



## Month Report January 2024

### 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 3,559,286</b>
Unit Value	<b>99.3764</b>
Custodian Bank	First Investment bank Albania
Sub custodian Bank	Raiffeisen Bank International
Number of Investors	88
Net annual return on January 31, 2024	<b>+7.17%</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	1.60% for year 2023 on 31.12.2023
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

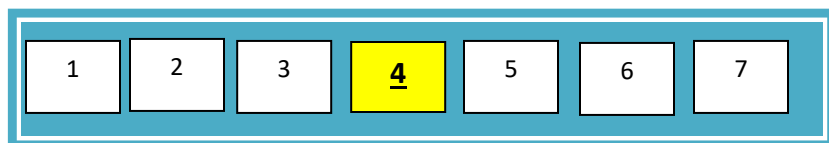
and / or commercial companies.

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

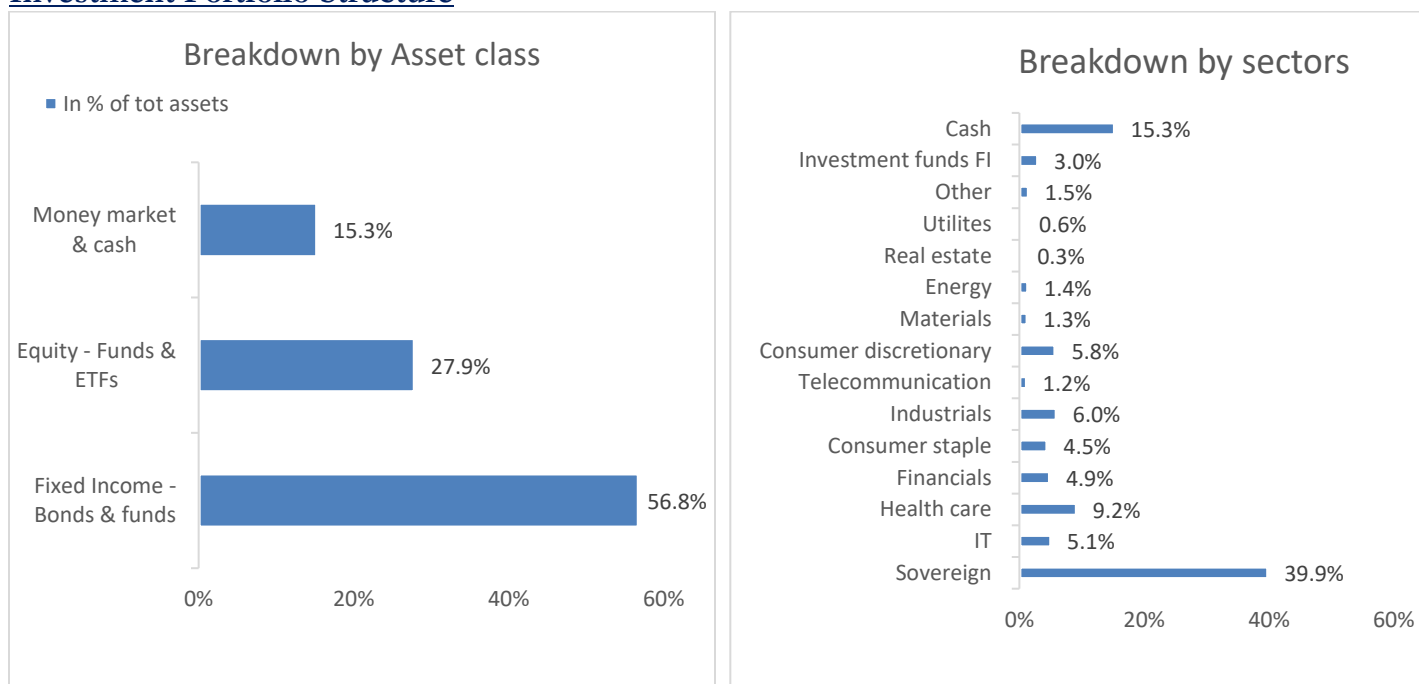
High Risk  
High Return



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



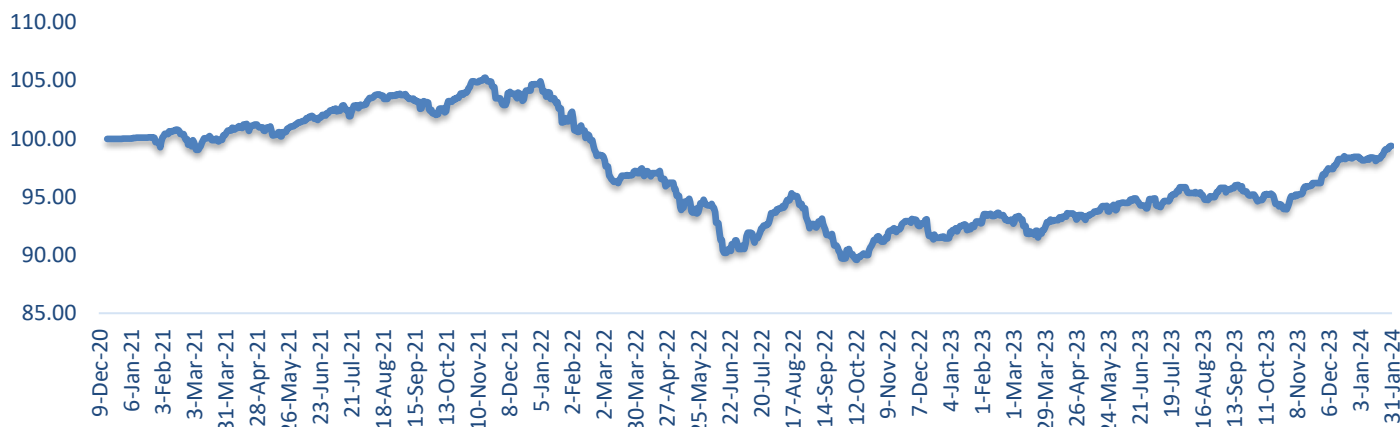
Mix fund portfolio is constructed in such a way as to benefit from the diversification in both asset classes such as bonds and equities. Fixed income part is exposed with 31.7% of total assets in Albanian government bonds and 25.1% in IG corporate bonds and fixed income funds. Equity part (27.9%) is exposed in developed markets: US 14.1%; EU 10.6% and UK 1.7% of total assets. The level of cash and liquidity has increased to 15.3% by the end of January.

## Performance of the fund

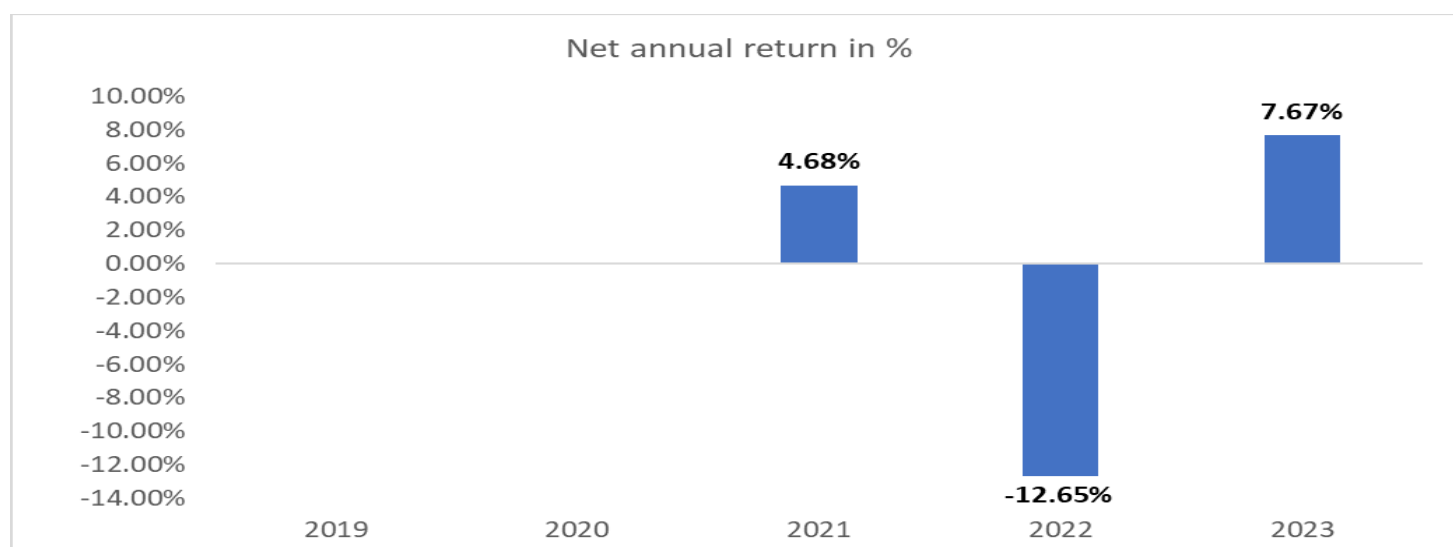
The unit value increased by **+0.93%** during month of January.

Bond markets stalled in January as the Central Banks' rhetoric indicated that markets had gone too far by pricing imminent easing of monetary policy and pushed back on expectations for the timing of the first-rate cuts. Prices bounced again by the end of the month, but slightly not enough to get back to December's levels. Stocks, on the other side, reflected modest gains at the start of the year with the main indices going up 1-2%. Equity markets' development in January subdued the negative impact of bonds on the investment portfolio of Mix fund and the latter posted gains throughout the month. **The net annual return of Mix fund is +7.17% on January 31, 2024.**

### Performance of MIX fund



### Net return for each year for 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 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 January

The inflation rate in the Euro Area went down to 2.8% year-on-year in January 2024 from 2.9% in the previous month, in line with market expectations. Meanwhile, the core rate, which excludes volatile food and energy prices, continued to ease to 3.3%, above forecasts of 3.2% but still reaching its lowest level since March 2022.

In the US, yearly inflation resulted at 3.4% in December, a figure that aligns closely with market expectations but still points to ongoing inflationary pressures. Core inflation came in at 3.9%, a bit higher than the respective estimation of 3.8%.

The ECB kept interest rates unchanged and stuck to the argument that a first-rate cut is most likely in the summer, when they'll know more about inflation, wages, and the stuttering economy. An earlier move is still possible if the inflation data are weak in the next few months, but the risks are shifting towards rates staying at their current level for longer than investors anticipate.

The Fed announced at its January meeting that it would maintain the overnight federal funds rate at the current range of 5.25% to 5.5%. The FED acknowledged that good progress has been made, but the committee would like to be more confident that inflation is coming down sustainably to 2%. While the possibility was left open for June, rate cuts in March (as expected earlier) seem highly unlikely.

Following the very strong performance in the last two months of 2023, the bond market rally stalled in January. Government and inflation-linked bonds performed poorly early in the month as rate cut expectations were pushed back, driving yields higher. The US 10-year yield rose to 3.9%, briefly touching 4% intramonth. However, while bond yields rose for most of January, they bounced towards the end of the month, helped by US inflation data continuing to trend towards target. Returns across USD and EUR denominated fixed income asset classes were subdued, with yields generally ending the month slightly higher than at the end of December.

It was a positive start to the year for equities, as major stocks indices posted humble gains. The "January effect" was prevalent, though modest. The S&P 500 which advanced 1.7%, fleetingly rose to a record high. 'Growth' and 'cyclicals' led the market higher, with the 'Magnificent Seven' stocks outperforming. Communication Services was January's sector leader with a 4.4% gain, followed by Financials at 3.1%.

The US economy defied expectations in the final quarter of 2023, expanding by 3.3%. Full-year growth came in at 2.5%, with consumption remaining firm. Meanwhile, euro area activity remained soft, after the fourth-quarter GDP stagnated, narrowly avoiding a technical recession.

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.