

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 147.64	EUR 225.83
Fund Size	:	EUR 43,759,456	
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 - 31.10.12	61.52%	56.48%
2009	31.12.08 - 31.12.09	80.44%	78.39%
2010	31.12.09 - 31.12.10	32.14%	30.01%
2011	31.12.10 - 30.12.11	-37.14%	-33.88%
YTD	30.12.11 - 31.10.12	51.62%	47.98%
MTD	28.09.12 - 31.10.12	7.94%	8.25%

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	98.27%
Money Market	1.73%

Top 10 holdings (%)

T IS BANKASI	ISCTR TI	9.29%
T GARANTI BANKASI	GARAN TI	9.25%
AKBANK	AKBNK TI	8.07%
HACI OMER SABANCI HOLD	SAHOL TI	6.51%
BIM BIRLESIK MAGAZALAR AS	BIMAS TI	4.79%
TUPRAS	TUPRS TI	4.73%
VAKIFBANK	VAKBN TI	4.15%
ANADOLU EFES	AEFES TI	3.57%
TURKCELL	TCELL TI	3.50%
YAPI KREDI BANKASI	YKBNK TI	3.16%

Market Overview

The uprise of credit rating upgrade speculations resulted a serious series of upward movements in Turkish stock market. The ISE-100 index, the benchmark index of the country and our Fund, rose by 9.2 percent. In the month, whole indicators, news and developments were seen as presignals for the rating upgrade. These perceptions fed purchases in the market, and pushed the market to new historical highs. ISE-100 rose to 72,703 points in the last trading day of the month. The previous intraday record high was 71,777 points, seen on November 9, 2010.

The rise was mainly provided by the buys in the banking stocks. The banking index rose by 13.6 percent through the month. The positive results of the banking sector in the third quarter supplied another motivation to the stock price increases as well the expectations that a possible rating upgrade would enhance and enlarge the profitable playfield of the banks.

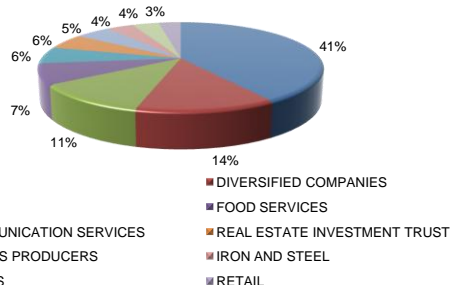
Of course, we should not forget that the risk free rate declined thanks to continued inflows. Based on the decline in risk free rates, and equity risk premiums, the analysts renewed their valuation studies. These studies gave way to new upside potentials for the stocks, and we could rationalize the harsh hikes in the stock prices due to these new fundamentals. Currently Turkish stocks traded at 10.2x 2013P/E, just in line with the 10.2x ratio of Emerging Markets. On the other hand, Turkish stocks traded at 1.8x trailing P/B ratio versus 1.5x of Emerging Market's P/B.

Note: At November 5, 2012, the Fitch upgrade Turkey's rating to the investment grade level.

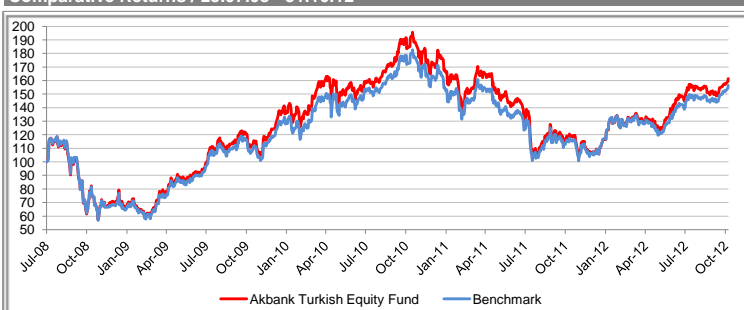
Risk Ratios (Annualized)	YTD	Since Inception
Fund Volatility	19.23	32.94
Benchmark Volatility	18.94	32.18
Tracking Error	2.72	4.85

	YTD	Since Inception
Jensen's Alpha	3.92	1.28
Sharpe	2.98	0.15
Information Ratio	1.73	0.17
Beta	1.01	1.01

Sector Breakdown



Comparative Returns / 25.07.08 - 31.10.12



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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