

Agenda

19 Monday

- N/A

20 Tuesday

- Treasury auctions

21 Wednesday

- U.S., May existing home sales

22 Thursday

- U.S., jobless claims

23 Friday

- CBRT, June real sector confidence and CUR
- U.S., May new home sales

Outlook:

Global stock markets rose yesterday, thanks to oil prices edging up after their recent decline. The BIST100 closed at 100,072 with a daily advance of 0.7%; total trading volume was at TRY 4.4bn. Markets will follow May's new home sales data from the US today, and meanwhile internally, the CBRT will announce the real sector confidence index and CUR figures. Asian markets have been flat today, and markets in Europe and elsewhere are also expected to open flattish. With the continuing decline in 10-year benchmark yields, we expect the BIST to test new record highs: Nonetheless, at such levels the possibility of profit takings could also increase. RESISTANCE LEVELS: 100,800 – 101,600 / SUPPORT LEVELS: 99,800 – 99,000.

Money Market:

The Lira was positive yesterday, gaining 0.31% against the USD to close at 3.5195. Additionally, the currency appreciated by 0.23% against the basket composed of \$0.50 and €0.50. The local fixed income markets were positive. The two-year benchmark bond was traded within a tight range of 11.06%-11.11%, ending at the 11.08%, 4 bps below its previous close.

Company News:

Arçelik (ARCLK.TI; MP) Fitch Ratings has affirmed Arçelik's long-term foreign and local currency issuer default ratings at 'BB+' and national long-term rating at 'AA (tur)' with 'stable' outlooks. The agency has affirmed Arçelik A.S.'s senior unsecured rating at BB+ as well. (neutral).

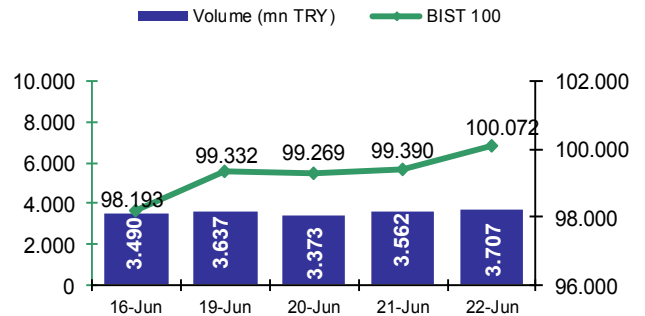
Bim Birleşik Mağazalar (BIMAS.TI; MP) has announced that the Company will establish an SPV, with TRY 5 mn paid-in capital and operating in rice and pulse packaging – sales, etc. (Slightly Positive).

Petkim (PETKM.TI; OP) According to the reports on newswires, Petkim has signed a collective labour agreement with its workers' union. The details are yet to follow. Provisionally, the development may ease any pressure on Petkim shares regarding concerns on the renewal of its labour agreement.

Aselsan (ASELS.TI; MP) has signed an agreement with Undersecretariat for Defense Industries regarding domestic helicopter platform needs for TRY 11.5mn and USD 12.3mn (a total of USD 15.6mn) Deliveries will be made in between the years of 2017-2021. This latest deal represents 0.2% of the company's total backlog (Slightly Positive).

Yapi Kredi (YKBNK.TI; MP) has sold an NPL book of TRY546mn for TRY27mn. The sale proceeds comprise 5% of the NPL stock, in line with the latest Akbank and Garanti sales. Although the valuation impact of the sale is insignificant, we expect 28bps improvement in its NPL ratio in 2Q.

Migros (MGROS.TI; OP) The Capital Market Board has approved the TRY 2.2477 of "Mandatory Tender Offer (MTO) Price" regarding the Kipa acquisition. Migros is obliged to start the tender within 6 days. The beginning and end of the tender period will be announced within the next few days. Despite the news being priced in by the market, Kipa's shares are trading at TRY 2.23 per share, which is slightly below the "MTO price".



Indices (TRY)	Previous	Last	Chg.	YTD
BIST 100	99.390	100.072	0,69%	28,07%
BIST 30	121.998	122.748	0,61%	28,53%
BIST-Financial	129.826	130.486	0,51%	25,96%
BIST-Industrial	106.253	107.086	0,78%	28,11%
BIST-Services	62.158	62.719	0,90%	26,38%

Advances		Declines		Most Active	
Stocks	(%)	Stocks	(%)	Stocks	Vol (TR)
YATAS	9,45	YKGYO	-7,57	THYAO	362.505.581
GOZDE	8,70	OZGYO	-5,52	GARAN	296.078.388
DGKLB	7,01	KLGYO	-4,28	GOODY	204.895.512
EGCYH	6,67	MIPAZ	-3,91	GOZDE	188.732.416
CCOLA	6,24	KNFRT	-3,39	HALKB	149.962.631

Money Market	Previous	Last	Pr. Mn	YE15
O/N Repo (%)	12,25	11,80	11,77	9,50
Euro Bond (30 year, \$)	160,43	160,43	157,88	147,10
Bond (Benchmark, %)	11,12	11,08	11,48	10,94

Currency	Previous	Last	Chg.	YTD
US\$	3,5305	3,5195	-0,31%	-0,51%
Euro	3,9315	3,9255	-0,15%	5,94%
Euro/Dolar	1,1153	1,11618	0,08%	6,51%

Commodity	Previous	Last	Chg.	YTD
Oil (Brent spot, \$)	45,3	45,4	0,22%	-20,02%
Oil (NYMEX future, \$)	42,7	42,9	0,33%	-20,43%
Gold (Ounce, \$)	1.250,5	1.252,0	0,12%	8,74%
Silver (XAG, \$)	16,6	16,6	0,49%	4,43%

Şeker Funds	Previous	Last*	Chg.	YTD
Şeker Portfoy Equity Fund	0,428125	0,431195	0,72%	27,41%
Şeker Portfoy Debt Instruments	0,025760	0,025789	0,11%	5,07%
Şeker Portfoy Money Market	1,157483	1,157835	0,03%	4,68%
Şeker Portfoy Mix Fund	0,022231	0,022324	0,42%	13,40%
Şeker Portfoy Gold Fund	0,021843	0,021852	0,04%	6,40%
Şeker Portfoy Short T. Debt	0,013836	0,013842	0,04%	4,50%

* Prices as of 23-Jun-17

According to the Capital Markets Board weekly bulletin, the CMB has approved the capital increase through a 399% rights issue of **Galatasaray Sportif Sınai ve Ticari Yatırımlar (GSRAY.TI; N/C)**.

The CMB has approved **SODA's (SODA.TI; NC)** planned capital increase to TRY 900mn through a 9.73% bonus issue and 10,266% dividend.

Kardemir (KRDMD TI, MP) has shared the Competition Board's investigation results as per the complaint by Kaptan Çelik. The Competition Board has decided Kardemir and Yolbulan family companies, Yolbulan Demir, Yolbulan Freight, and Çağ Çelik Demir & Çelsantaş Çelik companies did not engage in restrictive trade practices, impeding competition. The Competition Board's report also read that Kardemir does not have a dominant position in the market, and complaints that have led to the Board's investigation would not be regarded as malpractice. While cases relating to these complaints continue, the Competition Board's view in favour of Kardemir is positive, hence the development is likely to have a positive impact on Kardemir shares short-term performance, easing any concerns on corporate governance.

World Indices					
America	Previous	Last	Chg.	YTD	
Dow Jones (US)	21.410	21.397	-0,06%	8,27%	
Nasdaq (US)	6.234	6.237	0,04%	15,86%	
S&P 500 (US)	2.436	2.435	-0,05%	8,74%	
Bovespa (Brasil)	60.762	61.272	0,84%	1,73%	
Europe	Previous	Last	Chg.	YTD	
Dax (Germany)	12.774	12.794	0,15%	11,44%	
FTSE 100 (UK)	7.448	7.439	-0,11%	4,15%	
CAC 40 (France)	5.274	5.282	0,15%	8,63%	
MIB30 (Italy)	21.072	20.930	-0,67%	8,82%	
PSI20 (Portugal)	5.272	5.245	-0,51%	12,09%	
ASE (Greece)	823	815	-1,03%	26,59%	
RTSI (Rusia)	973	978	0,53%	-15,09%	
Asia	Previous	Last	Chg.	YTD	
Nikkei (Japan)	20.139	20.111	-0,14%	5,21%	
Hang Seng (Hong Kong)	25.695	25.675	-0,08%	16,70%	
Shanghai Comp. (China)	3.156	3.147	-0,28%	1,41%	
KOSPI (South Korea)	2.358	2.370	0,54%	16,97%	
Sensex (India)	31.284	31.291	0,02%	17,52%	
Turkdex (Set. Price)	Previous	Last	Chg.	YTD	
INX30 (JUNE 17)	122,500	123,375	0,71%	28,15%	
USD (JUNE 17)	3,5980	3,582	-0,46%	0,44%	
EURO (JUNE 17)	4,0284	4,010	-0,45%	6,41%	
GOLD (JUNE 17)	141,84	142,00	0,11%	6,53%	
Portfolio Recommend.	Inclusio Date	Inclusio Price	Last Close	Chg. (%)	BIST Relative
Vakifbank	30.01.17	4,72	6,56	39,0%	16,4%
Tofas	30.01.17	25,84	29,78	15,2%	-3,5%
İsbank	26.07.16	4,42	7,25	64,0%	20,8%
Turkish Airlines	02.06.17	7,15	7,60	6,3%	3,4%
Migros	09.11.15	19,05	27,46	44,1%	18,0%
Tupras	26.08.16	57,65	100,00	73,5%	33,1%
Turkcell	22.02.17	11,80	11,55	-2,1%	-13,0%
Portfolio Yield (yoy)				54,5%	16,4%
Portfolio Yield (mom)				3,1%	0,7%

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