

## Insurance industry mostly unaffected by inflation's rise

THE INSURANCE industry is unfazed by high inflation in the second quarter, the Insurance Commission (IC) said, as it hopes to sustain double-digit growth figures.

"Seems very good. Although the submission for the second quarter is June 30, that will probably take us one month to consolidate the figures, but I've been asking around if they

are affected by inflation, at apparently *hindi* (and apparently they're not)," IC Commissioner Dennis B. Funa told reporters on Tuesday. "*Wala naman kaming nakikitang* (We haven't seen any) adverse impact.

He noted that some insurance products were also compulsory, hence were unaffected.

Mr. Funa said bulk of non-life insurance products came from motor vehicles.

Asked whether the industry could sustain the double-digit growth in the April-June period, he said: "Well we are hoping, but of course the first quarter was very good, *wala namang* (there is no) indication that second quarter will not be good."

Inflation or the average rise in prices of widely used goods stood at 5.2% in June, bringing the first-semester average to 4.3%.

In the first quarter, IC reported the industry overall collected P76.64 billion in premiums, a 34.38% increase from the P57.04 billion posted in the same period a year ago. — EJECT

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## Insurance sector bullish on growth

By MARY GRACE PADIN

The domestic insurance industry likely sustained its growth momentum in the first half despite a high inflation environment, according to the Insurance Commission (IC).

In an interview, Insurance Commissioner Dennis Funa is optimistic the insurance industry would grow by a double-digit rate in the first half after a strong performance in the first three months.

"We are hoping, but of course the first quarter was very good. There is no indication that the second quarter will not be good," Funa told reporters.

According to the IC chief, the insurance industry has remained strong against headwinds, such as inflation.

"I've been asking around if they (the insurance companies) are effected by inflation but apparently not," he said.

Funa said there was not much impact particularly on the non-life insurance sector as most products, such as motor vehicle insurance products, are mandatory.

He said there was no adverse impact seen on the life insurance sector, as well.

In a separate interview, AXA Philippines president and chief executive officer Rahul Hora said while inflation created an upward pressure on the prices of goods, customers now have higher disposable income due to the Tax Reform for Acceleration and Inclusion (TRAIN) law.

"Yes, inflation is higher but also we're happy that the TRAIN law has created more funds available to the customers. So I think overall, when people are more affluent, they would definitely want to insure themselves and their families," he said.

According to data from the IC, the insurance industry's premium income in the first quarter increased by 34.38 percent to P76.64 billion from P57.04 billion in the same period last year.