

Daily View

Good morning. Global markets are off to a weak start on the last trading day of the year. In Borsa Istanbul, there was an effort to hold around the 10,000 level yesterday. However, news that a trustee was appointed to AB inBEV Efes, a subsidiary of Anadolu Efes in Russia, triggered sharp sell-offs an hour before the close. While this development was initially evaluated in the context of Turkey-Russia relations, further details indicated that it was a company-specific situation and not due to any negative development in Turkey-Russia relations. This perception gained support after the BIST close. Therefore, we do not anticipate any pressure on other Turkish companies operating in Russia. As a result, some of yesterday's losses may be recovered from the opening today. That said, it is also important to note that today marks the last trading day for December futures contracts in VIOP. Closing of arbitrage-driven positions may exert some pressure on Borsa Istanbul. On today's agenda, the foreign trade balance will be monitored domestically. In the U.S., housing price indices and growth-focused data will come to the forefront, though their market impact is expected to remain limited. Turkey's 5-year CDS premiums are starting the day at 259 basis points.

Macro and Politics

***TURKSTAT will release November foreign trade figures 10:00 local time.** According to the preliminary data of the Ministry of Trade, import and export figures for November materialized at USD29.6bn and USD22.3bn, respectively, resulting in a trade deficit of USD7.4bn, indicating an increase compared to the previous month's level of USD5.9bn. We expect the current balance to revert to a deficit in the last two months of the year, with the annual deficit increasing slightly. Along with the rise in the trade deficit and the expected slowdown in tourism revenues, we expect the current account balance to post a deficit around USD3.1bn in November, while we project the current account deficit to end the year around USD9bn (0.7% of GDP), excluding imminent revisions on the past data.

*** The Economic Confidence Index increased by 1.8% m/m in December, rising from 97.1 to 98.8.** Analyzing the three-month averages, the index level rose from 96.7 to 98 as of December. However, it is noteworthy that the index has remained below the critical threshold value of 100 since March. The Economic Confidence Index, which ranges between 0 and 200, reflects a pessimist outlook regarding the general economic outlook when it falls below the 100 threshold. Examining the monthly changes in the subcomponents of the December data: The consumer confidence index increased by 1.9% to 81.3, the real sector confidence index decreased by 0.7% to 102.7, the services sector confidence index rose by 2.4% to 113.6, the retail trade sector confidence index increased by 1.2% to 113.0 and the construction sector confidence index rose by 1.9% to 89.4. The evident rise in consumption 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

- **AEFES (Negative)** reported that it issued an update regarding the decree transferring its joint venture in Russia with AB InBev to temporary administration. The company stated that all necessary steps will be taken following a comprehensive assessment of the situation.
- **ALARK** announced that 215K shares were repurchased at an average price of TL92.84. As a result of the transaction, the ratio of owned shares to the company's capital increased to 2.06%.
- **ALMAD** reported that Ruzy Finansal Hizmetler acquired 500K shares at a price range of TL7.42-7.56. As a result of this transaction, the company's share in the capital reached 5.65%.

- **BINHO** announced that a agreement was signed with Huawei. According to the agreement, Huawei's contributions will include providing technical infrastructure, developing artificial intelligence, and offering SaaS services, while BINHO's contributions will include providing market access, building customer relations, and enhancing the sales network.
- **BRLSM** announced that its Long-Term National Credit Rating was affirmed at "A+ (tr)" and its Short-Term National Credit Rating was affirmed at "J1+ (tr)" with a stable outlook.
- **CVKMD** announced the completion of share transfer transactions abroad for the acquisition of 70% shares in Netherlands-based Virtus Mining, which owns all shares of Aldridge Mineral Madencilik operating in Türkiye.
- **GEREL** decided to increase its current capital from TL240mn to TL1.99bn through a 729% allocated capital increase.
- **HATSN** announced the successful delivery of a new shipbuilding project for a foreign-based company. The total value of the project was reported as EUR4.8mn.
- **KARTN** announced that its subsidiary Dönkasan decided to sell its production facility and land located in Istanbul for a price of TL396.5 million.
- **MAGEN** announced the installation of Turkey's first integrated 2.064 MWh storage unit at the Özmen-1 Solar Power Plant (SPP) project. The stored electricity is expected to enable an additional 860,000 kWh of annual production.
- **NATEN** announced its decision to invest in energy storage technologies through its subsidiary, Naturel Batarya Sistemleri.
- **OTKAR:** Otokar Otomotiv, through its General Manager İbrahim Aykut Özüner, made significant announcements. The company signed a contract on November 27 for a 1,059-vehicle (COBRA II) project with the first 278 vehicles to be produced in Turkey and delivered within a year. Özüner stated that this project would lead to the establishment of their first production facility in Europe, specifically in Romania, in collaboration with a local partner. He also highlighted the company's focus on the small 4x4 vehicle segment and its growth plans in this area. He emphasized that electric vehicles are a top priority, with a ready product lineup, and mentioned major sales of electric buses through their Italian subsidiary, along with ongoing work on hydrogen-powered vehicles. Özüner noted that over 70% of the company's sales are exports and shared plans for further growth in Europe, particularly in France, Italy, and Spain, while gradually expanding to Germany and Nordic countries. He also announced the establishment of a new company in Germany for commercial vehicles.
- **TKFEN** announced that 55K shares were repurchased at an average price of TL68.47. As a result of the transaction, the ratio of owned shares to the company's capital increased to 2.82%.
- **TUPRS** announced that it applied to the Capital Markets Board for the issuance of debt instruments not exceeding TL20bn domestically.
- **YIGIT** announced the acquisition of a 2-story prefabricated industrial building and land with a total area of 11.7 thousand m² in Ankara for TL222mn. The company stated that TL21.1mn of this amount would be offset against receivables from Derlas Elektrik, with the remaining balance to be paid by the end of March 2025.

Share Transactions

Acquirer	Seller	Company	Type (Buyback / From Market)	# of lots	Transaction Price (TL)	Share in Capital after transaction
KRVGD		KRVGD	Buyback	50.000	2.28	1.31%
TKFEN		TKFEN	Buyback	55.000	68.47	2.82%
LKMNH		LKMNH	Buyback	15.000	18.05	2.87%
ALARK		ALARK	Buyback	215.000	92.84	2.05%
YGGYO		YGGYO	Buyback	23.930	61.76	3.37%
GEDIK		GEDIK	Buyback	200.000	8.17	2.29%
RUZY FİNANSAL HİZMETLER A.Ş.		ALMAD	Market	500.000	7,50	5,65%
INVES		VERUS	Market	12.001	262.63	63.60%
	IZMDC	IZENR	Market	219.935.000	4.50	54.32%

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.