



Raiffeisen Eastern European Bonds (R)

AT, CH, CZ, DE, ES, FR, **GB**, HU, IT, LI, NL, PL, SI, SK

Investor's risk tolerance



Recommended holding period in years



Performance for last 5 years: May 31, 2011 - May 31, 2016



General fund data

| | |
|--|-----------------|
| ISIN distribution (A) | AT0000740642 |
| ISIN full income-retaining (V) | AT0000740667 |
| Bloomberg-Ticker | EVSNRTT |
| Shares in | EUR |
| NAV/Share A | 106,76 |
| NAV/Share V | 265,38 |
| Annual dividend payment | 15.04. |
| Legal form | UCITS |
| Fund launch | May 3, 2000 |
| Fund volume in mn EUR | 164,17 |
| Accounting year | 01.02. - 31.01. |
| Issue every banking day, Redemption every banking day barring suspension due to extraordinary circumstances. | |

Raiffeisen KAG calculates performance based on the published fund price, using the OeKB methodology. Past performance is not a reliable indicator for the future development of the fund.

| Market | in % |
|--------------------------------|-------|
| JPMorgan GBI-EM Europe EUR Unh | 70,00 |
| JPM EMBIG Diversified Europe | 30,00 |

Investment goal/investment focus

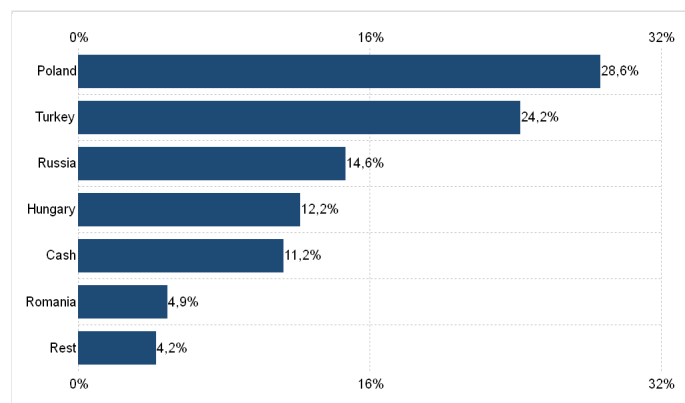
Raiffeisen Eastern European Bonds (R) is a bond fund. As an investment goal, it mainly invests (minimum 51 % of fund assets) in bonds from issuers with their headquarters or main business operations in Central and Eastern European countries (incl. Turkey) and/or bonds denominated in Central and Eastern European currencies (incl. Turkish lira). Issuers of the bonds and money market instruments held by the fund include but are not limited to sovereigns, supnationals and/or companies. The fund is actively managed and is not limited by a benchmark. Key risks in the fund include market risk, valuation risk, exchange rate risk, liquidity risk, credit risk, custody risk, inflation risk and volatility risk.

This document is intended as information for customers with comprehensive expertise and knowledge of the securities markets and is not intended for retail customers.

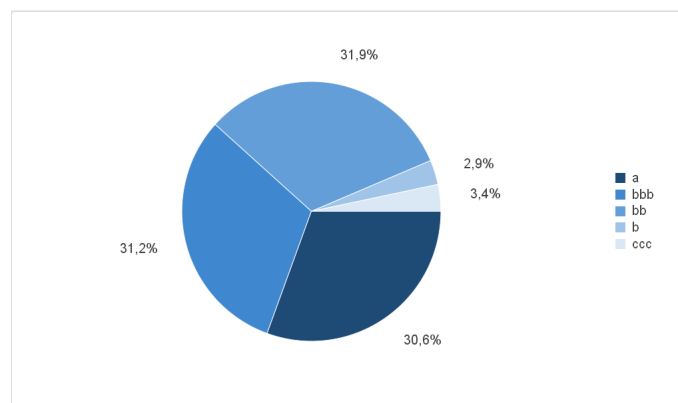


Raiffeisen Eastern European Bonds (R)

Security structure by country of domicile



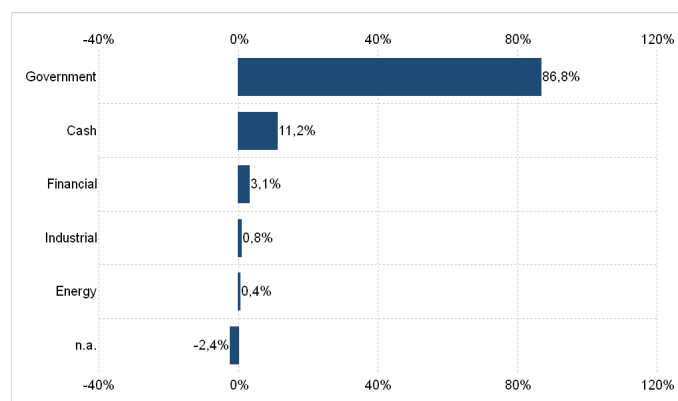
Securities structure by rating



Largest bond positions

| | |
|---|-------|
| POLAND GOVERNMENT BOND POLGB 4 10/25/23 | 4.41% |
| POLAND GOVERNMENT BOND POLGB 5 1/4 10/25/17 | 4.27% |
| POLAND GOVERNMENT BOND POLGB 5 1/4 10/25/20 | 3.58% |
| POLAND GOVERNMENT BOND POLGB 5 1/2 10/25/19 | 3.40% |
| POLAND GOVERNMENT BOND POLGB 5 3/4 09/23/22 | 3.32% |
| POLAND GOVERNMENT BOND POLGB 2 1/2 07/25/18 | 3.21% |
| TURKEY GOVERNMENT BOND TURKGB 8.3 06/20/18 | 2.85% |
| TURKEY GOVERNMENT BOND TURKGB 8.8 09/27/23 | 2.64% |
| RUSSIA GOVT BOND - OFZ RFLB 6.7 05/15/19 | 2.37% |
| TURKEY GOVERNMENT BOND TURKGB 7.1 03/08/23 | 2.34% |

Security structure by Bloomberg sectors



The published prospectuses or Information for investors pursuant Sec 21 AIFMG respectively as well as key investor information for the investment funds of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. are available at www.rcm.at in German and – where units are sold outside of Austria – also at www.rcm-international.com in English (or German) or in your national language.

The Fund Regulations of the Raiffeisen Eastern European Bonds (R) have been approved by the FMA. The Raiffeisen Eastern European Bonds (R) may invest more than 35 % of the fund's volume in securities/money market instruments of the following issuers: Poland, Turkey, Hungary.

This is a marketing notice. All of the data and information have been collected and assessed with great care; the sources used are considered to be reliable. The information is current as of the time of update. No liability or guaranty can be assumed for the accuracy or completeness of the information.

Raiffeisen Eastern European Bonds (R)

Commentary of the fund manager

The capital markets faced a difficult environment in May, with market sentiment suffering from renewed interest concerns in the USA. Under these conditions the CEE markets weakened. Turkish bonds were particularly feeble because of the Prime Minister's resignation. CEE yields trended higher overall, in line with the developments on the global markets. Currencies in the region dropped slightly.

The continuation of the US interest rate cycle is back in the spotlight again after market expectations for further rate moves over the rest of the year have declined significantly in recent months. The focus is likely to remain on US economic data as well as the effect of the ECB's measures, the (geo)political developments in the Middle East, and the path of oil prices. Russian bonds were purchased in May, while Polish and Turkish bond holdings were reduced. (24.05.2016)

Key Figures

| | |
|--|---------|
| Subscription fee max. (%) | 3,00 |
| Redemption fee, max. (%) | 0,00 |
| Ongoing charges (%) ¹⁾ | 1,14 |
| of which: management fee (%) | 0,96 |
| Reference period | 3 years |
| Volatility (% p. a.) | 6,84 |
| Sharpe Ratio (p. a.) | 0,14 |
| Maximum drawdown (% since launch) | -24,56 |
| Portfolio Turnover Ratio (%) ²⁾ | 127,89 |
| Bond ratio (%) including any derivative positions | 83,81 |
| Key Figures ³⁾ | |
| Ø Duration (years) | 3,66 |
| Ø Modified duration (%) | 3,52 |
| Ø Yield (%) | 5,36 |
| Ø Residual term to next call (years) | 4,81 |
| Ø Residual term to maturity (years) | 4,83 |
| Ø Coupon (%) | 5,69 |
| Ø Rating | bbb |

¹⁾ The „ongoing charges“ have been calculated on the basis of the figures as of 30.12.2015 including the previous 12-month period. The „ongoing charges“ include the management fee and all fees charged in the past year. Third-party transaction costs and performance-related fees are not included in the „ongoing charges“. The „ongoing charges“ may differ from year to year. Please refer to the „Expenses“ sub-item of the current annual fund report for precise details of the cost components included in the „ongoing charges“.

²⁾ The Portfolio Turnover Ratio (PTR) reflects how many transactions are conducted with the fund assets during a business year. Transactions with derivatives and redemption of debt securities are not included in the calculation. The closer this ratio is to 0, the more directly the transactions conducted are related to the issue and redemption of fund units. A positive PTR hence shows that the securities transactions were higher than transactions in fund units, whereas a negative PTR figure indicates that securities transactions are lower than transactions in fund units.

³⁾ In the event that securities are issued with a call option (= next call), the maturity of the securities to the early call date is used when calculating the indicators for duration, mod. duration and yield. If the issuer decides not to exercise the call option, this results in corresponding extension of the fund's maturity structure and changes in the abovementioned indicators. The regular redemption dates for the bonds (= at maturity) can be found in the accounting and semi-annual reports (using the securities designation in the asset statement). Bonds without a specific maturity (= perpetuums) are presented with a fictitious maturity of 40 years.