

Industry Highlights - Q3 of 2021 Vs Q3 of 2020

No.	Description	Quarter 03 - 2021 ^{Note 1}	Quarter 03 - 2020 ^{Note 1}	
		Value (Rs.'000)	Value (Rs.'000)	
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance 2. General Insurance	11,655,419 10,650,320	9,978,428 16,273,372
	Profit of Insurance Companies (After Tax)	1. Life Insurance 2. General Insurance	Not Available Not Available	Not Available Not Available
2	Underwriting Profit of Insurance Companies underwriting profit	1. Life Insurance	Not Applicable	Not Applicable
		2. General Insurance	14,764,802	20,125,084
3	Capital levels of Insurance Companies	1. Life Insurance	127,170,976	120,630,384
		2. General Insurance	104,672,408	106,120,269
	Compliance with Solvency Margin (RBC)	All Life and General Insurance companies complied with minimum requirement.	Two Life Insurance companies did not comply with minimum requirement. One composite company did not comply with the minimum requirement.	
4	Total Assets of the insurance sector	832,179,934	773,803,468	
5	Distribution of total assets of insurance companies	1. Life Insurance	615,538,288	556,157,042
		Government Debt Securities	239,478,312	227,584,040
		Equities	38,458,012	29,933,332
		Investments in Subsidiaries	5,889,684	3,889,684
		Investments in Associates	2,368,948	2,192,348
		Corporate Debt	145,094,076	117,039,017
		Land & Buildings	6,212,575	5,101,814
		Deposits	85,824,791	88,757,951
		Unit Trusts	17,547,654	8,415,454
		Investments in Gold	138,564	68,352
		Reinsurance receivable	2,865,626	2,064,457
		Policy Loans	7,064,824	6,883,057
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	3,171,252	3,354,985
		Intangible Assets	3,468,259	2,532,982
		Property Plant and Equipment	16,077,121	16,360,651
Other Loans	4,081,216	4,801,531		
Other Assets	20,691,912	23,329,518		
Cash and cash equivalents	17,105,462	13,847,869		

		2. General Insurance	216,641,647	217,646,426
		Government Debt Securities	51,007,965	61,556,586
		Equities	13,276,800	10,878,630
		Investments in Subsidiaries	21,241,979	21,172,980
		Investments in Associates	253,675	148,509
		Corporate Debt	21,473,818	15,633,602
		Land & Buildings	1,964,966	1,964,945
		Deposits	22,509,213	26,366,012
		Unit Trusts	7,756,376	5,753,247
		Investments in Gold	-	-
		Reinsurance receivable	13,006,428	11,351,218
		Policy Loans	-	-
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	24,558,757	24,681,336
		Intangible Assets	2,163,784	2,176,846
		Property Plant and Equipment	17,297,689	17,665,964
		Other Loans	1,085,268	1,026,074
		Other Assets	13,180,242	11,856,399
		Cash and cash equivalents	5,864,687	5,414,078
6	Gross Premiums for different classes of insurance	Total	160,649,361	151,283,373
		1. Life Insurance	86,626,048	72,297,229
		2. General Insurance	74,023,313	78,986,144
		a. Motor	45,217,605	48,674,653
		b. Fire	9,340,659	8,229,341
		c. Marine	2,167,635	1,626,159
		d. Health	8,172,674	12,073,736
		e. Other categories	9,124,740	8,382,256

No.	Description	Quarter 03 - 2021 ^{Note 1}	Quarter 03 - 2020 ^{Note 1}	
		Value (Rs.'000)	Value (Rs.'000)	
7	Reinsurance by Insurance Companies	1. Reinsurance premiums	23,889,854	22,349,780
		a. Life Insurance	3,895,969	3,442,767
		b.General Insurance	19,993,885	18,907,013
		a. Motor	3,778,979	4,671,342
		b. Fire	7,496,767	6,728,595
		c. Marine	1,307,078	940,957
		d. Health	1,271,393	1,255,609
		e. Other categories	6,139,668	5,310,510
	Retention by Insurance Companies	2. Retention of Premium	136,759,507	128,933,592
		a. Life Insurance	82,730,079	68,854,462
		b. General Insurance	54,029,428	60,079,131
		a. Motor	41,438,626	44,003,311
b. Fire		1,843,891	1,500,746	
c. Marine		860,557	685,201	
d. Health		6,901,281	10,818,127	
e. Other categories		2,985,072	3,071,746	
8	Earned Premiums for different classes of insurance	Total	138,198,450	128,695,275
		1. Life Insurance	82,727,931	68,854,790
		2. General Insurance	55,470,519	59,840,485
		a. Motor	41,356,358	42,937,312
		b. Fire	1,602,821	1,596,632
		c. Marine	830,399	748,082
d. Health	6,760,770	10,985,703		
e. Other categories	4,920,171	3,572,755		

9	Claims of Insurance companies	1. Life Insurance	32,564,645	27,520,635
		2. General Insurance	29,299,898	32,805,966
		a. Motor	18,574,643	20,558,007
		b. Fire	1,701,750	1,400,823
		c. Marine	362,501	259,448
		d. Health	5,401,042	9,325,316
	e. Other categories	3,259,962	1,262,372	
10	Investments of the Insurance sector with breakup	1. Life Insurance	552,158,655	494,666,581
		Government Debt Securities	239,478,312	227,584,040
		Equities	38,458,012	29,933,332
		Investments in Subsidiaries	5,889,684	3,889,684
		Investments in Associates	2,368,948	2,192,348
		Corporate Debt	145,094,076	117,039,017
		Land & Buildings	6,212,575	5,101,814
		Deposits	85,824,791	88,757,951
		Unit Trusts	17,547,654	8,415,454
		Investments in Gold	138,564	68,352
		Policy Loans	7,064,824	6,883,057
		Mortgage Loans	-	-
		Other Loans	4,081,216	4,801,531
		Investments of the Insurance sector with breakup	2. General Insurance	140,570,059
	Government Debt Securities		51,007,965	61,556,586
	Equities		13,276,800	10,878,630
	Investments in Subsidiaries		21,241,979	21,172,980
	Investments in Associates		253,675	148,509
	Corporate Debt		21,473,818	15,633,602
	Land & Buildings		1,964,966	1,964,945
	Deposits		22,509,213	26,366,012
Unit Trusts	7,756,376		5,753,247	
Investments in Gold	-		-	
Policy Loans	-	-		
Mortgage Loans	-	-		
Other Loans	1,085,268	1,026,074		
11	Investment Income of Insurance Companies	1. Life Insurance	38,411,694	33,089,804
		2. General Insurance	6,488,408	7,415,014

12	Description		Quarter 03 - 2021 ^{Note 1}		Quarter 03 - 2020 ^{Note 1}	
	Aspects of Financial System	Indicator	General Insurance	Life Insurance	General Insurance	Life Insurance
	Capital Adequacy	Capital Adequacy Ratio	223%	335%	214%	332%
		Capital to Total Assets	0.48	0.21	0.49	0.22
		Capital to Technical Reserves	1.72	N/A	1.66	N/A
		Technical Reserve Ratio (%)	130.59	N/A	120.71	N/A
	Earnings and Profitability	Profitability Ratio (%)	14.39	13.45	19.49	13.80
		Underwriting Ratio (%)	26.62	N/A	31.27	N/A
		Return on Assets (ROA) (%)	8.59	2.98	6.42	3.02
		Return on Equity (ROE) (%)	17.66	14.11	13.50	13.67
		Net Combined Operating Ratio (%)	96.51	82.55	89.41	85.04
		Investment Yield Ratio (%)	6.50	9.77	11.75	9.65
		Premium Stability Ratio (%)	(11.34)	19.82	9.50	13.12
	Liquidity	Liquidity Ratio	0.71	0.70	0.84	0.76
		Loss Ratio (%)	52.82	39.36	50.95	39.97
	Reinsurance and Actuarial Issues	Retention (Reinsurance) Ratio (%)	72.99	95.50	77.23	95.24
Costs	Management Expense Ratio (%)	43.69	43.18	38.47	45.07	
13	Total Assets of the Insurance Brokering Companies ^{Note 2}		7,618,436		5,950,732	
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. 1.7Bn) in the 3rd quarter 2021. Overall profits (PBT) of General Insurance business decreased by 35% (Rs. 5.6Bn)				
		Assets of insurance industry had grown by 8%. Assets of Life Insurance business had recorded an increase by 11% due to increase in Corporate Debts (24%) and Government Securities (5%). Assets of General Insurance business had slightly increased hence a growth is not a material percentage. Increase was mainly reported from Equity (22%) and Corporate debt (37%) and Unit Trust (35%). At the same time Government debt and deposits shows a decrease as a percentage of 17% and 15%. Capital Levels had increased by 5% for Life Insurance business and General Insurance shows a decrease of 1%.				
		Premium growth for Life Insurance business was 20%, while General Insurance business recorded a decrease of 6% & overall industry premium growth was 6%.				
		Claims of Life Insurance business had increased by 18% and claims of General Insurance business had decreased by 11%.				

Notes

Note 1 The above Q3 2021 column represents insurance companies' information excluding National Insurance Trust Fund (NITF) and the comparative column of Q3 2020 represents insurance companies' information including National Insurance Trust Fund (NITF).

Note 2 Total assets of the Insurance Brokering Companies represents all Insurance Brokering Companies excluding 4 Brokering Companies due to non-submission of Quarterly Returns.