

Corporate Credit & Issue Rating

☒ New ☐ Update

Sector: Intermediary Inst.
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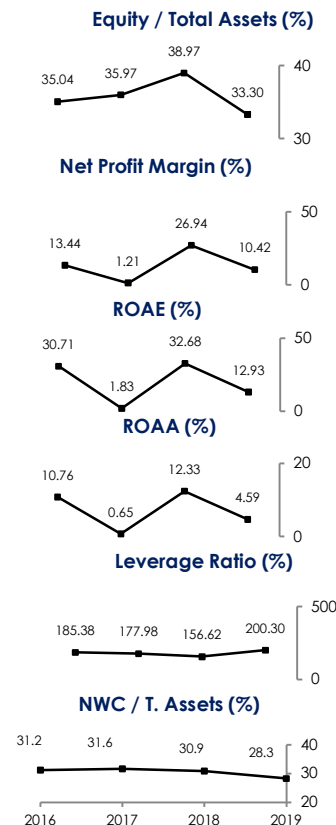
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RATINGS

		Long	Short
International	Foreign Currency	B	B
	Local Currency	B	B
	Outlook	FC Negative	Negative
	LC	Negative	Negative
National	Issue Rating	-	-
	Local Rating (Trk)	BBB+	A-2
	Outlook	Stable	Stable
	Issue Rating (Trk)	BBB+	A-2
Sovereign*	Sponsor Support	2	-
	Stand-Alone	B	-
	Foreign Currency	BB+	-
	Local Currency	BB+	-
	Outlook	FC Negative	-
	LC	Negative	-

*Assigned by JCR on April 10, 2020



A1 Capital Yatırım Menkul Değerler A.Ş.

Company Overview

Financial Data	2019*	2018*	2017*	2016*
Total Assets (000 USD)	33,146	23,922	23,507	24,515
Total Assets (000 TRY)	196,893	125,853	88,666	86,273
Equity (000 TRY)	65,566	49,043	31,897	30,230
Net Profit (000 TRY)	5,067	13,138	319	3,953
Net Profit Margin (%)	10.42	26.94	1.21	13.44
ROAA (%)	4.59	12.33	0.65	10.76
ROAE (%)	12.93	32.68	1.83	30.71
Equity / T. Assets (%)	33.30	38.97	35.97	35.04
T. Debt/Capital Ad. Base(%)	1.77	4.44	3.54	3.00
Leverage Ratio (%)	200.30	156.62	177.98	185.38
Asset Growth Rate (%)	56.45	41.94	2.77	159.85

*End of Year

A1 Capital Yatırım Menkul Değerler A.Ş. (hereinafter referred to as A1 Capital Yatırım or the Company) was founded in 1990 under the name of 'Form Menkul Değerler A.Ş.'. The Company's title has been changed to Credit Agricole Cheuvreux Menkul Değerler A.Ş. on February 26, 2008. After the acquisition of the Company by its current shareholders in 2012, the Company's title has been again changed to A1 Capital Menkul Değerler A.Ş. on 10 May 2013 and finally has been renamed into A1 Capital Yatırım Menkul Değerler A.Ş. as of 21 May, 2015. Licensed as a "broadly authorized intermediary institution" in accordance with the approval by the Capital Market Board on 26 January 2016, the Company offers services in equity trading, public offering intermediation, portfolio management, investment consultancy, repo-reverse repo transactions, margin trading-short selling, leveraged FX, derivatives trading and limited custody services. The Company ranked 9th amongst intermediary institutions in equity volume as of FYE2019.

Company headquarters are located in the financial district of Maslak-Sarıyer in Istanbul. The Company operates through its headquarters in Maslak (Istanbul) and thirteen branches. A1 Capital Yatırım offers a wide range of products in several markets including FX, futures, funds, commodities, stocks. Technological infrastructure and educational programs for investors' financial literacy are primary comparative advantages of A1 Capital Yatırım in the intermediary institutions market. A1 Capital Yatırım also stands out with its relatively high paid-in capital of TRY 50mn in the market. As of December 31, 2019, A1 Capital Yatırım employed a staff force of 102 (FYE2018: 107).

Strengths

- Sustainable commission flow with product diversity and proven earning power
- Solid liquidity and capitalization level providing comfort to the management and provision of sound buffer against any potential losses
- Extensive services as a broadly authorized intermediary institution as well as nationwide geographical outreach through branch network
- Strong shareholding structure and continuous increase in equity base resulting principally from equity injection and retention of profits
- High asset quality, healthy receivables portfolio backed by collaterals
- Successive realized bond issuance diversifying funding structure
- High level of financial literacy within the Company and well-experienced management team

Constraints

- Ongoing uncertainties arising from the global Covid-19 pandemic, pressuring the global economic outlook
- Competitive pressures inherent in the sector exhibiting high market concentration dominated by bank-affiliated companies
- Operational expenses exerting pressure on profitability
- Underdeveloped domestic capital markets in comparison to the size of GDP along with static investor base
- Restrictive regulations in the leveraged FX trading market restricting expansion of forex incomes for the Company
- Persistent political and economic stresses along with regional tensions hosting uncertainties and exerting downward pressure on risk appetite of investors