

Trusti



QUARTERLY NEWSLETTER
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KOSOVO PENSION SAVINGS TRUST

TRUSTORY

PERFORMANCE

| PERIOD | 1M | 3M | YTD | 3 YEARS | 5 YEARS | SINCE INCEPTION |
|------------|-------|-------|-------|---------|---------|-----------------|
| RESULT | 1.46% | 3.61% | 5.15% | 12.88% | 21.43% | 63.66% |
| BENCHMARK* | 0.00% | 0.09% | 1.70% | 5.47% | 8.33% | 41.32% |

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

MONTHLY CHANGES

| | UNIT PRICE | GROSS RETURN (in million) | NET RETURN (in million) |
|----------------|--------------|------------------------------|----------------------------|
| APRIL | 1.29% | €27.05 | €26.38 |
| MAY | 0.82% | €17.74 | €17.04 |
| JUNE | 1.46% | €31.62 | €30.93 |
| QUARTER | 3.61% | €76.41 | €74.34 |

CONTRIBUTION

| | NEW CONTRIBUTIONS (in million) | NEW ACCOUNTS | ACTIVE ACCOUNTS |
|----------------|--------------------------------|---------------|-----------------|
| APRIL | €18.46 | 5,558 | 336,341 |
| MAY | €16.32 | 2,950 | 348,917 |
| JUNE | €17.25 | 3,457 | 359,332 |
| QUARTER | €52.03 | 11,965 | 348,197* |

*quarterly average

RETIREMENT

| PENSION BENEFICIARIES | WITHDRAWN AMOUNT (in million) | REASONS | | | |
|-----------------------|----------------------------------|---------------|--------------|------------|------------|
| | | AGE PENSION | DEATH CASES | OTHER | |
| APRIL | 686 | €6.01 | 527 | 106 | 53 |
| MAY | 676 | €5.20 | 539 | 94 | 43 |
| JUNE | 585 | €4.96 | 485 | 64 | 36 |
| QUARTER | 1,947 | €16.17 | 1,551 | 264 | 132 |

SUMMARY OF KEY FACTS

| | Q2 2021 | Q1 2021 |
|----------------------------|----------------|----------------|
| UNIT PRICE | €1.6366 | €1.5795 |
| NET AUM | €2,154,234,373 | €2,044,031,856 |
| INVESTMENT FEE | €1,729,467 | €1,638,368 |
| OPERATIONAL FEE | €340,653 | €322,709 |
| INVESTMENTS IN KOSOVO | €584,821,609 | €582,008,304 |
| INVESTMENTS OUTSIDE KOSOVO | €1,502,430,137 | €1,446,157,256 |
| UN-INVESTED (IN CBK) | €68,787,905.00 | €18,244,412 |
| eTRUSTI ACCOUNTS | 263,912 | 260,922 |
| SERVICES OFFERED BY KPST | 13,785 | 18,029 |

ALLOCATION AND PERFORMANCE

| MANAGER ISSUER BANK BROKER | FUND NAME OR ISIN NUMBER | ALLOCATION AS OF Q2 END | GROSS INVESTMENT RETURN |
|--|-----------------------------|----------------------------|-------------------------------|
| Vanguard GSIF | IE00B03HD316 | €225,241,752.16 | €17,570,114 |
| Nordea 1-SRF | LU0539147214 | €360,393,491.43 | €11,241,324 |
| Nordea 1-GSEF | LU0257969260 | €83,087,138.79 | €3,142,258 |
| BNY Mellon RRF | IE00B504KX99 | €375,373,759 | €9,503,714 |
| AXA GILB | LU0227145629 | €21,885,174 | €1,302,866 |
| Amundi 3M | FR0007038138 | €80,441 | (€81,943) |
| BNP Parvest DD | LU0102035119 | €50,973,874 | €2,169,702 |
| iShares Edge S&P 500 MinVol | IE00BYX8XD24 | €10,098,607 | €584,056 |
| iShares Edge MSCI Europe | IE00B86MWN23 | €13,730,375 | €978,739 |
| Invesco QQQ UCITS | US46090E1038 | €67,784,290 | €6,065,656 |
| Amundi MSCI Eu Qual Fact | LU1681041890 | €66,768,030 | €6,265,708 |
| SP OilGas Expl ETF | US78468R5569 | €24,402,477 | €3,562,093 |
| LG eCom Logist ETF | IE00BF0M6N54 | €38,627,888 | €3,304,388 |
| FirstT CybrSec ETF | US33734X8469 | €39,290,755 | €3,793,105 |
| US Oil ETF | US91232N2071 | €24,402,477 | €4,319,526 |
| US Infrastructure Dev ETF | US37954Y6730 | €30,302,742 | €128,932 |
| US Infrastructure ETF | US46435U7138 | €30,216,967 | (€4,092) |
| Real Estate US ETF | US9229085538 | €29,847,129 | (€310,488) |
| Real Estate Industrial ETF | US69374H7668 | €9,922,769 | (€178,814) |
| Treasury of Kosovo ¹⁾ | Bills | €481,453,531 | €2,578,962 |
| Banks in Kosovo ¹⁾ | Term deposits | €103,368,078 | €384,298 |
| CBK - cash | Un-invested | €68,787,905 | (€31,626) |
| Other income | -- | -- | €126,284 |
| TOTAL | | €2,156,039,651 | €76,414,762 |

¹⁾ These investments are with fixed interest rates.

NEWS

GOVERNMENT OF KOSOVO WITH A DECISION ABOUT WITHDRAWAL OF 10%

Government of the Republic of Kosovo in its meeting held on 8th of June 2021 has decided to begin preparations for the reimbursement of contributors who have withdrawn 10% from the Kosovo Pension Savings Fund - as part of the Law on Economic Recovery. The total amount calculated for reimbursement is 101,772,416 Euro for 372,650 beneficiaries, who meet the condition set out in the Law No. 07 / L-016, Article 5, paragraph 1.

According to the content of the decision No. 17/15 and of the Law No. 07 / L-016, the refund will commence from year 2023..

€108 MILLION GROSS RETURN ON INVESTMENT IN THE H1 2021

Kosovo Pension Savings Trust achieved a very satisfactory performance in the first half of this year. The gross return on investment for the period January-June 2021 reached the value +108 million Euros, while the Fund assets increased by 177 million euros, reaching 2.17 billion Euros.

This positive performance is a result from both the assessment of financial markets and the decision making by the KPST in tactical allocation during this period. This year, the institution has streamlined the investments in new financial instruments in order to give more diversity, and consequently distribution of investment risk, aiming at the highest possible return.

At the same time, investments in Kosovo have continued mainly in Government securities and bank deposits, where these investments at the end of the six months period were around 568 million Euros. As stated earlier, the KPST constantly aims to increase investment within the country.

With this result the KPST has reached about 660 million gross return on investment since its establishment.

Also, during this six months period, the process of withdrawing 10% was successfully completed, where 427,363 contributors applied and over 198 million euros were withdrawn, with an average profit of 24.2%.

GOVERNING BOARDS' DECISIONS ON INVESTMENTS ON 24 JUNE 2021

The Governing Board of the Kosovo Pension Savings Trust, based on the recommendations of the Investment Committee, in the meeting of June 24, 2021 has taken several decisions about investments.

In the part of new investments, it has decided to place investments in the following funds and investment products:

- + € 30m in GLOBAL X US Infrastr. Development ETF US37954Y6730;
- + € 30m in iShares US Infrastr ETFUS46435U7138;
- + € 30m in Vanguard Real Estate ETF US9229085538;
- + € 10m in Pacer Bench Indus ETF US69374H7668;
- + € 20m in USO Crude Oil ETF US91232N2071;
- + € 40m in Invesco DB Base Metals ETF US46140H7008.

While these investments should be financed by: a) Cash at the CBK €38 million and b) Sales from: Amundi 3M (€70 million), AXA GILB Fund (€29 million) and Vanguard GSI (€29 million).

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