

Russia Overtakes Turkey in Loan Growth

By [The Moscow Times](#)

February 15, 2012

The  **Moscow Times**

Moody's issued a note last week warning of rising pessimism amongst Russian bankers — however, they should be cheered as the results come in. Russia's banking sector is now officially the most dynamic in the region. The sector as a whole just put in a record year, earning one-and-a-half times more profit in 2011 than a year earlier. But more importantly, it overtook Turkey, the darling of investors for most of last year, to become the fastest-growing credit market in Central and Eastern Europe.

With 27% FX-adjusted lending growth in 2011, Russia has overtaken Turkey to become the credit growth leader in Eastern Europe, the Middle East and Africa (EEMEA), Barclays Capital said in a report. Momentum accelerated in the second half of the year, when Russian loan growth was annualizing at 30 to 35 percent, widening the gap from Turkey's 10 to 15 percent. In a world of sluggish credit growth Russia stands out, offering an attractive risk-reward ratio that we believe emerging markets investors should not ignore, particularly once political noise tapers after the March 4 presidential election.

The views expressed in opinion pieces do not necessarily reflect the position of The Moscow Times.

Original url:

<https://www.themoscowtimes.com/2012/02/15/russia-overtakes-turkey-in-loan-growth-a35221>