

## 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 115.18	EUR 125.98
Fund Size	:	EUR 11,748,373	
Launch Date	:	02 July 2008	
Currency	:	EUR	
Legal Status	:	Luxembourg SICAV	
Reference Index	:	100% KYDABI <sup>1</sup>	

<sup>1</sup> KYD All Bond Index, www.tkyd.org.tr

Performance Figures*		SICAV Fund (Net)	Benchmark (Gross)
Since Inception	07.08.08 - 31.01.11	10.38%	14.99%
2009	31.12.08 - 31.12.09	15.90%	17.55%
2010	31.12.09 - 31.12.10	13.34%	15.54%
YTD	31.12.10 - 31.01.11	-6.68%	-6.97%
MTD	31.12.10 - 31.01.11	-6.68%	-6.97%

## Investment Allocation (%)

Bonds	82.29%
Money Market	17.71%

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

## Top holdings (%)

TRT080812T26	26%
TRT090113T13	24%
TRT250412T11	9%
TRT070312T14	8%
TRT250112T14	5%

## Market Overview

Underperformance by emerging markets was the main theme in January. Developed market assets outperformed emerging markets to a large extent. Part of the discrepancy was due to inflation worries in emerging markets, especially in Asia. Middle Eastern emerging markets also suffered from civil unrest in the region.

Uncertainty surrounding central bank's actions was the overarching theme that dominated Turkish markets. CBRT's unconventional policy of simultaneously lowering the benchmark rate and increasing the reserve requirement ratios created confusions among investors, which pushed local asset values down.

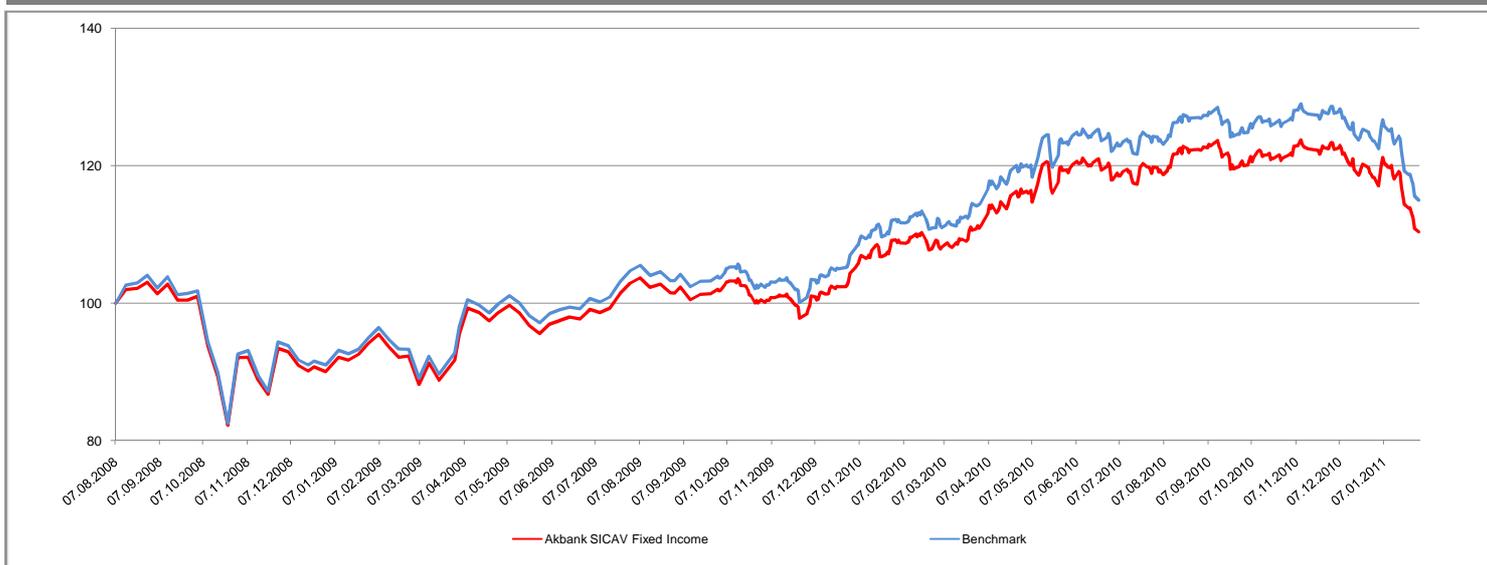
Turkish Lira lost 4.2% against USD in January. Against EUR, The Lira lost 6.8%, ending the month with a 5.7% loss against basket. Foreign investors were seen selling their TRY holdings as the currency's carry diminished after policy rate cuts.

Turkish rates rose on the month as the treasury's heavy issuance of bonds put upwards pressure on yields (issued TRY 25.1 bn worth of bonds through the month). The benchmark 2 year bond yield started the month at 7.08% and rose to 8.19% by the end of the month.

We believe that Turkish rates will be range bound in February. Central Bank is more likely to stay on hold and view the results of its new policy mix before making further rate cuts and raising reserve requirements. This should take away some of the confusion among investors and help local assets.

We believe that the benchmark bond yield may fluctuate between 8,40% - 7,80% range in February. 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 - 31.01.11



## 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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