Raiffeisen-Dollar-ShortTerm-Bonds

Semi-annual fund report 2008-2009

Raiffeisen Kapitalanlage-Gesellschaft m. b. H.
www.rcm.at

Semi-annual fund report
from November 16, 2008 to May 15, 2009

Asset management company:
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Companies register number: 83517 w

Custodian bank:
Raiffeisen Zentralbank Österreich AG

Fund management:
Raiffeisen Kapitalanlage-Gesellschaft m. b. H.

ISIN income-distributing:	AT0000843503
ISIN income-retaining:	AT0000805247
ISIN full income-retaining (outside Austria):	AT0000785456
ISIN savings fund income-distributing:	AT0000843511
ISIN savings fund income-retaining:	AT0000805254

Table of contents

Fund details in USD 5
Capital market 7
Investment policy 8
Makeup of fund assets in USD 9
Portfolio of investments in USD 10

Dear unit holder,

Raiffeisen Kapitalanlage-Gesellschaft m. b. H. is pleased to present its semi-annual fund report for Raiffeisen-Dollar-ShortTerm-Bonds – a jointly owned fund as per § 20 of the Austrian Investment Fund Act – from November 16, 2008 to May 15, 2009.

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.

Fund details in USD

	15/11/2008	15/5/2009
Total fund assets	33,317,449.22	23,793,320.93
Net asset value per distributed unit	102.45	100.60
Issue price per distributed unit	103.47	101.61
Net asset value per partly reinvested unit	134.98	135.64
Issue price per partly reinvested unit	136.33	137.00
Net asset value per fully reinvested unit	146.98	148.78
Issue price per fully reinvested unit	148.45	150.27

Distribution/outpayment in USD	**15/1/2009**
Distribution per distributed unit	3.10
Outpayment per partly reinvested unit	1.00
Reinvestment of part reinvestment per unit	3.78
Reinvestment of full reinvestment per unit	5.20

Raiffeisen-Dollar-ShortTerm-Bonds fund units in circulation:

		Distributed units	Partly reinvested units	Fully reinvested units
Units in circulation on 15/11/2008		**84,940.302**	**158,820.895**	**21,609.534**
Sales		18,334.587	3,474.704	665.781
Repurchases	–	25,021.438	60,004.921	8,528.836
Units in circulation		**78,253.451**	**102,290.678**	**13,746.479**
Total units in circulation on 15/5/2009				**194,290.608**

Fund details in USD for last five financial years

The performance is calculated by Raiffeisen Kapitalanlage-Gesellschaft m. b. H. using the method developed by OeKB (Österreichische Kontrollbank AG), on the basis of data supplied by the custodian bank (where outpayment of the redemption price is suspended, with use of indicative values). It does not take into consideration issue and redemption charges. Past results do not permit any inferences as to the future performance of an investment fund. We would like to point out that the yield may rise or fall due to currency fluctuations.

Distributed units:

Assumes wholesale reinvestment of distributed amounts at their net asset value on the distribution date.

Date	Fund assets total	Net asset value per distributed unit	Payouts per distributed unit	Performance as %
15/11/2004	45,254,147.00	101.40	2.50	+ 0.98
15/11/2005	40,484,035.11	100.15	2.39	+ 1.26
15/11/2006	27,010,155.26	101.89	3.12	+ 4.21
15/11/2007	28,501,097.74	103.91	3.60	+ 5.18
15/11/2008	33,317,449.22	102.45	3.10	+ 2.08
15/5/2009	23,793,320.93	100.60	–	+ 1.22

Partly reinvested units:

Assumes wholesale reinvestment of paid-out amounts at their net asset value on the payment date,

Date	Fund assets total	Net asset value per partly reinvested unit	Amount used for part reinvestment	Outpayment as per § 13 (3) InvFG	Performanc e as %
15/11/2004	45,254,147.00	122.36	1.85	0.57	+ 0.98
15/11/2005	40,484,035.11	123.32	1.04	0.73	+ 1.26
15/11/2006	27,010,155.26	127.75	2.72	0.97	+ 4.21
15/11/2007	28,501,097.74	133.36	3.47	1.15	+ 5.18
15/11/2008	33,317,449.22	134.98	3.78	1.00	+ 2.08
15/5/2009	23,793,320.93	135.64	–	–	+ 1.22

Fully reinvested units:

Date	Fund assets total	Net asset value per fully reinvested unit	Amount used for full reinvestment	Performance as %
15/11/2004	45,254,147.00	129.73	2.55	+ 0.98
15/11/2005	40,484,035.11	131.36	1.88	+ 1.26
15/11/2006	27,010,155.26	136.89	3.95	+ 4.21
15/11/2007	28,501,097.74	143.98	4.98	+ 5.18
15/11/2008	33,317,449.22	146.98	5.20	+ 2.08
15/5/2009	23,793,320.93	148.78	–	+ 1.22

Capital market

(Reporting period: 12 months)

The EUR government bond market, which was strongly stimulated by Lehman's bankruptcy in September 2008, came under considerable pressure over the past few weeks due to an improving economic outlook. The uncertainty on the capital markets initially led to a flight to safe government bonds, with yields on 10-year German Bund bonds collapsing from 4.4 % to just short of 2.9 %. The poor economic outlook, fears of deflation and key interest rates falling toward zero around the world were key factors here. The flight to liquidity is a further phenomenon typical of the crisis. This was also apparent in the European Union, with yield markups on the German 10-year government bond of up to 300 base points in Greece and 135 base points in Austria. While data from the real economy are still not at all positive – German first-quarter GDP was – 3.8 % in quarterly terms, for instance – the turnaround in upstream economic indicators as of late March led to more widespread optimism. This caused the yields on 10-year bonds to shoot back up to a level of 3.6 % and Greece's markups to narrow significantly to 180 base-points and Austria's to 60 base-points.

The scenario for US government bonds was similar but even more pronounced. Due to key interest-rate cuts of more than 4 % and the Federal Reserve Bank's announcement of “unconventional” measures, US Treasuries reached lows of 2 %. The other side of the Atlantic often saw significant rises in all the upstream indicators. Even the US real estate market – where the crisis is thought to have originated – stabilization is increasingly apparent. While real estate prices are still experiencing clear falls, a recovery in house sales is looming, albeit at a low level. For these reasons, with highs of 3.75 % the yields on government bonds have now almost returned to their starting level in the summer of 2008.

In September Lehman Brothers' insolvency triggered a shockwave on the financial markets. Bond spreads exploded, both for financial and non-financial securities. In November last year the primary market recommenced its activities. In the present year EUR non-financial corporate bonds with a volume in excess of EUR 168 billion have already been issued. These are returning some liquidity to the market. Non-financial corporate bonds moved sideways at the beginning of the year, but since mid-March the market has recorded clear spread narrowings. Even strongly suffering financial bonds are now following this positive trend. Though General Motors is one of the largest insolvencies in history, not even events of this magnitude are currently able to break the positive momentum on the credit markets.

The dollar, which in the first half of the year came under pressure due to the weak US economy and the associated expectations of interest-rate cuts in the USA, depreciated in the 3rd quarter of 2008 from its peak in July 2008 of 1.60 to 1.23 in late October. In December the euro was then able to gain ground against the dollar to 1.47 due to the FED’s announcement of “quantitative easing”, an effect which was subsequently neutralized in the 1st quarter of 2009 on grounds including speculation over the collapse of the Eurozone. In the past month the euro once again staged a recovery, from levels around 1.30 to 1.43. Not even the purchase of covered bonds – which the ECB announced to provide additional liquidity – impacted on this appreciation.

As usual, the Swiss franc benefited from anxieties on the markets, realizing a strong gain against the euro in October (1.4296). In early 2009 divergences in the interest-rate policies of the ECB and the SNB – which implemented a targeted depreciation of its currency through interest-rate cuts (up to 0.5 %), foreign-exchange interventions (EUR 14 billion) and the announcement of bond purchases – were critical for the appreciation of the EUR/CHF exchange rate. Since this time, due to the Swiss central bank's open hostility to high levels of volatility this currency pair has moved sideways and closed the period at 1.52.

Investment policy

While the financial crisis has already dominated the global capital markets for 2 years, it has now hit the real economy with full force. Almost all developed industrialized nations are in deep recession. Governments and central banks are using all the levers available to them to stimulate the economy and stabilize the financial market.

There were increasing signs of stabilization in the period under review. While yields at the short end benefited from key interest-rate cuts by the FED, toward the end of the period a price correction occurred due to selling pressure and improved risk sentiment, particularly for US government bonds with longer residual maturities.

In this environment, the interest-rate risk in the fund was kept slightly above the benchmark's level. The fund's corporate bond holdings recovered toward the end of the period under review and generated additional income.

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

Makeup of fund assets in USD

1. Securities		thou.		%
Structured products:				
US dollar		759.80		3.19
Bonds:				
US dollar		22,336.94		93.88
Total securities		**23,096.74**		**97.07**

2. Derivative products				
Valuation of financial futures		2.17		0.01
Valuation of forward exchange transactions	–	2.32	–	0.01
Valuation of credit default swaps		91.57		0.38
Total derivative products		**91.42**		**0.38**

3. Bank balances				
USD-denominated bank balances		173.29		0.73
Foreign exchange balances		183.09		0.77
Total bank balances		**356.38**		**1.50**

4. Accruals and deferrals				
Pro rata interest (on securities and bank balances)		259.48		1.09
Debt interest	–	0.07		0.00
Liabilities - credit default swaps	–	3.01	–	0.01
Total accruals and deferrals		**256.40**		**1.08**

5. Other items				
Various fees	–	7.62	–	0.03

Fund assets		**23,793.32**		**100.00**

Portfolio of investments in USD

ISIN	SECURITY TITLE		VOLUME 15/5/2009	PURCHASES ADDITIONS IN PERIOD UNDER REVIEW	SALES DISPOSALS	PRICE	MARKET VALUE IN USD	% SHARE OF FUND ASSETS
STRUCTURED PRODUCTS IN US DOLLARS								
XS0292937165	1.4019	BARCL. BK FRN 07-17	250,000	0	0	67.0000	167,500.00	0.70
XS0308758423	1.4159	HANG SENG BK FRN 07-17	100,000	0	0	82.3000	82,300.00	0.35
XS0304201790	1.4766	HBOS MTN FRN 07-17	200,000	0	0	60.0000	120,000.00	0.50
US90466MAA71	1.4788	UNICREDIT LUX.F. FRN 06-17	200,000	0	0	75.0000	150,000.00	0.63
XS0213817215	1.9925	FIRSTCARIBBEAN INTL 05-15	300,000	0	0	80.0000	240,000.00	1.01
BONDS IN US DOLLARS								
US912828JV34	0.8750	US TREASURY 08-10	2,000,000	2,000,000	0	100.2250	2,004,500.00	8.42
US36962GW422	1.1625	GENL EL.CAP. FRN 06-11	200,000	0	0	90.9990	181,998.00	0.77
US40429JAG22	1.2063	HSBC FINANCE FRN 05-10	150,000	0	0	91.8645	137,796.71	0.58
US87938WAE30	1.3463	TELEFONICA EM. FRN 07-13	200,000	0	0	85.4090	170,818.00	0.72
US02687QBK31	1.3875	AMER.INTL GRP MTN FRN 07-12	250,000	0	0	42.9270	107,317.50	0.45
US61746SBB43	1.4113	MORGAN STANLEY FRN 04-10	250,000	0	0	98.0000	245,000.00	1.03
XS0373651149	1.4419	RABOBK NEDERLD FRN 08-10	400,000	0	300,000	100.0610	400,244.00	1.68
XS0238236243	1.6200	NAT.BK ABU DHABI FRN 05-10	100,000	0	0	95.1740	95,174.00	0.40
US87927VAT52	1.7169	TELECOM ITAL.CAP. FRN 06-11	150,000	0	0	101.4030	152,104.50	0.64
US912828JU50	1.7500	US TREASURY 08-11	5,500,000	5,500,000	0	101.6760	5,592,180.00	23.50
XS0287888431	1.8763	ICICI BANK UK FRN 07-12	100,000	0	0	73.6050	73,605.00	0.31
US912828DL16	3.5000	US TREASURY 05-10	4,000,000	0	3,000,000	102.2813	4,091,250.00	17.20
XS0366188257	3.6250	BP CAPITAL MARK. MTN 08-11	500,000	0	0	103.2760	516,380.00	2.17
US931142BZ52	4.1250	WAL-MART STRS 05-10	70,000	0	0	102.4616	71,723.11	0.30
US514890AF97	4.2500	LDKRBK.BAD.W.ANL R.5119 05-10	240,000	0	0	102.6000	246,240.00	1.04
US912828EQ93	4.3750	US TREASURY 05-10	4,500,000	0	300,000	105.7500	4,758,750.00	20.00
XS0207120238	4.3750	STD.CHART.BK (HK) FRN 04-14	270,000	0	150,000	91.4950	247,036.50	1.04
XS0231566448	4.3750	SWED. EXP. CRED. 05-09	440,000	0	0	101.3500	445,940.00	1.87
XS0372384064	4.6250	GREECE 08-13	50,000	0	0	101.0920	50,546.00	0.21
DE000HBE0FC9	4.7500	HYP.BK.ESSEN OPF 05-10	400,000	0	0	94.6100	378,440.00	1.59
XS0241650356	4.7500	EUROP. HYPO BANK 06-11	130,000	0	200,000	93.2240	121,191.20	0.51
US377372AC16	4.8500	GLAXOSMITHKLINE CAP. 08-13	100,000	0	0	104.5570	104,557.00	0.44
DE000A0JRFV8	4.8750	DG HYP OE.PF.R.1041 DL 06-09	400,000	0	0	102.0000	408,000.00	1.72
FR0010533091	4.8750	CIE F.FONCIER MTN 07-10	100,000	0	0	103.0600	103,060.00	0.43
XS0269935127	5.0000	HYPO PFAND.BK 06-11	500,000	0	0	70.8400	354,200.00	1.49
XS0290059582	5.1250	NATL AUSTR. BK 07-10	130,000	0	0	101.3000	131,690.00	0.55
US40429CCX83	5.2500	HSBC FINANCE 05-11	200,000	0	0	99.4460	198,892.00	0.84
US92857WAR16	5.3500	VODAFONE GRP 07-12	140,000	0	0	104.3500	146,090.00	0.61
USL0302DAM58	5.3750	ARCELORMITTAL REGS 08-13	100,000	0	0	88.7030	88,703.00	0.37
US25156PAG81	5.3750	DT.TELEK.INTL F. 06-11	200,000	0	0	103.2000	206,400.00	0.87
US225434CH08	5.5000	CS (USA) 06-11	100,000	0	0	102.4759	102,475.85	0.43
XS0424470481	5.5394	EMIRATES NBD MTN FRN 09-12	229,000	229,000	0	95.7680	219,308.72	0.92
US23383FBU84	5.7500	DAIMLERCHRYS.N.A. MTN 06-11	100,000	0	0	92.7200	92,720.00	0.39
XS0381365690	7.7000	TRANSCAPITALINVEST 08-13	100,000	0	0	92.6110	92,611.00	0.39
TOTAL SECURITIES PORTFOLIO						**USD**	**23,096,742.09**	**97.07**
FINANCIAL FUTURES NOT FOR HEDGING PURPOSES IN US DOLLARS								
CBT 5-YR TREASURY BONDS FUT. AS OF 30/6/2009		CBT	2			117.6641	-62.50	0.00
CBT 10-YR TREASURY NOTES FUT. AS OF 19/6/2009		CBT	3			121.6719	2,234.37	0.01
TOTAL FINANCIAL FUTURES [1]						**USD**	**2,171.87**	**0.01**
FORWARD EXCHANGE TRANSACTIONS								
RECEIVABLES/LIABILITIES								
OPEN POSITIONS								
PURCHASES								
AUD			70,000.00			USD	-547.58	0.00
CAD			101,000.00			USD	-1,412.86	-0.01
EUR			64,501.94			USD	-359.06	0.00
TOTAL FORWARD EXCHANGE TRANSACTIONS [1]						**USD**	**-2,319.50**	**-0.01**
CREDIT DEFAULT SWAPS BUY PROTECTION IN US DOLLARS								
SPA505E2	BANK OF SCOTLAND PLC TREASURY		200,000			USD	1,976.73	0.01
SPD700LJ	AMERICAN INTERNATIONAL GROUP		250,000			USD	91,341.45	0.38
SPR5054G	BARCLAYS BANK PLC		250,000			USD	-1,751.26	-0.01
TOTAL CREDIT DEFAULT SWAPS						**USD**	**91,566.92**	**0.38**

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

			CURRENCY	MARKET VALUE IN USD	% SHARE OF FUND ASSETS
BANK BALANCES					
USD BALANCES	USD	173,288.65			
EUR BALANCES	USD	186,827.53			
LIABILITIES IN NON-EU CURRENCIES					
AUD	USD	4,419.79			
CAD	USD	-9,206.10			
NZD	USD	1,051.31	**USD**	**356,381.18**	**1.50**
ACCRUALS AND DEFERRALS					
PRO RATA INTEREST	USD	259,482.29			
DEBT INTEREST	USD	-67.47			
LIABILITIES - CREDIT DEFAULT SWAPS	USD	-3,010.98	**USD**	**256,403.84**	**1.08**
OTHER ITEMS					
VARIOUS FEES			**USD**	**-7,625.47**	**-0.03**
FUND ASSETS			**USD**	**23,793,320.93**	**100.00**
NET ASSET VALUE PER DISTRIBUTED UNIT			USD	100.60	
NET ASSET VALUE PER PARTLY REINVESTED UNIT			USD	135.64	
NET ASSET VALUE PER FULLY REINVESTED UNIT			USD	148.78	
DISTRIBUTED UNITS IN CIRCULATION			UNITS	78,253.451	
PARTLY REINVESTED UNITS IN CIRCULATION			UNITS	102,290.678	
FULLY REINVESTED UNITS IN CIRCULATION			UNITS	13,746.479	

EXCHANGE RATES

FOREIGN CURRENCY ASSETS WERE CONVERTED INTO USD ON THE BASIS OF THE EXCHANGE RATES APPLICABLE ON 14/5/2009:

CURRENCY	UNITS		PRICE	
AUSTRALIAN DOLLAR	1 USD	=	1.32421	AUD
CANADIAN DOLLAR	1 USD	=	1.17680	CAD
EURO	1 USD	=	0.73592	EUR
NEW ZEALAND DOLLAR	1 USD	=	1.69047	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
BONDS IN US DOLLARS				
US25156PAJ21	1.6775	DT.TELEK.INTL F.FRN 06-09	0	100,000
XS0272489187	1.7394	NATL BANK OF DUBAI FRN 06-16	0	300,000
US23383FBV67	2.3463	DAIMLERCHRYS.N.A.FRN 07-09	0	150,000
US0727G0BB55	2.8963	BAY.LDSBK,NY. FRN 03-08	0	500,000
US912828HL79	3.2500	US TREASURY 07-09	0	6,300,000
US912828DE72	3.5000	US TREASURY 04-09	0	5,200,000
DE000HBE0EZ3	4.2500	HYP.BK.ESSEN OPF.E. 05-08	0	500,000
US38141EJG52	4.6488	GOLDMAN S.GRP FRN 04-09	0	250,000

Vienna, June 22, 2009

Raiffeisen Kapitalanlage-Gesellschaft m. b. H.

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