
TÜRKISFUND

SICAV

Unaudited Semi-annual Report as of June 30, 2019

R.C.S Luxembourg N°B- 61 596

No subscriptions may be accepted on the basis of the Annual or Semi-annual Reports. Subscriptions may only be made on the basis of the current Prospectus, to which the most recent Annual Report and, if available, the most recent Semi-annual Report are appended.

TÜRKISFUND

Management and Administration

Registered Office:

5, Allée Scheffer
L-2520 Luxembourg

Board of Directors:

Chairman:

Tevfik ERASLAN
General Manager
İŞ Portföy Yönetimi A.Ş.,
İS Kuleleri, Kule 1, Kat 7,
34330 4. Levent Istanbul - Turkey

Directors:

Elif CENGİZ
Executive Vice President
İŞ Portföy Yönetimi A.Ş.
İS Kuleleri, Kule 1, Kat 7
34330 4. Levent Istanbul - Turkey

Ünal Tolga ESGİN
Assistant General Manager
ISBANK AG Frankfurt
Zeil 123
D-60313 Frankfurt am Main

Hasan Cahit CINAR
(until January 11, 2019)
General Manager
ISBANK AG Frankfurt
Zeil 123
D-60313 Frankfurt am Main

Franz Hakan Elman
(since April 24, 2019)
General Manager
ISBANK AG Frankfurt
Zeil 123
D-60313 Frankfurt am Main

Management Company:

Luxcellence Management Company S.A.
5, Allée Scheffer
L-2520 Luxembourg

Investment Manager:

İŞ Portföy Yönetimi A.Ş.,
İS Kuleleri, Kule 1, Kat 7,
34330 4. Levent Istanbul - Turkey

Depository Bank:

CACEIS Bank, Luxembourg Branch
5, Allée Scheffer
L-2520 Luxembourg

Central Administration, Register and Transfer Agent:

CACEIS Bank, Luxembourg Branch
5, Allée Scheffer
L-2520 Luxembourg

Cabinet de révision agréé:

KPMG Luxembourg, Société Coopérative
39, Avenue John F. Kennedy
L-1855 Luxembourg

Distributor and Paying Agent in Germany:

ISBANK AG Frankfurt
Zeil 123
D-60313 Frankfurt am Main

Centralising Correspondent and Paying Agent in France:

ISBANK AG Paris Branch*(until March 31, 2019)
13, Place Kossuth
F-75009 Paris

Legal Advisers

Elvinger Hoss Prussen
2, Place Winston Churchill
L-1340 Luxembourg

*The agreement with Caceis Bank is not signed as at June 30, 2019.

TÜRKISFUND

Management and Administration
(continued)

Paying Agent in Sweden:

Skandinaviska Enskilda Banken AB
Sergels Torg 2,
SE-106 40 Stockholm

Distributing and paying Agent in Switzerland:

CACEIS Bank, Paris, succursale de Nyon/ Switzerland
Route de Signy 35
CH-1260 Nyon, Switzerland

Representative Agent in Switzerland:

CACEIS Bank, Paris, succursale de Nyon/ Switzerland
Route de Signy 35
CH-1260 Nyon, Switzerland

Distributor and Paying Agent in the Netherlands:

ISBANK AG Amsterdam Branch
WTC Strawinskylaan 841
Tower C Level 8
NL-1077 XX Amsterdam

Other Distributors:

Fund Channel
5, Allée Scheffer
L-2520 Luxembourg

Avanza Bank AB
Box 1399
SE-111 93 Stockholm

OMX Broker Services AB
NASDAQ OMX
Nordic Fund Market
SE-10578 Stockholm

MFEX Mutual Funds Exchange AB
Linnégatan 9-11
SE-11447 Stockholm

BHF-BANK AG
Bockenheimer Landstr. 10,
D-60323 Frankfurt am Main

Information for Shareholders

The Annual General Meeting of the SICAV's shareholders is held at the SICAV's registered office or at another place in Luxembourg each year at 11 a.m. on the first Tuesday in May. If this is a bank holiday in Luxembourg, the Annual General Meeting will be held on the next bank working day in Luxembourg.

Invitations to the Annual General Meeting are sent to the holders of registered shares by registered mail at the addresses entered in the register of shareholders at least 8 days before the Meeting. These invitations also include the agenda and indicate the time and place of the Meeting and the conditions of admission. In addition, they refer to the statutory requirements in Luxembourg with regard to voting majorities and the presence of a quorum.

The SICAV's fiscal year ends on December 31. The first Annual Report was prepared as of December 31, 1998.

The SICAV's first report was an unaudited Semi-annual Report as of June 30, 1998.

Audited annual reports are published within four months of the end of the fiscal year and unaudited semi-annual reports within two months of the end of the relevant period. These reports are sent to each registered shareholder at the address given in the register. Paper copies of the detailed and simplified prospectus, the annual and semi-annual reports and a list of changes to the investment portfolio are available free of charge from the SICAV's registered office as well as from the German paying and information agent.

TÜRKISFUND

Statement of Net Assets as of June 30, 2019

		TÜRKISFUND EQUITIES	TÜRKISFUND BONDS	Total
	Note	EUR	EUR	EUR
ASSETS				
Transferable securities	(2b)	12.935.774,21	3.184.296,20	16.120.070,41
Bank Balances		347.679,48	154.702,66	502.382,14
Receivable on Subscriptions		1.981,08	7.095,69	9.076,77
Interest and Dividends receivable, net	(2e)	9.453,25	95.234,90	104.688,15
Other Assets		20.936,22	6.491,28	27.427,50
TOTAL ASSETS		13.315.824,24	3.447.820,73	16.763.644,97
LIABILITIES				
Management fees payable	(3a)	46.046,57	7.821,11	53.867,68
Payable on Redemptions		621,63	5.397,59	6.019,22
Brokers payable		17.636,59	0,00	17.636,59
Expenses payable		11.296,59	7.208,31	18.504,90
TOTAL LIABILITIES		75.601,38	20.427,01	96.028,39
TOTAL NET ASSETS	(2a)	13.240.222,86	3.427.393,72	16.667.616,58
Net Asset Value per share				
Class A	(2a)	24,79	42,46	
Class I	(2a)	24,92	42,71	
Number of Shares outstanding				
Class A		46.733,193	16.514,356	
Class I		484.747,857	63.824,686	

The accompanying notes are an integral part of the Semi-annual Report.

TÜRKISFUND

Changes in the Number of Shares outstanding for the Period ended June 30, 2019

	TÜRKISFUND EQUITIES	TÜRKISFUND BONDS
Class A		
Number of Shares outstanding at the beginning of the Period	131.599,910	163.590,194
Number of Shares issued	18.728,246	20.030,890
Number of Shares redeemed	-103.594,963	-167.106,728
Number of Shares outstanding at the end of the Period	46.733,193	16.514,356
Class I		
Number of Shares outstanding at the beginning of the Period	484.747,857	63.824,686
Number of Shares issued	0,000	0,000
Number of Shares redeemed	0,000	0,000
Number of Shares outstanding at the end of the Period	484.747,857	63.824,686

Statistics

	TÜRKISFUND EQUITIES	TÜRKISFUND BONDS
	EUR	EUR
TOTAL NET ASSETS		
June 30, 2019	13.240.222,86	3.427.393,72
December 31, 2018	14.997.167,45	9.682.262,91
December 31, 2017	23.862.379,79	5.015.076,42

Net Asset Value per Share at the end of the Period

June 30, 2019			
	Class A	24,79	42,46
	Class I	24,92	42,71
December 31, 2018			
	Class A	24,23	42,50
	Class I	24,36	42,76
December 31, 2017			
	Class A	42,85	59,61
	Class I	43,07	59,96

The accompanying notes are an integral part of the Semi-annual Report.

TÜRKISFUND

TÜRKISFUND EQUITIES

Statement of Investments

as of June 30, 2019

(Amounts in EUR)

Description	Nominal/ quantity	Currency	Cost price	Market Value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in an other regulated market					
Shares					
Turkey					
AKBANK	1.188.564,00	TRY	1.603.345,31	1.209.338,19	9,13
AKSA	1,00	TRY	1,49	1,40	0,00
AKSIGORTA AS	30.735,00	TRY	19.365,13	20.598,45	0,16
ALKIM ALKALI KIMYA	123.823,00	TRY	502.641,80	489.615,03	3,70
ANADOLU CAM SANAYII	300.000,00	TRY	143.302,74	127.489,43	0,96
ANADOLU HAYAT SIGORTA A.S	26.000,00	TRY	25.284,59	19.920,03	0,15
ANADOLU SIGORTA BEARER	504.807,00	TRY	353.192,98	310.638,63	2,35
ARCELİK	107.175,00	TRY	397.573,48	315.064,54	2,38
ASELSAN AS	97.740,00	TRY	353.464,96	268.123,44	2,03
BİM BİRLİK MİĞAZLARI	46.842,00	TRY	631.620,28	547.955,61	4,14
BORUSAN MANNESMANN BORU SANAYİ VE TİCARET	40.092,00	TRY	45.166,44	47.815,45	0,36
COCA COLA İÇİCEK SANAYİ A.Ş.	14.655,00	TRY	102.178,06	67.501,95	0,51
ENERJİSA ENERJİ	269.054,00	TRY	266.166,64	218.841,38	1,65
EREĞLİ DEMİR VE ÇELİK	516.380,00	TRY	693.564,96	615.857,04	4,65
HACI ÖMER SABANCI HOLDİNG A.Ş.	353.950,00	TRY	596.026,59	456.640,11	3,45
İS YATIRIM ORTAKLIĞI	1.965.509,00	TRY	1.213.216,07	311.355,91	2,35
KARDEMİR KARABÜK -ŞİŞ- -D-	305.350,00	TRY	193.780,66	105.112,68	0,79
KOC HOLDİNG A.Ş. -B-	133.944,00	TRY	485.369,03	354.382,13	2,68
KOZA ALTIN	21.500,00	TRY	146.915,11	174.547,81	1,32
KOZA ANADOLU METAL MADENCİLİK	56.180,00	TRY	65.783,89	62.125,10	0,47
MAVİ GİYİM SANAYİ VE TİCARET A.Ş.	46.670,00	TRY	253.335,48	280.364,77	2,12
PEGASUS HAVA TAŞI	7.800,00	TRY	45.811,77	50.398,08	0,38
PETKİM PETROKİMYA HOLDİNG A.Ş.	565.785,00	TRY	442.144,44	351.609,28	2,66
SODA SANAYİİ	126.650,00	TRY	145.326,45	124.040,90	0,94
TAV HAVAYOLLARI HOLDİNG A.Ş.	54.570,00	TRY	208.113,91	224.090,05	1,69
TEKFEN HOLDİNG A.Ş.	77.380,00	TRY	276.251,42	307.150,95	2,32
TOFAŞ TÜRK OTOMOBİL FABRİKASI A.Ş.	83.480,00	TRY	255.008,26	250.494,04	1,89
TUPRAS TÜRKİYE PETROL RAFINERİLERİ	34.820,00	TRY	644.072,18	603.559,04	4,56
TÜRK HAVA YOLLARI A.Ş.	464.069,00	TRY	1.035.100,63	894.880,40	6,76
TÜRK İŞİTİM	323.327,00	TRY	325.903,30	258.553,25	1,95
TÜRK TELEKOM	207.440,00	TRY	147.582,75	159.247,19	1,20
TÜRKCELL İLETİŞİM HİZMET	431.710,00	TRY	967.903,55	834.454,12	6,30
TÜRKİYE GARANTİ BANKASI A.Ş. (NAMEN-AKT)	919.478,00	TRY	1.718.047,62	1.253.467,59	9,47
TÜRKİYE HALK BANKA -ŞİŞ-	283.840,00	TRY	980.279,84	244.270,36	1,84
TÜRKİYE SİNAYİ KALK	2.102.401,00	TRY	226.834,06	240.173,76	1,82
TÜRKİYE VAKIFLAR BANKASI T.A.Ş.	297.760,00	TRY	292.851,34	185.951,18	1,40
ÜLKER GIDA	5.069,00	TRY	13.137,60	15.194,84	0,11
YAPI VE KREDİ BANKASI A.Ş.	1.699.800,00	TRY	767.962,25	623.969,84	4,71
YATIRIMCILAR	192.247,00	TRY	300.474,66	310.980,26	2,35
Total - Shares			16.884.101,72	12.935.774,21	97,70
Total - Transferable securities admitted to an official stock exchange listing and/or dealt in an other regulated market			16.884.101,72	12.935.774,21	97,70
TOTAL INVESTMENT PORTFOLIO			16.884.101,72	12.935.774,21	97,70

The accompanying notes are an integral part of the Semi-annual Report.

TÜRKISFUND

TÜRKISFUND BONDS

Statement of Investments

as of June 30, 2019

(Amounts in EUR)

Description	Nominal/ quantity	Currency	Cost price	Market Value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in an other regulated market					
Shares					
Turkey					
AKBANK	40.000,00	TRY	53.973,85	40.699,14	1,19
ANADOLU HAYAT SIGORTA A.S	133.718,00	TRY	160.899,43	102.448,73	2,99
IS YATIRIM ORTAKLIGI	1.200.000,00	TRY	610.394,86	190.091,77	5,54
TURKIYE GARANTI BANKASI AS (NAMEN-AKT)	50.000,00	TRY	69.735,24	68.161,91	1,99
Total - Shares			895.003,38	401.401,55	11,71
Bonds					
Turkey					
TURKEY 11.00 17-27 24/02S	1.100.000,00	TRY	242.604,26	130.446,82	3,81
TURKEY 8.00 15-25 12/03S	1.500.000,00	TRY	244.861,00	158.722,06	4,63
TURKEY 11.00 17-22 02/03S	100.000,00	TRY	25.695,94	13.175,44	0,38
TURKEY 8.80 13-23 27/09S	500.000,00	TRY	101.073,49	57.568,26	1,68
TURKEY 9.00 14-24 24/07S	1.400.000,00	TRY	380.551,25	159.472,37	4,65
TURKEY 10.70 16-21 17/02S	1.000.000,00	TRY	154.894,60	136.061,84	3,97
TURKEY GOVT 7.40 15-20 05/02S	3.300.000,00	TRY	561.190,18	465.455,70	13,58
TURKEY GOVT BOND 9.20 16-21 29/03S	800.000,00	TRY	139.313,77	104.359,16	3,05
TURKEY(REP.OF) 10.40 14-24 20/03S	600.000,00	TRY	80.905,06	73.628,57	2,15
TURQUIE 12.4 18-28 21/03S	1.000.000,00	TRY	131.738,93	127.402,61	3,72
TURQUIE 16.2 18-23 20/06S	2.000.000,00	TRY	322.360,31	300.113,47	8,76
TURQUIE 13 17-19 13/11S	1.400.000,00	TRY	219.372,94	207.129,21	6,04
TURQUIE (REPU OF) 7.10 13-23 08/03A	1.000.000,00	TRY	160.664,18	112.743,62	3,29
TURQUIE (REPU OF) 9.40 15-20 08/07S	3.500.000,00	TRY	559.258,60	481.179,70	14,04
TURQUIE (REPU OF) 9.50 12-22 12/01S	2.000.000,00	TRY	260.859,12	255.435,82	7,45
Total - Bonds			3.585.343,63	2.782.894,65	81,20
Total - Transferable securities admitted to an official stock exchange listing and/or dealt in an other regulated market			4.480.347,01	3.184.296,20	92,91
TOTAL INVESTMENT PORTFOLIO			4.480.347,01	3.184.296,20	92,91

The accompanying notes are an integral part of the Semi-annual Report.

TÜRKISFUND

Notes to the Semi-annual Report as of June 30, 2019

NOTE 1 – GENERAL

TÜRKISFUND (the "SICAV") is an investment company that was established as a public company (société anonyme) under the laws of the Grand Duchy of Luxembourg and qualifies as a SICAV (société d'investissement à capital variable). The SICAV was incorporated in Luxembourg on November 19, 1997 for an unlimited period, with an initial capital of DM 70,000.00. It is governed by Part I of the Act dated December 17, 2010 relating to Undertakings for Collective Investment.

The Articles of Incorporation of the SICAV were published in the Mémorial, Recueil des Sociétés et Associations (official gazette) of Luxembourg on December 18, 1997. The SICAV is entered in the Luxembourg commercial register under number B-61 596.

By circular resolution, the board of directors decided to appoint "Luxcellence management company S.A." as management company of the SICAV with effect August 31, 2015.

Shares are currently offered in the following sub-funds, which each pursue their own investment objectives and strategies:

- TÜRKISFUND EQUITIES
- TÜRKISFUND BONDS

Two share classes are currently available, A class for retail investors and I class for institutional investors.

The objective of the TÜRKISFUND EQUITIES sub-fund is to invest mainly in equities issued by Turkish issuers and in equities expressed in Turkish Lira.

The objective of the TÜRKISFUND BONDS sub-fund is to invest mainly in Turkish bonds.

NOTE 2 – SUMMARY OF KEY ACCOUNTING POLICIES

The semi-annual financial statements were prepared in accordance with the generally accepted accounting principles for investment funds in Luxembourg. The key accounting policies can be summarized as follows:

a) Determination of net asset value

The net asset value per share is calculated by dividing the total net asset value of the relevant sub-fund, i.e. the value of the sub-fund's assets less its liabilities, by the total number of shares of the relevant sub-fund then outstanding.

It should be noted that the financial statements reflect the Net Asset Values calculated and published as of June 28, 2019 based on the last available prices on the stock exchange as at June 27, 2019. If the closing prices as of 28 June 2019 (the last available for the 1 July 2019 period-end) had been used to value the investments of the Sub-Funds, the net asset values of those would have been different from those shown in these financial statements:

- Türkisfund Equities, an increase in the NAV by 1,80% would have been observed.
- Türkisfund Bonds, an increase in the NAV by 0,71% would have been observed.

The reference currency for the SICAV is the EURO.

TÜRKISFUND

Notes to the Semi-annual Report (continued)
as of June 30, 2019

NOTE 2 – SUMMARY OF KEY ACCOUNTING POLICIES (continued)

b) Valuation of investments

The value of each security listed or traded on any stock exchange is the last known price or the official average price on the exchange which is normally the principal market for the security in question.

Securities traded on another regulated market are valued in a manner as near as possible to that described in the paragraph above.

In the event that the securities held in a portfolio on the valuation date are not listed or traded on an exchange or another regulated market, or if no price quotation is available, or if the price as determined pursuant to the last two paragraphs does not reflect the fair market value of the relevant securities in the opinion of the Board of Directors, the value of these securities will be determined on the basis of the sale price, determined prudently and in good faith, that may reasonably be expected.

c) Foreign currency translation

The SICAV prepares its accounts in EURO.

Assets and liabilities denominated in currencies other than the EURO are translated at the exchange rates prevailing at the end of the reporting period. Transactions in foreign currencies are translated into EURO at the exchange rates prevailing at the transaction date.

Exchange rates as of June 30, 2019:

1 TRY= 0.1523171 EUR

d) Net realized gain/loss on sales of investments

The gains or losses realized on sales of investments are calculated on the basis of the average cost price of investments sold.

e) Treatment of dividends and interest

Dividends are recognised on the date on which the Units/Shares concerned are quoted "ex-dividend", net of withholding tax. Interest is calculated prorata temporis and recognised net of withholding tax.

f) Income related to zero coupon

Income related to zero coupon bonds is recognised as unrealised gain until maturity and as realised gain when reimbursed.

NOTE 3 – MANAGEMENT FEE

The Management Fees include:

b) The Investment Management fee

As remuneration for its investment management services, the Investment Manager receives a quarterly remuneration at the annual rate of :

- 1.50% of the average net asset value of the sub-fund TÜRKISFUND EQUITIES,
- 1% of the average net asset value of the sub-fund TÜRKISFUND BONDS.

TÜRKISFUND

Notes to the Semi-annual Report (continued) as of June 30, 2019

NOTE 3 – MANAGEMENT FEE (continued)

A part of such Investment Management Fee might be reallocated to the Distributors by the Investment Manager.

b) The Management Company fee

In consideration of its collective portfolio management services, the Management Company is entitled to receive a Management Company Fee at an annual rate of up to 0.20% of the net assets of the SICAV, with a minimum annual fixed fee of EUR 30,000 at the SICAV's level.

NOTE 4 – DISTRIBUTOR FEES

In addition to the fees payable to the Distributors out of the management fees, the distributor receives a sales fee of up to 5% of the net asset value per share of the relevant sub-fund, which it may deduct directly from the subscription monies

NOTE 5 – SUBSCRIPTION TAX

Under current law, the SICAV is not subject to income tax in Luxembourg, nor are the dividends paid by the SICAV subject to withholding tax for investors resident in Luxembourg. However, the SICAV must pay a subscription tax (taxe d'abonnement) on its net asset value in Luxembourg amounting to 0.05% p.a. for Class A shares and 0.01% p.a. for Class I shares.

This tax is calculated and payable each quarter on the basis of the net asset values of all the sub-funds at the end of the respective quarter.

No subscription tax is due on assets held by the Company in other UCITSs (undertakings for collective investment in transferable securities) already subject to a taxe d'abonnement in Luxembourg.

NOTE 6 – OTHER EXPENSES

Other expenses mainly consist in compliance fees, registration fees, risk management fees, management company fees, paying agency fees, CSSF fees and expenses reports.

NOTE 7 – MISCELLANEOUS

A list of changes to the investment portfolio during the period under review is available on request from the Company's registered office and the paying agents.

TÜRKISFUND

Notes to the Semi-annual Report (continued)
as of June 30, 2019

NOTE 8 – TOTAL EXPENSE RATIO (TER)

	TÜRKISFUND EQUITIES		TÜRKISFUND BONDS	
	CLASS A	CLASS I	CLASS A	CLASS I
TER 2008	2,69%	2,68%	2,47%	2,38%
TER 2009	2,39%	2,34%	2,27%	2,23%
TER 2010	2,09%	1,96%	2,04%	2,02%
TER 2011	2,43%	2,37%	2,09%	2,04%
TER 2012	2,43%	2,39%	2,09%	1,96%
TER 2013	2,46%	2,45%	2,46%	2,44%
TER 2014	2,62%	2,59%	2,60%	2,53%
TER 2015	2,71%	2,69%	2,81%	2,78%
TER 2016	2,63%	2,59%	2,46%	2,44%
TER 2017	2,39%	2,38%	2,67%	2,65%
TER 2018	3,03%	2,99%	3,28%	3,22%
TER 2019	2,76%	2,79%	2,97%	3,73%

Unit class A is designed exclusively for retail investors.

Unit class I is designed exclusively for institutional investors.

NOTE 9 – REPO AND REVERSE REPO TRANSACTIONS

Reverse repo transactions represent borrowings that are guaranteed by the underlying asset, which remains exposed to market risk. Repos are comparable with guaranteed loans. In this case, the Sub-Fund is not subject to the risk of the underlying asset losing value. Repos and reverse repos are recognized as borrowings or loans in the amount of the cash received or paid. Income and expenses from repos and reverse repos are reported in the annual financial statements. There were no repo or reverse repo opened in the fund during the period.

NOTE 10 – TRANSACTION FEES

The transaction fees are composed of the broker fees and Caceis fees on the purchases and sales of investments for the period ended June 30, 2019.

NOTE 11 – SUBSEQUENT EVENT

The board of directors has decided to change its management company to Fuchs Asset Management S.A. The procedures for the change has already been launched.

TÜRKISFUND

SECURITIES FINANCING TRANSACTIONS AND OF REUSE REGULATION ("SFTR")
(unaudited information)

The Fund does not use any instruments falling into the scope of SFTR.