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Türkiye- Cash Balance

Jun 25–Borrowing from international markets reaches USD7.0bn

According to the cash budget data of the Ministry of Treasury and Finance the budget balance registered a deficit of TRY455bn in June 2025. The cash budget, which posted a deficit of TRY431bn in June 2024, rose slightly by 6% yoy. The 12-month budget deficit widened TRY24bn compared to the previous month to TRY2,382bn. Based on the estimated GDP, we calculate the 12-month cash budget deficit/GDP ratio at 4.7% as of end-June. The ratio was 5.2% at the end of March.

According to the Medium Term Program (MTP), the central budget deficit forecast for end-2025 is TRY1,931bn. The MTP's forecast of a contraction in the nominal budget deficit throughout the year did not materialize in 1H25. However, the cash budget deficit as a % of GDP declined in 2Q25. If the program forecasts are realized, the central budget deficit as a percentage of GDP will narrow by 1.7 points compared to 2024 and realize at 3.1% in 2025. In 2025, we forecast a central budget deficit/GDP ratio of 4.0%.

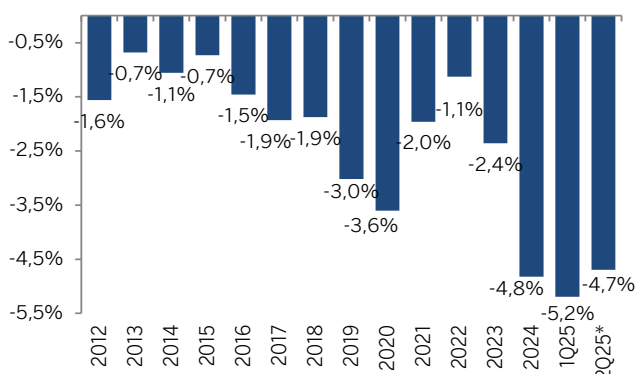
Cash account falls due to cash budget deficit above net borrowing in June

- On a cash basis, revenues and expenditures rose 47% and 37%, respectively yoy on 3-month avg. basis in June. The increase was 29% in non-interest expenses and 100% in interest payments.
- The domestic debt roll-over ratio in June realized at 117%, above the target of the Ministry's program. The 12-month domestic debt roll-over ratio fell to 144% from 149%. According to the program, the ratio is estimated at 119% in Jul-Sep 25, in line with the 2025 Ministry estimate (119%). The Ministry has increased its July domestic borrowing estimate limitedly by TRY27bn to TRY376bn.
- In June, net borrowing below cash budget deficit led to a decrease in cash account. External debt payment led to a decline in FX deposits. According to CBRT data, the FX deposits of the Ministry fell by TRY50bn (USD1.4bn) and TRY deposits by TRY121bn in June. The Treasury's cash account was at TRY817bn (FX and TRY in total) as of end-June, of which FX deposits were at c. USD7.6bn.

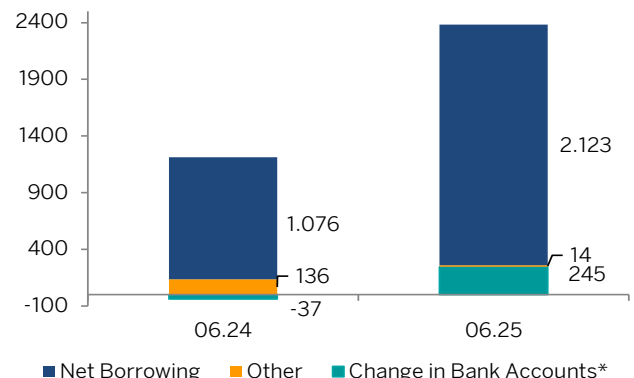
The Ministry's domestic debt payment is heavy, external debt payment is relatively low in July

- Domestic debt payment is above the average payment for the next 12 months, at c.TRY317bn in July. Over the next 12 months, domestic debt payments will be heavy in August in 2025 and January, February and April in 2026.
- The share of non-TL debt in the domestic debt stock remained at 20% as of May 2025.
- External debt payment is at c.USD1.3bn in July, below the average payment for the next 12 months. Over the next 12 months, external debt payments will be heavy in October (USD2.6bn), November (USD3.2bn) and in Jan. 26 (USD3.0bn), Feb.26 (USD2.5bn) and Apr.26 (USD2.1bn). In 2025, the total external debt payment will be USD20.4bn, c.USD3,5bn higher relative to 2024.
- The Ministry borrowed USD2.5bn in its first lease certificate issuance of 2025 (registered to the accounts on July 1). Thus, total borrowing through international markets in 2025 reaches USD7.0bn. The target for 2025 is USD11bn.

Cash Budget Balance (12 month)



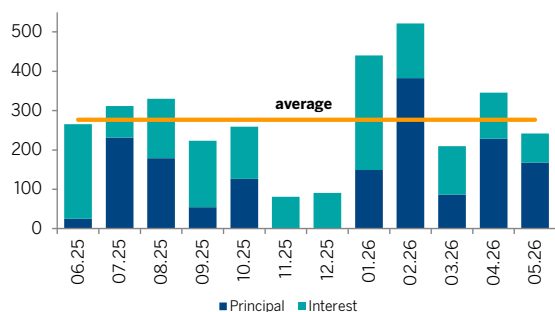
Cash Balance Financing Sources (12 month-TRY bn)



Source: Ministry of Treasury and Finance. Garanti BBVA Securities
*estimated GDP

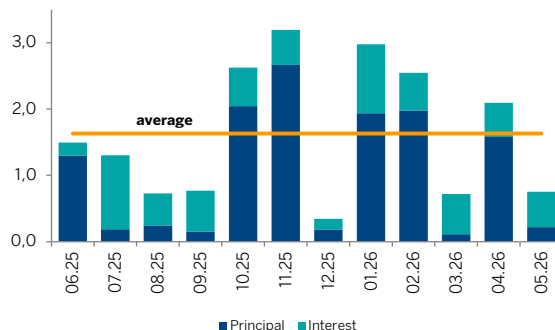
Source: Ministry of Treasury and Finance. Garanti BBVA Securities
*Negative data means the rise Other includes cash flow from on-lent debt sec.

Domestic Debt Payment Projection* (TL bn)



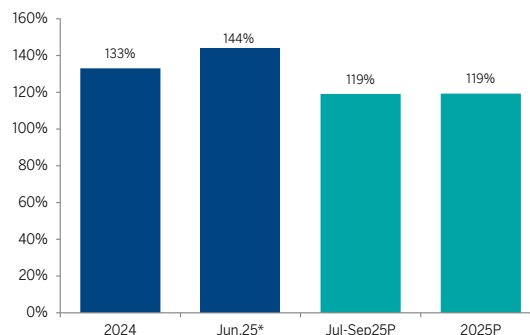
Source: Ministry of Treasury and Finance
Garanti BBVA Securities *Central Government as of 20.06.25

External Debt Payment Projection* (USD bn)



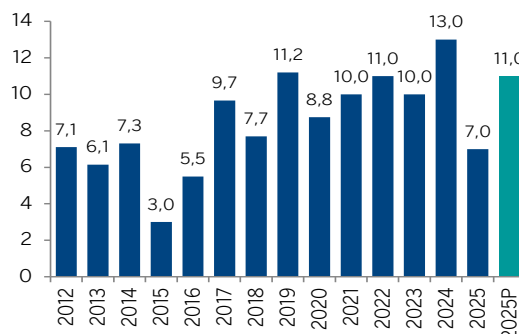
Source: Ministry of Treasury and Finance.
Garanti BBVA Securities *Central Government

Treasury's Domestic Debt Roll-over



Source: Ministry of Treasury and Finance.
Garanti BBVA Securities E: Estimate P:Program *12-month

Eurobond&Lease Certif. Issuance (USD bn)



Source: Ministry of Treasury and Finance Garanti BBVA Securities P: Min. Projection 2024:USD11.1bn cash

Treasury's Cash Balance and Its Financing

TL Bn	Monthly			12-Month		
	Jun.24	Jun.25	Yoy	Jun.24	Jun.25	Yoy
Revenues	554,6	856,6	54%	7278,9	10625,5	46%
Expenditures	985,5	1312,6	33%	8462,0	13031,6	54%
Primary Balance	-334,5	-205,9	-38%	-321,7	-723,3	125%
Privatization and Funds Income	0,2	0,9	433%	7,7	23,9	209%
Cash Balance	-430,7	-455,1	6%	-1175,4	-2382,2	103%
Financing	430,7	455,1	6%	1175,4	2382,2	103%
Borrowing (Net)	170,1	236,2	39%	1076,4	2122,7	97%
Frqn. Borrow. (Net)	-3,9	-50,3	1196%	55,7	-149,1	-368%
Borrowing	0,0	0,0		236,0	365,5	55%
Payment	3,9	50,3	1196%	180,2	514,6	186%
Dom. Borrow. (Net)	174,0	286,5	65%	1020,7	2271,8	123%
Borrowing	232,9	311,5	34%	1890,4	2730,7	44%
Payment	58,9	25,0	-58%	869,8	458,9	-47%
Other	1,0	1,9	93%	136,4	14,4	-89%
Chg. in Bank Accounts	259,7	216,9	-16%	-37,4	245,1	-755%
Effect of FX	2,8	5,2	86%	82,5	111,3	35%
Net Chg. in Bank Accounts	256,8	211,7	-18%	-119,9	133,8	-212%

Source: Ministry of Treasury and Finance. Garanti Securities

Treasury's Financing Program

TL Bn	Realization		Treasury Financing Program	
	2024	Jan-Jun.25	Jul-Sep 25	2025
Total Debt Service	2228,9	1660,9	1021,5	3242,0
Dom. Debt Service	1675,2	1184,0	906,1	2385,0
Principal	714,6	283,1	476,6	822,5
Interest	960,6	900,9	429,5	1562,5
Frqn. Debt Service	553,7	476,9	115,4	857,0
Principal	328,8	341,0	21,8	550,7
Interest	224,9	135,9	93,6	306,3
Financing	2228,9	1660,9	1021,4	3242,0
Borrowing	2584,8	1774,8	1074,3	3304,9
Frqn Borrowing	355,2	170,0	0,0	459,4
Dom. Borrowing	2229,6	1604,9	1074,3	2845,5
Other Sources	-355,9	-113,9	-52,9	-62,9
Dom. Debt Roll-Over Ratio*	133%	136%	119%	119%

*According to Ministry of Treasury and Finance data.
Garanti BBVA Securities' calculation

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