

# REPORT ON THE NON-BANKING FINANCIAL MARKETS TRENDS

Monthly report developed by Strategy and Financial Stability Directorate  
and Communication and Financial Education Directorate within ASF

February 2023



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# ASF MEASURES ON THE FUNCTIONING OF SUPERVISED NON-BANK FINANCIAL MARKETS



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## DECISIONS SUBMITTED FOR PUBLICATION IN THE OFFICIAL JOURNAL

- Rule amending Rule no. 11/2008 on the collection of individual contributions from participants in privately managed pension funds, approved by the Decision of the Private Pension Supervisory Commission no. 23/2008;
- Rule supplementing the Financial Supervisory Authority's Rule no. 14/2015 on accounting regulations in compliance with the European directives applicable to the private pension scheme;
- Rule amending and supplementing Rule no. 11/2011 on the investment and valuation of private pension fund assets, approved by the Decision of the Private Pension Supervisory Commission no. 22/2011;
- Regulation amending and supplementing ASF Regulation no. 3/2013 on the authorisation and operation of central counterparties issued in accordance with the provisions of Regulation (EU) no. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories;
- Rule amending Rule no. 7/2007 on the prospectus of the private pension scheme, approved by Decision of the Private Pension Supervisory Commission no. 26/2007;
- Rule amending Rule no. 16/2010 on the prospectus of the voluntary pension scheme, approved by the Decision of the Private Pension Supervisory Commission no. 27/2010.



## DRAFTS UNDER PUBLIC CONSULTATION ON THE ASF WEBSITE - [www.asfromania.ro](http://www.asfromania.ro)

- Draft Regulation amending and supplementing Regulation no. 26/2021 on the activity carried out in Romania by insurers from third countries through branches;
- Draft Rule amending Rule no. 15/2009 on the operations of receipts and payments made through privately managed pension fund accounts, approved by the Decision of the Council of the Private Pension Supervisory Commission no. 23/2009;
- Draft Rule for the amendment of Rule no. 18/2009 on the operations of receipts and payments through the accounts of the voluntary pension fund, approved by the Decision of the Council of the Private Pension Supervisory Commission no. 26/2009.

## DECISIONS ADOPTED BY THE ASF COUNCIL

- ESMA's notification of the intention of ASF to apply the provisions of the Guidelines on Stress Test Scenarios under the MMF Regulation (ESMA 50-164-6583).

## FINANCIAL EDUCATION PROGRAMMES RUN BY ASF AND ISF

The Financial Supervisory Authority and the Institute for Financial Studies organised in early February in Cluj-Napoca two financial education programmes for students and entrepreneurs - the Academic & SmartFIN Lab and the SME Hub. The two seminars took place within the conference Diversity challenges and stakeholders' engagement in Finance and FinAI, developed in partnership with Babeş-Bolyai University (UBB) in Cluj-Napoca. Participants had the opportunity to

get acquainted with insurance sales techniques or possible approaches that non-bank financial markets offer in support of the concrete needs of the entrepreneurial environment, thus developing and strengthening the financial education approach that is jointly carried out by ISF and ASF. Financial education is a strategic objective for ASF and at the same time a fundamental, long-term project aimed at pupils, students, teachers and the general public, which aims to develop financial markets.

## SUMMARY



# GDP + 2.5%

According to the winter 2023 economic forecast published by the European Commission, Romania's gross domestic product will grow by 2.5% in 2023, an upward revision (compared to 1.8%: autumn 2022 economic forecast).

# +7.6%

Market capitalisation was up 7.6% at the end of January 2023 compared to the end of 2022.





## Value of voluntary pension fund assets

**3,77 billion lei**



annual increase

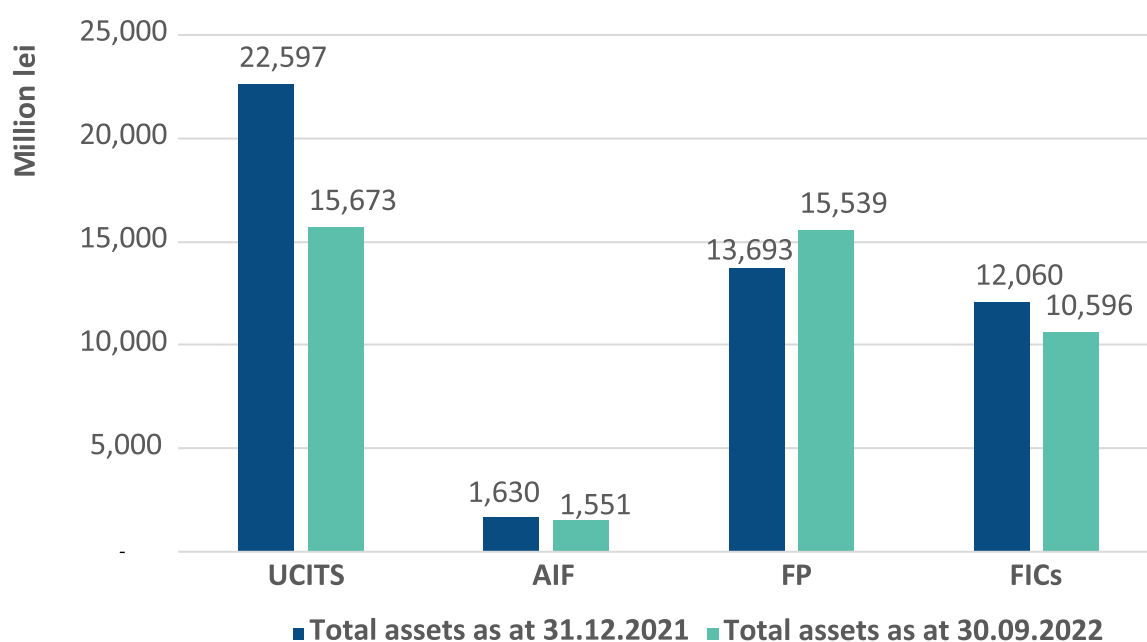
**9,85%**



## CAPITAL MARKET TRENDS



Evolution of total assets by categories of CIUs

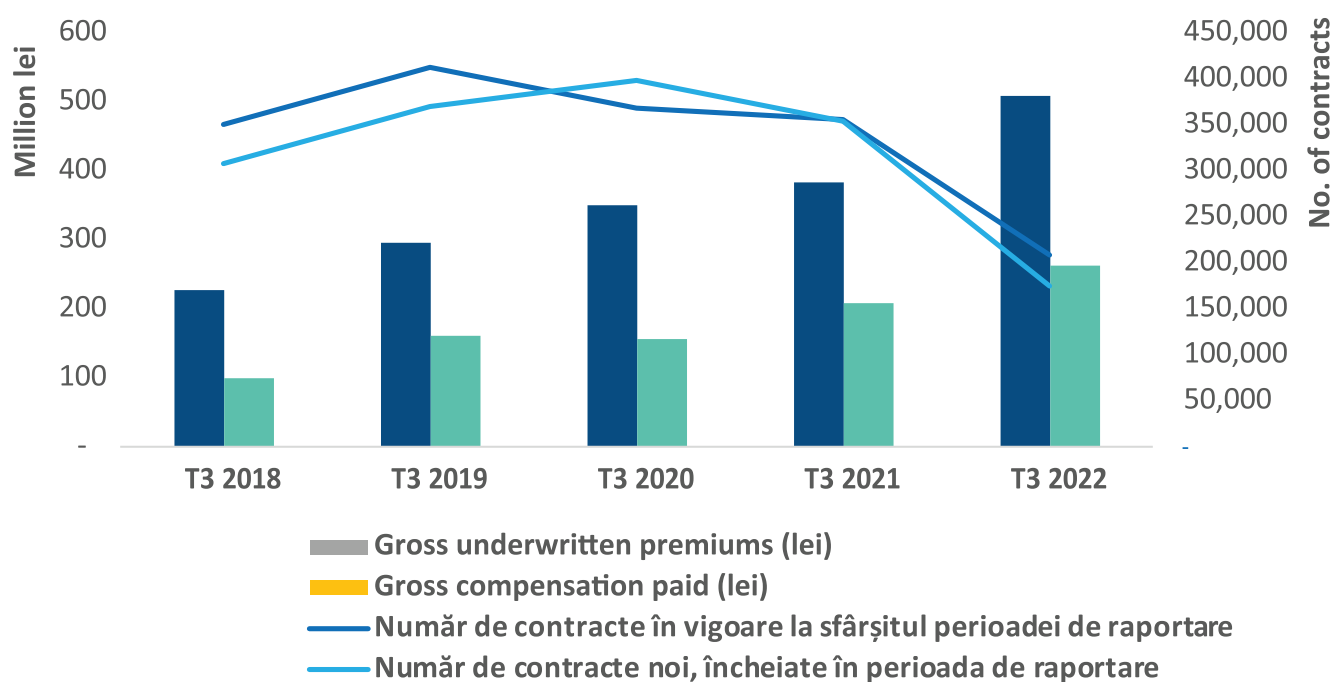


At the end of the third quarter of 2022, the total assets of collective investment undertakings (CIUs) in Romania amounted to RON 43.36 billion, down by about 13% compared to the end of 2021.



# INSURANCE MARKET TRENDS

Health insurance developments in Q3 2018 - Q3 2022

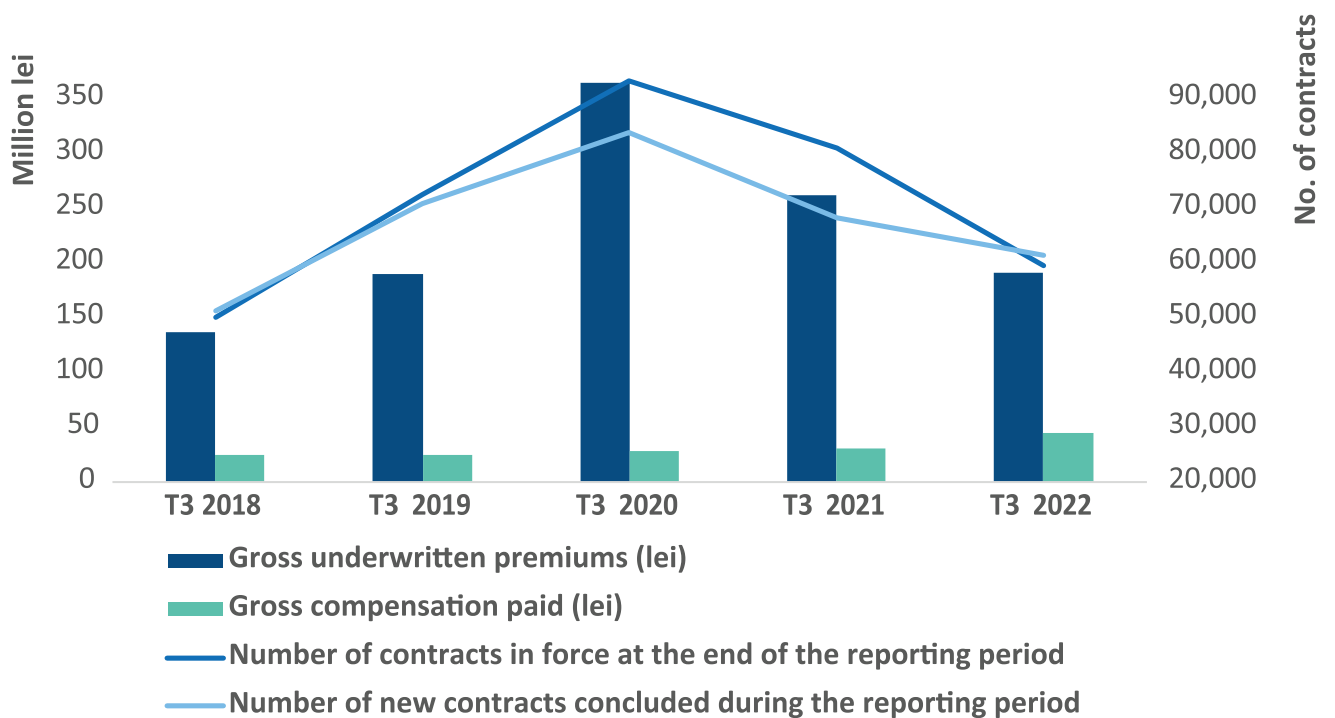


Health insurance accumulated during the first nine months of 2022 gross written premiums of about 509.5 million lei, up 33% compared to the same period of 2021.





Evolution of guarantee insurance, Q3 2018 - Q3 2022



In the first 9 months of 2022, gross written premiums for guarantee insurance amounted to approximately RON 191 million, a decrease of approximately 27% compared to the same period last year.

# TRENDS ON THE PRIVATE PENSIONS MARKET



## Indicators on the private pensions market

Investment portfolio (PII)	Investment portfolio (PIII)
89.75% investment in ROMANIA	93.53% investment in ROMANIA
7.38% investment in EU countries	5.80% investment in EU countries
Government securities: 63,37% of total assets	Government securities: 63,51% of total assets
Shares: 21.88% of total assets	Shares: 24.05% of total assets

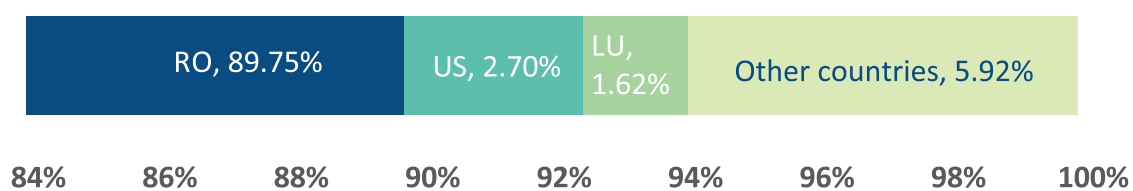
31 January 2023

**At the end of January 2023, private pension funds (Pillar II and Pillar III) accumulated total assets of RON 104 billion, 4% more than at the end of December 2022, against the backdrop of recent developments in local and European financial markets.**

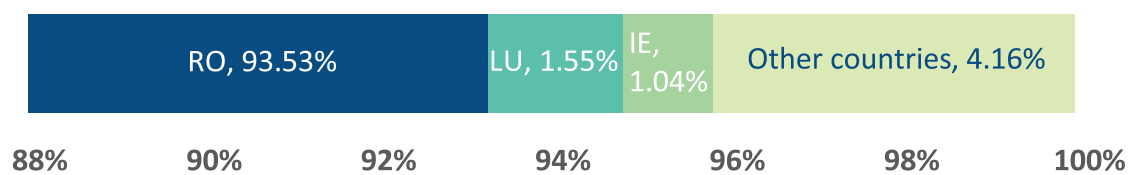
**Private pension investments are mostly based on Romanian assets, denominated in RON.**



Country exposure of privately managed pension fund assets




Country exposure of voluntary pension fund assets



63% of government bonds are in the investment portfolio of Pillar II pension funds and 64% in the portfolio of Pillar III pension funds in January 2023.

# INDICATORS ON THE NON-BANK FINANCIAL MARKETS

Evolution of stock market indices (30.12.2022 = 100)

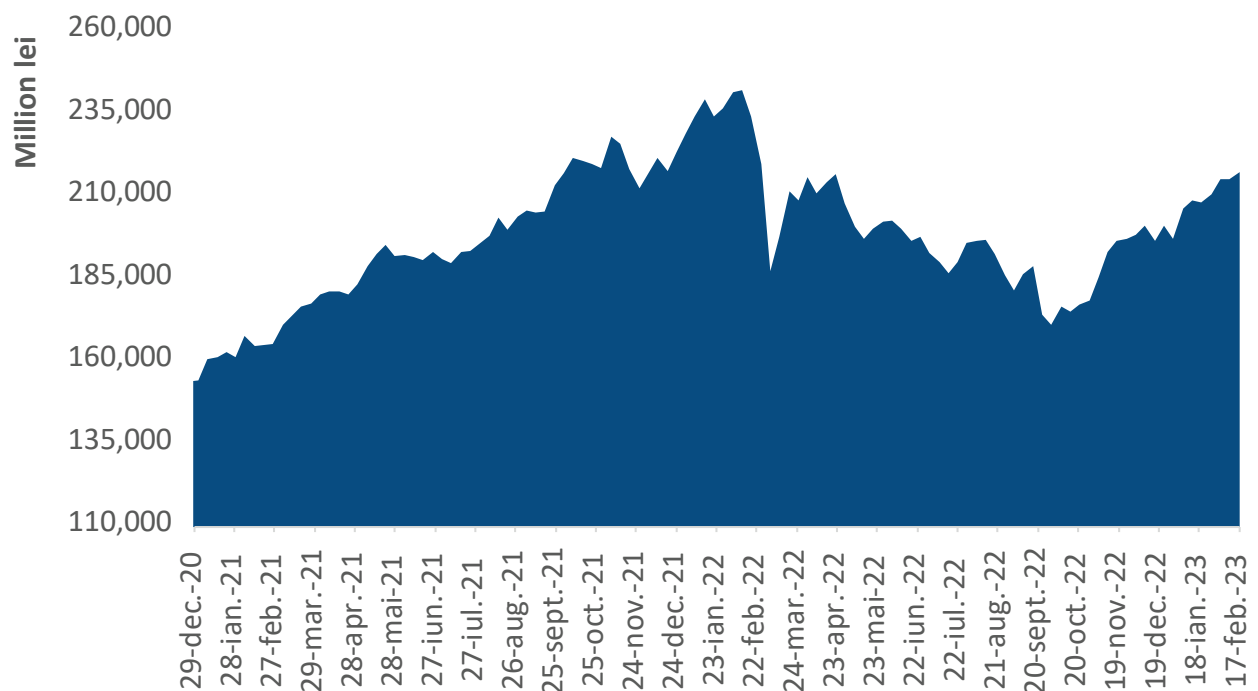


Date		BET	BET-BK		
22.02.2023		5,32%	6,38%		
BET-FI	BET-NG	BET-TR	BET-TRN		
-1,23%	7,76%	5,32%	5,32%		
BET-XT	BET-XT-TR	BET-XT-TRN	BETAeRO	BETPlus	ROTX
4,73%	4,73%	4,73%	12,87%	5,07%	4,54%

Local indices recorded positive developments compared to the end of 2022, with the exception of the BET-FI index (-1.23%). The largest increase was observed in the BETAeRO index (+12.87%), followed by the BET-NG index (+7.76%).

Source: BVB data, ASF calculations

Market capitalisation (shares)



Market capitalization increased by 10.3% on 17 February 2023 compared to 30 December 2022.

Source: BVB data, ASF calculations