

# **Selected South African insurance sector data**

## **December 2024**



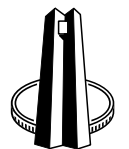
**SOUTH AFRICAN RESERVE BANK**  
Prudential Authority

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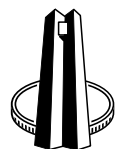


# Introduction

This report provides a high-level overview of insurers' financial and risk information, compiled by means of the aggregation of data submitted quarterly by individual South African-registered insurers.

The following should be noted with regards to the data contained in this document:

- data is based on reporting by insurance entities and the prudential standard issued in terms of the Insurance Act 18 of 2017 as implemented in South Africa on 1 July 2018;
- the information is subject to change without notice;
- the calculation of ratios and annual growth is based on actual data and not the rounded figures as indicated in this report;
- the data in this report is as at the end of December 2024.



# Registered insurance entities in South Africa

	December 2023	December 2024
<b>Total</b>	<b>159</b>	<b>155</b>
Life primary insurers	61	59
Life cell captives	5	4
Life microinsurers	10	11
Non-life primary insurers	57	56
Non-life cell captives	8	6
Non-life captives	5	5
Non-life microinsurers	0	0
Composite microinsurers	3	3
Professional reinsurers	8	9
Composite reinsurers	5	5
Life reinsurers	0	0
Non-life reinsurers	1	1
Branches of foreign reinsurers	2	3
Other	2	2

*Notes:*

*The total number of entities as stated in this report includes insurers in "run-off".*

*No aggregated data published in respect of micro insurers, life and non-life reinsurers and branches of foreign reinsurers.*



## Life insurance: Primary insurers

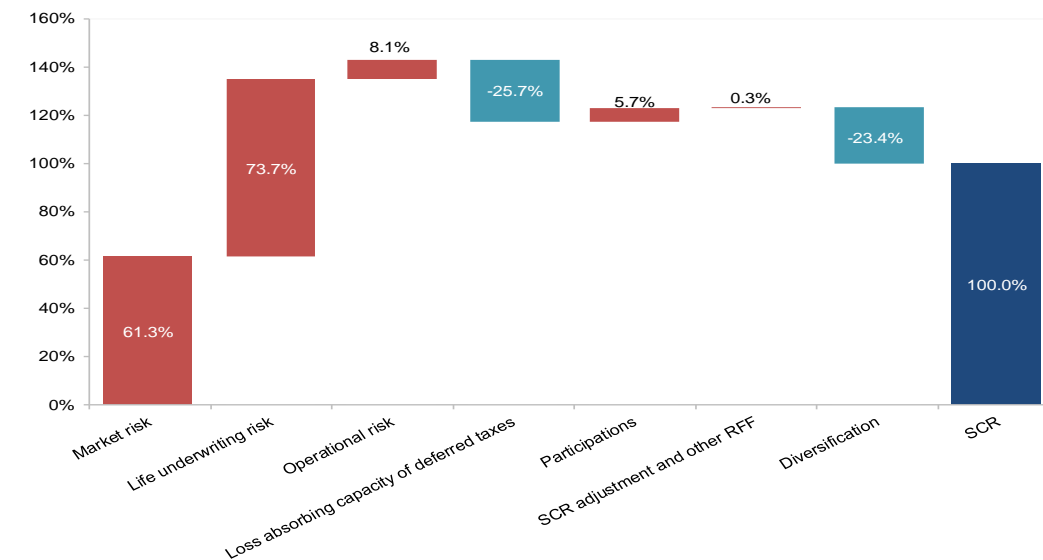
Balance sheet	Dec 2023 R'mil	Dec 2024 R'mil	12 Monthly % growth
<b>Total assets</b>	<b>4,085,902</b>	<b>4,540,882</b>	<b>11.1</b>
<i>Of which:</i>			
Total investments	3,872,493	4,319,693	11.5
Government bonds	367,474	421,339	14.7
Corporate bonds	252,821	301,739	19.3
Equity	552,033	610,363	10.6
Investment funds	2,279,662	2,516,370	10.4
Structured notes	56,137	74,156	32.1
Collateralised securities	12,237	12,468	1.9
Cash and deposits	211,867	219,633	3.7
Mortgages and loans	108,302	122,392	13.0
Property	31,960	41,234	29.0
Total reinsurance recoverables (payables) <sup>3</sup>	-566	2,170	483.2
Derivatives	9,478	3,864	-59.2
Owner occupied property	5,551	5,360	-3.4
Other assets	198,946	209,794	5.5
<b>Total liabilities</b>	<b>3,722,862</b>	<b>4,162,133</b>	<b>11.8</b>
<i>Of which:</i>			
Gross technical provisions	3,506,832	3,940,881	12.4
<b>Basic own funds</b>	<b>363,040</b>	<b>378,749</b>	<b>4.3</b>
Eligible own funds to meet SCR	366,898	382,295	4.2
Eligible own funds to meet MCR	348,689	363,258	4.2
<b>Profitability</b>			
Gross premium	183,434	178,333	-2.8
Reinsurance	5,377	5,842	8.6
Net premiums	178,057	172,490	-3.1
Net claims paid <sup>4</sup>	153,936	169,789	10.3
Investment income <sup>5</sup>	213,956	104,851	-51.0
Management expenses	17,931	19,130	6.7
Commission paid/ (received)	6,474	6,598	1.9
Other expenses	1,375	1,642	19.4
Net profit before tax and dividends	25,448	23,731	-6.7
<b>Other</b>			
Number of policies at the end of period	48,961,401	52,918,568	8.1
Number of schemes at the end of period	96,563	106,366	10.2

Performance indicators	Dec 2023	Dec 2024
Claims ratio <sup>1</sup>	86.5	98.4
Commission ratio <sup>1</sup>	3.6	3.8
Management expenses ratio <sup>1</sup>	10.1	11.1
Individual lapse ratio <sup>2</sup>	63.9	54.8
Individual contractual termination <sup>2</sup>	10.0	19.2
Individual expiry <sup>2</sup>	3.3	3.6
Surrenders <sup>2</sup>	3.2	3.1
Surrenders (in-force policies)	0.3	0.3
Individual lapse ratio (in-force policies)	6.5	4.9

### Solvency and capital

SCR cover ratio (Median)	1.9	1.8
MCR cover ratio (Median)	4.9	4.9

### SCR risk components



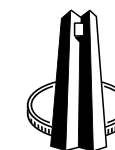
<sup>1</sup> Expressed as a percentage of net written premium during the period.

<sup>2</sup> Expressed as a percentage of the number of new policies issued during the period.

<sup>3</sup> Higher than normal reinsurance recoverables were as a result of a refund payable by reinsurers to a particular insurer.

<sup>4</sup> The increase in net claims was mainly driven by one particular insurer.

<sup>5</sup> The decrease in investment income was mainly driven by unrealised losses during the review period.



# Life insurance: Cell Captive insurers

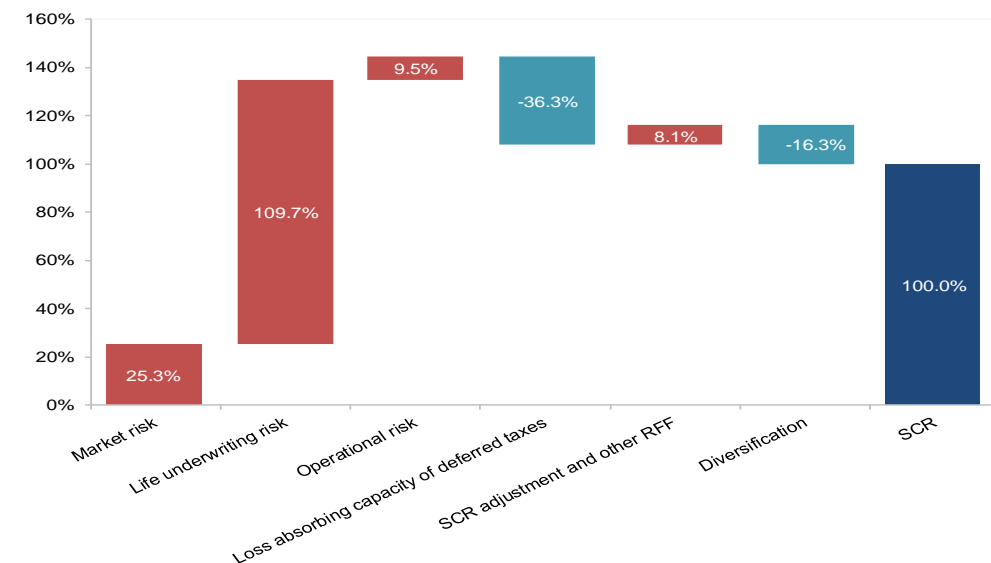
Balance sheet	Dec 2023 R'mil	Dec 2024 R'mil	12 Monthly % growth
<b>Total assets</b>	<b>29,419</b>	<b>28,851</b>	<b>-1.9</b>
<i>Of which:</i>			
Total investments	34,631	34,740	0.3
Government bonds	2,292	2,508	9.4
Corporate bonds	15,730	15,567	-1.0
Equity	380	527	38.8
Investment funds	11,218	12,289	9.5
Structured notes	91	104	15.3
Collateralised securities	190	114	-39.7
Cash and deposits	4,731	3,630	-23.3
Mortgages and loans	-	-	0.0
Total reinsurance recoverables/ (payable)	-6,969	-7,360	5.6
Derivatives	-	-0	0.0
Other assets	1,757	1,471	-16.3
<b>Total liabilities</b>	<b>11,460</b>	<b>8,329</b>	<b>-27.3</b>
<i>Of which:</i>			
Gross technical provisions <sup>5</sup>	5,532	1,344	-75.7
Deferred tax liabilities	3,913	5,005	27.9
<b>Basic own funds</b>	<b>17,959</b>	<b>20,522</b>	<b>14.3</b>
Eligible own funds to meet SCR	9,091	10,900	19.9
Eligible own funds to meet MCR	9,091	10,900	19.9
<b>Profitability</b>			
Gross premium	6,338	6,369	0.5
Reinsurance	1,639	2,766	68.8
Net premiums	4,699	3,604	-23.3
Net claims paid	964	2,507	160.0
Investment income <sup>3</sup>	1,203	297	-75.3
Management expenses <sup>4</sup>	801	911	13.8
Commission paid/ (received)	564	550	-2.4
Other expenses	-	-	0.0
Net profit before tax and dividends <sup>4</sup>	3,074	2,235	-27.3
<b>Other</b>			
Number of policies at the end of period	10,756,064	10,866,070	1.0
Number of schemes at the end of period	63,580	55,988	-11.9

Performance indicators	Dec 2023	Dec 2024
Claims ratio <sup>1 4</sup>	20.5	69.6
Commission ratio <sup>1</sup>	12.0	15.3
Management expenses ratio <sup>1 4</sup>	17.0	25.3
Individual lapse ratio <sup>2</sup>	32.4	23.0
Individual contractual termination <sup>2</sup>	2.1	2.6
Individual expiry <sup>2</sup>	58.5	53.3
Surrenders <sup>2</sup>	2.9	10.4
Surrenders (in-force policies)	0.6	2.0
Individual lapse ratio (in-force policies)	6.4	4.5

## Solvency and capital

SCR cover ratio (Median)	1.1	1.1
MCR cover ratio (Median)	4.1	4.2

## SCR risk components



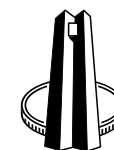
<sup>1</sup> Expressed as a percentage of net written premiums.

<sup>2</sup> Expressed as a percentage of the number of newpolicies issued during the period.

<sup>3</sup> The decrease in investment income was mainly driven by unrealised losses during the reviewperiod.

<sup>4</sup> Two cell captive insurers experienced higher than normal expenses and claims during the period.

<sup>5</sup> One cell captive insurer reported negative gross technical reserves.



# Non-Life insurance: Primary insurers

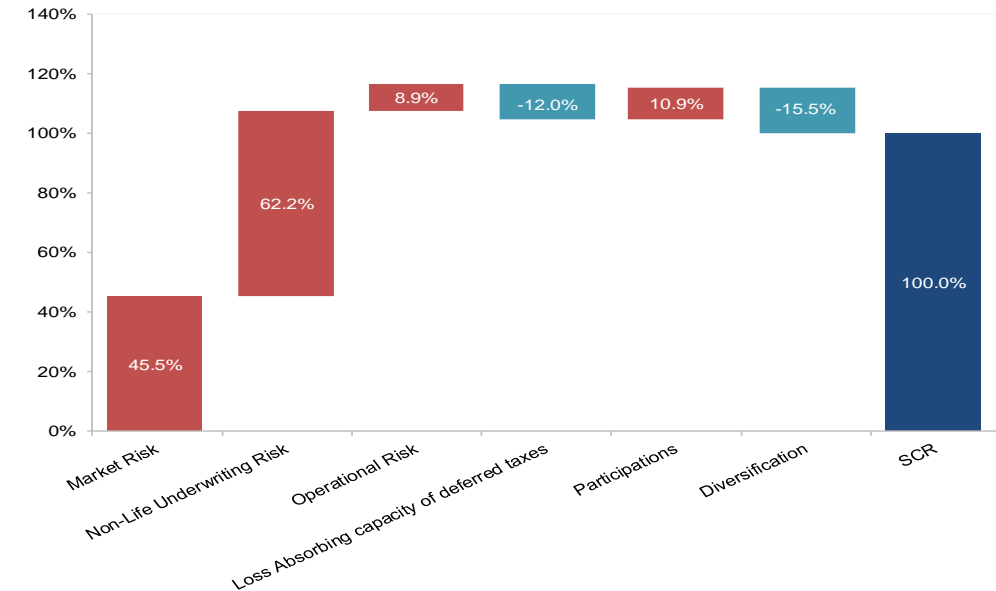
Balance sheet	Dec 2023 R'mil	Dec 2024 R'mil	12 Monthly % growth
<b>Total assets</b>	<b>220,613</b>	<b>234,233</b>	<b>6.2</b>
<i>Of which:</i>			
Total investments	148,919	164,045	10.2
Government bonds	31,421	36,160	15.1
Corporate bonds	36,552	41,021	12.2
Equity	19,877	20,195	1.6
Investment funds	21,574	26,145	21.2
Structured notes	397	812	104.2
Collateralised securities	634	1,657	161.4
Cash and deposits	36,977	36,588	-1.1
Mortgages and loans	1,441	1,467	1.8
Property <sup>4</sup>	46	2	-95.5
Total reinsurance recoverables/ (payable)	29,424	26,242	-10.8
Derivatives	-207	80	138.5
Owner occupied property	1,650	1,552	-6.0
Other assets	40,827	42,314	3.6
<b>Total liabilities</b>	<b>121,502</b>	<b>118,019</b>	<b>-2.9</b>
<i>Of which:</i>			
Gross technical provisions	87,778	83,209	-5.2
Accounts payable	10,072	12,450	23.6
Payables (trade, not insurance)	8,144	6,937	-14.8
<b>Basic own funds</b>	<b>99,111</b>	<b>116,214</b>	<b>17.3</b>
Eligible own funds to meet SCR	99,160	113,918	14.9
Eligible own funds to meet MCR	94,155	108,440	15.2
<b>Profitability</b>			
Gross written premium	43,392	47,460	9.4
Reinsurance	13,163	13,171	0.1
Net premiums	30,228	34,289	13.4
Net earned premium	29,298	32,172	9.8
Investment income	6,545	6,632	1.3
Net claims paid	19,125	17,559	-8.2
Management expenses	8,384	10,375	23.7
Commission paid/ (received)	1,951	2,713	39.1
Underwriting profit <sup>5</sup>	1,034	3,726	260.2
Underwriting and investment income	7,579	10,358	36.7
Net profit before tax and dividends	7,505	9,811	30.7

Performance indicators	Dec 2023	Dec 2024
Claims ratio <sup>1</sup>	65.3	54.6
Management expenses ratio <sup>1</sup>	28.6	32.2
Commission ratio <sup>1</sup>	6.5	7.9
Combined ratio <sup>2</sup>	100.6	95.3
Underwriting profit/(loss) ratio <sup>3</sup>	3.5	11.6
Underwriting and investment income ratio	25.9	32.2

## Solvency and capital

SCR cover ratio (Median)	1.7	1.8
MCR cover ratio (Median)	4.3	4.2

## SCR risk components



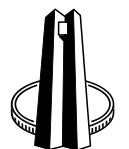
<sup>1</sup> Expressed as a percentage of net written premium during the period.

<sup>2</sup> Claims + commission + expenses as a percentage of net earned premium.

<sup>3</sup> Expressed as a percentage of net earned premium during the period.

<sup>4</sup> The decrease in property was mainly due to disposal of an asset by a particular insurer.

<sup>5</sup> The increase in profits was mainly driven by higher than normal net earned premiums and the decrease in claims.



# Non-Life insurance: Cell Captive insurers

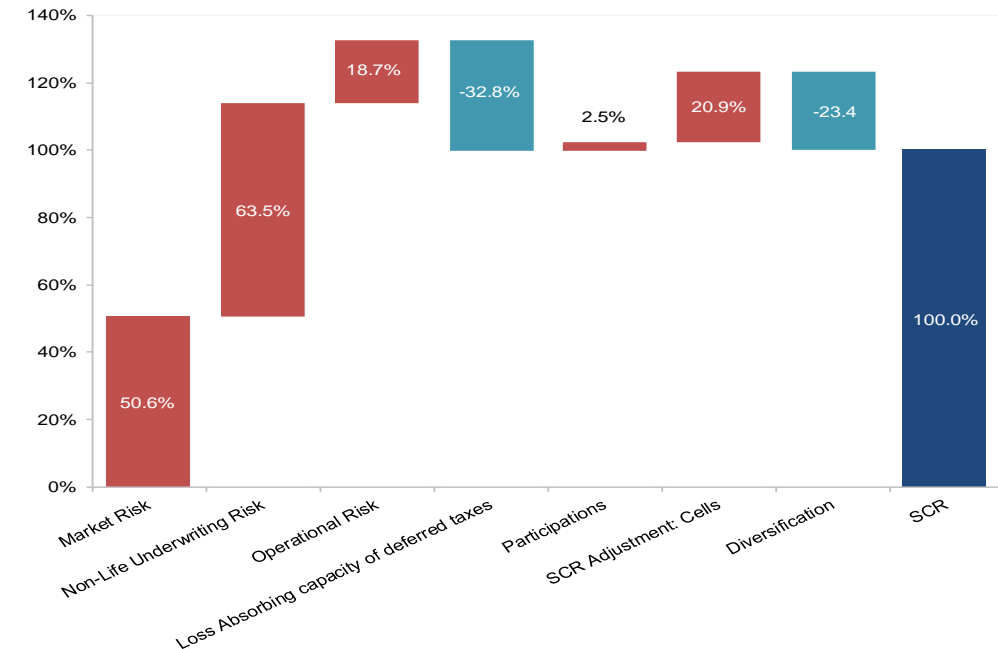
Balance sheet	Dec 2023 R'mil	Dec 2024 R'mil	12 Monthly % growth
<b>Total assets</b>	<b>50,357</b>	<b>57,659</b>	<b>14.5</b>
<i>Of which:</i>			
<i>Total investments</i>	40,824	48,584	19.0
Government bonds	1,925	2,001	4.0
Corporate bonds	12,586	17,609	39.9
Equity	762	1,032	35.4
Investment funds	15,119	19,502	29.0
Structured notes	168	249	48.6
Collateralised securities	649	544	-16.1
Cash and deposits	9,613	7,644	-20.5
Mortgages and loans	3	2	-28.4
Total reinsurance recoverables/ (payable)	5,945	5,656	-4.9
Derivatives	-2	-0	-92.0
Other assets	3,591	3,419	-4.8
<b>Total liabilities</b>	<b>36,056</b>	<b>41,546</b>	<b>15.2</b>
<i>Of which:</i>			
Gross technical provisions	31,502	35,824	13.7
<b>Basic own funds</b>	<b>14,302</b>	<b>16,113</b>	<b>12.7</b>
Eligible own funds to meet SCR	7,407	8,082	9.1
Eligible own funds to meet MCR	7,373	8,080	9.6
<b>Profitability</b>			
Gross written premium	7,796	8,456	8.5
Reinsurance	3,369	2,980	-11.6
Net premiums	4,427	5,476	23.7
Net earned premium <sup>4</sup>	3,830	9,518	148.5
Investment income <sup>3</sup>	1,222	1,105	-9.6
Net claims paid	1,804	2,329	29.1
Management expenses	908	995	9.6
Commission paid/ (received)	73	102	39.0
Underwriting profit <sup>4</sup>	306	519	69.5
Underwriting and investment income	1,529	1,624	6.2
Net profit before tax and dividends <sup>4</sup>	1,522	1,641	7.8

Performance indicators	Dec 2023	Dec 2024
Claims ratio <sup>1</sup>	47.1	24.5
Management expenses ratio <sup>1</sup>	23.7	10.5
Commission ratio <sup>1</sup>	1.9	1.1
Combined ratio <sup>2</sup>	72.7	36.0
Underwriting profit/(loss) ratio <sup>2</sup>	8.0	5.5
Underwriting and investment income ratio <sup>2</sup>	39.9	17.1

## Solvency and capital

SCR cover ratio (Median)	1.2	1.2
MCR cover ratio (Median)	2.9	2.8

## SCR risk components

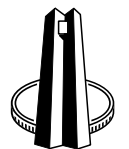


<sup>1</sup> Expressed as a percentage of net earned premium during the period.

<sup>2</sup> Claims + commission + expenses as a percentage of net earned premium.

<sup>3</sup> The decrease in investment income was mainly driven by unrealised losses and fair value adjustment.

<sup>4</sup> The increase in profits was mainly driven by higher than normal earned premiums.





# Non-Life insurance: Captive insurers

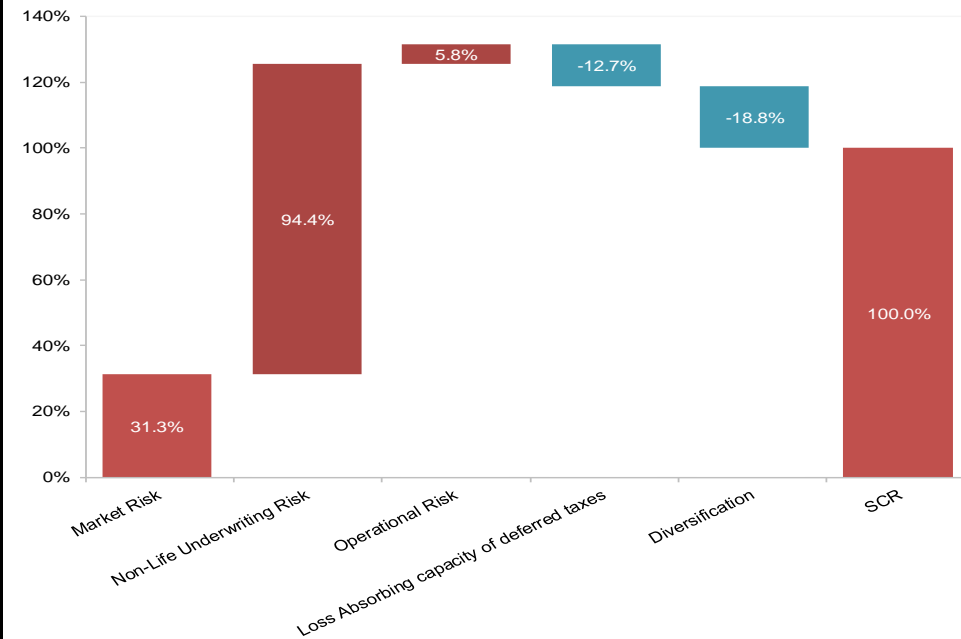
Balance sheet	Dec 2023	Dec 2024	12 Monthly
	R'mil	R'mil	% growth
<b>Total assets</b>	<b>32,054</b>	<b>38,769</b>	<b>20.9</b>
<i>Of which:</i>			
<i>Total investments</i>	27,351	32,045	17.2
Government bonds	4,109	5,089	23.9
Corporate bonds	5,235	5,298	1.2
Equity	0	0	23.2
Investment funds	1,750	2,037	16.4
Structured notes	12	12	3.0
Collateralised securities	3	4	12.0
Cash and deposits	16,241	19,604	20.7
Total reinsurance recoverables/ (payable)	3,602	5,887	63.4
Derivatives	-	-	0.0
Other assets	1,101	837	-24.0
<b>Total Liabilities</b>	<b>14,654</b>	<b>17,186</b>	<b>17.3</b>
<i>Of which:</i>			
Gross technical provisions	12,872	16,967	31.8
<b>Basic own funds</b>	<b>17,401</b>	<b>21,583</b>	<b>24.0</b>
Eligible own funds to meet SCR	17,301	21,397	23.7
Eligible own funds to meet MCR	17,161	21,225	23.7
<b>Profitability</b>			
Gross written premium <sup>3</sup>	11	3	-73.8
Reinsurance	-94	20	121.7
Net premiums	104	-18	-116.8
Net earned premium <sup>3</sup>	327	-8,380	-2660.8
Investment income	792	605	-23.6
Net claims paid <sup>4</sup>	669	1,322	97.7
Management expenses	41	53	28.3
Commission paid/ (received)	-65	-51	-21.4
Underwriting profit <sup>4</sup>	-430	-9,492	-2104.9
Underwriting and investment income <sup>4</sup>	361	-8,887	-2559.7
Net profit before tax and dividends <sup>4</sup>	382	-8,887	-2429.2

Performance indicators	Dec 2023	Dec 2024
Claims ratio <sup>1 3</sup>	204.3	-15.8
Management expenses ratio <sup>1</sup>	12.5	-0.6
Commission ratio <sup>1</sup>	-19.9	0.6
Combined ratio <sup>2 3</sup>	197.0	-15.8
Underwriting profit/(loss) ratio <sup>1 3</sup>	-131.5	-113.3
Underwriting and investment income ratio <sup>1</sup>	110.4	-106.1

## Solvency and capital

SCR cover ratio (Median)	1.8	2.0
MCR cover ratio (Median)	6.9	8.0

## SCR risk components

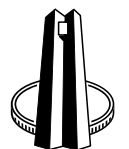


<sup>1</sup> Expressed as a percentage of net earned premium during the period.

<sup>2</sup> Claims + commission + expenses as a percentage of net earned premium.

<sup>3</sup> The decrease in premiums was mainly driven by one particular insurer.

<sup>4</sup> The decrease in profitability was mainly driven by one captive insurer which recorded negative earned premiums.



## Composite reinsurers

### Balance sheet

	Dec 2023 R'mil	Dec 2024 R'mil	12 Monthly % growth
<b>Total assets</b>	<b>49,862</b>	<b>52,170</b>	<b>4.6</b>
Total investments	24,189	25,912	7.1
Total reinsurance recoverables	17,432	15,660	-10.2
Current assets	6,147	7,274	18.3
<b>Total liabilities</b>	<b>37,457</b>	<b>37,762</b>	<b>0.8</b>
<i>Of which :</i>			
Gross technical provisions (Life)	6,154	7,110	15.5
Gross technical provisions (Non-Life)	19,747	18,198	-7.8
Reinsurance accounts payable	3,798	4,777	25.8
Reinsurance deposits	2,252	2,182	-3.1
<b>Basic own funds</b>	<b>12,405</b>	<b>14,408</b>	<b>16.2</b>
Eligible own funds to meet SCR	15,580	11,563	-25.8
Eligible own funds to meet MCR	12,151	9,579	-21.2

### Profitability

	Dec 2023 Life	Dec 2023 Non-life	Dec 2024 Life	Dec 2024 Non-life
Gross premium	4,428	5,326	4,636	4,272
Reinsurance	1,262	4,402	1,307	3,532
Net premiums	3,166	924	3,329	741
Net earned premiums		779		907
Investment Income	332	303	246	214
Net claims paid	2,841	505	2,746	380
Management expenses	120	80	127	182
Commission paid/ (received)	373	302	45	404
Other expenses	7	99	10	6
Underwriting profit		288		403
Underwriting and investment income		591		617
Net profit before tax and dividends	-1,133	519	536	677

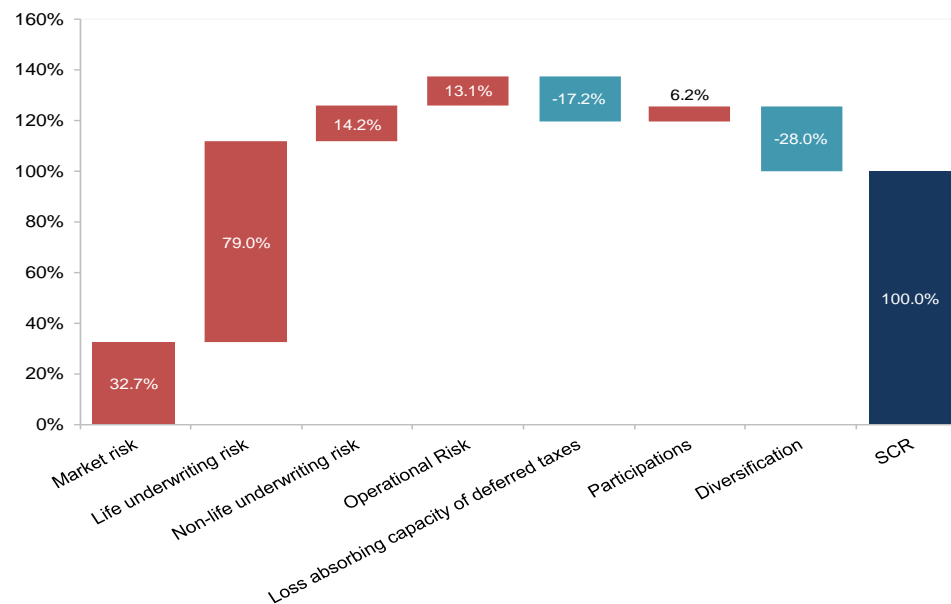
### Performance indicators

	Dec 2023 Life (%)	Dec 2023 Non-life (%)	Dec 2024 Life (%)	Dec 2024 Non-life (%)
Claims ratio <sup>1</sup>	89.7	64.8	82.5	41.9
Management Expenses ratio <sup>1 4</sup>	3.8	10.3	3.8	20.0
Commission ratio <sup>1 4</sup>	11.8	38.7	1.4	44.5
Combined ratio <sup>2 4</sup>		113.9		106.5
Underwriting profit/(loss) ratio <sup>3</sup>		36.9		44.4
Underwriting and investment income ratio <sup>3</sup>		75.8		68.0

### Solvency and capital

SCR cover ratio (Median)	8.5	8.5	1.9	1.9
MCR cover ratio (Median)	23.9	23.9	4.4	4.4

### SCR risk components



<sup>1</sup> For Life insurers ratio is expressed as a percentage of net written premium/ Non-Life expressed as a percentage of net earned premiums.

<sup>2</sup> Claims + commission + expenses as a percentage of net earned premiums.

<sup>3</sup> Expressed as a percentage of net earned premium during the period.

<sup>4</sup> Three non-life reinsurers experienced higher than normal commissions and management expenses during the review period.

