



EUROPEAN CENTRAL BANK

EUROSYSTEM

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PRESS RELEASE

STATISTICS ON EURO AREA INSURANCE CORPORATIONS AND PENSION FUNDS: FOURTH QUARTER 2013

In the fourth quarter of 2013, the total financial assets of euro area insurance corporations and pension funds increased to €7,866 billion, from €7,797 billion in the previous quarter. Over the same period, the insurance technical reserves, which are the main liabilities of insurance corporations and pension funds, increased to €6,645 billion, from €6,579 billion, mainly due to positive transactions.

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
	2013				
	Q1	Q2	Q3		
Total financial assets	7,762	7,702	7,797	7,866	n.a.
Insurance technical reserves ²	6,527	6,562	6,579	6,645	48
net equity of households in life insurance reserves	3,456	3,470	3,509	3,555	26
net equity of households in pension fund reserves	2,219	2,243	2,223	2,247	24
prepayments of insurance premiums and reserves for outstanding claims	851	848	846	843	-2

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 40% of

the sector's total financial assets at end-December 2013. The second largest category of holdings were **investment fund shares**, which contributed 26% to the total financial assets. Finally, **shares and other equity** 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 €26 billion in the fourth quarter of 2013. The **net equity of households in pension fund reserves** increased by €24 billion in the same quarter, while transactions in **prepayments of insurance premiums and reserves for outstanding claims** decreased by €2 billion.

Regarding the contributions of the two sub-sectors, **insurance corporations' total financial assets** accounted for €6,096 billion at end-December 2013, representing 77% of the aggregated balance sheet of the insurance corporations and pension funds sector, while the **pension funds' total financial assets** amounted to €1,771 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⁾)

	2013 Q1	2013 Q2	2013 Q3	2013 Q4
Total financial assets	7,762	7,702	7,797	7,866
Currency and deposits	798	777	770	756
<i>of which:</i> Deposits with euro area MFIs	750	730	723	710
<i>of which:</i> Deposits with non-euro area residents	45	45	44	44
Loans	477	476	480	481
To euro area residents	442	441	446	448
MFIs	10	9	8	10
General government	139	142	142	141
Other financial intermediaries	31	28	27	26
Insurance corporations and pension funds	83	83	85	83
Non-financial corporations	48	48	50	50
Households	132	132	133	138
To non-euro area residents	35	35	34	33
Securities other than shares	3,077	3,067	3,086	3,144
Issued by euro area residents	2,584	2,565	2,575	2,619
MFIs	714	682	681	657
General government	1,389	1,403	1,407	1,481
Other financial intermediaries	254	255	259	259
Insurance corporations and pension funds	17	17	18	18
Non-financial corporations	209	208	210	205
Issued by non-euro area residents	493	502	511	525
Shares and other equity	834	831	853	867
Quoted shares	349	347	363	376
<i>of which:</i> Issued by euro area MFIs	19	19	20	20
Unquoted shares	485	484	490	491
Investment fund shares/units	1,913	1,907	1,979	2,014
<i>of which:</i> Issued by euro area residents	1,801	1,797	1,873	1,904
Money market fund shares	115	100	95	86
<i>of which:</i> Issued by euro area MFIs	112	97	93	83
Prepayments of insurance premiums and reserves for outstanding claims ²⁾	267	266	265	263
<i>of which:</i> Euro area residents	230	229	232	231
Other accounts receivable/payable and financial derivatives	281	277	269	255
Non-financial assets	152	154	155	156
Total liabilities	7,569	7,618	7,642	7,722
Loans	281	281	279	269
Securities other than shares	48	45	46	46
Shares and other equity	498	507	523	550
Quoted shares	134	139	146	159
Unquoted shares	364	368	377	391
Insurance technical reserves	6,527	6,562	6,579	6,645
Net equity of households in life insurance reserves	3,456	3,470	3,509	3,555
Net equity of households in pension fund reserves	2,219	2,243	2,223	2,247
Prepayments of insurance premiums and reserves for outstanding claims ³⁾	851	848	846	843
Other accounts receivable/payable and financial derivatives	215	223	215	211
Net worth ⁴⁾	345	238	310	300

Source: ECB.

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, and may also reflect statistical discrepancies.

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	
	2013 Q3	2013 Q4	2013 Q3	2013 Q4
Total financial assets	6,055	6,096	1,742	1,771
Currency and deposits	575	559	194	197
Loans	418	420	62	61
Securities other than shares	2,679	2,727	407	417
Shares and other equity	649	657	203	211
Investment fund shares/units	1,213	1,231	766	783
Money market fund shares	87	78	8	8
Prepayments of insurance premiums and reserves for outstanding claims	235	233	30	30
Other accounts receivable/payable and financial derivatives	198	191	71	64
Non-financial assets	118	118	38	38
Total liabilities	5,973	6,042	1,669	1,680
Loans	261	252	18	17
Securities other than shares	46	46	0	0
Shares and other equity	515	541	8	9
Net equity of households in life insurance reserves	3,509	3,555	0	0
Net equity of households in pension fund reserves	627	636	1,597	1,611
Prepayments of insurance premiums and reserves for outstanding claims	844	841	2	2
Other accounts receivable/payable and financial derivatives	171	170	44	41
Net worth	199	172	110	128

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 2013)

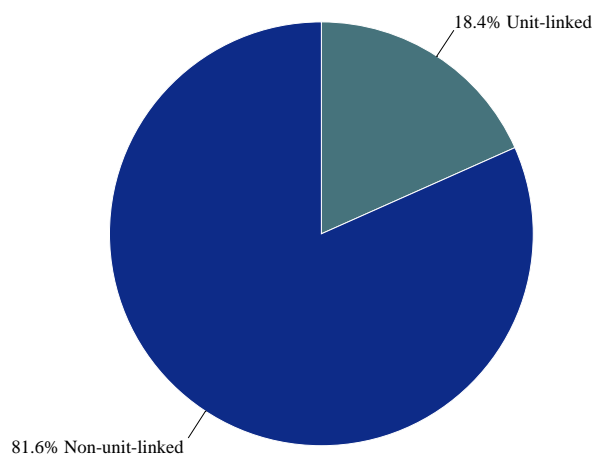
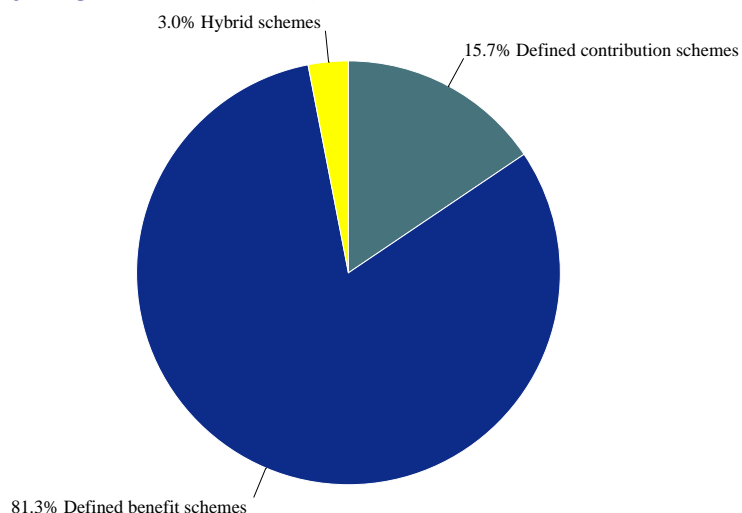


Chart 2: Net equity of households in pension fund reserves: breakdown by type of plan

(percentage of total; end-December 2013)



Source: ECB.