10/03/2026

DAILY MARKET WATCH

Market Commentary

The BIST 100 fell 0.71% to close at 12,702.00, marking its lowest level since mid-January, while trading volume rose to TRY 168.6bn, the highest since March 2. The index remained under pressure amid geopolitical tensions and elevated volatility in energy markets. However, sentiment improved late in the session on the BIST30 futures after US President Donald Trump stated that the conflict in the Middle East is "almost completely" over, which helped global markets recover and led to a limit-up close in the after hours session in Turkey. Following this shift in global risk sentiment, the BIST 100 is expected to open positively, supported by easing oil prices and improving global equity markets.

On the domestic front, markets will focus on Turkstat's Industrial Production Index and Construction Cost Index (10:00) for signals on economic activity. Later in the day, the Treasury will conduct auctions of a 10-month Treasury bill and a 5-year CPI-linked bond (15:00), which will be closely watched for demand in local debt markets. Recent data also showed that foreign investors were net buyers of Turkish equities in February with inflows of USD 864mn, while market-supportive regulations such as flexible short-selling rules have been extended until March 13.

Globally, risk sentiment improved after Trump said in an interview that the military operation was progressing much faster than initially expected and that the conflict could end soon. The statement helped reverse earlier losses in US markets, with the S&P 500 closing 0.8% higher after falling as much as 1.5% intraday. Oil prices also retreated from earlier spikes, while equities and bonds recovered. The episode once again highlighted how sensitive global markets remain to developments in the Middle East, where a single headline can reverse billions of dollars in losses. Looking ahead, markets will also monitor Germany's trade balance, US data including NFIB Small Business Optimism, ADP employment change, and existing home sales, as well as the US 3-year Treasury auction later in the day. Overall, easing geopolitical tensions and stabilizing energy prices may help improve global risk appetite in the near term, which could provide short-term support for emerging market assets and equities.

USD/TRY is trading at 44.0899 in early morning quotes.

Market Figures Table

	BIST Figures (TRY)			MSCI Figures		Bond Market		Money Market			Market Est.	
	BIST-100	Trading Vol.	Foreign%	EM	Turkey	Bench.	10Yr Bond	US$/TRY	EUR/TRY	Basket	Is Inv.Est. P/E	
Close	12,702	229,762	35.82	1455	331	39.75	32.68	44.0800	50.9256	47.6704	2025	16.09%
Daily Δ	-0.7%	9.4%	-0.3 bps	-3.0%	-0.8%	209 bps	1.46 bps	0.2%	-0.1%	0.0%	2026	12.06%
1M Δ	-6.1%	-0.7%	-1.3 bps	-3.4%	-4.6%	370 bps	2.49 bps	1.3%	-0.1%	0.0%	2027	9.87%

BIST-100 Best / Worst Performers & BIST-100 Top 5 by Trading Volume (Daily Δ)									
Best 5 Performance (%)	HALKB	10%	KTLEV	10%	PASEU	8%	DAPGM	8%	GRTHO	6%
Worst 5 Performance (%)	KLRHO	-10%	GRSEL	-8%	GUBRF	-7%	FENER	-6%	RALYH	-5%
Top 5 by Volume (TRY mn)	TUPRS	17039	THYAO	13998	AKBNK	12016	ASELS	11827	ISCTR	10638

Akfen Renewable Energy

Price (TL) : 20.3 - T.P.(TL) : 27.14 - Mcap.mn.(TL) : 24298 - 3M ADV(mn$) : 3.14

AKFYE TI Equity- Rec.:BUY Upside%: 33.68 Analyst: agurleyen@isyatirim.com.tr ↑

AKFYE 4Q25 Earnings Review

Actuals vs Estimates

Operational performance missed estimates, while net income beat our expectation. In 4Q25, the company reported a net income of TL 949 mn, well above our estimate of TL 5 mn (There is no market consensus). The main reason for this strong YoY recovery in net income was the absence of the TL 2.9 billion impairment charge on tangible fixed assets, which had severely pressured net income in 4Q24. On the other hand, net sales lagged behind our İş Yatırım estimate of TL 1,390 mn, realizing at TL 1,181 mn; EBITDA also fell short of our TL 834 mn expectation, coming in at TL 713 mn, indicating weakness on the operational front.

Highlights of the Last Quarter

Real contraction in revenues despite generation growth driven by capacity additions. Total electricity generation rose to 354 GWh in 4Q25 from 334 GWh in 4Q24. While the main driver behind this increase in generation was the newly commissioned installed capacities, the weak YoY performance of hydroelectric power plants (HEPPs) pressured total generation. Despite this increase in generation volume, the higher generation failed to support the top-line due to the real contraction in the Market Clearing Price (MCP), and net sales contracted by 14% YoY. Despite this decline in revenues, the EBITDA figure reached TL 713 mn with a limited 2% YoY increase.

Tax income and base effect were the main factors supporting net income. The abolishment of the inflation accounting application under VUK (Tax Procedure Law) did not create a negative impact on the tax front. We observe that the company continued to record a strong tax income of TL 437 mn in this quarter. The absence of last year's TL 2.9 billion impairment charge on tangible fixed assets and the ongoing tax income contribution allowed net income to beat our estimate despite the weak outlook in revenues and EBITDA.

Comment: Although the 4Q25 results confirm the structural contribution of capacity additions to generation, operational figures lagged behind our estimates due to declining electricity prices and the poor performance on the HEPP side. While net income comfortably beat our expectation driven by tax income and the low base effect from last year, we expect a limited positive market reaction given the stock's outperformance relative to the index since the beginning of the week.

Sok Marketler

Price (TL) : 59.15 - T.P.(TL) : 96.27 - Mcap.mn.(TL) : 35093 - 3M ADV(mn$) : 7.28

SOKM TI Equity- Rec.:BUY Upside%: 62.75 Analyst: eyerturk@isyatirim.com.tr ↑

Şok Marketler (SOKM.IS) 4Q25 Earnings Review

Under IAS-29

Topline was solid in 4Q25. Slightly above estimates (İş Investment: TL 71,075 mn; consensus: TL 71,011 mn), Şok Marketler posted TL 71,740 mn in revenues in 4Q25, implying an 8.4% YoY increase in real terms. Full-year revenues reached TL 278.8 bn, up 5.4% YoY and within guidance. The strong final-quarter performance lifted FY25 growth to a level closer to the midpoint of the company's guidance range. The robust 4Q25 sales performance was mainly driven by basket size growth, with customer traffic also providing support. Furthermore, improving same-store trends in converted Şok 2.0 stores, along with the continued contribution of loyalty and omnichannel initiatives, seem to have reinforced quarterly sales momentum.

Margins rebounded sharply in 4Q25. Gross margin expanded by 1.4 ppt YoY to 22.0%, while EBITDA, well above estimates (İş Investment: TL 3,011 mn; consensus: TL 2,980 mn), rose to TL 3,756 mn in 4Q25 from TL 2,309 mn in 4Q24, with EBITDA margin improving by 1.7 ppt YoY to 5.2%. This points to a much healthier operating backdrop compared to last year, also helped by a more favorable opex-to-sales ratio, which declined by 0.8 ppt YoY. The full-year picture also indicates a notable recovery, with gross margin rising to 20.5% from 18.3% in 2024 and EBITDA margin reaching 2.8%, comfortably above the company's guided range.

Bottom-line was weak in 4Q25 despite the marked recovery in margins and pre-tax profitability. Under IAS-29, significantly below estimates (İş Investment: TL 53 mn; consensus: TL 78 mn), Şok Marketler reported a net loss of TL 1.4 bn in 4Q25, versus a net loss of TL 212 mn in 4Q24, corresponding to a net margin of -1.9% against -0.3% in the prior-year period. The main reason behind the deterioration was the roughly TL 900 mn negative one-off impact on net profit stemming from the reversal of deferred tax income previously booked on inventories, following the removal of inflation adjustment in statutory accounts at year-end. On a full-year basis, the company posted a net loss of TL 1.9 bn in 2025, compared to a net profit of TL 80 mn in 2024, implying a net margin of -0.7%. That said, the underlying picture looks materially better, as pre-tax profit turned positive both in 4Q25 and FY25, while net profit excluding monetary position gains/losses increased to TL 799 mn in 4Q25 from TL 532 mn a year ago and to TL 725 mn in 2025 from TL 658 mn in 2024.

Without IAS-29

Without IAS-29, operational performance improved meaningfully in 4Q25. Revenues rose by 42.5% YoY to TL 71.16 bn, mainly driven by basket size growth, while traffic also remained supportive. Gross profit increased by 45.0% YoY to TL 16.54 bn, with gross margin expanding by 0.4 ppt YoY to 23.3%. Operating expenses grew at a slower pace than revenues, implying a 0.8 ppt improvement in the opex-to-sales ratio to 16.7%. Accordingly, EBITDA surged by 68.0% YoY to TL 4.7 bn, with EBITDA margin rising to 6.5% from 5.4% in 4Q24. Net profit excluding net monetary position gains/losses also increased by 50.1% YoY to TL 799 mn, corresponding to a net margin of 1.1%, broadly flat YoY.

On a full-year basis, the underlying picture also signaled a clear recovery. Revenues increased by 42.1% YoY to TL 253.4 bn in 2025, while gross profit rose by 45.5% YoY to TL 58.1 bn, lifting gross margin by 0.5 ppt YoY to 22.9%. Operating expenses grew by 38.8% YoY, bringing the opex-to-sales ratio to 17.7%. As a result, EBITDA reached TL 13.3 bn, up strongly YoY, with EBITDA margin improving to 5.3% from 4.7% in 2024. Net profit excluding net monetary position gains/losses also edged up to TL 725 mn in 2025 from TL 658 mn in 2024, indicating a healthier underlying profitability profile despite continued pressure on reported net income under inflation accounting.

Net debt / cash flow: Şok Marketler's net cash position excluding IFRS-16 fell to TL 9.3 bn in 4Q25 from TL 11.6 bn in 3Q25. Including IFRS-16 lease liabilities, however, net debt rose to TL 5.1 bn from TL 1.0 bn in the previous quarter, reflecting lower cash balances and higher leasing obligations. Nevertheless, solid working capital dynamics and cash generation continued to underpin the balance sheet, reinforcing our view that Şok ended 2025 with a healthy underlying operating and financial profile.

2026 Guidance: For 2026, Şok Marketler guides for 5.0% (+/-1.0%) real sales growth and an EBITDA margin of 3.0% (+/-0.5%) under IAS-29, compared to 5.4% sales growth and 2.8% EBITDA margin realized in 2025. The company also expects capex-to-sales at around 2.0%, broadly in line with the 1.9% level recorded in 2025. The guidance implies limited change on the top line, but signals further recovery in margins.

Comment: Despite weak reported net income due to one-off IAS-29-related accounting effects, strong 4Q25 operational performance, sharp margin recovery, solid cash generation and supportive 2026 guidance point to a much healthier underlying picture. Overall, we view the results as mildly positive, although the weak reported bottom line may limit the extent of upside in the immediate market reaction.

Turkiye Sigorta

Price (TL) : 12.04 - T.P.(TL) : 18.25 - Mcap.mn.(TL) : 120400 - 3M ADV(mn$) : 16.65

TURSG TI Equity- Rec.:BUY Upside%: 51.58 Analyst: bsengonul@isyatirim.com.tr

Türkiye Sigorta (TURSG.IS) announced its premium production figures for February 2026

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Türkiye Sigorta announced its premium production figures for February 2026. The company generated TL 17,699mn in gross premiums during the month, reflecting a 37% YoY increase compared to TL 12,939mn in February 2025. As of the end of February 2026, cumulative gross premium production reached TL 37,190mn, marking an 31% increase compared to TL 28,433mn in the same period of 2025. Gross premium production decreased by 9% MoM in February 2026. January 2026: TL 19,491mn.

On a cumulative branch basis, all segments except Health and Sickness (-27% YoY change) with more than a 1% share in total premium production recorded year-on-year growth either above or in line with inflation. The Miscellaneous segment recorded the strongest growth at 74%.

Overall, Türkiye Sigorta continues to maintain strong growth in premium production, exceeding inflation on both a monthly and cumulative basis. Slightly positive.

Anadolu Hayat (ANHYT.IS) announced its premium production figures for February 2026

Anadolu Hayat (ANHYT.IS) announced its premium production figures for February 2026

Anadolu Hayat announced its premium production figures for February 2026. The company generated TL 2,149mn in gross premiums during the month, reflecting a 53% YoY increase compared to TL 1,403mn in February 2025.

As of the end of February 2026, cumulative gross premium production reached TL 3,716mn, marking a 40% increase compared to TL 2,654mn in the same period of 2025.

Gross premium production increased by 37% MoM in February 2026. January 2026: TL 1,567mn.

Overall, Anadolu Hayat continues to maintain strong growth in premium production, exceeding inflation on both a monthly and cumulative basis. Slightly positive.

Local Calendar

ULKER 4Q25 results release (Is Investment net income estimate: TL 610 mn, Consensus estimate: TL 1,112 mn)			