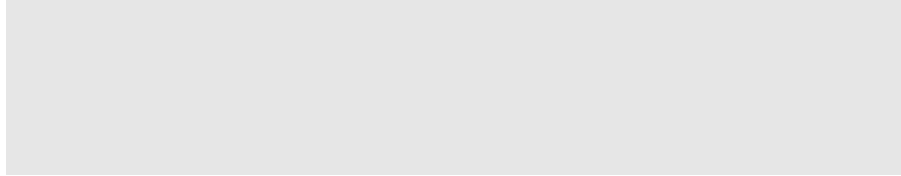


The NAIC Capital Markets Bureau monitors developments in the capital markets globally and analyzes their potential impact on the investment portfolios of U.S. insurance companies. Previously published

\$787.3 million, with the remaining \$54.8 million in Ukraine bonds and stocks. At year-end 2021, Russia and Ukraine exposure declined 7.9% from \$855 million and 19.4% from \$68 million, respectively, at year-end 2020. Life companies accounted for most of the overall exposure at 81% of the total.

Table 1: U.S. Insurers' Total Exposure to Russia and Ukraine by Industry Type, Year-End 2021 (\$BACV)



higher oil prices. In early March, oil prices reached \$139 per barrel based on Brent crude, the highest level since 2008. This is a significant increase from when Brent crude briefly dipped below \$10 per barrel in 2020 and had remained at depressed levels due in part to lower demand resulting from the impact of the COVID-19 pandemic. Having started the year at about \$78 per barrel, oil prices exceeded and have remained above \$100 per barrel since the end of February 2022 per Brent crude prices.

alternative trading partners. In addition, the continued conflict is causing concern for many other sectors due to ongoing inflationary pressures and central banks' monetary policy shifts that will likely have a negative impact on global economic growth.

The NAIC Capital Markets Bureau continues to follow trends relative to the Russia and Ukraine conflict and its geopolitical risks and will report as deemed appropriate.

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

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