Raiffeisen Capital Management

Raiffeisen Inflation-Protected Fund

(Original German name: Raiffeisen-Inflationsschutz-Fonds)

Semi-annual fund report

2013

Table of contents

General fund information 3
Fund characteristics 3
Legal notice 4
Fund details 5
Units in circulation 5
Fund investment policy report 6
Makeup of fund assets in EUR 7
Portfolio of investments in EUR 8

Semi-annual fund report from 1 May 2013 to 31 October 2013

Raiffeisen-Inflationsschutz-Fonds is a bond fund under the Austrian Investment Fund Act. Its investment goal is regular growth. The fund mainly invests in euro-denominated inflation-indexed bonds (at least 51 % of the fund's assets). The fund may acquire bonds and money market instruments issued by sovereigns, supranational issuers and/or companies etc. The investment 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 and the 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 (R) (A)	EUR	EUR	25/5/2004	AT0000622006
ISIN income-retaining (R) (T)	EUR	EUR	25/5/2004	AT0000622014
ISIN full income-retaining (outside Austria) (R) (VTA)	EUR	EUR	23/8/2006	AT0000622022
ISIN full income-retaining (outside Austria) (S) (VTA)	EUR	EUR	2/11/2011	AT0000A0R0A5
ISIN savings fund income-distributing (R) (A)	EUR	EUR	25/5/2004	AT0000622030
ISIN savings fund income-retaining (R) (T)	EUR	EUR	25/5/2004	AT0000622048

Fund characteristics

Financial year:	1 May – 30 April
Distribution/payment/reinvestment date:	15 July
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:	R tranche: 0.72 % S tranche: 1.00 %
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-Inflationsschutz-Fonds for the period from 1 May 2013 to 31 October 2013.

Fund details

	30/4/2013	31/10/2013
Fund assets in EUR	54,430,540.52	58,063,623.60
Net asset value/unit (R) (A) EUR	105.76	101.15
Issue price/unit (R) (A) EUR	108.93	104.18
Net asset value/unit (R) (T) EUR	126.41	123.79
Issue price/unit (R) (T) EUR	130.20	127.50
Net asset value/unit (R) (VTA) EUR	131.89	130.26
Issue price/unit (R) (VTA) EUR	135.85	134.17
Net asset value/unit (S) (VTA) EUR	131.17	129.42
Issue price/unit (S) (VTA) EUR	133.99	132.20

Units in circulation

	AT0000622006 (R) A	AT0000622014 (R) T	AT0000622022 (R) VTA	AT0000A0R0A5 (S) VTA
Units in circulation on 30/4/2013	169,272.730	184,448.292	99,159.094	1,011.168
Sales	2,404.953	210,589.781	4,291.655	10.998
Repurchases	- 14,284.804	- 141,841.797	- 21,115.138	- 461.138
Units in circulation	157,392.879	253,196.276	82,335.611	561.028
Total units in circulation on 31/10/2013				**493,485.794**

Fund investment policy report

In the period under review real yields for the core Eurozone climbed by more than 50 basis points, while inflation expectations declined. Accordingly, the portfolio's performance was negative and below the level of a comparable nominal portfolio. On the other hand, Italian inflation-indexed securities (23 % of the portfolio at the end of the period) clearly outperformed those of core countries, despite political disruptions, and have provided a clearly positive performance contribution since the start of 2013.

Following a disappointing 1st quarter of 2013, from the spring onwards the economic outlook picked up slightly, but inflation remained continuously below market expectations, falling from 2.0 % at the start of the year to 0.7 % in October 2013. Despite the moderate economic outlook, in the early summer the Eurozone was unable to resist a rising yield trend triggered by the USA. The announcement by the European Central Bank (ECB) that it would keep interest rates at their current levels or lower for some time to come provided merely a brief period of calm. An extended phase of rising bond prices only materialized in September 2013, when the US Fed surprisingly opted not to wind down its bond-purchasing program as had been expected. The market was also buoyed by the appointment of Janet Yellen as the new Fed chair and by the closure of government agencies and the dispute over the USA's debt ceiling. In November 2013 the ECB also encouraged the bond markets' recovery by lowering its repo rate.

In terms of interest-rate fluctuation risk, the portfolio had a marginally defensive orientation throughout the reporting period. In late September 2013 the fund slightly increased its holdings of short-maturity Italian securities.

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

Makeup of fund assets in EUR

Securities	Market value	%
Structured products – inflation-linked bonds:		
EUR	58,053,887.50	99.99
Derivative products		
Valuation of financial futures	- 11,904.69	- 0.02
Bank liabilities		
Bank liabilities in fund currency	- 207,322.16	- 0.36
Bank balances in foreign currency	46,766.36	0.08
Total bank liabilities	**- 160,555.80**	**- 0.28**
Accruals and deferrals		
Interest claims (on securities and bank balances)	221,209.30	0.38
Other items		
Various fees	- 39,012.71	- 0.07
Total fund assets	**58,063,623.60**	**100.00**

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 31/10/2013 UNITS/NOM.	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW UNITS/NOM.	SALES DISPOSALS IN PERIOD UNDER REVIEW UNITS/NOM.	ILB FACTOR	PRICE	MARKET VALUE IN EUR	% SHARE OF FUND ASSETS
STRUCTURED PRODUCTS: INFLATION-LINKED EURO BONDS									
DE0001030542	0.1000	BUNDANL.V. 12/23 INFL.LKD	2,850,000	4,250,000	1,400,000	1.029050	100.774123	2,955,495.92	5.09
FR0011347046	0.1000	REP. FSE 12-21 O.A.T.	800,000	450,000	200,000	1.009110	99.717270	805,005.55	1.39
FR0011237643	0.2500	REP. FSE 12-18 O.A.T.	1,100,000	450,000	400,000	1.033560	102.980467	1,170,801.41	2.02
FR0119105791	0.4500	REP. FSE 11-16 O.A.T.	2,550,000	1,200,000	1,200,000	1.048950	103.487148	2,768,097.52	4.77
DE0001030534	0.7500	BUNDOBL.V.11/18 INFL.LKD	2,400,000	1,100,000	750,000	1.056210	105.750414	2,680,671.47	4.62
FR0010235176	1.0000	REP. FSE 05-17 O.A.T.	4,800,000	2,150,000	2,500,000	1.132260	106.172040	5,770,288.99	9.94
FR0010899765	1.1000	REP. FSE 10-22 O.A.T.	4,100,000	1,750,000	2,050,000	1.078080	106.881180	4,724,284.96	8.13
FR0010850032	1.3000	REP. FSE 10-19 O.A.T.	2,500,000	1,050,000	1,150,000	1.065540	108.982627	2,903,133.71	5.00
DE0001030500	1.5000	BUNDANL.V. 06/16 INFL.LKD	3,550,000	1,750,000	2,050,000	1.155050	105.326290	4,318,828.16	7.44
FR0010135525	1.6000	REP. FSE 04-15 O.A.T.	1,800,000	1,950,000	3,570,000	1.188350	104.806181	2,241,835.65	3.86
IT0004890882	1.7000	B.T.P. 13-18 FLR	800,000	800,000	350,000	1.004720	99.041392	796,070.94	1.37
DE0001030526	1.7500	BUNDANL.V. 09/20 INFL.LKD	3,600,000	1,700,000	1,950,000	1.088770	113.586566	4,452,107.24	7.67
IT0004085210	2.1000	B.T.P. 06-17 FLR	1,900,000	1,300,000	1,250,000	1.155050	101.708880	2,232,098.00	3.84
IT0004604671	2.1000	B.T.P. 10-21 FLR	2,200,000	1,400,000	1,250,000	1.076730	97.110078	2,300,349.35	3.96
IT0004682107	2.1000	B.T.P. 11-16 FLR	1,250,000	850,000	800,000	1.063940	102.517503	1,363,405.90	2.35
FR0010585901	2.1000	REP. FSE 08-23 O.A.T.	2,500,000	2,900,000	400,000	1.097640	116.178126	3,188,043.96	5.49
IT0003625909	2.1500	B.T.P. 04-14 FLR	1,400,000	900,000	1,450,000	1.212900	101.950000	1,731,172.17	2.98
FR0010050559	2.2500	REP. FSE 04-20 O.A.T.	4,750,000	2,000,000	2,400,000	1.212730	115.616871	6,660,072.28	11.47
IT0004380546	2.3500	B.T.P. 08-19 FLR	2,350,000	1,500,000	1,450,000	1.100160	101.960576	2,636,064.26	4.54
IT0004243512	2.6000	B.T.P. 07-23 FLR	2,100,000	2,600,000	500,000	1.134640	98.880117	2,356,060.06	4.06
TOTAL SECURITIES PORTFOLIO							**EUR**	**58,053,887.50**	**99.99**
FINANCIAL FUTURES IN EURO									
FGBL20131206	BUND FUTURE AS OF 6/12/2013		-3		3		141.850000	-6,654.69	-0.01
FGBL20131206	BUND FUTURE AS OF 6/12/2013		-2	3	5		141.850000	-4,660.00	-0.01
FGBS20131206	SCHATZ FUTURE AS OF 6/12/2013		-2	15	17		110.440000	-590.00	0.00
TOTAL FINANCIAL FUTURES [1]							**EUR**	**-11,904.69**	**-0.02**
BANK LIABILITIES									
EUR LIABILITIES		EUR	-207,322.16						
BALANCES IN OTHER EU CURRENCIES									
SEK		EUR	1,096.48						
BALANCES IN NON-EU CURRENCIES									
USD		EUR	45,669.88				**EUR**	**-160,555.80**	**-0.28**
ACCRUALS AND DEFERRALS									
INTEREST CLAIMS							**EUR**	**221,209.30**	**0.38**
OTHER ITEMS									
VARIOUS FEES							**EUR**	**-39,012.71**	**-0.07**
TOTAL FUND ASSETS							**EUR**	**58,063,623.60**	**100.00**
NET ASSET VALUE PER UNIT									
TRANCHE R INCOME-DISTRIBUTING							EUR	101.15	
TRANCHE R INCOME-RETAINING							EUR	123.79	
TRANCHE R FULL INCOME-RETAINING							EUR	130.26	
TRANCHE S FULL INCOME-RETAINING							EUR	129.42	
UNITS IN CIRCULATION									
TRANCHE R INCOME-DISTRIBUTING							UNITS	157,392.879	
TRANCHE R INCOME-RETAINING							UNITS	253,196.276	
TRANCHE R FULL INCOME-RETAINING							UNITS	82,335.611	
TRANCHE S FULL INCOME-RETAINING							UNITS	561.028	

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

FROZEN SECURITIES FORMING PART OF THE PORTFOLIO OF INVESTMENTS (SECURITIES LENDING TRANSACTIONS):

ISIN	SECURITY TITLE			VOLUME 31/10/2013
DE0001030542	0.1000	BUNDANL.V. 12/23 INFL.LKD	EUR	2,650,000
FR0010899765	1.1000	REP. FSE 10-22 O.A.T.	EUR	3,800,000
DE0001030500	1.5000	BUNDANL.V. 06/16 INFL.LKD	EUR	3,350,000
DE0001030526	1.7500	BUNDANL.V. 09/20 INFL.LKD	EUR	3,200,000

EXCHANGE RATES

FOREIGN CURRENCY ASSETS WERE CONVERTED INTO EUR ON THE BASIS OF THE EXCHANGE RATES APPLICABLE ON 30/10/2013:

CURRENCY	UNIT		PRICE	
SWEDISH CROWN	1 EUR	=	8.772800	SEK
US DOLLAR	1 EUR	=	1.377100	USD

FUTURES EXCHANGE KEY:

CODE	STOCK EXCHANGE
EUREX	EUROPEAN EXCHANGE

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

ISIN	SECURITY TITLE		PURCHASES ADDITIONS	SALES DISPOSALS
STRUCTURED PRODUCTS: INFLATION-LINKED EURO BONDS				
FR0000492308	3.1500	CADES 99-13 FLR		50,000

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

Vienna, 28 November 2013

Raiffeisen Kapitalanlage-Gesellschaft m. b. H.

Dr. Mathias Bauer Mag. (FH) Dieter Aigner Mag. Gerhard Aigner