

Month Report October 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

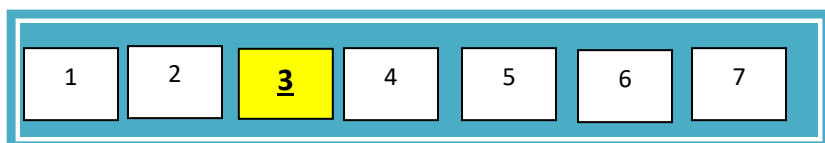
Entry fee	0.00%
Exit fee	0.00%
Management fee per year	Up to 1.30% p.a
Other ongoing fees	Refer to the prospectus of the fund
Total ongoing fees	1.48% for year 2022
Fee for funds transfer, from third parties	Refer to the information on RBAL branches

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 October 31, 2023

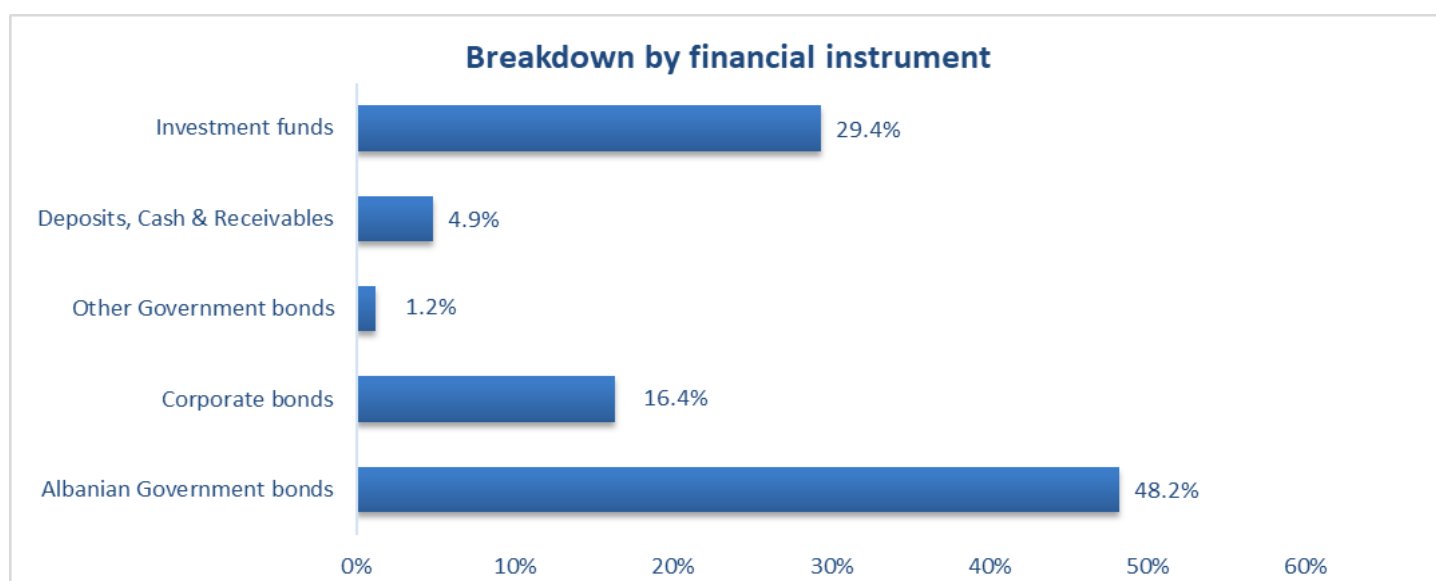
Net Asset Value	30,816,976
Number of Investors	1,417
Unit Value	108.1240
*Net Annual Return (31.10.2022 - 31.10.2023)	3.41%

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

Investment Portfolio Structure as of 31 October 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 October 2023, the percentage of fund assets invested in government bonds is increased at 49.4% of assets and 48.2% 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 now stand at 46.9% of the assets. The liquidity held as cash and deposits has decreased to 4.9% of total assets.

The net asset value of the fund stands at the level of EUR 30.82 million at the end of October 2023.

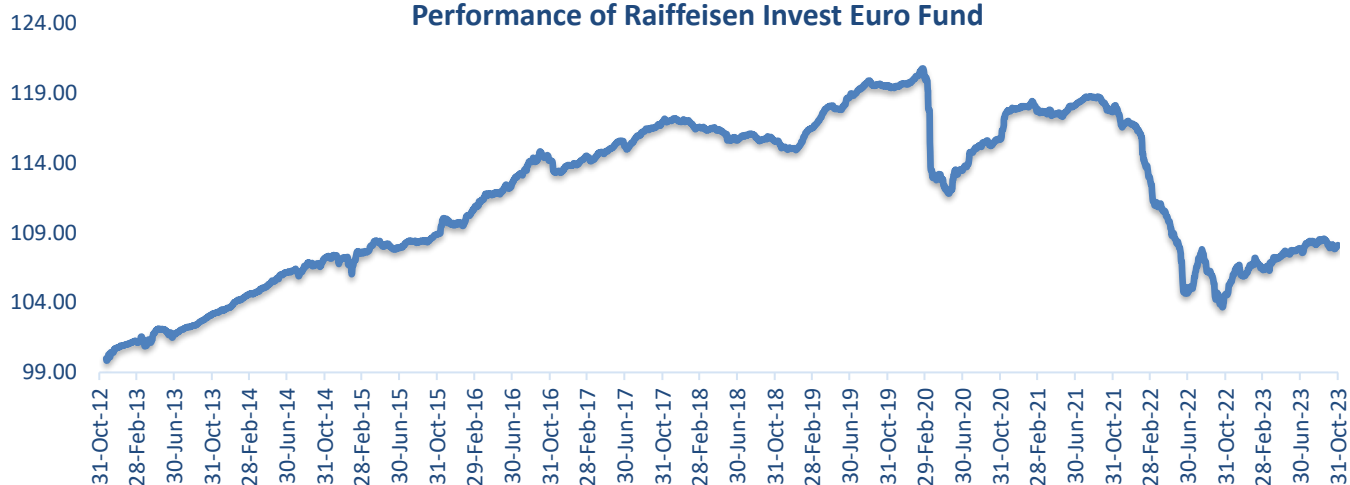
The performance of the fund in October 2023

The unit value decreased by a light **-0.01%** during month of October.

Bond market was volatile and, a rush into haven assets was noticed in the first days after the geopolitical conflict in Middle East between Israel and Palestine. However, it later delivered a negative performance propelled by expectations that interest rates could remain elevated for longer and mounting concerns regarding the sustainability of the US's budget deficits.

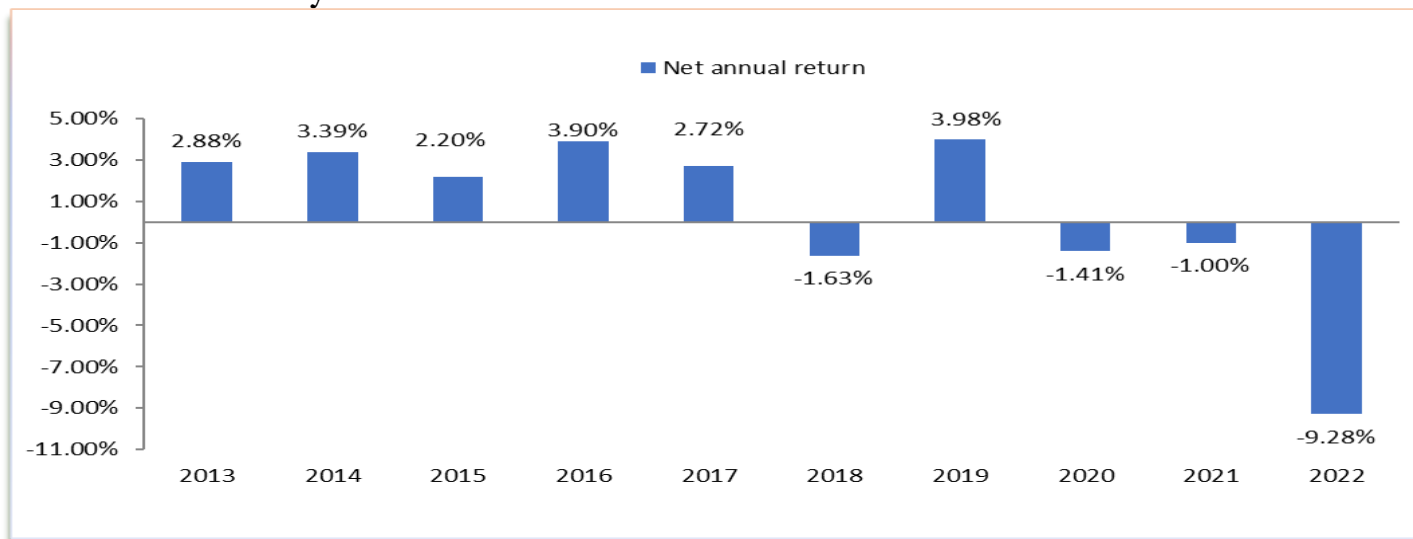
Anyway, thanks to its defensive orientation, the fund generated a small negative monthly result for October and was able to hold its own in this environment. **The net annual return was +3.41% on October 31, 2023.**

Performance of Raiffeisen Invest Euro Fund



On 31 October, 2023	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception (Nov. 22, 2012)
Return in % p.a. for the period	+3.41%	-2.23%	-1.32%	-0.77%	+0.47%	+0.72%

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 October

Inflation across the euro zone dropped to a two-year low of 2.9% in October, down from 4.3% the previous month and below a consensus estimate of 3.1% from a Reuters poll of economists. Core inflation, which excludes volatile food and energy prices, dropped to 4.2% year-on-year in October from 4.5% in September.

The Consumer Price Index in the US rose 3.7% for the 12 months ended in September, holding steady with August's annual gain, and landing a touch above economists' expectations for a 3.6% rise. The core CPI cooled for the sixth month in a row and was up 4.1% annually.

The European Central Bank left interest rates unchanged for the first time in more than a year, following last month's knife-edge decision to lift the deposit rate to a record 4%. Officials stated that holding borrowing costs at that level for long enough will make a "substantial contribution" to bringing consumer-price gains back to the 2% target. There's little doubt among economists and investors that the high point for euro-zone borrowing costs has been reached following 10 back-to-back moves starting in July 2022.

The Fed is expected to hold rates steady at a 22-year high for a second meeting, while leaving open the possibility of another hike as soon as December with economic growth staying resilient. The recent surge in US Treasury yields has contributed to a tightening of financial conditions, leading even hawkish Fed members to indicate patience over further rate moves.

The month of October was characterized by increased nervousness and above-average volatility on the capital markets and the geopolitical tensions from the escalated conflict between Israel and Palestine in Middle East had its toll on financial markets worldwide. A rush into haven assets was spotted in the first days, but it was soon reversed propelled by expectations that interest rates could remain elevated for longer. The cycle of interest rate hikes may have peaked, but consistently stable economic data and volatile inflation suggest that rates will be kept at the current levels for some time yet.

Mounting concerns regarding the sustainability of the US's burgeoning budget deficits were another force undermining bonds. An event to be mentioned was the 10-year Treasury yield crossing 5% for the first time in 16 years, though it later retreated.

On another note, while the US economy continues to show resilience, the European economy is showing noticeable signs of weakness. Especially, the French and German economies struggled at the beginning of the fourth quarter, with private-sector activity continuing to shrink as demand remains muted and borrowing costs rise.

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.