

ANNOUNCEMENT

The National Bank presented information on investing pension assets to the Public Council of the UAPF

The 23rd meeting of the Public Council under the UAPF was held on April 25 this year.

The agenda included a report on the investment of pension assets, presented by the National Bank of the Republic of Kazakhstan as a trustee.

Deputy Director of the Monetary Operations Department of the National Bank of the Republic of Kazakhstan, Nurzhan Nurgazin, delivered a report on this matter.

According to the speaker, the investment of UAPF pension assets has been limited over the past 2 years due to the early withdrawal of part of their pension savings by contributors, the volume of which since February 2021 amounted to about 3.5 trillion tenge.

In 2022, government securities issued by the Ministry of Finance of the Republic of Kazakhstan were purchased in the amount of 2.4 trillion tenge with an average weighted yield of 14.4% per annum. Also, STB bonds issued under the Economy of Simple Things program were acquired for a total amount of 26.6 billion tenge, with a weighted average yield of 18.8% per annum.

During the first 3 months of this year, government securities issued by the Ministry of Finance of the Republic of Kazakhstan were purchased in the amount of 215.2 billion tenge with a weighted average yield of 15.1% per annum.

The speaker also noted that during the period from 2016 to 2019, the currency share of UAPF pension assets was gradually increased from 17% to 33%. Subsequently, due to the growth of pension assets, including investment income, the share of currency assets in the UAPF portfolio decreased, reaching 28.4% by the end of 2022. As previously reported by the National Bank, in order to diversify the portfolio, it is planned to maintain the currency position at the level of 30%. Furthermore, information was presented regarding the target distribution of the currency portfolio across asset classes

In response to questions from members of the Public Council, N. Nurgazin noted that in 2022, against the background of an escalation of the geopolitical situation, increased volatility in global financial markets, and tightening of monetary conditions by central banks, there was a decline in almost all asset classes. However, despite the negative return of most asset classes, the return on pension assets for 2022 was positive and amounted to 6.55%. The total amount of investment income accrued was 914.1 billion tenge. The cumulative return on pension assets for the period from 2014 to December 2022 amounted to 123.1% with cumulative inflation of 120.9%.

The representative of the National Bank emphasized that all investments are made by the trustee exclusively on market conditions in the interests of contributors.

UAPF reminds that the investment declaration and all information on investment activities are published on the [Fund's website](#).

At the conclusion of the meeting, the members of the Public Council discussed the current organizational matters and the topic for the next session.

All meeting materials are available on the enpf.kz website in the section "Public Council" - "[Meeting Protocols, Presentations](#)."

UAPF was established on August 22, 2013 on the basis of JSC NPF GNPF. The founder and shareholder of the UAPF is the Government of the Republic of Kazakhstan, represented by the State Property and Privatization Committee of the Ministry of Finance of the Republic of Kazakhstan. The National Bank of the Republic of Kazakhstan is responsible for the trust management of pension assets of UAPF. As of January 1, 2016, the functions related to developing proposals to improve the efficiency of pension asset management were transferred to the Management Council of the National Fund. In accordance with the pension legislation, the UAPF is responsible for collecting mandatory pension contributions, mandatory professional pension contributions, voluntary pension contributions, pension payments, individual accounting of pension savings and payments, and

providing contributors (recipients) with information about the state of their pension savings (for more details, please visit www.enpf.kz)