

ANNOUNCEMENT

Investment portfolios of pension assets managed by the NBRK and IPM as of December 1, 2023

UAPF JSC presents a report on the management of pension assets by the National Bank of the Republic of Kazakhstan (NBRK) and investment portfolio managers (IPM) as of December 1, 2023 on the website enpf.kz. A detailed report on investing pension savings is posted on the enpf.kz website in the “Indicators - Investment Activity” section. The total volume of pension assets as of December 1, 2023 amounted to about **KZT17,364.76 billion**. At the same time, the pension assets of the UAPF, [which are in trust management of the National Bank of the Republic of Kazakhstan](#), amounted to **KZT17,347.35 billion**. Pension assets managed by IPM amounted to **KZT17.41 billion**.

Investment portfolio of pension assets managed by the NBRK

The main directions for investing pension assets of the NBRK as of December 1, 2023 are as follows: government securities of the Ministry of Finance of the Republic of Kazakhstan - 47.55%, bonds of quasi-public companies - 9.94%, bonds and deposits of second-tier banks of the Republic of Kazakhstan - 6.03%, deposits of the NBRK - 2.67%, securities of international financial organizations - 2.11%, government securities of foreign states - 1.46%.

The investment portfolio, broken down by the currencies in which financial instruments purchased from pension assets are denominated, as of December 1, 2023, looks like this: investments in national currency - 69.29%, in US dollars - 30.67%, in other currencies - 0.04% of the portfolio of pension assets.

From the analysis of the structure of income received, it follows that income in the form of remuneration on securities, including on placed deposits and reverse repo operations and from market revaluation of securities, amounted to KZT1,286.94 billion, for assets under external management – KZT2.12 billion, other income – KZT4.88 billion. The revaluation of foreign currency was negative and amounted to KZT14.50 billion.

Thus, due to the diversification of the investment portfolio of pension assets by instruments, industries and currencies, the total income as of December 01, 2023 from the beginning of the year is positive.

As a result of investment activities, as well as due to the volatility of foreign exchange rates and changes in the market value of financial instruments, the amount of accrued investment income as of December 1, 2023 from the beginning of 2023 amounted to KZT1,279.44 billion.

The return on UAPF pension assets distributed to the accounts of contributors (beneficiaries) from the beginning of 2023 amounted to 8.11% with inflation of 8.9%.

At the same time, as of December 1, 2023, the return on pension assets for the last 12 months (from December 2022 to November 2023) for UAPF contributors (recipients) was 8.9%.

Let us recall that in the medium and long term, a positive real (exceeding accumulated inflation) return on pension savings is ensured.

[The detailed structure](#) of the investment portfolio of financial instruments managed by the National Bank of Kazakhstan, indicating the issuers and an overview of investment activities are posted on the official website of the UAPF. Let us recall that in Kazakhstan there is a model of state guarantee of the safety of pension savings. In accordance with Article 217 of the Social Code of the Republic of Kazakhstan, the state guarantees recipients the safety of mandatory pension contributions and mandatory professional pension contributions to the UAPF in the amount of contributions actually made, taking into account the level of inflation at the time of receipt of the right to pension benefits.

Investment Portfolio Managers

The total amount of funds managed by the IPM is **KZT17.41 billion**.

As of December 1, 2023, pension assets under trust management of *Jusan Invest JSC* amounted to **KZT5.4 billion**.

The company's most significant investments: government securities of the Ministry of Finance of the Republic of Kazakhstan - 40.89%, shares of Exchange Traded Funds (ETF) - 22.71%, cash in investment accounts - 18.77%, repo - 15.88%. Note that 67.90% of the portfolio is presented in tenge; 32.10% - in US dollars.

As a result of investment activities, as well as due to the volatility of foreign exchange rates and changes in the market value of financial instruments, the amount of accrued investment income for 2023 as of December 1 amounted to KZT459.49 million. The return on pension assets was 10.7%.

[The detailed structure](#) of the investment portfolio of financial instruments managed by Jusan Invest JSC, indicating the issuers, is presented on the UAPF website.

As of December 1, 2023, pension assets under trust management of *Halyk Global Markets JSC* amounted to about **KZT3 billion**.

The main investments in the portfolio structure are as follows: “reverse repo” (no more than 90 calendar days) – 39.91%, bonds of quasi-public organizations of the Republic of Kazakhstan – 13.65%, equity instruments of foreign issuers (ETF units) – 8.84%, bonds of microfinance organizations – 8.62%, securities having the status of government issued by the central governments of foreign countries – 8.45%. Investments in national currency accounted for 71.51% of the portfolio, in US dollars - 28.49%.

As a result of investment activities, the amount of accrued investment income as of December 1 from the beginning of 2023 amounted to **KZT354.77 million**. The return on pension assets amounted to 28.61% from the beginning of activity and 13.86% from the beginning of 2023.

[The detailed structure](#) of the investment portfolio of financial instruments managed by Halyk Global Markets JSC, indicating the issuers, is presented on the UAPF website.

Pension assets of the UAPF, which are in trust management of *BCC Invest JSC* as of December 1, 2023, amounted to **KZT2.6 billion**.

Among the main areas of investment, the following can be identified: bonds of quasi-public organizations of the Republic of Kazakhstan - 26.9%, REPO - 22.34%, government bonds of the Republic of Kazakhstan - 19.05%, shares (ETF on indices) - 13.93%, US government bonds – 5.52%, cash in investment accounts – 4.27%, MFO bonds – 3.32%, corporate bonds of resident issuers of the Republic of Kazakhstan – 3.01%, portfolio. 73.06% of the portfolio was invested in instruments in national currency, and 26.94% in US dollars.

As a result of investment activity since the beginning of the year, as of December 1, 2023, the amount of accrued investment income amounted to **KZT176.27 million**. The return on pension assets was 11%.

[The detailed structure](#) of the investment portfolio of financial instruments managed by BCC Invest JSC, indicating the issuers, is presented on the UAPF website.

Pension assets of the UAPF, which are in trust management of *Centras Securities JSC*, as of December 1, 2023 amounted to **KZT987.4 million**.

34.51% of assets are invested in government securities of the Ministry of Finance of the Republic of Kazakhstan, bonds of quasi-public organizations - 19.32%, bonds of second-tier banks of the Republic of Kazakhstan - 16.79%, cash in investment accounts is 2.45%; REPO – 9.02%, shares and depository receipts of issuers of the Republic of Kazakhstan – 8.65%, US government bonds – 8.23%. 75.94% of the portfolio was invested in instruments in national currency, and 24.06% in US dollars.

As a result of investment activities and changes in the market value of financial instruments, the amount of accrued investment income as of December 1, 2023 from the beginning of the year amounted to **KZT89.83 million**. The return on pension assets since the beginning of 2023 has amounted to 9.11%.

[The detailed structure](#) of the investment portfolio of financial instruments managed by Centras Securities JSC, indicating the issuers, is presented on the UAPF website.

As of December 1, 2023, pension assets held in trust by *Halyk Finance Subsidiary of the Halyk Bank of Kazakhstan JSC* amounted to **KZT5.4 billion**.

The main investments in the portfolio structure are as follows: “reverse repo” (no more than 90 calendar days) – 51.69%, cash in accounts – 12.98%, bonds of quasi-public organizations of the Republic of Kazakhstan – 9.77%, government securities of the Ministry of Finance of the Republic of Kazakhstan – 9.13%, shares of Exchange Traded Funds (ETF) – 6.09%, government securities of foreign countries – 4.49%.

85.18% of the portfolio was invested in instruments in national currency, in US dollars - 13.82%, in euro currency - 0.99%.

As a result of investment activities, the amount of accrued investment income as of December 1 from the beginning of 2023 amounted to KZT153.15 million. The return on pension assets since the beginning of 2023 has amounted to 15.29%.

[The detailed structure](#) of the investment portfolio of financial instruments managed by Halyk Finance Subsidiary of the Halyk Bank of Kazakhstan JSC, indicating the issuers, is presented on the UAPF website.

Let us note that after receiving pension assets from the UAPF, the IPM invests them in the permitted financial instruments specified in the Rules for the implementation of investment portfolio management activities, approved by the resolution of the Board of the National Bank of the Republic of Kazakhstan dated July 1, 2023 No. 62, and provided for in the Investment Declaration of the IPM. When transferring pension savings to the management of the pension insurance company, the state guarantee is replaced by a guarantee from the management company to ensure a minimum level of return on pension assets. The minimum level of return is calculated based on the weighted average return of pension assets transferred to the management of the pension insurance system operating on the market.

Let us remind you that from July 1, 2023, contributors can transfer to trust management no more than 50% of pension savings at the expense of compulsory pension contributions (CPC) and compulsory occupational pension contributions (COPC), without taking into account the minimum sufficiency threshold for investment portfolio managers (IPM), by choosing such a company yourself. Contributors who have voluntary pension savings can transfer them to the IPM in the amount of 100%.

The UAPF was established on August 22, 2013 on the basis of GNPF APF JSC. The UAPF founder and shareholder is the Government of the Republic of Kazakhstan represented by the State Institution "Committee of State Property and Privatization" of the Ministry of Finance of the Republic of Kazakhstan. UAPF pension assets are managed by the National Bank of the Republic of Kazakhstan. From January 1, 2016, the functions for developing proposals to improve the management of pension assets were transferred to the National Fund Management Council. In accordance with the pension legislation, the UAPF attracts compulsory pension contributions, compulsory occupational pension contributions, voluntary pension contributions, pension benefits, individual accounting of pension accumulations and benefits, provides the contributor (beneficiary) with information on the status of his pension accumulations (for more information visit www.enpf.kz)