



# **BIST TRENDS REPORT**

by

**TUYID – TURKISH INVESTOR RELATIONS  
SOCIETY**

&

**MKK – CENTRAL REGISTRY AGENCY**

## **Volume 7: January – December 2013**

20 January 2014

January 20, 2014

Dear Readers,

We proudly present Volume VII of the Borsa Istanbul Trends Report, which provides index-based information on public offerings, market capitalization, free float and trade volumes by investor type for 2013.

While FED's policies became the most important determinant for the entire world stock exchanges in 2013, Turkish capital markets decoupled, positively in the first part of the year, but negatively for the whole of 2013.

2013 was a year to remember for the Turkish capital markets and witnessed significant developments in terms of restructuring. The first quarter saw the transition of Istanbul Stock Exchange to Borsa Istanbul, paving the way for strategic partnerships and adoption of new market technologies. With several regulations enacted throughout the year, horizontal integration continued in Turkey's capital markets. Meanwhile Borsa Istanbul continued its vertical integration and made strategic partnerships which would allow the arrival of big corporate investors, who are unfamiliar with the Turkish markets. Within this context, Borsa Istanbul and NASDAQ OMX signed a landmark deal on December 31, 2013, which includes the delivery of market-leading technologies and advisory services to Borsa Istanbul, and NASDAQ OMX taking an equity stake in Borsa Istanbul. Further, the parties also agreed to work closely together to cement Borsa Istanbul's position and brand as the capital markets hub for the Eurasia region, serving global issuers, investors, and corporations.

In 2013, Borsa Istanbul launched Listing Istanbul, an entire framework of promotion, information, communication, marketing activities and processes aiming to increase the number of foreign securities listed on Borsa İstanbul, contributing to its position as a global financial center.

Borsa Istanbul witnessed new capital flows with eighteen new IPOs in 2013. The biggest IPO was Pegasus Hava Taşımacılığı A.Ş. with TL649 million proceeds. Emlak GYO, Turkey's largest SPO, except in the banking sector, also took place in 2013.

We wish you a year full of health, happiness and success.

MKK General Manager and Board Member

Doç. Dr. Yakup ERGİNCAN

TÜYİD Chairman

Abdullah Orkun KAYA

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The evaluations and the information in the Report, where you can find significant statistics about listed stocks in 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 announcing. All the data are taken from the sources thought to be reliable. MMK and TUYID cannot be taken responsible for the problems that might emerge out of using these sources.

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## 1. PUBLIC OFFERINGS BY INDEX

*In 2013, 9 initial public offerings took place in Borsa Istanbul equity market, generating USD 722 million proceeds.*

Index	2011 YE	2012 YE	2013 YE
BIST BANK	16	16	16
BIST HOLDING AND INVESTMENT	31	38	40
BIST TRADE	18	20	21
BIST SERVICES	53	58	64
BIST FINANCIAL	90	98	105
BIST INDUSTRY	170	180	171
BIST TECHNOLOGY	16	16	16
BIST ALL	329	352	356

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

*9 initial public offerings took place in Borsa Istanbul emerging companies market, with USD 33 million proceeds.*

In 2013, 9 initial public offerings (2012: 16 public offerings) took place in Borsa Istanbul equity market, generating USD 722 million proceeds (2012: USD 303 million). Although the number of IPOs declined compared to 2012, the increase in total proceeds is noteworthy. In 2013, following the public offering of "Halk Gayrimenkul Yatırım Ortaklığı A.Ş.", the public offering of "Pegasus Hava Taşımacılığı A.Ş." took place with the highest proceeds of USD 361 million in the second quarter. As a result, at the end of 2013, the number of companies traded in BIST All index increased, reaching 356.

### The IPOs in 2013 in Equity Market

Company Name	Nominal Value (TL)	Float (%)	Total Proceeds (TL)	Total Proceeds (US dollars)	Offering Price (TL)	First Trade Date	Number of Investor	
							Foreign	Domestic
Halk Gayrimenkul Yat. Ort. A.Ş.	185,500,000	28%	250,425,000	141,683,168	1.35	22.02.2013	7	18.616
Servet Gayrimenkul Yat. Ort. A.Ş.	13,000,000	25%	35,490,000	19,644,636	2.73	24.04.2013	-	443
Pegasus Hava Taşımacılığı A.Ş.	35,294,000	35%	649,409,600	360,983,658	18.4	26.04.2013	77	9,987
Royal Halı İplik Tekstil Mobilya San. Ve Tic. A.Ş.	17,250,000	29%	76,762,500	42,636,359	4.45	03.05.2013	6	4,706
Odaş Elektrik Üretim San. Tic. A.Ş.	12,000,000	29%	60,000,000	33,145,509	5	21.05.2013	14	667
Panora Gayrimenkul Yat. Ort. A.Ş.	21,750,000	25%	102,225,000	55,729,706	4.7	23.05.2013	-	5,210
Akyürek Tüketim Ürünleri Pazarlama Dağıtım ve Ticaret A.Ş.	16,500,000	36%	42,900,000	22,727,273	2.6	07.06.2013	1	1,226
Verusa Holding A.Ş.	7,000,000	35.00	79,100,000	38,585,366	11.30	19.11.2013	2	566
San-el Mühendislik Elektrik Taahhüt Sanayi ve Tic. A.Ş.	3,300,000	28.70	13,134,000	6,516,820	3.98	02.12.2013	2	639

In Borsa Istanbul emerging companies market, 9 initial public offerings took place (2012: 10 public offerings) with USD 33 million proceeds (2012: USD 49 million)

## 2. FREE FLOAT

INDEX	FREE FLOAT			EFFECTIVE FREE FLOAT		
	2011	2012	2013	2011	2012	2013
BIST BANK	40%	42%	42%	27%	33%	33%
BIST HOLDING AND INVESTMENT	38%	37%	37%	32%	32%	31%
BIST TRADE	48%	48%	50%	39%	42%	43%
BIST 30	37%	38%	38%	31%	34%	34%
BIST 50	36%	38%	37%	30%	33%	33%
BIST 100	37%	40%	38%	29%	33%	32%
BIST SERVICES	30%	33%	34%	22%	26%	28%
BIST FINANCIAL	39%	40%	41%	27%	32%	32%
BIST INDUSTRY	38%	40%	39%	26%	27%	27%
BIST TECHNOLOGY	27%	25%	23%	23%	21%	20%
BIST ALL	37%	39%	39%	26%	29%	29%

The analysis of the last three years' free float and effective free float, with the last public offerings and shareholders' registration of the non-public shares at CRA (MKK), shows an increase in the free floats of the companies traded in Borsa Istanbul. The increase in publicly traded portion of the companies poses a potential to attract investors with the increase in liquidity. As of the end of 2013, free float of the companies traded at the BIST-All is 29%.

When we look at the last three years, the highest effective free float is observed in the BIST Trade index. BIST Trade index shows the highest increase in free float YoY by 1.64% and BIST Services index shows the highest increase in effective free float by 1.61%. The biggest decline in the float and effective float has taken place in the BIST Technology index by 1.92% and 1.31%, respectively.

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.

***As of the end of 2013, free float of the companies traded at Borsa Istanbul is 39%, while the effective free float is 29%, same as 2012.***

### 3. MARKET CAPITALIZATION

*As of 2013-end, market capitalization of BIST ALL declined by 23% in USD terms, while BIST Bank index declined the most with 36%.*

MILLION TL	12.31.2011	12.31.2012	12.31.2013	Annual Change
BIST BANK	122,602	190,077	144,727	-24%
BIST HOLDING AND INVESTMENT	42,933	69,323	67,106	-3%
BIST TRADE	17,029	27,163	25,737	-5%
BIST 30	220,525	359,153	319,619	-11%
BIST 50	253,180	408,838	380,334	-7%
BIST 100	296,116	453,911	424,065	-7%
BIST SERVICES	83,466	108,960	111,154	2%
BIST FINANCIAL	183,721	282,780	238,519	-16%
BIST INDUSTRY	106,090	147,606	145,253	-2%
BIST TECHNOLOGY	3,611	5,994	5,590	-7%
BIST ALL	376,888	545,341	500,516	-8%

MILLION USD	12.31.2011	12.31.2012	12.31.2013	Annual Change
BIST BANK	64,906	106,929	67,934	-36%
BIST HOLDING AND INVESTMENT	22,729	38,998	31,499	-19%
BIST TRADE	9,015	15,281	12,081	-21%
BIST 30	116,748	202,044	150,028	-26%
BIST 50	134,036	229,994	178,527	-22%
BIST 100	156,766	255,350	199,054	-22%
BIST SERVICES	44,188	61,296	52,175	-15%
BIST FINANCIAL	97,263	159,080	111,960	-30%
BIST INDUSTRY	56,165	83,037	68,181	-18%
BIST TECHNOLOGY	1,912	3,372	2,624	-22%
BIST ALL	199,528	306,785	234,940	-23%

While FED's policies became the most important determinant for the entire world stock exchanges in 2013, with its own dynamics Turkish capital markets decoupled, positively in the first part of the year, but negatively for the whole of 2013.

Thanks to positive macro dynamics and Fitch's upgrade of Turkey's credit rating to investment grade, Borsa Istanbul closed 2012 with a successful performance. At the beginning of 2013, expectations of a second rating upgrade drove BIST-100 index to record levels. At the end of January, Moody's reaffirmed Turkey's credit rating, with no upgrade, and stated that Turkey's ability to maintain resilience against external shocks remained a key criterion for a possible credit upgrade, drawing attention to Turkey's current account deficit and bank reserves. A strong correction and profit-taking followed. The long-awaited second rating increase came from Moody's in the middle of May. The rise in internal and external risks also adversely affected the market. In the second half of 2013, Borsa Istanbul started decoupling negatively with the domestic developments. As a result, Borsa Istanbul, which was the second most profitable global stock exchange in 2012, closed 2013 with a 23% decline (BIST ALL, USD terms).

In 2013, the highest YoY decline in both TL and USD market capitalization was recorded in BIST Banks index by 24% and 36% respectively. Due to increase in the exchange rates, a decline is observed in all indices in USD terms. On the other hand, the only increase was witnessed at BIST Services index by 2% in TL terms.



#### 4. TRADE VOLUME

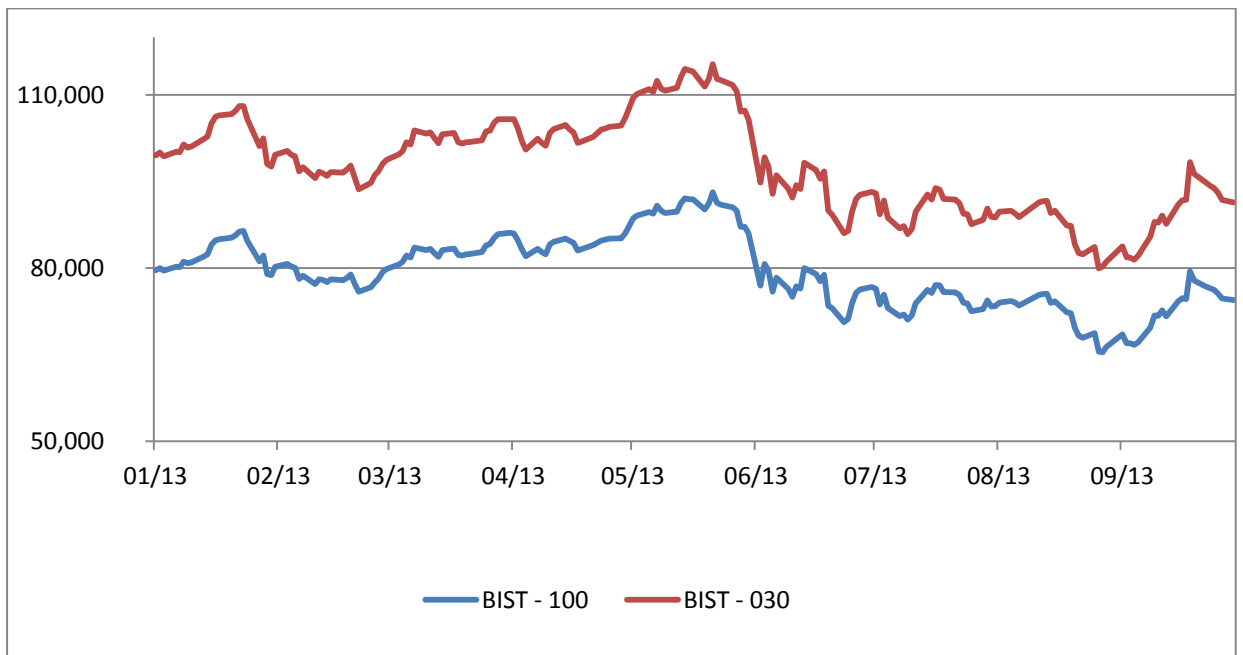
*In 2013, trade volumes in Borsa Istanbul increased by 32% in TL terms. BIST Financial index had the largest share in the total volume.*

NOMINAL VALUE (Million)	2011	2012	2013	Change in 2011-2012	Change in 2012-2013
BIST BANK	46,349	49,836	53,658	8%	8%
BIST HOLDING AND INVESTMENT	37,250	29,943	35,560	-20%	19%
BIST TRADE	3,958	3,219	2,746	-19%	-15%
BIST 30	101,209	94,325	107,193	-7%	14%
BIST 50	112,334	105,586	119,081	-6%	13%
BIST 100	145,812	125,447	142,450	-14%	14%
BIST SERVICES	20,324	17,874	24,133	-12%	35%
BIST FINANCIAL	108,085	95,760	106,606	-11%	11%
BIST INDUSTRY	58,783	45,339	49,359	-23%	9%
BIST TECHNOLOGY	1,846	1,678	2,001	-9%	19%
BIST ALL	189,038	160,650	182,100	-15%	13%

MILLION TL	2011	2012	2013	Change in 2011-2012	Change in 2012-2013
BIST BANK	242,774	256,382	358,733	6%	40%
BIST HOLDING AND INVESTMENT	69,215	50,605	79,875	-27%	58%
BIST TRADE	25,483	20,490	22,075	-20%	8%
BIST 30	393,750	407,899	592,408	4%	45%
BIST 50	456,537	473,273	639,540	4%	35%
BIST 100	564,201	523,392	712,684	-7%	36%
BIST SERVICES	106,042	83,579	130,391	-21%	56%
BIST FINANCIAL	364,485	337,139	475,841	-8%	41%
BIST INDUSTRY	187,912	167,952	183,384	-11%	9%
BIST TECHNOLOGY	17,985	17,543	9,483	-2%	-46%
BIST ALL	676,424	606,213	799,099	-10%	32%

MILLION USD	2011	2012	2013	Change in 2011-2012	Change in 2012-2013
BIST BANK	145,998	143,151	188,643	-2%	32%
BIST HOLDING AND INVESTMENT	42,531	28,286	42,521	-33%	50%
BIST TRADE	15,596	11,458	11,621	-27%	1%
BIST 30	238,592	227,855	311,951	-5%	37%
BIST 50	276,872	264,410	337,058	-5%	27%
BIST 100	343,658	292,478	375,740	-15%	28%
BIST SERVICES	65,113	46,746	68,834	-28%	47%
BIST FINANCIAL	220,828	188,310	250,323	-15%	33%
BIST INDUSTRY	115,269	93,950	97,238	-18%	3%
BIST TECHNOLOGY	10,965	9,802	5,091	-11%	-48%
BIST ALL	412,174	338,808	421,486	-18%	24%

In 2013, the highest increase in trade volumes in TL terms was recorded in BIST Holding and Investment indices compared to the previous year. BIST Service and BIST Financial indices followed. When we analyzed the last three years, we observe that the trade volume in BIST All closed the year at the peak of the last 3 years, although it had the highest fluctuations in 2013.



## 5. FOREIGN TRANSACTIONS – NET INFLOW AND OUTFLOW (Million USD)

*In 2013, net foreign outflow in Borsa Istanbul was USD 418 million. Highest foreign outflow took place in Bank index with USD 1.2 billion.*

(USD mn)	2013 1st Quarter	2013 2nd Quarter	2013 3rd Quarter	2013 4th Quarter	2013 Total
<b>BIST BANK</b>	358	(1,056)	(161)	(362)	(1,221)
<b>BIST HOLDING AND INVESTMENT</b>	144	288	102	(38)	496
<b>BIST TRADE</b>	38	26	(75)	10	(1)
<b>BIST 30</b>	405	(1,140)	328	(498)	(905)
<b>BIST 50</b>	489	(1,096)	276	(621)	(953)
<b>BIST 100</b>	553	(1,176)	222	(171)	(572)
<b>BIST SERVICES</b>	156	(104)	86	(29)	109
<b>BIST FINANCIAL</b>	496	(782)	(59)	(570)	(916)
<b>BIST INDUSTRY</b>	(85)	(226)	225	482	395
<b>BIST TECHNOLOGY</b>	13	(27)	11	(4)	(7)
<b>BIST ALL</b>	579	(1,139)	264	(121)	(418)

(USD mn)	2012 Total	2013 Total
<b>BIST BANK</b>	2,194	(1,221)
<b>BIST HOLDING AND INVESTMENT</b>	211	496
<b>BIST TRADE</b>	164	(1)
<b>BIST 30</b>	3,021	(905)
<b>BIST 50</b>	5,024	(953)
<b>BIST 100</b>	5,389	(572)
<b>BIST SERVICES</b>	659	109
<b>BIST FINANCIAL</b>	2,707	(916)
<b>BIST INDUSTRY</b>	2,013	395
<b>BIST TECHNOLOGY</b>	38	(7)
<b>BIST ALL</b>	5,407	(418)

Borsa Istanbul closed 2012 with total net foreign inflow of USD 5,4 billion and 2013 with net foreign outflow of USD 418 million. Despite the inflow seen in the first and third quarters, index closed the year in negative, due to the sharp foreign outflow in the second quarter.

In 2013, against the outflow seen in Bank index, foreign inflow is observed in BIST Industry, BIST Service and Holding and BIST Investment indices, implying that the foreign investors left the financial sector and inclined more towards Holdings, service and industrial companies.

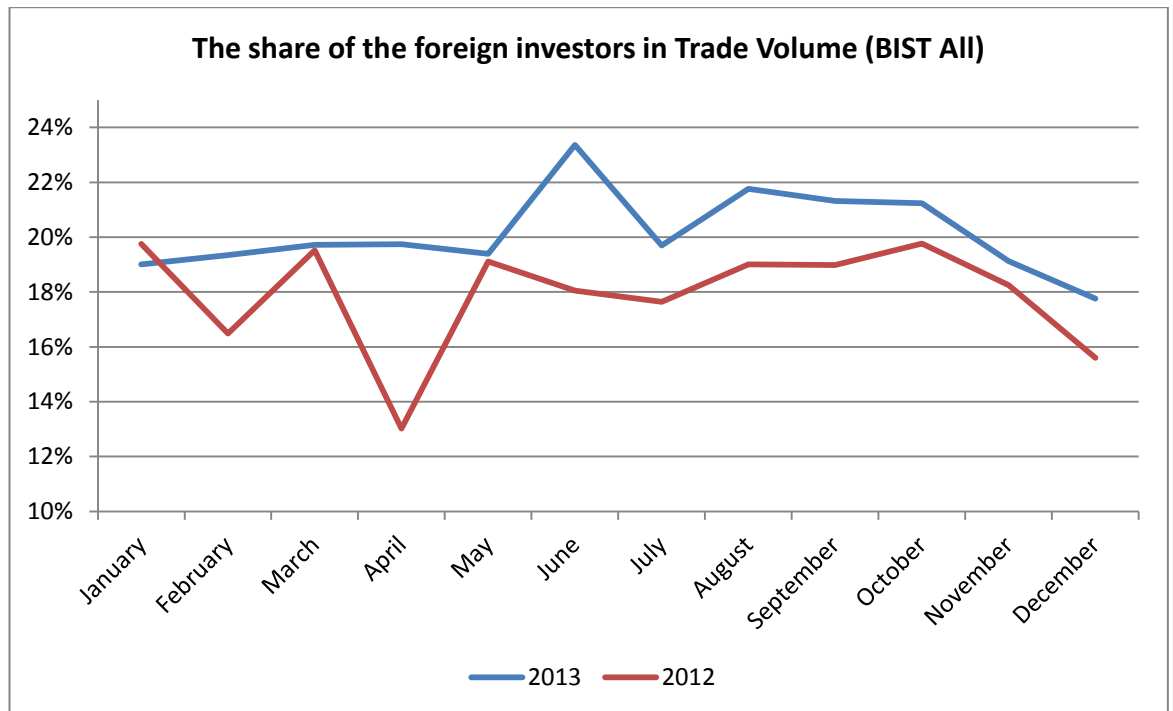
## 6. TRADE VOLUME BY INVESTOR TYPE (over TL value)

*In 2013, domestic investors generated 80% of the trade volume in Borsa Istanbul.*

Index	Mar.13		Jun.13		Sept.13		Dec.13	
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic
BIST BANK	20%	80%	23%	77%	21%	79%	18%	82%
BIST HOLDING AND INVESTMENT	24%	76%	26%	74%	25%	75%	21%	79%
BIST TRADE	23%	77%	26%	74%	25%	75%	21%	79%
BIST 30	22%	78%	25%	75%	23%	77%	19%	81%
BIST 50	14%	86%	20%	80%	16%	84%	15%	85%
BIST 100	23%	77%	25%	75%	20%	80%	21%	79%
BIST SERVICES	31%	69%	32%	68%	31%	69%	25%	75%
BIST FINANCIAL	22%	78%	24%	76%	24%	76%	18%	82%
BIST INDUSTRY	23%	77%	25%	75%	24%	76%	19%	81%
BIST TECHNOLOGY	19%	81%	25%	75%	24%	76%	20%	80%
BIST ALL	8%	92%	8%	92%	4%	96%	11%	89%

The share of foreign investors in trade volume in BIST All was 19% in the first quarter of 2013 and reached the highest level of the year with 23% in June. In the second and third quarters, foreign share was 21%, declining to 19% in the last quarter and, due to the impact of Christmas holiday, saw the lowest level of the year with 18% in December. In 2013, the average share of foreign investors in the trade volume increased by 2 percentage points compared to the previous year and reached 20%.

*In June, the share of the foreign investors' trade volume reached the highest level of the year with 23%.*



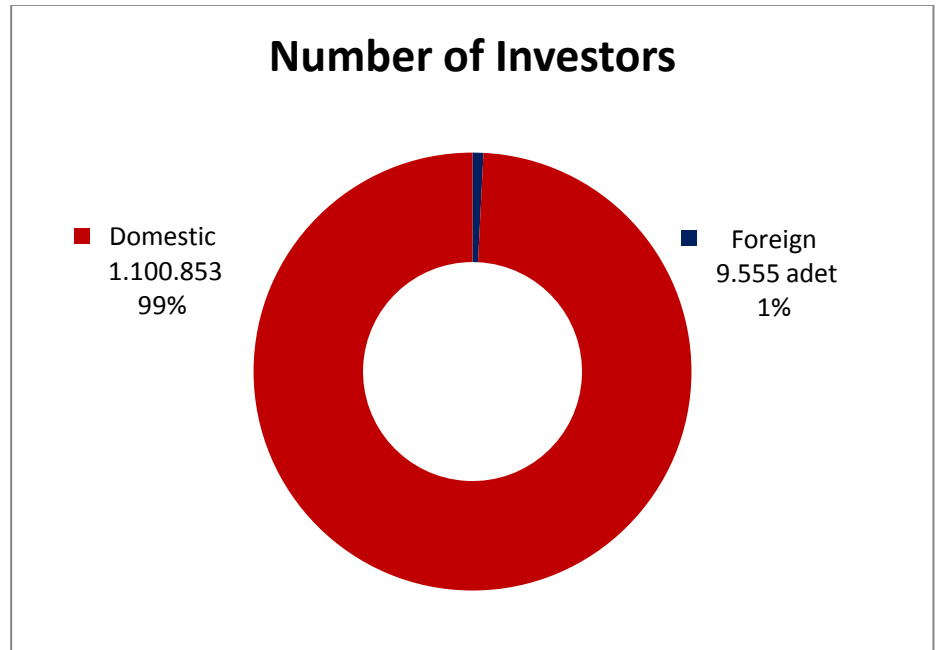
The Average Trade Volume Shares of Foreign Investors by Index		
	2013	2012
BIST-ALL	20%	18%
BIST -030	24%	24%
BIST -050	24%	22%
BIST -100	22%	20%
BIST INDUSTRY	15%	11%
BIST SERVICES	22%	20%
BIST TRADE	27%	21%
BIST FINANCIAL	22%	22%
BIST BANK	23%	24%
BIST HOLDING ABD INVESTMENT	22%	18%
BIST TECHNOLOGY	7%	3%

In 2013, the foreign trade volume decreased only in BIST Bank while the highest increase occurred in BIST Trade. While the indices that the foreign investors have the highest trade volume were BIST 30 and BIST Bank in 2012, it was BIST Trade in 2013. BIST Technology had the lowest trade volume in both years.

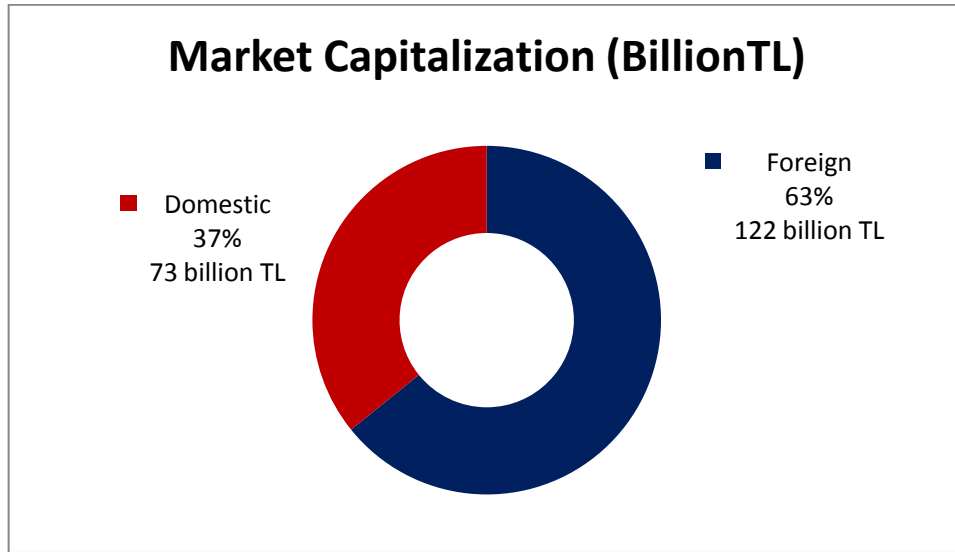
## 7. NUMBER OF INVESTORS AND MARKET CAPITALIZATION

*9,555 of the total 1 million 110 thousand investors are non-residents in Borsa Istanbul.*

*Foreign investors are only 1% of the total investors at Borsa Istanbul. Yet, their share in trade volume is 20% and they hold 63% of the market cap.*

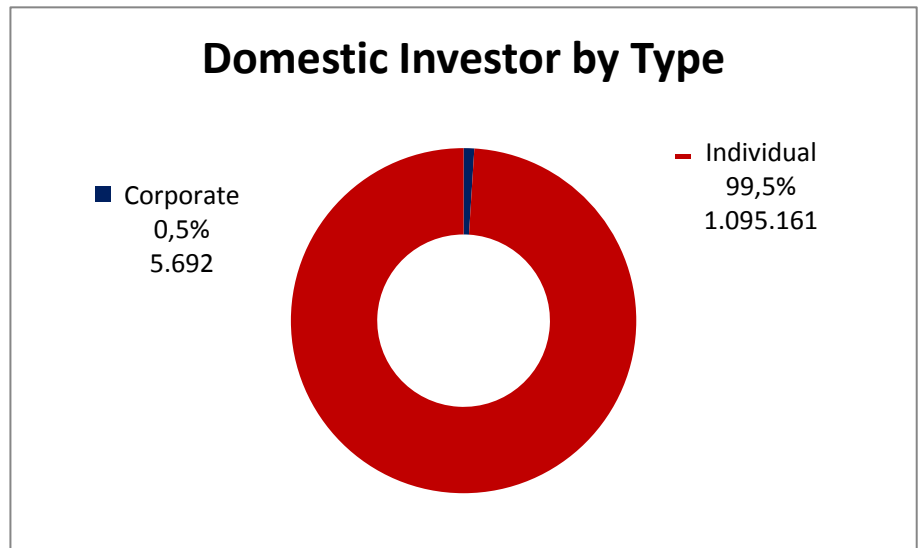


As of December 2013, the number of total investors at Borsa Istanbul is 1,110,408. 99% of the total is domestic investors while foreign investors are a mere 1%. Between September and December, the number of foreign investors increased by 104, and the number of domestic investors increased by 4.519. As compared to the end of 2012, the number of both foreign and domestic investors increased nearly by 22 thousand.



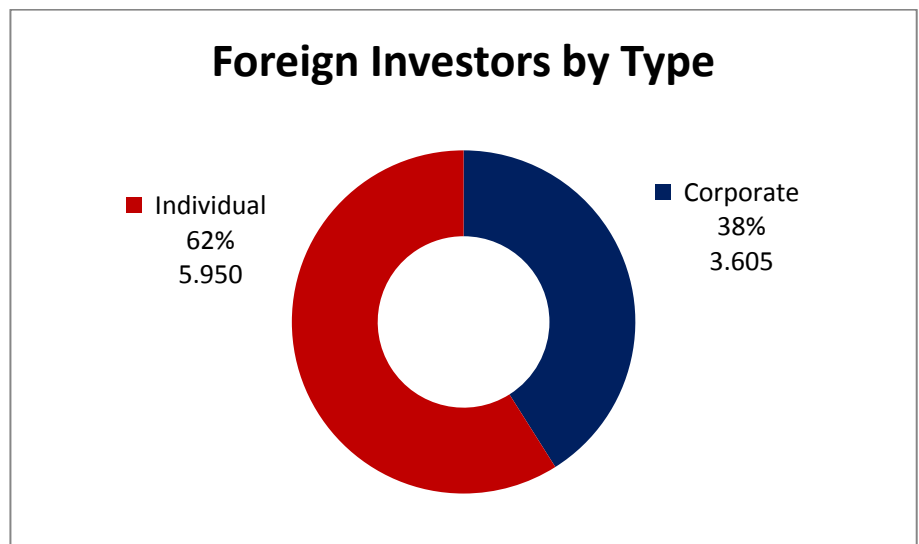
In 2013, foreign investors have 20% share in BIST All trade volume. Their share in market capitalization was 66% at the end of 2012, which decreased to 63% at the end of 2013. The total value of the equities held by foreign investors is TL 122 billion. It is observed that the foreign investors held the highest shares in BIST 100, BIST 50 and BIST Financial indices during the year.

*Domestic investors are mostly individuals. The domestic corporate investor base is expected to increase but yet it is very limited and their share in the market capitalization is 14%.*



Over 99% of the domestic investors are individual investors.

The results of the private pension incentive scheme are expected to be more visible in the upcoming years. The increase in the number of domestic corporate investors will facilitate the growth of Borsa Istanbul, deepening of the market and also will be effective in extending the currently short holding periods.



Among foreign investors, corporate investors have a much higher share compared to domestic investors, with 38%.

## 8. NUMBER OF DOMESTIC AND FOREIGN INVESTORS BY INDEX

	Dec.13		Sept.13		Jun.13		Mar.13		Dec.12	
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic
<b>BIST ALL</b>	9.451	1.078.342	9.350	1.072.953	8.750	1.074.832	8.496	1.062.688	8.222	1.060.923
<b>BIST 100</b>	7.564	889.055	7.520	882.438	7.538	883.606	7.417	878.269	7.307	882.119
<b>BIST 30</b>	6.307	693.523	6.271	680.772	6.283	684.748	6.160	669.392	6.055	671.788
<b>BIST 50</b>	6.712	741.934	6.715	740.724	6.715	745.796	6.604	738.580	6.460	740.770
<b>BIST INDUSTRY</b>	4.552	595.870	4.522	599.292	4.482	605.936	4.430	600.993	4.398	608.415
<b>BIST SERVICES</b>	3.593	341.887	3.626	339.489	3.585	338.003	3.430	328.953	3.316	331.355
<b>BIST FINANCIAL</b>	7.123	679.126	7.080	666.537	6.518	668.068	6.285	658.780	6.040	651.659
<b>BIST TECHNOLOGY</b>	523	62.232	521	64.195	536	64.898	496	64.660	471	64.295
<b>BIST TRADE</b>	1.479	88.219	1.532	89.836	1.659	91.416	1.556	91.698	1.552	94.436
<b>BIST BANK</b>	3.969	378.967	4.060	369.629	4.176	372.407	4.107	362.219	4.042	366.594
<b>BIST HOLDING AND INVESTMENT</b>	4.477	322.184	4.474	320.279	3.810	317.342	3.647	316.964	3.398	314.209

The number of domestic investors in BIST Industry, BIST Trade and BIST Technology indices decreased in December 2013, compared to both the previous year and the previous quarter. The number of foreign investors decreased in BIST Trade and BIST Bank on a yearly basis and BIST Bank, BIST Trade, BIST Services and BIST 50 on a quarterly basis.

## 9. MARKET CAPITALIZATION BY INDEX AND NATIONALITY (Billion TL)

	Dec.13		Sept.13		Jun.13		Mar.13		Dec.12	
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic
<b>BIST ALL</b>	122	71	130	74	133	72	154	77	140	71
<b>BIST 100</b>	110	53	117	56	120	55	139	58	126	53
<b>BIST 30</b>	90	31	97	33	99	33	113	35	104	33
<b>BIST 50</b>	103	37	111	40	110	40	130	43	117	41
<b>BIST INDUSTRY</b>	30	26	30	28	31	27	38	28	34	25
<b>BIST SERVICES</b>	27	10	29	10	29	9	29	10	27	9
<b>BIST FINANCIAL</b>	64	35	71	35	73	35	86	38	79	35
<b>BIST TECHNOLOGY</b>	0	1	1	1	1	1	1	1	1	1
<b>BIST TRADE</b>	9	3	10	3	11	2	11	3	11	2
<b>BIST BANK</b>	44	18	51	19	54	19	66	21	60	20
<b>BIST HOLDING AND INVESTMENT</b>	15	10	16	11	16	11	17	12	15	11

In comparing December to September, the market capitalization owned by foreign investors decreased in all indices except BIST Industry. The highest



decrease was in BIST All by 8% in TL terms. Similarly, the market capitalization owned by domestic investors decreased in all indices except BIST Trade. In December 2013, the highest year-on-year decrease was in BIST Bank index by 28% and the highest increase was in BIST Holding and Investment index by 2%.

## 10. FOREIGN INVESTORS BY PORTFOLIO VALUE AND RESIDENCE

**1,312 investors resident in the US hold one third of the foreign investments, while US and UK based investors hold more than half of the total foreign investment.**

	Location	Portfolio Value (Million TL)	Share
1	USA	40.305	33%
2	UK	24.889	20%
3	LUXEMBOURG	7.834	6%
4	IRELAND	4.588	4%
5	NETHERLAND	4.054	3%
6	SINGAPORE	3.347	3%
7	GERMANY	2.760	2%
8	FRANCE	2.739	2%
9	GREECE	2.359	2%
10	CANADA	2.196	2%
	OTHER	27.148	22%

As of December, the top three countries with the highest portfolio values belong to investors residing in the USA, the UK and Luxembourg. The total number of investors resident in the USA increased to 1,312 in December 2013 from 1,302 a year ago. One third of the total foreign investment belongs to investors resident in the USA, while the investors based in the USA and the UK hold the 53% of the total foreign investment at the BIST.

## 11. HOLDING PERIODS \*

	2011		2012		2013	
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic
BIST ALL	316	37	389	46	313	42
BIST 100	275	35	343	40	287	37
BIST 30	251	35	305	33	260	27
BIST 50	261	35	330	35	279	30
BIST INDUSTRIAL	510	43	639	54	444	63
BIST SERVICES	431	33	533	46	370	35
BIST FINANCIAL	254	37	302	43	267	36
BIST TECHNOLOGY	218	17	324	21	332	39
BIST TRADE	453	34	837	41	651	63
BIST BANK	243	32	272	31	252	26
BIST HOLDING AND INVESTMENT	330	53	481	83	355	65

Foreign investors' have a much longer investment horizon compared to domestic investors, who are more focused on the short term and sell their shares before one year. as a result, domestic investors have a high share of 80% in total trade volume.

In 2012, the shortest holding period of domestic investors was 21 days in BIST Technology, while it is in BIST Bank with 26 days in 2013. The longest holding period is in BIST Holding and Investment, however the period declined to 65 days in 2013 from 83 days in 2012. The index with the most increase in holding period was in BIST Trade with 22 days. It also increased in BIST Industry and BIST Technology. In all other indices, the holding periods decreased, but highest decrease was in BIST Holding and Investment index.

On the other hand, foreign investors' holding periods decreased in all indices except BIST Technology. In 2012, the longest holding period was 867 days while it was 651 days in 2013 in BIST Trade. In 2012, the shortest holding period was 272 days in BIST Bank, but that also decreased to 252 days in 2013.

*\* For the calculation of the holding period, the holding period formula of the SEC (Securities and Exchange Commission of USA) applied for the funds, is used. The formula is based on the equation that the smallest value of buying and selling transaction, divided to the annual average value of the portfolio, multiplied by 365 (days).*

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

Type of the Security	December-2012		December-2013	
	Number of Investors	Market Cap (Million TL)	Number of Investors	Market Cap (Million TL)
Share Certificates	1.092.937	557.431	1.116.537	511.098
Investment Fund	2.808.316	30.250	2.766.512	30.872
BIST Investment Fund	4.301	378	3.956	183
Private Sector Debt Instrument	193.668	28.056	166.571	36.109
Structured Product	1.945	10	3.306	12
Other Securities	81	1.583	2.611	2.852
Government Bonds	24.085	173.599	24.476	183.493
<b>TOTAL</b>		<b>791.306</b>		<b>764.620</b>

## 13. RISK APPETITE INDEX

In the first half of the last quarter of 2013, Risk Appetite in Borsa Istanbul was above the critical value of 50, while it was under the critical value of 50 in the second half. Risk Appetite index, which witnessed minor rises and declines in October, started November at 60 levels and with irregular declines, closed the last month of the quarter and the year at a level close to 30.

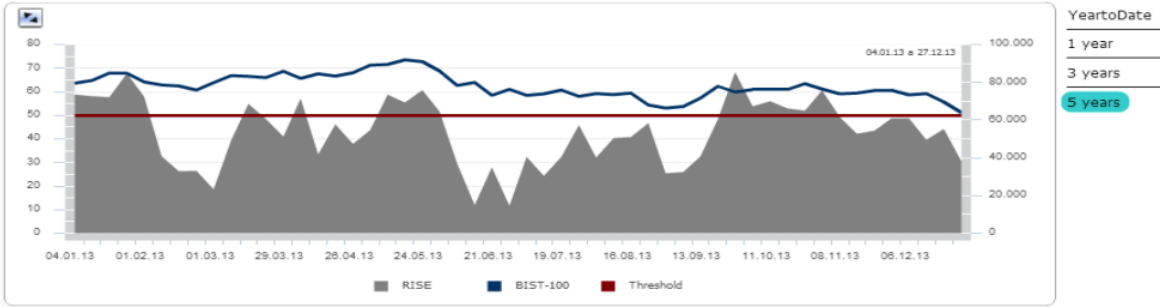
In this quarter, investors' Risk Appetite values had several weekly change trends. Whenever one of these groups' Risk Appetite increased compared to previous week, the other group's appetite declined. The groups that have the obvious difference are "Domestic Corporate" and "Domestic Funds". Another important point for all of the investor groups is that, weekly changes was less unstable compared to the previous quarters.

In order to sum up 4Q13, RISE started at 70 levels which is the highest level of this year, but due to both domestic and global developments, it closed with an irregular decline of the level 30. Foreign investors' risk appetite reduced especially because of the rise of Dollar against the Turkish Lira in the second half of the quarter, FED's interruption in bond purchase and the developing countries' capital markets being adversely affected. The index was under the threshold value of 50 since November.

RISE CHANGE METHOD

RISE LEVEL METHOD

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



YearToDate

1 year

3 years

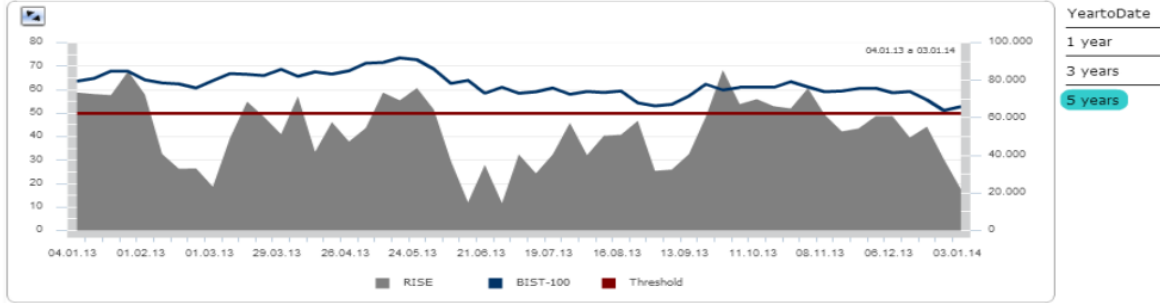
5 years

Last Value	<b>41,1</b>	Year to date change (%)	<b>133,23</b>
Week to week change (%)	<b>38,67</b>	Monthly low	<b>03.01.2014</b> <b>17,6</b>
4 week change (%)	<b>-7,20</b>	Monthly high	<b>17.01.2014</b> <b>41,1</b>
12 week change (%)	<b>-21,07</b>	Yearly low	<b>03.01.2014</b> <b>17,6</b>
52 week change (%)	<b>-28,88</b>	Yearly high	<b>17.01.2014</b> <b>41,1</b>

RISE CHANGE METHOD

RISE LEVEL METHOD

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



YearToDate

1 year

3 years

5 years

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