

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 136.97	EUR 209.52
Fund Size	:	EUR 40,596,779	
Launch Date	:	02 July 2008	
Currency	:	EUR	
Legal Status	:	Luxembourg SICAV	
Reference Index	:	97% ISE100 + 3% KYD O/N Repo Gross	

Market Overview

ISE100 index, the main benchmark index, lost 1.44 percent in TL terms. The loss was 2.4 percent in Euro basis. Though the change in the index was so limited, the stock-specific movements were very sharp in the month.

Most of the stock-specific volatility has been resulted from the steps taken by the government to prevent the enlargement of the budget deficit. The precautions, the price increases, tariff adjustments, and tax regulations hit specially the autos, REITS, and constructioners. Moreover, the SPO rumours on the state banks, and companies hurt the prices of Turkish Telecom, Turkish Airlines, and state banks, Vakıfbank and Halkbank. Least, but not the last, price increases on the NG and oil products caused the cost push pressures on the industrials. As of end of September, Turkish stocks have traded with 9,9x 2013 P/E versus 10,3x 2013 P/E of MSCI emerging market. P/B multiple of Turkish Stocks and MSCI Emerging Market stocks are same, 1,6x.

This untypical month destruct our alpha-creation strategy. We have constructed the portfolio with undervalued stocks in a moderate growth environment. The public financial involvements ate some of our returns. We believe that our picks was hurt unjustly, and we could see some improvements in the specific names in the coming quarter.

Performance		Fund ¹	Benchmark
Since Inception ²	25.07.08 - 28.09.12	49.63%	44.56%
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 - 28.09.12	40.47%	36.70%
MTD	31.08.12 - 28.09.12	-3.16%	-2.17%

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	99.74%
Money Market	0.26%

Top 10 holdings (%)

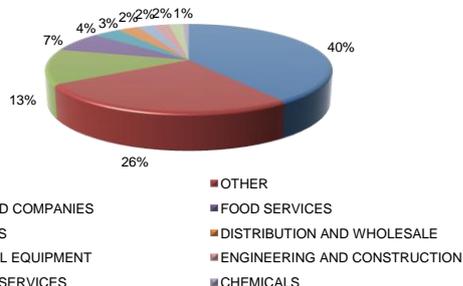
T IS BANKASI	ISCTR TI	9.62%
T GARANTI BANKASI	GARAN TI	9.00%
AKBANK	AKBNK TI	7.19%
HACI OMER SABANCI HOLD	SAHOL TI	5.88%
BIM BIRLESIK MAGAZALAR AS	BIMAS TI	4.88%
VAKIFBANK	VAKBN TI	4.55%
TUPRAS	TUPRS TI	4.37%
TURKCELL	TCELL TI	3.79%
ANADOLU EFES	AEFES TI	3.70%
TURKIYE HALK BANKASI	HALKB TI	3.51%

Risk Ratios (Annualized)

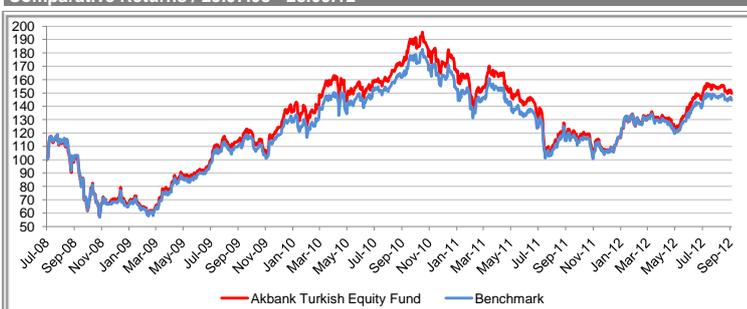
	YTD	Since Inception
Fund Volatility	19.84	33.21
Benchmark Volatility	19.55	32.45
Tracking Error	2.76	4.88

	YTD	Since Inception
Jensen's Alpha	4.89	1.38
Sharpe	2.55	0.09
Information Ratio	2.04	0.19
Beta	1.01	1.01

Sector Breakdown



Comparative Returns / 25.07.08 - 28.09.12



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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