

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 appetite. 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 107.39	EUR 117.41
Fund Size :	EUR 31,436,963	
Launch Date :	02 July 2008	
Currency :	EUR	
Legal Status :	Luxembourg SICAV	
Reference Index :	100% KYDABI*	

* KYD All Bond Index, www.tkyd.org.tr

Market Overview

Yield of Benchmark bond which started December at 10.30% compound level, decreased to 10% by the help of improvements in global risk appetite. The good mood in domestic bond market shattered by the release of November CPI data which pointed out monthly 1.48% figure that resulted 9.48% year on year increase in CPI.

Parallel to the inadvertent developments in global fixed income markets, Turkish Lira decreased in value against US dollars which in turn both deteriorated the domestic inflation outlook and caused the yields of TL denominated bonds yields to elevate substantially.

Press release of monthly MPC which was held in December 22 made it clear that CBT is likely to follow tight monetary policy for additional time in reaction to worsening inflation outlook. In addition to that CBT released its yearly report for money and currency outlook in 27 December which contained stronger emphasis towards tighter monetary policy actions. CBT started to curb the amount of weekly funding which is made at the policy rate of 5.75%, in turn started to make repo auctions at traditional style in which rate is decided by market.

The change in weekly repo funding of CBT resulted to inevitable increase in borrowing costs of banks substantially which in turn caused short end of the curve to shift higher.

In the upcoming period domestic bond market will focus on December inflation print which is going to be released in first week of January, effects of additional tightening policies and CBT's direct intervention to currency market. Additionally market will keep an eye on Treasury's high amount of redemption in January.

Performance Figures		Fund ¹	Benchmark
Since Inception ²	07.08.08 - 30.12.11	15.34%	8.64%
2009	31.12.08 - 31.12.09	19.94%	17.55%
2010	31.12.09 - 31.12.10	17.29%	15.54%
2011	31.12.10 - 30.12.11	-10.28%	-12.11%
MTD	30.11.11 - 30.12.11	0.57%	0.62%

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	97.96%
Money Market	2.04%

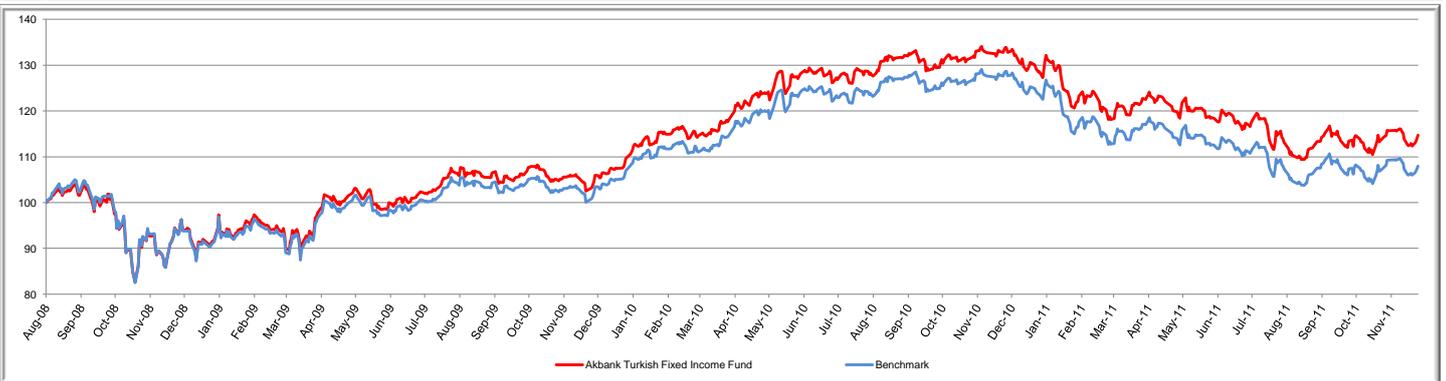
Top holdings (%)

TRT280813T13	24%
TRT200213T25	21%
TRT170713T17	14%
TRT270116T	12%
TRT090113T13	8%

Risk Ratios (Annualized)

	YTD	Since Inception
Fund Volatility	11.29	14.21
Benchmark Volatility	11.20	14.41
Tracking Error	1.17	2.82
Jensen's Alpha	1.88	1.66
Sharpe	-1.49	-0.23
Information Ratio	1.57	0.65
Beta	1.00	0.97

Comparative Returns / 07.08.08 - 30.12.11



The graph represents gross of fees performance.

Administrative Information

Fund Name	: Akbank Turkish SICAV	Registered Countries	: Luxembourg
ISIN :	A Class : LU0366550621		Germany
	I Class : LU0366550977		The Netherlands
	TRY Class : LU0451096159	Registered Databases	: Bloomberg (AKTKFII:LX; AKTKFIA:LX)
WKN :	A Class : A0Q8MB		Lipper
	I Class : A0Q8MD		Morningstar (Germany, Netherlands)
Minimum Subscription :	A Class : EUR 50	Investment Manager	: Ak Asset Management Inc.
	I Class : EUR 5.000	Administrator / Custodian	: Citibank International plc (Luxembourg Branch)
	TRY Class : TRY 100.000	Independent Auditors	: Ernst & Young S.A.
Subscription/Redemption * Management Fee	: Daily		
	A Class : 1.25% p.a. (1.00% p.a. as of Feb 2012)		
	I Class : 1.25% p.a. (0.75% p.a. as of Feb 2012)		
	TRY Class : 1.25% p.a. (1.00% p.a. as of Feb 2012)		

* 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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