

The research of conditions of insurance portfolio formation in the Russian practice

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Abstract

© Medwell Journals, 2016. The formation of effective insurance portfolio affects the company's financial sustainability. The study gives variants of portfolio formation algorithm which possess factors characterizing tendencies of developing various types of insurance. Extensive studies are performed by economists in the field of the formation of the most effective insurance portfolio. During the studies foreign specialists rely on long-term statistical surveys in connection with a long historical period of insurance market and foreign countries development. While Russian economists take into account the domestic market specific peculiarities which are characterized by poor insurance culture and household's disinterest about insurance coverage, due to the fact of small capacity of effective demand, thus, low quality of insurance service provision and also a short historical period of statistical surveys in consequence of non-durable historical period of Russian insurance market development.

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Keywords

Fee policy, Insurance premiums, Insurance portfolio, Loss ratio, Reinsurance policy and recruitment policy, Terms of insurance portfolio formation, Types of insurance, Underwriting