

BRSA Weekly

Week-ending December 16, 2011

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Total loans increased to TRY 686.1bn (TRY 485.2bn in TRY loans and TRY 200.8bn in FX loans) indicating 0.7% WoW growth. Total loan growth was 28.2% YtD and 33.2% YoY. LDR reached 94.6%, down 1.0% WoW. With a increase of 1.0% WoW, total FX loans were the main factor of the growth in total loans. Please note that FX adjusted total loans and FX loan growth came in at 21.8% YtD and 14.2% YtD.

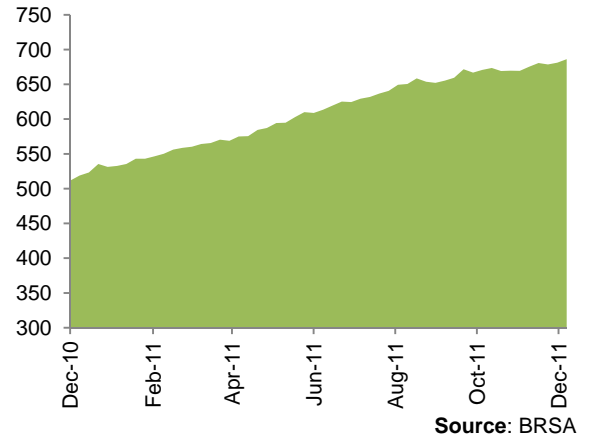
With respect to their ownership base, loan growth in foreign owned banks (13.3% YtD) continued to stay behind the sector (27.2% YtD). With 34% YtD loan growth, private banks are the main driver of the sector's 28.2% YtD loan growth.

Growth in consumer loans remained unchanged as of the week of Dec.16. However consumer loans increased 29.3% YtD which is more than the YtD growth of total loans. In detailed data private and public banks are the main drivers of consumer loan growth with 32.5% and 33.5% YtD growth. However, we are expecting a sharp slowdown in retail consumer loans in the upcoming weeks due to the reluctance of banks in consumer lending, weak consumer demand and possible regulatory measures against consumer loan growth.

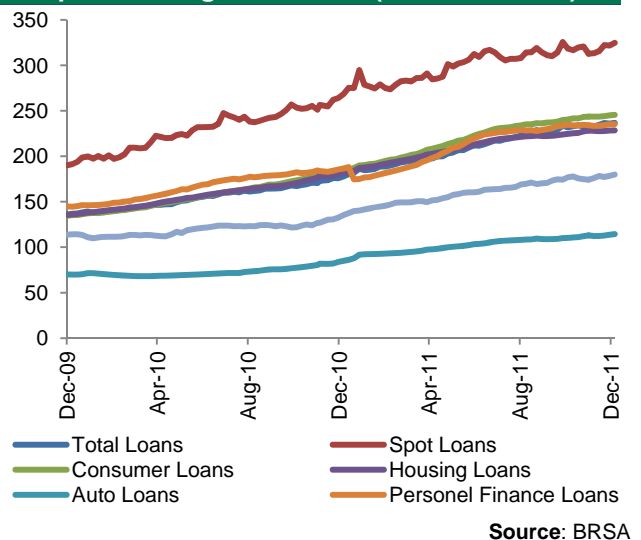
In terms of funding, with 1.7% WoW growth, deposits showed the largest jump since September. Despite the weekly jump, deposits in terms of YtD growth remain flat within the range of 11%-12%. When we look at the details, a significant increase was observed in other deposits (3.7% WoW). Repo financing was volatile due to the recent actions taken by the CBRT. Banks with higher TL funding needs and more dependent on repo financing may be hurt the most due to the tightening bias of the CBRT allowing banks to borrow from the upper band market rates. We may observe higher deposit costs along with continuing increases in lending rates in different maturities.

NPLs increased 0.2% WoW due to strong loan growth after the 0.7% WoW decrease as of the week of Dec. 9th. With a 0.5% WoW deterioration, private banks showed the worst performance. Participation banks are also the worst performers with 10.4% YtD growth. On the other hand, NPLs in foreign banks are the best performers with 15% healing.

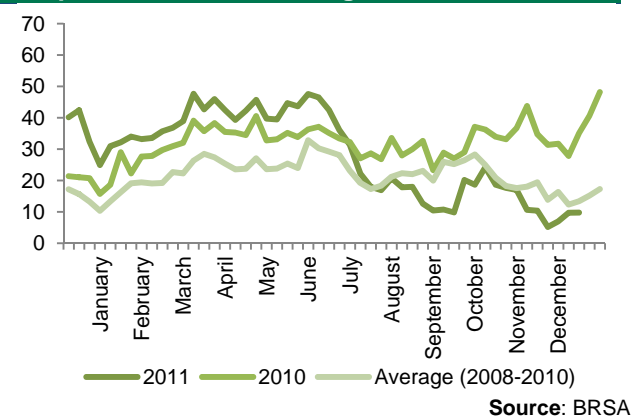
Graph 1: Loan growth (TRY, bn)



Graph 2: Loan growth index (Jan 2008 = 100)



Graph 3: Annualized loan growth



BRSA DATA BY SEGMENT

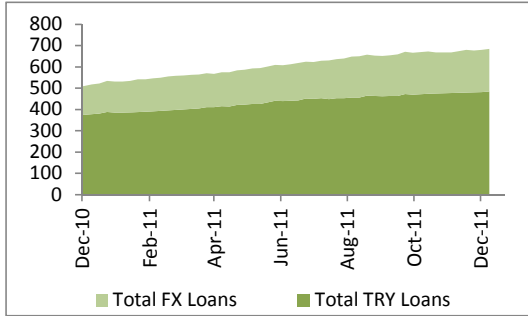
	12/16/2011	12/9/2011	11/11/2011	12/31/2010	12/17/2010	Differences			
						WoW	MoM	YTD	YoY
Loans (TRY bn.)									
Total Loans	686.05	681.09	669.36	535.34	518.80	0.7%	2.5%	28.2%	32.2%
Total TRY Loans	485.21	482.32	477.38	389.33	378.86	0.6%	1.6%	24.6%	28.1%
Total FX Loans	200.84	198.77	191.99	146.01	139.94	1.0%	4.6%	37.6%	43.5%
Loans by Segment									
Loans excl. FI	629.17	624.68	614.21	483.72	468.41	0.7%	2.4%	30.1%	34.3%
Consumer Loans	166.82	166.85	165.61	129.04	125.92	0.0%	0.7%	29.3%	32.5%
Mortgage Loans	74.30	74.24	74.08	60.80	59.30	0.1%	0.3%	22.2%	25.3%
Auto Loans	7.12	7.07	6.94	5.67	5.32	0.7%	2.5%	25.6%	33.7%
FX Index Loans	32.71	32.45	31.68	25.42	24.62	0.8%	3.3%	28.7%	32.9%
GPL	61.76	61.70	61.47	45.84	48.96	0.1%	0.5%	34.7%	26.2%
Corporate Loans	146.95	146.31	144.31	107.51	101.03	0.4%	1.8%	36.7%	45.5%
Deposits (TRY bn.)									
Total Deposits	724.94	712.66	712.77	644.58	623.68	1.7%	1.7%	12.5%	16.2%
Total TRY Deposits	468.12	461.00	464.44	447.55	429.28	1.5%	0.8%	4.6%	9.0%
Total FX Deposits	256.82	251.67	248.33	197.03	194.41	2.0%	3.4%	30.3%	32.1%
Deposits by Segment									
Saving Deposits	389.59	387.12	385.62	335.59	331.95	0.6%	1.0%	16.1%	17.4%
Demand deposits	49.54	47.96	50.89	36.93	36.17	3.3%	-2.6%	34.2%	37.0%
Time Deposits	340.05	339.16	334.74	298.66	295.78	0.3%	1.6%	13.9%	15.0%
Corporate Deposits	201.20	194.50	196.65	187.02	180.18	3.4%	2.3%	7.6%	11.7%
Other Deposits	62.43	60.18	59.24	61.01	56.53	3.7%	5.4%	2.3%	10.4%
Participation Accounts	38.68	38.48	38.31	33.70	32.29	0.5%	1.0%	14.8%	19.8%
Repo Transactions	104.06	106.29	104.38	57.50	54.61	-2.1%	-0.3%	81.0%	90.6%
NPLs (TRY bn.)									
Total Gross NPL	18.61	18.57	18.68	19.78	20.20	0.2%	-0.4%	-5.9%	-7.9%
Total Specific provisioning	15.17	15.19	15.33	16.78	17.24	-0.2%	-1.0%	-9.6%	-12.0%
Total NPL Consumer Loans	3.18	3.19	3.22	3.64	3.53	-0.1%	-1.0%	-12.5%	-9.9%
NPL Corporate Loans	2.61	2.63	2.59	2.97	3.06	-0.8%	0.8%	-12.0%	-14.7%
Total NPL Consumer Loans	3.48	3.50	3.70	3.79	3.85	-0.6%	-5.9%	-8.1%	-9.4%
Total Corp. Credit Cards	0.07	0.07	0.07	0.07	0.08	0.0%	1.5%	0.0%	-13.8%
NPL Ratios									
NPL Ratio	2.7%	2.7%	2.8%	3.7%	3.89%	-0.5%	-2.8%	-26.6%	-30.4%
NPL Ratio (Consumer Loans)	1.9%	1.9%	1.9%	2.8%	2.81%	-0.1%	-1.7%	-32.3%	-32.0%
Securities Portfolio (TRY bn.)									
Total Securities	287.52	287.13	285.23	287.90	286.92	0.1%	0.8%	-0.1%	0.2%
Government Securities	128.21	125.33	126.24	193.45	193.78	2.3%	1.6%	-33.7%	-33.8%
Held for Trading	3.78	4.20	4.53	5.55	6.03	-10.1%	-16.7%	-32.0%	-37.3%
Available for Sale	95.64	94.85	89.30	129.35	132.45	0.8%	7.1%	-26.1%	-27.8%
Held to Maturity	28.79	26.29	32.40	58.55	55.30	9.5%	-11.2%	-50.8%	-47.9%
Repo Transactions	108.40	111.00	108.90	55.68	54.31	-2.3%	-0.5%	94.7%	99.6%
Off Balance Sheet									
Off Balance Sheet Liabilities	1340.16	1317.75	1263.83	1007.12	1020.23	1.7%	6.0%	33.1%	31.4%
Non-Cash Loans	213.86	211.27	204.97	163.65	160.95	1.2%	4.3%	30.7%	32.9%
Commitments	1126.30	1106.48	1058.87	843.46	859.28	1.8%	6.4%	33.5%	31.1%
Derivatives	598.78	589.57	584.75	383.19	400.51	1.6%	2.4%	56.3%	49.5%
Other Commitments	527.52	516.90	474.11	460.28	458.78	2.1%	11.3%	14.6%	15.0%
Key Ratios									
Loan to Deposit Ratio	94.6%	95.6%	93.9%	83.1%	83.2%	-1.0%	0.8%	15.1%	12.9%
Loan to Total Assets	2.39	2.37	2.35	1.86	1.81	0.6%	1.7%	27.6%	29.8%

BRSA DATA BY BANKING GROUP

	12/16/2011	12/9/2011	11/11/2011	12/31/2010	12/17/2010	Differences			
						WoW	MoM	YTD	YoY
Loans (TRY bn.)									
Total Loans	686.05	681.09	669.36	535.34	518.80	0.7%	2.5%	28.2%	32.2%
Total Loans Public Banks	181.54	181.16	177.92	144.92	141.45	0.2%	2.0%	25.3%	28.3%
Total Loans Private Banks	347.32	343.29	338.41	259.12	247.99	1.2%	2.6%	34.0%	40.1%
Total Loans Foreign Banks	91.63	91.58	90.25	80.86	79.02	0.1%	1.5%	13.3%	16.0%
Total Loans Participation Banks	39.45	39.36	38.34	31.64	31.98	0.2%	2.9%	24.7%	23.4%
Spot Loans (TRY bn.)									
Spot Loans	79.36	78.01	75.26	70.82	66.10	1.7%	5.4%	12.1%	20.1%
Spot Loans Public Banks	4.46	4.43	4.84	9.81	10.52	0.6%	-7.9%	-54.5%	-57.6%
Spot Loans Private Banks	62.67	61.40	58.77	50.30	44.79	2.1%	6.6%	24.6%	39.9%
Spot Loans Foreign Banks	4.04	4.01	3.65	3.58	3.70	0.8%	10.6%	12.8%	9.3%
Consumer Loans (TRY bn.)									
Consumer Loans	166.82	166.85	165.61	129.04	125.92	0.0%	0.7%	29.3%	32.5%
Consumer Loans Public Banks	61.94	62.12	61.67	46.39	45.34	-0.3%	0.4%	33.5%	36.6%
Consumer Loans Private Banks	72.75	72.65	71.89	54.91	53.34	0.1%	1.2%	32.5%	36.4%
Consumer Loans Foreign Banks	25.98	25.96	25.99	23.68	23.29	0.1%	-0.1%	9.7%	11.5%
Mortgage Loans (TRY bn.)									
Mortgage Loans	74.30	74.24	74.08	60.80	59.30	0.1%	0.3%	22.2%	25.3%
Mortgage Loans Public Banks	22.08	22.10	22.04	16.96	16.50	-0.1%	0.2%	30.2%	33.9%
Mortgage Loans Private Banks	34.81	34.75	34.66	27.22	26.47	0.2%	0.4%	27.9%	31.5%
Mortgage Loans Foreign Banks	12.48	12.50	12.58	13.26	13.04	-0.1%	-0.8%	-5.9%	-4.3%
Deposits (TRY bn.)									
Total Deposits Public Banks	241.90	238.43	236.78	226.86	219.34	1.5%	2.2%	6.6%	10.3%
Total Deposits Private Banks	356.10	348.72	348.28	306.85	298.72	2.1%	2.2%	16.1%	19.2%
Total Deposits Foreign Banks	88.26	87.04	89.39	77.18	73.35	1.4%	-1.3%	14.3%	20.3%
Saving Deposits (TRY bn.)									
Saving Deposits Public Banks	130.32	129.02	129.23	117.14	114.90	1.0%	0.8%	11.2%	13.4%
Saving Deposits Private Banks	206.34	205.26	204.32	173.82	173.03	0.5%	1.0%	18.7%	19.3%
Saving Deposits Foreign Banks	52.93	52.84	52.08	44.63	44.02	0.2%	1.6%	18.6%	20.2%
Commercial Deposits (TRY bn.)									
Commercial Deposits Public Banks	53.77	51.08	49.94	58.53	56.46	5.3%	7.7%	-8.1%	-4.8%
Commercial Deposits Private Banks	120.53	116.99	117.84	103.25	100.03	3.0%	2.3%	16.7%	20.5%
Commercial Deposits Foreign Banks	26.89	26.43	28.88	25.24	23.69	1.7%	-6.9%	6.5%	13.5%
Participation Accounts (TRY bn.)									
Participation Banks	29.37	29.49	29.26	27.21	26.52	-0.4%	0.4%	8.0%	10.8%
Repo Financing (TRY bn.)									
Repo Financing Public Banks	37.60	37.92	37.50	16.25	16.18	-0.8%	0.3%	131.4%	132.4%
Repo Financing Private Banks	53.38	54.93	55.59	37.71	33.73	-2.8%	-4.0%	41.6%	58.3%
Repo Financing Foreign Banks	10.37	10.81	9.39	2.34	3.50	-4.1%	10.4%	344.0%	196.0%
NPLs (TRY bn.)									
Sector	18.61	18.57	18.68	19.78	20.20	0.2%	-0.4%	-5.9%	-7.9%
Public Banks	4.66	4.66	4.63	4.93	4.93	0.1%	0.7%	-5.6%	-5.4%
Private Banks	8.35	8.34	8.65	8.66	9.02	0.1%	-3.5%	-3.5%	-7.3%
Foreign Banks	4.05	4.03	3.89	4.76	4.75	0.4%	4.0%	-15.0%	-14.9%
Participation Banks	1.20	1.19	1.16	1.08	1.16	0.5%	3.3%	10.4%	2.8%
NPL Ratios									
NPL Ratio Public Banks	3%	3%	3%	3%	3%	-0.1%	-1.3%	-24.6%	-26.3%
NPL Ratio Private Banks	2%	2%	3%	3%	4%	-1.0%	-6.0%	-28.0%	-33.8%
NPL Ratio Foreign Banks	4%	4%	4%	6%	6%	0.4%	2.4%	-25.0%	-26.6%
NPL Ratio Participation Banks	3%	3%	3%	3%	4%	0.3%	0.4%	-11.4%	-16.6%
Total Securities Portfolio (TRY bn.)									
Public Banks	110.74	110.63	109.41	110.16	109.92	0.1%	1.2%	0.5%	0.7%
Private Banks	145.79	145.26	143.93	148.08	147.09	0.4%	1.3%	-1.5%	-0.9%
Foreign Banks	24.11	24.19	25.36	23.87	24.25	-0.3%	-4.9%	1.0%	-0.6%

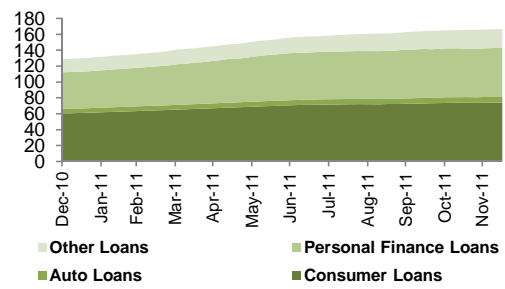
SECTOR TRENDS

Table 4: Currency Breakdown of loans (TRY bn.)



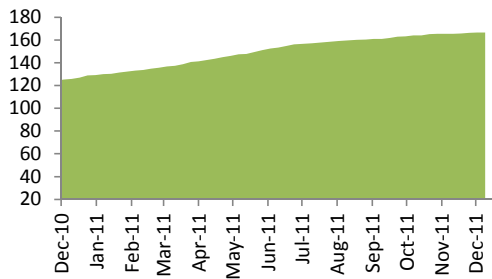
Source: BRSA

Table 5: Loan Breakdown by Sector (TRY bn.)



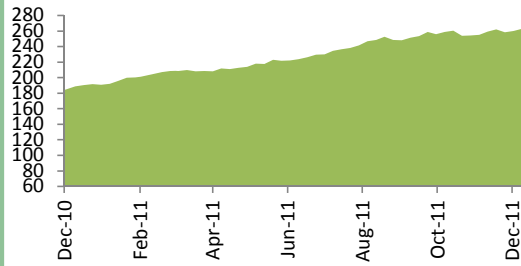
Source: BRSA

Table 6: Consumer Loans (TRY bn.)



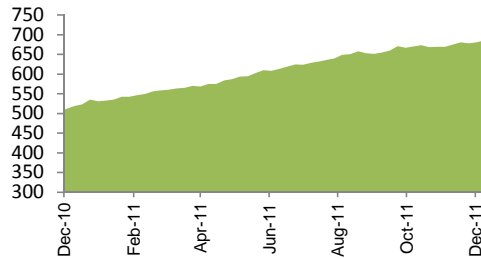
Source: BRSA

Table 7: Other Loans (TRY bn.)



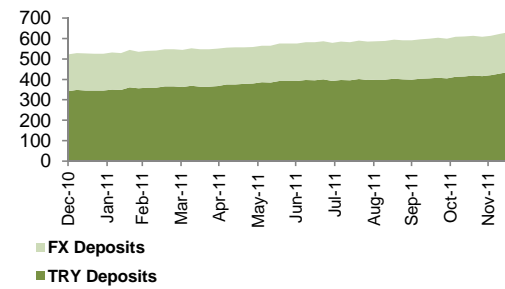
Source: BRSA

Table 8: Total Deposits (bn)



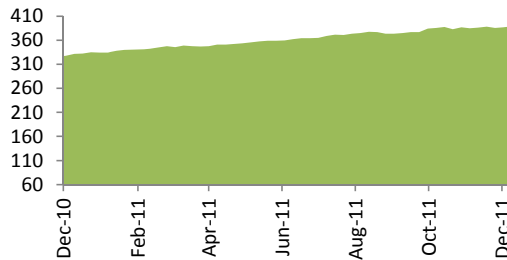
Source: BRSA

Table 9: Currency Breakdown of Deposits (TRY bn.)



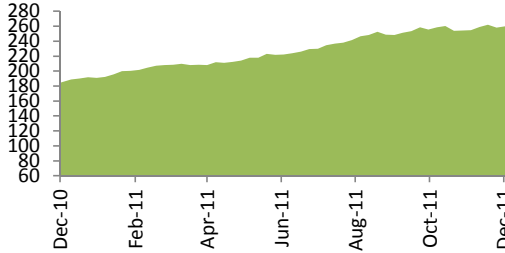
Source: BRSA

Table 10: Saving Deposits



Source: BRSA

Table 11: Time Deposits



Source: BRSA

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