

Industry Highlights - Q3 of 2023 Vs Q3 of 2022

No.	Description	Quarter 03 - 2023 <small>Note 1</small>	Quarter 03 - 2022 <small>Note 1</small>
		Value (Rs.'000)	Value (Rs.'000)
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance 19,629,559 2. General Insurance 16,835,551	17,951,991 21,162,078
	Profit of Insurance Companies (After Tax)	1. Life Insurance Not Available 2. General Insurance Not Available	Not Available Not Available
2	Underwriting Profit of Insurance Companies underwriting profit of	1. Life Insurance Not Applicable 2. General Insurance 10,299,315	Not Applicable 11,178,543
	Capital levels of Insurance Companies	1. Life Insurance 175,609,641 2. General Insurance 150,817,855	134,061,116 127,027,158
3	Compliance with Solvency Margin (RBC)	All life insurers (TAC & CAR) had complied with the minimum requirement. Except MBSL all other General Companies comply with minimum capital requirement	All Life Insurance companies and all General Insurance companies complied with minimum requirement.
	4 Total Assets of the insurance sector	1,089,456,497	925,379,331
5	Distribution of total assets of insurance companies	1. Life Insurance <small>Note 7</small> 789,819,425 Government Debt Securities 410,011,555 Equities 41,648,739 Investments in Subsidiaries 5,974,319 Investments in Associates 4,718,644 Corporate Debt 138,058,449 Land & Buildings 7,207,373 Deposits 88,224,608 Unit Trusts 8,524,114 Investments in Gold 217,165 Reinsurance receivable 3,043,073 Policy Loans 9,510,984 Mortgage Loans - Premium receivable from policyholders and intermediaries 4,546,911 Intangible Assets 2,653,931 Property Plant and Equipments 18,972,031 Other loans 4,631,756 Other Assets 25,636,516 Cash and Cash Equivalents 16,239,257	656,631,243 316,686,217 38,811,728 5,964,684 4,336,419 134,697,256 6,087,160 66,510,624 6,706,350 204,788 3,036,489 8,529,002 - 3,394,845 3,015,457 16,983,997 4,293,291 26,887,908 10,485,028
		2. General Insurance 299,637,072 Government Debt Securities 104,994,863 Equities 15,109,217 Investments in Subsidiaries 22,965,255 Investments in Associates 305,660 Corporate Debt 15,401,488 Land & Buildings 4,820,878 Deposits 30,105,098 Unit Trusts 3,237,370 Investments in Gold 19,858 Reinsurance receivable 19,052,605 Policy Loans - Mortgage Loans - Premium receivable from policyholders and intermediaries 29,264,409 Intangible Assets 2,654,057 Property Plant and Equipment 20,327,086 Other Loans 1,589,929 Other Assets 19,331,993 Cash and cash equivalents 10,457,306	268,748,088 89,558,685 10,692,343 21,741,979 275,178 17,971,278 4,462,699 22,910,315 2,540,668 - 18,857,722 - 30,434,091 2,199,293 20,131,339 771,479 18,130,732 8,070,287
6	Gross Premiums for different classes of insurance	Total 206,090,917 1. Life Insurance 109,931,361 2. General Insurance 96,159,556 a. Motor 49,108,519 b. Fire 17,991,204 c. Marine 3,372,082 d. Health 15,313,094 e. Other categories 10,374,657	191,357,111 98,307,715 93,049,396 49,683,300 13,183,407 3,155,620 15,019,251 12,007,818
No.	Description	Quarter 03 - 2023 Value (Rs.'000)	Quarter 02 - 2022 Value (Rs.'000)
7	Reinsurance by Insurance Companies <small>Note 4</small>	1. Reinsurance premiums 27,605,428 a. Life Insurance 5,287,844 b. General Insurance 22,317,584 A. Reinsurance total after excluding SRCC premium income <small>Note 6</small> 22,317,584 B. Premium Income of SRCC included in the reinsurance premium 5,586,238 C. Total Reinsurance including premium income of SRCC <small>Note 5</small> 27,903,822 a. Motor 4,762,298	24,619,238 4,825,315 19,793,923 19,793,923 4,686,608 24,480,531 2,837,847

		b. Fire	13,583,562	10,418,414		
		c. Marine	2,391,292	2,223,092		
		d. Health	567,937	664,588		
		e. Other categories	6,598,733	8,336,591		
	Retention by Insurance Companies ^{Note 4}	2. Retention of Premium	178,485,489	166,737,873		
		a. Life Insurance	104,643,517	93,482,400		
		b. General Insurance	73,841,972	73,255,473		
		a. Motor	44,346,221	46,843,896		
		b. Fire	4,407,642	2,768,033		
		c. Marine	980,790	935,338		
		d. Health	14,745,157	14,354,657		
		e. Other categories	3,769,323	3,776,932		
		f. SRCC	5,592,839	4,576,619		
8	Earned Premiums for different classes of insurance ^{Note 4}	Total	178,167,853	163,624,476		
		1. Life Insurance	104,640,747	93,481,899		
		2. General Insurance	73,527,106	70,142,577		
		a. Motor	45,317,666	44,583,652		
		b. Fire	3,612,176	2,046,270		
		c. Marine	983,273	935,338		
		d. Health	14,210,217	14,354,657		
		e. Other categories	3,553,926	3,286,365		
		f. SRCC	5,849,849	4,936,295		
9	Claims of Insurance companies ^{Note 4}	1. Life Insurance	55,921,399	40,631,484		
		2. General Insurance	46,734,203	46,294,951		
		a. Motor	28,253,854	26,210,177		
		b. Fire	2,201,678	1,436,052		
		c. Marine	358,525	426,459		
		d. Health	14,134,900	13,558,481		
		e. Other categories	1,793,755	3,525,541		
		f. SRCC	(8,510)	1,138,241		
10	Investments of the Insurance sector with breakup	1. Life Insurance	718,727,706	592,827,519		
		Government Debt Securities	410,011,555	316,686,217		
		Equities	41,648,739	38,811,728		
		Investments in Subsidiaries	5,974,319	5,964,684		
		Investments in Associates	4,718,644	4,336,419		
		Corporate Debt	138,058,449	134,697,256		
		Land & Buildings	7,207,373	6,087,160		
		Deposits	88,224,608	66,510,624		
		Unit Trusts	8,524,114	6,706,350		
		Investments in Gold	217,165	204,788		
		Policy Loans	9,510,984	8,529,002		
		Mortgage Loans	-	-		
		Other Loans	4,631,756	4,293,291		
	Investments of the Insurance sector with breakup	2. General Insurance	198,549,616	170,924,624		
		Government Debt Securities	104,994,863	89,558,685		
		Equities	15,109,217	10,692,343		
		Investments in Subsidiaries	22,965,255	21,741,979		
		Investments in Associates	305,660	275,178		
		Corporate Debt	15,401,488	17,971,278		
		Land & Buildings	4,820,878	4,462,699		
		Deposits	30,105,098	22,910,315		
		Unit Trusts	3,237,370	2,540,668		
		Investments in Gold	19,858	-		
		Policy Loans	-	-		
		Mortgage Loans	-	-		
		Other Loans	1,589,929	771,479		
11	Investment Income of Insurance Companies	1. Life Insurance	72,825,750	43,737,287		
		2. General Insurance	23,348,062	10,772,377		
		Description	Quarter 03 - 2023	Quarter 03 - 2022		
12	Aspects of Financial System	Indicator	General Insurance Note 2	Life Insurance	General Insurance	Life Insurance
	Capital Adequacy	Capital Adequacy Ratio	259%	398%	236%	299%
		Capital to Total Assets	0.50	0.22	0.47	0.20
		Capital to Technical Reserves	1.90	N/A	1.65	N/A
		Technical Reserve Ratio (%)	124.39	N/A	127.16	N/A
	Earnings and Profitability	Profitability Ratio (%)	16.55	17.86	21.65	18.26
		Underwriting Ratio (%)	14.01	N/A	15.80	N/A
		Return on Assets (ROA) (%)	7.94	3.49	9.85	4.16
		Return on Equity (ROE) (%)	16.25	16.32	20.27	20.24
		Net Combined Operating Ratio (%)	110.38	97.62	104.86	83.68
		Investment Yield Ratio (%)	15.80	14.00	8.53	10.41
		Premium Stability Ratio (%)	4.10	11.82	17.25	13.49
	Liquidity	Liquidity Ratio	0.98	0.84	0.83	0.75
		Loss Ratio (%)	63.56	53.44	65.43	43.46
	Reinsurance and Actuarial Issues	Retention (Reinsurance) Ratio (%)	72.57	95.19	72.40	95.09

	Costs	Management Expense Ratio (%)	46.82	44.18	39.43	40.22
13	Total Assets of the Insurance Brokering Companies Note 2		12,377,797		9,202,286	
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.				
15	Developments in the insurance industry, with specific references to the buildup of risk	Profits (PBT) of Life Insurance business shows an increase (Rs 1.7 Bn) in the 3rd quarter 2023. Overall profits (PBT) of General Insurance business shows a decrease of Rs. 6.9Bn (33% decrease) Assets of the Life Insurance business had recorded an increase of 20% due to increase in Government Securities (29%), Deposits (33%), Land & Building (18%), Unit trust (27%), Premium receivable from policyholders and intermediaries (34%) and Cash and cash Equi (55%). Assets of General Insurance business had decreased by 1%. Government securities (14%), Corporate debt (14%) and Premium receivable (12%) had indicated a decrease. However Equity, Deposits and Other loan components depicts an increase. Capital Levels had increased by 31% for the Life Insurance business and depicts a decrease of 1% for General Insurance business respectively. Premium growth for Life Insurance business was 12%, while General Insurance business also recorded a increase of 1% & overall industry premium growth was 7%. Claims of Life Insurance business had increased by 38% and claims of General Insurance business had decreased by 3%.				

Notes

Note 1 The data above for Q3 2023 represents all General Insurance Companies and Life Insurance Companies. The comparative column for Q3 2022 also includes data for all General Insurance Companies and Life Insurance Companies.

Note 2 Total assets of the Insurance Brokering Companies represents all Insurance Brokering Companies except one insurance Brokering companies due to an legal issue & pending resubmission.

Note 3 As per previous submissions IRCSL had informed that particulars related to National Insurance Trust Fund (NITF) have not been included. The reason for excluding NITF information when submitting previous insurance industry statistics was the inability of categorizing some of the data of NITF according to the provided format. However IRCSL has incorporated NITF

Note 4 The format has modified by including few rows to present SRCC scheme (segment) of NITF (Items 7,8 and 9).

Note 5 Reinsurance premium (outgo) recorded in the Statement of Income of insurance companies included premium income belongs to SRCC which remitted to NITF.

Note 6 The submitted data of General Insurance companies are excluded SRCC premium together with reinsurance premium. Accordingly, segment-wise SRCC premium cannot be identified separately based on submitted returns. Therefore SRCC reported by NITF excluded from the total reinsurance balance to avoid the duplication.

Note 7 Information related to Investments recorded under Ceylinco Life of Q2 2022 & Q3 2022 were changed from the previously submitted. Hence the changes have been incorporated with the current submission.