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Hong Kong/China Insurance | Asia Pacific

Monthly Datapack: Southbound and Long-Only Positions in Insurers in August

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Industry View **Attractive**

Key Takeaways

- PICC P&C and Ping An's LO positions declined in end-July and early Aug, after some rebound in July. China Life's LO positions stayed stable.
- AIA's LO positions slightly fell in July & Aug amid concerns on cross-border insurance taxation.
- Broad-based southbound outflows persisted in Aug, though outflows from some insurers moderated. Strong 1H26 results drove broad-based net inflows in early Sept.
- Strong 1H26 results and ongoing market rotation could support sector performance in Sept, although the high 3Q base remains a near-term overhang.

Southbound (SB): We saw continued broad-based outflows across our covered insurers in August.

- Notably, *PICC P&C*'s SB holdings fell 1.1ppts in Aug, after strong performance in July. *CPIC* and *China Life* saw outflows of 0.9ppt and 0.8ppt, respectively, marking the 3rd consecutive month of net SB outflows.
- *PICC Group* also saw a 0.8ppt decline in SB holdings after continuous inflows since April. While *NCI* and *CTIH*'s SB holdings have been declining since the beginning of this year, outflows narrowed to 0.4ppt and 0.2ppt, respectively, from 1.6ppts and 0.5ppt in the previous month.
- *AIA* and *Ping An* both recorded slight net inflows in Aug - SB holdings rose 0.2ppt and 0.1ppt, respectively.

Long-only (LO): positions in insurers slightly declined in July while most share prices were strong.

- *AIA* saw a small decline of 0.1ppts in LO positions to 2.6% at late-July amid some concerns on cross-border insurance taxation.
- LO positions in *Ping An* and *PICC P&C* declined 0.2ppt and 0.1ppt, respectively, to 2.7% and 0.8% at end-July, and Ping An's position reached a YTD low.
- China Life's LO positions stayed at 0.9%.

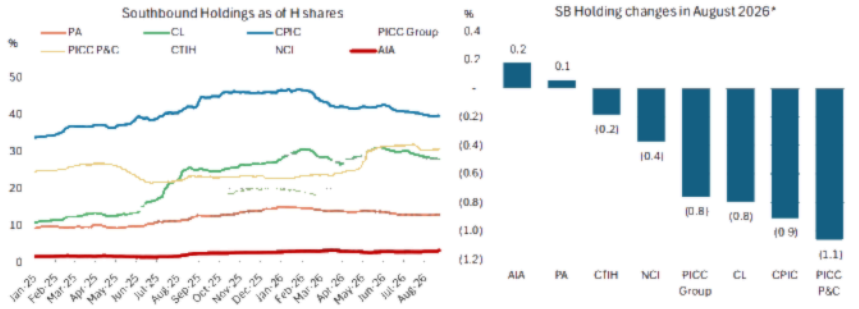
See our equity strategy team's report for details: China Equity Strategy: China/HK Flows and Positioning Monthly Tracker – August 2026 (6 Sep 2026)

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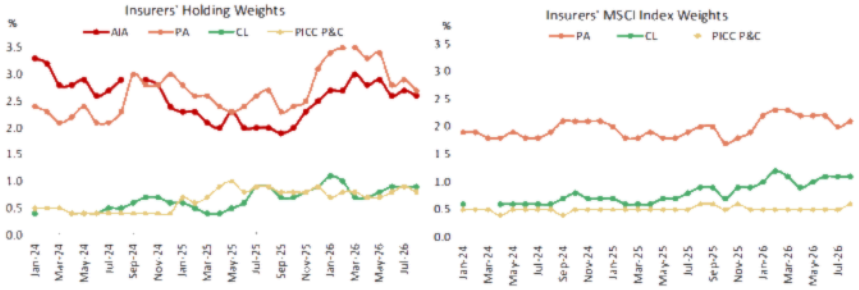
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Exhibit 1: Southbound holdings of H-share listed insurers and changes in August 2026



Source: Wind, Morgan Stanley Research. *Note: Changes between July 31 and August 31

Exhibit 2: H-share listed insurers' holdings among long-only EM and China active managers



Source: FactSet, MorningStar, EPFR, Morgan Stanley Research. Note: % are expressed as a share of overall CNE-s holdings. Data refreshed as of Aug 31, 2026, most funds have disclosed position data up to July 30