



COMPARED REGULATIONS SERIES

MULTIFUNDS

THE CASES OF CHILE, MEXICO AND PERU

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EXECUTIVE SUMMARY

Some countries that have adopted mandatory individually funded pension schemes have recently allowed their respective members to choose between different investment portfolios in a system known as “Multifunds.” This article describes the regulations that currently govern the multifunds in three FIAP member countries (Chile, Mexico and Peru).

Chilean AFPs have offered their members five types of funds since 2002. The Mexican AFORES have offered 2 funds (Basic SIEFORES 1 and 2) since 2005. The Peruvian AFPs have also offered three fund options since 2005.

In the three countries analyzed, the different portfolios vary according to their percentage investment in variable income. The most conservative funds do not invest (or invest very low percentages), in variable income, whereas the more aggressive funds invest considerable amounts in variable income.

In Chile, men under 55 and women under 50 can choose between the 5 types of funds available (A, B, C, D and E), whereas men and women above these ages can only choose between the four funds of relatively minor risk, and pensioners between the three funds of lesser relative risk. In Mexico, members can choose between the two funds (Basic SIEFORES 1 and 2)¹, and in Peru members can choose between the three funds. In all three countries, there are default fund assignment rules pursuant to the ages of the respective members in case they do not choose a fund.

In all three countries members can transfer their balances between the same manager’s funds. In Chile, there are a maximum of two commission-free transfers per year.² For a greater number of transfers, an exit commission is charged for each transaction. Mexico and Peru do not charge commissions for fund transfers.

In Chile the balances from mandatory contributions can be distributed in different funds. In Mexico and Peru the balances from mandatory contributions can only be allocated to one fund.

In Chile, a minimum profitability, which varies according to the type of fund, is required. In Peru, the minimum profitability guarantee for each one of the funds managed by the AFPs was replaced by a new system based on profitability reference or “benchmark” indicators in 2005. In Mexico, there is no minimum profitability requirement or safety mechanism for Pension Fund profitability.

¹ We must point out that only workers under 56 can invest in the Basic SIEFORE 2.

² The AFPs are entitled to charge commissions for more than two transfers, but in practice none of them do so.



Finally, In Chile and Peru, the AFPs may perform transfers of instruments between funds only when they correspond to member transfers between funds of the same fund manager, whereas the Mexican AFORES are not allowed to perform direct transfers of instruments between the Funds of the same Fund Manager. We must point out that the Mexican Siefores have an independent legal status and their own assets, separate from the fund managers, so that the only way to transfer instruments is through the market.

Something worth mentioning is that the upcoming changes in the Mexican pension system make it increasingly similar to the Chilean system. In the first place, the AFORES will be able to offer five different types of funds as of March 2008. Secondly, the investment limits in variable income will be increased, and thirdly, more importance will be assigned to the profitability factor in pension results than the price factor (commissions).



Table of contents

I. Introduction	5
II. Methodology	6
III. Multifund Regulations	7
a. Types of Funds	7
b. Make up of the Investment Portfolio	9
c. Fund Selection	11
d. Separation of Balances	13
e. Minimum Profitability and Safety Mechanisms	14
f. Transfer of Instruments Between Funds	15
Appendix	17
References	22



I. Introduction

A recent tendency in the mandatory individually funded systems is the introduction of plans that offer investment options to their members. This new system is known as “multifunds.” The purpose of this paper is to describe the regulations of the multifund systems in the FIAP member countries that have implemented them – Chile, Mexico and Peru³- with updated information to the year 2007⁴.

The multifunds systems enable members to choose the optimal investment portfolio compatible with their risk and return preferences. This innovation was designed to enable associating the risk of the financial assets investment portfolio to the member’s investment horizon, thus raising the expected value of his pension. But multifunds also have other positive effects on the pension system and the capital markets, outstanding among which are the following:

- 1) **More information.** Greater incentives are generated for members to be informed on the performance of their pension funds, imposing greater discipline on their fund manager. This results in fund managers being obligated to offer ever-increasing levels of information to their members.
- 2) **Greater participation.** The possibility of choosing their portfolio enables members to perceive a greater degree of participation in the management of their funds. This is positive, since members can destine more time and effort to other dimensions of their pension planning if they have more information about their pension fund.
- 3) **Improved resources assignment.** The greater investment diversification brought about by the multifunds generates increased efficiency in the assignment of financial resources within the economy⁵.

Subsequent to this introduction, Chapter II explains the methodology used in this paper and Chapter III describes the existing regulations in the multifund systems in Chile, Mexico and Peru. The paper ends with statistical appendices and a list of bibliographic references.

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³ Years in which the mandatory individually funded pension systems began: Chile (1981), Mexico (1997), and Peru (1993).

⁴ Hungary, Estonia, Slovakia, Sweden and Latvia, all countries with mandatory individually funded programs, also give their members the option of choosing between different portfolios.

⁵ This statement supposes that pension assets constitute a high percentage of each member’s total assets and that the rest of the assets (non pension assets) are allocated in a less efficient way.



II. Methodology

This paper is of a descriptive nature. Information provided directly to FIAP by the trade organizations of Chilean, Mexican and Peruvian Pension Fund managers was analyzed. We also resorted to the web pages of the supervising agencies of the new pension systems and the trade associations. When necessary, the text of the corresponding regulations was also analyzed.

The study concentrates on FIAP member countries. Other countries – Hungary, Estonia, Slovakia, Sweden and Latvia – which have opted for mandatory individually funded programs, also allow their members to choose between different portfolios. Their respective cases will be described in an forthcoming document.

We have assigned the name “multifunds” to the systems that enable the fund management agencies to offer more than one portfolio to their respective members. The document describes six main aspects of the multifunds. Firstly, the different types of portfolio in each one of the three countries analyzed. Secondly, the composition of the investment portfolio in each country is described, according to fund type. Thirdly, the way members choose between different portfolios, the rules that apply when there is no choice and the rules for transfer between funds, are described. Fourthly, the minimum profitability regulations and the safety mechanisms in each country, according to fund type, are described. Finally, the rules and regulations applicable to the transfer of assets between funds are described.



III. Multifund regulation

This section describes and compares the multifund system regulations in Chile, Mexico and Peru. Chart N° 1 of the Appendix shows a summary of such regulations.

a. Types of Funds

i. Chile

Multifunds were introduced in January, 2000. At that time, the pension fund managers (AFPs) were obligated to offer two types of portfolios: a “Fund 1” balanced between shares and fixed income, and a “Fund 2” of fixed income, which could only be accessed by members about to retire.

Then, in 2002, the Fund Managers were allowed to offer five funds, called A, B, C, D and E. These funds vary mainly according to the percentage of their assets that can be invested in variable income instruments⁶. The maximum and minimum percentages in which the resources of the different types of pension funds can be invested in variable income instruments are the following (See Table N° 1):

Table N° 1
Maximum and Minimum Investment Limits in Variable Income

Fund	Maximum Limit	Minimum Limit
A	80%	40%
B	60%	25%
C	40%	15%
D	20%	5%
E	0%	0%

The fund managers are allowed to offer the four lower relative risk funds (Funds B, C, D and E), whereas the creation of fund A, more intensive in variable income instruments, is voluntary. Nonetheless, to date, all existing AFPs offer their members Fund A.

⁶ Tapia and Yerno (2007), page 11.



ii. Mexico

The multifunds were introduced in January 2005. As of that date, the AFORES must offer two types of funds: the Basic SIEFORE 1 (SB1) and the Basic SIEFORE 2 (SB2). As of March 28, 2006, three new funds will be incorporated: Basic SIEFORES 3, 4 and 5 (SB3, SB4, SB5 respectively) which will be voluntary for the AFORES.^{7 and 8}

SB1 can only invest in domestic or foreign fixed income instruments and the permitted international debt instruments (instruments issued by governments and companies with high credit ratings)⁹. SB 2 has a maximum variable income investment limit of 15% of the total amount invested. In the case of SB 3, SB4, and SB5, this limit increases to 20%, 25% and 30% respectively.

It must be pointed out that the law does not establish minimum investment limits in fixed or variable income for the funds mentioned.

iii. Peru

The multifund system was established in December, 2005. There are three types of funds for mandatory contributions: Fund Type 1 (Capital Conservation, or Conservative fund), which seeks stable growth with low investment risk; Fund Type 2 (Mixed or Balanced Fund), which seeks moderate growth with mid investment volatility and Fund Type 3 or Capital Appreciation Fund (Growth Fund) which seeks a high degree of fund growth with high investment volatility¹⁰.

The investment limits of each portfolio define four instrument categories: variable income; fixed income; derivatives and short term. The “Conservative” Fund (or Type 1) is allowed to have a maximum of 10% invested in variable income as well as derivatives; up to 40% of its value in short term instruments and up to 100% in fixed income. The “Balanced” Fund (or Type 2) can invest up to 45% in variable income, 75% in fixed income, 30% in short term instruments and 10% in derivatives. Finally, the “Growth” Fund (or Type 3) can invest up to 80% in variable income, 70% in fixed income, 30% in short term instruments and 20% in derivatives.¹¹ As in the case of Mexico, the law does not establish variable or fixed income minimum investment limits.

⁷ CONSAR (2007)

⁸ Pursuant to the new regulations, the AFORES must operate at least the Basic SIEFORES 1 and 2. In order to manage the Basic SIEFORES 3, 4 and 5, the Funds must open in sequential order, or else simultaneously. This means that Basic SIEFORE 3 will be opened first, followed by 4 and finally by 5 (or all of them at the same time).

⁹ Rozinka and Tapia (2007)

¹⁰ SBS (2003).

¹¹ Tapia and Yermo (2007), page 12.



b. Make up of the investment portfolio

i. Chile

As of July 2007, there were US\$ 22,831 million (22.36%) invested in Fund A; US\$ 23,611 million (23.13%) invested in Fund B; US\$ 44,004 million (43.1%) invested in Fund C; US\$ 10,323 million (10.11%) in Fund D; and US\$ 1,324 million (1.3%) in Fund E. The sum of the assets managed by the Pension Funds amounted to US\$ 102,092 million¹².

To date, Fund E has 100% of its assets invested in fixed income, followed by Fund D (with 72.12%), Fund C (with 50.55%), Fund B (with 37.05%) and Fund A (with 27.87%). Furthermore, 72.13% of Fund A assets are invested in variable income, a percentage that drops to 62.95% in the case of Fund B, 49.45% for Fund C and 27.88% for Fund D¹³. It is worth mentioning that Funds B, C and D have been gradually surpassing the maximum limits established for investment in variable instruments. The Superintendency has identified three reasons for this:

- (i) The profitability obtained by variable income instruments which implies increasing the percentage of investment in them
- (ii) The existence of net exit flows in the equity;
- (iii) The AFP's decision to acquire variable income instruments for amounts greater than the instruments they convey. The Superintendency of AFPs (SAFP) has therefore instructed the AFPs to eliminate all excess investment¹⁴ within a period of one year.

The distribution of the portfolios between fixed and variable income for each institutional sector¹⁵ is described below.

- a) Government Sector. This sector consists only of fixed income instruments Fund E invests 21.24% of its assets in this sector, followed by Fund D (with 17.16%), Fund C (with 12.6%) Fund B (with 5.84%) and Fund A (with 2.99%).
- b) Corporate Sector. Fund E has 26.4% of its assets invested in fixed income, followed by Funds D, C, B and A with 12.88%, 9.45%, 4.87%, and 2.36% respectively. Fund A has 23.28% of its assets invested in variable income. This percentage drops to 22.72% in the case of Fund B, 21.97% for Fund C and 14.86% for Fund D.
- c) Financial Sector. Fund E has 52.17% of its assets invested in fixed income followed by Funds D, C, B and A with 41.22%, 28.4%, 26.2% and 22.21% respectively. Fund B and Fund C both have 0.88% of their assets invested in variable income. This percentage drops to 0.74% for Fund A and 0.63% for Fund D.

¹² See Chart N° 2 of the Appendix.

¹³ As mentioned, Fund E does not invest in variable income.

¹⁴ SAFP Press release (2007)

¹⁵ See Chart N° 2 of the Appendix.



- d) Foreign Sector. Fund D has 0.63% of its assets invested in fixed income, followed by Funds A, E, B and C with 0.28%, 0.18%, 0.12% and 0.05% respectively. Fund A has 48.12% of its assets invested in variable income. This percentage drops to 39.35% in the case of Fund B, 26.6% for Fund C and 12.39% for Fund D.

ii. Mexico

As of July 2007, there were US\$ 7,449.1 million (10.14%) invested in SB1 and US\$ 66,020.3 million (89.86%) in SB2. The sum of the assets managed by the Mexican Pension Funds amounts to US\$ 73,469.4 million¹⁶.

To date, SB1 has 100% of its assets invested in fixed income¹⁷, whereas 91.16% of SB2 assets are invested in fixed income versus 8.84% in variable income.

The portfolio distribution between fixed and variable income of each SB for each institutional sector¹⁸, is described below.

- a) Government Sector. This sector consists solely of fixed income instruments. SB1 invests 73.67% of its assets in this sector, whereas SB2 invests 71.9%.
- b) Corporate Sector. SB1 has 15.09% of its assets invested in fixed income and SB2 has 12.42%. Furthermore, SB2 invests 3.53% of its assets in variable income.
- c) Financial Sector. SB1 has 3.88% of its assets invested in fixed income and SB 2 has 1.48%. SB2 has no variable income investment.
- d) Foreign Sector. SB1 has 7.36% of its assets invested in fixed income and SB2 has 5.35%. SB2 also invests 5.32% of its assets in variable income.

iii. Peru

As of July, 2007, there were US\$ 942 million invested in Fund Type 1 (4.74%), US\$ 14,994.23 million (75.45%) in Fund Type 2 and US\$ 3,936.52 million (19.81%) in Fund Type 3. The sum of the assets managed by the Peruvian Pension Funds amounts to US\$ 19,872.75 million¹⁹.

To date, Fund Type 1 has 77.27% of its assets invested in fixed income, whereas Fund Type 2 has 46.34% and Fund Type 3 has 18.35%. Fund Type 3 also invests 78.71% of its assets in variable income and this percentage drops to 53.23% and 21.36% in the case of Fund Type 2 and 1 respectively.

It must be noted that Funds Type 1 and 2 have in fact exceeded the maximum limit allowed for investments in variable income. In any case, Article 74 of the Private Pension System law states that if there is a confirmed excess investment, the Superintendency shall

¹⁶ See Chart N° 3 of the Appendix.

¹⁷ Remember that SB1 does not invest in variable income instruments.

¹⁸ See Chart N° 3 of the Appendix.

¹⁹ See Chart N° 4 of the Appendix.



determine the term in which such excess will be corrected, taking into account market conditions, and the AFP will be able to freely select the instruments they will convey in order to adjust their investments to the maximum investment limits or the established requirements²⁰.

The portfolio distribution between fixed and variable income of each fund for each institutional sector^{2, 1} is described below.

a) Government Sector. This sector consists solely of fixed income instruments. Fund Type 1 invests 30.7% of its assets in this sector whereas Funds Type 2 and 3 invest 25.41% and 10.64% respectively.

b) Corporate Sector. Fund Type 1 invests 24.49% of its assets in fixed income whereas Fund Type 2 invests 10.17% and Fund Type 3 invests 2.99%. Fund Type 3, in turn, invests 60.73% of its assets in variable income and this percentage drops to 39.59% and 15.75% in the case of Funds Type 2 and 1, respectively.

c) Financial Sector. Fund Type 1 invests 18.9% of its assets in fixed income whereas Fund Type 2 invests 6.55%, and Fund Type 3 invests 3.16%. Fund Type 3, in turn invests 10.43% of its assets in variable income and this percentage drops to 7.41% and 1.09% in the case of Fund Types 2 and 1, respectively.

d) Foreign Sector. Fund Type 1 invests 3.18% of its assets in fixed income whereas Fund Type 2 invests 4.21%, and Fund Type 3 invests 1.56%. Fund Type 3, in turn, invests 7.5% of its assets in variable income and this percentage drops to 6.23% and 4.53% in the case of Funds Type 2 and 1, respectively.

c. Fund Selection

i. Chile

Of a total of 8.75 million chosen or assigned accounts, as of July 31, 2007²², 40.24% are in Fund B, 38.3% are in Fund C, 12.03% are in Fund A, 8.85% are in Fund D and 0.59% are in Fund E²³. Male members below 55 and female members below 50 can choose to have their savings in Funds A, B, C, D and E. Pensioners can choose only Funds C, D and E. Male members over 55 and female members over 50 can choose Funds B, C, D and E²⁴. Only mandatory savings are restricted, so that a pensioner can have voluntary savings in Fund A.

Furthermore, members can distribute their mandatory contributions between different funds within the same AFP in the proportions they choose.

²⁰ SBS (2003).

²¹ See Chart N° 4 of the Appendix.

²² See Chart N° 5 of the Appendix.

²³ Some members have distributed their resources in two funds so that the total sum of the accounts does not correspond to the real number of members.

²⁴ SAFP (2007) page 61.



For those members who do not exercise their right to choose an investment fund, the law establishes a default fund that varies according to age. The rule divides members into three groups: men and women below 35 are assigned to fund B; men between 36 and 55 and women between 36 and 50 are assigned to Fund C and men over 56 and women over 51 are assigned to fund D.

Members can transfer their balances cost free between the Funds of the same AFP no more than twice per calendar year, regardless of whether they are mandatory or voluntary contributions or arranged deposits. In case they transfer more than twice in a calendar year, the AFP can charge an exit commission (a fixed commission per transaction, charged to the member²⁵), which cannot be discounted from the pension fund. Therefore, in case the member is charged, the commission must be paid directly. No fund managers currently charge this exit commission.

ii. Mexico

Of a total of 37.53 million workers as of July, 2007, 62% are in SB2 and 38% in SB1²⁶.

The current default portfolio for all workers who do not actively exercise their right to choose is SB2, except for such members aged 56 or more who are assigned to SB1²⁷.

Nonetheless, as of March 28, 2008, when the Basic SIEFORES 3, 4 and 5 come into effect, savings will be deposited in one of the five SIEFORES corresponding to the member according to age. Thus, members of 56 or more will be assigned to SB1, those between 46 and 55 to SB2, those between 37 and 45 to SB3, those between 27 and 36 to SB4 and those of 26 or less to SB5²⁸.

However, workers shall always have the option of transferring, without any restriction or associated cost, to a SIEFORE of a group for older people. It must be noted that workers cannot choose to transfer to a Fund for younger people.

iii. Peru

Fund Type 1 is mandatory for members older than 60 or those who have a pension granted under the Programmed Retirement or Temporary Income system, unless the member expresses in writing his decision to remain in Fund Type 2. Funds Type 2 and 3, in turn, can be selected unrestrictedly by members under 60.

Those who do not choose a Fund type when joining the pension system are assigned to a fund according to their age²⁹. The rules stipulate that those under 60 be assigned to Fund Type 2 and those over 60 are automatically assigned to Fund Type 1.

²⁵ Executive Decree No. 3500, articles 29 and 32

²⁶ See Chart N° 5 of the Appendix.

²⁷ Rozinka and Tapia (2007), page 35.

²⁸ CONSAR (2007).

²⁹ Rozinka and Tapia (2007), page 35.



Furthermore, members can transfer their mandatory contribution and voluntary savings balances freely and cost-free between the three funds every three months.

There is no information available on the distribution of members per Fund Type. The total number of members as of July 31, 2007, was 4.01 million³⁰.

d. Separation of balances

i. Chile

The balances of mandatory and voluntary contributions, arranged deposits and voluntary savings funds, can be distributed in different Funds. In the case of voluntary contributions, there are no age restrictions of any kind for choosing a Fund type³¹, not even for pensioners.

ii. Mexico

The balances of retirement savings and mandatory and voluntary contributions can only be deposited in one of the SIEFORES. Furthermore, the balances corresponding to the housing sub-account³² are not invested in the SIEFORES but are managed by INFONAVIT (Institute of the National Housing Fund for Workers).

An important aspect to consider is that the resources from voluntary contributions can be invested in SIEFORES specialized in voluntary savings that the fund managers have for such purposes. It is worth mentioning that the AFORES are obligated to create SIEFORES specialized in voluntary savings only when they have accumulated a certain amount of resources in this type of savings.

iii. Peru

The balances of mandatory contributions can be kept in one of the three existing funds and funds from voluntary contributions can, in turn, be kept in funds other than those mentioned. Each fund manager, with the authorization of the SBS, can decide what kind of portfolio to offer for the management of the voluntary contributions.

³⁰ See Chart N° 5 of the Appendix.

³¹ See Chart N° 5 of the Appendix.

³² In the Mexican case, the individual account consists of four sub-accounts: (i) the retirement, unemployment in old age and old age sub-account; (ii) the housing sub-account; (iii) the voluntary contributions sub-account; (iv) the voluntary retirement contributions sub-account.



e. Minimum Profitability and Safety Mechanisms

i. Chile

Each month, the AFPs are responsible for ensuring that the real annualized profitability over the last thirty-six months of each one of the Pension Funds they manage is not less than the lesser of the following:

- a. The real average annualized profitability of all the funds of the same type over the last thirty six months, less four percentage points for Funds A and B and two percentage points for Funds C, D and E.
- b. The real average annualized profitability of all the funds of the same type over the last thirty-six months, as the case may be, minus the absolute value of fifty percent of such profitability³³

For example, if in a specific month the real average annualized profitability over the last thirty-six months of all the C Funds is 3%, in case a pension Fund of this type has a real profitability over the last thirty-six months below 1%, the minimum profitability safety mechanisms established by law come into effect.

Moreover, if the real average profitability of all the C Funds over the last thirty-six months is 10%, in case a pension fund of the same type has a real annualized profitability, for that period, less than 5%, the minimum profitability safety mechanisms are also applicable.

There are three minimum profitability safety mechanisms. Firstly, there is the Profitability Fluctuation Reserve, that is made up of the excess real annualized profitability of the Pension Funds which exceeds in the last thirty-six months the real average profitability of all the funds of the same type for that period by fifty percent, or more than four percentage points in the case of A and B type Funds, or two percentage points for C, D and E type Funds, using the greater amount between both.

Secondly, there is the Cash Reserve, an asset equivalent to 1% of the value of each Pension Fund, consisting of the AFP's resources and invested in the respective fund. It is used as an alternative to the Profitability Fluctuation Reserve for completing the minimum profitability.

Thirdly, if by applying the Resources of the Profitability Fluctuation Reserve and the respective Fund Cash Reserve, the minimum profitability is not reached and the AFP has no additional resources available, the State makes up the difference and proceeds to liquidate the AFP.

³³ SAFP (2007), page 85.



ii. Mexico

There is no mechanism that guarantees the minimum profitability of pension fund investments performed by the AFORES³⁴. There is also no subsidiary State role as a safety mechanism.

iii. Peru

In 2005, the minimum profitability guarantee for each one of the Funds managed by the AFPs was replaced by a new system based on profitability reference or benchmark indicators³⁵. Furthermore, as in the case of Mexico, there is no subsidiary State role as a safety mechanism.

The AFPs are responsible for selecting the profitability reference indicators for each one of the categories of instruments in which the resources of each one of the managed portfolios are invested, corresponding to funds from mandatory and voluntary contributions.

In the selection of the profitability reference indicators, the AFPs must choose indicators that adequately represent the diversification characteristics and risks included in the investment policies for each type of mandatory or voluntary fund, and reasonably represent the performance of the markets in which the investment instruments issued by the issuers in each category of instruments are negotiated.

Thus, if the resulting profitability of a specific Fund type is less than the profitability benchmark, the AFPs cover the difference with their own resources.

f. Transfer of instruments between Funds

i. Chile

The AFPs are allowed to perform direct financial instrument transfers between the different funds, only up to the equivalent amount of members' share transfers between the same Manager's funds. The purpose of this measure is to avoid unnecessary costs in the functioning of the pensions system, given the greater portfolio movements as a result of the multifunds system.

The AFPs are also allowed to perform financial instrument transactions between the different Funds of the same manager through a formal secondary market³⁷. It is worth mentioning that all instruments are valued at market prices.

Furthermore, as a result of the aforementioned transfers, the AFPs can perform transfers of instruments for an amount equivalent to the transfers of the value of the shares of the Cash

³⁴ Rozinka and Tapia (2007), page 9.

³⁵ Rozinka and Tapia (2007), page 9.

³⁷ SAFP (2007) page 65.



Reserve from one fund to another³⁸. Instrument transfers between the same manager's Pension Funds are performed on the basis of the evaluated price of the instrument determined by the Superintendency of AFPs for such day.

In the case of both direct transfers and transactions in the secondary market, it is stipulated that the AFP must specifically inform the Superintendency of the transactions it is performing.

ii. Mexico

The AFORES are not prohibited from performing direct transfers of instruments between the Funds of the same fund manager. Nevertheless, the equity of the SIEFORES are separate, due to which it is impossible, per se, to exchange instruments and securities between the SIEFORES, since the transactions between them must be performed at market prices.

Only in exceptional cases, such as the creation of new SIEFORES, and with prior authorization from the competent authorities, are transversal cuts performed, distributing the portfolio at market value pursuant to the amount corresponding to the workers that will participate in each one of the SIEFORES.

For example, in January 2005, when the Basic SIEFORES (SB1 and SB2) were mandatorily created, the greater part of the funds and workers emigrated to SB2, and CONSAR authorized the transfer of securities for the savings of the workers above 56 who were moved to SB1.

It is worth mentioning that in the individual account transfer processes, money is transferred in cash and not in instruments or securities.

iii. Peru

Transactions between managed portfolios are only authorized when they correspond to transfers between Funds of members of the same AFP. According to the SBS³⁹, the transfer of resources between the different types of Funds of the same AFP, as a result of a change of funds, must be performed following specific guidelines for the instruments involved and the valuation of the net amount to be transferred, the basic tenet being that the amount to be transferred for each instrument category must respect the same percentage composition of investment instruments that make up each one of the categories of the original Fund (transversal cut criteria).

Furthermore, the AFPs must inform the Superintendency of the result of the transfer process.

³⁸ Executive Decree No. 3500, article 48.

³⁹ SBS (2006)



Appendix Chart N° 1

REGULATION OF THE MULTIFUNDS

Item	Country		
	Chile	Mexico	Peru
Fund Types	<p>January 2000: The AFPs were obligated to offer 2 types of funds: Fund 1 (balanced between shares and fixed income), and Fund 2 (concentrated on fixed income).</p> <p>September 2002: The AFPs were allowed to offer 5 types of funds, called A, B, C, D and E.</p> <p>Mandatory funds for the AFPs: B, C, D, y E</p> <p>Voluntary Funds for the AFPs: A</p> <p>Variable income investment limits: Minimum: Fund A (30%), B (60%), C (40%), D (20%), E (0%) Maximum: Fund A (40%), B(25%), C (15%), D (5%), E (0%)</p>	<p>January 2005: the multifund system begins.</p> <p>Mandatory Funds: Basic SIEFORE 1 (SB1), and Basic SIEFORE 2 (SB2)</p> <p>March 15, 2008: Additional Basic SIEFORES 3, 4 and 5 will come into effect, voluntary for the AFORES.</p> <p>-SB1: can invest in permissible international debt instruments, domestic and foreign fixed income. instruments. Does not invest in variable income.</p> <p>-SB2: can invest in domestic and international debt instruments and variable income through Promissory Notes with Protected Capital at Expiry.</p> <p>Maximum Limits on Variable Income Investment: -SB2 (15%), SB3 (20%), SB4(25%), SB5 (30%).</p> <p>The Law does not establish minimum investment limits on fixed or variable income.</p>	<p>December 2005: start of the Multifunds system</p> <p>Mandatory Funds: Fund Type 1 (conservative), Fund Type 2 (Balanced), Fund Type 3 (Growth).</p> <p>Maximum investment limits: Fund Type 1: 10% in variable income, 10% in derivatives, 40% in short term instruments, 0% in fixed income -Fund Type 2: 45% in variable income, 10% in derivatives, 30% in short term instruments, 75% in fixed income. -Fund Type 3: 80% in variable income, 20% in derivatives, 30% in short term instruments, 70% in fixed income.</p> <p>The law does not establish minimum fixed or variable income limits.</p>
Fund Selection	<p>Men <55 , Women <50 : can choose between Funds A, B, C, D, and E.</p> <p>Men >55 , Women >50 : can choose between Funds B, C, D y E.</p> <p>Pensioners: can choose between Funds C, D, and E.</p> <p>All members can distribute their contributions between two different funds within the same AFP.</p> <p>Members that do not choose a Fund: 1) Men and women <35 : assigned to fund B. 2) Men between 36 and 55 , and women between 36 and 50: assigned to fund C. 3) Men >56 , and women >51 : assigned to fund D.</p> <p>Members can transfer their balances cost-free between the funds of the same AFP not more than twice per calendar year. In case they transfer more than twice in a calendar year, the AFP can charge a fixed exit commission per transaction which cannot be discounted from the pension fund.</p>	<p>System Members: they can choose between SB1 and SB2. As of March 15, 2008, they can also choose between SB3, SB4 and SB5.</p> <p>Members who do not choose an account are currently assigned as follows: 1) Members <56 : are assigned to SB2 2) Members >=56 : are assigned to SB1</p> <p>As of March 28, 2008, this will be different: 1) Members >=56 : will be assigned to SB1 2) Members between 46 and 55: will be assigned to SB2 3) Members between 37 and 45: will be assigned to SB3 4) Members between 27 and 36: will be assigned to SB4 5) Members <26: will be assigned to SB5</p> <p>However, the workers will always have the option of transferring to a SIEFORE of a group for older people.</p> <p>Furthermore, members can transfer their balances from one fund to another within the same AFORE without any kind of restrictions or associated cost.</p>	<p>System members: can choose between Fund Types 1, 2 and 3 for mandatory contributions.</p> <p>Members >60 or who have a Programmed Retirement or Temporary Income type pension: are obligated to choose Fund Type 1.</p> <p>Members < 60 : can choose Funds Type 2 or 3 without restrictions.</p> <p>Members who do not choose a fund: 1) Members >60 : are assigned to Fund Type 1 2) Members <60 : are assigned to Fund Type 2</p> <p>Members can transfer their balances freely and at no expense between the three funds every three months.</p>
Separation of Balances	<p>The balances of mandatory contributions, voluntary contributions, arranged deposits and voluntary savings accounts can be distributed in different funds. In the case of voluntary contributions, there are no age restrictions or fund choice restrictions for pensioners.</p>	<p>The balances of retirement savings and mandatory and voluntary contributions can only be kept in one of the SIEFORES. Furthermore, the balances corresponding to the housing sub-account are not invested by the SIEFORES but are managed by INFONAVIT (Institute of the National Housing Fund for Workers).</p>	<p>The balances from mandatory contributions can be kept in one of the three existing funds. Moreover, balances of voluntary contributions can be kept in funds additional to those mentioned. Each fund manager, with the authorization of the SBS, can decide on what type of portfolio to offer for the management of the voluntary contributions.</p>
Minimum Profitability and Safety Mechanisms	<p>Minimum Profitability Requirement Each month, the AFPs are responsible for ensuring that the real annualized profitability over the last thirty-six months of each one of the pension funds, is not less than the lesser of the following: 1) The real average annualized profitability of the last thirty-six months of all the pension funds of the same type, minus four percentage points for Funds A and B and minus two percentage points for Funds C, D and E. 2) The real average annualized profitability over the last thirty-six months of all the funds of the same type, as the case may be, minus the absolute value of fifty percent of such profitability..</p> <p>Safety mechanisms: there are three 1) Profitability Fluctuation Reserve: made up of the excess real, annualized profitability of a pension fund, which surpasses, in thirty-six months, the real average profitability of all the funds of the same type for such period by more than fifty percent, or more than four percentage points in the case of Funds Type A and B, or two percentage points for Funds type C,D and E, using the greater amount between them. 2) Cash Reserve: an asset equivalent to 1% of the value of each pension fund, made up of resources of the AFP and which is invested in shares of the respective fund. It is used to complement the minimum profitability in replacement of the Profitability Fluctuation Reserve. 3) Government: If by applying the resources of the Profitability Fluctuation Reserve and the Cash Reserve of the respective fund, the minimum profitability is not covered and the AFP has no additional financial resources available, the Government makes up the difference and proceeds to liquidate the AFP.</p>	<p>There is no mechanism that guarantees minimum profitability of pension fund investments performed by the AFORES. There is also no Government subsidiary role as a safety mechanism.</p>	<p>2005: the minimum profitability guarantee for each one of the funds managed by the AFPs was replaced by a new system based on profitability reference indicators or "benchmarks." As in the case of Mexico, there is also no government subsidiary role as a safety mechanism.</p> <p>The AFPs are responsible for choosing the profitability reference indicators for each one of the instrument categories in which the resources of each one of the managed portfolios are invested, corresponding to funds from mandatory and voluntary contributions.</p> <p>In the selection of the profitability reference indicators, the AFPs must choose indicators that reasonably represent the diversification characteristics and risks included in the investment policies for each type of mandatory or voluntary fund, as well as reasonably representing the performance of the markets in which the investment instruments issued by the issuers belonging to each one of the instrument categories are negotiated.</p> <p>Thus, if the profitability from a specific type of fund is below the benchmark profitability, the AFPs cover the difference with their own resources.</p>
Transfer of Instruments Between Funds	<p>The AFPs are allowed to perform direct transfers of financial instruments between the different funds, only for the equivalent of the transfer of the value of members' shares between the same manager's funds.</p> <p>The AFPs are also allowed to perform financial instrument transactions between the different funds of the same fund manager through a secondary formal market.</p> <p>As a result of the aforementioned transfers, the AFPs can perform instrument transfers for the transfers of the value of the shares of the Cash Reserve from one fund to another.</p>	<p>The AFORES are not prohibited from performing direct instrument transfers between the funds of the same fund manager.</p> <p>In any case, CONSAR is empowered to authorize a transaction of this type in special cases.</p>	<p>The AFPs are only authorized to perform transactions between managed portfolios when they correspond to transfers between funds of members of the same AFP.</p> <p>In fact, according to the SBS, resources transfers between the different types of funds of the same AFP, as a result of fund changes, must be conducted following specific guidelines for the instruments involved and the valuation of the net amount to be transferred, maintaining the basic principle that the amount to be transferred for each category of instruments must have the same percentage composition as the investment instruments that make up each one of the categories of the original fund (transversal cut criteria).</p>



Chart N° 2

**INVESTMENT PORTFOLIO OF THE CHILEAN PENSION FUNDS
DIVERSIFICATION BY INVESTMENT INSTRUMENTS
As of July 31, 2007, in millions of dollars (1)**

Type of Fund	A		B		C		D		E		TOTAL	
	MUS\$	% Fund	MUS\$	% Fund	MUS\$	% Fund	MUS\$	% Fund	MUS\$	% Fund	MUS\$	% Fund
Government Sector	683.39	2.99%	1378.2	5.84%	5544.4	12.60%	1771.25	17.16%	281.13	21.24%	9658.37	9.46%
Fixed Income	683.39	2,99%	1378.2	5.84%	5544.4	12.60%	1771.25	17.16%	281.13	21.24%	9658.37	9.46%
Instruments Issued by the Chilean Central Bank	353.95	1.55%	649.47	2.75%	3016,62	6.86%	1003.09	9.72%	109.08	8.24%	5132.21	5.03%
Instruments Issued by the Treasury	176.81	0.77%	259.39	1.10%	998.98	2.27%	245.8	2.38%	24.79	1.87%	1705.77	1.67%
Instruments Issued by the INP and MINVU	152.63	0,67%	469.34	1.99%	1528.8	3.47%	522.36	5.06%	147.26	11.12%	2820.39	2.76%
Corporate Sector	5852.81	25.64%	6514.58	27.59%	13827.53	31.42%	2863.17	27.74%	349.45	26.40%	29407.54	28.80%
Fixed Income	538.68	2.36%	1150.01	4.87%	4158.57	9.45%	1329.19	12.88%	349.45	26.40%	7525.9	7.37%
Bonds and Negotiable Instruments	538.68	2.36%	1150.01	4.87%	4158.57	9.45%	1329.19	12.88%	349.45	26.40%	7525.9	7.37%
Variable Income	5314.13	23.28%	5364.57	22.72%	9668.96	21.97%	1533.98	14.86%	-----	-----	21881.64	21.43%
Shares	3979.66	17.43%	4348.21	18.42%	7914.97	17.99%	1262.38	12.23%	-----	-----	17505.22	17.15%
Mutual Fund, Investment Fund and FICE shares	1333.11	5.84%	1015.63	4.30%	1753.05	3.98%	271.52	2.63%	-----	-----	4373.31	4.28%
Others	1.36	0.01%	0.73	0.00%	0.94	0.00%	0.08	0.00%	-----	-----	3.11	0.00%
Financial Sector	5239,23	22.95%	6392.07	27.07%	12884.17	29.28%	4320.27	41.85%	690.69	52.17%	29526.43	28.92%
Fixed Income	5070.82	0.22%	6185.13	26.20%	12496.15	28.40%	4255.47	41.22%	690.69	52.17%	28698.26	28.11%
Mortgage Bills	243.95	1.07%	528.94	2.24%	2109.26	4.97%	758.88	7.35%	243.37	18.38%	3884.4	3.80%
Term Deposits	4204.47	18.42%	4717.21	19.98%	7237.96	16.45%	2585.49	25.05%	191.15	14.44%	18936.28	18.55%
Financial Institute Bonds	600.92	2.63%	915.03	3.88%	3115.68	7.08%	909.61	8.81%	256.18	19.35%	5797.42	5.68%
Forwards	21.48	0.09%	23.95	0.10%	33.25	0.08%	1.49	0.01%	0.10	0.00%	80.16	0.08%
Variable Income	168.41	0.74%	206.94	0.88%	388.02	0.88%	64.8	0.63%	-----	-----	828.17	0.81%
Financial Institution Shares	168.41	0.74%	206.94	0.88%	388.02	0.88%	64.8	0.63%	-----	-----	828.17	0.81%
Foreign Sector	11049.72	48.40%	9319.1	39.47%	11727.14	0.05%	1344.38	13.02%	2.38	0.18%	33442.72	32.76%
Fixed Income	63.37	0.28%	28.31	0.12%	22.52	0.05%	65.01	0.63%	2.38	0.18%	181.59	0.18%
Debt Instruments	50.51	0.22%	18.43	0.08%	5.01	0.01%	59.36	0.58%	2.2	0.17%	135.51	0.13%
Forwards	-0,11	0.00%	0.88	0.00%	2.96	0.01%	1.86	0.02%	-----	-----	5.59	0.01%
Others	12.97	0.06%	9	0.04%	14.55	0.03%	3.79	0.04%	0.18	0.01%	40.49	0.04%
Variable Income	10986.35	48.12%	9290.79	39.35%	11704.62	26.60%	1279.37	12.39%	-----	-----	33261.13	32.58%
Mutual Fund Shares, Shares and Exchange traded funds representative of equity indexes	10897.52	47.73%	9230.59	39.09%	11592.93	26.35%	1260.86	12.21%	-----	-----	32981.9	32.31%
Indirect Foreign Investment	88.83	0.39%	60.2	0.25%	111.69	0.25%	18.51	0.18%	-----	-----	279.23	0.27%
Available Assets (considered as fixed income)	5.96	0.03%	6.72	0.03%	20.34	0.05%	23.75	0.23%	0.2	0.02%	56.97	0.06%
Total Fixed Income	6362.22	27.87%	8748.37	37.05%	22241.98	50.55%	7444.67	72.12%	1323.85	100.00%	46121.09	45.18%
Total variable Income	16468.89	72.13%	14862.3	62.95%	21761.6	49.45%	2872.15	27.88%	0	0.00%	55970.94	54.82%
TOTAL ASSETS	22831.11	100.00%	23610.67	100.00%	44003.58	100.00%	10322.82	100.00%	1323.85	100.00%	102092.03	100.00%

Drawn up by: FIAP.

Source: Superintendency of Pension Fund Managers (SAFP).



Chart N° 3

INVESTMENT PORTFOLIO OF THE MEXICAN PENSION FUNDS DIVERSIFICATION BY INVESTMENT INSTRUMENTS As of July 31, 2007, in millions of US dollars. (1)						
Instrument	Fund				Total	
	SB1		SB2		MUS\$	% Fund
	MUS\$	% Fund	MUS\$	% Fund		
Government Sector	5487.62	73.67%	47469.59	71.90%	52957.21	72.08%
Fixed Income	5487.62	73.67%	47469.59	71.90%	52957.21	72.08%
Bonds	1333.89	17.91%	19476.69	29.50%	20810.58	28.33%
Udibonds	1097.23	14.73%	9875.25	14.96%	10972.48	14.93%
Treasury Certificates	468.56	6.29%	5927.93	8.98%	6396.49	8.71%
CBIC	301.13	4.04%	5001.54	7.58%	5302.67	7.22%
Long term government debt instru	1251.69	16.80%	2243.14	3.40%	3494.86	4.76%
Savings Protection Bonds	727.02	9.76%	752.23	1.14%	1479.25	2.01%
PIC	19.28	0.26%	63.47	0.10%	82.75	0.11%
Others	5.44	0.07%	1858.29	2.81%	1863.73	2.54%
CFE AND PEMEX	187.39	2.52%	1695.78	2.57%	1883.18	2.56%
Municipalities	95.99	1.29%	575.27	0.87%	671.25	0.91%
Corporate Sector	1123.98	15.09%	10528.86	15.95%	11652.84	15.86%
Fixed Income	1123.98	15.09%	8200.95	12.42%	9324.93	12.69%
Private Securities	1123.98	15.09%	8200.95	12.42%	9324.93	12.69%
Deposits in the Bank of Mexico	0.00	0.00%	0.00	0.00%	0.00	0.00%
Variable Income	0.00	0.00%	2327.91	3.53%	2327.91	3.17%
Variable Income	0.00	0.00%	2327.91	3.53%	2327.91	3.17%
Financial Sector	288.92	3.88%	978.60	1.48%	1267.51	1.73%
Fixed Income	288.92	3.88%	978.60	1.48%	1267.51	1.73%
Swaps	288.92	3.88%	978.60	1.48%	1267.51	1.73%
Variable Income	0.00	0.00%	0.00	0.00%	0.00	0.00%
Foreign Sector	548.55	7.36%	7043.26	10.67%	7591.81	10.33%
Fixed income	548.55	7.36%	3533.36	5.35%	4081.91	5.56%
Variable Income	0.00	0.00%	3509.91	5.32%	3509.91	4.78%
Total Fixed Income	7449.08	100.00%	60182.49	91.16%	67631.57	92.05%
Total Variable Income	0.00	0.00%	5837.82	8.84%	5837.82	7.95%
TOTAL	7449.08	100.00%	66020.31	100.00%	73469.39	100.00%

(1) According to the value of the US dollar observed at the end of July, 2007, of MEX\$10,8109 per dollar.
 Drawn up by: FIAP
 Source: National Retirement Savings System Commission (CON SAR).



Chart N° 4

INVESTMENT PORTFOLIO OF THE PERUVIAN PENSION FUNDS DIVERSIFICATION THROUGH INVESTMENT INSTRUMENTS As of July 31, 2007, in millions of US dollars (*)								
Instrument	Fund Type 1		Fund Type 2		Fund Type 3		Total	
	MUS\$	% Fund	MUS\$	% Fund	MUS\$	% Fund	MUS\$	% Fund
I. Government Sector	289.20	30.70	3810.66	25.14	418.94	10.64	4518.79	22.74
Fixed Income	289.20	30.70	3810.66	25.41	418.94	10.64	4518.79	2.74
BCRP Certificates (Central Bank)	28.02	3.0	372.15	2.5	24.55	0.6	424.72	2.14
Central Government Bonds	261.18	28.0	3438.51	22.9	394.38	10.0	4094.08	20.60
Brady Bonds	0.00	-	0.00	-	0.00	-	0.00	0.00
Treasury Bills	0.00	-	0.00	-	0.00	-	0.00	14.17
Financial Sector	188.29	19.99	0.00	14.0	534.83	13.6	2815.52	14.17
Fixed Income	178.03	18.90	981.42	6.55	124.24	3.16	1283.69	6.46
Term Certificates and Deposits	56.05	5.95	359.27	2.4	89.09	2.3	304.41	2.54
Debt Securities issued by Domestic Int. Org (2)	37.35	3.96	185.37	1.2	9.91	0.3	252.65	1.17
Locally Issued Foreign Debt Securities	8.19	0.87	121.84	0.8	12.61	0.3	142.64	0.72
Financial Leasing Bonds	7.58	0.81	55.05	0.4	0.29	0.0	62.95	0.32
Subordinate Bonds	23.54	2.50	109.70	0.7	2.40	0.1	135.64	0.68
Other Financial Sector Bonds	44.08	4.68	139.73	0.9	9.94	0.3	193.76	0.97
Mortgage Bills	0.00	0.00	0.06	0.0	0.00	0.0	0.06	0.00
Mortgage Bonds	1.24	0.13	10.38	0.1	0.00	0.0	11.62	0.06
Variable Income	10.26	1.09	1110.99	7.41	410.58	10.43	1531.83	7.71
Shares and Representative Securities	9.78	1.04	1108.36	7.4	410.58	10.4	1528.72	7.69
Preferred Shares	0.48	0.05	2.62	0.0	0.01	0.0	3.11	0.02
Preferred Subscription Certificates	0.00	0.00	0.00	-	0.00	-	0.00	0.00
Corporate Sector	379.05	40.24	7462.43	49.77	2508.34	63.72	10349.82	52.08
Fixed Income	230.71	24.49	1525.61	10.17	117.79	2.99	1874.11	9.43
Commercial Securities	4.22	0.45	13.68	0.1	1.42	0.0	19.32	0.10
Non-guaranteed LP Promissory Notes	0.00	0.00	68.37	0.5	0.00	-	68.37	0.34
Bonds of non-financial companies	201.48	21.39	1165.57	7.8	107.67	2.7	1474.72	7.42
Bonds for new projects	25.01	2.65	278.00	1.9	8.70	0.2	311.71	1.57
Variable Income	148.33	15.75	5936.82	39.59	2390.56	60.73	8475.71	42.65
Shares and securities representative of shares	69.16	7.34	5091.58	34.0	2296.53	58.3	7457.28	37.53
Preferred Subscription Certificates	0.00	0.00	0.00	-	0.00	-	0.00	0.00
Capital Shares due to Privatization	0.00	0.00	0.00	-	0.00	-	0.00	0.00
Other Authorized Instruments	0.00	0.00	0.00	-	0.00	-	0.00	0.00
Investment Funds	18.13	1.92	199.86	1.3	12.07	0.3	230.05	1.16
Securitizing Companies	61.05	6.48	645.38	4.3	81.96	2.1	788.38	3.97
Foreign Sector	72.57	7.70	1565.28	10.44	358.92	9.12	1996.76	3.64
Fixed Income	29.91	3.18	631.31	4.21	61.49	1.56	722.70	3.64
Debt Securities	10.35	1.10	309.37	2.1	17.28	0.4	337.01	1.70
Financial System Bonds	2.69	0.29	139.01	0.9	32.18	0.8	173.88	0.87
Agency Bonds	0.00	0.00	67.30	0.1	0.00	-	67.30	0.34
Foreign Corporate Bonds	0.00	0.00	9.09	0.1	0.00	-	9.09	0.05
Term Certificates and Deposits	16.87	4.35	106.54	6.23	12.02	0.3	135.42	0.68
Variable Income	42.66	4.35	933.97	6.23	297.43	7.56	1274.06	6.41
Financial Sector shares and Representative	1.45	0.15	45.89	0.3	66.07	1.7	113.40	0.57
Corporate Sector Shares and Representative	0.00	0.0	0.00	-	2.50	0.1	2.50	0.01
Mutual Funds	41.21	4.37	888.08	5.9	228.86	5.8	1158.15	5.86
Total Fixed Income	727.86	77.27	6948.99	46.34	722.45	18.35	8399.30	42.27
Total Variable Income	201.26	21.36	7981.78	53.23	2098.57	78.71	11281.60	56.77
Transactions in Transit	12.88	1.37	63.46	0.4	115.50	2.9	191.84	0.97
TOTAL	942.00	100.00	14994.23	100.0	3936.52	100.00	19872.75	100.00

(*) According to the value of the US dollar observed at the end of July, 2007, of S/.\$3.161 per dollar

(1) Includes current account

(2) Issuance on the local market

(3) Correspond to Company Capital shares not listed on the Stock Exchange

(4) Includes transfers for liquidating transactions in transit generated by foreign investments.

Drawn up by: FIAP

Source: Superintendency of Banks, Insurance and AFPs



Chart N°5

Membership Distribution (*) and balances per fund type by country As of July 31, 2007									
Fund	Country								
	Chile (1)			Mexico (2)			Peru (3)		
	No. of members	% Members compared to the total	Balance of Assets, Millions of US\$	No. of Members	% Members compared to the total	Balance of Assets, Millions of US\$	No. of Members	% Members compared to the total	Balance of Assets, Millions of US\$
A	1.052.529	12.03%	22,831,11	-----	-----	-----	-----	-----	-----
B	3.520.753	40,24%	23,610,67	-----	-----	-----	-----	-----	-----
C	3.350.943	38,30%	44.003,58	-----	-----	-----	-----	-----	-----
D	773.958	8,85%	10.322,82	-----	-----	-----	-----	-----	-----
E	51,626	0,59%	1.323,85	-----	-----	-----	-----	-----	-----
Basic SIEFORE 1	-----	-----	-----	14,263,373	38%	7,499.08	-----	-----	-----
Basic SIEFORE 2	-----	-----	-----	23,271,394	62%	66,020.31	-----	-----	-----
Fund Type 1	-----	-----	-----	-----	-----	-----	n.a	-----	942,00
Fund Type 2	-----	-----	-----	-----	-----	-----	n.a	-----	14,994.23
Fund Type 3	-----	-----	-----	-----	-----	-----	n.a	-----	3,963.52
Total	8,749,809	100%	102,092.30	37,534,767	100%	73,469.39	4,011,081	100%	19,872.75

Drawn up by: FIAP

(*) It must be made clear that this is the number of accounts in each type of fund.

(1) Source: Superintendency of Pension Fund Managers (SAFP).

(2) Source: Mexican Association of Retirement Fund Managers A.C. (AMAFORE).

(3) Source: Superintendency of Banks, Insurance and AFPs (SBS).

The assets balance was calculated according to the observed value of the US dollar on July 31, 2007. Chile (\$523.08 per dollar), Mexico (Mex\$10.8109 per dollar), Peru (S/3.161 per dollar).

n.a: Not available



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