

ANNOUNCEMENT

In the current year, the net investment income of UAPF contributors exceeded 475 billion tenge

As of May 1 2021 the total amount of pension savings of Unified Accumulative Pension Fund's contributors exceeded 12.6 trillion tenge. This amount consist of pension contributions and investment income.

It is important to highlight that during four months from January 1 to May 1 2021, the net investment income in the amount of 475.8 billion tenge was accrued to the accounts of the UAPF contributors. From the beginning of the year, as of May 1 the return on UAPF pension assets under the management of the National Bank of the Republic of Kazakhstan was 3.8%, with inflation of 2.7%. The retrun for the last 12 months was 9.8%, while inflation for the same period was 7.0%.

The amount of pension savings of contributors (recipients) is recalculated and revalued on a weekly basis in accordance with the results of investment of pension assets. Investment income includes income in the form of remuneration on securities (deposits and other operations), income in the form of market revaluation of financial instruments, income in the form of foreign exchange revaluation, income on assets under external management, etc.

In general, the investment income generated by the National Bank since the merger of all pension assets in the UAPF amounted about 5.2 trillion tenge. As of May 1 2021, the share of net investment income in the total amount of pension savings is 35.6%.

If to take the period since Kazakhstan fully-funded pension system started to operate in 1998 then the net investment income exceeded 6 trillion tenge. During mentioned period, the investment return with a cumulative total amounted to 621.9%. At the same time, inflation amounted to 519.4%. Thereby, the real return on pension assets for the period from the beginning of fully-funded pension system operation until May 1 2021 was 102.5%.

It should be noted that pension savings are long-term investments, and it is efficient to analyze the amount of investment income for a period of at least 1 (one) year. Short-term data (weekly, monthly, etc.) are not indicative because idepend on constant changes in market conditions.

The entire system of investment management and accounting of pension assets is transparent: each contributor has the opportunity to see his investment income on the personal account on the enpf.kz website or on mobile application. Information on the investment management of the UAPF's pension assets and the financial instruments where the UAPF's pension assets are placed is published on the UAPF's official website (www.enpf.kz) in the "Indicators / Investment Activity" section.

UAPF was established on 22nd of August 2013 on the basis of NPF GNPF JSC. The founder and shareholder of the UAPF is the Government of the Republic of Kazakhstan represented by the State Institution "Committee for State Property and Privatization" of the Ministry of Finance of the Republic of Kazakhstan. Trust management of UAPF pension assets is carried out by the National Bank of the Republic of Kazakhstan. From 1st of January 2016, the functions of developing proposals to improve the efficiency of pension assets management have been transferred to the National Fund Management Council. In accordance with the pension legislation, the UAPF attracts compulsory pension contributions, compulsory professional pension contributions, voluntary pension contributions, pension payments, individual accounting of pension savings and payments, provides the contributor (recipient) with information on the state of his pension savings (for more details see www.enpf.kz).