

Industry Highlights - Q3 of 2022 Vs Q3 of 2021

No.	Description	Quarter 03 - 2022 ^{Note 1}	Quarter 03 - 2021	
		Value (Rs.'000)	Value (Rs.'000)	
1	Profit of Insurance Companies (Before Tax)	1. Life Insurance	17,951,991	11,655,419
		2. General Insurance	21,158,492	14,415,749
	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	11,019,233	17,940,251
3	Capital levels of Insurance	1. Life Insurance	133,961,116	127,170,976
		2. General Insurance	125,446,465	119,941,718
	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	921,602,430	854,994,111	
5	Distribution of total assets of insurance companies	1. Life Insurance	656,631,242	615,538,288
		Government Debt Securities	316,686,217	239,478,312
		Equities	38,811,728	38,458,012
		Investments in Subsidiaries	5,964,684	5,889,684
		Investments in Associates	4,336,419	2,368,948
		Corporate Debt	134,697,256	145,094,076
		Land & Buildings	6,087,160	6,212,575
		Deposits	66,510,624	85,824,791
		Unit Trusts	6,706,350	17,547,654
		Investments in Gold	204,788	138,564
		Reinsurance receivable	3,036,489	2,865,626
		Policy Loans	8,529,002	7,064,824
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	3,394,845	3,171,252
		Intangible Assets	3,015,457	3,468,259
		Property Plant and Equipment	16,983,997	16,077,121
		Other Loans	4,293,291	4,081,216
Other Assets	26,887,908	20,691,912		
Cash and Cash Equivalents	10,485,028	17,105,462		

		2. General Insurance	264,971,188	239,455,824
		Government Debt Securities	89,158,886	69,932,456
		Equities	10,647,639	13,276,800
		Investments in Subsidiaries	20,689,112	21,241,979
		Investments in Associates	275,178	253,675
		Corporate Debt	17,971,278	21,473,818
		Land & Buildings	4,414,099	1,964,966
		Deposits	22,178,305	22,509,213
		Unit Trusts	2,501,202	7,756,376
		Investments in Gold	-	-
		Reinsurance receivable	18,742,098	13,026,421
		Policy Loans	-	-
		Mortgage Loans	-	-
		Premium receivable from policyholders and intermediaries	29,399,309	27,303,679
		Intangible Assets	2,169,635	2,185,312
		Property Plant and Equipment	20,076,474	17,334,869
		Other Loans	757,621	1,085,268
		Other Assets	17,981,281	14,111,158
		Cash and cash equivalents	8,009,072	5,999,834
6	Gross Premiums for different classes of insurance	Total	190,456,273	165,227,476
		1. Life Insurance	98,307,715	86,626,048
		2. General Insurance	92,148,558	78,601,428
		a. Motor	49,238,279	45,350,082
		b. Fire	13,122,074	9,362,033
		c. Marine	2,995,072	2,169,200
		d. Health	14,881,540	12,492,350
		e. Other categories	11,911,592	9,227,763

No.	Description	Quarter 03 - 2022 ^{Note 1} Value (Rs.'000)	Quarter 03 - 2021 Value (Rs.'000)	
7	Reinsurance by Insurance Companies ^{Note 4}	1. Reinsurance premium	24,323,582	19,133,425
		a. Life Insurance	4,825,315	3,895,969
		b. General Insurance	19,498,268	15,237,456
		A. Reinsurance total after excluding SRCC premium income ^{Note 6}	19,498,268	15,237,456
		B. Premium Income of SRCC included in the reinsurance premium	4,686,608	4,756,429
		C. Total Reinsurance including premium income of SRCC ^{Note 5}	24,184,875	19,993,885
		a. Motor	2,821,101	3,782,855
		b. Fire	10,361,895	7,498,948
		c. Marine	2,070,645	1,307,078
	d. Health	664,588	1,271,393	
	e. Other categories	8,266,647	6,133,611	
	Retention by Insurance Companies ^{Note 4}	2. Retention of Premium	166,132,691	146,094,051
		a. Life Insurance	93,482,401	82,730,079
		b. General Insurance	72,650,290	63,363,972
		a. Motor	46,415,621	41,567,227
b. Fire		2,763,219	1,863,084	
c. Marine		927,237	862,122	
d. Health		14,216,946	11,220,957	
e. Other categories	3,750,651	3,088,095		
f. SRCC	4,576,619	4,762,486		
8	Earned Premiums for different classes of insurance ^{Note 4}	Total	163,674,345	147,093,149
		1. Life Insurance	93,481,899	82,727,931
		2. General Insurance	70,192,446	64,365,218
		a. Motor	44,203,006	41,515,149
		b. Fire	2,040,169	1,622,014
		c. Marine	861,064	831,964
		d. Health	14,892,231	11,075,405
e. Other categories	3,259,681	5,040,881		
f. SRCC	4,936,295	4,279,805		

9	Claims of Insurance companies Note 4	1. Life Insurance	40,631,484	32,564,645
		2. General Insurance	45,937,200	34,301,381
		a. Motor	25,990,402	18,658,085
		b. Fire	1,430,779	1,701,799
		c. Marine	427,784	376,240
		d. Health	13,448,643	10,115,566
		e. Other categories	3,501,350	3,421,606
	f. SRCC	1,138,241	28,084	
10	Investments of the Insurance sector with breakup	1. Life Insurance	592,827,518	552,158,655
		Government Debt Securities	316,686,217	239,478,312
		Equities	38,811,728	38,458,012
		Investments in Subsidiaries	5,964,684	5,889,684
		Investments in Associates	4,336,419	2,368,948
		Corporate Debt	134,697,256	145,094,076
		Land & Buildings	6,087,160	6,212,575
		Deposits	66,510,624	85,824,791
		Unit Trusts	6,706,350	17,547,654
		Investments in Gold	204,788	138,564
		Policy Loans	8,529,002	7,064,824
		Mortgage Loans	-	-
		Other Loans	4,293,291	4,081,216
	Investments of the Insurance sector with breakup	2. General Insurance	168,593,319	159,494,550
		Government Debt Securities	89,158,886	69,932,456
		Equities	10,647,639	13,276,800
		Investments in Subsidiaries	20,689,112	21,241,979
		Investments in Associates	275,178	253,675
		Corporate Debt	17,971,278	21,473,818
Land & Buildings		4,414,099	1,964,966	
Deposits		22,178,305	22,509,213	
Unit Trusts		2,501,202	7,756,376	
Investments in Gold		-	-	
Policy Loans	-	-		
Mortgage Loans	-	-		
Other Loans	757,621	1,085,268		
11	Investment Income of Insurance Companies	1. Life Insurance	43,737,287	38,411,694
		2. General Insurance	10,729,141	7,308,337

Description		Quarter 03 - 2022 ^{Note 1}		Quarter 03 - 2021		
12	Aspects of Financial System	Indicator	General Insurance	Life Insurance	General Insurance	Life Insurance
12	Capital Adequacy	Capital Adequacy Ratio	Note 07 239%	252%	284%	332%
		Capital to Total Assets	0.47	0.20	0.48	0.21
		Capital to Technical Reserve	1.65	N/A	1.72	N/A
		Technical Reserve Ratio (%)	125.51	N/A	130.59	N/A
	Earnings and Profitability	Profitability Ratio (%)	21.85	18.26	17.29	13.45
		Underwriting Ratio (%)	15.70	N/A	27.87	N/A
		Return on Assets (ROA) (%)	9.82	4.16	8.59	2.98
		Return on Equity (ROE) (%)	20.19	20.24	17.66	14.11
		Net Combined Operating Ratio (%)	104.80	83.68	92.43	82.55
		Investment Yield Ratio (%)	8.48	10.41	6.50	9.77
	Liquidity	Premium Stability Ratio (%)	16.17	13.49	(0.15)	19.82
		Liquidity Ratio	0.86	0.75	0.71	0.70
	Reinsurance and Actuarial Issues	Loss Ratio (%)	65.44	43.46	53.29	39.36
		Retention (Reinsurance) Ratio (%)	75.02	95.09	76.01	95.50
Costs	Management Expense Ratio (%)	39.35	40.22	39.13	43.18	
13	Total Assets of the Insurance Brokering Companies ^{Note 2}		8,425,375		7,700,574	
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 increase (Rs. 6.2 Bn) in the 3rd quarter 2022. Overall profits (PBT) of General Insurance business increased by 47%.				
		Assets of Life Insurance business had recorded an increase by 7% due to increase in Government Securities (32%). Assets of General Insurance business had increased by 11%. Government Securities (27%), Land & building (125%), Reinsurance Receivables (44%) and Cash (33%) had indicated an increase. Equity (20%), Cash Corporate debt (16%) & Unit trust (68%) had recorded a decrease during the quarter. Capital Levels had increased by 5% & 5% for Life Insurance business and General Insurance business respectively.				
		Premium growth for Life Insurance business was 13%, while General Insurance business also recorded a increase of 17% & overall industry premium growth was 15%.				
		Claims of Life Insurance business had increased by 25% and claims of General Insurance business had increased by 34%.				

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 September 2022 However the comparative column is including of all life companies and general companies.

Total assets of the Insurance Brokering Companies represents all Insurance Brokering Companies excluding 11 Brokering Companies due to non-submission of Quarterly Returns.

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

Note 3 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.

Note 7 Industry Capital Adequacy Ratio of General Insurance segment for Q3 2022 has been calculated excluding Amana Takaful PLC