

Akbank Turkish Equity Fund

Turkish Equity Fund invests in equities of Turkish companies which are listed on Borsa Istanbul (BIST). 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 106.61	EUR 161.99
Fund Size :	EUR 31,598,778	
Launch Date :	02 July 2008	
Currency :	EUR	
Legal Status :	Luxembourg SICAV	
Reference Index :	97% ISE100 + 3% KYD O/N Repo Gross	

Performance	Fund ¹	Benchmark
Since Inception ²	15%	20%
2009	78%	91%
2010	31%	27%
2011	-38%	-34%
2012	61%	57%
2013	-29%	-31%
2014	32%	32%
YTD	-25%	-23%
MTD	-5%	-5%

¹ Fund performance is gross of fees and does not reflect the deduction of investment management

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

Investment Allocation (%)

Equities	99.34%
Money Market	0.66%

Top 10 holdings (%)

T GARANTI BANKASI GARAN TI	GARAN TI	7.16%
T IS BANKASI SER'C'TRL1000	ISCTR TI	6.85%
AKBANK TRL1000	AKBNK TI	5.99%
KOC HOLDING AS KCHOL TI	KCHOL TI	5.51%
TURK HAVA YOLLARI AO THYAO TI	THYAO TI	4.88%
BIM BIRLESIK MAGAZALAR AS BIMAS TI	BIMAS TI	4.68%
TURKCELL ILETISIM TRL1000	TCELL TL	4.26%
INDEKS BILGISAYAR INDES TI	INDES TI	4.17%
TURKIYE HALK BANKASI HALKB TI	HALKB TI	4.06%
TUPRAS(T PETR RAF) TRL1000	TUPRS TI	4.01%

Risk Ratios (Annualized)

	YTD	Since Inception
Fund Volatility	29%	32%
Benchmark Volatility	29%	32%
Tracking Error	0.03	0.05

Market Overview

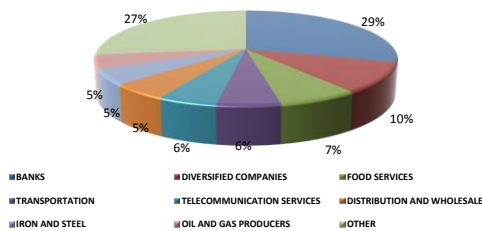
Turkish stock market was under pressure, both domestic and international. The ongoing political uncertainty after the elections extended, and President Erdoğan decided to call for an early elections at November 1. This political deadlock's timing was unfortunately very punitive for Turkey while the EMs met with huge capital outflows. Turkish stock market, measured by the benchmark BIST100 index retreated by 5,9 percent. Following those drops, year-to-end August negative return reached at 12,3 percent. When added the TL depreciation, the last negative figure was at 24 percent.

That bearish sentiment, and trades depending to that psychology could continue to pressurize Turkish markets, we expect. Though there were arguments defending the cheapness of Turkish stocks, the continuation of political distress, resulting from coalition formation failure, fights in Iraq and Syria, and uprising in separatist/ terrorist activities do not build a solid investment environment. However, if domestic conditions approve, the fall tendency could slowdown, but could not end before the EM sell-off stop. Therefore, we advise the investors to be patient, and wait for strong signals from local politics, and global economics.

We conserve our stock portfolio with only marginal changes, and our portfolio award us with positive alpha while the market falls fast. We achieved to minimize the year-to-end August negative alpha returns in the string of decline days. Our small-and-medium cap stocks made good job. We plan to buy new small-and-medium cap company stocks in the declining trend. Through this strategy of buying in bloody days, we expect that they will easily recover, and our portfolio could benefit.

	YTD	Since Inception
Jensen's Alpha	-0.02	0.00
Sharpe	-1.44	-0.19
Information Ratio	-0.79	0.05
Beta	1.00	1.00

Sector Breakdown



Comparative Returns / 25.07.08 - 30.09.15



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 * Management Fee		: Daily
	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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