

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 170.56	EUR 260.58
Fund Size	: EUR 50,553,889	
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	25.07.08 - 31.05.13	79.94%	76.71%
2009	31.12.08 - 31.12.09	78.26%	78.39%
2010	31.12.09 - 31.12.10	30.82%	30.01%
2011	31.12.10 - 30.12.11	-37.66%	-33.88%
2012	30.12.11 - 31.12.12	61.22%	63.17%
YTD	31.12.12 - 31.05.13	8.96%	2.42%
MTD	30.04.13 - 31.05.13	-1.57%	-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 25.07.2008 is the start date of active portfolio management for Institutional class share.

Investment Allocation (%)

Equities	99.22%
Money Market	0.78%

Top 10 holdings (%)

TURKIYE HALK BANKASI	HALKB TI	9.04%
AKBANK	AKBNK TI	7.31%
HACI OMER SABANCI	SAHOL TI	7.37%
T GARANTI BANKASI	GARAN TI	6.98%
T IS BANKASI	ISCTR TI	6.54%
TURKIYE VAKIFLAR BANKASI	VAKBN TI	4.38%
YAPI KREDI BANKASI	YKBNK TI	4.12%
TUPRAS	TUPRS TI	4.10%
BIM BIRLESIK MAGAZALAR	BIMAS TI	3.76%
TSKB	TSKB TI	2.77%

Risk Ratios (Annualized)

	YTD	Since Inception
Fund Volatility	23%	32%
Benchmark Volatility	22%	31%
Tracking Error	9%	5%

Market Overview

Turkish stock market lived two sides of a coin in the month. At the beginning of the month, the expectations for a second upgrade for the credit rating fed buys in the market. A secondary Investment Grade status by the Moody's came, and the optimism in the market continued after the new status. The BIST100 index, the benchmark index with a new name, climbed at 93,398 points. The April close level was at 86,046 points. May 22 had been a starting point of a reversal. Increased number of comments on the FED's policy to minimize the amount of bond purchases had been a breach point. Being hunger for huge capital inflows, Turkey could suffer any liquidity squeeze. This nervousness pulled down the index to 85,990 on May close. As you could imagine, this increase and decline formed a regular triangle in the index, with an only 0.10% decrease when May ended.

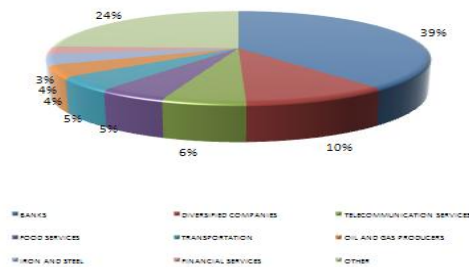
Narrowed financial conditions could harden the growth perspectives of Turkey. But, we do not assume a harsher move from FED under still fragile structures in US and global economy. We believe that a tightening FED move could be balanced with an improving global outlook, and the economic or financial consequences could be less destructive. As the upgrading agencies underlined, Turkish financial resistance has been somewhat strengthened. And, the upgrade is not a buy and sell story for the market, but a structural valuation expansion path with enhanced inflows pool. So, we do not lose our optimism for Turkish economy and the markets while the financial depth and breadth develops.

When you read this comment, you could ask what could be the political developments after a week of protests. We think that the protests would not create a solid political change in near term. The stronger government could stay at work, and would sustain its political and economic agenda.

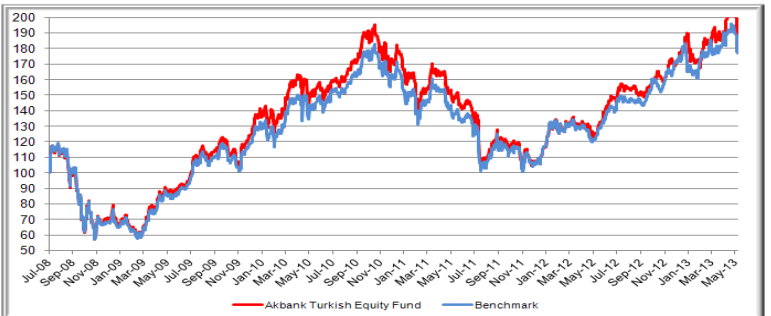
As a Turkish proverb says, a goodness could born from a badness. After these protests, the government should listen the public more, refraining from new steps to change the everyday life, and could concentrate much on the economic performance which was their most important backstading. A more balanced and democratic political picture could give way to a more harmonious society lessening the threat for fundamental political shifts. We think this new politics will assist the investor society to upgrade their political ratings at the end.

	YTD	Since Inception
Jensen's Alpha	4%	2%
Sharpe	0.72	0.22
Information Ratio	0.44	0.22
Beta	0.94	1.01

Sector Breakdown



Comparative Returns / 25.07.08 - 31.05.13



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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