



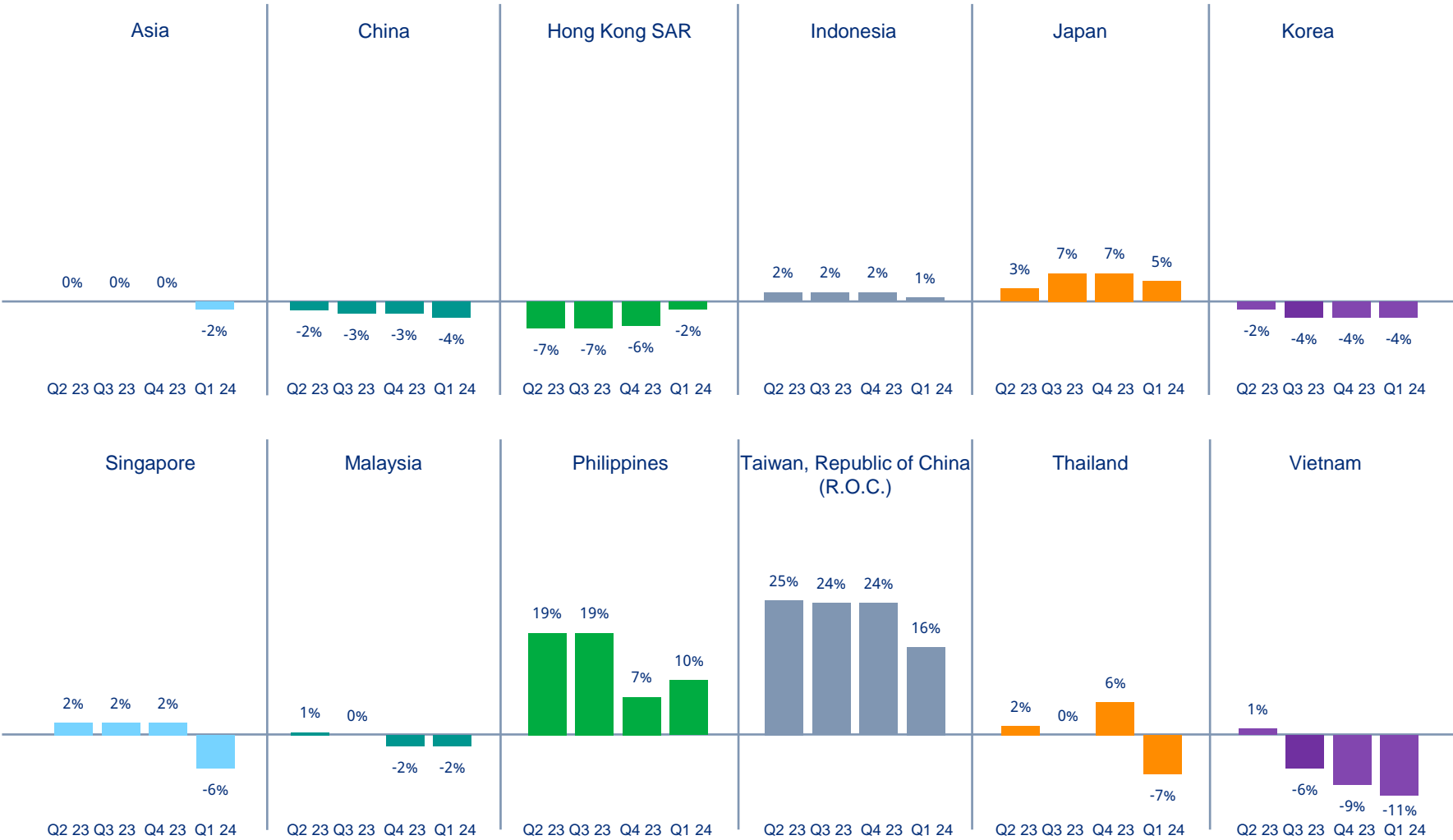
Asia Insurance Market Pricing: 2024 First Quarter

May 2024

Q1 2024 pricing excludes India



Figure 1| Asia composite insurance rate change by market



Global commercial insurance rates rose 1% in the first quarter of 2024, compared to a 2% increase in the prior quarter, according to the Marsh Global Insurance Market Index.

In most global regions, the composite rate declined, continuing a three-year trend of moderation in the pace of rate increases.

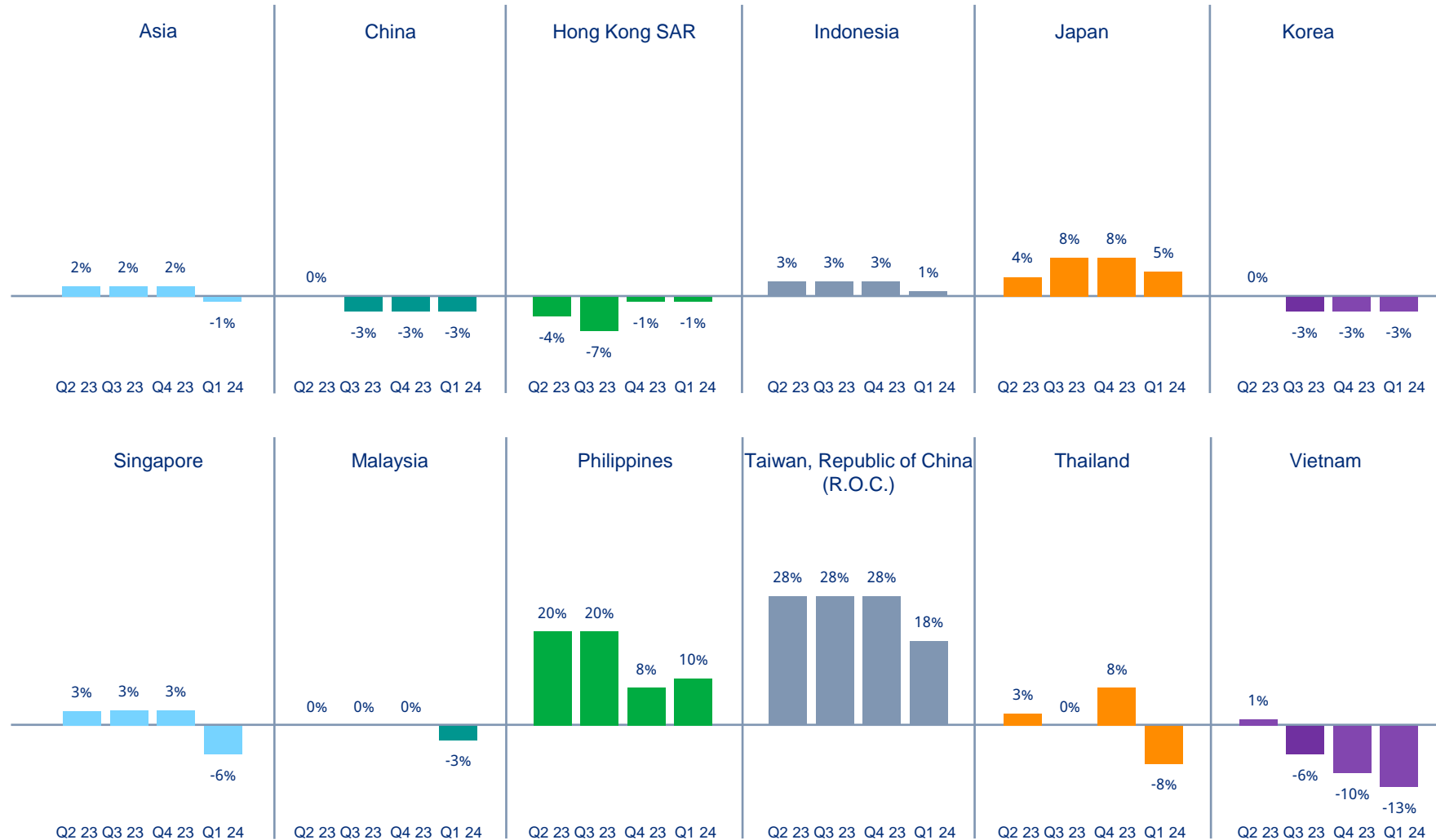
Insurance rates in the first quarter of 2024 in Asia declined 2% after being flat for the three prior quarters. (See Figure 1). The index is a proprietary measure of commercial insurance rate changes at renewal.

Regionally, composite rates for the first quarter were as follows:

- Asia: -2%
- US: +3%
- UK: -2%
- Canada: -2%
- Europe: +3%
- Latin America and the Caribbean: +5%
- Pacific: -2%
- India, Middle East, and Africa: -2%

*Note: Beginning in the third quarter 2023, insurance rates from India are included in the regional India, Middle East, and Africa (IMEA) section of the Global Insurance Market Index.

Figure 2| Asia property insurance rate change by market



Property insurance rates declined 1% in the quarter.

- Property insurance rates declined in a number of markets and industries, with the exception of those in catastrophe (CAT) exposed geographies, including Japan, Taiwan, Republic of China (R.O.C.) and the Philippines, and in select industries, such as technology, with significant business interruption (BI) exposure.
 - Clients in these sectors typically retained more risk through increased deductibles, assuming capacity within their insurance program, or adopting alternative risk transfer methods such as captives, parametric, or structured solutions.
- Although inflation generally has not been as pressing in Asia as elsewhere, insurers continued to seek validation of values and a deeper understanding of clients' BI calculations.

Figure 3| Asia casualty insurance rate change by market



Casualty insurance rates declined 1% in the quarter.

- The liability insurance market has remained stable, with some rate decreases, due primarily to ample capacity, from domestic and international insurers in the markets, especially when exposure is limited to a specific market or region.
- Underwriters continue to scrutinise North American exposures and critical products, and/or critical products specifically in the automotive, technology, and oil and gas industries.
- Insurers remain focused on cyber coverage for business interruption and property damage, and exposure to polyfluoroalkyl substances (PFAs).

Source: Marsh Specialty and Global Placement

Figure 4| Asia financial and professional lines insurance rate change by market



Financial and professional lines rates declined 6% in the quarter.

- Many clients experienced rate decreases in public and private directors and officers (D&O) liability, commercial professional indemnity (PI), financial institutions, and flat rates in lines such as crime.
- Increased competition contributed to reduced primary rates and improved terms and conditions.
- Appetite for public company D&O with US exposure increased, with price and deductible improvements, although the UK and Bermuda markets continued to be relied on for capacity on large programs and challenging risks.
- Appetite for digital assets business remained challenging, with insurers exercising caution, particularly with crypto-related assets.

Source: Marsh Specialty and Global Placement

Figure 5| Asia cyber insurance rate change by market



Cyber insurance rates decreased 3% in the quarter.

- Underwriters continued to look for and favor companies with strong risk controls.
- Increased capacity in the market led to discussions on expanding coverage options.
- Insurers remained vigilant about ransomware issues and supply chain attacks.
- There remains the potential for volatility should a major cyber event occur, or loss frequency significantly increase.

Source: Marsh Specialty and Global Placement



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