

ANNOUNCEMENT

For 8 months, the net investment income of UAPF contributors exceeded KZT1 trillion

Net investment income accrued to the accounts of UAPF contributors for 8 months of 2023 amounted to more than KZT1.04 trillion and exceeded the same period last year by KZT340.4 billion or 49%.

The return on pension assets of the UAPF under the management of the National Bank of the Republic of Kazakhstan (NBRK) as of September 01, 2023 from the beginning of the year amounted to 6.77%.

Investment income consists of income in the form of remuneration on securities (deposits and other transactions), market and currency revaluation of financial instruments, income on assets under external management, etc. The National Bank of Kazakhstan and investment portfolio managers (IPMs), in order to obtain investment income, place pension assets in reliable financial instruments of different sectors of the economy in various currencies in the Republic of Kazakhstan and abroad. This diversification ensures sustainable investment returns. In the structure of the investment portfolio of pension assets of the UAPF in the context of financial instruments of the National Bank of Kazakhstan, 30.70% are financial instruments denominated in US dollars, 69.28% - in the national currency.

Let us remember that pension savings are long-term investments and it is advisable to objectively analyze the amount of investment income over a period of at least one year. The results of short-term periods are not indicative, because depend on constant current changes in market conditions.

Thus, short-term changes in investment income are mainly due to the occurrence of negative exchange rate differences due to the revaluation of the foreign currency share in the investment portfolio of pension assets, and are also dictated by changes in the market value of financial instruments.

Diversification (expansion of the range and reorientation of sales markets) of the investment portfolio, when income on some instruments covers temporary losses on others, ensures the safety and stable return on pension savings.

Investment return since the founding of the funded pension system in 1998 as of September 1, 2023, cumulatively amounted to 788.6%, with inflation for the entire period of 729.41%.

Let us remind you that in Kazakhstan there is a unique guarantee of the safety of compulsory pension contributions, taking into account the level of inflation. In cases of a decrease in return in a particular period, which affected the accumulated return of the contributor upon the onset of the right to pension benefits, compensation for the difference is guaranteed by the state.

The entire system of investment management and accounting of pension assets is transparent: each investor has the opportunity to see his investment income in his personal account on the enpf.kz website or in the mobile application.

Information on the investment management of UAPF pension assets and on the financial instruments in which UAPF pension assets are placed is published on the official UAPF website (www.enpf.kz) in the “Indicators/Investment activities” section.

A lot of interesting and useful information, including interviews with accumulative pension system experts on investing pension assets, is on the БЖЗК ЕНПФ YouTube channel.

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)