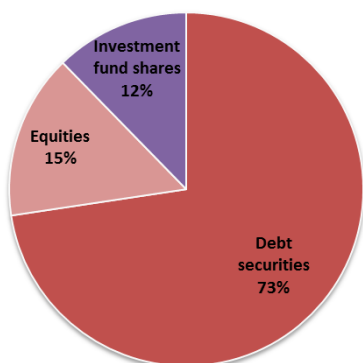


Financial Assets of Insurance Corporations – France • 3rd quarter 2018

Insurers sell money market funds shares and invest in long-term securities

At the end of September 2018, the outstanding amount of financial assets of French insurance corporations increases by almost €6 billion to reach €2 553 billion (marked to market). Insurers invest mainly in debt securities (+€ 18.3 billion), as well as in non-money market funds (+€ 6.6 billion) and to a lesser extent in equities (+€ 1.5 billion). They disinvest in money market funds for a net amount of - € 11.1 billion which cancels the previous quarter positive transactions. Simultaneously, insurers' portfolios valuation declines by € 10.5 billion mostly due to the decrease in bond's price (-€ 14.4 billion), following the rise in interest rates.

Financial portfolio assets
by type of assets

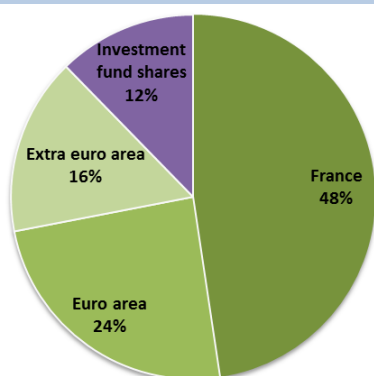


After the implementation of a look-through approach¹, debt securities, i.e. mainly bonds, account for 73% of insurers' portfolio, equities 15% the remaining 12% being invested in mutual funds shares.

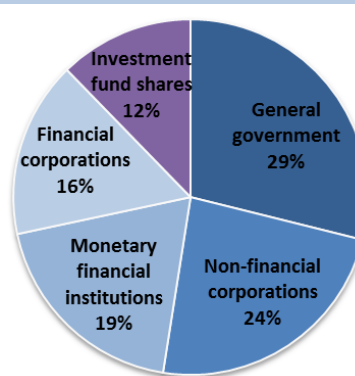
48% of the portfolio is invested in assets issued by residents, 40% in assets issued by non-residents and 12% in unallocated mutual fund shares.

Financial assets are split between general government (29%), NFCs (24%), banks and other monetary financial institutions or MFIs (19%), in financial corporations (16%) and finally 12% of unallocated investment fund shares.

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 +14 basis points (59% to 73%).

Financial assets of insurance corporations – 3rd quarter 2018

(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		0,9	0,0	33	0,4	0,0	13	1,4	0,0	46
Debt securities	≤ 1 year (original maturity)	2,2	0,0	24	0,0	0,0	0	2,2	0,0	24
	> 1 year (original maturity)	14,9	-13,5	1 384	1,2	-0,9	110	16,1	-14,4	1 494
Loans		-0,1	0,0	40	-0,1	0,0	9	-0,2	0,0	49
Equity	Listed shares	0,2	0,3	73	-0,6	0,7	15	-0,4	1,0	88
	Unlisted shares	1,3	0,1	49	0,5	0,0	26	1,7	0,1	75
	Other shares	0,2	0,1	20	0,1	0,1	23	0,2	0,2	44
Investment	Money market funds	-11,6	-0,1	86	0,5	0,0	8	-11,1	-0,1	94
	Non money market funds	6,8	2,6	600	-0,1	0,1	36	6,6	2,7	636
Financial derivatives		-0,3		4	0,0		0	-0,3		4
Total		14,4	-10,4	2 314	1,9	-0,1	239	16,3	-10,5	2 553

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