



# Press release

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## ***Balance totals of insurance companies and pension funds on the increase***

The balance total of insurance companies and pension funds in the third quarter of 2003 increased by almost 19 billion euro to over 770 billion. The increase is mainly due to a 12 billion euro rise in share ownership and a more than 4 billion euro rise in the ownership of bonds. This means that the upward trend that started in the second quarter continued, according to the latest figures by Statistics Netherlands.

### ***Balance totals increasing again***

The balance totals of insurance companies and pension funds in the third quarter of 2003 increased by 2.5 percent, the second quarterly increase in a row. In the second quarter the balance total already saw a 4.6 percent increase. Following a poor second and third quarter in 2002 there were two quarters in which the balance total stabilised at a low.

Insurance companies and pension funds both made an equivalent contribution to the third quarter increase in 2003. The insurance company balance total increased by nearly 10 billion euro to 303 billion. The balance total of pension funds increased by 9 billion euro reaching 467 billion.

### ***Value of shares and bonds rising***

The total value of the shares portfolio insurance companies and pension funds held in the third quarter increased by over 12 billion euro to 292 billion euro. Pension funds hold close to 11 billion euro. This includes the stock market gains of 7.6 billion euro. Insurance companies mainly increased their portfolio by purchasing shares.

The total value of the bonds portfolio in the third quarter increased by over 4 billion euro to over 267 billion euro. This increase is entirely created by insurance companies, which bought nearly 4 billion euros worth of bonds. The purchases and sales, and the rates and other changes compensated one another for the pension funds.

### ***Mainly foreign investments***

The increase in the balance total is created entirely abroad. The value of the foreign balance items increase by 21 billion euro to 413 billion, while the domestic items on the balance fell by over 2 billion euro to 357 billion.

Both insurance companies and pension funds shifted from domestic to foreign bonds. The value of foreign bonds owned by insurance companies went up by

over 6 billion euro while by pension funds ownership increased by over 1 billion euro. The domestic bonds owned by insurance companies fell by over 2 billion euro while domestic bonds owned by pension funds decreased by over 1 billion euro.

Only the share portfolio of the pension funds shows a shift from domestic to foreign shares. Foreign share ownership of pension funds increased by 12 billion euro, whereas for insurance companies it fell by 0.5 billion euro. Domestic shares owned by pension funds fell by over 1 billion euro and increased by nearly 2 billion euro among insurance companies.

<b><i>Balance total of insurance companies and pension funds</i></b>			
	<b>Pension funds</b>	<b>Insurance companies</b>	<b>Total</b>
<i>billion euro</i>			
2002 – Q1	478	306	785
2002 – Q2	453	285	737
2002 – Q3	431	284	715
2002 – Q4	435	284	719
2003 – Q1	429	290	719
2003 – Q2	458	293	752
2003 – Q3	467	303	770

**Source: CBS**