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 appétite. 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 125.98 EUR 138.00

Fund Size : EUR 36,627,578 Launch Date : 02 July 2008 Currency

Legal Status : Luxembourg SICAV

. 90% KYDABI + 10% KYD O/N Gross Reference Index*

* The benchmark has been updated as of 02/01/2012. KYDABI: KYD All Bond Index

(www.tkyd.org.tr)

Performance Figures		Fund ¹	Benchmark
Since Inception ²	07.08.08 - 31.08.12	31.56%	28.20%
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 - 30.12.11	-11.18%	-12.11%
YTD	30.12.11 - 31.08.12	18.23%	18.00%
MTD	31.07.12 - 31.08.12	-2.87%	-3.06%
4			

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

07.08.2008 is the start date of active portfolio management for Institutional class share

nvestment Allocation (%)				
Bonds	98.16%			
Money Market	1.84%			
Top holdings (%)				
TRT041213	15%			
TRT040614	13%			
TRT280813	12%			
TRT270116	10%			
TRT150120	9%			

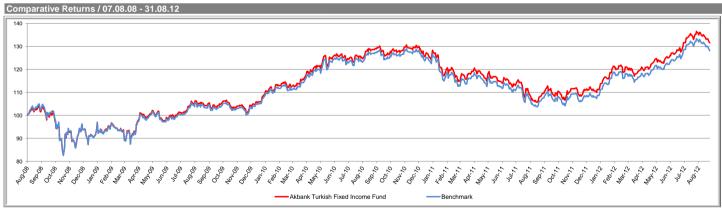
Risk Ratios (Annualized)	YTD	Since Inception
Fund Volatility	8.33	13.41
Benchmark Volatility	8.22	13.59
Tracking Error	0.91	2.54
Jensen's Alpha	0.22	0.64
Sharpe	2.56	0.00
Information Ratio	0.41	0.27
Beta	1.01	0.97

Global markets were positive with the quantitative easing expectations. European Central Bank's positive tone about purchasing the bonds of troubled countries and Federal Reserve's monetary policy decision text in August was promising about additional monetary measures to support the economies. On the other hand; Fed Chairman Ben Bernanke's speech in Jackson Hole conference and lack of details of ECB's bond purchases program kept the market response limited

August was positive for emerging countries' interest markets. Central Bank of Turkey held the monetary policy committee meeting in 16th August. Bank eased Turkish lira liquidity by increasing reserve requirement ratio which can be established in terms of the foreign exchange and gold. On the other hand Central Bank strengthened the FX reserves by increasing the multiples of FX and Gold substitution of Turkish Lira reserve requirements. Redemption schedule of Treasury at this month were comparably more challenging than the past 3 months. However, the treasury completed planned auctions successfully, benchmark security has been issued with an average of 7.66% annually compounded interest.

Turkish Domestic markets were supported with credit rating agencies rating upgrade expectations, eased monetary policy of Central Bank and global capital flows. Expectations and capital flows supported the interest rate market in August. Benchmark security closed the month below the level of 7.70% compound. Turkish lira has depreciated (50% USD, 50% EUR) on basket basis and rose above the level of 2.04 in line with global emerging market peers.

Turkish Central bank is expected to use expansionary policy instruments with low growth concerns, which are inflationary in mid-term. We continue to actively manage the fixed income securities in our portfolios. We are overweight on short-term securities and inflation-indexed bonds.



The graph represents gross of fees performance

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

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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^{*} 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.