

**THE QUARTERLY REPORT ON THE RESULTS OF THE
LONG-TERM INSURANCE INDUSTRY
FOR THE PERIOD ENDED 30 JUNE 2018**



South African Reserve Bank

Prudential Authority

CONTENTS

SUMMARY OF RESULTS – PRIMARY INDUSTRY 3
INDUSTRY RESULTS – TYPICAL INSURERS 6
INDUSTRY RESULTS – NICHE INSURERS 9
INDUSTRY RESULTS – CELL CAPTIVE INSURERS 12
INDUSTRY RESULTS – LINKED INVESTMENT INSURERS 15
INDUSTRY RESULTS – REINSURERS 18
INDUSTRY RESULTS – ASSISTANCE INSURERS 21

SPECIAL REPORT ON THE RESULTS OF THE LONG-TERM INSURANCE INDUSTRY

SUMMARY OF RESULTS – PRIMARY INDUSTRY

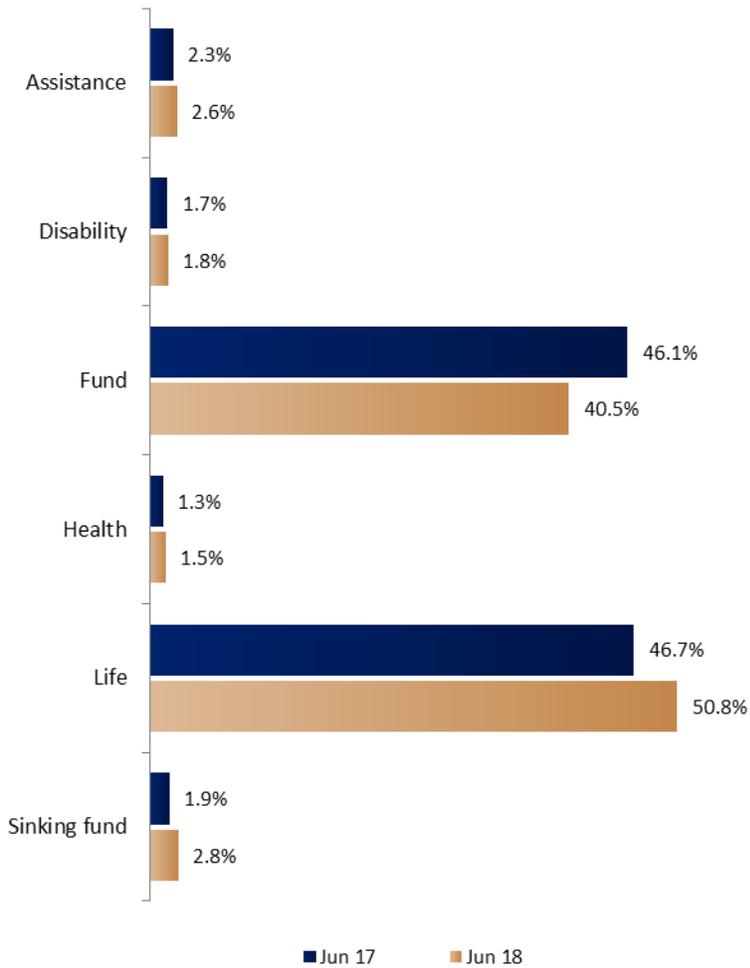
	12 months ended December 2016	12 months ended December 2017	6 months ended June 2017	6 months ended June 2018
Gross premium R'm	475,455	475,935	253,068	248,502
Reinsurance R'm	15,737	14,968	7,691	9,236
Net premiums- Recurring R'm	160,081	187,268	84,707	77,191
Net premiums- Non-recurring R'm	299,637	273,699	160,670	162,075
Net claims paid R'm	427,197	415,388	231,804	198,982
Total assets R'm	2,715,847	2,914,534	2,753,196	2,964,963
Total liabilities R'm	2,562,009	2,757,373	2,602,826	2,811,681
CAR amount (after management action) R'm	41,412	43,695	43,250	44,571
Number of policies at the end of period	46,307,297	49,212,836	47,480,470	49,905,913
Number of schemes at the end of period	81,637	65,981	64,341	65,202
Performance indicators:				
Net premium increase (year to year) %	3	0	9	-2
Claims (as % of net premiums)	93	90	94	83
Commission (as % of net premiums)	4	4	4	4
Management Expenses (as % of net premiums)	10	11	10	11
Number of policies increase (yr to yr) %	3	6	4	5
Individual lapse %**	56	63	67	64
Individual lapse % (in-force policies)	22	19	10	10
Individual termination %**	13	13	13	11
Individual termination % (in-force policies)	5	4	2	2
Individual contractual termination %**	11	8	10	8
Individual expiry %**	13	6	7	6
Fund & group schemes termination %**	53	62	63	72***
CAR cover ratio (median)	2.8	3.1	2.8	2.8

** Expressed as a percentage of the number of new policies issued during the period.

*** Three insurers reflected a higher than usual number of fund & group scheme terminations year on year.

Classes of policies

This diagram indicates the net premiums according to the classes of policies of primary insurers (excluding reinsurers) for the period ended June 2018 as well as comparative figures for the period ended June 2017:



Investment composition

The spread and categories of assets for primary insurers for the years ended December 2016 to 2017 as well as comparative figures for the first six months of 2017 and 2018 were as follows:

Kinds of assets	As at December 2016		As at December 2017		As at June 2017		As at June 2018	
	R'million	%	R'million	%	R'million	%	R'million	%
Cash and deposits	244,093	9	236,484	8	242,549	9	241,592	8
Government and semi-government	192,275	7	192,593	7	183,015	7	191,321	6
Equities and collective investment schemes	1,740,506	64	1,922,324	66	1,787,282	65	1,968,255	66
Debentures and loan stock	291,313	11	324,672	11	286,095	10	329,803	11
Immovable properties	45,655	2	42,662	1	45,857	2	45,042	2
Fixed assets	2,016	0	2,251	0	2,056	0	2,035	0
Debtors	165,922	6	160,726	6	170,039	6	144,403	5
Other Assets	34,069	1	32,822	1	36,302	1	42,512	2
Total	2,715,847	100	2,914,534	100	2,753,196	100	2,964,963	100

CAR cover ratios - primary insurers

Free Assets to capital adequacy requirement (CAR) of primary insurers excluding the business in run-off.

CAR cover ratio	December 2016	December 2017	June 2017	June 2018
Covered 0-1 times	0	0	1	1*
Covered 1-2 times	22	18	17	19
Covered 2-5 times	26	30	27	28
Covered 5-10 times	10	7	10	11
Covered 10+ times	10	8	8	6

* The necessary regulatory action has been taken against the one insurer that did not meet financial soundness requirement.

INDUSTRY RESULTS – TYPICAL INSURERS¹

	12 months ended December 2016	12 months ended December 2017	6 months ended June 2017	6 months ended June 2018
Gross premium R'm	319,524	324,317	153,913	167,063
Reinsurance R'm	13,040	12,692	6,591	8,009
Net premiums- Recurring R'm	148,524	174,953	78,783	70,433
Net premiums- Non-recurring R'm	157,960	136,672	68,539	88,621
Net claims paid R'm	270,999	280,418	137,353	136,867
Total assets R'm	2,008,427	2,147,973	2,041,663	2,176,339
Total liabilities R'm	1,867,925	2,003,736	1,903,796	2,034,173
CAR amount (after management action) R'm	38,645	40,602	40,320	41,386
Number of policies at the end of period	38,461,471	40,701,587	39,548,337	40,872,591
Number of schemes at the end of period	54,705	56,159	54,855	55,477
Performance indicators:				
Net premium increase (year to year) %	5	2	-2	8
Claims (as % of net premiums)	88	90	93	86
Commission (as % of net premiums)	5	6	6	5
Management Expenses (as % of net premiums)	13	14	15	15
Investment yield*	5	10	3	2
Number of policies increase (yr to yr) %	4	6	6	3
Individual lapse %**	64	70	76	70
Individual lapse % (in-force policies)	19	17	10	9
Individual termination %**	10	14	13	14
Individual termination % (in-force policies)	3	3	2	2
Individual contractual termination %**	6	8	9	7
Individual expiry %**	9	1	2	2
Fund & group schemes termination %**	53	63	71	74***
CAR cover ratio (median)	2.8	3.0	2.6	2.8

* Return on investment is calculated according to the formula $R=2i/A+B-i$ where i is all investment income plus realised and unrealised surplus on sale of investments, A is initial value of investments and B is end value of investments.

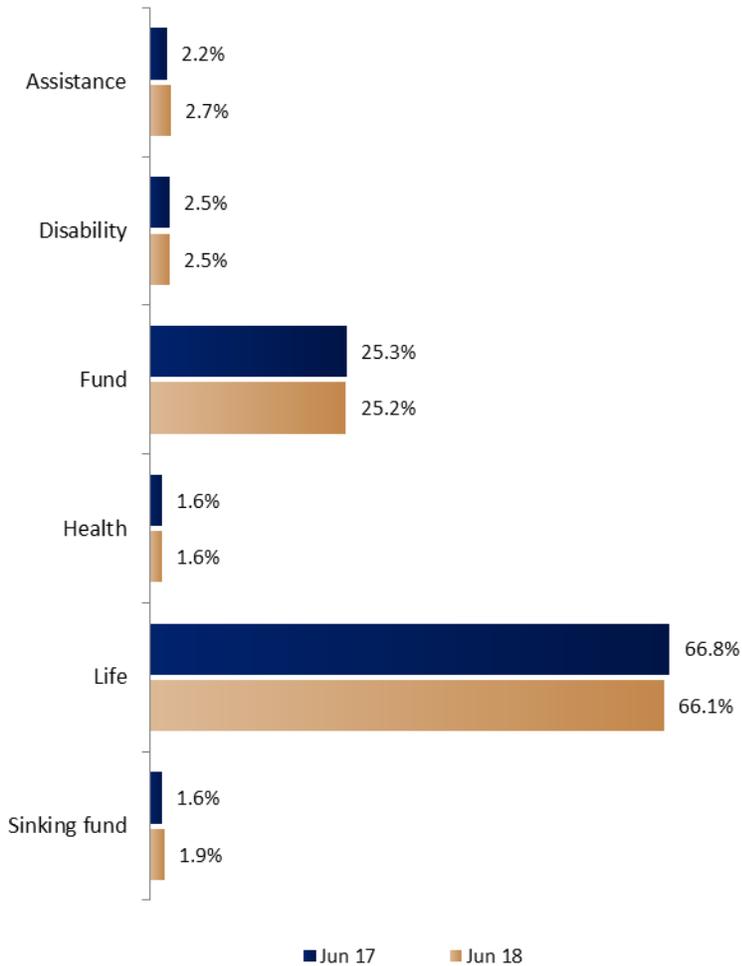
** Expressed as a percentage of the number of new policies issued during the period.

*** Three insurers reflected higher than usual number of fund & group scheme terminations year on year.

¹ Typical insurers, for the purpose of this report, are those insurers who offer most of the six classes of business as defined in the Act, in the primary market.

Classes of policies

This diagram indicates the net premiums according to the classes of policies of typical insurers for the period ended June 2018 as well as comparative figures for the period ended June 2017:



Investment composition

The spread and categories of assets for typical insurers for the years ended December 2016 to 2017 as well as comparative figures for the first six months of 2017 and 2018 were as follows:

Kinds of assets	As at December 2016		As at December 2017		As at June 2017		As at June 2018	
	R'million	%	R'million	%	R'million	%	R'million	%
Cash and deposits	172,288	9	156,583	7	166,699	8	164,871	8
Government and semi-government	120,868	6	115,727	5	112,620	6	108,562	5
Equities and collective investment schemes	1,272,551	63	1,403,257	65	1,316,072	64	1,446,900	66
Debentures and loan stock	257,713	13	291,506	14	253,201	12	292,906	13
Immovable properties	43,680	2	41,259	2	44,494	3	43,512	2
Fixed assets	1,994	0	2,217	0	2,027	0	2,001	0
Debtors	136,341	7	133,189	6	142,801	7	112,979	6
Other Assets	2,992	0	4,234	0	3,749	0	4,607	0
Total	2,008,427	100	2,147,973	100	2,041,663	100	2,176,339	100

CAR cover ratios - Typical insurers

The following table indicates the ratio of free assets to capital adequacy requirement (CAR) of the typical insurance companies.

CAR cover ratio	December 2016	December 2017	June 2017	June 2018
Covered 0-1 times	0	0	1	0
Covered 1-2 times	8	7	5	6
Covered 2-5 times	16	16	14	17
Covered 5-10 times	3	3	6	5
Covered 10+ times	1	1	1	0

INDUSTRY RESULTS – NICHE INSURERS²

	12 months ended December 2016	12 months ended December 2017	6 months ended June 2017	6 months ended June 2018
Gross premium R'm	3,591	3,642	1,787	1,656
Reinsurance R'm	837	325	255	192
Net premiums- Recurring R'm	2,610	2,671	1,233	1,404
Net premiums- Non-recurring R'm	144	646	309	59
Net claims paid R'm	865	1,104	484	1,227
Total assets R'm	14,311	16,343	14,108	15,525
Total liabilities R'm	7,329	9,623	7,575	10,667
CAR amount (after management action) R'm	203	200	183	237
<i>Number of policies at the end of period</i>	1,837,285	1,854,434	1,817,244	1,849,137
<i>Number of schemes at the end of period</i>	17,941	625	549	603
Performance indicators:				
<i>Net premium increase (year to year) %</i>	-48	20	8	-5
<i>Claims (as % of net premiums)</i>	31	33	31	84 ^{***}
<i>Commission (as % of net premiums)</i>	31	24	28	25
<i>Management Expenses (as % of net premiums)</i>	18	27	21	40
<i>Investment Yield[#]</i>	6	1	6	2
<i>Number of policies increase (yr to yr) %</i>	-53	11	-21	2
<i>Individual lapse %^{**}</i>	146	58	49	71 [#]
<i>Individual lapse % (in-force policies)</i>	88	42	17	25
<i>Individual termination %^{**}</i>	9	4	7	0
<i>Individual termination % (in-force policies)</i>	5	3	2	0
<i>Individual contractual termination %^{**}</i>	112	16	36	2
<i>Individual expiry %^{**}</i>	22	8	4	31 ^{##}
<i>Fund & group schemes termination %^{**}</i>	55	51	98	80
<i>CAR cover ratio (median)</i>	8.5	10.3	15.7	6.8

* Return on investment is calculated according to the formula $R=2i/A+B-i$ where i is all investment income plus realised and unrealised surplus on sale of investments, A is initial value of investments and B is end value of investments.

** Expressed as a percentage of the number of new policies issued during the period.

*** Three insurers recorded higher than usual claims during the review period.

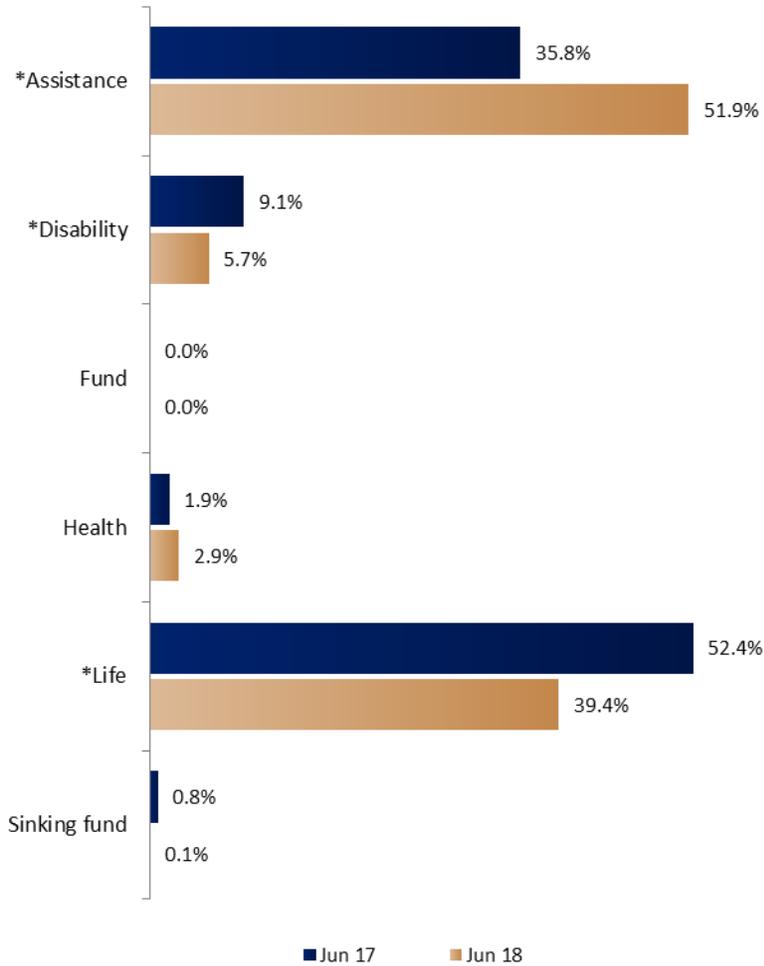
Two niche insurers reflected a substantial increase in number of lapses.

Two niche insurers reflected a substantial increase in number of expired policies.

² Niche insurers, for the purpose of this report, are those insurers who conduct business in a specific target market.

Classes of policies

This diagram indicates the net premiums according to the classes of policies of niche insurers for the period ended June 2018 as well as comparative figures for the period ended June 2017:



* The movements between life, assistance and disability classes of business were as a result of the repayment of a single once off reinsurance premium by one insurer.

Investment composition

The spread and categories of assets for niche insurers for the years ended December 2016 to 2017 as well as comparative figures for the first six months of 2017 and 2018 were as follows:

Kinds of assets	As at December 2016		As at December 2017		As at June 2017		As at June 2018	
	R'million	%	R'million	%	R'million	%	R'million	%
*Cash and deposits	4,606	32	7,051	43	4,808	34	7,164	46
Government and semi-government	2,422	17	2,713	17	2,406	17	2,756	18
Equities and collective investment schemes	4,895	35	4,452	27	4,851	34	4,400	28
Debentures and loan stock	1,041	7	1,494	9	1,151	8	804	5
Immovable properties	344	2	1	0	1	0	1	0
Fixed assets	4	0	17	0	12	0	17	0
Debtors	783	5	423	3	691	5	340	3
Other Assets	216	2	191	1	190	2	42	0
Total	14,311	100	16,343	100	14,108	100	15,525	100

* One niche insurer reflected a substantial increase in the cash and deposit portfolio due to the introduction of an investment product.

CAR cover ratios - Niche insurers

The following table indicates the ratio of free assets to capital adequacy requirement (CAR) of the niche insurance companies.

CAR cover ratio	December 2016	December 2017	June 2017	June 2018
Covered 0-1 times	0	0	0	0
Covered 1-2 times	0	0	0	1
Covered 2-5 times	3	4	4	4
Covered 5-10 times	4	1	0	2
Covered 10+ times	6	6	7	5

INDUSTRY RESULTS – CELL CAPTIVE INSURERS³

	12 months ended December 2016	12 months ended December 2017	6 months ended June 2017	6 months ended June 2018
Gross premium R'm	8,790	9,384	4,517	5,415
Reinsurance R'm	1,589	1,899	828	999
Net premiums- Recurring R'm	6,644	6,750	3,335	3,596
Net premiums- Non-recurring R'm	559	735	353	820***
Net claims paid R'm	3,111	3,504	2,015	950
Total assets R'm	11,724	10,783	10,724	11,437
Total liabilities R'm	8,933	8,020	8,090	8,836
CAR amount (after management action) R'm	670	830	825	795
<i>Number of policies at the end of period</i>	4,746,931	5,310,218	4,827,228	5,794,831
<i>Number of schemes at the end of period</i>	166	134	139	140
Performance indicators:				
<i>Net premium increase (year to year) %</i>	-13	4	4	20***
<i>Claims (as % of net premiums)</i>	43	47	55	22 [#]
<i>Commission (as % of net premiums)</i>	10	11	9	12
<i>Management Expenses (as % of net premiums)</i>	16	19	20	18
<i>Investment yield*</i>	6	9	4	3
<i>Number of policies increase (yr to yr) %</i>	62	12	1	20
<i>Individual lapse %**</i>	20	38	42	36
<i>Individual lapse % (in-force policies)</i>	22	21	11	9
<i>Individual termination %**</i>	22	13	18	6
<i>Individual termination % (in-force policies)</i>	24	7	5	1
<i>Individual contractual termination %**</i>	1	3	2	14
<i>Individual expiry %**</i>	20	24	29	11
<i>Fund & group schemes termination %**</i>	42	95	850	20
<i>CAR cover ratio (median)</i>	5.3	4.2	4.5	4.7

* Return on investment is calculated according to the formula $R=2i/A+B-i$ where i is all investment income plus realised and unrealised surplus on sale of investments, A is initial value of investments and B is end value of investments.

** Expressed as a percentage of the number of new policies issued during the period.

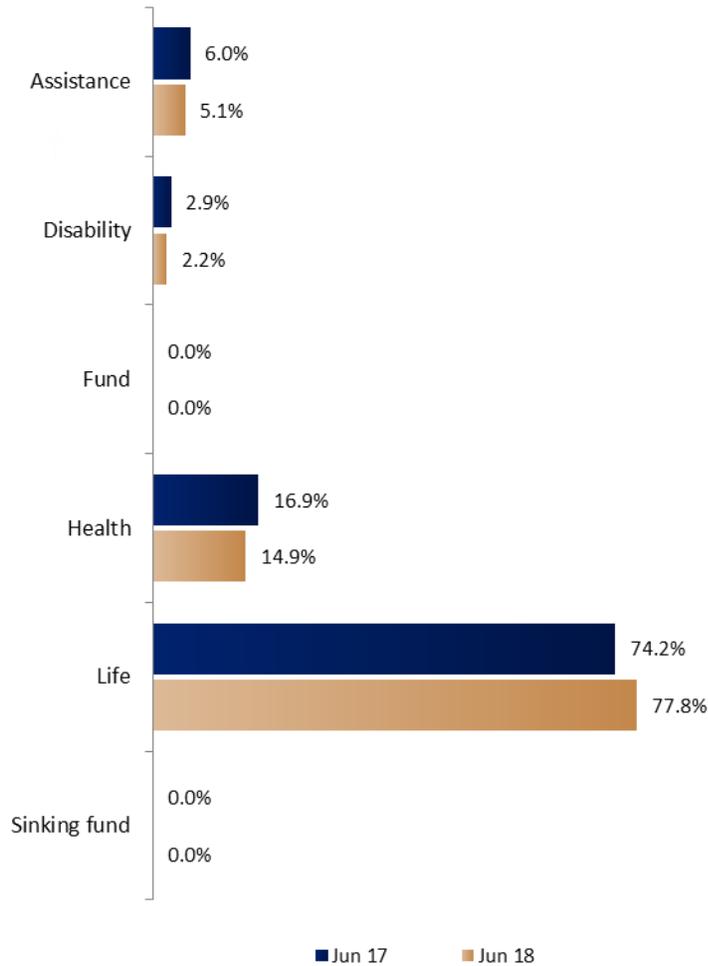
*** The increase, in non-recurring premiums, was due to the introduction of a linked living annuity product by two particular insurers.

One major insurer recorded lower than usual claims during the review period.

³ Cell captive insurers, for the purpose of this report, are those insurers who conduct business on a cell captive basis only.

Classes of policies

This diagram indicates the net premiums according to the classes of policies of cell captive insurers for the period ended June 2018 as well as comparative figures for the period ended June 2017:



Investment composition

The spread and categories of assets for cell captive insurers for the years ended December 2016 to 2017 as well as comparative figures for the first six months of 2017 and 2018 were as follows:

Kinds of assets	As at December 2016		As at December 2017		As at June 2017		As at June 2018	
	R'million	%	R'million	%	R'million	%	R'million	%
*Cash and deposits	5,648	48	4,370	41	4,857	45	2,729	24
Government and semi-government	1,083	9	1,026	10	986	9	1,316	12
Equities and collective investment schemes	3,736	32	4,222	37	3,788	35	4,139	36
*Debentures and loan stock	285	2	273	3	204	2	2,302	20
Immovable properties	0	0	0	0	0	0	0	0
Fixed assets	1	0	0	0	1	0	0	0
Debtors	779	7	724	7	714	7	793	7
Other Assets	191	2	168	2	175	2	158	1
Total	11,724	100	10,783	100	10,724	100	11,437	100

* During the period under review one insurer reclassified its assets resulting in a move from cash and deposits to debentures and loan stock.

CAR cover ratios – Cell captive insurers

The following table indicates the ratio of free assets to capital adequacy requirement (CAR) of the cell captive insurance companies.

CAR cover ratio	December 2016	December 2017	June 2017	June 2018
Covered 0-1 times	0	0	0	0
Covered 1-2 times	1	1	1	1
Covered 2-5 times	1	3	2	2
Covered 5-10 times	3	2	3	3
Covered 10+ times	1	0	0	0

INDUSTRY RESULTS – LINKED INVESTMENT INSURERS⁴

	12 months ended December 2016	12 months ended December 2017	6 months ended June 2017	6 months ended June 2018
Gross premium R'm	140,189	134,237	90,820	72,179
Reinsurance R'm	240	0	0	0
Net premiums- Recurring R'm	164	214	112	132
Net premiums- Non-recurring R'm	139,785	134,023	90,708	72,047
Net claims paid R'm	151,011	128,770	91,241	58,847
Total assets R'm	676,108	732,283	680,733	754,379
Total liabilities R'm	673,019	729,515	677,869	751,362
CAR amount (after management action) R'm	1,777	1,932	1,796	2,006
Number of policies at the end of period	172,113	190,168	181,469	200,388
Number of schemes at the end of period	5,332	5,436	5,114	5,226
Performance indicators:				
Net premium increase (year to year) %	-1	-4	29	-21***
Claims (as % of net premiums)	108	96	100	82
Commission (as % of net premiums)	0	0	0	0
Management Expenses (as % of net premiums)	2	2	1	2
Investment yield*	5	11	4	1
Number of policies increase (yr to yr) %	12	10	12	10
Individual lapse %**	0	0	0	0
Individual lapse % (in-force policies)	0	0	0	0
Individual termination %**	21	22	25	26
Individual termination % (in-force policies)	4	4	3	2
Individual contractual termination %**	11	11	9	12
Individual expiry %**	0	0	0	0
Fund & group schemes termination %**	79	57	38	70 [#]
CAR cover ratio (median)	1.7	1.5	1.7	1.6

* Return on investment is calculated according to the formula $R=2i/A+B-i$ where i is all investment income plus realised and unrealised surplus on sale of investments, A is initial value of investments and B is end value of investments.

** Expressed as a percentage of the number of new policies issued during the period.

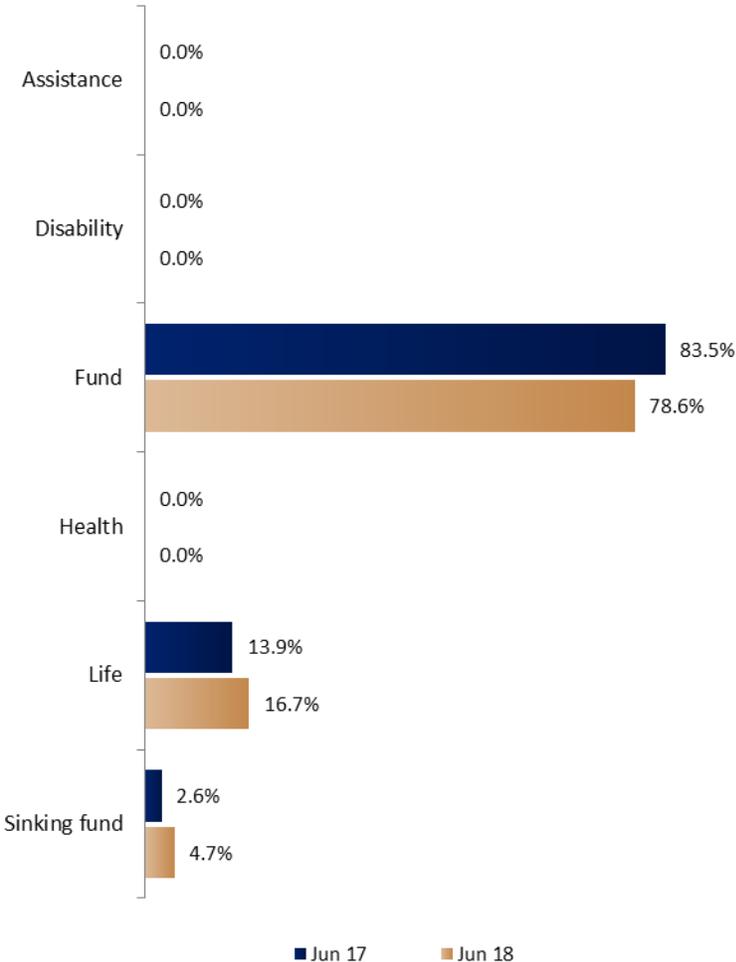
*** During the review period one big linked insurer recorded a R20 billion decline in premiums.

Two linked insurers reflected a substantial increase in number of fund & group schemes terminations.

⁴ Linked investment insurers, for the purpose of this report, are those insurers who underwrite policies whereby the value of the policy is directly linked to the value of the assets invested in, and no guarantees are offered.

Classes of policies

This diagram indicates the net premiums according to the classes of policies of linked investment insurers for the period ended June 2018 as well as comparative figures for the period ended June 2017:



Investment composition

The spread and categories of assets for linked investment insurers for the years ended December 2016 to 2017 as well as comparative figures for the first six months of 2017 and 2018 were as follows:

Kinds of assets	As at December 2016		As at December 2017		As at June 2017		As at June 2018	
	R'million	%	R'million	%	R'million	%	R'million	%
Cash and deposits	60,520	9	66,139	9	64,653	9	64,248	9
Government and semi-government	67,871	10	73,091	10	66,967	10	78,655	10
Equities and collective investment schemes	456,192	67	506,822	69	459,362	67	509,339	68
Debentures and loan stock	31,302	5	30,425	4	30,547	4	32,872	4
Immovable properties	1,627	0	1,399	0	1,359	0	1,526	0
Fixed assets	4	0	4	0	4	0	4	0
Debtors	27,930	4	26,184	4	25,662	4	30,037	4
Other Assets	30,661	5	28,219	4	32,177	6	37,698	5
Total	676,108	100	732,283	100	680,733	100	754,379	100

CAR cover ratios – Linked investment insurers

The following table indicates the ratio of free assets to capital adequacy requirement (CAR) of the linked investment insurers.

CAR cover ratio	December 2016	December 2017	June 2017	June 2018
Covered 0-1 times	0	0	0	0
Covered 1-2 times	10	9	9	10
Covered 2-5 times	3	3	3	2
Covered 5-10 times	0	0	0	0
Covered 10+ times	1	0	0	0

INDUSTRY RESULTS – REINSURERS⁵

	12 months ended December 2016	12 months ended December 2017	6 months ended June 2017	6 months ended June 2018
Gross premium R'm	12,721	13,927	6,662	7,724
Reinsurance R'm	2,516	3,217	1,605	1,778
Net premiums- Recurring R'm	7,739	10,709	3,799	4,168
Net premiums- Non-recurring R'm	2,465	0	1,259	1,778
Net claims paid R'm	7,910	8,234	3,796	4,578
Total assets R'm	19,504	21,591	20,926	22,783
Total liabilities R'm	16,017	18,441	17,436	19,882
CAR amount (after management action) R'm	754	817	752	834
Performance indicators:				
<i>Net premium increase (year to year) %</i>	14	5	0	18**
<i>Claims (as % of net premiums)</i>	78	77	75	77
<i>Commission (as % of net premiums)</i>	6	6	6	15
<i>Management Expenses (as % of net premiums)</i>	8	8	8	8
<i>Investment yield*</i>	12	7	3	3
<i>CAR cover ratio (median)</i>	3.6	3.9	4.6	3.2

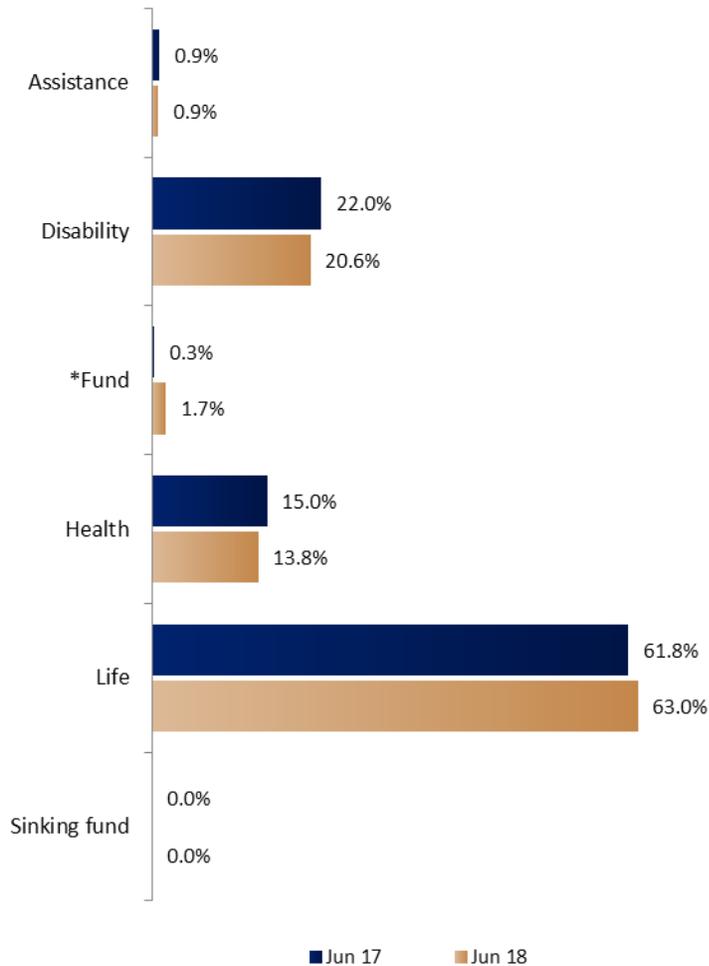
* Return on investment is calculated according to the formula $R=2i/A+B-i$ where i is all investment income plus realised and unrealised surplus on sale of investments, A is initial value of investments and B is end value of investments.

** One insurer entered into new reinsurance arrangements in a new market segment.

⁵ Reinsurers, for the purpose of this report, are those insurers who offer specialised cover, only to primary insurers.

Classes of policies

This diagram indicates the net premiums according to the classes of policies of reinsurers for the period ended June 2018 as well as comparative figures for the period ended June 2017:



* One reinsurer increased its fund business during the period under review.

Investment composition

The spread and categories of assets for reinsurers for the years ended December 2016 to 2017 as well as comparative figures for the first six months of 2017 and 2018 were as follows:

Kinds of assets	As at December 2016		As at December 2017		As at June 2017		As at June 2018	
	R'million	%	R'million	%	R'million	%	R'million	%
Cash and deposits	2,656	14	2,346	11	3,151	15	2,679	12
Government and semi-government	12,919	66	14,537	67	13,437	64	15,194	67
Equities and collective investment schemes	286	1	268	1	279	1	263	1
Debentures and loan stock	541	3	693	3	577	3	672	3
Immovable properties	0	0	0	0	0	0	0	0
Fixed assets	40	0	48	0	47	0	52	0
Debtors	3,014	15	3,548	16	3,325	16	3,779	16
Other Assets	49	0	151	1	110	1	144	1
Total	19,504	100	21,591	100	20,926	100	22,783	100

CAR cover ratios –reinsurers

The following table indicates the ratio of free assets to capital adequacy requirement (CAR) of the reinsurers.

CAR cover ratio	December 2016	December 2017	June 2017	June 2018
Covered 0-1 times	0	0	0	0
Covered 1-2 times	1	1	1	1
Covered 2-5 times	4	5	4	5
Covered 5-10 times	2	1	2	1
Covered 10+ times	0	0	0	0

INDUSTRY RESULTS – ASSISTANCE INSURERS ⁶

	12 months ended December 2016	12 months ended December 2017	6 months ended June 2017	6 months ended June 2018
Gross premium R'm	3,360	4,356	2,020	2,189
Reinsurance R'm	30	52	17	36
Net premiums- Recurring R'm	2,140	2,680	1,244	1,625
Net premiums- Non-recurring R'm	1,190	1,643	760	527
Net claims paid R'm	1,211	1,592	712	1,091
Total assets R'm	5,277	7,151	5,968	7,283
Total liabilities R'm	4,804	6,480	5,495	6,642
CAR amount (after management action) R'm	116	131	126	148
Number of policies at the end of period	1,089,497	1,156,429	1,106,192	1,188,966
Number of schemes at the end of period	3,493	3,627	3,684	3,756
Performance indicators:				
Net premium increase (year to year) %	58	29	89	7
Claims (as % of net premiums)	36	37	36	51
Commission (as % of net premiums)	11	11	11	14
Management Expenses (as % of net premiums)	15	18	20	21
Investment yield*	3	9	3	1
Number of policies increase (yr to yr) %	23	6	10	7
Individual lapse %**	40	70	67	76
Individual lapse % (in-force policies)	19	31	15	15
Individual termination %**	4	4	4	4
Individual termination % (in-force policies)	2	2	1	1
Individual contractual termination %**	6	3	3	4
Individual expiry %**	0	0	0	0
Fund & group schemes termination %**	29	50	17	56
CAR cover ratio (median)	2.0	4.0	2.4	2.6

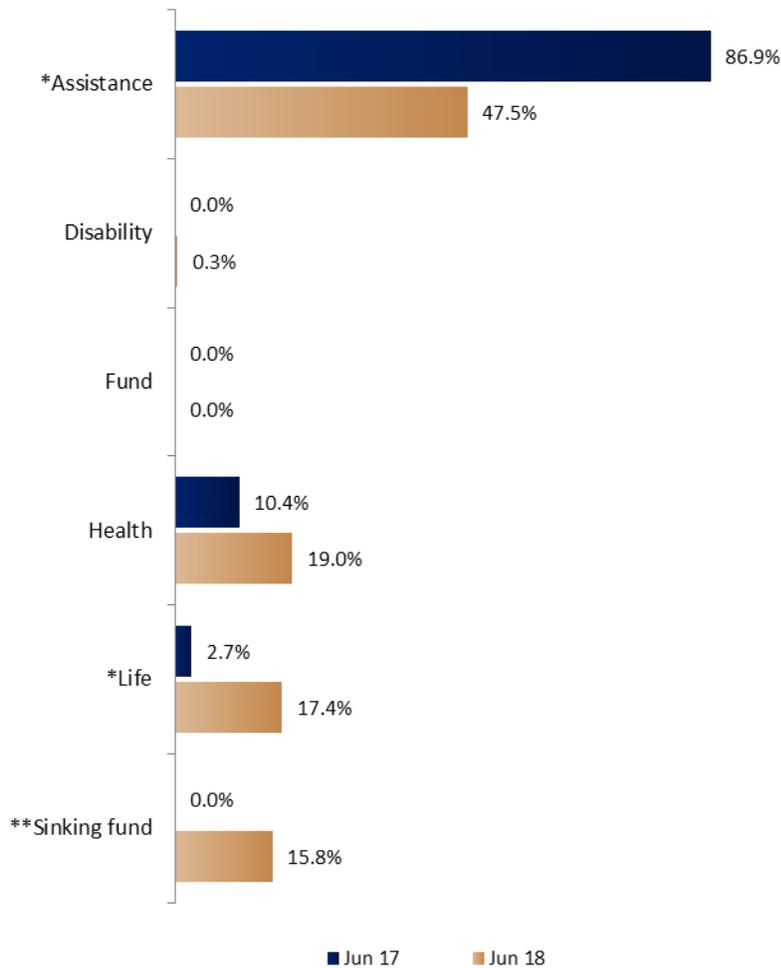
* Return on investment is calculated according to the formula $R=2i/A+B-i$ where i is all investment income plus realised and unrealised income.

** Expressed as a percentage of the number of new policies issued during the period.

⁶ Assistance insurers, for the purpose of this report, are those insurers who offer life policies where the sum assured does not exceed R30 000 or where the "assistance policy" class is the major policy class that this type insurer underwrites.

Classes of policies

This diagram indicates the net premiums according to the classes of policies of assistance insurers for the period ended June 2018 as well as comparative figures for the period ended June 2017:



* The movement between life and assistance businesses was due to introduction of a new product by a particular insurer.

** One major insurer started writing the sinking fund business.

Investment composition

The spread and categories of assets for assistance insurers for the years ended December 2016 to 2017 as well as comparative figures for the first six months of 2017 and 2018 were as follows:

Kinds of assets	As at December 2016		As at December 2017		As at June 2017		As at June 2018	
	R'million	%	R'million	%	R'million	%	R'million	%
Cash and deposits	1,031	20	2,341	33	1,533	26	2,580	35
Government and semi-government	30	1	35	0	37	1	33	0
Equities and collective investment schemes	3,131	59	3,570	50	3,210	54	3,476	49
Debentures and loan stock	971	18	974	14	992	17	919	13
Immovable properties	3	0	3	0	3	0	3	0
Fixed assets	13	0	12	0	12	0	13	0
Debtors	89	2	207	3	171	3	252	3
Other Assets	9	0	10	0	11	0	6	0
Total	5,277	100	7,151	100	5,968	100	7,283	100

CAR cover ratios – assistance insurers

The following table indicates the ratio of free assets to capital adequacy requirement (CAR) of the assistance insurance companies.

CAR cover ratio	December 2016	December 2017	June 2017	June 2018
Covered 0-1 times	0	0	0	1*
Covered 1-2 times	3	1	2	1
Covered 2-5 times	3	4	4	3
Covered 5-10 times	0	1	1	1
Covered 10+ times	1	1	0	1

* The necessary regulatory action has been taken against the one insurer that did not meet financial soundness requirement.