

Daily View

Good morning. In the U.S. stock markets, particularly in technology stocks, rebound buying was notable yesterday. Following the DeepSeek shock, news and commentary suggesting that low-cost artificial intelligence applications could be particularly beneficial for industrial companies supported the markets. As we look at this morning, U.S. futures are trading flat, while European markets, after closing positively yesterday, are also showing a positive trend in futures. In Asia, buying activity is generally observed as well. In Borsa Istanbul, the struggle to hold above the 10,000 level was evident yesterday, and the index closed the day at 10,121. We expect the positive trend to continue today. From a technical perspective, the resistance levels to watch are 10,160 and 10,280, while support levels are at 10,080 and 10,000. The day's agenda is relatively quiet in terms of macroeconomic data. At 10:00 PM (TSI), the Fed's interest rate decision will be closely watched. We do not anticipate a rate cut from the Fed, and no revisions to forward-looking projections are expected today. Tomorrow, the European Central Bank's interest rate decision, along with GDP data from both the U.S. and Europe, will be in focus. Turkey's 5-year CDS premium starts the day at 260 basis points.

Macro and Politics

*** According to the January Sectoral Inflation Expectations survey results, the decline in the 12-month ahead annual CPI expectations continued to decline, with the decrease accelerating significantly compared to the previous month.**

According to the January survey results, 12-month-ahead annual inflation expectations decreased by 1.7 points to 25.4% for market participants, by 3.8 points to 43.8% for the real sector, by 4.3 points to 58.8% for households. The pronounced acceleration in the downward trend of inflation expectations as of January reinforces our expectation that the CBT is likely to proceed with another 250bps reduction in interest rates in March. Our base scenario assumes that interest rate cuts could continue by 250bps in both the March and April meetings. We anticipate that the decline in annual inflation will prevail, albeit at a slower pace, in the second half of the year compared to the first half. Accordingly, we consider that after the 250bps in March and April, the pace of interest rate reductions could be moderated starting with the June meeting.

Sector and Company News

- **TURSG** reported its Q4 2024 financial results with a net profit of TL3.1bn, bringing its total net profit for the year to TL12.7bn, marking a 107% increase year-on-year. In 2024, the company's technical income rose by 99% to TL59.5bn, while technical expenses increased by 92% to TL43.2bn. During the same period, investment income grew by 60% to TL23.5bn, while investment expenses increased by 58% to TL22.4bn. The technical balance-to-income ratio stood at 0.29, while the current ratio slightly increased to 1.31. The company's equity expanded by 86% year-on-year to TL28.7bn. The insurance technical reserves-to-equity ratio improved to 1.70 compared to the previous year.

- **AKFYE** announced that its subsidiaries were not among the winning companies in the YEKA RES-2024 tenders.
- **HTTBT** announced that it has signed an agreement with Türk Eximbank for a TL180mn loan with a 360-day maturity.
- **MEDTR** reported its participation in the "December 2024 Medical Consumables" tender organized by the State Supply Office.
- **MERCN** announced the completion of the excavation and rough construction phase of its Warehouse and Raw Material Production Facility project.
- **ONRYT** announced that contract negotiations with a domestic customer were successfully concluded, and a total order of USD10.5mn was received from this customer for the mission-critical communication needs of aircraft.
- **OZATD** announced that it has signed a contract worth USD2.6mn.
- **PGSUS** has applied to the Capital Markets Board (SPK) to increase its registered capital ceiling from TL500mn to TL2.5bn and to extend its validity until the end of 2029. Based on its equity exceeding TL75bn, the potential for a bonus share issuance is around 15,000%. However, according to the application, the maximum possible bonus share issuance is limited to 400%. In the coming days, we may see a bonus share issuance decision from **PGSUS**.
- **TKFEN** announced that 180K shares were repurchased at an average price of TL64.06. As a result of the transaction, the ratio of owned shares to the company's capital increased to 3.49%.
- **TUPRS** announced that it has applied to the Capital Markets Board to increase the company's registered capital ceiling to TL10bn and to extend its validity period until the end of 2029.

Share Transactions

Acquirer	Seller	Company	Type (Buyback / From Market)	# of lots	Transaction Price (TL)	Share in Capital after transaction
LKMNH		LKMNH	Buyback	30,000	20.89	3.06%
KRVGD		KRVGD	Buyback	200,000	2.08	1.43%
TKFEN		TKFEN	Buyback	180,000	64.06	3.49%
PCILT		PCILT	Buyback	10,000	17.40	2.12%
YGGYO		YGGYO	Buyback	6,101	65.75	3.45%
NTHOL		NTHOL	Buyback	10,600	43.78	6.53%
DAPGM		DAPGM	Buyback	100,000	7.91	0.08%
GEDIK		GEDIK	Buyback	1,362	7.84	2.41%

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.