

Reviewing Measures of External Debt - The Case of Turkey

Osman Cagatay Mutlu

Central Bank of the Republic of Turkey, Ankara, Turkey cagatay.mutlu@tcmb.gov.tr

The financial crises experienced in the 1990's, particularly the 1997-1998 Asian Crisis and the recent Global Financial Crisis, have demonstrated again the importance of timely, comprehensive, coherent and internationally comparable external debt statistics (EDS) in identifying the external vulnerabilities of the countries at an early stage from the perspective of both monetary policy and financial stability analysis. The favorable global liquidity conditions and the monetary easing in advanced economies, respectively before and in the aftermath of the recent crisis have led to strong capital inflows particularly to emerging economies, resulting in acquisition of external debt. Against this background, this paper will mainly discuss the country practice of Turkey regarding the compilation and dissemination of EDS, which will cover in detail the supplementary external debt presentation tables. In the case of Turkey, balance of payments statistics, EDS of the private sector and short-term external debt statistics are disseminated monthly whereas the overall EDS and international investment position are disseminated quarterly. The further presentation tables such as external debt on a foreign and domestic currency basis, on a short-term remaining maturity basis and on a creditor by borrower basis facilitate to a great extent the analysis of external debt. As regards the EDS of the private sector, the maturity, currency and interest rate composition along with the sectoral breakdown of the borrower also enables a more in-depth analysis. Outstanding bonds issued in international markets and data on debt securities issued by residents and held by non-residents will be discussed as well.

Key Words: short-term remaining maturity, currency composition, creditor breakdown, sectoral breakdown