

### Agenda

#### 08 Monday

- Regular Cabinet Meeting.
- Turk Stat to announce industrial production figures for January.
- CBRT to announce the first expectation survey for March.
- Treasury will hold a 6-months maturity bond auction.

#### 09 Tuesday

- Treasury will hold 4-years maturity T-Bill auction.

#### 10 Wednesday

- Treasury will redeem TRY 2 bn of domestic debt.

#### 11 Thursday

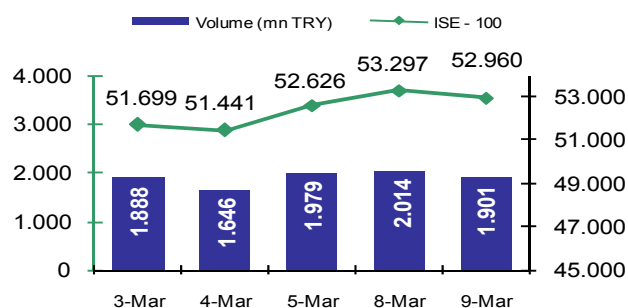
- CBRT to announce balance of payment figures for January.
- US, jobless claims.
- US, January international trade figures.

#### 12 Friday

- Euro Zone, January industrial production figures.
- US, February retail sales figures.
- The first US Michigan consumer figures on March.

#### Outlook:

Good Morning! In the lack of news and data flow, US stocks closed yesterday slightly positive in line with the increasing hopes on global economic recovery. Asia is almost flat this morning and investors are looking for a new implication which would drive the markets. On the domestic front, the ISE made a correction yesterday following its three day increment and closed the day at 52.959 (-0.63%), logging a volume of TRY 1.9Bn. The announcements from Fitch regarding the Euro Zone countries and Turkey's less likely rating upgrade prior to elections affected the market adversely intraday, in line with the European peers. The inflow has been seen as USD 18Mn, led by Akbank (AKBNK.TI, Rec:BUY), Is Bank (ISCTR.TI, Rec: BUY) and Koc Holding (KCHOL.TI, Rec:BUY) which were dominated by international houses. This morning, a surprise from IMF and Treasury has come up and both sides announced that the stand by negotiations are no longer exist. Hence, we foresee a weak opening this morning followed by a choppy trading day. The reaction to the news in the OTC bond market and currency side seems calm and we do not see a rapid decline in the first step. Technically, 52.800 and 52.000 are our respective support levels while 53.800 is the resistance.



Indices (TRY)	Previous	Last	Chg.	YTD
ISE-100	53.297	52.960	-0,63%	0,26%
ISE-30	66.107	65.684	-0,64%	-1,95%
ISE-Financial	80.512	79.842	-0,83%	0,10%
ISE-Industrial	41.289	41.156	-0,32%	8,59%
ISE-Services	35.227	35.097	-0,37%	-2,87%

#### Money Market:

The sentiments around the globe have changed following Fitch's remarks on the sovereign debt outlook deterioration of some developed economies - namely US, England and Portugal. November 2011 benchmark yields depreciated 13bps to 9.20% while currency markets remained relatively strong. TL appreciated 0.33% against US\$ and closed the trading day at TL1.536. Meanwhile, the IMF and Turkish officials' comments pointed that no IMF deal will occur in the near future after all. We expect this development to put pressure on the fixed and currency markets today.

Advances		Declines		Most Active	
Stocks	(%)	Stocks	(%)	Stocks	Vol (TR)
ASLAN	19,13	METUR	-9,62	GARAN	136.087.882
MRSHL	11,98	AVRSY	-6,29	ISCTR	125.115.233
KAPLM	7,37	METYO	-5,66	VAKBN	84.036.632
TEKFK	6,45	FVORI	-4,73	EREGL	82.015.579
BFREN	6,37	FONFK	-4,52	TCELL	76.596.908

#### Domestic Headlines:

**No IMF deal after all** The Turkish Treasury has announced that IMF staff is to visit Turkey during April 24-25 right after the semi-annual IMF-WB meeting to complete the works within the Article 4 consultation (general review for all IMF members). The Turkish government decided to carry on with its medium-term economic program without IMF funding. Given positive sentiments around the globe, initial reaction from the markets will be limited. Yet, we will revise our macro outlook accordingly. Given the deterioration in the inflation outlook, we now expect the CBRT to hike policy rates this year while the annual GDP growth will be lower than our current estimate of 4.5%.

Money Market	Previous	Last	Pr. Mn	YTD
O/N Repo (%)	6,50	6,51	6,50	6,66
Euro Bond (30 year, \$)	161,85	161,03	121,00	161,50
Bond (Benchmark, %)	9,05	9,22	8,99	8,80

**March Treasury Auctions: Lower rollover ratio continues** The Treasury raised a net TL3.15bn at this week's two auctions ahead of its weekly domestic redemption of TL2.03bn and closed its monthly borrowing program for March. It borrowed less than anticipated at those two auctions due to the weak demand. Moreover, monthly borrowing reached TL10.58bn in March, corresponding to a 78% rollover ratio and this is lower than its anticipated 85% for March. On the other hand, the Treasury plans to continue its monthly borrowing strategy by issuing five auctions in April to meet its domestic redemption of TL16.58bn for the month.

Currency	Previous	Last	Chg.	YTD
US\$	1,5305	1,5375	0,46%	2,67%
Euro	2,0905	2,0875	-0,14%	-2,86%
Euro/Dolar	1,3633	1,3576	-0,42%	-5,16%

Commodity	Previous	Last	Chg.	YTD
Oil (Brent spot, \$)	79,6	79,2	-0,39%	2,39%
Oil (NYMEX future, \$)	81,9	81,3	-0,76%	2,18%
Gold (Ounce, \$)	1.123,8	1.116,8	-0,62%	1,79%
Silver (XAG, \$)	17,2	17,1	-0,26%	1,69%

Şeker Funds	Previous	Last*	Chg.	YTD
Şekerbank A T. Variable	0,257688	0,257045	-0,25%	-1,28%
Şekerbank B T. Bond&Bill	0,018152	0,018141	-0,06%	0,55%
Şekerbank B T. Liquid	0,720519	0,720543	0,00%	0,54%
Şeker Yat. B T. Variable	0,016642	0,016634	-0,05%	0,34%
Şeker Yat. B T. Gold	0,011562	0,011469	-0,80%	3,59%

\* Prices of 10-Mar-10

### International Headlines:

**Chinese exports beat expectations** China's exports rose more than the forecast in February and posted a third straight gain; a rebound that adds to the pressure on policy makers to pare back stimulus measures adopted during the global recession. Shipments abroad gained 46 % in February from a year before after a 21 % advance in January according to the Chinese authorities.

### Company News:

**Anadolu Sigorta (ANSGR.TI, Under Revision) General Assembly to meet in March** Anadolu Sigorta said yesterday that the company's General Assembly (GA) would be held on March 29, 2010.

**Borusan Holding' CEO, Agah Uğur**, stated that they are planning to invest USD 3bn until 2020 for an energy capacity of 2,000 megawatts. Borusan Holding is currently the parent company of **Borusan Investment (BRYAT.TI)**, also the group company **Borusan Birlesik Boru (BRSAN.TI)**. The company's CEO, Uğur, has emphasized that the company's profitability reached to USD 220 million in spite of the shrinking revenues to USD 2.5 billion due to the global recession. Borusan's CEO has also added that they expect USD 3 billion of revenues with USD 300 million net profit expectations.

Following the news in the media, **Koza Altin (KOZAL.TI)** declared that the company sold its shares with a single price to both foreign and local investors; for price stability concerns, ATP and Koza Holding jointly purchased the company's shares by using TRY 150mn from the price stability fund. Furthermore, the company stated that shares purchased by the parent companies could not be sold within 365 days and before reaching its IPO price of TRY 36.8.

**TEB (TEBNK.TI, Rec.: HOLD) says no dividends**. TEB announced that the bank's board of directors would not offer to distribute any dividends and retain its 2009 net profit (under extraordinary reserves) at the General Assembly.

**Vakifbank (VAKBN.TI, Rec.: HOLD) to raise syndicated loan from international banks**. Vakifbank announced that the bank has signed an authorization letter in order to raise a syndication loan from an international consortium led by West LB AG.

**Yapi Kredi Bankasi (YKBNK.TI, Rec.: HOLD) to retain its earnings**. Yapı Kredi Bankası announced that the bank's board of directors would not offer to distribute any dividends and retain its 2009 net profit (under extraordinary reserves) at its General Assembly to be held on March 25, 2010.

**Kordsa (KORDS.TI)** recorded a net profit of TRY 35 million during 2009. The company's net profit diminished by 14% yoy from 2008 figures at TRY 41 million. Also, Kordsa's net profit plunged by 21% to TRY 15 million in 4Q09 from TRY 19 million in 3Q09. Kordsa had announced a TRY 9 million of net loss as for 4Q08.

**Comment:** Kordsa's revenues went down 11% to TRY 1.015 mn in 2009 from TRY 1.140 mn in 2008. The company's margins and profitability were affected negatively due to rising COGS. Kordsa's gross and EBITDA margins declined from 17.4% and 12.6% in 2008 to 14.6% and 10.2%, respectively in 2009.

TRY Million	2008	2009	YoY	4Q08	4Q09	YoY	3Q09	QoQ
Revenues	1.140	1.015	-11%	250	292	17%	263	11%
Gross Profit	199	148	-25%	34	52	54%	45	15%
Gross Profit Margin	17,4%	14,6%		13,5%	17,8%		17,2%	
EBIT	100	52	-47%	7	26	292%	21	21%
EBIT Margin	8,7%	5,2%		2,7%	8,9%		8,2%	
EBITDA	144	104	-28%	19	39	105%	34	13%
EBITDA Margin	12,6%	10,2%		7,6%	13,3%		13,1%	
Net Profit	41	35	-14%	-9	15	N.M.	19	-21%
Net Profit Margin	3,6%	3,5%		-3,5%	5,1%		7,2%	

World Indices				
America	Previous	Last	Chg.	YTD
Dow Jones (US)	10.553	10.564	0,11%	1,31%
Nasdaq (US)	2.332	2.341	0,36%	3,15%
S&P 500 (US)	1.139	1.140	0,17%	2,27%
Bovespa (Brasil)	68.575	69.576	1,46%	1,44%
Merval (Argentina)	2.308	2.319	0,46%	-0,07%
Mexico Bolsa (Mexico)	32.520	32.514	-0,02%	1,23%
Europe	Previous	Last	Chg.	YTD
Dax (Germany)	5.876	5.886	0,17%	-1,20%
FTSE 100 (UK)	5.607	5.602	-0,08%	3,50%
CAC 40 (France)	3.904	3.910	0,17%	-0,67%
WSE WIG (Poland)	40.615	40.585	-0,07%	1,50%
Prague (Czech Republic)	1.171	1.172	0,09%	4,87%
Budapest (Hungary)	22.361	22.397	0,16%	5,51%
RTSI (Rusya)	1.508	1.502	-0,40%	3,99%
Asia/Africa	Previous	Last	Chg.	YTD
Nikkei (Japan)	10.586	10.568	-0,17%	0,20%
Hang Seng (Hong Kong)	21.197	21.208	0,05%	-3,04%
Shanghai Comp. (China)	3.053	3.069	0,52%	-6,35%
KOSPI (South Korea)	1.660	1.661	0,05%	-1,30%
JSE Africa All Shr.(S.Africa)	28.117	27.898	-0,78%	0,84%

Turkdex (Set. Price)	Previous	Last	Chg.	YTD
INX100 (MARCH 10)	52,000	52,825	1,59%	0,24%
INX30 (APRIL 10)	65,250	65,200	-0,08%	-2,47%
IR365 (APRIL 10)	87,100	86,800	-0,34%	-2,58%
USD (APRIL 10)	1,546	1,552	0,39%	3,85%
EURO (APRIL 10)	2,109	2,111	0,07%	-1,97%
COTTON (MARCH 10)	2,690	3,015	12,08%	15,96%
WHEAT (MARCH 10)	0,587	0,559	-4,77%	-1,76%
GOLD (APRIL 10)	55,645	55,455	-0,34%	5,51%

Portfolio Recommend.	Inclusio Date	Inclusio Price	Last Close	Chg. (%)	ISE Relative
Akbank	25.02.10	7,95	8,70	9,4%	2,6%
Vestel	06.01.10	2,72	2,46	-9,6%	-7,6%
Tav Havalimanları	08.01.10	4,88	5,80	18,9%	23,4%
Halkbank	25.02.10	9,55	10,20	6,8%	0,2%
Doğuş Otomotiv	14.12.09	4,44	5,60	26,1%	19,5%
Alarko Holding	06.01.10	4,12	3,86	-6,3%	-4,3%
Anadolu Cam	06.01.10	1,93	1,96	1,6%	3,8%
Ford Otosan	13.01.10	9,90	9,55	-3,5%	-2,2%
Portfolio Yield				21,3%	36,5%

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