

Raiffeisen Russia Equities

(Original German name: Raiffeisen-Rusland-Aktien)

semi-annual fund report

reporting period Jul 1, 2018 – Dec 31, 2018

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Report for the reporting period from Jul 1, 2018 to Dec 31, 2018

General fund information

ISIN	Tranche	Income class	Currency	Launch date
AT0000A1KKB4	Raiffeisen Russia Equities (I) A	income-distributing	EUR	Apr 1, 2016
AT0000A07FQ5	Raiffeisen Russia Equities (R) A	income-distributing	EUR	May 5, 2008
AT0000A1TW88	Raiffeisen Russia Equities (RZ) A	income-distributing	EUR	Apr 3, 2017
AT0000A07FR3	Raiffeisen Russia Equities (R) T	income-retaining	EUR	May 5, 2008
AT0000A1TW70	Raiffeisen Russia Equities (RZ) T	income-retaining	EUR	Apr 3, 2017
AT0000A0LSR3	Raiffeisen Russia Equities (I) VTA	full income-retaining (outside Austria)	EUR	Mar 1, 2011
AT0000A07FS1	Raiffeisen Russia Equities (R) VTA	full income-retaining (outside Austria)	EUR	May 5, 2008
AT0000A1TW96	Raiffeisen Russia Equities (RZ) VTA	full income-retaining (outside Austria)	EUR	Apr 3, 2017

Fund characteristics

Fund currency	EUR
Financial year	Jul 1 – Jun 30
Distribution/payment/reinvestment date	Sep 15
Type of fund	Investment fund pursuant to § 2 of the Austrian Investment Fund Act, InvFG (UCITS)
Effective management fee for the fund	I-Tranche (EUR): 1.000 % R-Tranche (EUR): 2.000 % RZ-Tranche (EUR): 1.000 %
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.
Investment adviser	SmallCap segment: OOO Raiffeisen Capital Asset Management, Moscow
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.

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 5.00 % of the invested amount) and any redemption fee (not exceeding 0.00 % of the sold amount) – are not included in the performance calculation. Depending on their concrete value, they will reduce a performance accordingly. Past results do not permit any reliable inferences as to the future performance of the fund.

Dear unitholder,

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is pleased to present its semi-annual fund report for Raiffeisen Russia Equities for the reporting period from Jul 1, 2018 to Dec 31, 2018. The accounting is based on the price calculation as of Dec 28, 2018.

Fund details

	Jun 30, 2018	Dec 31, 2018
Total fund assets in EUR	67,341,592.08	63,050,421.75
Net asset value/distributing units (I) (AT0000A1KKB4) in EUR	88.13	82.66
Issue price/distributing units (I) (AT0000A1KKB4) in EUR	92.54	86.79
Net asset value/distributing units (R) (AT0000A07FQ5) in EUR	74.70	72.02
Issue price/distributing units (R) (AT0000A07FQ5) in EUR	78.44	75.62
Net asset value/distributing units (RZ) (AT0000A1TW88) in EUR	100.11	95.69
Issue price/distributing units (RZ) (AT0000A1TW88) in EUR	100.11	95.69
Net asset value/reinvested units (R) (AT0000A07FR3) in EUR	83.90	81.72
Issue price/reinvested units (R) (AT0000A07FR3) in EUR	88.10	85.81
Net asset value/reinvested units (RZ) (AT0000A1TW70) in EUR	99.93	96.54
Issue price/reinvested units (RZ) (AT0000A1TW70) in EUR	99.93	96.54
Net asset value/fully reinvested units (I) (AT0000A0LSR3) in EUR	91.24	89.32
Issue price/fully reinvested units (I) (AT0000A0LSR3) in EUR	95.80	93.79
Net asset value/fully reinvested units (R) (AT0000A07FS1) in EUR	84.34	82.15
Issue price/fully reinvested units (R) (AT0000A07FS1) in EUR	88.56	86.26
Net asset value/fully reinvested units (RZ) (AT0000A1TW96) in EUR	100.26	105.63
Issue price/fully reinvested units (RZ) (AT0000A1TW96) in EUR	100.26	105.63

Units in circulation

	Units in circulation on Jun 30, 2018	Sales	Repurchases	Units in circulation on Dec 31, 2018
AT0000A1KKB4 (I) A	10.000	0.000	0.000	10.000
AT0000A07FQ5 (R) A	35,061.597	1,454.954	-5,190.063	31,326.488
AT0000A1TW88 (RZ) A	1,880.565	60.081	-7.880	1,932.766
AT0000A07FR3 (R) T	505,803.902	25,309.163	-36,262.973	494,850.092
AT0000A1TW70 (RZ) T	24,225.513	6,422.364	-1,175.602	29,472.275
AT0000A0LSR3 (I) VTA	2,877.692	359.476	-1,122.037	2,115.131
AT0000A07FS1 (R) VTA	230,096.268	15,798.147	-37,342.111	208,552.304
AT0000A1TW96 (RZ) VTA	10.000	3,036.000	-3,036.000	10.000
Total units in circulation				768,269.056

Fund investment policy report

Although the sanction situation deteriorated further in spring 2018 due to the US government's punitive measures against the aluminum manufacturer Rusal, Russia was one of the relatively strongest stock markets worldwide in 2018, which was a difficult year for the markets. Fortunately, the fund was not invested in any of the companies affected by the restrictions. However, the combination of an oil price rise lasting until fall 2018 and a sanctions-induced low ruble exchange rate turned out to be highly profitable for export-heavy energy companies. Accordingly, the fund's investments focused on the energy sector which was a key driver of the comparatively positive development. All other industries recorded substantially lower gains. The retail trade was particularly affected by the consistently weak consumption climate, with economic growth no higher than approx. 1.5 %. Hence, the fund therefore maintained a very cautious positioning in this sector.

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
Equities		GBP	2,212,724.65	3.51 %
Equities		RUB	29,641,931.59	47.01 %
Equities		USD	1,395,576.41	2.21 %
Total Equities			33,250,232.65	52.74 %
Equities ADR		USD	14,966,767.32	23.74 %
Total Equities ADR			14,966,767.32	23.74 %
Equities GDR		RUB	277,288.09	0.44 %
Equities GDR		USD	14,117,918.06	22.39 %
Total Equities GDR			14,395,206.15	22.83 %
Total securities			62,612,206.12	99.30 %
Bank balances/liabilities				
Bank balances/liabilities in fund currency			-38,580.39	-0.06 %
Bank balances/liabilities in foreign currency			167,214.41	0.27 %
Total bank balances/liabilities			128,634.02	0.20 %
Accruals and deferrals				
Interest claims (on securities and bank balances)			6,449.99	0.01 %
Dividends receivable			435,070.67	0.69 %
Total accruals and deferrals			441,520.66	0.70 %
Other items				
Various fees			-131,939.05	-0.21 %
Total other items			-131,939.05	-0.21 %
Total fund assets			63,050,421.75	100.00 %

Portfolio of investments in EUR as of Dec 28, 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"

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§ 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
Equities		JE00B6T5S470	POLYMETAL INTERNATIONAL PLC POLY	GBP	242,000	242,000	40,000		8.252000	2,212,724.65	3.51 %
Equities		RU0009062285	AEROFLOT PJSC AFLT	RUB	62		404,938		100.500000	78.54	0.00 %
Equities		RU0007252813	ALROSA PJSC ALRS	RUB	2,457,033	100,000	275,000		98.000000	3,034,956.93	4.81 %
Equities		RU000A0JPNN9	FEDERAL GRID CO UNIFIED ENER FEES	RUB	274,530,000				0.145880	504,778.71	0.80 %
Equities		RU0009062467	GAZPROM NEFT PJSC SIBN	RUB	459,450		53,300		344.000000	1,992,104.73	3.16 %
Equities		RU0007661625	GAZPROM PJSC GAZP	RUB	866,300	515,000			150.680000	1,645,278.39	2.61 %
Equities		RU000A0JPNM1	INTER RAO UES PJSC IRAO	RUB	36,572,500	8,500,000			3.916500	1,805,378.42	2.86 %
Equities		RU000A0JPPF0	LSR GROUP PJSC LSRG	RUB	13,800				597.000000	103,841.01	0.16 %
Equities		RU0009084396	MAGNITOGORSK IRON & STEEL WO MAGN	RUB	2,058,000	250,000			41.995000	1,089,327.39	1.73 %
Equities		RU000A0JR4A1	MOSCOW EXCHANGE MICEX-RTS PJ MOEX	RUB	384,060		471,900		81.040000	392,296.09	0.62 %
Equities		RU000A0DKVS5	NOVATEK PJSC NVTK	RUB	231,300	4,200	4,400		1,106.400000	3,225,546.20	5.12 %
Equities		RU000A0JNAA8	POLYUS PJSC PLZL	RUB	28,152	28,152			5,298.500000	1,880,085.76	2.98 %
Equities		RU000A0J2Q06	ROSNEFT OIL CO PJSC ROSN	RUB	339,400	20,100	23,200		420.500000	1,798,843.19	2.85 %
Equities		RU000A0JPKH7	RUSHYDRO PJSC HYDR	RUB	39,324,180		55,000,000		0.480800	238,308.54	0.38 %
Equities		RU0009029540	SBERBANK OF RUSSIA PJSC SBER	RUB	1,522,300		58,800		185.000000	3,549,665.61	5.63 %
Equities		RU0009029557	SBERBANK-PREFERENCE SBERP	RUB	52,000				164.000000	107,488.66	0.17 %
Equities		RU0009029524	SURGUTNEFTGAS-PREFERENCE SNGSP	RUB	6,300,850	1,273,100	683,000		39.000000	3,097,271.06	4.91 %
Equities		RU0006944147	TATNEFT PJSC - PREF TATNP	RUB	159,845		20,500		496.000000	999,300.72	1.58 %
Equities		RU0009033591	TATNEFT PJSC TATN	RUB	301,700		75,100		717.000000	2,726,527.82	4.32 %
Equities		RU000A0B6NK6	TMK PJSC TRMK	RUB	194,630		355,370		53.350000	130,875.90	0.21 %
Equities		RU000A0JNGA5	UNIPRO PJSC UPRO	RUB	17,158,500		6,461,400		2.520000	544,998.53	0.86 %
Equities		RU000A0JP5V6	VTB BANK PJSC VTBR	RUB	378,437,000				0.034050	162,415.01	0.26 %
Equities		US29414B1044	EPAM SYSTEMS INC EPAM	USD	3,000	3,000			115.040000	302,670.47	0.48 %
Equities		VGG572791041	LUXOFT HOLDING INC LXFT	USD	5,400	8,400	3,000		30.710000	145,436.53	0.23 %
Equities		NL0009805522	YANDEX NV-A YNDX	USD	39,200	3,700	7,900		27.560000	947,469.41	1.50 %
Equities ADR		US36829G1076	GAZPROM NEFT-SPONSORED ADR GAZ	USD	16,408		29,900		24.650000	354,709.23	0.56 %
Equities ADR		US3682872078	GAZPROM PAO -SPON ADR OGZD	USD	1,102,450	128,400	27,000		4.306000	4,163,253.41	6.60 %
Equities ADR		US69343P1057	LUKOIL PJSC-SPON ADR LKOD	USD	97,300	1,000	18,900		69.900000	5,964,718.26	9.46 %
Equities ADR		US55315J1025	MMC NORILSK NICKEL PJSC-ADR MNOD	USD	178,513	19,000			18.580000	2,908,810.82	4.61 %
Equities ADR		US8766292051	TATNEFT PAO-SPONSORED ADR ATAD	USD	26,700		10,500		61.440000	1,438,673.98	2.28 %
Equities ADR		US91822M1062	VEON LTD VEON	USD	66,000	66,000			2.360000	136,601.62	0.22 %

reporting period Jul 1, 2018 – Dec 31, 2018

Raiffeisen Russia Equities

Type of security	OGAW/\$ 166	ISIN	Security title	Currency	Volume Units/Nom.	Purchases In period under review Units/Nom.	Sales Units/Nom.	Pool/ ILB Factor	Price	Market value in EUR	Share of fund assets
Equities GDR		US98387E2054	X 5 RETAIL GROUP NV-REGS GDR FIVE	RUB	13,006	13,006			1,691.500000	277,288.09	0.44 %
Equities GDR		US29760G1031	ETALON GROUP-GDR REG S ETLN	USD	338,638		55,800		1.838000	545,859.81	0.87 %
Equities GDR		US37949E2046	GLOBALTRA-SPONS GDR REG S GLTR	USD	102,410	41,240			8.840000	793,952.55	1.26 %
Equities GDR		US46627J3023	HALYK SAVINGS BANK-GDR REG S HSBK	USD	34,100				10.000000	299,057.22	0.47 %
Equities GDR		US52634T2006	LENTA LTD-REG S LNTA	USD	114,700	53,900	105,900		3.100000	311,835.12	0.49 %
Equities GDR		US5603172082	MAIL.RU GROUP-GDR REGS MAIL	USD	8,400	23,500	56,600		21.160000	155,881.60	0.25 %
Equities GDR		US6698881090	NOVATEK PJSC-SPONS GDR REG S NVTK	USD	3,400	800	200		164.800000	491,401.01	0.78 %
Equities GDR		US67011E2046	NOVOLIPETSK STEEL PJSC-GDR NLMK	USD	135,384	55,000	10,750		22.010000	2,613,288.17	4.14 %
Equities GDR		US71922G2093	PHOSAGRO PJSC-GDR REG S PHOR	USD	114,270		12,000		12.710000	1,273,730.94	2.02 %
Equities GDR		US67812M2070	ROSNEFT OIL CO PJSC-REGS GDR ROSN	USD	191,800	20,800	42,300		6.010000	1,010,934.44	1.60 %
Equities GDR		US8181503025	SEVERSTAL - GDR REG S SVST	USD	221,850	7,000	12,350		13.570000	2,640,214.43	4.19 %
Equities GDR		US87238U2033	TCS GROUP HOLDING -REG S TCS	USD	93,819		34,800		15.000000	1,234,189.87	1.96 %
Equities GDR		US46630Q2021	VTB BANK JSC -GDR-REG S VTBR	USD	272,800				1.100000	263,170.36	0.42 %
Equities GDR		US98387E2054	X 5 RETAIL GROUP NV-REGS GDR FIVE	USD	116,100	64,600	5,600		24.400000	2,484,402.54	3.94 %
Total licensed securities admitted to trading on the official market or another regulated market										61,999,641.74	98.33 %
Equities		RU000A0JSQ90	DETSKY MIR PJSC DSKY	RUB	540,000		35,000		90.000000	612,564.38	0.97 %
Total licensed securities not admitted to trading on the official market or another regulated market										612,564.38	0.97 %
Total securities										62,612,206.12	99.30 %
Bank balances/liabilities											
				EUR						-38,580.39	-0.06 %
				GBP						53.71	0.00 %
				RUB						1.35	0.00 %
				USD						167,159.35	0.27 %
Total bank balances/liabilities										128,634.02	0.20 %
Accruals and deferrals											
Interest claims (on securities and bank balances)										6,449.99	0.01 %
Dividends receivable										435,070.67	0.69 %
Total accruals and deferrals										441,520.66	0.70 %
Other items											
Various fees										-131,939.05	-0.21 %
Total other items										-131,939.05	-0.21 %
Total fund assets										63,050,421.75	100.00 %

ISIN	Income class		Currency	Net asset value per unit	Units in circulation
AT0000A1KKB4	I	income-distributing	EUR	82.66	10.000
AT0000A07FQ5	R	income-distributing	EUR	72.02	31.326.488
AT0000A1TW88	RZ	income-distributing	EUR	95.69	1.932.766
AT0000A07FR3	R	income-retaining	EUR	81.72	494.850.092
AT0000A1TW70	RZ	income-retaining	EUR	96.54	29.472.275
AT0000A0LSR3	I	full income-retaining (outside Austria)	EUR	89.32	2.115.131
AT0000A07FS1	R	full income-retaining (outside Austria)	EUR	82.15	208.552.304
AT0000A1TW96	RZ	full income-retaining (outside Austria)	EUR	105.63	10.000

Exchange rates

Foreign currency assets were converted into EUR on the basis of the exchange rates applicable on Dec 27, 2018

Currency		Price (1 EUR =)
British Pound	GBP	0.902500
Russian Rubles	RUB	79.338600
US Dollars	USD	1.140250

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
Equities		GB00BF4HYT85	BANK OF GEORGIA GROUP PLC BGEO	GBP			10,000
Equities		GB00B71N6K86	EVRAZ PLC EVR	GBP		60,000	60,000
Equities		RU0009100945	BANK ST PETERSBURG PJSC BSPB	RUB			162,700
Equities		RU000A0F5UN3	ENEL RUSSIA PJSC ENRU	RUB			30,036,830
Equities		RU000A0JKQU8	MAGNIT PJSC MGNT	RUB			4,486
Equities		RU0007775219	MOBILE TELESYSTEMS PJSC MTSS	RUB		169,400	236,300
Equities		NL0009805522	YANDEX NV-A YNDX	RUB		6,600	6,600
Equities ADR		US6074091090	MOBILE TELESYSTEMS-SP ADR MBT	USD			95,700
Equities GDR		US55279C2008	MD MEDICAL GROUP INVEST-REGS MDMG	USD			72,000

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 Dec 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.

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.

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

Vienna, 19 February 2019

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.


Mag. Rainer Schnabl


Mag. (FH) Dieter Aigner


Ing. Michal Kustra

Appendix

Imprint

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