



FINANCIAL STATUS STATE INSURANCE FUND As of June 30, 2019

A. ASSETS

	As of June 30, 2019	% of Total	As at Dec. 31, 2018	% of Total	Peso Inc(dec)	% Inc(dec)
SSS	40,091,501,411.00	61%	38,416,905,489.00	64%	1,674,595,922.00	4.36%
GSIS	25,153,243,640.00	39%	21,756,184,264.00	36%	3,397,059,376.00	15.61%
Total	65,244,745,051.00	100%	60,173,089,753.00	100%	5,071,655,298.00	8.43%

*Data based on the unaudited FS submitted by the SSS and the GSIS.

As of June 30, 2019, total assets of the State Insurance Fund (SIF) amounts to Php65.24B; sixty-one percent (61%) or Php40.09B under the Social Security System (SSS) while thirty-nine percent (39%) or Php25.15B is under the Government Service Insurance System (GSIS). Assets have Php5.07 billion increase from December 31, 2018 to June 30, 2019.

B. RESERVES/NETWORTH

	As at June 30, 2019	% of Total	As at Dec. 31, 2018	% of Total	Peso Inc(dec)	% Inc(dec)
SSS	40,082,158,671.00	62%	38,407,529,534.00	64%	1,674,629,137.00	4.36%
GSIS	25,060,451,334.00	38%	21,608,065,508.00	36%	3,452,385,826.00	15.98%
Total	65,142,610,005.00	100%	60,015,595,042.00	100%	5,127,014,963.00	8.54%

*Data based on the unaudited FS submitted by the SSS and the GSIS.

*Reserves

** Net worth

Total Reserves for future payment of EC claims in both private and public sector amounts to Php65.14B which has Php5.13 billion increase from December 31, 2018 to June 30, 2019.

As of June 30, 2019 total reserves of the SSS-managed SIF for future payment of EC claims in private sector amounted to Php40.08B. Total reserve is increased by Php1.67 billion from December 31, 2018.

The GSIS SIF-managed fund total Net worth amounts to Php25.06B is broken down as follows:

Appropriated Surplus – ECIF	12,095,000,000.00
Unappropriated Surplus	12,397,332,771.00
Other Comprehensive Income Net unrealized gain on Investments	566,118,564.00
Total Net Worth	25,060,451,334.00

From Php21.61B in December 31, 2018 to Php25.06B as of June 30, 2019, the GSIS-ECIF total Net worth has increased by Php3.45 billion.

From the GSIS ECIF Net worth of Php25.06B balance as of June 30, 2019, a total amount of Ph12.095B is appropriated for payment of future claims, claims pending settlement, rehabilitation services, ECC and OSHC operating fund and for contingencies. Appropriations for years are as follows:

Years	Amount (in millions)
2010	613.96
2011	633.40
2012	1,095.95
2013	6,125.00
2014	7,045.00
2015	7,780.00
2016	8,678.00
2017	8,989.00
2018	12,095.00
As of June 30, 2019	12,095.00

C. REVENUE

Table C-1 Revenue Collected from January to June 30, 2019

Particulars	SSS	% of Total	GSIS	% of Total	TOTAL	% of Total
Members Contribution	1,208,579,961.00	56%	1,239,704,871.00	59%	2,448,284,832.00	57%
Investment and Other Income	964,977,138.55	44%	869,674,315.00	41%	1,834,651,453.55	43%
Total	2,173,557,099.55	100%	2,109,379,186.00	100%	4,282,936,285.55	100%

51%

49%

From January to June, 2019, **SIF generated total revenue of Php4.28B**: fifty-seven percent (57%) or Php2.45B came from the collection of members' contributions while forty-three percent (43%) or Php1.83 billion from investment and other income.

Php2.17 billion or 51% of the total revenue came from the SSS while Php2.11 billion or 49% came from the GSIS.

The table below shows the details of the members Contribution and Investment and other income.

Table C-2 Revenue Collected from January to June, 2018

Particulars	SSS	% of Total	GSIS	% of Total	TOTAL	% of Total
Members Contribution	1,007,295,168.00	53%	1,297,953,532.00	98%	2,305,248,700.00	72%
Investment and Other Income	887,422,718.00	47%	20,811,613.00	2%	908,234,331.00	28%
Total	1,894,717,886.00	100%	1,318,765,145.00	100%	3,213,483,031.00	100%
		59%		41%		

Table C-3 Comparative Net increase (decrease) in Revenues (June 30, 2019 and 2018)

Particulars	Ph Increase (Decrease) Members' Contributions	% Inc(dec)	Ph Increase (Decrease) Investment & Other Income	% Inc (dec)	TOTAL	% Inc (dec)
SSS	201,284,793.00	23%	77,554,420.55	4%	278,839,213.55	15%
GSIS	(58,248,661.00)	-280%	848,862,702.00	64%	790,614,041.00	60%
TOTAL	143,036,132.00	4%	926,417,122.55	29%	1,069,453,254.55	33%

Total Combined Revenue from January to June, 2019 has gone up by 33% or a net increase of Php1.07 billion compared to same period in 2018. *The total net increase in collection of members' contribution amounts to Php143.04 million while Investment and Other Income has a net increase of Php926.42 million.*

Total SSS revenue from January to June, 2019 has **gone up by 15% or Php278.84 million**. Likewise, the total GSIS net revenue has **gone up by 60% or Php790.61 M** compared to the same period in 2018.

D. INVESTMENT

I. Investment and Investment Income of Public Sector SIF

As at June 30, 2019, the **Government Service Insurance System (GSIS)** has a total investment amounting to Php22.79B with an investment income of Php869.63 million. Investment has increased by 16% or Php3.13 billion from the Php19.66B investment total at the end of 2018.

The table below shows the comparative details of investment as at January to June, 2019 and as at the end of 2018:

Particulars	Jan to June, 2019	Jan to June, 2018	Inc (dec)	Inc (dec)
CURRENT INVESTMENT				
Held to Maturity Investment High Yield Short-term placement	78,356,424.00	365,957,576.00	(287,601,152.00)	-79%
NON-CURRENT INVESTMENT				
Fair Value Through Profit or Loss (FVPL)				
ROP Notes & Bonds - FVOCI	14,776,493,362.00	11,924,000,085.00	2,852,493,277.00	24%
Corporate Bonds - FVOCI	4,436,899,307.00	4,159,703,914.00	277,195,393.00	100%
Stocks Traded	3,499,920,794.00	3,210,911,267.00	289,009,527.00	100%
Total Non-current Investments	22,713,313,463.00	19,294,615,266.00	3,418,698,197.00	18%
TOTAL INVESTMENT	22,791,669,887.00	19,660,572,842.00	3,131,097,045.00	15.93%

*Data based on the unaudited FS submitted by the GSIS.

Of the total investment as at June 30, 2019, almost 100% or Php22.79B is placed under non-current investment particularly in ROP Notes, Corporate Bonds and Stocks Traded while Php78.36 million is placed under the High Yield Short-term Placement. Return on Investment (ROI) is at 3.81%.

The table below shows the **comparative details of the investment income** from January to June 30, 2019 and 2018.

PARTICULARS	Jan. to June, 2019	Jan to June, 2018	Ph Inc (dec)	% Inc (dec)
CURRENT INVESTMENT				
Held to Maturity Investment				
High Yield Short-term placement	3,329,185.00	8,612,394.00	(5,283,209.00)	-61%
NON-CURRENT INVESTMENT				
Available for Sale Financial Assets			-	-
Gain (Loss) on Valuation - Stocks	289,009,527.00	(436,569,110.00)	725,578,637.00	-166%
Gain (Loss) on Valuation - ROP Notes			-	-
Gain (Loss) on Valuation - Corporate Bonds			-	-
Gain (Loss) on Sale of Bonds-FVOCI	-	-	-	-
Gain (Loss) on De-recognition of Bonds		(638,755.00)	638,755.00	
Dividend on Stocks	41,531,843.00	43,535,823.00	(2,003,980.00)	-5%
Interest on ROP Notes & Bonds AFS-Peso	394,170,356.00	318,953,078.00	75,217,278.00	24%
Interest on Corporate Bonds - FVOCI	141,591,538.00	86,918,182.00	54,673,356.00	63%
TOTAL INVESTMENT INCOME	869,632,449.00	20,811,612.00	848,820,837.00	4079%
Return of Investment	3.81%	3.20%		

*Data based on the unaudited FS submitted by the GSIS.

The January to June, 2019 investment income is Php848.82 million higher compared to the Php20.81 million investment income earned during same period in 2018.

II. Investment of Private Sector SIF

As at June 30, 2019, total investment of Private Sector SIF amounts to Php38.21B. Investment is increased by 3.75% or Php1.379 billion from the Php36.83B amount of investment at the end of December, 2018. Total Investment Income from January to June 30, 2019 amounts to Php939.82 million. Investment Income has 9.24% or Php79.54 million increase from Ph860.32 million investment Income in the same period in 2018. Return on Investment (ROI) is at 2.46%.

Ninety-nine percent (99%) of the total Investment is placed under the Non-Current Investment. The table below shows the details of these non-current investments.

Total investment in Held on Maturity Investment in the amount of Ph22.78 billion comprised the highest rate (61%) of its investment under the Non-current Investment and generates total investment income in the amount of Php505.06 million from January to June, 2019. Total investment in Members' Loan in the amount of Php7.14 billion comprised the highest rate (19%) of the investment under loans and receivables and contributed Php223.33 million investment income.

Cash Equivalent and Interest Income

From January to June 30, 2019, the SIF at SSS has a total Cash and Cash Equivalent of Php1.29 billion which is placed under a savings and term deposits. Such cash and cash equivalent generates a total interest income of Php24.59M.

Investment and other Income

Investment and other Income from January to June, 2019 amounts to Php964.98 million is broken down as follows:

Particulars	AMOUNT
Investment Income	939,865,989.61
Other Income	
Interest Income –Cash in Bank/term deposits	24,588,908.30
Miscellaneous Income	522,240.64
Recovery of impairment loss	-
Total Investment and Other Income	964,977,138.55

INVESTMENT AND INVESTMENT INCOME OF THE PRIVATE SECTOR SIF

Particulars	INVESTMENT Jan 1 to June 30, 2019	% of total	INVESTMENT Jan 1 to Dec 31. 2018	INVESTMENT	Income from Investment Jan. to June,2019	Income from Investment Jan. to June,2018
				% Inc. /-Dec		
CURRENT INVESTMENT						
Held to Maturity investments						
-Short term money placement -Int.	100,000,000.00		-		942,000.00	-
-Government Bonds	248,383,053.36		49,885,348.10			
-Corporate Notes	-		24,162,052.50			
Financial Assets at FVTPL						
Equity Securities	211,068,185.45		270,552,638.37		10,105,324.35	(8,028,262.27)
Dividend Income						
Gain/(Loss) on fair value adjustment						
Gain/(Loss) on sale/disposal						
Investment Expenses						
Total Current Investments	559,451,238.81	1%	344,600,038.97	62%	11,047,324.35	(8,028,262.27)
NON-CURRENT INVESTMENTS						
Non-current Financial assets						
<i>Available-for-Sale financial assets</i>						
- Marketable securities at FV	6,375,428,580.44	17%	6,973,075,354.91	-9%	189,234,184.42	167,791,485.45
<i>Held on Maturity Investments</i>						
- Government bonds	19,490,880,928.26		18,270,132,396.23	6.68%	426,005,506.21	354,171,982.63
- Corporate Bonds	2,944,500,000.00		2,544,500,000.00	15.72%	66,991,700.70	55,046,355.00
- Corporate notes	342,233,333.33		342,233,333.33	0%	12,058,877.67	13,079,946.48
Total	22,777,614,261.59	61%	21,156,865,729.56	7.66%	505,056,084.58	422,298,284.11
<i>Loans and Receivables</i>						

Members Loan						
- Salary/education/calamity	6,920,682,490.36		6,730,784,231.38	3%	184,204,555.19	200,316,888.84
- Separated member loan	13,341,024.60		23,540,635.25	-43%	17,931,618.33	32,932,866.78
- Emergency loan	203,287,489.16		223,855,059.27	-9.2%	21,195,383.14	33,828,538.85
- Student Assistance loan	4,662.11		10,260.31	-54.6%	19.53	-
- Loan to Voc/tech students	15,748.06		15,748.06	0.0%	-	-
Total	7,137,331,414.29	19%	6,978,205,934.27	2.3%	223,331,576.19	267,078,294.47
National Home Mortgage						
Finance Corporation	1,215,885,546.07	3%	1,224,413,412.21	-0.7%	2,254,008.33	2,071,097.29
Home Development Mutual Fund	-		-		-	-
Housing loans						
- Real Estate loan	137,993,000.26	0.4%	146,950,216.40	-6%	8,929,550.96	9,102,702.01
Commercial and Industrial loans						
- Hospital financing program	-		-		-	-
- Dormitory/apartment loan prog.	4,267,471.93		4,267,471.93	0%	13,260.78	9,791.15
Total	4,267,471.93	0.01%	4,267,471.93	0%	13,260.78	9,791.15
Total Loans and Receivables	8,495,477,432.55	22%	8,353,837,034.81	2%	234,528,396.26	278,261,884.92
Total Non-Current Investments	37,648,520,274.58	99%	36,483,778,119.28	3%	928,818,665.26	868,351,654.48
GRAND TOTAL	38,207,971,513.39	100%	36,828,378,158.25	4%	939,865,989.61	860,323,392.21
Return of Investment					2.46%	1.60%

*Data based on the unaudited FS submitted by the SSS.

E. EXPENDITURES

Particulars	SSS	% of Total	GSIS	% of Total	TOTAL	% of Total
Benefits Payments	840,158,783.00	92%	374,220,948.00	57%	1,214,379,731.00	77%
Operating Expenses	39,657,817.00	4%	265,204,783.00	40%	304,862,600.00	19%
Financial/Investment Expenses	589,942.00	0%	6,936.00	0%	596,878.00	0%
Non-cash expenses	29,264,208.00	3%	-		29,264,208.00	2%
Management fees	-	0%	20,863,975.00	3%	20,863,975.00	1%
Total	909,670,750.00	100%	660,296,642.00	100%	1,569,967,392.00	100%
		58%		42%		

*based on SSS and GSIS submitted reports

Total expenditures as of June 30, 2019 amounting to Php1.57 billion was incurred by the Systems for benefits payments, financial/investment expenses, operating expenses and management fee; fifty-eight percent (58%) or Php909.67 million by the SSS while forty-two percent (42%) or Php660.30 million by the GSIS.

SSS spent Php840.16 million for the payment of 126,444 EC benefits claims in the private sector. Operating expenses is at Php39.66 million. The Operating Expenses (PS and MOOE) is computed using the Benefit Payment Ratio formula re the percentage of the total ECC benefit payments over the combined SSS and ECC benefit payments from the total PS and MOOE of the entire SSS.

The **GSIS spent Php374.22 million for payment of 27,680 EC benefits claims in the public sector, and the Management fee charged by the GSIS to SIF amounts to Php20.86M** which is computed also using the Benefit Payment ratio. The GSIS adopted the Benefit Payment Ratio formula in the computation of its management fee since 2015.

F. EC BENEFITS CLAIMS AND PAYMENTS

The table below shows the breakdown of the number of claims and benefits payments made by the Systems from January to June, 2019:

Particulars	SSS		GSIS	
	NO. OF CLAIMS	AMOUNT	NO. OF CLAIMS	AMOUNT
DEATH AND PENSION	97,508	591,957,677.00	25,107	350,811,829.00
DISABILITY	12,000	124,935,338.00	943	4,560,468.43
SICKNESS	16,195	111,107,848.00	286	4,703,865.45
MEDICAL SERVICES	493	4,867,921.00	1241	12,176,249.14
FUNERAL BENEFITS	248	7,290,000.00	96	1,965,569.82
REHABILITATION SERVICES	0	-	7	2,966.00
TOTAL	126,444	840,158,784.00	27,680	374,220,947.84

Death and pension benefits comprised the highest share in the EC benefit payments made both by the SSS in the private sector and the GSIS (survivorship pension) in the public sector.

COMPARATIVE FINANCIAL POSITION AND PERFORMANCE:

	SSS		GSIS	
	As at June 30, 2019	At December 31, 2018	As at June 30, 2019	At December 31, 2018
ASSETS	40,091,501,411.00	38,416,905,489.00	25,153,243,640.00	21,756,184,264.00
LIABILITIES	9,342,740.00	9,375,955.00	92,792,305.00	148,118,756.00
RESERVES	40,082,158,671.00	38,407,529,534.00		
NETWORTH *	-	-	25,060,451,334.00	21,608,065,508.00

	SSS		GSIS	
	January to June, 2019	January to June, 2018	January to June, 2019	January to June, 2018
REVENUES	1,110,252,394.00	1,918,208,384.00	2,109,379,185.00	1,318,765,145.00
EXPENSES *	477,282,121.00	647,254,569.00	660,296,641.00	359,971,444.00
NET REVENUES	1,293,740,500.00	1,270,953,814.00	1,449,082,544.00	958,793,701.00
Total Comprehensive income	1,723,192,447.00	(86,901,101.00)	3,452,385,826.00	55,012,163.00

* GSIS - Networth –Surplus

- Surplus Appropriated			12,095,000,000.00	12,095,000,000.00
- Surplus Unappropriated			12,397,332,771.00	10,948,250,227.00
*GSIS- expenses inclusive of Management fee			20,863,975.00	7,263,882.00
*SSS -expenses inclusive of financial and non-cash expenses	29,854,150.00	23,490,498.00		
Other Comprehensive Income (Loss)	429,451,947.00	(1,357,854,916.00)	2,003,303,282.00	(903,781,537.00)

Submitted by:

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