

Akbank Turkish Equity Fund

Turkish Equity Fund invests in equities of Turkish companies which are listed on Istanbul Stock Exchange (ISE). The managers identify the fund's investment universe based on liquidity, corporate governance and valuation. We believe the Turkish market is under-researched and so offers numerous opportunities to exploit market inefficiencies. The focus of the fund is based on bottom-up stock selection which also takes account of the macro economy and the viability of current sectors trends in portfolio construction. The active top-down / bottom-up investment process used by the team is designed to capture opportunities across all market capitalisations while respecting rigorous risk controls.

Fund Information

NAV (Class I - Class A)	:	EUR 131.27	EUR 200.91
Fund Size	:	EUR 38,909,743	
Launch Date	:	02 July 2008	
Currency	:	EUR	
Legal Status	:	Luxembourg SICAV	
Reference Index	:	97% ISE100 + 3% KYD O/N Repo Gross	

Market Overview

ISE-100 index gained 13.5% in June. The gain in USD terms reached at 17.5% as Turkish lira appreciated against the hard currency. Moody's upgrade for Turkish sovereign bond rating to Ba1 was the main reason behind the last step of the rally.

Before this upgrade, thanks to falls in oil prices, the tendency of Turkish economy to normalize by the decline of the current account deficit, and the moderation in the inflationary pressures, has stimulated buying appetite. Moody's upgrade could be seen as an award for this normalization trend, or the controlled soft landing scenario. We should also not forget the new developments in the stimulus/subsidy scheme directed by the government in real sector investments.

This scheme, we believe, could help Turkish growth sustainability under lower current account deficit conditions. As Moody's stated, the Pension Fund reform was also welcomed by the investors for longer term prospects.

Last month, the Fund achieved to catch this hard-seen stock rally, and added some alpha returns. At the half-year close, in gross terms, the Fund's return was 34.11% while the benchmark return was 29.75%, meaning 436 basis points alpha return. The balanced-fund structure initiated to supply sustainable alpha returns as we did not abandon to invest in some small and medium cap ideas.

Performance		Fund ¹	Benchmark
Since Inception ²	25.07.08 - 29.06.12	42.87%	37.21%
2009	31.12.08 - 31.12.09	80.44%	78.39%
2010	31.12.09 - 31.12.10	32.14%	30.01%
2011	31.12.10 - 30.12.11	-37.14%	-33.88%
YTD	30.12.11 - 29.06.12	34.11%	29.75%
MTD	31.05.12 - 29.06.12	15.04%	13.55%

¹ Fund performance is gross of fees and does not reflect the deduction of investment management fees, custodian fees or other expenses.

² 25.07.2008 is the start date of active portfolio management for Institutional class share.

Investment Allocation (%)

Equities	97.10%
Money Market	2.90%

Top 10 holdings (%)

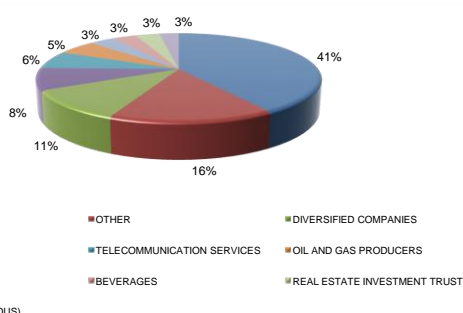
T GARANTI BANKASI	GARAN TI	9.54%
T IS BANKASI	ISCTR TI	9.14%
AKBANK	AKBNK TI	7.04%
TUPRAS	TUPRS TI	5.20%
BIM BIRLESIK MAGAZALAR A.S.	BIMAS TI	4.75%
HACI OMER SABANCI HOLDING	SAHOL TI	4.68%
TURKIYE VAKIFLAR BANKASI	VAKBN TI	4.63%
TURKIYE HALK BANKASI	HALKB TI	4.44%
TURKCELL	TCELL TI	4.36%
YAPI KREDI BANKASI	YKBNK TI	3.32%

Risk Ratios (Annualized)

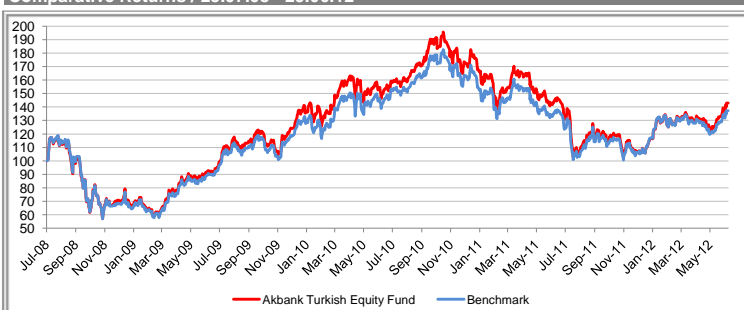
	YTD	Since Inception
Fund Volatility	21.70	34.02
Benchmark Volatility	21.39	33.24
Tracking Error	3.08	5.01

	YTD	Since Inception
Jensen's Alpha	10.61	1.59
Sharpe	3.36	0.07
Information Ratio	3.69	0.22
Beta	1.00	1.01

Sector Breakdown



Comparative Returns / 25.07.08 - 29.06.12



The graph represents gross of fees performance.

Administrative Information

Fund Name	:	Akbank Turkish SICAV
ISIN :	A Class	: LU0366551272
	I Class	: LU0366551439
	TRY Class	: LU0451096316
WKN :	A Class	: A0Q8MF
	I Class	: A0Q8MH
Minimum Subscription :	A Class	: EUR 50
	I Class	: EUR 5,000
	TRY Class	: TRY 100,000
Subscription/Redemption *		: Daily
Management Fee	A Class	: 1.50% p.a.
	I Class	: 1.25% p.a.
	TRY Class	: 1.50% p.a.

Registered Countries	:	Luxembourg Germany The Netherlands
Registered Databases	:	Bloomberg (AKTKEQI:LX; AKTKEQA:LX) Lipper Morningstar (Germany, Netherlands) Software-systems
Investment Manager	:	Ak Asset Management Inc.
Administrator / Custodian	:	Citibank International plc (Luxembourg Branch)
Independent Auditors	:	Ernst & Young S.A.

* Redemption and subscription requests should be sent to the Registrar and the Transfer Agent no later than 1:00PM (Luxembourg time) on the valuation day.

This is neither an offer to sell or a solicitation to invest. This material is for your private information only and we are not soliciting any action based upon it.

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