



Month Report July 2023

Basic Information

Management Company	Raiffeisen Invest sh.a
Currency	Euro
Fund Launch date	22 Nov. 2012
Initial value of one unit	100
Minimum Investment	250
Subsequent minimum amount not less than	50

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.

Commissions and fees

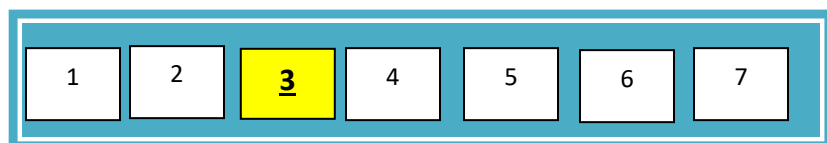
Entry fee	0.00%
Exit fee	0.00%
Management fee per year	Up to 1.30% p.a
Other ongoing fees	Refer to the prospectus of the fund
Total ongoing fees	1.48% for year 2022
Fee for funds transfer, from third parties	Refer to the information on RBAL branches

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.

Risk and Reward Profile

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 July 31, 2023

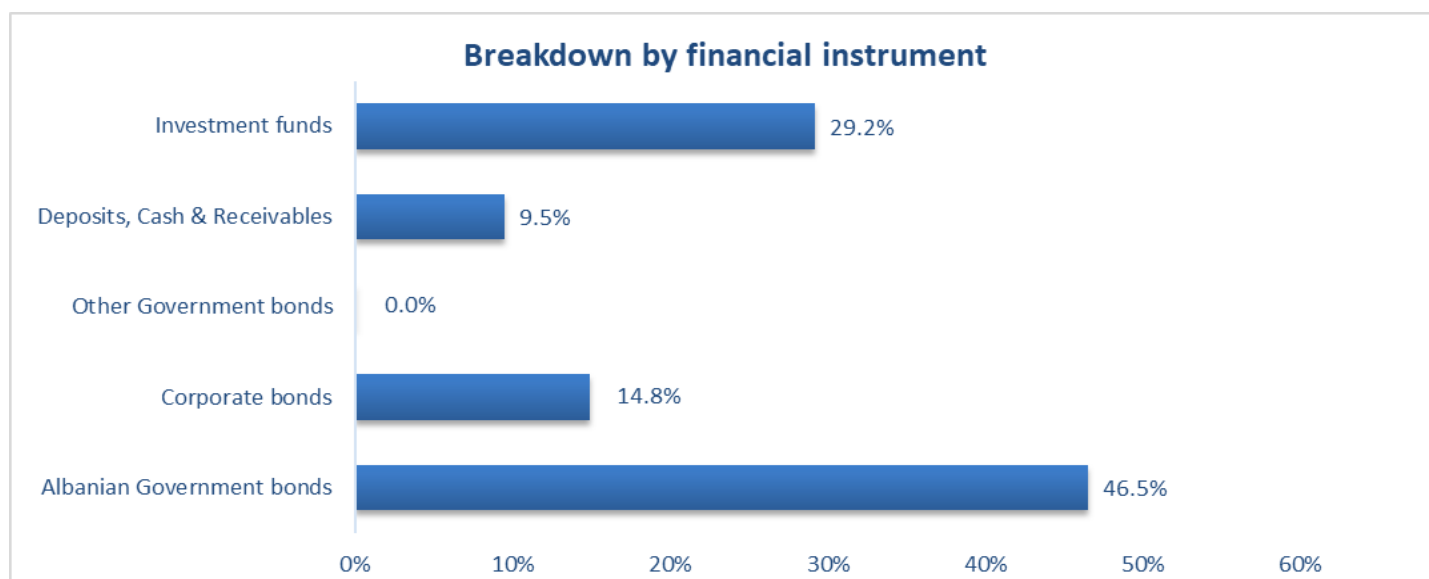
Net Asset Value	31,561,698
Number of Investors	1,469
Unit Value	108.3933
*Net Annual Return (31.07.2022 - 31.07.2023)	1.71%

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

Investment Portfolio Structure as of 31 July 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 a 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 July 2023, the percentage of fund assets invested in government bonds is reduced at 46.5% of assets and it belongs only 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 44% of the assets. The liquidity held as cash and deposits has increased to 9.5% of total assets.

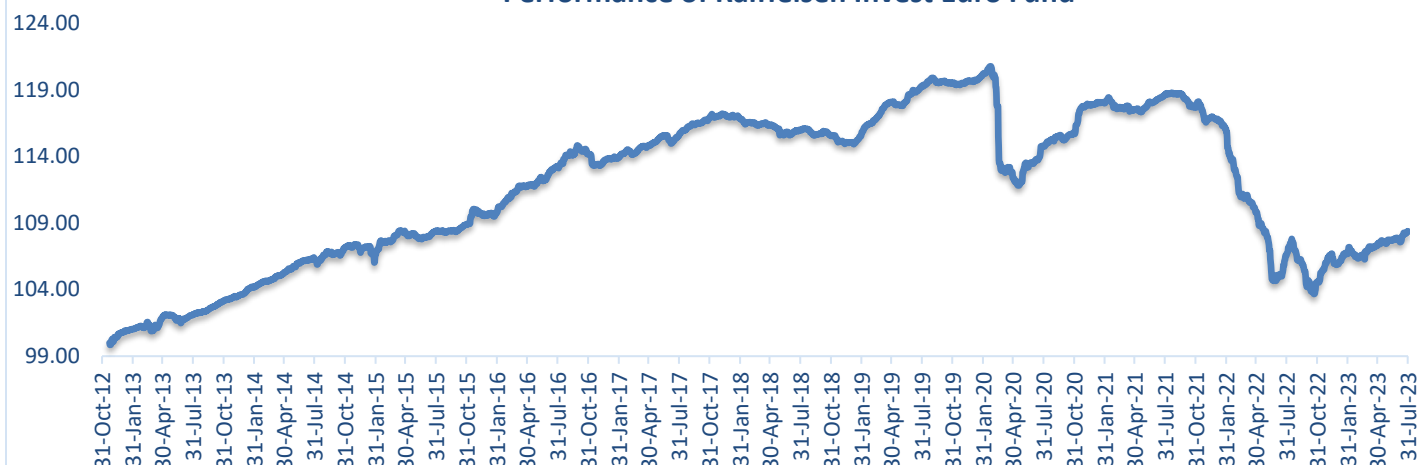
The net asset value of the fund stands at the level of EUR 31.56 million at the end of July 2023.

The performance of the fund in July 2023

The unit value increased by **0.54%** during month of July, recording one of the best monthly performances during this year.

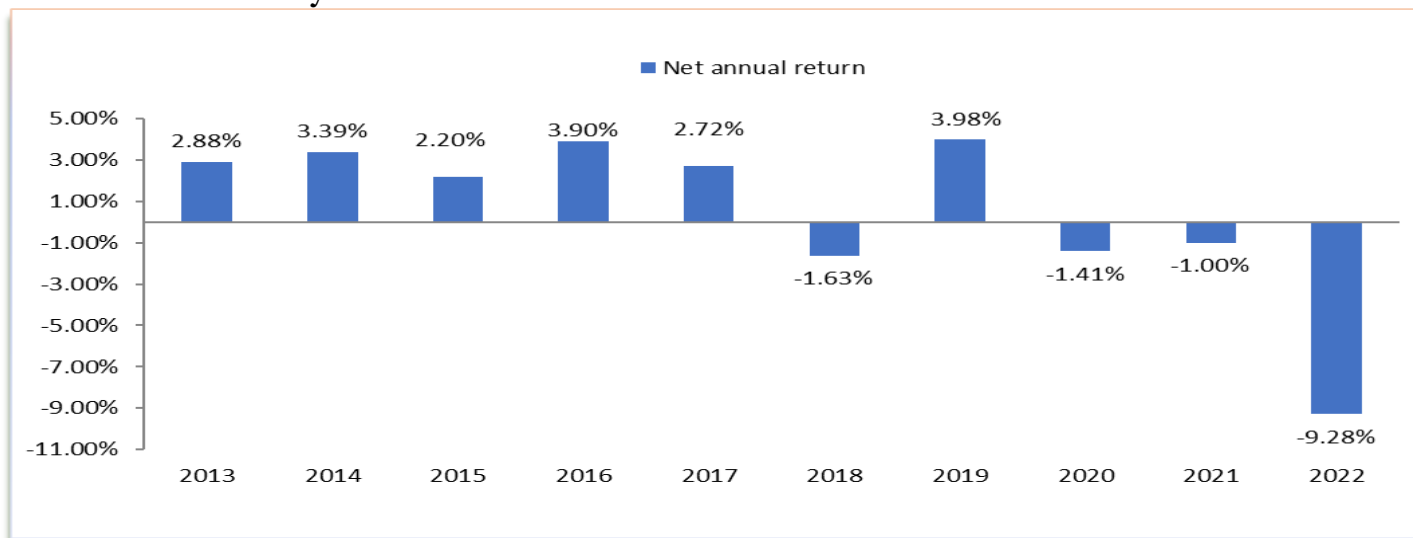
Investments in bonds and funds have posted monthly profits since the bond yields in the Euro area edged lower and the prices went up. The Albanian Eurobonds have been among the best performers of the investment portfolio, gaining 70 -100 bp in price during month of July. The market expectations related to the fact that the bond interest rates are near to the peak level and soon the Central banks could put an end to the interest rate hike cycle have positively affected the mood of the capital markets in general and particularly the bonds market. **The net annual return was +1.71% on July 31, 2023.**

Performance of Raiffeisen Invest Euro Fund



On 31 July, 2023	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception (Nov. 22, 2012)
Return in % p.a. for the period	+1.71%	-1.88%	-1.34%	-0.63%	+0.60%	+0.76%

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 July

In US, the annual inflation rate fell from 4% to 3% in June 2023 and in addition, the core inflation rate, which excludes volatile items such as food and energy, has slowed down from 5.3% to 4.8%, which is a good sign that the tightening monetary policy is giving the desired effects in the inflation. On the other side, the US economy is confirming good resilience with strong GDP figures, marking an impressive growth of 2.5% p.a. during the second quarter and low figures for initial jobless claims.

Inflationary pressures in the eurozone continued to ease as well with the annual inflation rate coming lower from 6.1% to 5.5% in June, while the core inflation increased slightly to 5.5%.

Both Central banks (the Federal Reserve in US and European Central bank in EU) made the next interest rate hike of 0.25% in July, taking the Fed fund rate range to 5.25% -5.5% and the base rate in the Eurozone at 4.25%.

While FED officials are possibly still eyeing one final hike later this year (in September), the futures markets are mostly pricing the fact that in US is reached the cycle peak. Further signs of a significant easing in the monthly core inflation numbers for July and August could ultimately persuade the FED to pause the interest rates hikes, particularly if employment gains continue to trend lower too.

The month of July was characterized by falling yields on the euro bond market. Bonds with shorter maturities have benefited more than the long-dated bonds. Corporate bonds have outperformed the government bonds and the high yield bonds have outperformed “investment grade” corporate bonds. The positive performance was triggered by significantly declining inflation data in US, which also has fueled hopes in the euro zone that the ECB could soon end interest rate hikes.

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.