



## Month Report August 2023

### Basic information

Fund name	<b>Raiffeisen Mix</b>
Management Company	<b>Raiffeisen Invest sh.a</b>
Currency	Euro
Fund Inception date	16 November 2020
Initial value of one unit	100
Minimum Investment	EUR 500
Net asset Value	<b>EUR 2,312,243</b>
Unit Value	<b>95.6177</b>
Custodian Bank	First Investment bank Albania
Sub custodian Bank	Raiffeisen Bank International
Net annual return on August 31, 2023	<b>+3.16%</b>

### Commissions and fees

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

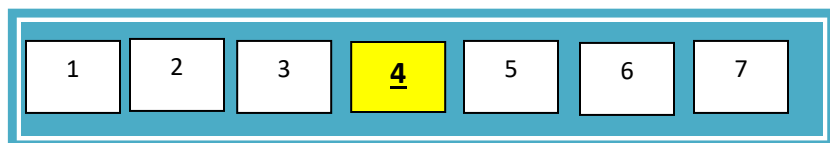
The Fund investment objective is to generate regular income and moderate capital growth over the medium term. The fund's assets are invested in financial instruments that belong to 3 main asset classes: fixed income, equity, money market or cash equivalent. To achieve the investment objective, the fund 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

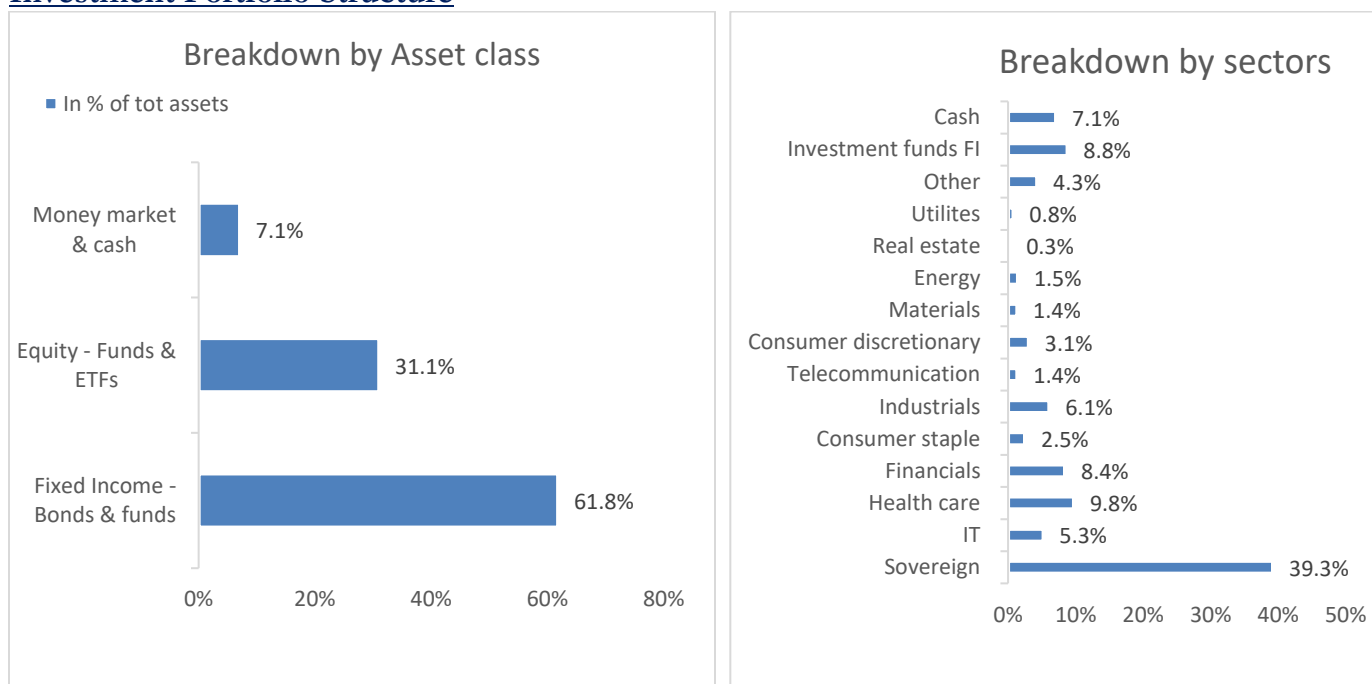
High Risk  
High Return



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 38% of total assets in Albanian government bonds and 23.8% in IG corporate bonds and fixed income funds. The fund has made new investments in investment-grade corporate bonds with medium-term duration. Equity part (31.1%) is exposed in developed markets: US 18.6%; EU 8.1% and UK 2.3% of total assets. The level of cash and liquidity has decreased to 7.1% by the end of August.

## Performance of the fund

The fund delivered a slight negative monthly performance of **-0.23%** during August.

Bond market was volatile with yields rising during a considerable part of August, as statements from Central Banks' officials showed resolution to keep rates high for longer than expected. However, the last days of the month had yields falling again due to rising hopes about the conclusion of the tightening cycle, at least for the US. Stocks performed similarly to bonds, with prices falling for a large part of the month, only to increase again as August came to an end, but this positive performance was not enough to avoid losses. While August yields' development had an almost neutral impact on the investment portfolio of Mix fund, the equity part produces losses. **The net annual return of Mix fund is **+3.16%** on August 31, 2023.**

### Performance of MIX 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 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 August

Annual inflation rate in the US accelerated to 3.2% in July 2023 from 3% in June, but below forecasts of 3.3%. It marks a halt in the 12 consecutive months of declines, due to base effects.

Inflation in the euro zone came in higher than analysts had expected for the month of August, although it was unchanged from the previous month, at 5.3%.

Unexpectedly soft jobs and consumer-confidence readings raised hopes the Federal Reserve may be nearing the end of its tightening cycle. On the other hand, in Jackson Hole, Powell expressed his resolution to raise rates further if appropriate, and to hold policy at a restrictive level until there is confidence that inflation is moving toward the Fed's objective.

Economic data has not been optimistic for the EU, while inflation continues to be stubborn. Markets are weighing whether additional monetary tightening is imperative, or a

souring economic outlook is bleak enough to warrant a pause.

Bond market was volatile during the month. Yields rose during a considerable part of August, as Central Banks showed determination to keep rates high for longer than expected. Nevertheless, the last days of the month saw yields falling again due to elevated hopes about tightening cycle coming to a conclusion, at least for US. Therefore, August ended with yields at almost neutral levels compared to July.

Stocks performed similarly to bonds, with prices falling for a large part of the month, only to increase again as August came to an end. However, this positive performance of the last days of the month was not enough to avoid losses. Main indices were down 2-3%, with European indices delivering a worse performance than their US counterparts.

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](http://www.raiffeisen-invest.al), or at Raiffeisen Bank branches in Albania.