

Macro & Financial

Market News

National Insurance Supervision Work Conference Held in Beijing

The 2018 national insurance supervision work conference was held in Beijing on January 22. The meeting summarized the insurance supervision work in 2017, made arrangements for key tasks in 2018, and indicated the strategic direction of insurance supervision for the next period.

The meeting pointed out that in face of the complex economic and financial situation at home and abroad, the whole system made united and utmost efforts to enable positive progress on all fronts after withstanding all kinds of difficulties and tests. Industrial risks have been effectively controlled, with overall solvency margin ratio up to 252%, incremental risks basically under control and risk disposition stable and orderly without incurring systemic risks. Chaotic market situation has been straightened out, improvement of insurance organizations is in smooth progress, radical investment behaviors such as irrational bidding and overseas acquisition have been well controlled, and improper industrial practices have been primarily curbed. Weakness in regulation work has been overcome gradually, and 26 regulations and regulatory documents were revised last year, greatly enhancing the cage of the regulatory system. The strategy for shifting from virtual economy to the real economy is gradually taking effects. The insurance industry provided RMB4,154 trillion of risk guarantee for the whole society, up 75% year-on-year; investment-oriented business contracted sharply; and regular life insurance premium accounted for 47.2% of life insurance business, up 11.1 percentage points from the previous year. The insurance market developed steadily in general, with all-year premium income of RMB3.66 trillion and insurance companies' prospective profits of RMB256.72 billion, up 18.2% and 29.7% year-on-year, respectively. The number of insurance policies increased by 17.5 billion pieces throughout the year, an increase of 84% year-on-year, and the insurance industry grew steadily and soundly with balanced speed, quality and profits.

[CIRC News](#)(Currently Available in Chinese)

Statistical Report on Uses of Loans by Financial Institutions, 2017

According to the PBC statistics, the outstanding loans by financial institutions registered RMB 120.1 trillion by the end of 2017, up 12.7% year-on-year, a deceleration of 0.8 percentage point from end-2016. RMB loans in 2017 increased

RMB 13.5 trillion, an acceleration of RMB 878.2 billion from that of 2016. The uses of loans took on following features:

1. The growth of medium and long-term (MLT) loans to enterprises picked up.
2. Loans to micro and small enterprises grew rapidly.
3. The growth of MLT loans to industrial and service sectors accelerated.
4. Loans to rural areas and agricultural sector saw faster growth.
5. The growth of housing loans dropped.
6. Household consumption loans slowed down and household business loans picked up.

[PBC News](#)(Currently Available in English)

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