

# Asia Insurance Market Rates: 2025 First Quarter

May 2025



Figure 1| Asia composite insurance rate change by market



Global commercial insurance rates declined by 3% in the first quarter of 2025, the third consecutive decrease in the composite rate following seven years of increases, according to the Marsh Global Insurance Market Index.

Insurance rates in Asia declined 3% in the first quarter of 2025, the same as in the prior quarter.

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

- Asia: -3%.
- US: -1%.
- UK: -6%.
- Canada: -3%.
- Europe: -1%.
- Latin America and the Caribbean: -2%.
- Pacific: -8%.
- India, Middle East, and Africa: -4%.

Asia Insurance Rates  
Figure 2| Asia property insurance rate change by market



**Property** insurance rates declined 3% in the first quarter of 2025, the same as in the prior quarter.

- Insurers continued to exercise strict underwriting discipline — particularly for industries perceived as high risk, distressed businesses, and those impacted by losses — and emphasised the importance of accurate valuations.
- The involvement of international and wholesale markets has contributed to the competitive environment, leading to generally improved outcomes for clients across local, regional, and global insurance programs.
- There was an increase in the offering of long-term agreements (LTAs), which now frequently include provisions for rate reductions and low-claims bonuses.
- Clients actively reviewed deductibles and self-insurance options, resulting in a growing interest in alternative risk transfer solutions, such as parametric insurance and captive insurance.

Figure 3| Asia casualty insurance rate change by market



**Casualty** insurance rates declined 2% in the first quarter of 2025, compared to -1% in the prior quarter.

- Organisations without losses and those benefiting from competitive capacity in London markets typically experienced more significant rate decreases, ranging from 5% to 10%.
- Businesses with substantial US exposure faced rising rates, driven by increases for primary and umbrella coverage.
- Workers' compensation rates remained stable.
- Auto liability rates were generally stable, although increases of 5% to 10% were experienced in Japan and Thailand, indicating regional variations in risk assessments.
- Insurers adopted a diversified approach to underwriting risks associated with per- and polyfluoroalkyl substances (PFAS), with some applying broad exclusions while others opted for selective or partial exclusions.

Source: Marsh Specialty and Global Placement

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



**Financial and professional lines** rates declined 8% in the first quarter of 2025, compared to -9% in the prior quarter.

- Limited activity in capital markets restricted new business opportunities for insurers, and increased competition for renewal business.
- Directors and officers (D&O) liability insurance rates were, again, a significant factor in overall rate changes, with average reductions ranging from 10% to 20% across the region.
- Professional indemnity (PI) and financial institutions (FI) rates moderated, with decreases ranging from 5% to 10%, reflecting the competitive market.

Figure 5| Asia cyber insurance rate change by market



**Cyber** rates decreased 8% in the first quarter of 2025, compared to -11% in the prior quarter.

- The ongoing reduction in rates was driven by heightened insurer competition, fuelled by new entries into the market and increased capacity from existing players.
- The severity and sophistication of ransomware attacks remained a significant concern for insurers, particularly around data encryption and business interruption.
- Insurers and reinsurers actively reviewed war and infrastructure exclusions.
- There was an increase in discussions surrounding physical damage coverage and “silent cyber,” leading to the introduction of broader property damage offerings in the region.





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