

Financial Regulatory Services Department - Financial Analysis & Examination Unit
P&C, Title, Life, Fraternal and Health Industry Snapshots
For the Period Ended June 30, 2018

Below are the June 30, 2018 Industry Financial Snapshots for the Property/Casualty, Title, Life, Fraternal, and Health Industries. The Snapshots were produced from data filed with the NAIC as of August 16, 2018. Where applicable, the aggregated figures have been adjusted to eliminate affiliated amounts.

Property & Casualty

<i>(In Millions)</i>	<u>Chg.</u>	<u>2Q 2018</u>	<u>2Q 2017</u>	<u>2Q 2016</u>	<u>2Q 2015</u>	<u>2Q 2014</u>
Net Premiums Written	12.4%	\$315,194	\$280,398	\$268,832	\$261,141	\$251,369
Net Premiums Earned	9.5%	\$296,198	\$270,413	\$261,650	\$252,501	\$242,990
Net Losses Incurred	4.0%	\$172,319	\$165,756	\$156,183	\$145,594	\$143,151
Loss Expenses Incurred	(0.1)%	\$31,707	\$31,725	\$30,714	\$29,376	\$28,630
Other Underwriting Expenses	11.9%	\$84,758	\$75,755	\$74,514	\$72,401	\$69,302
Net Underwriting Gain/(Loss)	NM	\$7,078	(\$3,236)	(\$182)	\$4,729	\$1,518
Net Income	102.8%	\$35,838	\$17,669	\$22,227	\$32,707	\$28,522
Loss Ratio	(4.1)-pts	68.9%	73.0%	71.4%	69.3%	70.7%
Expense Ratio	(0.13)-pts	26.9%	27.0%	27.7%	27.7%	27.6%
Dividend Ratio	(0.01)-pts	0.53%	0.54%	0.55%	0.53%	0.57%
Combined Ratio	(4.3)-pts	96.3%	100.6%	99.7%	97.6%	98.8%
Net Unrealized Gain/(Loss)	NM	(\$3,823)	\$18,779	\$1,873	(\$4,060)	\$13,314
Net Investment Income Earned	12.7%	\$28,814	\$25,576	\$24,190	\$24,664	\$25,238
Investment Yield (Annualized)	0.22-pts	3.50%	3.28%	3.24%	3.32%	3.48%
Net Realized Gain/(Loss)	43.3%	\$5,568	\$3,884	\$4,815	\$8,550	\$7,603
Return on Revenue	4.9-pts	10.8%	5.9%	7.6%	11.4%	10.3%
Net Cash from Operations	156.3%	\$40,791	\$15,915	\$26,572	\$22,886	\$23,314

NM = Not Meaningful

Industry Snapshots – June 30, 2018

Title

<i>(In Millions)</i>	Chg.	2Q 2018	2Q 2017	2Q 2016	2Q 2015	2Q 2014
Direct Premiums Written	3.2%	\$7,019	\$6,800	\$6,428	\$5,999	\$5,135
Direct Ops.	1.0%	\$832	\$823	\$694	\$683	\$541
Non-Aff. Agency Ops.	1.6%	\$4,354	\$4,286	\$4,020	\$3,575	\$3,165
Aff. Agency Ops.	8.4%	\$1,833	\$1,691	\$1,714	\$1,740	\$1,429
Premiums Earned	4.0%	\$6,982	\$6,712	\$6,357	\$5,865	\$5,149
Loss & LAE Incurred	6.1%	\$306	\$289	\$304	\$322	\$402
Operating Exp Incurred	3.0%	\$6,739	\$6,541	\$6,098	\$5,681	\$4,963
Net Operating Gain/(Loss)	14.3%	\$499	\$436	\$384	\$294	\$167
Net Inv. Income Earned	(12.2)%	\$160	\$182	\$119	\$110	\$117
Net Realized Gain/(Loss)	(4.9)%	\$13	\$14	\$159	\$8	\$(11)
Net Inv. Gain (Loss)	(11.7)%	\$174	\$196	\$277	\$118	\$106
Net Income	47.3%	\$676	\$459	\$496	\$287	\$211
Loss Ratio	0.1-pts	4.4%	4.3%	4.8%	5.5%	7.8%
Expense Ratio	(0.9)-pts	96.6%	97.5%	96.0%	96.9%	96.4%
Combined Ratio	(0.9)-pts	100.9%	101.8%	100.7%	102.4%	104.2%
Net Unrealized Gain/(Loss)	NM	\$(75)	\$35	\$46	\$58	\$110
Net Cash from Operations	(7.2)%	\$462	\$498	\$282	\$290	\$92

NM=Not Meaningful

Life and Accident & Health Insurers

<i>(In Millions)</i>	Chg	2Q 2018	2Q 2017	2Q 2016	2Q 2015	2Q 2014
Direct Written Premium	4.8%	\$444,338	\$424,159	\$408,334	\$389,567	\$383,124
Life Direct Written Premium	0.0%	\$89,545	\$89,531	\$86,265	\$84,717	\$81,862
A&H Direct Written Premium	6.3%	\$101,535	\$95,516	\$88,662	\$84,739	\$83,095
Annuities	5.9%	\$127,095	\$119,988	\$124,765	\$124,458	\$124,882
Deposits & Other DPW	5.9%	\$126,164	\$119,123	\$108,641	\$95,653	\$93,285
Net Earned Premium	(0.2)%	\$284,607	\$285,063	\$315,365	\$305,634	\$334,497
Net Investment Income	2.8%	\$95,467	\$92,895	\$90,652	\$87,866	\$88,288
General Expenses	2.0%	\$32,306	\$31,659	\$29,964	\$29,187	\$28,666
Operating Income	(10.5)%	\$26,989	\$30,165	\$5,651	\$27,434	\$25,221
Realized Gains/(Losses)	(281.4)%	\$(6,996)	\$(1,834)	\$(4,312)	\$766	\$(604)
Net Income/(Loss)	(29.4)%	\$19,993	\$28,331	\$1,339	\$28,199	\$24,617
Unrealized Gains/(Losses)	(193.5)%	\$(3,929)	\$4,203	\$8,542	\$(6,093)	\$11,242
ROA (Annualized)	(0.3) pts	0.6%	0.9%	0.0%	0.9%	0.8%
Investment Yield (Annualized)	0.1 pts	5.0%	4.9%	5.0%	5.1%	5.3%
	6-mo. Chg.					
Capital & Surplus	(2.7)%	\$382,381	\$393,169	\$380,799	\$367,045	\$350,438

Note: Adjustments to exclude affiliated amounts were made where appropriate.

Health Entities

(In Millions)	Chg.	2Q 2018	2Q 2017	2Q 2016	2Q 2015	2Q 2014
Direct Written Premium	6.4%	\$358,392	\$336,750	\$317,678	\$295,610	\$260,814
Net Earned Premium	6.2%	\$354,272	\$333,589	\$314,520	\$292,849	\$257,739
Net Investment Income Earned	29.4%	\$2,568	\$1,985	\$1,756	\$1,664	\$1,869
Underwriting Gain/(Loss)	(16.6)%	\$10,454	\$12,530	\$3,534	\$3,048	\$2,919
Net Income/(Loss)	12.0%	\$11,439	\$10,217	\$1,274	\$1,274	\$2,421
Total Hospital & Medical Exp.	4.3%	\$295,659	\$283,501	\$268,032	\$248,722	\$219,131
Loss Ratio	(1.7) pts	83.1%	84.8%	84.9%	84.4%	84.6%
Administrative Expenses	30.5%	\$49,812	\$38,166	\$44,358	\$42,746	\$37,057
Administrative Expense Ratio	2.6 pts	14.0%	11.4%	14.0%	14.5%	14.3%
Combined Ratio	0.9 pts	97.1%	96.2%	98.9%	99.0%	98.9%
Profit Margin	0.2 pts	3.2%	3.0%	0.4%	0.4%	0.9%
Enrollment	1.5%	225	221	218	213	200
Premium PMPM	4.8%	\$262	\$250	\$242	\$231	\$219
Claims PMPM	2.6%	\$219	\$213	\$206	\$196	\$187
Cash Flow from Operations	57.9%	\$33,362	\$21,123	(\$880)	(\$2,238)	\$4,339
	6-mo. Chg.					
Capital & Surplus	5.6%	\$134,923	\$121,096	\$106,304	\$102,746	\$103,065

Note: All figures only include health entities that file financial statements with the NAIC.

Fraternal Societies

(In Millions)	Chg.	2Q 2018	2Q 2017	2Q 2016	2Q 2015	2Q 2014
Direct Written Premium & Deposits	(1.9)%	\$5,241	\$5,345	\$5,691	\$5,399	\$5,405
Life Direct Written Premium	2.0%	\$2,239	\$2,195	\$2,110	\$2,008	\$2,010
A&H Direct Written Premium	3.6%	\$331	\$320	\$312	\$314	\$318
Annuities Direct Written Premium	(5.6)%	\$2,670	\$2,829	\$3,270	\$3,075	\$3,077
Deposits & Other DWP	(13.3)%	\$301	\$347	\$407	\$320	\$326
Net Earned Premium	(1.7)%	\$5,022	\$5,110	\$5,210	\$5,224	\$5,231
Net Investment Income	1.4%	\$2,848	\$2,809	\$2,762	\$2,801	\$2,746
Benefits	4.2%	\$6,317	\$6,062	\$6,090	\$5,722	\$5,486
General Expenses	8.0%	\$895	\$829	\$860	\$808	\$759
Op. Inc. (before refunds to members)	(10.9)%	\$723	\$811	\$656	\$754	\$847
Refunds to Members	0.6%	\$339	\$337	\$350	\$319	\$335
Realized Gains/(Losses)	20.4%	\$185	\$154	\$33	\$83	\$77
Net Income/(Loss)	(9.4)%	\$569	\$628	\$339	\$518	\$589
ROA (Annualized)	(0.1) pt	0.7%	0.8%	0.4%	0.7%	0.9%
Investment Yield (Annualized)	(0.1) pt	4.2%	4.3%	4.4%	4.7%	4.7%
	6-mo. Chg.					
Surplus	4.7%	\$15,999	\$15,284	\$13,823	\$13,034	\$12,477

The views expressed in this publication do not necessarily represent the views of NAIC, its officers or members. NO WARRANTY IS MADE, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY OPINION OR INFORMATION GIVEN OR MADE IN THIS PUBLICATION.