

Daily View

Good morning. The rebound in global markets that was effective yesterday continues this morning. On the other hand, Borsa Istanbul remained weak under the shadow of domestic political developments yesterday. However, after declining to as low as 9600 during the day, the index recovered with intraday buying and closed around 9720. What stands out is that, despite this high volatility, the session ended with a net capital inflow of approximately 1.4 billion TRY at the institutional level. The 12-month target range for the BIST 100 index has started to concentrate around 14,500 – 15,000, offering an index-wide potential of nearly 50%. Stocks expected to outperform the index are estimated to have even higher return potentials. The global stress caused by Trump's policies in the U.S., domestic uncertainties regarding the disinflation process, and internal political developments continue to weigh on the index. However, if these risks ease, we expect a significant momentum gain in Borsa Istanbul. Therefore, we believe the current period of weakness presents an "accumulation opportunity" for investors with strong capital and long-term investment strategies. Today's agenda includes the CBRT's reserve data announcement and foreign investors' securities transactions for the week ending January 31. The importance of this data has increased since foreign investors made their highest equity purchases in the last nine months, totaling \$345 million, during the week of January 21–24. Meanwhile, Turkey's 5-year CDS premiums start the day at 254 basis points.

Macro and Politics

*** The CBT will release weekly foreign portfolio flows, money & banking statistics, and international reserves for the period of January 24 – 31 today @ 14:30 local time.** Based on our calculations from the CBT's analytical balance sheet, we estimate that during the week of January 24 – 31, the net international reserves dropped approximately by USD2bn to USD71.7bn and the gross FX reserves decreased by USD1.6bn to USD166.1bn. To recall the data from the previous week: During the week of January 17 – 24, the equity and the bond market (excluding repo transactions) witnessed a foreign inflow of USD345.4mn and USD382.9mn, respectively. Furthermore, the foreigners' share in the total bond stock climbed further to 8.7% from 8.5%, which stands for the highest level since February 2020. The residents' FX deposits increased by USD748mn (gold accounts excluded, EUR/USD parity adjusted) in the period of January 17 – 24, while the residents' total FX deposits (including gold, price adjusted) rose by USD586mn in the week of January 17 – 24. Moreover, the CBT's gross FX reserves climbed further by USD4.3bn to USD167.7bn, while the net international reserves rose by USD2.2bn to USD73.7bn. Net reserves excluding swaps also increased by USD3.6bn to USD62.9bn.

Sector and Company News

- **OTKAR (Negative)** announced its 4Q24 financial results with a net loss of TL554mn, falling short of market expectations (Market expectation: TL37mn net profit). The company had reported a net profit of TL3bn in the same period last year and a net loss of TL960mn in the previous quarter. As a result, OTKAR ended 2024 with a total net loss of TL3.1bn. During the same period, the company's revenue declined by 25.3% YoY but increased by 43.5% QoQ. While the company showed some recovery in operational profitability in the last quarter, it ended the year weaker compared to the same period last year.

- **KTLEV** reported Q4 2024 financial results with a net profit of TL968.5mn. For the full year 2024, net profit reached TL2.2bn, marking a 188% year-on-year increase. Gross profit surged by 271% year-on-year to TL4.9bn, while net operating profit rose by 206% to TL3.1bn.
- **BERA** announced that a 6,000 kWe capacity solar power plant (GES) located on the land owned by Adaçal Industrial Minerals, one of its group companies, in Uşak, has been commissioned and started electricity production. The electricity produced from the three solar power plants will meet 53% of the total annual electricity consumption.
- **EBEBK** announced that the number of visitors to its stores in January increased by 7% YoY to 4.5mn, while the number of visitors to its website in the same period increased by 10% YoY to 12.2mn.
- **KCHOL** announced that after the payment of USD176.4mn by Kalamış A.Ş., which is wholly owned by its subsidiary Tek-Art Kalamış and Fenerbahçe Marmara Tourism Facilities, and the submission of the remaining amount in the form of a guarantee letter to the administration, a contract was signed for the operation rights of Fenerbahçe Kalamış Marina for 40 years.
- **KONTR** announced that it signed a USD29.7mn contract with the Iraqi Ministry of Electricity for the "400 kV Salah Al Din & Qayara Substation Expansion Project." The contract amount corresponds to 14.5% of its 12-month USD based revenue.
- According to **KOTON** CEO Bülent Sabuncu, the company's goal is to enter 2-3 new countries every year, and in 2025, the company will focus on expanding abroad, especially in Hungary. One of the most important innovations of 2025 will be partnerships in the Gulf region, and the number of stores in Saudi Arabia, UAE, and Bahrain will be increased.
- **ORGE** has initiated additional protocol negotiations to revise its existing contract for the İzmir American Hospital Project to EUR3.75mn + TL127.5mn.
- **SMRTG** announced that it signed a USD80.7mn contract with Asya GES for the installation of 4 energy storage-integrated solar power plants and transmission lines. The contract amount

corresponds to 26% of its 12-month USD based revenue. The projects are planned to be completed by the end of 2025.

- **THYAO's** credit rating was upgraded by Fitch from BB- to BB, with the outlook affirmed as Stable.

Share Transactions

Acquirer	Seller	Company	Type (Buyback / From Market)	# of lots	Transaction Price (TL)	Share in Capital after transaction
LKMNH		LKMNH	Buyback	30.500	19.64	0.10%
INVES		INVES	Buyback	18.000	196.83	0.48%
ORGE		ORGE	Buyback	10.000	80.63	1.21%
NTHOL		NTHOL	Buyback	125.000	43.62	6.57%
PCILT		PCILT	Buyback	10.000	17.20	2.13%
GEDIK		GEDIK	Buyback	200.000	7.00	0.02%
VERUS		VERUS	Buyback	7.340	243.60	4.74%
KRVGD		KRVGD	Buyback	200.000	2.15	1.48%
OBAMS		OBAMS	Buyback	50.000	62.65	2.06%

Important Disclosures

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