

# Insurers post 22% income gain in Q3

By **MARY GRACE PADIN**

The local insurance industry continued to expand as players recorded a total net income of P27.86 billion in the third quarter, 21.88 percent up from P22.85 billion in the same period last year, the Insurance Commission (IC) reported yesterday.

Insurance commissioner Dennis Funa attributed the increase mainly to the rise in the underwriting and investment income of the life insurance sector, which more than offset the decline in the performance of the non-life insurance sector.

"While the non-life insurance sector experienced a 20.87 percent decline in total net income for the third quarter from P3.49 billion to P2.76 billion, the life insurance sector showed a strong performance in the penultimate quarter of this year, with a total net income of P21.96 billion up by 31.93 percent compared to the same period last year," Funa said.

The microinsurance sector, which is accounted mainly by the mutual benefit associations, also posted a 15.19-percent increase in net income to P3.13 billion from P2.72 billion, Funa said.

The IC also reported yesterday the third quarter premium income of the insurance industry grew 9.41 percent to P185.51 billion from P169.56 billion in the same period last year.

Broken down, the total premium income of the life insurance industry reached P144.63 billion, 8.08 percent higher than the P133.85 billion

a year ago.

Funa said the growth was brought about by the rise in the sales of variable life insurance products, with total premiums amounting to P104.89 billion. He said the premium income derived from traditional life insurance products also increased from a year ago.

Likewise, the total net premiums written by the non-life insurance sector during the quarter also rose 14 percent to P34.31 billion from P30.10 billion a year ago.

"The non-life insurance sector demonstrated continued momentum in the third quarter of this year through the sale of

fire and motor insurance products as more than half of the total net premiums written by the sector were generated from these products," Funa said.

Mutual benefit associations also recorded a 16.59 percent hike in premium contributions to P5.61 billion from P4.27 billion.

Funa said the insurance industry's total investments stood at P1.3 trillion, 15.1 percent higher than the P1.1 trillion recorded last year.

It also posted total assets of P1.5 trillion as of the end of the third quarter, an improvement of 16.28 percent compared with the P1.3 trillion recorded a year ago.