

# Raiffeisen 322 – Euro Alpha Duration

**Semi-annual fund report**  
2013

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# Semi-annual fund report from 1 July 2013 to 31 December 2013

Raiffeisen 322 – Euro Alpha Duration is a bond fund. The fund pursues an investment goal of regular income and mainly invests (at least 51 % of its fund assets) in euro-denominated bonds and/or money market instruments. The fund seeks to realize a positive performance contribution by means of duration strategies (“alpha duration”). The fund may acquire bonds and money market instruments issued by sovereigns, supranational issuers and/or companies etc. The fund may invest more than 35 % of its fund assets in securities/money market instruments issued by the following issuers: Austria, Germany, Belgium, Finland, France, Netherlands. The fund is actively managed and is not limited by means of a benchmark.

## General fund information

Tranche	Fund currency	Tranche currency	Launch date	ISIN
ISIN income-distributing (A)	EUR	EUR	19/10/2007	AT0000A073R3
ISIN income-retaining (T)	EUR	EUR	3/5/2006	AT0000A00GJ3
ISIN full income-retaining (outside Austria) (VTA)	EUR	EUR	21/2/2007	AT0000A03G36

## Fund characteristics

Financial year:	1 July – 30 June
Distribution/payment/reinvestment date:	15 September
EU directive compliance:	EU directive-compliant jointly owned fund under the 2011 Austrian Investment Fund Act (InvFG), as amended
Max. management fee for the fund:	0.50 %
Custodian bank:	Raiffeisen Bank International AG
Management company:	Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Schwarzenbergplatz 3, A-1010 Vienna Tel. +43 1 71170-0, Fax +43 1 71170-1092 www.rcm.at Companies register number: 83517 w
Fund management:	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Auditor:	KPMG Austria AG

### **Legal notice**

All data and information has been compiled and checked with the greatest care. No liability or guarantee can be assumed for the recentness, correctness and completeness of the information provided. We consider the sources used to be reliable. The software used performs calculations on the basis of more than the two decimal places displayed. Minor discrepancies cannot be ruled out due to further calculations using published results.

The value of a unit is calculated by dividing the entire value of the investment fund inclusive of its income by the number of units. The total value of the investment fund is calculated on the basis of the current market prices of the securities, money market instruments and subscription rights in the fund plus the value of the fund's financial investments, cash holdings, credit balances, receivables and other rights net of its payables. That value will be calculated by the custodian bank.

The net assets are calculated in accordance with the following principles:

- a) In principle, the value of assets quoted or traded on a stock market or on another regulated market will be determined on the basis of the most recently available price.
- b) Where an asset is not quoted or traded on a stock market or another regulated market or where the price for an asset quoted or traded on a stock market or another regulated market does not appropriately reflect its actual market value, the prices provided by reliable data providers or, alternatively, market prices for equivalent securities or other recognized valuation methods shall be used.

Dear unitholder,

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is pleased to present its semi-annual fund report for Raiffeisen 322 – Euro Alpha Duration for the period from 1 July 2013 to 31 December 2013.

## Fund details

	30/6/2013	31/12/2013
Fund assets in EUR	10,291,809.26	4,806,234.78
Net asset value/unit (A) EUR	97.78	94.69
Issue price/unit (A) EUR	102.67	99.42
Net asset value/unit (T) EUR	106.46	105.47
Issue price/unit (T) EUR	111.78	110.74
Net asset value/unit (VTA) EUR	111.51	111.28
Issue price/unit (VTA) EUR	117.09	116.84

## Units in circulation

	AT0000A073R3 A	AT0000A00GJ3 T	AT0000A03G36 VTA
Units in circulation on 30/6/2013	10.000	41,831.000	52,344.155
Sales	0.000	4,949.000	5,927.452
Repurchases	0.000	- 30,462.000	- 30,558.839
Units in circulation	10.000	16,318.000	27,712.768
<b>Total units in circulation on 31/12/2013</b>			<b>44,040.768</b>

## Fund investment policy report

In the period under review, on balance yields at the short end moved sideways, which was also reflected in the income realized. Negative yields of the kind seen at the short end in the 1<sup>st</sup> half of 2013 were no longer apparent in the remainder of 2013. The moderate upturn of the Eurozone economy continued in the reporting period. However, with annualized growth rates of between 0.3 % and 1.2 % this recovery fell considerably short of “normal” economic upturns. The European Central Bank (ECB) continued to adhere to its expansionary monetary policy. In view of strongly falling inflation and weak lending in the banking sector, in November 2013 the ECB cut its repo rate to a record low of 0.25 %.

Speculation over the possible withdrawal of the American central bank (the Fed) from its quantitative easing program (“tapering”) also shaped the markets. Ahead of its September 2013 interest-rate meeting, the Fed had already been generally expected to begin to wind down its bond-purchasing activities.

The fund utilized Bund, Bobl and Schatz futures for its active duration and interest-rate curve management. Both discretionary and quantitative duration strategies proved positive for management of the interest-rate fluctuation risk. The fund mainly entered into hedging transactions here. The macro model provided the right signals, both for the interest-rate markets’ correction and for their recovery due to the central banks’ continuation of their expansionary monetary policy. The interest-rate curve positioning assumes a flattening-out between 5 and 10-year maturities. To date, this strategy has not been successful.

Securities lending transactions were entered into in order to generate additional income.

## Makeup of fund assets in EUR

Securities	Market value	%
Bonds:		
EUR	4,709,483.00	97.99
<b>Derivative products</b>		
Valuation of financial futures	2,140.00	0.04
<b>Bank balances</b>		
Bank balances in fund currency	20,353.87	0.42
<b>Accruals and deferrals</b>		
Interest claims (on securities and bank balances)	75,757.97	1.58
<b>Other items</b>		
Various fees	- 1,500.06	- 0.03
<b>Total fund assets</b>	<b>4,806,234.78</b>	<b>100.00</b>

## Portfolio of investments in EUR

Dates indicated for securities refer to the issue and redemption dates. An issuer's right of premature redemption (where applicable) is not specified. The securities marked with a "Y" have an open-ended maturity.

ISIN	SECURITY TITLE	VOLUME 30/12/2013 UNITS/NOM.	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW UNITS/NOM.	SALES DISPOSALS UNITS/NOM.	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
<b>BONDS IN EURO</b>							
DE0001137370	0.2500 BUND SCHATZANW. 12/14	400,000	400,000		99.992000	399,968.00	8.32
FR0120634490	0.7500 REP. FSE 12-14 B.T.A.N.	400,000	700,000	300,000	100.395000	401,580.00	8.36
DE0001141547	2.2500 BUNDESUBL.V.09/14 S.154	910,000	800,000	290,000	100.565000	915,141.50	19.04
FI0001006462	3.1250 FINLD 09-14	180,000	180,000		102.110000	183,798.00	3.82
AT0000A0CL73	3.4000 REP. AUSTRIA 09-14/144A	330,000	450,000	120,000	102.545000	338,398.50	7.04
NL0000102325	3.7500 NEDERLD 04-14	450,000	700,000	250,000	101.900000	458,550.00	9.54
BE0000314238	4.0000 BELGIQUE 08-14 54	400,000	160,000	250,000	100.901000	403,604.00	8.40
FR0010061242	4.0000 REP. FSE 04-14 O.A.T.	200,000	270,000	150,000	101.177000	202,354.00	4.21
FR0010112052	4.0000 REP. FSE 04-14 O.A.T.	250,000	250,000		103.085000	257,712.50	5.36
DE0001135242	4.2500 BUNDANL.V. 03/14	230,000		270,000	100.015000	230,034.50	4.79
DE0001135259	4.2500 BUNDANL.V. 04/14	900,000	450,000	900,000	102.038000	918,342.00	19.11
<b>TOTAL SECURITIES PORTFOLIO</b>					<b>EUR</b>	<b>4,709,483.00</b>	<b>97.99</b>
<b>FINANCIAL FUTURES IN EURO</b>							
0FEU20140317	3MONTH LIFFE EURIBOR FUTURE AS OF 17/3/2014	-1		1	99.725000	-50.00	0.00
FGBM2014030	BOBL FUTURE AS OF 6/3/2014	-1		1	124.230000	830.00	0.01
FGBL20140306	BUND FUTURE AS OF 6/3/2014	-1		1	138.960000	1,280.00	0.03
FGBS20140306	SCHATZ FUTURE AS OF 6/3/2014	-2		2	110.240000	80.00	0.00
<b>TOTAL FINANCIAL FUTURES<sup>1</sup></b>					<b>EUR</b>	<b>2,140.00</b>	<b>0.04</b>
<b>BANK BALANCES</b>							
<b>EUR BALANCES</b>					<b>EUR</b>	<b>20,353.87</b>	<b>0.42</b>
<b>ACCRUALS AND</b>							
<b>INTEREST CLAIMS</b>					<b>EUR</b>	<b>75,757.97</b>	<b>1.58</b>
<b>OTHER ITEMS</b>							
<b>VARIOUS FEES</b>					<b>EUR</b>	<b>-1,500.06</b>	<b>-0.03</b>
<b>TOTAL FUND ASSETS</b>					<b>EUR</b>	<b>4,806,234.78</b>	<b>100.00</b>
NET ASSET VALUE PER DISTRIBUTED UNIT					EUR	94.69	
NET ASSET VALUE PER REINVESTED UNIT					EUR	105.47	
NET ASSET VALUE PER FULLY REINVESTED UNIT					EUR	111.28	
DISTRIBUTED UNITS IN CIRCULATION					UNITS	10,000	
REINVESTED UNITS IN CIRCULATION					UNITS	16,318,000	
FULLY REINVESTED UNITS IN CIRCULATION					UNITS	27,712,768	
<b>FROZEN SECURITIES FORMING PART OF THE PORTFOLIO OF INVESTMENTS (SECURITIES LENDING TRANSACTIONS):</b>							
ISIN	SECURITY TITLE	VOLUME 30/12/2013					
DE0001135259	4.2500 BUNDANL.V. 04/14	EUR 900,000					
<b>FUTURES EXCHANGE KEY:</b>							
CODE	STOCK EXCHANGE						
EUREX	EUROPEAN EXCHANGE						
LIFFE	NYSE Euronext LIFFE						

<sup>1</sup> Price gains and losses as of cut-off date.



SECURITIES PURCHASES AND SALES DURING THE PERIOD UNDER REVIEW NOT LISTED UNDER THE PORTFOLIO OF ASSETS:

ISIN	SECURITY TITLE		PURCHASES ADDITIONS	SALES DISPOSALS
<b>BONDS IN EURO</b>				
DE0001137362	0.2500 BUND SCHATZANW. 11/13		500,000	1,500,000
NL0009690593	1.0000 NEDERLD 11-14			350,000
FR0116114978	2.5000 REP. FSE 09-14 B.T.A.N.		90,000	90,000
FR0116843535	3.0000 REP. FSE 09-14 B.T.A.N.		160,000	160,000
DE0001135234	3.7500 BUNDANL.V. 03/13			1,360,000
AT0000385992	3.8000 REP. AUSTRIA BUNDANL.03-13			1,350,000
DE0001141539	4.0000 BUNDESUBL.V.08/13 S.153			40,000
FR0010011130	4.0000 REP. FSE 03-13 O.A.T.			1,550,000
NL0000102689	4.2500 NEDERLD 03-13			800,000
FI0001005407	5.3750 FINLD 02/13			450,000

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. complies with the code of conduct for the Austrian investment fund industry 2012.

Vienna, 10 February 2014

**Raiffeisen Kapitalanlage-Gesellschaft m. b. H.**

  
 Dr. Mathias Bauer

  
 Mag. (FH) Dieter Aigner

  
 Mag. Gerhard Aigner