



Month Report February 2023

Basic information

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| Fund name | Raiffeisen Mix |
| Management Company | Raiffeisen Invest sh.a |
| Currency | Euro |
| Fund Inception date | 16 November 2020 |
| Initial value of one unit | 100 |
| Minimum Investment | EUR 500 |
| Net asset Value | EUR 2,113,722 |
| Unit Value | 92.9337 |
| Custodian Bank | First Investment bank Albania |
| Sub custodian Bank | Raiffeisen Bank International |
| Net annual return on February 28, 2023 | -5.71% |

Commissions and fees

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|----------------------------------|---|
| Subscription Fee | 0.00% |
| Exit fee | 0.00% |
| Management fee per year | Up to 1.30% |
| Other ongoing fees | Calculated end of year, include depositary fees, external auditor, regulatory fees, and costs of communicating changes in the prospectus. |
| Total ongoing fees | 1.59% for year 2022 on 31.12.2022 |
| Transfer fee, from third parties | Refer to the information on RBAL branches. |
| Transaction costs | According to the conditions with the counterparty |

Investment Objective and investor profile

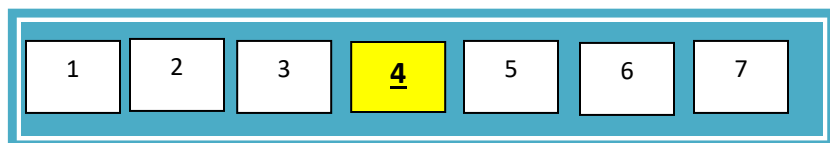
The Fund investment objective is to generate regular income and moderate capital growth over the medium term. Fund's assets are invested in financial instruments that belong to 3 main asset classes: fixed income, equity, money market or cash equivalent. To achieve the investment objective, the fund invests up to 75% of total assets in fixed income instruments, which are issued by the government of Republic of Albania, in an EU country, or in another country permitted by AFSA, by international institutions and / or commercial companies.

Moreover, in a way to maximize the total return on investment, the fund may invest up to 40 % of the assets in equities, mainly traded in developed markets in USA and EU. If financial derivative instruments will be used, the aim will be to mitigate the risks and to achieve the investment objectives, but factors such as liquidity of the derivative underlying instrument and volatility of its value can affect the performance of the fund.

Risk and Reward Profile

Low Risk
Low Return

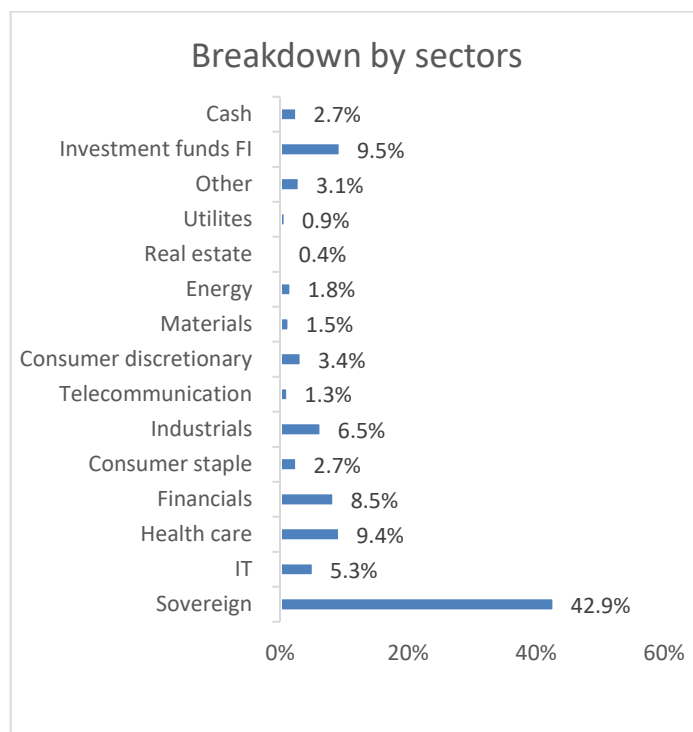
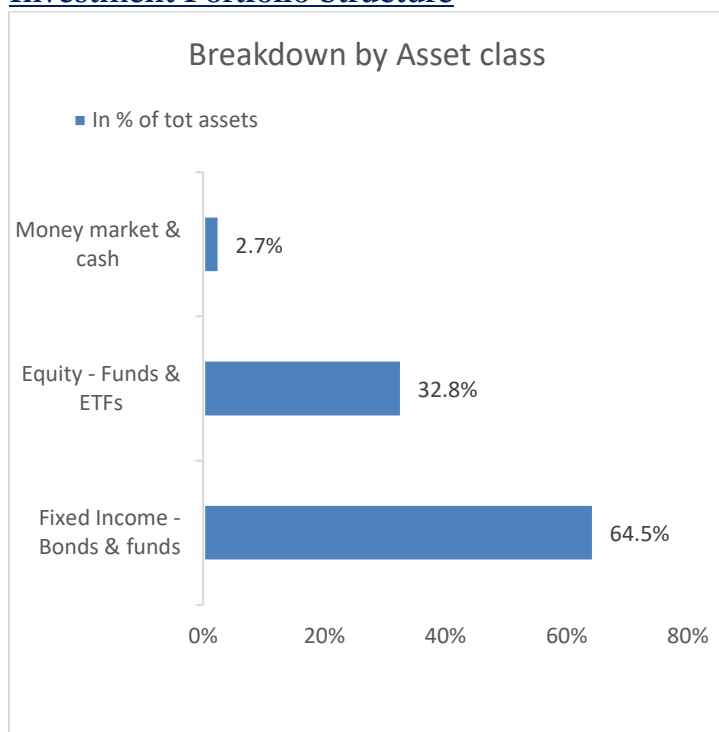
High Risk
High Return



The projected risk of Raiffeisen Mix fund belongs to the fourth category of synthetic risk and reward indicator.

The synthetic risk and reward indicator corresponds to an integer, used to rank the Fund's risk profile on a scale of 1 to 7, based on increasing level of volatility. The lowest category does not mean that the investment is riskless. This indicator aims to offer the investor an overview of the fluctuations in Fund unit price based on historical performance. Historical data used to generate the indicator cannot constitute a guarantee on future risk profile.

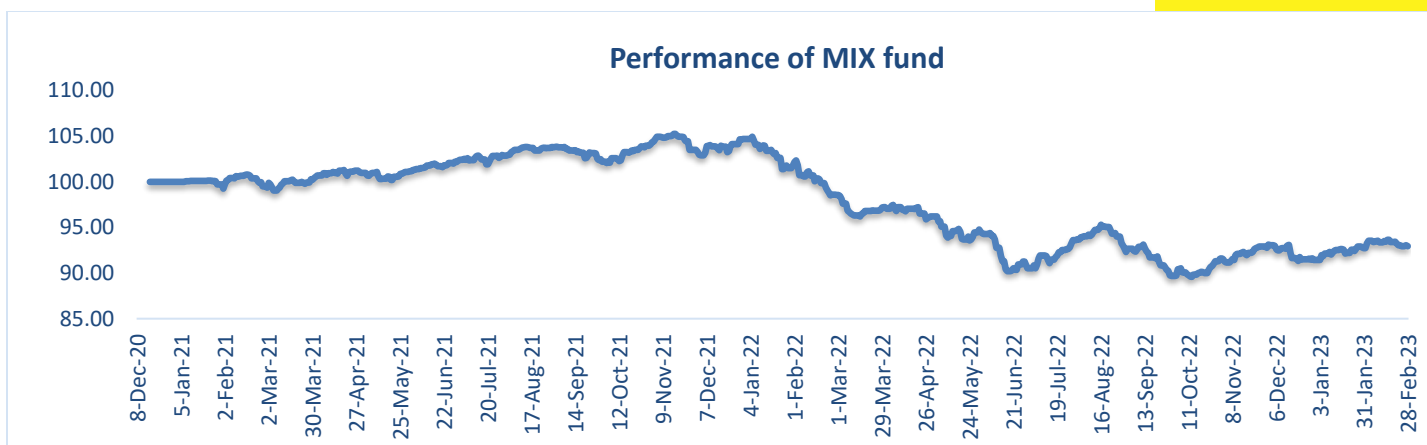
Investment Portfolio Structure



Mix fund portfolio is constructed in such a way as to benefit from the diversification in both asset classes such as bonds and equities. Fixed income part is exposed with 40.5% of total assets in Albanian Eurobonds and 24% in corporate bonds and funds. Equity part (32.8%) is exposed in developed markets: US 19.4%; EU 8.7% and UK 2.5% of total assets. The level of cash and liquidity has decreased to 2.7%.

Performance of the fund

The fund delivered a positive performance during February. The unit value has increased by **0.22%** compared to the month of January. Bond market performed negatively, due to the risk that inflation is becoming embedded, and that Central Banks could keep raising interest rates well into this year. The equity market was also volatile, but European stock indices managed to end the month with small profits. The equity effect was more prominent, causing a positive reevaluating of the investment portfolio of Mix fund, which posted small gains throughout the month. **The net annual return of Mix fund was improved to -5.71% on February 28, 2023.**



It should be noted that the rate of return varies depending on market conditions and the unit value may be volatile, so it is not static or always increasing, but may also fall because of changes in market conditions. Volatility is a natural part of investment funds, and its total elimination is impossible.

The investors of Raiffeisen Mix fund and all funds managed by Raiffeisen Invest are advised to have the longest possible investment horizon to benefit from an optimal return on

investment and thus in the medium or long term to be able to recover the negative effects, which are created in the short term. We do encourage investors to maintain their investment by not changing their investment objective of staying in fund driven by the unusual situation created by global pandemic, geopolitical risks, and the high inflation, because in this way they will not risk getting out of the fund at the wrong time for their investment.

Developments and information on the performance of financial markets during February

Inflation in Europe fell again in February dipping to 8.5%, from 8.6% the previous month. The annual inflation rate in the US slowed only slightly to 6.4% in January of 2023 from 6.5% in December, less than market forecasts of 6.2%.

In a widely anticipated move, FED made the next hike by 25 basis points, to a new range of 4.50% - 4.75%, stating that the disinflation process had started, but ongoing hikes are appropriate in order to return inflation to target. The European Central Bank lifted interest rates by a half-point, raising the deposit rate to 2.5%, the highest since 2008. They warned that the most aggressive bout of monetary tightening in ECB history isn't done yet and the next 50 bp hike will be a fact in the next March meeting.

Exchange-traded funds that buy U.S. government and corporate bonds took a hit in February, as Treasury yields rose amid fears over stubbornly high inflation. Shorter-duration Treasury bonds fared better than longer-term U.S. government debt in February as investors adjusted their rate

expectations. The yield curve remains inverted, with the spread between 2Y and 10Y US Treasury yields, reaching a maximum of 89 bp by the end of the month.

Stocks faced a volatile month, also, as the economic outlook remains blurry and corporate profits are vulnerable. For Q4 2022, the blended earnings decline for the S&P 500 is -4.6%. Q4 2022 will mark the first time the index has reported a year-over-year decline in earnings since Q3 2020. European stock indices have outperformed their US equivalents, posting small gains while the latter ended the month with a negative performance. More worryingly for investors, the inverse relationship between stocks and bonds has not yet reestablished itself, causing the assets to move in tandem and markets feel like a no-win scenario.

On another note, the latest survey data for February suggest that the economy is holding up better than expected. However, a contraction is still well within the realm of possibility.

Data on fund return referring to the past is only indicative and does not represent a promise or guarantee of the fund return in the future. All other numerical examples are used for illustrative purposes and analysis of historical data and should not be used by investors to draw conclusions for the future. The potential investors should read the Prospectus and Fund Rules. Raiffeisen Invest and the fund's sales force do not guarantee a certain return on the fund.

The updated information on the fund unit value, the Fund's Prospectus and Fund Rules are available at Raiffeisen INVEST sh.a. head office, on the web site www.raiffeisen-invest.al, or at Raiffeisen Bank branches in Albania.