

Daily View

Good morning. The U.S. government shutdown continues, and as today marks the 10th day, there is a risk that some federal employees may not receive their full pay or may experience partial payments. Next week, on Wednesday, October 15, salaries for the remaining federal employees, including military personnel, are also due. However, due to the deadlock in the Senate and the repeated failure of the funding bill—which has now been voted on seven times—the process is expected to be prolonged further. As a result, the risks associated with the government shutdown appear to be increasingly priced in, leading to selling pressure on U.S. equities. This morning, however, U.S. and European futures are trading flat, while Asian markets are broadly negative. In Borsa Istanbul, the BIST 100 index has been moving sideways within the 10,700–10,900 range for the past four sessions, though momentum remains weak. The 10,600–10,700 range serves as the first support zone, while 10,900–11,000 represents the initial resistance zone. In a broader context, the 10,200–10,300 area is the key short-term support region, whereas the 11,250–11,300 band is seen as the main resistance area. Twelve-month forward BIST 100 index targets remain around the 15,000 level. The daily agenda is relatively quiet. In the U.S., the federal budget data—normally scheduled for release this evening—will likely not be published due to the ongoing government shutdown. Turkey's 5-year CDS premium starts the day at around 260 basis points.

Macro and Politics

*** The sequential (the seasonally and calendar adjusted monthly figure) industrial production (IP) rose by 0.4% in August, while calendar-adjusted IP increased by 7.1% y/y.** Please recall that IP had contracted by 1.8% m/m, while expanded by 5% y/y back in July. The data continue to point to a widening divergence across sectors, with construction and defense-related industries standing out positively, while high-tech production remains volatile. Similar to previous months, the rise in annual industrial output in August was not broad-based but rather concentrated in a few segments and amplified by base effects. Consequently, and in line with leading indicators, we expect the underlying trend in real sector activity to remain subdued. Nevertheless, the ongoing sectoral divergence within industry and the strong performance led by defense spending could keep overall industrial production above expectations in the third quarter. Our year-end growth forecast for 2025 stands at 3.4%, while we project 3.7% for 2026.

*** Foreign investors were net sellers through standard portfolio channels in the week of September 26 – October 3, recording net outflows of USD84.1mn from equities and USD358.5mn from bonds (excluding repo transactions).** The foreign share in total government bond stock remained unchanged at 6.8%. Moreover, during the week of September 26 – October 3, the residents' FX deposits dropped by USD658mn (excluding gold accounts and adjusted for the EUR/USD parity effect), while their total FX deposits (including gold, price adjusted) increased by USD196mn during the week of September 26 – October 3. In terms of official reserves, the CBT's gross FX reserves increased by USD3.3bn to USD186.4bn and net international reserves rose by USD2.5bn to USD75.2bn, while net reserves excluding swaps climbed by USD2.3bn to USD59.4bn.

Sector and Company News

- **AYGAZ** announced it will release its 3Q25 financials on October 31.
- **BIMAS** repurchased 60K shares at TL542.80, raising the ratio of treasury shares to ~1.04% of capital.
- **ESCOM** said its subsidiary Alesta A.Ş.—which had acquired a 4% stake in Pax Animi Games Yazılım A.Ş. at a TL8.8mn company valuation on December 30, 2021—participated in the new funding round at an TL83mn valuation, maintaining its stake.
- **FONET** signed a 33-month “Health Information Management System (SBYS) Service Procurement” contract with the Antalya Provincial Health Directorate worth TL32mn.
- **KLKIM:** The company’s 75%-owned subsidiary Kalekim Lyksor began mass production and shipments at its new Morocco facility, established through its 51.8%-owned subsidiary Lyksor Maroc SA. The plant has a 30,000-ton annual capacity, contributing to Kalekim Lyksor’s total domestic capacity of 425,000 tons.
- **LIDER:** The Capital Markets Board (SPK) approved the company’s application to increase paid-in capital from TL165mn to TL825mn through a 400% bonus issue, fully funded from internal resources.
- **MAVI** repurchased 250K shares at TL38.24, lifting treasury shares to ~0.82% of capital.
- **OZYSR:** The company received new orders totaling EUR5.55mn and USD2.69mn from its overseas customers.
- **SMRTG:** The Birleşik Metal İş Union announced a strike decision for October 22 at the company’s Gebze facility. Production continues uninterrupted while negotiations are ongoing. The Aliağa facility operates at full capacity, and no change is expected in year-end targets.
- **SUWEN** signed an exclusive franchise agreement to operate in the United Arab Emirates (Dubai). Under the agreement, 15 stores are planned to open over 2025–2029.
- **TBORG:** The company completed the acquisition of Antalya Alkollü İçecek Sanayi ve Ticaret A.Ş. for USD47.7mn. The transaction corresponds to 4.5% of total assets and is expected to support operating performance.
- **THYAO:** The Chairman of Board stated that if negotiations with engine supplier CFM fail to reach an agreement on economic terms, the airline may shift its planned Boeing 737 MAX orders to Airbus. He also noted that discussions

regarding the Boeing 777X model are ongoing but emphasized that the company will not rush into a new order decision.

- **TRHOL** announced it has initiated preliminary talks to acquire a bank in the Asia-Pacific region that operates under participation (Islamic) finance principles.
- **ULUSE:** The company decided to terminate component manufacturing operations in Algeria and Indonesia due to low profitability. These activities accounted for 6% of total sales in 1H25, and the decision is expected to positively impact profitability.
- **YEOTK:** The company signed a USD8.25mn contract with a domestic customer for the engineering, procurement, and commissioning (EPC) of two wind power plants totaling 60 MW.
- **YIGIT:** The company signed a cooperation protocol with Inavitas Enerji for the establishment of a 10 MW / 10 MWh battery energy storage system, planned for completion in 1Q26.
- **TAVHL** announced its passenger traffic data for September.
 - The total number of passengers served in September 2025 reached 11.2 million, marking a 9% YoY increase but a 13% MoM decline. Domestic passengers rose 17.1% YoY, while international passengers increased 6.1% YoY.

TAVHL # of pax (mn)								
mn	Sep-24	Sep-25	y/y	Aug-25	m/m	3Q24	3Q25	y/y
Domestic	3,0	3,5	17,1%	3,9	-12%	9,7	11,1	15%
Int'l	8,3	8,8	6,1%	10,2	-14%	27,5	28,6	4%
Total	11,2	12,2	9,0%	14,1	-13%	37,2	39,7	7%

Source: Company Data, Tacirler Investment

Share Transactions

Acquirer	Seller	Company	Type (Buyback / From Market)	# of lots	Transaction Price (TL)	Share in Capital after transaction
LKMNH		LKMNH	Buyback	24.000	16.56	4.79%
AHGAZ		AHGAZ	Buyback	70.000	28.34	1.78%
MAVI		MAVI	Buyback	250.000	38.24	0.82%
ESCAR		ESCAR	Buyback	25.000	20.00	0.11%
AKFGY		AKFGY	Buyback	100.000	2.54	0.86%
AKFYE		AKFYE	Buyback	40.000	16.71	1.04%
BOBET		BOBET	Buyback	129.295	18.90	1.31%
BIMAS		BIMAS	Buyback	60.000	542.80	1.04%

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