

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 [NAIC Capital Markets Bureau Special Reports](#) are available via its web page and the NAIC archives (for reports published prior to 2016).

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U.S. insurance companies reported \$8.2 trillion in total cash and invested assets at year-end 2022, an increase of only 1.3% compared to year-end 2021.

The U.S. insurance industry's four largest asset classes remained unchanged, with bonds, common stocks

As of year-end 2022, cash and invested assets, including affiliated and unaffiliated investments, reported by U.S. insurance companies totaled \$8.2 trillion. Growth in cash and invested assets slowed significantly to a 1.3% increase from 2021 to 2022, following year-over-year (YOY) growth of 7% or greater in the prior three years. Chart 1 shows the book/adjusted carrying value (BACV) of the industry's total cash and invested assets from 2013 through 2022, along with annual YOY growth rates. Cash and invested assets continued to grow steadily on an absolute dollar basis, with BACV increasing almost 50% over the 10-year period.

Chart 1: Historical U.S. Insurance Industry Total Cash and Invested Assets, Year-End 2013 - 2022

Note: Includes affiliated and unaffiliated investments

The asset mix of U.S. insurance companies' investment portfolios has remained relatively consistent over the years. Bonds continue to be the largest component, representing 62.3% of total cash and invested assets at year-end 2022. Common stock investments are the second largest holding for the industry at 13.2% of total cash and invested assets, followed by mortgages at 8.9% and Schedule BA assets at 6.6%. (Refer to Table 1.) The U.S. insurance industry's four largest asset classes have remained unchanged since the NAIC Capital Markets Bureau began tracking U.S. insurers' investment trends in 2010.

Table 1: Total U.S. Insurance Industry Cash and Invested Assets by Asset Class and Insurer Type, Year-End 2022





Chart 3: Historical U.S. Insurance Industry ABS and Other Structured Securities Exposure, 2018-2022

While bank loans represent a small percentage of total bonds, they have also been a fast-growing bond type in U.S. insurer portfolios. Exposure in terms of BACV increased 21% YOY to \$115 billion as of year-end 2022, following YOY growth rates of 30% and 13% in 2021 and 2020.

