



Further decrease in the number of asset managers – and growth in the fund number, with accelerated expansion of the AuM

Against the background of the continued **full-scale russian aggression and invasion of Ukraine**, which entered its 3rd year in late February 2024, with the martial law in force and new legislation on the capital markets regulation and supervision passed, **Ukrainian fund industry** was facing new challenges and experienced further decline in the number of asset management companies, but grew at an even higher rate in terms of the assets under management in Q1 2024.

AuM of the ‘established’¹ Ukrainian Collective Investment Institutions (CIIs) rose by 2.1% (in UAH terms) in Q1 2024, to reach UAH 614.1 billion by end March 2024 (EUR 14.5 billion, up from EUR 14.2 billion at the beginning of the year). The annual growth rate in March 2024 equalled 11.3%.

More specifically:

- **‘Venture’² CIIs**
 - in the **corporate form** continued to play a key part in the industry’s growth in terms of the number of funds: +18 out of 19 new CIIs in total over the quarter; the share of the corporate VCIIs in the total CII number remained above 57% (for all venture CIIs, above 93%);
 - **total AuM of the formed venture CIIs grew by 2.3% in Q1 2024** and by 11.3% annually;
 - **total NAV added 4.1% over the quarter** – the most among the CII sectors – and 18.3% annually in March 2024, to reach **UAH 490.6 billion**, with its share in the total Ukrainian CIIs’ NAV remaining above 96%;
- Among the sectors of **publicly offered funds**³, all the three sectors, namely the open-ended, interval, and closed-end CIIs with public offering had their total NAV increase in Q1 2024; annually, the former two also grew their NAV while the latter’s total NAV contracted.

Number of the formed CIIs has increased for the second consecutive quarter, to 1787 funds by the end March 2024 (+15 funds, or 0.8% in Q1)

¹ Formed funds which have reached compliance with the minimal asset value regulatory requirement.

² Venture CIIs are closed-end ‘non-diversified’ funds with private placement only, mainly investing in private equity and debt, with the lowest restrictions on their activity as compared to other fund categories.

³ See fund classification on the UAIB website: <https://www.uaib.com.ua/en/invest-in-ukraine/cii-manual>



➤ **In open-ended CIIs (all publicly offered):**

• **Total NAV**

- amounted to **UAH 153 million** as at end March 2024;
- **grew by 0.8% in Q1 2024 and 7.4% annually in March**, up from +4.1% in December 2023 – despite the continued outflow of capital;
- both quarterly and annual NAV growth was solely due to the market dynamics and the respective portfolios appreciation while the net sales in these funds were negative in each of the timeframes.

• **Net sales**

- remained **negative in Q1 2024: -UAH 2.7**, although reduced from -UAH 4.3 million in the previous quarter;
- **the annual negative capital flow** in March 2024 amounted to **-UAH 8.8 million**, subsiding from -UAH 14.9 million in December 2023.

• **Investors**

- **Domestic retail investors** increased their relative holdings in the open-ended funds' to 85.7% of the total NAV in March 2024, up from 84.6% in December 2023; they still comprised above 98% of all of investors in the sector;
- There were also still **5 foreign investors** (non-resident institutional/corporate and individual ones) in open-ended funds having 6.2% in the sector's total NAV, down from 6.3% at the beginning of the year.

- **Number of non-resident investors in all CIIs in total remained stable at 392 by end March 2024**, although there have been minor changes within the two sectors of the CIIs with private placement. Non-residents held 21.6% of the CIIs total NAV.

Number of AMCs in Ukraine contracted from 284 at the beginning of 2024 to 278 in March

- Out of those, 251 (90%, up from 87% in Q4 2023) remained active and reported on their investment and/or pension funds under management for the quarter, in particular:
 - More than 97% of them had at least one venture CII under management;
 - Nine AMCs still managed acting 16 open-ended funds, and 29 had 72 publicly offered CIIs in total;



- Furthermore, 30 AMCs had 52 pension funds under management, and one managed assets of one insurance company, as before.

Number of non-state pension fund administrators (ANPFs) declined by one more, to 16 by end March 2024

- Among them there were **5 companies which had only NPF administrator's licence** (down from 6 at the beginning of the year), while others conducted both institutional investor asset management licenced activity and the one of pension fund administration.

NPFs

- **had UAH 2,906 million of assets under management of AMCs by end March 2024, having grown by 4.7% in Q1** and by 19.1% annually (up from +17.2% in December 2023);
- while **NPFs assets under administration of the ANPFs⁴ rose to UAH 2,908 million by end March 2024** – also **+4.7% in Q1 2024**, +19.2% annually (up from +18.3% a quarter ago).

Insurance Companies' assets under management of AMCs

- added **6.8% in Q1 2024, 44.7% annually in March** (up from +42.5% over 2023). As at end March 2024, they amounted to **UAH 214 million**.

First part of the full **UAIB Q1 2024** report is available on the UAIB website (in Ukrainian) at the link:

<https://www.uaib.com.ua/analituaib/publ-ici-quart/uaib-oglyad-diyalnosti-upravlinnya-aktivami-ta-anpf-v-ukrajini-za-1-y-kv-24r-zagalni-rezultati>

See more market statistics on the UAIB website: [The Ukrainian Fund Market in Figures](#)

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⁴ These were 54 III-pillar funds, excluding the NBU's corporate pension fund. The National Bank's of Ukraine corporate NPF, which is managed by the NBU itself, had close to 43% of the total NPFs' AuM.