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 appétite. 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 119.33 EUR 130.51

 Fund Size
 : EUR 34,694,796

 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

Performance Figures		Fund ¹	Benchmark
Since Inception ²	07.08.08 - 28.06.13	20.48%	22.46%
2009	31.12.08 - 31.12.09	17.34%	17.55%
2010	31.12.09 - 31.12.10	14.73%	15.54%
2011	31.12.10 - 30.12.11	-11.94%	-12.11%
2012	30.12.11 - 31.12.12	20.88%	22.08%
YTD	31.12.12 - 28.06.13	-7.09%	-7.67%
MTD	31 05 13 - 28 06 13	-9 19%	-8 3/10/-

¹ Fund performance is gross of fees and does not reflect the deduction of investment management fees, custodian fees or other expenses.

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

Investment Allocation (%)	
Bonds	97.70%
Money Market	2.30%
Top holdings (%)	
TRT150120	14%
TRT080317	11%
TRSKPTL61419	7%
TRSKCTF81318	7%
TRT070115	6%
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Risk Ratios (Annualized)	YTD	Since Inception	
Fund Volatility	11.61%	12.89%	
Benchmark Volatility	10.51%	12.95%	
Tracking Error	3.98%	2.65%	
Jensen's Alpha	-0.73%	0.96%	
Sharpe	-1.79	-0.17	
Information Ratio	-0.24	0.20	
Beta	1.04	0.97	

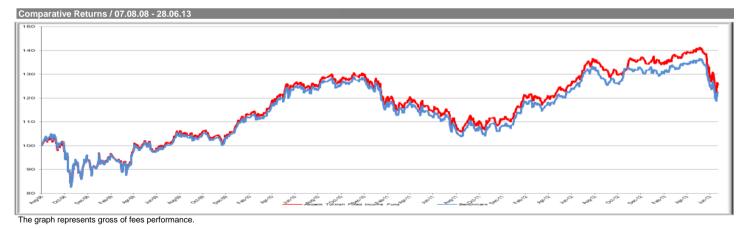
Market Overview

Since the Bernanke's May 22 speech, every single asset class is facing threat of fading ample liquidity. EM assets took the brunt of the hit since the very same asset class has benefited most from quantitative easing for the last 3 years. The countries that have highest current account deficits are the worst performers in the last one month, i.e. South Africa, Turkey.

Turkey government bonds shifted upwards by around 90 bps in June where 2 and 10 year bonds increased from 6,30% and 7,10% compound levels to 7,90% and 8,80%. In this period TRY declined %2,5 versus USD whereas EM FX index constructed by JP Morgan stayed same with the help of Asian EM countries despite Turkey Central Bank intervened in FX market.

What is frightening most is the US equity markets good performance with the help of positive US economic data. Since market seems convinced that US economy will manage to keep on going without FED's extraordinary measures, Bernanke will be more confident towards tapering off QE.

Our positioning is structured to benefit from inverting of the yield curve since our fund is heavily concentrated in the long end while keeping overall duration close to its reference index. US economic data will continue to play crucial role in determining the direction of financial markets all over the world.



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

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^{*} 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.

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