

Industry Highlights - Q2 of 2022 Vs Q2 of 2021

No.	Description		Quarter 02 - 2022 ^{Note 1}	Quarter 02 - 2021
			Value (Rs.'000)	Value (Rs.'000)
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance	7,463,555	7,862,850
		2. General Insurance	15,003,767	8,988,011
	Profit of Insurance Companies (After Tax)	1. Life Insurance	Not Available	Not Available
		2. General Insurance	Not Available	Not Available
2	Underwriting Profit of Insurance Companies underwriting profit of	1. Life Insurance	Not Applicable	Not Applicable
		2. General Insurance	6,245,076	11,041,816
3	Capital levels of Insurance	1. Life Insurance	129,013,332	127,042,379
		2. General Insurance	124,576,056	118,036,637
	Compliance with Solvency Margin (RBC)		All Life Insurance companies and all General Insurance companies complied with minimum requirement.	All Life Insurance companies & General Insurance companies complied with minimum requirement.
4	Total Assets of the insurance sector		902,714,647	836,926,381
5	Distribution of total assets of insurance companies	1. Life Insurance	641,652,769	600,750,877
		Government Debt Securities	303,698,120	241,253,732
		Equities	28,724,527	36,942,761
		Investments in Subsidiaries	5,964,684	5,889,684
		Investments in Associates	2,439,346	2,257,295
		Corporate Debt	139,950,093	129,962,118
		Land & Buildings	6,439,113	6,216,776
		Deposits	72,469,812	82,254,825
		Unit Trusts	7,703,234	16,101,291
		Investments in Gold	218,550	111,139
		Reinsurance receivable	3,086,296	2,649,287
		Policy Loans	7,826,162	7,028,596
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	3,969,839	3,093,219
		Intangible Assets	3,175,302	3,551,574
		Property Plant and Equipment	17,053,512	16,209,919
		Other Loans	4,309,051	4,165,473
Other Assets	27,709,318	22,015,295		
Cash and Cash Equivalent	6,915,812	21,047,893		

		2. General Insurance	261,061,878	236,175,504
		Government Debt Securities	89,331,280	69,511,107
		Equities	9,642,356	12,945,478
		Investments in Subsidiaries	20,689,112	21,271,980
		Investments in Associates	255,895	164,125
		Corporate Debt	17,805,173	20,565,451
		Land & Buildings	4,414,099	1,964,966
		Deposits	22,516,541	20,677,759
		Unit Trusts	3,495,776	7,599,230
		Investments in Gold	-	-
		Reinsurance receivable	18,638,102	13,382,833
		Policy Loans	-	-
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	28,248,975	25,830,414
		Intangible Assets	2,217,521	2,195,632
		Property Plant and Equipment	19,726,251	17,588,771
		Other Loans	754,966	504,214
		Other Assets	17,465,691	12,759,354
		Cash and cash equivalents	5,860,140	9,214,189
6	Gross Premiums for different classes of insurance	Total	127,664,249	108,382,468
		1. Life Insurance	66,216,081	56,156,129
		2. General Insurance	61,448,168	52,226,339
		a. Motor	31,363,166	28,504,325
		b. Fire	8,064,812	6,570,646
		c. Marine	1,814,239	1,488,634
		d. Health	11,231,716	9,077,646
		e. Other categories	8,974,235	6,585,089

No.	Description	Quarter 02 - 2022 ^{Note 1} Value (Rs.'000)	Quarter 02 - 2021 Value (Rs.'000)	
7	Reinsurance by Insurance Companies ^{Note 4}	1. Reinsurance premiums	15,883,751	13,270,550
		a. Life Insurance	3,108,972	2,509,173
		b. General Insurance	12,774,779	10,761,377
		A. Reinsurance total after excluding SRCC premium income ^{Note 6}	12,774,779	10,761,377
		B. Premium Income of SRCC included in the reinsurance premium	3,397,129	3,194,808
		C. Total Reinsurance including premium income of SRCC ^{Note 5}	16,171,908	13,956,185
		a. Motor	1,687,165	2,401,559
		b. Fire	6,303,988	5,274,019
	c. Marine	1,235,281	882,940	
	d. Health	442,743	979,833	
	e. Other categories	6,502,732	4,417,834	
	Retention by Insurance Companies ^{Note 4}	2. Retention of Premium	111,780,498	95,111,919
		a. Life Insurance	63,107,109	53,646,957
		b. General Insurance	48,673,389	41,464,962
		a. Motor	29,676,002	26,102,765
b. Fire		1,760,824	1,296,627	
c. Marine		578,958	605,694	
d. Health		10,788,972	8,097,813	
e. Other categories	2,581,491	2,162,758		
f. SRCC	3,287,140	3,199,305		
8	Earned Premiums for different classes of insurance ^{Note 4}	Total	109,460,872	96,499,995
		1. Life Insurance	63,107,954	53,644,231
		2. General Insurance	46,352,918	42,855,764
		a. Motor	29,035,239	27,736,470
		b. Fire	1,419,055	1,056,516
		c. Marine	549,100	558,913
		d. Health	9,916,673	7,294,919
e. Other categories	2,128,495	3,404,638		
f. SRCC	3,304,356	2,804,308		

9	Claims of Insurance companies ^{Note 4}	1. Life Insurance	25,345,365	20,755,718
		2. General Insurance	31,470,720	24,139,136
		a. Motor	18,206,226	13,333,809
		b. Fire	935,210	1,265,497
		c. Marine	266,040	327,863
		d. Health	10,062,107	6,454,217
		e. Other categories	900,761	2,285,738
	f. SRCC	1,100,376	472,013	
10	Investments of the Insurance sector with breakup	1. Life Insurance	579,742,692	532,183,691
		Government Debt Securities	303,698,120	241,253,732
		Equities	28,724,527	36,942,761
		Investments in Subsidiaries	5,964,684	5,889,684
		Investments in Associates	2,439,346	2,257,295
		Corporate Debt	139,950,093	129,962,118
		Land & Buildings	6,439,113	6,216,776
		Deposits	72,469,812	82,254,825
		Unit Trusts	7,703,234	16,101,291
		Investments in Gold	218,550	111,139
		Policy Loans	7,826,162	7,028,596
		Mortgage Loans	-	-
		Other Loans	4,309,051	4,165,473
	Investments of the Insurance sector with breakup	2. General Insurance	168,905,198	155,204,310
		Government Debt Securities	89,331,280	69,511,107
		Equities	9,642,356	12,945,478
		Investments in Subsidiaries	20,689,112	21,271,980
		Investments in Associates	255,895	164,125
		Corporate Debt	17,805,173	20,565,451
		Land & Buildings	4,414,099	1,964,966
Deposits		22,516,541	20,677,759	
Unit Trusts		3,495,776	7,599,230	
Investments in Gold		-	-	
Policy Loans		-	-	
Mortgage Loans		-	-	
Other Loans	754,966	504,214		
11	Investment Income of Insurance Companies	1. Life Insurance	21,177,617	23,821,839
		2. General Insurance	4,899,404	4,698,016

12	Description		Quarter 02 - 2022 ^{Note 1}		Quarter 02 - 2021	
	Aspects of Financial System	Indicator	General Insurance	Life Insurance	General Insurance	Life Insurance
	Capital Adequacy	Capital Adequacy Ratio	209%	282%	293%	351%
		Capital to Total Assets	0.48	0.20	0.50	0.21
		Capital to Technical Reserves	1.65	N/A	1.68	N/A
		Technical Reserve Ratio (%)	124.01	N/A	122.67	N/A
	Earnings and Profitability	Profitability Ratio (%)	23.14	11.27	16.22	14.00
		Underwriting Ratio (%)	13.47	N/A	25.77	N/A
		Return on Assets (ROA) (%)	9.70	3.18	9.35	2.98
		Return on Equity (ROE) (%)	19.87	3.18	19.30	13.91
		Net Combined Operating Ratio (%)	106.42	79.90	94.11	82.11
		Investment Yield Ratio (%)	6.59	9.28	10.60	9.69
		Premium Stability Ratio (%)	17.00	17.91	0.51	29.78
	Liquidity	Liquidity Ratio	0.86	0.75	0.84	0.75
		Loss Ratio (%)	67.90	40.16	55.27	38.69
	Reinsurance and Actuarial Issues	Retention (Reinsurance) Ratio (%)	75.06	95.30	74.82	95.53
Costs	Management Expense Ratio (%)	38.56	39.74	38.84	43.42	
13	Total Assets of the Insurance Brokering Companies ^{Note 2}		8,915,256		7,433,324	
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 a decrease (Rs. 399Mn) in the 2nd quarter 2022. Overall profits (PBT) of General Insurance business increased by 67%.				
		Assets of Life Insurance business had recorded an increase by 7% due to increase in Government Securities (26%) and Corporate Debts (8%). Assets of General Insurance business had increased by 11%. Government Securities (29%), Investment in Associates (56%) and Land & building (125%) & Reinsurance Receivables (39%) had indicated an increase. Equity (26%), Cash & Cash equivalents (36%) Corporate debt (13%) & Unit trust (54%) had recorded a decrease during the quarter. Capital Levels had increased by 2% & 6% for Life Insurance business and General Insurance business respectively.				
		Premium growth for Life Insurance business was 18%, while General Insurance business also recorded a increase of 18% & overall industry premium growth was 18%.				
		Claims of Life Insurance business had increased by 35% and claims of General Insurance business had increased by 30%.				

Notes

Information for the quarter ended 2022 is excluding data of Amana Takaful PLC due to non submission of the quarterly return for the quarter ended 30th June 2022 However the comparative column is including of all life companies and general companies.

Note 2 Total assets of the Insurance Brokering Companies represents all Insurance Brokering Companies excluding 8 Brokering Companies due to non-submission of Quarterly Returns.

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 statistics (except for reinsurance and crop) for quarter 1 submission to provide more accurate information of the insurance industry.

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.

The submitted data of General Insurance companies are excluded SRCC premium together with reinsurance premium.

Note 6 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.