

Month Report August 2024

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	1.50% for year 2023
Fee for funds transfer, from third parties	Refer to the information on RBAL branches

The figure of ongoing fees 1.50% is based on the expenses for the year ended 31.12.2023. 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 August 31, 2024

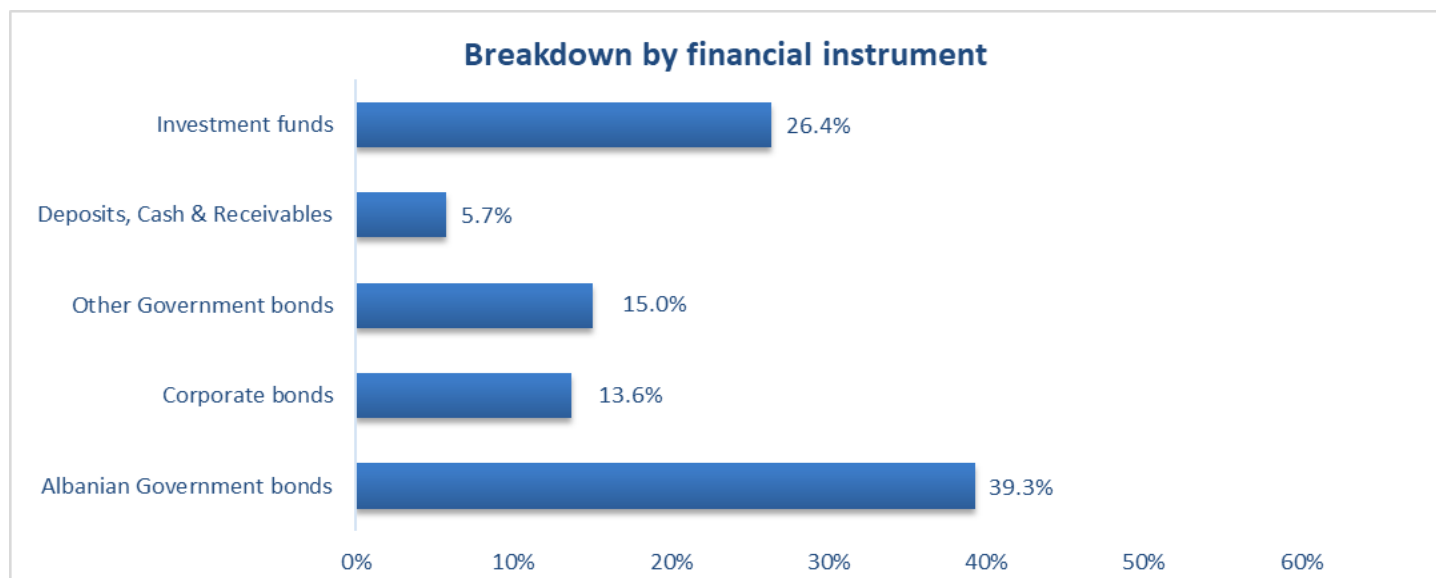
Net Asset Value	€ 35,452,770
Number of Investors	1,535
Unit Value	113.7287
*Net Annual Return (31.08.2023 - 31.08.2024)	4.87%

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

Investment Portfolio Structure as of 31 August 2024

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 August 2024, the percentage of fund assets invested in government bonds stands at 54.3% of assets and 39.3% 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 with investment-grade ratings and investment funds now stand at 49% of the assets. The liquidity held as cash and deposits has increased to 5.7% of total assets.

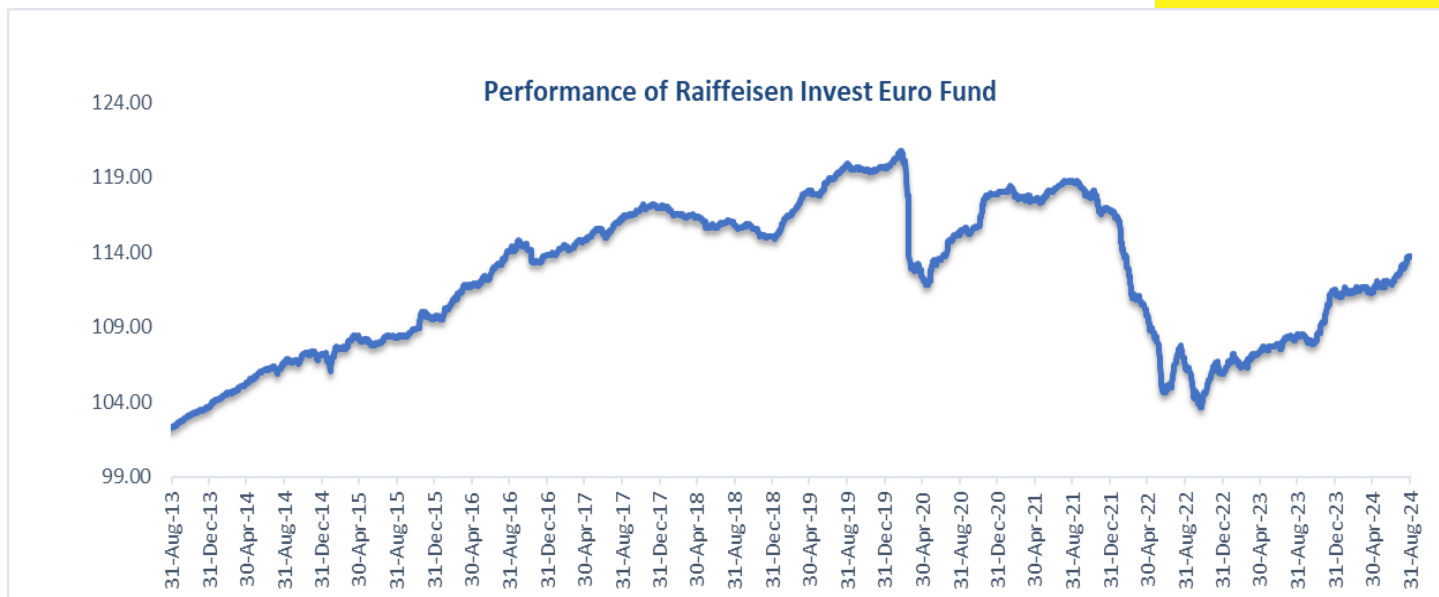
The net asset value of the fund stands at the level of EUR 35.45 million at the end of August 2024.

The performance of the fund in August 2024

The unit value increased by **+0.80%** during month of August, which resulted one of the best months of 2024 up to now.

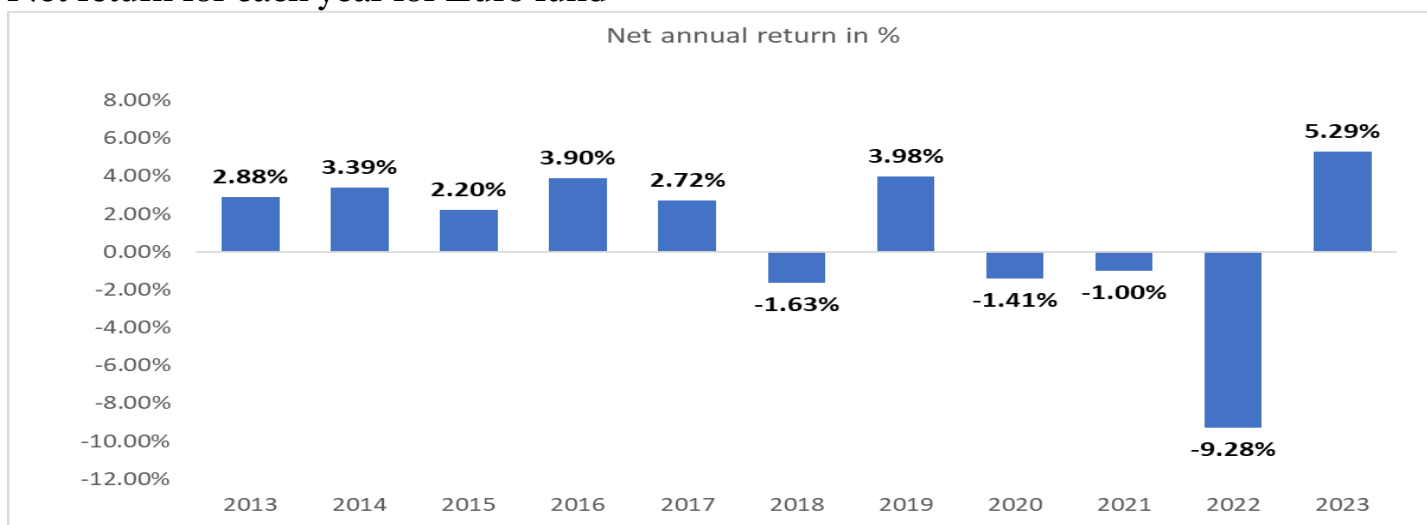
August was a positive month for the bond market, with yields drifting significantly lower across the US and Europe. These declining yields were primarily driven by recession fears, along with a statement from the Fed indicating that it was time to adjust the policy rate. As a result, the lower yields of corporate and government bonds had a positive impact on the investment portfolio of Raiffeisen Invest Euro fund, which posted profits through the month. The average yield of the investment portfolio was 3.83% for an average duration of 3.4 years on the 31st of August.

The net annual return was +4.87% on August 31, 2024.



On 31 August, 2024	1 Year	2 Year	3 Year	5 Year	10 Year	Since Inception (Nov. 22, 2012)
Return in % p.a. for the period	+4.87%	+3.47%	-1.41%	-1.05%	+0.65%	+1.10%

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, 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

Euro zone inflation dropped to a three-year low of 2.2% in August, boosting expectations for a September rate cut from the European Central Bank. The decline from 2.6% in July was in line with the forecast of economists polled by Reuters. The core rate fell to 2.8% in August from 2.9% in July, also matching a Reuters poll.

The US consumer price index increased 0.2% in July, putting the 12-month inflation rate at 2.9%, its lowest since March 2021. Excluding food and energy, core CPI came in at a 0.2% monthly rise and a 3.2% annual rate, meeting expectations.

Markets are now confident that a September rate cut is on the cards for the Fed. In his annual monetary policy speech at the Jackson Hole Economic Symposium on August 23, Fed Chair Jerome Powell mentioned that the upside risks to inflation have decreased and the downside risks to employment have increased. The probabilities are leaning towards a 25 bp rate cut, but a 50 bp cut seems also possible.

As inflation cools down, the ECB looks certain to cut its deposit rate from 3.75% to 3.5% next week and policymakers will probably signal that they expect to reduce rates only gradually in the coming quarters.

Following a good momentum in July 2024, the fixed-income asset class continued its rally in August 2024. The yield on the US Treasury 10-year bond fell below 4% and remained stable for the month. These declining yields were primarily driven by recession fears, prompting investors to seek safe havens early in August, along with a statement from the Fed at the end of the month indicating that it was time to adjust the policy rate.

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.