



**SOME ASPECTS OF THE ACTIVITIES OF FOREIGN  
INSURANCE COMPANIES**

Kurbankulova Nazokat Kutbiddinovna

PhD, University of Tashkent for Applied Sciences, Uzbekistan

Email: kurbankulova123@gmail.com

A B S T R A C T	K E Y W O R D S
<p>This article analyzes the financial performance of leading insurance companies operating in the global insurance market. In particular, the activities of large insurance companies are evaluated based on criteria such as market capitalization, the difference between insurance premiums and claims, revenue, and dividend yield. The study provides a comparative analysis of the financial results of insurance companies in the United States, China, Germany, Switzerland, France, the United Kingdom, and other countries.</p>	<p>Insurance, insurance companies, global insurance market, market capitalization, insurance premium, insurance coverage, dividend yield, investment activity.</p>

**Introduction**

In the modern world economy, the insurance system is an important component of the financial market, playing an important role in ensuring economic stability, stimulating investment processes and effectively managing various risks. The deepening of globalization processes, the complexity of economic relations, climate change, natural disasters and the emergence of new financial risks create the need to further improve the activities of insurance companies. In this regard, the analysis of the activities of foreign insurance companies is of urgent importance not only theoretically, but also practically.

In world practice, insurance companies ensure the continuity of economic activity by covering possible financial losses in various sectors of the economy. In particular, in countries such as the USA, Great Britain, Germany, France, Japan and China, insurance companies, as large institutional investors, make a significant contribution to the development of capital markets. Their investment portfolios are focused on government bonds, corporate securities, infrastructure projects and other financial assets, which are important in providing financial resources for economic growth. InsurTech technologies have become widespread in recent years as a result of the rapid development of digital technologies in the world. The use of artificial intelligence, big data (Big Data), blockchain and cloud technologies is increasing the speed and efficiency of insurance services. Analysis of the experience of foreign insurance companies is important in assessing the effectiveness of these innovations and identifying opportunities for their introduction into national insurance markets. Also, the directions of “green insurance” and sustainable financing, which are developing on the basis of the principles of environmental and social responsibility, are gaining great importance in the international insurance

market. Studying foreign experiences in insuring climate change risks, supporting renewable energy projects, and integrating ESG criteria into insurance activities has become an important task for many countries today. In such circumstances, analyzing the activities of foreign insurance companies is also relevant for Uzbekistan.

## Literature review

The financial relationships of foreign insurance companies are characterized by their versatility. Their business models also play an important role in this. In general, foreign insurance companies operate in a complex system that includes different levels of supervision, capital requirements and market entry conditions established by the legislation of the host country. These companies often offer a wide range of insurance products, from life insurance to property and liability insurance. These aspects require a detailed understanding of the financial relationships that form the basis of their activities and provide risk transfer mechanisms. A. Olivieri and E. Pitacco “emphasizing the technical aspects of risk transfer, show that foreign insurance companies use complex models to assess and manage the various risks associated with their service portfolios. This will facilitate effective decision-making for domestic and foreign companies in entering local markets while balancing compliance with international requirements” [1]. As a result, the possibility of developing individual risk management strategies tailored to local conditions and customer needs increases. In addition, these operating models facilitate cross-border capital flows and insurance activities, and enhance the interconnectedness of global financial markets.

The investment strategies used by foreign insurance companies are usually based on a multi-faceted approach that aligns the objectives of the insurance products sold and the return on investment with the broader economic situation. As M. Mwangi, J. W. Murigu note, “these companies usually use diversification of stocks, bonds and alternative investments to create portfolios aimed not only at increasing income, but also at reducing potential losses” [2]. Foreign insurance companies have to overcome the complexities of global financial markets in conditions of different economic conditions, regulatory requirements and intense competition. In this case, the strategic allocation of assets for investment purposes We should also emphasize the importance of the regulatory framework in which they operate. In addition, their investment decisions are deeply influenced by the extensive regulatory frameworks in which they operate, which requires improving compliance, risk assessment and governance mechanisms.

Today, when the Sustainable Development Goals and the acceleration of the transition to a green economy are more relevant than ever, the issue of green transformation of insurance companies is also a cross-cutting issue. In this regard, the introduction of green insurance products at the national and international levels is becoming more necessary than ever. Therefore, we believe that government programs should be adopted to expand the scope of green transformation in insurance company finance and increase the share of green insurance products in the structure of insurance products. Combating Climate Change was identified as Goal 13 (SDG-13) in the Sustainable Development Goals announced by the United Nations in 2015. Based on this, researchers Caterina Di Tommaso, Maria Mazzuca, Vincenzo Pacelli “The study analyzed how compliance with the requirements of the BRM 13 guideline affects the financial position and risk profile of insurance companies. For this, the “differences-in-differences” methodology was used, which allowed us to determine the specific impact of compliance with the BRM-13 requirements on the insurance sector. The results showed that insurance companies

that comply with the BRM-13 requirements achieved higher efficiency, and this effect increased further in the period after the introduction of the BRM-13. The final conclusions show that insurance companies that comply with the BRM-13 requirements in low- and middle-income countries had higher positive effects on profit and risk compared to high-income countries” [3]. It is the results of this study that demonstrate the need to transition to green insurance in our country.

According to research conducted by Stefania Sylos Labini, Pasquale di Biase, and Elisabetta D'Apolito, "Insurance companies are showing a high level of sensitivity to ESG issues. Insurance products are attractive for social and environmental purposes, as they protect customers and respond to the growing demand and need for sustainability in society. For these reasons, it is important for insurance companies to focus on contributing to the achievement of the UN Sustainable Development Goals and supporting the goal of achieving climate neutrality by 2050. This study examines the impact of sustainability-oriented management practices on the financial performance of insurance companies. The analysis was conducted on a sample of 167 international insurance companies for the period 2018–2022. The aim is to determine whether investments in sustainability are economically profitable. The results showed that American insurance companies are committed to sustainable development policies, quality corporate management, which indicates that they are associated with good financial results. [4] The main conclusion here is that the level of compliance with ESG standards by insurance companies, on the one hand, in terms of managing environmental and social risks, and on the other hand, ensuring the effectiveness of corporate governance, will increase. As a result, we can expect that insurance companies will increase their financial stability and achieve an increase in the well-being of the population in our country through the transition to a green and sustainable economy.

From the point of view of ensuring investment attractiveness, each insurance company, as a joint-stock company, is required to switch to regular dividend payments above inflation to the extent that investors are satisfied. Chinese researchers Bo Yang, Yizhi Wang, Dingjun Yao, Yueyang Wang, Xin Xu “conducted research on the equilibrium strategy of insurance companies’ dividends and reinsurance practices. They studied the optimal risk management strategies of insurance companies within the framework of a non-cooperative differential game with two participants. A distinctive feature of this model is that the company’s surplus funds are considered as a strategic variable aimed at increasing the attractiveness for shareholders. In this system, shareholders are considered as participants who demand dividends based on their share of surplus funds, and managers are considered as individuals responsible for managing excess risk. Here, the goal of shareholders is to maximize expected discounted dividends. This asymmetric game can be considered under two different assumptions about the goals of managers: in the first scenario, managers seek to minimize the probability of bankruptcy; in the second scenario, managers seek to maximize the amount of expected discounted profits” [5]. It should be noted here that generally effective dividend practices serve to increase the influence of insurance companies not only in the insurance market, but also in the financial market.

## **Methodology**

This article, which analyzes the characteristics, modern approaches, and performance indicators of foreign insurance companies, uses the methods of comparison, induction, deduction, and scientific abstraction.

**Results and Discussion**

According to the analysis of the Internet portal companiesmarketcap.com, as of February 17, 2025, the US insurance company UnitedHealth is the number one insurance company in the world by market capitalization with a capitalization of 481.77 billion US dollars (Table 1). UnitedHealth has been the largest insurer in life and general insurance for several years, serving more than 100 million customers.

**Table 1 The largest insurance companies by market capitalization, as of February 17, 2025 [6]**

No	Companies	Market Capitalization, billion \$	Stock Price, \$	Country
1	UnitedHealth	481.77	523.51	USA
2	Progressive	153.83	262.60	USA
3	Allianz SE	130.69	338.44	Germany
4	China Life Insurance	130.33	5.55	China
5	Ping An Insurance	121.65	7.15	China
6	Marsh & McLennan Companies	112.38	228.83	USA
7	Chubb	105.99	264.52	Switzerland
8	Elevance Health	90.27	389.25	USA
9	Zurich Insurance Group	90.18	626.30	Switzerland
10	AXA	87.67	39.42	France
11	Aon	83.69	386.99	Great Britain
12	Arthur J. Gallagher & Co.	80.37	321.50	USA
13	Cigna	80.03	292.32	USA
14	AIA	76.82	7.21	Hong Kong
15	Munich RE (Münchener Rück)	73.00	545.80	Germany
16	Tokio Marine	65.47	33.89	Japan
17	MetLife	56.30	81.70	USA
18	Life Insurance Corporation of India (LIC)	55.17	8.72	India
19	The Travelers Companies	54.02	238.30	USA
20	Generali	51.58	33.56	Italy

The next place is occupied by Progressive Insurance Company, which is engaged in auto insurance and other property insurance in the United States, with a market capitalization of 153.83 billion US dollars. However, as of February 17, 2025, the market capitalization of this company is 3.13 times lower than the market capitalization of UnitedHealth. In general, eight of the TOP-20 companies by market capitalization are registered in the United States, four in China, two in Switzerland, two in Germany, and another 6 in France, Great Britain, Hong Kong, Italy, India and Japan.

When analyzing the profit formed as the difference between the accumulated insurance premiums and their part directed to cover the insured events in 2024, it can be seen that China Pacific Insurance Company achieved a result of 51.18 US dollars. Another Chinese company, Ping An Insurance, showed a result of 22.24 billion US dollars (Table 2).

**Table 2 Analysis of insurance companies with the highest gap between premium and coverage, in billion US dollars [6]**

№	Companies	The difference between insurance premium and coverage, in billion US dollars	Stock Price, \$	Country
1	China Pacific Insurance	51.18	4.49	China
2	Ping An Insurance	22.24	7.15	China
3	UnitedHealth	20.13	523.51	USA
4	China Life Insurance	18.25	5.55	China
5	Allianz SE	14.99	338.44	Germany
6	New China Life Insurance	14.88	6.83	China
7	Chubb	10.94	264.52	Switzerland
8	Progressive	10.52	262.60	USA
9	Elevance Health	9.40	389.25	USA
10	Munich RE (Münchener Rück)	7.65	545.80	Germany
11	AXA	7.36	39.42	France
12	MetLife	6.22	81.70	USA
13	The Travelers Companies	5.99	238.30	USA
14	Zurich Insurance Group	5.74	626.30	Switzerland
15	Fairfax Financial	5.66	1,461	Canada
16	The People's Insurance Company (PICC)	5.66	0.96	China
17	Tokio Marine	5.63	33.97	Japan
18	Allstate	5.54	187.63	USA
19	Marsh & McLennan Companies	5.51	228.83	USA
20	Manulife Financial	5.26	29.69	Canada

In this regard, although UnitedHealth in the US has achieved the highest results in terms of market capitalization, it ranked third in terms of financial performance in terms of the difference between insurance premiums and coverage. An important factor in this was the high investment performance of UnitedHealth due to the funds raised through insurance premiums.

**Conclusions**

Based on the conducted research and analysis, the following conclusions were drawn:

Analysis of the difference between insurance premiums and claims payments showed the high efficiency of Chinese insurance companies. In particular, China Pacific Insurance took first place with a positive financial result of 51.18 billion US dollars. Also, the high results of Ping An Insurance and China Life Insurance indicate that the Chinese insurance market has a well-developed system of risk management and effective use of investment resources. Although UnitedHealth took third place in this indicator, its high capitalization is explained by income from investment activities.

Analysis of the volume of income also confirmed the leadership of US insurance companies. Eight companies in the TOP-20 ranking are registered in the USA, and companies such as UnitedHealth, Cigna and Elevance Health achieved high income indicators. This is explained by the high development of the health insurance market in the United States and the high demand for insurance services by the population.

The analysis of dividend policy showed that leadership in the insurance market is not always determined by large capitalization or high income. In particular, some insurance companies located in Bahrain, Qatar, Poland and Bermuda provided high dividend yields for shareholders. This situation indicates the need for a comprehensive analysis of capitalization, income, profit and dividend policy when assessing the effectiveness of insurance companies.

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