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The PRA's role in improving the processes that support insurers' investment

Insurance Asset Management Conference
25 November 2021

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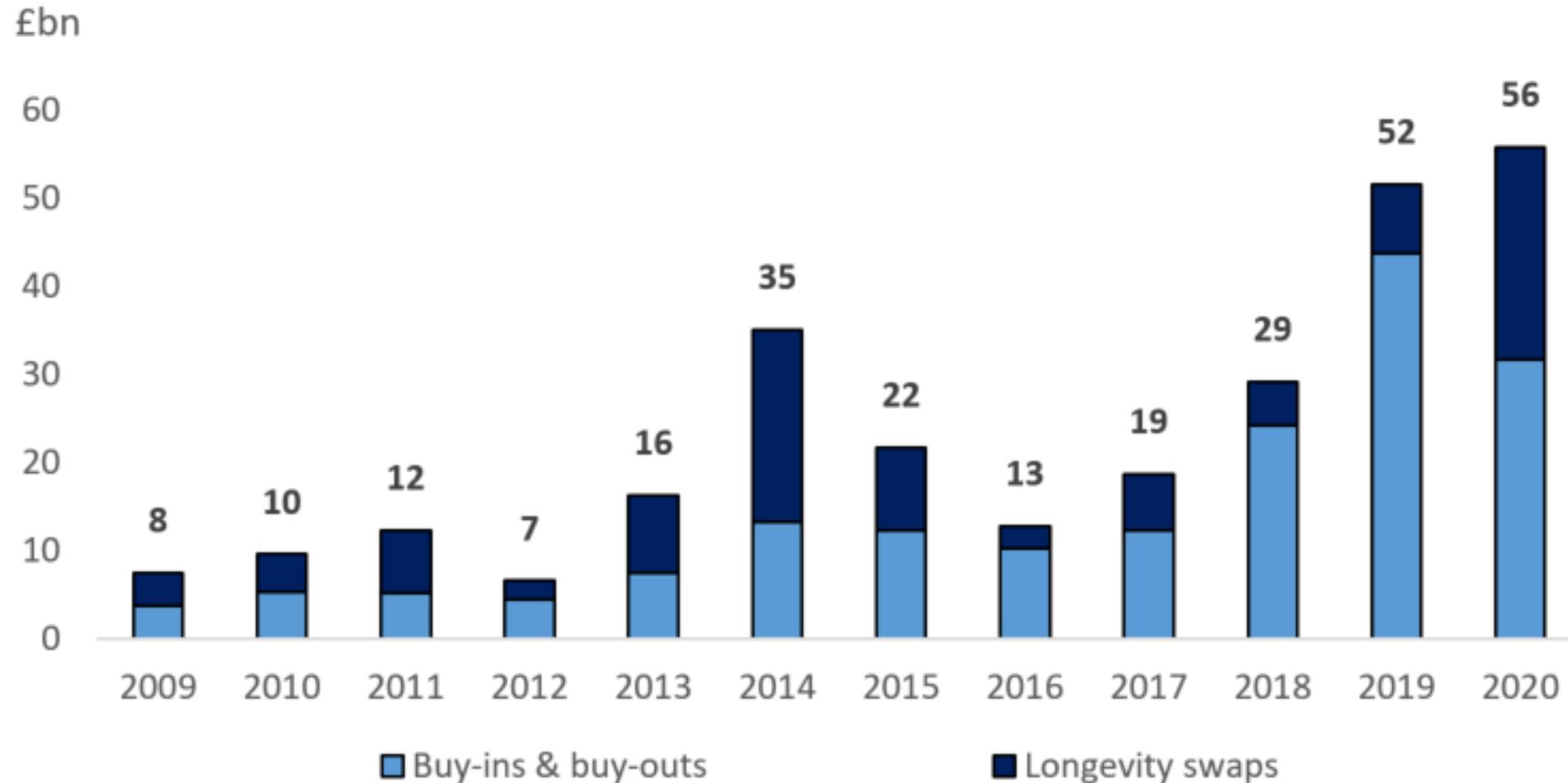


Agenda

- Annuities as a source of funds for investment
- Suitability of assets to back annuities
 - Risk appetite
 - Asset selection
 - Approval process
- Facilitating investment into the insurance sector

Annuities as a source of funds for investment

Chart 1: Buy-in, buy-out and longevity swap volumes (£bn)



Suitability of assets to back annuities

Chart 2: Internally valued and rated assets as % MA portfolio assets

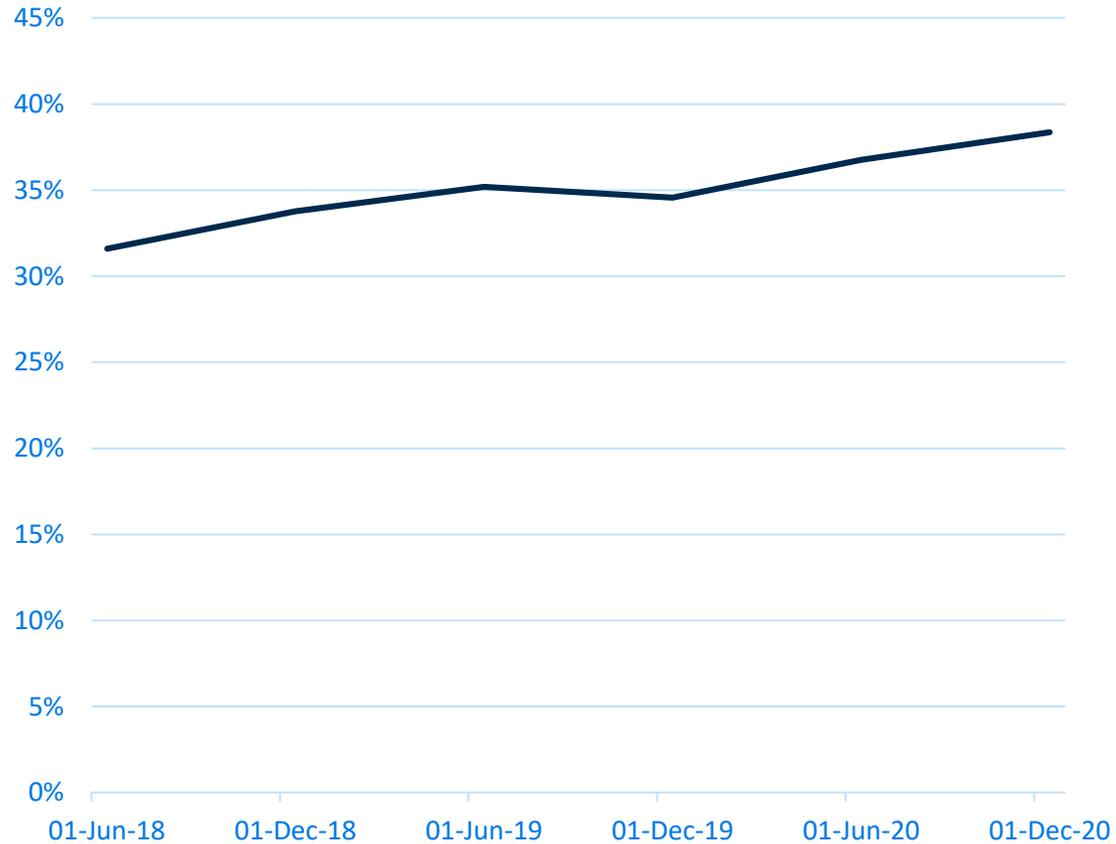
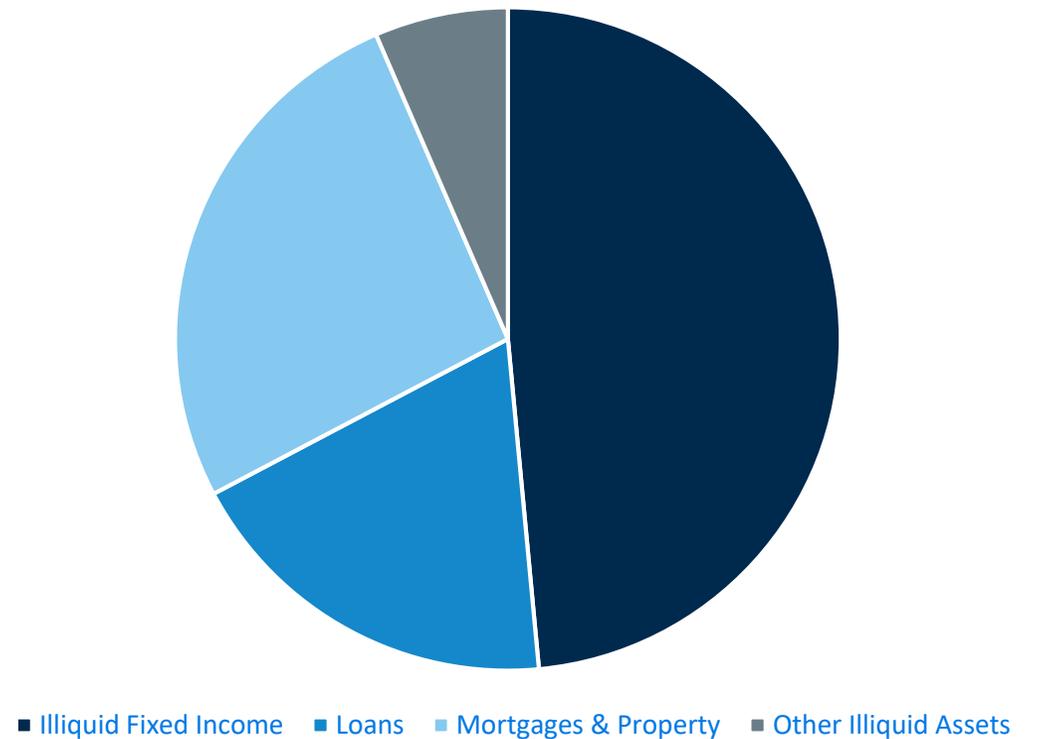


Chart 3: Breakdown of internally valued and rated assets in firms' MA portfolios, by asset class, as at Q4 2020



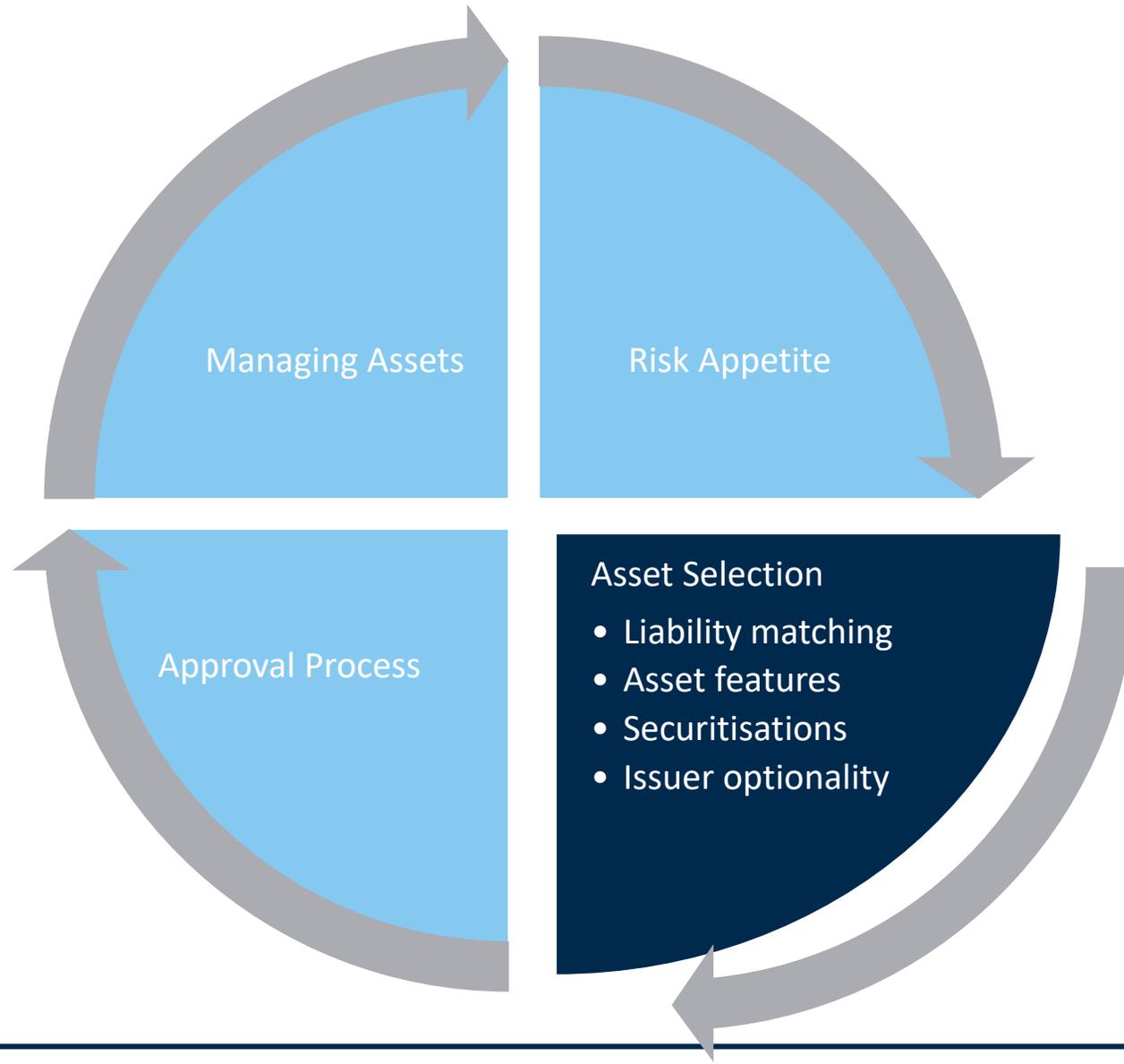
Suitability of assets to back annuities



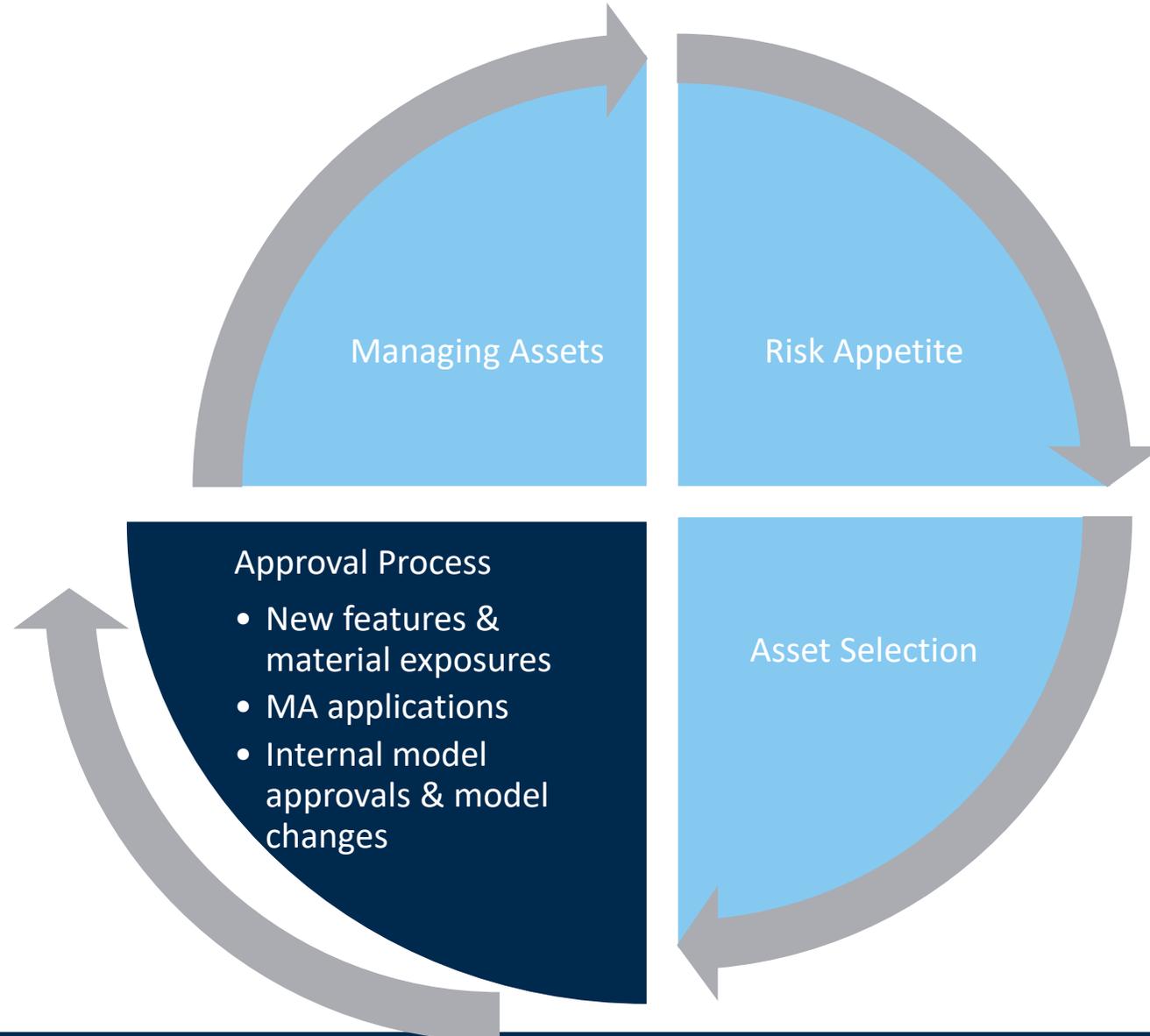
Suitability of assets to back annuities



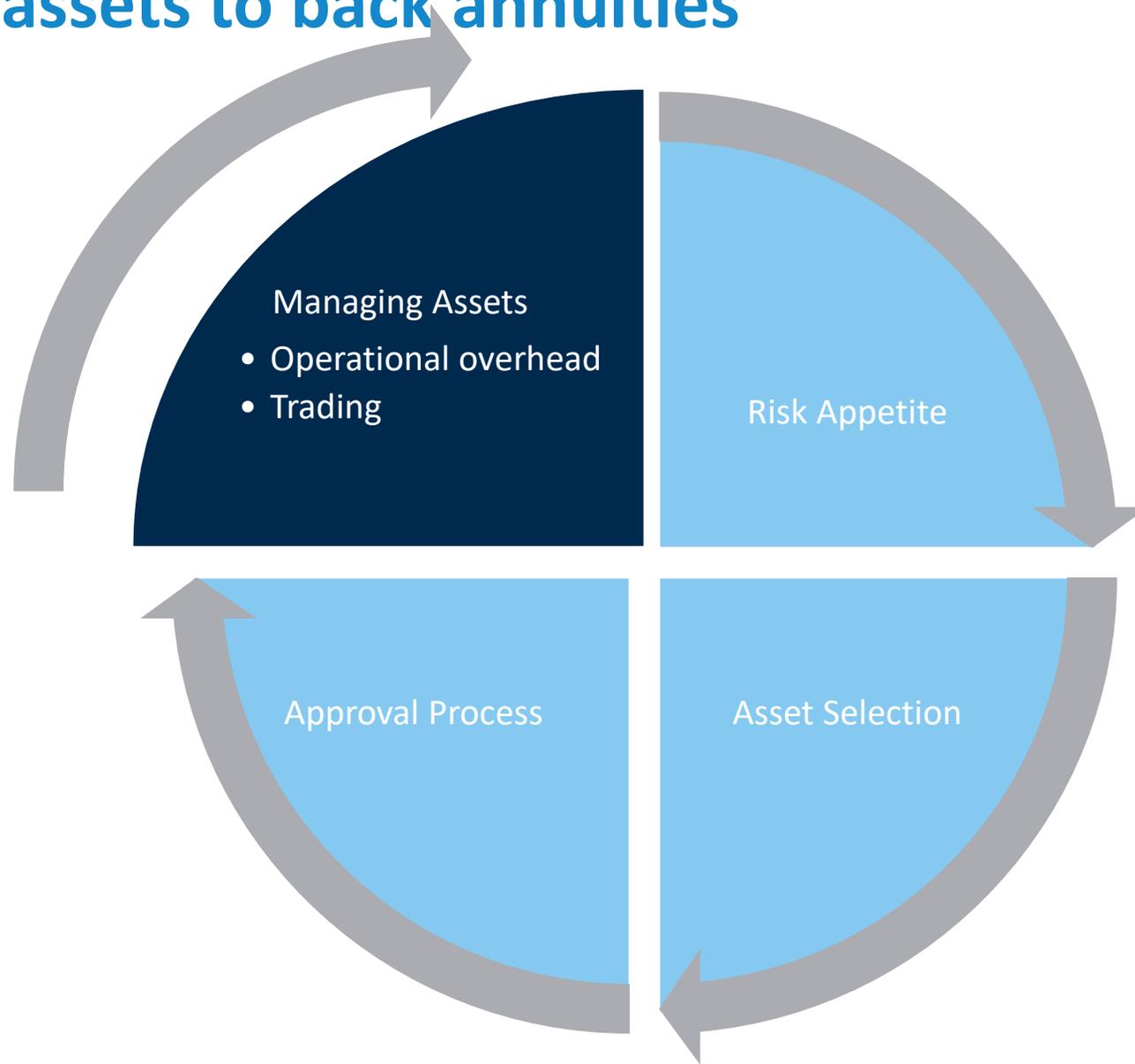
Suitability of assets to back annuities



Suitability of assets to back annuities



Suitability of assets to back annuities



Facilitating investment into the insurance sector



- Working with industry
- Mobilisation regime



Thank you