Garanti BBVA Securities

Research

Turkish Markets Daily

25 July 2024
(09:47)

Financial Markets Data

Domestic Market	Last Price	Change (%)		International Markets	Last Price	Change (%)	
		Daily	YTD			Daily	YTD
BIST-100	10991.57	-0.88	47.14	S&P 500	5427.13	-2.31	13.78
BIST-30	11949.45	-0.88	48.98	Nasdaq 100	19032.39	-3.64	15.53
$/TL	32.96	0.40	11.84	Dow	39853.87	-1.25	5.74
€/TL	35.84	0.71	9.45	Dax	18387.46	-0.92	9.77
Short Term	42.22	-0.17	6.40	FTSE 100	8153.69	-0.17	5.44
Long Term	27.97	0.47	4.56	Nikkei 225	37847.36	-3.34	13.10
Gold	2375.65	-0.91	15.16	Crude Oil	76.6675	-0.74	7.34

Daily Agenda

Date	Time	Country	Data	Period	Expectation	Previous
25.07.2024	10:00	TU	Real Sector Confidence SA	Jul	--	100.5
25.07.2024	10:00	TU	Real Sector Confidence NSA	Jul	--	102.8
25.07.2024	10:00	TU	Capacity Utilization	Jul	--	0.763
25.07.2024	15:30	US	GDP Annualized QoQ	2Q	--	0.014
25.07.2024	15:30	US	Personal Consumption	2Q	--	0.015
25.07.2024	15:30	US	GDP Price Index	2Q	--	0.031
25.07.2024	15:30	US	Initial Jobless Claims	Jul	--	--
25.07.2024	15:30	US	Durable Goods Orders	Jun	--	--

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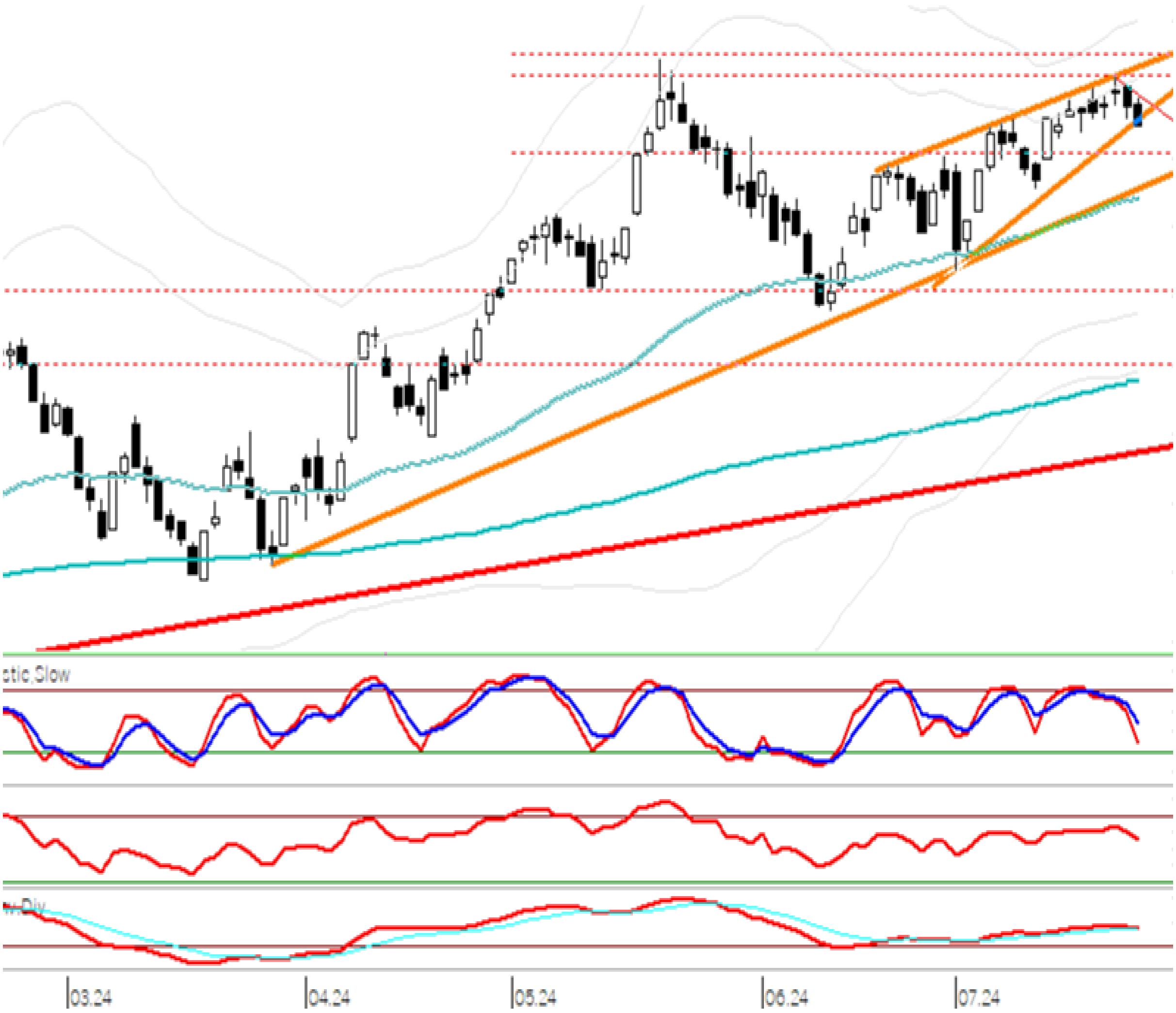
Local Market Overview

BIST - **The volatile outlook continues after Moody's.** In the short-term outlook, global risk appetite remained under pressure with below-expected balance sheet performances from Tesla and Alphabet. On the local side, BIST-100 index, which gained 6.5% in the 1-month period before Moody's, declined by 1.4% after the decision. Second quarter bank balance sheets, which are expected to be relatively weak compared to the previous quarter, and the possibility of an increase in deposit interest rates with the CBRT's announcement that it will terminate TRY swap transactions against FX are the headlines that put pressure on the BIST in the near term. However, we had predicted a volatile trend for this week due to the buying of expectations before Moody's credit rating decision. There is no change in this view. In the view that the $337-338 (~ TRY11,100-11,150) region cannot be exceeded in possible reaction purchases, the volatile trend may continue to the $330-327 (~TRY10,900-10,780) level.

BİST-100 (Daily, ABD$)



VIOP Index30 – **Continued loss of momentum after 12,700 may slow down around 12,400 after prolonged selling bars...** In the August maturity Index30, the intraday close was 12,420, while it was 12,388 in the evening session. Before the highly anticipated bank balance sheets, Moody's upgraded the ratings of 17 Turkish banks. However, BIST August futures continue to have mixed pricing with profit sales continuing. Above 12,700, the limited upward demand reached below 12,400 again after the loss of momentum. The most important factor that could accelerate this process seems to be foreign behavior. Below 13,600, the effects of inflation data and positive comments from credit rating companies will be awaited for a new intermediate resistance attempt. However, if the loss of momentum is seen before reaching 13,000, the ongoing zig zag pattern of recent months can continue to be monitored as 12,500-13,000. Let us remind you that on the new trading day, 12,300-12,210 levels are support and 12,440-12,510 levels are resistance zones.

Macroeconomic and Political News

The CBRT states a USD7bln reduction in deposit balances recently

CBRT: The CBRT stated that it is reviewing its international deposit transactions to reduce external liabilities as part of reserve management. Accordingly, the deposit transaction of USD5bn carried out with the Saudi Fund for Development in 2023 has been terminated by mutual agreement. According to the statement, external liabilities have recently improved by approximately USD7bn through the reduction of deposit balances.

Sector and Company News

Banking Sector: Moody's revised upwards the local and foreign currency long-term deposit, issuer and senior unsecured ratings and the Core Credit Ratings of 17 Turkish banks after upgrading Turkey's sovereign credit rating by two notches. The banks affected by Moody's rating upgrade include Akbank, Ziraat Bank, Vakifbank, Halkbank, Isbank, Industrial Development Bank of Turkey (TSKB), Yapi Kredi, Garanti BBVA, Odea Bank, Alternatifbank, Turk Eximbank, Nurol Investment Bank, Turkish Economy Bank (TEB), Sekerbank, QNB Finansbank, Denizbank and HSBC Bank. Moody's stated that the Turkish economy is strengthened by structural reforms and economic growth continues in a sustainable manner. The upgrade of the banks' credit ratings can be considered as a positive signal for international investors towards Turkiye. These rating upgrades will enable banks to borrow at lower costs in international markets and to access financing sources more easily (Neutral)

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