

Singapore and Malaysia insurance market appetite 2024

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Our core mission is to provide specialised consulting services tailored to the unique needs of clients, carriers and colleagues in the insurance sector.

Through bespoke strategic projects, we deliver transformative solutions that align perfectly with client objectives, ensuring personalised attention and impactful results.

Additionally, we offer access to top-tier broking expertise, fostering strong connections within the industry to provide unparalleled insight and support. Committed to excellence and innovation, we understand the evolving landscape of insurance and strive to adapt our strategies accordingly.

Whether you're a small business, a large corporation, or a fellow insurance professional, we're here to offer expertise and support.

Join us in reshaping insurance consulting, navigating industry complexities and unlocking new opportunities for growth and success.

Global capabilities,
local expertise.

Introduction

Howden Markets Asia are delighted to present our annual Singapore and Malaysia Market Appetite survey report; a unique, market-leading study offering valuable insights into the underwriting appetite of the Singapore and Malaysia market.

53

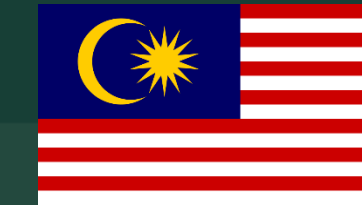
Insurers surveyed across Singapore and Malaysia



22 Non-Life Insurers

7 Employee Benefits Insurers

c. 60% Non-Life Market Share (SIF + OIF) *



14 Non-Life Insurers

10 Employee Benefits Insurers

c. 70% Non-Life Market Share

*SIF – Singapore Insurance Fund; OIF – Offshore Insurance Fund

Singapore market landscape

In 2024, Singapore's non-life insurance market presents a nuanced landscape, with both opportunities and challenges for corporate clients and insurance companies. From the corporate perspective, businesses are increasingly recognising the necessity of comprehensive non-life insurance coverages, such as property, casualty and specialty insurance, to mitigate operational risks in a volatile global environment. This heightened awareness is driving demand for customised insurance solutions, pushing insurers to innovate and tailor their offerings.

For insurance companies, this demand surge represents a significant growth opportunity. Insurers are leveraging advanced analytics and technology to develop more precise risk assessment models, enabling the delivery of competitively priced and highly relevant insurance products. Moreover, Singapore's strategic position as an insurance/reinsurance hub in Asia amplifies its potential as a launchpad for regional expansion.

Escalating medical inflation is driving up premiums for corporate employee benefits, pressuring insurers to innovate. To remain competitive and attractive, insurers are diversifying benefit packages, focusing on comprehensive health and wellness programs that go beyond traditional coverage. These enhanced offerings, tailored to employee needs and preferences, serve as a strategic tool for companies to attract and retain talent, while managing costs effectively. Insurers are adapting by integrating technology and preventive care to offset rising medical costs.

However, macroeconomic issues, including potential economic slowdowns, geopolitical tensions and regulatory changes, pose challenges. These factors can affect investment returns for insurers and increase claims volatility, impacting profitability. Additionally, the rapid pace of digital transformation introduces new risks, such as cyber threats, necessitating ongoing adaptation of insurance products.

While the Singapore insurance market offers substantial growth opportunities in 2024, success will depend on insurers' ability to navigate macroeconomic uncertainties and respond dynamically to the evolving needs of clients.

Singapore domestic market appetite

Insurers show the highest appetite for **Casualty General Liability, Professional Indemnity and Public and Product Liability** in 2024, contrasting with the focus on Property and Construction in 2023.

Marine and **Cyber** products have a greater appetite, attracting new market entries.

Employee Benefits market is prioritising **Personal Accident** and **Term Life** for 2024. Collectively, the market is also projecting a growth of up to 24% for Medical insurance.

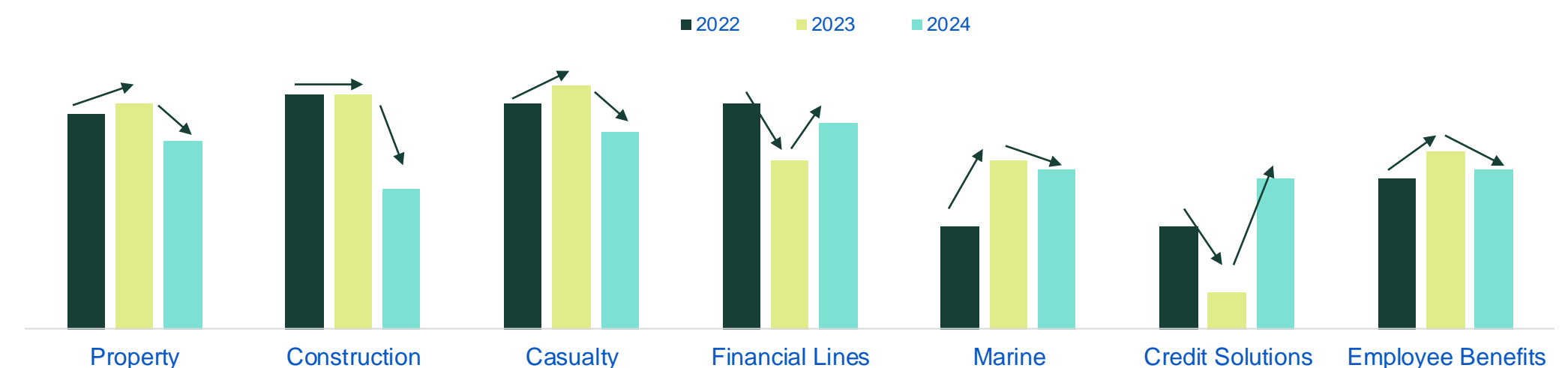
Top 3 products with highest concentration of appetite and growth expectations in 2024

01 Casualty General Liability

02 Professional Indemnity

03 Public and Product Liability

Year-on-year average market growth appetite





Singapore wholesale market appetite

Insurers show a heightened appetite for **Cyber, Marine Cargo and Property** in 2024, surpassing their interest in Casualty and Energy & Power seen in 2023.

Marine products, emerge as the most favored for new market entry, where insurers aim for premium growth of up to **+25%** in 2024.

Claims Inflation, War/Conflict and **Talent/Expertise** development ranked as the top three factors likely to impact the market either leading to challenges or potential growth opportunities.

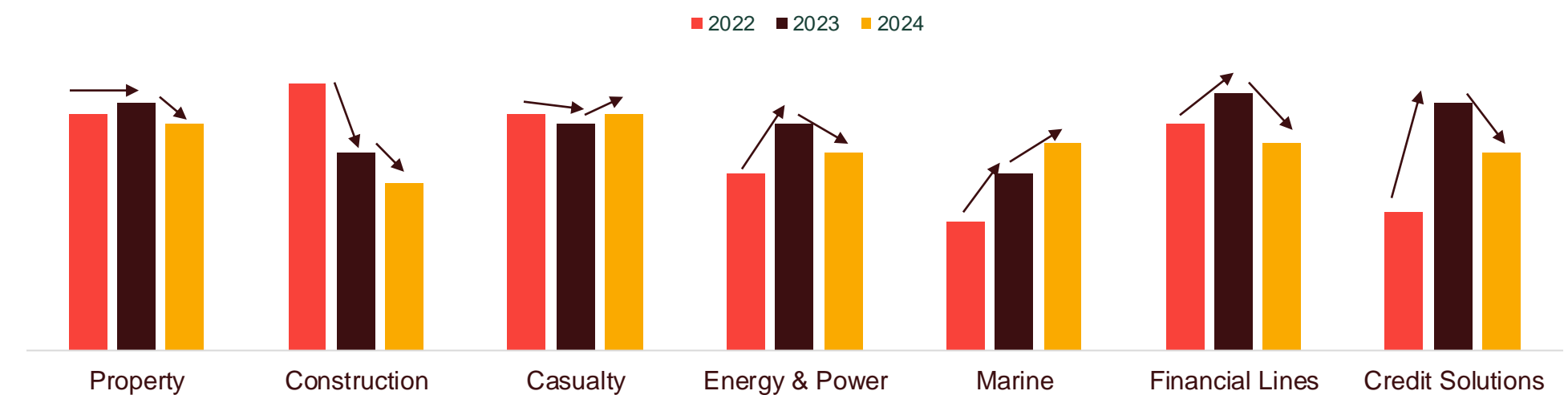
Top 3 products with highest concentration of appetite and growth expectations in 2024

01 **Cyber**

02 **Marine Cargo**

03 **Complex Property**

Year-on-year average market growth appetite



Malaysia market landscape

In 2024, Malaysia's non-life insurance market is poised for growth, driven by expanding industries such as technology, manufacturing and renewable energy. Clients in these sectors are increasingly aware of the critical need for insurance products - including property, casualty and specialty insurance to safeguard against operational risks and enhance business resilience. This demand presents insurers with the opportunity to deepen market penetration and innovate in product offerings, leveraging digital technologies for personalised and efficient service delivery.

For insurance companies, the Malaysian market's potential is underscored by the country's economic diversification and the government's supportive policies towards digitalisation and sustainable development. These factors encourage the development of new insurance products tailored to the specific needs of burgeoning industries.

Corporate employee benefits market is experiencing rising premiums due to escalating healthcare costs and increased demand for comprehensive coverage. Insurers are responding by innovating package solutions, emphasising wellness and preventive care to manage long-term costs.

However, macroeconomic challenges such as currency volatility, geopolitical uncertainties and potential global economic slowdowns could impact insurers' growth. Regulatory changes and the increasing prevalence of cyber threats also pose operational and compliance risks.

While Malaysia's insurance sector faces potential growth opportunities in 2024, especially in high-growth industries, insurers must navigate macroeconomic and regulatory challenges with strategic agility and innovation to capitalise on these prospects effectively.

Malaysia market appetite

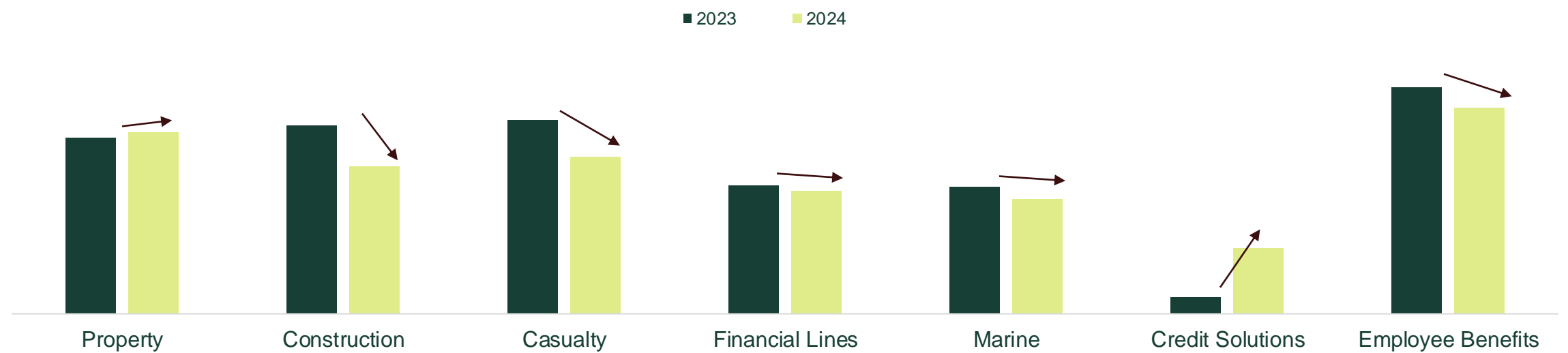
Insurers prioritise **Employee Benefits**, **Property**, and **Workers' Compensation**, diverging from Marine Cargo, which led among surveyed insurers in 2023.

Claims Inflation, **Talent/ Expertise** and **Development of AI** events ranked as the top three events with the most likelihood of occurrence that will affect their business.

Top 3 products with highest concentration of appetite and growth expectations in 2024

- 01 Employee Benefits
- 02 Property
- 03 Workers' Compensation

Year-on-year average market growth appetite



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