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## 1. Asset Management Industry. General Overview

### Number of market participants

#### **Asset Management Companies (AMC)**

In the 1-st quarter of 2019, the number of **asset management companies** increased by two, to **298**, due to the newly established companies in Kyiv during January-March.

Of all operating AMCs, as at the end of March, 283 companies managed from one to 34 funds, and almost 99% of all such AMCs managed at least one venture fund.

#### **Collective Investment Institutions (CII)**

In January-March of 2019, **19 new CIIs** were registered. Taking into account the funds closed during the 1-st quarter, as at March 31, 2019, the **number of operating registered CII**, according to the UAIB, increased to **1,794** (+0.6% for Q1 2019).

The number of **CII that have reached the norms for minimum asset value (formed ones)** steadily increased and by the end of March of 2019 reached **1,237** (+9 funds, or +0.7% for the first quarter of 2019).

#### **Non-State Pension Funds (NPFs)**

The **number of NPFs under management** as at 31.03.2019 remained at the level of **58** (excluding the NBU corporate fund), including 45 open, 7 corporate and 6 professional funds. Totally 34 AMCs managed NPFs' assets.

#### **Insurance Companies (IC)**

The **number of ICs that transferred their assets under AMC management** as well as the number of AMCs that provided such services remained unchanged during January-March of 2019 – there were **2** of such insurance companies, and AMC was the only one as at 31.03.2019.

### Assets under Management and NAV

#### **All Institutional Investors**

**The total assets under AMC management** increased by 6.9% for the first quarter of 2019 and as at 31.03.2019 amounted to **UAH 336,435.1 M**. On an annual basis, since March of 2018, they have increased by 21.5%.

#### **Collective Investment Institutions (CII)**

**The total assets of CII under management**, including those that have not yet reached the norms for minimum asset value, grew by 6.9% in Q1 2019 and by 21.6% for the year to **UAH 334,882.4 M**.

**Assets of operating CII that have reached the norms for minimum asset value** ("recognized" CII) grew for the first quarter of 2019 by 7.0%, and for the last twelve months - by 15.7% and as at 31.03.2019 amounted to **UAH 317,437.5 M**. The growth of CII assets was mainly due to the further increase of the number of funds and expanding of their project activities (at the expense of venture CII), while stock market's growth was weak and sectors of CII with public placement did not change quantitatively.

Value of **net assets of formed CII** ("recognized" ones) in January-March of 2019 accelerated growth to 4.6% for the first quarter and to 12.1% in annual terms. As at 31.03.2019, it reached **UAH 246,749.5 M**.

#### **Non-State Pension Funds (NPFs)**

**Assets of NPF under AMC management** in the 1-st quarter of 2019 also accelerated quarterly and annual growth - up to 4.4% and 17.1%, respectively. As at 31.03.2019 they reached **UAH 1,424.7 M**.

#### **Insurance Companies (IC)**

**Assets of IC under AMC management** for the first quarter of 2019 increased by 12.0%, and thus reduced the annual decline to -15.9%. As at 31.03.2019, these assets amounted to **UAH 89.6 M**.

## 2. IC Asset Management Market Results

In Q1 2019, the number of insurance companies (ICs) with assets under AMC management remained 2. Only one AMC managed them, the same as at the beginning of the year (Chart 1).

IC assets under management for the 1-st quarter of 2019 increased by 12.0% (after -28.9% in Q4 2018) and as at 31.03.2019 amounted to **UAH 89.6 M.** (Table 1).

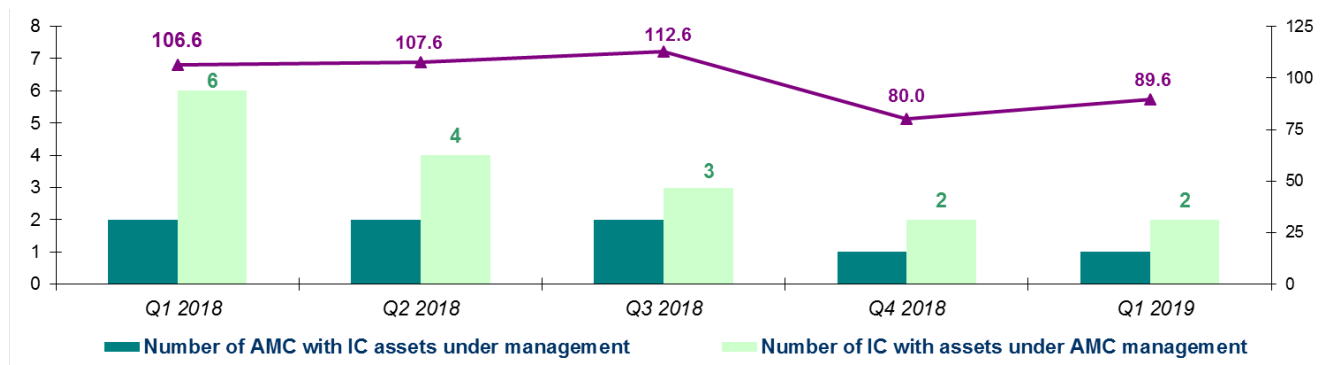


Chart 1. Dynamics of IC asset management in Q1 2018-2019

Table 1. Assets of insurance companies under AMC management in Q1 2018-2019

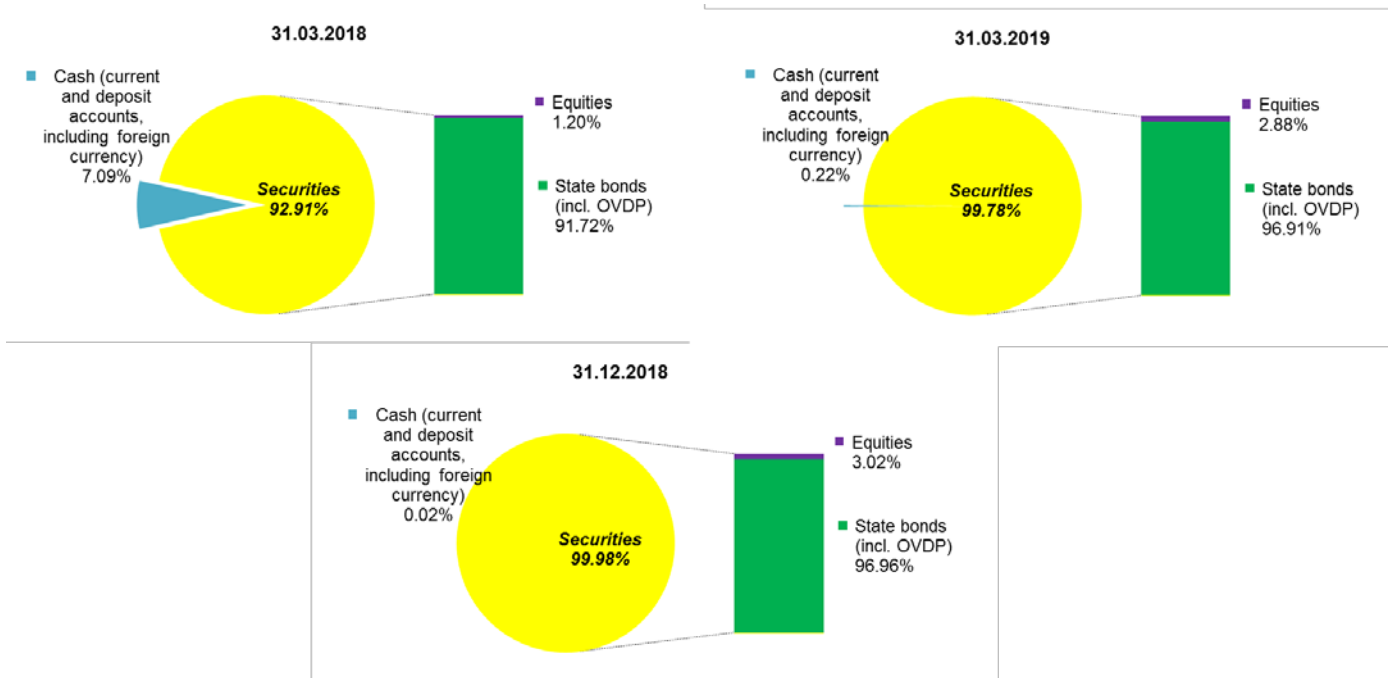
Date/Period	Number of AMC with IC assets under management	Number of IC with assets under AMC management	IC assets under management, UAH, M.	Change of IC assets under management		
				quarter	YTD	annual
Q1 2018	2	6	106.6	-13.8%	-13.8%	54.1%
Q2 2018	2	4	107.6	1.0%	-12.9%	29.1%
Q3 2018	2	3	112.6	5.7%	-8.9%	35.1%
Q4 2018	1	2	80.0	-28.9%	-35.2%	-35.2%
Q1 2019	1	2	89.6	12.0%	12.0%	-15.9%

**In the structure of IC assets under management<sup>1</sup>** in March of 2019, 99.78% were securities (after 99.98% at the beginning of the year), of which **96.91% were in state bonds (OVDP)** - almost unchanged for the first quarter. At that, the total value of investments in state bonds at the expense of IC assets under management as a whole increased in January-March by almost UAH 10 M. (+12.2%), after a significant reduction in the previous quarter (-29.7%).

Portfolio of equities also increased by value, but not so significantly (+6.9%), that somewhat lowered their weight in the assets of IC under management by the end of March of 2019 compared with December of 2018 - from over 3.0% to almost 2.9% (Chart 2).

IC assets under AMC management, which were *in banks' accounts* in the 1-st quarter of 2019 increased almost by 10 times, but nevertheless constituted a negligible share of these assets (0.2%).

<sup>1</sup> According to the data provided by AMC with IC assets under management in addition to the quarterly reporting.



*Chart 2. Dynamics of the structure of IC assets under AMC management in Q1 2019 and for the year*

**See additional and statistical information on the UAIB website:**

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- [Analytical Statistics and Reviews of Publicly Offered Investment Funds: Weekly; Monthly](#)
- [Quarterly & Annual Asset Management Industry Reviews](#)
- [Ranking: AMC Rankings; CII Rankings \(by fund types and by fund classes\)](#)

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