

DANMARKS NATIONALBANK

3. SEPTEMBER 2020

INSURANCE AND PENSION, 2ND QUARTER 2020

More pension savings in unlisted assets

During the second quarter, the insurance and pension sector invested kr. 8 billion in assets not listed on a stock exchange – unlisted assets. Since the beginning of 2018, the insurance and pension sector has invested kr. 206 billion in unlisted assets, which have increased from 23 pct. to 27 pct. as a share of total investments. Besides increased investing, value changes have also contributed to the increase in unlisted assets.

The low interest rates on bonds in recent years have contributed to the insurance and pension sector investing more pension savings in unlisted assets. These may have a higher return than listed

assets, since among others, they are often less liquid than listed investments and therefore may be more difficult to sell in the short term. Insurance and pension companies, which are interested in long-term investments, can thus reap a liquidity premium when they invest in unlisted assets.

Investments are made through trusts etc.

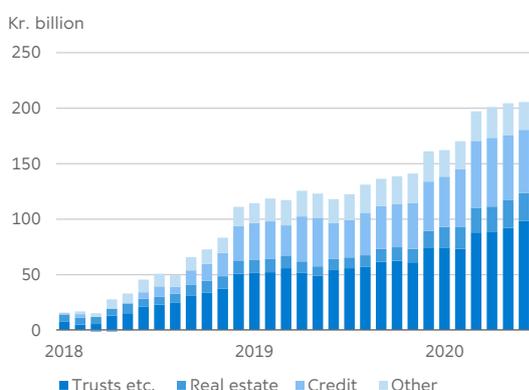
The Insurance and pension companies can invest in unlisted assets through trusts etc. which cover e.g. hedge, venture and capital funds as well as private equity companies. These investments amount to kr. 11 billion in second quarter. The total investments in trusts etc. amount to kr. 588 billion.

Real estate investments, either directly or through companies, amounted to kr. 3 billion in the second quarter. The total real estate investments amounted to kr. 204 billion, where 86 pct. is in Denmark.

Credit investments consist of unlisted bonds and direct lending to companies. In the second quarter, credit investments of kr. 3 billion were sold, primarily in the form of credit to real estate companies, trusts etc. and business services. Credit investments total kr. 202 billion.

[CLICK HERE FOR FURTHER INFORMATION](#)

Ongoing purchases of unlisted assets



Note: Accumulated net transactions in unlisted investments, where Danish investment funds are being looked-through. Investment funds that are not listed are not included, since they can invest in listed assets.