Empirical Economics Letters, 25 (10): (October 2026), pp. 73-79 *ISSN 1681 8997*
https://doi.org/10.5281/zenodo.23285322

The Investment Strategy of an Algerian Insurance Company under Financial Market Determinants: Evidence from the Société Nationale d'Assurance

Louiza Mehar[*]
Ecole Supérieure de Commerce (ESC), Algiers, Algeria

Abstract: This paper examines how an Algerian insurance company, the Société Nationale d'Assurance (SAA), adapts its investment strategy to financial market determinants over 2012–2025. Using OLS regressions confirmed by Classical Factor Analysis Regression (CFAR), the study explains the share of government securities and of term deposits in SAA's portfolio by interest rates, inflation and GDP growth. Government securities dominate the portfolio, and their yield is the strongest driver of allocation, producing a clear substitution effect with term deposits. Inflation and growth affect the two instruments in opposite directions, revealing a strategy that is prudent yet adaptable.

Keywords: Insurance Company, Investment Strategy, Government Securities, Algeria, OLS Regression

JEL Classification Number: G22, O55

[*] Corresponding author. Email: l_mehar@esc-alger.dz.