

Agenda

23 Monday

- U.S., November durable goods orders
- U.S., November new home sales

24 Tuesday

- Germany markets will be closed
- U.S. markets will be closed in afternoon
- BoJ, meeting minutes

25 Wednesday

- Germany, U.S., and U.K. markets will be closed

26 Thursday

- Germany, and U.K. markets will be closed
- CBRT, December capacity utilization & confidence index
- BoJ, Kuroda's speech
- U.S., jobless claims

27 Friday

- Japan, November unemployment rate
- Japan, November industrial production
- Japan, November retail sales

Outlook:

The BIST100 closed 0.9% higher on Monday at the index level of 112,175 on a stronger trading volume, although global stock markets traded mixed amid lower volume due to the Christmas mood. The TRY depreciated slightly, while the country's CDS rates remained at around 283bps. The BIST is expected to maintain its uptrend so long as there is no significant deterioration in the performance of global equity markets, or negative local news flow, with possible slight and intermittent profit taking. As the Christmas break starts today, markets in Germany will be closed, while the US and UK markets will be open for half a day. Hence, trading in major international equity markets is likely to remain range-bound amid a lower trading volume. Meanwhile, we expect the BIST to maintain its uptrend in the near term amidst lower trading volume. The TRY, on the other hand, may continue to diverge somewhat negatively as the US Fed had recently signaled that it would pause its rate cuts, oil prices have increased and the CBRT has continued to reduce its policy rate. A more pronounced depreciation of the currency would spur profit taking at the BIST. We expect the BIST to open positively this morning and maintain its uptrend during the day, albeit with lower momentum and trading volume. SUPPORT: 111,600-110,800, RESISTANCE: 112,400-113,300.

Money Market:

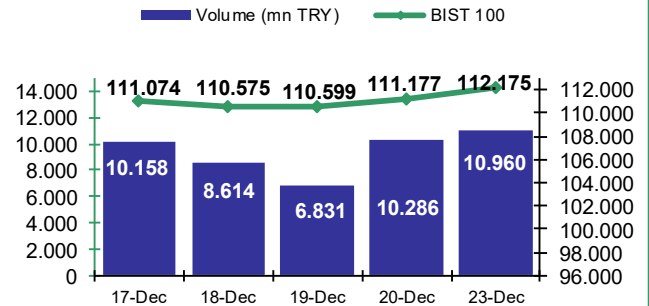
The Lira was negative yesterday, weakening 0.19% against the USD to close at 5.9440. Additionally, the currency depreciated by 0.16% against the basket composed of \$0.50 and €0.50. Meanwhile, the local fixed income markets were relatively flat. The ten-year benchmark bond ended at 12.47%, 6 bps below its previous close.

Company News:

Isbank (ISCTR.TI; MP) has sold 0.162 mn **Is Yatirim Menkul Degerler (ISMEN.TI; N/C)** shares within a TRY4.29-4.36 /share price range, reducing its stake to 66.59% (**Neutral**).

Turkcell (TCELL.TI; OP) sold US\$10mn nominal worth of Eurobonds at an average price of US\$102.875 totaling US\$ 10,397,708 on December 20, 2019 (**Neutral**).

Turk Telekom's (TTKOM.TI; OP) subsidiary TT Payment and Electronic Money Services Inc. ("TT Odeme ve Elektronik Para Hizmetleri A.S") has been authorized by the Banking Regulation and Supervision Agency for electronic money issuance, as well as all transactions for payment account operations, and money transfer transactions. Within the scope of this authorization, TT Payment and Electronic Money Services targets to widen and diversify its portfolio and strengthen its position in the digital payments sector as an electronic money institution, in addition to its products and services offered via its existing payment services operating license. The announcement is essentially positive in view of the Group's participation in the development of the techfin sector; it may have a slightly positively impact on its near-term share performance.



Indices (TRY)	Previous	Last	Chg.	YTD
BIST 100	111.177	112.175	0,90%	22,90%
BIST 30	135.160	136.095	0,69%	19,02%
BIST-Financial	130.994	132.175	0,90%	31,32%
BIST-Industrial	134.153	135.841	1,26%	29,53%
BIST-Services	85.069	85.651	0,68%	19,71%

Advances		Declines		Most Active	
Stocks	(%)	Stocks	(%)	Stocks	Vol (TR)
FMIZP	20,00	INFO	-11,11	IPEKE	1.224.800.242
IZMDC	19,97	KRSTL	-6,55	KOZAA	1.168.885.291
IHLGM	16,49	IPEKE	-6,09	THYAO	567.510.249
QNBFL	14,99	GSRAY	-5,96	KARSN	455.865.048
ASUZU	13,21	TIRE	-5,75	ALBRK	448.150.772

Money Market	Previous	Last	Pr. Mn	YE'15
O/N Repo (%)	10,70	10,70	13,87	25,48
Bond (Benchmark, %)	11,97	11,90	11,86	19,73

Currency	Previous	Last	Chg.	YTD
US\$	5,9395	5,9440	0,08%	12,49%
Euro	6,575	6,581	0,09%	8,96%
Euro/Dolar	1,1070	1,10859	0,14%	-3,02%

Commodity	Previous	Last	Chg.	YTD
Oil (Brent spot, \$)	66,3	66,2	-0,15%	20,33%
Oil (NYMEX future, \$)	60,5	60,6	0,08%	30,15%
Gold (Ounce, \$)	1.485,8	1.490,6	0,32%	16,18%
Silver (XAG, \$)	17,4	17,6	1,08%	13,58%

Şeker Funds	Previous	Last*	Chg.	YTD
Fiba Portfoy Şekerbank Money	1,733004	1,733494	0,03%	20,36%
Fiba Portfoy Şekerbank Short T.	0,020446	0,020452	0,03%	20,05%

* Prices as of 24-Dec-19

Vakıfbank (VAKBN.TI; MP) is to redeem its USD500mn Basel 3 compliant fixed rate Tier II sub-debt on 3 February 2020 that had been issued in 2015 with 10-year maturity and a 5 year early payment option.

Zorlu Energy (ZOREN.TI; OP) has announced reaching an agreement on the sale of its subsidiary Zorlu Rüzgar Enerji Üretimi AS to Akfen Yenilenebilir Energy's 100% subsidiary İmbat Energy on condition that permissions are granted by related institutions and organizations. The sale amount is to be determined once the share transfer transactions are completed (**Positive**).

World Indices				
America	Previous	Last	Chg.	YTD
Dow Jones (US)	28.455	28.552	0,34%	22,39%
Nasdaq (US)	8.925	8.946	0,23%	34,82%
S&P 500 (US)	3.221	3.224	0,09%	28,61%
Bovespa (Brasil)	115.121	115.863	0,64%	31,83%
Europe	Previous	Last	Chg.	YTD
Dax (Germany)	13.319	13.301	-0,13%	25,97%
FTSE 100 (UK)	7.582	7.624	0,54%	13,31%
CAC 40 (France)	6.022	6.029	0,13%	27,45%
PSI20 (Portugal)	5.240	5.240	0,00%	10,75%
RTSI (Rusia)	1.524	1.535	0,74%	43,63%
Asia	Previous	Last	Chg.	YTD
Nikkei (Japan)	23.817	23.821	0,02%	19,02%
Hang Seng (Hong Kong)	27.871	27.906	0,13%	7,97%
Shanghai Comp. (China)	3.005	2.963	-1,40%	18,80%
KOSPI (South Korea)	2.204	2.204	-0,02%	7,97%
Sensex (India)	41.682	41.643	-0,09%	15,45%

Turkdex (Set. Price)	Previous	Last	Chg.	YTD
INX30 (December 19)	135,275	136,475	0,89%	15,63%
USD (December 19)	5,9474	5,955	0,12%	9,09%
EURO (December 19)	6,5949	6,609	0,22%	5,10%
GOLD (December 19)	283,14	284,26	0,40%	25,60%

Portfolio Recommend.	Inclusion Date	Inclusion Price	Last Close	Chg. (%)	BIST Relative
Tofas	06/09/19	18,98	26,62	40,3%	23,8%
Turkish Airlines	06/12/17	12,80	13,78	7,7%	2,0%
Pegasus	06/03/18	35,64	84,80	137,9%	148,1%
Petkim	06/08/19	3,74	3,72	-0,5%	-11,7%
Akbank	09/10/19	7,47	8,20	9,8%	-2,5%
Turkcell	01/11/18	11,93	13,69	14,8%	-5,5%
Garanti Bank	17/01/19	9,25	10,89	17,7%	26,3%
Portfolio Yield (yoy)				49,2%	23,1%
Portfolio Yield (mom)				3,7%	-1,4%

Portfolio Yield (in 2010)