

Daily View

Good morning. Growing expectations for a rate cut from the Fed, progress in trade negotiations, and company-specific positive developments are supporting global markets. This morning, U.S. and European futures, along with Asian equities, are broadly trading on a positive note. At Borsa Istanbul, a positive tone continues as expectations for a rate cut by the Monetary Policy Committee (MPC) persist following inflation data that came in below expectations. The BIST 100 index has reached the 10,800 / 11,000 resistance zone, which we had previously highlighted as a near-term resistance area. With the current momentum and ongoing expectations, we believe this range could be surpassed. A move above 11,000 may pave the way for a test of the historical high at 11,250. On the downside, 10,700 and 10,500 are key support levels and should be monitored as potential stop-loss zones at the index level. From a fundamental perspective, upward revisions to BIST 100 index targets continue. Based on the target prices shared by both local and international institutions for individual stocks, the 12-month forward consensus points to a level around 14,200 for the index, implying an upside potential of approximately 30%. As long as expectations for rate cuts from the MPC persist, we anticipate further upward revisions to continue. Therefore, despite the nearly 20% rally over the past one and a half months, we believe existing positions can be maintained. On today's agenda, the Real Effective Exchange Rate Index is in focus domestically, while PMI figures will be followed abroad. In addition, the subscription period for the real estate certificate public offering of the Damla Kent Project in Istanbul Başakşehir—launched in cooperation with TOKİ and Emlak Konut GYO—is ongoing (August 4–8). Turkey's 5-year CDS premiums open the day at 280 basis points.

Macro and Politics

***The CBT will release July Real Effective Exchange Rate (REER) today @14:30 local time.** Considering the inflation data and the average Basket/TRY change for July, we expect the REER to ease from 69.97 to 69.54, implying a 0.6% real depreciation of the Turkish lira.

*** TURSTAT will release July seasonally adjusted CPI and special CPI aggregates today @16:00 local time.** Based on our calculations, we forecast the seasonally adjusted monthly CPI change for July to be approximately 2.2%. We expect a similar outcome in today's adjusted figures.

*** The CBT will release the Monthly Price Developments report for July today @18:00 local time.** The report is a technical one and does not contain a policy message. Still, the assessment of trend core inflation will be monitored closely.

***The CPI rose by 2.1% m/m in July, lower than our house forecast and the median estimate at 2.4%, with the annual CPI declining from 35% to 33.5% in July.** Moreover, monthly PPI rose by 1.73% m/m, while the annual figure eased slightly from 24.5% to 24.2%. The key driver pushing the monthly CPI above the 2% in July was the series of administered price and tax adjustments. Conversely, the 5.8% decline in the clothing and footwear category exerted a disinflationary impact, playing a major role in the downside surprise relative to expectations. While we maintain our end-2025 inflation forecast at 31%, we see downside risks are mounting. With the temporary impact of July's one-off price and tax hikes expected to fade, we anticipate monthly CPI to retreat slightly below 2% in August. However, we estimate that a sub-1.5% monthly inflation reading, as seen in June, is unlikely before year-end.

Sector and Company News

- **AKGRT (Positive)** reported a net profit of TL858 million for 2Q25, bringing its total net profit for the first half of the year to TL1.2 billion. Technical income rose by 11% YoY to TL7.8 billion in the first half, while investment income increased by 25% to TL3.7 billion. The technical balance-to-income ratio stood at 0.2 during the period, up from 0.1 in the same period last year, indicating a positive technical balance throughout the first half. The company's equity increased by 62% during the period, and return on equity stood at 48%.
- **CGCAM** announced that, in order to distribute **SISE**-branded flat glass in İzmir and Manisa at more competitive costs, it has decided to deploy its Manisa 1 facility for flat-glass distribution activities as well.
- **SNICA** announced that it has received orders for radiator, combi boiler, and pipe group products totaling approximately TL 204.9mn, within the scope of contracts signed with customers based abroad. The total value of the orders corresponds to USD2.2mn and EUR 2.4mn.
- **SUWEN** stated that, as of 31 July, it operates a total of 201 stores—186 in Türkiye and 15 abroad.
- **TTKOM** announced that Fitch Ratings has upgraded its Long-Term Local Currency Issuer Default Rating (LTLC IDR) from "BB-" to "BB", while affirming its Long-Term Foreign Currency Issuer Default Rating (LTFC IDR) at "BB-". The outlooks for both ratings have been set to "Stable".
- **TCELL** announced that on September 9, 2024, it had disclosed the transfer of its subsidiaries Lifecell LLC, LLC Global Bilgi, and LLC Uktower, including all rights and liabilities, to DVL Telecom (a NJJ Holding group company). Following post-closing adjustments, including cash and debt, the final sale price was determined as USD 538.7 million. Prior to this, in February 2024, Lifecell had been assigned an estimated valuation of about USD 525mn.

Share Transactions

Acquirer	Seller	Company	Type (Buyback / From Market)	# of lots	Transaction Price (TL)	Share in Capital after transaction
LKMNH		LKMNH	Buyback	59.556	17.74	3.79%
AHGAZ		AHGAZ	Buyback	56.323	29.99	1.38%

Important Disclosures

Disclaimer

This document was produced by Tacirler Yatırım Menkul Değerler A.Ş. ("Tacirler Investment"), solely for information purposes and for the use of the recipient. It is not to be reproduced under any circumstances and is not to be copied or made available to any person other than the recipient.

This document does not constitute an offer of, or an invitation by or on behalf of Tacirler Investment to any person to buy or sell any security. The information contained herein has been obtained from published information and other sources which Tacirler Investment considers to be reliable. Tacirler Investment does not accept any liability or responsibility whatsoever for the accuracy or completeness of any such information. All estimates, expressions of opinion and other subjective judgments contained herein are made as of the date of this document.

Recipients of this document are urged to base their investment decisions upon their own appropriate investigations that they deem necessary and they should make their own independent decisions as to whether an investment or instrument is proper or appropriate based on their own individual judgment and their risk-tolerance. Any loss or other consequence arising from the use of the material contained in this publication shall be the sole and exclusive responsibility of the investor and Tacirler Investment accepts no liability for any such loss or consequence. Not all investment strategies are appropriate at all times, and past performance is not necessarily a guide to future performance.

Tacirler Investment may, from time to time, have a long or short position in any of the securities mentioned herein and may buy or sell those securities or their derivative securities thereon either on their own account or on behalf of their clients.

Tacirler Investment may perform or seek to perform securities, investment banking or other services for such issuer or its affiliates presented in this document.