



EUROPEAN CENTRAL BANK

EUROSYSTEM

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PRESS RELEASE

STATISTICS ON EURO AREA INSURANCE CORPORATIONS AND PENSION FUNDS: FIRST QUARTER 2014

In the first quarter of 2014, the total financial assets of euro area insurance corporations and pension funds increased to €8,181 billion, from €7,921 billion in the previous quarter. Over the same period, the amount outstanding of insurance technical reserves, which are the main liabilities of insurance corporations and pension funds, increased to €6,832 billion, from €6,674 billion. The increase was due mainly to an increase of €100 billion in 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				
	Q2	Q3	Q3	2014 Q1	
Total financial assets	7,730	7,822	7,921	8,181	n.a.
Insurance technical reserves ²	6,577	6,594	6,674	6,832	100
net equity of households in life insurance reserves	3,518	3,559	3,601	3,667	44
net equity of households in pension fund reserves	2,220	2,197	2,238	2,297	26
prepayments of insurance premiums and reserves for outstanding claims	839	838	835	868	31

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-March 2014. 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 €44 billion in the first quarter of 2014. The **net equity of households in pension fund reserves** increased by €26 billion in the same quarter, while transactions in **prepayments of insurance premiums and reserves for outstanding claims** increased by €31 billion.

Regarding the contributions of the two sub-sectors, **insurance corporations' total financial assets** accounted for €6,306 billion at end-March 2014, representing 77% of the aggregated balance sheet of the insurance corporations and pension funds sector, while the **pension funds' total financial assets** amounted to €1,875 billion.

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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 Q2	2013 Q3	2013 Q4	2014 Q1
Total financial assets	7,730	7,822	7,921	8,181
Currency and deposits	777	770	756	764
<i>of which:</i> Deposits with euro area MFIs	730	723	708	715
<i>of which:</i> Deposits with non-euro area residents	45	44	45	47
Loans	476	480	483	501
To euro area residents	441	447	450	465
MFIs	9	8	10	11
General government	142	142	142	149
Other financial intermediaries	27	26	25	27
Insurance corporations and pension funds	83	85	83	86
Non-financial corporations	49	50	50	53
Households	132	135	139	139
To non-euro area residents	35	34	33	35
Securities other than shares	3,098	3,114	3,186	3,282
Issued by euro area residents	2,596	2,603	2,657	2,739
MFIs	685	685	659	663
General government	1,431	1,433	1,509	1,583
Other financial intermediaries	255	258	257	256
Insurance corporations and pension funds	17	18	18	18
Non-financial corporations	208	210	214	218
Issued by non-euro area residents	502	511	529	544
Shares and other equity	831	851	871	885
Quoted shares	347	363	377	380
<i>of which:</i> Issued by euro area MFIs	19	20	20	20
Unquoted shares	484	487	494	505
Investment fund shares/units	1,908	1,984	2,027	2,098
<i>of which:</i> Issued by euro area residents	1,796	1,875	1,918	1,989
Money market fund shares	100	95	83	102
<i>of which:</i> Issued by euro area MFIs	98	93	81	99
Prepayments of insurance premiums and reserves for outstanding claims ²⁾	265	265	264	272
<i>of which:</i> Euro area residents	229	232	232	238
Other accounts receivable/payable and financial derivatives	275	263	250	277
Non-financial assets	152	153	154	155
Total liabilities	7,628	7,652	7,749	7,942
Loans	278	276	266	279
Securities other than shares	45	46	47	48
Shares and other equity	505	522	541	541
Quoted shares	139	146	159	158
Unquoted shares	366	376	382	383
Insurance technical reserves	6,577	6,594	6,674	6,832
Net equity of households in life insurance reserves	3,518	3,559	3,601	3,667
Net equity of households in pension fund reserves	2,220	2,197	2,238	2,297
Prepayments of insurance premiums and reserves for outstanding claims ³⁾	839	838	835	868
Other accounts receivable/payable and financial derivatives	222	214	220	241
Net worth ⁴⁾	254	322	326	394

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 Q4	2014 Q1	2013 Q4	2014 Q1
Total financial assets	6,113	6,306	1,808	1,875
Currency and deposits	556	564	200	200
Loans	423	438	60	63
Securities other than shares	2,748	2,821	439	461
Shares and other equity	653	664	219	221
Investment fund shares/units	1,239	1,283	788	815
Money market fund shares	75	93	8	9
Prepayments of insurance premiums and reserves for outstanding claims	233	241	31	31
Other accounts receivable/payable and financial derivatives	186	201	64	76
Non-financial assets	115	116	39	39
Total liabilities	6,012	6,150	1,737	1,792
Loans	250	259	17	20
Securities other than shares	47	48	0	0
Shares and other equity	532	532	9	8
Net equity of households in life insurance reserves	3,535	3,599	67	68
Net equity of households in pension fund reserves	640	652	1,598	1,645
Prepayments of insurance premiums and reserves for outstanding claims	830	863	5	5
Other accounts receivable/payable and financial derivatives	179	196	42	45
Net worth	215	272	111	123

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)

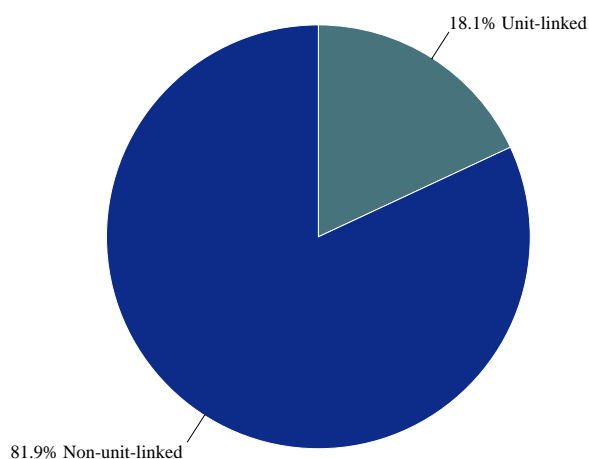
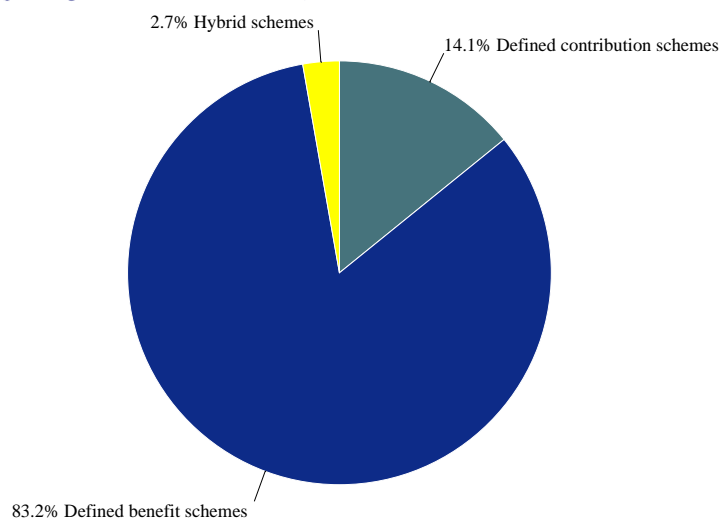


Chart 2: Net equity of households in pension fund reserves: breakdown by type of plan

(percentage of total; end-December 2013)



Source: ECB.