Raiffeisen Capital Management

Raiffeisen-EmergingMarkets-LocalBonds

(Original German name: Raiffeisen-EmergingMarkets-LocalBonds)

annual fund report

financial year Feb 1, 2017 – Jan 31, 2018

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 ... 10
Capital market report ... 11
Fund investment policy report ... 12
Makeup of fund assets in EUR ... 13
Portfolio of investments in EUR as of Jan 31, 2018 ... 15
Calculation method for overall risk ... 22
Remuneration paid to the employees of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. in EUR (financial year 2016 of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.) ... 23
Audit opinion ... 26
Tax treatment ... 29
Fund regulations ... 30
Appendix ... 36

Report for the financial year from Feb 1, 2017 to Jan 31, 2018

General fund information

ISIN	Tranche	Income class	Currency	Launch date
AT0000A1KK81	Raiffeisen-EmergingMarkets-LocalBonds (I) A	income-distributing	EUR	Apr 1, 2016
AT0000A0PH74	Raiffeisen-EmergingMarkets-LocalBonds (S) A	income-distributing	EUR	Aug 1, 2011
AT0000A0G272	Raiffeisen-EmergingMarkets-LocalBonds (R) A	income-distributing	EUR	Feb 1, 2010
AT0000A1TWN5	Raiffeisen-EmergingMarkets-LocalBonds (RZ) A	income-distributing	EUR	Apr 3, 2017
AT0000A0FXL8	Raiffeisen-EmergingMarkets-LocalBonds (R) T	income-retaining	EUR	Feb 1, 2010
AT0000A1TWM7	Raiffeisen-EmergingMarkets-LocalBonds (RZ) T	income-retaining	EUR	Apr 3, 2017
AT0000A0MRF8	Raiffeisen-EmergingMarkets-LocalBonds (I) VTA	full income-retaining (outside Austria)	EUR	Jun 1, 2011
AT0000A0FXM6	Raiffeisen-EmergingMarkets-LocalBonds (R) VTA	full income-retaining (outside Austria)	EUR	Feb 1, 2010
AT0000A1TWP0	Raiffeisen-EmergingMarkets-LocalBonds (RZ) VTA	full income-retaining (outside Austria)	EUR	Apr 3, 2017

Fund characteristics

Fund currency	EUR
Financial year	Feb 1 – Jan 31
Distribution/payment/reinvestment date	Apr 1
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): 0.625 % S-Tranche (EUR): 1.500 % R-Tranche (EUR): 1.250 % RZ-Tranche (EUR): 0.625 %
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

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-EmergingMarkets-LocalBonds for the financial year from Feb 1, 2017 to Jan 31, 2018. The accounting is based on the price calculation as of Jan 31, 2018.

Fund details

	Jan 31, 2016	Jan 31, 2017	Jan 31, 2018
Total fund assets in EUR	123,441,417.54	128,693,496.17	179,182,092.05
Net asset value/distributing units (I) (AT0000A1KK81) in EUR	-	128.49	125.33
Issue price/distributing units (I) (AT0000A1KK81) in EUR	-	133.63	130.34
Net asset value/distributing units (S) (AT0000A0PH74) in EUR	76.65	82.03	76.99
Issue price/distributing units (S) (AT0000A0PH74) in EUR	79.14	84.70	79.49
Net asset value/distributing units (R) (AT0000A0G272) in EUR	88.43	95.43	93.51
Issue price/distributing units (R) (AT0000A0G272) in EUR	91.97	99.25	97.25
Net asset value/distributing units (RZ) (AT0000A1TWN5) in EUR	-	-	94.41
Issue price/distributing units (RZ) (AT0000A1TWN5) in EUR	-	-	94.41
Net asset value/reinvested units (R) (AT0000A0FXL8) in EUR	105.13	119.03	117.73
Issue price/reinvested units (R) (AT0000A0FXL8) in EUR	109.34	123.79	122.44
Net asset value/reinvested units (RZ) (AT0000A1TWM7) in EUR	-	-	94.45
Issue price/reinvested units (RZ) (AT0000A1TWM7) in EUR	-	-	94.45
Net asset value/fully reinvestet units (I) (AT0000A0MRF8) in EUR	112.80	128.49	127.87
Issue price/fully reinvested units (I) (AT0000A0MRF8) in EUR	117.31	133.63	132.98
Net asset value/fully reinvestet units (R) (AT0000A0FXM6) in EUR	109.28	123.75	122.41
Issue price/fully reinvested units (R) (AT0000A0FXM6) in EUR	113.65	128.70	127.31
Net asset value/fully reinvestet units (RZ) (AT0000A1TWP0) in EUR	-	-	94.58
Issue price/fully reinvested units (RZ) (AT0000A1TWP0) in EUR	-	-	94.58

	Apr 3, 2017	Apr 3, 2018
Distribution/unit (I) (A) EUR	2.7200	4.9700
Distribution/unit (S) (A) EUR	0.3500	0.3300
Distribution/unit (R) (A) EUR	0.9500	2.0000
Distribution/unit (RZ) (A) EUR	-	2.0200
Outpayment/unit (R) (T) EUR	0.0000	0.0545
Outpayment/unit (RZ) (T) EUR	-	0.1304
Reinvestment/unit (R) (T) EUR	0.0000	3.7999
Reinvestment/unit (RZ) (T) EUR	-	0.2955
Reinvestment/unit (I) (VTA) EUR	0.0000	4.9570
Reinvestment/unit (R) (VTA) EUR	0.0000	4.0242
Reinvestment/unit (RZ) (VTA) EUR	-	0.5330

Distribution/unit (S) (A) EUR	Feb 1, 2017	0.3500
Distribution/unit (S) (A) EUR	Mar 1, 2017	0.3500
Distribution/unit (S) (A) EUR	May 2, 2017	0.3300
Distribution/unit (S) (A) EUR	Jun 1, 2017	0.3300
Distribution/unit (S) (A) EUR	Jul 3, 2017	0.3300
Distribution/unit (S) (A) EUR	Aug 1, 2017	0.3300
Distribution/unit (S) (A) EUR	Sep 1, 2017	0.3300
Distribution/unit (S) (A) EUR	Oct 2, 2017	0.3300
Distribution/unit (S) (A) EUR	Nov 2, 2017	0.3300
Distribution/unit (S) (A) EUR	Dec 1, 2017	0.3300
Distribution/unit (S) (A) EUR	Jan 2, 2018	0.3300

The distribution will occur free-of-charge at the fund's paying agents. Payment will be made by the custodian banks.

Units in circulation

	Units in circulation on Jan 31, 2017	Sales	Repurchases	Units in circulation on Jan 31, 2018
AT0000A1KK81 (I) A	10.000	0.000	0.000	10.000
AT0000A0PH74 (S) A	188,676.547	24,589.598	-43,250.295	170,015.850
AT0000A0G272 (R) A	128,611.740	11,935.348	-28,764.442	111,782.646
AT0000A1TWN5 (RZ) A	-	13,539.789	-10.000	13,529.789
AT0000A0FXL8 (R) T	752,313.408	1,213,699.360	-777,019.233	1,188,993.535
AT0000A1TWM7 (RZ) T	-	19,841.851	-358.467	19,483.384
AT0000A0MRF8 (I) VTA	9,470.883	8,206.155	-6,210.068	11,466.970
AT0000A0FXM6 (R) VTA	82,177.269	93,891.577	-85,653.305	90,415.541
AT0000A1TWP0 (RZ) VTA	-	10.000	0.000	10.000
Total units in circulation				**1,605,707.715**

Development of the fund assets and income statement

Performance in financial year (fund performance)

Distributing units (I) (AT0000A1KK81)	
Net asset value per unit at start of financial year in EUR	128.49
Distribution on Apr 3, 2017 (net asset value: EUR 131.74) of EUR 2.7200, corresponds to 0.020647 units	
Net asset value per unit at end of financial year in EUR	125.33
Total value incl. units purchased through distribution (1.0206 x 125.33)	127.92
Net income/net reduction per unit	-0.57
Performance of one unit during the financial year in %	**-0.45**

Distributing units (S) (AT0000A0PH74)	
Net asset value per unit at start of financial year in EUR	82.03
Interim distribution on Feb 1, 2017 (net asset value: EUR 81.11) of EUR 0.3500, corresponds to 0.004315 units	
Interim distribution on Mar 1, 2017 (net asset value: EUR 83.78) of EUR 0.3500, corresponds to 0.004178 units	
Distribution on Apr 3, 2017 (net asset value: EUR 84.63) of EUR 0.3500, corresponds to 0.004136 units	
Interim distribution on May 2, 2017 (net asset value: EUR 83.54) of EUR 0.3300, corresponds to 0.004 units	
Interim distribution on Jun 1, 2017 (net asset value: EUR 81.64) of EUR 0.3300, corresponds to 0.004 units	
Interim distribution on Jul 3, 2017 (net asset value: EUR 80.65) of EUR 0.3300, corresponds to 0.0041 units	
Interim distribution on Aug 1, 2017 (net asset value: EUR 78.35) of EUR 0.3300, corresponds to 0.0042 units	
Interim distribution on Sep 1, 2017 (net asset value: EUR 78.67) of EUR 0.3300, corresponds to 0.0042 units	
Interim distribution on Oct 2, 2017 (net asset value: EUR 78.40) of EUR 0.3300, corresponds to 0.0042 units	
Interim distribution on Nov 2, 2017 (net asset value: EUR 76.90) of EUR 0.3300, corresponds to 0.0043 units	
Interim distribution on Dec 1, 2017 (net asset value: EUR 75.95) of EUR 0.3300, corresponds to 0.0043 units	
Interim distribution on Jan 2, 2018 (net asset value: EUR 76.78) of EUR 0.3300, corresponds to 0.0043 units	
Net asset value per unit at end of financial year in EUR	76.99
Total value incl. units purchased through distribution (1.004136 x 1.004315 x 1.004178 x 1.004 x 1.004 x 1.0041 x 1.0042 x 1.0042 x 1.0042 x 1.0043 x 1.0043 x 1.0043 x 76.99)	80.95
Net income/net reduction per unit	-1.08
Performance of one unit during the financial year in %	**-1.32**

Distributing units (R) (AT0000A0G272)	
Net asset value per unit at start of financial year in EUR	95.43
Distribution on Apr 3, 2017 (net asset value: EUR 98.79) of EUR 0.9500, corresponds to 0.009616 units	
Net asset value per unit at end of financial year in EUR	93.51
Total value incl. units purchased through distribution (1.0096 x 93.51)	94.41
Net income/net reduction per unit	-1.02
Performance of one unit during the financial year in %	**-1.07**

Distributing units (RZ) (AT0000A1TWN5)	
Net asset value per unit at launch of tranche (Apr 3, 2017) in EUR	100.00
Net asset value per unit at end of financial year in EUR	94.41
Net income/net reduction per unit	-5.59
Performance of one unit from launch of tranche (Apr 3, 2017) up to the end of financial year in %	**-5.59**

Reinvested units (R) (AT0000A0FXL8)	
Net asset value per unit at start of financial year in EUR	119.03
Outpayment on Apr 3, 2017 (net asset value: EUR 124.40) of EUR 0.0000, corresponds to 0.00 units	
Net asset value per unit at end of financial year in EUR	117.73
Total value incl. units purchased through outpayment (1.00 x 117.73)	117.73
Net income/net reduction per unit	-1.30
Performance of one unit during the financial year in %	**-1.09**

Reinvested units (RZ) (AT0000A1TWM7)	
Net asset value per unit at launch of tranche (Apr 3, 2017) in EUR	100.00
Net asset value per unit at end of financial year in EUR	94.45
Net income/net reduction per unit	-5.55
Performance of one unit from launch of tranche (Apr 3, 2017) up to the end of financial year in %	**-5.55**

Fully reinvested units (I) (AT0000A0MRF8)	
Net asset value per unit at start of financial year in EUR	128.49
Net asset value per unit at end of financial year in EUR	127.87
Net income/net reduction per unit	-0.62
Performance of one unit during the financial year in %	**-0.48**

Fully reinvested units (R) (AT0000A0FXM6)	
Net asset value per unit at start of financial year in EUR	123.75
Net asset value per unit at end of financial year in EUR	122.41
Net income/net reduction per unit	-1.34
Performance of one unit during the financial year in %	**-1.08**

Fully reinvested units (RZ) (AT0000A1TWP0)	
Net asset value per unit at launch of tranche (Apr 3, 2017) in EUR	100.00
Net asset value per unit at end of financial year in EUR	94.58
Net income/net reduction per unit	-5.42
Performance of one unit from launch of tranche (Apr 3, 2017) up to the end of financial year in %	**-5.42**

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 4.00 % of the invested amount) and any redemption fee (not exceeding 0.00 % of the sold amount) – are not included in the performance calculation. The following applies for units sold outside of Austria: Some costs – the subscription fee (not exceeding 4.00 % of the invested amount) and any redemption fee (not exceeding 4.00 % of the sold amount) or a combination of the subscription fee and the redemption fee (not exceeding 4.00 % overall) – 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 Jan 31, 2017 (1,161,259.847 units)		**128,693,496.17**
Distribution on Apr 3, 2017 (EUR 2.7200 x 10.00 distributing units (I) (AT0000A1KK81))		-27.20
Interim distribution on Feb 1, 2017 (EUR 0.3500 x 188,676.547 distributing units (S) (AT0000A0PH74))		-66,036.79
Interim distribution on Mar 1, 2017 (EUR 0.3500 x 191,698.415 distributing units (S) (AT0000A0PH74))		-67,094.45
Distribution on Apr 3, 2017 (EUR 0.3500 x 190,999.401 distributing units (S) (AT0000A0PH74))		-66,849.79
Interim distribution on May 2, 2017 (EUR 0.3300 x 191,426.528 distributing units (S) (AT0000A0PH74))		-63,170.75
Interim distribution on Jun 1, 2017 (EUR 0.3300 x 191,128.089 distributing units (S) (AT0000A0PH74))		-63,072.27
Interim distribution on Jul 3, 2017 (EUR 0.3300 x 190,072.784 distributing units (S) (AT0000A0PH74))		-62,724.02
Interim distribution on Aug 1, 2017 (EUR 0.3300 x 185,150.756 distributing units (S) (AT0000A0PH74))		-61,099.75
Interim distribution on Sep 1, 2017 (EUR 0.3300 x 184,929.495 distributing units (S) (AT0000A0PH74))		-61,026.73
Interim distribution on Oct 2, 2017 (EUR 0.3300 x 183,027.884 distributing units (S) (AT0000A0PH74))		-60,399.20
Interim distribution on Nov 2, 2017 (EUR 0.3300 x 175,254.316 distributing units (S) (AT0000A0PH74))		-57,833.92
Interim distribution on Dec 1, 2017 (EUR 0.3300 x 171,970.671 distributing units (S) (AT0000A0PH74))		-56,750.32
Interim distribution on Jan 2, 2018 (EUR 0.3300 x 171,032.404 distributing units (S) (AT0000A0PH74))		-56,440.69
Distribution on Apr 3, 2017 (EUR 0.9500 x 132,945.859 distributing units (R) (AT0000A0G272))		-126,298.57
Issuance of units	164,578,554.21	
Redemption of units	-110,020,414.34	
Pro rata income adjustment	-1,482,873.15	53,075,266.72
Overall fund result		**-1,717,846.39**
Fund assets on Jan 31, 2018 (1,605,707.715 units)		**179,182,092.05**

Fund result in EUR

A. Realized fund result

Ordinary fund result		
Income (excl. closing price)		
Interest income	9,572,606.60	
Income from securities lending transactions	65.98	
Inflation-linked interest income	206,741.38	
Interest expenses (incl. negative credit interest)	-17,632.47	
Tax Reclaim	558.99	
		9,762,340.48
Expenses		
Management fees	-2,004,328.19	
Custodian bank fees / Custodian's fees	-81,317.91	
Auditing expenses	-7,181.97	
Tax consulting fees	-4,880.00	
Custody charge	-171,451.02	
Statutory/publication expenses	-21,124.90	
		-2,290,283.99
Ordinary fund result (excl. income adjustment)		**7,472,056.49**
Realized closing price		
Profits realized from securities	1,614,325.48	
Profits realized from derivative instruments	15,104,768.53	
Losses realized from securities	-6,625,951.91	
Losses realized from derivative instruments	-13,193,287.78	
Realized closing price (excl. income adjustment)		**-3,100,145.68**
Realized fund result (excl. income adjustment)		**4,371,910.81**

B. Unrealized closing price

Change in unrealized closing price	-7,572,630.35	
		-7,572,630.35

C. Income adjustment

Income adjustment for income during financial year	1,482,873.15	
		1,482,873.15

Overall fund result	**-1,717,846.39**

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 144,370.45 EUR.

Capital market report

Equity markets continued their upward momentum in January 2018, adding to their gains of the past year. Emerging markets performed particularly strong and US-American stock indexes kept setting new all-time highs almost on a daily basis. They have risen by roughly 20 % in Dollar terms over the course of the past year. European bourses were up by a lesser amount, gaining more than 10 %. Austrian stocks stood out among them, rising by more than 30 %. The current uptrend of global equities is driven mainly by very low interest rates, positive macro-economic data and expectations for higher growth. At the same time corporate profits are rising significantly, lending increasing support to the stock market rally. The environment for bond markets was supposed to be quite challenging in 2017, given the extremely low yields in developed bond markets. However, pressure on government bonds was quite muted for most of the year. A major reason for that might be the rather moderate inflation trends in the US, Europe, and Japan. The massive bond buying programmes by the central banks in Europe and Japan are still providing considerable support to the markets, too. Corporate bonds had another good year. Lower rated bonds outperformed higher rated ones. The yield spreads over government bonds have become quite narrow, but they are still sufficiently high to attract capital from investors. Most commodities gained significantly in 2017, especially industrial metals. The energy complex was retreating for most part of the year, but rallied strongly during the final months and continued to advance in January. The strengthening Euro has generally reduced the potential gains from assets priced in foreign currencies for Euro-based investors. The U.S. central bank (Fed) raised benchmark interest rates in December for the fifth time in the current cycle and indicated two to three additional rate hikes until year-end 2018. In addition, it has laid out a roadmap for downsizing its vast bond holdings. Despite an extremely low starting level, the leeway for the U.S. central bank to further boost interest rates seems much more limited this time than in the past. Nevertheless, the decades-old uptrend of long-dated US treasury bonds may be nearing its end, and a long-term trend change could occur. This would probably exercise some downward pressure on Euro area bonds, too, but to a lesser extent than in the U.S. Yields rose for short- and medium-dated US treasuries during the year, while they rose much less or even retreated slightly for long and very long dated maturities. Contrary to the Fed, the European Central Bank (ECB) is still pursuing an ultra-easy monetary policy with large bond purchases and negative short-term interest rates. However, the ECB hast started to taper its bond purchases and will most probably end them by September of this year. Rate hikes are unlikely before 2019. The unprecedented monetary easing that the major central banks have pursued over the past years reflected a pronounced weakness of the global economy. However, economic growth has picked up significantly in almost every region. Going forward it remains to be seen how the world economy will eventually deal with tighter monetary policies. The future path of inflation rates is not clear at this point either, given the ongoing presence of strong disinflationary forces within the global economy. However, inflation rates are most likely to rise over the coming quarters, albeit probably only modestly. Bond market yields are very low almost everywhere in the world, compared to their historical levels. This “new normal” of persistently depressed bond market yields in the large economic blocs has served as a major support to equity prices. Even then, some stock markets currently sport ambitious if not elevated valuations, notably the US bourses. That makes them increasingly vulnerable to setbacks. The financial market environment will certainly remain challenging. Stock prices may see some larger fluctuations again over the coming months and quarters after experiencing very calm and quite conditions in 2017. The positive factors still seem to outweigh the negative ones at the world’s stock markets for the time being. Government bond markets, on the other hand, may still face headwinds over the coming months.

Fund investment policy report

2017 was a favorable environment for local emerging markets bonds due to a supportive growth picture as well as rising global trade and commodity prices accompanied by high liquidity and an absence of global inflationary pressure. Fears of potential US protectionist measures did not come true (at least to date), while the US tax reform fueled risk markets around the turn of the year 2018. The reduction of ECB's bond buying program in the fall failed to have a lasting effect on market sentiment. Growth in the Eurozone was surprisingly high and supported the CEE countries. While the oil price was volatile and generally lower until the middle of the year, it gained substantially up until the beginning of 2018. For euro-based investors, the EUR/USD trend had a major impact: Following a sideways movement in the first few months of the period, the euro strengthened substantially from May 2017 onwards. Only the Czech crown and the Polish zloty gained against the strong euro. However, yields of emerging markets bonds dropped significantly in the reporting period and ensured an overall positive performance.

In the period under review, bonds from Poland, South Africa, Mexico, Columbia and Malaysia provided the strongest positive contribution to the fund's performance. Due to the change in the ANC leadership and the prospect of long-awaited reforms, South Africa was generally the top-performing market. The fund's investments in Hungary, the Czech Republic, Serbia, Peru and Indonesia also had a positive impact. By contrast, the investments in Turkish, Russian, Brazilian and Argentinian bonds were clearly negative: In the summer months of 2017, Russia suffered particularly due to fears of fresh US sanctions which, however, did not materialize. Brazil was hit by political turmoil in May 2017. Thai, Filipino and Romanian bonds also provided moderately negative contributions to the fund's performance. Investments in Poland, South Africa, Columbia, Indonesia and Malaysia clearly outperformed the market, while investments in Russia, Turkey, Mexico, Brazil, Argentina and Thailand lagged behind the market. The fund's currency models and its discretionary duration and currency strategies provided a moderately negative contribution to the fund's performance.

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

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
Fixed bonds		ARS	1,245,253.46	0.69 %
Fixed bonds		BRL	21,707,505.79	12.11 %
Fixed bonds		CLP	97,409.34	0.05 %
Fixed bonds		COP	10,911,826.58	6.09 %
Fixed bonds		CZK	4,238,134.45	2.37 %
Fixed bonds		IDR	14,151,011.86	7.90 %
Fixed bonds		MXN	3,761,270.61	2.10 %
Fixed bonds		MYR	14,832,019.67	8.28 %
Fixed bonds		PEN	3,991,163.27	2.23 %
Fixed bonds		PHP	496,797.40	0.28 %
Fixed bonds		PLN	21,463,423.95	11.98 %
Fixed bonds		RON	3,746,433.36	2.09 %
Fixed bonds		RSD	1,630,218.46	0.91 %
Fixed bonds		RUB	13,942,650.44	7.78 %
Fixed bonds		TRY	21,432,714.43	11.96 %
Fixed bonds		UYU	2,273,893.89	1.27 %
Fixed bonds		ZAR	28,937,528.75	16.15 %
Total Fixed bonds			**168,859,255.71**	**94.24 %**
Total securities			**168,859,255.71**	**94.24 %**
Derivative products				
Valuation of financial futures			40,600.00	0.02 %
Valuation of forward exchange transactions			-264,467.69	-0.15 %
Total derivative products			**-223,867.69**	**-0.13 %**
Bank balances/liabilities				
Bank balances/liabilities in fund currency			5,980,769.81	3.34 %
Bank balances/liabilities in foreign currency			1,007,141.12	0.56 %
Total bank balances/liabilities			**6,987,910.93**	**3.90 %**

Type of security	OGAW/§ 166	Currency	Market value in EUR	Share of fund assets
Accruals and deferrals				
Interest claims (on securities and bank balances)			3,820,508.27	2.13 %
Total accruals and deferrals			**3,820,508.27**	**2.13 %**
Other items				
Various fees			-261,715.17	-0.15 %
Total other items			**-261,715.17**	**-0.15 %**
Total fund assets			**179,182,092.05**	**100.00 %**

Portfolio of investments in EUR as of Jan 31, 2018

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 In period under review Units/Nom.	Pool-/ ILB Factor	Price	Market value in EUR	Share of fund assets
Fixed bonds		ARARGE4502K0	REPUBLIC OF ARGENTINA ARGTES 15 1/2 10/17/26	ARS	15,000,000	15,000,000			101.022220	623,072.16	0.35 %
Fixed bonds		ARARGE4502J2	REPUBLIC OF ARGENTINA ARGTES 16 10/17/23	ARS	15,000,000	15,000,000			100.877780	622,181.30	0.35 %
Fixed bonds		US105756BN96	FED REPUBLIC OF BRAZIL BRAZIL 10 1/4 01/10/28	BRL	500,000				108.000000	136,646.59	0.08 %
Fixed bonds		US105756BL31	FED REPUBLIC OF BRAZIL BRAZIL 12 1/2 01/05/22	BRL	1,000,000				112.950000	285,819.12	0.16 %
Fixed bonds		BRSTNCNTF162	NOTA DO TESOURO NACIONAL BNTNF 10 01/01/19	BRL	12,000		8,000		1,027.536600	3,120,208.31	1.74 %
Fixed bonds		BRSTNCNTF0N5	NOTA DO TESOURO NACIONAL BNTNF 10 01/01/21	BRL	25,000	33,000	25,000		1,033.320000	6,537,021.10	3.65 %
Fixed bonds		BRSTNCNTF147	NOTA DO TESOURO NACIONAL BNTNF 10 01/01/23	BRL	20,000	40,000	35,000		1,027.936000	5,202,368.54	2.90 %
Fixed bonds		BRSTNCNTF170	NOTA DO TESOURO NACIONAL BNTNF 10 01/01/25	BRL	7,000	23,200	16,200		1,021.465600	1,809,367.68	1.01 %
Fixed bonds		BRSTNCNTF1P8	NOTA DO TESOURO NACIONAL BNTNF 10 01/01/27	BRL	15,000	15,000			1,015.000600	3,852,677.01	2.15 %
Fixed bonds		BRSTNCNTF1Q6	NOTA DO TESOURO NACIONAL BNTNF 10 01/01/29	BRL	3,000	3,000			1,005.598000	763,397.44	0.43 %
Fixed bonds		US168863AU21	REPUBLIC OF CHILE CHILE 5 1/2 08/05/20	CLP	70,000,000				104.781095	97,409.34	0.05 %
Fixed bonds		XS0502258444	REPUBLIC OF COLOMBIA COLOM 7 3/4 04/14/21	COP	2,000,000,000				105.955920	600,101.90	0.33 %
Fixed bonds		XS0306322065	REPUBLIC OF COLOMBIA COLOM 9.85 06/28/27	COP	2,200,000,000				125.198420	779,994.08	0.44 %
Fixed bonds		COL17CT02385	TITULOS DE TESORERIA B COLTES 10 07/24/24	COP	9,500,000,000	10,500,000,000	6,000,000,000		120.534000	3,242,671.47	1.81 %
Fixed bonds		COL17CT02922	TITULOS DE TESORERIA B COLTES 5 11/21/18	COP	5,000,000,000				100.258000	1,419,576.55	0.79 %
Fixed bonds		COL17CT02864	TITULOS DE TESORERIA B COLTES 7 05/04/22	COP	5,000,000,000				104.756500	1,483,271.87	0.83 %
Fixed bonds		COL17CT03342	TITULOS DE TESORERIA B COLTES 7 3/4 09/18/30	COP	11,000,000,000				108.705500	3,386,210.71	1.89 %
Fixed bonds		CZ0001004600	CZECH REPUBLIC CZGB 0.45 10/25/23	CZK	40,000,000	60,000,000	20,000,000		95.400500	1,507,295.49	0.84 %
Fixed bonds		CZ0001004477	CZECH REPUBLIC CZGB 0.95 05/15/30	CZK	10,000,000	10,000,000			86.651000	342,264.09	0.19 %
Fixed bonds		CZ0001004469	CZECH REPUBLIC CZGB 1 06/26/26	CZK	25,000,000	25,000,000			94.255500	930,753.05	0.52 %
Fixed bonds		CZ0001004253	CZECH REPUBLIC CZGB 2.4 09/17/25	CZK	35,000,000	35,000,000			105.450500	1,457,821.82	0.81 %
Fixed bonds		IDG000010406	INDONESIA GOVERNMENT INDOGB 6 5/8 05/15/33	IDR	30,000,000,000	5,000,000,000			98.480500	1,772,108.75	0.99 %
Fixed bonds		IDG000010000	INDONESIA GOVERNMENT INDOGB 7 05/15/22	IDR	35,000,000,000	70,000,000,000	35,000,000,000		104.432500	2,192,414.11	1.22 %
Fixed bonds		IDG000011701	INDONESIA GOVERNMENT INDOGB 8 3/4 05/15/31	IDR	40,000,000,000	35,000,000,000			115.797000	2,778,281.00	1.55 %
Fixed bonds		IDG000012006	INDONESIA GOVERNMENT INDOGB 8 3/8 03/15/24	IDR	60,000,000,000	10,000,000,000			112.062000	4,033,002.48	2.25 %
Fixed bonds		IDG000010802	INDONESIA GOVERNMENT INDOGB 8 3/8 03/15/34	IDR	25,000,000,000	43,000,000,000	18,000,000,000		112.340500	1,684,593.93	0.94 %
Fixed bonds		IDG000009507	INDONESIA GOVERNMENT INDOGB 8 3/8 09/15/26	IDR	25,000,000,000	65,000,000,000	90,000,000,000		112.741800	1,690,611.59	0.94 %
Fixed bonds		MX0MGO0000N7	MEX BONOS DESARR FIX RT MBONO 6 1/2 06/10/21	MXN	900,000	3,000,000	2,800,000		96.894510	3,761,270.61	2.10 %
Fixed bonds		MYBML1600014	MALAYSIA GOVERNMENT MGS 3.8 08/17/23	MYR	3,000,000	3,000,000			99.650000	617,965.33	0.34 %
Fixed bonds		MYBMK1300062	MALAYSIA GOVERNMENT MGS 3.889 07/31/20	MYR	13,000,000	15,000,000	2,000,000		101.174000	2,718,803.55	1.52 %
Fixed bonds		MYBMO1500010	MALAYSIA GOVERNMENT MGS 3.955 09/15/25	MYR	15,000,000	18,000,000	3,000,000		99.900000	3,097,578.37	1.73 %

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales In period under review Units/Nom.	Pool-/ ILB Factor	Price	Market value in EUR	Share of fund assets
Fixed bonds		MYBML1700020	MALAYSIA GOVERNMENT MGS 4.059 09/30/24	MYR	15,000,000	20,000,000	5,000,000		100.750000	3,123,934.14	1.74 %
Fixed bonds		MYBMO1100019	MALAYSIA GOVERNMENT MGS 4.16 07/15/21	MYR	20,000,000	27,500,000	7,500,000		102.200000	4,225,191.98	2.36 %
Fixed bonds		MYBMO1400013	MALAYSIA GOVERNMENT MGS 4.181 07/15/24	MYR	5,000,000	5,000,000			101.450000	1,048,546.30	0.59 %
Fixed bonds		PEP01000C4W4	BONOS DE TESORERIA PERUGB 5.7 08/12/24	PEN	2,000,000				110.448200	553,410.08	0.31 %
Fixed bonds		PEP01000C5D1	BONOS DE TESORERIA PERUGB 6.35 08/12/28	PEN	3,500,000	3,500,000			113.241250	992,958.56	0.55 %
Fixed bonds		PEP01000C4G7	BONOS DE TESORERIA PERUGB 6.95 08/12/31	PEN	2,000,000				118.731000	594,911.75	0.33 %
Fixed bonds		PEP01000CY33	BONOS DE TESORERIA PERUGB 7.84 08/12/20	PEN	1,500,000				112.413650	422,443.60	0.24 %
Fixed bonds		PEP01000C0J9	BONOS DE TESORERIA PERUGB 8.2 08/12/26	PEN	4,500,000	2,500,000			126.615450	1,427,439.28	0.80 %
Fixed bonds		US718286BX44	REPUBLIC OF PHILIPPINES PHILIP 3.9 11/26/22	PHP	10,000,000		20,000,000		99.665000	156,272.29	0.09 %
Fixed bonds		US718286BJ59	REPUBLIC OF PHILIPPINES PHILIP 4.95 01/15/21	PHP	10,000,000		90,000,000		103.525000	162,324.68	0.09 %
Fixed bonds		US718286BM88	REPUBLIC OF PHILIPPINES PHILIP 6 1/4 01/14/36	PHP	10,000,000		35,000,000		113.650000	178,200.43	0.10 %
Fixed bonds		PL0000108510	POLAND GOVERNMENT BOND POLGB 1 1/2 04/25/20	PLN	12,800,000	20,000,000	7,200,000		99.540000	3,062,695.61	1.71 %
Fixed bonds		PL0000109153	POLAND GOVERNMENT BOND POLGB 1 3/4 07/25/21	PLN	4,000,000	17,000,000	23,000,000		98.290000	945,073.44	0.53 %
Fixed bonds		PL0000108916	POLAND GOVERNMENT BOND POLGB 2 04/25/21	PLN	19,000,000	19,200,000	200,000		99.495000	4,544,133.55	2.54 %
Fixed bonds		PL0000108866	POLAND GOVERNMENT BOND POLGB 2 1/2 07/25/26	PLN	9,000,000	9,000,000			93.985000	2,033,280.45	1.13 %
Fixed bonds		PL0000106126	POLAND GOVERNMENT BOND POLGB 5 1/4 10/25/20	PLN	16,200,000	16,200,000			108.810000	4,237,210.64	2.36 %
Fixed bonds		PL0000102646	POLAND GOVERNMENT BOND POLGB 5 3/4 09/23/22	PLN	9,000,000				113.720000	2,460,229.32	1.37 %
Fixed bonds		PL0000106670	POLAND GOVERNMENT BOND POLGB 5 3/4 10/25/21	PLN	15,500,000	15,500,000			112.210000	4,180,800.94	2.33 %
Fixed bonds		RO1620DBN017	ROMANIA GOVERNMENT BOND ROMGB 2 1/4 02/26/20	RON	10,000,000	10,000,000			98.519500	2,118,676.14	1.18 %
Fixed bonds		RO1521DBN041	ROMANIA GOVERNMENT BOND ROMGB 3 1/4 03/22/21	RON	3,500,000	10,000,000	6,500,000		99.321500	747,573.14	0.42 %
Fixed bonds		RO1425DBN029	ROMANIA GOVERNMENT BOND ROMGB 4 3/4 02/24/25	RON	4,000,000	19,000,000	20,000,000		102.322500	880,184.08	0.49 %
Fixed bonds		RSMFRSD98312	SERBIA TREASURY BONDS SERBGB 10 02/05/22	RSD	120,000,000	10,000,000			120.626000	1,218,669.61	0.68 %
Fixed bonds		RSMFRSD55551	SERBIA TREASURY BONDS SERBGB 10 03/20/21	RSD	15,000,000				117.149000	147,942.74	0.08 %
Fixed bonds		RSMFRSD38581	SERBIA TREASURY BONDS SERBGB 4 1/2 04/05/20	RSD	31,000,000	31,000,000			101.002000	263,606.11	0.15 %
Fixed bonds		RU000A0JVW30	RUSSIA GOVT BOND - OFZ RFLB 7 1/2 08/18/21	RUB	200,000,000	650,000,000	700,000,000		102.250000	2,924,338.29	1.63 %
Fixed bonds		RU000A0JSMA2	RUSSIA GOVT BOND - OFZ RFLB 7.6 07/20/22	RUB	345,000,000	345,000,000			102.950000	5,079,017.91	2.83 %
Fixed bonds		RU000A0JVW48	RUSSIA GOVT BOND - OFZ RFLB 8 1/2 09/17/31	RUB	130,000,000	340,000,000	210,000,000		109.800500	2,041,183.12	1.14 %
Fixed bonds		RU000A0JS3W6	RUSSIA GOVT BOND - OFZ RFLB 8.15 02/03/27	RUB	255,000,000	390,000,000	335,000,000		106.900500	3,898,111.12	2.18 %
Fixed bonds		TRT170221T12	TURKEY GOVERNMENT BOND TURKGB 10.7 02/17/21	TRY	20,500,000	27,500,000	7,000,000		95.650000	4,177,478.80	2.33 %
Fixed bonds		TRT240227T17	TURKEY GOVERNMENT BOND TURKGB 11 02/24/27	TRY	27,000,000	27,000,000			96.125000	5,529,368.53	3.09 %
Fixed bonds		TRT080323T10	TURKEY GOVERNMENT BOND TURKGB 7.1 03/08/23	TRY	25,000,000	23,000,000	8,000,000		82.700000	4,404,746.69	2.46 %
Fixed bonds		TRT050220T17	TURKEY GOVERNMENT BOND TURKGB 7.4 02/05/20	TRY	15,500,000	17,000,000	13,500,000		90.675000	2,994,295.67	1.67 %
Fixed bonds		TRT120325T12	TURKEY GOVERNMENT BOND TURKGB 8 03/12/25	TRY	10,000,000	38,500,000	28,500,000		82.600000	1,759,768.20	0.98 %
Fixed bonds		TRT100719T18	TURKEY GOVERNMENT BOND TURKGB 8 1/2 07/10/19	TRY	2,000,000	19,000,000	17,000,000		94.400000	402,232.73	0.22 %
Fixed bonds		TRT120122T17	TURKEY GOVERNMENT BOND TURKGB 9 1/2 01/12/22	TRY	11,000,000	27,200,000	16,200,000		92.375000	2,164,823.81	1.21 %
Fixed bonds		USP80557BV53	REPUBLICA ORIENT URUGUAY URUGUA 8 1/2 03/15/28	UYU	40,000,000	40,000,000			96.850000	1,098,661.13	0.61 %
Fixed bonds		USP96006AE41	REPUBLICA ORIENT URUGUAY URUGUA 9 7/8 06/20/22	UYU	40,000,000	40,000,000			103.600000	1,175,232.76	0.66 %
Fixed bonds		ZAG000016320	REPUBLIC OF SOUTH AFRICA SAGB 10 1/2 12/21/26 R186	ZAR	135,000,000	200,000,000	105,000,000		111.915340	10,180,771.88	5.68 %
Fixed bonds		ZAG000107012	REPUBLIC OF SOUTH AFRICA SAGB 8 1/2 01/31/37 2037	ZAR	120,000,000	95,000,000	50,000,000		90.752640	7,338,340.06	4.10 %
Fixed bonds		ZAG000107004	REPUBLIC OF SOUTH AFRICA SAGB 8 1/4 03/31/32 2032	ZAR	90,000,000	140,000,000	100,000,000		91.998365	5,579,302.88	3.11 %
Fixed bonds		ZAG000106972	REPUBLIC OF SOUTH AFRICA SAGB 8 3/4 01/31/44 2044	ZAR	95,000,000	95,000,000			91.214950	5,839,113.93	3.26 %
Total licensed securities admitted to trading on the official market or another regulated market										**168,859,255.71**	**94.24 %**
Total securities										**168,859,255.71**	**94.24 %**

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales In period under review Units/Nom.	Pool-/ ILB Factor	Price	Market value in EUR	Share of fund assets
Future on bonds		FGBL20180308	EURO-BUND FUTURE Mar18 RXH8	EUR	-10				158.910000	40,600.00	0.02 %
Total financial futures [1]										**40,600.00**	**0.02 %**
Forward exchange transactions		DTG069706	DTG BRL EUR	BRL	-34,800,000				3.968131	132,274.13	0.07 %
Forward exchange transactions		DTG069716	DTG COP USD	COP	-5,500,000,000				3,535.436315	-95,062.97	-0.05 %
Forward exchange transactions		DTG070177	DTG COP EUR	COP	-22,000,000,000				3,540.434726	-67,077.97	-0.04 %
Forward exchange transactions		DTG070343	DTG COP EUR	COP	-2,500,000,000				3,540.434746	-13,530.45	-0.01 %
Forward exchange transactions		DTG071364	DTG COP EUR	COP	-2,000,000,000				3,540.434721	2,785.94	0.00 %
Forward exchange transactions		DTG069939	DTG CZK EUR	CZK	-45,000,000				25.325180	-24,612.65	-0.01 %
Forward exchange transactions		DTG070338	DTG CZK EUR	CZK	10,000,000				25.325180	1,797.62	0.00 %
Forward exchange transactions		DTG071030	DTG CZK EUR	CZK	15,000,000				25.325180	4,641.35	0.00 %
Forward exchange transactions		DTG069693	DTG IDR EUR	IDR	-5,000,000,000				16,727.519711	12,137.23	0.01 %
Forward exchange transactions		DTG070823	DTG IDR USD	IDR	-50,000,000,000				16,703.903900	-41,797.89	-0.02 %
Forward exchange transactions		DTG069884	DTG MXN EUR	MXN	-7,000,000				23.301468	1,224.56	0.00 %
Forward exchange transactions		DTG070543	DTG MXN EUR	MXN	17,000,000				23.301468	-23,501.98	-0.01 %
Forward exchange transactions		DTG070822	DTG MXN EUR	MXN	-65,000,000				23.301468	51,422.49	0.03 %
Forward exchange transactions		DTG071028	DTG MXN EUR	MXN	-120,000,000				23.301468	-68,619.49	-0.04 %
Forward exchange transactions		DTG071182	DTG MXN EUR	MXN	95,000,000				23.301468	-12,807.08	-0.01 %
Forward exchange transactions		DTG070344	DTG PEN EUR	PEN	-1,000,000				4.000870	8,642.09	0.00 %
Forward exchange transactions		DTG070769	DTG PEN EUR	PEN	-8,500,000				4.000870	81,730.15	0.05 %
Forward exchange transactions		DTG069701	DTG PHP EUR	PHP	-30,000,000				63.824646	25,518.65	0.01 %
Forward exchange transactions		DTG069807	DTG PLN EUR	PLN	-1,400,000				4.165236	-8,242.71	-0.00 %
Forward exchange transactions		DTG070536	DTG PLN EUR	PLN	3,300,000				4.165236	11,029.42	0.01 %
Forward exchange transactions		DTG069835	DTG RON USD	RON	-6,500,000				4.648792	-61,646.95	-0.03 %
Forward exchange transactions		DTG070325	DTG RON USD	RON	13,500,000				4.648792	133,066.78	0.07 %
Forward exchange transactions		DTG069819	DTG RUB EUR	RUB	-330,000,000				70.306098	-177,215.77	-0.10 %
Forward exchange transactions		DTG069843	DTG RUB USD	RUB	-110,000,000				70.194584	-119,700.89	-0.07 %
Forward exchange transactions		DTG070173	DTG RUB EUR	RUB	310,000,000				70.306098	18,622.94	0.01 %
Forward exchange transactions		DTG070541	DTG RUB EUR	RUB	50,000,000				70.306098	4,012.29	0.00 %
Forward exchange transactions		DTG070828	DTG RUB USD	RUB	222,000,000				70.194585	137,446.31	0.08 %
Forward exchange transactions		DTG069727	DTG THB USD	THB	62,000,000				39.001979	76,740.53	0.04 %
Forward exchange transactions		DTG069814	DTG THB EUR	THB	-14,000,000				39.057120	-1,952.21	-0.00 %
Forward exchange transactions		DTG070545	DTG THB EUR	THB	32,000,000				39.057120	-7,551.99	-0.00 %
Forward exchange transactions		DTG070845	DTG THB USD	THB	-124,000,000				39.001979	-119,170.40	-0.07 %
Forward exchange transactions		DTG071179	DTG THB USD	THB	130,000,000				39.001979	74,146.52	0.04 %
Forward exchange transactions		DTG069825	DTG TRY EUR	TRY	-4,800,000				4.730948	-8,643.93	-0.00 %
Forward exchange transactions		DTG069856	DTG TRY USD	TRY	-3,300,000				4.724269	-34,170.10	-0.02 %
Forward exchange transactions		DTG070542	DTG TRY EUR	TRY	3,500,000				4.730948	-3,612.34	-0.00 %
Forward exchange transactions		DTG070686	DTG TRY EUR	TRY	6,800,000				4.730948	-27,762.70	-0.02 %
Forward exchange transactions		DTG070701	DTG TRY USD	TRY	6,800,000				4.724269	39,257.65	0.02 %
Forward exchange transactions		DTG069945	DTG ZAR EUR	ZAR	-5,000,000				14.905427	-48,351.83	-0.03 %
Forward exchange transactions		DTG070537	DTG ZAR EUR	ZAR	13,000,000				14.905427	74,747.70	0.04 %
Forward exchange transactions		DTG070277	NDF BRL EUR	BRL	3,000,000				3.968131	-11,077.20	-0.01 %
Forward exchange transactions		DTG070333	NDF BRL EUR	BRL	8,500,000				3.968131	-62,953.90	-0.04 %
Forward exchange transactions		DTG070535	NDF BRL EUR	BRL	3,000,000				3.968131	-17,802.72	-0.01 %
Forward exchange transactions		DTG070738	NDF BRL EUR	BRL	22,000,000				3.968131	21,528.70	0.01 %

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

Type of security	OGAW/§ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales In period under review Units/Nom.	Pool-/ ILB Factor	Price	Market value in EUR	Share of fund assets
Forward exchange transactions		DTG070741	NDF CLP EUR	CLP	1,700,000,000				754.247061	1,561.61	0.00 %
Forward exchange transactions		DTG071463	NDF CLP EUR	CLP	300,000,000				754.247052	-6,412.50	-0.00 %
Forward exchange transactions		DTG069717	NDF COP EUR	COP	26,000,000,000				3,540.434726	46,366.12	0.03 %
Forward exchange transactions		DTG070176	NDF COP USD	COP	11,000,000,000				3,535.436315	146,333.39	0.08 %
Forward exchange transactions		DTG070533	NDF COP EUR	COP	4,000,000,000				3,540.434721	14,324.69	0.01 %
Forward exchange transactions		DTG070826	NDF COP EUR	COP	2,000,000,000				3,540.434721	1,194.99	0.00 %
Forward exchange transactions		DTG071011	NDF COP EUR	COP	5,500,000,000				3,540.434732	-12,577.69	-0.01 %
Forward exchange transactions		DTG071469	NDF COP EUR	COP	2,500,000,000				3,540.434746	-12,477.59	-0.01 %
Forward exchange transactions		DTG070083	NDF EGP EUR	EGP	33,000,000				21.990854	-45,507.04	-0.03 %
Forward exchange transactions		DTG069698	NDF IDR USD	IDR	25,000,000,000				16,703.903900	28,824.74	0.02 %
Forward exchange transactions		DTG070534	NDF IDR EUR	IDR	12,000,000,000				16,727.519990	-24,495.75	-0.01 %
Forward exchange transactions		DTG070867	NDF IDR USD	IDR	51,000,000,000				16,703.903926	32,431.16	0.02 %
Forward exchange transactions		DTG071055	NDF INR EUR	INR	135,000,000				79.323127	-56,439.47	-0.03 %
Forward exchange transactions		DTG069750	NDF KZT USD	KZT	630,000,000				401.649210	64,551.38	0.04 %
Forward exchange transactions		DTG069695	NDF NGN EUR	NGN	700,000,000				451.648315	-248,220.68	-0.14 %
Forward exchange transactions		DTG069710	NDF PEN EUR	PEN	5,500,000				4.000870	-65,033.16	-0.04 %
Forward exchange transactions		DTG071023	NDF PEN EUR	PEN	2,000,000				4.000870	-13,087.12	-0.01 %
Forward exchange transactions		DTG071397	NDF UAH USD	UAH	50,000,000				34.716216	28,288.31	0.02 %
Total forward exchange transactions [1]										**-264,467.69**	**-0.15 %**
Bank balances/liabilities											
				EUR						5,980,769.81	3.34 %
				CZK						31,576.20	0.02 %
				HUF						1,538.99	0.00 %
				MXN						89,064.27	0.05 %
				PLN						19,187.13	0.01 %
				RON						11,613.83	0.01 %
				RSD						-443.10	-0.00 %
				RUB						540,444.20	0.30 %
				TRY						143,465.67	0.08 %
				USD						144,584.09	0.08 %
				ZAR						26,109.84	0.01 %
Total bank balances/liabilities										**6,987,910.93**	**3.90 %**
Accruals and deferrals											
Interest claims (on securities and bank balances)										3,820,508.27	2.13 %
Total accruals and deferrals										**3,820,508.27**	**2.13 %**
Other items											
Various fees										-261,715.17	-0.15 %
Total other items										**-261,715.17**	**-0.15 %**
Total fund assets										**179,182,092.05**	**100.00 %**

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

ISIN	Income class		Currency	Net asset value per unit	Units in circulation
AT0000A1KK81	I	income-distributing	EUR	125.33	10.000
AT0000A0PH74	S	income-distributing	EUR	76.99	170,015.850
AT0000A0G272	R	income-distributing	EUR	93.51	111,782.646
AT0000A1TWN5	RZ	income-distributing	EUR	94.41	13,529.789
AT0000A0FXL8	R	income-retaining	EUR	117.73	1,188,993.535
AT0000A1TWM7	RZ	income-retaining	EUR	94.45	19,483.384
AT0000A0MRF8	I	full income-retaining (outside Austria)	EUR	127.87	11,466.970
AT0000A0FXM6	R	full income-retaining (outside Austria)	EUR	122.41	90,415.541
AT0000A1TWP0	RZ	full income-retaining (outside Austria)	EUR	94.58	10.000

Exchange rates

Foreign currency assets were converted into EUR on the basis of the exchange rates applicable on Jan 30, 2018

Currency		Price (1 EUR =)
Argentinean Pesos	ARS	24.320350
Brazilian Reals	BRL	3.951800
Chilean Pesos	CLP	752.974700
Colombian Pesos	COP	3,531.264300
Czech Koruna	CZK	25.317000
Hungarian Forint	HUF	310.725000
Indonesian Rupiah	IDR	16,671.747750
Mexican Pesos	MXN	23.185000
Malaysian Ringgit	MYR	4.837650
Peruvian New Soles	PEN	3.991550
Philippines Pesos	PHP	63.776500
Polish Zloty	PLN	4.160100
Romanian Leu	RON	4.650050
Serbian Dinar	RSD	118.778050
Russian Rubles	RUB	69.930350
Turkish Lira	TRY	4.693800
US Dollars	USD	1.241150
Uruguayan Pesos	UYU	35.261100
South African Rand	ZAR	14.840300

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
Fixed bonds		CZ0001003859	CZECH REPUBLIC CZGB 2 1/2 08/25/28	CZK		38,000,000	38,000,000
Fixed bonds		XS0369470397	HUNGARY REPHUN 5 3/4 06/11/18	EUR			300,000
Fixed bonds		XS0205545840	REPUBLIC OF ARGENTINA ARGENT 7.82 12/31/33	EUR			700,000
Fixed bonds		HU0000403100	HUNGARY GOVERNMENT BOND HGB 2 1/2 10/27/21	HUF		750,000,000	750,000,000
Fixed bonds		HU0000402953	HUNGARY GOVERNMENT BOND HGB 3 1/2 06/24/20	HUF		100,000,000	700,000,000
Fixed bonds		HU0000403118	HUNGARY GOVERNMENT BOND HGB 3 10/27/27	HUF		50,000,000	50,000,000
Fixed bonds		HU0000402748	HUNGARY GOVERNMENT BOND HGB 5 1/2 06/24/25	HUF		375,000,000	375,000,000
Fixed bonds		HU0000402433	HUNGARY GOVERNMENT BOND HGB 6 1/2 06/24/19	HUF			600,000,000
Fixed bonds		HU0000402383	HUNGARY GOVERNMENT BOND HGB 6 11/24/23	HUF		500,000,000	500,000,000
Fixed bonds		IDG000010307	INDONESIA GOVERNMENT INDOGB 6 1/8 05/15/28	IDR			12,000,000,000
Fixed bonds		IDG000011107	INDONESIA GOVERNMENT INDOGB 9 03/15/29	IDR		14,000,000,000	14,000,000,000
Fixed bonds		MX0MGO000078	MEX BONOS DESARR FIX RT MBONO 10 12/05/24	MXN		1,550,000	2,400,000
Fixed bonds		MX0MGO0000P2	MEX BONOS DESARR FIX RT MBONO 7 3/4 05/29/31	MXN		2,520,000	2,880,000

Type of security	OGAW/§ 166	ISIN	Security title	Currency		Purchases Additions	Sales Disposals
Fixed bonds		MX0MGO0000G1	MEX BONOS DESARR FIX RT MBONO 8 1/2 12/13/18	MXN			300,000
Fixed bonds		MX0MGO000102	MEX BONOS DESARR FIX RT MBONO 8 11/07/47	MXN		600,000	600,000
Fixed bonds		MYBMJ1500036	MALAYSIA GOVERNMENT MGS 3.659 10/15/20	MYR		10,000,000	10,000,000
Fixed bonds		MYBMO0900021	MALAYSIA GOVERNMENT MGS 4.378 11/29/19	MYR		30,000,000	30,000,000
Fixed bonds		PL0000109062	POLAND GOVERNMENT BOND POLGB 0 10/25/18	PLN		15,000,000	15,000,000
Fixed bonds		PL0000107595	POLAND GOVERNMENT BOND POLGB 2 1/2 07/25/18	PLN			6,000,000
Fixed bonds		PL0000109492	POLAND GOVERNMENT BOND POLGB 2 1/4 04/25/22	PLN		14,000,000	14,000,000
Fixed bonds		PL0000108197	POLAND GOVERNMENT BOND POLGB 3 1/4 07/25/25	PLN		7,000,000	22,000,000
Fixed bonds		PL0000105441	POLAND GOVERNMENT BOND POLGB 5 1/2 10/25/19	PLN		2,000,000	26,000,000
Fixed bonds		RO1522DBN056	ROMANIA GOVERNMENT BOND ROMGB 3 1/2 12/19/22	RON		25,000,000	30,000,000
Fixed bonds		RO1419DBN014	ROMANIA GOVERNMENT BOND ROMGB 4 3/4 06/24/19	RON		7,000,000	7,000,000
Fixed bonds		RO1320DBN022	ROMANIA GOVERNMENT BOND ROMGB 5 3/4 04/29/20	RON		18,000,000	28,000,000
Fixed bonds		RO1227DBN011	ROMANIA GOVERNMENT BOND ROMGB 5.8 07/26/27	RON		5,000,000	5,000,000
Fixed bonds		RU000A0JTKZ1	RUSSIA GOVT BOND - OFZ RFLB 6.2 01/31/18	RUB			75,000,000
Fixed bonds		RU000A0JTYA5	RUSSIA GOVT BOND - OFZ RFLB 6.4 05/27/20	RUB			100,000,000
Fixed bonds		RU000A0JU9V1	RUSSIA GOVT BOND - OFZ RFLB 6.7 05/15/19	RUB			128,000,000
Fixed bonds		RU000A0JTJL3	RUSSIA GOVT BOND - OFZ RFLB 7 01/25/23	RUB			100,000,000
Fixed bonds		RU000A0JU4L3	RUSSIA GOVT BOND - OFZ RFLB 7 08/16/23	RUB		300,000,000	300,000,000
Fixed bonds		RU000A0JTK38	RUSSIA GOVT BOND - OFZ RFLB 7.05 01/19/28	RUB		270,000,000	370,000,000
Fixed bonds		TH0623032602	THAILAND GOVERNMENT BOND THAIGB 1 7/8 06/17/22	THB		100,000,000	230,000,000
Fixed bonds		TH062303T609	THAILAND GOVERNMENT BOND THAIGB 3 7/8 06/13/19	THB		130,000,000	130,000,000
Fixed bonds		TH0623A3B608	THAILAND GOVERNMENT BOND THAIGB 3.65 06/20/31	THB		50,000,000	50,000,000
Fixed bonds		TH0623031C01	THAILAND GOVERNMENT BOND THAIGB 3.65 12/17/21	THB		200,000,000	330,000,000
Fixed bonds		TH0623035C07	THAILAND GOVERNMENT BOND THAIGB 3.85 12/12/25	THB		270,000,000	320,000,000
Fixed bonds		TH0623039607	THAILAND GOVERNMENT BOND THAIGB 4 7/8 06/22/29	THB		50,000,000	100,000,000
Fixed bonds		TRT270923T11	TURKEY GOVERNMENT BOND TURKGB 8.8 09/27/23	TRY		10,000,000	10,000,000
Fixed bonds		TRT141118T19	TURKEY GOVERNMENT BOND TURKGB 8.8 11/14/18	TRY		8,000,000	8,000,000
Fixed bonds		USP37110AK24	EMPRESA NACIONAL DEL PET ENAPCL 3 3/4 08/05/26	USD			200,000
Fixed bonds		ZAG000030404	REPUBLIC OF SOUTH AFRICA SAGB 6 1/4 03/31/36 R209	ZAR			10,000,000
Fixed bonds		ZAG000030396	REPUBLIC OF SOUTH AFRICA SAGB 6 3/4 03/31/21 R208	ZAR			40,000,000
Fixed bonds		ZAG000096165	REPUBLIC OF SOUTH AFRICA SAGB 7 3/4 02/28/23 2023	ZAR		13,000,000	13,000,000
Structured products - inflation-linked bonds		ZAG000018003	REPUBLIC OF SOUTH AFRICA SACPI 5 1/2 12/07/23	ZAR			4,500,000

Further information on securities lending transactions

- Overall risk (exposure) (securities loaned as of the reporting date versus fund volume):

  0.00 %

  On the reporting date Jan 31, 2018 no securities had been lent.

- Identity of the counterparties for securities lending transactions:

  Raiffeisen Bank International AG (as a recognized securities lending system within the meaning of § 84 InvFG

- Nature and value of eligible collateral received by the investment fund versus the counterparty risk:

  Under the securities lending master agreement concluded between the management company and Raiffeisen Bank International AG, Raiffeisen Bank International AG is obliged to provide collateral for loaned securities. Sight deposits, bonds, equities and units in investment funds are permitted as collateral. The bonds used as collateral may be issued by sovereigns, supranational issuers and/or companies etc. No stipulations apply in relation to the terms of these bonds. Within the scope of provision of collateral, pursuant to § 4 of the Austrian Securities Lending and Repurchase Agreement Ordinance (Verordnung zu Wertpapierleih- und Pensionsgeschäften, WPV), diversification and correlation with risk diversification achieved through quantitative issuer limits in particular and appropriate liquidity for collateral for the purpose of tradability and realizability will be ensured. Sight deposits are not subject to any haircut. The value of this collateral calculated on each day of stock market trading thus amounts to 100 % of the value of the loaned securities. Other collateral (bonds, equities and units in investment funds) will be valued – likewise on each day of stock market trading – on the basis of a value-at-risk calculation. The maximum foreseeable loss for this other collateral is calculated over a period of three business days, with a probability of 99 % (confidence interval). The value determined plus a markup of 10 % represents the applicable valuation markdown. This valuation markdown will amount to at least 5 % of the value of this other collateral. Recognition of this haircut will entail delivery of the required volume of additional collateral on each day of stock market trading.

  Country of counterparty (Raiffeisen Bank International AG Austria
  Settlement: bilateral

- Custody of collateral which the investment fund has received in connection with securities lending transactions:

  Sight deposits are held as a deposit on an account with a credit institution determined by the management company. Other collateral is held on a security deposit account of the management company with Raiffeisen Bank International AG (custodian bank) and is likewise not reused.

- Custody of collateral which the investment fund has provided in connection with securities lending transactions:

  Within the limits stipulated by law (§ 84 InvFG), the management company is merely permitted to lend securities to third parties. However, it is not permitted to borrow securities. Accordingly, the investment fund will not provide any collateral within the scope of securities lending transactions.

- Fees, direct and indirect operating costs and income of the investment fund resulting from securities lending transactions during the accounting period:

  Income: 65.98 EUR (of which 100 % from securities lending transactions)
  Costs: N/A

Further information on repurchase agreements

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	Simplified approach

Remuneration paid to the employees of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. in EUR (financial year 2016 of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.)

Total number of employees	246
Number of risk-bearers	75
Fixed remuneration	20,581,955.28
Variable remuneration (bonuses)	1,985,934.27
Total remuneration for employees	**22,567,889.55**
of which remuneration for managing directors	1,005,682.63
of which remuneration for managers (risk-bearers)	2,684,297.06
of which remuneration for other risk-bearers	6,944,312.86
of which remuneration for employees in positions of control	219,259.27
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	**10,853,551.82**

- 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 30, 2017. 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 22, 2017. 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, 23 May 2018

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-EmergingMarkets-LocalBonds, consisting of the portfolio of investments as of January 31, 2018, 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 January 31, 2018 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, 23 May 2018

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-EmergingMarkets-LocalBonds**, a jointly owned fund pursuant to the Austrian Investment Fund Act (InvFG) 2011, as amended.

The investment fund is a Directive-compliant fund 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 and – at the discretion of the management company – by actual securities.

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 and the handover offices for income coupons (actual securities).

Article 3 Investment instruments and principles

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

The investment fund mainly invests (i.e. at least 51 % of its fund assets are invested in the form of directly purchased individual securities which are not held directly or indirectly through investment funds or derivatives) in emerging markets bonds denominated in local currency and/or emerging markets money market instruments structured as bonds and denominated in local currency. This includes bonds with (residual) maturities of up to one year and variable-interest bonds. In addition to the relevant list issued by the World Bank, the definition provided by the MSCI Emerging Market Index and the JPM EMBI Global Diversified Index is used as a basis for "emerging market" classification.

The following investment instruments are purchased for the fund assets, while complying with the investment focus outlined above.

Securities

Securities (including securities with embedded derivative instruments) may be purchased.

Money market instruments

Money market instruments may be purchased.

Securities and money market instruments

Not fully paid-in securities or money market instruments and subscription rights for such instruments or other not fully paid-in financial instruments may only be purchased for up to **10 %** of the fund assets.

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 10 %** of the fund assets – and **up to 10 % of the fund assets in total** – 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.

Derivative instruments

Derivative instruments may be used as part of the fund's investment strategy for **up to 49 %** 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:

Commitment approach

The commitment figure is calculated pursuant to the 3rd chapter of the 4th Austrian Derivatives Risk Calculation and Reporting Ordinance (Derivate-Risikoberechnungs- und Meldeverordnung), as amended.
The overall risk for derivative instruments which are not held for hedging purposes is limited to **100 %** of the overall net value of the fund assets.

Please refer to the prospectus for details and comments.

Sight deposits or deposits at notice

Sight deposits and deposits at notice with terms not exceeding 12 months may amount to **up to 49 %** of the fund assets. No minimum bank balance is required.

Within the framework of restructuring of the fund portfolio and/or a justified assumption of impending losses for securities and/or money market instruments, the investment fund may hold a lower proportion of securities and/or money market instruments and a higher proportion of sight deposits or deposits at notice with terms not exceeding 12 months.

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.

Please refer to the prospectus for further details concerning Article 3.

Article 4 Issuance and redemption modalities

The unit value shall be calculated in EUR or the currency of the unit class.
Please refer to the prospectus for further details.

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 4 %** to cover the management company's issuing costs.

For unit certificates of the investment fund sold outside Austria, for unit certificates issued since June 1, 2011 to cover the issuing costs instead of the subscription fee a redemption fee of up to **4 %** or a combination of a subscription fee and a redemption fee which may not exceed **4 %** may be added to the net asset value.

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.
Please refer to the prospectus for further details.

Redemption and redemption fee

Units will be redeemed on any banking day.

The redemption price is based on the value of a unit. In principle, no redemption fee will be charged.

For unit certificates of the investment fund sold outside Austria, for unit certificates issued since June 1, 2011 to cover the issuing costs instead of the subscription fee a redemption fee of up to **4 %** or a combination of a subscription fee and a redemption fee which may not exceed **4 %** may be added to the net asset value.

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, those income coupons which are not yet due and the renewal certificate.

The management company shall be entitled to introduce a graduated redemption fee.
Please refer to the prospectus for further details.

Article 5 Accounting year

The investment fund's accounting year runs from February 1 to January 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. Please refer to the prospectus for further details.

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 April 1 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 April 1 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.
Unitholders' entitlement to the distribution of income shares shall become time-barred after five years. After this period, such income shares shall be treated as income of the investment fund.

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 April 1 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 as of the payment date 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. April 1 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 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 an exemption pursuant to the Austrian Income Tax Act (§ 94).
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 the Austrian Income Tax Act (§ 94) 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 **1.50 %** of the fund assets, calculated on the basis of the values at the end of each month.

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 details.

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

According to Article 16 of Directive 93/22/EEC (investment services in the securities field), each member state is obliged to maintain an up-to-date directory of its licensed markets. 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=0[1]

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:

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.	Croatia:	Zagreb Stock Exchange
2.3.	Montenegro:	Podgorica
2.4.	Russia:	Moscow (RTS Stock Exchange), Moscow Interbank Currency Exchange (MICEX)
2.5.	Switzerland:	SWX Swiss-Exchange
2.6.	Serbia:	Belgrade
2.7.	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
3.21.	Taiwan:	Taipei
3.22.	Thailand:	Bangkok

[1]Click 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"]

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 in the NASDAQ system, Over the Counter Market (markets organized by NASD such as Over-the-Counter Equity Market, Municipal Bond Market, Government Securities Market, Corporate Bonds and Public Direct Participation Programs) Over-the-Counter-Market for Agency Mortgage-Backed Securities

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 Brasiliera 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

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