

## Financial Placements and Financial Performance in the Algerian Insurance Companies A case study of the National Company of Insurance during 2012 to 2018

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**Summary:** This study aims to analyze the impact of financial employment on the financial performance of Algerian insurance companies, where the problem of this research addresses the impact of financial hiring on the financial performance of the National Insurance Company of Algeria during 2012-2018. In order to answer this problem, various theoretical and applied approaches were reviewed on the subject, while addressing the reality of insurance activity in Algeria.

The study found that the National Insurance Company, by relying on financial hiring as an investment activity, had been able to increase financial profitability and high levels of liquidity, thus strengthening the company's financial position during the study period and thus doing well.

**Keywords:** Insurance; insurance institutions; financial employment; financial performance; Algeria.

**Jel Classification Codes :** G22; G3.

### I-Introduction:

The activity of insurance companies to conclude various insurance contracts with the insured in order to cover the risks they face is to issue insurance policies that include the value of the premium or the subscription paid by the insured for the coverage they receive. Insurance companies are obliged to compensate them if the insured notice is achieved.

Insurance companies are among the financial institutions that have become a pillar of the financial system, as the insurance sector has not remained, as before, a cooperative system designed to guarantee and dismember risks, whether they belong to the human person in his life or property. But it has become an autonomous economic sector, with its own resources and a means of saving that can be included in the financing of the national economy, if we work on its structure and organization and encourage the institutions active in this field, as increasing its subscription leads to increasing the savings of the sector and thus increasing the sources of finance. They raise funds from the document holders in installments and then collect them in the form of sufficient reserves and technical allocations to meet these obligations. This is the main objective of insurance companies to maintain and develop these funds, and the need to employ these funds in various investments in order to achieve an appropriate return under the minimum risk. The government has also been involved in the development of the capital and non-technical reserves, and the vast majority of these funds remain the rights of the document holders, and the state is therefore intervening to oversee the recruitment and investment of these funds and to establish the necessary restrictions and controls for their maintenance and development.

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Many insurance companies in Algeria have kept up with these international developments and with a young financial market where the insurance company gets a substantial financial surplus in its stock through premiums or insured contributions that allows it to pay the risks achieved, but in time between collecting premiums and paying future compensation. Insurance companies make employment these funds collected in various aspects of the investment in a rational manner, through which the security rights are guaranteed on the one hand and significant financial returns are achieved in order to strengthen their financial position on the other.

The problem of the study is that , according to the above, how can financial hiring contribute to raising the financial performance of insurance companies in Algeria?

**Study hypotheses:**

From the above questions, the following hypotheses can be formulated and tasted:

\*The insurance company provides liquidity and tries to multisource it in order to meet technical obligations;

\*The insurance company respects the legal percentage set by the Algerian legislature in the form of State values;

\*the returns of financial hiring affect the insurer's amicable rebellion through liquidity and solvency.

**Importance of study:**

The importance of research is that it involves a scientific contribution to building a harmonious and interactive theory between two key variables: Financial hiring and financial performance of companies, and this research is also derived from the consequences of neglecting insurance companies' funds and not employing them the delay in the insurance sector in Algeria and its impact on the financial performance of insurance companies.

**Study objectives:**

\*Clarification of the significant role of the insurance sector in the national economy;

\*Attempt to describe and analyze the reality of financial employment and financial performance of Algerian insurance institutions;

\*To reach proposals to strengthen the role of the insurance sector in the growth of the national economy by identifying the financial performance of these companies.

To respond to the problem of the study, the paper has been divided into the following themes:

- Conceptual and theoretical framework for insurance, financial employment and financial performance;
- The fact that financial hiring is operating and its impact on the financial position of insurance companies;

**Previous studies:**

There are many previous studies on financial hiring and performance in insurance companies, among which are:

- The study of Huda Bin Mohamed (2005) aims at analyzing and demonstrating that the guarantee and improvement of solvency and friendly resources in insurance companies are carried out within the framework of their compatibility and integration by the greater the size of the subscription in financial employment, which increases the technical result, which positively affects solvency and the cost. The more the amount of credit that is configured, the more the company can meet its obligations and increase customer confidence, which increases the volume of installments issued by the organization;
- The study of the Algerian Insurance Company (AIC) aims to identify the financial performance evaluation of insurance companies by using the financial ratios on the basis of the Algerian Insurance Company during the period 2007-2009, and the study concluded that the Algerian Insurance Company has a significant margin of credit to guarantee it the risk of failure by reclaiming a portion of its invested funds. The company also pursued a policy of waiving some of its payments to the companies of reSecretary to avoid any delay in paying the compensation;
- The study aims at learning the reality of the financial employment of Algerian insurance institutions for the period 2013-2007, through a problem that read: "How can financial employment of Algerian insurance institutions contribute to financing the national economy", and included key themes on the financial role of insurance

institutions and the financial employment of Algerian insurance companies? The study found that insurance companies must comply with the law's provisions in directing their financial employment, which led to the most important recommendations by removing restrictions on the free routing of financial employment by insurance companies in highly-guaranteed savings containers. It has an appropriate return that contributes to financing the national economy;

- The study is based on understanding and analyzing the impact of monetary policy, especially on interest rates and their impact on the rates of return on the financial employment of insurance companies in Algeria, as an attempt to see the most important challenges that insurance companies can face and how to deal with them. The study found that there was a significant impact of monetary policy on the financial employment of insurance companies by influencing their financial position and thus violating some of the rules on financial solvency.

### **I.1. Conceptual framework of insurance . Financial Profiles and Financial Performance:**

Insurance is a priority economic sector, which all countries have begun to pay attention to because of their significant role in the national economy, and this has been reinforced by the financial hiring of these companies, which promotes economic growth in the country. Therefore, many insurance companies compete to attract the largest number of insurers to convert part of the premium into financial hiring in the State Treasury and thus increase their financial performance, in this section we will try to identify insurance, financial hiring and financial performance of insurance companies. (Shamari, 2020).

#### **I.1.1. Insurance concept:**

There are several definitions that have been submitted for insurance and which have been submitted by many researchers or regional and international bodies and organizations. Insurance is defined as: "A service provided by the insurance company to the insurer and that service is limited to covering the physical risk to the insurer in exchange for paying a certain amount to the insurance company that undertakes to pay the material value of the covered risk." (Abdel-Elah Na'ama, 2008, p. 308).

Insurance was also defined as a contract between two parties, the first party being called the insurer (the insurance company), and the second party is called the insured. Under this contract, the insurance company is required to pay any amount of money to the insured for any material compensation in the event of an accident or risk identified in the insurance contract that results in material or physical loss to the insured, in exchange for the insured to make fixed payments (Monthly, biannual or annual) insurance company.

The Algerian legislature has defined insurance contracts through article 619 of the Civil Code, which provides that: "Insurance is a contract under which the insurer commits to lead to the insured person and the beneficiary for whom the insurance has required a sum of money, Erada or any other financial compensation in the event of the accident or the risk of the contract in exchange for a premium or other financial payment by the insured to the insurer."

As to the insurance contract, the International Accounting Standards Board (IASB) in the International Financial reporting Standard (04) defines the insurance contract as: "A contract whereby a party (insurance company) accepts a significant insurance risk from another party (policyholder) by agreeing to compensate the policyholder for the realization of an uncertain future event that adversely affects the holder of the document." (Ahmad Helmi, 2010, page 25)

There are many different classifications of security that vary with economic and social development and the two important categories:

#### A. General insurance:

All activities considered customary and customary include insurance and include:

-Fire and emergency insurance: Insurance for fire damage, even if the fire is caused by earthquakes, lightning, aftershocks, explosions, aircraft fall and domestic explosions, and damages resulting from such dangers, which are not accompanied by fire, can be insured within the fire insurance contract;

-Insurance against transport risks: Includes insurance of goods and other transfers against risks that may be exposed to them during their carriage by sea, air or land, and all means of transport that are recognized, as well as risks that may be experienced while in warehouses before they reach their final destination;

-Accident insurance includes insurance for damages caused by all accidents, including vehicle accidents, work accidents, personal accidents, theft and abuse of the secretariat, including damages caused by civil liability in all its forms; (crescent, 2009, p. 271)

-Saving and money-building insurance: This includes insurance on documents, bonds or certificates issued by which the Insured is obligated to make a payment on a future date in one payment or on several payments for a premium or payment made by the Insured.

***B. Life Insurance:***

It includes life insurance and life-related risks, such as death, disability, disease and aging.

**I.1.2. Financial hiring:**

The privacy of insurance operations with a counter-cycle production requires insurance companies to form special reserves known as technical provisions, which constitute about 70 of the insurance companies operating in Algeria. They are employed in different channels, often defined by insurance supervisory and control bodies as insurance rights to the insurer that must be fulfilled in the future.

Financial hiring is defined as: "Leaving a money to others (entities or properties) in order to obtain the benefits may be a prepayment or an end of the term." It is also known as: (Bara, 2015, p. 193) giving up a money to the unwitting to get interest from this may be a sum at the beginning or end of the money.

This process in insurance companies is a key function, as these hiring allows them to achieve significant financial outputs and this is to strengthen their financial position" (Mashhadani and Al Obeidi, 2000, p. 200). Here we find two types of employment:

- ✓ Direct financial employment: This direct financial employment in insurance companies is:
  - The creation of mixed companies: We mean participating in the establishment of capital investments such as joint-stock companies or solidarity companies, in which case the investor has a share to share management or influence their management decisions and in other words to buy something tangible.
  - Deposits for: They are typically savings and term deposits that are issued until the date specified for interest refunds at a certain rate. They are considered to be short-term liquid employment and insurance companies usually resort to such hiring when they do not have alternative investment opportunities, or if interest rates are offered at satisfactory rates: (Reach, 2008, p. 85).
  - The term account: These deposits are at least one month due and are redeemed at the end of the term and with the specified interest, the insurance company receives a bill that proves its right and is called "your deposit", a nominal and personal bond in which the company name, deposit amount, date and amount of interest agreed upon.
  - Fund permissions savings permissions: Permissions are simply proof by the bank of its loan orientation and we give upward benefits depending on the bond, the more the deposit period for insurance companies the higher the rate of profitability, the more the fund's permissions are three months to two years. Saving permissions are a type of Fund permission but are payable at any time after three months.

The company has been involved in the construction of the new plant in the area of the construction of the new plant. In order to use them in the running and management of their various activities, and for the purpose of reselling them with substantial financial returns, these investments vary according to the objective. (Reach, 2008, page 86)

Indirect financial employment: Among the most important employment of insurance companies are:

- The market for treasury values;
- The money market;
- The values in circulation.

Insurance companies are now experiencing a large turnout of insurers, which is subject to risk fluctuations, whose financial consequences are often not tolerable. Insurance companies take responsibility for covering these risks and ensuring that accidents are compensated for the cash premiums they are provided to, so the state has strictly controlled their various activities to ensure that the operation is properly managed for insurance, because of the following reasons:

To guarantee the rights of the insurer and his or her, to control compensation in the event of a hazard, and to ensure that the insurer is able to meet the payment of its benefits in the direction of the insurer;

Monitoring of technical reserves, which are in line with their workload, by providing minimum capital to cover their activities;

Setting insurance rates in a manner that ensures reasonable profits;

Organize the creation and formation of new insurance companies, in order to open a market for competition.

The Algerian legislature has determined the structure of the employment by article 12 of Executive Decree No. 95 of 30 October 1995 concerning technical obligations as follows: 50% of the total employment must be in government a bond as they are risk-free, 20% of the total employment is distributed to other asset elements by market opportunities.

The lower safety margin plays an important role in the subject of technical debt. The Algerian law of insurance companies has set a set of mandatory rules to preserve the interests and funds of the insured, It should be recalled that insurance companies employ financial resources to generate returns and capital gains, and investments are often in the form of bonds and shares or in the form of tangible assets such as investments in land, buildings, etc. Investments can be classified into two types: (Riash, 2008, p. 79)

Short-term investments: Those that can be quickly and easily converted into liquid cash, usually with the intention of trading and selling them during the cycle; Long-term investments: It is difficult to convert into liquid cash in a short period, usually held for a year or more. Investment is one of the main activities of insurance companies, reflecting a significant positive impact on the results of the company's activity, due to the large amounts of funds that are accumulated by multiple sources, including: premiums obtained from insurers of various types of insurance, Profits from financial and real estate investments, Funds and equity of shareholders are paid capital and capital reserves formed by insurance companies by withholding profits, in order to strengthen their financial position and to meet future circumstance.

## **I. 2. Financial Performance in Insurance Companies;**

Insurance companies perform their financial activities and operations in dynamic conditions that require them to evaluate their performance, and the importance of evaluating the performance of insurance companies in measuring the efficiency of productivity and management. While monitoring the results achieved by the company, it should be done by comparing them with the patterns set before and correcting and avoiding deviations if any, in the future, so that the evaluation process is based on the study of the financial position of insurance companies, by measuring performance for a certain period of time. This is done by using the most important indicators to ensure that the company can continue to fulfill its obligations, protect the rights of the insurer and not disrupt the insurance market.

### **I. 2.1. Financial performance assessment for insurance companies;**

The financial performance of insurance companies is assessed by a combination of financial ratios used that are the success of these companies over a certain period of time, and will also indicate the most important difficulties and problems faced by the insurance organization, the most important of which are: (Narrator, 2008, page 56)

Financial credit ratios: Financial solvency means the ability of insurance companies to pay their obligations at the due date, as the laws on supervision and control of insurance activity in Algeria include how to determine it, as Executive Decree No. 95-343 of 30 October 1995 stipulates as follows: Solvency must justify the existence of technical debt and solvency margin consisting of: (G.Simonet., p. 40) Social capital, Technical reserves and provisions that must account for 50% of the stock of technical debt.

The financial credit ratios, which in turn measure the contribution of the private insurance company's funds, are calculated from its total financial resources, among the most important of which are:

\* Adequacy of private funds = private funds / total compensation: This is a safety margin for the insurer if it is high, but if it falls it indicates a state of financial hardship or bankruptcy.

\* Compensation for Technical debt = Technical compensation/debt: This ratio is across the company's ability to compensate for accidents, as it is recommended to approach one.

\* Margin of sheet/technical debt: The margin of solvency should be at least 15% of technical debt.

\* Net credit/business number margin: Must be at least 20% of the business number, and when the percentage falls, the Algerian legislator forces the company to free or increase capital up to 60 months from the date of the shortfall.

When the Activity ratios, These percentages reflect the extent to which insurance companies can use their assets to generate significant support returns, including their financial position, among the most important ratios used:

\* Financial Recruitment = Financial Products / Financial Recruitment: Evidence of knowledge of financial outcomes and profits from the employment of funds held by the Company;

\* Coverage of technical obligations = State values / technical obligations: This legally defined ratio is greater than 50%, and expresses the guarantee of the rights of the faithful, making them a good and stable position in the face of their technical obligations;

\* Incident cost = incident cost / net installments for the current cycle: Compares the cost of incidents with the net installments of the cycle, as this must be low to cover the cost of running and to achieve positive utilization.

\* The rate of wages provided = employee expenses / number of workers: Shows the rate of wages of the employees provided.

\* User productivity = (Total Business number – Business number General Agents) / number of workers: Measures how much users contribute to the business number.

\* Cost of expenses Users = (User expenses)/ (Total Business number - Business number General Agents ): Allows you to know the cost of labor needed to achieve the business number.

The rates of limitation are expressed in the effectiveness of the operation of insurance companies and their ability to achieve the desired results, among them:

\* Commercial Alimarat: The commercial Alimarat is considered to be the net income earned per dinar of the total revenue and is calculated in the following relationship:

$$\text{Trade border} = \text{Net Cycle result} / \text{Business number off-fee}$$

\* Economic viability: The economic yield measures the net income earned per dinar invested in the assets and is calculated as follows:

$$\text{Economic viability} = \text{Cycle Score} / \text{Total assets}$$

\* Financial limitation: The financial limitation shall reflect the net income earned per dinar of private funds and shall be calculated in the following relationship:

$$\text{Financial viability} = \text{Net Cycle Score} / \text{Special funds}$$

Accounting in insurance companies differs from other economic activities in the degree to which they are affected by the nature of insurance operations carried out by these companies. Its association with laws and regulations issued by the State for supervision and control of the insurance sector; Accounting for the operations of insurance companies, like accounting for financial operations in other economic enterprises, in terms of their obligations to the same accounting principles and rules in recording financial transactions from the supporting documents, and then writing them in the books for the purpose of preparing final financial statements at the end of each accounting period, This is generally known as accounting. (Abdel-Elah Nama, 2008, p. 321)

Like any system, an accounting system consists of a coherent set or format of parts or elements that collectively form the scientific basis of the system in order to achieve a set of objectives for which it was originally designed.

## **II– Methods and Materials:**

In this section we will try to find out how the National Insurance Company will hire its funds during 2012-2018 and how it can affect the company's financial performance by calculating some financial ratios to determine the company's financial position.

The National Insurance Company performs financial ledings of all types each fiscal year in order to provide liquidity to meet its obligations, strengthen its financial position from the proceeds obtained, from which we will present the most important employment of the company are shown in table (1).

Table (1) shows The overall level of financial employment by the National Insurance Company is increasing, as it rose in 2013 from 45180 million to 46337 million in 2014, falling in 2016. 2017 and 2018 this rise is due to the fiscal decline that Algeria has known as a result of high oil prices, which has encouraged individuals to insure various types because of their increased

income and thus positively reflected on insurance companies by increasing their payments and reinvesting them in the form of term deposits. The insurance companies rely on this form of employment in the form of time deposits because of the short duration to meet their obligations on the one hand and the benefits to be gained through these hiring. With the company as a leader in its industry and the first in terms of the number of verified businesses, The drop from 2016 to 2018 was due to Algeria's economic crisis, with oil prices falling and payments to the company falling, causing the company's financial hiring to be reduced by the ambiguity of the country's investment policy, forcing the company to change the pattern of deposits. The results obtained here are to begin by summarizing and analyzing the data obtained in connection with the subject matter. An explanation of these findings is provided, especially as to the hypotheses raised and their validity.

The financial revenues are very important to all insurance companies, so everyone who wants to benefit from the insurance process is interested in a public class because they give them the impression of guarantee and recovery from the insurance company in case of suffering a hated, insured person and the national insurance company is considered the first insurance company in Algeria in terms of employment imports are shown in table (2) and financial statements illustrate the evolution of income generated by the employment process.

The table (2) notes the announcement of revenues generated through the employment process of the National Insurance Company, which generally improves, as the total revenue is due to investment and employment in the values of the State and term deposits, which is due to the risk ratio which is not present and the income is guaranteed. In 2013, it grew by 6.19%, in 2014 it fell to 2.40%, a 68% drop in corporate bonds. In 2015, revenue increased to 0.06%, and in 2016 to 5%, in 2017, by 2.53%, and 2018 fell by 10.5%.

The reforms that was made by the Algerian State in the financial field, The custodial bodies have developed a new regulatory framework for insurance companies that defines the system of financial solvency and activity ratios and profitability through the issuance of two executive decrees in 2013 concerning executive decree No. 13-114 of 28 March 2013 on the technical contributions of insurance and reinsurance companies. Executive Decree No. 13-115 amending Executive Decree No. 95-343 on the limits of insurance companies' ability to meet their obligations, in order to keep pace with international developments in the insurance industry and more effective management of risks associated with insurance companies; In this part, we will try to find out about the financial position and performance of the National Insurance Company during the period 2012-2018, the result are shown in tables from (3) to (6).

### **III- Results and discussion:**

The results in the table (3) show that during the study period the company achieved a very large margin of credit that is approximately four times higher on average than those legally established, which is due to the increase in the size of the company's activity on the one hand and the company's ability to support private funds on the other. This translates into a company's margin coverage of credit for technical debt during the study period, which is about 1.14% on average, indicating that the company is well-priced and this increases customer confidence in the company.

We also note that the adequacy of private funds to cover the total compensation during the study period is high and large in size, which averaged 2.27%, making the rights of the believers guaranteed, and noting that the rate of compensation for the technical debts is medium, which averaged 49%. This shows that the insurance company is able to compensate for accidents but at a moderate pace, from which we conclude that during the study period the company has a good solvency, which increases the customers' satisfaction, which increases the subscription share.

We note from the results shown in table (4) that the percentage of the financial employment of the National Insurance Company has somewhat stimulated its stability to an average of 3.62%, which is very acceptable. The cost of the previous incidents, which averaged 56%, is higher than the percentage of the total number of incidents in 2016, to 104%. This means that the ratio is very moderate to cover the cost of running and to achieve positive exploitation, so the company uses search for investment activity to boost the profitability that was offset by financial hiring, and that the average cost of employees from the business number reached 19.51%. This is a very significant proportion, not a large one, that the company can overstep with its financial overpayments.

Through previous results, we conclude that the National Insurance Company has the ability to use its assets to generate significant returns to strengthen its financial position.

The results show in table (5) that all the rates of return are rising from 2012 to 2015 overall, owing to financial hiring and normal activity by the National Insurance Corporation (NAIC), which is due to improved economic conditions in Algeria and the economic growth it has known because of the rebound in oil prices. In 2016, we noted a significant decline in all the economic, commercial and financial profitability ratios that Algeria experienced as a result of the low oil prices and the uncertain political situation, which negatively affected the activity of insurance companies as a result of changes in legislation and laws, resulting in lower insurance premiums.

After we have analyzed both the solvency and profitability of the National Insurance Company, we try in this section to highlight the relationship between the credit margin and the financial profitability of the National Insurance Company the result shown in table (6).

The table (6) show that there is a close and individual relationship between the margin of solvency and financial profitability, as the increased reliance of the national company on financial hiring as a solution to its income increases is considered to be of use and directly reflected in the company's financial profitability and increased its profitability, which has made it the top position. The first is in terms of the number of businesses and takes a large proportion of the insurance sector in Algeria.

#### **IV-Conclusion:**

As conclusion, this study we tried to highlight the role of financial hiring in supporting the financial performance of insurance companies, the state of the National Insurance Company of Algeria during 2012-2018 and the reliance on documentation company and theoretical study we have reached a set of conclusions and recommendations summarized as follows;

##### **-Results:**

The National Insurance Company is carrying out the investment activity, and is one of its main activities. The company relies on financial employment in the form of state and term deposits, while other employees are a small percentage, which indicates that the company wants to invest its money without risk and gets the largest amount of revenue that the company can make as the company exercises accounting records for these employees according to the accounting system;

The National Insurance Company has a great competence in employing its funds, as it employs the employees according to the allowed organization and the opportunities available in the market, and during the period of study, the volume of financial hiring is generally oriented toward a rise. The average coverage of technical obligations during the application is 114%, reflecting the overall coverage of technical obligations and a surplus, which indicates the good position of the firm;

The field study notes that the National Insurance Company respects the legal percentage (50% of technical obligations) of the national insurance company in the years 2013 to 2018 of the Algerian legislature, which is the legal percentage (50% of technical obligations) of the value of the State.

The National Insurance Company has a good credit rating, as the formed margin is increasing continuously during the study period reflecting the company's will to enhance its ability to fulfill, thus increasing customer confidence in the company;

The company has also been involved in the development of a new company, which is the largest in the world.

##### **-Suggestions:**

Through our theoretical and field studies, we can summarize some recommendations and suggestions, including:

The need for increased attention in the size of premiums and for their development, as they have a major impact on the return of the company's friendliness, through the development of its marketing policy, especially in the field of securing multiple risks, and this kind of other insurance is characterized by a lack of authorization for compensation. The attempt and necessity to pay attention to the quality of service provision of subscription and compensation policies and conditions, as well as the review of pricing and technical requirements for the benefit of customers ;



Attempts to diversify investments made by the National Insurance Company, especially in the area of real estate employment, such as the attempt to extend commercial networks in different regions of the country in order to increase the placement process and to bring more closer than and contact with clients;

the need to control the technical and management costs of the company to avoid falling into a danger and bankruptcy zone;

The need to focus on the formation and training of the human component in the areas of subscription, resolution of accident files, investments, marketing, management organization, training and keeping up with advanced technology, all of which is needed in the national market for insurance.

### - Appendices:

Table (1) : Evolution of NAIC's financial staffing for 2012-2018

Module: Million DJ							
Years	2012	2013	2014	2015	2016	2017	2018
Country values	<b>14 875</b>	<b>16 662</b>	<b>19 432</b>	<b>21 536</b>	<b>28 649</b>	<b>26 208</b>	<b>29 095</b>
Long-term bonds (OTA)	11 475	12 189	13 279	16 245	15 265	15 238	20 132
Medium term Treasury	1 387	3 798	5 996	4 600	5 759	10 970	8 963
permissions BTA	2.013	675	157	691	848	0	0
Short term Treasury	0.00	0.00	0.00	0.00	6 777		
Deposits for DAT	<b>22 981</b>	<b>26 014</b>	<b>25 163</b>	<b>23 898</b>	<b>16 671</b>	<b>15 702</b>	<b>10 385</b>
Oglation Entrepreneur Price	<b>2 506</b>	<b>2 504</b>	<b>802</b>	<b>903</b>	<b>482</b>	<b>61</b>	<b>181</b>
Total	<b>40 362</b>	<b>45 180</b>	<b>45 397</b>	<b>46 337</b>	<b>45 802</b>	<b>971 41</b>	<b>39 661</b>
Percentage of development	-	<b>11.94%</b>	<b>0.48%</b>	<b>2.07%</b>	<b>-1.15%</b>	<b>-8.36%</b>	<b>-5.50%</b>

The source: National Insurance Company Annual Report 2012-2018.

Table (2) : The growth in revenues of the National Insurance Company's financial employment for the period 2012-2018.

Module: Million DJ							
Years	2012	2013	2014	2015	2016	2017	2018
Country values	<b>473</b>	<b>491</b>	<b>468</b>	<b>607</b>	<b>808</b>	<b>1 048</b>	<b>1 100</b>
Long-term bonds	453	453	381	532	577	562	573
BTA Medium term Treasury	17	33	80	62	58	117	527
permissions	3	5	7	13	13		
BTC Short term Treasury	0.00	0.00	0.00	0.00	160	369	

Deposits for DAT							
permissions							
Time deposits	<b>870</b>	<b>957</b>	<b>998</b>	<b>899</b>	<b>785</b>	<b>602</b>	<b>377</b>
Oglation Entrepreneue	<b>144</b>	<b>131</b>	<b>75</b>	<b>36</b>	<b>26</b>	<b>10</b>	<b>8</b>
Corporate bonds							
Total	<b>1 487</b>	<b>1579</b>	<b>1 541</b>	<b>1 542</b>	<b>1 619</b>	<b>1 660</b>	<b>1 485</b>
Percentage of growth income	-	<b>6.19%</b>	<b>-2.40%</b>	<b>0.06%</b>	<b>5%</b>	<b>2.53%</b>	<b>10.54%</b>

The source: National Insurance Company Annual Report 2012-2018.

Table (3): Evolution of the credit ratios of the National Insurance Company for the period 2012-2018.

Years	2012	2013	2014	2015	2016	2017	2018
Minimum sheet margin	0.9	1.01	1.06	0.96	1.28	1.37	1.40
Adequacy of private funds	1.94	2.02	1.96	2.05	2.19	2.73	3.01
Compensation for technical debt	0.42	0.49	0.53	0.47	0.58	0.49	0.44

The source: Prepared by researchers based on the annual reports of the company.

Table (4): Evolution of NSAL activity ratios for 2012-2018.

Years	2012	2013	2014	2015	2016	2017	2018
Financial hiring	3.68	3.49	3.39	3.33	3.53	3.95	3.98
Covering technical commitments	50.73	57.14	83.08	66.12	104	58	50
The cost of accidents	59	56	59	60	60	55	45
Cost of user expenses	20.33	19.25	18.94	20.83	20.22	19.72	17.29

The source: Prepared by researchers based on the annual reports of the company.

Table (5): The development of the NSAL's profitability ratios for the period 2012-2018.

Years	2012	2013	2014	2015	2016	2017	2018
Economic profitability	2.50	4.50	4.56	4.57	3.68	3.75	6.13
Commercial profitability	7.22	12.61	12.20	13.01	12.60	13.61	18.27
Financial profitability	6.31	11.12	11.54	11.60	10.57	13.04	13.58

The source: Prepared by researchers based on the annual reports of the company.

Table (6): The development of of solvency and profitability for the period 2012-2018.

Years	2012	2013	2014	2015	2016	2017	2018
Margin of solvency (1M DJ)	28 473	29 622	31 300	19 733	35 170	36 521	38 668
Financial profitability	6.31	11.12	11.54	11.60	10.57	13.04	13.58

The source: Prepared by researchers based on the annual reports of the company.

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