



Republic of the Philippines  
Department of Finance  
**INSURANCE COMMISSION**  
1071 United Nations Avenue  
Manila



## **PRESS RELEASE**

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### **INSURANCE INDUSTRY THRIVES IN FIRST QUARTER OF 2017**

The insurance industry started the year strongly posting a 19.51% growth in terms of premium income during the first quarter of 2017 compared to the same period in 2016.

Initial data from the Insurance Commission showed that for the first quarter of this year, the life insurance sector raked in premiums totaling P44.08 billion, up by 14.19% from P38.60 billion in the previous year.

Commissioner Dennis B. Funa said, "The positive growth in the premium income of the life sector can be attributed to the increase in the premiums generated from the sale of variable life insurance products. While the premium income in traditional life insurance declined by 3.87%, the life insurance sector registered a 23.21% increase in premium income from the sale of variable life insurance products."

Meanwhile, the non-life insurance sector recorded a 19.40% increase in net premiums written from P9.12 billion in the first quarter of 2016 to P10.89 billion.

According to Commissioner Funa, "One of the factors in the increase in net premiums written of the non-life sector is due to the increase in the premiums generated from the fire and motor business. The motor business contributes to almost half or 48.24% of the total net premiums written of the non-life insurance sector. On the other hand, the net premiums written from fire business comprises 18.01% of the total net premiums written."

Mutual benefit associations (MBAs), meanwhile, contributed P2.06 billion to the industry's total premium income.

Total assets of insurance companies have increase to P1.42 trillion during the first three months of 2017, up by 22.26% from P1.17 trillion during the same period in 2016.

Total investments also rose to P1.24 trillion from P1.02 trillion, up by 21.35%. Commissioner Funa said, "The life insurance sector's total investment stood at P1.10 trillion, 40% of which or P4.42 billion were invested in government bonds while the non-life insurance sector's total investment amounted to P74.65 billion, 39.08% of P29.17 billion of which were invested in government bonds."

Investments of the insurance industry are placed in private bonds stocks, real estate, mutual funds, unit investment trust fund, real estate investment trust and deposits in banks, among others.

The insurance industry recorded an increase of 25.77% in net income for the period at P6.34 billion from P5.04 billion in the same period in 2016. The life sector posted an increment of 6.52% year-on-year to P4.81 billion from P4.52 billion. The non-life sector, on the other hand, posted an 11.98% increase in its net income during the first quarter of the year from P518 million to P580 million.

Total networth, meanwhile, jumped by 35.85% to P292.95 billion as of end-March, from P215.64 billion during the comparable period last year.

Commissioner Funa said that he is confident that the stronger growth in the first quarter of this year can be sustained by the industry.



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## INSURANCE INDUSTRY PERFORMANCE

as of the Quarter Ending March 31

( In Million Pesos )

LIFE AND NON-LIFE INSURANCE COMPANIES, AND MUTUAL BENEFIT ASSOCIATIONS	2017	2016	% Increase/ (Decrease)
1 . Total Assets	1,424,990.4	1,165,546.3	22.26
2 . Total Liabilities	1,132,039.0	949,902.4	19.17
3 . Total Networth	292,951.4	215,643.9	35.85
4 . Total Paid - Up Capital	47,677.8	41,696.0	14.35
5 . Total Investments	1,236,890.8	1,019,291.4	21.35
6 . Total Premiums	57,035.4	47,725.2	19.51
7 . Total Benefits Payment/Losses Incurred	19,370.5	17,049.0	13.62
8 . Total Net Income/(Loss)	6,336.2	5,037.8	25.77

## INSURANCE INDUSTRY PERFORMANCE

as of the Quarter Ending March 31

( In Million Pesos )

LIFE INSURANCE COMPANIES	2017	2016	% Increase/ (Decrease)
1 . Total Assets	1,168,828.8	996,941.5	17.24
2 . Total Liabilities	979,138.4	849,591.9	15.25
3 . Total Networth	189,690.4	147,349.6	28.73
4 . Total Paid - Up Capital	17,544.7	15,835.9	10.79
5 . Total Investments	1,099,133.7	955,305.3	15.06
6 . Total Premiums	44,077.1	38,600.8	14.19
7 . Total Benefits Payment	13,683.8	12,449.5	9.91
8 . Total Net Income/(Loss)	4,814.2	4,519.4	6.52

## INSURANCE INDUSTRY PERFORMANCE

as of the Quarter Ending March 31

( In Million Pesos )

NON-LIFE INSURANCE COMPANIES	2017	2016	% Increase/ (Decrease)
1 . Total Assets	185,104.4	168,604.8	9.79
2 . Total Liabilities	107,928.1	100,310.5	7.59
3 . Total Networth	77,176.3	68,294.3	13.01
4 . Total Paid - Up Capital	29,246.9	25,860.1	13.10
5 . Total Investments	74,645.7	63,986.1	16.66
6 . Total Net Premiums Written	10,894.1	9,124.4	19.40
Total Premiums Earned	9,805.2	9,618.6	1.94
Total Gross Premiums Written	19,252.1	17,838.0	7.93
7 . Total Losses Incurred	4,408.7	4,599.5	(4.15)
8 . Total Net Income/(Loss)	580.5	518.4	11.98

## INSURANCE INDUSTRY PERFORMANCE

as of the Quarter Ending March 31  
( In Million Pesos )

MUTUAL BENEFIT ASSOCIATIONS	2017
1 . Total Assets	71,057.2
2 . Total Liabilities	44,972.5
3 . Total Fund Balance	26,084.7
4 . Total Guaranty Fund	886.2
5 . Total Investments	63,111.4
6 . Total Contributions/Premiums	2,064.2
7 . Total Benefits Payment / Expenses	1,278.0
8 . Total Net Surplus/(Deficit)	941.5

## INSURANCE INDUSTRY PERFORMANCE

as of the Quarter Ending March 31

( In Million Pesos )

Investments at Cost	2017	Percentage Share to Total	2016	Percentage Share to Total	% Increase/ (Decrease)
<b>TOTAL</b>	1,236,890.8		1,019,291.4		21.35
<b>1. Life</b>	1,099,133.7	100.00	955,305.3	100.00	15.06
a. <i>Traditional</i>	590,563.0	53.73	518,812.3	54.31	13.83
<i>VUL</i>	508,570.8	46.27	436,493.0	45.69	16.51
b. <b>Bonds - Government</b>	442,504.6	40.26	386,988.1	40.51	14.35
<i>Private</i>	103,790.1	9.44	59,476.5	6.23	74.51
<b>Stocks</b>	299,013.8	27.20	247,435.0	25.90	20.85
<i>Real Estate</i>	15,218.5	1.38	13,919.3	1.46	9.33
<i>Loans/Other Loans</i>	72,379.1	6.59	74,379.5	7.79	(2.69)
<i>Mutual/UITF/Real Estate Inv.</i>	95,072.4	8.65	76,741.0	8.03	23.89
<i>Mutual Funds</i>	65,156.9	5.93	51,629.3	5.40	26.20
<i>Unit Investment Trust Fund</i>	29,915.5	2.72	25,111.7	2.63	19.13
<i>Real Estate Investment Trust</i>	-	-	-	-	-
<i>Time Deposit/Fixed Deposit</i>	34,770.0	3.16	57,857.7	6.06	(39.90)
<i>Other Investments</i>	36,385.2	3.31	38,508.2	4.03	(5.51)
	<u>1,099,133.7</u>	<u>100.0</u>	<u>955,305.3</u>	<u>100.0</u>	<u>15.06</u>
<b>2. Non-Life</b>	74,645.7		63,986.1		16.66
<b>Bonds - Government</b>	29,173.9	39.08	21,585.4	33.73	35.16
<i>Private</i>	7,288.3	9.76	9,508.9	14.86	(23.35)
<b>Stocks</b>	13,085.9	17.53	12,399.3	19.38	5.54
<i>Real Estate</i>	6,216.8	8.33	6,342.5	9.91	(1.98)
<i>Loans/Other Loans</i>	841.9	1.13	886.5	1.39	(5.03)
<i>Mutual/UITF/Real Estate Inv.</i>	1,578.5	2.11	1,238.4	1.94	27.46
<i>Mutual Funds</i>	619.5	0.06	554.6	0.06	11.70
<i>Unit Investment Trust Fund</i>	959.0	0.09	643.5	0.07	49.03
<i>Real Estate Investment Trust</i>	-	-	40.3	0.00	-
<i>Time Deposit/Fixed Deposit</i>	14,268.0	19.11	10,020.2	15.66	42.39
<i>Other Investments</i>	2,192.4	2.94	2,004.9	3.13	9.35
	<u>74,645.7</u>	<u>100.0</u>	<u>63,986.1</u>	<u>100.0</u>	<u>16.66</u>
<b>3. MBA's</b>	63,111.4				
<b>Bonds - Government</b>	16,296.9	25.82			
<i>Private</i>	6,906.1	10.94			
<b>Stocks</b>	1,618.1	2.56			
<i>Real Estate</i>	3,488.2	5.53			
<i>Loans/Other Loans</i>	28,560.3	45.25			
<i>Mutual/UITF/Real Estate Inv.</i>	-	-			
<i>Time Deposit/Fixed Deposit</i>	4,636.6	7.35			
<i>Other Investments</i>	1,605.2	2.54			
	<u>63,111.4</u>	<u>100.00</u>			