

Daily View

Good morning. Global equity markets are trading with volatility near their peak levels, driven by developments in U.S.–China relations, expectations of rate cuts from the Fed, corporate earnings releases, and ongoing geopolitical factors. In Borsa Istanbul, the four-week downward trend paused yesterday, as the BIST 100 index rebounded by 1.44% to close at 10,464, holding above the critical 10,200–10,300 support zone. The top five positive contributors to the index were EREGL, TCELL, DSTKF, TUPRS, and ENKAI, while the main laggards were ASELS, YKBANK, THYAO, PASEU, and PATEK. On the fund flow side, AEFES, ENKAI, and KOZAL stood out among the stocks that have seen consistent inflows over the past week. Although we observed foreign buying in Borsa Istanbul yesterday, there was no broad-based liquidity inflow across the market. Expectations for a rate cut from the Monetary Policy Committee (MPC) have declined, while the disinflation process appears to be losing momentum; together with political developments, these factors may continue to weigh on Borsa Istanbul. Nevertheless, based on company valuations and target prices, the 12-month BIST 100 target points above the 15,000 level, implying an upside potential of around 45%. Revisions may follow the release of 3Q25 financial results in the coming days; however, we do not anticipate significant downward adjustments. For the index to move toward the aforementioned target levels, supportive catalysts—particularly in terms of political developments and MPC expectations—will be needed. Today's domestic agenda includes housing price and sales data, as well as the Central Bank of Turkey's upcoming announcements on reserves and foreign transactions. In the U.S., the release of the Producer Price Index (PPI) may be delayed due to the ongoing government shutdown. Turkey's 5-year CDS spreads start the day at 267 basis points.

Macro and Politics

*** The CBT will release the Residential Property Price Index (RPPI) for September @ 10:00 local time.** The Residential Property Price Index (RPPI) rose by 2.5% m/m and 31.4% y/y in August, reaching a level of 192.5. Yet, in real terms, the index posted an annual decline of 1.2%. Although the annual real depreciation in housing prices has persisted uninterruptedly since February 2024, the pace of this depreciation has been moderating. We believe that the recent annual increase in mortgaged home sales, despite mortgage rates remaining elevated above 40%, was partly driven by expectations of future price hikes, as real house prices—having been in decline for some time—have recently shown signs of stabilization. Looking ahead, we expect the annual change in real house prices to turn positive in the near term.

*** TURKSTAT will release September house sales figures @ 10:00 local time.** Housing sales rose to 143,319 units in August, marking an annual increase of 6.8% and a mere 0.3% rise m/m. Mortgage-backed sales recorded an annual rise of 45.2% and a monthly rise of 7% during this period, reaching 19,712 units. Turning to mortgage interest rate dynamics, the average mortgage rate stood at 43.53% in August 2024 and eased marginally to 40.36% in August 2025, signaling a rather limited annual decline. The y/y increase in mortgaged home sales appears to have been driven by expectations of further price appreciation, despite mortgage rates remaining elevated above 40%. These expectations are likely supported by the recent stabilization in real house price depreciation, following an extended period of real term decline. The August data suggest that both the momentum in mortgage-backed sales and the underlying price dynamics persisted during the month. Turning to the breakdown of housing sales data, a total of 1,810 units were sold to foreigners in August, marking an 19.8% y/y decline. In the same month, sales to foreign buyers accounted for 1.3% of total housing transactions.

*** The CBT will release weekly foreign portfolio flows, money & banking statistics, and international reserves for the period of October 3 – 10 @ 14:30 local time.** Based on our calculations using the CBT's analytical balance sheet, we

estimate that during the week of October 3 – 10, net international reserves rose by USD1.96bn to USD77.1bn, while gross FX reserves increased by USD3.61bn to USD190bn. We anticipate that today's official reserve data will likely reflect a similar rise in line with our estimates. To recall the previous week's data: 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

- **5G Auction Today at BTK Headquarters**
 - The 5G spectrum auction will be held today at 10:30 AM at the Information and Communication Technologies Authority (BTK) headquarters, with TCELL and TTKOM participating. A total of 400 MHz across the 700 MHz and 3.5 GHz bands will be tendered with a minimum valuation of USD 2.125 billion. Eleven frequency packages will be allocated to operators.
 - The Minister of Transport and Infrastructure stated that 5G will cover all of Türkiye within a year and go live in April 2026. The 2G and 3G licenses, set to expire in 2029, will be automatically extended with the new 5G licenses.
 - At least 60% of the 5G infrastructure will be required to use domestic components, and 30% national components, aiming to reduce foreign dependency and boost local manufacturing.
 - Türkiye currently has about 85 million mobile subscribers, of which 22 million have 5G-compatible devices. The first 5G signals will be activated in major cities including Istanbul, Ankara, Izmir, Kocaeli, Bursa, and Konya.
- **ARSAN** provided a TL 316.3 million guarantee, proportional to its 27.5% stake, for a TL 1.15 billion bank loan used by its affiliate Akedas Electricity Distribution.
- **DOHOL** announced that it will disclose its 3Q25 financial results on November 6, 2025.
- **EBEBK** announced that it will disclose its 3Q25 financial results on October 23, 2025.
- **EKOS** announced it signed a contract totaling EUR3.7mn with a customer based in Algeria for the production of 15 compact transformer substations.

- **EKSUN** received an investment incentive certificate for its 11.9 MW project. The total investment amount is TL 439 million with a completion date of August 19, 2028. Incentives include a 60% tax reduction, 30% investment contribution, VAT exemption and customs duty relief.
- **ESEN** saw its 25%-owned affiliate Naturel ChargeN Elektrik apply to the Energy Market Regulatory Authority (EPDK) for an aggregator license to expand its renewable energy portfolio management and market operations.
- EYAŞ—77% owned by **KCHOL** and 20% owned by its subsidiary **AYGAZ**—announced a TL5bn cash interim dividend (advance profit distribution).
- **FONET** obtained approval from the Capital Markets Board (CMB) for its 550% bonus issue. The entitlement to receive bonus shares will start on October 20.
-
- **LILAK** received TEİAŞ approval for the connection agreement of its 28.6 MWp ground-mounted solar power plant project in Bitlis/Ahlat. The project aims to cover part of the company's production facilities' energy needs.
- **MAVI** repurchased 500K shares at TL37.59 per share; the total bought-back shares now correspond to approximately 1.03% of the company's capital.
- **MEKAG** received a crushing and screening plant order worth EUR 2.2 million through its subsidiary.
- **MPARK** saw F.O.M. Grup Architecture & Construction purchase 1.2 million shares at TL 335 per share on October 15, increasing its ownership from 10.6% to 11.24%.
-
- **ORCAY** decided to increase its capital from TL 80 million to TL 240 million through a 200% rights issue.
- **OZGYO** decided to increase its capital from TL 650 million to TL 1 billion through a 53.8% bonus issue.
- **PSGYO** saw its individual shareholders deposit an additional TL 1.5 billion as advance capital contribution within the scope of the private placement capital increase, raising the total amount to TL 2.5 billion.
- **RALYH** signed the sales contract with the Privatization Administration for the Cayyolu/Ankara property of 27,615 square meters, which it won for TL 3.1 billion. The project will be developed under the "Central" brand through a partnership of 20% Ral REIT, 31% Best Trend Real Estate and 49% Üçüncü Proje GYF, focusing on residential and commercial units.

- **SASA** announced that it has initiated a tender process for the technical and economic feasibility study regarding the refinery configuration within its ongoing refinery and petrochemical investment project. The company has received proposals from two international firms and has started negotiations as part of the evaluation process.
- **TEHOL** applied to the Turkish Competition Authority regarding the acquisition process of DLT Tourism and Trade, the owner of Tatilsepeti.com. Discussions are ongoing and further updates will be shared as the process progresses.
- **TRCAS** announced that its 30%-owned affiliate Shell & Turcas Petrol A.Ş. (STAŞ) resolved at an Extraordinary General Assembly to distribute TL1bn from retained earnings. Turcas's share of TL300mn is expected to be credited to the company's account on October 16, 2025.

Share Transactions

Acquirer	Seller	Company	Type (Buyback / From Market)	# of lots	Transaction Price (TL)	Share in Capital after transaction
LKMNH		LKMNH	Buyback	30.000	16.14	4.85%
AHGAZ		AHGAZ	Buyback	168.220	25.98	1.80%
MAVI		MAVI	Buyback	500.000	37.59	1.03%
ESCAR		ESCAR	Buyback	50.000	19.72	0.20%
AKFIS		AKFIS	Buyback	10.000	20.88	0.75%
ENERY		ENERY	Buyback	5.125.541	9.49	2.98%

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.