Statistics	**FOREIGN EXCHANGE ASSETS AND LIABILITIES OF NON-FINANCIAL COMPANIES**

The Data: Coverage, Periodicity, and Timeliness

Coverage characteristics	**Purpose of the study:** Measuring foreign exchange (FX) assets and liabilities of non-financial companies in Türkiye arising from their transactions with resident financial institutions and non-residents to provide indicators for the FX risk they bear.
	Data description: Liabilities include FX denominated and FX-indexed liabilities of non-financial companies to resident financial institutions and non-residents, which require the payment of the principal and/or interest at pre-determined maturities. Assets include FX denominated and FX indexed assets.

	Statistical Concepts and Definitions:
	
	 Resident Financial Institutions: Consists of Deposits, Participation, Investment and Development Banks as well as Financial Leasing, Factoring and Consumer Finance Companies.
	
	 Residency: Foreign and domestic positions are classified on the basis of residency rule according to the guidelines of the IMF's Balance of Payments Manual, 6th edition. A unit is said to be "resident" when it engages for an extended period (one year or more) in economic activities on this territory. Branches of foreign banks in Türkiye are regarded as residents, whereas branches of domestic banks abroad are not classified as residents.
	
	 Classifications: Banks report money and banking statistics according to the **"Institutional Sector List"** used by the Central Bank of the Republic of Türkiye (CBRT). The same classification has been used in this study. Sectors are given below:
	
	 A. Domestic
	
	   a) General Government
	
	       1. Central Government
	
	       2. Local Government
	
	       3. Social Security Institutions
	
	   b) Non-Financial Corporations
	
	       1. Non-Financial Public Administrations
	
	       2. Non-Financial Companies (Private Sector)
	
	   c) Financial Corporations
	
	       1. CBRT
	
	       2. Banks
	
	       3. Non-Bank Financial Sector
	
	           3.1 Insurance Companies and Pension Funds
	
	           3.2 Financial Intermediaries
	
	           3.3 Financial Auxiliaries
	
	   d) Households
	
	   e) Non-Profit Corporations

B. Abroad

  a) Monetary Authorities Abroad

  b) Banks Abroad

  c) Headquarters and Branches Abroad

  c) Other

Sectors are classified as central banks, general government, banks and other sectors in International Investment Position (IIP) and short-term external debt statistics.

Maturities

On the Assets side,

- **Short-term:** Includes receivables with an original maturity of one year or less (including 365 days).

- **Long-term:** Includes receivables with an original maturity of more than one year.

On the Liabilities side,

- **Short-term:** Includes loans with an original maturity of one year or less (including 365 days).

- **Long-term:** Includes loans with an original maturity of more than one year.

Table 1: Maturity Breakdown

Table 1. a Assets

Deposits with Domestic Banks	Short Term
Deposits with Banks Abroad	Short Term
Government Securities	Short Term
Portfolio Investments Abroad	Short Term
Export Receivables	Short Term
Direct Investments Abroad	Long Term

Table 1. b Liabilities

Loans from Domestic Banks	Short Term
	Long Term
FX-Indexed Loans	Short Term
	Long Term
Loans from Non-Bank Financial Institutions	
Factoring Companies	Short Term
Consumer Finance Companies	Short Term
Financial Leasing Companies	Long Term
Past Due Loans Taken Over by SDIF	Long Term
External Loans	
Short Term	Short Term
Long Term	
One Year or Less to Maturity	Short Term
Over One Year to Maturity	Long Term
Import Payables	
Short Term	Short Term
Long Term	
One Year or Less to Maturity	Short Term
Over One Year to Maturity	Long Term

Statistical population: Public institutions and organizations, international organizations (for example; IMF, OECD, Eurostat, Bank for International Settlements (BIS)), private sector and academicians.

Reference area: Türkiye

Geographical Level: None

Sector Coverage: The data set comprises transactions of non-financial companies operating in Türkiye. However, the data set does not cover the intra-sector relations or FX cash holdings of the sector.

Time Coverage: The starting date of the time series is December 2002. The presented values are stock.

Coverage, n.e.s.: None

Exceptional circumstances on coverage: The data set does not cover the data on the items whose counterpart is not a domestic financial institution or non-resident.

Statistical unit: Reporting units

Base period: None

Reference period: The data set is published on a monthly basis with a three-month lag.

Unit of measure:

Variable/Indicator	Unit of measure
All Variables	Million USD

Periodicity	**Frequency of data collection:** Monthly [Data for Non-bank Financial Institutions (before 2019) and BIS: quarterly] **Frequency of dissemination:** Monthly
Timeliness	**Average production time for each release of data:** 7 days. **Time lag - first results (days):** 62 days [Data for Non-bank Financial Institutions (before 2019) and BIS: 92 days] **Time lag - final results (days):** 62 days, [Data for Non-bank Financial Institutions (before 2019) and BIS: 92 days]

Access by the Public

Advance dissemination of release calendar	**Link to advance release calendar: http://www3.tcmb.gov.tr/veriyaytakvim/calendar.php** **Data release policy:** Foreign Exchange Assets and Liabilities of Non-Financial Companies are disseminated on the CBRT's web page on a monthly basis and subscriber institutions are informed via electronic mail following the release.

Simultaneous release to all interested parties	**Simultaneous release:** Yes. **Pre-release data share with press or other specific users under special agreements:** No.

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Dissemination of terms and conditions under which official statistics are produced, including those relating to the confidentiality of individually identifiable information	**Responsibility for collecting, processing, and disseminating statistics:** Monetary and Financial Statistics Division of the Statistics Department of the CBRT is responsible for collecting, compiling and disseminating statistics. **Data sharing and coordination among data producing agencies**: None **Confidentiality of individual reporters' data**: Article 43 of the Law No. 1211 on the CBRT, as amended by the Law No. 4651 of April 25, 2001; requires that the Bank may not publish or disclose the statistical information having a private and personal nature nor may it submit these to any official authority or private body other than the Banking Regulation and Supervision Agency. This information shall not be used for purposes other than those of statistical nature nor as means of evidence. Data released will be evaluated confidential accordingly and will not be disclosed to third parties. **Staff, facilities, computing resources, and financing**: Three employees are responsible for collecting, processing and disseminating foreign exchange assets and liabilities of non-financial companies data. All employees have either undergraduate or graduate degrees. Hardware, software and automation needs are provided by the IT department in line with work plans. **Monitoring user requirements**: Internet based "Statistics User Survey" is conducted once a year. **Quality policy**: Our policy is determined to disseminate data according to internationally accepted standards and maintain consistency and timeliness of the data. **Quality monitoring**: The data set is improved by including new data sources when available. Besides, data are also accessible via the Electronic Data Delivery System (EDDS) of CBRT. **Impartiality of statistics**: The data compiled released directly. Statistics are unbiased. **Data sources**: **A-Assets** **Deposits**: Consists of the sum of deposits with domestic banks and deposits with banks abroad. Deposits held with domestic banks, in turn, are the sum of deposits held with deposit banks and participation banks. · **Deposits with domestic banks** data are compiled using Money and Banking Statistics available at CBRT's web site. Sectoral classification includes commercial corporations, individual corporations and non-financial public enterprises. FX-protected deposit and participation accounts are included. The data is published on a monthly basis with a lag of 2 months. · **Deposits abroad data** is accessible, in its broadest form, through the Locational Banking Statistics published by the Bank for International Settlements (BIS). As the relevant data provides a breakdown of the sector as banks and non-banks, deposits of the non-bank sector abroad may also include non-bank financial sector. Data on deposits, covers all institutions except the banking sector, includes real persons and excludes monetary authorities. Also included in the non-bank sector are general government and public administrations. As the Turkish lira is not one of the reported currencies, in the BIS statistics pertaining to 'deposits abroad', data includes both TL deposits held with the branches of domestic banks abroad, as well as TL deposits held with the banks abroad. Data for the countries such as Bahrain, Cayman Islands and the Bahamas have been consolidated as "the data for off-shore centers" upon the requests from these countries. The relevant data is accessible through the BIS web site: Statistics/Banking/Locational Statistics/A6 Residence of counterparty. BIS publishes the data on a quarterly basis with a six-month lag.

Securities: Consists of government securities issued in Türkiye, Eurobonds and portfolio investments abroad.

- **Government Securities:** Data is compiled from securities database. Data refers to end of month market value of holdings of the non-financial sector of FX denominated debt securities issued by Ministry of Treasury and Finance both in domestic and international markets. FX-indexed debt securities are included.

- **Portfolio Investments Abroad:** Consists of the market value of residents' investments to equities, bills and bonds abroad. Data source is the Portfolio Investments Surveys that have been conducted initially on an annual basis between 2001 and March 2006, and on a quarterly basis then onwards. Data is derived by deducting the non-financial firms from the sum of Equity Securities, Debt Securities and Money Market Instruments of Firms listed under Other Sectors in the table of "Residents' Portfolio Investment Assets in Foreign Securities-By Instrument" published on CBRT's website under International Investment Position. The data is published quarterly with a 2-month lag.

Export Receivables: Amounts to the sum of short-term trade credits pertaining to other sectors listed under "Other Investments" included in assets of the International Investment Position. As the entire set of trade credits pertaining to the other sectors have short-term maturities, Export Receivables on the Foreign Exchange Assets and Liabilities of Non-Financial Companies Table are included in short-term assets. 'Other Sectors' refer to: "non- bank financial institutions" including insurance companies, pension funds and other financial intermediaries; "non-financial institutions (including state owned enterprises)", including companies engaged in the production of goods and services; non-profit institutions, such as trade unions, charities, etc. and "households". Accordingly, the following types of payments in the foreign trade statistics are classified as trade credit: cash against goods, deferred payment letter of credit, acceptance credit and advance payments by buyers. Trade credits consist of claims arising from the direct extension of credit by suppliers for transactions in goods and services and advance payments for work in progress that is associated with such transactions. Trade credit claims of the residents in Türkiye are compiled quarterly by TURKSTAT via direct reporting of companies. Monthly data estimated by sectoral shares of export data on the basis of NACE Rev.2 sectoral codes are used in IIP and revised according to the quarterly results of direct reporting. The data is published on a monthly basis with a 2-month lag.

Direct Capital Investments Abroad: Main source of the data is the annual survey of "Türkiye's Direct Investment by Country and Sector" applied by Ministry of Trade. The year-end data is compiled from "Direct Investment" published at CBRT's web site under International Investment Position by deducting "Financial and Insurance Activities". Because the table is drawn up as annual stock values, Balance of Payments Statistics is used for the monthly data set. The data includes the loans granted by the resident parent enterprise to the nonresident enterprise in which the resident enterprise owns 10 percent or more of the shares and the loans granted by the resident enterprise to its nonresident affiliates. Monthly flow data is compiled from "Net acquisition of financial assets" item under "Direct investment" from the table of "Balance of Payments (BPM6)-Detailed Presentation" published at CBRT's web site by deducting "Financial and Insurance Activities" from the table "Residents' Direct Investments Abroad by Sectoral Breakdown". This result is added to the stock amount of the previous period. Estimated monthly stock figures are revised backwards when the year-end direct investment figure is finalized.

B-Liabilities

Cash Loans:

- **Loans Extended by Domestic Banks:** Composed of FX loans and FX-indexed loans extended by deposit, development, investment and participation banks to non-financial sector. The data source is the Monthly Money and Banking Statistics available at the CBRT's website. Non-financial sector refers to non-financial enterprises (both private and public), sole proprietorships and partnerships with legal status, agricultural sales cooperatives, agricultural loans cooperatives and other private owned companies. The data is published on a monthly basis with a 2-mont lag.

- **FX-Indexed Loans:** The data is compiled from the reporting forms submitted by the deposit, development, investment and participation banks within the framework of the "Uniform Reporting Package of Banks and Participation Banks". Accruals arising from exchange rate appreciation and exchange rate appreciation discounts are added. While deductions resulting from exchange rate depreciation are reduced from the private sector FX-indexed loans. Beginning from the data of December 2008, FX Indexed Loans are decomposed into "short term" and "long term" based on the original maturity of the loans. The data is published on a monthly basis with a 2-mont lag.

- **Non-Bank Financial Companies:** Figures show the FX and FX-indexed loans granted by non-bank financial institutions to corporate sector (private companies and non-financial companies (including SMEs)). Data for December 2005 was collected directly from the Turkish Leasing Association (FĐDER), The Factoring Association and finance companies. As of March 2006, data started to be obtained from the Banking Regulation and Supervision Agency (BRSA) on quarterly basis. As of January 2019 figures, data are available on a monthly basis. The data is published on a monthly basis.

- **Past-due Loans Taken Over by SDIF:** The past-due loans taken over by Saving Deposits Insurance Fund are the receivables from controlling shareholders of bankrupt banks. Receivables in foreign currencies are affected by the exchange rate movements. Data is accessible at CBRT website at Statistics/Monthly Money and Banking Statistics/Data/Banking Sector Credit Volume. The data is published weekly and the lag is 2 weeks.

- **Loans from Abroad:** The cash loans received from abroad are reported according to maturity based on declarations of non-bank financial companies and real sector excluding real persons. Data source is compatible with the "Outstanding Loans Received from Abroad by Private Sector" tables published at the CBRT's website under Balance of Payments and Related Statistics/Outstanding Loans Received from Abroad by Private Sector, while data cover the loans granted to public non-financial corporations. Loans granted to the resident enterprise from its nonresident parent owning 10 percent or more of the shares in the resident enterprise, loans granted to the resident enterprise from its nonresident affiliates and debt securities issued abroad by residents with original maturity of more than one year and with fixed interest rates or variable interest rates specified on a contractual basis are included. On the other hand, TL denominated loans and loans granted to banks, non- bank financial corporations and households are excluded. The data is first decomposed into "short term" and "long term" based on the original maturity, then the loans classified as long term is decomposed into "Maturity with One Year or Less" and "Maturity Over One Year" based on remaining maturity. The data is published monthly and the lag is 1 month.

	Import Payables: Short-term liabilities arising from imports, the payment of which is due after the delivery of goods. They are followed under "Short-term Debt Stock" under International Investment Position. Trade credits consist of liabilities arising from the direct extension of credit by buyers for transactions in goods and services and advance payments for work in progress that is associated with such transactions. Accordingly, the following types of payments in the foreign trade statistics are classified as trade credit: cash against goods, deferred payment letter of credit, acceptance credit and advance payments by buyers. Trade credit liabilities of the residents in Türkiye are compiled quarterly by TURKSTAT via direct reporting of companies. Monthly data estimated by sectoral shares of import data on the basis of NACE Rev.2 sectoral codes are used in IIP and revised according to the quarterly results of direct reporting. **Methodology**: Since the data provided by CBRT, Ministry of Treasury and Finance and BIS are directly released, any sampling or estimation methods are not employed. **The exchange rate used in calculations**: The end-month US Dollar buying rate from the exchange rates time series released at Electronic Data Delivery System is used to convert TL data to US Dollars. **Modes of dissemination:** Data are disseminated on the CBRT's website in excel and pdf formats. Additionally, a summary of monthly developments for the reference period is published on the CBRT's website in pdf format. **Commenting on erroneous interpretation and misuse of statistics**: After the dissemination of data, regular controls and follow-ups are made to avoid erroneous interpretation and misuse of tables in the media. **Disclosure of terms and conditions for statistical collection, processing, and dissemination**: Punctual dissemination of the data according to the data dissemination calendar.
	Seasonal adjustment: There is no seasonal adjustment on existing data. **Legal acts and other agreements on collection, processing, and dissemination of statistics:** The Law on the Central Bank of the Republic of Türkiye, No.1211, Article.43
Identification of internal government access to data before release	None.
Identification of ministerial commentary on the occasion of statistical releases	Reported without any comment.
Provision of information about revision and advance notice of major changes in methodology	**Revision schedule:** Regarding Balance of Payments and International Investment Position Statistics; when disseminating the current month's data except for December, short-term external debt data and long term private external debt data is subject to revision until 2002; while other items are only revised for the current and the previous years. For year-ends, all the series are revised retrospectively for five years. Additionally, the changes in the data sources are reflected to the series retrospectively.
	Identification of preliminary and/or revised data: No regular revision.
	Advance notice of major changes in methodology, source data, and statistical techniques: Amendments in the tables and methodology are announced in advance on the page of the Foreign Exchange Assets and Liabilities of Non-Financial Companies at "Announcements on Revision Studies".

Quality

Dissemination of documentation on methodology and sources used in preparing statistics	The methodology used to compile the statistics is published under the related data set of the CBRT web site as it is presented in this document. While International Investment Position, Monthly Money and Banking Statistics and Weekly Money and Banking Statistics are disseminated on the website of the CBRT, other data sources are not.
Dissemination of component detail, reconciliations with related data, and statistical frameworks that support statistical cross-checks and provide assurance of reasonableness	**Internal consistency:** The data sets are consistent with each other. **Temporal consistency:** Comparable time series begin with December, 2002. Some of the items begin after 2002. Breaks in the respective series are listed below: FX Loans: 2003-01 FX-Indexed Loans: 2005-12 Non-Bank Financial Companies: 2006-10 FX Loans (Short term, Long term): 2007-01 FX-Indexed Loans (Short term, Long term): 2008-12 **Intersectoral and cross-domain consistency:** Data are consistent with Monthly Money and Banking statistics, Weekly Money and Banking statistics and International Investment Position.

Notes

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