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PRESS RELEASE

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Value of units in Belgian collective investment funds down in first quarter of 2022

- The financial value of units in non-monetary collective investment undertakings (UCI¹) governed by Belgian law fell by € 13.2 billion in the first quarter of 2022.
- The drop is almost entirely due to a major negative valuation effect, due to stock market performance and the rise in interest rates.

Change in stock of UCI units

At the end of the first quarter of 2022, the total amount of UCI units in circulation came to €222.9 billion, a drop of € 13.2 billion from the end of the year 2021. This downward trend is due, on the one hand, to net purchases of UCI shares to the tune of € 0.3 billion and, on the other hand, to relatively bigger negative valuation effects, associated with stock market performance and the rise in interest rates. These valuation effects worked out at -€13.5 billion.

This decline can be largely explained by trends in mixed UCIs and equity funds. While mixed UCIs enjoyed net investment of €1.5 billion, equity funds were subject to disinvestment on the same scale. This opposite movement had the effect of offsetting divergent trends. As for valuation effects, they were negative for both types of collective investment undertaking and accounted for 85 % of the total decline in value (- €4.9 billion in the case of mixed UCIs; - €6.5 billion for equity funds).

Mixed UCIs are still the main category of collective investment funds marketed in Belgium. Their outstanding units in circulation totalled €100.2 billion on 31 March 2022. They are followed by equity funds (€ 75.8 billion), pension saving funds (€ 24.3 billion) and bond UCIs (€19.5 billion).

Although the outstanding amount of UCI units declined during the first quarter of 2022, a comparison with the situation prevailing one year earlier shows that, over this period, the sum invested in Belgian UCI unit holdings rose from €204.2 billion to €222.9 billion.

Trend in UCI unit holdings by Belgian households

Belgian households are the main holders of shares issued by collective investment funds. As at 31 March 2022, total holdings of all Belgian households came to € 123.9 billion, which accounted for 56% of total shares in circulation.

Compared with the end of the previous quarter, and although all UCIs recorded positive net investment by households (+ €3.3 billion), bigger negative valuation effects (- € 6.7 billion) countered this trend.

¹ In the text, UCI means “non-monetary collective investment undertakings governed by Belgian law”.

CHANGE IN THE FINANCIAL LIABILITIES OF NON-MONETARY COLLECTIVE INVESTMENT UNDERTAKINGS UNDER BELGIAN LAW AS AT 31 MARCH 2022 AND COMPARISON WITH 31 MARCH 2021

(in € billion)

	Financial liabilities as at 31 March 2021	Financial liabilities as at 31 March 2022	Financial transactions during 1 st quarter 2022	Other flows ¹	Financial liabilities as at 31 December 2021
Units in collective investment undertakings					
Bond UCIs	23.5	19.5	0.3	-0.7	19.9
Equity UCIs	68.5	75.8	-1.5	-6.5	83.8
Index-linked UCIs with capital guarantee	3.7	3.1	-0.1	0.0	3.2
Pension savings UCIs	23.3	24.3	0.1	-1.4	25.6
Mixed UCIs	85.2	100.2	1.5	-4.9	103.6
Total UCI units	204.2	222.9	0.3	-13.5	236.1
Other liabilities ²	2.4	3.1	1.7	0.0	1.4
Total financial liabilities	206.6	226.0	2.0	-13.5	237.5

Source: NBB.

- 1 Other flows comprise changes in prices and exchange rates. They may also include occasional items such as the reclassification of transactions vis-à-vis other sectors.
- 2 These consist of other financial instruments as defined by the ESA 2010, essentially loans, derivatives and other accounts receivable/payable.

CHANGE IN HOLDINGS OF NON-MONETARY COLLECTIVE INVESTMENT UNDERTAKINGS UNDER BELGIAN LAW BY BELGIAN HOUSEHOLDS AS AT 31 MARCH 2022 AND COMPARISON WITH 31 MARCH 2021

(in € billion)

	Financial stock as at 31 March 2021	Financial stock as at 31 March 2022	Financial transactions during 1 st quarter 2022	Other flows ¹	Financial stock as at 31 December 2021
Units in collective investment undertakings					
Bond UCIs	7.6	3.1 ³	0.4	-0.1	2.8
Equity UCIs	15.6	20.5	-2.0	-1.6	20.1
Index-linked UCIs with capital guarantee	3.2	2.7	-0.1	0.0	2.8
Pension savings UCIs	22.8	23.7	0.1	-1.3	25.0
Mixed UCIs	61.4	73.9	0.9	-3.8	76.7
Total	110.6	123.9	3.3	-6.7	127.3

Source: NBB.

- 1 Other flows comprise changes in prices and exchange rates. They may also include occasional items such as the reclassification of transactions vis-à-vis other sectors.
- 2 These consist of other financial instruments as defined by the ESA 2010, essentially loans, derivatives and other accounts receivable/payable.
- 3 The big drop in valuation of bond UCIs is due to a reclassification of the investment policies of some of these funds in their capacity as mixed UCIs, during the second quarter of 2021.