



Survey of Private Pension Plans in The Bahamas (2016 & 2017)

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SURVEY OF PRIVATE PENSION PLANS IN THE BAHAMAS (2016-2017)

INTRODUCTION

Given the significant size of pension assets in the country and the recent increase in private pension providers, it is evident that the sector forms an integral part of the financial landscape, and it is therefore important to monitor and analyse developments in the industry. This report provides an analysis of the results of the Central Bank's latest survey on the private (sponsored) pension plans in The Bahamas². It reviews the years 2016 and 2017, and extends the pension fund database, which now spans over 25 years—dating back to 1992. The largest concentration of labor force participants and hence accumulated pension fund assets, continued to be seen in employer-sponsored schemes in the tourism, financial services and communications & utilities sectors. In addition, the largest proportion of savings accumulated remained in public sector securities, followed by mutual funds, equities and bank deposits.

The benefits for retirees typically consist of funds received from private schemes, supplemented by benefits from the National Insurance Board (NIB), and individual personal savings from insurance annuity products. The supplementary importance of private savings is accentuated by the fact that the NIB's contributions are calculated on insurable earnings, capped at \$670 per week as at July 2018. For employees outside the civil service, who do not participate in private pension schemes, the most significant expected sources of retirement resources are bank deposits, assets of domestic credit unions and insurance annuity products.

Preliminary data indicates that the total value of private (sponsored) pension assets grew by 3.1% in 2016 to approximately \$1,128.3 million, and by a further 3.9% to \$1,172.7 million in the following year, outpacing the modest growth noted in the domestic economy. At end-2017, plan assets stood at an estimated 9.7% of GDP, increasing from 2015's 9.3% of GDP (see Table 1). Nevertheless, private individuals' savings in bank deposits and the assets of NIB remained the two largest concentrations of national savings. Private individuals' deposits—inclusive of savings, fixed and demand balances—stood at \$3.4 billion, or the equivalent of 27.7% of GDP in 2016 and at 26.7% in the following year. However, these funds are not a significant portion of an individual's retirement buffer, since average balances in more than 75% of these accounts measured less than \$10,000, while more than three-quarters of total savings are concentrated in less than 10% of individual accounts. The NIB held collective retirement savings of \$1.6 billion in 2017, representing approximately 13.3% of GDP, and remaining relatively stable over the past two years. Further, the domestic savings in life insurance companies and credit unions amounted to an estimated \$1.4 billion and \$409.6 million in 2017; approximately 11.3% and 3.4% of GDP, respectively.

The remaining sections of this report highlight key developments in the industry from 2015-2017. In addition, it focuses on overall trends in the sector and the various sub-groupings, according to the nature of the funds and the sectors of sponsors. This is inclusive of information on how sponsored plans are categorized, a short description of the survey and estimation methodology and a detailed analysis of private plans, as well as the sectors of sponsorship. The report then presents an analysis of the investment portfolio of these plans and concludes with a discussion on the outlook for the industry.

² The report is based on electronic survey results from a large sample of companies and the analysis is supplemented by the Bank's estimates, based mainly on historical trends.

Table 1: Selected Indicators of Domestic Savings

	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	Avg Growth Rate %
	(B\$ Million)					(% of GDP)					
Private Pension Funds	1,043.3	1,050.4	1,094.4	1,128.3	1,172.7	9.9%	9.6%	9.3%	9.5%	9.7%	3.5%
National Ins. Board (Cash and Inv.)	1,580.2	1,624.6	1,602.6	1,611.7	1,611.7	15.0%	14.9%	13.6%	13.5%	13.5%	0.6%
Life Insurance (Total Assets)	1,136.3	1,205.8	1,311.1	1,365.4	1,372.4	10.8%	11.0%	11.2%	11.4%	11.3%	2.3%
Private Individuals (Bank deposits)	3,204.5	3,195.2	3,164.6	3,349.5	3,366.1	30.3%	29.3%	26.9%	28.1%	27.7%	3.2%
Credit Unions (Deposits and Shares)	313.1	332.4	358.3	385.0	409.6	3.0%	3.0%	3.0%	3.2%	3.4%	6.9%

Source: The National Insurance Board: Annual Statement of Accounts, The Insurance Commission of The Bahamas, Central Bank of The Bahamas

CATEGORIZATION OF SPONSORED PLANS

Pension schemes are categorized as either defined benefit, defined contribution or provident funds³. There is also the hybrid fund, which combines elements of the defined benefit and defined contribution plans. Defined benefit plans guarantee the payment of specified benefits upon retirement, proportionate to participants' length of employment and income history. To ensure that funds are adequate to satisfy pre-determined benefit payments, actuarial estimates of the present value of future payable benefits are subtracted from the present value of assets expected to accumulate over the duration of the scheme. The actuarial assessment of these schemes determines the present value of future payable benefits, based on credible assumptions about the employers' workforce demographics—such as the average age of active employees—the ratio of pensioners compared to active workers and the present value of assets, which are affected by the projected accumulation of savings and expected future returns. Contribution rates at variance with such levels can result in either overfunded or underfunded plans, with the present value of assets correspondingly higher or less than the present value of liabilities. Where contributions are adequate to maintain the equality between the present value of assets and liabilities, defined benefit plans are said to be fully funded.

Defined contribution and provident schemes employ established contribution rates that are not typically adjusted, which ensures relatively stable funding costs for employers. However, the final benefits cannot be projected in advance, as they are linked to the accumulated savings at retirement. Given the shifting demographics around the world, which have resulted in a lower ratio of contributors to retirees, defined contribution and provident plans are steadily replacing defined benefit plans.

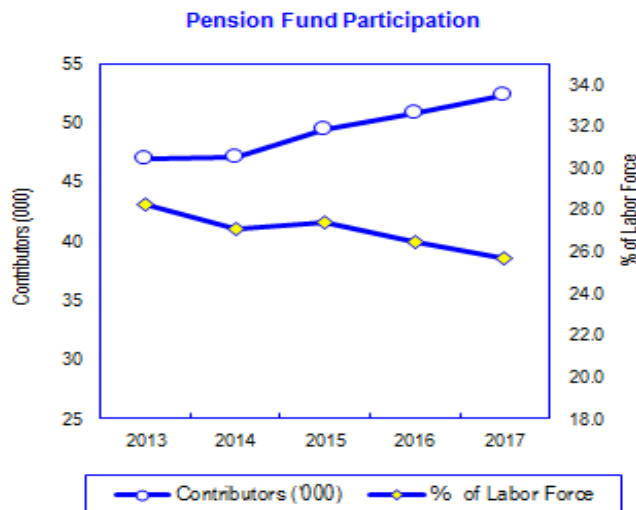
The most significant difference between defined contribution and provident funds, relates to the fact that the former convert at least a portion of the retirees' benefit into annuities, which are payable in installments, while provident schemes disburse participants' benefits as lump sum payments upon retirement. Since lump sums can also be converted into annuities, the distinction between the two

³ A Provident fund is defined as an arrangement whereby private contributions are made by employees and employers and benefits consist of a lump-sum payment, made up of all contributions on a member's account; plus interest accrued from the date of first contribution.

classifications of plans is ignored for this survey, and the results are combined for the purpose of this analysis.

SURVEY AND ESTIMATION METHODOLOGY

The 2016-2017 pension fund survey was sent to approximately 140 existing and potential plan sponsors in The Bahamas. Responses were received from 49 companies, equivalent to a 35.0% response rate, compared to an average rate of 40.6% achieved in the prior two years. To ensure consistency in the survey results, forecasts were made for the largest institutions across major economic sectors. Standard estimation techniques were then utilised to supplement the survey results⁴.



LABOR FORCE PARTICIPATION

During 2016, the number of private pension scheme participants rose by an estimated 1,403 (2.8%) to 50,876. In the following year, participation strengthened by a projected 1,487 (2.9%) to 52,363. As a proportion of the employed labor force, the fraction of workers covered in these schemes contracted by 1.0 percentage point to approximately 26.4% in 2016, and by a further 0.7 percentage points to 25.7% in the following year, underscoring more disproportionate employment creation in positions not offering this benefit.

The distribution of plan participants by economic sector remained relatively stable over the two-year period. Specifically, hotels and restaurants—which represent the bulk of the domestic tourism industry—employed the majority of participants (88.1%), at an estimated 46,146 in 2017. This outturn represented an increase of 2,740 (6.3%) over the two-year period, and reflected in part the hiring of new staff by a major resort over the review period. The second largest category was the financial sector, which represented a reduced share of total participants of 3.6%, compared to 4.0% in the prior year. In contrast, the communications & utilities sector accounted for an enlarged 3.4% of overall participants, compared to 3.1% in the prior period; while the remaining sectors represented a slightly elevated 4.9%, vis-à-vis 4.7% in 2015.

The distribution of plan participants by

⁴ In terms of missing data, an imputation method—along with a five-year average growth rate calculation—was utilised to derive the totals for 2016-2017. Importantly, data for 2017 was an iterated forecast, given the fact that it was based on estimated values for 2016. Following this, the specific categories were estimated using a basic weighted average allocation over the past 5 years; adjusting for periods in which there were outliers.

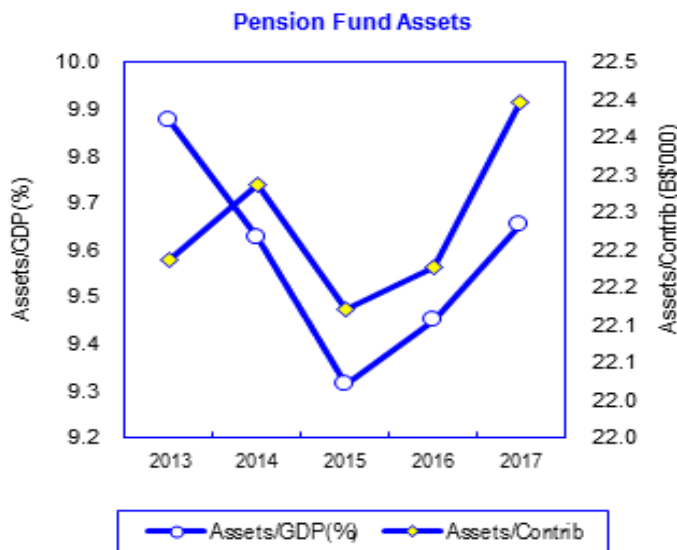
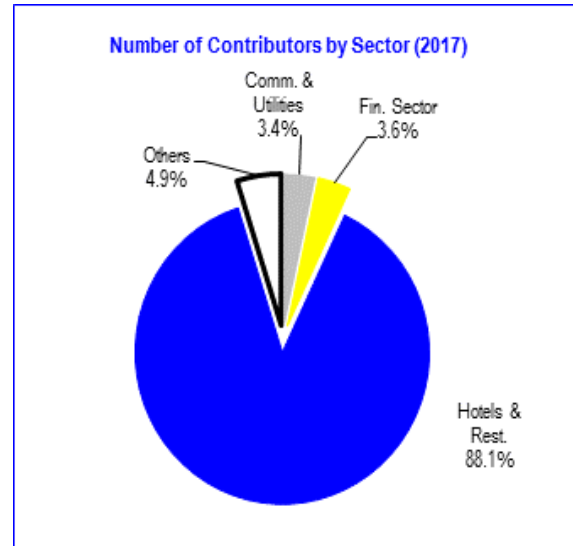
PENSION AND BENEFIT PAYOUTS

With respect to the net financial obligations to pensioners, the estimated dependency rate, which measures pensions paid as a percentage of funding contributions, rose from an estimated 56.1% in 2015 to 59.8% and 63.7% in 2016 and 2017, respectively. In this regard, the rate of increase in the benefits paid out to pensioners appeared to exceed the rate of growth of contributions made by current participants.

ASSET SIZE AND DISTRIBUTION

OVERVIEW

The total value of assets held by private pension fund schemes rose by a projected 3.1% to \$1,128.3 million in 2016. A further expansion of 3.9% occurred in the next year, raising total fund holdings to approximately \$1,172.7 million at end-December 2017. A disaggregation of assets by sector, revealed that plans in the communications & utilities sector comprised the largest share (33.0%), while holdings of the hotel & restaurant, financial and transportation sectors, accounted for 26.8%, 22.4% and 10.7%, respectively. Sponsored pension schemes for all other sectors collectively constituted the remaining 7.1% of total pension assets.



An analysis of asset holdings by instrument type, showed that pension fund managers remained relatively risk averse; investing heavily in Government securities. Specifically, the share of long-term Government debt securities' holdings continued to dominate the portfolio, at 44.7% (\$524.0 million) of the total in 2017, following a decline of 4.0 percentage points to 40.7% in the previous year. However, bank deposits as a share of total fund assets steadied at 12.5% (\$147.0 million) of the total in 2017, after declining to 9.9% in 2015. In addition, the share of exposures of employers' businesses increased slightly to 6.3% (\$71.5 million) in 2016, and remained unchanged over the following year. In

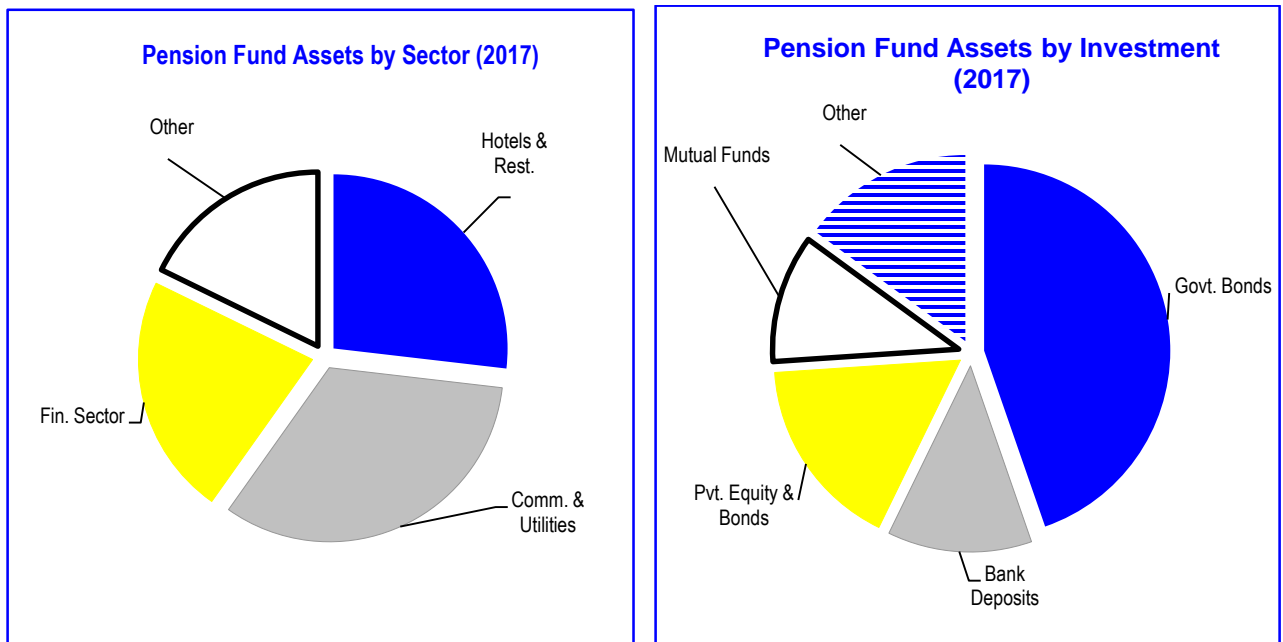
contrast, the proportion of investments in equities fell to 16.7% (\$196.0 million) in 2017, from 18.7% and 20.0% in the prior two years. Similarly, the share of mutual fund assets decreased to 11.1% (\$130.2 million) in 2017, from 11.9% and 12.3%, respectively in the prior two-year period.

In terms of other instruments, some private pension schemes also provide loans to their participants as a means of generating higher returns. These accounted for just 3.4% (\$40.5 million) of the total assets in 2017, in line with the previous year's rate and slightly lower than 2015's 3.5% proportion. Pension plans

also held small, volatile shares of assets in other exposures including real estate holdings and “other” miscellaneous investments, some contribution arrears, and accrued dividend entitlements.

On average, holdings of foreign currency denominated assets grew by 11.8% over the two-year period to \$165.3 million in 2017, representing 14.1% of the aggregate portfolio of fund investments. In terms of the major sectors, foreign investments within the hotel & restaurant centered schemes, accounted for a moderately increased share of 78.3% (\$129.5 million) of these holdings, while the financial sector’s plans claimed just 13.4% (\$22.1 million), with exposures declining in proportion by 8.1 percentage points over the two-year period through 2017.

As in previous years, the investment strategies varied both across and within sectors (see Tables 4A and 4B). A breakdown by industry, showed that the communications & public utilities sector held the largest proportion of pension scheme assets, at 33.0%, up from 30.9% in 2015. In terms of the components, the sector’s portfolio continued to be dominated by Government securities, which constituted 58.2% of the total, and higher than the 56.9% recorded two years prior. In addition, bank deposits represented 18.7% of the aggregate in 2017, vis-à-vis 15.0% in 2015. However, equities accounted for a lower share of 17.9%, compared to 23.3% in the prior two-year period. Smaller allocations were reported for “other” miscellaneous investments (2.3%), mutual funds (1.4%), mortgages (0.6%), dividends (0.5%), contribution arrears (0.4%) and investments in the employer’s business (0.1%) (see Tables 2 & 3).



The tourism sector’s pension plans—which comprises mainly hotels and restaurants—accounted for the second largest fraction of total investments (26.8%). As at 2017, these plans collectively held a slightly enlarged fraction of Government securities (42.0%) compared to 2015, and a doubling in exposure to bank deposits (13.0%). Also notable was the contracted holdings share in more volatile equity component (29.5% versus 33.4% in 2015) and in mutual funds (10.9% in 2017, versus 14.2% in 2015).

With regard to the financial sector’s sponsored schemes, the proportion of assets held in Government securities declined by 8.8 percentage points to 56.1% over the two years to 2017. The bank deposits share also contracted modestly to 9.5%, in contrast to enlarged allocations in mutual funds (17.5%). Notable proportions were also maintained in equities (8.0%) and employers’ businesses (4.6%).

DEFINED BENEFIT VS. DEFINED CONTRIBUTION

Despite the growth in defined contribution plans over the last decade, defined benefit schemes continued to account for the majority (75.4%) of aggregate private pension fund assets. At end-2017, the total asset portfolio for this type of plan stood at \$884.7 million, a gain of 4.0% (\$33.7 million) over the prior year and following an increase of 2.7% during 2016 (see Table 5). Similarly, the asset portfolio of defined contribution schemes firmed by 3.9% (\$10.8 million) to \$288.0 million in 2017, after a 4.3% increase in the prior period.

In terms of portfolio allocations, defined benefit plans continued along a conservative investment trend. Public sector securities, which accounted for the largest portion of assets, were relatively stable at an estimated 54.2% of holdings, while the bank deposits' share declined incrementally to 12.2% of assets, and capital market investments—which comprise equities and mutual funds—accounted for a modestly reduced proportion of 29.7% by 2017.

With regard to the funding status of this scheme type, contribution rates by employees commonly ranged between 0.0% to 6.0%, while inputs from employers were comparatively higher, from between 5.0% to 19.0%. Although defined benefit schemes continued to dominate the industry, and remain well-represented across sectors—as higher employer contribution rates account for the bulk of total asset accumulation—due to steep funding costs it is expected that a movement towards the implementation of more sustainable defined contribution schemes, will become commonplace in the future.

Defined contribution schemes tend to spread investments across a wider range of assets, due to a higher risk/return tolerance than defined benefit plans. For such plans, the portfolio share of capital market investments accounted for 28.3% in 2016, and 29.3% in the following year, compared to 31.6% in 2015. Holdings of employer business assets fluctuated less notably and were nearly unchanged at 24.1% by 2017. In contrast, investments in Government securities expanded slightly to 16.5% in 2017 from 14.3% in 2015. The next important holdings with minor proportional fluctuations were loans (11.1% in 2017) and bank deposits (7.5% in 2017).

CONCLUSION

The 2016-2017 pension fund survey results revealed that the assets of private pension funds continued to expand in The Bahamas, reflecting in part the modest improvement in domestic economic and employment conditions. In addition, the investment strategies remained skewed towards domestic assets; although recent exchange control liberalization measures, which focus on increasing access to international markets by local investors, could lead to an expansion in foreign investments over time.

In addition, the portfolios for defined benefit schemes continued to favour more conservative investments, such as Government securities. However, in an effort to maximize relative returns in a low interest rate environment, both defined benefit and defined contribution plans have shifted their investment portfolios into higher yielding assets.

The low survey response rate nevertheless underscores the importance of concluding and activating the regulatory framework for private schemes. Currently, the draft Bill for pension fund regulation—the “Employees’ Pension Fund Protection Act (2012)” —is still pending approval prior to implementation. The Bill would permit more comprehensive monitoring of activities, especially as it relates to smaller plans. As

contemplated, the regulatory framework for private pension plans would also reinforce mandates for prudent management practices within private schemes.

Table 2
Private Pension Investments By Industry

	2013P	2014P	2015P	2016P	2017P
INDUSTRY	(B\$'000)				
Communications & Utilities	336,564	338,074	338,412	369,278	386,855
Construction Companies	2,882	3,055	3,216	3,034	3,112
Education	12,944	11,799	12,486	12,364	12,776
Financial Sector	205,377	205,010	213,449	248,617	262,653
Health	-	722	793	1,922	2,161
Hotels & Restaurants	287,686	314,510	342,044	309,084	314,796
Manufacturing Companies	5,586	-	-	1,447	1,719
Non-Profit	16	16	27	16	15
Oil Companies	6,488	-	-	4,401	5,228
Other Services	31,040	17,317	18,335	23,020	24,538
(Private) Distribution	26,323	29,207	31,453	24,251	23,993
Professional Services	2,873	3,605	3,873	7,672	8,521
Real Estate	982	-	-	722	857
Transportation	124,518	127,088	130,303	122,456	125,517
TOTAL	1,043,279	1,050,402	1,094,391	1,128,284	1,172,738
	2013P	2014P	2015P	2016P	2017P
INDUSTRY	(% Distribution)				
Communications & Utilities	32.26	32.19	30.92	32.73	32.99
Construction Companies	0.28	0.29	0.29	0.27	0.27
Education	1.24	1.12	1.14	1.10	1.09
Financial Sector	19.69	19.52	19.50	22.03	22.40
Health	0.00	0.07	0.07	0.17	0.18
Hotels & Restaurants	27.58	29.94	31.25	27.39	26.84
Manufacturing Companies	0.54	0.00	0.00	0.13	0.15
Non-Profit	0.00	0.00	0.00	0.00	0.00
Oil Companies	0.62	0.00	0.00	0.39	0.45
Other Services	2.98	1.65	1.68	2.04	2.09
(Private) Distribution	2.52	2.78	2.87	2.15	2.05
Professional Services	0.28	0.34	0.35	0.68	0.73
Real Estate	0.09	0.00	0.00	0.06	0.07
Transportation	11.94	12.10	11.91	10.85	10.70
TOTAL	100.00	100.00	100.00	100.00	100.00

Source: Central Bank of The Bahamas Survey on Pension Funds & Central Bank estimates

Table 3
Private Pension Investments

	2013P	2014P	2015P	2016P	2017P
	(B\$'000)				
Total Fund	1,043,279	1,050,402	1,094,391	1,128,284	1,172,738
Of which:					
Government Bonds	471,823	472,062	489,404	458,743	524,036
Bank Deposits	123,040	113,459	108,340	145,711	147,004
Real Estate	14,843	14,633	12,818	14,118	14,390
Employer's Business	76,170	63,014	64,568	71,458	74,340
Mortgages	3,081	2,843	2,475	6,714	3,789
Private Sector Bonds	-	-	-	494	117
Equities	174,124	188,092	218,494	210,429	196,026
Mutual Funds	120,091	116,693	134,562	134,532	130,166
Loans	32,788	54,689	38,272	38,733	40,457
Contribution Arrears	2,932	3,280	3,488	3,096	4,400
Dividends	4,841	6,693	6,354	9,286	7,640
Other Investment	19,546	14,945	15,616	34,970	30,373
	(% Distribution)				
Total Fund	100	100	100	100	100
Of which:					
Government Bonds	45.2	44.9	44.7	40.7	44.7
Bank Deposits	11.8	10.8	9.9	12.9	12.5
Real Estate	1.4	1.4	1.2	1.3	1.2
Employer's Business	7.3	6.0	5.9	6.3	6.3
Mortgages	0.3	0.3	0.2	0.6	0.3
Private Sector Bonds	0.0	0.0	0.0	0.0	0.0
Equities	16.7	17.9	20.0	18.7	16.7
Mutual Funds	11.5	11.1	12.3	11.9	11.1
Loans	3.1	5.2	3.5	3.4	3.4
Contribution Arrears	0.3	0.3	0.3	0.3	0.4
Dividends	0.5	0.6	0.6	0.8	0.7
Other Investment	1.9	1.4	1.4	3.1	2.6

Source: Central Bank of The Bahamas Survey on Pension Funds & Central Bank estimates

Table 4A
PRIVATE PENSION INVESTMENTS: BY INDUSTRY/ASSET ALLOCATION

	(B\$'000)												
	Government	Bank	Employer's		Private Sector			Mutual	Contribution		Other	Total	
	Bonds	Deposits	Real Estate	Business	Mortgages	Bonds	Equities	Funds	Loans	Arrears	Dividends	Investments	Assets
2016P													
Communications & Utilities	202,849	75,126	87	762	3,187	0	67,993	4,573	0	1,091	3,071	10,540	369,278
Construction Companies	0	257	0	0	0	0	0	2,777	0	0	0	0	3,034
Education	1,832	175	0	0	0	29	731	44	0	0	7	9,546	12,364
Financial Sector	119,115	20,738	77	10,763	3,528	143	20,597	62,624	1,034	66	1,288	8,644	248,617
Health	915	115	0	0	0	0	496	108	0	0	0	287	1,922
Hotels & Restaurants	117,741	42,230	0	0	0	0	107,858	26,477	7,484	1,918	2,615	2,761	309,084
Manufacturing Companies	777	243	0	0	0	0	135	35	0	0	0	256	1,447
Non-Profit	7	3	0	0	0	0	6	0	0	0	0	0	16
Oil Companies	1,521	438	0	0	0	60	660	0	0	0	0	1,722	4,401
Other Services	453	209	111	0	0	0	1,898	18,645	1,704	0	0	0	23,020
(Private) Distribution	3,435	1,338	0	0	0	124	1,608	16,170	386	0	20	1,170	24,251
Professional Services	1,419	1,702	0	0	0	139	1,242	2,326	208	15	576	45	7,672
Real Estate	217	0	0	0	0	0	0	505	0	0	0	0	722
Transportation	8,461	3,136	13,842	59,934	0	0	7,204	247	27,916	6	1,709	0	122,456
TOTAL	458,743	145,711	14,118	71,458	6,714	494	210,429	134,532	38,733	3,096	9,286	34,970	1,128,284
2017P													
Communications & Utilities	225,054	72,201	0	195	2,465	0	69,289	5,445	0	1,389	2,089	8,726	386,855
Construction Companies	0	0	0	0	0	0	0	3,112	0	0	0	0	3,112
Education	2,354	191	0	0	0	0	672	50	0	0	9	9,500	12,776
Financial Sector	147,349	24,929	0	12,123	1,324	46	20,940	46,035	1,749	76	1,477	6,607	262,653
Health	1,029	130	0	0	0	0	558	121	0	0	0	323	2,161
Hotels & Restaurants	132,144	40,860	0	0	0	0	92,971	34,241	7,080	2,901	3,288	1,310	314,796
Manufacturing Companies	923	289	0	0	0	0	160	42	0	0	0	304	1,719
Non-Profit	7	3	0	0	0	0	5	0	0	0	0	0	15
Oil Companies	1,807	520	0	0	0	71	784	0	0	0	0	2,046	5,228
Other Services	0	309	0	0	0	0	0	21,324	2,906	0	0	0	24,538
(Private) Distribution	2,857	1,771	0	0	0	0	2,007	15,814	0	0	37	1,507	23,993
Professional Services	1,587	2,043	0	0	0	0	992	3,114	181	24	531	50	8,521
Real Estate	258	0	0	0	0	0	0	599	0	0	0	0	857
Transportation	8,667	3,760	14,390	62,022	0	0	7,647	269	28,541	10	209	0	125,517
TOTAL	524,036	147,004	14,390	74,340	3,789	117	196,026	130,166	40,457	4,400	7,640	30,373	1,172,738

Source: Central Bank of The Bahamas Survey on Pension Funds & Central Bank estimates

Table 4B
PRIVATE PENSION INVESTMENTS: BY INDUSTRY/ASSET ALLOCATION

													%
	Government	Bank	Employer's		Private Sector			Mutual	Contribution		Other	Total	
	Bonds	Deposits	Real Estate	Business	Mortgages	Bonds	Equities	Funds	Loans	Arrears	Dividends	Investments	Assets
2016P													
Communications & Utilities	54.9	20.3	0.0	0.2	0.9	0.0	18.4	1.2	0.0	0.3	0.8	2.9	100.0
Construction Companies	0.0	8.5	0.0	0.0	0.0	0.0	0.0	91.5	0.0	0.0	0.0	0.0	100.0
Education	14.8	1.4	0.0	0.0	0.0	0.2	5.9	0.4	0.0	0.0	0.1	77.2	100.0
Financial Sector	47.9	8.3	0.0	4.3	1.4	0.1	8.3	25.2	0.4	0.0	0.5	3.5	100.0
Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Hotels & Restaurants	38.1	13.7	0.0	0.0	0.0	0.0	34.9	8.6	2.4	0.6	0.8	0.9	100.0
Manufacturing Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Non-Profit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Oil Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Services	2.0	0.9	0.5	0.0	0.0	0.0	8.2	81.0	7.4	0.0	0.0	0.0	100.0
(Private) Distribution	14.2	5.5	0.0	0.0	0.0	0.5	6.6	66.7	1.6	0.0	0.1	4.8	100.0
Professional Services	18.5	22.2	0.0	0.0	0.0	1.8	16.2	30.3	2.7	0.2	7.5	0.6	100.0
Real Estate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transportation	6.9	2.6	11.3	48.9	0.0	0.0	5.9	0.2	22.8	0.0	1.4	0.0	100.0
Total	40.7	12.9	1.3	6.3	0.6	0.0	18.7	11.9	3.4	0.3	0.8	3.1	100.0
2017P													
Communications & Utilities	58.2	18.7	0.0	0.1	0.6	0.0	17.9	1.4	0.0	0.4	0.5	2.3	100.0
Construction Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	100.0
Education	18.4	1.5	0.0	0.0	0.0	0.0	5.3	0.4	0.0	0.0	0.1	74.4	100.0
Financial Sector	56.1	9.5	0.0	4.6	0.5	0.0	8.0	17.5	0.7	0.0	0.6	2.5	100.0
Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Hotels & Restaurants	42.0	13.0	0.0	0.0	0.0	0.0	29.5	10.9	2.2	0.9	1.0	0.4	100.0
Manufacturing Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Non-Profit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Oil Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Other Services	0.0	1.3	0.0	0.0	0.0	0.0	0.0	86.9	11.8	0.0	0.0	0.0	100.0
(Private) Distribution	11.9	7.4	0.0	0.0	0.0	0.0	8.4	65.9	0.0	0.0	0.2	6.3	100.0
Professional Services	18.6	24.0	0.0	0.0	0.0	0.0	11.6	36.5	2.1	0.3	6.2	0.6	100.0
Real Estate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
Transportation	6.9	3.0	11.5	49.4	0.0	0.0	6.1	0.2	22.7	0.0	0.2	0.0	100.0
Total	44.7	12.5	1.2	6.3	0.3	0.0	16.7	11.1	3.4	0.4	0.7	2.6	100.0

Source: Central Bank of The Bahamas Survey on Pension Funds & Central Bank estimates

Table 5
Private Pension Investments By Fund Type

	Defined Benefit					Defined Contribution				
	2013P	2014P	2015P	2016P	2017P	2013P	2014P	2015P	2016P	2017P
	(B\$'000)					(B\$'000)				
Total Fund	779,263	797,480	828,678	851,048	884,726	264,016	252,922	265,713	277,235	288,013
of which:										
Government Bonds	418,133	436,162	451,451	459,238	479,499	53,690	35,900	37,953	47,888	47,585
Bank Deposits	103,514	96,608	86,112	109,076	107,507	19,526	16,851	22,228	21,011	21,603
Real Estate	0	0	0	0	0	14,843	14,633	12,818	15,131	15,617
Employer's Business	15,141	-367	-374	8,111	6,204	61,029	63,382	64,942	66,461	69,547
Mortgages	2,278	1,952	1,548	2,244	2,184	803	891	927	924	964
Private Sector Bonds	0	0	0	0	0	0	0	0	0	0
Equities	153,714	165,176	193,654	176,748	187,064	20,410	22,916	24,839	23,145	24,833
Mutual Funds	71,058	60,957	75,468	71,864	75,895	49,033	55,736	59,093	55,348	59,627
Loans	5,398	25,023	8,295	12,010	13,808	27,390	29,666	29,977	30,319	31,913
Contribution Arrears	2,889	3,126	3,342	3,208	3,413	43	154	146	103	122
Dividends	4,528	6,333	5,974	5,610	6,094	313	360	380	395	393
Other Investment	2,610	2,511	3,207	2,939	3,057	16,936	12,434	12,409	16,510	15,809
	(% Distribution)					(% Distribution)				
Total Fund	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
of which:										
Government Bonds	53.7	54.7	54.5	54.0	54.2	20.3	14.2	14.3	17.3	16.5
Bank Deposits	13.3	12.1	10.4	12.8	12.2	7.4	6.7	8.4	7.6	7.5
Real Estate	0.0	0.0	0.0	0.0	0.0	5.6	5.8	4.8	5.5	5.4
Employer's Business	1.9	0.0	0.0	1.0	0.7	23.1	25.1	24.4	24.0	24.1
Mortgages	0.3	0.2	0.2	0.3	0.2	0.3	0.4	0.3	0.3	0.3
Private Sector Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equities	19.7	20.7	23.4	20.8	21.1	7.7	9.1	9.3	8.3	8.6
Mutual Funds	9.1	7.6	9.1	8.4	8.6	18.6	22.0	22.2	20.0	20.7
Loans	0.7	3.1	1.0	1.4	1.6	10.4	11.7	11.3	10.9	11.1
Contribution Arrears	0.4	0.4	0.4	0.4	0.4	0.0	0.1	0.1	0.0	0.0
Dividends	0.6	0.8	0.7	0.7	0.7	0.1	0.1	0.1	0.1	0.1
Other Investment	0.3	0.3	0.4	0.3	0.3	6.4	4.9	4.7	6.0	5.5

Source: Central Bank of The Bahamas Survey on Pension Funds