

Table 5.1 (I)	Investment limits by sector and type of instrument (December 2022)							
Type of Instrument	Latin America and the Caribbean							
	Chile (A)			Colombia (B)			Costa Rica (C)	El Salvador
	Most conservative (1)	Intermediate (2)	Most risky (3)	Most conservative	Intermediate	Most risky	(*)	(*)
I. Local Fixed Income	(4)	(4)	(4)	N.A.	N.A.	N.A.	N.A.	N.A.
1. Public Securities	80	50	40	50 (1)	50 (1)	50 (1)	80	N.A.
Central Government	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	80	50
Local Governments and Decentralized Agencies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	20	15
Central Bank	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	80	30
2. Financial Institutions	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Deposits and Bonds	N.A.	N.A.	N.A.	30	30	30	10 (1)	40
Mortgage Securities	N.A.	N.A.	N.A.	15	15	15	N.A.	15
3. Companies	N.A.	N.A.	N.A.	60	60	60	N.A.	N.A.
Bonds	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	30
Bonds convertible into shares	3 (5)	10 (5)	30 (5)	N.A.	N.A.	N.A.	N.A.	N.A.
Discount and negotiable securities transactions	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
II. Asset-backed Securities	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	5	20
III. Local Variable Income	5 (6)	40 (6)	80 (6)	15	35	45	15	N.A.
Shares	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	5
Mutual and Investment Funds	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	15 (2)	5
IV. Foreign Investments	35	75	100	40	60	70	25 (3)	N.A.
Foreign Securities	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	25	10
Hedging	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Investment mandates	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	10	N.A.
V. Other Authorized Securities (Derivatives, etc.)	3	3	3	N.A.	N.A.	N.A.	N.A.	N.A.
Alternative Assets	5	9	13	N.A.	(2)	(2)	N.A.	N.A.
Indirect investment of foreign assets in alternative investments	N.A.	N.A.	N.A.	N.A.	N.A.(3)	N.A.(3)	N.A.	N.A.
Restricted investments	-	14	20	N.A.	1% (4)	4% (4)	N.A.	N.A.
VI. Structured Instruments	5	6	10	N.A.	N.A.	N.A.	N.A.	N.A.
Infrastructure or housing	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
VII. Commodities	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
VIII. Consumer Loans	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Source: FIAP.

Notes:

N.D.: No information was available.

N.A.: Not applicable.

(*) The country does not have multi-funds.

See notes (A) to (G) in the Appendix.

Table 5.1 (II)		Investment limits by sector and type of instrument (December 2022)																	
Type of Instrument		Latin America and the Caribbean																	
		Mexico (D)										Peru (E)				Dominican Republic (F)	Uruguay (G)		Asia
		SBP (1) Most Conservative	SB 55-59 (2)	SB 60-64 (3)	SB 65-69 (4)	SB 70-74 (5)	SB 75-79 (6)	SB 80-84 (7)	SB 85-89 (8)	SB 90-94 (9)	SBI (10) Most Risky	Ultra Conservative	Conservative	Intermediate	Most risky	(*)	Most conservative	Intermediate	(*)
I. Local Fixed Income		100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	75 (1)	100 (1)	75 (1)	70 (1)	N.A.	N.A.	N.A.	N.A.
1. Public Securities		100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	N.A.	40 (2)	40 (2)	40 (2)	N.A.	90	75	20-70
Central Government		100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	N.A.	30	30	30	30	90	75	20-70
Local Governments and Decentralized Agencies												N.A.	N.A.	N.A.	N.A.	N.A.	90	75	5
Central Bank		100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	100 (11)	N.A.	30	30	30	50	90	75	20-70
2. Financial Institutions												N.A.	N.A.	N.A.	N.A.	N.A.	30	30	30
Deposits and Bonds		100 (12)	100 (12)	100 (12)	100 (12)	100 (12)	100 (12)	100 (12)	100 (12)	100 (12)	100 (12)	100 (3)	100 (3)	100 (3)	100 (3)	75	30	30	N.A.
Mortgage Securities												N.A.	N.A.	N.A.	N.A.	70	0	50 (1)	N.A.
3. Companies												N.A.	N.A.	N.A.	N.A.	N.A.	0	50	45
Bonds		100 (13)	100 (13)	100 (13)	100 (13)	100 (13)	100 (13)	100 (13)	100 (13)	100 (13)	100 (13)	N.A.	10	7	5	70	0	50	N.A.
Bonds convertible into shares		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A. (4)	N.A. (4)	N.A. (4)	70	0	50	N.A.
Discount and negotiable securities transactions		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A. (4)	N.A. (4)	N.A. (4)	N.A.	0	NA	N.A.
II. Asset-backed Securities		20% (14)	20% (14)	21.56% (14)	24.3% (14)	28.26% (14)	31.26% (14)	34.14% (14)	36.87% (14)	39.08% (14)	40% (14)	N.A.	10 (5)	10 (5)	10 (5)	N.A.	NA	NA	N.A.
III. Local Variable Income												N.A.	N.A.	45	80	N.A.	0	50	N.A.
Shares		15% (15)	15% (15)	25.1% (15)	38.51% (15)	45.93% (15)	51.16% (15)	54.32% (15)	56.96% (15)	58.9% (15)	60% (15)	N.A.	N.A.	45	80	30	0	50	N.A.
Mutual and Investment Funds		(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	N.A.	10 (6)	10 (6)	10 (6)	5	0	50	N.A.
IV. Foreign Investments												50 (7)	50 (7)	50 (7)	50 (7)	N.A.	20	15	50
Foreign Securities		20 (17)	20 (17)	20 (17)	20 (17)	20 (17)	20 (17)	20 (17)	20 (17)	20 (17)	20 (17)	N.A.	N.A.	N.A.	N.A.	N.A.	20	15	N.A.
Hedging		30 (18)	30 (18)	30 (18)	30 (18)	30 (18)	30 (18)	30 (18)	30 (18)	30 (18)	30 (18)	N.A.	N.A.	N.A.	N.A.	N.A.	10 (2)	10 (2)	N.A.
Investment mandates		(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	N.A.	N.A.	N.A.	N.A.	N.A.	NA	NA	N.A.
V. Other Authorized Securities (Derivatives, etc.)		(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	N.A.	10 (8)	25 (9)	40 (10)	5 (1)	10	10	10
Alternative Assets		15% (21)	15% (21)	18.86% (21)	23.14% (21)	27.43% (21)	30% (21)	30% (21)	30% (21)	30% (21)	30% (21)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Indirect investment of foreign assets in alternative investments		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Restricted investments		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
VI. Structured Instruments		10% (22)	10% (22)	12.57% (22)	15.43% (22)	18.29% (22)	20% (22)	20% (22)	20% (22)	20% (22)	20% (22)	N.A.	N.A.	N.A.	N.A.	N.A.	0	50	N.A.
Infrastructure or housing		(23)	(23)	(23)	(23)	(23)	(23)	(23)	(23)	(23)	(23)	N.A.	N.A.	N.A.	N.A.	N.A.	0	50	N.A.
Other		(23)	(23)	(23)	(23)	(23)	(23)	(23)	(23)	(23)	(23)	N.A.	N.A.	N.A.	N.A.	N.A.	0	50	N.A.
VII. Commodities		5 (24)	5 (24)	5 (24)	5 (24)	5 (24)	5 (24)	5 (24)	5 (24)	5 (24)	5 (24)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
VIII. Consumer Loans		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	5	15	N.A.

Source: FIAP.

Notes:

N.D.: No information was available.

N.A.: Not applicable.

(*) The country does not have multi-funds.

See notes (A) to (G) in the Appendix.

<p>Table 5.1</p> <p>(A) Chile</p> <p>(1) Corresponds to Fund E.</p> <p>(2) Corresponds to Fund C.</p> <p>(3) Corresponds to Fund A.</p> <p>(4) There are currently no investment limits for fixed-income instruments; only some very specific points remain (convertible bonds, structured notes and time deposits). However, as there is a maximum limit for equity, an implicit maximum limit for all debt instruments is used by default.</p> <p>(5) Includes bonds convertible to shares issued by domestic and foreign, public and private companies.</p> <p>(6) Includes the sum of domestic and foreign securities.</p> <p>(B) Colombia:</p> <p>(1) The investment in public debt securities of the 4 mandatory pension portfolios cannot exceed 50% of the managed funds.</p> <p>(2) The maximum percentage is approved in the Investment Policy by the Board of Directors (BD) of the respective AFP, who must also approve the maximum investment percentage of the different types of alternative assets, including the types of private equity funds. (pending SFC regulation).</p> <p>(3) The limit on alternative foreign assets was repealed.</p> <p>(4) Restricted investments are: i) Indirect investment in debt securities of foreign issuers in which debt and participatory Collective Investment Funds (FICs) can invest, fixed income ETFs, mutual funds, balanced funds , debt securities held by the fund that do not meet the required rating requirement (investment grade or the rating given to Colombia's external public debt if it is below investment grade); ii) Hedge Funds; and (iii) leveraged FICs.</p> <p>(C) Costa Rica:</p> <p>(1) Includes individualized "Over-the-Counter" debt securities.</p> <p>(2) Includes property titles of level 1 (local funds and vehicles of financial investment) and level 2 (participation in funds or vehicles for special purposes)</p> <p>3) This percentage can be expanded up to a 50% proving with a technical studies base, that the extension of the limits fulfils with the established in article 62 of the worker's protection law.</p> <p>(D) Mexico:</p> <p>As of December 13, 2019, the investment model of the Afores changed, moving towards Generational Siefiores. Thus, the resources of each worker will be assigned to the Siefiore associated with his/her date of birth, and will remain in it throughout his/her working life. Each of the 10 Generational Siefiores contemplates an investment regime that is adapted to the age of the worker and becomes more conservative according to the retirement horizon of each generation:</p> <p>1) SBP. Basic Pension Investment Company for workers born on or before December 31, 1954.</p> <p>2) SB 55-59 Basic Pension Investment Company for workers born between January 1, 1955 and December 31, 1959.</p> <p>3) SB 60-64 Basic Pension Investment Company for workers born between January 1, 1960 and December 31, 1964.</p> <p>4) SB 65-69 Basic Pension Investment Society for workers born between January 1, 1965 and December 31, 1969.</p> <p>5) SB 70-74 Basic Pension Investment Society for workers born between January 1, 1970 and December 31, 1974.</p> <p>6) SB 75-79 Basic Pension Investment Company for workers born between January 1, 1975 and December 31, 1979.</p> <p>7) SB 80-84 Basic Pension Investment Society for workers born between January 1, 1980 and December 31, 1984.</p> <p>8) SB 85-89 Basic Pension Investment Company for workers born between January 1, 1985 and December 31, 1989.</p> <p>9) SB 90-94. Basic Pension Investment Company for workers born between January 1, 1990 and December 31, 1994.</p> <p>10) SBI. Basic Pension Investment Company for workers born on or after January 1, 1995.</p> <p>11) Up to 100% of the Total Assets of the Investment Company and Debt Instruments issued or guaranteed by the Federal Government, or in Debt Instruments issued by Banco de México. It does not include Debt Instruments issued, guaranteed or accepted by development banking institutions, except when these expressly state the endorsement of the Federal Government.</p> <p>12) There is no limit as such, as indicated in Provision Sixteen Section I b) of the Investment Regime.</p> <p>13) Up to 100% of the Total Assets of the Investment Company and Debt Instruments that have investment grade in accordance with Annexes A to I of the Provisions of the Investment Regime, obeying the diversification criteria established in the Sixth Transitory, which The letter says: "The Basic Investment Companies will observe the following diversification criteria, replacing those indicated in Twenty-fourth, section I, of these provisions, until the Commission verifies that the methodologies and elements of measurement for the additional credit evaluation to that provided by the securities rating institutions in accordance with the general provisions on financial matters of the Retirement Savings Systems issued by the Commission:</p> <p>a) Up to 5% of the Total Assets of the Investment Company in Debt Instruments and Foreign Debt Securities, issued, endorsed or accepted by the same issuer, which hold the qualifications provided for in Annexes A, F and J of these dispositions;</p> <p>b) Up to 3% of the Total Assets of the Investment Company in Debt Instruments and Foreign Debt Securities issued, guaranteed or accepted by the same issuer, which hold the qualifications set forth in Annexes B, G or K of these provisions. ;</p> <p>c) Up to 2% of the Total Assets of the Investment Company in Debt Instruments, issued, guaranteed or accepted by the same issuer, which hold the qualifications set forth in Annexes C and H of these provisions, and</p> <p>d) Up to 1% of the Total Assets of the Investment Company in Debt Instruments, issued, endorsed or accepted by the same issuer, that hold the ratings provided for in Annexes I for medium and long-term issues, as well as D or E of these provisions.</p> <p>14) The Basic Investment Companies may invest up to the percentage of the Total Assets of the Investment Company established in Annex S, column 5, of the Provisions of the Investment Regime in Securitized Instruments that satisfy the requirements established in the general provisions in financial matters of the Retirement Savings Systems, it must also observe the diversification criteria provided in sections I, III and IV of the Twenty-fourth and Sixth Transitory provision.</p> <p>15) Includes individual shares, IPOs (with the exception of the Basic Pension SIEFORE), domestic and international stock indices, included in the Index List, and obligations that may be convertible into shares of national issuers.</p> <p>16) There are no limits as such, they are subordinated to the variable income limit. The criteria of the Risk Analysis Committee of the pension regulator (Consar) must be met.</p> <p>17) As a percentage of the Total Assets of the SIEFORE, including, where applicable, the assets managed by the Agents.</p> <p>18) The limit in Foreign Currency Instruments is considered, since there is no investment in exchange insurance.</p> <p>19) The investment in Foreign Variable Income Securities acquired through Agents, may be up to 20% of the Total Assets of the Investment Company.</p> <p>20) Investment Companies may only enter into Derivatives, repurchase agreements and securities lending operations, or invest in Structures Linked to Underlyings in which the value is determined through Derivatives, with Counterparts. The Conditional Value at Risk (CVaR) limit represents a limit to the investment in Derivatives.</p>
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<p>21) The regulation does not contemplate a limit on alternatives, however, both Fibras and Structured Instruments are considered as alternative assets, so this limit must contemplate the sum of the limits of the respective asset classes as indicated in the columns 1 and 3 of Annex S of the Provisions of the Investment Regime.</p> <p>22) Includes Development Capital Certificates (CKDs) and Investment Project Trust Stock Certificates (CERPIs). The CERPIs are computed as foreign value unless they contain a 10% investment in national territory. The limit is indicated in column 1 of Annex S of the Investment Regime.</p> <p>23) The limit is general. No distinction is made between Structured Instruments.</p> <p>24) As a percentage of the Total Assets of the Investment Company.</p>
<p>(E) Peru</p> <p>(1) Corresponds to the maximum investment limit in long-term fixed income. In the case of short-term fixed income, the maximum investment limit is 40% of the fund for the most conservative fund and 30% for the intermediate and riskiest funds.</p> <p>(2) Limit on central government instruments plus the Central Bank must be less than 40% of the fund.</p> <p>(3) Corresponds to the limit on short-term deposits. In the case of long-term bonds, the limit is 50% of the multi-fund. This limit applies to all local issuers including Financial Institutions.</p> <p>(4) There is no specific limit for this type of instrument. In this case, debt limits apply.</p> <p>(5) Percentage of each managed portfolio.</p> <p>(6) In the case of Investment Funds, the limit is 5% for each managed portfolio. In the case of Mutual Funds, the limit is 5% for each managed portfolio.</p> <p>(7) The legal limit on investment of AFP funds abroad is set by Congress. And the operating limit, that is, the one that the AFPs can actually apply, is determined by the Central Reserve Bank (BCR). The legal limit of investment abroad is currently 50%, according to a law approved by Congress in 2011, which provided for raising the limit from the 30% it was then. Since that date, the BCR has progressively raised the operating limit, and as of September 2018 it is at 50%, that is, at the same level as the legal limit.</p> <p>(8) There is an investment limit for derivative instruments of 10%</p> <p>(9) There is an investment limit of 10% in derivative instruments and 15% in alternative instruments.</p> <p>(10) There is a limit for derivative instruments of 20% and for alternative instruments of 20%.</p>
<p>(F) Dominican Republic</p> <p>(1) Securities issued by public offering trusts</p>
<p>(G) Uruguay</p> <p>(1) Mortgage securities are addressed in the Investments paragraph in the Corporate Sector, with a limit of 50%.</p> <p>(2) Foreign Exchange Insurance is not included within the foreign investment limits, but in another specific paragraph on coverage.</p>