



## Month Report December 2024

### Basic Information

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

### 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	<b>0.00%</b>
Exit fee	<b>0.00%</b>
Management fee per year	<b>Up to 1.30% p.a</b>
Other ongoing fees	<b>Refer to the prospectus of the fund</b>
Total ongoing fees	<b>1.50% for year 2023</b>
Fee for funds transfer, from third parties	<b>Refer to the information on RBAL branches</b>

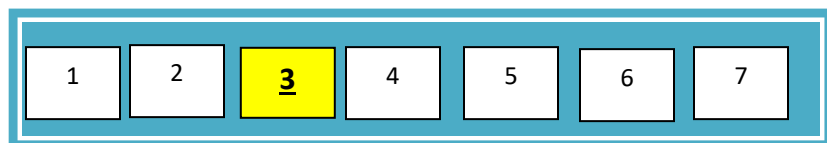
The figure of ongoing fees 1.50% is based on the expenses for the year ended 31.12.2023. This figure may vary from year to year. The total ongoing fee can not exceed the maximum of 1.6% per year of the net asset value of the fund.

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.

### Risk and Reward Profile

Low Risk  
Low Return

High Risk  
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 December 31, 2024

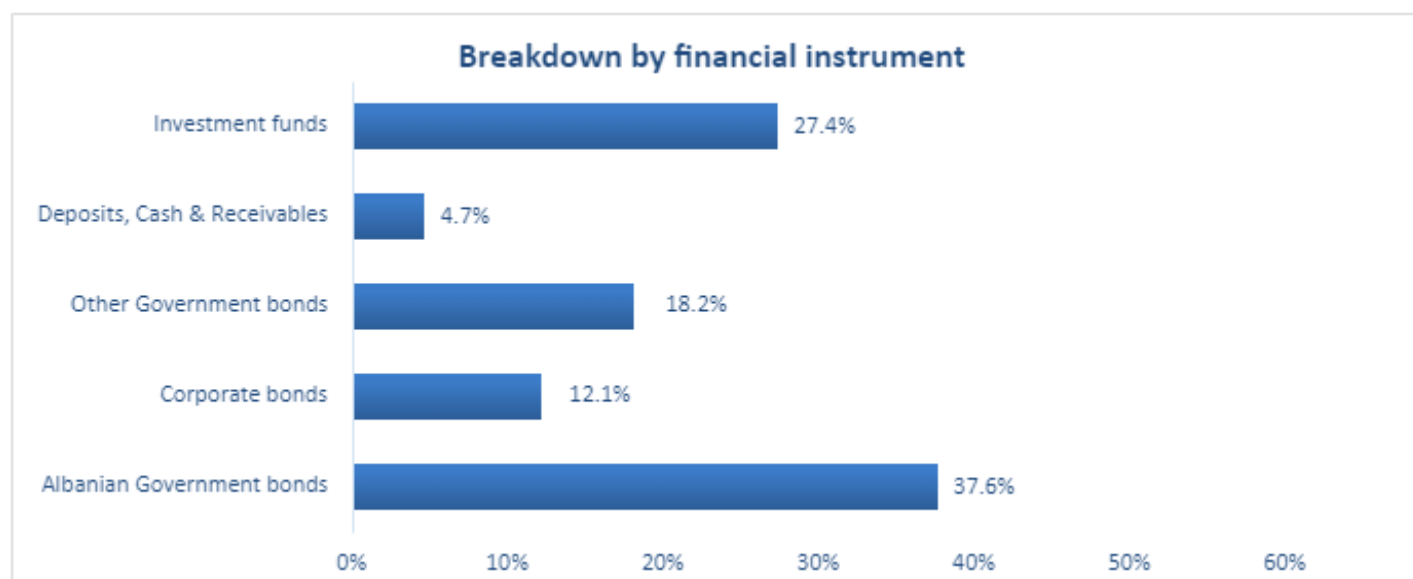
<b>Net Asset Value</b>	<b>€ 40,251,837</b>
<b>Number of Investors</b>	<b>1,681</b>
<b>Unit Value</b>	<b>115.1624</b>
<b>*Net Annual Return (31.12.2023 - 31.12.2024)</b>	<b>3.28%</b>

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

## Investment Portfolio Structure as of 31 December 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 December 2024, the percentage of fund assets invested in government bonds stands at 55.8% of assets and 37.6% belong to the Albanian Government bonds.

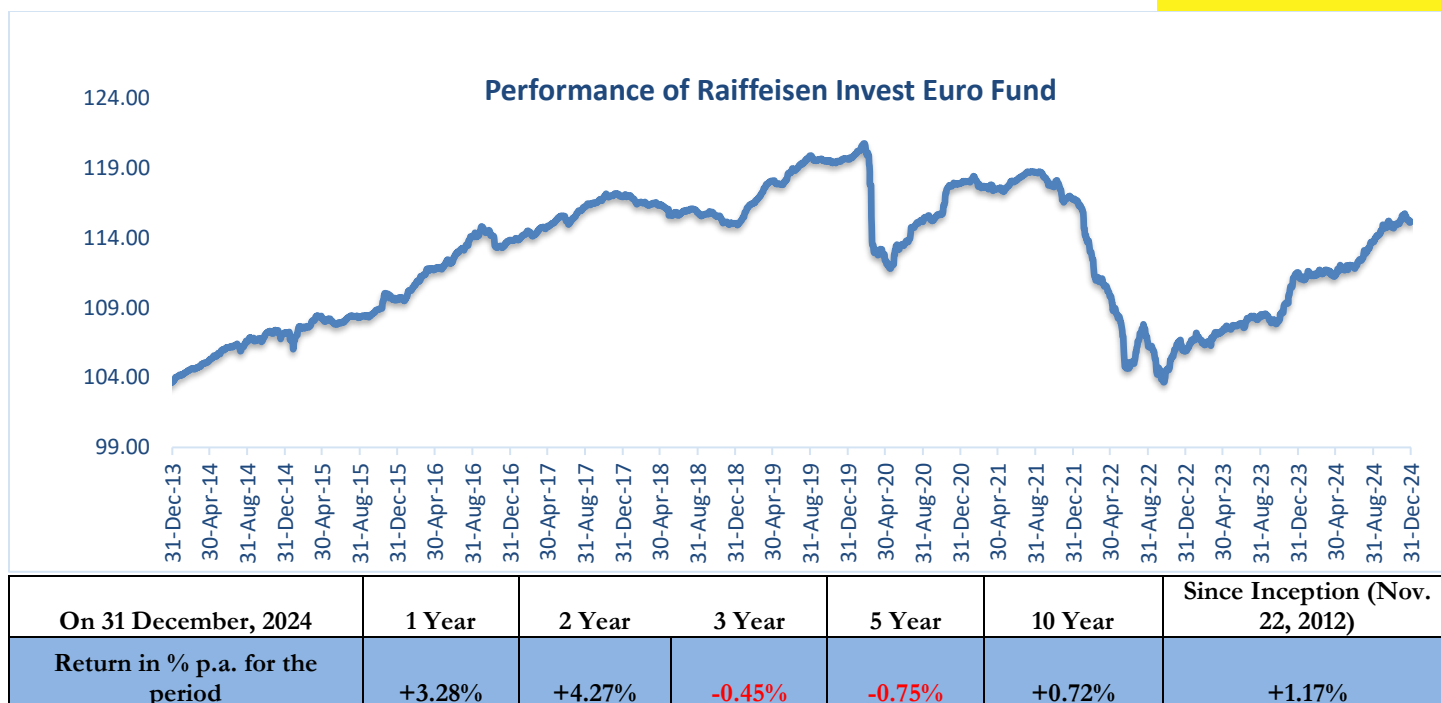
The fund may balance the exposure to different instruments depending on market conditions to achieve its long-term objectives. The assets of the fund invested in corporate bonds with investment-grade ratings and investment funds now stand at 51.7% of the assets. The liquidity held as cash and deposits has increased to 4.7% of total assets.

The net asset value of the fund stands at the level of EUR 40.25 million at the end of December 2024.

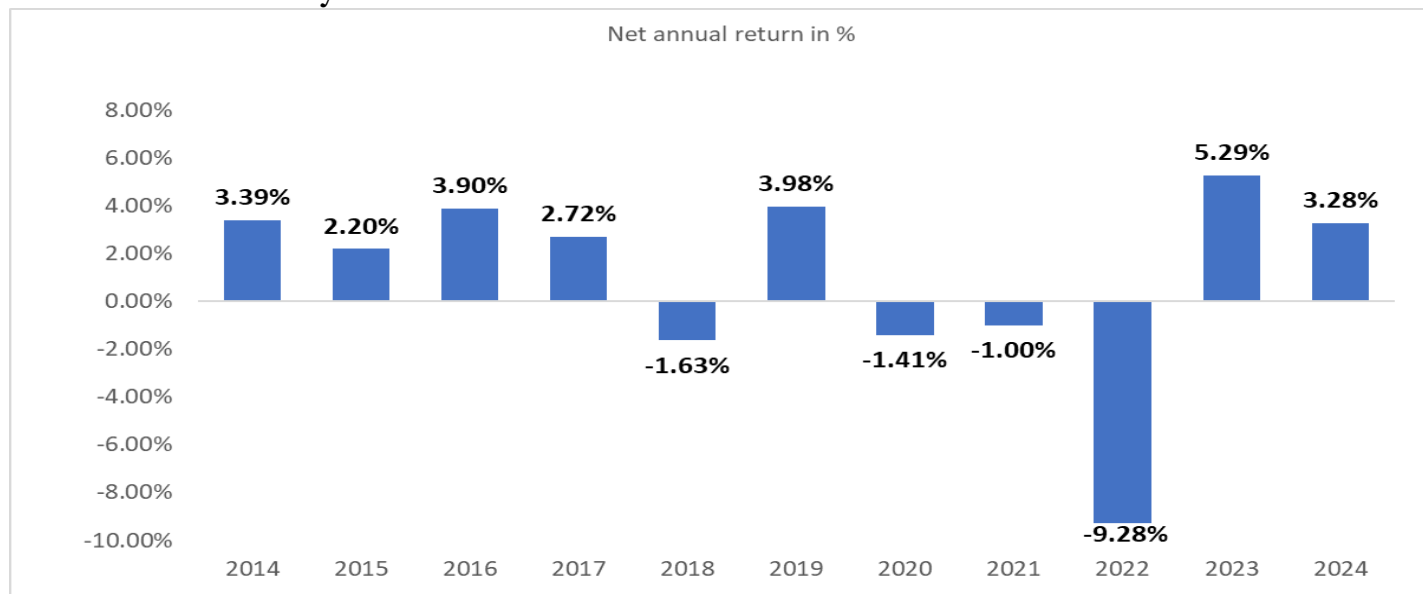
## The performance of the fund in December 2024

The unit value decreased by a small **-0.09%** during month of December. Global bonds were hurt by the evolving interest rate backdrop, with 10-year yields rising across the US and Europe. The performance of corporate and government bonds had a small negative impact on the investment portfolio of Raiffeisen Invest Euro fund, which posted slight losses throughout the month. The average yield of the investment portfolio was 3.52% for an average duration of 3.26 years on the 31<sup>st</sup> of December.

**The net annual return was +3.28% on December 31, 2024.**



### 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 December

Annual inflation in the euro zone rose for a third straight month to reach 2.4% in December. The preliminary reading was in line with the forecast of economists polled by Reuters and marked an increase from a revised 2.2% print in November. Core inflation held at 2.7% for a fourth straight month while services inflation nudged up to 4% from 3.9%.

The November consumer price index in the US showed a 12-month inflation rate of 2.7% after increasing 0.3% on the month. The annual rate was 0.1 percentage point higher than October. Excluding food and energy costs, the core CPI was at 3.3% on an annual basis and 0.3% monthly. The 12-month core reading was unchanged from a month ago. All the figures were in line with forecasts.

At the December 2024 meeting, the Federal Reserve lowered interest rates by 25 basis points. This lowers the target interest rate range to 4.25% to 4.5%. But the vote was not unanimous, and, in a hawkish shift, the new median projection now shows only 50bp of additional loosening next year, down from 100bp in the September projection.

The European Central Bank announced its fourth interest rate cut for 2024, confirming expectations for a quarter-percentage-point move and lowering its inflation forecast. It takes the deposit facility — the ECB's key rate — to 3%. On its policy statement, the ECB noted that most measures of underlying inflation suggest that inflation will settle at around the Governing Council's 2% medium-target on a sustained basis.

In fixed income, government bonds were hurt by the evolving interest rate backdrop, with 10-year yields rising across the US and Europe. In general, global government bonds fell by 0.7% in USD terms. Moreover, 10-year bond returns were mixed across regions in 2024: UK gilts were down, US treasuries were modestly weaker, and German bunds were roughly flat in local terms — while peripheral European countries outperformed.

On another note, US fourth-quarter GDP estimates are tracking at an above-trend pace, in what was an overall upbeat year, while European economic data remain more subdued.

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.