

**Raiffeisen fond dluhopisových trendů,  
otevřený podílový fond,  
Raiffeisen investiční společnost a.s.**

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**Semi-Annual Report  
2017**

## **Semi-Annual Report of Fund for the term of 1 January 2017 – 30 June 2017**

Currency:	CZK
ISIN:	CZ0008474376
Unit nominal value:	None
Fund form:	Open-ended mutual fund
Collective investment fund:	Standard
AKAT-type fund:	Bond fund
Date of establishment:	21 May 2014

### **Fund Manager**

Raiffeisen investiční společnost a.s., Company no. (IČ) 29146739, with registered office at Hvězdova 1716/2b, Praha 4 – Nusle, Postal Code 140 78, acts as the investment company administering and managing the Fund assets. The company was founded on 21 December 2012. The relevant licence to act as an investment company was issued by the Czech National Bank, by way of Decision ref. no. 2013/4256/570 dated 9 April 2013, that acquired legal force on 9 April 2013. The company is a 100-percent subsidiary of Raiffeisenbank a.s. The investment company has not concluded any contracts with any other persons or entities covering activities of a senior supporter of the Fund pursuant to Sections 85 to 91 of Act no. 240/2013 Collection of Laws ("Coll."), on Investment Companies and Investment Funds.

### **Fund Depositary**

The services of a depositary have been provided by UniCredit Bank Czech Republic and Slovakia, a.s., Company no. (IČ): 64948242, with registered office at Želetavská 1525/1, Praha 4, Postal Code 140 92, incorporated in the Companies Register administered by the Municipal Court in Prague, Section B, File no. 3608. The Depositary has also been in charge of the custody of the Fund assets throughout the record period.

### **Auditor**

The Fund has been audited by Deloitte Audit s.r.o., Company no. (IČ): 49620592, with registered office at Karolinská 654/2, Praha 8 – Karlín, Postal Code 186 00, incorporated in the Companies Register administered by the Municipal Court in Prague, Section C, File no. 24349.

### **Investing Strategy**

The fund concentrates on Czech crown bonds. It aims at achieving regular yields, by investing chiefly in bonds denominated in Czech crowns. To a lesser extent, it also may invest in bonds denominated in certain selected foreign currencies, bond funds, and money-market instruments, including term deposits. The Fund has been rated in Risk Group 3 according to the Synthetic Risk and Reward Indicator (SRRI).

## Fund Portfolio Manager

Mr Jan Chytrý

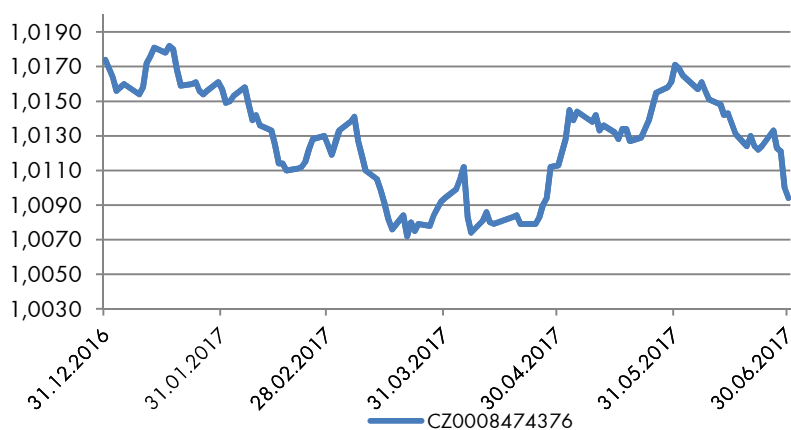
Background	student, Vysoká škola ekonomie a managementu (VŠEM)
Courses and training	broker's licence issued by the Czech Ministry of Finance
RIS portfolio manager:	since 1 March 2015
Practical experiences:	10 years
Since 2015	Raiffeisen investiční společnost a.s., Portfolio Manager
2011 - 2015	Raiffeisenbank a.s., Portfolio Manager
2010 - 2011	UniCredit Bank Czech Republic, a.s., Relationship Manager
2009 - 2010	Volksbank CZ, a.s., Relationship Manager
2007 - 2008	Cyrrus, a.s., Stockbroker

## Portfolio Manager's Comments

The assets of Raiffeisen fond dluhopisových trendů were allocated in the first six months of 2017 particularly in medium-term sovereign and corporate bonds with duration (simply speaking: average term until maturity) of approximately 3.3 years. As far as their credit-worthiness is concerned, the bond investments of the fund have had so-called "investment rating" (i.e., ratings of BBB-/Baa3 and better). Acquired have been bonds denominated in CZK and EUR; however, the majority of such acquisitions have been hedged against unfavourable trends in exchange rates.

Financial indicators	30 June 2017	30 June 2016	30 June 2015
Shareholders equity of the mutual fund, in CZK'000	1,103,341	1,131,427	1,516,165
Shareholders equity per one unit, in CZK	1.0094	1.0132	0.9994
Profit/loss after tax, in CZK'000	(8,466)	5,128	(12,776)
Number of units, in pieces	1,093,076,216	1,116,709,305	1,517,112,055

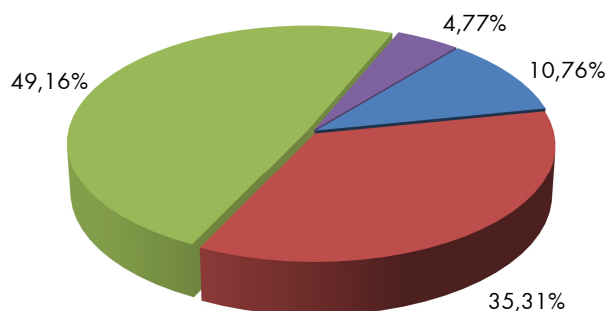
Unit Value Curve



## Raiffeisen fond dluhopisových trendů

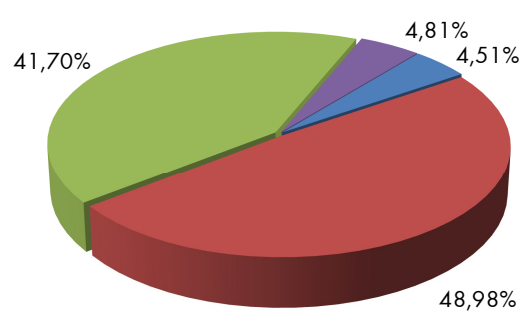
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**Fund Assests Composition as of  
30.06.2017**



■ Current accounts  
■ Corporate bonds  
■ Sovereign bonds  
■ Shares and share certificates

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30.06.2016**



■ Current accounts  
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**List of securities held in excess of 1 percent as of 30 June 2017**

CURRENCY	COUNTRY	ISIN	SECURITY NAME	PURCHASE PRICE in CZK'000	FAIR VALUE in CZK'000	STAKE IN ASSETS in %
CZK	CZ	CZ0001004253	CZGB 2,4 09/17/25	175,810	174,306	15.79
CZK	CZ	CZ0001002851	CZGB 3,85 09/29/21	110,381	106,668	9.66
CZK	CZ	CZ0001001317	CZGB 3,75 09/12/20	83,979	81,425	7.37
PLN	PL	PL0000108502	POLGB 0 07/25/17	56,746	55,745	5.05
EUR	AT	AT0000622022	RAIFFEISEN-INFLTIONSSCHTZ.	55,040	52,577	4.76
EUR	ES	ES00000121G2	SPGB 4,80 01/31/24	50,049	50,192	4.55
CZK	CZ	CZ0002002520	UNICZ 6 04/27/18	52,068	47,477	4.30
EUR	PL	XS1082660744	PKNPW 2,5 06/30/21	44,125	44,827	4.06
CZK	AT	AT0000A1GD94	HYPO NOE GRUPPE Float 09/20	40,026	40,136	3.63
EUR	FR	XS1143974159	BREPW 2 11/21	38,274	39,154	3.55
CZK	NL	XS1322528230	LPTY Float 11/19/20	35,001	35,373	3.20
EUR	GB	XS0496481200	RBS 5,5 03/23/20	34,274	30,281	2.74
EUR	CZ	XS1415366720	CESDRA 1,875/23	30,662	30,089	2.73
EUR	RO	XS1060842975	ROMANI 3,625/24	30,238	30,047	2.72
CZK	GB	XS1437011585	DB Float 06/23/21	20,981	21,109	1.91
CZK	NL	XS1241115440	LPTY 0,88 06/02/20	20,000	20,064	1.82
CZK	AT	AT000B013750	RBIHV 0,73 04/01/21	18,001	18,133	1.64
CZK	CZ	CZ0003512824	SMVAK 2 5/8 07/17/22	14,957	15,675	1.42
EUR	CZ	XS0911304326	CESKA 2,905 04/08/25	15,610	15,560	1.41
EUR	RO	XS1129788524	ROMANI 2,875 10/28/24	14,434	14,494	1.31
CZK	KR	XS0943004878	EIBKOR Float 06/17/18	14,000	13,863	1.26
<b>TOTAL</b>				<b>954,654</b>	<b>937,196</b>	<b>84.88</b>

**Additional basic information pursuant to Decree 244/2013, Annex no. 2:**

**h) The value of all profit shares paid out per unit certificate or per investment share.**

The Fund represents a growth fund, i.e., the entire profit has been reinvested.

**i) Information on the actually paid consideration to the manager for managing the Fund, which is to be broken down into information on the consideration for the performance of the activities of a depository, of an administrator, of a primary supporter and of an auditor, and information on other expenses or taxes.**

This information is carried in the Profit and Loss Account for the record period, which comprises part of the present Semi-Annual Report.

**j) Information on the quantitative restrictions and methods that were selected for the evaluation of the risks associated with the techniques of the Fund's management in the relevant period, including information on the counterparties to the transactions, on the type and amount of the hedging received, and on the yield and expenses associated with the application of such techniques, and information of investment limits in relation to derivatives negotiated on the account of such Fund.**

The Fund has invested in the record period in keeping with its investment strategy as stipulated in the Fund Prospectus and any relevant regulations. Risk exposures of financial derivatives relate to (a) so-called 'basis' risks resulting from different price trends of the derivatives and the hedged assets; (b) risks of counterparty failure. The market value of financial derivatives negotiated for the hedging purposes and receivables from the payment of pecuniary funds from accounts in the Czech or foreign currencies may comprise up to 20 percent of the Fund assets. The sum of the values of foreign currency investment instruments and receivables regarding payments of pecuniary funds from the account in foreign currencies, which have not been hedged against CZK, shall not exceed 15 percent of the Fund assets. Financial derivatives have been negotiated with UniCredit Bank Czech Republic and Slovakia, a.s., Československá obchodní banka, a.s., Česká spořitelna, a.s., Raiffeisenbank a.s., Komerční banka, a.s.

In the sense of Art. 13 (Section A to the Annex) of Regulation (EU) 2015/2365 of the European Parliament and of the Council, the Company informs that the Fund executed in the record period no SFT transactions, i.e., trades hedging financing, or swaps of all yields.

**BALANCE SHEET**

30 June 2017

CZK '000

Receivables from banks and cooperative credit unions	118,499
<i>including: (a) Payable upon request</i>	118,499
Debt securities	930,311
<i>including: (a) Issued by government institutions</i>	541,421
<i>(b) Issued by other entities</i>	388,890
Shares, share certificates and other investments	52,577
<i>including: (b) Share certificates</i>	52,577
Other assets	2,782
<i>including: (b) Derivatives</i>	2,722
<b>Total assets</b>	<b>1,104,169</b>
Other liabilities	(117)
<i>including: (b) Derivatives</i>	91
Accrued expenses and deferred income	945
Capital funds	1,101,852
Retained profit or accumulated losses from previous years	9,955
Profit or loss for the current period	(8,466)
<b>Total liabilities</b>	<b>1,104,169</b>

**PROFIT AND LOSS ACCOUNT**

In the period ending 30 June 2017

CZK '000

Interest income and similar income	3,559
<i>including: Interest from debt securities</i>	3,559
Fees and commission income	117
Fees and commission expenses	(5,320)
<i>including: Management fees</i>	(4,836)
<i>Depository fees</i>	(325)
Profit or loss from financial operations	(6,760)
Administrative costs	(62)
<i>including: Auditor's fees</i>	(62)
<b>Profit or loss for the current period from ordinary activities before tax</b>	<b>(8 466)</b>
Income tax	-
<b>Profit or loss for the current period after tax</b>	<b>(8,466)</b>