

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	13,271,761	13,557,791
		2. General Insurance	10,041,133	6,174,268
	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	1. Life Insurance	Not Applicable	Not Applicable
		2. General Insurance	9,695,219	6,608,912
3	Capital levels of Insurance Companies	1. Life Insurance	165,886,031	157,483,464
		2. General Insurance	116,557,918	138,781,790
	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	734,165,169
		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
		Deposits	82,697,557	93,919,653
		Unit Trusts	11,287,506	7,321,639
		Investments in Gold	247,363	-
		Reinsurance receivable	3,507,271	2,783,064
		Policy Loans	9,488,870	9,501,899
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	5,695,738	4,616,712
		Intangible Assets	9,421,763	2,695,326
		Property Plant and Equipments	21,337,406	19,002,350
		Other loans	4,296,650	4,545,014
		Other Assets	21,898,816	28,561,557
		Cash and Cash Equivalents	16,253,872	19,743,688
			2. General Insurance	276,393,167
	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	
	Investments in Associates	105,366	228,196	
	Corporate Debt	18,896,809	16,484,824	
	Land & Buildings	2,698,249	4,815,479	
	Deposits	29,150,041	29,081,634	
	Unit Trusts	3,928,866	2,902,259	
	Investments in Gold	22,619	18,800	
	Reinsurance receivable	22,109,802	19,372,696	
	Policy Loans	-	-	
	Mortgage Loans	-	-	
	Premium receivable from policyholders and intermediaries	32,431,745	28,462,158	
	Intangible Assets	2,516,629	2,941,536	
	Property Plant and Equipment	8,810,199	20,304,157	
	Other Loans	2,128,989	1,993,693	
	Other Assets	25,507,161	23,084,460	
	Cash and cash equivalents	6,282,173	8,247,613	
	Total	155,266,072	138,332,886	
6	Gross Premiums for different classes of insurance	1. Life Insurance	85,797,297	73,094,606
		2. General Insurance	69,468,775	65,238,280
		a. Motor	28,880,022	30,392,012
		b. Fire	9,627,551	9,811,123
		c. Marine	2,187,277	2,335,801
		d. Health	12,182,752	11,497,625
		e. Other categories	6,627,051	7,101,562
		f. SRCC Note 3	9,964,122	4,100,158
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	18,116,571
		a. Life Insurance	3,764,146	3,481,485
		b. General Insurance	14,093,128	14,635,086
		a. Motor	1,645,247	1,545,329
		b. Fire	6,577,291	6,603,613
		c. Marine	1,481,111	1,648,911
		d. Health	578,724	470,536
	e. Other categories	3,810,755	4,373,163	
	e. SRCC Note 3	-	(6,466)	
	Retention by Insurance Companies	2. Retention of Premium	137,408,799	120,216,315
		a. Life Insurance	82,033,151	69,613,121
		b. General Insurance	55,375,647	50,603,194
		a. Motor	27,234,775	28,846,683
		b. Fire	3,050,260	3,207,509
c. Marine		706,166	686,890	
d. Health		11,604,028	11,027,089	
e. Other categories	2,816,296	2,728,399		
f. SRCC Note 3	9,964,122	4,106,624		

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				
e. Other categories	2,500,136	2,341,540				
f. SRCC Note 3	5,559,829	3,973,951				
9	Claims of Insurance companies	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		
		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				
10	Investments of the Insurance sector with breakup	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		
		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		
	Investments of the Insurance sector with breakup	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		
		Investments in Associates	105,366	228,196		
		Corporate Debt	18,896,809	16,484,824		
		Land & Buildings	2,698,249	4,815,479		
		Deposits	29,150,041	29,081,634		
		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		
11	Investment Income of Insurance Companies	1. Life Insurance	48,162,706	45,799,598		
		2. General Insurance	10,678,782	12,721,008		
Description		Quarter 02 - 2024		Quarter 02 - 2023		
12	Aspects of Financial System	Indicator	General Insurance	Life Insurance	General Insurance	Life Insurance
	Capital Adequacy	Capital Adequacy Ratio	276%	312%	192%	352%
		Capital to Total Assets	0.42	0.19	0.48	0.21
		Capital to Technical Reserves	1.33	N/A	1.69	N/A
		Technical Reserve Ratio (%)	117.77	N/A	96.30	N/A
	Earnings and Profitability	Profitability Ratio (%)	14.45	15.47	9.46	18.55
		Underwriting Ratio (%)	19.07	N/A	13.40	N/A
		Return on Assets (ROA) (%)	9.69	3.82	6.52	4.29
		Return on Equity (ROE) (%)	21.48	18.76	13.63	20.62
		Net Combined Operating Ratio (%)	104.58	87.82	111.74	96.80
		Investment Yield Ratio (%)	14.73	13.80	13.49	14.04
		Premium Stability Ratio (%)	6.48	17.38	(0.50)	10.39
	Liquidity	Liquidity Ratio	0.91	0.84	0.88	0.81
		Loss Ratio (%)	59.31	49.01	63.54	53.59
Reinsurance and Actuarial Issues	Retention (Reinsurance) Ratio (%)	79.71	95.61	77.57	95.24	
Costs	Management Expense Ratio (%)	45.27	38.82	48.20	43.21	
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.				
15	Developments in the insurance industry, with specific references to the buildup of risk	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)				
		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%.				

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
- Note 3** 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)