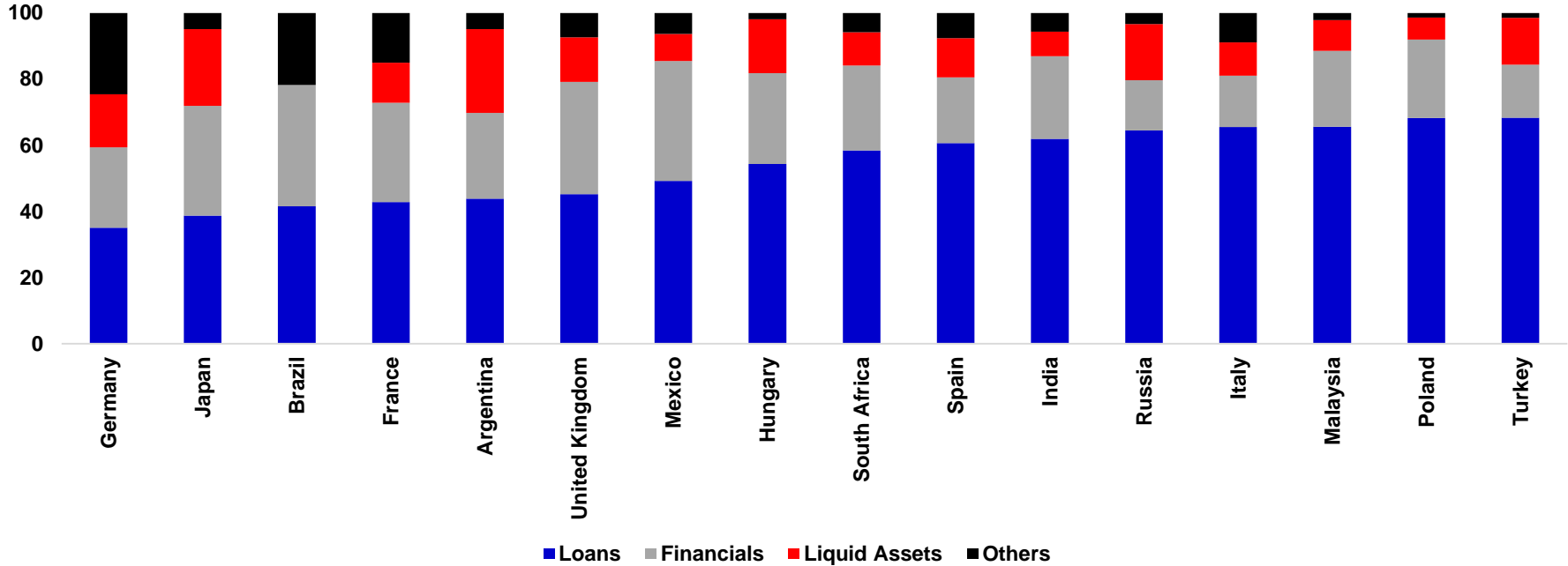
Assets per Capita (USD)



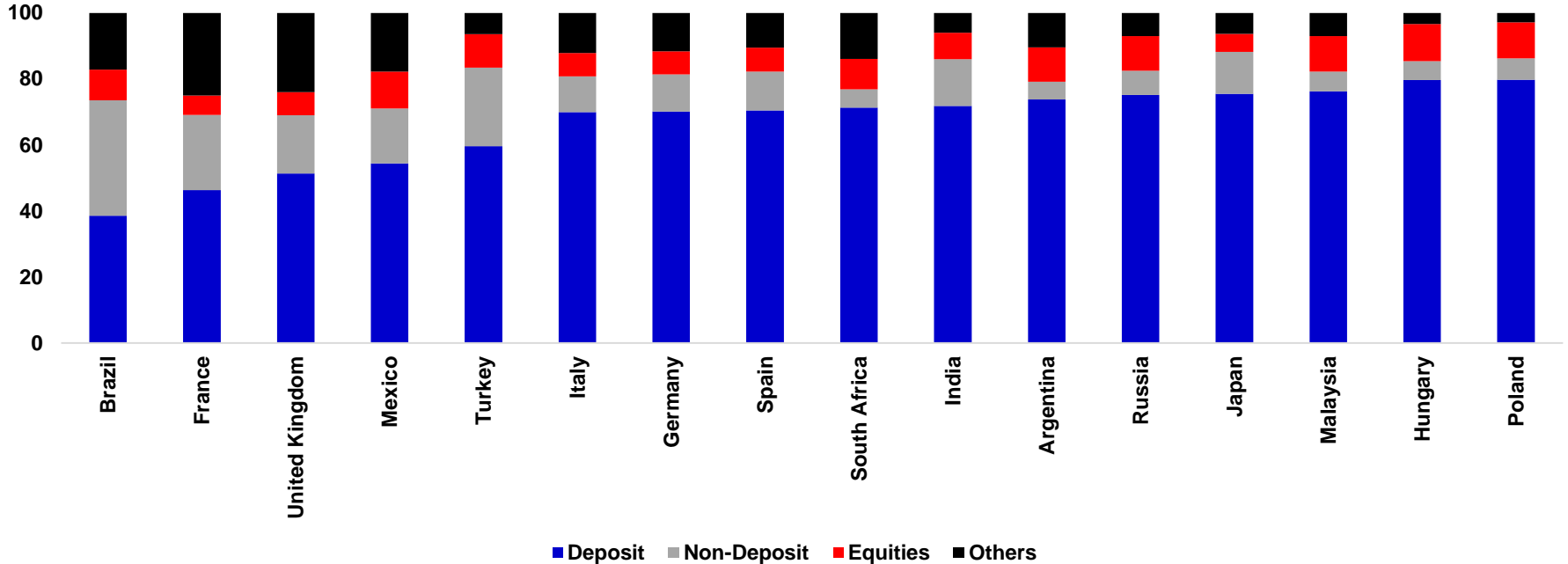
Assets per Capita (Emerging Economies, USD)



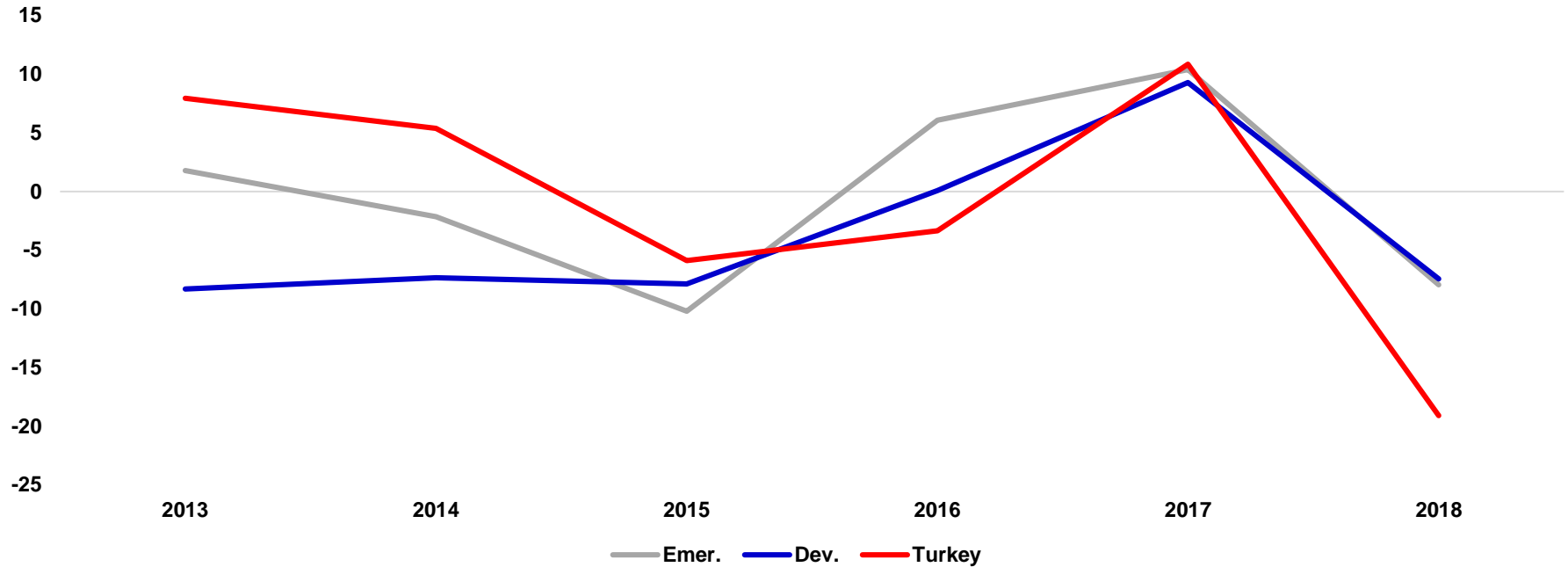
Distribution of Assets (percent)



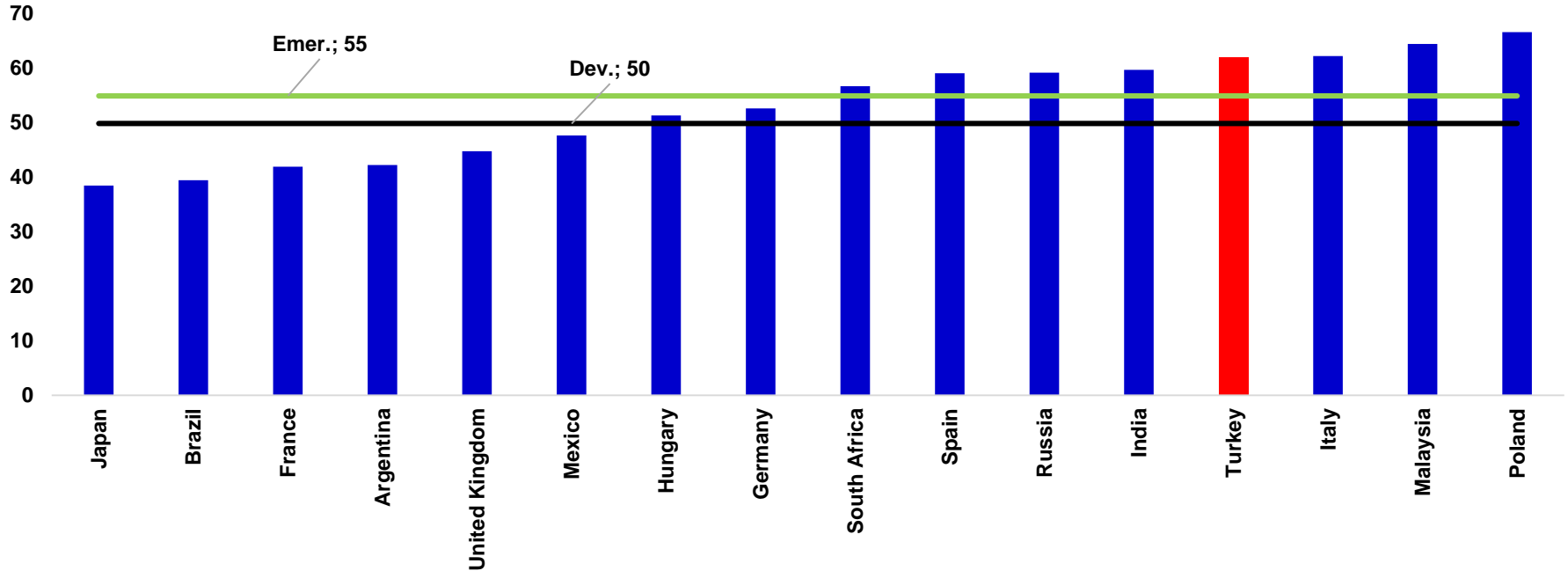
Distribution of Liabilities (percent)



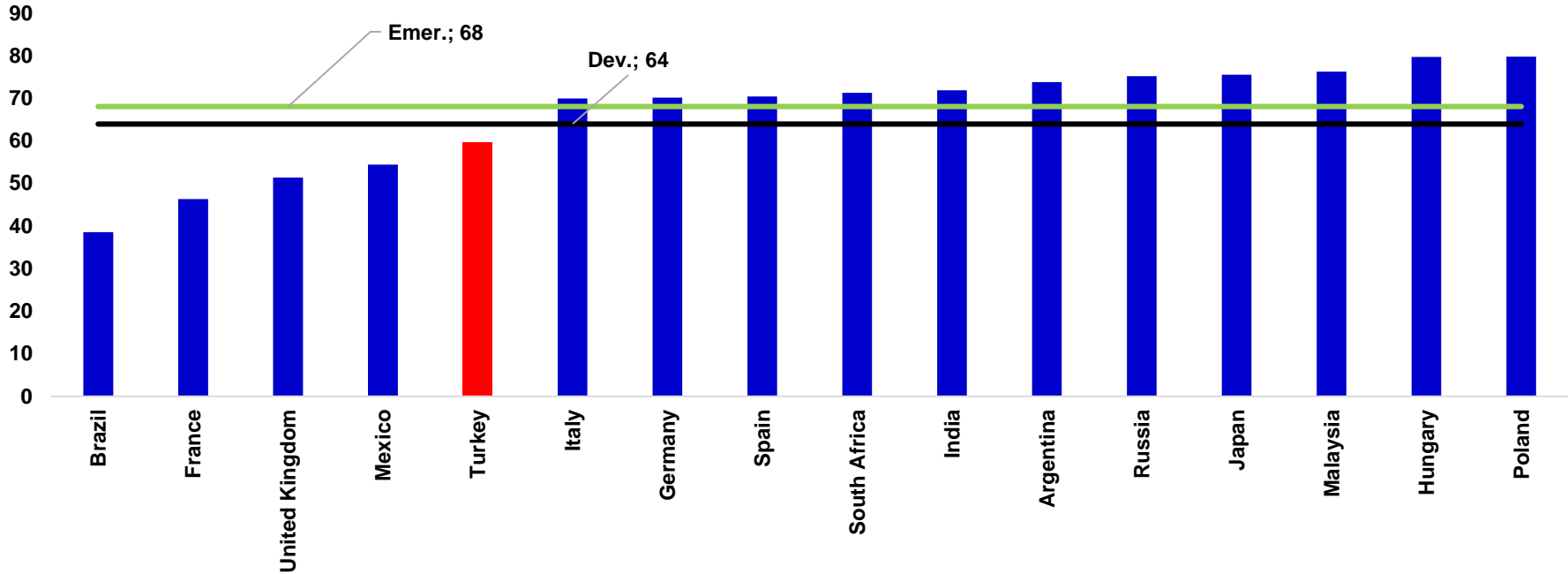
Growth Rate of Total Assets (USD, yoy, percent)



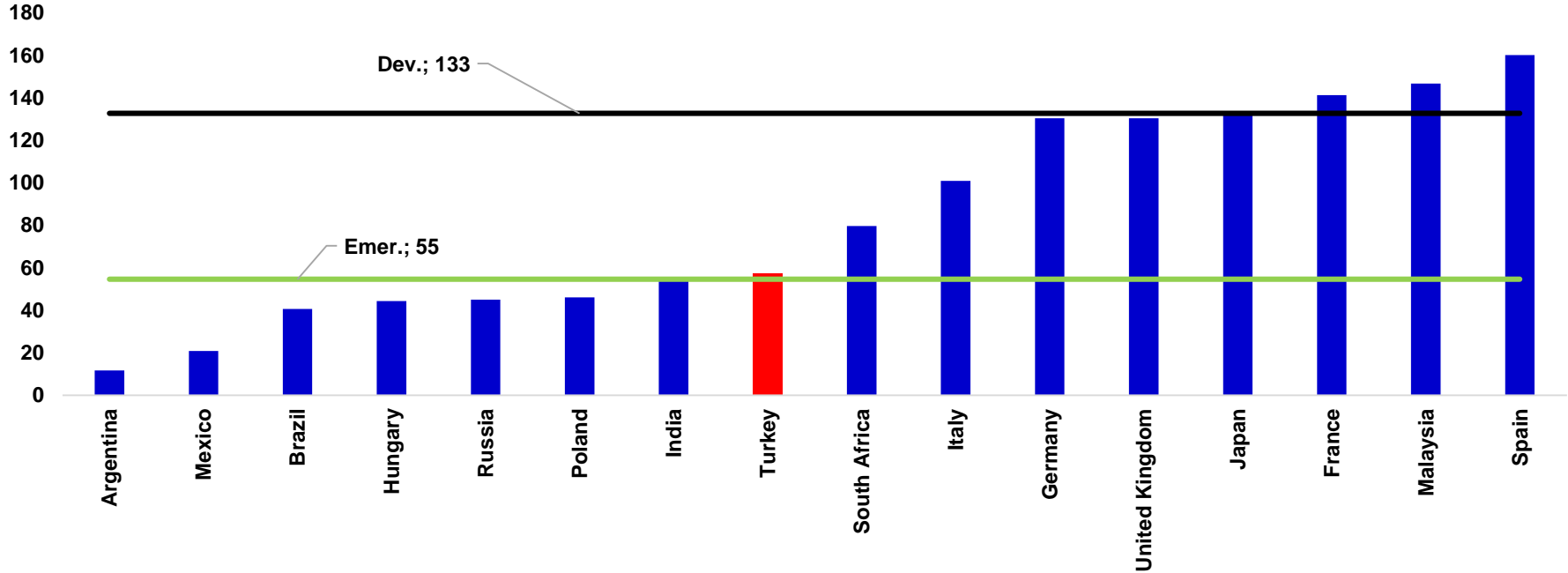
Loans to Assets (percent)



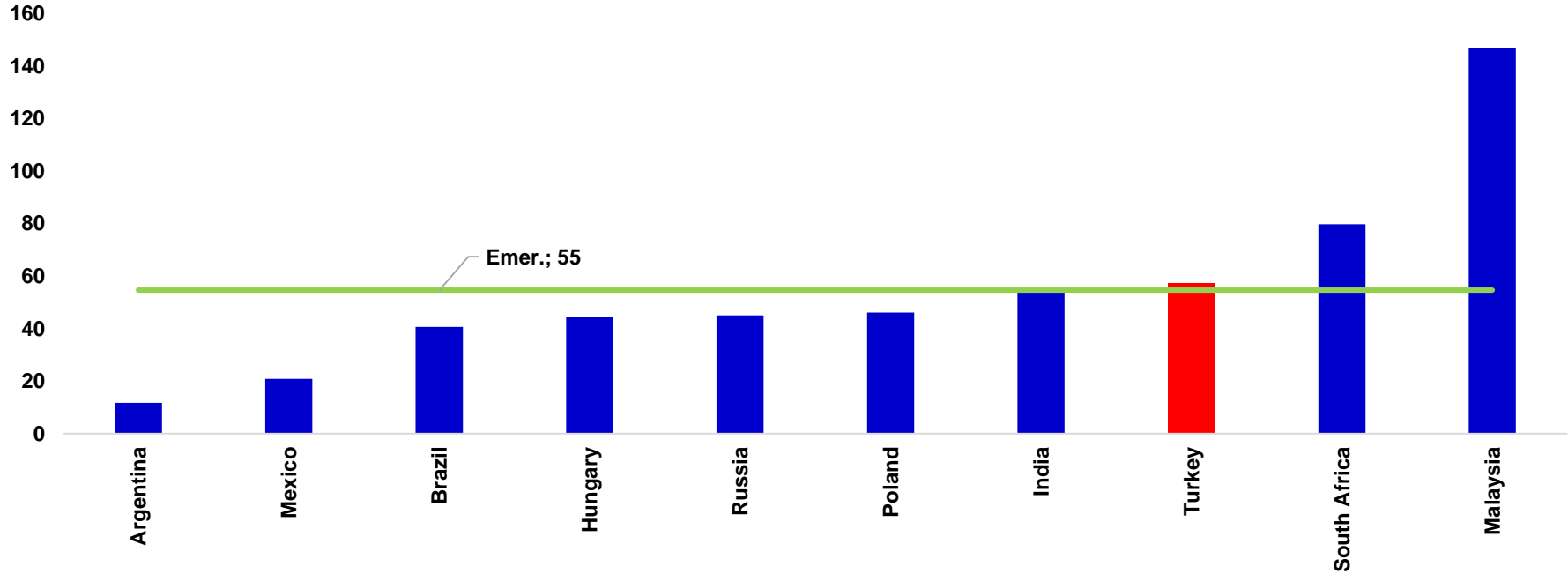
Deposit to Liabilities (percent)



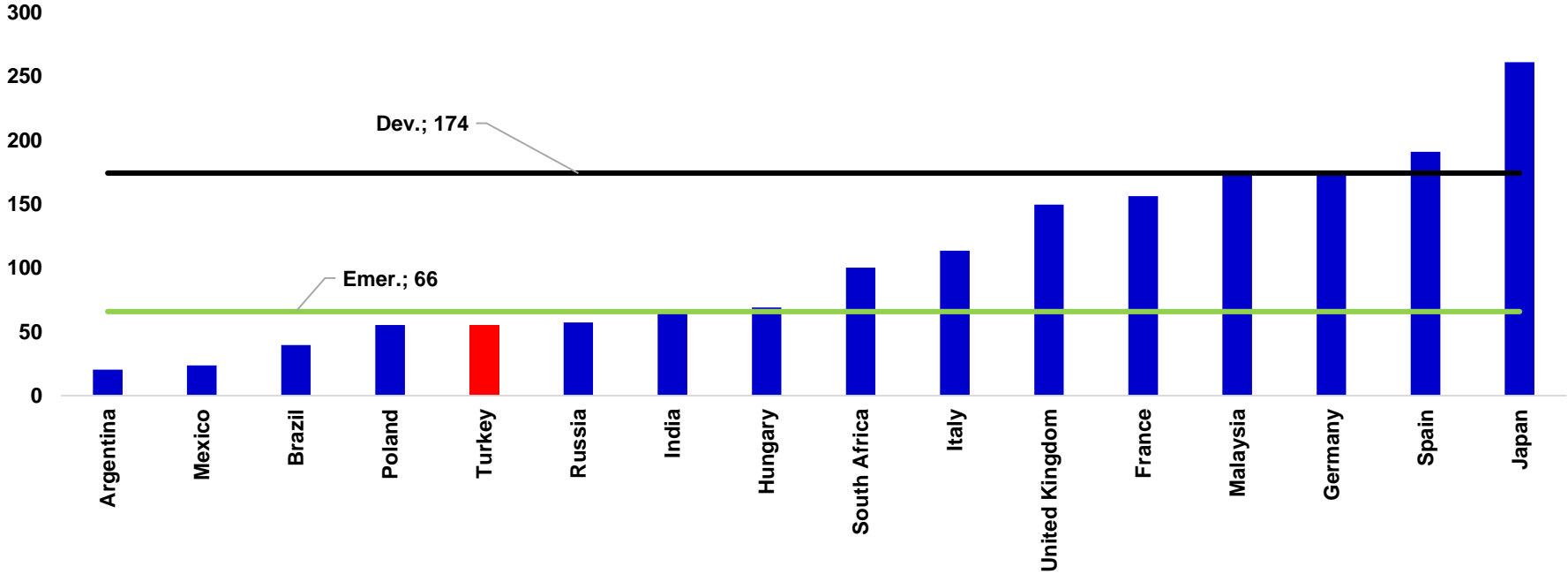
Loans to Gdp (percent)



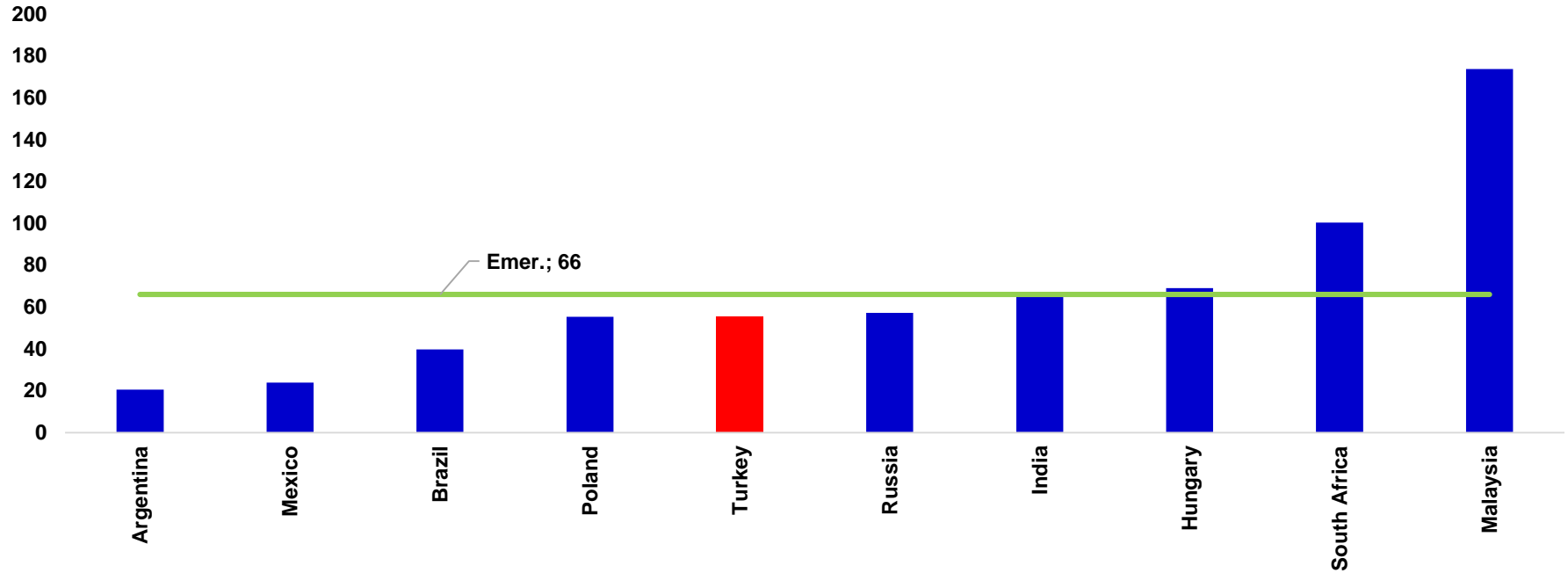
Loans to Gdp (Emerging Economies, percent)



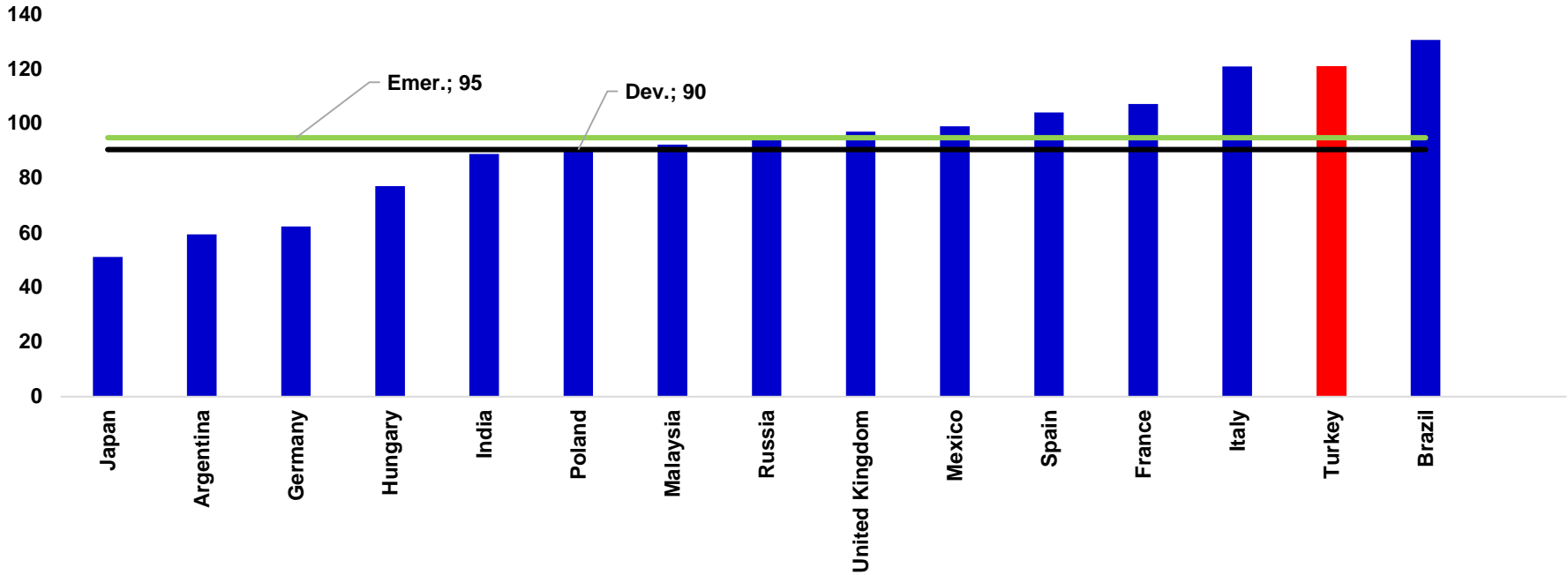
Deposit to Gdp (percent)



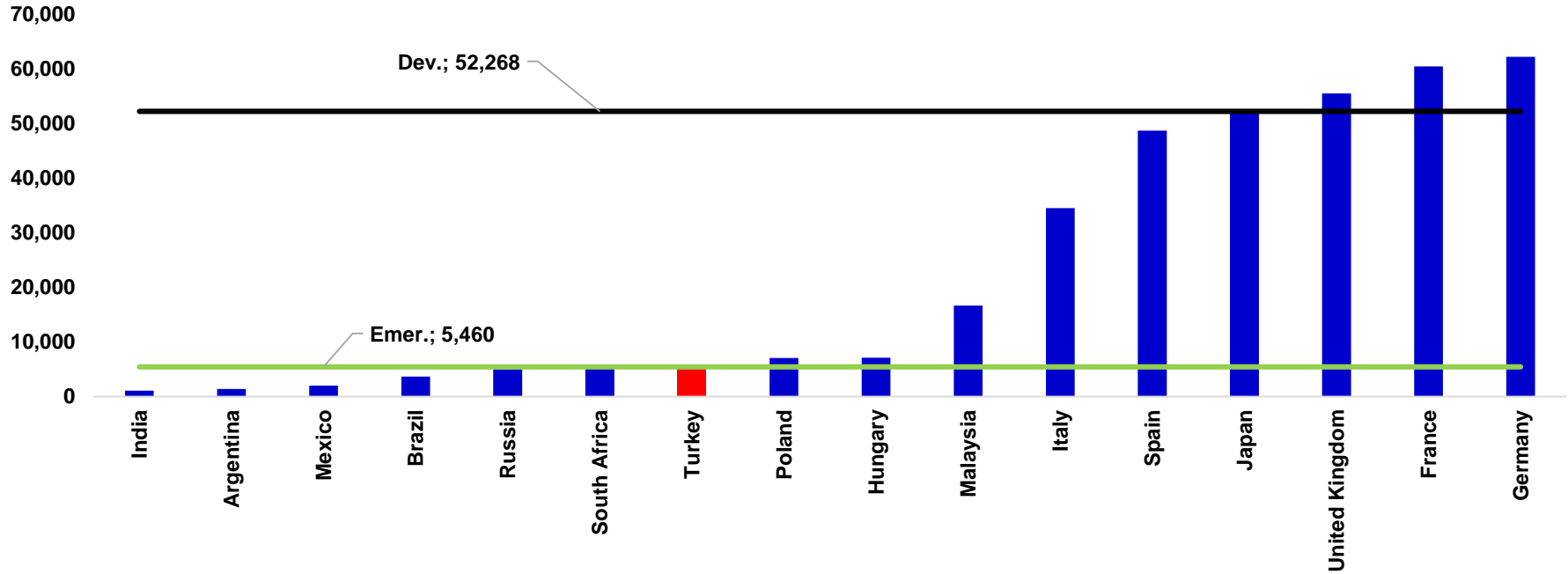
Deposit to Gdp (Emerging Economies, percent)



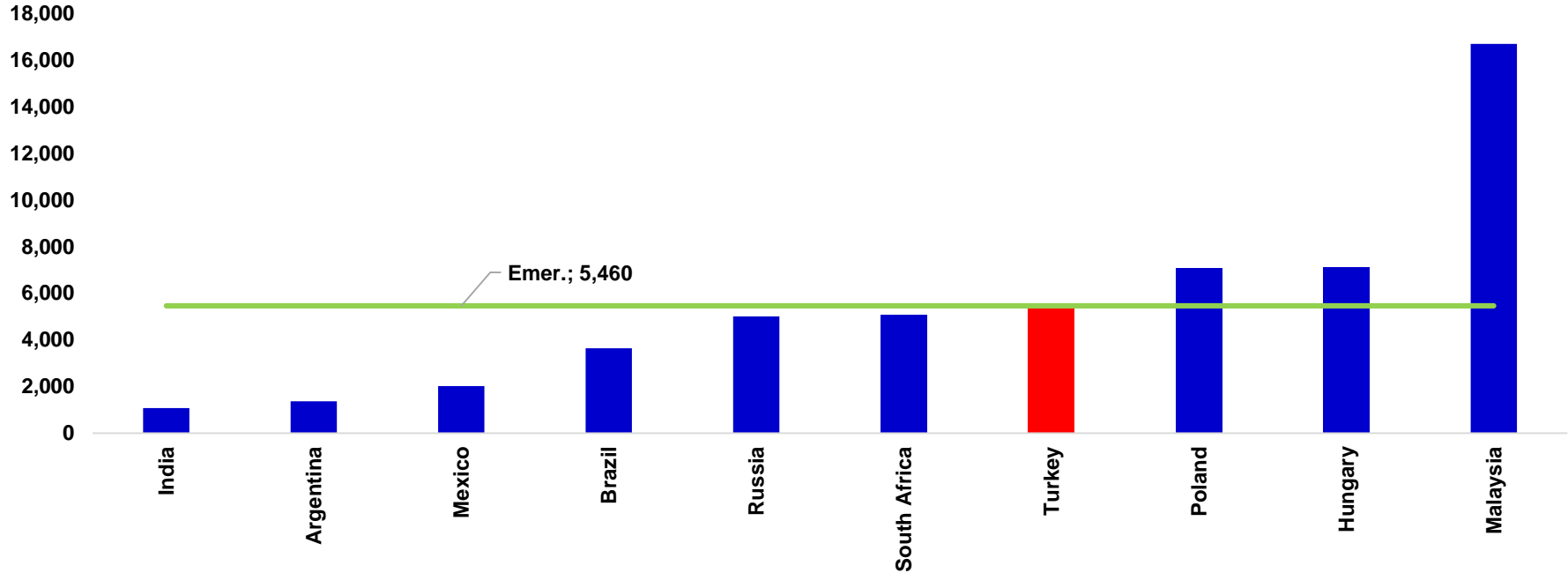
Loans to Deposit (percent)



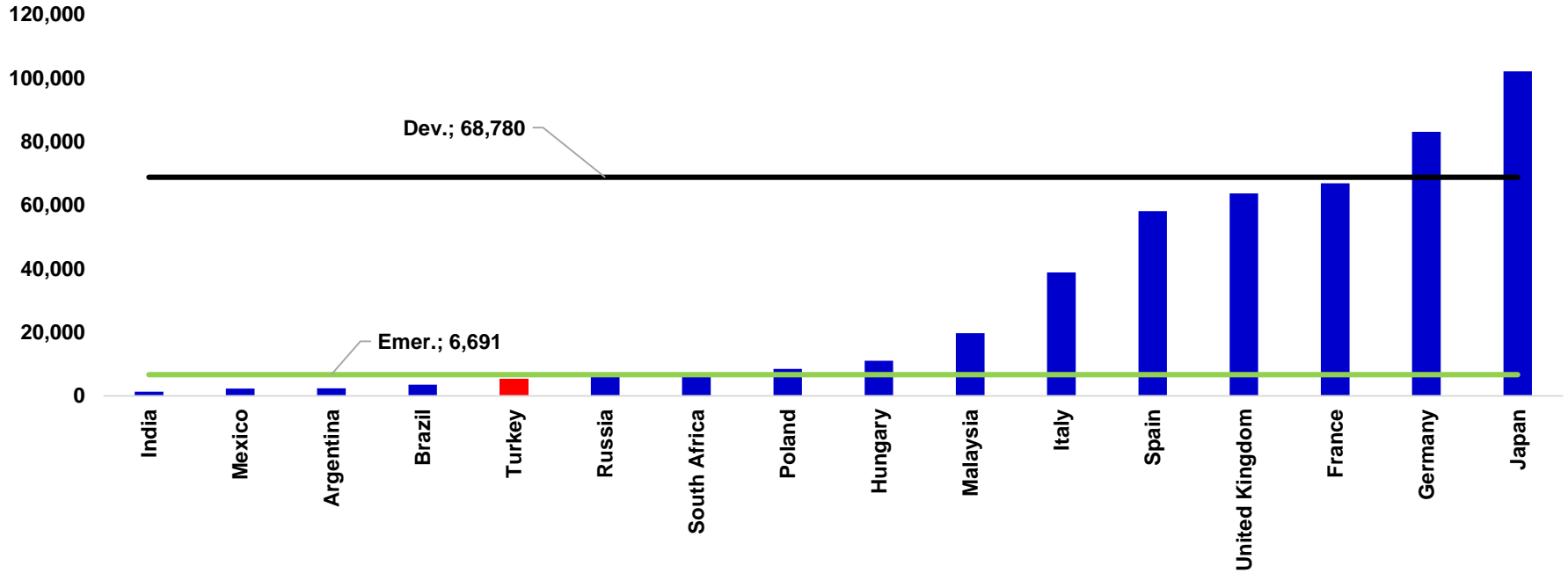
Loans per Capita (USD)



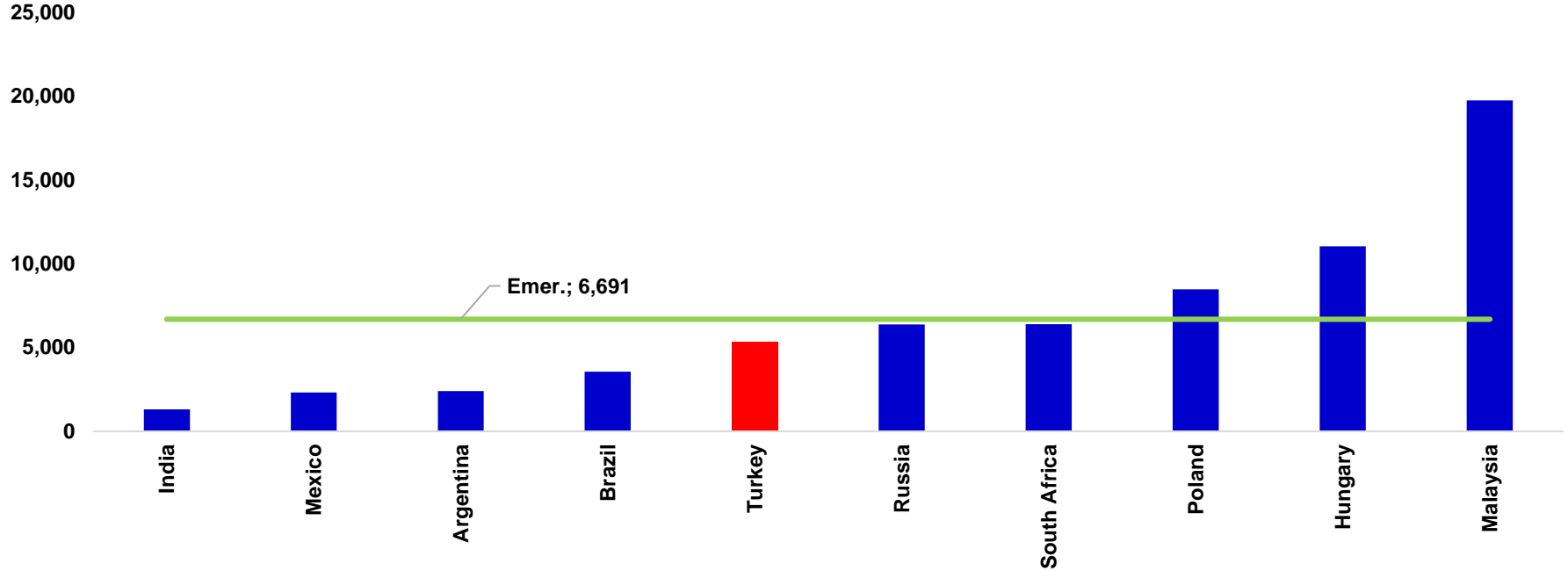
Loans per Capita (Emerging Economies, USD)



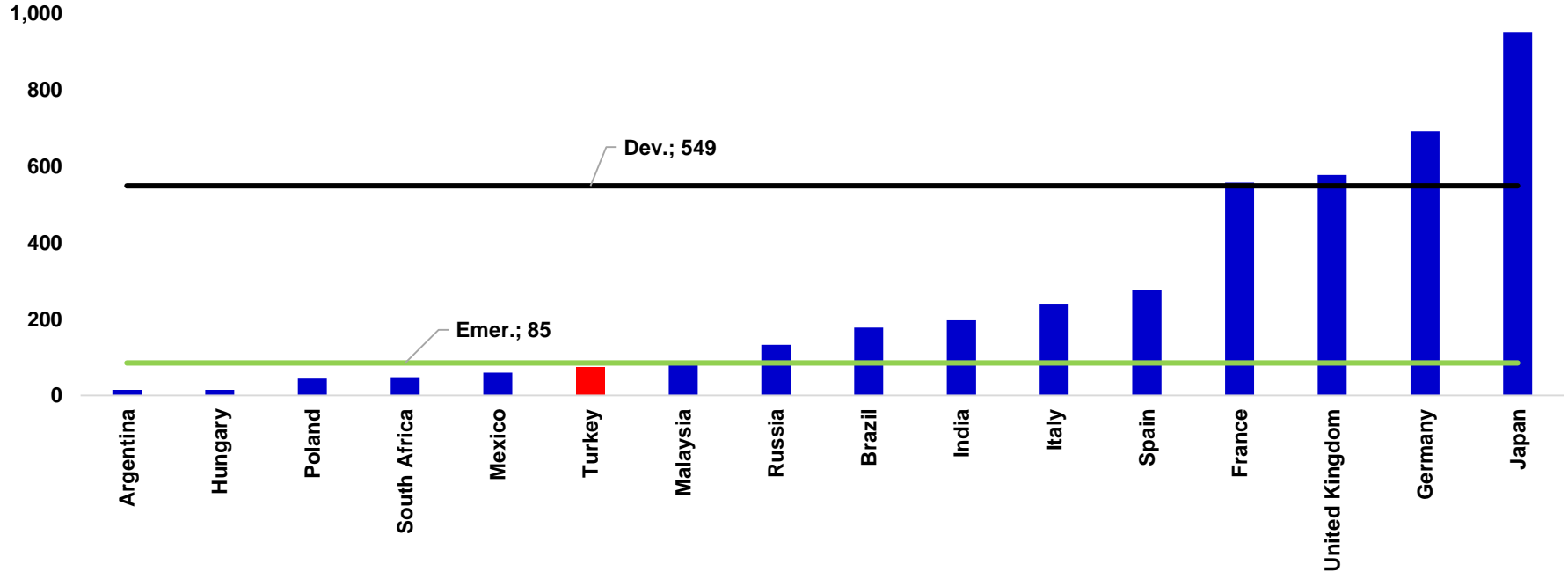
Deposit per Capita (USD)



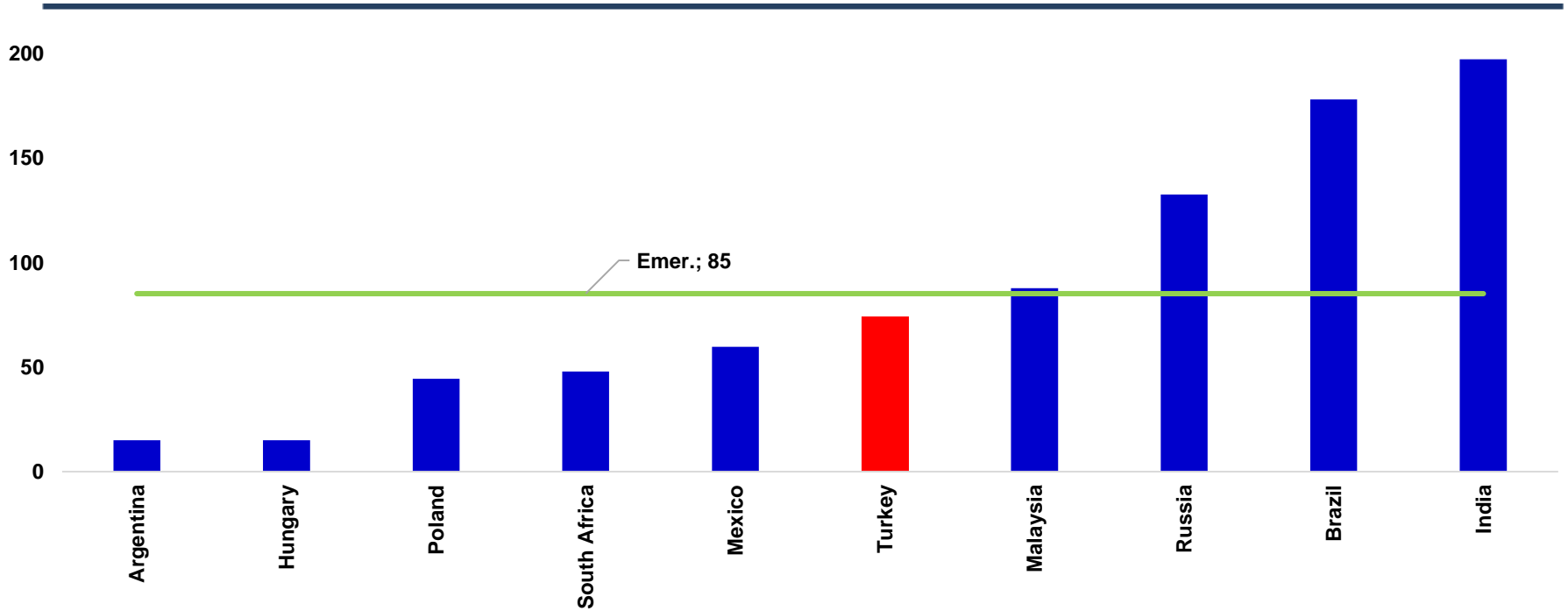
Deposit per Capita (Emerging Economies, USD)



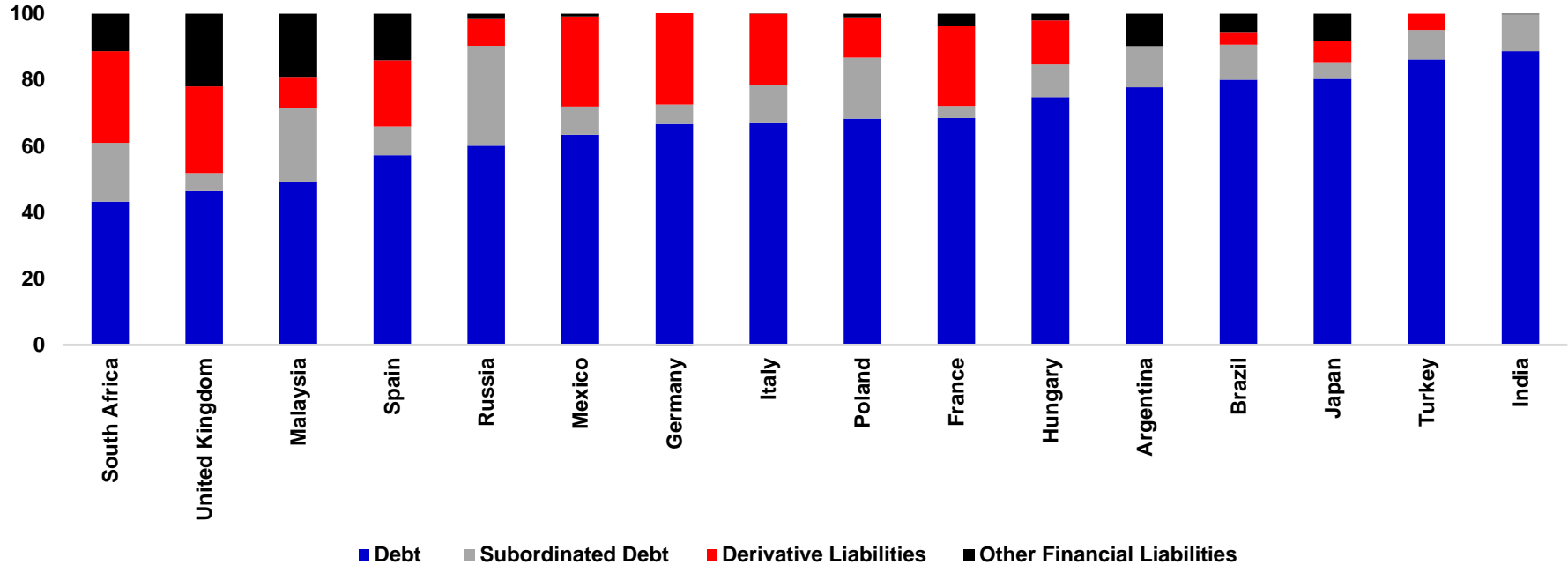
Shareholders' Equity (Billion USD)



Shareholders' Equity (Emerging Economies, billion USD)



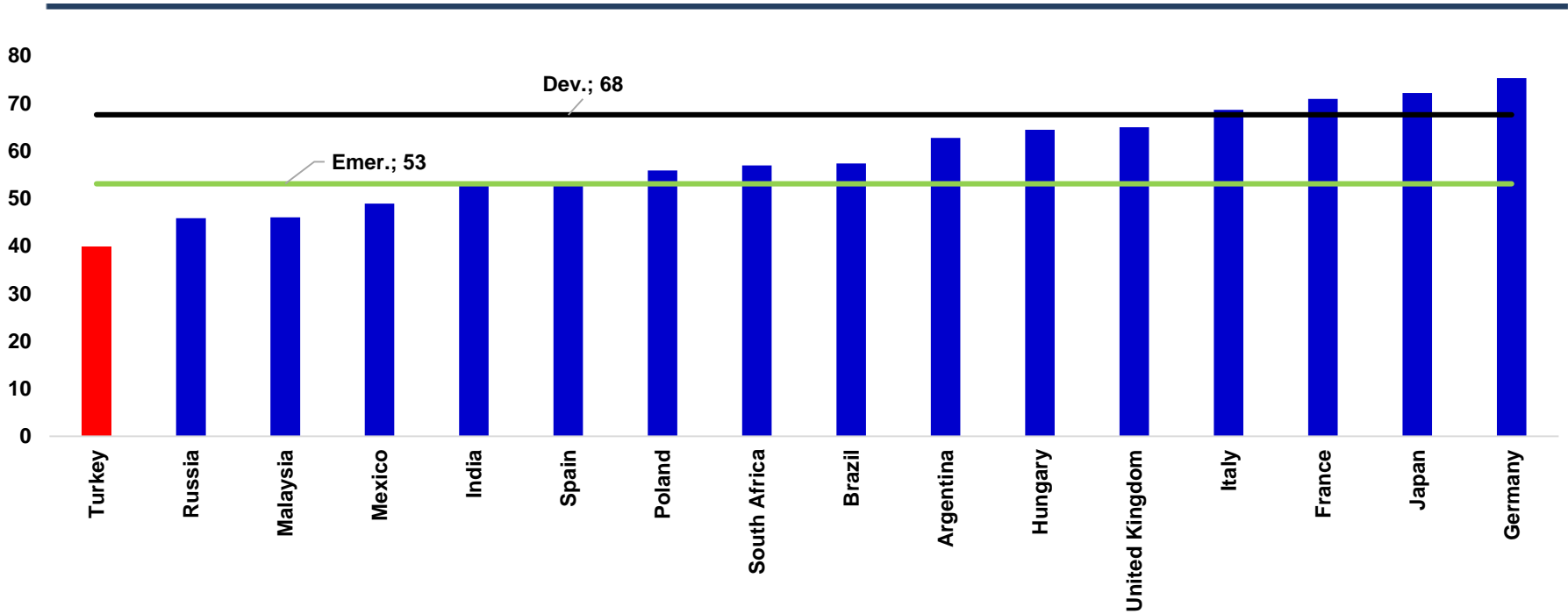
Distribution of Non-Deposit Funds (percent)



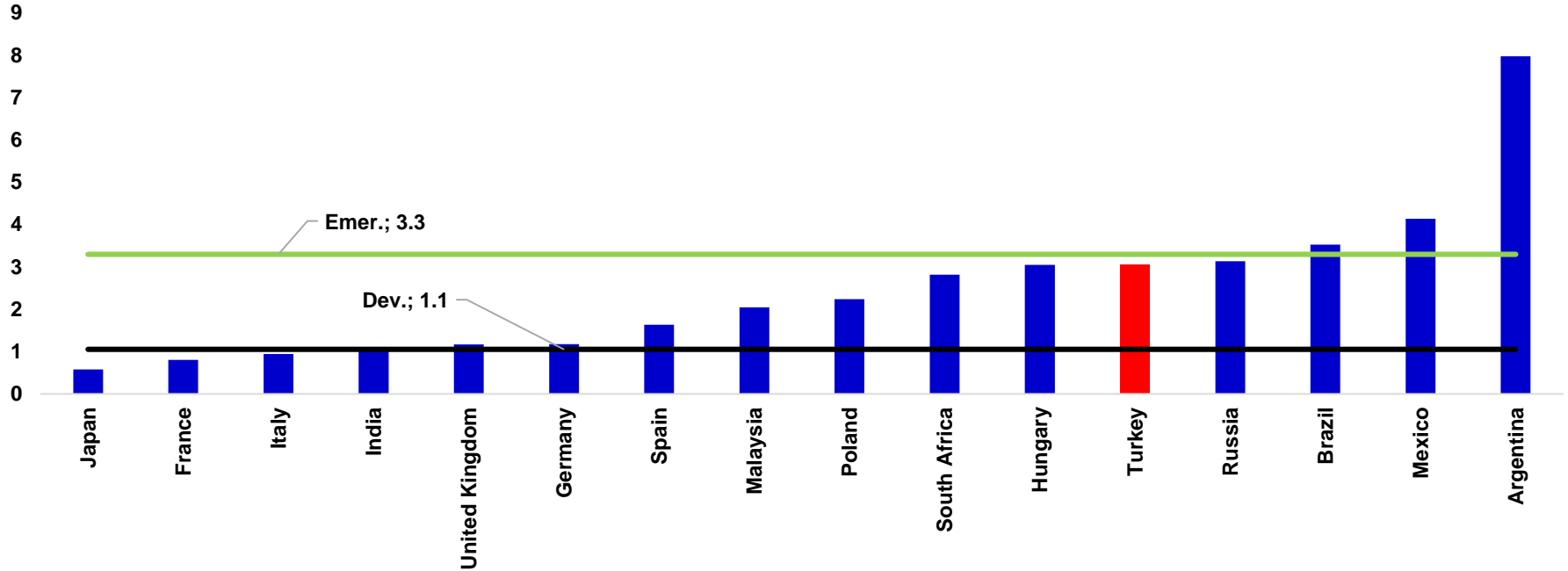
Income/Expenses



Cost to Income (percent)

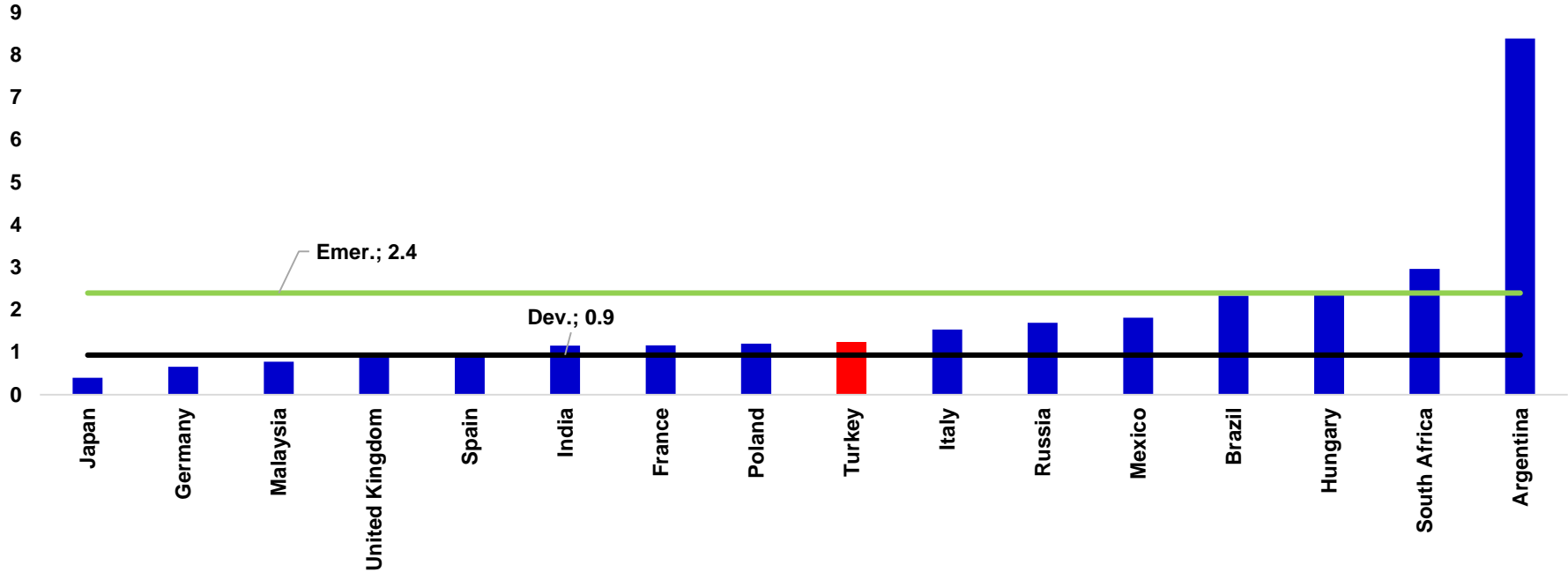


Net Interest Income* to Total Assets (percent)

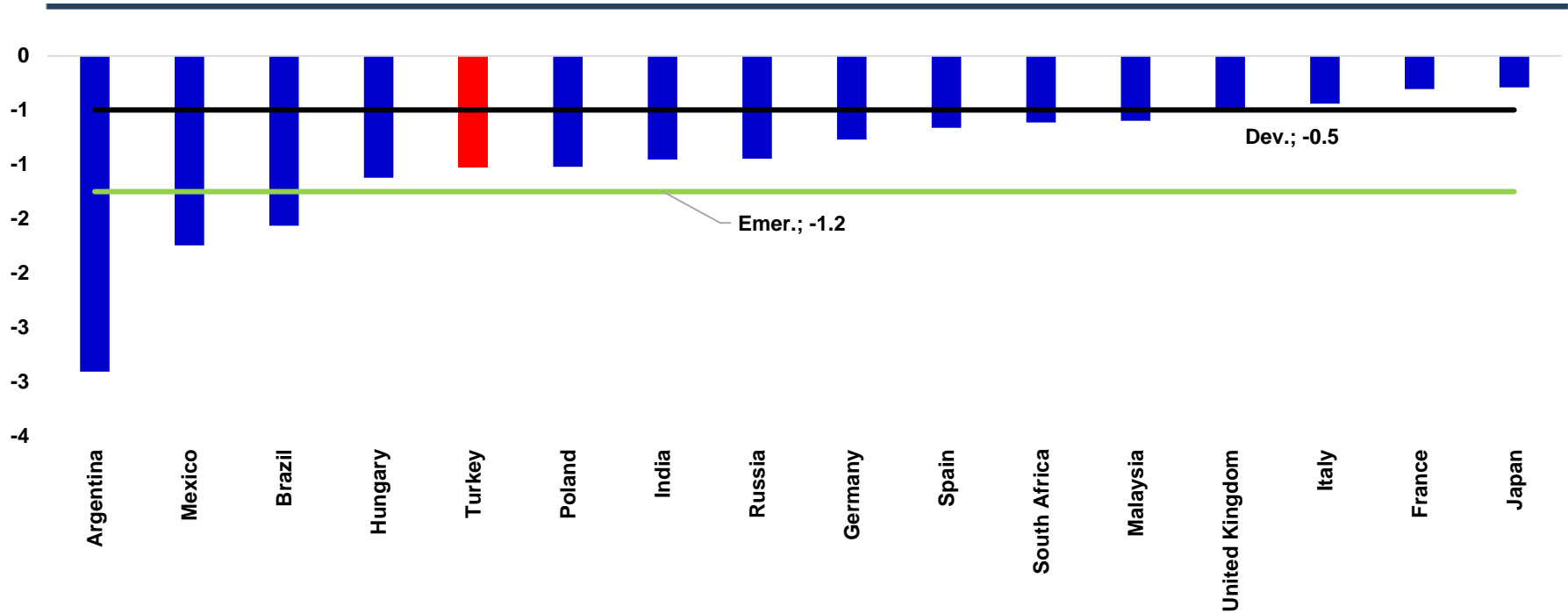


* Provisions are excluded

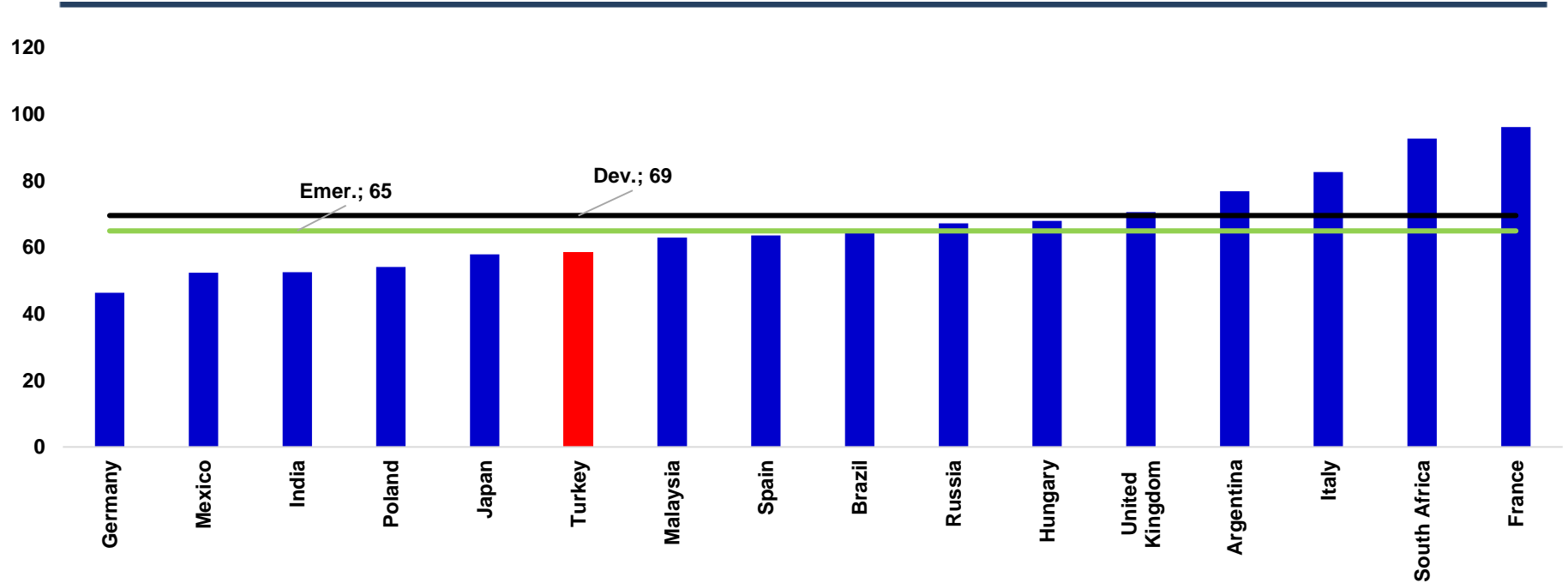
Non-Interest Income to Total Assets (percent)



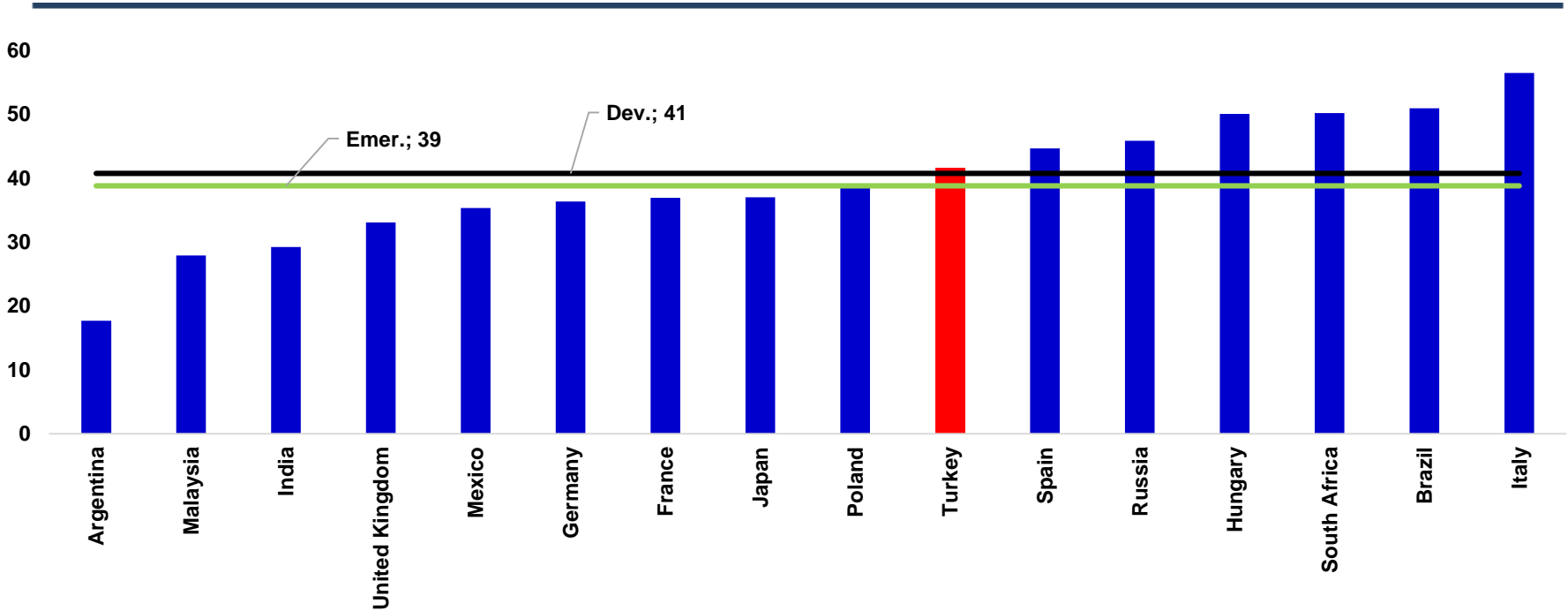
Net Non-interest Income /Total Assets (percent)



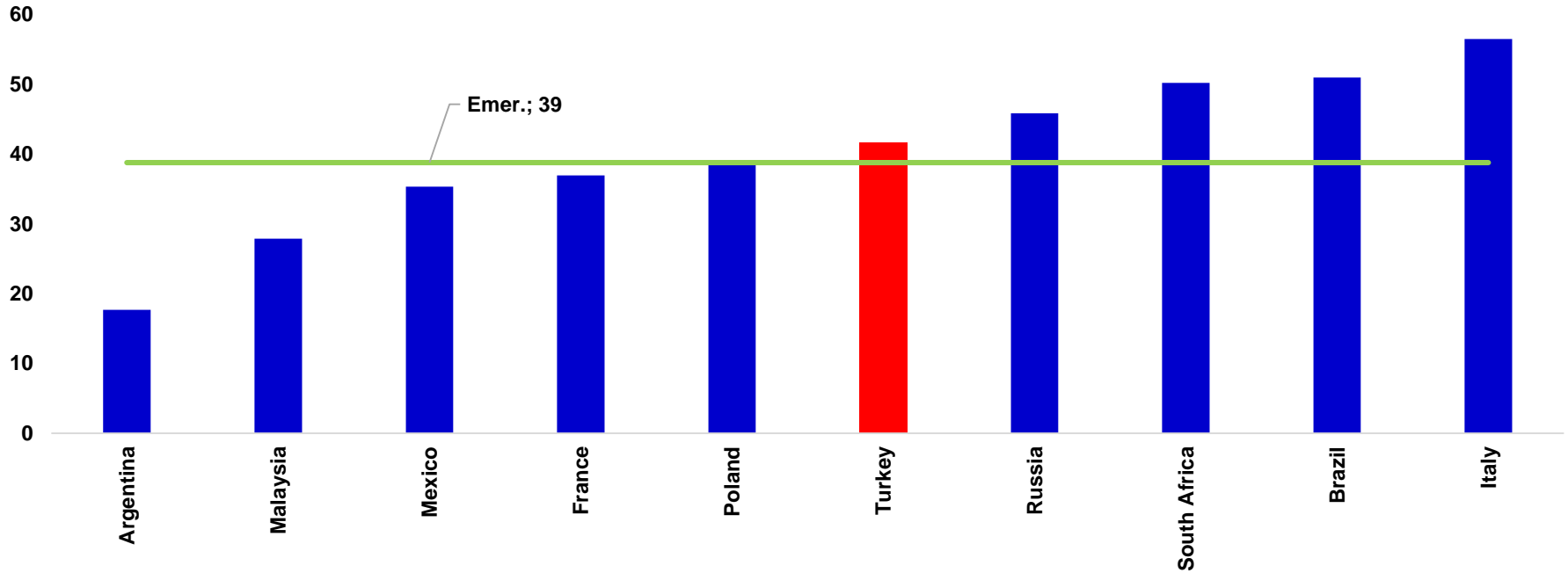
Non-Interest Income to Operational Expenses (percent)



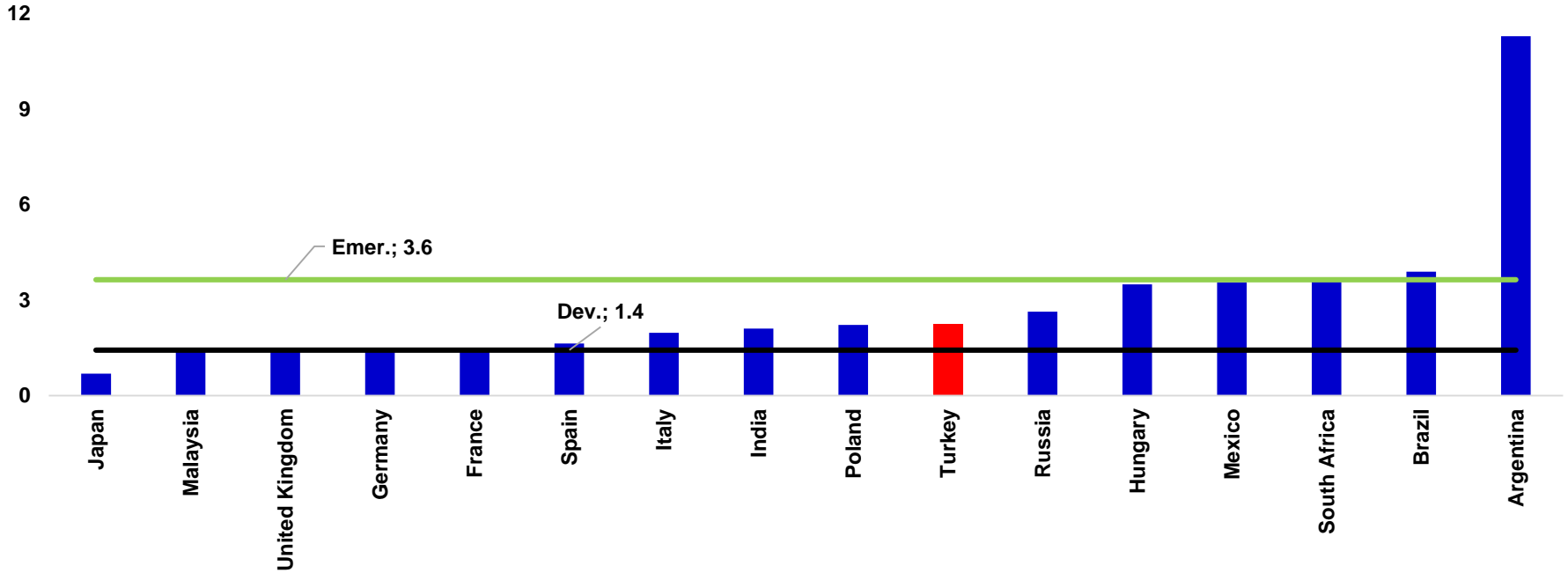
Net Fee and Commission Income to Operational Expenses (percent)



Net Fee and Commission Income to Operational Expenses (Emerging Economies, percent)



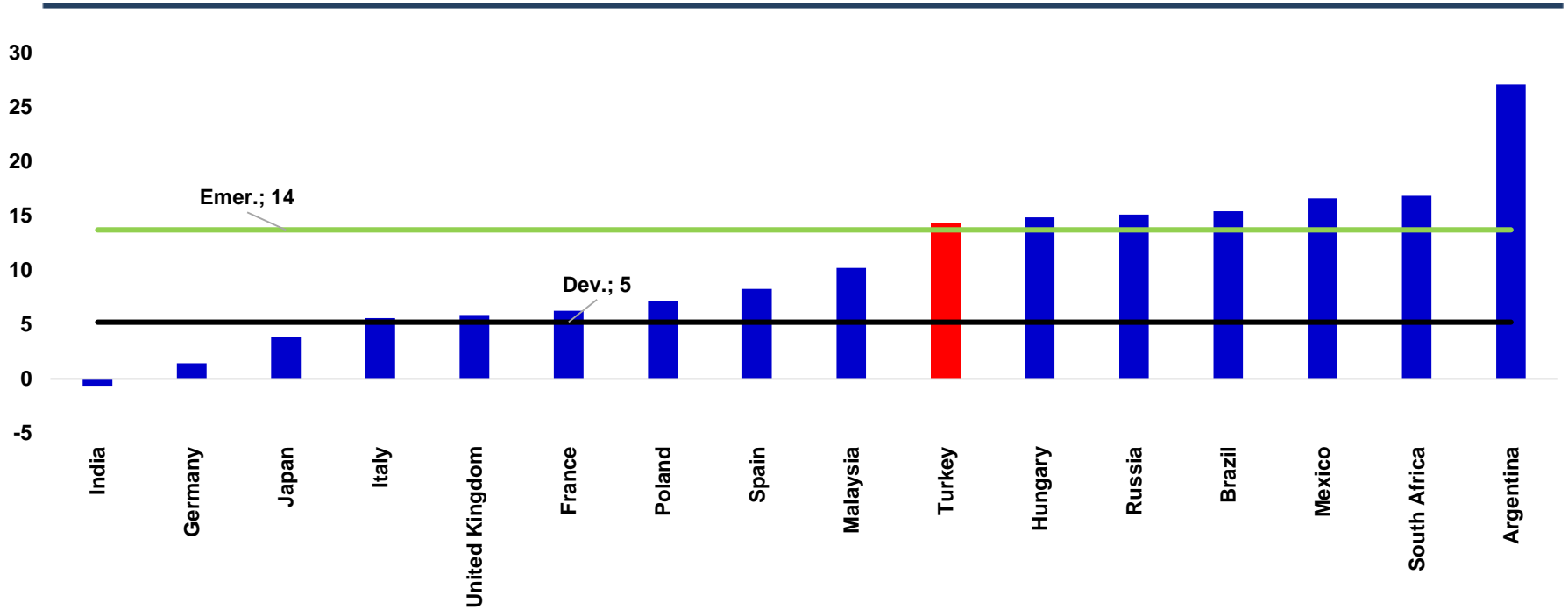
Operational Expenses to Total Assets (percent)



Profitability

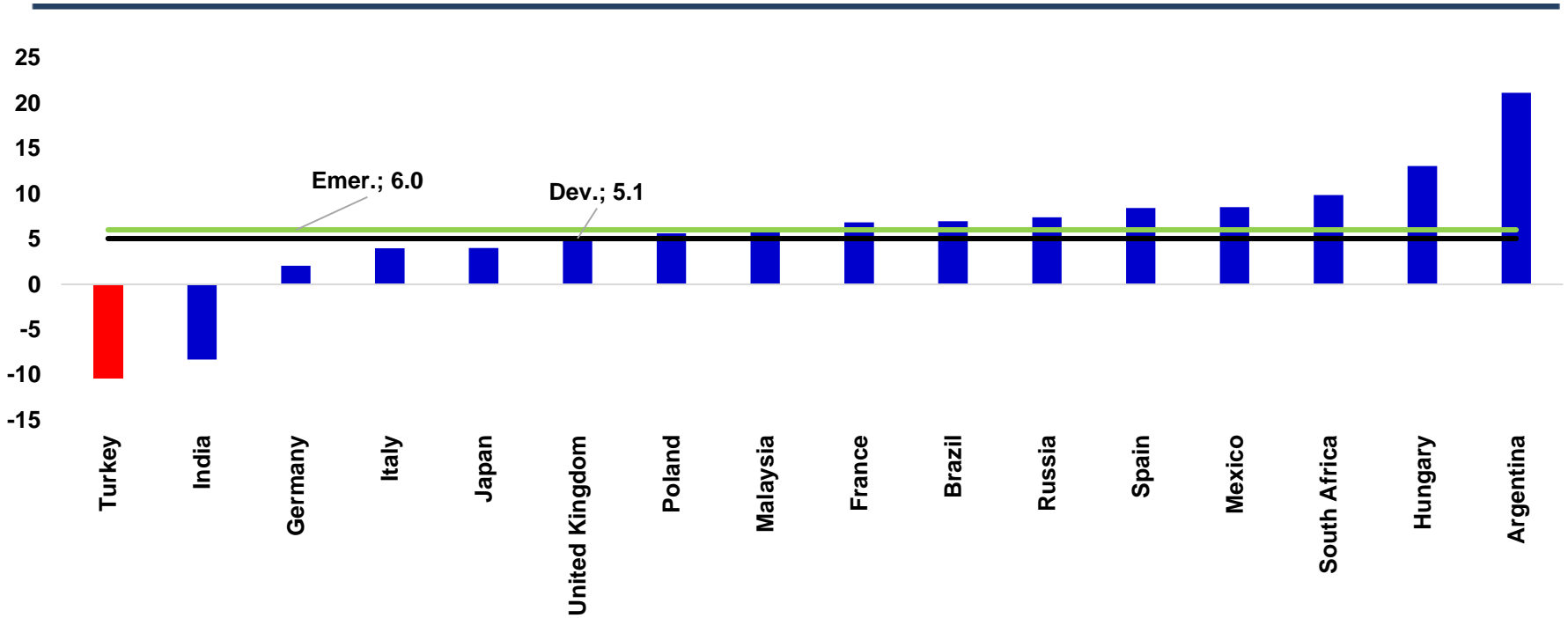


Return on Average Equity* (percent)

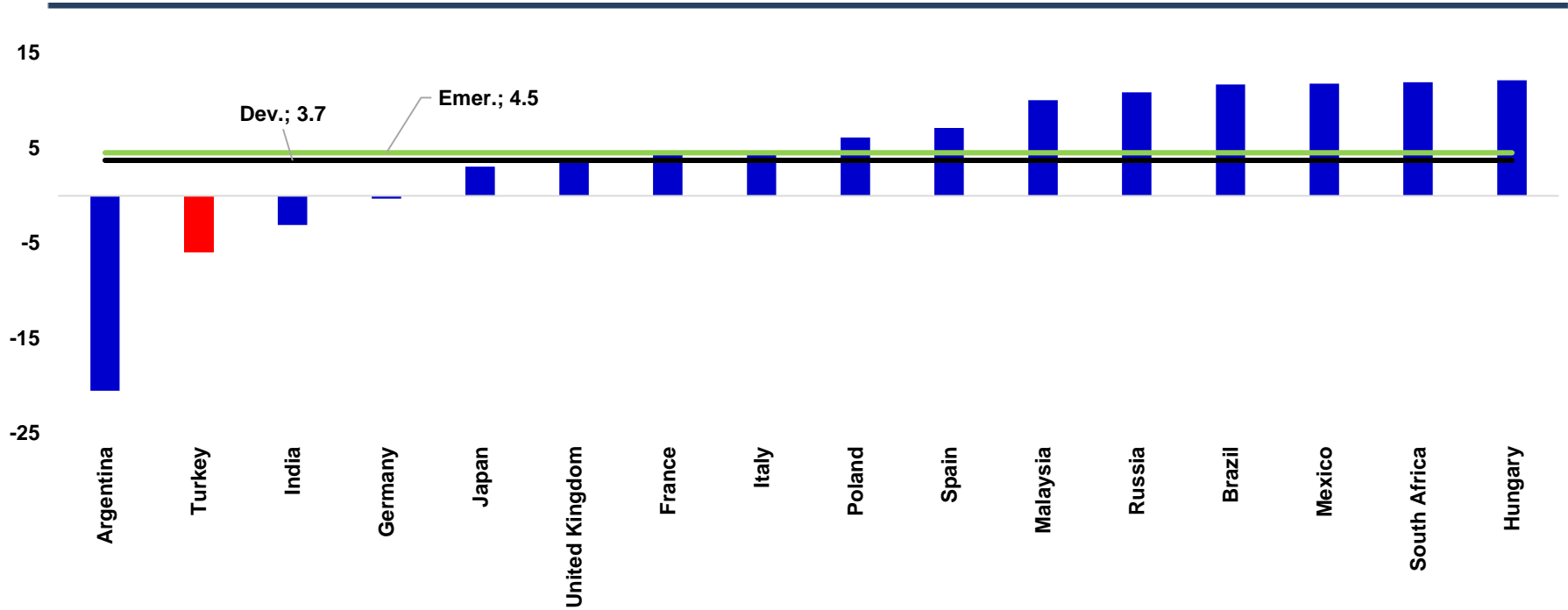


*Before taxes

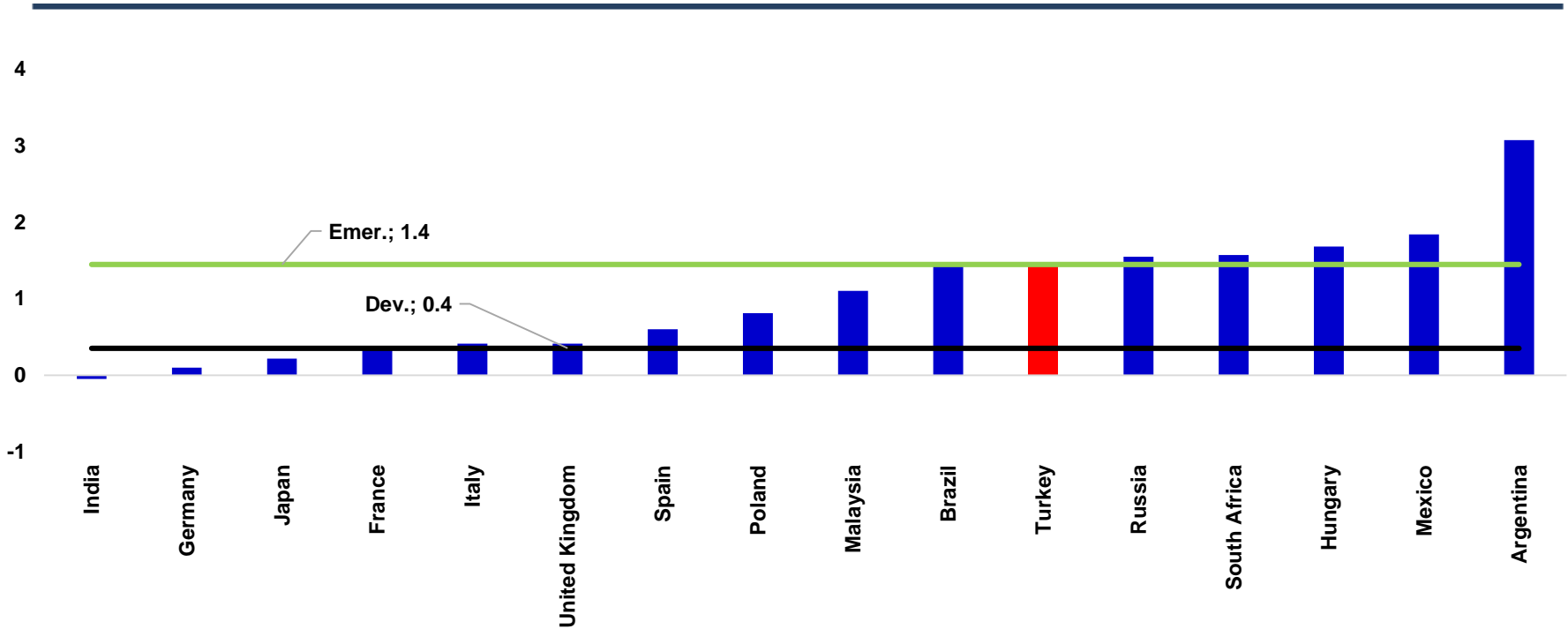
Return on Average Equity – Benchmark 2 Year Government Bond Rate



Return on Average Equity – Inflation



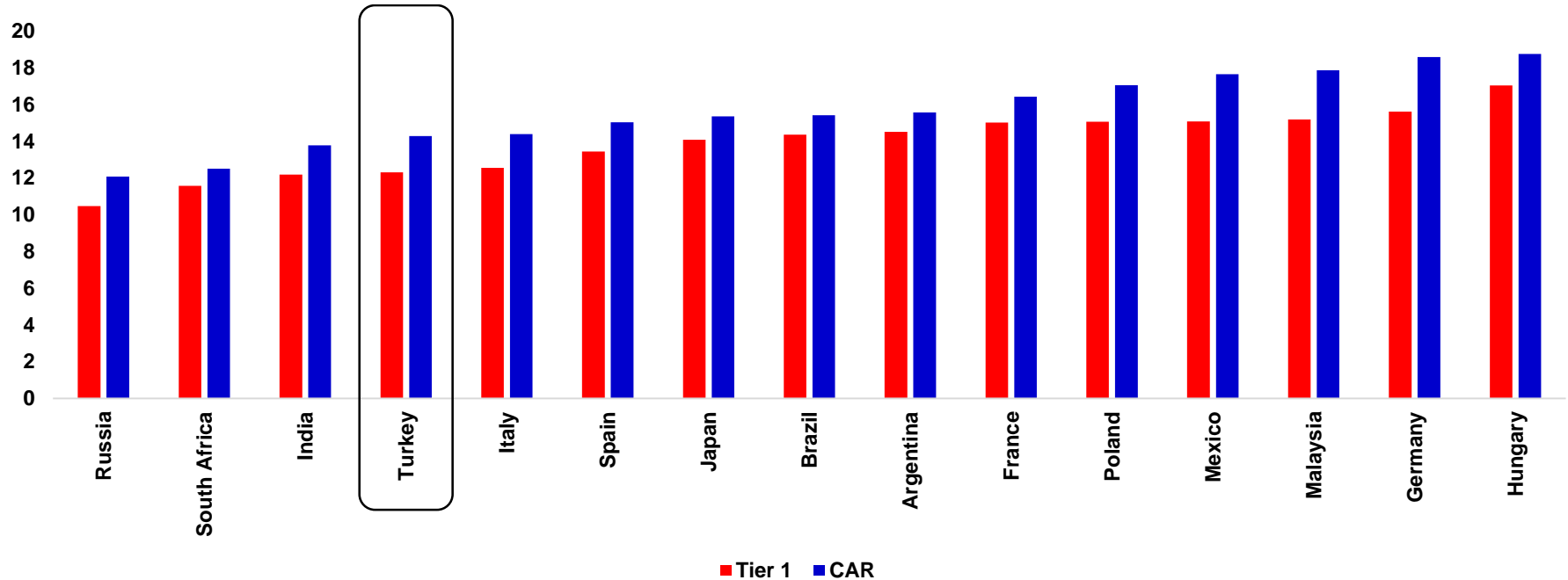
Return on Average Assets (percent)



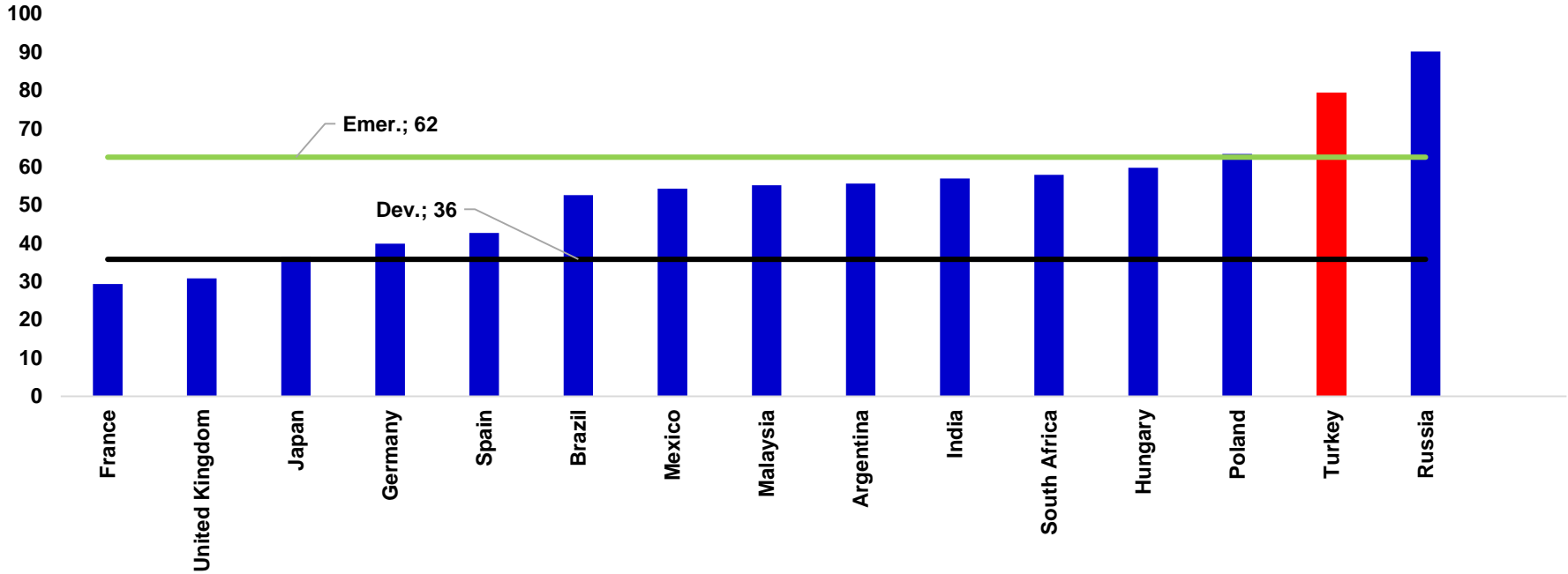
Selected Ratios



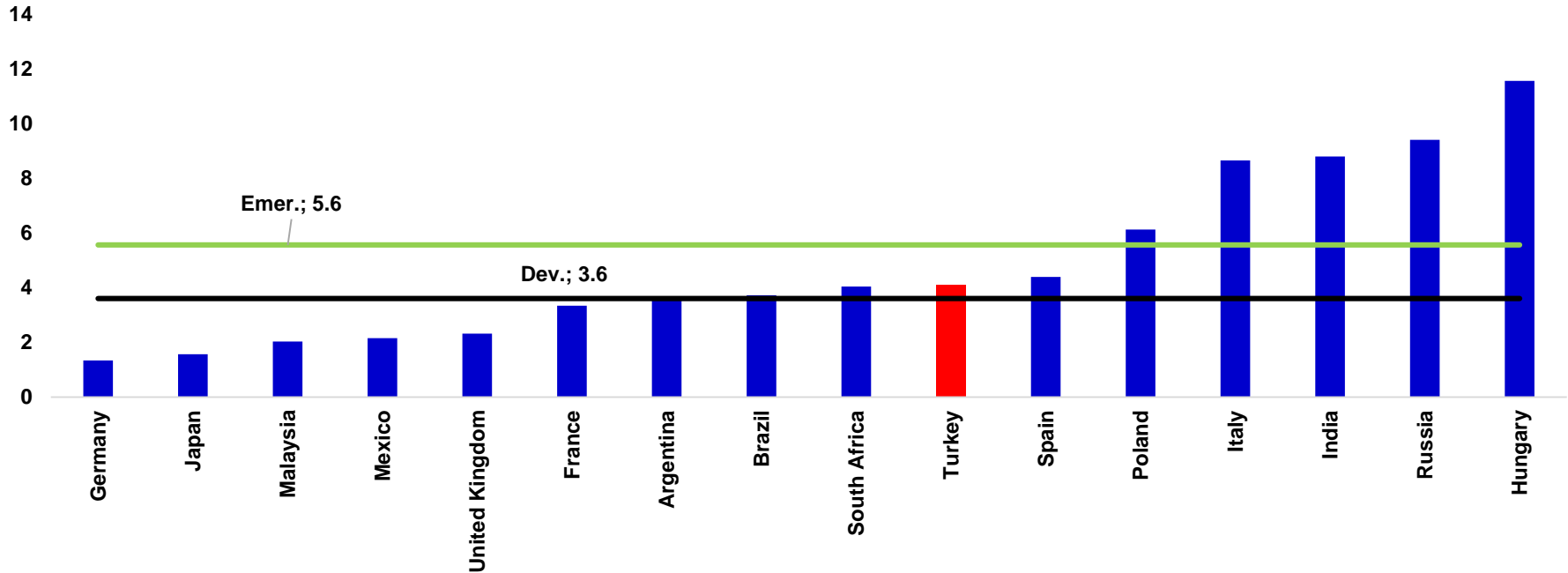
Capital Adequacy Ratio (Percent)



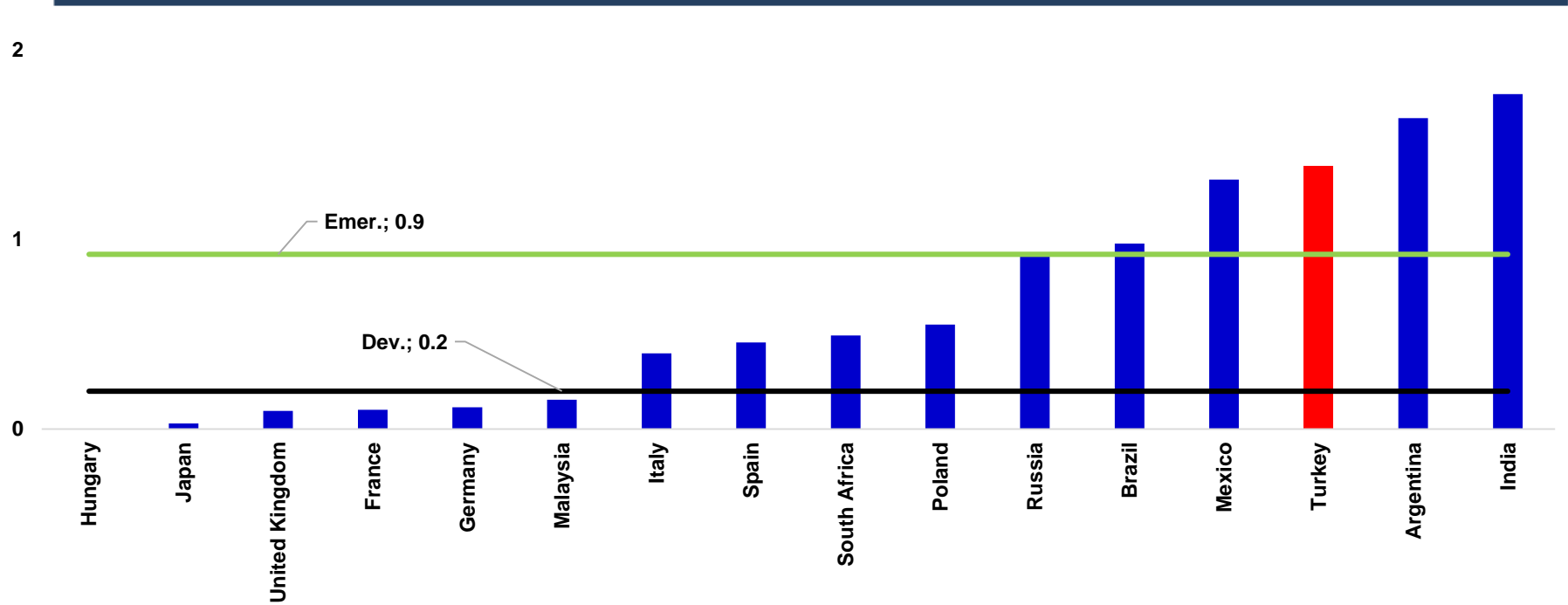
Risk-weighted Assets to Total Assets (percent)



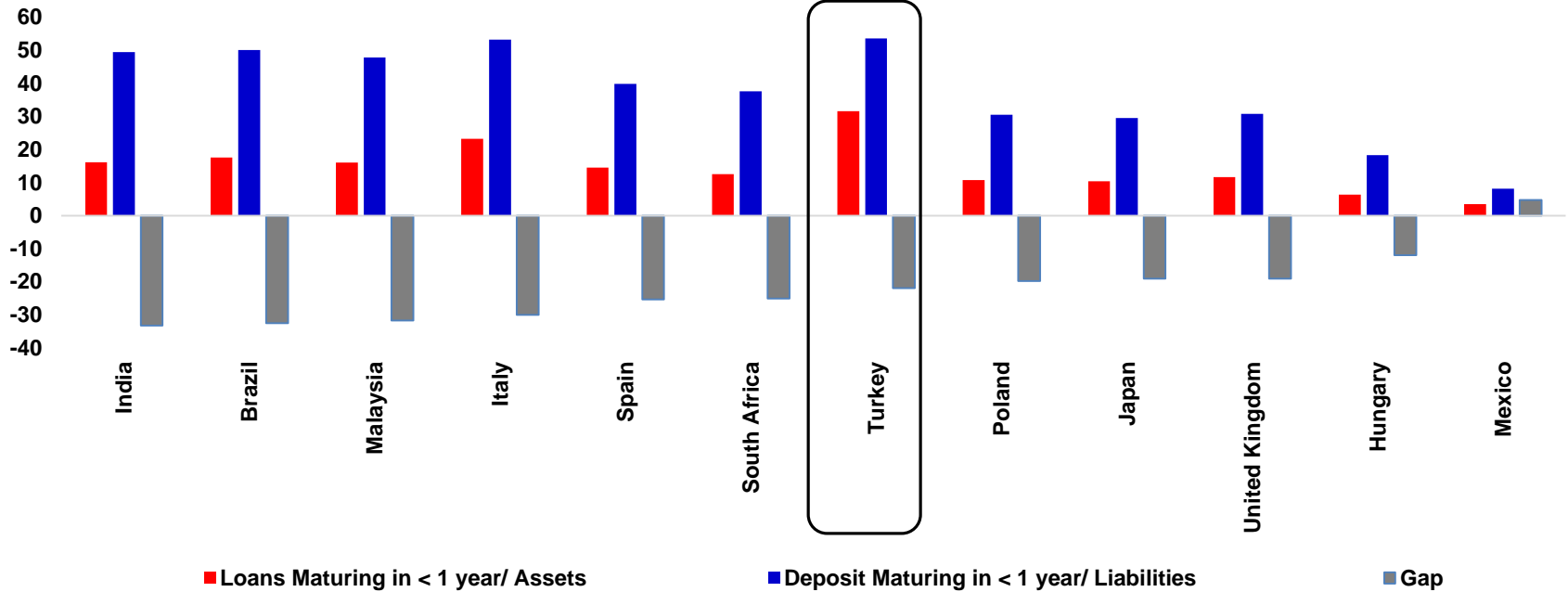
Problem Loans/ Total Loans (percent)



Provisions to Total Assets (percent)



Maturity (percent)



Thank You

