

Private pensions ratio in GDP rises to 6.98%, at the end of September 2020

The ratio of private pensions in the Gross Domestic Product (GDP) at the end of September 2020, was of 6.98%, over the level of December 2019, announced on Tuesday the Financial Supervisory Authority (ASF).

According to an analysis made by the institution, the private pension system has known a positive evolution throughout its operation, its total assets and number of participants being in constant growth. Thus, the value of its total assets, at the level of the entire private pension system, has reached, on 30 September 2020, 72.58 billion RON, with an 18% growth as opposed to September 2019.

The total value of net assets, registered at the end of the third trimester of 2020, for all privately administered pension funds (Pillar II) was of 69.82 billion RON, rising by approximately 18%, in comparison with the same period of the previous year.

On September 30 there were registered, in the private pension sector, 7.58 million participants, rising by 3% from the similar period of 2019.

On the 30th of September, Government bonds remained the main financial instruments the private pension funds invested in. The investment from private pensions in Government bonds represented 68% on the 30th of September, rising by 6.54 percentage points, as opposed to the end of 2019.

Furthermore, the analysis shows that the total value of active assets, registered on the 30th of September by optional pension funds (Pillar III) was of 2.73 billion RON, rising by approximately 13% from the same period of last year.

At the end of September 2020 there were 520.879 participants in Pillar III, with 6% more than the same period of 2019. At the level of Pillar III, the average contribution of participants, with contributions wired by the 30th of September 2020, was of 140 RON / participant, value which was equal to the month of September 2019.

At the end of September 2020, Government bonds and stocks remained the main financial instruments the optional pension funds invested in. The investments of privately administered pension funds in Government bonds represented 64% on the 30th of September 2020, rising by 7.13 percentage points, in comparison with the end of 2019.