

# Hansa Pension Fund



**Conservative  
strategy**



31/03/03

Fund manager: Paavo Pöld

Transactions with fund units:

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Telebanking, tel. 6133133

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AS Hansa Investeerimisfondid

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15038 Tallinn

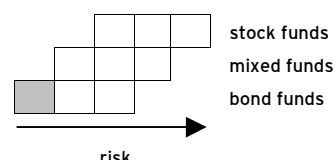
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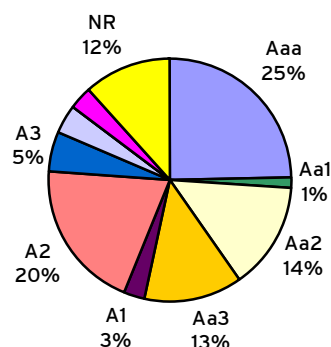
## Investment principles

Hansa Pension Fund K1 (Conservative Strategy) is a contractual investment fund founded for providing mandatory funded pension. The objective of the Fund's investment activity is to achieve long-term, stable capital growth. The Fund's assets shall be invested in the bonds, money market instruments and other assets of either Estonian or foreign origin. The Fund's assets shall not be invested in shares or investment funds which deal with investments in shares.

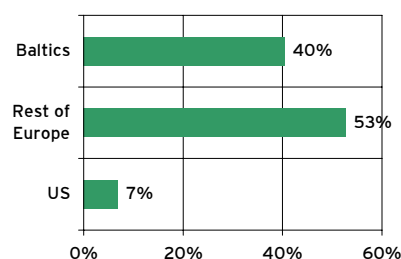


Higher anticipated yield is accompanied by higher risk

## Portfolio by rating



## Portfolio by region



## General data

Net Asset Value (NAV) of fund unit:	10.49 EEK
Net value of fund assets:	15,764,350.01 EEK
Founding year:	2002
Management fee:	1.19% per annum
Issue fee:	1.5%
Redemption fee:	1%

## Investment diversification

The backbone of the Fund's investment strategy is Hansabank's major experience acquired in investing in bonds in the Baltic markets, efficiently combined with quality investments into euro-based government and major corporate bonds.

The objective of Hansa Pension Fund K1 is to guarantee the stability of investments, while protecting assets from both credit and interest risks. For this purpose, the Fund invests 50 per cent of assets in European government bonds, 20 per cent in euro-based corporate bonds, and the remaining 30 per cent in government and corporate bonds in the Baltic region. The Fund does not assume any currency risk, and therefore assets are invested only in securities quoted in Estonian kroons and euros. Besides, the average-weighted portfolio rating must be (except for the Baltic region) at least A. In Estonia, Hansabank, for instance, has such credit rating.

## Fund performance

	1 month	1 year	3 years	5 years	since foundation
Fund	-0.10%				4.90%
On annual basis	-1.14%				6.53%

## Larger investments

Bonds	Proportion
Republic of Italy	14.22%
Kingdom of Spain	6.10%
Portugali Vabariik	6.06%
Hispaania Kuningriik	5.86%
Kingdom of Sweden	4.39%
Republic of Lithuania	3.73%

The value of the Fund's unit can either grow or decrease in time. The current return of the Fund shall not guarantee the same return in the future. Funds investing foreign markets are vulnerable to monetary movements, which may lead to a growth or decrease of the net asset value of the Fund's unit. Pension Funds are founded on the basis of the Funded Pensions Act. The following payment which conditionally consists of two parts - tax (4% portion of the social tax) and contribution (2% contribution of the state funded pension, withheld by the employer on the employee's gross wages) - shall be transferred to the mandatory funded pension account for a person who has joined the funded pension system.