



Press release

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Value of shares insurance companies and pension funds equals value bonds

In the first quarter of 2003, the total value of shares in the investment portfolio of insurance companies and pension funds, for the first time since 1998, virtually equalled the value of bonds. According to figures by Statistics Netherlands, this was mainly caused by a 21 billion euro drop in share prices. The quarterly figures of the balance sheets for insurance companies and pension funds covering the period 2000-2002 have been revised by Statistics Netherlands.

Bonds catch up with shares

In the first quarter of 2003, the value of shares in the balance sheet total of insurance companies and pension funds, for the first time since 1998, virtually equalled the value of bonds (both 35 percentage points of the balance sheet total). In the first quarter of 2002, the corresponding figures were 43 percentage points for shares and 30 percentage points for bonds.

For insurance companies the value of shares on the balance sheet total dropped by 7 percentage points to 26 compared to the previous year, for pension funds shares dropped by 8 percentage points to 41. The increase (by 8 percent) in the value of bonds is mainly found in the category pension funds. The increase for insurance companies amounted to 2 percentage points. Altogether, 70 percent of the balance sheet was invested in securities, whereas one year ago the corresponding percentage was 73. The value of liquid assets rose.

Value changes largely negative

Falling share prices in the first quarter of 2003 caused a depreciation of the value of share portfolios of insurance companies and pension funds by almost 21 billion euro, i.e. 8 percent. The increase in the value of investments was very modest in the first quarter of 2003: real estate rose by 0.5 percent in the first quarter of 2002, bonds by 0.3 percent.

On balance, insurance companies and pension funds bought bonds worth 5 billion euro, insurance companies accounted for 4 billion euro. They also bought 8 billion euro worth of shares, insurance companies accounted for 3 billion euro, pension funds for 5 billion euro. The buying and selling of bonds remained at the same level in the first quarter of 2003 as the average of the previous four quarters. The buying and selling of shares was on average at a lower level than in 2002.

Revised figures for the period 200-2002

A closer analysis of figures published earlier and referring to the period 2000-2002 have turned out to be incorrect due to double counting and changes in the research population during the above period. As a result, the figures for 2000-2002 have been revised by Statistics Netherlands. A complete series with revised figures is published in table 3.

Table 1. Composition assets insurance companies and pension funds (situation at the end of each quarter)

	Pension funds		Insurance companies		Total	
	2002-4	2003-1	2002-4	2003-1	2002-4	2003-1
	<i>billion euro</i>					
Balance sheet total assets	435	428	284	289	719	717
<i>of which</i>						
Real estate	21	21	13	12	34	34
Domestic shares and participating interests	31	31	54	52	85	83
Foreign shares and participating interests	153	145	26	23	179	168
Domestic bonds	40	36	29	29	69	66
Foreign bonds	137	140	42	46	179	186
Mortgages on dwellings	11	11	44	43	55	54
Private loans	20	19	39	37	59	56

Source: Statistics Netherlands

Table 2. Division per sector assets insurance companies and pension funds (situation at the end of each quarter)

	Pension funds		Insurance companies		Total	
	2002-4	2003-1	2002-4	2003-1	2002-4	2003-1
	<i>%</i>					
Public sector	7	6	6	5	7	6
Financial institutions	19	19	43	44	29	29
Private sector	3	4	10	11	6	7
Households and non-profit institutions	3	3	15	14	8	7
Abroad	68	68	25	25	51	51
Balance sheet total assets	100	100	100	100	100	100

Source: Statistics Netherlands

Table 3. Assets insurance companies and pension funds (situation at the end of each quarter)

	Pension funds	Insurance companies	Total
<i>billion euro</i>			
Investments			
2000 – I	461	251	713
2000 – II	457	254	711
2000 – III	460	259	719
2000 – IV	445	250	695
2001 – I	446	251	696
2001 – II	452	255	708
2001 – III	413	247	660
2001 – IV	435	253	688
Balance sheet total (revised figures)			
2001- IV	466	297	763
2002 – I	478	306	785
2002 – II	453	285	737
2002 – III	431	284	715
2002 – IV	435	284	719
2003 – 1	428	289	717

Source: Statistics Netherlands