

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 129.08	EUR 196.64
Fund Size	:	EUR 40,382,848	
Launch Date	:	02 July 2008	
Currency	:	EUR	
Legal Status	:	Luxembourg SICAV	
Reference Index	:	97% ISE100 + 3% KYD O/N Repo Gross	

Market Overview

Rising trend in BIST100 index lost momentum in June. The monthly loss for the index was 1 percent in TL terms. In Euro terms, that loss figure was 2.4 percent.

At the end of June, our relative performance narrowed to 43 basis points. In the first half of the year, our Fund's return was 18.20 percent in gross terms while BIST100 index gained 17.75 percent.

As rising trend turned into a consolidating phase, stock-specific movements became the basic market motive. In this environment, some of our small-and-medium cap stocks underperformed the index. We preserve these stocks in the portfolio, believing their long-term potentials.

However, getting lesson from the relative underperformance, and expecting the continuation of this consolidating phase for a longer period, we started to reshuffle the portfolio. We started to extend our long and short positions, especially in large-cap picks. Through this strategy, we are searching alpha possibilities in the second half of the year.

Performance	Fund ¹	Benchmark	
Since Inception ²	25.07.08 - 30.06.14	38%	40%
2009	31.12.08 - 31.12.09	78%	91%
2010	31.12.09 - 31.12.10	31%	27%
2011	31.12.10 - 30.12.11	-38%	-34%
2012	30.12.11 - 31.12.12	61%	57%
2013	31.12.12 - 31.12.12	-29%	-31%
YTD	31.12.13 - 30.06.14	18%	18%
MTD	30.05.14 - 30.06.14	-3%	-3%

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

Investment Allocation (%)

Equities	98.67%
Money Market	1.33%

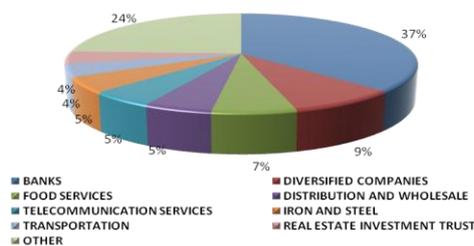
Top 10 holdings (%)

TURKIYE HALK BANKASI HALKB TI	HALKB TI	7.80%
T IS BANKASI SER'C'TRL1000	ISCTR TI	7.09%
AKBANK TRL1000	AKBNK TI	7.04%
T GARANTI BANKASI GARAN TI	GARAN TI	6.01%
HACI OMER SABANCI SAHOL TI	SAHOL TI	4.88%
BIM BIRLESIK MAGAZALAR AS BIMAS TI	BIMAS TI	4.48%
TURKIYE VAKIFLAR BANKASI VAKBN TI	VAKBN TI	4.24%
TURKCELL ILETISIM TRL1000	TCELL TI	3.73%
TUPRAS(T PETR RAF) TRL1000	TUPRS TI	3.58%
KOC HOLDING AS KCHOL TI	KCHOL TI	3.33%

Risk Ratios (Annualized)	YTD	Since Inception
Fund Volatility	29%	33%
Benchmark Volatility	30%	32%
Tracking Error	4%	5%

	YTD	Since Inception
Jensen's Alpha	2%	1%
Sharpe	1.13	-0.09
Information Ratio	0.25	0.13
Beta	0.98	1.00

Sector Breakdown



Comparative Returns / 25.07.08 - 30.06.14



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.

Ak Asset Management - Sabancı Center Hazine Binası 4.Levent Istanbul / Turkey

Phone:+90 212 385 27 00 - Fax:+90 212 319 24 69 - investor@akportfoy.com.tr Website : www.akportfoy.com.tr/en