

DEVELOPMENTS IN THE INSURANCE INDUSTRY IN NIGERIA IN 1999

Statistical Services Division

This report indicates that the size of Nigeria's insurance industry shrank in 1999, according to a survey conducted by CBN. The development was sequel to the exit of some insurance companies that could not fulfil the recapitalisation requirement by the National Insurance Commission (NAICOM). However, paid-up capital in the industry increased by 7.1 per cent in 1999, owing to the additional equity capital injected into the joint-venture insurance companies. Aggregate income and expenditure in the industry increased, although expenditure grew faster during the year under review. The investments of the insurance companies declined by 11.2 per cent from its level in 1998 and they were concentrated in stocks, bonds and shares. The survey showed that the insurance companies performed poorly in 1999.

INTRODUCTION

The results of the 1999 survey of the activities of the insurance companies, operating in the Nigerian economy is presented in this report. The survey covered 117 registered insurance companies in operation as at December, 1999. Out of this number, 77 responded, indicating a response rate of 65.8 per cent.

This report is divided into five parts. Part I reviews the structure and performance of the insurance industry in Nigeria, while part II discusses developments in the life insurance business. Activities in the non-life insurance business are examined in part III, while part IV analyses the composition of the assets and pattern of portfolio investments in the industry. The report is summarized in part V.

PART I

STRUCTURE AND PERFORMANCE OF THE INSURANCE INDUSTRY

The Number and Type of Insurance Companies

The survey showed that the number of registered insurance companies in operation in the country declined to 117 in 1999 from 140 in 1998, indicating a reduction of 16.4 per cent, in the size of the industry.

The decline reflected the exit of insolvent insurance companies that were undercapitalized. In April, 1999, the National Insurance Commission (NAICOM) ordered about 48 distressed insurance companies to close shop for non-compliance with the requirements of the capitalization exercise. This development resulted in a decline in a number of wholly non-life companies which constituted 53.8 per cent of the insurance sector in Nigeria to 63 from 84 in 1998, indicating a reduction of 25.0 per cent in the size of the wholly non-life companies. Similarly, companies involved in life and non-life insurance business, which constituted 43.6 per cent of the total, declined by 5.6 per cent to 51 from 54 in 1998. However, wholly life insurance companies increased from 2 in 1998 to 3, and constituted 2.6 per cent of the insurance sector (Table 1).

Ownership Structure

Of the 117 companies in operation, 98 were wholly Nigerian owned, while the remaining 19 were joint-venture companies between Nigerians and foreigners. This indicates that the jointly owned companies increased by 26.7 per cent and constituted 16.2 per cent of the insurance sector in Nigeria in 1999. In the non-life category, the number of wholly indigenous firms dropped to 57 from 76 in 1998, while the jointly owned companies fell from 8 in 1998 to 6 in 1999. However, in the composite insurance subsector, the jointly owned companies registered additional 6 companies from 6 in 1998 to 12 in 1999, while the wholly Nigerian-owned firms declined to 39 from 48 in 1998 (Table 2).

Paid-Up Capital

The value of the paid-up capital of the insurance companies rose by 7.1 per cent to ₦7,533.6 million in 1999 (Table 3). The value of the paid-up capital of the joint venture

companies which accounted for the increase rose to ₦3,411.3 million from ₦1,471.4 million in 1998, while that of the indigenous insurance companies fell to ₦4,122.3 million from ₦5,562.2 million in 1998. In the same vein the percentage share of the indigenous companies in the aggregate paid-up capital dropped from 79.1 per cent in 1998 to 54.7 per cent, while the share of the joint-venture companies rose from 20.9 per cent in 1998 to 45.3 per cent in 1999.

Income and Expenditure

Aggregate income of the insurance companies rose by 1.3 per cent to ₦21,942.0 million, while total expenditure rose by 4.1 per cent to ₦9,182.9 million during the review period. A disaggregation of the income and expenditure by type of ownership, showed that indigenous companies overall income fell by 16.2 per cent to ₦14,638.1 million, while their expenditure dropped from ₦6,546.6 million in 1998 to ₦5,871.2 million, representing a decrease of 10.3 per cent. The aggregate income of the joint-venture firms stood at ₦7,303.9 million, compared with ₦4,184.0 million in 1998, indicating an increase of 74.6 per cent. Similarly, the total expenses of the joint-venture insurance companies increased by 45.7 per cent from ₦2,272.8 million in 1998 to ₦3,311.7 million (Table 4).

Analysis by class of insurance activities showed that the non-life sub-sector accounted for the bulk of the income which was ₦17,230.7 million, and represented 78.5 per cent of the total revenue generated in the insurance industry. The life insurance group accounted for the remaining 21.5 per cent. Expenditure of the non-life sub-sector accounted for ₦7,036.5 million or 76.6 per cent of the total expenses incurred in the insurance sector in 1999, while the life insurance companies accounted for the remaining 23.4 per cent (Table 5).

Performance

The relative performance of the industry in 1999 showed that the income-expenditure ratio for the industry fell marginally to 2.39 from 2.45 in 1998. This implied that expenditure grew faster than income in the review year. Analysis of performance by ownership structure showed that, while the revenue realized per unit of naira spent by the indigenous group of companies dropped from 2.7 in 1998 to 2.49 in 1999, the joint venture insurance companies recorded an increase in the corresponding ratio from 1.8 in 1998 to 2.21 in the review period.

Analysis of the performance of the two classes of insurance activities (i.e. life and non-life) showed that the income-expenditure ratio of wholly life insurance companies stood at 2.19, while that of the non-life business was 2.45 in 1999, as against their respective positions of 2.3 and 2.5 in 1998. This implied poor performance in both classes of insurance business in 1999 as compared with 1998.

PART II

LIFE INSURANCE BUSINESS

Income and Expenditure

Revenue of the life insurance sub-sector in 1999 stood at ₦4,711.3 million, representing an increase of 23.9 per cent over the preceding year. Of this amount, indigenous firms operating in the sub-sector accounted for ₦3,096.6 million or 65.7 per cent of the total, while the joint-venture companies accounted for the remaining 34.3 per cent. This compares with the respective revenue shares of 71.2 and 28.8 per cent of the total for the indigenous and joint-venture companies in the preceding year.

Total expenditure by the life insurance sub-sector increased from ₦1,645.1 million in 1998 to ₦2,146.4 million, representing an increase of 30.5 per cent over the 1998 level. The expenditure of wholly Nigerian companies operating in life insurance business rose from ₦1,096.6 million in 1998 to ₦1,466.5 million, while the joint-venture companies' share of the expenditure increased by 24.0 per cent from ₦548.5 million in 1998 to ₦679.9 million during the review period (Table 6).

Sources and Application of Funds

The sources of income of the insurance companies considered in this report included premium, interests, dividends and rents and profit on sale of assets. The expenditure component consists of net claims paid, bonuses, net commission, surrender and annuities, management expenses as well as other expenses.

In 1999, total income generated by life insurance companies operating in Nigeria increased by 23.9 per cent to ₦4,711.3 million from ₦3,803.3 million in 1998. Of this amount, wholly Nigerian insurance companies accounted for ₦3,096.6 million, representing

65.7 per cent, while the balance of ₦1,614.7 million was earned by joint venture companies. A further break-down of the earnings indicated that premium income, was ₦2,768.4 million and accounted for 58.8 per cent of the aggregate earnings in 1999. Total expenses of indigenous companies amounted to ₦1,466.5 million or 68.3 per cent of the total in the life insurance business sub-sector. Management expenses, net claims paid and miscellaneous expenses accounted for ₦711.0, ₦401.1 and ₦474.2 million, representing 48.4, 27.4 and 32.3 per cent of total expenditure, respectively (Table 7).

Expenses Ratio

As a way of determining the efficiency of the insurance companies, the expenses ratio was computed. The ratio compares the premium received with amount expended on management activities. The ratio increased from 21.2 per cent in 1998 to 25.7 per cent, indicating a decreasing efficiency in the performance of the insurance industry in 1999.

PART III

NON-LIFE INSURANCE BUSINESS

Income and Expenditure

The income earned by insurance companies engaged in non-life business in 1999 which amounted to ₦17,230.7 million, declined by 3.5 per cent. This represented 78.5 per cent of the aggregate income realized by all the insurance companies in 1999 as against 82.4 per cent in 1998. Of this amount, indigenous companies accounted for ₦14,541.5 million or 84.4 per cent of the total, while the joint-venture companies accounted for the remaining 15.6 per cent in the review period. The overall income to expenditure ratio for non-life insurance business operating in Nigeria dropped slightly to 2.4 per cent from 2.5 per cent in 1998 (Table 8).

Sources of Income

The premium income of the non-life insurance business amounted to ₦17,230.7 million or 78.5 per cent of the total income in the sub-sector in 1999, indicating an increased share of 17.0 percentage points over the level in 1998. All classes of business recorded increased

premium income during the review period. Insurance premium income generated from motor vehicle, fire and accident stood at ₦4,435.5, ₦3,182.4 and ₦3,164.9 million, respectively and jointly accounted for 62.6 per cent of total premium income of non-life insurance companies in 1999 (Table 9).

Analysis by type of ownership showed that wholly Nigerian owned insurance companies earned ₦14,641.5 million, representing 85.0 per cent of the aggregate revenue in the non-life sub-sector, while the joint-venture companies accounted for the remaining 15.0 per cent or ₦2,589.2 million in 1999.

Expenditure on Non-Life Business

The expenses of the non-life insurance companies were divided into two main categories: expenses on claims from clients and other underwriting expenditures. In 1999, the aggregate expenditure of the non-life insurance business in Nigeria amounted to ₦7,036.5 million, out of which ₦2,399.6 million or 34.1 per cent was expended to settle claims from customers, while other underwriting expenses accounted for ₦4,636.9 million (Table 10).

Indigenous non-life insurance companies incurred expenditure of ₦5,804.7 million in 1999, compared with ₦5,450.0 million in 1998. Of this amount, underwriting expenses was ₦3,872.7 million, representing two-thirds of the total, while claims made by clients accounted for the remaining one-third or ₦1,932.0 million. In the case of joint-venture non-life companies, aggregate expenditure fell by 28.6 per cent to ₦1,231.8 million in 1999. Of this amount, net claims and underwriting expenses accounted for ₦467.6 and ₦764.2 million, respectively (Table 10).

PART IV

ASSETS AND INVESTMENT OF INSURANCE COMPANIES

Assets

The status of various assets held by insurance companies operating in Nigeria shows that the value of assets held by the industry in 1999 increased by 11.2 per cent to ₦25,117.1 million from ₦22,578.5 million in 1998 (Table 11). All the components of assets portfolio contributed to the increase. Investments in stocks, bonds and shares; government securities;

and miscellaneous items together accounted for ₦18,726.9 million or 74.6 per cent of the total assets. A disaggregation by type of insurance business revealed that assets held by life companies increased marginally by 0.4 per cent to ₦9,534.6 million in 1999. All the components of assets held by life companies contributed to the increase, except miscellaneous assets which declined by 29.0 per cent during the period. In the case of non-life insurance companies, cash and bills receivable; and miscellaneous assets held jointly accounted for ₦10,913.7 million or 70.0 per cent of the total assets of the group (Tables 11 and 12).

Distribution of Assets and Investment

The investment of the insurance companies in various assets dropped by 10.6 per cent to ₦10,720.7 million in 1999. Of this amount, investments in stocks, bonds and shares and government securities amounted to ₦8,386.8 and ₦717.3 million or 78.2 and 6.7 per cent of the total, respectively. Analysis by type of insurance business showed that investment pattern of both the life and non-life insurance sub-sectors concentrated on stocks, bonds and shares which accounted for 84.4 and 70.0 per cent of the total investment, respectively. Investment in government securities accounted for 1.8 per cent of total investment by life insurance companies, while it constituted 13.2 per cent of total investment for non-life companies (Table 13).

PART V

SUMMARY AND CONCLUSION

The report indicates that 117 insurance companies were in operation in 1999. The number of indigenous companies fell by 21.6 per cent, while the number of joint-venture firms increased by 26.7 per cent in the review period. Aggregate income of the insurance companies increased from ₦21,649.8 million in 1998 to ₦21,942.0 million, while expenditure also rose from ₦7,989.5 million in 1998 to ₦9,182.9 million in the review period. The performance of the two classes of insurance companies (life and non-life) deteriorated during the period as reflected in the increased expenses ratio. Assets of all the insurance companies increased by 11.2 per cent to ₦25,117.1 million in 1999, while investments were concentrated on stocks, bonds and shares. Overall, the performance of the insurance companies deteriorated in 1999 in comparison with the situation in 1998.

TABLE 1
DISTRIBUTION OF INSURANCE COMPANIES IN NIGERIA
BY TYPE OF BUSINESS AND NUMBER

Class of Insurance	1997		1998		1999	
	No. of Companies	% of Total	No. of Companies	% of Total	No. of Companies	% of Total
WHOLLY LIFE	2	1.5	2	1.4	3	2.6
WHOLLY NON-LIFE	73	54.1	84	60.0	63	53.8
LIFE AND NON-LIFE	60	44.4	54	38.6	51	43.6
TOTAL	135	100.0	140	100.0	117	100.0

TABLE 2
STRUCTURE OF INSURANCE INDUSTRY IN NIGERIA
BY TYPE OF BUSINESS AND OWNERSHIP

Business Type and Ownership Pattern	1996		1997		1998		1999	
	No. of Companies	% of Total	No. of Companies	% of Total	No. of Companies	% of Total	No. of Companies	% of Total
LIFE	2	100.00	2	100.0	2	100.0	3	100.0
(a) Nigerian	1	50.00	1	50.0	1	50.0	2	66.7
(b) Joint	1	50.00	1	50.0	1	50.0	1	33.3
NON-LIFE	75	100.00	73	100.0	84	100.0	63	100.0
(a) Nigerian	73	97.33	66	90.4	76	90.5	57	90.5
(b) Joint	2	2.67	7	9.6	8	9.5	6	9.5
LIFE AND NON-LIFE	57	100.00	60	100.0	54	100.0	51	100.0
(a) Nigerian	49	85.96	51	85.0	48	88.9	39	76.5
(b) Joint	8	14.04	9	15.0	6	11.1	12	23.5
ALL COMPANIES	134	100.00	135	100.0	140	100.0	117	100.0
(a) Nigerian	123	91.79	118	87.4	125	89.3	98	83.8
(b) Joint	11	8.21	17	12.6	15	10.7	19	16.2

TABLE 3
PAID-UP CAPITAL OF INSURANCE COMPANIES IN NIGERIA
BY VALUE (N'000)

	Wholly Nigerian		Joint		Total	
	Value	% of Total	Value	% of Total	Value	% of Total
1997	3,090,135.0	80.4	754,545.0	19.6	3,844,680.0	100.0
1998	5,562,243.0	79.1	1,471,362.0	20.9	7,033,605.0	100.0
1999	4,122,277.0	54.7	3,411,328.0	45.3	7,533,605.0	100.0

TABLE 4
INCOME AND EXPENDITURE OF ALL INSURANCE COMPANIES
IN NIGERIA — SUMMARY BY TYPE OF OWNERSHIP (N'000)

Type of Ownership	Income			Expenditure		
	1997	1998	1999	1997	1998	1999
WHOLLY NIGERIAN	15,510,464	17,465,788	14,638,092.0	5,862,285	6,546,630	5,871,192.0
JOINT	4,170,935	4,184,017	7,303,933.0	2,127,191	2,272,769	3,311,686.0
TOTAL	19,681,399	21,649,805	21,942,025.0	7,989,476	8,819,399	9,182,878.0

TABLE 5
INCOME AND EXPENDITURE OF ALL INSURANCE COMPANIES
IN NIGERIA — SUMMARY BY CLASS OF INSURANCE (N'000)

Class of Insurance	Income			Expenditure		
	1997	1998	1999	1997	1998	1999
LIFE	3,162,381	3,803,334	4,711,335	1,490,077	1,645,118	2,146,394
NON-LIFE	16,519,018	17,846,471	17,230,690	6,499,399	7,174,281	7,036,484
TOTAL	19,681,399	21,649,805	21,942,025	7,989,476	8,819,399	9,182,878

TABLE 6

**INCOME AND EXPENDITURE OF LIFE INSURANCE COMPANIES
IN NIGERIA — SUMMARY BY TYPE OF OWNERSHIP (N'000)**

Type of Ownership	Income			Expenditure		
	1997	1998	1999	1997	1998	1999
WHOLLY NIGERIAN	2,104,676	2,708,998	3,096,629	991,597	1,096,623	1,466,503
JOINT	1,057,705	1,094,336	1,614,706	498,480	548,495	679,891
TOTAL	3,162,381	3,803,334	4,711,335	1,490,077	1,645,118	2,146,394

TABLE 7

INCOME AND EXPENDITURE OF LIFE INSURANCE BUSINESS IN NIGERIA (N'000)

	WHOLLY NIGERIAN			JOINT			ALL COMPANIES		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
INCOME									
(a) Premium	1,441,042	2,046,280	1,939,465	322,301	357,263	828,946	1,763,343	2,403,543	2,768,411
(b) Investment Income	140,988	166,366	383,798	213,421	266,721	437,711	354,409	433,087	821,509
(c) Other Income	1,430	1,516	773,366	169,749	147,921	348,049	171,179	149,437	1,121,415
(d) Other Receipts	521,216	494,836		352,234	322,431		873,450	817,267	
TOTAL	2,104,676	2,708,998	3,096,629	1,057,705	1,094,336	1,614,706	3,162,381	3,803,334	4,711,335
EXPENDITURE									
(a) Net Claims Paid	241,333	289,600	338,446	56,669	49,764	62,699	298,002	339,364	401,145
(b) Bonuses	115,489	145,516		(81,938)	(74,263)		33,551	71,253	
(c) Net Commission ¹	100,299	119,362	354,987	91,565	105,326	205,073	191,864	224,688	560,060
(d) Surrenders and Annuities	52,585	63,216		79,027	79,027		131,612	142,243	
(e) Management Expenses	302,398	279,564	462,397	210,154	230,635	248,559	512,552	510,199	710,956
(f) Other Expenditure	179,493	199,365	310,673	143,003	158,006	163,560	322,496	357,371	474,233
TOTAL	991,597	1,096,623	1,466,503	498,480	548,495	679,891	1,490,077	1,645,118	2,146,394

¹ Net Commission includes Bonuses and Surrenders & Annuities.

TABLE 8
INCOME AND EXPENDITURE OF NON-LIFE INSURANCE BUSINESS
IN NIGERIA — SUMMARY BY TYPE OF OWNERSHIP (N'000)

Type of Ownership	Income			Expenditure		
	1997	1998	1999	1997	1998	1999
WHOLLY NIGERIAN	13,405,788	14,756,790	14,541,463	4,870,688	5,450,007	5,804,689
JOINT	3,113,230	3,089,681	2,689,227	1,628,711	1,724,274	1,231,795
TOTAL	16,519,018	17,846,471	17,230,690	6,499,399	7,174,281	7,036,484

TABLE 9
SOURCES OF INCOME OF NON-LIFE INSURANCE BUSINESS IN NIGERIA (N'000)

	WHOLLY NIGERIAN			JOINT			ALL COMPANIES		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
A. PREMIUM	9,075,398	9,709,141	14,641,465	1,866,181	1,979,110	2,589,225	10,941,579	11,688,251	17,230,690
(a) Fire	1,806,927	2,106,796	2,919,790	261,189	278,269	262,626	2,068,116	2,385,065	3,182,416
(b) Accident	1,048,476	1,458,326	2,830,171	237,839	259,486	334,769	1,286,315	1,717,812	3,164,940
(c) Motor Vehicle	3,000,355	3,102,648	3,695,018	770,890	816,762	740,508	3,771,245	3,919,410	4,435,526
(d) Employer's Liability	520,362	488,619	1,042,855	45,234	25,693	46,765	565,596	514,312	1,089,620
(e) Marine Aviation and Transit	1,619,868	1,426,374	2,030,586	166,536	197,635	217,251	1,786,404	1,624,009	2,247,837
(f) Miscellaneous	1,079,410	1,126,378	2,123,045	384,493	401,265	987,306	1,463,903	1,527,643	3,110,351
B. OTHER INCOME¹	4,330,390	5,047,649		1,247,049	1,110,571		5,577,439	6,158,220	
(a) Interest, Dividend and Rents	153,061	163,087		6,547	9,874		159,608	172,961	
(b) Other Receipts	4,177,329	4,884,562		1,240,502	1,100,697		5,417,831	5,985,259	
TOTAL	13,405,788	14,756,790	14,641,465	3,113,230	3,089,681	2,589,225	16,519,018	17,846,471	17,230,690

¹ As from 1999, 'Other Income' has been lumped under Miscellaneous.

TABLE 10

BREAK-DOWN OF EXPENDITURE FOR NON-LIFE INSURANCE BUSINESS IN NIGERIA (N'000)

	WHOLLY NIGERIAN			JOINT			ALL COMPANIES		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
A. NET CLAIMS	1,088,053	1,309,952	1,931,967	589,229	646,263	467,614	1,677,282	1,956,215	2,399,581
<i>(a)</i> Fire	307,284	342,165	361,936	41,822	45,968	44,428	349,106	388,133	406,364
<i>(b)</i> Accident	294,400	306,210	466,721	82,220	90,536	68,125	376,620	396,746	534,846
<i>(c)</i> Motor Vehicle	542,725	581,635	663,849	238,163	251,231	135,751	780,888	832,866	799,600
<i>(d)</i> Employer's Liability	26,069	28,106	215,900	15,899	11,659	21,845	41,968	39,765	237,745
<i>(e)</i> Marine Aviation and Transit	37,604	41,268	196,991	68,486	88,216	60,372	106,090	129,484	257,363
<i>(f)</i> Miscellaneous	(120,029)	10,568	26,570	142,639	158,653	137,093	22,610	169,221	163,663
B. OTHER UNDERWRITING EXPENSES	3,782,635	4,140,055	3,872,722	1,039,482	1,078,011	764,181	4,822,117	5,218,066	4,636,903
<i>(a)</i> Management Expenses	2,667,997	2,897,634	3,050,374	905,526	922,564	527,130	3,573,523	3,820,198	3,577,504
<i>(b)</i> Net Commission	786,470	885,630	822,348	67,149	84,126	237,051	853,619	969,756	1,059,399
<i>(c)</i> Other Expenses	328,168	356,791		66,807	71,321		394,975	428,112	
TOTAL	4,870,688	5,450,007	5,804,689	1,628,711	1,724,274	1,231,795	6,499,399	7,174,281	7,036,484

TABLE 11
ASSETS OF INSURANCE COMPANIES IN NIGERIA (N'000)

TYPE OF ASSET	LIFE			NON-LIFE			TOTAL		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
(a) Government Securities	859,813	1,512,365	1,608,925	1,465,189	1,856,423	1,808,355	2,325,002	3,368,788	3,417,280
(b) Stocks, Bonds and Shares	3,098,611	3,213,564	3,657,282	2,092,724	2,136,549	2,029,537	5,191,335	5,350,113	5,686,819
(c) Mortgage and Loans	553,078	698,145	717,885	503,014	745,261	830,893	1,056,092	1,443,406	1,548,778
(d) Cash and Bills Receivable	984,860	1,236,582	1,537,562	1,861,371	2,456,312	3,303,845	2,846,231	3,692,894	4,841,407
(e) Miscellaneous	3,215,348	2,836,549	2,012,974	5,445,624	5,886,743	7,609,871	8,660,972	8,723,292	9,622,845
TOTAL	8,711,710	9,497,205	9,534,628	11,367,922	13,081,288	15,582,501	20,079,632	22,578,493	25,117,129

TABLE 12
PERCENTAGE DISTRIBUTION OF ASSETS OF INSURANCE COMPANIES IN NIGERIA

TYPE OF ASSET	LIFE			NON-LIFE			ALL COMPANIES		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
(a) Government Securities	9.9	15.9	16.9	12.9	14.2	11.6	11.6	14.9	13.6
(b) Stocks, Bonds and Shares	35.6	33.8	38.4	18.4	16.3	13.0	25.9	23.7	22.6
(c) Mortgage and Loans	6.3	7.4	7.5	4.4	5.7	5.4	5.3	6.4	6.2
(d) Cash and Bills Receivable	11.3	13.0	16.1	9.6	18.8	21.2	14.2	16.4	19.3
(e) Miscellaneous	36.9	29.9	21.1	-23.6	45.0	48.8	43.1	38.6	38.3
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 13
INVESTMENT PATTERN OF INSURANCE COMPANIES BY CATEGORY (N'000)

TYPE OF ASSET	LIFE			NON-LIFE			ALL COMPANIES		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
(a) Government Securities	859,813	1,512,365	108,925	1,465,189	1,856,423	608,355	1,662,092	3,368,788	717,280
(b) Stocks, Bonds and Shares	3,098,611	3,213,564	5,157,282	2,092,724	2,136,549	3,229,537	4,232,125	5,350,113	8,386,819
(c) Real Estate and Mortgage Loan	1,140,852	1,325,486	467,885	1,203,069	1,543,264	330,893	2,242,040	2,868,750	798,778
(d) Other Loans	86,193	108,960	375,576	297,632	301,256	442,236	325,246	410,216	817,812
TOTAL	3,869,172	6,160,375	6,109,668	4,592,331	5,837,492	4,611,021	8,461,503	11,997,867	10,720,689