

# DANMARKS NATIONALBANK

31 JANUARY 2020

## INVESTMENT FUNDS, 4TH QUARTER 2019

# The total UCITS market value is kr. 1.081 billion

The market value of Danish UCITS investment funds reached kr. 1.081 billion at the end of 2019. Private investors own shares for kr. 357 billion of which 40 percent is held in private pension depots.<sup>1</sup>

During 2019, the market value increased by kr. 146 billion. The increase is mainly driven by value adjustments of kr. 113 billion. Large stock market returns have been the underlying driver of the value adjustments. The remaining increase is due to net purchases of investment fund shares.

### Funds are buying investment fund shares

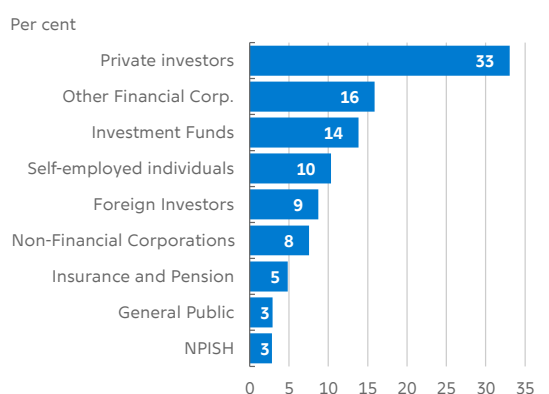
Investment funds include UCITS investment funds and the so-called alternative investment funds, AIF. Investment funds have increased their holdings of UCITS investment fund shares over the past years. At the end of 2019, investment funds owned 14 per cent of the UCITS investment fund sector. Some investment funds are specialized in investing in other UCITS funds. At the end of 2019, 111 funds had 50 per cent or more of their total securities holding in Danish investment fund shares. Overall, the Danish investment fund sector consists of around 1.050 funds.

### The insurance and pension sector uses other funds

The investment and pension sector invests only to a limited degree directly in UCITS investment funds. On the other hand, they invest to a large extent and under less restrictive conditions in AIFs, where it is possible to increase risk-taking via leveraged positions and thereby obtain a higher exposure to a few securities and asset classes. At the end of 2019, the investment and pension sector's wealth in the AIFs was kr. 988 billion corresponding to an ownership of 77 per cent.

[CLICK HERE FOR MORE INFORMATION](#)

### The market value of Danish UCITS investment funds is now kr. 1.081 billion



Note: The data covers Danish UCITS investment funds and their issued shares only, cf. footnote 1. The sector "Investment Funds" consists of both UCITS investment funds and alternative investment funds, AIF's. NPISH is non-profit institutions serving households.

<sup>1</sup> The Danish investment fund sector consists of UCITS investment funds and the so-called alternative investment funds, AIFs. The UCITS investment funds are regulated according to "Bekendtgørelse af lov om investeringsforeninger mv.", while the AIFs are regulated according to "Bekendtgørelse af lov om forvaltere af alternative investeringsfonde mv.". One difference between the two fund types is that the AIFs have the opportunity to offer a wider range of investment strategies and are often targeted institutional investors.