

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 108.83	EUR 118.84
Fund Size	:	EUR 33,267,664	
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 - 30.04.14	11%	11%
2009	31.12.08 - 31.12.09	17%	18%
2010	31.12.09 - 31.12.10	15%	16%
2011	31.12.10 - 30.12.11	-12%	-12%
2012	30.12.11 - 31.12.12	21%	22%
2013	31.12.12 - 31.12.13	-20%	-21%
YTD	31.12.13 - 30.04.14	7%	6%
MTD	31.03.14 - 30.04.14	6%	7%

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

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

Investment Allocation (%)

Bonds 96.90%

Money Market 3.10%

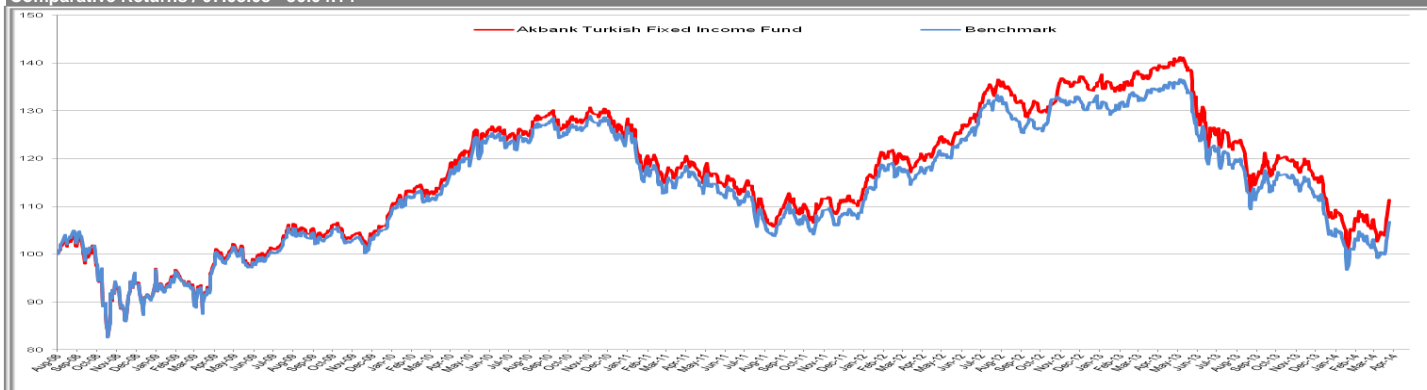
Top holdings (%)

TRT270923T11	11.97%
TRT240216T10	11.05%
TRT060814T18	9.77%
TRT070115T21	8.95%
TRT150120T16	8.67%

Risk Ratios (Annualized)

	YTD	Since Inception
Fund Volatility	15%	13%
Benchmark Volatility	14%	13%
Tracking Error	4%	3%
Jensen's Alpha	2%	1%
Sharpe	1.09	-0.34
Information Ratio	0.60	0.25
Beta	1.04	0.98

Comparative Returns / 07.08.08 - 30.04.14



The graph represents gross of fees performance.

Administrative Information

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

Due to the unemployment rate of 6.3 %, the FED continued tapering by reducing the bond purchases by \$10 bn in April, as expected. Additionally, the market consensus has been structured such that the FED will continue decreasing asset purchases by \$10 bn in each of its meetings throughout 2014. However, US housing data continued to worsen in April. In addition, Q1 GDP growth of US economy was announced 0.1% despite expectations of 1.2%. The tension between Russia and Western countries continued to remain elevated. In April, emerging markets experienced rallies on their currencies, stock markets and interest rate markets. After the elections in Turkey held on 30th March, political tension in Turkey decreased considerably which helped Turkish markets to outperform its peers among emerging countries.

Turkish Lira continued to outperform its peers in April, as well. Throughout April, the Turkish Lira appreciated from 2.15 levels to 2.10 levels against US Dollar. Two year benchmark bond yield dropped sharply from 10.70 % at the end of March to 9.10 % throughout the month. 5 year Turkish CDS spreads traded in 190-200 bps range. The real effective exchange rate jumped to 107.94 from 102.19 due to high inflation reading in Turkey.

On the domestic side, the y-o-y inflation rate rose from 8.4% to 9.4 % level. The yield curve bull steepened during April due to foreign inflows to Turkish capital markets. However, in the presentation of the second inflation report of the year revealed by CBRT, the governor signalled a rate cut in the following meetings with a tight stance in liquidity conditions. Thus, the yield curve got inverted at the end of April again. Short-term rates and ON Reverse Repo rates continued to be attractive. The Turkish Treasury successfully completed its domestic financing program in April and the total amount issued to the market was realized as TRY 14 bn as planned. A heavy financing schedule is waiting for the treasury in the last week of May and the first week of June. Credit spreads were unchanged or slightly increased in April; but the demand for floating rate instruments was also high.