



23 May 2024

04

Looking back: Life is back

11

The changing risk landscape

17

Looking ahead:
Defending its relevance

21

The next frontier: GenAI

Allianz Research

Transformative years ahead for the insurance sector

Allianz Global Insurance Report 2024

Executive Summary



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- The global insurance industry grew by an estimated +7.5% in 2023, clocking the fastest growth since 2006, the year before the Global Financial Crisis. In all, insurers worldwide collected EUR6.2trn in life (EUR2,620bn), p&c (EUR2,154bn) and health (EUR1,427bn) insurance premiums.
- Over the last three years, global premium income increased by a whopping EUR1.1trn or +21.5%. However, the robust development must be seen against the backdrop of high inflation. In real terms, therefore, the picture is becoming less impressive. Real premiums almost stagnated, advancing only by +0.7% since 2020.
- In contrast to 2022, when the global premium increase was primarily driven by the p&c segment, growth in 2023 was more balanced – with the life segment in the lead, accounting for 46.9% of the total increase (p&c: 32.7% and health: 20.4%). However, looking at the individual growth rates, all three segments recorded rather similar increases, with life at +8.4%, p&c at +7.1% and health at +6.6%.
- The recovery of the life segment – which grew at only +3.1% in 2022 – was mainly driven by Asia, the biggest life market in the world, with a global market share of 39.0%. At +14.9%, regional premium growth was way above the long-term average (CAGR 2013-2023: +5.2%). China, by far the biggest market in the region, accounting for almost every second euro written in life (w/o Japan), also returned to form, growing by +12.8%.
- The strong growth of the p&c segment (+7.0%) last year was driven by all regions around the globe. North America remained by far the largest market (global market share: 54.2%). With a projected plus of +7.1%, the increase in premium income was only a tad slower than in the previous record year (+7.5%).
- In contrast to many other industries where traditional markets are losing relevance vis-à-vis new, emerging markets, the global insurance industry is still dominated by the US. In fact, over the last decade, the US insurance market could even raise its global market share, from an already impressive 41.2% to a whopping 44.2%. However, other “old” markets like Western Europe (-6.7pps) and Japan (-2.7pps) behaved more or less as expected, losing market share, first and foremost to China, which could almost double its global share to 10.6%.
- In 2021, when inflation started to skyrocket, a wide gap opened between insurance and general inflation. During the acute phase of the cost-of-living crisis, buying insurance cover was one of the few things that remained affordable. However, since the beginning of 2023, prices for insurance products have risen noticeably. In September 2023, insurance inflation surpassed general inflation and has continued to do so as insurers try to restore their profitability. (Note that insurance inflation is a lagging indicator.)
- Global economic growth is expected to remain more or less the same, reaching +2.7% in 2024-25 after +2.8% in 2023. But the weights are shifting: The divergence in growth performance between the US and Europe is expected to narrow. Moreover, the unwinding of supply-chain disruptions, lower energy prices and less tight labor market should push inflation back or close to targets.

- Although headline figures signal a normalization, the world is changing rapidly. The competition between political systems in the US and China, coupled with the ambitions of assertive emerging economies seeking to enhance their global influence, is shaping a more fragmented and fragile global order. Moreover, significant transformations of old economic models will lead to growing divergence and fundamental uncertainty.
- As risks are rising worldwide, the limits of insurability are increasingly coming into focus. Preventive measures, new technologies and smart partnerships can shift the limits of insurability but they cannot remove risks entirely. Uninsurability should be respected as the pretense of insurability – by artificially low and not risk-adequate prices – leads to excessive risk exposure and ever higher loss amounts. The trade-offs between affordability and insurability – or more generally between our current and sustainable lifestyles – can still be solved, but the necessary compromises won't be pain-free or cost-free.
- Over the next decade, the global insurance market is expected to grow by an annual rate of +5.5%, i.e. more or less the same as in the previous decade. However, the weights of the three segments will shift. The p&c segment will grow by +4.7% per year, after +5.0% p.a. in the previous ten years, as the inflation-related price increases will peter out. The health segment, too, is expected to grow a little slower, but at +7.3% p.a., the increase remains elevated. In contrast, the life segment might grow by +5.1% p.a. (up from +3.5% p.a.), benefiting from higher interest rates. In all, the global premium pool is set to increase by almost EUR5trn.
- Most of this growth will be in the life segment (EUR1.887bn), with Asia (w/o Japan) remaining the growth engine for global life business (+7.3% p.a.). The region should account for half of absolute premium growth (EUR928bn), more than North America (EUR377bn) and Europe (EUR323bn) combined. While China (+7.7% p.a.) will still dominate the region in absolute terms, the true growth champion over the next decade is likely to be India (+13.6% p.a.).
- In the p&c segment, additional premiums will amount to EUR1.427bn by 2034. Despite decisively higher growth in Asia (w/o Japan: +7.1% p.a.) than in North America (+3.8% p.a.), in absolute terms, the latter region will clearly dominate: EUR584bn additional premiums in North America vs EUR376bn in Asia (w/o Japan) and EUR184bn in Western Europe.
- The biggest challenge for the industry is defending its relevance against an ever more intrusive state. Triggered by the Covid-19 pandemic and the Russia's invasion of Ukraine, the clout of the state is on the rise as it is pressured to ensure external and internal security during the great transformation (geopolitics, climate, demography, technology). Nonetheless, increasing polarization and inequality threaten to undermine the social fabric. How to navigate these challenges, maintaining its social relevance as a force for equality and inclusivity, is the central task of the insurance industry in the coming years.
- Artificial Intelligence (AI) stands to disrupt industries on fundamental levels – from business models to value chain. However, few industries rely on AI's foundation – data – as profoundly as the insurance industry, making AI mastery a key competitive differentiator in the future. In the past, the insurance industry was not exactly at the forefront of productivity growth. The adoption of GenAI has the potential to leapfrog stages of cost savings and efficiency gains.



Looking back: Life is back

The global insurance industry grew by an estimated +7.5% in 2023, clocking the fastest growth since 2006, the year before the Global Financial Crisis (GFC). The average growth rate of the past decade was +4.9% (CAGR¹ 2013-2023). In all, insurers worldwide collected more than EUR6trn in life, p&c and health insurance premiums. The life segment remained the largest (EUR2,620bn), followed by p&c (EUR2,154bn) and health (EUR1,427bn).

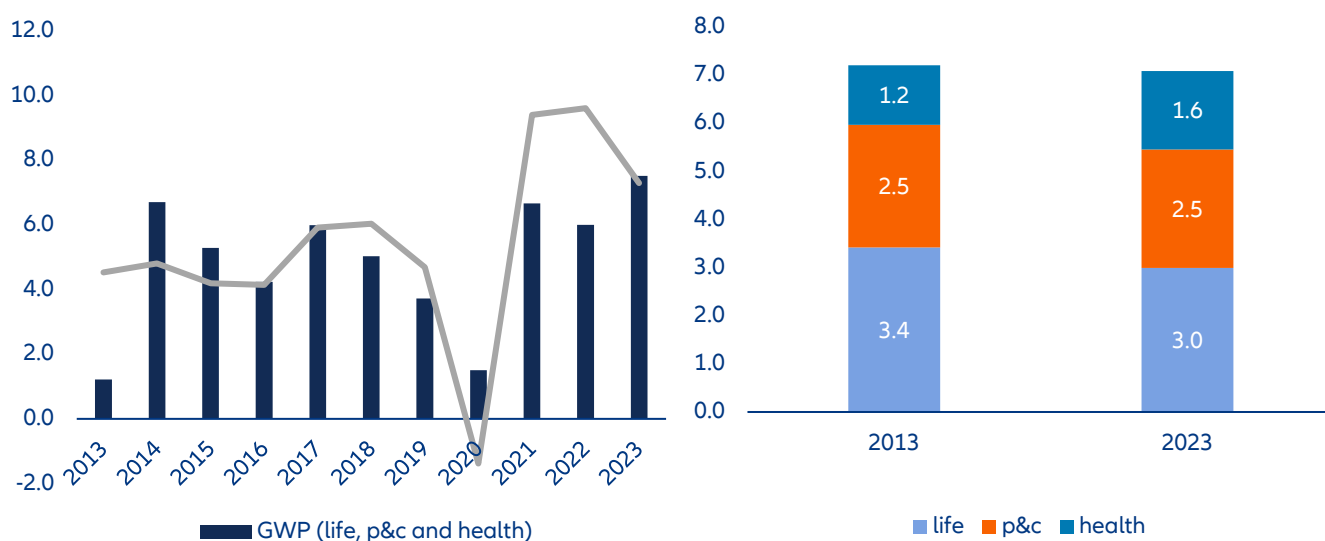
Over the last three years, global premium income increased by a whopping EUR1.1trn or +21.5%. However, the robust development must be seen against the backdrop of high inflation. In real terms, therefore, the picture is becoming less impressive. Real premiums almost stagnated, advancing only by +0.7% since 2020. Therefore,

insurance penetration (premiums as a percentage of GDP) did not move much but remained at 7.1% – which is pretty much the same level as ten years before. The continuation, however, conceals huge differences between the segments: While health insurance increased in relevance over the last decade (albeit from a low level) and p&c managed to defend its turf (not surprisingly as many p&c insurance products are mandatory), life insurance dropped quite significantly: the life industry still has to recover from the era of ultra-low interest rates (Figure 1). Looking further back, the dramatic loss in relevance becomes even clearer: Just before the GFC, in 2006, global penetration in the life segment peaked at 4.3% – 1.3pp above the 2023 level.

¹ Compound Annual Growth Rate.

Figure 1: Growing in lockstep

Global gross written premiums* and nominal GDP growth* (y/y, in %) and global gross written premiums* as % of GDP by segments



*The conversion into EUR is based on 2023 exchange rates.

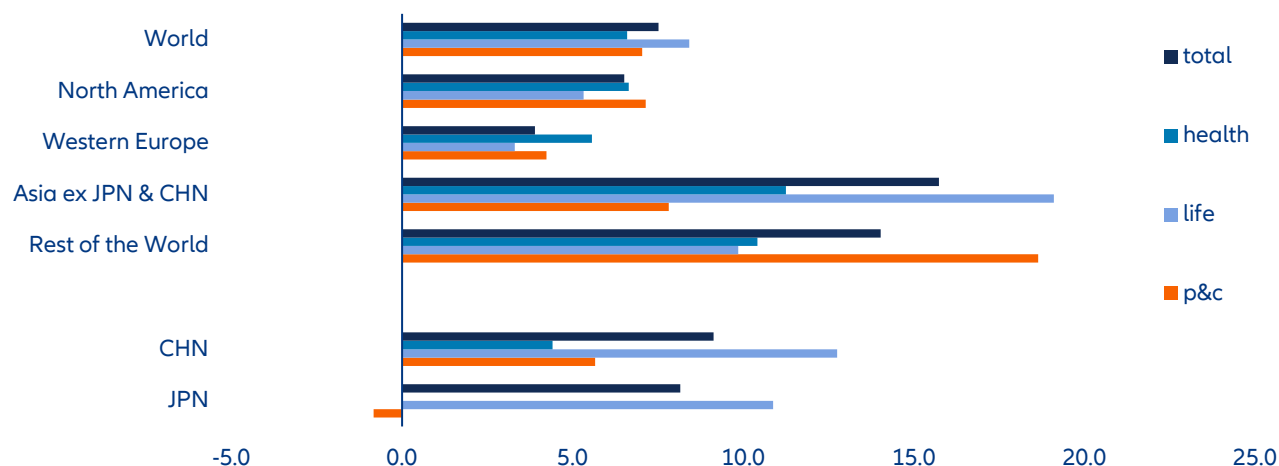
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

Figure 2 depicts the growth dynamic in 2023 by regions and lines of business. In contrast to 2022, when the global premium increase was primarily driven by the p&c segment, growth in 2023 was more balanced – with the life segment in the lead, accounting for 46.9% of the total

increase (p&c: 32.7% and health: 20.4%). However, looking at the individual growth rates, all three segments recorded rather similar increases, with life at +8.4%, p&c at +7.1% and health at +6.6%.

Figure 2: Balanced growth

Gross written premium growth*, 2023 by region in %



*The conversion into EUR is based on 2023 exchange rates. Japan: Health is part of life (third sector products).

Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

The recovery of the life segment – which grew at only +3.1% in 2022 – was mainly driven by Asia, the biggest life market in the world, even without Japan. At the end of last year, the region's life insurance market stood at an estimated EUR1,023bn, corresponding to a global market share of 39.0% (without Japan: EUR786bn or 30.0%). At +14.9%, regional premium growth was way above the long-term average (CAGR 2013-2023: +5.2%).² However, no uniform pattern was discernible at the country level as some markets like Singapore or Taiwan continued to shrink. But China, by far the biggest market in the region, accounting for almost every second euro written in life (w/o Japan), returned to form, growing by +12.8%. At least in life insurance, the country has left behind the pandemic-related crisis years. Japan continued its run in life with growth of +10.9%, driven by so-called “third sector” products, which are health policies sold by life insurers and benefited from the elevated demand for health protection in the aftermath of Covid-19.

The second biggest life market is Western Europe, with a combined premium pool of EUR775bn in 2023 (global market share: 29.6%). After 2022, when the market shrank by -2.3%, the region returned to positive growth: at +3.3%, it was clearly above the long-term average (CAGR 2013-2023: +2.0%). But not all markets did well in 2023: Heavyweights like Germany (-3.9%) and Italy (-3.9% in the first nine months) continued to shrink, albeit less dramatically than in 2022; the high shares of single premium or unit-linked products still hurt. On the other hand, growth returned to many markets like France, the Netherlands or Sweden. The most astonishing development, however, could be seen in Spain, where the life market powered ahead at +36.3%; it is now the fifth largest market in the region, after the UK, France, Italy and Germany.

North America is the third biggest life market (EUR710bn or 27.1%). In 2023, growth moderated considerably, from +9.3% (2022) to an estimated +5.3% – which is still well above the long-term average (CAGR 2013-2023: +2.9%). All other insurance markets (rest of the world, global market share of 4.3%) saw a noticeable acceleration of growth (+9.9% in 2023), mainly driven by Latin America (nearly +20%).

The strong growth of the p&c segment (+7.1%) last year was driven by all regions around the globe. North America remained by far the largest market. In 2023, the p&c market stood at an estimated EUR1,168bn (global market share: 54.2%). With a projected plus of +7.1%, the

increase in premium income was only a tad slower than in the previous record year (+7.5%). It goes without saying that the North American market is dominated by the US (regional market share: 95.1%).

According to our projections, insurers in Western Europe wrote 4.5% more p&c business in the region than in the previous year. In contrast to the global development, the pace of premium growth accelerated compared to the previous year (+3.5% in 2022) and was also well above the average annual growth during the past decade (CAGR 2013-2023: +2.7%). Premium growth in the continent's largest market, Germany (+6.8%), was clearly above the regional average, mainly driven by price increases. With the exception of the UK, all other markets clocked solid growth in 2023. Western Europe accounted for 19.4% of global premium volume at the end of 2023 (EUR418bn).

Asia's p&c insurance market is less dynamic and much smaller than its life market. Its global market share in 2023 was “only” 18.5%, corresponding to EUR399bn premium income (without Japan: EUR335bn or 15.5%). Growth decreased significantly from +7.7% in 2022 to +5.3% last year, falling below the long-term average (CAGR 2013-2023: +6.5%). Even without Japan – one of the few p&c markets worldwide that shrank in 2023 – growth was rather lackluster (for Asian standards) at +6.6%. The main reason is the Chinese market (regional market share w/o Japan: 55.6%), which grew by +5.7% in 2023; before the pandemic, double-digit growth was the norm.

All other insurance markets (rest of the world, global market share of 7.9%) recorded growth of almost +19% in the p&c segment (CAGR 2013-2023: +7.9%), driven by strong (largely inflation-related) increases in Eastern Europe (nearly +26%) and Latin America (around 20%).

In the health segment³, the US dominance is even more pronounced. Not only were the bulk of new premiums in 2023 written in the US but overall, too, the US market accounts for around two-thirds of all premium income worldwide. In many other markets, private health insurance is still a niche segment, albeit a quite dynamic one: global premium grew by 8% on average p.a. over the last decade. Last year's rather robust growth (+6.6%) can be seen as a normalization after record years in which Covid-19 fueled demand for additional health protection.

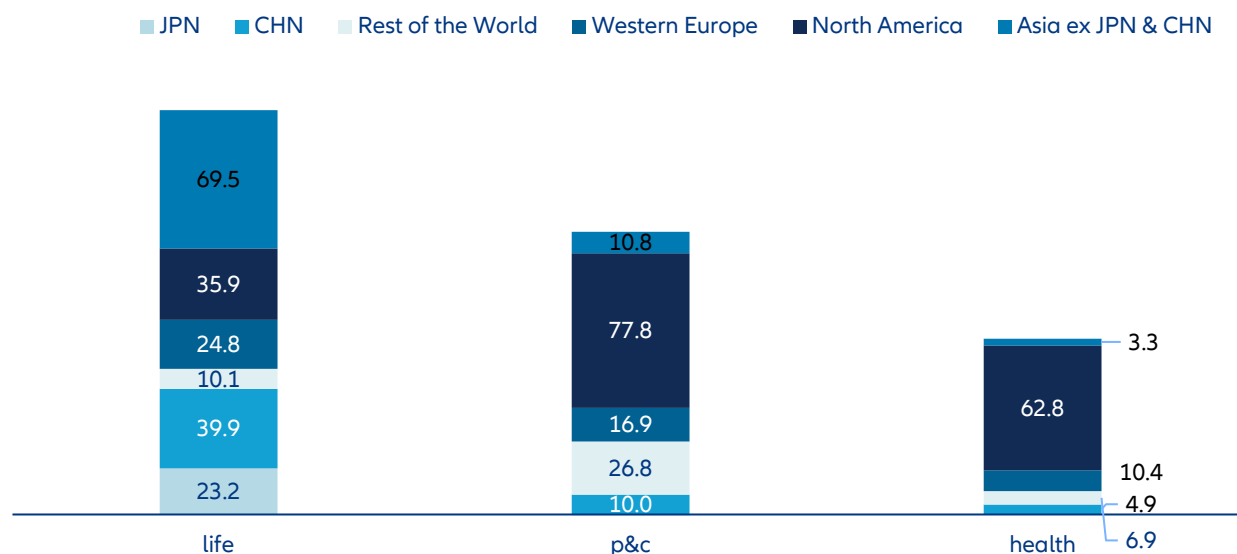
Overall, insurers wrote EUR433bn more in premiums in 2023 than in the previous year (life: +EUR203bn; p&c: +EUR142bn, health: +EUR88bn) (Figure 3).

² South Korea's life market posted a whopping increase of almost +70% due to accounting changes; without them, the market was set to shrink slightly in 2023.

³ In general, data visibility of health insurance premiums is still rather low. Often, health premiums are included in other segments as health coverage is seen as part of other products and not separately reported; in Japan, for instance, health is treated as “third sector products” within life.

Figure 3: Life is back

Absolute premium growth*, 2023 by region in EURbn



*The conversion into EUR is based on 2023 exchange rates. Japan: Health is part of life (third sector products).

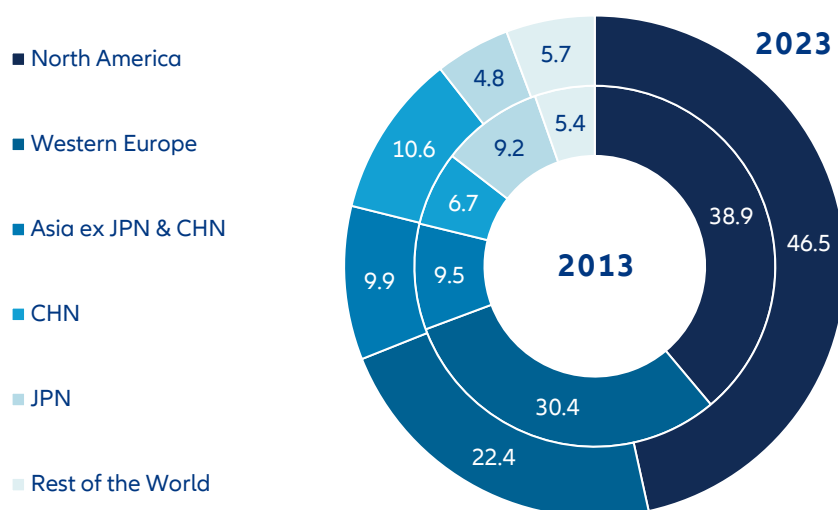
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

In contrast to many other industries where traditional markets are losing relevance vis-à-vis new, emerging markets, the global insurance industry is still dominated by the US. In fact, over the last decade, the US insurance market could even raise its global market share, from an already impressive 41.2% to whopping 44.2%. However, other “old” markets like Western Europe (-6.7pps) and

Japan (-2.7pps) behaved more or less as expected, losing market share, first and foremost to China, which could almost double its global share to 10.6%. However, the gap from the US market is still huge. It does not look like the US dominance in global insurance is about to end soon (Figure 4).

Figure 4: US dominance

Total gross written premiums*, 2013 and 2023 by region in %



*The conversion into EUR is based on 2023 exchange rates.

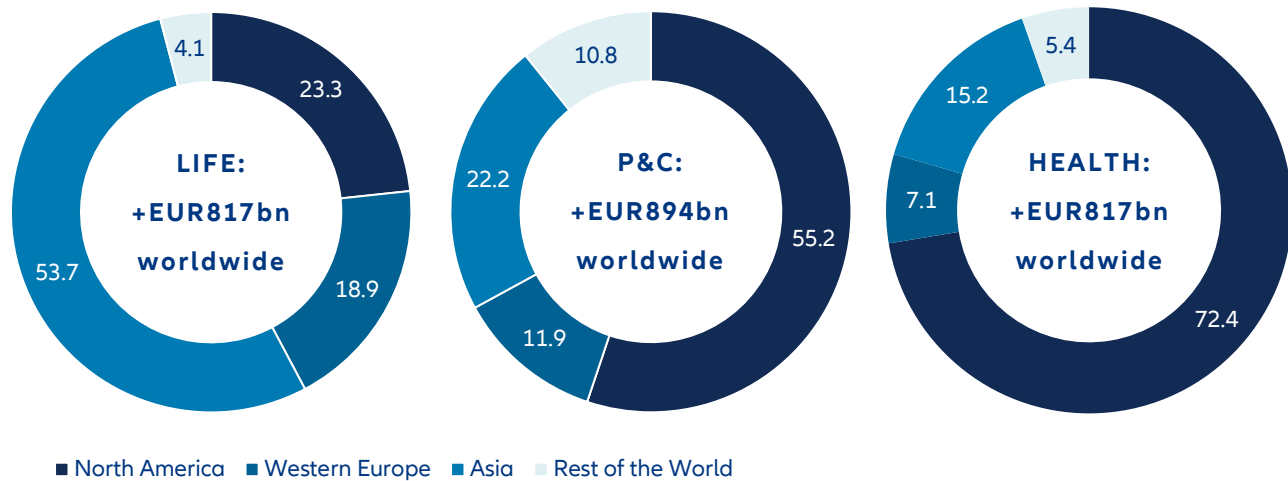
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

Looking at the three segments p&c, life and health the picture gets more nuanced. The US dominance is clear in p&c and particularly in health: in both segments, the US market accounted for roughly half and more than two-thirds, respectively, of the increase in global premium income over the last decade. In life, however, the share

is less than one quarter. Here, it is not the US market but Asia that commands by far the biggest slice of the cake. Western Europe, on the other hand, is losing significance in all three segments; it not only trails behind the US but also Asia (Figure 5).

Figure 5: The old continent trails behind

Share of absolute premium growth* by region, 2013 - 2023 in %



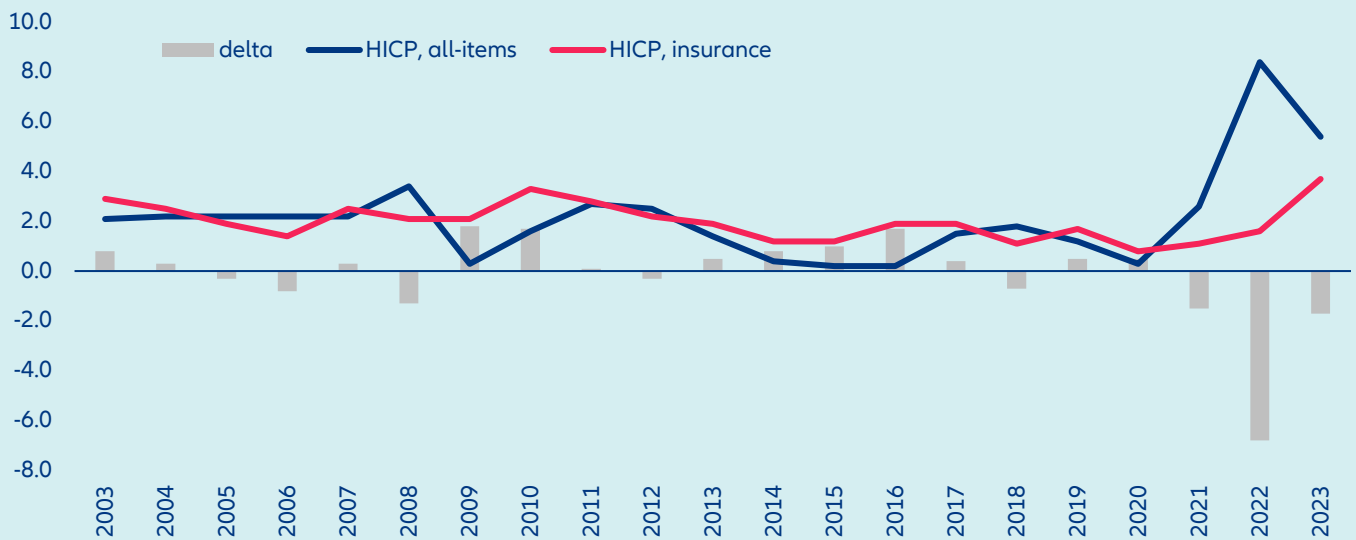
*The conversion into EUR is based on 2023 exchange rates.

Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

Lagging insurance inflation

Insurance underwriting is the art of predicting future price increases. Over the last two decades – when inflation was subdued – this was relatively easy, though not in all areas. Medical inflation, for example, created headaches for years as healthcare costs regularly rise faster than the general price level, thanks to medical progress. Another challenge was so-called “social inflation”, which is usually used to describe the phenomenon that compensation payments of all kinds have been set much more generously in recent years (especially in the US); this affects a number of insurance lines, e.g. MTPL or D&O. Especially in the latter, this can lead to premiums having to be (sharply) increased and limits reduced. But besides these specific segments, the long-term trend shows that the price increases in insurance moved more or less in sync with general price increases – and both were low (Figure 6).

Figure 6: Insurance vs overall inflation in the Eurozone 2003-2023, annual rate of change, in %



Sources: Eurostat, Allianz Research.

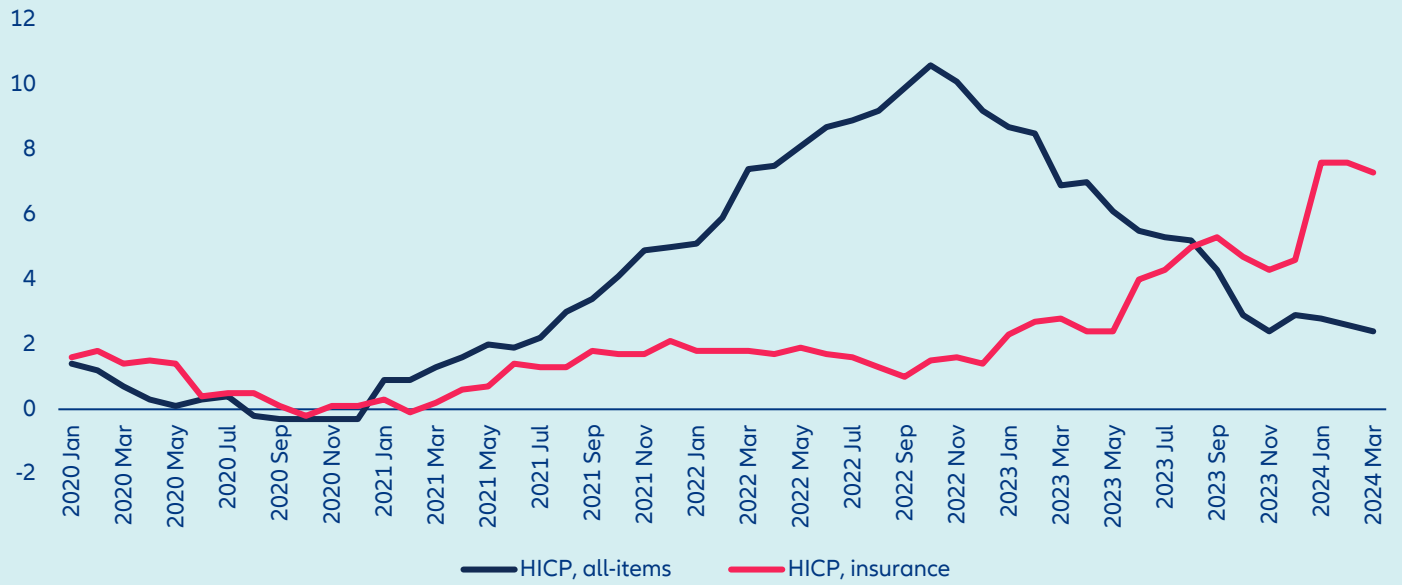
After years of deflationary risks, however, the situation changed in the summer of 2021. The global economy recovered surprisingly quickly from the Covid-19 shock and inflation in the Eurozone rose back above the 2% mark (keyword: supply-chain bottlenecks). Then, the situation worsened dramatically with Russia's invasion of Ukraine, which caused prices to skyrocket. The insurance industry was not the only one caught on the wrong foot. The rapid rise in prices surprised almost everyone, as Agustín Carstens, Managing Director of BIS, has rightly pointed out: "(...) Economic forecasts are often wrong. But the forecast misses in 2021 were unusually large."⁴ This means that premium planning will quickly become obsolete. The consequence is a widening gap between insurance and general inflation (Figure 7), and a significant deterioration in the combined ratio. In 2022, for example, EEA non-life insurers experienced a decline in underwriting profitability compared to 2021 as claims rose +11.3%, while premiums only saw an increase of +6.4%.⁵ The combined ratio in the German auto insurance reached 111% in 2023.

However, this situation won't last as insurers must restore their profitability in subsequent years. Premium increases are inevitable because in the long run, only a profitable insurance business can also offer lasting and reliable risk protection. But from the customer's point of view, one advantage remains: because inflation came as such a surprise, the adjustments will be made late(r). During the acute phase of the cost-of-living crisis, buying insurance cover was one of the few things that remained affordable. However, these lagging price adjustments can already be seen in the data: since the beginning of 2023, prices for insurance products have risen noticeably. The resulting annual increase of +3.7% in 2023 was more than twice as high as in 2022. Although it was still well below the annual average of the overall inflation rate (+5.5%), insurance inflation surpassed general inflation in September 2023 and has continued to do so since then. This lead is likely to last until profitability is restored, i.e. the combined ratio drops below 100 again.

⁴ "The return of inflation", speech by Agustín Carstens, Geneva, 5 April 2022.

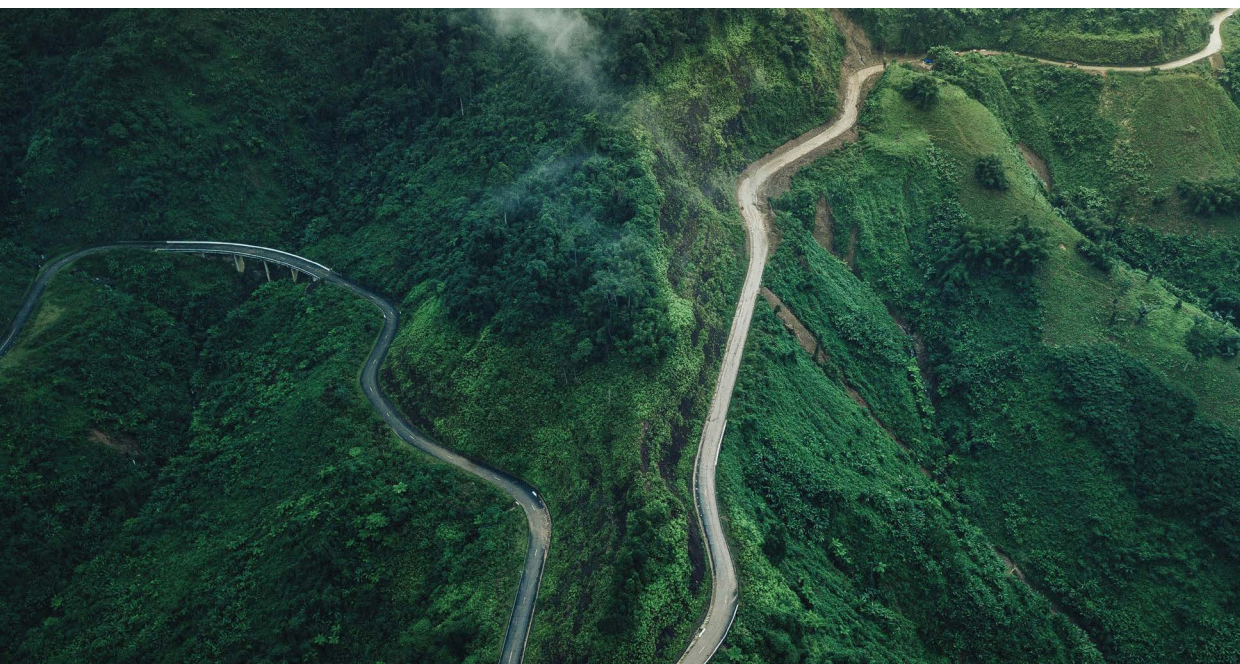
⁵ "Impact of Inflation on the Insurance Sector", EIOPA-BoS-23/360, 05 October 2023.

Figure 7: Insurance vs overall inflation in the Eurozone since January 2020, annual rate of change, in %



Sources: Eurostat, Allianz Research.





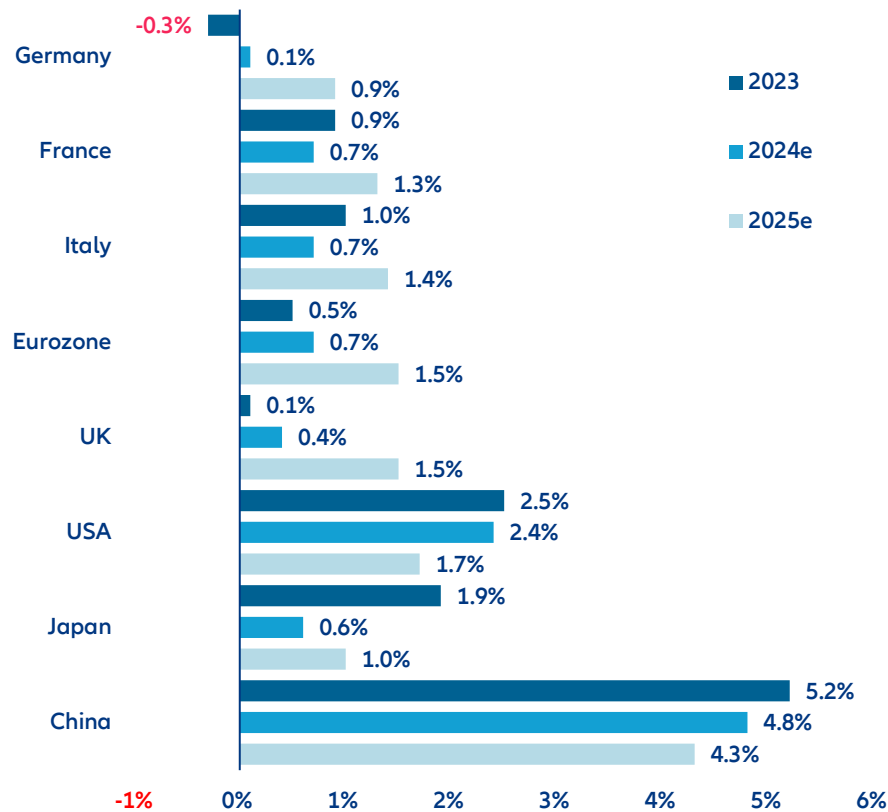
The changing risk landscape

Economic and capital market outlook

Global growth is expected to be more or less the same, reaching +2.7% in 2024-25 after +2.8% in 2023. But the weights are shifting: The divergence in growth performance between the US and Europe is expected to narrow starting in the second half of 2024. After barely growing since end-2022, the stage is set for growth in Europe to accelerate, thanks to better prospects for consumer confidence and external demand. In the US, however, the reduced support from fiscal policy compared to 2023 will be an increasing drag on growth (Figure 8).

Figure 8: Narrowing the transatlantic gap

Real economic growth in %



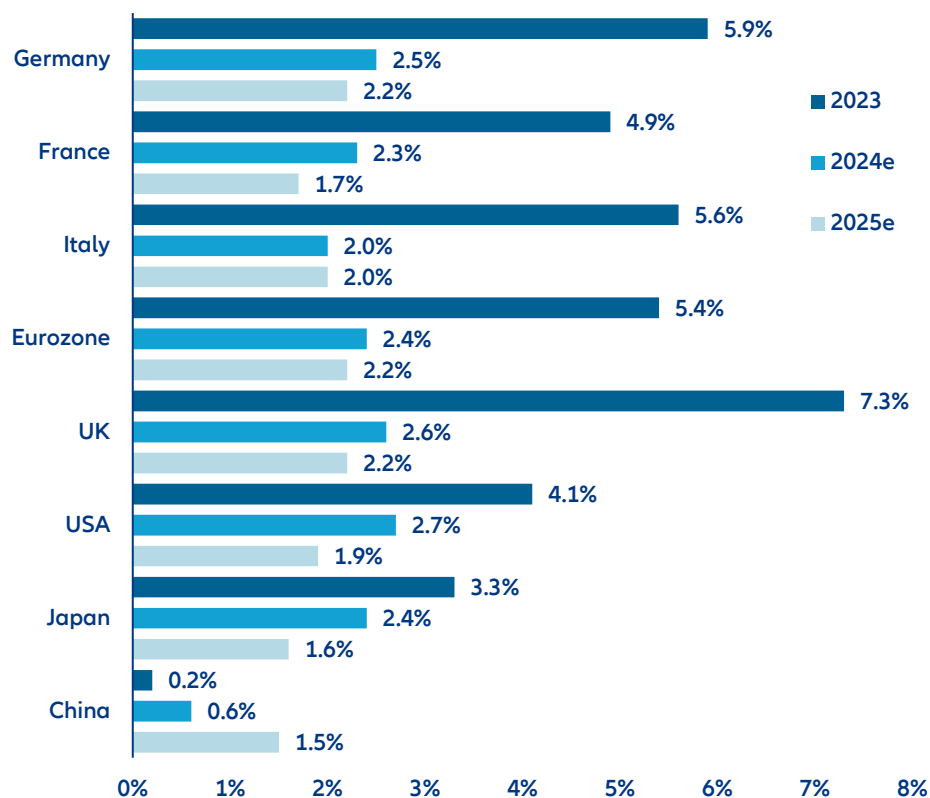
Source: Allianz Research.

The unwinding of supply-chain disruptions as well as lower commodity prices pushed down goods and food inflation over 2023. The decline in headline inflation has been more pronounced in the Eurozone than in the US, though: US CPI inflation has been stuck above 3% since June 2023, while in the Eurozone it fell below that threshold in October 2023. These contrasting inflation dynamics are mostly the reflection of much stronger domestic demand in the US than in Europe. However, services prices remain a concern as wage growth is still running high, though slowing down, while productivity growth remains dismal. In addition, labor shortages continue to put upward pressures on services prices.

But labor markets are likely to become less tight. In the US, the voluntary quit rate, which is one of the best gauges of labor market tightness, has dropped rapidly. This signals further wage deceleration this year. European labor markets are also loosening, with fewer companies reporting labor shortages as a constraint on production, according to the EC surveys. The job-worker gap, which is a measure of the labor market supply and demand imbalance, has continued to decline. In all, we expect headline inflation to hover below 2.5% by the summer in the Eurozone and the UK. In the US, we expect CPI inflation to break below 3% by year-end and PCE inflation (the Fed's targeted measure of inflation) to hover around 2.3%. In 2025, inflation will run at target again (Figure 9).

Figure 9: Back to target

Inflation rates in %



Source: Allianz Research.

Given this inflation outlook, both the Federal Reserve and the ECB will start cutting interest rates this year. However, there has been a clear shift in the order of the expected cuts. Just a few months ago, it seemed a foregone conclusion that the Fed would lead the way, as it had done with interest rate hikes. Now there is widespread agreement that the ECB will cut first. There are three reasons for this: the decline in inflation in the Eurozone is more linear than in the US; the European economy has been stagnating for over a year, while the US economy remains strong and the ECB's monetary policy is now more restrictive than that of the Fed for these reasons. Thus, the Fed might be able to afford to delay further rate reductions but the ECB cannot.

An earlier ECB rate cut, potentially preceding the Fed's action, may exert downward pressure on the euro and thereby raise imported inflation. Yet this effect seems likely to be negligible as the main driver of inflation remains domestic wage-driven service sector inflation. A slightly

weaker euro could instead be a welcome tailwind for the struggling European economy. Looking ahead, after cuts in July and September, a robust economic recovery in the latter half of the year while inflation is still not at the 2% target yet will likely see the ECB pause again in October and December before resuming in 2025 with additional rate reductions. This would also limit the pressure of an ongoing deterioration of the euro.

The expected monetary policy pivot will pull down the long end of the sovereign curve. Moreover, as the disinflation trend continues, inflation expectations, another key determinant of long-term yields, will also diminish. However, terminal rates expected by the end of 2025 will remain substantially higher than those seen in the past decade. Furthermore, an abundant supply of government bonds due to high fiscal deficits, alongside quantitative tightening that will persist even if central banks reduce their policy rates, will prevent yields from falling significantly from current levels. At the same time,

equities are expected to maintain positive performance owing to resilient earnings growth and upward valuation adjustments. In general, and given the current unstable equilibrium, we expect both fixed income and equities to be influenced by the most recent short- and long-term trends, including reflation, geopolitics, heightened defense expenditures, reshoring efforts, advancements in artificial intelligence and the transition towards a greener economy.

Though this outlook may signal some sort of normalization, this applies only to the headline figures. Behind the numbers, the world is changing rapidly. The global order is increasingly fragile and more volatile, posing risks for the entire world. The competition between political systems in the US and China, coupled with the ambitions of assertive emerging economies seeking to enhance their global influence, is shaping a more fragmented and multipolar world. Moreover, the global economy is undergoing significant transformations, challenging old economic models and revealing their unsustainability while viable alternatives are still evolving, which leads to growing divergence and fundamental uncertainty.

Heading towards an uninsurable world?

Risk is rising worldwide, be it caused by natural catastrophes, cyber-attacks, geopolitical fragmentation or economic uncertainty. Not surprisingly, protection gaps are also rising in absolute numbers, reaching a combined USD2.8trn in 2020.⁶ Given the trajectories of climate change, the numbers are set to increase further.

The consequences for individuals and businesses are profound. For individuals, health, income and assets are becoming less protected. For businesses, business continuity and physical assets are at stake.

Against this backdrop of political and economic volatility, the year 2024 will be pivotal due to major elections worldwide, including in the US, India, Mexico, the EU, South Africa and the UK. These elections will create a high level of uncertainty not only at the national level but also across the broader political and economic landscape, potentially exacerbating societal tensions. This risk is heightened by increased political polarization and democratic erosion. Mounting pressures on public finances are expected to intensify debates over spending priorities. Various policy needs will vie for limited budgetary resources amidst unpredictable shocks from geopolitical, financial, defense, health or climate-related events. Ongoing instability carries risks of new conflicts and spillovers from existing ones, as well as heightened migratory pressures and disruptions to trade and supply chains. The tone of the 2024 US presidential campaign and its potential outcome could pose risks to Western unity and alignment on foreign policy matters. Further deterioration in US-China relations could exacerbate the downside risks, particularly given vulnerable supply chains, shifting trade dynamics and resurgent industrial policies.

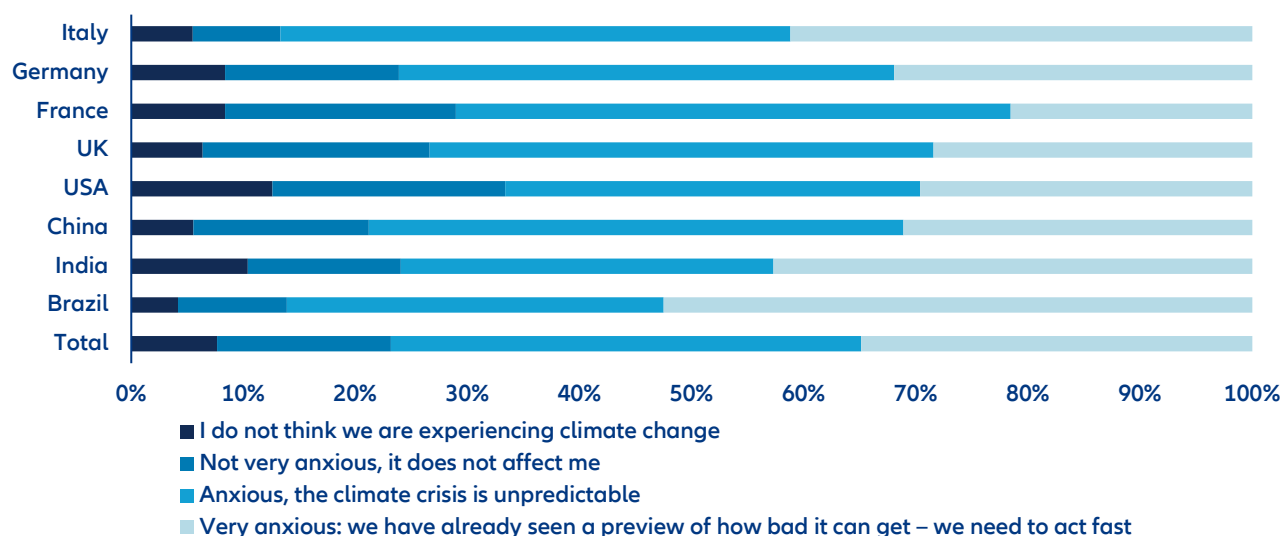
The climate crisis is a case in point. The large number of extreme weather events – from heatwaves and drought to storms and flooding – makes it clear that climate change is happening now and already has a fatal impact. Many people are worried about the climate crisis. Our latest survey⁷ on climate literacy confirms this: three-quarters of respondents stated that they were (very) anxious about climate change. In Italy and Brazil, the figure is even higher at more than 86%, whereas in the US it is “only” two-thirds of respondents (the proportion of “climate deniers” is also highest in the US, at 12%) (Figure 10).

⁶ See GFIA (2023), Global protection gaps and recommendations for bridging them.

⁷ [2023-11-29-climate-literacy-AZ.pdf \(allianz.com\)](#).

Figure 10: Climate angst

Are you personally worried about climate change and its consequences (heat waves, drought, rising sea levels, etc.)?
Answers in % by countries



Source: Allianz Research, [2023-11-29-climate-literacy-AZ.pdf \(allianz.com\)](#)

The sector that is feeling this intensely is the insurance industry: 2023 was the fourth year in a row in which insured costs from natural disasters worldwide exceed the USD100bn mark.⁸ The risk landscape has also undergone a significant transformation: traditional primary perils like earthquakes and tropical cyclones are no longer the predominant threats. Instead, secondary perils, including hail, floods, storms and wildfires – all of which have a discernible link to the changing climate – have taken center stage in the spectrum of hazards. At well over USD1,000bn, their cumulative costs since the beginning of the millennium are now significantly higher than those of primary perils – despite such super disasters as Hurricane Katharina in the US and the Tohoku earthquake in Japan.⁹

The problem is that people's climate angst and insurers' rising claims payments are not independent but meet at a neuralgic point: the question of adequate and affordable insurance cover. The decision of some US insurers to

withdraw from covering some vulnerable areas is a brutal wake-up call. According to a study by the Geneva Association¹⁰, well over 50% of respondents believe that it will be more difficult to obtain insurance coverage against natural hazards in the future; almost 20% of respondents in France, Germany and the US even fear that insurance cover could become impossible or far too expensive. Contrary to the widespread assumption that insurance is a far too complicated for most customers to understand, they are familiar with the basic logic: increasing losses inevitably lead to higher premiums.

There are no easy answers but three lines of defense can keep the situation manageable, the most important being risk-adequate premiums. At first glance, this seems counterintuitive – after all, it is the complete pricing of risks that can often make premiums "unaffordable". But without knowledge of the risks, there is no insurance. Non-disclosure of the actual risks through artificially low

⁸ See Swiss Re institute, sigma No 1/2024.

⁹ See AON (2023), Weather, Climate and Catastrophe Insight.

¹⁰ The Geneva Association (2023), The value of insurance in a changing landscape.

premiums is not insurance, but (hidden) transfers that create false incentives. And it is hard to think of a more anti-social benefit than subsidized insurance premiums for wealthy property owners.

How can we deal with risk-adequate premiums that might be too high to afford? It is relatively simple for new buildings and settlements: the price signal should be taken seriously and construction should be discouraged. The question is, of course, different for existing properties. Those residents should be helped not through low premiums but by compensatory social transfers according to need. As with the carbon price, the price signal should not be watered down, but social hardship should be cushioned. The prevailing tendency to restrict the price mechanism is fatal and does climate policy a disservice.

Consequently, prices that are too low lead to inadequate adaptation measures and the therefore transformation only makes sluggish progress. At the same time, many of those affected are angry because of the higher prices. This is precisely the policy that promotes “climate populism”: Rising costs without corresponding results. It would be wiser to allow prices to rise consistently with the risks and to help those affected just as consistently. This also has the positive side effect that it is not the property (through low insurance premiums) but the occupant (through social transfers) that is supported. The truth expressed by “unaffordable” insurance premiums is that living in this zone is not a reasonable risk; eventually, the only sustainable solution is resettlement.

The second line of defense is risk prevention, which aims to strengthen the resilience of buildings and infrastructure against natural disasters. This is easier to achieve for new buildings but requires a rethink in architecture: we can no longer build for eternity but require flexible, modular structures that can be rapidly repaired and renewed. The earthquake-stricken Japanese, with their swaying skyscrapers and the tradition of completely rebuilding their most important shrine, the Ise Shrine, every 20 years, can serve as a model. Even more important, however, is the consistent observance of risk zones: the best risk protection is reducing exposure and avoiding building in high-risk areas. Unfortunately, too little attention has been paid to this. The increase in losses from natural catastrophes is, therefore, only to a smaller extent due to their increasing number and severity; the main driver is the strong growth in assets in the affected areas. But improvements can and should also be made to existing buildings. The right incentives play a decisive role – with a

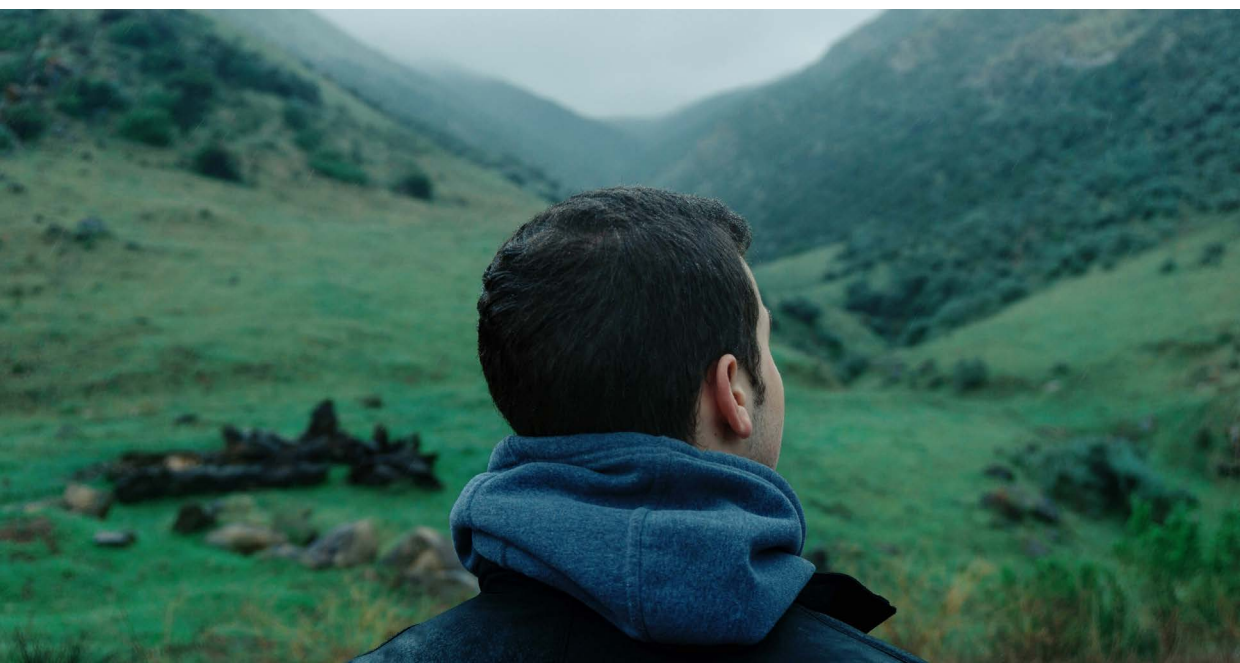
central role for the insurance premium. A reduction in risk through investment in resilience must be “rewarded” by a corresponding decrease in the premium.

Last but not least are public-private partnerships in which the state assumes the role of “re-insurer of last resort” and thus acts as a backstop in the event of a loss that exceeds the capacity of the insurance sector. This ensures that risks from natural disasters can continue to be insured. However, it is crucial that the involvement of the state should not extend to the actual insurance value chain – from product design and pricing to claims settlement.

Preventive measures, new technologies and smart partnerships can shift the limits of insurability – and these possibilities should be consistently utilized – but they cannot remove risk. Uninsurability should be respected, even if the consequences – from not building new homes to relocating – may be distressing. Even more painful is the alternative of dampening the price signal through subsidies to provide the pretense of insurability. The false incentives this creates lead to excessive risk exposure as development in high-risk areas is enabled. The result is ever higher loss amounts, which require ever higher subsidies: a vicious circle that will eventually collapse under its own weight, as we can already observe in some regions of the US.

The trade-offs between affordability and insurability – or, more generally, between our current and sustainable lifestyles – are becoming more challenging because we have long passed the point when a gradual and smooth economic transformation would have been possible. Rapid action and thorough behavioral change are needed to achieve the Paris goals and keep the rise in temperature at 1.5°C.

However, compromises can still be made to manage the transition: But they won’t be pain-free or cost-free. The life of every individual and business will be impacted. In the long run, the decarbonized economy will likely provide as much material prosperity as today’s fuel-based economy, and living conditions and circumstances should be significantly better. But during the transition, compromises must be found and sacrifices made. Ultimately, mastering the climate crisis is not a question of politics and money but of individual responsibility. An uninsurable world would be not only a world that failed to cope with climate change but also a metaphor for a collective ethical failure where each individual dodges their moral obligation to reduce carbon emissions.



Looking ahead: Defending its relevance

Over the next decade, the global insurance market is expected to grow by an annual rate of +5.5%, i.e. more or less the same as in the previous decade. However, the weights of the three segments will shift. The p&c segment will grow by +4.7% per year, after +5.0% p.a. in the previous ten years, as the inflation-related price increases will peter out. The health segment, too, is expected to grow a little slower – but at +7.3% p.a., the increase remains elevated. In contrast, the life segment might grow by +5.1% p.a. (up from +3.5% p.a.), benefiting from higher interest rates; the yield winter which depressed demand in the life business, is behind us. In all, the global premium pool is set to increase by almost EUR5trn (Figure 11).

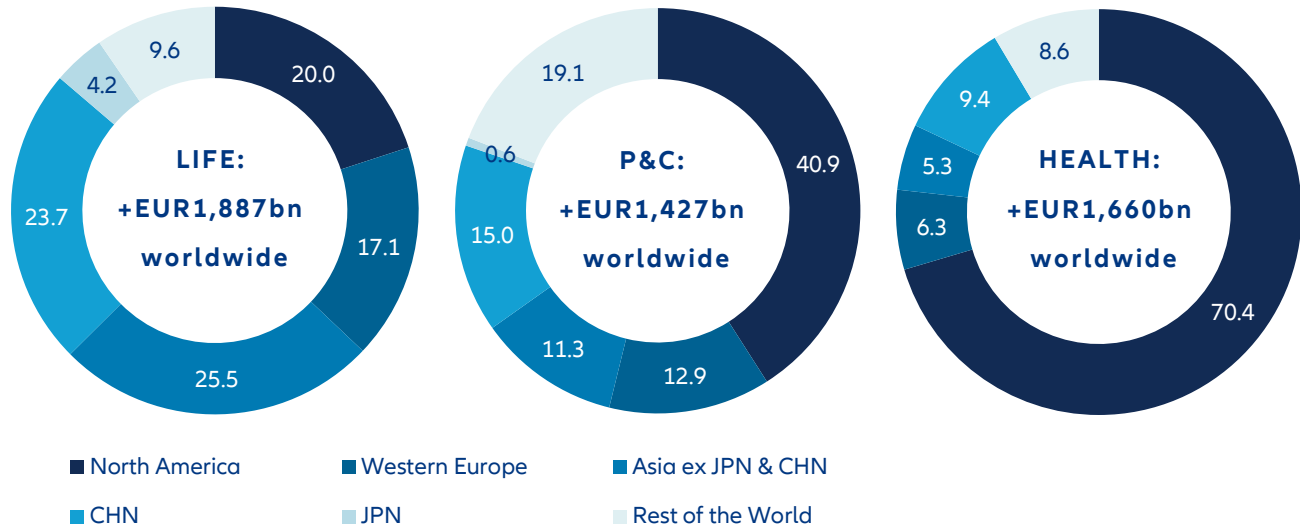
Most of this growth will be in the life segment (EUR1,887bn). Higher interest rates are positive for the life business as the industry's offerings are becoming more attractive as a result, especially for customers with a long-term focus. This should help, for example, Western Europe to return to robust growth of +3.2% p.a. on average; for North America we expect +3.9% p.a.. But Asia will remain the growth engine for global life business, with annual growth (Asia w/o Japan) expected at +7.3% p.a.. The region should account for almost exactly half of

absolute premium growth (EUR928bn), more than North America (EUR377bn) and Europe (EUR323bn) combined. While China (+7.7% p.a.) will still dominate the region in absolute terms, the true growth champion over the next decade is likely to be India (+13.6 p.a.). As a consequence, the Indian life market will overtake Japan as number two in the region; its premium pool will almost be half as big as China's. Today, it stands at just slightly above a quarter.

It goes without saying that this rather stable premium development conceals dramatic changes in the business model, driven by new technologies: Artificial Intelligence will change how the industry operates, from marketing to investment (see next chapter). Ecosystems – for example, around the topic of wealth – will play an increasing role in the future. But the biggest challenge for the industry lies elsewhere. Life insurance is an integral part of the social compact in most countries. However, increasing polarization and inequality, demographic change and migration pose major challenges, threatening to undermine the social fabric. How to navigate these challenges, maintaining its social relevance as a force for equality and inclusivity, is the central task of the life insurance industry in the coming years.

Figure 11: EUR5trn more

Share of additional gross written premiums* by 2034, by region in %



*The conversion into EUR is based on 2023 exchange rates.

Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

In the p&c segment, additional premiums will amount to EUR1,427bn by 2034. After the inflation surge, all regions will return to more normal growth patterns, ranging between +3.4% p.a. and +3.8% p.a. in Western Europe and North America, respectively, and +6.4% p.a. in Eastern Europe; the only exception is Latin America (+13.6% p.a.) where inflation might have a longer lasting impact. For Asia (excluding Japan), premium income is expected to grow at +7.1% p.a.. As in life, India (+11.6% p.a.) will outgrow China (+7.2% p.a.), although the gap will remain huge in absolute terms: even in 2034, the Chinese market is likely to be almost six times as big as the Indian one. Despite the higher regional growth, in absolute terms, the highest premium growth is expected in North America: EUR584bn vs EUR376bn in Asia (w/o Japan) and EUR184bn in Western Europe.

As in the life segment, new technologies like AI will have a tremendous impact on the business model, revolutionizing the entire value chain from underwriting to claims handling. But even more importantly, the green transformation will also change the bread-and-butter business of car insurance. Nothing less than a drastic change in mobility behaviors will be required to reach the 1.5°C target. This not only includes the switch from combustion engines to electric ones, but also less reliance

on individual mobility in general and new mobility services such as car sharing. Ecosystems are likely to offer comprehensive solutions for customer needs like mobility or travel. Furthermore, the advance of autonomous driving will change the customer interface, with an accompanying shift from retail to commercial, i.e. from B2C to B2B.

But as in life, the biggest challenge for the industry is defending its relevance against an ever more intrusive state. As said before, rising risks require more Public-Private-Partnerships (PPPs). But the design of these PPPs will be crucial: Will the state take the “back seat”, i.e., will it be a pure back-stop solution while the insurance market remains mostly private and competitive? Or will the state take the lead, also determining the parameters of insurance, from prices to deductions? In that case, the insurance market functions more like a utility market.

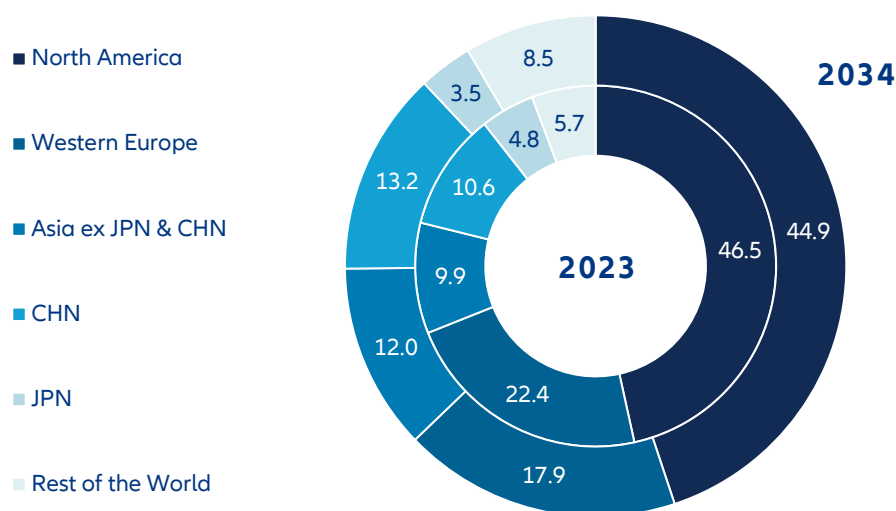
What can insurers do to avoid this kind of marginalization? They must broaden their value proposition: away from a simple product logic, fixated on financial compensation, towards comprehensive solutions for risk reduction and avoidance (risk consultant), steering customers’ adaption, mitigation and resilience measures.

In the health segment, additional premium income will amount to around EUR1,660bn over the next ten years.¹¹ Globally, the industry is expected to grow by +7.3%, well above the other segments, reflecting the backlog demand in many markets. As in the p&c segment, the bulk of new premiums will be still earned in the US.

As in the other two segments, far-reaching, technology-driven changes are expected in the health segment in the coming years, too. Ecosystems are already well established in many markets, first and foremost China. And prevention, too, is already the name of the game as incentives for healthier lifestyles abound. Although medical process is generally welcomed, treating more diseases successfully and saving lives, it also comes with new questions of cost and access: Inequality could become even more pronounced along the health fault line. The industry is challenged here to live up to its social role: It can only retain relevance if it places itself at the service of inclusivity and broad access to medical progress.

These developments in the individual segments will lead to shifts in the global insurance map, albeit not dramatic ones. North America will remain the largest insurance market, by a wide margin, with a global market share of almost 45%. While the rise of Asia (w/o Japan) is set to continue, gaining nearly 5pps in global market share, the role of Western Europe will be further diminished as its share is expected to drop below 18% (Figure 12). Figure 13 summarizes the expected development of the next ten years for the individual segments and regions.

Figure 12: North America as the undisputed number one
Total gross written premiums*, 2023 and 2034 by region in %



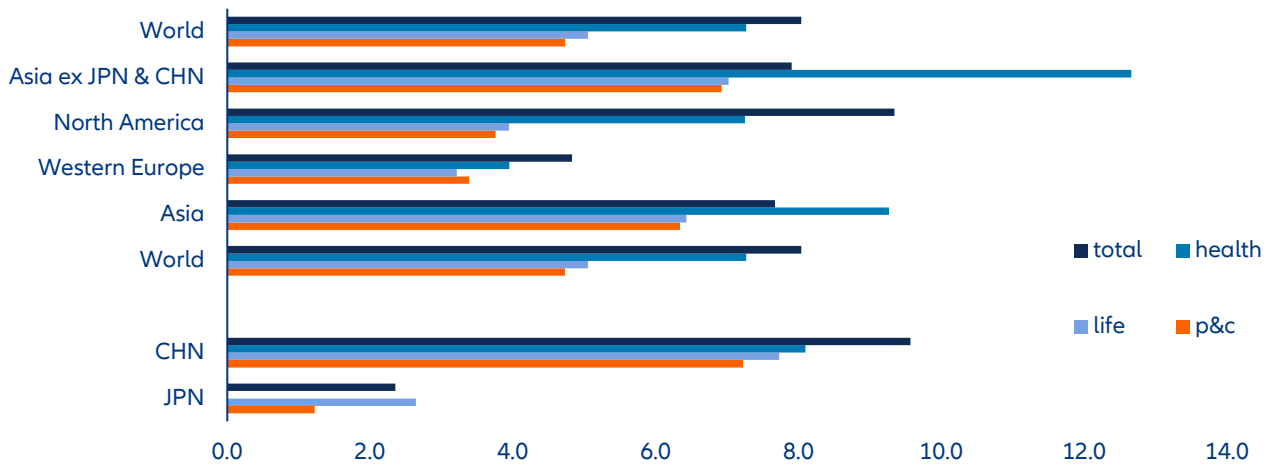
*The conversion into EUR is based on 2023 exchange rates.

Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

¹¹ In the health segment, premium income is heavily impacted by political decisions. Therefore, premium "forecasts" should be seen as extrapolations ceteris paribus.

Figure 13: Growth across the board

Gross written premium* growth, CAGR 2024 -2034 by region in %



*Note: The conversion into EUR is based on 2023 exchange rates.

Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.



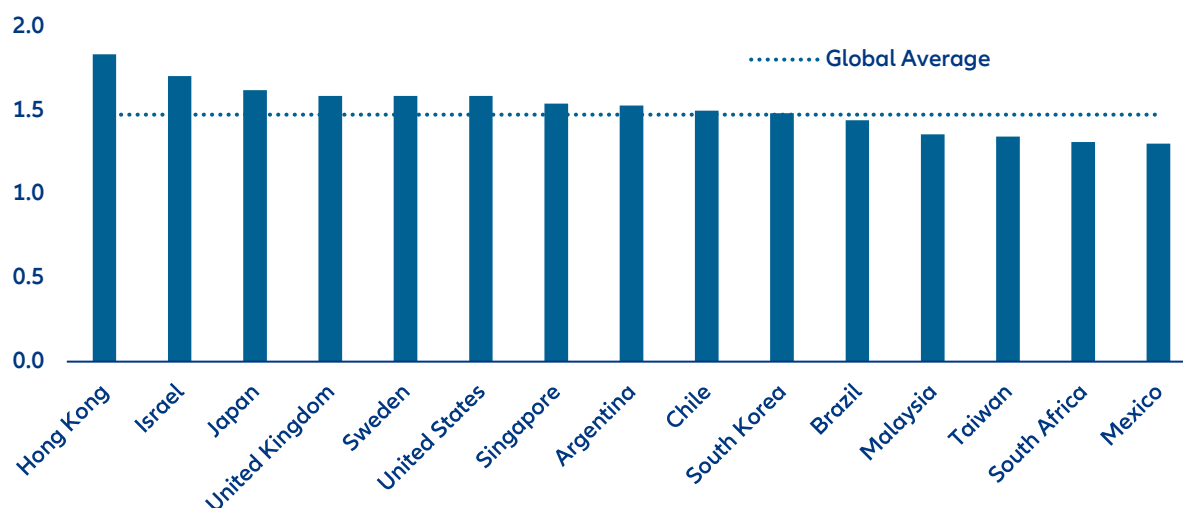


The next frontier: GenAI

While it is true that generative AI poses significant challenges, the potential benefits far outweigh the risks as the gains in productivity, creative problem solving and resource management that can be derived from AI can drive societal progress and economic growth on

an unprecedented scale (Figure 14). In most countries, productivity growth – on a declining trend for many years – could double.

Figure 14: Estimated impact of AI adoption on annual productivity growth over a ten-year period, in pps



Sources: Goldman Sachs Global Investment Research 2023, AI Index Report 2024, Allianz Research.

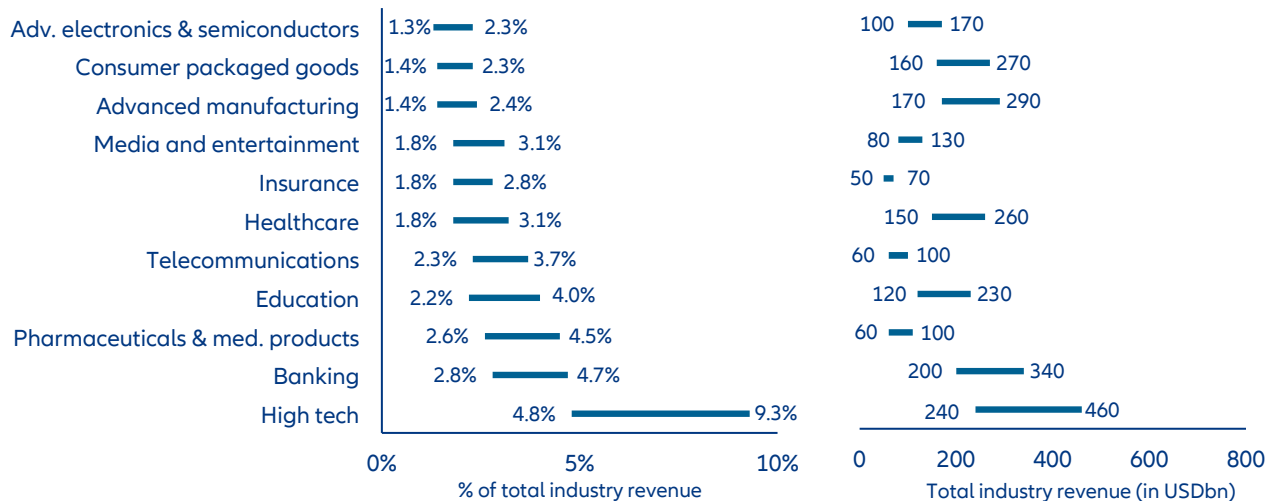
Productivity gains map one-to-one to GDP if workers are not permanently displaced and the capital stock increases to match productivity improvements. So – if taken at face value – our baseline estimates would imply a 10-15% cumulative long-run boost to GDP globally. In practice, the net effect of generative AI on GDP is likely to be smaller for two reasons: First, if viewed as the “next wave” of technological innovation, the growth impact of generative AI may not be fully additive to the current GDP trend. Information and communication technology (ICT) has recently driven almost half of labor productivity growth in developed market economies – reflecting both increased ICT investment and complementarities with existing inputs – so some AI-related gains may substitute for growth that would otherwise occur in a non-AI baseline. Second, underlying productivity growth has slowed, with recent research suggesting that near-term total factor productivity grows linearly, with an occasional step-up following technological regime shifts, rather than exponentially. Unless AI ushers in a new productivity growth regime – an outcome that is possible but premature to forecast – the boost we anticipate from generative AI may be partially offset by an underlying growth slowdown.

Nevertheless, AI stands to disrupt industries on fundamental levels – from business models to value chain. However, few industries rely on AI’s foundation – data – as profoundly as the insurance industry, making AI

mastery a key competitive differentiator in the future. In the past, the insurance industry was not at the forefront of productivity growth but displayed a significant variance in performance. The adoption of GenAI has the potential to change this and to contribute to cost savings and efficiency gains, leading to a reduction in the total expense ratio and increased productivity across various operational areas, as well as offering the potential to drive growth through customer acquisition and retention, product innovation and market expansion. The actual impact of AI, however, and its resulting efficiency gains will depend on the specific implementation, regulatory environment and competitive landscape.

Augmenting data with intelligence can amplify decision-making, expedite cumbersome processes and equip employees with newfound insights and capabilities. While AI is not a magic bullet to solve all problems, it has significant potential to help reduce protection gaps by improving the availability, affordability and accessibility of insurance, thanks to increased personalization and improved cost-efficiency. Positive impacts have been observed in customer onboarding, churn, cross-selling, streamlined processes as well as pricing and risk selection. Early adoption data point to a 15–20% efficiency improvement in the management of documents, back-office activities and customer interactions. Overall, revenues might increase by up to +3% in the insurance industry (Figure 15).

Figure 15: Anticipated impact of GenAI on revenue by industry, 2023









Sources: McKinsey & Company via AI Index Report (2024), Allianz Research.

Table 1 below highlights the wide variety of AI applications and use cases in insurance. For example, predictive analysis supports marketing strategies with personalized outreach through new channels. Real-time analysis and big data analytics enhance product development and enable usage-based insurance and risk detection services. Automated processes and tailored product recommendations enhance sales and distribution.

Enhanced engagement improves customer service and policy administration and leads to expedited assessment and settlement of claims, as well as improved fraud detection., leading to fairer and more cost-effective insurance. These processes ultimately lead to greater customer satisfaction, increased efficiency and potentially new revenue streams.

Table 1: Use cases of artificial intelligence across the insurance value chain

	Marketing 	Product Development 	Sales & Distribution 	Underwriting 	Customer service & policy administration 	Claims management 
Use cases	<ul style="list-style-type: none"> · Predictive analytics · Automated demand analysis 	<ul style="list-style-type: none"> · Analytics of customer preferences · Product innovation 	<ul style="list-style-type: none"> · Tailored product advice · Sales process automation 	<ul style="list-style-type: none"> · Image analysis · Natural language processing (NLP) 	<ul style="list-style-type: none"> · Predictive analysis · Voice recognition · NLP · Risk prevention and mitigation 	<ul style="list-style-type: none"> · Prediction of claims patterns · Image recognition · Anomaly/fraud detection
Benefits	<ul style="list-style-type: none"> · New marketing channels · Tailored outreach 	<ul style="list-style-type: none"> · Accurate pricing · Tailored products · Rapid product adjustment 	<ul style="list-style-type: none"> · Reducing sales costs, this enhancing affordability 	<ul style="list-style-type: none"> · Improved quality/speed of risk analysis including complex risks 	<ul style="list-style-type: none"> · Personalized service · Improved customer engagement · Increased resilience of insureds 	<ul style="list-style-type: none"> · Accurate claims assessments · Fraud reduction · Faster responses

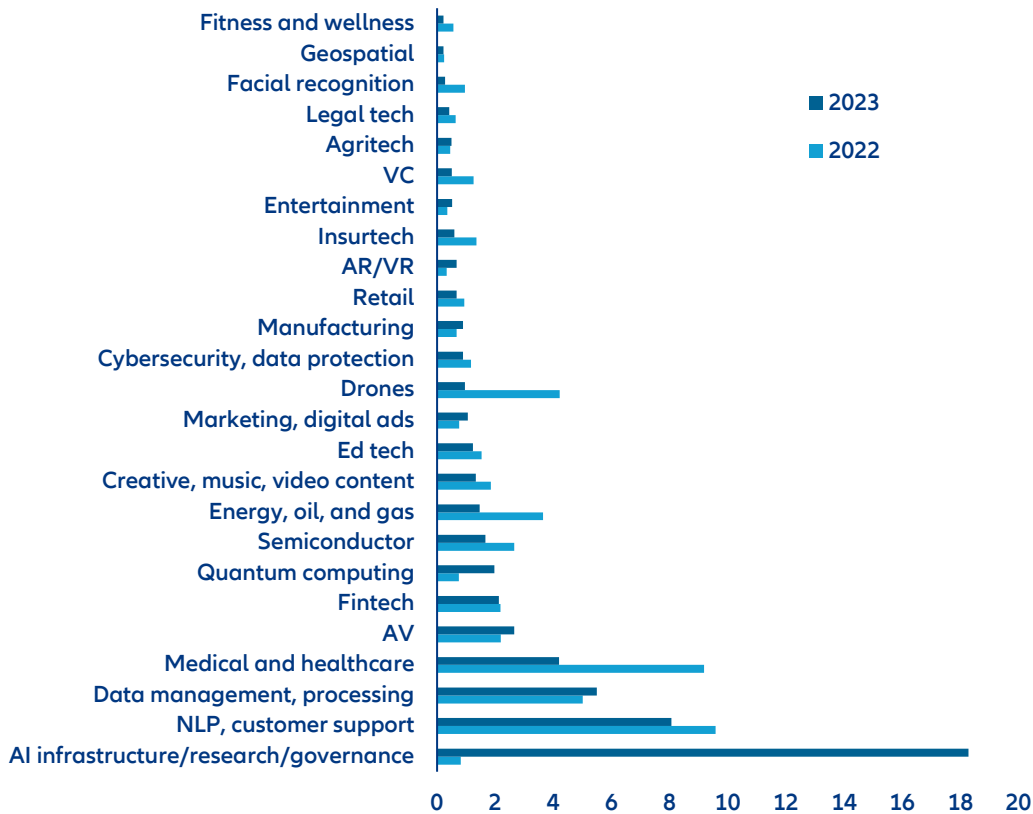
Sources: The Geneva Association, adapted from Eling et al. and Accenture, Allianz Research.

The value employees can derive from Generative AI is also contingent on how leaders decide to weave AI into their digitalization strategy – for example, whether to embrace one of the many commoditized solutions on the market or to craft a bespoke solution. An entire system based on trustworthy data and knowledge is required for its effective use, including human interaction. The added value of AI, therefore, comes from the smart combination of both AI models and human processes. It is crucial to ensure that the respective AI tasks are clearly defined and that humans always have full control of the decision-making.

Adoption of AI alone is therefore unlikely to yield significant benefits. To generate significant measurable value, adoption of AI needs to be combined with new ways of working and governance, reskilling of staff and embracing cultures of innovation and experimentation. For example, recent analysis from the IBM Institute for Business Value suggests that AI adopters that also outperform on reskilling staff see a 36% revenue growth rate premium over other AI adopters. The best-in-class AI performers build capabilities across six key areas in a holistic, integrated way, with trust at the core: i) vision and strategy; ii) AI operating model; iii) AI engineering and operations; iv) data and technology; v) talent and skills and vi) culture and adoption. Best-in-class companies that have developed all six mature capabilities reported an average ROI of 13% on AI projects.

Keeping humans in control is also essential in allaying fears of AI as an independent entity, allowing us to align its development with our collective ethical and societal norms. Additionally, GenAI has the potential to democratize access to information, services and resources, enabling widespread access to services once limited by human capacity. Finally, it is important to get a matching pace between the use and implementation of new technologies, but also to keep up and anticipate the evolving regulation space, such as the EU’s AI Act that classifies risks according to their level of threat to society.¹² In this sense, it makes sense that the next natural step in the implementation and development of generative AI focuses on policy and governance (Figure 16).

Figure 16: Private investment in AI by focus area, 2022 v. 2023



Sources: Quid 2023, AI Index Report 2024, Allianz Research.

¹² The AI Act is the first-ever comprehensive legal framework on AI worldwide. The aim of the new rules is to foster trustworthy AI in Europe and beyond, by ensuring that AI systems respect fundamental rights, safety and ethical principles and by addressing risks of very powerful and impactful AI models. <https://digital-strategy.ec.europa.eu/en/policies/regulatory-framework-ai#:~:text=The%20AI%20Act%20is%20the%20first%20Dever%20comprehensive%20legal%20framework,powerful%20and%20impactful%20AI%20models.>

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Appendix

Appendix A Insurance markets 2023 KPIs	Total premium income (in EUR bn) ¹⁾			Penetration (as % of GDP)			Density (per capita, in EUR) ¹⁾		
	p&c	life	health	p&c	life	health	p&c	life	health
Argentina	6.1	0.9	0.01	2.8	0.4	0.0	134	19	0.3
Australia	39.0	14.4	17.3	2.5	0.9	1.1	1,475	546	654.9
Austria	12.5	5.4	2.9	2.5	1.1	0.6	1,394	602	319.2
Bahrain	0.5	0.1	0.2	1.2	0.2	0.5	308	41	136.6
Belgium	11.0	16.2	2.1	1.9	2.7	0.3	943	1,382	175.8
Brazil	24.8	10.0	10.6	1.3	0.5	0.6	114	46	49.2
Bulgaria	1.8	0.3	0.2	2.1	0.3	0.2	276	40	23.3
Canada	57.1	63.4	24.9	3.0	3.3	1.3	1,472	1,636	642.3
Chile	5.2	7.5	1.0	1.9	2.7	0.4	264	383	50.0
China	185.9	352.9	115.3	1.2	2.2	0.7	130	248	80.9
Colombia	5.7	5.8	0.8	1.6	1.6	0.2	110	112	15.5
Croatia	1.3	0.3	0.1	1.7	0.4	0.1	319	72	24.0
Czech Republic	5.2	1.7	0.2	1.7	0.6	0.1	496	167	21.3
Denmark	9.8	26.5	0.7	2.6	7.0	0.2	1,665	4,477	111.0
Egypt	0.9	1.3	0.3	0.3	0.4	0.1	8	12	2.5
Finland	4.3	4.5	0.6	1.5	1.6	0.2	768	819	116.2
France	82.8	153.3	42.5	3.0	5.5	1.5	1,278	2,367	655.9
Germany	86.7	87.6	48.2	2.1	2.2	1.2	1,041	1,052	579.1
Greece	2.5	2.6	0.5	1.1	1.2	0.2	238	248	45.8
Hong Kong	3.8	55.9	1.9	1.1	16.0	0.5	510	7,464	251.0
Hungary	2.4	1.5	0.0	1.3	0.8	0.0	239	145	2.8
India	21.4	92.5	12.3	0.7	2.8	0.4	15	65	8.6
Indonesia	6.5	9.3	1.0	0.6	0.8	0.1	24	33	3.6
Ireland	4.1	17.5	2.8	0.8	3.3	0.5	820	3,469	553.7
Italy	40.9	94.7	4.2	1.9	4.4	0.2	695	1,608	72.0
Japan	64.1	236.3	2)	1.7	6.2	2)	520	1,917	2)
Kazakhstan	1.1	0.7	0.1	0.5	0.3	0.1	55	37	6.1
Kenya	0.7	1.0	0.4	0.8	1.1	0.4	13	18	6.9
Laos	0.1	0.0	n/a	0.6	0.0	n/a	12	1	n/a
Malaysia	4.0	9.1	0.2	1.1	2.6	0.1	117	266	6.3
Mexico	16.8	18.6	7.7	1.0	1.1	0.4	131	145	59.7
Morocco	2.4	2.4	0.4	1.8	1.8	0.3	64	63	11.2
Netherlands	13.6	11.6	59.0	1.3	1.1	5.8	771	660	3,346.4
Nigeria	0.6	0.4	n/a	0.2	0.1	n/a	3	2	n/a
New Zealand	4.9	1.8	n/a	2.1	0.8	n/a	936	350	n/a
Norway	10.6	15.1	0.2	2.6	3.7	0.1	1,938	2,758	43.5
Pakistan	0.8	1.4	n/a	0.3	0.5	n/a	3	6	n/a
Peru	2.0	2.6	0.4	0.8	1.1	0.2	58	75	11.6
Philippines	2.0	5.1	n/a	0.5	1.2	n/a	17	43	n/a
Poland	12.9	3.2	2.2	1.6	0.4	0.3	315	79	54.2
Portugal	5.3	5.2	1.3	2.1	2.0	0.5	517	503	130.6
Romania	3.0	0.6	0.2	1.0	0.2	0.1	152	31	8.2
Saudi Arabia	5.6	0.4	9.6	0.6	0.0	1.1	153	12	260.8
Singapore	3.1	31.0	0.6	0.7	7.0	0.1	512	5,152	96.3
Slovakia	1.1	0.7	0.0	0.9	0.5	0.0	189	117	3.7
South Africa	10.1	32.3	11.1	3.0	9.4	3.2	167	535	183.2
South Korea	87.8	158.0	n/a	5.3	9.6	n/a	1,695	3,052	n/a
Spain	31.8	33.5	11.3	2.2	2.3	0.8	669	704	237.8
Sri Lanka	0.3	0.4	0.1	0.4	0.5	0.1	14	20	2.6
Sweden	8.3	32.7	n/a	1.4	5.7	n/a	779	3,081	n/a
Switzerland	20.6	26.4	13.3	2.4	3.0	1.5	2,347	2,998	1,507.4
Taiwan	9.3	49.6	12.9	1.3	7.2	1.9	387	2,073	539.7
Thailand	7.7	13.4	3.3	1.6	2.8	0.7	107	186	45.8
Turkey	10.9	1.7	2.1	1.9	0.3	0.4	127	20	24.5
United Arab Emirates	5.2	1.7	5.8	1.2	0.4	1.3	549	174	612.5
United Kingdom	80.5	242.3	8.8	2.6	7.7	0.3	1,189	3,577	129.7
United States	1110.5	647.0	983.1	4.4	2.6	3.9	3,266	1,903	2,891.5
Vietnam	2.0	7.8	n/a	0.5	2.0	n/a	20	79	n/a

¹⁾ 2023 exchange rates.²⁾ Health is part of life (third sector products)

Appendix B

Insurance markets

Long-term development

	CAGR 2013-2023 (in %)			CAGR 2024-2034 (in %)			Total premium income 2034 (in EUR bn) ¹⁾		
	p&c	life	health	p&c	life	health	p&c	life	health
Argentina	51.2	45.8	52.0	31.8	43.8	40.2	128.2	47.6	0.6
Australia	6.1	-5.5	4.5	4.2	3.0	3.6	61.6	20.1	25.4
Austria	4.0	-1.6	4.4	2.0	2.0	3.8	15.5	6.7	4.3
Bahrain	2.7	-7.6	7.8	3.0	3.7	6.2	0.6	0.1	0.4
Belgium	2.4	-2.3	3.8	2.9	2.7	5.6	15.1	21.6	3.7
Brazil	8.6	11.9	10.1	6.6	11.6	11.9	50.1	33.5	36.8
Bulgaria	9.5	7.1	53.4	2.3	5.6	19.9	2.4	0.5	1.1
Canada	1.8	5.2	4.5	3.7	4.4	4.6	85.1	101.4	40.7
Chile	9.0	7.5	12.4	8.4	7.2	11.3	12.6	16.2	3.2
China	8.9	10.8	23.8	7.2	7.7	8.1	400.3	800.2	271.5
Colombia	5.1	11.7	10.4	7.1	9.1	10.2	12.2	15.3	2.4
Croatia	3.9	-1.2	10.6	4.0	3.5	8.7	2.0	0.4	0.2
Czech Republic	5.2	-4.5	5.8	3.5	3.5	11.0	7.6	2.6	0.7
Denmark	2.1	6.0	10.3	2.6	2.9	8.7	13.1	36.2	1.6
Egypt	16.6	21.1	29.0	11.8	9.5	20.9	3.0	3.6	2.3
Finland	2.3	1.2	9.4	2.6	2.3	6.7	5.6	5.8	1.3
France	3.3	2.8	2.2	3.9	2.9	2.3	125.8	211.0	54.3
Germany	3.4	0.4	2.8	3.5	1.9	3.5	127.3	108.3	70.8
Greece	0.0	2.9	17.3	3.6	4.2	12.8	3.6	4.0	1.8
Hong Kong	4.3	7.2	6.5	4.5	-1.2	7.4	6.2	49.2	4.1
Hungary	9.1	3.1	3.8	5.3	6.1	6.1	4.3	2.8	0.1
India	12.2	10.4	19.6	11.6	13.6	19.3	71.5	376.1	85.2
Indonesia	10.9	4.0	11.2	8.0	7.6	11.4	15.3	20.7	3.3
Ireland	3.8	6.0	3.8	3.9	5.6	8.9	6.3	31.8	7.1
Italy	1.3	2.8	6.4	4.5	4.3	7.6	66.5	150.8	9.5
Japan	1.9	0.1	2)	1.2	2.6	2)	73.3	314.8	2)
Kazakhstan	12.8	19.2	12.5	9.3	12.0	24.3	2.9	2.5	1.3
Kenya	7.2	14.6	15.9	7.8	12.8	6.7	1.7	3.7	0.8
Laos	13.7	27.9	n/a	17.4	21.3	n/a	0.5	0.0	n/a
Malaysia	3.2	6.5	2.1	6.1	5.8	7.5	7.7	17.0	0.5
Mexico	8.2	8.5	12.1	7.8	7.6	10.8	38.3	41.5	23.8
Morocco	5.7	10.2	5.0	6.4	10.2	8.3	4.8	6.9	1.0
Netherlands	-0.3	-3.9	3.6	2.9	1.7	3.8	18.5	14.0	88.6
Nigeria	11.7	17.7	n/a	9.6	16.3	n/a	1.7	2.1	n/a
New Zealand	6.1	4.8	n/a	3.7	3.7	n/a	7.3	2.7	n/a
Norway	5.2	6.8	6.4	3.0	2.6	4.9	14.7	20.0	0.4
Pakistan	16.3	15.8	n/a	15.7	20.4	n/a	3.7	10.9	n/a
Peru	6.8	10.8	9.9	7.9	11.0	10.3	4.6	8.1	1.2
Philippines	7.4	9.3	n/a	9.5	7.6	n/a	5.4	11.3	n/a
Poland	6.1	-7.1	30.6	3.2	3.1	10.1	18.3	4.5	6.4
Portugal	4.0	-2.6	4.4	3.5	2.6	8.6	7.7	6.8	3.3
Romania	8.0	5.5	23.5	4.7	4.4	18.7	5.0	1.0	1.1
Saudi Arabia	9.1	6.6	12.2	6.0	5.2	12.6	10.7	0.8	35.4
Singapore	2.7	10.2	10.7	4.1	5.1	11.4	4.8	53.5	1.9
Slovakia	1.6	-4.4	23.1	4.3	4.0	15.1	1.8	1.0	0.1
South Africa	7.3	5.5	6.6	6.4	5.2	8.0	20.0	56.5	25.8
South Korea	5.8	6.3	n/a	5.5	4.0	n/a	158.2	243.5	n/a
Spain	2.5	2.2	4.8	3.3	3.8	7.2	45.3	50.7	24.3
Sri Lanka	7.8	13.6	11.8	9.2	8.8	13.1	0.8	1.1	0.2
Sweden	4.5	6.4	n/a	2.2	4.2	n/a	10.5	51.2	n/a
Switzerland	1.4	-2.1	2.4	3.1	2.5	3.8	28.8	34.5	20.1
Taiwan	5.3	-2.2	4.4	4.0	4.3	3.6	14.3	78.9	19.0
Thailand	3.5	2.5	10.0	4.5	5.4	4.3	12.4	23.8	5.2
Turkey	33.4	31.8	36.9	11.1	22.3	27.2	34.6	15.9	29.5
United Arab Emirates	4.0	1.1	12.5	3.4	5.0	7.9	7.5	2.8	13.5
United Kingdom	3.9	2.3	3.7	3.8	3.2	3.2	121.8	344.1	12.4
United States	5.3	2.7	8.5	3.8	3.9	7.3	1,666.6	986.0	2,136.0
Vietnam	9.9	24.7	n/a	15.4	12.4	n/a	9.6	28.1	n/a

¹⁾ 2023 exchange rates.²⁾ Health is part of life (third sector products)

A close-up photograph of several hands of different skin tones stacked on top of each other, resting on the rough bark of a tree trunk. The background is a soft-focus green forest. The text 'Our team' is overlaid on the image.

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