



QUARTERLY NEWSLETTER  
NO 51 – YEAR XIII – Q3 2020

KOSOVO PENSION SAVINGS TRUST

# TRUSTORY

## PERFORMANCE

PERIOD	1M	3M	YTD	3 YEARS	5 YEARS	SINCE INCEPTION
RESULT	+0.95%	+1.18%	+0.23%	+5.59%	+18.95%	+51.41%
BENCHMARK*	-0.28%	+0.95%	-0.85%	+3.44%	+5.77%	+37.78%

\* KOSOVO CONSUMER PRICE INDEX AS PUBLISHED BY THE KOSOVO AGENCY FOR STATISTICS

## MONTHLY CHANGES

	UNIT PRICE	GROSS RETURN	NET RETURN
JULY	+0.95%	€19.8m	€19.1m
AUGUST	+1.18%	€24.7m	€24.1m
SEPTEMBER	-0.60%	€-11.8m	€-12.5m
<b>QUARTER</b>	<b>+1.53%</b>	<b>€32.7m</b>	<b>€30.7m</b>

## CONTRIBUTION

	NEW CONTRIBUTIONS	NEW ACCOUNTS	ACTIVE ACCOUNTS
JULY	€17.13m	4,423	336,283
AUGUST	€15.85m	2,358	343,379
SEPTEMBER	€15.43m	2,705	350,087
<b>QUARTER</b>	<b>€47.41m</b>	<b>9,486</b>	<b>343,250*</b>

\*quarterly average

## RETIREMENT

PENSION BENEFICIARIES		WITHDRAWN AMOUNT	REASONS		
			AGE PENSION	DEATH CASES	OTHER
JULY	595	€2.72m	396	124	75
AUGUST	606	€6.19m	406	135	65
SEPTEMBER	737	€5.81m	567	109	61
<b>QUARTER</b>	<b>1,938</b>	<b>€14.72m</b>	<b>1,369</b>	<b>368</b>	<b>201</b>

## KEY FACTS

	Q3	Q2
UNIT PRICE	€1.5141	€1.4913
NET AUM	€2,068,304,440.50	€2,004,007,875.44
INVESTMENT FEE	€1,701,088.48	€1,758,209.48
OPERATIONAL FEE	€335,062.89	€332,815.56
INVESTMENTS IN KOSOVO	€616,614,573	€588,555,803
INVESTMENTS OUTSIDE KOSOVO	€1,408,353,687	€1,125,221,763
UN-INVESTED (IN CBK)	€44,874,314	€291,714,931
eTRUSTI ACCOUNTS	194,756	160,505
SERVICES OFFERED BY KPST	51,554	30,967

## ALLOCATION AND PERFORMANCE

MANAGER    ISSUER    BANK    BROKER	FUND NAME OR ISIN NUMBER	ALLOCATION AS OF Q3 END	GROSS INVESTMENT RETURN
Vanguard	Global Stock Index Fund	€78,811,734	€4,017,120.49
Nordea	1-Stable Return Fund	€329,521,796	€3,333,307.81
Nordea	1-Global Stable Equity Fund	€84,607,954	€(945,340.27)
BNY Mellon	Global Real Return Fund	€337,129,343	€11,833,086.17
AXA	Global Inflation Linked B.	€152,600,771	€1,444,932.43
Amundi 3M	Amundi 3M - I	€175,621,435	€(119,983.15)
BNP Parvest	Diversified Dynamic	€104,640,396	€1,971,268.21
ERSTE (SP500 MinVol ETF)	ETF-IE00BYX8XD24	€21,969,818	€1,606,982.73
ERSTE (iShares MSCI EUR)	ETF-IE00B86MWN23	€30,314,935	€370,633.69
ERSTE (Invesco QQQ ETF)	ETF-US46090E1038	€93,135,504.83	€6,092,008.49
Treasury of Kosovo <sup>1)</sup>	Bills	€432,540,335	€2,379,237.01
Banks in Kosovo <sup>1)</sup>	Term deposits	€184,074,238	€670,261.02
CBK - cash	Un-invested	€44,874,314	€(32,045.16)
Other income	--	--	€81,938.80
<b>TOTAL</b>		<b>€2,069,842,574</b>	<b>€32,703,408.27</b>

<sup>1)</sup> These investments are with fixed interest rates.

## THE LAW PROPOSAL THAT ENABLES THE WITHDRAWAL OF 10% WAS ADOPTED IN THE FIRST READING

On October 12, the Assembly of Republic of Kosovo approved in the first reading the law on economic recovery, which, among others, enables the withdrawal of 10% from KPST accounts. Of course, according to the legislative procedures, the Assembly will have to approve this draft law at the second reading.

After the second reading, the same law will have to be approved by the president. Once the law is signed by the president, then published in the official gazette, it enters into force. The KPST will then disclose all details of the 10% withdrawal application.

## KPST REPRESENTATIVES AT A MEETING WITH MEMBERS OF THE AMERICAN CHAMBER

The American Chamber of Commerce in Kosovo organized a virtual forum during which the investment strategy of the Pension Fund (Trust) was discussed as well as the opportunities extended to the private sector in Kosovo. During this forum, business representatives, members of the American Chamber of Commerce, had the opportunity to be informed of the structure and criteria of this strategy.

The Managing Director of the Pension Savings Fund, Adrian Zalli, underlined that this fund currently has assets worth over two billion Euro. According to him, the assets of the Pension Fund are invested in order to increase the profit solely in the interest of contributors, while the main principles that must be followed for the implementation of these investments are defined by the Law on the Pension Fund. Zalli said that these principles should guarantee the security of the fund, variety of investment, maximum profit in accordance with the security of the fund and the maintenance of adequate liquidity. He emphasized that the principle of the Steering Board is to increase the investment of funds in Kosovo, through bank deposits but also participation in the securities market, which then would be invested by the Government of the Republic of Kosovo in the areas needed most.

Valdrin Kasumaj, board member of the Kosovo Pension Fund stressed that restrictions within the legal mandate of the Pension Fund affect the ability of this fund to support businesses in Kosovo while adding that during 2020 the Fund's participation in the securities market or banking deposits in the country increased and keeps increasing.

Hekuran Murati, Chairman of the Parliamentary Committee on Budget and Transfers, while emphasizing that the supply of financial products in Kosovo is somewhat limited, said that investment needs should be considered for enterprises based on their development cycle. According to Murati, access to finance is usually more problematic for new businesses compared to more mature businesses, which may be more predictable for the lending sector.

Mërgim Cahani, Chief Executive Officer in Gjirafa, referring to a ten-year period, stressed that now the companies with the highest value are undoubtedly those in the technology sector. Cahani mentioned the fact that the greatest potential for the economic development of the country lies precisely in this sector; therefore, the same should be supported more by creating investment opportunities within the state.

**PUBLISHER:**

Kosovo Pension Savings Trust  
October 2020

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