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World insurance: inflation risks front and centre

Executive summary

Economic slowdown and high inflation will weigh on insurance market growth in 2022-2023.

The world economy is undergoing paradigm shifts that will have profound long-term policy implications. Global economic growth is set to slow sharply and inflation rates are at multi-decade highs. The latter result from a confluence of factors, including the high levels of fiscal stimulus pumped into the economy at the height of the COVID-19 crisis, disruptions to global supply chains and soaring energy and commodity prices due to the war in Ukraine. We believe several major economies face inflationary recessions in the coming 12–18 months.

The impact of high inflation will show in rising claims in non-life. Property and motor insurers will be most immediately affected.

Economic slowdown and the high-inflation environment will weigh on insurance markets. Slowing growth typically leads to lower demand for insurance. The main inflation impact will show in rising claims costs, more in non-life than life insurance in which policy benefits are defined at inception. We expect property and motor to be most impacted in the near term. In construction, supply disruptions and labour shortages have led to an increase in repair and rebuilding costs, and in turn higher claims. In motor, claims costs have risen as shortages of parts have kept the prices of new and used vehicles historically high. Accident, motor liability and general liability business will also be impacted, with high inflation feeding through into bodily injury claims. To counter the negative impact of rising claims costs on earnings, insurers need to understand the drivers of inflation, and action balance sheet and reserve management steps accordingly.

We estimate that global premium volumes will surpass USD 7 trillion for the first time in 2022. Rate hardening will contribute.

We estimate strong 6.1% nominal growth in total premiums (non-life and life) in 2022. In real terms, that translates into near flat growth (+0.4%). Further, we forecast that in nominal terms, global premium volumes will surpass the USD 7 trillion mark by the end of this year for the first time ever. This is based on our expectation of more rate hardening in non-life to counter high inflation and strong premium growth in emerging markets. At this level, volumes will be 17% higher than at the onset of the COVID-19 crisis, reflecting the resilience of insurance markets over the course of the pandemic.

Rate hardening in commercial lines will drive robust non-life premium growth, in nominal terms. The inflation impact will translate into lower real growth.

In the non-life sector, we expect inflation of exposure values and rate hardening will boost premium growth, notably in North America and Europe. In real terms and globally, however, we estimate that premiums will rise by 0.8% this year. For 2023, we forecast that global non-life premiums will grow by 2.2%, based mostly on ongoing rate hardening, notably in commercial lines of insurance business. Premium growth in emerging markets will likely outstrip that in advanced economies this year and next, with estimated real growth of 3.0% in 2022 and 4.2% in 2023. A main driver will likely be strong demand for short-term health insurance, this on the back increased awareness of health security in the wake of the pandemic experience.

Interest rates are moving up. This will boost insurers' investment returns over the longer term.

Non-life sector profits will come under pressure this year: we project a sector return on equity (ROE) of around 5-6% in 2022, down from 6% in 2021, with a rebound to 6.6% in 2023 as underwriting results and investment yields improve. Economic slowdown and multi-year high inflation will reduce premium income in real terms and increase claims costs. However, a silver lining to the inflation crisis is that interest rates are heading up. This will boost investment returns over the longer term as non-life insurers' bond portfolios gradually roll over into higher yields.

In life, heightened risk awareness post pandemic is driving demand for protection-type products.

In life, we estimate that global premiums will contract slightly by 0.2% in real terms in 2022. Saving premiums, which represent more than three quarters of the life sector, will likely suffer from volatile financial market conditions and falling disposable incomes. However, medium-term tailwinds are well anchored. Heightened risk awareness post-pandemic is driving demand for protection-type products, and insurers are changing their business models to be digital-ready. Further, higher interest rates will support demand for guaranteed savings products. We see global life premiums rising by 1.9% in real terms in 2023, with improvement in both advanced and emerging markets. We expect moderate improvement in life sector profitability this year, based on rising interest rates. A more significant boost to investment returns will show through over the medium to longer term, as the long-term fixed-income assets in life insurers' investment portfolios assets start to turn over. Additionally, while COVID-19 related claims will likely linger in 2022, the severity of claims may subside as the world adjusts to living with the virus.

Key takeaways

Major economies are facing inflationary recessions

Persistent inflation and accelerated monetary policy tightening will soften growth significantly over the next 12–18 months. We are below consensus on the 2023 growth outlook for the US and euro area, and see downside risk to our euro area forecast

	Real GDP growth				Inflation				CB policy rate				10-year govt. yield			
	2022		2023		2022		2023		2022		2023		2022		2023	
	SRI	Consensus	SRI	Consensus	SRI	Consensus	SRI	Consensus	SRI	Consensus	SRI	Consensus	SRI	Consensus	SRI	Consensus
US	2.6%	2.5%	1.1%	1.8%	7.4%	7.5%	3.3%	3.5%	3.4%	3.5%	3.4%	3.6%	3.2%	3.1%	3.2%	3.2%
Euro area	2.4%	2.7%	1.0%	1.8%	7.6%	7.1%	3.3%	3.1%	1.8%	0.9%	2.0%	1.6%	1.6%	1.3%	1.6%	1.4%
China	4.2%	4.2%	5.3%	5.2%	2.3%	2.2%	2.4%	2.3%	2.0%	-	2.0%	-	2.7%	2.8%	2.6%	2.9%

Source: Swiss Re Institute; consensus numbers from Bloomberg Survey on 29 June 2022.

Inflation to remain higher for longer

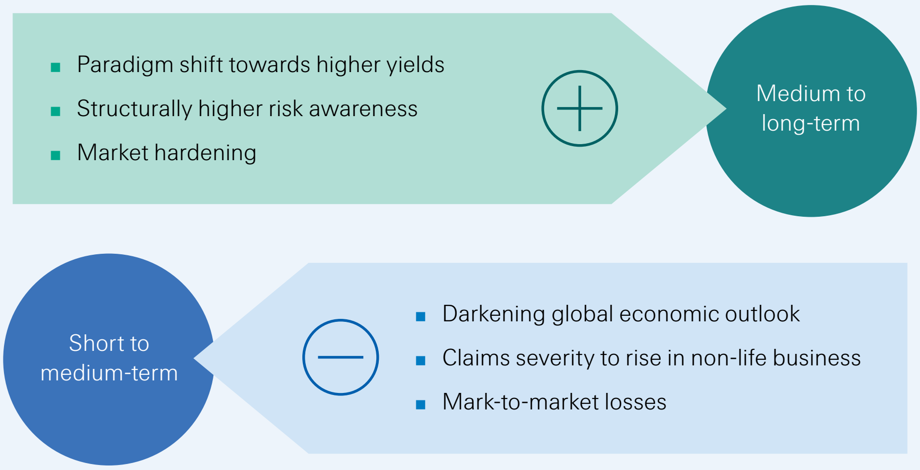
The main macroeconomic development of the last 12 months for most major economies has been soaring inflation. We expect high inflation to remain for longer, and forecast higher rates of inflation for the 2020s decade than in the previous 10 years. In the case of China, we believe structural factors such as increased productivity and rising digitisation, among others, will lead to lower trend inflation relative to the previous decade.

	Inflation – Next 10-year forecast average		Historical data	
	Swiss Re Institute		Previous decade (2010–2019)	Last two decades (2000–2019)
	Current (June 2022)	Pre-pandemic (November 2019)		
US	3.0	2.3	1.8	2.2
Euro area	2.7	1.8	1.4	1.7
China	2.3	2.5	2.6	2.2

Source: Swiss Re Institute

Tailwinds and headwinds for insurers

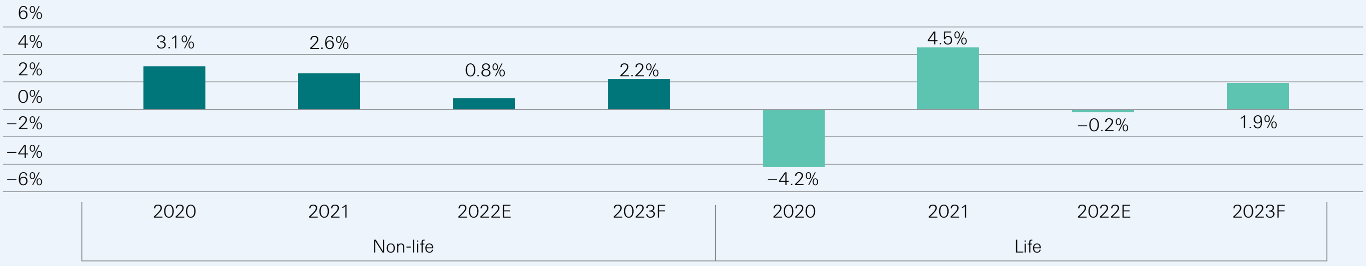
These will impact premium growth rate and investment returns, and thus both sides of the balance sheets



Source: Swiss Re Institute

Insurance premium growth forecasts

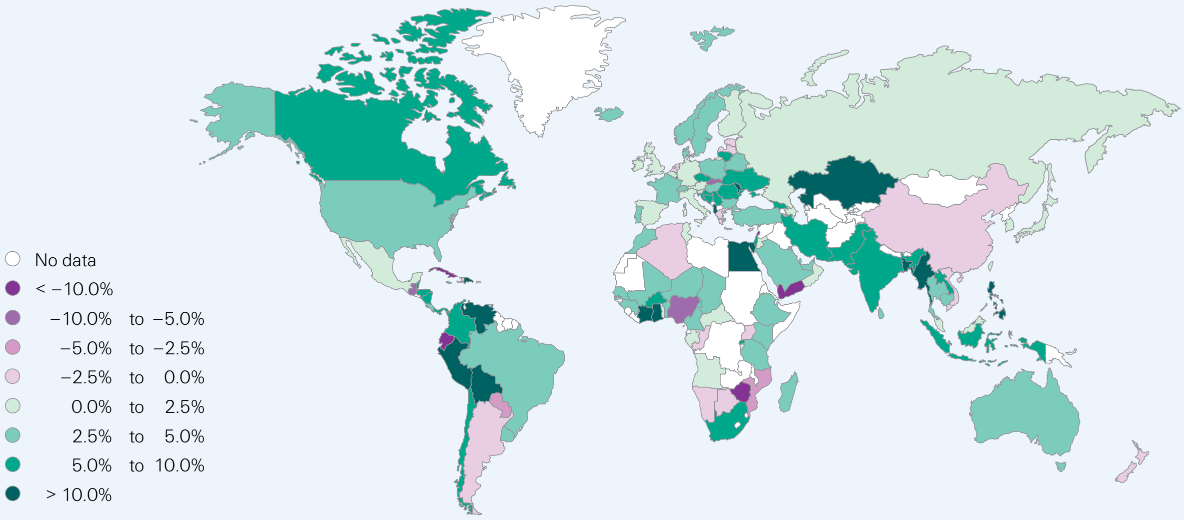
At the aggregate level, we expect a stalling of global insurance premium growth this year will be followed by a stronger but still below-trend performance in 2023.



Source: Swiss Re Institute

Non-life real premium growth, 2021

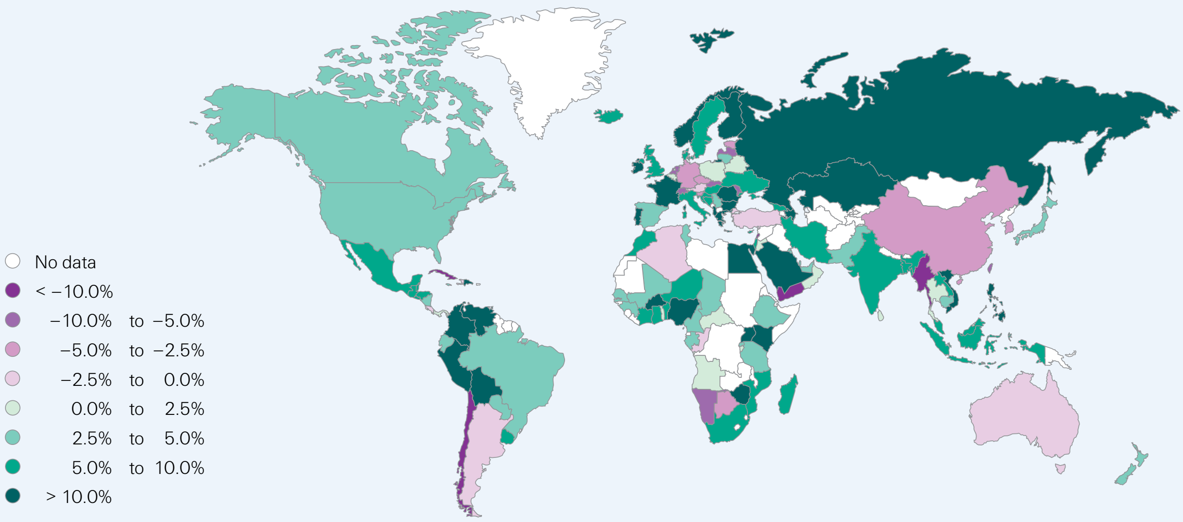
Click chart to open in *sigma* explorer



Source: Swiss Re Institute

Life real premium growth, 2021

Click chart to open in *sigma* explorer



Source: Swiss Re Institute

Macroeconomic environment for insurers

The global economy faces heighted risk of inflationary recession. With financial conditions tightening and inflation at multi-decade highs. We are below consensus on the global growth outlook and expect recession in a number of G7 countries over the next 12–18 months, resulting in lower annual growth in the US and the euro area. Central banks are prioritising price stability over economic growth, even if it leads to recession. Emerging market central banks have been tightening policy for a year already and their economies will likely bottom sooner than in advanced markets. On inflation, we see pressures lingering for a while yet. The cost-of-living crisis facing many households has been accentuated by the conflict in Ukraine, notably through higher energy and commodity prices. We expect the US Federal Reserve (Fed) and the European Central Bank (ECB) will continue to tighten policy for the rest of 2022, which will provide footing for bond yields to rise, a silver lining to the current crisis conditions for both the global economy and for insurers.

Growth and inflation outlook

The global economy faces a recession-like growth environment

The global economy is slowing and the risk of inflationary recession in a number of economies has increased.

Global growth is slowing and will likely continue to do so over the second half of this year due to tighter financial conditions and multi-decade high levels of inflation. We forecast global real GDP growth of 3.0% in 2022 and 2.6% in 2023, both below consensus.[1] Risks remain skewed to the downside as monetary policy becomes more restrictive, commodity prices remain elevated and volatile, and COVID-19 restrictions in China carry on choking demand by continuing to disrupt global supply chains.

We are below consensus on our 2023 growth forecasts for the US and euro area.

A web of risks is drawing economies towards inflationary recessions. Persistent inflation and accelerated monetary policy tightening will weigh on growth in major economies over the next 12–18 months. The Fed in particular may struggle to avoid a sharp slowdown. We forecast US growth of 2.6% in 2022 and 1.1% in 2023, below consensus for the latter (see Table 1). In Europe, we believe the economy's resilience in the year-to-date has delayed rather than deflected a more serious slowdown on account of the war in Ukraine and the related energy and cost-of-living crisis. We see downside risks to our full-year 2022 euro area growth forecast of 2.4% due to likely energy supply shortages in the autumn/winter. We expect Europe to fall into recession by the winter, if not earlier. For China, we recently reduced our growth forecast for 2022 to 4.2% from 5.1% due to ongoing COVID-19 lockdowns.

Table 1
Key economic forecasts for major markets

	Real GDP growth				Inflation				CB policy rate				10-year govt. yield			
	2022		2023		2022		2023		2022		2023		2022		2023	
	SRI	Consensus	SRI	Consensus	SRI	Consensus	SRI	Consensus	SRI	Consensus	SRI	Consensus	SRI	Consensus	SRI	Consensus
US	2.6%	2.5%	1.1%	1.8%	7.4%	7.5%	3.3%	3.5%	3.4%	3.5%	3.4%	3.6%	3.2%	3.1%	3.2%	3.2%
Euro area	2.4%	2.7%	1.0%	1.8%	7.6%	7.1%	3.3%	3.1%	1.8%	0.9%	2.0%	1.6%	1.6%	1.3%	1.6%	1.4%
China	4.2%	4.2%	5.3%	5.2%	2.3%	2.2%	2.4%	2.3%	2.0%	-	2.0%	-	2.7%	2.8%	2.6%	2.9%

Source: Swiss Re Institute; consensus numbers from Bloomberg Survey on 29 June 2022.

The slowdown has been most pronounced in emerging markets.

This year's slowdown has been most pronounced in emerging markets. After growing by 7.2% in 2021, we estimate "just" 3.5% growth in 2022. The key drag is long-drawn-out policy tightening, which began in the summer of 2021: the emerging markets have been operating under tightening monetary conditions for a full year already. For advanced markets, we estimate aggregate growth of 2.6% in 2022 and 1.7% in 2023, down from

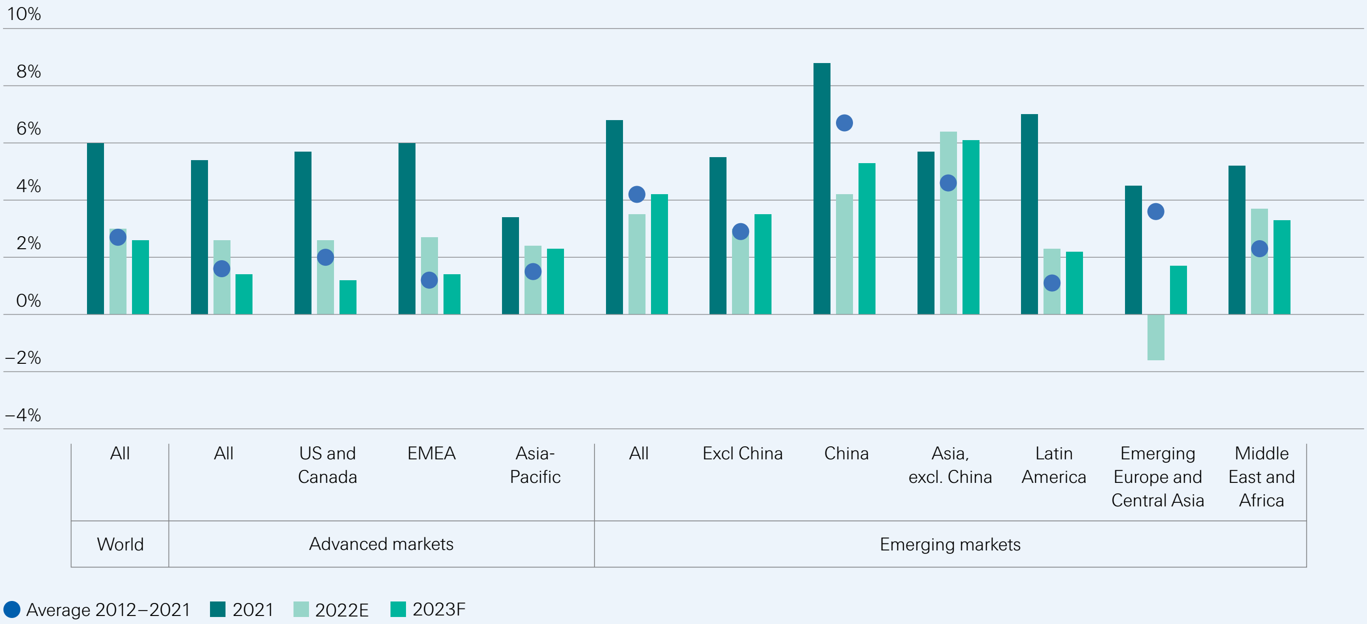
[1] Data as of 29 June 2022.

5.4% in 2021. Our projections imply that momentum in the emerging markets will bottom sooner than in advanced economies.

Emerging Asia will be the main driver of global growth in the coming years.

For the 2022–23 period, we see emerging Asia as being the main engine of global growth, in line with our messaging from 2019 that the 2020s decade will mark a shift in geographical economic power from west to east.[2] We forecast that growth in emerging Asia (excluding China) will average 6.2% in 2022–2023, helping the emerging markets' aggregate growth rate (3.9%) outpace that of the advanced markets (2.0%). Given the Russia-Ukraine conflict this year and on account of proximity, we expect growth in emerging Europe and Central Asia to be weakest over the same period, averaging 0.1%.

Figure 1
Real GDP growth forecasts by region, in %



Source: Datastream, Swiss Re Institute

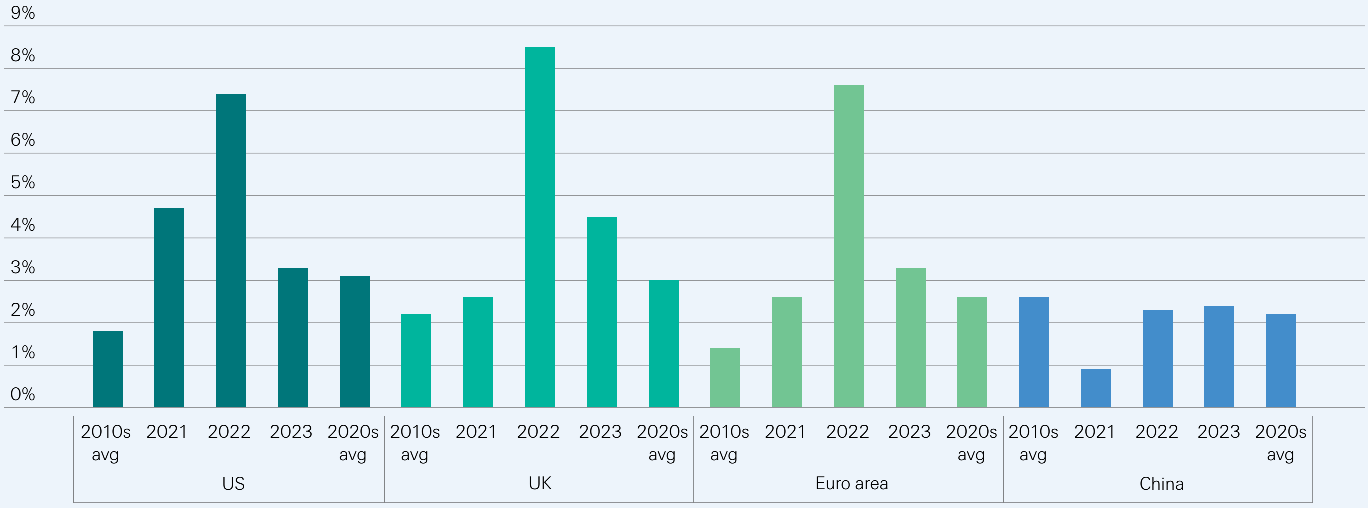
Multi-decade high inflation lingering longer than expected

Today's high levels of inflation are creating an overheating problem for central banks.

The main macroeconomic story of the last year has been soaring inflation, for which there have been three root causes. First, the historically high fiscal support that many economies received as governments stepped in to sustain incomes for those whose livelihoods came to a standstill during the pandemic; second, the broad-based supply shortages stemming from mobility restrictions and the related rotation of consumption from services to goods, creating strong supply and demand mismatches; and third, a steep increase in the price of energy and other basic commodities, with the war in Ukraine disrupting commodity markets. We expect inflationary pressures to linger for longer across major economies (see Table 1). Most attention has been centred around the increase on food and energy prices, over which central banks have no control over. However, the core components of inflation have also reached uncomfortably high levels. This reflects overheating economies and presents a challenge for monetary authorities to procure soft landings in the face of inflationary recession risks in 2022 and 2023. We expect major central banks to pursue more aggressive monetary tightening as they are forced to choose between supporting growth and stabilising inflation. The US is most at risk of a "hard landing", in our view.

[2] *sigma* 1/2019 – Emerging markets: the silver lining amid a challenging outlook. Swiss Re Institute.

Figure 2
Inflation forecasts for selected economies

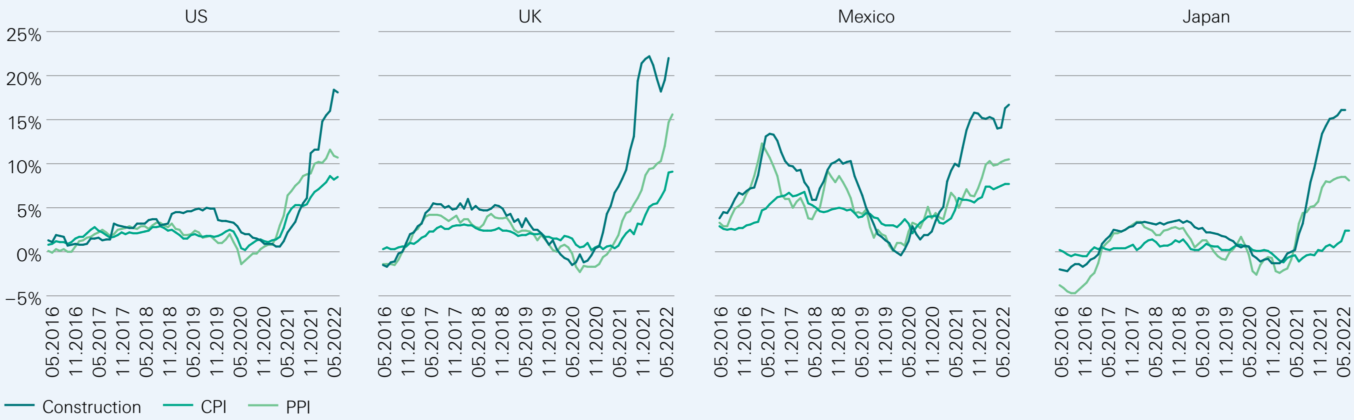


Source: Refinitiv Eikon, Swiss Re Institute

Inflation affects sectors differently. Construction has seen particularly steep cost increases.

That said, not all inflation is created equal, with prices in some sectors far outpacing headline inflation numbers (which account for consumer prices only). For example, as a result of the supply chain bottlenecks created since the onset of the pandemic, construction costs have soared. Since the summer of 2021, in the US rising demand for single-family housing and home improvements have overwhelmed the shrinking supply of materials required for building. The auto sector has seen similar price dynamics. A shortage of computer chips, semiconductors and other parts worldwide have kept the prices of new and used vehicles historically high. Non-life insurers have seen rising pressures on claims costs in associated motor and property lines, this in itself a key driver of the recent rate hardening for some lines of business.

Figure 3
Construction costs, CPIs and PPIs for selected economies



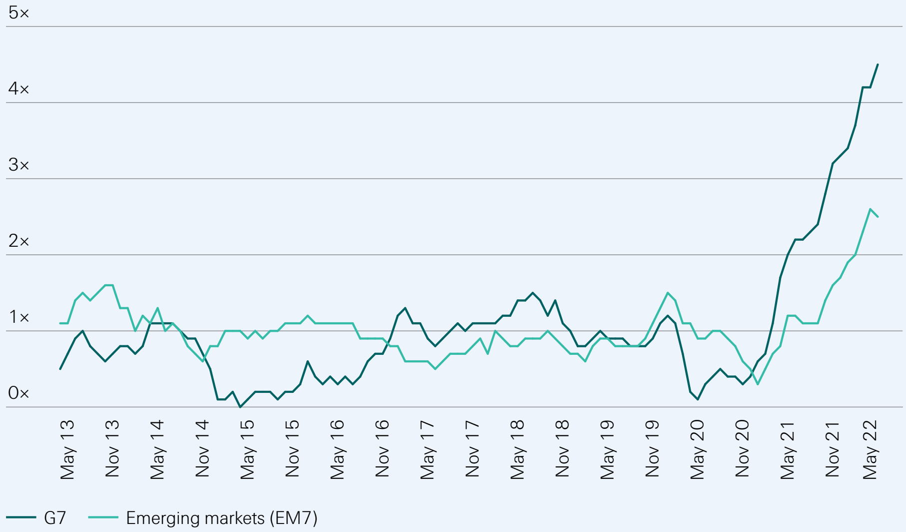
Source: Datastream, Swiss Re Institute

In relative terms, the recent inflation surge has been higher in advanced markets.

Global policy responses have fuelled inflation in advanced markets and slowed growth in emerging economies

Supply and demand mismatches add different degrees of pricing pressure, depending on country-specific sensitivities to inflation drivers. In relative terms, advanced economies have seen stronger inflation gains than the emerging markets. The difference can be explained by 1) on a long-term view basis, central banks in advanced markets adopting a more inflationary-tolerant framework; 2) greater levels of fiscal stimulus in advanced markets during the pandemic; and 3) emerging markets being well ahead of the advanced in the tightening process. These factors point to diverging growth trajectories, with emerging markets subject to slower economic growth.

Figure 4
Inflation as a multiple of 10-year average for G7 and emerging markets, weight adjusted



Source: Refinitiv Eikon, Swiss Re Institute

The inflation differential between emerging and advanced markets has narrowed.

The inflation differential between emerging and advanced markets is narrowing, as inflation rates in advanced economies rise towards the historically higher rates seen in emerging markets. We expect more tightening in emerging markets this year, in order to rein in inflation pressures and keep relative yields attractive, and to mitigate currency depreciation as advanced market central banks raise interest rates. Currency depreciation would add additional inflationary pressures and extend the time required for overall macro conditions in emerging markets to stabilise. With advanced economies experiencing elevated inflation, they face greater risk of expectations of elevated price pressures becoming entrenched. Uncertainty around associated drivers remains large. However, risks point to the upside, and we have revised up our long-term inflation forecasts for the US and most of advanced Europe.

Certain structural trends will likely add to inflation pressures.

Additional drivers suggesting inflation persistence

Beyond these short- to medium-term drivers of inflation, other more structural trends may well prolong the high-inflation environment:

- A trend towards deglobalisation, as businesses either on-shore, near-shore or friend-shore production to counteract fragility in supply chains. This will likely create less cost-effective supply chains, adding costs that will ultimately be passed on to consumers. The upside of such a scenario is that the reshaping of global production would boost growth in alternative host nations. Countries with the same industries as those that support China's exports would be favourites to pick up the relocated production. Southeast Asia countries and Mexico are prominent alternatives.[3]

[3] *sigma* 6/2020: De-risking global supply chains: rebalancing to strengthen resilience. Swiss Re Institute.

- A capital-intensive decarbonisation process towards renewable energies, which is increasing production costs. The quicker economies power themselves with renewable energy, the greater the opportunity to reap benefits from lower costs associated with climate change. However, in the short term, green transition will entail higher costs as prices of inputs for associated infrastructures and production processes, such as metals and minerals, go up due to high demand.[4]

- On a long-term view, increased tolerance on the part of central banks for higher inflation. With the extreme economic circumstances in play at the height of the pandemic in 2020 and 2021, central banks chose to allow economies run hotter than usual in exchange for greater stability in labour markets. In 2022, however, the cost-of-living crisis is the dominant driver of policy, and interest rates are being raised to rein in inflation. Once current conditions normalise, we think policymakers may consider revising their long-term goals and opt for greater permissiveness for higher inflation again. Tolerating higher (but still manageable) levels of inflation may allow for more robust economic recoveries.

The invasion of Ukraine: a global stagflation-like shock

The invasion of Ukraine implies slower growth and higher inflation for the global economy.

The net macroeconomic effect of the conflict in Ukraine has been a stagflation-like shock: slower growth and higher inflation (see Table 2). The GDP of Russia and Ukraine combined accounts for less than 2% of global GDP, but the ripple effects of the war go far beyond their borders. We see five main transmission channels; 1) disruptions to supply chain and sharply higher energy and commodity prices; 2) tighter financial conditions; 3) dented investor and consumer sentiment; 4) disruptions to the global banking and financial system; and 5) disruption to trade flows. We estimate that relative to our pre-war scenario, the decrease in 2022 global real GDP growth due to the conflict will be of 1.35 percentage points (ppt). For inflation, we estimate an increase of 2.6 ppt.

Table 2
CPI and GDP sensitivities to oil price scenarios

Annual CPI sensitivities vs. pre-invasion baseline, in ppt				
		US	**Euro area**	**China**
Oil futures	2022	0.99	0.69	0.83
	2023	0.20	0.44	0.39
Oil futures persistence	2022	1.08	0.74	0.88
	2023	0.88	0.99	1.04
Oil extreme to 140	2022	1.41	0.93	1.12
	2023	1.33	1.52	1.61

GDP growth sensitivities vs. pre-invasion baseline, in ppt				
		US	**Euro area**	**China**
Oil futures	2022	–0.26	–0.19	–0.21
	2023	–0.16	–0.30	–0.29
Oil futures persistence	2022	–0.28	–0.20	–0.21
	2023	–0.40	–0.48	–0.48
Oil extreme to 140	2022	–0.37	–0.24	–0.26
	2023	–0.62	–0.71	–0.73

Source: Bloomberg, Oxford Economics' Global Model, Swiss Re Institute

Africa, the Middle East and parts of Asia are highly dependent on wheat exports from Russia and Ukraine.

Beyond political and macroeconomic ramifications, the conflict is also creating food security concerns, adding a global spin to the humanitarian crisis in Ukraine itself. Together Russia and Ukraine provide 12% of all calories traded globally.[5] Finding substitute providers of basic commodities like wheat implies adding costs to the production and trade of staple foods. Africa, the Middle East and parts of Asia are among the most dependent on wheat exports from the conflict region. Fertilisers and energy are additional key agricultural inputs subject to market disruptions because of the conflict.

The conflict is exacerbating income inequality disparities and could ignite social unrest.

The economic aftermath of the invasion is exacerbating inequality disparities as the surge in food prices falls disproportionately on low-income households, for which expenditure on food takes a large share of income. Previous research has found increases in food prices to be an exacerbator of social unrest.[6] Recent episodes include

[4] *Economic Insights – The green transition: inflation that we cannot afford to bear.* Swiss Re Institute, 21 April 2022.
[5] *How will Russia's invasion of Ukraine affect global food security?* International Food Policy Research Institute, 24 February 2022.
[6] M. Bellemare, "Rising food prices, food price volatility, and social unrest", *American Journal of Agricultural Economics*, June 2014.

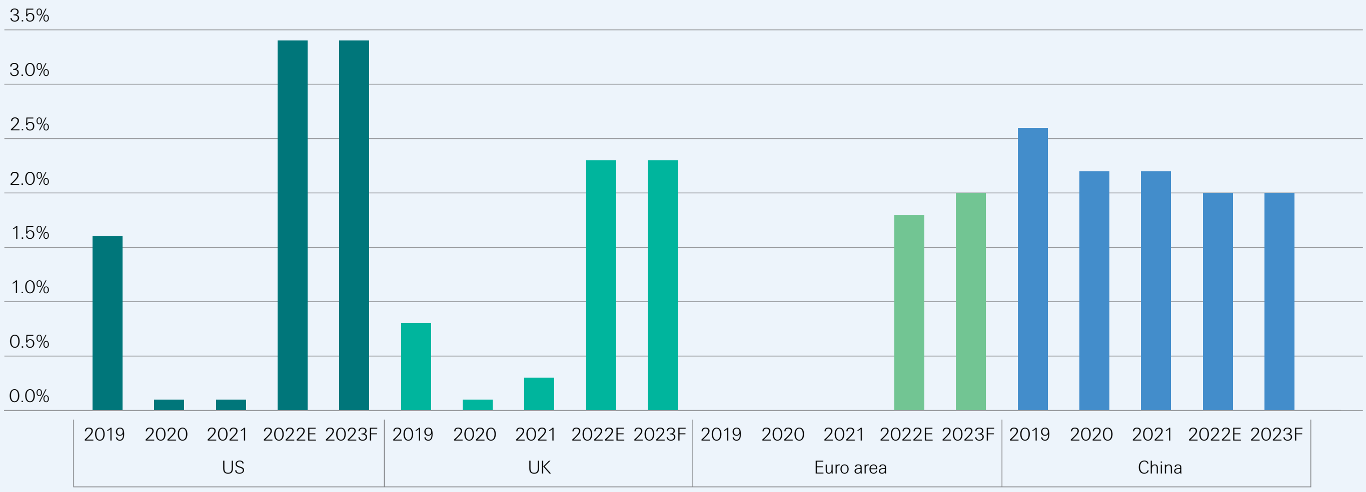
for example the spike in food prices in 2010–11 coinciding with the Arab Spring, and the 2007–08 food crisis and riots in several African countries, Haiti, and Yemen.[7] With episodes of social unrest, the associated disorderly conduct can lead to damage to property and, consequently, also large losses for insurers. Such was the case in the 2019 *Estallido Social* in Chile, a series of demonstrations and riots in response to a rise in the cost of living. The related insured losses have been estimated at USD 1.3 billion, with an additional USD 2.0 billion uninsured.[8]

Monetary policy and financial conditions

Central banks were slow to react to inflation and now have catching up to do.

Monetary policy tightening to prevail
Over the past 12 months, the monetary policy outlook has changed dramatically. In hindsight, the stance adopted by leading central banks in mid-2021 turned out to be dovish as the initial belief that inflationary pressures were transitory in nature turned out to be flawed. Now central bank policy has some catching-up to do, which may imply some overshooting of interest rates in the later stages of the cycle. Indeed, central banks are rightly, in our view, prioritising price stability over economic growth, even if that leads to recession. We expect the Fed to raise US interest rates by a total of 325 basis point this year, which would bring the upper bound of the Fed Funds target rate to 3.50% by the year-end, and the mid-point to 3.375%. We expect the ECB will tighten its deposit and refinancing rates by 175 bp each in the second half of this year, and by another 25 bp in 2023, but see risks of the ECB being "stopped out" earlier if Europe faces a more severe recession.

Figure 5
Our central bank policy interest rate forecasts



Source: Swiss Re Institute

Emerging markets have been tightening policy for over a year.

The process is particularly costly for emerging markets, which have been living with central bank tightening since mid-2021. This has come in an attempt to stabilise local currencies ahead of the start of the eventual tightening cycle in advanced markets. Now emerging markets face the drag of 12 continuous months of increasingly stringent financial conditions, and likely more of the same for another year as they navigate the pace at which the Fed and the ECB seek to rein in inflation.

In Latin America, central banks have fought hard to avoid capital outflows ahead of tightening in the advanced markets.

In Latin America for example, a commodity-rich region that typically would benefit from high commodity prices, policy rates in key markets have shot up as regional central

[7] "Food price spikes and social unrest: The dark side of the Fed's crisis-fighting", *Foreign Policy Magazine*, May 2020.
[8] AXCO Insurance Research.

banks try to fight off capital outflows. Brazil's SELIC[9] policy rate went from 2.0% in April 2021 to 11.75% in 12 months (and on to 12.75% in June 2022 at the time of writing). Chile's policy rate went from 0.5% in July 2021 to 8.5% in 12 months. In Mexico, where the adjustment has been the most orderly, the policy rate has gone from 4.0% in June 2021 to 7.5% in 11 months. Mexico's central bank recently announced that it does not expect inflation to return to its target band until the first quarter of 2024, signaling a still-long adjustment process ahead.[10]

In Asia, inflation conditions are more modest allowing central banks to be more patient.

In Asia, central banks have been – and can be – more patient as they have endured more modest inflation conditions, less tight labour markets and weaker recoveries from the pandemic. In China, we expect the central bank to maintain an accommodative stance, with further rate cuts later this year as it seeks to stabilise economic growth from the setback inflicted by the COVID-19 crisis.

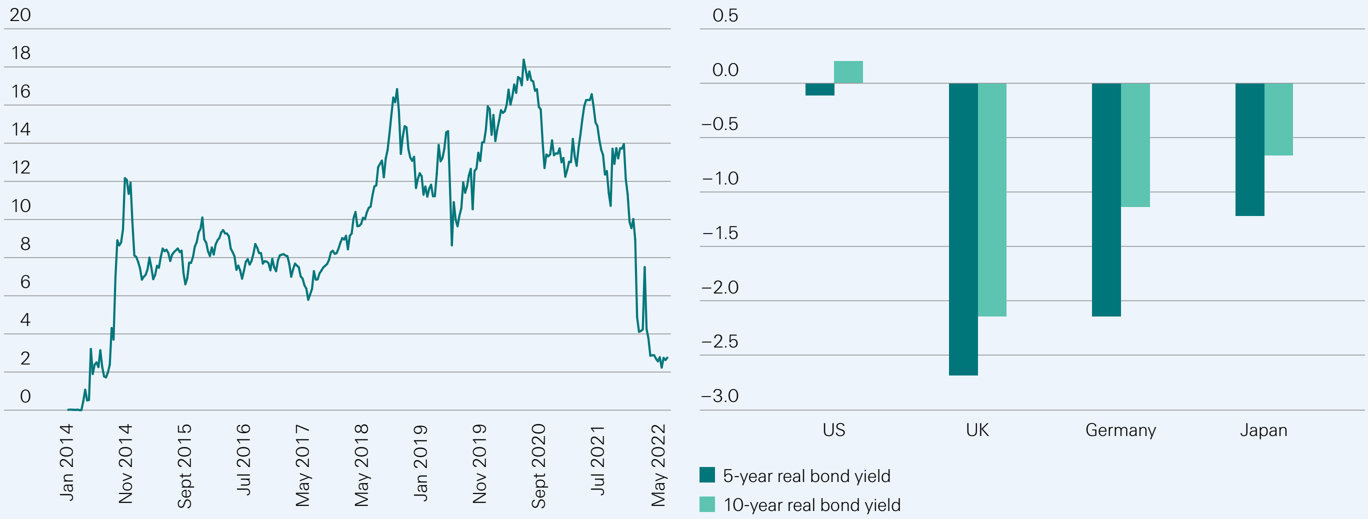
The amount of negative yielding debt has shrunk by 70%.

A new and welcome interest rate regime in the making

Globally, bond yields are rising. The mix of high levels of inflation and tightening monetary policy suggests a new interest rate regime is in the making, a silver lining of the current global economic crisis.[11] A strong signal is that, as of mid-April and on a year-to-date basis, the amount of negative-yielding debt had shrunk by 70% to less than USD 3 trillion (see Figure 6). The rise in yields is higher in the US than in Europe, as debt sustainability issues are greater in Europe and growth will likely be weaker.

Figure 6

Stock of negative yielding debt, USD trillions (left); inflation-adjusted government bond yields (end of June 2022, right)



Source: Bloomberg, Swiss Re Institute

Rising yields are a silver lining for the global economy and insurers.

A new interest rate regime, or in other words the end of the negative interest rates experiment, is a silver lining for the insurance industry also. Insurers will, over time, benefit from higher investment returns that will help offset the higher claims they are liable for. Moreover, for non-life insurers, empirical analysis shows a strong correlation between nominal interest rates and the combined ratio in non-life. The low-rate environment of the past decade meant that non-life insurers' underwriting results have been under pressure,[12] even though the industry profited from mark-to-market gains in risky assets and fixed income investments. For 2023, the anticipated increase in interest rates will ease pressure on underwriting side. For the G8 markets and on a median basis,

[9] Sistema Especial de Liquidação e Custodia (SELIC) is the Brazilian central bank's system for the implementation of monetary policy.

[10] *Informe Trimestral, Enero – Marzo 2022*, Banco de México, March 2022.

[11] *Economic Insights – Keeping it real: the start of a new interest rate regime?* Swiss Re Institute, 13 April 2022.

[12] *Lower for even longer: what does the low interest rate economy mean for insurers?*, Swiss Re Institute, September 2020.

we estimate that underwriting margins will need to rise by 4–5 ppt in order to meet ROE expectations. That compares with an underwriting gap of 6–9 ppt previously.

Even with rising investment returns, underwriting discipline will remain key.

Life insurers are more interest-rate sensitive than non-life given their higher asset leverage. The long-dated nature of their contracts creates the possibility of asset and liability mismatch. Given that life insurance guarantees are usually set at the point of sale, the falling interest rates of the past decade have significantly affected the return gap of existing in-force policies.[13] The rise in nominal interest rates is an important tailwind for the industry. However, it will not be strong enough to fully offset current challenging capital market and inflation conditions. As such, we believe underwriting discipline should remain a main point of focus.

[13] Defined as the difference between 10-year yields on sovereign bonds and the average guarantee returns.

Trends in global insurance markets

Economic slowdown will drag on global insurance market growth in 2022 and 2023, with total premiums (non-life and life) forecast to grow at a below-trend 1.2% annual average in real terms. Even so, we expect total premiums volumes will rise above USD 7 trillion for the first time ever by the end of 2022. Rate hardening in commercial lines will continue to support nominal premium growth in non-life, but this will in part be offset by higher claims. Life insurance should benefit from higher risk awareness and digital interaction. As a silver lining, over time rising interest rates will support industry profitability by yielding higher investment returns.

Economic dynamics to weigh on overall market growth

We see flat growth in total global premiums (non-life and life) in 2022 in real terms.

Reflecting current economic conditions, we expect insurance markets to tread water this year. At the aggregate level, we see essentially flat growth in total global premiums (non-life and life combined, see Figure 7) in 2022 in real inflation-adjusted terms (nominal +6.1%, this based on employment growth, high risk perception and rate hardening). Nevertheless, in nominal we expect total premiums volumes will exceed the USD 7 trillion mark for the first time ever by the end of this year. We base our estimation of a rise in total premiums to USD 7.3 trillion from USD 6.9 trillion at the end of 2021 on strong market recovery from pandemic-induced lows, continued rate hardening in non-life, and stronger premium growth in emerging markets in particular.

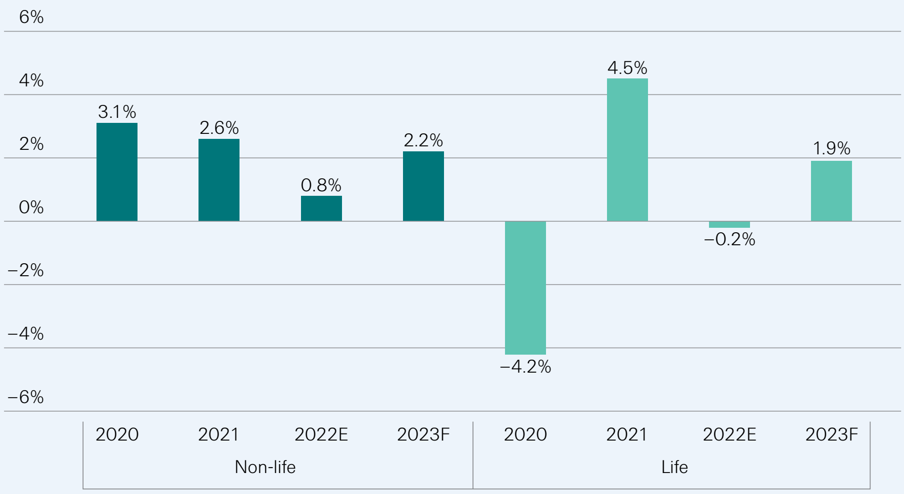
In nominal terms, however, we see total global premiums rising to more than USD 7 trillion for the first time ever.

At this level, global premium volumes will be 17% higher than at end-2019 before the onset of the COVID-19 crisis. The increase over that three-year time span reflects the overall resilience of insurance markets over the course of the pandemic, and also last year's strong recovery. The decline in global premiums resulting from the COVID-19 shock was less severe than the fall seen during the global financial crisis (GFC) of 2008–09. And, with above-trend growth of 3.4% in real terms 2021, the recovery was also stronger than one year after the GFC.

Real growth will remain below trend over the coming two years.

All told, the mid-term outlook remains challenging. At the aggregate level, we expect the stalling of global premium growth this year will be followed by stronger but still slightly below-trend growth in 2023 (2011–2020 CAGR: 2.4%). We expect that claims inflation will offset rate hardening in non-life insurance, and also a reduction in demand for life savings on account of reduced disposable incomes given high levels of inflation. Pricing in the commercial property and liability insurance markets will likely continue to harden, especially in advanced markets, with improvement in most lines of business as insurers seek to offset the impact of high inflation. In life insurance, we expect high inflation will erode nominal premium growth. At the same time, however, we expect demand for protection-type products to remain robust.

Figure 7
Real premium growth, 2020–2023F, non-life and life



Source: Swiss Re Institute

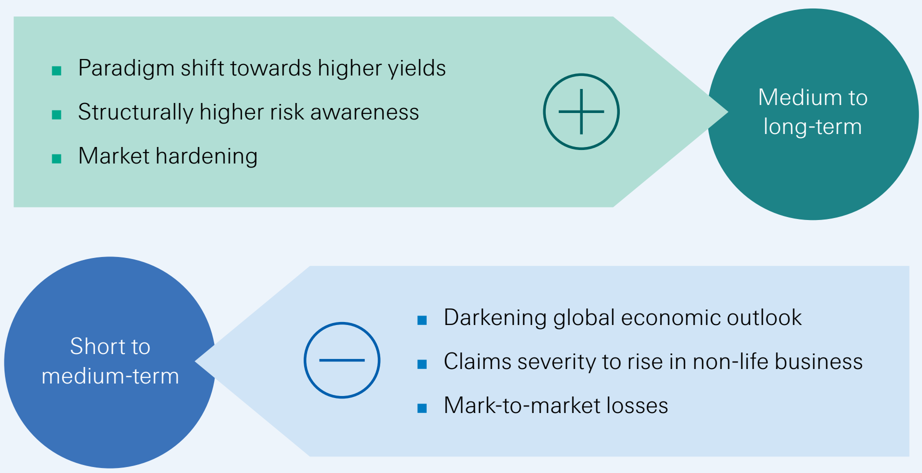
A mix of tailwinds and headwinds shapes the outlook for the insurance industry.

Outlook
We expect 2022–2023 will be transition years for the insurance industry as it navigates the economic realities of high inflation and low growth. This and other factors make for a mix of longer-term tailwinds and shorter-term headwinds for sector growth, investment performance and insurers' balance sheets:

Headwinds in the short- and medium terms
- **Impact of the war in Ukraine.** The Russian and Ukrainian markets will see considerable loss of premium income due to the conflict and international sanctions. The conflict will also impact consumer sentiment and curb demand for insurance.
- **Continued claims inflation.** The impact of the conflict will be felt primarily through additional price pressures that increase the level of claims. Property, casualty and health insurers are most exposed.
- **Balance sheet.** Weaker equity markets this year and widening credit spreads will likely lead to mark-to-market valuation losses on assets and capital.

Tailwinds in the medium- and long terms
- **Rising interest rates.** These will boost insurers' investment returns.
- **Heightened risk awareness post pandemic.** There is higher demand for life insurance products (mortality protection, health) as consumers' risk awareness has increased during the pandemic.
- **Rate hardening.** We expect claims inflation to feed through into rate hardening in non-life commercial and personal lines this year and next.

Figure 8
Global insurance industry outlook: tailwinds and headwinds



Source: Swiss Re Institute

Last year, total insurance premiums grew by 3.4% in real terms.

Ranking the world's largest insurance markets
In 2021, total global insurance premiums grew by 3.4% in real terms. The non-life sector posted 2.6% growth, driven by rate hardening in commercial lines in advanced markets. However in China, the largest emerging market, non-life premium volumes contracted by 0.7% as the de-tariffication of motor insurance sparked fierce competition and rate reductions. In life, global premium growth bounced back strongly (+4.5%) in both the advanced (+5.4%) and emerging markets (+6.7%, excluding China). Life premiums in China contracted by 2.6% due to weakness in life savings business caused by a further decline in critical illness business.

The US, China and Japan are the world's three largest insurance markets.

The US remains the largest insurance market in the world, with total premiums (non-life and life) of USD 2.8 trillion in 2021, according to *sigma* data (see Table 3). Next are China and Japan. The three markets together accounted for almost 56% of the global premiums, slightly less than in 2020 (57%). The US and Japan together lost around 1%

market share between 2020 and 2021, the ground lost taken up by the UK and France. The market share of the top 20 countries declined to 90% in 2021 from 91% in 2020. Asian markets have six seats in our top 20 rankings, with a 23% market share in 2021. With the conflict in Ukraine weighing on economic growth in Europe in particular, we expect insurance industry growth in emerging markets will outpace that in the advanced markets this year, with emerging Asia in the lead. We expect India will be one of the fastest growing markets in the world over the coming decade (see *India insurance sector poised for rapid growth*).

Table 3
Top 20 ranking by total premium volume, 2021

Rank	Country	Total premium volumes (USD millions)			Global market share	
		2021	2020	% change	2021	2020
1	**US**	2 718 699	2 515 358	8.1%	39.6%	40.0%
2	**China**	696 128	655 865	6.1%	10.1%	10.4%
3	**Japan**	403 592	414 475	–2.6%	5.9%	6.6%
4	**UK**	399 142	341 950	16.7%	5.8%	5.4%
5	**France**	296 380	238 998	24.0%	4.3%	3.8%
6	**Germany**	275 779	260 322	5.9%	4.0%	4.1%
7	**South Korea**	193 008	190 085	1.5%	2.8%	3.0%
8	**Italy**	192 481	172 704	11.5%	2.8%	2.7%
9	**Canada**	161 289	139 243	15.8%	2.4%	2.2%
10	**India**	126 974	111 911	13.5%	1.9%	1.8%
11	**Taiwan**	113 423	113 304	0.1%	1.7%	1.8%
12	**Netherlands**	92 986	88 004	5.7%	1.4%	1.4%
13	**Spain**	73 571	67 220	9.4%	1.1%	1.1%
14	**Australia**	72 576	62 825	15.5%	1.1%	1.0%
15	**Hong Kong**	72 227	72 940	–1.0%	1.1%	1.2%
16	**Ireland**	64 696	49 282	31.3%	0.9%	0.8%
17	**Brazil**	62 082	57 900	7.2%	0.9%	0.9%
18	**Switzerland**	57 793	57 081	1.2%	0.8%	0.9%
19	**South Africa**	51 215	41 110	24.6%	0.7%	0.7%
20	**Luxembourg**	48 287	36 902	30.9%	0.7%	0.6%
	Top 20 markets	**6 172 328**	**5 687 478**		**90.0%**	**90.4%**
	World	**6 860 598**	**6 291 834**			

Source: Swiss Re Institute

India's insurance market poised for rapid growth

India will be one of the main drivers of global insurance industry growth over the next decade.

India is one of the fastest growing insurance markets in the world. In terms of total premium volumes, it was the 10th largest globally in 2021, with an estimated market share of 1.9%, and the second largest of all emerging markets. We forecast that premiums will grow by an average 9% per annum (in real terms) over the next decade, stronger than the 7.5% annual average of 2015–2021. At this rate, India will be the 6th largest insurance market in the world by 2032, ahead of Germany, Canada, Italy and South Korea. Our projection is based on expectations of strong economic growth, rising levels of disposable income, India's young population, increased risk awareness and also digital penetration, and regulatory developments.

Non-life penetration is significantly below the global average.

At 1%, non-life insurance penetration (premiums as a percentage of GDP) in India last year was significantly below the global average of 3.9%. Growth in the non-life sector will be driven by demand for health covers, with people more aware of health security post COVID-19, and also strong support from a government-sponsored mass health programme (Ayushman Bharat). Compulsory motor third-party insurance will also grow rapidly as India's middle class continues to expand and buy more cars.

The life insurance sector is more developed, but the mortality protection gap is still large.

Life insurance penetration was 3.2% in 2021, almost twice more than the emerging market and slightly above the global average. However, most life insurance products sold in India are savings-linked, with just a small protection component. Hence households remain exposed to a large financing gap in the event of premature death of a main breadwinner. The mortality protection gap in India stood at USD 17 trillion in 2019, (or 83% of total protection needed), one of the largest in the world.[14]

Regulatory changes have opened the door for foreign insurers.

In 2021, the government raised the level of foreign direct investment (FDI) in domestic insurers to 74% from 49%, and there are expectations that the level will increase to 100%.[15] The increase to 74% already allows foreign insurers to further strengthen their foothold in one of the fastest growing insurance markets in the world, with controlling stakes. The move will also facilitate greater access to capital, underwriting know-how and product innovation for the country's insurers.

Public listings will improve corporate valuation, transparency and may accelerate M&A activity.

India's largest life insurer, the Life Insurance Corporation of India, went public in May 2022, raising USD 2.7 billion in the country's largest IPO to date.[16] Star Health and Allied Insurance, the largest private-sector health insurer in the country listed in December 2021,[17] making it the fifth private sector insurer to IPO after SBI Life Insurance, HDFC Life, ICICI Lombard and ICICI Prudential. Public listings will improve public disclosure, corporate governance and valuation. The insurance sector is highly competitive and is already witnessing M&A activity. Additional FDI inflows, IPOs and improved corporate valuations will likely further accelerate M&A activities in the sector.

India's insurance industry is at the forefront of digitalisation.

The digitalisation of Indian insurance market goes beyond telematics and customer risk assessment. A large number of digital platforms have emerged over recent years, offering a wide array of services, including insurance purchase. There are currently more than 110 InsurTech start-ups in India.[18] Funding in Indian Insurtech rose from just USD 10 million in 2016 to USD 800 million in 2021, accounting for almost 6.0% of the total global funding in the sector over the same period.[19] Policybazaar, Digit and Acko from India are among few InsurTech companies globally that had crossed the USD 1 billion valuation mark by 2021.

Non-life insurance

We see 0.8% growth in global non-life premiums this year in real terms.

Key developments

The war in Ukraine is weighing on global non-life insurance sector growth (see *Ukraine conflict: impact on non-life business*). Impacts are already showing through in the form of claims inflation. Associated economic slowdown will also have negative implications, the extent of which will depend on the duration of the conflict. We expect inflation of exposure values and rate hardening to drive nominal premium growth of 7.1% in 2022 in spite of slowdown, with volumes rising to USD 4.1 trillion. However, in real terms, we forecast that global non-life premium growth will slow to 0.8% this year from 2.6% in 2021. We expect notable slowdown in personal lines growth. Motor in particular will likely see sub-par premium growth, and also sub-par underwriting results due to increased competition across this segment. For 2023, we forecast a return but still slightly below-trend real growth of 2.2% in global non-life sector premiums.

[14] *Closing Asia's mortality protection gap*, Swiss Re Institute, July 2020.
[15] "IRDAI may go for 100% FDI in 'new' insurance biz scope of sector", *Business Standard*, 11 April 2022.
[16] "India Raises USD 2.6 Billion as Biggest IPO Prices at Top", *Bloomberg*, 13 May 2022.
[17] "Star Health's IPO scrapes through", *Business Standard*, 2 December 2021.
[18] *Indian Insurance Industry Overview & Market Development Analysis*, India Brand Equity Foundation, February 2022.
[19] *India Insurtech Landscape and Trends*, Boston Consulting Group and India Insurtech Assn, April 2022.

Figure 9
Non-life real premium growth, by region

Source: Swiss Re Institute

The non-life sector is well positioned to absorb losses coming from the war in Ukraine.

Ukraine conflict: indirect impacts to outweigh the direct
Slowing premium growth as the global economy heads into downturn and higher claims costs on account of inflation pressures, are the main indirect impacts that the war in Ukraine will have on insurance markets (see *The impact of high inflation on claims costs*). Food inflation and geopolitical uncertainties will also weigh. The longer term ramifications of the indirect will outweigh direct impacts, including the insured losses that the conflict will trigger. Capacity wise, the global non-life insurance sector should be able to absorb the direct insured losses triggered by the war. Based on a recent external estimate, potential losses range from USD 13 billion to USD 23 billion.[20] There could be claims in niche segments such as aviation war, trade credit, political risk or marine war, depending on the covers provided and policy wordings. In relation to the conflict in Ukraine, some 500 aircraft currently in Russia are leased from international firms. The outcome of the evolving situation is uncertain.

Demand for cyber covers will grow as a result of the conflict.

Another line of business directly exposed is cyber. Here demand and premium growth will likely accelerate the longer the war goes on, given the heightened perception of the risks that could further emanate. For this reason, we also expect to see rate hardening in cyber, and likewise in other specialty lines with elevated claims exposures.

We expect non-life premiums in Russia will contract significantly.

Russia and Ukraine themselves will see considerable loss of premium income in the non-life sector due to the conflict. We expect direct non-life premium volumes in Russia to contract significantly this year given economic sanctions and the withdrawal of foreign companies from the market. Wider negative premium impacts may be felt in specialty insurance given lower demand as a result of disruption to in economic activity. In aviation and marine, sanctions mean international traffic to/from Russia is now very limited.[21] Future foreign investments in Russian assets and infrastructure are unlikely in the near- to medium term, for instance with the UK and EU also prohibiting re/insurance in Russia for strategic sectors like aerospace.

[20] "Ukraine conflict industry loss could exceed $20bn: PCS", *Reinsurance News*, 18 April 2022.
[21] *The impact of the war in Ukraine on the aviation industry*, IATA, 25 March 2022.

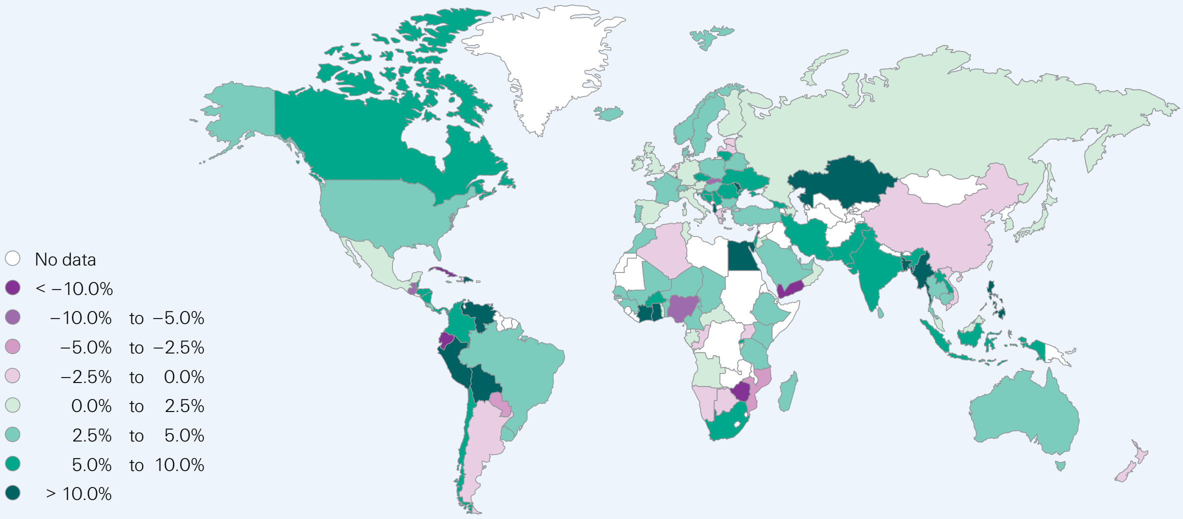
Non-life premiums grew by 2.6% in 2021 as the global economy bounced back from the pandemic shock.

Last year's strong growth in global non-life premiums came alongside economic rebound from pandemic-induced recession in 2020. In 2021, non-life premiums grew by an above-average 2.6% in real terms. Premium income increased to USD 3 863 billion, up 8.3% in nominal USD terms. Advanced market premiums were up 2.9% in real terms, mostly on the back of rate hardening in commercial lines. In the US and Canada, premiums grew by 3.5%, followed by advanced EMEA with a 1.6% gain and advanced Asia Pacific with 1.4%. Emerging market premiums were up 1.5% in real terms 2021. The slower aggregate growth rate relative to advanced markets was mostly due to a 0.7% decline in premiums in China, where motor premiums contracted by 6.6% due to de-tariffication. This was partly offset by a 10.6% in medical insurance premiums in China. The aggregate for emerging markets excluding China was stronger, with premiums up 4.1%. Premium growth in Latin America improved to 3.7% (1.8% in 2020), emerging Europe and central Asia to 3.6% (2020: –0.2%), but emerging Asia down to 0.4% (3.2% in 2020).

Rate hardening supported growth commercial lines (except motor).

By business, global commercial insurance premiums grew by 4.4% in real terms last year, after a 2.6% gain in 2020. This was on the back of rate hardening across all major lines of business except commercial motor. Premiums in personal lines were up 0.7% in 2021 (flat in 2020) with weakness in motor, which accounts for 60% of global personal lines business. The weakness resulted from heightened competition after the windfall profits in 2020 due to low claims, with lockdowns across markets having taken many drivers off the road. The slump in China on account of the de-tariffication also dragged. Health/medical expense (medex) insurance premiums were up 3.7%. US medex premiums, which account for more than 80% of the global total, were up 3.1%. In emerging Asia, medex premiums grew by 13.8% last year, due to rising awareness of health protection in the wake of the COVID-19. Growth was strong in India (22.4%) and China (10.6%).

Figure 10
Non-life real premium growth, 2021



Source: Swiss Re Institute

US health insurance premium increases, driven by inflation, utilisation and policy responses to the pandemic, will boost growth in global non-life premiums.

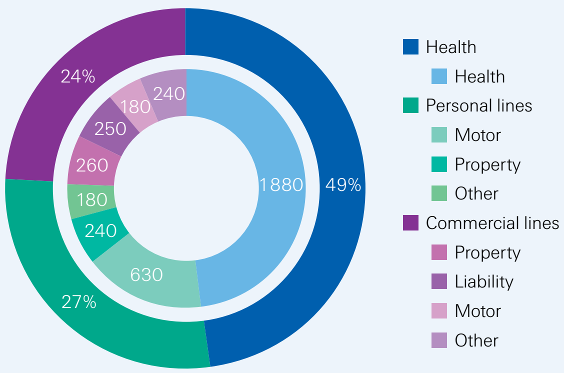
Outlook

We estimate 0.8% growth in global non-life premiums in 2022 in real terms. The US primary health insurance market, which accounts for one-third of global non-life premiums, remains a primary contributor to growth. Rising prices and utilisation across the US health care system are driving premium increases. Further, the expected continuation of the public health emergency declaration beyond July 15 indicates that the 18.7 million additional people who have Medicaid coverage due to pandemic relief legislation, will likely continue to be covered until at least 2023.[22] We forecast that global medex premiums will grow by below-trend 0.7% in 2022 and 1.7% in 2023, with strong demand in emerging markets due to increased awareness of health security continuing to support.

Growth in commercial will be stronger than in personal lines of business.

Commercial lines (including workers compensation) will continue to expand more than personal lines (including health). We estimate a 1.1% increase in commercial premiums in 2022, and a 3.1% gain in 2023, supported by rate hardening. Personal lines insurance premiums will expand by an estimated 0.5% in 2022, mainly on account of stagnation in advanced markets. A main reason for this a still competitive environment in motor, with new car sales 12% below pre-pandemic levels.[23] In China on the other hand, growth in motor should normalise after the de-tariffication effect of 2020/21 although there too, new car sales are still weak For 2023, we forecast that global premiums in personal lines business will grow by 2.7%.

Figure 11
Global non-life premiums 2021, by line of business, USD billion



Note: We harmonise the allocation of lines of business to compare regions. Accident & health business is allocated to non-life insurance, independent of whether it is written by life, non-life or composite insurers (see Appendix for methodology). Health insurance accounts for almost half of global non-life insurance; personal lines represent 27% and commercial lines 24%. Source: Swiss Re Institute

Premiums in North America and Europe will stagnate in 2022 but rebound in 2023.

By region, we estimate that premium growth in advanced markets will stagnate this year (+0.4%) and grow by a below-average 1.8% in 2023 in real terms. Strength in commercial insurance will be offset by weakness in personal lines (particularly motor), while health will only resume trend growth in 2023. In 2022, we estimate that premiums in North America will increase marginally by 0.9% but Europe will see a negative growth of 1.4%. In advanced Asia-Pacific, premiums will grow by an estimated 0.9%, with the region's economies also impacted by inflation and low growth.

The emerging will outperform the advanced markets.

We expect non-life premium growth in emerging markets to outstrip that in advanced markets this year and next, with real growth of 3.0% in 2022 and 4.2% in 2023. We see a strong rebound in China, with non-life premiums up an estimated 3.7% this year and by 4.7% in 2023. Even so, that is still well below pre-pandemic double-digit growth rates. The increase this year and next will be driven by demand for short-term health insurance, fuelled by consumers' rising risk awareness of health security post COVID-19, and strong policy support as the government seeks to expand access to healthcare.[24] In motor, we

[22] The Kaiser Family Foundation's (KFF) estimate of additional Medicaid enrollees by 30 September 2022 due to the "maintenance of eligibility" requirements stipulated within the March 2020 Families First Coronavirus Response Act. See *Fiscal and Enrollment Implications of Medicaid Continuous Coverage Requirement During and After the PHE Ends*, KFF, 10 May 2022.
[23] See *Global Sales Statistics 2019–2021*, International Organization of Motor Vehicle Manufactures. New car sales are an important driver for motor premium growth.
[24] *Economic Insights – Short-term health insurance: a growth engine for China's P&C insurers*, Swiss Re Institute, 7 January 2021.

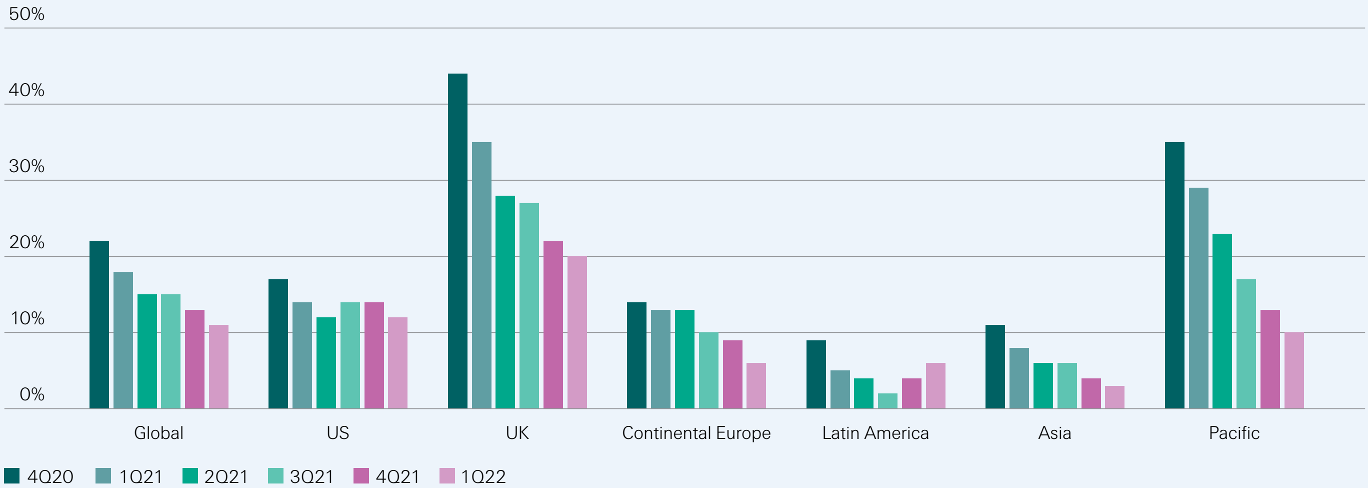
forecast premiums in China will grow by 4% and 3% in 2022 and 2023, respectively. In line with global economic trends, we expect other emerging regions to register slowing non-life premium growth rates of 2.0% in 2022, with an improvement to 3.5% in 2023.

Pricing trends

We expect commercial rate hardening to continue through 2022.

Pricing in commercial lines continues to improve in 2022, albeit at a more moderate pace than last year. In 2021, the strongest rate gains were in financial and professional liability lines (+34% on average) in the UK, the US and Australia. Property rates were up in all regions (up 11% on average), while casualty continued to lag in (+6%).

Figure 12
Commercial insurance composite rate outlook



Source: Marsh, Global insurance market index, Swiss Re Institute

Motor profitability is under pressure from higher claims and softer pricing.

In motor, profitability has been squeezed by price competition and rising claims in 2021 after a very positive 2020. In the first year of the pandemic, the restrictions on mobility imposed on populations resulted in far fewer motor insurance claims than normal. This brought large windfall gains to insurers' profitability in 2020.[25] With mobility returning to normal levels in 2021and 2022, we expect motor claims to jump back to pre-COVID-19 levels. The windfall profit gains also had the effect of intensifying competitive pressures in personal auto, in which rates are now softening as insurers seek to consolidate their market share.

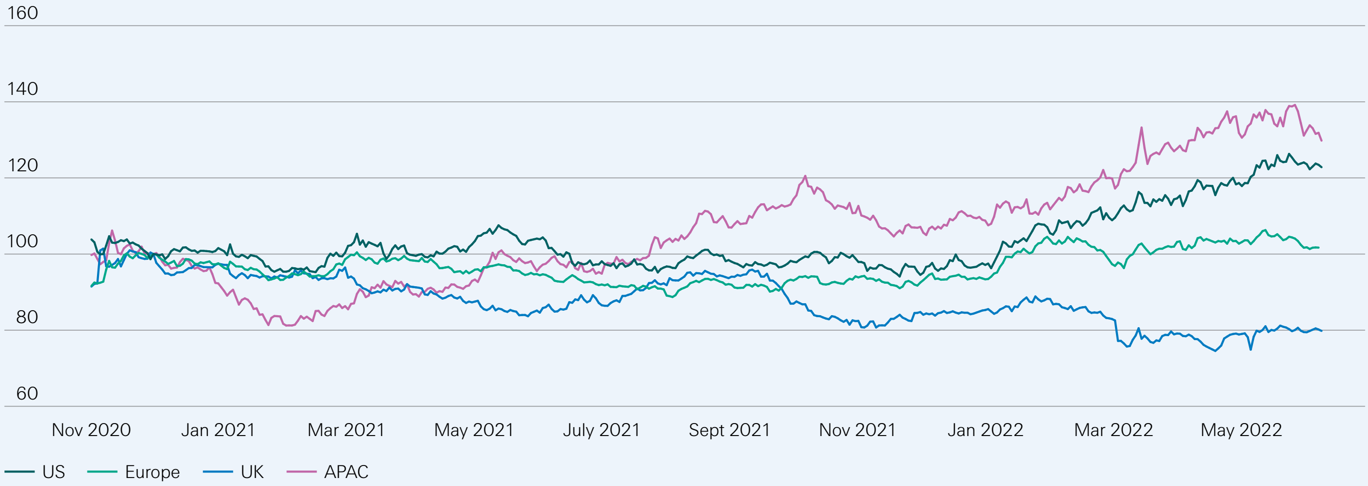
Profitability: economic slowdown and inflation pressures will weigh

Non-life insurance sector ROE will likely decline slightly in 2022

Global non-life insurance sector profitability will come under pressure this year and next. We forecast an industry return on equity (ROE) of around 5–6% in 2022, compared with 6% in 2021.[26] For 2023, we expect a significant improvement to 6.6% based on a recovery in underwriting results and increased investment returns. Economic slowdown and multi-year high inflation rates will reduce premium income growth in real terms, while also increasing claims costs. For global non-life insurance, we estimate a sector combined ratio of 101% in 2022, slightly worse than the 100% of 2021. The inflation impact on claims will offset the improvement in profitability we had previously anticipated from ongoing rate hardening in commercial and also in some personal lines insurance (see *The impact of high inflation on claims costs*). Forward-leading indicators such as the P&C insurance sector stock price index ratios, suggest an improvement in the sector profitability outlook for US and APAC markets (see Figure 14). For insurers in Europe, the outlook has become more challenging with Russia's invasion of Ukraine.

[25] For instance, in five major markets, the motor combined ratio dropped between six and 10 ppts in 2020. This translates into lower claims of ~USD 30 billion in those markets. Estimation based on improvement of underwriting result vs 2019 for five major markets (US, Germany, UK, France and Italy).
[26] The industry profitability is based on statutory market data, which tend to be lower with the inclusion of mutuals, and less volatile with no mark-to-market valuation changes flowing through income statements.

Figure 13
Non-life insurance sector stock price index ratios: 1 December 2020 = 100



Indices: US = Dow Jones US Non-life Insurance Index, Europe = STOXX Europe Non-life Insurance Index, UK = FTSE 350 Non-life Insurance Index, APAC = BI APAC Non-life Insurance Valuation Peers. Source: Bloomberg, Swiss Re Institute calculation

The impact of high inflation on claims costs

Higher claims costs erode profitability.

In non-life insurance, inflation means higher claims costs (ie, claims inflation), and these erode profitability. By line of business, motor and property insurance will bear the brunt of the immediate claims cost impact of the current high-inflation environment (see Table 4). We expect the war in Ukraine and continuing lockdowns in China to prolong disruptions in the auto industry's supply chains for spare parts and new cars. In the construction sector, supply disruptions related to raw materials and labour shortages are putting near-term upward pressure on property claims. For example, in Germany, we expect the construction price index (PPI-C) for non-residential commercial buildings to average around 18% this year. This will lead to an increase in repair and rebuilding costs, which in turn will likely show in higher claims.

Property, motor and liability lines of business will likely see rising claims on account of the current high-inflation environment.

Accident, motor liability and general liability business will also be impacted by high inflation, showing through in elevated claims for bodily injury. The longer the inflation surge lasts, and the more it broadens out to wages and higher healthcare costs, the more it will drive bodily injury claims higher. This will not only negatively impact current claims but also claims reserves of unsettled claims from prior years. In addition to higher claims costs, inflation has negative impacts on insurers' administration expenses, driven (eventually) by increasing employee wages. The exposure of insurers to changes in prices can vary considerably, and not all may be fully captured by the consumer price index itself. For example, claims in general liability, medical malpractice, and workers' compensation are dominated by bodily injury claims. These have high exposure to medical and wage inflation. Property, specialty and professional liability are more exposed to CPI inflation and/or social cost escalation. In non-life business, the degree of potential exposure is driven by: 1) the duration (years of claims) of loss reserves exposed to the spike in inflation; and 2) the reserve leverage, meaning the level of affected reserves as a % of premiums.

Table 4
Impact of inflationary shock on line of P&C business

	Current surge	More persistent inflation	Reason
Property	●	●	Soaring construction prices
Motor, physical damage	●	●	High car (part) prices
Motor, bodily injury	●	●	Wage growth and medical cost inflation remained below CPI inflation so far
Liability	●	●	Wage growth and medical cost inflation remained below CPI inflation so far
Marine/aviation/transport	●	●	In line with general CPI inflation

Red - most impact; orange - medium impact
Source: Swiss Re Institute

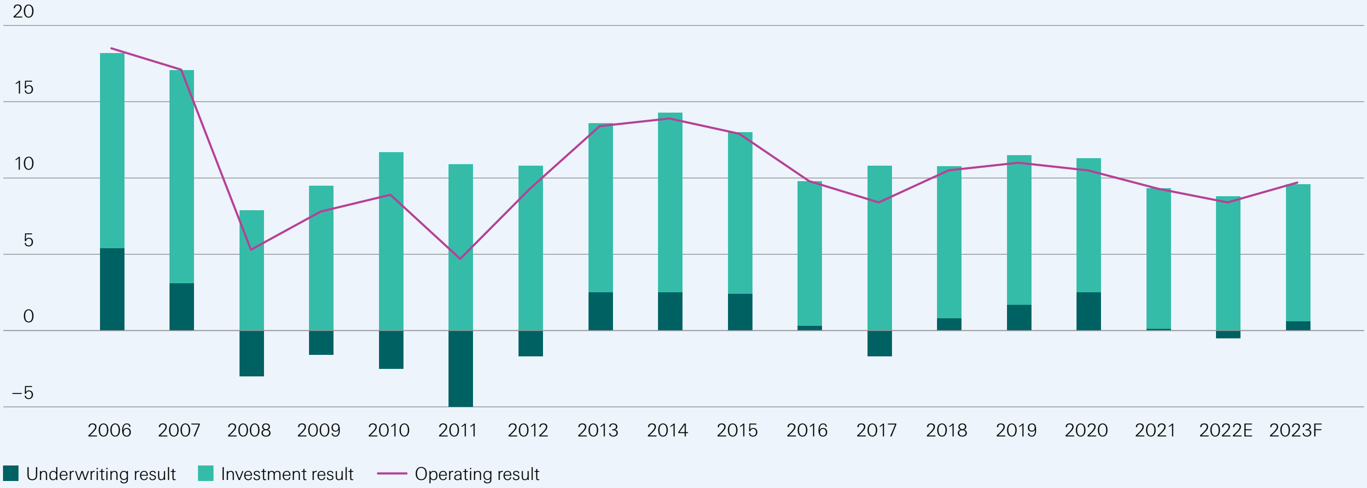
Higher interest rates will boost investment returns over the longer term.

The longer-term outlook is brighter with interest rates on the rise, spelling an end to the negative rate environment of the last years. However, while higher interest rates will improve investment returns, this will materialise over time and will not offset higher claims costs this year and next. Improved investment portfolio yields are a positive for earnings in the longer run as bond portfolios gradually roll over into higher yields (see *Insurer investment returns to react slowly to interest rate lift-off*).

They will likely have more immediate positive impact on underwriting results.

With respect to underwriting results, we expect that higher interest rates will have more immediate positive impact by easing pressure on the underwriting gap. In the last decade of low interest rates, we estimated that in a sample of G7 markets, non-life insurers had to improve underwriting margins in a range of 6-9 ppt depending on market if they were to meet their long-run ROE targets.[27] For 2023, we estimate that in a still-challenging environment of high inflation and low growth, higher interest rates will mean that underwriting margins will need to rise by a lesser 4 ppt in order to meet ROE expectations. Meanwhile, lower equity markets, rising interest rates and widening credit spreads have led to mark-to-market valuation losses. With re/insurers typically holding fixed income investments to maturity, most of these near-term book value losses do not flow through ROE earnings but do reduce capital in GAAP accounting.

Figure 14
Profitability of the eight major non-life markets, 2006-2023F, in % of net premiums earned



Note: Aggregate of eight major advanced markets (Australia, Canada, France, Germany, Italy, Japan, UK and US), excl medical insurance.
Source: Swiss Re Institute

[27] *Lower for even longer*, Swiss Re Institute, September 2020 op. cit.

As interest rates rise, insurers' portfolio yields will rise, but with a significant lag.

Insurer investment yields to react slowly to interest rate lift-off
Monetary policy tightening will further lift the short end of the US yield curve, which has been moving higher since 2021. This will increase future non-life industry profits through higher returns on the investment portfolio. However, even if policy rates rise as we expect, the near-term impact on the total industry results will likely be small. We see a flattening of the yield curve with long-term yields moving sideways as bond markets anticipate slower growth for the next few years. The gradual turnover of the longer-dated bond portfolio will delay any effect of rising rates on average portfolio yield. In addition, an existing portfolio yield that includes securities purchased in higher interest rate periods will do likewise.

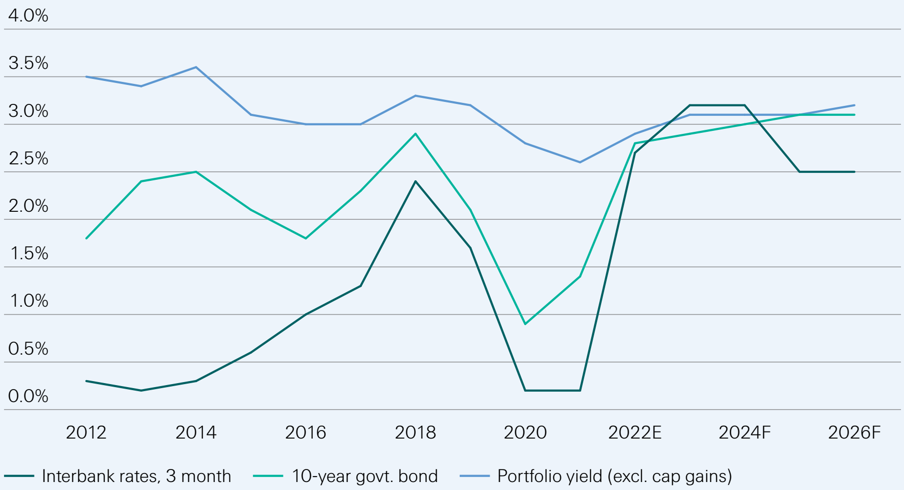
Short-term investments will benefit quickly from higher policy rates, but the bulk of the portfolio turns over slowly.

Cash equivalents and short-term investments benefit immediately from higher policy rates but in the US, for instance, these comprise just 7% of the non-life sector investment portfolio. The more significant impact will accrue as higher rates are earned in bond portfolios, which account for more than half of invested the sector's assets, as well as in other long-term investments. However, only one-tenth of bonds with an initial duration of more than 1 year mature within any given year. As market yields increase (or decrease), effective portfolio yields will follow with a considerable lag due to the large legacy portfolio.

Current yields are not materially above maturing long-dated bonds, leaving the average portfolio yield trend sideways.

In addition, companies' reinvestment yields on long-dated securities are generally within 1 ppt of the effective portfolio yield, despite the recent uptick in interest rates. For example, assuming the 10-year US Treasury yield is close to 3.0% in 2022, that compares with a 2.0% average over the preceding decade. Barring significant additional yield increases, we expect the reported industry investment result to improve but remain broadly in line with recent experience. One positive is that the expected profitability of new business has improved immediately from the higher yield curve compared to the low-yield environment of last year.

Figure 15
US P&C current portfolio yield vs short-term and long-term market yields



Source: A.M. Best, Refinitiv Datastream, Swiss Re Institute

Insurers can mitigate inflation risks through underwriting, reserving and asset-liability matching.

Mitigating inflation risks
The following are some actions non-life insurers can consider to mitigate the effects of prolonged high inflation on profitability:

Underwriting
- Re-price insurance risks to reflect elevated claims costs, especially for more persistent inflation pressures.
- Diversify and steer new business towards products with lower risk profiles.
- Index covers (in particular, sums insured in property) and deductibles to CPI to stabilise and avoid onerous re-pricing.

Reserving
- Review reserves regularly, on a best-estimate basis.
- Identify claims inflation trends.
- Plan a special review of reserves to respond to the projected or observed inflation spike.

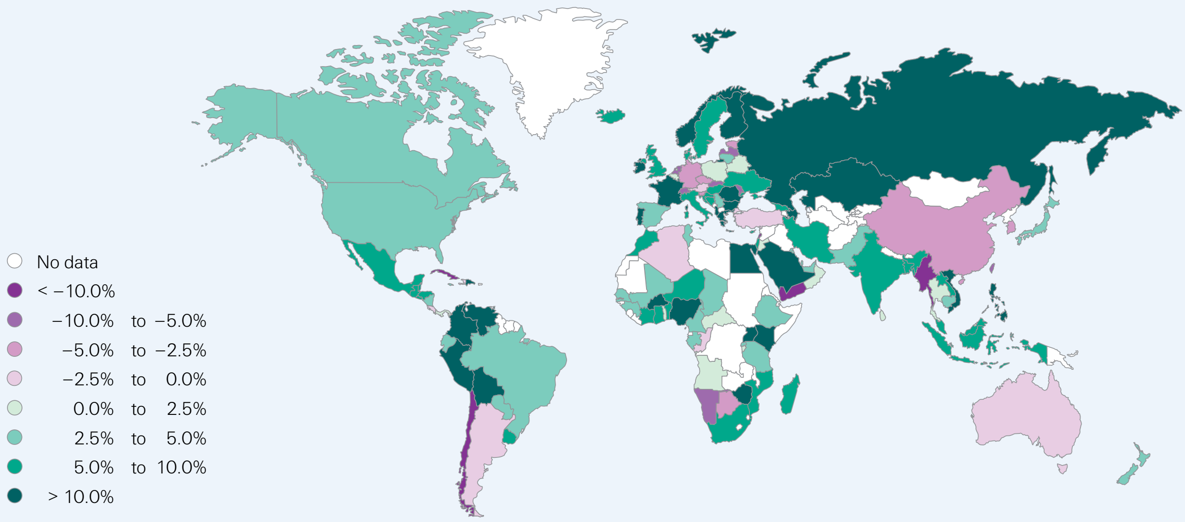
Asset liability management (ALM)
- Replicate portfolios that contain directly hedgeable financial market exposure.
- Translate the replicated portfolios into investable financial market positions.
- Reassess asset allocation strategy.
- Action change in investment where deemed necessary.

Life insurance

Life premiums will contract in real terms in 2022.

Key developments
We estimate that global life premiums will contract slightly (–0.2%) in real terms in 2022 after last year's robust recovery from pandemic-induced lows. In nominal terms, we estimate 4.8% growth to USD 3.1 trillion in 2022. Inflationary pressures, economic uncertainty and financial markets condition are the primary drivers of subdued premium growth in 2022. Saving premiums, which represent more than three-fourths of the total life premiums, will likely suffer due to volatility in the financial markets and as disposable incomes fall. Heightened risk awareness due to COVID-19 continues to support demand for life protection (and health) insurance products (see *Financial security worries and rising appetite for digital life insurance)*, while rising interest rates will support profitability of savings-linked business. In 2023, we forecast that global life premium growth will recover to 1.9% in real terms as inflation pressures ease and economic conditions improve.

Figure 16
Life real premium growth, 2021



Source: Swiss Re Institute

In advanced markets, demand for savings-linked products strengthened in 2021.

Life premiums in advanced markets grew above trend at 5.4% in 2021 after shrinking by 5.8% in 2020. Strong premium growth in 2021 was supported by a surge in asset values and labour market recovery that lifted demand for saving-linked business. Regulatory developments and a tax law change boosted the sale of annuity products in the US, resulting in real premium growth of 2.7% in 2021. In western Europe, insurers' continuous effort to shift their business portfolio towards capital-light products supported life premium growth, which were up 10.4% in real terms last year. France reported the strongest premium growth (+27.3%), mainly driven by growth in unit-linked business and a low base effect from 2020. In advanced Asia-Pacific, market shifts towards protection products under regulatory encouragement supported market growth.

Emerging market premium growth was below-trend.

In emerging markets, life premiums grew by 1.5% in 2021, well below historical trend. The main reason was subdued income growth in China, which undermined consumers' confidence in their financial position and thus demand for saving policies. Regulatory headwinds and a declining insurance agent workforce further weighed, leading to a 2.6% contraction in life premiums. Sector performance in other emerging markets was stronger. Improved economic conditions after the pandemic-induced slump, increased risk awareness due to COVID-19, and a low level of insurance penetration boosted demand for life insurance. In emerging Asia, life premiums in India, Malaysia, and Vietnam grew by 8.5%, 5.3% and 18.6%, respectively. On aggregate, premiums in the Emerging Europe and Central Asia region grew by 7.0%, and in Latin America by 3.8%, driven by Brazil and Mexico (premiums up 2.8% and 5.2%, respectively).

Financial security worries and appetite for digital insurance

Younger cohorts are most concerned about financial insecurity.

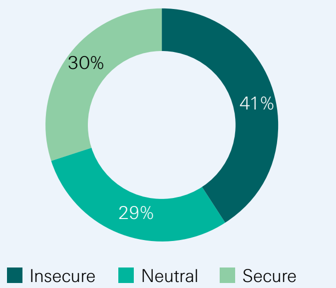
Earlier this year, Swiss Re Institute conducted surveys in key markets to better understand how the pandemic experience has changed consumer behaviours and attitudes toward life insurance.[28] In many markets, survey respondents expressed worry about being financially insecure (see Figure 17, left), and also about having inadequate life coverage. This was particularly the case among younger cohorts. Even among those who currently own a life insurance policy, almost two-fifths feel that their existing level of cover is inadequate, with those younger than 30 years old feeling the most vulnerable. Respondents in Japan, South Africa, the UK and Brazil reportedly feel the least secure with their current level of life insurance coverage.

The COVID-19 experience has raised consumer concerns about physical *and* mental health status.

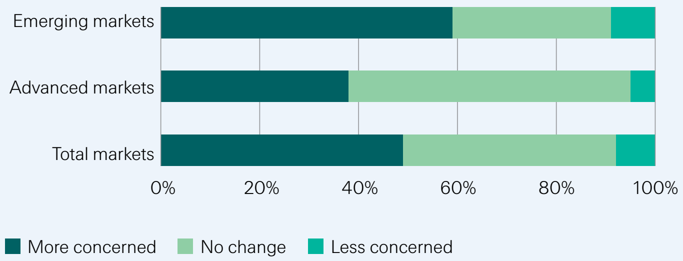
The pandemic has led to an increase in health concerns, with respect to both physical *and* mental well-being. Across the markets surveyed, more than half of the respondents said they have become more concerned about their overall health status due to COVID-19. At 60%, the concern is highest among respondents in emerging markets where insurance penetration is low and health protection gap high relative to that in advanced markets (see Figure 17, right side). The levels of concern expressed were the highest in Brazil, Mexico and India. Globally, health worries are especially high among younger age groups. Around 60% of the respondents below 40 years old are more concerned about their level of health because of COVID-19.

Figure 17
Consumer survey findings

Global sentiment of financial security among policyholders



Health concerns due to COVID-19: global, advanced markets, emerging markets



Question (left): Given the insurance coverage you currently have, how financially secure do you feel if something bad were to happen?
Question (right): Are you more or less concerned about your overall health as a result of COVID-19?
Source: Swiss Re Institute

[28] Swiss Re published a study based on consumer surveys conducted in 20 markets across the globe and APAC region in 2022. Markets include US, France, UK, Germany, South Africa, Brazil, Poland, Mexico, Australia, New Zealand, China, Hong Kong, South Korea, India, Indonesia, Japan, Malaysia, Thailand, Singapore, and Vietnam. See *Swiss Re global COVID-19 consumer survey 2022*, Swiss Re Institute, 1 June 2022.

Younger consumers are most likely to search and purchase life and health insurance online.

Based on the survey findings, consumers most wary of tomorrow's uncertainties are not only in the early phase of their lifecycle, but are also more digitally savvy and most likely to research insurance products online. Survey participants younger than 40 years of age and in emerging markets are most likely to increase their level of life and health insurance coverage given concerns over their financial security and health status.[29] Online platforms stand out as the most preferred purchase channel globally. In particular, consumer appetite for digital touchpoints and the swift processing potential offered by digital platforms is growing.

Outlook

We expect global life premiums will contract slightly this year, before recovering in 2023.

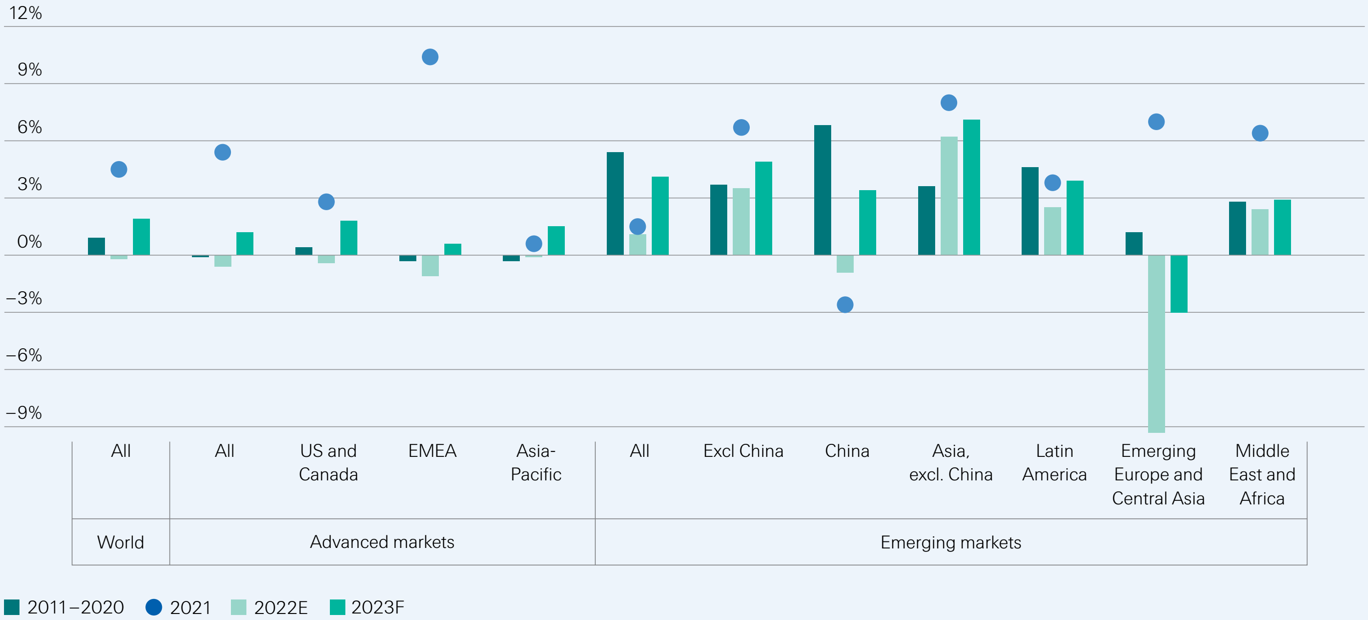
The life sector faces near-term headwinds from this year's high-inflation environment, and we estimate that global premiums will contract by 0.2% in real terms. However, medium-term tailwinds remain well anchored and will continue to support industry growth over the longer term. Heightened risk awareness post-pandemic is driving demand for protection-type products, and insurers are changing their business models to be digital-age ready. The high-inflation environment will have much lesser impact in terms of feeding through into claims inflation than in the non-life insurance sector. This is because policy benefits are defined at inception, and inflation itself does lead to a rise in mortality. We forecast that global life premiums will grow by 1.9% in 2023, stronger than the previous 10-year annual average (2011–2020) of 0.9%. Next year's improvement will reflect recovery in both advanced and emerging markets. In terms of sector profitability, higher interest rates will boost investment returns in the longer term. And, while COVID-19 related claims are likely to linger through 2022, they should gradually decrease thereafter.[30]

Demand in advanced markets is being hit by inflationary pressures

We estimate that life premiums in advanced markets will decline by 0.6% in real terms in 2022, after growing by 5.4% in 2021, and to recover to 1.2% in 2023. Inflationary pressure will reduce real premium growth in 2022. In nominal terms, we estimate that life premiums will increase by 4.8% in advanced markets this year. Labour market normalisation and increased risk awareness will continue to underpin protection business in 2022 and 2023. In North America, we see a 0.4% decline in premiums in real terms this year, mainly due to high inflation expectations. In nominal terms, we expect life premiums in the region to grow by 6.7% as ongoing regulatory developments and higher interest rates support annuity business growth. The conflict in Ukraine, higher inflation and adverse financial markets developments has weakened the near-term outlook in advanced Europe, and there we estimate that life premiums will contract by 1.1% in 2022. Advanced Asia-Pacific is likely to see a flat premium growth in real terms (+2.5% in nominal terms) due to market shifts towards protection products under regulatory push and increased risk awareness post pandemic.

[29] Ibid. In emerging markets, more than 80% of respondents sought to up their coverage in the six months preceding the survey.
[30] Aegon reported that COVID-19 was again the biggest driver of adverse mortality claims experience in the first quarter of 2022. See *Q1 2022 Results*, Aegon, 12 May 2022.

Figure 18
Life real premium growth, by region



Source: Swiss Re Institute

We estimate continued negative growth in life premiums in China this year, but +3.4% growth in 2023.

We estimate that real premiums in China's life market will contract by 0.9% in 2022.[31] Strict COVID-19 lockdowns in major commercial hubs are dampening income growth and consequently demand for life insurance products. A declining agent workforce and difficulties to sell critical illness products constitute additional drags on the industry. The Insurance Association of China revised the definition of Critical Illness (CI), and pricing directives of CI products in April last year. The revisions introduce more stringent claims criteria and reduce lump sum payments for certain common CI (such as thyroid), making new CI products less attractive. We expect these headwinds will dissipate over the medium term and subsequently forecast that life premiums will grow by 3.4% next year. The growing middle class, rising awareness of insurance, and potential reforms to promote pension insurance should underpin rising demand for traditional life products.

The other emerging markets will fare better this year.

In the other emerging markets together (excluding China), we estimate that life premiums will grow by 3.5% in real terms this year, below 3.9% growth between 2011 and 2020. The outlook for emerging Europe and central Asia is negative. Given its proximity, this region is the most exposed to the economic turbulence caused by the conflict in Ukraine, and we estimate an 9.3% contraction in real life premiums in 2022. We forecast growth of 6.6% in India in real terms, the second largest life insurance market in emerging world, as group business continues to perform well. Term products have also performed well, post-COVID-19. For Latin America, we see life premiums up 2.5% this year, with real growth eroded by high inflation. We also estimate 2.4% real premium growth in the Middle East and Africa this year. As an underlying reality, we expect low insurance penetration rates to continue to support growth in emerging markets over the medium-term.

Inflation and financial market conditions are undermining demand for savings products.

By line of business, we expect savings premiums to soften this year under challenging financial market conditions and in high-inflation economies. At the global level, we forecast a 0.7% contraction in premiums in real terms in 2022. This follows an exceptionally strong 2021 driven by favourable macro-financial conditions. We see savings premiums growth recovering slightly to 1.4% in 2023. Most advanced markets will likely see a decline in saving premiums, as inflation pressures dampen disposable incomes and propensity to save. In parallel, interest rate hikes increase the attractiveness of saving-linked products. We expect emerging markets (excluding China) will see

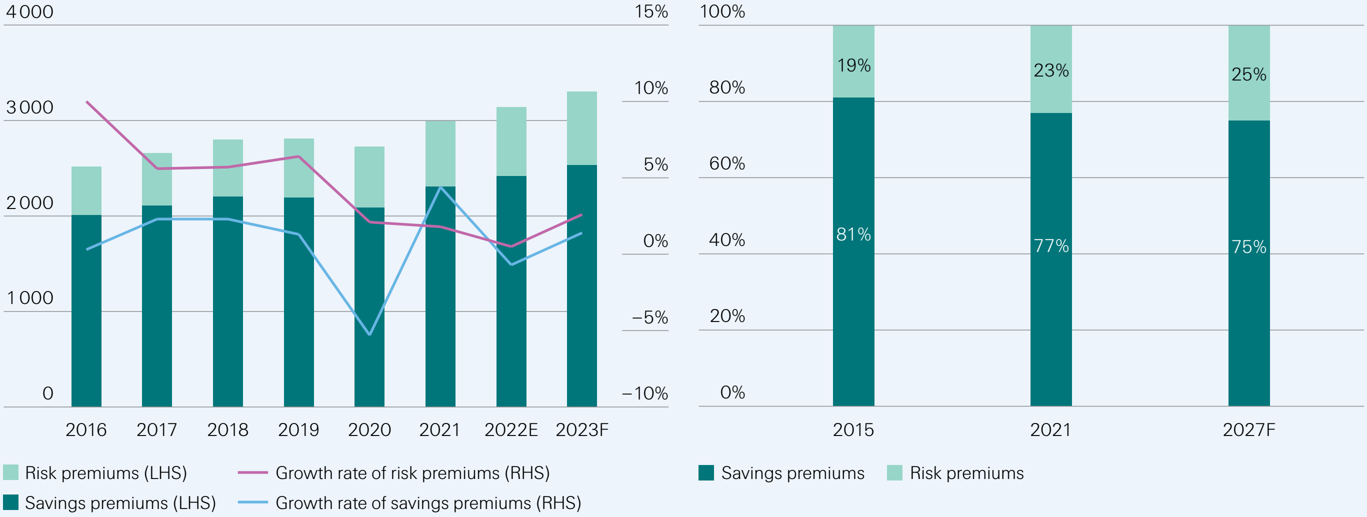
[31] This figure is well below 2020 real growth (2.8%) and the 2011–2020 CAGR (9.5%).

healthy growth in savings business, with premiums up an estimated 3.4% and 4.8% in 2022 and 2023, respectively, in real terms.

Increased risk awareness will continue to support demand for life protection products.

We estimate global life premiums from protection business (ie, "risk premiums") will grow only slightly by 0.5% in 2022 (real terms) mainly due to a contraction in North America where inflation will erode nominal growth. We expect emerging markets, primarily in Asia and Latin America, to support growth in risk business this year. Greater risk awareness induced by the pandemic remains a key pillar globally. Economies in emerging Asia are fueling growth in this segment. Notably, we forecast in-excess of 8% growth in risk premiums in India, Vietnam and Indonesia this year, in real terms.

Figure 19
Global L&H premiums by risk and savings in USD billion (left) and share of total (right)



Source: Swiss Re Institute

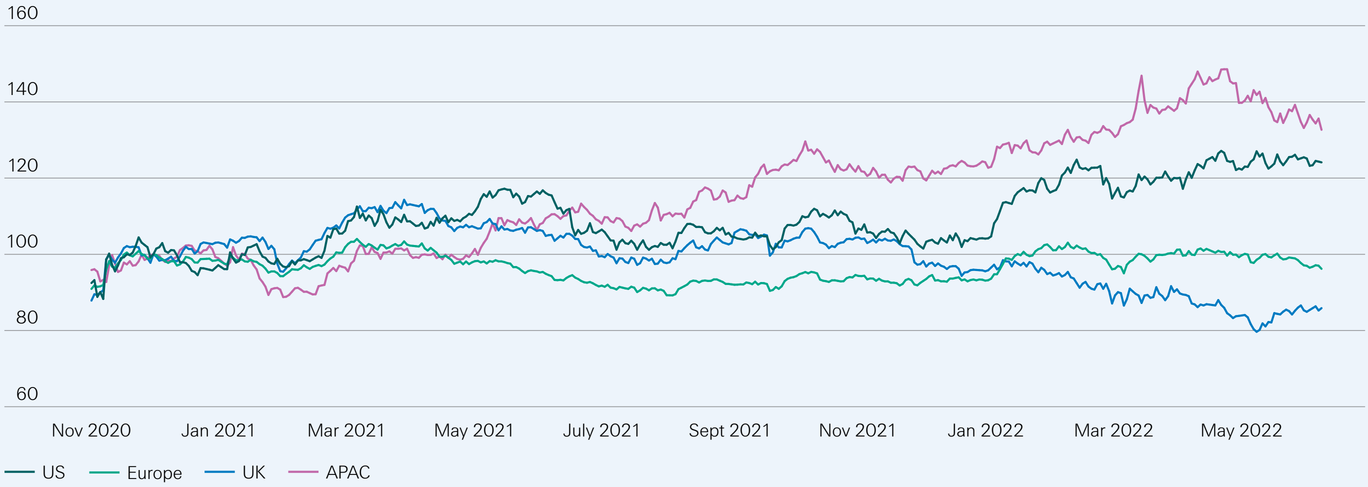
We expect profitability in life insurance will improve in 2022 and 2023.

Profitability: improved investment income to offer mid-term support

We estimate that life insurance profitability in 2022 and 2023 will continue last year's trend of moderate improvement, based mainly on rising interest rates. We also expect that the severity of pandemic-related claims will likely subside and normalise.[32] Life insurance sector stock price indices, a forward-looking indicator of expected performance, reflect our outlook (see Figure 20). Life insurance indices for all regions trended upwards through 2021 in the aftermath of the COVID-19 delta wave at the start of the year. Indices in all regions saw sharp declines in February this year due to heightened economic and geopolitical uncertainty caused by Russia's invasion of Ukraine. However, there was a partial recovery soon after, driven by interest rate hikes and the expectation that overall, the conflict will have little impact on life insurance business. The impact will mostly be felt through higher inflation, which in any case should be offset by monetary policy tightening.

[32] Aegon reported that COVID-19 was again the biggest driver of adverse mortality claims experience in the first quarter of 2022. See Aegon, 12 May 2022, op. cit.

Figure 20
Life insurance sector stock price index ratios: 1 December 2020 = 100



Note: Indices: US = Dow Jones US Life Insurance Index, Europe = STOXX Europe Life Insurance Index, UK = FTSE 350 Life Insurance Index, APAC = BI APAC Life Insurance Valuation Peers. Source: Bloomberg, Swiss Re Institute

Potential fallout of Russia-Ukraine conflict presents down risks.

Downside risks to the profitability outlook mainly emanate from high inflation and what are still low interest rates and potential fallout of the Russia-Ukraine conflict. Life insurers in western European markets are more vulnerable to potential fallout from the Russia-Ukraine conflict given geographical proximity and region's dependence on gas from Russia, which could accentuate the economic slowdown in the region. High inflation poses downside risk to profitability through potentially lower demand for insurance and, to a lesser extent, through a higher expense ratio. Also, though rising, interest rates in all major markets are still below the pre-pandemic levels. The associated boost to investment returns from higher interest rates takes time to show through on the balance sheets of insurers as life insurer's portfolio comprises long-term fixed-income assets and turns over slowly.

Portfolio revaluation due to interest rate changes do not significantly impact insurers' profitability.

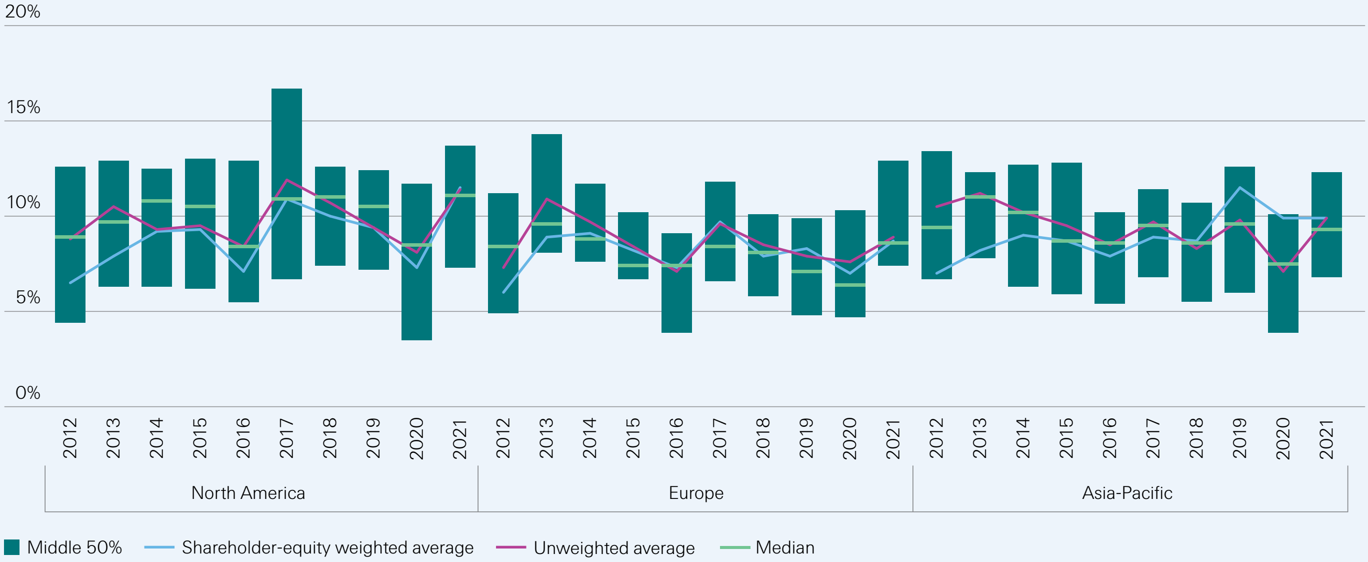
Rising interest rates have counter-effect on investment profitability as higher yields lower the market value of existing bonds in investment portfolios. However, portfolio revaluation due to interest rate changes does not normally have a material impact on the overall profitability of life insurers. Changes in interest rates affect long-term bonds and other interest-rate-sensitive investments more than short-term investments. Moreover, insurers (particularly life insurers) typically hold bonds to maturity because of the need to match the timing of asset returns and policyholder claims and, thus, most of the capital losses are not realised.

Last year in review

Life insurance profitability improved modestly in 2021.

In 2021, life sector ROE improved in all major regions, supported by investment gains and solid premium growth despite higher mortality claims, primarily related to COVID-19 deaths. Strong capital market performance and a rise in government bond yields benefited investment gains. The impact of higher mortality claims was somewhat contained in markets where insurance portfolios are geared towards longevity risks, such as in the UK.

Figure 21
Return on equity (%) of a sample of life insurers, by region

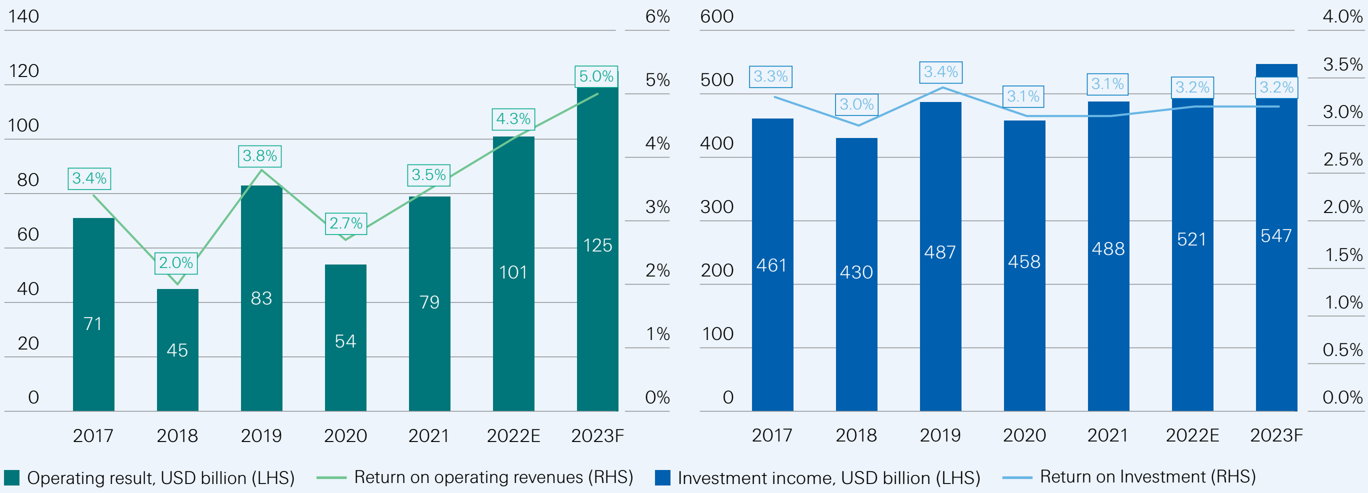


Note: From a sample of 20 life insurers in North America, 23 in Europe and 28 in Asia Pacific.
Source: Bloomberg, Swiss Re Institute

Return on operating revenues in advanced markets rose to 3.5% in 2021.

We use our proprietary model to estimate life insurance profitability for eight advanced markets (G8)[33]. We estimate that life insurance operating profitability, as measured by return on operating revenues, of G8 markets combined improved by 0.9 ppt to 3.5% in 2021, mainly supported by strong growth in premium income and higher investment profitability, partly offset by higher mortality claims related to COVID-19. Investment income increased by 6.7% in 2021, following a 6.0% decline in 2020.

Figure 22
Life insurance operating results (left) and investment results (right), in eight advanced markets (G8)



Source: Bloomberg, Swiss Re Institute

[33] Eight advanced markets (G8) include US, Canada, UK, Germany, France, Italy, Japan, and Australia

Operating profitability improved in many G8 markets, but not in the UK and Australia.

Although overall life insurance profitability improved in G8 markets in 2021, there are market-specific differences. Operating profitability improved in the US, Canada, Italy, France, Germany, and Japan, but declined in Australia and the UK. In the US, profitability improvement was mainly driven by favourable markets and strong premium growth. Investments, particularly alternative investments, outperformed. Interest rates increased off their 2020 lows, however, they remained below the interest rates of maturing 5- to 10-year securities. On the underwriting side, US life insurers incurred above-average losses in individual and group life, accident & health, and short-term disability business. These losses were partly offset by improved profits in longevity, utilisation, or morbidity-based products like dental insurance and long-term care.

Improved investment returns drove stronger profitability in western European markets.

In Italy, Germany and France, profitability improvement was mainly driven by higher investment results. French life insurers also benefited from strong demand for unit-linked products. In Germany, lower levels of reserve strengthening in 2021 compared to 2020 also supported profitability. In the UK, we estimate operating profitability declined mainly due to an estimated USD 34.0 billion of reserve strengthening in 2021, compared to USD 5.7 billion in 2020. However, we estimate higher investment results in 2021.

Life insurers' profitability was adversely impacted by the COVID-19 pandemic.

Globally, pandemic-related claims had significant impact on life insurance sector profitability in 2020 and 2021. COVID-19 has resulted in more than 6 million deaths across the world and around 1 million in the US, the biggest market.[34] As per various estimates, the life industry paid out more than USD 9 billion in mortality claims related to COVID-19 from the outset of the pandemic through the end of third quarter of 2021. A majority of this, around USD 5.5 billion, came in the first nine months of 2021.[35] COVID-19 also resulted in economic recession and ultra-low interest rates in many markets, which adversely impacted demand for savings-linked insurance products and also investment returns.

The impact of COVID-19 on mortality claims was relatively muted in Australia.

In Australia, however, the impact of COVID-19 on life insurance industry was fairly muted. Death claims declined in 2021 and were relatively stable in 2020 compared to 2019. Operating profitability, however, declined mainly driven by USD 800 million of reserve strengthening, compared to a reserve release of USD 2.2 billion in 2020. Investment income also declined in 2021. Japan's life insurance industry continued to experience operating loss in 2021, though there was an improvement compared to 2020, mainly due to higher investment income.

[34] *COVID-19 Coronavirus Pandemic*, worldmeter, data taken on 21 March 2022.
[35] "Life insurers adapt pandemic risk models after claims jump", *Reuters*, 13 January 2022.

Appendix

Methodology and data

This study looks at insurance premium volumes data from 147 countries.

This *sigma* study is based on the direct premium volumes of insurance companies, regardless of whether they are privately or state owned. Premiums paid to state social insurers are not included. Life and non-life premium volume in 147 countries is examined. Detailed information on the largest 88 countries in terms of total insurance premium volume can be found in the statistical appendix. Additional country information is available online at *www.sigma-explorer.com*. Where not indicated, figures and chart information in this report are all sourced from Swiss Re Institute.

All quoted growth rates are in real terms, ie adjusted for local inflation to facilitate international comparison.

Unless otherwise stated, premium growth rates indicate changes in real terms. These real growth rates are calculated using premiums in local currencies and are adjusted for inflation using the consumer price index for each country. The statistical appendix also provides the nominal change in growth for each country. Regional aggregated growth rates are calculated using the previous year's premium volumes and converted into US dollars at market exchange rates. The same procedure applies to the economic aggregates of Table X, where the previous year's nominal GDP figures in US dollars are used as weights. Real growth rates are used to cancel out exchange rate movements while facilitating international comparisons particularly between high and low inflation countries.

Figures are converted into US dollars at running annual average market exchange rates.

Using the average exchange rate for the financial year, premium volumes are converted into US dollars to facilitate comparisons between markets and regions.[36] Where no premium data is available (indicated by "na." for the local currency value in the tables), the premium income in US dollars is estimated assuming a constant ratio of insurance premiums to GDP. Regional growth rates are calculated using a weighted average of the real growth rates of the individual countries. The weighting is based on the relevant premiums of the previous year in USD.

Country classifications generally follow IMF conventions.

The designation of the economies in this *sigma* as "advanced" or "emerging" is generally in keeping with the conventions of the International Monetary Fund (IMF). Advanced economies include the US, Canada, Western Europe (excluding Turkey), Israel, Oceania, Japan and the other advanced Asian economies (Hong Kong, Singapore, South Korea and Taiwan). All other countries are classified as "emerging" and generally correspond to the IMF's "emerging and developing" economies.[37]

Data sources

The insurance data and estimates contained in the study originate primarily from national supervisory authorities and, in some cases, from insurance associations. Macroeconomic data was sourced from the International Financial Statistics of the IMF, Oxford Economics and IHS Markit.

Definition of premium income

This report is based on information concerning the premiums written for direct business by all registered insurers. This means:

1. Direct insurance premiums, including commissions and other charges, are considered prior to cession to a reinsurance company.

2. Domestic insurers – regardless of their ownership – and domestic branches of foreign insurers are regarded as domestically domiciled business units. By contrast, business undertaken by the foreign branches of domestic insurers is not regarded as domestic business.

3. Business that has been written in the domestic market includes premiums for cover of domestic risks as well as those covering foreign risks, as long as they are written by domestic insurers (cross-border business).

[36] In Egypt, India, Iran, Japan, South Korea and Malaysia, the financial year is not the same as the calendar year. Precise details about the differences in dates are given in the notes to the statistical appendix.
[37] The only exceptions are the Czech Republic, Estonia, Latvia, Lithuania, Slovenia and Slovakia.

Health insurance is allocated to non-life business.

Life and non-life business areas in this *sigma* study are categorised according to standard EU and OECD conventions: health insurance is allocated to non-life insurance, even if it is classified differently in the individual countries.

Density and penetration do not include cross-border business.

Only premium income from domestic risks is used to calculate insurance penetration and density. Cross-border business is not included. This has a significant effect in Belgium, France, Liechtenstein, Luxembourg, Ireland, Malta, Norway, Singapore or the UK.

Statistical appendix

The statistical appendix contains additional calculations and the macroeconomic data used for currency conversions.

Acknowledgements

The *sigma* editorial team would like to thank the supervisory authorities, associations and companies that helped with data compilation.

Statistical appendix

+	provisional
*	estimated
**	estimated USD value assuming constant insurance penetration.
1	Excluding cross-border business
2	Insurance penetration (premiums as a percentage of GDP) and density (premiums per capita) include cross-border business
3	US and Canada, Advanced EMEA, Advanced-Asia Pacific
4	Latin America and Caribbean, Emerging Europe and Central Asia, Emerging Middle East, Africa, Emerging Asia
5	34 member countries
6	The US, Canada, the UK, Germany, France, Italy, Japan
7	The US, Canada, Mexico
8	Singapore, Malaysia, Thailand, Indonesia, the Philippines, Vietnam. The four remaining member countries – Brunei, Cambodia, Laos and Myanmar – are not included.
9	Life insurance: premiums are supplemented by estimated premiums for group pension business, which has not been included in the statistics for some regions since 2001. Non-life insurance includes state funds.
10	Life insurance: net premiums
11	Non-life insurance: gross premiums, including reinsurance premiums
12	Financial year 1 April 2021 – 31 March 2022
13	Financial year 21 March 2021 – 20 March 2022
14	Financial year 1 July 2020 – 30 June 2021
15	Inflation-adjusted premium growth rates in local currency.

Table I

Premium volume by region and organisation in 2021

	Premium volume (in millions of USD)		Change (in %) inflation–adjusted		Share of world market (in %)	Premiums[1] in % of GDP	Premiums[1] per capita (in USD)
Total business	**2021**	**2020**	**2021**	**2020**	**2021**	**2021**	**2021**
America	**3 031 519**	**2 790 640**	**3.3**	**2.4**	**44.2**	**10.0**	**2 954**
US and Canada	2 879 989	2 654 601	3.3	2.7	42.0	11.4	7 782
Latin America and Caribbean	151 531	136 039	3.7	–1.2	2.2	3.0	231
Europe, Middle East and Africa (EMEA)	**1 992 079**	**1 737 132**	**6.4**	**–4.8**	**29.0**	**5.4**	**652**
Advanced EMEA	1 772 839	1 547 804	6.6	–5.2	25.8	8.0	3 694
Emerging Europe and Central Asia	83 335	76 483	4.5	–0.4	1.2	1.1	168
Middle East and Africa	135 905	112 846	5.0	–2.8	2.0	2.1	72
Emerging Middle East	61 715	50 965	3.6	–4.3	0.9	1.7	120
Africa	74 190	61 881	6.2	–1.9	1.1	2.7	55
Asia-Pacific	**1 836 999**	**1 764 062**	**0.7**	**0.4**	**26.8**	**5.3**	**431**
Advanced Asia-Pacific	911 491	901 681	0.9	–2.0	13.3	9.0	3 512
Emerging Asia	925 508	862 381	0.4	3.0	13.5	3.7	232
China	696 128	655 865	–1.7	3.6	10.1	3.9	482
Emerging Asia, excl China	229 380	206 517	7.1	1.4	3.3	3.3	90
World (2)	**6 860 598**	**6 291 834**	**3.4**	**–0.2**	**100.0**	**7.0**	**874**
Advanced markets (3)	5 564 319	5 104 085	3.9	–0.7	81.1	9.7	5 073
Emerging markets (4)	1 296 279	1 187 749	1.5	1.6	18.9	3.0	191
Emerging Markets excl China	600 150	531 884	5.4	–0.5	8.7	2.3	108
OECD (5)	5 411 032	4 950 097	4.1	–0.7	78.9	9.1	3 997
G7 (6)	4 447 361	4 083 049	4.1	–0.3	64.8	10.3	5 671
Eurozone	1 172 525	1 026 779	7.1	–5.1	17.1	7.4	3 104
EU	1 302 402	1 140 691	6.9	–4.3	19.0	7.0	2 670
NAFTA (7)	2 912 149	2 682 290	3.3	2.6	42.4	11.0	5 819
Life business							
America	**740 366**	**684 093**	**2.9**	**–1.1**	**24.7**	**2.4**	**721**
US and Canada	674 560	623 613	2.8	–0.7	22.5	2.7	1 823
Latin America and Caribbean	65 807	60 480	3.8	–4.5	2.2	1.3	100
Europe, Middle East and Africa (EMEA)	**1 127 949**	**949 225**	**10.1**	**–9.6**	**37.6**	**3.1**	**375**
Advanced EMEA	1 045 212	880 002	10.4	–10.2	34.9	4.8	2 226
Emerging Europe and Central Asia	21 852	19 515	7.0	–1.0	0.7	0.3	44
Middle East and Africa	60 885	49 709	6.4	–2.8	2.0	0.9	32
Emerging Middle East	9 570	7 880	2.8	–9.4	0.3	0.3	19
Africa	51 315	41 829	7.1	–1.7	1.7	1.9	38
Asia-Pacific	**1 129 254**	**1 093 858**	**0.6**	**–1.1**	**37.7**	**3.2**	**265**
Advanced Asia-Pacific	603 423	603 386	0.6	–4.1	20.1	6.0	2 325
Emerging Asia	525 830	490 472	0.5	2.8	17.5	2.1	132
China	365 456	347 544	–2.6	2.8	12.2	2.1	253
Emerging Asia, excl China	160 375	142 928	8.0	2.8	5.4	2.3	63
World (2)	**2 997 569**	**2 727 176**	**4.5**	**–4.2**	**100.0**	**3.0**	**382**
Advanced markets (3)	2 323 195	2 107 001	5.4	–5.8	77.5	4.0	2 110
Emerging markets (4)	674 374	620 175	1.5	1.3	22.5	1.6	99
Emerging Markets excl China	308 918	272 632	6.7	–0.4	10.3	1.2	56
OECD (5)	2 163 650	1 948 921	6.0	–6.2	72.2	3.6	1 590
G7 (6)	1 696 100	1 536 748	5.9	–5.8	56.6	4.0	2 186
Eurozone	637 633	531 966	12.5	–10.9	21.3	3.9	1 649
EU	717 433	601 277	11.8	–9.3	23.9	3.8	1 442
NAFTA (7)	689 586	636 372	2.8	–0.7	23.0	2.6	1 378
Non–life business							
America	**2 291 153**	**2 106 547**	**3.5**	**3.7**	**59.3**	**7.6**	**2 232**
US and Canada	2 205 429	2 030 988	3.5	3.8	57.1	8.7	5 960
Latin America and Caribbean	85 724	75 559	3.7	1.8	2.2	1.7	130
Europe, Middle East and Africa (EMEA)	**864 130**	**787 907**	**1.9**	**1.7**	**22.4**	**2.3**	**277**
Advanced EMEA	727 628	667 802	1.6	2.4	18.8	3.2	1 468
Emerging Europe and Central Asia	61 483	56 968	3.6	–0.2	1.6	0.8	124
Middle East and Africa	75 020	63 137	3.9	–2.9	1.9	1.2	40
Emerging Middle East	52 145	43 085	3.7	–3.3	1.3	1.4	101
Africa	22 875	20 052	4.4	–2.3	0.6	0.8	17
Asia-Pacific	**707 745**	**670 204**	**0.8**	**2.9**	**18.3**	**2.0**	**166**
Advanced Asia-Pacific	308 068	298 295	1.4	2.4	8.0	3.0	1 187
Emerging Asia	399 678	371 909	0.3	3.3	10.3	1.6	100
China	330 672	308 321	–0.7	4.4	8.6	1.9	229
Emerging Asia, excl China	69 005	63 588	5.2	–1.7	1.8	1.0	26
World (2)	**3 863 029**	**3 564 658**	**2.6**	**3.1**	**100.0**	**3.9**	**492**
Advanced markets (3)	3 241 124	2 997 084	2.9	3.3	83.9	5.7	2 963
Emerging markets (4)	621 904	567 573	1.5	2.0	16.1	1.4	91
Emerging Markets excl China	291 232	259 252	4.1	–0.6	7.5	1.1	52
OECD (5)	3 247 382	3 001 175	2.9	3.2	84.1	5.5	2 407
G7 (6)	2 751 261	2 546 301	3.0	3.4	71.2	6.3	3 486
Eurozone	534 892	494 813	1.2	2.0	13.8	3.4	1 455
EU	584 969	539 414	1.5	2.0	15.1	3.2	1 227
NAFTA (7)	2 222 563	2 045 918	3.5	3.7	57.5	8.4	4 441

Table II
Total premium volume in local currency in 2021

			Premium volume (in millions of local currency)						Change (in %) nominal		Change (in %) inflation–adjusted	
	Country	Currency	2021		2020		2019		2021	2020	2021	2020
	United States (9)	USD	2 718 699	*	2 515 358		2 421 090		8.1	3.9	3.2	2.6
	Canada (10)	CAD	202 206		186 752		178 626		8.3	4.5	4.7	3.8
US and Canada	**Total**										**3.3**	**2.7**
	Brazil	BRL	335 194		298 605		289 512		12.3	3.1	3.6	–0.1
	Mexico	MXN	652 436		595 153		584 194		9.6	1.9	3.7	–1.5
	Argentina	ARS	1 035 019		700 542		448 300		47.7	56.3	–0.4	10.0
	Chile	CLP	8 111 246		7 769 252		9 088 688		4.4	–14.5	–0.1	–17.0
	Colombia	COP	34 759 090	*	30 489 760		30 087 530		14.0	1.3	10.2	–1.2
	Peru	PEN	17 695	*	14 021		14 114		26.2	–0.7	21.0	–2.6
	Ecuador	USD	1 996		2 149		2 173		–7.1	–1.1	–7.2	–0.8
	Panama	PAB	1 611		1 511		1 568		6.6	–3.6	4.9	–2.1
	Uruguay	UYU	69 684		61 448		54 800		13.4	12.1	5.2	2.2
	Dominican Republic	DOP	86 909	*	72 241		69 230		20.3	4.3	11.1	0.5
	Guatemala	GTQ	11 460		11 368		7 997		0.8	42.2	–3.3	37.7
	Trinidad and Tobago	TTD	9 830	*	9 388		9 180		4.7	2.3	3.1	1.7
	Costa Rica	CRC	819 451		783 425		832 846		4.6	–5.9	2.8	–6.6
	Cayman Islands	KYD	1 063		968		956		9.8	1.2	4.9	0.0
	Bahamas	BSD	882	*	850		843		3.9	0.8	0.6	0.8
	Jamaica	JMD	128 942	*	117 752	*	123 709		9.5	–4.8	3.6	–9.9
	El Salvador	USD	na.	*	722		702		na.	2.8	na.	3.2
Latin America and Caribbean	**Total**										**3.7**	**–1.2**
	United Kingdom	GBP	290 098	*	266 412		286 080		9	– 7	6.1	–7.7
	France	EUR	249 084	*	209 377		236 994		19.0	–11.7	17.0	–12.1
	Germany	EUR	231 770	*	228 058		222 571		2	2	–1.5	1.9
	Italy	EUR	161 765		151 299		159 106		6.9	–4.9	5.0	–4.8
	Netherlands	EUR	78 148	+	77 097		75 185		1.4	2.5	–1.3	1.3
	Spain	EUR	61 831		58 889		64 176		5.0	–8.2	1.9	–7.9
	Ireland	EUR	54 372	*	43 174	*	44 863	*	25.9	–3.8	23.0	–3.4
	Switzerland	CHF	52 814	+	53 598		58 518		–1.5	–8.4	–2.0	–7.7
	Luxembourg	EUR	40 581	*	32 368		36 836		25.4	–12.1	21.2	–12.1
	Sweden	SEK	411 529	*	381 972		359 820		7.7	6.2	5.5	5.6
	Denmark	DKK	284 911	*	261 068		243 222		9.1	7.3	7.1	6.9
	Belgium	EUR	37 212	*	35 805		36 954		3.9	–3.1	1.5	–3.8
	Finland	EUR	26 061		22 954		25 931		13.5	–11.5	11.1	–11.7
	Norway	NOK	224 737	+	189 791		188 283		18.4	0.8	14.4	–0.5
	Israel	ILS	72 762	*	67 165		68 992		8.3	–2.6	6.7	–2.1
	Austria	EUR	18 646	+	18 044		17 771		3.3	1.5	0.6	0.1
	Portugal	EUR	13 350		9 951		12 203		34.2	–18.5	32.5	–18.4
	Liechtenstein	CHF	na.	*	na.		na.		na.	na.	na.	na.
	Greece	EUR	4 567	*	4 277		4 444		6.8	–3.8	5.5	–2.5
	Malta	EUR	4 119	*	3 679		3 059		12.0	20.3	11.2	19.3
Advanced EMEA	**Total**										**6.6**	**–5.2**
	South Africa	ZAR	756 953	*	676 745	*	670 677		12	1	7.0	–2.3
	Iran (13)	IRR	1178 885 000	*	820 289 000		594 653 000		43.7	37.9	7.2	–4.4
	Russia	RUB	1 716 140		1 537 467		1 479 675		11.6	3.9	4.6	0.5
	Poland	PLN	65 894	*	60 488		60 922		8.9	–0.7	3.6	–3.9
	United Arab Emirates (11)	AED	44 478	*	42 497		44 021		4.7	–3.5	4.5	–1.4
	Saudi Arabia	SAR	42 030	*	38 779		37 890		8.4	2.3	5.2	–1.1
	Turkey	TRY	93 336	*	75 735		63 774		23.2	18.8	3.0	5.8
	Czech Republic	CZK	179 050	+	167 465		165 460		6.9	1.2	3.0	–1.9
	Morocco	MAD	48 026	*	45 340		44 680		5.9	1.5	4.5	0.8
	Hungary	HUF	1 314 705	*	1 190 448		1 138 309		10.4	4.6	5.1	1.2
	Romania	RON	13 210	*	11 500		10 990		14.9	4.6	9.3	1.9
	Egypt (14)	EGP	44 198	*	38 433		33 420		15.0	15.0	10.0	8.8
	Kenya	KES	265 515	*	233 136		227 912		13.9	2.3	7.3	–2.9
	Pakistan	PKR	390 243	*	340 000	*	343 000		14.8	–0.9	4.8	–9.5
	Slovenia	EUR	2 609	+	2 570		2 517		1.5	2.1	–0.4	2.1
	Bulgaria	BGN	3 187	*	2 835		2 861		12.4	–0.9	8.8	–1.5
	Ukraine	UAH	52 180	*	45 175		53 001		15.5	–14.8	5.6	–17.0
	Croatia	HRK	11 717		10 475		10 481		11.9	–0.1	9.1	–0.2
	Slovakia	EUR	2 102	*	2 173		2 228		–3.3	–2.5	–6.2	–4.3
	Lebanon	LBP	2 649 128	*	2 357 090		2 428 969		12.4	–3.0	–55.9	–47.5
	Kazakhstan	KZT	744 836		514 141		468 179		44.9	9.8	34.1	2.9
	Qatar	QAR	5 974	*	5 702	*	6 096	*	4.8	–6.5	2.4	–4.0
	Nigeria	NGN	647 460	*	514 016	*	473 636	*	26.0	8.5	7.7	–4.2
	Kuwait	KWD	459	*	432	*	397	*	6.3	9.0	2.7	6.7
	Oman	OMR	484	*	466		487		3.9	–4.3	2.4	–3.4
	Serbia	RSD	120 686	*	109 917		107 450		9.8	2.3	5.5	0.7
	Algeria	DZD	145 238		138 825		145 951		4.6	–4.9	–1.9	–6.8
	Tunisia	TND	2 753	*	2 530		2 397		8.8	5.5	2.9	–0.1
	Namibia	NAD	12 815	*	12 966	*	15 315		–1.2	–15.3	–4.6	–17.2
	Jordan	JOD	612	*	591	+	614		3.5	–3.8	2.1	–4.1
	Ivory Coast	XOF	468 210	*	399 027	*	388 400		17.3	2.7	12.7	0.3
	Ghana	GHS	4 823	*	3 934	+	3 486		22.6	12.8	11.5	2.7
Emerging EMEA	**Total**										**4.8**	**–1.9**
	Japan (12)	JPY	45 355 030	*	43 975 440		45 960 320		3	– 4	3.0	–4.0
	South Korea (12)	KRW	225 186 100	*	220 582 300		211 648 600		2.1	4.2	–1.0	3.5
	Taiwan	TWD	3 178 544		3 352 076		3 643 818		–5.2	–8.0	–7.0	–7.8
	Australia	AUD	96 665		91 331		98 819		5.8	–7.6	2.9	–8.4
	Hong Kong	HKD	561 385	+	565 710		553 467		–0.8	2.2	–2.3	1.9
	Singapore	SGD	59 325	+	50 645		42 697		17.1	18.6	14.5	18.8
	New Zealand (14)	NZD	16 890	*	16 474		16 244		2.5	1.4	–1.4	–0.3
Advanced Asia-Pacific	**Total**										**0.9**	**–2.0**
	PR China	CNY	4 490 017		4 525 734		4 264 400		– 1	6	–1.7	3.6
	India (12)	INR	9 461 138	*	8 308 134		7 654 180		13.9	8.5	7.8	2.2
	Thailand	THB	882 882	*	852 428		854 612		3.6	–0.3	2.3	0.6
	Malaysia (12)	MYR	82 294	*	76 803		73 067		7.2	5.1	4.1	6.4
	Indonesia	IDR	277 494 800	*	255 694 400		272 478 300		8.5	–6.2	6.9	–8.0
	Vietnam	VND	213 837 500	*	185 960 000		160 185 000		15.0	16.1	12.9	12.5
	Philippines	PHP	391 553	*	319 608		326 692		22.5	–2.2	17.9	–4.5
	Macao	MOP	36 326	+	33 463		30 793		8.6	8.7	8.5	7.8
	Bangladesh	BDT	169 286	*	148 263	*	135 481		14.2	9.4	8.3	3.5
	Sri Lanka	LKR	210 883	*	191 574	+	194 683		10.1	–1.6	2.9	–7.3
Emerging Asia	**Total**										**0.4**	**3.0**
World	**World**										**3.4**	**–0.2**

Table III

Total premium volume in USD in 2021

	Ranking			Premium volume (in millions of local currency)				Change (in %) 2021		Share of world market 2021 (in%)
	2021	2020	Country	2021		2020		nominal (in USD)	inflation–adjusted[15]	
	1	1	United States (9)	2 718 699	*	2 515 358		8.1	3.2	39.6
	9	11	Canada (10)	161 289	**	139 243	**	15.8	4.7	2.4
US and Canada			**Total**	**2 879 989**		**2 654 601**		**8.5**	**3.3**	**42.0**
	17	18	Brazil	62 082		57 900		7.2	3.6	0.9
	25	27	Mexico	32 160	**	27 689		16.1	3.7	0.5
	40	42	Argentina	10 882		9 925		9.6	–0.4	0.2
	41	43	Chile	10 686		9 808		9.0	–0.1	0.2
	44	44	Colombia	9 283	*	8 255		12.5	10.2	0.1
	50	52	Peru	4 559	*	4 012		13.6	21.0	0.1
	59	59	Ecuador	1 996		2 149		–7.1	–7.2	0.0
	68	68	Panama	1 611		1 511		6.6	4.9	0.0
	69	70	Uruguay	1 600		1 463		9.4	5.2	0.0
	72	75	Dominican Republic	1 519	*	1 278		18.8	11.1	0.0
	73	69	Guatemala	1 482		1 472		0.6	–3.3	0.0
	74	73	Trinidad and Tobago	1 454	*	1 391		4.6	3.1	0.0
	75	74	Costa Rica	1 327	**	1 347		–1.5	2.8	0.0
	76	78	Cayman Islands	1 275		1 162		9.8	4.9	0.0
	82	83	Bahamas	882	*	850		3.9	0.6	0.0
	85	85	Jamaica	857	*	822	*	4.3	3.6	0.0
	87	87	El Salvador	834	*	722		15.6	na.	0.0
			Other countries	7 040		4 284				0.1
Latin America and Caribbean			**Total**	**151 531**		**136 039**		**11.4**	**3.7**	**2.2**
	4	5	United Kingdom	399 142	*	341 950		17	6	5.8
	5	7	France	296 380	*	238 998		24.0	17.0	4.3
	6	6	Germany	275 779	*	260 322		6	– 1	4.0
	8	10	Italy	192 481		172 704		11.5	5.0	2.8
	12	14	Netherlands	92 986	+	88 004		5.7	–1.3	1.4
	13	16	Spain	73 571		67 220		9.4	1.9	1.1
	16	20	Ireland	64 696	*	49 282	*	31.3	23.0	0.9
	18	19	Switzerland	57 793	+	57 081		1.2	–2.0	0.8
	20	25	Luxembourg	48 287	*	36 902		30.9	21.2	0.7
	21	21	Sweden	47 955	*	41 469		15.6	5.5	0.7
	22	24	Denmark	45 317	*	39 906		13.6	7.1	0.7
	23	23	Belgium	44 278	*	40 870		8.3	1.5	0.6
	26	29	Finland	31 009		26 202		18.3	11.1	0.5
	29	32	Norway	26 155	+	20 160		29.7	14.4	0.4
	31	34	Israel	22 526	*	19 511		15.5	6.7	0.3
	32	31	Austria	22 186	+	20 597		7.7	0.6	0.3
	36	39	Portugal	15 885		11 359		39.9	32.5	0.2
	47	48	Liechtenstein	6 057	*	5 819		4.1	na.	0.1
	48	49	Greece	5 434	*	4 882		11.3	5.5	0.1
	53	54	Malta	3 483	*	3 221		8.1	11.2	0.1
			Other countries	1 440		1 347				0.0
Advanced EMEA			**Total**	**1 772 839**		**1 547 804**		**14.5**	**6.6**	**25.8**
	19	22	South Africa	51 215	*	41 110	*	24.6	7.0	0.7
	27	33	Iran (13)	28 069	*	19 531		43.7	7.2	0.4
	30	30	Russia	23300.0		21322.6		9.3	5	0
	35	37	Poland	17 065	*	15 511		10.0	3.6	0.2
	37	38	United Arab Emirates (11)	12 111	*	11 572		4.7	4.5	0.2
	39	41	Saudi Arabia	11 208	*	10 341		8.4	5.2	0.2
	42	40	Turkey	10 526	*	10 803		–2.6	3.0	0.2
	45	46	Czech Republic	8 259	+	7 215		14.5	3.0	0.1
	49	50	Morocco	5 343	*	4 774		11.9	4.5	0.1
	52	53	Hungary	4 337	*	3 865		12.2	5.1	0.1
	54	55	Romania	3 175	*	2 710		17.2	9.3	0.0
	55	56	Egypt (14)	2 808	*	2 390		17.5	10.0	0.0
	56	58	Kenya	2 422	*	2 190		10.6	7.3	0.0
	57	60	Pakistan	2 395	*	2 100	*	14.0	4.8	0.0
	58	57	Slovenia	2 206	+	2 250		–1.9	–0.4	0.0
	61	64	Bulgaria	1 927	*	1 652		16.7	8.8	0.0
	62	63	Ukraine	1 912	*	1 676		14.1	5.6	0.0
	63	65	Croatia	1 842		1 584		16.3	9.1	0.0
	64	61	Slovakia	1 777	*	1 904		–6.7	–6.2	0.0
	65	67	Lebanon	1 757	*	1 564		12.4	–55.9	0.0
	66	76	Kazakhstan	1 749		1 245		40.5	34.1	0.0
	67	66	Qatar	1 641	*	1 567	*	4.8	2.4	0.0
	70	71	Nigeria	1 581	*	1 433	*	10.4	7.7	0.0
	71	72	Kuwait	1 522	*	1 411	*	7.9	2.7	0.0
	77	77	Oman	1 260	*	1 212		3.9	2.4	0.0
	78	80	Serbia	1 214	*	1 065		14.0	5.5	0.0
	79	79	Algeria	1 075		1 095		–1.8	–1.9	0.0
	81	82	Tunisia	985	*	900		9.5	2.9	0.0
	83	86	Namibia	867	*	788	*	10.1	–4.6	0.0
	84	84	Jordan	862	*	833	+	3.5	2.1	0.0
	86	88	Ivory Coast	844	*	694	*	21.7	12.7	0.0
	88		Ghana	815	*	686	+	18.8	11.5	0.0
			Other countries	11 170		10 338				0.2
Emerging EMEA			**Total**	**219 240**		**189 328**		**15.8**	**4.8**	**3.2**
	3	4	Japan (12)	403 592	*	414 475		–2.6	3.0	5.9
	7	8	South Korea (12)	193 008	*	190 085		1.5	–1.0	2.8
	11	12	Taiwan	113 423		113 304		0.1	–7.0	1.7
	14	17	Australia	72 576		62 825		15.5	2.9	1.1
	15	15	Hong Kong	72 227	+	72 940		–1.0	–2.3	1.1
	24	26	Singapore	44 158	+	36 706		20.3	14.5	0.6
	38		New Zealand (14)	11 947	*	10 692		11.7	–1.4	0.2
			Other countries	560		654				0.0
Advanced Asia-Pacific			**Total**	**911 491**		**901 681**		**1.1**	**0.9**	**13.3**
	2	3	PR China	696 128		655 865		6.1	–1.7	10.1
	10	13	India (12)	126 974	*	111 911		13.5	7.8	1.9
	28	28	Thailand	27 610	*	27 240		1.4	2.3	0.4
	33	35	Malaysia (12)	19 709	*	18 398		7.1	4.1	0.3
	34	36	Indonesia	19 417	*	17 588		10.4	6.9	0.3
	43	45	Vietnam	9 329	*	8 008		16.5	12.9	0.1
	46	47	Philippines	7 950	*	6 441		23.4	17.9	0.1
	51	51	Macao	4 538	+	4 189		8.3	8.5	0.1
	60	62	Bangladesh	1 990	*	1 747	*	13.9	8.3	0.0
	80	81	Sri Lanka	1 061	*	1 032	+	2.8	2.9	0.0
			Other countries	10 802		9 965				0.2
Emerging Asia			**Total**	**925 508**		**862 381**		**7.3**	**0.4**	**13.5**
World			**World**	**6 860 598**		**6 291 834**		**9.0**	**3.4**	**100.0**

Table IV

Life insurance premium volume in local currency in 2021

			Premium volume (in millions of local currency)						Change (in %) nominal		Change (in %) inflation–adjusted	
	Country	Currency	2021		2020		2019		2021	2020	2021	2020
	United States (9)	USD	609 642	+	567 292		565 393		7.5	0.3	2.7	–0.9
	Canada (10)	CAD	81 385	+	75 537		73 822		7.7	2.3	4.2	1.6
US and Canada	**Total**										**2.8**	**–0.7**
	Brazil	BRL	184 797		166 053		162 939		11.3	1.9	2.8	–1.3
	Mexico	MXN	304 845	*	274 240		270 456		11.2	1.4	5.2	–1.9
	Chile	CLP	3 658 423		3 892 790		5 377 843		–6.0	–27.6	–10.1	–29.8
	Colombia	COP	11 173 260	*	9 266 495		9 381 454		20.6	–1.2	16.5	–3.7
	Peru	PEN	9 217	*	6 654		6 938		38.5	–4.1	32.8	–6.0
	Argentina	ARS	134 224		90 933		61 784		47.6	47.2	–0.5	3.6
	Uruguay	UYU	32 680		28 099		24 192		16.3	16.2	7.9	5.8
	Trinidad and Tobago	TTD	4 743	*	4 529		4 383		4.7	3.3	3.1	2.7
	Ecuador	USD	503		480		476		4.7	0.8	4.6	1.2
	Panama	PAB	410		398		406		3.0	–1.9	1.3	–0.4
	Jamaica	JMD	51 940	*	47 432	*	49 832		9.5	–4.8	3.6	–9.9
	Guatemala	GTQ	2 355		2 122		2 099		10.9	1.1	6.4	–2.0
	El Salvador	USD	294	*	260		237		13.2	9.7	9.4	10.1
	Dominican Republic	DOP	12 782	*	10 625		10 766		20.3	–1.3	11.1	–4.9
	Bahamas	BSD	200	*	193		202		3.9	–4.5	0.6	–4.5
	Costa Rica	CRC	67 058		67 058		133 476		0.0	–49.8	–1.7	–50.1
	Cayman Islands	KYD	83		76		81		8.8	–6.1	3.9	–7.2
Latin America and Caribbean	**Total**										**3.8**	**–4.5**
	United Kingdom	GBP	206 619	*	186 143		209 122		11	– 11	8.2	–11.8
	France	EUR	155 852	*	120 427		149 877		29.4	–19.6	27.3	–20.0
	Italy	EUR	122 702		113 312		120 328		8	– 6	6.3	–5.7
	Germany	EUR	92 413	*	93 484		93 363		–1.1	0.1	–4.1	–0.4
	Ireland	EUR	46 441	+	35 451	*	37 373	*	31.0	–5.1	28.0	–4.8
	Sweden	SEK	311 350	*	286 582		267 496		8.6	7.1	6.3	6.6
	Denmark	DKK	213 427	*	193 546		179 887		10.3	7.6	8.3	7.1
	Luxembourg	EUR	27 541	+	20 949		25 691		31.5	–18.5	27.1	–18.5
	Spain	EUR	23 552		21 837		27 523		7.9	–20.7	4.6	–20.4
	Finland	EUR	21 270		18 356		21 601		15.9	–15.0	13.4	–15.3
	Switzerland	CHF	22 898	+	24 621		29 942		–7.0	–17.8	–7.5	–17.2
	Belgium	EUR	16 548	*	15 760		16 726		5.0	–5.8	2.5	–6.5
	Norway	NOK	132 685	+	104 058		109 312		27.5	–4.8	23.2	–6.0
	Netherlands	EUR	11 862	+	12 195		12 372		–2.7	–1.4	–5.3	–2.7
	Israel	ILS	38 643	*	35 355		36 876		9.3	–4.1	7.7	–3.6
	Portugal	EUR	7 728		4 585		6 994		68.5	–34.4	66.4	–34.4
	Austria	EUR	5 431	+	5 399		5 476		0.6	–1.4	–2.1	–2.8
	Greece	EUR	2 319	*	2 023		2 199		14.6	–8.0	13.2	–6.8
	Liechtenstein	CHF	1 900	*	2 281		2 411		–16.7	–5.4	–17.2	–4.7
	Malta	EUR	873	+	731		772		19.5	–5.4	18.7	–6.1
Advanced EMEA	**Total**										**10.4**	**–10.2**
	South Africa	ZAR	620 090	*	553 652	*	545 470		12.0	1.5	7.1	–1.7
	Russia	RUB	525 231		430 517		409 374		22.0	5.2	14.3	1.7
	Iran (13)	IRR	179 975 300	*	125 230 000		86 411 000		43.7	44.9	7.2	0.4
	Poland	PLN	15 035		14 117		14 940		6.5	–5.5	1.3	–8.6
	Morocco	MAD	22 047	*	20 395		20 464		8.1	–0.3	6.6	–1.0
	Czech Republic	CZK	51 141	+	51 326		52 948		–0.4	–3.1	–4.0	–6.0
	United Arab Emirates (11)	AED	8 327	*	7 988		9 070		4.2	–11.9	4.1	–10.1
	Hungary	HUF	595 345	*	525 101		505 883		13.4	3.8	7.9	0.5
	Turkey	TRY	16 678		14 291		11 245		16.7	27.1	–2.4	13.2
	Pakistan	PKR	251 713	*	220 000	*	229 000		14.4	–3.9	4.5	–12.2
	Egypt (14)	EGP	20 245	*	17 604		15 308		15.0	15.0	10.0	8.8
	Kenya	KES	120 788	+	102 078		97 396		18.3	4.8	11.5	–0.5
	Nigeria	NGN	356 865	*	245 424	*	222 627	*	45.4	10.2	24.3	–2.7
	Kazakhstan	KZT	315 018		175 211		148 262		79.8	18.2	66.5	10.7
	Slovenia	EUR	740	+	749		754		–1.2	–0.6	–3.1	–0.6
	Namibia	NAD	9 229	*	9 480	*	11 641		–2.7	–18.6	–6.1	–20.3
	Slovakia	EUR	730	*	753		847		–3.1	–11.1	–6.1	–12.8
	Romania	RON	2 519	*	2 037		2 092		23.7	–2.6	17.7	–5.2
	Croatia	HRK	2 897		2 647		3 066		9.4	–13.7	6.7	–13.8
	Saudi Arabia	SAR	1 707	*	1 264		1 135		35.1	11.3	31.1	7.6
	Ghana	GHS	2 328	*	1 999	+	1 652		16.5	21.0	5.9	10.1
	Lebanon	LBP	562 041	*	623 520		710 209		–9.9	–12.2	–64.6	–52.5
	Ivory Coast	XOF	193 607		172 971		168 300		11.9	2.8	7.5	0.3
	Bulgaria	BGN	487	*	337		350		44.2	–3.6	39.6	–4.1
	Serbia	RSD	26 046	*	24 377		23 411		6.8	4.1	2.7	2.5
	Tunisia	TND	661	*	599		559		10.3	7.0	4.4	1.3
	Ukraine	UAH	5 880	*	5 017		4 624		17.2	8.5	7.2	5.6
	Oman	OMR	56	*	54		61		3.9	–11.4	2.4	–10.6
	Kuwait	KWD	40	*	38	*	46	*	6.3	–18.2	2.7	–19.9
	Jordan	JOD	92	+	89	+	86		3.5	3.7	2.1	3.3
	Algeria	DZD	13 269		12 761		14 102		4.0	–9.5	–2.5	–11.4
	Qatar	QAR	188	*	180	*	192	*	4.8	–6.5	2.4	–4.0
Emerging EMEA	**Total**										**6.6**	**–2.3**
	Japan (12)	JPY	33 247 210	*	31 903 840		33 804 920		4.2	–5.6	4.1	–5.3
	South Korea (12)	KRW	118 849 200	*	119 587 200		117 262 400		–0.6	2.0	–3.6	1.3
	Taiwan	TWD	2 495 772		2 696 786		3 012 901		–7.5	–10.5	–9.2	–10.3
	Hong Kong	HKD	495 400	+	501 647		491 244		–1.2	2.1	–2.8	1.8
	Singapore	SGD	46 151	+	37 286		30 112		23.8	23.8	21.0	24.0
	Australia	AUD	21 358		21 194		30 241		0.8	–29.9	–2.0	–30.5
	New Zealand (14)	NZD	2 910	*	2 719		2 643		7.0	2.9	3.0	1.1
Advanced Asia-Pacific	**Total**										**0.6**	**–4.1**
	PR China	CNY	2 357 185		2 398 193		2 275 400		–1.7	5.4	–2.6	2.8
	India (12)	INR	7 203 749	*	6 287 311		5 729 102		14.6	9.7	8.5	3.4
	Thailand	THB	504 705	*	492 660		510 174		2.4	–3.4	1.2	–2.6
	Malaysia (12)	MYR	60 796	*	56 094		52 341		8.4	7.2	5.3	8.5
	Indonesia	IDR	188 799 400	*	174 354 800		183 434 600		8.3	–4.9	6.6	–6.8
	Vietnam	VND	156 199 100	*	129 291 000		106 819 000		20.8	21.0	18.6	17.3
	Philippines	PHP	295 040	*	235 291		222 711		25.4	5.6	20.7	3.2
	Macao	MOP	33 357	+	30 705		27 906		8.6	10.0	8.6	9.1
	Bangladesh	BDT	132 182	*	116 263	*	102 143		13.7	13.8	7.9	7.7
	Sri Lanka	LKR	103 295	*	94 574	+	86 803		9.2	9.0	2.1	2.6
Emerging Asia	**Total**										**0.5**	**2.8**
World	**World**										**4.5**	**–4.2**

Table V

Life premium volume in USD in 2021

	Ranking			Premium volume (in millions of USD)				Change (in %) 2021		Share of total business 2021 (in %)	Share of world market 2021 (in %)
	2021	2020	Country	2021		2020		nominal (in USD)	inflation–adjusted[15]		
	1	2	United States (9)	609 642	+	567 292		7.5	2.7	22.4	20.3
	11	14	Canada (10)	64 917	+	56 321		15.3	4.2	40.2	2.2
US and Canada			**Total**	**674 560**		**623 613**		**8.2**	**2.8**	**23.4**	**22.5**
	17	17	Brazil	34 227		32 198		6.3	2.8	55.1	1.1
	27	30	Mexico	15 027	*	12 759		17.8	5.2	46.7	0.5
	37	38	Chile	4 820		4 914		–1.9	–10.1	45.1	0.2
	41	43	Colombia	2 984	*	2 509		18.9	16.5	32.1	0.1
	44	50	Peru	2 375	*	1 904		24.7	32.8	52.1	0.1
	53	54	Argentina	1 411		1 288		9.5	–0.5	13.0	0.0
	57	59	Uruguay	750		669		12.2	7.9	46.9	0.0
	60	58	Trinidad and Tobago	702	*	671		4.6	3.1	48.2	0.0
	66	65	Ecuador	503		480		4.7	4.6	25.2	0.0
	69	70	Panama	410		398		3.0	1.3	25.5	0.0
	73	73	Jamaica	345	*	331	*	4.3	3.6	40.3	0.0
	74	75	Guatemala	304		275		10.8	6.4	20.5	0.0
	75	76	El Salvador	294	*	260		13.2	9.4	35.3	0.0
	79	81	Dominican Republic	223	*	188		18.8	11.1	14.7	0.0
	81	80	Bahamas	200	*	193		3.9	0.6	22.7	0.0
	85	86	Costa Rica	109	**	115		–5.8	–1.7	8.2	0.0
	86	88	Cayman Islands	100		92		8.8	3.9	7.8	0.0
			Other countries	1 023		1 236				14.5	0.0
Latin America and Caribbean			**Total**	**65 807**		**60 480**		**8.8**	**3.8**	**43.4**	**2.2**
	4	5	United Kingdom	284 284	*	238 922		19	8	71.2	9.5
	5	6	France	185 445	*	137 464		34.9	27.3	62.6	6.2
	6	7	Italy	146 001		129 342		13	6	75.9	4.9
	7	8	Germany	109 961	*	106 709		3.0	–4.1	39.9	3.7
	13	15	Ireland	55 259	+	40 467	*	36.6	28.0	85.4	1.8
	15	18	Sweden	36 281	*	31 113		16.6	6.3	75.7	1.2
	18	19	Denmark	33 947	*	29 584		14.7	8.3	74.9	1.1
	19	23	Luxembourg	32 770	+	23 883		37.2	27.1	67.9	1.1
	20	22	Spain	28 024		24 926		12.4	4.6	38.1	0.9
	21	24	Finland	25 309		20 953		20.8	13.4	81.6	0.8
	22	21	Switzerland	25 057	+	26 221		–4.4	–7.5	43.4	0.8
	23	25	Belgium	19 690	*	17 990		9.5	2.5	44.5	0.7
	26	32	Norway	15 442	+	11 053		39.7	23.2	59.0	0.5
	29	28	Netherlands	14 114	+	13 920		1.4	–5.3	15.2	0.5
	31	33	Israel	11 963	*	10 270		16.5	7.7	53.1	0.4
	32	37	Portugal	9 195		5 234		75.7	66.4	57.9	0.3
	35	34	Austria	6 462	+	6 163		4.9	–2.1	29.1	0.2
	42	45	Greece	2 759	*	2 309		19.5	13.2	50.8	0.1
	47	44	Liechtenstein	2 079	*	2 429		–14.4	–17.2	34.3	0.1
	59	62	Malta	738	+	640		15	18.7	21.2	0.0
			Other countries	432		408				30.0	0.0
Advanced EMEA			**Total**	**1 045 212**		**880 002**		**18.8**	**10.4**	**59.0**	**34.9**
	14	16	South Africa	41 955	*	33 633	*	24.7	7.1	81.9	1.4
	33	35	Russia	7 131		5 971		19.4	14.3	30.6	0.2
	38	42	Iran (13)	4 285	*	2 982		43.7	7.2	15.3	0.1
	40	41	Poland	3 894		3 620		7.6	1.3	22.8	0.1
	43	48	Morocco	2 453	*	2 148		14.2	6.6	45.9	0.1
	45	46	Czech Republic	2 359	+	2 211		6.7	–4.0	28.6	0.1
	46	47	United Arab Emirates (11)	2 267	*	2 175		4.2	4.1	18.7	0.1
	49	51	Hungary	1 964	*	1 705		15.2	7.9	45.3	0.1
	50	49	Turkey	1 881		2 039		–7.7	–2.4	17.9	0.1
	52	53	Pakistan	1 545	*	1 359	*	13.7	4.5	64.5	0.1
	54	55	Egypt (14)	1 286	*	1 094		17.5	10.0	45.8	0.0
	55	56	Kenya	1 102	+	959		14.9	11.5	45.5	0.0
	56	57	Nigeria	872	*	684	*	27.4	24.3	55.1	0.0
	58	67	Kazakhstan	740		424		74.3	66.5	42.3	0.0
	61	61	Slovenia	626	+	656		–4.6	–3.1	28.4	0.0
	62	63	Namibia	624	*	576	*	8.4	–6.1	72.0	0.0
	63	60	Slovakia	617	*	660		–6.6	–6.1	34.7	0.0
	64	66	Romania	605	*	480		26.1	17.7	19.1	0.0
	67	69	Croatia	456		400		13.8	6.7	24.7	0.0
	68	72	Saudi Arabia	455	*	337		35.1	31.1	4.1	0.0
	70	71	Ghana	393	*	348	+	12.9	5.9	48.3	0.0
	71	68	Lebanon	373	*	414		–9.9	–64.6	21.2	0.0
	72	74	Ivory Coast	349		301		16.1	7.5	41.4	0.0
	76	79	Bulgaria	294	*	197		49.7	39.6	15.3	0.0
	77	77	Serbia	262	*	236		10.9	2.7	21.6	0.0
	78	78	Tunisia	236	*	213		11.0	4.4	24.0	0.0
	80	82	Ukraine	215	*	186		15.8	7.2	11.3	0.0
	82	83	Oman	145	*	140		3.9	2.4	11.5	0.0
	83	85	Kuwait	134	*	124	*	7.9	2.7	8.8	0.0
	84	84	Jordan	130	+	125	+	3.5	2.1	15.0	0.0
	87	87	Algeria	98		101		–2.4	–2.5	9.1	0.0
	88		Qatar	52	*	49	*	4.8	2.4	3.1	0.0
			Other countries	2 939		2 677				26.3	0.1
Emerging EMEA			**Total**	**82 737**		**69 223**		**19.5**	**6.6**	**37.7**	**2.8**
	3	4	Japan (12)	295 850	*	300 698		–1.6	4.1	73.3	9.9
	8	9	South Korea (12)	101 866	*	103 054		–1.2	–3.6	52.8	3.4
	10	10	Taiwan	89 059		91 155		–2.3	–9.2	78.5	3.0
	12	13	Hong Kong	63 738	+	64 680		–1.5	–2.8	88.2	2.1
	16	20	Singapore	34 352	+	27 024		27.1	21.0	77.8	1.1
	24	27	Australia	16 036		14 579		10.0	–2.0	22.1	0.5
	48		New Zealand (14)	2 058	*	1 765		16.6	3.0	17.2	0.1
			Other countries	464		433				82.9	0.0
Advanced Asia-Pacific			**Total**	**603 423**		**603 386**		**0.0**	**0.6**	**66.2**	**20.1**
	2	3	PR China	365 456		347 544		5.2	–2.6	52.5	12.2
	9	11	India (12)	96 679	*	84 690		14.2	8.5	76.1	3.2
	25	26	Thailand	15 783	*	15 743		0.3	1.2	57.2	0.5
	28	29	Malaysia (12)	14 560	*	13 437		8.4	5.3	73.9	0.5
	30	31	Indonesia	13 210	*	11 993		10.2	6.6	68.0	0.4
	34	36	Vietnam	6 814	*	5 567		22.4	18.6	73.0	0.2
	36	39	Philippines	5 990	*	4 741		26.3	20.7	75.4	0.2
	39	40	Macao	4 167	+	3 843		8.4	8.6	91.8	0.1
	51	52	Bangladesh	1 554	*	1 370	*	13.4	7.9	78.1	0.1
	65	64	Sri Lanka	520	*	510	+	2.0	2.1	49.0	0.0
			Other countries	1 097		1 033				10.2	0.0
Emerging Asia			**Total**	**525 830**		**490 472**		**7.2**	**0.5**	**56.8**	**17.5**
World			**World**	**2 997 569**		**2 727 176**		**9.9**	**4.5**	**43.7**	**100.0**

Table VI

Non-life insurance premium volume in local currency in 2021

	Country	Currency	Premium volume (in millions of local currency) 2021	2020	2019	Change (in %) nominal 2021	2020	Change (in %) inflation–adjusted 2021	2020
	United States (9)	USD	2 109 057 *	1 948 066	1 855 696	8.3	5.0	3.4	3.7
	Canada (10)	CAD	120 820	111 215	104 804	8.6	6.1	5.1	5.3
US and Canada	**Total**							**3.5**	**3.8**
	Brazil	BRL	150 397	132 552	126 572	13.5	4.7	4.8	1.5
	Mexico	MXN	347 591	320 913	313 737	8.3	2.3	2.5	–1.1
	Argentina	ARS	900 795	609 610	386 516	47.8	57.7	–0.4	11.1
	Colombia	COP	23 585 830 *	21 223 260	20 706 080	11.1	2.5	7.4	0.0
	Chile	CLP	4 452 823	3 876 462	3 710 845	14.9	4.5	9.9	1.4
	Peru	PEN	8 478 *	7 367	7 176	15.1	2.7	10.4	0.7
	Ecuador	USD	1 493	1 669	1 696	–10.5	–1.6	–10.6	–1.3
	Dominican Republic	DOP	74 127 *	61 616	58 464	20.3	5.4	11.1	1.5
	Costa Rica	CRC	752 393	716 367	699 370	5.0	2.4	3.2	1.7
	Panama	PAB	1 201	1 113	1 162	7.9	–4.2	6.2	–2.7
	Guatemala	GTQ	9 106	9 245	5 898	–1.5	56.8	–5.5	51.9
	Cayman Islands	KYD	980	892	875	9.9	1.9	4.9	0.7
	Uruguay	UYU	37 004	33 349	30 608	11.0	9.0	3.0	–0.7
	Trinidad and Tobago	TTD	5 088 *	4 859	4 797	4.7	1.3	3.1	0.7
	Bahamas	BSD	683 *	657	641	3.9	2.5	0.6	2.4
	El Salvador	USD	na. *	462	465	na.	–0.7	na.	–0.4
	Jamaica	JMD	77 002 *	70 320 *	73 877	9.5	–4.8	3.6	–9.9
Latin America and Caribbean	**Total**							**3.7**	**1.8**
	Germany	EUR	139 357 *	134 574	129 208	4	4	0.4	3.6
	United Kingdom	GBP	83 480 *	80 269	76 959	4.0	4.3	1.4	3.4
	France	EUR	93 232 *	88 951	87 117	5	2	3.1	1.6
	Netherlands	EUR	66 286 +	64 902	62 813	2.1	3.3	–0.5	2.0
	Italy	EUR	39 063	37 988	38 779	2.8	–2.0	0.9	–1.9
	Spain	EUR	38 279	37 052	36 652	3.3	1.1	0.2	1.4
	Switzerland	CHF	29 916 +	28 976	28 576	3.2	1.4	2.6	2.1
	Belgium	EUR	20 664 *	20 045	20 228	3.1	–0.9	0.6	–1.6
	Austria	EUR	13 215 +	12 645	12 295	4.5	2.8	1.7	1.4
	Luxembourg	EUR	13 040 *	11 419	11 146	14.2	2.5	10.4	2.4
	Sweden	SEK	100 179	95 390	92 324	5.0	3.3	2.8	2.8
	Denmark	DKK	71 483 *	67 522	63 336	5.9	6.6	3.9	6.2
	Norway	NOK	92 052 +	85 733	78 971	7.4	8.6	3.8	7.2
	Israel	ILS	34 120 *	31 810	32 116	7.3	–1.0	5.7	–0.4
	Ireland	EUR	7 931 *	7 722	7 490	2.7	3.1	0.3	3.5
	Portugal	EUR	5 623	5 366	5 209	4.8	3.0	3.5	3.0
	Finland	EUR	4 790	4 598	4 330	4.2	6.2	1.9	5.9
	Liechtenstein	CHF	3 635 *	3 183	3 073	14.2	3.6	13.5	4.3
	Malta	EUR	3 246 *	2 948	2 286	10.1	28.9	9.3	27.9
	Greece	EUR	2 248 *	2 254	2 245	–0.2	0.4	–1.4	1.7
Advanced EMEA	**Total**							**1.6**	**2.4**
	Iran (13)	IRR	998 909 800 *	695 059 000	508 242 000	43.7	36.8	7.2	–5.2
	Russia	RUB	1 190 909	1 106 950	1 070 301	7.6	3.4	0.8	0.0
	Poland	PLN	50 859 *	46 372	45 982	9.7	0.8	4.3	–2.4
	Saudi Arabia	SAR	40 323 *	37 515	36 756	7.5	2.1	4.3	–1.3
	United Arab Emirates (11)	AED	36 151 *	34 509	34 951	4.8	–1.3	4.6	0.8
	South Africa	ZAR	136 863 *	123 093	125 207	11.2	–1.7	6.4	–4.8
	Turkey	TRY	76 658 *	61 444	52 529	24.8	17.0	4.3	4.2
	Czech Republic	CZK	127 909	116 139	112 512	10.1	3.2	6.1	0.1
	Morocco	MAD	25 979 *	24 945	24 216	4.1	3.0	2.7	2.4
	Romania	RON	10 691 *	9 464	8 898	13.0	6.4	7.5	3.6
	Hungary	HUF	719 360 *	665 346	632 425	8.1	5.2	2.9	1.8
	Ukraine	UAH	46 300 *	40 158	48 377	15.3	–17.0	5.4	–19.2
	Bulgaria	BGN	2 700 *	2 497	2 511	8.1	–0.5	4.7	–1.1
	Qatar	QAR	5 785 *	5 523 *	5 904	4.8	–6.5	2.4	–4.0
	Slovenia	EUR	1 869 +	1 820	1 763	2.7	3.2	0.7	3.3
	Egypt (14)	EGP	23 954 *	20 829	18 113	15.0	15.0	10.0	8.8
	Kuwait	KWD	419 *	394 *	350 *	6.3	12.6	2.7	10.3
	Croatia	HRK	8 820	7 828	7 415	12.7	5.6	9.9	5.4
	Lebanon	LBP	2 087 087 *	1 733 570	1 718 760	20.4	0.9	–52.7	–45.4
	Kenya	KES	144 727 *	131 058	130 516	10.4	0.4	4.1	–4.7
	Slovakia	EUR	1 373 *	1 420	1 381	–3.3	2.8	–6.3	0.9
	Oman	OMR	428 *	412	426	3.9	–3.2	2.4	–2.3
	Kazakhstan	KZT	429 818	338 930	319 917	26.8	5.9	17.4	–0.8
	Algeria	DZD	131 969	126 064	131 849	4.7	–4.4	–1.8	–6.3
	Serbia	RSD	94 640 *	85 540	84 039	10.6	1.8	6.3	0.2
	Pakistan	PKR	138 530 *	120 000 *	114 000	15.4	5.3	5.4	–3.8
	Tunisia	TND	2 092 *	1 932	1 838	8.3	5.1	2.5	–0.5
	Jordan	JOD	520 *	502 +	529	3.5	–5.0	2.1	–5.3
	Nigeria	NGN	290 595 *	268 592 *	251 009 *	8.2	7.0	–7.5	–5.5
	Ivory Coast	XOF	274 603 *	226 056 *	220 100	21.5	2.7	16.7	0.3
	Ghana	GHS	2 495 *	1 935 +	1 835	29.0	5.5	17.3	–4.0
	Namibia	NAD	3 587 *	3 486 *	3 673	2.9	–5.1	–0.7	–7.2
Emerging EMEA	**Total**							**3.8**	**–1.6**
	Japan (12)	JPY	12 107 810 *	12 071 600	12 155 410	0.3	–0.7	0.2	–0.4
	South Korea (12)	KRW	106 336 900	100 995 100	94 386 270	5.3	7.0	2.1	6.3
	Australia	AUD	75 137	70 137	68 577	7.4	2.3	4.4	1.4
	Taiwan	TWD	682 772 *	655 290	630 917	4.2	3.9	2.2	4.1
	New Zealand (14)	NZD	13 980 *	13 755	13 601	1.6	1.1	–2.2	–0.6
	Singapore	SGD	13 174 +	13 360	12 585	–1.4	6.2	–3.6	6.3
	Hong Kong	HKD	65 985 +	64 062	62 223	3.0	3.0	1.4	2.7
Advanced Asia-Pacific	**Total**							**1.4**	**2.4**
	PR China	CNY	2 132 832	2 127 541	1 989 000	0.2	7.0	–0.7	4.4
	India (12)	INR	2 257 389 *	2 020 823	1 925 078	11.7	5.0	5.8	–1.1
	Thailand	THB	378 177 *	359 769	344 439	5.1	4.5	3.8	5.3
	Indonesia	IDR	88 695 410 *	81 339 540	89 043 660	9.0	–8.7	7.4	–10.5
	Malaysia (12)	MYR	21 499	20 709	20 727	3.8	–0.1	0.9	1.2
	Vietnam	VND	57 638 380 *	56 669 000	53 366 000	1.7	6.2	–0.1	2.9
	Philippines	PHP	96 514 *	84 317	103 981	14.5	–18.9	10.1	–20.8
	Sri Lanka	LKR	107 588 *	97 000 +	107 880	10.9	–10.1	3.6	–15.3
	Bangladesh	BDT	37 104 *	32 000 *	33 338	15.9	–4.0	10.0	–9.2
	Macao	MOP	2 970 +	2 758	2 887	7.7	–4.5	7.6	–5.2
Emerging Asia	**Total**							**0.3**	**3.3**
World	**World**							**2.6**	**3.1**

Table VII

Non-life premium volume in USD in 2021

	Ranking			Premium volume (in millions of USD)				Change (in %) 2021		Share of total business 2021 (in %)	Share of world market 2021 (in %)
	2021	2020	Country	2021		2020		nominal (in USD)	inflation–adjusted[15]		
	1	1	United States (9)	2 109 057	*	1 948 066		8.3	3.4	77.6	54.6
	7	10	Canada (10)	96 372	**	82 922	**	16.2	5.1	59.8	2.5
US and Canada			**Total**	**2 205 429**		**2 030 988**		**8.6**	**3.5**	**76.6**	**57.1**
	15	17	Brazil	27 855		25 702		8.4	4.8	44.9	0.7
	19	22	Mexico	17 134	**	14 930		14.8	2.5	53.3	0.4
	33	37	Argentina	9 471		8 637		9.7	–0.4	87.0	0.2
	39	40	Colombia	6 299	*	5 746		9.6	7.4	67.9	0.2
	42	45	Chile	5 866		4 893		19.9	9.9	54.9	0.2
	52	53	Peru	2 184	*	2 108		3.6	10.4	47.9	0.1
	59	55	Ecuador	1 493		1 669		–10.5	–10.6	74.8	0.0
	64	69	Dominican Republic	1 295	*	1 090		18.8	11.1	85.3	0.0
	65	63	Costa Rica	1 218	**	1 232		–1.1	3.2	91.8	0.0
	66	68	Panama	1 201		1 113		7.9	6.2	74.5	0.0
	67	65	Guatemala	1 177		1 197		–1.7	–5.5	79.5	0.0
	68	71	Cayman Islands	1 176		1 070		9.9	4.9	92.2	0.0
	75	75	Uruguay	850		794		7.0	3.0	53.1	0.0
	76	78	Trinidad and Tobago	753	*	720		4.6	3.1	51.8	0.0
	80	81	Bahamas	683	*	657		3.9	0.6	77.3	0.0
	82	84	El Salvador	540	*	462		17.0	na.	64.7	0.0
	83	83	Jamaica	512	*	491	*	4.3	3.6	59.7	0.0
			Other countries	6 017		3 048				85.5	0.2
Latin America and Caribbean			**Total**	**85 724**		**75 559**		**13.5**	**3.7**	**56.6**	**2.2**
	3	4	Germany	165 818	*	153 613		8	0	60.1	4.3
	4	7	United Kingdom	114 858	*	103 028		11.5	1.4	28.8	3.0
	5	8	France	110 935	*	101 535		9	3	37.4	2.9
	9	11	Netherlands	78 872	+	74 084		6.5	–0.5	84.8	2.0
	11	13	Italy	46 480		43 362		7.2	0.9	24.1	1.2
	12	14	Spain	45 547		42 293		7.7	0.2	61.9	1.2
	13	15	Switzerland	32 737	+	30 859		6.1	2.6	56.6	0.8
	16	18	Belgium	24 588	*	22 881		7.5	0.6	55.5	0.6
	21	23	Austria	15 724	+	14 434		8.9	1.7	70.9	0.4
	22	24	Luxembourg	15 516	*	13 018		19.2	10.4	32.1	0.4
	25	27	Sweden	11 674		10 356		12.7	2.8	24.3	0.3
	26	28	Denmark	11 370	*	10 321		10.2	3.9	25.1	0.3
	28	33	Norway	10 713	+	9 107		17.6	3.8	41.0	0.3
	29	32	Israel	10 563	*	9 241		14.3	5.7	46.9	0.3
	34	35	Ireland	9 437	*	8 815		7.1	0.3	14.6	0.2
	38	39	Portugal	6 690		6 125		9.2	3.5	42.1	0.2
	43	42	Finland	5 700		5 249		8.6	1.9	18.4	0.1
	45	46	Liechtenstein	3 978	*	3 390		17.3	13.5	65.7	0.1
	47	48	Malta	2 744	*	2 581		6.3	9.3	78.8	0.1
	48	49	Greece	2 675	*	2 572		4.0	–1.4	49.2	0.1
			Other countries	1 009		939				70.0	0.0
Advanced EMEA			**Total**	**727 628**		**667 802**		**9.0**	**1.6**	**41.0**	**18.8**
	18	20	Iran (13)	23 784	*	16 549		43.7	7.2	84.7	0.6
	20	21	Russia	16 169		15 352		5.3	0.8	69.4	0.4
	23	25	Poland	13 171	*	11 891		10.8	4.3	77.2	0.3
	27	29	Saudi Arabia	10 753	*	10 004		7.5	4.3	95.9	0.3
	31	31	United Arab Emirates (11)	9 844	*	9 397		4.8	4.6	81.3	0.3
	35	38	South Africa	9 260	*	7 478		23.8	6.4	18.1	0.2
	36	36	Turkey	8 645	*	8 765		–1.4	4.3	82.1	0.2
	41	43	Czech Republic	5 900		5 004		17.9	6.1	71.4	0.2
	46	47	Morocco	2 890	*	2 627		10.0	2.7	54.1	0.1
	49	51	Romania	2 570	*	2 230		15.2	7.5	80.9	0.1
	51	52	Hungary	2 373	*	2 160		9.8	2.9	54.7	0.1
	54	58	Ukraine	1 697	*	1 490		13.9	5.4	88.7	0.0
	55	59	Bulgaria	1 633	*	1 455		12.2	4.7	84.7	0.0
	56	57	Qatar	1 589	*	1 517	*	4.8	2.4	96.9	0.0
	57	56	Slovenia	1 580	+	1 594		–0.8	0.7	71.6	0.0
	58	60	Egypt (14)	1 522	*	1 295		17.5	10.0	54.2	0.0
	60	61	Kuwait	1 388	*	1 287	*	7.9	2.7	91.2	0.0
	61	66	Croatia	1 387		1 183		17.2	9.9	75.3	0.0
	62	67	Lebanon	1 384	*	1 150		20.4	–52.7	78.8	0.0
	63	64	Kenya	1 320	*	1 231		7.2	4.1	54.5	0.0
	69	62	Slovakia	1 160	*	1 244		–6.8	–6.3	65.3	0.0
	70	70	Oman	1 114	*	1 072		3.9	2.4	88.5	0.0
	71	74	Kazakhstan	1 009		821		23.0	17.4	57.7	0.0
	72	72	Algeria	977		994		–1.7	–1.8	90.9	0.0
	73	73	Serbia	952	*	829		14.8	6.3	78.4	0.0
	74	77	Pakistan	850	*	741	*	14.7	5.4	35.5	0.0
	77	80	Tunisia	749	*	687		9.0	2.5	76.0	0.0
	78	79	Jordan	732	*	708	+	3.5	2.1	85.0	0.0
	79	76	Nigeria	710	*	749	*	–5.2	–7.5	44.9	0.0
	84	85	Ivory Coast	495	*	393	*	26.0	16.7	58.6	0.0
	86	88	Ghana	421	*	337	+	25.0	17.3	51.7	0.0
	88		Namibia	243	*	212	*	14.6	–0.7	28.0	0.0
			Other countries	8 231		7 660				73.7	0.2
Emerging EMEA			**Total**	**136 503**		**120 105**		**13.7**	**3.8**	**62.3**	**3.5**
	6	6	Japan (12)	107 741	*	113 777		–5.3	0.2	26.7	2.8
	8	9	South Korea (12)	91 142		87 032		4.7	2.1	47.2	2.4
	10	12	Australia	56 540		48 246		17.2	4.4	77.9	1.5
	17	19	Taiwan	24 364		22 150		10.0	2.2	21.5	0.6
	30	34	New Zealand (14)	9 889	*	8 927		10.8	–2.2	82.8	0.3
	32	30	Singapore	9 806	+	9 683		1.3	–3.6	22.2	0.3
	37		Hong Kong	8 490	+	8 260		2.8	1.4	11.8	0.2
			Other countries	96		221				17.1	0.0
Advanced Asia-Pacific			**Total**	**308 068**		**298 295**		**3.3**	**1.4**	**33.8**	**8.0**
	2	2	PR China	330 672		308 321		7.2	–0.7	47.5	8.6
	14	16	India (12)	30 296	*	27 221		11.3	5.8	23.9	0.8
	24	26	Thailand	11 827	*	11 497		2.9	3.8	42.8	0.3
	40	41	Indonesia	6 206	*	5 595		10.9	7.4	32.0	0.2
	44	44	Malaysia (12)	5 149		4 961		3.8	0.9	26.1	0.1
	50	50	Vietnam	2 515	*	2 440		3.0	–0.1	27.0	0.1
	53	54	Philippines	1 960	*	1 699		15.3	10.1	24.6	0.1
	81	82	Sri Lanka	541	*	523	+	3.6	3.6	51.0	0.0
	85	86	Bangladesh	436	*	377	*	15.7	10.0	21.9	0.0
	87	87	Macao	371	+	345		7.5	7.6	8.2	0.0
			Other countries	9 706		8 931				89.8	0.3
Emerging Asia			**Total**	**399 678**		**371 909**		**7.5**	**0.3**	**43.2**	**10.3**
World			**World**	**3 863 029**		**3 564 658**		**8.4**	**2.6**	**56.3**	**100.0**

Table VIII

Insurance density: premiums[1] per capita in USD in 2021

	Ranking	Country	Total business	Life business	Non–life business
	3	United States (9)	8 193 *	1 837 +	6 356 *
	16	Canada (10)	4 217 **	1 697 +	2 520 **
US and Canada		**Total**	**7 782**	**1 823**	**5 960**
	1	Cayman Islands	19 177	1 498	17 680
	27	Bahamas	2 224 *	504 *	1 720 *
	32	Trinidad and Tobago	1 036 *	500 *	536 *
	38	Chile	545	246	299
	42	Uruguay	459	215	244
	46	Panama	368	94	274
	52	Brazil	290	160	130
	53	Jamaica	288 *	116 *	172 *
	57	Costa Rica	258 **	21 **	237 **
	58	Mexico	247 **	115 *	131 **
	59	Argentina	238	31	207
	60	Colombia	181 *	58 *	123 *
	65	Dominican Republic	139 *	20 *	118 *
	66	Peru	137 *	71 *	65 *
	67	El Salvador	128 *	45 *	83 *
	69	Ecuador	112	28	84
	75	Guatemala	81	17	65
Latin America and Caribbean		**Total**	**231**	**100**	**130**
	4	Denmark	7 746 *	5 803 *	1 944 *
	7	Switzerland	6 610 +	2 866 +	3 744 +
	8	Ireland (1)	6 063 *	4 183 +	1 881 *
	9	Finland	5 600	4 571	1 029
	10	Luxembourg (1)	5 585 *	3 267 +	2 318 *
	11	Netherlands	5 301 +	805 +	4 497 +
	12	United Kingdom (1)	5 273 *	4 234 *	1 039 *
	14	Sweden	4 597 *	3 478 *	1 119
	15	Norway (1)	4 406 +	2 852 +	1 554 +
	17	France (1)	4 140 *	2 654 *	1 486 *
	19	Germany (1)	3 313 *	1 321 *	1 992 *
	20	Italy (1)	3 253	2 467	785
	22	Belgium (1)	3 032 *	1 623 *	1 408 *
	24	Israel	2 563 *	1 361 *	1 202 *
	25	Austria	2 480 +	722 +	1 757 +
	28	Spain	1 551	591	960
	29	Portugal	1 414	854	560
	33	Malta	909 *	568 +	341 *
	39	Greece	510 *	259 *	251 *
	88	Liechtenstein	*	*	*
Advanced EMEA		**Total**	**3 694**	**2 226**	**1 468**
	30	United Arab Emirates (11)	1 305 *	244 *	1 061 *
	31	Slovenia	1 047 +	297 +	750 +
	34	South Africa	852 *	698 *	154 *
	35	Czech Republic	771 +	220 +	551
	37	Qatar	584 *	18 *	566 *
	41	Croatia	473	117	356
	43	Poland	451 *	103	348 *
	44	Hungary	445 *	201 *	243 *
	47	Kuwait	352 *	31 *	321 *
	48	Namibia	335 *	241 *	94 *
	49	Iran (13)	330 *	50 *	280 *
	50	Slovakia	325 *	113 *	212 *
	51	Saudi Arabia	312 *	13 *	299 *
	54	Bulgaria	280 *	43 *	238 *
	55	Oman	278 *	32 *	246 *
	56	Lebanon	261 *	55 *	205 *
	61	Serbia	177 *	38 *	139 *
	62	Romania	166 *	32 *	134 *
	63	Russia	160	49	111
	64	Morocco	143 *	66 *	77 *
	68	Turkey	124 *	22	102 *
	70	Kazakhstan	92	39	53
	73	Jordan	84 *	13 +	72 *
	74	Tunisia	83 *	20 *	63 *
	79	Ukraine	46 *	5 *	41 *
	80	Kenya	44 *	20 +	24 *
	81	Ivory Coast	31 *	13	18 *
	82	Egypt (14)	27 *	12 *	15 *
	83	Ghana	26 *	12 *	13 *
	84	Algeria	24	2	22
	86	Pakistan	11 *	7 *	4 *
	87	Nigeria	7 *	4 *	3 *
Emerging EMEA		**Total**	**92**	**35**	**58**
	2	Hong Kong	9 556 +	8 433 +	1 123 +
	6	Singapore (1)	6 742 +	5 414 +	1 327 +
	13	Taiwan	4 804	3 772	1 032
	18	South Korea (12)	3 735 *	1 971 *	1 764
	21	Japan (12)	3 202 *	2 347 *	855 *
	23	Australia	2 817	623	2 195
	26	New Zealand	2 339 *	403 *	1 936 *
Advanced Asia-Pacific		**Total**	**3 512**	**2 325**	**1 187**
	5	Macao	6 892 +	6 329 +	563 +
	36	Malaysia (12)	600 *	444 *	157
	40	PR China	482	253	229
	45	Thailand	387 *	246 *	141 *
	71	India (12)	91 *	69 *	22 *
	72	Vietnam	87 *	60 *	27 *
	76	Philippines	71 *	54 *	18 *
	77	Indonesia	70 *	48 *	22 *
	78	Sri Lanka	49 *	24 *	25 *
	85	Bangladesh	12 *	9 *	3 *
Emerging Asia		**Total**	**232**	**132**	**100**
World		**World (2)**	**874**	**382**	**492**

Table IX

Insurance penetration: permiums[1] in % of GDP in 2021

	Ranking	Country	Total business	Life business	Non–life business
	5	United States (9)	11.7 *	2.6 +	9.1 *
	15	Canada (10)	8.1 **	3.3 +	4.8 **
US and Canada		**Total**	**11.4**	**2.7**	**8.7**
	1	Cayman Islands	21.0	1.6	19.4
	16	Bahamas	7.9 *	1.8 *	6.1 *
	22	Trinidad and Tobago	6.5 *	3.1 *	3.4 *
	24	Jamaica	5.9 *	2.4 *	3.5 *
	41	Brazil	3.9	2.1	1.7
	42	Chile	3.4	1.5	1.9
	43	Colombia	3.0 *	0.9 *	2.0 *
	45	El Salvador	2.9 *	1.0 *	1.9 *
	47	Uruguay	2.8	1.3	1.5
	49	Panama	2.5	0.6	1.9
	52	Mexico	2.5 **	1.2 *	1.3 **
	57	Argentina	2.2	0.3	1.9
	61	Costa Rica	2.1 **	0.2 **	1.9 **
	62	Peru	2.0 *	1.1 *	1.0 *
	66	Ecuador	1.9	0.5	1.4
	67	Guatemala	1.7	0.4	1.4
	69	Dominican Republic	1.6 *	0.2 *	1.4 *
Latin America and Caribbean		**Total**	**3.0**	**1.3**	**1.7**
	6	Denmark	11.4 *	8.5 *	2.9 *
	7	United Kingdom (1)	11.1 *	8.9 *	2.2 *
	9	Finland	10.3	8.4	1.9
	10	France (1)	9.5 *	6.1 *	3.4 *
	12	Italy (1)	9.1	6.9	2.2
	13	Netherlands	9.1 +	1.4 +	7.7 +
	17	Sweden	7.6 *	5.8 *	1.9
	19	Switzerland	7.1 +	3.1 +	4.0 +
	21	Germany (1)	6.5 *	2.6 *	3.9 *
	23	Ireland (1)	6.1 *	4.2 +	1.9 *
	25	Belgium (1)	5.8 *	3.1 *	2.7 *
	26	Portugal	5.8	3.5	2.3
	29	Spain	5.1	2.0	3.2
	31	Norway (1)	4.9 +	3.2 +	1.7 +
	33	Israel	4.7 *	2.5 *	2.2 *
	34	Austria	4.6 +	1.3 +	3.3 +
	37	Luxembourg (1)	4.1 *	2.4 +	1.7 *
	39	Malta	4.0 *	2.5 +	1.5 *
	51	Greece	2.5 *	1.3 *	1.2 *
	88	Liechtenstein	na. *	na. *	*
Advanced EMEA		**Total**	**8.0**	**4.8**	**3.2**
	4	South Africa	12.2 *	10.0 *	2.2 *
	18	Namibia	7.1 *	5.1 *	2.0 *
	30	Slovenia	5.0 +	1.4 +	3.6 +
	38	Morocco	4.0 *	1.8 *	2.2 *
	44	Czech Republic	2.9 +	0.8 +	2.1
	46	United Arab Emirates (11)	2.9 *	0.5 *	2.3 *
	48	Croatia	2.7	0.7	2.0
	50	Poland	2.5 *	0.6	1.9 *
	53	Bulgaria	2.4 *	0.4 *	2.0 *
	54	Iran (13)	2.4 *	0.4 *	2.0 *
	55	Hungary	2.4 *	1.1 *	1.3 *
	58	Kenya	2.2 *	1.0 +	1.2 *
	59	Tunisia	2.2 *	0.5 *	1.6 *
	60	Slovakia	2.1 *	0.7 *	1.4 *
	64	Serbia	1.9 *	0.4 *	1.5 *
	65	Jordan	1.9 *	0.3 +	1.6 *
	70	Oman	1.5 *	0.2 *	1.3 *
	71	Saudi Arabia	1.3 *	0.1 *	1.3 *
	72	Russia	1.3	0.4	0.9
	73	Turkey	1.3 *	0.2	1.1 *
	75	Ivory Coast	1.2 *	0.5	0.7 *
	76	Romania	1.1 *	0.2 *	0.9 *
	77	Kuwait	1.1 *	0.1 *	1.0 *
	78	Ghana	1.1 *	0.5 *	0.6 *
	79	Ukraine	1.0 *	0.1 *	0.8 *
	80	Lebanon	1.0 *	0.2 *	0.8 *
	81	Qatar	0.9 *	0.0 *	0.9 *
	82	Kazakhstan	0.9	0.4	0.5
	83	Pakistan	0.7 *	0.5 *	0.2 *
	84	Algeria	0.7	0.1	0.6
	85	Egypt (14)	0.6 *	0.3 *	0.4 *
	87	Nigeria	0.4 *	0.2 *	0.2 *
Emerging EMEA		**Total**	**1.6**	**0.6**	**1.0**
	2	Hong Kong	19.6 +	17.3 +	2.3 +
	3	Taiwan	14.8	11.6	3.2
	8	South Korea (12)	10.9 *	5.8 *	5.2
	11	Singapore (1)	9.3 +	7.5 +	1.8 +
	14	Japan (12)	8.4 *	6.1 *	2.2 *
	32	New Zealand	4.8 *	0.8 *	4.0 *
	35	Australia	4.4	1.0	3.5
Advanced Asia-Pacific		**Total**	**9.0**	**6.0**	**3.0**
	20	Macao	7.0 +	6.4 +	0.6 +
	27	Thailand	5.4 *	3.4 *	1.9 *
	28	Malaysia (12)	5.3 *	3.9 *	1.4
	36	India (12)	4.2 *	3.2 *	1.0 *
	40	PR China	3.9	2.1	1.9
	56	Vietnam	2.3 *	1.6 *	0.7 *
	63	Philippines	2.0 *	1.5 *	0.5 *
	68	Indonesia	1.6 *	1.1 *	0.5 *
	74	Sri Lanka	1.3 *	0.6 *	0.6 *
	86	Bangladesh	0.5 *	0.4 *	0.1 *
Emerging Asia		**Total**	**3.7**	**2.1**	**1.6**
World		**World (2)**	**7.0**	**3.0**	**3.9**

Table X

Macroeconomic indicators in 2021

		Population (millions)	Gross domestic product			Inflation rate (in %)		Exchange rate local currency per USD		
			USDbn	Real change (in %)						
Ranking	Country	2021	2021	2021	2020	2021	2020	2021	2020	Change (in %)
1	United States	331.8	23 252	5.8	–3.4	4.7	1.2	1.0	1.0	0.0
9	Canada	38.2	1 991	4.8	–5.2	3.4	0.7	1.3	1.3	–6.5
US and Canada	**Total**	**370.1**	**25243**	**5.7**	**–3.5**					
13	Brazil	214.2	1 608	5.1	–4.2	8.3	3.2	5.4	5.2	4.7
15	Mexico	130.4	1 292	5.6	–8.4	5.7	3.4	20.3	21.5	–5.6
28	Argentina	45.7	491	10.4	–9.6	48.4	42.0	95.1	70.6	34.8
44	Chile	19.6	317	12.2	–6.1	4.5	3.0	759.1	792.2	–4.2
45	Colombia	51.3	314	10.7	–7.0	3.5	2.5	3744.2	3693.3	1.4
51	Peru	33.4	225	13.3	–11.1	4.3	2.0	3.9	3.5	11.1
62	Ecuador	17.9	106	4.2	–7.8	0.1	–0.3	1.0	1.0	0.0
63	Dominican Republic	11.0	94	12.3	–6.7	8.2	3.8	57.2	56.5	1.2
65	Guatemala	18.2	86	8.0	–1.8	4.3	3.2	7.7	7.7	0.2
74	Costa Rica	5.1	65	7.6	–4.1	1.7	0.7	617.6	581.7	6.2
75	Panama	4.4	64	15.3	–17.9	1.6	–1.6	1.0	1.0	0.0
77	Uruguay	3.5	58	4.3	–5.9	7.7	9.8	43.6	42.0	3.7
81	El Salvador	6.5	29	10.3	–8.2	3.5	–0.4	1.0	1.0	0.0
82	Trinidad and Tobago	1.4	22	2.8	–7.4	1.5	0.6	6.8	6.8	0.1
83	Jamaica	3.0	14	4.3	–10.0	5.7	5.7	150.4	143.2	5.0
86	Bahamas	0.4	11	5.6	–14.5	3.2	0.0	1.0	1.0	0.0
88	Cayman Islands	0.1	6	2.4	–4.8	4.7	1.2	0.8	0.8	0.0
Latin America and Caribbean	**Total**	**656.2**	**4987**	**7.0**	**–6.7**					
4	Germany	83.2	4 238	3.1	–4.9	3.1	0.5	0.8	0.9	–4.1
5	United Kingdom	67.1	3 188	8.3	–9.3	2.6	0.9	0.7	0.8	–6.7
7	France	67.7	2 953	7.4	–8.0	1.6	0.5	0.8	0.9	–4.1
8	Italy	59.2	2 111	7.0	–9.1	1.9	–0.1	0.8	0.9	–4.1
14	Spain	47.4	1 434	5.7	–10.8	3.1	–0.3	0.8	0.9	–4.1
18	Netherlands	17.5	1 024	5.2	–3.8	2.7	1.3	0.8	0.9	–4.1
21	Switzerland	8.7	813	3.8	–2.5	0.6	–0.7	0.9	0.9	–2.7
24	Sweden	10.4	627	4.7	–3.1	2.2	0.5	8.6	9.2	–6.8
25	Belgium	11.6	605	6.5	–5.7	2.4	0.7	0.8	0.9	–4.1
27	Ireland	5.0	501	13.5	5.9	2.4	–0.3	0.8	0.9	–4.1
29	Norway	5.4	484	4.0	–1.3	3.5	1.3	8.6	9.4	–8.7
30	Israel	8.8	482	7.9	–2.1	1.5	–0.6	3.2	3.4	–6.2
31	Austria	8.9	480	4.9	–6.8	2.8	1.4	0.8	0.9	–4.1
37	Denmark	5.8	397	4.8	–2.1	1.9	0.4	6.3	6.5	–3.9
46	Finland	5.5	301	3.5	–2.3	2.2	0.3	0.8	0.9	–4.1
49	Portugal	10.3	251	5.4	–8.4	1.3	0.0	0.8	0.9	–4.1
52	Greece	10.7	217	8.2	–8.7	1.2	–1.2	0.8	0.9	–4.1
64	Luxembourg	0.6	87	6.9	–1.8	3.5	0.0	0.8	0.9	–4.2
84	Malta	0.5	12	9.3	–8.2	0.7	0.8	1.2	1.1	3.5
87	Liechtenstein	0.0	7	3.5	–2.2	0.6	–0.7	0.9	0.9	–2.7
Advanced EMEA	**Total**	**436.1**	**20257**	**6.0**	**–6.4**					
10	Russia	145.9	1 774	4.8	–2.6	6.7	3.4	73.7	72.1	2.1
17	Iran	84.9	1 168	5.1	3.4	34.0	44.3	42000.0	42000.0	0.0
19	Saudi Arabia	35.9	834	2.9	–4.1	3.1	3.4	3.8	3.8	0.0
20	Turkey	85.1	813	11.4	1.6	19.6	12.3	8.9	7.0	26.5
23	Poland	37.8	676	6.0	–2.1	5.2	3.4	3.9	3.9	–1.0
32	Nigeria	211.4	447	3.6	–1.8	16.9	13.3	409.4	358.8	14.1
33	Egypt	104.3	433	7.2	1.5	4.5	5.7	15.7	16.1	–2.1
34	South Africa	60.1	420	5.5	–6.4	4.5	3.3	14.8	16.5	–10.2
35	United Arab Emirates	9.3	420	1.6	–6.1	0.2	–2.1	3.7	3.7	0.0
43	Pakistan	225.2	341	6.0	–1.3	9.5	9.5	162.9	161.9	0.7
47	Romania	19.1	283	6.1	–3.4	5.0	2.6	4.2	4.2	–2.0
48	Czech Republic	10.7	283	3.4	–5.8	3.8	3.2	21.7	23.2	–6.6
53	Ukraine	41.6	200	3.4	–3.8	9.4	2.7	27.3	27.0	1.2
54	Kazakhstan	19.0	193	4.0	–2.5	8.0	6.8	425.9	413.0	3.1
55	Lebanon	6.7	184	–6.1	–21.5	154.8	84.9	1507.5	1507.5	0.0
56	Hungary	9.7	182	7.5	–4.7	5.1	3.3	303.1	308.0	–1.6
57	Qatar	2.8	180	1.5	–3.6	2.3	–2.6	3.6	3.6	0.0
58	Algeria	44.6	161	3.6	–5.1	6.6	2.1	135.1	126.8	6.5
59	Kuwait	4.3	137	2.5	–8.9	3.4	2.1	0.3	0.3	–1.5
60	Morocco	37.3	133	7.4	–6.3	1.4	0.6	9.0	9.5	–5.4
61	Kenya	55.0	110	7.6	–0.2	6.1	5.3	109.6	106.5	3.0
66	Oman	4.5	86	3.0	–3.2	1.5	–0.9	0.4	0.4	0.0
68	Slovakia	5.5	83	3.9	–5.1	3.1	1.9	1.2	1.1	3.7
69	Bulgaria	6.9	80	3.9	–4.1	3.3	0.6	1.7	1.7	–3.6
70	Ghana	31.7	75	5.3	0.4	10.0	9.9	5.9	5.7	3.2
71	Ivory Coast	27.1	69	6.5	2.0	4.1	2.4	554.6	575.4	–3.6
72	Croatia	3.9	68	10.4	–7.8	2.6	0.2	6.4	6.6	–3.8
76	Serbia	6.9	63	7.3	–0.9	4.1	1.6	99.4	103.2	–3.7
78	Tunisia	11.9	46	3.3	–8.7	5.7	5.6	2.8	2.8	–0.6
79	Jordan	10.2	45	2.0	–1.6	1.3	0.3	0.7	0.7	0.0
80	Slovenia	2.1	44	8.1	–4.8	1.9	–0.1	1.2	1.1	3.5
85	Namibia	2.6	12	2.4	–8.5	3.6	2.2	14.8	16.5	–10.2
Emerging EMEA	**Total**	**2371.0**	**13757**	**4.8**	**–1.9**					
3	Japan	126.0	4 824	1.8	–4.5	0.1	–0.3	112.4	106.1	5.9
11	South Korea	51.7	1 763	4.0	–0.8	3.1	0.7	1166.7	1160.4	0.5
12	Australia	25.8	1 632	4.8	–2.2	2.8	0.9	1.3	1.5	–8.4
22	Taiwan	23.6	766	6.3	3.3	2.0	–0.2	28.0	29.6	–5.3
38	Singapore	5.5	397	7.9	–4.1	2.3	–0.2	1.3	1.4	–2.6
41	Hong Kong	7.6	369	6.4	–6.6	1.6	0.3	7.8	7.8	0.2
50	New Zealand	5.1	248	5.4	–0.9	3.9	1.7	1.4	1.5	–8.2
Advanced Asia-Pacific	**Total**	**257.5**	**10030**	**3.4**	**–3.1**					
2	PR China	1444.7	17 731	8.8	1.9	0.9	2.5	6.4	6.9	–6.5
6	India	1395.1	3 026	8.5	–7.3	5.6	6.2	74.5	74.2	0.4
16	Indonesia	276.7	1 187	3.7	–2.0	1.6	2.0	14291.7	14538.2	–1.7
26	Thailand	70.0	506	1.7	–6.3	1.2	–0.8	32.0	31.3	2.2
36	Bangladesh	166.2	415	6.9	3.4	5.4	5.7	85.1	84.9	0.3
39	Philippines	111.2	394	5.8	–9.3	3.9	2.4	49.3	49.6	–0.7
40	Malaysia	32.8	370	3.7	–5.7	2.9	–1.2	4.2	4.2	0.0
42	Vietnam	98.1	364	2.6	2.9	1.8	3.2	22921.8	23222.8	–1.3
67	Sri Lanka	21.5	85	3.7	–3.6	7.0	6.2	198.8	185.6	7.1
73	Macao	0.7	65	18.0	–54.0	0.0	0.8	8.0	8.0	0.2
Emerging Asia	**Total**	**3981.2**	**24686**	**7.9**	**–0.3**					
World	**World**	**7846.8**	**98618**	**6.0**	**–3.3**					

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