

The Estonian financial services market

as at 31 December 2024



Finantsinspektsioon

This review covers the services provided in Estonia by companies that come under the supervision of Finantsinspektsioon using unconsolidated data.



Finantsinspektsioon

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1. GENERAL DEVELOPMENT OF THE FINANCIAL SERVICES MARKET

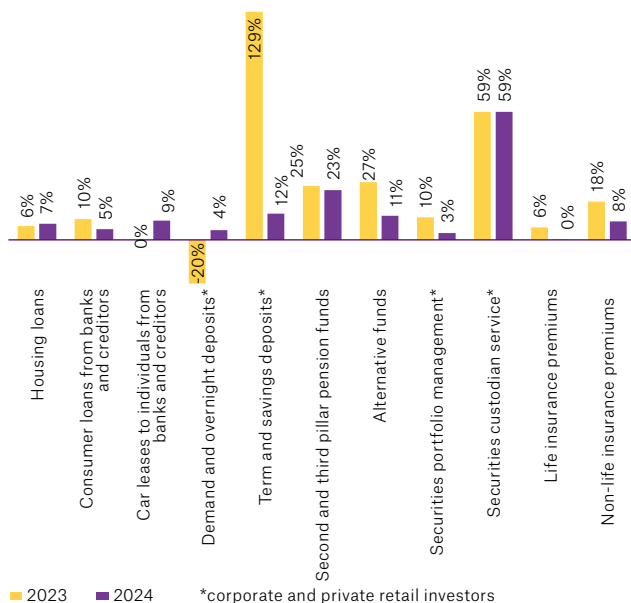
Financial services aimed at retail investors were affected most in 2024 by the growth in stock markets and by Euribor starting to come down.

Growth in global stock markets increased the value of investments as the assets of pension funds grew and there was also substantial growth in the independent investments of retail investors.

Euribor started to come down, which aided a revival in the markets for housing loans and vehicle leases. The number of housing loan and vehicle lease contracts signed has started to rise again.

The number of new consumer loans was again down but the amounts issued were notably larger. The aggregate stock of the consumer loan portfolio consequently still increased over the year.

Figure 1. Change in the volume of financial services aimed at retail investors in 2024



2. DEPOSITS¹

2.1 MAIN DEVELOPMENT TRENDS

- **The rapid growth in deposits continued and they grew by 9% in 2024.**
- **Term deposits were 33% of all deposits.**
- **The average account balance of private individuals in Estonia increased to 3326 euros and the average term deposit was 8335 euros.**

Value of deposits

The total stock of deposits at banks operating in Estonia grew by 9% or 2.5 billion euros in 2024² to stand at 32 billion euros at the end of December (see Figure 2). This was notably faster than in 2023, when the growth was 5% or 1.4 billion euros.

Maturity of deposits

The amount held as term deposits increased further in 2024. Interest rates were lower than in 2023, but still remained relatively high. The interest rate for a one-year term deposit for an Estonian private resident averaged 3.2% in 2024 for example. A year earlier the same interest rate was 4.5%.

The volume of term deposits increased by 12% or 1.1 billion euros over the year to stand at 10.7 billion euros at the end of December (see Figure 3). **Term deposits were 33% of all deposits**, having been 32% in 2023.

1 The data cover credit institutions and Estonian branches of foreign credit institutions operating in Estonia, and so they cover the deposits of Estonian residents and non-residents. They do not cover deposits in the foreign branches of Estonian credit institutions.

2 Includes deposits taken through online deposit-taking platforms.

Volume of deposits: 32.0 billion euros
Volume of term deposits: 10.7 billion euros

Average account balance of Estonian private residents: 3326 euros
Average deposit of Estonian private residents: 8335 euros
Average interest rate on one-year term deposits opened in Q4: 3.2%

Figure 2. Client deposits (million euros)

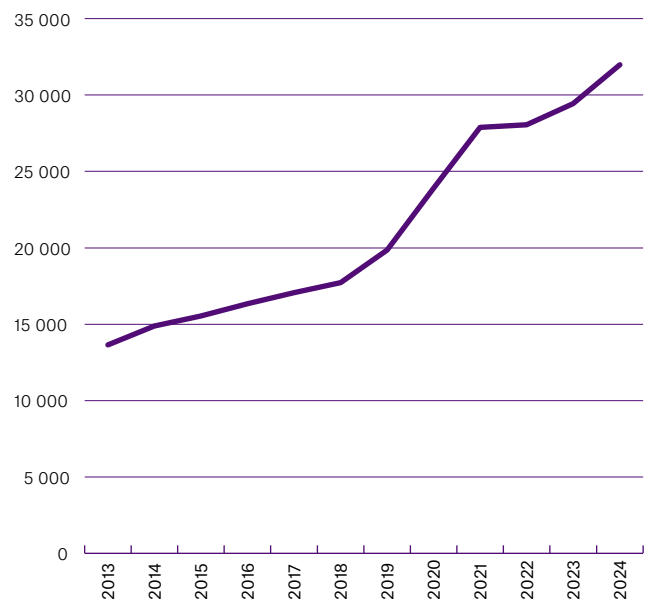
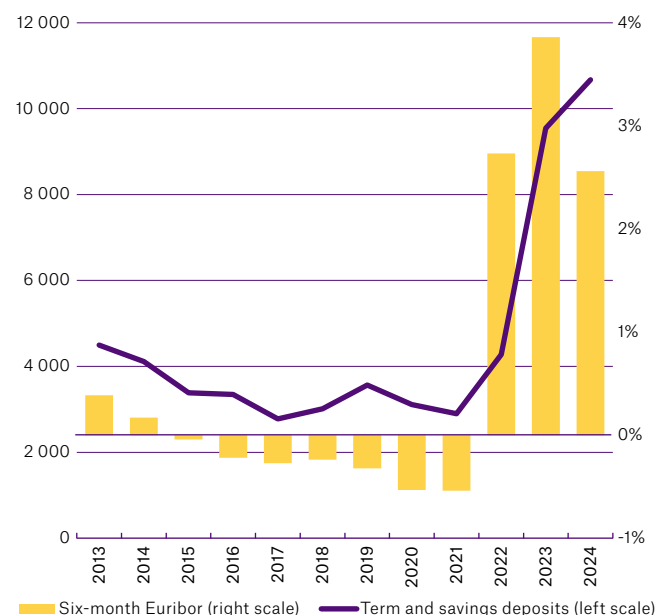


Figure 3. Term and savings deposits in banks (million euros)

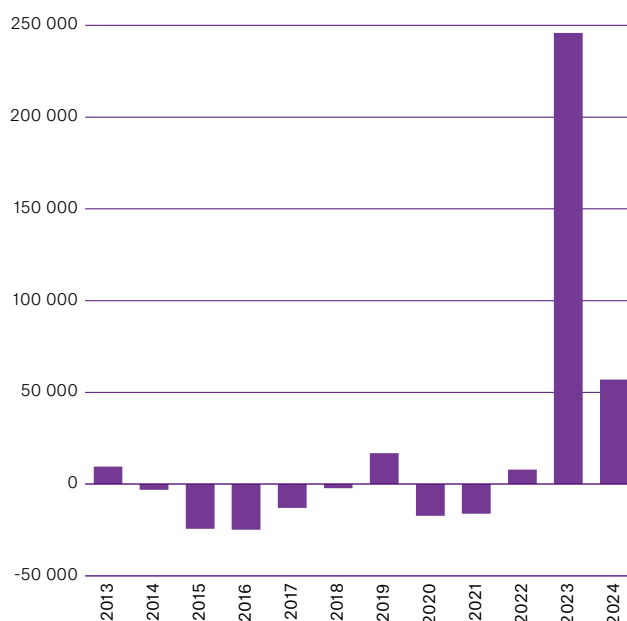


The number of term deposits rose as 57,000 new deposit contracts were added in 2024 (see Figure 4), which was a smaller increase than in 2023 but still one of the largest ever. As at the end of the year there were 691,000 term deposits, and 93% of them or 644,000 were held by private individuals.

The amount held on the current accounts used for everyday transactions increased by 8% or 1.5 billion euros. Bank clients held a total of 20.3 billion euros on their current accounts at the end of the year.

There were 2.9 million current accounts at the end of the year, which was about 5% more than a year earlier. There were in total 3.7 million active deposit contracts³.

Figure 4. Change in the number of term and savings deposits

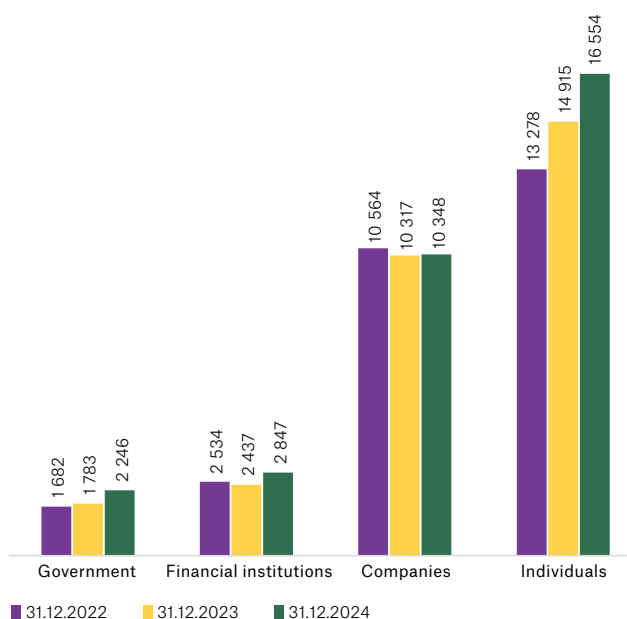


By client group

Private individuals⁴ were the group of bank clients that saw the most growth in deposits. The stock of private deposits increased by 11% or 1.6 billion euros over the year and stood at 16.6 billion euros at the end of the year (see Figure 5). The main growth was in the private deposits of Estonian residents. The average amount on the current account of private residents of Estonia increased from 3139 euros at the end of the previous year to 3326 euros at the end of 2024, while the average term deposit increased from 7952 euros to 8335 euros.

The outstanding deposits of the general government⁵ increased by 0.5 billion euros, and those of financial institutions⁶ by 0.4 billion. The stock of deposits held by companies⁷ did not increase over the year and was at the same level of 10.3 billion euros as in the previous year.

Figure 5. Stock of deposits (million euros)



³ Deposits with money on account. The number covers both residents of Estonia and non-residents.

⁴ Includes non-profit organisations.

⁵ The general government covers the central government, local governments, the state social insurance fund and other off-budget funds.

⁶ Includes insurers and pension funds.

⁷ Includes state-owned and local government-owned companies.

2.2 MARKET SHARE OF BANK DEPOSITS

The distribution of the market for deposits did not particularly change in 2024 (see Figure 6). Swedbank had clearly the largest market share with 40%, followed by SEB with 20% and LHV with 19%.

The majority of term deposits were concentrated at three banks (see Figure 7), as Swedbank had 33% of them, LHV Pank had 18%, and SEB Pank had 17%. Swedbank and Bigbank increased their market share for term deposits most.

Swedbank held the largest market share of corporate deposits with 39% (see Figure 8), followed by LHV Pank and SEB Pank with 25% each.

Figure 6. Market share of deposits as at the end of 2024 (end of 2023 in brackets)

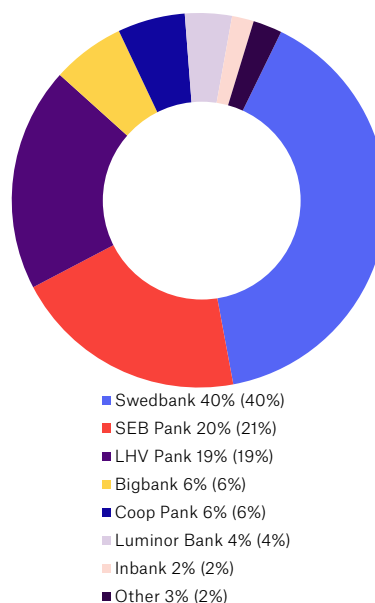


Figure 7. Distribution of term and savings deposits between banks as at the end of 2024 (end of 2023 in brackets)

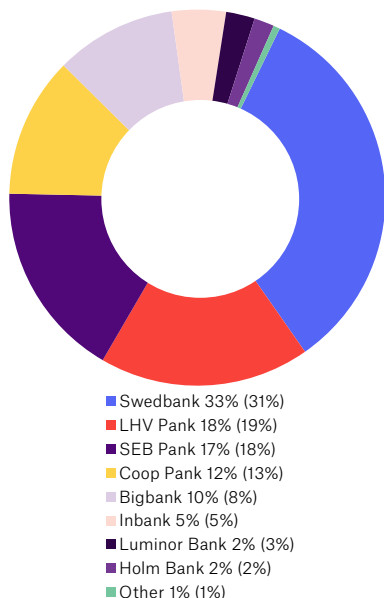
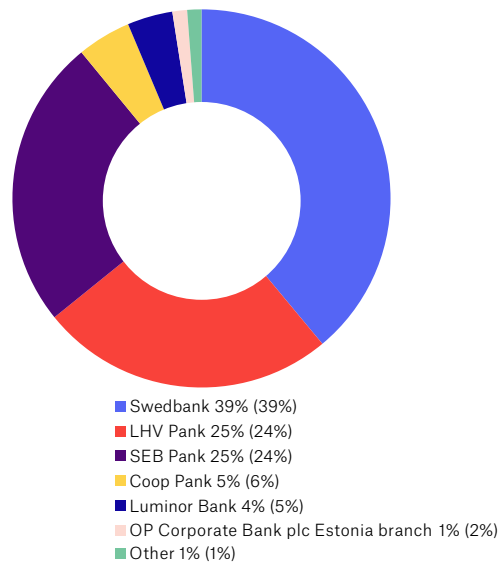
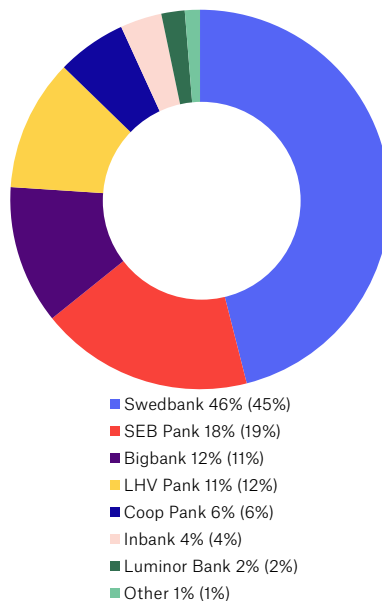


Figure 8. Market share of corporate deposits as at the end of 2024 (end of 2023 in brackets)



Swedbank again held the largest market share of private deposits (see Figure 9) with 46%, followed by SEB Pank with 18%, with Bigbank climbing to third place with 12%.

Figure 9. Market share of private deposits as at the end of 2024 (end of 2023 in brackets)



3. LENDING

3.1 MAIN DEVELOPMENT TRENDS

- **Growth in the total stock of loans from banks and creditors was 10% in 2024, as corporate loans⁸ grew by 13% and private loans⁹ by 8%.**
- **The market for housing loans revived, as 20% more housing loan contracts were signed than in the previous year. Average interest rates fell.**
- **The market for consumer loans was down, as 24% fewer new consumer loan contracts were signed than in 2023, though the average size of each loan was substantially larger. The cost of loans remained high.**
- **There were 23% more new vehicle lease contracts signed with private individuals than in 2023.**

The aggregate loan portfolio of banks and creditors

The aggregate portfolio of the banks and creditors operating in Estonia stood at 35.7 billion euros at the end of 2024. The growth in it over the year was 10%. The largest part of this portfolio was the 30.1 billion euros in bank loans, while there were 5.6 billion euros in loans from creditors¹⁰ (see Figure 10).

The stock of corporate loans increased by 13% or 2.2 billion euros over the year to stand at 19.9 billion euros at the end of December (see Figure 11).

The stock of capital leases to businesses was 0.4 billion euros. The growth in capital leases in 2024 was half what it was in the previous year, at 21 million euros, down from 53 million euros in 2023.

The stock of private loans grew to 14.8 billion euros by the end of December having added 8% or 1 billion euros over the year. The growth in private loans was again driven by housing loans, which grew by 0.9 billion euros in 2024, having grown by 0.6 billion euros in 2023. The stock of housing loans stood at 11.9 billion euros at the end of the year.

The stock of consumer loans and credit card loans to private individuals totalled 1.4 billion euros at the end of December, having grown by 5% or 72 million euros over the year. The growth in the stock of consumer loans and credit card loans was slower than it was in the previous year.

The stock of private leases was 1 billion euros in December, which was 9% larger than a year earlier.

8 Corporate loans covers loans from banks to financing institutions and companies and the business loans of creditors

9 Private loans covers loans from banks to private individuals and consumer credit from creditors.

10 Total loans from creditors covers both consumer credit and other business loans.

Stock of loans from banks and creditors:	5.7 billion euros
Stock of housing loans:	11.9 billion euros
Stock of consumer and credit card loans:	1.4 billion euros
Stock of private leases:	1.0 billion euros

Average outstanding loan of Estonian private residents	
Housing loans from banks:	62,148 euros
Car leases from creditors:	14,056 euros
Consumer loans from banks:	3686 euros
Consumer loans from creditors:	1749 euros

Figure 10. Loan stock of banks and creditors (million euros)

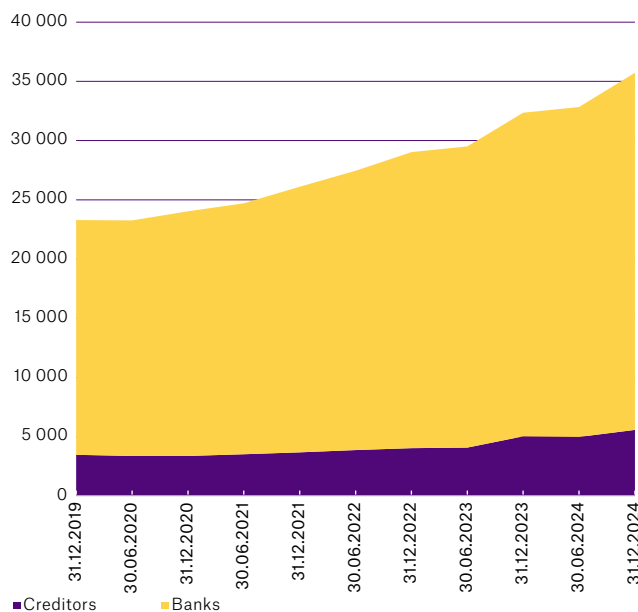
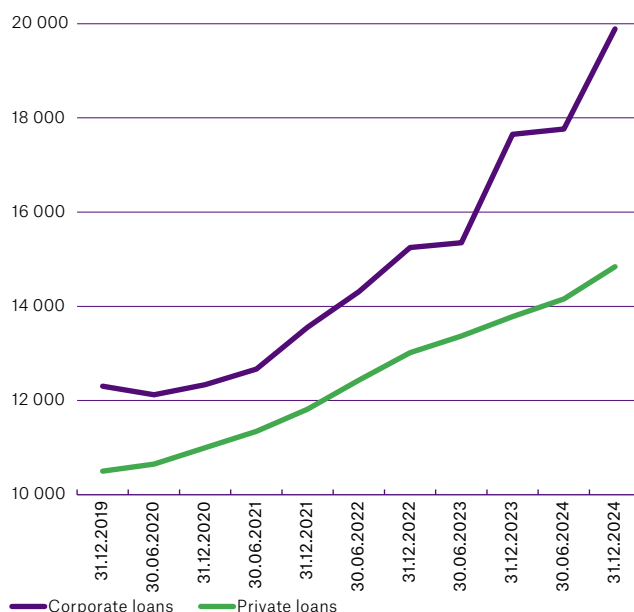


Figure 11. Stock of corporate loans and private loans from banks and creditors (million euros)



Changes in the supply of housing loans

The small fall in Euribor in 2024 pulled interest rates on housing loans down a little as well. **The average interest rate on new housing loans** fell from 5.8% to 4.5% in 2024.

The average size of new housing loans increased by more than 8300 euros at the same time, and was 135,000 euros in the fourth quarter of 2024 (see Figure 12).

The number of new housing loans started to rise (see Figure 13). The number of housing loan contracts signed was falling steadily throughout 2022–2023, but it rose in 2024. There were 15,663 new housing loan contracts signed in 2024, and 13,013 in 2023.

The average maturity of the new housing loans was stable at 24.8 years.

A total of 2 billion euros of new housing loans was issued in 2024, which was a fifth more than the 1.6 billion euros issued in 2023.

Figure 12. Average amount of new housing loans in euros and average interest rate

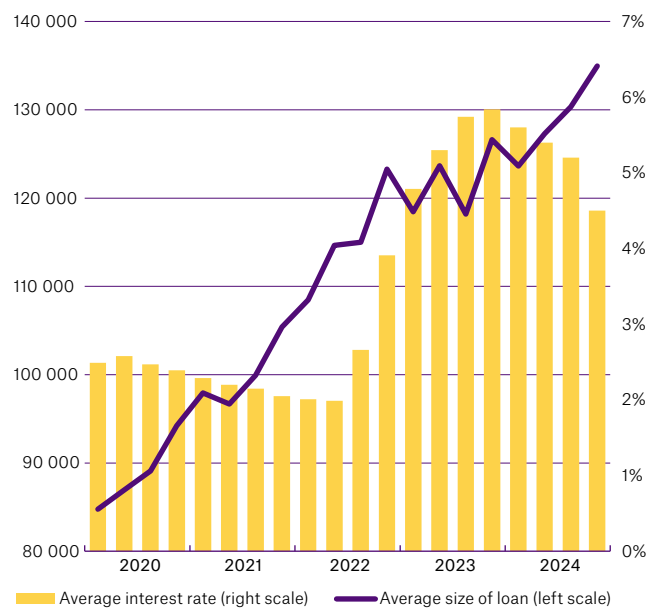
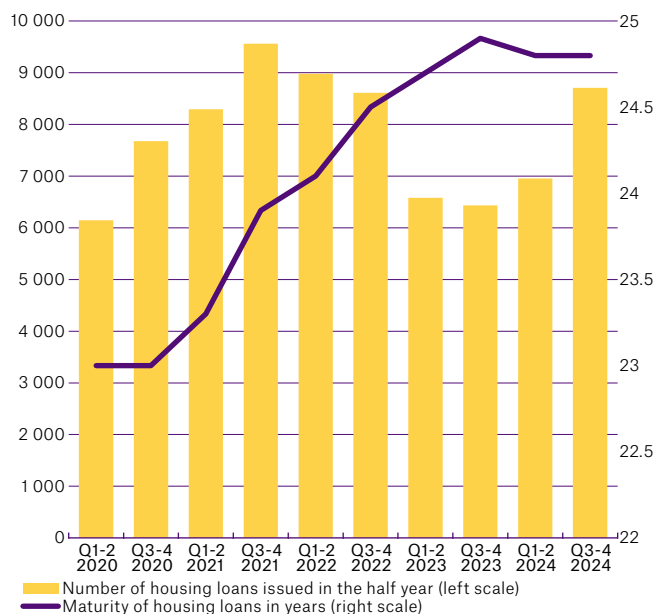


Figure 13. Number of new housing loans and their average maturity



Changes in the supply of consumer loans

Consumer loans are offered by both banks and creditors. New consumer loans¹¹ worth 795 million euros were granted in 2024, after 832 million euros were issued in 2023 (see Figure 14). Creditors issued around two thirds of the consumer loans by value. As well as consumer loans, private individuals paid for their everyday settlements and consumption in 2024 with a total of 686 million euros on credit cards, up from 592 million euros in 2023, and 45 million euros of overdrafts.

The number of new consumer loans was 24% lower than in the previous year (see Figure 15), as around 576,000 new consumer loans were issued in total in 2024, after 759,000 in 2023.

The average amount issued as a consumer loan increased over the year. The average consumer loan from a bank was 4341 euros in the fourth quarter of 2024, but 2360 euros in the fourth quarter of 2023, while the most popular loan product of creditors, the unsecured small loan, averaged 1143 euros in the fourth quarter of 2024, but 817 euros in the fourth quarter of 2023. Instalment payments from creditors were 844 euros in the fourth quarter of 2024, and 822 euros a year earlier.

Figure 14. Yearly turnover of consumer loans and credit card loans (million euros)

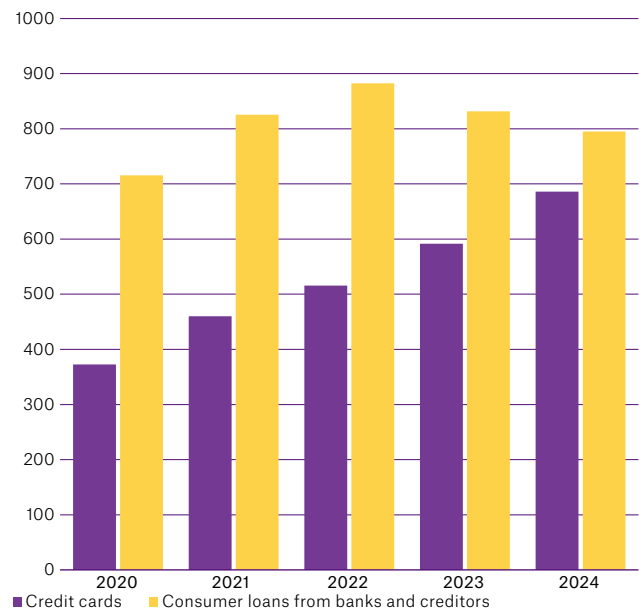
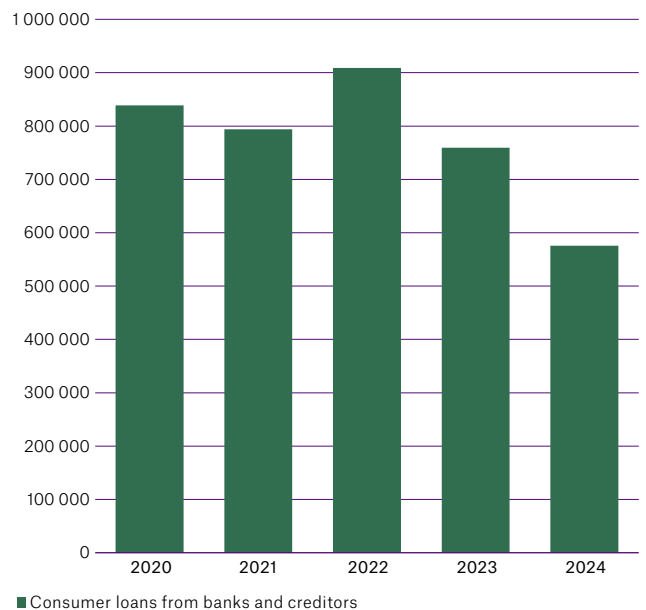


Figure 15. Number of new consumer loans



¹¹ Consumer loans are loans from banks to private individuals for purchasing goods and services other than overdrafts and credit card loans, and unsecured small loans and instalment loans from creditors.

Consumer loans are more expensive for borrowers than other forms of loan. The cost of loans for consumers can be measured using the total cost of credit (TCC), which covers the interest rate and also the other costs for consumers such as the contract fee. Consumer loans from banks had the lowest total cost of credit of all consumer loans in 2024 at 14% on average in the fourth quarter, while the average TCC of instalment loans from creditors associated with banks was much higher at 24% at the same time, while at creditors not associated with banks it averaged 30% (see Figures 16 and 17). The TCC on unsecured small loans issued by creditors not associated with banks was 41%.

Changes in the supply of private car leases

There were 22,381 new car lease contracts signed in 2024 (see Figure 18), which was 23% or 4198 contracts more than in 2023. The average size of a car lease was 21,660 euros in the fourth quarter of 2024, up from 20,333 euros in the same quarter of 2023.

Car leases are mainly signed by creditors associated with banks, which were party to 96% of all new car leases in 2024.

The average TCC for car leases from creditors associated with banks was 7% in the fourth quarter of 2024. Car leases provided by non-bank creditors were notably more expensive with an average TCC of 31% (see Figures 16 and 17).

Figure 16. Total cost of credit at creditors associated with banks

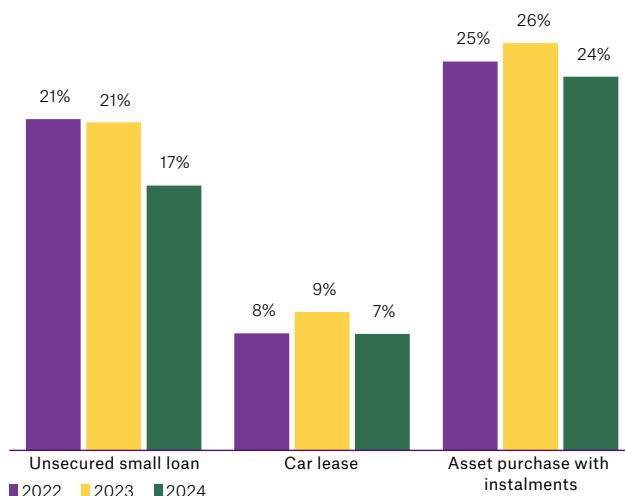


Figure 17. Total cost of credit at non-bank creditors

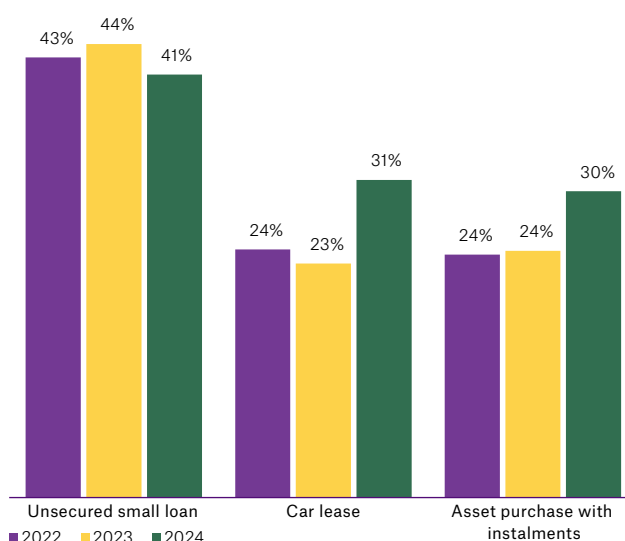
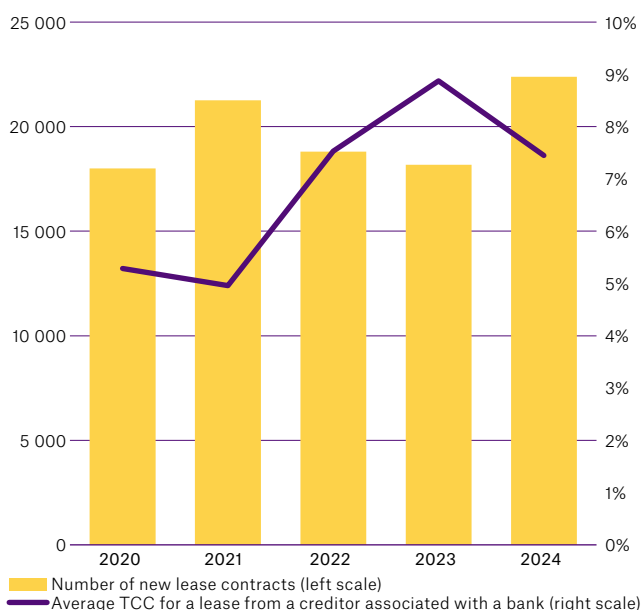


Figure 18. Number of new lease contracts for cars for private clients and total cost of credit



The average loan burden of private clients in Estonia

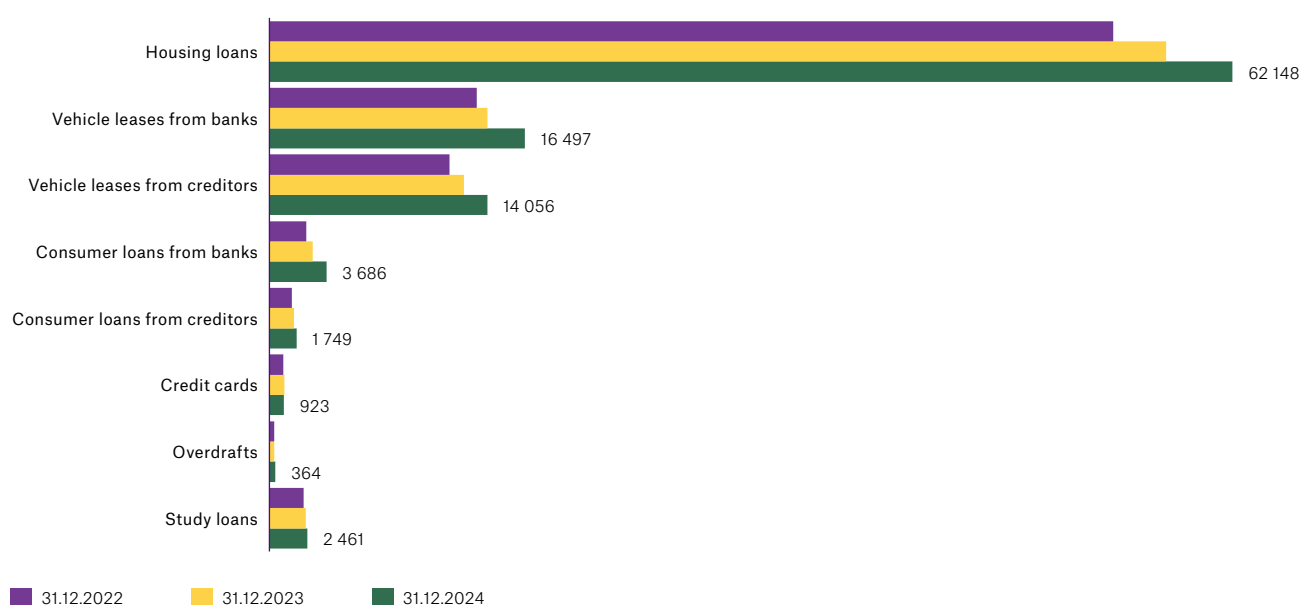
New loans, which have increased notably in size in recent years, affect the size of the average loan stock. The average outstanding amount of most types of loan increased in 2024. The exception was credit cards, where the average outstanding loan decreased.

The average amount outstanding on housing loans was 62,148 euros at the end of December (see Figure 19). This was followed by vehicle leases, for which the average outstanding amount was 16,497 euros. The average outstanding lease for a vehicle from a creditor was 14,056 euros.

The average outstanding consumer loan taken from a bank at 3686 euros was more than twice as large as the average outstanding consumer loan¹² of 1749 euros from a creditor.

The average amount outstanding on credit cards was 923 euros and the average outstanding study loan was 2461 euros.

Figure 19. Average outstanding amount of loans to private individuals (euros)



¹² Consumer loans from creditors covers the categories of unsecured small loans and instalment credit for asset purchases.

3.2 BANK LOANS

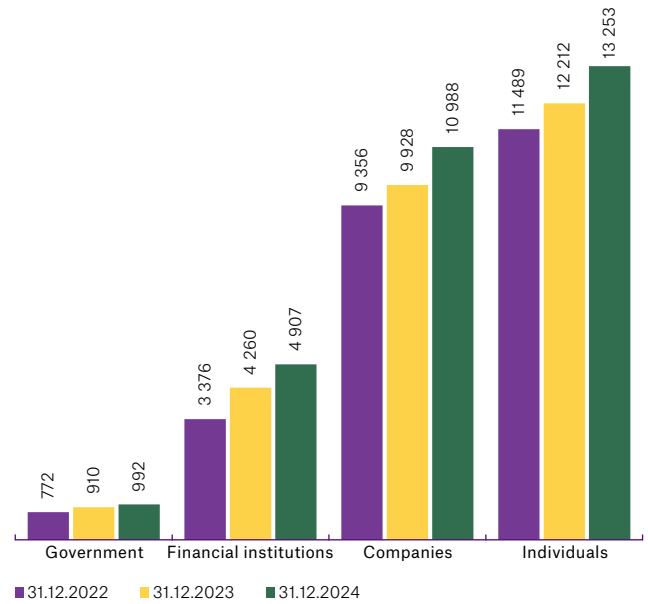
Loans issued by banks by client groups

The stock of loans issued by banks increased by 2.8 billion euros or 10% in 2024 to stand at 30.1 billion euros by the end of December. The growth in 2023 was 9% or 2.3 billion euros.

The largest part of the growth in loans came from loans to businesses and to private individuals, which grew relatively equally as each gained 1 billion euros. The stock of loans issued to financial institutions¹³ grew by 647 million euros and those to the general government grew by 82 million euros.

The stock of loans to private clients was 13.3 billion euros at the end the year, and the stock of loans to companies was 11 billion euros (see Figure 20). The stock of loans issued to financial institutions was 4.9 billion euros, and that to the general government was 1 billion euros.

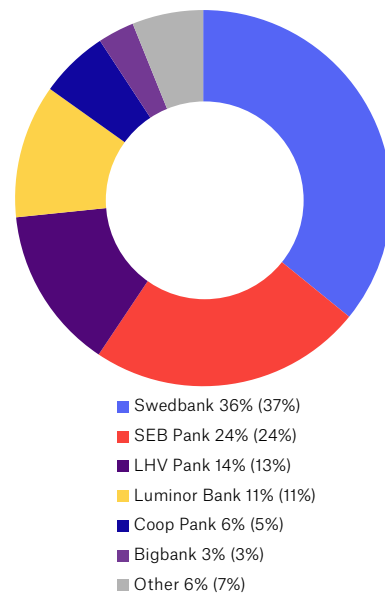
Figure 20. Outstanding loan stock (million euros)



Market share of bank loans

The distribution of the market for bank loans was generally stable in 2024 as all the changes in market share were within the range of one percentage point. The largest loan portfolios at the end of the year were held by Swedbank with 36% of the market, SEB Pank with 24%, and LHV Pank with 14% (see Figure 21).

Figure 21. Market share of bank loans as at the end of 2024 (end of 2023 in brackets)



¹³ Includes insurers and pension funds.

The biggest increase in market share for corporate loans (see Figure 22) was at LHV Pank, from 19% to 21%. Swedbank again held the largest market share with 32% followed by SEB Pank with 22%.

The dominant shares of loans to private borrowers (see Figure 23) were again held by Swedbank at 43% and SEB Pank at 26%, but both banks have lost some market share in recent years as smaller banks have become more active in lending.

The majority of loans to private clients were housing loans, which were as much as 90% of private loans at the end of the year. The market distribution of loans to private clients is consequently defined very much by the distribution of the market for housing loans. The market leaders for housing loans at the end of the year remained Swedbank with 41% of the housing loan market and SEB Pank with 27% (see Figure 24).

Figure 22. Market share for loans to companies as at the end of 2024 (end of 2023 in brackets)

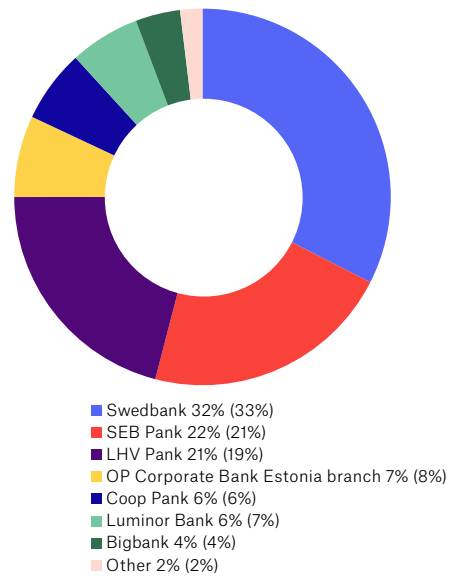


Figure 23. Market share for loans to private individuals as at the end of 2024 (end of 2023 in brackets)

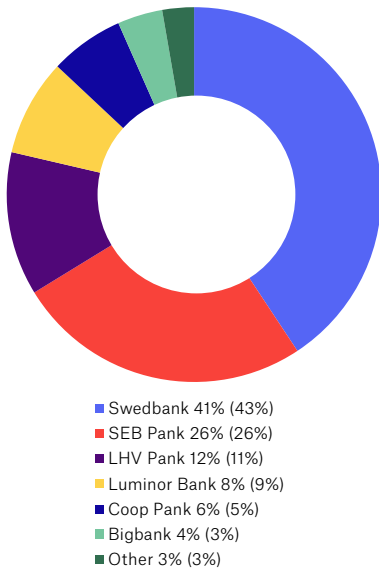
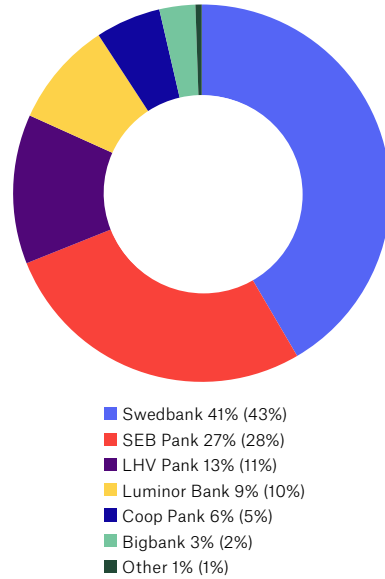
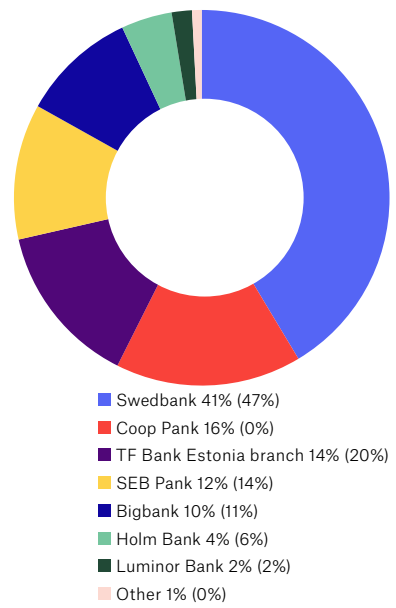


Figure 24. Market share for housing loans to private individuals as at the end of 2024 (end of 2023 in brackets)



The market distribution of consumer loans from banks (see Figure 25) was affected most by the creditor Coop Finants merging with Coop Pank, which resulted in all the consumer loans of Coop Finants being added to those of Coop Pank. Coop Pank consequently increased its market share to 16% by the end of the year, and only Swedbank with 41% had larger market share. TF Bank Estonia branch had 14% of the stock of consumer loans from banks.

Figure 25. Market share for consumer loans to private individuals as at the end of 2024 (end of 2023 in brackets)

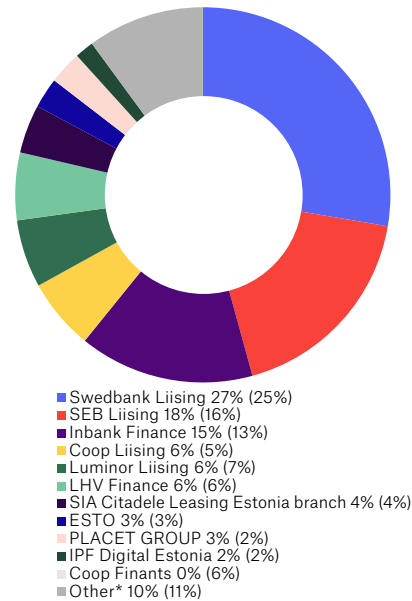


3.3 LOANS ISSUED BY CREDITORS¹⁴

The creditor Coop Finants AS merged with Coop Pank AS at the start of 2024, meaning the consumer loans granted by Coop Finants are no longer recorded in the statistics for creditors. As Coop Finants AS had had quite a large loan portfolio, the merger meant there was a slight decline in the aggregate figures for creditors. The stock of loans from creditors to private individuals had still increased by 16 million euros or 1% by the end of 2024 to stand at 1.6 billion euros in December.

At 1.3 billion euros, the large majority of this was the loans issued by creditors associated with banks to private individuals. The loan portfolio of non-bank creditors was worth 288 million euros.

Figure 26. Market share of all creditors by stock of the loan portfolio as at the end of 2024 (end of 2023 in brackets)



* The market shares of other creditors were: Monefit Estonia OÜ 1.65%, Creditstar Estonia AS 1.62%, BB Finance OÜ 1.27%, Telia Eesti AS 1.10%, Hüpoteeklaen AS 0.87%, Primero Finance OÜ 0.79%, Svea Finance AS 0.62%, Rävåla Laenu OÜ 0.41%, OÜ AIRES LAENU OÜ 0.37%, Modena Estonia OÜ 0.22%, Omega Laen AS 0.21%, Medicredit OÜ 0.11%, RE Invest OÜ 0.08%, aktsiaselts Saare Kalur 0.08%, Eesti Ühistuliising OÜ 0.08%, Mercury Credit OÜ 0.06%, Baltasar Liising OÜ 0.06%, Nordic Hypo AS 0.05%, OÜ Citadele Leasing & Factoring 0.03%, AS Finora Group 0.03%, Clementer OÜ 0.03%, Invest in OÜ 0.02%, Best Capital OÜ 0.02%, OREON OÜ 0.02%, Tenor OÜ 0.02%, Fresh Finance OÜ 0.01%, Kemotex Finance OÜ 0.01%, Berger Financial Group OÜ 0.01%, Autokiirpant OÜ 0.01%, AS Varalaen 0.01% and TKM Finants 0.001%.

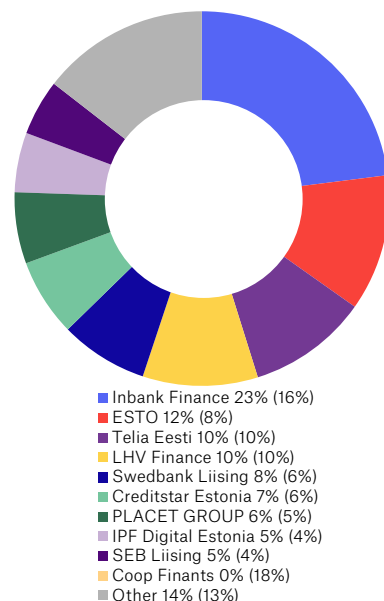
The market distribution of loans from creditors

The market share of creditors depends very much on whether they are part of a bank group and on the type of loan they issue. The average amount of a car lease is substantially more than the amounts of other consumer loans, and so the creditors that issue leases generally have larger market share.

The largest loan portfolios at the end of the year were held by Swedbank Liising with 27% of the market, SEB Liising with 18%, and Inbank Finance with 15% (see Figure 26). The largest market share among the non-bank creditors was held by ESTO, which had the eighth largest loan portfolio among all creditors with 3.5% market share. It was followed by PLACET GROUP with 2.8% and IPF Digital with 2.5%.

The largest market share by number of loan contracts (see Figure 27) was held by Inbank Finance with 23%. It was followed by ESTO with 12% and Telia Eesti and LHV Finance with 10% each.

Figure 27. Market share of all creditors by number of loan contracts as at the end of 2024 (end of 2023 in brackets)



¹⁴ The data cover the consumer loans to private individuals that Finantsinspeksioon supervises.

3.4 LOANS INTERMEDIATED BY CREDIT INTERMEDIARIES

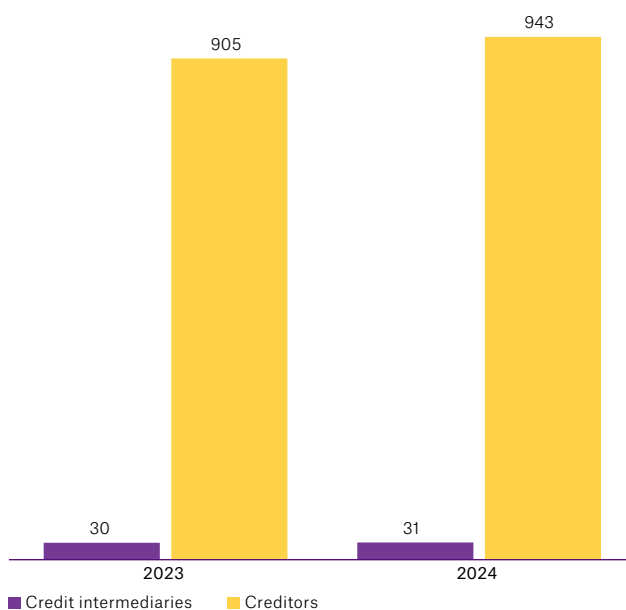
There were also eight credit intermediaries operating in the market in Estonia in 2024 alongside the providers of consumer credit.

The turnover of credit intermediaries totalled 31 million euros in 2024, and 30 million in 2023, which is a long way below the 943 million euros of turnover of creditors (see Figure 28).

The credit intermediary with the largest market share was Altero OÜ, which had 61% and was followed by Omaraha OÜ with 17% and Montonio Finance OÜ with 11%.

A total of 30,702 consumer credit contracts were intermediated in 2024, and 32,085 in 2023. The largest share of these contracts was handled by Montonio Finance OÜ, which had 39% of them and was followed by Omaraha OÜ with 30% and OÜ Altero with 20%.

Figure 28. Turnover of creditors and credit intermediaries (million euros)



4. INVESTMENT BY RETAIL INVESTORS

Retail investors are taken to be private individuals and various non-financial companies engaging in financial investment.

4.1 MAIN DEVELOPMENT TRENDS

- **All of the investment services provided in Estonia increased in volume in 2024. The value of the assets held by retail investors increased by 20% in second pillar pension funds, by 45% in third pillar funds, by 3% in portfolio management services, by 29% in the securities accounts of Estonian banks, and by as much as 153% in the securities accounts of Estonian investment firms.**
- **The assets of index funds increased further for both pension pillars, as did the number of clients who had chosen such funds.**
- **There was a sharp increase in trading through Estonian investment firms, as 4.3 million securities transactions were intermediated in the year with a total value of 7.9 billion euros, which was several times more than a year earlier.**

Volume of investment

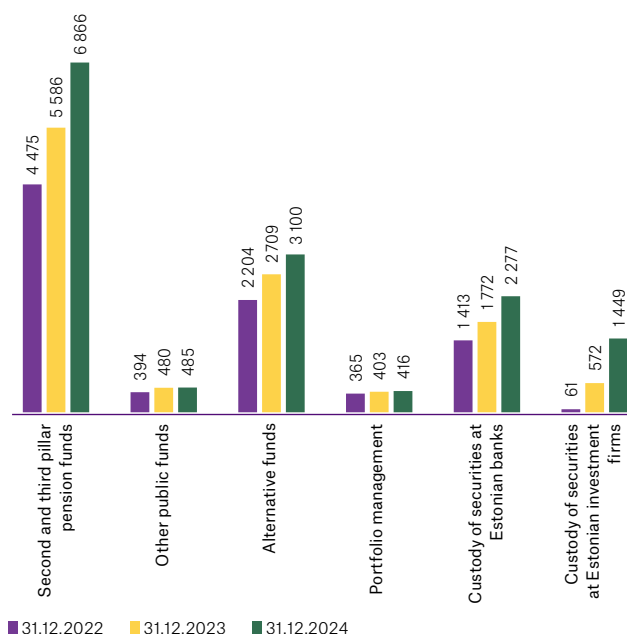
There are many different options for making investments in financial instruments in Estonia. Investors can use the ready-made solutions of banks and other financial institutions, where the service provider takes investment decisions for the investor. Investors can also choose their own personal investment strategy or accumulate pension assets independently in a pension investment account.

The majority of investments by retail investors have been made through pension funds, and the value of assets held by retail investors in pension funds reached 6.9 billion euros at the end of 2024 (see Figure 29). Pension funds were followed by alternative funds, which had 3.1 billion euros of assets. The value of securities held by retail investors through the banks in Estonia using a securities custodian service reached 2.3 billion euros, and the value of those held at investment firms was 1.4 billion euros. The value of the assets in other public funds was 485 million euros and the value using a portfolio service was 416 million.

Second pillar pension funds:	6.0 billion euros
Third pillar pension funds:	0.9 billion euros
Alternative funds:	3.1 billion euros
Portfolio management (retail investors):	0.4 billion euros
Securities custodian service (retail investors; banks and investment firms total):	3.7 billion euros

Average value of assets of unit holders in second pillar funds:	10,538 euros
Average value of assets of unit holders in third pillar funds:	4006 euros
Average balance of PIK accounts:	18,747 euros

Figure 29. Value of investments by retail investors (million euros)



4.2 INVESTMENT THROUGH PUBLIC FUNDS REGISTERED IN ESTONIA

In total the assets of public investment funds registered in Estonia, including pension funds, grew by 1.3 billion euros or 21% in 2024 to stand at 7.4 billion euros at the end of December; the growth in 2023 was of 1.2 billion euros. The main growth came at pension funds (see Figure 30).

Figure 30. Market value of investments by public funds (million euros)



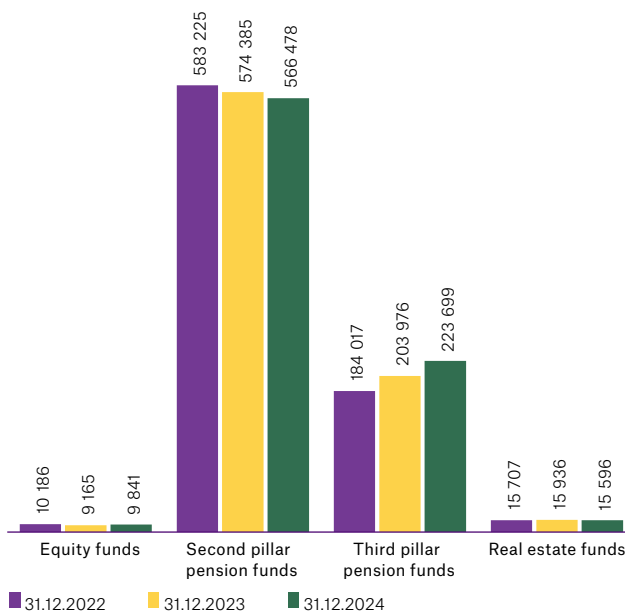
CHANGES AT PENSION FUNDS

The value of assets in second pillar funded pension funds grew by 1 billion euros or 20% over the year to stand at around 6 billion euros.

The assets of third pillar funded pension funds grew by 280 million euros, or 45%, over the year. The assets of third pillar pension funds exceed those of both real estate funds and equity funds in value. Third pillar funds had assets of 896 million euros at the end of the December. The value of assets held in second pillar funds grew by the same amount for the second consecutive year, but the assets in third pillar funds have been growing by more and more each year. The assets of third pillar funds were 4.6% of all pension fund assets at the end of 2020, but were 13.1% by the end of 2024.

The number of shareholder contracts¹⁵ at second pillar funds fell again, while the number at third pillar funds rose. Of those contracts, 97% were with pension funds, as there were 566,478 contracts with second pillar funds and 223,699 with third pillar funded pension funds (see Figure 31). The number of contracts with shareholders in other types of funds was much smaller.

Figure 31. Public funds by number of shareholder contracts

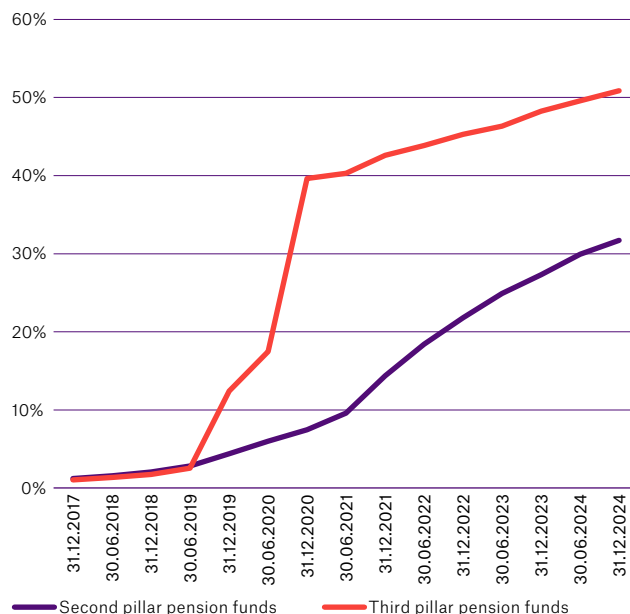


¹⁵ Many people make investments through multiple investment and pension funds, and so the actual number of people investing through funds is smaller than the number of contracts.

People again preferred in 2024 to save for pensions through index funds, and the number of shareholders who have chosen such funds grew again. Index funds were 32% of all the contracts with second pillar pension funds at the end of December, up from 27% in 2023, and 51% of the contracts with third pillar funded pension funds, up from 48% (see Figure 32).

Index funds were 27% of the value of assets in second pillar pension funds, and 20% in 2023, and 56% at third pillar funds, up from 49% in 2023.

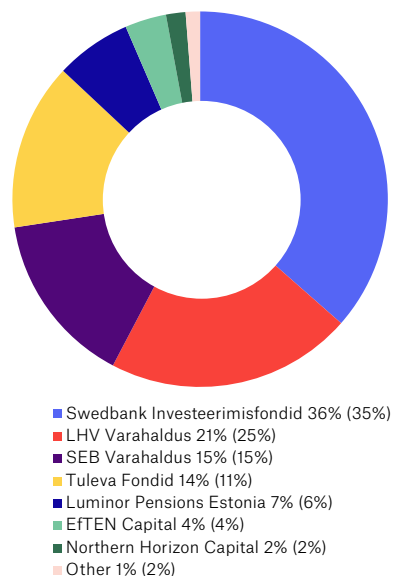
Figure 32. People choosing index tracking funds as a share of all shareholders in pension funds



MARKET SHARE OF FUND SERVICES¹⁶

The largest changes in the Estonian market for public funds in 2024 were the growth in the market share of Tuleva Fondid from 11% to 14%, and the decline in the market share of LHV Varahaldus from 25% to 21% (see Figure 33). The largest fund manager at the end of December was Swedbank Investeerimisfondid, which had market share of 36%. It was followed by LHV Varahaldus with 21% market share, and SEB Varahaldus with 15%.

Figure 33. Market share of fund services as at the end of 2024 (end of 2023 in brackets)



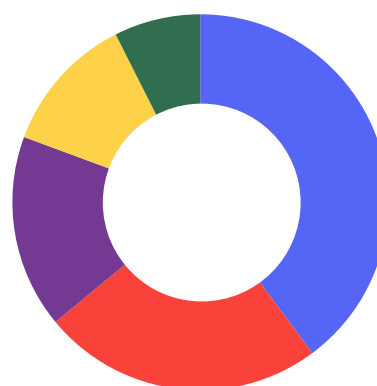
¹⁶ The market shares of fund managers are calculated from the assets of public investment funds registered in Estonia.

Tuleva Fondid increased its market share among pension funds, increasing it from 9% to 12% for second pillar funds (see Figure 34) and from 33% to 39% for third pillar funds (see Figure 35).

The largest second pillar pension fund remains Swedbank Investeerimisfondid with 40% market share. It was followed by LHV Varahaldus with 24% market share, and SEB Varahaldus with 17%.

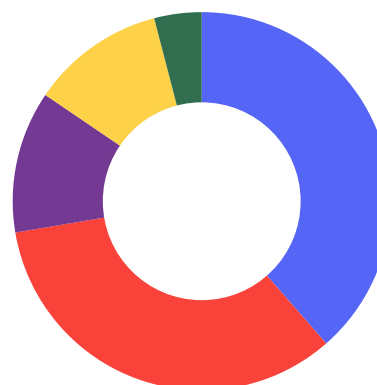
Tuleva Fondid rose to become leader in the market for third pillar funds with market share of 39%. The second largest was Swedbank Investeerimisfondid with market share of 34%. LHV Varahaldus had 12% of the market for third pillar funds, and SEB Varahaldus had 11%.

Figure 34. Market share of second pillar pension funds as at the end of 2024 (end of 2023 in brackets)



- Swedbank Investeerimisfondid 40% (39%)
- LHV Varahaldus 24% (29%)
- SEB Varahaldus 17% (16%)
- Tuleva Fondid 12% (9%)
- Luminor Pensions Estonia 7% (7%)

Figure 35. Market share of third pillar pension funds as at the end of 2024 (end of 2023 in brackets)



- Tuleva Fondid 39% (33%)
- Swedbank Investeerimisfondid 34% (36%)
- LHV Varahaldus 12% (14%)
- SEB Varahaldus 11% (13%)
- Luminor Pensions Estonia 4% (4%)

4.3 INVESTMENT THROUGH ALTERNATIVE FUNDS REGISTERED IN ESTONIA

Investment in Estonia can also be made through small alternative funds. The aggregate assets of alternative funds were around 3.1 billion euros at the end of 2024, and 2.8 billion euros at the end of 2023.

4.4 MANAGEMENT OF SECURITIES PORTFOLIOS

Investments by retail investors made through securities portfolio management services totalled 416 million euros at the end of 2024 (see Figure 36). This total had increased by 3% or 12 million euros over the year.

Retail investors mainly used the services of banks for securities portfolio management at a total of 399 million euros.

The largest market share of securities portfolio investment services for retail investors was held by LHV Pank with 48%. Swedbank was in second with 23%, followed by SEB Pank with 13% of the market (see Figure 37).

Figure 36. Portfolio volumes of retail investors at different service providers (million euros)

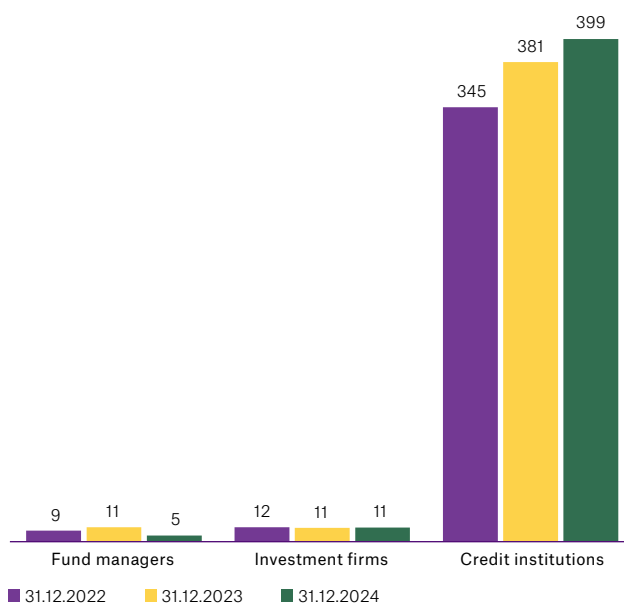
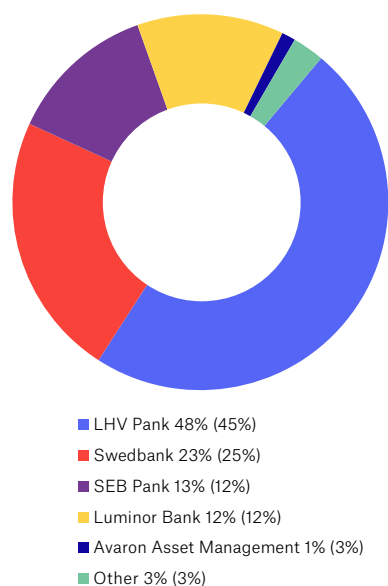


Figure 37. Market share of portfolio management by service provider as at the end of 2024 (end of 2023 in brackets)



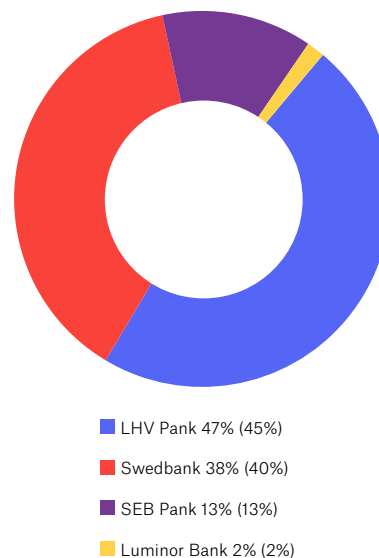
4.5 SECURITIES CUSTODIAN SERVICE

Securities of clients held by banks

Retail investors held 2.3 billion euros of securities in banks in Estonia at the end of 2024. The stock of securities increased by 29% or 505 million euros over the year.

The largest shares of the securities of retail investors were held by LHV Pank with 47% and Swedbank with 38% (see Figure 38).

Figure 38. Distribution of investment by retail investors at Estonian banks as at the end of 2024 (end of 2023 in brackets)



Investments through pension investment accounts

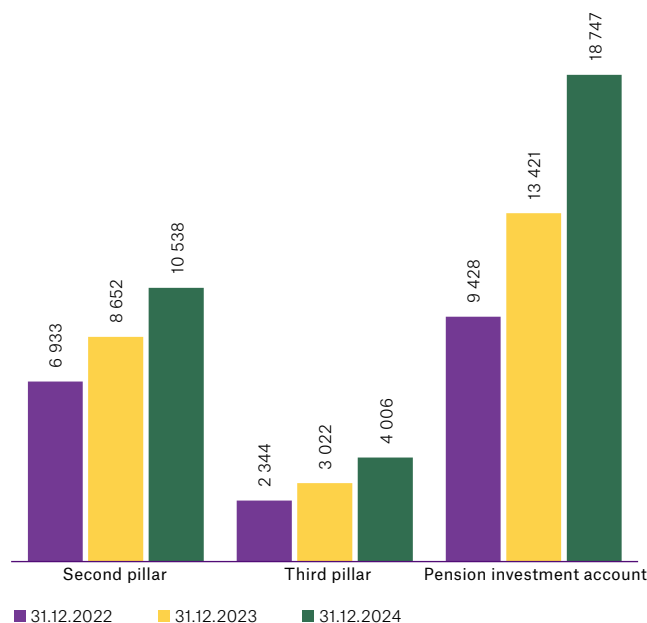
Retail investors had 93 million euros of assets in pension investment accounts at the end of the year. That value had increased by 43% in 2024, or over 28 million euros, having increased by 23 million euros in 2023. The great majority at 92% of these investments were in equities.

There were 4970 individuals who had invested through pension investment accounts at the end of 2024, and 4852 at the end of 2023.

The value of pension investment account investments was on average larger than those in the second and third pension pillars (see Figure 39). The average value of the assets in pension investment accounts at the end of 2024 was 18,747 euros. There were 10,538 euros on average in each second pillar account, and 4006 euros in each third pillar account.

LHV Pank handled 75% of pension investment account investments and Swedbank had market share of 19%.

Figure 39. Value of the average contract of pension savers (euros)

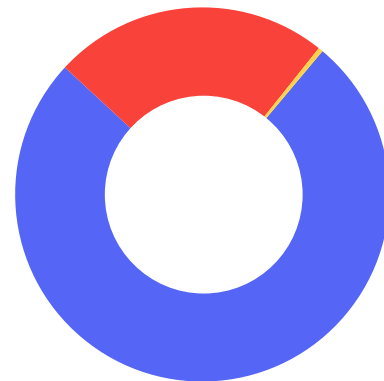


Securities of clients held by investment firms

Retail investors used the services of Estonian investment firms much more actively for making securities transactions in 2024. There were 4.3 million transactions worth a total of 7.9 billion euros under securities custodian and management services, which is almost four times as many as in 2023, when there were 1.4 million transactions worth 1.8 billion euros in total. The largest share of the turnover at 76% was held by Wise Assets Europe AS (formerly TINV Europe AS). It was followed by Lightyear Europe AS with 24% market share (see Figure 40). All of the other market participants together had less than 0.5%.

The stock of securities of clients grew, as retail investors held 1.4 billion euros of securities at Estonian investment firms at the end of 2024, having had 572 million euros of them at the end of 2023. Residents of Estonia had 318 million euros of that, up from 115 million euros at the end of 2023.

Figure 40. Market share of investment firms by turnover of securities transactions of retail investors as at the end of 2024 (end of 2023 in brackets)



■ Wise Assets Europe (formerly TINV EUROPE) 76% (67%)
■ Lightyear Europe 24% (32%)
■ Other 0% (1%)

4.6 INVESTMENT THROUGH CROWDFUNDING PLATFORMS

Crowdfunding platforms took in around 84 million euros in 2024, and 74 million in 2023. The number of projects funded was almost the same as a year earlier, as there were 414 in 2024 and 419 in 2023. Over 465,000 investors in total from Estonia and other countries participated in funding the projects, and 400,000 did so in 2023. This means the average amount invested by each investor was about 180 euros.

The largest part of the money came from German investors, who provided over 26 million euros, while 19 million euros came from Estonian investors.

Money was taken in most to fund financial and insurance activities at 61 million euros, and to fund construction projects at 18 million euros.

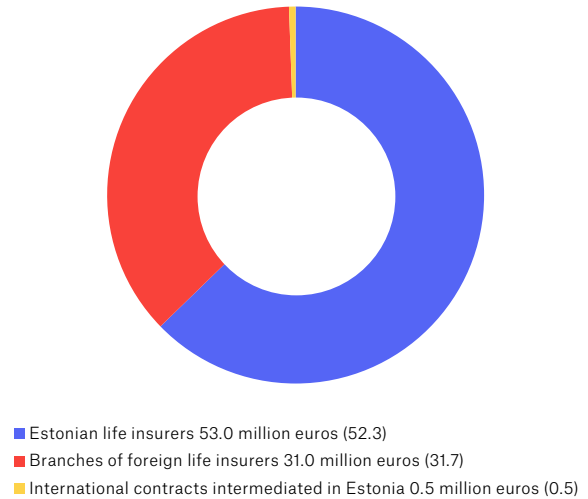
Some 78% of the investors declared themselves to be inexperienced investors. The share of inexperienced investors was unchanged over the year.

5. THE LIFE INSURANCE MARKET

Life insurance contracts are provided in Estonia by insurers registered in Estonia and Estonian branches of foreign insurers. Life insurance contracts can also be provided cross-border in Estonia, mainly through insurance brokers, but the volume of such contracts is small (see Figure 41).

Volume of life insurance premiums:	84 million euros
of which premiums intermediated by brokers:	1.7 million euros

Figure 41. Life insurance premiums paid in 2024 (2023 in brackets)

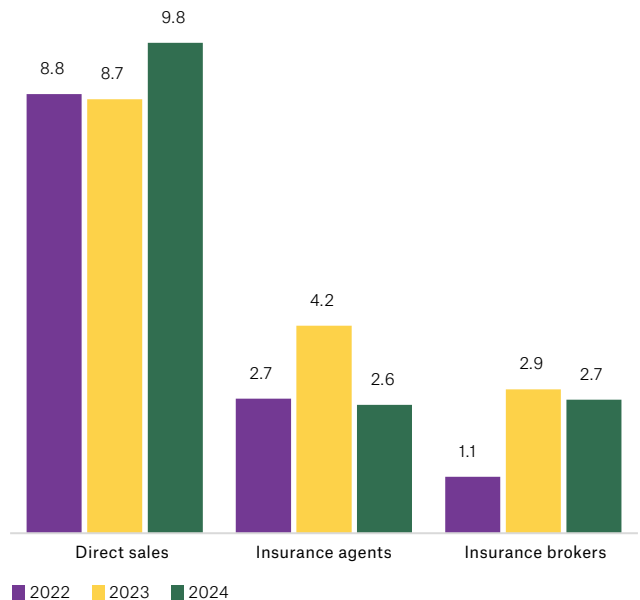


5.1. NEW SALES OF LIFE INSURANCE CONTRACTS

In 2024, 26,549 new life insurance contracts were signed in Estonia, which was less than the 27,498 new contracts signed in 2023. Premiums received under them were 15.1 million euros in 2024 and 15.7 million euros in 2023. Direct sales by insurers increased, while the number of contracts sold through insurance brokers and agents fell (see Figure 42).

Direct sales remain the main sales channel for life insurers, as they provided 65% of the premiums under new contracts.

Figure 42. New life insurance contracts signed through different sales channels by premiums (million euros)



5.2. INSURANCE COMPANIES PROVIDING LIFE INSURANCE

Insurance premiums¹⁷

In 2024 the life insurance companies in Estonia received 84 million euros in insurance premiums¹⁸ from new contracts and ones signed in earlier years, which was the same as a year earlier. There has been no notable growth in the premiums received in Estonia over the past 14 years.

The life insurance product that received the largest amount of premiums was again unit-linked life insurance, which took 30 million euros of premiums in 2024 (see Figure 43). It was followed by whole life insurance premiums of 23 million euros.

Compensation of 71 million euros was paid out in 2024, which was barely half the 133 million euros paid out in the previous year. The largest part of the payouts were the 33 million euros for unit-linked life insurance, A further 15 million euros was paid out for endowment insurance and 13 million euros for annuities (see Figure 44).

Figure 43. Life insurance premiums by type of insurance (million euros)

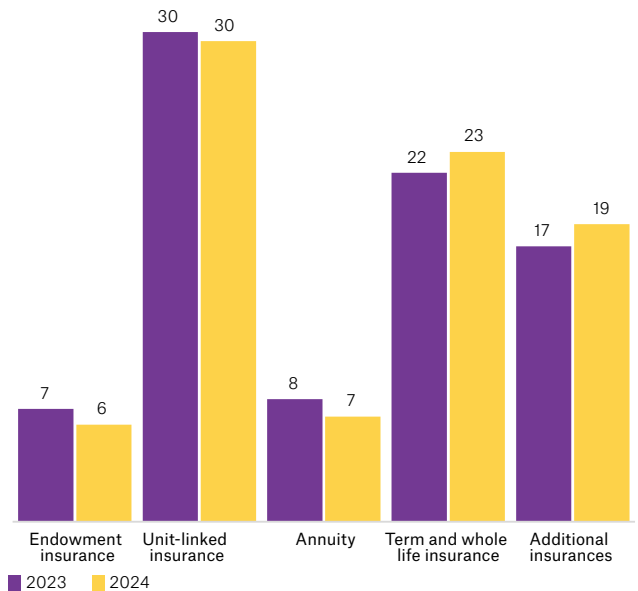
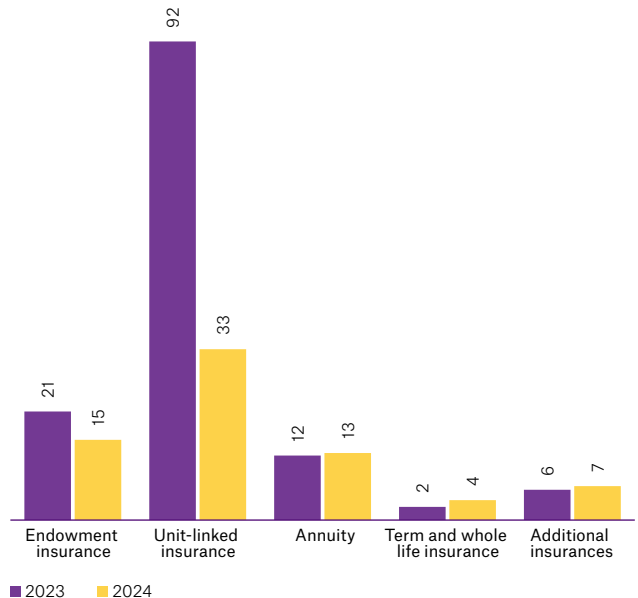


Figure 44. Claims paid out on life insurance by type of insurance (million euros)



¹⁷ The data on insurance premiums and payouts come from Statistics Estonia.

¹⁸ The data do not cover insurance premiums received from outside Estonia.

Life insurers

The biggest change in the distribution of the life insurance market was the growth in the position of Compensa Life Vienna Insurance Group SE, which increased from 15% of the life insurance market to 17% (see Figure 45). Swedbank Life Insurance SE had the largest market share with 46%, followed by SEB Life and Pension Baltic SE Estonia branch with 23%.

The number of life insurers operating in Estonia has increased in recent years. Gyvybės draudimo UAB SB draudimase Estonia branch entered the life insurance market in the closing months of 2023 when it took over the insurance portfolio of INVL Life uždaroji akcinė draudimo bendrovė Estonia branch. It had 3% of the life insurance market at the end of 2024.

The biggest market share at the end of the year for the main life insurance products were Swedbank Life Insurance SE for unit-linked insurance with 60% and whole life insurance with 54%; SEB Life and Pension Baltic SE Estonia branch for endowment insurance with 56%; and Compensa Life Vienna Insurance Group SE for annuities with 91%.

Figure 45. Market share of life insurance by premiums received in 2024 (2023 in brackets)

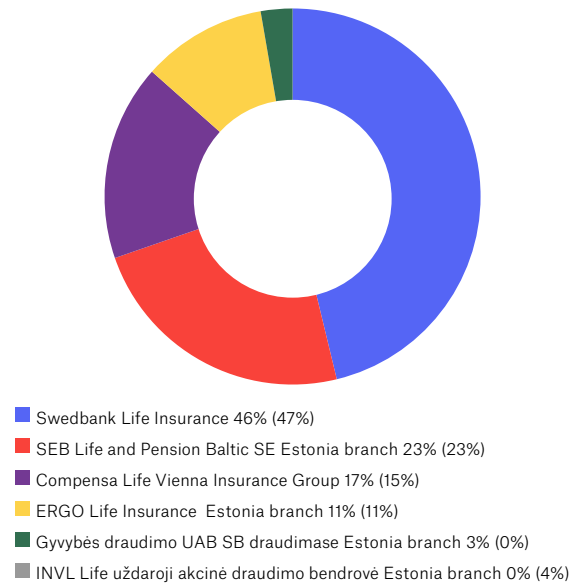


Figure 46. Market share of capital endowment insurance by premiums received as at the end of 2024 (end of 2023 in brackets)

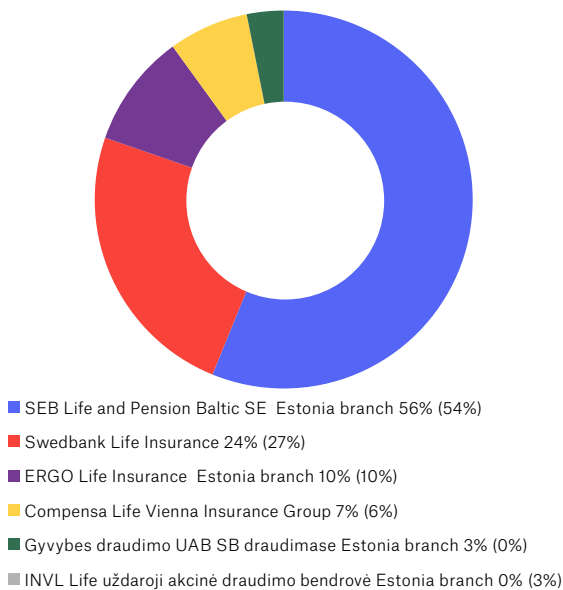


Figure 47. Market share of unit-linked life insurance as at the end of 2024 (end of 2023 in brackets)

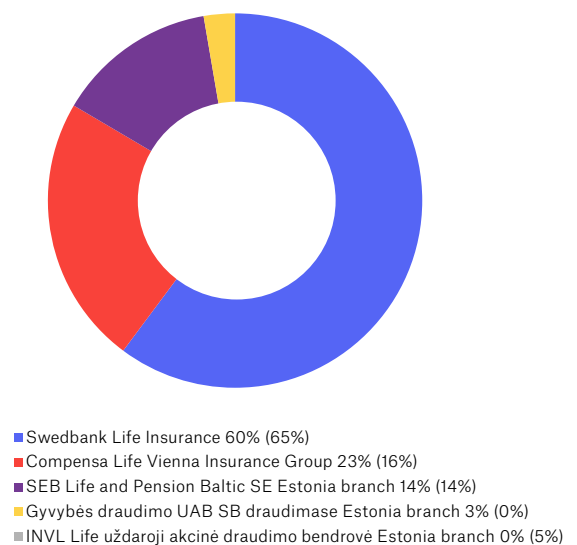


Figure 48. Market share of annuities as at the end of 2024 (end of 2023 in brackets)

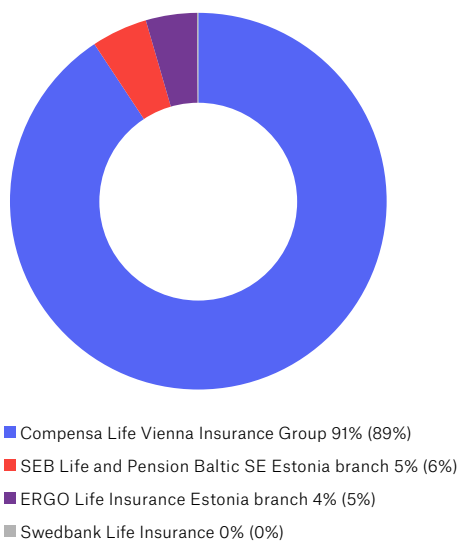
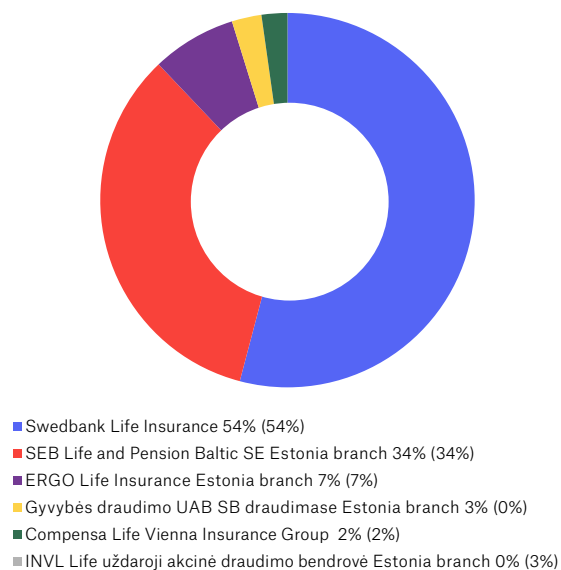


Figure 47. Market share of unit-linked life insurance as at the end of 2024 (end of 2023 in brackets)



5.3. INSURANCE BROKERS INTERMEDIATING LIFE INSURANCE

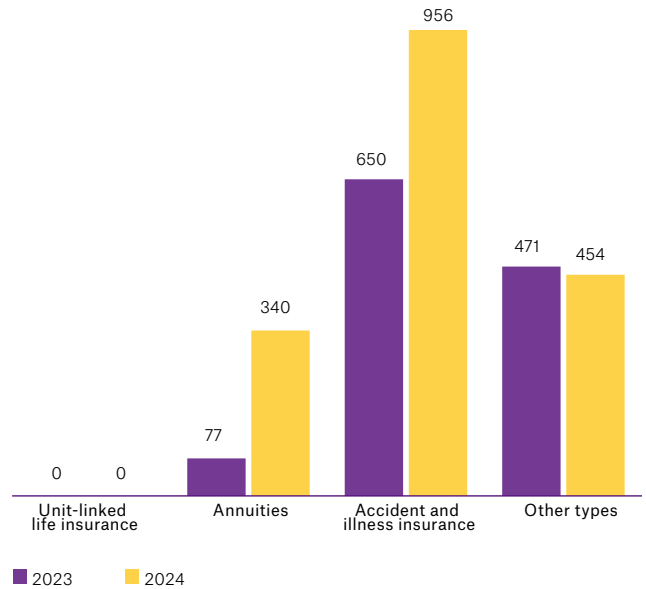
Insurance premiums intermediated

Insurance brokers registered in Estonia intermediated 1.7 million euros of life insurance premiums in 2024. The amount of insurance premiums intermediated was 46% more than in the previous year. Even so, the amount of life insurance premiums collected through brokers was 2% of the life insurance premiums of Estonian insurers.

Insurance brokers mainly intermediated accident and illness insurance, for a total of 956,000 euros, and other life insurance contracts worth 454,000 euros (see Figure 50). The most popular type of insurance among other life insurance contracts was whole life insurance. Annuity payments of 340,000 euros were intermediated, while no premiums for unit-linked life insurance were intermediated at all.

The life insurance brokers in Estonia also intermediate a lot of contracts from insurers in other countries. In 2024 these accounted for 476,000 euros, or 27%, of the insurance premiums of brokers, having been 495,000 euros a year earlier.

Figure 50. Insurance premiums intermediated through insurance brokers by type of life insurance (thousand euros)

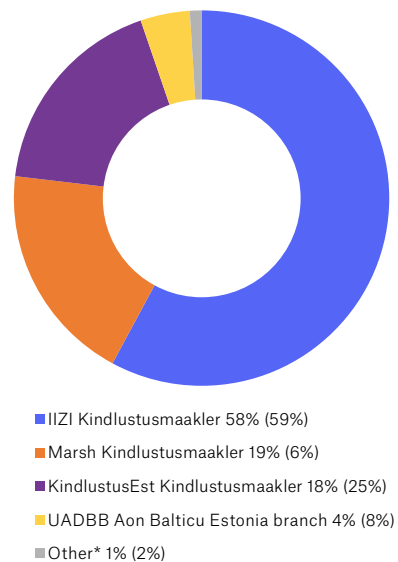


Insurance brokers

There were eight insurance brokers intermediating life insurance contracts in 2024.

Because the volume of premiums intermediated is small, the market shares of life insurance brokers are quite volatile, as each new contract can affect them substantially. IIZI Kindlustusmaakler had 58% of the market in 2024 (see Figure 51). It was followed by Marsh Kindlustusmaakler with 19% of the market and KindlustusEst Kindlustusmaakler with 18%.

Figure 51. Market share of insurance brokers by life insurance premiums received in 2024 (2023 in brackets)



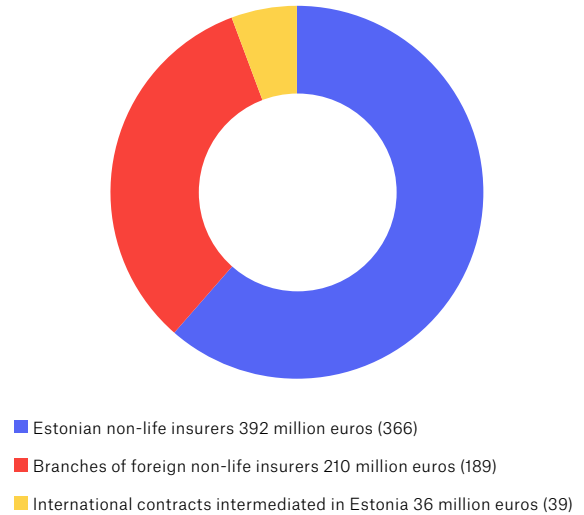
* The market shares of other insurance brokers intermediating life insurance were: Kominsur Kindlustusmaakler OÜ 0.6%, Ultima Kindlustusmaakler OÜ 0.4%, Howden Kindlustusmaakler OÜ 0.07% and InPro Insurance Brokers OÜ 0.07%.

6. THE NON-LIFE INSURANCE MARKET

Non-life insurance contracts are provided in Estonia by insurers registered in Estonia, Estonian branches of foreign insurers, and foreign insurers operating internationally. Cross-border services are mainly provided in Estonia through Estonian insurance brokers (see Figure 52).

Volume of non-life insurance premiums: 601 million euros
of which
premiums intermediated by brokers: 220 million euros

Figure 52. Volume of insurance premiums in non-life insurance in 2024 (2023 in brackets)

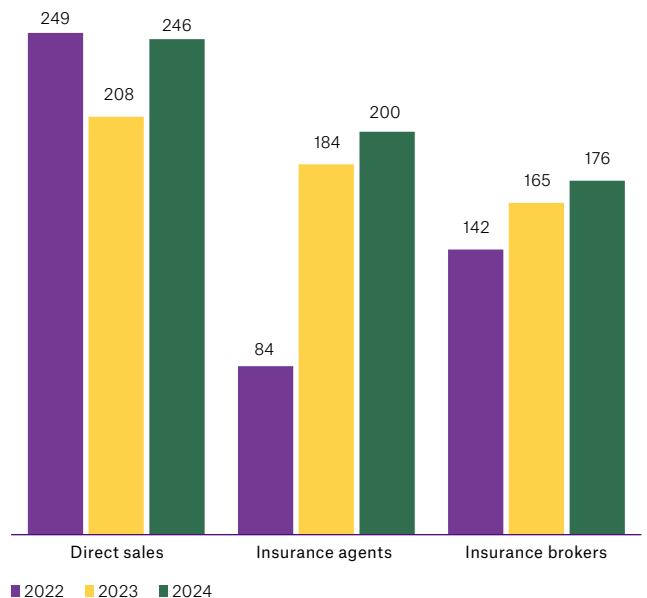


6.1. NEW SALES OF NON-LIFE INSURANCE CONTRACTS

In 2024, 3,629,317 new insurance contracts were signed in Estonia, which was 4% more than the 3,484,270 new contracts signed in 2023. The volume of premiums grew faster though, gaining 12%, and insurers wrote premiums of 622 million euros, up from 557 million euros in 2023 (see Figure 53).

Direct sales remain the main sales channel for non-life insurers, as 40% of the premiums under new contracts came from direct sales in 2024. Some 32% of the premiums from new contracts came through insurance agents¹⁹ and 28% came through insurance brokers.

Figure 53. New non-life insurance contracts signed through different sales channels by premiums (million euros)



¹⁹ This amount includes internal group agents.

6.2 INSURANCE COMPANIES PROVIDING NON-LIFE INSURANCE²⁰

Insurance premiums²¹

Receipts of non-life insurance premiums increased by 8% in 2024, which was slower than the growth of 18% in 2023.

Non-life insurance companies operating in Estonia and branches of foreign non-life insurers received a total of 601 million euros in insurance premiums in 2024, up from 554 million a year earlier.

Premiums were up for almost all types of insurance. As in previous years, the largest aggregate volumes of premiums were the 190 million euros paid for land vehicle insurance, and the 174 million euros of property insurance (see Figure 54). Insurance premiums of 132 million euros were received for motor third-party liability insurance. Premiums received for sickness insurance, which has become increasingly popular in recent years, increased from 10 million euros to 14 million euros. This is a supplementary insurance with the state health insurance system that employers take out on behalf of their employees.

The total amount paid out in compensation increased faster than premiums, gaining 11% over the year to reach 339 million euros. There were 305 million euros paid out in the previous year. The largest compensation was the 123 million euros paid out for land vehicle insurance, while 85 million euros were paid out for property insurance and 81 million for motor third-party liability insurance (see Figure 55).

Figure 54. Non-life insurance premiums by type of insurance (million euros)

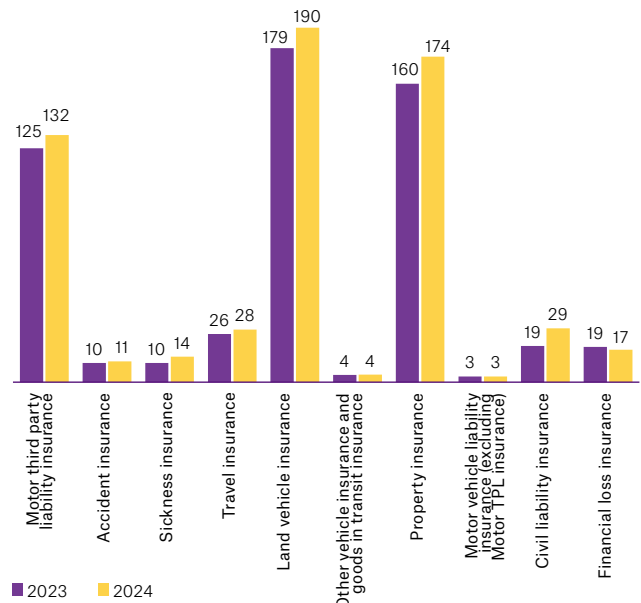
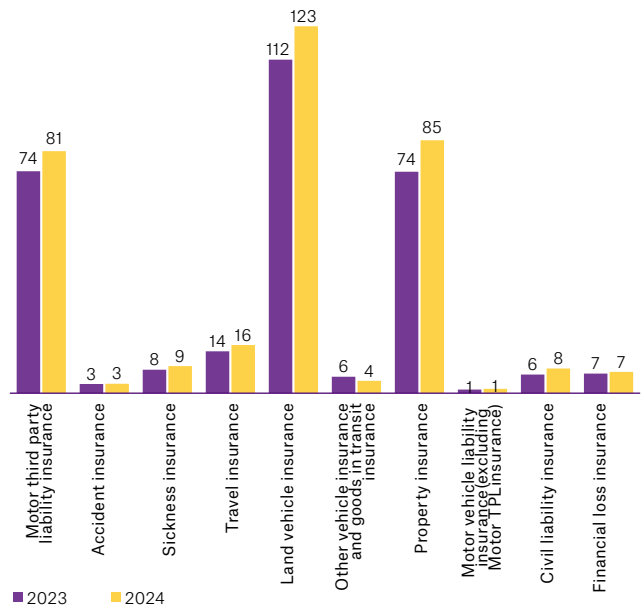


Figure 55. Non-life insurance payouts by type of insurance (million euros)



²⁰ Data on non-life insurance cover only contracts signed in Estonia and do not include contracts signed by branches of Estonian insurers abroad.

²¹ The data on insurance premiums and payouts come from Statistics Estonia.

Insurance companies

There were no major changes in the distribution of the non-life insurance market in 2024.

Swedbank P&C Insurance had the largest market share at 19% (see Figure 56), followed by If P&C Insurance AS with 17%. AB Lietuvos draudimas Estonia branch had 16% market share.

For market share by product, the biggest market share for land vehicle insurance was held by Swedbank P&C Insurance with 21%. If P&C Insurance held the largest market share for property insurance with 22%, while the largest market share in motor third-party liability insurance was held by ERGO Insurance SE with 19%.

Figure 56. Market share of non-life insurance by premiums received in 2024 (2023 in brackets)

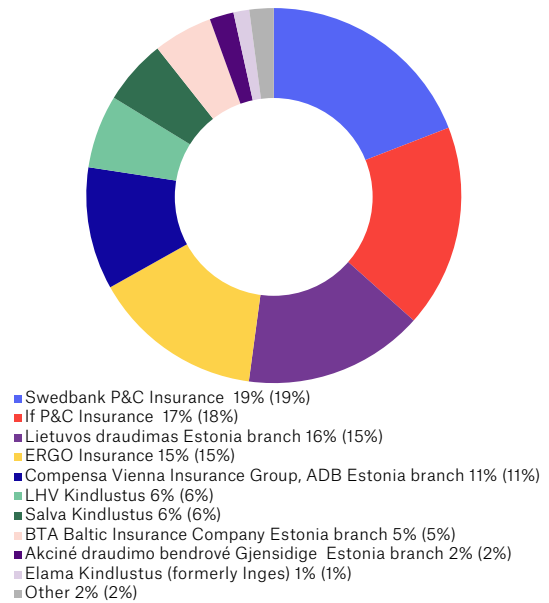


Figure 57. Market share for motor third party liability insurance as at the end of 2024 (end of 2023 in brackets)

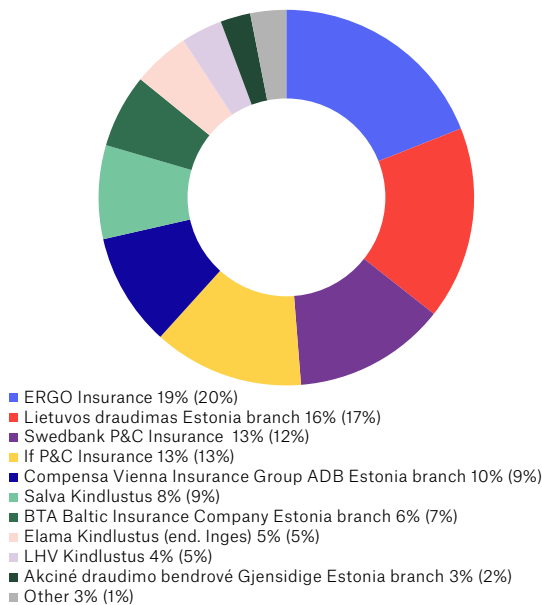


Figure 58. Market share for land vehicle insurance as at the end of 2024 (end of 2023 in brackets)

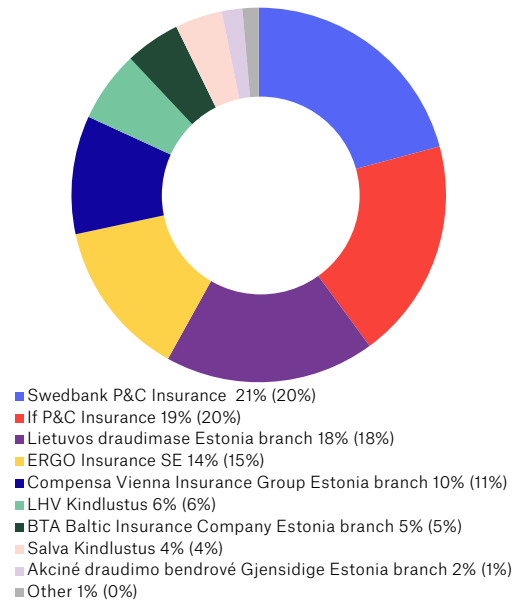
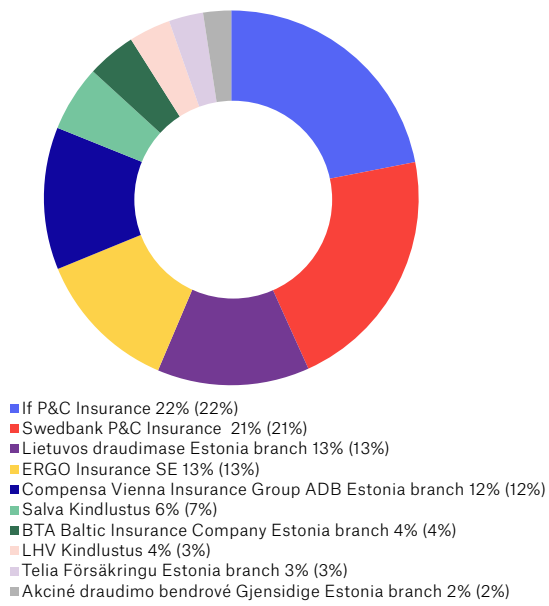


Figure 59. Market share for property insurance as at the end of 2024 (end of 2023 in brackets)



6.3 INSURANCE BROKERS INTERMEDIATING NON-LIFE INSURANCE

Insurance premiums intermediated

Insurance brokers registered in Estonia intermediated non-life insurance premiums of 220 million euros in 2024²², which was 3% more than the 214 million euros in 2023. The number of contracts intermediated rose by 29,911 to 770,732.

As previously, the largest type of insurance by insurance premiums intermediated by brokers was insurance for land vehicles, where 59 million euros of insurance premiums were intermediated (see Figure 60). The second largest type of insurance was property insurance with 57 million euros of premiums. Premiums of 53 million euros in motor third-party liability insurance were intermediated.

Estonian insurance brokers intermediate premiums under contracts from both Estonian and foreign insurance companies. In 2024, 83% or 183 million euros of all the insurance premiums intermediated were those of Estonian insurance companies, and 17%, or 36 million euros, went to foreign insurers. The largest share of the contracts of foreign insurers were the 13 million euros of insurance for other vehicles, and for goods under transport. They were followed by 7 million euros for financial loss insurance and 5 million euros for civil liability insurance.

The share of brokers in the sales volumes of Estonian insurers fell over the year from 32% to 30%.

Brokers have the largest share of Estonian non-life insurance premiums by product at 56% in insurance for other vehicles, covering rail, air and water transport (see Figure 61), while 39% of the motor third-party liability insurance premiums and 34% of the civil liability insurance premiums of Estonian insurers were intermediated through brokers.

Figure 60. Insurance premiums intermediated through insurance brokers by type of non-life insurance (million euros)

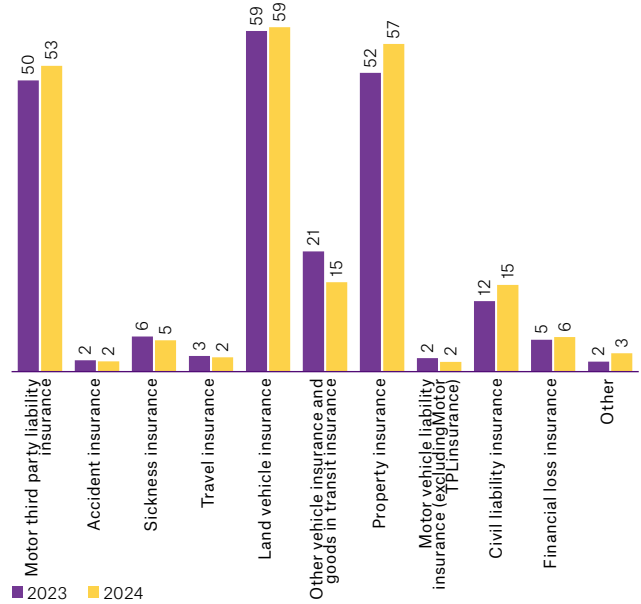
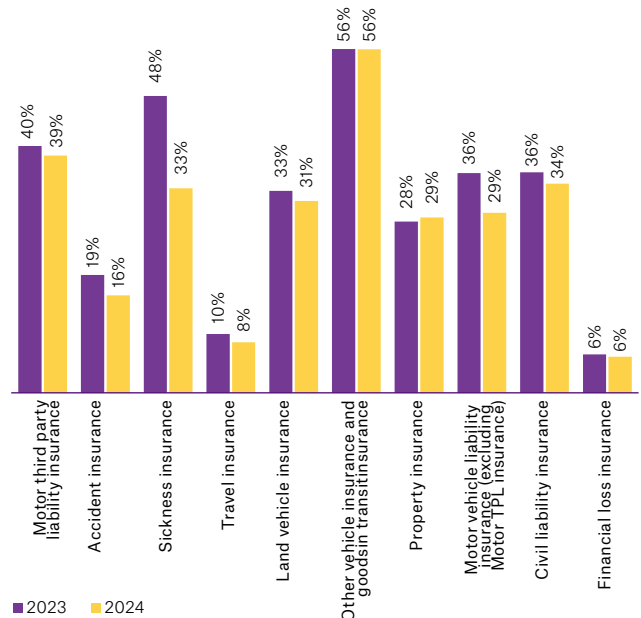


Figure 61. Share of insurance premiums intermediated through insurance brokers of insurers operating in Estonia



²² The yearly data for insurance brokers include the figures for the first half of the year for the brokers Vagner Insurance Broker AS, AS Smrtex Investeering and Allier Kindlustusmaakler OÜ, which all ceased their activities in the second half of the year.

Insurance brokers

There were 42 insurance brokers intermediating non-life insurance contracts in 2024. The majority of the market is divided between only a few brokers though, as 78% of insurance premiums were intermediated by ten insurance brokers (see Figure 62), while 21 brokers had market share of less than 1%.

IIZI Kindlustusmaakler held the largest market share by premiums with 33%, followed by Marsh Kindlustusmaakler with 14% and Howden Kindlustusmaakler with 10%.

IIZI Kindlustusmaakler had the largest share of motor third-party liability insurance premiums intermediated with 54%, and of land vehicle insurance premiums with 34%. The largest market share for other vehicles, covering rail, air and water craft, was held by Kominsuur Kindlustusmaakler OÜ with 40%. Marsh Kindlustusmaakler had the largest market share for property insurance with 28%, for sickness insurance with 43%, and for financial loss insurance with 78%.

Figure 62. Market share of insurance brokers by non-life insurance premiums received in 2024 (2023 in brackets)

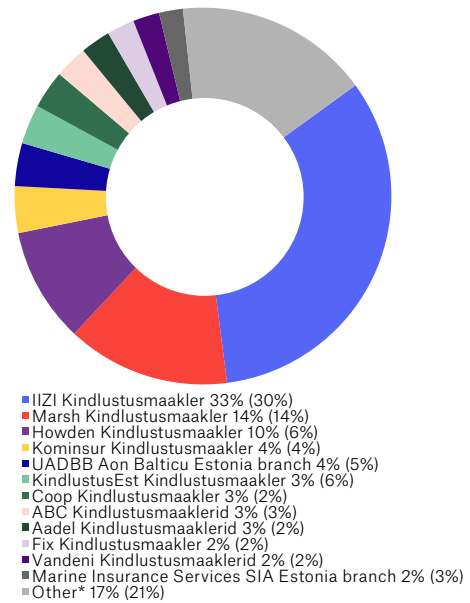
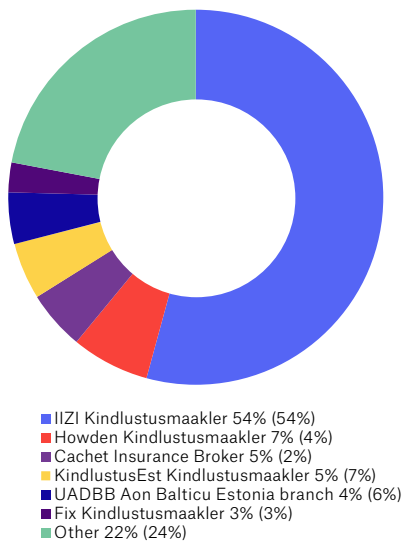


Figure 63. Market share of insurance brokers for motor third-party liability insurance as at the end of 2024 (end of 2023 in brackets)



*The market shares of other insurance brokers intermediating non-life insurance were: Cachet Insurance Broker OÜ 1.8%, OÜ Kindlustusmaakler Tiina Naur 1.7%, Optimal Kindlustusmaakler OÜ 1.5%, Ultima Kindlustusmaakler OÜ 1.5%, NB Kindlustusmaakler OÜ 1.4%, Vagner Insurance Broker AS 1.3%, GrEco Specialty GmbH Estonia branch 1.3%, OÜ TIIB Kindlustusmaakler 1.0%, 1 Kindlustusmaakler OÜ 1.0%, Pro Kindlustusmaakler OÜ 0.9%, InPro Insurance Brokers OÜ 0.5%, Avor Kindlustusmaakler OÜ 0.5%, OÜ Marks ja Partnerid Kindlustusmaaklerid 0.5%, SEE Insurance Broker OÜ 0.4%, FS Kindlustusmaakler OÜ 0.4%, Lõuna Kindlustusmaakler OÜ 0.3%, AVC Advisory Kindlustusmaakler OÜ 0.2%, AS Smart Kindlustusmaakler 0.2%, EURORISK Kindlustusmaakler OÜ 0.02%, Clemenc Kindlustusmaakler OÜ 0.2%, Foxtall Kindlustusmaakler OÜ 0.1%, Northern1 Insurance Solutions Kindlustusmaakler OÜ 0.1%, Premium Kindlustusmaakler OÜ 0.1%, Vector Kindlustusmaakler OÜ 0.1%, SIA Moller Auto Insurance Services Estonia branch 0.1%, Herrmann, Huebner & Partner Insurance Broker OÜ 0.1%, AID Kindlustusmaakler OÜ 0.04%, Direct Kindlustusmaakler OÜ 0.03%, Mede Kindlustusmaakler OÜ 0.02%, and Allier Kindlustusmaakler OÜ 0.01%.

Figure 64. Market share of insurance brokers for land vehicle insurance as at the end of 2024 (end of 2023 in brackets)

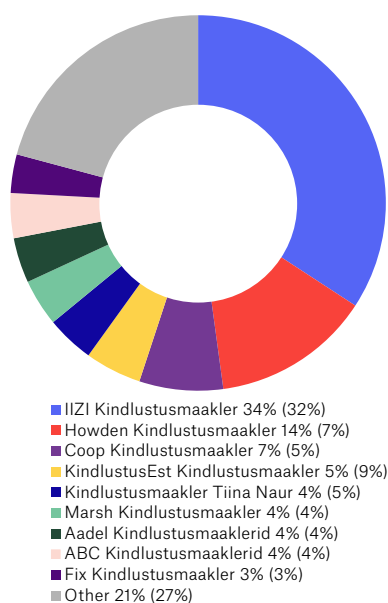
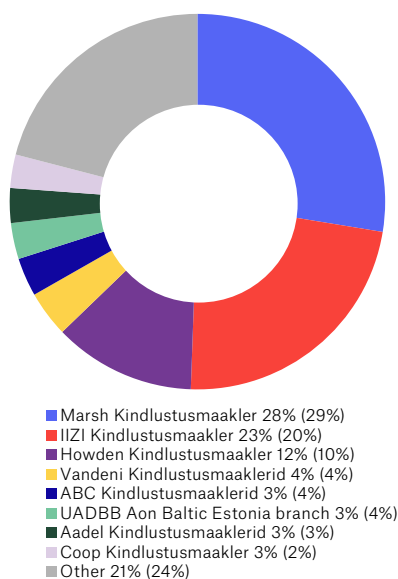


Figure 65. Market share of insurance brokers for property insurance as at the end of 2024 (end of 2023 in brackets)



Non-life insurers received 31.2 million euros in intermediation fees in 2024, up from 30.4 million euros a year earlier, and 20 of the 42 insurance brokers earned 94% of the intermediation fees.

Table 1. Largest non-life insurance brokers by intermediation fees

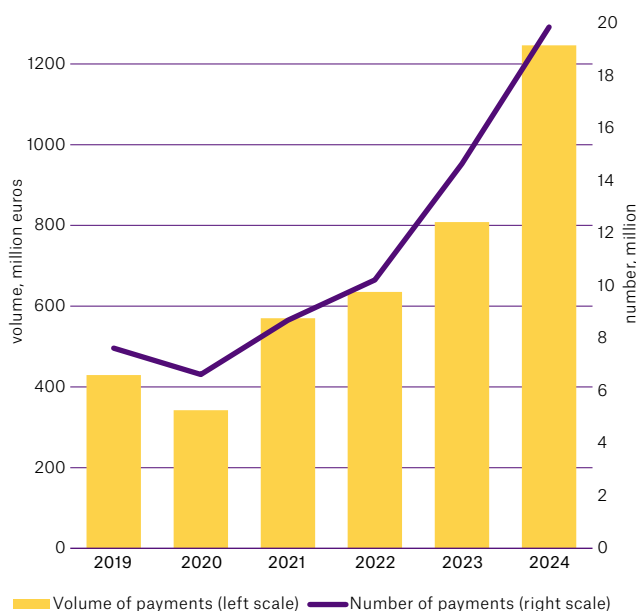
Broker	Market share	
	2024	2023
IIZI Kindlustusmaakler AS	36%	34%
Howden Kindlustusmaakler OÜ	11%	7%
Marsh Kindlustusmaakler AS	10%	9%
KindlustusEst Kindlustusmaakler OÜ	4%	6%
Kominsur Kindlustusmaakler OÜ	4%	3%
Coop Kindlustusmaakler AS	3%	2%
OÜ ABC Kindlustusmaaklerid	3%	3%
Aadel Kindlustusmaaklerid OÜ	3%	3%
UADBB Aon Balticu Estonia branch	3%	4%
Fix Kindlustusmaakler OÜ	3%	3%
Marine Insurance Services SIA Estonia branch	2%	4%
Cachet Insurance Broker OÜ	2%	1%
AS Vandeni Kindlustusmaaklerid	2%	2%
OÜ Kindlustusmaakler Tiina Naur	2%	2%
NB Kindlustusmaakler OÜ	1%	2%
Ultima Kindlustusmaakler OÜ	1%	1%
Optimal Kindlustusmaakler OÜ	1%	2%
Vagner Insurance Broker AS	1%	3%
1 Kindlustusmaakler OÜ	1%	1%
OÜ TIIB Kindlustusmaakler	1%	1%

7. PAYMENT SERVICES OF PAYMENT AND E-MONEY INSTITUTIONS

Payment and e-money institutions intermediated payments of 1.2 billion euros in 2024, up from 806 million in 2023, and 19.8 million payments were made in total, up from 14.6 million (see Figure 66).

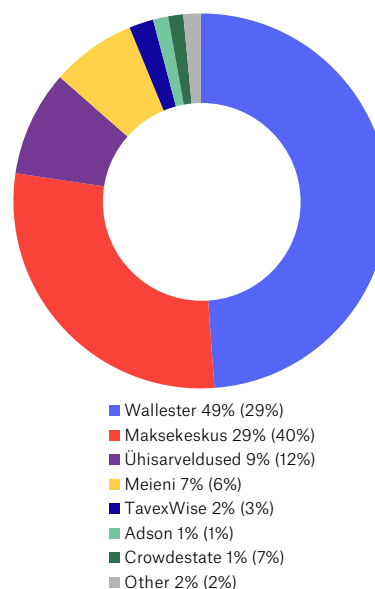
Although the volume of payments through payment institutions grew a lot, it still lagged well behind the growth at the banks. Data from Eesti Pank show that the volume of domestic payments at the banks was 228 billion euros in 2024.

Figure 66. Yearly volume and number of payments at payment institutions



The largest volume of payments in 2024 was at Wallester, which had 49% of all payments, followed by Maksekeskus with 29% and Ühisarveldused with 9% (see Figure 67). Maksekeskus and Wallester dominated for the number of payments, as they each intermediated 46% of all payments.

Figure 67. Market share of payment institutions as at the end of 2024 (end of 2023 in brackets)



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