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U.S. Insurance Industry Exposure to Emerging Markets

Over the past several weeks, the status of emerging markets investments has become topical. Since year-end 2013, emerging markets stock indices are down 6.39% and bond indices are up 0.65%. This trend contrasts relative to U.S. market indices. In this same time period, the U.S. Standard & Poor's 500 Index (S&P 500) is down 2.78% and corporate investment grade bond indices are up 1.6%. A significant outflow from mutual funds dedicated to emerging markets has also occurred, contributing to downward pressure on prices. Outflows from emerging markets equity funds in the first few weeks of 2014 have been estimated at \$18.6 billion, compared with \$15.3 billion for all of 2013. For emerging markets bond funds, the outflow has been \$6.6 billion and \$14.0 billion, respectively, for 2014 and 2013.

Weakness within this asset class has been attributed to different factors, some more pronounced than others. One factor is the current thinking on strength in the Chinese economy, although its gross domestic product (GDP) has been decreasing. A second factor is the ending or tapering of accommodative economic policies that have kept interest rates low, generally around the world. Low interest rates have had a dual impact on emerging markets. First, they have allowed for significant spending, and perhaps overspending, in these economies, leading to artificially inflated growth numbers. Second, many investors had reallocated their investment strategies into emerging markets stocks and bonds in a search of yield to offset low investment rates in the U.S. and the other developed countries. As interest rates rise in developed nations, including the U.S., market demand for more volatile assets will wane.

Exposure of the U.S. Insurance Industry to Emerging Markets

The U.S. insurance industry's exposure to emerging markets is not large relative to overall admitted assets, yet it is also not insignificant. As of year-end 2012, the industry held a total of \$38.4 billion book/adjusted carrying value (BACV) in emerging markets debt and equity. The U.S. insurance industry's exposure to non-U.S. domiciled companies was last reported in a Jan. 3, 2013, Capital Markets Bureau Special Report titled, "Foreign Exposure in the U.S. Insurance Industry – Update," where total non-U.S. investments, as of year-end 2012, was reported at \$678 billion in BACV, or roughly 12.5% of admitted assets. Of that total, a large proportion consists of bond and common stock investments in developed countries such as Canada (\$128 billion), Australia (\$59 billion), the United Kingdom (\$109 billion), France (\$32 billion) and Germany (\$12 billion). Another significant exposure consists of investments in certain countries given the tax treatment of structured securities. These include primarily Bermuda and the Cayman Islands, totaling \$80 billion.

While there is no universally accepted definition of what constitutes an emerging market country, generally, emerging markets are those countries that have some of the characteristics of a developed market, but not all of them. They are countries with low-to-middle per capita income as measured by the World Bank, and are usually considered to be in a transitional phase toward developed market (i.e., industrialized) status. Emerging markets countries include those that might have been considered developed markets in the past. Greece, for example, was once considered a developed market, but is now included on some lists of emerging

markets. The lists of emerging markets countries vary among constituents. The seven largest economies among all of the emerging markets lists are China, India, Brazil, Russia, Mexico, Indonesia and Turkey. Based on the list of emerging markets countries as defined by the International Monetary Fund (IMF), which includes 25 countries, the U.S. insurance industry's exposure to emerging markets investments as of year-end 2012 is shown in Table 1.

Table 1: U.S. Insurance Industry Exposure to Emerging Markets as of Year-End 2012

Country (BACV \$ in millions)	Life	Property/ Casualty	Other	Total	% of Total
Argentina	\$ 148.3	\$ 41.8	\$ 0.4	\$ 190.6	0.5%
Brazil	\$ 3,192.9	\$ 848.6	\$ 121.5	\$ 4,163.0	10.8%
Bulgaria	\$ 12.3	\$ 1.4	\$ -	\$ 13.7	0.0%
Chile	\$ 4,698.4	\$ 592.1	\$ 80.7	\$ 5,371.3	14.0%
China	\$ 893.5	\$ 1,842.0	\$ 7.1	\$ 2,742.6	7.1%
Colombia	\$ 1,036.8	\$ 246.4	\$ 1.1	\$ 1,284.2	3.3%
Estonia	\$ -	\$ -	\$ -	\$ -	0.0%
Hungary	\$ 100.4	\$ 16.6	\$ 0.3	\$ 117.4	0.3%
India	\$ 1,701.5	\$ 110.5	\$ 24.0	\$ 1,836.0	4.8%
Indonesia	\$ 1,043.8	\$ 241.4	\$ 0.4	\$ 1,285.6	3.3%
Latvia	\$ 91.1	\$ 0.4	\$ -	\$ 91.5	0.2%
Lithuania	\$ 150.8	\$ 21.3	\$ -	\$ 172.1	0.4%
Malaysia	\$ 1,711.1	\$ 111.8	\$ 17.9	\$ 1,840.8	4.8%
Mexico	\$ 8,547.8	\$ 1,999.8	\$ 335.4	\$ 10,883.0	28.3%
Pakistan	\$ 14.2	\$ 0.3	\$ -	\$ 14.4	0.0%
Peru	\$ 937.6	\$ 113.9	\$ 1.5	\$ 1,052.9	2.7%
Philippines	\$ 649.8	\$ 206.1	\$ 4.0	\$ 859.8	2.2%
Poland	\$ 218.3	\$ 13.8	\$ 1.0	\$ 233.1	0.6%
Romania	\$ 70.1	\$ 9.9	\$ -	\$ 80.0	0.2%
Russia	\$ 865.8	\$ 251.4	\$ 10.8	\$ 1,128.1	2.9%
South Africa	\$ 1,763.7	\$ 354.6	\$ 10.3	\$ 2,128.6	5.5%
Thailand	\$ 479.9	\$ 96.5	\$ 0.3	\$ 576.7	1.5%
Turkey	\$ 884.9	\$ 112.5	\$ 2.8	\$ 1,000.2	2.6%
Ukraine	\$ 78.7	\$ 15.5	\$ -	\$ 94.1	0.2%
Venezuela	\$ 1,055.1	\$ 192.6	\$ 15.0	\$ 1,262.6	3.3%
Total	\$ 30,346.7	\$ 7,441.2	\$ 634.6	\$ 38,422.4	100.0%
% of Total	79.0%	19.4%	1.7%		

The total exposure of \$38.4 billion was approximately 0.7% of the industry's total admitted assets. The U.S. insurance industry's exposure to emerging markets is almost exclusively in bonds (99.8%) and heavily weighted to government issues (i.e., sovereigns) (27.8%). Exposure to emerging markets investments is larger, and higher as a percentage of admitted assets, for life companies than for the other insurer types. Table 2 below shows the 10 largest emerging markets country exposures for life companies.

Table 2: 10 Largest Emerging Market Country Exposures for Life Industry – Year-End 2012

Country (\$ in millions)	Bonds			Equity BACV	Total BACV
	Par Value	BACV	Price		
Mexico	\$ 8,414.1	\$ 8,546.0	101.6%	\$ 1.9	\$ 8,547.8
Chile	\$ 4,688.3	\$ 4,697.3	100.2%	\$ 1.1	\$ 4,698.4
Brazil	\$ 3,118.5	\$ 3,175.1	101.8%	\$ 17.8	\$ 3,192.9
South Africa	\$ 1,749.3	\$ 1,758.4	100.5%	\$ 14.2	\$ 1,772.6
Malaysia	\$ 1,700.2	\$ 1,710.9	100.6%	\$ 0.2	\$ 1,711.1
India	\$ 1,704.4	\$ 1,699.9	99.7%	\$ 1.6	\$ 1,701.5
Venezuela	\$ 1,066.6	\$ 1,054.8	98.9%	\$ 0.3	\$ 1,055.1
Indonesia	\$ 984.1	\$ 1,042.9	106.0%	\$ 0.8	\$ 1,043.8
Colombia	\$ 983.4	\$ 1,036.7	105.4%	\$ 0.1	\$ 1,036.8
Peru	\$ 978.6	\$ 1,050.5	107.3%	\$ 1.0	\$ 1,051.4
Total	\$ 25,387.5	\$ 25,772.4	101.5%	\$ 39.1	\$ 25,811.5
		99.8%		0.2%	

Investing in emerging markets — both in the sovereign debt of those countries, as well as in corporate bonds and common stocks — entails some additional risk compared to investing in similar instruments of developed countries. Emerging markets economies, while often demonstrating strong growth, can be less predictable. Market values of investments are often more volatile. Currency fluctuations can create issues, even with investments that are U.S. dollar-denominated. Credit ratings by nationally recognized statistical rating organizations (NRSROs) are generally lower. On the other hand, expected yields tend to be higher, reflecting these additional risks, and the investments can add an extra layer of diversification in the investor's portfolio.

Table 3 below lists the 10 largest emerging markets exposures within the industry as of year-end 2012. Notable is the fact that five of the top 10 are sovereign debt issues. Also, the credit quality of all issuers on the list is investment grade, although many are at the lower end of the spectrum.

Table 3: 10 Largest Industry Emerging Market Exposures (by Issuer)

Issuer	Rating (S&P/Moody's/Fitch)	BACV (\$ in millions)	Country	Industry
American Movil	A-/A2/A	\$ 3,937.0	Mexico	Telecommunications
Corporacion Nacional Del Cobre	AA-/A1/A+	\$ 1,606.6	Chile	Mining
Republic of South Africa	A-/Baa1/BBB+	\$ 1,354.2	South Africa	Government
United Mexican States	A/A3/A-	\$ 1,351.2	Mexico	Government
Petroleus Mexicanos	BBB+/Baa1/BBB+	\$ 1,268.1	Mexico	Oil
Republic of Brazil	A-/Baa2/BBB	\$ 959.5	Brazil	Government
Grupo Televisa, S.A.B.	BBB+/Baa1/BBB+	\$ 814.3	Mexico	Multimedia
Republic of Colombia	BBB/Baa3/BBB	\$ 720.4	Colombia	Government
Grupo Bimbo, S.A.B de C.V.	--/Baa2/BBB	\$ 708.4	Mexico	Food
Republic of Indonesia	--/Baa3/BBB	\$ 675.4	Indonesia	Government

A major driver of market volatility is expectations for economic growth. Given the size of its economy (\$8,358,400 million in GDP) and growth in recent years, China has been an important influence in global markets. In 2013, growth in GDP was 7.7%, compared with 9.3% in 2012 and recent forecasts of 7.4% for 2014. While China's economic growth is still stronger than most other countries (including the U.S.), the declining GDP has caused concern, given China's impact on the global economy. In particular, this is true for other emerging market countries where China is a major trading partner. A profile of the economies for the five largest emerging markets country exposures in the U.S. insurance industry as of year-end 2012 is detailed in Table 4.

Table 4: Profile of 5 Largest Emerging Market Countries (in the U.S. Insurance Industry)

Country	Ratings (S&P/Moody's/Fitch)	Government Bond Yield	GDP (USD millions)	2012 Growth	2013 Growth	2014 Forecasted Growth
Mexico	A/A3/A-	6.40%	\$1,183,655	3.9%	3.9%	3.4%
Chile	AA-/Aa3/A+	4.96%	\$268,314	7.5%	5.8%	6.2%
Brazil	A-/Baa2/BBB	4.75%	\$2,254,109	2.7%	1.0%	2.1%
South Africa	A-/Baa1/BBB+	8.67%	\$384,313	3.6%	2.5%	2.8%
Malaysia	--/--/A	4.14%	\$304,726	5.1%	5.6%	5.0%

Historical Performance of Emerging Markets Investments

While nearly all of the U.S. insurance industry's investments in emerging markets are in bonds, the most-often quoted statistics for emerging markets performance are in common stock investments. Table 5 shows an index-level comparison between the MSCI Emerging Markets Index and the S&P 500, along with the changes in the annual index levels between 1999 and 2013.

Table 5: Equity Market Indices

Year	MSCI Emerging Markets		S&P 500	
	Index Level	Change	Index Level	Change
1999	144.57	44.6%	1,469.25	19.5%
2000	100.00	(30.8%)	1,320.28	(10.1%)
2001	97.39	(2.6%)	1,148.08	(13.0%)
2002	91.38	(6.2%)	879.82	(23.4%)
2003	142.38	55.8%	1,111.92	26.4%
2004	178.76	25.6%	1,211.92	9.0%
2005	239.54	34.0%	1,248.29	3.0%
2006	316.53	32.1%	1,418.30	13.6%
2007	441.30	39.4%	1,468.36	3.5%
2008	205.94	(53.3%)	903.25	(38.5%)
2009	367.62	78.5%	1,115.10	23.5%
2010	437.02	18.9%	1,257.64	12.8%
2011	356.50	(18.4%)	1,257.60	0.0%
2012	421.47	18.2%	1,426.19	13.4%
2013	410.50	(2.6%)	1,848.36	29.6%

Over this time period, the MSCI Emerging Markets Index had a compound annual change of 9.9% with a standard deviation of 34.8%. In comparison, the S&P 500 had a compound annual change of 2.8% and a standard deviation of 19.3%. Since 1998, emerging markets equities have been more volatile but have also generated a higher compound annual gain.

A similar comparison can be made for bond investments. Emerging markets investments include investment grade bonds and below investment grade bonds. Table 6 below compares the JP Morgan Emerging Markets Bond Index (JP Morgan EMBI) with the U.S. Investment Grade Index and the U.S. High Yield Bond Index.

Table 6: Bond Market Indices Comparison – Emerging Markets vs. U.S. Investment Grade Index and U.S. High Yield Index

Year	JP Morgan Emerging Markets Bond Index		U.S. Investment Grade Bond Index		U.S. High Yield Bond Index	
	Index level	Change	Index level	Change	Index level	Change
1997	100.00		628.65		275.31	
1998	88.05	(11.9%)	683.43	8.7%	285.23	3.6%
1999	106.88	21.4%	677.75	(0.8%)	290.18	1.7%
2000	121.32	13.5%	756.31	11.6%	273.70	(5.7%)
2001	131.55	8.4%	820.74	8.5%	288.60	5.4%
2002	149.91	14.0%	903.54	10.1%	284.19	(1.5%)
2003	188.81	25.9%	941.53	4.2%	371.21	30.6%
2004	211.07	11.8%	983.67	4.5%	411.25	10.8%
2005	233.79	10.8%	1,008.93	2.6%	419.79	2.1%
2006	257.78	10.3%	1,052.61	4.3%	469.52	11.8%
2007	273.11	5.9%	1,128.57	7.2%	478.15	1.8%
2008	241.26	(11.7%)	1,207.76	7.0%	354.27	(25.9%)
2009	310.69	28.8%	1,268.92	5.1%	549.80	55.2%
2010	348.72	12.2%	1,348.85	6.3%	628.53	14.3%
2011	376.69	8.0%	1,454.78	7.9%	663.20	5.5%
2012	446.85	18.6%	1,517.47	4.3%	763.53	15.1%
2013	418.04	(6.4%)	1,485.26	(2.1%)	818.93	7.3%

The JP Morgan EMBI grew at an annual compound rate of 10.9% for 1998 to 2013, with a standard deviation of 11.8%. The U.S. Investment Grade Bond Index grew at a rate of 5.3% with a standard deviation of 3.7%, and the U.S. High Yield Bond Index grew at a rate of 7.3% with a standard deviation of 17.2%

Recent Performance of Emerging Markets Investments

The decline of emerging markets indices began in October 2013. As of Feb. 7, 2014, emerging markets equities are down 9.9% since the end of October after recovering from a steep 16% drop between mid- May 2013 and the end of June 2013. During this same period, the S&P 500 has increased 2.3%. With respect to bonds, the JP Morgan EMBI is down 0.89% since the end of October, while the U.S. Investment Grade Bond Index increased 0.6%, and the U.S. High Yield Bond Index increased 1.9%.



Emerging Markets Equities



Emerging Markets Bonds
Currency Fluctuations

The U.S. insurance industry’s exposure to non-U.S. dollar denominated investments is small, as discussed in a May 6, 2011, Capital Markets Bureau Special Report titled, “Foreign Currency Exposure of U.S. Insurance Company Investments,” as well as a Feb. 14, 2012, update focused specifically on euro-denominated investments titled, “Implications of the Financial Turmoil in Europe on Currency Exposure.” While direct exposure to currency risk is limited, strength or weakness in a country’s currency relative to the U.S. dollar is often viewed as a measure of potential volatility for investments in that country.

The charts below show the exchange rates between the respective currencies and the U.S. dollar for the approximately 13 months ended Feb. 7, 2014. In the case of the Mexican peso, the Brazilian real and the Chilean peso, the currencies weakened during this time period. On a cursory level, the weakening currencies suggest diminishing confidence in those economies relative to the U.S. economy. On the other hand, the increase in the Chinese renminbi represents the continuation of a gradual trend in the official exchange rate since 2010.



Mexican Peso



Brazilian Real



Chilean Peso



Chinese Renminbi

Conclusion

Not surprising, emerging markets investments display greater volatility than markets in developed nations, particularly with respect to equities. U.S. insurance industry exposure to emerging markets is not insignificant, but is also immaterial. It is dominated by bonds, including both sovereign and corporate debt. For sovereign debt, market value volatility is less of a concern, especially for regulated entities that have appropriately managed their liquidity needs. Pressure on emerging markets investments is expected to continue through 2014 based on expectations of continued slowing growth in China, rising interest rates globally, and softening in commodities prices on which many emerging markets countries are dependent.

February 7, 2014								
Major Insurer Share Prices		Close	Change %			Prior		
			Week	QTD	YTD	Week	Quarter	Year
Life	Aflac	\$62.68	(0.2)	(1.6)	18.5	\$62.78	\$63.72	\$52.89
	Ameriprise	107.61	1.9	15.9	72.3	105.64	92.84	62.45
	Genworth	15.50	5.1	20.1	106.9	14.75	12.91	7.49
	Lincoln	49.28	2.6	14.4	91.2	48.03	43.08	25.77
	MetLife	49.11	0.1	3.0	49.9	49.05	47.66	32.76
	Principal	43.49	(0.2)	0.2	53.2	43.57	43.39	28.38
	Protective	48.45	(1.1)	10.7	70.2	49.01	43.76	28.47
	Prudential	83.41	(1.2)	6.4	57.1	84.39	78.39	53.09
	UNUM	32.97	2.4	7.3	59.0	32.20	30.72	20.73
PC	ACE	\$94.60	0.8	2.0	19.0	\$93.81	\$92.78	\$79.50
	Axis Capital	42.54	(5.5)	(4.0)	23.4	45.02	44.30	34.46
	Allstate	52.76	3.0	0.8	31.8	51.20	52.33	40.05
	Arch Capital	52.75	(2.0)	(4.0)	20.4	53.81	54.96	43.82
	Cincinnati	45.73	(5.6)	(4.0)	17.4	48.45	47.63	38.95
	Chubb	84.37	(0.2)	(5.0)	12.5	84.54	88.80	75.01
	Everest Re	138.80	(4.1)	(6.0)	26.6	144.76	147.73	109.67
	Progressive	23.13	(0.5)	(15.4)	10.1	23.24	27.33	21.01
	Travelers	80.88	(0.5)	(4.5)	13.1	81.28	84.66	71.53
	WR Berkley	38.92	0.4	(8.5)	3.5	38.76	42.54	37.59
	XL	28.87	0.5	(7.3)	15.8	28.74	31.14	24.94
Other	AON	\$81.02	0.7	11.4	46.2	\$80.46	\$72.76	\$55.41
	AIG	49.01	2.2	(0.9)	38.9	47.96	49.48	35.28
	Assurant	64.37	(1.5)	16.5	86.7	65.35	55.23	34.48
	Fidelity National	30.94	(1.9)	18.2	31.2	31.54	26.18	23.58
	Hartford	34.41	3.5	9.2	53.7	33.25	31.52	22.39
	Marsh	45.88	0.4	5.5	33.8	45.71	43.51	34.30
Health	Aetna	\$66.76	(2.3)	0.5	44.6	\$68.33	\$66.40	\$46.17
	Cigna	77.47	(10.2)	(2.2)	45.4	86.31	79.22	53.29
	Humana	95.97	(1.4)	(0.6)	40.2	97.32	96.52	68.43
	United	71.36	(1.3)	(2.3)	31.9	72.28	73.01	54.12
	WellPoint	84.68	(1.5)	(2.9)	39.4	86.00	87.24	60.73
Monoline	Assured	\$22.17	4.8	13.5	57.0	\$21.15	\$19.54	\$14.12
	MBIA	11.70	6.9	9.8	47.7	10.94	10.66	7.92
	MGIC	8.45	(0.5)	17.4	213.0	8.49	7.20	2.70
	Radian	15.46	3.9	10.6	151.4	14.88	13.98	6.15
	XL Capital	28.87	0.5	(7.3)	15.8	28.74	31.14	24.94

February 7, 2014							
Major Market Variables		Change %			Prior		
		Close	Week	QTD	YTD	Week	Quarter
Dow Jones Ind	15,794.08	0.6	4.8	20.6	15,698.85	15,072.58	13,099.80
S&P 500	1,797.02	0.8	6.3	26.4	1,782.58	1,689.92	1,422.10
S&P Financial	286.68	1.0	6.1	29.6	283.73	270.26	221.17
S&P Insurance	268.41	0.7	1.6	34.4	266.53	264.30	199.67
US Dollar \$		Change %			Prior		
/ Euro	\$1.36	1.1	0.6	3.3	\$1.35	\$1.36	\$1.32
/ Crude Oil bbl	100.12	2.7	(3.4)	9.3	97.47	103.60	91.62
/ Gold oz	1,267.10	1.9	(3.3)	(24.3)	1,243.70	1,309.80	1,673.70
Treasury Ylds %		Change bp			%	%	%
1 Year	0.12	0.03	0.02	(0.02)	0.09	0.10	0.14
10 Year	2.69	0.04	0.04	0.93	2.65	2.65	1.76
30 Year	3.68	0.08	(0.04)	0.73	3.60	3.72	2.95
Corp Credit Spreads -bp		Change %			Prior		
CDX.IG	19.25	(18.5)	(23.1)	(66.3)	23.63	25.04	57.04

February 7, 2014									
Major Insurer Bond Yields				Weekly Change					YTD
Company	Coupon	Maturity	Price			Spread over UST		Spread	
			Current	Change	Yield	B.P.	Change	Change	
Life	Aflac	8.500%	5/15/2019	\$129.63	\$0.04	2.46%	87	(0)	(40)
	Ameriprise	5.300%	3/15/2020	\$114.71	\$0.28	2.67%	81	(4)	(37)
	Genworth	6.515%	5/15/2018	\$116.23	\$1.10	2.49%	125	(26)	(266)
	Lincoln National	8.750%	7/15/2019	\$130.13	\$0.21	2.70%	105	(3)	(79)
	MassMutual	8.875%	6/15/2039	\$149.05	(\$0.53)	5.32%	180	(1)	(68)
	MetLife	4.750%	2/15/2021	\$110.71	\$0.17	3.04%	88	(2)	(20)
	New York Life	6.750%	11/15/2039	\$128.29	(\$0.69)	4.82%	129	(3)	(34)
	Northwestern Mutual	6.063%	3/15/2040	\$117.62	(\$1.35)	4.86%	133	3	(12)
	Pacific Life	9.250%	6/15/2039	\$144.19	\$1.08	5.87%	237	(13)	(94)
	Principal	6.050%	10/15/2036	\$117.09	(\$1.27)	4.80%	143	1	(39)
	Prudential	4.500%	11/15/2020	\$109.34	\$0.30	2.96%	87	(5)	(54)
	TIAA	6.850%	12/15/2039	\$127.76	(\$0.91)	4.94%	142	(0)	(28)
P&C	ACE INA	5.900%	6/15/2019	\$118.72	\$0.44	2.17%	54	(1)	(23)
	Allstate	7.450%	5/15/2019	\$125.69	\$0.24	2.25%	61	(6)	(50)
	American Financial	9.875%	6/15/2019	\$131.43	\$0.48	3.39%	173	(8)	(140)
	Berkshire Hathaway	5.400%	5/15/2018	\$115.64	\$0.18	1.59%	39	(3)	(23)
	Travelers	3.900%	11/15/2020	\$107.00	\$0.05	2.75%	66	1	2
	XL Group	6.250%	5/15/2027	\$113.93	(\$0.10)	4.82%	182	(5)	(59)
Other	AON	5.000%	9/15/2020	\$112.44	\$0.50	2.92%	86	(9)	(46)
	AIG	5.850%	1/15/2018	\$115.19	\$0.15	1.82%	76	(3)	(45)
	Hartford	5.500%	3/15/2020	\$114.17	\$0.31	2.96%	107	(3)	(66)
	Marsh	9.250%	4/15/2019	\$131.06	(\$0.11)	2.77%	119	4	(77)
	Nationwide	9.375%	8/15/2039	\$144.92	(\$0.14)	5.94%	242	(6)	(79)
Health	Aetna	3.950%	9/15/2020	\$107.17	\$0.66	2.75%	68	(13)	(52)
	CIGNA	5.125%	6/15/2020	\$112.84	\$0.49	2.89%	92	(8)	(52)
	United Healthcare	3.875%	10/15/2020	\$106.93	\$0.30	2.73%	70	(4)	(26)
	Wellpoint	4.350%	8/15/2020	\$107.86	(\$0.07)	3.01%	101	3	(37)

Questions and comments are always welcomed. Please contact the Capital Markets Bureau at CapitalMarkets@naic.org

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