

World's Top 10 Insurance Companies

We all face different risks—the risk of meeting with an accident, falling sick, being the victim of a natural disaster or fire, and, above all, the risk of life. All these risks not only come with pain and suffering, but they also hurt financially. Insurance is one way of being prepared for the worst. It offers the surety that the economic part of the pain will be taken care of.

In this article, we take a look at some of the world's top insurance companies. There are many criteria on the basis of which such a list can be prepared: premium collections, revenue, profit, geographical area, assets, and more. The following list focuses on market capitalization, with companies listed in alphabetical order. Financial figures are current as of year-end 2019. Market capitalizations are through February, 2020.



AIA Group Ltd

AIA Group was founded in 1919 in Singapore and is currently headquartered in Hong Kong. It is the largest pan-Asian life insurance group, with a presence in 18 different markets including China, Australia, New Zealand, India, and Cambodia. It specializes in life insurance and other financial services.

As of Dec. 31, 2019, AIA reportedly had assets of \$284 billion and a market cap of \$126.2 billion as of February 5, 2020.

AIG

AIG, or American International Group, has offices in 80 different countries. The company, founded in Shanghai in 1919, is currently headquartered in New York City. It mainly operates in three segments including general insurance (commercial and personal insurance), life, and retirement, as well as a technology subsidiary called Blackboard Insurance.

You'll probably recognize the name as one of the companies that received a bailout of \$180 billion from the U.S. government following the 2007–2008 financial crisis. According to the Financial Crisis Inquiry Commission, credit default swaps were sold without collateral, causing AIG to fail.

The company has since recovered, reporting \$525 billion in assets, and a market cap of \$45.2 billion.

Allianz SE

Founded in 1890, Allianz is a leading financial services company, providing products and services from insurance to asset management.

Allianz caters to customers in more than 70 countries. Insurance products range from property and casualty products to health and life insurance products for corporate and individual customers. The company is headquartered in Germany. Allianz's market cap stands at \$104.4 billion.

AXA

With over 102 million customers in 56 countries and an employee base of more than 125,000, AXA is one of the world's leading insurance groups. Its main businesses are property and casualty insurance, life insurance, savings, and asset management. It was founded in 1816 when several insurance companies merged to create AXA. The company is headquartered in Paris but has a presence across Africa, North America, Central, and South America, Asia Pacific, Europe, and the Middle East.

AXA acquired 51% of the insurance operations of Colpatria Seguros in Colombia in 2013. During the same year, it became the largest international insurer operating in China as a result of its 50% acquisition of Tian Ping (a Chinese property and casualty insurer).

AXA also acquired the non-life insurance operations of HSBC in Mexico. The market cap for the AXA Group is currently around \$67 billion.



Berkshire Hathaway

Berkshire Hathaway (BRK.A) was founded in 1889 and is associated with Warren Buffet, who has transformed a mediocre entity into one of the largest companies in the world.

Berkshire Hathaway is now a leading investment manager conglomerate, engaging in insurance, among other sectors such as rail transportation, finance, utilities and energy, manufacturing, services, and retail through its subsidiaries.

It provides primary insurance, as well as reinsurance of property and casualty risks. Companies like Berkshire Hathaway Reinsurance Group, GEICO, Berkshire Hathaway Primary Group, General Re, National Indemnity Company, Medical Protective Company, Applied Underwriters, U.S. Liability Insurance Company, Central States Indemnity Company and the Guard Insurance Group are Berkshire subsidiaries.

The company's market cap has reached a record \$554 billion with total assets of over \$817 billion.

China Life Insurance

China Life Insurance (LFC) is one of Mainland China's largest state-owned insurance and financial services companies, as well as a key player in the Chinese capital market as an institutional investor.

The company was founded in 1949 when the People's Insurance Company of China (PICC) was formed. Its offshoot PICC (Life) Co. Ltd was created after parting ways with PICC in 1996. PICC (Life) Co. Ltd was renamed as China Life Insurance Company in 1999. The China Life Insurance

Company was restructured in 2003 as China Life Insurance (Group) Company, which has seven subsidiaries. The businesses are spread across life insurance, pension plans, asset management, property and casualty, investment holdings, and overseas operations.

The company is listed on the New York Stock Exchange, the Hong Kong Stock Exchange, and the Shanghai Stock Exchange and is the biggest public life insurance company in terms of market capitalization in the world. The company boasts a market cap of \$123.9 billion.

ING Group

Dutch multinational ING Group was founded in 1991. The company provides a range of services including retail, direct, commercial, and investment banking, insurance, and asset management. ING serves more than 37 million clients in over 40 different countries.

In 2018, ING announced a partnership with another member of this list—AXA. Together, the two have an exclusive, multi-country digital partnership to provide insurance products to clients online through a centralized platform. ING's market cap is around \$47.7 billion.



Ping An of China

Ping An of China deals primarily with insurance, financial services, and banking. It is one of the top 50 companies listed on the Shanghai Stock Exchange. Founded in 1988, it was China's first company to adopt a shareholding structure.

The company, headquartered in Shenzhen, China, is one of the world's most valuable insurance companies and one of the largest asset management and investment companies in the world. Its subsidiaries include Ping An Life, Ping An Property & Casualty, Ping An Annuity, and Ping An Health. The company's market cap is \$211.4 billion.

Prudential Financial

Prudential dates back to 1875, when it was established to sell burial insurance to working class folks in Newark, NJ. Today the company boasts a balance sheet with assets exceeding \$896 billion and a market cap of \$39 billion.

MetLife

Serving more than 100 million customers in more than 50 countries, MetLife has a market cap of \$47.4 billion and assets of \$740.4 billion. It is one of the world's largest insurers and also provides services in employee benefits and annuities.

The company's affiliates and subsidiaries include MetLife Investors, MetLife Bank—which was sold to GE Capital in 2013—MetLife Investment Securities, Metropolitan Properties Ventures, and Casualty Insurance Company.

MetLife ended its more than 30-year partnership with the Peanuts—whose characters were used in the company's branding—in 2019.

United Health Group

The UnitedHealth Group (UNH) is among one of the most diversified health care businesses in the United States. Its two business platforms—UnitedHealthcare for health benefits and Optum for health services—work together, serving more than 115 million people in every U.S. state and 125 countries.

The UnitedHealth Group uses its experience and resources in clinical care to improve the performance of the health care services sector.

The company's market cap was \$277.5 billion on February 5, 2020.



The Bottom Line

Picking the right insurance company to invest in is important and should not be based on a company's size alone. A few things on your checklist should be the company's rating, its financial strength if the company specializes in any particular type of insurance, refusal of claims in the past, the proximity of office, premium rates, and discounts offered on multiple policies.