



EUROPEAN CENTRAL BANK

EUROSYSTEM

## Statistical release

31 July 2020

# Euro area pension fund statistics: first quarter of 2020

- Total assets of euro area pension funds amounted to €2,759 billion in first quarter of 2020, €130 billion lower than in fourth quarter of 2019
- Total pension entitlements of euro area pension funds rose to €2,629 billion in first quarter of 2020, up €71 billion from fourth quarter of 2019

*This is the first publication of pension fund data collected under [Regulation ECB/2018/2](#). The harmonised data collected under the Regulation remedy the shortcomings of the non-harmonised and incomplete statistics on pension funds compiled so far. It is envisaged that subsequent releases will provide more detailed information, such as breakdowns by euro area country. At the end of the first quarter of 2020, total assets of euro area pension funds were equivalent to roughly one-quarter of euro area GDP in 2019, and around 50 million citizens in the euro area were members of a pension fund.*

Total assets of euro area pension funds decreased to €2,759 billion in the first quarter of 2020, from €2,889 billion in the fourth quarter of 2019 (see Annex). Investment fund shares accounted for 44.9% of the pension fund sector's total assets in the first quarter of 2020. The second largest category of holdings was debt securities (26.0%), followed by equity (8.3%) (see respective transactions in Chart 1).

Holdings of investment fund shares decreased to €1,240 billion at the end of the first quarter of 2020 from €1,377 billion at the end of the previous quarter. Net purchases of investment fund shares amounted to €15 billion in the first quarter of 2020, while price and other changes amounted to -€152 billion. Looking at the main type of investment fund shares, equity fund shares totalled €354 billion,

with net sales of €33 billion.

Turning to pension funds' holdings of debt securities, these increased to €719 billion at the end of the first quarter of 2020, from €713 billion at the end of the previous quarter. Net purchases of debt securities amounted to €2 billion in the first quarter of 2020, while price and other changes amounted to €4 billion. Looking at equity on the assets side, euro area pension funds' holdings decreased to €230 billion at the end of the first quarter of 2020, from €288 billion at the end of the previous quarter. Net sales of equity stood at -€1 billion in the first quarter of 2020, while price and other changes stood at -€57 billion.

### Chart 1

#### Transactions in main assets of euro area pension funds in the first quarter of 2020

(quarterly transactions in EUR billions; not seasonally adjusted)



In terms of the main liabilities, total pension entitlements of pension funds amounted to €2,629 billion in the first quarter of 2020, up from €2,559 billion in the fourth quarter of 2019. Defined benefit pension schemes amounted to €2,273 billion, accounting for 86.5% of total pension entitlements. Defined contribution pension schemes totalled €356 billion, accounting for 13.5% of total pension entitlements

in the first quarter of 2020. Net sales of defined benefit schemes amounted to €2 billion in the first quarter of 2020, while those of defined contribution schemes came to €7 billion. Price and other changes of total pension entitlements amounted to €79 billion.

**For queries, please use the [statistical information request](#) form.**

**Notes:**

Defined benefit schemes include hybrid schemes.

Investment funds include money market funds and non-money market funds.

Figures shown in the annex table are a snapshot of the data as at the time of the current release.

**Table 1. Assets and liabilities of euro area pension funds**  
(EUR billions; amounts outstanding at end of period; transactions during the period)<sup>1)</sup>

	Q3 2019	Q4 2019	Q1 2020
<b>Total assets/liabilities</b>	2,922	2,889	2,759
<b>Assets</b>			
Currency and deposits	133	131	138
<i>of which: Transferable deposits</i>	48	47	53
Loans	83	81	87
Debt securities	711	713	719
Equity	276	288	230
Investment fund shares	1,372	1,377	1,240
Money market funds	36	31	36
Non-money market funds	1,336	1,346	1,203
Bond funds	300	268	258
Equity funds	403	420	354
Mixed funds	230	238	207
Real estate funds	140	142	153
Hedge funds	30	30	21
Other funds	234	249	211
Pension fund reserves <sup>2)</sup>	90	99	97
Financial derivatives	203	151	189
Non-financial assets	28	29	32
Remaining assets	26	19	27
<b>Liabilities</b>			
Loans	95	80	88
Debt securities issued	0	0	0
Equity	7	7	7
Technical reserves <sup>3)</sup>	2,639	2,574	2,644
<i>of which: Pension entitlements</i>	2,623	2,559	2,629
Defined benefit schemes <sup>4)</sup>	2,256	2,178	2,273
Defined contribution schemes	368	381	356
Financial derivatives	99	73	92
Remaining liabilities	44	30	51
Net worth <sup>5)</sup>	38	124	-123
<b>Selected transactions - assets</b>			
Loans	-	-	11
Debt securities	-	-	2
Equity	-	-	-1
Investment fund shares	-	-	15
Money market funds	-	-	6
Non-money market funds	-	-	7
Bond funds	-	-	23
Equity funds	-	-	-33
Mixed funds	-	-	0
Real estate funds	-	-	8
Hedge funds	-	-	-7
Other funds	-	-	19

Source: ECB.

1) Figures may not add up due to rounding.

2) Total pension fund reserves may include investments in insurance policies.

3) Total technical reserves may include life insurance.

4) Defined benefit schemes include hybrid schemes.

5) Balancing item as defined in ESA 2010. In a defined benefit pension scheme, the level of pension benefits promised to participating employees is determined by a formula agreed in advance. The liabilities of a defined benefit pension scheme are equal to the present value of the promised benefits, and therefore in a defined benefit pension scheme net worth can be different from zero.