

Industry Highlights - Q2 of 2024 Vs Q2 of 2023

| No. | Description | Quarter 02 - 2024 Note 1 | Quarter 02 - 2023 Note 1 |
|-----|---|--|--|
| | | Value (Rs.'000) | Value (Rs.'000) |
| 1 | Profit of Insurance Companies (Before Tax) | 1. Life Insurance 2. General Insurance | 13,271,761 10,041,133 |
| | Profit of Insurance Companies (After Tax) | 1. Life Insurance 2. General Insurance | Not Available Not Available |
| 2 | Underwriting Profit of Insurance Companies | 1. Life Insurance 2. General Insurance | Not Applicable 9,695,219 |
| | | | 6,174,268 6,608,912 |
| 3 | Capital levels of Insurance Companies | 1. Life Insurance 2. General Insurance | 165,886,031 116,557,918 |
| | Compliance with Solvency Margin (RBC) | | One life insurance company had not complied with the minimum RBC requirement. A life insurer and a General Insurer (TAC & CAR) had not complied with the minimum requirement. |
| 4 | Total Assets of the insurance sector | 1,131,394,839 | 1,023,529,637 |
| 5 | Distribution of total assets of insurance companies | 1. Life Insurance | 855,001,672 |
| | | Government Debt Securities | 478,122,294 |
| | | Equities | 33,361,099 |
| | | Investments in Subsidiaries | 2,976,141 |
| | | Investments in Associates | 8,497,296 |
| | | Corporate Debt | 138,433,101 |
| | | Land & Buildings | 7,478,932 |
| | | Deposits | 82,697,557 |
| | | Unit Trusts | 11,287,506 |
| | | Investments in Gold | 247,363 |
| | | Reinsurance receivable | 3,507,271 |
| | | Policy Loans | 9,488,870 |
| | | Mortgage Loans | - |
| | | Premium receivable from policyholders and intermediaries | 5,695,738 |
| | | Intangible Assets | 9,421,763 |
| | | Property Plant and Equipements | 21,337,406 |
| | | Other loans | 4,296,650 |
| | | Other Assets | 21,898,816 |
| | | Cash and Cash Equivalents | 16,253,872 |
| 5 | | 2. General Insurance | 276,393,167 |
| | | Government Debt Securities | 109,384,032 |
| | | Equities | 8,007,025 |
| | | Investments in Subsidiaries | 4,413,461 |
| | | Investments in Associates | 105,366 |
| | | Corporate Debt | 18,896,809 |
| | | Land & Buildings | 2,698,249 |
| | | Deposits | 29,150,041 |
| | | Unit Trusts | 3,928,866 |
| | | Investments in Gold | 22,619 |
| | | Reinsurance receivable | 22,109,802 |
| | | Policy Loans | - |
| | | Mortgage Loans | |
| | | Premium receivable from policyholders and intermediaries | 32,431,745 |
| | | Intangible Assets | 2,516,629 |
| | | Property Plant and Equipment | 8,810,199 |
| | | Other Loans | 2,128,989 |
| | | Other Assets | 25,507,161 |
| | | Cash and cash equivalents | 6,282,173 |
| 6 | Gross Premiums for different classes of insurance | Total | 155,266,072 |
| | | 1. Life Insurance | 85,797,297 |
| | | 2. General Insurance | 69,468,775 |
| | | a. Motor | 28,880,022 |
| | | b. Fire | 9,627,551 |
| | | c. Marine | 2,187,277 |
| | | d. Health | 12,182,752 |
| | | e. Other categories | 6,627,051 |
| | | f. SRCC Note 3 | 9,964,122 |
| | | | |
| No. | Description | Quarter 02 - 2024 Value (Rs.'000) | Quarter 02 - 2023 Value (Rs.'000) |
| 7 | Reinsurance by Insurance Companies Note 4 | 1. Reinsurance premiums | 17,857,274 |
| | | a. Life Insurance | 3,764,146 |
| | | b. General Insurance | 14,093,128 |
| | | a. Motor | 1,645,247 |
| | | b. Fire | 6,577,291 |
| | | c. Marine | 1,481,111 |
| | | d. Health | 578,724 |
| | | e. Other categories | 3,810,755 |
| | | f. SRCC Note 3 | - |
| | | | (6,466) |
| | Retention by Insurance Companies | 2. Retention of Premium | 137,408,799 |
| | | a. Life Insurance | 82,033,151 |
| | | b. General Insurance | 55,375,647 |
| | | a. Motor | 27,234,775 |
| | | b. Fire | 3,050,260 |
| | | c. Marine | 706,166 |
| | | d. Health | 11,604,028 |
| | | e. Other categories | 2,816,296 |
| | | f. SRCC Note 3 | 9,964,122 |
| | | | 4,106,624 |

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| 8 | Earned Premiums for different classes of insurance | Total | 132,867,029 | 118,934,052 |
| | | 1. Life Insurance | 82,026,160 | 69,608,568 |
| | | 2. General Insurance | 50,840,869 | 49,325,484 |
| | | a. Motor | 29,469,433 | 30,250,889 |
| | | b. Fire | 2,789,398 | 2,748,219 |
| | | c. Marine | 665,272 | 657,319 |
| | | d. Health | 9,856,801 | 9,353,566 |
| 9 | Claims of Insurance companies | e. Other categories | 2,500,136 | 2,341,540 |
| | | f. SRCC Note 3 | 5,559,829 | 3,973,951 |
| | | 1. Life Insurance | 40,198,240 | 37,302,131 |
| | | 2. General Insurance | 30,154,723 | 31,339,871 |
| | | a. Motor | 16,749,425 | 19,028,670 |
| | | b. Fire | 1,830,818 | 1,574,208 |
| | | c. Marine | 421,901 | 294,522 |
| 10 | Investments of the Insurance sector with breakup | d. Health | 8,750,943 | 9,154,219 |
| | | e. Other categories | 2,346,369 | 1,266,711 |
| | | f. SRCC Note 3 | 55,268 | 21,540 |
| | | 1. Life Insurance | 776,886,807 | 656,762,473 |
| | | Government Debt Securities | 478,122,294 | 355,067,732 |
| | | Equities | 33,361,099 | 38,300,916 |
| | | Investments in Subsidiaries | 2,976,141 | 5,974,319 |
| | | Investments in Associates | 8,497,296 | 4,617,165 |
| | | Corporate Debt | 138,433,101 | 130,326,965 |
| | | Land & Buildings | 7,478,932 | 7,187,170 |
| 10 | Investments of the Insurance sector with breakup | Deposits | 82,697,557 | 93,919,653 |
| | | Unit Trusts | 11,287,506 | 7,321,639 |
| | | Investments in Gold | 247,363 | - |
| | | Policy Loans | 9,488,870 | 9,501,899 |
| | | Mortgage Loans | - | - |
| | | Other Loans | 4,296,650 | 4,545,014 |
| | | 2. General Insurance | 178,735,456 | 186,951,848 |
| | | Government Debt Securities | 109,384,032 | 95,418,186 |
| | | Equities | 8,007,025 | 13,113,598 |
| | | Investments in Subsidiaries | 4,413,461 | 22,895,180 |
| 11 | Investment Income of Insurance Companies | Investments in Associates | 105,366 | 228,196 |
| | | Corporate Debt | 18,896,809 | 16,484,824 |
| 11 | Investment Income of Insurance Companies | Land & Buildings | 2,698,249 | 4,815,479 |
| | | Deposits | 29,150,041 | 29,081,634 |
| 12 | Description | Unit Trusts | 3,928,866 | 2,902,259 |
| | | Investments in Gold | 22,619 | 18,800 |
| | | Policy Loans | - | - |
| | | Mortgage Loans | - | - |
| | | Other Loans | 2,128,989 | 1,993,693 |
| | | Quarter 02 - 2024 | | Quarter 02 - 2023 |
| | | General Insurance | Life Insurance | General Insurance |
| | | General Insurance | Life Insurance | General Insurance |
| | | General Insurance | Life Insurance | General Insurance |
| | | General Insurance | Life Insurance | General Insurance |
| 12 | Aspects of Financial System | Capital Adequacy Ratio | 276% | 312% |
| | | Capital to Total Assets | 0.42 | 0.19 |
| | | Capital to Technical Reserves | 1.33 | N/A |
| | | Technical Reserve Ratio (%) | 117.77 | N/A |
| | | Profitability Ratio (%) | 14.45 | 15.47 |
| | | Underwriting Ratio (%) | 19.07 | N/A |
| | | Return on Assets (ROA) (%) | 9.69 | 3.82 |
| | | Return on Equity (ROE) (%) | 21.48 | 18.76 |
| | | Net Combined Operating Ratio (%) | 104.58 | 87.82 |
| | | Investment Yield Ratio (%) | 14.73 | 13.80 |
| 12 | Earnings and Profitability | Premium Stability Ratio (%) | 6.48 | 17.38 |
| | | Liquidity Ratio | 0.91 | 0.84 |
| | | Loss Ratio (%) | 59.31 | 49.01 |
| | | Retention (Reinsurance) Ratio (%) | 79.71 | 95.61 |
| | | Costs | 45.27 | 38.82 |
| | | Management Expense Ratio (%) | 45.27 | 48.20 |
| | | | | |
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| | | | | |
| 13 | Total Assets of the Insurance Brokering Companies Note 2 | | 13,242,640 | 11,149,176 |
| | | | | |
| 14 | Compliance with regulatory requirements | Any non-compliance with the Regulatory requirements will be informed to the relevant companies to take corrective actions and monitored those accordingly. | | |
| | | Profits (PBT) of Life Insurance business shows a Decrease (Rs.286 Mn) in the 2nd quarter 2024. Overall profits (PBT) of General Insurance business shows an increase of Rs. 3.8Bn (63% Increase) | | |
| 15 | Developments in the insurance industry, with specific references to the buildup of risk | Assets of the Life Insurance business had recorded an increase of 16% due to increase in Government Securities (35%), Unit Trust (54%) , Investments in Associates (84%), and Intangible assets (250%). Assets of General Insurance business had Decreased by 4%. Investments in Subsidiaries (-81%), Equity (-39%), Investment in Associates (-54%), Land and Building (-44%), PPE (-57%) and Cash & Cash Equ (-24%) had indicated an Decreased. Capital Levels had increased by 5% for the Life Insurance business and depicts a decrease of -16% for General Insurance business respectively. | | |
| | | Premium growth for Life Insurance business was 17%, while General Insurance business also recorded an increase of 7% & overall industry premium growth was 12%. | | |
| | | Claims of Life Insurance business had increased by 8% and claims of General Insurance business had decreased by -4%. | | |
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Notes

Note 1 The above data for Q2 2024 and the comparative column Q2 2023 include data for all General Insurance Companies and Life Insurance Companies

Note 2 Total assets of the all Insurance Brokering Companies reported in Q1, 2024 has been taken in to consideration due to unavailability of majority of Q2, 2024 Broker returns as of 16th August 2024

Referring to Cabinet Approval Memorandum Number MF/PE/007/CM/2024/098, starting from 1st January 2024, all general insurance companies are now required to cede the full SRCC premium (100%) collected under the motor category to NITF. As a result, the format has been revised to add extra rows for presenting the SRCC scheme (Segments 6 & 7) of NITF, thereby enhancing data representation.

Note 4 It has been decided to remove Columns A, B, and C from Item 7 due to availability of wise SRCC premium (from the previous submission)