

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 114.25	EUR 174.86
Fund Size	:	EUR 33,863,558	
Launch Date	:	02 July 2008	
Currency	:	EUR	
Legal Status	:	Luxembourg SICAV	
Reference Index	:	97% ISE100 + 3% KYD O/N Repo Gross	

Market Overview

In May, we observed the actualization of the most repeated market motto of "Sell in May, and go away". The ISE-100 index declined by 8.2 percent in domestic currency basis. In USD basis, the decline rate was 13.7 percent. After the decline, currently ISE30 has traded at 8.3x 2012 P/E versus 9.6x 2012 P/E of MSCI EM.

The "Grexit scenario" was the most spoken concern sold by the market. The fear for a collapse of Euro after probable Grexit pressurized the risk taking pleasure. The commodities, FX, and stocks, all of these risky assets recorded substantial losses while the German and US risk free rates declined to historical lows. Also, global economic data indicate global slowdown that is bad for the global risk appetite.

In the month, the rating agency S&P turned Turkish outlook rating to negative from neutral. This negative surprise increased the worries over contagious factors over Turkish economy. Under these negative conditions, Turkish stocks could not break up from the declining trend.

In the fund, we tried to choose more defensive names as well as the dividend-paying stocks. Through this strategy, we achieved to create additional "alpha" returns.

Performance		Fund ¹	Benchmark
Since Inception ²	25.07.08 - 31.05.12	24.15%	20.83%
2009	31.12.08 - 31.12.09	80.44%	78.39%
2010	31.12.09 - 31.12.10	32.14%	30.01%
2011	31.12.10 - 30.12.11	-37.14%	-33.88%
YTD	30.12.11 - 31.05.12	16.54%	14.27%
MTD	30.04.12 - 31.05.12	-5.80%	-6.97%

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

² 25.07.2008 is the start date of active portfolio management for Institutional class share.

Investment Allocation (%)

Equities	98.57%
Money Market	1.43%

Top 10 holdings (%)

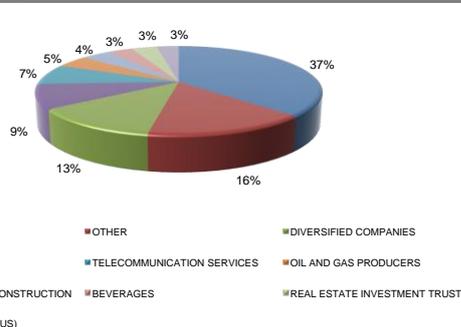
T IS BANKASI	ISCTR TI	8.67%
T GARANTI BANKASI	GARAN TI	8.54%
AKBANK	AKBNK TI	6.17%
BIM BIRLESIK MAGAZALAR A.S.	BIMAS TI	5.32%
HACI OMER SABANCI HOLDING	SAHOL TI	5.05%
TURKCELL	TCELL TI	4.80%
TUPRAS	TUPRS TI	4.45%
TURKIYE VAKIFLAR BANKASI	VAKBN TI	4.19%
TURKIYE HALK BANKASI	HALKB TI	4.11%
YAPI KREDI BANKASI	YKBNK TI	3.73%

Risk Ratios (Annualized)

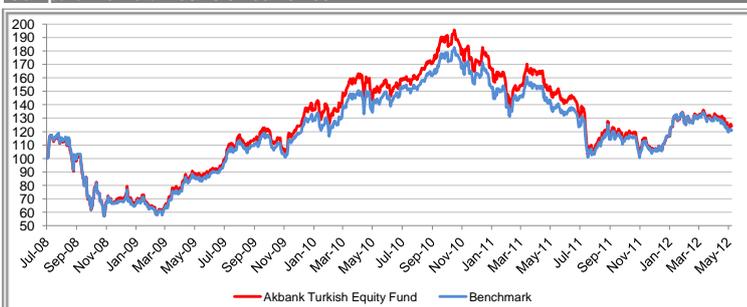
	YTD	Since Inception
Fund Volatility	22.41	34.28
Benchmark Volatility	22.16	33.50
Tracking Error	3.27	5.06

	YTD	Since Inception
Jensen's Alpha	5.93	1.26
Sharpe	1.65	-0.04
Information Ratio	1.97	0.14
Beta	1.00	1.01

Sector Breakdown



Comparative Returns / 25.07.08 - 31.05.12



The graph represents gross of fees performance.

Administrative Information

Fund Name	:	Akbank Turkish SICAV
ISIN :	A Class	: LU0366551272
	I Class	: LU0366551439
	TRY Class	: LU0451096316
WKN :	A Class	: A0Q8MF
	I Class	: A0Q8MH
Minimum Subscription :	A Class	: EUR 50
	I Class	: EUR 5,000
	TRY Class	: TRY 100,000
Subscription/Redemption *		: Daily
Management Fee	A Class	: 1.50% p.a.
	I Class	: 1.25% p.a.
	TRY Class	: 1.50% p.a.

Registered Countries	:	Luxembourg Germany The Netherlands
Registered Databases	:	Bloomberg (AKTKEQI:LX; AKTKEQA:LX) Lipper Morningstar (Germany, Netherlands) Software-systems
Investment Manager	:	Ak Asset Management Inc.
Administrator / Custodian	:	Citibank International plc (Luxembourg Branch)
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.

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