



FINANCIAL STATUS STATE INSURANCE FUND As of December 31, 2018

A. ASSETS

	As at Dec. 31, 2018	% of Total	As at Dec. 31, 2017	% of Total	Peso Inc(dec)	% Inc(dec)
SSS	38,416,905,489.00	64%	37,616,923,572.00	62%	799,981,917.00	2%
GSIS	21,758,166,721.00	36%	22,582,109,882.00	38%	(823,943,161.00)	-4%
Total	60,175,072,210.00	100%	60,199,033,454.00	100%	(23,961,244.00)	0%

*Data based on the unaudited FS submitted by the SSS and the GSIS. GSIS at restated 2017 FS.

As of December 31, 2018, total assets of the State Insurance Fund (SIF) amounts to Php60.18B; sixty-four percent (64%) or Php38.42B under the Social Security System (SSS) while thirty-six percent (36%) or Php21.76B is under the Government Service Insurance System (GSIS). Assets have Php23.96 million decrease from December 31, 2017 to December 31, 2018.

B. RESERVES/NETWORTH

	As at Dec. 31, 2018	% of Total	As at Dec. 31, 2017	% of Total	Peso Inc(dec)	% Inc(dec)
SSS	38,407,529,334.00	64%	37,616,545,332.00	63%	790,984,002.00	2%
GSIS	21,610,047,966.00	36%	22,543,707,800.00	37%	(933,659,834.00)	-4%
Total	60,017,577,300.00	100%	60,160,253,132.00	100%	(142,675,832.00)	0%

*Data based on the unaudited FS submitted by the SSS and the GSIS. GSIS with restated 2017 balance.

*Reserves

** Net worth

Total Reserves for future payment of EC claims in both private and public sector amounts to Php60.02B which has Php141.68 million net decrease from December 31, 2017 to December 31, 2018.

As of December 31, 2018 total reserves of the SSS-managed SIF for future payment of EC claims in private sector amounted to Php38.41B. Total reserve is increased by Php790.98 million from December 31, 2017.

The GSIS SIF-managed fund total Net worth amounts to Php21.61B is broken down as follows:

Appropriated Surplus – ECIF	12,095,000,000.00
Unappropriated Surplus	10,981,456,207.00
Other Comprehensive Income Net unrealized losses on FVOCI Investment	(1,466,408,242.00)
Total Network	21,610,047,966.00

From Php24.66B in December 31, 2017 to Php23.25B as of September 30, 2018, the GSIS-ECIF total Net worth has decreased by Php1.41 billion.

From the GSIS ECIF Net worth of Php21.61B balance as of December 31, 2018, 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

C. REVENUE

Table C-1 Revenue Collected from January to December 31, 2018

Particulars	SSS	% of Total	GSIS (Restated)	% of Total	TOTAL	% of Total
Members Contribution	2,251,166,114.00	56%	2,592,801,492.00	80%	4,843,967,606.00	67%
Investment and Other Income	1,761,686,603.00	44%	629,664,558.00	20%	2,391,351,161.00	33%
Total	4,012,852,717.00	100%	3,222,466,050.00	100%	7,235,318,767.00	100%

55.5%

44.5%

From January to December 31, 2018, **SIF generated total revenue of Php7.235B**: sixty-seven percent (67%) or Php4.84B came from the collection of members' contributions while thirty-three percent (33%) or Php2.39 billion from investment and other income.

Php4.012 billion or 56% of the total revenue came from the SSS while Php3.22 billion or 44% 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 December, 2017

Particulars	SSS	% of Total	GSIS	% of Total	TOTAL	% of Total
Members Contribution	2,107,491,325.00	50%	2,480,196,905.00	77%	4,587,688,230.00	62%
Investment and Other Income	2,107,175,104.00	50%	728,148,864.00	23%	2,835,323,968.00	38%
Total	4,214,666,429.00	100%	3,208,345,769.00	100%	7,423,012,198.00	100%

Table C-3 Comparative Net increase (decrease) in Revenues (December 31, 2018 and 2017)

Particulars	Ph Increase (Decrease) Members' Contributions	% Inc(dec)	Ph Increase (Decrease) Investment & Other Income	% Inc (dec)	TOTAL	% Inc (dec)
SSS	143,674,789.00	7%	(345,488,501.00)	-8%	(201,813,712.00)	-5%
GSIS	112,604,587.00	15%	(98,484,306.00)	-3%	14,120,281.00	0%
TOTAL	256,279,376.00	3%	(443,972,807.00)	-6%	(187,693,431.00)	-3%

Total Combined Revenue from January to December, 2018 has gone down by 3% or a net decrease of Php187.69 million compared to same period in 2017. *The total net increase in collection of members' contribution amounts to Php256.28 million while Investment and Other Income has a net decrease of 6% or Php443.97 million..*

Total SSS revenue from January to December, 2018 has **gone down by 5% or Php201.81 million**. However, the total GSIS revenue has **gone up by Php14.12 M** compared to the same period in 2017.

D. INVESTMENT

I. Investment and Investment Income of Public Sector SIF

As at December 31, 2018, the **Government Service Insurance System (GSIS)** has a total investment amounting to Php19.66B with an investment income of Php629.46 million. Investment has increased by 7% or Php1.318 billion from the Php18.34B investment total at the end of 2017.

The table below shows the comparative details of investment as at December 31, 2018 and 2017:

Particulars	Jan. to Dec. 2018	Jan. to Dec. 2017	Ph Inc (dec)	% Inc (dec)
CURRENT INVESTMENT				
Held to Maturity Investment				
High Yield Short-term placement	365,957,576.00	727,683,853.00	(361,726,277.00)	-50%
NON-CURRENT INVESTMENT				
Fair Value Through Profit or Loss (FVPL)				
ROP Notes & Bonds AFS-Peso	11,924,000,085.00	11,024,396,000.00	899,604,085.00	8%
Corporate Bonds	4,159,703,914.00	3,095,599,962.00	1,064,103,952.00	100%
Stocks Traded	3,210,911,267.00	3,494,368,934.00	(283,457,667.00)	100%
Total Non-current Investments	19,294,615,266.00	17,614,364,896.00	1,680,250,370.00	10%
TOTAL INVESTMENT	19,660,572,842.00	18,342,048,749.00	1,318,524,093.00	7%
Return of Investment	3.20%	3.97%		

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

Of the total investment as at December 31, 2018, 98% or Php19.29B is placed under non-current investment particularly in ROP Notes, Corporate Bonds and Stocks Traded while Php365.96 million is placed under the High Yield Short-term Placement. Return on Investment (ROI) is at 3.20%.

The table below shows the **comparative details of the investment income** from January to December 31, 2018 and 2017.

PARTICULARS	Jan. to Dec. 2018	Jan. to Dec. 2017	Ph Inc (dec)	% Inc (dec)
CURRENT INVESTMENT				
Held to Maturity Investment				
High Yield Short-term placement	14,983,050.00	6,700,937.00	8,282,113.00	124%
NON-CURRENT INVESTMENT				
Available for Sale Financial Assets				
Gain (Loss) on Valuation - Stocks	(332,014,643.00)	478,387,557.00	(810,402,200.00)	-169%
Gain (Loss) on Valuation - ROP Notes	-	(476,479,658.00)	476,479,658.00	-100%
Gain (Loss) on Valuation - Corporate Bonds	-	(10,068,709.00)	10,068,709.00	-100%
Gain on Sale of Stocks	65,210.00	5,785,924.00	(5,720,714.00)	-99%
Dividend on Stocks	63,125,526.00	47,893,632.00	15,231,894.00	32%
Gain (Loss) on Derecognition of Bonds-FVOCI	(9,625,983.00)	-	(9,625,983.00)	100%
Interest on ROP Notes & Bonds AFS- Peso	692,187,274.00	529,699,502.00	162,487,772.00	31%
Gain(Loss) on Sale of Bonds	-	(212,192.00)	212,192.00	-100%
Interest on Corporate Bonds - AFS	200,739,686.00	146,416,610.00	54,323,076.00	37%
Total Investment Income	629,460,120.00	728,123,603.00	(98,663,483.00)	-14%
	3.20%	3.97%		

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

The January to December 2018 investment income is Php629.46 million or 14% lower compared to the P728.12 million investment income earned during same period in 2017.

II. Investment of Private Sector SIF

As at December 31, 2018, total investment of Private Sector SIF amounts to Ph36.83B. Investment is increased by 7% or Php2.27 billion from the Php34.56B amount of investment at the end of December, 2017. Total Investment Income from January to December 31, 2018 amounts to Php1.67 billion. Investment Income has 17% or Php345.49 million decrease from Ph2.026 billion investment Income in the same period in 2017. Return on Investment (ROI) is at 4.54%.

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 Ph21.16 billion comprised the highest rate (58%) of its investment under the Non-current Investment and generates total investment income in the amount of Php891.63 million from January to December, 2018. Total investment in Members' Loan in the amount of Php6.98 billion comprised the highest rate (19%) of the investment under loans and receivables and contributed Php519.67 million investment income.

Cash Equivalent and Interest Income

From January to December, 2018, the SIF at SSS has a total Cash and Cash Equivalent of Php1.154 billion which is placed under a savings and term deposits. Such cash and cash equivalent generates a total interest income of Php47.44M.

Investment and other Income

Investment and other Income from January to December, 2018 amounts to Php1.76 billion is broken down as follows:

Particulars	AMOUNT
Investment Income	1,672,804,910.71
Other Income	
Interest Income –Cash in Bank/term deposits	47,438,193.36
Miscellaneous Income	3,224,042.48
Recovery of impairment loss	1,199,597.62
Total Investment and Other Income	1,365,217,944.77

INVESTMENT AND INVESTMENT INCOME OF THE PRIVATE SECTOR SIF

Particulars	INVESTMENT January to Dec. 2018	% of total	INVESTMENT Jan to Dec. 2017	INVESTMENT	Income from Investment Jan. to Dec. 2018	Income from Investment Jan. to Dec. 2017
				% Inc. /-Dec		
CURRENT INVESTMENT						
Held to Maturity investments						
-Short term money placement -Int.					-	-
-Government Bonds	49,885,348.10		225,000,000.00			
-Corporate Notes	24,162,052.50		-			
Financial Assets at FVTPL						
Equity Securities	270,552,638.37				-	-
Dividend Income	-				3,095,777.56	180,976.25
Gain/(Loss) on fair value adjustment	-				(13,258,168.42)	1,772,712.25
Gain/(Loss) on sale/disposal	-				19,855,531.15	7,937,253.71
Investment Expenses	-				(1,207,865.28)	(456,396.62)
Total Current Investments	344,600,038.97	1%	225,000,000.00	53%	8,485,275.01	9,434,545.59
NON-CURRENT INVESTMENTS						
Non-current Financial assets						
<i>Available-for-Sale financial assets</i>						
- MS at FV Dividend Income	6,973,075,354.91	19%	7,025,300,459.44	-1%	253,561,756.75	728,080,053.14
<i>Held on Maturity Investments</i>						
- Government bonds	18,270,132,396.23		16,511,341,179.86	10.65%	749,606,047.06	650,616,063.66
- Corporate Bonds	2,544,500,000.00		2,182,000,000.00	16.61%	117,703,845.20	107,325,243.93
- Corporate notes	342,233,333.33		387,500,000.00	-12%	24,319,268.54	36,414,956.95
Total	21,156,865,729.56	58%	19,080,841,179.86	10.88%	891,629,160.80	794,356,264.54

<i>Loans and Receivables</i>						
Members Loan						
- Salary/education/calamity	6,730,784,231.38		6,560,586,244.22	3%	378,200,985.22	335,694,820.36
- Separated member loan	23,540,635.25		19,645,213.60	20%	72,862,419.55	144,121,708.89
- Emergency loan	223,855,059.27		237,231,147.04	-5.6%	68,453,658.78	89,375,088.83
- Student Assistance loan	10,260.31		4,515.69	127.2%	153,431.85	632.86
- Loan to Voc/tech students	15,748.06		15,748.06	0.0%	-	184.51
Total	6,978,205,934.27	19%	6,817,482,868.61	2.4%	519,670,495.40	569,192,435.45
National Home Mortgage						
Finance Corporation	1,224,413,412.21	3%	1,262,991,156.44	-3.1%	(20,547,172.78)	(11,775,602.54)
Home Development Mutual Fund	-		-			-
Housing loans						
- Real Estate loan	146,950,216.40	0.4%	143,751,859.08	2%	19,985,736.73	(62,697,258.29)
Commercial and Industrial loans						
- Hospital financing program	-		-		-	-
- Dormitory/apartment loan prog.	4,267,471.93		4,267,471.93	0%	19,658.80	19,965.44
Total	4,267,471.93	0.01%	4,267,471.93	0%	19,658.80	19,965.44
Total Loans and Receivables	8,353,837,034.81	23%	8,228,493,356.06	2%	519,128,718.15	494,739,540.06
Total Non-Current Investments	36,483,778,119.28	99%	34,334,634,995.36	6%	1,664,319,635.70	2,017,175,857.74
GRAND TOTAL	36,828,378,158.25	100%	34,559,634,995.36	7%	1,672,804,910.71	2,026,610,403.33
Return of Investment					4.54%	3.33%

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

E. EXPENDITURES

Particulars	SSS	% of Total	GSIS	% of Total	TOTAL	% of Total
Benefits Payments	1,721,808,772.00	90%	434,964,497.00	17%	2,156,773,269.00	48%
PS and MOOE	94,106,463.00	5%	-		94,106,463.00	2%
Financial Expenses	2,058,105.00	0%	80,547.00	0%	2,138,652.00	0%
Non-Cash Expenses	85,283,797.00	4%	2,119,735,732.00	81%	2,205,019,529.00	49%
Management fees	-		58,872,232.00	2%	58,872,232.00	1%
Total	1,903,257,137.00	100%	2,613,653,008.00	100%	4,516,910,145.00	100%

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

Total expenditures as of December 31, 2018 amounting to Php4.52billion was incurred by the Systems for benefits payments, financial expenses, operating expenses and management fee; forty-two percent (42%) or Php1.90 billion by the SSS while fifty-eight percent (58%) or Php2,613.65 billion by the GSIS.

SSS spent Php1.721 billion for the payment of 262,383 EC benefits claims in the private sector and Php94.11 million for its operating expenses. The Operating Expenses 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 Php434.96 million for payment of 41,948 EC benefits claims in the public sector and Management fee charged by the GSIS to SIF amounts to Php58.87M** 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 December, 2018:

Particulars	SSS		GSIS	
	NO. OF CLAIMS	AMOUNT	NO. OF CLAIMS	AMOUNT
DEATH AND PENSION	206,031	1,338,298,524.00	36,759	383,013,653.00
DISABILITY	22,589	216,348,441.00	1,671	12,178,609.00
SICKNESS	31,994	140,132,250.00	823	13,920,697.00
MEDICAL SERVICES	988	10,830,855.00	2,446	20,644,554.00
FUNERAL BENEFITS	573	15,240,000.00	226	5,174,903.00
REHABILITATION SERVICES	208	958,702.00	23	32,081.00
TOTAL	262,383	1,721,808,772.00	41,948	434,964,497.00

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.

G. LOADING FUND

Particulars	SSS	GSIS	TOTAL
Members Contribution	2,251,166,114.00	2,592,801,492.00	4,843,967,606.00
Investment Income	1,672,804,910.71	629,460,120.00	2,302,265,030.71
Total	3,923,971,024.71	3,222,261,612.00	7,146,232,636.71
12% Loading Fund Ceiling	470,876,522.97	386,671,393.44	857,547,916.41

The allowable 12% ceiling of loading fund to be used by the GSIS, SSS, ECC and OSHC for CY 2018 amounts to Php857.55 million. Only forty-nine percent (49%) of the loading fund or Php417.69 million is utilized for CY 2018.

OPERATING EXPENSES:

AGENCIES	SSS	GSIS	TOTAL
ECC*	66,459,245.30	28,482,533.70	94,941,779.00
OSHC*	118,841,100.00	50,931,900.00	169,773,000.00
GSIS - Management fee		58,872,232.00	58,872,232.00
SSS - PS and MOOE	94,106,463.00		94,106,463.00
TOTAL	279,406,808.30	138,286,665.70	417,693,474.00

* ECC and OSHC approved COB co-shared at 70:30 by the SSS and the GSIS

Note: Expenses incurred cover only the Management fee collected by the GSIS and the Operating expenses for Personnel Services and MOOE of the SSS.

COMPARATIVE FINANCIAL POSITION AND PERFORMANCE:

	SSS		GSIS	
	At December 31, 2018	At December 31, 2017 (restated)	At December 31, 2018	At December 31, 2017 (restated)
ASSETS	38,416,905,489.00	37,616,923,572.00	21,758,166,721.00	22,582,109,882.00
LIABILITIES	9,375,955.00	378,240.00	148,118,756.00	38,402,083.00
RESERVES	38,407,529,534.00	37,616,545,332.00		
NETWORTH *	-	-	21,610,047,966.00	22,543,707,800.00

	At December 31, 2018	At December 31, 2017 (restated)	At December 31, 2018	At December 31, 2017 (restated)
REVENUES	4,100,194,620.00	4,316,632,659.00	3,222,466,050.00	3,208,345,770.00
EXPENSES *	1,903,257,137.00	1,315,688,716.00	2,689,717,642.00	385,274,791.00
NET REVENUES	2,196,937,483.00	3,000,943,944.00	532,748,408.00	2,823,070,979.00
Total Comprehensive income	993,678,523.00	3,226,570,910.00	(933,659,834.00)	2,823,070,979.00

* GSIS - Networth -Surplus

- Surplus Appropriated		12,095,000,000.00	8,989,000,000.00
- Surplus Unappropriated		10,981,456,207.00	13,554,707,800.00

*GSIS- expenses inclusive of
Management fee

Other Comprehensive Income (Loss)	(1,203,258,960.00)	225,626,966.00	(1,466,408,242.00)	-
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April 3, 2019