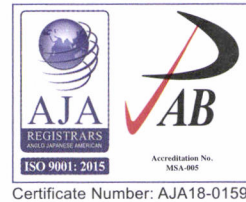




Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
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PRESS RELEASE

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INSURANCE COMMISSION RELEASES Q2 2019 DATA FOR INSURANCE INDUSTRY

The Insurance Commission (IC) has released its report on the key performance indices for the insurance industry—composed of the life, non-life, and mutual benefit association (MBA) sectors—in the second quarter of 2019.

Insurance Commissioner Dennis B. Funa stated that this report has been extracted from the quarterly unaudited report submitted by insurance companies and MBAs to the IC.

The insurance industry asset base grew by 11.79% to P1.72 trillion as of the end of second quarter this year from P1.54 trillion held as at end of second quarter 2018, according to Commissioner Funa.

He said, “As of end of the first half of this year, the three sectors of the insurance industry registered positive growth in terms of assets. A significant portion of the industry’s assets or 88.37% (P1.52 trillion) were held in income generating investments.”

The investment portfolio of the industry grew by 19.59% as at end 30 June 2019 to P1.52 trillion from P1.27 trillion as at end of Q2 2018.

“Government securities maintained their attractiveness to both life and non-life sectors comprising 36.21% (P480.93 billion) of the P 1.33 trillion total investment of the life sector, 32.82% (P35.42 billion) of the P107.91 billion total investments of the non-life sector and 32.84% (P28.00 billion) of the P85.25 billion total investments of the MBA sector,” said Commissioner Funa.

The industry’s premium stood at P141.91 billion as at end of the first half of this year representing a decrease of 2.64% from P145.76 billion reported premiums during the same period last year.

Commissioner Funa said that “the decrease in the total premium of the insurance industry can be attributed to the decrease in the uptake of single premium variable products due to global market uncertainty and economic slowdown.”

“Despite the year-on-year increase in the first year and renewal premiums in variable life products of 11.67% and 32.04%, respectively, the decline in the premium from the sale of variable life insurance products was caused by the significant decrease of single premium of 52.50% from P43.24 billion last year to P20.54 billion this year,” he added.

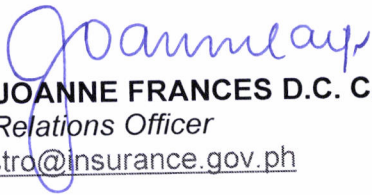
For traditional life insurance products, the life insurance sector recorded positive growth in all types of premiums.

Commissioner Funa said, “The premiums generated from the sale of traditional life insurance products increased by 12.55% to P31.17 billion as of end of second quarter of this year from P27.69 billion during the same period last year. A remarkable increase of 94.97% should also be noted in single premium policies of traditional life insurance from P1.1 billion in Q2 2018 to P2.2 billion of the same quarter in 2019.”

As to the non-life insurance sector, the net premiums written grew by 12.98% year-on-year to P27.61 billion compared to P24.44 billion recorded in the previous year.

According to Commissioner Funa, the motor car insurance class maintained a leading position in terms of contribution to the total net premiums written accounting for 49.47% of the total net premiums written of the non-life insurance sector.

The MBA sector's premium income as of end of second quarter this year increased by 13.54% to P5.88 billion from P5.18 billion reported during the same period last year.



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