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## PRESS RELEASE

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

*In the fourth quarter of 2011, the total financial assets of euro area insurance corporations and pension funds increased to €6,980 billion, from €6,919 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 €6,131 billion, from €6,113 billion. This increase is due almost equally to positive transactions and 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 <sup>1</sup>
	2011				
	Q1	Q2	Q3	2011 Q4	
Total financial assets	6,909	6,923	6,919	6,980	n.a.
Insurance technical reserves <sup>2</sup>	5,948	5,977	6,113	6,131	9
net equity of households in life insurance reserves	3,251	3,271	3,260	3,268	-3
net equity of households in pension fund reserves	1,809	1,826	1,975	1,990	17
prepayments of insurance premiums and reserves for outstanding claims	888	881	878	873	-5

<sup>1</sup> Transactions are available only for euro area insurance technical reserves.

<sup>2</sup> 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-December 2011. The second largest category of holdings were **investment fund shares**, which contributed 23% to the total financial assets. Finally, **shares and other equity** accounted for 12% 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** decreased by €3 billion in the fourth quarter of 2011. The **net equity of households in pension fund reserves** increased by €17 billion in the same quarter, while **prepayments of insurance premiums and reserves for outstanding claims** decreased by €5 billion.

Regarding the contributions of the two sub-sectors, **insurance corporations' total financial assets** accounted for €5,492 billion in December 2011, representing 79% of the aggregated balance sheet of the insurance corporations and pension funds sector, while the **pension funds' total financial assets** amounted to €1,488 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 <sup>1)</sup>)

	2011 Q1	2011 Q2	2011 Q3	2011 Q4
<b>Total financial assets</b>	6,909	6,923	6,919	6,980
<b>Currency and deposits</b>	775	777	794	787
<i>of which:</i> Deposits with euro area MFIs	735	736	753	748
<i>of which:</i> Deposits with non-euro area residents	38	39	39	38
<b>Loans</b>	496	505	498	502
To euro area residents	467	476	471	471
MFIs	18	19	21	21
General government	140	142	142	138
Other financial intermediaries	44	44	37	41
Insurance corporations and pension funds	92	96	95	95
Non-financial corporations	46	47	46	45
Households	126	129	130	131
To non-euro area residents	30	29	27	30
<b>Securities other than shares</b>	2,667	2,682	2,707	2,694
Issued by euro area residents	2,249	2,254	2,277	2,261
MFIs	610	630	637	627
General government	1,214	1,234	1,230	1,171
Other financial intermediaries	254	215	231	281
Insurance corporations and pension funds	19	16	18	21
Non-financial corporations	152	158	161	163
Issued by non-euro area residents	418	428	431	433
<b>Shares and other equity</b>	856	850	799	814
Quoted shares	382	375	326	342
<i>of which:</i> Issued by euro area MFIs	30	30	22	22
Unquoted shares	474	475	473	471
<b>Investment fund shares/units</b>	1,589	1,595	1,544	1,593
<i>of which:</i> Issued by euro area residents	1,484	1,490	1,442	1,480
<b>Money market fund shares</b>	75	78	85	88
<i>of which:</i> Issued by euro area MFIs	62	65	74	77
<b>Prepayments of insurance premiums and reserves for outstanding claims <sup>2)</sup></b>	278	269	268	269
<i>of which:</i> Euro area residents	242	236	235	236
<b>Other accounts receivable/payable and financial derivatives</b>	172	169	223	233
<b>Non-financial assets</b>	153	152	152	155
<b>Total liabilities</b>	6,886	6,910	7,018	7,030
<b>Loans</b>	298	300	306	303
<b>Securities other than shares</b>	40	43	42	42
<b>Shares and other equity</b>	461	449	403	405
Quoted shares	126	120	97	97
Unquoted shares	335	329	306	308
<b>Insurance technical reserves</b>	5,948	5,977	6,113	6,131
Net equity of households in life insurance reserves	3,251	3,271	3,260	3,268
Net equity of households in pension fund reserves	1,809	1,826	1,975	1,990
Prepayments of insurance premiums and reserves for outstanding claims <sup>3)</sup>	888	881	878	873
<b>Other accounts receivable/payable and financial derivatives</b>	139	140	154	150
<b>Net worth <sup>4)</sup></b>	177	165	52	105

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**

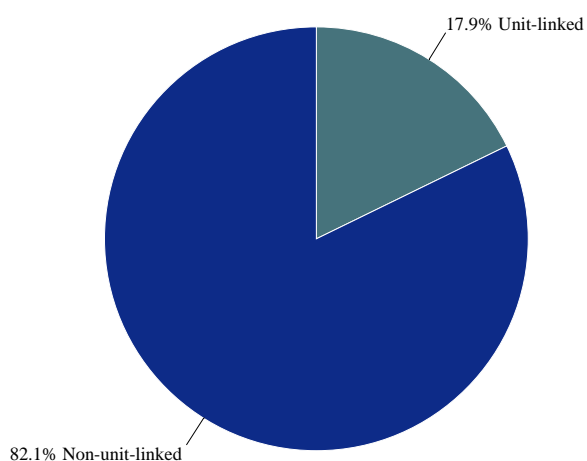
(EUR billions; not seasonally adjusted; amounts outstanding at the end of the period <sup>1)</sup>)

	Insurance corporations		Pension funds	
	2011 Q3	2011 Q4	2011 Q3	2011 Q4
<b>Total financial assets</b>	5,484	5,492	1,435	1,488
Currency and deposits	596	588	198	199
Loans	435	435	63	67
Securities other than shares	2,383	2,357	325	337
Shares and other equity	666	673	133	140
Investment fund shares/units	946	972	598	621
Money market fund shares	78	81	7	6
Prepayments of insurance premiums and reserves for outstanding claims	237	237	31	32
Other accounts receivable/payable and financial derivatives	143	147	80	85
<b>Non-financial assets</b>	116	119	36	36
<b>Total liabilities</b>	5,508	5,511	1,510	1,519
Loans	277	268	29	34
Securities other than shares	42	42	0	0
Shares and other equity	398	400	5	5
Net equity of households in life insurance reserves	3,260	3,268	0	0
Net equity of households in pension fund reserves	543	549	1,432	1,441
Prepayments of insurance premiums and reserves for outstanding claims	876	871	2	2
Other accounts receivable/payable and financial derivatives	112	114	42	36
<b>Net worth</b>	92	99	-39	5

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 2011)



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

(percentage of total; end-December 2011)

