

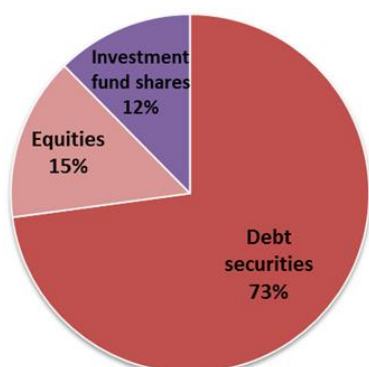
Financial investments of Insurance Corporations – France • 2nd quarter 2019

Insurers prefer liquid and foreign investments in the 2nd quarter

At the end of June 2019, the outstanding amount of French insurance companies' financial investments increases by €52 billion to reach €2,642 billion as a result of the rise in assets prices: +€34 billion including €24 billion on debt securities. They benefit from a further easing of long-term interest rates (decrease by 36 basis points in the 10-year OAT in the second quarter).

Moreover, insurers record €18 billion in net investment flows, of which €6 billion in the form of money market funds units and €4 billion in the form of currency and deposits. To a lesser extent, they remain net purchasers of long-term debt securities (+ €3 billion) and unlisted equity securities (+ €3.5 billion). They reduce their exposure to resident debt securities (- €9 billion), mainly securities issued by general government but are net purchasers of debt securities issued by the other euro area and non -euro area countries for €7 billion and €5 billion respectively.

Financial portfolio assets
by type of assets

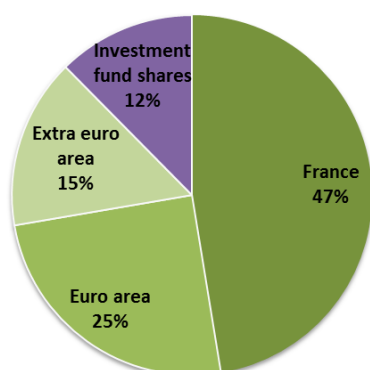


After the implementation of a look-through approach¹, debt securities account for 73% of insurers' portfolio, equities represent 15% and the remaining 12% is made up of mutual fund shares.

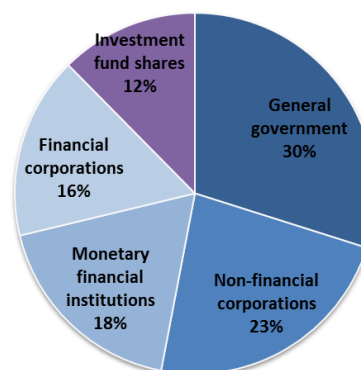
47% of the portfolio is invested in assets issued by residents, 40% in assets issued by non-residents and 12% in unallocated mutual fund shares.

Investments finance mainly general government (30%), non-financial corporations (23%), banks and other monetary financial institutions MFIs (18%), and financial corporations (16%).

Financial portfolio assets
by geographical area



Financial portfolio assets
by issuers



¹ The look-through approach consists, when the information is available, in replacing the resident mutual funds shares in the insurance portfolios by the final investments of mutual funds. The 12% residual amount correspond to these mutual funds shares (mainly non-resident) which cannot be allocated with this approach. After a look-through approach, the share of equities increased by +7 basis points (8% to 15%) and the one of debt securities by +13 basis points (60% to 73%).

Financial assets of insurance corporations – 2nd quarter 2019

(EUR billion, outstanding amounts at market prices at end of period, variations, transactions, valuation effects during period)

		Life and composite IC			Non-Life IC			Total IC		
		Net flows	Valuation effect	Stocks	Net flows	Valuation effect	Stocks	Net flows	Valuation effect	Stocks
Currency and deposits		3,1	0,0	32	0,7	0,0	14	3,8	0,0	47
Debt securities	≤ 1 year (original maturity)	-1,2	0,0	23	0,1	0,0	1	-1,2	0,0	24
	> 1 year (original maturity)	4,3	22,2	1 446	-0,9	1,5	113	3,4	23,7	1 559
Loans		0,1	0,0	43	-0,1	0,0	9	-0,1	0,0	52
Equity	Listed shares	0,3	0,8	73	0,0	0,4	14	0,2	1,2	87
	Unlisted shares	1,1	0,7	55	0,1	-0,5	26	1,2	0,2	82
	Other shares	2,1	0,0	22	0,2	-0,2	23	2,3	-0,2	45
Investment	Money market funds	6,8	-0,1	97	-1,0	0,0	7	5,8	-0,1	104
	Non money market funds	1,1	8,7	600	0,3	0,4	36	1,4	9,0	636
Financial derivatives		0,7		5	0,1		0	0,7		5
Total		18,2	32,3	2 398	-0,6	1,6	244	17,6	33,9	2 642

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