



NATIONAL PENSION COMMISSION (PenCom)

FIRST QUARTER 2021 REPORT

Corporate Mission

Mission

PenCom exists for the effective regulation and supervision of the Nigerian Pension Industry to ensure that retirement benefits are paid as and when due

April 2021

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SECTION ONE

Pension Operating Environment

1.1 Macroeconomic Development

Nigeria's Gross Domestic Product (GDP) grew by 0.51% (year-on-year) in real terms in the first quarter of 2021. This growth rate was higher than the 0.11% recorded in Q4 2020 and was indicative of a slow but continuous recovery. On a quarter on quarter basis however, real GDP grew at -13.93% in Q1 2021 compared to Q4 2020. This reflected a generally slower pace of economic activities at the start of the year. In nominal terms, aggregate GDP stood at N40,014,482.74 million indicating a year on year nominal growth rate of 12.25% when compared to the N35,647,406.08 million aggregate GDP recorded in the first quarter of 2020.

During the quarter under review, the oil sector recorded an average daily oil production of 1.72 million barrels per day (mbpd) and real GDP growth rate of -2.21% (year-on-year). In terms of contribution to aggregate GDP, the oil sector accounted for 9.25% of aggregate real GDP. On the other hand, the non-oil sector grew by 0.79% in real terms and accounted for 90.75% of aggregate GDP. Growth in the sector was mainly driven by economic activities in telecommunication, crop production; fast moving consumer goods; real estate; construction and human health and social services.

1.2 Developments in the Capital Market

The Nigeria Stock Exchange began the year on a high note following the bullish run experienced in the last quarter of 2020. However, the optimism that shaped the capital market at the beginning of the year declined towards the end of Q1 2021 as the NSE All Share Index closed the quarter at 39,045.13 points, signifying a 3.04% decrease from 40,270.72 points recorded at the start of the year.

In Q1 2021, trading activities increased when compared with Q1 2020 as the total volume and value of traded securities rose by 26.90% and 8.46% respectively. The average daily value traded witnessed a 10.18% increase from N4.89 billion recorded in Q1 2020 to N5.39 billion during the period under review. Similarly, the average daily volume of securities traded grew from 355.11 million to 499.52 million units, representing a 28.91% growth in Q1 2021.

Sources:

National Bureau of Statistics: Nigeria Gross Domestic Products Report Q1 2021
Nigerian Stock Exchange

SECTION TWO

Regulatory and Supervisory Activities

2.1 Surveillance of the Pension Industry

2.1.1 Update on the On-Site/Special Examinations of Licensed Operators

The Commission continued the enhanced Offsite monitoring and analysis of Pension Operators due to the Covid-19 pandemic. A total of 32 Licensed Pension Operators, comprising of 22 PFAs, 4 PFCs and 6 CPFAs rendered returns on Funds under Management/Custody as well as those of the respective companies via the Risk Management & Analysis System (RMAS) for the quarter ended 31 March, 2021.

2.1.2 Appointment to Board Positions

The Commission granted approval for the appointment of Board members by ten (10) Pension Fund Operators during the quarter under review. The appointees are:

S/N	Name of Appointee	Position	Operator
1.	Christopher B. Bajowa	Ag. Managing Director	FCMB Pensions
2.	Halima Umar Mashegu	Company S/Legal Adviser	
3.	Blessing Ogwu	Managing Director/CEO	UBA Pension Custodian
4.	Olumide Oyetan	Managing Director/CEO	Stanbic IBTC Pension Managers Limited
5.	Dare Otitoju	Executive Director, Investment	
6.	Juliet Ehimuan	Non-Executive Director	
7	Adeniyi Odunsi	Non-Executive Director	First Pension Custodian
8	Peter Surulere Aletor	Non-Executive Director	Veritas Glanvills
9	Humphrey Assisi Asobie	Non-Executive Director	NUPEMCO
10	Shakiru Lawal	Non-Executive Director	Nestle Nigeria CPFA
11	Joseph O. Egbunike	Non-Executive Director	NPF Pensions Limited
12	Thelma Amata Iremiren	Non-Executive Director	NLPC Pension Fund
13	David Bell	Non-Executive Director	Leadway Pensure
14	Nneka Ikwueze	Company S/Legal Adviser	
15	Victor Bisong	Managing Director	Radix Pension

2.1.3 Other Regulatory and Supervisory Activities

During the quarter under review, the Commission approved the acquisition of AXA Mansard Pensions Limited by Eustacia Limited and the change of name from AXA Mansard Pensions Limited to **TANGERINE PENSIONS LIMITED**. In addition, the Commission granted “No Objection” for the merger between Tangerine Pensions Limited and Apt Pension Funds Managers Limited.

2.2 Update on Compliance by the Public and Private Sectors

2.2.1 Issuance of Pension Clearance Certificates

The Commission received a total of 14,741 applications from private sector organizations for the issuance of Pension Clearance Certificates (PCCs). Out of this number, PCCs were issued to 9,299 organizations while 5,442 applications were being processed. The records show that a total sum of ~~N~~41,971,011,350.51 was remitted into the Retirement Savings Accounts of 163,286 employees of the 9,299 organizations.

2.2.2 Update on the Recovery of Outstanding Pension Contributions and Penalties from Defaulting Employers

Following the issuance of demand notices to defaulting employers whose pension liabilities had been established by the Recovery Agents (RAs), the sum of ~~N~~608,554,747.59 representing principal contribution (~~N~~162,385,260.05) and penalty (~~N~~446,169,487.54) was recovered from 25 defaulting employers during the quarter under review.

2.2.3 Update on Refund of Pension Contributions to Military Personnel and Employees of the State Security Agencies

During the quarter under review, the Commission granted approval for refund of ~~N~~1,595,008.24 to 25 personnel of the Military and other Security Agencies who were exempted from the Contributory Pension Scheme.

2.2.4 Supervision of the Pension Transitional Arrangement Directorate (PTAD)

The Commission continued to monitor the payment of pensions to Public Service retirees under the Defined Benefits Scheme (DBS) through monthly statutory returns rendered by the PTAD. All complaints received from DBS pensioners were forwarded to PTAD for resolution.

2.2.5 Update on the Nigeria Social Insurance Trust Fund (NSITF)

During the quarter under review, the Commission received transfer applications on behalf of 235 NSITF contributors and granted approval for the transfer of the sum of ₦14,278,705.87 to their Retirement Savings Accounts (RSAs). On a similar note, the Commission granted approval for payment of monthly pensions in the sum of ₦62,292,272.25 to 3,628 NSITF pensioners.

2.3 Compliance by State Governments

2.3.1 Status of Implementation of the CPS and other Schemes

As at Q1 2021, twenty-five (25) States of the Federation had enacted pension laws on the CPS while seven (7) States were at the bill stage. Out of the five (5) States operating other pension schemes, four (4) States have adopted the Contributory Defined Benefits Scheme (CDBS), while one, (Yobe State) operates the Defined Benefits Scheme (DBS). The level of compliance by States with the CPS is as detailed in Table 2.1 below:

Table 2.1: Status of Implementation of the CPS by States

STATUS OF IMPLEMENTATION OF THE CPS IN STATES AND FCT AS AT 31 MARCH, 2021										
States At Bill Stage	States with Enacted Laws on CPS	States with Pension Bureaux/Boards in line with CPS	States Remitting ER & EE Pension Contributions	States that Conducted Actuarial Valuation	Availability of RBBRFA	Funding of Accrued Rights	Payment of Pension Under CPS	Valid Group Life / Sinking Fund	States Remitting only EE Pension Contributions	States with Other Pension Schemes ***
NUMBER OF STATES										
(7)	(25)	(15)	(10)	(8)	(7)	(6)	(5)	(5)	(1)	(5)
KWARA	LAGOS	LAGOS	LAGOS	LAGOS	LAGOS	LAGOS	LAGOS	LAGOS	KEBBI	JIGAWA
PLATEAU	FCT	FCT	FCT*	KADUNA	FCT	FCT	FCT	FCT		KANO
CROSS RIVER	OSUN	OSUN	OSUN*	FCT	OSUN	OSUN	OSUN	OSUN		YOBE
BORNO	KADUNA	KADUNA	KADUNA	DELTA	KADUNA	KADUNA	KADUNA	ONDO		GOMBE
AKWA IBOM	DELTA	DELTA	DELTA*	OSUN	DELTA	DELTA	DELTA	EDO		ZAMFARA
BAUCHI	EKITI	EKITI	EKITI*	ANAMBRA	ANAMBRA (LG)	ANAMBRA (LG)				
KATSINA	ONDO	ONDO	ONDO*	RIVERS	RIVERS					
	EDO	EDO	EDO	EKITI						
	BENUE	BENUE	BENUE*							
	KEBBI	KEBBI	ANAMBRA							
	NIGER	NIGER								
	RIVERS	RIVERS								
	OGUN	OGUN								
	BAYELSA	BAYELSA								
	KOGI	KOGI								
	ANAMBRA									
	ABIA									
	TARABA									
	IMO									
	SOKOTO									
	ADAMAWA									
	EBONYI									
	NASARAWA									
	ENUGU									
	OYO									
* States with backlog of Remittance: Osun, Anambra State and LG, Delta State and LG, FCT Area Council, Ekiti, Ondo, Benue. Benue State remitting for 3 Agencies and 21 out of 23 LGs.										
*** 4 States implementing CDBS, while Yobe is implementing DBS.										

2.3.4 Update on Sensitization/Capacity Building Workshops and Engagements

During the quarter under review, the Commission carried out sensitization workshops, capacity building programmes and stakeholder engagement meetings. The activities include:

- i. A two-day capacity building programme on the implementation of the CPS in Kogi State for the Executive Management of the Kogi State Pension Commission.
- ii. A meeting with the Deputy Governor of Nasarawa State on the implementation of the CPS in Nasarawa State.
- iii. A meeting with officials of the Jigawa State Government to discuss issues of remittance of pension contributions.
- iv. A tripartite meeting between officials of the Zamfara State Government, eleven (11) Pension Fund Administrators (PFAs) and the Commission was held to review the status of refunds of pension contributions to employees of Zamfara State who were exempted from the CPS.

2.4 Update on the Micro Pension Plan

2.4.1 Micro Pension Registration and Contribution

During the quarter under review, nineteen (19) PFAs registered 3,292 contributors under the Micro Pension Plan (MPP). In the same vein, a total sum of ₦16,711,942.25 was remitted to the RSAs of 435 contributors during the period.

2.4.2 Contingent Withdrawals

In terms of withdrawals from the contingent portion of the contributions, six (6) PFAs processed and approved requests amounting to ₦4,375,646.34 from seventeen (17) MPP contributors during the period under review. Table 2.2 below shows details of Contingent Withdrawals during the quarter under review.

Table 2.2: Contingent Withdrawals During Q1, 2021

Period	No. of PFAs	No. of Contributors	Amount of Contingent Withdrawal (N)	Cumulative (N)
Jan - Mar. 2021	6	17	4,375,646.34	6,663,406.22

2.4.3 Conversion from MPP to CPS

During the first quarter of 2021, one hundred and five (105) Micro Pension Participants converted to the Mandatory CPS and the sum of ₦963,136.42 was transferred to their respective RSAs.

2.5 Update on RSA Registrations

2.5.1 RSA Membership Count by PFA

The PFAs registered a total of 84,368 RSAs during the quarter under review. This brought the cumulative RSA registrations from inception to 31 March 2021 to 9,300,058 as at 31 March 2021. Table 2.3 below provide further details.

Table 2.3: RSA Membership Count by PFAs

S/N	PFA	RSA Count Inception to 31 Mar 2021	%
1	AllCO Pension Managers Limited	249,863	2.7
2	Apt Pension Funds Managers Limited	151,088	1.6
3	ARM Pension Managers (PFA) Limited	831,948	8.9
4	Crusader Sterling Pensions Limited	350,404	3.8
5	FCMB Pensions Limited	444,553	4.8
6	Fidelity Pension Managers Limited	311,445	3.3
7	First Guarantee Pension Limited	271,971	2.9
8	IEI-Anchor Pension Managers Limited	144,718	1.6
9	Investment-One Pension Managers Limited	82,585	0.9
10	Leadway Pensure PFA Limited	643,218	6.9
11	Nigerian University Pension Management Co.	23,662	0.3
12	NLPC Pension Fund Administrators Limited	329,878	3.5
13	NPF Pension Fund Managers	294,534	3.2
14	Oak Pensions Limited	211,684	2.3
15	Pensions Alliance Limited	572,749	6.2
16	Premium Pension Limited	737,347	7.9
17	Radix Pension Managers Limited	35,145	0.4
18	Sigma Pensions Limited	734,571	7.9
19	Stanbic IBTC Pension Managers Limited	1,879,003	20.2
20	Tangerine Pension Limited	90479	1.0
21	Trustfund Pensions Limited	761,884	8.2
22	Veritas Glanvills Pensions Limited	147,329	1.6
	Total	9,300,058	100

2.5.2 Gender and Age Distribution

A review of the RSA registrations during the quarter showed that about 82% of those that joined the CPS were below 40 years of age. This points to the increasing sustainability of the CPS, as the younger generation are actively being registered under the scheme. Further analysis on the gender distribution revealed that 61% of those that registered were male, while 39% were female. The table and chart below, provide details on the age and gender distribution of the registrations during the quarter.

Table 2.4: Sector, Age and Gender Registration Count for Q1 2021

Age	Quarter ended 31 March 2021				Inception to 31 Mar 2021			
	Female	Male	Total	(%)	Female	Male	Total	(%)
Less than 30 years	15,742	20,044	35,786	42.40	1,075,189	2,277,224	3,352,413	36.00
30 - 39 years	12,001	21,554	33,555	39.80	1,023,993	2,385,494	3,409,487	36.70
40 - 49 years	3,730	6,904	10,634	12.60	505,096	1,244,753	1,749,849	18.80
50 - 59 years	1,019	2,581	3,600	4.30	162,134	536,259	698,393	7.50
60 - 65 years	108	452	560	0.70	7,391	55,789	63,180	0.70
Above 65 years	41	192	233	0.30	3,594	23,142	26,736	0.30
Total	32,641	51,727	84,368	100	2,777,397	6,522,661	9,300,058	100
Percentage (%)	39	61	100		30	70	100	

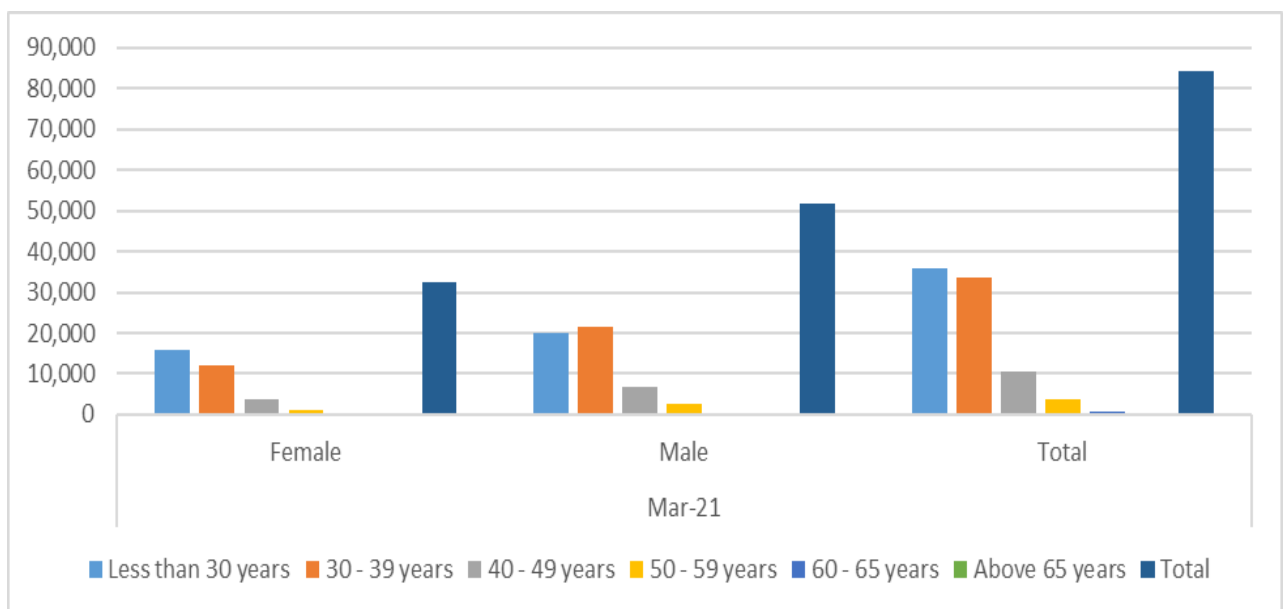


Figure 2.0: Chart showing Age and Gender Registration Count for Q1 2021

2.5.3 Employer Code Generation

The Commission generated a total of 3,498 employer codes during the quarter under review. The Private Sector accounted for a total of 3,492 employer codes, representing 99.9% of the total employer codes generated during the review period while the Public Sector accounted for only 6 employer codes or 0.1%. Table 2.5 below shows the details of the employer codes generated within the period under review:

Table 2.5: Employer Codes Generation for Q1 2021

S/N	Employer Code	Description	Employer Code Count Quarter ended 31 Mar 2021	%	Total Employer Code Count Inception to 31 Mar 2021	%
1	PR	Private Registered Companies (i.e. Ltd and Public Plc)	3,206	91.7	224,254	85.2
2	BR	Business Registrations (i.e. Law Firms, Hospitals, Schools, Banks, etc.)	262	7.5	17,613	6.7
3	NG	Non-Governmental Organizations	23	0.7	2,435	0.9
4	PU	Federal Government	4	0.1	964	0.4
5	ST	State Governments	2	0.1	15,059	5.7
6	UN	Unions/Association	1	0.0	2,666	1.0
7	FR	Foreign Agencies	0	0.0	27	0.0
8	EM	Embassies	0	0.0	88	0.0
9	MP	Micro Pension Plan	0	0.0	69	0.0
10	CB	Cross Border	0	0.0	0	0.0
Total			3,498	100	263,205	100

2.5.4 Update on the RSA Transfer System (RTS)

The Fourth RSA Transfer Quarter, TQ4:2020, which was the maiden RSA Transfer Quarter, was concluded in the second week of January 2021, and a total number of 2,799 RSAs were successfully transferred to the RSA holders' new PFAs. The total value of pension assets belonging to the 2,799 RSAs transferred, stood at ₦18,898,848,438.79. A total number of 11,507 RSA Transfer requests were received between 1 January 2021 and 31 March 2021 signifying an increase of 311.11% when compared with 2,799 RSAs transferred in Q4 2020.

SECTION THREE

Pension Industry Statistics

3.1 Schemes Membership

The pension industry recorded a marginal growth of 0.91% (84,270) in schemes membership during the quarter under review, rising from 9.27 million contributors as at the end of Q4 2020 to 9.36 million as at Q1 2021. The growth in the industry membership was driven by the RSA Scheme, which had an increase of 84,270 registered contributors. However, membership of the Closed Pension Fund Administrator (CPFA) Schemes and Approved Existing Schemes (AES) remained unchanged at 14,926 and 40,951 respectively, as at Q1 2021. The details of the trend in schemes memberships are shown in Table 3.1 below:

Table 3.1: Schemes Membership as at Q1 2021

SCHEME	Q2:2020	Q3:2020	Q4: 2020	Q1: 2021	Change	
					Number	%
RSA	9,039,727	9,147,039	9,215,788	9,300,058	84,270	0.91%
CPFA	17,125	16,971	14,926	14,926	0	0
AES	40,951	40,951	40,951	40,951	0	0
TOTAL	9,097,803	9,204,961	9,271,665	9,355,935	84,270	0.91%

3.1.1 Membership of RSA

The cumulative RSA registrations grew from the 9,215,788 recorded in Q4 2020 to 9,300,058 as at Q1, 2021, representing a 0.91% growth, which was mainly attributed to increased level of compliance by the public and private sectors.

3.1.2 PFA Market Share by RSA Registration

As at Q1 2021, the ranking of PFAs by number of registered contributors showed a marginal growth in the market share of the bottom three PFAs to 1.60% in Q1 2021 from 1.5% in Q4 2020. Similarly, the bottom five PFAs recorded slight increase in the number of registered RSAs from 4.10% in Q4, 2020 to 4.20% in Q1 2021. In the same vein, the bottom ten PFAs recorded a marginal increase from 15.20% in Q4 2020 to 15.30% in Q1, 2021.

The market share of the top three marginally decreased from 37.40% in Q4 2020 to 37.30% in Q1, 2021 while the market share of the top 5 PFAs also marginally declined from 53.20% in Q4 2020 to 53.10% in Q1, 2021. The market share of the top ten PFAs marginally declined from 78.40% in Q4 2020 to 78.30% in Q1 2021. The details of the market share by RSA registration is as shown in Table 3.2 below.

Table 3.2: RSA Registration by Market Share

PFA Ranking	Q4: 2020(%)	Q1, 2021 (%)
Top 3	37.40	37.30
Top 5	53.20	53.10
Top 10	78.40	78.30
Bottom 3	1.50	1.60
Bottom 5	4.10	4.20
Bottom 10	15.20	15.30

A further breakdown of the cumulative PFA registrations revealed that 15 PFAs had registered less than 500,000 RSAs each while the remaining 7 PFAs had registered more than 500,000 RSAs each as at the end of the Q1 2021. Table 3.3 below shows the details of the RSA registration range.

Table 3.3: Range of RSA Registration by PFA from Inception to 31 March 2021

Range of RSA Registrations	Number of PFAs
Above 1,000,000	1
500,000 – 1,000,000	6
100,000 – 499,999	11
Less than 100,000	4

3.1.3 Memberships of CPFAs and AESs

The total membership of the CPFA and AES schemes were 14,926 and 40,951, respectively as at Q1 2021. A further review showed that membership of the CPFAs and AES remained unchanged at 14,926 and 40,951 respectively as at the end of Q1 2021.

3.2 Pension Contributions

The total pension contributions remitted to the RSAs in the first quarter of 2021 stood at ₦203.10 billion. Out of this total, the public sector accounted for ₦115.83 billion or 57.03 % while the private sector contributed ₦87.27 billion or 42.97%. The cumulative pension contributions received from both the public and private sectors from inception to the end of the first quarter of 2021, therefore, amounted to ₦6.91 trillion, up from the ₦6.70 trillion as at the end of the Q4 2020. The details of the pension contributions remitted into the RSAs is shown in Table 3.4.

Table 3.4: Pension Contributions as at Q1 2021

Year/Qtr	Public Sector			Private Sector			Total		
	Amount (N billion)	Actual Growth (Yr-on-Yr)	% Growth (Yr-on-Yr)	Amount (N billion)	Actual Growth (Yr-on-Yr)	% Growth (Yr-on-Yr)	Amount (N billion)	Actual Growth (Yr-on-Yr)	% Growth (Yr-on-Yr)
2004	15.60	-		-	-		15.60	-	
2005	34.68	19.08	122.31%	-	-		34.68	19.08	122.31%
2006	37.38	2.70	7.79%	23.03	23.03	-	60.41	25.73	74.19%
2007	80.63	43.25	115.70%	68.34	45.31	196.74%	148.97	88.56	146.60%
2008	99.28	18.65	23.13%	80.81	12.47	18.25%	180.09	31.12	20.89%
2009	137.10	37.82	38.09%	91.21	10.40	12.87%	228.31	48.22	26.78%
2010	162.46	25.36	18.50%	103.03	11.82	12.96%	265.49	37.18	16.28%
2011	228.92	66.46	40.91%	119.53	16.50	16.01%	348.45	82.96	31.25%
2012	302.24	73.32	32.03%	159.52	39.99	33.46%	461.76	113.31	32.52%
2013	278.50	(23.74)	-7.85%	225.42	65.90	41.31%	503.92	42.16	9.13%
2014	237.76	(40.74)	-14.63%	343.97	118.55	52.59%	581.73	77.81	15.44%
2015	200.05	(37.71)	-15.86%	358.91	14.94	4.34%	558.96	(22.77)	-3.91%
2016	225.86	25.81	12.90%	262.33	(96.58)	-26.91%	488.20	(70.76)	-12.66%
2017	257.11	31.24	13.83%	353.73	91.39	34.84%	610.84	122.64	25.12%
2018	266.84	9.73	3.78%	340.72	(13.01)	-3.68%	607.55	(3.28)	-0.54%
2019	331.56	64.73	24.26%	369.13	28.41	8.34%	700.69	93.14	15.33%
2020	536.97	205.41	61.95%	371.12	1.99	0.54%	908.09	207.40	29.60%
Q1:2021	115.83			87.27			203.10		
Q2:2021	-			-			-		-
Q3:2021	-			-			-		-
Q4:2021	-			-			-		-
Total	3,548.77			3,358.07			6,906.84		

The aggregate total pension contributions of the public sector increased by 2.60% from N3.43 trillion as at the end of the Q4 2020 to N3.55 trillion as at the end of the reporting period. Similarly, the aggregate pension contributions of the private sector also increased from N3.27 trillion recorded in Q4, 2020 to N3.36 trillion as at the end of the reporting period.

3.2.1 Ranking of PFAs by the Amount of Contributions Received

The ranking of PFAs by cumulative pension contributions received into the pension fund from inception of the CPS, therefore, indicated that the top 5 ranked PFAs received 65.94% of the total contributions as at the end of Q1 2021. Similarly, the top 10 ranked PFAs accounted for 86.42% of the total contributions while the bottom 5 and bottom 10 PFAs accounted for 2.92% and 9.16% of the total pension contributions, respectively, as at the end of Q1 2021.

Table 3.5: PFA Ranking by Size of Contributions during Q1 2021

Rank	Amount (₦' Billion)	Percentage of Total (%)
Top 5	133,930,700,431.94	65.94%
Top 10	180,361,087,726.66	86.42%
Bottom 5	5,932,524,182.69	2.92%
Bottom 10	18,602,174,061.46	9.16%

3.3 Overview of the Pension Industry Fund Portfolio

3.3.1 Pension Fund Portfolio

The total value of Pension Fund assets was ₦12.34 trillion as at 31 March 2021 comprising of ₦8.62 trillion for RSA 'Active' Funds (i.e. RSA Funds I, II III and V); ₦976.90 billion for RSA Retiree (Fund IV) ₦1.46 trillion for CPFAs; and ₦1.28 trillion for Approved Existing Schemes.

Pension Fund Assets were mainly invested in Federal Government Nigeria (FGN) Securities, which accounted for 68.93% of total assets. The composition of investments in FGN Securities were distributed as follows: FGN Bonds: 62.19%; Treasury Bills: 5.85%; and Agency Bonds, Sukuk and Green Bonds accounting for about 0.90%. Table 3.6 below shows the summary of the Pension Industry Portfolio across fund types for the quarter ended 31 March 2021.

Table 3.6: Pension Fund Portfolio by Fund Type as at 31 March 2021

	RSA FUNDS		CPFAs	AES	TOTAL PENSION FUND ASSETS	
	RSA ACTIVE FUND (I,II,III,V)	RSA RETIREE FUND				
% OF PENSION ASSETS	70%	8%	12%	10%		
ASSET CLASS	₦'Million	₦'Million	₦'Million	₦'Million	₦'Million	Weight %
Domestic Ordinary Shares	695,360.91	9,844.02	37,612.11	98,980.81	841,797.86	6.82%
Foreign Ordinary Shares	-	-	97,005.30	-	97,005.30	0.79%
FGN Securities:	6,087,593.68	707,125.62	986,242.96	725,413.88	8,506,376.14	68.93%
<i>FGN Bonds</i>	5,432,182.16	628,414.46	969,110.40	644,059.20	7,673,766.22	62.19%
<i>Treasury Bills</i>	557,396.17	71,392.54	15,612.60	77,343.61	721,744.92	5.85%
<i>Agency Bonds (NMRC)</i>	10,864.92	350.92	652.82	1,042.17	12,910.83	0.10%
SUKUK	75,988.73	6,574.45	-	2,507.73	85,070.91	0.69%
Green ¹ Bond	11,161.70	393.24	867.14	461.18	12,883.26	0.10%
State Govt. Securities	79,513.50	8,547.86	8,771.97	12,526.04	109,359.37	0.89%
Corporate Debt Securities	463,155.12	69,883.37	14,754.59	72,779.40	620,572.48	5.03%
Supra-National Bonds	-	-	-	-	-	0.00%
Local Money Market Securities:	1,166,476.15	169,391.43	110,660.37	229,356.17	1,675,884.12	13.58%
<i>Bank Placement</i>	1,100,584.66	160,395.27	110,660.37	212,476.06	1,584,116.36	12.84%
<i>Commercial Papers</i>	65,891.48	8,996.16	-	16,880.12	91,767.76	0.74%
Foreign Money Market Securities	-	-	8,165.16	-	8,165.16	0.07%
Mutual Funds:	23,882.89	877.25	39,636.22	2,275.63	66,671.99	0.54%
<i>Open/Close-End Funds</i>	19,574.65	877.25	39,636.22	2,004.12	62,092.24	0.50%
REITs	4,308.24	-	-	271.51	4,579.75	0.04%
Real Estate Properties	620.00	-	122,371.20	114,315.36	237,306.56	1.92%
Private Equity Fund	20,159.39	-	13,778.60	-	33,938.00	0.28%
Infrastructure Fund	54,184.69	200.48	8,231.57	4,258.80	66,875.53	0.54%
Cash & Other Assets	30,264.01	11,026.98	16,144.09	18,572.54	76,007.62	0.62%
Net Assets Value	8,621,210.35	976,897.00	1,463,374.14	1,278,478.64	12,339,960.13	100.00%

The comparative analysis of the Pension Industry Portfolio for the period ended 31, December 2020 and 31 March, 2021 respectively is shown in Table 3.7 below:

Table 3.7: Comparative Pension Industry Portfolio Q4 2020 vs Q1 2021

ASSET CLASS	TOTAL PENSION FUND ASSETS				VARIANCE	
	31-Dec-20		31-Mar-21		Dec 20/Mar 21	
	₦Billion	Weight %	₦Billion	Weight %	₦Billion	Weight %
Domestic Ordinary Shares	858.46	6.98%	841.80	6.82%	(16.67)	-1.94%
Foreign Ordinary Shares	92.92	0.76%	97.01	0.79%	4.09	4.40%
FGN Securities:	8,130.68	66.07%	8,506.38	68.93%	375.69	4.62%
FGN Bonds	7,384.47	60.01%	7,673.77	62.19%	289.29	3.92%
Treasury Bills	628.22	5.10%	721.74	5.85%	93.53	14.89%
Agency Bonds (NMRC)	10.62	0.09%	12.91	0.10%	2.29	21.53%
SUKUK	93.55	0.76%	85.07	0.69%	(8.48)	-9.07%
Green bonds	13.81	0.11%	12.88	0.10%	(0.93)	-6.74%
State Govt. Securities	136.59	1.11%	109.36	0.89%	(27.23)	-19.94%
Corporate Debt Securities	836.34	6.80%	620.57	5.03%	(215.77)	-25.80%
Supra-National Bonds	1.44	0.01%	-	0.00%	(1.44)	-100.00%
Local Money Market Securities	1,687.47	13.71%	1,675.88	13.58%	(11.59)	-0.69%
Foreign Money Market Securities	18.69	0.15%	8.17	0.07%	(10.52)	-56.31%
Mutual Funds:	161.39	1.31%	66.67	0.54%	(94.72)	-58.69%
Open/Close-End Funds	76.36	0.62%	62.09	0.50%	(14.27)	-18.68%
REITs	85.03	0.69%	4.58	0.04%	(80.45)	-94.61%
Real Estate Properties	159.70	1.30%	237.31	1.92%	77.60	48.59%
Private Equity Fund	33.24	0.27%	33.94	0.28%	0.70	2.11%
Infrastructure Fund	66.43	0.54%	66.88	0.54%	0.45	0.67%
Cash & Other Assets	122.80	1.00%	76.01	0.62%	(46.79)	-38.10%
Net Assets Value	12,306.15	100.00%	12,339.96	100.00%	33.81	0.27%

The industry Net Asset Value (NAV) grew slightly by ₦33.81 billion or 0.27% to ₦12.34 trillion as at 31 March 2021 relative to a NAV of ₦12.31 trillion as at 31 December, 2020. The growth in Q12021 was lower than the growth of ₦738.37 billion (6.38%) recorded in Q4 2020, mainly due to market valuation of FGN bonds and equities.

The value of investments in quoted ordinary shares (domestic and foreign) was ₦938.80 billion (7.61% of total assets under management) indicating a decrease of ₦12.58 billion (1.32%) compared to the ₦951.38 billion as at 31 December, 2020. The decrease in the value of investments in domestic quoted equities, was primarily due to the depreciation in the prices of some stock during the reporting period, as the Nigerian Stock Exchange Pension Index (NSE-PI) depreciated by 1.88% from 1,388.64 bps as at 31 December, 2020 to 1,362.60 bps as at 31 March, 2021.

The value of investments in FGN Bonds increased by ₦289.29 billion (4.62%), Treasury bills by ₦93.51 billion (14.89%) and Agency Bonds by ₦2.29 billion (21.53%). However, investments in Sukuk and Green Bonds decreased by ₦8.48 billion (9.07%) and ₦931.14 million (6.74%) respectively. The decrease in the value of investments in Sukuk and Green bonds was due to accrued coupons paid on investments in these asset classes during the period.

3.3.2 Review of RSA Funds

RSA 'Active' Funds:

1.1.1 The Net Assets Value of the RSA 'Active' Funds, which includes RSA 'Active' Funds I, II and III, as well as Fund V, was ₦8.62 trillion as at 31 March 2021. This represented a net growth of ₦119.92 billion (1.44%) as the NAV increased from ₦8.34 trillion as at 31 December, 2020 to ₦8.62 trillion as at 31 March, 2021. These figures included the balances of ₦159.58 billion and ₦159.58 billion in respect of the Contributions of FGN workers awaiting transfers to PFAs, as at 31 December 2020 and 31 March 2021, respectively.

The breakdown of the Net Assets Value of the RSA 'Active' Funds and the comparative variances for the period ended 31 December, 2020 and 31 March 2021, respectively are presented in Table 3.8 below:

Table 3.8: RSA 'Active' Fund Assets – Q4 2020 and Q1, 2021

ASSET CLASS	RSA ACTIVE FUND				Variance	
	Dec-20		Mar-21		Dec'20/Mar' 2021	
	₦Billion	Weight %	₦Billion	Weight %	₦Billion	Weight %
Domestic Ordinary Shares	704.05	8.44%	695.36	8.07%	(8.69)	-1.23%
FGN Securities:	5,752.65	68.96%	6,087.59	70.61%	334.95	5.82%
FGN Bonds	5,328.06	63.87%	5,432.18	63.01%	104.12	1.95%
Treasury Bills	325.40	3.90%	557.40	6.47%	231.99	71.30%
Agency Bonds (NMRC)	9.57	0.11%	10.86	0.13%	1.29	13.50%
SUKUK	77.80	0.93%	75.99	0.88%	(1.82)	-2.33%
Green Bonds	11.81	0.14%	11.16	0.13%	(0.65)	-5.50%
State Govt. Securities	99.93	1.20%	79.51	0.92%	(20.42)	-20.43%
Corporate Debt Securities	425.84	5.10%	463.16	5.37%	37.31	8.76%
Supra-National Bonds	0.69	0.01%	0.00	0.00%	(0.69)	-100.00%
Local Money Market Securities	1,195.72	14.33%	1,166.48	13.53%	(29.24)	-2.45%
Mutual Funds:	25.19	0.30%	24.92	0.29%	(0.27)	-1.05%
Open/Close-End Funds	20.14	0.24%	19.57	0.23%	(0.56)	-2.81%
REITs	5.05	0.06%	5.35	0.06%	0.30	5.93%
Private Equity Fund	19.35	0.23%	20.16	0.23%	0.81	4.17%
Infrastructure Fund	54.03	0.65%	54.18	0.63%	0.16	0.29%
Cash & Other Assets	64.69	0.78%	30.26	0.35%	(34.43)	-53.22%
Net Assets Value	8,342.13	100%	8,621.63	100%	279.50	3.35%

The RSA Fund II, which is the default RSA Fund under the Multi-Fund Structure, maintained the largest share of the Active RSA fund as it represented 62.50% of the RSA ‘Active’ Funds. Table 3.9 below provides a breakdown of the RSA Active Funds.

Table 3.9: RSA “Active” Funds – as at Q1 2020

RSA ACTIVE FUNDS AS At 31 MARCH 2021		
FUND	₦'Billion	
RSA FUND I	38.33	0.44%
RSA FUND II	5,388.57	62.50%
RSA FUND III	3,194.63	37.05%
RSA FUND V	0.11	0.00%
TOTAL	8,621.63	100.00%

The major sources of the portfolio growth/diminution in RSA Funds are highlighted in Table 3.10 below:

Table 3.10: RSA “Active” Funds – Sources of Portfolio Growth between Q4 2020 and Q1 2021

S/NO	SOURCES OF PORTFOLIO GROWTH	Q4: 2020	Q1: 2021	VARIANCE
		₦'Billion	₦'Billion	₦'Billion
1	New inflow of Funds:			
	Monthly Contributions/ Inter Fund Transfers	261.83	287.27	25.44
2	Investment Incomes:			
2.1	Interest/Coupons	178.21	168.52	(9.69)
2.2	Dividends/Rental Income	3.91	11.61	7.69
2.3	Net Realized Gains on Equity/Bonds	119.68	(9.33)	(129.02)
3	Net Unrealized Gains/(Losses) on Equities/Equity Funds	169.18	(27.11)	(196.29)
4	Net Unrealized Gains/(Losses) on Bonds	15.65	(89.63)	(105.28)
	Rental Income	-		-
5	Benefits Paid/Transfers to Retiree Fund	(177.95)	(152.24)	25.71
6	Other Transfers/Remittances	(22.68)	(34.45)	(11.77)
7	Asset Based Fees, Audit Fees (and VAT)	(35.04)	(34.71)	0.33
	Net Portfolio Growth	512.78	119.92	(392.86)

i. Contributions Received

Monthly pension contributions totaling ₦287.27 billion were received in Q1 2021 for RSA Fund I, II, III and V. The amount was an increase compared to the total contributions of ₦261.83 billion recorded in Q4 2020.

ii. Interest/Coupons and Dividends

The interests/coupons received on investments in fixed income securities amounted to ₦168.52 billion in Q1 2021. The amount was slightly lower than the sum of ₦178.21 billion recorded in Q4 2020 due to matured high yield investments re-invested at lower yields in Q1 2021.

iii. Net Realized Gains/(Losses) on Equity/Bonds

The net realized losses on sales of equities and bonds in Q1 2021 amounted to ₦9.34 billion, compared to the realized gains of ₦119.68 billion recorded in Q4,2020. The losses were realized on bonds sold to moderate the impact of depreciating bond prices attributed to increase in yield. Bond prices according to the S&P/FMDQ Nigeria Sovereign Bond Index depreciated by 8.92% in Q1 2021 relative to an appreciation of 13.83% in Q4 2020.

iv. Net Un-realized Gains/(losses) on Equities and Equity Funds

Total unrealized losses on the RSA 'Active' Funds (Fund I, II & III) in Q1 2021 amounted to ₦27.11 billion compared to unrealized gains of ₦169.18 billion recorded in Q4 2020. Unrealized losses were attributed to general depreciation in the prices of stocks as the NSE-Pension Index depreciated by 1.88% in Q1 2021 compared to an appreciation of 50.09% recorded in Q4 2020. A significant proportion of unrealized losses in Q1 2021 was attributed to depreciation in prices of the following stocks: Guaranty Trust Bank, Dangote Cement, Zenith Bank and Access Bank.

v. Net Unrealized Gains/(Losses) on Bonds

The total unrealized losses on the bonds in the RSA Active portfolio amounted to ₦89.63 billion in Q1 2021 due to rising yields observed throughout the quarter. The S&P/FMDQ Nigeria Sovereign Bond Yield Index increased to 9.90% as at 31 March 2021 from 6.16% recorded as at 31 December 2020

vi. Transfers to RSA Retiree Funds and Benefits Payments

Total transfers from RSA 'Active' Funds to RSA Retiree Fund (Fund IV) and payment of 25% unemployment benefits amounted to ₦152.24 billion, which was lower, by 14.45%, than the total outflows of ₦177.95 billion in Q4 2020

Portfolio Performance

The average rate of return (annualized) for RSA Fund I, II, III and V were -4.03%, -0.55% -0.65% and 5.38% respectively, as presented in Table 3.11 below. The recorded performances were lower than the average rate of returns of 41.49%, 31.97%, 22.23% and 2.50% achieved by the respective Funds in Q4 2020 as shown in Table 3.11 below:

Table 3.11: RSA Funds - Average Rate of Return – Q4 2020

FUND	AVERAGE RATE OF RETURN (ANNUALIZED)	
	Q4:2020	Q1:2021
RSA FUND I	41.49%	-4.03%
RSA FUND II	31.97%	-0.55%
RSA FUND III	25.23%	-0.65%
RSA FUND V	2.50%	5.38%

The performances of the RSA “Active” Funds for Q1 2021 were negatively impacted by depreciation in bond and equity prices. Bond prices depreciated during the period due an increase in yields from 6.16% as at 31 December 2020 to 9.90% as at 31 March 2021.

The impact of the depreciation in bond prices was significant in RSA Funds I, II and III as they recorded losses in Q1 2021. The losses were more significant in Fund I with highest allocation of 21.45% to variable income securities (including marked-to-market bonds) compared to Funds II and III with 18.13% and 10.35% allocation to variable incomes securities respectively.

RSA Retiree Funds:

The Net Assets Value of RSA ‘Retiree’ Funds (Fund IV) increased by ₦14.24 billion from ₦962.66 billion as at 31 December, 2020 to ₦976.90 billion as at 31 March, 2021. The breakdown of the Net Assets Value of the RSA ‘Retiree Fund and the comparative variances for the period ended 31, December 2020 and 31 March, 2021 respectively are presented in Table 3.12 below:

Table 3.12: RSA 'Retiree' Fund Assets – Q4 2020 and Q1 2021

ASSET CLASS	RSA RETIREE FUND				Variance Dec 2020/ March 2021	
	Dec-20		Mar-21		₦'Billion	Weight %
	₦'Billion	Weight %	₦'Billion	Weight %		
Domestic Ordinary Shares	10.87	1.13%	9.84	1.01%	(1.02)	-9.41%
FGN Securities:	655.03	68.04%	707.13	72.38%	52.10	7.95%
FGN Bonds	598.01	62.12%	628.41	64.33%	30.40	5.08%
Treasury Bills	47.34	4.92%	71.39	7.31%	24.05	50.80%
Agency Bonds (NMRC)	0.35	0.04%	0.35	0.04%	(0.00)	-0.83%
Sukuk	8.75	0.91%	6.57	0.67%	(2.18)	-24.90%
Green Bonds	0.57	0.06%	0.39	0.04%	(0.17)	-30.78%
State Govt. Securities	10.75	1.12%	8.55	0.88%	(2.20)	-20.48%
Corporate Debt Securities	65.64	6.82%	69.88	7.15%	4.24	6.46%
Supra-National Bonds	0.44	0.05%	0.00	0.00%	(0.44)	-100.00%
Local Money Market Securities	184.69	19.19%	169.39	17.34%	(15.30)	-8.29%
Open/Close End Funds	1.37	0.14%	1.08	0.11%	(0.29)	-21.07%
Cash & Other Assets	33.87	3.52%	11.03	1.13%	(22.85)	-67.45%
Net Assets Value	962.66	100%	976.90	100%	14.24	1.48%

The major sources of net portfolio growth/diminution for the period are presented in Table 3.13 below:

Table 3.13: RSA Retiree Fund - Major Sources of Portfolio Growth

S/NO	SOURCES OF PORTFOLIO GROWTH	Q4: 2020	Q1: 2021	VARIANCE
		₦'Billion	₦'Billion	₦'Billion
1	New inflow of Funds:			
	Transfers of RSA 'Active' balances/Accrued Rights	90.14	72.70	(17.44)
2	Investment Incomes:			
2.1	Interest/Coupons	21.00	20.35	(0.65)
2.2	Dividends	0.03	0.33	0.30
2.3	Net Realized Gains/(Losses) on Equities/Bonds	9.13	(0.82)	(9.95)
3	Net Unrealized Gains/(Losses) on Equities/Mutual Funds/Private Equity	2.48	(0.90)	(3.38)
4	Net Unrealized Gains/(Losses) on Bonds	(0.83)	(8.32)	(7.48)
4	Retirement Benefits Paid	(90.99)	(67.42)	23.57
	Income Based Fees (and VAT)	(2.48)	(1.69)	0.79
	Net Portfolio Growth	28.47	14.23	(14.24)

i. Transfers from RSA Active Funds

Transfers into the RSA Retiree Fund declined by ₦17.44 billion as it decreased to ₦72.70 billion in Q1 2021 relative to ₦90.15 billion received in Q4 2020. The Q1 2021 figures were attributed to lower release of outstanding accrued rights of Federal Government retirees during the quarter.

ii. Income (Interests/Coupons and Dividends)

Interests and coupons received on investments in fixed income instruments in Q1 2021 amounted to ₦20.35 billion, slightly lower than ₦21.00 billion recorded in Q4 2020. Furthermore, corporate actions of public companies resulted in dividends of ₦0.33 billion in Q1 2021.

iii. Net Realized Gains/(Losses) on Equities and Bonds

The Fund recorded net realized losses of ₦0.82 billion, relative to realized gains of ₦9.13 billion recorded in Q4 2020. The losses recorded during the quarter were majorly from sale FGN bonds by PFAs to moderate the effect of declining bond prices.

iv. Net Unrealized Gains on Equities, Private Equity and Mutual Funds

Net-unrealized losses on quoted Equity, Private Equity and Mutual Fund portfolios of the Retiree Funds amounted to ₦0.90 billion. Unrealized losses of the Retiree Funds were consistent with the general market direction as the NSE Pension Index depreciated by 1.81% during the period.

v. Net Unrealized Gains/(Losses) on Bonds

The Retiree bond portfolio recorded unrealized losses of ₦8.32 billion in Q1 2021 relative to unrealized losses of ₦0.83 billion in Q4 2020. The increase in unrealized losses were associated with lower bond prices as represented by the depreciation of the S&P/FMDQ Nigeria Sovereign Bond Index by 8.92% during the period.

vi. Retirement Benefits Paid

A total of ₦67.42 billion was paid as retirement benefits in Q1 2021. This was lower than the ₦90.99 billion paid in Q4 2020 by ₦23.57 billion.

Portfolio Performance

The Average Rate of Return (Annualized) on the RSA Fund IV ('Retiree' Fund) in Q1:2021 was 1.09%. The ARR represented a decrease in performance compared with the annualized ARR of 19.63% in Q4 2020. The diminution in performance was attributed to realized and unrealized losses on bonds and equities in Q1 2021

3.3.3 Review of CPFA/AES Funds

CPFA Funds:

The value of pension fund assets held by the CPFA Funds recorded a net decrease of N94.00 billion (-6.04%), from ₦1.56 trillion as at 31 December 2020 to ₦1.46 trillion as at 31 March, 2021. The comparative summary of the CPFA Funds for the period ended 31 December, 2020 and 31 March, 2021 are presented in in Table 3.14 below:

Table 3.14: Summary of CPFA Pension Assets –Q4 2020 and Q1 2021

ASSET CLASS	CPFA FUNDS				Variance	
	Dec-20		Mar-21		Dec 20/Mar 2021	
	₦'Billion	Weight %	₦'Billion	Weight %	₦'Billion	Weight %
Domestic Ordinary Shares	39.10	2.51%	37.61	2.57%	(1.49)	-3.80%
Foreign Ordinary Shares	92.92	5.97%	97.01	6.63%	4.09	4.40%
FGN Securities:	796.25	51.13%	986.24	67.40%	189.99	23.86%
FGN Bonds	788.56	50.63%	969.11	66.22%	180.55	22.90%
Treasury Bills	5.24	0.34%	15.61	1.07%	10.37	198.02%
Agency Bonds (NMRC)	0.70	0.04%	0.65	0.04%	(0.04)	-6.27%
Sukuk Bonds	0.77	0.05%	-	0.00%	(0.77)	-100.00%
Green Bonds	0.98	0.06%	0.87	0.06%	(0.12)	100.00%
State Govt. Securities	10.84	0.70%	8.77	0.60%	(2.07)	-19.06%
Corporate Debt Securities	275.18	17.67%	14.75	1.01%	(260.43)	-94.64%
Supra-National Bonds	0.25	0.02%	-	0.00%	(0.25)	-100.00%
Local Money Market Securities	111.09	7.13%	110.66	7.56%	(0.43)	-0.39%
Foreign Money Market Securities	18.69	1.20%	8.17	0.56%	(10.52)	-56.31%
Mutual Funds:	53.43	3.43%	39.64	2.71%	(13.79)	-25.82%
Open/Close-End Funds	53.43	3.43%	39.64	2.71%	(13.79)	-25.82%
REITs	-	0.00%	-	0.00%	-	0.00%
Real Estate Properties	125.23	8.04%	122.37	8.36%	(2.86)	-2.29%
Private Equity Fund	13.75	0.88%	13.78	0.94%	0.03	0.20%
Infrastructure Fund	8.43	0.54%	8.23	0.56%	(0.19)	-2.31%
Cash & Other Assets	12.22	0.78%	16.14	1.10%	3.93	32.13%
Net Assets Value	1,557.37	100.00%	1,463.37	100.00%	(94.00)	-6.04%

The major sources of net portfolio growth/(diminution) for the period are presented in Table 3.15 below:

Table 3.15: CPFA Funds - Sources of Portfolio Growth /(Diminution) –Q1 2021

	Fund Injections by Scheme Sponsors/Contributions	17.34	7.65	(9.69)
2	Investment Incomes:			-
2.1	Interest/Coupons	24.41	22.56	(1.85)
2.2	Dividends/Rental Income	1.78	1.89	0.11
2.3	Gains/(losses) on foreign exchange	21.00	1.05	(19.95)
2.4	Net Realized Gains/(Losses)	1.28	(1.77)	(3.05)
3	Net Unrealized Gains/(Losses) on Equities/Mutual Funds	109.24	2.85	(106.39)
	Net Unrealized Gains/(Losses) on Bonds	(43.05)	(112.36)	(69.30)
4	Benefit Payments	(15.76)	(12.94)	2.83
5	Asset Based Fees, Audit Fees (and VAT)	(1.46)	(2.93)	(1.47)
	Net Portfolio Growth/(Diminution)	114.77	(94.00)	(208.78)

The total funds injected by the various Scheme sponsors to bridge funding deficits and members' contributions (for contributory schemes) amounted to ₦7.65 billion, representing a decrease of ₦9.69 billion, compared to ₦17.35 billion in Q4:2020.

Interest incomes decreased by ₦1.85 billion to ₦22.56 billion in Q1 2020, compared to ₦24.41 billion in Q4 2020 due to lower income (coupons) on reinvestment in fixed income securities. Furthermore, the fund recorded a lower foreign exchange gain in Q1 2021 relative to Q4:2020.

The annualized rates of return recorded on the CPFA Funds ranged between - 42.49% and 10.23%. The return was reflective of the actual assets' allocation and stock selection of the respective funds. The Funds with relatively higher investments in variable income asset class recorded lower performances, compared to Funds with more investments in fixed income assets.

Approved Existing Schemes:

The NAV of the Approved Existing Schemes was relatively stable during the period. The NAV increased slightly by ₦3.01 billion (0.24%) from ₦1.27 trillion as at 31 December 2020 to ₦1.28 trillion as at 31 March, 2021. The breakdown of the NAV of the Approved existing Schemes Fund and the comparative variances for the period ended 31 December 2020 and 31 March, 2021 respectively are presented in Table 3.16 below:

Table 3.16: Summary of AES Pension Assets –Dec.2020 vs Mar. 2021

ASSET CLASS	AES FUNDS				Variance Dec 2020/Mar 2021	
	31-Dec-20		31-Mar-21		₦'Billion	Weight %
	₦'Billion	Weight %	₦'Billion	Weight %		
Domestic Ordinary Shares	104.45	6.34%	98.98	6.11%	(5.47)	-5.24%
Foreign Ordinary Shares	-	0.00%	-	0.00%	-	
FGN Securities:	757.32	59.48%	725.04	59.65%	(32.28)	-4.26%
FGN Bonds	669.84	51.97%	645.10	48.69%	(24.74)	-3.69%
Treasury Bills	80.80	7.04%	76.97	10.52%	(3.83)	-4.75%
Sukuk	6.22	0.45%	2.51	0.43%	(3.71)	-59.69%
Green Bond	0.45	0.02%	0.46	0.03%	0.01	1.82%
State Govt. Securities	15.07	1.35%	12.53	1.43%	(2.55)	-16.89%
Corporate Debt Securities	69.67	5.21%	72.80	5.36%	3.13	4.49%
Local Money Market Securities	195.97	17.19%	229.36	15.87%	33.38	17.04%
Mutual Funds:	1.77	0.18%	1.72	0.00%	(0.05)	-2.75%
Open/Close-End Funds	1.64	0.17%	1.45	0.13%	(0.19)	-11.62%
REITs	0.13	0.01%	0.27	0.02%	0.14	108.85%
Real Estate Properties	114.45	9.56%	114.32	9.86%	(0.14)	-0.12%
Private Equity Fund	0.13	0.01%	-	0.01%	(0.13)	-100.00%
Infrastructure Fund	3.77	0.21%	4.26	0.25%	0.49	13.09%
Cash & Other Assets	11.95	0.46%	18.57	1.32%	6.62	55.36%
Net Assets Value	1,274.55	100.00%	1,277.56	100.00%	3.01	0.24%

The major sources of net portfolio growth/diminution for the period are presented in Table 3.17 below.

Table 3.17: AES Funds - Sources of Portfolio Growth/Diminution – Q1:2021

SOURCES OF PORTFOLIO GROWTH	Q4: 2020	Q1: 2021	VARIANCE
	₦'Billion	₦'Billion	₦'Billion
New inflow of Funds:			
Fund Injections by Scheme Sponsors/Contributions	51.23	5.50	(45.72)
Investment Incomes:		-	
Interest/Coupons	40.27	6.73	(33.54)
Dividends/Rental Income	2.08	0.48	(1.60)
Other Income	(0.16)	0.00	0.17
Net Realized Gains/(Losses) on Equity/Bonds	(14.69)	(0.31)	14.39
Net Unrealized Gains/(Losses) on Equities/Bonds	8.17	(8.16)	(16.33)
Benefit Payments	(2.92)	(0.08)	2.84
Other Transfers/Remittances	(0.31)	(0.09)	0.22
Asset Based Fees, Audit Fees (and VAT)	(3.01)	(1.07)	1.94
Net Portfolio Growth	80.63	3.01	(77.62)

The net increase in the total portfolio value was mainly attributed to additional fund injections by the fund sponsors and income earned on fixed income investments in Q1 2021. Furthermore, the annualized rates of return recorded on the AES Funds ranged between -5% and 6.60% in Q1 2021. The differences in performance across the cross section of AES funds was reflective of the actual assets' allocation of the individual Funds.

3.4 Retirement/Terminal Benefits

3.4.1 Retirees on Programmed Withdrawal (PW)

The Commission granted approval for 8,947 requests, comprising 4,173 public (FGN & States) and 4,774 private sector retirees to draw pension through the Programmed Withdrawal mode during the quarter under review. These retirees received a total lump sum of ₦25,160,612,257.42 while their total monthly pension amounted to ₦371,103,549.16 as shown in Table 3.18 below:

Table 3.18: Retirement by Programmed Withdrawal during the Q1 2021

Period	Sectorial Approvals			Total	Lump sum (₦)	Monthly PW (₦)
	FGN	State	Private			
Jan – Mar 2021	2,842	1,331	4,774	8,947	25,160,612,257.42	371,103,549.16

3.4.2 Retirement by Annuity

The Commission granted approval to 1,601 retirees under the Retiree Life Annuity during the quarter under review. A total lump sum of ₦5,436,058,359.02 was approved for payment to the retirees, while the sum of ₦10,106,528,179.24 was approved for payment to 14 Retiree Life Providers as premium in return for total monthly/quarterly annuities of ₦98,330,781.49 as reflected in Table 3.19 below:

Table 3.19 Retirement by Annuity During the Q1 2021

Period	Sectorial Approvals			Total	Lumpsum (N)	Premium (N)	Mthly/Qtly
	FG	State	Private				
Jan-Mar, 2021	589	227	785	1,601	5,436,058,359.02	10,106,528,179.24	98,330,781.49

3.4.3 Approval of Death Benefits

During the quarter under review, approvals were granted for payment of death benefits amounting to ₦10,602,403,915.60 to the legal beneficiaries/administrator of 2,229 deceased employees and retirees. This comprised of 1,505 public (FGN & State) and 724 private sector employees/retirees as summarized in Table 3.20 below.

Table 3.20: Approval of Death Benefit During the Q1 2021

Period	Sectorial Approvals			Total	Total Amount Paid (₦)
	FGN	State	Private		
Jan-Mar 2021	1,108	397	724	2,229	10,602,403,915.60

Note that the Total Amount paid is exclusive of Group Life Insurance

3.4.4 Enbloc Payment of Retirement Benefits

During the quarter under review, the Commission granted approval for Enbloc payment of retirement benefits to 3,398 retirees whose RSA balances were ₦550,000.00 or below and considered insufficient to procure Programmed Withdrawal or Retiree Life Annuity of a reasonable amount for an expected life span. In this regard, a total sum of ₦803,027,095.31 was paid to the 3,398 retirees from private sector.

Table 3.21: Enbloc Payment of Retirement Benefits During Q1 2021

Period	Sectorial Approvals			Total	Amounts (₦)
	FGN	State	Private		
Jan - Mar, 2021	0	0	3,398	3,398	803,027,095.31

3.4.5 Withdrawal of 25 percent from RSA Balances

The Commission granted approval for the payment of ₦5,021,361,563.85 to 10,619 RSA holders under the age of 50 years, who were disengaged from work and unable to secure jobs within four months as shown in Table 3.22 below:

Table 3.22: Withdrawal of 25% from RSA Balance During Q1 2021

Period	Sectorial Approvals			Total	Amount (₦)
	FGN	State	Private		
Jan- Mar, 2021	1,249	152	9,218	10,619	5,021,361, 563.85

3.4.6 Voluntary Contributions

During the quarter under review, the department granted approval of withdrawal from voluntary contribution accounts amounting to ₦1,231,715,792.02 to 757 contributors as shown in Table 3.23 below.

Table 3.23 Accessing Voluntary Contributions During Q1 2021

Period	Sectorial Approvals			Total	Total RSA balance (₦)
	FGN	State	Private		
Jan - Mar, 2021	28	2	725	757	1, 231,715,792.02