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The Israeli Pension Market

**Kasierer Institute Conference Presentation:
The Israeli Pension System – Challenges and Opportunities**

Dr. Moshe Bareket

Director General

Capital Markets, Insurance and Savings Authority



Long Term Saving Market – Accumulated Assets (2020)

Pension Funds: 903 Billion Nis

Provident Funds: 564 Billion NIS

Life Insurance: 398 Billion NIS

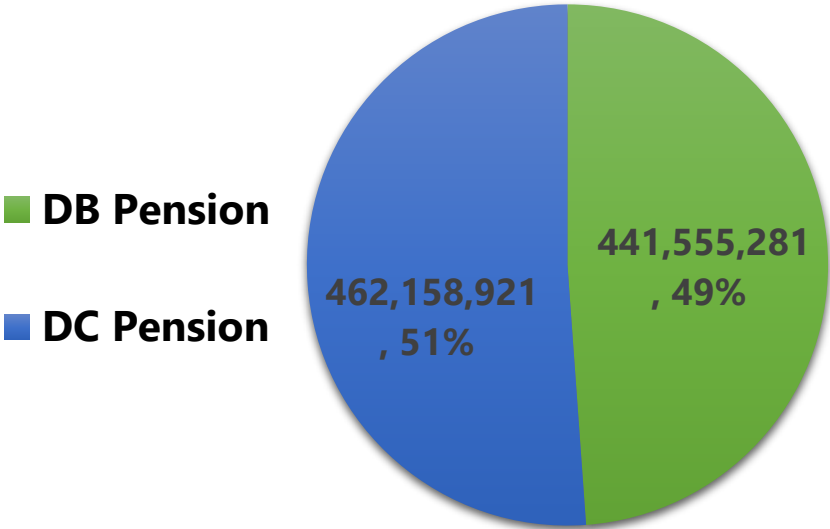
**Second Pillar
Savings**

**Total Long Term Saving Assets:
1865 Billion NIS (511 Billion Dollars)**



Pension Market Numbers (November 2021)

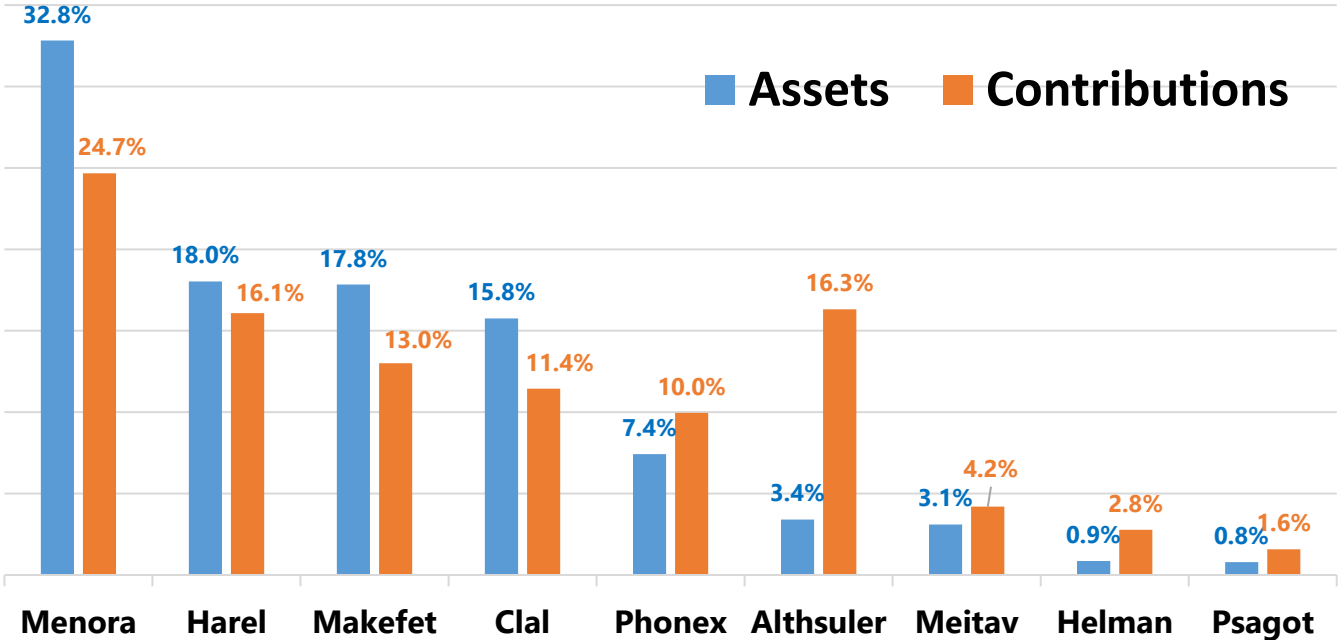
DB\DC



Pension Assets: 903 Billion Nis

DC assets rate growth is 9.2% per year.

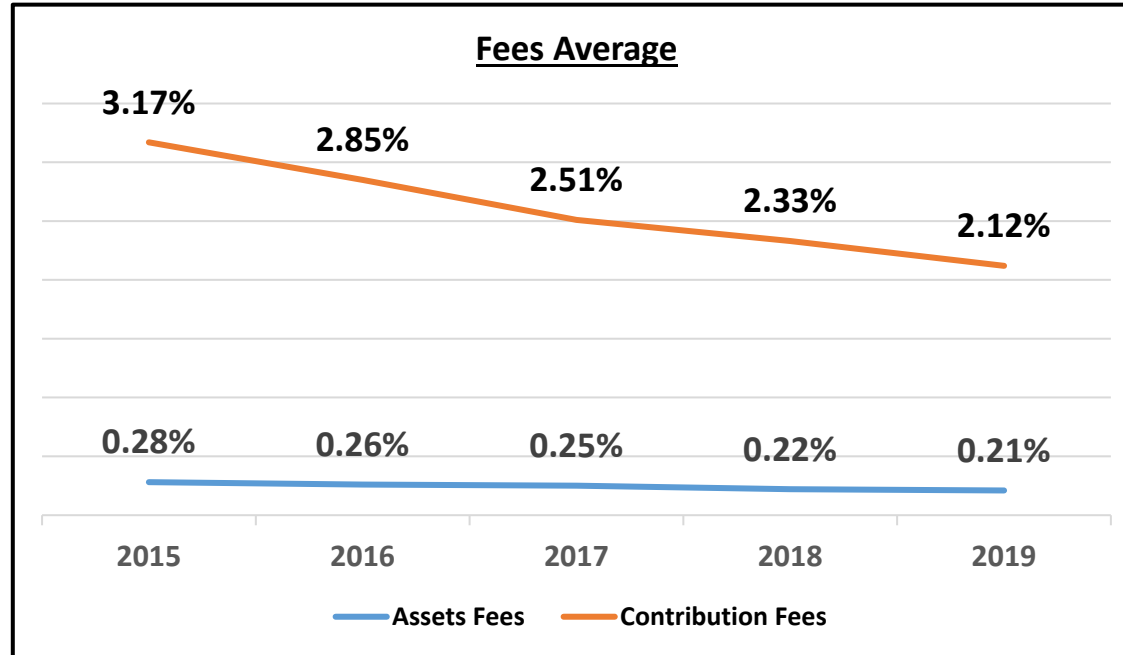
DC Pensions: Assets Vs. Contributions



Contributions rates indicate that the competition in the pension markets is rising.

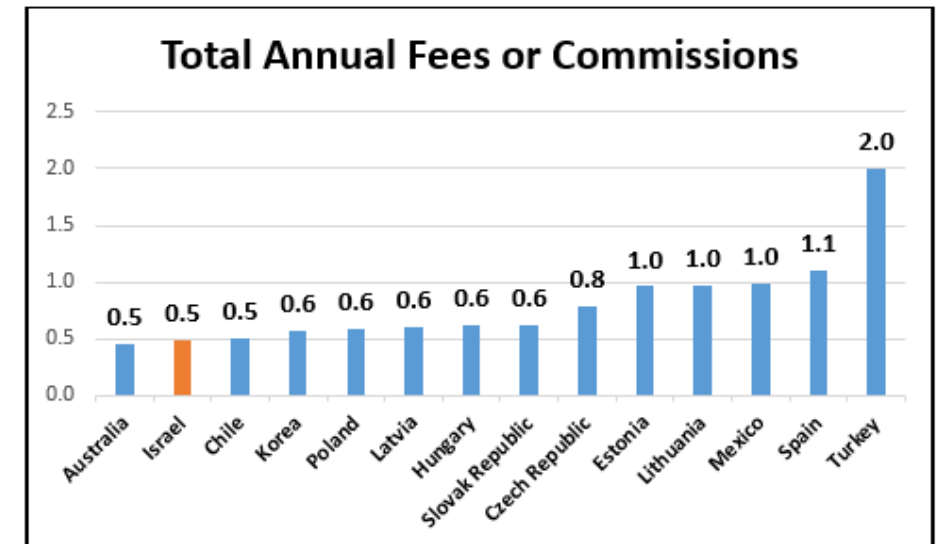
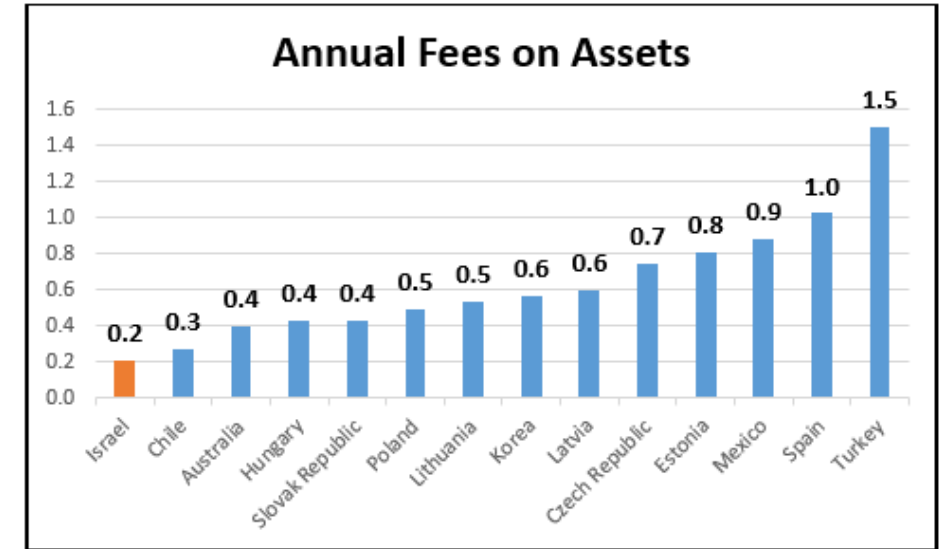


Pension Market Fees



Last Reforms have decreased the Fee Average to an all time low.

OECD Fees Comparison



The Israeli pension market is one of the cheapest worldwide.



Future Reforms for the Pension Market

- **Removing the Operational Barrier (“Pension 2025”)**
- **Lifelong benefits**
- **“Negative Tax” Incentive for Low Income**
- **Differential Fee Structure for Different Investment Plans**
- **Performance Fee Structure**
- **Solvency II risk Management Paradigm for Pension Funds**