

## ANNOUNCEMENT

### **Review of the investment portfolio managed by the NBRK and IPMs for the first month of 2024**

UAPF JSC (hereinafter referred to as UAPF) presents a report on the management of pension assets by the National Bank of the Republic of Kazakhstan (hereinafter referred to as NBRK) and investment portfolio managers (hereinafter referred to as IPM) on the website [enpf.kz](http://enpf.kz) in the section “Indicators - Investment activities”.

The total volume of pension assets as of February 1, 2024 amounted to more than **KZT18,107.8 billion**. As of February 1, 2024, pension assets<sup>1</sup> (hereinafter referred to as PA) of the UAPF, held in trust by the NBRK, amounted to **KZT18,073.5 billion**<sup>2</sup>. The volume of employer’s compulsory pension contributions (hereinafter referred to as ECPC), **which are in trust management of the NBRK**, is more than KZT766.7 million.

**Pension assets managed by IPM** amounted to more than KZT34.3 billion.

### **Investment portfolio of pension assets managed by the NBRK**

The main directions for investing pension assets of the NBRK as of February 1, 2024 are as follows: government securities of the Ministry of Finance of the Republic of Kazakhstan - 46.8%, bonds of quasi-public companies - 10%, deposits of the NBRK - 3.9%, bonds and deposits of second-tier banks of the Republic of Kazakhstan – 5.8%, microfinance organizations – 2%, shares and depository receipts of issuers of the Republic of Kazakhstan – 1.9%.

The investment portfolio by currencies in which financial instruments acquired using pension assets are denominated, as of February 1, 2024, looks like this: investments in national currency - 68.4%, in US dollars - 31.6% 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 KZT93.4 billion, for assets under external management - about KZT64.8 billion, other income – KZT0.04 billion. The revaluation of foreign currency was negative and amounted to KZT45.6 billion.

Due to the diversification of the investment portfolio of pension assets by instruments, industries and currencies, the total income for January 2024 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 for January 2024 amounted to about KZT112.6 billion, which exceeds the same period last year by 70% or KZT46.4 billion.

The return on UAPF pension assets distributed to the accounts of contributors (beneficiaries) for January 2024 amounted to 0.61%.

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. The website [enpf.kz](http://enpf.kz) also contains information about **the structure of the portfolio** of pension assets formed at the expense of ECPC.

<sup>1</sup> formed from compulsory pension contributions, compulsory occupational pension contributions and voluntary pension contributions

<sup>2</sup> excluding money in accounts of pension contributions and benefits

## Investment Portfolio Managers

The total volume of pension assets managed by IPM is more than **KZT34.3 billion**.

As of February 01, 2024, pension assets under trust management of *Jusan Invest JSC* amounted to more than **KZT6.3 billion**.

The company's main investments: Government securities of the Ministry of Finance of the Republic of Kazakhstan - 42%, shares of Exchange Traded Funds (ETF) - 21.2%, REPO - 12%, bonds of second-tier banks of the Republic of Kazakhstan - 7%, Government securities of foreign countries - 5.1% of the portfolio. Note that 65.75% of the portfolio is presented in tenge, 34.25% 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 the first month of 2024 amounted to about KZT26.5 million. The return on pension assets was 0.38%.

[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 February 01, 2024, pension assets under trust management of *Halyk Global Markets JSC* amounted to about KZT3.4 billion.

The main investments in the portfolio structure are as follows: “reverse repo” (no more than 90 calendar days) - 41%, bonds of quasi-public organizations of the Republic of Kazakhstan - 12.6%, bonds of microfinance organizations - 7.8%, securities with state status issued by central governments of foreign states - 7.4%, bonds of second-tier banks of the Republic of Kazakhstan - 6.4%, corporate bonds of foreign issuers - 6%. Investments in national currency accounted for 74.8% of the portfolio, in US dollars - 25.2%.

As a result of investment activities, the amount of accrued investment income since the beginning of the year as of February 1, 2024 amounted to about KZT12.5 million. The return on pension assets is 0.35%.

[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.

As of February 01, 2024, the pension assets of the UAPF, which are in the trust management of BCC Invest JSC, amounted to about KZT3.5 billion.

Main areas of investment: REPO – 34.9%, bonds of quasi-public organizations of the Republic of Kazakhstan – 23.5%, shares (ETF on indices) – 16.6%, government bonds of the Republic of Kazakhstan – 14.6%, US government bonds – 4.1 %, MFO bonds - 2.5%, corporate bonds of resident issuers of the Republic of Kazakhstan - 2.2%, portfolio. 73.7% of the portfolio was invested in instruments in national currency, and 26.3% in US dollars.

As a result of investment activities for the first month of 2024, the amount of accrued investment income amounted to 11.1 million tenge. The return on pension assets is 0.29%.

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

As of February 01, 2024, the pension assets of the UAPF, which are in the trust management of *Centras Securities JSC*, amounted to about KZT1.1 billion.

33.9% of assets were invested in government securities of the Ministry of Finance of the Republic of Kazakhstan, in bonds of quasi-public organizations - 27.5%, REPO - 9.2%, bonds of second-tier banks of the Republic of Kazakhstan - 8.3%, shares and depositary receipts issued by organizations of the Republic of Kazakhstan - 8%, US government bonds - 7.6%, cash in investment accounts - 2.7%. 75.2% of the portfolio was invested in instruments in national currency, in US dollars - 22.8%, in Canadian dollars - 1.99%.

As a result of investment activities and changes in the market value of financial instruments, the amount of accrued investment income as of February 1, 2024 from the beginning of the year amounted to KZT11.05 million. The return on pension assets is 0.98%.

[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 February 1, 2024, pension assets held in trust by Halyk Finance Subsidiary of the Halyk Bank of Kazakhstan JSC amounted to about KZT20.02 billion.

The main investments in the portfolio structure look like this: “reverse repo” (no more than 90 calendar days) - 64.6%, Exchange Traded Funds (ETF) units - 7.9%, bonds of quasi-public organizations of the Republic of Kazakhstan - 6.7%, government securities foreign states - 6.5%, bonds of second-tier banks of the Republic of Kazakhstan - 4%, other assets (accounts receivable, overdue debt, provisions) - 3.8%.

83.3% of the portfolio was invested in instruments in national currency, in US dollars - 16.4%, in euros - 0.3%

As a result of investment activities, the amount of accrued investment income as of February 1, 2024 from the beginning of the year amounted to KZT124.2 million. The return on pension assets is 0.66%.

[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 remind you that from July 1, 2023, contributors can transfer no more than 50% of pension savings into trust management at the expense of compulsory pension contributions (CPC) and compulsory occupational pension contributions (COPC), without taking into account the minimum adequacy threshold for investment portfolio managers (IPM), by choosing such a company themselves. Contributors who have voluntary pension savings can transfer them to 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](http://www.enpf.kz))*