

# Turkish Market Snapshot

## Foreign Exchange & Money Market

### Foreign Exchange

FX	Range	Support(s)	Resistance(s)
USD / TRY	1.5590 - 1.5850	1.5590 1.5500	1.5850 1.6000
EUR / USD	1.2580 - 1.2720	1.2580 1.2500	1.2720 1.2820
Basket/TRY*	1.7601 - 1.8006	1.7601 1.7438	1.8006 1.8256

\* 50% USD/TRY – 50% EUR/TRY basket

USD/TRY opened at lower at 1.5620 levels as of this morning after trading in the 1.5600 – 1.5730 range on Friday evening. EUR/TRY is trading around 1.9830 levels as of this morning. We expect USD/TRY to trade between 1.5590 and 1.5850 today.

The yen advanced against other key currencies on Monday on expectations that central banks in major economic zones will cut interest rates this week to limit the damage from the global financial crisis. EUR/USD is trading at 1.2680 levels (was 1.2975), while USD/JPY is trading at 95.25 (was 95.35), EUR/JPY fell to 120.75 (was 123.15).

Commodity: Oil fell more than a dollar on Monday, towards \$53 a barrel, after producer cartel OPEC decided to delay a decision on a third supply cut to its next meeting later in December as economic woes cripple oil demand. (US light crude oil: \$53.30/bbl). Spot Gold is trading at 811/oz (was \$815).

### Fixed Income

Benchmark	Simple	Compound	Support	Resistance
23/06/2010	21.40%	20.28%	20.00%	21.00%

Benchmark (23/06/2010) paper yields opened at 20.28% comp levels (21.40% simple; px: 74.985) as of this morning. We expect the benchmark bond to trade between 20.00% and 21.00% compound levels today.

Eurobond: 15/01/2030 paper yields at 8.45% (price 133.407) with 554 bps spread over US-treasuries (was 548). US 10-Year Treasury yields are down at 2.91% (px: 107.179) levels (was 2.93%).

### Long Term Data

5-yr BM Turkey CDS is tighter by 23 bps at 425 bps as of this morning.

Single CCY Swap Rates		mid yield%	
Maturity -yrs	USD	EUR	TRY
1		5.045	16.13
2	2.28	4.737	15.95
3	2.62	4.700	15.72
4	2.89	4.559	15.50
5	3.09	4.528	15.31
6	3.24	4.524	15.07
7	3.33	4.531	14.88
8	3.38	4.553	14.70
9	3.40	4.579	14.54
10	3.42	4.652	14.39

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## Diary & Watch List

Time TSI	Today's Major Events & Data Releases	Month	Units	AAB Forecast	Previous
9:00	DE Retail sales mm real	Oct	%	0.50	-2.30
9:00	DE Retail sales yy real	Oct	%	-0.40	1.20
11:00	EZ Markit Mfg PMI	Nov	index	36.2	41.1
17:00	US Construction spending	Oct	%	-1.00	-0.30
17:00	US ISM Manufacturing PMI	Nov	index	37.0	38.9
10:00	TR TIM Export Figures	Nov	b	n/a	9.530

- ISE-100 index rose 1.31% to 25,715 pts on Friday. Turkish stocks reversed early losses to trade firmer on Friday while the lira eased against the dollar as investors waited for further news of Ankara's economic stimulus package and a likely IMF loan deal.
- Turkey's trade deficit contracted 7.6% y-o-y to \$5.295 billion in October, the Turkish Statistics Institute said on Friday, compared with a forecast of a \$5.5 billion deficit.
- Turkey's Treasury said it plans to borrow 2.5 billion lira (\$1.59 billion) from the domestic market in December against redemptions of 5.1 billion lira. It announced also the following auctions for December 16: 11-month lira discount bill, maturing Nov 18, 2009 and 18-month lira discount bond, maturing June 23, 2010.
- The Turkish Central Bank said that it saw deterioration in the performance in the real sector as well as its ability to repay debt. In its twice yearly Financial Stability Report, the Central Bank said falling energy prices, a weakening lira currency and a slowdown in domestic demand will help reduce the need for foreign financing.
- Asian stocks edged up for a seventh consecutive session on Monday, building on last week's strong gains, as investors took heart from aggressive central bank efforts to revive economic growth even as incoming data were grim.
- Bank of Japan Governor Masaaki Shirakawa said on Monday that sluggishness in Japan's economy was increasing rapidly, as could be seen from weak industrial output data out last week.
- Consumers made repeat trips to US stores and spent more on bargains this holiday weekend, but the early rush is unlikely to save retailers from a bleak sales season, analysts said.
- The outlook for British manufacturers has deteriorated significantly over the last quarter; a survey showed.
- U.S stocks rose on Friday on light volume in an abbreviated session, capping the best week for the S&P 500 since at least 1980, as investors hoped government and central bank moves unveiled this week would boost the economy. (DJIA: +1.17%, Nasdaq: 0.23%, S&P500: +0.96%, Brazil Bovespa: 1.06%) Nikkei is down by 1.35% up while SSE Composite is up by 0.34% as of this morning. US stock market futures are trading down by 0.76%.

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Reuters Index Page: AAIS

Bloomberg:

AXCD: ABN AMRO Credit Default Swap Page

WHSN: ABN AMRO Structured Products

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