Daily View

Good morning. Despite U.S. markets being closed due to Thanksgiving, expectations of a rate cut from the Fed on December 10 continue to underpin global risk appetite. Borsa Istanbul is attempting to align with this constructive tone, though upward momentum remains constrained. The BIST 100 Index advanced 0.28% yesterday, with ISCTR, ENKAI, TAVHL, TUPRS and YKBNK delivering the strongest positive contributions, while DSTKF, THYAO, KUYAS, GUBRF and ENERY weighed on performance. Over the past week, consistent capital inflows have been notable in EKGYO, VAKBN, HALKB, DSTKF, ASELS, TOASO, ULKER and MPARK. The macro agenda is relatively light. Domestically, October employment data will be monitored, while in Europe, attention will be on the ECB's 1- and 3-year inflation expectations. Today also marks the final trading session for November-dated VIOP contracts. Position unwinds by individual and institutional investors—particularly arbitrage funds—seeking to avoid physical settlement in equity contracts may translate into corresponding cash-market sales, potentially exerting pressure on Borsa Istanbul. From a technical standpoint, the 10,700–10,800 range remains a support zone for the BIST 100, while 11,000–11,050 continues to serve as the key resistance band. Lastly, Turkey's 5-year CDS premium opened the day at 240 basis points. A sustained move toward or below 230 bps would signal a more constructive risk perception in favor of TL-denominated assets compared with prevailing pricing dynamics.

Macro and Politics

*** October Employment figures will be released @ 10:00 local time.** The adjusted unemployment remained unchanged at 8.6% in September, while the rate of composite measure of labor underutilization – consisting of time-related underemployment, potential labor force and unemployment– decreased from 29.8% to 28.6%. Moreover, within the components, the combined rate of time-related underemployment and unemployment edged down from 19.4% to 18%, while the combined rate of unemployment and potential labor supply increased from 20.3% to 20.5%. The decline in the underutilized labor rate in September appears to have been driven by the improvement in time-related underemployment and unemployment. Yet, despite the decrease in September, the indicator remains above 28%, signaling that labor market conditions are still weaker than what the headline unemployment figure suggests. The leading indicators in respect to the employment sector have been continuing to give negative signals. PMI's related sub-components, the CUR level as well as the recent path of the survey about expectations for number of people unemployed over the next 12-months stand unsupportive for the unemployment rate in the near term.

*** According to TURKSTAT's foreign trade statistics, exports rose by 2% y/y in October to USD23.9bn, while imports increased by 7.2% y/y to USD31.5bn.** As a result, the foreign trade deficit widened from USD6.9bn to USD7.6bn, with the annual deficit increasing from USD89.2bn to USD90.9bn. Within the context of the foreign trade data, we expect the current account balance to register a surplus of around USD1bn in October. Within the context of the foreign trade figures, we expect the current account balance to post a surplus of around USD1bn in October. For the same month, we estimate the balance of payments–defined foreign trade deficit at roughly USD5.4bn, while the services surplus is likely to come in at around USD7.4bn. We estimate the current account deficit at around USD18bn (1.1% of GDP) by end-2025, and project the deficit to widen to USD25bn (1.5% of GDP) by end-2026.

*** During the week of November 14 – 21, foreign investors were net buyers of USD71.9mn in the equity market and USD239.1bn in the bond market (excluding repo transactions).** Meanwhile, the foreign share in the total government bond stock edged up from 6.8% to 6.9% during the same period. During the same period, the residents' FX deposits retreated by USD575mn (excluding gold, EUR/USD parity effect adjusted), while their total FX deposits (including gold, price adjusted) decreased by USD241mn during the week of November 14 – 21. In terms of official reserves, the CBT's gross FX reserves decreased by USD6.8bn to USD180.7bn, net international reserves dropped by USD2.8bn to USD69.3bn and net reserves excluding swaps slid by USD2.7bn to USD54.9bn.

*** The economic confidence index rose by 1.3% m/m in November to 99.5, reaching its highest level since March 2024.** Although the index remains below the neutral threshold of 100 – indicating that overall sentiment is still on the pessimistic side – the improvement in October and November marks the strongest level of the past eight months. On a three-month moving-average basis, the index inched up from 98 to 98.6. Breaking down the November data, the consumer confidence index increased by 1.6% m/m to 85, while the real sector confidence index rose by 1.2% to 103.2. The services confidence index advanced by 1% to 111.8, the retail trade confidence index gained 0.9% to reach 114.2, and the construction confidence index rose by 1.5% to 84.9.

Sector and Company News

- **TRENJ** reported 3Q25 net income of TL 783 mn, compared to a TL 278 mn loss in the same period last year. Revenue rose 110% YoY to TL 5,661 mn, while EBITDA surged 348% YoY to TL 2,139 mn. The EBITDA margin expanded by 2,002 bps YoY to 37.8%.

- **TRMET** posted 3Q25 net income of TL 1,547 mn, versus a TL 2,100 mn loss a year earlier. Revenue increased 111% YoY to TL 5,655 mn, and EBITDA grew 160% YoY to TL 2,137 mn. The EBITDA margin improved by 717 bps YoY to 37.8%.

- **BRLSM** signed a TL 1.26 bn contract with Pegasus for mechanical and electrical installation works at Sabiha Gökçen Airport Hangar and Auxiliary Facilities (Phase 1) through its subsidiary Erde Mühendislik. The project is expected to be completed within 12 months.

- **DOFRB** announced sales worth approximately USD 5.7 mn at the IAAPA Expo 2025 in the U.S., noting that the sales were made to multiple countries and the revenue impact will be recognized upon deliveries.

- **EFORC** will increase its capital from TL 363 mn to TL 2.2 bn through a 500% bonus issue.

- **ERCB** received an additional TL 160 mn capital advance from its shareholders, bringing the total inflow over the past two days to TL 393 mn.

- **GUNGD** will distribute a gross dividend of TL 0.05 per share today, implying a dividend yield of 0% based on the last closing price.

- **HRKET** signed a contract worth USD 1.7 mn.

- **KONTR** revised its planned rights issue ratio from 300% to 100%, meaning its capital will rise from TL 650 mn to TL 1.3 bn.

- **KRSTL** received the completion visa for its investment incentive certificate related to the Sapanca plant expansion project, marking the completion of a TL 95 mn investment supported by various incentives.

- **MEDTR** announced that its TL 30.5 mn bid in Gazi University's tender was successful.

- **OBAMS** will raise its capital from TL 479 mn to TL 2.88 bn via a 500% bonus issue, funded from internal resources. The record date is set for December 1.

- **REEDR** announced an agreement with Chinese chipmaker Unisoc for the production of 5G-enabled smartphones. The models will use Unisoc chips and be assembled at Reeder's Turkish facilities under CKD format, with commercial launch planned for March 2026.
-
- **ZOREN** participated for the second time in the capital increase of its 49.99%-owned subsidiary Electrip Global Limited (Jersey), contributing an additional EUR 2 mn to meet working capital needs.

Share Transactions

Acquirer	Seller	Company	Type (Buyback / From Market)	# of lots	Transaction Price (TL)	Share in Capital after transaction
PNLSN		PNLSN	Buyback	6.000	39.30	1.29%
LKMNH		LKMNH	Buyback	32.000	15.06	5.14%
TEZOL		TEZOL	Buyback	200.000	12.29	0.34%
HRKET		HRKET	Buyback	25.000	68.98	1.41%
ENERY		ENERY	Buyback	2.155.000	10.06	3.30%
ESCAR		ESCAR	Buyback	80.000	20.06	0.98%
GIPTA		GIPTA	Buyback	71.000	59.59	0.11%

Important Disclosures

Disclaimer