

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 151,81	EUR 230,90
Fund Size :	EUR 46.235.494	
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 - 30.01.15	63%	67%
2009	31.12.08 - 31.12.09	78%	91%
2010	31.12.09 - 31.12.10	31%	27%
2011	31.12.10 - 30.12.11	-38%	-34%
2012	30.12.11 - 31.12.12	61%	57%
2013	31.12.12 - 31.12.13	-29%	-31%
2014	31.12.13 - 31.12.14	32%	32%
YTD	31.12.13 - 30.01.15	6%	7%
MTD	31.12.14 - 30.01.15	6%	7%

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	99,07%
Money Market	0,93%

Top 10 holdings (%)

T GARANTI BANKASI GARAN TI	GARAN TI	8,95%
T IS BANKASI SER'C'TRL1000	ISCTR TI	7,56%
AKBANK TRL1000	AKBNK TI	7,07%
TURKIYE VAKIFLAR BANKASI VAKBN TI	VAKBN TI	5,84%
TURKIYE HALK BANKASI HALKB TI	HALKB TI	5,28%
KOC HOLDING AS KCHOL TI	KCHOL TI	4,92%
EMLAK KONUT GAYRIMENKUL YA REIT EKG\	EKGYO TI	4,54%
TURK HAVA YOLLARI AO THYAO TI	THYAO TI	4,42%
BIM BIRLESIK MAGAZALAR AS BIMAS TI	BIMAS TI	4,18%
TURKCELL ILETISIM TRL1000	TCELL TI	4,15%

Risk Ratios (Annualized)

	YTD	Since Inception
Fund Volatility	27%	32%
Benchmark Volatility	27%	32%
Tracking Error	0,03	0,05

Market Overview

BIST 100 index; benchmark index in Borsa İstanbul, closed the month at 88,946. That level meant a monthly increase of 3,8%. In the month, the index hit 91,806 points for forming a highest level for 20 months period.

These developments could be bound to "January affect". The year started with better economic expectations, higher growth prospect under lower current account deficit and lower inflation condition. That was translated into better company expectations. The discount rates were lowered, and valuations were upgraded. Investors poured into Turkey with the start of the year. Of course, the mother of that investment story was the decline of the oil prices. But, we should not forget the optimism about the new ECB security buying programme.

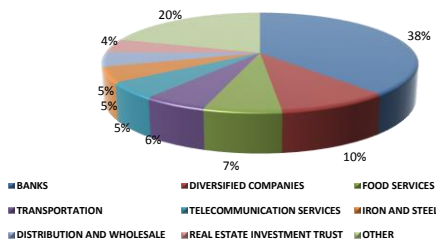
After forming a top, the negative news replaced the positive ones, and those negative developments became the new market theme: clash on monetary policy, revival of fear from FED rate hike cycle, spread of political loudness as the election calendar nears, and the end of oil price falls. The market started a serious correction trend which continued in February.

However, as the international markets are in a balanced risk-on mood, we assume that the sells could not pull the market under certain levels. One of the metrics, that we are looking at, banking valuations. We assume that 1x 2015 P/B ratio for banking sector could be a fair level for the change in mood against Turkish stocks. For short-term trades, the investors could follow that metrics for a simpler rule.

For a more longer investment horizon, passing the general elections to be held in June is crucial. In that time frame, FED's policy map could also be clarified, and the investors could be more courageous. So, we could see less volatile sessions in coming months, and stock-selection could be the main market motive.

	YTD	Since Inception
Jensen's Alpha	-0,09	0,01
Sharpe	3,66	-0,02
Information Ratio	-4,29	0,10
Beta	0,98	1,00

Sector Breakdown



Comparative Returns / 25.07.08 - 30.01.15



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.

Ak Asset Management - Sabancı Center Hazine Binası 4. Levent İstanbul / Turkey

Phone: +90 212 385 27 00 - Fax: +90 212 319 24 69 - investor@akportfoy.com.tr Website : <http://akportfoy.com.tr/en/node/sicav>