

Monthly Newsletter August 2020

Basic Information

Management company	Raiffeisen INVEST
Currency	LEK
Fund Launch	March 01, 2012
The initial value of one unit	1,000
The minimum investment	5,000
Subsequent investment amount not less than	1,000
Entry fee	0%
Exit fee	0%
Management fee per year	1.25%
Fee for funds transfer, from third parties	Refer to the information on RBAL branches

Investment objective and Investor profile

The investment objective of the fund is to maximize the return on investment while preserving capital and liquidity.

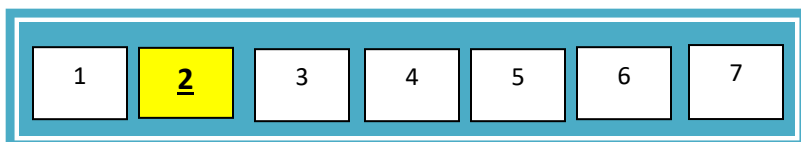
The assets of the fund are invested in securities issued and guaranteed by the government of Republic of Albania.

The Fund is intended for physical and legal persons who find the investment objective of the Fund in accordance with their requirements and expectations.

Risk and Reward Profile

Low Risk
Low Return

High Risk
High Return



The fund Raiffeisen Prestigj is under the second risk category.

The synthetic risk and reward indicator correspond 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.

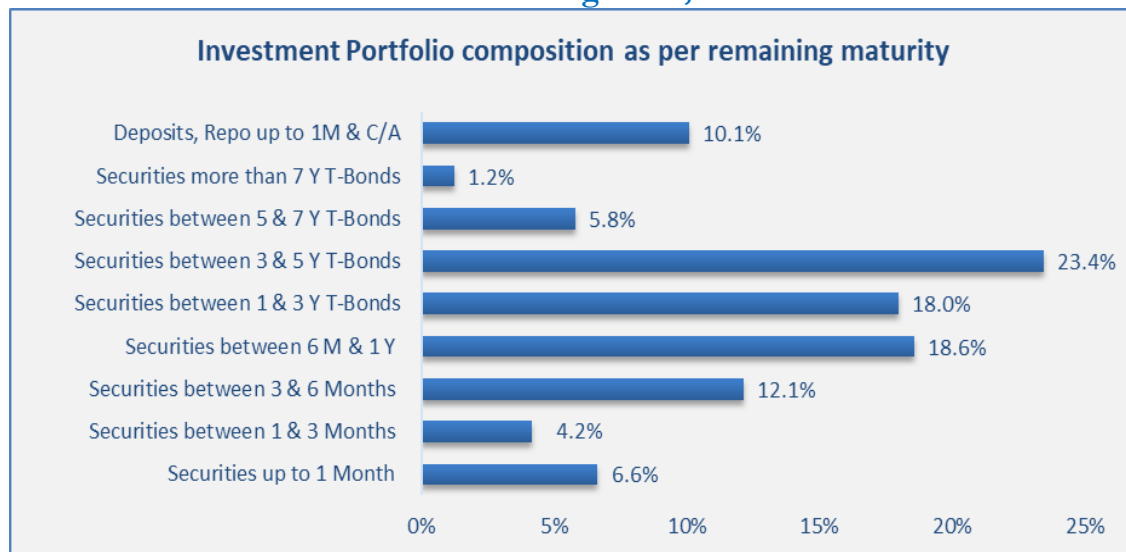
This indicator aims to offer the investor an overview of the fluctuations on Fund unit price based on historical performance. Historical data used to generate the indicator cannot constitute guarantee on future risk profile.

Fund data on Aug 31, 2020

Net Asset Value	41,340,547,989
Number of Investors	22,241
Unit Value	1,537.2147
*Annual rate of return (31.08.2019 - 31.08.2020)	1.75%

*Management fee is deducted before calculating the rate of return

Investment Portfolio Structure as of August 31, 2020



In the framework of its investment policy, Prestigj fund invests mainly in treasury bills and bonds issued and guaranteed by the government of Republic of Albania.

Auctions of the securities issued in ALL from the Government of the Republic of Albania are relatively frequent: 12M Treasury Bills are issued twice a month; 2-year bonds once a month; 7 and 10-year bonds are issued on a quarterly basis. The government organizes the auctions of 5- and 3-year reference bonds with a frequency every 2 months, for each maturity.

Instrument

In % of Fund Assets

Reverse Repurchase Agreement – Rev Repo	2.97%
Deposits / CA	7.10%
Treasury bills	19.71%
Treasury bonds	70.22%

The investment strategy remains focused on Albanian government securities, but in addition to the latter, the fund allocates a certain portion of its assets to short-term deposits in order to fulfill investors' liquidity needs in a timely manner.

Net asset value is at around ALL 41.34 billion as of August 2020.

Developments and information on the performance of financial markets in August

During the month of August, all international capital markets and the world economy continued the recovery process from the difficult financial situation created during the global pandemic. Even in our country there has been an improvement of economic activity situation but also increased cases of Covid-19 are recorded due to higher exposure to the virus and its spread in all cities.

The assets of Prestigj Fund are invested only in T-bills and T-bonds issued by Albania Government and as a result the fund is exposed to changes in the interest rates of these securities.

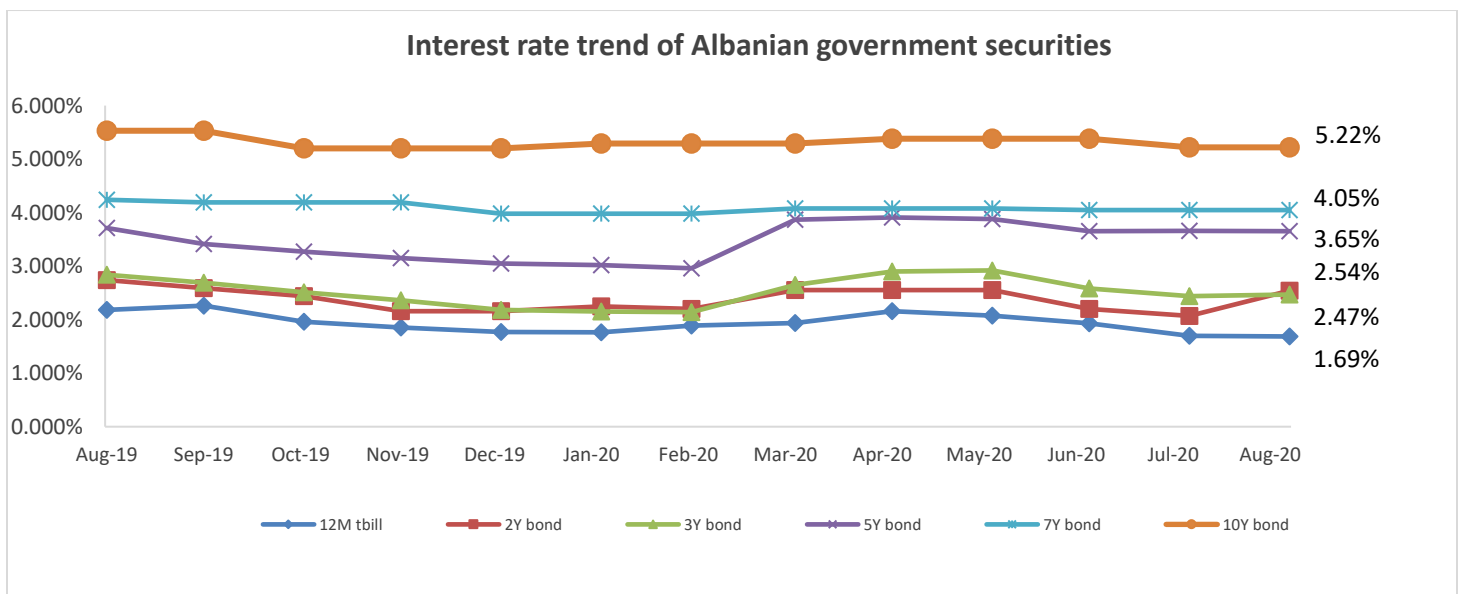
Thus, the Investments Funds are not directly related to international markets but are mainly affected by developments in the domestic market, such as changes in the interest rates of Albanian Government securities.

During August in the domestic market the interest rates of the Albanian Government securities had a mixed trend, with low rates during the first weeks of the month and a slight increase by the end of the month. The 2-years bond yield had the highest increase. The 12-months Treasury Bill, weighted average yield resulted in 1.686%, decreasing slightly by 0.01% in yield compared to the previous auction of end – July that was 1.695%.

Regarding the Treasury Bonds auctions, the 2-years bond auction was organized and resulted in 2.54%, increasing by 0.47% in yield compared to the previous auction end July; In this auction the bid to cover ratio was lower than 1 at 0.96% so the demand from the banks was lower, compared to other auctions that was very high.

Also, the 3-years reference bond auction issued in LEK was organized and the yield resulted in 2.439%, decreasing by 0.25% in yield in comparison to the last auction, which was held in June.

The chart below gives an overview of interest rate evolution of Treasury Bills and Bonds issued by the Albanian government during the 1-year period August 2019 – August 2020. For the 3 and 5 years reference bonds are presented the fixing yields, calculated from contributors' quotations at the end of August.

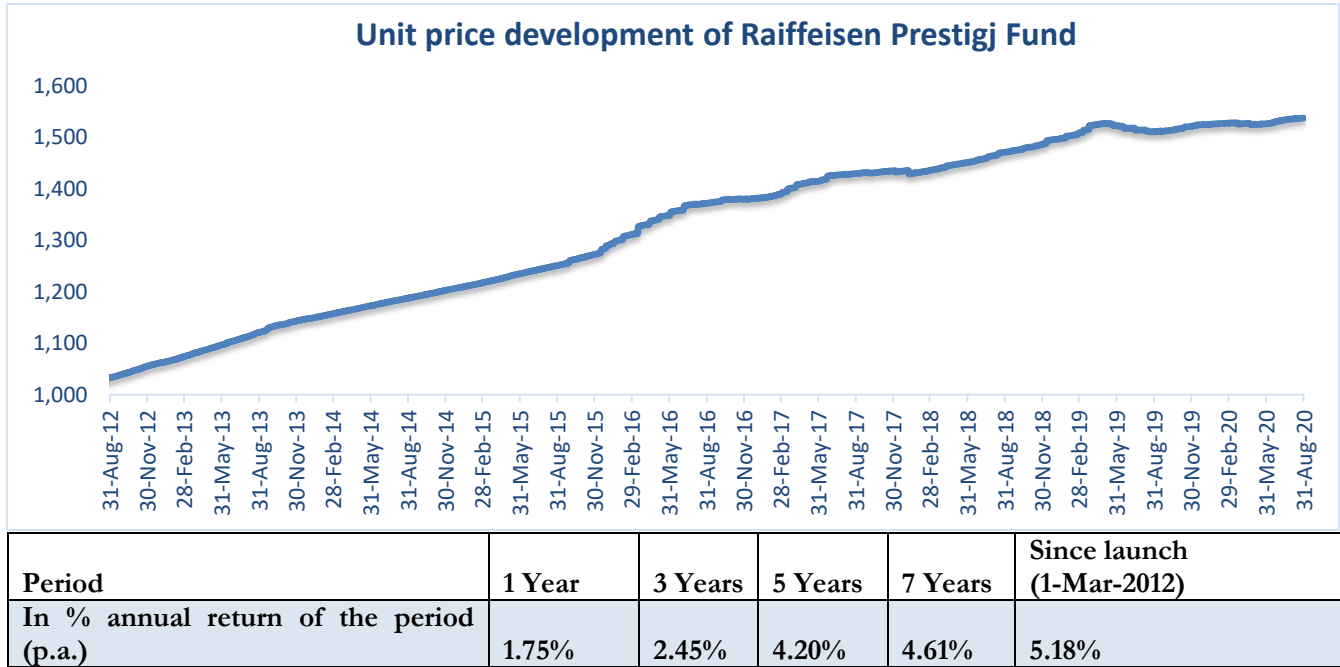


Unit Value Performance August 31, 2020

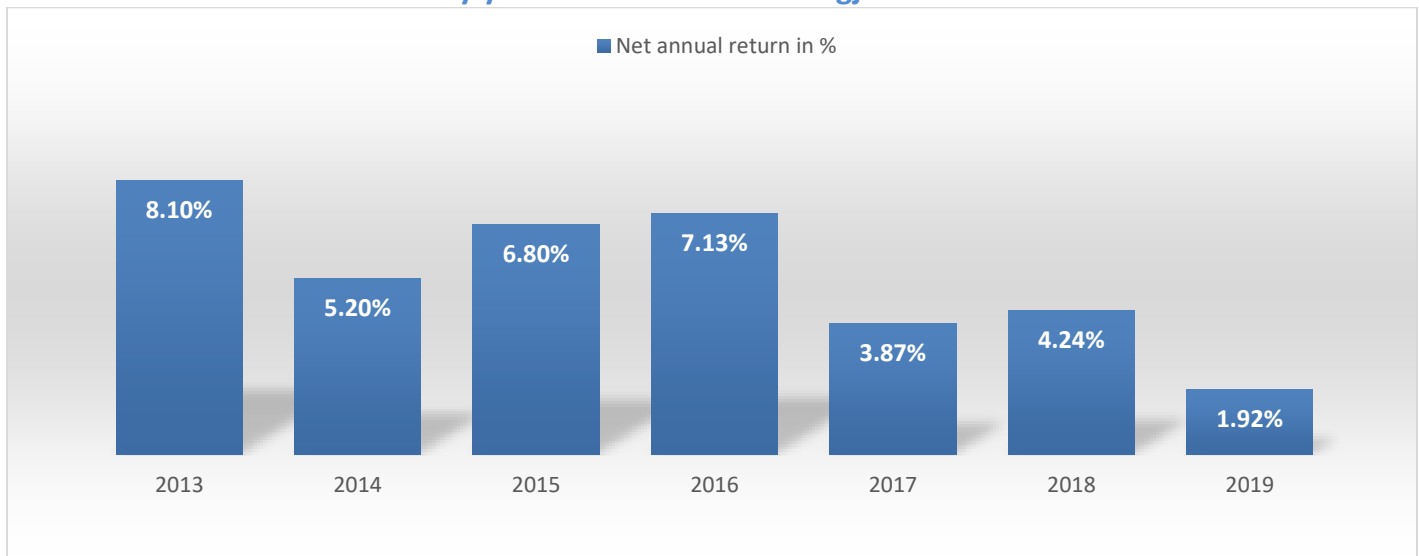
The unit value had an increase during August by 0.13%.

The net annual return for period 31 August 2019 to 31 August 2020 is at 1.75%.

The decrease of Government securities interest rates has impacted positively the fund's investments, as a result the performance was satisfactory.



Historical Performance for every year for Raiffeisen Prestigj Fund



The Fund continues to have the same investment portfolio structure, investing in T-Bill and T-Bond issued by the Albanian Government. As a result, the portfolio value varies when securities interest rates change and investment return varies based on market conditions, especially changes in interest rates of Albanian government securities.

Thus, when interest rates increase, the securities value in the portfolio decreases and consequently the rate of return for the previous period decreases. The opposite happens when interest rates fall. Therefore, the Fund unit value can be volatile. Volatility is a natural part of investment funds and it can never be eliminated, so the unit price of the fund may also fall, not only increase.

Investors of Raiffeisen Prestigj Fund and of all Funds managed by Raiffeisen Invest are advised to have a long 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 global pandemic, because in this way they will not risk getting out of the fund at the wrong time for their investment.

Data on fund return referring to the past are only indicative and do 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.