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Swiss Pensionskassen returns for 2015 better than expected

25 May 2016 By [Barbara Ottawa](#)

Swisscanto has set the average 2015 return for Swiss Pensionskassen at more than 1%, which is higher than estimates from earlier this year.

It placed the average Pensionskassen return at 1.13% compared with the Swiss regulator's (OAK) estimate of 0.8% [and the pension fund association's \(ASIP\) figure of 0.7%](#).

While the OAK and ASIP make their estimates before annual reports have been written, Swisscanto bases its research on final reported figures.

Complementa, which does something similar with [its own risk update](#), also reported an average return of just over 1%, although it emphasised that it would be collecting more data until the end of June.

It also pointed out that the 1.1% average return was an equally weighted average, with returns ranging from -1.3% to 3.3%, and that the capital-weighted average was around 30 basis points lower.

Prevanto partner Stephen Wyss, commenting on Swisscanto's figures, said: "The final audited returns from the hedge fund and real estate portfolios in particular seem to have been higher than the initial estimates."

Swisscanto's survey, like Complementa's, shows an increased appetite for alternatives among institutional investors.

In the Swisscanto sample, average exposure to alternatives increased from 5.4% in 2014 to 6.1% in 2015, although Wyss acknowledged this was "partly the consequence of a recent law change that bond-like instruments must be qualified as alternatives".

In total, almost one-third of the surveyed Pensionskassen have increased investments in alternatives, and another 20% plan to do so over the next three years.

Of those, half are looking into infrastructure, which at present accounts for just 0.2% of the average portfolio.

Wyss said infrastructure investments were “slowly but steadily getting more significant”, due in particular to their “hopefully regular cashflows”, but he argued that their lack of liquidity remained a problem.

[Prevanto was created last year](#) when Swisscanto sold its actuarial advisory business after it was fully taken over by the Zurich cantonal bank ZKB.

Prevanto supports Swisscanto in drawing up its annual pension fund survey.