

Abstract:

This thesis assesses the impact of economic, institutional and demographic factors on the life and non-life gross written premiums of insurance companies. A dynamic panel data regression using the system generalized method of moments is applied on data of 29 European countries collected by EIOPA covering the period from 2005 to 2013. The results reveal that economic and institutional factors drive both life and non-life insurance industry. On the other hand, we cannot confirm that demographic factors are significant determinants of the growth in GWPs. Subsequently, the hypothesis that there are substantial cross-countries differences among the importance of different macroeconomic determinants on the insurance sector development is explored and confirmed.

This work shines new light on the development of the quantitative macroprudential framework used to determine different economic scenarios affecting insurance companies' balance sheets. Moreover, a broader set of panel data and more variables explaining the growth in insurance sector bring new contributions to the current discussion in academic literature.