

ANNOUNCEMENT

The site enpf.kz presents a report on the management of pension assets

Investment portfolios of pension assets managed by the NBRK and IPM as of November 1, 2022

All information on how pension savings are invested is posted on the enpf.kz website in the “Indicators - Investment Activity” section. Presented here is a monthly detailed report on the investment of pension assets by the National Bank of the Republic of Kazakhstan (NBRK) and investment portfolio managers (IPM), as well as reviews of investment activities.

As already [reported](#), the total amount of pension assets as of November 1, 2022 exceeded KZT14.15 trln. At the same time, UAPF pension assets [held in trust by the NBRK](#) amounted to **KZT14,135.78 bln**. [Pension assets managed by the IPMs](#) amounted to **KZT9.06 bln**.

Investment portfolio of pension assets managed by the NBRK

The main areas for investing pension assets of the NBRK as of November 1, 2022 are as follows:

- 47.7% are government securities of the Republic of Kazakhstan,
- 25.5% - foreign assets (including assets under index management, as well as foreign government securities, foreign corporate bonds),
- about 13% - instruments of the quasi-public sector,
- more than 8% - STB instruments,
- 2.7% - IFOs,
- other assets.

In order to increase return in the long term and reduce risks, work is underway to further diversify the portfolio of pension assets and increase more profitable instruments in it.

As of November 1, the investment portfolio in terms of currencies in which financial instruments purchased with pension assets are denominated looks like this:

investments in national currency - 70.53%, in US dollars - 28.41%, in other currencies - 0.06% of the portfolio of pension assets.

It should be noted that since 2014, the period of transfer of all pension assets under the management of the NBRK, the foreign exchange share of pension assets has increased from 17% to about 28.5%.

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 since the beginning of 2022 amounted to KZT672.49 bln. The return on pension assets for 10 months of 2022 was 4.82%, for the last 12 months (from November 2021 to October 2022) it was 5.97%. For the period from 2014 to October 2022, the accumulated investment income amounted to **KZT6.7 trln**, and the accumulated return on pension assets is **119.5%** with inflation of **115.2%**.

[A detailed structure](#) of the investment portfolio of financial instruments managed by the NBRK, indicating issuers and an overview of investment activities, are posted on the official website of the UAPF.

Recall that in Kazakhstan there is a model of the state guarantee of the safety of pension savings. In accordance with Article 5 of the Law of the Republic of Kazakhstan *On Pension Provision in the Republic of Kazakhstan*, the state guarantees beneficiaries the safety of compulsory pension contributions and compulsory occupational pension contributions to the UAPF in the amount of actually made contributions, taking into account the inflation rate at the time of obtaining the right to pension benefits.

Investment portfolio managers

The total amount of funds under the management of the IPM is **KZT9.06 bln.**

Pension assets in trust management of **Jusan Invest JSC** amounted to **KZT4.079 bln.** They were used to purchase: shares of Exchange Traded Funds (ETF) - they make up 30.65% of the portfolio; NBRK notes (22.36% of the portfolio); Government securities of the Ministry of Finance of the Republic of Kazakhstan (17.67%). 24.69% of the portfolio is in REPO, 4.59% - in government securities of foreign states. Note that 64.73% of the portfolio is presented in tenge, 35.27% in US dollars.

As a result of investment activities, income from the beginning of the year amounted to KZT39.17 mln, the return on pension assets for the period amounted to 1.43%.

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

As of November 1, 2022, pension assets held in trust by **Halyk Global Markets JSC** amounted to KZT2.61 bln. In the portfolio structure, reverse repo (no more than 90 calendar days) is 49.26%; bonds of quasi-public organizations of the Republic of Kazakhstan 13.23%; equity instruments of foreign issuers (ETF units) also 13.23%; securities with state status, issued by the central governments of foreign states - 6.88%; bonds of second-tier banks of the Republic of Kazakhstan 5.71%; corporate bonds of organizations of the Republic of Kazakhstan 4.49%; IFO bonds 4.24%, other assets. Investments in the national currency amounted to 79.10% of the portfolio, in US dollars - 20.90%.

The amount of investment income since the beginning of the year amounted to KZT60.09 mln, the return on pension assets managed by Halyk Global Markets JSC from 01.01.2022 to 01.11.2022 amounted to 2.29%.

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

Pension assets held in trust by **BCC Invest JSC** as of November 1 of this year amounted to KZT1.48 bln. They are distributed into government bonds of the Republic of Kazakhstan - 44.06%; bonds of quasi-public organizations of the Republic of Kazakhstan 15.74%; shares (ETF for indices) – 11.93%; shares and depositary receipts of foreign issuers 8.34%; IFO bonds 5.88%; bonds of STB RK 5.51%; corporate bonds of issuers-residents of the Republic of Kazakhstan 5.22%; cash on investment accounts 3.25%; other assets. 70.77% of the portfolio was invested in instruments in national currency, 29.23% in US dollars.

As a result of investment activities, income from the beginning of the year amounted to KZT4.43 mln, the return on pension assets managed by BCC Invest JSC for ten months amounted to 0.35%.

[A detailed structure](#) of the investment portfolio of financial instruments managed by BCC Invest JSC with an indication of issuers is presented on the UAPF website.

As of November 1, 2022, UAPF pension assets held in trust by **Centras Securities JSC** amounted to KZT0.98 mln. They are invested in government securities of the Ministry of Finance of the Republic of Kazakhstan 54.6%; REPO - 15.39%; cash on investment accounts 11.86%; bonds of quasi-public organizations - 8.34%; shares and depositary receipts of RK issuers - 8.06%; equity instruments of foreign issuers (ETF Units) - 1.76%. 80.72% of the portfolio was invested in instruments in national currency, 19.28% in US dollars.

As a result of investment activity, the amount of investment income from the beginning of the year amounted to KZT29.4 mln, the return on pension assets managed by Centras Securities JSC for the period amounted to 2.48%.

A detailed structure of the investment portfolio of financial instruments managed by Centras Securities JSC with an indication of issuers is presented on the UAPF website.

Recall that after receiving pension assets from the UAPF, the IPMs invest them in 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 February 3, 2014 No. 10, and provided for in the Investment Declaration of the IPM.

When transferring pension savings to the management of the IPM, the guarantee of the state is replaced by the guarantee of the management company to ensure the minimum level of return on pension assets. The minimum level of return is calculated on the basis of the weighted average return on pension assets transferred to the management of IPMs operating on the market.

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)