

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 118.24 EUR 129.16
 Fund Size : EUR 34,615,298
 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

Turkish domestic market was in relatively good mood compared to European economies. Inflation figure of March which was announced in the first week of April did not help to dissipate worries of rising inflation because of lately announced energy related tax hikes. Although tax hikes were significantly affecting inflation expectations bond market were seen immune due to lowered rollover ratios announced last day of March.

Benchmark bond which started April at 9.40% compound level traded in tight range throughout the first three weeks rising highest to 9.50% level. Despite worsening outlook in European economies caused by disappointing PMI figures and economic activity, Turkish assets generally behaved as safe heaven with decreased volatility and high carry. With the help of unexpected rate cuts from Indian and Brazilian central banks, Turkish short dated bonds served better risk adjusted carry opportunity.

Inflation report which was announced at the last week of April by the Turkish Central Bank explicitly mentioned longer than expected tight monetary conditions in order to tame inflation pressures. Surprisingly central bank did not raised its inflation expectation despite the external negative shock caused by tax hikes. This move supported yield curve to flatten and became inverted in such a short period of 1 week. 10-2 yr spread was +40 bps at the start of the month decreased to 0 at the end of the month and declined further with the help of foreign investors unexpected bond purchases at long end. With the expectation of longer than expected tight policy short dated bonds yields elevated but not as much as rose before due to previously mentioned high carry attractiveness.

We increased our duration in SICAV fixed income fund by adding long dated bonds to our portfolio due to already mentioned unexpected tight monetary policy. In the coming future we expect political matters in Europe to affect global markets and in domestic front Turkish Central Bank's actions will be followed closely.

Performance Figures		Fund ¹	Benchmark
Since Inception ²	07.08.08 - 30.04.12	23.02%	20.33%
2009	31.12.08 - 31.12.09	18.56%	17.55%
2010	31.12.09 - 31.12.10	16.02%	15.54%
2011	31.12.10 - 30.04.12	-11.18%	-12.11%
YTD	30.12.11 - 30.04.12	10.56%	10.75%
MTD	30.03.12 - 30.04.12	2.97%	2.97%

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	93.68%
Money Market	6.32%

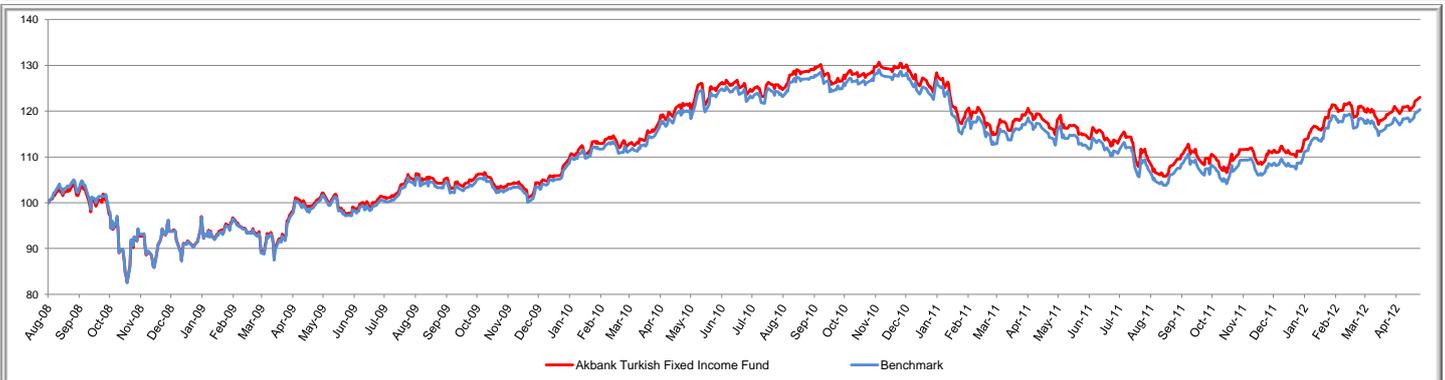
Top holdings (%)

TRT170713	14%
TRT280813	13%
TRT100413	12%
TRT120122	10%
TRT041213	10%

Risk Ratios (Annualized)

	YTD	Since Inception
Fund Volatility	8.73	13.79
Benchmark Volatility	8.67	13.99
Tracking Error	0.97	2.64
Jensen's Alpha	-0.87	0.54
Sharpe	3.20	-0.09
Information Ratio	-0.87	0.23
Beta	1.00	0.97

Comparative Returns / 07.08.08 - 30.04.12



The graph represents gross of fees performance.

Administrative Information

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

* 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.