2Q26 Banks' Profit Expectations

Mücahid Yıldırım
Analyst
myildirim@sekeryatirim.com.tr
+90 (212) 334 3333 (150)

We expect the eight banks under our coverage to post a 26.7% QoQ decline in 2Q26 bank-only net profit to TL89,053mn (+1.4% YoY). The key theme of the quarter is margin contraction driven by rising swap funding costs, coupled with a higher cost of risk weighing on profitability, partly offset by strong growth in fee income. That said, state banks stand out with robust YoY earnings growth, while the QoQ contraction is most pronounced at Isbank and Yapı Kredi.

We expect **Akbank's** net profit to decline 36.7% QoQ. A limited contraction in net interest income and higher provisioning expenses are the main sources of pressure, while flat operating expenses and 3.1% growth in fee income cap the downside.

While we expect **Garanti BBVA's** net profit to decline 16.1% QoQ, it remains one of the most profitable banks in our coverage, with a 24.0% ROE. Fee income growth of 10% and trading income provide support, while higher provisioning expenses may weigh on profitability.

We expect **Yapı Kredi's** net profit to contract 47.0% QoQ, driven by lower net interest income and a high base effect, with only a limited contribution from fee income growth.

At **Halkbank**, we forecast the strongest YoY earnings growth in the sector (+41.6%). A recovery in the swap-adjusted net interest margin (+15bps) and support from the tax line are the key drivers, while higher provisioning expenses pull QoQ earnings down 25.8%.

Vakıfbank stands out positively from the sector, with a limited 5.3% QoQ decline and 41.9% YoY growth. We view the TL8bn free-provision reversal as the key driver of this outperformance, and we expect the bank to maintain a conservative 20.9% valuation assumption on its CPI-linked bond portfolio. Given the one-off nature of this provision reversal, we would flag that the quarter's profitability is supported by this item.

We expect **Albaraka Türk's** net profit to rise 114.2% QoQ, on a strong recovery from a low 1Q26 base, with the revaluation of subsidiaries expected to be a significant contributor. The bank posts the highest quarterly ROE in our coverage, at 29.2%.

We expect **TSKB's** net profit to remain broadly flat QoQ (+0.5%). Fee and dividend income, together with a low cost of risk (1.1%), support earnings, while weaker trading income and higher operating expenses act as limiting factors. The bank sustains its 24.0% ROE.

Bank	1Q26 Net Income	2Q26E Net Income	QoQ	YoY	Swap Adj. NIM	NIM (QoQ)	Cost of Risk	Fees (QoQ)	Return on Equity
Private Deposit Banks									
Akbank	19.179	12.142	-36,7%	9,1%	3,0%	-24 bps	2,45%	3,1%	15,7%
Garanti BBVA	33.316	27.937	-16,1%	-1,4%	4,8%	-97 bps	3,05%	10,0%	24,0%
Isbank	20.357	12.115	-40,5%	-30,3%	1,5%	-174 bps	2,05%	19,7%	11,4%
Yapi Kredi	20.295	10.764	-47,0%	-5,0%	2,5%	-68 bps	2,71%	3,2%	15,6%
State Deposit Banks									
Halkbank	9.506	7.053	-25,8%	41,6%	3,0%	15 bps	1,60%	6,1%	12,3%
Vakifbank	15.031	14.232	-5,3%	41,9%	3,4%	-36 bps	0,91%	16,0%	16,8%
Participation Banks									
Albaraka Turk	904	1.935	114,2%	54,2%	3,7%	176 bps	1,46%	7,2%	29,2%
Development / Investment Banks									
TSKB	2.860	2.874	0,5%	-15,0%	3,8%	-30 bps	1,05%	58,7%	24,0%
TOTAL / Avg.	**121.448**	**89.053**	**-26,7%**	**1,4%**				**10,0%**	

Source: Seker Invest Research

ŞEKER INVEST RESEARCH

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

TEL: +90 (212) 334 33 33
Fax: +90 (212) 334 33 34
E-mail: 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	ktezeller@sekeryatirim.com.tr
Burak Demirbilek	Utilities	+90 (212) 334 33 33-128	bdemirbilek@sekeryatirim.com.tr
Atasav Can Tuglu	Food & Beverages, Automotive, Retail, Aviation	+90 (212) 334 33 33-334	atuglu@sekeryatirim.com.tr
Basak Kamber	Glass, Pharmaceutical, Defense, Telcos, Cons. Dur.	+90 (212) 334 33 33-251	bkamber@sekeryatirim.com.tr
M. Mucahid Yıldırım	Banks	+90 (212) 334 33 33-150	myildirim@sekeryatirim.com.tr
Yusuf Kemal Erdekli	Cement, Conglomerates, Real Estate	+90 (212) 334 33 33-115	yerdekli@sekeryatirim.com.tr
O. Furkan Ozdemir	Iron & Steel, Oil- Gas & Deriv.	+90 (212) 334 33 33-245	oozdemir@sekeryatirim.com.tr

Economy & Politics

Abdulkadir Dogan	Chief Economist	+90 (212) 334 91 04	adogan@sekeryatirim.com.tr

Institutional Sales

Deniz Keskin	Trader	+90 (212) 334 33 36	dkeskin@sekeryatirim.com.tr
Kerim Culum	Trader	+90 (212) 334 33 33-316	kculum@sekeryatirim.com.tr

DISCLAIMER

I, Mücahid Yıldırım, 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.