

UAPF JSC

STRUCTURE OF PENSION ASSETS INVESTMENT PORTFOLIO

As of July 01, 2017 UAPF JSC pension assets (further – PA) under fiduciary management of the National Bank of RK amounted to KZT 7 138.97 bln¹

Structure of UAPF pension assets investment portfolio is in Table 1.

Table 1. Structure of UAPF PA investment portfolio under fiduciary management of the National Bank of RK by financial instruments

Description	<i>KZT bln</i>				
	Current value 01.01.2017	Share 01.01.2017.	Current value 01.07.2017.	Share 01.07.2017.	Growth/loss from the beginning of the year, %
Government securities of RK	2 910.82	43.57%	3 028.74	42.43%	4.05%
Foreign government securities	365.01	5.46%	426.14	5.97%	16.75%
IFO	86.63	1.30%	80.39	1.13%	-7.21%
Corporate bonds of RK emitters	84.03	1.26%	73.33	1.03%	-12.74%
Bonds of quasi public organizations of RK	900.17	13.48%	808.13	11.32%	-10.22%
Bonds of STB RK	1 450.20	21.71%	1 365.84	19.13%	-5.82%
Corporate bonds of foreign emitters	137.92	2.07%	128.34	1.80%	-6.95%
PPN	31.64	0.47%	30.28	0.42%	-4.28%
Shares and depository receipts of RK emitters	127.46	1.91%	144.82	2.03%	13.63%
Shares and depository receipts of foreign emitters	18.33	0.27%	16.98	0.24%	-7.35%
Deposits	399.91	5.99%	334.27	4.68%	-16.41%
Deposits in foreign banks	-	-	274.56	3.85%	-
REPO	-	-	1.50	0.02%	-
Cash on investment accounts (less liabilities under financial instruments transactions)	151.84	2.27%	410.04	5.74%	170.05%
Other assets (accounts receivable ² , past-due debt, provisions)	16.18	0.24%	15.60	0.22%	-3.59%
Total PA under fiduciary management of NBRK	6 680.14	100.00%	7 138.97	100.00%	6.87%
Cash on contribution and benefit payment accounts	9.52		2.15		
PA Total	6 689.66		7 141.12		6.75%

Average YTM of debt instruments in the Fund's PA investment portfolio as of July 01, 2017 was 8.1%.

Government securities of the Republic of Kazakhstan

Government securities of RK take main share of UAPF PA portfolio. In the report month their current value was increased by KZT 126.55 bln and came to KZT 3 028.74 bln. They took 42.43% of the portfolio.

Within the report month there was purchase of the short-term discount notes of NBRK in amount of KZT 1 306.51 bln with average YTM 9.9% per annum.

¹ less cash on contribution and benefit payment accounts.

² accounts receivable include amounts to receive on interest and/or principle debt on coupon date, but not maturity date in accordance with prospectus of share issue.

There was repayment of discount notes of NBRK in amount of KZT 1 183.20 bln as well as RK MinFin bonds in amount of KZT 12.00 bln.

Average yield to maturity of the Government securities of RK in UAPF PA portfolio came to 7.9% per annum.

Foreign government securities.

Current value of FGS within the month decreased by KZT 213.70 bln upto KZT 426.14 bln. Their share came to 5.97%.

Within the period short term US Treasury bonds were purchased in amount of KZT 88.38 bln with average YTM 1.0%, securities of RF Government in amount of KZT 3.50 bln with average YTM 8.0% per annum. Also short term US Treasury bonds were sold in amount of KZT 177.25 bln on their nominal value with average YTM 0.8% per annum.

Foreign government securities nominated in USD were redeemed in amount of KZT 150.10 bln in the period.

Within the report period average yield to maturity of foreign government securities in the PA portfolio came to 2.4% per annum.

IFO bonds.

In June 2017 current value of IFO bonds decreased by KZT 3.50 bln upto KZT 80.39 bln. The share of IFO bonds came to 1.13%.

Redemption of RR nominated IFO bonds in amount of KZT 3.53 bln took place within report period.

There were no other transactions in the period.

Average yield to maturity of the IFO bonds in UAPF PA portfolio came to 7.2% per annum.

Deposits in second tier banks (STB) of RK.

As of July 01, 2017 amount of STB deposits in the report period decreased by KZT 8.01 bln and came to KZT 334.27 bln. Share of deposits came to 4.68%.

Within the reporting period there were STB deposits allocations in amount of KZT 3.18 bln with average YTM 8.00% per annum. At this there was principal redemption in amount of KZT 64.59 bln

Average yield to maturity of STB deposits in PA portfolio was 10.7% per annum.

Deposits in foreign banks.

As of July 01, 2017 current value of deposits in foreign banks came to KZT 274.56 bln decreasing by KZT 41.33 bln. Their share was 3.85%.

Average yield to maturity of STB deposits in PA portfolio was 1.2% per annum.

RK corporate bonds

Current value of RK corporate bonds amounted to KZT 73.33 bln decreasing by KZT 10.68 bln. Their share came to 1.03%.

No transactions took place in the period.

Average yield to maturity of corporate bonds of RK emitters came to 13.3%.

Bonds of quasi-public organizations of RK

Amount of bonds of quasi-public organizations decreased by KZT 77.76 bln and came to 808.13 bln. Their share in the portfolio took 11.32%.

Bonds of quasi-public organizations were purchased in amount of KZT 14.85 bln on their nominal value with average YTM 10.5% per annum.

In June 2017 there was redemption of principal debt of RK quasi public organizations' bonds in amount of KZT 85.00 bln.

In the report period there were no sale transactions with these instruments.

Average YTM of these securities in the UAPF PA portfolio was 9.5% per annum.

Bonds of STB RK

Within the report month current value of STB bonds increased by KZT 1.69 bln and came to KZT 1 364.84 bln. Their share took 19.13%.

In June 2017 there was principal redemption of USD nominated RK STB bonds in amount of KZT 20.92 bln.

Within the period there were RK STB bonds purchased in amount of KZT 12.99 bln on nominal value with average YTM 12.5% per annum.

No sale transactions with bonds of RK STB took place in the period.

Average YTM of STB bonds was 9.8% per annum.

Foreign corporate bonds

In the report period amount of foreign corporate bonds increased by KZT 4.85 bln and came to KZT 128.34 bln. The share came to 1.80%.

There were no transactions with foreign corporate bonds in the PA portfolio of UAPF in the period.

Average yield to maturity of corporate bonds emitters in PA portfolio was 9.1% per annum.

PPN

PPN (structured notes) amount in the report period came to KZT 30.28 bln decreasing by KZT 0.73 bln with share in portfolio of 0.42%.

No transactions with foreign PPN took place in the report period.

Shares and depository receipts of RK emitters

In the report period amount of shares and depository receipts of RK emitters increased by KZT 2.69 bln and amounted to KZT 144.82 bln. The share came to 2.03% of the portfolio.

In the report period there were no transactions with RK emitters' shares.

Foreign shares and depository receipts

In the report period amount of foreign shares and depository receipts decreased by KZT 0.73 bln and came to KZT 16.98 bln. Their share in portfolio came to 0.24%.

There were neither sales nor purchases of these instruments in the period.

UAPF pension assets investment portfolio by currencies is in Table 2.

Table 2. Structure of UAPF pension assets investment portfolio under fiduciary management of NBRK by currencies

Currency	KZT bln				
	Current value as of 01.01.2017	Share on 01.01.2017	Current value as of 01.07.2017	Share on 01.07.2017	Growth/loss from the beginning of the year, %
National Currency	5 142.38	76.98%	5 195.62	72.78%	1.04%
US dollars	1 492.44	22.34%	1 898.73	26.60%	27.22%
Russian Rubles	35.12	0.53%	33.96	0.48%	-3.28%
Other currencies	10.20	0.15%	10.65	0.15%	4.41%
Total:	6 680.14	100.00%	7 138.97	100.00%	6.87%

Investment results

Investment return of six months of 2017 amounted to KZT 221.97 bln in result of pension assets investment under fiduciary management by NBRK as well as due to FX volatility and change of market value of UAPF pension assets portfolio's instruments. So return of UAPF pension assets distributed on members' accounts from 01.01.2017 to 30.06.2017 was 3.01%.

Structure of investment income is in Table 3.

Table 3. Structure of investment return on UAPF PA under fiduciary management of NBRK

KZT bln

Description	Investment return from the beginning of 2017
Income as remuneration on securities including deposits and Reverse REPO	256.3
Income (loss) of market revaluation	0.05
Income (loss) of FX revaluation	-35.97
Other income (loss)	1.59
Total:	221.97

Compliance with investment declaration parameters

Structure distribution of UAPF PA under fiduciary management complies with requirements of the UAPF Investment Declaration³. As presented in Table 4 shares of foreign currencies positions are within permitted levels and do not violate requirements of the UAPF Investment Declaration as of 01.07.2017.

Table 4. UAPF PA Investment limits

No	Financial instrument	Actual value (in % of pension assets)	Requirement performance (yes / no)
1	Foreign emitters:	12.45%	yes
1.1	Government, Agents and IFO securities:	7.10%	yes
1)	with rating of no less than BBB- on international scale of Standard & Poor's or rating of same level of one of the other rating agencies	4.93%	yes
2)	with rating from BB+ to BB- on international scale of Standard & Poor's or rating of same level of one of the other rating agencies.	2.17%	yes
1.2	Corporate debt securities:	0.85%	yes
1)	with securities and/or emitter's rating of no less than BBB- on international scale of Standard & Poor's or rating of same level of one of the other rating agencies.	0.09%	yes
2)	with securities and/or emitter's rating from BB+ to BB- on international scale of Standard & Poor's or rating of same level of one of the other rating agencies.	0.76%	yes
1.3	MBS and ABS with securities and/or emitter's rating of no less than BBB- on international scale of Standard & Poor's or rating of same level of one of the other rating agencies.	0.00%	yes
1.4	Shares, deposit receipts on shares	0.24%	yes
1.5	Deposits in the foreign banks with rating of no less than "A-" on international scale of Standard & Poor's or rating of same level of one of the other rating agencies	3.85%	yes
1.6	Structured products of emitters with rating of no less than BBB- on international scale of Standard & Poor's or rating of same level of one of the other rating agencies	0.42%	yes
1.7	Islamic Financing Instruments:	0.00%	yes
1)	with securities and/or emitter's rating of no less than BBB- on international scale of Standard & Poor's or rating of same level of one of the other rating agencies.	0.00%	yes
2)	with securities and/or emitter's rating from BB+ to BB- on international scale of Standard & Poor's or rating of same level of one of the other rating agencies.	0.00%	yes
2	Kazakhstani Emitters:	79.63%	yes

³ UAPF Investment Declaration was approved by the resolution of the Board of the National Bank of the Republic of Kazakhstan dated March 17, 2016 No 86

2.1	RK Government securities	42.43%	yes
2.2	Securities of the quasi-public sector	12,25%	yes
2.3	Financial instruments of Kazakhstani second tier banks	24,68%	yes
2.4	Non-Government securities except for debt securities of the quasi-public sector and second tier banks of the Republic of Kazakhstan, with securities and/or emitter's rating of no less than B- on international scale of Standard & Poor's or rating of same level of one of the other rating agencies	0,09%	yes
2.5	Non-Government securities except for share securities of the quasi-public sector and second tier banks of the Republic of Kazakhstan included into the first category of the KASE official list	0,18%	yes
2.6	Islamic financing instruments included into the KASE official list	0,06%	yes

Table 5. UAPF PA investment limits on certain types of financial limits

No.	Financial instrument	Actual (in percent of pension assets)	Performance (yes/no)
1	Standard derivatives	0.00%	yes
1)	If the derivatives are used for investment risk hedging	0.00%	yes
2	Gold in bars and AU metallic accounts	0.00%	yes

Информация по покупкам, проежам и погашениям финансовых инструментов, находящихся в инвестиционном портфеле ПА ЕНПФ

Таблица 6. Сведения по приобретению финансовых инструментов за отчетный месяц

Уста сделки	Уста погашения	Вид инструмента	Эмитент ценной бумаги	НИН (ISIN)	Валюта номинала	Номинальная стоимость в тенге	Номинальная стоимость в ин. валюте
01.06.2017	08.06.2017	НОТЫ	НБРК	KZW1KD079484	KZT	8 738 247 000	
01.06.2017	08.06.2017	НОТЫ	НБРК	KZW1KD079484	KZT	40 355 393 300	
02.06.2017	09.06.2017	НОТЫ	НБРК	KZW1KD079492	KZT	16 924 341 400	
02.06.2017	09.06.2017	НОТЫ	НБРК	KZW1KD079492	KZT	111 100 000 000	
05.06.2017	02.06.2022	ОБЛ. КОРП.КУПОН	АО "ЭКСИМБАНК КАЗАХСТАН"	KZP02Y05E986	KZT	12 986 874 500.00	
06.06.2017	06.06.2024	ОБЛ. КОРП.КУПОН	АО "Банк Развития Казахстана"	KZP01Y07F510	KZT	14 850 000 000.00	
07.06.2017	14.06.2017	НОТЫ	НБРК	KZW1KD079526	KZT	2 304 277 600	
07.06.2017	14.06.2017	НОТЫ	НБРК	KZW1KD079526	KZT	29 500 000 000	
08.06.2017	15.06.2017	НОТЫ	НБРК	KZW1KD079542	KZT	12 700 000 000	
08.06.2017	15.06.2017	НОТЫ	НБРК	KZW1KD079542	KZT	50 300 000 000	
09.06.2017	16.06.2017	НОТЫ	НБРК	KZW1KD079559	KZT	28 100 000 000	
09.06.2017	16.06.2017	НОТЫ	НБРК	KZW1KD079559	KZT	111 900 000 000	
14.06.2017	21.06.2017	НОТЫ	НБРК	KZW1KD079591	KZT	3 747 820 400	
14.06.2017	21.06.2017	НОТЫ	НБРК	KZW1KD079591	KZT	39 900 000 000	
15.06.2017	22.06.2017	НОТЫ	НБРК	KZW1KD079617	KZT	13 370 923 300	
15.06.2017	22.06.2017	НОТЫ	НБРК	KZW1KD079617	KZT	55 900 000 000	
16.06.2017	23.06.2017	НОТЫ	НБРК	KZW1KD079625	KZT	7 618 444 500	
16.06.2017	23.06.2017	НОТЫ	НБРК	KZW1KD079625	KZT	127 900 000 000	
19.06.2017	15.05.2019	ГЦБ ИН.ГОС.	Правительство РФ	RU000A0JU9V1	RUB	3 498 850 000	635 000 000
19.06.2017	26.06.2017	НОТЫ	НБРК	KZW1KD079641	KZT	31 900 000 000	
19.06.2017	26.06.2017	НОТЫ	НБРК	KZW1KD079641	KZT	8 100 000 000	
19.06.2017	12.10.2017	ГЦБ (ИН.ГОС) ДИСКОНТ	Правительство США	US912796KR92	USD	23 008 320 000	70 000 000
21.06.2017	28.06.2017	НОТЫ	НБРК	KZW1KD079666	KZT	40 700 000 000	
21.06.2017	28.06.2017	НОТЫ	НБРК	KZW1KD079666	KZT	3 216 107 300	
22.06.2017	29.06.2017	НОТЫ	НБРК	KZW1KD079682	KZT	64 300 000 000	
22.06.2017	29.06.2017	НОТЫ	НБРК	KZW1KD079682	KZT	16 200 000 000	
23.06.2017	30.06.2017	НОТЫ	НБРК	KZW1KD079690	KZT	112 300 000 000	
23.06.2017	30.06.2017	НОТЫ	НБРК	KZW1KD079690	KZT	28 200 000 000	
26.06.2017	03.07.2017	НОТЫ	НБРК	KZW1KD079708	KZT	9 000 000 000	
26.06.2017	03.07.2017	НОТЫ	НБРК	KZW1KD079708	KZT	35 500 000 000	
27.06.2017	19.10.2017	ГЦБ (ИН.ГОС) ДИСКОНТ	Правительство США	US912796LY35	USD	65 368 030 000	203 000 000
28.06.2017	05.07.2017	НОТЫ	НБРК	KZW1KD079724	KZT	9 237 687 300	
28.06.2017	05.07.2017	НОТЫ	НБРК	KZW1KD079724	KZT	54 200 000 000	
29.06.2017	10.07.2017	НОТЫ	НБРК	KZW1KD119744	KZT	71 400 000 000	
29.06.2017	10.07.2017	НОТЫ	НБРК	KZW1KD119744	KZT	18 000 000 000	
30.06.2017	10.07.2017	НОТЫ	НБРК	KZW1KD109752	KZT	28 900 000 000	
30.06.2017	10.07.2017	НОТЫ	НБРК	KZW1KD109752	KZT	115 000 000 000	
Итого						1 426 225 316 600	

Таблица 7. Сведения по проежам финансовых инструментов за отчетный месяц

Уста сделки	Уста погашения	Вид инструмента	Эмитент ценной бумаги	НИН (ISIN)	Валюта номинала	Номинальная стоимость в тенге	Номинальная стоимость в ин. валюте
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30.06.2017	06.07.2017	ГЦБ (ИН.ГОС) ДИСКОНТ	Правительство США	US912796LG29	USD	32 227 000 000	100 000 000
30.06.2017	13.07.2017	ГЦБ (ИН.ГОС) ДИСКОНТ	Правительство США	US912796LK31	USD	42 539 640 000	132 000 000
30.06.2017	03.08.2017	ГЦБ (ИН.ГОС) ДИСКОНТ	Правительство США	US912796LM96	USD	51 563 200 000	160 000 000
30.06.2017	10.08.2017	ГЦБ (ИН.ГОС) ДИСКОНТ	Правительство США	US912796LP28	USD	50 918 660 000	158 000 000
Итого						177 248 500 000	

Таблица 8. Сведения по размещениям во вклады банков за отчетный месяц

Дата сделки	Дата погашения	Эмитент ценной бумаги	Валюта номинала	Сумма сделки в тенге	Сумма сделки в ин.валюте
02.06.2017	02.06.2020	АО "ДОЧЕРНИЙ БАНК "АЛЬФА-БАНК"	KZT	3 176 556 855	

Таблица 9. Сведения по погашениям основного долга ценных бумаг за отчетный месяц

НИН (ISIN)	Вид инструмента	Эмитент ценной бумаги	Дата фактического погашения	Сумма к погашению в тенге	Сумма к погашению в ин.валюте	Валюта номинала
KZW1KD079419	НОТЫ НБРК	Национальный Банк РК	01.06.2017	119 000 000 000	-	KZT
KZW1KD079427	НОТЫ НБРК	Национальный Банк РК	02.06.2017	31 000 000 000	-	KZT
KZW1KD079468	НОТЫ НБРК	Национальный Банк РК	07.06.2017	67 923 409 600	-	KZT
KZW1KD079484	НОТЫ НБРК	Национальный Банк РК	08.06.2017	49 093 640 300	-	KZT
KZW1KD079492	НОТЫ НБРК	Национальный Банк РК	09.06.2017	128 024 341 400	-	KZT
XS0303133564	Еврооблигации	Европейский инвестиционный банк	13.06.2017	3 531 675 900	636 338 000	RUB
XS0305204595	Еврооблигации	АО "КАЗКОММЕРЦБАНК"	14.06.2017	20 873 503 730	65 999 000	USD
KZW1KD079526	НОТЫ НБРК	Национальный Банк РК	14.06.2017	31 804 277 600	-	KZT
KZW1KD079542	НОТЫ НБРК	Национальный Банк РК	15.06.2017	63 000 000 000	-	KZT
KZW1KD079559	НОТЫ НБРК	Национальный Банк РК	16.06.2017	140 000 000 000	-	KZT
XS1153772725	Еврооблигации	АО "ForteBank"	19.06.2017	45 948 593	143 787	USD
KZW1KD079591	НОТЫ НБРК	Национальный Банк РК	21.06.2017	43 647 820 400	-	KZT
KZW1KD079617	НОТЫ НБРК	Национальный Банк РК	22.06.2017	69 270 923 300	-	KZT
KZW1KD079625	НОТЫ НБРК	Национальный Банк РК	23.06.2017	135 518 444 500	-	KZT
US912796JX89	ГЦБ ИН.ГОС	US Treasury Bill	23.06.2017	65 376 000 000	200 000 000	USD
KZW1KD079641	НОТЫ НБРК	Национальный Банк РК	26.06.2017	40 000 000 000	-	KZT
KZKAKY090025	МЕУЖКАМ 108	Министерство финансов РК	27.06.2017	12 000 000 000	-	KZT
KZW1KD079666	НОТЫ НБРК	Национальный Банк РК	28.06.2017	43 916 107 300	-	KZT
KZW1KD079682	НОТЫ НБРК	Национальный Банк РК	29.06.2017	80 500 000 000	-	KZT
US912828TB69	ГЦБ ИН.ГОС	US Treasury Bill	30.06.2017	934 583 000	2 900 000	USD
KZ2C0M11F378	Облигации	АО "Банк Развития Казахстана"	30.06.2017	85 000 000 000		KZT
KZW1KD079690	НОТЫ НБРК	Национальный Банк РК	30.06.2017	140 500 000 000	-	KZT
US912796LF46	ГЦБ ИН.ГОС	US Treasury Bill	30.06.2017	83 790 200 000	260 000 000	USD
Итого				1 454 750 875 623		

Таблица 10. Сведения по погашениям основного долга депозитов за отчетный месяц

Дата выплаты	Дата закрытия	Эмитент ценной бумаги	Сумма к погашению в тенге	Сумма к погашению в ин.валюте	Валюта номинала
02.06.2017	21.10.2019	АО "Казинвестбанк"	2 899 225 000		KZT
05.06.2017	12.02.2020	АО "Эксимбанк Казахстан"	9 987 100 673		KZT
28.06.2017	28.06.2017	MIZUHO CORPORATE BANK. LTD. LONDON BRANCH	51 700 800 000	160 000 000	USD