

Raiffeisen-Dynamic-Assets

(Original German name: Raiffeisen-Dynamic-Assets)

annual fund report

financial year Apr 1, 2018 – Mar 31, 2019

Note:

The audit opinion issued by KPMG Austria GmbH only applies for the full German-language version.

Table of contents

General fund information	3
Fund characteristics.....	3
Legal notice	4
Fund details.....	5
Units in circulation.....	6
Development of the fund assets and income statement	7
Performance in financial year (fund performance)	7
Development of fund assets in EUR.....	9
Fund result in EUR	10
A. Realized fund result	10
B. Unrealized closing price	10
C. Income adjustment.....	11
Capital market report	12
Fund investment policy report	13
Makeup of fund assets in EUR	14
Portfolio of investments in EUR as of Mar 29, 2019	16
Calculation method for overall risk	19
Remuneration paid to the employees of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. in EUR (financial year 2018 of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.)	20
Audit opinion	23
Tax treatment	26
Fund regulations	27
Appendix	34

Report for the financial year from Apr 1, 2018 to Mar 31, 2019

General fund information

ISIN	Tranche	Income class	Currency	Launch date
AT0000A1BMN4	Raiffeisen-Dynamic-Assets (I) A	income-distributing	EUR	Apr 29, 2015
AT0000A1BMR5	Raiffeisen-Dynamic-Assets (R) A	income-distributing	EUR	Apr 29, 2015
AT0000A1U768	Raiffeisen-Dynamic-Assets (RZ) A	income-distributing	EUR	Apr 3, 2017
AT0000A1BMP9	Raiffeisen-Dynamic-Assets (I) T	income-retaining	EUR	Apr 29, 2015
AT0000A1BMS3	Raiffeisen-Dynamic-Assets (R) T	income-retaining	EUR	Apr 29, 2015
AT0000A1U750	Raiffeisen-Dynamic-Assets (RZ) T	income-retaining	EUR	Apr 3, 2017
AT0000A1BMQ7	Raiffeisen-Dynamic-Assets (I) VTA	full income-retaining (outside Austria)	EUR	Apr 29, 2015
AT0000A1BMU9	Raiffeisen-Dynamic-Assets (S) VTA	full income-retaining (outside Austria)	EUR	Apr 29, 2015
AT0000A1BMT1	Raiffeisen-Dynamic-Assets (R) VTA	full income-retaining (outside Austria)	EUR	Apr 29, 2015
AT0000A1U776	Raiffeisen-Dynamic-Assets (RZ) VTA	full income-retaining (outside Austria)	EUR	Apr 3, 2017

Fund characteristics

Fund currency	EUR
Financial year	Apr 1 – Mar 31
Distribution/payment/reinvestment date	Jun 15
Type of fund	Investment fund pursuant to § 2 of the Austrian Investment Fund Act, InvFG (UCITS)
Effective management fee for the fund	I-Tranche (EUR): 0.500 % S-Tranche (EUR): 1.750 % (excluding any performance-related fee) R-Tranche (EUR): 1.000 % (excluding any performance-related fee) RZ-Tranche (EUR): 0.500 % excluding any performance-related fee Performance-related management fees: see below for details unten
Max. management fee for subfunds	0.500 % (excluding any performance-related fee)
Custodian bank	Raiffeisen Bank International AG
Management company	Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Mooslackengasse 12, A-1190 Vienna Tel. +43 1 71170-0 Fax +43 1 71170-761092 www.rcm.at Companies register number: 83517 w
Fund management	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Auditor	KPMG Austria GmbH

Performance-related management fees

The management company shall also receive a variable annual performance-related fee for the unit certificate classes R, RZ and S. Subject to a “high water mark”, this variable performance-related fee will not exceed 15 % of the fund’s performance in excess of the ICE BofAML German Government Bill (previously Merrill Lynch German Government Bill Index) plus 2 % (this is an absolute percentage figure and will be deducted from the figure for the fund’s outperformance of the index). The “high water mark” corresponds to the unit value as of the end of the accounting year for which a variable performance-related fee was most recently paid out. No variable performance-related fee will be paid in case of a performance which falls short of the “high water mark”.

This variable performance-related fee is recorded daily on the basis of the average fund volume and has an income effect in respect of the net asset value calculated each day. During the accounting year items will be credited to and debited from an amortization account in accordance with the fund’s performance; the total debit items may not exceed the total credit items in a given accounting year. The method developed by OeKB (Österreichische Kontrollbank AG) is used for the net asset value and performance calculation. This method assumes reinvestment of any payments or distributions. The fund makes an annual variable performance-related fee payment, upon expiry of the accounting year, as of the end of the following month, with an effect on liquidity.

Legal notice

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) The value of assets quoted or traded on a stock exchange or other regulated market shall be determined, in principle, 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 market valuation methods shall be used.

Dear unitholder,

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is pleased to present its annual fund report for Raiffeisen-Dynamic-Assets for the financial year from Apr 1, 2018 to Mar 31, 2019. The accounting is based on the price calculation as of Mar 29, 2019.

Fund details

	Mar 31, 2017	Mar 31, 2018	Mar 31, 2019
Total fund assets in EUR	61,474,206.65	59,889,336.09	44,771,938.02
Net asset value/distributing units (I) (AT0000A1BMN4) in EUR	98.26	94.29	94.92
Issue price/distributing units (I) (AT0000A1BMN4) in EUR	101.70	97.59	98.24
Net asset value/distributing units (R) (AT0000A1BMR5) in EUR	97.32	92.92	93.08
Issue price/distributing units (R) (AT0000A1BMR5) in EUR	100.73	96.17	96.34
Net asset value/distributing units (RZ) (AT0000A1U768) in EUR	-	96.88	97.52
Issue price/distributing units (RZ) (AT0000A1U768) in EUR	-	96.88	97.52
Net asset value/reinvested units (I) (AT0000A1BMP9) in EUR	99.25	96.23	97.85
Issue price/reinvested units (I) (AT0000A1BMP9) in EUR	102.72	99.60	101.27
Net asset value/reinvested units (R) (AT0000A1BMS3) in EUR	98.30	94.82	95.94
Issue price/reinvested units (R) (AT0000A1BMS3) in EUR	101.74	98.14	99.30
Net asset value/reinvested units (RZ) (AT0000A1U750) in EUR	-	96.83	98.46
Issue price/reinvested units (RZ) (AT0000A1U750) in EUR	-	96.83	98.46
Net asset value/fully reinvested units (I) (AT0000A1BMQ7) in EUR	99.25	96.20	97.83
Issue price/fully reinvested units (I) (AT0000A1BMQ7) in EUR	102.72	99.57	101.25
Net asset value/fully reinvested units (S) (AT0000A1BMU9) in EUR	96.96	92.99	93.33
Issue price/fully reinvested units (S) (AT0000A1BMU9) in EUR	98.17	94.15	94.50
Net asset value/fully reinvested units (R) (AT0000A1BMT1) in EUR	98.31	94.83	95.94
Issue price/fully reinvested units (R) (AT0000A1BMT1) in EUR	101.75	98.15	99.30
Net asset value/fully reinvested units (RZ) (AT0000A1U776) in EUR	-	96.93	98.56
Issue price/fully reinvested units (RZ) (AT0000A1U776) in EUR	-	96.93	98.56

	Jun 15, 2018	Jun 17, 2019
Distribution/unit (I) (A) EUR	0.9400	0.9500
Distribution/unit (R) (A) EUR	0.9300	0.9300
Distribution/unit (RZ) (A) EUR	0.9700	0.9800
Outpayment/unit (I) (T) EUR	0.0000	0.0000
Outpayment/unit (R) (T) EUR	0.0000	0.0000
Outpayment/unit (RZ) (T) EUR	0.0000	0.0000
Reinvestment/unit (I) (T) EUR	0.0000	0.0000
Reinvestment/unit (R) (T) EUR	0.0000	0.0000
Reinvestment/unit (RZ) (T) EUR	0.0000	0.0000
Reinvestment/unit (I) (VTA) EUR	0.0000	0.0000
Reinvestment/unit (S) (VTA) EUR	0.0000	0.0000
Reinvestment/unit (R) (VTA) EUR	0.0000	0.0000
Reinvestment/unit (RZ) (VTA) EUR	0.0000	0.0000

Units in circulation

	Units in circulation on Mar 31, 2018	Sales	Repurchases	Units in circulation on Mar 31, 2019
AT0000A1BMN4 (I) A	13,469.807	1,284.227	0.000	14,754.034
AT0000A1BMR5 (R) A	121,913.837	38.925	-13,853.731	108,099.031
AT0000A1U768 (RZ) A	1,601.922	750.090	-158.678	2,193.334
AT0000A1BMP9 (I) T	13,003.973	16,781.000	-11,367.414	18,417.559
AT0000A1BMS3 (R) T	393,720.556	16,199.152	-150,746.881	259,172.827
AT0000A1U750 (RZ) T	23,675.492	6,801.624	-6,399.885	24,077.231
AT0000A1BMQ7 (I) VTA	34,955.767	0.000	-22,175.061	12,780.706
AT0000A1BMU9 (S) VTA	101.853	112.889	0.000	214.742
AT0000A1BMT1 (R) VTA	30,406.374	3,386.589	-4,756.641	29,036.322
AT0000A1U776 (RZ) VTA	10.000	0.000	0.000	10.000
Total units in circulation				468,755.786

Development of the fund assets and income statement

Performance in financial year (fund performance)

Distributing units (I) (AT0000A1BMN4)

Net asset value per unit at start of financial year in EUR	94.29
Distribution on Jun 15, 2018 (net asset value: EUR 94.36) of EUR 0.9400, corresponds to 0.009962 units	
Net asset value per unit at end of financial year in EUR	94.92
Total value incl. units purchased through distribution (1.0100 x 94.92)	95.87
Net income/net reduction per unit	1.58

Performance of one unit during the financial year in %

1.67

Distributing units (R) (AT0000A1BMR5)

Net asset value per unit at start of financial year in EUR	92.92
Distribution on Jun 15, 2018 (net asset value: EUR 92.89) of EUR 0.9003, corresponds to 0.010012 units	
Net asset value per unit at end of financial year in EUR	93.08
Total value incl. units purchased through distribution (1.0100 x 93.08)	94.01
Net income/net reduction per unit	1.09

Performance of one unit during the financial year in %

1.18

Distributing units (RZ) (AT0000A1U768)

Net asset value per unit at start of financial year in EUR	96.88
Distribution on Jun 15, 2018 (net asset value: EUR 96.94) of EUR 0.9700, corresponds to 0.010006 units	
Net asset value per unit at end of financial year in EUR	97.52
Total value incl. units purchased through distribution (1.0100 x 97.52)	98.50
Net income/net reduction per unit	1.62

Performance of one unit during the financial year in %

1.67

Reinvested units (I) (AT0000A1BMP9)

Net asset value per unit at start of financial year in EUR	96.23
Outpayment on Jun 15, 2018 (net asset value: EUR 97.26) of EUR 0.0000, corresponds to 0.000000 units	
Net asset value per unit at end of financial year in EUR	97.85
Total value incl. units purchased through outpayment (1.0000 x 97.85)	97.85
Net income/net reduction per unit	1.62

Performance of one unit during the financial year in %

1.68

Reinvested units (R) (AT0000A1BMS3)

Net asset value per unit at start of financial year in EUR	94.82
Outpayment on Jun 15, 2018 (net asset value: EUR 95.73) of EUR 0.0000, corresponds to 0.000000 units	
Net asset value per unit at end of financial year in EUR	95.94
Total value incl. units purchased through outpayment (1.0000 x 95.94)	95.94
Net income/net reduction per unit	1.12
Performance of one unit during the financial year in %	1.18

Reinvested units (RZ) (AT0000A1U750)

Net asset value per unit at start of financial year in EUR	96.83
Outpayment on Jun 15, 2018 (net asset value: EUR 97.86) of EUR 0.0000, corresponds to 0.000000 units	
Net asset value per unit at end of financial year in EUR	98.46
Total value incl. units purchased through outpayment (1.0000 x 98.46)	98.46
Net income/net reduction per unit	1.63
Performance of one unit during the financial year in %	1.68

Fully reinvested units (I) (AT0000A1BMQ7)

Net asset value per unit at start of financial year in EUR	96.20
Net asset value per unit at end of financial year in EUR	97.83
Net income/net reduction per unit	1.63
Performance of one unit during the financial year in %	1.69

Fully reinvested units (S) (AT0000A1BMU9)

Net asset value per unit at start of financial year in EUR	92.99
Net asset value per unit at end of financial year in EUR	93.33
Net income/net reduction per unit	0.34
Performance of one unit during the financial year in %	0.37

Fully reinvested units (R) (AT0000A1BMT1)

Net asset value per unit at start of financial year in EUR	94.83
Net asset value per unit at end of financial year in EUR	95.94
Net income/net reduction per unit	1.11
Performance of one unit during the financial year in %	1.17

Fully reinvested units (RZ) (AT0000A1U776)

Net asset value per unit at start of financial year in EUR	96.93
Net asset value per unit at end of financial year in EUR	98.56
Net income/net reduction per unit	1.63
Performance of one unit during the financial year in %	1.68

The performance is calculated assuming wholesale reinvestment of distributed/paid-out amounts at their net asset value on the distribution/payment date.

The custodian bank calculates the unit value separately for each unit certificate class. Discrepancies may arise in the annual performance figures for individual unit certificate classes.

Raiffeisen KAG uses the method developed by OeKB (Österreichische Kontrollbank AG) to calculate the fund's performance, on the basis of data provided by the custodian bank (where payment of the redemption price is suspended, using indicative values). Some costs – the subscription fee (not exceeding 3.50 % of the invested amount) and any redemption fee (not exceeding 0.00 % of the sold amount) – are not included in the performance calculation. Depending on their concrete value, they will reduce a performance accordingly. Past results do not permit any reliable inferences as to the future performance of the fund.

Development of fund assets in EUR

Fund assets on Mar 31, 2018 (632,859.581 units)		59,889,336.09
Distribution on Jun 15, 2018 (EUR 0.9400 x 13,785.250 distributing units (I) (AT0000A1BMN4))		-12,958.14
Distribution on Jun 15, 2018 (EUR 0.9300 x 120,813.652 distributing units (R) (AT0000A1BMR5))		-112,356.70
Distribution on Jun 15, 2018 (EUR 0.9700 x 1,742.925 distributing units (RZ) (AT0000A1U768))		-1,690.64
Issuance of units	4,305,128.55	
Redemption of units	-19,770,714.61	
Pro rata income adjustment	-307,039.63	-15,772,625.69
Overall fund result		782,233.10
Fund assets on Mar 31, 2019 (468,755.786 units)		44,771,938.02

Fund result in EUR

A. Realized fund result

Ordinary fund result	
Income (excl. closing price)	
Interest income	259,524.51
Interest expenses (incl. negative credit interest)	-12,788.83
Net Income from subfunds (incl. actual distributions)	416,966.34
Net dividend income from subfunds	75,336.30
	739,038.32
Expenses	
Management fees	-465,315.40
Custodian bank fees / Custodian's fees	-14,022.12
Auditing costs	-4,202.33
Expenses for tax advice / tax representation	-7,007.00
Custody charge	-9,536.23
Publicity costs, regulatory fees	-8,981.13
Costs associated with foreign sales ¹	-351.00
Cost of advisers and other service providers	-5,255.64
Management costs remuneration from subfunds ²	135.29
	-514,535.55
Ordinary fund result (excl. income adjustment)	224,502.77
Realized closing price	
Distribution-equivalent	370,246.36
Profits realized from securities	768,117.92
Profits realized from derivative instruments	1,789,558.96
Losses realized from securities	-1,445,332.59
Losses realized from derivative instruments	-2,664,737.78
Realized closing price (excl. income adjustment)	-1,182,147.13
Realized fund result (excl. income adjustment)	-957,644.36
B. Unrealized closing price	
Change in unrealized closing price	1,432,837.83
	1,432,837.83

¹ The statutory/publication expenses item may include costs associated with foreign sales that have arisen until September 2018.

² The amount stated also includes the respective processing fee charged by the custodian bank through December 31, 2017.

C. Income adjustment

Income adjustment for income during financial year	307,039.63	
		307,039.63
Overall fund result		782,233.10

The result for the past financial year includes explicitly reported transaction costs (incl. external transaction-related costs, see item 15a "Transaction costs" in section II of the prospectus) in the amount of 136,780.69 EUR.

Capital market report

After a very weak final quarter in 2018, stock markets around the globe recovered strongly during the first quarter of 2019. Above all, a surprise monetary policy change of the US central bank (Fed) drove stock prices up sharply.

Renewed fiscal and monetary stimuli, a very negative investor sentiment at the turn of the year and deeply oversold market conditions provided additional fuel for the rally. However, many of the drag factors that pushed stock prices down in the past year continue to persist. These include, for example, weakened global growth, trade disputes, Brexit and the risk of a further slowdown in corporate profits.

Most bond markets showed negative total returns in 2018, especially in emerging markets. The latter suffered noticeably from the stronger US dollar, lower risk appetite among investors and a significant rise in US yields over the course of the year. However, the abrupt shift of the Fed's monetary outlook spurred bond markets worldwide, especially bonds from emerging markets and corporate bonds of lower quality. In the Eurozone, bond market movements were less pronounced, both on the way down and on the way up. Still, European corporate bonds, too, have recovered their prior year's losses already during the first few months of 2019. Government bonds have trended higher as well in recent months. They benefited from the shift in monetary policy and from the rather benign outlook for growth and inflation rates in the USA, Europe, and Japan.

Among major commodities, prices for industrial and precious metals were down during 2018. Crude oil prices, which had risen for most parts of the year, literally collapsed in the final quarter. Since the turn of the year, they have recovered strongly, as did most commodities. The US dollar advanced in 2018, especially against emerging market currencies, but versus the Euro as well. The latter has continued to trade weaker so far this year.

The US central bank had hiked the key interest rate in December 2018, its last increase so far in the current interest rate cycle. At 2.25 – 2.50% the key interest rate is still very low by historical standards and hovers near the current rate of inflation. In addition, the Fed is gradually reducing its huge bond holdings. It has trimmed its balance sheet by about 560 billion dollars, or roughly 12%, since October 2017. Responding to the sharp decline of US equities prices and somewhat weakening economic data the Fed surprisingly hinted at a pause in its rate hikes in January. In addition, it also announced to end the run-reduction of the balance sheet already by September 2019, much earlier than previously planned and expected. This seems to confirm that, despite the still very low interest rates, the Fed's overall scope for interest-rate hikes may be significantly lower than in the past.

In contrast to the US Federal Reserve, the ECB is still maintaining its ultra-loose monetary policy. It has postponed eventual key interest rate hikes to 2020. In Japan, rate increases are still not on the agenda at all.

The unprecedented loose monetary policy of the major central banks in recent years has reflected a pronounced weakness in global economic growth. However, many regions are showing robust growth again. Inflation has also slightly picked up in some parts of the world, although in the USA so far, this is more pronounced than in the Eurozone. It remains to be seen how a further gradual slowdown in the still generous overall supply of global liquidity will affect the global economy and inflation rates.

Yield levels are still very low by historical standards almost everywhere in the world. These low bond yields in the major economic blocs have so far strongly supported stock prices. Nonetheless, several stock markets – particularly in the USA – sport rather ambitious valuations. They are thus increasingly vulnerable to further corrections, especially in case of escalating trade conflicts. The financial market environment remains challenging and may provide further major price fluctuations in almost all asset classes over the coming months. For the time being, the positive factors still seem to outweigh the negative ones in most asset classes.

Fund investment policy report

Based on a short to medium-term momentum model and choosing from a broad universe, the multi-asset fund of funds Raiffeisen-Dynamic-Assets invests in the markets that have delivered the strongest performance over recent weeks and months. Within this universe, the model invests in various equity and bond markets as well as commodities and currencies. However, in case of global corrections it can also switch to a large degree to the money market or to short-term bonds (bond funds). This ability to switch represents an effective loss limitation option. The strategy is implemented via passive products.

The period under review was dominated both by significant fluctuations on the divergent markets, which often changed direction, and by emerging political crises, among them the trade war, Italy, Brexit, Turkey, etc. The most significant factor was the interest rate trajectory of the US central bank, the Fed, which continued to rise rapidly in 2018. Together with the worsening global growth outlook, this prompted increasingly strong corrections on the higher-risk markets (equities in particular) in the autumn and winter. Toward the end of the year, the Fed staged a reversal. The markets celebrated this as a turning point in the interest-rate cycle with a strong rally in Q1 2019. Toward the end of the reporting period, the economic outlook also appeared to have bottomed out.

In the volatile environment over the summer which was difficult for its strategy, the fund was able to maintain its value thanks to its participation in the US stock market which continued to rise. It was unable to escape the increasingly broad correction in the autumn, particularly since bonds also fell. However, they soon reverted to a solid upward trend. The fund was thus mainly invested in them in December 2018 and avoided equities, whose momentum remained negative. In December 2018 these then marked new lows, but this had hardly any effect on the fund. Overall, in December 2018 the fund even achieved a profit. It rapidly participated in the recovery rally in Q1 2019 by means of dynamic restructuring. It thus more than made up for its losses and achieved a profit over the overall period under review.

Makeup of fund assets in EUR

Any discrepancies in terms of the market value or the share of the fund assets result from rounding-off.

UCITS refers to units in an undertaking for collective investment in transferable securities

§ 166 InvFG refers to units in investment funds in the form of "other asset portfolios"

§ 166 (1) item 2 InvFG refers to units in special funds

§ 166 (1) item 3 InvFG refers to units in undertakings for collective investment in transferable securities pursuant to § 166 (1) item 3 InvFG
(such as alternative investments/hedge funds)

§ 166 (1) item 4 InvFG refers to units in real estate funds

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
Exchange-traded-funds	OGAW	EUR	11,499,125.69	25.68 %
Total Exchange-traded-funds			11,499,125.69	25.68 %
Fixed bonds		EUR	1,916,817.50	4.28 %
Fixed bonds		USD	5,967,572.64	13.33 %
Total Fixed bonds			7,884,390.14	17.61 %
Investment certificates Raiffeisen	OGAW	EUR	8,126,247.19	18.15 %
Total Investment certificates Raiffeisen			8,126,247.19	18.15 %
Investment certificates non Raiffeisen	OGAW	EUR	5,789,851.08	12.93 %
Investment certificates non Raiffeisen	OGAW	USD	3,924,601.12	8.77 %
Total Investment certificates non Raiffeisen			9,714,452.20	21.70 %
Total securities			37,224,215.22	83.14 %
Derivative products				
Valuation of financial futures			67,339.31	0.15 %
Total derivative products			67,339.31	0.15 %
Bank balances/liabilities				
Bank balances/liabilities in fund currency			2,056,786.24	4.59 %
Bank balances/liabilities in foreign currency			378,659.97	0.85 %
Fixed-term deposits in fund currency			5,000,000.00	11.17 %
Total bank balances/liabilities			7,435,446.21	16.61 %
Accruals and deferrals				
Interest claims (on securities and bank balances)			87,102.59	0.19 %
Total accruals and deferrals			87,102.59	0.19 %

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
Other items				
Various fees			-42,165.33	-0.09 %
Other receivables			0.02	0.00 %
Total other items			-42,165.31	-0.09 %
Total fund assets			44,771,938.02	100.00 %

Portfolio of investments in EUR as of Mar 29, 2019

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 (is perpetual). The price for forward exchange transactions is indicated in the relevant counter currency for the currency in question.

Any discrepancies in terms of the market value or the share of the fund assets result from rounding-off.

UCITS refers to units in an undertaking for collective investment in transferable securities

§ 166 InvFG refers to units in investment funds in the form of "other asset portfolios"

§ 166 (1) item 2 InvFG refers to units in special funds

§ 166 (1) item 3 InvFG refers to units in undertakings for collective investment in transferable securities pursuant to § 166 (1) item 3 InvFG (such as alternative investments/hedge funds)

§ 166 (1) item 4 InvFG refers to units in real estate funds

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool-/ ILB Factor	Price	Market value in EUR	Share of fund assets
Exchange-traded-funds	OGAW	IE00BKM4GZ66	ISHARES CORE EM IMI UCITS ET	EUR	36,353	207,549	265,468		24.733000	899,118.75	2.01 %
Exchange-traded-funds	OGAW	IE00B4L5Y983	ISHARES CORE MSCI WORLD	EUR	36,677	110,495	100,772		49.225000	1,805,425.33	4.03 %
Exchange-traded-funds	OGAW	IE00B66F4759	ISHARES EURO HY CORP	EUR	20,900	99,408	78,508		103.035000	2,153,431.50	4.81 %
Exchange-traded-funds	OGAW	IE00B6R52036	ISHARES GOLD PRODUCERS	EUR	107,076	510,388	403,312		8.434000	903,078.98	2.02 %
Exchange-traded-funds	OGAW	IE00B4WXJD03	ISHARES MSCI PACIFIC X-JPN	EUR	45,532	165,315	151,672		39.765000	1,810,579.98	4.04 %
Exchange-traded-funds	OGAW	LU1650491282	LYX EUROMTS INFL IG DR ETF	EUR	14,315	105,124	111,128		150.310000	2,151,687.65	4.81 %
Exchange-traded-funds	OGAW	IE00BKWQ0M75	SPDR EUROPE SMALL CAP	EUR	8,070	18,232	20,672		220.050000	1,775,803.50	3.97 %
Fixed bonds		XS0993155398	REPUBLIC OF TURKEY TURKEY 4.35 11/12/21	EUR	700,000				100.932500	706,527.50	1.58 %
Fixed bonds		XS0503454166	REPUBLIC OF TURKEY TURKEY 5 1/8 05/18/20	EUR	600,000				101.750000	610,500.00	1.36 %
Fixed bonds		XS0285127329	REPUBLIC OF TURKEY TURKEY 5 7/8 04/02/19	EUR	600,000				99.965000	599,790.00	1.34 %
Fixed bonds		US912828VA58	US TREASURY N/B T 1 1/8 04/30/20	USD	1,700,000				98.683595	1,493,209.72	3.34 %
Fixed bonds		US912828N894	US TREASURY N/B T 1 3/8 01/31/21	USD	1,700,000				98.398440	1,488,894.95	3.33 %
Fixed bonds		US912828TJ95	US TREASURY N/B T 1 5/8 08/15/22	USD	1,700,000				98.155875	1,485,224.63	3.32 %
Fixed bonds		US912828G534	US TREASURY N/B T 1 7/8 11/30/21	USD	1,700,000				99.148435	1,500,243.34	3.35 %
Investment certificates Raiffeisen	OGAW	AT0000A255Y2	R 289-FONDS T	EUR	36,266	36,266			99.980000	3,625,874.68	8.10 %
Investment certificates Raiffeisen	OGAW	AT0000A203L9	RAIFFEISEN-EURO-SHORTTERM-BONDS (I) T	EUR	45,189	124,129	78,940		99.590000	4,500,372.51	10.05 %
Investment certificates non Raiffeisen	OGAW	LU0389811539	AMUNDI-INDEX EQ EUROPE-IEC	EUR	895	4,331	3,436		1,850.040000	1,655,785.80	3.70 %
Investment certificates non Raiffeisen	OGAW	LU0390718863	AMUNDI-INDEX EQ PACIFIC-IEC	EUR	338	3,187	2,849		2,408.800000	814,174.40	1.82 %
Investment certificates non Raiffeisen	OGAW	LU0974148156	JPM GLRES EN IDX-I PERF AEUH	EUR	11,086	54,626	43,540		149.920000	1,662,013.12	3.71 %
Investment certificates non Raiffeisen	OGAW	LU0590395470	JPM USRES ENH IXEQ-CPERF AEH	EUR	12,672	39,517	26,845		130.830000	1,657,877.76	3.70 %
Investment certificates non Raiffeisen	OGAW	IE00B89M2V73	BLACKROCK DEVELP RE ES-USDIA	USD	148,740	687,811	539,071		12.804000	1,695,119.68	3.79 %
Investment certificates non Raiffeisen	OGAW	LU0836513696	BLACKROCK GI-EMMK GV BD-A2	USD	19,692	161,991	172,100		127.200000	2,229,481.44	4.98 %
Total licensed securities admitted to trading on the official market or another regulated market as well as investment certificates										37,224,215.22	83.14 %
Total securities										37,224,215.22	83.14 %

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review	Sales Units/Nom.	Pool-/ ILB Factor	Price	Market value in EUR	Share of fund assets
Stock index future		FESX20190621	EURO STOXX 50 Jun19 VGM9	EUR	54				3,241.000000	10,260.00	0.02 %
Stock index future		FTSP20190613	TOPIX INDX FUTR Jun19 TPM9 PIT	JPY	7				1,583.500000	5,072.12	0.01 %
Stock index future		FRTY20190621	E-Mini Russ 2000 Jun19 RTYM9	USD	13				1,540.200000	-7,492.21	-0.02 %
Stock index future		FEMI20190621	MSCI EmgMkt Jun19 MESM9	USD	19				1,047.400000	-4,227.86	-0.01 %
Stock index future		0FES20190621	S&P500 EMINI FUT Jun19 ESM9	USD	7				2,821.000000	9,937.70	0.02 %
Future on bonds		FBTP20190606	Euro-BTP Future Jun19 IKM9	EUR	3				129.600000	3,000.00	0.01 %
Future on bonds		FBTP20190606	Euro-BTP Future Jun19 IKM9	EUR	14				129.600000	39,480.00	0.09 %
Commodity index futures		XLEN20190628	BCOMEN Energy XL Jun19 XLBM9	USD	24				37.330000	2,766.29	0.01 %
Commodity index futures		FCIN20190628	BCOMIN Ind Mets Jun19 FCIM9	USD	67				120.850000	20,884.17	0.05 %
Currency future		0FEC20190617	EURO FX CURR FUT Jun19 ECM9 PIT	USD	47				1.130840	-12,340.90	-0.03 %
Total financial futures ¹										67,339.31	0.15 %
Bank balances/liabilities											
				EUR						2,056,786.24	4.59 %
				GBP						68,632.07	0.15 %
				JPY						102,136.07	0.23 %
				USD						207,891.83	0.46 %
Fixed-term deposits in fund currency										5,000,000.00	11.17 %
Total bank balances/liabilities										7,435,446.21	16.61 %
Accruals and deferrals											
Interest claims (on securities and bank balances)										87,102.59	0.19 %
Total accruals and deferrals										87,102.59	0.19 %
Other items											
Various fees										-42,165.33	-0.09 %
Other receivables										0.02	0.00 %
Total other items										-42,165.31	-0.09 %
Total fund assets										44,771,938.02	100.00 %

ISIN	Income class		Currency	Net asset value per unit	Units in circulation
AT0000A1BMN4	I	income-distributing	EUR	94.92	14,754.034
AT0000A1BMR5	R	income-distributing	EUR	93.08	108,099.031
AT0000A1U768	RZ	income-distributing	EUR	97.52	2,193.334
AT0000A1BMP9	I	income-retaining	EUR	97.85	18,417.559
AT0000A1BMS3	R	income-retaining	EUR	95.94	259,172.827
AT0000A1U750	RZ	income-retaining	EUR	98.46	24,077.231
AT0000A1BMQ7	I	full income-retaining (outside Austria)	EUR	97.83	12,780.706
AT0000A1BMU9	S	full income-retaining (outside Austria)	EUR	93.33	214.742
AT0000A1BMT1	R	full income-retaining (outside Austria)	EUR	95.94	29,036.322
AT0000A1U776	RZ	full income-retaining (outside Austria)	EUR	98.56	10.000

Exchange rates

Foreign currency assets were converted into EUR on the basis of the exchange rates applicable on Mar 28, 2019

Currency		Price (1 EUR =)
British Pound	GBP	0.858550
Japanese Yen	JPY	124.208550
US Dollars	USD	1.123500

Securities purchases and sales during the period under review not listed under the portfolio of assets:

Type of security	OGAW/§ 166	ISIN	Security title	Currency		Purchases Additions	Sales Disposals
Exchange-traded-funds	OGAW	DE000ETFL227	DEKA DEUTSCHE BÖRSE EUROGOV® GERMANY MONEY MARKET UCITS ETF	EUR		25,376	25,376
Exchange-traded-funds	OGAW	IE00B5M4WH52	ISHARES EM LOCAL GOVT	EUR		189,007	242,177
Exchange-traded-funds	OGAW	IE00B9M6SJ31	ISHARES VI PLC - ISHARES GLOBAL CORP BOND EUR HEDGED UCITS	EUR		90,148	90,148
Exchange-traded-funds	OGAW	IE00B9M6RS56	ISHARES VI PLC - ISHARES J.P. MORGAN \$ EM BOND EUR HEDGED U	EUR		126,115	126,115
Exchange-traded-funds	OGAW	DE000A0Q4RZ9	ISHARES EB.REXX® GOVERNMENT GERMANY 0-1YR UCITS ETF (DE)	EUR		23,593	51,346
Exchange-traded-funds	OGAW	IE00B44CGS96	ISHARES II PLC - ISHARES US AGGREGATE BOND UCITS ETF USD (D)	USD		173,576	173,576
Fixed bonds		XS1017435782	BANCO NAC DE DESEN ECONO BNDES 3 5/8 01/21/19	EUR			600,000
Fixed bonds		XS1047674947	FED REPUBLIC OF BRAZIL BRAZIL 2 7/8 04/01/21	EUR			600,000
Fixed bonds		XS0857215346	GLENORE FIN DUBAI LTD GLENLN 2 5/8 11/19/18	EUR			500,000
Fixed bonds		XS0921670385	HYPO NOE GRUPPE BANK AG HYN0E 1 5/8 04/23/18	EUR			500,000
Fixed bonds		XS1379157404	PETROLEOS MEXICANOS PEMEX 3 3/4 03/15/19	EUR			600,000
Fixed bonds		XS1084368593	REPUBLIC OF INDONESIA INDON 2 7/8 07/08/21	EUR			700,000
Fixed bonds		XS0206170390	UNITED MEXICAN STATES MEX 5 1/2 02/17/20	EUR			600,000
Fixed bonds		US912828UB41	US TREASURY N/B T 1 11/30/19	USD			1,700,000
Investment certificates Raiffeisen	OGAW	AT0000A1PC60	RAIFFEISEN EURO RETURN (I) A	EUR			22,087
Investment certificates Raiffeisen	OGAW	AT0000A0ALQ3	RAIFFEISEN SUSTAINABLE SHORTTERM (I) T	EUR			21,538
Investment certificates Raiffeisen	OGAW	AT0000822606	RAIFFEISEN-EURO-SHORTTERM-BONDS (R) T	EUR			23,279
Investment certificates non Raiffeisen	OGAW	LU1050468989	AMUNDI INDEX SOLUTIONS - AMUNDI INDEX EURO AGG CORPORATE SR	EUR		4,278	4,278
Investment certificates non Raiffeisen	OGAW	LU0389812693	AMUNDI INDEX SOLUTIONS - AMUNDI INDEX J.P. MORGAN GBI GLOBA	EUR		4,342	6,570
Investment certificates non Raiffeisen	OGAW	LU0836513423	BLACKROCK GLOBAL INDEX FUNDS-ISHARES EURO AGGREGATE BOND IN	EUR		51,217	102,583
Investment certificates non Raiffeisen	OGAW	LU0875157884	BLACKROCK GLOBAL INDEX FUNDS-ISHARES GLOBAL GOVERNMENT BOND	EUR		107,374	134,717
Investment certificates non Raiffeisen	OGAW	IE00B4ZF3F31	BLACKROCK INDEX SELECTION FUND - ISHARES EDGE EM FUNDAMENTA	EUR		440,003	531,670
Investment certificates non Raiffeisen	OGAW	IE0031295938	GOLDMAN SACHS FUNDS, PLC - GOLDMAN SACHS EURO LIQUID RESERV	EUR		97	277
Investment certificates non Raiffeisen	OGAW	LU1590491913	INVESCO FUNDS SICAV - INVESCO EURO SHORT TERM BOND FUND CLA	EUR			221,039
Investment certificates non Raiffeisen	OGAW	LU0136043634	SCHRODER INTERNATIONAL SELECTION FUND - EURO LIQUIDITY C AC	EUR		9,445	27,123

1 Price gains and losses as of cut-off date.

Information on securities lending transactions and repurchase agreements

During the reporting period, no securities lending transactions were performed on behalf of the fund. Accordingly, the information concerning securities lending transactions which is stipulated in § 8 of the Austrian Securities Lending and Repurchase Agreement Ordinance and Art. 13 of Regulation (EU) No. 2015/2365 is not required.

During the reporting period, no repurchase agreements were concluded on behalf of the fund. Accordingly, the information concerning repurchase agreements which is stipulated in § 8 of the Austrian Securities Lending and Repurchase Agreement Ordinance and Art. 13 of Regulation (EU) No. 2015/2365 is not required.

Total return swaps and similar derivative instruments

A total return swap is a credit derivative instrument. Income and fluctuations in the value of the underlying financial instrument (underlying instrument or reference asset) are exchanged for fixed interest payments.

The fund did not enter into total return swaps or similar derivative instruments in the period under review.

Calculation method for overall risk

Calculation method for overall risk		Value-at-risk method - absolute
Reference assets		-
Value-at-risk	Lowest value	1.50
	Ø Value	2.71
	Highest value	4.04
Model used		Historical simulation (99 % confidence level, holding period of 20 banking days, data history period acc. § 18 (1) item 3 of the Austrian Derivatives Ordinance)
Average leverage subject to use of the value-at-risk calculation method in case of nominal value calculation		27,58 %

Remuneration paid to the employees of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. in EUR (financial year 2018 of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.)

Total number of employees	265
Number of risk-bearers	84
Fixed remuneration	22,158,147.47
Variable remuneration (bonuses)	2,005,354.33
Total remuneration for employees	24,163,501.80
of which remuneration for managing directors	1,438,323.87
of which remuneration for managers (risk-bearers)	2,145,847.00
of which remuneration for other risk-bearers	8,251,251.22
of which remuneration for employees in positions of control	252,956.98
of which remuneration for employees in the same income bracket as managing directors and risk-bearers due to their overall remuneration	0.00
Total remuneration for risk-bearers	12,088,379.07

- The remuneration guidelines (“remuneration guidelines”) issued by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. serve as a binding framework for fulfillment of the remuneration policy and practice requirements stipulated in §§ 17 (a) to (c) of the Austrian Investment Fund Act (InvFG), § 11 of the Austrian Alternative Investment Fund Managers Act (AIFMG) and Enclosure 2 to § 11 AIFMG. Fixed and variable remuneration components are determined on the basis of these remuneration guidelines.

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has established a systematic, structured, differentiating and incentivizing compensation system which reflects the company’s values as well as clear and consistent outline conditions. Its employees’ compensation comprises fixed salary components as well as variable salary components for some positions. This remuneration – in particular, the variable salary component (where applicable) – reflects an objective organizational structure (“job grades”).

Compensation is determined on the basis of regular market comparisons and in accordance with local remuneration practice. The goal is to encourage employees’ long-term loyalty to the company while also promoting their performance and their development within the framework of a management or specialist career path.

At Raiffeisen Kapitalanlage-Gesellschaft m.b.H., an employee’s basic salary (fixed remuneration) is non-discretionary remuneration which does not vary in accordance with the performance of the company (earnings before interest and tax) or of the specific employee (individual target achievement). It primarily reflects relevant professional experience and organizational responsibility, as outlined in the employee’s job description as part of his terms of employment. The employee’s fixed salary is determined on the basis of his market value, his individual qualifications and the position which he holds at Raiffeisen Kapitalanlage-Gesellschaft m.b.H. Raiffeisen Kapitalanlage-Gesellschaft m.b.H. uses all of the standard remuneration management instruments (e.g. domestic and foreign remuneration studies, salary bands, position grading).

The employee’s variable salary reflects the achievement of company and performance targets which are specified and reviewed within the scope of a performance management process. Employees’ targets are specified on the basis of the company’s strategic targets, the targets of their organizational unit or department and their function. Target agreements are concluded and the employee’s level of target achievement (= performance) is determined through annual performance appraisals (“MBO system”).

The target structure at Raiffeisen Kapitalanlage-Gesellschaft m.b.H. differentiates between qualitative targets – which include individual targets or division and department targets – and quantitative targets, e.g. performance and income targets, and also quantifiable project targets. Every manager is also assigned management targets. Quantitative one-year or multiple-year targets also apply within the scope of the company's core activities of sales and fund management.

- Since the performance period 2015, in accordance with the regulatory requirements a portion of the variable remuneration for risk-bearers is paid out in the form of units in an investment fund managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. In addition, as required by law portions of the variable remuneration of risk-bearers are deferred and paid out over a period of several years.
- The supervisory board of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. resolves the general remuneration policy principles specified by the remuneration committee, reviews them at least once a year and is responsible for their implementation and for monitoring of this issue. The supervisory board most recently fulfilled this duty on Nov 29, 2018. It has not identified any need for changes or any irregularities in relation to the remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- In addition, at least once per year a central and independent internal review determines whether the company's remuneration policy has been implemented in accordance with the applicable remuneration regulations and procedures. The internal auditing division of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. published its most recent report on Aug 28, 2018. This report has not resulted in any material findings concerning the remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- The remuneration policy of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has not been subject to any significant changes in the reporting period.

Remuneration principles of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

- The remuneration principles of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. support the business strategy and the long-term goals, interests and values of the company and of the investment funds managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
- The remuneration principles of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. include measures to avoid conflicts of interest.
- The remuneration principles and policies of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. are consistent with and promote sound and effective risk-taking practices and avoid incentives for any inappropriate risk-taking propensity which exceed the level of risk tolerated by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. or the investment funds under its management.
- The total amount of variable remuneration will not limit the capacity of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. to strengthen its capital base.
- Variable remuneration is not paid by means of instruments or methods which facilitate circumvention of applicable legal requirements.
- Employees in positions of control are rewarded irrespective of the business unit which they supervise, they have an appropriate level of authority and their remuneration is determined on the basis of the fulfillment of their organizational targets in connection with their functions, irrespective of the results of the business activities under their supervision.

- Guaranteed variable remuneration is not consistent with sound risk management or the “pay-for-performance” principle and should not be included in future remuneration plans. Guaranteed variable remuneration is the exception:., This is only provided in connection with new hirings and only where Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has a sound and strong capital base. It is limited to the first year of employment.
- Any payments relating to the premature termination of a contract must reflect the performance realized over the relevant period of time and must not reward failures or misconduct.

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

Vienna, 9 July 2019

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.


Mag. Rainer Schnabl


Mag. (FH) Dieter Aigner


Ing. Michal Kustra

Audit opinion

Report on the annual fund report

Audit opinion

We have audited the annual fund report issued by Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Vienna, for its fund Raiffeisen-Dynamic-Assets, consisting of the portfolio of investments as of March 31, 2019, the income statement for the financial year ending as of this date and the other disclosures required under Annex I Schedule B of the 2011 Austrian Investment Fund Act (Investmentfondsgesetz, InvFG).

In our view, the annual fund report complies with applicable statutory requirements and provides a true and fair view of the net assets and financial position as of March 31, 2019 as well as the earnings position for the fund for the financial year ending as of this date, in compliance with Austrian commercial law, the provisions of InvFG 2011.

Basis for the audit opinion

We performed our audit in accordance with § 49 (5) InvFG 2011 in accordance with Austrian principles of orderly auditing. These principles require application of the International Standards on Auditing (ISA). Our responsibilities on the basis of these requirements and standards are outlined in further detail in the “Responsibilities of the auditor for the audit of the annual fund report” section of our audit certificate. We are independent from the company, in compliance with Austrian commercial law and professional standards, and we have fulfilled our other professional duties in accordance with these requirements. In our view, we have obtained sufficient and suitable audit documentation as a basis for our audit opinion.

Responsibilities of the company’s legal representatives and the supervisory board for the annual fund report

The company’s legal representatives are responsible for the preparation of the annual fund report and for ensuring that it provides a true and fair view of the fund’s net assets, financial and earnings position in compliance with Austrian commercial law and the provisions of InvFG 2011. The company’s legal representatives are also responsible for the internal controls which they deem necessary in order to enable the preparation of an annual fund report which is free from material (intentional or unintentional) misrepresentations.

The supervisory board is responsible for monitoring the company’s accounting process in relation to the funds under its management.

Responsibilities of the auditor for the audit of the annual fund report

Our goals are to establish sufficient certainty as to whether the annual fund report as a whole is free from material (intentional or unintentional) misrepresentations and for issuing an audit certificate which includes our audit opinion. Sufficient certainty means a high level of certainty – but not a guarantee – that an orderly audit performed in accordance with the recognized Austrian principles – which require application of the ISA – will always uncover any material misrepresentation. Misrepresentations may result from malicious acts or on the basis of errors and will be deemed material where they may be reasonably expected – either individually or collectively – to influence the economic decisions made by users on the basis of this annual fund report.

As part of an audit complying with the recognized Austrian principles of orderly auditing – which require application of the ISA – we exercise due discretion throughout our audit and maintain a critical distance.

In addition, the following applies:

- We identify and evaluate the risks of material (intentional or unintentional) misrepresentations in the annual fund report, plan audit activities in response to these risks, implement these activities and obtain audit documentation which is sufficient and suitable in order to serve as a basis for our audit opinion. The risk of material misrepresentations resulting from malicious acts not being uncovered is greater than the risk resulting from errors, since malicious acts may include fraudulent collaboration, falsifications, deliberate incompleteness, misleading representations or the suspension of internal controls.
- We obtain a picture of the internal control system which is relevant for the audit so as to plan audit activities which are adequate in the given circumstances, but not with the objective of providing an audit opinion regarding the effectiveness of the company's internal control system.
- We evaluate the adequacy of the accounting methods applied by the company's legal representatives as well as the reasonableness of the legal representatives' estimates in the accounting as well as the related disclosures.
- We evaluate the overall picture, the structure and the contents of the annual fund report including the disclosures and whether the annual fund report provides a true and fair view of the underlying business transactions and events.
- We discuss matters with the supervisory board including the planned scope of the audit and its schedule as well as significant audit findings, including any significant shortcomings in the internal control system that we identify in the course of our audit.

Other information

The company's legal representatives are responsible for the other information provided. This other information comprises all of the information included in the annual fund report, with the exception of the portfolio of investments, the income statement, the other disclosures required under Annex I Schedule B InvFG 2011 and the audit certificate.

Our audit opinion for the annual fund report does not cover this other information, and we do not provide any sort of assurance in this regard.

In connection with our audit of the annual fund report, we are responsible for reading this other information and for considering whether there are any material inconsistencies between this other information and the annual fund report or on the basis of our knowledge obtained in the course of our audit or whether this information appears to have been otherwise materially misrepresented. If we reach the conclusion on the basis of our activities that this other information has been materially misrepresented, we must report this. We have nothing to report in this respect.

Vienna, 9 July 2019

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Wilhelm Kovsca
Auditor

Tax treatment

Once the new reporting framework comes into effect (from Jun 6, 2016), Österreichische Kontrollbank (OeKB) will prepare the details of the tax arrangements for the fund and publish them on www.profitweb.at. The tax documents are available for downloading for all funds. The tax documents are also available on our website www.rcm.at. Please visit www.profitweb.at for detailed information on offsettable and reimbursable foreign taxes.

Fund regulations

Fund regulations pursuant to the Austrian Investment Fund Act 2011

The Austrian Financial Market Authority (FMA) has approved the fund regulations for the investment fund **Raiffeisen-Dynamic-Assets**, a jointly owned fund pursuant to the **Austrian Investment Fund Act 2011, as amended** (InvFG).

The investment fund is an undertaking for collective investment in transferable securities (UCITS) and is managed by Raiffeisen Kapitalanlage-Gesellschaft m.b.H. (hereinafter: the "management company") which is headquartered in Vienna.

Article 1 Fund units

The fund units are embodied in unit certificates with the character of financial instruments which are issued to bearer.

The unit certificates shall be represented by global certificates for each unit class. Actual securities are not issued.

Article 2 Custodian bank (custodian)

Raiffeisen Bank International AG, Vienna, is the investment fund's custodian bank (custodian).

The custodian bank (custodian), the regional Raiffeisen banks, Kathrein Privatbank Aktiengesellschaft, Vienna, and other paying agents referred to in the prospectus are the paying agents for unit certificates.

Article 3 Investment instruments and principles

The following assets pursuant to InvFG may be selected for the investment fund.

At the discretion of the management company, the investment fund invests in investment instruments which have generated short- and medium-term outperformance of other investment instruments.

The following investment instruments are purchased for the fund assets.

Securities

The fund may purchase securities (including securities with embedded derivative instruments) as permitted by law.

Money market instruments

The fund may purchase money market instruments as permitted by law.

Securities and money market instruments

Securities or money market instruments issued or guaranteed by Germany, France, Italy, the United Kingdom of Great Britain and Northern Ireland, Switzerland, the United States of America, Canada, Australia, Japan, Austria, Belgium, Finland, the Netherlands, Sweden or Spain **may exceed 35 %** of the fund assets directly or indirectly through investments in investment funds if the fund assets are invested in at least six different issues, with an investment in any single issue not exceeding **30 %** of the fund assets.

The fund may purchase not fully paid-in securities or money market instruments and subscription rights for such instruments or other not fully paid-in financial instruments.

Securities and money market instruments may be purchased if they comply with the criteria concerning listing and trading on a regulated market or a securities exchange pursuant to InvFG.

Securities and money market instruments which do not fulfill the criteria laid down in the above paragraph may be purchased for up to 10 % of the fund assets in total.

Units in investment funds

Units in investment funds (UCITS, UCI) **may each amount to up to 20 %** of the fund assets – and up to the legally permitted limit **overall** – insofar as these UCITS or UCI do not for their part invest more than 10 % of their fund assets in units in other investment funds.

Units in UCI may be purchased for up to **30 %** of the fund assets in total.

Derivative instruments

Derivative instruments may be used as part of the fund's investment strategy for **up to 100 %** of the fund assets (calculated on the basis of market prices) and for hedging purposes.

Investment fund's risk measurement method

The investment fund applies the following risk measurement method:

Value at risk

The VaR figure is calculated pursuant to the 4th chapter of the 4th Austrian Derivatives Risk Calculation and Reporting Ordinance (Derivate-Risikoberechnungs- und Meldeverordnung), as amended.

Absolute VaR

The attributable risk amount for the overall risk – calculated as the value-at-risk amount for the investments held in the fund – may not exceed

9.5 % of the net asset value of the fund assets (absolute VaR).

Sight deposits or deposits at notice

Sight deposits and deposits at notice with terms not exceeding 12 months may amount to **up to 100 %** of the fund assets.

Short-term loans

The management company may take up short-term loans of up to **10 %** of the fund assets for account of the investment fund.

Repos

Repurchase agreements may comprise **up to 100 %** of the fund assets.

Securities lending

Securities lending transactions may comprise **up to 30 %** of the fund assets.

Investment instruments may only be acquired uniformly for the entire investment fund, not for an individual unit class or for a group of unit classes.

However, this does not apply for currency hedge transactions. These transactions may only be entered into in relation to a single unit class. Expenses and income resulting from a currency hedge transaction shall exclusively be allocated to the relevant unit class.

Article 4 Issuance and redemption modalities

The unit value shall be calculated in EUR or the currency of the unit class.

The value of units will be calculated on each day of stock market trading.

Issuance and subscription fee

Units will be issued on any banking day.

The issue price is the unit value plus a fee per unit of **up to 3.50 %** to cover the management company's issuing costs.

Unit issuance shall not in principle be subject to limitation; however, the management company reserves the right temporarily or entirely to discontinue its issuance of unit certificates.

The management company shall be entitled to introduce a graduated subscription fee.

Redemption and redemption fee

Units will be redeemed on any banking day.

No redemption fee will be charged.

At the request of a unitholder, its unit shall be redeemed out of the investment fund at the applicable redemption price, against surrender of the unit certificate.

Article 5 Accounting year

The investment fund's accounting year runs from April 1 to March 31.

Article 6 Unit classes and appropriation of income

Income-distributing unit certificates, income-retaining unit certificates with capital gains tax deducted and income-retaining unit certificates without capital gains tax deducted may be issued for the investment fund.

Various classes of unit certificates may be issued for this investment fund. The management company may decide to establish unit classes or to issue units in a given unit class.

Appropriation of income for income-distributing unit certificates (income distribution)

Once costs have been covered, the income received during the past accounting year (interest and dividends) may be distributed at the discretion of the management company. Distribution may be waived subject to due consideration of the unitholders' interests. The distribution of income from the sale of assets of the investment fund including subscription rights shall likewise be at the discretion of the management company. A distribution from the fund assets and interim distributions are also permissible.

The fund assets may not through distributions fall below the minimum volume for a termination which is stipulated by law.

From June 15 of the following accounting year the amounts are to be distributed to the holders of income-distributing unit certificates. Any remaining balances shall be carried forward to a new account.

In any case, from June 15 an amount calculated pursuant to InvFG shall be paid out, to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates, unless the management company ensures through appropriate proof from the custodians that at the time of payout the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

Appropriation of income in case of income-retaining unit certificates with capital gains tax deducted (income retention)

Income during the accounting year net of costs shall not be distributed. In case of income-retaining unit certificates, from June 15 an amount calculated pursuant to InvFG shall be paid out, to be used where applicable to meet any capital gains tax commitments on the distribution-equivalent return on those unit certificates, unless the management company ensures through appropriate proof from the custodians that at the time of payout the unit certificates are only held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for an exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

Appropriation of income in case of income-retaining unit certificates without capital gains tax deducted (full income retention – domestic and foreign tranches)

Income during the accounting year net of costs shall not be distributed. No payment pursuant to InvFG will be made. June 15 of the following accounting year shall be the key date pursuant to InvFG in case of failure to pay capital gains tax on the annual income.

The management company shall ensure through appropriate proof from the custodians that at the time of payout the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for exemption as per § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

If these preconditions have not been met as of the payment date, the amount calculated pursuant to InvFG shall be paid out by the custodian bank in the form of credit.

Appropriation of income in case of income-retaining unit certificates without capital gains tax deducted (full income retention – foreign tranche)

Income-retaining unit certificates without deducted capital gains tax shall only be sold outside Austria.

Income during the accounting year net of costs shall not be distributed. No payment pursuant to InvFG will be made.

The management company shall ensure through appropriate proof that as of the payment date the unit certificates may only be held by unitholders who are either not subject to Austrian income or corporate income tax or who fulfill the requirements for exemption pursuant to § 94 of the Austrian Income Tax Act or for a capital gains tax exemption.

Article 7 Management fee, reimbursement of expenses, liquidation fee

The management company shall receive for its management activity an annual remuneration of up to **2 %** of the fund assets, calculated on the basis of the values at the end of each month.

The management company shall also receive a variable annual performance-related fee for all unit certificate classes. Subject to a "high water mark", this variable performance-related fee will not exceed 15 % of the fund's performance in excess of the Merrill Lynch German Government Bill Index plus 2 % (this is an absolute percentage figure and will be deducted from the figure for the fund's outperformance of the index). The "high water mark" corresponds to the unit value as of the end of the accounting year for which a variable performance-related fee was most recently paid out. No variable performance-related fee will be paid in case of a performance which falls short of the "high water mark".

This variable performance-related fee is recorded daily on the basis of the average fund volume and has an income effect in respect of the net asset value calculated each day. During the accounting year items will be credited to and debited from an amortization account in accordance with the fund's performance; the total debit items may not exceed the total credit items in a given accounting year. The method developed by OeKB (Österreichische Kontrollbank AG) is used for the net asset value and performance calculation. This method assumes reinvestment of any payments or distributions. The fund makes an annual variable performance-related fee payment, upon expiry of the accounting year, as of the end of the following month, with an effect on liquidity.

The management company is entitled to reimbursement of all expenses associated with its management of the fund.

The management company shall be entitled to introduce a graduated management fee.

The costs arising at the introduction of new unit classes for existing asset portfolios shall be deducted from the unit prices of the new unit classes.

At the liquidation of the investment fund, the custodian bank shall receive remuneration amounting to **0.5 %** of the fund assets.

Please refer to the prospectus for further information on this investment fund.

Appendix

List of stock exchanges with official trading and organized markets

1. Stock exchanges with official trading and organized markets in the member states of the EEA

Each Member State is required to maintain an updated list of regulated markets authorized by it. This directory is to be made available to the other member states and to the Commission.

According to this provision, the Commission is obliged to publish once a year a directory of the regulated markets of which it has received notice.

Due to decreasing restrictions and to trading segment specialization, the directory of "regulated markets" is undergoing great changes. In addition to the annual publication of a directory in the official gazette of the European Communities, the Commission will therefore provide an updated version on its official internet site.

1.1. The current directory of regulated markets is available at:

http://mifiddatabase.esma.europa.eu/Index.aspx?sectionlinks_id=23&language=0&pageName=REGULATED_MARKETS_Display&subsection_id=0¹

1.2. The following stock exchanges are to be included in the directory of Regulated Markets:

1.2.1. Luxembourg Euro MTF Luxembourg

1.3. Recognized markets in the EU pursuant to § 67 (2) item 2 InvFG:

1.3.1. United Kingdom London Stock Exchange Alternative Investment Market (AIM)

1.4. Recognized markets in the EEA pursuant to § 67 (2) item 2 InvFG:

Markets in the EEA classified as recognized markets by the relevant supervisory authorities.

2. Stock exchanges in European states which are not members of the EEA

2.1. Bosnia & Herzegovina: Sarajevo, Banja Luka
 2.2. Montenegro: Podgorica
 2.3. Russia: Moscow (RTS Stock Exchange); Moscow Interbank Currency Exchange (MICEX)
 2.4. Switzerland: SWX Swiss-Exchange
 2.5. Serbia: Belgrade
 2.6. Turkey: Istanbul (for Stock Market, "National Market" only)

3. Stock exchanges in non-European states

3.1. Australia: Sydney, Hobart, Melbourne, Perth
 3.2. Argentina: Buenos Aires
 3.3. Brazil: Rio de Janeiro, Sao Paulo
 3.4. Chile: Santiago
 3.5. China: Shanghai Stock Exchange, Shenzhen Stock Exchange
 3.6. Hong Kong: Hong Kong Stock Exchange
 3.7. India: Mumbai
 3.8. Indonesia: Jakarta
 3.9. Israel: Tel Aviv
 3.10. Japan: Tokyo, Osaka, Nagoya, Kyoto, Fukuoka, Niigata, Sapporo, Hiroshima
 3.11. Canada: Toronto, Vancouver, Montreal
 3.12. Colombia: Bolsa de Valores de Colombia
 3.13. Korea: Korea Exchange (Seoul, Busan)
 3.14. Malaysia: Kuala Lumpur, Bursa Malaysia Berhad
 3.15. Mexico: Mexico City
 3.16. New Zealand: Wellington, Christchurch/Invercargill, Auckland
 3.17. Peru: Bolsa de Valores de Lima
 3.18. Philippines: Manila
 3.19. Singapore: Singapore Stock Exchange
 3.20. South Africa: Johannesburg

¹Click on "view all" to open the directory. The link may be modified by the Austrian Financial Market Authority (FMA) or by the European Securities and Markets Authority (ESMA).

[You may access the directory as follows by way of the FMA's website:

<http://www.fma.gv.at/de/unternehmen/boerse-wertpapierhandel/boerse.html> - scroll down - link "List of Regulated Markets (MiFID Database; ESMA)" - "view all"]

financial year Apr 1, 2018 – Mar 31, 2019

3.21.	Taiwan:	Taipei
3.22.	Thailand:	Bangkok
3.23.	USA:	New York, American Stock Exchange (AMEX), New York Stock Exchange (NYSE), Los Angeles/Pacific Stock Exchange, San Francisco/Pacific Stock Exchange, Philadelphia, Chicago, Boston, Cincinnati
3.24.	Venezuela:	Caracas
3.25.	United Arab Emirates:	Abu Dhabi Securities Exchange (ADX)

4. Organized markets in states which are not members of the European Community

4.1.	Japan:	Over the Counter Market
4.2.	Canada:	Over the Counter Market
4.3.	Korea:	Over the Counter Market
4.4.	Switzerland:	SWX-Swiss Exchange, BX Berne eXchange; Over the Counter Market of the members of the International Capital Market Association (ICMA), Zurich
4.5.	USA:	Over The Counter Market (subject to supervisory oversight, e.g. SEC, FINRA)

5. Stock exchanges with futures and options markets

5.1.	Argentina:	Bolsa de Comercio de Buenos Aires
5.2.	Australia:	Australian Options Market, Australian Securities Exchange (ASX)
5.3.	Brazil:	Bolsa Brasileira de Futuros, Bolsa de Mercadorias & Futuros, Rio de Janeiro Stock Exchange, Sao Paulo Stock Exchange
5.4.	Hong Kong:	Hong Kong Futures Exchange Ltd.
5.5.	Japan:	Osaka Securities Exchange, Tokyo International Financial Futures Exchange, Tokyo Stock Exchange
5.6.	Canada:	Montreal Exchange, Toronto Futures Exchange
5.7.	Korea:	Korea Exchange (KRX)
5.8.	Mexico:	Mercado Mexicano de Derivados
5.9.	New Zealand:	New Zealand Futures & Options Exchange
5.10.	Philippines:	Manila International Futures Exchange
5.11.	Singapore:	The Singapore Exchange Limited (SGX)
5.12.	Slovakia:	RM-System Slovakia
5.13.	South Africa:	Johannesburg Stock Exchange (JSE), South African Futures Exchange (SAFEX)
5.14.	Switzerland:	EUREX
5.15.	Turkey:	TurkDEX
5.16.	USA:	American Stock Exchange, Chicago Board Options Exchange, Chicago, Board of Trade, Chicago Mercantile Exchange, Comex, FINEX, Mid America Commodity Exchange, ICE Future US Inc. New York, Pacific Stock Exchange, Philadelphia Stock Exchange, New York Stock Exchange, Boston Options Exchange (BOX)

Appendix

Imprint

Publisher:

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Mooslackengasse 12, A-1190 Vienna

Responsible for contents:

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Mooslackengasse 12, A-1190 Vienna

Copyright by publisher, dispatch location: Vienna

Raiffeisen Capital Management is the brand of:

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
Raiffeisen Immobilien Kapitalanlage-Gesellschaft m.b.H.
Raiffeisen Salzburg Invest GmbH