

**Industry Highlights - Q1 of 2021 Vs Q1 of 2020**

No.	Description		Quarter 01 - 2021 <sup>Note 1</sup>	Quarter 01 - 2020 <sup>Note 1 &amp; 3</sup>
			Value (Rs.'000)	Value (Rs.'000)
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance	4,038,049	3,579,688
		2. General Insurance	3,210,229	3,951,934
	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	1. Life Insurance	Not Applicable	Not Applicable
		2. General Insurance	4,160,207	5,240,948
3	Capital levels of Insurance Companies	1. Life Insurance	125,646,826	113,120,575
		2. General Insurance	100,239,703	96,623,917
	Compliance with Solvency Margin (RBC)		All Life Insurance companies and General Insurance companies complied with minimum requirement.	Two Life Insurance companies, did not comply with minimum requirement
4	Total Assets of the insurance sector		<b>798,091,848</b>	<b>713,734,331</b>
5	Distribution of total assets of insurance companies	<b>1. Life Insurance</b>	<b>585,508,874</b>	<b>508,975,693</b>
		Government Debt Securities	232,081,219	204,619,643
		Equities	35,053,752	22,489,018
		Investments in Subsidiaries	3,889,684	3,839,684
		Investments in Associates	2,225,392	2,087,287
		Corporate Debt	123,842,287	106,069,657
		Land & Buildings	6,212,449	5,135,148
		Deposits	89,555,116	84,716,914
		Unit Trusts	14,133,574	6,585,866
		Investments in Gold	68,936	-
		Reinsurance receivable	2,351,833	1,812,031
		Policy Loans	7,026,654	6,903,646
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	2,748,913	3,959,961
		Intangible Assets	3,216,924	2,641,501
		Property Plant and Equipment	16,300,983	16,215,480
		Other Loans	4,267,733	4,528,418
Other Assets	22,139,107	28,167,300		
	Cash and cash equivalents	20,394,317	9,204,138	

		<b>2. General Insurance</b>	<b>212,582,974</b>	<b>204,758,638</b>
		Government Debt Securities	49,716,874	53,801,310
		Equities	11,576,774	7,178,540
		Investments in Subsidiaries	21,271,980	20,731,479
		Investments in Associates	164,125	148,509
		Corporate Debt	17,764,663	16,566,798
		Land & Buildings	1,964,966	1,964,945
		Deposits	24,278,166	24,138,528
		Unit Trusts	6,846,335	1,437,605
		Investments in Gold	-	-
		Reinsurance receivable	11,566,995	12,154,160
		Policy Loans	-	-
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	27,621,283	27,721,303
		Intangible Assets	2,183,161	2,033,769
		Property Plant and Equipment	17,596,701	17,812,831
		Other Loans	967,436	1,133,995
		Other Assets	12,169,122	13,050,721
		Cash and cash equivalents	6,894,393	4,884,145
6	Gross Premiums for different classes of insurance	<b>Total</b>	<b>57,423,698</b>	<b>50,212,900</b>
		1. Life Insurance	29,164,679	21,735,302
		2. General Insurance	28,259,019	28,477,598
		a. Motor	16,076,569	16,220,573
		b. Fire	3,798,342	3,270,730
		c. Marine	809,431	632,701
		d. Health	3,566,356	4,719,021
		e. Other categories	4,008,321	3,634,573

No.	Description	Quarter 01 - 2021 <sup>Note 1</sup>	Quarter 01 - 2020 <sup>Note 1 &amp; 3</sup>	
		Value (Rs.'000)	Value (Rs.'000)	
7	Reinsurance by Insurance Companies	<b>1. Reinsurance premiums</b>	<b>9,445,433</b>	<b>8,700,353</b>
		a. Life Insurance	1,278,800	1,084,247
		b. General Insurance	8,166,633	7,616,106
		a. Motor	1,307,109	1,483,932
		b. Fire	2,941,384	2,699,646
		c. Marine	465,940	367,848
	d. Health	619,655	654,315	
	e. Other categories	2,832,545	2,410,365	
	Retention by Insurance Companies	<b>2. Retention of Premium</b>	<b>47,978,265</b>	<b>41,512,547</b>
		a. Life Insurance	27,885,879	20,651,055
		b. General Insurance	20,092,386	20,861,492
		a. Motor	14,769,460	14,736,641
		b. Fire	856,958	571,084
c. Marine		343,491	264,853	
d. Health	2,946,702	4,064,706		
e. Other categories	1,175,776	1,224,208		
8	Earned Premiums for different classes of insurance	<b>Total</b>	<b>46,250,092</b>	<b>40,893,290</b>
		1. Life Insurance	27,885,512	20,650,892
		2. General Insurance	18,364,580	20,242,398
		a. Motor	13,686,556	14,401,372
		b. Fire	515,041	390,421
		c. Marine	287,681	305,783
d. Health	2,888,522	3,514,931		
e. Other categories	986,780	1,629,891		

9	Claims of Insurance companies	1. Life Insurance	9,828,196	8,723,100
		2. General Insurance	10,523,938	11,839,405
		a. Motor	7,136,020	7,701,312
		b. Fire	493,025	479,717
		c. Marine	87,803	72,762
10	Investments of the Insurance sector with breakup	d. Health	2,471,850	2,912,964
		e. Other categories	335,240	672,650
		<b>1. Life Insurance</b>	<b>518,356,797</b>	<b>446,975,281</b>
		Government Debt Securities	232,081,219	204,619,643
		Equities	35,053,752	22,489,018
		Investments in Subsidiaries	3,889,684	3,839,684
		Investments in Associates	2,225,392	2,087,287
		Corporate Debt	123,842,287	106,069,657
		Land & Buildings	6,212,449	5,135,148
		Deposits	89,555,116	84,716,914
		Unit Trusts	14,133,574	6,585,866
		Investments in Gold	68,936	-
		Policy Loans	7,026,654	6,903,646
10	Investments of the Insurance sector with breakup	Mortgage Loans	-	-
		Other Loans	4,267,733	4,528,418
		<b>2. General Insurance</b>	<b>134,551,319</b>	<b>127,101,709</b>
		Government Debt Securities	49,716,874	53,801,310
		Equities	11,576,774	7,178,540
		Investments in Subsidiaries	21,271,980	20,731,479
		Investments in Associates	164,125	148,509
		Corporate Debt	17,764,663	16,566,798
		Land & Buildings	1,964,966	1,964,945
		Deposits	24,278,166	24,138,528
		Unit Trusts	6,846,335	1,437,605
		Investments in Gold	-	-
		Policy Loans	-	-
11	Investment Income of Insurance Companies	Mortgage Loans	-	-
		Other Loans	967,436	1,133,995
11	Investment Income of Insurance Companies	1. Life Insurance	11,979,118	8,909,639
		2. General Insurance	1,806,020	1,827,910

12	Description		Quarter 01 - 2021 <sup>Note 1</sup>		Quarter 01 - 2020 <sup>Note 1 &amp; 3</sup>	
	Aspects of Financial System	Indicator	General Insurance	Life Insurance	General Insurance	Life Insurance
	Capital Adequacy	Capital Adequacy Ratio	249%	342%	214%	299%
		Capital to Total Assets	0.47	0.21	0.46	0.22
		Capital to Technical Reserves	1.70	N/A	1.38	N/A
		Technical Reserve Ratio (%)	142.78	N/A	109.13	N/A
	Earnings and Profitability	Profitability Ratio (%)	11.36	13.85	13.20	16.47
		Underwriting Ratio (%)	22.65	N/A	24.03	N/A
		Return on Assets (ROA) (%)	10.48	2.97	4.01	3.64
		Return on Equity (ROE) (%)	22.23	13.62	8.70	16.28
		Net Combined Operating Ratio (%)	99.72	77.45	95.49	87.96
		Investment Yield Ratio (%)	7.47	10.13	8.77	9.99
		Premium Stability Ratio (%)	4.50	34.18	15.08	5.76
	Liquidity	Liquidity Ratio	0.72	0.74	0.77	0.75
		Loss Ratio (%)	57.31	35.24	54.28	42.24
	Reinsurance and Actuarial Issues	Retention (Reinsurance) Ratio (%)	71.10	95.62	74.58	95.01
Costs	Management Expense Ratio (%)	42.41	42.21	41.21	45.72	
13	Total Assets of the Insurance Brokering Companies <sup>Note 2</sup>		6,640,567		5,965,324	
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 an increase (Rs. 458Mn) in the 1st quarter 2021. Overall profits (PBT) of General Insurance business decreased by 19% (Rs. 742Mn)				
		Assets of insurance industry had grown by 12%. Assets of Life Insurance business had recorded an increase by 15% due to increase in Government Securities (13%), Corporate Debts (17%) and Equity (56%). However assets of General Insurance business had increased slightly by 4%. Increase was mainly reported from Equity (61%), Unit Trust (376%) and Cash and cash equivalents (41%). Capital Levels had increased by 11% and 4% for Life Insurance business and General Insurance business respectively.				
		Premium growth for Life Insurance business was 34%, while General Insurance business recorded a decrease of 1% & overall industry premium growth was 14%.				
		Claims of Life Insurance business had increased by 13% and claims of General Insurance business had decreased by 11%.				

#### Notes

- Note 1** The above Q1 2021 column represents insurance companies' information excluding National Insurance Trust Fund (NITF) and the comparative column of Q1 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 14 Brokering Companies due to non-submission of Quarterly Returns.
- Note 3** For Claims of Insurance Companies for Life category, only Gross benefits and claims paid & Claims ceded to reinsurers were considered. Figures submitted for Q1 2020 were revised for consistency purposes.