

Turkish Markets Daily

31 October 2024
(09:43)

Financial Markets Data

Domestic Market	Last Price	Change (%)		International Markets	Last Price	Change (%)	
		Daily	YTD			Daily	YTD
BIST-100	9006.55	0.68	20.57	S&P 500	5813.67	-0.33	21.88
BIST-30	9968.38	0.57	24.28	Nasdaq 100	20387.7	-0.56	23.96
\$/TL	34.27	-0.01	16.28	Dow	42141.54	-0.22	11.81
€/TL	37.28	0.11	13.85	Dax	19257.34	-1.13	14.96
Short Term	42.95	-0.07	8.24	FTSE 100	8159.63	-0.73	5.51
Long Term	30.62	1.29	14.47	Nikkei 225	39081.25	-0.50	16.79
Gold	2783.75	-0.13	34.94	Crude Oil	68.7925	-0.18	-3.68

Daily Agenda

Date	Time	Country	Data	Period	Expectation	Previous
31.10.2024		TU	YKBANK 3Q24 Earnings Announcement GS: TL4,848mn, Consensus: TL4,971mn			
31.10.2024		TU	TSKB 3Q24 Earnings Announcement GS: TL2,513mn, Consensus: TL2,523mn			
31.10.2024		TU	BRISA 3Q24 Earnings Announcement GS: -, Consensus: -			
31.10.2024	11:00	TU	Trade Balance	Sep	--	-4.99b
31.10.2024	13:00	EC	CPI Estimate YoY	Oct	--	--
31.10.2024	13:00	EC	CPI MoM	Oct	--	--
31.10.2024	13:00	EC	CPI Core YoY	Oct	--	--
31.10.2024	13:00	EC	Unemployment Rate	Sep	--	--
31.10.2024	15:30	US	Personal Income	Sep	--	--
31.10.2024	15:30	US	Personal Spending	Sep	--	--
31.10.2024	15:30	US	Real Personal Spending	Sep	--	--
31.10.2024	15:30	US	Initial Jobless Claims	Oct	--	--

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Eurobond Bulletin

Local Market Overview

BIST - As October comes to an end. Entering the last trading day of October, MSCI World index lost 0.5% and MSCI Emerging Markets index lost 3.8% on a monthly basis. Yesterday's weaker-than-expected financial results from Meta and Microsoft limited the risk appetite on a daily basis. Turkish stock market is among the negative decouplers with a monthly loss of 7.8% on the last trading day of October. November 1 S&P Turkey credit rating review and November 4 inflation data are the headlines we follow for BIST. We expected reaction buying in the BIST-100 index above the 8,650-8,400 region. The 9,100-9,200 and 9,450-9,500 ranges continue to be the resistances we follow in possible reaction buying. On the new day, we expect pricing in the 8,900 support and 9,100-9,200 resistance range. If the 9,200 resistance zone cannot be exceeded or the 8,900 support zone is broken, the recovery may lose momentum in the technical outlook.

BİST-100 (Day, ABD\$)



VIOP Index30 – The reaction rally that started at 10,150 may lose momentum, albeit limited..

In October maturity Index30, the intraday close was 10,512, while the evening session closed at 10,503. After the decline in risk appetite led by technology companies in global markets, the strong, albeit limited, course that continued last week may lose momentum today. Domestically, there is a generally calm data agenda. Abroad, there are inflation data in the Euro zone and core PCE data in the US. 'S&P's report on Turkey', which is expected to be announced tomorrow, continues to be maintained as an important expectation in the rise that has been going on for 4 days. However, BIST may lose momentum, albeit limited, in the reaction rise that started from the 10.150 region. For the continuation of the rise above 10,500, the decision to be announced tomorrow may be effective. Before the October inflation data to be announced next week, the confidence index and the positive expectations made by Minister Şimşek regarding inflation may support the rise. In the light of all these expectations, the new day may start horizontally around 10,500 and there may be limited profit sales during the day. Let us remind you that 10,420-10,350 levels are support and 10,540-10,600 levels are resistance zones to be used during the day.

Brokerage Breakdown
VIOP Endeks30 Aralık

		Net Alım	Kurum Adı	Net Satım
30.10.2024	YAPI KREDİ YAT.	27.155	IS YATIRIM	43.591
	TEB YATIRIM	26.040	HSBC YATIRIM	28.833
	DENİZ YATIRIM	8.731	BANK-OF-AMERICA	19.891
	GARANTI BBVA	8.131	SEKER YATIRIM	2.457
	VAKIF YAT.	7.320	TACIRLER YAT.	2.367
	Diğer	21.966	Diğer	2.204
	Kurum Adı	Net Alım	Kurum Adı	Net Satım
01.08.2024	30.10.2024			
	TEB YATIRIM	68.396	IS YATIRIM	171.844
	YAPI KREDİ YAT.	32.813	BANK-OF-AMERICA	54.381
	VAKIF YAT.	30.354	GARANTI BBVA	7.277
	INFO YATIRIM MENKUL	15.044	SEKER YATIRIM	2.413
	DENİZ YATIRIM	12.399	MEKSA YATIRIM	539
Diğer	77.890	Diğer	442	

VIOP Dolar/TL Kasım

	Kurum Adı	Net Alım	Kurum Adı	Net Satım
30.10.2024	AKBANK T.A.S.	8.109	INFO YATIRIM MENKUL	6.798
	YATIRIM-FINANSMAN	6.823	IS YATIRIM	4.943
	GLOBAL MENKUL	6.001	GEDİK YATIRIM	4.844
	TEB YATIRIM	5.936	GARANTI BBVA	3.866
	OYAK YATIRIM	2.776	DENİZ YATIRIM	3.721
	Diğer	3.802	Diğer	9.275
	Kurum Adı	Net Alım	Kurum Adı	Net Satım
01.08.2024	30.10.2024			
	AKBANK T.A.S.	350.381	IS YATIRIM	629.986
	QNB BANK	124.623	BANK-OF-AMERICA	46.094
	YAPI VE KREDİ BANKASI A.S.	103.727	INFO YATIRIM MENKUL	27.979
	IS BANKASI A.S.	64.028	AK YATIRIM	19.001
	TEB YATIRIM	44.032	DENİZ YATIRIM	17.256
Diğer	87.149	Diğer	33.624	

Spot USDTRY.. According to CBRT data, residents' FX deposits decreased by \$15 billion in exchange rate adjusted terms this year. An estimated \$22 billion of foreign capital flowed into short-term liquid TL assets for carry trade purposes. Likewise, foreign investors' position in TL bonds increased by \$14 billion. CBRT's net FX reserves excluding swaps improved by over \$100 billion in the last one year. Both foreign and domestic investors' confidence in TL assets is growing. As a result of orthodox economic policies and monetary policy implementations aimed at permanently reducing inflation, the stability in the TL may continue in the coming period. CBRT has kept its policy rate unchanged since March. The weekly repo rate, which is at 50%, has an annual compound yield of around 65%. In the current situation, this interest yield maintains the attractiveness of the TRY given the expected inflation levels. As long as these conditions persist, the real appreciation in TRY can be expected to continue.

Macroeconomic and Political News

Sectoral inflation expectations continue to fall Economic confidence index rises in October

Sectoral inflation expectations: According to the CBRT's sectoral inflation expectations survey, 12-month-forward inflation expectations have decreased from 51.1% to 49.5% in the real sector and from 71.6% to 67.2% in households. Survey results point to improving inflation expectations.

Economic confidence index: In October, the economic confidence index rose 3.2% to 98.0. Confidence improved mom for all sub-groups excepting construction.

Sector and Company News

Teknosa (TKNSA, OP) recorded a net loss of TL369mn in 3Q24. While there wasn't consensus, our expectation was for a net loss of TL261mn (Negative)

Teknosa (TKNSA, OP, Price:26.96TLMcap:TL5,419mn) recorded a net loss of TL369mn in 3Q24. While there wasn't consensus, our expectation was for a net loss of TL261mn. EBITDA increased yoy, thanks to continued cost optimization, effective inventory management, and cash management actions, reaching TL670mn, and above our expectations of TL485mn.

Despite the significant improvement in margins and mitigating actions in Opex, a net loss of TL1.09bn was recorded in 9M24, due to the increases in financing and credit card expenses caused by high interest rates, as well as the effect of inflation accounting. We expect the results announced by Teknosa to have a negative impact on TKNSA shares. We maintain Outperform (OP) recommendation for TKNSA, with a new target price of TL51.1 (previous: TL60.2).

Garanti Bank (GARAN, Not Rated): Garanti posted a TL22.1bn net income in 3Q24 vs. consensus estimate of TL21.2mn

Garanti Bank (GARAN, Not Rated, Price:TL108.50 Mcap:TL455,700mn): Garanti posted a TL22.1bn net income in 3Q24 vs. consensus estimate of TL21.2bn. Garanti Bank's net profit decreased by 2% qoq and 5% yoy. Thus, the bank posted a net profit of TL67.0mlr in the first three quarters of the year, up 16% yoy. ROE was 32.9% in this period (2023: 44.9%). The bank's core revenues grew by 11% qoq, with the highest contribution coming from core interest income (+19%) and fee income (+18%). ROE Guidance (mid 30's) maintained, downside to NIM is said to be compensated with better than expected trend in trading, fees and subsidiary income.

Banking Sector: In September 2024, net profit of the banking sector increased by 128% mom to TL77.7bn, ROE of the sector was 26% (Neutral)

Banking Sector: September 2024 net profit of the banking sector was realized as TL77.7bn. (-13% yoy, +128% mom). Thus, banking sector generated a net profit of TL460bn in the first 9 months of the year (+5% yoy), while ROE was 26% in this period. 3Q net profit average decreased by 9% compared to the the previous quarter. Net interest margin increased by 118 bps mom, while TL loan spread widened by 60 bps mom. In the last two months, the banking sector's loan spreads have been on an uptrend. In September, the main reasons for the monthly rise in net income were lower swap expenses, higher lending spreads and higher provision reversals.

The highlights are as follows;

Fee revenues increased by 127% yoy, maintaining its strong outlook from last year. In particular, the impact of rising interest rate-driven payment systems was clearly visible in this item. Declining swap volumes enabled banks to realize a net trading income of TL7.7bn.

Sector's net provisions decreased significantly on a monthly basis, supporting net profit (Sept. 24: -TL9bn vs. Aug. 24: +TL5bn). NPL ratio was flat on a monthly basis at 1.7%. Net cost of risk was -82bps in 9M24 (2023: -12bps).

Yapi Kredi (YKBNK, OP): Yapi Kredi posted a net profit of TL5,001mn, inline with the market estimate of TL4,971mn (Neutral)

Yapi Kredi (YKBNK, OP, Price:TL25.02 Mcap:TL211,345mn): Yapi Kredi reported a 3Q24 net profit of TL5,001mn (-30% qoq, -80% yoy, ROE: 16.2%, vs. 45% in 2023), inline with our estimate of TL4,848mn and the consensus estimate of TL4,971mn. Thus, the bank posted a net profit of TL22.4bn in the first three quarters of the year, down by 54% yoy. On a quarterly basis, higher provision expenses weighed on net income, while swap-adjusted net interest income recovered slightly.

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