

# DAILY MARKET WATCH

## Market Commentary

BIST 100 ended Wednesday nearly flat, easing -0.04% to close at 10,949.95. The index traded in a relatively tight range between 10,911 and 11,026 points, with turnover at TL 103.9bn. Market sentiment was broadly sideways as investors awaited today's Central Bank inflation report, while selective interest in retail and telecom names balanced profit-taking in industrials. Technical momentum remains neutral, with the index consolidating just below the 11,000 level. BIST 100 is expected to open flat to slightly positive today, with attention centered on TCMB's updated projections and corporate earnings releases.

Domestically, Turkstat will publish July agricultural producer prices and June data on poultry and dairy production (10:00). The Central Bank of Turkey will release its third Inflation Report of the year, with Governor Fatih Karahan presenting and taking questions (10:30). CHP leader Özgür Özel will hold a press conference at party headquarters (12:00). President Recep Tayyip Erdoğan will attend AK Party's 24th Anniversary Program (14:00). The BRSA will announce weekly sector data (14:00), followed by CBRT's weekly money and banking statistics (14:30). Foreign Minister Hakan Fidan will hold contacts in Qatar. Earnings from BİM(BIMAS), Bizim Toptan(BIZIM), Koton, and ŞOK Marketler(SOKM) are due.

Globally, focus in Europe will be on a heavy data flow from the U.K., including June GDP, industrial production, services, construction output, and trade balance (09:00). Switzerland will release July PPI and import prices (09:30), followed by France's final CPI (09:45). India's July wholesale price inflation (09:30) and Spain's June industry turnover and services activity (10:00) will also be watched. Norges Bank will announce its policy decision (11:00) with Governor Bache holding a press conference (11:30). Later, Eurozone June industrial production along with Q2 GDP and employment figures are due (12:00). In the U.S., after yesterday's CPI, markets will focus on July PPI (15:30) and weekly jobless claims (15:30), with EIA natural gas inventories (17:30) and a speech by Richmond Fed's Barkin (21:00) rounding out the day.

In early trading, the Turkish Lira is slightly weaker, down 0.01% at 40.7760 against the U.S. Dollar.

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	10,950	166,089	43.83	1257	299	40.40	31.46	40.7306	47.708	44.2656	2025	10.21%	
	Daily Δ	<div><div></div></div> 0.0%	<div><div></div></div> -2.4%	-0.1 bps <div><div></div></div>	0.1% <div><div></div></div>	-1%	1 bps	0.0 bps <div><div></div></div>	0.0% <div><div></div></div>	0.9% <div><div></div></div>	-0.2% <div><div></div></div>	2026	8.13%	
	1M Δ	<div><div></div></div> 5.7%	<div><div></div></div> 2.6%	7.9 bps <div><div></div></div>	2% <div><div></div></div>	3%	19 bps	0 bps <div><div></div></div>	1.6% <div><div></div></div>	0.9% <div><div></div></div>	-0.1% <div><div></div></div>	2027	13.54%	
BIST-100 Best / Worst Performers & BIST-100 Top 5 by Trading Volume (Daily Δ)														
Best 5 Performance (%)				KUYAS	10%	IEYHO	6%	SASA	6%	GLRMK	5%	ASTOR	4%	
Worst 5 Performance (%)				DSTKF	-10%	MGROS	-7%	PGSUS	-4%	CANTE	-4%	RALYH	-4%	
Top 5 by Volume (TRY mn)				THYAO	10152	PGSUS	6785	EREGL	5144	ASELS	4394	SASA	3912	

**Turkcell**

Price (TL) : 97.75 - T.P.(TL) : 158.16 - Mcap.mn.(TL) : 215050 - 3M ADV(mn\$) : 53.87

TCELL TI Equity- Rec.:BUY Upside%: 61.8 Analyst: eakalan@isyatirim.com.tr

**TCELL 2Q25 ER**

Bottom-line beat by 24%: Exceeding the estimates, Turkcell reported net profit of TL4.20bn in 2Q25, compared to TL3.92bn in 1Q24 (Is Inv: TL3.29bn; consensus: TL3.39bn). Superior operating performance and reduced net financial expenses were the main drivers of bottom-line growth despite the negative impact of higher effective tax rate and lower monetary gains.

In line with the estimates, consolidated revenues grew by 12.5% YoY in real terms and realized TL53.02bn. Blended mobile ARPU delivered 9.8% real growth YoY, reaching TL352 in 2Q25 thanks to a larger postpaid subscriber base (+ 816k QoQ), targeted pricing adjustments, and effective upselling. On the other hand, the prepaid subscriber base had a net decline of 363k QoQ, driven by the widespread adoption of alternative data solutions (such as e-SIM) and a shift in customer preferences toward postpaid tariffs. As a result, the share of postpaid subscribers in total mobile base rose by 5ppt YoY to reach 78%. Fiber ARPU grew by a solid 17.5% YoY in real terms with 21k net additions in 2Q25, thanks to growing share of high-speed packages, a higher proportion of 12-month contracted subscribers, and price adjustments. Churn rates were slightly above last year due to the intense market dynamics. Additionally, digital business services and fintech segments continued to deliver robust growth at 42% and 23%, respectively.

Exceeding the market call by 5%, EBITDA realized at TL23.01bn (+15% YoY), registering an EBITDA margin of 43.5% in 2Q25 vs. 42.6% in 2Q24. Lower employee expenses, energy expenses, funding costs, and interconnection expenses, as a share of revenue mainly drove the margin improvement.

Slight uptick in financial leverage: Net debt rose to TL25.4bn at end-2Q25 from TL12.5bn at 2024YE, pushing the Net Debt/EBITDA ratio to 0.3x from 0.2x. The increase was mainly due to the first dividend installment payment and higher lease obligations. The company ended the quarter with a short FX position of US\$102mn.

No change in 2025 guidance: Although the strong 1H25 performance provides headroom for the full-year 2025 guidance, management remains cautious. The outlook implies lower real growth and a softer EBITDA margin in the second half. Management pointed to the high base effect, less frequent price adjustments, and an expected rise in the cost base—driven by higher capex intensity in 2H25—as reasons for maintaining a prudent stance. As a result, Turkcell kept its i) 7-9% real revenue growth, 41-42% EBITDA margin (41.9% in 2024), ~24% operating capex to sales ratio (22.8% in 2024) targets unchanged (year-end inflation forecast is 30.5%). The capex guidance includes expected 5G related infrastructure spending but excludes the potential license fee. Depending on the macro environment and market dynamics, we could see a revision in 3Q25.

**Turk Telekom**

Price (TL) : 57.9 - T.P.(TL) : 69.4 - Mcap.mn.(TL) : 202650 - 3M ADV(mn\$) : 20.78

TTKOM TI Equity- Rec.:BUY Upside%: 19.86 Analyst: eakalan@isyatirim.com.tr

**TTKOM 2Q25 ER**

No surprise in bottom line, EBITDA beats by 7%. Türk Telekom reported net income of TL4.9bn in 2Q25 (+14% YoY), fully in line with expectations. The solid bottom line was supported by strong operating performance, lower depreciation, and reduced financial expenses, which more than offset higher tax expenses and lower monetary gains. The effective tax rate rose to 33% in 2Q25 from 22% in 2Q24, mainly due to the indexation of last year's tax assets to 2Q25 under inflation accounting principles. Net financial expenses declined by 5% YoY but increased by 31% QoQ due to market volatility. The company expects QoQ improvement in 3Q25, citing calmer financial markets and the CBRT's resumption of its easing cycle in July.

**Strong operating performance.** In line with expectations, consolidated revenues rose 13.2% YoY to TL50.4bn in 2Q25. Fixed broadband and mobile revenues grew 19% and 15% YoY, respectively, while corporate data and equipment sales supported overall growth with a 23% YoY increase. The mobile segment delivered another strong quarter, adding 678k net subscribers (+7.4% YoY) despite intensified competition, with ARPU up 8.3% YoY. The fixed broadband base remained broadly flat, with 39k net additions, while ARPU rose 16.9% YoY. In both segments, subscriber acquisitions exceeded management expectations. Consolidated EBITDA grew 23% YoY to TL21.3bn, with the margin improving to 42.2% (+3.4ppt YoY), driven by strong revenue growth, disciplined opex control, and continued operating leverage gains.

**Lower financial leverage.** The Company defined net debt decreased to TL56.1bn in 2Q25 compared to TL 68.9 billion in 2Q24 thanks to healthy operational performance and FCF generation. Net Debt/EBITDA has inched down to 0.68x from 0.73x a quarter ago and 1.08x a year ago. Excluding the ineffective portion of the hedge portfolio, short fx position was USD261mn as of end-2Q25.

**Upward revision in 2025 guidance.** Following robust 2Q25 performance, Turk Telekom revisited its 2025 guidance. Management now expects: i) c.10% real revenue growth (previously 8–9%), ii) c.41% EBITDA margin (previously 38–40%), and iii) c.29% capex-to-sales ratio (previously 28–29%), assuming 29% year-end inflation. The upgrades to revenue and EBITDA margin guidance reflect stronger-than-expected performance in both revenue generation and cost management, while the slight increase in capex intensity is due to minor upward revisions in macro assumptions and the upscaling of certain mobile investment projects. Management anticipates continued robust ARPU growth in the second half, supported by recent price increases in fixed internet (July) and mobile (August). However, they remain cautious, citing a high base effect in revenue growth for 2H25, seasonal softness in EBITDA margins in the final quarters, and deferred opex spending shifting into the second half.

**Comment:** We expect a positive market reaction to strong operating performance and lifted 2025 guidance. That said, we think that the terms

#### Rönesans Gayrimenkul

Price (TL) : 139.3 - T.P.(TL) : 186.29 - Mcap.mn.(TL) : 46108 - 3M ADV(mn\$) : 2.08

RGYAS TI Equity- Rec.:BUY Upside%: 33.73 Analyst: btanes@isyatirim.com.tr



#### Rönesans Gayrimenkul (RGYAS.IS) 2Q25 Earnings Review

Rönesans Gayrimenkul (RGYAS.IS) 2Q25 Earnings Review

Beating our estimates by 4% Rönesans Real Estate (RGYAS.IS) posted revenues of TL 2,533mn (Is Investment: TL 2,433mn) in 2Q25, marking a 7% YoY real increase on a quarterly basis. Rental income, the largest contributor to total revenues, came in at TL 2,462mn (+9.6% YoY real growth), while consultancy revenues fell 25.7% YoY to TL 52mn. The gross profit margin decreased from 76.8% in 2Q24 to 69% in 2Q25, mainly due to higher costs, particularly driven by an annual increase in personnel expenses. As a result, gross profit declined by 4% YoY in real terms to TL 1,747mn. In line with our estimates EBITDA remained flat YoY on a quarterly basis, coming in at TL 1,591mn (Is Investment: TL 1,603mn), while the EBITDA margin contracted by 4.2pp YoY to 62.8%. Falling short of our house call by 14.5% Net profit rose by 17% YoY to TL 2,777mn in 2Q25 (Is Investment: TL 3,250mn). The increase was partly limited by higher financing expenses—mainly stemming from a sharp rise in FX losses—which jumped from TL 210mn in 2Q24 to TL 2,835mn in 2Q25. Additionally, net monetary gain dropped 59% YoY to TL 873mn. Nonetheless, a TL 4,721mn revaluation gain on investment properties in 2Q25 (2Q24: TL 825mn) together with lower tax expenses, down to TL 666mn in 2Q25 from TL 1,182mn in 2Q24, offset much of the negative impact.

**Net Debt:** Net debt eased to TL 16,600mn in 2Q25 from TL 17,129mn in 4Q24. The Net Debt/EBITDA ratio stood at 2.61x in 2Q25, down from 2.69x in 2Q24, remaining at a healthy level.

**Comment:** We expect a slightly positive market reaction to the company's annual real growth in both revenue and net profit. Rönesans REIT currently trades at a 57% discount to its NAV, compared to its 1-year average NAV discount of 36%. Slightly positive.



## Local Calendar

AGHOL 2Q25 results release		
TL-380mn, Consensus estimate: TL12mn)		
BIMAS 2Q25 results release (İs Investment net income estimate:		
TL2,889mn, Consensus estimate: TL3,795mn)		

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