

Monthly Newsletter August 2020

Basic Information

Management company	Raiffeisen INVEST
Currency	LEK
Fund Launch	August 20, 2018
End of initial public offering period	September 03, 2018
The initial value of one unit	1,000
The minimum investment	30,000
Subsequent investment amount not less than	10,000
Entry fee	0%
Exit fee	2% (every withdrawal prior to 2 Y)
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 total return in the medium-term, while preserving investors' capital and securing sufficient liquidity.

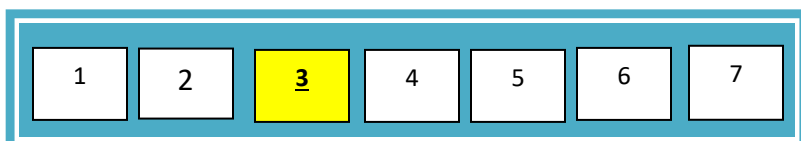
The assets of the fund are invested in securities issued and guaranteed by the government of Republic of Albania.

In order to maximize total investment return, the Fund aims at long-term investments and to this end, the Fund invests at least 50-80% of its assets in long-term Albanian Treasury bonds 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



Raiffeisen Vizion fund's forecasted Risk and Reward profile belongs to the third category.

This level of the Indicator was calculated by applying the fund's investment policy to the historical interest rate data of the last 5 years. 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.

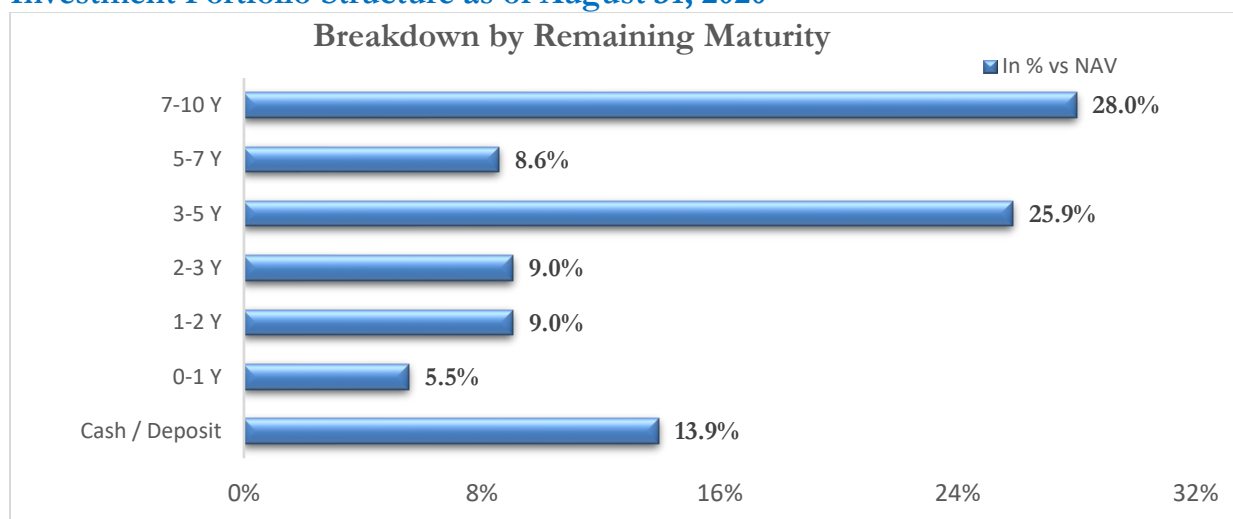
The lowest category does not mean that the investment is riskless. This indicator aims to offer the investor an overview of the fluctuations on Fund unit price based on historical performance. Historical data used to generate the indicator cannot constitute guarantee on future risk profile.

Fund data on August 31, 2020

Net Asset Value	12,652,124,002
Number of Investors	4,446
Unit Value	1,076.5993
*Rate of return (31.08.2019 - 31.08.2020)	3.55%

*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, Vizion fund invests mainly in treasury bonds issued and guaranteed by the government of Republic of Albania, through the participation in auctions of the primary market and transactions in the secondary market. According to the fund's investment policy, at least 50 – 80% of the fund's assets will be invested in Albanian Government long-term bonds. 12M Treasury Bills are issued twice a month; 2-year bonds once a month; 7 and 10-years 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.

<i>Instrument</i>	<i>In % of Fund Assets</i>
Treasury Bills	1.57%
Treasury bonds	84.48%
Deposits / CA / Receivables	12.00%
Rev Repo	1.95%

Net asset value is at around ALL 12.65 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 Vizion 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.

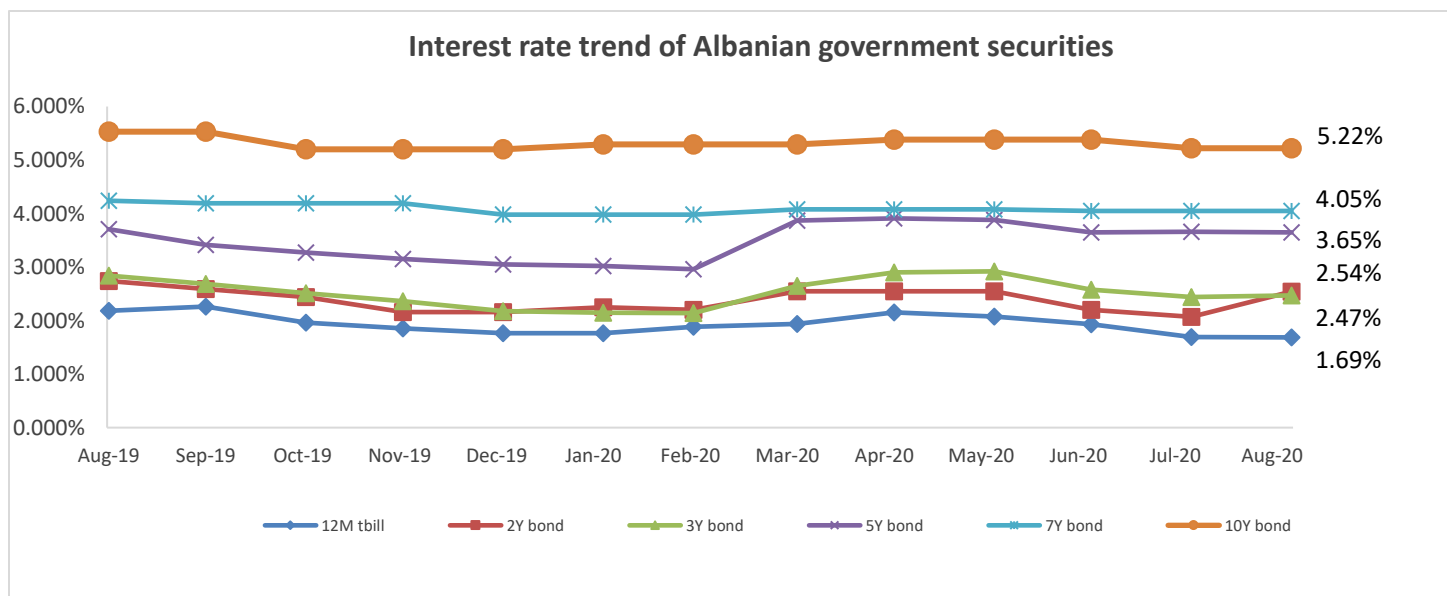
Thus, the Investments Funds are not directly related to international markets but are mainly affected by developments in the domestic market, such as changes in the interest rates of Albanian Government securities.

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)

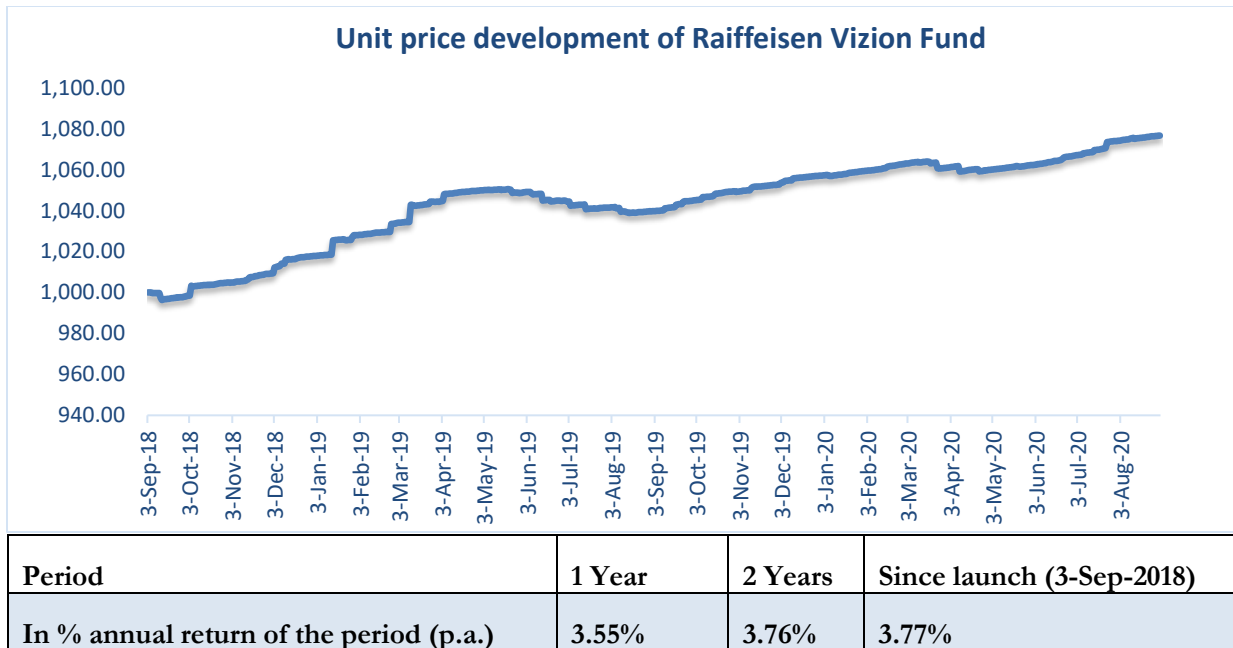
The unit value had increase during August by 0.24%.

While the annual return for period 31 August 2019 – 31 August 2020 is 3.55%

Investors should bear in mind that the 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.

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



Investors of Raiffeisen Vizion are subject to a minimum investment period of 2 years. All withdrawals made prior to the fulfillment of this 2-year period will be subject to an exit fee of 2% of the value of redeemed units.

In addition to this minimum investment period, investors in Vizion Fund and of all Funds managed by Raiffeisen Invest are advised to have a long investment horizon, to obtain a maximum return on investment. For Vizion Fund, this recommended investment horizon is 3 years, in order to achieve the fund's performance objective in light of the long-term nature of its investments, as outlined in the fund's investment strategy.

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.