

ISE TRENDS REPORT

by

**TÜYİD – TURKISH INVESTOR RELATIONS
SOCIETY**

&

MKK – CENTRAL REGISTRY AGENCY

Volume 2: January – September 2012

18 October 2012

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Dear Readers,

Istanbul Stock Exchange Trends Report provides information on listed companies, public offerings, market capitalization, free floats, performance, trade volumes and holding periods by investor type- domestic vs. foreign and individual vs. institutional, and index, facilitating analysis on the current and historical trends and giving the investment community a more thorough understanding of the market.

The Report has been prepared by T  Y  D, Turkish IR Society and MKK, Central Registry Agency, using MKK's database. We are happy to share with you Volume 2 of the Report, which was launched in June, covering January-September 2012 period.

Going forward, we will continue to publish the ISE Trends Report on a quarterly basis. We trust it will provide an important insight for the market players and look forward to any feedback you might wish to provide.

MKK General Manager and BoD Member

Do. Dr. Yakup ERG  NCAN

T  Y  D Turkish IR Society Chairwoman

Funda G  NG  R AKPINAR

1. PUBLIC OFFERINGS

	31.12.2011	30.09.2012
ISE-ALL	329	349
XUSIN	170	178
XUHIZ	53	59
XTCRT	18	20
XUMAL	90	96
XBANK	16	16
XHOLD	31	37
XUTEK	16	16

22 initial public offerings took place in the first 9 months of 2012, generating TL478 million proceeds.

The first 9 months of 2012 were very active from the perspective of initial public offerings. 22 companies started trading at the ISE, including the initial IPOs and Emerging Companies Market. Looking at the pipeline of companies that have applied to the ISE for trading, the full year IPOs can reach 40. This represents a significant increase versus 2011, when the market saw 27 IPOs. 2012 is candidate to be the second best year in terms of the number of public offerings after 1986, the year when the ISE was opened and 80 IPOs took place. The second best year until now was 2000 with 36 new offerings. IPOs are an important source of funding in the current macroeconomic environment. Furthermore the IPO Campaign and incentives supported by the CMB and ISE during the last one year period have significantly encouraged the companies in their decisions to list their shares.

The proceeds generated from the public offerings in the first nine months of 2012 reached TL478 million (USD273 million). Sanifoam Sünger Tic. ve San. A.Ş. had the highest float with 37.91% while the highest foreign interest was seen in Niğbaşı Niğde Beton A.Ş. Other offerings generated interest from domestic investors. The details are available in the below table:

Company Name	Nominal Value	Public Offering	Total	Total	Price	First Trade	Number of Investors	
IPOs	(TL)	(%)	Proceeds (TL)	Proceeds (USD)	(TL)	Date	Foreign	Domestic
Özak GMYO	39,250,000	25.00	98,125,000	55,670,600	2.50	15.02.2012	-	6,143
Taraf Gazetecilik	1,600,000	16.67	6,880,000	3,924,029	4.30	29.03.2012	130	130
Niğbaş Niğde Beton	5,000,000	18.52	10,200,000	5,828,571	2.04	05.03.2012	1.103	1,107
Oylum Sınai Yatırımlar	2,750,000	30.99	6,325,000	3,594,771	2.30	04.05.2012	2	1,464
Orge Enerji Elektrik Taahhüt	3,000,000	30	10,680,000	6,054,422	3.56	15.05.2012	4	466
Prizma Pres Matbaacılık	3,600,000	26.47	14,400,000	14,400,000	4.00	15.05.2012	4	2,385
Teknosa	12,650,000	11.50	98,037,500	54,821,618	7.75	17.05.2012	41	9,368
Polisan Holding	19,750,000	5.34	44,437,500	24,385,392	2.25	24.05.2012	-	5,584
Ar Tarım Organik Gıda	8,050,000	35.78	15,214,500	8,274,596	1.89	31.05.2012	3	131
TGS Dış Ticaret	2,500,000	33.33	14,000,000	7,609,109	5.60	07.06.2012	-	2,351
Flap Kongre Toplantı Hizmetleri	4,000,000	16.00	19,600,000	10,849,709	4.90	29.06.2012	-	504
Akdeniz Güvenlik Hizmetleri	1,500,000	12.30	16,350,000	9,006,776	10.90	03.07.2012	3	753
Karakaş Atlantis Kuyumculuk	16,750,000	25.09	41,875,000	22,970,378	2.50	03.08.2012	-	4,651
Ulaşlar Turizm Yatırımları	3,500,000	31.37	6,650,000	3,674,439	1.90	06.08.2012	-	210
Emerging Companies Market								
Osmanlı Menkul Değerler	1,315,500	21.57	3,288,750	1,881,867	2.50	27.02.2012	0	24
Hitit Holding	5,000,000	25	18,000,000	10,264,013	3.60	09.03.2012	0	484
Beyaz Filo Oto Kiralama	3,528,000	9.73	15,876,000	8,793,619	4.50	28.03.2012	1	456
Sanifoam Sünger San. ve Tic.	4,000,000	37.91	10,000,000	5,561,426	2.50	18.04.2012	1	446
Mega Polietilen Köpük San. ve Tic.	4,000,000	30.25	8,000,000	4,497,414	2.00	18.05.2012	0	199
MCT Danışmanlık	771,000	15	2,791,020	1,532,938	3.62	30.05.2012	1	367
Etiler İnci Büfe Gıda San. ve Dış Tic.	2,500,000	33	7,025,000	3,873,938	2.81	16.07.2012	2	474
Denge Yatırım Holding	3,000,000	37.5	10,050,000	5,552,486	3.35	02.08.2012	1	405

2. FREE FLOAT

The effective free float of the companies traded at the ISE is 27%.

INDEX	FREE FLOAT		EFFECTIVE FREE FLOAT	
	31.12.2011	30.09.2012	31.12.2011	30.09.2012
ISE-30	37.22%	36.10%	31.13%	31.70%
ISE-50	35.97%	37.01%	29.75%	31.08%
ISE-100	37.10%	38.16%	29.37%	30.67%
ISE-ALL	36.85%	37.59%	25.74%	27.30%
XUSIN	38.39%	40.54%	25.89%	26.16%
XUHIZ	30.49%	32.27%	22.17%	23.56%
XCRT	48.30%	47.84%	38.95%	36.84%
XUMAL	39.06%	38.47%	27.33%	29.65%
XBANK	39.57%	38.90%	26.82%	29.88%
XHOLD	38.12%	37.92%	32.35%	32.31%
XUTEK	26.56%	27.37%	22.90%	22.24%

The IPO Campaign has not only been effective in informing and educating the public and the companies on the benefits of public offering, but also encouraged companies in increasing their float. ISE-All's effective free float as of 30 September 2012 is 27%. ISE-30 that consists of the 30 highest valued companies has 31.70% effective free float.

When we look at the sub-indices, the highest float is observed in the Commercial and Industrial indices with 47.84% and 40.54%, respectively. The effective free float of the Industrial index increased by 2.15% compared to the beginning of the year. The highest year-to-date increase in float took place in the Banks index with 3.06 pps.

Note: The difference between free float and effective free float is attributable to owners' shares, individual and institutional shareholders with over 5% share, and pledged/collateralized shares.

3. MARKET CAPITALIZATION

ISE-All mcap's year-on-year increase reached 11% on TL basis and 15% on USD basis.

Year-to-date increase of ISE-All is 26% in TL terms and 33% in USD terms.

MILLION TL	30.09.2012	Annual Change	YTD Change	Monthly Change
ISE-30	303.223,93	14%	38%	-2,0%
ISE-50	350.333,53	17%	38%	-1,5%
ISE-100	389.467,63	13%	32%	0,7%
ISE-ALL	475.138,12	11%	26%	-1,6%
XUSIN	131.685,21	17%	24%	-0,2%
XUHIZ	101.978,88	12%	22%	-1,1%
XTCRT	24.168,12	30%	42%	-0,7%
XUMAL	236.413,55	8%	29%	-2,6%
XBANK	159.167,15	6%	30%	-3,1%
XHOLD	56.569,38	13%	32%	-2,1%
XUTEK	5.060,49	38%	40%	-3,1%

MILION USD	30.09.2012	Annual Change	YTD Change	Monthly Change
ISE-30	169.901,90	19%	46%	-0,6%
ISE-50	196.298,27	21%	46%	0,0%
ISE-100	218.225,83	17%	39%	2,2%
ISE-ALL	266.228,57	15%	33%	-0,2%
XUSIN	73.785,63	21%	31%	0,0%
XUHIZ	57.140,63	16%	29%	0,0%
XTCRT	13.541,84	35%	50%	0,8%
XUMAL	132.466,83	12%	36%	-1,2%
XBANK	89.184,26	10%	37%	-1,7%
XHOLD	31.696,85	17%	39%	-0,6%
XUTEK	2.835,48	43%	48%	-1,7%

As of 30 September 2012, the market capitalization of ISE-All increased by 11% year-on-year in TL terms to 475 billion TL and 15% in USD terms to USD 266 billion. As a result of the positive decoupling of ISE from the global and regional exchanges, all indices showed a positive performance on a year-on-year and year-to-date basis. As of September-end, the highest increase was recorded in the Commercial index with 42% while the lowest increase was in the Services index with 22%. On a monthly basis, all indices, except the benchmark ISE-100 declined.

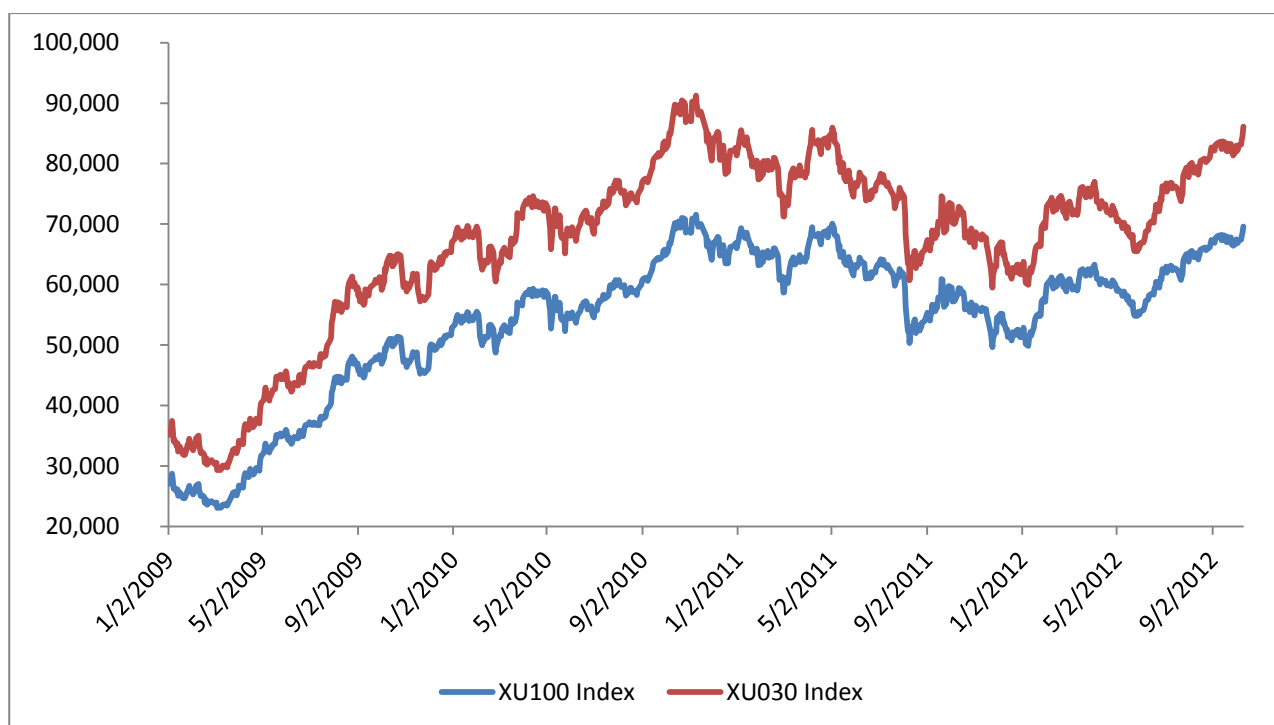
4. TRADE VOLUMES

The Financials index, which had the highest trade volume in September, represents 58% of the total trade volume at the ISE. Commercial index holds the lowest share in the total trade volume with a mere 2%.

NOMINAL VALUE	30.09.2012	Annual Change	YTD Change	Monthly Change
ISE-30	6,905,719,933	-16%	9%	15%
ISE-50	7,644,483,847	-14%	13%	16%
ISE-100	8,761,456,083	-22%	6%	16%
ISE-ALL	10,795,718,869	-29%	-5%	12%
XUSIN	3,177,760,850	-31%	1%	14%
XUHI	1,211,183,633	-35%	5%	22%
XCRT	180,632,774	-50%	-41%	0%
XUMAL	6,264,383,029	-27%	-11%	9%
XBANK	3,329,658,559	-22%	-7%	4%
XHOLD	1,987,377,659	-28%	16%	28%
XUTEK	142,391,357	-6%	27%	6%

MILLION TL	30.09.2012	Annual Change	YTD Change	Monthly Change
ISE-30	30,771.62	-8%	41%	15%
ISE-50	33,875.56	-12%	36%	15%
ISE-100	36,784.52	-19%	29%	17%
ISE-ALL	42,086.24	-22%	18%	15%
XUSIN	10,679.18	-24%	18%	17%
XUHI	6,471.55	-20%	39%	37%
XCRT	1,643.94	-25%	28%	22%
XUMAL	24,262.25	-20%	16%	10%
XBANK	18,474.81	-18%	20%	9%
XHOLD	3,728.18	-23%	43%	27%
XUTEK	673.26	-61%	-29%	-10%

MILLION USD	30.09.2012	Annual Change	YTD Change	Monthly Change
ISE-30	17,156.16	-8%	45%	14%
ISE-50	18,886.64	-12%	41%	15%
ISE-100	20,508.24	-19%	33%	16%
ISE-ALL	23,464.11	-22%	22%	15%
XUSIN	5,954.03	-24%	22%	16%
XUHI	3,608.41	-20%	44%	36%
XCRT	916.41	-25%	32%	22%
XUMAL	13,526.38	-20%	20%	10%
XBANK	10,301.34	-18%	24%	8%
XHOLD	2,077.97	-23%	48%	27%
XUTEK	375.30	-61%	-26%	-11%



5. FOREIGN TRANSACTIONS

Foreign investors were net buyers in all indices in the first nine months of 2012, with the highest inflow taking place in ISE-100 with 3.9 billion USD.

INDEX	NET INFLOW-OUTFLOW USD (JAN-SEP)
ISE-30	1,915,414,115.90
ISE-50	3,904,654,055.76
ISE-100	3,948,197,462.86
ISE-ALL	3,955,766,280.39
XUSIN	1,857,849,376.27
XUHIZ	413,244,694.16
XTCRT	77,435,992.32
XUMAL	1,670,332,979.29
XBANK	1,355,349,400.68
XHOLD	156,692,731.14
XUTEK	14,339,230.68

Foreign investors were net buyers in all indices during the first nine months of 2012. The total foreign inflow in ISE-ALL reached USD 4 billion. On a quarterly basis, there was a net inflow in all indices in Q1, while in Q2 and Q3 there was a net outflow in the Commercial, Holding and Technology indices. The highest new inflows took place in the Financials index.

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP
ISE-30	432,42	242,36	- 42,52	- 184,35	- 482,36	859,70	480,44	427,78	181,94
ISE-50	453,57	279,15	1.801,89	- 172,11	- 488,55	904,69	506,25	444,05	175,72
ISE-100	474,37	291,55	1.818,63	- 191,05	- 492,37	908,95	532,15	464,82	141,15
ISE-ALL	480,70	301,66	1.814,43	- 183,92	- 488,18	898,24	537,15	451,90	143,80
XUSIN	39,10	63,29	1.597,86	- 95,73	- 39,10	62,84	108,56	49,59	71,44
XUHIZ	44,96	59,13	- 6,62	31,06	- 68,52	138,30	130,26	5,29	79,38
XTCRT	32,94	24,08	20,91	31,21	10,22	- 15,43	22,22	- 43,12	- 5,59
XUMAL	388,49	168,21	199,20	- 125,66	- 378,98	718,76	305,23	393,54	1,54
XBANK	287,93	71,83	225,65	- 146,13	- 329,99	653,70	234,84	350,14	7,38
XHOLD	91,93	60,64	13,33	- 27,03	- 36,90	55,11	6,28	1,11	- 7,75
XUTEK	8,16	11,02	23,98	6,40	- 1,58	- 21,66	- 6,90	3,48	- 8,57

6. TRADE VOLUME BY TYPE OF INVESTOR (TL)

	Dec.11		Mar.12		Jun.12		Sep.12	
INDEX	FOREIGN	DOMESTIC	FOREIGN	DOMESTIC	FOREIGN	DOMESTIC	FOREIGN	DOMESTIC
ISE-ALL	13%	87%	20%	80%	18%	82%	19%	81%
ISE-30	19%	81%	26%	74%	25%	75%	23%	77%
ISE-50	17%	83%	25%	75%	21%	79%	22%	78%
ISE-100	16%	84%	23%	77%	20%	80%	21%	79%
XUSIN	9%	91%	18%	82%	10%	90%	11%	89%
XUHIZ	14%	86%	13%	87%	21%	79%	23%	77%
XTCRT	20%	80%	14%	86%	30%	70%	21%	79%
XUMAL	15%	85%	23%	77%	22%	78%	22%	78%
XBANK	17%	83%	27%	73%	24%	76%	24%	76%
XHOLD	15%	85%	18%	82%	20%	80%	15%	85%
XUTEK	3%	97%	4%	96%	2%	98%	6%	94%

Domestic investors generate 81% of the trade volume.

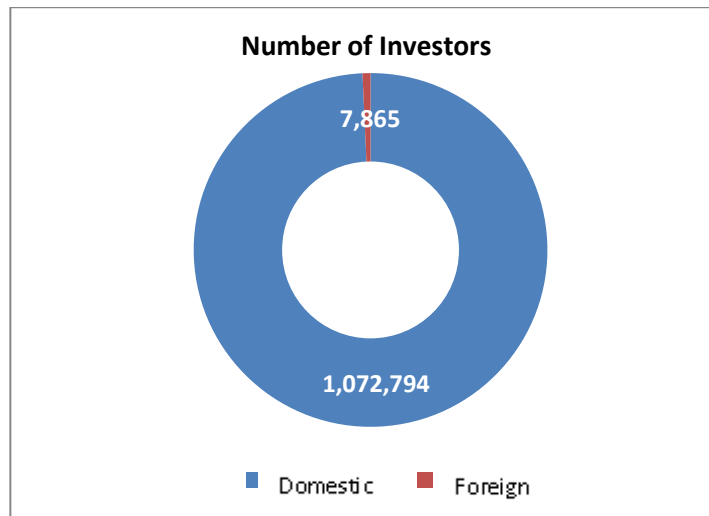
The share of foreign investors in total trade volume fell slightly to 19% as of May 2012 from its 20% levels in the first quarter of the year. Foreign investors have the highest share in trade volume in the Banks index with 24% and the lowest share in the Technology index with 6% as of September.

More than 80% of the trade volume is generated by domestic investors. Average share of foreign investors in trade volume during the January-September period was 18%.

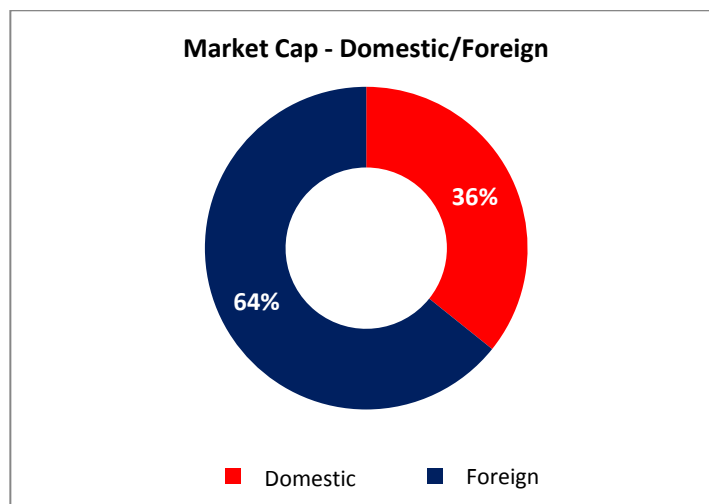
7. NUMBER OF INVESTORS AND MARKET CAPITALIZATION

7,865 of the total 1 million investors at the ISE are non-residents.

The share of foreign investors in trade volume is limited to 19% while their share in market cap is at 64% levels.

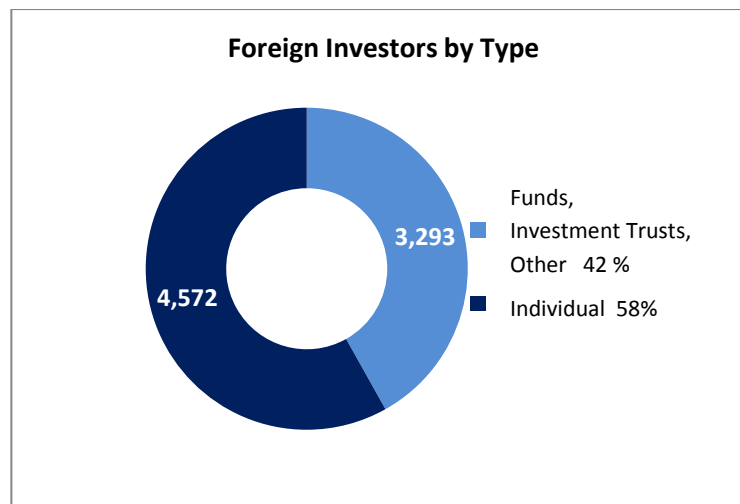
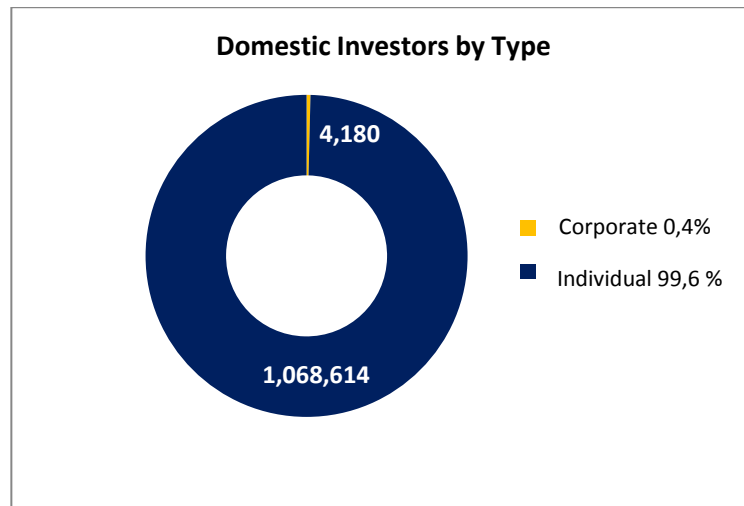


As of September 2012, there are 1 million 72 thousand domestic investors at the ISE versus 7,865 foreign investors. The number of foreign investors has remained relatively stable since our last report in May while the number of domestic investors contracted by around 20 thousand.



Foreign investors have 19% share in trade volume. Their share in the market capitalization has increased from 62% in May to 64% in September.

Despite the 17% increase since January, the number of domestic institutional investors is still low. Individual investors comprises 99.6 % of the investor base.



99.6% of the domestic investor base is composed of individual investors. Despite a 17% increase since January, the number of domestic institutional investors is still very low. Conversely, institutional investors hold the lion's share among foreign investors.

8. NUMBER OF DOMESTIC AND FOREIGN INVESTORS BY INDEX

	Dec.11		Sep.12	
	FOREIGN	DOMESTIC	FOREIGN	DOMESTIC
XUTUM	7,646	1,072,116	7,794	1,053,795
XU100	6,916	905,829	7,110	881,634
XU030	5,881	713,692	5,895	671,131
XU050	6,207	774,155	6,271	740,847
XUSIN	4,198	618,894	4,322	608,713
XUHIZ	2,999	347,119	3,236	334,563
XUMAL	5,601	672,016	5,630	645,964
XUTEK	349	55,491	409	64,668
XCRT	1,351	103,213	1,479	96,305
XBANK	3,958	396,231	3,879	361,629
XHOLD	2,926	309,823	3,057	311,970

While the market capitalization increased year-to-date, the number of foreign investors increased and domestic investors fell.

The market capitalization increased year-to-date across all indices. Meanwhile the number of foreign investors increased and the domestic investors decreased. The highest increase in the number of foreign investors was observed in the Services index. Domestic investors, on the other hand, increased mostly in the Holdings index.

83% of the 1.1 million investors preferred to invest in ISE-100.

9. MARKET CAPITALIZATION BY INDEX AND NATIONALITY

	Dec.11		Sep.12		Dec.11 - Sep.12 Change Foreign	Dec.11 - Sep.12 Change Domestic
	FOREIGN	DOMESTIC	FOREIGN	DOMESTIC		
XUTUM	93,688,054,640	57,280,633,098	115,162,097,742	63,397,821,248	23%	11%
XU100	78,827,384,186	40,909,938,212	101,982,920,056	46,609,642,002	29%	14%
XU030	64,043,389,395	25,060,238,709	81,764,248,564	27,649,956,467	28%	10%
XU050	74,109,537,036	31,579,518,749	94,179,822,131	35,435,337,751	27%	12%
XUSIN	25,157,078,636	20,534,268,588	30,239,447,773	23,108,939,194	20%	13%
XUHIZ	20,309,297,928	7,936,158,065	23,906,557,677	8,992,427,255	18%	13%
XUMAL	47,894,768,358	27,713,989,482	60,618,660,995	30,309,573,817	27%	9%
XUTEK	326,909,718	1,096,216,964	397,431,297	986,880,982	22%	-10%
XCRT	9,622,125,349	1,632,757,334	9,638,494,232	1,924,517,294	0%	18%
XBANK	35,139,499,932	14,216,991,304	45,699,233,556	16,195,757,997	30%	14%
XHOLD	10,473,719,310	8,562,079,080	12,041,656,294	9,409,146,547	15%	10%

The market capitalization of both foreign and domestic investors has increased compared to 2011-end across all indices. The only exception has been the 10% decline in the Technology index held by domestic investors. The highest increase in foreign investors was observed in the Banks index, while in the domestic investors the best performance belonged to the Commercial index.

10. FOREIGN INVESTORS BY PORTFOLIO VALUE AND RESIDENCE

***1,227 investors
resident in the US
hold one third of
the foreign
investment at the
ISE while US and UK
investors hold more
than half of the
total foreign
investment.***

LOCATION	PORTFOLIO VALUE (TL)	SHARE
USA	37,602	33%
UK	25,599	22%
LUXEMBOURG	4,711	4%
NORWAY	3,972	3%
HOLLAND	3,749	3%
FRANCE	3,523	3%
IRELAND	3,400	3%
GREECE	2,810	2%
SINGAPORE	2,137	2%
SAUDI ARABIA	2,018	2%
OTHER	25,953	22%

As of September 2012, the highest portfolio values belong to investors residing in the US, the UK and Luxembourg. The total number of investors in the US increased from 1,190 in May 2012 to 1,227 in September. One third of the total foreign investment at the ISE belongs to investors resident in the US while US and UK investors hold more than half of the total foreign investment at the ISE.