

Q2 2020 overview of life insurance sector

The two life insurers received 60.7 million euros in insurance premiums in the second quarter, which was 6% less than in the first quarter. Premiums received were down 5% on the second quarter of last year, but there was a third market participant, SEB Elu- ja Pensionikindlustus, at that time. Insurance premiums of 125 million euros were received over the six months, which was 1.7% less than in the first half of last year, but this is a good result given that the data for 2019 also include the premiums of SEB.

Key indicators	Q1 2020	Change	Q2 2020
Value of insurance premiums	64 million €	?	61 million €
Value of claims submitted	38 million €	?	26 million €
Value of assets of insurance companies	0.96 billion €	?	1.05 billion €
Value of insurance liabilities	701 million €	?	758 million €
Expenses as a ratio to net insurance premiums (cumulative)	11.8%	?	12.4%
Solvency capital requirement coverage ratio	148%	?	149%

Unit-linked life insurance products, equity-linked products and other life insurance continue to account for the largest part of life insurance premiums.

Claims of 26 million euros were submitted in the second quarter of 2020, which was 12 million euros less than in the first quarter of the year. Just as it received the most in insurance premiums, unit-linked life insurance also received the most in claims.

The volume of assets of life insurance companies fell in the first quarter from 1.06 billion euros to 959

million euros, but in the second quarter assets grew back to 1.05 billion euros. There was a strong recovery in global financial markets in the second quarter, and so by the end of the quarter markets were at almost the same level as a year earlier, which substantially affected the value of the investments of life insurance companies.

The level of capitalisation of the life insurance sector remained practically the same in the second quarter, while the coverage of the solvency capital requirement increased from 148% to 149%.

Given the planned changes to the regulation of second pillar pension contracts, there has been a substantial drop over the year in the number of newly insured people signing pension contracts with life insurance companies.

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Page last edited on 22/10/2020