



Daily Bulletin

April 5, 2017

Headlines

The Central Bank released the monthly price developments report following the announcement of March inflation. It was noted that the yearly inflation in food prices related with the low base impact is a major determinant on the consumer inflation. Additionally, the pass through impact of weaker lira on prices, mostly on core goods had an impact on inflation.

Central Bank announced that the real effective exchange rate by the end of March has increased to 89.41 from 88.85.

IFC Turkey director Williams said that they have invested USD 500 million in the financial institutions in Turkey and they expect to invest USD 500 million more in the financial institutions and projects until the end of June 2017.

BIST Comment

After starting the day with a drop down to 88,000, the local stock market index managed to recover up to 88,750 in the day. The market closed at 88,613, almost flat daily but with 0.7% intraday gain when compared to the daily low. The dollar was trading below 3.6500 in the morning hours but soared up to 3.6890 in the late hours of the day. The BIST100 index is struggling to float above 88,500, the initial support level. The market may tumbled down to 87,000 – 87,500 range below the initial support. The resistance is at 89,600.

Corporate and Sector News

Automotive sector; Automotive Distributors Association has announced that passenger car and light commercial vehicle sales has decreased by 11.0% in March when compared to the same month of the previous year. It was also noted that the sales in the first quarter of the year has contracted by 7.4% to 156,090 units.

Airlines sector; it was announced that the support provided to travel agencies amounting USD 6,000 per plane has been revised to include planes landing on the Istanbul Sabiha Gokcen and Erzurum airports.

Halkbank (HALKB); Moody's announced that they have placed Halkbank's long-term foreign currency senior unsecured debt and long term local currency deposit ratings (Ba1) and long-term foreign currency deposit rating (Ba2) on review for downgrade. It was noted that Moody's review will focus on the potential implications on Halkbank's financial fundamentals of the US authorities' investigation related to alleged transactions with prohibited parties, which led to the arrest of the bank's deputy CEO on 29th of March.

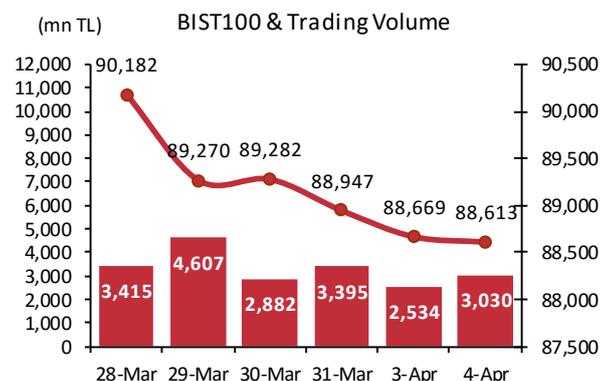
Markets Summary	4-Apr	Daily (%)	Monthly (%)
BIST100	88,613	-0.06	-1.2
BIST30	108,424	-0.19	-1.6
US Dollar/TL	3.6430	0.15	-2.1
Euro/TL	3.8807	0.05	-0.9
Euro/US Dollar	1.0652	-0.10	1.2
	Last	Previous	
Benchmark G-Bond (07/11/18)	11.40	11.49	
Eurobond (01/15/30)	114.25	114.00	

BIST Indices	4-Apr	Daily (%)	Monthly (%)
BIST100	88,613	-0.06	-1.24
BIST100 (cents)	2.43	-0.22	0.89
BIST Financial	115,901	0.07	-2.46
BIST Industrial	94,869	-0.46	-0.54
BIST Services	57,046	0.35	1.22

BIST100 Summary	4-Apr	03-Nis
Trading Volume (US\$m)	831.6	696.5
Mcap of ISE100 shares (US\$bn)	156.1	156.4
Free Float Mcap of ISE100 shares (US\$bn)	51.4	51.5

Futures Market	Settlement price	Daily (%)	Volume
BIST30			
Apr-17	110.350	-0.11	1,693,629,458
Jun-17	110.975	-0.16	12,204,463
US Dollar/TL			
Mar-17	3.7390	0.22	210,698,475
Apr-17	3.7684	0.24	888,561,828

Foreign Stock Exchanges	Close	Daily (%)
US (S&P500)	2,360	0.06
Brazil (Bovespa)	65,769	0.85
China (SSEC)	3,264	1.29
Russia (RTSI)	1,136	1.16



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