Figure 1.21. Chinese Insurers

Chinese insurers have grown rapidly... fueled by life insurance sales.

1. Insurance Sector Total Assets

- Total (trillions of renminbi, left scale)
- Percent of GDP (right scale)
- Percent of financial system (right scale)

2. Annual Insurance Premiums

- Property insurance
- Traditional life
- Universal life

Insurers’ shares have risen sharply, accompanied by high volatility.

3. Equity Performance and Volatility

- China insurance
- China banks
- Heng Seng index

Equity performance (2014 = 100)

Volatility (percent)

Increased revenues have been invested in higher-risk assets but capital has not been raised.

4. Non-Fixed-Income Assets and Capital

- Equity, funds, and “other assets”
- Capital

Other assets are mainly portfolios of infrastructure projects, real estate, and loans provided by asset managers.


(Percent of other assets)

- Asset management products and wealth management products 30%
- Debt schemes 27%
- Equity funds and schemes 25%
- Associates and joint ventures 12%
- Real estate 6%


(Percent of assets)

Variation of alternative investments and capital buffers within the sector is large.

Sources: Annual reports; Bloomberg Finance L.P.; China Insurance Regulatory Commission; Morgan Stanley Capital International; and IMF staff calculations.

Note: In panel 3, volatility is calculated as the annualized standard deviation of the relative price change for the 60 most recent trading days’ closing price. In panel 5, an associate is an entity in which the company/group has a long-term interest of generally not less than 20 percent of the equity voting rights and over which it is in a position to exercise significant influence. Panels 5 and 6 are based on annual reports of the 15 largest life insurers. These companies cover two-thirds of the total assets of the Chinese insurance sector. In panel 6, the size of the bubbles denotes total assets.