



Breakout Session A: LDI: Insurance - the third dimension

Frontier annual conference 2022



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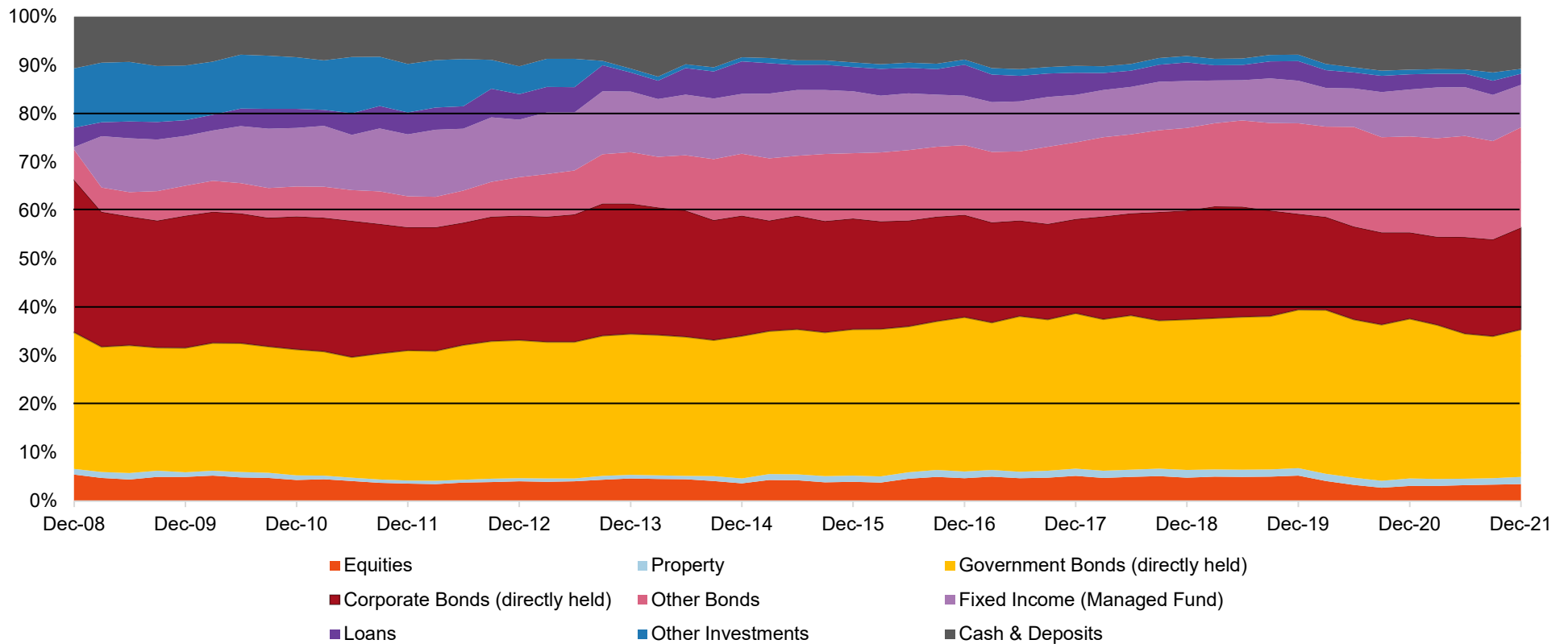
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General insurance industry asset allocations

Fixed income has been the dominant asset class in general insurance portfolios

General insurance industry asset allocations over time to 31 December 2021



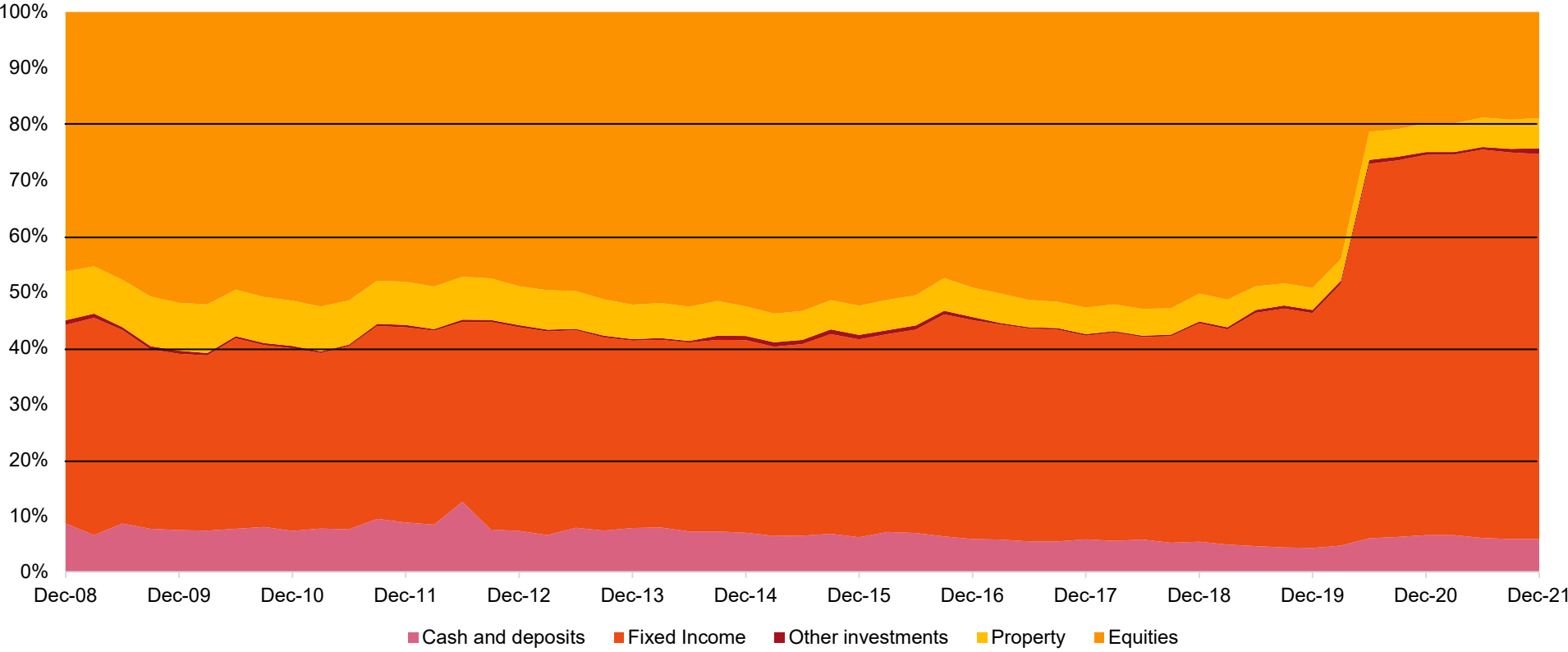
Source: APRA, Frontier.

Life insurance industry asset allocations



Life insurers materially de-risked their equity portfolios during March 2020

Life insurance industry asset allocations over time to 31 December 2021



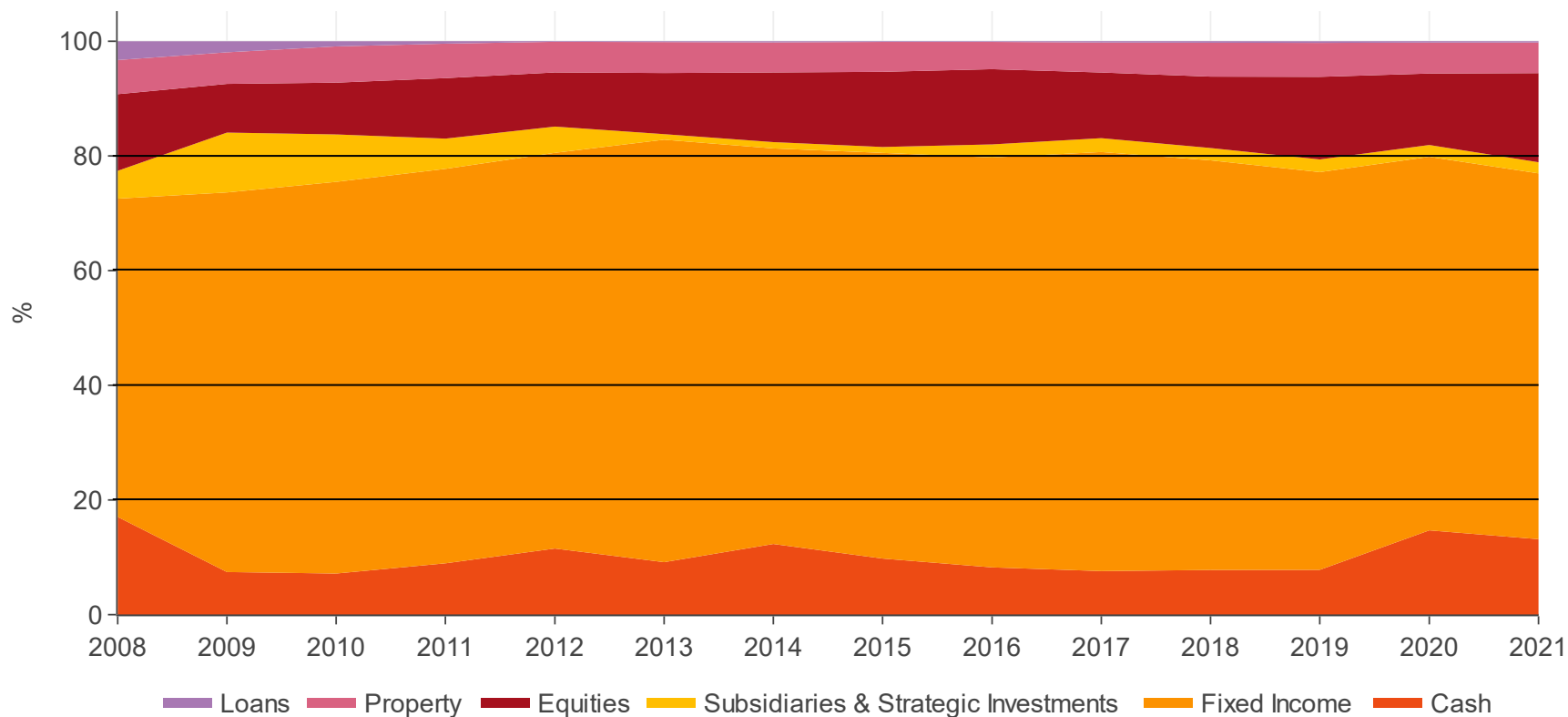
Source: APRA, Frontier.



Private health insurance industry asset allocations

Fixed income and cash have also been the dominant asset class for PHI

Private health insurance industry asset allocations over time to 31 December 2021

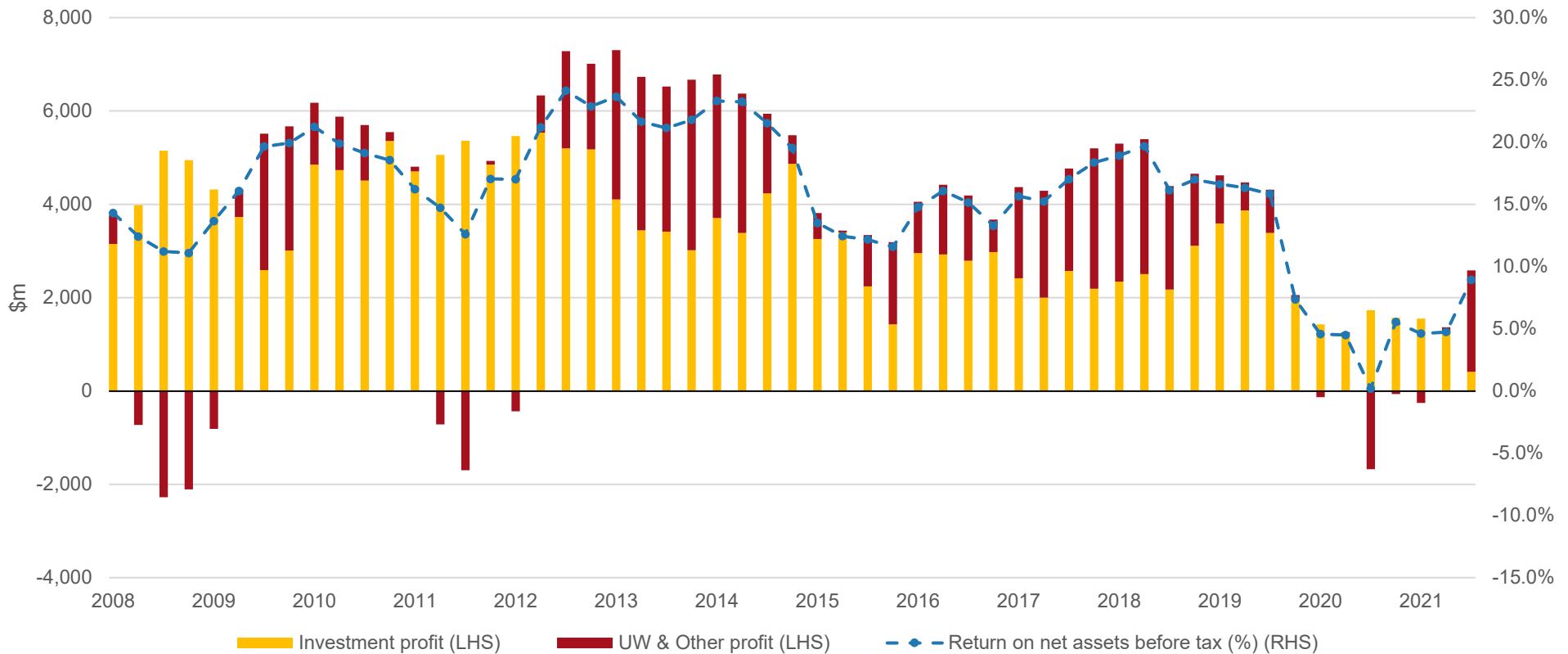


Source: APRA, Frontier.

General insurance profitability

Underwriting profit has historically been more variable than investment profit

Annual rolling general insurance industry profitability to 31 December 2021

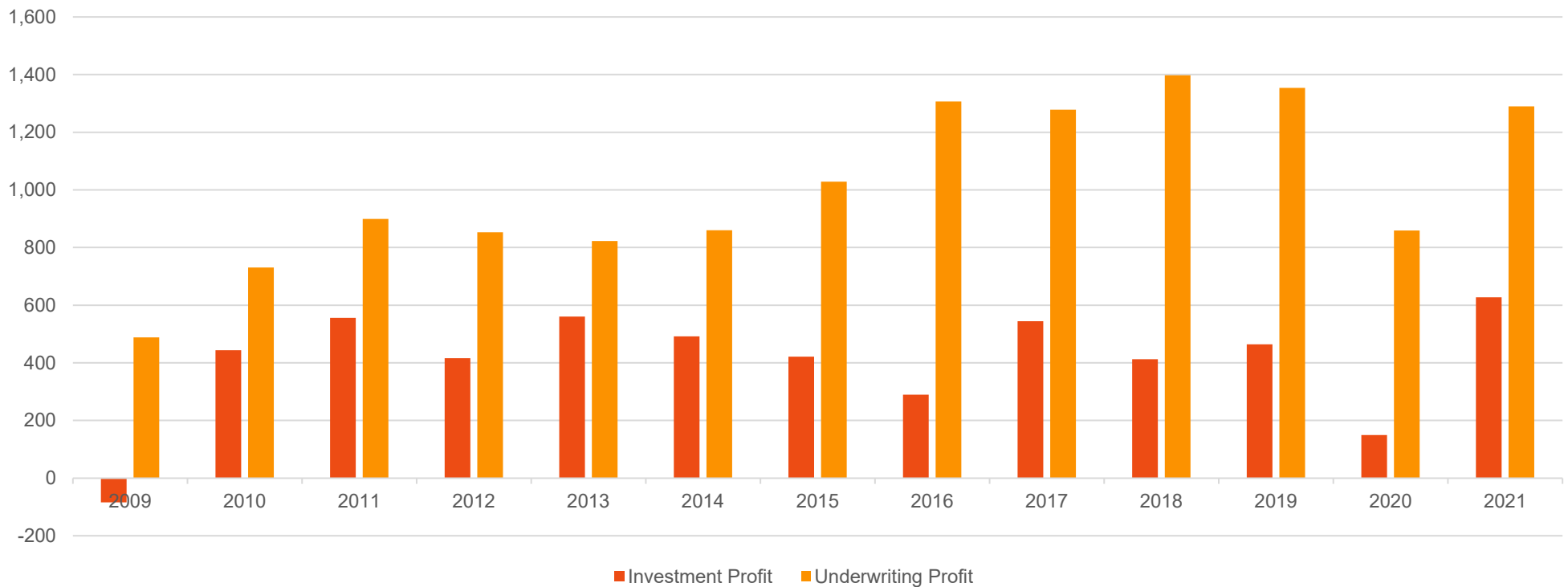


Source: APRA, Frontier.

Private health insurance profitability

Relative to underwriting profit, investment returns have been a marginal contributor

Annual private health insurance industry profitability to 30 June 2021



Source: APRA, Frontier.



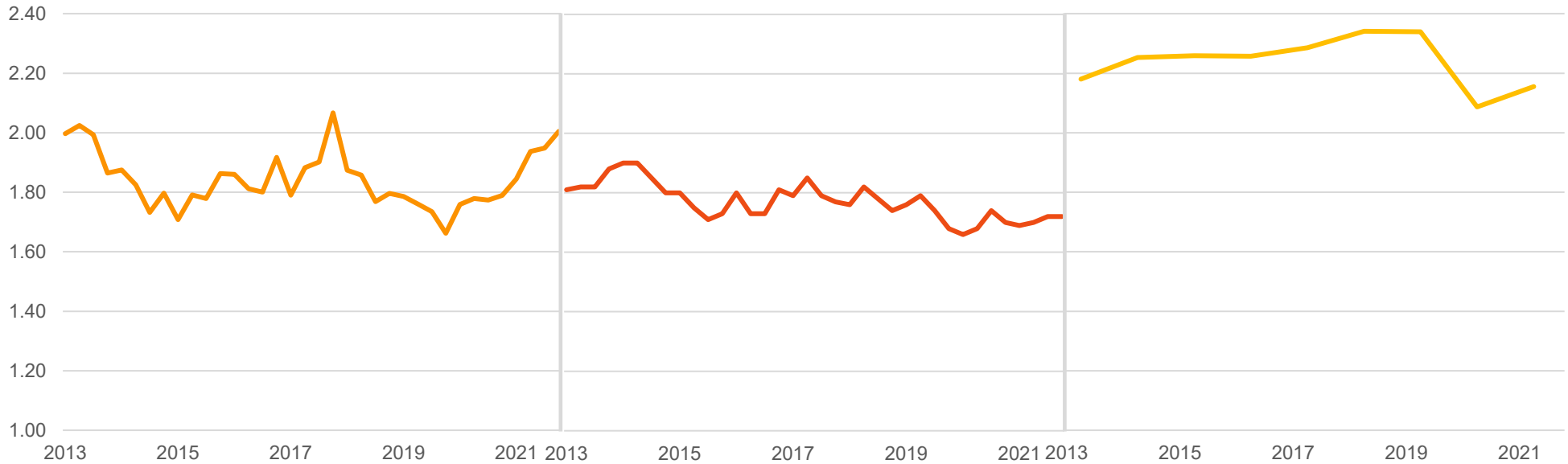
APRA-regulated solvency ratios

Solvency ratios have remained resilient over time

Life Insurance

General Insurance

Private Health Insurance



Source: APRA, Frontier.



Thank you for joining us.

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