

Akbank Turkish Fixed Income Fund

Turkish Fixed Income Fund invests in sovereign and corporate debt securities issued in Turkey. The utilization of local know-how, active duration management, curve positioning and individual security selection helps to enhance the fund return and outperforms passive investing. The investment style of the fund is a combination of Top – Down & Spread Trader. The product is suitable for medium to long term investors with higher risk appetite. The risks related to movements in bond prices, resulting from interest-rate fluctuations and currency developments and to some extent changes in the quality of the corporate held portfolio. Selection of securities is conducted in line with the investment manager's risk management policies and guidelines.

Fund Information

NAV (Class I - Class A) : EUR 129.82 EUR 141.94
 Fund Size : EUR 37,744,773
 Launch Date : 02 July 2008
 Currency : EUR
 Legal Status : Luxembourg SICAV
 Reference Index* : 90% KYDABI + 10% KYD O/N Gross

* The benchmark has been updated as of 02/01/2012. KYDABI: KYD All Bond Index (www.kyd.org.tr)

Performance Figures

		Fund ¹	Benchmark
Since Inception ²	07.08.08 - 30.11.12	35.95%	31.86%
2009	31.12.08 - 31.12.09	18.56%	17.55%
2010	31.12.09 - 31.12.10	16.02%	15.54%
2011	31.12.10 - 30.12.11	-11.18%	-12.11%
YTD	30.12.11 - 30.11.12	22.18%	21.37%
MTD	31.10.12 - 30.11.12	3.01%	2.80%

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

² 07.08.2008 is the start date of active portfolio management for Institutional class share.

Investment Allocation (%)

Bonds	98.32%
Money Market	1.68%

Top holdings (%)

TRT240914	24%
TRT041213	12%
TRT150120	11%
TRT240614	7%
TRT120122	7%

Risk Ratios (Annualized)

	YTD	Since Inception
Fund Volatility	7.98	13.12
Benchmark Volatility	7.90	13.30
Tracking Error	0.84	2.47
Jensen's Alpha	0.33	1.23
Sharpe	2.17	0.03
Information Ratio	1.06	0.31
Beta	1.00	0.97

Market Overview

At the first week of November, Turkish markets are surprised by long awaited rating upgrade news by Fitch. Although it is believed that many market participants were expecting Turkey to become investment grade, bond market performance clearly ignores this.

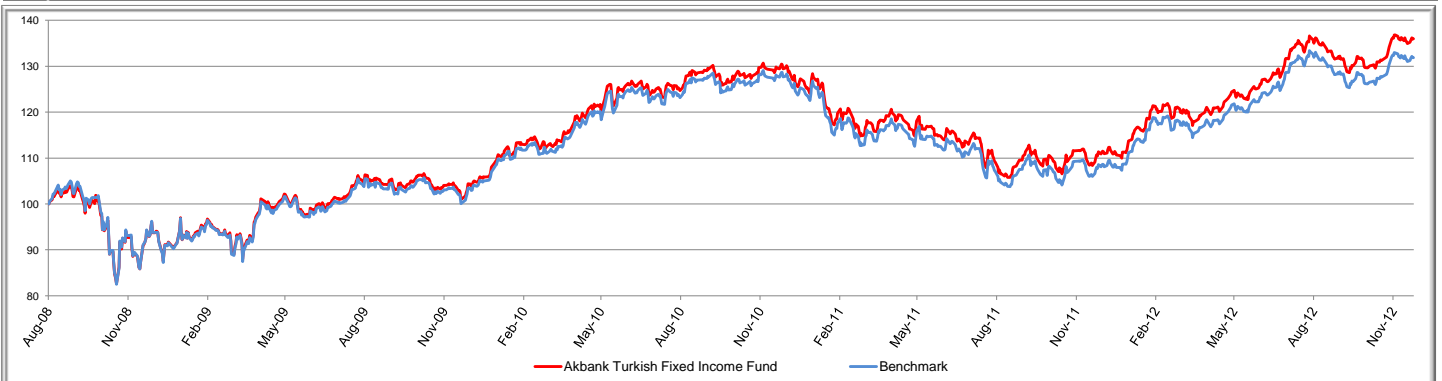
Until the fiscal cliff woes which crippled financial markets all over the world through the middle of the month, Turkish bonds experienced unprecedented performance among its peers. Israel- Hamas tension coupled with fiscal cliff talks brought S&P below its 200 MA and Brent petrol above 110 USD, also damaged Turkish bond and equity markets. Luckily peace returned to Middle East within a week, coincided with EU finance ministers deal on Greek rescue package that gave extra stimulus to Turkish bonds.

Benchmark bond and 10 yr bond which were traded at 7,0% and 8,10% compound levels before the rating upgrade, finished the month at 6% and 7% consecutively. Breathless bond market rally is expected to continue unless inflation and current account figures don't dent the macro outlook.

CBT Governor Başçı warned that TRY will not be allowed to appreciate aggressively against its peers and further easing may be the first choice in order to prevent TRY to gain value in terms of real effective exchange rate above 120. Equally weighted TRY basket which stayed close to pre investment grade levels is giving us the hint that Başçı made perfect oral FX intervention.

In the coming period November inflation figures and CBT's policy actions will be watched closely. Since we are overweight in long end by %7 especially in 10 yr maturity, we are benefiting from this rally splendidly. We are still keeping our duration longer than our benchmark and expecting this move will continue until global risk off mode emerges.

Comparative Returns / 07.08.08 - 30.11.12



The graph represents gross of fees performance.

Administrative Information

Fund Name	: Akbank Turkish SICAV	Registered Countries	: Luxembourg Germany The Netherlands
ISIN :	A Class : LU0366550621 I Class : LU0366550977	Registered Databases	: Bloomberg (AKTKFII:LX; AKTKFIA:LX) Lipper Morningstar (Germany, Netherlands) Software-systems
WKN :	TRY Class : LU0451096159 A Class : A0Q8MB I Class : A0Q8MD	Investment Manager	: Ak Asset Management Inc.
Minimum Subscription :	A Class : EUR 50 I Class : EUR 5.000	Administrator / Custodian	: Citibank International plc (Luxembourg Branch)
Subscription/Redemption * Management Fee	TRY Class : TRY 100.000 Daily A Class : 1.00% p.a. I Class : 0.75% p.a. TRY Class : 0.75% p.a.	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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