

BIST TRENDS REPORTS

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Executive Summary

Dear Readers,

We are delighted to present you the Stock Market Trends Report for 4Q21.

At year-end 2021, as a result of the rise in Borsa Istanbul in the last quarter, the market cap of BIST ALL increased by 10% in TL terms compared to the previous year. On the flipside, it decreased by 38% in USD terms due to sharp depreciation in the Turkish Lira.

The transaction volume in BIST ALL increased by 120% QoQ in TL terms in the last quarter, as the rise in the exchange rates following the rate cuts made the stock exchange cheaper in dollar terms and investors turned towards Borsa Istanbul again.

Foreign investors were again on the side of buying Turkish stocks in August and the highest net foreign inflow of the year to Borsa Istanbul was experienced in November with USD 709 million. However, due to currency fluctuations, foreign investors started selling again in December, selling a net share of USD 1,034 million. Throughout the year, the net foreign outflow in Borsa Istanbul amounted to USD 1.6 billion. Thus, foreign investors have continued to pull out of Borsa Istanbul over the last four years, and the foreign trade level in the market has dropped to its historic low. While BIST Industrial and BIST Technology indices experienced net foreign inflows of USD 196 million and USD 31 million respectively in the last quarter, all other indices experienced net foreign outflows.

In 2021, with the effect of public offerings and the pursuit of high returns, the total number of investors in Borsa Istanbul continued to increase and reached 2.3 million with an increase of approximately 359 thousand from the end of 2020.

By the end of 2021, the first three countries with the highest portfolio value in Borsa Istanbul were the USA, Qatar and the United Kingdom. The USA, which took over the first place from Qatar in the second quarter, maintained its position in the first rank.

In 2021, holding periods for both domestic and foreign investors decreased to their lowest levels since 2012 in all indices. In BIST All, it was 27 days for domestic investors and 45 days for foreign investors.

The volume of Local currency denominated private sector debt instruments issued in Turkey increased by 17% YoY.

All the best until the next reporting period.

Aslı Selçuk

TUYID Chairperson