

İstanbul, 19/03/2021

General Letter: 1685

MARKETS DEPARTMENT

Subject: About Changes in Collateral Valuation Haircuts in Takasbank Money Market (TMM) and Turkey Electronic Fund Trading Platform (TEFAS)

Related Parties: Brokerage Houses
Banks
Portfolio Management Companies
Financial Institutions
Insurance, Life and Pension Companies
Asset Management Companies

Dear CEO,

Takasbank reviews periodically the valuation haircuts of assets accepted as collateral and revises them if deemed necessary. Within this context, the valuation haircuts of collateral in TMM and TEFAS will be changed.

The comparison tables regarding the updates of TMM and TEFAS collateral valuation haircuts are annexed and the relevant changes will be put into practice on **23/03/2021**. As of the same date, Takasbank Money Market Procedure including the updates will be accessible on Takasbank web site (www.takasbank.com.tr).

Respectfully submitted for your information and further action.

Sincerely yours,

TAKASBANK
ISTANBUL CLEARING, SETTLEMENT AND CUSTODY BANK
INC.

Emre KOÇBEY
DIRECTOR

Gökhan ELİBOL
DEPUTY CEO
BOARD MEMBER

Annex:

- 1- TMM Procedure Change Comparison Table (2 pages)
- 2- TEFAS Collateral Valuation Haircuts Table (1 page)

TMM Procedure Change Comparison Table

ARTICLE CONTENT- OLD (04/01/2021)

ARTICLE 28- Collateral groups, valuation haircuts and upper limit ratios

- (3) The collateral groups, haircuts, group and upper limit ratios on the basis of assets to be used for the collateral valuation are given below:

Collateral Group	Collateral Type	Time to Maturity	Valuation Haircut	Group Based Upper Limit Ratio (%)	Asset Based Upper Limit Ratio (%)
1	Gold		0,90	25,00	100,00
2	Borsa Istanbul shares		1,00	100,00	100,00
3	Government Domestic Debt Instrument (TRY, USD and EUR denominated)	0-1 year	0,96	100,00	100,00
		1-5 years	0,91		
		5 year and more	0,88		
4	Eurobond - USD denominated	0-5 years	0,92	100,00	100,00
		5-10 years	0,93		
		10-30 years	0,89		
		30 years and more	0,86		
		0-5 years	0,92		

ARTICLE CONTENT – NEW (23/03/2021)

ARTICLE 28- Collateral groups, valuation haircuts and upper limit ratios

- (3) The collateral groups, haircuts, group and upper limit ratios on the basis of assets to be used for the collateral valuation are given below:

Collateral Group	Collateral Type	Time to Maturity	Valuation Haircut	Group Based Upper Limit Ratio (%)	Asset Based Upper Limit Ratio (%)
1	Gold		0,9088	25,00	100,00
2	Borsa Istanbul shares		1,00	100,00	100,00
3	Government Domestic Debt Instrument (TRY, USD and EUR denominated)	0-1 year	0,96	100,00	100,00
		1-5 years	0,91		
		5 year and more	0,8891		
4	Eurobond - USD denominated	0-5 years	0,92	100,00	100,00
		5-10 years	0,93		
		10-30 years	0,8990		
		30 years and more	0,8688		
		0-5 years	0,92		

4	Eurobond - EUR denominated	5-10 years	0,91	100,00	100,00
		10-30 years	0,82		
		30 years and more	0,85		
5	Lease Certificate	0-1 year	0,94	100,00	100,00
		1-5 year	0,89		
		5 year and more	0,89		
6	Share		0,85	90,00	20,00
7	Cash-EUR		0,94	100,00	100,00
7	Cash- USD		0,94	100,00	100,00
8	Cash-TRY		1,00	100,00	100,00
9	Bank Bond / Bill		0,73	50,00	40,00
10	Letter of Guarantee		1,00	100,00	100,00
11	Asset-Backed Security	0-1 years	0,94	50,00	40,00
		1-5 years	0,89		
		5 years and more	0,89		
12	Investment Fund Participation Certificate		0,84	50,00	20,00

4	Eurobond - EUR denominated	5-10 years	0,9187	100,00	100,00
		10-30 years	0,8280		
		30 years and more	0,8580		
5	Lease Certificate	0-1 year	0,94	100,00	100,00
		1-5 year	0,89		
		5 year and more	0,89		
6	Share		0,8584	90,00	20,00
7	Cash-EUR		0,9492	100,00	100,00
7	Cash- USD		0,9493	100,00	100,00
8	Cash-TRY		1,00	100,00	100,00
9	Bank Bond / Bill		0,73	50,00	40,00
10	Letter of Guarantee		1,00	100,00	100,00
11	Asset-Backed Security	0-1 years	0,94	50,00	40,00
		1-5 years	0,89		
		5 years and more	0,89		
12	Investment Fund Participation Certificate		0,84	50,00	20,00

TEFAS Collateral Valuation Haircuts Table

Collateral Type	Time to Maturity	Valuation Haircut - OLD	Valuation Haircut - NEW
Gold		0,90	0,88
Cash- USD		0,94	0,93
Cash-EUR		0,94	0,92
Government Domestic Debt Instrument (TRY, USD and EUR denominated)	0-1 year	0,96	0,96
	1-5 year	0,91	0,91
	5 year and more	0,88	0,91
Lease Certificate	0-1 year	0,94	0,94
	1-5 year	0,89	0,89
	5 year and more	0,89	0,89
Asset-Backed Security	0-1 year	0,94	0,94
	1-5 year	0,89	0,89
	5 year and more	0,89	0,89