

## **PCN ENDS 2018 WITH COVERAGE RATIO OF 111.5%**

Kralendijk Pension Fund Caribbean Netherlands (PCN) closed the year 2018 off with a good result. The coverage ratio of the fund, which reflects the ratio between the liabilities and the available assets, amounted to 111.5%.

PCN experienced a strong recovery in 2018, after the fund was forced to implement a cut on claims and pensions due to a low coverage ratio in 2017. The implemented cut, an additional contribution from the State of the Netherlands and a higher premium all contributed to the recovery of the fund.

Investment wise, 2018 saw a weak performance with a negative return of 5.26%. However, PCN had the advantage of a higher interest rate on the US dollar, which is quite favorable to the fund.

PCN recently received a positive opinion about the 2018 financials statement from external auditor Ernst & Young, while external actuary Phenox also issued a positive opinion.

PCN has experienced significant growth in several respects in 2018. In the last quarter of 2018, the fund started with preparations to become a self-administering fund. Until now, implementation was outsourced to an organization based in the Netherlands.

The PCN team has grown to a total of 10 employees. The last months of 2018 and the first months of 2019 were dominated by setting up the administrative organization and training of newly recruited staff.

The positive results of the fund in 2018 led to an indexation of pensions and entitlements with 2% as of January 1, 2018.

At the end of 2018, the fund had a total of 5,528 participants, former participants and pensioners. The fund's assets amounted to more than \$433 million at 31 December 2018; more than 19 million more than at the end of 2017.



*Photo caption: PCN now has 10 employees. Not on the photo is Ingra Bennett from the PCN office on St. Eustatius.*