

Akbank Turkish SICAV - Fixed Income

The Sub-Fund's investment objective is to provide long term capital appreciation by investing in bonds and t-bills issued by the Turkish government or a regional or local authority or a private sector company in Turkey denominated in any currency. The Sub-Fund will invest at least 51% of its total assets in straight bonds, and a maximum of 49% of its total assets in money market instruments and liquid assets.

Fund Information

NAV (Class I - Class A)	:	EUR 124.60	EUR 135.96
Fund Size	:	EUR 12,459,882	
Launch Date	:	02 July 2008	
Currency	:	EUR	
Legal Status	:	Luxembourg SICAV	
Reference Index	:	100% KYDABI ¹	

¹ KYD All Bond Index, www.kyd.org.tr

Performance Figures*		SICAV Fund (Net)	Benchmark (Gross)
Since Inception	07.08.08 - 31.05.10	19.41%	23.46%
2009	31.12.08 - 31.12.09	15.90%	17.55%
YTD	31.12.09 - 31.05.10	14.43%	15.39%
MTD	30.04.10 - 31.05.10	2.93%	3.04%

Investment Allocation (%)

Bonds	81.20%
Money Market	18.80%

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

Top holdings (%)

TRT031110T10	20.92%
TRT030811T14	15.07%
TRT161111T14	11.00%
TRT020211T11	10.63%
TRT190111T13	7.75%

Market Overview

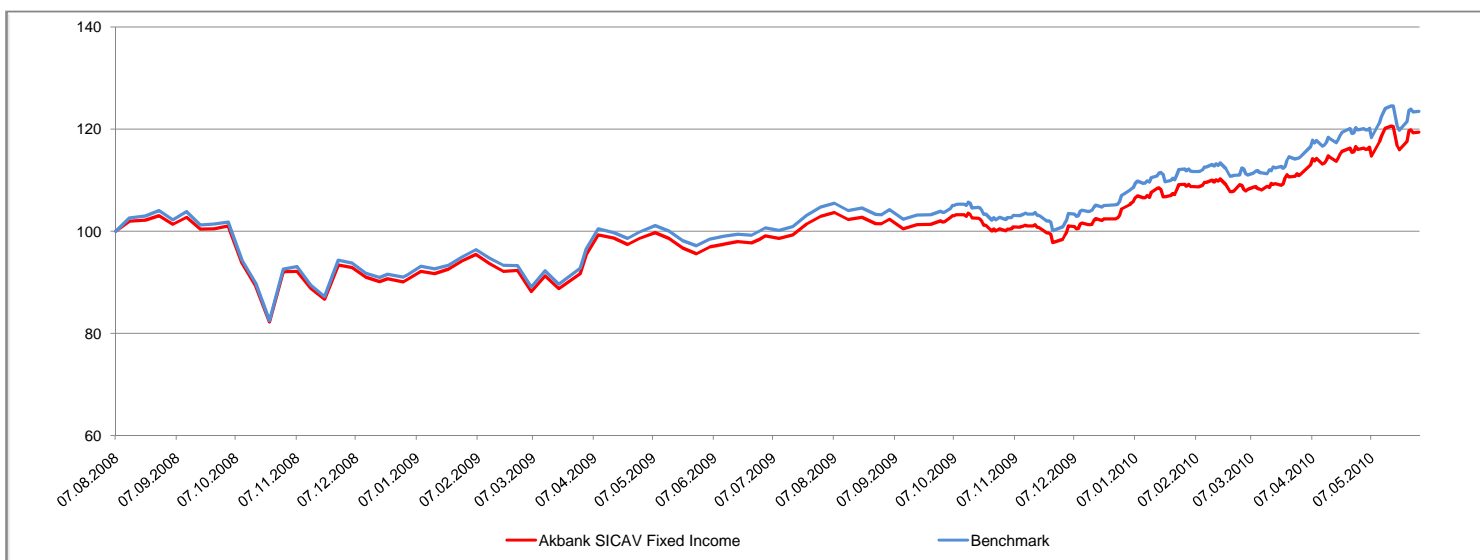
Concerns over fiscal imbalances and the health of the banking system in Europe, possible halt in Eurozone economic recovery and downgrade of Spain's sovereign rating by Fitch lowered the risk appetite in May. Turkish market lagged the overall EM universe, ISE-100 declined 7,8% in May, slightly outperforming the EMEA region.

The Turkish lira devalued around 7% in May against US Dollar, due to the fall of Euro/Usd parity from 1,32 to 1,22. Benchmark bond yields rise to a highest of 10% in the first week of May, but then slid down around 9% compounded yield due to the dovish stance of the Central Bank of the Republic of Turkey (CBRT). In its latest reports, CBRT is confident that inflation might converge to a path that leads to the target, encouraged by the relief in food inflation and fading impact of consumption tax increases.

Increasing worries about Eurozone economies, global risk appetite and restricted credit conditions may also delay or lower the magnitude of the rate hikes expected to start in the last quarter of the year. Also, Moody's stated recently that it may raise Turkey's rating, following the parliament approval of the draft bill regarding the fiscal rule, which aims to reduce the budget deficit down to 1% of GDP in 10 years and debt to GDP ratio to around 30% in 5-10 years. Therefore, we believe that benchmark bond yield may fluctuate between 8,5 % - 9,5 % range in June.

Akbank Turkish Sicav Fixed Income Fund invested 82% of its assets in fixed-income securities with an average duration of one year.

Comparative Returns* / 07.08.08 - 31.05.10



Administrative Information

ISIN :	A Class : LU0366550621	Registered Countries :	Luxembourg
	I Class : LU0366550977		Germany
	TRY Class : LU0451096159		The Netherlands
WKN :	A Class : A0Q8MB	Registered Databases :	Bloomberg (AKTKFII:LX; AKTKFIA:LX)
	I Class : A0Q8MD		Lipper
Minimum Subscription :	A Class : EUR 50		Morningstar (Germany, Netherlands)
	I Class : EUR 5.000		Software-systems
	TRY Class : TRY 100.000	Investment Manager :	Ak Asset Management Inc.
Subscription Frequency **	: Daily	Administrator / Custodian :	Citibank International plc (Luxembourg Branch)
Redemption Frequency **	: Daily	Independent Auditors :	Ernst & Young S.A.
Management Fee	: 1.25% yearly		

** Redemption and subscription requests should be sent to the Registerer 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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