



# 2019 FIRST QUARTER

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CENTRAL BANK OF TRNC  
ISSUE: 2019 - I

QUARTERLY BULLETIN





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Issue: 2019 - I



## I: FOREWORD

May 2019 Economic Outlook Report published by the OECD states that the global economy is still fragile and urgent cooperation is required to overcome this situation. In addition, the IMF's World Economic Outlook Report published in April 2019 reveals that global GDP growth forecasts for 2018 and 2019 have been revised down by 3.6 percent and 3.3 percent, respectively.

In the TRNC economy, annual inflation rates in January, February and March 2019 were considerably higher compared to the same periods of 2018. The annual inflation rate, which had been 11.57 percent, 12.80 percent and 12.11 percent in the first three months of 2018, reached 30.94 percent, 28.67 percent and 29.26 percent in the same months of 2019. Sectors with the highest price increase at the end of March 2019 are food and non-alcoholic beverages, furniture and home appliances, and water, electricity and gas.

In the first quarter of the 2019 fiscal year, TRNC budget revenues amounted to 1,416.7 million TRY and budget expenditures amounted to 1,436.7 million TRY. As a result, public finance had a deficit of 20 million TRY at the end of the relevant period. In the first quarter of 2019 fiscal year, TRNC total budget revenues increased by 40 percent and total expenditures increased by 52.6 percent, compared to the same period of the previous year. Tax revenues item with the largest share in budget revenues increased by 165 million TRY, compared to the same quarter of the previous year and reached 896.7 million TRY. Non-tax revenues item with the second largest share was measured at 492.1 million TRY. Current transfers and personnel expenditures, which have the highest share in the budget expenditures of the TRNC, increased by 62 percent and 34.3 percent compared to the same period of the previous year and reached 738 million TRY and 566.5 million TRY, respectively.

Total assets of the banking sector increased by 7.5 percent in the first quarter of 2019 and reached 35,452.8 million TRY, compared to December 2018. In the first quarter of 2019, gross loans and cash and cash equivalents have been the largest shares in the total assets of the sector with 55.92 percent and 30.44 percent, respectively. When total liabilities of the sector are analysed as of the first quarter of 2019, it is observed that deposits have a share of 80.25 percent, shareholders' equity of 9.33 percent, debts to banks of 6.1 percent and other liabilities of 4.32 percent. When concentration in the sector in the first quarter of 2019 is analysed, it is seen that the share of the five largest banks in the sector is 55.85 percent in terms of asset size. Share of the first ten banks is 79.73 percent.

When the capital adequacy standard ratio (SYSR) of the banking sector is analysed as of the first quarter of 2019, it is found that it decreased by 0.07 points compared to the previous quarter and declined to 17.79 percent. Non-performing loans (NPL) increased by 17.2 percent and reached 1,085.3 million TRY, compared to the same period of the previous year. While the share of private banks in total NPL increased compared to the previous quarter, shares of public banks and branch banks decreased. By the first quarter of 2019, NPL conversion rate has been 5.47 percent. Accordingly, NPL conversion rate decreased by 0.24 points during one-year period. As of the first quarter of 2019, the sector's return on assets and return on equity increased to 2.46 percent and 27.12 percent, respectively.

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 first quarter of 2019 and I hope that it will benefit those interested in the subject.

Regards,



**Rifat GÜNAY**

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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 Zone
EUROSTAT	EUROSTAT
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

As stated in the IMF's April 2019 Global Economic Outlook Report, affected by the slowdown of major economies due to various reasons, strong global economic growth observed in 2017 and the first half of 2018 lost momentum in the second half of 2018. For instance, the economy of the People's Republic of China has slowed down due to increased trade tensions with the United States of America, as well as measures taken and new regulations made to curb shadow banking. On the other hand, the Eurozone economy declined much faster than expected due to weakening confidence index and new emission standards for car production in Germany. Furthermore, the slowdown in the external demand of the developing Asian region is also cited as one of the reasons why the Eurozone economy lost momentum. Another factor affecting the global economic growth rate is the decrease in foreign demand especially in fragile developing countries as of the third quarter of 2018 and in developed countries in the last months of 2018 due to the tightening in financial conditions.

In the first quarter of 2019, financial conditions improved as the Fed started to adopt a more consistent monetary policy stance and increased market expectations for the USA - People's Republic of China agreement.

In the related report, while IMF's global economic growth forecasts for the year 2018 were 3.6 percent, this rate fell to 3.3 percent in 2019 and then rebounded in 2020 to reach 3.6 percent. Compared to the forecasts in October 2018 report of the IMF, it is seen that global economic growth rate has been reduced by 0.1, 0.4 and 0.1 points for the years 2018, 2019 and 2020, respectively.

IMF report states that predicted global economic growth rate in 2019 would be affected by new policies implemented in the Peoples Republic of China, the decreased sensitivity in global financial markets, decreased resistance to growth in the Eurozone, the expectations of gradual stabilization of emerging economies such as Turkey and Argentina. The IMF

predicts that the economic growth rate in developing countries will be balanced slightly below the average of 5 percent, overlooking the differences based on country and region. Moreover, it was predicted that the balanced growth expected by developing economies in 2019 will continue in 2020. On the other hand, economic activity in developed countries is expected to continue to decelerate gradually.

In the Global Economic Outlook report, it is stated that, if an agreement is reached in trade wars, this will contribute positively to global growth by improving confidence index and strengthening investor sentiment. However, since the ongoing tension in trade wars means that policy uncertainties also increase, as it is the case now, it is estimated that downside risks on global growth will increase and the growth rate will weaken.

OECD Economic Outlook Report, published in May 2019, mentioned the existence of a fragile global economy and the necessity of an urgent cooperation in order to take action against this situation. In the related report, it is stated that ongoing trade and policy uncertainties are damaging the global economy and increasing polarization among people. For these reasons, the global growth rate experienced a significant loss of acceleration and it is also stated in the report that the continuation of trade tensions caused the growth rate to remain low.

**Table 1.1: GDP Forecasts and Results**

	2016	2017	2018 <sup>1</sup>	2018 <sup>2</sup>	2019 <sup>1</sup>	2019 <sup>2</sup>
<b>IMF</b>	3,2	3,8	3,8	3,6	3,9	3,3
<b>World Bank</b>	2,4	3,1	2,9	3,0	3,0	2,6
<b>OECD</b>	3,0	3,6	3,1	3,5	3,9	3,2

Source: OECD, World Bank, IMF

<sup>1</sup> Initial forecasts of the relevant year.

<sup>2</sup> Latest forecasts of the relevant year.

<sup>F</sup> Forecast

As stated in the OECD Economic Outlook Report, trade volume and investments experienced sharp declines, especially in Asia and Europe. In addition, consumer and business confidence indices lost their strength and the manufacturing industry contracted. On the other hand, the more consistent monetary stance of the central banks and the implementation of an incentive fiscal policy in some countries were effective in improving financial conditions.

In the UK, Prime Minister Theresa May announced on May 24, 2019 that she would resign from her party's leadership as of June 7, due to the failure of a successfully completed Brexit process. Moody's, the international credit rating agency, assessed that the resignation of Prime Minister Theresa May could increase the likelihood of a no-deal Brexit.

## 1.2 ECONOMIC AND FINANCIAL OUTLOOK IN SELECTED COUNTRIES

### 1.2.1 GROWTH

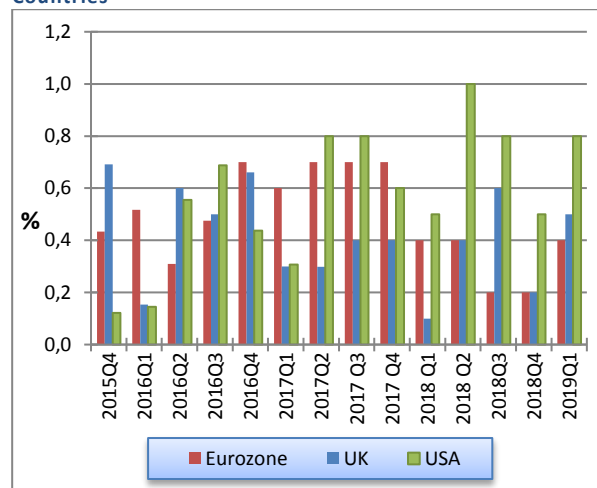
The US economy's annual growth rate has been 3.2 percent in the first quarter of 2019, exceeding expectations. While consumption expenditures made the lowest contribution to growth after the global crisis, good performance in foreign trade and increases in stocks have been effective in the accelerating growth rate.

The UK economy's Gross Domestic Product (GDP) chained volume index data grew by 0.2 percent in the last quarter of 2018 compared to the previous quarter, and by 1.4 percent compared to the same quarter of the previous year. UK Office for National Statistics (ONS) has published the GDP forecasts for first quarter 2019. When the relevant data are analysed, it is concluded that the growth rate of the economy gained momentum. According to forecasts, economic growth increased by 0.5 percent compared to the previous quarter and increased by 1.8 percent compared to the same quarter of the previous year.

In the first quarter of 2019, the Eurozone recorded a faster economic growth compared to the last quarter of the previous year and grew by 0.4 percent, above the expectations. The annual economic growth rate in the Eurozone has been 1.2 percent.

Based on GDP chained volume index, Turkey's economy decreased by 2.6 percent on an annual basis in the first quarter 2019. Calendar-adjusted GDP chained volume index points a contraction of 2.3 percent in the first quarter of 2019, compared to the same quarter of the previous year. On the other hand, when seasonally adjusted GDP is calculated based on the previous quarter, it showed an increase of 1.3 percent, indicating that Turkey economy is coming out from technical recession.

Chart 1.1: GDP Growth Rates of Selected Region and Countries



Source: OECD

### 1.2.2 INFLATION

Annual CPI increase rate in the US economy in the first quarter of 2019 has been 1.6, 1.5 and 1.9 percent in January, February and March, respectively. After the price hikes in the first three months remained below the Fed's long-term inflation target, the CPI target rate announced on May 10, 2019 has realized as 2 percent. In its previous statements, the Fed stated weak inflation as the main reason for not increasing policy interest rates in 2019. The most recently announced annual CPI in the US in April 2019 is 2.1 percent.

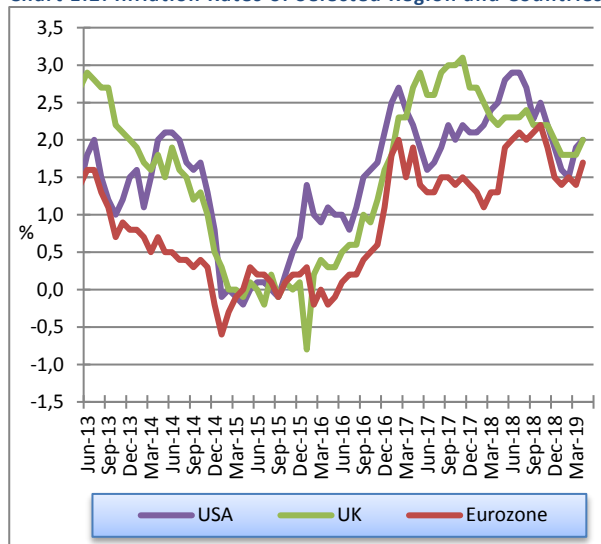
According to the EUROSTAT data, in the Eurozone, annual increase in the harmonised CPI was 1.8 percent in 2018. Analysing the monthly data, it is observed that the CPI increase has been -1.0 percent, 0.3 percent and 1.0 percent in January, February and March, respectively.

In the United Kingdom, according to ONS data, annual CPI inflation in the first quarter of 2019 has been 1.8 percent in January and 1.9 percent in the next two months. Afterwards, inflation rose slightly to 2.1 percent in April. Rising energy prices and airplane ticket prices due to the Easter holiday are considered as contributing factors to the rise in inflation.

According to the latest inflation data published by Turkish Statistical Institute, CPI rate rose by 1.69 percent as of April 2019 compared to the previous month, and resulted below market expectations. Compared to the same month of the previous year, it increased by 19.50 percent. On the other hand, D-PPI ratios increased by 2.98 percent and 30.12 percent on a monthly and annual basis, respectively.

In April, rates all main expenditure groups except communication group increased on a monthly basis. The highest monthly increase in CPI was in alcoholic beverages and tobacco group by 6.77 percent in April. The highest annual increase was in the food and non-alcoholic beverages group by 31.86 percent.

**Chart 1.2: Inflation Rates of Selected Region and Countries**



Source: OECD

### 1.2.3 POLICY INTEREST RATES

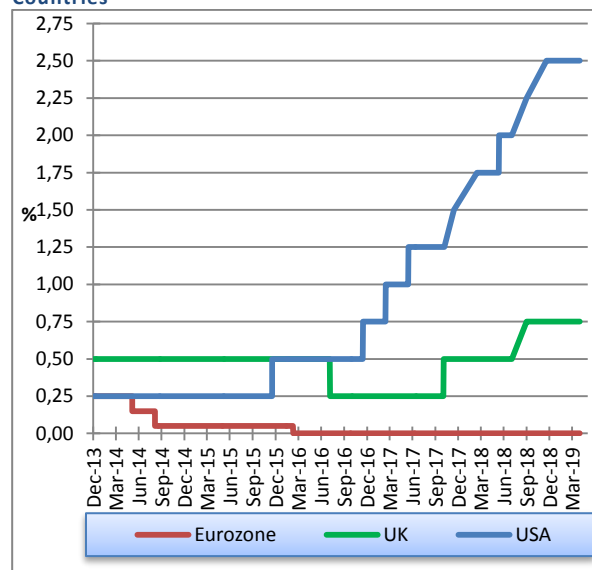
In its last meeting held in May 2019, the Fed kept its policy rate at a range of 2.25 - 2.50 percent in line with market expectations. Then it increased its policy rate by 25 basis points at its most recent meeting in December 2018 and raised it to its current level. And the interest rate was kept stable at the other two meetings held in 2019. In his statement after the meeting, chair of the Fed indicated that there will be no change in the policy interest rate unless there is a significant improvement. In addition, it was stated that the maintenance of labour market and economic activity were effective in this decision.

The Bank of England (BoE) kept its policy rate unchanged at 0.75 percent at its last meeting in 2019. It was also announced that the bond purchase program would be maintained at a fixed rate of 435 billion pound sterling per month. The minutes of the meeting mentioned that the relevant decisions were taken unanimously and the expectation that the gradual reduction in uncertainties stemming from Brexit will increase the economic growth rate in the UK next year.

At the meeting held on April 10, 2019, the European Central Bank (ECB) continued to keep the policy rate at zero percent, in line with the expectations. The ECB did not make a change in its verbal guidance and reiterated

that the policy rate will be kept constant throughout 2019. After the meeting, ECB President Mario Draghi stated that the data released after March point to downside risks on economic growth.

**Chart 1.3: CB Policy Interest Rates of Selected Developed Countries**

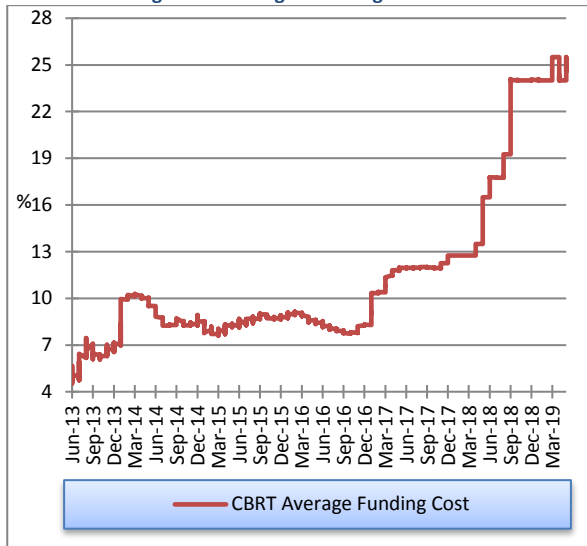


Source: FED, ECB, BoE

At the Monetary Policy Committee (MPC) meeting held on April 25, 2019, CBRT kept the policy rate constant at 24 percent, in line with market expectations. The summary released after the meeting points that additional monetary tightening can be made if needed. The text also included the statement, "Factors affecting inflation will be closely monitored and monetary stance will be determined to keep inflation in line with the targeted path."

On May 9, 2019 the Central Bank of the Republic of Turkey (CBRT) announced a change in the reserve requirement ratios to support financial stability. As a result of the decisions taken by the CBRT, the possibility of maintaining Turkish lira reserve requirements in foreign currency was reduced from 40 percent to 30 percent. In addition, foreign currency reserve requirement ratios were increased by 100 basis points to be valid for all maturity segments. As a result of the new decision on the Turkish Lira reserve requirements maintained foreign currency, the Central Bank is expected to provide 2.8 billion USD to the market and withdraw 7.2 billion TRY from the market. As a result of the change in foreign currency reserve requirements, it is predicted that 3 billion USD liquidity will be withdrawn from the market.

**Chart 1.4: Weighted Average Funding Cost of CBRT**

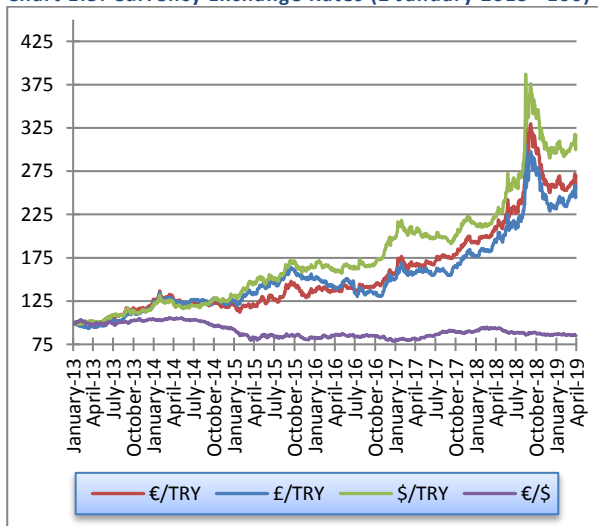


Source: CBRT

### 1.2.4 EXCHANGE RATES

As in the last quarter of 2018, the Turkish lira continued to experience a significant depreciation against other currencies in the first quarter of 2019, compared to the same period of the previous year. In the first quarter of 2018, exchange rates were 5.30, 4.69, and 3.81 for GBP/TRY, EUR/TRY, USD/TRY, while they have been 6.97, 6.51, and 5.36 in the same period of 2019. When the two periods are compared, it is seen that the Turkish lira depreciated by 40.68 percent against the US dollar, 31.51 percent against the pound sterling and 30.06 percent against the euro.

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



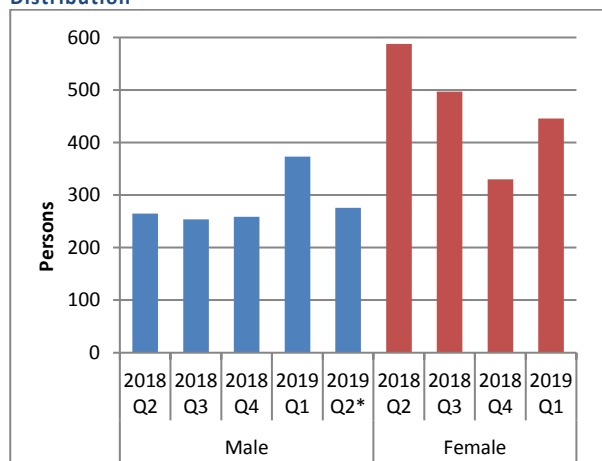
Source: Central Bank of the TRNC

## 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 589 by the end of the fourth quarter of 2018, increased to 819 as of the end of March 2019. Analysing the unemployment rate for March 2019 by gender composition, it is seen that about 46 percent of the active registered unemployed people are composed of men and 54 percent of them are women.

**Chart 2.1: Registered Active Unemployment - Periodic Distribution**



Source: Labour Office

While the number of jobseekers as of the fourth quarter of 2018 was 588, the number of new job seeking applicants at the end of March 2019 has been 897. By the end of the first quarter of 2019, when 667 people who were unregistered and employed were taken into consideration, the number of jobseekers has reached 818 at the end of March.

**Table 2.1: Registered Active Unemployment - Overview (persons)**

	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1
<b>Jobseekers by the end of the previous period</b>	686	591	852	750	588
<b>Applicants applying for employment during the period</b>	866	1048	837	678	897
<b>Persons employed during the period</b>	326	241	177	115	78
<b>Persons unregistered during the period</b>	635	546	762	725	589
<b>Jobseekers by the end of the period</b>	591	852	750	588	818

Source: Labour Office

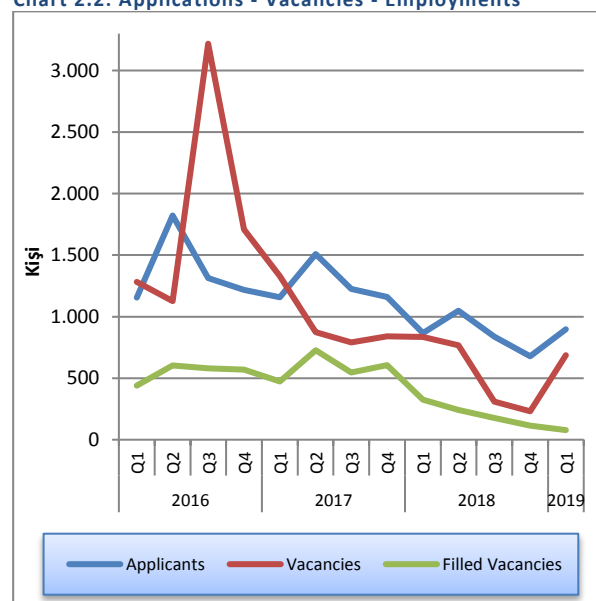
Examining the active vacancy listings, it is concluded that 603 vacancies were transferred to the first quarter of 2019 and a total of 687 new vacancies were opened in January, February and March. As of the end of March 2019, 972 vacancies were transferred to the next period as a result of 78 filled and 240 cancelled vacancies.

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

	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1
<b>Vacancies transferred from the previous period</b>	784	890	1.387	1.506	603
<b>Vacancies received during the period</b>	834	768	309	231	687
<b>Vacancies filled during the period</b>	326	231	177	115	78
<b>Vacancies cancelled during the period</b>	402	40	13	1.019	240
<b>Vacancies transferred to the next period</b>	890	1.387	1.506	603	972

Source: Labour Office

**Chart 2.2: Applications - Vacancies - Employments**



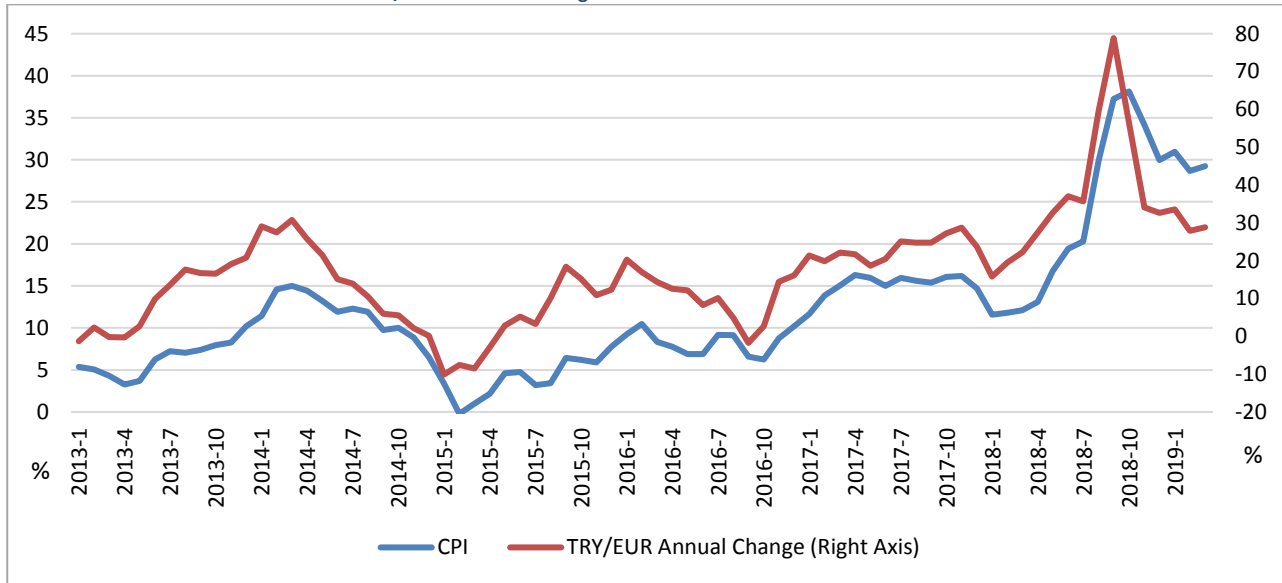
Source: Labour Office

## 2.2 INFLATION

Looking at Graph 2.3, which shows 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. As can be understood from the graph, pass-through of the Turkish Lira's depreciation against foreign currencies to the general

level of consumer prices is considerably high. The two exchange rates, which have continued in correlation since 2015, have started to increase as of January 2018 and continued throughout the year. It is observed that the change rates have been declining since January 2019.

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

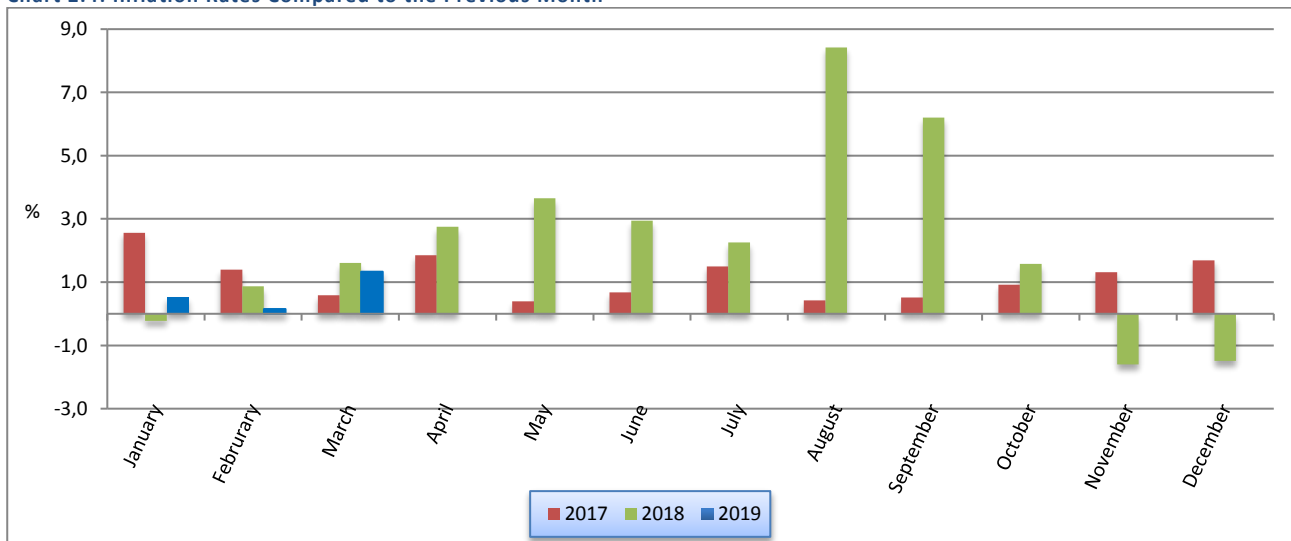


Source: SPO

When month to month inflation rate changes in the first quarter of 2019 are compared to the same periods of 2018, the rates of -0.22 percent, 0.87 percent and 1.6

percent in January, February and March 2018 reached 0.53 percent, 0.15 percent and 1.33 percent in the same months of 2019, respectively.

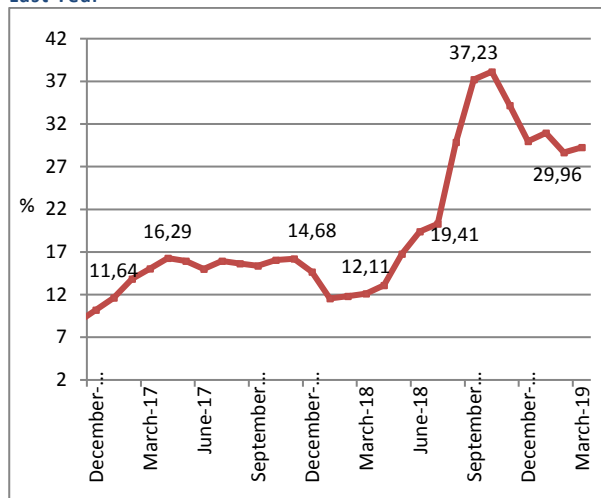
Chart 2.4: Inflation Rates Compared to the Previous Month



Source: SPO

The annual inflation rate, which was 11.57 percent in January, 12.80 percent in February, 12.11 percent in March 2018, reached 30.94 percent in January, 28.67 percent in February and 29.26 percent in March 2019.

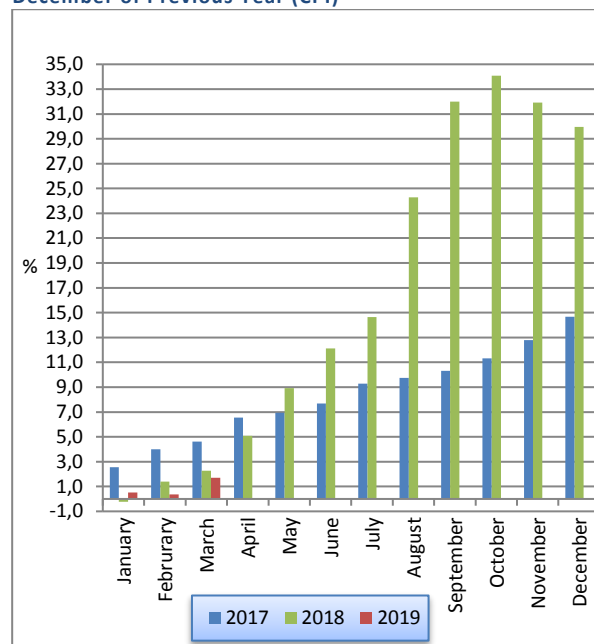
**Chart 2.5: Inflation Rates Compared to the Same Month of Last Year**



Source: SPO

In the first quarter of 2019, the rate of change was 0.53 percent in January, 0.37 percent in February and 1.71 percent in March, compared to December 2018.

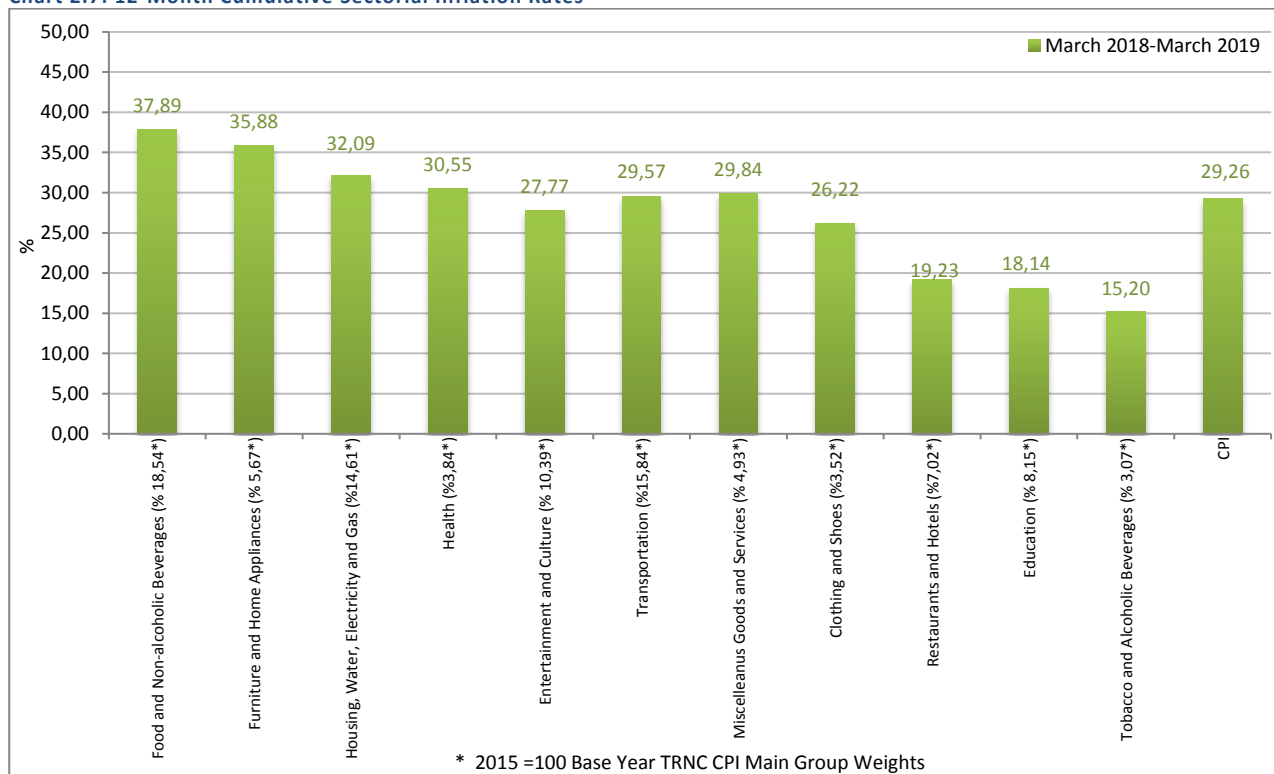
**Chart 2.6: Cumulative Inflation Rates Compared to December of Previous Year (CPI)**



Source: SPO

The sectors with the highest price increase at the end of March 2019 are food and non-alcoholic beverages by 37.89 percent, furniture and home appliances by 35.88 percent and, housing, water, electricity and gas item by 32.09 percent. By the end of March 2019, the lowest price increase has been in the tobacco and alcoholic beverages item by 15.20 percent.

**Chart 2.7: 12-Month Cumulative Sectorial Inflation Rates**



Source: SPO

Change rates in the Consumer Price Index for the years 2016, 2017, 2018 and 2019 are presented in Table 2.3, monthly, annually and compared to the end of last year.

**Table 2.3: Consumer Price Inflation (2015=100)**

	Months	Monthly	Compared to the End of Last Year	Compared to the Same Period of Last Year
<b>2016</b>	January	0,47	0,47	9,25
	February	-0,17	0,31	10,48
	March	-0,21	0,09	8,33
	April	0,99	1,09	7,78
	May	0,76	1,86	6,87
	June	0,46	2,33	6,89
	July	0,88	3,23	9,18
	August	0,75	4,00	9,13
	September	0,60	4,63	6,60
	October	1,17	5,85	6,23
	November	1,43	7,36	8,77
	December	2,64	10,19	10,19
<b>2017</b>	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
<b>2018</b>	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
<b>2019</b>	January	0,53	0,53	30,94
	February	-0,15	0,37	28,67
	March	1,33	1,71	29,26

Source: SPO



## 3 FOREIGN TRADE AND TOURISM

*(The exports and imports data of the first quarter 2019, prepared by the TRNC Department of Trade could not be obtained. Therefore, the existing data of the relevant period was not updated.)*

### 3.1 RECENT DEVELOPMENTS IN EXPORTS AND IMPORTS

According to the exports and imports data announced by the Department of Trade, while total exports of the TRNC had been 101 million USD in 2017, then this figure declined to 95.4 million USD in 2018.

Imports, on the other hand, increased by 2.8 percent in 2018, compared to 2017.

**Table 3.1: Exports and Imports**

	Exports (US Dollar)			Imports (US Dollar)		
	2017	2018	Percentage Change	2017	2018	Percentage Change
January	7.567.748	10.005.513	32,2	110.035.173	149.257.366	35,6
February	11.372.143	14.786.580	30,0	126.115.804	132.991.642	5,5
March	13.489.437	12.136.188	-10,0	132.316.926	168.628.515	27,4
<b>Quarter I</b>	<b>32.429.328</b>	<b>36.928.281</b>	<b>13,87</b>	<b>368.467.903</b>	<b>450.877.523</b>	<b>22,4</b>
April	10.928.228	11.138.772	1,92	130.362.215	161.723.493	24,1
May	9.359.597	9.388.841	0,31	129.614.563	163.330.750	26,0
June	7.184.406	6.285.919	-12,5	125.894.645	143.888.853	14,3
<b>Quarter II</b>	<b>27.472.231</b>	<b>26.813.532</b>	<b>-2,39</b>	<b>385.871.423</b>	<b>468.943.096</b>	<b>21,5</b>
July	8.483.460	7.259.446	-14,4	132.399.056	144.402.227	9,1
August	6.738.866	5.461.530	-18,9	142.747.769	118.239.111	-17,2
September	7.212.368	5.405.404	-25,0	127.157.322	108.084.595	-15,0
<b>Quarter III</b>	<b>22.434.694</b>	<b>18.126.380</b>	<b>-19,2</b>	<b>402.304.147</b>	<b>370.725.933</b>	<b>-7,8</b>
October	5.768.228	4.830.250	-16,2	163.486.230	129.139.330	-21,0
November	4.946.955	4.450.559	-10,0	159.363.299	150.943.972	-5,3
December	7.974.687	4.240.417	-46,8	191.963.961	147.822.859	-22,9
<b>Quarter IV</b>	<b>18.689.870</b>	<b>13.521.226</b>	<b>-27,6</b>	<b>514.813.490</b>	<b>427.906.161</b>	<b>-16,8</b>
<b>Year Total</b>	<b>101.026.123</b>	<b>95.389.419</b>	<b>-5,5</b>	<b>1.671.456.963</b>	<b>1.718.452.713</b>	<b>2,8</b>

Source: Department of Trade

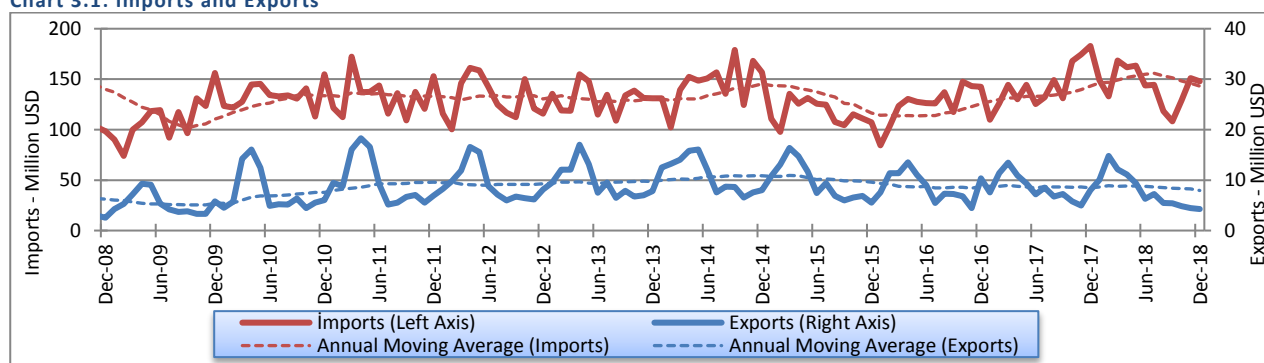
- Note: 1) Exports to the Southern Cyprus are not included.  
2) Hydrocarbon imports are not included.  
3) Import and export figures for 2018 are temporary figures.

When TRNC's exports and imports during the 10 year period between December 2008 and December 2018 are analysed, it is observed that exports 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.

In imports, the lowest level since February 2009 was 84 million USD in January 2016. Looking at the annual moving average of imports, it tended to decrease in the period after January 2015, but it is observed that after September 2016, it tended to rise again, and this increase continued in 2018 as well.

**Chart 3.1: Imports and Exports**

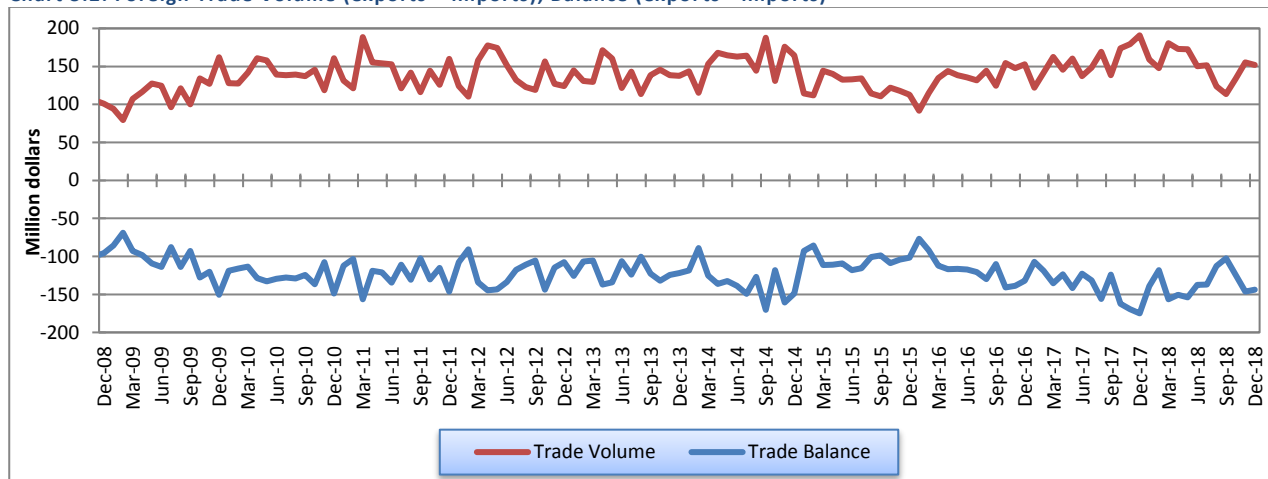


Source: Department of Trade

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. During the period between the end of 2017 and the end of 2018, trade volume decreased from 190.9 million USD to 152.1 million USD, while foreign trade deficit was 174.9 million USD and 143.6 million USD, respectively.

While the average exports to imports ratio had been 5 percent between 2006 and 2010, it reached 7.3 percent in 2011-2014 period. In 2015 and 2017, this rate was 7.1 percent and the average figure of 2018 has been 5.5 percent.

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



Source: Department of Trade

In 2017, the share of other European countries and other countries groups in total exports increased compared to the previous year, while the share of Turkey, EU countries and Middle East and Arab countries groups decreased.

Compared to 2017, in 2018, exports to EU Countries, other EU Countries and Middle East and Arab Countries increased, while exports to Turkey and other countries decreased.

**Table 3.2: Exports of TRNC by Country Groups (percentage share)**

Years	Turkey	EU	Other EU Countries	Middle East 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

Source: Department of Trade

The share of Turkey, which has the largest share in total imports of TRNC, was 58.6 percent by the end of 2017. There was a decrease in the share of imports from Turkey and Far East countries in 2017 compared to the previous year and there was an increase in the share of imports from other European countries and the Middle East and Arab countries.

Referring to the annual figures in 2018, the share of imports from Turkey was 58.8 percent, while the share of imports from the EU countries was 19.6 percent. Compared to the figures of 2017, imports from Turkey, Other European Countries, Middle East and Arab Countries and Other Countries increased, while imports from EU countries and Far Eastern Countries decreased.

**Table 3.3: Imports of TRNC by Country Groups (percentage share)**

Years	Turkey	EU	Far Eastern Countries	Other EU Countries	Middle East 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

Source: Department of Trade

### 3.2 TOURISM

In the first quarter of 2018, total number of arriving passengers, which was 405,747, decreased by 10.1 percent and became 364,745 in the same period of 2019.

In the first quarter of 2019, the number of arriving Turkish Citizen Passengers decreased by 12.4 percent, and the number of passengers from third countries by 1.9 percent, compared to the same period of the previous year.

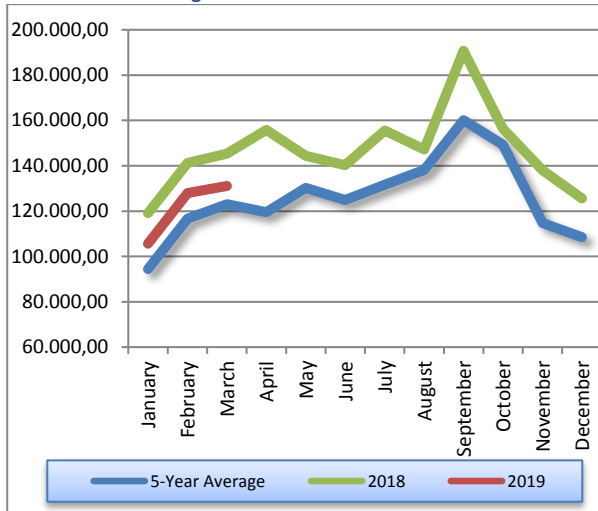
**Table 3.4: Number of Passengers Arriving to TRNC by Air and Sea**

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	<b>314.325</b>	<b>275.080</b>	<b>-12,4</b>	<b>91.422</b>	<b>89.665</b>	<b>-1,9</b>	<b>405.747</b>	<b>364.745</b>	<b>-10,1</b>

Source: Tourism Planning Department

When the number of arriving passengers in the first quarter of 2019 is compared to the previous year and the average of the last five years, it is observed that the total number of arriving passengers in the first quarter of 2019 is below the average of 2018 and above the average of the last 5 years.

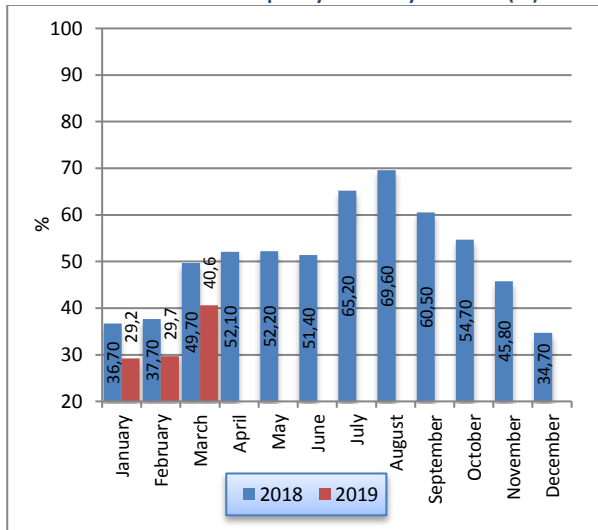
**Chart 3.3: Number of Arriving Passengers in 2018 Compared to 2017 and Averages of the Last 5 Years**



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 first quarter 2019 is lower than the same period of the previous year.

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

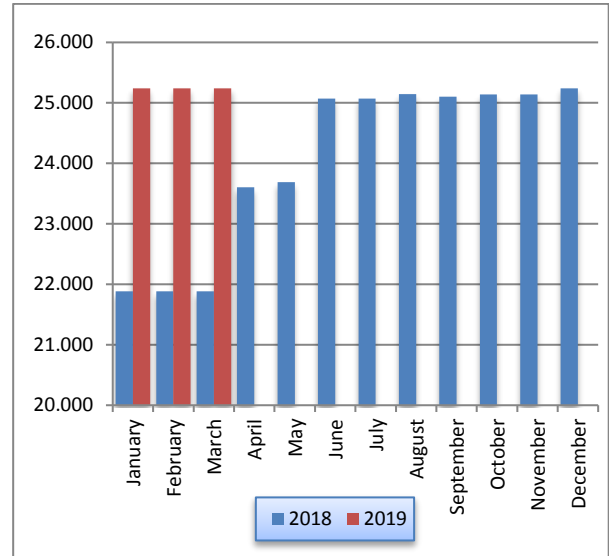


Source: Tourism Planning Department

\*Tourism Planning Department forecast figures are used for the first quarter of 2019.

Comparing total hotel bed capacity in the years 2018 and 2019, it is observed that the bed capacity of 21,885 in the first quarter of 2018 reached 25,241 in the first quarter of 2019.

**Chart 3.5: Total Number of Hotel Beds**



Source: Tourism Planning Department

When border gate entries into the TRNC between January - December 2018 are examined, it is observed that the entries from Southern Cyprus started to increase as of the second quarter of 2018.

When the first quarter data of 2018 and 2019 are compared, it is observed that the total entries increased in 2019 and especially the increase in the entries from Southern Cyprus had a significant contribution to the grand total.

**Table 3.5: Border Gate Entries to TRNC by Nationalities and Months**

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		106.602		137.044		382.982	
May	146.289		110.945		151.169		408.403	
June	156.475		123.941		151.981		432.397	
July	153.821		133.585		162.629		450.035	
August	135.096		180.729		191.970		507.795	
September	140.318		186.477		192.924		519.719	
October	146.145		183.490		195.681		525.316	
November	148.467		178.571		156.019		483.057	
December	164.720		188.539		130.285		483.544	
<b>Total</b>	<b>1.775.669</b>	<b>449.581</b>	<b>1.667.091</b>	<b>474.430</b>	<b>1.760.846</b>	<b>374.432</b>	<b>5.203.606</b>	<b>1.328.443</b>

Source: Tourism Planning Department



## 4 BUDGETARY DEVELOPMENTS

### 4.1 FIRST QUARTER 2019 RESULTS

In the first quarter of fiscal year 2019, TRNC total budget revenues increased by 40 percent and total expenditures increased by 52.6 percent, compared to the same period of the previous year. Following these changes, budget revenues and budget expenditures were 1,416.7 and 1,436.7 million TRY in the first quarter of 2019. In the first quarter of 2018, public finance, which had a surplus of 70.8 million TRY, had a deficit of 20 million TRY in the same period of 2019.

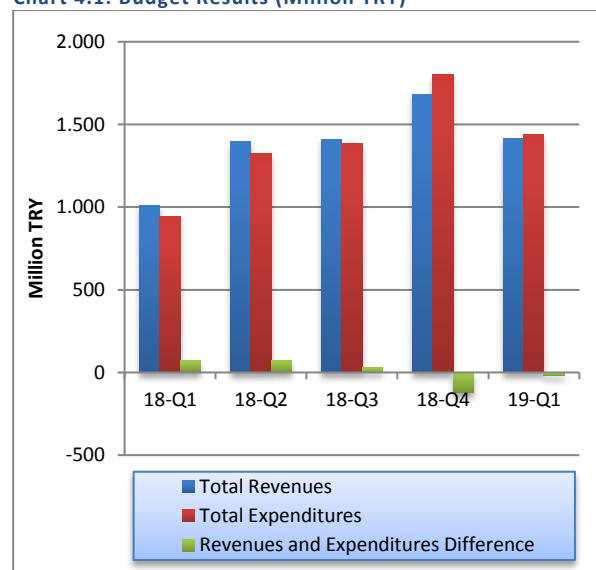
**Table 4.1: Budget Balance (Million TRY)**

	2018		2019		% Change
	Annual Results	January-March Results	Annual Forecast	January-March Results	
<b>Budget Revenues</b>	5.502,4	1.012,1	6.890,1	1.416,7	<b>40,0</b>
<b>Budget Expenditures</b>	5.452,3	941,3	7.628,8	1.436,7	<b>52,6</b>
<b>Budget Balance</b>	<b>50,1</b>	<b>70,8</b>	<b>-738,7</b>	<b>-20,0</b>	<b>-128,2</b>

Source: Ministry of Finance

18.4 percent of the total budget revenues of 5,502.4 million TRY obtained in 2018 were collected in the first quarter of 2018. In 2019, 20.6 percent of the estimated total budget revenues were collected in the first quarter. In 2019, 18.8 percent of 7,628.8 million TRY, estimated to be used in the execution of services and activities has been used in the first quarter. This rate was 17.3 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 first quarter of fiscal year 2019, budget revenues increased by 404.6 million TRY compared to the same period of the previous year and amounted to 1,416.7 million TRY. Tax revenues item with the largest share in budget revenues totalled 896.7 million TRY in the first quarter of 2019. Total tax revenues were 731.7 million TRY in the same period of 2018. Non-tax revenues item, which had the second highest share in budget revenues, increased by 93.5 percent compared to the same period of the previous year and reached 492.1 million TRY in the first quarter of 2019. In the first quarter of 2019, other revenues item increased by 6.9 percent compared to the same period of the previous year and reached 27.9 million TRY.

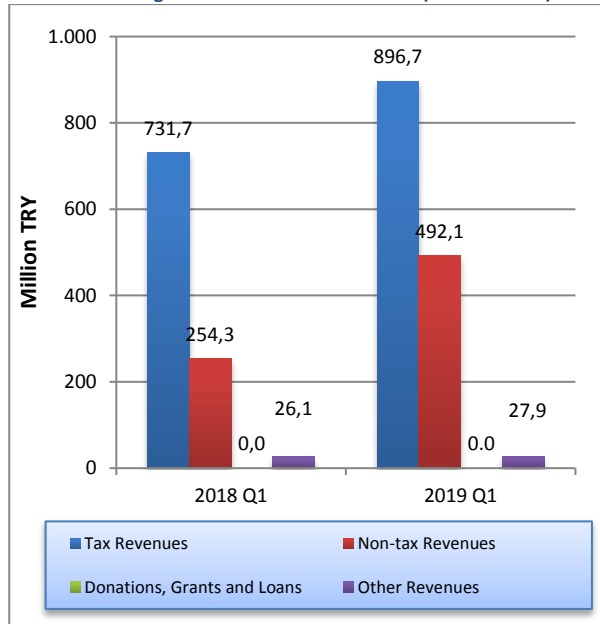
**Table 4.2: Budget Revenues (Million TRY)**

	2018 January - March	2019 January - March	% Change
<b>Tax Revenues</b>	731,7	896,7	22,6
<b>Non-Tax Revenues</b>	254,3	492,1	93,5
<b>Donations, Grants and Loans</b>	0	0	0
<b>Other Revenues</b>	26,1	27,9	6,9
<b>Total</b>	<b>1.012,1</b>	<b>1.416,7</b>	<b>40,0</b>

Source: Ministry of Finance

As in the first quarter of 2018, no income has been obtained from donations, grants and loans item in the first quarter of 2019. In the same periods, while the share of tax revenues item had been 72.3 percent, it fell to 63.3 percent, and the share of non-tax revenues had been 25.1 percent and it increased to 34.7 percent. The share of other revenues item decreased from 2.6 percent to 2 percent.

**Chart 4.2: Budget Revenues Distribution (Million TRY)**



Source: Ministry of Finance

### 4.3 EXPENDITURES

As of the first quarter of 2019, total budget expenditures increased by 52.6 percent compared to the same period of the previous year, and reached to 1,436.7 million TRY from 941.3 million TRY. In the mentioned periods, current transfers, goods and service purchase expenditures and personnel expenditures items increased by 62, 123.7 and 34.3 percent, respectively.

Current transfers expenditure item of the TRNC budget reached 738 million TRY in the first quarter of 2019. In this period, personnel expenditures item, which increased by 34.3 percent compared to the same period of previous year, reached 566.5 million TRY. Capital expenditures and transfers item increased during the same period and amounted to 24.5 million TRY in the first quarter of 2019.

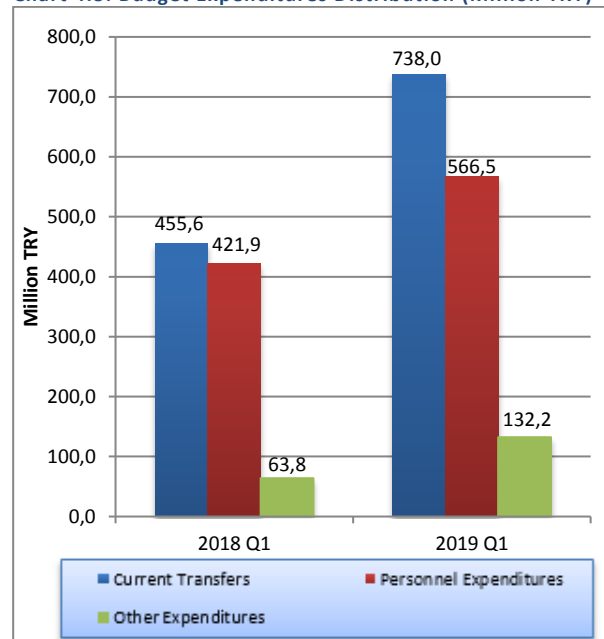
**Table 4.3: Budget Expenditures (Million TRY)**

	2018 January - March	2019 January - March	% Change
<b>Current Transfers</b>	455,6	738,0	62,0
<b>Personnel Expenditures</b>	421,9	566,5	34,3
<b>Capital Expenditures and Transfers</b>	8,4	24,5	191,7
<b>Goods and Service Purchase Expenditures</b>	29,9	66,9	123,7
<b>Other Expenditures</b>	25,5	40,8	60,0
<b>Total</b>	<b>941,3</b>	<b>1.436,7</b>	<b>52,6</b>

Source: Ministry of Finance

The share of personnel expenditures item in total expenditures was 44.8 percent in the first quarter of 2018, while has been 39.4 percent in the first quarter of 2019. In the first quarter of 2018, the share of the current transfers constituting 48.4 percent of the total budget expenditures increased in the first quarter of 2019 and reached 51.4 percent. The share of personnel expenditures and current transfers in budget expenditures was 93.2 percent in the first quarter of 2018 and it has reached 90.8 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

At the end of the first quarter of 2019, 20.56 percent of the budget revenues expected for 2019 were collected and 18.83 percent of the expected total budget expenditures were spent.

For the same period of 2018, these rates were 25.75 and 17.26 percent, respectively.

**Table 4.4: Budget Implementation Results (Million TRY)**

	2018 Results	2019 Forecast	2018 – 2019 Change (%)	2018 3-Month Results	2019 3-Month Results	2018 3-Month Results (%)	2019 3-Month Results (%)	
<b>Revenues</b>	Tax Revenues	3.775,4	4.275,6	13,25	731,7	896,7	19,38	20,97
	Non-Tax Revenues	1.107,5	1.145,6	3,44	254,3	492,1	22,96	42,96
	Donations, Grants and Loans	487,5	1.270,0	160,51	0	0	0	0
	Other Revenues	132,0	198,9	50,68	26,1	27,9	19,77	14,03
	<b>Grand Total</b>	<b>5.502,4</b>	<b>6.890,1</b>	<b>25,22</b>	<b>1.012,1</b>	<b>1.416,7</b>	<b>18,39</b>	<b>20,56</b>
<b>Expenditures</b>	Current Transfers	2.577,3	3.306,8	28,31	455,6	738,0	17,68	22,32
	Personnel Expenditures	1.995,0	2.655,3	33,10	421,9	566,5	21,15	21,34
	Capital Expenditures and Transfers	339,5	196,1	-42,24	8,4	24,5	2,47	12,49
	Goods and Service Purchase Expenditures	421,3	516,5	22,60	29,9	66,9	7,10	12,95
	Other Expenditures	119,2	954,1	700,42	25,5	40,8	21,39	4,28
	<b>Grand Total</b>	<b>5.452,3</b>	<b>7.628,8</b>	<b>39,92</b>	<b>941,3</b>	<b>1.436,7</b>	<b>17,26</b>	<b>18,83</b>

Source: Ministry of Finance

## 4.5 FINANCING BALANCE

Financing balance, which is equal to the difference 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 by 128.2 million TRY in the first quarter of 2019 compared to the same period of the previous year and had a deficit of 20 million TRY. Total loans extended by Turkey, which have been used as a source of funding to close the deficit in this quarter, remained unchanged and realized as zero.

In the first quarter of 2019, tax revenues item increased by 165 million TRY and non-tax revenues item increased by 237.3 million TRY, compared to the same period of the previous year. As a result of these changes, domestic income item increased by 40 percent and reached 1,416.7 million TRY.

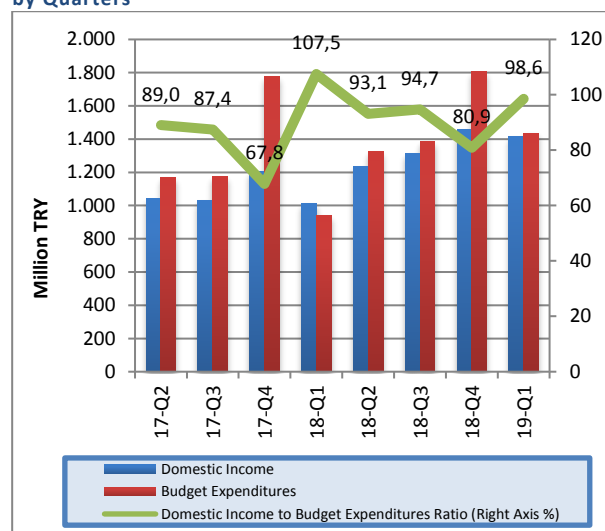
**Table 4.5: Financing Balance (Million TRY)**

	2018 January - March	2019 January - March
<b>Budget Revenues</b>	<b>1.012,1</b>	<b>1.416,7</b>
<b>1. Domestic Income</b>	<b>1.012,1</b>	<b>1.416,7</b>
Tax Revenues	731,7	896,7
Non-Tax Revenues	254,8	492,1
Other Revenues	25,6	27,9
<b>2. Foreign Aids</b>	<b>0,0</b>	<b>0,0</b>
Grants Extended by Turkey	0,0	0,0
<b>Budget Expenditures</b>	<b>941,3</b>	<b>1.436,7</b>
Personnel Expenditures	421,9	566,5
Current Transfers	455,6	738,0
Capital Expenditures	8,4	24,5
Other Expenditures	55,4	107,7
<b>Financing Balance</b>	<b>70,8</b>	<b>-20,0</b>
<b>Financing</b>	<b>0,0</b>	<b>0,0</b>
Loans Extended by Turkey	0,0	0,0
Domestic Borrowing	0,0	0,0

Source: Ministry of Finance

According to the budget figures of the first quarter of 2019, the domestic income to budget expenditures ratio has been 98.6 percent. The same ratio was 107.5 percent in the first quarter of 2018.

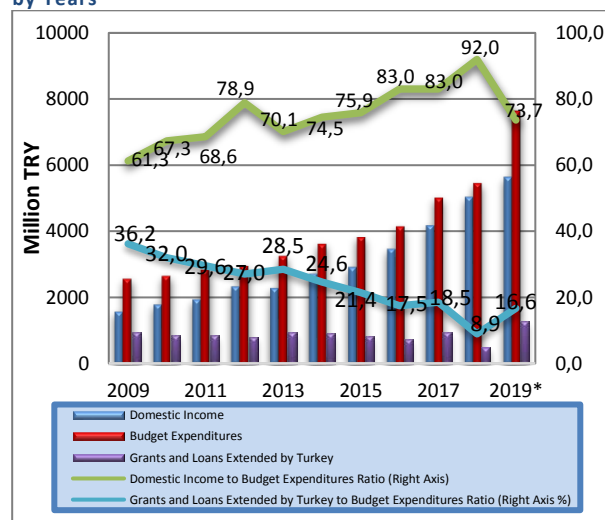
**Chart 4.4: Domestic Income to Budget Expenditures Ratio by Quarters**



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 has reached 90 percent from 60 percent in the last 10 years. This ratio is expected to become 73.7 percent in the 2019 budget. The share of the grants and loans extended by Turkey in the budget expenditures, which is the most important resource for financing the gap between the domestic income and the budget expenditures, had decreased from 36 percent to 9 percent in the last 10-year period. And it is estimated to become 16.6 percent in 2019. Though a positive outlook has emerged over the last 10 years in the sense of covering the budget expenditures with our domestic income, revenues are still unable to cover all of the budget expenditures and the budget deficit problem still continues to arise.

**Chart 4.5: Domestic Income to Budget Expenditures Ratio by Years**



Source: Ministry of Finance

\*Based on the figures projected in the budget.

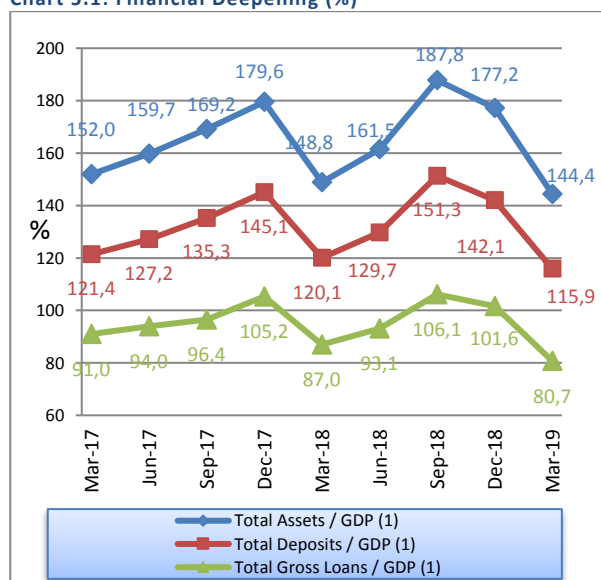
## 5 MONETARY AND FINANCIAL DEVELOPMENTS

### 5.1 OVERVIEW OF THE BANKING SECTOR

#### 5.1.1 FINANCIAL DEEPENING

Financial deepening figures for the first quarter of 2019 decreased, compared to the previous quarter. Total gross loans to GDP ratio decreased from 101.6 percent to 80.7 percent, total assets to GDP ratio from 177.2 percent to 144.4 percent and total deposits to GDP ratio from 142.1 percent to 115.9 percent. Financial deepening figures have been low as of the end of March 2019, because forecast figures were used for 2018 and 2019 GDP.

Chart 5.1: Financial Deepening (%)



Source: Central Bank of the TRNC, SPO

Note: (1) SPO's 2018 - 2019 GDP forecast figures have been used.

#### 5.1.2 PERFORMANCE RATIOS OF THE BANKING SECTOR

In the sector, the share of cash and cash equivalents in total assets increased to 30.44 percent in the first quarter of 2019. This rate was 26.37 percent in the same period of the previous year.

CASR (Capital Adequacy Standard Ratio), which was 17.4 percent at the end of March 2018, increased by 0.39 points to 17.79 percent in the first quarter of 2019.

The share of NPL in gross loans decreased from 5.53 percent to 5.47 at the end of March 2019, compared to the previous quarter.

Gross loans to deposits ratio decreased by 1.82 percentage points to 69.68 percent in the first quarter of 2019, compared to the previous period.

The share of gross loans in total assets, which was 58.47 percent in March 2018, declined to 55.92 percent in the first quarter of 2019. It decreased by 1.41 points, compared to the previous quarter.

Gross loans increased by 4.85 percent in the first quarter of 2019, compared to the previous quarter. They had increased by 5.81 percent in the same period of the previous year.

Deposits decreased by 6.11 percent in the fourth quarter of 2018, and then increased by 7.59 percent in the first quarter of 2019.

Financial leverage ratio, which was 9.66 at the end of December 2018, reached 9.72 in the first quarter of 2019

Table 5.1: Performance Ratios

	2018				2019
	Mar.	Jun.	Sept.	Dec.	Mar.
Cash and Cash Equivalents / Total Assets (%)	26,37	26,69	27,64	30,14	30,44
CASR (%)	17,40	17,57	18,19	17,86	17,79
NPL / Gross Loans (%)	5,72	5,46	4,97	5,53	5,47
Gross Loans / Total Deposits (%)	72,45	71,82	70,14	71,50	69,68
Gross Loans / Total Assets (%)	58,47	57,67	56,51	57,33	55,92
Quarterly Growth Rate on Gross Loans (%)	5,81	7,01	13,98	-4,28	4,85
Quarterly Growth Rate on Gross Loans (%)	5,95	7,96	16,71	-6,11	7,59
Financial Leverage <sup>1</sup>	10,01	10,18	10,62	9,66	9,72

Source: Central Bank of the TRNC

Note: (1) Foreign Resources / Total Shareholders' Equity

### 5.1.3 CONCENTRATION IN THE BANKING SECTOR

Analysing the concentration in the banking sector, the share of the largest five banks in the sector in terms of asset size in the first quarter of 2019 is 55.85 percent, and the share of the top ten banks in total assets is 79.73 percent.

In terms of the size of gross loans in the same period, the share of the first five banks in the sector is 53.12 percent and the share of the top ten banks is 79.7 percent.

In terms of deposit size, the share of the five largest banks in total deposits is 57.46 percent and the share of the top ten banks is 80.91 percent.

In terms of the size of shareholders' equity in the period, the share of the first five banks in total shareholders' equity is 52.87 percent, while the share of the top ten banks is 80.18 percent.

The share of the first five banks in the sector is 67.67 percent and the share of the top ten banks is 94.09 percent, in terms of the size of the debts to the banks item.

**Table 5.2: Concentration in the Banking Sector (%)**

Shares of the First Five Banks in the Sector	2018				2019
	March	June	September	December	March
<b>Assets</b>	55,23	54,62	54,96	55,07	55,85
<b>Gross Loans</b>	56,22	55,44	55,57	56,90	53,12
<b>Deposits</b>	56,87	56,49	56,51	56,54	57,46
<b>Debts to Banks</b>	61,62	63,73	63,37	63,07	67,67
<b>Shareholders' Equity</b>	49,75	50,52	52,35	51,90	52,87
<b>Shares of the First Ten Banks in the Sector</b>					
<b>Assets</b>	78,56	78,02	78,34	78,54	79,73
<b>Gross Loans</b>	80,64	80,11	80,40	81,58	79,70
<b>Deposits</b>	79,91	79,40	79,55	79,80	80,91
<b>Debts to Banks</b>	92,81	91,47	92,39	91,84	94,09
<b>Shareholders' Equity</b>	78,27	78,58	79,63	79,80	80,18

Source: Central Bank of the 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 March 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**

	Mar.17	Jun.17	Sept.17	Dec.17	Mar.18	Jun.18	Sept.18	Dec.18	Mar.19
<b>Public Banks</b>	2	2	2	2	2	2	2	2	2
<b>Private Banks</b>	14	14	14	14	14	14	14	14	14
<b>Branch Banks</b>	6	6	6	5	5	5	5	5	5
<b>Total</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>

Source: Central Bank of the TRNC

The number of bank branches in the sector is 230 in the first quarter of 2019. When the distribution of branch numbers based on bank groups is examined, it is seen that

68.69 of the total number of branches are private banks, 16.96 are branch banks and 14.35 are public banks.

**Table 5.4: Number of Branches and Personnel**

Number of Branches									
	Mar.17	Jun.17	Sept.17	Dec.17	Mar.18	Jun.18	Sept.18	Dec.18	Mar.19
<b>Public Banks</b>	36	36	34	33	32	33	33	33	33
<b>Private Banks</b>	152	153	156	161	161	160	159	157	158
<b>Branch Banks</b>	44	45	43	39	39	39	39	39	39
<b>Total</b>	<b>232</b>	<b>234</b>	<b>233</b>	<b>233</b>	<b>232</b>	<b>232</b>	<b>231</b>	<b>229</b>	<b>230</b>
Number of Personnel									
<b>Public Banks</b>	564	559	565	558	554	550	547	546	537
<b>Private Banks</b>	1.924	1.927	1.965	2.024	2.038	2.042	2.062	2.075	2.077
<b>Branch Banks</b>	564	564	570	524	519	528	531	527	526
<b>Total</b>	<b>3.052</b>	<b>3.050</b>	<b>3.100</b>	<b>3.106</b>	<b>3.111</b>	<b>3.120</b>	<b>3.140</b>	<b>3.148</b>	<b>3.140</b>

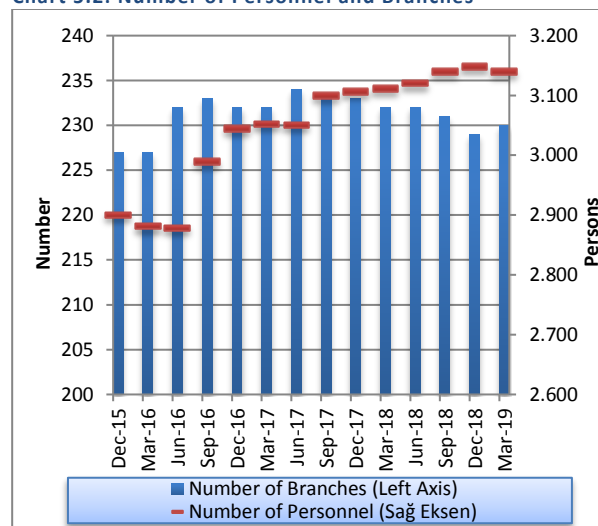
Source: Central Bank of the TRNC

The number of personnel employed in the sector decreased by 8 persons to 3,140 from 3,148 during December 2018 - March 2019 period. 537 of these personnel are working in public banks, 2,077 in private banks and 526 in branch banks. In this period, the number of personnel in private banks increased from 2,075 to 2,077, the number of personnel in branch banks decreased from 527 to 526, and the number of personnel in public banks decreased from 546 to 537.

During March 2018 - March 2019 period, the number of personnel working in the banking sector increased by 29 persons to reach 3,140 from 3,111. In the mentioned period, when the change in the number of personnel is analysed based on bank groups, there was an increase of 39 persons employed in private banks and 7 persons in branch banks, while there was a decrease of 17 persons in public banks.

In the first quarter of 2019, it is observed that 17.1 percent of the personnel working in the sector belongs to the public banks, 66.15 percent belongs to the private banks and 16.74 percent belongs to the branch banks.

**Chart 5.2: Number of Personnel and Branches**



Source: Central Bank of the TRNC

As of the first quarter of 2019, the number of ATMs operating in the sector has been 487. When the distribution of ATM numbers by bank groups is analysed, branch banks rank first with 219 ATMs. Branch banks are followed by private banks with 210 ATMs and public banks with 58 ATMs. During March 2018 - March 2019 period, the number of ATMs operating in the sector increased from 439 to 487.

**Table 5.5: Number of ATMs**

	Mar.18	Jun.18	Sept.18	Dec.18	Mar.19
<b>Public Banks</b>	47	54	54	55	58
<b>Private Banks</b>	191	200	206	207	210
<b>Branch Banks</b>	201	214	214	222	219
<b>Total</b>	<b>439</b>	<b>468</b>	<b>474</b>	<b>484</b>	<b>487</b>

## 5.2 BANKING SECTOR CONSOLIDATED BALANCE SHEET

Total assets of the banking sector, which was 32,980.2 million TRY at the end of December 2018, increased by 7.5 percent in the first quarter of 2019 and reached 35,452.8 million TRY. In the aforementioned period, cash and cash equivalents increased by 8.57 percent, gross loans by 4.86 percent, securities portfolio by 10.36 percent and other assets by 23.5 percent.

Total assets of the sector increased by 27.99 percent in March 2018 - March 2019 period. In the same period,

cash and cash equivalents increased by 47.77 percent, gross loans by 22.4 percent, securities portfolio by 13.84 percent, while deposits increased by 27.27 percent and shareholders' equity by 31.44 percent.

Deposits, which is the most important funding source of the sector increased by 7.59 percent and the shareholders' equity increased by 6.84 percent in December 2018 - March 2019 period.

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

	2018				2019		Percentage Change	
	March	June	September	December	March	12/2018 - 03/2019	03/2018 - 03/2019	
<b>Cash and Cash Equivalents</b>	7.303,9	8.021,5	9.661,8	9.940,9	10.792,9	8,57	47,77	
<b>Securities Portfolio</b>	1.980,8	2.140,2	2.611,7	2.043,4	2.255,0	10,36	13,84	
<b>Total Gross Loans</b>	16.195,6	17.330,4	19.752,4	18.906,1	19.824,0	4,86	22,40	
<b>Other Assets</b>	2.218,3	2.559,8	2.930,6	2.089,8	2.580,9	23,50	16,35	
<b>Total Assets-Liabilities</b>	<b>27.698,6</b>	<b>30.051,9</b>	<b>34.956,5</b>	<b>32.980,2</b>	<b>35.452,8</b>	<b>7,50</b>	<b>27,99</b>	
<b>Deposits</b>	22.352,7	24.131,2	28.163,1	26.441,8	28.449,2	7,59	27,27	
<b>Debts to Banks</b>	1.638,0	2.004,8	2.328,1	2.028,6	2.163,7	6,66	32,09	
<b>Other Liabilities</b>	1.192,2	1.228,7	1.457,2	1.414,7	1.533,2	8,38	28,60	
<b>Shareholders' Equity</b>	2.515,7	2.687,2	3.008,1	3.095,1	3.306,7	6,84	31,44	

Source: Central Bank of the TRNC

## 5.2.1 ASSETS AND LIABILITIES STRUCTURE

In the first quarter of 2019, the largest share in the sector's total assets is gross loans with 55.92 percent. Gross loans are followed by cash and cash equivalents with a share of 30.44 percent, other assets with a share of 7.28 percent and securities portfolio with 6.36 percent.

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

As of March 2019, 80.25 percent of the total liabilities consist of deposits, 9.33 percent of shareholders' equity, 6.1 percent of debts to banks and 4.32 percent of other liabilities.

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

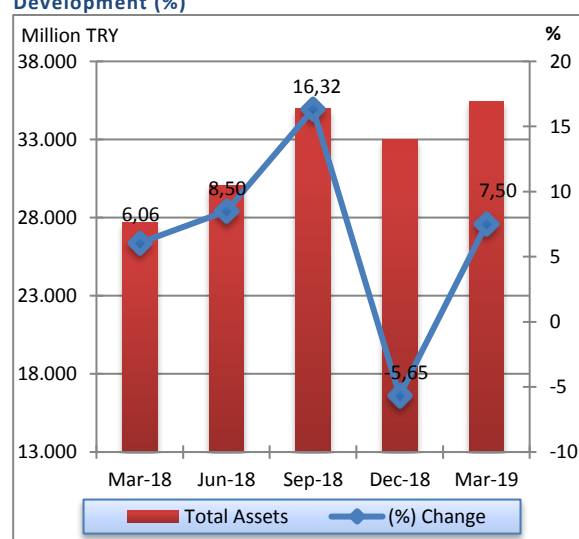
**Table 5.7: Structural Percentage Distribution of Banking Sector Assets / Liabilities (%)**

Assets	2018				2019
	March	June	September	December	March
Cash and Cash Equivalents	26,37	26,69	27,64	30,14	30,44
Securities Portfolio	7,15	7,12	7,47	6,19	6,36
Total Gross Loans	58,47	57,67	56,51	57,33	55,92
Other Assets	8,01	8,52	8,38	6,34	7,28
<b>Total</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>
<b>Liabilities</b>					
Total Deposits	80,70	80,30	80,57	80,17	80,25
Debts to Banks	5,91	6,67	6,66	6,15	6,10
Other Liabilities	4,31	4,09	4,16	4,29	4,32
Shareholders' Equity	9,08	8,94	8,61	9,39	9,33
<b>Total</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>

Source: Central Bank of the TRNC

Total assets increased by 6.06, 8.5 and 16.32 percent in the first, second and third quarters of 2018, respectively, while it decreased by 5.65 in the last quarter of 2018. Total assets of the banking sector increased by 7.5 percent in March 2019, compared to the previous quarter.

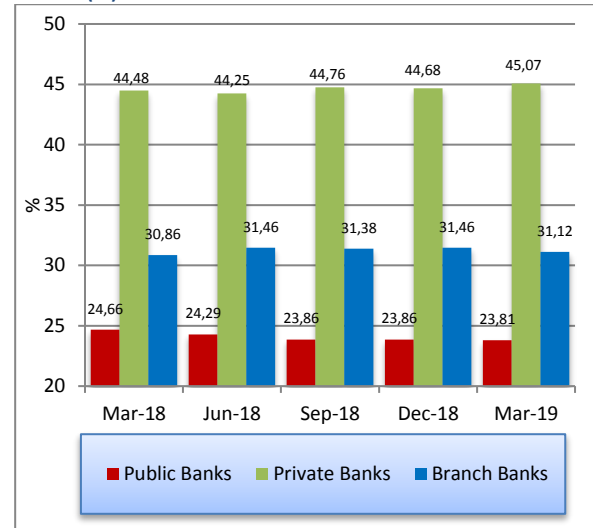
**Chart 5.3: Assets of the Banking Sector and Quarterly Development (%)**



Source: Central Bank of the TRNC

In the first quarter of 2019, sector's total assets increased from 44.68 to 45.07 percent in the private banks group, from 23.86 to 23.81 in the public banks group, while it decreased from 31.46 percent to 31.12 percent in the branch banks group. In March 2018 - March 2019 period, there was a downsizing in the group of public banks and a growth in the groups of private banks and branch banks.

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



Source: Central Bank of the TRNC

In the first quarter of 2019, public banks' total assets increased by 7.26 percent, private banks' total assets by 8.44 percent and branch banks' total assets by 6.33 percent, compared to the previous quarter. Compared

to the same period of the previous year, total assets increased by 23.5 percent in public banks, 29.74 percent in private banks and 29.08 percent in branch banks.

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

	2018				2019	Percentage Change	
	March	June	September	December	March	12/2018-03/2019	03/2018-03/2019
<b>Public Banks</b>	6.834,2	7.299,1	8.339,9	7.868,9	8.440,4	7,26	23,50
<b>Private Banks</b>	12.316,3	13.297,4	15.646,4	14.734,3	15.978,6	8,44	29,74
<b>Branch Banks</b>	8.548,1	9.455,4	10.970,2	10.377,0	11.033,8	6,33	29,08
<b>Total</b>	<b>27.698,6</b>	<b>30.051,9</b>	<b>34.956,5</b>	<b>32.980,2</b>	<b>35.452,8</b>	<b>7,50</b>	<b>27,99</b>

Source: Central Bank of the TRNC

Analysing the TRY and FX distribution of gross loans as of March 2019, the share of TRY loans decreased from 48.39 percent to 47.05 percent, while the share of FX loans increased from 51.61 percent to 52.95 percent, compared to the previous quarter. The share of TRY

deposits decreased from 40.1 percent to 37.71 percent as of March 2019, while the share of FX deposits increased from 59.9 percent to 62.29 percent, compared to the previous quarter.

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

	2018								2019	
	March		June		September		December		March	
	TRY	FX	TRY	FX	TRY	FX	TRY	FX	TRY	FX
<b>Loans (Net)</b>	52,55	47,45	50,31	49,69	43,39	56,61	48,39	51,61	47,05	52,95
<b>Deposits</b>	43,54	56,46	40,79	59,21	36,16	63,84	40,10	59,90	37,71	62,29

Source: Central Bank of the TRNC



## 5.2.2 CASH AND CASH EQUIVALENTS

Total of cash assets, receivables from the 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 8.57 percent in the first quarter of 2019 and reached from 9,940.9 million TRY to 10,792.9 million TRY, compared to the previous quarter.

In this period, an increase of 177.9 million TRY in the receivables from the Central Bank item, 66.3 million TRY in receivables from the IMM (Interbank Money Market) transactions item, 622.9 million TRY in the

receivables from the banks item, and a decrease of 15.1 million TRY in the cash values item has been recorded.

Cash and cash equivalents amounting to 7,303.9 million TRY at the end of March 2018 increased to 10,792.9 million TRY at the end of March 2019. In the period, cash assets increased by 65.1 million TRY, receivables from the Central Bank increased by 1,294.8 million TRY, receivables from IMM transactions increased by 706.1 million TRY and receivables from banks increased by 1,423 million TRY.

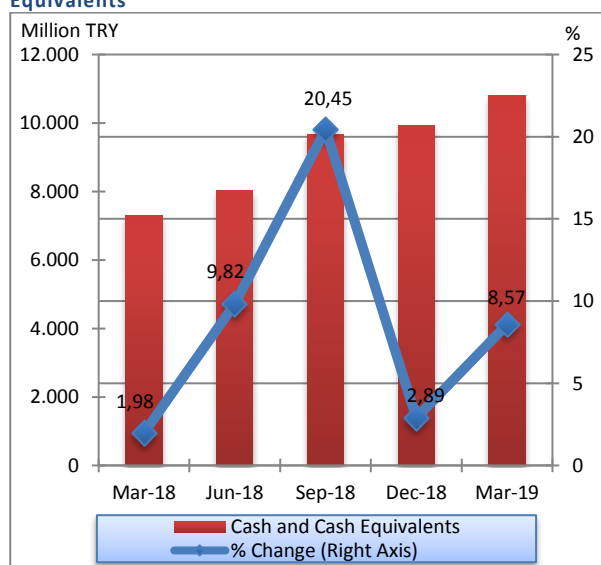
**Table 5.10: Development of the Cash and Cash Equivalents (Million TRY)**

	2018				2019	Percentage Change
	March	June	September	December	March	12/2018 - 03/2019
<b>Cash Assets</b>	217,4	239,3	356,5	297,6	282,5	-5,07
<b>Receivables from the Central Bank</b>	2.687,4	2.959,3	3.497,1	3.804,3	3.982,2	4,68
<b>Receivables from Interbank Money Market Transactions</b>	1.495,6	1.686,5	2.038,8	2.135,4	2.201,7	3,10
<b>Receivables from Banks</b>	2.903,5	3.136,4	3.769,4	3.703,6	4.326,5	16,82
<b>Total</b>	<b>7.303,9</b>	<b>8.021,5</b>	<b>9.661,8</b>	<b>9.940,9</b>	<b>10.792,9</b>	<b>8,57</b>

Source: Central Bank of the TRNC

In 2018, cash and cash equivalents increased by 1.98 percent in the first quarter, by 9.82 percent in the second quarter, by 20.45 percent in the third quarter and by 2.89 percent in the fourth quarter. Cash and cash equivalents increased by 8.57 percent in the first quarter of 2019.

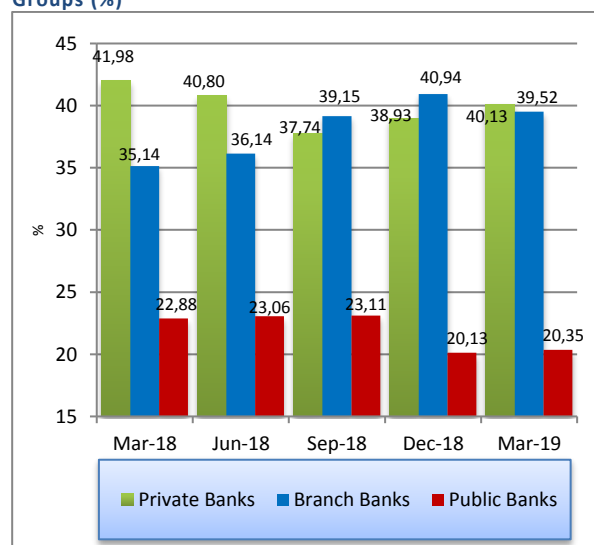
**Chart 5.5: Quarterly Percentage Change of Cash and Cash Equivalents**



Source: Central Bank of the TRNC

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

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



Source: Central Bank of the TRNC

### 5.2.3 LOANS

Business loans, which amounted to 11,896.4 million TRY as of March 2019, are in the first rank as in the previous periods. They are followed by consumer loans with 4,672.6 million TRY.

During the period from March 2018 to March 2019, business loans increased from 8,907.5 million TRY to 11,896.4 million TRY while consumer loans increased from 4,255.4 million TRY to 4,672.6 million TRY.

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

	2018				2019
	March	June	September	December	March
<b>Business Loans</b>	8.907,5	9.710,9	11.604,1	11.285,8	11.896,4
<b>Consumer Loans</b>	4.255,4	4.462,5	4.946,8	4.524,6	4.672,6
<b>Credit Cards</b>	392,4	421,6	444,7	457,3	452,9
<b>Discount Loans</b>	206,2	220,3	248,1	236,6	254,5
<b>Other Investment Loans</b>	102,9	104,1	109,5	98,0	100,6
<b>Import Loans</b>	4,2	4,2	4,7	3,8	3,9
<b>Loans of Funds Originated</b>	17,0	18,4	22,4	19,2	20,2
<b>Directed Loans</b>	22,1	16,3	15,1	32,7	38,5
<b>Export Loans</b>	5,2	6,9	4,9	2,9	2,4
<b>Loans Extended by Central Bank of the TRNC</b>	0,0	6,9	9,1	7,9	8,3
<b>Loans Extended Through Central Bank of the TRNC</b>	0,0	0,0	0,0	0,0	0,0
<b>Loans to Purchase Security for Customers</b>	0,2	0,5	0,7	0,5	0,4
<b>Export Guaranteed Investment Loans</b>	0,0	0,0	0,0	0,0	0,0
<b>Other Loans</b>	1.356,4	1.411,3	1.359,7	1.192,2	1.288,0
<b>Total Loans</b>	<b>15.269,5</b>	<b>16.383,9</b>	<b>18.769,8</b>	<b>17.861,5</b>	<b>18.738,7</b>

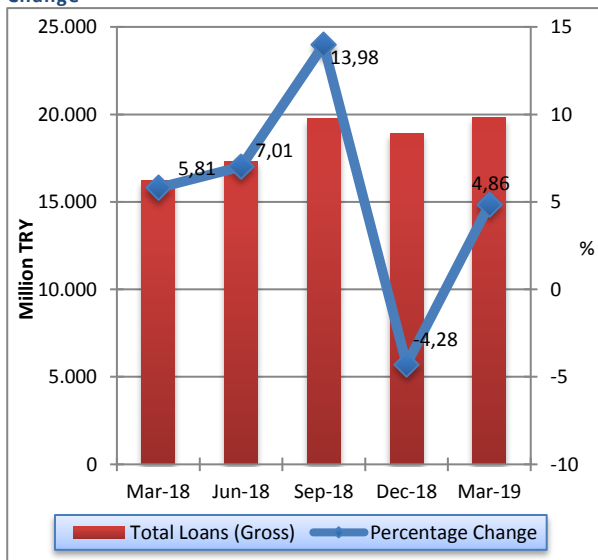
Source: Central Bank of the TRNC

Note: Non-performing loans are not included.

Gross loans of the sector increased by 5.81 percent as of March, by 7.01 as of June, by 13.98 as of September 2018 and, it decreased by 4.28 percent as of the last quarter. Gross loans increased by 4.86 percent in the first quarter of 2019.

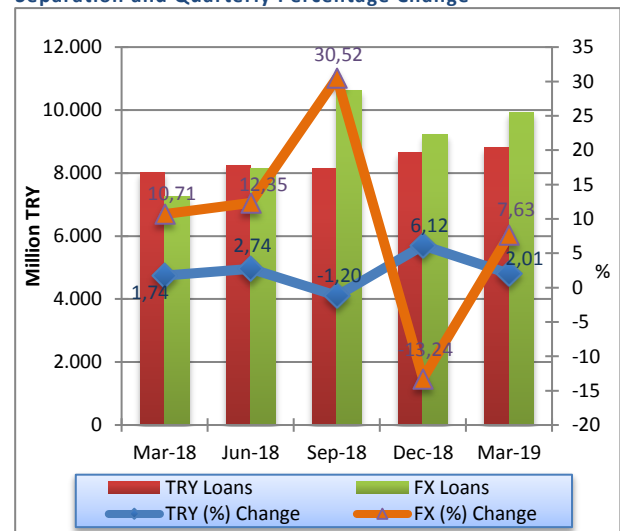
In the first quarter of 2019, 8,817.2 million TRY of the loans are in TRY currency and 9,921.5 million TRY are in foreign currency. In the period, there has been an increase of 2.01 percent in TRY loans and 7.63 percent in FX loans, compared to the previous quarter.

**Chart 5.7: Development of Gross Loans and Percentage Change**



Source: Central Bank of the TRNC

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



Source: Central Bank of the TRNC

Note: Non-performing loans are not included.

In the first quarter of 2019, public banks' gross loans decreased by 8.8 per mille in TRY currency and increased by 5.63 percent in FX currency, compared to the previous quarter. Gross loans of private banks

increased by 2.87 percent in TRY currency and by 8.36 percent in FX currency. Gross loans of branch banks increased by 5.05 percent in TRY and 6.35 percent in FX currency, in the mentioned period.

**Table 5.12: Development of Gross Loans on the Basis of Bank Groups (Million TRY)**

	December 2018			March 2019			Percentage Change 12/2018 - 03/2019		
	TRY	FX	Total	TRY	FX	Total	TRY	FX	Total
<b>Public Banks</b>	3.407,1	1.547,6	4.954,7	3.377,0	1.634,7	5.011,7	-0,88	5,63	1,15
<b>Private Banks</b>	3.151,2	6.048,2	9.199,4	3.241,5	6.553,9	9.795,4	2,87	8,36	6,48
<b>Branch Banks</b>	2.847,9	1.904,1	4.752,0	2.991,8	2.025,1	5.016,9	5,05	6,35	5,57
<b>Total Loans (Gross)</b>	<b>9.406,2</b>	<b>9.499,9</b>	<b>18.906,1</b>	<b>9.610,3</b>	<b>10.213,7</b>	<b>19.824,0</b>	<b>2,17</b>	<b>7,51</b>	<b>4,86</b>

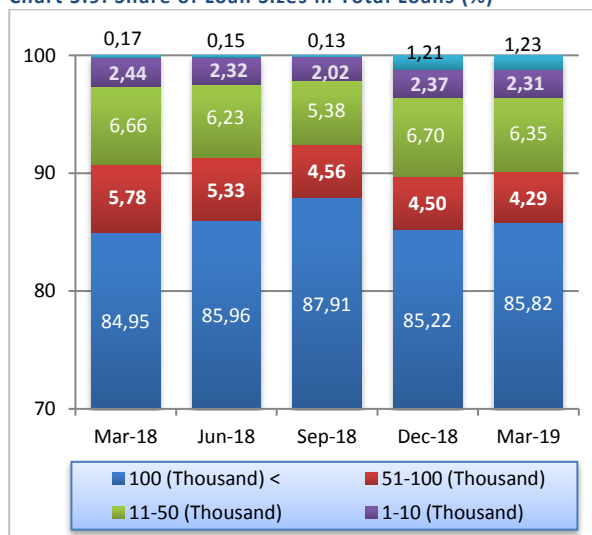
Source: Central Bank of the TRNC

At the end of the first quarter of 2019, the share of loans over 100 thousand TRY in total loans was 85.82 percent.

In this period, 11-50 thousand TRY loans are in the second place in loan sizes with a share of 6.35 percent. Loans amounting to 51-100 thousand TRY and 1-10 thousand TRY constitute 4.29 and 2.31 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 1.23 percent.

In the March 2018 - March 2019 period, loans more than 100 thousand TRY and 0-1 thousand TRY loans increased, while 51-100 thousand TRY, 11-50 thousand TRY and 1-10 thousand TRY loans decreased in terms of the share of the loan sizes in the total loans.

**Chart 5.9: Share of Loan Sizes in Total Loans (%)**

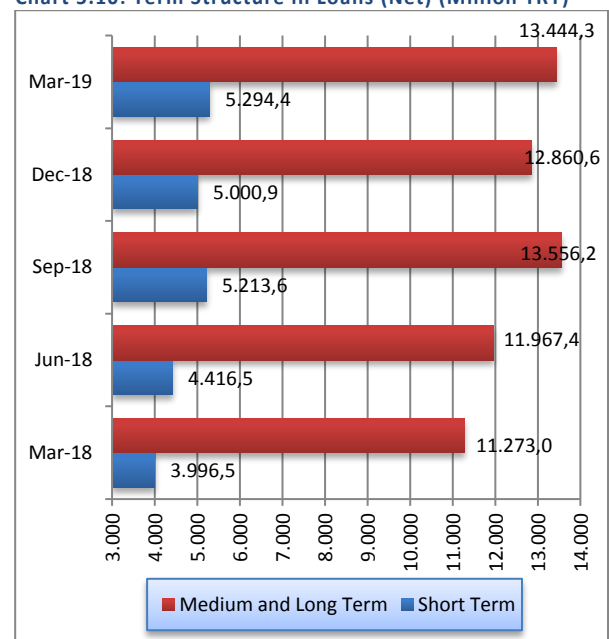


Source: Central Bank of the TRNC

Note: Non-performing loans are not included.

In the first quarter of 2019, short-term loans increased from 5,000.9 million TRY to 5,294.4 million TRY, and medium and long-term loans increased from 12,860.6 million TRY to 13,444.3 million TRY. In March 2018 - March 2019 period, short-term loans increased by 32.48 percent and medium and long-term loans increased by 19.26 percent.

**Chart 5.10: Term Structure in Loans (Net) (Million TRY)**

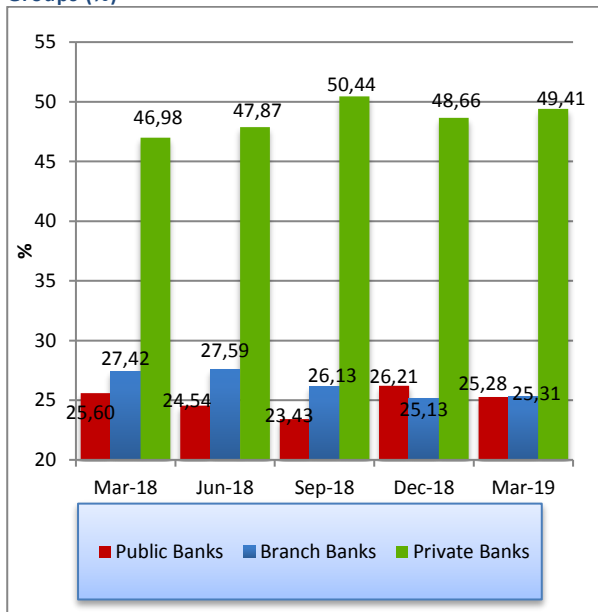


Source: Central Bank of the TRNC

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

When the shares of gross loans by bank groups are analysed, the share of public banks decreased from 26.21 percent to 25.28 percent in the first quarter of 2019, compared to the previous quarter. The share of the loans extended by private banks group in the total loans increased from 48.66 to 49.41 percent and the share of loans extended by branch banks from 25.13 to 25.31 percent. During March 2018 - March 2019 period, the share of the loans extended by branch banks and public banks in total loans decreased while the share of private banks increased.

**Chart 5.11: Share of Gross Loans on the Basis of Bank Groups (%)**

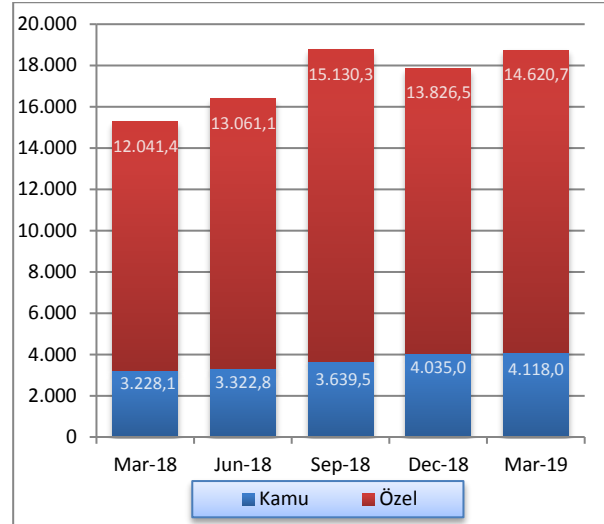


Source: Central Bank of the TRNC

As of March 2019, 78.02 percent of the banking sector's total loans were extended to the private sector and 21.98 percent to the public sector. Compared to the previous quarter, loans used by the public sector increased from 4.035 million TRY to 4.118 million TRY and private sector loans increased from 13,826.5 million TRY to 14,620.7 million TRY.

In March 2018 - March 2019 period, the increase rate of the loans used by the public was 27.57 percent and the increase rate of the loans used by the private sector was 21.42 percent.

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

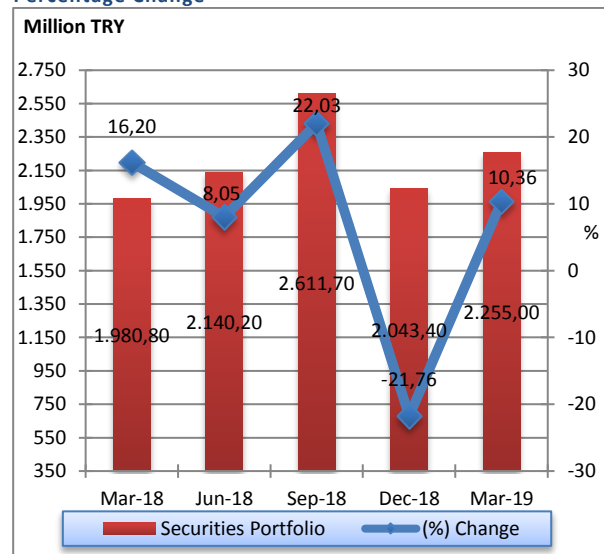


Source: Central Bank of the TRNC

#### 5.2.4 SECURITIES PORTFOLIO

Securities portfolio increased by 10.36 percent as of March 2019, compared to the previous quarter. As of March, June and September 2018, SP increased by 16.2, 8.05 and 22.03 percent respectively, while it decreased by 21.76 in December.

**Chart 5.13: Securities Portfolio Totals and Quarterly Percentage Change**

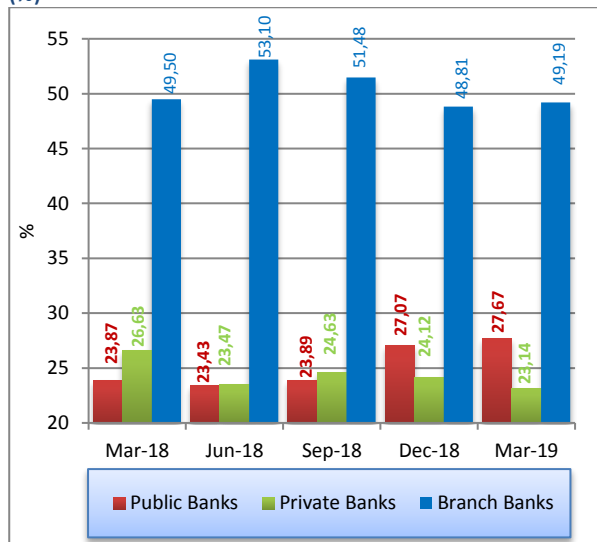


Source: Central Bank of the TRNC

## 5.2.5 DEPOSITS

By the end of the first quarter of 2019, the share of public banks in total SP increased from 27.07 percent to 27.67 percent and the share of branch banks from 48.81 percent to 49.19 percent, while the share of private banks decreased from 24.12 percent to 23.14 percent, compared to the previous quarter. In March 2018 - March 2019 period, there has been a downsizing in private banks and branch banks groups, while there has been an increase in public banks group.

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



Source: Central Bank of the TRNC

Deposits, which is the most important funding source of the sector increased by 7.59 percent, compared to the previous quarter. Deposits increased by 27.27 percent in one-year period and amounted to 28,449.2 million TRY at the end of Million March 2019.

As of the end of March 2019, it is observed that the largest share belongs to savings deposits with 20,574.6 million TRY, as in the previous periods. This is followed by commercial deposits with 5,251 million TRY and official deposits with 2,103.5 million TRY. In March 2018 - March 2019 period, savings deposits increased by 26.93 percent, commercial deposits by 22.95 percent and official deposits by 39.81 percent.

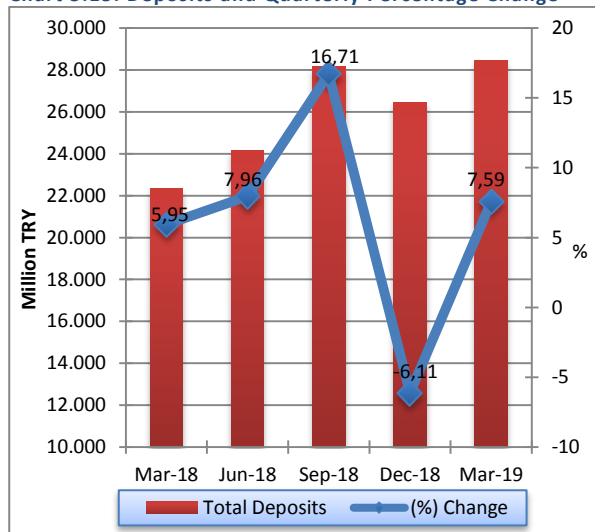
**Table 5.13: Development of Deposits by Type (Million TRY)**

	2018				2019
	March	June	September	December	March
<b>Savings</b>	16.210,0	17.357,3	20.093,4	19.010,8	20.574,6
<b>Commercial</b>	4.270,9	4.686,0	5.620,5	4.922,5	5.251,0
<b>Official</b>	1.504,5	1.730,4	1.990,1	1.917,8	2.103,5
<b>Other</b>	367,3	357,5	459,1	590,7	520,1
<b>Total Deposits</b>	<b>22.352,7</b>	<b>24.131,2</b>	<b>28.163,1</b>	<b>26.441,8</b>	<b>28.449,2</b>
<b>Debts to Banks</b>	1.638,0	2.004,8	2.328,1	2.028,6	2.163,7
<b>Total Deposits Including Debts to Banks</b>	<b>23.990,7</b>	<b>26.136,0</b>	<b>30.491,2</b>	<b>28.470,4</b>	<b>30.612,9</b>

Source: Central Bank of the TRNC

In 2018, total deposits increased by 5.95 percent in the first quarter, 7.96 percent in the second quarter and 16.71 percent in the third quarter, while it decreased by 6.11 percent in the last quarter. In the first quarter of 2019, total deposits increased by 7.59 percent.

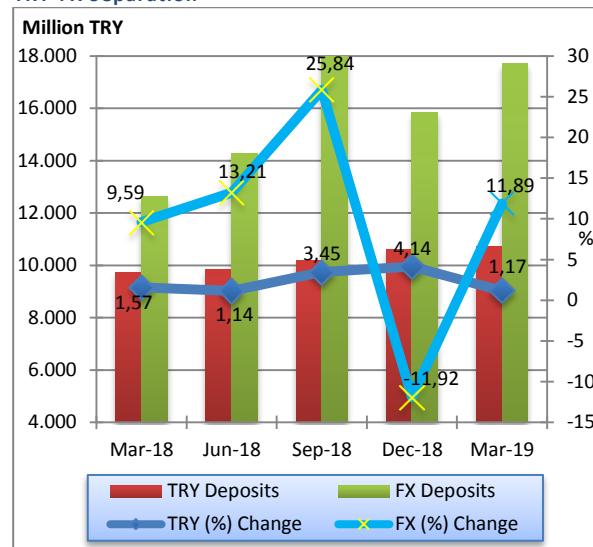
**Chart 5.15: Deposits and Quarterly Percentage Change**



Source: Central Bank of the TRNC

In the first quarter of 2019, it is observed that deposits amounted to 10,728.5 million TRY in Turkish Lira currency and 17,720.7 million TRY in foreign currency. In the period, TRY deposits increased by 1.17 percent and FX deposits increased by 11.89 percent, compared to the previous quarter.

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



Source: Central Bank of the TRNC

At the end of March 2019, compared to the previous quarter, TRY deposits of public banks increased by 4.14 percent and FX deposits increased by 11.43 percent, private banks' TRY deposits increased by 2.7 percent and FX deposits increased by 12.53 percent. In the same period, branch banks' TRY deposits decreased by 3.79 percent and FX deposits increased by 10.95 percent.

**Table 5.14: Development of Deposits on the Basis of Bank Groups (Million TRY)**

	December 2018			March 2019			Percentage Change 12/2018-03/2019		
	TRY	FX	Total	TRY	FX	Total	TRY	FX	Total
<b>Public Banks</b>	3.577,4	3.239,6	6.817,0	3.725,5	3.609,8	7.335,3	4,14	11,43	7,60
<b>Private Banks</b>	3.735,5	8.456,4	12.191,9	3.836,3	9.516,2	13.352,5	2,70	12,53	9,52
<b>Branch Banks</b>	3.291,6	4.141,3	7.432,9	3.166,7	4.594,7	7.761,4	-3,79	10,95	4,42
<b>Total Deposits</b>	<b>10.604,5</b>	<b>15.837,3</b>	<b>26.441,8</b>	<b>10.728,5</b>	<b>17.720,7</b>	<b>28.449,2</b>	<b>1,17</b>	<b>11,89</b>	<b>7,59</b>

Source: Central Bank of the TRNC

As in previous periods, maturity concentration of the sector deposits belongs to 1-month deposits with a ratio of 48.49 percent. 1-month deposits are followed by, 3-month deposits with a share of 22.9 percent, demand deposits with a share of 13.59 percent, 1-year deposits with a share of 10.62 percent and 6-month deposits with a share of 4.4 percent.

When the maturity distribution of deposits is compared to the previous quarter, there was an increase of 4.18

points in 3-month deposits, 0.15 points in 1-year deposits, while demand, 1-month and 6-month deposits decreased by 0.4, 3.48 and 0.45 points, respectively.

During March 2018 - March 2019 period, 3-month, 6-month and 1-year deposits increased by 3.94, 0.32 and 0.49 points respectively, while demand deposits and 1-month deposits decreased by 0.27, and 4.48 points, respectively.

**Table 5.15: Maturity Distribution of Deposits (%)**

	2018				2019	Change (Points)	
	March	June	September	December	March	12/2018-03/2019	03/2018-03/2019
<b>Demand</b>	13,86	14,84	14,92	13,99	13,59	-0,40	-0,27
<b>1-Month</b>	52,97	49,65	48,35	51,97	48,49	-3,48	-4,48
<b>3-Month</b>	18,96	21,06	21,33	18,72	22,90	4,18	3,94
<b>6-Month</b>	4,08	3,98	4,14	4,85	4,40	-0,45	0,32
<b>1-Year</b>	10,13	10,47	11,26	10,47	10,62	0,15	0,49
<b>Total</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>		

Source: Central Bank of the TRNC

When the distribution of deposits in the banking sector is analysed by the size of deposits, 0-5 thousand TRY decreased from 319.3 million TRY to 312.8 million TRY, 10-50 thousand TRY deposits from 2,453.7 million TRY to 2,443.4 million TRY, while 5-10 thousand TRY increased from 375.2 to 375.5 million TRY, 50-100 thousand TRY from 3,885.2 million TRY to 3,920.1

million TRY and deposits over 100 thousand TRY deposits increased from 19,408.4 million TRY to 21,397.4 million TRY, as of the end of March 2019 compared to the previous quarter. In the first quarter of 2019, the share of deposits over 100 thousand TRY has been 75.21 percent, and deposits of 50-100 thousand TRY has had a share of 13.78 percent.

**Table 5.16: Distribution of Deposits by Size (Million TRY)**

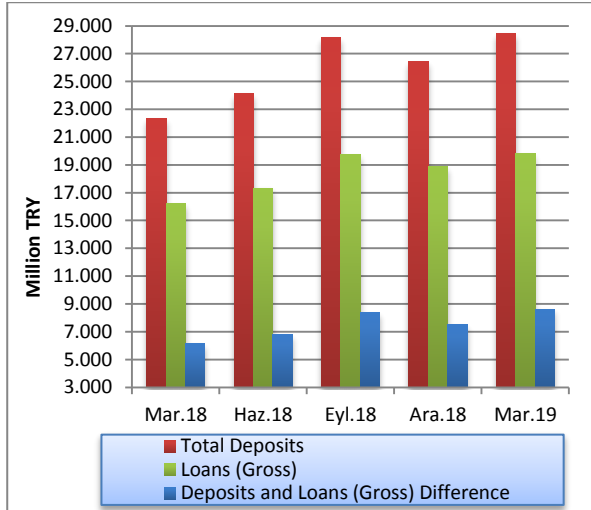
	2018				2019
	March	June	September	December	March
<b>0-5 thousand TRY</b>	318,2	312,2	314,5	319,3	312,8
<b>5-10 thousand TRY</b>	332,2	351,1	358,9	375,2	375,5
<b>10-50 thousand TRY</b>	2.439,5	2.445,8	2.396,3	2.453,7	2.443,4
<b>50-100 thousand TRY</b>	3.993,0	4.028,1	3.666,1	3.885,2	3.920,1
<b>Over 100 thousand TRY</b>	15.269,8	16.994,0	21.427,3	19.408,4	21.397,4
<b>Total Deposits</b>	<b>22.352,7</b>	<b>24.131,2</b>	<b>28.163,1</b>	<b>26.441,8</b>	<b>28.449,2</b>

Source: Central Bank of the TRNC

## 5.2.6 SHAREHOLDERS' EQUITY

The difference between total deposits and gross loans, which was 7,535.7 million TRY, increased by 1,089.5 million TRY and reached 8,625.2 million TRY by the end March 2019.

Chart 5.17: Deposits, Gross Loans and Difference

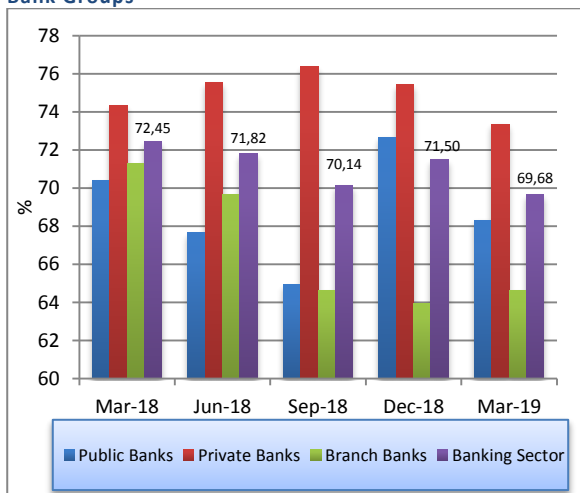


Source: Central Bank of the TRNC

Loans to total deposits ratio, which is one of the indicators of the banking sector's depth and intermediary function, was 71.5 percent at the end of December 2018 and it decreased to 69.68 percent at the end of March 2019. Loans to total deposits ratio decreased by 2.77 points in one-year period.

When loans to deposits ratio at the end of March 2019 is examined on the basis of bank groups, private banks take the first place with 73.36 percent. Private banks are followed by public banks with a rate of 68.32 percent. Branch banks have a conversion rate of 64.64 percent.

Chart 5.18: Deposits to Loans (Gross) Ratio on the Basis of Bank Groups



Source: Central Bank of the TRNC

Shareholders' equity, which is of great importance in terms of stability and healthy development of the sector, increased by 6.84 percent, compared to the previous quarter and reached 3,306.7 million TRY at the end of the first quarter of 2019.

Shareholders' equity increased by 31.44 percent in March 2018 - March 2019 period. In one-year period, paid-in capital of the sector increased by 111.9 million TRY and reserve requirements increased by 223 million TRY.

Table 5.17: Development of Shareholders' Equity (Million TRY)

	2018				2019
	Mar.	Jun.	Sept.	Dec.	March
Paid-in Capital	1.153,7	1.180,3	1.181,6	1.262,4	1.265,6
Reserve Requirements	572,8	616,8	618,7	593,9	795,8
Fixed Asset Revaluation Fund	0,9	0,9	0,9	0,9	1,7
Securities Value Increment Fund	110,0	124,0	163,6	140,7	158,4
Period Profit (Loss)	123,1	316,1	596,1	689,8	235,9
Accumulated Profit (Loss)	555,2	449,1	447,2	407,4	849,3
<b>Total</b>	<b>2.515,7</b>	<b>2.687,2</b>	<b>3.008,1</b>	<b>3.095,1</b>	<b>3.306,7</b>

Source: Central Bank of the TRNC



## 5.3 MONEY SUPPLY

The narrow defined money supply M1 increased by 9.97 percent at the end of March 2019, compared to December 2018 and rose to 6,297.8 million TRY from 5,726.7 million TRY. M1 money supply increased by 30.49 percent in one-year period.

At the end of December 2018, M2 money supply, which amounted to 26,846.9 million TRY increased by 8.21 percent in the first quarter of 2019 and reached 29,051.7 million TRY. M2 money supply increased by 27.17 percent in one-year period.

The broad defined money supply M3, which is found by adding official deposits and other deposits within Central Bank of the TRNC to the M2 money supply, increased by 8.17 percent in the first quarter of 2019 compared to the previous quarter and rose from 28,868.4 million TRY to 31,226.9 million TRY. The increase rate of M3 is 27.5 percent, compared to the same period of the previous year.

**Table 5.18: Money Supply (Million TRY)**

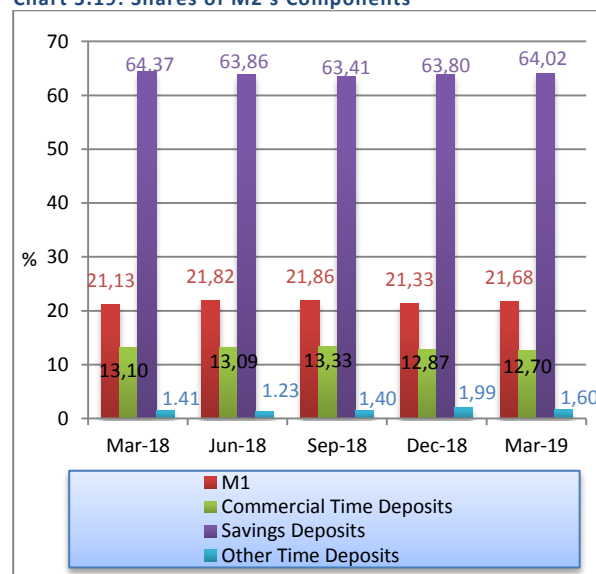
Years	Period	M1	Annual Percentage Change	M2	Annual Percentage Change	M3	Annual Percentage Change
2015	I	2.338,5	14,08	12.470,8	15,53	13.249,2	14,20
	II	2.532,7	17,67	13.211,3	18,69	14.056,5	17,55
	III	2.829,9	30,83	14.279,2	23,32	15.106,4	21,50
	IV	2.841,2	28,50	14.215,8	19,66	15.109,8	19,35
2016	I	2.797,9	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

Source: Central Bank of the TRNC

As in previous periods, the largest share in M2 is 64.02 percent with the savings deposits as of March 2019. This is followed by M1 with a share of 21.68 percent, commercial time deposits with 12.7 percent and other time deposits with a ratio of 1.6 percent.

Savings time deposits, which constitute the largest share of the structure of M2, decreased by 0.35 points to 64.02 percent in March 2018 - March 2019 period. In the mentioned period, M1, one of the other subcomponents of M2, increased from 21.13 percent to 21.68 percent and other time deposits from 1.41 percent to 1.6 percent, while commercial time deposits declined from 13.1 percent to 12.7 percent.

**Chart 5.19: Shares of M2's Components**



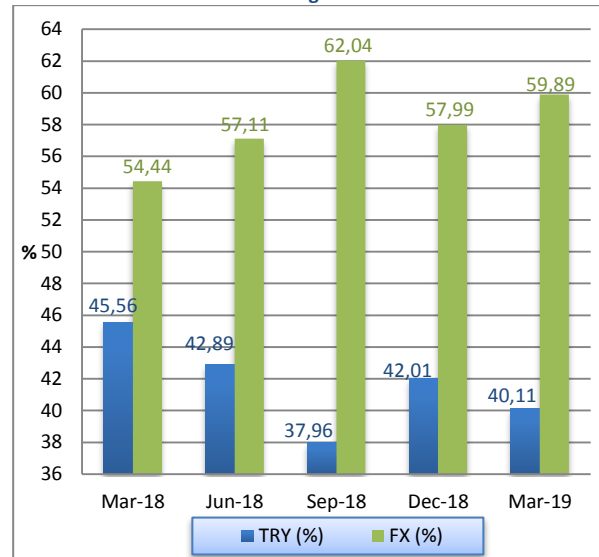
Source: Central Bank of the TRNC

Analysing the TRY-FX percentage distribution of M3 defined money supply as of March 2019, it is observed that the share of TRY deposits in M3 is 40.11 percent and the share of FX deposits is 59.89 percent. At the end of March 2018, these shares were 45.56 percent in the TRY and 54.44 percent in the FX.

#### 5.4 OVERVIEW OF INTERBANK MONEY MARKET

As of the first quarter of 2019, there were 790 transactions in TRY, 501 transactions in USD, 169 transactions in EUR and 651 transactions in GBP currency. In this period, transactions of 39,379 million TRY in Turkish Lira currency, 1,349 million USD in US Dollar currency, 7,914 million EUR in Euro currency and 5,803 million GBP in Pound Sterling currency were made.

Chart 5.20: TRY - FX Percentage Distribution of M3



Source: Central Bank of the TRNC

Table 5.19: Transaction Volume (x 1.000) and Amount

	TRY		\$		€		£	
	Number	Volume	Number	Volume	Number	Volume	Number	Volume
<b>2018 - Q1</b>	948	16.733.550	163	409.500	272	7.738.650	579	5.729.025
<b>2018 - Q2</b>	779	16.336.150	121	241.600	366	8.451.450	540	5.447.950
<b>2018 - Q3</b>	639	20.611.650	202	292.500	223	6.730.700	527	5.171.325
<b>2018 - Q4</b>	820	31.094.550	384	598.325	163	7.398.150	566	5.544.400
<b>2019 - Q1</b>	790	39.379.400	501	1.349.475	169	7.913.600	651	5.802.500

Source: Central Bank of the TRNC

Looking at the volume distributions of overnight transactions made in the first quarter of 2019, it is observed that the shares were 99.02 percent in TRY, 99.93 percent in USD, 100 percent in EUR and 99.38 percent in GBP. 1-week transactions were realized as 9

per mille in TRY and 0.1 per mille in USD. 2-week transactions were preferred at the rate of 0.1 per mille in GBP. 1-month transactions had a rate of 0.7 per mille in TRY, 6 per mille in GBP and 3-month transactions had a rate of 0.1 per mille in TRY.

**Table 5.20: Transaction Volume (x 1.000)**

	TRY		\$		€		£	
	Volume	Share (%)	Volume	Share (%)	Volume	Share (%)	Volume	Share (%)
<b>2018 Q1</b>	<b>16.733.550</b>		<b>409.500</b>		<b>7.738.650</b>		<b>5.729.025</b>	
ON	16.000.450	95,62	372.900	91,06	7.732.850	99,93	5.722.025	99,88
1W	653.000	3,90			600	0,01		
1M	71.000	0,42	36.100	8,82	5.200	0,06	5.000	0,09
3M	9.100	0,06					2.000	0,03
6M			500	0,12				
<b>2018 Q2</b>	<b>16.336.150</b>		<b>241.600</b>		<b>8.451.450</b>		<b>5.447.950</b>	
ON	15.303.650	93,68	227.550	94,18	8.449.950	99,98	5.429.600	99,66
1W	928.000	5,68						
1M	91.500	0,56	14.050	5,82	1.500	0,02	18.350	0,34
3M	13.000	0,08						
6M								
<b>2018 Q3</b>	<b>20.611.650</b>		<b>292.500</b>		<b>6.730.700</b>		<b>5.171.325</b>	
ON	19.981.650	96,94	281.800	96,34	6.728.400	99,97	5.158.975	99,76
1W	540.000	2,62	4.900	1,68			500	0,01
2W	84.000	0,41	3.600	1,23				
3W							500	0,01
1M	6.000	0,03	2.200	0,75	2.300	0,03	11.350	0,22
<b>2018 Q4</b>	<b>31.094.550</b>		<b>598.325</b>		<b>7.398.150</b>		<b>5.544.400</b>	
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
<b>2019 Q1</b>	<b>39.379.400</b>		<b>1.349.475</b>		<b>7.913.600</b>		<b>5.802.500</b>	
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						

Source: Central Bank of the TRNC

Note: ON: Overnight

W: Weekly

M: Monthly

Average interest rates for overnight transactions made in the first quarter of 2019 were 18.12 percent in TRY, 1.25 percent in USD, 0.5 percent in EUR, and 0.74 percent in GBP. Interest rates of weekly transactions were 19.74 percent in TRY, and 2 percent in GBP. Average interest rates for 2-week transactions were

2.25 percent, and the interest rates for 3-week transactions were 2.75 percent in GBP. Average interest rates for 1-month transactions has been 19.98 percent in TRY, 3.67 percent in USD and 3.26 percent in GBP. Average interest rates for 3-month transactions are 21 percent in TRY.

**Table 5.21: Average Interest Rates (%)**

	TRY						\$						€			£							
	ON	1W	2W	1M	3M	6M	ON	1W	2W	3W	1M	3M	6M	ON	1W	1M	ON	1W	2W	3W	1M	3M	
<b>2018 Q1</b>	7,75	9,75		10,00	10,33		0,50				1,72	2,25		0,50	0,75	0,86	0,75				1,25	1,25	
<b>Q2</b>	8,99	10,88		10,24	10,50		0,55				1,72			0,50	0,75		0,75					1,34	
<b>Q3</b>	12,59	14,67	13,50	16,75			1,04	3,11	3,06		2,45			0,50	1,90		0,75	2,00		1,75	2,14		
<b>Q4</b>	18,25	19,75		22,14			1,25	3,25	3,33	3,67	3,75			0,50	2,38		0,75					2,95	
<b>2019 Q1</b>	18,12	19,74		19,98	21,00		1,25				3,67			0,50			0,74	2,00	2,25	2,75	3,26		

Source: Central Bank of the TRNC

Note: ON: Overnight

W: Weekly

M: Monthly

## 5.5 CREDIT CARDS MAXIMUM INTEREST RATES

"Law on Bank Cards and Credit Cards" numbered 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 5.22: Credit Cards Maximum Interest Rates (%)**

Effective Date	TRY		FX	
	Monthly Maximum Contract	Monthly Maximum Overdue Interest	Monthly Maximum Contract	Monthly Maximum Overdue Interest
04/01/2016 (OG 1)	1,96	2,46	1,29	1,79
01/04/2016 (OG 41)	2,09	2,59	1,27	1,77
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

Source: Central Bank of the TRNC



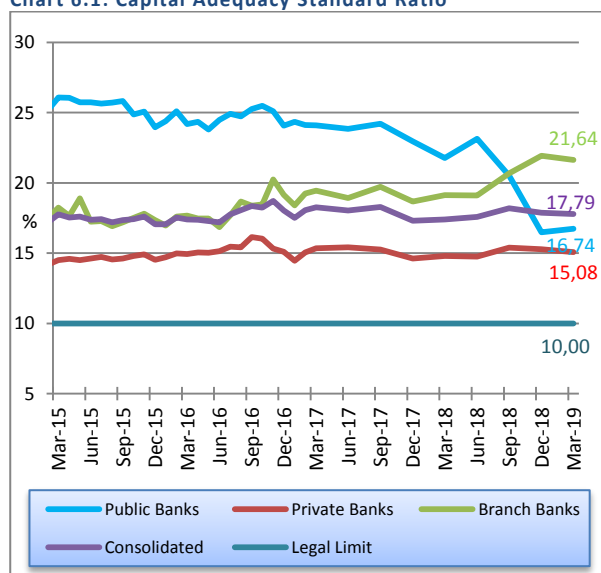
## 6 FINANCIAL STABILITY ANALYSIS

### 6.1 CAPITAL ADEQUACY

In the first quarter of 2019, sector's capital adequacy standard ratio decreased by 0.07 points compared to the previous quarter and declined to 17.79 percent, above the legal limit of 10 percent.

As of March 2019, CASR based on bank groups has been 16.74 percent in public banks, 15.08 percent in private banks and 21.64 percent in branch banks. As of December 2018, these ratios were 16.49, 15.28 and 21.93 percent, respectively. Compared to the same period of the previous year, CASR decreased by 5.02 points in public banks, and increased by 0.28 points in private banks and by 2.52 points in branch banks.

Chart 6.1: Capital Adequacy Standard Ratio



Source: Central Bank of the TRNC

Comparing the risk-weighted assets of the sector to the previous period at the end of March 2019, the assets with 0 percent risk weight increased by 5.61 percent, the assets with 20 percent risk weight increased by 9.39 percent, those with 50 percent risk weight increased by 6.45 percent, and assets with 100 percent risk weight increased by 8.95 percent. In the period concerned, the total of market risk and operational risk increased by 67.3 million TRY and reached 3,728.6 million TRY, compared to the previous period. The total of market risk and operational risk of the sector increased by 1,051 million TRY in one-year period (March 2018 - March 2019).

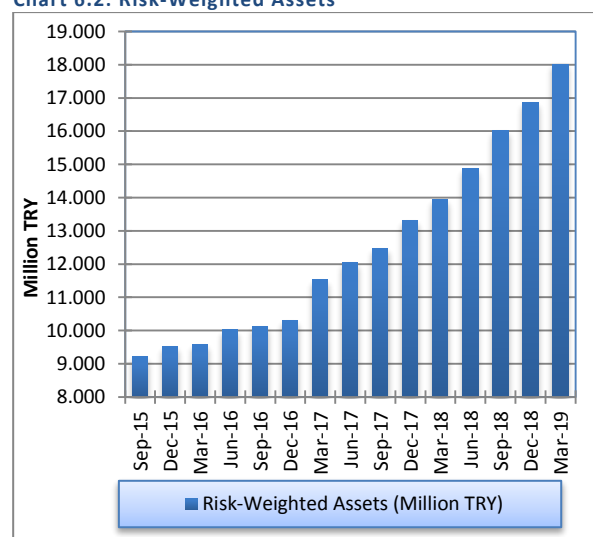
Table 6.1: Risk-Weighted Assets

	Mar. 2018	Jun. 2018	Sept. 2018	Dec. 2018	Mar. 2019	Percentage Change (12/18-03/19)
0 %	12.190,3	13.303,1	11.422,1	11.915,1	12.583,9	5,61
20 %	2.783,8	2.910,2	4.988,2	5.988,4	6.550,9	9,39
50 %	6.084,1	6.860,4	6.900,4	7.275,3	7.745,2	6,45
100 %	7.672,3	8.050,8	8.443,5	8.357,1	9.105,1	8,95
Market Risk + Operational Risk	2.677,6	2.800,5	3.114,8	3.661,3	3.728,6	1,83

Source: Central Bank of the TRNC

In the first quarter of 2019, risk-weighted assets increased by 18.35 percent, compared to the previous quarter. The weighted sum of risk-weighted assets, which amounted to 16,853.6 million TRY as of December 2018, increased by 1,162.9 million TRY at the end of March 2019 and reached 18,016.5 million TRY. Risk-weighted assets of the sector increased by 29.16 percent in March 2018 - March 2019 period.

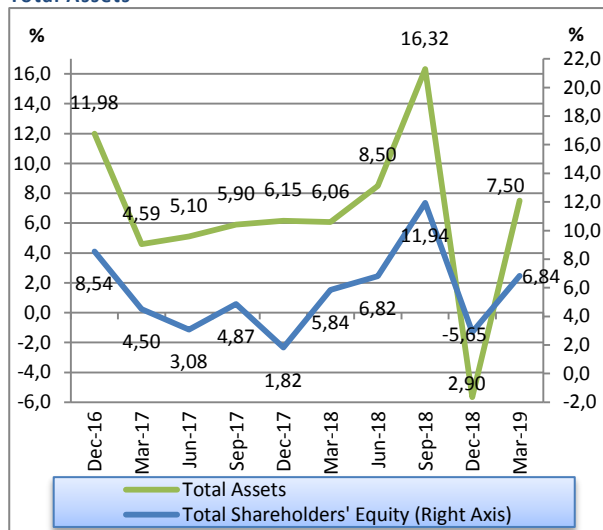
Chart 6.2: Risk-Weighted Assets



Source: Central Bank of the TRNC

As of the end of March 2019, total assets increased by 7.5 percent and total shareholders' equity increased by 6.84 percent, compared to December 2018. Total assets and shareholders' equity increased by 27.99 percent and 31.44 percent, respectively, compared to the same period of the previous year.

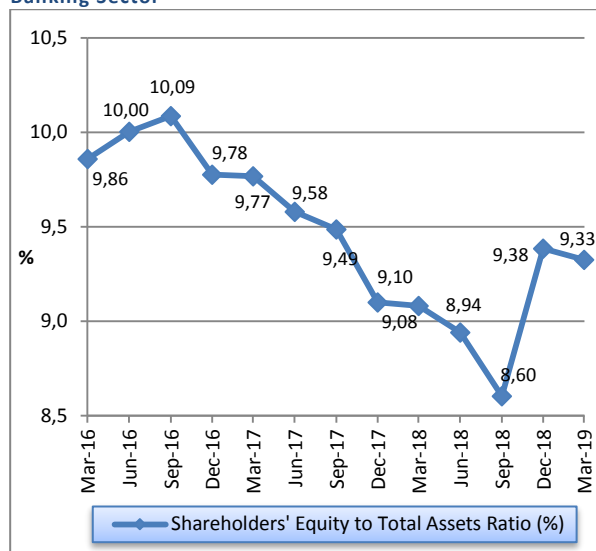
**Chart 6.3: Increase Rates in Total Shareholders' Equity and Total Assets**



Source: Central Bank of the TRNC

The ratio of total shareholders' equity in the banking sector to total assets was 9.77 percent in the first quarter of 2017, 9.58 percent in the second quarter to 2017, 9.49 percent in the third quarter of 2017 and 9.1 percent in the last quarter of 2017. In 2018, this ratio decreased in the first three quarters and became 9.08 percent in the first quarter, 8.94 in the second quarter, and 8.6 in the third quarter. It increased and resulted as 9.38 percent in the fourth quarter. In the first quarter of 2019, the ratio of total shareholders' equity to total assets has been 9.33.

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

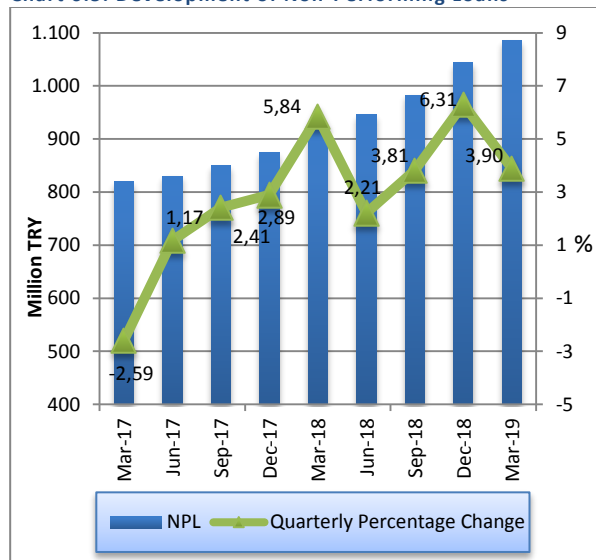


Source: Central Bank of the TRNC

## 6.2 NON-PERFORMING LOANS

Sector's non-performing loans amounted to 1,044.6 million TRY as of the end of December 2018 and increased by 3.9 percent and reached 1,085.3 million TRY as of the end of March 2019. Non-performing loans increased by 17.2 percent, compared to the same period of the previous year.

**Chart 6.5: Development of Non-Performing Loans**



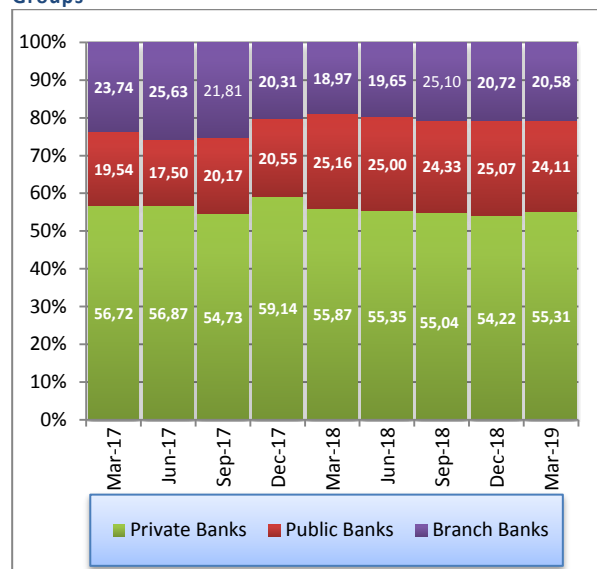
Source: Central Bank of the TRNC



As of the end of the first quarter of 2019, it is observed that the share of private banks in total NPL increased and the share of public banks and branch banks decreased, compared to the previous quarter. Accordingly, in December 2018 - March 2019 period, the share of private banks in total NPL increased from 54.22 percent to 55.31 percent, while the share of public banks decreased from 25.07 percent to 24.11 percent and the share of branch banks from 20.72 percent to 20.58 percent. In March 2018 - March 2019 period, the share of private banks in total NPL decreased from 55.87 percent to 55.31 percent, while the share of public banks decreased from 25.16 percent to 24.11 percent. In the same period, the share of branch banks increased from 18.97 percent to 20.58 percent.

In the first quarter of 2019, total assets amounted to 35,452.8 million TRY, total gross loans amounted to 19,823.9 million TRY, non-performing loans amounted to 1,085.3 million TRY and provisions for non-performing loans amounted to 731.2 million TRY. When analysed by bank groups, as of March 2019, total assets in public banks are 8,440.4 million TRY, total gross loans are 5,011.7 million TRY, non-performing loans are 261.7 million TRY and provisions for non-performing loans are 226.5 million TRY.

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



Source: Central Bank of the TRNC

In the private banks, total assets amounted to 15,978.6 million TRY, total gross loans amounted to 9,795.3 million TRY, non-performing loans amounted to 600.2 million TRY and provisions for non-performing loans amounted to 324.5 million TRY. Branch banks have total assets of 11,033.8 million TRY, total gross loans of 5,016.9 million TRY, non-performing loans of 223.4 million TRY and provisions for non-performing loans of 180.2 million TRY.

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

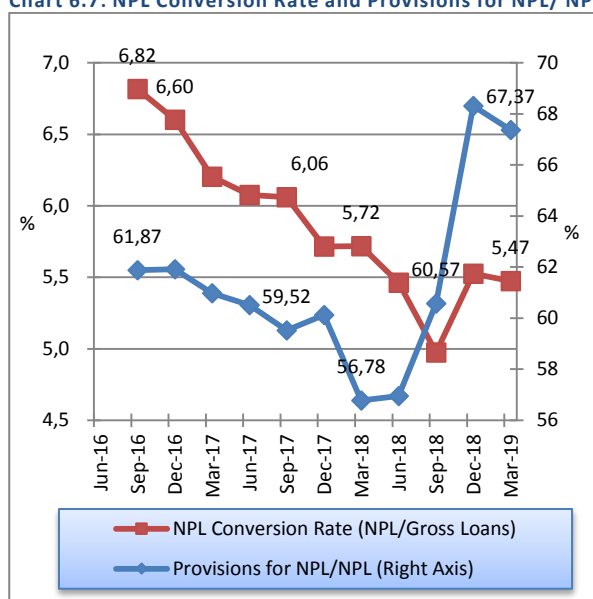
	Total Assets			Total Gross Loans			NPL			Provisions for NPL		
	Sept.18	Dec.18	Mar.19	Sept.18	Dec.18	Mar.19	Sept.18	Dec.18	Mar.19	Sept.18	Dec.18	Mar.19
<b>Public Banks</b>	8.339,9	7.868,9	8.440,4	4.627,2	4.954,7	5.011,7	239,1	261,8	261,7	140,2	226,3	226,5
<b>Private Banks</b>	15.646,4	14.734,3	15.978,6	9.963,5	9.199,4	9.795,3	540,8	566,4	600,2	292,9	313,2	324,5
<b>Branch Banks</b>	10.970,2	10.377,0	11.033,8	5.161,7	4.752,0	5.016,9	202,7	216,4	223,4	162,1	174,1	180,2
<b>Total</b>	<b>34.956,5</b>	<b>32.980,2</b>	<b>35.452,8</b>	<b>19.752,4</b>	<b>18.906,1</b>	<b>19.823,9</b>	<b>982,6</b>	<b>1.044,6</b>	<b>1.085,3</b>	<b>595,2</b>	<b>713,6</b>	<b>731,2</b>

Source: Central Bank of the TRNC

NPL conversion rate, which was 6.82 percent as of September 2016, declined to 4.97 percent by September 2018. As of the end of December 2018, the NPL conversion rate increased again and reached 5.47 percent as of the end of March 2019. It has experienced a decrease of 0.24 points during the one-year period (March 2018 - March 2019).

While the ratio of provisions for NPL to total NPL was 68.31 percent by the end of December 2018, it increased by 10.59 points to reach 68.31 percent in March 2018. During March 2018 - March 2019, the ratio of provisions for NPL to total NPL increased by 10.59 points.

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



Source: Central Bank of the TRNC

### 6.3 RETURN ON ASSETS AND RETURN ON EQUITY

The sector's return on assets, which was 2.23 percent at the end of December 2018, increased to 2.46 percent in the first quarter of 2019, the return on equity, which was 24.96 percent, increased to 27.12 percent and the net interest margin increased from 3.82 percent to 4.02 percent. In the period of March 2018 - March 2019, sector's return on assets increased from 1.71 percent to 2.46 percent, return on equity increased from 18.25 to 27.12 percent, and the net interest margin from 3.20 to 4.02 percent.

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

Description	2018				2019
	Mar.	Jun.	Sept.	Dec.	Mar.
Return on Assets <sup>1</sup>	1,71	2,02	2,42	2,23	2,46
Return on Equity <sup>2</sup>	18,25	22,06	27,31	24,96	27,12
Net Interest Margin <sup>3</sup>	3,20	3,28	3,51	3,82	4,02

Source: Central Bank of the TRNC

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

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

3. (Net Interest Margin after Provision + 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 after Provision + 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
Central Bank of the TRNC - Determining the Monthly Maximum Contractual and Default Interest Rates to be Applied on Credit Cards			03.01.2019	1
Notification on the Risks Undertaken (Amendment)	24.01.2019	1028	05.02.2019	15

Table A.2: Economic Decisions - Legal Regulations

Subject	Law/Draft Law		Official Gazette	
	Date	Number	Date	Number
<b>Laws</b>				
<b>Draft Laws</b>				
Draft Law on Refunds of Retail Goods and Services Purchases Made by Credit and Debit Cards			14.02.2019	19

## 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
<b>31 Mar. 2014</b>	3.079.515.185	147.484.184	1.728.249	<b>3.228.727.618</b>	245.971.070	1.675.102.982	876.948.620	430.704.946	<b>3.228.727.618</b>
<b>30 Jun. 2014</b>	3.270.433.195	121.218.064	1.804.149	<b>3.393.455.408</b>	247.254.958	1.792.772.785	890.156.351	463.271.314	<b>3.393.455.408</b>
<b>30 Sept. 2014</b>	3.511.228.059	119.312.114	1.752.480	<b>3.632.292.653</b>	248.132.449	1.917.060.863	938.524.944	528.574.397	<b>3.632.292.653</b>
<b>31 Dec. 2014</b>	3.645.697.257	171.220.524	25.331.106	<b>3.842.248.887</b>	258.929.182	1.493.119.701	954.982.558	1.135.217.446	<b>3.842.248.887</b>
<b>31 Mar. 2015</b>	3.739.517.315	115.254.133	2.248.301	<b>3.857.019.749</b>	276.152.356	1.408.442.288	1.006.554.132	1.165.870.973	<b>3.857.019.749</b>
<b>30 Jun. 2015</b>	4.297.312.709	132.031.767	18.942.188	<b>4.448.286.664</b>	276.996.548	1.482.713.730	1.062.691.010	1.625.885.376	<b>4.448.286.664</b>
<b>30 Sept. 2015</b>	4.883.071.770	133.138.667	2.280.396	<b>5.018.490.833</b>	278.408.386	1.554.299.105	1.159.694.120	2.026.089.222	<b>5.018.490.833</b>
<b>31 Dec. 2015</b>	4.820.323.929	184.465.057	20.635.529	<b>5.025.424.515</b>	400.156.276	1.597.089.925	1.143.470.037	1.884.708.277	<b>5.025.424.515</b>
<b>31 Mar. 2016</b>	4.759.331.238	177.928.840	2.511.781	<b>4.939.771.859</b>	317.637.476	1.368.093.189	1.158.875.053	2.095.166.141	<b>4.939.771.859</b>
<b>30 Jun. 2016</b>	4.743.182.458	213.175.830	2.640.121	<b>4.958.998.409</b>	318.658.983	1.476.230.465	1.172.163.993	1.991.944.968	<b>4.958.998.409</b>
<b>30 Sept. 2016</b>	5.466.386.701	186.416.180	2.729.886	<b>5.655.532.767</b>	319.829.286	1.706.384.976	1.233.282.326	2.396.036.179	<b>5.655.532.767</b>
<b>31 Dec. 2016</b>	6.362.944.796	67.051.670	22.187.719	<b>6.452.184.185</b>	465.169.093	2.083.019.935	1.359.700.420	2.544.294.737	<b>6.452.184.185</b>
<b>31 Mar. 2017</b>	6.764.573.400	101.158.224	3.401.183	<b>6.869.132.807</b>	365.686.916	2.121.997.651	1.448.684.018	2.932.764.222	<b>6.869.132.807</b>
<b>30 Jun. 2017</b>	6.981.906.564	134.992.949	2.841.955	<b>7.119.741.468</b>	367.060.935	2.317.720.970	1.512.813.049	2.922.146.514	<b>7.119.741.468</b>
<b>30 Sept. 2017</b>	7.630.043.970	191.469.924	2.907.269	<b>7.824.421.163</b>	368.577.947	2.505.097.829	1.615.196.100	3.335.549.287	<b>7.824.421.163</b>
<b>31 Dec. 2017</b>	8.118.080.496	114.227.729	3.260.499	<b>8.235.568.724</b>	384.891.701	2.681.914.710	1.729.000.717	3.574.231.898	<b>8.370.039.032</b>
<b>31 Mar. 2018</b>	8.545.422.968	219.540.337	4.339.065	<b>8.769.302.370</b>	436.642.697	2.870.588.126	1.851.557.638	3.610.513.909	<b>8.769.302.370</b>
<b>30 Jun. 2018</b>	9.341.542.297	155.660.857	2.673.006	<b>9.499.876.160</b>	439.621.419	3.105.622.819	1.993.912.015	3.960.719.907	<b>9.499.876.160</b>
<b>30 Sept. 2018</b>	11.073.132.669	172.557.057	2.684.160	<b>11.248.373.886</b>	445.771.689	3.717.146.751	2.052.867.163	5.032.588.283	<b>11.248.373.886</b>
<b>31 Dec. 2018</b>	10.499.595.834	61.335.607	294.637.228	<b>10.855.568.669</b>	480.942.598	3.917.979.147	1.885.311.620	4.571.335.304	<b>10.855.568.669</b>
<b>31 Mar. 2019</b>	10.833.216.002	188.417.441	12.142.380	<b>11.033.775.823</b>	565.586.996	4.040.009.260	2.011.711.161	4.416.468.406	<b>11.033.775.823</b>

Source: Central Bank of the TRNC

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

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

<b>Date</b>	<b>Cash Assets</b>	<b>Gold Deposit</b>	<b>Bank Deposits (TRY)</b>	<b>Bank Deposits (FX)</b>	<b>Foreign Banks</b>	<b>Securities Portfolio</b>	<b>Total</b>
<b>31 Mar. 2014</b>	57.681.769	2.146.362	1.068.596.270	1.717.402.462	35.043.690	198.644.632	<b>3.079.515.185</b>
<b>30 Jun.2014</b>	37.813.934	2.146.362	1.173.711.609	1.837.164.805	51.540.117	168.056.368	<b>3.270.433.195</b>
<b>30 Sept. 2014</b>	63.855.297	2.146.362	1.167.075.364	1.915.670.506	63.391.520	299.089.010	<b>3.511.228.059</b>
<b>31 Dec. 2014</b>	59.575.201	2.341.331	1.307.875.937	1.925.886.634	60.933.484	289.084.670	<b>3.645.697.257</b>
<b>31 Mar. 2015</b>	93.270.862	2.341.331	1.456.217.149	1.979.335.666	48.438.307	159.914.000	<b>3.739.517.315</b>
<b>30 Jun. 2015</b>	82.385.984	2.341.331	1.467.167.127	2.411.582.643	113.843.324	219.992.300	<b>4.297.312.709</b>
<b>30 Sept. 2015</b>	140.974.336	2.341.331	1.467.337.337	2.899.368.703	114.480.913	258.569.150	<b>4.883.071.770</b>
<b>31 Dec. 2015</b>	87.625.194	2.611.239	1.402.006.529	2.945.775.755	55.692.162	326.613.050	<b>4.820.323.929</b>
<b>31 Mar. 2016</b>	117.668.364	2.611.239	1.499.576.679	2.952.607.384	77.638.972	109.228.600	<b>4.759.331.238</b>
<b>30 Jun. 2016</b>	90.757.864	2.611.239	1.614.592.023	2.855.674.301	33.822.031	145.725.000	<b>4.743.182.458</b>
<b>30 Sept. 2016</b>	238.570.625	2.611.239	2.029.877.829	3.097.871.008	0	97.456.000	<b>5.466.386.701</b>
<b>31 Dec. 2016</b>	216.724.660	3.440.019	2.260.530.677	3.687.779.940	0	194.469.500	<b>6.362.944.796</b>
<b>31 Mar. 2017</b>	165.588.687	3.440.019	2.101.326.259	4.030.683.635	0	463.534.800	<b>6.869.132.807</b>
<b>30 Jun. 2017</b>	171.906.834	3.440.019	1.823.606.608	4.299.854.053	0	683.099.050	<b>6.981.906.564</b>
<b>30 Sept. 2017</b>	275.459.595	3.440.019	1.842.387.496	4.739.760.510	0	768.996.350	<b>7.630.043.970</b>
<b>31 Dec. 2017</b>	257.360.230	3.997.999	1.728.967.292	5.187.178.813	0	903.656.300	<b>8.081.160.634</b>
<b>31 Mar. 2018</b>	382.362.841	3.997.999	1.705.665.243	5.630.492.210	0	822.904.675	<b>8.545.422.968</b>
<b>30 Jun. 2018</b>	281.516.845	3.997.999	1.845.209.663	6.467.950.290	0	742.867.500	<b>9.341.542.297</b>
<b>30 Sept. 2018</b>	701.495.845	3.997.999	2.827.946.391	7.539.692.434	0	0	<b>11.073.132.669</b>
<b>31 Dec. 2018</b>	596.636.956	5.503.526	2.886.583.754	6.838.280.699	0	172.590.899	<b>10.499.595.834</b>
<b>31 Mar. 2019</b>	703.356.751	5.503.326	2.788.997.426	7.087.363.508	0	247.266.991	<b>10.833.216.002</b>

Source: Central Bank of the 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. 2014							2.431.745	<b>2.431.745</b>
30 Jun. 2014							2.381.303	<b>2.381.303</b>
30 Sept. 2014							2.580.963	<b>2.580.963</b>
31 Dec. 2014								-
31 Mar. 2015							4.466.517	<b>4.466.517</b>
30 Jun. 2015							4.642.279	<b>4.642.279</b>
30 Sept. 2015							5.311.384	<b>5.311.384</b>
31 Dec. 2015								-
31 Mar. 2016								-
30 Jun. 2016							4.083.448	<b>4.083.448</b>
30 Sept. 2016							4.270.101	<b>4.270.101</b>
31 Dec. 2016							5.065.643	<b>5.065.643</b>
31 Mar. 2017								-
30 Jun. 2017							4.943.377	<b>4.943.377</b>
30 Sept. 2017							5.415.736	<b>5.415.736</b>
31 Dec. 2017							5.807.899	<b>5.807.899</b>
31 Mar. 2018							5.789.550	<b>5.789.550</b>
30 Jun. 2018							6.912.450	<b>6.912.450</b>
30 Sept. 2018							9.112.800	<b>9.112.800</b>
31 Dec. 2018							7.933.350	<b>7.933.350</b>
31 Mar. 2019							8.313.450	<b>8.313.450</b>

Source: Central Bank of the 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	
30 Sept. 2014	69.233.058	18.698.887	502.033.797	1.136.473.300	526.918.645	411.606.299	27.425.327	163.196.494	2.855.585.807
31 Dec. 2014	17.094.271	9.256.228	567.445.436	868.076.651	532.525.648	422.456.910	629.724	30.617.391	2.448.102.259
31 Mar. 2015	10.753.910	21.354.653	497.415.629	849.731.141	555.437.616	451.116.516	441.602	28.745.353	2.414.996.420
30 Jun. 2015	18.278.584	34.669.328	421.856.540	988.595.032	565.747.200	496.943.810	428.189	18.886.057	2.545.404.740
30 Sept. 2015	14.819.534	30.301.580	346.773.076	1.141.287.770	578.364.670	581.329.450	396.168	20.720.977	2.713.993.225
31 Dec. 2015	57.528.409	19.608.857	377.112.293	1.111.941.851	583.627.835	559.842.202	751.281	30.147.234	2.740.559.962
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

Source: Central Bank of the 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
<b>2012</b>		1,7826	1,7912	2,3517	2,3630	2,8708	2,8858
<b>2013</b>		2,1343	2,1381	2,9365	2,9418	3,5114	3,5297
<b>2014</b>		2,3189	2,3230	2,8207	2,8258	3,5961	3,6149
<b>2015</b>		2,9076	2,9128	3,1776	3,1833	4,3007	4,3231
<b>2016</b>		3,5192	3,5255	3,7099	3,7166	4,3189	4,3414
<b>2017</b>		3,7719	3,7787	4,5155	4,5237	5,0803	5,1068
<b>2018</b>		5,2609	5,2704	6,0280	6,0388	6,6528	6,6875
<b>2019</b>	<b>1</b>	5,2781	5,2876	6,0339	6,0447	6,9005	6,9364
	<b>2</b>	5,2905	5,3000	6,0257	6,0366	7,0133	7,0499
	<b>3</b>	5,6284	5,6386	6,3188	6,3302	7,3354	7,3736

Source: Central Bank of the 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

Source: Central Bank of the TRNC

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

Effective Date	Currency				CENTRAL BANK OF THE TRNC		Official Gazette	
	TRY	\$	€	£	Date	Number	Date	Number
	Demand	Demand	Demand	Demand				
05.02.2008	15,00	3,00	2,25	4,25	05.02.2008	635	19.02.2008	32
29.02.2008	14,75	2,10	2,25	4,00	29.02.2008	640	13.03.2008	50
25.03.2008	14,75	1,50	2,25	4,00	25.03.2008	646	03.04.2008	59
22.05.2008	15,25	1,25	2,25	3,75	22.05.2008	652	16.06.2008	113
26.06.2008	15,75	1,25	2,25	3,75	26.06.2008	662	02.07.2008	124
30.07.2008	16,25	1,25	2,25	3,75	30.07.2008	666	15.08.2008	153
17.10.2008	16,25	0,75	2,00	3,25	16.10.2008	673	22.10.2008	187
14.11.2008	16,25	0,25	1,75	2,25	13.11.2008	676	26.11.2008	207
28.11.2008	15,75	0,25	1,75	2,25	27.11.2008	679	16.12.2008	217
22.12.2008	14,50	0,05	1,25	1,00	19.12.2008	682	25.12.2008	223
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

Source: Central Bank of the TRNC

Note: The 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
09.07.2003	12,00	0,25	0,50	1,25	02.07.2003	498	09.07.2003	79
01.09.2004	12,00	0,50	0,50	1,75	25.08.2004	531	01.09.2004	127
01.04.2005	10,00	0,75	0,50	1,75	29.03.2005	549	31.03.2005	47
01.11.2005	10,00	1,25	0,75	2,00	27.10.2005	567	08.11.2005	197
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

Source: Central Bank of the TRNC

Table B.9: Rediscount Interest Rates (%)

Currency																	
Effective Date	TRY					\$				€				£			
	Trade	Ind. Tourism Agri. Edu.	Exp.	Small Business	Advances Against Foreign Exchange	Trade	Ind. Tourism Edu.	Exp.	Advances Against Foreign Exchange	Trade	Ind. Tourism Edu.	Exp.	Advances Against Foreign Exchange	Trade	Ind. Tourism Edu.	Exp.	Advances Against Foreign Exchange
06.02.04	55	42	40	35	35	10	6	6	8	10	6	6	8	11	7	7	9
10.12.04	42	32	30	28	28	10	6	6	8	10	6	6	8	11	7	7	9
04.02.05	35	30	28	26	26	10	6	6	6	10	6	6	6	11	7	7	7
01.04.05	33	28	26	24	24	10	6	6	6	10	6	6	6	11	7	7	7
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

Source: Central Bank of the TRNC

Table B.10: Reserve Requirements Ratios (%)

Effective Date	Description	TRY Liabilities	FX Liabilities
<b>30.06.2002</b>		15	16
<b>30.11.2002</b>		14	15
<b>30.04.2003</b>		13	14
<b>30.10.2003</b>		12	13
<b>31.01.2004</b>		11	12
<b>31.07.2004</b>		10	11
<b>31.12.2005</b>		10	11
<b>30.06.2006</b>		9	10
<b>30.09.2007</b>		9	9
<b>31.12.2008</b>		8	8
<b>31.07.2012</b>	Deposits up to 3-month maturity	8	8
	Deposits with 3-month to 6-month maturity	7	8
	Deposits with 6-month to 1-year maturity	6	8
	Deposits with 1-year and longer term maturity	5	8
	Other liabilities excluding deposits	8	8
	Precious Metal Liabilities	0	0
<b>28.02.2014</b>	Deposits up to 3-month maturity	8	8
	Deposits with 3-month to 6-month maturity	7	7
	Deposits with 6-month to 1-year maturity	6	6
	Deposits with 1-year and longer term maturity	5	5
	Other liabilities excluding deposits	8	8
	Precious Metal Liabilities	0	0
<b>15.08.2018</b>	Deposits up to 3-month maturity	7	7
	Deposits with 3-month to 6-month maturity	6	6
	Deposits with 6-month to 1-year maturity	5	5
	Deposits with 1-year and longer term maturity	4	4
	Other liabilities excluding deposits	7	7
	Precious Metal Liabilities	0	0

Source: Central Bank of the TRNC

**Table B.11: Overdraft Checks**

Years	Months	People Restrained from Using Checks (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

Source: Central Bank of the 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
<b>30 Jun. 2015</b>	3.364,5	1.039,2	1.059,3	10.349,0	-396,4	1.335,3	<b>16.075,9</b>	13.000,0	1.543,7	1.532,2	<b>16.075,9</b>
<b>30 Sept. 2015</b>	3.879,7	1.033,9	1.151,8	10.891,5	-429,1	770,1	<b>17.297,9</b>	14.007,8	1.699,5	1.590,6	<b>17.297,9</b>
<b>31 Dec. 2015</b>	3.953,2	1.031,3	1.141,5	11.168,1	-475,4	490,9	<b>17.309,6</b>	13.950,5	1.741,1	1.618,0	<b>17.309,6</b>
<b>31 Mar. 2016</b>	3.872,0	1.223,0	1.152,5	11.115,4	-485,4	630,1	<b>17.507,6</b>	14.024,1	1.757,3	1.726,2	<b>17.507,6</b>
<b>30 Jun. 2016</b>	3.871,0	1.314,7	1.166,8	11.420,4	-467,5	727,1	<b>18.032,5</b>	14.300,5	1.928,1	1.803,9	<b>18.032,5</b>
<b>30 Sept. 2016</b>	4.360,1	1.408,8	1.229,1	11.521,2	-485,9	839,7	<b>18.873,0</b>	14.969,8	1.999,6	1.903,6	<b>18.873,0</b>
<b>31 Dec. 2016</b>	5.275,8	1.587,8	1.358,4	12.763,1	-521,6	670,7	<b>21.134,2</b>	16.635,2	2.432,8	2.066,2	<b>21.134,2</b>
<b>31 Mar. 2017</b>	5.589,2	1.596,6	1.445,4	13.231,5	-500,4	742,7	<b>22.105,0</b>	17.652,4	2.293,4	2.159,2	<b>22.105,0</b>
<b>30 Jun. 2017</b>	6.103,5	1.601,3	1.511,6	13.666,3	-502,4	851,8	<b>23.232,1</b>	18.494,1	2.512,2	2.225,8	<b>23.232,1</b>
<b>30 Sept. 2017</b>	6.840,0	1.632,6	1.606,9	14.028,2	-506,1	1.001,1	<b>24.602,7</b>	19.672,9	2.595,6	2.334,3	<b>24.602,7</b>
<b>31 Dec. 2017</b>	7.161,7	1.704,7	1.729,3	15.306,2	-526,0	739,3	<b>26.115,3</b>	21.098,1	2.640,4	2.376,8	<b>26.115,3</b>
<b>31 Mar. 2018</b>	7.303,9	1.980,8	1.835,4	16.195,6	-525,9	908,8	<b>27.698,6</b>	22.352,7	2.830,2	2.515,7	<b>27.698,6</b>
<b>30 Jun. 2018</b>	8.021,5	2.140,2	1.983,5	17.330,4	-539,1	1.115,4	<b>30.051,9</b>	24.131,2	3.233,5	2.687,2	<b>30.051,9</b>
<b>30 Sept. 2018</b>	9.661,8	2.611,7	2.019,9	19.752,4	-595,3	1.506	<b>34.956,5</b>	28.163,1	3.785,3	3.008,1	<b>34.956,5</b>
<b>31 Dec. 2018</b>	9.940,9	2.043,4	1.886,4	18.906,1	-713,5	916,9	<b>32.980,2</b>	26.441,8	3.443,3	3.095,1	<b>32.980,2</b>
<b>31 Mar. 2019</b>	10.792,8	2.255,0	2.017,1	19.823,9	-731,1	1.295,1	<b>35.452,8</b>	28.449,2	3.699,9	3.303,7	<b>35.452,8</b>

Source: Central Bank of the TRNC

**Table B.13: Loans (Total) - 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
<b>31 Mar. 2015</b>	98,5	7,4	3,1	0,0	83,1	4.990,4	30,5	14,7	2.936,2	251,4	0,1	4,4	0,0	904,3	<b>9.324,1</b>
<b>30 Jun. 2015</b>	117,1	10,1	3,4	0,0	92,1	5.195,8	15,0	14,5	3.033,7	257,8	0,1	4,6	0,0	929,8	<b>9.674,0</b>
<b>30 Sept. 2015</b>	133,1	11,8	3,8	0,0	86,1	5.532,5	10,4	15,8	3.152,2	259,9	0,1	5,2	0,0	963,7	<b>10.174,6</b>
<b>31 Dec. 2015</b>	138,5	11,0	3,6	0,0	96,4	5.740,9	15,9	14,8	3.073,4	265,1	0,1	0,0	0,0	1.039,7	<b>10.399,4</b>
<b>31 Mar. 2016</b>	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	<b>10.346,4</b>
<b>30 Jun. 2016</b>	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	<b>10.667,4</b>
<b>30 Sept. 2016</b>	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	<b>10.735,9</b>
<b>31 Dec. 2016</b>	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	<b>11.920,6</b>
<b>31 Mar. 2017</b>	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	<b>12.410,8</b>
<b>30 Jun. 2017</b>	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	<b>12.836,0</b>
<b>30 Sept. 2017</b>	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	<b>13.178,0</b>
<b>31 Dec. 2017</b>	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	<b>14.431,3</b>
<b>31 Mar. 2018</b>	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	<b>15.269,5</b>
<b>30 Jun. 2018</b>	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	<b>16.383,9</b>
<b>30 Sept. 2018</b>	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	<b>18.769,8</b>
<b>31 Dec. 2018</b>	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	<b>17.861,5</b>
<b>31 Mar. 2019</b>	254,5	2,4	3,9	0,0	100,6	11.896,4	38,4	20,1	4.672,6	452,8	0,3	8,3	0,0	1.287,9	<b>18.738,6</b>

Source: Central Bank of the 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
<b>30 Jun. 2015</b>	90,2	0	0,1	0	68,0	2.897,1	15,0	5,4	2.084,3	257,0	0,1	0	0	613,4	<b>6.030,6</b>
<b>30 Sept. 2015</b>	101,5	0	0,1	0	59,1	2.926,8	10,4	5,4	2.135,7	257,9	0,1	0	0	6.11,7	<b>6.108,7</b>
<b>31 Dec. 2015</b>	107,3	0	0,1	0	64,9	3.161,8	16,0	5,4	2.139,0	264,3	0,1	0	0	695,5	<b>6.454,4</b>
<b>31 Mar. 2016</b>	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	<b>6.547,2</b>
<b>30 Jun. 2016</b>	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	<b>6.684,4</b>
<b>30 Sept. 2016</b>	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	<b>6.669,2</b>
<b>31 Dec. 2016</b>	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	<b>7.010,1</b>
<b>31 Mar. 2017</b>	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	<b>7.201,1</b>
<b>30 Jun. 2017</b>	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	<b>7.364,0</b>
<b>30 Sept. 2017</b>	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	<b>7.401,6</b>
<b>31 Dec. 2017</b>	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	<b>7.886,4</b>
<b>31 Mar. 2018</b>	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	<b>8.023,4</b>
<b>30 Jun. 2018</b>	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	<b>8.243,1</b>
<b>30 Sept. 2018</b>	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	<b>8.144,4</b>
<b>31 Dec. 2018</b>	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	<b>8.643,1</b>
<b>31 Mar. 2019</b>	168,7	2,4	0,8	0	59,6	4.753,6	38,4	4,3	2.567,0	450,1	0,3	0	0	772,4	<b>8.817,2</b>

Source: Central Bank of the 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
<b>30 Jun. 2015</b>	26,9	10,1	3,4	0	24,2	2.298,8	0	9,0	949,4	0,7	0	4,5	0	316,4	<b>3.643,4</b>
<b>30 Sept. 2015</b>	31,7	11,7	3,5	0	27,1	2.605,7	0	10,3	1.016,7	2,0	0	5,1	0	352,1	<b>4.065,9</b>
<b>31 Dec. 2015</b>	31,2	11,0	3,2	0	31,5	2.579,1	0	9,4	934,4	1,0	0	0	0	344,2	<b>3.945,0</b>
<b>31 Mar. 2016</b>	31,8	7,0	3,3	0	28,6	2.492,6	0	9,1	918,5	1,0	0	0	0	307,3	<b>3.799,2</b>
<b>30 Jun. 2016</b>	35,6	0	2,9	0	39,0	2.676,3	0	9,3	917,7	1,0	0	4,1	0	297,1	<b>3.983,0</b>
<b>30 Sept. 2016</b>	38	0	2,7	0	40,6	2.725,8	0	9,5	978,5	1,5	0	4,2	0	265,9	<b>4.066,7</b>
<b>31 Dec. 2016</b>	48,2	0	3,3	0	49,1	3.334,8	0	11,1	1.141	1,7	0	5,0	0	316,3	<b>4.910,5</b>
<b>31 Mar. 2017</b>	52,3	0	3,3	0	51,0	3.569,4	0	11,0	1.203,5	1,9	0	0	0	317,3	<b>5.209,7</b>
<b>30 Jun. 2017</b>	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	<b>5.472,0</b>
<b>30 Sept. 2017</b>	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	<b>5.776,4</b>
<b>31 Dec. 2017</b>	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	<b>6.544,8</b>
<b>31 Mar. 2018</b>	57,1	0	3,7	0	33,6	4.933,6	0	11,2	1.689,3	2,1	0	0	0	515,5	<b>7.246,1</b>
<b>30 Jun. 2018</b>	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	<b>8.140,8</b>
<b>30 Sept. 2018</b>	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	<b>10.625,4</b>
<b>31 Dec. 2018</b>	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	<b>9.218,3</b>
<b>31 Mar. 2019</b>	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	<b>9.921,4</b>

Source: Central Bank of the TRNC

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

<b>Date</b>	<b>Short-Term Loans</b>	<b>Percentage Change Compared to the Same Period of Previous Year</b>	<b>Medium and Long-Term Loans</b>	<b>Percentage Change Compared to the Same Period of Previous Year</b>	<b>Total</b>	<b>Percentage Change Compared to the Same Period of Previous Year</b>
<b>31 Mar. 2015</b>	4.163,4	14,87	5.160,7	20,95	<b>9.324,1</b>	18,16
<b>30 Jun. 2015</b>	4.240,8	13,80	5.433,2	21,21	<b>9.674,0</b>	17,85
<b>30 Sept. 2015</b>	4.384,3	15,51	5.790,3	23,73	<b>10.174,6</b>	20,05
<b>31 Dec. 2015</b>	4.602,5	12,89	5.796,8	19,19	<b>10.399,4</b>	16,32
<b>31 Mar. 2016</b>	4.535,0	8,93	5.811,4	12,61	<b>10.346,4</b>	10,96
<b>30 Jun. 2016</b>	5.034,6	18,72	5.632,8	3,67	<b>10.667,4</b>	10,27
<b>30 Sept. 2016</b>	5.012,0	14,32	5.723,9	-1,15	<b>10.735,9</b>	5,52
<b>31 Dec. 2016</b>	5.660,9	23,00	6.259,7	7,99	<b>11.920,6</b>	14,63
<b>31 Mar. 2017</b>	5.889,9	29,88	6.520,9	12,21	<b>12.410,8</b>	19,95
<b>30 Jun. 2017</b>	3.331,8	-33,82	9.504,2	68,73	<b>12.836,0</b>	20,33
<b>30 Sept. 2017</b>	3.414,7	-31,87	9.763,3	70,57	<b>13.178,0</b>	22,75
<b>31 Dec. 2017</b>	3.696,0	-34,71	10.735,3	71,50	<b>14.431,3</b>	21,06
<b>31 Mar. 2018</b>	3.996,5	-32,15	11.273,0	72,87	<b>15.269,5</b>	23,03
<b>30 Jun. 2018</b>	4.416,5	32,56	11.967,4	25,92	<b>16.383,9</b>	27,64
<b>30 Sept. 2018</b>	5.213,6	52,68	13.556,2	38,85	<b>18.769,8</b>	42,43
<b>31 Dec. 2018</b>	5.000,9	35,31	12.860,6	19,80	<b>17.861,5</b>	23,77
<b>31 Mar. 2019</b>	5.294,3	32,47	13.444,2	19,26	<b>18.738,6</b>	22,72

Source: Central Bank of the TRNC

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

<b>Date</b>	<b>Public Loans</b>	<b>Percentage Change Compared to Previous Quarter</b>	<b>Private Loans</b>	<b>Percentage Change Compared to Previous Quarter</b>	<b>Total</b>	<b>Percentage Change Compared to Previous Quarter</b>
<b>31 Mar. 2015</b>	2.442,9	1,07	6.881,2	5,48	<b>9.324,1</b>	4,29
<b>30 Jun. 2015</b>	2.411,2	-1,29	7.262,8	5,55	<b>9.674,0</b>	3,75
<b>30 Sept. 2015</b>	2.484,0	3,02	7.690,6	5,89	<b>10.174,6</b>	5,17
<b>31 Dec. 2015</b>	2.692,1	8,38	7.707,3	0,22	<b>10.399,4</b>	2,21
<b>31 Mar. 2016</b>	2.679,4	-0,47	7.667,0	-0,52	<b>10.346,4</b>	-0,51
<b>30 Jun. 2016</b>	2.662,4	-0,63	8.005,0	4,41	<b>10.667,4</b>	3,10
<b>30 Sept. 2016</b>	2.656,7	-0,21	8.079,2	0,93	<b>10.735,9</b>	0,64
<b>31 Dec. 2016</b>	2.995,6	12,76	8.925,0	10,47	<b>11.920,6</b>	11,03
<b>31 Mar. 2017</b>	3.005,0	0,31	9.405,8	5,39	<b>12.410,8</b>	4,11
<b>30 Jun. 2017</b>	2.948,7	-1,87	9.887,3	5,12	<b>12.836,0</b>	3,43
<b>30 Sept. 2017</b>	2.874,9	-2,50	10.303,1	4,21	<b>13.178,0</b>	2,66
<b>31 Dec. 2017</b>	3.192,9	11,06	11.238,4	9,08	<b>14.431,3</b>	9,51
<b>31 Mar. 2018</b>	3.228,1	1,10	12.041,4	7,15	<b>15.269,5</b>	5,81
<b>30 Jun. 2018</b>	3.322,8	2,93	13.061,1	8,47	<b>16.383,9</b>	7,30
<b>30 Sept. 2018</b>	3.639,5	9,53	15.130,3	15,84	<b>18.769,8</b>	14,56
<b>31 Dec. 2018</b>	4.035,0	10,87	13.826,5	-8,62	<b>17.861,5</b>	-4,84
<b>31 Mar. 2019</b>	4.118,0	2,05	14.620,6	5,74	<b>18.738,6</b>	4,91

Source: Central Bank of the 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
30 Jun. 2015	7.428,9	768,4	1.023,5	437,4	15,8	<b>9.674,0</b>
30 Sept. 2015	7.912,1	780,3	1.024,0	443,8	14,4	<b>10.174,6</b>
31 Dec. 2015	8.154,1	780,1	1.017,5	432,5	15,2	<b>10.399,4</b>
31 Mar. 2016	8.137,3	776,4	1.025,0	392,7	15,0	<b>10.346,4</b>
30 Jun. 2016	8.422,4	772,3	1.038,8	408,5	25,4	<b>10.667,4</b>
30 Sept. 2016	8.520,5	797,2	1.002,0	395,1	21,4	<b>10.735,9</b>
31 Dec. 2016	9.711,1	801,8	998,2	388,2	21,3	<b>11.920,6</b>
31 Mar. 2017	10.156,3	817,8	984,8	400,1	51,8	<b>12.410,8</b>
30 Jun. 2017	10.547,2	847,3	993,7	423,9	23,9	<b>12.836,0</b>
30 Sept. 2017	10.861,7	879,5	996,5	416,4	23,9	<b>13.178,0</b>
31 Dec. 2017	12.136,8	882,5	1.011,7	375,0	25,2	<b>14.431,3</b>
31 Mar. 2018	12.971,9	883,1	1.016,5	372,6	25,5	<b>15.269,6</b>
30 Jun. 2018	14.083,6	874,0	1.020,5	380,7	25,1	<b>16.383,9</b>
30 Sept. 2018	16.499,8	855,7	1.010,4	379,5	24,4	<b>18.769,8</b>
31 Dec. 2018	15.221,9	803,4	1.195,9	423,3	217,0	<b>17.861,5</b>
31 Mar. 2019	16.081,0	804,7	1.189,0	432,4	231,4	<b>18.738,6</b>

Source: Central Bank of the TRNC

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

<b>Date</b>	<b>Paid-in Capital</b>	<b>Reserve Requirements</b>	<b>Fixed Asset Rev. Fund</b>	<b>Securities Value Increment Fund</b>	<b>Period Profit (Loss)</b>	<b>Accumulated Profit (Loss)</b>	<b>Total</b>
<b>31 Mar. 2015</b>	802,4	307,6	1,6	13,5	79,9	359,1	<b>1.564,1</b>
<b>30 Jun. 2015</b>	771,9	353,8	1,4	14,7	128,4	262,0	<b>1.532,2</b>
<b>30 Sept. 2015</b>	778,9	355,0	1,4	12,6	185,4	257,3	<b>1.590,6</b>
<b>31 Dec. 2015</b>	791,4	367,3	0,2	12,6	201,8	244,7	<b>1.618,0</b>
<b>31 Mar. 2016</b>	791,8	426,1	0,2	78,7	56,2	373,2	<b>1.726,2</b>
<b>30 Jun. 2016</b>	848,5	425,3	0,3	72,3	156,3	301,2	<b>1.803,9</b>
<b>30 Sept. 2016</b>	878,5	423,7	0,2	72,7	227,5	301,0	<b>1.903,6</b>
<b>31 Dec. 2016</b>	976,7	426,4	0,3	82,1	306,8	273,9	<b>2.066,2</b>
<b>31 Mar. 2017</b>	992,4	520,0	0,3	86,0	104,7	455,8	<b>2.159,2</b>
<b>30 Jun. 2017</b>	1.011,7	558,0	0,9	88,8	185,4	381,0	<b>2.225,8</b>
<b>30 Sept. 2017</b>	1.021,4	558,0	0,9	92,6	297,4	364,0	<b>2.334,3</b>
<b>31 Dec. 2017</b>	1.099,6	409,5	0,9	101,1	407,5	358,1	<b>2.376,8</b>
<b>31 Mar. 2018</b>	1.153,7	572,8	0,9	110,0	123,1	555,2	<b>2.515,7</b>
<b>30 Jun. 2018</b>	1.180,3	616,8	0,9	124,0	316,1	449,1	<b>2.687,2</b>
<b>30 Sept. 2018</b>	1.181,6	618,7	0,9	163,5	596,2	447,2	<b>3.008,1</b>
<b>31 Dec. 2018</b>	1.262,4	593,9	0,9	140,7	689,8	407,4	<b>3.095,1</b>
<b>31 Mar. 2019</b>	1.265,6	795,7	1,6	158,3	235,8	849,3	<b>3.306,7</b>

Source: Central Bank of the TRNC



**Table B.20: Capital Adequacy Ratio (%)**

Date	Public Banks	Private Banks	Branch Banks	Banking Sector	Legal Limit
30 Jun. 2015	25,74	14,61	17,24	17,36	10,00
30 Sept. 2015	25,83	14,62	17,18	17,33	10,00
31 Dec. 2015	23,95	14,53	17,35	17,06	10,00
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

Source: Central Bank of the TRNC

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

<b>Date</b>	<b>Interest Revenues</b>	<b>Interest Expenditures</b>	<b>Non-Interest Revenues</b>	<b>Non-Interest Expenditures</b>	<b>Net Profit / Loss</b>
<b>30 Jun. 2015</b>	672,2	215,3	132,6	228,3	<b>128,4</b>
<b>30 Sept. 2015</b>	1.028,1	308,5	191,3	354,2	<b>185,4</b>
<b>31 Dec. 2015</b>	1.391,1	378,4	272,9	485,6	<b>201,8</b>
<b>31 Mar. 2016</b>	375,6	118,3	77,8	125,5	<b>56,1</b>
<b>30 Jun. 2016</b>	758,1	252,3	173,5	251,6	<b>156,3</b>
<b>30 Sept. 2016</b>	1.150,1	373,9	242,0	373,9	<b>227,5</b>
<b>31 Dec. 2016</b>	1.558,7	465,1	334,8	519,3	<b>306,7</b>
<b>31 Mar. 2017</b>	433,5	156,3	92,1	141,5	<b>104,7</b>
<b>30 Jun. 2017</b>	885,7	308,4	195,5	295,1	<b>185,4</b>
<b>30 Sept. 2017</b>	1.383,6	802,7	298,9	456,9	<b>297,4</b>
<b>31 Dec. 2017</b>	1.891,8	1.101,7	396,9	630,9	<b>407,5</b>
<b>31 Mar. 2018</b>	562,5	329,5	108,4	179,9	<b>123,1</b>
<b>30 Jun. 2018</b>	1.191,7	689,8	226,4	373,1	<b>316,1</b>
<b>30 Sept. 2018</b>	2.048,5	1.165,0	353,3	580,3	<b>596,2</b>
<b>31 Dec. 2018</b>	2.999,4	1.762,5	500,3	823,5	<b>689,8</b>
<b>31 Mar. 2019</b>	982,5	611,8	161,0	230,4	<b>235,9</b>

Source: Central Bank of the TRNC

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

Date	Demand	1-Month	3-Month	6-Month	1-Year	Total
30 Jun. 2015	1.651,8	7.323,3	2.202,8	526,6	1.295,5	13.000,0
30 Sept. 2015	1.864,3	7.773,2	2.394,4	598,2	1.377,7	14.007,8
31 Dec. 2015	1.859,2	7.689,2	2.516,1	566,5	1.319,5	13.950,5
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

Source: Central Bank of the TRNC

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

Date	Demand	1-Month	3-Month	6-Month	1-Year	Total
30 Jun. 2015	821,1	4.403,3	1.137,2	207,8	285,3	6.854,7
30 Sept. 2015	837,2	4.427,9	1.171,5	202,1	266,5	6.905,2
31 Dec. 2015	865,0	4.452,8	1.259,1	201,5	283,0	7.061,4
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

Source: Central Bank of the TRNC

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

Date	Demand	1-Month	3-Month	6-Month	1-Year	Total
30 Jun. 2015	830,8	2.919,9	1.065,5	318,8	1.010,3	6.145,3
30 Sept. 2015	1.027,1	3.345,3	1.222,9	396,1	1.111,2	7.102,6
31 Dec. 2015	994,3	3.236,4	1.256,9	365,0	1.036,5	6.889,1
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	2.421,2	8.169,3	3.513,3	868,7	2.748,1	17.720,7

Source: Central Bank of the TRNC

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

Date	Official	Trading	Savings	Other	Banks	Total
31 Mar. 2015	746,3	1.854,6	9.366,2	291,0	750,8	13.008,9
30 Jun. 2015	792,2	2.063,5	9.858,0	286,3	805,0	13.805,0
30 Sept. 2015	787,1	2.408,0	10.576,4	236,3	867,4	14.875,2
31 Dec. 2015	822,7	2.350,4	10.537,9	239,5	961,3	14.911,8
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 Dec. 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

Source: Central Bank of the TRNC

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

Date	Official	Trading	Savings	Other	Banks	Total
30 Jun. 2015	588,9	1.015,5	5.120,9	129,4	276,2	7.130,9
30 Sept. 2015	571,4	1.076,5	5.130,1	127,3	237,6	7.142,9
31 Dec. 2015	614,6	1.110,6	5.193,0	143,2	254,6	7.316,0
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

Source: Central Bank of the TRNC

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

<b>Date</b>	<b>Official</b>	<b>Trading</b>	<b>Savings</b>	<b>Other</b>	<b>Banks</b>	<b>Total</b>
<b>31 Mar. 2015</b>	193,8	889,5	4.360,2	148,5	419,8	<b>6.011,8</b>
<b>30 Jun. 2015</b>	203,3	1.048,0	4.737,1	156,9	528,8	<b>6.674,1</b>
<b>30 Sept. 2015</b>	215,8	1.331,5	5.446,3	108,9	629,8	<b>7.732,3</b>
<b>31 Dec. 2015</b>	208,1	1.239,8	5.345,0	96,3	706,6	<b>7.595,8</b>
<b>31 Mar. 2016</b>	209,7	1.279,0	5.295,1	118,8	738,6	<b>7.641,2</b>
<b>30 Jun. 2016</b>	211,6	1.335,2	5.304,3	105,6	817,0	<b>7.773,7</b>
<b>30 Sept. 2016</b>	205,1	1.527,4	5.530,0	123,4	920,6	<b>8.306,5</b>
<b>31 Dec. 2016</b>	235,4	1.721,5	6.463,4	156,4	1.266,0	<b>9.842,7</b>
<b>31 Mar. 2017</b>	297,7	1.958,2	6.932,1	162,2	1.108,7	<b>10.458,9</b>
<b>30 Jun. 2017</b>	272,0	2.143,8	7.257,6	178,4	1.238,2	<b>11.090,0</b>
<b>30 Sept. 2017</b>	315,1	2.398,3	7.758,8	168,6	1.281,6	<b>11.922,3</b>
<b>31 Dec. 2017</b>	348,5	2.420,0	8.578,2	169,1	1.358,3	<b>12.874,1</b>
<b>31 Mar. 2018</b>	360,3	2.712,6	9.298,0	249,3	1.335,3	<b>13.955,5</b>
<b>30 Jun. 2018</b>	432,0	3.179,4	10.448,2	228,2	1.600,9	<b>15.888,7</b>
<b>30 Sept. 2018</b>	596,0	3.998,4	13.072,1	313,2	1.907,7	<b>19.887,4</b>
<b>31 Dec. 2018</b>	496,8	3.345,6	11.628,0	367,0	1.638,1	<b>17.475,5</b>
<b>31 Mar. 2019</b>	665,9	3.717,8	13.056,9	280,2	1.685,4	<b>19.406,2</b>

Source: Central Bank of the 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

Source: Central Bank of the TRNC

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

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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	T.C. ZİRAAT BANKASI A.Ş.
20	ALBANK LTD.
21	TÜRK EKONOMİ BANKASI A.Ş.

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Source: Central Bank of the TRNC



Table B.30: Basic Economic and Social Indicators

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>(F)</sup>
<b>GNP (Current Prices, Million TRY)</b>	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	18.621,1 <sup>(F)</sup>	24.565,8
<b>GNP (Million USD)</b>	3.995,6	3.502,5	3.750,6	3.908,5	3.840,8	3.969,5	4.031,9	3.749,2	3.735,8	3.985,7	3.868,6 <sup>(F)</sup>	3.713,0
<b>GNP per capita (Current Prices, TRY)</b>	20.739	21.538	22.147	25.850	27.077	29.217	33.128	37.456	40.595,2	51.796,7	53.974,1 <sup>(F)</sup>	-
<b>GNP per capita (USD)</b>	16.158	13.930	14.703	15.404	15.038	15.302	15.109	13.721	13.902	14.187	14.942 <sup>(F)</sup>	-
<b>Inflation Rate (%)</b>	14,5	5,7	3,3	14,7	3,6	10,2	6,5	7,8	10,2	14,7	29,96	16,7
<b>Exports (Million USD) (3)</b>	83,6	71,1	96,4	119,9	116,3	120,7	134,0	118,1	105,5	105,6	111,2	116,8
<b>Imports (Million USD) (4)</b>	1.680,7	1.326,2	1.604,2	1.699,9	1.703,9	1.699,4	1.538,8	1.500,6	1.557,2	1.778,4	2.080,7	2.247,2
<b>Foreign Trade Balance (Million USD)</b>	-1,597.1	-1,255.1	-1,507.8	-1,580.0	-1,587.6	-1,578.7	-1,404.8	-1,382.5	-1,415,2	-1,672,8	-1,969,5 <sup>(F)</sup>	-2,130,4
<b>Exports / Imports (%)</b>	4,4	5,4	6,0	9,0	7,2	7,1	7,5	7,9	6,9	5,9	5,3	5,2
<b>Number of Arriving Tourists</b>	808.682	800.376	902.390	1.022.089	1.166.186	1.232.753	1.366.007	1.483.244	1.577.073	1.734.330	1.759.625	511,513*
<b>a) Turkey</b>	650.405	638.700	741.925	801.326	904.505	923.308	1.020.577	1.110.795	1.218.232	1.324.248	1.359.420	388.526*
<b>b) Other</b>	158.277	161.676	160.465	220.763	261.681	309.445	345.430	372.449	358.841	410.082	400.205	122.987*
<b>Net Tourism Income (Million USD)</b>	383,7	390,7	405,8	459,4	571,9	613,4	691,6	697,7	714,4	864,9	960,3 <sup>(F)</sup>	1.025,7
<b>Employment</b>	91.223	91.550	93.498	93.470	96.539	97.867	103.149	112.811	118.387	120.999	124.497	128.389
<b>Number of Unemployed</b>	9.881	12.941	12.619	9.864	9.174	8.929	9.320	9.043	8.075	7.452	7.305	9.743
<b>Unemployment Rate (%)</b>	9,8	12,4	11,9	9,5	8,7	8,4	8,3	7,4	6,4	5,8	6,8	7,1
<b>Population (5)</b>	274.436	283.736	277.680	283.281	292.129	301.988	313.626	326.158	335.455	345.722	-	-
<b>Annual Population Growth (%)</b>	2,4	3,3	1,1	-1,3	3,1	3,3	3,8	3,9	2,9	3,1 <sup>(F)</sup>	-	-
<b>Annual Average 1 USD = TRY</b>	1,2835	1,5461	1,5063	1,6782	1,7925	1,9009	2,1879	2,7200	3,0232	3,6489	4,8134	6,6161

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

1) Foreign aids are not included.

2) Exports to the Southern Cyprus are not included.

3) Hydrocarbon imports are not included.

4) 2017-2018 population figures are estimated data. 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)

<sup>(F)</sup> Forecast \* January - April data have been used.

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 <sup>(F)</sup>	2019 <sup>(F)</sup>
<b>1. Agriculture</b>	259,2	300,6	330,3	366,4	386,5	405,0	489,3	552,5	647,6	658,8	809,8	1.069,1
<b>2. Industry</b>	542,8	516,7	552,4	558,5	587,1	636,6	779,7	937,7	1.064,7	1.413,3	1.903,9	2.626,5
<b>3. Construction</b>	362,2	346,4	312,1	408,5	335,8	370,7	370,2	480,5	511,6	836,4	1.064,5	1.315,9
<b>4. Trade - Tourism</b>	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	3.988,8	5.440,8
<b>5. Transportation - Communication</b>	614,5	597,3	525,2	553,1	642,9	711,4	788,0	896,6	965,3	1.156,6	1.505,3	1.977,6
<b>6. Financial Institutions</b>	357,8	388,4	404,4	472,6	506,0	579,7	637,4	719,4	887,6	1.007,7	1.281,4	1.678,5
<b>7. Housing Income</b>	175,9	202,5	220,6	274,4	305,8	358,2	398,9	456,2	535,3	655,6	842,6	1.107,0
<b>8. Self-Employment and Services</b>	525,2	609,3	652,3	727,5	801,8	891,6	1.026,1	1.422,6	1.679,9	2.289,8	2.923,0	3.895,9
<b>9. Public Services</b>	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	2.678,8	3.451,8
<b>10. Import Taxes</b>	416,6	447,6	536,3	637,0	709,1	775,9	936,4	971,8	1.178,3	1.411,5	1.614,2	1.991,5
<b>11. GDP</b>	<b>5.079,9</b>	<b>5.376,3</b>	<b>5.614,1</b>	<b>6.509,0</b>	<b>6.955,1</b>	<b>7.606,9</b>	<b>8.858,6</b>	<b>10.222,5</b>	<b>11.601,2</b>	<b>14.544,8</b>	<b>18.612,5</b>	<b>24.554,6</b>
<b>12. Net Factor Income from Abroad</b>	48,4	38,9	35,4	50,2	-39,3	-27,5	-18,2	-11,7	4,2	6,9	8,7	11,2
<b>GNP</b>	<b>5.128,3</b>	<b>5.415,3</b>	<b>5.649,5</b>	<b>6.559,2</b>	<b>6.915,8</b>	<b>7.579,4</b>	<b>8.840,4</b>	<b>10.210,7</b>	<b>11.605,5</b>	<b>14.551,8</b>	<b>18.621,1</b>	<b>24.565,8</b>

Source: SPO

<sup>(F)</sup> Forecast

Table B.32: Percentage Distribution of Gross Domestic Product

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

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 <sup>(F)</sup>	2019 <sup>(F)</sup>
<b>1. Total Resources</b>	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
<b>2. Total Investments</b>	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
<b>3. Total Consumption</b>	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
<b>4. Public Disposable Income</b>	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
<b>5. Private Disposable Income</b>	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
<b>6. Private Savings Ratio (%)</b>	20,1	33,9	26,0	28,0	20,8	25,0	23,3	29,8	29,4	29,0	28,1	29,7
<b>7. Total Domestic Savings</b>	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

<sup>(F)</sup> Forecast

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

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

Source: SPO

<sup>(F)</sup> Forecast

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 <sup>(F)</sup>	2019 <sup>(F)</sup>
<b>1. Current Accounts Balance</b>	-390,3	-65,4	-275,8	-173,1	-125,1	-44,7	-11,7	271,6	287,6	294,4	137,1	112,5
<b>2. Balance of Capital Movements</b>	410,5	495,0	438,5	326,5	346,2	259,7	186,9	168,9	71,4	131,4	174,0	164,7
<b>3. Reserve Movements (- Increase, + Decrease)</b>	269,5	-172,1	-94,4	-47,3	-340,8	-219,9	-176,7	-75,8	-79,4	-826,6	-523,1	-365,1
<b>4. Net Errors and Omissions</b>	-289,7	-257,5	-68,3	-106,1	119,7	4,9	1,5	-364,7	-279,6	400,8	212,0	87,9

Source: SPO

<sup>(F)</sup> Forecast**Table B.36: Percentage Change of Consumer Prices Index Compared to December of the Previous Year**

Months	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>January</b>	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
<b>February</b>	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
<b>March</b>	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
<b>April</b>	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	
<b>May</b>	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	
<b>June</b>	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	
<b>July</b>	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	
<b>August</b>	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	
<b>September</b>	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	
<b>October</b>	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	
<b>November</b>	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	
<b>December</b>	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	

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*	29,26	19,71
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

\* (March 2019 inflation figure)

**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									
2. Alcoholic Beverages and Tobacco	0,09	0,26	-0,21									
3. Clothing & Shoes	-5,35	-4,22	-0,24									
4. Housing, Water, Electricity, Gas and Other Fuels	-0,78	0,90	0,86									
5. Furniture, Home Appliances and Home Maintenance Services	0,45	-0,56	0,90									
6. Health	-0,15	5,02	1,09									
7. Transportation	-1,49	-0,34	1,65									
8. Communication	0,25	0,43	-0,17									
9. Entertainment and Culture	4,84	-4,54	3,69									
10. Education	0,50	-0,68	0,76									
11. Restaurants and Hotels	-0,07	2,12	4,27									
12. Miscellaneous Goods and Services	6,37	0,70	1,39									
General	0,53	-0,15	1,33									

Source: SPO

**Table B.39: Minimum Wage Developments**

<b>Years</b>	<b>Minimum Wage (TRY)</b>	<b>Exercise Date</b>
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

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

Source: Ministry of Economy and Energy



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

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

Source: Ministry of Economy and Energy

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

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

Source: Ministry of Economy and Energy

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

Years	Ercan	Kyrenia	Famagusta	Karpasia	Total
<b>2014</b>	1.577.347	49.967	18.608	291	<b>1.646.213</b>
<b>2015</b>	1.693.694	60.733	19.196	342	<b>1.773.965</b>
<b>2016</b>	1.785.746	57.513	19.004	295	<b>1.862.558</b>
<b>2017</b>	1.794.483	71.619	21.668	283	<b>1.888.053</b>
<b>2018</b>	1.968.345	84.974	26.260	382	<b>2.079.961</b>
<b>2019 (January - March)</b>	412.316	11.058	5.554	42	<b>428.970</b>

Source: Tourism Planning Department

**Table B.44: Total Entries to Cyprus Border Gates in 2018 - 2019 (Number of Persons)**

Nationality	TRNC		Southern Cyprus		Other Countries		Total	
	2018	2019	2018	2019	2018	2019	2018	2019
<b>January</b>	142.730	150,377	93.241	152.451	82.017	112.207	317.988	415.035
<b>February</b>	149.291	165,802	83.267	139.516	88.643	113.106	321.201	418.424
<b>March</b>	152.981	163,402	97.704	182.463	120.484	149.119	371.169	494.984
<b>April</b>	139.336		106.602		137.044		382.982	
<b>May</b>	146.289		110.945		151.169		408.403	
<b>June</b>	156.475		123.941		151.981		432.397	
<b>July</b>	153.821		133.585		162.629		450.035	
<b>August</b>	135.096		180.729		191.970		507.795	
<b>September</b>	140.318		186.477		192.924		519.719	
<b>October</b>	146.145		183.490		195.681		525.316	
<b>November</b>	148.467		178.571		156.019		483.057	
<b>December</b>	164.720		188.539		130.285		483.544	
<b>Total</b>	<b>1.775.669</b>	<b>479.581</b>	<b>1.667.091</b>	<b>474.430</b>	<b>1.760.846</b>	<b>374.988</b>	<b>5.203.606</b>	<b>1.3208.443</b>

Source: Tourism Planning Department

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

<b>Countries</b>	<b>Number of Persons</b>							
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019 (January-March)</b>
<b>Turkey</b>	459.529	464.397	529.909	588.045	621.819	656.365	776.428	146.429
<b>TRNC</b>	45.175	40.125	49.598	52.335	53.224	42.491	49.344	7,615
<b>Other</b>	183.651	209.379	224.881	235.661	266.208	317.984	312.701	60,380
<b>Grand Total</b>	<b>688.355</b>	<b>713.901</b>	<b>804.387</b>	<b>876.041</b>	<b>941.251</b>	<b>1.016.840</b>	<b>1.138.473</b>	<b>214,424</b>

Source: Tourism Planning Department

## ANNEX C. NOTES

### Money Supply

'Money Supply' in the broadest sense 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

### 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".

### 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.

### 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'.

### 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](http://www.mb.gov.ct.tr)).

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.











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For information and suggestions: [www.mb.gov.ct.tr](http://www.mb.gov.ct.tr)

