

Raiffeisen-Dollar-ShortTerm-Bonds  
in Hungary registered as  
Raiffeisen-Dollár-RövidLejáratúKötvény Alap

**Semi-annual fund report**  
2010-2011

## Table of contents

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

# Semi-annual fund report from 16 November 2010 to 15 May 2011

Raiffeisen-Dollar-ShortTerm-Bonds mainly invests in bonds denominated in dollar currencies (US dollar, Canadian dollar, New Zealand dollar, Australian dollar) with maximum (residual) maturities of five years. The average fund portfolio residual maturity may not exceed a period of three years. The fund is actively managed within this range of maturities. Since Raiffeisen-Dollar-ShortTerm-Bonds principally invests in bonds, interest-rate changes in particular may affect the value of a unit in the fund. US dollar investors are exposed to a very low level of currency risk, while euro investors are exposed to a currency risk in line with euro/dollar exchange-rate trends. This fund is particularly suitable for investors wishing to benefit from bond diversification as an alternative to a direct dollar-based investment.

## General fund information

Tranche	Launch date	ISIN
ISIN income-distributing (R) (A)	25/3/1997	AT0000843503
ISIN income-retaining (R) (T)	26/3/1999	AT0000805247
ISIN full income-retaining (outside Austria) (R) (V)	21/10/1999	AT0000785456
ISIN full income-retaining (outside Austria) (I) (V)	1/2/2011	AT0000A0LNL7
ISIN savings fund income-distributing (R) (A)	25/3/1997	AT0000843511
ISIN savings fund income-retaining (R) (T)	26/3/1999	AT0000805254

## Fund characteristics

Fund currency:	USD
Financial year:	16 November – 15 November
Distribution/payment/reinvestment date:	15 January
EU directive compliance:	EU directive-compliant (public fund investing pursuant to § 20 of the Austrian Investment Fund Act)
Fund type:	Target fund (up to 10 % subfunds)
Target group:	Public fund
Custodian bank:	Raiffeisen Bank International AG
Asset management company:	Raiffeisen Kapitalanlage-Gesellschaft m. b. H. Schwarzenbergplatz 3, A-1010 Vienna Tel. +43 1 71170-0, Fax +43 1 71170-1092 www.rcm.at Companies register number: 83517 w
Fund management:	Raiffeisen Kapitalanlage-Gesellschaft m. b. H.
Auditor:	KPMG Austria GmbH

### **Legal notice**

The current version of the published prospectus (excluding special funds) – plus any amendments since its initial publication – is available to potential investors at [www.rcm.at](http://www.rcm.at).

All data and information has been compiled and checked with the greatest care. No liability or guarantee can be assumed for the recentness, correctness and completeness of the information provided. We consider the sources used to be reliable. The software used performs calculations on the basis of more than the two decimal places displayed. Minor discrepancies cannot be ruled out due to further calculations using published results.

The value of a unit is calculated by dividing the entire value of the investment fund inclusive of its income by the number of units. The total value of the investment fund is calculated on the basis of the current market prices of the securities, money market instruments and subscription rights in the fund plus the value of the fund's financial investments, cash holdings, credit balances, receivables and other rights net of its payables. That value will be calculated by the custodian bank.

The net assets are calculated in accordance with the following principles:

- a) In principle, the value of assets quoted or traded on a stock market or on another regulated market will be determined on the basis of the most recently available price.
- b) Where an asset is not quoted or traded on a stock market or another regulated market or where the price for an asset quoted or traded on a stock market or another regulated market does not appropriately reflect its actual market value, the prices provided by reliable data providers or, alternatively, market prices for equivalent securities or other recognized valuation methods shall be used.

Dear unit holder,

Raiffeisen Kapitalanlage-Gesellschaft m. b. H. is pleased to present its semi-annual fund report for Raiffeisen-Dollar-ShortTerm-Bonds for the period from 16 November 2010 to 15 May 2011.

## Fund details in USD

	15/11/2010	15/5/2011
Fund assets	66,241,114.11	57,054,484.37
Net asset value/unit (R) (A)	102.02	100.94
Issue price/unit (R) (A)	103.04	101.95
Net asset value/unit (R) (T)	139.72	139.37
Issue price/unit (R) (T)	141.12	140.76
Net asset value/unit (R) (V)	154.05	154.06
Issue price/unit (R) (V)	155.59	155.60
Net asset value/unit (I) (V)	-	154.16
Issue price/unit (I) (V)	-	155.70

## Units in circulation

	(R) A	(R) T	(R) V	(I) V
Units in circulation on 15/11/2010	159,931.806	308,889.839	43,901.825	-
Sales	14,400.970	75,947.666	8,444.367	10.000
Repurchases	- 21,181.258	- 137,069.092	- 6,512.973	0.000
Units in circulation	153,151.518	247,768.413	45,833.219	10.000
<b>Total units in circulation on 15/5/2011</b>				<b>446,763.150</b>

## Fund investment policy report

During the period under review – which was marked by a continuing economic recovery combined with rising inflation rates in the USA – the interest-rate risk for Raiffeisen-Dollar-ShortTerm-Bonds was generally kept above the market level, with its interest-rate fluctuation risk deviating by up to 0.20 years. The fund's quantitative US Treasury model assumed a higher level of interest-rate risk throughout the period while its qualitative fundamental strategy held positions exposed to both higher and lower levels of interest-rate risk. The fund benefited from the continuing expansive monetary policy of the US central bank which once again committed approx. USD 650 billion to US government bond purchases. The fund's yield curve strategy assumed a flattening curve. US government bonds initially accounted for approx. 75 % of the fund's volume but were reduced during the period and ended it just short of 67 %. In the non-US government bond segment the fund focused on products with premium credit worthiness (BBB to AAA ratings). The fund thus benefited from these bonds' higher relative yields. Holdings of dollar LIBOR-tied variable-interest bonds amounted to slightly less than 6 % of the fund's assets. The fund increased its US dollar currency risk during the period, selectively hedging it to a limited extent. This strategy was based on both fundamental considerations and trend-following models. Overall the American currency lost ground against the euro in the period under review, leading to losses in absolute terms for euro-based investors in Raiffeisen-Dollar-ShortTerm-Bonds. In contrast, US dollar-based investors realized a slight profit.

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

## Makeup of fund assets in USD

Securities	Market value	%
Bonds:		
USD	58,127,971.80	101.88
<b>Derivative products</b>		
Valuation of financial futures	- 110,320.32	- 0.19
Valuation of forward exchange transactions	- 97,503.83	- 0.17
<b>Total derivative products</b>	<b>- 207,824.15</b>	<b>- 0.36</b>
<b>Bank liabilities</b>		
Bank liabilities in fund currency	- 1,106,566.47	- 1.94
Bank balances in foreign currency	67,930.37	0.12
<b>Total bank liabilities</b>	<b>- 1,038,636.10</b>	<b>- 1.82</b>
<b>Accruals and deferrals</b>		
Interest claims (on securities and bank balances)	190,103.03	0.33
<b>Other items</b>		
Various fees	- 17,130.21	- 0.03
<b>Total fund assets</b>	<b>57,054,484.37</b>	<b>100.00</b>

## Portfolio of investments in USD

Dates indicated for securities refer to the issue and redemption dates. An issuer's right of premature redemption (where applicable) is not specified. The securities marked with a "Y" have an open-ended maturity.

ISIN	SECURITY TITLE	VOLUME 13/5/2011	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS	PRICE	MARKET VALUE IN USD	% SHARE OF FUND ASSETS
<b>BONDS IN US DOLLARS</b>							
XS0282613651	0.1580 EUROP. HYPO BANK 07/17FLR	900,000			89.997000	809,973.00	1.42
US912828NX44	0.3750 US TREASURY 2012	2,500,000			100.058594	2,501,464.85	4.38
US46623ECU10	0.4025 JPMORGAN CHASE 2012 MTN	225,000			100.090000	225,202.50	0.39
XS0247658494	0.4590 SIEMENS FINANC. 06/12 MTN	426,000			99.755000	424,956.30	0.74
US59018YXY21	0.4738 MERRILL LYNCH 2011 FLRMTN	300,000	120,000		99.901000	299,703.00	0.53
US40429JAS69	0.4783 HSBC FINANCE 2011 FLR MTN	180,000			99.708000	179,474.40	0.31
US36962GM761	0.4925 GENL.EL.CAP. 04/11FLR MTN	360,000			100.114000	360,410.40	0.63
US912828PB06	0.5000 US TREASURY 2013	3,000,000	3,500,000	500,000	99.445313	2,983,359.39	5.23
US912828PU86	0.5000 US TREASURY 2013	2,000,000	2,000,000		99.347656	1,986,953.12	3.48
US912828NQ92	0.6250 US TREASURY 2012	2,000,000			100.433594	2,008,671.88	3.52
US92976GAF81	0.6395 WELLS FARGO 2016 FLR MTN	90,000			95.856000	86,270.40	0.15
US92857WAL46	0.6495 VODAFONE GRP 06/11 FLR	500,000	175,000		100.016000	500,080.00	0.88
US912828NE62	0.7500 US TREASURY 2012	2,500,000			100.539063	2,513,476.57	4.41
US912828NY27	0.7500 US TREASURY 2013	3,000,000			100.101563	3,003,046.89	5.26
US61746SBQ12	0.7580 MORGAN STANLEY 05/15 FLR	135,000			95.846000	129,392.10	0.23
US38141GEG55	0.7590 GOLDMAN SACHS GRP 06/16	90,000			94.624000	85,161.60	0.15
US459200GK14	0.8528 INTL. BUS. MACH. 2011 FLR	500,000	275,000		100.142000	500,710.00	0.88
US38143UAV35	0.9075 GOLDMAN SACHS GRP 04/14	90,000			97.687000	87,918.30	0.15
US912828PQ74	1.0000 US TREASURY 2014	3,000,000	3,000,000		100.429688	3,012,890.64	5.28
US912828NH93	1.1250 US TREASURY 2013	3,000,000			101.050781	3,031,523.43	5.31
US912828MB33	1.1250 US TREASURY 2012	2,000,000			101.123047	2,022,460.94	3.54
FR0010945279	1.2500 CAISSE D DEPOTS E.C.10-13	1,000,000	1,000,000		100.462000	1,004,620.00	1.76
XS0552808940	1.2500 SPAREBK 1 BOLIG.10/13 MTN	500,000			99.696000	498,480.00	0.87
XS0470451930	1.2500 LAND NRW MTN.LSA 09/11DL	1,000,000			100.340000	1,003,400.00	1.76
US912828QH66	1.2500 US TREASURY 2014	3,500,000	3,500,000		101.019531	3,535,683.59	6.21
US563469TN52	1.3750 MANITOBA 11/14	1,000,000	1,000,000		100.529000	1,005,290.00	1.76
US500769DY72	1.3750 K.F.W.ANL.V.10/2013 DL	1,000,000			101.358000	1,013,580.00	1.78
US912828MT41	1.3750 US TREASURY 2013	2,000,000		2,300,000	101.582031	2,031,640.62	3.56
US912828LX61	1.3750 US TREASURY 2012	3,500,000			101.482422	3,551,884.77	6.24
US63983UAA07	1.3750 NED. WATERSCH. 11/14 REGS	1,000,000	1,000,000		99.764000	997,640.00	1.75
US912828KP47	1.3750 US TREASURY 2012	2,000,000		5,000,000	101.164063	2,023,281.26	3.55
XS0479894007	1.3750 NED. WATERSCH. 10/12 MTN	500,000			100.742000	503,710.00	0.88
FR0011018332	1.6250 CAISSE D DEPOTS E.C.11/14	500,000	500,000		100.736000	503,680.00	0.88
US00828EAJ82	1.6250 AFR. DEV. BK 10/13 MTN	500,000			101.704000	508,520.00	0.89
US6832348E11	1.8750 ONTARIO PROV. 09/12	500,000	500,000		101.967000	509,835.00	0.89
US282649BW10	1.8750 EKSPORTFINANS 10/13	1,000,000			101.906000	1,019,060.00	1.79
XS0458651261	2.0000 ASFINAG MTN 09-12	750,000			101.975000	764,812.50	1.34
XS0453795824	2.0000 REP. AUSTRIA 09-12	1,000,000			102.172000	1,021,720.00	1.79
XS0504189449	2.1250 CIE.FIN.FONCIER 10/13REGS	1,000,000	1,000,000		101.545000	1,015,450.00	1.78
US563469TJ41	2.1250 MANITOBA 10/13	500,000			102.541000	512,705.00	0.90
US465410BU10	2.1250 ITALY (REP.OF) 2012	1,000,000			101.603000	1,016,030.00	1.78
US471065AB85	2.1250 JAPAN FINANCE 09/12	1,000,000			102.148000	1,021,480.00	1.79
US912828HV51	2.5000 US TREASURY 2013	4,600,000			103.773438	4,773,578.15	8.37
US00254EJE32	3.2500 SWED.EXP.CRED. 09/14 MTN	500,000	500,000		105.539000	527,695.00	0.92
US822582AB83	4.9500 SHELL INTL.FIN. 07/12	600,000			103.811000	622,866.00	1.09
US683234YS19	5.0000 ONTARIO PROV. 06/11	150,000			101.966000	152,949.00	0.27
USL0302DAM58	5.3750 ARCELORMITTAL 08/13 REGS	220,000			106.946000	235,281.20	0.41
<b>TOTAL SECURITIES PORTFOLIO</b>					<b>USD</b>	<b>58,127,971.80</b>	<b>101.88</b>



ISIN	SECURITY TITLE	VOLUME 13/5/2011	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS	PRICE	MARKET VALUE IN USD	% SHARE OF FUND ASSETS	
<b>FINANCIAL FUTURES IN EURO</b>								
FTN520110630	5YR TREASURY NOTE FUTURE AS OF 30/6/2011	-5		5	119.015625	-7,460.94	-0.01	
FTN520110630	5YR TREASURY NOTE FUTURE AS OF 30/6/2011	-18		18	119.015625	-41,343.75	-0.07	
FTN520110630	5YR TREASURY NOTE FUTURE AS OF 30/6/2011	-5		5	119.015625	-4,101.57	-0.01	
FTN520110630	5YR TREASURY NOTE FUTURE AS OF 30/6/2011	-43	13	56	119.015625	-100,781.25	-0.18	
FTN120110621	10YR TREASURY NOTE FUTURE AS OF 21/6/2011	4	8	4	122.171875	9,250.00	0.02	
FTN120110621	10YR TREASURY NOTE FUTURE AS OF 21/6/2011	15	15		122.171875	7,265.63	0.01	
FCBO20110621	30YR US TREASURY BOND FUTURE AS OF 21/6/2011	7	7		123.812500	26,851.56	0.05	
<b>TOTAL FINANCIAL FUTURES <sup>1</sup></b>					<b>USD</b>	<b>-110,320.32</b>	<b>-0.19</b>	
<b>FORWARD EXCHANGE TRANSACTIONS IN EURO</b>								
DTG004015	DTG EUR USD AS OF 20/5/2011	1,735,565			1.419327	-76,664.45	-0.13	
DTG004458	DTG EUR USD AS OF 20/5/2011	-809,090			1.419327	1,636.47		
DTG004480	DTG EUR USD AS OF 20/5/2011	-409,648			1.419327	-1,424.51		
DTG003853	DTG EUR USD AS OF 20/5/2011	-1,785,393			1.419327	5,942.87	0.01	
DTG003701	DTG EUR USD AS OF 20/5/2011	437,530			1.419327	-9,001.14	-0.02	
DTG003177	DTG EUR USD AS OF 20/5/2011	1,617,769			1.419327	6,143.31	0.01	
DTG002697	DTG EUR USD AS OF 20/5/2011	-904,750			1.419327	-24,136.38	-0.04	
<b>TOTAL FORWARD EXCHANGE TRANSACTIONS <sup>1</sup></b>					<b>USD</b>	<b>-97,503.83</b>	<b>-0.17</b>	
<b>BANK LIABILITIES</b>								
USD LIABILITIES		USD	-1,106,566.47					
EUR BALANCES		USD	55,789.85					
BALANCES IN NON-EU CURRENCIES								
AUD		USD	6,687.18					
CAD		USD	4,048.01					
NZD		USD	1,405.33					
					<b>USD</b>	<b>-1,038,636.10</b>	<b>-1.82</b>	
<b>ACCRUALS AND DEFERRALS</b>								
INTEREST CLAIMS						USD	190,103.03	0.33
<b>OTHER ITEMS</b>								
VARIOUS FEES						USD	-17,130.21	-0.03
<b>TOTAL FUND ASSETS</b>					<b>USD</b>	<b>57,054,484.37</b>	<b>100.00</b>	
<b>NET ASSET VALUE PER UNIT</b>								
TRANCHE R INCOME-DISTRIBUTING					USD	100.94		
TRANCHE R INCOME-RETAINING					USD	139.37		
TRANCHE R FULL INCOME-RETAINING					USD	154.06		
TRANCHE I FULL INCOME-RETAINING					USD	154.16		
<b>UNITS IN CIRCULATION</b>								
TRANCHE R INCOME-DISTRIBUTING					UNITS	153,151.518		
TRANCHE R INCOME-RETAINING					UNITS	247,768.413		
TRANCHE R FULL INCOME-RETAINING					UNITS	45,833.219		
TRANCHE I FULL INCOME-RETAINING					UNITS	10.000		
<b>FROZEN SECURITIES FORMING PART OF THE PORTFOLIO OF INVESTMENTS (SECURITIES LENDING TRANSACTIONS):</b>								
US465410BU10	2.1250 ITALY (REP.OF) 2012	USD	500,000					

<sup>1</sup> Price gains and losses as of cut-off date.

**EXCHANGE RATES**

FOREIGN CURRENCY ASSETS WERE CONVERTED INTO USD ON THE BASIS OF THE EXCHANGE RATES APPLICABLE ON 12/5/2011:

CURRENCY	UNIT	PRICE	
AUSTRALIAN DOLLAR	1 USD	= 0.941813	AUD
CANADIAN DOLLAR	1 USD	= 0.968546	CAD
EURO	1 USD	= 1.419550	EUR
NEW ZEALAND DOLLAR	1 USD	= 1.264626	NZD

**FUTURES EXCHANGE KEY:**

CODE	STOCK EXCHANGE
CBT	CHICAGO BOARD OF TRADE

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

ISIN	SECURITY TITLE	PURCHASES ADDITIONS	SALES DISPOSALS
<b>BONDS IN US DOLLARS</b>			
XS0248294059	0.3538 DT.BANK 06/11 MTN DL		270,000
US949746NC16	0.3891 WELLS FARGO 2011 FLR		135,000
US073902KG22	0.5181 JPMORG.CHASE 06/11 FLR	120,000	300,000
US617446YT02	0.5391 MORGAN STANLEY 06/11 FLR		180,000
US912828MM97	0.7500 US TREASURY 2011		5,750,000
XS0247571887	0.7519 BK OF BAHR. +KUW.BSC 06/11	100,000	200,000
US87927VAP31	0.7669 TELECOM ITAL.CAP. 05/11		325,000
US912828KB50	1.1250 US TREASURY 2012		5,400,000
US912828JU50	1.7500 US TREASURY 2011		2,250,000
DE000HBE0FC9	4.7500 EUROHYPO AG OPF HBE0FC		1,100,000
XS0241650356	4.7500 EUROP. HYPO BANK 06/11		660,000

Raiffeisen Kapitalanlage-Gesellschaft m. b. H. complies with the quality standards of the Association of Austrian Investment Companies (*Vereinigung Österreichischer Investmentgesellschaften, VÖIG*).

Vienna, 22 June 2011

**Raiffeisen Kapitalanlage-Gesellschaft m. b. H.**

  
 Dr. Mathias Bauer

  
 Mag. (FH) Dieter Aigner

  
 Mag. Gerhard Aigner