

31 March 2026

# Petkim

## Analyst Meeting Notes

Petkim (PETKM) held an analyst meeting on March 30, 2026 to discuss the impact of recent geopolitical developments on the petrochemical sector and the company. The key takeaways from the meeting are summarized below:

**Osman Furkan OZDEMİR**

Analyst

oozdemir@sekeryatirim.com

### Geopolitical environment and sector dynamics

Rising tensions between Iran and the U.S., along with increasing risks around the Strait of Hormuz, have led to sharp increases in energy and feedstock prices, while also causing disruptions in logistics channels and regional supply constraints. These developments are increasing cost pressures, particularly for naphtha-based petrochemical producers.

In the current environment, price increases are largely cost-driven, while demand remains weak. Unlike the pandemic period, recent price dynamics are driven not by strong demand, but by supply constraints and cost inflation.

From a regional perspective, the U.S. maintains a relative advantage due to its ethane-based production structure and access to domestic gas resources. In contrast, Asia and Türkiye—both highly dependent on Middle Eastern feedstock—are among the most affected regions due to supply disruptions and rising input costs.

### Product pricing and margin outlook

The ethylene-naphtha spread has been on an upward trend since the beginning of 2026, reaching an average of approximately USD 214/ton in 1Q26 (4Q25: USD 158/ton), with a noticeable acceleration observed in March.

However, management has emphasized that the ethylene-naphtha spread does not fully reflect end-product margins. Despite polymer prices increasing by more than 50% since late February, margin improvement has remained limited, as cost increases have not yet been fully passed through across all product groups.

Naphtha-based cost increases are reflected in product prices with a weekly or monthly lag, suggesting that the positive impact on margins is expected to become more visible starting from 2Q26.

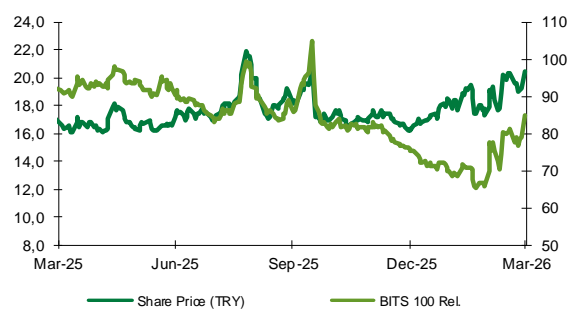
### Supply structure and cost management

Thanks to its integration with the STAR Refinery, Petkim foresees no significant feedstock supply risk under the current geopolitical climate. The company continues to source naphtha from STAR and Northern Europe (including Russia), with the ability to manage supply flexibly through alternative sources.

This integrated structure reduces the need to hold high levels of feedstock inventory, thereby providing greater flexibility in working capital management.

While the company has no hedging position for naphtha in 2026, approximately 25% of its natural gas consumption has been hedged. These hedging transactions were executed at an average Brent level of around USD 63.5/bbl.

	TRY	US\$	
Close	20,50	0,46	
BIST 100	12.626	284	
US\$/TRY (CB Bid Rate):	44,3841		
52 Week High:	21,84	0,53	
52 Week Low:	16,04	0,38	
Bloomberg/Reuters Ticker:	PETKM.TI / PETKM.IS		
Number of Shares (Mn):	2.534,4		
	(TRY Mn)	(US\$ Mn)	
Current Mcap:	51.955	1.171	
Free Float Mcap:	24.419	550	
	1 M	YOY	YTD
TRY Return (%):	18,6	20,1	26,3
US\$ Return (%):	17,3	2,9	22,2
BIST 100 Relative (%):	28,8	-8,1	12,7
Avg. Daily Vol. (TRY Mn):	1.189,53		
Avg. Daily Vol. (US\$ Mn):	28,45		
Beta	0,85		
Volatility (Stock)	0,36		
Volatility (BIST 100)	0,22		
Shareholder Structure	%		
SOCAR TURKEY PETROKİMYA A.Ş.	51		
Free Float	49		
Total	100,00		



### **Demand outlook and market behavior**

Demand remains weak, with customers adopting a cautious stance in a high-price environment. Due to challenges in passing higher input costs onto end-product prices, customers prefer to keep inventory levels low and limit purchases to essential needs.

In this context, management has highlighted that current market conditions differ from the pandemic period, being characterized by cost pressures and subdued demand, rather than strong demand and expanding spreads.

### **Assessment**

While recent geopolitical developments are supportive of product prices and spreads in the short term, the improvement is largely cost-driven, and the impact on margins is expected to be delayed and limited.

Petkim's integration with the STAR Refinery provides a key advantage in terms of feedstock security and operational continuity. However, relatively low capacity utilization rates and weak demand conditions continue to weigh on the margin outlook.

Accordingly, while profitability is expected to recover in 1Q26 supported by inventory and trading contributions, a more sustainable improvement in margins is likely to become more visible starting from 2Q26. The trajectory of geopolitical developments and demand conditions will remain key determinants of the medium-term outlook.



Şeker Yatırım Menkul Değerler A.Ş.  
Buyukdere Cad. No:171 Metrocity  
A Blok Kat 4-5 34330 SİSLİ /İST  
TURKEY

TEL: +90 (212) 334 33 33  
Fax: +90 (212) 334 33 34  
E-mail: [research@sekeryatirim.com](mailto:research@sekeryatirim.com)  
Web: <http://www.sekeryatirim.com/english/index.aspx>

For additional information, please contact:

#### Research

Kadir Tezeller	Head	+90 (212) 334 33 81	<a href="mailto:ktezeller@sekeryatirim.com.tr">ktezeller@sekeryatirim.com.tr</a>
Burak Demirbilek	Utilities	+90 (212) 334 33 33-128	<a href="mailto:bdemirbilek@sekeryatirim.com.tr">bdemirbilek@sekeryatirim.com.tr</a>
Atasav Can Tuglu	Food & Beverages, Automotive, Retail, Aviation	+90 (212) 334 33 33-334	<a href="mailto:atuglu@sekeryatirim.com.tr">atuglu@sekeryatirim.com.tr</a>
Basak Kamber	Glass, Pharmaceutical, Defense, Telcos, Cons. Dur.	+90 (212) 334 33 33-251	<a href="mailto:bkamber@sekeryatirim.com.tr">bkamber@sekeryatirim.com.tr</a>
M. Mucahid Yıldırım	Banking	+90 (212) 334 33 33-150	<a href="mailto:myildirim@sekeryatirim.com.tr">myildirim@sekeryatirim.com.tr</a>
Yusuf Kemal Erdekli	Cement, Conglomerates, REITs	+90 (212) 334 33 33-115	<a href="mailto:yerdekli@sekeryatirim.com.tr">yerdekli@sekeryatirim.com.tr</a>
O. Furkan Ozdemir	Iron & Steel, Oil- Gas & Deriv.	+90 (212) 334 33 33-245	<a href="mailto:oozdemir@sekeryatirim.com.tr">oozdemir@sekeryatirim.com.tr</a>

#### Economy & Politics

Abdulkadir Dogan	Chief Economist	+90 (212) 334 91 04	<a href="mailto:adogan@sekeryatirim.com.tr">adogan@sekeryatirim.com.tr</a>
------------------	-----------------	---------------------	--

#### Institutional Sales

Deniz Keskin	Trader	+90 (212) 334 33 36	<a href="mailto:dkeskin@sekeryatirim.com.tr">dkeskin@sekeryatirim.com.tr</a>
Kerim Culum	Trader	+90 (212) 334 33 33-316	<a href="mailto:kculum@sekeryatirim.com.tr">kculum@sekeryatirim.com.tr</a>

#### DISCLAIMER

*I, Osman Furkan Ozdemir, hereby certify that the views expressed in this research accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.*

*This report has been prepared by the Şeker Yatırım Menkul Değerler A.Ş. (Şeker Invest, Inc.) Research Team. The information and opinions contained herein have been obtained from and are based upon public sources that Şeker Invest considers to be reliable. No representation or warranty, express or implied, is made that such information is accurate or complete and should not be relied upon, as such. All estimates and opinions included in this report constitute our judgments as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as an offer or solicitation for the purchase or sale of a security. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advisors as they believe necessary. Şeker Invest may, from time to time, have a long or short position in the securities mentioned in this report and may solicit, perform or have performed investment banking, underwriting or other services (including acting as adviser, manager, underwriter or lender) for any company referred to in this report and may, to the extent permitted by law, have acted upon or used the information contained herein, or the research or analysis upon which it is based, before its publication. This report is for the use of intended recipients and may not be reproduced in whole or in part or delivered or transmitted to any other person without the prior written consent of Şeker Invest. By accepting this document you agree to be bound by the foregoing limitations.*

Copyright © 2026 Şeker Invest