



Press release

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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.](#)

Insurance and pension fund investments worth 4 percent less

According to figures from Statistics Netherlands, the total value of investments by insurance companies and pension funds fell by 4 percent in the third quarter of 2002. The fall was mainly the result of considerable losses on share portfolios, with a 15 percent loss on share prices.

Pension funds hit harder than insurance companies

The total value of investments by insurance companies and pension funds fell from 714 to 686 billion euro in the third quarter, a decrease of 4 percent. Pension funds (4.7 percent) suffered more than insurance companies (2.5 percent), as they invest relatively more in shares: shares account for 42 percent of total investment, compared with 31 percent for insurance companies. The value of pension fund investments was 419 billion euro at the end of the third quarter; those of insurance companies were worth 267 billion euro.

Substantial losses on share prices in third quarter

Sharp falls in share prices in the third quarter of 2002 have resulted in large losses on share portfolios for pension funds and insurance companies. The loss on share prices was 42 billion euro, just over 15 percent. The CBS all share index fell by nearly 32 percent in this period, the MSCI world share index (in euros) fell by just over 19 percent.

Up to now in 2002 the loss on share portfolios has been 31 percent, nearly 87 billion euro. For insurance companies the loss on share prices in the first three quarters was 28 percent. The loss for pension funds was larger at 32 percent. Share acquisitions over the three quarters amounted to 20 billion euro. The net value of the share portfolio fell from 325 billion euro on 1 January to 258 billion at the end of the third quarter.

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Bonds more profitable

Higher prices pushed up the value of bonds by nearly 9 billion euro in the third quarter, an increase of 4 percent. The CBS bond index showed an increase of 4 percent for this period.

The losses on bond prices in the first two quarters of this year were more than compensated by profits in the third quarter. On balance there remains a profit on prices of 4 billion euro this year up to now. This amount is solely on account of the pension funds. Insurance companies remained just under break-even with a loss of 0.4 billion euro. Moreover, acquisition and sales of bonds were about the same. On balance the value of bond portfolios rose by 2 percent in the first three quarters of 2002, to 250 billion euro.

Real estate worth more

The value of real estate increased by 1 billion euro in the first three quarters of this year, a rise of nearly 3 percent. Insurance companies saw the value of their realty increase by just over 4 percent, pension funds' real estate increased its value by just over 1 percent.

Total foreign investment unchanged

At the end of the third quarter, 53 percent of all institutional investment was placed abroad. Nearly all of these foreign investments are in shares and bonds. The foreign share in the total investment portfolio has hardly changed at all in the course of this year

The value of foreign shares fell by 11 percent in the third quarter. This was offset by a 7 percent increase in the value of foreign bonds. The fall in the value of foreign shares only affected pension funds.