

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 115.83	EUR 126.63
Fund Size :	EUR 33,908,095	
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

In the first week of January yield of benchmark bond increased to 11.50% from 11.0% level due to increasing risk aversion stemming from European economies. In addition to negative sentiment in global markets, domestic CPI print of December which came higher than expected fueled the market towards increasing yields. Monthly increase of 0.58% CPI print brought year on year inflation figure to 10.45%. Although the economic indicators from Europe and US were feeding markets in positive direction since the start of December 2011, the major change in risk sentiment occurred in second week of January was caused by the ECB's LTRO funding. The major beneficiaries of the LTRO funding were Italy and Spain; yields of these countries lowered approximately 100 to 200 bps in various maturities.

Performance Figures

		Fund ¹	Benchmark
Since Inception ²	07.08.08 - 31.01.12	24.92%	17.73%
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 - 31.01.12	-10.28%	-12.11%
YTD	30.12.11 - 31.01.12	8.30%	8.36%
MTD	30.12.11 - 31.01.12	8.30%	8.36%

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	97.88%
Money Market	2.12%

Top holdings (%)

TRT280813	24%
TRT041213	17%
TRT250412	12%
TRT090113	8%
TRT150513	6%

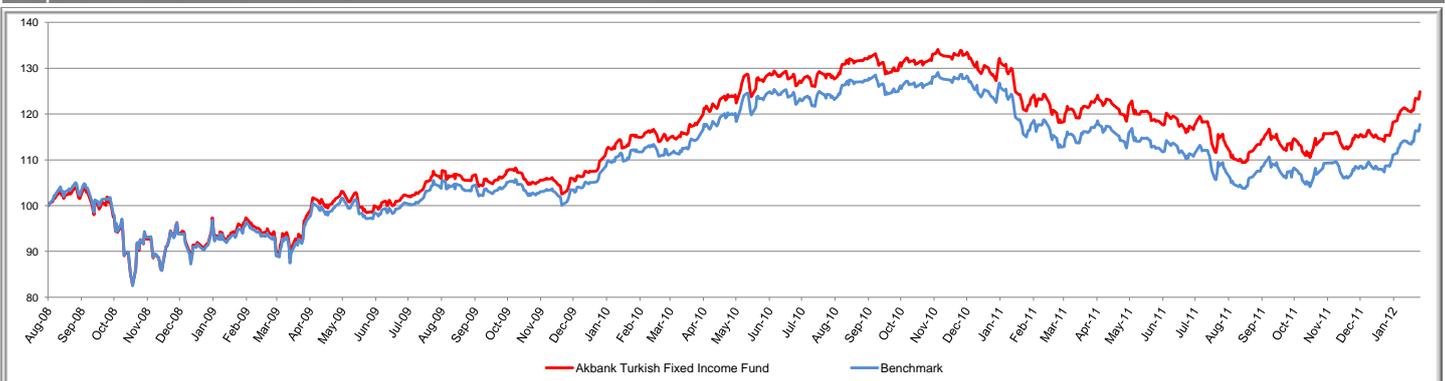
Risk Ratios (Annualized)

	YTD	Since Inception
Fund Volatility	8.41	14.21
Benchmark Volatility	8.12	14.31
Tracking Error	1.57	2.79
Jensen's Alpha	1.88	1.66
Sharpe	-1.49	-0.23
Information Ratio	1.57	0.65
Beta	1.00	0.97

Since the beginning of second week of January increased risk appetite in financial markets caused EM currencies to appreciate against major currencies and pushed the yields of domestic debt lower. In parallel to elevated risk appetite in financial markets Turkish Central Bank increased liquidity in money markets through increased funding via weekly repo operations at policy rate. Cheap funding provided by the CBT caused short term yields to lower substantially and respectively yield curve steepened significantly. 2-10 yr government bonds yield spread which saw 160 bps at most decreased gradually and reached -42 bps at the end of the month. In this bullish steepening environment benchmark bond's yield decreased to 9.5% compound level.

Pressure on the rate market eased by the help of high demand to government auctions and the increased risk appetite in the global markets. For upcoming period, after the negative revisions for the growth rate forecasts followed each other, domestic rate market will be watching the global policy rates, consumer price inflation in January and the heavy redemption the treasury.

Comparative Returns / 07.08.08 - 31.01.12



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 Mar 2012)		
	I Class : 1.25% p.a. (0.75% p.a. as of Mar 2012)		
	TRY Class : 1.25% p.a. (1.00% p.a. as of Mar 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.