

## Financial investments of Insurance Corporations – France • 1<sup>st</sup> quarter 2022

### Decrease in valuations by 111 billion euros in the first quarter 2022

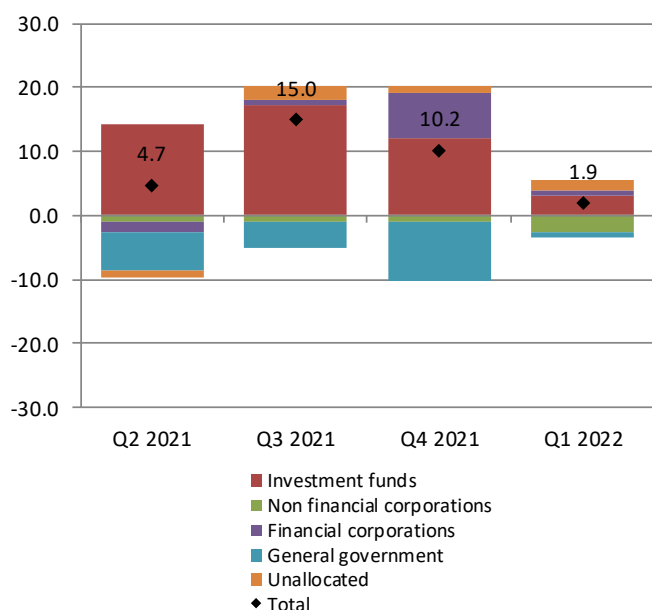
At end-March 2022, financial assets of insurance corporations amount to €2,700 billion, down -€106 billion over the quarter. This decline comes almost exclusively from a valuation of investments in decline (- 111 billion), whereas net investment flows are positive but very small (+ 5 billion).

The decrease in valuations mainly concerns long-term debt securities (- 75 billion), non-money market funds (- 32 billion) and listed shares (- 6 billion). The decrease in valuation, notably of long-term debt securities, is linked to the upturn in long-term rates (+ 79 basis points increase in the 10-year OAT in the first quarter). Those of equity funds (- 16 billion) and listed shares are linked to the fall in stock markets (fall by - 7 % in the CAC 40 index in the first quarter).

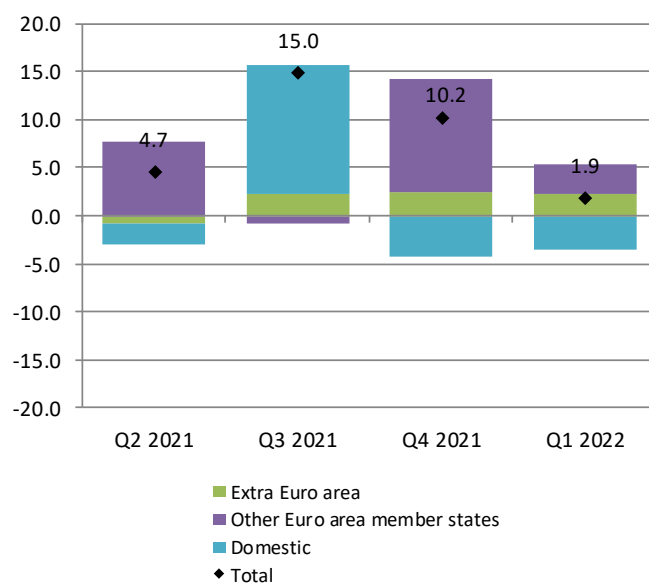
Net investment flows mainly concern non-money market funds (+ 8 billion), predominantly from the euro zone outside France (+ 6 billion). Net sales are mainly in money market funds (- 5 billion), for the most part French.

### Security portfolio transactions<sup>1</sup> of insurance corporations (in billions of euros)

#### By category of issuers<sup>2</sup>



#### By geographical area



1. Debt securities, equities and investment fund shares

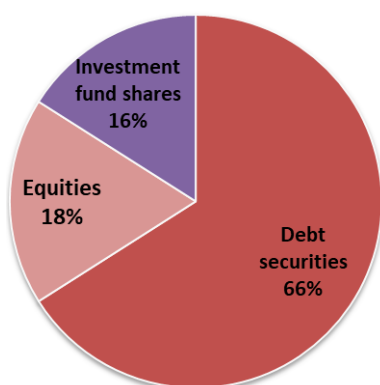
2. "Unallocated" is composed of bonds and equities issued outside the euro area.

## Financial assets of insurance corporations – 1<sup>st</sup> quarter 2022

(EUR billion, outstanding amounts at market prices at end of period, 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	0.6	0.0	33	1.4	0.0	15	2.0	0.0	48	
Debt securities	≤ 1 year (original maturity)	0.7	0.0	-0.1	0.0	5	0.6	0.0	27	
	> 1 year (original maturity)	-5.3	-69.4	1 319	2.9	-5.1	114	-2.4	-74.6	1 432
Loans	0.7	0.0	51	0.4	0.0	10	1.1	0.0	61	
Equity	Listed shares	-1.0	-5.5	79	-0.7	-0.4	15	-1.7	-5.9	95
	Unlisted shares	1.8	0.2	73	0.1	0.4	39	1.9	0.6	112
	Other shares	0.4	0.6	26	0.0	0.1	28	0.4	0.7	54
Investment	Money market funds	-6.1	-0.2	80	0.8	0.0	8	-5.3	-0.2	89
	Non money market funds	8.8	-30.5	737	-0.4	-1.3	41	8.4	-31.8	779
Financial derivatives	-0.5		5	0.0		0	-0.5		5	
<b>Total</b>	<b>0.0</b>	<b>-104.8</b>	<b>2 425</b>	<b>4.5</b>	<b>-6.3</b>	<b>276</b>	<b>4.6</b>	<b>-111.1</b>	<b>2 700</b>	

### Breakdown of outstanding amounts of security portfolio by type of securities

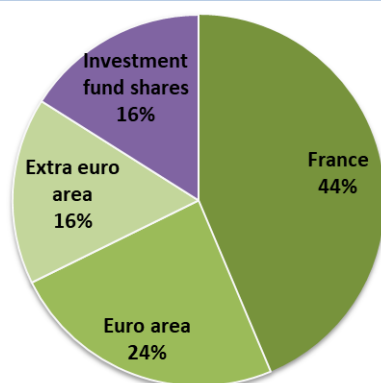


After the implementation of a look-through approach<sup>3</sup>, debt securities account for 66% of insurers' portfolio, equities represent 18% and the remaining 16% is made up of mutual fund shares.

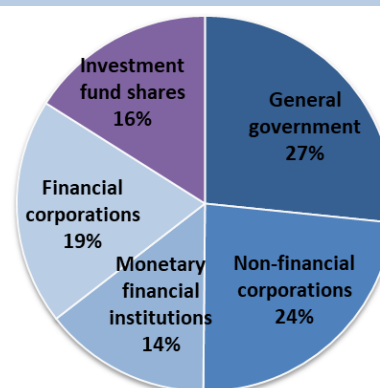
All instruments combined, 44% of the portfolio is invested in assets issued by residents, 40% in assets issued by non-residents and 16% in unallocated mutual fund shares.

Investments primarily finance the financial sector (33%, i.e. 14% for monetary financial institutions and 19% for financial corporations), general government (27%) and non-financial corporations (24%).

### Breakdown of outstanding amounts of security portfolio by geographical area



### Breakdown of outstanding amounts of security portfolio by category of issuers



3. 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 16% 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 increases by +8 basis points (10% to 18%) and the one of debt securities by +12 basis points (54% to 66%).

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