

Daily View

Good morning. Following the core Personal Consumption Expenditures (PCE), which remained flat at 2.8% contrary to expectations of an increase, the stock markets (which have been weak over the past two weeks) found a much-needed reason to rally. Wall Street saw gains close to 1% on Friday, and this morning, U.S. and European futures, along with Asian markets, are generally trending upward. In summary, global risk appetite appears to be starting the new week on a positive note. As for Borsa Istanbul, the BIST 100 index, which approached 10,300 two weeks ago on expectations of Syria's reconstruction and subsequently fell under constant pressure to as low as 9,700, continues to exhibit a weak outlook, marked by low momentum, broken support levels, and negative indicators. This morning, while we expect reactionary buying tied to external factors, we believe any upward moves will remain limited as long as the upward trend from early November is not regained. The 9,700 and 9,570–9,600 range can be monitored as support levels, while 9,810 and 9,900 serve as resistance levels. On today's agenda, the U.S. housing sector and consumption-related data flow stand out, though we anticipate the year-end lull to become more pronounced as we approach the final days of the year. Domestically, minimum wage negotiations and the Central Bank's policy rate decision could sustain volatility. Turkey's 5-year CDS premiums start the day at 256 basis points.

Macro and Politics

*** The CBRT released the results of the December Market Participants' Expectations Survey. According to the survey results, 2024YE CPI estimate increased further to 45.3% from 44.8%.** Moreover, the 12-month ahead annual CPI expectation was revised down merely to 27.1%, from 27.2%, while the 24-month ahead annual CPI expectation rose slightly to 18.5%, up from 18.2%. We expect 2024 YE CPI at 45.4%, while we anticipate the annual CPI to conclude 2025 at 26%, with upside risks attached. Moreover, according to the survey results, market participants expect a 150bps rate cut in the upcoming MPC meeting slated for December 26th, indicating policy rate at 48.5%, in line with our house estimate. The average year-end USD/TRY exchange rate expectation among survey participants dropped to 35.30 from 35.72, while the participants expect 12-month ahead USD/TRY at 43.3 level. As per the growth and current account estimates: Participants forecast a 3% growth for 2024 and a 3.1% growth for 2025, while their current account deficit expectations are USD9.8bn for the end of 2024 and USD18bn for the end of 2025.

***The Consumer Confidence Index rose to 81.3 level from 79.8 to as of December, indicating 1.9% m/m rise.** As per the sub-categories of the December data, the index related to the financial situation of households at present increased to 63.8 from 66.1, while the general economic situation expectation index over the next 12 months period climbed to 76.8 from 73.8. Moreover, the financial situation expectations of households over the next 12 months index rose merely to 81.9 from 80.6 and the sub-index index related to the assessment on spending money on durable goods index over the next 12 months compared to the past 12 months period, which is an important leading indicator in terms of domestic demand, ameliorated notably to 102.6 level from 98.6 level. The Consumer Confidence Index, which declined from an average of 79.8 in the third quarter to 76.8, rebounded to an average of 80.6 in the final quarter of the year, signaling some improvement in domestic demand. The evident rise in consumption tendency in recent months raises the likelihood of positive quarterly growth in 4Q24. Nonetheless, we anticipate that stringent financial conditions will place additional strain on the industrial sector, with annual GDP growth expected to decelerate further over the next two quarters.

Sector and Company News

- **ADGYO**'s individual shareholder has applied for the conversion of 8.8mn shares into listed type. This represents approximately 3% of the company's capital.
- **ADEL** has decided to establish a commercial partnership with Ottonya Innovation Studios and Foreign Trade Inc., operating in Turkey. Financial details of the partnership have not been disclosed.
- **AGESA** acquired 20% of Medisa Sigorta's capital from Aksigorta for TL157.3mn, increasing its stake in the company from 80% to 100%.
- **AKSA**: Emniyet Ticaret A.Ş. purchased 750K shares of AKSA within a price range of TL11.57 - TL11.81, increasing its stake from 23.94% to 23.96%.
- **ALARK**: Alarko Konut A.Ş., a subsidiary of ALARK, sold a 95,000 square meter plot of land to Universal Wind Enerji for TL1.9bn, corresponding to approximately 2% of the holding's total assets.
- **ARDYZ**: HEDEF Portfolio purchased 300k ARDYZ shares, increasing its stake in the capital from 9.95% to 10.12%.
- **ARSAN** decided to provide a guarantee proportional to its 27.50% stake for a TL1.15bn bank loan to be utilized by its affiliate, Akedaş Elektrik Dağıtım.
- **KRDMD** launched the Kardemir Power Plant to enhance safety, efficiency, and sustainability in its production processes, expecting significant long-term operational cost savings.
- **LOGO** will reduce its issued capital from TL100mn to TL95mn today. The theoretical opening price is set at TL116.74.
- **MEDTR** won the "2024 20-Item Medical Consumables Procurement" tender organized by Bilkent City Hospital with a bid of TL25.1mn.
- **METUR**'s Chairman of the Board purchased 180,000 shares at TL15.70 per share, increasing his stake in the company's capital to 15.74%.
- **PARSN** secured a new project worth EUR6.1mn, starting in 2025 and gradually increasing by 2027, corresponding to approximately 5% of its 12-month total EUR-based revenue.

- **SDTTR** will distribute a gross dividend of TL0.56 per share today, corresponding to a dividend yield of 0.3% based on the latest closing price.
- **SISE:** İş Bankası purchased 7 million SISE shares at prices ranging from TL42.16 to TL44.02, increasing its share in the capital from 51.59% to 51.82%.
- **TMSN** submitted its Best and Final Offer (BAFO) to the Defense Industry Presidency (SSB) for the OTGP (Automatic Transmission Development Project) on December 20, 2024.
- **TNZTP** reported that an affiliate hospital protocol with SGK and foundation universities became effective on January 1, 2023. Under this protocol, the company's two hospitals gained the right to provide advanced diagnostic and treatment services billed at the tertiary level.

Share Transactions

Acquirer	Seller	Company	Type (Buyback / From Market)	# of lots	Transaction Price (TL)	Share in Capital after transaction
FRIGO		FRIGO	Buyback	20.000	8.17	2.46%
TKFEN		TKFEN	Buyback	35.000	73.11	2.68%
LKMNH		LKMNH	Buyback	146.718	16.94	2.81%
GEDİK		GEDİK	Buyback	29.106	7.66	2.26%
PCILT		PCILT	Buyback	72.603	16.25	1.82%
CEMZY		CEMZY	Buyback	659.760	11.98	4.22%
AGESA		AGESA	Buyback	60.000	145.55	0.91%
NTHOL		NTHOL	Buyback	100.000	44.58	6.43%
KAYSE		KAYSE	Buyback	675.000	20.71	0.10%
KRVGD		KRVGD	Buyback	186.563	2.33	1.28%
TUKAS		TUKAS	Buyback	1.962.761	6.99	2.10%
TÜRKİYE İŞ BANKASI A.Ş.		SISE	Market	7.000.000	43.09	51.82%
EMNİYET TİCARET VE SANAYİ A.Ş.		AKSA	Market	750.000	11.81	23.96%
OĞUZ TEKSTİL SAN VE TİC AŞ		BOSSA	Market	123.333	7.20	0.83%
ADESA MAĞAZACILIK TEKSTİL VE DERİ SAN.TİC. A.Ş.		DESA	Market	50.000	21.00	1.25%
RUZY FİNANSAL HİZMETLER A.Ş.		ALMAD	Market	500.000	7.40	5.07%

Important Disclosures

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