



PRIVATE PENSIONS INDUSTRY STATISTICS

MARCH
2025

OVERVIEW

In this report:

- > Private Pensions Industry Overview
- > Investment Mix
- > Operating Statistics
- > Risk Outlook

As at March 31, 2025, the Jamaican private pensions industry represented a value of **\$822.12 billion**, representing a quarter-over-quarter increase of 1.41%. This represents the first deceleration in the positive growth rate since the 0.98% June 2024 quarterly increase. The growth for this quarter may be attributed to the 545 pension plans that reported growth in assets ranging from 0.01% to 71.91% (See Figure 1.0). The number of solvent active pension plans decreased by five (5) over the quarter from 335 to 330.

Overall, the Jamaican pension industry remained fairly resilient over the quarter ended March 2025, despite local and global economic challenges and geopolitical tensions. Amidst a decreasing interest rate environment and anticipated marginal growth in the real economic output, small growth potential is expected over the next quarter ended June 2025.

OVERVIEW (cont'd)

Key changes in the industry over the March 2025 quarter



PRIVATE PENSION ASSETS • 1.41%
2025 Q1: **\$822.12B**, 2024 Q4: **\$810.67B**



MEMBERSHIP¹ • 3.89%
2025 Q1: **171,424**, 2024 Q4: **165,008**



NUMBER OF PLANS² • 0.12%
2025 Q1: **820**, 2024 Q4: **819**



NUMBER OF ACTIVE PLANS • 0.28%
2025 Q1: **358**, 2024 Q4: **357**



PENSION COVERAGE^{3 4} • 0.44
2025 Q1: **12.02%**, 2024 Q4: **11.58%**

At the end of March 2025, total and active pension coverage increased from 11.65% and 11.58% to 12.08% and 12.02%, respectively. This movement was contributed to by increases in both the employed persons in the labour force⁵ and the increase in membership over the quarter. (See figures 1.2 and 1.3)

For the March 2025 quarter, of the 820 pension plans, 739 held assets. Of that amount, 545 or 73.75% reported a quarterly asset increase, 186 or 25.17% had a quarterly asset decrease, and 8 terminating plans (1.08% of asset-holding plans) reported no movement in assets (See Figure 1.0). Furthermore, the industry has recorded an average quarterly growth of 1.39% in private pension assets over the past five (5) years. (See Figure 1.1).

Figure 1.0: Quarterly Returns on Total Assets of Pension Plans

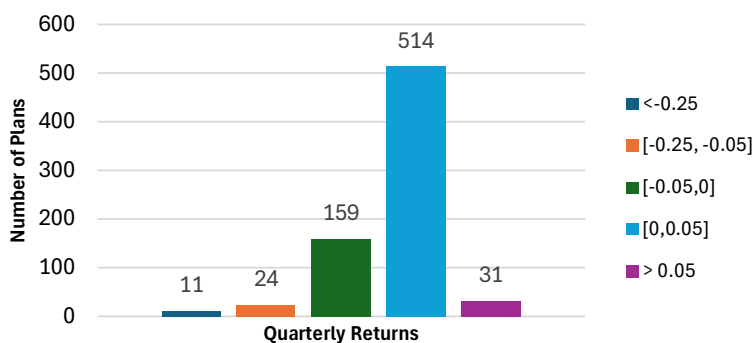
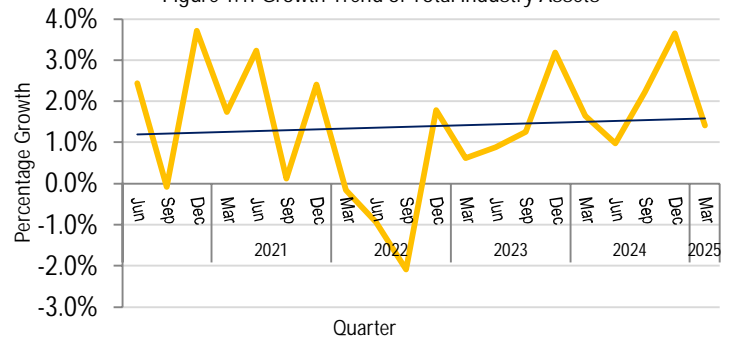


Figure 1.1: Growth Trend of Total Industry Assets



¹ This represents membership in all plans.

² This number includes pension plans which are active, terminating, and inactive.

³ This represents pension coverage for active plans only.

⁴ Rounding error due to exact figure use.

⁵ According to the Statistical Institute of Jamaica, the Jamaican employed labour force was 1,419,500 as at March 31, 2025 and 1,417,000 as at December 31, 2024. (<https://statinja.gov.jm/>).

Figure 1.2: Active Pension Coverage in the Jamaican Private Pensions Industry

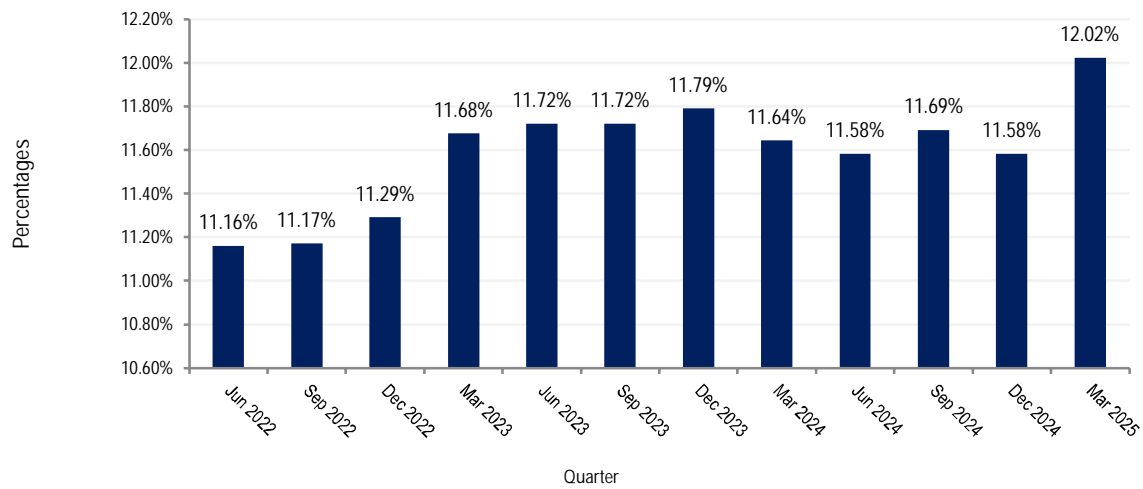
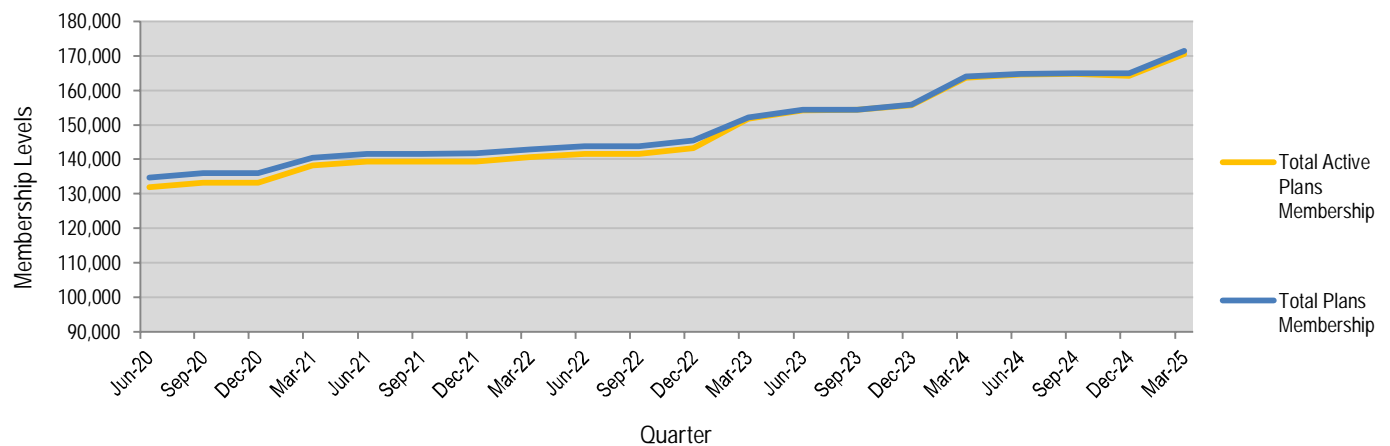


Figure 1.3: Growth Trends in Membership Levels of Active Pension Plans vs All Pension Plans



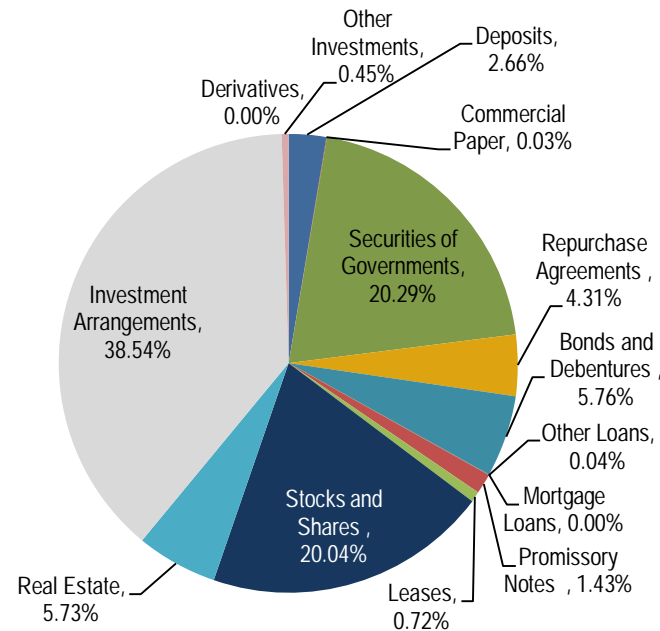
INVESTMENT MIX

Private Pension Assets⁶

Total invested assets for private pension plans as at March 2025 have continued a positive quarter-over-quarter growth since December 2022. The growth of 1.17% for the March 2025 quarter was driven primarily by an increase in the growth of investment asset values for Securities of Governments ("SOGs"), Deposits, repurchase agreements, Investment Arrangements ("IA"), and real estate when compared to the previous quarter. Since March 2015, IA, SOGs, and Stocks and Shares (See figures 2.0 and 2.1) continued to remain as the top three most invested asset classes for the pension industry. All of the three, except Stocks and Shares, had a positive growth over the quarter as reflected in Table 1.

During the March 2025 quarter, nine (9) asset classes within the aggregate invested pension asset portfolio grew in value – Deposits (16.58%), Repurchase Agreements (8.75%), SOGs (2.03%), Real Estate (1.46%), Leases (0.90%), Other Investments (0.80%), IA (0.46%), Bonds and Debentures (0.44%), and Commercial Paper (0.05%). Notably, the Stocks and Shares asset class saw a decline of 1.11%, which was consistent with declining JSE stock indices⁷ during the same period. For Deposits, its noticeable growth of 16.58% when compared to the 2.35% uptick recorded for the December 2024 quarter. This may be indicative of combination of liquidity needs for upcoming retirements or short-term positioning. Four consecutive 25-basis reductions in 2024 followed a steady rate that continued into the first quarter of 2025. The fairly elevated interest rates continue to have hindering impact on the growth potential for the overall invested pension assets.

Figure 2.0: Allocation of Invested Assets for Private Pension Plans as at March 31, 2025



Key Changes over the Quarter in the Aggregate Investment Portfolio Mix:



TOTAL DEPOSITS • 16.58%
2025 Q1: **\$21.84B**, 2024 Q4: **\$18.74B**



TOTAL REPURCHASE AGREEMENTS • 8.75%
2025 Q1: **\$35.42B**, 2024 Q4: **\$32.57B**



TOTAL PROMISSORY NOTES • -2.69%
2025 Q1: **\$11.72B**, 2024 Q4: **\$12.04B**



TOTAL OTHER LOANS • -5.69%
2025 Q1: **\$360.93M**, 2024 Q4: **\$382.70M**

⁶ Figures from prior reports may have been revised. Also, there may be rounded errors due to exact figures used.

⁷ JSE Combined Index (-1.69%), JSE All Jamaican Index (-1.30%), JSE US Equities Index (-10.74%), JSE Main Index (-1.69%), JSE Junior Index (-1.64%)

Table 1: Aggregate Investment Portfolio Mix⁸

Types of Investment	Amount Invested \$'Millions	% of Total Investments	Amount Invested \$' Millions	% of Total Investments	Amount Invested \$'Millions	% of Total Investments	Quarterly Growth in Asset Classes	Annual Growth in Asset Classes
	Mar-25		Dec-24		Mar-24			
Deposits	21,841.64	2.66%	18,735.40	2.31%	15,195.11	2.01%	16.58%	43.74%
Commercial Paper	229.16	0.03%	229.04	0.03%	252.49	0.03%	0.05%	-9.24%
Securities of Governments	166,677.63	20.29%	163,356.87	20.12%	159,728.19	21.10%	2.03%	4.35%
Repurchase Agreements	35,415.07	4.31%	32,565.54	4.01%	24,223.81	3.20%	8.75%	46.20%
Bonds and Debentures	47,340.26	5.76%	47,133.11	5.80%	44,817.22	5.92%	0.44%	5.63%
Mortgage	32.41	0.00%	33.09	0.00%	34.98	0.00%	-2.06%	-7.36%
Other Loans	360.93	0.04%	382.70	0.05%	485.95	0.06%	-5.69%	-25.73%
Promissory Notes	11,720.02	1.43%	12,044.59	1.48%	15,106.79	2.00%	-2.69%	-22.42%
Leases	5,932.85	0.72%	5,880.06	0.72%	5,547.85	0.73%	0.90%	6.94%
Stocks and Shares	164,647.25	20.04%	166,501.63	20.50%	153,111.72	20.22%	-1.11%	7.53%
Real Estate	47,063.46	5.73%	46,384.30	5.71%	41,452.13	5.48%	1.46%	13.54%
Investment Arrangements	316,638.35	38.54%	315,191.76	38.81%	293,667.18	38.79%	0.46%	7.82%
Derivatives	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00%	0.00%
Other Investments	3,684.96	0.45%	3,655.63	0.45%	3,459.17	0.46%	0.80%	6.53%
Total Investments	821,583.99	100.00%	812,093.72	100.00%	757,082.59	100.00%	1.17%	8.52%
Other Net Assets	538.37		-1,426.06		917.75		-137.75%	-41.34%
Total Assets	822,122.35		810,667.65		758,000.34		1.41%	8.46%

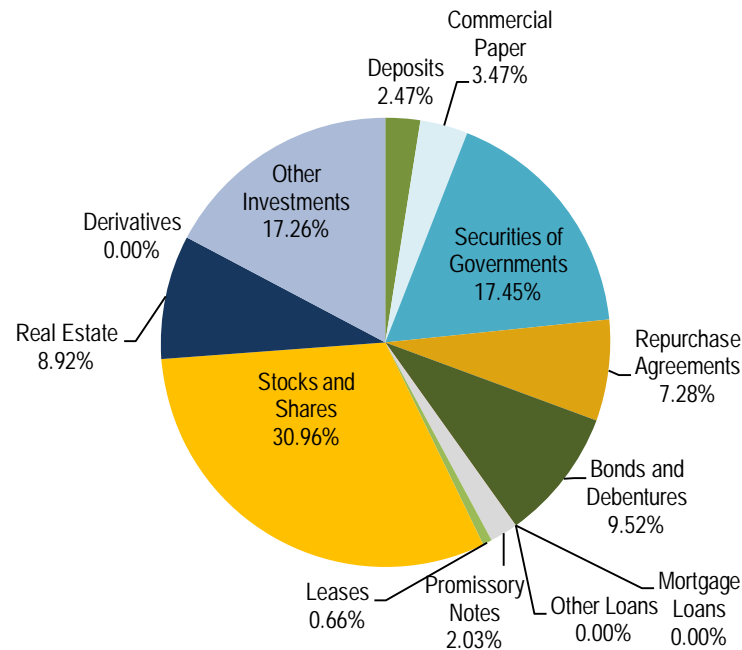
⁸ Note: Total figures and growth rates may not be exact due to rounding errors.

Investment Arrangements (“IAs”)⁹

IAs experienced a marginal gain of \$1.45 billion, or 0.46%, for the quarter ended March 31, 2025. The IA¹⁰ portfolio, comprising Type I Pooled Funds, Type II Pooled Funds and Deposit Administration Funds, marginally improved from the December quarter-over-quarter change of -3.18% to a positive rate of 1.99% for the quarter ended March 2025. This movement is primarily driven by increases in assets within the IAs portfolios with respect to Deposits and Commercial Paper with a reduction of the SOGs’ declining impact when compared to the previous quarter.

Figure 2.1 illustrates the asset allocation within the IAs portfolio. As shown in Table 2, the top three IA classes – Stocks and Shares, SOGs, and Other Investments – had a mix of movements, where only Other Investments experienced an increase, albeit marginal. The largest quarter-over-quarter increase in assets within the IAs portfolios was reported for Deposits and Commercial paper, 249.88% and 80.82%, respectively. In contrast, the value of investments in Mortgage Loans and Securities of Governments experienced a quarterly change of -2.83% and -9.92%, respectively, combination of liquidity needs for upcoming retirements or short-term positioning. (See Figure 2.1 and Table 2).

Figure 2.1: Allocation of Pension Assets in Pooled Investment Arrangements as at March 31, 2025



Key changes in the IA over the quarter:

- ↑
DEPOSITS • 249.88%
 2025 Q1: **\$7.20B**, 2024 Q4: **\$2.06B**
- ↑
COMMERCIAL PAPER • 80.82%
 2025 Q1: **\$10.13B**, 2024 Q4: **\$5.60B**
- ↓
MORTGAGE LOANS • -2.83%
 2025 Q1: **\$0.79B**, 2024 Q4: **\$0.81B**
- ↓
SECURITIES OF GOVERNMENTS • -9.92%
 2025 Q1: **\$50.99B**, 2024 Q4: **\$56.60B**

⁹ Figures from prior reports may have been revised. Also, there may be rounded errors due to exact figures used.

¹⁰ This exclusively consists of Type I Pooled Funds, Type II Pooled Funds and Deposit Administration Funds and other investments but excludes Other Net Assets (payables, receivables, etc).

Table 2: Investment Arrangement Portfolio Mix¹¹

Types of Investment	Amount Invested \$' Millions	% Of Total Investments	Amount Invested \$' Millions	% Of Total Investments	Amount Invested \$' Millions	% Of Total Investments	Quarterly Growth in IAs	Annual Growth in IAs
	Mar-24		Dec-24		Mar-24			
Deposits	7,202.72	2.47%	2,058.61	0.72%	8,552.76	3.00%	249.88%	-15.78%
Commercial Paper	10,131.46	3.47%	5,602.93	1.96%	5,308.00	1.86%	80.82%	90.87%
Securities of Governments	50,985.05	17.45%	56,601.43	19.76%	58,502.09	20.50%	-9.92%	-12.85%
Repurchase Agreements	21,257.74	7.28%	20,637.16	7.20%	14,317.78	5.02%	3.01%	48.47%
Bonds and Debentures	27,804.89	9.52%	26,257.02	9.17%	30,499.63	10.69%	5.90%	-8.84%
Mortgage Loans	0.79	0.00%	0.81	0.00%	0.88	0.00%	-2.83%	-10.14%
Other Loans	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00%	0.00%
Promissory Notes	5,924.79	2.03%	5,836.89	2.04%	5,750.60	2.01%	1.51%	3.03%
Leases	1,932.76	0.66%	1,988.78	0.69%	1,784.00	0.63%	-2.82%	8.34%
Stocks and Shares	90,461.31	30.96%	91,827.83	32.05%	83,457.37	29.24%	-1.49%	8.39%
Real Estate	26,049.93	8.92%	25,510.12	8.90%	24,974.60	8.75%	2.12%	4.31%
Derivatives	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00%	0.00%
Other Investments	50,435.04	17.26%	50,165.50	17.51%	52,282.35	18.32%	0.54%	-3.53%
Total Investments Arrangements ¹²	292,186.48	100.00%	286,487.08	100.00%	285,430.05	100.00%	1.99%	2.37%
Other Net Assets	1,871.24		2,948.93		2,350.79		-36.55%	-20.40%
Other Investment Arrangements	22,580.63		25,755.76		5,886.34		-12.33%	283.61%
Total Assets	316,638.35		315,191.76		293,667.18		0.46%	7.82%

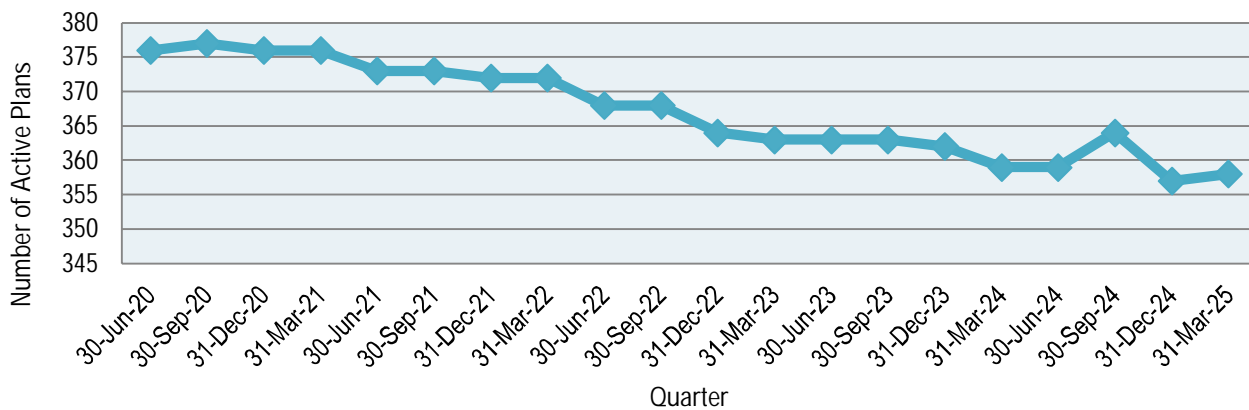
¹¹ Note: Total figures and growth rates may not be exact due to rounding errors.¹² Total Investments Arrangements includes Type I Pooled Funds, Type II Pooled Funds, and Deposit Administration Funds.

OPERATING STATISTICS

Active Pension Plans

As at March 31, 2025, the number of active pension plans increased from 357 to 358, as there was one (1) new entry and no exits from the pension industry during the quarter. Active plan membership rose by 3.97% from 164,126 to 170,644. Further, active pension plan assets experienced an 1.50% growth from \$797.35 billion as at December 2024 to \$809.33 billion as at March 31, 2025. Active pension plans increased from 99.46% to 99.54% of total membership of the entire pensions industry, whereas there was a corresponding increase in asset value from 98.36% to 98.44% of the pension industry's assets. (See Figure 3.0 and Table 3)

Figure 3.0: Growth Trend in Number of Active Pension Plans



Active Plans by Type¹³

Defined Contribution, Traditional Defined Benefit, Hybrid Defined Benefit, Mixed Defined Benefit

The number of Defined Contribution ("DC") plans increased to 252, welcoming one (1) new DC pension plan during the quarter (See Table 3). DC plans accounted for 70.39% of the total active pension plans in the industry. Additionally, active DC plan assets grew by 1.79% over the quarter, increasing from \$295.38 billion to \$300.66 billion. In terms of total assets, active DC plans ranked second, accounting for 37.15%. In addition, active DC plans' substantial hold on total active membership increased to 77.23% (75.80% in the previous quarter). Membership improved by 5.93% from 124,406 to 131,785.

The total number of Traditional Defined Benefit ("TDB") plans remained at 79 when compared to the previous quarter and represented 22.07% of the total active private pensions in the industry (See Table 3). TDB plans continued to account for the largest asset base among all benefit types of active plans, representing 52.89% of total active pension assets (from 52.85% as at December 2024). Active TDB plans saw a quarter-over-quarter asset increase of 1.59%, while membership decreased by 2.55% to 18,016 (from 18,488).

Total assets for Mixed Defined Benefit ("MDB") plans decreased by 1.15% to \$9.42 billion (from \$9.53 billion as at December 2024), whereas Hybrid Defined Benefit ("HDB") plans marginally increased by 0.19% to \$71.16 billion (from \$71.03 billion as at December 2024). (See Table 3) Active MDB and HDB represent 1.16% (from 1.20% in the prior quarter) and 8.79% (from 8.91% in the prior quarter) of the total active pension assets, respectively. For total active membership, active MDB increased to 842 (from 737 by 14.25%), whereas active

¹³ DC plans are arrangements, whereby benefits for a member are determined solely as a function of the amount that can be provided by (a) contributions made by the employer on behalf of the member and (b) interest earned and other gains and losses allocated to the member's account in the fund. DB plans are arrangements that are not DC plans (Source: Definitions of the Pensions (Superannuation Funds and Retirement Schemes) Act). Traditional DB plans are those that benefits are derived from a formula; Hybrid DB plans are DB plans with DC characteristics; Mixed DB plans are single plans that consist of two separate components – one DB and one DC.

HDB members decreased to 20,001 (from 20,495 by 2.41%). In terms of total active membership proportion, active MDB increased to 0.49% (from 0.45%), whereas active HDB declined to 11.72% (from 12.49%) over the quarter. (See Table 3)

Table 3: Active Pension Plans by Benefit Type

	Mar 2025	Dec 2024	Mar 2024
Number of Plans			
Traditional Defined Benefit	79	79	82
Mixed Defined Benefit	4	4	4
Hybrid Defined Benefit	23	23	25
Defined Contribution	252	251	253
Total Active Plans	358	357	364
Membership			
Traditional Defined Benefit	18,016	18,488	18,985
Mixed Defined Benefit	842	737	737
Hybrid Defined Benefit	20,001	20,495	21,775
Defined Contribution	131,785	124,406	123,237
Total Membership	170,644	164,126	164,734
Asset Values			
Traditional Defined Benefit (\$' Millions)	428,086	421,405	411,782
Mixed Defined Benefit (\$' Millions)	9,423	9,532	9,112
Hybrid Defined Benefit (\$' Millions)	71,162	71,028	70,210
Defined Contribution (\$' Millions)	300,660	295,384	280,100
Total Asset Values (\$' Millions)	809,330	797,349	771,204

Superannuation Funds ("SF") vs. Retirement Schemes ("RS")

For the quarter ended March 2025, the number of pension plans rose to include one (1) new SF. The active pension industry comprises 343 SF and 15 RS. In terms of total assets, SF and RS saw increases of 1.46% and 1.90%, respectively. The membership for the SF and RS plan types grew by 2.65% and 5.22%, respectively for the quarter ended March 31, 2025. (See Figures 3.1 to 3.6).

Figure 3.1: Number of Superannuation Funds vs Retirement Schemes

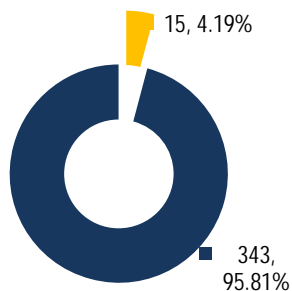


Figure 3.2: Number of Members in Superannuation Funds and Retirement Schemes

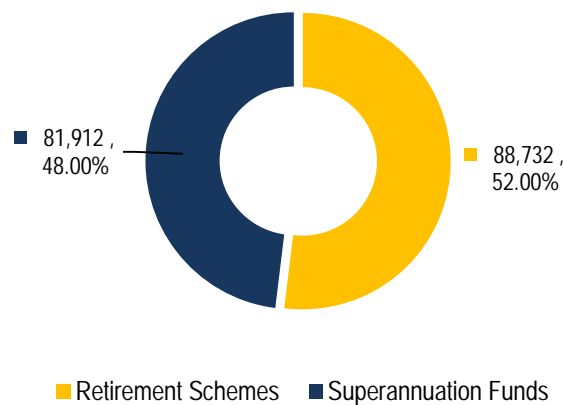


Figure 3.3: Assets in Superannuation Funds vs Retirement Schemes (\$'Millions)

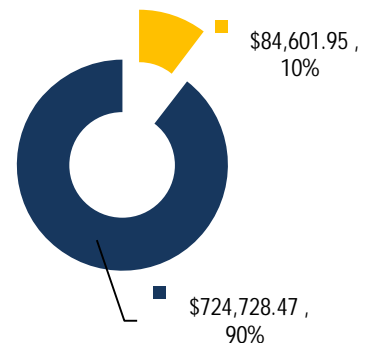


Figure 3.4: Five Year Asset Values for Superannuation Funds

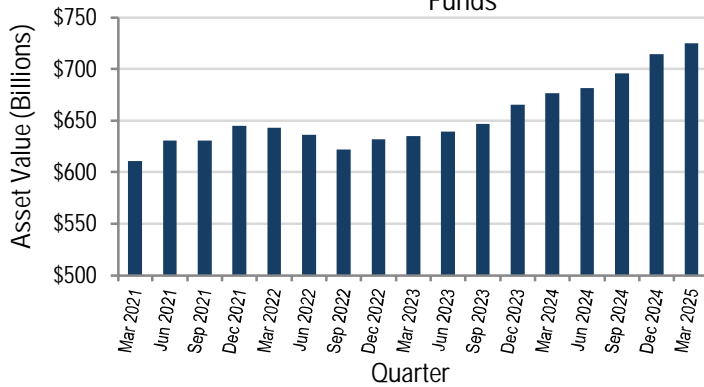


Figure 3.5: Five Year Asset Values for Retirement Schemes

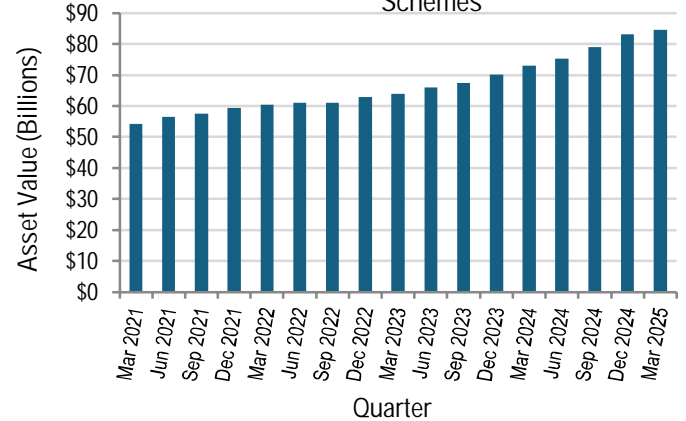
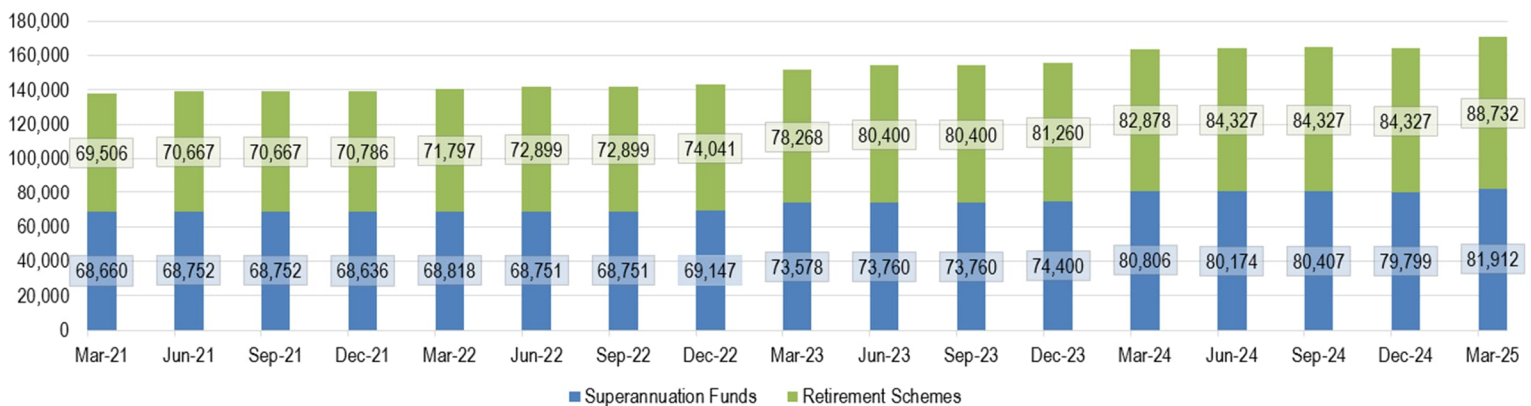


Figure 3.6: Five Year Change in Membership for Superannuation Funds and Retirement Schemes



Active Superannuation Funds by Industry

For the quarter ended March 31, 2025, Services, Commerce/Finance, and Sales and Distribution were the top three in the number of active superannuation funds, representing 60.93% of active funds (See Figure 3.7).

For the reporting period all active superannuation fund industry segments experienced a quarter-over-quarter asset growth, except for Media/Communication and Mining/Bauxite. Similar to the previous quarter, the Services industry segment had the highest nominal increase in asset size of \$5.57 billion, increasing from \$124.65 billion to \$130.22 billion. The Utility industry segment represented the second largest increase, \$1.21 billion. Services experienced the highest percentage increase of 4.47%. Additionally, the top three industry segments¹⁴, by asset proportion, accounted for 65.14% (or \$472.07 billion) of the total asset size for active SF. (See Figure 3.9). As it relates to total membership of active SF, the top three industry segments¹⁵ accounted for 65.51% or 53,657 members. (See Figure 3.8).

¹⁴ Commerce/Finance (35.77% or \$259.22 billion), Services (17.97% or \$130.22 billion) and Manufacturing (11.40% or \$82.64 billion)

¹⁵ Services (30.22% or 24,751 members), Tourism (19.74% or 16,166 members), Commerce/Finance (15.55% or 12,740 members)

Figure 3.7: Percentage of Active Funds by Industry

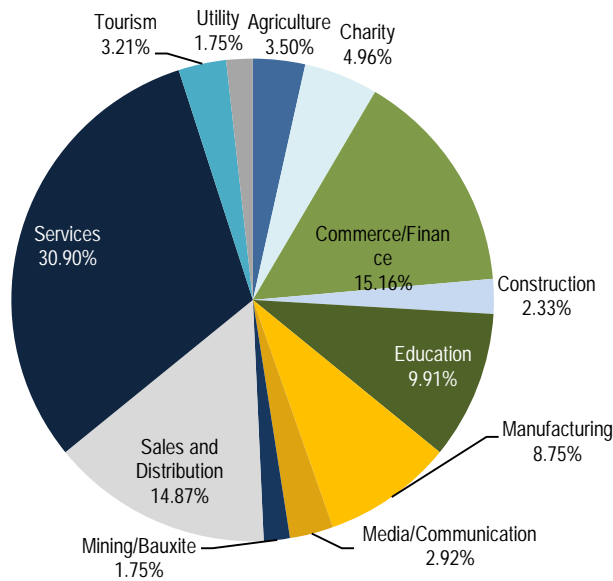


Figure 3.8: Active Membership in Funds by Industry

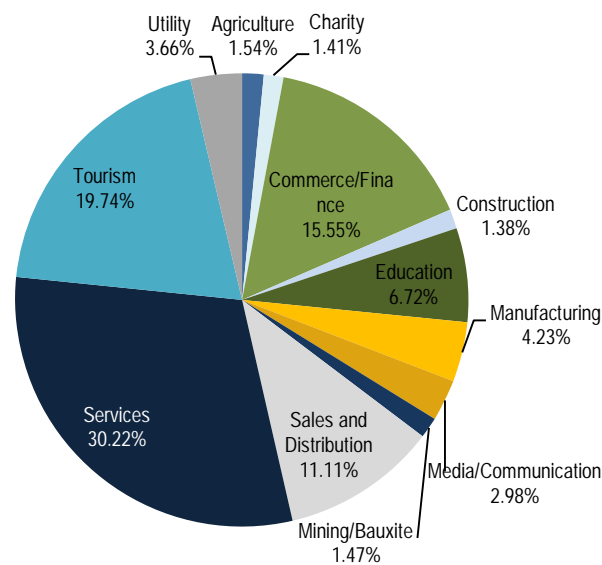
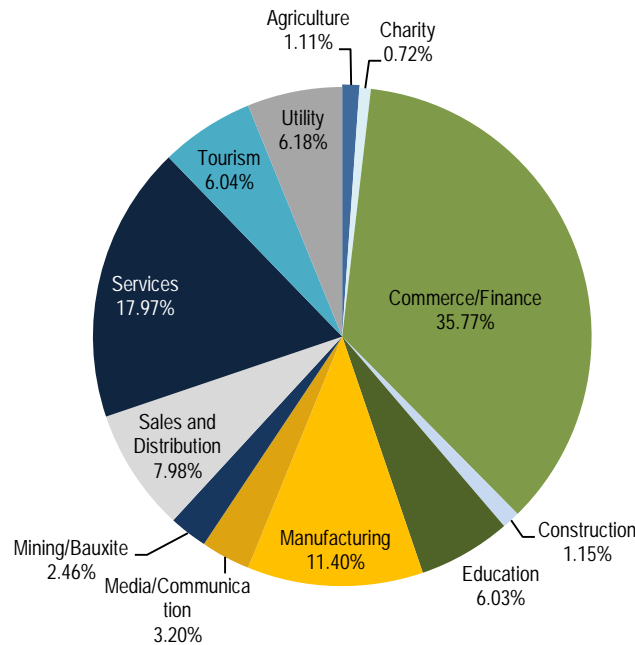


Figure 3.9: Asset Values for Funds by Industry



Solvency of Active Pension Plans

As of March 31, 2025, the FSC received information on the solvency position of 348¹⁶ active pension plans. This includes 258 DC, eight (8) HDB, 78 TDB, and four (4) MDB pension plans. Of the 348, 94.83% or 330 of pension plans were solvent.

Of the 330 solvent plans, 230 (69.70%) reported solvency levels between 100% and 120%, higher than the 229 reported as at December 2024. The number of plans with solvency levels above 120% decreased from 106 to 100. Of the solvent plans, DC plans accounted for 76.36% of solvent plans, continuing its trend, whereas TDB plans accounted for the second largest proportion, which stood at 20.30% (See Table 4).

¹⁶ Valuation reports are due 16 months after each plan year end. Plan year ends vary widely.

Insolvent DC plans increased from five (5) to six (6) over the quarter. Trustees are being reminded that, theoretically, true DC plans, where pension benefits rely on contributions and investment gains and for which members assume all investment risk, should not be insolvent. To prevent further decline in members' benefits and the emergence of additional insolvent plans, Trustees must place a high priority on having strong governance over the asset-liability management of these DC pension plans. Ensuring that the interest credited to members' accounts corresponds with the net yield obtained on the assets obtained from their contributions as well as the proper remittance of contributions to increase and maintain the assets available for members' benefits.

Table 4: Solvency of Active Pension Plans

Plan Year End	Benefit Type	Solvency Level based on AVR & CFR					% of plans which are solvent
		Number of plans	Less than 100%	Between 100% and 120%	Between 120% and 150%	Greater than 150%	
2024	DC	27	0	21	4	2	100.00%
	HDB	1	0	1	0	0	100.00%
	TDB	10	6	2	2	0	40.00%
	Total	38	6	24	6	2	84.21%
2023	DC	73	1	58	10	4	98.63%
	HDB	2	0	2	0	0	100.00%
	TDB	11	2	4	3	2	81.82%
	MDB	2	0	1	1	0	100.00%
	Total	88	3	65	14	6	96.59%
2022	DC	77	4	57	10	6	94.81%
	HDB	1	0	1	0	0	100.00%
	TDB	27	2	6	10	9	92.59%
	MDB	1	0	1	0	0	100.00%
	Total	106	6	65	20	15	94.34%
2021 and earlier	DC	81	1	68	7	5	98.77%
	HDB	4	0	3	0	1	100.00%
	TDB	30	1	5	11	13	96.67%
	MDB	1	1	0	0	0	0.00%
	Total	116	3	76	18	19	97.41%
OVERALL		348	18	230	58	42	94.83%

Inactive and Terminating Pension Plans

At the end of the March 2025 quarter, the number of inactive and terminating plans remained at 18 and 444, respectively. Assets for inactive plans marginally increased by 0.01% from \$265.01 million to \$265.04 million, whereas assets for terminating plans decreased by 4.03% from \$13.05 billion to \$12.53 billion.

Terminating plans continue to make up the largest proportion of plans in the private pension industry (54.15%), despite accounting for only a small part of overall assets and membership (1.52% and 0.42%, respectively). On the other hand, inactive plans, which represent 2.20% of all pension plans, represented 0.03% for both total assets and total membership. (See Tables 5 and 6)

Table 5: Inactive Pension Plans by Benefit Type

	Mar-25	Dec-24	Sep-24
Number of Plans			
Defined Benefit	3	3	3
Defined Contribution	15	15	13
Total Inactive Plans	18	18	16
Membership			
Defined Benefit	0	0	0
Defined Contribution	53	53	53
Total Membership	53	53	53
Asset Values			
Defined Benefit (\$' Mil)	197	197	179
Defined Contribution (\$' Mil)	68	68	66
Total Asset Values (\$' Mil)	265	265	245

Table 6: Terminating Pension Plans by Benefit Type

	Mar-25	Dec-24	Sep-24
Number of Plans			
Defined Benefit	109	109	105
Defined Contribution	335	335	334
Total Terminating Plans	444	444	439
Membership			
Defined Benefit	602	591	79
Defined Contribution	125	182	142
Total Membership	727	773	221
Asset Values			
Defined Benefit (\$' Mil)	8,587	8,833	6,571
Defined Contribution (\$' Mil)	3,939	4,221	4,346
Total Asset Values (\$' Mil)	12,527	13,053	10,964

Investment Managers

The number of investment managers increased from 26 to 27, with the introduction of a new securities dealer for the quarter ended March 2025.

Securities dealers continued to account for the majority of private pension assets. The Funds Under Management ("FUM") of Securities Dealers represented 55.47% or \$455.99 billion of pension assets (from 55.49% or \$449.80 billion as at December 2024), which experienced a 1.38% growth. Life insurance companies' FUM holdings accounted for 36.67% of pension assets or \$301.49 billion) and had experienced a 1.62% increase. (See Figure 4.0 and Table 7).

Figure 4.0: Investment Managers' Share of Market Assets

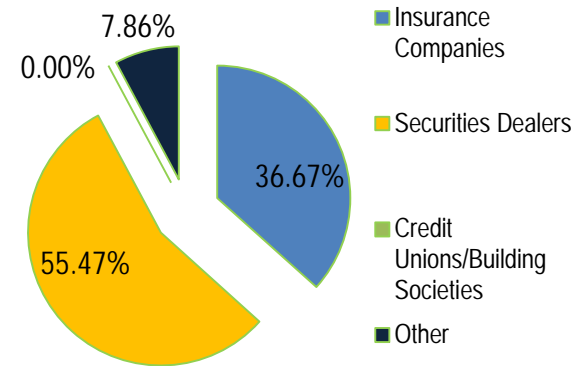


Table 7: Total Funds under Management of Investment Managers¹⁷

Investment Managers	Number of Entities Mar 2025	Asset Values Mar 2025 (\$'Millions)	Number of Entities Dec 2024	Asset Values Dec 2024 (\$'Millions)	Number of Entities Sep 2024	Asset Values Sep 2024 (\$'Millions)
Life Insurance Companies	2	\$301,485.88	2	\$296,676.36	2	\$288,131.95
Securities Dealers	17	\$455,994.96	16	\$449,801.88	16	\$431,539.78
Credit Unions	2	\$0	2	\$0	2	\$0
Other	6	\$64,641.51	6	\$64,189.41	6	\$62,740.50
Total	27	\$822,122.35	26	\$810,667.64	26	\$782,412.23

¹⁷ Note: Total figures and growth rates may not be exact due to rounding errors.

RISK OUTLOOK



The Planning Institute of Jamaica ("PIOJ") estimated a 0.8% growth in the real GDP for the period of January to March 2025, relative to the same period in 2024. Goods-producing industry increased by 1.0%, whereas the services industry grew by 0.7%. The PIOJ has projected that GDP in the short term will improve between 0.5% and 1.5% for the quarter ended June 2025. Dissipation of hydrological impacts of the latter part of 2024; tourist arrivals; and construction due to new capital projects; Increased domestic demand may bold well for GDP, against the potentially negative impacts on external demand for Hotels & Restaurants and Mining & Agriculture due to possible downturn in the US Economy; unplanned plant down-time due to relatively aged equipment in major industries; the start of the hurricane season. Over the next quarter, marginal growth may be experienced in the asset value of the private pensions industry as sectoral growth prospects are bolstered.



The Bank of Jamaica (BOJ) reported a point-to-point inflation rate of 4.99% In March 2025, within their target range of 4% to 6%, same as the rate in December 2024. As of May 2025, Jamaica's headline inflation stood at 5.2%. The Monetary Policy Committee ("MPC") highlighted expectations for inflation to remain within the target range over the next eight quarters, although risks are tilted to the upside due to global uncertainties such as geopolitical tensions and trade disruptions. If geopolitical tensions were to be prolonged or intensified, it could cause upward pressures on international commodity prices.



Since the BOJ began its continuous raising of its policy rate in October 2021 from 0.5% and arriving at a peak at 7% in November 2022. August 2024 was the first time that saw a reduction in the rate. Four 25-basis point reductions were done in 2024, leaving the rate at 6% until a 25-basis point reduction in May 2025, which brought it to 5.75%. The stock market has shown some level of recovery since the pandemic, especially in light of global tensions. Notwithstanding, marginal economic growth in the June 2025 quarter is anticipated. Pension plan trustees and investment managers are encouraged to continue to conduct their due diligence in market monitoring and rebalancing of portfolios where necessary. This proactive approach is essential for securing the preservation of the value of members' retirement income, thus safeguarding their financial well-being upon retirement.



MESSAGE

As at March 31, 2025, the Jamaican private pensions sector has continued to experienced growth in assets, reaching \$822.12 billion in FUM with growth of 1.41% or \$11.45 billion during the quarter. Amidst a shift from a steady to a declining policy rate, future inflation expectations have stabilized. Marginal growth is expected for the short term despite uncertainty with global trade and policy changes of Jamaica's major trading partners. Trustees are urged to sustain their active oversight in monitoring, diversifying, and rebalancing plan portfolios, bearing in mind the critical role these efforts play in aligning investments with current market conditions. This tactical approach is essential for protecting members' accrued benefits. The FSC's unwavering dedication to cultivating a resilient environment is demonstrated by its ongoing collaboration with industry stakeholders. This endeavour seeks to improve protective measures and guarantee the welfare of each member and beneficiary in the Jamaican private pension sector.