

ANNOUNCEMENT

Investment portfolios of pension assets managed by the NBRK and IPMs as of August 1, 2022

Investment activity in the management of pension assets is transparent. The detailed information on the investment of pension assets by the National Bank of the Republic of Kazakhstan (NBRK) and investment portfolio managers, as well as reviews of investment activity, is posted monthly on the enpf.kz site, in the "Indicators - Investment activity" section. At the moment, the information is updated as of August 1, 2022.

It follows from the presented reports: the total amount of pension assets under management as of August 1, 2022, amounted to about **KZT13.7 trillion**. At the same time, pension assets of UAPF, which are [under the trust management of NBRK](#), amounted to **KZT13,656.00 billion**. Pension assets [managed by the IPM](#) amounted to **KZT9.06 billion**.

Investment portfolio of pension assets managed by NBRK

As of August 1, 2022, the main investments of NBRK (as a trustee) in financial instruments within the framework of the directions approved by the Council for the Management of the National Fund of the Republic of Kazakhstan are presented [as follows](#):

- the main share in the portfolio of UAPF PA is occupied by the Government Securities of the Ministry of Finance of the Republic of Kazakhstan, the current value of which was KZT6,000.60 billion. Their share in the portfolio was 43.94%. As of August 1, 2022, the weighted average yield to maturity on the GS of the Ministry of Finance of the Republic of Kazakhstan, denominated in tenge, amounted to 11.4% per annum, in US dollars - 3.4% per annum.

- bonds of quasi-public organizations of the Republic of Kazakhstan with a current value of KZT1,703.79 billion (the share in the portfolio was 12.48%). The weighted average yield to maturity on bonds of quasi-public organizations of the Republic of Kazakhstan, denominated in tenge, amounted to 10.9% per annum, in US dollars - 5.5% per annum.

- bonds of banks of the second level of the Republic of Kazakhstan in the amount of KZT935.95 billion (6.85%). As of the reporting date, the weighted average yield to maturity on STB RK bonds was 10.4% per annum.

- bonds of international financial organizations amounted to KZT395.46 billion. Their share in the portfolio was 2.90%. The weighted average yield to maturity on bonds of international financial organizations was 9.70% per annum.

- the current value of deposits in foreign banks as of the reporting date amounted to KZT578.45 billion. Their share in the portfolio was 4.24%. There was no repayment of deposits in foreign banks.

- the current value of deposits in the National Bank of the Republic of Kazakhstan as of the reporting date amounted to KZT262.30 billion. Their share in the portfolio was 1.92%. The average weighted return is 13.21% per annum.

- foreign government securities in the liquidity sub-portfolio amounted to KZT257.63 billion. Their share in the portfolio was 1.89%. The weighted average yield to repayment of foreign state securities in the PA ENPF portfolio as of the reporting date was 2.9% per annum.

In addition, the structure of the investment portfolio includes shares and depositary receipts of issuers of the Republic of Kazakhstan KZT260.34 billion (share in the portfolio 1.91%), deposits in STB of the Republic of Kazakhstan - KZT201.87 billion (1.48%), corporate bonds of issuers of the Republic of

Kazakhstan - KZT16.14 billion (0.12%), PPN - KZT11.47 billion (0.08%), corporate bonds of foreign issuers - KZT6.13 billion (0.04%), cash in investment accounts - KZT3.27 billion (0.02%).

The investment portfolio in terms of the currencies in which financial instruments purchased from pension assets are denominated is presented as follows:

investments in the national currency – 68.97%, in US dollars – 30.95%, in another currency – 0.07% of the portfolio of pension assets.

As a result of investment activity, 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 KZT519.54 billion.

Against the background of the aggravation of the geopolitical situation, increased volatility in global financial markets, acceleration of inflation, as well as growth in the yield on bonds of developed and developing countries, the yield on UAPF pension assets distributed to the accounts of contributors (beneficiaries) from the beginning of 2022 amounted to 3.71%.

At the same time, as of August 1, 2022, the return on pension assets for the last 12 months (from August 2021 to July 31, 2022) for UAPF contributors (beneficiaries) was 8.24%.

The accumulated yield for the period from April 2014, when the consolidation of pension assets was completed, to the end of July 2022 amounted to 110.19%. For 8 years from 2014 to 2021, the annualized return on pension assets of the Unified Accumulative Pension Fund is 9.68% per annum.

It is worth emphasizing that pension savings are long-term investments and it is advisable to analyze the amount of investment income for a period of at least 1 (one) year. Short-term data (weekly, monthly, etc.) are not considered indicative, because depend on constant changes in the market situation.

[The detailed structure](#) of the investment portfolio of financial instruments under the management of the NBRK with the indication of issuers and an overview of investment activity are available on the UAPF official website.

Let us remind you that in Kazakhstan there is a model of the state guarantee of the security of accumulated pensions. In accordance with Article 5 of the Law of the Republic of Kazakhstan *On pension provision in the Republic of Kazakhstan*, the state guarantees to recipients the security of compulsory pension contributions and compulsory occupational pension contributions to the UAPF in the amount of actually paid contributions, taking into account the level of inflation at the time of obtaining the right to pension benefits.

Investment Portfolio Managers

The total volume of funds under the management of the IPM amounts to **KZT9.06 billion**.

Pension assets in the trust management of *Jusan Invest JSC* amounted to **KZT4.05 billion**. The following were purchased: Exchange Traded Funds (ETF) shares, they make up 31.68%, cash in investment accounts (26.38%), GS of the Ministry of Finance of the Republic of Kazakhstan (17.30%), NBRK notes (15.01% of the portfolio), REPOs (9.64% of the portfolio). Note that 63.14% of the portfolio is represented in tenge, 36.86% in US dollars.

As a result of investment activity, the yield of pension assets under the management of Jusan Invest JSC since the beginning of the year amounted to 1.26%.

[The detailed structure](#) of the investment portfolio of financial instruments under the management of Jusan Invest JSC with the indication of issuers is presented on the UAPF website

As of August 1, 2022, pension assets under the trust management of *Halyk Global Markets JSC* amounted to KZT2.56 billion. In the structure of the portfolio, reverse repo (not more than 90 calendar days) is 52.50%, equity instruments of foreign issuers (ETF) 15.13%, bonds of quasi-public organizations of the Republic of Kazakhstan 10.82%, shares and depositary receipts of foreign issuers 6.02%, bonds of

second-tier banks of the Republic of Kazakhstan 5.64%, IFOs 4.69%, corporate bonds of organizations of the Republic of Kazakhstan 4.43%, cash in accounts 0.75%, other assets 0.02%. Investments in national currency made up 78.74% of the portfolio, in US dollars - 21.26%. Return on pension assets managed by Halyk Global Markets JSC from January 1, 2022. to August 01, 2022 amounted to (-0.16%).

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

As of August 1 of the current year, pension assets in the trust management of **BCC Invest JSC** amounted to KZT1.49 billion. They are distributed in GS of the Republic of Kazakhstan 40.34%, shares (ETFs on indices) 21.05%, bonds of quasi-public organizations of the Republic of Kazakhstan 10.46%, shares and depository receipts of foreign issuers 8.91%, bonds of MFIs 6.09%, bonds of STB of the Republic of Kazakhstan 5.31%, corporate bonds of issuers-residents of the Republic of Kazakhstan 5.09%, funds in investment accounts 2.68%, other assets (receivables, overdue debts, provisions) 0.07%. 69.77% of the portfolio is invested in national currency instruments, 30.23% in US dollars.

As a result of investment activity, the yield on pension assets under the management of BCC Invest JSC since the beginning of this year amounted to 0.50%.

[The detailed structure](#) of the investment portfolio of financial instruments under the management of BCC Invest JSC with the indication of issuers is presented on the UAPF website.

As of August 1, 2022, the pension assets of the UAPF, which are under the trust management of **Centras Securities JSC**, amounted to KZT0.95 billion. They are invested in the GS of the MF of the Republic of Kazakhstan 54.21%, cash in investment accounts 18.74%, repos 15.98%, shares and depository receipts of issuers of the Republic of Kazakhstan 9.22%, equity instruments of foreign issuers (ETF Units) 1.86%. 82.41% of the portfolio is invested in national currency instruments, 17.59% in US dollars.

As a result of investment activity, the yield of pension assets managed by Centras Securities JSC since the beginning of 2022 was 0.34%.

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

We would like to remind you that after receiving pension assets from UAPF, the IPM invests them in authorized financial instruments specified in the *Rules for the Implementation of Activities on Investment Portfolio Management*, approved by Resolution No. 10 of the Board of the National Bank of the Republic of Kazakhstan dated February 3, 2014, and provided for in the Investment Declaration of the IPM.

When transferring pensions accumulated in the IPM management, the state's guarantee is replaced by the guarantee of the management company to ensure the minimum level of return of pension assets. The minimum level of return is calculated based on the weighted average return of pension assets transferred to the management of the IPM operating in 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)