

The Turkish Experience

**Brazilian Ministry of Finance and IMF Joint High-level
Conference on**

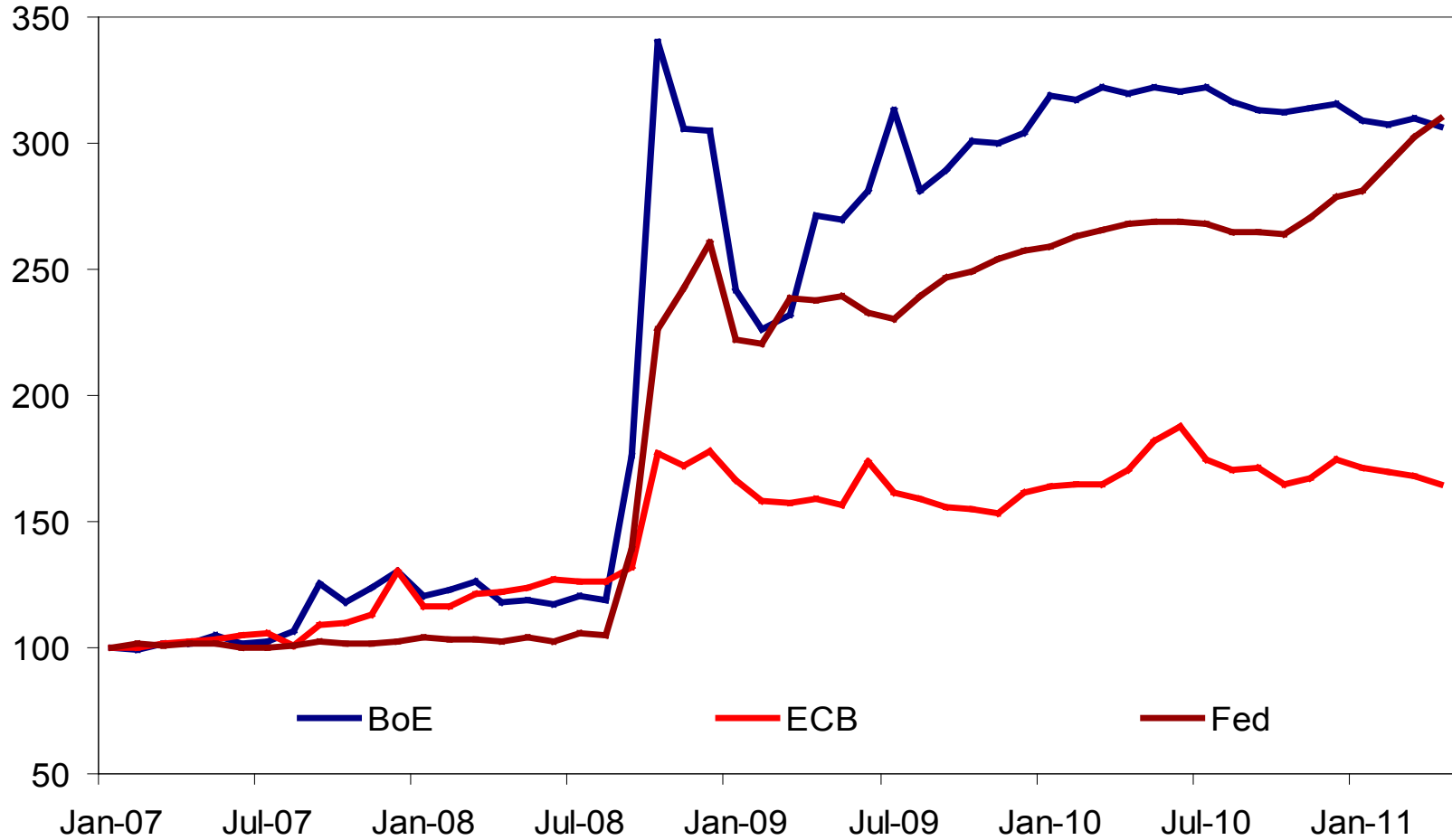
Managing Capital Flows in Emerging Markets

Turalay Kenç

Deputy Governor, Central Bank of Turkey

**May 26-27, 2011
Rio de Janeiro, Brazil**

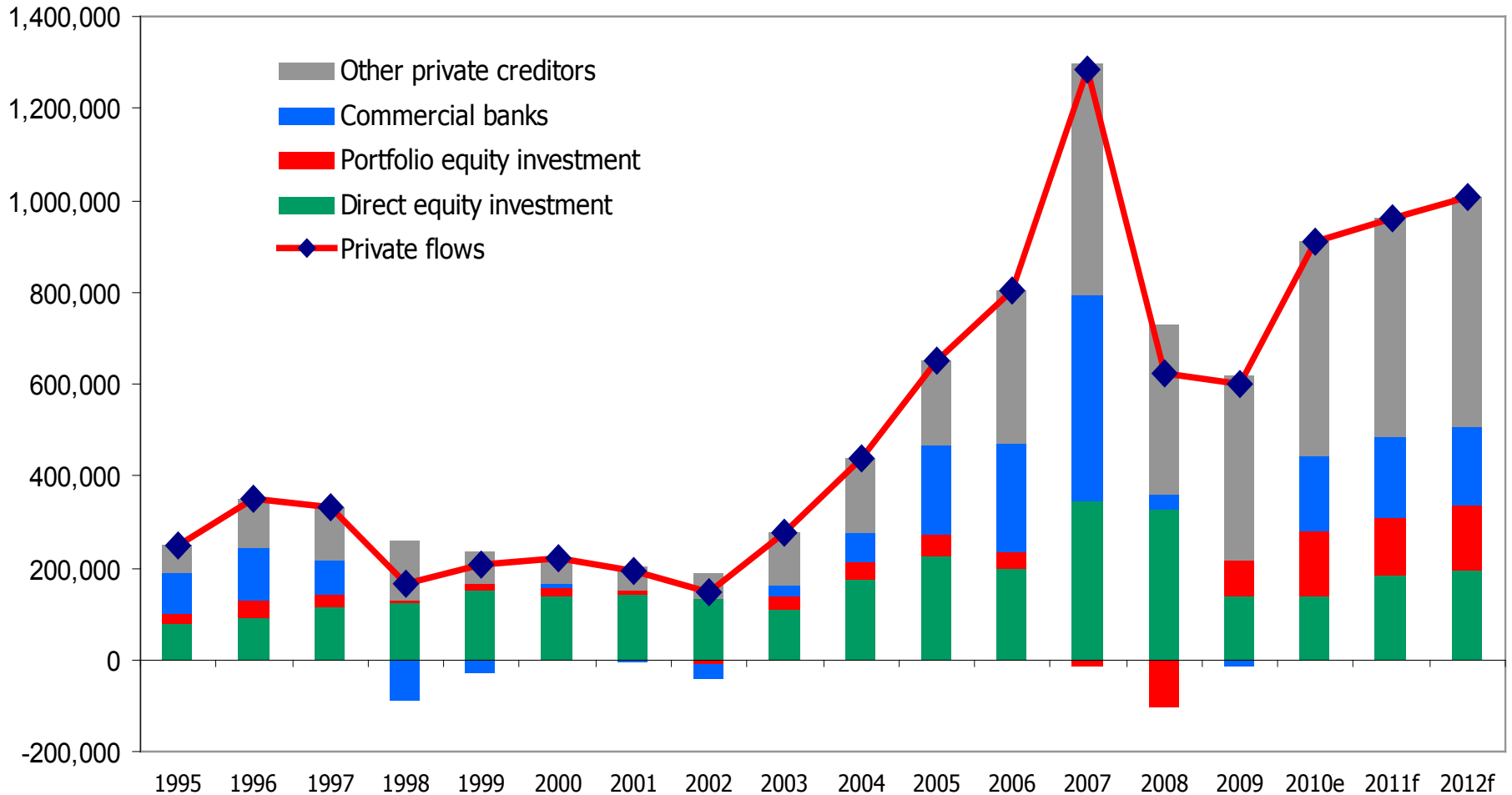
Balance Sheets of Major Central Banks



* Index: March 2007=100

Source: Federal Reserve, ECB, BoE

Net Capital Flows towards Emerging Market Economies (thousand USD)

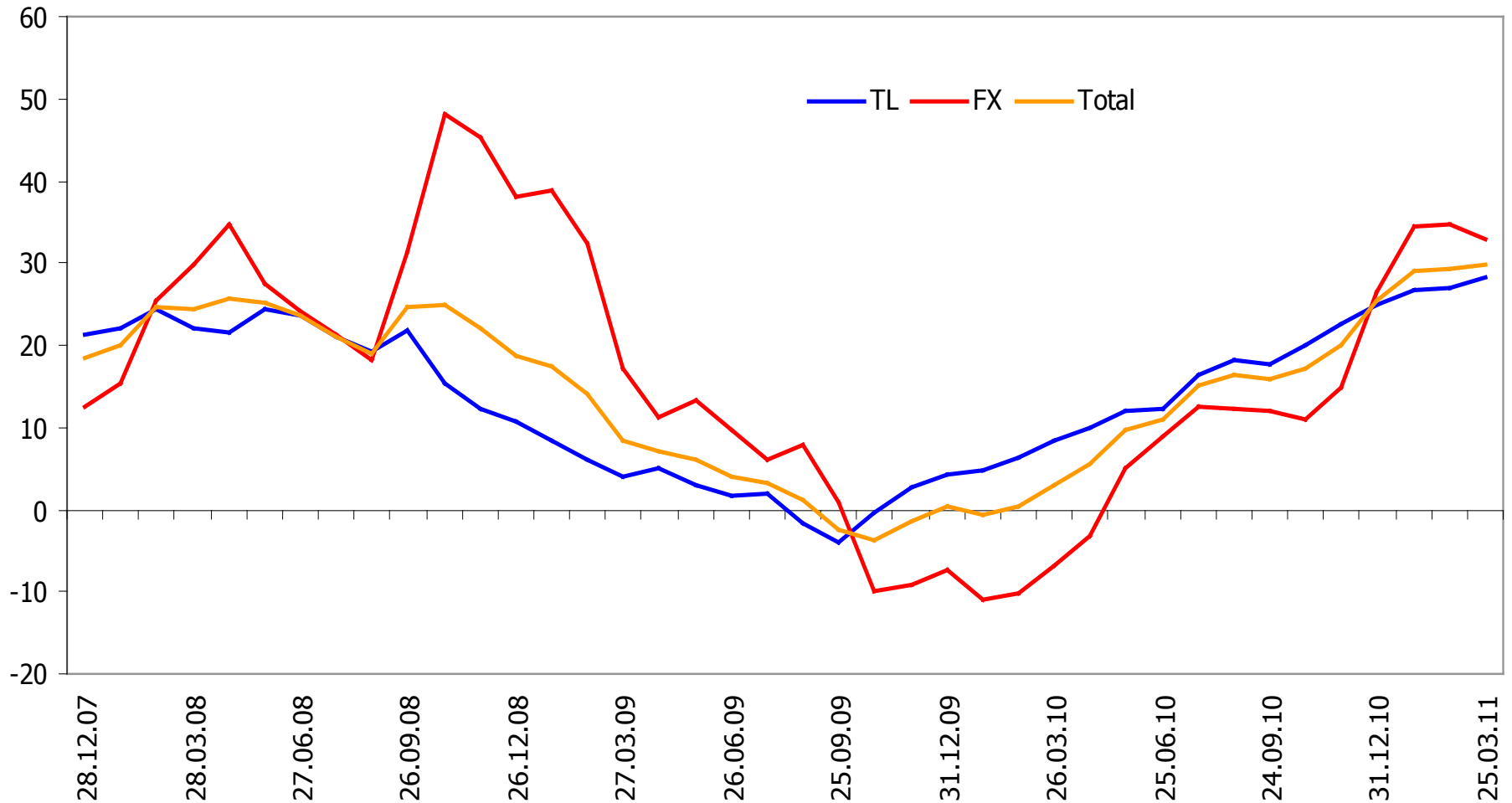


Source: IIF, 2011

e: estimation, f: forecast

Acceleration in Credit Growth

Annual Real Change in Credit Volume (%)



Source: CBRT

Last observations: March, 2011

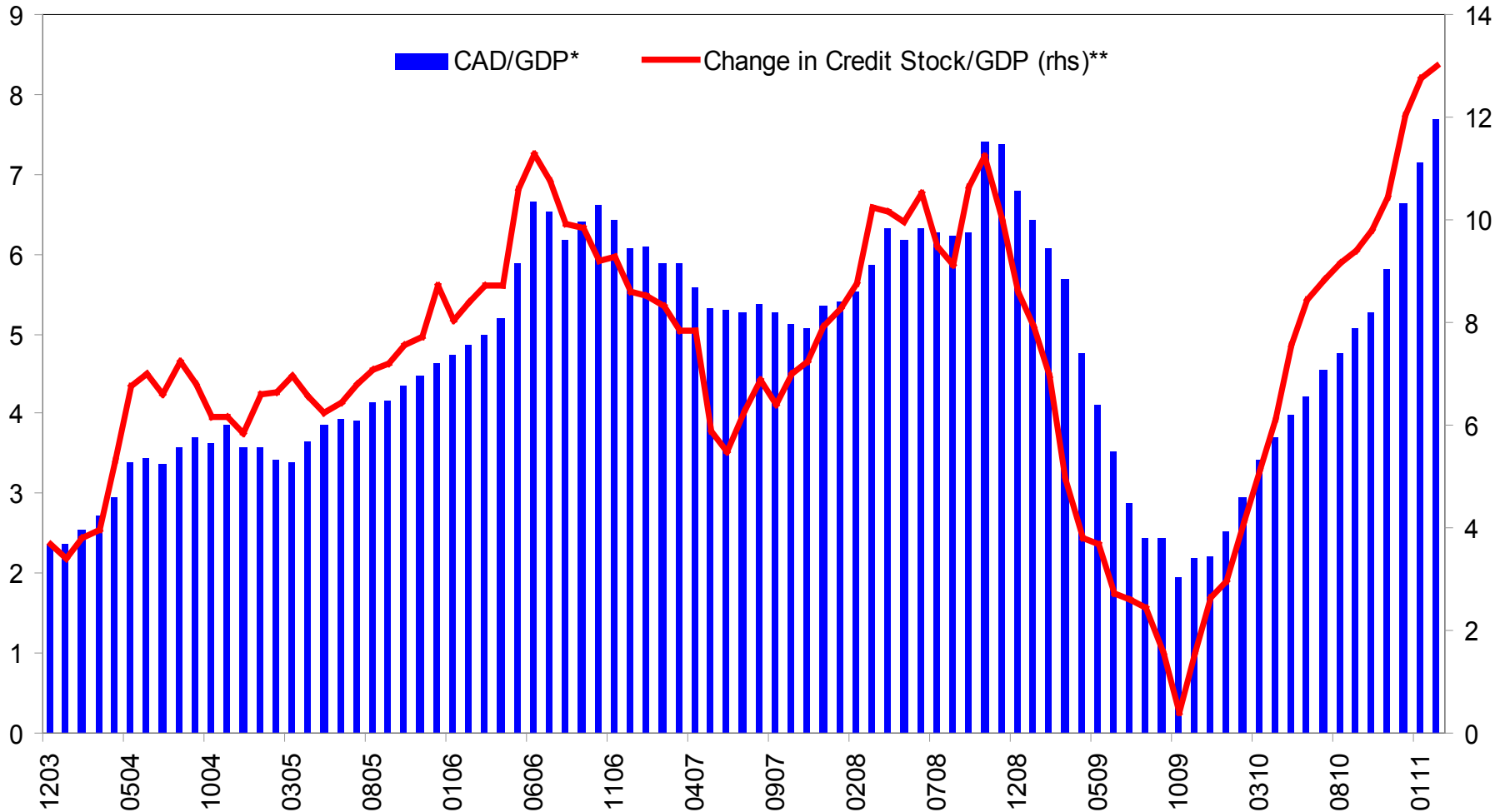
Non-Core Liabilities/M2 (% , 3-month moving average)



Source: CBRT

Last observations: March, 2011

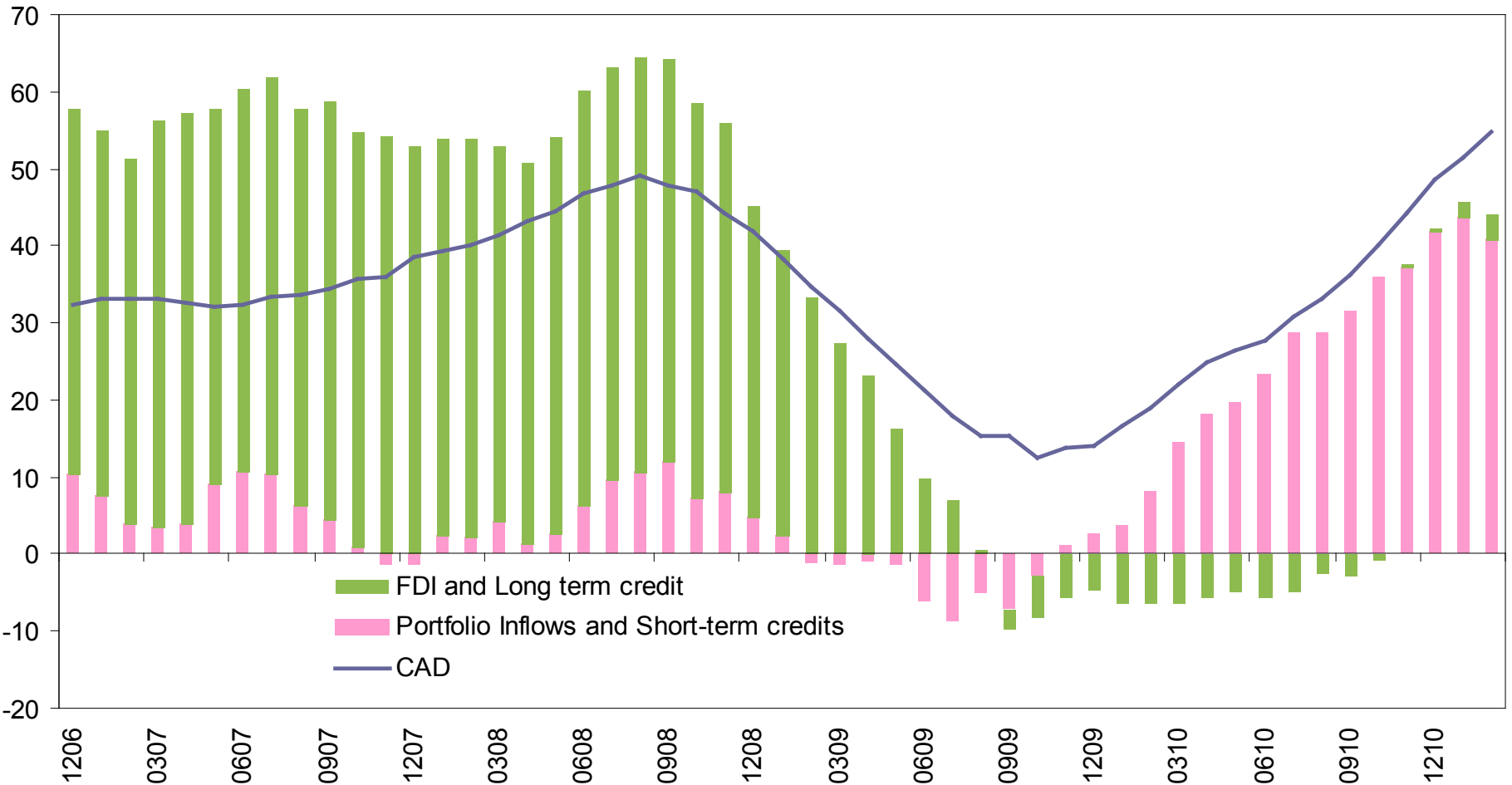
Credit Use and Current Account Deficit (%)



Source: CBRT

Last observations: April 2011 for Credit,

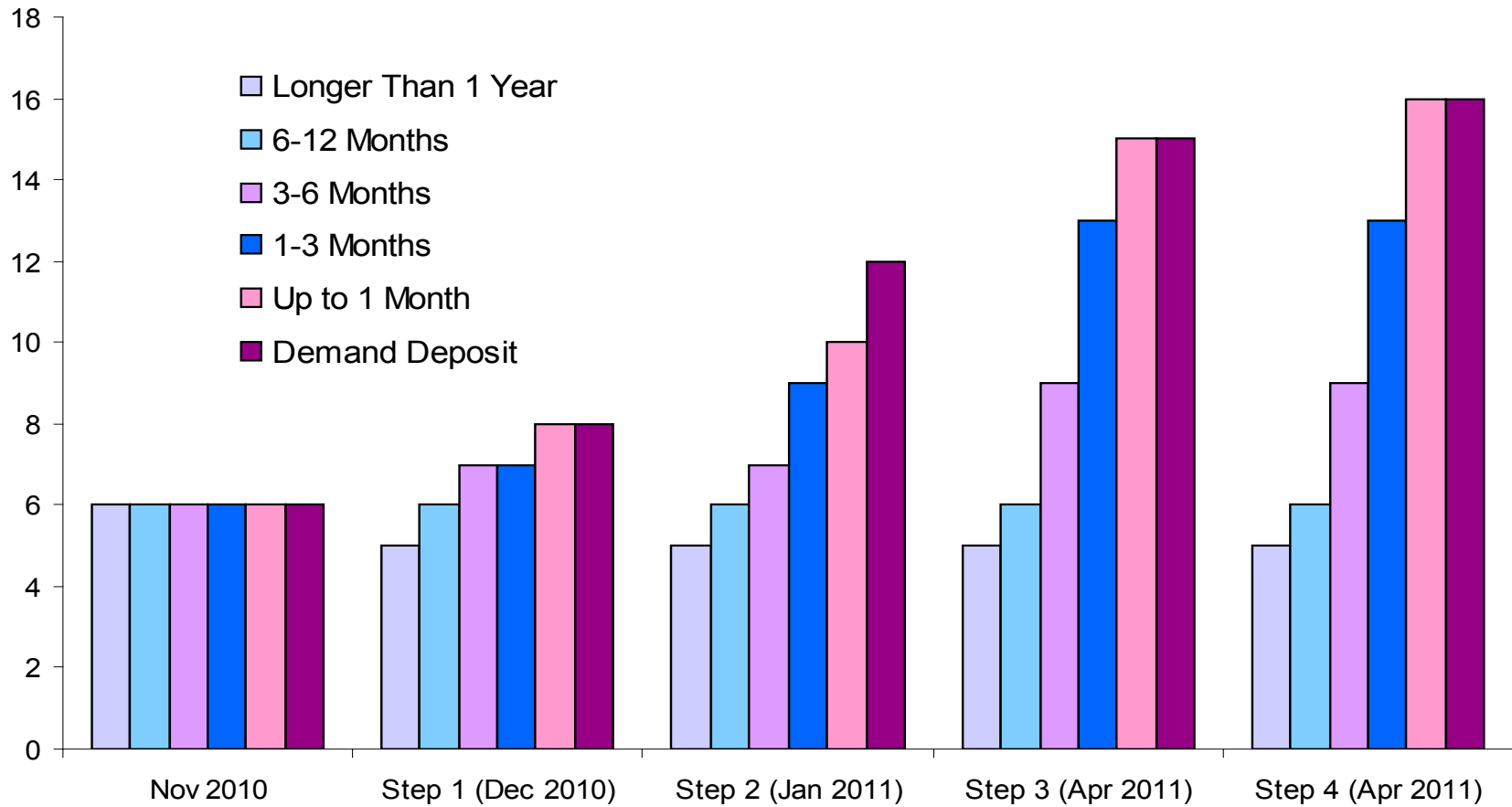
**Finance of Current Account Deficit, USD billion,
12-month rolling sum**



Source: CBRT

Last observations: March 2011 for BoP, April 2011 for Credit,

Reserve Requirements Balances (%)

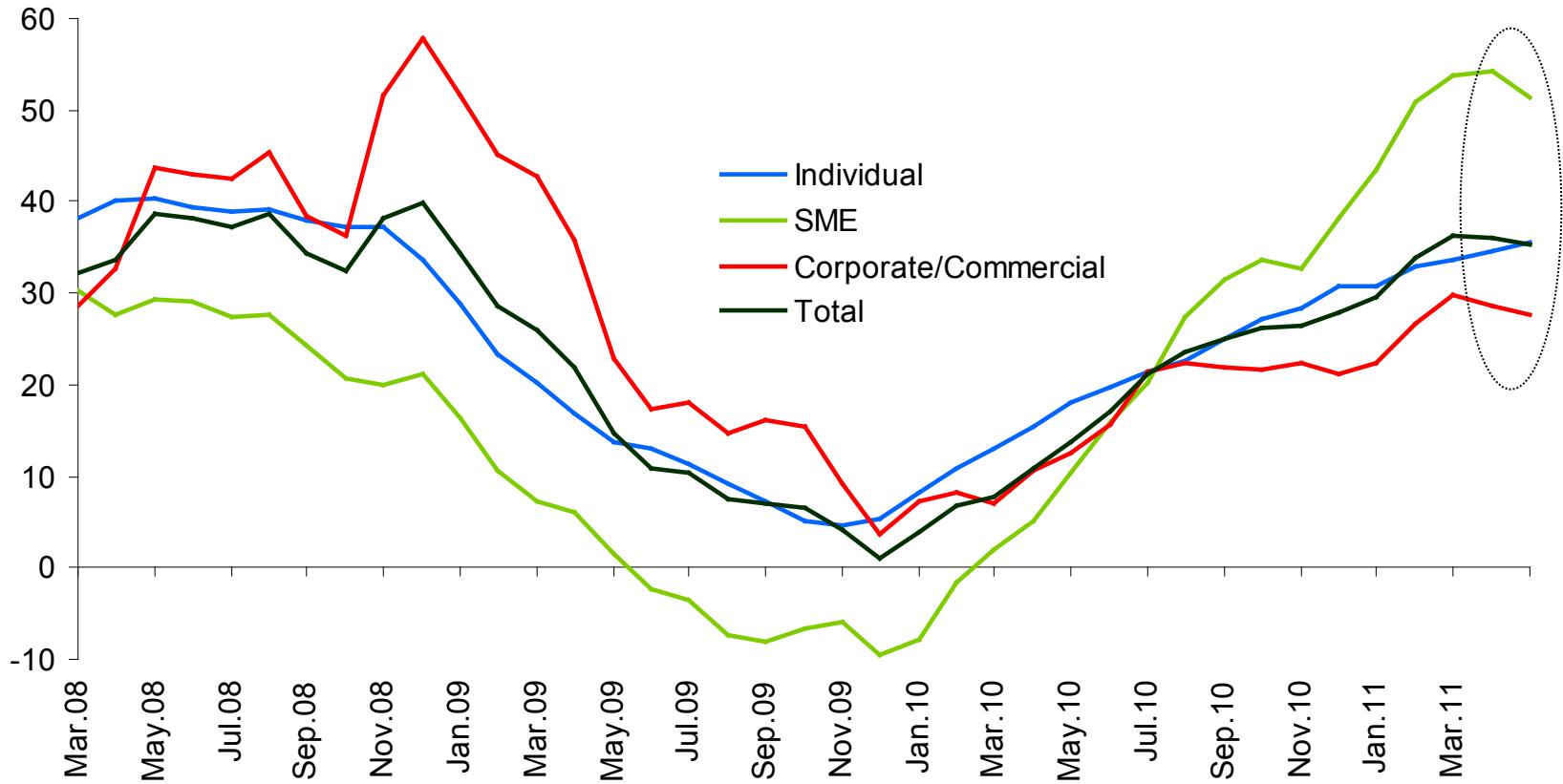


Source: CBRT

Last Observation: May 2011

Initial Effects of RRR Hikes

Credit Growth (% , year-on-year change)



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