

9th April 2024

Financial investments of Insurance Corporations and Pension Funds – France • 4th quarter 2023

In 2023, investments of insurance corporations and pension funds increase by 118 billion euros

At the end of 2023, financial investments of insurance corporation and pension funds amount to €2 648.3 billion, up €118 billion over the year.

This increase was due to the high valuation (+ 101.3 billion) and to a lesser extent positive net investment flows (+ 16.9 billion).

Valuation increase concern non-money-market fund units (+ 37.4 billion), mainly equity funds (+ 24 billion) and mixed funds (+ 13 billion), and listed shares (+ 9.5 billion) in the line with the CAC40's 16.9 % rise this year.

The valuation of long-term debt securities is also highly positive (+ 55 billion) in connection with the decrease in long-term rates (- 48 basis points for the 10-year OAT over the year).

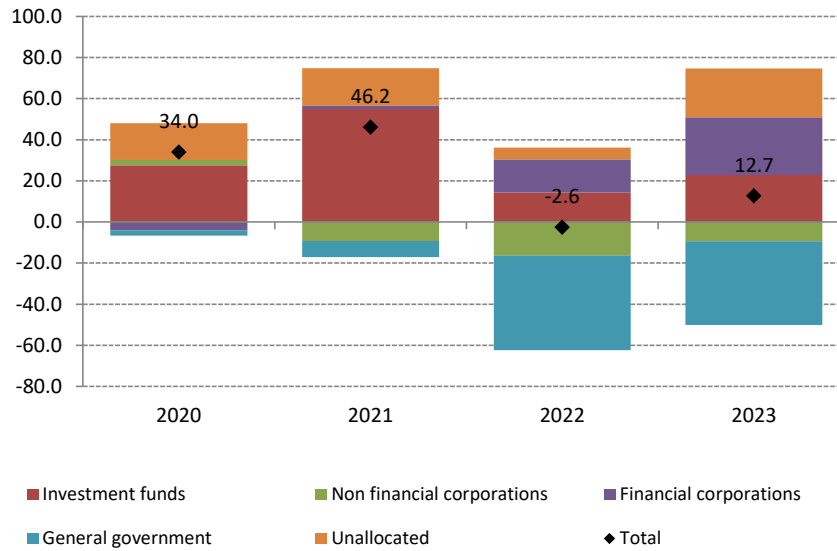
Net annual sales of debt securities and equities (respectively – 4 billion and – 6.2 billion) are largely offset by acquisitions of money-market funds (+ 23.5 billion) and to a smaller extent by increases in loans and deposits (+ 2.7 billion and + 7.8 billion).

(EUR billion, outstanding amounts at market prices at end of period, transactions, valuation effects during period)

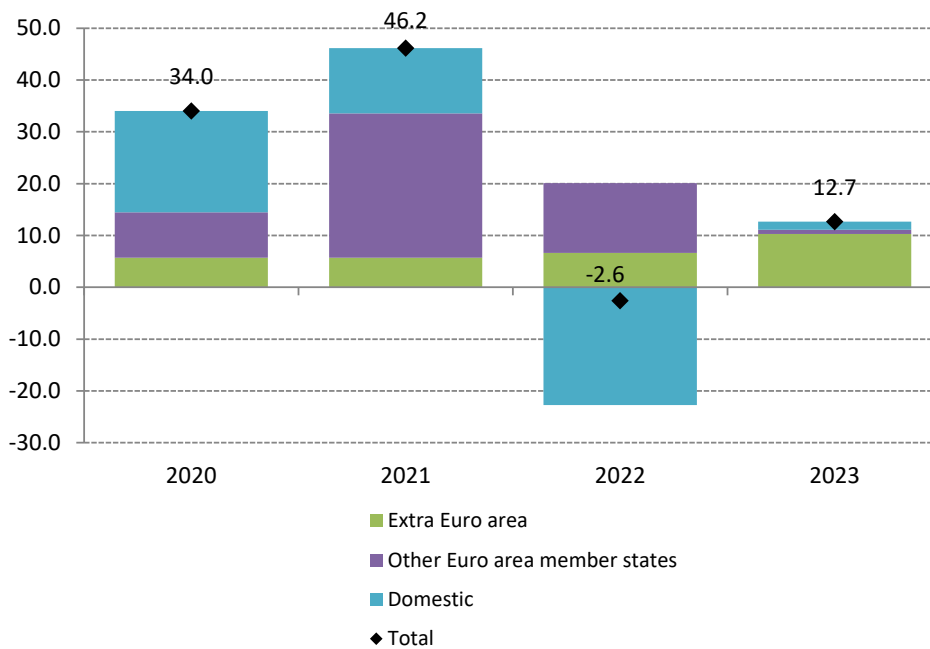
	Life and composite IC			Pension funds			Non-life IC		
	Net flows	valuation effe	Stocks	Net flows	valuation effe	Stocks	Net flows	valuation effe	Stocks
Currency and deposits	5.3	0.0	32.1	-1.6	0.0	4.9	1.4	0.0	11.7
Debt securities	-8.3	47.1	1129.1	1.1	3.2	99.4	3.2	4.7	114.0
≤ 1 year (original maturi	1.0	0.2	26.2	0.0	0.0	0.0	-1.6	0.0	0.5
> 1 year (original maturi	-9.3	46.8	1102.9	1.1	3.2	99.4	4.8	4.7	113.6
Loans	1.9	0.0	62.6	0.1	0.0	1.2	0.7	0.0	14.9
Equity	-9.1	3.4	187.0	0.0	0.5	13.3	2.9	2.0	85.2
listed shares	-6.5	7.1	66.1	-0.3	0.8	6.0	-0.6	1.6	14.4
unlisted shares	1.1	-1.4	69.7	0.3	0.0	2.4	3.3	0.0	39.4
other sahres	-3.7	-2.2	51.2	0.0	-0.4	5.0	0.3	0.4	31.4
Investment	19.6	35.2	780.4	5.1	3.7	62.4	-1.8	1.5	44.7
Money market funds	22.0	2.8	95.7	2.0	0.2	5.4	-0.5	0.2	8.1
Non-money market fui	-2.4	32.4	684.7	3.2	3.6	57.0	-1.3	1.4	36.6
<i>equity funds</i>	-6.2	21.4	221.6	-0.1	1.9	18.5	-1.1	0.7	7.4
<i>bond funds</i>	4.1	4.4	130.5	0.8	0.3	7.4	-0.2	0.4	10.0
<i>mixed funs</i>	-12.0	10.8	173.7	0.5	1.6	22.0	-0.1	0.6	8.5
Financial derivatives	-3.7	0.0	6.1	0.1	0.0	-0.9	-0.1	0.0	0.1
Total	5.7	85.7	2197.4	4.8	7.3	180.3	6.4	8.3	270.6

Security portfolio transactions¹ of insurance corporations (in billions of euros) in 2023

By category of issuers²



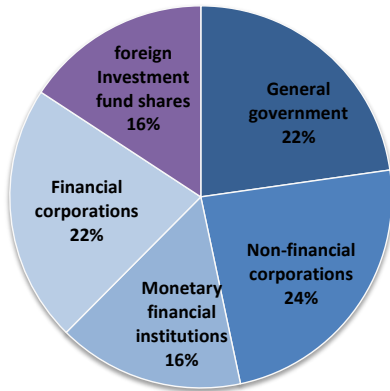
By geographical area



¹ Debt securities, equities and investment fund shares

² "Unallocated" is composed of bonds and equities issued outside the euro area.

Breakdown of outstanding amounts of security portfolio by category of issuers (after making UCIs transparent)

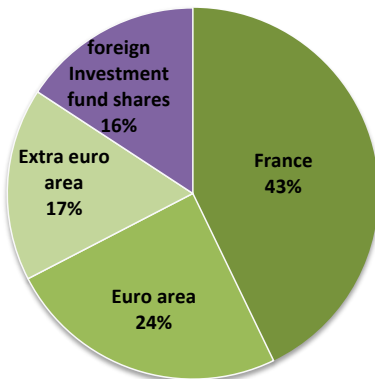


After making French UCIs transparent³, the stock of securities held by insurers and pension funds primarily finance the financial sector excluding mutual funds (38%, including 16% for monetary financial institutions and 22% for financial companies), non-financial companies (24%) and general government (22%).

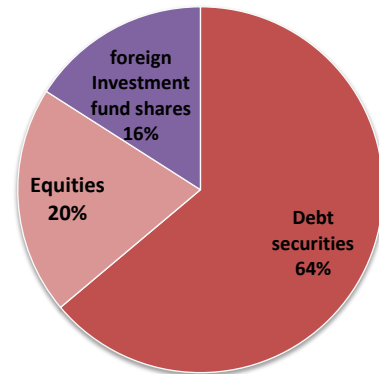
Debt securities make up 64% of the portfolio, while equities account for 20%. The remaining 16% correspond to investment fund shares issued abroad for the most part.

The looked-through portfolio is made up of 43% securities issued in France, 41% securities issued abroad and 16% unallocated investment fund shares.

Breakdown of outstanding amounts of security portfolio by geographical area (after making UCIs transparent)



Breakdown of outstanding amounts of security portfolio by type of securities (after making UCIs transparent)



³ The look-through approach consists, when the information is available, in replacing the French mutual funds shares in the insurance portfolios by the final investments of mutual funds. The 16% residual amount correspond to these mutual funds shares (mainly foreign) which cannot be allocated with this approach. After a look-through approach, the share of equities increases by + 9 percentage points (11% to 20%) and the one of debt securities by + 14 percentage points (50% to 64%).

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