

Agenda

14 Monday

- N/A

15 Tuesday

- Treasury auctions
- MoF, July budget realizations
- TurkStat, May labor statistics
- U.S., August Empire manufacturing index
- U.S., July retail sales

16 Wednesday

- U.S., July housing starts and building permits

17 Thursday

- U.S., jobless claims
- U.S., August Philadelphia Fed business outlook
- U.S., July industrial production and CUR

18 Friday

- U.S., August Michigan consumer confidence

Outlook:

Major global stock markets have advanced On Wednesday with increasing risk appetite, thanks to the removal of geopolitical risks from the agenda. After having traded within a wide band of 105,000-108,000, the BIST100 closed with a very slight decline, at 106,862. The US Federal Reserve's latest FOMC meeting minutes that were shared yesterday showed that the members have different opinions on the timing of the Bank's next interest rate hike due to inflation outlook. The minutes also read that the FOMC members expect to normalize the Bank's balance sheet relatively soon. Following the announcement of the latest FOMC minutes, the odds of another rate increase within this year has weakened further and EM currencies and markets have thus advanced. Today, market participants will be following the jobless claims, July industrial production and CUR, and August Philadelphia Fed business outlook figures from the US. Asian markets have been slightly up subsequent to the release of the FOMC minutes. We expect the BIST to open positively as well, due to diminishing selling pressure on account of the prospect of Fed rate increase. RESISTANCE: 107,900 /108,700 SUPPORT: 106,600/105,500.

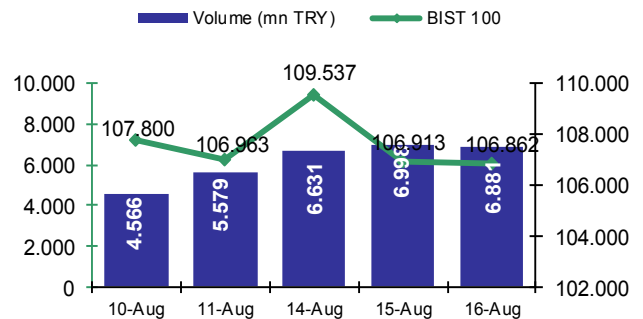
Money Market:

The Lira was positive yesterday, gaining 0.37% against the USD to close at 3.5255. Additionally, the currency appreciated by 0.40% against the basket composed of \$0.50 and €0.50. The local fixed income markets were relatively flat. The two-year benchmark bond was traded within a tight range of 11.74%-11.77%, ending the day at a high of 11.77%, 1 bps below its previous close.

Company News:

Cimsa (CIMSATI; UR) has recorded a net profit of TRY 50.0mn in 2Q17 (2Q16: TRY 86.0mn), slightly above our estimate of TRY 38mn and in-line with the market average estimate of TRY 47mn. The company's total net profits for 1H17 thus reached TRY 81.3mn in 1H17 (1H16: TRY 133.4mn). Cimsa attained TRY 381.7mn of consolidated revenues in 2Q17, up by 14.8% YoY (Market average est.: TRY 380mn, Seker Invest est.: TRY 388mn); Cimsa's consolidated EBITDA decreased to TRY 92.0mn in 2Q17, in-line with both market average expectation of TRY 92mn and our expectation of TRY 90mn. The company's EBITDA margin decreased to 24.1% in 2Q17 from 32.4% in 2Q16, by 8.3pp YoY.

Akcansa (AKCNS.TI; UR) has disclosed a net profit of TRY 21.9mn in 2Q17 (2Q16: TRY 72.8mn) attributable to lower domestic cement prices and significant increase in energy costs, thus, rather below both our forecast of TRY 47mn and the market average estimate of TRY 39mn. The company's total net profits for 1H17 reached TRY 56.7mn (1H16: TRY 141.7mn). The company has recorded net sales revenues of TRY 391.4mn in 2Q17, down by 3.8% YoY (2Q16: TRY 406.9mn). Our sales revenues forecast was at TRY 408mn, while the market consensus was at TRY 411mn. Although lower domestic cement prices have decreased the sales revenues of the company, its export sales revenues have increased. Akcansa generated TRY 71.3mn of EBITDA in 2Q17 (2Q16: TRY 123.0mn), thus, slightly below both the market consensus of TRY 80mn and our expectation of TRY 83mn. The company's EBITDA margin declined to 18.2% in 2Q17 from 30.2% in 2Q16, by 12.0pp YoY.



Indices (TRY)	Previous	Last	Chg.	YTD
BIST 100	106.913	105.699	-1,14%	35,27%
BIST 30	131.516	130.036	-1,13%	36,17%
BIST-Financial	136.189	134.871	-0,97%	30,19%
BIST-Industrial	116.061	114.357	-1,47%	36,81%
BIST-Services	68.792	68.096	-1,01%	37,22%

Advances		Declines		Most Active	
Stocks	(%)	Stocks	(%)	Stocks	Vol (TR)
EGCYH	9,52	YGYO	-6,90	THYAO	410.225.353
KLGYO	7,02	ALKA	-6,07	KOZAA	385.749.801
AKFGY	4,76	KIPA	-6,07	IPEKE	201.781.934
OZGYO	4,62	DITAS	-5,35	KRDMD	170.928.126
ERSU	3,64	SANFM	-5,12	PRKME	141.695.987

Money Market	Previous	Last	Pr. Mn	YE15
O/N Repo (%)	11,80	11,78	11,82	9,50
Euro Bond (30 year, \$)	159,83	159,83	155,43	147,10
Bond (Benchmark, %)	11,78	11,77	11,37	10,94

Currency	Previous	Last	Chg.	YTD
US\$	3,5385	3,5255	-0,37%	-0,34%
Euro	4,1415	4,1235	-0,43%	11,28%
Euro/Dolar	1,1767	1,17791	0,10%	12,39%

Commodity	Previous	Last	Chg.	YTD
Oil (Brent spot, \$)	50,4	50,4	0,12%	-11,11%
Oil (NYMEX future, \$)	46,8	46,8	0,13%	-13,08%
Gold (Ounce, \$)	1.283,4	1.287,6	0,33%	11,83%
Silver (XAG, \$)	17,1	17,1	0,05%	7,51%

Şeker Funds	Previous	Last*	Chg.	YTD
Şeker Portfoy Equity Fund	0,452461	0,451793	-0,15%	33,49%
Şeker Portfoy Debt Instruments	0,025996	0,026001	0,02%	5,94%
Şeker Portfoy Money Market	1,176940	1,177319	0,03%	6,44%
Şeker Portfoy Mix Fund	0,022611	0,022527	-0,37%	14,43%
Şeker Portfoy Gold Fund	0,022158	0,022108	-0,23%	7,64%
Şeker Portfoy Short T. Debt	0,014062	0,014068	0,04%	6,21%

* Prices as of 17-Aug-17

Doğuş Otomotiv (DOAS.TI; MP) is expected to announce its 2Q17 results today, after the market close. Seker Invest expectation is TRY 109mn of 2Q EBITDA (YoY: 0.4% decrease and QoQ: 37% increase) and TRY 43mn of 2Q net profit (YoY: 35% decrease and QoQ: 51% increase, respectively (Consensus: EBITDA --> TRY 107m --- Net profit --> TRY 42m). Our current TP (May 16, 2017 dated) is TRY 8.89 per share.

Aksa Energy (AKSEN.TI; OP) will announce its Q2 financials today. We expect the company to announce a Q2 net profit of TRY 36mn and the market's expectation is TRY 23mn. The company disclosed a net loss of TRY 18mn in 2Q16. We expect the company's net sales revenues and EBITDA to reach TRY 702mn and TRY 112mn. The market's net sales and EBITDA expectations are TRY 747mn and TRY 107mn, respectively.

Türk Telekom (TTKOM.TI; OP) According to reports on newswires, Saudi Telecom (STC), currently holding a 35% stake in Oger Telecom which has a 99% stake in OTAS, the majority owner of Türk Telekom by 55%, is claimed to be willing to inject US\$750mn into OTAS, and restructure OTAS' remaining \$4 billion debt in two new loans with terms of up to 10 years, to resolve OTAS' past-due debt service issues related to its US\$4.75bn debt. According to reports, the STC has also offered to acquire OTAS, or all its stake in Türk Telekom. Please recall that Turkish Treasury had recently pointed that the government will have the right to appoint new board members to OTAS in case of a default in 60 days, and also that OTAS had missed two of its US\$290mn installments of the syndicated loan arranged in 2013. Türk Telekom does not directly or indirectly have any obligations regarding this debt. Still, the resolution of its parent's debt situation could relieve any negative sentiment around the company stocks performance.

World Indices					
America	Previous	Last	Chg.	YTD	
Dow Jones (US)	21.999	22.025	0,12%	11,45%	
Nasdaq (US)	6.333	6.345	0,19%	17,87%	
S&P 500 (US)	2.465	2.468	0,14%	10,24%	
Bovespa (Brasil)	68.355	68.594	0,35%	13,89%	
Europe	Previous	Last	Chg.	YTD	
Dax (Germany)	12.177	12.264	0,71%	6,82%	
FTSE 100 (UK)	7.384	7.433	0,67%	4,06%	
CAC 40 (France)	5.140	5.177	0,71%	6,46%	
MIB30 (Italy)	21.722	21.985	1,21%	14,30%	
PSI20 (Portugal)	5.243	5.260	0,31%	12,41%	
ASE (Greece)	828	842	1,77%	30,88%	
RTSI (Rusia)	1.027	1.030	0,22%	-10,64%	
Asia	Previous	Last	Chg.	YTD	
Nikkei (Japan)	19.753	19.729	-0,12%	3,22%	
Hang Seng (Hong Kong)	27.175	27.409	0,86%	24,58%	
Shanghai Comp. (China)	3.251	3.246	-0,15%	4,60%	
KOSPI (South Korea)	2.334	2.348	0,60%	15,88%	
Sensex (India)	31.449	31.771	1,02%	19,32%	
Turkdex (Set. Price)	Previous	Last	Chg.	YTD	
INX30 (AUGUST 17)	132,275	132,400	0,09%	37,52%	
USD (AUGUST 17)	3,6183	3,606	-0,33%	1,14%	
EURO (AUGUST 17)	4,2535	4,241	-0,28%	12,54%	
GOLD (AUGUST 17)	145,44	145,45	0,01%	9,11%	
Portfolio Recommend.	Inclusio Date	Inclusio Price	Last Close	Chg. (%)	BIST Relative
Tofas	30.01.17	25,84	31,12	20,4%	-4,5%
TAV Airports Holding	02.08.17	20,60	20,68	0,4%	1,2%
Migros	09.11.15	19,05	29,12	52,9%	18,5%
Türk Telekom	02.08.17	7,08	6,96	-1,7%	-0,9%
Turkcell	22.02.17	11,80	12,59	6,7%	-10,2%
Portfolio Yield (yoy)				58,8%	17,4%
Portfolio Yield (mom)				-0,4%	1,3%

*Starting date of portfolio 30/11/2004

This document has been prepared by the Equity Research Department of Şeker Invest. The information and data used in this report have been obtained from public sources that are thought to be reliable and complete. However, Şeker Invest does not accept responsibility for any errors and omissions. This document should not be construed as a solicitation to buy or sell securities herein. This document is to be distributed to qualified emerging market investors only.