



BIST TRENDS REPORT

By

**TUYID – TURKISH INVESTOR RELATIONS
SOCIETY**

&

MKK – CENTRAL REGISTRY AGENCY

Volume XV: January – December 2015

January 15, 2016

January 15, 2016

Dear Readers,

We proudly present Volume 15 of Borsa Istanbul Trends Report, which provides index-based information on public offerings, market capitalization, free float and trade volumes by investor type, for 2015.

2015 was a quiet year for IPOs. 6 initial public offerings that took place in the year yielded TL 119 million in proceeds and attracted interest mainly from domestic investors.

Market capitalization of the 308 companies traded on Borsa Istanbul declined by 13% YoY in TL terms and 30% YoY in US\$ terms in 2015. A challenging environment and low risk appetite resulted in US\$ 2.5 million net foreign outflow in Borsa Istanbul. Foreign investors were net buyers only in 2Q15 with a net inflow of US\$ 852 million, while the highest net outflow took place in 4Q15 with US\$ 1.6 billion.

The total trade volume increased by 18% YoY in TL terms. Foreign investors' share in trade volume and market capitalization was 22% and 62%, respectively.

The holding period in BIST 100 was 230 days for foreign investors and 33 days for domestic investors, lower compared to the previous year.

Borsa Istanbul remained among the most liquid stock exchanges in the world with 196% share turnover velocity as of November 2015, ranking fourth among the members of the World Federation of Exchanges.

We hope to meet again in our next report that will cover the first quarter of 2016.

MKK General Manager and Board Member

Assoc. Prof. Yakup ERGİNCAN

TUYİD Chairwoman

Özge Bulut Maraşlı

DISCLOSURE ABOUT THE NUMBERS OF COMPANIES IN INDICES

As per Borsa Istanbul Stock Indices Ground Rules Article “2.9 Excluded Stocks”, “Stocks traded on the Free Trade Platform and the Watch list Companies Market are not included in any of BIST Stock Indices. Stocks included in lists C and D and traded on the Emerging Companies Market are not included in any of BIST Stock Indices except BIST SME Industrial index.” since January 02, 2015. The related details are available at the below link.

<http://www.kap.gov.tr/bildirim-sorgulari/bildirim-detayi.aspx?id=404597>

Due to this change, there are noticeable differences in the number of companies included in the indices as of the end of the first and the second quarters of 2015 compared to 2014 year-end.

Disclaimer: The evaluations and the information in this Report, where detailed statistics are presented about stocks listed on Borsa Istanbul, are prepared based on Central Registry Agency’s database. Investment information, comment and advices are not in the enclosure of investment consultancy and do not comprise information for buying and selling decisions in the capital markets. The data and the information in the Report cannot be guaranteed to be correct; the content can be changed without notice. All the data are taken from the sources thought to be reliable. MKK and TUYID cannot be taken responsible for the problems that might emerge out of using these sources.

Acknowledgements: We express our gratitude to MKK Foreign Affairs and Reporting Management Department Manager Ph.D. Özgür Uysal, Assistant Manager Levent Ürgenç, Senior Specialist Ph.D. Fatih Kiraz, Chairwoman of TUYID Publications Working Group Aslı Selçuk and TUYID Member Eren Öner for their contributions.

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1. PUBLIC OFFERINGS BY INDEX

In 2015, six initial public offerings took place in Borsa Istanbul Equity and Emerging Companies Markets, yielding TL 119 million in proceeds.

INDEX	2013	2014	2015
BIST BANK	16	15	11
BIST HOLDING AND INVESTMENT	40	39	37
BIST TRADE	21	22	20
BIST SERVICES	64	61	58
BIST FINANCIAL	105	104	87
BIST INDUSTRY	171	171	149
BIST TECHNOLOGY	16	15	14
BIST ALL	356	351	308

The number of public offerings that took place in Borsa Istanbul Equity and Emerging Companies Markets and the resulting proceeds declined significantly. Nine initial public offerings had taken place in Borsa Istanbul in 2014, yielding TL 690 million in proceeds, which declined to six initial public offerings in 2015, yielding TL 119 million. Low borrowing costs and fluctuations in the domestic market had an important influence on this trend in the recent years. The interest mainly came from domestic investors, as the companies that went public were relatively small capital companies. The number of companies traded in BIST ALL decreased to 308 in 2015 from 351 a year ago.

Initial Public Offerings Company Name	Float (%)	Nominal Amount (TL)	Total Proceeds (TL)	Total Proceeds (US\$)	Initial Trade Date	Number of Buyers	
						Domestic	Foreign
Hedef Girişim Sermayesi Yatırım Ortaklığı A.Ş.	74.75	14.950.000	23.172.500	9.911.673	03/02/2015	307	-
Senkron Güvenlik ve İletişim Sistemleri A.Ş.	40.00	2.680.000	14.070.000	6.018.221	04/03/2015	199	-
Özerden Plastik Sanayi ve Ticaret A.Ş.	19.98	1.750.000	4.742.500	1.921.830	18/02/2015	114	
Bantaş Bandırma Ambalaj San.ve Tic. A.Ş:	40	8.500.000	20.400.000	3.198.013	18/05/2015	729	3
Seyitler Kimya Sanayi A.Ş.	21	1.800.000	5.040.000	1.823.840	03/08/2015	109	
Verusaturk Girişim Sermayesi Yat. Ort. A.Ş.	42	22.000.000	51.920.000	17.958.562	17/11/2015	458	1

Source: BIST - <http://borsaistanbul.com/veriler/verileralt/halka-arz-verileri>

2. FREE FLOAT

INDEX	FREE FLOAT			EFFECTIVE FREE FLOAT		
	2013	2014	2015	2013	2014	2015
BIST BANK	42.30%	42.12%	46.24%	32.89%	32.37%	34.93%
BIST HOLDING AND INVESTMENT	37.32%	39.30%	41.35%	31.36%	30.92%	30.22%
BIST TRADE	49.98%	50.67%	51.20%	43.16%	37.65%	36.93%
BIST 30	38.07%	39.25%	40.38%	34.37%	33.94%	36.39%
BIST 50	36.89%	38.87%	39.89%	33.07%	33.11%	35.31%
BIST 100	38.34%	39.54%	40.08%	32.09%	31.51%	33.81%
BIST SERVICES	33.50%	34.61%	36.36%	27.79%	27.09%	29.23%
BIST FINANCIAL	41.27%	41.72%	44.69%	32.02%	31.88%	33.70%
BIST INDUSTRY	38.63%	39.61%	39.06%	26.53%	27.89%	28.95%
BIST TECHNOLOGY	22.59%	24.13%	24.71%	19.51%	20.06%	19.88%
BIST ALL	38.57%	39.34%	40.74%	29.35%	29.55%	30.97%

Between 2013 and 2015, the free float of Borsa Istanbul increased by 2.17 points and reached 40.74%.

Effective free float ratio increased by 1.62 points over the same period and reached 30.97%.

Between 2013 and 2015, the free float of Borsa Istanbul increased by 2.17 points and reached 40.74%. Over the same period, effective free float increased by 1.62 points and reached 30.97%.

In 2015, similar to 2013 and 2014, the highest free float and effective free float ratios were seen in BIST Trade index. Following BIST Trade, BIST Bank index was the second index with the highest free float. BIST Bank had the highest year-on-year increase in free float among all indices with 4.12 points.

The free floats of BIST Bank, BIST Industry and BIST Financial indices rose in 2015, while a slight decrease was seen in BIST Trade, BIST Holding and Investment and BIST Technology.

Note: Capital Markets Board of Turkey changed the definition of "effective free float" with a decision taken in October starting from 1 January 2015. In line with this decision, the threshold of shares owned by individual and institutional shareholders, which was excluded from the effective free float definition, was increased from 5% to 10%. This change has also contributed to the increase in effective free float rate.

3. MARKET CAPITALIZATION

The market capitalization of BIST All decreased by 13% and 30%, respectively, in TL and US\$ terms.

MILLION TL	Dec. 2014	Dec.2015	YoY Change
BIST BANK	184.747	138.078	-25%
BIST HOLDING AND INVESTMENT	86.196	79.786	-7%
BIST TRADE	32.636	33.746	3%
BIST 30	421.036	346.491	-18%
BIST 50	481.254	397.132	-17%
BIST 100	537.645	452.541	-16%
BIST SERVICES	135.188	114.884	-15%
BIST FINANCIAL	300.906	246.538	-18%
BIST INDUSTRY	175.161	167.447	-4%
BIST TECHNOLOGY	8.270	11.741	42%
BIST ALL	619.526	540.544	-13%

MILLION US\$	Dec.2014	Dec.2015	YoY Change
BIST BANK	79.396	47.318	-40%
BIST HOLDING AND INVESTMENT	37.043	27.342	-26%
BIST TRADE	14.025	11.564	-18%
BIST 30	180.943	118.739	-34%
BIST 50	206.822	136.093	-34%
BIST 100	231.056	155.081	-33%
BIST SERVICES	58.098	39.370	-32%
BIST FINANCIAL	129.316	84.486	-35%
BIST INDUSTRY	75.277	57.382	-24%
BIST TECHNOLOGY	3.554	4.024	13%
BIST ALL	266.245	185.238	-30%

2015 was extremely challenging in terms of global markets. Currency and stock markets fluctuated significantly with news flow on oil and commodity prices, expectations of FED's interest rate hikes and geopolitical risks. Emerging market currencies were significantly fragile against US\$. After FED's 25 basis point rate hikes, markets reared up in December, where the optimism was short-lived due to China related risks and global growth concerns. Elections were the main agenda item in Turkey and the Turkish lira depreciated significantly against the dollar and the euro, with 25% and 12%, respectively.

After 2 years of increase, MSCI World index closed 2015 with a 0.32% decline. MSCI Emerging Markets index was down by 14.9%, marking three consecutive years of decline. MSCI EM EMEA index, where Turkey has 8.5% share also declined by 20%.

As a result of the low risk appetite, market capitalization of BIST ALL declined by 30% in US\$ terms year-on-year. While the highest decline was seen in BIST Bank with 40%, the only increase was seen in BIST Technology with 13%.

4. TRADE VOLUME

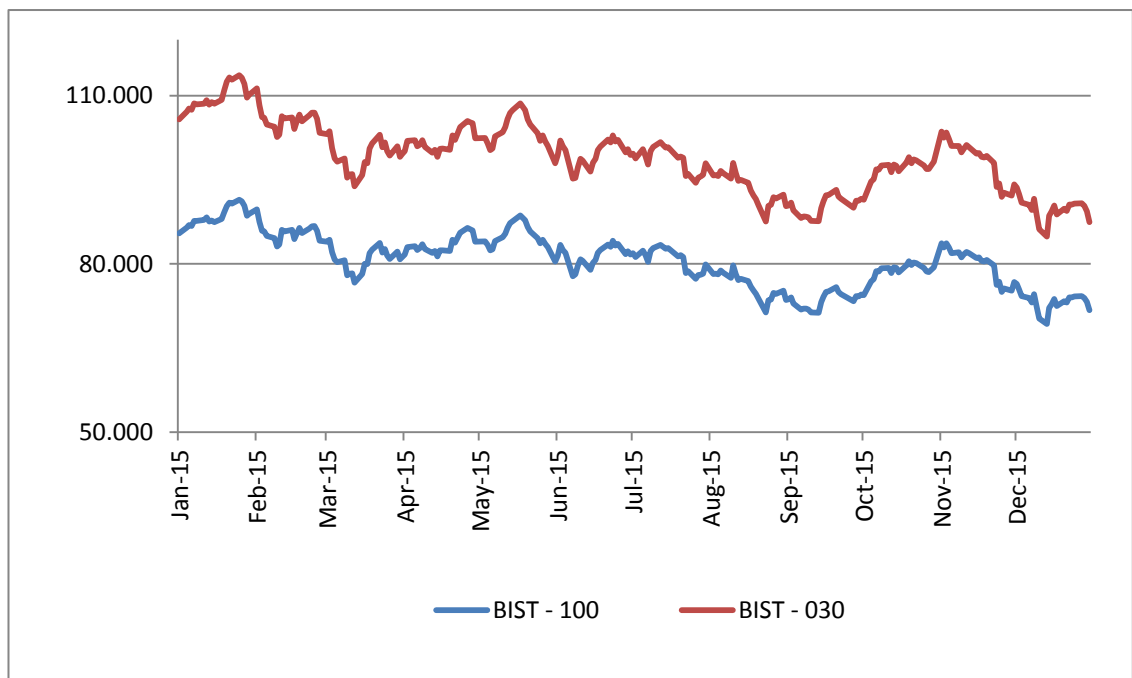
NOMINAL VALUE (Million)	2012	2013	2014	2015	2013-2014 Change	2014-2015 Change
BIST BANK	49.836	53.658	63.367	67.264	18%	6%
BIST HOLDING AND INVESTMENT	29.943	35.560	23.855	23.608	-33%	-1%
BIST TRADE	3.219	2.746	4.152	5.325	51%	28%
BIST 30	94.325	107.193	110.874	110.829	3%	0%
BIST 50	105.586	119.081	126.564	128.203	6%	1%
BIST 100	125.447	142.490	151.813	155.893	7%	3%
BIST SERVICES	17.874	24.133	28.191	30.274	17%	7%
BIST FINANCIAL	95.760	106.606	106.933	106.253	0%	-1%
BIST INDUSTRY	45.339	49.359	47.769	47.500	-3%	-1%
BIST TECHNOLOGY	1.678	2.001	1.540	3.129	-23%	103%
BIST ALL	160.650	182.100	184.626	187.105	1%	1%

MILLION TL	2012	2013	2014	2015	2013-2014 Change	2014-2015 Change
BIST BANK	256.382	358.733	423.539	467.838	18%	10%
BIST HOLDING AND INVESTMENT	50.605	79.875	59.804	74.102	-25%	24%
BIST TRADE	20.490	22.075	23,754	32.643	8%	37%
BIST 30	407.899	592.408	678.947	737.413	15%	9%
BIST 50	473.273	639.540	723.277	811.769	13%	12%
BIST 100	523.392	712.684	792.901	929.040	11%	17%
BIST SERVICES	83.579	130.391	157.048	175.693	20%	12%
BIST FINANCIAL	337.139	475.841	524.133	577.225	10%	10%
BIST INDUSTRY	167.952	183.384	171.405	234.191	-7%	37%
BIST TECHNOLOGY	17.543	9.483	6.648	23.430	-30%	252%
BIST ALL	606.213	799.099	859.590	1.010.456	8%	18%

MILLION US\$	2012	2013	2014	2015	2013-2014 Change	2014-2015 Change
BIST BANK	143.151	188.643	193.631	173.736	3%	-10%
BIST HOLDING AND INVESTMENT	28.286	42.521	27.300	27.700	-36%	1%
BIST TRADE	11.458	11.621	10.858	12.087	-7%	11%
BIST 30	227.855	311.951	310.256	273.765	-1%	-12%
BIST 50	264.410	337.058	330.460	301.304	-2%	-9%
BIST 100	292.478	375.740	362.229	345.385	-4%	-5%
BIST SERVICES	46.746	68.834	71.695	65.178	4%	-9%
BIST FINANCIAL	188.310	250.323	239.599	214.599	-4%	-10%
BIST INDUSTRY	93.950	97.238	78.263	87.290	-20%	12%
BIST TECHNOLOGY	9.02	5.091	3.046	8.714	-40%	186%
BIST ALL	338.808	421.486	392.770	375.753	-7%	-4%

The trade volume in Borsa Istanbul rose 18% in TL terms but decreased in US\$ terms by 4%.

In 2015, the trade volume continued to rise in nominal terms and in TL basis, where the highest contribution came from BIST Industry and BIST Bank indices. All through the year, the high volatility increased the trade volumes, while the risk appetite was affected by elections, geopolitical risks and global agenda. Trade volume in BIST ALL increased in TL basis by 18%, however decreased in US\$ basis by 4%. The highest increase was seen in BIST Technology by 252% with the effect of low year base.



Borsa Istanbul continued to be one of the most liquid stock exchanges in the world with 196% share turnover velocity as of November 2015, ranking fourth among the members of the World Federation of Exchanges.

(Source: <http://www.world-exchanges.org/>)

5. FOREIGN TRANSACTIONS – NET INFLOW AND OUTFLOW

The only net foreign inflow in 2015 took place in 2Q. Total net foreign outflow for the year reached US\$ 2.5 billion.

US\$ Million	2012	2013	2014	2015
BIST BANK	2.194	(1.221)	1.048	(1.542)
BIST HOLDING AND INVESTMENT	211	496	239	27
BIST TRADE	164	(1)	(9)	(25)
BIST 30	3.021	(905)	1.784	(2.553)
BIST 50	5.024	(953)	1.963	(2.794)
BIST 100	5.389	(572)	2.058	(2.739)
BIST SERVICES	659	109	233	(675)
BIST FINANCIAL	2.707	(916)	1.430	(1.500)
BIST INDUSTRY	2.013	395	535	(361)
BIST TECHNOLOGY	38	(7)	78	34
BIST ALL	5.407	(418)	2.287	(2.503)

In 2015, net foreign outflow reached US\$ 2.5 billion in Borsa Istanbul. Only 2Q15 saw a net foreign inflow of US\$ 852 million, whereas the highest net outflow took place in 4Q15 with US\$ 1.6 billion.

The highest inflow was seen in April with US\$ 537 million, whereas the highest outflow took place in November with US\$ 1.1 billion.

US\$ Million	1Q15	2Q15	3Q15	4Q15	Total
BIST ALL	-815	852	-937	-1.603	-2.503
BIST 100	-840	476	-935	-1.441	-2.739
BIST 30	-879	480	-817	-1.337	-2.553
BIST 50	-929	466	-944	-1.387	-2.794
BIST INDUSTRY	-97	136	-113	-287	-361
BIST SERVICES	-461	316	-131	-400	-675
BIST FINANCIAL	-267	377	-691	-917	-1.500
BIST TECHNOLOGY	9	24	-2	3	34
BIST TRADE	-11	3	-4	-14	-25
BIST BANK	-447	60	-650	-505	-1.542
BIST HOLDING AND INVESTMENT	99	340	-40	-371	27

The outflow in November was higher than the net outflow of the whole third quarter.

The highest outflow was seen in BIST Bank index, which has the highest trade volume and depth, whereas BIST Holding and Investment and BIST Technology indices closed the year with net foreign inflows. BIST Holding and Investment was the only index which closed the year with net inflow for four consecutive years. BIST Services and BIST Industry indices had a net foreign inflow in the last three years, however they closed the year with US\$ 675 million and US\$ 361 million net outflow, respectively.

US\$ Million	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
BIST ALL	409	-724	-500	537	17	298	-247	-459	-231	170	-1.135	-638	-2.503
BIST 100	383	-740	-482	529	-11	-42	-265	-451	-218	177	-1.077	-541	-2.739
BIST 30	397	-715	-561	488	16	-24	-236	-394	-188	182	-1.037	-482	-2.553
BIST 50	373	-735	-568	479	18	-31	-275	-445	-224	177	-1.045	-518	-2.794
BIST INDUSTRY	-84	-25	12	109	-16	43	-81	-27	-5	66	-187	-166	-361
BIST SERVICES	-138	-253	-70	202	77	37	44	-158	-16	-4	-277	-118	-675
BIST FINANCIAL	631	-456	-442	214	-48	211	-221	-267	-204	110	-683	-346	-1.500
BIST TECHNOLOGY	0,3	9	-0,1	12	5	7	11	-7	-6	-2	13	-8	34
BIST TRADE	28	-25	-15	9	-0,3	-5	-15	-7	18	19	-9	-24	-25
BIST BANK	485	-472	-460	159	-8	-91	-180	-251	-220	77	-433	-149	-1.542
BIST HOLDING AND INVESTMENT	63	-4	39	35	-37	342	-30	-19	9	8	-194	-186	27

BIST Holding and Investment index was the only index, which closed the year with net inflow for four consecutive years.

The highest inflow was seen in April with US\$ 537 million, whereas the highest outflow took place in November with US\$ 1.1 billion. The outflow in November was higher than the net outflow of the whole third quarter. This outflow was seen as net inflow in BIST Services and BIST Technology in April-June period.

6. TRADE VOLUME BY INVESTOR TYPE

INDEX	2015		2014		4Q15		3Q15		2Q15		1Q15	
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Dom
BIST ALL	22%	78%	20%	80%	22%	78%	23%	77%	21%	79%	23%	77%
BIST 030	27%	73%	24%	76%	26%	74%	28%	72%	27%	73%	29%	71%
BIST 050	26%	74%	23%	77%	24%	76%	27%	73%	25%	75%	28%	72%
BIST 100	24%	76%	22%	78%	23%	77%	24%	76%	23%	77%	25%	75%
BIST INDUSTRY	19%	81%	17%	83%	19%	81%	23%	77%	16%	84%	17%	83%
BIST SERVICES	24%	76%	20%	80%	22%	78%	25%	75%	23%	77%	25%	75%
BIST TRADE	28%	72%	26%	74%	37%	63%	25%	75%	20%	80%	30%	70%
BIST FINANCIAL	24%	76%	22%	78%	23%	77%	23%	77%	23%	77%	26%	74%
BIST BANK	23%	77%	21%	79%	21%	79%	22%	78%	22%	78%	26%	74%
BIST HOLDING INVESTMENT	31%	69%	27%	73%	37%	63%	30%	70%	28%	72%	28%	72%
BIST TECHNOLOGY	6%	94%	7%	93%	10%	90%	5%	95%	6%	94%	5%	95%

In 2015, domestic investors generated 78% of the trade volume on Borsa Istanbul.

In 2015, the share of foreign investors in BIST ALL trade volume was 22%. The highest foreign trade volume took place in 1Q15 with 23.30%, while the lowest was seen in 2Q15 with 20.98%. It decreased to 21.51% in 4Q15 compared to the

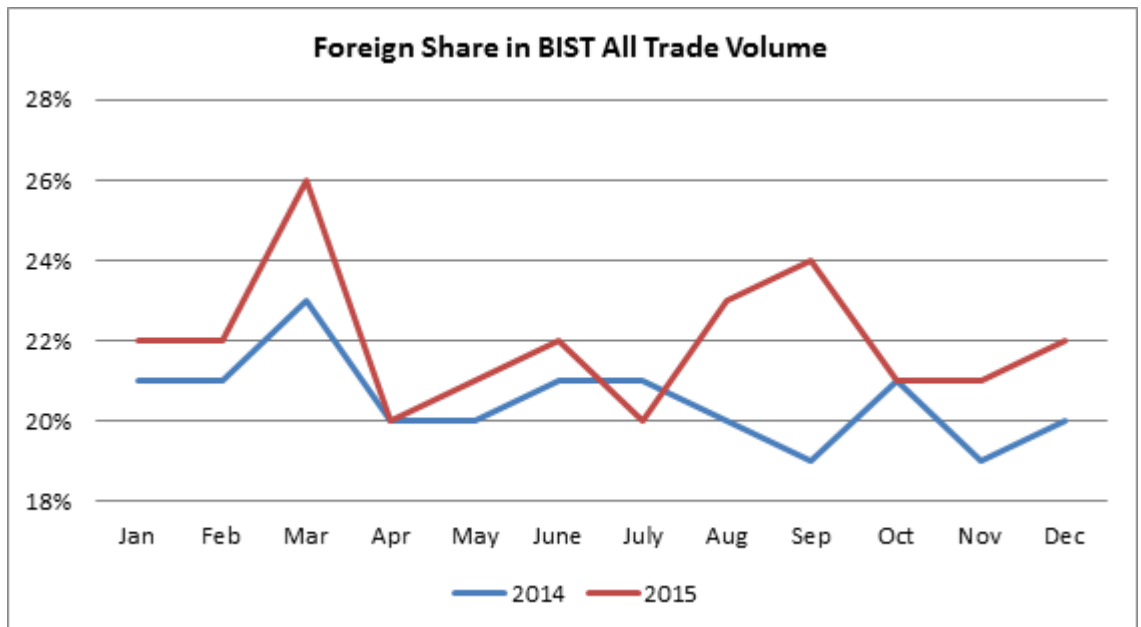
22.58% level in 3Q15. The foreign share in trade volume reached highest and the lowest levels in March by 26.15% and in April by 19.92%. In the previous year, the lowest and the highest levels were 18.82% and 22.72%, respectively.

The highest foreign trade volume took place in BIST Holding and Investment index with 29%, while the lowest volume was seen in BIST Technology with 5%.

In 2015, compared to the previous year, foreign trade volume declined in BIST Technology, but increased in all other indices. The highest increase was seen in BIST Services and BIST Holding and Investment. In 4Q15, compared to the third quarter, the foreign trade volume declined in all indices except BIST Trade, BIST Holding and Investment and BIST Technology indices. The increase in the foreign share of these three indices' trade volume was remarkable, with 12%, 7% and 5%, respectively.

In 4Q15, the rise of the foreign share in BIST Trade and BIST Holding and Investment indices was remarkable.

All through the year, the highest foreign trade volume took place in BIST Holding and Investment index, while the lowest was seen in BIST Technology.



7. NUMBER OF INVESTORS AND MARKET CAPITALIZATION

As of December 2015, foreign investors represent only 1% of the total Borsa Istanbul investor base. Their share in trade volume is 22% and they hold 62% of the total market cap.

As of 2015-end, the number of total investors at Borsa Istanbul reached 1,059,313, 99% of which are domestic investors. The number of investors decreased by 16,055 compared to 2014-end. December data showed that, although the number of domestic and foreign investors decreased, the total number of investors increased, compared to September.

In 2015, foreign investors held 22% share in BIST ALL trade volume and 62% share in market capitalization. The total equity portfolio of foreign investors was TL 141 billion.

Over 99% of the domestic investors are individuals and they hold 51% of the total market cap.

Institutional investors have a much higher share among foreign investors with 37%, compared to the domestic investors. This group holds 62% of the total market cap and almost the entire foreign portfolio.

Number of Investors		2015	2014	Sep. 2015	2015/2014	Dec./Sep.
Domestic	Institutional	5,625	5,840	5,663	-215	-38
	Individual	1,043,953	1,059,633	1,039,246	-15,680	4,707
	Total	1,049,578	1,065,473	1,044,909	-15,895	4,669
Foreign	Institutional	3,568	3,713	3,621	-145	-53
	Individual	6,167	6,182	6,101	-15	66
	Total	9,735	9,895	9,722	-160	13
Total		1,059,313	1,075,368	1,054,631	-16,055	4,682

8. NUMBER OF DOMESTIC AND FOREIGN INVESTORS BY INDEX

Number of Investors	Dec.15		Sep.15		Jun.15		Mar.15		Dec.14	
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic
BIST ALL	9,528	1,003,135	9,508	997,928	9,544	993,554	9,636	1,012,908	9,749	1,030,692
BIST 100	7,014	822,924	7,055	815,101	7,113	808,043	7,400	834,707	7,448	836,340
BIST 30	6,116	642,533	6,188	639,687	6,201	629,283	6,242	649,836	6,271	643,058
BIST 50	6,518	716,656	6,559	702,455	6,601	694,278	6,658	714,459	6,723	710,181
BIST INDUSTRY	4,436	550,608	4,447	546,235	4,447	545,312	4,549	558,060	4,636	569,238
BIST SERVICES	3,455	333,648	3,425	325,417	3,457	319,619	3,520	328,039	3,490	319,991
BIST FINANCIAL	7,214	617,685	7,143	614,932	7,254	608,836	7,307	625,688	7,310	642,174
BIST TECHNOLOGY	548	56,645	511	56,169	513	54,624	516	54,327	508	55,017
BIST TRADE	1,539	87,795	1,480	88,747	1,456	88,268	1,538	90,705	1,543	85,178
BIST BANK	3,612	334,402	3,633	330,357	3,758	318,294	3,834	332,877	3,818	337,778
BIST HOLDING AND INVESTMENT	4,869	301,607	4,770	300,680	4,766	301,738	4,828	311,324	4,867	316,492

In BIST 100, the number of foreign investors reached the highest level of the year with 7,400 in March and closed with 7,104, the lowest level of the year.

In BIST ALL, the number of foreign investors reached the highest level with 9,642 in February, saw the lowest level with 9,491 in August and closed the year with 9,528.

In BIST 100, the number of foreign investors reached the highest level of the year with 7,400 and closed with 7,104, the lowest level of the year.

At the end of 2015, compared to 2014, the number of foreign investors decreased in all indices except BIST Technology. On the other hand, the number of domestic investors increased in BIST 50, BIST Services, BIST Technology and BIST Trade but declined in all other indices.

In December, compared to September, the number of foreign investors decreased in BIST ALL, BIST 50, BIST Industry, BIST Bank and BIST Holding and Investment indices where other indices experienced an increase. However, in terms of domestic investors, a decline was seen only in BIST Trade but increased in all other indices.

9. MARKET CAPITALIZATION BY INDEX AND NATIONALITY

Market Capitalization (Billion TL)	Dec.15		Sep.15		Jun.15		Mar.15		Dec.14	
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic
BIST ALL	138	82	142	78	156	81	148	86	157	87
BIST 100	119	62	124	59	139	63	138	64	148	65
BIST 30	100	40	107	39	120	40	117	41	124	42
BIST 50	109	50	116	47	131	49	128	50	136	51
BIST INDUSTRY	34	31	37	30	40	31	37	32	37	32
BIST SERVICES	30	12	33	11	34	11	33	12	36	11
BIST FINANCIAL	72	38	71	36	81	38	77	40	83	43
BIST TECHNOLOGY	2	1	1	1	1	1	1	1	1	1
BIST TRADE	14	3	15	3	14	3	13	3	13	4
BIST BANK	46	18	44	17	52	17	52	19	57	21
BIST HOLDING AND INVESTMENT	20	13	22	12	23	12	19	14	19	14

In 2015, foreign investors in BIST 100 were net sellers with US\$ 541 million. In December, the number of foreign investors saw the lowest level of the year and foreign market capitalization declined to the lowest level of the year with TL 119 billion.

At the end of 2015, compared to 2014, the market capitalization of foreign investors declined in all other indices except BIST Technology, BIST Trade and BIST Holding and Investment. In December, the market capitalization of foreign investors in BIST 100 experienced the lowest level of the year with TL 119 billion and declined by 19% year-on-year. The market cap of BIST Financial, BIST Technology and BIST Bank increased in December compared to September, but declined in all other indices.

The domestic market capitalization increased in BIST Technology and BIST Services indices on a yearly basis. As for the quarterly basis, the domestic market cap increased in all indices except the slight decline in BIST Trade.

10. FOREIGN INVESTORS BY PORTFOLIO VALUE AND RESIDENCE

1,359 US based investors hold 30% of the foreign investments, while the investors based in US and UK hold 48% of the total foreign investment portfolio.

	Residence	Portfolio Value (Million TL)	Share
1	USA	42.962	30%
2	UK	24.749	18%
3	LUXEMBOURG	11.598	8%
4	HOLLAND	6.884	5%
5	GREECE	6.112	4%
6	IRELAND	4.604	3%
7	SINGAPORE	4.542	3%
8	CAYMAN ISLANDS	3.977	3%
9	NORWAY	3.737	3%
10	CANADA	2.494	2%
	OTHER	29.547	21%

In 2015, the top three countries with the highest portfolio value remained unchanged as US, UK and Luxembourg. 30% of the total foreign investments belong to 1,359 investors resident in US, while the investors based in US and UK hold 48% of the total foreign investment at BIST.

In 2014 and in 1Q15, France was among the top 10 countries, however dropped from the top holders list in 2Q15. Saudi Arabia, which entered the list in January, left its position to Canada in December. Greece rose to fifth position in 4Q15 from the bottom of the list in 2014 and in the first nine months of 2015. Its share has risen to 4% from 3%.

11. Holding Periods*

	2015		2014		2013		2012		2011	
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic
BIST ALL	251	39	290	41	313	42	389	46	316	37
BIST 100	230	33	268	34	287	37	343	40	275	35
BIST 30	214	28	243	26	260	27	305	33	251	35
BIST 50	223	30	259	29	279	30	330	35	261	35
BIST INDUSTRY	328	61	417	71	444	63	639	54	510	43
BIST SERVICES	304	32	352	30	370	35	533	46	431	33
BIST FINANCIAL	211	33	239	34	267	36	302	43	254	37
BIST TECHNOLOGY	315	19	571	55	332	39	324	21	218	17
BIST TRADE	571	50	688	66	651	63	837	41	453	34
BIST BANK	178	19	207	21	252	26	272	31	243	32
BIST HOLDING AND INVESTMENT	337	92	392	103	355	65	481	83	330	53

In 2015, the holding period of foreign investors in BIST 100 was 230 days. The longest holding period was in BIST Trade with 571 days and the shortest was in BIST Bank with 178 days.

The holding period of domestic investors in BIST 100 was 33 days. The longest holding period was in BIST Holding and Investment with 92 days and shortest was in BIST Bank with 19 days.

Foreign investors' long-term and domestic investors' short-term investment perspective has not changed in 2015. Foreign investors had an average holding period of 287 days, while domestic investors had a mere 40 days. As a result, domestic investors had a share of 78% in total trade volume.

In 2015, the holding period shortened for foreign investors in all indices. In BIST 100, the holding period declined from 343 days in 2012 to 230 days in 2015. In the last four years, the shortest holding period for foreign investors was observed in BIST Bank, whereas the longest holding period was in BIST Trade.

Since 2011, the longest holding period for domestic investors was seen in BIST Holding and Investment. The shortest holding period did not change in the last three years and was observed in BIST Bank.

In 2015, similar to 2014, the shortest holding period for both domestic and foreign investors was in BIST Bank, declining from 21 days to 19 days for the former and from 207 days to 178 days for the latter. The longest holding period for domestic investors continued to be in BIST Holding and Investment index, however it declined to 92 days from 103 days. Foreign investors preferred BIST Trade index for their long-term investments where the period declined to 571 days from 688 days. For foreign investors, the index with the highest decrease in holding period was BIST Technology with 256 days and BIST Trade with 117 days.

However, it should be noted that for foreign investors, these indices had the lowest number of investors and market value.

* For the calculation of holding periods, SEC's (Securities and Exchange Commission of USA) turnover-based formula for funds is used.

(Annual average value of the portfolio / smaller of the total buy and total sell transaction amounts) x 365

12. NUMBER OF INVESTORS AND MARKET CAPITALIZATION BY TYPE OF SECURITY

Type of Security	December 2014		December 2015	
	Number of Investors	Market Cap (Million TL)	Number of Investors	Market Cap (Million TL)
BIST Investment Fund	3,393	192	2,773	124
Government Bonds	21,441	210,063	28,058	185,838
Other Securities	618	3,075	1,583	3,344
Investment Fund	2,751,820	36,093	2,916,854	38,783
Private Sector Debt Instrument	137,825	44,815	136,756	46,811
Share Certificates	1,081,241	640,643	1,064,754	563,594
Structured Products	2,997	12	2,898	35
Total		934,893		838,529

13. INVESTOR RISK APPETITE INDEX

Below are comments on the Investor Risk Appetite Index (RISE) which has been announced by MKK since December 2012.

4Q15 was the most volatile quarter of the year 2015, RISE values were above the critical value of 50 in five of the twelve weeks. In contrast, for the first nine months of 2015, there were only three observations which are higher than 50. The year to year average RISE value for all investors is 39.8, which is the lowest of the last four years. Naturally, BIST 100 index also dropped (by 16.5%) in the same period of last twelve months. The RISE value (16) on March 20, 2015 in Q1 is the lowest and October 16, 2015 RISE value (60.4) in Q4 is the highest of this year.

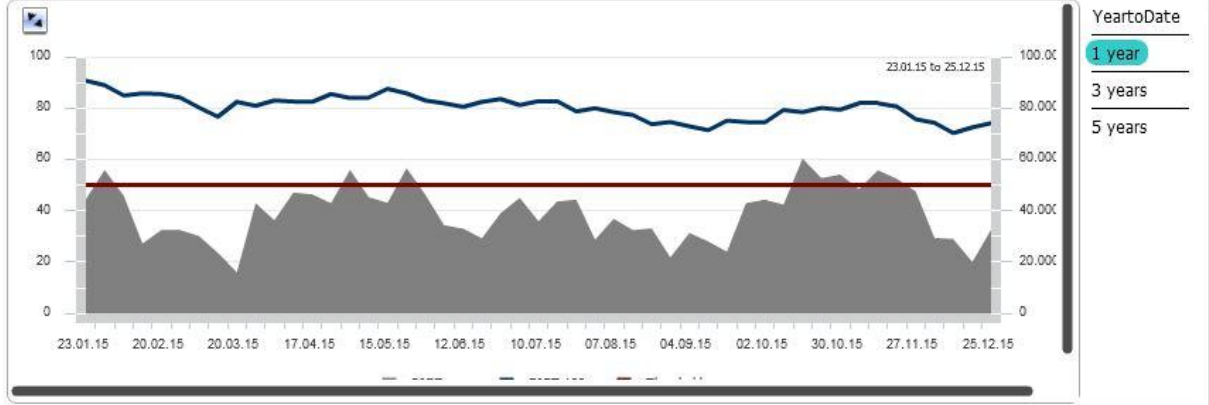
A significant point in 2015 is that domestic investors' risk appetite levels, except the last two months of Q2, are a little bit higher than the foreign investors' levels. Another important point for this year is that the domestic funds' RISE series is the most volatile whereas local individuals' series is the most stable among seven categories.

To sum it up, this year's RISE started at 48.5 which is a close value to the neutral point, and generally staying below that value, it closed at 32.6. RISE series' characteristics in these four quarters are a bit different. In Q1, series' means are lower but volatilities are higher, when compared to the figures of Q2. For Q3, both means and volatilities are lower than the first two quarters'. In Q4, means and volatilities are the highest of this year. This trend can be partially explained statistically and significantly with domination of high local political uncertainties throughout the period and the declining optimism towards emerging markets in general. More specifically, this year's key issues were general elections in Turkey, GREXIT possibility, commodity price falls, concerns on China economy, and ever-changing speculations on FED's interest rate decisions. All together, these issues seem to have resulted in confusion and poor appetite for risk in Turkish stock market and also in other stock markets, especially the emerging ones. The decline of uncertainties, in Q4, about elections and Fed interest rate improved the appetite locally, but temporarily and not very significantly.

RISE CHANGE METHOD

RISE LEVEL METHOD

All Investors Domestic Investors Foreign Investors Domestic Individuals Domestic Corporations Domestic Funds Qualified Investors

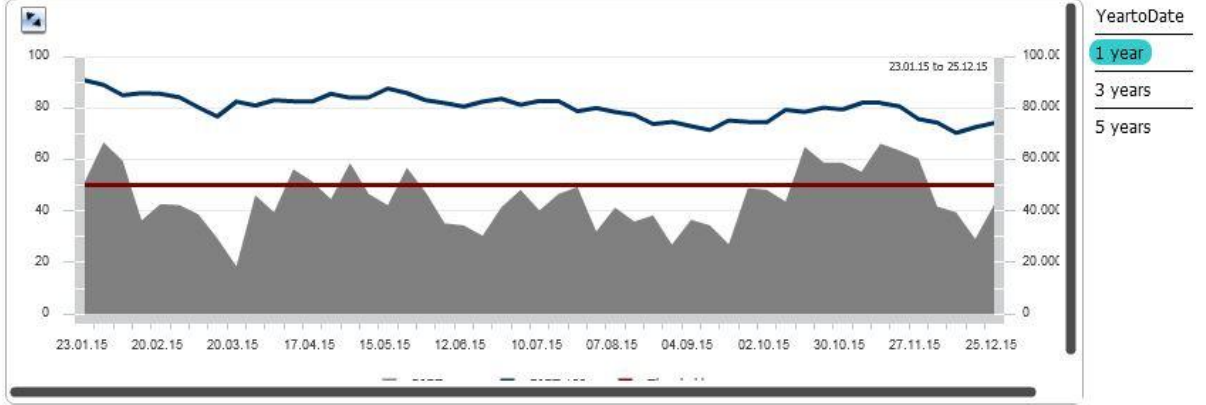


Last Value	32,6	Year to date change (%)	(32,81)
Week to week change (%)	62,99	Monthly low	18.12.2015 20,0
4 week change (%)	(31,50)	Monthly high	25.12.2015 32,6
12 week change (%)	(26,50)	Yearly low	20.03.2015 16,0
52 week change (%)	(27,67)	Yearly high	16.10.2015 60,4

RISE CHANGE METHOD

RISE LEVEL METHOD

All Investors Domestic Investors Foreign Investors Domestic Individuals Domestic Corporations Domestic Funds Qualified Investors



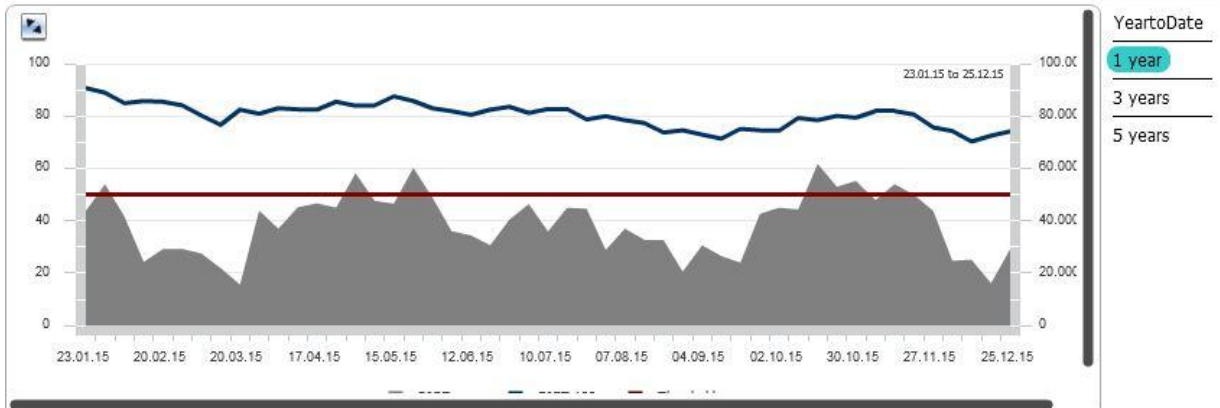
Last Value	42,4
Week to week change (%)	45,23
4 week change (%)	(29,72)
12 week change (%)	(12,07)
52 week change (%)	(19,30)

Year to date change (%)	(24,81)
Monthly low	18.12.2015 29,2
Monthly high	25.12.2015 42,4
Yearly low	20.03.2015 18,5
Yearly high	30.01.2015 66,7

RISE CHANGE METHOD

RISE LEVEL METHOD

All Investors Domestic Investors Foreign Investors Domestic Individuals Domestic Corporations Domestic Funds Qualified Investors



Last Value	29,2
Week to week change (%)	81,04
4 week change (%)	(33,21)
12 week change (%)	(35,22)
52 week change (%)	(33,58)

Year to date change (%)	(38,41)
Monthly low	18.12.2015 16,1
Monthly high	25.12.2015 29,2
Yearly low	20.03.2015 15,6
Yearly high	16.10.2015 61,8

Source: MKK - [https://portal.mkk.com.tr/portal/?locale=en#Investor-Risk-Appetite-Index-\(RISE\)](https://portal.mkk.com.tr/portal/?locale=en#Investor-Risk-Appetite-Index-(RISE))