



CENTRAL BANK OF THE TRNC

QUARTERLY BULLETIN



ISSUE: 2019 - IV



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I: FOREWORD

In the Global Economic Prospects report published in January 2020, the World Bank revised its global economic growth forecast for 2019 down to 2.4 percent. The report emphasized that the growth rate in emerging economies remained lower than expectations due to this revision. In the Global Economic Outlook report published in January 2020, the International Monetary Fund revised the previous global economic growth forecasts for 2019 and 2020 down by 0.1 points and updated as 2.9 percent and 3.3 percent, respectively. It was mentioned that the revision was made due to the negative impact on economic activity as a result of social unrest in some developing economies.

In its last meeting held in December 2019, the CBRT Monetary Policy Committee (MPC) dropped the policy interest rate from 14.00 percent to 12.00 percent with a 200 basis point reduction. With this change, the discounts made in the CBRT policy rate in 2019 reached 12 points in total. The CBRT continued to cut its interest rates in the first two meetings of 2020, reducing its policy rate to 10.75 percent.

In the fourth quarter of 2019, the inflation change rate in our country was 10.7 percent in October, 10.2 percent in November, and 11.7 percent in December, compared to December of the previous year. The sectors with the highest annual price increase at the end of December 2019 were alcoholic beverages and tobacco with 27.7 percent, restaurants and hotels with 22.1 percent, and health item with 21.9 percent. The lowest price increase in the related period was experienced in the communication item with 0.4 percent.

In 2019, total budget revenues and expenditures were 7,402.9 million TRY and 7,688.5 million TRY, respectively, and the 2019 budget gave a deficit of 285.6 million TRY. While budget revenues increased by 34.5 percent between 2018 and 2019, budget expenditures increased by 41 percent. The tax revenues item, which has the highest share among the budget revenues, increased by 31.1 percent in 2019 compared to the previous year and reached 4,948.2 million TRY. The total of current transfers and personnel expenditures, which have the highest share among the budget expenditures, constituted 6.125 million TRY and 80 percent of the budget expenditures.

Donations, grants and loans extended by Turkey, the most important source of financing to fill the gap between domestic income and budget expenditures was 487.5 million TRY in 2018, it has increased by 18.8 percent in 2019 compared to the previous year and has reached 579 million TRY. In the last 10 years, domestic income to budget expenditures ratio has increased from around 61.3 percent to 88.8 percent by the end of 2019. This rate was 92 percent in 2018.

According to the data announced by the Department of Trade, while TRNC exports totalled 77 million USD in January - November 2019, total imports was 1.3 billion USD. Accordingly, total imports and exports in USD currency decreased by 15 percent compared to the same period of the previous year. During January - November 2019, exports to imports ratio was 5.9 percent. When selected import items are examined for the first eleven months of 2019, a decrease by 36.7 percent, 61.9 percent and 32.5 percent in the commodity groups related to the construction sector such as construction iron, furniture and accessories,

electrical equipment, respectively, compared to the same period of the previous year. It is thought that this decrease in imports may affect the 2019 growth negatively.

Total assets of the banking sector increased by 7.8 percent in the fourth quarter of 2019 compared to the previous quarter and reached 40,804.9 million TRY. In the relevant period, cash and cash equivalents and gross loans increased by 9.3 percent and 11.8 percent, respectively, while the securities portfolio decreased by 4.4 percent and other assets by 13.7 percent. In the last quarter of 2019, the largest share in the sector's total assets is gross loans with 55.3 percent, while cash and cash equivalent items became the second-largest asset item with 32.54 percent. In the same period, 80.47 percent of total liabilities consisted of deposits and 9.44 percent of shareholders' equity. In the fourth quarter of 2019, total gross loans and deposits totalled 22,573.4 million TRY and 32,837.3 million TRY, respectively. The sector's non-performing loans (NPL) increased by 21.2 percent compared to the same period of the previous year and reached 1,266.1 million TRY.

The capital adequacy standard ratio (CASR) of the banking sector decreased by 1.45 points in the fourth quarter of 2019 compared to the previous quarter and reached 17.57 percent. CASR based on bank groups has been 15.66 percent in public banks, 14.69 percent in private banks and 21.99 percent in branch banks.

The deposits to loan ratio of the banking sector reached 65.80 percent in November 2019, the lowest conversion rate observed after the level of 64.86 percent in November 2010. As of the end of 2019, this rate increased to 68.74 percent.

I would like to thank all of our employees who have contributed to the preparation of this bulletin, in which current main indicators of the selected economies and TRNC economy are included and the overview of the TRNC banking sector is reflected in detail as of the fourth quarter of 2019, and I hope that it will be beneficial for those interested in the relevant topics.

Regards,



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II: ABBREVIATIONS

EU	European Union
USA	United States of America
ECB	European Central Bank
ATM	Automated Teller Machine/Cash Dispenser
IMM	Interbank Money Market
BoE	Bank of England
Brexit	Withdrawal of the United Kingdom from the European Union
SPO	State Planning Organisation
WTO	World Trade Organisation
EA 19	Euro Area
EUROSTAT	European Statistical Office
ESA	European System of Accounts
Fed	Central Banking System of the USA
FOMC	The Federal Open Market Committee
LON	Late Liquidity Window
GNP	Gross National Product
GDP	Gross Domestic Product
IMF	International Monetary Fund
CGF	Credit Guarantee Fund
Bank	Central Bank of the Turkish Republic of Northern Cyprus
SME	Small and Medium Enterprises
CB	Central Bank
SP	Securities Portfolio
RR	Reserve Requirements
OECD	Organisation for Economic Co-operation and Development
ONS	Office for National Statistics
OPEC	Organisation of Petroleum Exporting Countries
MTP	Medium-Term Program
PMI	Purchasing Managers Index
MPC	Monetary Policy Committee
RWA	Risk-Weighted Assets
OG	Official Gazette
CASR	Capital Adequacy Standard Ratio
TR	Republic of Turkey
CBRT	Central Bank of the Republic of Turkey
TL/TRY	Turkish Lira
NPL	Non-Performing Loans
TURKSTAT	Turkish Statistical Institute
CPI	Consumer Price Index
IBU	International Banking Unit
IEA	International Energy Agency
FX	Foreign Exchange
NEP	New Economic Program
D-PPI	Domestic Producer Price Index
\$/Dollar/USD	US Dollar
€/EUR	Euro
£/GBP	Pound Sterling

III: DEFINITIONS

Gross Loans: Loans + Non-Performing Loans

Cash and Cash Equivalents: Cash Assets + Receivables from the CB + Receivables from the Banks +
Receivables from IMM Transactions

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1 INTERNATIONAL DEVELOPMENTS

1.1 OVERVIEW AND CURRENT DEVELOPMENTS

In the Global Economic Prospects report of January 2020 published by the World Bank, the global economic growth rate, which was previously estimated as 2.6 percent for 2019, has been revised downwards and decreased to 2.4 percent. The report stated that the growth rate in emerging economies remained lower than expectations due to this revision. On the other hand, it is emphasized that the steps that have been taken to ease the trade tensions taken recently may diminish the policy uncertainties.

In the World Bank report, it is highlighted that economic activities in emerging economies will accelerate in 2020 and 2021, but the recovery is expected to occur in a small number of emerging economies.

According to the World Bank report, there is a decline in the rate of labour productivity in emerging economies since the global financial crisis. The speed of developments in education, urbanization, and institutions, which are the catalyst powers of the increase in labour productivity, has continued to slow down since the global financial crisis and even came to a halt. Also, the expectation that the developments in these catalyst powers will proceed at a low speed is prevailing in the coming period.

The report states that a comprehensive approach is required to revive the growth in labour productivity, and the steps that can be taken in this direction are to facilitate investments in human capital, to encourage resources to be re-allocated to more productive sectors, to help companies increase their capacities and to realize innovations through the adoption of new technologies and growth and to support the creation of a friendly macroeconomic and institutional environment.

In the World Economic Outlook Update published by the IMF in January 2020, the forecasts made in the October 2019 report for the global economic growth rate were lowered from 3 percent to 2.9 percent for 2019, from 3.4 percent to 3.3 percent for 2020, and from to 3.6 percent to 3.4 percent for 2021.

It was emphasized that the uncertainties in trade policy, geopolitical tensions and specific stresses in major emerging economies, as well as adverse events in manufacturing and trade items especially in the second half of 2019, have been effective in the downward revisions to the 2019 global economic activity. In addition, it was mentioned that natural disasters such as hurricanes in the Caribbean, drought and forest fires in Australia, floods in East Africa and drought in South Africa, and social unrest in some countries have harmed economic activity.

The IMF projects that the growth rate of developed countries' economies will be balanced by 1.6 percent in 2020-2021. This projection is 0.1 percent below the rates stated in the October report. The reason for this decline has been the downward revision of the growth rates of developed economies such as the USA, Euro area, UK and Hong Kong. Estimates for the growth rates of emerging economies were reduced by 2 points per mille and it was stated that these rates would be 4.4 percent in 2020 and 4.6 percent in 2021.

Table 1.1: GDP Forecasts

	2018	2019 ¹	2019 ²	2020 ¹	2020 ²
IMF	3,6	3,9	2,9	3,6	3,3
World Bank	3,0	3,0	2,4	2,8	2,5
OECD	3,5	3,9	2,9	3,5	2,9

Source: OECD, World Bank, IMF

¹ Initial forecasts of the relevant year.

² Latest forecasts for the relevant year.

In line with the consensus made between the USA and the People's Republic of China in October 2019, a first phase trade agreement was signed on January 15, 2020. While the People's Republic of China announced that it would increase the amount of imports from the US to 200 billion USD, the US, in turn, announced that it would halve the high tariffs applied to Chinese products recently.

The United Kingdom left the European Union on January 31, 2020. With the completion of Brexit, the transition process, which will last until the end of 2020, has started and the UK will remain in the common market and customs union during this time. Negotiations will continue to reach a compromise on the trade agreement between the UK and the European Union during the transition process.

1.2 ECONOMIC AND FINANCIAL OUTLOOK IN SELECTED COUNTRIES

1.2.1 GROWTH

The US economy grew by 2.1 percent annually in the last quarter of 2019. In the relevant quarter, it was observed that investment expenditures decreased and the increase in consumption expenditures slowed down in the USA. Thus, the GDP growth of the US economy for the year 2019 was 2.3 percent, showing the lowest growth performance of the last three years.

According to the chained volume index data published by the UK Office for National Statistics (ONS), there was no economic growth in the fourth quarter of 2019 compared to the previous quarter. With this development, the UK economy grew by 1.4 percent in the whole of 2019, when many uncertainties were experienced during the process of leaving the European Union.

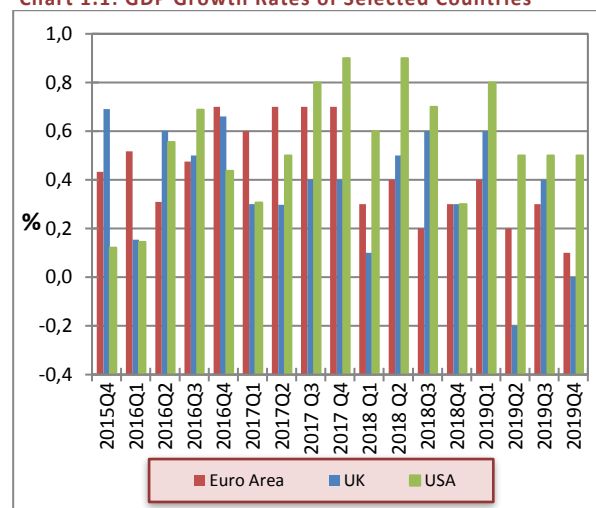
In the fourth quarter of 2019, the Euro area economy grew by 1 percent annually and 1 per mille compared to the previous quarter. The Euro area economy grew 1.2 percent in 2019, showing the lowest growth performance of the last six years.

Turkey's economy grew by 6.0 percent above the expectations in the last quarter of 2019 compared to the same period of the previous year and based on the chained volume index. According to calendar adjusted data, Turkey's economy has grown by 1.9 percent in the fourth quarter of 2019, compared to the previous quarter. The growth rate for the third quarter of 2019 was revised from 0.9 percent to 1 percent, and the growth rate for 2019 has been at 0.9 percent, above the 0.5 percent, New Economic Program estimate announced in September. Turkey's economic growth in 2019 has been the weakest performance of the last 10 years.

When the GDP data is analysed according to the expenditure method, it is seen that the effect of consumption expenditures to the growth has increased to 4.3 points. Private consumption expenditures contributed by 3.9 points and public consumption expenditures by 0.4 points. In the fourth quarter of 2019, the stock value change item also made an important contribution to growth with 6.5 points.

When GDP data are analysed according to the production method, all main sectors excluding construction supported growth in the fourth quarter of 2019. In the related quarter, the services sector contributed to the growth by 4.2 points and the industry sector by 1.2 points. On the other hand, the construction sector had a contraction impact on growth with 0.3 points.

Chart 1.1: GDP Growth Rates of Selected Countries



Source: OECD

1.2.2 INFLATION

In the US economy, the monthly CPI rate was 0.4 percent and the annual CPI rate was 1.8 percent in October 2019. In November and December 2019, CPI increased by 0.3 percent and 0.2 percent monthly, and 2.1 percent and 2.3 percent annually respectively. The increase in oil prices in November and December caused an increase in cost inflation and this has been effective in the CPI rate hikes.

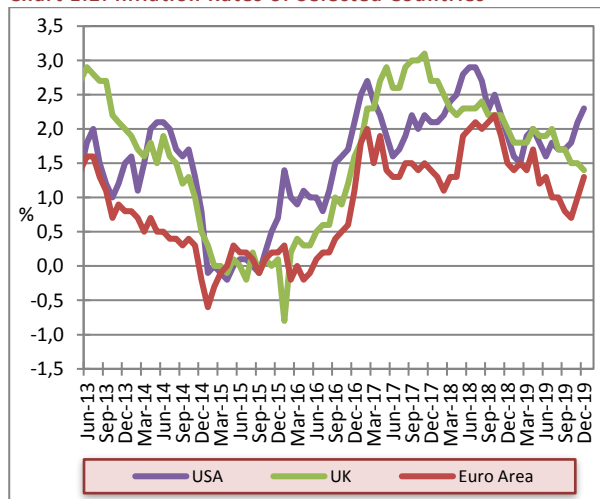
The UK's fourth quarter annual CPI rates announced by ONS were 1.5 percent in October and November, and 1.4 percent in December. In the UK, the biggest contribution to the annual CPI rate in December came from housing, water, electricity, gas and other fuels. On the other hand, the main items that levelled the annual CPI down were accommodation services and clothing.

According to the EUROSTAT data, the harmonized CPI in the Euro area increased annually by 0.7 percent, 1.0 percent and 1.3 percent in October, November and December, respectively. When the CPI rates are analysed compared to the previous month, it is observed that October was 0.1 percent, November was -0.3 percent and December was 0.3 percent.

According to data released by Turkey Statistical Institute (TSI), in October and November 2019, the annual CPI increased by 8.55 percent and 10.56 percent, respectively. On the other hand, the annual D-PPI had fallen to the lowest level of the last decade with 1.7 percent in October 2019, afterward it increased by 4.26 percent in November. In December 2019, the annual CPI increase was 11.84 percent and the domestic PPI rate was 7.36 percent.

The main spending group that made the highest contribution to December inflation on a monthly basis was the food group with an increase of 66 basis points and 2.9 percent. It is seen that the main expenditure group making the second-highest contribution is the transportation group with a contribution of 9 basis points. Clothing and shoes group, on the other hand, lowered monthly inflation by 13 basis points. Food, transportation, clothing and shoes were the main contributors to annual CPI inflation.

Chart 1.2: Inflation Rates of Selected Countries



Source: OECD

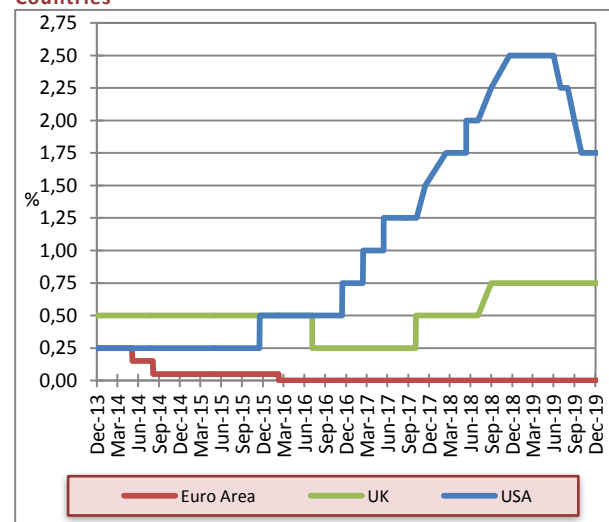
1.2.3 POLICY INTEREST RATES

The Fed did not change its policy rate at the last Federal Open Market Meeting (FOMC) of the year held in December 2019, keeping it at the 1.50 - 1.75 percent band. Thus, the Fed made a 25 basis point interest rate cut three times in 2019, in July, September and October. Chair of the Fed Jerome Powell said in a statement after the October meeting that future interest rate cuts are unlikely unless the economic activity in the USA deteriorates.

As in its last two meetings held in November and December 2019, the Bank of England (BoE) kept the policy rate constant at 0.75 percent at the first monetary policy meeting of the year held in January 2020. Also, it announced that the bond-buying program will not be changed and continue to be 435 billion GBP per month.

At the monetary policy meeting of December 2019, to which Christine Lagarde first participated as the President of the European Central Bank, the ECB did not make any changes to its policy rate. The fact that the statement published after the meeting was the same as the previous one was interpreted as that the new president will continue to pursue the current policy.

Chart 1.3: CB Policy Interest Rates of Selected Developed Countries

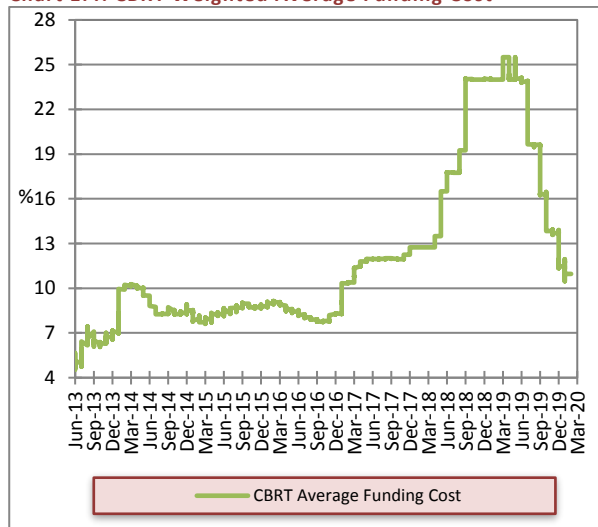


Source: FED, ECB, BoE

At its meeting held on December 12, 2019, CBRT Monetary Policy Committee (MPC) reduced the policy interest rate by 200 basis points from 14.00 percent to 12.00 percent. Thus, the interest rate cuts started in July 2019 has become a total of 1,200 basis points. The statement released after the meeting mentioned that there was an overall improvement in inflation expectation and highlighted that the risks regarding the disinflation path projected for 2020 are in balance.

With the interest cuts made in the first two meetings of 2020, the CBRT reduced the policy rate, the one-week repo auction rate, from 12 percent to 10.75 percent.

Chart 1.4: CBRT Weighted Average Funding Cost

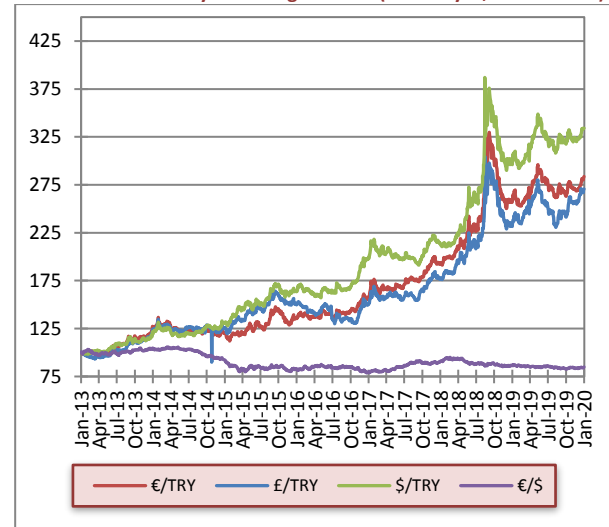


Source: CBRT

1.2.4 EXCHANGE RATES

In the fourth quarter of 2019, the Turkish lira continued to experience a limited depreciation against the euro, pound sterling and US dollar, compared to the same period of the previous year. In the fourth quarter of 2018, while the average exchange rates for GBP/TRY, EUR/TRY, and USD/TRY were 7.09, 6.30 and 5.52, respectively, the averages for the same period of 2019 have been 7.43, 6.40 and 5.79. When the two periods are compared, it is seen that the Turkish lira depreciated by 1.59 percent against the pound sterling, 4.80 percent against the euro, and 4.89 percent against the US dollar.

Chart 1.5: Currency Exchange Rates (January 2, 2013 =100)



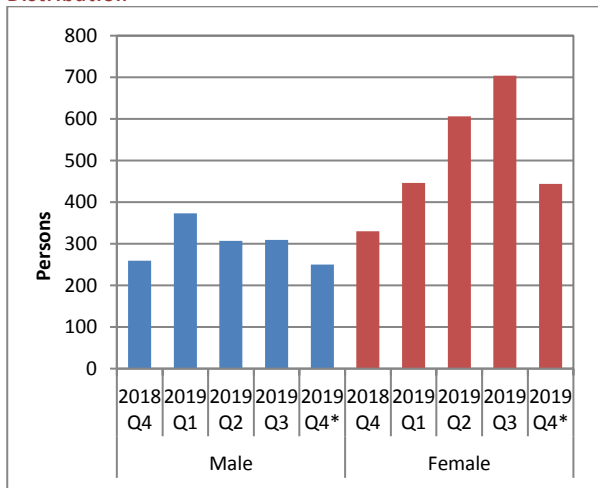
Source: Central Bank of TRNC

2 EMPLOYMENT AND PRICES

2.1 EMPLOYMENT

According to the unemployment data prepared by the TRNC Labour Office, the number of registered unemployed people, which was 1,013 by the end of the third quarter of 2019, decreased to 694 as of the end of November 2019. When the unemployment rate is analysed by gender composition, it is seen that about 64 percent of the active registered unemployed people are composed of women and 36 percent of them are men.

Chart 2.1: Registered Active Unemployment - Periodic Distribution



Source: Labour Office

While the number of job seekers by the end of the third quarter of 2019 was 784, the number of new job-seeking applicants has been 562 as of the end of October and November. When 652 people who were employed and unregistered by the end of the relevant period are taken into consideration, the number of jobseekers has been 694.

Table 2.1: Registered Active Unemployment - Overview (Number of persons)

	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4*
Jobseekers by the end of the previous period	751	589	819	913	784
Applicants applying for employment during the period	678	897	1072	941	562
Persons employed during the period	115	78	190	203	123
Persons unregistered during the period	725	589	788	867	529
Jobseekers by the end of the period	589	819	913	784	694

Source: Labour Office

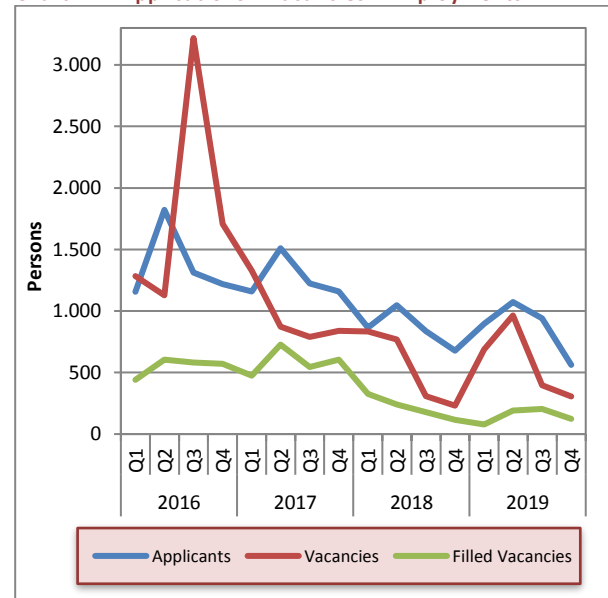
When the active vacancy listings are examined, it is seen that 1.607 vacancies were transferred to October as of the third quarter of 2019 and 306 new vacancies were opened in October and November. As of the end of November 2019, 1.681 vacancies were transferred to the next period as a result of 123 filled and 109 cancelled vacancies.

Table 2.2: Overview of Active Vacancy Listings (Number of persons)

	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4*
Vacancies transferred from the previous period	1.624	721	1.090	1.501	1.607
Vacancies received during the period	231	687	964	396	306
Vacancies filled during the period	115	78	190	203	123
Vacancies cancelled during the period	1.019	240	363	87	109
Vacancies transferred to the next period	721	1.090	1.501	1.607	1.681

Source: Labour Office

Chart 2.2: Applications - Vacancies - Employments



Source: Labour Office

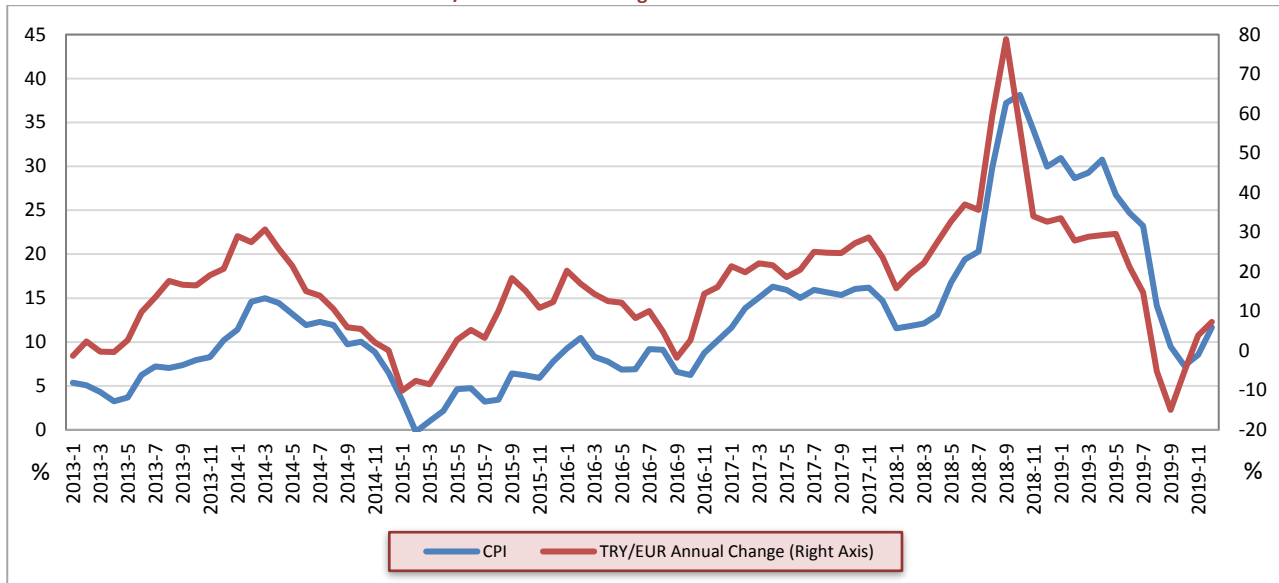
*Based on the data available in October and November 2019.

2.2 INFLATION

Analysing the changes in CPI and TRY/EUR annual changes since March 2013, it is observed that both values are in parallel with each other in the related period. However, even though the gap between the two indicators started to grow compared to the previous period after the sudden depreciation of the Turkish Lira in August 2018, it signalled a change

towards its former state as of October 2019. Having occurred after the sudden depreciation of the Turkish Lira, this change also shows that the pass-through of the depreciation of the Turkish Lira against foreign currencies to the general level of consumer prices is high.

Chart 2.3: TRNC Consumer Price Index – TRY/EUR Annual Change

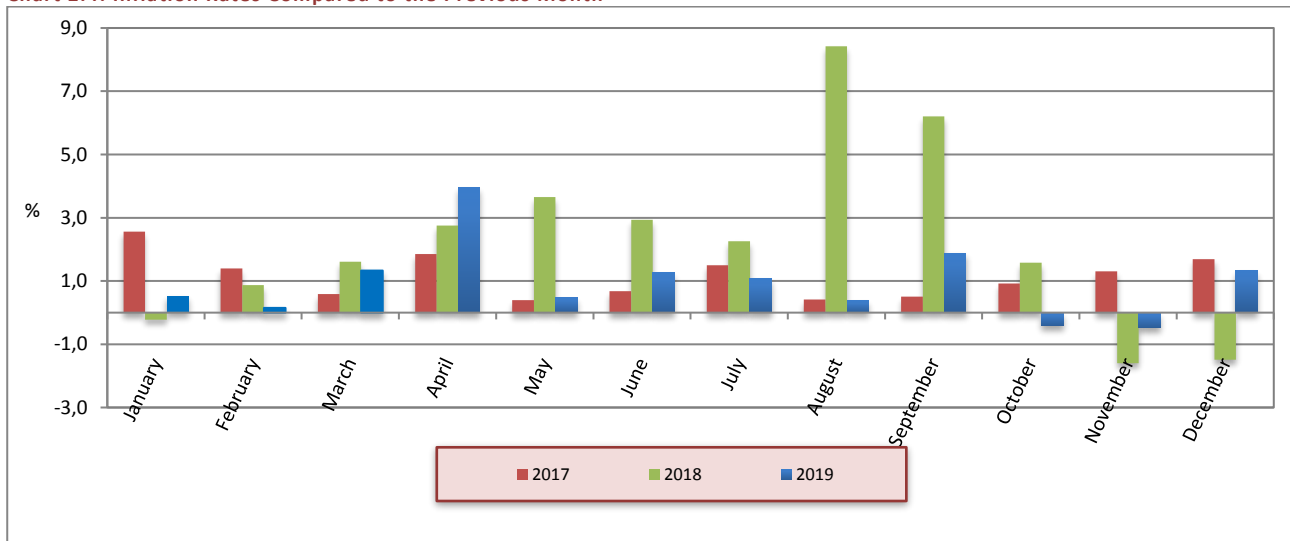


Source: SPO, TRNC Statistical Institute

When the inflation rates concerning the previous month are compared to the same periods of 2018, the rates of 1.58, -1.60 and -1.49 percent in October,

November and December 2018 reached -0.42, -0.47 and 1.33 percent in the same months of 2019, respectively.

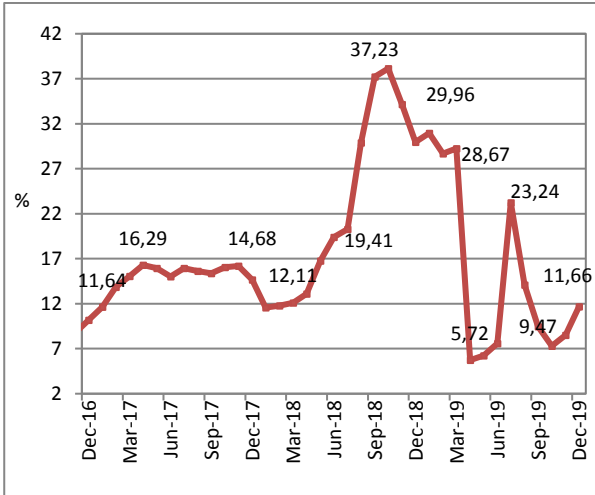
Chart 2.4: Inflation Rates Compared to the Previous Month



Source: SPO, TRNC Statistical Institute

The annual inflation rate, which was 38.13 percent in October, 34.16 percent in November and 29.96 percent in December 2018, has become 7.31 percent in October, 8.55 percent in November and 11.66 percent in December 2019.

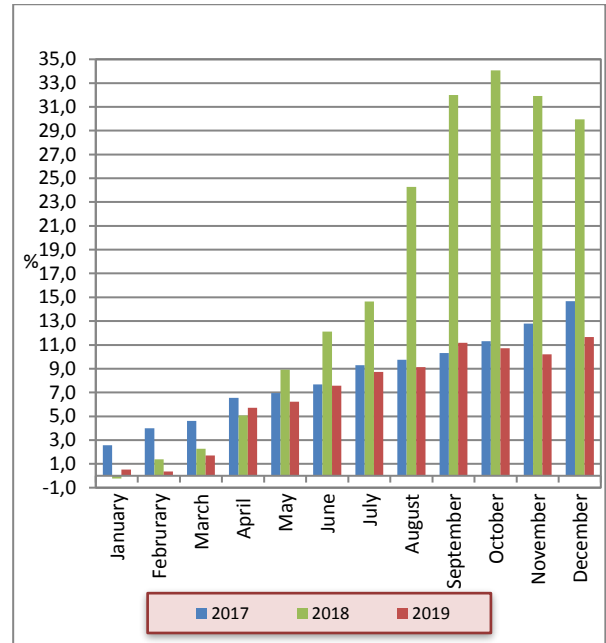
Chart 2.5: Inflation Rate Compared to the Same Month of the Previous Year



Source: SPO, TRNC Statistical Institute

In the fourth quarter of 2019, the rate of change has become 10.71 percent in October, 10.71 percent in November and 11.66 percent in December, compared to December 2018.

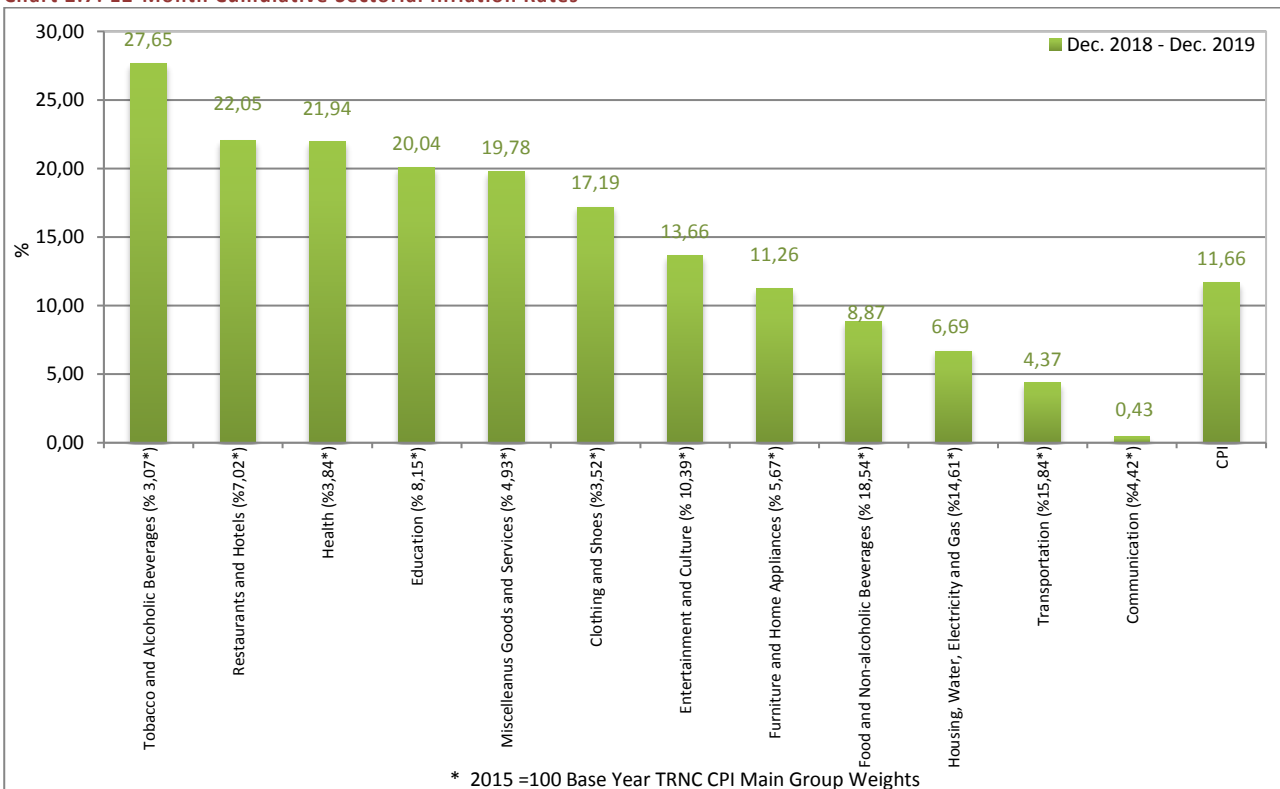
Chart 2.6: Cumulative Inflation Rate Compared to December of the Previous Year



Source: SPO, TRNC Statistical Institute

Sectors with the highest price increase at the end of December 2019 are alcoholic beverages and tobacco by 27.65 percent, restaurants and hotels by 22.05 percent and, health by 21.94 percent. As of the end of December 2019, the lowest price decrease has been the communication item by 0.43 percent.

Chart 2.7: 12-Month Cumulative Sectorial Inflation Rates



Source: SPO, TRNC Statistical Institute

Change rates in the Consumer Price Index for the years 2017, 2018 and 2019 are presented in Table 2.3, monthly, annually and in comparison with the end of the previous year.

Table 2.3: Consumer Prices Index (Annual % Change, 2015=100)

	Months	Monthly	Compared to the End of the Previous Year	Compared to the Same Period of the Previous Year
2017	January	2,56	2,56	11,64
	February	1,40	4,00	13,85
	March	0,59	4,61	15,05
	April	1,85	6,54	16,29
	May	0,39	6,95	15,94
	June	0,68	7,68	15,02
	July	1,50	9,29	15,95
	August	0,42	9,75	15,63
	September	0,51	10,31	15,37
	October	0,92	11,32	16,05
	November	1,31	12,78	16,19
	December	1,69	14,68	14,68
2018	January	-0,22	-0,22	11,57
	February	1,61	1,39	11,80
	March	0,87	2,26	12,11
	April	2,75	5,07	13,10
	May	3,65	8,91	16,78
	June	2,94	12,11	19,41
	July	2,26	14,64	20,30
	August	8,42	24,29	29,88
	September	6,20	31,99	37,23
	October	1,58	34,08	38,13
	November	-1,60	31,93	34,16
	December	-1,49	29,96	29,96
2019	January	0,53	0,53	30,94
	February	-0,15	0,37	28,67
	March	1,33	1,71	29,26
	April	3,95	5,72	30,77
	May	0,47	6,22	26,75
	June	1,27	7,57	24,69
	July	1,07	8,72	23,24
	August	0,38	9,12	14,10
	September	1,88	11,18	9,47
	October	-0,42	10,71	7,31
	November	-0,47	10,20	8,55
	December	1,33	11,66	11,66

Source: SPO

3 FOREIGN TRADE AND TOURISM

(December 2019 exports and imports data prepared by the TRNC Department of Trade could not be obtained. Therefore, the data for the relevant period has not been updated.)

3.1 DEVELOPMENTS IN EXPORTS AND IMPORTS

According to the export and import data announced by the Department of Trade, total exports of the TRNC increased by 13.7 percent in October 2019, compared to the same period of the previous year, while this total decreased by 5 per mille in November 2019. Examining the total figures of TRNC in January - November 2018

and 2019, total exports in the relevant period of 2018 was 91 million USD, while it has become 77 million USD in the same period of 2019. In October and November 2019, imports decreased by 8.8 and 19.4 percent respectively, compared to the same periods of the previous year. Analysing the import totals in January - November 2019, it is seen that this total decreased to 1.3 billion USD from 1.3 billion USD, compared to the same period of the previous year.

Table 3.1: Exports and Imports

	Exports (US Dollar)			Imports (US Dollar)		
	2018	2019	Percentage Change	2018	2019	Percentage Change
January	10.005.511	6.449.109	-35,5	140.243.668	123.827.461	-11,7
February	14.786.580	10.992.833	-25,7	133.232.746	111.868.969	-16,0
March	12.136.186	11.551.179	-4,8	157.426.888	117.065.385	-25,6
Quarter I	36.928.277	28.993.121	-21,5	430.903.302	352.761.815	-18,1
April	11.138.772	11.623.131	4,3	161.867.887	127.574.284	-21,2
May	9.388.843	8.479.251	-9,7	163.653.077	124.605.290	-23,9
June	6.285.919	3.554.821	-43,4	129.217.286	88.349.340	-31,6
Quarter II	26.813.534	23.657.203	-11,8	454.738.250	340.528.914	-25,1
July	7.259.446	5.160.900	-28,9	144.922.049	135.341.494	-6,6
August	5.461.530	5.234.251	-4,2	103.706.085	99.991.763	-3,6
September	5.405.404	4.160.402	-23,0	109.084.319	125.531.659	15,1
Quarter III	18.126.380	14.555.553	-19,7	357.712.453	360.864.916	0,9
October	4.830.251	5.490.731	13,7	130.357.355	118.923.222	-8,8
November	4.450.560	4.428.876	-0,5	138.251.198	111.413.952	-19,4
December						
Quarter IV	9.280.811	9.919.607	6,9	268.608.553	230.337.174	-14,2
Year Total (January - November)	91.149.002	77.125.484	-15,4	1.511.962.558	1.284.492.819	-15,0

Source: Department of Trade

Note: 1) Exports to Southern Cyprus are not included. 2) The import and export figures for 2019 are temporary.

The fuel item, which had the largest share in total imports in January-November 2019, decreased by 3.8 percent in USD terms compared to the same period of 2018, but its share in the total increased from 10.7 percent to 12.1 percent. The vehicles item, which had the second-highest share, also decreased by 4 percent in USD terms compared to the same period of the previous year, but its share in the total increased from

6.8 percent to 7.7 percent. Total construction iron item import, which had the third-highest share, decreased by 36.7 percent in USD terms compared to the same period of the previous year, and its share in the total decreased from 3.9 percent to 2.9 percent. The share of eight selected import items within the total has been 30 percent in 2018 and 28.7 percent in 2019.

Chart 3.2: Main Import Goods (US dollar)

Type of Goods	2018*	Grand Total in the Grand Total	2019*	Grand Total in the Grand Total	Percentage Change
Fuel	161.243.793	10,7	155.047.533	12,1	-3,8
Vehicles	102.405.162	6,8	98.288.077	7,7	-4,0
Construction Iron	58.754.035	3,9	37.182.733	2,9	-36,7
Furniture and Accessories	32.630.109	2,2	12.442.467	1,0	-61,9
Industrial Machinery	29.001.889	1,9	20.611.538	1,6	-28,9
Telephone Handset	25.423.047	1,7	16.545.894	1,3	-34,9
Mobile Phones	24.325.853	1,6	15.669.402	1,2	-35,6
Electrical Materials	19.675.681	1,3	13.286.354	1,0	-32,5
Grand Total	1.511.962.558	30,0	1.284.492.817	28,7	-15,0

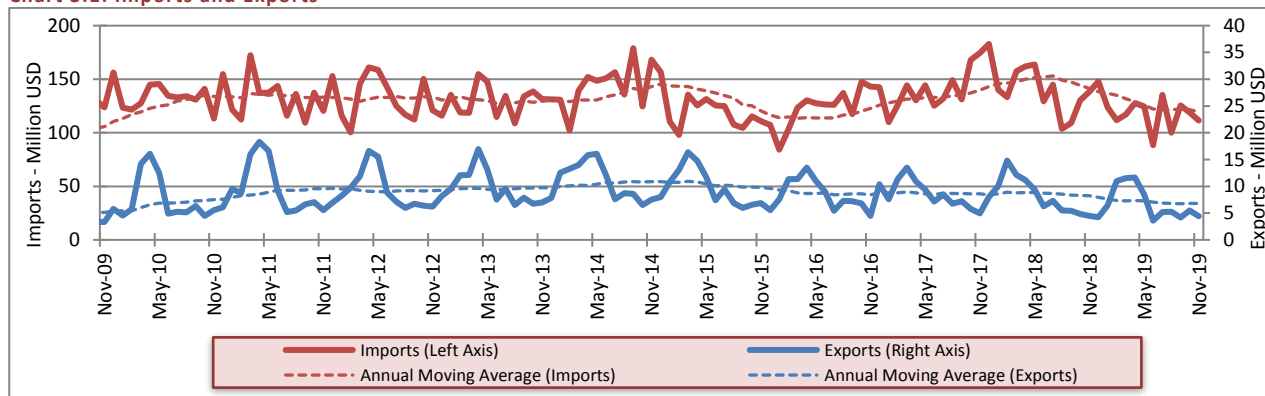
Source: Department of Trade

* January - November data.

When exports and imports of the TRNC for 10 years between the period of November 2009 and November 2019 are analysed, it is observed that export volume increased in the first half of each year and dropped in the second half of each year. On the other hand, the annual moving average of total exports displayed a steady upward trend in the period between 2010 and

2014, then it started to decrease and displayed a steady downward trend in the period after May 2015. Analysing the imports, the lowest level since February 2009 has been recorded as 88 million USD in June 2019. Looking at the annual moving average of imports, it tended to increase in the period after September 2016, but it is observed that after October 2018, it tended to decrease again.

Chart 3.1: Imports and Exports

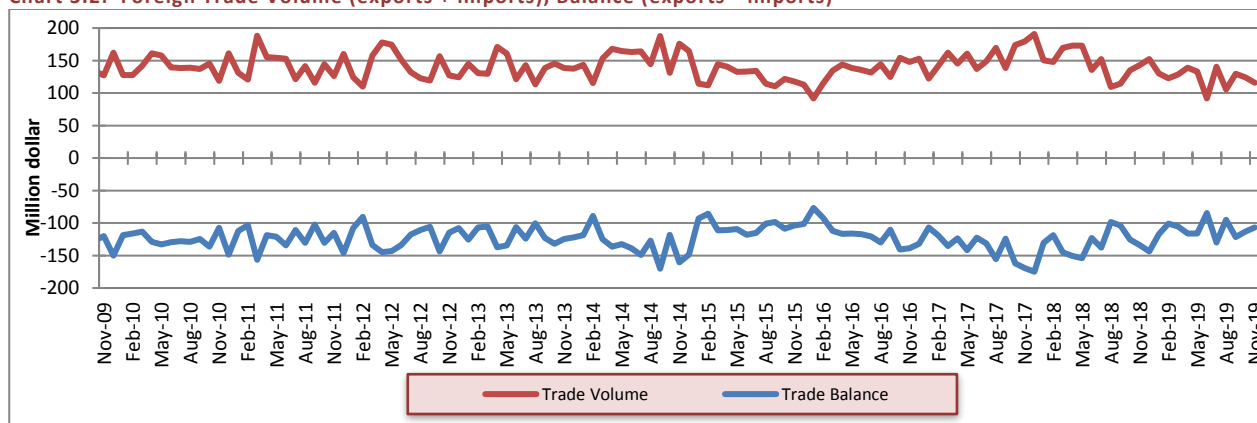


Source: Department of Trade

Due to the low imports to exports ratio, the increase in the foreign trade of the TRNC implies an increase in the foreign trade deficit and indicates the external dependency of the country's economy. In November 2019, trade volume has decreased from 142.7 million USD to 115.8 million USD compared to the same period of the previous year, while the foreign trade deficit has become 133.8 million USD and 106.9 million USD, respectively.

While the average exports to imports ratio had been 5 percent between 2006 and 2010, it reached 7.3 percent in the 2011 - 2014 period. In 2015 and 2017, this rate was 7.1 percent and the average figure for 2018 was 5.5 percent. Looking at 2019, it is seen that the average of January - November period has been 5.9 percent.

Chart 3.2: Foreign Trade Volume (exports + imports), Balance (exports - imports)



Source: Department of Trade

In 2018, the share of EU countries, other European countries, Middle East and Arab countries, and other countries groups in total exports increased compared to the previous year, while the share of Turkey decreased.

Compared to the same period of 2018, exports to Turkey, other EU countries and the Middle East and Arab Countries increased, while exports to EU Countries and other countries decreased in January – November 2019.

Table 3.3: TRNC Exports by Country Groups (percentage share)

Years	Turkey	EU	Other EU Countries	Middle Eastern and Arab Countries	Other Countries
2006	47,6	15,0	15,1	17,8	4,5
2007	58,4	15,8	8,8	11,6	5,4
2008	49,9	20,5	5,9	17,0	6,7
2009	54,2	18,5	1,7	19,5	6,1
2010	46,4	12,2	3,6	32,3	5,5
2011	53,3	8,3	1,3	32,0	5,1
2012	51,0	7,7	1,0	35,7	4,6
2013	52,2	7,6	2,3	31,9	6,0
2014	60,1	3,7	0,6	31,1	4,5
2015	56,1	5,2	3,2	30,2	5,3
2016	62,5	10,2	0,9	22,7	3,7
2017	60,4	7,9	1,6	21,1	9,0
2018	51,7	10,3	2,5	25,9	9,6
2019 (January - November)	52,8	2,4	2,8	36,7	5,3

Source: Department of Trade

The share of Turkey, which has the largest share in total imports of TRNC, was 58.8 percent by the end of 2018. Compared to the figures for 2017, imports from Turkey, other European countries, Middle Eastern and Arab countries and other countries increased, while imports from EU countries and Far Eastern Countries decreased in 2018.

Referring to the figures for January – November 2019, the share of imports from Turkey has been 62.2 percent and the share of imports from EU countries has been 15.2 percent. Compared to the same period of 2018, imports from Turkey, Middle Eastern and Arab countries and Far Eastern countries increased, while imports from EU countries, other countries and other EU countries decreased.

Table 3.4: TRNC Imports by Country Groups (percentage share)

Years	Turkey	EU	Far Eastern Countries	Other EU Countries	Middle Eastern and Arab Countries	Other Countries
2006	68,8	18,0	6,0	1,2	4,8	1,2
2007	67,9	16,1	7,3	2,6	4,3	1,8
2008	69,8	14,0	6,5	4,7	3,4	1,6
2009	69,6	15,5	6,6	2,3	4,0	2,0
2010	70,9	15,6	5,7	1,9	4,3	1,6
2011	68,6	16,8	4,9	2,5	5,2	2,0
2012	72,4	14,5	4,8	1,7	4,8	1,8
2013	66,7	15,8	6,6	3,8	5,4	1,7
2014	64,7	15,5	8,1	4,6	4,9	2,2
2015	64,5	18,1	7,7	3,0	4,7	2,0
2016	60,4	20,9	8,7	3,3	4,5	2,2
2017	58,6	21,7	8,4	3,4	4,9	2,7
2018	58,8	19,6	8,2	4,9	5,5	2,8
2019 (January - November)	62,2	15,2	9,6	3,8	6,6	2,6

Source: Department of Trade

3.2 TOURISM

The total number of arriving passengers, which was 419,928 in the fourth quarter of 2018, increased by 8.3 percent and became 454,951 in the same period of 2019. In the fourth quarter of 2019, the number of Turkish Citizen passengers arriving in TRNC increased by 13.7 percent, while the number of passengers from

third countries decreased by 9.5 percent, compared to the same period of the previous year. Looking at the total of 2019, it is observed that the number of Turkish Citizen passengers arriving in TRNC decreased by 1 per mille and the total arriving passengers decreased by 5 per mille compared to the total of 2018.

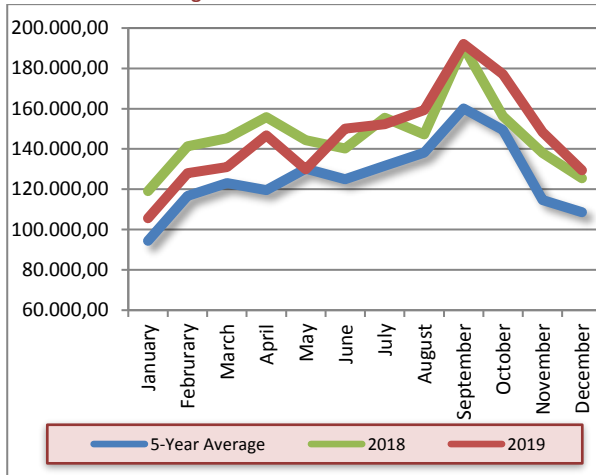
Table 3.5: Number of Passengers Arriving in TRNC by Air and Sea

Period	Turkish Citizen			Third Country Citizen			Total		
	2018	2019	Percentage Change	2018	2019	Percentage Change	2018	2019	Percentage Change
January	97.305	82.519	-15,2	21.783	23.111	6,1	119.088	105.630	-11,3
February	108.195	96.692	-10,6	33.105	31.336	-5,3	141.300	128.028	-9,4
March	108.825	95.869	-11,9	36.534	35.218	-3,6	145.359	131.087	-9,8
Quarter I	314.325	275.080	-12,4	91.422	89.665	-1,9	405.747	364.745	-10,1
April	121.905	113.446	-6,9	33.919	33.322	-1,8	155.824	146.768	-5,8
May	113.104	97.306	-14,0	31.320	32.538	3,9	144.424	129.844	-10,1
June	110.425	118.512	7,3	29.852	31.539	5,7	140.277	150.051	7,0
Quarter II	345.434	329.264	-4,6	95.091	97.399	2,4	440.525	426.663	-3,1
July	119.565	117.512	-1,7	35.983	34.735	-3,5	155.548	152.247	-2,1
August	111.635	122.807	10,0	35.512	36.443	2,6	147.147	159.250	8,2
September	146.028	147.043	0,7	44.702	45.080	0,8	190.730	192.123	0,7
Quarter III	377.228	387.362	2,7	116.197	116.258	0,1	493.425	503.620	2,1
October	115.111	134.597	16,9	41.235	42.530	3,1	156.346	177.127	13,3
November	104.610	121.143	15,8	33.436	27.265	-18,5	138.046	148.408	7,5
December	102.712	111.019	8,1	22.824	18.397	-19,4	125.536	129.416	3,1
Quarter IV	322.433	366.759	13,7	97.495	88.192	-9,5	419.928	454.951	8,3
Total	1.359.420	1.358.465	-0,1	400.205	391.514	-2,2	1.759.625	1.749.979	-0,5

Source: Tourism Planning Department

When the number of arriving passengers in 2019 is compared to the previous year and the average of the last five years, it is observed that this figure is below the average of 2018 until June. However, it has been progressing above the average of 2018 and the last 5 years as of June.

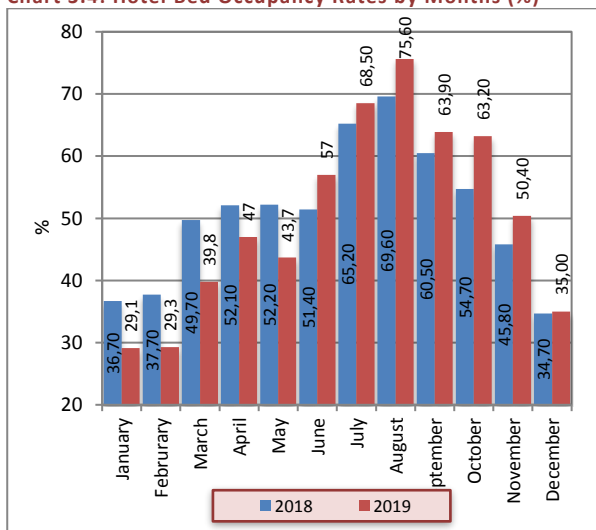
Chart 3.3: Number of Arriving Passengers in 2019 Compared to 2018 and Average of the Last 5 Years



Source: Tourism Planning Department

When the occupancy rates of the touristic facilities in our country in the years 2018 and 2019 are examined, it is observed that the occupancy rate of fourth-quarter 2018 was 45.1, while it has increased to 49.5 in the same period of 2019. The occupancy rate, which was 50.8 percent in 2018, decreased to 50.2 percent in 2019. In 2019, the lowest occupancy rate was 29.1 percent in January, and the highest occupancy rate was 75.6 percent in August.

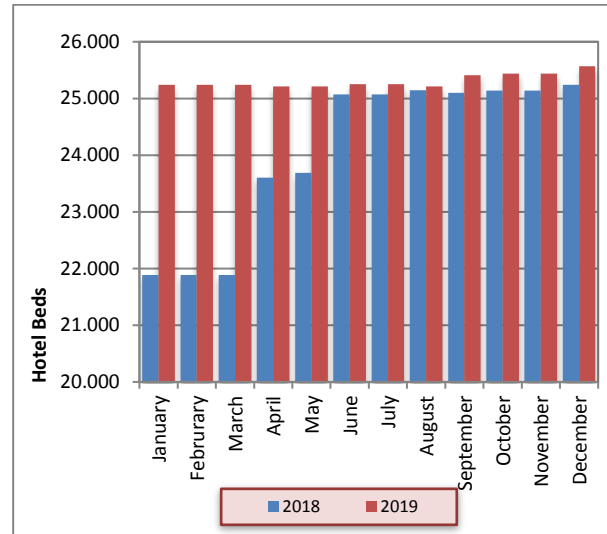
Chart 3.4: Hotel Bed Occupancy Rates by Months (%)



Source: Tourism Planning Department

It is seen that the bed capacity of the sector, which was 25,241 in the fourth quarter of 2018, has reached 25,570 at the end of 2019.

Chart 3.5: Total Number of Hotel Beds



Source: Tourism Planning Department

When border gate entries into the TRNC during the period January - December 2018 are examined, it is observed that the entries from Southern Cyprus started to increase as of the second quarter of 2018. Comparing the fourth quarter data of 2018 and 2019, it is seen that the total entries increased in 2019 and especially the increase in the entries from Southern Cyprus had a share of 55.32 percent in the total. Analysing the years 2018 and 2019 in general, it is seen that the entries of Southern Cyprus nationals increased

by 46.1 percent and the entries of other country citizens increased by 19 percent. When the relevant years are compared, the total entries were 3.427.937 and 4.531.644, respectively. The total entries, which increased from the first month of 2019 to August, started to decline and has reached 346,711 at the end of December. The lowest total entry figure of the year was in February with 252,622, and the highest total entry was in August with 493,624.

Table 3.6: Border Gate Entries to TRNC by Nationalities and Months

Nationality	Southern Cyprus		Other Countries		Total	
	2018	2019	2018	2019	2018	2019
January	93.241	152.451	82.017	112.207	175.258	264.658
February	83.267	139.516	88.643	113.106	171.910	252.622
March	97.704	182.463	120.484	149.119	218.188	331.582
April	106.602	203.143	137.044	184.496	243.646	387.639
May	110.945	208.708	151.169	191.193	262.114	399.901
June	123.941	228.747	151.981	195.225	275.922	423.972
July	133.585	224.977	162.629	212.027	296.214	437.004
August	180.729	261.727	191.970	231.897	372.699	493.624
September	186.477	212.741	192.924	205.454	379.401	418.195
October	183.490	205.057	195.681	207.930	379.171	412.987
November	178.571	202.907	156.019	159.842	334.590	362.749
December	188.539	212.944	130.285	133.767	318.824	346.711
Total	1.667.091	2.435.381	1.760.846	2.096.263	3.427.937	4.531.644

Source: Tourism Planning Department

The total number of people staying at the tourist accommodation facilities in the TRNC was 1,143,206 and 1,160,680 in 2018 and 2019, respectively. It is observed that the total bednights were 4.291.944 and 4.456.543 in the same periods, respectively. The

average length of stay, which is obtained by dividing the total overnights by the number of tourist accommodation, was calculated as 3 nights for Turkish citizens and 6 nights for citizens of other countries. It is seen that these figures were at the same level in 2019.

Table 3.7: Number of Tourist Accommodations and Bednights by Nationalities

	Number of Tourist Accommodations			Number of Bednights		
	2018	2019	Percentage Change	2018	2019	Percentage Change
TC	776.428	773.936	-0,3	2.358.310	2.339.638	-0,8
Other	317.434	336.184	5,9	1.826.486	2.003.944	9,7
KKTC	49.344	50.560	2,5	107.148	112.961	5,4
Total	1.143.206	1.160.680	1,5	4.291.944	4.456.543	3,8

Source: Tourism Planning Department

4 BUDGETARY DEVELOPMENTS

4.1 FOURTH QUARTER 2019 RESULTS

In the fourth quarter of the fiscal year 2019, TRNC total budget revenues increased by 25.5 percent and total expenditures increased by 47.5 percent, compared to the same period of the previous year. Following these changes, budget revenues and budget expenditures have been 2,113.2 and 2,660.7 million TRY respectively, in the fourth quarter of 2019. In the fourth quarter of 2018, public finance, which gave a deficit of 120.3 million TRY, has given a deficit of 547.5 million TRY in the same period of 2019.

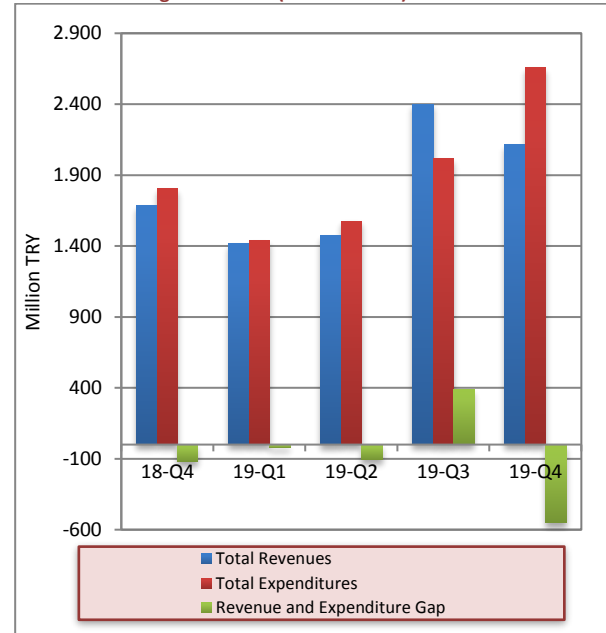
Table 4.1: Budget Balance (Million TRY)

	2018		2019		% Change
	Annual Results	October-December Results	Annual Results	October-December Results	
	Budget Revenues	5.502,4	1.683,7	7.402,9	
Budget Expenditures	5.452,3	1.804,0	7.688,5	2.660,7	47,5
Budget Balance	50,1	-120,3	-285,6	-547,5	355,1

Source: Ministry of Finance

30.6 percent of the total budget revenues of 5,502.4 million TRY obtained in 2018 were collected in the fourth quarter. In the same period of 2019, 28.5 percent of the total budget revenues have been collected. In 2019, 34.6 percent of 7,688.5 million TRY, estimated to be used in the execution of services and activities have been used within the fourth quarter. This rate was 33.1 percent in the same period of the previous year.

Chart 4.1: Budget Results (Million TRY)



Source: Ministry of Finance

4.2 REVENUES

As of the fourth quarter of the fiscal year 2019, budget revenues increased by 429.5 million TRY compared to the same period of the previous year and amounted to 2,113.2 million TRY. Tax revenues item with the largest share in budget revenues has totalled 1,465.8 million TRY in the fourth quarter of 2019. Total tax revenues were 1,123.7 million TRY in the same period of 2018. Non-tax revenues item, which had the second-highest share in budget revenues, increased by 10.8 percent compared to the same period of the previous year and reached 327.3 million TRY in the fourth quarter of 2019. Donations, grants and loans item and other revenues item amounted to 152.3 and 167.8 million TRY, respectively, in the fourth quarter of 2019.

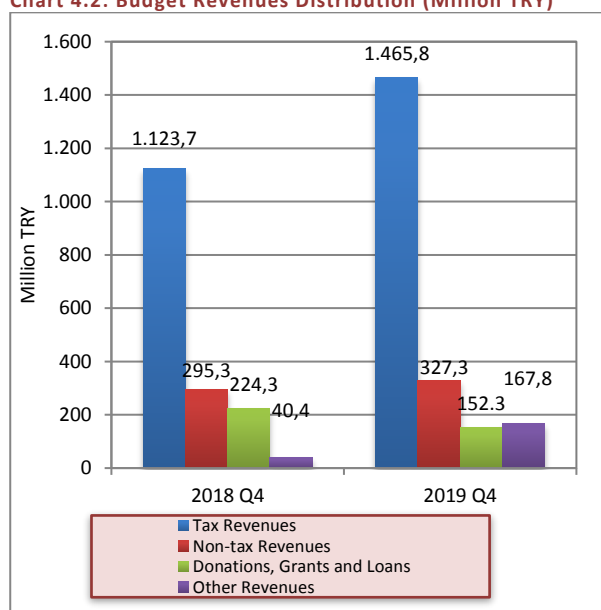
Table 4.2: Budget Revenues (Million TRY)

	2018 October-December	2019 October-December	% Change
Tax Revenues	1.123,7	1.465,8	30,4
Non-Tax Revenues	295,3	327,3	10,8
Donations, Grants and Loans	224,3	152,3	-32,1
Other Revenues	40,4	167,8	315,3
Total	1.683,7	2.113,2	25,5

Source: Ministry of Finance

While the share of donations, grants and loans in total budget revenues was 13.3 percent in the fourth quarter of 2018, it has been 7.2 percent in the same period of 2019. In the same periods, while the share of tax revenues item was 66.7 percent, it has increased to 69.4 percent, while the share of non-tax revenues was 17.5 percent and it has fallen to 15.5 percent. The share of other revenues item increased from 2.4 percent to 7.9 percent.

Chart 4.2: Budget Revenues Distribution (Million TRY)



Source: Ministry of Finance

4.3 EXPENDITURES

As of the fourth quarter of 2019, total budget expenditures increased by 47.5 percent compared to the same period of the previous year and reached from 1,804 million TRY to 2,660.7 million TRY. In the mentioned periods, current transfers, goods and service purchase and personnel expenditures items increased by 36.1, 148.7 and 57.3 percent, respectively.

Current transfers item of the TRNC budget reached 1,067.3 million TRY in the fourth quarter of 2019. In this period, personnel expenditures item, which increased by 57.3 percent compared to the same period of the previous year, reached 933.7 million TRY. Capital expenditures and transfers item decreased by 36.1 percent during the same periods and amounted to 136.8 million TRY in the fourth quarter of 2019.

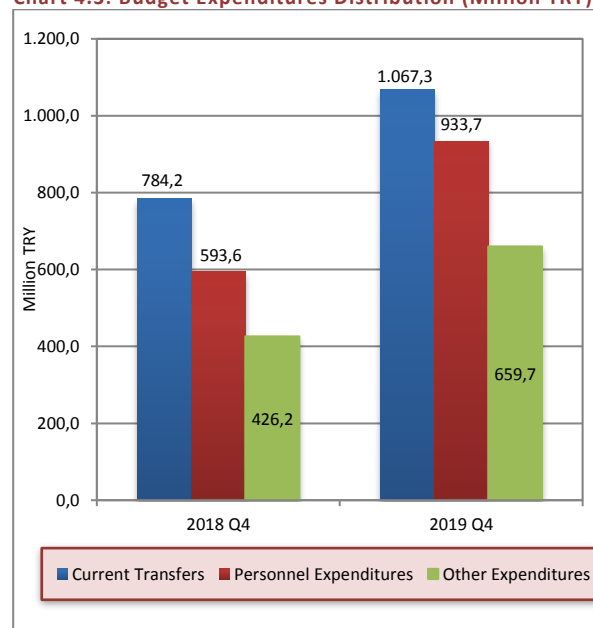
Table 4.3: Budget Expenditures (Million TRY)

	2018 October- December	2019 October- December	% Change
Current Transfers	784,2	1.067,3	36,1
Personnel Expenditures	593,6	933,7	57,3
Capital Expenditures and Transfers	214,1	136,8	-36,1
Goods and Service Purchase Expenditures	180,9	449,9	148,7
Other Expenditures	31,2	73,0	134,0
Total	1.804,0	2.660,7	47,5

Source: Ministry of Finance

The share of personnel expenditures item in total expenditures was 32.9 percent in the fourth quarter of 2018, while it has become 35.1 percent in the fourth quarter of 2019. The share of the current transfers constituting 43.5 percent of the total budget expenditures in the fourth quarter of 2018, has increased to 40.1 percent in the fourth quarter of 2019. The share of personnel expenditures and current transfers in budget expenditures was 76.4 percent in the fourth quarter of 2018 and it has become 75.2 percent in the same period of 2019.

Chart 4.3: Budget Expenditures Distribution (Million TRY)



Source: Ministry of Finance

Note: Other expenditures item includes capital expenditures and transfers, and goods and services purchase expenditures.

4.4 BUDGET IMPLEMENTATION RESULTS

In 2019, total budget expenditures and revenues have been 7.688.5 million TRY and 7.402.9 million TRY, respectively. While budget revenues increased by 34.5 percent between 2018 and 2019, the increase in budget expenditures was 41 percent. The tax revenues item, which has the highest share in the budget revenues, increased by 31.1 percent in 2019 compared to 2018 and reached 4,948.2 million TRY. Non-tax revenues item, which has the second-highest share in budget revenues, increased by 43.5 percent in 2019 compared to the previous year and reached 1,589.6 million TRY.

While the total donations, grants and loans item was 487.5 million TRY in 2018, it has increased by 18.8 percent in 2019 and amounted to 579 million TRY,

compared to the previous year. Other revenues item increased by 116.7 percent to 286.1 million TRY from 2018 to 2019. Current transfers item, which had the highest share in budget expenditures during 2018, increased by 29.8 percent and reached 3,344.8 million TRY in 2018, compared to the previous year. Personnel expenditures item, which had the second-highest share in budget expenditures, increased by 39.4 percent and reached 2,780.2 million TRY. At the end of 2019, goods and services expenditures item increased by 168.2 percent compared to 2018 and reached 1,130.1 million TRY. When the total revenues and expenditures are analysed, the budget balance, which gave a surplus of 50.1 million TRY in 2018, has had a deficit of 285.6 million TRY at the end of 2019.

Table 4.4: Budget Implementation Results (Million TRY)

	2018 Results	2019 Results	2018 – 2019 Change (%)	
Revenues	Tax Revenues	3.775,4	4.948,2	31,06
	Non-Tax Revenues	1.107,5	1.589,6	43,53
	Donations, Grants and Loans	487,5	579,0	18,77
	Other Revenues	132,0	286,1	116,74
	Grand Total	5.502,4	7.402,9	34,54
Expenditures	Current Transfers	2.577,3	3.344,8	29,78
	Personnel Expenditures	1.995,0	2.780,2	39,36
	Capital Expenditures and Transfers	339,5	242,3	-28,63
	Goods and Service Purchase Expenditures	421,3	1.130,1	168,24
	Other Expenditures	119,2	191,1	60,32
	Grand Total	5.452,3	7.688,5	41,01
Revenues - Expenditures	50,1	-285,6		

Source: Ministry of Finance

4.5 FINANCING BALANCE

Financing balance, which is equal to the gap between the total revenues figure (obtained by subtracting the loans extended by Turkey and domestic borrowing items from the budget revenues) and budget expenditures, decreased in the fourth quarter of 2019 compared to the same period of 2018 and gave a deficit of 547.5 million TRY. Total loans extended by Turkey, used as a source of funding to meet the budget deficit was 31.2 million TRY in the fourth quarter of 2018, however, it wasn't used in this period.

In the fourth quarter of 2019, tax revenues item increased by 342.1 million TRY and non-tax revenues item by 32 million TRY, compared to the same period of 2018. Accordingly, domestic income item increased by 34.4 percent and reached 1,960.9 million TRY.

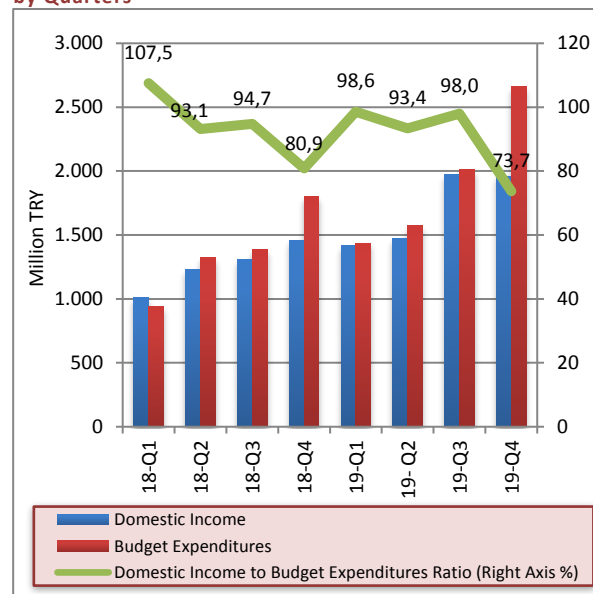
Table 4.5: Financing Balance (Million TRY)

	2018 October - December	2019 October - December
Budget Revenues	1.652,5	2.113,2
1. Domestic Income	1.459,4	1.960,9
Tax Revenues	1.123,7	1.465,8
Non-Tax Revenues	295,3	327,3
Other Revenues	40,4	167,8
2. Foreign Aids	193,1	152,3
Grants Extended by Turkey	193,1	152,3
Budget Expenditures	1.804,0	2.660,7
Personnel Expenditures	593,6	933,7
Current Transfers	784,2	1.067,3
Capital Expenditures	214,1	136,8
Other Expenditures	212,1	522,9
Financing Balance	-151,5	-547,5
Financing	31,2	0,0
Loans Extended by Turkey	31,2	0,0
Domestic Borrowing	0,0	0,0

Source: Ministry of Finance

According to the budget figures for the fourth quarter of 2019, the domestic income to budget expenditures ratio has been 73.7 percent. The same ratio was 80.9 percent in the fourth quarter of 2018.

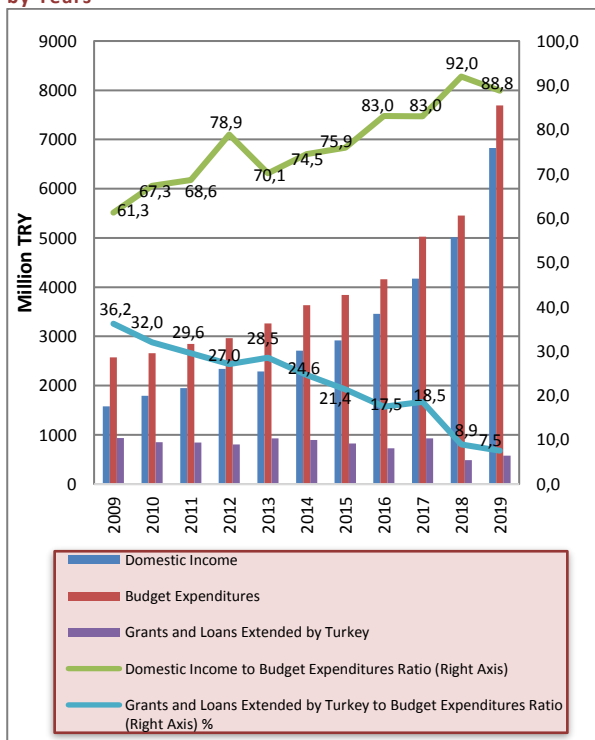
Chart 4.4: Domestic Income to Budget Expenditures Ratio by Quarters



Source: Ministry of Finance

It is observed that the domestic income (calculated by subtracting the grants and loans extended by Turkey from the budget revenues) to budget expenditures ratio reached 88.8 percent from around 60 percent in the last 10 years. This has become 92 percent in the 2018 budget. In the last 10 years, the ratio of the grants and loans extended by Turkey to the budget expenditures, which is the most important resource for financing the gap between the domestic income and the budget expenditures, decreased from 36 percent to 7.5 percent. This ratio was 8.9 percent in 2018. Though a positive outlook has emerged over the last 10 years in the sense of covering the budget expenditures by using our domestic income, revenues are still unable to cover all of the budget expenditures and the budget deficit problem continues to arise.

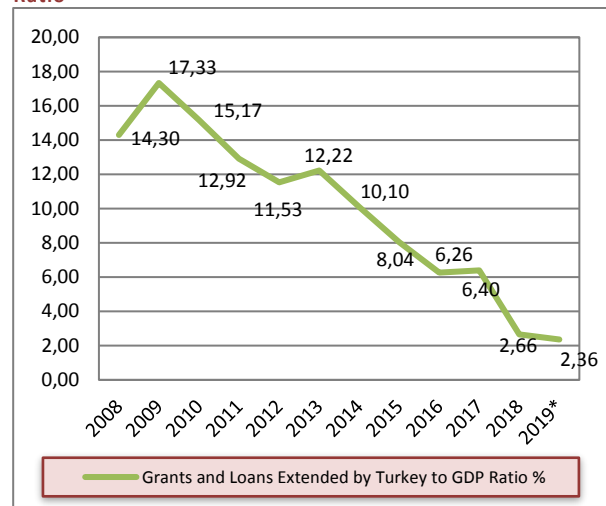
Chart 4.5: Domestic Income to Budget Expenditures Ratio by Years



Source: Ministry of Finance

Analysing the ratio of the grants and loans extended by Turkey to our country's GDP, which is an important resource for meeting the budget deficit, it is observed that there has been a decline over the years. Analysing the ratio of the grants and loans extended by Turkey to our country's GDP, which is an important resource for meeting the budget deficit, it is observed that there has been a decline over the years. The ratio of the grants and loans extended by Turkey to our country's GDP, which was 17.3 percent in 2009, became 2.7 percent as of the end of 2018. As a result of the calculation made using the 2019 GDP forecast data, this rate is expected to become 2.4 percent. The ratio of the grants and loans extended by Turkey to our country's GDP, which was 17.3 percent in 2009, became 2.7 percent as of the end of 2018. As a result of the calculation made using the 2019 GDP forecast data, this rate is expected to become 2.4 percent.

Chart 4.6: Grants and Loans Extended by Turkey/TRNC GDP Ratio



Source: Ministry of Finance, TRNC Statistical Institute

*GDP forecast figures were used for 2019.

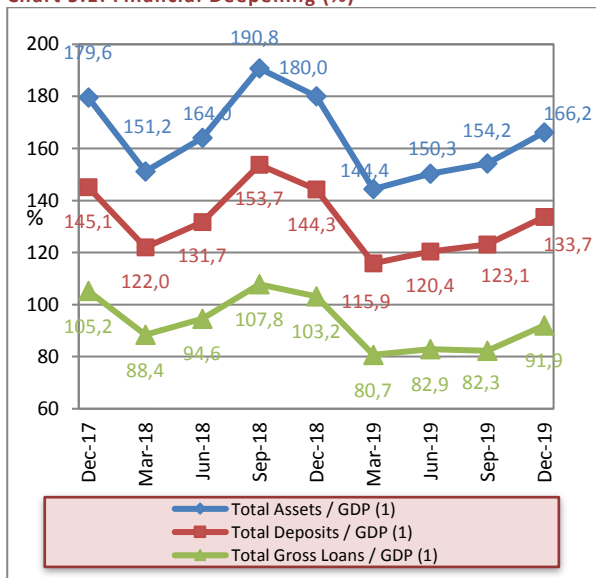
5 MONETARY AND FINANCIAL DEVELOPMENTS

5.1 OVERVIEW OF THE BANKING SECTOR

5.1.1 FINANCIAL DEEPENING

Financial deepening figures for the fourth quarter of 2019 increased compared to the previous quarter. Total gross loans to GDP ratio increased from 82.3 to 91.9 percent, total assets to GDP ratio from 154.2 to 166.2 percent and total deposits to GDP ratio from 123.1 to 133.7 percent.

Chart 5.1: Financial Deepening (%)



Source: Central Bank of the TRNC, SPO
 Note: (1) 2019 GDP forecast figures by SPO.

5.1.2 PERFORMANCE RATIOS OF THE BANKING SECTOR

In the sector, the share of cash and cash equivalents in total assets has increased to 32.54 percent in the fourth quarter of 2019. This rate was 30.14 percent in the same period of the previous year.

CASR (Capital Adequacy Standard Ratio), which was 17.86 percent at the end of December 2018, has decreased by 0.29 points to 17.57 percent in the fourth quarter of 2019.

The share of NPL in gross loans decreased from 5.64 to 5.61 percent at the end of December 2019, compared to the previous quarter.

Gross loans to deposits ratio decreased by 1.91 percentage points to 68.74 percent in the fourth quarter of 2019, compared to the previous period.

The share of gross loans in total assets, which was 57.33 percent in December 2018, has declined to 55.32 percent in the fourth quarter of 2019. It has increased by 1.96 points, compared to the previous quarter.

Gross loans increased by 11.75 percent in the fourth quarter of 2019, compared to the previous quarter. This item had decreased by 4.28 percent in the same period of the previous year.

Deposits increased by 2.21 percent in the third quarter of 2019, and then by 8.64 percent in the fourth quarter.

The financial leverage ratio, which was 9.18 at the end of September 2019, has become 9.61 in the fourth quarter of 2019.

Table 5.1: Performance Ratios

	2018		2019		
	Dec.	Mar.	Jun.	Sept.	Dec.
Cash and Cash Equivalents / Total Assets (%)	30,14	30,44	30,77	32,10	32,54
CASR (%)	17,86	17,79	18,29	19,02	17,57
NPL / Gross Loans (%)	5,53	5,47	5,42	5,64	5,61
Gross Loans / Total Deposits (%)	71,50	69,68	68,81	66,83	68,74
Gross Loans / Total Assets (%)	57,33	55,92	55,15	53,36	55,32
Quarterly Growth Rate on Gross Loans (%)	-4,28	4,85	2,64	-0,72	11,75
Quarterly Growth Rate on Deposits (%)	-6,11	7,59	3,95	2,21	8,64
Financial Leverage ¹	9,66	9,72	9,56	9,18	9,61

Source: Central Bank of TRNC
 Note: (1) Foreign Resources / Total Shareholders' Equity

5.1.3 CONCENTRATION IN THE BANKING SECTOR

The share of the largest five banks in the sector in terms of asset size is 55.41 percent, and the share of the top ten banks in total assets is 80.16 percent in the fourth quarter of 2019.

In terms of the size of gross loans in the same period, the share of the first five banks in the sector is 57.6 percent and the share of the top ten banks is 82.05 percent.

In terms of deposit size, the share of the five largest banks in total deposits is 56.97 percent and the share of the top ten banks is 81.23 percent.

In terms of the size of shareholders' equity in the relevant period, the share of the first five banks in total shareholders' equity is 54.35 percent, while the share of the top ten banks is 81.01 percent.

Lastly, in terms of the size of the debts to the banks item, the share of the first five banks in the sector is 62.8 percent and the share of the top ten banks is 89.58 percent,

Table 5.2: Concentration in the Banking Sector (%)

Shares of the First Five Banks in the Sector	2018		2019		
	December	March	June	September	December
Assets	55,07	55,85	56,20	56,03	55,41
Gross Loans	56,90	53,12	56,18	56,40	57,60
Deposits	56,54	57,46	57,72	57,04	56,97
Debts to Banks	63,07	67,67	63,51	67,19	62,80
Shareholders' Equity	51,90	52,87	53,54	54,41	54,35
Shares of the First Ten Banks in the Sector					
Assets	78,54	79,73	79,71	79,84	80,16
Gross Loans	81,58	79,70	81,68	81,76	82,05
Deposits	79,80	80,91	81,12	81,24	81,23
Debts to Banks	91,84	94,09	92,13	92,06	89,58
Shareholders' Equity	79,80	80,18	80,49	80,83	81,01

Source: Central Bank of TRNC

5.1.4 NUMBER OF BANKS, BRANCHES, PERSONNEL AND ATMs

The number of banks operating in the banking sector is 21 at the end of December 2019. Among the 21 banks

in the sector, 2 are public banks, 14 are private banks and 5 are branch banks.

Table 5.3: Number of Banks

	Dec.17	Mar.18	Jun.18	Sept.18	Dec.18	Mar.19	Jun. 19	Sept. 19	Dec. 19
Public Banks	2	2	2	2	2	2	2	2	2
Private Banks	14	14	14	14	14	14	14	14	14
Branch Banks	5	5	5	5	5	5	5	5	5
Total	21	21	21	21	21	21	21	21	21

Source: Central Bank of TRNC

The number of bank branches in the sector is 232 in the fourth quarter of 2019. When the distribution of branch numbers based bank groups is examined, it is

seen that 68.97 percent of the total number of branches belongs to private banks, 16.81 percent to branch banks and 14.22 percent to public banks.

Table 5.4: Number of Branches and Personnel

Number of Branches									
	Dec.17	Mar.18	Jun.18	Sept.18	Dec.18	Mar.19	Jun. 19	Sept. 19	Dec. 19
Public Banks	33	32	33	33	33	33	33	33	33
Private Banks	161	161	160	159	157	158	159	160	160
Branch Banks	39	39	39	39	39	39	39	39	39
Total	233	232	232	231	229	230	231	232	232

Number of Personnel									
	Dec.17	Mar.18	Jun.18	Sept.18	Dec.18	Mar.19	Jun. 19	Sept. 19	Dec. 19
Public Banks	558	554	550	547	546	537	534	528	522
Private Banks	2.024	2.038	2.042	2.062	2.075	2.077	2.078	2.096	2.122
Branch Banks	524	519	528	531	527	526	533	539	549
Total	3.106	3.111	3.120	3.140	3.148	3.140	3.145	3.163	3.193

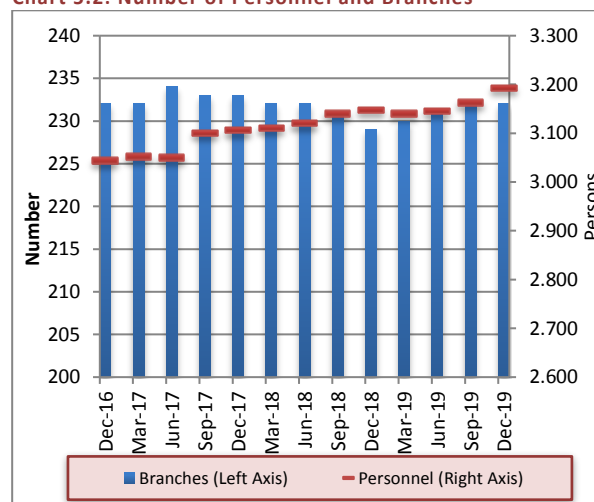
Source: Central Bank of TRNC

The number of personnel employed in the sector increased by 30 persons and reached from 3,163 to 3,193 during September 2019 - December 2019 period. 522 of this personnel are working in public banks, 2,122 in private banks and 549 in branch banks. In this period, the number of personnel employed in private banks increased from 2,096 to 2,122, the number of personnel in branch banks increased from 539 to 549, and the number of personnel in public banks decreased from 528 to 522.

During December 2018 - December 2019 period, the number of personnel working in the banking sector increased by 45 persons to reach 3,193 from 3,148. In the mentioned period, when the change in the number of personnel is analysed based on bank groups, there was an increase of 47 persons employed in private banks and 22 persons in branch banks, while there was a decrease of 24 persons in public banks.

In the fourth quarter of 2019, it is observed that 16.35 percent of the personnel working in the sector belong to the public banks, 66.46 percent belong to the private banks and 17.19 percent belong to the branch banks.

Chart 5.2: Number of Personnel and Branches



Source: Central Bank of TRNC

As of the fourth quarter of 2019, the number of ATMs has been 507. When the distribution of ATMs by bank groups is analysed, branch banks rank first with 229 ATMs. Branch banks are followed by private banks with 221 ATMs and public banks with 57 ATMs. During December 2018 - December 2019 period, the number of ATMs increased from 484 to 507.

Table 5.5: Number of ATMs

	Dec.18	Mar.19	Jun. 19	Sept. 19	Dec. 19
Public Banks	55	58	58	57	57
Private Banks	207	210	216	221	221
Branch Banks	222	219	222	225	229
Total	484	487	496	503	507

Source: Central Bank of TRNC

5.2 BANKING SECTOR CONSOLIDATED BALANCE SHEET

Total assets of the banking sector, which was 37,855.4 million TRY at the end of September 2019, increased by 7.79 percent in the fourth quarter of 2019 and reached 40,804.9 million TRY. In the aforementioned period, cash and cash equivalents increased by 9.26 percent, gross loans by 11.75 percent, while securities portfolio decreased by 4.43 percent and other assets by 13.74 percent.

Total assets of the sector increased by 23.73 percent in December 2018 - December 2019 period. In the same

period, cash and cash equivalents increased by 33.56 percent and gross loans by 19.4 percent, and securities portfolio by 3.97 percent. In the same period, deposits increased by 24.19 percent and shareholders' equity increased by 24.28 percent.

Deposits, which are the most important funding source of the sector increased by 8.64 percent and the shareholders' equity increased by 3.44 percent in September 2019 - December 2019 period.

Table 5.6: Banking Sector Consolidated Balance Sheet (Million TRY)

	2018		2019			Percentage Change	
	December	March	June	September	December	09/2019 - 12/2019	12/2018 - 12/2019
Cash and Cash Equivalents	9.940,9	10.792,9	11.354,1	12.151,4	13.277,2	9,26	33,56
Securities Portfolio	2.043,4	2.255,0	2.184,8	2.223,0	2.124,5	-4,43	3,97
Total Gross Loans	18.906,1	19.824,0	20.347,3	20.200,3	22.573,4	11,75	19,40
Other Assets	2.089,8	2.580,9	3.008,3	3.280,7	2.829,8	-13,74	35,41
Total Assets-Liabilities	32.980,2	35.452,8	36.894,5	37.855,4	40.804,9	7,79	23,73
Deposits	26.441,8	28.449,2	29.572,1	30.224,8	32.837,3	8,64	24,19
Debts to Banks	2.028,6	2.163,7	2.190,3	2.270,1	2.436,6	7,33	20,11
Other Liabilities	1.414,7	1.533,2	1.638,0	1.642,0	1.684,4	2,58	19,06
Shareholders' Equity	3.095,1	3.306,7	3.494,1	3.718,5	3.846,6	3,44	24,28

Source: Central Bank of TRNC

5.2.1 ASSETS AND LIABILITIES STRUCTURE

In the last quarter of 2019, the largest share in the sector's total assets is gross loans with 55.32 percent. Gross loans are followed by cash and cash equivalents with a share of 32.54 percent, other assets with a share of 6.93 percent and securities portfolio with 5.21 percent.

When the banking sector is evaluated in terms of the share of the items constituting the asset structure of December 2018 - December 2019 period, an increase in cash and cash equivalents and other assets items, while a decrease in securities portfolio and gross loans is observed.

As of December 2019, 80.47 percent of the total liabilities is deposits, 9.43 percent is shareholders' equity, 5.97 percent is debts to banks and 4.13 percent is other liabilities.

When the items constituting the liability structure of the banking sector are evaluated in terms of their shares in December 2018 - December 2019 period, it is seen that there is an increase in deposits and shareholders' equity items, and a decrease in other liabilities and debts to banks items.

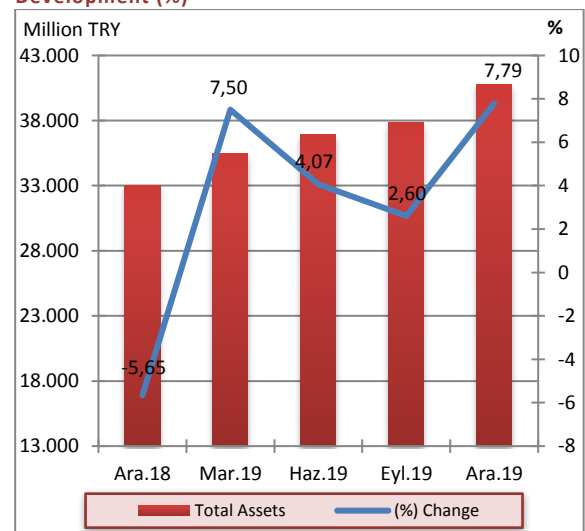
Table 5.7: Structural Percentage Distribution of Banking Sector Assets / Liabilities (%)

Assets	2018		2019		
	December	March	June	September	December
Cash and Cash Equivalents	30,14	30,44	30,78	32,10	32,54
Securities Portfolio	6,19	6,36	5,92	5,87	5,21
Total Gross Loans	57,33	55,92	55,15	53,36	55,32
Other Assets	6,34	7,28	8,15	8,67	6,93
Total	100,00	100,00	100,00	100,00	100,00
Liabilities					
Total Deposits	80,17	80,25	80,15	79,84	80,47
Debts to Banks	6,15	6,10	5,94	6,00	5,97
Other Liabilities	4,29	4,32	4,45	4,34	4,13
Shareholders' Equity	9,39	9,33	8,76	9,82	9,43
Total	100,00	100,00	100,00	100,00	100,00

Source: Central Bank of TRNC

Quarter-on-quarter increase in the banking sector's total assets has been 7.5 percent in March 2019, 4.07 percent in June, 2.6 percent in September and 7.79 percent in December.

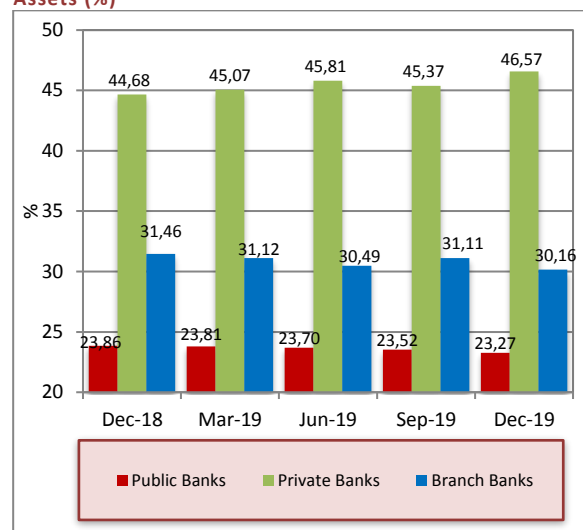
Chart 5.3: Assets of the Banking Sector and Quarterly Development (%)



Source: Central Bank of TRNC

In the last quarter of 2019, the sector's total assets increased from 45.37 to 46.57 percent in the private banks group, while it decreased from 31.11 to 30.16 in branch banks groups, and from 23.52 to 23.27 percent in the public banks group. In December 2018 - December 2019 period, there has been downsizing in the group of public banks and branch banks, and a growth in private banks.

Chart 5.4: Shares of Bank Groups in the Sector's Total Assets (%)



Source: Central Bank of TRNC

In the last quarter of 2019, public banks' total assets increased by 6.65 percent, private banks' total assets by 10.63 percent and branch banks' total assets by 4.5 percent, compared to the previous quarter. Total assets

increased by 20.69 percent in public banks, 28.97 percent in private banks and 18.58 percent in branch banks, compared to the same period of the previous year.

Table 5.8: Development of Total Assets Based on Bank Groups (Million TRY)

	2018		2019			Percentage Change	
	December	March	June	September	December	09/2019-12/2019	12/2018-12/2019
Public Banks	7.868,9	8.440,4	8.742,3	8.904,6	9.497,2	6,65	20,69
Private Banks	14.734,3	15.978,6	16.903,0	17.176,5	19.003,1	10,63	28,97
Branch Banks	10.377,0	11.033,8	11.249,2	11.774,3	12.304,6	4,50	18,58
Total	32.980,2	35.452,8	36.894,5	37.855,4	40.804,9	7,79	23,73

Source: Central Bank of TRNC

Analysing the TRY and FX distribution of gross loans as of December 2019, the share of TRY loans decreased from 47.79 to 47.05 percent compared to the previous quarter, while the share of FX loans increased from 52.21 to 52.95 percent. The share of TRY deposits

decreased from 40.27 to 39.63 percent as of December 2019, while the share of FX deposits increased from 59.73 percent to 60.37 percent, compared to the previous quarter.

Table 5.9: TRY and FX Distribution of Gross Loans and Deposits (%)

	2018				2019					
	December		March		June		September		December	
	TRY	FX	TRY	FX	TRY	FX	TRY	FX	TRY	FX
Loans	48,39	51,61	47,05	52,95	46,72	53,28	47,79	52,21	47,05	52,95
Deposits	40,10	59,90	37,71	62,29	38,34	61,66	40,27	59,73	39,63	60,37

Source: Central Bank of TRNC

5.2.2 CASH AND CASH EQUIVALENTS

Total of cash assets, receivables from banks, receivables from the Central Bank and receivables from the interbank money market transactions, which constitute the cash and cash equivalents of the banking sector, increased by 9.26 percent in the fourth quarter of 2019 and reached from 12,151.4 million TRY to 13,277.2 million TRY, compared to the previous quarter.

In this period, an increase of 2.5 million TRY in the cash values item, 704.5 million TRY in the receivables from the Central Bank item, 486.7 million TRY in the receivables from banks item, while a decrease of 67.9

million TRY in the IMM (Interbank Money Market) transactions item has been recorded.

Cash and cash equivalents amounting to 9,940.9 million TRY at the end of December 2018 increased to 13,277.2 million TRY by the end of December 2019. In the period, cash assets increased by 66.8 million TRY, receivables from the Central Bank increased by 616,1 million TRY, receivables from IMM transactions increased by 687.8 million TRY and receivables from banks increased by 1,965.6 million TRY.

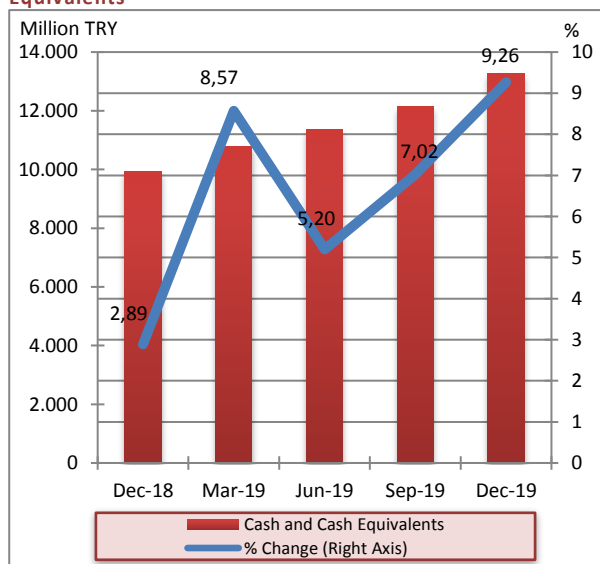
Table 5.10: Development of the Cash and Cash Equivalents (Million TRY)

	2018		2019			Percentage Change 09/2019 - 12/2019
	December	March	June	September	December	
Cash Assets	297,6	282,5	305,3	361,9	364,4	0,69
Receivables from the Central Bank	3.804,3	3.982,2	4.158,3	3.715,9	4.420,4	18,96
Receivables from IMM Transactions	2.135,4	2.201,7	2.309,7	2.891,1	2.823,2	-2,35
Receivables from Banks	3.703,6	4.326,5	4.580,8	5.182,5	5.669,2	9,39
Total	9.940,9	10.792,9	11.354,1	12.151,4	13.277,2	9,26

Source: Central Bank of TRNC

In 2019, cash and cash equivalents increased by 8.57 percent in the first quarter, by 5.2 percent in the second quarter, by 7.02 percent in the third quarter and by 9.26 percent in the fourth quarter.

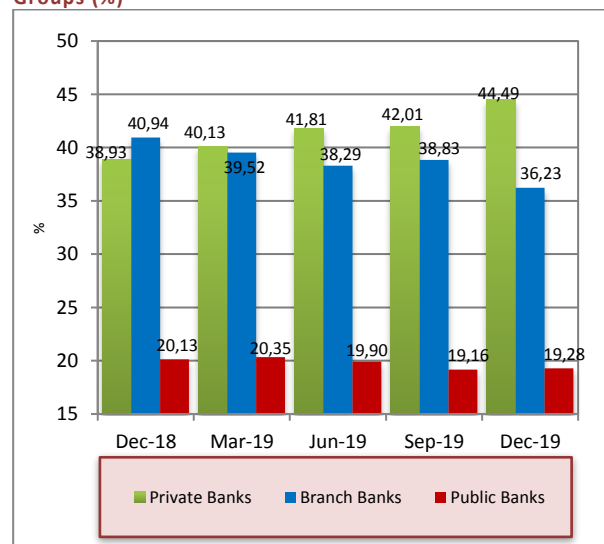
Chart 5.5: Quarterly Percentage Change of Cash and Cash Equivalents



Source: Central Bank of TRNC

In the fourth quarter of 2019, shares of private and public banks increased, while the share of branch banks decreased. In December 2018 - December 2019 period, there has been downsizing in the group of public banks and branch banks, and a growth in private banks.

Chart 5.6: Shares of Cash and Cash Equivalents by Bank Groups (%)



Source: Central Bank of TRNC

5.2.3 LOANS

Business loans, which amounted to 13,930.7 million TRY as of December 2019, are in the first rank as in the previous periods. They are followed by consumer loans with a total of 5,121.5 million TRY.

During the period from December 2018 to December 2019, business loans increased from 11,285.8 million TRY to 13,930.7 million TRY, and consumer loans increased to 5,121.5 million TRY from 4,524.6 million TRY.

Table 5.11: Distribution of Loans by Type (Million TRY)

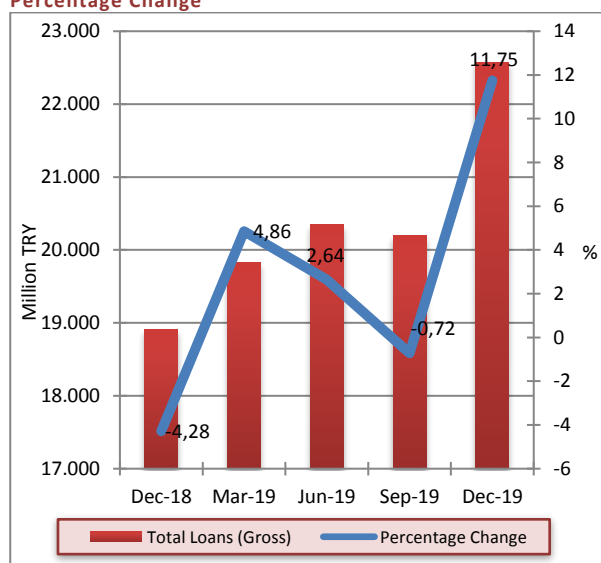
	2018		2019		
	December	March	June	September	December
Business Loans	11.285,8	11.896,4	12.364,5	12.274,1	13.930,7
Consumer Loans	4.524,6	4.672,6	4.685,9	4.631,6	5.121,5
Credit Cards	457,3	452,9	493,2	541,6	556,7
Discount Loans	236,6	254,5	250,3	243,0	269,3
Other Investment Loans	98,0	100,6	96,9	89,5	124,7
Import Loans	3,8	3,9	4,2	3,8	4,2
Loans of Funds Originated	19,2	20,2	20,8	20,7	21,5
Directed Loans	32,7	38,5	37,2	32,8	40,6
Export Loans	2,9	2,4	0,9	1,9	1,8
Loans Extended by Central Bank of the TRNC	7,9	8,3	8,7	8,4	0,0
Loans Extended Through Central Bank of the TRNC	0,0	0,0	0,0	0,0	0,0
Loans to Purchase Security for Customers	0,5	0,4	0,3	0,0	0,0
Export Guaranteed Investment Loans	0,0	0,0	0,0	0,0	0,0
Other Loans	1.192,2	1.288,0	1.281,7	1.212,9	1.236,3
Total Loans	17.861,5	18.738,7	19.244,6	19.060,3	21.307,3

Source: Central Bank of TRNC

Note: Non-performing loans are not included.

Gross loans of the sector had decreased by 4.28 in December 2018, compared to the previous quarter. In 2019, gross loans increased by 4.86 percent in the first quarter, and by 2.64 percent in the second quarter, while decreasing by 7.2 per mille in the third quarter. Then it increased again by 11.75 percent in the last quarter.

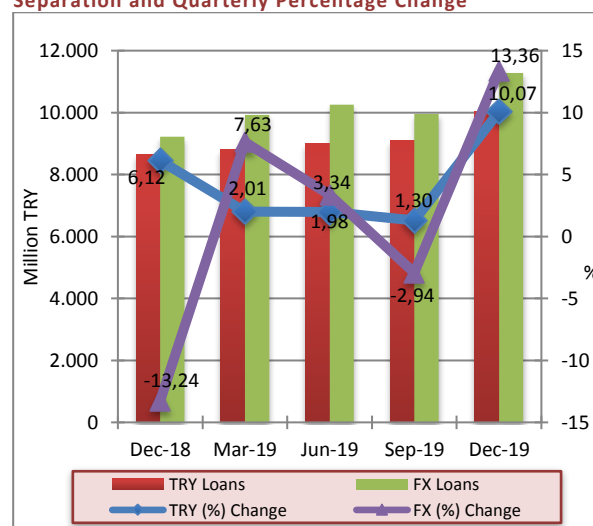
Chart 5.7: Development of Gross Loans and Quarterly Percentage Change



Source: Central Bank of TRNC

In the fourth quarter of 2019, 10,026 million TRY of the loans are in TRY currency and 11,281.3 million TRY is in foreign currency. In the period, there has been an increase of 10.07 percent in TRY loans and 13.36 percent in FX loans, compared to the previous quarter.

Chart 5.8: Banking Sector Loans (Net) TRY and FX Separation and Quarterly Percentage Change

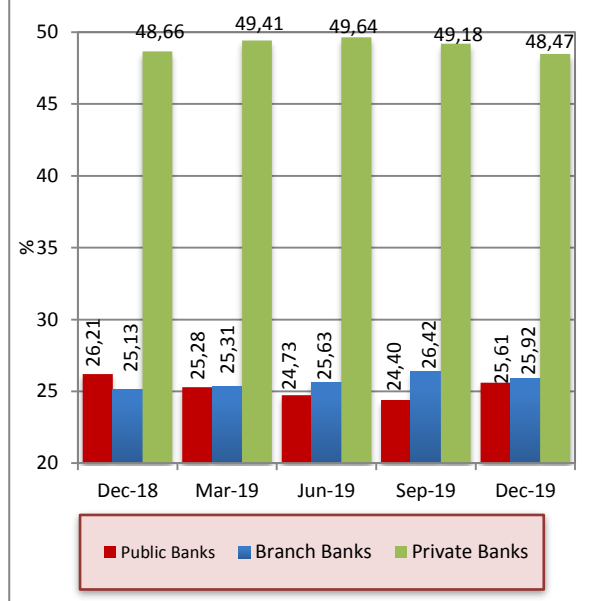


Source: Central Bank of TRNC

Note: Non-performing loans are not included.

When the shares of gross loans by bank groups are analysed, the share of public banks increased from 24.4 to 25.61 percent in the fourth quarter of 2019, while the share of private banks decreased from 49.18 to 48.47 percent, and the share of branch banks from 26.42 to 25.92 percent, compared to the previous quarter. During December 2018 - December 2019 period, the share of private banks and public banks in total loans decreased, while the share of branch banks increased.

Chart 5.9: Share of Gross Loans Based on Bank Groups (%)

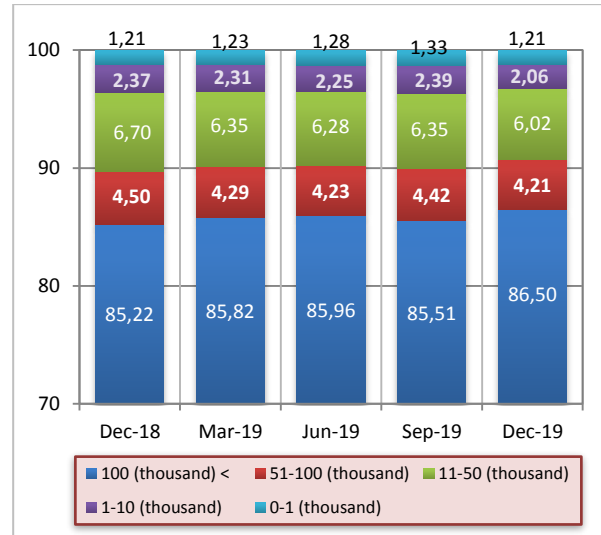


Source: Central Bank of TRNC

By the end of the fourth quarter of 2019, the share of loans over 100 thousand TRY in total loans has been 86.5 percent.

In this period, 11-50 thousand TRY loans take the second place in loan sizes with a share of 6.02 percent. Loans amounting to 51-100 thousand TRY and 1-10 thousand TRY constitute 4.21 and 2.06 percent of the total loans, respectively. The lowest loan use in the sector has been in loans up to 1 thousand TRY with a share of 1.21 percent.

Chart 5.10: Share of Loan Sizes in Total Loans (%)

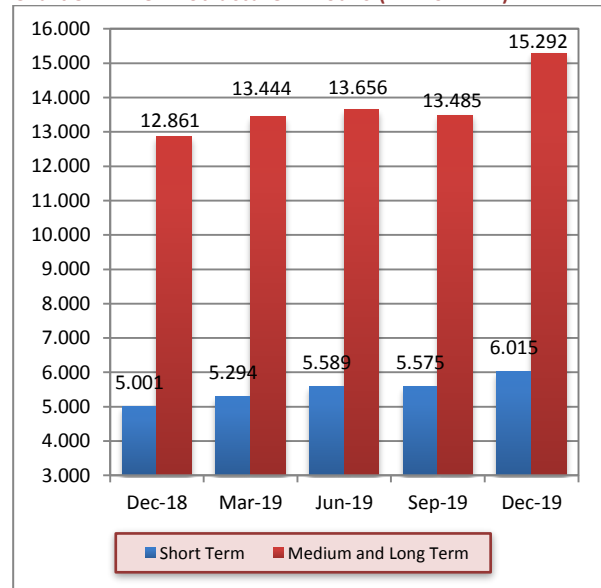


Source: Central Bank of TRNC

Note: Non-performing loans are not included.

In the fourth quarter of 2019, short-term loans increased from 5,575.4 million TRY to 6,015.4 million TRY, and medium and long-term loans increased from 13,484.9 million TRY to 15,291.9 million TRY. Between December 2018 and December 2019, short-term loans increased by 20.28 percent and medium and long-term loans increased by 18.9 percent.

Chart 5.11: Term Structure in Loans (Million TRY)



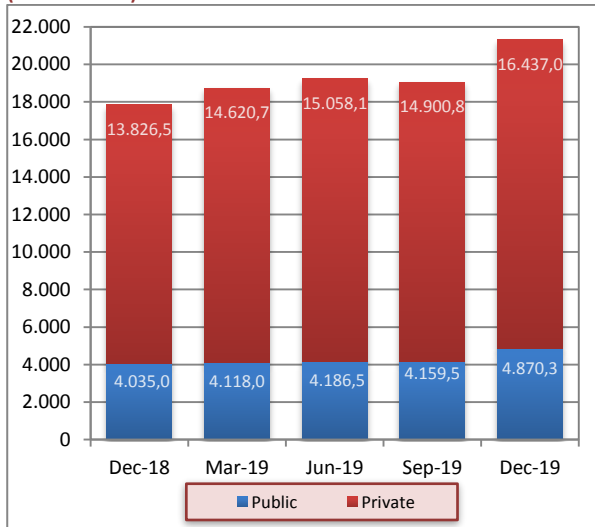
Source: Central Bank of TRNC

Note: Loans with up to 1-year term are classified as short-term loans.

As of December 2019, 77.14 percent of the banking sector’s total loans has been extended to the private sector and 22.86 percent to the public sector. Compared to the previous quarter, loans used by the public sector increased from 4,159.5 million TRY to 4,870.3 million TRY and private sector loans increased from 14,900.8 million TRY to 16,437 million TRY.

In December 2018 - December 2019 period, the increase rate of the loans used by the public has been 20.7 percent and the loans used by the private sector has increased by 18.88 percent.

Chart 5.12: Public and Private Sector Distribution of Loans (Million TRY)

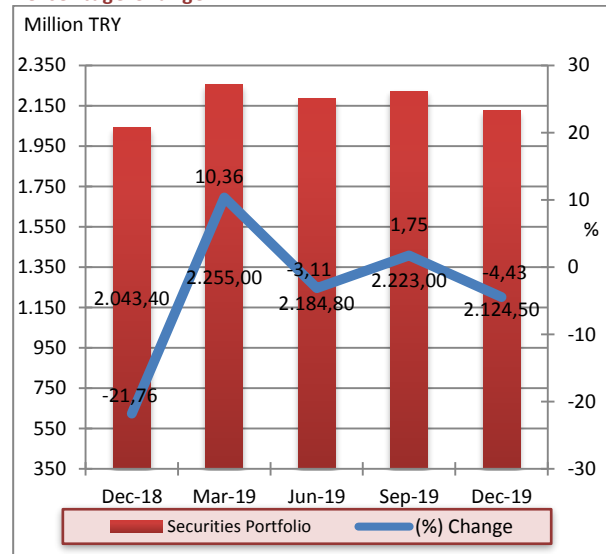


Source: Central Bank of TRNC

5.2.4 SECURITIES PORTFOLIO

Securities portfolio decreased by 4.43 percent as of December 2019, compared to the previous quarter. Securities portfolio decreased by 21.76 as of December 2018, increased by 10.36 percent as of March 2019, decreased by 3.11 as of June 2019, and increased by 1.75 as of September 2019, compared to the previous quarter.

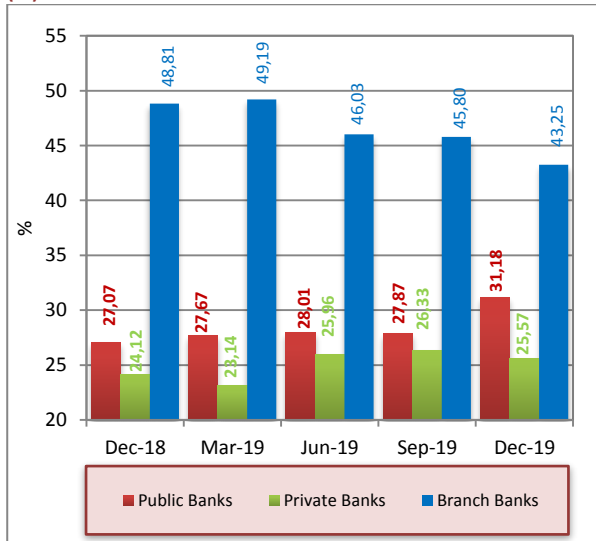
Chart 5.13: Securities Portfolio Totals and Quarterly Percentage Change



Source: Central Bank of TRNC

By the end of the fourth quarter of 2019, the share of public banks in total SP increased from 27.87 to 31.18 percent, while the share of branch banks decreased from 45.8 to 43.25 percent, and the share of private banks from 26.33 to 25.57 percent, compared to the previous quarter. During December 2018 - December 2019 period, the share of public banks and private banks in total loans increased, while the share of branch banks decreased.

Chart 5.14: Shares of Securities Portfolio by Bank Groups (%)



Source: Central Bank of TRNC

5.2.5 DEPOSITS

Deposits, which is the most important funding source of the sector increased by 8.64 percent in the fourth quarter of 2019, compared to the previous quarter. Deposits increased by 24.19 percent in one year and amounted to 32,837.3 million TRY at the end of December 2019.

As of the end of December 2019, it is observed that the largest share belongs to savings deposits with 23,316.4 million TRY as it was in the previous periods. This is followed by commercial deposits with 6,443.5 million TRY and official deposits with 2,624.6 million TRY. In December 2018 - December 2019 period, savings deposits increased by 22.65 percent, commercial deposits by 30.9 percent and official deposits by 36.85 percent.

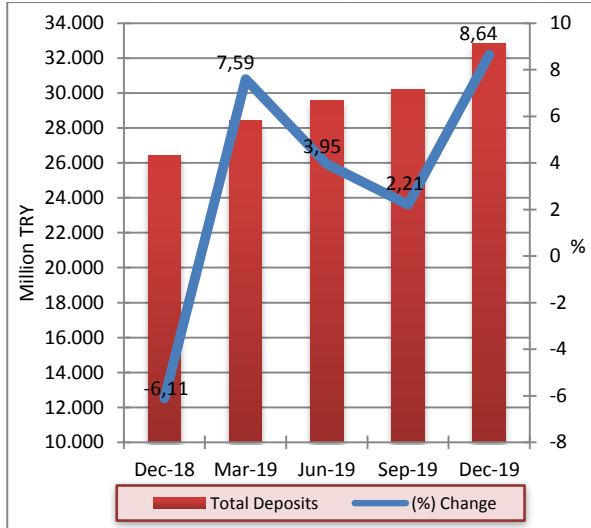
Table 5.12: Development of Deposits by Type (Million TRY)

	2018		2019			Percentage Change	
	December	March	June	September	December	09/2019 – 12/2019	12/2018 – 12/2019
Savings	19.010,8	20.574,6	21.290,5	21.283,6	23.316,4	9,55	22,65
Commercial	4.922,5	5.251,0	5.434,1	5.626,8	6.443,5	14,51	30,90
Official	1.917,8	2.103,5	2.260,8	2.860,6	2.624,6	-8,25	36,85
Other	590,7	520,1	586,7	453,8	452,8	-0,22	-23,35
Total Deposits	26.441,8	28.449,2	29.572,1	30.224,8	32.837,3	8,64	24,19
Debts to Banks	2.028,6	2.163,7	2.190,3	2.270,1	2.436,6	7,33	20,11
Total Deposits Including Debts to Banks	28.470,4	30.612,9	31.762,4	32.494,9	35.273,9	8,55	23,90

Source: Central Bank of TRNC

In 2018, total deposits had decreased by 6.11 percent in the last quarter, compared to the previous quarter. In 2019, total deposits increased by 7.59 percent in the first quarter, 3.95 in the second quarter and 2.21 percent in the third quarter and by 8.64 in the last quarter, compared to the previous quarter.

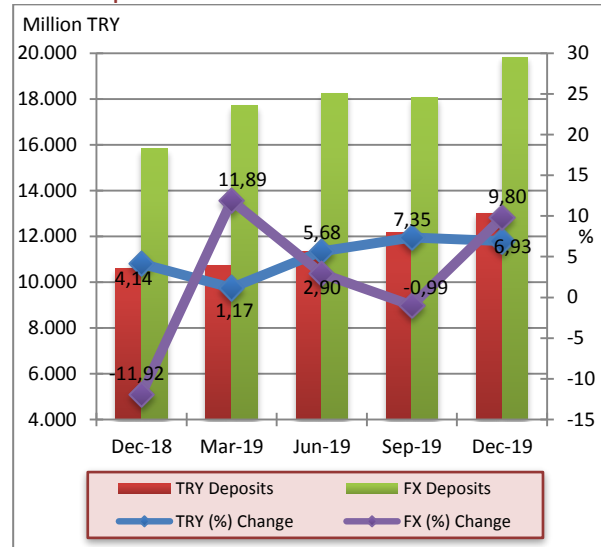
Chart 5.15: Deposits and Quarterly Percentage Change



Source: Central Bank of TRNC

In the fourth quarter of 2019, it is observed that deposits amounted to 13,014.3 million TRY in Turkish Lira currency and 19.823 million TRY in foreign currency. In this period, TRY deposits increased by 6.93 percent and FX deposits increased by 9.8 percent, compared to the previous quarter.

Chart 5.16: Quarterly Percentage Change of Deposits and TRY-FX Separation



Source: Central Bank of TRNC

At the end of December 2019, compared to the previous quarter, TRY deposits of public banks increased by 5.72 percent and FX deposits increased by 11.03 percent, private banks' TRY deposits increased by 11.07 percent and FX deposits increased by 11.34 percent. In the same period, branch banks' TRY deposits increased by 3.15 percent and FX deposits increased by 5.65 percent.

Table 5.13: Development of Deposits Based on Bank Groups (Million TRY)

	September 2019			December 2019			Percentage Change		
	TRY	FX	Total	TRY	FX	Total	TRY	FX	Total
Public Banks	4.168,6	3.506,5	7.675,1	4.407,1	3.893,3	8.300,4	5,72	11,03	8,15
Private Banks	4.450,8	9.860,1	14.310,9	4.943,4	10.977,8	15.921,2	11,07	11,34	11,25
Branch Banks	3.551,8	4.687,0	8.238,8	3.663,8	4.951,9	8.615,7	3,15	5,65	4,57
Total Deposits	12.171,2	18.053,6	30.224,8	13.014,3	19.823,0	32.837,3	6,93	9,80	8,64

Source: Central Bank of TRNC

As in previous periods, maturity concentration of the sector deposits belongs to 1-month deposits with a ratio of 51.72 percent. 1-month deposits are followed by 3-month deposits with a share of 19.68 percent, demand deposits with a share of 14.34 percent, 1-year deposits with a share of 10.37 percent and 6-month deposits with a share of 3.89 percent.

When the maturity distribution of deposits is compared to the previous quarter, there has been an increase of

0.26, in 3-month deposits, 0.3 points in 6-month deposits and 0.48 points in 1-year deposits, while demand and 1-month deposits decreased by 0.33 and 0.11 points, respectively.

During December 2018 - December 2019 period, demand and 3-month deposits increased by 0.35 and 0.96 points respectively, while 1-month, 6-month and 1-year deposits decreased by 0.25, 0.96 and 0.1 points, respectively.

Table 5.14: Maturity Distribution of Deposits (%)

	2018		2019		December	Change (Points)	
	December	March	June	September		09/2019-12/2019	12/2018-12/2019
Demand	13,99	13,59	14,02	14,67	14,34	-0,33	0,35
1-Month	51,97	48,49	48,10	51,83	51,72	-0,11	-0,25
3-Month	18,72	22,90	23,40	19,42	19,68	0,26	0,96
6-Month	4,85	4,40	3,99	4,19	3,89	0,30	-0,96
1-Year	10,47	10,62	10,49	9,89	10,37	0,48	-0,10
Total	100,00	100,00	100,00	100,00	100,00		

Source: Central Bank of TRNC

When the distribution of deposits in the banking sector is analysed by their size, 0-5 thousand TRY increased from 325.8 million TRY to 335 million TRY, 5-10 thousand TRY deposits from 387 million TRY to 417.7 million TRY, 10-50 thousand TRY deposits from 2,498.9 to 2,663.7 million TRY, and deposits over 100 thousand TRY deposits increased from 23,230.6 million TRY to

25,749.6 million TRY, while 50-100 thousand TRY deposits decreased from 3,782.5 million TRY to 3,671.3 million TRY as of the end of December 2019, compared to the previous quarter. In the last quarter of 2019, the share of deposits over 100 thousand TRY has been 78.42 percent, and deposits of 50-100 thousand TRY had a share of 11.18 percent.

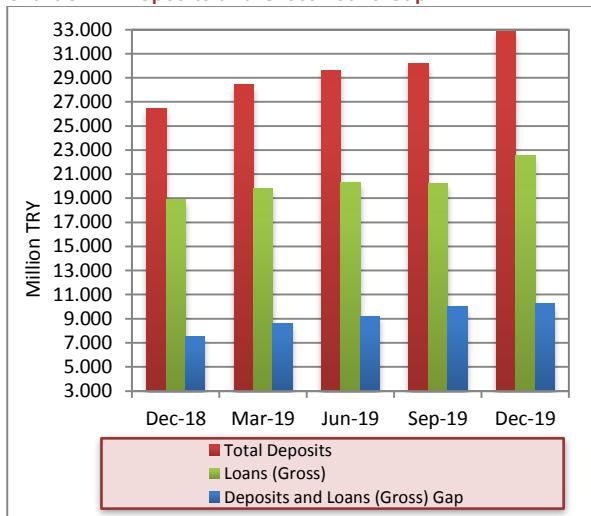
Table 5.15: Distribution of Deposits by Size (Million TRY)

	2018		2019		
	December	March	June	September	December
0-5 thousand TRY	319,3	312,8	444,2	325,8	335,0
5-10 thousand TRY	375,2	375,5	395,0	387,0	417,7
10-50 thousand TRY	2.453,7	2.443,4	2.482,0	2.498,9	2.663,7
50-100 thousand TRY	3.885,2	3.920,1	3.555,2	3.782,5	3.671,3
Over 100 thousand TRY	19.408,4	21.397,4	22.695,7	23.230,6	25.749,6
Total Deposits	26.441,8	28.449,2	29.572,1	30.224,8	32.837,3

Source: Central Bank of TRNC

Total deposits and gross loans gap, which was 10,024.5 million TRY at the end of September 2019, has increased by 239.4 million TRY and rose to 10,263.9 million TRY at the end of December 2019.

Chart 5.17: Deposits and Gross Loans Gap

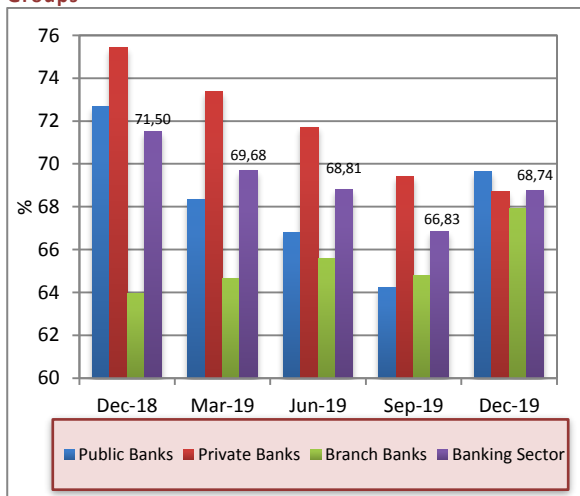


Source: Central Bank of TRNC

Loans to total deposits ratio, which is one of the indicators of the banking sector's depth and intermediary function, was 66.83 percent at the end of September 2019, afterward, it has increased to 68.74 percent at the end of December 2019. Loans to total deposits ratio decreased by 2.76 points in one year.

When loans to deposits ratio at the end of December 2019 is examined based on bank groups, public banks rank first with 69.65 percent. Public banks are followed by private banks with a rate of 68.72 percent. Branch banks have a conversion rate of 67.91 percent.

Chart 5.18: Deposits to Loans (Gross) Ratio Based on Bank Groups



Source: Central Bank of TRNC

5.2.6 SHAREHOLDERS' EQUITY

Shareholders' equity, which is of great importance in terms of stability and healthy development of the sector, increased by 3.44 percent, compared to the previous quarter and reached 3,846.6 million TRY at the end of the fourth quarter of 2019.

Shareholders' equity increased by 24.28 percent in December 2018 - December 2019 period. In one year, the paid-in capital of the sector increased by 67.1 million TRY and reserve requirements increased by 335.1 million TRY.

Table 5.16: Development of Shareholders' Equity (Million TRY)

	2018		2019		
	Dec.	March	June	Sept.	Dec.
Paid-in Capital	1.262,4	1.265,6	1.315,3	1.329,1	1.329,5
Reserve Requirements	593,9	795,8	923,6	923,6	929,0
Fixed Asset Revaluation Fund	0,9	1,7	2,0	2,2	2,4
Securities Value Increment Fund	140,7	158,4	158,4	150,1	170,8
Period Profit (Loss)	689,8	235,9	518,1	749,2	856,1
Accumulated Profit (Loss)	407,4	849,3	576,7	564,3	558,8
Total	3.095,1	3.306,7	3.494,1	3.718,5	3.846,6

Source: Central Bank of TRNC

5.3 MONEY SUPPLY

Money supply classified as narrow money, which is also called as M1 increased by 9.02 percent at the end of December 2019 compared to September 2019 and rose from 6,775.1 million TRY to 7,386 million TRY. M1 increased by 28.97 percent in one-year period.

The money supply qualified as M2, which amounted to 30,109.1 million TRY at the end of September 2019, increased by 10.15 percent in the fourth quarter of 2019 and reached 33,164.4 million TRY. M2 increased by 23.53 percent in one-year period.

M3 money supply classified as broad money, which is estimated by adding official deposits and other deposits within Central Bank of the TRNC to the M2, increased by 7.96 percent in the fourth quarter of 2019 compared to the previous quarter and rose from 33,243.7 million TRY to 35,890.4 million TRY. The increase rate of M3 is 24.32 percent, compared to the same period of the previous year.

Table 5.17: Money Supply (Million TRY)

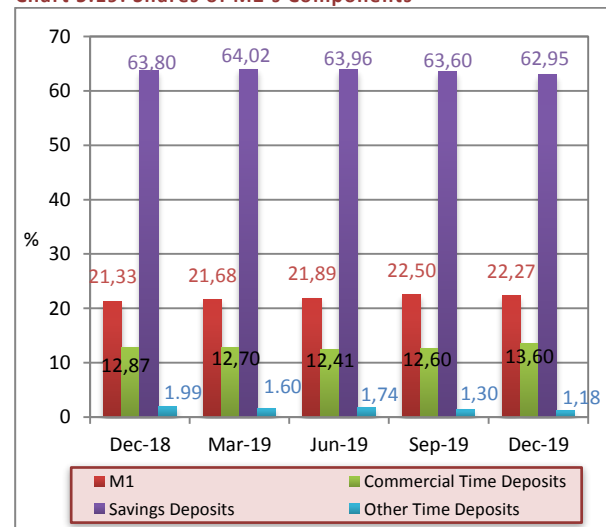
Years	Period	M1	Annual Percentage Change	M2	Annual Percentage Change	M3	Annual Percentage Change
2015	IV	2.841,2	28,50	14.215,8	19,66	15.109,8	19,35
2016	I	2.797,9	19,64	14.340,3	14,99	15.181,6	14,59
	II	2.976,9	17,54	14.620,3	10,66	15.593,1	10,93
	III	3.158,0	11,59	15.285,2	7,04	16.319,0	8,02
	IV	3.544,1	24,74	16.946,4	19,21	17.996,6	19,10
2017	I	3.754,8	34,20	18.019,6	25,66	19.209,2	26,53
	II	3.906,7	31,23	18.670,5	27,70	20.066,2	28,69
	III	4.126,2	30,66	19.847,4	29,85	21.240,3	30,16
	IV	4.403,3	24,24	21.181,5	24,99	22.789,8	26,63
2018	I	4.826,2	28,53	22.844,7	26,78	24.492,6	27,50
	II	5.342,4	36,75	24.489,5	31,17	26.341,2	31,27
	III	6.244,7	51,34	28.565,7	43,93	30.698,9	44,53
	IV	5.726,7	30,05	26.846,9	26,75	28.868,4	26,67
2019	I	6.297,8	30,49	29.051,7	27,17	31.226,9	27,50
	II	6.581,7	23,20	30.066,1	22,77	32.390,9	22,97
	III	6.775,1	8,49	30.109,1	5,40	33.243,7	8,29
	IV	7.386,0	28,97	33.164,4	23,53	35.890,4	24,32

Source: Central Bank of TRNC

As in previous periods, the largest share in M2 is 62.95 percent with the savings deposits as of December 2019. This is followed by M1 with a share of 22.27 percent, commercial time deposits with 13.6 percent and other time deposits with a ratio of 1.18 percent.

Savings time deposits, which constitutes the largest share of the structure of M2, decreased by 0.85 points to reach from 64.3 to 63.8 percent in December 2018 - December 2019 period. In the mentioned period, M1, one of the other subcomponents of M2, increased from 21.33 percent to 22.27 percent and commercial time deposits from 12.87 percent to 13.6 percent, while other time deposits decreased from 1.99 to 1.18 percent.

Chart 5.19: Shares of M2's Components



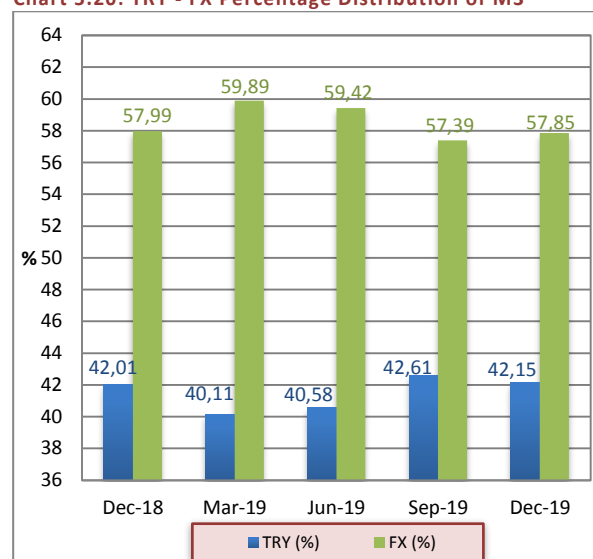
Source: Central Bank of TRNC

Analysing the TRY-FX percentage distribution of M3 as of December 2019, it is observed that the share of TRY deposits in M3 is 42.15 percent and the share of FX deposits is 57.85 percent. At the end of December 2018, these shares were 42.01 percent in the TRY and 57.99 percent in the FX.

5.4 OVERVIEW OF INTERBANK MONEY MARKET

As of the fourth quarter of 2019, there have been 855 transactions in TRY, 600 transactions in USD, 162 transactions in EUR and 580 transactions in GBP currency. In this period, transactions of 59,581 million TRY in Turkish Lira currency, 2,334 million USD in US Dollar currency, 9,307 million EUR in Euro currency and 6,981 million GBP in Pound Sterling currency were made.

Chart 5.20: TRY - FX Percentage Distribution of M3



Source: Central Bank of TRNC

Table 5.18: Transaction Volume (x 1.000) and Amount

	TRY		\$		€		£	
	Number	Volume	Number	Volume	Number	Volume	Number	Volume
2018 - Q4	820	31.094.550	384	598.325	163	7.398.150	566	5.544.400
2019 - Q1	790	39.379.400	501	1.349.475	169	7.913.600	651	5.802.500
2019 - Q2	768	32.806.100	583	1.673.450	145	7.187.500	497	4.937.575
2019 - Q3	878	49.312.550	518	1.367.725	215	8.981.250	567	6.124.550
2019 - Q4	855	59.581.150	600	2.333.775	162	9.307.000	580	6.981.350

Source: Central Bank of TRNC

Looking at the volume distributions of overnight transactions made in the fourth quarter of 2019, it is observed that the shares are 99.97 percent in TRY, 99.98 percent in USD, 99.95 in EUR and 99.81 percent in GBP. It is examined that 1-week transactions are

made in TRY currency with a rate of 0.1 per mille, while 2-week transactions are made in USD currency with a rate of 0.2 per mille. 1-month transactions have a rate of 0.2 per mille in TRY, 0.5 per mille in EUR and 1.9 per mille in GBP.

Table 5.19: Transaction Volume (x 1.000)

	TRY		\$		€		£	
	Volume	Share (%)	Volume	Share (%)	Volume	Share (%)	Volume	Share (%)
2018 Q4	31.094.550		598.325		7.398.150		5.544.400	
ON	29.705.550	95,53	586.575	98,04	7.397.150	99,99	5.523.800	99,63
1W	1.369.000	4,40	4.100	0,68				
2W			1.800	0,30				
3W			1.500	0,25				
1M	20.000	0,07	4.350	0,73	1.000	0,01	20.600	0,37
2019 Q1	39.379.400		1.349.475		7.913.600		5.802.500	
ON	38.995.250	99,02	1.348.575	99,93	7.913.600	100,00	5.766.650	99,38
1W	355.400	0,90					500	0,01
2W							500	0,01
3W							150	0,00
1M	27.500	0,07	900	0,07			34.700	0,60
3M	1.250	0,01						
2019 Q2	32.806.100		1.673.450		7.187.500		4.937.575	
ON	32.366.300	98,66	1.673.450	100,00	7.184.550	99,96	4.906.075	99,36
1W	409.000	1,25			500	0,01	500	0,01
2W	5.000	0,02			400	0,01		
3W					400	0,01	500	0,01
1M	24.300	0,07			1.650	0,02	30.500	0,62
3M	1.500							
2019 Q3	49.312.550		1.367.725		8.981.250		6.124.550	
ON	49.093.550	99,56	1.367.225	99,96	8.979.850	99,98	6.111.550	99,79
1W	175.000	0,35						
1M	44.000	0,09	500	0,04	1.400	0,02	13.000	0,21
2019 Q4	59.581.150		2.333.775		9.307.000		6.981.350	
ON	59.562.650	99,97	2.333.375	99,98	9.302.000	99,95	6.968.400	99,81
1W	7.500	0,01						
2W			300	0,02				
3W								
1M	11.000	0,02			5.000	0,05	12.950	0,19
3M			100					

Source: Central Bank of TRNC

Note: ON: Overnight

W: Weekly

M: Monthly

Average interest rates for overnight transactions made in the fourth quarter of 2019 were 9.25 percent in TRY, 1.22 percent in USD, 0.16 percent in EUR, and 0.37 percent in GBP. Interest rates of weekly transactions have been 8.88 percent in TRY. Average interest rates

of 1-month transactions have been 10.42 percent in TRY, 0.45 percent in EUR and 0.67 percent in GBP. The average interest rate for 3-month transactions is 4 percent in USD.

Table 5.20: Average Interest Rates (%)

	2018		2019			
	Q4	Q1	Q2	Q3	Q4	
TRY	ON	18,25	18,12	17,80	14,76	9,25
	1W	19,75	19,74	19,71	16,97	8,88
	2W			19,00		
	1M	22,14	19,98	20,64	18,50	10,42
	3M		21,00	22,50		
\$	ON	1,25	1,25	1,25	1,25	1,22
	1W	3,25				
	2W	3,33				1,50
	3W	3,67				
	1M	3,75	3,67		1,50	
€	ON	0,5	0,50	0,50	0,32	0,16
	1W			1,50		
	2W			1,75		
	3W			2,00		
	1M	2,38		2,00	0,70	0,45
£	ON	0,75	0,74	0,65	0,53	0,37
	1W		2,00	2,00		
	2W		2,25			
	3W		2,75	1,00		
	1M	2,95	3,26	3,00	1,40	0,67

Source: Central Bank of TRNC

Note: ON: Overnight

W: Weekly

M: Monthly

5.5 CREDIT CARDS MAXIMUM INTEREST RATES

“Law on Bank Cards and Credit Cards” No. 58/2014, which was enacted and published in the Official Gazette dated November 20, 2014, delegated the duty and authority of determining the monthly maximum contractual and default interest rates to be applied in credit card transactions to Central Bank of the TRNC.

Central Bank of the TRNC issued monthly maximum contractual and default interest rates of credit cards in this framework for the first time on January 2, 2015.

The information regarding the monthly maximum contractual and default interest rates of credit cards determined and published by Central Bank of the TRNC is presented in the table below.

Table 5.21: Credit Cards Maximum Interest Rates (%)

Effective Date	TRY		FX	
	Monthly Max. Contract	Monthly Max. Overdue Interest	Monthly Max. Contract	Monthly Max. Overdue Interest
01/07/2016 (OG 85)	2,14	2,64	1,26	1,76
01/10/2016 (OG 123)	2,12	2,62	1,24	1,74
02/01/2017 (OG 2)	2,06	2,56	1,23	1,73
03/04/2017 (OG 61)	2,00	2,50	1,21	1,71
03/07/2017 (OG 113)	1,97	2,47	1,20	1,70
02/10/2017 (OG 161)	2,00	2,50	1,18	1,68
02/01/2018 (OG 1)	2,06	2,56	1,17	1,67
02/04/2018 (OG 303)	2,16	2,66	1,16	1,66
02/07/2018 (OG 102)	2,26	2,76	1,15	1,65
01/10/2018 (OG 143)	2,54	3,04	1,18	1,68
02/01/2019 (OG 1)	3,40	3,90	1,18	1,68
01/04/2019 (OG 45)	3,22	3,72	1,18	1,68
01/07/2019 (OG 90)	3,18	3,68	1,20	1,70
01/10/2019 (OG 714)	2,98	3,48	1,21	1,71
02/01/2020 (OG 1)	2,35	2,85	1,21	1,71

Source: Central Bank of TRNC

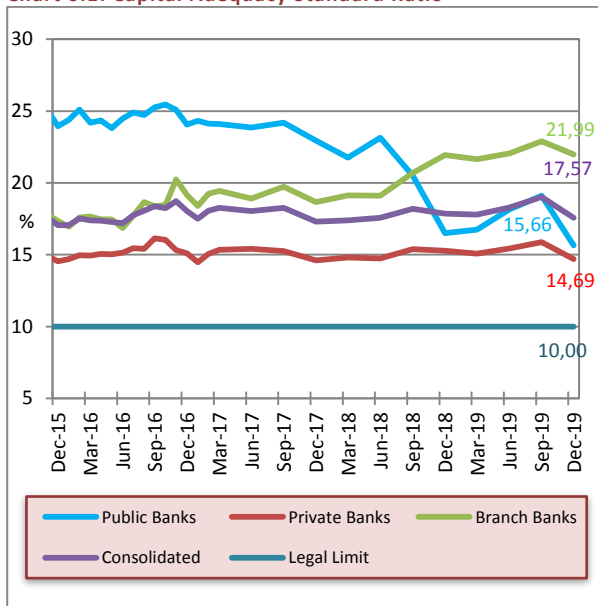
6 FINANCIAL STABILITY ANALYSIS

6.1 CAPITAL ADEQUACY

In the last quarter of 2019, the sector’s capital adequacy standard ratio decreased by 1.45 points compared to the previous quarter and reached 17.57 percent, well above the legal limit of 10 percent.

As of December 2019, CASR based on bank groups has been 15.66 percent in public banks, 15.66 percent in private banks and 21.99 percent in branch banks. As of September 2019, these ratios were 19.11, 15.88 and 22.89 percent, respectively. Compared to the same period of the previous year, CASR increased by 0.83 points in public banks, and increased by 0.59 points in private banks and by 0.06 points in branch banks

Chart 6.1: Capital Adequacy Standard Ratio



Source: Central Bank of TRNC

Comparing the risk-weighted assets of the sector to the previous quarter at the end of December 2019, assets with 0 percent risk weight increased by 2.28 percent, assets with 20 percent risk weight increased by 16.68 percent, assets with 50 percent risk weight by 9.48 percent and those with 100 percent risk weight increased by 8.44 percent. In the period concerned, market risk and operational risk total increased by 692.1 million TRY and reached 4,528.1 million TRY, compared to the previous period. Market risk and operational risk total of the sector increased by 866.8 million TRY in one-year period (December 2018 - December 2019).

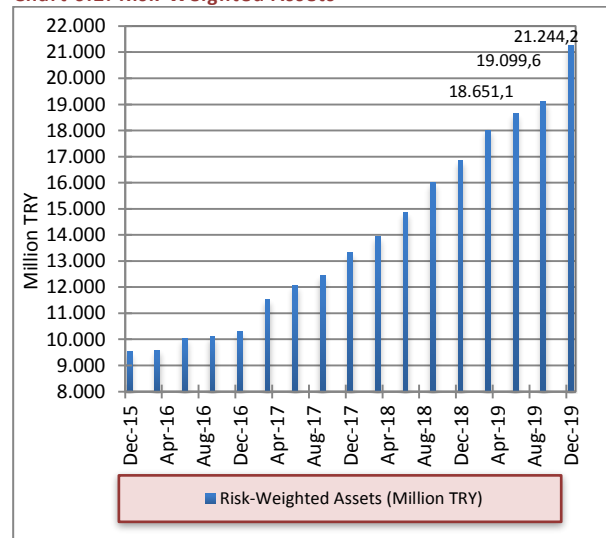
Table 6.1: Risk-Weighted Assets

	Dec. 2018	Mar. 2019	Jun. 2019	Sept. 2019	Dec. 2019	Percentage Change (09/19-12/19)
0 %	11.915,1	12.583,9	13.739,1	14.534,4	14.865,8	2,28
20 %	5.988,4	6.550,9	7.004,8	7.340,8	8.565,5	16,68
50 %	7.275,3	7.745,2	8.309,2	8.291,1	9.076,9	9,48
100 %	8.357,1	9.105,1	9.316	9.649,9	10.464,6	8,44
Market Risk + Operational Risk	3.661,3	3.728,6	3.779,6	3.836	4.528,1	18,04

Source: Central Bank of TRNC

In the fourth quarter of 2019, risk-weighted assets increased by 11.23 percent, compared to the previous quarter. Weighted sum of risk-weighted assets, which amounted to 19,099.6 million TRY as of September 2019, increased by 2,144.6 million TRY at the end of December 2019 and reached 21,244.2 million TRY. Risk-weighted assets of the sector increased by 26.05 percent in December 2018 - December 2019 period.

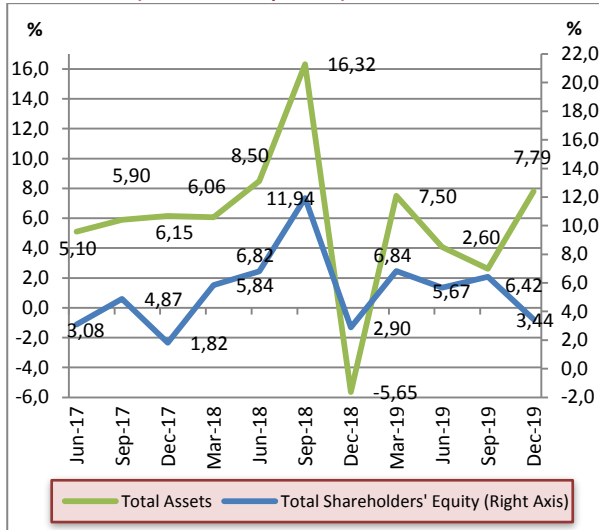
Chart 6.2: Risk-Weighted Assets



Source: Central Bank of TRNC

As of the end of December 2019, total assets increased by 7.79 percent and total shareholders' equity increased by 3.44 percent, compared to September 2019. Total assets and shareholders' equity increased by 23.73 percent and 24.28 percent, respectively, compared to the same period of the previous year.

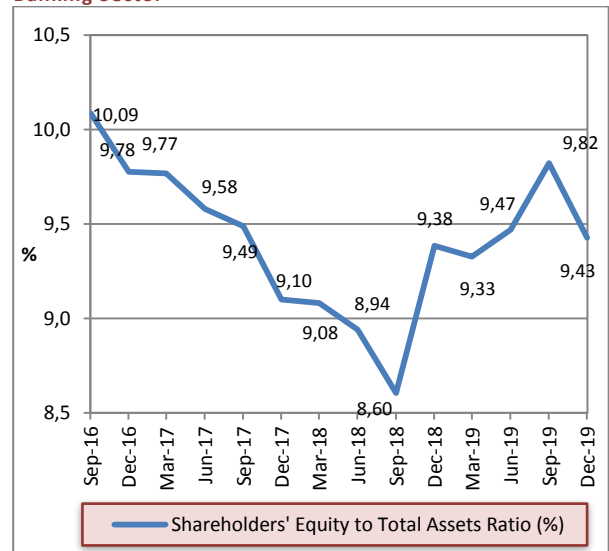
Chart 6.3: Increase Rates in Total Shareholders' Equity and Total Assets (Quarter-on-quarter)



Source: Central Bank of TRNC

The ratio of total shareholders' equity to total assets in the banking sector declined in the first quarter, increased in the second and third quarters, then decreased to reach 9.43 percent in the last quarter 2019.

Chart 6.4: Shareholders' Equity to Total Assets Ratio of Banking Sector

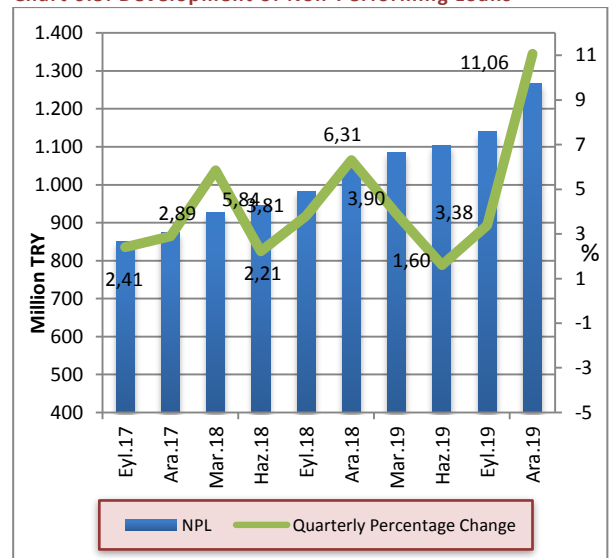


Source: Central Bank of TRNC

6.2 NON-PERFORMING LOANS

Sector's non-performing loans, amounting to 1,140 million TRY as of the end of September 2019, increased by 11.06 percent and reached 1.266,1 million TRY as of the end of December 2019. Non-performing loans increased by 21.2 percent, compared to the same period of the previous year.

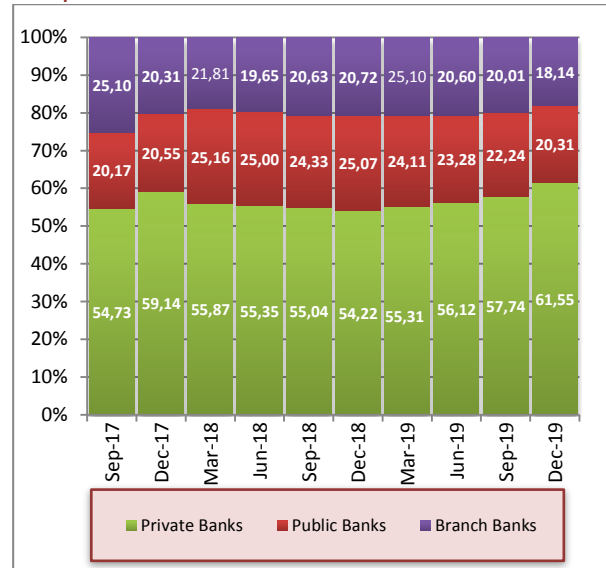
Chart 6.5: Development of Non-Performing Loans



Source: Central Bank of TRNC

As of the end of the fourth quarter of 2019, it is observed that the share of private banks in total NPL increased, while the share of public banks and branch banks decreased, compared to the previous quarter. Accordingly, in September 2019 - December 2019 period, the share of private banks in total NPL increased from 57.74 percent to 61.56 percent, while the share of branch banks in total NPL decreased from 20.1 percent to 18.14 percent and the share of public banks from 22.24 percent to 20.31 percent. In December 2018 - December 2019 period, the share of private banks in total NPL increased from 54.22 percent to 61.56 percent. In the same period, the share of public banks decreased from 25.07 percent to 20.31 percent, and the share of branch banks from 20.72 percent to 18.14 percent.

Chart 6.6: Distribution of Non-Performing Loans by Bank Groups



Source: Central Bank of TRNC

In the fourth quarter of 2019, total assets amounts to 40,804.9 million TRY, total gross loans to 22,573.4 million TRY, non-performing loans to 1,266.1 million TRY and provisions for non-performing loans amounts 767.3 million TRY. Analysed by bank groups, as of December 2019, total assets in public banks are 9,497.2 million TRY, total gross loans are 5,780.9 million TRY, non-performing loans are 257.1 million TRY and provisions for non-performing loans are 220.2 million TRY.

In the private banks, total assets amounts to 19,003.1 million TRY, total gross loans to 10,941.3 million TRY, non-performing loans to 779.3 million TRY and provisions for non-performing loans to 366.2 million TRY. Branch banks have total assets of 12,304.6 million TRY, total gross loans of 5,851.2 million TRY, non-performing loans of 229.7 million TRY and provisions for non-performing loans of 180.9 million TRY.

Table 6.2: Development of Various Selected Items by Bank Groups (Million TRY)

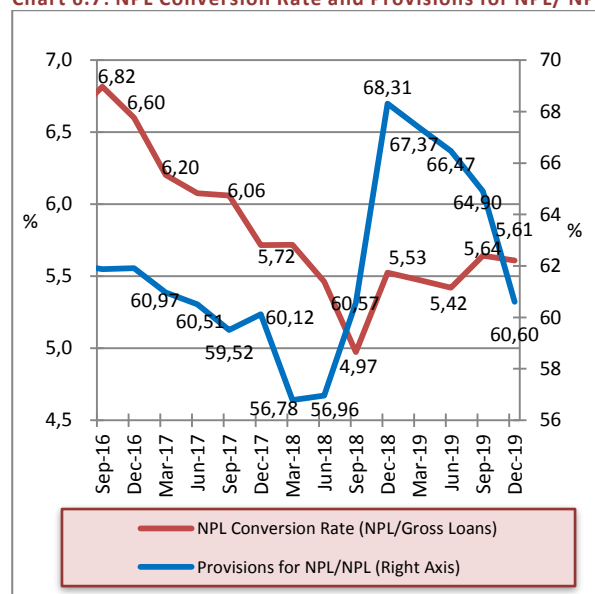
	Total Assets			Total Gross Loans			NPL			Provisions for NPL		
	Jun. 19	Sept. 19	Dec. 19	Jun. 19	Sept. 19	Dec. 19	Jun. 19	Sept. 19	Dec. 19	Jun. 19	Sept. 19	Dec. 19
Public Banks	8.742,3	8.904,6	9.497,2	5.033,2	4.929,4	5.780,9	256,7	253,6	257,1	224,2	221,9	220,2
Private Banks	16.903	17.176,5	19.003,1	10.099,7	9.934,7	10.941,3	618,8	658,3	779,3	328,2	337,7	366,2
Branch Banks	11.249,1	11.774,3	12.304,6	5.214,4	5.336,2	5.851,2	227,2	228,1	229,7	180,6	180,3	180,9
Total	36.894,5	37.855,4	40.804,9	20.347,3	20.200,3	22.573,4	1.102,7	1.140	1.266,1	733	739,9	767,3

Source: Central Bank of TRNC

NPL conversion rate, which was 6.82 percent as of September 2016, started to fall as of this period and declined to 4.97 percent by September 2018. Rising again in December 2018 and March 2019, NPL conversion rate decreased by 0.05 points to 5.42 percent at the end of June 2019 and then climbed to 5.64 at the end of September. At the end of December, it has fallen to 5.61 percent. This rate has experienced an increase of 0.08 points during the one-year period (December 2018 - December 2019).

While the ratio of provisions for NPL to total NPL had been 64.9 percent by the end of September 2019, it decreased by 4.30 points to 60.6 percent in December 2019. During December 2018 - December 2019, the ratio of provisions for NPL to total NPL decreased from 68.31 percent to 60.60 percent.

Chart 6.7: NPL Conversion Rate and Provisions for NPL/ NPL



Source: Central Bank of TRNC

6.3 RETURN ON ASSETS AND RETURN ON EQUITY

Sector's return on assets, which was 2.39 percent at the end of September 2019, decreased to 2.32 percent in the fourth quarter of 2019, return on equity, which was 25.1 percent, decreased to 24.19 percent and net interest margin decreased from 4.03 percent to 3.74 percent. In the period of December 2018 - December 2019, return on assets of the sector increased from 2.23 percent to 2.32 percent, while return on equity decreased from 24.96 to 24.19 percent and net interest margin from 3.82 to 3.74 percent.

Table 6.3: Return on Assets and Return on Equity and Net Interest Income Ratios (%)

Description	2018		2019		
	Dec.	Mar.	Jun.	Sept.	Dec.
Return on Assets ¹	2,23	2,46	2,58	2,39	2,32
Return on Equity ²	24,96	27,12	28,18	25,1	24,19
Net Interest Margin ³	3,82	4,02	4,15	4,03	3,74

Source: Central Bank of TRNC

Note: 1. Return on Assets: Net Profit / Total Assets

2. Return on Equity: Net Profit / Total Shareholders' Equity

3. (Net Interest Margin + Provisions for NPL) / Total Assets

- Net Profit: 12-month cumulative total
- Total Assets: 12-month total
- Total Shareholders' Equity: 12-month total
- Net Interest Margin + Provisions for NPL: 12-month cumulative total

ANNEX A. ECONOMIC DECISIONS

Table A.1: Economic Decisions - Central Bank of the TRNC

Subject	Notifications, Notices and Board of Directors Decisions Published in the Official Gazette		Official Gazette	
	Date	Number	Date	Number
Notification on Independent Audit Firms (Amendment)	29.08.2019	1050	17.10.2019	147
Turkish Lira Deposits and Reserve Requirements Interest Rate Change	25.10.2019	1059	28.10.2019	153
Turkish Lira Rediscount and Advance Annual Interest Rate Change	25.10.2019	1060	28.10.2019	153
Turkish Lira and Foreign Currency Deposits and Reserve Requirements Interest Rate Change	13.12.2019	1069	16.12.2019	178
Turkish Lira Rediscount and Advance Annual Interest Rate Change	13.12.2019	1070	16.12.2019	178
Turkish Lira and Foreign Currency Reserve Requirements Interest Rate Change	27.12.2019	1072	02.01.2020	1
Central Bank of the TRNC - Determining the Monthly Maximum Contractual and Default Interest Rates to be Applied on Credit Cards			02.01.2020	1
Turkish Lira and Foreign Currency Deposits Interest Rate Change, Rediscount and Advances Annual Interest Rate Change	17.01.2020	1076	20.01.2020	12

Table A.2: Economic Decisions - Legal Regulations

Subject	Law/Draft Law/Proposed Law		Official Gazette	
	Date	Number	Date	Number
Draft Laws				
Draft Law on Refunds of Retail Goods and Services Purchase Payments by Credit Cards (Amendment)	01.10.2019	115/2/2019	01.10.2019	137
Draft Law on Consumer Protection (Amendment)	24.12.2019	32/3/2019	24.12.2019	182
Proposed Law				
Proposed Law for Regulating the Rules to be Applied in Debt Relations in the Turkish Republic of Northern Cyprus	06.01.2020	27/3/2019	06.01.2020	3

ANNEX B. STATISTICAL DATA

Table B.1: Central Bank of the TRNC Selected Balance Items (TRY)

Date	Liquid Assets	Loans	Other Assets	Total Assets	Shareholders' Equity	Deposits	Reserve Requirements	Other Liabilities	Total Liabilities
31 Mar. 2015	3.739.517.315	115.254.133	2.248.301	3.857.019.749	276.152.356	1.408.442.288	1.006.554.132	1.165.870.973	3.857.019.749
30 Jun. 2015	4.297.312.709	132.031.767	18.942.188	4.448.286.664	276.996.548	1.482.713.730	1.062.691.010	1.625.885.376	4.448.286.664
30 Sept. 2015	4.883.071.770	133.138.667	2.280.396	5.018.490.833	278.408.386	1.554.299.105	1.159.694.120	2.026.089.222	5.018.490.833
31 Dec. 2015	4.820.323.929	184.465.057	20.635.529	5.025.424.515	400.156.276	1.597.089.925	1.143.470.037	1.884.708.277	5.025.424.515
31 Mar. 2016	4.759.331.238	177.928.840	2.511.781	4.939.771.859	317.637.476	1.368.093.189	1.158.875.053	2.095.166.141	4.939.771.859
30 Jun. 2016	4.743.182.458	213.175.830	2.640.121	4.958.998.409	318.658.983	1.476.230.465	1.172.163.993	1.991.944.968	4.958.998.409
30 Sept. 2016	5.466.386.701	186.416.180	2.729.886	5.655.532.767	319.829.286	1.706.384.976	1.233.282.326	2.396.036.179	5.655.532.767
31 Dec. 2016	6.362.944.796	67.051.670	22.187.719	6.452.184.185	465.169.093	2.083.019.935	1.359.700.420	2.544.294.737	6.452.184.185
31 Mar. 2017	6.764.573.400	101.158.224	3.401.183	6.869.132.807	365.686.916	2.121.997.651	1.448.684.018	2.932.764.222	6.869.132.807
30 Jun. 2017	6.981.906.564	134.992.949	2.841.955	7.119.741.468	367.060.935	2.317.720.970	1.512.813.049	2.922.146.514	7.119.741.468
30 Sept. 2017	7.630.043.970	191.469.924	2.907.269	7.824.421.163	368.577.947	2.505.097.829	1.615.196.100	3.335.549.287	7.824.421.163
31 Dec. 2017	8.118.080.496	114.227.729	3.260.499	8.235.568.724	384.891.701	2.681.914.710	1.729.000.717	3.574.231.898	8.370.039.032
31 Mar. 2018	8.545.422.968	219.540.337	4.339.065	8.769.302.370	436.642.697	2.870.588.126	1.851.557.638	3.610.513.909	8.769.302.370
30 Jun. 2018	9.341.542.297	155.660.857	2.673.006	9.499.876.160	439.621.419	3.105.622.819	1.993.912.015	3.960.719.907	9.499.876.160
30 Sept. 2018	11.073.132.669	172.557.057	2.684.160	11.248.373.886	445.771.689	3.717.146.751	2.052.867.163	5.032.588.283	11.248.373.886
31 Dec. 2018	10.499.595.834	61.335.607	294.637.228	10.855.568.669	480.942.598	3.917.979.147	1.885.311.620	4.571.335.304	10.855.568.669
31 Mar. 2019	10.833.216.002	188.417.441	12.142.380	11.033.775.823	565.586.996	4.040.009.260	2.011.711.161	4.416.468.406	11.033.775.823
30 Jun. 2019	11.423.695.382	198.753.741	4.705.193	11.627.154.316	569.937.350	4.264.704.130	2.101.571.020	4.690.941.816	11.627.154.316
30 Sept. 2019	12.024.932.318	188.602.841	99.806.315	12.313.341.474	574.939.219	4.069.005.293	2.134.892.647	5.534.504.315	12.313.341.474
27 Dec. 2019	12.617.404.890	180.103.991	416.823.901	13.214.332.782	579.827.556	4.304.647.090	2.336.325.704	5.993.532.432	13.214.332.782

Source: Central Bank of TRNC

Note: Debts to banks item is included in the total deposits.

Table B.2: Central Bank of the TRNC Liquid Assets (TRY)

Date	Cash Assets	Gold Deposit	Bank Deposits (TRY)	Bank Deposits (FX)	Foreign Banks	Securities Portfolio	Total
31 Mar. 2015	93.270.862	2.341.331	1.456.217.149	1.979.335.666	48.438.307	159.914.000	3.739.517.315
30 Jun. 2015	82.385.984	2.341.331	1.467.167.127	2.411.582.643	113.843.324	219.992.300	4.297.312.709
30 Sept. 2015	140.974.336	2.341.331	1.467.337.337	2.899.368.703	114.480.913	258.569.150	4.883.071.770
31 Dec. 2015	87.625.194	2.611.239	1.402.006.529	2.945.775.755	55.692.162	326.613.050	4.820.323.929
31 Mar. 2016	117.668.364	2.611.239	1.499.576.679	2.952.607.384	77.638.972	109.228.600	4.759.331.238
30 Jun. 2016	90.757.864	2.611.239	1.614.592.023	2.855.674.301	33.822.031	145.725.000	4.743.182.458
30 Sept. 2016	238.570.625	2.611.239	2.029.877.829	3.097.871.008	0	97.456.000	5.466.386.701
31 Dec. 2016	216.724.660	3.440.019	2.260.530.677	3.687.779.940	0	194.469.500	6.362.944.796
31 Mar. 2017	165.588.687	3.440.019	2.101.326.259	4.030.683.635	0	463.534.800	6.869.132.807
30 Jun. 2017	171.906.834	3.440.019	1.823.606.608	4.299.854.053	0	683.099.050	6.981.906.564
30 Sept. 2017	275.459.595	3.440.019	1.842.387.496	4.739.760.510	0	768.996.350	7.630.043.970
31 Dec. 2017	257.360.230	3.997.999	1.728.967.292	5.187.178.813	0	903.656.300	8.081.160.634
31 Mar. 2018	382.362.841	3.997.999	1.705.665.243	5.630.492.210	0	822.904.675	8.545.422.968
30 Jun. 2018	281.516.845	3.997.999	1.845.209.663	6.467.950.290	0	742.867.500	9.341.542.297
30 Sept. 2018	701.495.845	3.997.999	2.827.946.391	7.539.692.434	0	0	11.073.132.669
31 Dec. 2018	596.636.956	5.503.526	2.886.583.754	6.838.280.699	0	172.590.899	10.499.595.834
31 Mar. 2019	703.356.751	5.503.326	2.788.997.426	7.087.363.508	0	247.266.991	10.833.216.002
30 Jun. 2019	684.254.253	5.503.526	2.956.877.407	7.386.165.087	0	390.163.969	11.423.695.382
30 Sept. 2019	695.057.549	5.503.526	3.258.721.464	7.319.698.436	0	655.718.310	12.024.932.318
27 Dec. 2019	913.176.744	5.503.526	3.525.552.552	7.465.806.781	0	707.365.287	12.617.404.890

Source: Central Bank of TRNC

Table B.3: Loans Extended to the Banking Sector by Central Bank of the TRNC (TRY)

Date	Agriculture	Trading	Industry	Exports	Small Business Owners	Tourism	Education	Total
31 Mar. 2015							4.466.517	4.466.517
30 Jun. 2015							4.642.279	4.642.279
30 Sept. 2015							5.311.384	5.311.384
31 Dec. 2015								-
31 Mar. 2016								-
30 Jun. 2016							4.083.448	4.083.448
30 Sept. 2016							4.270.101	4.270.101
31 Dec. 2016							5.065.643	5.065.643
31 Mar. 2017								-
30 Jun. 2017							4.943.377	4.943.377
30 Sept. 2017							5.415.736	5.415.736
31 Dec. 2017							5.807.899	5.807.899
31 Mar. 2018							5.789.550	5.789.550
30 Jun. 2018							6.912.450	6.912.450
30 Sept. 2018							9.112.800	9.112.800
31 Dec. 2018							7.933.350	7.933.350
31 Mar. 2019							8.313.450	8.313.450
30 Jun. 2019							8.649.750	8.649.750
30 Sept. 2019							8.498.850	8.498.850
27 Dec. 2019								-

Source: Central Bank of TRNC

Note: Interest revenue rediscounts are included in the figures.

Table B.4: Deposits in Central Bank of the TRNC (TRY)

Date	Public Deposits		Banks				Other		Total
			A-Deposits		B-Reserve Requirements				
	TRY	FX	TRY	FX	TRY	FX	TRY	FX	
31 Mar. 2016	6.022.339	9.748.736	300.772.726	1.024.849.739	596.821.843	562.053.210	529.628	26.170.021	2.526.968.242
30 Jun. 2016	78.931.631	12.662.410	294.047.768	975.886.690	606.507.229	565.656.764	479.769	114.222.197	2.648.394.458
30 Sept. 2016	51.544.433	68.733.216	389.781.881	1.098.732.181	622.344.234	610.938.092	527.417	97.065.848	2.939.667.302
31 Dec. 2016	29.069.115	35.483.804	459.264.539	1.442.174.000	652.163.031	707.537.389	794.582	116.233.895	3.442.720.355
31 Mar. 2017	58.041.406	24.242.055	461.185.477	1.467.785.063	691.268.617	757.415.401	624.885	110.118.765	3.570.681.669
30 Jun. 2017	78.704.320	22.436.407	374.581.174	1.734.713.467	710.390.248	802.422.801	573.332	106.712.270	3.830.534.019
30 Sept. 2017	15.915.165	32.448.413	425.277.954	1.918.976.979	734.899.763	880.296.337	760.406	111.718.912	4.120.293.929
31 Dec. 2017	42.219.684	73.593.138	490.652.950	1.955.533.333	781.455.275	947.545.441	1.072.860	118.842.745	4.410.915.426
31 Mar. 2018	76.501.751	66.921.045	471.340.988	2.111.203.615	804.457.502	1.047.100.136	1.011.021	143.609.706	4.722.145.764
30 Jun. 2018	91.040.695	30.311.907	417.186.670	2.414.035.090	768.010.729	1.225.901.286	985.662	152.062.795	5.099.534.834
30 Sept. 2018	62.415.658	80.786.260	405.694.465	3.028.839.065	704.301.812	1.348.565.351	843.643	138.567.660	5.770.013.914
31 Dec. 2018	51.246.900	52.306.160	706.945.906	2.976.986.010	707.399.584	1.177.912.036	1.128.634	129.365.537	5.803.290.767
31 Mar. 2019	21.273.436	50.459.675	494.142.152	3.283.867.588	730.743.668	1.280.967.493	902.785	189.363.624	6.051.720.421
30 Jun. 2019	19.926.492	44.079.068	379.912.114	3.621.457.724	748.007.362	1.353.563.658	905.629	198.423.103	6.366.275.150
30 Sept. 2019	355.937.954	80.590.555	352.615.354	3.112.598.004	789.935.711	1.344.956.93	1.011.763	166.251.663	4.859.036.242
27 Dec. 2019	146.216.629	95.923.074	490.828.698	3.416.244.141	853.421.489	1.482.904.215	1.239.243	154.195.305	6.640.972.794

Source: Central Bank of TRNC

Table B.5: Central Bank of the TRNC Exchange Rates (End of Month)

Years	Months	USD		EURO		GBP	
		Buying	Selling	Buying	Selling	Buying	Selling
2012		1,7826	1,7912	2,3517	2,3630	2,8708	2,8858
2013		2,1343	2,1381	2,9365	2,9418	3,5114	3,5297
2014		2,3189	2,3230	2,8207	2,8258	3,5961	3,6149
2015		2,9076	2,9128	3,1776	3,1833	4,3007	4,3231
2016		3,5192	3,5255	3,7099	3,7166	4,3189	4,3414
2017		3,7719	3,7787	4,5155	4,5237	5,0803	5,1068
2018		5,2609	5,2704	6,0280	6,0388	6,6528	6,6875
2019	1	5,2781	5,2876	6,0339	6,0447	6,9005	6,9364
	2	5,2905	5,3000	6,0257	6,0366	7,0133	7,0499
	3	5,6284	5,6386	6,3188	6,3302	7,3354	7,3736
	4	5,9282	5,9389	6,6151	6,6270	7,6541	7,6940
	5	5,9235	5,9342	6,5966	6,6084	7,4686	7,5076
	6	5,7551	5,7654	6,5507	6,5625	7,2855	7,3235
	7	5,5709	5,5810	6,2088	6,2199	6,7681	6,8033
	8	5,8140	5,8245	6,4407	6,4523	7,0805	7,1174
	9	5,6591	5,6693	6,1836	6,1947	6,9487	6,9849
	10	5,7363	5,7466	6,3772	6,3887	7,3803	7,4188
	11	5,7403	5,7507	6,3175	6,3289	7,3943	7,4328
	12	5,9402	5,9509	6,6506	6,6625	7,7765	7,8171

Source: Central Bank of TRNC

Table B.6: Cross Rates

Years	Months	Foreign Currency / USD	
		£	€
2012		1,6111	1,3192
2013		1,6480	1,3759
2014		1,5535	1,2164
2015		1,4817	1,0929
2016		1,2293	1,0542
2017		1,3492	1,1972
2018		1,2667	1,1458
2019	1	1,3096	1,1432
	2	1,3279	1,1390
	3	1,3055	1,227
	4	1,2933	1,1159
	5	1,2630	1,1136
	6	1,2681	1,1383
	7	1,2170	1,1145
	8	1,2199	1,1078
	9	1,2300	1,0927
	10	1,2888	1,1117
	11	1,2903	1,1006
	12	1,3114	1,1196

Source: Central Bank of TRNC

Table B.7: Interest Rates Applied to Turkish Lira and Foreign Currency Deposits by Central Bank of the TRNC (%)

Effective Date	Currency				Board Decision		Official Gazette	
	TRY	\$	€	£	Date	Number	Date	Number
	Demand	Demand	Demand	Demand				
19.01.2009	12,60	0,05	1,25	0,75	16.01.2009	691	23.01.2009	18
20.02.2009	11,25	0,05	1,25	0,50	20.02.2009	698	04.03.2009	47
20.03.2009	10,25	0,05	1,25	0,50	20.03.2009	708	27.03.2009	58
17.04.2009	9,50	0,05	1,00	0,50	17.04.2009	712	27.04.2009	78
08.05.2009	9,50	0,05	0,75	0,50	08.05.2009	718	18.05.2009	85
15.05.2009	9,00	0,05	0,75	0,50	15.05.2009	720	28.05.2009	92
17.06.2009	8,50	0,05	0,75	0,50	17.06.2009	725	22.06.2009	107
17.07.2009	8,00	0,05	0,75	0,50	17.07.2009	729	03.08.2009	133
19.08.2009	7,50	0,05	0,75	0,50	19.08.2009	734	03.09.2009	152
18.09.2009	7,00	0,05	0,75	0,50	18.09.2009	738	06.10.2009	170
16.10.2009	6,50	0,05	0,75	0,50	16.10.2009	741	22.10.2009	182
07.12.2009	6,25	0,05	0,75	0,50	04.12.2009	749	15.12.2009	211
17.09.2010	6,00	0,05	0,75	0,50	17.09.2010	786	29.09.2010	167
15.10.2010	5,50	0,05	0,75	0,50	15.10.2010	788	25.10.2010	183
27.12.2010	5,00	0,05	0,75	0,50	24.12.2010	796	31.12.2010	220
01.01.2013	4,00	0,05	0,75	0,50	20.12.2012	835	21.12.2012	212
01.06.2013	3,50	0,05	0,75	0,50	09.05.2013	847	16.05.2013	85
01.09.2013	4,00	0,05	0,75	0,50	22.08.2013	853	29.08.2013	138
03.02.2014	5,00	0,25	0,75	0,50	30.01.2014	869	04.02.2014	26
01.04.2014	7,00	0,25	0,75	0,50	20.03.2014	876	27.03.2014	70
01.03.2015	6,50	0,25	0,25	0,50	10.02.2015	900	17.02.2015	25
03.04.2017	7,00	0,40	0,25	0,50	23.03.2017	947	03.04.2017	61
05.06.2018	11,00	0,40	0,25	0,50	04.06.2018	998	11.06.2018	89
25.06.2018	11,00	0,75	0,25	0,50	21.06.2018	1001	02.07.2018	102
24.09.2018	17,25	1,00	0,25	0,50	20.09.2018	1014	26.09.2018	140
29.07.2019	13,25	1,00	0,125	0,25	26.07.2019	1046	29.07.2019	107
16.09.2019	10,00	1,00	0,125	0,25	12.09.2019	1054	16.09.2019	128
28.10.2019	8,50	1,00	0,125	0,25	25.10.2019	1059	28.10.2019	153
16.12.2019	7,25	0,75	0,05	0,125	13.12.2019	1069	16.12.2019	178
20.01.2020	6,75	0,50	0,05	0,125	17.01.2020	1076	20.01.2020	12

Source: Central Bank of TRNC

Note: Interest rates applied to Turkish Lira and foreign currency deposits are also valid for time deposits.

Table B.8: Interest Rates Applied to Reserve Requirements by Central Bank of the TRNC (%)

Effective Date	Currency				Board Decision		Official Gazette	
	TRY	\$	€	£	Date	Number	Date	Number
01.02.2006	10,00	2,00	1,00	2,00	31.01.2006	577	10.02.2006	27
03.07.2006	12,00	2,00	1,00	2,00	29.06.2006	587	14.07.2006	119
26.10.2007	11,75	2,00	1,00	2,00	26.10.2007	620	06.11.2007	197
22.11.2007	11,25	2,00	1,00	2,00	22.11.2007	622	04.12.2007	214
14.12.2007	10,75	2,00	1,00	2,00	14.12.2007	627	19.12.2007	224
18.01.2008	10,50	1,50	1,00	2,00	18.01.2008	632	24.01.2008	17
05.02.2008	10,50	1,00	1,00	2,00	05.02.2008	636	19.02.2008	32
29.02.2008	10,25	1,00	1,00	2,00	29.02.2008	638	13.03.2008	50
25.03.2008	10,25	0,50	1,00	2,00	25.03.2008	647	03.04.2008	59
22.05.2008	10,75	0,50	1,00	2,00	22.05.2008	653	16.06.2008	113
30.07.2008	11,00	0,50	1,00	2,00	30.07.2008	665	15.08.2008	153
17.10.2008	11,00	0,25	1,00	1,75	16.10.2008	674	22.10.2008	187
14.11.2008	11,00	0,10	1,00	1,25	13.11.2008	675	26.11.2008	207
28.11.2008	10,75	0,10	1,00	1,25	27.11.2008	680	16.12.2008	217
22.12.2008	9,75	0,00	0,75	0,50	19.12.2008	683	25.12.2008	223
19.01.2009	8,00	0,00	0,75	0,25	16.01.2009	692	23.01.2009	18
20.02.2009	6,50	0,00	0,75	0,25	20.02.2009	699	04.03.2009	47
08.05.2009	6,50	0,00	0,50	0,25	08.05.2009	719	18.05.2009	85
17.07.2009	6,00	0,00	0,50	0,25	17.07.2009	730	03.08.2009	133
19.08.2009	5,50	0,00	0,50	0,25	19.08.2009	735	15.09.2009	157
16.10.2009	5,25	0,00	0,50	0,25	16.10.2009	742	22.10.2009	182
07.12.2009	5,00	0,00	0,50	0,25	04.12.2009	750	15.12.2009	211
01.01.2013	4,00	0,00	0,50	0,25	20.12.2012	836	21.12.2012	212
01.06.2013	3,50	0,00	0,50	0,25	09.05.2013	849	16.05.2013	85
01.03.2015	3,50	0,00	0,00	0,00	10.02.2015	899	17.02.2015	25
01.02.2018	5,00	0,20	0,125	0,25	25.01.2018	979	31.01.2018	9
05.06.2018	7,50	0,20	0,125	0,25	04.06.2018	998	11.06.2018	89
25.06.2018	7,50	0,40	0,125	0,25	21.06.2018	1001	02.07.2018	102
15.08.2018	9,00	0,40	0,125	0,25	14.08.2018	1004	31.08.2018	127
24.09.2018	13,00	0,65	0,125	0,25	20.09.2018	1014	26.09.2018	140
29.07.2019	9,00	0,65	0,00	0,125	26.07.2019	1046	29.07.2019	107
16.09.2019	5,75	0,50	0,00	0,125	12.09.2019	1054	16.09.2019	128
28.10.2019	3,25	0,50	0,00	0,125	25.10.2019	1059	28.10.2019	153
16.12.2019	2,50	0,25	0,00	0,05	13.12.2019	1069	16.12.2019	178

Source: Central Bank of TRNC

Table B.9: Rediscount Interest Rates (%)

Effective Date	Currency																
	TRY					\$					€			£			
	Trade	Industry Tourism Agriculture Education	Export	Small Business	Advances Against Foreign Exchange	Trade	Industry Tourism Education	Export	Advances Against Foreign Exchange	Trade	Industry Tourism Education	Export	Advances Against Foreign Exchange	Trade	Industry Tourism Education	Export	Advances Against Foreign Exchange
03.06.05	30	26	24	22	22	10	6	6	6	10	6	6	6	11	7	7	7
01.11.05	26	24	22	20	20	10	6	6	6	10	6	6	6	11	7	7	7
01.06.06	26	24	22	20	20	12	8	8	8	10	6	6	6	11	7	7	7
03.07.06	33	28	26	24	24	12	8	8	8	10	6	6	6	11	7	7	7
21.09.07	30	26	24	22	22	12	8	8	8	10	6	6	6	11	7	7	7
26.10.07	30	26	24	22	22	10,5	6,5	6,5	6,5	10	6	6	6	11	7	7	7
29.02.08	28	24	22	20	20	9	6	6	6	9	6	6	6	11	7	7	7
25.03.08	28	24	22	20	20	9	6	6	6	9	6	6	6	11	7	7	7
29.12.08	22	19	19	18	19	5	5	5	5	5	5	5	5	5	5	5	5
02.03.09	20	17	17	16	16	4	4	4	4	4	4	4	4	4	4	4	4
25.06.09	17	15	15	14	14	4	4	4	4	4	4	4	4	4	4	4	4
27.12.10	14	12	12	11	11	4	4	4	4	4	4	4	4	4	4	4	4
01.01.13	11	8	8	8	8	4	4	4	4	4	4	4	4	4	4	4	4
01.06.13	11	7	7	7	7	4	4	4	4	4	4	4	4	4	4	4	4
05.06.18	17,5	14,5	14,5	13,5	13,5	4	4	4	4	4	4	4	4	4	4	4	4
24.09.18	23,75	20,75	20,75	19,75	19,75	4	4	4	4	4	4	4	4	4	4	4	4
29.07.19	19,50	16,50	16,50	15,50	15,50	4	4	4	4	4	4	4	4	4	4	4	4
16.09.19	16,50	13,50	13,50	12,50	12,50	4	4	4	4	4	4	4	4	4	4	4	4
28.10.19	15,00	12,00	12,00	11,00	11,00	4	4	4	4	4	4	4	4	4	4	4	4
16.12.19	13,00	10,00	10,00	9,00	10,50	4	4	4	4	4	4	4	4	4	4	4	4
20.01.20	12,50	9,50	9,50	8,50	10,00	4	4	4	4	4	4	4	4	4	4	4	4

Source: Central Bank of TRNC

Table B.10: Reserve Requirements Ratios (%)

Effective Date	Turkish Lira and Foreign Currency Liabilities					Precious Metal Liabilities	Board Decision	
	Other Liabilities Excluding Deposits	Deposits with up to 3-month maturity	Deposits with 3 to 6-month maturity	Deposits with 6-month to 1-year maturity	Deposits with over 1-year maturity	General	Date	Number
28.02.2014	8	8	7	6	5	0	30.01.2014	872
15.08.2018	7	7	6	5	4	0	14.08.2018	1005
31.12.2019	7,25	7,25	6,25	5,25	4,25	0	27.12.2019	1072
31.01.2020	7,50	7,50	6,50	5,50	4,50	0	27.12.2019	1072
29.02.2020	7,75	7,75	6,75	5,75	4,75	0	27.12.2019	1072
31.03.2020	8	8	7	6	5	0	27.12.2019	1072

Source: Central Bank of TRNC

Table B.11: Overdraft Cheques

Years	Months	People Restrained from Using Cheque Books (Number of persons)	
		Monthly Total	Cumulative Total
2012			3,842
2013			2,910
2014			3,366
2015			3,699
2016			2,977
2017			2,469
2018			2,374
2019	1	279	279
	2	236	515
	3	297	812
	4	216	1,028
	5	70	1,098
	6	149	1,247
	7	168	1,415
	8	132	1,547
	9	159	1,706
	10	146	1,852
	11	153	2,005
	12	161	2,166

Source: Central Bank of TRNC

Table B.12: Assets / Liabilities Sum of Banking Sector (Million TRY)

Date	Cash and Cash Equivalents	Securities Portfolio	Reserve Requirements	Gross Loans	Provisions for Non-Performing Loans	Other	Total Assets	Deposits	Other	Shareholders' Equity	Total Liabilities
31 Mar. 2016	3.872,0	1.223,0	1.152,5	11.115,4	-485,4	630,1	17.507,6	14.024,1	1.757,3	1.726,2	17.507,6
30 Jun. 2016	3.871,0	1.314,7	1.166,8	11.420,4	-467,5	727,1	18.032,5	14.300,5	1.928,1	1.803,9	18.032,5
30 Sept. 2016	4.360,1	1.408,8	1.229,1	11.521,2	-485,9	839,7	18.873,0	14.969,8	1.999,6	1.903,6	18.873,0
31 Dec. 2016	5.275,8	1.587,8	1.358,4	12.763,1	-521,6	670,7	21.134,2	16.635,2	2.432,8	2.066,2	21.134,2
31 Mar. 2017	5.589,2	1.596,6	1.445,4	13.231,5	-500,4	742,7	22.105,0	17.652,4	2.293,4	2.159,2	22.105,0
30 Jun. 2017	6.103,5	1.601,3	1.511,6	13.666,3	-502,4	851,8	23.232,1	18.494,1	2.512,2	2.225,8	23.232,1
30 Sept. 2017	6.840,0	1.632,6	1.606,9	14.028,2	-506,1	1.001,1	24.602,7	19.672,9	2.595,6	2.334,3	24.602,7
31 Dec. 2017	7.161,7	1.704,7	1.729,3	15.306,2	-526,0	739,3	26.115,3	21.098,1	2.640,4	2.376,8	26.115,3
31 Mar. 2018	7.303,9	1.980,8	1.835,4	16.195,6	-525,9	908,8	27.698,6	22.352,7	2.830,2	2.515,7	27.698,6
30 Jun. 2018	8.021,5	2.140,2	1.983,5	17.330,4	-539,1	1.115,4	30.051,9	24.131,2	3.233,5	2.687,2	30.051,9
30 Sept. 2018	9.661,8	2.611,7	2.019,9	19.752,4	-595,3	1.506	34.956,5	28.163,1	3.785,3	3.008,1	34.956,5
31 Dec. 2018	9.940,9	2.043,4	1.886,4	18.906,1	-713,5	916,9	32.980,2	26.441,8	3.443,3	3.095,1	32.980,2
31 Mar. 2019	10.792,8	2.255,0	2.017,1	19.823,9	-731,1	1.295,1	35.452,8	28.449,2	3.699,9	3.303,7	35.452,8
30 Jun. 2019	11.354,1	2.184,8	2.093,5	20.347,3	-733,0	1.647,8	36.894,5	29.572,1	3.828,3	3.494,1	36.894,5
30 Sept. 2019	12.151,4	2.223,0	2.120,9	20.200,3	-740,0	1.899,8	37.855,4	30.224,8	3.912,1	3.718,5	37.855,4
31 Dec. 2019	13.277,2	2.124,5	2.348,6	22.573,4	-767,3	1.248,5	40.804,9	32.837,3	4.121,0	3.846,6	40.804,9

Source: Central Bank of TRNC

Table B.13: Loans (Total) - By Types (Million TRY)

Date	Discount Loans	Exports Loans	Import Loans	Export Guaranteed Investment Loans	Other Investment Loans	Business Loans	Directed Loans	Loans of Funds Originated	Consumer Loans	Credit Cards	Loans to Purchase Security for Customers	Loans Extended by Central Bank of the TRNC	Loans Extended Through Central Bank of the TRNC	Other Loans	Total
31 Mar. 2016	146,2	7,0	3,7	0,0	90,7	5.731,3	17,8	14,2	3.085,4	251,0	0,1	0,0	0,0	999,0	10.346,4
30 Jun. 2016	161,7	2,1	3,0	0,0	96,6	5.987,6	13,5	13,8	3.130,1	279,9	0,1	4,1	0,0	974,9	10.667,4
30 Sept. 2016	161,0	4,5	2,3	0,0	93,5	6.022,0	12,2	13,5	3.222,1	289,8	0,1	4,2	0,0	910,7	10.735,9
31 Dec. 2016	165,8	3,8	3,7	0,0	102,4	6.910,7	16,5	14,9	3.411,8	324,8	0,1	4,9	0,0	961,2	11.920,6
31 Mar. 2017	179,5	5,6	3,8	0,0	112,6	7.206,5	22,8	14,4	3.514,1	358,9	0,1	0,0	0,0	992,5	12.410,8
30 Jun. 2017	180,0	6,0	3,2	0,0	91,3	7.475,2	20,3	14,2	3.642,2	379,2	0,1	5,3	0,0	1.019,0	12.836,0
30 Sept. 2017	178,0	6,9	3,5	0,0	111,2	7.598,6	16,7	15,9	3.815,2	391,6	0,1	5,4	0,0	1.034,9	13.178,0
31 Dec. 2017	195,0	6,1	3,6	0,0	111,9	8.406,5	21,2	17,1	4.152,0	394,7	0,1	5,7	0,0	1.116,3	14.431,3
31 Mar. 2018	206,2	5,2	4,2	0,0	102,9	8.907,5	22,1	17,0	4.255,4	392,4	0,2	0,0	0,0	1.356,4	15.269,5
30 Jun. 2018	220,3	6,9	4,2	0,0	104,1	9.710,9	16,3	18,4	4.462,5	421,6	0,5	6,9	0,0	1.411,3	16.383,9
30 Sept. 2018	248,1	4,9	4,7	0,0	109,5	11.604,2	15,1	22,4	4.946,8	444,7	0,7	9,1	0,0	1.359,6	18.769,8
31 Dec. 2018	236,6	2,9	3,8	0,0	98,0	11.285,8	32,7	19,2	4.524,6	457,3	0,5	7,9	0,0	1.192,2	17.861,5
31 Mar. 2019	254,5	2,4	3,9	0,0	100,6	11.896,4	38,4	20,2	4.672,6	452,9	0,4	8,3	0,0	1.288,0	18.738,6
30 Jun. 2019	250,3	0,9	4,2	0,0	96,9	12.364,5	37,2	20,8	4.685,9	493,2	0,3	8,7	0,0	1.281,7	19.244,6
30 Sept. 2019	242,9	1,9	3,8	0,0	89,6	12.274,1	32,8	20,7	4.631,6	541,6	0,0	8,5	0,0	1.212,9	19.060,4
31 Dec. 2019	269,3	1,8	4,2	0,0	124,7	13.930,7	40,6	21,5	5.121,5	556,7	0,0	0,0	0,0	1.236,3	21.307,3

Source: Central Bank of TRNC

Table B.14: Loans (TRY) - By Types (Million TRY)

Date	Discount Loans	Export Loans	Import Loans	Export Guaranteed Investment Loans	Other Investment Loans	Business Loans	Directed Loans	Loans of Funds Originated	Consumer Loans	Credit Cards	Loans to Purchase Security for Customers	Loans Extended by Central Bank of the TRNC	Loans Extended Through Central Bank of the TRNC	Other Loans	Total
31 Mar. 2016	114,4	0	0,4	0	62,1	3.238,7	17,9	5,1	2.166,9	250,1	0	0	0	691,6	6.547,2
30 Jun. 2016	126,0	2,1	0,1	0	57,6	3.311,3	13,5	4,5	2.212,4	278,9	0	0	0	678,0	6.684,4
30 Sept. 2016	123,0	4,4	0,1	0	52,9	3.296,1	12,1	4,0	2.243,5	288,2	0,1	0	0	644,8	6.669,2
31 Dec. 2016	117,6	3,8	0,3	0	53,2	3.575,9	16,5	3,8	2.270,9	323,1	0,1	0	0	644,9	7.010,1
31 Mar. 2017	127,2	5,6	0,5	0	61,7	3.637,1	22,8	3,5	2.310,6	356,9	0,1	0	0	675,1	7.201,1
30 Jun. 2017	131,8	6,1	0,1	0	60,2	3.664,0	20,3	3,8	2.401,9	376,9	0,1	0	0	698,8	7.364,0
30 Sept. 2017	135,3	6,9	0,2	0	74,4	3.631,2	16,7	5,3	2.457,6	389,1	0,1	0	0	684,7	7.401,6
31 Dec. 2017	140,4	6,1	0,1	0	75,9	3.918,0	21,2	5,9	2.627,5	392,6	0,1	0	0	698,4	7.886,4
31 Mar. 2018	149,1	5,2	0,5	0	69,3	3.973,9	22,1	5,8	2.566,2	390,3	0,2	0	0	840,8	8.023,4
30 Jun. 2018	156,9	6,9	0,1	0	68,3	4.053,6	16,3	5,5	2.640,4	419,1	0,5	0	0	875,4	8.243,1
30 Sept. 2018	166,2	4,9	0,1	0	62,5	4.130,1	15,1	5,7	2.617,2	441,9	0,7	0	0	700,0	8.144,4
31 Dec. 2018	170,5	2,9	0,1	0	58,5	4.700,1	32,7	4,3	2.548,2	454,4	0,4	0	0	670,9	8.643,1
31 Mar. 2019	168,7	2,4	0,1	0	59,6	4.753,7	38,4	4,3	2.567,0	450,1	0,3	0	0	772,6	8.817,2
30 Jun. 2019	158,7	0,9	0,1	0	56,4	4.873,0	37,2	4,5	2.608,4	489,7	0,3	0	0	762,3	8.991,5
30 Sept. 2019	151,5	1,9	0,1	0	51,3	4.915,3	32,8	4,8	2.666,9	537,7	0,0	0	0	746,1	9.108,4
31 Dec. 2019	172,6	1,8	0,1	0	46,6	5.632,4	40,6	4,7	2.904,1	552,0	0,1	0	0	671,1	10.026,1

Source: Central Bank of TRNC

Table B.15: Loans (FX) - By Types (Million TRY)

Date	Discount Loans	Export Loans	Import Loans	Export Guaranteed Investment Loans	Other Investment Loans	Business Loans	Directed Loans	Loans of Funds Originated	Consumer Loans	Credit Cards	Loans to Purchase Security for Customers	Loans Extended by Central Bank of the TRNC	Loans Extended Through Central Bank of the TRNC	Other Loans	Total
31 Mar. 2016	31,8	7,0	3,3	0	28,6	2.492,6	0	9,1	918,5	1,0	0	0	0	307,3	3.799,2
30 Jun. 2016	35,6	0	2,9	0	39,0	2.676,3	0	9,3	917,7	1,0	0	4,1	0	297,1	3.983,0
30 Sept. 2016	38	0	2,7	0	40,6	2.725,8	0	9,5	978,5	1,5	0	4,2	0	265,9	4.066,7
31 Dec. 2016	48,2	0	3,3	0	49,1	3.334,8	0	11,1	1.141	1,7	0	5,0	0	316,3	4.910,5
31 Mar. 2017	52,3	0	3,3	0	51,0	3.569,4	0	11,0	1.203,5	1,9	0	0	0	317,3	5.209,7
30 Jun. 2017	48,2	0	3,1	0	31,1	3.811,2	0	10,4	1.240,3	2,2	0	5,3	0	320,2	5.472,0
30 Sept. 2017	42,7	0	3,3	0	36,8	3.967,3	0	10,6	1.357,6	2,5	0	5,4	0	350,2	5.776,4
31 Dec. 2017	54,5	0	3,6	0	36,0	4.488,4	0	11,1	1.525,4	2,1	0	5,7	0	417,8	6.544,8
31 Mar. 2018	57,1	0	3,7	0	33,6	4.933,6	0	11,2	1.689,3	2,1	0	0	0	515,5	7.246,1
30 Jun. 2018	63,4	0	4,1	0	35,7	5.657,2	0	12,9	1.822,1	2,5	0	6,9	0	535,9	8.140,8
30 Sept. 2018	81,9	0	4,6	0	47,0	7.474,0	0	16,8	2.329,6	2,8	0	9,1	0	659,6	10.625,4
31 Dec. 2018	66,1	0	3,7	0	39,5	6.585,7	0	14,9	1.976,4	2,9	0	7,9	0	521,2	9.218,3
31.Mar.2019	85,7	0	3,8	0	40,9	7.142,7	0	15,8	2.105,5	2,8	0	8,3	0	515,5	9.921,4
30 Jun. 2019	91,6	0	4,2	0	40,5	7.491,4	0	16,2	2.077,5	3,5	0	8,6	0	519,4	10.253,1
30 Sept. 2019	91,4	0	3,7	0	38,3	7.358,8	0	15,9	1.964,7	3,9	0	8,5	0	466,7	9.951,9
31 Dec. 2019	96,7	0	4,2	0	78,2	8.298,2	0	16,8	2.217,4	4,6	0	0	0	565,2	11.281,3

Source: Central Bank of TRNC

Table B.16: Loans - By Terms (Million TRY)

Date	Short-Term Loans	Quarter-on-quarter Percentage Change	Medium and Long-Term Loans	Quarter-on-quarter Percentage Change	Total	Quarter-on-quarter Percentage Change
31 Mar. 2016	4.535,0	-1,47	5.811,4	0,25	10.346,4	-0,51
30 Jun. 2016	5.034,6	11,02	5.632,8	-3,08	10.667,4	3,11
30 Sept. 2016	5.012,0	-0,45	5.723,9	1,62	10.735,9	0,64
31 Dec. 2016	5.660,9	12,95	6.259,7	9,36	11.920,6	11,03
31 Mar. 2017	5.889,9	4,05	6.520,9	4,17	12.410,8	4,11
30 Jun. 2017	3.331,8	-43,43	9.504,2	45,75	12.836,0	3,43
30 Sept. 2017	3.414,7	2,49	9.763,3	2,73	13.178,0	2,66
31 Dec. 2017	3.696,0	8,24	10.735,3	9,95	14.431,3	9,51
31 Mar. 2018	3.996,5	8,13	11.273,0	5,00	15.269,5	5,81
30 Jun. 2018	4.416,5	10,51	11.967,4	6,16	16.383,9	7,30
30 Sept. 2018	5.213,6	18,05	13.556,2	13,28	18.769,8	14,56
31 Dec. 2018	5.000,9	-4,08	12.860,6	-5,13	17.861,5	-4,84
31 Mar. 2019	5.294,3	5,86	13.444,2	4,53	18.738,6	4,91
30 Jun. 2019	5.588,7	5,56	13.655,9	1,57	19.244,6	2,70
30 Sept. 2019	5.575,4	-0,23	13.484,9	-1,25	19.060,3	-0,96
31 Dec. 2019	6.015,4	7,89	15.291,9	13,40	21.307,3	11,79

Source: Central Bank of TRNC

Table B.17: Loans - Public and Private (Million TRY)

Date	Public Loans	Quarter-on-quarter Percentage Change	Private Loans	Quarter-on-quarter Percentage Change	Total	Quarter-on-quarter Percentage Change
31 Mar. 2016	2.679,4	-0,47	7.667,0	-0,52	10.346,4	-0,51
30 Jun. 2016	2.662,4	-0,63	8.005,0	4,41	10.667,4	3,10
30 Sept. 2016	2.656,7	-0,21	8.079,2	0,93	10.735,9	0,64
31 Dec. 2016	2.995,6	12,76	8.925,0	10,47	11.920,6	11,03
31 Mar. 2017	3.005,0	0,31	9.405,8	5,39	12.410,8	4,11
30 Jun. 2017	2.948,7	-1,87	9.887,3	5,12	12.836,0	3,43
30 Sept. 2017	2.874,9	-2,50	10.303,1	4,21	13.178,0	2,66
31 Dec. 2017	3.192,9	11,06	11.238,4	9,08	14.431,3	9,51
31 Mar. 2018	3.228,1	1,10	12.041,4	7,15	15.269,5	5,81
30 Jun. 2018	3.322,8	2,93	13.061,1	8,47	16.383,9	7,30
30 Sept. 2018	3.639,5	9,53	15.130,3	15,84	18.769,8	14,56
31 Dec. 2018	4.035,0	10,87	13.826,5	-8,62	17.861,5	-4,84
31 Mar. 2019	4.118,0	2,05	14.620,6	5,74	18.738,6	4,91
30 Jun. 2019	4.186,5	1,66	15.058,1	2,99	19.244,6	2,70
30 Sept. 2019	4.159,5	-0,64	14.900,8	-1,04	19.060,3	-0,96
31 Dec. 2019	4.870,3	17,09	16.437,0	10,31	21.307,3	11,79

Source: Central Bank of TRNC

Table B.18: Distribution of Total Loans by Size (Million TRY)

Date	> 100 Thousand TRY	51-100 Thousand TRY	11-50 Thousand TRY	1 - 10 Thousand TRY	< 1 Thousand TRY	Grand Total
31 Mar. 2016	8.137,3	776,4	1.025,0	392,7	15,0	10.346,4
30 Jun. 2016	8.422,4	772,3	1.038,8	408,5	25,4	10.667,4
30 Sept. 2016	8.520,5	797,2	1.002,0	395,1	21,4	10.735,9
31 Dec. 2016	9.711,1	801,8	998,2	388,2	21,3	11.920,6
31 Mar. 2017	10.156,3	817,8	984,8	400,1	51,8	12.410,8
30 Jun. 2017	10.547,2	847,3	993,7	423,9	23,9	12.836,0
30 Sept. 2017	10.861,7	879,5	996,5	416,4	23,9	13.178,0
31 Dec. 2017	12.136,8	882,5	1.011,7	375,0	25,2	14.431,3
31 Mar. 2018	12.971,9	883,1	1.016,5	372,6	25,5	15.269,6
30 Jun. 2018	14.083,6	874,0	1.020,5	380,7	25,1	16.383,9
30 Sept. 2018	16.499,8	855,7	1.010,4	379,5	24,4	18.769,8
31 Dec. 2018	15.221,9	803,4	1.195,9	423,3	217,0	17.861,5
31 Mar. 2019	16.081,0	804,7	1.189,0	432,4	231,4	18.738,6
30 Jun. 2019	16.543,1	814,6	1.208,1	432,7	246,1	19.244,6
30 Sept. 2019	16.298,2	842,4	1.210,5	454,9	254,2	19.060,2
31 Dec. 2019	18.430,5	896,4	1.282,3	439,5	258,6	21.307,3

Source: Central Bank of TRNC

Table B.19: Development of Shareholders' Equity (Million TRY)

Date	Paid-in Capital	Reserve Requirements	Fixed Asset Rev. Fund	Securities Value Increment Fund	Period Profit (Loss)	Accumulated Profit (Loss)	Total
31 Mar. 2016	791,8	426,1	0,2	78,7	56,2	373,2	1.726,2
30 Jun. 2016	848,5	425,3	0,3	72,3	156,3	301,2	1.803,9
30 Sept. 2016	878,5	423,7	0,2	72,7	227,5	301,0	1.903,6
31 Dec. 2016	976,7	426,4	0,3	82,1	306,8	273,9	2.066,2
31 Mar. 2017	992,4	520,0	0,3	86,0	104,7	455,8	2.159,2
30 Jun. 2017	1.011,7	558,0	0,9	88,8	185,4	381,0	2.225,8
30 Sept. 2017	1.021,4	558,0	0,9	92,6	297,4	364,0	2.334,3
31 Dec. 2017	1.099,6	409,5	0,9	101,1	407,5	358,1	2.376,8
31 Mar. 2018	1.153,7	572,8	0,9	110,0	123,1	555,2	2.515,7
30 Jun. 2018	1.180,3	616,8	0,9	124,0	316,1	449,1	2.687,2
30 Sept. 2018	1.181,6	618,7	0,9	163,5	596,2	447,2	3.008,1
31 Dec. 2018	1.262,4	593,9	0,9	140,7	689,8	407,4	3.095,1
31 Mar. 2019	1.265,6	795,8	1,7	158,4	235,9	849,3	3.306,7
30 Jun. 2019	1.315,3	923,6	2,0	158,4	518,1	576,7	3.494,1
30 Sept. 2019	1.329,1	923,6	2,2	150,1	749,2	564,3	3.718,5
31 Dec. 2019	1.329,5	929,0	2,4	170,8	856,1	558,8	3.846,6

Source: Central Bank of TRNC

Table B.20: Capital Adequacy Ratio (%)

Date	Public Banks	Private Banks	Branch Banks	Banking Sector	Legal Limit
31 Mar. 2016	24,19	14,94	17,66	17,39	10,00
30 Jun. 2016	24,48	15,14	16,85	17,18	10,00
30 Sept. 2016	25,26	16,14	18,38	18,36	10,00
31 Dec. 2016	24,06	15,09	19,15	18,24	10,00
31 Mar. 2017	24,09	15,35	19,45	18,26	10,00
30 Jun. 2017	23,85	15,40	19,00	18,04	10,00
30 Sept. 2017	24,20	15,26	19,72	18,27	10,00
31 Dec. 2017	22,95	14,61	18,67	17,29	10,00
31 Mar. 2018	21,76	14,80	19,12	17,40	10,00
30 Jun. 2018	23,14	14,74	19,11	17,57	10,00
30 Sept. 2018	20,51	15,38	20,68	18,19	10,00
31 Dec. 2018	16,49	15,28	21,93	17,86	10,00
31 Mar. 2019	16,74	15,08	21,64	17,79	10,00
30 Jun. 2019	18,14	15,43	22,04	18,29	10,00
30 Sept. 2019	19,11	15,88	22,89	19,02	10,00
31 Dec. 2019	15,66	14,69	21,99	17,57	10,00

Source: Central Bank of TRNC

Table B.21: Banking Sector Profit / Loss Table (Million TRY)

Date	Interest Revenues	Interest Expenditures	Non-Interest Revenues	Non-Interest Expenditures	Net Profit / Loss
31 Mar. 2016	375,6	118,3	77,8	125,5	56,1
30 Jun. 2016	758,1	252,3	173,5	251,6	156,3
30 Sept. 2016	1.150,1	373,9	242,0	373,9	227,5
31 Dec. 2016	1.558,7	465,1	334,8	519,3	306,7
31 Mar. 2017	433,5	156,3	92,1	141,5	104,7
30 Jun. 2017	885,7	308,4	195,5	295,1	185,4
30 Sept. 2017	1.383,6	802,7	298,9	456,9	297,4
31 Dec. 2017	1.891,8	1.101,7	396,9	630,9	407,5
31 Mar. 2018	562,5	329,5	108,4	179,9	123,1
30 Jun. 2018	1.191,7	689,8	226,4	373,1	316,1
30 Sept. 2018	2.048,5	1.165,0	353,3	580,3	596,2
31 Dec. 2018	2.999,4	1.762,5	500,3	823,5	689,8
31 Mar.2019	982,5	611,8	161,0	230,4	235,9
30 Jun. 2019	2.016,4	1.256,0	320,2	480,4	518,1
30 Sept. 2019	3.009,6	1.893,7	481,1	734,7	749,1
31 Dec. 2019	3.884,9	2.440,4	669,9	1.048,4	856,1

Source: Central Bank of TRNC

Table B.22: Deposits (Total) - By Maturity Groups (Million TRY)

Date	Demand	1-Month	3-Month	6-Month	1-Year	Total
31 Mar. 2016	1.750,4	7.918,7	2.488,7	591,5	1.274,8	14.024,1
30 Jun. 2016	1.912,7	7.930,3	2.584,2	603,7	1.269,6	14.300,5
30 Sept. 2016	2.064,9	8.206,5	2.751,7	608,2	1.338,5	14.969,8
31 Dec. 2016	2.394,0	8.623,1	3.360,7	689,5	1.567,9	16.635,2
31 Mar. 2017	2.480,3	9.674,2	3.161,1	723,8	1.613,0	17.652,4
30 Jun. 2017	2.771,0	9.919,8	3.407,0	736,9	1.659,4	18.494,1
30 Sept. 2017	2.916,9	10.069,4	4.041,3	862,7	1.782,6	19.672,9
31 Dec. 2017	3.118,5	10.808,9	4.257,6	920,4	1.992,7	21.098,1
31 Mar. 2018	3.098,2	11.840,3	4.238,1	912,5	2.263,6	22.352,7
30 Jun. 2018	3.580,7	11.979,8	5.082,1	961,5	2.527,1	24.131,2
30 Sept. 2018	4.201,9	13.615,9	6.006,3	1.166,1	3.172,9	28.163,1
31 Dec. 2018	3.698,4	13.742,5	4.950,1	1.282,7	2.768,1	26.441,8
31 Mar. 2019	3.866,9	13.793,4	6.513,5	1.252,6	3.022,6	28.449,2
30 Jun. 2019	4.145,1	14.244,0	6.921,1	1.181,2	3.101,0	29.572,1
30 Sept. 2019	4.434,0	15.666,3	5.869,5	1.266,9	2.988,1	30.224,8
31 Dec. 2019	4.708,1	16.983,0	6.461,2	1.279,5	3.405,5	32.837,3

Source: Central Bank of TRNC

Table B.23: Deposits (TRY) - By Maturity Groups (Million TRY)

Date	Demand	1-Month	3-Month	6-Month	1-Year	Total
31 Mar. 2016	797,1	4.557,7	1.280,1	225,0	261,6	7.121,5
30 Jun. 2016	898,2	4.618,9	1.341,7	221,6	263,3	7.343,7
30 Sept. 2016	968,4	4.690,1	1.463,3	203,2	258,9	7.583,9
31 Dec. 2016	1.122,6	4.796,3	1.611,5	231,0	297,1	8.058,5
31 Mar. 2017	1.083,7	5.157,3	1.503,4	283,7	274,1	8.302,2
30 Jun. 2017	1.276,2	5.173,5	1.636,5	273,9	282,2	8.642,3
30 Sept. 2017	1.318,5	5.221,5	1.831,2	358,1	302,8	9.032,1
31 Dec. 2017	1.412,7	5.481,0	1.993,8	381,3	313,4	9.582,3
31 Mar. 2018	1.275,9	5.724,4	2.037,6	385,5	309,1	9.732,5
30 Jun. 2018	1.409,7	5.495,6	2.261,4	383,8	292,9	9.843,4
30 Sept. 2018	1.418,0	5.669,1	2.512,3	314,7	269,3	10.183,4
31 Dec. 2018	1.427,2	6.123,7	2.315,6	449,6	288,4	10.604,5
31 Mar. 2019	1.445,6	5.624,1	3.000,2	383,9	274,6	10.728,4
30 Jun. 2019	1.544,0	5.856,2	3.249,2	310,3	378,3	11.338,0
30 Sept. 2019	1.706,6	7.007,0	2.710,2	382,1	365,3	12.171,2
31 Dec. 2019	1.886,9	7.486,7	2.881,9	333,9	424,9	13.014,3

Source: Central Bank of TRNC

Table B.24: Deposits (FX) - By Maturity Groups (Million TRY)

Date	Demand	1-Month	3-Month	6-Month	1-Year	Total
31 Mar. 2016	953,3	3.361,1	1.208,6	366,5	1.013,0	6.902,5
30 Jun. 2016	1.014,5	3.311,4	1.242,5	382,1	1.006,3	6.956,8
30 Sept. 2016	1.096,5	3.516,5	1.288,3	405,0	1.079,6	7.385,9
31 Dec. 2016	1.271,4	3.826,8	1.749,2	458,5	1.270,7	8.576,7
31 Mar. 2017	1.396,6	4.516,9	1.657,7	440,1	1.338,9	9.350,2
30 Jun. 2017	1.494,9	4.746,3	1.770,5	463,0	1.377,2	9.851,9
30 Sept. 2017	1.598,4	4.847,8	2.210,1	504,7	1.479,7	10.640,8
31 Dec. 2017	1.705,8	5.327,8	2.263,8	539,1	1.679,3	11.515,8
31 Mar. 2018	1.822,4	6.115,9	2.200,5	526,9	1.954,5	12.620,2
30 Jun. 2018	2.171,0	6.484,2	2.820,7	577,7	2.234,2	14.287,8
30 Sept. 2018	2.783,9	7.946,8	3.494,0	851,4	2.903,6	17.979,7
31 Dec. 2018	2.271,3	7.618,8	2.634,6	833,0	2.479,7	15.837,4
31 Mar. 2019	2.421,3	8.169,3	3.513,4	868,7	2.748,1	17.720,8
30 Jun. 2019	2.601,2	8.367,8	3.671,9	870,9	2.722,4	18.234,2
30 Sept. 2019	2.727,4	8.659,3	3.159,3	884,8	2.622,8	18.053,6
31 Dec. 2019	2.821,1	9.496,4	3.579,3	945,6	2.980,6	19.823,0

Source: Central Bank of TRNC

Table B.25: Deposits (Total) - By Types (Million TRY)

Date	Official	Commercial	Savings	Other	Banks	Total
31 Mar. 2016	825,4	2.380,7	10.581,1	236,9	1.024,2	15.048,3
30 Jun. 2016	881,2	2.442,5	10.745,4	231,4	1.025,7	15.326,2
30 Sept. 2016	913,5	2.744,1	11.022,3	289,9	1.148,4	16.118,2
31 Dec. 2016	991,7	3.040,5	12.287,2	315,8	1.597,8	18.233,0
31 Mar. 2017	1.107,4	3.310,6	12.895,4	339,0	1.460,1	19.112,5
30 Jun. 2017	1.294,5	3.512,2	13.373,9	313,5	1.551,4	20.045,5
30 Sept. 2017	1.344,5	3.914,2	14.146,6	267,5	1.600,8	21.273,5
31 Dec. 2017	1.499,0	3.942,5	15.380,3	276,3	1.637,5	22.735,6
31 Mar. 2018	1.504,5	4.270,9	16.210,0	367,3	1.638,0	23.990,7
30 Jun. 2018	1.730,4	4.686,0	17.357,3	357,5	2.004,8	26.136,0
30 Sept. 2018	1.990,1	5.620,5	20.093,4	459,1	2.328,1	30.491,2
31 Ara.2018	1.917,8	4.922,5	19.010,8	590,7	2.028,6	28.470,4
31 Mar.2019	2.103,5	5.251,0	20.574,6	520,1	2.163,6	30.612,9
30 Jun. 2019	2.260,8	5.434,1	21.290,5	586,7	2.190,3	31.762,4
30 Sept. 2019	2.860,6	5.626,8	21.283,5	453,9	2.270,1	32.498,9
31 Dec. 2019	2.624,6	6.443,5	23.316,4	452,8	2.436,6	35.273,9

Source: Central Bank of TRNC

Table B.26: Deposits (TRY) - By Types (Million TRY)

Date	Official	Commercial	Savings	Other	Banks	Total
31 Mar. 2016	615,7	1.101,8	5.286,0	118,1	285,5	7.407,1
30 Jun. 2016	669,7	1.107,3	5.441,0	125,7	208,8	7.552,5
30 Sept. 2016	708,4	1.216,8	5.492,2	166,5	227,8	7.811,7
31 Dec. 2016	756,3	1.319,0	5.823,8	159,4	331,8	8.390,3
31 Mar. 2017	809,7	1.352,5	5.963,4	176,8	351,3	8.653,7
30 Jun. 2017	1.022,5	1.368,4	6.116,2	135,1	313,2	8.955,4
30 Sept. 2017	1.029,4	1.516,0	6.387,8	98,9	319,0	9.351,2
31 Dec. 2017	1.150,6	1.522,5	6.802,0	107,2	279,1	9.861,4
31 Mar. 2018	1.144,2	1.558,4	6.912,0	117,9	302,7	10.035,2
30 Jun. 2018	1.298,4	1.506,7	6.909,0	129,2	404,0	10.247,3
30 Sept. 2018	1.394,1	1.622,1	7.021,3	145,9	420,4	10.603,8
31 Dec. 2018	1.421,0	1.577,0	7.382,8	223,6	390,5	10.994,9
31 Mar. 2019	1.437,6	1.533,1	7.517,8	239,9	478,2	11.206,7
30 Jun. 2019	1.602,7	1.681,0	7.783,8	270,4	302,4	11.640,3
30 Sept. 2019	2.215,4	1.769,8	8.062,0	124,0	257,1	12.428,3
31 Dec. 2019	2.026,4	2.129,8	8.712,8	145,4	378,2	13.392,6

Source: Central Bank of TRNC

Table B.27: Deposits (FX) - By Types (Million TRY)

Date	Official	Commercial	Savings	Other	Banks	Total
31 Mar. 2016	209,7	1.279,0	5.295,1	118,8	738,6	7.641,2
30 Jun. 2016	211,6	1.335,2	5.304,3	105,6	817,0	7.773,7
30 Sept. 2016	205,1	1.527,4	5.530,0	123,4	920,6	8.306,5
31 Dec. 2016	235,4	1.721,5	6.463,4	156,4	1.266,0	9.842,7
31 Mar. 2017	297,7	1.958,2	6.932,1	162,2	1.108,7	10.458,9
30 Jun. 2017	272,0	2.143,8	7.257,6	178,4	1.238,2	11.090,0
30 Sept. 2017	315,1	2.398,3	7.758,8	168,6	1.281,6	11.922,3
31 Dec. 2017	348,5	2.420,0	8.578,2	169,1	1.358,3	12.874,1
31 Mar. 2018	360,3	2.712,6	9.298,0	249,3	1.335,3	13.955,5
30 Jun. 2018	432,0	3.179,4	10.448,2	228,2	1.600,9	15.888,7
30 Sept. 2018	596,0	3.998,4	13.072,1	313,2	1.907,7	19.887,4
31 Dec. 2018	496,8	3.345,6	11.628,0	367,0	1.638,1	17.475,5
31 Mar. 2019	665,9	3.717,8	13.056,9	280,2	1.685,4	19.406,2
30 Jun. 2019	658,1	3.753,1	13.506,7	316,2	1.887,9	20.122,1
30 Sept. 2019	645,1	3.857,0	13.221,5	329,9	2.013,0	20.066,5
31 Dec. 2019	598,2	4.313,8	14.603,6	307,4	2.058,3	21.881,3

Source: Central Bank of TRNC

Table B.28: Money Supply (Million TRY)

Year	Quarter	M1	Percentage Change Compared to the Same Period of Previous Year	M2	Percentage Change Compared to the Same Period of Previous Year	M3	Percentage Change Compared to the Same Period of Previous Year
2015	I	2.338,5	14,08	12.470,8	15,53	13.249,2	14,20
	II	2.532,7	17,67	13.211,3	18,69	14.056,5	17,55
	III	2.829,9	30,83	14.279,5	23,32	15.106,7	21,50
	IV	2.841,2	28,50	14.215,9	19,66	15.109,8	19,35
2016	I	2.797,9	19,64	14.340,3	14,99	15.181,6	14,59
	II	2.976,9	17,54	14.620,3	10,66	15.593,1	10,93
	III	3.158,0	11,59	15.285,2	7,04	16.319,0	8,02
	IV	3.544,1	24,74	16.946,4	19,21	17.996,6	19,10
2017	I	3.754,8	34,20	18.019,6	25,66	19.209,2	26,53
	II	3.906,7	31,23	18.670,5	27,70	20.066,2	28,69
	III	4.126,2	30,66	19.847,4	29,85	21.240,3	30,16
	IV	4.403,3	24,24	21.181,5	24,99	22.789,8	26,63
2018	I	4.826,2	28,53	22.844,7	26,78	24.492,6	27,50
	II	5.342,4	36,75	24.489,5	31,17	26.341,2	31,27
	III	6.244,7	51,34	28.565,7	43,93	30.698,9	44,53
	IV	5.726,7	30,05	26.846,9	26,75	28.868,4	26,67
2019	I	6.297,8	30,49	29.051,7	27,17	31.226,9	27,50
	II	6.581,7	23,20	30.066,1	22,77	32.390,9	22,97
	III	6.775,1	8,49	30.109,1	5,40	33.243,7	8,29
	IV	7.386,0	28,97	33.164,4	23,53	35.890,4	24,32

Source: Central Bank of TRNC

Table B.29: Licensed Banks Operating under the Banking Law

1	KIBRIS VAKIFLAR BANKASI LTD.
2	AKFİNANS BANK LTD.
3	CREDITWEST BANK LTD.
4	NOVA BANK LTD.
5	ASBANK LTD.
6	KIBRIS İKTİSAT BANKASI LTD.
7	KIBRIS TÜRK KOOPERATİF MERKEZ BANKASI LTD.
8	LİMASOL TÜRK KOOPERATİF BANKASI LTD.
9	ŞEKERBANK (KIBRIS) LTD.
10	TÜRK BANKASI LTD.
11	UNIVERSAL BANK LTD.
12	VİYABANK LTD.
13	YAKINDOĞU BANK LTD.
14	KIBRIS KAPİTAL BANK LTD.
15	KIBRIS FAİSAL İSLAM BANKASI LTD.
16	T. GARANTİ BANKASI A.Ş.
17	T. HALK BANKASI A.Ş.
18	T. İŞ BANKASI A.Ş.
19	TR ZİRAAT BANKASI A.Ş.
20	ALBANK LTD.
21	TÜRK EKONOMİ BANKASI A.Ş.

Source: Central Bank of TRNC

Table B.30: Main Economic and Social Indicators

	2011	2012	2013	2014	2015	2016	2017	2018	2019
GNP (Current Prices, Million TRY)	6.508,9	6.955,1	7.606,9	8.858,5	10.222,4	11.601,2	14.544,8	18.324,2	24.554,6 ^(F)
GNP (Million USD)	3.878,6	3.862,6	3.983,9	4.040,2	3.749,0	3.837,9	3.983,8	3.790,8	3.711,3 ^(F)
GNP per capita (Current Prices, TRY)	25.850,2	27.077,2	29.216,8	33.127,8	37.413	42.022	51.799	64.178	82.708*
GNP per capita (USD)	15.403	15.037,9	15.301,6	15.109	13.721	13.902	14.187	13.277	12.501*
Inflation Rate (%)	14,7	3,6	10,2	6,5	7,8	10,2	14,7	29,96	11,66
Exports (Million USD) (1)	119,9	116,3	120,7	134,0	118,1	105,5	105,6	111,2 ^(F)	116,8 ^(F)
Imports (Million USD)	1.699,9	1.703,9	1.699,4	1.538,8	1.500,6	1.557,2	1.778,4	2.080,7 ^(F)	2.247,2 ^(F)
Foreign Trade Balance (Million USD)	-1.580,0	-1.587,6	-1.578,7	-1.404,8	-1.382,5	-1.415,2	-1.672,8	-1.969,5 ^(F)	-2.130,4 ^(F)
Exports / Imports (%)	9,0	7,2	7,1	7,5	7,9	6,9	5,9	5,3 ^(F)	5,2 ^(F)
Number of Arriving Tourists	1.022.089	1.166.186	1.232.753	1.366.007	1.483.244	1.577.073	1.734.330	1.759.625	1.749.979
a) Turkey	801.326	904.505	923.308	1.020.577	1.110.795	1.218.232	1.324.248	1.359.420	1.358.465
b) Other	220.763	261.681	309.445	345.430	372.449	358.841	410.082	400.205	391.514
Net Tourism Income (Million USD)	459,4	571,9	613,4	691,6	697,7	714,4	864,9	912,4	1.025,7 ^(F)
Employment	93.470	96.539	97.867	103.149	112.811	118.387	120.999	132.411	138.438
Number of Unemployed	9.864	9.174	8.929	9.320	9.043	8.075	7.452	9.873	9.317
Unemployment Rate (%)	9,5	8,7	8,4	8,3	7,4	6,4	5,8	6,9	6,3
Non-institutional Population (2)	266.087	268.700	277.031	289.252	299.514	307.255	314.169	347.340	357.216
Population (Projection) (3)	286.257	297.608	306.368	320.884	331.432	339.478	351.965	372.486	n.a
Annual Population Growth (%)	-1,3	3,1	3,3	3,8	3,9	2,9	3,1 ^(F)	n.a	n.a

Source: SPO, Central Bank of the TRNC, TRNC Statistical Institute, Department of Trade, Tourism Planning Department

^(F) Forecast

* GDP forecast figures.

1) Exports to the Southern Cyprus are not included.

2) Non-institutional Population: The population obtained through the Household Labour Force Survey, excluding those residing in schools, dormitories, hotels, kindergartens, nursing homes, private hospitals, prisons, barracks or military housing.

3) Population (Projection): The 2012-2018 projection data prepared using the census data conducted in 2011. These population figures are not used in GNP per capita calculation. Population used in the calculation of GNP per capita: (mid-year population) + (TRNC citizen students studying abroad) - (Turkish students studying in TRNC + third country citizen students)

Table B.31: Sectorial Developments in Gross Domestic Product (Current Prices, Million TRY)

Sectors	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 ^(F)
1. Agriculture	259,2	300,6	330,3	366,4	386,5	405,0	489,3	552,5	647,6	658,8	1.139,4	1.069,1
2. Industry	542,8	516,7	552,4	558,5	587,1	636,6	779,7	937,7	1.064,7	1.413,3	1.537,9	2.626,5
3. Construction	362,2	346,4	312,1	408,5	335,8	370,7	370,2	480,5	511,6	836,4	1.081,4	1.315,9
4. Trade - Tourism	721,7	766,3	900,0	1.216,8	1.385,3	1.527,9	1.829,1	2.012,9	2.280,6	2.921,8	3.814,5	5.440,8
5. Transportation - Communication	614,5	597,3	525,2	553,1	642,9	711,4	788,0	896,6	965,3	1.156,6	1.339,0	1.977,6
6. Financial Institutions	357,8	388,4	404,4	472,6	506,0	579,7	637,4	719,4	887,6	1.007,7	1.486,4	1.678,5
7. Housing Income	175,9	202,5	220,6	274,4	305,8	358,2	398,9	456,2	535,3	655,6	896,3	1.107,0
8. Self-Employment and Services	525,2	609,3	652,3	727,5	801,8	891,6	1.026,1	1.422,6	1.679,9	2.289,8	2.889,9	3.895,9
9. Public Services	1.104,0	1.201,2	1.180,1	1.294,3	1.294,9	1.349,9	1.603,6	1.715,2	1.850,1	2.193	2.461,1	3.451,8
10. Import Taxes	416,6	447,6	536,3	637,0	709,1	775,9	936,4	971,8	1.178,3	1.411,5	1.678,1	1.991,5
11. GDP	5.079,9	5.376,3	5.614,1	6.509,0	6.955,1	7.606,9	8.858,6	10.222,5	11.601,2	14.544,8	18.324,1	24.554,6
12. Net Factor Income from Abroad	48,4	38,9	35,4	50,2	-39,3	-27,5	-18,2	-11,7	4,2	6,9	10,6	11,2
GNP	5.128,3	5.415,3	5.649,5	6.559,2	6.915,8	7.579,4	8.840,4	10.210,7	11.605,5	14.551,8	18.334,8	24.565,8

Source: SPO, TRNC Statistical Institute

^(F) Forecast

Table B.32: Percentage Distribution of Gross Domestic Product

Sectors	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 ^(F)
1. Agriculture	5,1	5,6	5,9	5,6	5,6	5,3	5,5	6,0	5,6	4,5	6,2	4,4
2. Industry	10,7	9,6	9,8	8,6	8,4	8,4	8,8	9,2	9,2	9,7	8,4	10,7
2.1. Quarrying	0,8	0,7	0,6	0,7	0,6	0,6	0,5	0,7	0,7	0,9	1,0	0,9
2.2. Manufacturing Industry	4,0	3,2	2,3	2,5	2,8	2,9	3,1	3,7	3,7	3,3	3,0	3,2
2.3. Electricity-Water	5,9	5,8	6,9	5,3	5,1	4,8	5,1	4,8	4,8	5,5	4,4	6,6
3. Construction	7,1	6,5	5,6	6,3	4,8	4,9	4,2	4,7	4,4	5,8	5,9	5,4
4. Trade - Tourism	14,2	14,3	16,0	18,7	19,9	20,1	20,6	19,7	19,7	20,1	20,8	22,2
4.1. Wholesale and Retail Trade	9,7	9,0	10,7	11,1	11,4	11,2	12,3	10,7	11,0	11,1	11,2	11,7
4.2. Hotel and Restaurant Management	4,5	5,2	5,4	7,6	8,5	8,9	8,3	9,0	8,7	9,0	9,6	10,5
5. Transportation - Communication	12,1	11,1	9,4	8,5	9,3	9,4	8,9	8,8	8,3	8,0	7,3	8,1
6. Financial Institutions	7,1	7,2	7,2	7,2	7,3	7,6	7,2	7,0	7,6	6,9	8,1	6,8
7. Housing Ownership	3,5	3,8	3,9	4,2	4,4	4,7	4,5	4,4	4,6	4,5	4,9	4,5
8. Self-Employment and Services	10,3	11,3	11,6	11,2	11,5	11,7	11,6	13,9	14,5	15,7	15,8	15,9
9. Public Services	21,7	22,3	21,0	19,9	18,6	17,7	18,1	16,8	15,9	15,1	13,4	14,1
10. Import Taxes	8,2	8,3	9,6	9,8	10,2	10,2	10,6	9,5	10,2	9,7	9,2	8,1
GDP	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0

Source: SPO, TRNC Statistical Institute

Table B.33: Overall Balance of the Economy (Current Prices, Million TRY)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ^(F)	2019 ^(F)
1. Total Resources	5.629,3	5.516,7	6.065,0	6.849,7	7.141,1	7.664,8	8.866,0	9.470,2	10.499,0	13.476,9	17.926,6	23.821,7
2. Total Investments	1.049,1	946,6	1.049,6	1.266,5	1.175,5	1.147,8	1.276,7	1.598,5	1.791,2	2.836,0	4.013,6	5.656,8
3. Total Consumption	4.580,1	4.570,0	5.015,4	5.583,1	5.965,6	6.516,9	7.589,3	7.871,7	8.707,8	10.640,9	13.913,1	18.165,1
4. Public Disposable Income	1.105,6	751,9	962,2	1.059,2	1.491,8	1.341,3	1.688,9	2.123,1	2.317,2	3.451,1	4.099,3	4.906,1
5. Private Disposable Income	4.022,7	4.663,3	4.687,3	5.449,9	5.424,0	6.238,1	7.151,5	8.087,7	8.962,7	11.100,7	14.521,8	19.659,7
6. Private Savings Ratio (%)	20,1	33,9	26,0	28,0	20,8	25,0	23,3	29,8	29,4	29,0	28,1	29,7
7. Total Domestic Savings	548,2	845,2	634,1	976,1	950,3	1.062,5	1.251,0	2.339,0	2.572,1	3.910,9	4.708,0	6.400,7

Source: SPO

^(F) Forecast**Table B.34: Real Growth Rates of Sectorial Value Added (%)**

Sectors	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 ^(F)
1. Agriculture	-18,2	8,2	10,0	10,8	3,7	-1,6	4,8	14,5	-7,3	4,9	2,6	2,0
2. Industry	-10,3	-9,1	-0,2	3,4	-0,7	1,7	8,5	19,5	7,3	4,4	-12,4	1,7
3. Construction	-8,0	-18,5	3,8	3,3	-16,0	-0,3	-4,5	6,5	5,7	10,6	7,6	-4,5
4. Trade-Tourism	-2,1	-8,7	18,3	6,0	6,1	1,4	8,5	-0,8	4,8	9,0	0,4	4,8
5. Transportation-Communication	2,2	-2,8	-20,0	-4,3	5,7	2,0	3,2	5,7	1,8	6,9	3,5	1,5
6. Financial Institutions	9,6	1,7	0,3	1,4	8,1	7,5	0,8	1,6	2,0	3,1	2,7	1,2
7. Housing Ownership	2,7	3,8	4,0	3,9	3,7	3,2	2,6	3,0	3,5	3,8	4,6	1,5
8. Self-Employment and Services	4,3	3,4	-5,3	4,3	1,5	2,3	8,8	9,5	3,6	7,7	5,3	3,0
9. Public Services	1,2	-5,0	0,4	2,8	1,9	1,4	-0,1	0,1	-0,2	-0,8	1,3	0,5
10. Import Taxes	-0,8	-7,1	18,6	3,9	8,9	-2,1	7,9	-9,6	9,0	0,5	2,4	3,0
11. GDP	-2,9	-5,5	3,7	3,9	1,8	1,1	4,8	4,0	3,6	5,4	1,3	1,9
12. Net Factor Income from Abroad	-36,4	-28,2	-9,8	27,1	-174,5	35,3	40,5	41,9	133,0	-38,4	23,3	0,0
GNP	-3,4	-5,7	3,6	4,0	0,5	1,3	4,9	4,1	3,8	5,5	1,3	1,9

Source: SPO, TRNC Statistical Institute

^(F) Forecast

Table B.35: Balance of Payments (Million USD)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 ^(F)
1. Current Accounts Balance	-390,3	-65,4	-275,8	-173,1	-125,1	-44,7	-11,7	271,6	287,6	294,4	131,9	112,5
2. Balance of Capital Movements	410,5	495,0	438,5	326,5	346,2	259,7	186,9	168,9	71,4	131,4	157,1	164,7
3. Reserve Movements (- Increase, + Decrease)	269,5	-172,1	-94,4	-47,3	-340,8	-219,9	-176,7	-75,8	-79,4	-826,6	+69,1	-365,1
4. Net Errors and Omissions	-289,7	-257,5	-68,3	-106,1	119,7	4,9	1,5	-364,7	-279,6	400,8	-358,1	87,9

Source: SPO

^(F) Forecast**Table B.36: Percentage Change of Consumer Prices Index Compared to December of Last Year**

Months	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
January	3,4	0,7	-0,9	1,0	1,3	1,6	-0,1	-0,27	1,39	-0,70	1,00	2,09	-0,88	0,47	2,56	-0,22	0,53
February	6,0	0,3	-0,9	0,7	2,0	2,2	0,1	-0,31	2,10	-0,95	0,46	4,43	-2,14	0,31	4,00	1,39	0,37
March	7,9	1,8	-0,9	2,5	3,5	3,8	1,1	0,00	3,88	-0,03	0,66	5,02	-0,41	0,09	4,61	2,26	1,71
April	9,8	2,4	0,5	4,2	4,2	6,3	1,2	0,71	4,85	1,83	1,51	5,38	1,09	1,09	6,54	5,07	5,72
May	12,9	4,6	-0,2	6,4	4,3	7,9	2,5	0,29	6,46	1,69	1,80	4,56	2,73	1,86	6,95	8,91	6,22
June	9,0	4,2	-0,4	8,5	3,4	9,8	3,2	0,31	5,95	0,73	3,30	4,89	3,18	2,33	7,68	12,11	7,57
July	6,9	4,2	-0,2	10,2	3,6	11,5	0,8	0,92	7,02	-0,28	3,21	5,15	1,90	3,23	9,29	14,64	8,72
August	7,1	6,5	0,5	12,6	5,9	11,3	2,6	1,92	9,49	0,84	4,17	5,77	2,72	4,00	9,75	24,29	9,12
September	9,1	8,4	2,0	15,9	7,7	14,3	3,3	2,58	10,39	2,57	6,30	5,84	5,78	4,63	10,31	31,99	11,18
October	10,9	10,3	2,5	18,6	9,3	15,6	4,9	3,61	11,90	3,52	7,89	7,69	7,39	5,85	11,32	34,08	10,71
November	11,7	10,9	2,3	19,0	9,0	16,4	6,0	3,54	13,91	3,61	8,29	6,97	6,38	7,36	12,78	31,93	10,20
December	12,6	11,6	2,7	19,2	9,4	14,5	5,7	3,27	14,72	3,60	10,22	6,49	7,78	10,19	14,68	29,96	11,66

Source: SPO

Table B.37: TRNC and TR Inflation Rates

Years	TRNC	TR	Years	TRNC	TR	Years	TRNC	TR
1984	70,7	49,7	1998	66,5	69,7	2012	3,60	6,16
1985	43,0	44,2	1999	55,3	68,8	2013	10,22	7,40
1986	48,1	30,7	2000	53,2	39,0	2014	6,49	8,17
1987	43,0	55,1	2001	76,8	68,5	2015	7,78	8,81
1988	62,6	77,1	2002	24,5	29,8	2016	10,19	8,53
1989	51,8	64,3	2003	12,6	18,4	2017	14,68	11,92
1990	69,4	60,4	2004	11,6	9,3	2018	29,96	20,30
1991	46,3	71,1	2005	2,7	7,7	2019	11,66	11,84
1992	63,4	66,0	2006	19,2	9,7			
1993	61,2	71,1	2007	9,4	8,4			
1994	215,0	125,5	2008	14,5	10,1			
1995	72,2	76,1	2009	5,7	6,5			
1996	87,5	79,8	2010	3,2	6,4			
1997	81,7	99,1	2011	14,7	10,4			

Source: SPO, CBRT, TRNC Statistical Institute

Table B.38: Consumer Price Index (2015 = 100 Base Year)

Change Rates of Main Goods and Services Groups Compared to the Previous Month

Main Groups	2019											
	1	2	3	4	5	6	7	8	9	10	11	12
1. Food and Non-Alcoholic Beverages	1,19	0,31	0,40	1,33	-0,38	-1,63	0,76	1,63	3,80	-0,51	-0,10	1,84
2. Alcoholic Beverages and Tobacco	0,09	0,26	-0,21	11,96	1,44	0,39	0,36	11,05	-0,17	0,26	0,20	0,01
3. Clothing and Shoes	-5,35	-4,22	-0,24	10,69	2,06	0,64	-0,13	-14,60	4,28	22,20	1,73	3,09
4. Housing, Water, Electricity, Gas and Other Fuels	-0,78	0,90	0,86	7,85	-3,15	-0,23	-0,41	-0,20	-0,07	0,35	0,58	1,15
5. Furniture, Home Appliances and Home Maintenance Services	0,45	-0,56	0,90	0,65	0,72	2,61	0,74	-0,07	0,59	-0,14	1,03	3,87
6. Health	-0,15	5,02	1,09	0,75	0,53	0,54	6,68	0,67	0,50	3,24	1,14	0,24
7. Transportation	-1,49	-0,34	1,65	4,63	1,69	-0,89	1,34	-0,78	0,95	-3,53	0,48	0,79
8. Communication	0,25	0,43	-0,17	0,48	0,09	1,44	9,73	1,05	0,51	0,21	-15,11	3,32
9. Entertainment and Culture	4,84	-4,54	3,69	4,33	1,80	8,96	-1,56	-0,02	-1,81	-6,18	3,16	1,19
10. Education	0,50	-0,68	0,76	1,60	1,61	-0,76	-0,93	-0,80	18,14	0,07	-0,05	0,32
11. Restaurants and Hotels	-0,07	2,12	4,27	6,63	3,20	7,77	4,31	2,31	-4,18	0,39	-6,30	0,54
12. Miscellaneous Goods and Services	6,37	0,70	1,39	1,24	0,91	2,05	0,34	3,72	-0,07	0,72	0,12	0,88
General	0,53	-0,15	1,33	3,95	0,47	1,27	1,07	0,38	1,88	-0,42	-0,47	1,33

Source: SPO, TRNC Statistical Institute

Table B.39: Minimum Wage Developments

Years	Minimum Wage (TRY)	Exercise Date
1991	520.000	01.01.1991
1992	806.000	01.01.1992
1993	1.373.000	01.01.1993
1994	3.000.000	01.01.1994
1994	5.000.000	01.08.1994
1995	9.420.000	01.01.1995
1995	11.590.000	01.09.1995
1996	14.800.000	01.01.1996
1997	23.000.000	01.01.1997
1997	33.800.000	01.09.1997
1998	50.250.000	01.01.1998
1998	67.000.000	01.09.1998
1999	85.000.000	01.01.1999
1999	103.000.000	01.01.1999
2000	137.000.000	01.01.2000
2000	160.000.000	01.07.2000
2001	200.000.000	01.01.2001
2001	240.000.000	01.08.2001
2002	320.000.000	01.01.2002
2002	380.000.000	01.10.2002
2003	440.000.000	01.01.2003
2003	500.000.000	01.08.2003
2004	550.000.000	01.03.2004
2004	627.000.000	01.07.2004
2005	720	01.06.2005
2006	780	01.01.2006
2006	860	01.08.2006
2007	950	01.02.2007
2008	1.060	01.01.2008
2008	1.190	01.09.2008
2009	1.237	01.10.2009
2011	1.300	01.01.2011
2013	1.415	01.01.2013
2014	1.560	01.01.2014
2014	1.675	01.11.2014
2015	1.730	01.09.2015
2016	1.834	01.07.2016
2017	2.020	01.02.2017
2017	2.175	01.07.2017
2018	2.365	01.03.2018
2018	2.620	01.09.2018
2019	3.150	01.02.2019
2019	3.400	01.08.2019

Source: SPO

Note: As of 2005, 6 zeros have been removed from TRY.

Table B.40: Fuel Retail Prices

Date	Unleaded Gas		Euro Diesel	Diesel	Petroleum
	95 Octane	97 Octane			
14.01.2015	2,99	3,18	3,06	2,67	2,67
04.02.2015	2,95	3,14	2,97	2,58	2,58
25.02.2015	3,04	3,23	3,06	2,67	2,67
18.03.2015	3,13	3,32	3,15	2,76	2,76
01.05.2015	3,31	3,50	3,32	2,93	2,93
23.05.2015	3,40	3,59	3,41	3,02	3,02
07.07.2015	3,40	3,59	3,39	2,99	2,99
28.07.2015	3,30	3,49	3,22	2,82	2,82
18.08.2015	3,27	3,46	3,22	2,82	2,82
09.09.2015	3,27	3,46	3,22	2,85	2,85
30.09.2015	3,29	3,48	3,26	2,92	2,92
21.10.2015	3,27	3,46	3,23	2,92	2,92
16.01.2016	3,18	3,38	3,07	2,86	2,86
23.01.2016	3,18	3,38	2,97	2,86	2,86
06.02.2016	3,12	3,32	2,86	2,86	2,86
19.03.2016	3,20	3,40	2,94	2,94	2,94
05.05.2016	3,27	3,47	3,03	2,94	3,02
26.05.2016	3,39	3,59	3,20	-	3,17
17.06.2016	3,41	3,61	3,29	-	3,26
12.07.2016	3,41	3,61	3,29	-	3,26
24.08.2016	3,47	3,67	3,30	-	3,26
20.09.2016	3,54	3,74	3,36	-	3,32
11.10.2016	3,57	3,77	3,36	-	3,35
01.11.2016	3,63	3,83	3,45	-	3,41
07.01.2017	3,83	4,03	3,62	-	3,56
11.03.2017	3,76	3,96	3,59	-	3,51
01.04.2017	3,71	3,91	3,51	-	3,43
18.05.2017	3,67	3,87	3,47	-	3,39
29.11.2017	3,67	3,87	3,63	-	3,40
03.02.2018	3,85	4,04	3,78	-	3,55
17.03.2018	3,88	4,07	3,82	-	3,59
11.04.2018	4,19	4,37	4,02	-	3,78
03.05.2018	4,30	4,48	4,13	4,13	3,91
10.07.2018	4,32	4,50	4,13	4,13	4,01
31.07.2018	4,42	4,60	4,18	4,18	4,11
28.08.2018	4,97	5,16	4,76	4,76	4,65
20.09.2018	5,81	6,01	5,76	5,76	5,59
01.11.2018	5,61	5,71	5,55	5,76	5,46
22.11.2018	5,21	5,31	5,15	-	5,06
13.12.2018	5,06	5,16	4,95	-	4,86
10.01.2019	5,00	5,10	4,85	-	4,78
21.02.2019	5,06	5,16	4,91	-	4,75
14.03.2019	5,06	5,16	4,91	-	4,85
04.04.2019	5,41	5,51	5,01	-	4,95
08.08.2019	5,36	5,46	4,96	-	4,90

Source: Ministry of Economy and Energy

Table B.41: Exports of TRNC by Country Groups (USD)

Years	Turkey	European Union Countries	Other EU Countries	Middle Eastern Countries	Other Countries	Total Exports
2006	30.875.362	9.708.799	9.805.754	11.543.938	2.933.694	64.867.547
2007	48.907.443	13.225.555	7.369.006	9.702.231	4.480.578	83.684.813
2008	41.770.636	17.147.124	4.953.414	14.220.270	5.572.694	83.664.138
2009	38.482.808	13.156.210	1.206.347	13.833.521	4.384.880	71.063.766
2010	44.741.216	11.816.654	3.475.821	31.104.188	5.282.030	96.419.909
2011	61.333.755	9.515.772	1.514.866	36.886.525	10.645.168	119.896.086
2012	58.878.076	8.678.585	1.014.857	39.821.898	9.873.712	116.267.128
2013	62.969.817	9.145.514	2.733.484	38.472.891	7.359.533	120.681.239
2014	78.446.382	8.304.840	835.323	40.583.800	5.814.745	133.985.090
2015	66.228.637	6.195.715	3.811.828	35.611.170	5.885.294	117.732.644
2016	65.926.162	10.664.066	893.816	23.981.854	4.022.010	105.487.908
2017	63.818.406	8.362.779	1.681.343	22.247.673	9.505.787	105.615.988
2018	52.127.770	10.376.400	2.536.815	26.110.465	9.700.495	100.851.945
2019 (January – November)	40.747.925	1.889.322	2.130.582	28.333.772	3.782.694	77.125.484

Source: Department of Trade

Table B.42: Imports of TRNC by Country Groups (USD)

Years	Turkey	European Union Countries	Far Eastern Countries	Other EU Countries	Middle Eastern Countries	Other Countries	Total Imports
2006	946.978.969	247.072.030	82.977.243	16.460.425	65.267.005	17.464.606	1.376.220.278
2007	1.044.965.855	248.220.981	111.304.222	40.423.905	66.253.726	28.022.604	1.539.191.293
2008	1.172.502.792	236.344.802	109.156.742	78.503.072	56.482.297	27.673.475	1.680.657.180
2009	923.438.219	205.604.209	87.720.997	30.311.431	52.507.371	26.582.965	1.326.165.192
2010	1.137.378.970	251.285.189	90.266.660	29.873.873	69.000.395	26.375.578	1.604.180.665
2011	1.165.712.306	286.204.302	82.493.886	42.982.735	87.880.256	34.654.478	1.699.927.963
2012	1.234.214.030	247.749.409	81.109.808	28.245.460	81.484.144	31.111.112	1.703.913.963
2013	1.155.334.547	257.018.820	113.400.316	59.110.065	86.239.017	28.323.666	1.699.426.431
2014	995.563.199	238.330.438	125.280.677	70.915.525	75.481.630	33.204.743	1.538.776.212
2015	967.563.226	271.360.515	115.042.857	45.084.868	70.781.057	30.744.861	1.500.577.384
2016	940.845.300	326.806.415	133.943.157	51.872.616	69.557.193	34.165.573	1.557.190.254
2017	1.043.002.512	387.506.424	150.130.828	61.166.015	87.668.520	48.929.706	1.778.404.005
2018	1.068.509.898	356.271.158	149.333.076	90.732.549	100.527.838	50.989.832	1.816.364.351
2019 (January – November)	799.004.741	194.608.216	123.264.244	48.424.689	84.760.881	34.030.046	1.284.492.817

Source: Department of Trade

Table B.43: Distribution of Passengers Arriving in the TRNC by Ports

Years	Ercan	Kyrenia	Famagusta	Karpasia	Total
2014	1.577.347	49.967	18.608	291	1.646.213
2015	1.693.694	60.733	19.196	342	1.773.965
2016	1.785.746	57.513	19.004	295	1.862.558
2017	1.794.483	71.619	21.668	283	1.888.053
2018	1.968.345	84.974	26.260	382	2.079.961
2019	1.973.844	70.097	24.575	476	2.068.992

Source: Tourism Planning Department

Table B.44: Total Border Gate Entries in 2018 - 2019 (Number of Persons)

Nationality	TRNC		Southern Cyprus		Other Countries		Total	
	2018	2019	2018	2019	2018	2019	2018	2019
January	142.730	150.377	93.241	152.451	82.017	112.207	317.988	415.035
February	149.291	165.802	83.267	139.516	88.643	113.106	321.201	418.424
March	152.981	163.402	97.704	182.463	120.484	149.119	371.169	494.984
April	139.336	157.512	106.602	203.143	137.044	184.496	382.982	545.151
May	146.289	174.290	110.945	208.708	151.169	191.193	408.403	574.191
June	156.475	184.323	123.941	228.747	151.981	195.225	432.397	608.295
July	153.821	185.157	133.585	224.977	162.629	212.027	450.035	622.161
August	135.096	190.241	180.729	261.727	191.970	231.897	507.795	683.865
September	140.318	192.118	186.477	212.741	192.924	205.454	519.719	610.313
October	146.145	181.499	183.490	205.057	195.681	207.930	525.316	594.486
November	148.467	175.482	178.571	202.907	156.019	159.842	483.057	538.231
December	164.720	186.317	188.539	212.944	130.285	133.767	483.544	533.028
Total	1.775.669	2.106.520	1.667.091	2.435.381	1.760.846	2.096.263	5.203.606	6.638.164

Source: Tourism Planning Department

Table B.45: Number of Persons Accommodating in Touristic Accommodation Facilities

Countries	2012	2013	2014	2015	2016	2017	2018	2019
Turkey	459.529	464.397	529.908	588.045	621.819	710.889	776.428	773.936
TRNC	45.175	40.125	49.598	52.335	53.224	55.613	49.344	50.560
Other	183.651	209.379	224.881	235.661	249.079	348.471	317.434	336.184
Grand Total	688.355	713.901	804.387	876.041	924.122	1.114.973	1.143.206	1.160.680

Source: Tourism Planning Department

ANNEX C. NOTES

Money Supply

'Money Supply' in the broad definition refers to the sum of means that are in circulation and used as money in an economy. Although they vary from country to

country or time, the 'money supply' is defined as M1 (Narrow Money Supply), M2 (Intermediate Money Supply) and M3 (Wide Money Supply) according to their liquidity ratios and is calculated as follows.

M1= Money in Circulation + Demand Deposits in the Banks + Deposits in Central Bank of TRNC

M2= M1 + Time Deposits in the Banks

M3= M2 + Official Deposits in the Banks + Other Deposits in Central Bank of TRNC

Deposits and Loans

The deposits and loan item totals in the bulletin are prepared according to the definitions in the "TRNC Banks' Uniform Chart of Accounts".

Other Points Related to the Bulletin

In the bulletin, banking data is usually issued on a monthly, quarterly and annual basis. The monthly data regarding the banking sector is also published on our Bank's official website (www.mb.gov.ct.tr).

Bank

It describes the banks established under the "Companies Law" and "TRNC Banking Law" numbered 39/2001 and the branches of foreign banks opened in the Turkish Republic of Northern Cyprus. There are currently 21 deposit banks operating in the TRNC.

Since banking data is collected from temporary balances, our bank does not guarantee the accuracy of such financial data and does not take responsibility for this information, which is published for information purposes only. In addition, our Bank reserves the right to amend/modify related data in whole or in part without prior notice. For this reason, periodic information contained in the Bulletin may change as a result of updates to previous or subsequent bulletins for various reasons.

Banking Sector

It refers to the sector consisting of the banks described above. All kinds of financial institutions other than the 21 eligible banks are excluded from the sector.

Monetary Data of the Banking Sector

The monetary aggregates of the sector are compiled from temporary balances that banks presented to the Central Bank of the TRNC. These balances are prepared on the last day of each calendar month and show the balance sheet status of the banks as of that day. However, since the Central Bank may request amendments to certain items of these balance sheets as a result of some examinations, these balance sheets are considered 'Temporary'.

Central Bank of the TRNC

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For information and suggestions: www.mb.gov.ct.tr

