

# Pension Plan "Dynamics"



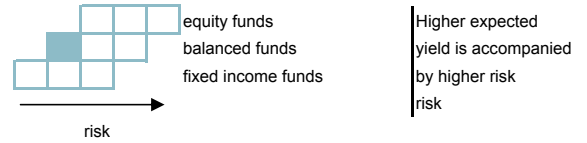
## Investment Principles

The investment policy of the Plan is balanced, as assets of the Plan are disposed in financial instruments with fixed income and equities. Not less than 70 % of assets of the Plan are invested in securities with fixed income and in term-deposits in banks and no more than 30 % - in the equities. The investment policy of the Plan provides to invest not less than 50 % of assets in Latvia. Investments in foreign currencies can't exceed 30 % of assets of the Plan.

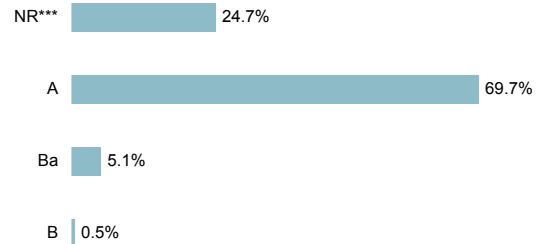
## General information

Plan Management Company	AS IPS Hansa Fondi
Plan Manager	Kristians Mikelsons
Inception	2002
Applications are accepted in:	Branch offices of AS Hansabanka; 7024555 <a href="http://www.hanzanet.lv">www.hanzanet.lv</a> State Social Insurance Agency
Net Asset Value (NAV)	1.2474277 LVL
Net Assets	30641834 LVL
Management Fee per annum	1.4%
Weighted average rating	A3
Weighted average modified duration, years	4.2

## Risk level

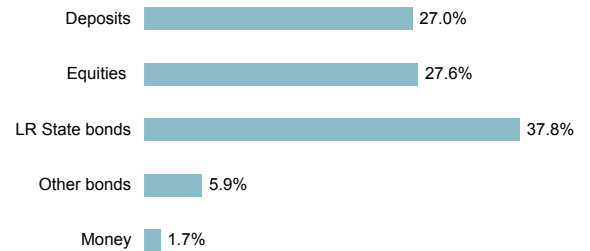


## Portfolio by ratings

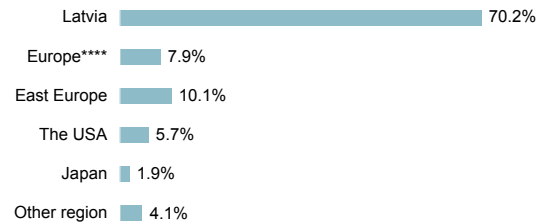


\*\*\* - investments without rating of international rating agencies

## Portfolio by instruments

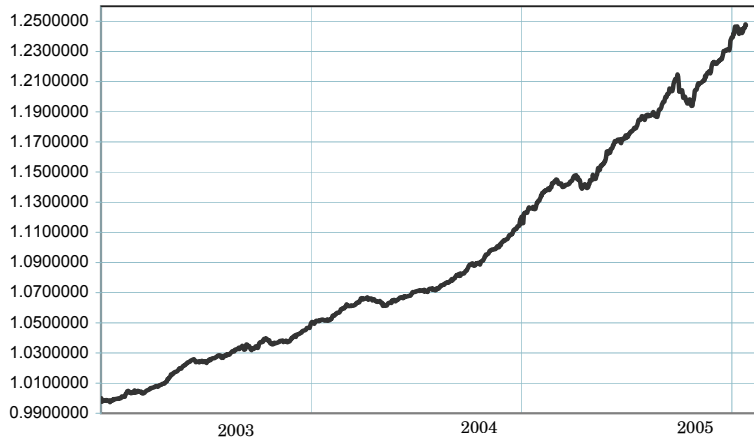


## Portfolio by countries



\*\*\*\* - without East Europe

## Performance of Plan



	YTD	1 month	3 months	6 months	1 year	2 years	Inception*
Performance	1.31%	1.31%	4.21%	5.29%	10.71%	18.64%	24.74%
Annualized**						8.78%	7.36%

	2003	2004	2005
Performance	4.65%	6.46%	10.52%

\* - since launch

\*\* - the annual interest rate of yield is calculated, using ACT/360 method

## Manager Comment

The year started on a positive note – with a massive jump in equity prices along with a minor rise in bond rates. This month the equity price rise was lead by developing markets with an increase in value of 11%. There is an increasing number of investors who believe that it is these countries that will drive the global economic development for decades to come. The developing countries are also believed to have gained a foothold in political and economic terms. The European stock market grew by 3.5%, while the US market – by 2.7%. The Eastern European stock portfolio swelled by 6.2%, whereas the Baltic stock index Baltix fell by 1.8%. The euro year 10 bond rate rose from 3.32% to 3.46%. Interest rates on investments in lats surged as well - the Latvian year 2015 bond rate rose from 3.50% to 3.57%. This month the Latvian Treasury Index calculated by Hansabanka was up by mere 0.1% with bond prices shrinking as interest rates climb up.

## Larger investments

Larger investments	Weight
LR 10-year bonds 02.12.2015	17.6%
LR 5-year bonds 04.02.2010	8.9%
LR 10-year bonds 14.02.2013	8.4%
Balzac Europe Index Fund	3.9%
T.Rowe Global Emerging Markets Fund	3.3%
Balzac USA Index Fund	3.2%
streetTRACKS MSCI Europe ETF	2.8%
Hansa Venemaa Aktiafondi	2.6%
iShares S&P 501	2.4%
LR 10-year bonds 02.04.2014	2.0%