

## Press RELEASE



### **The CMF puts up for enquiry a circular which seeks to expand investments in Voluntary and Collective Pension Savings offered by Fund Managers and Securities Agents.**

**August 21<sup>st</sup>, 2018.-** With the objective of improving the expected profitability for retirement savings, and to encourage competition in the financial industry, the CMF put up for enquiry a rule which amends Circular No. 2,171, which regulates the offer of Voluntary Pension Saving (APV for its initials in Spanish) and Voluntary Collective Pension Saving (APVC for its initials in Spanish) that the general fund managers (AGF for its initials in Spanish) and securities agents can offer.

Therefore, the regulation plan will broaden the instruments in which the savings kept in APV and APVC, offered by general fund managements and securities agents, can be invested. This plan will also encourage competition regarding the options offered by the Pension Fund Administrator (AFP for its initials in Spanish).

With the proposed amendment, the AGFs and securities agents will be allowed to establish, in their own APV and APVC plans which they offer through portfolio administration, the instruments, goods, and agreements in which the managed resources can be invested. This should result in greater investment options, and consequently, potentially better profitability of the savings for retirement.

Additionally, in the case of the fund administrators, the regulation proposal will overrule the limitation established by Circular No. 2,171 regarding the exclusive investment in derivatives for coverage. The latter will allow those administrators to continue offering all their funds as retirement saving options, a situation which without the regulation

proposal, would not have been possible without establishing additional limits to the currently existing funds.

The circular will be up for enquiry to be commented on by the general public and the market until August 31<sup>st</sup>, 2018.

Check the regulation proposal and the report which Memo No. 2,171 amends at the following link:

[http://www.cmfchile.cl/institucional/legislacion\\_normativa/normativa\\_tamite\\_ver\\_archivo.php?id=2018082028&seq=1](http://www.cmfchile.cl/institucional/legislacion_normativa/normativa_tamite_ver_archivo.php?id=2018082028&seq=1)