



Raiffeisen 313 – Euro Trend Follower

June 2015

The published prospectus as well as the key investor information for the Raiffeisen 313 – Euro Trend Follower are available at www.rcm-international.com in English language or your national language.

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Picture: iStockphoto.com



Agenda

1. Overview on Raiffeisen Capital Management*
2. Fund Key Facts
3. Investment Process, Portfolio Breakdown, Performance Analysis
4. Further Details & Risk Profile

*Raiffeisen Capital Management stands for Raiffeisen Kapitalanlage-Gesellschaft m.b.H..

Company Overview

A leading asset manager in Austria

Since 1985
EUR 31.3 bn assets under management
61 investment professionals

Focus on core competencies

Consistency in management
Continuous development
Profound know-how

**Raiffeisen
Capital Management**



Funds
Segregated accounts
Investment advisories
Overlay management

Bespoken investment solutions

Team approach
Strategy approach
Quantitative & qualitative strategies

Creating active value

Source: Raiffeisen KAG, own calculations, 31 March 2015

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Core Competences & Assets under Management

61 investment professionals

▪ **Fixed Income** (since 1985)

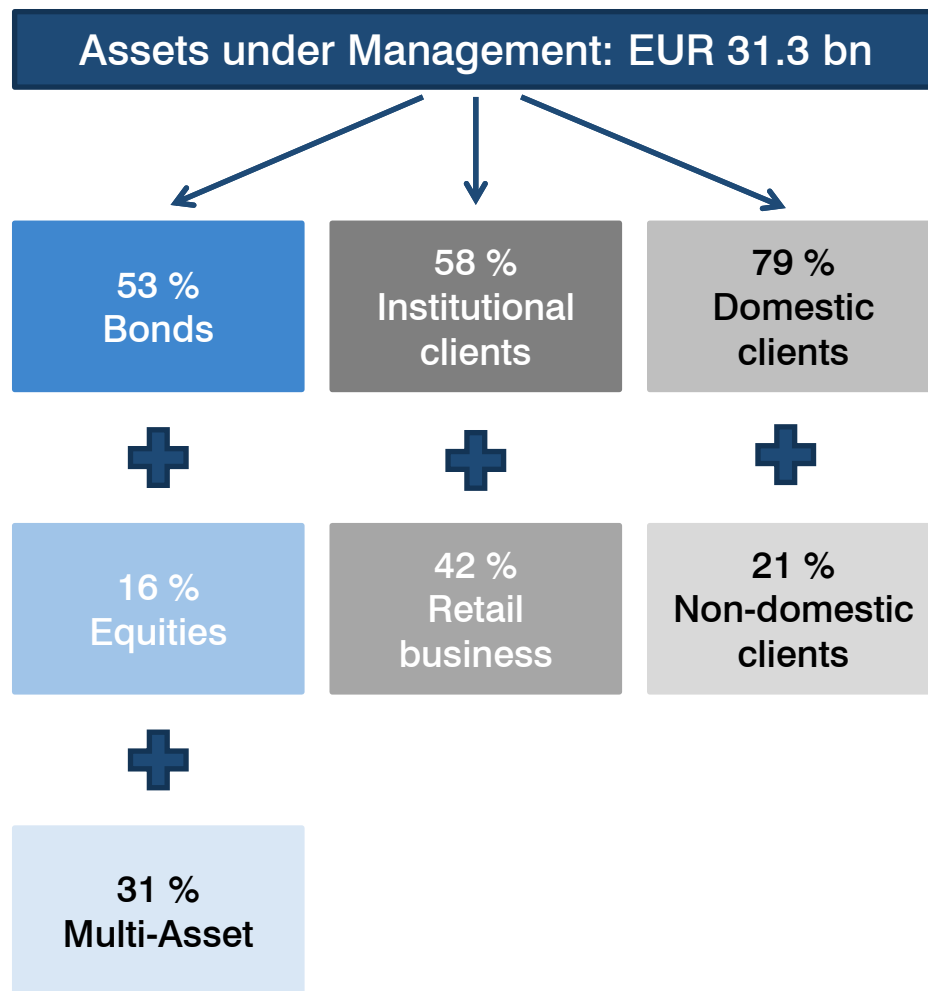
- Global Sovereign
- Credits & High Yields
- Emerging Markets Debt
- Overlays (duration, credits, FX)

▪ **Equities** (since 1989)

- Europe
- Eastern Europe & Russia
- Global Emerging Markets

▪ **Multi-Asset-Strategies** (since 1998)

- Global Tactical Asset Allocation
- Active-Risk-Parity
- Asymmetric Risk Management
- Manager Selection



Source: Raiffeisen KAG, own calculations, 31 March 2015

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Longstanding Expertise in Bond Management

Our Philosophy

- Active top-down and bottom-up management
- Team management and team decisions
- Strategy approach
- Portable alpha
- Diversification via combination of discretionary and model-based strategies
- Fundamental research and analysis



| | |
|------|-------------------------------------|
| 1985 | Raiffeisen EuroPlus Bonds |
| 1987 | Raiffeisen Euro ShortTerm Bonds |
| 1996 | Raiffeisen Euro Bonds |
| 1999 | Raiffeisen European HighYield |
| 2000 | Raiffeisen EasternEuropean Bonds |
| 2001 | Raiffeisen Euro Corporates |
| 2010 | Raiffeisen Global Fundamental Bonds |
| 2011 | Raiffeisen Fund Conservative |



Raiffeisen, Your Global Fixed Income Expert

- **Active management by experienced specialists**
 - More than 25 years of experience in bond management
 - Team approach as basis for balanced performance
 - Extraordinarily high stability within the asset teams

- **Clear focus on three core topics**
 - Euro government bonds
 - Euro corporates
 - CEE- & Emerging Markets

- **Disciplined investment processes**
 - Risk management as integrated component of the multiple investment processes
 - Decentralized responsibility for strategies, central management responsibility
 - Clear areas of authority within the fund management processes

- **Variety of methods as answer to growing customer needs**
 - Active management as core investment activity
 - Absolute return approach with increasing importance in the product mix
 - Individual special solutions, tailor-made to specific client needs
 - Active strategies as a key factor in all investment processes

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Why Raiffeisen 313 – Euro Trend Follower



**Raiffeisen 313 –
Euro Trend Follower**

Investment target

- Opportunity of additional returns in any interest rate environment

Ideal market conditions

- Clear, strong, long-term trends on the capital markets

Investment process

- Managed by a trend following model
- Duration bandwidth: -6 to +6 years

Key Facts

Raiffeisen 313 – Euro Trend Follower

| | | | | | |
|---|---|-------------|-----|--------------|-----------------------|
| Legal structure | UCITS IV mutual fund, open-end, Austrian domiciled, daily liquidity | | | | |
| Inception date & ISIN | 16.05.2003 / AT0000647193 (oldest share class available) | | | | |
| Investment universe* | <ul style="list-style-type: none"> ▪ Short-term EUR Government Bonds ▪ Minimum rating AA (according to S&P) | | | | |
| Market | 100 % JPM EMU Government Bond Index All Maturities | | | | |
| Share class & fee | Institutional | 0.25 % p.a. | EUR | AT0000607304 | Full income-retaining |
| <p>As a part of the investment strategy of Raiffeisen 313 - Euro Bonds Trend Follower, it is possible to invest to a significant degree in derivatives. The Fund Regulations of the Raiffeisen 313 - Euro Bonds Trend Follower have been approved by the FMA. The Raiffeisen 313 - Euro Bonds Trend Follower may invest more than 35 % of the fund's volume in securities/money market instruments of the following issuers: Austria, Germany, Belgium, Finland, France, Netherlands.</p> | | | | | |

*As of January 2015. The mentioned investment universe are internal, non-binding rules that can be changed any time without prior information to clients.

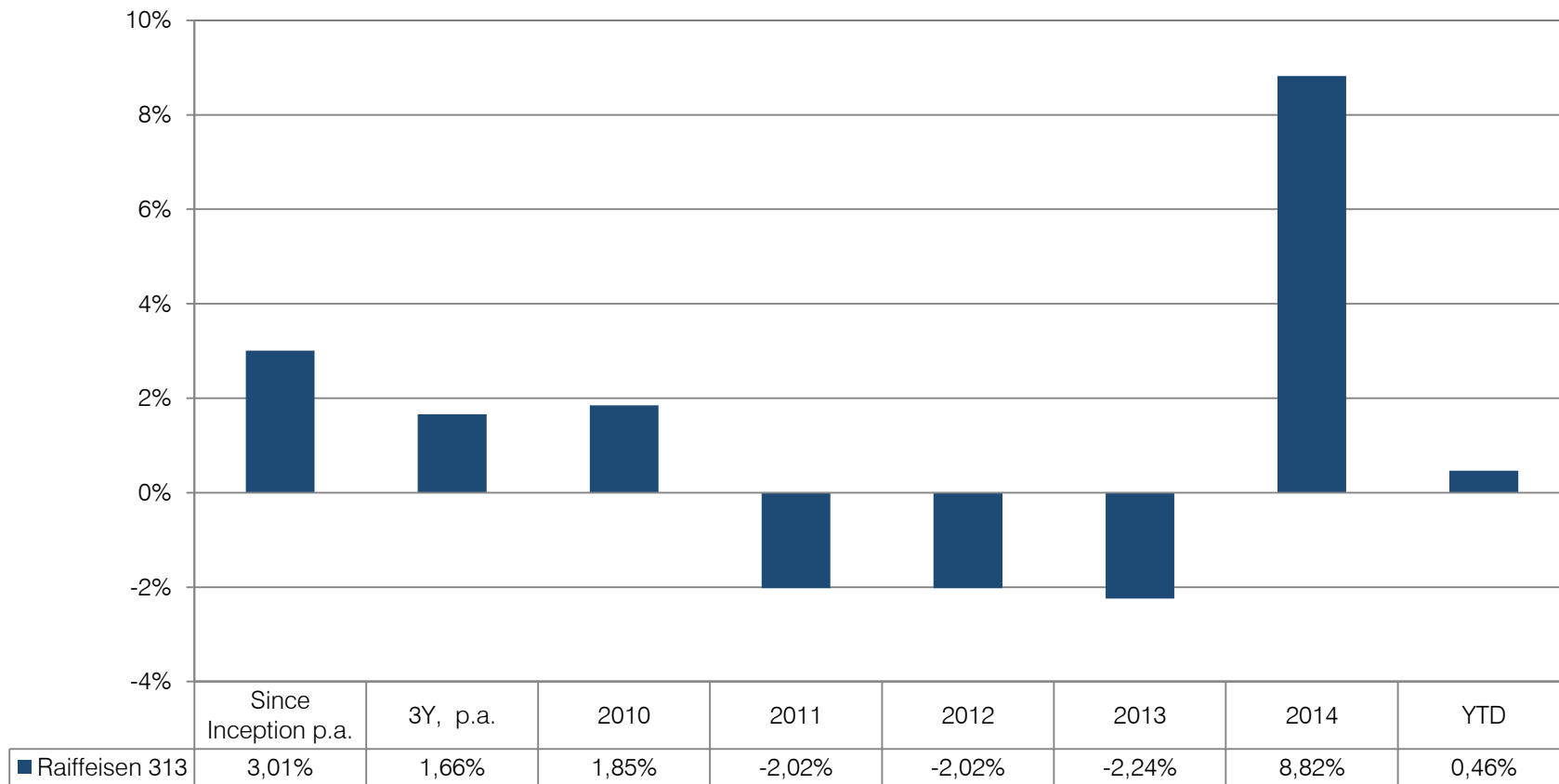
Performance Since Launch



Source: Raiffeisen KAG, Datwarehouse, 16.05.2003 – 30.06.15, indexed total return gross

The performance is calculated by Raiffeisen KAG in accordance with the method developed by the OeKB (Österreichische Kontrollbank AG) on the basis of data provided by the custodian bank (in the event that the payment of the redemption price is suspended, using an indicative price). Past performance results do not permit any reliable inferences as to the future performance of an investment fund.

Gross Performance



Source: Raiffeisen KAG, own calculations 16.05.2003 – 30.06.15, indexed total return gross

The performance is calculated by Raiffeisen KAG in accordance with the method developed by the OeKB (Österreichische Kontrollbank AG) on the basis of data provided by the custodian bank (in the event that the payment of the redemption price is suspended, using an indicative price). Past performance results do not permit any reliable inferences as to the future performance of an investment fund.

Bonds



Andreas Riegler

Head of Global Fixed Income Department
Fund Manager / Strategist
(26)

**18 investment professionals,
An average of 17 years of working experience**
(plus 2 working for Raiffeisen Salzburg Invest GmbH)

Corporate Bonds



Georg Nitzlader
Team Leader
Fund Manager /
Strategist
(20)



Paul Pawelka,
Fund Manager /
Strategist
(15)



Martin Hinterhofer
Fund Manager /
Strategist
(18)



Heike Schwarz
Fund Manager /
Strategist
(11)



Thomas Korhammer
Fund Manager /
Strategist
(16)



Stefania Ratteneder
Assistant
Fund Manager
(12)

Rates & FX



Gernot Mayr
Team Leader
Fund Manager /
Strategist
(19)



Andreas Bockberger
Fund Manager /
Strategist
(26)



Christian Link
Fund Manager /
Strategist
(7)



Alexandra Muchna
Fund Manager /
Strategist
(20)



Christian Zima
Fund Manager /
Strategist
(19)



Gabriel Panzenböck
Fund Manager /
Strategist
(20)



Margarita Fischer
Fund Manager
(21)

CEE & Global Emerging Markets



Ronald Schneider,
Team Leader
Fund Manager /
Strategist
(19)



Stefan Grünwald
Fund Manager /
Strategist
(15)



Martin Marinov,
Fund Manager /
Strategist
(10)



Olivera Antonijevic
Assistant
Fund Manager
(17)

Working experience in brackets

Source: Raiffeisen KAG, as of March 2015

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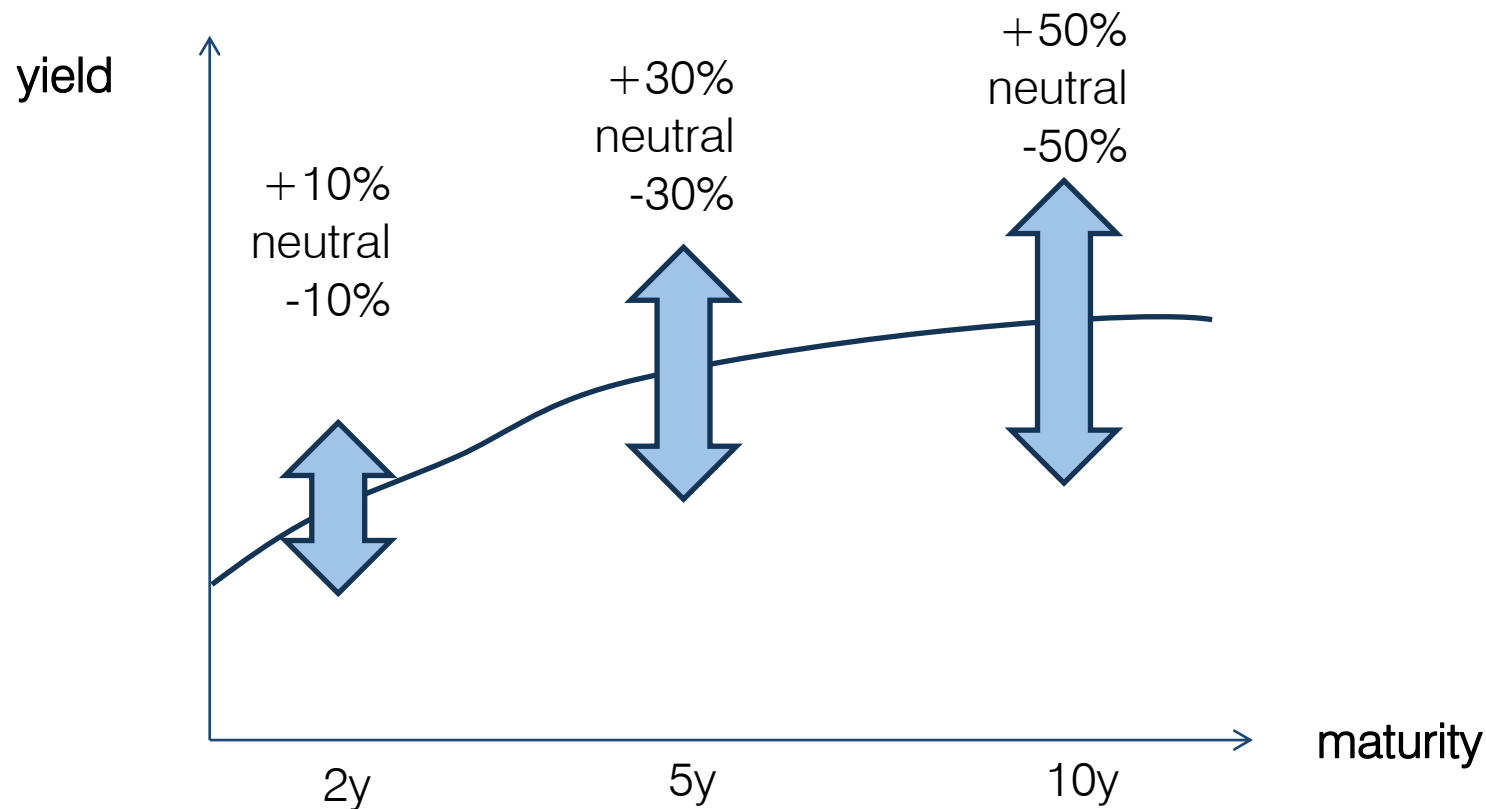
Trend Following Model

- 3 Trend following models for individual segments of the yield curve, which deliver the signals “purchase”, “neutral” and “disposal”:

| | Buy | Neutral | Sell |
|---------------------------|--------|---------|--------|
| 1–3 Y Bond Index (Schatz) | + 10 % | 0 | – 10 % |
| 3–7 Y Bond Index (Bobl) | + 30 % | 0 | – 30 % |
| 7–10 Y Bond Index (Bund) | + 50 % | 0 | – 50 % |

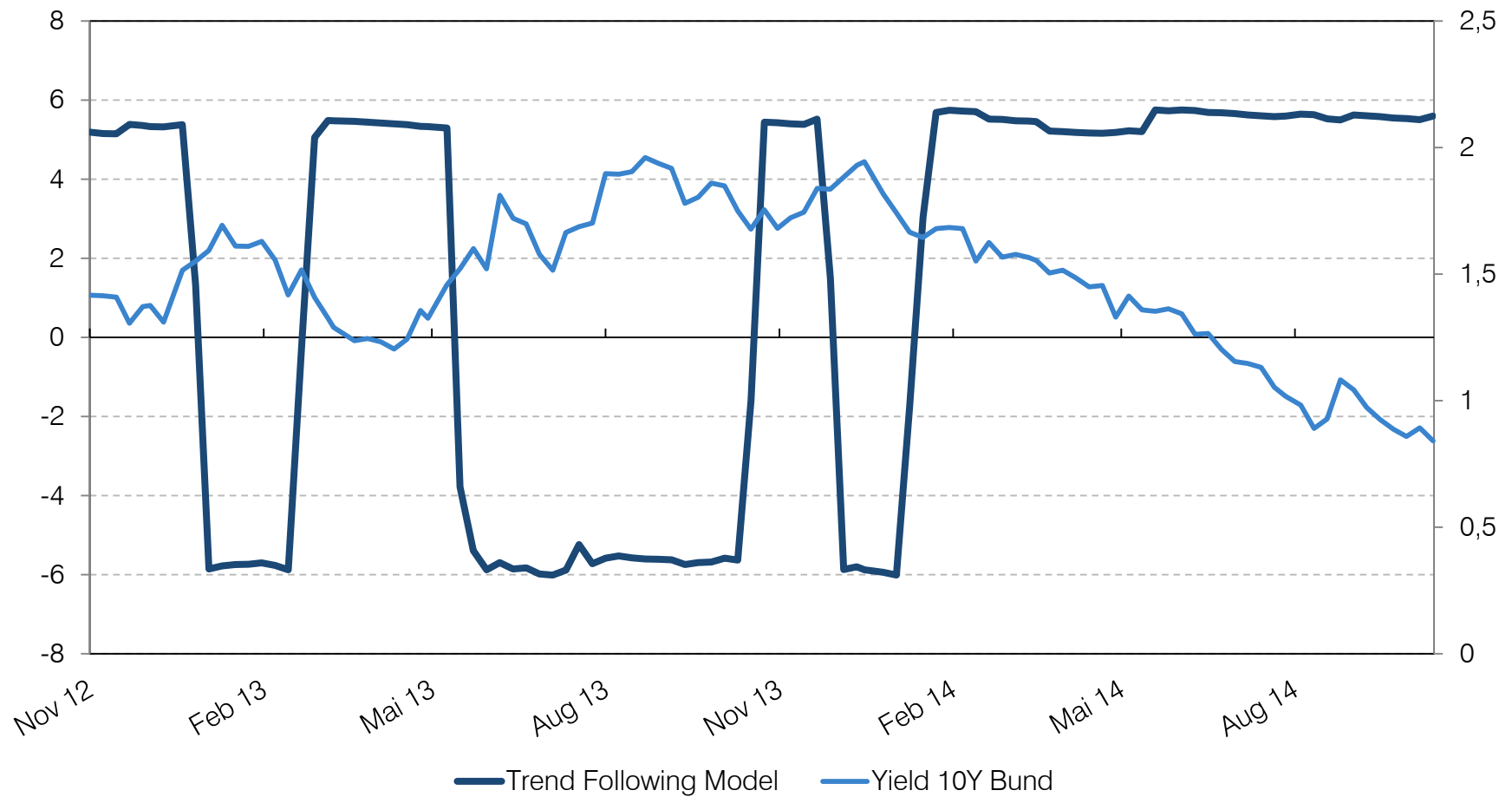
- Maximum short: 100 % money market (cash) – 90 % short futures
→ duration ca. – 6 years
- Maximum long: 100 % money market (cash) + 90% long futures
→ duration ca. + 6 years

Portfolio Management



-> Duration between -6 and +6 years

Duration of the Model* Over Time

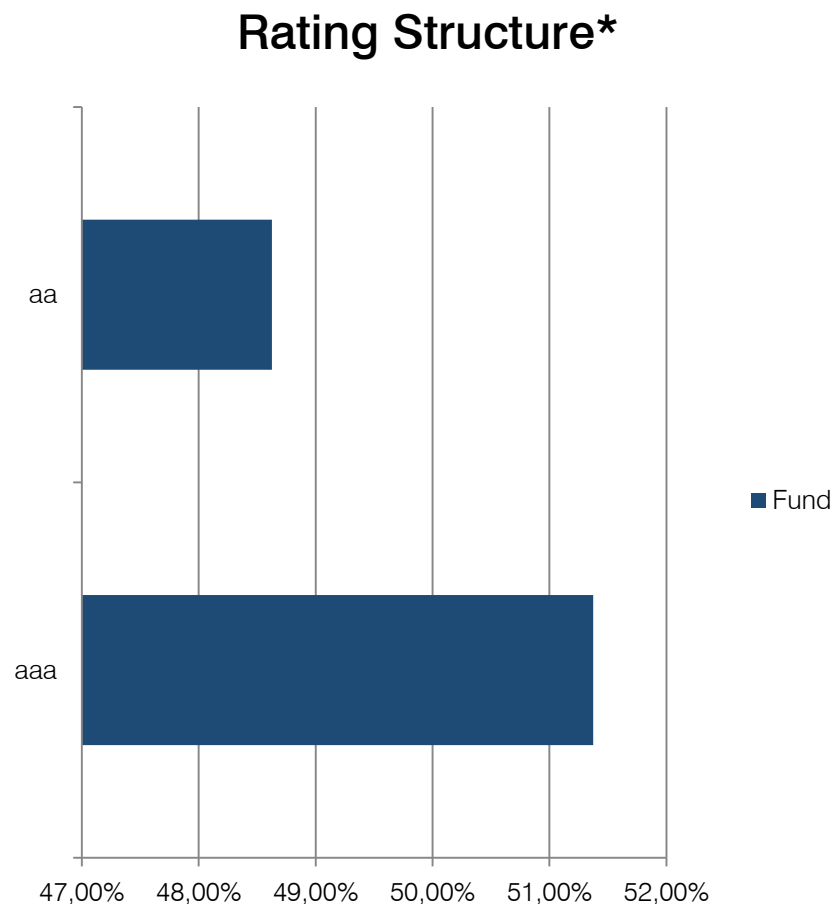


*Raiffeisen 313 – Euro Trend Follower was provided with the duration bandwidth of -6 to +6 years by end of May 2014, before, the duration bandwidth had been 0 to 8 years

Source: Raiffeisen KAG, own calculation, 13 November 2012 to 31 October 2014, average duration in years

Portfolio Structure

| Key Figures | |
|-----------------------------------|-------|
| Duration (to maturity, years) | -5,93 |
| Coupon (%) | -0,31 |
| Yield (maturity, %) | 0,06 |
| Residual term to maturity (years) | -6,32 |
| Average credit spread (maturity) | -2,18 |
| Average rating* | aaa |

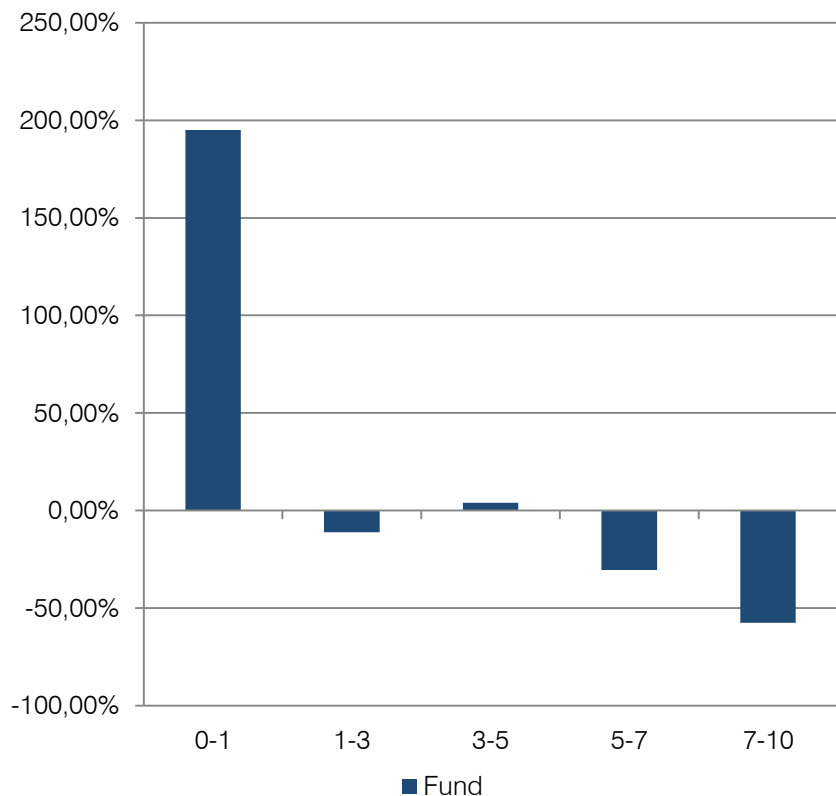


Source: Raiffeisen KAG, Datawarehouse, 30.06.15, including derivatives

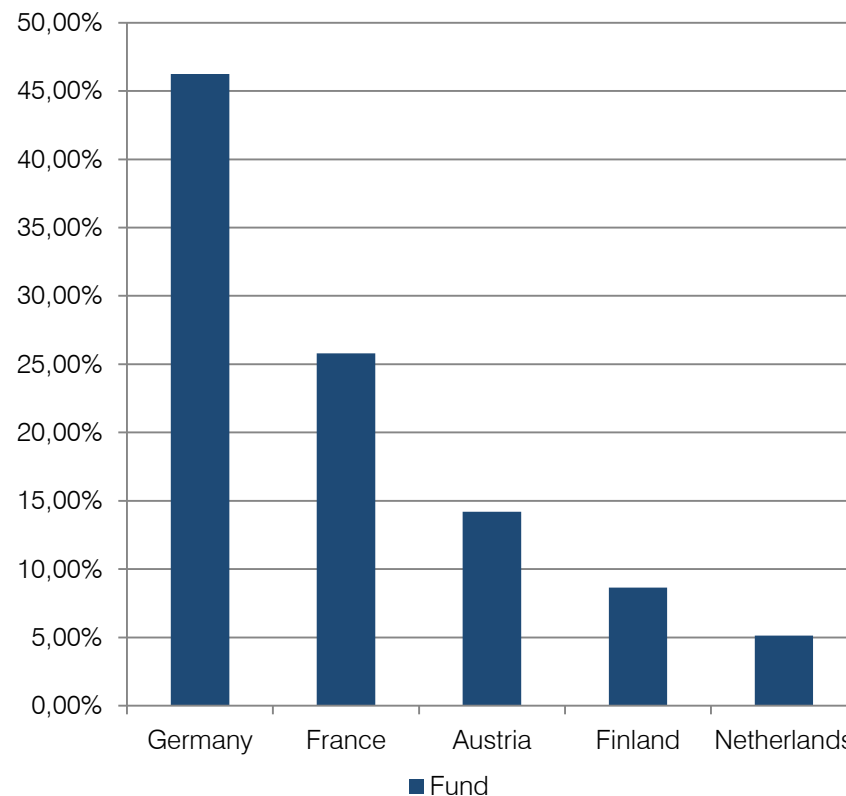
*The rating refers to an average rating, own calculations, based on Bloomberg Finance L.P., S&P and Fitch.

Portfolio Structure

Maturity Structure



Fund Structure



Source: Raiffeisen KAG, Datawarehouse, 30.06.15, including derivatives

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Lead Fund Manager



Gabriel Panzenböck, CEFA

Senior Fund Manager

- Since 1999 bond portfolio manager for Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- Main responsibilities: strategies relating to the duration and inflation-indexed bonds
- He qualified as a Certified EFFAS Financial Analyst and graduated from Vienna University of Economics and Business Administration, where he specialized in statistics and operations research



Andreas Bockberger, CPM

Senior Fund Manager

- Joined Raiffeisen Capital Management in 1995
- Responsible for the management of European fixed income bond portfolios, for the EUR Country Allocation strategy, Covered Bonds top-down and bottom-up strategies as well as Credit top-down strategies.
- In 1996 Andreas was one of Austria's first fund managers who received a diploma in certified portfolio management with distinction

Risk Profile

The following risks in particular apply for **Raiffeisen 313 – Euro Trend Follower**:

- **Market risk:** The risk that the entire market for an asset class performs negatively and that this negatively affects the price and value of these investments
- **Interest rate risk**
- **Credit risk:** The risk that an issuer or counterparty is unable to fulfill its obligations
- **Fulfillment risk:** The risk that a transaction is not executed as expected, since a counterparty fails to make timely payment or delivery as expected
- **Liquidity risk:** The risk that a position cannot be liquidated in good time for an appropriate price
- **Custody risk:** The risk of the loss of assets held in a security deposit account due to insolvency, negligence or fraudulent conduct by the custodian bank/custodian or sub-custodian bank/sub-custodian
- **Performance risk:** The performance risk and information on whether third-party guarantees apply and whether such guarantees are limited
- **The inflation risk**
- **Capital risk:** The risk relating to the investment fund's capital
- **The risk of a change in other outline conditions**, including tax regulations
- **Valuation risk:** The risk of valuation prices of certain securities deviating from their actual selling prices due to prices determined on illiquid markets
- **Risk of suspension of redemption**
- **Operational risk**
- **Risk in case of derivative financial instruments**
- **Securities lending risk**
- **Collateral risk:** Risk for assets deposited as collateral

A detailed presentation of risks, including general risks, which this fund is exposed to, is included in the prospectus, available under www.rcm.at

Our Services – Common Understanding

Our open-ended mutual funds and institutional funds are portfolios which we manage according to our investment philosophy, our proven investment processes and our current market view.

You are an investor who has the experience, knowledge and expertise to make your own investment decisions and to adequately evaluate the associated risks.

Our statements regarding capital markets and our funds are not based on an assessment of your particular investment needs and therefore shall not serve as an individual investment advisory service.

Please contact us if you wish to receive individual financial advice concerning securities transactions.

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