

## 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 120.82	EUR 185.05
Fund Size	:	EUR 35,810,862	
Launch Date	:	02 July 2008	
Currency	:	EUR	
Legal Status	:	Luxembourg SICAV	
Reference Index	:	97% ISE100 + 3% KYD O/N Repo Gross	

## Market Overview

ISE-100 index gained 6.2% in February in local currency terms. The return was 7.8% in USD basis. The return on MSCI EM Index was 5.9% while the return on MSCI World Index was 4.7%. As seen from the data, the upward movements were much correlated through the globe, thanks to liquidity pumped by the Central Banks, specially by the ECB.

Not only monetary easing, but specific and committed steps to contain the Greece risk have also encouraged the investors. We observed the continuation of inflows into risky assets, awarded the investors with important returns. As of end of February, Turkey's expected P/E2012 multiple is 9.4x versus 10.5x of MSCI EM, thus offering an upside of 12%. On the other hand, ISE 100's current P/B is 1.55x vs 1.74x of MSCI EM, that also indicates an upside of 12%.

In the month, the fund performance was 5.9%, exceeding the benchmark return of 5.3%. So, the year-to-date benchmark difference have declined to 45 bps. Although this year was a surprise climb year, we achieved to approach the benchmark yield. You could remind that, in the first part of the rising trend, in January, we have carried lesser equity weightings, fearing from the global risk aversion.

In coming month, we expect a gradual decline after the ending of the profit season. This month could be an alpha seeking month rather than benchmark rallying month. We wish to catch some alpha ideas to beat the benchmark return in this month.

Performance		Fund <sup>1</sup>	Benchmark
Since Inception <sup>2</sup>	25.07.08 - 29.02.12	38.08%	30.89%
2009	31.12.08 - 31.12.09	83.23%	78.39%
2010	31.12.09 - 31.12.10	33.99%	30.01%
2011	31.12.10 - 30.12.11	-36.28%	-33.88%
YTD	30.12.11 - 29.02.12	23.34%	23.78%
MTD	31.01.12 - 29.02.12	5.86%	5.30%

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

<sup>2</sup> 25.07.2008 is the start date of active portfolio management for Institutional class share.

## Investment Allocation (%)

Equities	97.49%
Money Market	2.51%

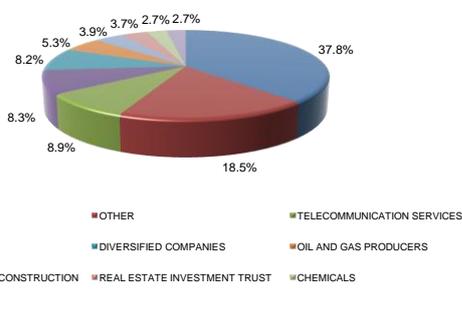
## Top 10 holdings (%)

T GARANTI BANKASI	GARAN TI	8.77%
T IS BANKASI	ISCTR TI	7.66%
AKBANK	AKBNK TI	7.43%
TURKCELL ILETISIM	TCELL TI	5.97%
TUPRAS	TUPRS TI	5.17%
HACI OMER SABANCI HOLDING	SAHOL TI	4.70%
BIM BIRLESIK MAGAZALAR A.S.	BIMAS TI	4.56%
TURKIYE HALK BANKASI	HALKB TI	4.47%
EMLAK KONUT GAYRIMENKUL	EKGYO TI	3.61%
YAPI KREDI BANKASI	YKBNK TI	3.37%

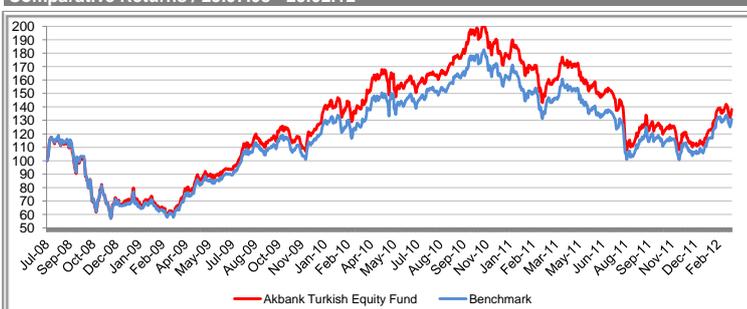
## Risk Ratios (Annualized)

	YTD	Since Inception	YTD	Since Inception
Fund Volatility	24.48	35.06	Jensen's Alpha	-6.94
Benchmark Volatility	24.44	34.23	Sharpe	9.96
Tracking Error	2.27	5.20	Information Ratio	-3.32
			Beta	1.00
				1.01

## Sector Breakdown



## Comparative Returns / 25.07.08 - 29.02.12



The graph represents gross of fees performance.

## Administrative Information

Fund Name	:	Akbank Turkish SICAV	Registered Countries	:	Luxembourg
ISIN :	A Class	: LU0366551272		Germany	
	I Class	: LU0366551439		The Netherlands	
	TRY Class	: LU0451096316	Registered Databases	:	Bloomberg ( AKTKEQI:LX; AKTKEQA:LX )
WKN :	A Class	: A0Q8MF		Lipper	
	I Class	: A0Q8MH		Morningstar (Germany, Netherlands)	
Minimum Subscription :	A Class	: EUR 50		Software-systems	
	I Class	: EUR 5.000	Investment Manager	:	Ak Asset Management Inc.
	TRY Class	: TRY 100.000	Administrator / Custodian	:	Citibank International plc (Luxembourg Branch)
Subscription/Redemption * Management Fee	:	Daily	Independent Auditors	:	Ernst & Young S.A.
	A Class	: 1.75% p.a. ( 1.50% p.a. as of Mar 2012 )			
	I Class	: 1.75% p.a. ( 1.25% p.a. as of Mar 2012 )			
	TRY Class	: 1.75% p.a. ( 1.50% 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.

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