

Borsa İstanbul
Precious Metals
and Diamond
Market

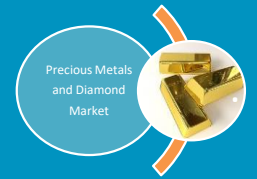


**BORSA
İSTANBUL**

Benchmark for Investment



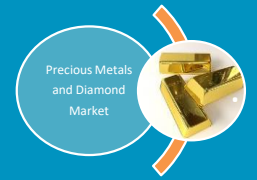
Main Topics



- 🌐 Borsa İstanbul Precious Metals Market
- 🌐 Precious Metals Import Flow
- 🌐 Communiqué on Precious Metals Standards and Refineries (Communique No:2023/1)
- 🌐 Borsa İstanbul A.S. List of Refineries; Bars, Ingots And Granules of Which can be Traded in The Precious Metals And Diamond Market
- 🌐 Responsible Supply Chain
- 🌐 Digital Gold

Borsa İstanbul Precious Metal Market

Borsa İstanbul Precious Metals Market

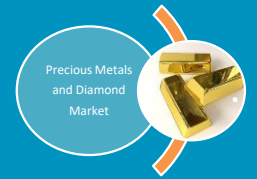


- ❶ Türkiye ranks first in fields such as gold culture, gold-related jewelry production, import and export, is also at an important conjunction point in terms of geography. Türkiye has an important regional position and power in the gold trade with its proximity to both London and Zurich, which are the centers that have a say in the gold trade and direct the gold flow, as well as the Middle East countries, the Turkic Republics and Asian countries.
- ❷ Since 1995, Borsa İstanbul (former İstanbul Gold Exchange) is one of the enumerated spot precious metal trading platform where all types of stakeholders in the gold sector could meet, such as banks, refineries, precious metal brokerage houses, currency offices, precious metal producing and marketing companies and jewelry producers.

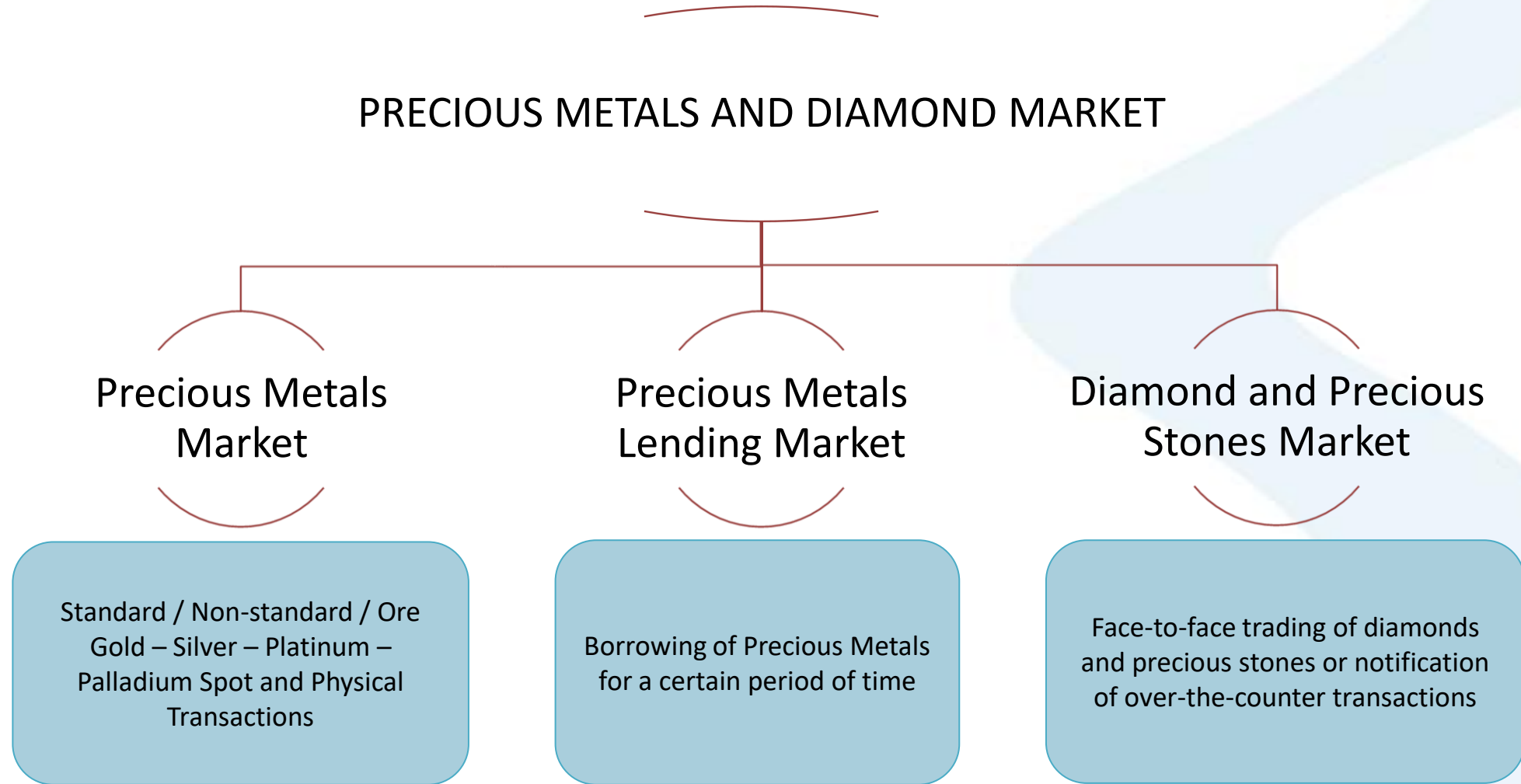


Yenibosna campus is at the heart of İstanbul with its proximity to both İstanbul Airport and Member Institutions

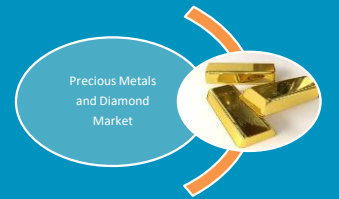
Submarkets



PRECIOUS METALS AND DIAMOND MARKET



Number of Members



Members of Precious Metals Market

Banks	104	31
Currency Offices		30
Precious Metals Brokerage Houses		25
Precious Metals Producing and Marketing Companies		18

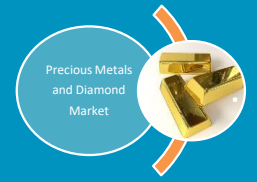
Members of Precious Metals Lending Market

Banks	19	13
Precious Metals Producing and Marketing Companies		6

Members of Diamond and Precious Stone Market

Jewelry Sector Companies	483	479
Banks		4

Instruments Traded In Borsa İstanbul



Gold



Silver



Platinum



Palladium

TRY

USD

EUR

Four precious metal types are traded in the Precious Metals Market: gold, silver, platinum and palladium.

They can be traded in TRY, USD or EUR.

Weight units can be kg or grams, however pricing can be made on ounces.

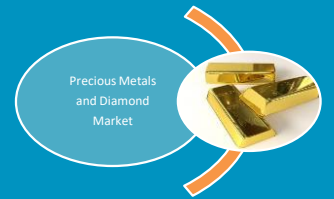
1 kilo = 32,1507465 ounce

1 ounce = 31,1034768 gr

Main groups are standard, non-standard, ore and scrap.

Purity of standard unprocessed precious metals to be traded on the exchange must be: At least 995/1000 for gold, at least 99.9/100 for silver, at least 99.95/100 for platinum, at least 99.95/100 for palladium. Standard unprocessed precious metals can be in the form of mini ingots (1 gr, 5 gr, 10 gr, 20 gr, 50 gr, 100 gr, 250 gr and 500 gr), ingot (1 kg), large bar and several kg granule bags (only in silver).

Trading Sessions

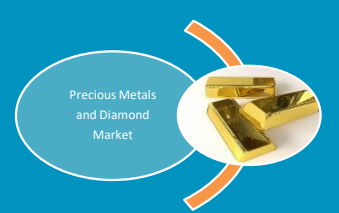


PMD DAILY FLOW

				SILVER FIXING TRANSACTIONS						
16:00	16:10	23:45	08:00	09:00	12:30		14:00 14:10	16:00		16:10
Session end	Normal Session		Break	Normal Session			SINGLE PRICE	Normal Session	Session End	Normal Session
				GOLD FIXING TRANSACTIONS						

Transactions are carried out on a multi-price continuous auction basis and without seeing the ordering parties.
 Fixing transaction hours change in case of non-compliance with the international daylight saving time.
 Single price and Fixing transactions cannot be done in half days.
 Fixing Operations cannot be done on Turkish public holidays and LBMA holidays.
 *The table shows the session flow according to summer time.

Ore

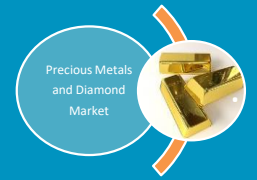


- Gold is refined into standard raw gold by refining in refineries established in Turkey, which are on the Borsa Istanbul Refinery List, and this process is delivered to the Borsa Istanbul Clearing Center within the following 7 business days.
- For precious metals produced domestically from ore in type and form, the Central Bank of the Republic of Türkiye and the Mint have the right of pre-emption if the Central Bank of the Republic of Türkiye is not used.
- The Central Bank of the Republic of Türkiye and the Mint do not exercise their right of pre-emption for other precious metals **except gold**.
- If gold precious metals are refined in refineries in Turkey, which are on the Borsa Istanbul Refinery List, and brought to standard unprocessed precious metals, this transaction must be delivered to the Borsa Istanbul Clearing Center within the following 7 business days and the relevant purchase and sale of the Borsa Istanbul must be carried out.



Precious Metals Import Flow

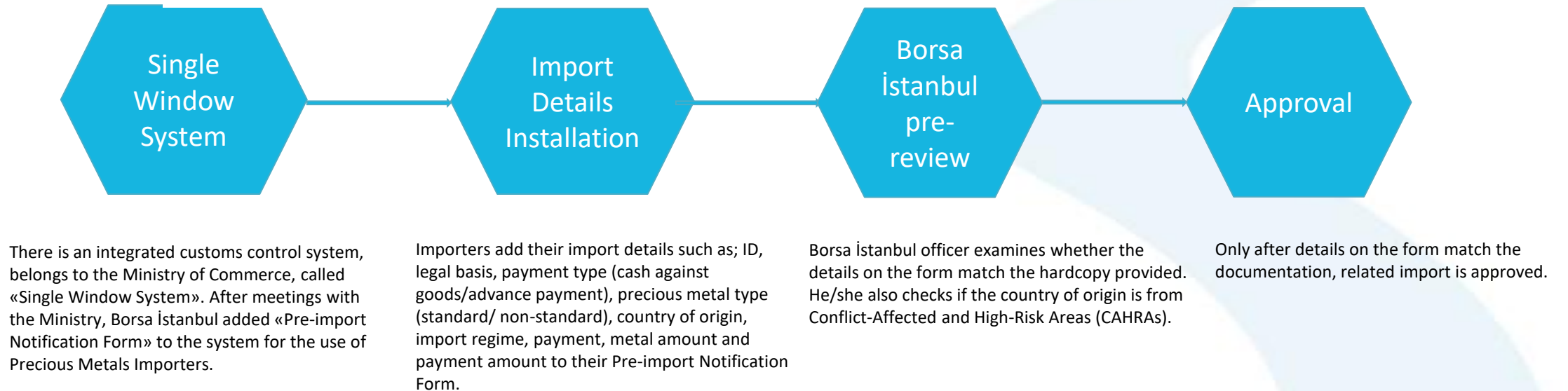
Standard and Non-Standard Precious Metals Import Flow-I



Pre-Import Stage

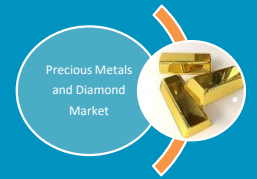


Integration with Customs and Electronic Chain of Import
(At least one working day before the customs declaration closing day)

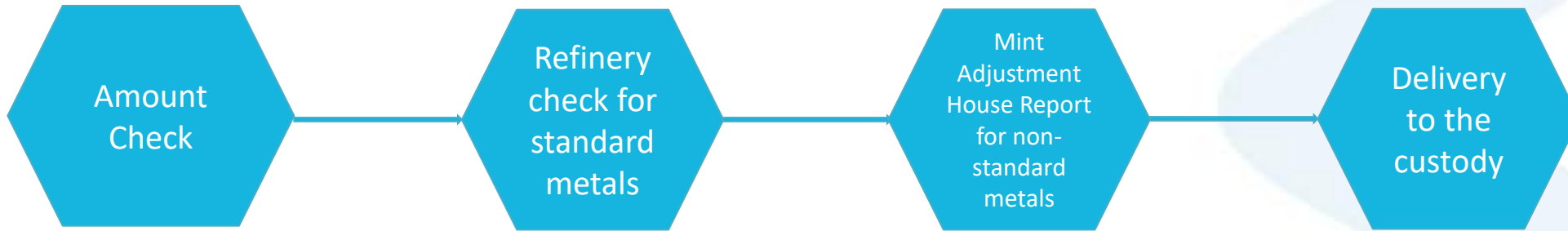


Standard and non-standard unprocessed precious metals can only be imported by members. For standard precious metal imports, the refinery must be included in the Refinery List. Non-members can bring 40 kg of standard precious metal within the scope of the internal processing regime decision. These are not traded on Borsa İstanbul.

Standard and Non-Standard Precious Metals Import Flow-II



At the time of import
Actual Import Stage



It is checked whether there is a difference between the notification made before the import and the actual import,

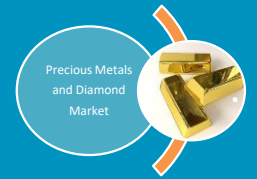
Is the actual import from a refinery in the Refinery list for standard precious metals?

For non-standard precious metals it is necessary to obtain a Mint Adjustment House report and to deliver the precious metals to the Custody with this document.

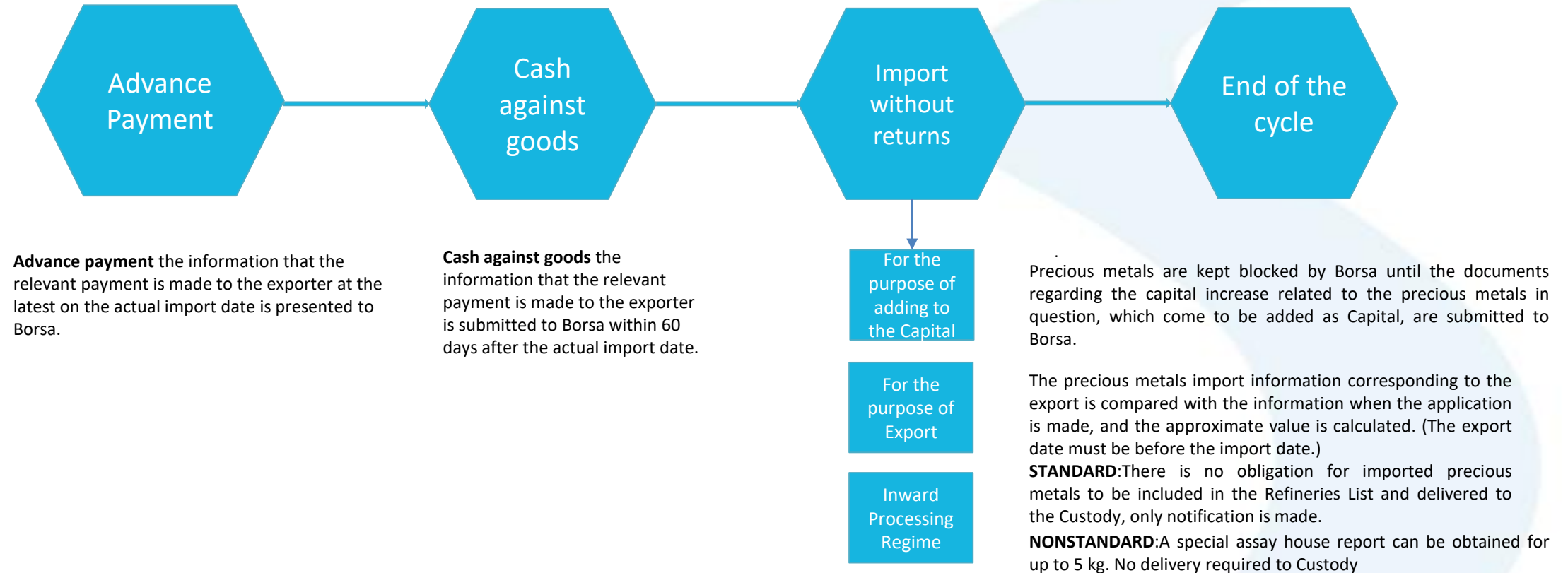
All precious metals imported except for the inward processing regime has to be delivered to the Custody

All precious metals imported must be transacted at least once in precious metal market at Borsa İstanbul so that the member institution can withdraw them from the Custody. This transaction is called registry.

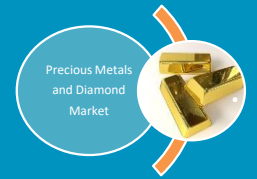
Standard and Non-Standard Precious Metals Import Flow-III



After the import Post-import Stage



Statistics

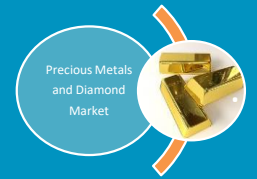


	GOLD (kg)				SILVER (kg)			
	2021	2022	2023	2024***	2021	2022	2023	2024***
Import*	51.531	264.847	318.979	35.520	434.669	833.987	1.114.094	92.318
Local Mining	39.365	30.935	36.454	8.595	170.491	145.818	90.983	20.643
Exchange Volume**	326.521	529.202	658.639	100.171	828.428	1.048.829	1.423.799	194.516



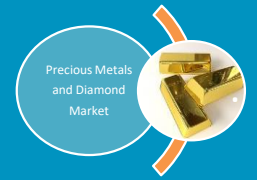
**Communiqué on Precious
Metals Standards and
Refineries (Communique
No:2023/1)**

Requirements to Be Listed on Borsa İstanbul Refinery List



- ❶ Separate operating permit applications are made to the Ministry for gold, silver, platinum and palladium mines.
- ❷ The refinery making the application has to submit the documents to Borsa İstanbul in full with a petition stating which precious metals it wants to be included in the refinery list.
- ❸ Refineries established in Turkey are examined by the commission **every three years** from the date of listing on the refinery list, the commission determines whether it has the necessary technical conditions, as a result of the on-site inspection, and the related report is submitted to Borsa İstanbul.
- ❹ Ingots and/or granules produced by refineries operating in Turkey whose precious metals are traded on Borsa İstanbul are subjected to purity analysis at **least five times** in a calendar year.

Information Regarding The Trade In Borsa İstanbul



- ④ The principles regarding the standards of precious metals to be traded on Borsa İstanbul and the determination of the precious metal refineries whose products will be traded on Borsa İstanbul are regulated within the framework of this Communiqué.
- ④ Purity of standard unprocessed precious metals to be traded on the exchange must be ;
 - a) At least 995/1000 for gold,
 - b) At least 99.9/100 for silver,
 - c) At least 99.95/100 for platinum,
 - d) At least 99.95/100 for palladium

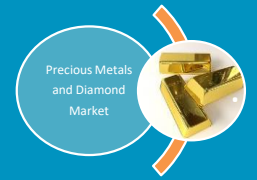
Unprocessed precious metals which have less purity than the indicated values for each metal type are called unprocessed non-standard metals.

- ④ 1 kg gold bar which is produced by a LBMA member refinery is the easiest bullion to sell.
- ④ Non-standard gold usually doesn't have a market value on the market. However it can be imported with a purity report issued by the Royal mint.



Responsible Supply Chain

Responsible Supply Chain Regulations & Sub Regulations



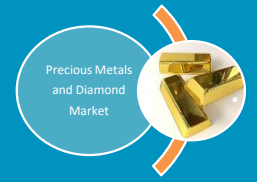
Ministry of Treasury and Finance published revisions on the regulations related to;

- ④ Precious Metals Brokerage Institutions (members of Borsa Istanbul)
- ④ Refineries established in Turkey and in the Refinery List of Borsa Istanbul
- ④ Trading & Refining standard and non-standard unwrought precious metals.
- ④ All processes of trading and refining, including recycled precious metals

Borsa İstanbul published the sub-regulations on responsible supply chain in accordance with the Treasury and Finance's regulations. These are;

- ④ Borsa İstanbul Responsible Supply Chain Directive
 - ④ Borsa İstanbul Responsible Supply Chain Guidance
 - ④ Borsa İstanbul Responsible Supply Assurance Audit Directive
 - ④ Borsa İstanbul Internal Control System and Compliance Principles Directive
- ④ In addition, details on the subject are also regulated in the Precious Metals Market Procedure.

Refineries' Responsibilities Regarding Responsible Supply Chain



All members and refineries (107 obligors in total) must;

- ④ appoint the internal control and precious metals responsible supply chain official.
- ④ prepare a yearly responsible sourcing compliance report by the end of the June in the following year.
- ④ be audited by an external independent auditing firm.
- ④ Strict regulations on responsible sourcing which may lead cancelation of license or removing from refinery list.

Digital Gold

Biga / Mint Gold Certificate

Digital Gold

With digitalization in the world, the trend in precious metals has turned in to innovative instruments. Innovative instruments have been created especially by tokenizing existing commodities with blockchain technology. Therefore, two products related to precious metals became prominent in Borsa Istanbul.

- Mint Gold Certificate
- BIGA



Mint Gold Certificate

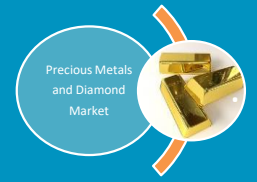
Precious Metals
and Diamond
Market



- ❗ Mint Gold Certificate is a capital market instrument that is issued on a maturity basis, each representing 0.01 grams of gold, within the scope of the export ceiling of 15 tons of gold of 0.995 purity, and allows its owner to convert it into physical gold within the scope of the Prospectus published on KAP.
- ❗ Mint Certificates obtained from Borsa Istanbul can be resold on the Borsa Istanbul and also offer the opportunity to request conversion into physical gold.
- ❗ It is traded in the Commodity Market within Borsa Istanbul Equity Market under the code "ALTIN.S1".



Gold Mint Certificate



November 21st, 2022 represents date of the first issuance of the certificate;

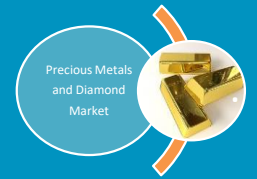
🌐 11.533.477.137 Total Number of Transactions / 115.334 Kg

🌐 9,115,991 Total Number of Contracts

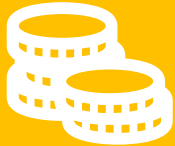
🌐 201,025,650,887.31 TL Total Transaction Volume

BIGA

Digital Asset Transfer Platform



1 BiGA = Bir Gram Altın (One Gram Gold)



Transfer of digital assets using blockchain technology

- Physical underlying asset
- Compatible with regulations



- 30 Dec 2019
- 14/04/2023 Live platform



- Total 8 Member
- Service to customers limited to Halk and Vakıfbank

*Thanks for
listening!*



**BORSA
İSTANBUL**

Benchmark for Investment Değer!

***For further questions please
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