

ANNUAL REPORT

2024



The separators between the sections of the 2024 Annual Report are the following pieces from the Exhibition of International Photo Contest “Economy and the Human Being” organized by the CBRT:

- “Field of Carpets” by Niyazi Şahin
- “Lines” by Ceren Yağcıoğlu
- “Pulling the Nets” by Erdoğan Purçlutepe

CENTRAL BANK OF THE REPUBLIC OF TÜRKİYE

Trade Registry Number: 269

2024 Annual Report
Prepared by the Board for
the Ninety-Third Accounting
Year Submitted to the
General Assembly of
Shareholders on April 30, 2025
Ankara
2025

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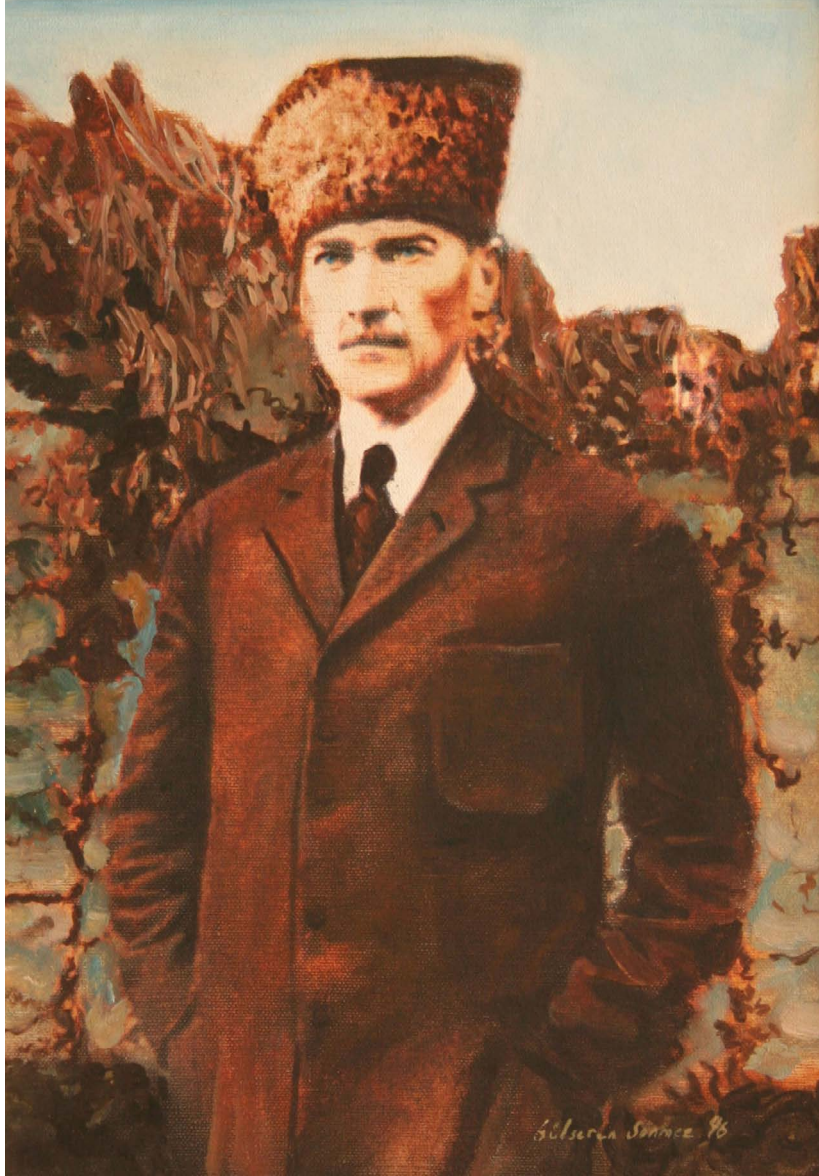
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ISSN: 1300-4573

ISBN (Online): 978-625-6439-09-2



"Portrait of Atatürk"
Gülseren Sönmez
Oil Painting on Cardboard – 1996

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Abbreviations

ALAIC	Advance Loans Against Investment Commitment	IBAN	International Bank Account Number
ASPSP	Account Servicing Payment Service Provide	IFRS	International Financial Reporting Standards
BAT	Banks Association of Türkiye	IFSB	Islamic Financial Services Board
BCBS	Basel Committee on Banking Supervision	IMF	International Monetary Fund
BIS	Bank for International Settlements	IMM	Interbank Money Market
BIST	Borsa İstanbul	ISI	International Standards for Inspection
BKM	Interbank Card Center	KKM	FX-Protected Deposit
BPS	Banknote Processing Systems	KOLAS	Easy Addressing System
CBCDG	Central Bank Counterfeit Deterrence Group	LCR	Liquidity Coverage Ratio
CBRT	Central Bank of the Republic of Türkiye	MENA	Middle East and North Africa
CCD	Consignment Coin Depot	MONY	Decentralized Cash Management
CIMER	Presidency's Communication Center	MPC	Monetary Policy Committee
COMCEC	Standing Committee for Economic and Commercial Cooperation of the Organization of Islamic Cooperation	NGFS	Network for Greening the Financial System
CRA	Credit Rating Agency	NPL	Non-Performing Loans
CTM	Committed Transactions Market	OECD	Organization for Economic Co-Operation and Development
DSSP	Data Sharing Services in the Field of Payments	OIC	Organization of Islamic Cooperation
EBRD	European Bank for Reconstruction and Development	OMO	Open Market Operations
EFT	Electronic Funds Transfer System	OTS	Organization of Turkic States
EKK	Economy Coordination Board	PTT	T.C. Post and Telegraph Organization
ERP	Economic Reform Programs	RPS	Retail Payment System
ESG	Environmental, Social and Governance	RR	Reserve Requirement
ESTS	Electronic Securities Transfer System	SIPER	Security Overlay Service
EU	European Union	SMEs	Small and Medium Sized Enterprises
EVDS	Electronic Data Delivery System	TCC	Turkish Commercial Code
FAST	Instant and Continuous Transfer of Funds System	TKBB	Participation Banks Association of Türkiye
FNS	Funding Need of The Banking System	TMM	Takasbank Money Market
Food Committee	Food and Agricultural Product Markets Monitoring and Evaluation Committee	TÖDEB	Payment and Electronic Money Institutions Association of Türkiye
Food-EWS	Food Early Warning System	TPL	Tax Procedure Law
FSB	Financial Stability Board	TPP	Authorized Third Party Payment Service Providers
FV	Fair Value	TRY	Turkish Lira
GDDS	Government Domestic Debt Securities	TURKSTAT	Turkish Statistical Institute
GDP	Gross Domestic Product	WB	World Bank
GNAT	Grand National Assembly of Türkiye	WGIIS	Working Group on International Investment Statistics

Foreword



Fatih Karahan, Ph.D.
Governor

Central banks make the greatest contribution to social welfare by achieving price stability. 2024 marked a year in which the Central Bank of the Republic of Türkiye (CBRT) took decisive steps with this in mind, initiating and sustaining the disinflation process.

In 2024, global growth showed a limited improvement, while the supply-demand balance in labor markets continued to normalize. Global inflation declined further, and the stickiness in global services inflation alleviated. Nevertheless, this stickiness kept the upside risks to global inflation alive. While rate cuts are ongoing in advanced and emerging economies, central banks are expected to adopt a cautious approach by maintaining their rate cuts in a way that preserves the favorable trend in the inflation outlook.

As projected by the CBRT, cumulative inflationary effects faded as of the second half of 2024, and the disinflation process began. Domestic demand slowed further during this period, reaching levels supportive of disinflation. The current account deficit kept narrowing on the back of this slowdown. Core goods inflation remained low, and the improvement in services inflation was more pronounced. While inflation expectations and pricing behavior displayed an improving trend, they continued to pose risks to the disinflation process. The decisive monetary policy stance pursued throughout the year reduced the underlying trend of monthly inflation and ensured that the disinflation process continued, albeit at a slower pace than envisaged, through rebalancing in domestic demand, real appreciation of the Turkish lira, and the improvement in inflation expectations.

From March to December 2024, the CBRT maintained its tight monetary stance and kept the policy rate constant at 50%. In view of inflation realizations and expectations, the policy rate was revised down to 47.5% in December to ensure the tightness needed for the intended disinflation process.

In 2024, the CBRT kept implementing macroprudential policies to enhance the effectiveness of monetary transmission against the divergence in expectations of economic units and possible volatility. Accordingly, in order to enhance the functionality of the market mechanism, strengthen macro financial stability, and support the monetary transmission mechanism, the CBRT continued to take simplification steps within the framework of macroprudential policies in 2024, particularly the repeal of the regulation on securities maintenance. The repeal of this regulation reinforced the significance of the bond yield curve to the monetary policy stance. Furthermore, the rise in the share of Turkish lira deposits in total deposits brought about by the macroprudential measures and the targeted switch from FX-protected deposit (KKM) accounts to Turkish lira deposits supported the monetary policy stance in 2024 as well. 2025 will see further simplification steps, with an evaluation of the impact of all components of the current macroprudential framework on inflation, interest rates, exchange rates, reserves, expectations, and financial conditions.

In 2024, the Monetary Policy Committee announced plans to hold eight meetings in 2025 in line with a pre-announced calendar, emphasizing that its decisions would be made prudently on a meeting-by-meeting basis with a focus on the inflation outlook. Furthermore, the “Central Bank of the Republic of Türkiye Research Agenda for 2025-2027” was prepared and shared with the public in 2024 with the aim of shaping policy decisions based on scientifically sound analyses and contributing to sustainable price stability. Issues related to the economic impact of factors that interact with CBRT policies, such as digitalization, artificial intelligence, and climate change, were incorporated into the research agenda. The CBRT will make the most efficient use of its support activities for academic research to strengthen policy design processes.

In 2025, the CBRT will set the level of the policy rate to ensure the tightness needed for the intended disinflation process. Monetary policy tools will be used effectively in case of a significant and persistent deterioration in inflation. The monetary transmission mechanism will be supported with additional macroprudential steps in the event of unanticipated developments in credit and deposit markets, liquidity conditions will be closely monitored in view of possible developments, and sterilization tools will remain in effective use.

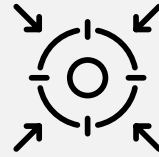
Price stability is a prerequisite for sustainable growth and enhanced social welfare. The CBRT will maintain the disinflation process in 2025 and carry on working with commitment and diligence to bring inflation down in tandem with the intermediate targets.

Central Bank of the Republic of Türkiye 2023-2025 Strategic Plan



OUR MISSION

To contribute to social welfare by achieving sustainable **price stability** and supporting **financial stability**



OUR VISION

To be a Central Bank that **leads** financial markets, payment systems, and digital transformation with its dynamic and innovative structure

OUR PRINCIPLES

Independence
Transparency and Accountability
Credibility
Public Interest
Effectiveness and Efficiency

OUR VALUES

Holistic View
Commitment to Ethical Values
Reputation
Sustainability
Cooperation

CBRT's Five Focus Areas



A Glance at 2024



MONETARY POLICY AND DISINFLATION

The monetary policy stance is set to ensure the continuation of the disinflation process by keeping inflation on track with the targeted path.

In 2024, the CBRT kept implementing macroprudential policies to enhance the effectiveness of monetary transmission against the divergence in expectations of economic units and possible volatility. Accordingly, measures were introduced for deposits, loans, and liquidity management.

In order to support monetary tightening, in 2024, the CBRT continued to make quantitative tightening decisions to eliminate excess Turkish lira liquidity. While influencing the policy rate- the main policy instrument- monetary and financial conditions, and expectations, these decisions also balanced the excess Turkish lira liquidity and helped enhance monetary policy effectiveness. Accompanied by monetary tightening, regulations to raise the share of Turkish lira deposits also strengthened the transmission mechanism and improved the funding composition of the banking system.

Economic activity remained robust in the first quarter of 2024 on the back of wage adjustments and brought-forward demand, while the impacts of monetary tightening on economic activity were particularly

noticeable in the second and third quarters. Demand was strong in the last quarter of the year, driven by campaigns and upcoming wage revisions, yet the contribution of domestic demand to growth declined significantly throughout the year, with the positive contribution of net exports standing out..

The year-round slowdown in economic activity had a limited impact on labor market indicators, and the unemployment rate declined on an annual basis.

The disinflation process starting in June continued in the second half of the year, with annual inflation standing at 44.4% at end-2024. Domestic demand conditions, which followed a weakening trend throughout the year due to monetary tightening, reached levels supportive of disinflation in the second half. Credit utilization was up in the first half of the year but remained moderate in the remainder of the year amid macroprudential measures. Depreciation of the Turkish lira being more limited compared to the previous year eased the inflationary pressures through this channel.



PLAIN, EFFECTIVE, AND BILATERAL COMMUNICATION

In line with its primary objective of achieving price stability, the CBRT continued to inform the public of the decisive steps taken to achieve a significant and sustained improvement in inflation in 2024 within the framework of a plain, transparent, and bilateral communication policy.

- In 2024, the decisions of the Monetary Policy Committee, Inflation Reports, Financial Stability Reports, Monthly Price Developments, the Monetary Policy for 2025 text, actions related to monetary policy and macroprudential measures, and the statistics and analyses released by the CBRT were publicly announced through press releases and other communication channels and shared on social media accounts.
- To enhance the effectiveness of monetary policy communication, four Inflation Report Briefings were held in 2024 as part of bilateral communication, during which questions from press members, economists, and analysts were addressed.
- For the purpose of establishing a high level of coordination with all stakeholders to reduce the inflation trend and consolidate the disinflation process, Governor Fatih Karahan, Ph.D., attended various national and international meetings and visited professional associations and chambers to deliver presentations on macroeconomic outlook and the CBRT's policies and strategies.
- In keeping with the principle of accountability, Governor Fatih Karahan, Ph.D., delivered two presentations at the Grand National Assembly of Türkiye's (GNAT) Plan and Budget Committee in June and

October and answered questions from the Committee members.

- The "CBRT Blog," a corporate blog highlighting current economic developments and featuring blog posts on topics such as macroeconomics and central banking, was utilized extensively as a crucial tool for policy communication. Nineteen new analyses were added to the blog, concurrently contributing to the CBRT's policies and strategies. The blog was enhanced to increase the readability of the blog contents and to allow readers to share them on various platforms.
- The Research Agenda for the 2025-2027 period, which covers issues on the economic impact of factors that interact with CBRT policies, such as digitalization, artificial intelligence, and climate change, along with traditional central banking topics, was shared with the public via a press release and communicated on the CBRT's website and social media accounts for greater recognition.
- As part of its social media strategy, the CBRT kept up active use of its official accounts, posting in clear and plain language with rich visual content. In addition to existing accounts, a new X account, TCMB Ekonomik Araştırmalar (@TCMB_Arastirma), was created to share announcements and content regarding the academic publications and research activities of its staff.
- The "Economics for All" microsite, which strives to reach various segments of society in the areas of financial literacy and economics education, was updated with new content that would help better understand the CBRT's policies and current economic developments.



MORE INTENSIVE AND EFFICIENT USE OF TECHNOLOGY AND FINANCIAL INFRASTRUCTURE

- The CBRT continued to work on the Instant and Continuous Transfer of Funds (FAST) System, a new generation 24/7/365 instant payment system operated by the CBRT, to increase competition and innovation in payments and provide new and value-added services. The System currently has 42 participants, including 29 banks, 12 payment and electronic money institutions, and the Turkish Postal and Telegraph Corporation (PTT). Considering the widespread use of the FAST System and the requirements of the payments ecosystem, the FAST transaction amount limit for money transfers was increased to TRY 100 thousand and to TRY 250 thousand for merchant payments using FAST-TR QR Code on April 4, 2024. The FAST transaction amount limit is being gradually raised, taking the needs of the public into account. On the other hand, overlay service projects continued in 2024, and work was carried out to expand the use of KOLAS (the Easy Addressing System), TR QR Code, and SIPER (Security Overlay Service). The Request-to-Pay and Escrow Overlay Service was put into use. In addition, "Terms of Use for the FAST Logo and Brand" and "FAST System User Interface and Experience Guide" documents were created to standardize the experiences of customers making money transfers and payments through the FAST System and Overlay Services, ensure that all payment service users receive the same quality of service, and boost the recognition and popularity of these services through branding, and all participants were required to abide by these documents.
- A Consignment Coin Depot (CCD) began operations in Denizli province as part of the CCD practice, which was established to expand the service network offered to citizens by having coin transactions carried out by PTT on behalf of our Bank in order to regulate the volume and circulation of Turkish lira banknotes and coins.
- Seven new Decentralized Cash Management (MONY) depots, four in Istanbul and one each in Izmir, Bursa, and Adana, were put into operation as part of the MONY project, which was launched to ensure uninterrupted circulation of the Turkish lira and execution of banknote custody and processing activities on behalf of the CBRT.
- The hardware and software modernization of 60 banknote processing systems utilized in our branches was completed through investment in technology.
- As part of our efforts to expand banknote processing capacity, two new systems were installed at the Gaziantep Branch, one at the Malatya Branch, and the processing capacities of one system each at the Kayseri and Denizli Branches were increased.
- To improve cash operations, the CBRT completed the procurement of 12 new armored vehicles for use in banknote transportation.



COORDINATION WITH NATIONAL AND INTERNATIONAL STAKEHOLDERS

In 2024, the CBRT continued to carry out activities under its mandate and authority to strengthen cooperation with national and international stakeholders and deepen existing relations. It actively engaged in meetings and events organized both in person and online and organized meetings participated by the senior management, thus interacting and effectively communicating with both bilateral and multilateral stakeholders.

- The CBRT held 86 investor meetings involving domestic and foreign institutional investors, economists, analysts, and portfolio managers, and communicated with 812 institutions to ensure timely, accurate, and effective communication of monetary policies. In coordination with the Ministry of Treasury and Finance, eight meetings were held with credit rating agencies (CRAs) throughout the year.
- The CBRT continued to take part in work related to international meetings organized by the G20, the International Monetary Fund (IMF), and the Bank for International Settlements (BIS). The CBRT coordinated with domestic and international stakeholders and duly participated in such meetings.
- The IMF delegation visited Türkiye between May 29 and June 11, 2024, in line with its mandate to monitor the economic and financial policies of member states and safeguard

the international monetary system. In the scope of this visit, the CBRT delegation participated in Article IV meetings.

- The CBRT and the Ministry of Treasury and Finance hosted the IMF - World Bank Constituencies' Meeting at Deputies Level in Istanbul on July 11-13, 2024.
- The CBRT hosted the sixth meeting of the Organization of Islamic Cooperation (OIC) - Standing Committee for Economic and Commercial Cooperation (COMCEC) Central Banks Forum, of which it acts as the secretariat, in Istanbul on September 29-30, 2024.
- The conference on "Financial Inclusion in a Digital Age," jointly organized by the CBRT and the World Bank Group, was held in Istanbul on October 2, 2024.
- A Memorandum of Understanding on the establishment of the Council of Central (National) Banks of the Member States of the Organization of Turkic States (OTS) was signed in Bishkek, the capital of Kyrgyzstan, on November 6, 2024.
- Efforts to develop and diversify bilateral relations with other central banks continued steadily in 2024.

- Accordingly, the CBRT held 41 videoconferences and 12 working visits with 29 central banks. The CBRT leveraged the expertise and experience of stakeholder central banks through 4 written requests for information to contribute to CBRT projects and capacity building and contributed to bilateral cooperation by responding to 17 similar requests for information. Technical cooperation activities were supported by high-level bilateral meetings with officials from stakeholder central banks and representatives of diplomatic missions.
- The existing dialogue with partners with whom the CBRT already had a solid foundation for cooperation was expanded to include more central banks. Accordingly, the Bank signed memorandums of understanding with the Banco de España, Banco Central do Brasil, National Bank of the Republic of Kazakhstan, Saudi Central Bank, and Central Bank of Oman and renewed bilateral currency swap agreements with the Bank of Korea and Qatar Central Bank.
- As part of Türkiye's accession to the European Union (EU), the CBRT made the necessary contribution on the issues that fall under its remit. The Bank also actively participated in the Economic and Financial Dialogue meetings, and meetings of Economic Forecasts for Candidate Countries, as well as the meeting of Subcommittee No. 4 on Economic and Monetary Issues, Movement of Capital, and Statistics.
- The CBRT took part in the work of the Network for Greening the Financial System (NGFS), which is a collaboration platform for the management of financial sector's environment and climate-related risks. The CBRT took an active role in writing the NGFS reports on climate change and central banking. The CBRT also contributed to the G20 Sustainable Finance Working Group.
- The CBRT supported the work carried out by public institutions, most notably the Presidency of the Republic of Türkiye and the Ministry of Treasury and Finance, on issues that fall under its remit, and maintained its cooperation and coordination activities and attended relevant meetings.
- In 2024, the CBRT attended the Food and Agricultural Product Markets Monitoring and Evaluation Committee (Food Committee) and Subcommittee meetings, provided information on food and agricultural product prices, presented research on pricing behavior, and took part in working groups established under the Food Committee.



SOCIAL SENSITIVITY

While fulfilling its main duties and responsibilities, the CBRT continued to contribute to academic studies as part of its corporate social responsibility activities.

- The CBRT continued to award scholarships to the graduates of Derince Anatolian High School. A graduation ceremony was held where successful students received awards.



INCREASING THE EFFECTIVENESS OF THE PAYMENTS AREA

- The Data Sharing Services in the Field of Payments (DSSP) GEÇİT (Gateway) Infrastructure continued to be expanded. There are currently 25 Account Servicing Payment Service Providers (ASPPs) and 27 Authorized Third Party Payment Service Providers (TPPs).
- A survey was conducted with the participation of 82 payment and electronic money institutions subject to the CBRT's regulation and supervision in order to provide insight into the information systems structure and procedures of the sector and to offer guidance for upcoming regulatory and supervisory activities.
- Communiqués issued as per Law No. 6493 on Payment and Securities Settlement Systems, Payment Services, and Electronic Money Institutions were communicated to payment and electronic money institutions, and existing regulations were revised.
- Following the oversight and supervision activities carried out at institutions, 55 institutions were charged with administrative fines totaling TRY 160.3 million, and 16 institutions received warnings under Article 27 of Law No. 6493 titled "Violation of regulations and decisions."

Key Indicators



Disinflation

Year-End Inflation

44.4 %

(December 2024)

- 20.4 % points



Reserves

Net Reserves

Excluding Swaps

USD 45.2 billion

(December 31, 2024)

+ USD 82.5 billion



Turkish Lira Deposit Share

59.2 %

(December 31, 2024)

17 % points



KKM Balance

USD 32.6 billion

(December 31, 2024)

- USD 66.4 billion



Balance of Payments

Current Account Deficit

(12-month cumulative)

USD 10 billion

(December 2024)

- USD 30 billion



Access to External Financing

CDS
263

(December 31, 2024)

■ 440 points

Treasury's External Borrowing Cost

■ 4.5 % points

Banking Sector's External Borrowing Cost

■ 2.6 % points



Sectoral Expectations

Sectoral Inflation Expectations

(12-Month Ahead, %)

Market Participants

27.1 %

(December 2024)

■ 14.16 % points

Real Sector

47.6 %

(December 2024)

■ 10.3 % points

Household

63.1 %

(December 2024)

■ 13.63 % points

2024 in Numbers



3,892
Number of Employees



USD **155.1** Billion
International Reserves



TRY **822** Trillion
Total Amount of Payments
via CBRT Payment Systems
and FAST System



2,884
Real Sector Meetings



26
Payment
Institutions Operating
in Türkiye



63
Electronic Money
Institutions Operating in
Türkiye



28,006
Information Requests
Processed



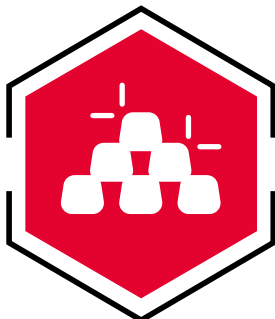
Meetings with
812
Institutional Investors



5
Billion
Transactions via CBRT Payment
Systems and FAST System



TRY **645** Billion
Worth of Banknotes in
Circulation



766.7
Tons
Gold Holdings



71
Press Releases

PART 1 GENERAL INFORMATION



Photograph: “Field of Carpets” by Niyazi Şahin on display in the Exhibition of International Photo Contest “Economy and the Human Being” organized by the CBRT



Established as a joint stock company on June 30, 1930, the Central Bank of the Republic of Türkiye commenced operations on October 3, 1931, in Ankara. The CBRT's capital amounts to TRY 25,000 and consists of 250,000 shares.

The CBRT's shares are divided into four classes as (A), (B), (C), and (D) pursuant to the CBRT Law No. 1211.

- Class (A) shares belong exclusively to the Turkish Treasury and, by law, cannot fall below 51% of the Bank's total capital.
- Class (B) shares are allocated to national banks operating in Türkiye.
- Class (C) shares are allocated to non-national banks and privileged companies, and the number of these shares cannot exceed 15,000.
- Class (D) shares are allocated to Turkish commercial enterprises and to real and legal persons of Turkish nationality.

At end-2024, these shares corresponded to 55.12% (A), 23.25% (B), 2.51% (C), and 19.12% (D) of the CBRT's capital, and there is no privileged company among the shareholders.

The GNAT has delegated its authority to print banknotes to the CBRT indefinitely. Accordingly, the CBRT has the exclusive authority to print and issue banknotes in Türkiye.

With the amendment to Law No. 1211 made on April 25, 2001, the Bank's primary objective was defined as "to achieve and maintain price stability." Accordingly, the CBRT has the authority to determine, at its own discretion, the monetary policy it will implement as well as the tools it will use to serve this objective. In this regard, the CBRT has instrument independence. Additionally, the Bank has other duties, such as introducing regulatory measures concerning money and FX markets that will ensure stability in the financial system and supporting the government's growth and employment policies insofar as they do not conflict with its primary objective of achieving price stability.

The CBRT conducts its operations in accordance with the duties and powers vested in it by the CBRT Law No. 1211. The Bank closely monitors national and international developments and implements its policies in an ever-renewing and dynamic structure with a total of 3,892 employees, 19 departments and 21 branches operating in various provinces, economic consultants and attachés assigned to the Turkish Ministry of Foreign Affairs representative offices in Frankfurt, London, and Washington, as well as an economic consultant at the OECD Permanent Representative Office.

1.1 GOVERNING BODIES

1.1.1 Board



Fatih Karahan, Ph.D.
Governor



Prof. Nurullah Genç
Member



**Prof. Başak Tanınmış
Yücememiş**
Member



Prof. Elif Haykır Hobikoğlu
Member



Ertan Aydın
Member



Prof. Muhsin Kar
Member



Kemal Madenoğlu
Member

The CBRT Board consists of the Governor and six members elected by the Bank's General Assembly. Board members serve three-year terms, with one-third of them being replaced every year. The Governor is also the chair of the Board, which must convene at least once a month upon the Governor's call for a meeting. A quorum of at least two-thirds of the members is required for a meeting to be held, and decisions are made by a majority of participants.

The duties and powers of the Board include deciding on the monetary policies and monetary policy instruments to be used in line with monetary policy strategies and inflation targets; setting rules and making decisions on matters pertaining to the banknotes in circulation; determining principles and procedures and setting rules pertaining to open market operations and foreign exchange and foreign currency transactions, to rediscount and advance transactions and respective interest rates, to reserve requirements, and to the management of national gold and foreign currency reserves; preparing the CBRT's budgets, annual reports, balance sheets, profit & loss statements, and General Assembly agendas; and approving staffing decisions and regulations involving the Bank's administration, organization, services, and staff.

In 2024, the Board convened 13 times and passed 200 resolutions.

At the Ordinary General Assembly Meeting of the CBRT on April 30, 2024, an election was held for positions vacated by Nurullah Genç and Derya Yücel, whose terms of office at the Board ended. The General Assembly elected Nurullah Genç again and Kemal Madenoğlu for his first term to serve until the end of April 30, 2027.

As of December 31, 2024, the Board consisted of Governor Yaşar Fatih Karahan and members Nurullah Genç, Başak Tanınmış Yücememiş, Elif Haykır Hobikoğlu, Ertan Aydın, Muhsin Kar, and Kemal Madenoğlu.

1.1.2 Monetary Policy Committee



Fatih Karahan, Ph.D.
Governor



Osman Cevdet Akçay, Ph.D.
Member



Prof. Hatice Karahan
Member



Prof. Elif Haykır Hobikoğlu
Member



Prof. Fatma Özkul
Member

Chaired by the Governor, the Monetary Policy Committee (MPC) consists of the deputy governors, one member elected from and by the Board, and a member appointed upon the recommendation of the Governor. The duties and powers of the MPC consist of determining monetary policy principles and strategies aimed at achieving price stability, collaborating with the government to set inflation targets under the monetary policy strategy, preparing periodical reports on the monetary policy objectives and practices to inform the government and the public in line with the principles set, taking measures to safeguard the domestic and international value of the Turkish lira, and setting the exchange rate regime that defines the value of the lira against foreign currencies and gold in cooperation with the government.

The MPC held 12 meetings in 2024, the decisions of which were published on the CBRT's website.

As of December 31, 2024, the MPC consisted of Governor Yaşar Fatih Karahan, Deputy Governors Osman Cevdet Akçay and Hatice Karahan, Board member Elif Haykır Hobikoğlu, and the appointed member Fatma Özkul.

1.1.3 Auditing Committee



Prof. Mehmet Babacan
Member



Ramazan Güngör
Member



Bekir Bayrakdar
Member



Prof. Metin Toprak
Member

The Auditing Committee consists of four members elected by the General Assembly and serving two-year terms of office.

Charged with auditing all CBRT operations and accounts, the Committee submits the findings to the Board in writing and also sends a copy to the Presidency. Upon the completion of each year, the Committee prepares a report of the respective year's operations and accounts and submits it to the CBRT General Assembly.

At the Ordinary General Assembly Meeting of the CBRT on April 30, 2024, an election was held for the position vacated by Suat Sarıgöl, whose terms of office at the Auditing Committee ended. The General Assembly elected Metin Toprak for his first term to serve until the end of April 30, 2026.

As of December 31, 2024, the Auditing Committee consisted of Mehmet Babacan, Ramazan Güngör, Bekir Bayrakdar, and Metin Toprak.

1.1.4 Executive Committee



Fatih Karahan, Ph.D.
Governor



Osman Cevdet Akçay, Ph.D.
Member



Prof. Hatice Karahan
Member

The Executive Committee consists of the Governor and Deputy Governors. The Governor and Deputy Governors are appointed by the President of the Republic and serve four-year terms of office. The quorum for a decision is set as the majority of the total number of members.

When deemed necessary, the Executive Committee pre-examines issues that require a CBRT Board resolution, prepares proposals for the Board and draws up regulations pertaining to the CBRT's administration, organization, and services. Other duties and powers of the Executive Committee include ensuring coordination in the conduct of the CBRT's operations and making decisions on the appointment, remuneration, dismissal, and retirement of officers and employees other than those staff appointed by the Board.

Yaşar Fatih Karahan was appointed as the Governor of the CBRT on February 3, 2024.

As of December 31, 2024, the Executive Committee consisted of Governor Yaşar Fatih Karahan and Deputy Governors Osman Cevdet Akçay and Hatice Karahan.

1.1.5 Financial Benefits Provided to Senior Management

Pursuant to Articles 19, 22/A, 24, and 33 of the CBRT Law No. 1211, the President of the Republic has the authority to determine the monthly salaries and representation allowances that are paid to the CBRT governor and deputy governors, the monthly salaries and duty compensations that are paid to the CBRT Board members as well as the Monetary Policy Committee members, and the salaries that are paid to the Auditing Committee members. Accordingly, the gross amount paid to CBRT's senior management, including the Governor, the CBRT Board, the MPC, the Auditing Committee and the Executive Committee members amounted to TRY 63,425,335.33 in 2024.

1.1.6 Head Office Departments

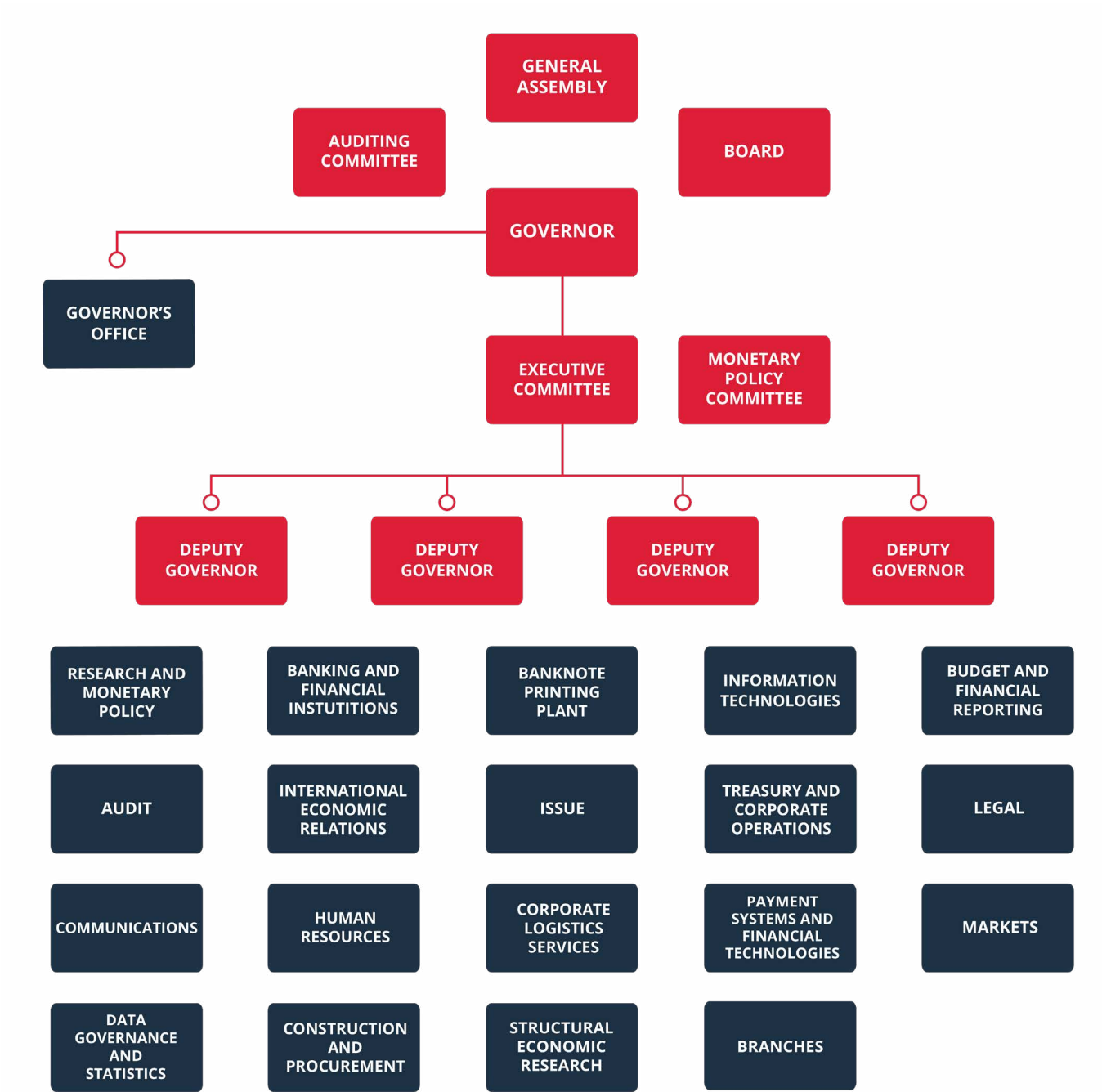
As of 31.12.2024		
Research and Monetary Policy	Executive Director	Tayyar Büyükbaşaran, Ph.D.
Banking and Financial Institutions	Executive Director	Yusuf Emre Akgündüz, Ph.D.
Banknote Printing Plant	Executive Director	Mehmet Sercan Arslan, Ph.D.
Governor's Office	Executive Director	İsmail Özkan
Information Technologies	Executive Director	Mehmet Zahit Ateş
Budget and Financial Reporting	Executive Director	Ebru Uzun
Audit	Executive Director*	Aziz Turhan, Ph.D.
International Economic Relations	Executive Director	Assoc. Prof. Huzeyfe Torun
Issue	Executive Director	Nurettin Tüysüz, Ph.D.
Treasury and Corporate Operations	Executive Director	Rıdvan Günel, Ph.D.
Legal	Executive Director	Sıtkı Eroğlu
Communications	Executive Director*	Fırat Bora Taş
Human Resources	Executive Director	Hüseyin Atsay
Corporate Logistics Services	Executive Director	Zafer Özdek
Payment Systems and Financial Technologies	Executive Director*	Ahmet Buğday, Ph.D.
Markets	Executive Director	Hakan Er, Ph.D.
Data Governance and Statistics	Executive Director	Yusuf Kenan Bağır, Ph.D.
Construction and Procurement	Executive Director	Kazım Gökhan Elgin
Structural Economic Research	Executive Director	Assoc. Prof. Ünal Seven

* Acting

1.1.7 Branches

As of 31.12.2024		
Adana Branch	Director	Mahmut Güray Sezer
Ankara Branch	Director	Muhammed İslami Önal
Antalya Branch	Director	Mecit Hasan Subaşı
Bursa Branch	Director	Cihat Yücel
Denizli Branch	Director	Soner Bilgin
Diyarbakır Branch	Director	Gülşah Güven Akçora
Edirne Branch	Director	Gökhan Güler
Erzurum Branch	Director	Serhat Akpınar
Eskişehir Branch	Director	Mustafa Alpar
Gaziantep Branch	Director	Davut Balcı, Ph.D.
İskenderun Branch	Director	Tolga Kiraz
İstanbul Branch	Director	Oğuzhan Saçkan
İzmir Branch	Director	Erol Seheroğlu
İzmit Branch	Director	Nuri Cemhan Sevimeser
Kayseri Branch	Director	Lütfi Soylu
Konya Branch	Director	Mehmet Yıldırım
Malatya Branch	Director	Muhammet Devrim Ülkü
Mersin Branch	Director	Ali Bakır
Samsun Branch	Director	Özgür Aydın
Trabzon Branch	Director	Kemal Tarhan
Van Branch	Director	Özer Muratoğlu

1.1.8 Organization Chart



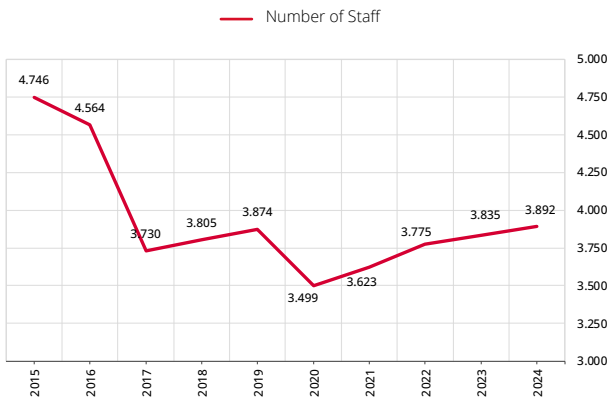
1.2 Staff and Related Statistics

Due to its strategic role in the Turkish economy as well as its diverse duties, the CBRT employs highly qualified human resources comprised of a variety of professions. At the end of 2024, the number of permanent staff positions was 4,103, 94.86% of which were occupied by 3,892 employees.

In 2024, the number of staff members newly employed by the CBRT was 132, while 75 employees left the Bank. Thus, the number of people on the Bank's payroll at year-end increased by 57 to 3,892 over the previous year (Chart 1.2.1).

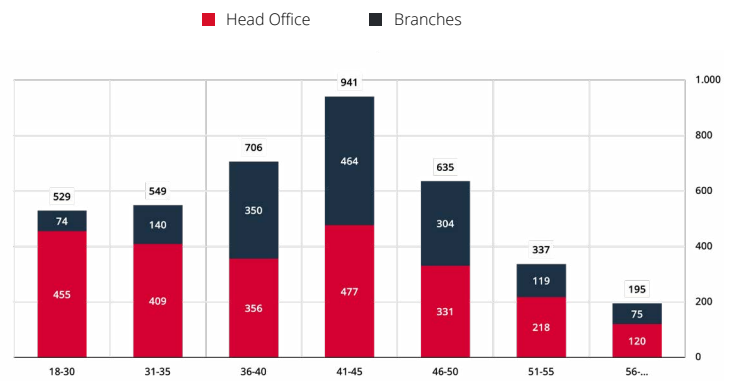
Of the CBRT's staff, 60.79% are employed at the Head Office and 39.21% in branches. A breakdown of staff by age groups shows that the 36-45 age group makes up the majority (42.32%) of the staff (Chart 1.2.2). The share of staff holding associate, graduate, and post-graduate degrees is 89.54% (Chart 1.2.3).

Chart 1.2.1: Number of Employees from 2015 to 2024



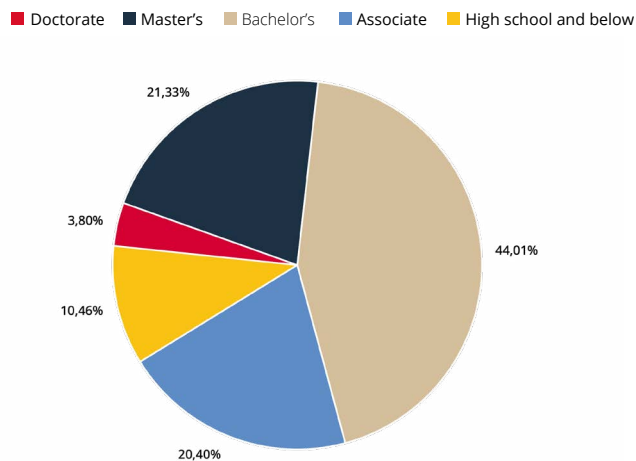
Source: CBRT. Last Observation: December 31, 2024

Chart 1.2.2: Staff by Age Groups



Source: CBRT. Last Observation: December 31, 2024

Chart 1.2.3: Staff by Education Level



Source: CBRT. Last Observation: December 31, 2024

PART 2 ACTIVITIES AND MAJOR DEVELOPMENTS



Photograph: **"Lines"** by Ceren Yağcıoğlu on display in the Exhibition of International Photo Contest "Economy and the Human Being" organized by the CBRT



2.1 Price Stability and Monetary Policy

2.1.1 Overview

Economic activity remained robust in the first quarter of 2024 on the back of wage adjustments and brought-forward demand, while the effects of monetary tightening on economic activity were particularly pronounced in the second and third quarters. Household demand was strong in the last quarter of the year due to campaigns and upcoming wage revisions. Against this backdrop, the contribution of domestic demand and net exports to growth remained balanced throughout 2024, pointing to a healthier growth outlook. Consistent with this rebalancing, economic activity slowed on an annual basis in 2024, with a growth rate of 3.2%. On the production side, the services sector was the main driver of growth during the year, while the construction sector also made an upward contribution to growth.

In 2024, exports rose year-on-year, while imports declined. The 12-month cumulative current account deficit narrowed sharply to USD 10 billion in 2024 amid the decline in the foreign trade deficit and the robust services balance. This trend in the services balance had a favorable impact on the current account balance, while improvements in the gold balance, the energy balance, and the core foreign trade balance supported the fall in the current account deficit.

Key labor market indicators pointed to a strong labor market in 2024. Total employment increased by 984 thousand people year-on-year, while the unemployment rate fell by 0.7 percentage points to 8.7%.

The disinflation process started in June and remained on track in the second half of the year, with annual inflation standing at 44.4% at end-2024. Domestic demand conditions, which tended to weaken throughout the year due to monetary tightening, reached levels supportive of disinflation in the second half of the year. Credit utilization posted increases in the first half of the year but remained moderate in the remainder of the year owing to the macroprudential measures. Depreciation of the Turkish lira being more limited compared to last year alleviated inflationary pressures through this channel. Wage-driven effects were more noticeable in the first

half of the year and less so in the second half. Following a modest increase in the first quarter, commodity prices decreased for the rest of the year, led by the energy group. Inflation expectations hovered above inflation forecasts yet declined throughout the year. In 2024, annual producer inflation remained below consumer inflation at 28.5%. At end-2024, annual inflation in core B and C indicators fell by 24.1 and 25.3 percentage points year-on-year to 43.9% and 45.3%, respectively.

The monetary policy stance is determined to ensure that inflation remains aligned with the targeted path and the disinflation process moves forward. The CBRT raised the policy rate to 50% in March 2024 as part of the strong monetary tightening process that began in June 2023 to establish disinflation as soon as possible, anchor inflation expectations, and contain the deterioration in pricing behavior. In March, the CBRT also adjusted the operational framework and decided to set the overnight borrowing and lending rates 300 basis points below and above the one-week repo auction rate, respectively. In the April-November period, the CBRT kept the policy rate unchanged at 50%, remaining highly attentive to the upside risks to inflation. In December, the CBRT concluded that leading indicators pointed to a decline in the underlying trend of inflation and that domestic demand, standing at disinflationary levels, further slowed. The CBRT thus reduced the policy rate from 50% to 47.5% in December and decided to set the overnight borrowing and lending rates 150 basis points below and above the one-week repo auction rate, respectively. The CBRT continued to implement macroprudential policies in 2024 to enhance the effectiveness of monetary transmission against the divergence in expectations of economic units and possible volatility. Accordingly, regulations regarding deposits, loans, and liquidity management were introduced.

2.1.2 Developments in 2024

Monetary Policy Developments

The CBRT raised the policy rate from 42.5% in December 2023 to 45% in January 2024, with an increase of 250 basis points, assessing that the monetary tightness required to establish disinflation was achieved. However, taking into account the lagged effects of monetary tightening, the CBRT indicated that this level would be maintained as long as needed. The Bank emphasized that the current level of the policy rate would be maintained until there was a significant decline in the underlying trend of monthly inflation and inflation expectations converged to the projected forecast range. In February, the CBRT kept the policy rate unchanged at 45%. On the other hand, recent indicators suggested that the resilient course of domestic demand continued to strengthen relative to the last quarter of 2023, due in part to the changes in the calculation methodology. In February, the underlying trend of monthly inflation also turned out higher than projections, led by services inflation. Medium-term inflation expectations continued to decline, while year-end inflation expectations for 2024 and 2025 rose. Accordingly, in response to the deterioration in the inflation outlook, the CBRT raised the policy rate to 50% in March (Chart 2.1.2.1). Additionally, the CBRT made a technical adjustment and set the overnight borrowing and lending rates 300 basis points below and above the one-week repo auction rate, respectively.

The steps taken in March resulted in a significant tightening in financial conditions. Stating that the effects of the monetary tightening on loans and domestic demand were closely monitored, the CBRT kept the policy rate unchanged in April, taking into account the lagged effects of the tightening. The Bank underscored that it remained highly attentive to upside risks to inflation, maintaining its forward guidance that the monetary policy stance would be tightened in case of a significant and persistent deterioration in inflation. The decline in the underlying trend of monthly inflation in April registered a temporary pause in May. Subsequently, a stronger-than-expected decline in June was replaced by a limited and temporary increase in July. Recent indicators confirmed that domestic demand had decelerated, albeit still at inflationary levels. Accordingly, the CBRT kept the policy rate unchanged in the May-July period, taking into account the lagged effects of monetary tightening. Meanwhile, the CBRT reiterated its communication that it remained highly attentive to upside risks to inflation. The Bank maintained its forward guidance that the tight monetary policy stance would be maintained until there was a significant and sustained decline in the underlying trend of monthly inflation and inflation expectations converged to the projected forecast range and that the monetary policy stance would be tightened in case of a significant and persistent deterioration in inflation.

Indicators for the third quarter of 2024 indicated that domestic demand further slowed, with a diminishing inflationary impact. The underlying trend of inflation remained broadly unchanged in August, rose slightly in September, and then decelerated in October. Accordingly, the CBRT kept the policy rate unchanged at 50% in the August-October period. The CBRT maintained that the alignment of inflation expectations and pricing behavior with projections remained a risk factor for the disinflation process. At the October meeting, the CBRT stated that uncertainties regarding the pace of improvement in inflation had increased in light of incoming data. The Bank highlighted that the tight monetary policy stance would be maintained until there was a significant and sustained decline in the underlying trend of monthly inflation and inflation expectations converged to the projected forecast range. The CBRT also stated that monetary policy tools would be used effectively in case of a significant and persistent deterioration in inflation.

In November, the CBRT reiterated that it was highly attentive to upside risks to inflation, keeping the policy rate unchanged at 50%. In December, the CBRT reduced the policy rate by 250 basis points to 47.5%. Besides, the Bank adjusted the operational framework by setting the overnight borrowing and lending rates 150 basis points below and above the one-week repo auction rate, respectively. The CBRT emphasized that the decisiveness regarding the tight monetary stance brought down the underlying trend of monthly inflation and strengthened the disinflation process through moderation in domestic demand, real appreciation of the Turkish lira, and improvement in inflation expectations, adding that increased coordination of fiscal policy would also contribute significantly to this process.

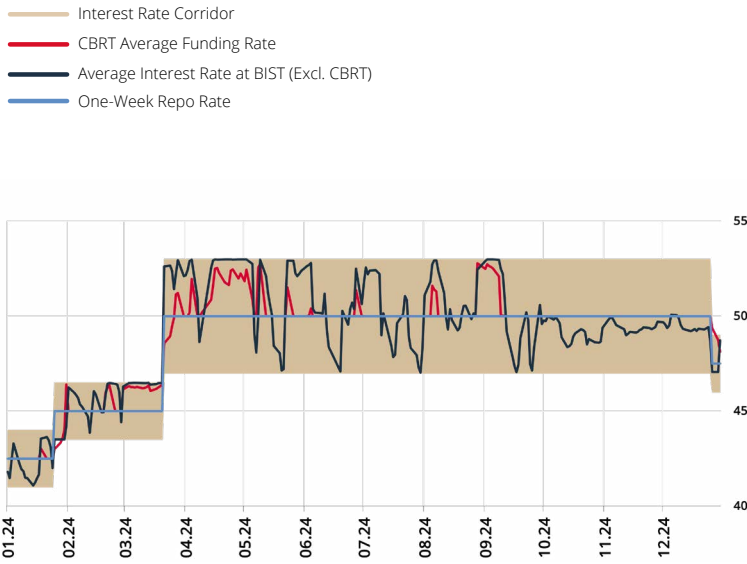
In 2024, the CBRT kept adopting quantitative tightening decisions to eliminate excess Turkish lira liquidity in an effort to support monetary tightening. While affecting the policy rate - the main policy instrument - monetary and financial conditions, and expectations, these decisions also stabilized excess Turkish lira liquidity and contributed to enhancing the effectiveness of monetary policy. Moreover, the transmission mechanism was strengthened, and the funding composition of the banking system was improved through regulations to increase the share of Turkish lira deposits, accompanied by monetary tightening. As part of the simplification in the macroprudential framework to enhance the functionality of the market mechanism, the CBRT abolished the securities maintenance regulation with the amendment issued in May and terminated the additional reserve requirement practice based on the leverage ratio with the regulation introduced in June.

In 2024, the CBRT took further steps to reinforce the monetary transmission mechanism. Accordingly, in line with the CBRT's objective of gradually phasing out FX-protected deposit accounts (KKM accounts) by switching to Turkish lira, the CBRT included legal person KKM accounts in the calculation of the total target for KKM accounts' transition to Turkish lira and renewals. Additionally, the remuneration of reserve requirements maintained for KKM accounts has been terminated for new KKM accounts or for those to be renewed. In the "Monetary Policy for 2025" document, the CBRT states that as the disinflation process becomes more evident, the demand for Turkish lira assets will continue, and in view of the rise in the ratio of Turkish lira deposits and the fall in KKM accounts, the CBRT will continue to simplify the macroprudential framework and terminate the KKM scheme in 2025.

At the beginning of 2024, the funding need of the banking system (FNS) pointed to a liquidity shortage of TRY 1,012 billion, whereas the excess liquidity, which became permanent since September 2024, stood at TRY 302 billion on December 31, 2024 (Chart 2.1.2.2). This excess liquidity was sterilized through net open market operations (OMO) of TRY 250 billion, and sell-side Turkish lira currency/gold swap auctions (reverse swap) of TRY 52 billion. In 2024, the TRY 1,329 billion decline in the FNS was primarily driven by the improvement in the CBRT's net FX position. Reserve requirement regulations, the change in the volume of banknotes in circulation, and the change in the amount of net domestic borrowing of the Ministry of Treasury and Finance of the Republic of Türkiye (the Treasury) were the factors that increased the funding need of the system.

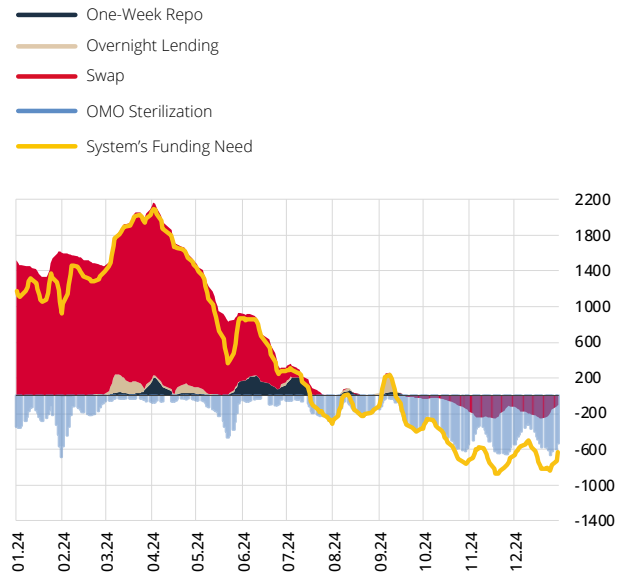
To contribute to banks' Turkish lira and FX liquidity management, the CBRT continued to conduct buy-side swap auctions via the traditional method in the first half of 2024. On the other hand, during the process of gradually reducing the CBRT's swap transaction amount as stated in the Monetary Policy for 2024, the CBRT's outstanding swap balance was reduced to zero as of July 31. Upon the accumulation of excess liquidity in the system, the CBRT started to conduct sell-side currency swap auctions in August, and sell-side gold swap auctions in October, with a view to diversifying the sterilization toolset.

In 2024, the diversified liquidity toolset helped to support the effectiveness of sterilization operations. In the first half of the year, the excess liquidity was sterilized through Turkish lira deposit buying auctions and quotation at the Borsa Istanbul (BIST) Repo/Reverse Repo Market, the BIST Committed Transactions Market (CTM), and the CBRT's Interbank Money Market (IMM). In the second half of the year, the diversified set of tools was gradually put into use, and the CBRT started to conduct Turkish lira deposit buying auctions at different maturities on the same day. Moreover, the excess liquidity was sterilized through sell-side Turkish lira currency/gold swap auctions and quotation at the Takasbank Money Market (TMM). As a result of the sterilization operations through various channels, short-term interest rates in the money markets became more aligned with the CBRT's policy rate, and interest rate volatility decreased significantly (Chart 2.1.2.1)

Chart 2.1.2.1: Short Term Interest Rates (%)

Sources: BIST, CBRT.

Last Observation: December 2024

Chart 2.1.2.2: CBRT Funding
(One-Week Moving Average, TRY Billion)

Source: CBRT.

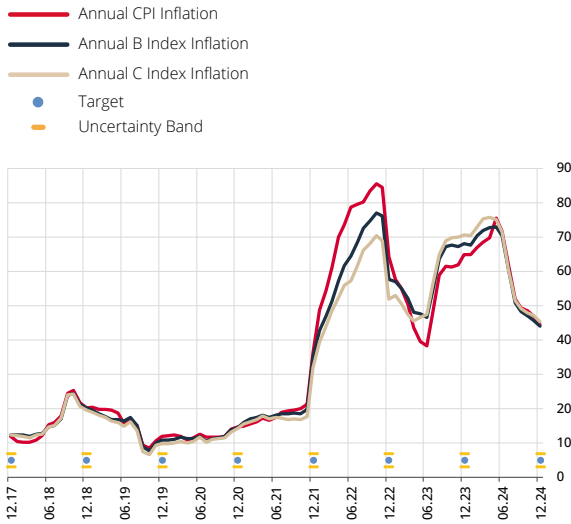
Last Observation: December 2024

Inflation Developments

Annual consumer inflation rose in the first quarter of 2024. This was due to wage revisions and the backward-indexation behavior in items with a high time-dependent pricing tendency, as well as cost-side effects. In May, annual consumer inflation peaked due to the expiry of the free use of the 25 cubic meters of natural gas for households as well as the low base effect caused by the free use of natural gas in the same period of the previous year. As of June, the disinflation process began, and in the third quarter, energy prices and the lump sum tax revisions as well as price developments in administered items had a notable impact on consumer inflation. In the fourth quarter of the year, annual consumer inflation remained on a down-trend; however, unprocessed food prices continued to be a factor limiting a more favorable course in headline inflation due to temporary supply conditions. In December, the slowdown in monthly consumer inflation became more evident, and with the improvement in the underlying inflation, annual consumer inflation ended the year at 44.4%, close to the mid-point of the 2024 IR-IV forecast (Chart 2.1.2.3). At the end of 2024, annual inflation in core inflation indicators B and C indices stood at 43.9% and 45.3%, respectively, indicating a year-on-year decrease of 24.1 and 25.3 percentage points, respectively.

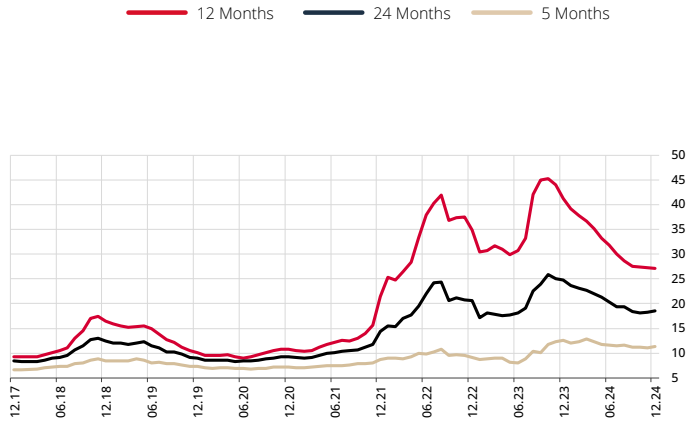
In 2024, backward-indexation behavior had a substantial effect on the course of consumer inflation. The backward-indexation behavior led to the maintenance of inertia in services inflation, especially notable in the rent subgroup. Wage-driven pressures were evident in the first half of the year but were weaker in the second half. Domestic demand conditions, which weakened throughout the year, reached levels supportive of disinflation in the second half of the year. The more limited depreciation of the Turkish lira compared to previous years, eased the inflationary pressures through this channel. After rising until April, commodity prices were on a downward trend for the rest of the year, led by the energy group. Inflation expectations decreased throughout the year, yet they remained above the Inflation Report's forecasts (Chart 2.1.2.4). In the first months of the year, annual producer inflation increased, and in the second half of the year, producer price pressures weakened on the back of favorable global cost conditions, stable exchange rates, and a mild course of real unit labor costs. Thus, the annual increase in producer prices remained below the consumer inflation at 28.5% in 2024.

Chart 2.1.2.3: Inflation and Targets (%)



Sources: CBRT, TURKSAT.
Last Observation: December 2024

Chart 2.1.2.4: Inflation Expectations (%)



Source: CBRT. Last Observation: December 2024

Across subgroups, food and core goods groups were the main contributors to the fall in annual inflation, followed by services. In 2024, the contribution of energy group was inflationary. In April, annual inflation in the food and non-alcoholic beverages group fell below the headline inflation for the first time in three years, ending the year close to consumer prices. Across subgroups, the main driver of food inflation was unprocessed food prices, which rose by 50.3% on the back of fresh fruits and vegetables (68.8%). Meanwhile, processed food inflation followed a relatively more favorable course, with 37.7%. The annual food inflation fluctuated around 70% in the first half of the year. Leading items of the group were fresh fruits and vegetables, as well as bread and cereals affected by cumulative cost pressures, red and white meat, and processed meat products affected by cumulative increases in meat prices. The downtrend in annual food inflation since June was interrupted in October and November also due to temporary supply conditions in fresh fruits and vegetables amid the transition from field to greenhouse. However, in December, monthly food inflation decelerated on the back of the partial improvement in fresh fruit and vegetable prices, and annual food inflation stood at 43.6% by the end of the year.

Core goods prices rose by 27.4% in 2024, about 17 percentage points below the headline inflation. The annual inflation in core goods, which had been on the rise until May, was affected by wage, demand, and credit conditions. Core goods inflation has been on a downtrend since May, led by weakening domestic demand and easing wage-driven effects, as well as the favorable course of commodity prices. The increase in exchange rate, which remained moderate throughout the year, strengthened slightly in August and weakened again in September. The exchange rate-driven pressures were temporary. The euro rate's rise in August played a role in accelerating the price increases in durable goods with high exchange rate sensitivity, such as white goods and automobiles. In the same period, the impact of general safety regulations on automobile prices was also apparent. In sum, the moderate course of commodity prices, as well as the real appreciation of the Turkish lira and the weakening of domestic demand conditions, resulted in a decline in core goods inflation in 2024.

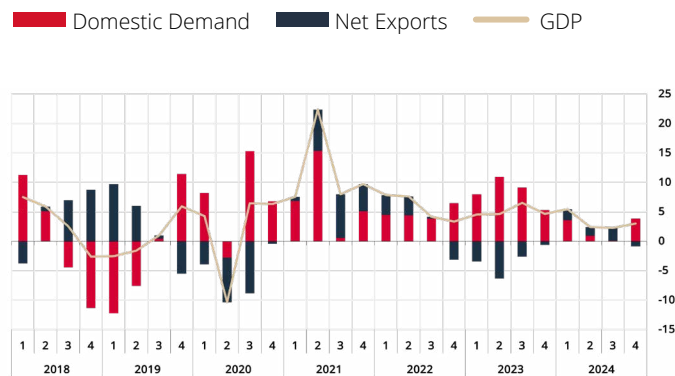
In 2024, the highest price increase among main expenditure groups was recorded in the services group with 65.7 percent. Unlike core goods, another component of the core group, services inflation significantly exceeded headline inflation. Despite the decline in annual inflation across subgroups, the inflation in rents and other services was notably high due to the backward-indexation mechanism, wage developments, and structural factors in the housing sector. Rent inflation remained high throughout the year due to the backward indexation in contracts and supply-demand mismatches in the real estate market, mainly driven by the impact of the earthquake. Excluding rents, annual services inflation was lower at 56.8% at the end of 2024. Price changes in the other services subgroup were driven by labor-intensive services items, as well as education services with time-dependent and strong backward-indexation tendencies, while restaurants-hotels inflation was led by demand conditions, food prices, and wage adjustments. Transport services inflation was influenced by seasonal revisions in administered services and fuel price developments. The slowdown in services inflation was more evident in the last quarter.

Energy price inflation, which was well below headline inflation with a 27.2% increase in 2023, ended 2024 at 43.1%, exceeding the previous year's inflation. This was due to the carry-over effects of the cost pressures from the previous year. In the first quarter of 2024, the course of energy prices was led by fuel and bottled gas prices in line with the developments in natural gas and international energy prices, as well as the automatic tax hikes, while the group's annual inflation also increased. In May, annual energy inflation rose substantially due to the expiry of the free use of the 25 cubic meters of natural gas for households, as well as the low base effect caused by the free use of natural gas in the same period of the previous year. Domestic energy prices increased significantly in the third quarter amid the developments in taxes and administered items. In July, during the same quarter, the lump-sum SCT amounts on fuel and bottled gas were revised, and electricity and natural gas tariffs for households were raised. Energy prices followed a mild course in the last quarter of the year.

Supply-Demand Developments, External Balance, and Labor Market

In 2024, economic activity slowed on an annual basis in line with the monetary tightening-driven rebalancing in demand, and the growth rate stood at 3.2%. The expenditure composition of growth was more balanced compared to the previous year. On an annual basis, economic activity remained robust in the first quarter of 2024, on the back of wage adjustments and the demand brought forward. Additionally, gross domestic product (GDP) rose by 5.4% year-on-year and 1.0% quarter-on-quarter. In this period, the contribution of domestic demand to growth fell, while that of net exports increased (Chart 2.1.2.5). For the first time since the third quarter of 2022, net exports positively contributed to annual growth. On the production side, the services sector was the main driver of growth in the first quarter, with industrial and construction sectors contributing positively to growth. The lagged effects of monetary tightening on economic activity were more evident in the second and third quarters, with annual growth rates recorded at 2.4% and 2.2%, respectively. In the last quarter, annual growth picked up to 3.0%. In this period, domestic demand was the primary driver of annual growth, while net exports had a dampening effect on annual growth for the first time the entire year (Chart 2.1.2.5). On a quarterly basis, GDP registered a slight decrease of approximately zero in the second and third quarters (Chart 2.1.2.6). In this period, the contribution of domestic demand and net exports to growth was more balanced. Meanwhile, household demand was robust in the last quarter of the year driven by sales campaigns and upcoming wage revisions. Against this background, domestic demand contributed significantly to economic growth, while net exports had a downward effect on growth, and the demand composition of growth deteriorated somewhat. Throughout the year, the contribution of domestic demand and net exports was more balanced. Total investments saw robust annual growth in the first quarter, driven by the contribution from the construction and machinery-equipment sectors. However, this growth momentum softened in the second and third quarters, despite the favorable developments in the construction sector. In the last quarter, total investments recovered on the back of the increases in all subcomponents. On the production side, the services sector was the main driver of growth throughout the year, while the construction sector made an upward contribution to growth. In the first quarter of the year, industrial production contributed positively to annual growth in line with the strong domestic demand, despite losing momentum on an annual basis. In the second quarter, the weakening industrial added value due to bridge days over the two religious holidays and the slowdown in domestic demand during the disinflation process had a downward effect on growth. This weak course continued in the third quarter as well. In the last quarter, the industrial sector contributed positively to annual and quarterly growth due to significant increases in production in sectors with a high export share and high volatility, such as the defense industry.

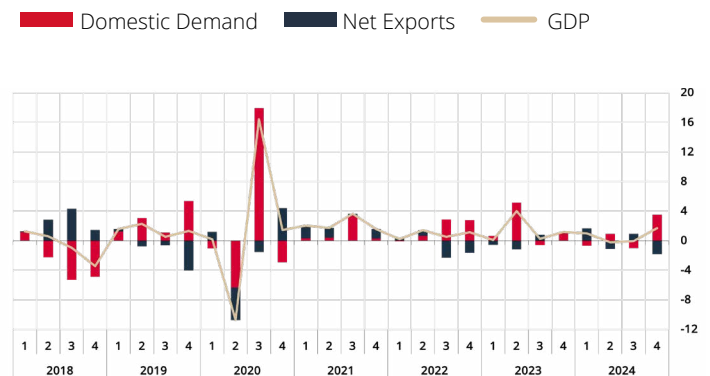
Chart 2.1.2.5: Gross Domestic Product and Components (Contributions to Annual Growth, % Points)



Sources: CBRT; TURKSTAT.

Last Observation: 2024Q4

Chart 2.1.2.6: Gross Domestic Product and Components (Contributions to Quarterly Growth, % Points)



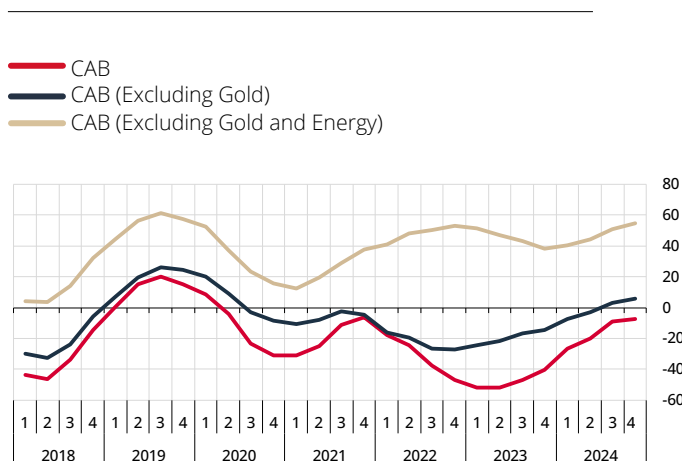
Sources: CBRT, TURKSTAT.

Last Observation: 2024Q4

The annualized current account deficit narrowed significantly in 2024 on the back of the decline in the foreign trade deficit and the strong performance in the services balance (Chart 2.1.2.7). Despite the relatively mild course of the economic activity in Türkiye's main trading partners throughout the year, exports increased year-on-year. This was largely driven by the rise in the quantity, and export prices remained relatively flat. Imports, on the other hand, declined on an annual basis. While imports of consumption goods were strong throughout the year, imports of investment and intermediate goods decreased. However, excluding the jewelry item, which contributes significantly to imports of consumption goods, the annual increase in this sector was quite moderate. The ongoing decline in energy prices had a further favorable impact on the energy trade balance. In line with the ongoing quota on unwrought gold imports and the slowdown in domestic demand throughout the year, gold imports declined significantly compared to 2023. The increase in foreign visitors and net travel revenues had a positive impact on the services balance. The positive contribution of services items to the current account balance further increased. In addition, revisions to the services balance under the 2023 bulletin of the International Trade in Services Statistics, published by TURKSTAT, played a part in the improvement in the current account balance in 2024. This revision had a downward effect of USD 839 million in 2022 and an upward effect of USD 4.5 billion in 2023 on the current account balance.

In 2024, the energy balance made the largest negative contribution to the current account deficit on an annual basis, amounting to USD 10 billion (Chart 2.1.2.8). The robust performance of the services sector contributed positively to the year-on-year change in the current account balance. Additionally, improvements in the gold, energy, and core foreign trade balances supported the narrowing of the current account deficit. On the other hand, the deterioration in the income balance had a widening effect on the current account deficit compared to the previous year. On the financing side, direct investments edged down year-on-year. In the second half of the year, while the equity market experienced outflows, the government domestic debt securities (GDDS) market saw inflows, and portfolio investments increased. However, the weight of short-term items, such as portfolio investments, decreased throughout the year, while the weight of long-term items increased. Meanwhile, in 2024, capital inflows took place predominantly through long-term loans and the bond issuances of the banking and private sectors. Debt rollover ratios of the banking sector were high in the second half of the year, and for long-term loans were around 141% in 12-month cumulative terms at the end of the year.

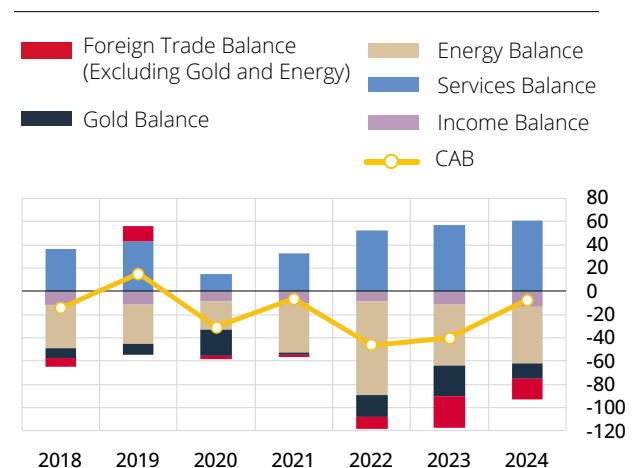
Chart 2.1.2.7: Current Account Balance
(12-Month Cumulative, USD Billion)



Source: CBRT.

Last Observation: December 2024

Chart 2.1.2.8 Current Account Balance
Composition (USD Billion)

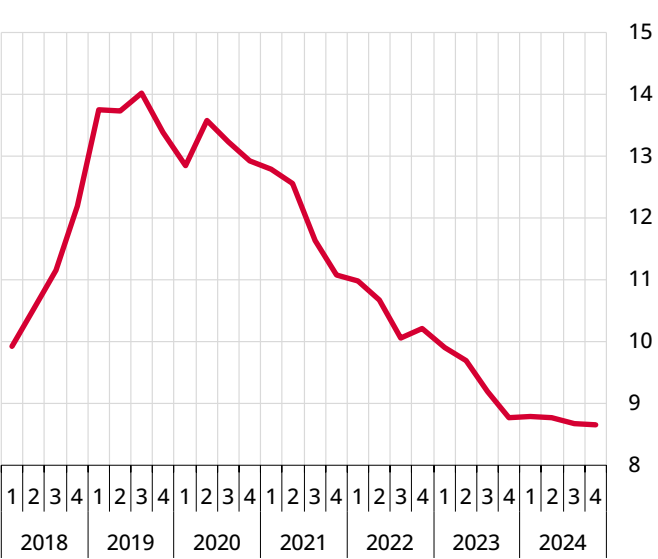


Source: CBRT.

Last Observation: December 2024

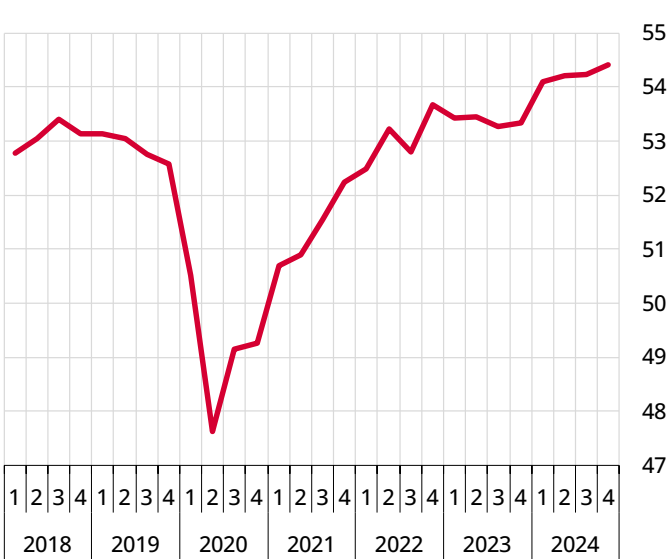
Key labor market indicators signaled a robust labor market in 2024. The unemployment rate declined on an annual basis (Chart 2.1.2.9). In the first quarter of the year, employment increased on a quarterly basis in all sectors excluding agriculture. In this period, the labor force participation rate also increased, and the unemployment rate stood at 8.8% (Chart 2.1.2.10). In the second quarter, industrial employment declined in line with the weak course of industrial activity, while employment growth continued in the services and construction sectors. In this period, the labor force participation rate edged up, while the unemployment rate edged down by 0.1 percentage points. Despite the loss of momentum in economic activity in the third quarter, the labor market displayed a more resilient performance. Employment increased in all sectors excluding agriculture in the third quarter, and the rise in industrial employment largely offset the decline recorded in the second quarter. The labor force participation rate, the employment growth, and the unemployment rate remained relatively flat. In the last quarter of 2024, the seasonally adjusted unemployment rate decreased to 8.6% on a quarterly basis. Meanwhile, the labor force participation rate displayed a flat course and stood at 54.2% in the same period. Thus, total employment in 2024 increased by 984 thousand people compared to the previous year, while the unemployment rate decreased by 0.7 percentage points to 8.7%. The labor underutilization rate, a complementary labor indicator, increased to 26.7% in 2024. The highest contribution to the rise in labor underutilization rate was made by the increase in the time-dependent underemployment. Meanwhile, the potential labor force increased whereas unemployment declined in 2024.

Chart 2.1.2.9: Unemployment Rate
(Seasonally Adjusted, %)



Source: TURKSTAT. Last Observation: December 2024

Chart 2.1.2.10: Labor Force Participation Rate
(Seasonally Adjusted, %)



Source: TURKSTAT. Last Observation: December 2024

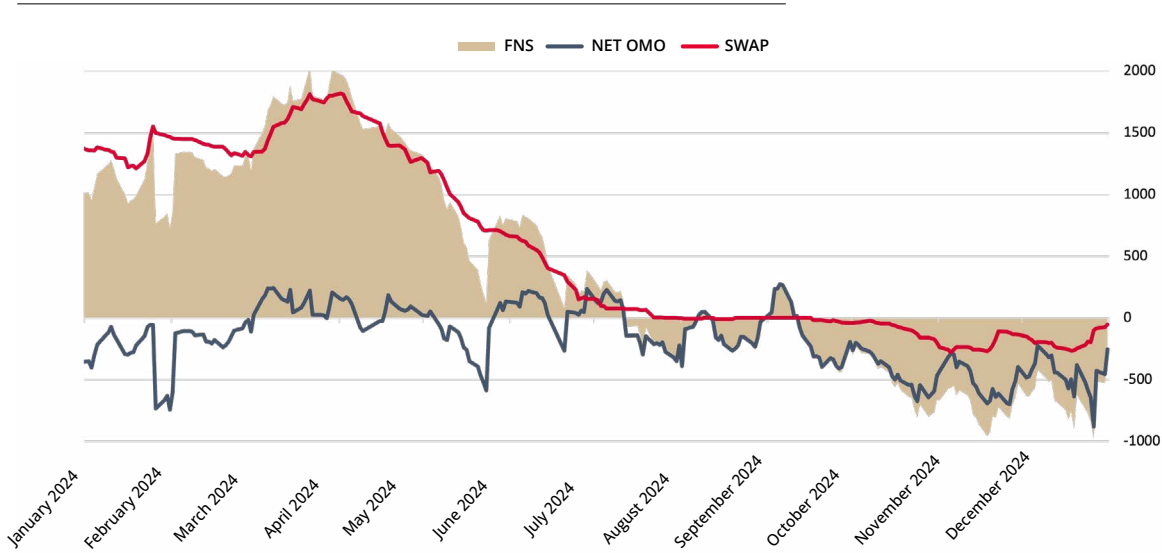
2.2 Operational Framework of Monetary Policy

2.2.1 Turkish Lira Liquidity Management

At the beginning of 2024, the FNS pointed to a liquidity shortage of TRY 1,012 billion, whereas the excess liquidity, which became permanent since September 2024, stood at TRY 302 billion on December 31, 2024. This excess liquidity was sterilized through net open market operations (OMO) of TRY 250 billion and sell-side Turkish lira currency/gold swap auctions (reverse swap) of TRY 52 billion (Chart 2.2.1.1).

In 2024, the TRY 1,314 billion decline in the FNS was primarily driven by the improvement in the CBRT's net FX position. The change in the volume of banknotes in circulation and reserve requirement regulations as well as the change in the amount of net domestic borrowing of the Ministry of Treasury and Finance of the Republic of Türkiye were the factors that increased the funding need of the system.

Graph 2.2.1.1: Funding Need of the System, Net OMO and Swaps (TRY Billion)



Source: CBRT.

Observation Date: December 31, 2024

In 2024, excess liquidity was sterilized using a diverse set of tools to enhance the effectiveness of the monetary transmission mechanism.

Accordingly,

- Excess liquidity was permanently sterilized through reserve requirement measures.
- In the first half of the year, the excess liquidity was sterilized through Turkish lira deposit buying auctions and quotation at the BIST Repo/Reverse Repo Market, the BIST Committed Transactions Market (CTM), and the CBRT's Interbank Money Market (IMM).
- In the second half of the year, a diversified set of tools was gradually put into use, and the CBRT started to conduct Turkish lira deposit buying auctions at different maturities between 1.45 p.m. and 2.15 p.m., in addition to Turkish lira deposit buying auctions conducted between 11.00 a.m. and 11.30 a.m. Moreover, the excess liquidity was sterilized through sell-side Turkish lira currency/gold swap auctions and quotation at the Takasbank Money Market (TMM).

In order to maintain instrument diversity and operational flexibility in liquidity management, the CBRT is required to hold a sufficient amount of GDDS and Turkish lira-denominated lease certificates issued by the Undersecretariat of Treasury Asset Leasing Company Ministry of Treasury and Finance (HMKVŞ) in its OMO portfolio. In accordance with this requirement, nominal TRY 9 billion of lease certificates were added to the portfolio through the auctions in 2024. Thus, the size of the OMO portfolio was nominal TRY 174.3 billion as of December 20, 2024, composed of lease certificates of nominal TRY 9.2 billion and GDDS of nominal TRY 165.1 billion.

2.2.2 Foreign Exchange Liquidity Management

The floating exchange rate regime continued in 2024, and exchange rates were determined under free market conditions according to supply and demand balance. In addition, the CBRT has no commitment to any exchange rate level under the current exchange rate regime. However, to ensure efficient functioning of the FX market and promote healthy price formation, the CBRT continued to closely monitor exchange rate developments and related risk factors, as well as to take the necessary measures and employ suitable instruments.

To contribute to banks' Turkish lira and FX liquidity management, the CBRT continued to conduct buy-side swap auctions (where the CBRT buys FX/gold at the settlement date) via the traditional method as well as buy-side swap market transactions via the quotation method in the first half of 2024. On the other hand, during the process of gradually reducing the CBRT's swap transaction amount as stated in the Monetary Policy for 2024, buy-side Turkish lira currency/gold swap auctions ceased starting from May. Similarly, limits for swap transactions via the quotation method were reduced gradually, and Turkish Lira Gold Swap Market transactions were terminated in June, while Gold FX Swap Market and Turkish Lira Currency Swap Market transactions were terminated in July. Accordingly, the outstanding amount of buy-side swaps, which increased to USD 58.5 billion in March from USD 47.7 billion in early 2024, was reduced to zero by the end of July.

Upon the accumulation of excess liquidity in the system, the CBRT started to conduct sell-side Turkish lira FX swap auctions (where the CBRT sells FX at the settlement date) via the traditional method in August, and sell-side Turkish lira gold swap auctions (where the CBRT sells gold at the settlement date) in October, with a view to diversifying the sterilization toolset. As of December 31, 2024, there were no sell-side Turkish lira currency swap auctions via the traditional auction method, and the outstanding amount of sell-side Turkish lira gold swap auctions was 17.6 tons.

Turkish lira-settled FX forward selling transactions were carried out at the CBRT in March 2024, but no new transactions were conducted afterwards, and thus, the CBRT's total short position amount was reduced to zero in June.

In 2024, the CBRT continued to buy gold produced from ore against Turkish lira to accumulate reserves and conducted location swap transactions with banks in line with market conditions.

In 2024, in tandem with the developments in global interest rates, the interest rate applied to collateral FX deposits was gradually decreased from 5.50% to 4.50% for the US dollar, and from 4.00% to 3.25% for the euro, across all maturities. The interest rates applied to FX deposits that banks can borrow from the CBRT were gradually lowered from 7.75% to 7.00% for one-week and from 8.50% to 7.75% for one-month maturity for the US dollar, and from 6.00% to 5.50% for one-week and from 6.50% to 6.00% for one-month maturity for the euro.

2.2.3 Reserve Requirements and Securities Maintenance

In the first half of 2024, the CBRT took comprehensive steps to simplify the macroprudential policy framework to enhance the functionality of the market mechanism and strengthen macro-financial stability. Following the reduction of the securities maintenance ratio for foreign exchange liabilities and the termination of the implementation regarding securities maintenance based on loan growth in the first quarter of 2024, all regulations involving a securities maintenance requirement were terminated on May 9, 2024, which was the most prominent simplification step. The additional reserve requirement maintenance based on the leverage ratio was terminated on June 28, 2024.

Reserve requirements (RR) continued to be used as a macroprudential tool to support the monetary policy, in order to strengthen the monetary transmission mechanism, increase the share of Turkish lira deposits, support the transition from FX-protected deposits to Turkish lira deposits, and ensure that loan growth is in line with the disinflation path. Moreover, excess liquidity in the financial system was sterilized through various instruments, including reserve requirements.

In 2024, the reserve requirement ratios for Turkish lira liabilities and KKM accounts were increased. In addition to the commission practice implemented in line with the targets related to the transition from KKM accounts to Turkish lira time deposits and renewals, the CBRT decided to apply remuneration to banks' required reserves for Turkish lira deposits and KKM accounts every three months in line with the aforementioned targets, as of February 4, 2024.

Regarding FX RR ratios, the additional reserve requirement ratio for FX-denominated deposits maintained in Turkish lira was increased by 400 basis points from 4% to 8% across all maturities as of January 19, 2024. This ratio was subsequently reduced to 5% as of September 13, 2024, and to 4% as of November 22, 2024. On the other hand, the exemption from the RR ratio for the increase in FX items, which are provided directly from abroad and qualify as external funding, was narrowed and extended for one year.

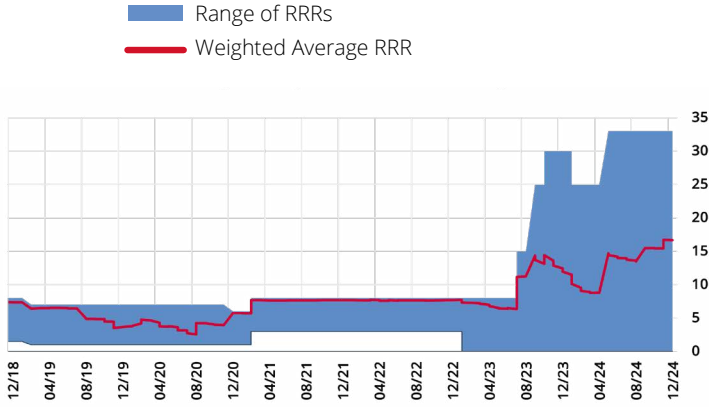
As part of the selective credit and quantitative tightening steps taken to support the monetary tightening process, the CBRT introduced a loan growth-based RR practice effective as of March 7, 2024, and a 2% growth limit for each of Turkish lira commercial, general-purpose, and vehicle loans, which prevented fluctuations in loan demand. In addition to the monthly growth limit for Turkish lira loans, the financial conditions were further tightened by introducing a monthly growth limit to FX loans extended as of May 25, 2024, as well, with the aim of ensuring a level of loan growth consistent with the disinflation path and maintaining the share of Turkish lira loans. The monthly loan growth limit for FX loans was decreased from 2% to 1.5% on July 20, 2024.

The scope of the exemption from loan growth was reevaluated throughout the year. In July, investment loans that were extended in the scope of the funding provided by international development finance institutions were exempted from loan growth limits. To mitigate the negative effects of the earthquake that occurred on February 6, 2023, and to contribute to the recovery, the duration of the exemption for loans extended to the earthquake zone was prolonged from June 28, 2024, to January 3, 2025.

As of the calculation date of December 20, 2024, the average weighted TRY and FX reserve requirement ratios were 16.7% and 22.8%, respectively (Charts 2.2.3.1 and 2.2.3.2).

As of the calculation date of December 20, 2024, TRY liabilities subject to reserve requirements amounted to TRY 12,379 billion, and FX liabilities amounted to TRY 10,389 billion. As of the maintenance period of January 3, 2025, USD 56.00 billion worth of FX and USD 10.40 billion worth of gold have been maintained for FX liabilities. As of the maintenance period of January 3, 2025, the amount of additional RR required to be maintained in TRY for FX deposits/participation funds (excluding deposits/participation funds of banks abroad and precious metal deposit accounts) is TRY 187.70 billion (Charts 2.2.3.3 and 2.2.3.4). On the other hand, the maintained amount based on Turkish lira loan growth is TRY 6.90 billion, while the maintained amount based on FX loan growth is TRY 0.80 billion.

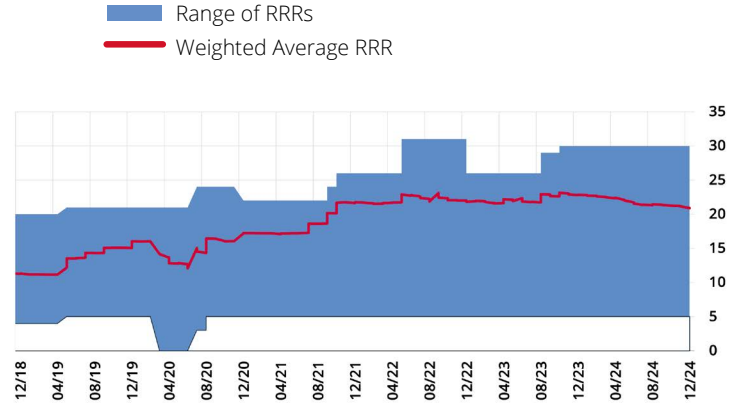
Chart 2.2.3.1: RR Ratios for TRY Liabilities
(%, as of Calculation Periods)



Source: CBRT

Last Observation: 20.12.2024

Chart 2.2.3.2: RR Ratios for FX Liabilities*
(%, as of Calculation Periods)

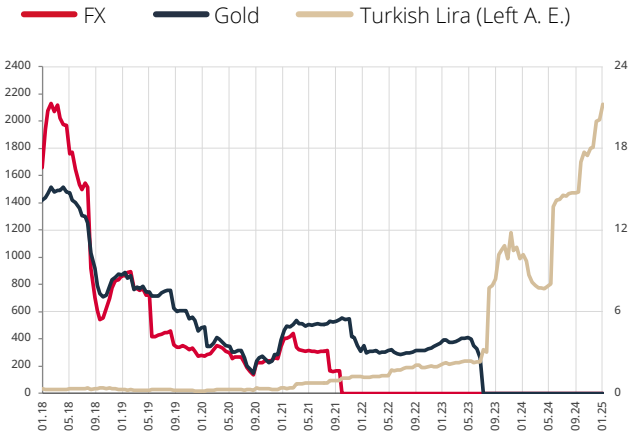


Source: CBRT

Last Observation: 20.12.2024

* Additional RR ratio to be maintained in Turkish lira for FX deposits is 4% in all maturities and is not indicated in the chart.

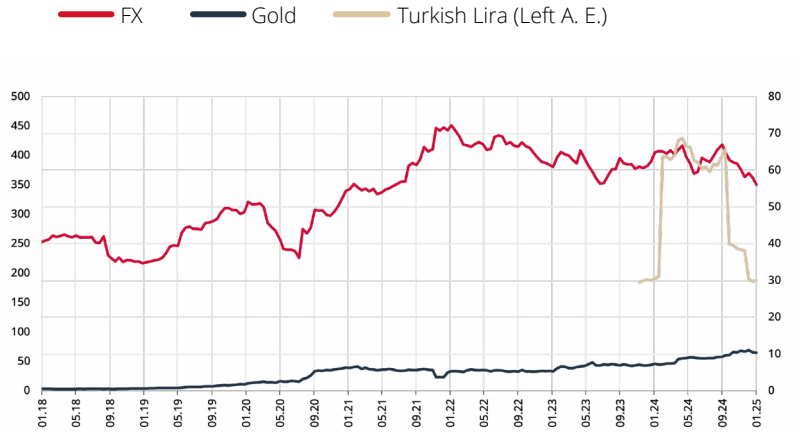
Chart 2.2.3.3: RR Amounts for TRY Liabilities
(TRY Billion, USD Billion, as of Maintenance Periods)



Source: CBRT

Last Observation: 03.01.2025

Chart 2.2.3.4: RR Amounts for FX Liabilities
(USD Billion, as of Maintenance Periods)



Source: CBRT

Last Observation: 03.01.2025

2.2.4 Rediscount Credits

Governed by Article 45 of the CBRT Law, rediscount credits for exports and FX earning services are extended to exporters and firms that engage in FX earning services and activities to finance them at affordable costs. These loans are made available at maturities of up to 360 days by accepting Turkish lira and FX-denominated bills for rediscount via intermediary banks based on the Turkish lira equivalent of the bills. Repayments to the CBRT are made in either FX or Turkish lira, depending on the currency of the issued bills.

The total limit for rediscount credits was set at TRY 600 billion for Turkish lira-denominated credits and USD 3.30 billion for FX-denominated credits.

Firm-based credit limits were determined as: for Small and Medium-Sized Enterprises (SMEs), half the maximum annual net sales revenues or financial balance sheet amounts set for micro, small, and medium-sized enterprises in subparagraphs (a), (b), and (c) of the first paragraph of Article 5 of the "Regulation on Small and Medium-Sized Enterprises" published in the Official Gazette of May 25, 2023 and No. 32201, TRY 4.5 billion for firms engaged in FX earning services, export intermediaries and firms operating in the defense industry, and TRY 2.5 billion for other firms.

In 2024, the following changes were made in the rediscount credit implementation:

- The CBRT decided to grant an additional three months to the export commitment fulfillment period for rediscount credits for export and FX earning services extended between January 1, 2021 and May 6, 2024 (including these dates) to companies that faced difficulties in fulfilling their export commitments due to Türkiye's decision to impose export and import restrictions against Israel as of May 23, 2024, and the resulting disruptions in logistics activities in the Suez Canal.
- As of July 1, 2024, the minimum rate of FX selling obligation for Turkish lira rediscount credits, which were extended under Additional Articles 1 and 2 of the Implementation Instructions on Rediscount Credits for Export and FX Earning Services, was reduced from 40% to 30%. Additionally, the CBRT decided to exempt FX purchases to be made up to 10% of the sales amounts, provided that they are not on the same day as the FX sale made within the scope of the Communiqué on Supporting the Conversion of Firms' Foreign Exchange Obtained From Abroad Into Turkish Liras No. 2023/5, and the FX purchases made with the balance at the end of the maturity period of the conversion and participation accounts, but the purchase transaction of which is canceled or resold to an intermediary bank within five business days, in determining the commitments made not to buy FX while using said credits.
- As of July 8, 2024, rediscount credits used by Turkish Armed Forces Foundation (TAFF) companies and their subsidiaries are not subject to export proceeds FX selling commitment.
- As of July 17, 2024, rediscount credits extended to defense industry companies against bills issued in FX due between August 1, 2024 and May 31, 2025 were given the option to be extended up to 360 days.
- As of September 9, 2024, the following three exemptions have been introduced to the firms' commitments not to buy FX for all Turkish lira loans:
 - FX purchases equivalent to a maximum of USD 50 thousand made during the commitment period
 - FX purchases sold within five business days after the purchase
 - FX purchases made with the balance at the end of the maturity period of the conversion and participation accounts
- On October 8, 2024, the reference interest rate for rediscount credits was updated as the CME Term SOFR rate calculated based on the secured overnight financing rates (SOFR) by CME Group for USD-denominated transactions, instead of the London Interbank Offered Rate (LIBOR), as LIBOR interest rates were no longer announced as of September 30, 2024.
- As of December 26, 2024, the CBRT amended the discount rate calculation method for rediscount credits. The interest cost of rediscount credits will be a ratio of the policy rate. Accordingly, the new interest cost of rediscount credits will be applied as 29.93%.

In 2024, a total of TRY 580.58 billion of rediscount credits for export and FX earning services were extended with a breakdown of TRY 74.18 billion in FX and TRY 506.40 billion in Turkish lira.

With the amendment of August 12, 2024 to the Implementation Instruction on Rediscount Credits Stemming From the Currency Swap Agreement, which is another rediscount credit implementation, the two rediscount credit implementations were harmonized. Accordingly, the CBRT switched from the physical submission of bills to CBRT branches to storing the bills at an intermediary bank on behalf of the CBRT and transmitting electronic copies of the bills to the CBRT as part of the rediscount credits stemming from the currency swap agreements.

In 2024, rediscount credits originating from currency swap agreements amounting to approximately CNY 2.35 billion (USD 326.36 million) were extended in local currency to finance trade or investment activities between the Republic of Türkiye and the People's Republic of China; and approximately UAE 99.90 million (USD 27.19 million) were extended in local currency to finance trade or investment activities between the Republic of Türkiye and the United Arab Emirates (UAE).

2.2.5 Advance Loans

Advance Loans Against Investment Commitment (ALAIK) are extended pursuant to Article 45 of the CBRT Law through intermediary banks to firms for financing large-scale, high-tech, and strategic investments by accepting TRY-denominated bills for advance, at a maximum maturity of 10 years and with a maximum grace period of two years. The ALAIK program has been allocated an annual limit of TRY 100 billion.

By December 2024, the following changes were made in the ALAIK implementation:

- As of May 17, 2024, it was decided to set the minimum score for the Technology and Strategy Score (TSS), which is given by the Ministry of Industry and Technology of the Republic of Türkiye, at 70 points, and that investment projects that fall below this threshold would not be eligible for loans.
- As of November 11, 2024, the calculation method of interest/profit share rates applied in credit/financing transactions were updated. Accordingly, the base rate will be either 30% or 70% of the CBRT policy rate – whichever is the lower – and the interest/profit share rate to be applied after discounts will be at least 10%.

In 2024, TRY 11.97 billion was used out of the total loan allocation of TRY 20.87 billion in advance loans against investment commitments to investing firms through banks.

2.3 Regulations and Other Actions Regarding the Financial System

2.3.1 Maximum Interest Rates for Credit Cards

Since November 2020, the maximum interest rates for credit cards have been determined by a predictable, rule-based method reflecting current market conditions. Accordingly, the maximum interest rates for credit cards are based on the reference rate calculated according to the Communiqué on Procedures and Principles Regarding the Fees That Banks Can Charge Commercial Clients (No. 2020/4).

The CBRT decided to change the basis point added to the monthly reference rate for the monthly maximum contractual interest rate applied to cash advances or purchases via credit cards from 131 basis points to 189 basis points. The interest rates calculated according to this amendment were to be announced and applied as of March 16, 2024. Additionally, the CBRT decided to set the monthly maximum contractual interest rate applied to TRY credit card transactions (excluding cash advances or purchases) by adding 114 basis points to the monthly reference rate instead of 55 basis points. The interest rates calculated as part of this amendment were to be announced and applied as of April 6, 2024.

With the amendment introduced on September 27, 2024, to limit the borrowing behavior and contribute to the moderation in domestic demand, the maximum contractual interest rates for personal credit cards (PCCs) were differentiated based on the amount of term debt as of November 1, 2024. Additionally, maximum interest rates to be applied to corporate credit card transactions were increased. Accordingly, monthly maximum contractual interest rates to be applied to credit card transactions in TRY (excluding cash withdrawal or usage transactions) will be set as follows:

- By adding 39 basis points to the reference rate for PCCs with term debt less than TRY 25,000,
- By adding 114 basis points to the reference rate for PCCs with term debt between TRY 25,000 and TRY 150,000,
- By adding 164 basis points to the reference rate for PCCs with term debt exceeding TRY 150,000 as well as for corporate credit cards irrespective of their term debt amount. Moreover, the maximum interest rate applicable to the restructuring of PCCs was limited to the reference rate.

Accordingly, the maximum contractual and overdue interest rates applied to credit card transactions for the January-October 2024 period are shown in Table 2.3.1.1 and those for the November-December 2024 period are shown in Table 2.3.1.2.

Table 2.3.1.1. Maximum Interest Rates Applied on Credit Card Transactions for January-October 2024 Period (%)

		Turkish Lira				Foreign Currency	
		Credit Card Transactions		Cash Advances or Purchases (Also Applicable to Overdraft Accounts)		Credit Card Transactions	
Valid	Reference Rate	Maximum Contractual Interest Rate	Maximum Overdue Interest Rate	Maximum Contractual Interest Rate	Maximum Overdue Interest Rate	Maximum Contractual Interest Rate	Maximum Overdue Interest Rate
December 2023-March 15, 2024	3.11	3.66	3.96	4.42	4.72	2.93	3.23
March 16, 2024-April 5, 2024	3.11	3.66	3.96	5.00	5.30	2.93	3.23
April 6, 2024-October 31, 2024	3.11	4.25	4.55	5.00	5.30	3.40	3.70

Table 2.3.1.2. Maximum Interest Rates on Credit Card Transactions
During the November – December 2024 Period (%)

		Turkish Lira								Foreign Currency	
		Applicable to Credit Card Transactions						Applicable to Cash Advances or Purchases** **Also applicable to overdraft accounts		Applicable to Credit Card Transactions	
		Term debt less than TRY 25,000		Term debt between TRY 25,000 and TRY 150,000		Term debt more than TRY 150,000* *Also applicable to corporate credit cards regardless of the term debt.					
Valid	Reference Rate	Maximum Contractual Interest Rate	Maximum Overdue Interest Rate	Maximum Contractual Interest Rate	Maximum Overdue Interest Rate	Maximum Contractual Interest Rate	Maximum Overdue Interest Rate	Maximum Contractual Interest Rate	Maximum Overdue Interest Rate	Maximum Contractual Interest Rate	Maximum Overdue Interest Rate
Nov. 2024-Jan. 2025	3.11	3.50	3.80	4.25	4.55	4.75	5.05	5.00	5.30	3.50	3.80

2.3.2 Regulations on Fees

2.3.2.1 Regulations Regarding Fees Chargeable to Commercial Clients

“The Communiqué No. 2020/4 on Procedures and Principles Regarding the Fees that Banks Can Charge Commercial Clients” determines the fees that banks can charge their commercial clients for products and services they offer. The purpose of the Communiqué is to enhance predictability and transparency in transactions between banks and their commercial clients, to ensure consistency of concepts and terminology, and to prevent excessive pricing.

The communiqué published in the Official Gazette of June 28, 2024 introduced some changes in the Communiqué No. 2020/4. In this context, the calculation method for the maximum prepayment fee for commercial loans extended as of July 1, 2024 was changed. Accordingly, a formula was devised that takes into account the credit interest rate and the remaining weighted average maturity for fixed-rate Turkish lira loans, and a fixed rate and the remaining weighted average maturity for fixed-rate foreign currency loans. The details of this formula were included in the Implementation Instruction on Procedures and Principles Regarding the Fees that Banks Can Charge Commercial Clients. As for variable-rate loans, the maximum prepayment fee was set at 2%.

Additionally, in 2024, the CBRT responded to approximately 330 applications regarding the fees chargeable to commercial clients under the Communiqué No. 2020/4.

2.3.2.2 Fees Chargeable to Financial Consumers

The Communiqué No.2020/7 on Procedures and Principles Regarding the Fees to be Charged to Financial Consumers published in the Official Gazette No. 31061 of March 7, 2020 regulates the fees chargeable to financial consumers for products and services offered. The purpose of the Communiqué is to determine the procedures and principles governing any kind of fees, commissions and expenses (other than interest and profit share) chargeable to financial consumers for the products and services offered by institutions.

In 2024, the CBRT responded to approximately 6,000 applications received through various channels regarding the fees chargeable to financial consumers under the Communiqué No. 2020/7.

2.4 Financial Stability Developments and Activities

2.4.1 Financial Stability Developments

The household debt-to-GDP ratio in Türkiye was 9.30% as of November 2024, significantly below that of peer countries and its historical average. The rise in borrowing was contained by the existing macroprudential measures such as loan-to-value ratios and maturity limitations for retail loans as well as by tight financial conditions. In the recent period, the shares of personal credit cards and overdraft accounts in the debt composition have increased. While the weight of Turkish lira assets in household financial assets is increasing, that of FX-protected products continues to decline. Households tend to diversify their savings with alternative Turkish lira financial instruments such as mutual funds, money market funds in particular, and the private pension system. As of the last quarter of 2024, the ratio of household debt to financial assets was 24%, well below its long-term average of 45%.

The ratio of the corporate sector's total financial debts to GDP has been declining. Over the period from end-2023 to October 2024, the total financial debt-to-GDP ratio decreased by 7 percentage points, while the Turkish lira debt-to-GDP and foreign currency debt-to-GDP ratios fell by 4.50 and 2.60 percentage points, respectively. The fall in the corporate sector's Turkish lira debt-to-GDP ratio was driven by the weakened credit demand due to rising Turkish lira financing costs as well as by the restrictions on Turkish lira loan growth. On the other hand, the relatively flat course of the foreign currency debt-to-GDP ratio was driven by the comparatively low foreign currency loan costs and the improving exchange rate expectations. The corporate sector's open FX position assumed an upward trend starting from the last quarter of 2023 due to the rise in foreign currency loans obtained by firms from domestic banks and the decline in foreign currency deposits at domestic banks. Firms' total domestic and external foreign currency loans decreased to USD 206 billion in September 2023 from USD 274 billion in 2018, before picking up again and reaching USD 252 billion as of October 2024. On the other hand, firm-based analyses indicate that firms' capacity to cover their foreign currency debt with export proceeds continues to improve despite the increase in foreign currency debt and the number of firms using foreign currency loans. In the upcoming period, corporate's open FX position is expected to follow a more moderate course with the contribution of measures addressing foreign currency loan growth. The six-month and 12-month cumulative external debt rollover ratios of corporate sector firms remained above 100%, indicating a sustained access to external financing.

Having remained elevated in the first quarter of 2024, loan growth was on a mild path for the rest of the year on the back of the tight monetary policy stance and supportive macroprudential policies. Annual Turkish lira loan growth decreased from 80% at the end of 2022 to 54% and 28.5% at end-2023 and end-2024, respectively. Turkish lira commercial loan growth dropped from 45.3% in 2023 to 20.8% in 2024 as a result of the policies implemented, coming down to levels supportive of disinflation. Meanwhile, the expected cost difference between Turkish lira and FX loans widened as exchange rate expectations improved, which played a role in the strengthened demand for FX loans and the increase in FX loan growth. To counterbalance this trend, the CBRT imposed a monthly growth limit of 2% on FX loans, and reduced this limit first to 1.50% in July and then to 1% as of January 2025. Thanks to strong liquidity positions of firms, the tightening in financial conditions had a limited impact on their credit risk. In 2024, selective credit policies continued to be used effectively to stabilize domestic demand and support exports, investments and production. In this scope, besides the FX loan growth limit, the monthly growth limit of 2% imposed on Turkish lira commercial loans was differentiated to be 2.50% for SME loans and 1.50% for other commercial loans as of January 2025.

The banking sector's asset quality outlook broadly remained strong, with the non-performing loan (NPL) ratio slightly increasing from 1.60% at end-2023 to 1.80% at end-2024. The increase in the NPL ratio in 2024 was largely driven by retail loans. Accordingly, a restructuring facility was introduced for non-performing personal credit card debt and general-purpose loans. During the same period, interest rates for personal credit cards started to be differentiated based on term debt. The aim of this interest-rate differentiation is to slow the accumulation of credit card debt, while the restructuring facility is intended to ease the cash flow of individuals with payment difficulties. The ratio of Stage 2 loans to gross loans rose to 8.10% in November 2024 from 7.60% at the end of 2023. As of November 2024, the provision ratios for Stage 2 loans and NPLs were 17.50% and 75.70%, respectively. Banks retain their policy of earmarking provisions at high ratios against possible loan losses.

The banking sector maintained its adequate liquidity buffers in 2024. Liquidity coverage ratios (LCRs), a major risk indicator for the liquidity outlook, continued to hover well above the regulatory limits¹. Total and FX LCRs stood at 167% and 224%, respectively, at the end of 2024. Improved expectations and the accompanying decline in the risk premium led to a decrease in costs in 2024, and banks obtained net USD 29.60 billion worth of external financing in the first 11 months of 2024. Against this background, banks' external debt rollover ratio stood at 115%.

Excess Turkish lira liquidity in the system increased due to depositors' deposit preferences over the year, the CBRT's FX transactions and movements in the Treasury account. The management of this excess Turkish lira liquidity was carried out effectively through reserve requirements, deposit auctions, and the CBRT's additional measures. In order to strengthen the monetary transmission mechanism, increase the share of Turkish lira deposits, and support the transition from FX-protected deposits (KKM) to Turkish lira deposits, the reserve requirements that eligible banks maintained for their Turkish lira deposit and KKM accounts started to be remunerated in 2024. Starting from the second quarter of the year, depositors' preference for Turkish lira deposits was further reinforced while the downward course in foreign currency deposit and KKM accounts remained strong. To contribute to the sterilization of excess Turkish lira liquidity in the system accumulated due to depositors' transition from FX deposits to Turkish lira deposits, reserve requirement ratios for Turkish lira deposit and KKM accounts were raised in May. To support the monetary transmission mechanism and the TRY deposit share in the system, the CBRT increased the upper limit for the remuneration of required reserves maintained for TRY deposits in August. In September, reserve requirement ratios for Turkish lira deposits were raised whereas the ratios for TRY-denominated required reserves maintained for foreign currency deposits were reduced. In November, reserve requirement ratios for short-term Turkish lira deposits were increased, and the ratios for TRY-denominated required reserves that should be maintained for foreign currency deposits were lowered. In December, the maximum interest rate applicable to KKM accounts was reduced, while the remuneration of reserve requirements maintained for these accounts was terminated. Turkish lira deposits increased by approximately TRY 4.9 trillion in 2024, whereas KKM accounts decreased by around TRY 1.5 trillion. During the same period, foreign currency deposits declined by USD 15 billion in nominal terms. Thus, the share of TRY deposits in total deposits reached 59%, while that of KKM and foreign currency deposits fell below 6% and to 35%, respectively.

The banking sector's return on equity declined to 27.5% by November 2024 from 35.5% at end-2023. Interest rate hikes in the first quarter of 2024 as well as the subsequent tight stance and macroprudential policy framework curbed the net interest margin, while fees, commissions and revenues from banking activities as well as the remuneration of required reserves bolstered the sector's profitability in 2024.

The banking sector's strong capital adequacy outlook was maintained, and the capital adequacy ratio remained above the regulatory threshold, standing at 18.30% as of November 2024. Internal capital generation and subordinated borrowing supported regulatory capital. Amid the improvement in external financing conditions and the growing foreign investor interest, banks turned again to subordinated debt instruments that could be included in additional principal capital or secondary capital in 2024. On the other hand, credit risk weights, which are applied more prudently in Türkiye, were lowered to Basel standards in the last quarter of the year, supporting capital adequacy.

¹ Statutory minimums are 100% for total LCR and 80% for FX LCR.

2.4.2 Financial Stability Activities in the International Area

The CBRT continued to take part in the studies, meetings and surveys of international financial platforms that endeavor to strengthen financial systems and enhance the stability of international finance markets. In 2024, meetings were held in physical, hybrid, and virtual formats.

The Financial Stability Board (FSB), of which the CBRT has been a member since 2009, supports global financial stability by coordinating the work of national financial authorities and international standard-setting bodies that put effort into developing effective policies regarding the financial sector. The CBRT participated at a senior level in the meetings of the Plenary and Standing Committees of the FSB. The CBRT also contributed to the work and attended the meetings of the FSB's technical working groups as a member.

Meetings of the FSB's Regional Consultative Group for Middle East and North Africa (MENA), one of its six regional consultative groups established in 2011 to expand the FSB's activities over non-member jurisdictions, took place on February 6 and November 6, 2024. The CBRT was represented at the Deputy Governor level in these meetings. Vulnerabilities of the MENA region, lessons learnt from the banking crisis in 2023, impact of artificial intelligence on the financial system, and cyber risks were the main topics discussed in the meetings.

Another international financial platform, of which the CBRT has been a member since 2009, is the Basel Committee on Banking Supervision (BCBS). The BCBS is entrusted with the task of setting global standards for prudential regulation of banks, and also serves as a forum for continued cooperation in banking supervision. Represented at a senior level at the meetings of the BCBS, the CBRT also participated in and contributed to various working groups at the technical level.

The main agenda items of international financial institutions in 2024 were: supporting global cooperation for financial stability, promoting full implementation of effective resolutions for financial institutions, increasing the resilience of non-bank financial intermediation, enhancing cross-border payments, monitoring the effects of digital innovations (developments in crypto asset markets, digital securitization, and artificial intelligence) on financial stability, enhancing cyber and operational resilience, analyzing climate-related financial risks, monitoring existing standards, and the implementation of Basel III in member jurisdictions. The CBRT actively cooperated with relevant authorities in Türkiye to maximize the contribution to these efforts.

In Türkiye, potential risk factors for financial stability are discussed in various platforms, particularly the Economy Coordination Board (EKK) and the Financial Stability Committee (FSC) and the necessary measures are implemented promptly. Accordingly, in collaboration and coordination with relevant authorities, the CBRT continues its studies including regulatory recommendations and impact analyses. In 2024, the CBRT also provided secretarial services for the Systemic Risk Monitoring Working Group under the FSC, and took an active role in work geared towards the early identification of systemic risks.

2.4.3 Activities in Participation Finance

The Participation Finance Division functioning under the Banking and Financial Institutions Department aims to coordinate work regarding participation finance, contribute to related legal studies and conduct analyses of the sector's risks. The division continued its operations in close communication and cooperation with domestic and international stakeholders, within its remit specified by the CBRT legislation.

In 2024, the CBRT's relevant units took part in studies carried out in response to participation banks' requests and emerging regulatory needs. Participation Finance Division contributed to studies for the adaptation of regulatory amendments regarding reserve requirements and remuneration to cover participation banking and participation finance principles. The CBRT also participated in the meetings of the Implementation and Monitoring Groups for Institutional Transformation and Supportive Mechanisms Action Plan established to achieve the strategic objectives and targets in the Participation Finance Strategy Document published by the Presidential Circular in 2022. Additionally, the CBRT contributed to the studies conducted by the Participation Finance Legislation Working Group coordinated by the Republic of Türkiye Ministry of Treasury and Finance, as well as to the drafts of the participation finance law.

Keeping a close track of international developments and meetings organized by international organizations of which the CBRT is a shareholder or member, the CBRT contributed to regulatory and reporting activities, and made recommendations. Accordingly, throughout the year, the CBRT participated at various levels in the meetings of the International Islamic Liquidity Management Corporation's (IILM's) Governing Board, the Board Executive Committee, the Board Risk Management Committee, and the Board Audit Committee, which are the managerial and administrative organs. In addition, as a full member of the Islamic Financial Services Board (IFSB), the CBRT actively participated in the meetings of the Council, the highest decision-making body of the IFSB, as well as the Technical Committee meetings and meetings of other working subgroups throughout the year, and expressed its views on the issues discussed.

Chaired by Governor Fatih Karahan, Ph.D., the CBRT hosted meetings attended by the general managers of participation banks and the General Secretary of the Participation Banks Association of Türkiye (TKBB) in August and December, 2024. At these meetings, participation banks' sector-related requests and evaluations were discussed in light of the CBRT's monetary policy and macroprudential policy framework. On the other hand, a workshop was organized for digital banks established based on the Regulation on the Operating Principles of Digital Banks and Banking as a Service Model. The workshop was attended by representatives from the CBRT, the Banks Association of Türkiye (BAT) and the TKBB as well as by digital bank managers, and focused on discussions of digital banking practices and the sector's requests shaped by their needs and expectations.

In line with its objective to enhance bilateral relations, the CBRT responded to training requests from abroad in the field of participation finance. Accordingly, the CBRT delivered a number of presentations on the legal and regulatory framework of participation banking, fundamental agreement types used, and the participation finance liquidity facilities, addressing the central banks of Uzbekistan, Tajikistan, Kyrgyzstan, and Afghanistan as well as the Banking and Finance Academy of the Republic of Uzbekistan (BFA). To share its experience with and provide guidance to the central banks that were preparing for regulation in the field of participation finance, the CBRT briefed and exchanged views on the definitions used in the participation finance sector in Türkiye, product names and practices, standards of related international bodies such as the IFSB in particular, and the special regulatory perspective for participation banks.

2.5 Financial Infrastructure

2.5.1 CBRT Payment Systems Statistics

The payment systems developed and operated by the CBRT are the Electronic Funds Transfer System (EFT), the Retail Payment System (RPS), the Electronic Securities Transfer System (ESTS) and the Auction System, along with an instant payment system called the Instant and Continuous Transfer of Funds System (FAST).

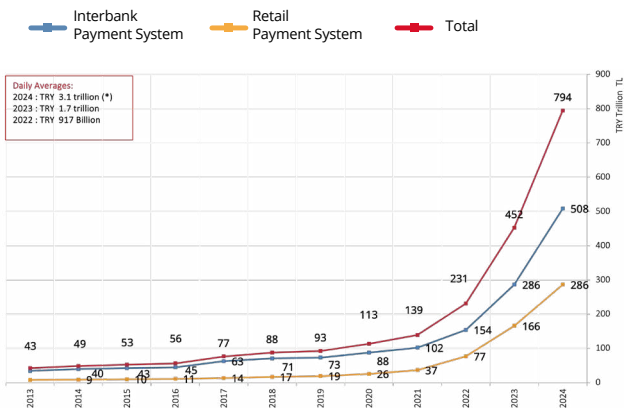
The total value of transactions conducted on the EFT System and delivery versus payment transactions conducted via the EFT and ESTS, where funds and securities are transferred simultaneously, was TRY 508.14 trillion in 2024. In 2024, the daily average transaction value on the EFT System was TRY 2.03 trillion. On the EFT System, 2.9 million transactions were conducted in 2024 and an average of 11.6 thousand messages were processed daily. The amount of transactions settled through the EFT System was approximately 78% higher in 2024 compared to the previous year (Chart 2.5.1.1).

The total value of messages processed via the RPS in 2024 was TRY 286.2 trillion. The daily average value of transactions was TRY 1.14 trillion. In 2024, 602.5 million transactions were conducted via the system and the daily average number of messages processed was 2.4 million. The number of settlements carried out via the RPS in 2024 declined by approximately 22.4% compared to 2023 (Chart 2.5.1.2). This decline can be attributed to the activation of the FAST System on January 8, 2021, followed by a gradual increase in the transaction amount limit, which led to a shift in retail payments from the RPS to the FAST System.

The daily average number of messages processed in the Auction System was 806.

The number of participants on the CBRT's Payment Systems was 64 by the end of 2024.

Chart 2.5.1.1: Total Value of Payments Processed Through CBRT Payment Systems (TRY Trillion)

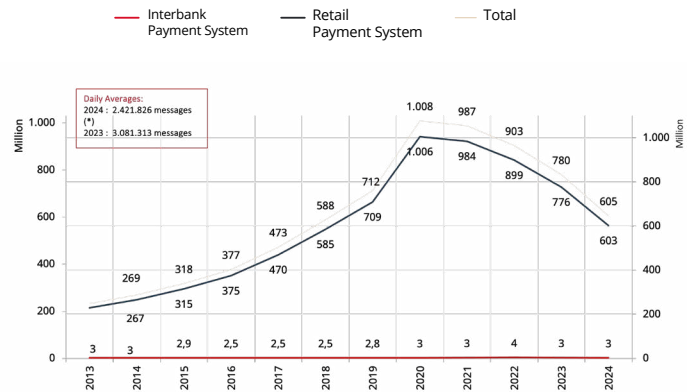


(*) TRY 2 trillion via the Interbank Payment System and TRY 1.1 trillion via the Retail Payment System.

Source: CBRT

Last Observation: Dec. 31, 2024

Chart 2.5.1.2: Total Number of Messages Processed Through CBRT Payment Systems (Million)



(*) 11.612 messages via the Interbank Payment System and 2.410.213 messages via the Retail Payment System.

Source: CBRT

Last Observation: Dec. 31, 2024

2.5.2 The Instant and Continuous Transfer of Funds (FAST) System and Statistics of Use

The FAST instant payment system was developed by the CBRT and put into effect on January 8, 2021. The FAST System is one of the major endeavors of the CBRT to modernize Türkiye's payment systems infrastructure to support innovative business solutions. With the FAST System, which operates 24/7, end-to-end transfers of retail payments are completed within seconds, and the end users are instantly notified.

The FAST transaction amount limit was gradually raised to TRY 100,000 as of April 4, 2024 while the limit for merchant payments using dynamic QR codes was increased to TRY 250,000.

The Easy Addressing System (KOLAS) allows money transfers on the FAST System using telephone numbers, ID numbers, e-mail addresses, passport numbers or tax numbers, removing the need to use the International Bank Account Number (IBAN). The number of individual customers of the KOLAS System was 24.7 million as of December 31, 2024.

The FAST System also allows person-to-person money transfers and merchant payments through the TR QR Code created in accordance with the standards, without necessitating IBAN information.

Thanks to the Security Overlay Service (SIPER), information about the risk of an illegal transaction can be shared between the initiating institution and the receiving institution in all fund transactions, including FAST.

The Request-to-Pay Overlay Service, which allows the payee to request a payment from the payer, was developed and launched in January 2024.

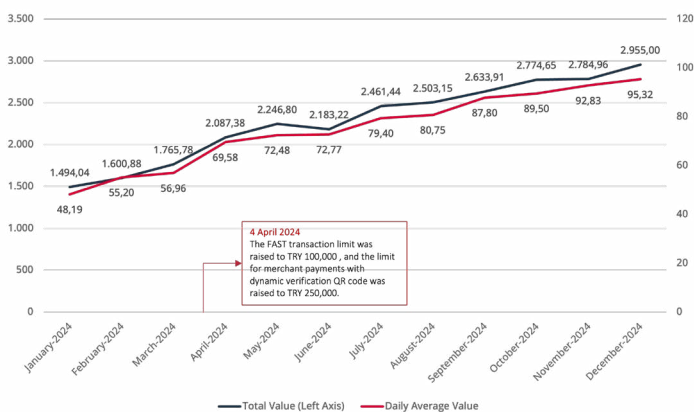
The FAST Escrow Overlay Service, which can also be used in a wide range of business models – buying and selling used cars in particular, was launched on May 31, 2024 with a transaction amount limit of TRY 2 million.

All overlay services are important steps that contribute to the smooth, fast and reliable execution of payments and money transfers anytime, anywhere.

In 2024, the total value of messages processed on the FAST System was TRY 27.49 trillion, corresponding to TRY 75.11 billion per day on average. In 2024, the number of transactions conducted via the system was 4.6 billion while the daily average number of messages processed was 12.6 million. The highest daily transaction volume for 2024 was recorded on November 15, with 25 million transactions (Chart 2.5.2.2).

The System had 42 participants as of December 31, 2024.

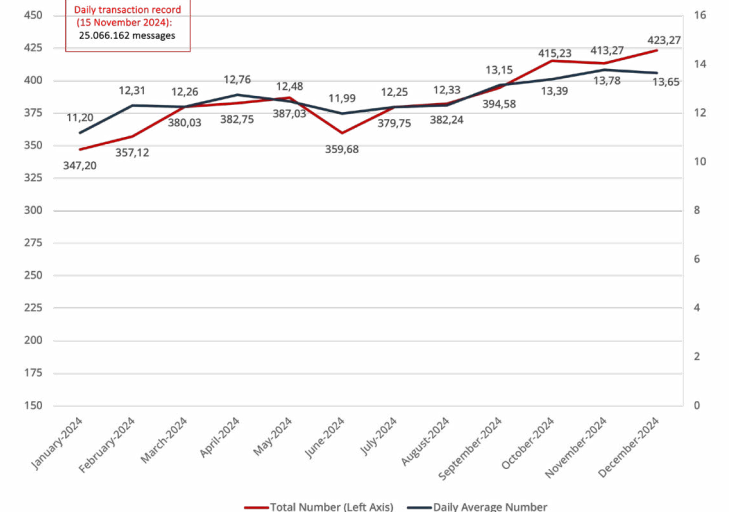
Chart 2.5.2.1: Value of Payments Processed on the FAST System (TRY Billion)



Source: CBRT

Last Observation: Dec. 31, 2024

Chart 2.5.2.2: Number of Messages Processed on the FAST System (Million)



Source: CBRT

Last Observation: Dec. 31, 2024

2.5.3. Regulations Introduced Pursuant to the Law No. 6493

Publication of the Communiqué on Redetermination of Minimum Own Funds Amounts for Payment and Electronic Money Institutions

The first paragraph of Article 33 bearing the title “Minimum own funds liability and professional indemnity insurance” of the Payment Services Regulation states that the amounts of minimum own funds shall be re-evaluated by the CBRT in January every year, taking into account the annual changes in the price indices published by TURKSTAT.

In this context, as per the “Communiqué on Redetermination of Minimum Own Funds Amounts for Payment and Electronic Money Institutions” published in the Official Gazette No. 32442 dated January 27, 2024, the minimum own funds amounts for payment institutions that exclusively intermediate invoice payments, payment institutions other than those that exclusively provide account information services, and electronic money institutions were set at TRY 10 million, TRY 20 million and TRY 55 million, respectively, effective from June 30, 2024.

Work on the Implementation of the TR QR Code Regulation

The CBRT monitored the payment service providers’ process of building the technical infrastructure for TR QR Code transactions pursuant to the Regulation on the Generation and Use of TR QR Code in Payment Services, and carried out studies in coordination with related stakeholders, the BKM in particular, to spread the use of TR QR Code in payments. As a result of the technical development and expansion work, it has become possible to make card payments with a TR QR Code at 90% of the existing POS machines and to withdraw money with a TR QR Code from almost all ATMs in Türkiye. Meanwhile, the ratio of POS machines allowing for payments with a FAST TR QR Code has reached 19%, which is expected to increase further once the payment service providers activate FAST TR QR Code payments at merchants. To help expand this facility, the following provision of paragraph 4, Article 4 of the Regulation on Payment Services, Electronic Money Issuance, and Payment Service Providers was made applicable to merchant payments with FAST TR QR Code:

“...If the Bank concludes that it is essential to the improvement of the payments area, the condition of receiving the approval and demand of the client for the provision of additional payment services determined by the Bank shall not be sought, provided that there is an existing framework agreement for another payment service between the client and their payment service provider. Before starting to provide the additional payment service in this scope, the client shall be duly informed as per paragraphs 1 and 2 of Article 44, and the additional payment service shall not be provided if the client expresses that they do not want to receive such service.”

Accordingly, the BAT, the TKBB, the Payment and Electronic Money Institutions Association of Türkiye (TÖDEB), and the Turkish Postal and Telegraph Corporation (PTT) were informed with a written notification dated May 2, 2024 that it is expected to swiftly expand the practice of merchant payments with FAST TR QR Codes, technical development of which was completed by FAST System participants, pursuant to the related provision.

In addition, the inspections made as part of the studies to expand the use of TR QR code revealed a significant number of shortcomings in building the necessary infrastructure for TR QR code payments at merchants, particularly in business affairs concerning virtual POS services offered by payment service providers to merchants for the acceptance of payment cards, as compared to physical business places. Therefore, the BAT, the TKBB, the TÖDEB and the PTT were sent a written notification on May 9, 2024 stating that ensuring urgent compliance with the TR QR Code Regulation is expected in all kinds of payment services provided by payment service providers, particularly in virtual POS services they provide to merchants for the acceptance of payment cards.

Directive on the Corporate Management of Payment and Electronic Money Institutions

Payment and electronic money institutions were sent a directive on October 4, 2024 stipulating that these institutions create a “Corporate Management” link on the main pages of their websites; add tabs under this link to share information such as the photo CVs of Executive Committee members, General Managers, Deputy General Managers, and managers of Risk Management and Internal Control units, the company’s shareholding structure showing the shareholders, amount of paid-in capital, trade name, address and contact information as well as independent audit reports on annual financial statements and annual reports dating back to 2020; and ensure that these links and tabs are easily accessible, comprehensible, accurate and updated.

Directive on the Update of Quarterly, Semi-Annual and Annual Notification Forms As Part of the New Form Package

With a directive dated September 5, 2024, the content and report notification dates of forms on various subjects were updated upon completion of the CBRT’s studies to update the form package on data oversight composed of 12 forms reported to the CBRT by the institutions.

Amendment of the Payment Services Regulation as well as the Communiqué on Information Systems of Payment and Electronic Money Institutions and Data Sharing Services of Payment Service Providers in the Field of Payment Services

Pursuant to sentence three, paragraph nine, Provisional Article 1 of the Regulation on Payment Services, Electronic Money Issuance, and Payment Service Providers (Payment Services Regulation) and sentence three, paragraph two, Provisional Article 1 of the Communiqué on Information Systems of Payment and Electronic Money Institutions and Data Sharing Services of Payment Service Providers in the Field of Payment Services (Payment Services Communiqué), amendments were made to extend the deadline for the obligations to be fulfilled by “all other payment service providers” with a payment account as per paragraph five, Article 59 of the Payment Services Regulation and paragraph one, Article 24 of the Payment Services Communiqué to March 31, 2025, and to extend the compliance dates specified in digital wallet services-related paragraph 19, Provisional Article 1 of the Payment Services Regulation to April 7, 2025. Accordingly, the relevant amendments in the Payment Services Regulation and Payment Services Communiqué took effect upon their publication on the Official Gazette No. 32676 dated September 28, 2024.

Work on the Open Banking Gateway (GEÇİT) Infrastructure of Data Sharing Services in the Field of Payments (DSSP)

The first paragraph of Article 12 of the Law No. 6493 was amended on November 12, 2019 to include the payment initiation service (subparagraph f) and the service of presenting consolidated information regarding the payment account on online platforms (subparagraph g), so that these services, also called Data Sharing Services in the Field of Payments (DSSP), were defined as payment services within the scope of the Law.

Meanwhile, in view of the conditions and needs of our country, a technical service provider-oriented application architecture was designed to enable fast integration of stakeholders as well as an efficient and effective experience of data sharing in the field of payment services. Accordingly, the BKM API (Application Programming Interface) Gateway (GEÇİT), developed by the BKM with entirely domestic human and technical resources, was assigned as a common DSSP infrastructure with the BKM as the technical service provider. The GEÇİT was made operational on December 1, 2022, and banks that successfully completed their tests and technical certifications started to serve as Account Servicing Payment Service Providers (ASPSPs) through the ‘GEÇİT’². A total of 25 payment service providers, composed of 24 banks and one electronic money institution, have completed their technical certifications, and now serve as ASPSPs through the GEÇİT. In addition to their ASPSP role, banks can also integrate with the system as Authorized Third Party Payment Service Providers (TPPs) if they want, pursuant to first paragraph of Article 13 of the Law No. 6493. On the other hand, unlike other payment service providers, banks do not have to get an operating license from the CBRT as they are subject to the Banking Law No. 5411. Currently, 19 banks serve as TPPs.

If the existing payment and electronic money institutions want to serve as TPPs, they should get a license for expansion of activities in addition to the technical certification of the BKM pursuant to subparagraphs (f) and (g), paragraph one of Article 12 of the Law No. 6493, while other institutions (that are not payment institutions) should get an operating license. Accordingly, eight non-bank payment service providers successfully completed their technical certification and license procedures, and have integrated with the GEÇİT infrastructure as TPPs. Including the banks that have become TPPs, the number of TPPs has reached 27. On the other hand, procedures for some institutions to become TPPs continue. Participants in the production environment (ASPSPs and TPPs) and participants that completed the BKM Technical Certification processes are listed on the website built for the DSSP³.

To ensure safe completion of regulatory compliance studies by payment service providers as well as smooth conclusion of the related technical and operational work, and in view of the sector’s demands, the transition period deadline was postponed to March 31, 2025 for payment service providers holding a payment account and offering direct online access to their customers, based on the latest amendments to the secondary regulations published in the Official Gazette No. 32676 dated September 28, 2024. On the other hand, the transition period deadline was kept unchanged as December 31, 2025 for payment service providers that do not offer direct online access to their customers for the payment accounts they hold.

Different from the first version 1.0.2, the currently operational 1.1.0 version of the DSSP API Standard includes the Adding a Credit Card to the Digital Wallet, the Event Reporting Services, and Decoupled Strong Customer Authentication flows. In addition to the improvements in the existing functions, studies continue for Future-Dated Payments, Recurring Payments, Card Info and Movements, and inclusion of ATMs in the Standard as a transaction channel. These new features will become operational with the launch of the 2.0.0 version.

² <https://www.tcmb.gov.tr/wps/wcm/connect/TR/TCMB+TR/Main+Menu/Duyurular/Basin/2022/DUY2022-48>

³ <https://bkm.com.tr/urunler-ve-hizmetler/odeme-hizmetleri-veri-paylasim-servisleri/> (in Turkish)

2.5.4 Licenses Regarding the Activities of Payment and Securities Settlement Systems

Number of Payment and Securities Settlement Systems Operating in Türkiye

As of December 31, 2024, there were eight payment systems and four securities settlement systems operating in Türkiye pursuant to the Law No. 6493.

2.5.5. Licenses Regarding the Activities of Payment and Electronic Money Institutions

Operating License

- Operating license applications of eight companies were approved and published in the Official Gazette.

Expansion of Activities

- Seven institutions' applications for expansion of activities were approved and published in the Official Gazette.

Transfer of Share

- Applications from five institutions for transfer of shares were approved.

Suspension of Operating License

- One institution's operating license was suspended.

Revocation of Operating License

- One institution's operating license was revoked.

Rescission of the Decision to Revoke an Operating License

- The decision to revoke the operating license of one institution was rescinded.

Rescission of the Decision to Revoke an Operating License

- The decision to revoke the operating license of one institution was rescinded.

External Service Providers That Were Granted Eligibility to Provide Community Cloud Service

As per paragraph seven, Article 16 of the Communiqué on Information Systems of Payment and Electronic Money Institutions and Data Sharing Services of Payment Service Providers in the Field of Payment Services, one external service provider was granted eligibility to provide community cloud service to payment and electronic money institutions. Thus, the number of eligible external service providers totaled seven.

In 2024, 20 more institutions started receiving community cloud service from eligible external service providers.

Number of Payment and Electronic Money Institutions Operating in Türkiye

As of December 31, 2024, there were 26 payment institutions and 63 electronic money institutions operating in Türkiye pursuant to the Law No. 6493.

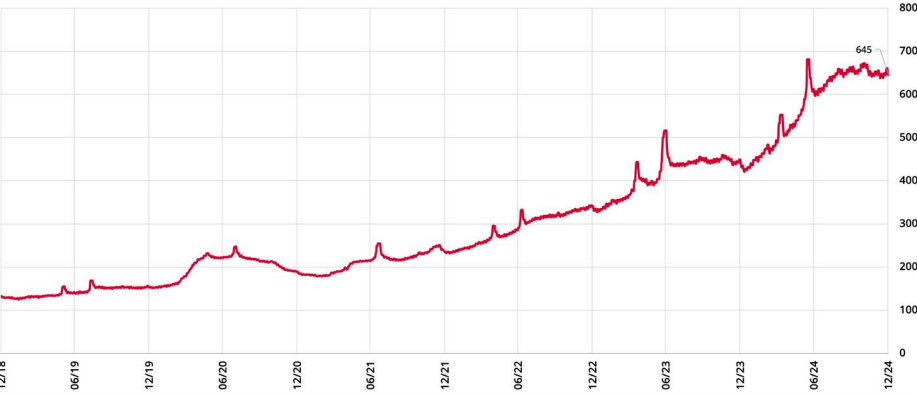
2.5.6 Administrative Sanctions Imposed on Payment and Electronic Money Institutions

Following the oversight and supervision activities carried out at institutions in 2024 , 55 institutions were charged with administrative fines amounting to TRY 160.3 million in total and 16 institutions received a warning pursuant to Article 27 of the Law No. 6493 titled "Violation of regulations and decisions".

2.6 Banknotes in Circulation

The value of banknotes in circulation, which was TRY 449 billion at the start of 2024, reached its historical peak at TRY 681 billion in June on the back of a gradual upward trend, and completed the year at TRY 645 billion (Chart 2.6.1)

Chart 2.6.1: Banknotes in Circulation (TRY Billion)

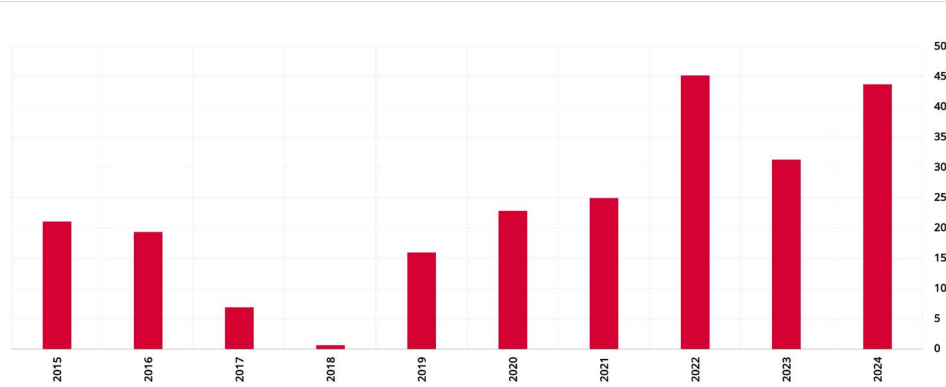


Source: CBRT

Last Observation: 31 December 2024

By the end of 2024, the value and number of banknotes in circulation had increased by 44% and 23%, respectively. Over the last decade, the year-end value of banknotes in circulation in Türkiye has increased by an average 23% and the number of banknotes in circulation by an average 14% on an annual basis (Chart 2.6.2).

Chart 2.6.2: Annual Change in Banknotes in Circulation (%)



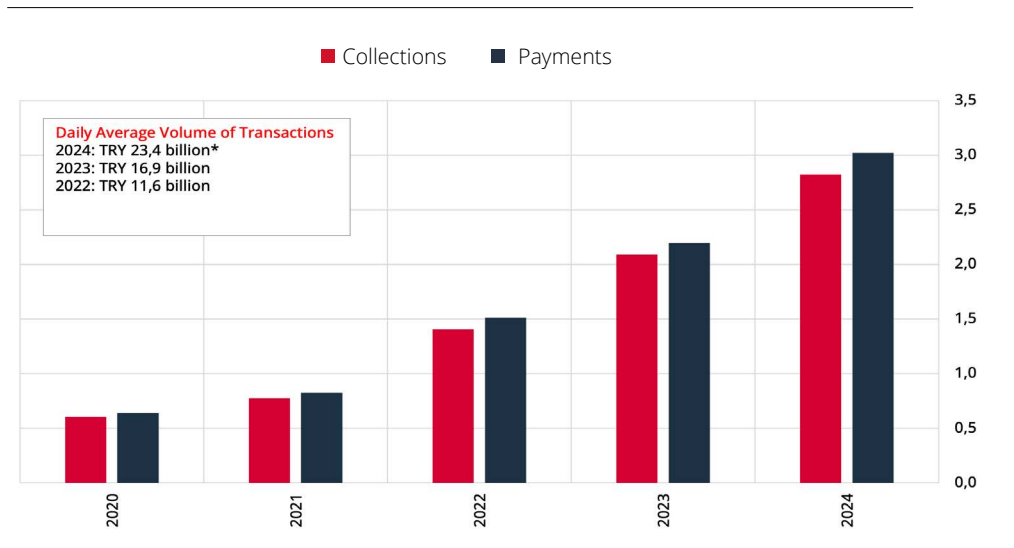
Source: CBRT

Last Observation: 2024

As of December 31, 2024, the number of banknotes in circulation was 5.1 billion. At the end of 2024, the two denominations with the highest number of banknotes in circulation were TRY 200 and TRY 100 banknotes, respectively, which together made up 68.9% of all the notes in circulation. As measured by value, the two denominations commanding the biggest shares of the total were also TRY 200 (81.3%) and TRY 100 (14.3%) banknotes.

In 2024, via the CBRT's 21 branches, 16 banknote depots, and one cash center as well as 45 Decentralized Cash Management (MONY) depots responsible for banknote custody and processing on behalf of the CBRT, a total of TRY 5.8 trillion worth of transactions were conducted, TRY 2.8 trillion of which were collections and TRY 3 trillion were payments (Chart 2.6.3).

Chart 2.6.3: Total Volume of Transactions by CBRT Units (TRY Trillion)



Source: CBRT

Last Observation: 2024

* Daily volume of collections and payments averaged TRY 11.3 billion and TRY 12.1 billion, respectively.

In this period, on a nationwide basis, branches with the largest shares in the total cash transaction volume were the Istanbul Branch (37.6%), the Ankara Branch (12.2%), and the Izmir Branch (8.5%).

The CBRT has banknote depots in 16 of Türkiye's provinces where it does not have branches, serving to improve the physical quality of banknotes in circulation and meet the cash need of the market through different denominations of banknotes in a timely manner. Through these depots, TRY 325.2 billion worth of collections and TRY 371.6 billion worth of payments were made in 2024. In other words, 11.9% of the CBRT's total cash transaction volume was performed via these depots.

Additionally, seven new MONY depots – four in Istanbul and one in Izmir, Bursa and Adana each – started operating in 2024. Thus, the total number of MONY depots reached 45 by the end of 2024. The share of transactions by MONY depots within the total transactions in the related provinces was 48.2% in Istanbul, 31.8% in Ankara, 28.7% in Izmir, 14.8% in Bursa, 7.1% in Adana, and 6.8% in Izmit. Efforts are in progress to open MONY depots in other provinces with high cash transaction volume.

Lastly, including the new Consignment Coin Depot (CCDs) opened in Denizli in 2024 as per the protocol signed between the PTT and the CBRT to enhance the efficiency of coin cash management, a total of 14 CCDs in 12 provinces continued their operations. In 2024, 75.2% of the country-wide coin transactions amounting to TRY 1.4 billion was made by these CCDs.

2.7 International Reserves and Risk Management

The CBRT holds international reserves in support of a range of objectives that include assisting the government in FX-denominated domestic and foreign debt servicing, maintaining adequate FX liquidity against external shocks, supporting monetary and exchange rate policy implementation, and enhancing market confidence. The CBRT's reserve management practices are governed by the CBRT Law No. 1211. Pursuant to this law, international reserves are managed by the CBRT in consideration of the three priorities as investment safety, liquidity, and return respectively. Accordingly, the objective of management of international reserves is to generate returns under the constraints of protecting capital and providing the necessary liquidity, with the ultimate aim being the prudent management of reserves as the country's national wealth.

The CBRT's institutional decision-making framework for reserve management has a three-tier hierarchical structure. Firstly, in line with the duties and powers entrusted by the CBRT Law No. 1211, the Board, as the Bank's top decision-making authority, sets the general investment criteria for reserve management by approving the Guidelines for Foreign Exchange Reserve Management and the Guidelines for Gold Reserve Management (the Guidelines). The decisions made by the Executive Committee or the Governor, who are assigned by the Board to take the decisions regarding the implementation, in line with the Guidelines constitute the second tier of the institutional decision-making. At this point, a benchmark portfolio that reflects the CBRT's investment strategy and general risk tolerance for the relevant year is determined upon the approval of the Executive Committee. The third and final tier of the institutional decision-making process is the implementation of reserve management practices within the preferences and constraints specified by the Guidelines and the benchmark portfolio. In line with the best practices, reserve management activities are carried out within an organizational structure based on segregation of duties. Accordingly, reserve management activities are carried out by the Reserve Management Division of the Markets Department, while related risk management activities are carried out by the Corporate Risk Management Division of the same department.

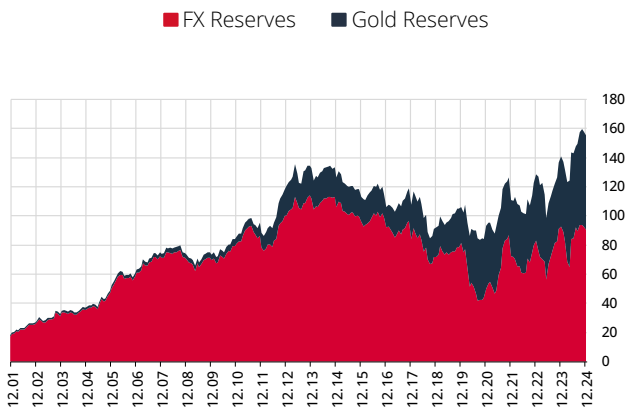
Subject to the objectives, constraints and limits set by the Guidelines and the benchmark portfolio, transactions that can be conducted are listed as: FX buying-selling transactions in international markets, FX deposit transactions, securities buying-selling transactions, repo and reverse repo transactions, securities lending transactions, and derivatives transactions. Regarding the management of the CBRT's gold reserves of international standard, outright purchase and sale of gold, gold deposit transactions, gold currency swaps, location swaps and physical gold transfer transactions can be carried out.

Management of risks that the CBRT may be exposed to during the conduct of its reserve management operations begins with the determination of the benchmark portfolio. Reflecting the CBRT's preferences for strategic asset allocation, the benchmark portfolio consists of target currency composition, target duration and limits of deviation from these targets, maximum permissible transaction limits, and the investment universe representing the eligible transaction types as well as the countries and instruments to invest in. Accordingly, once the currencies to invest in, and the instruments and maturities to be employed in reserve management are set, the expected return and the financial risks involved are identified to a large extent.

In 2024, global economies and financial markets were mainly driven by the rate cut paths of major central banks, expectations regarding the rate cut process and developments regarding elections in advanced economies. Throughout 2024, financial markets responded sensitively to inflation and economic activity data in line with central banks' data-driven rate cut path communication. Meanwhile, in the post-June period, elections in the US and major European countries played a role in the direction of asset prices. In summer months, yield spreads in European countries such as France and Belgium increased significantly, while US bond yields continued to rise after the US elections. Moreover, the Bank of Japan's rate hike after a period of negative interest rate policy since 2016 had an impact on the risk appetite in global markets in the summer. In 2024, global growth prospects improved gradually after interest rate cuts by central banks, and the US dollar appreciated against other currencies in the last months of the year due to the positive divergence of the US economy from other advanced economies and expectations regarding post-election policies. Amid the weak domestic demand outlook and the persisting sluggishness in production, China stepped up its fiscal and monetary policy actions, and Chinese bond yields saw a decline. Gold, on the other hand, performed strongly due to the rate cuts delivered by major central banks and rising geopolitical risks. The year 2024 was marked by elevated economic uncertainty and financial volatility due to central bank policies, geopolitical developments, elections in major countries and their consequences for economic policies.

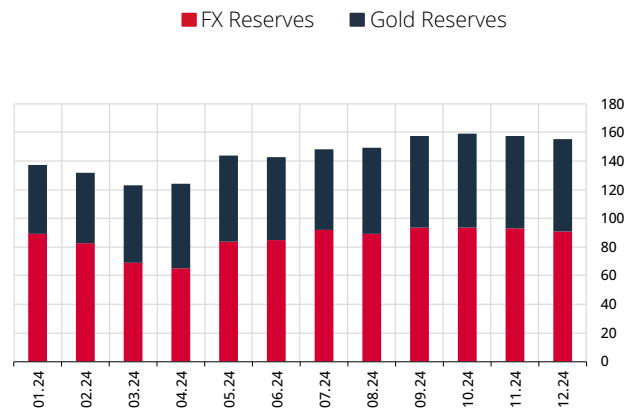
These developments also affected the CBRT's reserve management strategies in 2024. In this period of elevated global economic and financial risks, the CBRT continued to carry out its reserve management in line with monetary policy objectives and practices, prioritizing safe investment, liquidity and return, respectively. In 2024, the Bank maintained its strategy to strengthen reserves as long as market conditions permitted and it did not conflict with the inflation target. The monetary tightening and the simplification steps in the macroprudential framework also underpinned the increase in reserves. The CBRT's international reserves increased by USD 14.1 billion from the previous year to USD 155.1 billion as of December 31, 2024. Of this total, foreign currency reserves accounted for USD 90.8 billion and gold reserves for the remaining USD 64.4 billion. Making up 41.5% of total international reserves, the CBRT's gold reserves of international standard amounted to 766.7 tons as of December 31, 2024 (Charts 2.7.1 and 2.7.2).

Chart 2.7.1: CBRT's FX and Gold Reserves between 2001-2024 (USD Billion)



Source: CBRT Last Observation: December 31, 2024

Chart 2.7.2: CBRT's FX and Gold Reserves in 2024 (USD Billion)



Source: CBRT Last Observation: December 31, 2024

2.8 Corporate Risk Management

Financial risks that the CBRT may be exposed to due to its operations are composed of credit, market and liquidity risks, and are managed in coordination with business units. A significant portion of the financial risks that the CBRT is exposed to due to its operations emerges in the course of fulfilling legal duties such as implementing monetary and exchange rate policies, managing foreign exchange reserves, and providing certain banking services to the banking sector and the government. Financial risks, which the CBRT is exposed to while implementing monetary and exchange rate policies, are a consequence of the policy objectives the Bank pursues in its capacity as the monetary authority. On the other hand, financial risks related to the FX reserve management result from investment preferences. Meanwhile, the CBRT manages its reserves conservatively in view of the priorities defined by the CBRT Law No. 1211.

The credit risk that the CBRT is exposed to originates mainly from investment transactions conducted under reserve management, and open market operations (OMO), Interbank Money Market (IMM) transactions and intraday liquidity transactions conducted to provide short-term liquidity to banks as part of monetary policy practices, as well as from transactions related to the implementation of exchange rate policy. The CBRT's credit risk arising from monetary and exchange rate policy-related transactions is managed by collateralizing the whole amount of transactions, including a specified amount of margin, with balances held in the related accounts and securities of very high credit worthiness that can also be traded on secondary markets, as well as by asking for additional collateral when needed. Moreover, for some transactions, the payment-after-collection method is adopted and thus, the credit risk exposure is largely minimized.

Management of the credit risk exposed to during the management of international reserves has a three-tier structure. Firstly, investment transactions are limited to prominent international financial institutions and borrowers with high credit quality that meet the credit rating requirements set by regulations. Secondly, with a view to controlling all credit risks arising from the transactions, the total credit risk limits that can be allocated to the institutions with which transactions are made are confined to a certain proportion of the manageable reserve. Finally, credit risk limits are allocated to each selected institution using basic and financial analysis methods. Accordingly, compliance with the defined limits and constraints was monitored and reported to the senior management.

In management of reserves, market risk can be encountered due to exchange rate, interest rate and price fluctuations in international markets. Meanwhile, liquidity risk stems from the probability of incurring loss when meeting sudden and unpredictable FX liquidity needs. Accordingly, to manage these risks, compliance with the limits set by the model portfolio was monitored and reported to the senior management.

Under the operational risk management, operational risk factors of processes at the CBRT are assessed and reported in collaboration with business units. Meanwhile, operational risk incidents during the implementation of processes are registered in incident record reports. Accordingly, operational risk assessments were made through the monitoring of corrective and preventive action plans for the risks reported by units in incident records. On the other hand, to ensure business continuity, studies were carried out to define the processes of business units that are critical for business continuity and to establish emergency centers.

Lastly, to align with national and international standards and legal regulations regarding the prevention of laundering proceeds of crime and financing of terrorism, the CBRT carried out risk management and compliance activities.

2.9 Green Economy and Climate Change

Within its mandate, the CBRT contributes to Türkiye's "Green Development Vision" and "2053 Net Zero Emission Target". Working in coordination with the relevant institutions, the CBRT continued to contribute to the studies on the national climate agenda such as national taxonomy, carbon pricing, long-term climate strategy and compilation of green deal financing opportunities.

As part of international efforts, the CBRT participated in the meetings and studies of the Network for Greening the Financial System (NGFS), and examined the roles and policies of central banks in the fight against climate change. Under technical co-operation, meetings were held with the Central Bank of Bangladesh and The Banque de France to exchange experience and information on relevant issues. In analytical studies on climate change, a potential set of criteria was developed to assess the Environmental, Social and Governance (ESG) risks of firms.

To improve the capacity within the CBRT and raise in-house awareness regarding climate change, quarterly bulletins with summaries of national and international developments and numerous analyses were prepared. Moreover, in collaboration with the Central Academy and Development Division of the Human Resources Department, the CBRT organized two in-house climate change seminars; one focusing on the operating principles and details of different Emissions Trading Systems, and the other discussing the scope of the European Union's Carbon Border Adjustment Mechanism and its effects on the economy and the real sector. Last but not least, the CBRT prepared a glossary of key concepts related to climate change and sustainable finance, and published it on its local area network.

2.10 Communication

2.10.1 Accountability and Monetary Policy Communication

The CBRT aims to ensure that its decisive policies in pursuit of the objective of achieving price stability are understood by the public, thereby increasing the effectiveness of these policies. Accordingly, the Bank has enhanced the predictability of the monetary policy stance through strengthened communication with all its stakeholders in line with the principles of accountability and transparency.

As part of the accountability principle, Governor Karahan made presentations at the meetings of the Plan and Budget Committee of the Grand National Assembly of Türkiye on January 4 and October 3, 2024, and then answered questions from the Committee members.

Again, as entailed by the principle of accountability, the CBRT sent an Open Letter to the Government on April 5, 2024 pursuant to Article 42 of the CBRT Law, clearly explaining to the public the reasons for the failure to achieve the inflation target in the previous year.

In the scope of the transparency principle, the CBRT continued to publish its analytical balance sheet on its website on a daily basis, and issued a report to share its independently audited balance sheet and income-expense statements along with the results of the audits.

MPC announcements and Inflation Reports are the CBRT's main communication documents regarding the monetary policy in effect. Through the Inflation Reports, the CBRT shared its overall assessments concerning international economic developments, inflation, supply and demand developments, financial markets, financial intermediation and public finance as well as its medium-term inflation and output gap forecasts. In 2024, inflation Report briefings were held on February 8, May 9, August 8 and November 8, in Ankara, led by Governor Karahan. Press members and economists wishing to attend the meeting were welcome. In these briefings, which were broadcast live on TV channels and the CBRT's social media accounts, Governor Karahan delivered a presentation, followed by a question-and-answer session in which Deputy Governors Cevdet Akçay and Hatice Karahan, as well as Governor Karahan answered participants' questions. As part of multilayered communication activities, the main messages from the Inflation Reports were also emphasized through social media posts with a view to facilitating the access to information by press members and the public.

Within the scope of direct communication, Governor Karahan and Deputy Governors Cevdet Akçay and Hatice Karahan gave presentations and speeches in Türkiye and abroad based on CBRT monetary policy texts as well as various interviews. Accordingly, Governor Karahan's interviews with Reuters on July 4 and Bloomberg News on July 12, Deputy Governor Cevdet Akçay's interview with Reuters on July 26 and Deputy Governor Hatice Karahan's interview with Reuters on September 4 were published. Besides, Governor Karahan delivered a presentation at the Dünya Newspaper Climate, Economy and Sustainable Finance Summit on June 7.

The CBRT published the MPC decisions and the summaries of MPC meetings on its website. It also published its Monetary Policy document on December 25, 2024, which described the general framework of the monetary policy that the Bank would pursue in 2025. In addition, the CBRT shared its major activities and changes in implementation that were of significant concern to the public by means of press releases throughout the year. Accordingly, the CBRT published 71 press releases on its website in 2024, which were also made accessible to a wider audience through the corporate social media accounts.

The CBRT continued to share with the public the summary of the developments regarding financial stability through the Financial Stability Reports published regularly in May and November. Moreover, in line with the multilayered communication activities, the main messages from the reports were also shared on social media in short videos to reach out to a wider audience.

The Monthly Price Developments report, which is issued every month on the first working day following the release of inflation figures to promote better public understanding of monthly inflation developments and the disinflation path, continued to be a significant communication tool of the CBRT in 2024.

2.10.2 Communication with the General Public

The general public, members of the press, and real sector representatives remained the important target audiences of CBRT communications in 2024. Throughout the year, the CBRT actively used digital communication tools to inform various target groups and aimed to reach out to these audiences through a two-way communication and the use of plain language,

Making intensive use of its website, the main communication channel, the CBRT continued its communication activities in 2024 through all its social media accounts, especially X (Twitter) and LinkedIn. Throughout 2024, all reports, statistics and visuals used in monetary policy communication were structured according to the target audience and announced to the public in a timely and transparent manner via appropriate social media platforms. In addition to the existing X accounts that are actively used, a new X account named TCMB Ekonomik Araştırmalar (@TCMB_Arastirma) was launched in 2024. The new account aims to increase the visibility of announcements and content related to the academic publications and research activities of the staff.

For ease of access to data and content on the CBRT's website, two new enhancements were launched in the Electronic Data Delivery System (EVDS), namely the 'Major Indicators' page, which presents charts pertaining to certain data, and the 'Advanced Search' function, which improves the search feature in monetary policy texts.

As part of the active and two-way communication with stakeholders, Governor Karahan met with the Board of Directors of the Banks Association of Türkiye (BAT) and the Participation Banks Association of Türkiye (TKBB) on April 2, 2024, and meetings with these associations continued throughout the year. Conducting an effective communication, Governor Karahan also met with representatives of the business circles and non-governmental organizations (NGOs), as well as with the Board of Directors of the Union of Chambers and Commodity Exchanges of Türkiye (TOBB) at a meeting hosted by the Turkish Chamber of Shipping on September 29, 2024. Governor Karahan attended the November meeting of the Istanbul Chamber of Industry (ICI) on November 27, 2024 and the Foreign Economic Relations Board (DEİK) Board of Directors meeting on December 9, 2024 and made presentations at these meetings. At the meetings with real and financial sector representatives, the macro-economic outlook, financial stability, CBRT policies and strategies, and the actions to be taken to establish disinflation were evaluated. Visual elements and general information about these meetings were shared on social media, while presentations and speeches delivered by Governor Karahan were published on the CBRT website in line with the transparency principle.

In 2024, in order to enhance the effectiveness of policies via stronger communication with the general public, the CBRT enriched its blog (CBRT Blog) with articles that could contribute to CBRT policies and strategies simultaneously. Accordingly, 19 new analyses were published on the blog, drawing attention to current economic developments and sharing views on macroeconomics and central banking. Additionally, the CBRT also sought improvements to its blog page to increase its effectiveness. The actions to this end included increasing the readability of blog posts and making it easier to share posts on different platforms.

The 'Economics for All' microsite, which aims to reach out to different segments of society in relation to financial literacy and economic education, was enriched with new content that would contribute to a better understanding of CBRT policies and current economic developments.

The e-government authentication feature was incorporated into the Right to Information System. Additionally, by placing QR codes directed to the Right to Information page in its branches, the CBRT became able to receive direct feedback from branch visitors in the digital environment.

The CBRT continued to respond to requests for information and documents sent through various channels in the scope of the Right to Information Act, the Law on the Right to Petition, and the Regulation on the Republic of Türkiye Presidency's Communication Center (CIMER). Applications processed duly in 2024 totaled 7,595 through petitions, the CBRT's corporate e-mail address, the Right to Information Unit (BES) and the "Contact Us" page on the CBRT website; 14,081 through CIMER; and 3,800 through the CBRT Complaint Management System.

2.10.3 Investor Relations

The CBRT continued to organize meetings with institutional investors and credit rating agencies (CRAs) in 2024. Eighty-six investor meetings were held with domestic and foreign institutional investors, economists, analysts and portfolio managers, and eight meetings were held with CRAs. Through these meetings, the CBRT contacted a total of 812 investor agencies.

Table 2.10.3.1. Meetings Held in 2024

Period	Meetings with CRAs	Meetings with Institutional Investors	Number of Institutional Investors
January-March 2024	1	10	122
April-June 2024	2	29	206
July-September 2024	4	9	42
October-December 2024	1	38	442
Total	8	86	812

Moreover, in the scope of technical cooperation with other central banks, the CBRT held a video conference on investor relations management and practices with the Central Bank of Indonesia (Bank Indonesia). In this video conference, mutual presentations were made and questions were answered on the organizational structures, business processes and activities of investor relations units at both central banks.

The 2024 Investor Day, organized by the CBRT for the first time in 2024, was held on January 11, 2024 with the participation of the Governor and Deputy Governors in New York, one of the major financial centers and home to a large number of international financial institutions. These meetings attracted 85 institutional investors. On the sidelines of the Investor Day meetings, bilateral talks were also held with leading investor institutions, portfolio managers and economists.

Last but not least, investor meetings were held with 450 institutions with the participation of the Governor and Deputy Governors during the IMF-World Bank (WB) Spring Meetings on April 15-20, 2024 and the IMF-WB Annual Meetings on October 21-26, 2024. Additionally, the CBRT met with investor institutions at the Qatar Economic Forum held on May 14-16, 2024. At these meetings, the Bank shared with the participants its monetary policy and assessment of the latest developments in the Turkish economy. All these efforts contributed to a timely, accurate and effective monetary policy communication.

2.11 International Cooperation and Events

2.11.1 Relations with International Organizations

The CBRT contributed to periodic meetings organized by the G20, the IMF and the BIS, and established necessary coordination with internal and external stakeholders. In addition, within the framework of the routine IMF Article IV negotiations, the Bank participated in the meetings coordinated by the Ministry of Treasury and Finance between May 29 and June 11, 2024, and contributed to agenda items. During these meetings, the IMF delegation was briefed on the current state of the Turkish economy and financial sector as well as the CBRT's monetary policy actions.

In 2024, the CBRT held meetings with the European Bank for Reconstruction and Development (EBRD) on March 27, September 20, and November 27 to exchange information on the global outlook, Türkiye's economic situation and investment opportunities, in coordination with internal and external stakeholders.

The CBRT hosted the sixth meeting of the "OIC-COMCEC Central Banks Forum", for which the CBRT carries out secretarial activities, on September 29-30, 2024 in Istanbul. The first session of the meeting focused on the global economic and financial outlook and economic developments at OIC member countries. The second session evolved around discussion of post-pandemic inflation dynamics as well as the challenges faced, and provided an exchange of views on prospective central bank policies. The third session of the meeting staged discussions on recent developments in artificial intelligence and potential uses of artificial intelligence in central banking. In this context, participants shared their country experiences on the use of artificial intelligence in central banks.

The CBRT and the World Bank Group joint conference on 'Financial Inclusion in a Digital Age' was held in Istanbul on October 2, 2024. The conference brought together relevant stakeholders to discuss the role of financial inclusion in promoting equitable growth, financial resilience and sustainability in Türkiye. Participants exchanged views on the potential of fintech and digitalization, gender and climate perspectives, and the challenges and opportunities faced by small and medium-sized enterprises.

On November 6, 2024, on the margins of the 11th Summit of the Organization of Turkic States (OTS) in Bishkek, the Central Bank of the Republic of Azerbaijan, the National Bank of the Republic of Kazakhstan, the National Bank of the Kyrgyz Republic, the Central Bank of the Republic of Türkiye and the Central Bank of the Republic of Uzbekistan signed a Memorandum of Understanding on the establishment of the Council of Central (National) Banks of the Member States of the OTS.

2.11.2 Participation in International Events

The CBRT participated in the Istanbul Fintech Week 2024, held on April 16-17 in Istanbul. The event staged speeches as well as exchange of information and experience on various topics such as the CBRT-developed payment systems along with their place and importance in the ecosystem, the work carried out by the CBRT on digital money, and the CBRT's contribution and stance on developments in financial technologies. During the event, which was attended by sector practitioners and relevant parties in the field of fintech, prominent names of the sector from around the world shared their experience and opinions in the panels.

On May 6-8, 2024, the CBRT participated in the "BIS Innovation Summit 2024" event held in Switzerland. The event hosted senior executives from the financial and technology industries, and academics, as well as central banks, international organizations and private sector companies from around the world. Presentations centered around the opportunities and risks that technological innovation offers to the financial sector and to central banks.

On September 3-5, 2024, the CBRT took part in the "24 Fintech 2024" event held in Saudi Arabia. During the event participants from technology companies, fintech startups, investors, academia, international organizations and central banks learned about the challenges, regulations and solutions in the field of fintech.

On September 10-12, 2024, the CBRT participated in the "CBDC Conference 2024" held in Istanbul, and delivered a speech on the lessons learned, challenges faced and perspectives on the Digital Turkish Lira Project along with the opening evaluation. The conference attracted a number of central banks and companies from around the world working on digital currencies and staged presentations and panels on topics such as the purposes, requirements, design preferences and implications of a possible issuance of digital currencies.

On November 6-8, 2024, the Bank attended the "Singapore Fintech Festival 2024" held in Singapore. Bringing together private companies, government organizations, universities and international organizations from 134 countries and regions, the event featured presentations and panels on financial technologies. Public and private institutions shared their work on a number of topics such as technology, innovation, investment, initiatives, sustainability and regulation.

On November 15, 2024, the CBRT participated in the "12th Kazakhstan Finance Congress" held in Almaty. Private companies and public institutions were at the event, during which presentations were delivered on the general situation of the banking sector, future plans, the use of digital currency, blockchain and artificial intelligence and global trends in Kazakhstan.

On December 5, 2024, the CBRT attended online the General Assembly Meeting of the Central Bank Counterfeit Deterrence Group (CBCDG) held as a member. CBCDG General Assembly Meetings are held once a year, and in these meetings, the heads of delegations from member countries of the European Banknote Conference and representatives of other member countries not included in the European Banknote Conference are informed about the activities of the CBCDG by the management, necessary decisions are taken and the CBCDG budget is approved.

On November 8, 2024, the CBRT participated in the first phase of the project "Euro Counterfeit Technical Analysis Training and Enforcement of ALERT Network in South-East Europe" (PERICLES), which aims to exchange information and experience in the fight against euro counterfeiting with the Central Bank of Croatia. The event was held in Zagreb.

Between April 16 and 18, 2024, the Bank participated as a member in the 54th Meeting of the "Technical Advisory Group of Central Banks of Countries Using Banknote Processing Systems (BPS)" held in Madrid.

The CBRT participated online in the meetings of the sub-working groups of the Customer Focus Group-CFG attended by representatives of the banknote printing houses using the machines manufactured by the Koenig&Bauer Banknote Solutions company.

As part of the memorandum of understanding signed between the CBRT and the Central Bank of Azerbaijan, a technical cooperation meeting on "Banknote Quality and Adjustment of Conformity/Eligibility Thresholds in Banknote Processing Systems" was held with the Central Bank of Azerbaijan on September 10-12, 2024. The CBRT's Issue Department officials attended the meeting, in which they informed Azerbaijani colleagues about the banknote destruction/grading criteria determined as per the eligibility criteria for the currency issued in Türkiye and applied in Banknote Processing Systems in CBRT branches, and a presentation was made about how to set thresholds based on these criteria. The program also included visits to two different facilities in Baku to observe banknote processing procedures, operational processes and cash operations, and to examine the methods and systems used in the processing and destruction of banknotes at the Central Bank of Azerbaijan. Besides, the CBRT made a presentation on its Decentralized Cash Management (MONY) system, which is one of the important factors for the quality of banknotes in circulation, and similar to the one in use in Azerbaijan. The CBRT shared knowledge on the role of private banks in the MONY system and the relevant supervision methods it follows.

Sector representatives, academics, members of non-governmental organizations and students participated in the 'Innovation Summit' organized by Schneider Electric in Türkiye on October 7-8, 2024. The event evaluated progress towards achieving the goals of the Paris Agreement, an international treaty on climate change, and offered a productive environment for exchange of ideas among sector representatives. The roles of the finance sector in sustainability were also discussed. The Issue Department participated in the summit themed around sustainability and digitalization.

The international '31st Economics Conference', organized by the Turkish Economic Association between October 31 and November 2, 2024, featured sessions with empirical and theoretical presentations on topics related to economics, finance, labor and entrepreneurship. During the event, the Issue Department delivered presentations on 'Regional Cash Use in Türkiye: Dynamics and Cluster Analyses of Provinces between 2018 and 2022', and 'The Impact of Pandemic Restrictions on Payment Habits'.

On November 21-22, 2024 the CBRT hosted a delegation from the National Bank of Serbia (NBS) in Istanbul, as a part of the bilateral cooperation between the CBRT and the NBS. During the study visit, the Issue Department made presentations on "Decentralized Cash Management System (MONY) Applications", "Banknote Distribution and Storage, and Modernization Activities", "Banknote Processing, Destruction and Quality Control" and "Measuring Cash Demand". Visits were made to the MONY depot and the CBRT's European Side Cash Center.

The CBRT participated in the "Working Group on Statistics of International Trade in Goods and Services (WPTGS)" on January 23-25, 2024, organized by the World Trade Organization (WTO) in hybrid format. The Bank delivered a presentation on "Compilation Method of Health-Related Travel Item".

The CBRT participated in the IMF Article IV meetings held on March 5, 2024 and May 31, 2024, and contributed to discussions with a presentation on "Balance of Payments Developments".

The Bank participated online in the "IMF G20 Data Gaps Initiative" conference hosted by the Central Bank of Brazil on June 11 to 13, 2024.

As part of the BIS 2025 Innovation Strategy, the CBRT participated as a member in the online meetings of the "BIS Group of Experts" working group, established with the aim of reshaping the technical infrastructure of the BIS Data Bank and creating a new data distribution platform.

The CBRT participated in the annual evaluation meeting on tendency surveys conducted by the European Commission under the Joint Harmonized European Union Programme of Business and Consumer Surveys.

The Bank took part in the "Financial Accounts Workshop" organized by the United Nations Economic Commission for Europe and the European Free Trade Association on October 1-4, 2024, in Brussels, and gave presentations on "Uses of Financial Accounts for Analytical Purposes" and "Compilation of Non-Financial Institutions Sector Data".

The CBRT participated in the "Statistical Data and Metadata Exchange (SDMX) Regional Training Workshop" organized by the Organization for Economic Co-operation and Development (OECD) in Istanbul on December 4-6, 2024.

In the context of the Statistical, Economic and Social Research and Training Center for Islamic Countries (SESRIC), the CBRT gave training on "Monetary and Financial Statistics" to central banks of member states.

2.11.3 Relations with Central Banks

In 2024, the CBRT has steadily maintained effective and efficient relations with counterpart central banks, to follow global developments in central banking, to be at the center of the evolving banking and finance agenda, to contribute to the development of the CBRT's institutional capacity, and to share its institutional competencies with other central banks. In brief, the CBRT has aimed to develop and diversify its bilateral relations.

In this regard, technical cooperation activities continued to be one of the most convenient means of enabling mutual exchange of knowledge and experience. Cooperation processes were planned around a program of mostly online meetings, taking into account their time and cost advantages, as well as the benefits of face-to-face communication and feedback. Accordingly, 41 videoconferences and 12 study visits were held with 29 different central banks in 2024. These technical cooperation activities covered a wide range of central banking topics such as Central Bank Digital Currency, payment systems, banknote counterfeiting, and financial statistics.

Meanwhile, the CBRT also adopted written information sharing tools to make use of in its projects and capacity building activities. Accordingly, the CBRT benefited from the knowledge and experience of stakeholder central banks through 4 written information requests, and responded 17 information requests of other stakeholders.

Cooperation at the technical level was underpinned by high-level bilateral meetings. During the meetings with representatives of diplomatic missions and central banks with which the Bank maintains bilateral relations, the international and regional agenda, economic and financial relations between the countries, potential opportunities for central bank partnership and the current assessment of the Turkish and global economies were discussed.

The CBRT's dialogue with peers, thriving on a strong basis of cooperation, has been expanded to include new central banks. To this end, memorandums of understanding were signed with the Central Banks of Spain, Brazil, Kazakhstan, Saudi Arabia and Oman to improve exchange of information on central banking issues and to strengthen coordination networks between the CBRT and other central banks. Thus, the number of central banks with which the CBRT has engaged in formal cooperation reached 42.

In addition, bilateral currency swap agreements with the Bank of Korea and Qatar Central Bank were renewed in 2024 to facilitate trade in local currencies in international trade, encourage investments and support financial cooperation.

2.11.4 Participation in International Working Groups

The CBRT participated in an array of activities carried out by bodies established by the FSB, CPMI and other relevant international organizations and standard-setting authorities: the Future of Payments Working Group (FoP) established under the Roadmap for Enhancing Cross-border Payments, the Cross Border Payments Expansion Workstream, Cross Border Payments Messaging Workstream, Target Data Group for the Implementation Approach for the Cross-Border Payments Targets, Working Group on Cyber Resilience for Financial Market Infrastructures (WGCR), the Crypto-assets Working Group (CWG), Operational Resilience Group for Financial Market Infrastructures, along with its subgroups of Third Party Operational Resilience Group (TORG) and Cyber Security Operational Resilience Group (CORG), and FinTech Credit Working Group.

The CBRT contributed to the Financial Inclusion Task Force established under the G20 Data Gaps Initiative (DGI) that was launched with the participation of all relevant international organizations, particularly the IMF and the FSB.

As a member of the Central Bank Digital Currencies working group within the scope of the BIS Innovation Network, the CBRT participated in the online meetings held in February, March, April, May, June, October and November. The Bank introduced the Digital Turkish Lira Projects at one of the meetings.

The CBRT hosted the “G20 DGI-3 Recommendation 11 Second Workshop on Digital Money” in Istanbul on April 30 - May 2, 2024. Jointly organized by the CBRT and the IMF as part of the “G-20 Data Gaps Initiative (DGI)”, the workshop attracted participants from central banks, international organizations and private sector companies. The event staged presentations on experiences and approaches on regulation, data requirements and statistical data collection in the field of digital currency and cryptoassets.

As part of the work under the Third Phase of the G20 Data Gaps Initiative, the CBRT participated in and contributed to the activities and meetings of recommendation groups: 4. Climate Finance, 8: Income, Consumption, and Savings Distribution, 10. Fintech Credit, 12. Fintech-Enabled Financial Inclusion, 13. Access to Private and Administration Data, and 14. Data Sharing.

The CBRT virtually participated in and contributed to the BACH, FSA and ERICA working group meetings within the scope of the European Committee of Central Balance Sheet Offices (ECCBSO) as a member.

The CBRT participated in online meetings of the “Eurostat Task Force on Commercial Real Estate Indicators (TF CREI)” and “Eurostat Real Estate Price Statistics” (REPS) working groups established by the European Statistical System Committee (ESSC) within the scope of the recommendations of the European Systemic Risk Board (ESRB) to close data gaps in the field of real estate.

The CBRT participated online in the seminars and meetings of the International Network for Exchanging Experience on Statistical Handling of Granular Data (INEXDA) coordinated by the European Central Bank.

The CBRT participated in the “Working Group on Statistics of International Trade in Goods and Services (WPTGS)” meeting held on October 1-3 2024, in Paris, and delivered a presentation on the “Turkish Experience on Alternative Data Sources for Tourism Statistics and Applying to the Balance of Payment Statistics”.

The CBRT participated in “Conference on National Economic and Financial Accounts (CNEFA)” and the “Meeting of the Working Party on Financial Statistics (WPFS)”, held by the OECD on November 5-8, 2024, in Paris. The CBRT representative chaired the sessions on valuation of assets and the role of non-bank financial intermediation.

As a bureau member of the OECD, the CBRT participated in the “Travel Statistics Working Group” meeting held online on November 27, 2024.

The CBRT participated in the “Balance of Payments Working Group” meeting held by EUROSTAT in virtual format on December 2-3, 2024.

2.11.5 Organizations

The CBRT meets with economic and financial circles at international platforms to exchange views and represents the country at due levels. Below is a list of major events in which the CBRT participated.

- G20 Deputy Finance Ministers and Central Bank Deputy Governors Meetings on February 26-27, April 8, July 22-23, October 22, December 11-12, 2024,
- G20 Finance Ministers and Central Bank Governors Meetings on February 28-29, April 17-18, July 25-26, October 23-24, 2024,
- IMF Article IV Meetings between May 29 and June 11, 2024.
- EBRD Meetings on March 27, September 20, and November 27, 2024,
- IMF-World Bank Group Spring Meetings on April 15-20, 2024,
- Bimonthly BIS Meetings on January 10-12, March 10-11, May 12-13, June 29-30, September 8-9, and November 10-11, 2024,
- IMF-WBG Constituencies' Meeting at Deputies Level on July 11-13, 2024,
- OIC-COMCEC Central Banks Forum Meeting on September 29-30, 2024,
- World Bank Group Conference on October 2, 2024,
- IMF-WB Annual Meetings on October 21-26, 2024,
- Ministerial Session of COMCEC on November 4-5, 2024,
- The 11th Summit of the Organization of Turkic States on November 5-6, 2024.

National and International Events

The CBRT held several meetings to enhance cooperation with other central banks and international organizations and discuss issues related to the Turkish economy.

The Protocol Division handled the logistics of the activities listed below:

- Briefing on Inflation Report 2024-I held in Ankara on February 8, 2024,
- Briefing on Inflation Report 2024-II held in Ankara on May 9, 2024,
- Briefing on Inflation Report 2024-III held in Ankara on August 8, 2024,
- Meeting with the Central Bank of the Netherlands on September 20, 2024, to commemorate 100th anniversary of cooperation between the two central banks,
- Briefing on Inflation Report 2024-IV held in Ankara on November 8, 2024.

The Communications Department organized various meetings to foster cooperation with other central banks and international organizations and to discuss issues concerning the Turkish economy.

- The CBRT hosted a workshop on “Addressing Climate Change Data Needs: The Global Debate and Central Banks’ Contribution” in Izmir on 6-7 May 2024, organized with the contributions of the Irving Fisher Committee on Central Bank Statistics (IFC), Banque de France and Deutsche Bundesbank. The workshop aimed to improve sustainable finance data, analyze physical and transition climate risk data as part of the G-20 DGI (Data Gaps Initiative), and invigorate the relations between central banks.
- The CBRT and the Ministry of Treasury and Finance hosted the “IMF-WB Constituency Meeting at Deputies Level” on July 11-13, 2024 in Istanbul.
- The CBRT held an event to mark the 100th anniversary of the Treaty of Friendship signed between the Republic of Türkiye and the Netherlands. Governor Karahan and the Dutch Central Bank President Klaas Knot delivered presentations on monetary policies and the economic outlook. On the occasion of the event, the CBRT hosted an exhibition on “100 Years of Friendship: Vissering’s Journey to Türkiye”.
- The CBRT hosted the sixth OIC-COMCEC Central Banks Forum in Istanbul on September, 29-30 2024 Central Bank Governors of the member countries of the Organization of Islamic Cooperation attended the meetings.
- The CBRT held its traditional Interbank Chess Tournament for the 16th time on November 30, 2024, in Istanbul, to strengthen cooperation and communication among banks.
- The CBRT held the “Inter-Agency Banknote Anti-Counterfeiting Cooperation Meeting” on December 10, 2024, in Ankara to increase the effectiveness of coordination and cooperation among institutions in combating banknote counterfeiting.

In-House Events and Internal Communication Activities

The CBRT organized various events to reinforce communication:

- CBRT Employees and Retirees Turkish Art Music Choir” gave a concert in Ankara on May 30, 2024.
- The first “Branches Workshop” since 2018 was held in Izmir on October 4-6, 2024. This was followed by the “Workshop on Banknote Issue Transactions” between October 11 and 12, 2024.
- The “Lira Magazine”, the CBRT’s internal communication tool that was regularly published from 1983 to 2019, was relaunched in digital format in October, and sent to retirees by e-mail.
- The in-house local network site was expanded with new pages to enhance communication among employees.

Protocol Activities

The CBRT has organized various events to enhance communication regarding the visits of domestic and foreign delegations hosted by the Governor:

- Visit to Spain on January 31- February 1, 2024.
- G20 Finance Ministers and Central Bank Governors Meeting on February 28-29, 2024, in Sao Paolo,
- BIS Bimonthly Meeting on March 10-11, 2024, in Basel,
- G20 Finance Ministers and Central Bank Governors Meeting, and IMF/WB Spring Meetings on April 15-19, 2024 in Washington, DC.,
- BIS Bimonthly Meeting on May 12-13 May, 2024, in Basel,
- Qatar Economic Forum on May 14-16, 2024,
- BIS Annual Conference on June 27-30, 2024, in Basel,
- G20 Deputy Finance Ministers and Central Bank Deputy Governors Meeting, and G20 Finance Ministers and Central Bank Governors Meeting on July 22-26, 2024, in Rio de Janeiro,
- Visit to Saudi Arabia on September 2-5, 2024,
- BIS Bimonthly Meeting on September 8-9, 2024, in Basel,
- UN General Assembly Investor Meeting, Türkiye-US Business Council, 15th Türkiye Investment Conference on September 21-26, 2024,
- IMF/WB Annual Meeting on October 21-26, 2024, in Washington, DC,
- BIS Bimonthly Meeting on November 9-11, 2024, in Basel,
- 25th Anniversary of the Establishment of the Central Bank of the Republic of Kosovo on November 14-16, 2024 in Pristina, and
- FSB Plenary and EMDEs Forum meetings on December 3-4, 2024, in Hong Kong.

2.11.6 European Union Harmonization Activities

In the scope of Türkiye's EU accession process, the CBRT contributes to the work on harmonization with the EU acquis on issues that falls in its remit and regularly reports developments in chapters for which it is responsible, in coordination with the Directorate for EU Affairs of the Ministry of Foreign Affairs.

Table 2.11.6.1 shows the current status of the chapters to which the CBRT has contributed in the accession negotiations.

Table 2.11.6.1: Current Status in Chapters that the CBRT Contributes to during the Negotiation Process

Chapters Directly Involved	Latest Status in Negotiations	Chapters Indirectly Involved	Latest Status in Negotiations
4. Free Movement of Capital	Negotiations Opened. (19 December 2008)	2. Free Movement of Workers	Under review by the European Council.
9. Financial Services	Negotiations Suspended. (14-15 December 2006)	6. Company Law	Negotiations Opened. (17 June 2008)
17. Economic and Monetary Policy	Negotiations Opened. (14 December 2015)	16. Taxation	Negotiations Opened. (30 June 2009)
18. Statistics	Negotiations Opened. (26 June 2007)	19. Social Policy and Employment	Opening benchmarks established.
32. Financial Control	Negotiations Opened. (26 June 2007)	28. Consumer and Health Protection	Negotiations Opened. (19 December 2007)
33. Financial and Budgetary Provisions	Negotiations Opened. (30 June 2016)		

In 2024, as in previous years, the CBRT participated in the Economic and Financial Dialogue meetings. At the Economic and Financial Dialogue meetings, the Economic Reform Programs (ERPs) prepared by candidate and potential candidate countries are regularly evaluated in order to help candidate countries adapt to the economic governance processes within the EU during the EU accession process.

The first step in the Economic and Financial Dialogue process, the Economic and Financial Committee Alternates Meeting, was held physically in Brussels on April 22, 2024. The follow-up High-Level Officials Meeting was organized online on April 30, 2024. During the meetings, the ERPs prepared by candidate and potential candidate countries⁴ were evaluated, the Draft Joint Conclusions of the Economic and Financial Dialogue Meeting between the EU and the Western Balkans and Türkiye were discussed and the final text was agreed upon. The CBRT continued technical negotiations with the European Commission and the European Central Bank on issues falling within its mandate and contributed to the "Joint Final Declaration" adopted at the last meeting of this process on May 14, 2024.

In addition, the CBRT participated in the biannual Economic Forecast Meetings for Candidate Countries organized by the European Commission as part of the Economic and Financial Dialogue process and at the meeting, projections regarding Türkiye's economic and financial outlook were discussed. Accordingly, the spring meeting was held on April 16, 2024 and the autumn meeting was held on October 10, 2024 in Brussels.

Lastly, this year's meeting of the Subcommittee No. 4 on Economic and Monetary Issues, Movement of Capital and Statistics, which is one of the subcommittees established as per the decision taken at the Türkiye-EU Association Council to evaluate the alignment of Turkish legislation with the EU acquis on "Free Movement of Capital", "Financial Services", "Economic and Monetary Policy" and "Statistics" chapters, was held in hybrid meeting format on October 22, 2024.

⁴ Albania, Bosnia Herzegovina, Georgia, Montenegro, Kosovo, North Macedonia, Moldova, Serbia, Ukraine, Türkiye

2.12 Research and Development Activities

2.12.1 Academic Research and Development Activities

In line with the importance it attaches to academic studies, the CBRT published Working Papers and Economic Notes prepared by its staff on its website. Peer-reviewed CBRT Working Papers based on research carried out by the CBRT staff increased by 14. Moreover, with a view to making a timely contribution to discussions on economic developments and sharing the results of the studies on the Turkish economy and monetary policy, 17 Research Notes in Economics were issued.

Moreover, several articles co-authored by CBRT employees were published in journals listed in the Social Sciences Citation Index (SSCI).

2.12.2 Research and Development Activities on Structural Economic Developments

In 2024, the CBRT continued to conduct research and monitoring activities designed to analyze structural developments in the Turkish economy and identify structural factors limiting the effectiveness of monetary policy, to make on-site observations on the effects of monetary policy on real sector activities, and to develop policy recommendations based on inter-agency cooperation.

These activities can be grouped under the following key headlines:

- Analyzing structural economic factors shaping the Turkish economy, conducting joint studies with related institutions and agencies to detect and address structural factors pertaining to price stability,
- Real-time monitoring and analyzing economic developments in the scope of the Real Activity Lens (RESIM) on a regional and sectoral basis and producing reports to contribute to the monetary policy process,
- Providing information on food and agricultural products prices and presenting research on pricing behavior at the Food and Agricultural Product Markets Monitoring and Evaluation Committee (the Food Committee) and the Price Stability Committee,
- Conducting studies for internal credit rating of the corporate sector, monitoring its riskiness using high-frequency data and writing reports regularly,
- Contributing to the planning of the Bank's research agenda and increasing the institutional research capacity in the framework of the research agenda.

In this context, research and field observations were supported by up-to-date data, and the results of the studies have been shared with senior management.

In order to analyze structural developments and their interaction with monetary policy, empirical and theoretical methods were applied to study various topics such as pricing behavior, firm dynamics, labor markets, foreign trade developments, financial markets, competition, productivity and household behavior. The findings have been regularly presented to policymakers during MPC processes and at meetings with stakeholder institutions.

In 2024, two articles prepared with the contributions of the Structural Economic Research Department were included in the Working Papers series, while five research notes on economics and seven other studies were published as CBRT blog posts on the CBRT Blog. Three of these studies were presented to academics and policymakers at national and international seminars and conferences. Within the scope of the Financial Support for Academic Studies Program (FSASP), financial support was provided for 12 academic conferences at the end of the evaluation process. In 2024, 131 articles were submitted to the Central Bank Review, whose editorial and refereeing processes are carried out by the Bank, and 16 articles were accepted and published. Meanwhile, several articles prepared with the contributions of the Bank employees were published in journals listed in the Social Sciences Citation Index.

The CBRT continued to analyze real sector developments as a high-quality and timely source of information for the monetary policy decision-making process in 2024. In this regard, interviews were conducted with senior executives of firms in different sectors and representatives of NGOs to gather comprehensive information about economic activity, and real sector sentiment has been monitored in a timely manner.

Information collected in monthly meetings allowed a healthier evaluation of cyclical developments in economic activity (such as production, domestic and foreign sales, investment, employment, financing conditions, costs and prices). These interviews served to exchange views with real sector representatives on the monetary policy framework and thus contributed to the CBRT's communications policy. In Inflation Reports published in 2024, boxes bearing the title "Findings from Interviews with Firms" were published and findings obtained from periodical interviews were shared with the public.

In addition to the regular field meetings organized to follow cyclical developments, thematic studies were carried out on the developments in the areas of interest of the MPC or on the issues specific to the period, and reports were prepared. Moreover, studies were conducted on the structures of different sectors, general information on workflows and recent developments in these sectors. Accordingly, out of a total of 2,884 interviews conducted in 2024, 2,539 were in the scope of cyclical studies, 54 were in the scope of various thematic issues and 291 were agricultural interviews.

In September 2024, with an amendment to the CBRT's Regulation on Organization, the "Rating and Risk Analysis Division" was incorporated under the Structural Economic Research Department, and the new Directorate carried out the following tasks:

- Participated in and contributed to online meetings with the WGRA working group of the European Committee of Central Balance-Sheet Data Offices (ECCBSO) of the European Central Banks, of which the CBRT is a member, in order to enhance cooperation and improve rating analyses.
- Contributed to monetary policy decision-making processes by providing high-frequency and micro-data analyses..
- Regularly reported corporate sector firms' riskiness and developments in the FX-protected deposit accounts (KKM) to senior management.
- Developed an Environmental, Social and Governance (ESG) scoring methodology for corporate sector firms as part of the development of rating studies.
- Conducted model development and impact analysis studies for policies and incentives in the scope of cooperation with public institutions, and the results were presented to the Bank and senior managers of relevant institutions.
- Developed an exporter score model prioritizing value-added and high-tech exports for rediscount credits.
- Organized training seminars in collaboration with the General Directorate of Human Resources on business intelligence, effective and efficient big data analysis and automation to increase the technical and analytical capacity of the Bank's employees.
- Organized an international workshop on "Addressing Climate Change Data Needs: The Global Debate and Central Banks' Contribution" in Izmir on May 6-7, 2024 with the collaboration of the CBRT-IFC (BIS) and the contributions of the Bundesbank and the Bank of France. The workshop was attended by a significant number of national and international participants, and the presentations and discussions made a meaningful contribution to the ongoing global debate by focusing on physical and transition risk indicators.
- At the Spring Meeting of the World Bank's International Committee on Credit Reporting (ICCR) held in Brazil between 19- 21 June, 2024, the CBRT's representative was elected as the Chair of the ESG Working Committee. This working committee made a significant progress in the preparation of the "ESG Global Guidelines for Credit Reporting".

2.12.3 Research and Development Activities in Data Governance and Statistics

- The stock balances of FX-protected deposit/participation accounts converted from FX-/gold and FX-protected Turkish lira deposit/participation accounts started to be published as time series in a monthly frequency, under Monthly Money and Banking Statistics.
- The Commercial Property Price Index, which was developed to monitor price developments in the commercial property market, started to be published.
- Sectoral Inflation Expectations started to be published in order to allow monitoring of the 12-month-ahead consumer inflation expectations of market participants, the real sector and households comparatively.
- Data on electronic money institutions started to be included in the money supply in line with international standards.
- The scope of the “Shares and Debt Securities Held by Non-Residents, which is issued as part of Securities Statistics, was expanded to include debt securities issued by residents abroad.
- The content and presentation of the Financial Accounts Report was renewed.
- The calculation method of the House Price Index was revised and the quarterly data set was replaced by the monthly data set in order to increase timeliness. Thus, the publication period, which was $t+45$, became $t+15$.
- The sampling and weighting methodology of the Bank Loans Tendency Survey was revised, and banks’ asset size was incorporated into the sample selection process in order to improve the representativeness of the survey.
- The “Directive on the CBRT Data Research Centers” was prepared. The directive sets out the principles and procedures for using the CBRT’s data in scientific research and academic studies to be conducted by legally authorized entities.

2.12.4 Research and Development Activities on Banknote Printing

A number of research and development studies have been carried out to improve the banknote printing process.

Signatures on E9 series, version VII banknotes in denominations of TRY 50 and TRY 5, and version VIII banknotes in denominations of TRY 200 and TRY 50 have been changed.

Between 22 and 25 October, 2024, the Banknote Printing Plant underwent an audit by the Turkish Standards Institution to verify compliance of the Banknote Printing Plant's Quality Management System with the ISO 9001 Standards, the Occupational Health and Safety Management System with ISO 45001 standards, and the Environmental Management System with ISO 14001 standards. As a result of the audit, the Banknote Printing Plant's ISO 9001 Quality Management System and ISO 45001 Occupational Health and Safety Management System documents were renewed, and ISO 14001 Environmental Management System document was certified as valid.

2.12.5 Research and Development Activities on Information Technologies

In the field of Information Technologies (IT), establishment of technological solutions and systems in line with the Bank's objectives continued in addition to efforts to ensure the security and continuity of these systems. Below are the most significant of many improvements carried out throughout the year:

- In order to ensure 24/7 operability, the EFT (Electronic Fund Transfer System), RPS (Retail Payment System) and EMKT (Electronic Securities Transfer System) were redeveloped and redeployed to make them more independent and resilient with up-to-date technology.
- The communication infrastructure of the payment systems was transformed into a more flexible architecture with redundancy.
- An "Artificial Intelligence Room" was opened where employees can freely and securely use artificial intelligence solutions, and productive artificial intelligence-based assistants were introduced..
- IT infrastructure was established at the Istanbul Financial Center campus.
- The Electronic Data Delivery System (EDDS) was redeveloped in-house to enhance the user experience and enrich the system's functionality.
- IT architectural transformation work was largely completed in order to increase operational resilience and to address needs more quickly.
- In order to support data-driven decision-making processes, the Bank switched to more advanced business intelligence platforms for data analysis, reporting and visualization, enriched the content of its data dictionary and inventory, and created an ecosystem where new needs can be easily integrated.
- The data center network infrastructure was updated with innovative technologies.
- The Document Management System was upgraded with many additional features.
- The CBRT ISO 27001 Information Security Management System was upgraded to the latest version and the system was inspected and certified by an independent authority.

2.12.6. Research and Development Activities in the Field of Payments

Work has been carried out on the transformation of the digital Turkish lira into other forms of the Turkish lira, digital currency accounting and balance sheet presentation, promotion of digital currency and strategies for the use of distributed ledger technologies.

In the context of central bank digital currencies and blockchain structures, the CBRT carried out research, development and testing activities on cross-border payments, interoperability platforms, blockchain designs in the green economy, alternative digital identity integration solutions, programmable payments, token-based systems, offline payments, cryptology, the Internet of Things and simulation for the impact analysis of digital money.

Within the scope of financial technologies, artificial intelligence and machine learning studies suitable for central bank usage scenarios were examined, and research and experiments were conducted to detect suspicious payment transactions with artificial intelligence techniques.

2.13 Training Activities

Training activities consist of trainings organized by the CBRT and other institutions and organizations, as well as courses offered via the Digital Learning Platform.

Table 2.13.1: Breakdown of Training Activities by Training Source

Training Source	Number of Courses	Attendance	Duration of Training (Total Training Hours)
Training Courses Organized by the CBRT	75	1.982	20.872
Training Courses Organized by Other Institutions and Organizations	28	88	3.328
Training Courses Offered at the Digital Learning Platform	898	11.843	9.188
Total	1.001	13.913	33.388

A total of 13,913 participants attended 1,001 training courses in 2024. (Table 2.13.1). The CBRT staff received a total of 33,388 hours of training across all training activities. The average annual learning hour per person was 8.6.

Table 2.13.2: Breakdown of Training Activities by Training Method

Training Method	Attendance	Percentage
E-Learning (Training on the Digital Platform)	12,477	89.68%
In-Class	1,169	8.40%
Virtual Classroom (Online Training)	267	1.92%
Total	13,913	100%

A breakdown of training activities in 2024 reveals that 89.68% were e-learning activities, while 8.40% were in-class and 1.92% were virtual classroom environment. (Table 2.13.2)

2.13.1 Training Programs Organized by the CBRT

In 2024, the CBRT held 43 different training courses in 75 groups. A total of 1,982 participants attended training programs adding up to 20,872 hours.

Out of 75 groups of training in 2024, 28 were provided through in-house resources (in-house trainers, department officials), 38 were outsourced (firms, institutions, etc.), and 9 were held via e-learning.

Table 2.13.1.1: Breakdown of Training Activities Organized by the CBRT by Categories

Training Categories	Number of Courses	Attendance	Percentage %
Technical and Functional Training	38	889	44.85%
Legal and Compulsory Training	28	884	44.60%
Orientation Programs	7	110	5.55%
Competence Development Training	2	99	4.99%
Total	75	1.982	100%

In 2024, 44.85% of training activities organized by the CBRT was composed of technical and functional development training courses, 44.60% were legal and compulsory training courses, while 5.55% were orientation programs, and 4.99% were competence development and leadership training courses (Table 2.13.1.1). Moreover, throughout 2024, a five-week Assistant Inspector Development Program, orientation programs differentiated by titles, audit, data analysis, statistics and econometrics programs were organized by the CBRT.

Within the scope of international programs, a four-day online training program on “Banking System Stability: Policy, Threats and Opportunities” was organized for the staff and students of the Academy of Banking and Finance of Uzbekistan. During the program, 10 speakers shared information on credit risk, payment systems, banking system, participation banking, the digital Turkish Lira, monetary policy, climate change and data governance with 150 international participants and the program contributed to the process of enhancing inter-institutional communication.

2.13.2 Training Programs Organized by Other Institutions and Organizations

In 2024, a total of 76 CBRT employees participated in 18 short-term training programs organized by other institutions and organizations in Türkiye. Furthermore, 12 employees participated in 10 different training programs organized by other central banks and international organizations.

As part of graduate studies, 104 employees, 28 of whom newly enrolled in 2024, pursued their master's and Ph.D. studies in Türkiye. One CBRT-scholarship holder completed their Ph.D. studies abroad in 2024, and was appointed to their position, while two employees started their master's degrees with partial scholarship from the Bank. Moreover, 10 of our employees, who completed their research studies on external scholarship (8 masters and 2 Ph.Ds.), took office at the Bank. In 2024, a total of 13 employees pursued their graduate studies (6 Ph.Ds. and 7 masters) abroad.

As a part of academic staff assignment, 6 CBRT employees were assigned to give semester courses at universities, and 133 employees were assigned to 20 different institutions and organizations to provide information as short-term trainers.

2.14 Cooperation with Public Institutions

2.14.1 Coordination Activities

The CBRT continued to monitor and coordinate progress on decisions taken at the Economy Coordination Board (ECB) meetings for which the CBRT is the responsible institution.

To serve as a basis for the 2024 Monitoring and Evaluation Report of the Presidential Annual Program, the CBRT monitored the activities and performance indicators in the scope of the measures and activities that are in the CBRT's mandate, and reported progress on the Presidential Plan and Program Monitoring and Evaluation System (CPPDIS). The CBRT also contributed to the preparation of the Presidential Annual Program for 2025 carried out in the framework of the Twelfth Development Plan. The CBRT made contributions to the reporting process of the Action Plan implemented by the Investment Office of the Presidency of the Republic of Türkiye in cooperation with stakeholder institutions and organizations in the scope of Türkiye's Foreign Direct Investment (FDI) Strategy covering the 2024-2028 period.

In addition, the CBRT continued to respond to written questions that fall within its mandate.

- Participated in the "Data Governance Framework- Recommendation Report for Türkiye" meeting organized by the Digital Transformation Office of the Presidency of the Republic of Türkiye and the United Nations Development Programme on February 21, 2024.
- Participated in the 18th Meeting of the Statistical Council organized by TURKSTAT on May 15, 2024.
- Contributed to the Training Evaluation Meeting held jointly with TURKSTAT on June 6-7, 2024 with a presentation on "Compilation of Commercial Loan Data by Direct Reporting".
- Participated in the meeting on Direct Investment Statistics organized jointly with the Investment Office of the Presidency of the Republic of Türkiye on July 3, 2024, and made a presentation on "Direct Investment Statistics and Türkiye's Experience".
- Participated in the "IPA MBP 2022 Multi-beneficiary Statistical Cooperation Program" organized by TURKSTAT on October 31, 2024, and the opening speech was delivered by the CBRT representative.
- Participated in the "Open Government Data Workshop" organized by the Digital Transformation Office of the Presidency of the Republic of Türkiye and SETA on November 7, 2024.

2.14.2 Food Studies

The CBRT participated in the Food Committee and the Food Subcommittee meetings, made presentations and shared the necessary technical studies with stakeholders in the form of reports. In this context, in 2024, the Bank provided information on food and agricultural products prices, presented research on pricing behavior and participated in working groups established under the Food Committee.

The Food Committee focuses on identifying and solving structural and cyclical problems in the agriculture and food sectors in line with the objective of ensuring stability in food prices and increasing predictability. Relevant ministries and organizations are represented at the highest level at the Food Committee meetings and concrete policy measures are implemented in line with the decisions taken. In 2024, the Food Committee convened twice and the Food Sub-Committee convened seven times and took decisions on issues such as food price stability, supply security of agricultural products and agricultural planning.

In the framework of the Food-EWS (Food Early Warning System) project conducted by the CBRT as per the decisions of the Food Committee, the CBRT has analyzed data on food and agricultural products prices, which are of critical importance for price stability, in a detailed and timely manner and recommendations on measures have been made. The up-to-date database in this area is used to monitor structural problems and critical developments in food and agricultural product markets, and regular briefings and reports on the latest developments in the sector are presented at the Committee meetings. Meanwhile, the Food and Agricultural Markets Report, the Food Foreign Trade Developments Report and the Inflation Developments in Critical Food Products Report prepared in the framework of the Food-EWS are regularly shared with relevant ministries and institutions.

2.15 Corporate Social Responsibility Activities

In addition to fulfilling its primary duties and responsibilities, the CBRT continued to take part in social responsibility projects in 2024 as well.

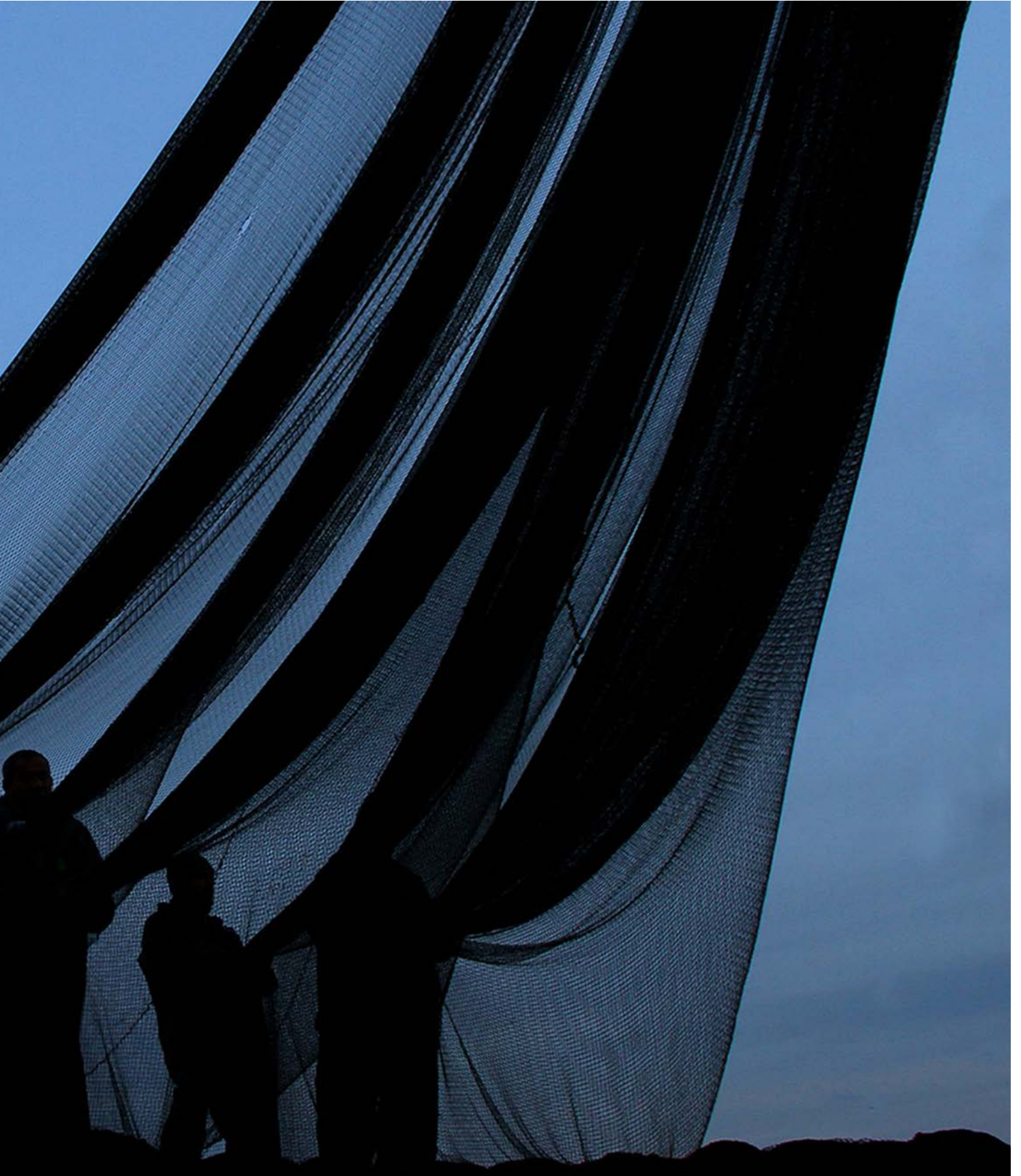
After the 1999 earthquake, the CBRT built the Central Bank Derince Anatolian High School with contributions from the Bank of Greece, to support the region. In 2024, the CBRT continued to grant scholarships to successful graduates of the high school, who have enrolled in a university and who satisfy certain criteria, for the duration of their university education. In the 2023-2024 academic year, 35 students actively benefited from the scholarship. A total of 144 students, excluding the scholarship recipients for the 2024-2025 academic year, have been awarded scholarships since 2002, when the school graduated its first students. Moreover, to encourage the level of success at the school, a graduation ceremony was organized and successful students were rewarded with plaques.

In 2024, as part of its Corporate Social Responsibility Activities, the CBRT granted 1,701 pieces of furniture and fixtures (IT equipment, office, kitchen, health and safety equipment, etc.) to 27 public institutions.

PART 3 FINANCIAL STATEMENTS



Photograph: Photographer **Erdoğan Purçlutepe's** photograph **"Collecting Nets"** displayed in the CBRT's International Photography Contest on "Economy and the Human Being".



3.1. Balance Sheet as of 31 December 2024

ASSETS	Explanation No.	Turkish Lira	Foreign Currency	Total
1. Gold	3.4.2.1	-	2,266,929,626,009	2,266,929,626,009
1.1 International Standard (Net Gram) 766,717,431.48		-	2,266,929,626,009	2,266,929,626,009
2. Foreign Banknotes	3.4.2.2	-	44,690,635,793	44,690,635,793
3. Foreign Correspondents	3.4.2.3	-	3,150,960,108,039	3,150,960,108,039
3.1 FX Securities		-	873,294,273,869	873,294,273,869
3.2 Deposits		-	632,403,342,531	632,403,342,531
3.3 Other		-	1,645,262,491,639	1,645,262,491,639
4. Reserve Tranche Position	3.4.2.4	-	5,196,343,904	5,196,343,904
5. Securities Portfolio	3.4.2.5	138,545,246,011	-	138,545,246,011
5.1 Government Securities		129,076,988,841	-	129,076,988,841
5.2 Other		9,468,257,170	-	9,468,257,170
6. Lending Related to Monetary Policy Operations	3.4.2.6	4,020,035,720	-	4,020,035,720
6.1 Open Market Operations		2,979,142,450	-	2,979,142,450
6.2 Interbank Operations		1,040,893,270	-	1,040,893,270
6.3 Other		-	-	-
7. Domestic Banks	3.4.2.7	347,555,466	4,109,250,956	4,456,806,422
8. Credits	3.4.2.8	528,374,729,524	92,939,792,842	621,314,522,366
8.1 Domestic Credits		528,374,729,524	92,620,619,844	620,995,349,368
8.1.1 Rediscount Credits		434,032,706,617	92,620,619,844	526,653,326,461
8.1.2 Other Credits		94,342,022,907	-	94,342,022,907
8.2 Foreign Credits		-	319,172,998	319,172,998
9. Share Participations	3.4.2.9	90,543,079	12,608,390,930	12,698,934,009
10. Treasury Liabilities due to SDR Allocation	3.4.2.4	-	254,841,614,826	254,841,614,826
11. Fixed Assets (Net)	3.4.2.10	2,770,602,691	-	2,770,602,691
12. Non-performing Loans (Net)	3.4.2.8	-56,549,804,331	56,549,804,331	-
12.1 Non-performing Loans		-	56,549,804,331	56,549,804,331
12.2 Provisions to Non-performing Loans (-)		-56,549,804,331	-	-56,549,804,331
13. Deferred Tax Assets	3.4.2.15	1,968,976,894	-	1,968,976,894
14. Revaluation Account	3.4.2.11	491,148,756,096	-	491,148,756,096
15. Loss of the Period	3.4.2.20	700,354,114,932	-	700,354,114,932
16. Other Assets	3.4.2.12	77,208,495,819	36,761,793	77,245,257,612
16.1 Non-standard Gold (Net Gram) 2,832,327.42	3.4.2.1	8,374,254,550	-	8,374,254,550
16.2 Coins		165,656,229	-	165,656,229
16.3 Accrued Income		1,948,732,854	-	1,948,732,854
16.4 Other		66,719,852,186	36,761,793	66,756,613,979
17. Previous Years' Losses	3.4.2.22	808,852,783,343	-	808,852,783,343
TOTAL		2,697,132,035,244	5,888,862,329,423	8,585,994,364,667

LIABILITIES	Explanation No.	Turkish Lira	Foreign Currency	Total
1. Currency Issued	3.4.2.13	645,236,535,423	-	645,236,535,423
2. Liabilities Related to Monetary Policy Operations	3.4.2.6	254,802,092,044	-	254,802,092,044
2.1 Open Market Operations		-	-	-
2.2 Interbank Operations		254,802,092,044	-	254,802,092,044
2.3 Liquidity Bills		-	-	-
2.4 Other		-	-	-
3. Deposits	3.4.2.14	3,806,543,588,616	3,142,404,175,314	6,948,947,763,930
3.1 Public Sector		317,696,382,380	683,604,705,304	1,001,301,087,684
3.1.1 Treasury, General and Special-Budget Administrations		317,489,911,666	683,604,705,304	1,001,094,616,970
3.1.1.1 Cash		317,489,911,666	503,018,739,419	820,508,651,085
3.1.1.2 Gold (Net Gram) 61,077,506.04	3.4.2.1	-	180,585,965,885	180,585,965,885
3.1.2 Other		206,470,714	-	206,470,714
3.2. Banking Sector		3,480,740,368,868	2,452,586,548,133	5,933,326,917,001
3.2.1 Domestic Banks		1,941,419,194,083	917,611,941,022	2,859,031,135,105
3.2.1.1 Cash		1,941,419,194,083	747,991,382,442	2,689,410,576,525
3.2.1.2 Collateral		-	40,378,645,300	40,378,645,300
3.2.1.2.1 Cash		-	40,378,645,300	40,378,645,300
3.2.1.2.2 Gold (Net Gram) 0,00	3.4.2.1	-	-	-
3.2.1.3 Gold (Net Gram) 43,711,999.99	3.4.2.1	-	129,241,913,280	129,241,913,280
3.2.2 Foreign Banks		774,655,377,027	-	774,655,377,027
3.2.3 Required Reserves in Blocked Accounts		764,665,797,758	1,534,974,607,111	2,299,640,404,869
3.2.3.1 Cash		764,665,797,758	1,171,179,113,729	1,935,844,911,487
3.2.3.2 Gold (Net Gram) 123,042,349.03	3.4.2.1	-	363,795,493,382	363,795,493,382
3.2.4 Other		-	-	-
3.3 Other Deposits		8,106,837,368	6,212,921,877	14,319,759,245
3.3.1 FX Deposits of Nonresident Citizens		-	4,274,265,165	4,274,265,165
3.3.2 International Institutions		610,467,885	-	610,467,885
3.3.3 Extrabudgetary Funds		784,287,660	241,315	784,528,975
3.3.4 Other		6,712,081,823	1,938,415,397	8,650,497,220
4. Foreign Banks	3.4.2.3	-	439,371,858,399	439,371,858,399
4.1 Cash		-	350,671,792,505	350,671,792,505
4.2 Gold (Net Gram) 29,999,999.08	3.4.2.1	-	88,700,065,894	88,700,065,894
5. Reserve Tranche Means	3.4.2.4	-	5,196,343,904	5,196,343,904
6. SDR Allocation	3.4.2.4	-	254,841,614,826	254,841,614,826
7. Tax Liability	3.4.2.15	3,016,599,941	-	3,016,599,941
7.1 Taxes Payable		3,016,599,941	-	3,016,599,941
8. Provisions	3.4.2.16	1,873,695,734	-	1,873,695,734
9. Capital and Reserves	3.4.2.17	380,402,103	-	380,402,103
9.1 Paid-in Capital		25,000	-	25,000
9.2 Inflation Adjustments for Capital		46,208,524	-	46,208,524
9.3 Reserves		334,168,579	-	334,168,579
10. Other Liabilities	3.4.2.18	24,624,278,125	7,703,180,238	32,327,458,363
10.1 Non-standard Treasury Gold (Net Gram) 0.00	3.4.2.1	-	-	-
10.2 Letters of Credit		-	4,401,054,625	4,401,054,625
10.3 Accrued Expense		1,505,357,830	-	1,505,357,830
10.4 Other		23,118,920,295	3,302,125,613	26,421,045,908
TOTAL		4,736,477,191,986	3,849,517,172,681	8,585,994,364,667
REGULATING ACCOUNTS	3.4.2.19			11,832,795,765,410

3.2. Balance Sheets as of 31.12.2024 and 31.12.2023

ASSETS	Explanation No.	2024	2023
1. Gold	3.4.2.1	2,266,929,626,009	1,417,869,831,864
1.1 International Standard		2,266,929,626,009	1,417,869,831,864
2. Foreign Banknotes	3.4.2.2	44,690,635,793	103,684,060,153
3. Foreign Correspondents	3.4.2.3	3,150,960,108,039	2,621,255,024,835
3.1 FX Securities		873,294,273,869	104,784,379,766
3.2 Deposits		632,403,342,531	453,568,530,466
3.3 Other		1,645,262,491,639	2,062,902,114,603
4. Reserve Tranche Position	3.4.2.4	5,196,343,904	4,472,360,078
5. Securities Portfolio	3.4.2.5	138,545,246,011	159,913,235,806
5.1 Government Securities		129,076,988,841	159,312,133,196
5.2 Other		9,468,257,170	601,102,610
6. Lending Related to Monetary Policy Operations	3.4.2.6	4,020,035,720	9,443,643,254
6.1 Open Market Operations		2,979,142,450	3,519,175,138
6.2 Interbank Operations		1,040,893,270	1,510,011,308
6.3 Other		-	4,414,456,808
7. Domestic Banks	3.4.2.7	4,456,806,422	4,058,291,397
8. Credits	3.4.2.8	621,314,522,366	445,441,585,111
8.1 Domestic Credits		620,995,349,368	445,174,833,315
8.1.1 Rediscount Credits		526,653,326,461	358,966,157,253
8.1.2 Other Credits		94,342,022,907	86,208,676,062
8.2 Foreign Credits		319,172,998	266,751,796
9. Share Participations	3.4.2.9	12,698,934,009	9,997,240,896
10. Treasury Liabilities due to SDR Allocation	3.4.2.4	254,841,614,826	219,335,649,316
11. Fixed Assets (Net)	3.4.2.10	2,770,602,691	1,501,755,778
12. Non-performing Loans (Net)	3.4.2.8	-	-
12.1 Non-performing Loans		56,549,804,331	47,018,242,554
12.2 Provisions to Non-performing Loans (-)		-56,549,804,331	-47,018,242,554
13. Deferred Tax Assets	3.4.2.15	1,968,976,894	2,002,652,646
14. Revaluation Account	3.4.2.11	491,148,756,096	817,762,329,689
15. Loss of the Period	3.4.2.20	700,354,114,932	818,182,863,710
16. Other Assets	3.4.2.12	77,245,257,612	288,915,418,889
16.1 Non-standard Gold	3.4.2.1	8,374,254,550	5,528,640,444
16.2 Coins		165,656,229	89,329,230
16.3 Accrued Income		1,948,732,854	1,998,880,085
16.4 Other		66,756,613,979	281,298,569,130
17. Previous Years' Losses	3.4.2.22	808,852,783,343	-
TOTAL		8,585,994,364,667	6,923,835,943,422

LIABILITIES	Explanation No.	2024	2023
1. Currency Issued	3.4.2.13	645,236,535,423	448,822,892,318
2. Liabilities Related to Monetary Policy Operations	3.4.2.6	254,802,092,044	370,846,639,719
2.1 Open Market Operations		-	119,129,880
2.2 Interbank Operations		254,802,092,044	370,727,509,839
2.3 Liquidity Bills		-	-
2.4 Other		-	-
3. Deposits	3.4.2.14	6,948,947,763,930	5,031,017,453,443
3.1 Public Sector		1,001,301,087,684	983,018,845,601
3.1.1 Treasury, General and Special-Budget Administrations		1,001,094,616,970	982,800,690,002
3.1.1.1 Cash		820,508,651,085	884,986,428,907
3.1.1.2 Gold	3.4.2.1	180,585,965,885	97,814,261,094
3.1.2 Other		206,470,714	218,155,600
3.2. Banking Sector		5,933,326,917,001	4,035,132,437,335
3.2.1 Domestic Banks		2,859,031,135,105	1,969,070,182,025
3.2.1.1 Cash		2,689,410,576,525	1,916,626,306,584
3.2.1.2 Collateral		40,378,645,300	26,386,595,000
3.2.1.2.1 Cash		40,378,645,300	26,386,595,000
3.2.1.2.2 Gold	3.4.2.1	-	-
3.2.1.3 Gold	3.4.2.1	129,241,913,280	26,057,280,441
3.2.2 Foreign Banks		774,655,377,027	666,678,656,337
3.2.3 Required Reserves in Blocked Accounts		2,299,640,404,869	1,399,383,598,973
3.2.3.1 Cash		1,935,844,911,487	1,186,907,876,323
3.2.3.2 Gold	3.4.2.1	363,795,493,382	212,475,722,650
3.2.4 Other		-	-
3.3 Other Deposits		14,319,759,245	12,866,170,507
3.3.1 FX Deposits of Non-Resident Citizens		4,274,265,165	5,181,219,360
3.3.2 International Institutions		610,467,885	417,423,702
3.3.3 Extrabudgetary Funds		784,528,975	179,201,429
3.3.4 Other		8,650,497,220	7,088,326,016
4. Foreign Banks	3.4.2.3	439,371,858,399	670,519,355,217
4.1 Cash		350,671,792,505	611,960,020,912
4.2 Gold	3.4.2.1	88,700,065,894	58,559,334,305
5. Reserve Tranche Means	3.4.2.4	5,196,343,904	4,472,360,078
6. SDR Allocation	3.4.2.4	254,841,614,826	219,335,649,316
7. Tax Liability	3.4.2.15	3,016,599,941	2,576,678,429
7.1 Taxes Payable		3,016,599,941	2,576,678,429
8. Provisions	3.4.2.16	1,873,695,734	1,128,485,985
9. Capital and Reserves	3.4.2.17	380,402,103	9,710,482,470
9.1 Paid-in Capital		25,000	25,000
9.2 Inflation Adjustments for Capital		46,208,524	46,208,524
9.3 Reserves		334,168,579	9,664,248,946
10. Other Liabilities	3.4.2.18	32,327,458,363	165,405,946,447
10.1 Non-standard Treasury Gold	3.4.2.1	-	-
10.2 Letters of Credit		4,401,054,625	560,965,114
10.3 Accrued Expense		1,505,357,830	1,606,687,720
10.4 Other		26,421,045,908	163,238,293,613
TOTAL		8,585,994,364,667	6,923,835,943,422
REGULATING ACCOUNTS	3.4.2.19	11,832,795,765,410	11,907,432,215,123

3.3. Profit and Loss Statements for 2024 and 2023

	Explanation No.	2024	2023
Interest Income	3.4.2.20	493,452,113,266	286,203,667,647
Interest Expense	3.4.2.20	-754,474,988,076	-132,704,600,019
Net Interest Income/ Expense		-261,022,874,810	153,499,067,628
Fee and Commission Income	3.4.2.20	26,654,375,896	23,406,153,797
Fee and Commission Expense	3.4.2.20	-420,856,154	-240,903,704
Net Fee and Commission Income/ Expense		26,233,519,742	23,165,250,093
Non-interest Income	3.4.2.20	68,990,987,921	244,869,771,911
Non-interest Expense	3.4.2.20	-535,591,888,697	-1,242,290,258,402
Net Non-interest Income/Expense		-466,600,900,776	-997,420,486,491
Profit/Loss Before Tax		-701,390,255,844	-820,756,168,771
Tax Expense		1,036,140,912	2,573,305,061
Tax Provision		-	-
Deferred Tax Income/ Expense	3.4.2.15	1,036,140,912	2,573,305,061
Net Profit/Loss of the Period		-700,354,114,932	-818,182,863,710

3.4. Explanations

3.4.1. Basis of Preparation of the Financial Statements

The CBRT prepares its books of account in accordance with the tax legislation and the CBRT Law No. 1211, and prepares its statutory financial statements in accordance with the Turkish Commercial Code (TCC) No. 6102 and the CBRT Law No. 1211.

Periodicity, full disclosure, prudence, social responsibility, economic entity, going concern, monetary unit, historical cost, neutrality and documentation, consistency, substance over form, and materiality principles, which are the underlying assumptions of accounting, constitute the basis of the CBRT's accounting practices.

Foreign currency transactions of the CBRT are converted to Turkish lira at the exchange rates prevailing on transaction dates. During the preparation of financial statements, FX-denominated assets and liabilities are converted to Turkish lira using the FX and foreign currency buying rates of the CBRT applicable on the balance sheet date.

Pursuant to Article 61 of the CBRT Law No. 1211, valuation differences arising from the revaluation of gold, foreign currency, and other foreign currency denominated assets and liabilities in the assets and liabilities of the CBRT due to changes in the value of the Turkish currency against foreign currencies as well as in international gold prices are monitored in a separate account. The realized amounts of these valuation differences calculated according to the average cost method are reflected in the profit and loss statement. Periodic intervals in the average cost system are set according to the Bank's decision and applied prospectively.

As per the General Communiqué on Tax Procedure Law (TPL) No:555 published in the Official Gazette No. 32415 of December 30, 2023, the fiscal balance sheet is subject to inflation adjustment and financial statements of December 31, 2024 have not been adjusted for inflation.

The financial statements are presented in Turkish lira.

3.4.1.1. Gold Reserves

The CBRT's gold reserves consist of international standard and non-international standard gold held at CBRT vaults, foreign banks, and Borsa Istanbul (BIST).

With regard to gold reserve management, the CBRT can execute transactions such as outright purchases and sales, gold custody accounts, term gold deposit transactions, FX swaps against gold and gold swaps against FX, swaps with domestic banks against gold, location swaps, physical transportation of gold, etc.

Gold deposited by banks for the maintenance of reserve requirements is monitored at banks abroad and the BIST.

Gold is initially recognized at prices prevailing on the recognition date, and measured at fair value in the following periods. Fair value is calculated on the last available daily gold price quoted at 10.30 a.m. in the London Bullion Market, with one ounce of gold equaling 31.1035 grams, and is reported on the balance sheet after being converted daily to Turkish lira from these revalued amounts. Fair value differences arising from both price and exchange rate differences are recognized as unrealized gains or losses in the "Revaluation Account" as per Article 61 of the CBRT Law No. 1211.

3.4.1.2 Financial Assets and Liabilities

a) Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss are securities in Turkish lira and foreign currency held for the purpose of liquidity management and reserve management.

Pursuant to Articles 52 (on open market operations) and 53 (on operations in gold and foreign exchange) of the CBRT Law No. 1211, securities purchased by the CBRT on its own account are classified in this group. After initial recognition, financial assets at fair value through profit or loss are revalued at their fair values at the end of each month, and gains and losses arising from revaluation are transferred to profit and loss accounts. The differences between acquisition costs and fair values of these financial assets are reflected in the "3. Foreign Correspondents" and "5. Securities Portfolio" items on the balance sheet.

Fair value is calculated based on weighted average prices that occur in the BIST for transactions with the same value date. In the absence of these prices, prices of related securities published daily in the Official Gazette by the CBRT are used for the fair value calculation. Foreign currency securities are valued at their fair value using the closing prices in related international markets at the end of each month.

Interest earned during the holding period of financial assets at fair value through profit or loss is recorded within interest income.

b) Loans

Loans extended by the CBRT are recognized when cash is advanced to borrowers. Loans are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash flows through the expected life of the financial asset, or, where appropriate, through a shorter period, exactly to the net present value of the financial asset.

c) Participation Shares

These are initially recognized at their acquisition costs. Subsequent to the initial recognition, fair values are determined based on market prices or other valuation techniques. Unrealized gains and losses arising from changes in the fair value are monitored in "10. Other Liabilities." Dividends related to participation shares are reflected in the profit and loss statement in the period when the right to receive dividends is established.

d) Repurchase Transactions

Repurchase transactions of Turkish lira securities are undertaken within the scope of the open market operations of the CBRT. Repurchase transactions are recognized as collateralized loans. While the cash receivables are shown in item "6. Lending Related to Monetary Policy Operations / 6.1 Open Market Operations" on the asset side in the amount lent on the transaction date, securities received as collateral are monitored in regulating accounts. Interest received from banks is accrued at month ends using the effective interest method. On the maturity date, the interest income arising from the transaction is reflected in the profit and loss statement.

e) Impairment of Financial Assets

For financial assets other than those at fair value through profit or loss, the expected credit impairment model is used. Calculation of the expected credit loss is based on the transition matrix data published each year by CRAs. The rate of loss given default is taken as 45% as suggested by Basel regulations. The expected credit impairment is calculated by using the amount in default, the probability of default and the rate of loss given default.

f) Derecognition of Financial Assets

The CBRT derecognizes an asset when the rights arising from the contract on the cash flow of the financial asset expire or when all risks and rewards arising from the acquisition of this asset are transferred to another party.

g) Financial Liabilities at Fair Value Through Profit or Loss

This group includes the liquidity bills, issued by the CBRT pursuant to Article 52 of the CBRT Law No. 1211 with an aim to effectively regulate money supply and liquidity in the economy within the framework of monetary policy targets, that have maturities no longer than 91 days and are tradable in the secondary markets on CBRT's own account and behalf within the scope of open market operations. The CBRT recognizes liquidity bills at the issuing amount and revalues them at the end of each month at their fair value according to the prices announced in the Official Gazette on a daily basis. The differences between the issuing amounts and the fair values are reflected in the profit and loss statement as of month ends. As of the balance sheet date, there are no liquidity bills issued by the CBRT.

h) Other Financial Liabilities

Other financial liabilities are recognized at amortized cost with interest expense calculated on an effective interest rate.

i) Reverse Repurchase Transactions

Reverse repurchase transactions are recognized as collateralized deposits. While the securities lent as collateral are shown in "5. Securities Portfolio" in the assets of the balance sheet, cash debts are monitored in "2. Liabilities Related to Monetary Policy Operations / 2.1 Open Market Operations" item in the liabilities as the amount received on the transaction date. The interest paid to the banks is accrued at month ends using the effective interest method. The interest expense paid for the transaction on the maturity date is reflected in the profit and loss statement.

j) Deposit Transactions

i. Foreign Exchange Deposits Against Turkish Lira Deposits Transactions

Foreign exchange deposits given are monitored in “7. Domestic Banks” on the assets side, and TRY deposits received are monitored in “2. Liabilities Related to Monetary Policy Operations / 2.4 Other” on the liabilities side. Interest amounts collected from foreign exchange deposits and paid to TRY deposits are accrued at month ends using the effective interest method. The interest income and interest expense arising from these transactions on the maturity date are recorded in the profit and loss statement.

ii. Reciprocal Deposit Transactions

Foreign exchange deposits received are monitored in “3. Deposits / 3.2 Banking Sector / 3.2.1 Domestic Banks / 3.2.1.1 Cash” on the liabilities side, and TRY deposits given are monitored in “6. Lending Related to Monetary Policy Operations / 6.3 Other” on the assets side. Interest amounts collected from TRY deposits are accrued at month ends using the effective interest method. The interest income arising from the transaction on the maturity date is reflected in the profit and loss statement.

k) TRY-Settled Forward Foreign Exchange Sales

At value date, TRY receivables and foreign exchange commitments are recognized under regulating accounts. At the end of each month, gains and losses at fair value are monitored under “16. Other Assets / 16.4 Other” / “10. Other Liabilities / 10.4 Other” on the balance sheet, and TRY payments/collections due to the exchange rate difference arising from transactions on the maturity date are reflected in the profit and loss statement. Regarding TRY-settled forward foreign exchange transactions at the BIST Derivatives Market (VIOP), gains and losses are reflected in the profit and loss statement on a daily basis.

l) Currency Swaps

i. Bilateral Currency Swap Agreements with Central Banks

FX payables and TRY receivables due to currency swap agreements are recognized under the regulating accounts at value date and monitored in “3. Foreign Correspondents / 3.3. Other” on the assets side and “3. Deposits / 3.2 Banking Sector / 3.2.2 Foreign Banks” on the liabilities side respectively. The interest received/paid for the usages within swap agreement is accrued at month-ends using the effective interest method. Interest received/paid on maturity is reflected in the profit and loss statement.

ii. Currency Swap Transactions with Banks

Sales/purchases of assets (TRY, FX, gold) related to swap transactions carried out at the CBRT and BIST are conducted at value date. Payables/receivables are recognized under the regulating accounts at the value date. At month-ends, fair value increases/decreases are monitored in “16. Other Assets / 16.4 Other” / “10. Other Liabilities / 10.4 Other” on the balance sheet and under interest income items in the profit and loss statement. The non-interest valuation effects of valuation increases/decreases in the fair value, together with the valuation effects of the unrealized gain or loss arising from the valuation of the underlying assets subject to swap transactions, are included on the balance sheet in “16. Other Assets / 16.4 Other” / “10. Other Liabilities / 10.4 Other” items, the amounts related to the interest components of the increase/decrease in the fair value are followed in the profit/loss statement, and the amounts related to the interest income/expenses arising from the transaction at maturity are reflected in the profit/loss statement.

m) FX-Protected Deposit Transactions

i. Transactions Regarding FX-Protected Deposits Converted From FX

The assets (foreign currency, gold) received through transactions for the conversion to Turkish lira deposits and participation accounts are recognized, to be transferred to the related accounts at value date, under “7. Domestic Banks” on the balance sheet. At month-ends, the fair values of the exchange rate difference to be paid as part of the transactions for the conversion of Turkish lira deposits and participation accounts are monitored reciprocally in “16. Other Assets / 16.4 Other” / “10. Other Liabilities / 10.4 Other” on the balance sheet, and on the maturity date, the exchange rate difference expenses arising from transactions are reflected in the profit and loss statement.

ii. Transactions Regarding FX-Protected Deposits Converted From TRY

The fair values of the exchange rate difference related to the transactions for FX-protected deposits converted from TRY, and

transferred to the CBRT pursuant to the Provisional Article 2 of Law No. 7456 of July 14, 2023, are monitored reciprocally in 16. Other Assets / 16.4 Other" / "10. Other Liabilities / 10.4 Other" on the balance sheet, and on the maturity date, the exchange rate difference expenses arising from transactions are reflected in the profit and loss statement. These transactions, the effective dates of which were extended until 31.12.2023 according to the Presidential Decision No.6563 published on the Official Gazette No. 32046 on December 17, 2022, were terminated as of 31.12.2024 as the minimum term of these accounts was 12 months.

3.4.1.3. Income and Expenses

a) Interest Income/Expenses

As required by the periodicity principle, income and expenses are accrued for the interest amounts of undue receivables and payables at month-ends, and income and expense accruals are recognized for due receivables and payables whose collections or payments will occur in the subsequent period.

b) Fee and Commission Income/Expenses

The fee and commission income and expenses, which the CBRT pays or receives as a result of the transactions with commercial banks, the Ministry of Treasury and Finance, public administrations within the scope of general budget, and other individuals and institutions, are recognized as income or expense in the period of payment or receipt. Income and expense accruals are recognized for payments or collections that will occur in the subsequent period.

c) Non-Interest Income/Expenses

The difference between acquisition costs of financial assets at fair value through profit/loss and their fair values, exchange rate difference-driven income and expenses regarding TRY-settled forward foreign exchange sales, the exchange rate difference expense of transactions for FX-protected deposits, income and expenses in purchase and sale of gold and foreign currency, and general expenses are recognized under this item. The average cost method is used in calculating income and expenses in purchase and sale of gold and foreign currency. Interest income and expenses arising from currency swap transactions are included in the average cost. As per the periodicity principle, prepaid expenses are charged on a monthly basis.

3.4.1.4. Fixed Assets

Fixed assets consist of land, buildings, and additional expenses as a part of buildings' cost, furniture and fixtures, and software products. The land on the balance sheet of the CBRT is carried at acquisition cost, while buildings, furniture and fixtures, and software are carried at cost minus accumulated depreciation on the balance sheet. The difference between the sale proceeds arising from the disposal of fixed assets and the net carrying value of the asset is recognized in the profit and loss statement. Depreciation of fixed assets, other than land, is calculated and reflected in financial statements in accordance with their useful life as specified in the TPL General Communiqués using the prorated depreciation method.

3.4.1.5. Currency Issued

According to the CBRT Law No. 1211, the CBRT has the exclusive privilege of issuing banknotes. The amount of banknotes issued is shown under item "1. Currency Issued" on the balance sheet of the CBRT. The CBRT can replace the banknotes in circulation with new ones when necessary. In financial statements, banknotes in circulation are presented with their nominal values.

Stocks of semi-finished banknotes printed at the CBRT's banknote printing plant are monitored at cost in "16. Other Assets." Expenses associated with banknotes are initially capitalized and are charged to the profit and loss statement upon transfer of banknotes to the auxiliary storage of the CBRT. Costs of finished and semi-finished banknotes include direct costs, depreciation costs, staff costs, transportation costs, and other printing costs.

3.4.1.6. Provisions

According to Article 59 of the CBRT Law No. 1211, provisions, the amount of which shall be deemed appropriate by the Board, may be set aside from the gross annual profit of the Bank in order to cover certain risks that may occur in the following years due to the operations exclusive to the Bank.

3.4.1.7. Employee Benefits

Retirement pay and employee termination benefits are paid to employees in case of retirement or layoffs. The amount to be paid is calculated based on the title and tenure of the employee in accordance with the provisions of applicable laws.

Retirement pay and employee termination benefits are calculated according to the net present value of liabilities that are expected to arise due to the retirement of employees, and are reflected in financial statements.

3.4.1.8. Taxes

a) Current Taxes

The CBRT, which is established as a “joint stock company” as per Article 1 of the CBRT Law No. 1211, is a corporate taxpayer. The Bank is responsible for withholding tax on wages, outsourcing payments, interest on deposits, etc. as per Article 94 of the Income Tax Law No. 193, and on the payments made to firms subject to limited tax liability for real property income, self-employment earnings, and other earnings specified as per Article 30 of the Corporate Income Tax Law No. 5520.

The CBRT is a taxpayer of banking and insurance transactions tax (BITT).

Revaluation gains from assets and liabilities that are subject to Article 61 of the CBRT Law No. 1211 are not considered as a profit item for the year in which the revaluation is applied, and also not taken as an income item in the calculation of corporate tax base. Revaluation losses from assets and liabilities are not considered as an expense for the year in which the revaluation is applied, and also not taken as a loss item in the computation of corporate tax base.

Paid temporary taxes and taxes imposed on repo-reverse repo revenues and deducted from temporary taxes are monitored in item “16. Other Assets / 16.4 Other” on the balance sheet.

The corporate tax for the current period is reflected as expense in the profit and loss statement. Tax-related adjustments during the current reporting period are booked as of the date on which they are made.

The corporate income tax is calculated in accordance with subparagraph 1(a) of Article 9 of the Corporate Income Tax Law No. 5520, in the event that profits are generated in subsequent years.

b) Deferred Tax

Deferred tax assets and liabilities arise from the tax effect of the temporary differences between the amounts of assets and liabilities in the financial statements and their book values based on the CBRT Law and tax laws. The deferred tax asset is reflected in the assets and the deferred tax liability is reflected in the liabilities on the balance sheet.

Tax expense of the current year includes the related period's corporate tax and the change in the deferred tax income.

Pursuant to Article 61 of the CBRT Law No. 1211, the calculation of deferred taxes is not done over the “Revaluation Account,” which is not subject to the corporate tax base.

As per the General Communiqué on TPL No. 555, deferred tax assets are calculated on temporary differences between depreciation of fixed assets adjusted for inflation and unadjusted depreciation as presented in the financial statements.

As of December 31, 2023 and December 31, 2024, no deferred tax asset has been recognized over the 2023 and 2024 losses. The use of these rights will expire in 2028 and 2029.

3.4.1.9. Comparative Information and Adjustment of the Financial Statements of the Preceding Year

The CBRT's financial statements for the current year and the previous year are presented together to allow comparison of the financial position. For compatibility with the presentation of the current financial statements, when necessary, the comparative information is reclassified and any significant differences are explained.

3.4.1.10. Custody Operations

Custody assets held by the CBRT on behalf of individuals and financial institutions are monitored in regulating accounts.

3.4.2. Explanations Related to Financial Statements Items

3.4.2.1. Gold

Gold holdings are composed of 766,717,431 net grams of gold of international standards equivalent to TRY 2,266,929,626,009 and 2,832,327 net grams of gold in non-international standards equivalent to TRY 8,374,254,550. While some part of the gold of international standards belongs to the CBRT, the rest is placed with the CBRT by the Treasury and banks to meet their reserve requirements and as free deposit accounts. Gold holdings of international standards are stored in the vaults of the CBRT, held at the BIST and the Bank of England (BoE).

Table 3.4.2.1.1: Gold

	2024		2023	
	Net Gram	TRY	Net Gram	TRY
Gold of International Standards	766,717,431	2,266,929,626,009	726,375,977	1,417,869,831,864
Owned by CBRT	508,885,577	1,504,606,187,568	524,066,221	1,022,965,665,246
At BoE	111,769,886	330,466,552,086	108,084,060	210,977,693,494
At CBRT	34,015,936	100,573,862,823	34,015,936	66,398,354,905
At BIST	363,099,755	1,073,565,772,659	381,966,224	745,589,616,847
Reserve Requirements of Banks	123,042,349	363,795,493,382	108,851,502	212,475,722,650
At BoE	61,902,183	183,024,261,999	42,531,602	83,020,745,255
At BIST	61,140,166	180,771,231,383	66,319,900	129,454,977,395
Free Gold Deposits of Banks	73,711,999	217,941,979,174	43,347,921	84,614,182,874
At BIST	73,711,999	217,941,979,174	43,347,921	84,614,182,874
Owned by Treasury	61,077,506	180,585,965,885	50,110,333	97,814,261,094
At BIST	61,077,506	180,585,965,885	50,110,333	97,814,261,094
Gold of Non-international Standards	2,832,327	8,374,254,550	2,832,327	5,528,640,444
Owned by CBRT	2,832,218	8,373,930,854	2,832,218	5,528,426,742
Collection (Owned by CBRT)	109	323,696	109	213,703

Note: Gold holdings are valued based on 1 ounce of gold = 31.1035 grams using the price 2,610.85 USD/Ounce (December 31, 2023: 2,062.40) and USD buying rate of TRY 35.2233 as of December 31, 2024 (December 31, 2023: TRY 29.4382). Accordingly, the price of 1 net gram of gold is $(2,610.85 \times 35.2233) / 31.1035 = \text{TRY } 2,956.67$.

Gold holdings of international standards are held by the CBRT as part of foreign currency reserves, and they account for 41.46% (December 31, 2023: 34.19%) of total foreign currency reserves.

Gold deposited by banks for reserve requirements, which amounts to 123,042,349 net grams equivalent to TRY 363,795,493,382; gold deposited as free gold deposits, which amounts to 73,711,999 net grams equivalent to TRY 217,941,979,174; and 61,77,506 net grams of Treasury gold equivalent to TRY 180,585,965,885 are also followed under this item.

Gold holdings of non-international standards belong to the CBRT and all are stored in the vaults of the CBRT. These are recognized in the assets of the balance sheet under "16. Other Assets."

3.4.2.2. Foreign Banknotes

As of December 31, 2024, the TRY equivalent of foreign banknotes in the vaults of the CBRT was TRY 44,690,635,793.

Table 3.4.2.2.1: Foreign Banknotes

	2024	2023
Foreign Banknotes	44,690,635,793	103,684,060,153

3.4.2.3. Foreign Correspondents

Item “3. Foreign Correspondents,” which represents the main part of the FX reserves of the CBRT and is presented in the assets of the balance sheet, consists of FX securities carried at fair value, deposit accounts in foreign correspondents and current accounts.

Table 3.4.2.3.1: Foreign Correspondents (Assets)

	2024		2023	
	TRY	USD Equivalent	TRY	USD Equivalent
FX Securities	873,294,273,869	24,793,085,085	104,784,379,766	3,559,469,661
Deposits	632,403,342,531	17,954,119,646	453,568,530,466	15,407,481,791
Other	1,645,262,491,639	46,709,493,195	2,062,902,114,603	70,075,687,868
Demand deposit	1,391,538,025,168	39,506,179,863	1,844,608,041,395	62,660,354,281
SDR holding account	253,720,570,851	7,203,202,734	218,294,073,208	7,415,333,587
Other	3,895,619	110,598	-	-
TOTAL	3,150,960,108,039	89,456,697,926	2,621,255,024,835	89,042,639,320

The balances of item “4. Foreign Banks” presented in the liabilities of the balance sheet as of December 31, 2024 and December 31, 2023 are shown below.

Table 3.4.2.3.2: Foreign Banks (Liabilities)

	2024		2023	
	TRY	USD Equivalent	TRY	USD Equivalent
Cash	350,671,792,505	9,955,676,853	611,960,020,912	20,787,956,496
Gold	88,700,065,894	2,518,221,345	58,559,334,305	1,989,229,447
TOTAL	439,371,858,399	12,473,898,198	670,519,355,217	22,777,185,943

3.4.2.4. Balances Arising from Türkiye’s Membership in the International Monetary Fund

Within the framework of the financial relations arising from Türkiye’s membership in the IMF Türkiye’s quota paid in gold and foreign currency is represented on the balance sheet under “4. Reserve Tranche Position” in assets and “5. Reserve Tranche Means” in liabilities. SDR 37,750,000 of this total SDR 112,889,638 was paid in gold. Türkiye’s IMF quota reached SDR 4,658 million by February 18, 2016.

Table 3.4.2.4.1: Balances Arising from Türkiye’s Membership in the IMF

	2024		2023	
	TRY	SDR	TRY	SDR
Assets				
Reserve tranche position	5,196,343,904	112,889,638	4,472,360,078	112,889,638
Treasury liabilities due to SDR allocation	254,841,614,826	5,536,388,310	219,335,649,316	5,536,388,310
Liabilities				
Reserve tranche means	5,196,343,904	112,889,638	4,472,360,078	112,889,638
SDR allocation	254,841,614,826	5,536,388,310	219,335,649,316	5,536,388,310

The SDR 112,307,000 allocated to Türkiye by the IMF and used by the Ministry of Treasury and Finance, the General and Special SDR Allocation in the amount of SDR 959,022,729 in 2009 and the General SDR Allocation of 4,465,058,581 made in 2021 are monitored under “10. Treasury Liabilities due to SDR Allocations” in assets and “6. SDR Allocation” in liabilities.

3.4.2.5. Securities

As of December 31, 2024, the fair value of securities was TRY 138,545,246,011.

Table 3.4.2.5.1: Securities

	2024		2023	
	Cost	Fair Value	Cost	Fair Value
Government bonds and Treasury bills issued by the Ministry of Treasury and Finance	168,893,646,086	129,076,988,841	196,640,588,979	159,312,133,196
Lease certificates issued by the Ministry of Treasury and Finance	9,469,615,870	9,468,257,170	701,331,100	601,102,610
TOTAL	178,363,261,956	138,545,246,011	197,341,920,079	159,913,235,806

3.4.2.6. Lending and Liabilities Related to Monetary Policy Operations

The "6. Lending Related to Monetary Policy Operations" item on the assets of the balance sheet, which represents cash receivables of the CBRT, had a balance of TRY 4,020,035,720 as of December 31, 2024. The income accruals reflected in this items are: TRY 12,475,797 for repurchase agreements (December 31, 2023: TRY 19,175,145); TRY 7,559,938 for Interbank Money Market operations (December 31, 2023: 10,011,308 TL); no balance for reciprocal deposit transactions (December 31, 2023: TRY 117,940,808).

The "2. Liabilities Related to Monetary Policy Operations" item on the liabilities of the balance sheet, which represents cash debts of the CBRT, had a balance of TRY 254,802,092,044. The expense accruals reflected in this item had no balance for reverse repurchase agreements. (December 31, 2023: TRY 399,880) TRY 470,092,044 for Interbank Money Market operations (December 31, 2023: TRY 2,652,109,839).

Table 3.4.2.6.1: Lending/Liabilities Related to Monetary Policy Operations

	2024	2023
Assets		
Lending Related to Monetary Policy Operations	4,020,035,720	9,443,643,254
Open market operations	2,979,142,450	3,519,175,138
Interbank money market operations	1,040,893,270	1,510,011,308
Other	-	4,414,456,808
Liabilities		
Liabilities Related to Monetary Policy Operations	254,802,092,044	370,846,639,719
Open market operations	-	119,129,880
Interbank money market operations	254,802,092,044	370,727,509,839
Lending Related to Monetary Policy Operations (Net)	-250,782,056,324	-361,402,996,465

3.4.2.7. Domestic Banks

The "7. Domestic Banks" item represents FX deposit operations intermediated by the CBRT, foreign exchange deposits against TRY deposits operations, and transactions for conversion to Turkish lira deposit and participation accounts, to be transferred to the related accounts at value date. This item had a balance of as of December 31, 2024 TRY 4,456,806,422 (December 31, 2023: TRY 4,058,291,397).

Table 3.4.2.7.1: Domestic Banks

	2024	2023
Transactions for Conversion to Turkish Lira Deposit and Participation Accounts	4,456,806,422	4,058,291,397
TOTAL	4,456,806,422	4,058,291,397

3.4.2.8. Credits and Non-performing Loans

Domestic credits, which are extended to banks against rediscounted bills in foreign currencies, consist of USD 839,770,000 (December 31, 2023: USD 850,470,000), EUR 1,460,920,000 (December 31, 2023: EUR 1,324,020,000), CNY 1,954,019,548 (December 31, 2023: CNY 705,374,506), AED 99,897,731 (December 31, 2023: 136,680,954) equivalent of TRY 93,586,905,666 (December 31, 2023: TRY 72,161,192,326) as well as credits extended to banks against bills in Turkish lira amounting to TRY 495,589,558,555 (December 31, 2023: 334,000,944,390 TL) and advance loans against investment commitment of TRY 93,063,241,845 (December 31, 2023: TRY 85,055,921,832). As of December 31, 2024, the balance of domestic credits including rediscounts is TRY 620,995,349,368 (December 31, 2023: TRY 445,174,833,315).

Foreign credits consist of credits extended to the Central Bank of Sudan. In accordance with the banking agreement between the CBRT and the Central Bank of Sudan, foreign credits extended amount to USD 9,061,417 (December 31, 2023: USD 9,061,417) equivalent to TRY 319,172,997 (December 31, 2023: TRY 266,751,796).

Table 3.4.2.8.1: Credits and Non-performing Loans

	2024	2023
Domestic credits	620,995,349,368	445,174,833,315
Foreign credits	319,172,998	266,751,796
Non-performing loans (Net)		
Non-performing loans	56,549,804,331	47,018,242,554
Provisions for non-performing loans	-56,549,804,331	-47,018,242,554
TOTAL	621,314,522,366	445,441,585,111

Note: Interest accrued to the claims on the Central Bank of Iraq is USD 8,281,126 (December 31, 2023: USD 8,213,361) equivalent to TRY 273,478,668 (December 31, 2023: TRY 198,605,130).

The claims on the Central Bank of Iraq are USD 1,512,891,348 (December 31, 2023: USD 1,504,610,222) equivalent to TRY 53,289,025,809 (December 31, 2023: TRY 44,293,016,630). The total of claims arising from the credit extended against bills for the Iraq Bekhme Dam Project is USD 92,574,475 (December 31, 2023: USD 92,574,475) equivalent to TRY 3,260,778,522 (December 31, 2023: TRY 2,725,225,924). The principal of and the monthly interest accrued on the amount of the loan extended to the Central Bank of Iraq are valued on a daily basis and a provision is set aside for the resulting exchange rate difference as per Article 323 of the TPL No. 213 and Article 59 of the CBRT Law No. 1211. These provisions are monitored in profit loss accounts. As the claim amounting to TRY 56,549,804,331 (December 31, 2023: TRY 47,018,242,554) was netted with the provisions, the non-performing loans item had no balance as of December 31, 2024.

3.4.2.9. Share Participations

The CBRT has share participations in the BIS, the Society for Worldwide Interbank Financial Telecommunications (SWIFT), the IILM, and the Interbank Card Center (BKM).

The share participation in the BIS, which was acquired under the scope of central banking activities, is recognized at fair value calculated as 70% of the net asset value of the BIS.

Table 3.4.2.9.1: Share Participations

		2024			2023		
Participation	Nature of Business	Ownership (%)	TRY	Foreign Currency	Ownership (%)	TRY	Foreign Currency
BIS	Banking regulation services	1.41	12,199,396,737	SDR 10,000,000	1.41	9,610,293,629	SDR 10,000,000
SWIFT	Electronic fund transfer services	0.007	2,363,303	EUR 64,320	0.007	2,022,188	EUR 62,080
IILM	Liquidity management	13.45	406,630,890	USD 11,544,372	13.33	294,382,000	USD 10,000,000
BKM	Payment services	51.01	90,543,079	-	51.01	90,543,079	-
TOTAL			12,698,934,009			9,997,240,896	

Movements in share participations are shown below:

Table 3.4.2.9.2: Movements in Share Participations

	2024	2023
Balance on January 1	9,997,240,896	5,889,960,247
IILM capital increase	49,644,157	-
Fair value changes	2,652,048,956	4,107,280,649
Balance	12,698,934,009	9,997,240,896

3.4.2.10. Fixed Assets (Net)

The CBRT's fixed assets consist of land, buildings, furniture and fixtures, and software products.

Table 3.4.2.10.1: Movements in Fixed Assets

	Land and Buildings	Furniture and Fixtures	Software	Total
Net book value on January 1	774,929,113	673,300,949	53,525,715	1,501,755,778
Additions	239,228,925	1,413,179,480	33,886,717	1,686,295,122
Disposals (net) (*)	-30,594,360	-214,396	-	-30,808,755
Depreciation charge	-23,242,724	-317,830,065	-45,566,665	-386,639,454
Net book value	960,320,955	1,768,435,969	41,845,767	2,770,602,691

(*) Disposals are shown net of accumulated depreciation.

2024	Land and Buildings	Furniture and Fixtures	Software	Total
Book value	1,195,808,172	2,594,666,779	236,668,387	4,027,143,338
Accumulated depreciation	-235,487,217	-826,230,810	-194,822,620	-1,256,540,647
Net book value	960,320,955	1,768,435,969	41,845,767	2,770,602,691
2023	Land and Buildings	Furniture and Fixtures	Software	Total
Book value	991,421,580	1,198,836,385	202,781,685	2,393,039,650
Accumulated depreciation	-216,492,467	-525,535,435	-149,255,970	-891,283,872
Net book value	774,929,113	673,300,949	53,525,715	1,501,755,778

3.4.2.11. Revaluation Account**Table 3.4.2.11.1: Revaluation**

	2024	2023
Revaluation account	491.148.756.096	817.762.329.689

This item, which shows the unrealized gains and losses arising from the valuation of FX, banknotes, other assets and liabilities denominated in foreign currency and gold in the assets and liabilities of the CBRT due to changes in the value of the Turkish lira against the foreign currencies and changes in gold prices in international markets, had a balance of unrealized loss amounting to TRY 491,148,756,096 by December 31, 2024.

3.4.2.12. Other Assets**Table 3.4.2.12.1: Other Assets**

	2024	2023
Gold of non-international standard	8,374,254,550	5,528,640,444
Coins	165,656,229	89,329,230
Income accruals	1,948,732,854	1,998,880,085
Charges and commissions due from the Treasury	238,366,645	303,084,130
EFT fees	299,859,214	178,145,623
Other	1,410,506,995	1,517,650,332
Other	66,756,613,979	281,298,569,130
Prepaid taxes to be deducted from corporate tax	3,467,565,011	1,460,340,421
Income tax withholding to be deducted from corporate tax	6,370,880,938	2,330,139,792
Depots	953,245,133	559,973,922
Prepaid expenses	119,452,498	90,169,208
Other	55,845,470,399	276,857,945,787
TOTAL	77,245,257,612	288,915,418,889

3.4.2.13. Currency Issued**Table 3.4.2.13.1: Currency Issued**

	2024	2023
Balance on January 1	448,822,892,318	341,798,643,178
Banknotes put into circulation	262,996,926,785	144,158,582,105
Banknotes withdrawn and banknotes destroyed	-66,583,283,680	-37,134,332,965
Balance	645,236,535,423	448,822,892,318

The total balance of banknotes in circulation by December 31, 2024 was TRY 645,236,535,423.

3.4.2.14. Deposits

Table 3.4.2.14.1: Deposits

	2024	2023
Public sector deposits	1,001,301,087,684	983,018,845,601
Treasury, general, and special budget administrations	1,001,094,616,970	982,800,690,002
Cash	820,508,651,085	884,986,428,907
Gold	180,585,965,885	97,814,261,094
Other	206,470,714	218,155,600
Banking sector deposits	5,933,326,917,001	4,035,132,437,335
Domestic banks	2,859,031,135,105	1,969,070,182,025
Deposits of banks	337,420,000,379	101,228,208,867
Cash	167,799,441,799	48,784,333,426
Collaterals	40,378,645,300	26,386,595,000
Cash	40,378,645,300	26,386,595,000
Gold	-	-
Gold	129,241,913,280	26,057,280,441
Free required reserves	2,521,611,134,726	1,867,841,973,159
Foreign correspondents	774,655,377,027	666,678,656,337
Required reserves in blocked accounts	2,299,640,404,869	1,399,383,598,973
Cash	1,935,844,911,487	1,186,907,876,323
Gold	363,795,493,382	212,475,722,650
Other deposits	14,319,759,245	12,866,170,507
Deposits by citizens abroad	4,274,265,165	5,181,219,360
Deposits by international institutions	610,467,885	417,423,702
IMF	502,254,882	309,459,799
Other	108,213,003	107,963,903
Extrabudgetary funds	784,528,975	179,201,429
Other	8,650,497,220	7,088,326,016
Financing companies	8,645,468,132	7,080,763,532
Deposits by embassies	28,484	24,096
Other	5,000,604	7,538,388
TOTAL	6,948,947,763,930	5,031,017,453,443

3.4.2.15. Tax Liability

The amount of corporate tax to be charged on taxable corporate income is calculated over the tax base generated by adding non-deductible expenses to the profit and deducting non-taxable income and allowances.

Table 3.4.2.15.1: Taxes to be Paid

	2024	2023
Corporate tax	-	-
Other taxes	3,016,599,941	2,576,678,429
Obligations as a taxpayer	541,951,004	617,012,867
Obligations as withholding tax collector	2,474,648,937	1,959,665,561
TOTAL	3,016,599,941	2,576,678,429

The corporate tax rate for 2024 is 30% (2023: 30%). In Türkiye, the advance tax is calculated and accrued on a quarterly basis. The advance tax rate is 30% for 2024 (25%: 2023/1 and 2023/2, 30%: for the following periods).

For temporary differences arising from the differences in the provisions of the TCC and the tax legislation, deferred tax asset or liability is calculated over 30% (2023: 30%).

The breakdown of temporary differences and the resulting deferred tax assets/liabilities as of December 31, 2024 is as follows:

Table 3.4.2.15.2: Temporary Differences and Deferred Tax Assets/Liabilities

	2024		2023	
	Total Temporary Differences	Deferred Tax Assets/Liabilities	Total Temporary Differences	Deferred Tax Assets/Liabilities
Total assets	12,432,803,182	3,729,840,954	8,979,039,477	2,693,711,843
Retirement pay and employment termination benefit obligations	1,432,377,491	429,713,247	761,816,605	228,544,981
Depreciation adjustment for fixed assets	11,000,425,691	3,300,127,707	8,217,222,872	2,465,166,862
Total liabilities	-11,739,093,737	-1,760,864,060	-9,214,122,629	-691,059,197
Fair value adjustment of the BIS participation share	11,739,093,737	-1,760,864,060	9,214,122,629	-691,059,197
Net Assets/Liabilities	693,709,445	1,968,976,894	-235,083,152	2,002,652,646

Table 3.4.2.15.3: Deferred Tax Asset/Liability Movements

	2024	2023
Balance on January 1	2,002,652,646	-214,680,585
Deferred tax related to profit and loss statement (net)	1,036,140,912	2,573,305,061
Deferred tax related to other liability accounts	-1,069,816,664	-355,971,830
Balance	1,968,976,894	2,002,652,646

3.4.2.16 Provisions

Table 3.4.2.16.1: Provisions

	2024	2023
Retirement pay and employment termination benefit provisions	1,630,639,397	885,429,648
Insurance provision for money in transit	243,056,337	243,056,337
TOTAL	1,873,695,734	1,128,485,985

The year-end balance of the insurance provision for the money in transit, which is set aside pursuant to Article 59 of the CBRT Law No. 1211, was TRY 243,056,337 as of December 31, 2024.

As per the Pension Fund Law No. 5434 and the Turkish Labor Law No. 1475, employers are obliged to pay retirement pay or employment termination benefits to their employees whose contracts have expired, and who are eligible to retire with a right to receive retirement and employment termination benefits.

Provisions for retirement pay and employment termination benefits are calculated by estimating the present value of the prospective future obligation of the CBRT arising from the retirement of its employees. Accordingly, the actuarial assumptions used in calculating total liabilities are presented below.

The principal actuarial assumption is that the maximum liability for each year of service will increase in tandem with the inflation rate. Therefore, the discount rate applied represents the expected real rate adjusted for future inflation effects. For this reason, provisions in the financial statements as of December 31, 2024 have been calculated by estimating the present value of the prospective future liability arising from retiring employees.

The ceiling amount of termination benefit is revised every six months. While calculating the provision for the termination

benefit liabilities of the CBRT's employees, the ceiling amount of TRY 41,828 (December 31, 2023: TRY 23,490) that took effect as of 1 July 2024 was taken into account.

The change in the retirement pay and employment termination benefit liabilities is shown below:

Table 3.4.2.16.2: Change in Retirement Pay and Employment Termination Benefit Liabilities

	2024	2023
Balance on January 1	885,429,648	474,687,813
Provision set aside	780,050,764	427,268,862
Retirement pay and employment termination benefit paid	-34,841,015	-16,527,027
Balance	1,630,639,397	885,429,648

3.4.2.17. Capital and Reserves

The CBRT's total capital is TRY 25,000 and it is divided into 250,000 registered shares, each with a value of TRY 0.10.

Table 3.4.2.17.1: Capital and Reserves

	2024	2023
Paid-in capital	25,000	25,000
Inflation adjustment for paid-in capital	46,208,524	46,208,524
Reserves	334,168,579	9,664,248,946
Reserves	-	9,330,080,367
Special reserves	334,168,579	334,168,579
TOTAL	380,402,103	9,710,482,470

Pursuant to the decision of the Board adopted under the Article 22(h) of the CBRT Law No. 1211, the reserve funds set aside from the profit of 2022, totaling TRY 9,330,080,367, were entirely deducted from the loss of 2023.

The shareholders of the CBRT by December 31, 2024 and December 31, 2023 are as follows:

Table 3.4.2.17.2: Shareholders of the CBRT

	2024		2023	
	Share (TRY)	Share (%)	Share (TRY)	Share (%)
Ministry of Treasury and Finance	13,780	55.12	13,780	55.12
T.C. Ziraat Bankası	4,806	19.22	4,806	19.22
Mervak İç ve Dış Ticaret A.Ş.	1,280	5.12	1,280	5.12
Türkiye Garanti Bankası	621	2.48	621	2.48
Türkiye İş Bankası	582	2.33	582	2.33
Türkiye Halk Bankası	277	1.11	277	1.11
Yapı ve Kredi Bankası	139	0.56	139	0.56
Akbank	8	0.03	8	0.03
ING Bank.	5	0.02	5	0.02
Türk Ekonomi Bankası	2	0.01	2	0.01
Other	3,500	13.99	3,500	13.99
Paid-in Capital	25,000	100.00	25,000	100.00

3.4.2.18. Other Liabilities**Table 3.4.2.18.1: Other Liabilities**

	2024	2023
Letters of credit	4,401,054,625	560,965,114
Expense accruals	1,505,357,830	1,606,687,720
Other	26,421,045,908	163,238,293,613
Difference arising from accounting policy changes	9,981,160,573	8,525,927,458
Blocked accounts as per the decisions of tax offices, debt enforcement offices, and courts	32,348,578	29,071,287
Amounts to be debited to foreign correspondent accounts on next year's value date	3,021,948,492	2,130,929,496
Other	13,385,588,265	152,552,365,372
TOTAL	32,327,458,363	165,405,946,447

3.4.2.19. Regulating Accounts

Regulating accounts, which are expressed in terms of Turkish lira, FX, and units, had a total balance of 11,832,795,765,410 as of December 31, 2024 (31 December 2023: 11,907,432,215,123).

3.4.2.20. Profit/Loss Accounts

Table 3.4.2.20.1: Profit/Loss Statement

	2024	2023
NET INTEREST INCOME/EXPENSE	-261,022,874,810	153,499,067,628
Interest Income	493,452,113,266	286,203,667,647
TRY and FX securities portfolio	48,877,097,047	42,282,547,562
Repo transactions	26,668,821,330	13,839,785,647
Interbank money market operations	2,777,594,367	6,233,483,492
Credits	127,641,345,075	40,729,024,870
Banks	287,487,255,447	183,118,826,076
Interest Expenses	-754,474,988,076	-132,704,600,019
FX deposits by citizens abroad	-229	-48
Reverse repo transactions	-1,087,760,896	-369,355,214
Interbank money market operations	-110,357,455,831	-12,740,931,010
Ministry of Treasury and Finance accounts	-212,975,149,822	-78,603,680,861
IMF general resource account charges	-9,410,078,536	-7,226,046,940
TRY required reserves	-356,625,520,499	-
Banks	-64,019,022,263	-33,764,585,946
NET FEE AND COMMISSION INCOME/EXPENSE	26,233,519,742	23,165,250,093
Fee and Commission Income	26,654,375,896	23,406,153,797
EFT transaction fees and commissions	3,663,489,092	2,785,343,414
Commissions due from the Ministry of Treasury and Finance	3,380,453,481	1,845,113,350
Commission and maintenance fees due from banks	19,121,391,990	18,351,009,880
Other fund transfer fees	33,124,453	20,458,251
Fees charged to banks within the context of CMS	295,829,089	214,939,406
Other	160,087,791	189,289,496
Fee and Commission Expenses	-420,856,154	-240,903,704
Commission and maintenance fees paid to banks	-413,930,902	-235,398,819
Other	-6,925,253	-5,504,885
NET NON-INTEREST INCOME/EXPENSE	-466,600,900,776	-997,420,486,491
Non-interest Income	68,990,987,921	244,869,771,911
Profit on purchase and sale of FX and gold	54,309,555,147	239,248,921,554
Securities portfolio trading income and increase in fair value	4,383,767,658	2,810,690,572
Dividend income	167,305,144	74,555,979
Other	10,130,359,972	2,735,603,806
Non-interest Expenses	-535,591,888,697	-1,242,290,258,402
Loss on purchase and sale of FX and gold	-266,047,273,450	-256,135,880,299
Securities portfolio trading loss and decrease in fair value	-3,150,606,576	-75,865,584,929
Provision expenses for non-performing loans	-9,531,561,777	-17,307,179,824
Wages and salaries	-9,468,291,655	-4,538,937,732
Social security costs	-1,463,551,112	-722,900,769
Operating expenses	-1,494,718,725	-701,295,942
Banknote paper and ink expenses	-2,639,437,623	-1,014,621,829
Depreciation charges	-375,577,164	-173,246,703
Other (*)	-241,420,870,615	-885,830,610,374
PROFIT/LOSS BEFORE TAX	-701,390,255,844	-820,756,168,771
DEFERRED TAX INCOME/EXPENSE	1,036,140,912	2,573,305,061
REPORTED LOSS OF THE PERIOD	-700,354,114,932	-818,182,863,710

(*) Expenses related to the FX-protected deposits converted from TRY transactions, which have been transferred to the CBRT pursuant to the Provisional Article 2 of Law No. 7456 of 14 July 2023, as well as to transactions of FX-protected deposits converted from FX and other FX earning transactions (YUVAM – Deposit and Participation Scheme for Non-resident Turkish Citizens – and physical gold etc.) amounted to TRY 240,166,792,451 (2023: TRY 833,419,912,761).

3.4.2.21 Profit Distribution

Paragraph 5 of Article 64 of the TCC Law No. 6102 stipulates that natural and legal persons, who are subject to the TCC, are also obliged to conform to the provisions of the TPL No. 213 concerning bookkeeping and recording time as well as the regulations made based on the powers given by Article 175 and the repeated Article 257 of the same law. According to the aforementioned paragraph, provisions of Law No. 6102 concerning bookkeeping, inventory, financial statement preparation, capitalization, provisions, accounts, valuation, maintenance, and submission do not impede the implementation of Law No. 213 and the related provisions of other tax laws, nor the determination of the tax base in compliance with tax laws and the preparation of related financial statements.

Pursuant to Article 60 of the CBRT Law No. 1211 and Article 64 of the TCC No. 6102, and as stated in its accounting books kept according to the provisions of the TPL No. 213, the loss of the CBRT for 2024, totaling TRY 695,678,727,620 is stated below:

Table 3.4.2.21.1: Distribution of Profit (Article 60 of Law No. 1211)

	2024	2023
Reported profit/loss of the period (TCC No. 6102)	-700,354,114,932	-818,182,863,710
Reporting adjustments	4,675,387,312	-2,582,219,393
Loss of the period (TPL No. 213)	-695,678,727,620	-820,765,083,103
Tax provisions (-)	-	-
Corporate income tax	-	-
Profit after tax	-	-
Other distributions (-)	-	-
1- Reserves	-	-
2- Shareholders	-	-
First dividends	-	-
Second dividends	-	-
3-Bonus to the personnel (Article 60(c) of Law No. 1211)	-	-
The Amount to be Transferred to the Ministry of Treasury and Finance	-	-

3.4.2.22. Previous Years' Losses

The loss of TRY 818,182,863,710 reported in 2023 was recorded under the "Previous Years' Losses" item. In line with the decision of the Board adopted under the Article 22(h) of the CBRT Law No. 1211, the entirety of the reserve funds set aside from the profit of 2022, totaling TRY 9,330,080,367, was deducted from this item. Pursuant to Article 509 of the TCC No. 6102, no dividends or reserve funds will be distributed until the settlement of the remaining "Previous Years' Losses" amounting to TRY 808,852,783,343 as of December 31, 2024.

3.5 Explanations on Operating Expenses

The distribution of expenses made by the CBRT in the last two years across subcategories of current expenditures with 2003 prices in real terms is as follows:

Table 3.5.1: Distribution of Expenses (With 2003 prices)

	2024 (TRY)	2023 (TRY)	Change (%)
I- Personnel Expenses	463,208,770	353,401,063	31
II- Other Expenses	60,429,674	47,101,166	28
III- Banknote Printing Expenses	111,839,393	68,145,085	64
TOTAL	635,477,837	468,647,314	36

In 2024, personnel expenses, banknote printing expenses and other expenses increased compared to 2023.

- Personnel expenses cover salaries, fringe benefits, social security payments, social benefits, health and education expenses, travel allowances, and outsourcing expenses. Compared to 2023, there was a 31% increase in personnel expenses in real terms.
- Other expenses mainly consist of Social Expenses, Utility Expenses, Consultancy and Research Expenses, Rental Expenses, and Taxes, Duties, and Charges.
- Banknote printing expenses rose by 64% compared to the previous year.

When performing the duties assigned to it by the CBRT Law, the Bank prepares its budget in view of the priorities set in its strategic plan, adhering to the principle of frugality in spending, and spends accordingly.

3.6 Audit at the CBRT and Audit Reports

3.6.1 Audit at the CBRT

Audits of the activities of the CBRT are carried out in compliance with the relevant provisions of the CBRT Law No. 1211, and are divided into two as internal audits and audits made by institutions other than the CBRT.

Audits Conducted by the Bank

In accordance with Article 15 of the CBRT Law, the General Assembly examines and resolves whether to approve the Annual Report submitted by the Board of the Bank, as well as the report of the Auditing Committee, the CBRT's balance sheet, and the income statements. Through this procedure, the General Assembly completes the monitoring of the activities of the Bank every year by discharging the Board of the Bank and the Auditing Committee.

The Auditing Committee, on the other hand, audits, in accordance with Article 24 of the CBRT Law, all the operations and accounts of the CBRT and submits to the General Assembly a report to be drawn up on operations and accounts of the Bank at the end of the year. With the authorization entrusted by the CBRT Law, the Auditing Committee submits its written opinions to the Board and also presents a copy thereof to the Presidency of Türkiye.

Article 64 of the Main Regulation on the Organization and Duties of the CBRT gives the authority and responsibility for auditing the Bank's usual operations to the Audit Department.

Within the scope of the authorities and duties granted by the CBRT Law No. 1211 and the related legislation, the Audit Department has the duty and authority to conduct audits, examinations and research, to carry out investigations and to provide advisory services when required in the departments, branches, and representative offices of the Bank as well as at institutions and organizations other than the CBRT.

According to Article No. 6 of the Audit Regulation of the CBRT, audits carried out can be classified into four activities: (a) internal audit, (b) investigation, (c) examination and advisory, and (d) regulatory audit activities.

Pursuant to Article 21 of the Audit Regulation of the CBRT, one or several of the operational, financial, compliance, and information systems audits can be conducted simultaneously in all departments, branches, and representative offices of the CBRT. In 2024, 14 information systems audits and 31 operational audits were conducted at the CBRT Head Office. Additionally, 42 compliance audits were conducted across 10 branches of the Bank. Thus, internal audits conducted at the CBRT totaled 87.

As part of the regulatory audit conducted pursuant to Article 36 of the Audit Regulation of the CBRT, the Bank carried out onsite audits at banks and financing institutions on various issues subject to the CBRT's regulation. These audits took place based on the opinions and requests of the members of the Executive Committee, as well as CBRT departments in charge of regulation and oversight, and upon the Approval of the Governor's Office. The aim of regulatory audits is to monitor the effective implementation of decisions and measures taken in cooperation with the CBRT's other units to achieve the CBRT's strategic goals, as well as to ensure compliance with the legislation. Accordingly, 53 reports and many information notes were prepared and submitted to the CBRT executives and related departments.

With the amendment made to Law No. 6493 on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions in 2019, the CBRT was entrusted with the authority to audit payment institutions and electronic money institutions, and the Bank started to audit these institutions in 2020. Regulated by Law No. 6493, the payments ecosystem has been evolving day by day offering innovative solutions to its clients, and is expected to develop and become even more important in the years ahead. Audits play a major role in enabling this field to gain a corporate identity and develop a suitable structure, as well as in protecting the rights of clients. The audits carried out in cooperation with the CBRT departments in charge of regulation and oversight contribute significantly to the development of the sector. When deemed necessary, the CBRT is entitled to take administrative measures and impose administrative fines on payment institutions and electronic money institutions. In 2024, the CBRT prepared 69 reports as part of the audit activities conducted at relevant institutions, and the investigations into unauthorized activities.

The Audit Department has a total of 75 audit staff composed of 30 head inspectors, four chief auditors, two IT inspectors, 11 inspectors, two authorized assistant IT inspectors, five authorized assistant inspectors, three assistant IT inspectors, and 18 assistant inspectors.

Periodic self-assessment of internal audit activities is carried out every year by an assigned inspector, who, at the end of the evaluation made in terms of quality and conformity, submits an evaluation report to the Audit Department.

Hearings at the Grand National Assembly of Türkiye, External Audit and Supreme Audit

In accordance with Article 42 of the CBRT Law, the Governor submits a report to the President of Türkiye on the operations of the Bank and the current and future monetary policies in April and October each year. The CBRT furnishes information regarding its operations to the Plan and Budget Committee of the Grand National Assembly of Türkiye twice a year.

Pursuant to Article 42 of the CBRT Law, the CBRT may have its balance sheet and profit and loss accounts audited by independent audit firms. Believing that independent external audit activities are one of the most effective instruments with respect to the transparency and accountability principles adopted by central banks, the CBRT first started to receive external audit services in 2000. The reports prepared at the end of the audit engagements each year are made public via the CBRT website.

In addition to the audits mentioned above, the Ministry of Treasury and Finance, the State Supervisory Council, the Turkish Court of Accounts, certain ministries and other authorized government agencies may conduct audits at the CBRT via their auditors on the issues related to their duties, if deemed necessary by the relevant authorities.

3.6.2 The Report of the CBRT's Auditing Committee

CENTRAL BANK OF THE REPUBLIC OF TÜRKİYE JOINT STOCK COMPANY 2024

AUDITING COMMITTEE REPORT FOR THE NINETY-THIRD ACCOUNTING YEAR

The Auditing Committee has audited the activities and resulting statements of the 2024 Accounting Year of the Central Bank of the Republic of Türkiye within the framework of the provisions of the related legislation, and concluded that

1. Gold holdings, and cash, foreign exchange banknotes, coins and securities in the service and reserve vaults of the Head Office and Branches, which were subject to stock-taking at the end of the year, are in conformity with the accounting records as well as the inventory records, and these values are kept and administered in accordance with the regulations and instructions
2. The conformity of books related to the Bank's accounts with accounting records was examined, and it was ascertained that the records were kept in a timely and orderly manner, properly and per legislation, and that the Bank's operations were in conformity with the Central Bank Law,
3. The balance sheet dated 31.12.2024 and the Income Statement for the period between 01.01.2024 and 31.12.2024 are in compliance with the Turkish Commercial Code and the Central Bank Law
4. The financial statements compiled to present the financial position of the Central Bank of the Republic of Türkiye on 31.12.2024 and the results of activities relating to the same accounting year that ended on the same date are presented in an accurate, correct and clear manner pursuant to the legislation in force in Türkiye and the Central Bank Law
5. The decisions, dissents, and abstaining votes of the Board have been deliberated, and no action was deemed necessary,
6. The trial for the legal liability lawsuit filed by the Bank continues.

In conclusion, we hereby submit the Balance Sheet and the Income Statement dated 31.12.2024 for approval of the General Assembly.

Ankara, 03/04/2025

Mehmet BABACAN
Auditing Committee Member

Bekir BAYRAKDAR
Auditing Committee Member

Ramazan GÜNGÖR
Auditing Committee Member

Metin TOPRAK
Auditing Committee Member

3.6.3 Independent Audit Report Drawn up in Compliance with the Central Bank Law and Related Legislation*

To the Board of the Central Bank of the Republic of Türkiye

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of Central Bank of Republic of Türkiye (the “Bank”), which comprise the balance sheet as at December 31, 2024, and the statement of income, the statement of changes in shareholders’ equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with the Law of the Central Bank of the Republic of Türkiye and related legislation (Note I. A. (2)).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. Regarding the independent audit of financial statements, we declare that we are independent from the Bank in accordance with the Code of Ethics for Professional Accountants published by the International Ethical Standards (“Code of Ethics”) Board for Professional Accountants, as well as the ethical rules applicable in Turkey for the independent audit of financial statements. In accordance with the provisions, we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Bank management is responsible for the preparation of financial statements in accordance with the Central Bank of the Republic of Türkiye Law and relevant legislation (Note I.A. (2)), and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless General Assembly either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

In an independent audit, the responsibilities of independent auditors are as follows:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Erdem Taş,
Partner

March 24, 2025

(*) The full text of the Report is accessible at the Bank's website (www.tcmb.gov.tr), under About the Bank / Organization / Independent Audit Reports.

3.6.4. Independent Audit Report Drawn up in Compliance with IFRS*

To the Board of The Central Bank of the Republic of Türkiye.

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of The Central Bank of Republic of Türkiye (the “Bank” and “CBRT”), which comprise the balance sheet as of December 31, 2024, and the statements of profit or loss, the statement of other comprehensive income, the statement of changes in shareholders’ equity and the statement of cash flows for the year then ended and, notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

As explained in Note 3.a. to the financial statements, the US Dollar (“USD”) amounts presented in the accompanying financial statements have been calculated over Turkish Lira amounts using the official USD bid rates announced by the Bank as of December 31, 2024 and 2023 for the statement of financial position and the average exchange rates calculated from the daily official bid rates announced by the Bank for the years 2024 and 2023 for the statement of profit or loss and are not a part of these financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Bank Management is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless General Assembly either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Erdem Taş, SMMM
Partner

March 24, 2025

(*) The full text of the Report is accessible at the Bank's website (www.tcmb.gov.tr), under About the Bank / Organization / Independent Audit Reports.

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Ankara Branch	(312) 507 50 00	Hacı Bayram Mahallesi Atatürk Bulvarı No: 4 06050 Ulus Altındağ / Ankara
Antalya Branch	(242) 248 75 46	Kültür Mahallesi Hürriyet Caddesi No: 46 Kepez / Antalya
Bursa Branch	(224) 224 34 50	Santral Garaj Mahallesi Kıbrıs Şehitleri Caddesi No: 94 16200 Osmangazi / Bursa
Denizli Branch	(258) 265 27 67	Sırapapılar Mahallesi Gazi Mustafa Kemal Bulvarı No:90 20010 Merkezefendi / Denizli
Diyarbakır Branch	(412) 224 61 94	İskenderpaşa Mahallesi İnönü Caddesi No: 33 21300 Sur / Diyarbakır
Edirne Branch	(284) 213 97 00	Çavuşbey Mahallesi Hükümet Caddesi No: 17 22020 Edirne
Erzurum Branch	(442) 213 54 63	Kazım Karabekir Paşa Mahallesi Orhan Şerifsoy Caddesi No: 28/A 25100 Yakutiye / Erzurum
Eskişehir Branch	(222) 230 39 90	Arifiye Mahallesi Müftülük Sokak No: 2 26010 Odunpazarı / Eskişehir
Gaziantep Branch	(342) 230 36 80	Değirmiş Mahallesi Kamil Ocak Caddesi No: 5 27090 Şehitkamil / Gaziantep
İskenderun Branch	(326) 613 15 87	Çay Mahallesi Ulu Camii Caddesi No: 110 31300 İskenderun / Hatay
İstanbul Branch	(212) 251 80 00	Arapcami Mahallesi Bankalar Caddesi No: 13 34421 Karaköy Beyoğlu / İstanbul
İzmir Branch	(232) 482 00 35	Konak Mahallesi Cumhuriyet Bulvarı No: 3 35250 Konak / İzmir
İzmit Branch	(262) 322 05 00	Kemalpaşa Mahallesi Cumhuriyet Caddesi No: 36 41200 İzmit / Kocaeli
Kayseri Branch	(352) 221 14 95	Tacetinveli Mahallesi İnönü Bulvarı No: 70 38150 Melikgazi / Kayseri
Konya Branch	(332) 353 17 10	Şems-i Tebrizi Mahallesi Mevlana Caddesi No: 25 42030 Karatay / Konya
Malatya Branch	(422) 212 90 00	İnönü Mahallesi İnönü Caddesi No: 186 44070 Yeşilyurt / Malatya
Mersin Branch	(324) 238 83 15	Camışerif Mahallesi İstiklal Caddesi No: 25/A 33060 Akdeniz / Mersin
Samsun Branch	(362) 431 46 40	Kale Mahallesi Kazımpaşa Caddesi No: 26 55030 İlkadım / Samsun
Trabzon Branch	(462) 230 25 80	Toklu Mahallesi Devlet Sahilyolu Caddesi No: 325 61040 Ortahisar / Trabzon
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