



Press release

Statistics Netherlands

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Since the published figures on institutional investors were incorrect, this press release is incorrect.

[The figures covering the period 2000-2002 have been revised recently.](#)

Institutional investment slightly up again

Institutional investment rose by 2% in the first six months of 2001, to 721 billion euro. This increase made good half the sharp drop in this investment in the fourth quarter of last year. The increase in the first half of 2001 was realised in spite of 10 billion euro share price losses, according to figures from Statistics Netherlands. Overseas investment rose by 9%, bringing its share in overall institutional investment to 52%.

Total investment growing again

Total institutional investment rose by nearly 13 billion euro in the first six months of 2001. More than 11 billion euro of this was realised in the second quarter according to Statistics Netherlands. Because of heavy losses on share prices the increase in the first quarter was modest at only 1.4 billion euro. The total of 721 billion euro at the end of the second quarter is in the region of the level of twelve months ago.

In the first six months of 2001 investment was mainly expanded by the acquisition of shares (+25 billion euro), but institutional investors also purchased bonds (+2.7 billion euro) and real estate (+0.5 billion euro). Other investment fell by about 5 billion euro in the first six months. Private loans account for most of this category (-3.2 billion euro).

Share price losses partly compensated in second quarter

The losses on prices in the first six months of 2001 were mainly caused by falling share prices. In the first quarter lower share prices accounted for losses amounting to 20 billion euro. In the second quarter increases in share prices generated 7.7 billion euro of profits.

For bonds it was the other way around, profits were realised in the first quarter while losses were incurred in the second. On balance this resulted in price-based profits of nearly 1.4 billion euro for the first half of this year. The increase in the value of investment in real estate was 0.9 billion euro in this period.

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Overseas investment up sharply

Overseas institutional investment rose by 9% to 378 billion euro in the first six months of 2001. This increase was larger for insurance companies (+20%) than for pension funds (+7%). At the end of June 2001 pension funds had invested 67% of their assets outside the Netherlands. For insurance companies this was 27%.

The strong increase in overseas investment by insurance companies was concentrated in bonds (+36%). They invested only 5% more in foreign shares.

While institutional investors increased their investment in foreign bonds, they spent 15% less on domestic bonds. Investment in government bonds in particular fell sharply (-10 billion euro). Overall, domestic institutional investment fell by 5% in the first six months of this year.

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Table 1. Portfolio of institutional investments

	Pension funds		Insurance companies		Total institutional investors	
	2000-IV	2001-I	2000-IV	2001-I	2000-IV	2001-I
	<i>bln euro</i>					
Total investments	445	452	264	269	708	721
<i>Of which</i>						
Real estate	24	24	15	15	39	39
Domestic shares	39	38	56	57	96	95
Foreign shares	174	185	27	28	200	213
Domestic bonds	49	44	53	44	101	87
Foreign bonds	104	109	31	42	136	154
Mortgages	12	11	33	34	45	46
Long-term loans	30	28	38	37	68	65

Source: Statistics Netherlands

Table 2. Investments of institutional investors by sector

Sector	Pension funds		Insurance companies		Total institutional investors	
	2000-IV	2001-II	2000-IV	2001-II	2000-IV	2001-II
	in %					
Government	9.4	7.7	15.5	13.2	11.7	9.7
Social security funds	0.0	0.0	0.0	0.0	0.0	0.0
Banks	4.9	4.2	10.3	9.1	6.9	6.0
Other fin. Institutions	11.2	11.4	22.6	22.4	15.5	15.5
Public companies	2.7	2.6	4.3	4.1	3.3	3.1
Private companies	5.0	4.4	11.3	10.5	7.4	6.7
Households and non-profit organisations	2.7	2.5	12.8	13.3	6.5	6.5
Non-domestic	64.0	67.2	23.1	27.4	48.7	52.4
Total investments	100.0	100.0	100.0	100.0	100.0	100.0

Source: Statistics Netherlands**Table 3. Total investments of institutional investors**

	Pension funds	Insurance companies	Total institutional investors
	<i>bln euro</i>		
1999 - I	382	225	606
1999 - II	399	233	632
1999 - III	392	234	626
1999 - IV	436	244	680
2000 - I	461	265	727
2000 - II	457	267	725
2000 - III	460	274	733
2000 - IV	445	264	708
2001 - I	446	264	710
2001 - II	452	269	721

Source: Statistics Netherlands