

**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 98.10	EUR 149.61
Fund Size	:	EUR 29,076,216	
Launch Date	:	02 July 2008	
Currency	:	EUR	
Legal Status	:	Luxembourg SICAV	
Reference Index	:	97% ISE100 + 3% KYD O/N Repo Gross	

**Market Overview**

Turkish market participants are waiting for the completion of the local elections to be held on March 30. The political noises have arisen after the start of the corruption probe on December 17. However, the investors began to believe that Turkey could find an exit way from this political deadlock. The chaotic scenarios fade away.

Meanwhile, the other horrifying story was about the FED tapering. Beginning and the continuation of the tapering has been priced in Turkish markets for months. By February, the pricing of this impact seemed to be completed. The 'fragile' Turkey found a bottom, and some of the international investment houses calculated fair values, or upside potentials for Turkish stocks where the index was between 60,000-64,000.

Dependently, the market was very flat. According to our metrics, the benchmark gained only 0.22 percent while our return was 0.07 percent in the interval of January 28, and February 28. The market rescued from the bleeding of January. To remind, the year-to-date benchmark return was minus 10.06. In two months period, our Fund's performance is minus 10.53 percent in gross terms.

The sharp sell-off hit some of our small caps, and the negative performance is bound to those stocks. As you know, we have generated positive yields from our small cap selections in previous years. We expect that we could benefit from our small-cap selections, and could turn the negative alphas to satisfactory positive in the coming months with the help of those small caps.

Performance		Fund <sup>1</sup>	Benchmark
Since Inception <sup>2</sup>	25.07.08 - 28.02.14	4%	7%
2009	31.12.08 - 31.12.09	78%	78%
2010	31.12.09 - 31.12.10	31%	30%
2011	31.12.10 - 30.12.11	-38%	-34%
2012	30.12.11 - 31.12.12	61%	63%
2013	30.12.11 - 31.12.12	-29%	-33%
YTD	31.12.12 - 28.02.14	-11%	-10%
MTD	31.01.14 - 28.02.14	0%	0%

<sup>1</sup> Fund performance is gross of fees and does not reflect the deduction of investment management  
<sup>2</sup> 25.07.2008 is the start date of active portfolio management for Institutional class share.

**Investment Allocation (%)**

Equities	97.46%
Money Market	2.54%

**Top 10 holdings (%)**

AKBANK TRL1000	AKBNK TI	6.85%
T GARANTI BANKASI GARAN TI	GARAN TI	6.16%
TURKIYE HALK BANKASI HALKB TI	HALKB TI	5.82%
T IS BANKASI SER'C'TRL1000	ISCTR TI	5.77%
HACI OMER SABANCI SAHOL TI	SAHOL TI	5.75%
BIM BIRLESIK MAGAZALAR AS BIMAS TI	BIMAS TI	3.93%
TURKCELL ILETISIM TRL1000	TCELL TI	3.90%
TURK HAVA YOLLARI AO THYAO TI	THYAO TI	3.71%
EMLAK KONUT GAYRIMENKUL YA REIT EKG\EKGYO TI		3.30%
TUPRAS(T PETR RAF) TRL1000	TUPRS TI	3.29%

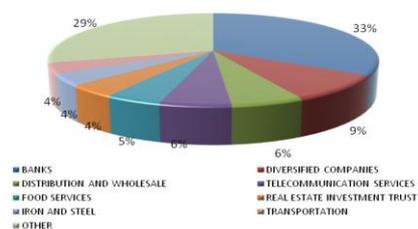
**Risk Ratios (Annualized)**

	YTD	Since Inception
Fund Volatility	32%	33%
Benchmark Volatility	32%	32%
Tracking Error	7%	5%

**Performance Metrics**

	YTD	Since Inception
Jensen's Alpha	-2%	1%
Sharpe	-1.80	-0.24
Information Ratio	-0.24	0.09
Beta	0.99	1.00

**Sector Breakdown**



**Comparative Returns / 25.07.08 - 28.02.14**



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.