

3 January 2012

PRESS RELEASE

STATISTICS ON EURO AREA INSURANCE CORPORATIONS AND PENSION FUNDS: THIRD QUARTER 2011

At the end of September 2011, the total financial assets of euro area insurance corporations and pension funds were €13 billion lower than in June 2011. Over the same period, the insurance technical reserves, which are the main liabilities of insurance corporations and pension funds, decreased to €5,973 billion, from €5,987 billion, due to valuation changes.

Selected balance sheet items of insurance corporations and pension funds

(EUR billions; not seasonally adjusted; amounts outstanding at the end of the period; transactions during the period)

	Amounts outstanding			Amounts outstanding	Transactions ¹
	2010	2011			
	Q4	Q1	Q2	2011 Q3	
Total financial assets	6,827	6,896	6,921	6,908	n.a.
Insurance technical reserves ²	5,896	5,965	5,987	5,973	3
Net equity of households in life insurance reserves	3,382	3,414	3,437	3,422	4
Net equity of households in pension fund reserves	1,651	1,665	1,674	1,679	13
Prepayments of insurance premiums and reserves for outstanding claims	862	886	876	872	-13

¹ Transactions are available only for euro area insurance technical reserves.

² Insurance technical reserves contain the provisions against policyholders or beneficiaries set aside by insurers and pension funds to meet future obligations. This item also includes prepayments of insurance premiums, which are related to non-life insurance and to reinsurance, and reserves for outstanding claims, which are the amounts expected to be paid out in settlement of claims, including disputed claims.

Regarding the breakdown of the assets of the aggregated balance sheet of euro area insurance corporations and pension funds, holdings of **securities other than shares** accounted for 39% of the sector's total financial assets at end-September 2011. The

second largest category of holdings were **investment fund shares**, which contributed 22% to the total financial assets. Finally, **currency and deposits** accounted for 11% of the total financial assets.

Turning to transactions in the main breakdowns of the **insurance technical reserves**, the **net equity of households in life insurance reserves** increased by €4 billion in the third quarter of 2011. The **net equity of households in pension fund reserves** increased by €13 billion in the same quarter, while **prepayments of insurance premiums and reserves for outstanding claims** decreased by €13 billion.

Regarding the contributions of the two sub-sectors, **insurance corporations' total financial assets** accounted for €5,495 billion in September 2011, representing 80% of the aggregated balance sheet of the insurance corporations and pension funds sector, while the **pension funds' total financial assets** amounted to €1,412 billion.

Notes

- *Further predefined tables, statistical data and methodological notes, as well as the advance release calendar, are available on the ECB's website at <http://www.ecb.europa.eu/stats/money/icpf/html/index.en.html>.*

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Table 1: Assets and liabilities of euro area insurance corporations and pension funds(EUR billions; not seasonally adjusted; amounts outstanding at the end of the period ¹⁾)

	2010 Q4	2011 Q1	2011 Q2	2011 Q3
Total financial assets	6,827	6,896	6,921	6,908
Currency and deposits	774	775	778	794
<i>of which:</i> Deposits with euro area MFIs	738	735	737	753
<i>of which:</i> Deposits with non-euro area residents	34	38	39	39
Loans	502	500	507	499
To euro area residents	471	469	477	471
MFIs	18	17	19	19
General government	133	135	137	137
Other financial intermediaries	48	45	45	38
Insurance corporations and pension funds	94	95	97	95
Non-financial corporations	48	46	47	47
Households	131	132	133	134
To non-euro area residents	30	30	29	28
Securities other than shares	2,642	2,676	2,692	2,714
Issued by euro area residents	2,219	2,260	2,267	2,290
MFIs	594	617	638	640
General government	1,215	1,209	1,230	1,236
Other financial intermediaries	236	262	224	236
Insurance corporations and pension funds	18	19	16	17
Non-financial corporations	155	154	160	160
Issued by non-euro area residents	424	416	425	425
Shares and other equity	823	827	831	780
Quoted shares	368	371	363	316
<i>of which:</i> Issued by euro area MFIs	29	33	32	25
Unquoted shares	455	456	468	464
Investment fund shares/units	1,579	1,602	1,605	1,553
<i>of which:</i> Issued by euro area residents	1,469	1,492	1,496	1,447
Money market fund shares	65	63	67	75
<i>of which:</i> Issued by euro area MFIs	56	54	57	67
Prepayments of insurance premiums and reserves for outstanding claims ²⁾	272	279	269	267
<i>of which:</i> Euro area residents	236	243	237	235
Other accounts receivable/payable and financial derivatives	170	174	172	225
Non-financial assets	151	154	153	153
Total liabilities	6,817	6,919	6,933	6,892
Loans	284	304	306	311
Securities other than shares	42	40	43	42
Shares and other equity	445	460	447	402
Quoted shares	120	126	120	97
Unquoted shares	324	333	328	304
Insurance technical reserves	5,896	5,965	5,987	5,973
Net equity of households in life insurance reserves	3,382	3,414	3,437	3,422
Net equity of households in pension fund reserves	1,651	1,665	1,674	1,679
Prepayments of insurance premiums and reserves for outstanding claims ³⁾	862	886	876	872
Other accounts receivable/payable and financial derivatives	150	150	150	164
Net worth ⁴⁾	162	131	141	168

1) Figures may not add up due to rounding.

2) Includes reinsurance.

3) Prepayments of insurance premiums are related to non-life insurance and to reinsurance. Reserves for outstanding claims are the amounts expected to be paid out in settlement of claims, including disputed claims.

4) The net worth is calculated as the difference between total assets (financial and non-financial) and liabilities.

Table 2: Assets and liabilities of euro area insurance corporations and euro area pension funds

(EUR billions; not seasonally adjusted; amounts outstanding at the end of the period ¹⁾)

	Insurance corporations		Pension funds	
	2011 Q2	2011 Q3	2011 Q2	2011 Q3
Total financial assets	5,544	5,495	1,377	1,412
Currency and deposits	584	598	194	196
Loans	439	435	68	63
Securities other than shares	2,396	2,412	296	303
Shares and other equity	682	651	148	130
Investment fund shares/units	1,003	950	602	604
Money market fund shares	61	69	6	6
Prepayments of insurance premiums and reserves for outstanding claims	239	237	30	30
Other accounts receivable/payable and financial derivatives	139	145	32	80
Non-financial assets	115	114	38	39
Total liabilities	5,553	5,490	1,380	1,402
Loans	284	285	22	26
Securities other than shares	43	42	0	0
Shares and other equity	441	397	6	5
Net equity of households in life insurance reserves	3,437	3,422	0	0
Net equity of households in pension fund reserves	348	350	1,326	1,329
Prepayments of insurance premiums and reserves for outstanding claims	874	870	2	2
Other accounts receivable/payable and financial derivatives	126	124	24	40
Net worth	106	119	35	49

1) For footnotes, see Table 1.

Chart 1: Net equity of households in life insurance reserves: breakdown by type of policy

(percentage of total; end-December 2010)

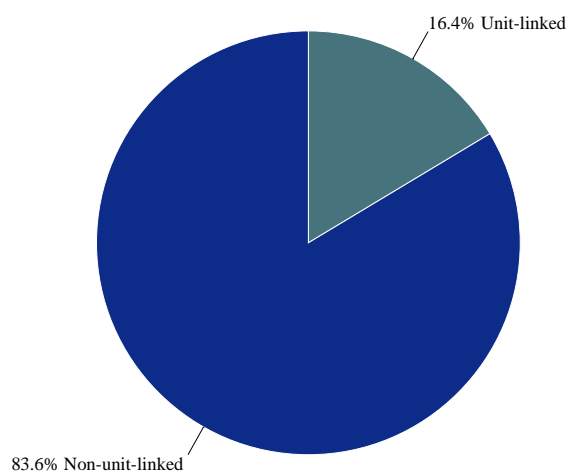


Chart 2: Net equity of households in pension fund reserves: breakdown by type of plan

(percentage of total; end-December 2010)

