11/03/2026

DAILY MARKET WATCH

Market Commentary

The BIST 100 staged a strong rebound, rising 3.73% to close at 13,175.74, marking its highest level since March 2. Trading volume also strengthened to TRY 178.0bn, again the highest since March 2, reflecting improved risk appetite after geopolitical tensions showed signs of easing. The rally followed US President Donald Trump's comments suggesting the conflict with Iran could soon end, which helped trigger a sharp decline in oil prices and a recovery across global risk assets. Given the strong close and improving global sentiment, the index is expected to open slightly positive, although investors will remain cautious ahead of key US inflation data later in the day.

On the domestic front, there are no major primary macro releases, although Turkstat will publish Trade Volume and Turnover Indices (10:00), which may provide additional clues on domestic demand conditions. Recent data showed industrial production declined 2.8% month-on-month and 1.8% year-on-year in January, highlighting some softness in manufacturing activity. Meanwhile, Turkey's 5-year CDS eased below 260 bps, while the 2-year benchmark yield retreated to around 38.7% after briefly climbing above 40% earlier in the week as geopolitical risk premiums began to decline.

Globally, the main focus will be US February CPI data (15:30), which will be critical for shaping expectations regarding the Federal Reserve's policy path. Other developments suggest mixed economic signals: NFIB small business confidence came in slightly below expectations, while existing home sales exceeded forecasts. In energy markets, oil prices experienced sharp losses of more than 15% following Trump's remarks that the war could soon end, highlighting the strong link between geopolitical developments and commodity markets.

USD/TRY is trading at 44.0793 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	13,176	246,054	35.72	1504	343	38.45	31.47	44.0619	51.3097	47.6187	2025	16.69%
Daily Δ	3.7%	7.1%	-0.1 bps	3.4%	3.7%	-130 bps	-1.21 bps	0.0%	0.8%	0.1%	2026	12.51%
1M Δ	-2.6%	6.4%	-1.4 bps	-0.1%	-1.1%	262 bps	1.28 bps	1.2%	0.8%	0.1%	2027	10.23%

BIST-100 Best / Worst Performers & BIST-100 Top 5 by Trading Volume (Daily Δ)										
Best 5 Performance (%)	REEDR	10%	BRSAN	10%	TRALT	10%	GENIL	10%	TSPOR	10%
Worst 5 Performance (%)	PASEU	-7%	SOKM	-1%	TUPRS	-1%	KTLEV	-1%	GRSEL	0%
Top 5 by Volume (TRY mn)	THYAO	18159	TUPRS	15241	KTLEV	10769	ASELS	9901	ISCTR	9494

TAV Airports Holding

Price (TL) : 300.75 - T.P.(TL) : 512.6 - Mcap.mn.(TL) : 109257 - 3M ADV(mn$) : 20.24

TAVHL TI Equity- Rec.:BUY Upside%: 70.44 Analyst: esirinel@isyatirim.com.tr ↑

TAVHL: Total passenger traffic increased by 2% YoY in February

TAV Airports handled 5.76mn passengers in February 2026, mildly up by 2% YoY, while 2M26 cumulative traffic growth remained solid at 7%. International and domestic passenger traffic increased by 3% and 1% YoY in February, respectively, with international traffic up 8% in 2M26, continuing to be the main growth driver (domestic traffic up by 5% in 2M26). Ankara and İzmir remained the key contributors to growth, supported by AJet's added capacity in Ankara and Pegasus-driven momentum in İzmir, while Almaty's international traffic stayed strong despite domestic weakness related to Pratt & Whitney engine issues. February growth was partly held back by adverse weather in Antalya and weaker Middle Eastern traffic amid geopolitical tensions. Overall, the data indicate a healthy start to 2026, although some temporary external headwinds moderated the monthly headline figure. Slightly Positive.

Alarko Holding

Price (TL) : 96.2 - T.P.(TL) : 184.89 - Mcap.mn.(TL) : 41847 - 3M ADV(mn$) : 23.45

ALARK TI Equity- Rec.:BUY Upside%: 92.19 Analyst: agurleyen@isyatirim.com.tr ↓

ALARK 4Q25 Earnings Review

Combined net income turned negative. In 4Q25, combined net income plummeted to a net loss of TL 1.2 billion from a profit of TL 2.4 billion in the same period last year. There are two main factors behind this sharp contraction: (i) the heavy net loss of TL 1.8 billion recorded in the electricity generation segment, driven by weakening operational performance, a likely strong negative tax impact, and monetary loss, and (ii) the overall loss of profitability in energy (distribution and generation) operations.

EBITDA contraction and MCP impact became pronounced in the electricity segment. Although combined EBITDA remained flat YoY at TL 2.5 billion, results in the locomotive business lines of electricity distribution and generation were quite weak. While electricity distribution EBITDA dropped sharply from TL 1.8 billion to TL 990 million YoY, electricity generation EBITDA fell from TL 2.3 billion to TL 1.9 billion as a direct reflection of the real contraction in the Market Clearing Price (MCP). On the distribution side, year-end combined EBITDA reached TL 8.6 billion, contracting by a mere 3% YoY, while year-end combined net income for the distribution segment grew by 71% to be recorded at TL 2.5 billion.

Still no positive EBITDA in the agriculture business line. Despite continuing its growth investments, the agriculture segment generated a negative EBITDA of TL 333 million in 4Q25, failing to achieve the expected transition to positive territory on the operational front. Coupled with the lack of scale brought about by the investment phase and the high financing and fixed cost burden, the segment's net loss was recorded at TL 193 million.

Improvement in net debt despite the heavy loss on the generation side. We believe that the negative tax impact created by factors such as the abolishment of inflation accounting under VUK (Tax Procedure Law) played a leading role in the loss generated at the net income level in the electricity generation side. Despite this pressure on the operational and net income fronts, the company's cash flow management painted a positive picture. The net debt position, which stood at TL 16.2 billion in 3Q25, declined to TL 15.7 billion this quarter, especially with the significant contribution of the electricity generation side in terms of cash generation.

Comment: The 4Q25 results show that pricing pressures have significantly weakened operational margins in Alarko's main business lines, the energy group (both generation and distribution). The fact that the positive EBITDA cycle has still not started in the agriculture segment and the high net loss recorded on the electricity generation side due to the impact of tax and monetary loss lead to a weak bottom line. We expect a negative market reaction due to the loss of momentum in energy operations and the combined net loss of TL 1.2 billion.

Ulker Biskuvi

Price (TL) : 119.9 - T.P.(TL) : 206 - Mcap.mn.(TL) : 44276 - 3M ADV(mn$) : 17.82

ULKER TI Equity- Rec.:BUY Upside%: 71.81 Analyst: oacikalin@isyatirim.com.tr ↓

ULKER 4Q25 Earnings Review

Weaker-than-expected 4Q25 performance. Ülker reported a net profit of TL81mn, falling significantly below market expectations (IS Investment: TL610mn, Consensus: TL1,112mn) and representing a 98% YoY decline. Despite a shift from deferred tax expenses in 4Q24 to deferred tax income in 4Q25, the net profit contraction was primarily driven by weaker operational performance, lower net income from investing activities, and higher net financial expenses. Net financial expenses increased by 62% YoY, while showing an 18% decline QoQ. Ülker generated TL27.5bn in revenues in 4Q25 (IS Investment: TL28.2bn, Consensus: TL28.6bn), indicating a 7% YoY decline. This brought the 12M25 top-line to TL111.9bn (+1.7% YoY), missing the Company's 2025 growth guidance of 3% (+/- 1%). Missing expectations, consolidated EBITDA came in at TL3.4bn (IS Investment: TL4.7bn, Consensus: TL4.8bn) in 4Q25, down by 36% YoY, reflecting an EBITDA margin of 12.4%, with a margin contraction of 5.6ppt YoY. We anticipate a negative market reaction, as the 4Q25 results missed expectations and the full-year EBITDA margin failed to meet the Company's full-year guidance.

The 6.3% YoY volume contraction in international markets was largely offset by 1.9% YoY growth in Türkiye, limiting the consolidated volume decline to 0.7%. In 4Q25, Türkiye operations recorded 1.9% YoY volume growth, though revenues declined by 6.1% YoY to TL18.6bn. Meanwhile, international operations saw a 6.3% volume contraction and a 7.6% YoY revenue drop to TL8.8bn. On the profitability front, gross profit and EBITDA margins in Türkiye operations each contracted by 6ppt YoY. International operations recorded gross profit and EBITDA margin contractions of 0.9ppt and 4.7ppt, respectively. Margins were primarily weighed down by ongoing slowdowns in key markets, inflation outpacing currency depreciation, and increased promotional activities. In 12M25, revenue grew by 1.7%, missing the guidance of 3% (+/- 1%), while the EBITDA margin was recorded at 16.5%, falling short of the 17–18% target range.

Stronger operating cash flow and deleveraging. Operating cash flow improved to TL8.4bn from TL5.8bn in 4Q24, while free cash flow reached TL8.5bn. The Company's net debt position was reduced to TL34.0bn as of 4Q25-end, down from TL40.6bn in 3Q25. Consequently, the Net Debt/EBITDA ratio improved to 1.85x.

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