

Month Report March 2023

Investment Objective and investor profile

The Fund's objective is to be able to provide investors with a return on investment in accordance with prudent portfolio management while maintaining the level of capital and liquidity.

A significant portion of the assets of the fund may be invested in bonds and treasury bonds of the Republic of Albania Government issued in the euro currency. However, the issuance frequency in euro by the Government of the Republic of Albania will determine the extent to which the Fund will invest in these instruments.

The fund is suitable for legal entities and individuals who believe that the investment objective of the Fund meets the requirements and expectations.

Entry fee	0.00%
Exit fee	0.00%
Management fee per year	Up to 1.30% p.a
Other ongoing fees	Refer to the prospectus of the fund
Total ongoing fees	1.48% for year 2022
Fee for funds transfer, from third parties	Refer to the information on RBAL branches

The figure of ongoing fees 1.48% is based on the expenses for the year ended 31.12.2022. This figure may vary from year to year. The total ongoing fee can not exceed the maximum of 1.6% per year of the net asset value of the fund.

Transaction costs are according to the working conditions of the intermediary parties and are not included in the calculation of commissions and ongoing fees, but they are charged to the Fund.

Low Risk	High Risk
Low Return	High Return

The fund Raiffeisen Invest Euro is under the third risk category.

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.

Fund data on March 31, 2023

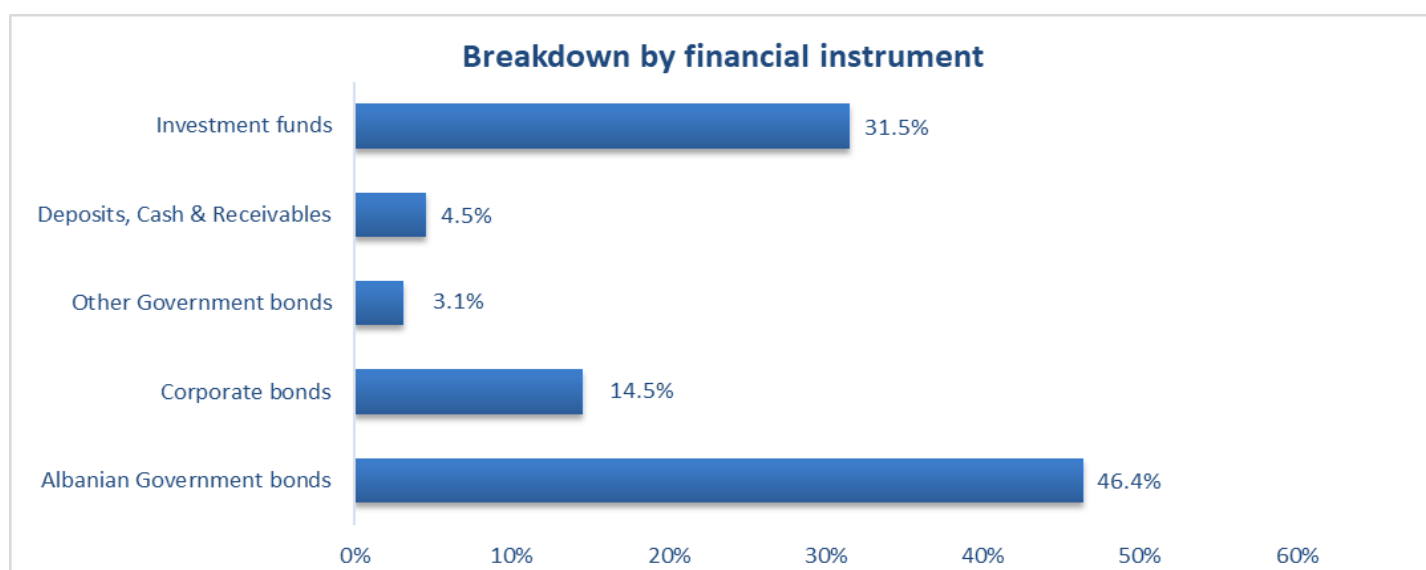
Net Asset Value	31,962,403
Number of Investors	1,534
Unit Value	106.8981
*Net Annual Return (31.03.2022 - 31.03.2023)	-3.72%

* Management fee and other ongoing charges are deducted before calculating the rate of return

Investment Portfolio Structure as of 31 March 2023

The Euro fund portfolio is constructed in such a way as to benefit from balancing the various categories of investment in government and corporate bonds. This is done to diversify the portfolio and reduce the risk of widespread exposure to few instruments. The percentage of asset allocation is made in accordance with the investment policy and the criteria specified in the fund prospectus. The distribution of assets may be off target due to changes in market conditions.

The Fund's assets are invested in financial instruments belonging to issuers that perform in various industries of the economy enabling the portfolio diversification to increase.



Referring to the structure of the fund's investment portfolio on 31 March 2023, the percentage of fund assets invested in government bonds stands at 49.5% of assets, and 46.4% of them belong to the Albanian Government bonds.

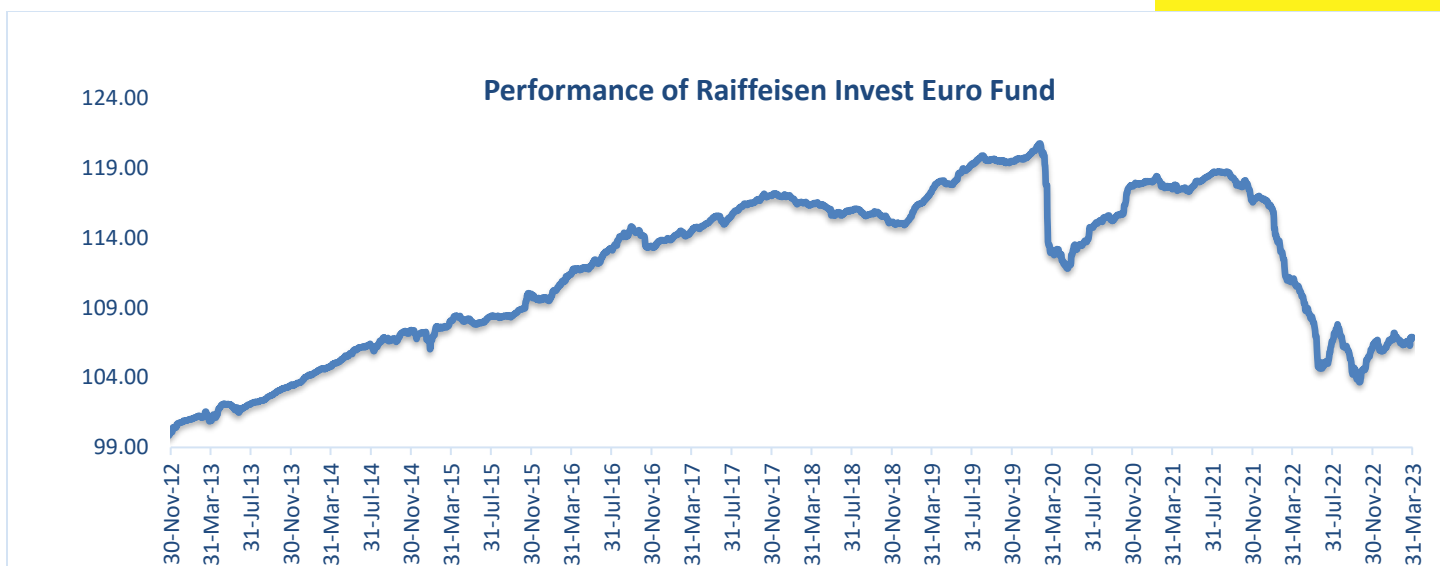
The fund may balance the exposure to different instruments depending on market conditions to achieve its long-term objectives. The assets of the fund invested in corporate bonds and investment funds with investment-grade ratings stand at 46.03% of the assets. The liquidity held as cash and deposits has decreased to 4.5% of total assets.

The net asset value of the fund stands at the level of EUR 31.96 million at the end of March 2023.

The performance of the fund in March 2023

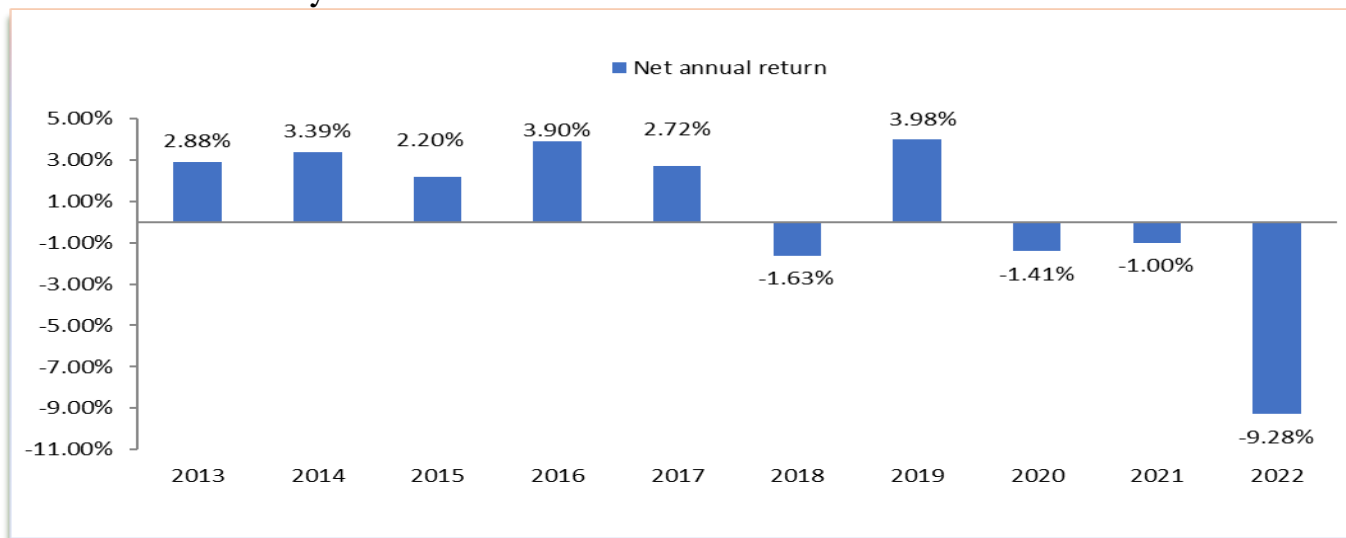
During March the unit value increased by **0.46%** compared to the previous month.

Bond market delivered a mainly positive performance since the banking turmoil motivated investors to turn to bonds as the safest assets. This caused a positive reevaluating of the investment portfolio of Euro fund, which posted small gains throughout March. **The net annual return resulted at -3.72% on March 31, 2023.**



On 31 March, 2023	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception (Nov. 22, 2012)
Return in % p.a. for the period	-3.72%	-1.83%	-1.69%	-0.58%	0.58%	0.65%

Net return for each year for Euro fund



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 Invest Euro 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 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 market developments caused by the geopolitical risks and 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 March

The latest inflation numbers in the US are in line with expectations, dropping to 6% year-over-year, but the underlying month-over-month price of all goods and services increased 0.4% in February. The consumer price inflation rate in the Euro Area eased to 6.9% year-on-year in March 2023, its lowest level since February 2022 and slightly below market consensus of 7.1%. Still, core inflation hit a fresh record high of 5.7%, while the cost of energy declined for the first time in two years.

The first part of the month was characterized by fear of price pressures remaining entrenched in the economy and hawkish remarks by Central Banks that seemed resolved to keep raising interest rates well into this year. However, on March 10th, Silicon Valley Bank (SVB), the 16th largest bank in the United States was shut down by federal regulators. The bank's failure came because of several factors, including its investments losing value and its depositors withdrawing large amounts of money. Federal regulators decided to fully insure and protect all of Silicon Valley Bank's depositors and their balances for fear of contagion, since other banks saw their stock prices drop, too.

When it seemed, these could be brushed off as isolated incidents, Credit Suisse's shares collapsed by 30%, adding more to the worries that a 2008 Global Financial Crisis could be in the cards for the second time. A hasty deal was made over the weekend, with UBS deciding to buy Credit Suisse for 3 billion Swiss francs (\$3.25 billion) in a government-brokered deal aimed at containing a spreading crisis of confidence. Nevertheless, the government support triggered a complete write-down of all CS's additional tier 1 bonds, rendering about \$17 billion of debt worthless.

The latest developments did not hinder Central Banks' resolution to continue raising rates, with ECB delivering a 50 bp hike on March 16th, followed by a 25 bp hike from FED on March 22nd. Despite this, the banking crisis acknowledgment in their statements and a widely expected tightening of credit conditions weighing on economic activity caused the markets to predict rate cuts by the end of this year.

Bond market has mostly performed well during March, with yields falling and spreads tightening, though the curves remain inverted. The banking turmoil in the markets packed with uncertainty about the future of the economy motivated investors to turn to bonds, considering them as the safest assets. A dovish outlook in monetary policy has also been a crucial reason for keeping yields at lower levels.

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.