



CFAA Event Note 5/13/2013

CFAA Special Networking Event featuring a Pre-CFA Exam Discussion And a Speech about China National Social Security Fund

On May 15th, 2013, CFAA hosted a special event combining a pre-CFA exam discussion session and a guest speech. For the first part, attendees enjoyed an extended networking hour discussing various topics in smaller groups. The June CFA exam takers also asked questions and learned tips from the invited CFA charter holders.



For the second part, the featured speaker Mr. Peihong Yang, CFA from the National Council for Social Security Fund (NSSF) gave an insightful presentation on the investment philosophy, investment process, and the operation of NSSF. He also commented on the current challenges for NSSF and the Chinese retirement system in general.





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Mr. Yang started by describing the organizational structure of NSSF. NSSF is a strategic reserve fund serving as the backstop of the national social security system of China. It started in 2001 under the initiative of former Premier Zhu Rongji to cope with aging demographics. The main source of its asset under management includes: (1) 10% of the proceeds from IPOs of state owned enterprises; (2) Portions of fiscal surplus from central and lottery sales; (3) Investment returns.



From the asset class perspective, NSSF invests into domestic and international public securities and domestic alternative investments. It managed to generate an impressive annualized return since inception. Mr. Yang also briefly introduced other major institutional investors in China.



At the request of the audience, Mr. Yang discussed the current Chinese retirement system, both on the local and the central government levels. He also addressed some issues audience raised on the future sustainability of the system.

The discussion ended on a more open discussion on general macroeconomics issues.



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About CFAA

Chinese Finance Association of America (CFAA) is an independent not-for-profit, non-partisan organization committed to promoting educational and cultural exchange among finance professionals between the United States and Greater China through facilitating communication and the exchange of ideas in the financial industry. Incorporated and headquartered in Chicago, Illinois, CFAA is aimed to serve Chinese finance professionals and others who are interested in the financial industry of Greater China. Please visit our website www.ChineseFinanceAssociation.org for more information about CFAA. To become a CFAA member, or to renew your CFAA membership and make your membership payment, please go to the [membership section](#) on our website. If you are interested in the volunteering opportunities at CFAA, please submit the [volunteer and staff application form](#). For global career opportunities in finance, please visit our newly launched [Online Job Center](#) through our partnership with one of the leading global career placement companies eFinancialCareers.com.a