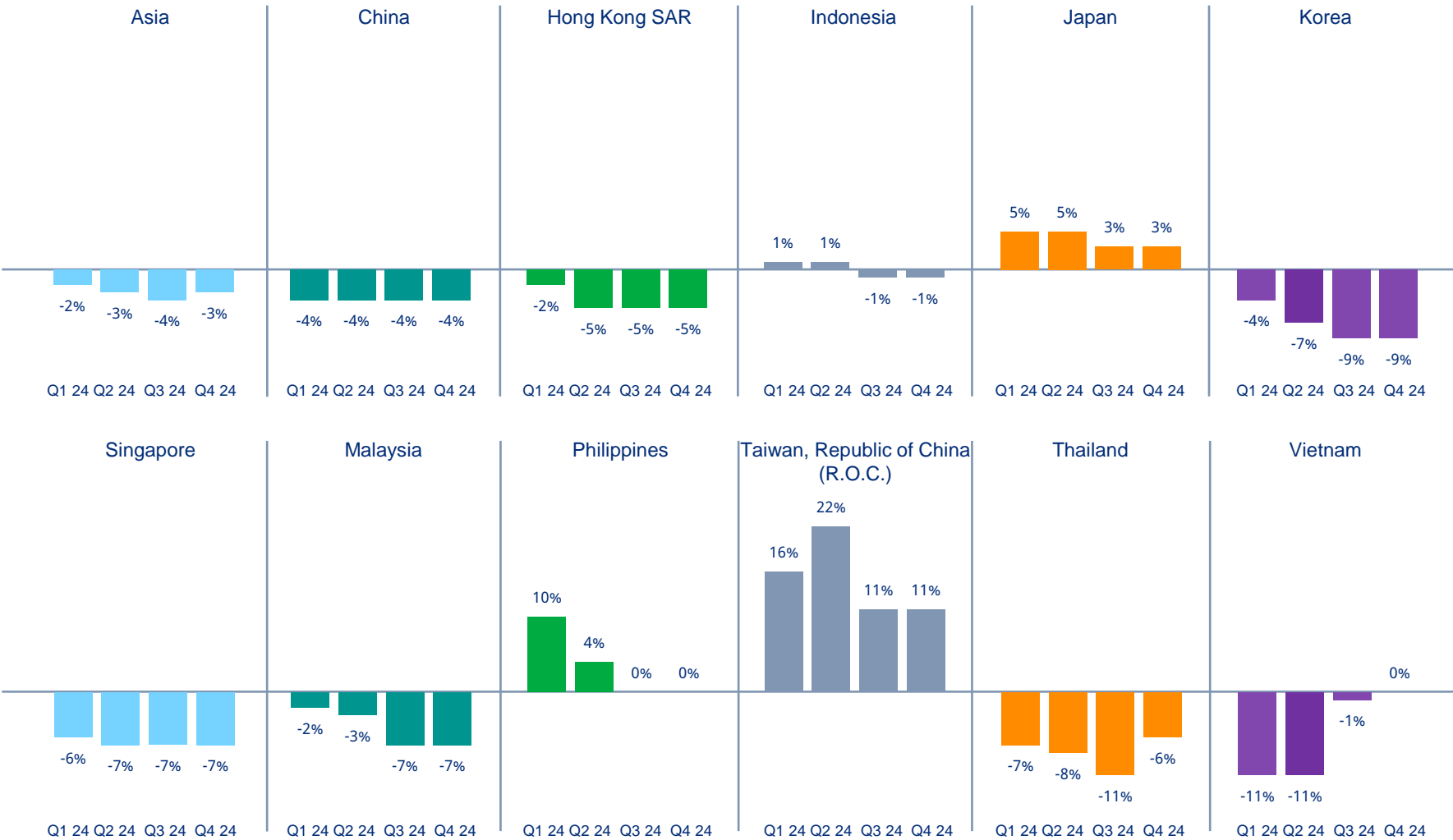


Asia Insurance Market Rates: 2024 Fourth Quarter

February 2025



Figure 1| Asia composite insurance pricing change by market



Global commercial insurance rates declined by 2% in the fourth quarter of 2024, the second consecutive decrease in the composite rate following seven years of increases, according to the Marsh Global Insurance Market Index.

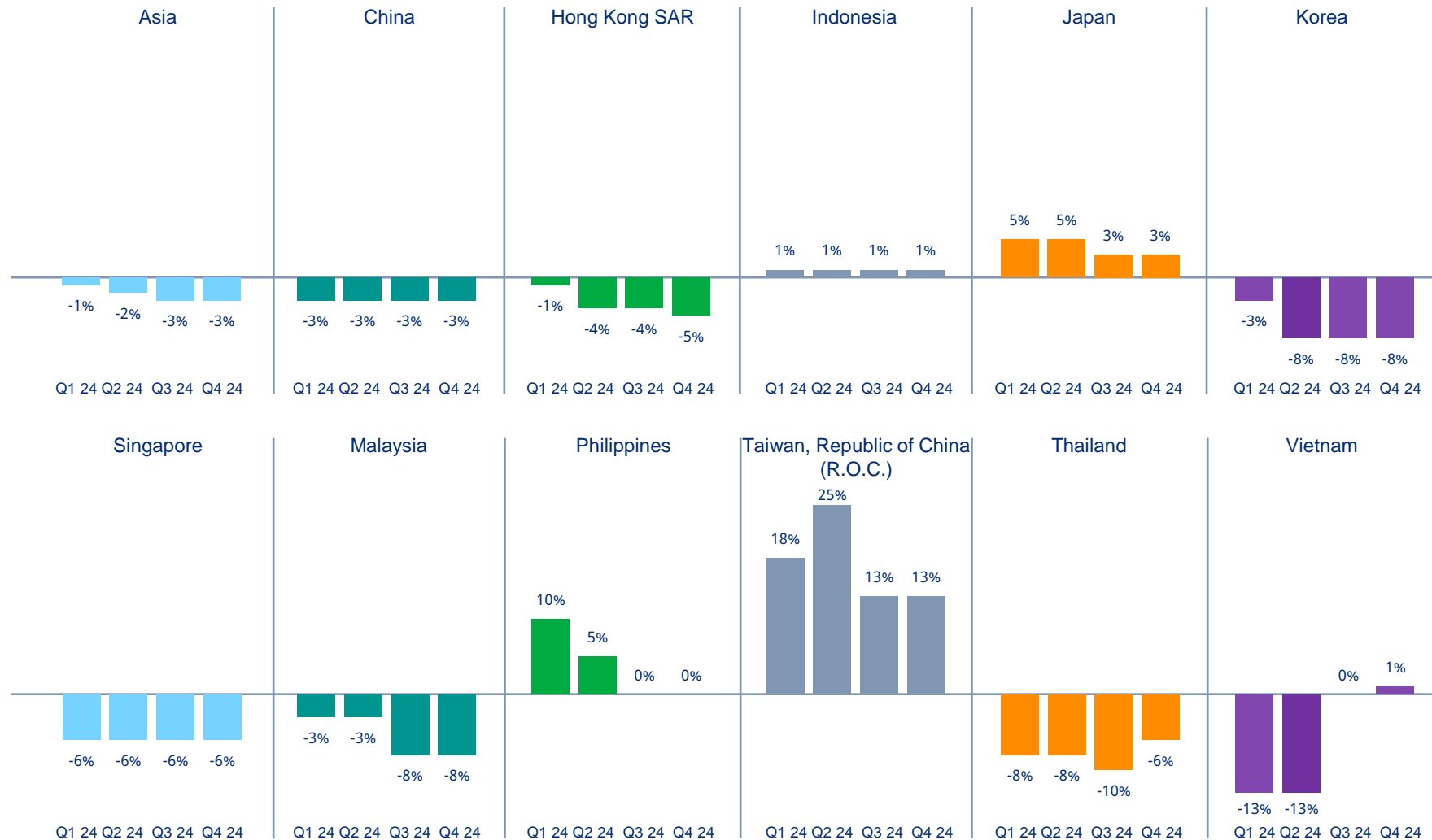
Insurance rates in Asia declined 3% in the fourth quarter of 2024, compared to 4% in the prior quarter.

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

- Asia: -3%.
- US: 0%.
- UK: -5%.
- Canada: -2%.
- Europe: -2%.
- Latin America and the Caribbean: +1%.
- Pacific: -8%.
- India, Middle East, and Africa: +1%.

Asia Insurance Rates

Figure 2| Asia property insurance pricing change by market



Property rates in Asia declined 3% in the fourth quarter of 2024, the same as in the prior quarter.

- Insurers sought increased business with companies they perceived as having strong risk management, contributing to declining rates across most segments.
 - Loss-impacted businesses were reviewed cautiously, on a case-by-case basis.
- A heightened risk appetite among insurers led to more capacity in certain segments as insurers aimed to diversify and grow their property portfolios.
- While capacity increased for most natural catastrophe-exposed areas, portfolios with less exposure typically saw higher rate reductions.
- Clients continued to reassess program structures, including deductible increases and self-insurance participation, leading to interest in alternative risk transfer solutions, including parametric insurance and captives.

Figure 3| Asia casualty insurance pricing change by market



Casualty rates declined 1% in the fourth quarter, compared to -2% in the prior quarter.

- Organisations without losses and benefitting from competitive London capacity experienced decreases of 5% to 10%.
- Available capacity remained stable, with new market entrants focusing on North American exposures.
 - Businesses with significant North American exposure faced rising insurance costs due to increased rates on primary and umbrella capacity.
- Despite rising claims in workers' compensation and auto liability, rates remained stable.
- Insurers continued to address the emerging risk of per- and polyfluoroalkyl substances (PFAS).

Source: Marsh Specialty and Global Placement

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

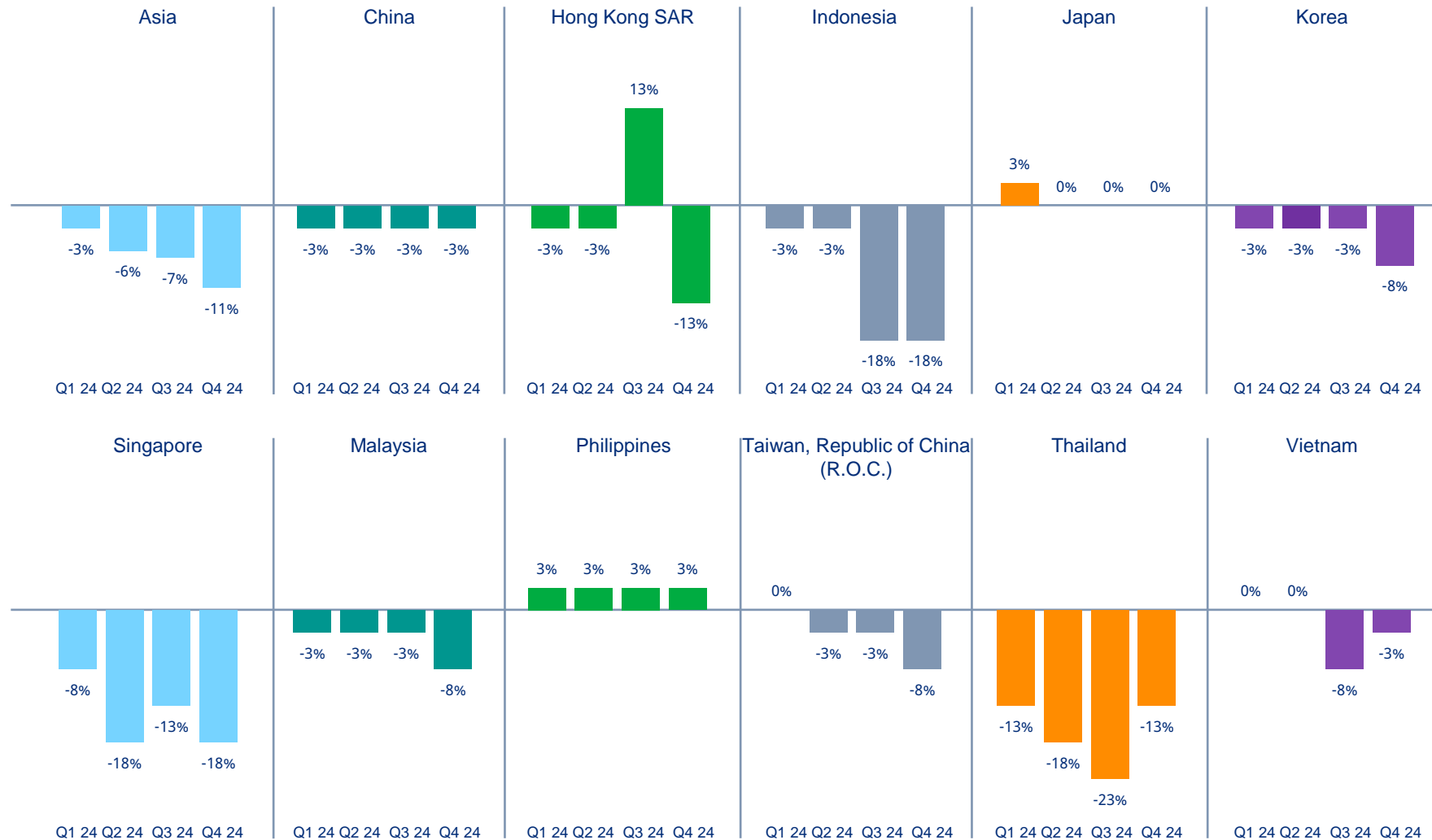


Financial and professional lines rates declined 9% in the fourth quarter, compared to 10% in the prior quarter.

- Limited capital market activity restricted new business opportunities, increasing competition for renewals; however, signs of capital market improvements were noted at the end of 2024.
- Directors and officers (D&O) liability insurance rates significantly influenced overall rate changes, with some markets experiencing double-digit decreases, particularly in China, where decreases averaged 20% to 25%.
 - Most countries saw lower average decreases compared to the previous quarter.
- New market entrants continued to expand their portfolios.
- Rates for financial institutions (FIs) and professional indemnity (PI) insurance remained stable.

Source: Marsh Specialty and Global Placement

Figure 5| Asia cyber insurance pricing change by market



Cyber insurance rates decreased 11%, compared to a 7% in the prior quarter.

- Increased competition from new and existing insurers continued to drive a decline in rates.
- High-severity, low-frequency ransomware claims contributed to ongoing portfolio volatility.
- The risk landscape surrounding artificial intelligence (AI) is rapidly changing, presenting both opportunities and challenges in evaluating cybersecurity strategies and coverage.



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