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Allianz Global Insurance Report 2026: The future of insurance in a fragmenting world

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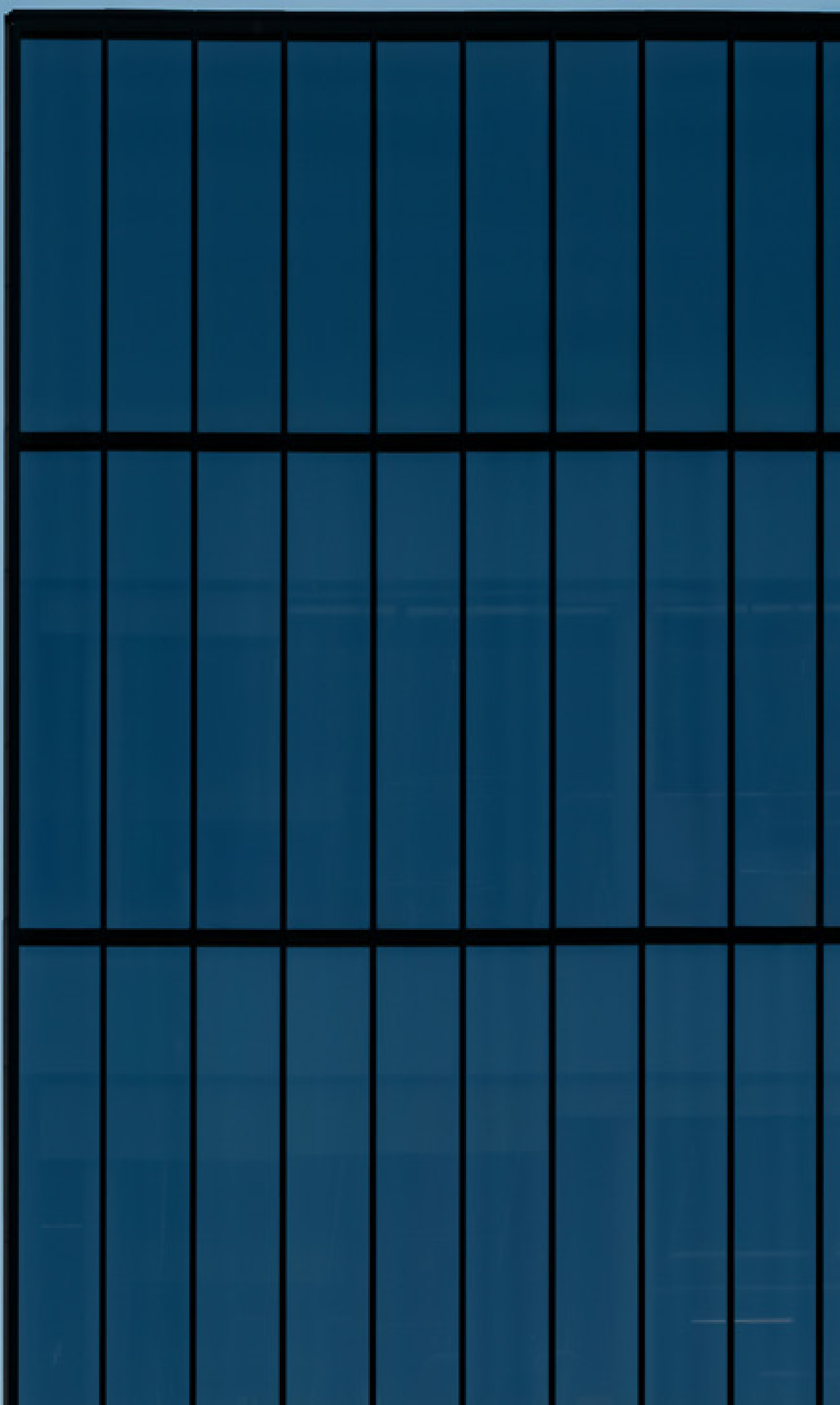

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Content

Executive Summary

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- **The insurance industry is cooling from exceptional growth, not slowing into weakness.** Global premiums rose by +7.1% to EUR6.9trn in 2025, adding EUR456bn to the global premium pool. Although growth moderated from the exceptional +9.4% recorded in 2024, it remained comfortably above the ten-year CAGR of +5.6%, confirming that the industry's growth drivers remain firmly intact. Life insurance remained the largest segment (EUR2,861bn; +EUR185bn in 2025), followed by P&C (EUR2,320bn; +EUR85bn) and health (EUR1,688bn; +EUR185bn).

- **Asia remains the structural center of growth even as advanced markets outperform cyclically**. Western Europe grew nearly twice as fast as its 2015–2025 average, while emerging market growth softened as China slowed to +7.4%, more than 3pps below its long-term average. Excluding China and Japan, however, Asia remained the industry's fastest-growing major region, with premium growth accelerating to +10.9% versus a long-term average of +4.9%.

- **Much of the industry's recent expansion reflects higher prices rather than materially broader coverage.** Global insurance penetration rose only modestly to 7.2% of GDP in 2025 and remains below levels seen a decade ago. The disconnect is most visible in P&C, where penetration has stagnated around 2.5% of GDP despite strong premium growth. Trends across business lines are diverging: health-insurance penetration rose from 1.4% of GDP in 2015 to 1.8% in 2025, while life insurance at 3.0% remains well below the levels above 4% seen two decades ago.

- **The P&C boom is normalizing while life and health remain structurally strong.** Global P&C growth slowed to +3.8% in 2025 as pricing cycles matured and claims inflation stabilized. North America remained dominant, accounting for 52% of global P&C premiums, while Asia continued to exhibit the world's largest protection gap, with penetration of just 1.3% compared with 4.3% in North America. Life insurance grew by a still robust +6.9%, though the US annuity boom is fading. Health insurance remained the industry's strongest growth story, expanding by +12.3%, the fastest pace since 2014, driven by rising medical costs and growing demand for private healthcare protection.

- **Despite Asia's rise, global insurance remains overwhelmingly dominated by the US.** North America increased its share of global premiums from 42.5% to 46.4% over the past decade, meaning that almost every second euro written globally now originates from the region. China has emerged as a clear number two, increasing its market share from 7.5% to 10.9%. Yet, at EUR746bn in premiums, it remains less than a quarter of the size of the North America market at EUR3,191bn. Western Europe, by contrast, will continue to lose relative weight across most business lines.

- **Geopolitics and fragmentation are becoming central forces shaping the insurance industry.** The Iran war is acting as a major external supply shock, disrupting energy markets, trade flows and supply chains. In our central scenario, global GDP growth is expected to slow to +2.6% in 2026, while Eurozone growth will fall to just +0.8%. If the conflict is not resolved during the summer, we expect additional upward pressure on inflation and a materially worse global growth outlook. More broadly, geopolitical fragmentation is creating a structurally more complex operating environment, challenging assumptions around global integration, capital mobility and cross-border risk diversification. Insurers will need to adapt by building more regionally resilient operating models, integrating geopolitical analysis more directly into underwriting and capital allocation and developing products tailored to emerging risks such as cyber escalation. While fragmentation raises costs and operational complexity, it also increases demand for protection and resilience, reinforcing the strategic relevance of insurance in a more uncertain global environment.

- **Protection remains a structurally growing need in an increasingly uncertain and ageing world.** The global insurance market is expected to expand by +5.3% annually over the next decade, driven by rising demand for protection, demographic change, higher interest rates and growing health and retirement needs. Health insurance is projected to remain the fastest-growing segment at +6.7% p.a., followed by life insurance at +4.9% and P&C at +4.7%. Asia, particularly China and India, will remain the main growth engine, adding 5pps to their global market share, while North America is expected to retain its dominant global market position at roughly 46%. Europe, by contrast, is likely to continue ceding global market share over the coming decade (-4pps).

- **Asia will generate most of the industry's future growth, with India emerging as the standout opportunity.** The global premium pool is expected to expand by EUR5,260bn by 2036, with more than half of additional premiums originating in Asia. China will remain the region's dominant market, but India is expected to emerge as the fastest-growing major insurance market. Despite already ranking among the world's ten largest, India remains significantly underinsured, with penetration of just 3.8% of GDP and per capita spending of roughly EUR85. Rising incomes, demographic change and recent reforms are expected to drive annual premium growth of around +10.7% over the next decade.

- **Climate change is turning insurance affordability into a structural challenge for the industry.** Insured NatCat losses are rising by +5–7% annually in real terms, while higher premiums are increasingly colliding with weakening household purchasing power. The result is widening protection gaps, pushing lower-income households out of coverage. As affordability deteriorates, more climate losses are shifting onto already strained public balance sheets. Preserving long-term insurability will require moving beyond repricing toward stronger adaptation incentives, resilience-focused underwriting, targeted affordability mechanisms and deeper public-private risk-sharing frameworks, supported by large-scale investment in climate adaptation and resilient infrastructure.

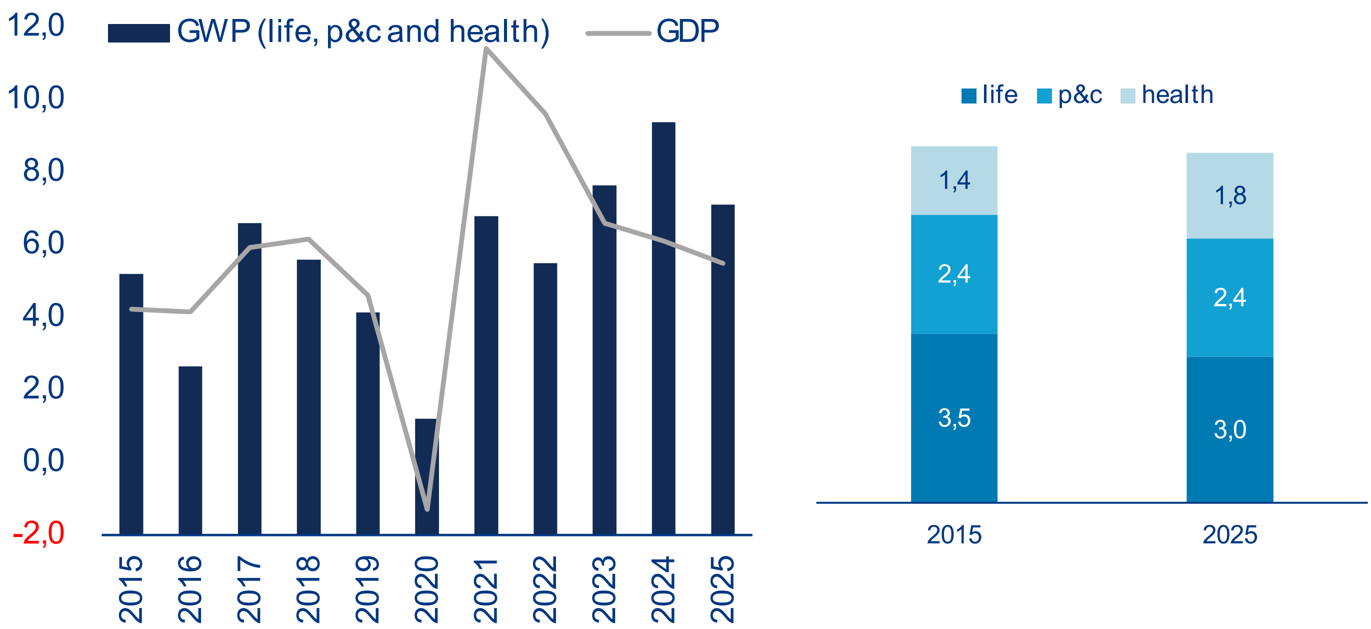
Looking back: From boom to normalization

The global insurance industry returned to a more sustainable growth trajectory in 2025, with total gross written premiums (GWP) rising by +7.1% to EUR6.9trn. The expansion added EUR456bn to the global premium pool over the course of 2025. The life segment remained the largest (EUR2,861bn; +EUR185bn in 2025), followed by P&C (EUR2,320bn; +EUR85bn) and health (EUR1,688bn; +EUR185bn). However, growth decelerated from the exceptional +9.4% recorded in 2024, returning the industry toward a more sustainable trajectory after two years of super-charged growth. Crucially, even at this more moderate pace, the 2025 rate remained comfortably above the ten-year CAGR of +5.6%, confirming that the structural growth drivers that have fueled the global insurance market expansion since the mid-2010s remain in place. Over the full decade from 2015 to 2025, total GWP expanded from EUR3.97trn to EUR6.87trn – a cumulative addition of more than EUR2.9trn, driven by rising insurance penetration, expanding middle classes in emerging economies and the continued broadening of coverage across all three major segments.

Much of the industry's recent premium growth reflects higher prices rather than a comparable deepening of insurance protection. With consumer price inflation running at approximately 2–3% across major markets in 2025, part of the headline growth merely reflects inflationary pass-through rather than additional coverage written. Insurance penetration, measured as premiums relative to GDP, increased only modestly to 7.2% in 2025 from 7.0% in 2024 and remains below the 7.3% recorded a decade earlier. This divergence between nominal premium growth and real insurance deepening has become a defining feature of the post-2022 insurance cycle. While the industry has expanded substantially in monetary terms, the share of economic activity devoted to insurance has yet to recover to its long-run level. The disconnect is particularly visible in P&C, where higher claims costs have driven pricing increases without materially expanding insurance penetration.

The trend in global insurance penetration is increasingly uneven across business lines, with P&C broadly stable, health steadily gaining relevance and life insurance still recovering from the ultra-low-rate era. P&C penetration has remained broadly stable at around 2.5% of GDP, while health insurance has steadily gained importance, rising from 1.4% of GDP in 2015 to 1.8% in 2025 as demand for private healthcare protection increased. Life insurance, by contrast, continues to recover only gradually from the prolonged period of ultra-low interest rates. Although penetration has edged back up since 2022 to 3.0% of GDP in 2025, it is still below the 3.5% a decade earlier as the segment remains well below historical norms (Figure 1). The longer-term decline is even more striking: two decades ago, global life insurance penetration exceeded 4% of GDP.

Figure 1: Premium growth remains ahead of GDP
Global gross written premiums* and nominal GDP growth* (y/y, in %) and global gross written premiums* as % of GDP by segments

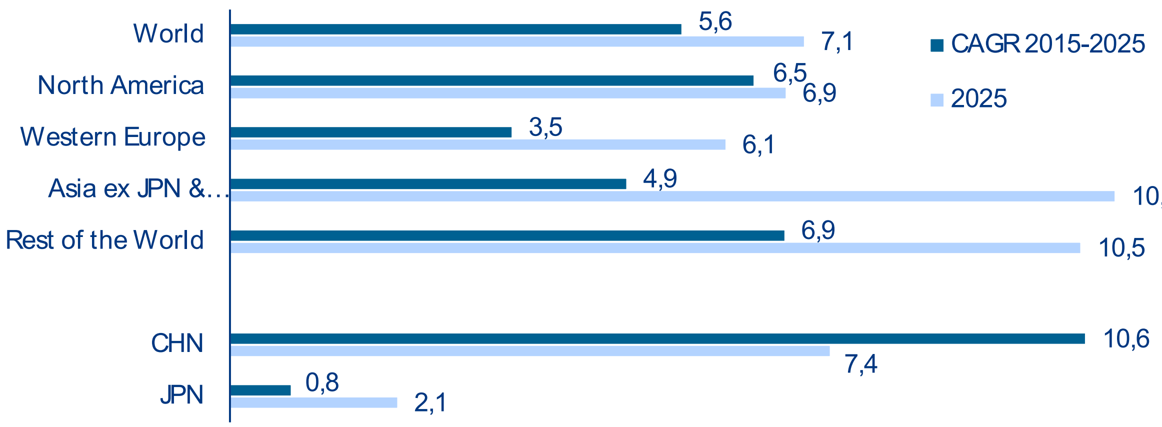


*The conversion into EUR is based on 2025 exchange rates.
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

Growth remains strong globally, but the center of momentum is shifting as advanced markets outperform cyclically while Asia retains its structural growth lead. While all major regions grew faster than their respective long-term averages in 2025, advanced markets were the main drivers of this acceleration, with Western Europe (+6.1%) expanding nearly twice as fast as its 2015-2025 average. Emerging market growth, by contrast, softened relative to the past decade, largely reflecting slower expansion in China, which accounts for almost 60% of the emerging market aggregate. Chinese premium growth slowed to +7.4% in 2025, more than 3pps below its long-term average. While this is to a large extent a function of past excellence rather than a weak current performance, nominal growth has also been held back by annual inflation registering just above 0%. Meanwhile Asia[1] (when excluding China and Japan) continues to significantly outperform Europe and North America, with premium growth reaching +10.9% in 2025 compared with a long-term average of +4.9%, reinforcing its position as the industry's key structural growth market.

[1] Throughout the report, Asia always refers to the region excluding China and Japan. If both countries are included, we use the term wider Asia.

Figure 2: 2025 growth outpaces long-term average
Gross written premium growth*, 2025 and CAGR 2015-2025 by region in %



*The conversion into EUR is based on 2025 exchange rates.
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

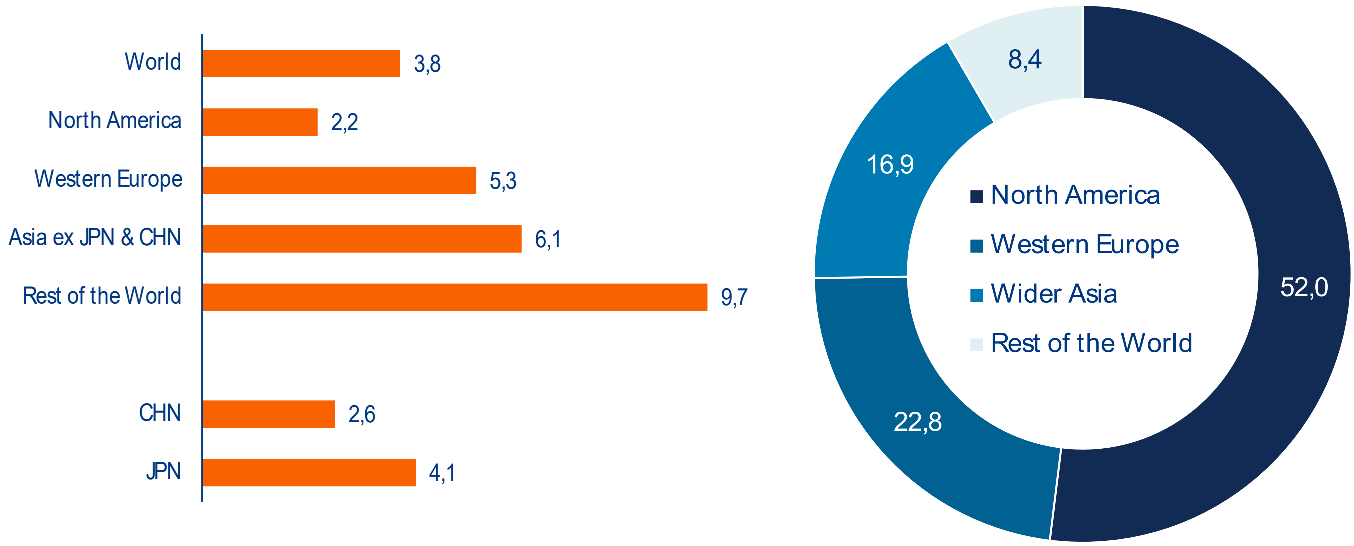
The global P&C market is entering a phase of normalization after several years of exceptional pricing-driven growth. The segment grew by +3.8% in 2025 to reach EUR2,320bn globally, a notably softer performance than both the overall market and the segment's own ten-year CAGR of +5.6%, as well as last year's growth of +8.5%. The moderation reflects a maturing pricing cycle. After several years of sharp rate increases across motor, property and specialty lines, pricing has started to normalize in some regions, while claims costs, although still elevated, are no longer accelerating at the pace seen in 2022 and 2023. North America[2] remains the undisputed center of global P&C activity, accounting for 52.0% of world P&C premiums, with EUR1,205bn written in 2025. However, regional growth slowed to +2.2% from +9.7% in the previous year, reflecting both a more mature rate cycle and a -6.3% decline in US accident & health premiums[3] that weighed on overall market growth (US: +2.2%); excluding A&H, however, the US P&C market is estimated to have grown by 4.1% [4](Figure 3).

Western Europe's P&C market posted solid growth in 2025, although the exceptional post-inflation growth surge is now beginning to normalize. Premiums grew by +5.3% to EUR529bn, a solid expansion but notably below the exceptionally strong growth rates of +8.5% in 2023 and +6.8% in 2024 as inflation pressures continued to ease. Performance across the region was increasingly uneven. Southern European markets remained particularly dynamic, with several recording high single-digit growth above +8%, while Scandinavia, the UK, Belgium and Switzerland expanded more modestly at around +1% to +4%. Among the largest Eurozone markets, growth remained comparatively robust, led by Germany at +7.7%, France at +7.0%, Spain at +6.5% and Italy at +6.4%. Wider Asia P&C premiums grew by +4.1% to EUR391bn in 2025, broadly in line with the previous year. Yet despite a population more than six times larger than Western Europe's, the region's P&C market remains significantly smaller. The gap is equally visible in insurance penetration and spending levels. P&C penetration stands at just 1.3% in wider Asia and 1.1% in China, compared with 2.5% in Western Europe and 4.3% in North America. Per capita P&C spending reached only EUR98 across Asia (China: EUR135), compared with EUR1,232 in Western Europe and EUR3,111 in North America. These disparities underline the scale of structural underinsurance and the region's long-term catch up potential.

China is by far the largest market in the wider region, accounting for almost every second euro written. At +2.6% China registered one of the weakest performances in recent years outside the Covid-19 period and well below the country's average growth rate of +6.6% over the past decade. The slowdown largely reflects China's relatively muted nominal growth dynamics. All other insurance markets (rest of the world) recorded growth of +9.7% in the P&C segment, driven by strong (largely inflationary) increases of above +10% in Eastern Europe and Latin America.

[2] 96% of P&C premiums in North America are written in the US; the rest is attributable to Canada.
[3] In this report, Accident & Health (A&H) premiums written by Life/A&H entities are included in the US P&C market figures, consistent with our general approach of classifying accident lines as part of the P&C market.
[4] This estimate is based on growth in net premiums written as direct written premium figures had not yet been published at the time of writing.

Figure 3: Europe and Wider Asia power ahead
P&C gross written premium growth* and market share by region, 2025 in %



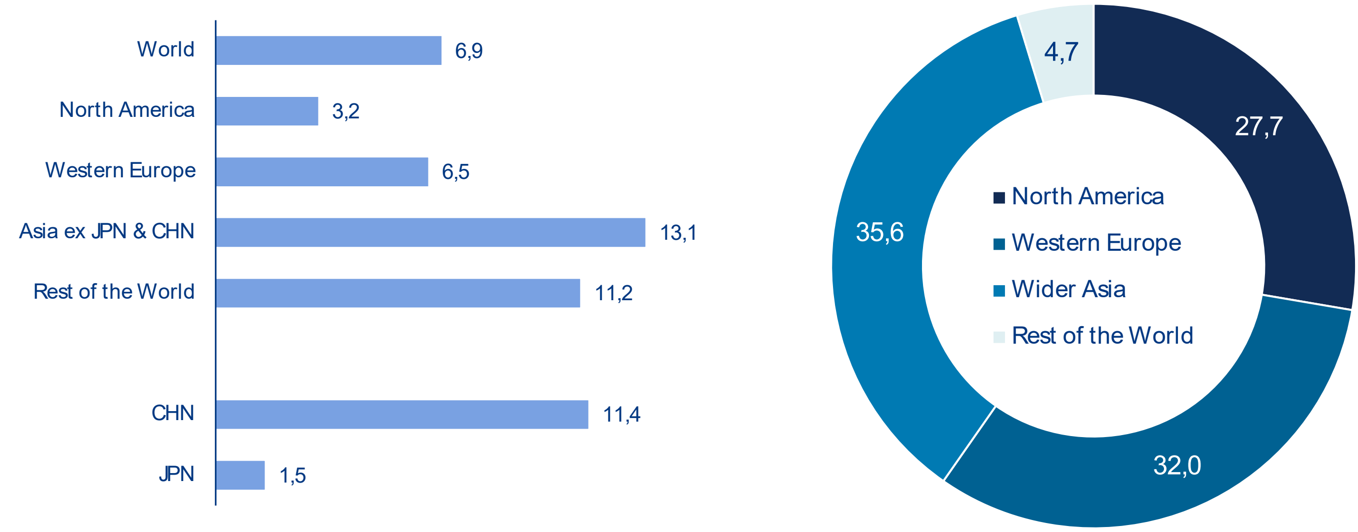
*The conversion into EUR is based on 2025 exchange rates.
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

The life insurance boom is cooling in North America, while Asia is reasserting itself as the industry's main growth engine. Global life insurance premiums grew by +6.9% in 2025, a clear moderation from the exceptionally strong +11.3% recorded in 2024 but still a robust performance by historical standards. The slowdown was driven primarily by North America, where the annuity boom triggered by households locking in higher interest rates has begun to lose momentum. Growth leadership has now shifted back toward Asia (Figure 4).

Higher interest rates continue to support life insurance globally, but regional momentum is increasingly diverging. In Western Europe, life premium growth moderated to +6.5% in 2025 from +9.9% in the previous year, although higher rates continued to support savings products. Performance remained uneven across markets. France, the Netherlands, Finland and Portugal posted another year of double-digit growth, while Switzerland continued to lag. Germany returned to positive territory with growth of +5.3%. Wider Asia recorded healthy +9.9% growth in 2025, with the majority of markets posting strong double-digit gains.

As a result, Asia as a whole remains the largest life insurance market, well ahead of North America and Europe (Figure 4), reflecting both demographic pressures and weaker public pension systems. This is also reflected in insurance penetration, which stands at 3.3% in Asia, driven by the popularity of life products in advanced Asian markets such as South Korea, Taiwan and Singapore. But China at 2.5% and India at 2.8% already approach North American levels of 2.8%, although still below Western Europe's 4.3%. These relatively high Asian penetration rates reflect greater reliance on private retirement savings in the absence of comprehensive public pension systems. By contrast, North America's comparatively low penetration partly reflects the widespread use of occupational retirement schemes such as 401(k) plans.

Figure 4: Asia pulls further ahead
Life gross written premium growth* and market share by region, 2025 in %



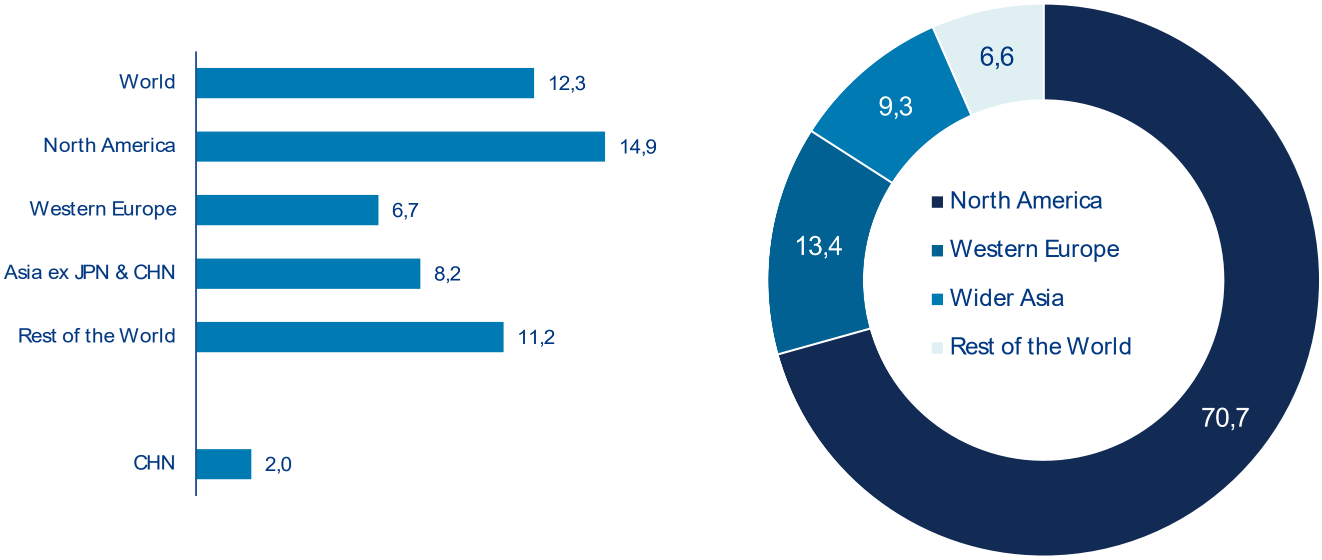
*The conversion into EUR is based on 2025 exchange rates.
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

Health insurance[5] remains the industry's fastest-growing segment, driven by rising medical costs and increasing demand for private protection. The US continues to dominate the global health market, accounting for more than 70% of worldwide health premiums (Figure 5). In many other markets, private health insurance is still a niche segment, albeit a very dynamic one: global premium growth averaged +8.5% p.a. over the last decade with particularly strong rates in recent years as Covid-19 boosted demand for additional health protection. In 2025, global health premiums increased by +12.3%, the strongest expansion since 2014, driven largely by North America where medical inflation pushed growth to +14.9%.

Despite a recent normalization in parts of Asia, the region's low health-insurance penetration continues to point to substantial long-term growth potential. Health-insurance growth in wider Asia slowed to +3.4% in 2025, reflecting a sharp deceleration in China, where growth dropped to just +2%. However, many markets including Indonesia, Singapore, Hong Kong, Thailand and India continued to record double-digit growth, with several accelerating further in 2025. This strong momentum partially reflects the still low penetration in the region, which is below 1% in all markets except Taiwan. Even more than in life insurance, demand is mainly driven by the status of the social security system, i.e. the coverage and quality of the public healthcare system. This explains why even in some developed markets, such as the Scandinavian markets, private health insurance is almost non-existent.

[5] In general, data visibility of health-insurance premiums is still rather low. Often, health premiums are included in other segments as health coverage is seen as part of other products and not separately reported; in Japan, for instance, health is treated as "third sector products" within life.

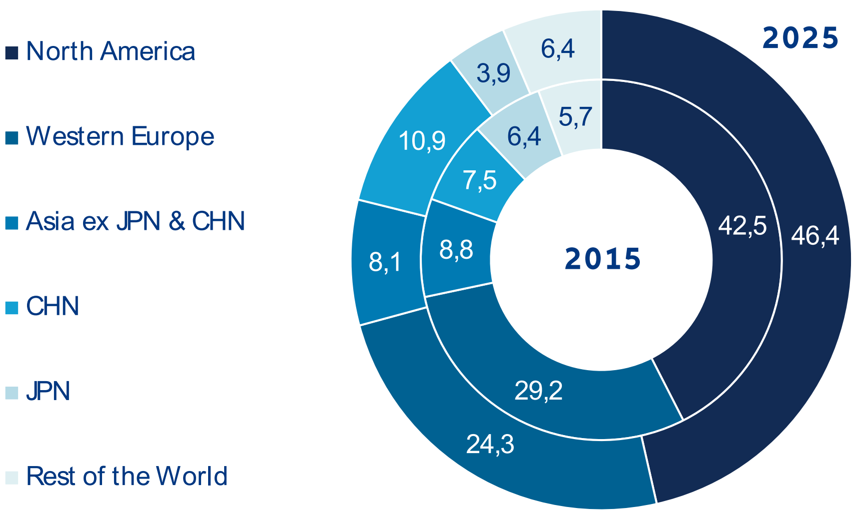
Figure 5: No slowdown in sight
Health gross written premium growth* and market share by region, 2025 in %



*The conversion into EUR is based on 2025 exchange rates.
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

The global insurance industry remains overwhelmingly dominated by the US despite the rise of China and broader Asia. Unlike many other industries where traditional markets are losing importance to new emerging markets, the global insurance industry is still dominated by the US. In fact, over the past decade, the North American insurance market has increased its share of global premiums from 42.5% to 46.4%, meaning that almost every second euro written globally now originates from the region. On the other hand, other „old" markets such as Western Europe (-4.9pps) and Japan (-2.5pps) behaved more or less as expected, losing market share mainly to China, which boosted its global share from 7.5% to 10.9%. However, the gap with the North America market is still huge: while the Chinese market is already the clear number two in terms of premium income (EUR746bn in 2025), it is dwarfed by the North America market, which generates more than four times as much premium income (EUR3,191bn). Given this huge discrepancy, it does not look like the US dominance in global insurance will end any time soon (Figure 6).

Figure 6: US dominance remains unchallenged
Total gross written premiums*, 2015 and 2025 by region in %



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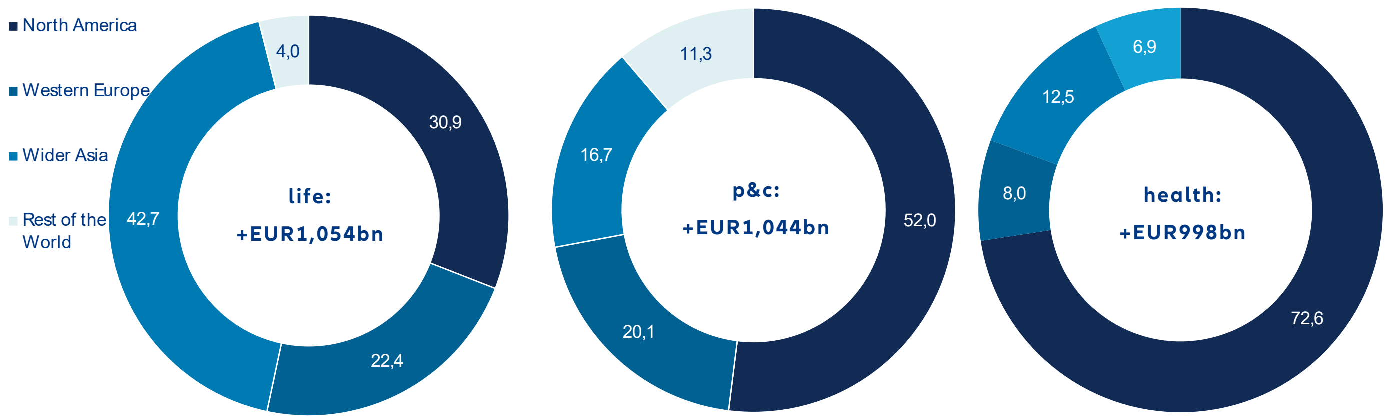
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

The past decade has reshaped the global insurance market unevenly across regions and business lines. North America accounted for 52% of additional global P&C premiums and 71% of additional health premiums over the past ten years, underlining the region's overwhelming importance in both segments. In life insurance, however, the picture is more balanced. Despite the recent US annuity boom, only around one-third of additional life premiums originated in North America, while wider Asia captured by far the largest share of global growth. Western Europe, by contrast, continues to lose relative weight across all major business lines, falling behind not only the US market but increasingly also wider Asia.

Another notable shift is the growing convergence in absolute premium growth across segments. Although life insurance remains substantially larger in size at EUR2,861bn compared with EUR2,320bn in P&C and EUR1,688bn in health, the absolute increase in premium volumes has recently been broadly similar. While life insurance growth was constrained for years by ultra-low interest rates, health insurance has benefited strongly from the post-Covid increase in risk awareness and demand for private health protection (Figure 7).

Figure 7: Western Europe continues to lose ground
Share of absolute premium growth* by region, 2015 - 2025 in %



*The conversion into EUR is based on 2024 exchange rates.
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

The changing risk landscape

Economic and capital market outlook

The global economy has entered a period of heightened uncertainty as the Iran war acts as a significant external supply shock, disrupting energy markets, raising transport costs and fragmenting supply chains. The result is renewed inflationary pressure alongside weaker growth at a time when the global outlook was already fragile. The scale and persistence of the economic impact remain highly uncertain and will depend critically on how the conflict evolves.

In our central scenario, in which a US-Iran agreement struck during the summer months leads to a normalization of oil and gas trade before the end of the year, we forecast global GDP growth of 2.6% in 2026, revised down by 0.5pp from pre-conflict expectations. The impact across major economies is uneven. In the US, growth is expected to remain relatively more robust at +2.0% as substantial investment in artificial-intelligence infrastructure and stronger private consumption driven by tax cuts largely offset the energy shock. China would also prove comparatively resilient at +4.7%, supported by a more diversified energy mix and solid external demand. Europe, however, would bear the heaviest burden. Eurozone growth would nearly halve to +0.7% as the region's greater dependence on energy imports adds to longstanding structural weaknesses that continue to constrain economic momentum.

Inflation is set to rise on both sides of the Atlantic in 2026, interrupting the gradual normalization seen over the past year. In the US, the energy shock will push inflation back toward levels last seen during the post-pandemic surge. CPI inflation is forecast to rise to 3.6% in 2026, peaking at around 4.0% around mid-year before gradually easing as energy prices stabilize and weaker activity dampens underlying price pressures. The Fed is expected to raise rates by 25bps in 2026, largely looking through the energy-driven spike as the risk of inflation expectations becoming de-anchored appears contained. After all, unlike in 2022, labor markets are softer and monetary conditions are no longer highly accommodative, limiting the scope for broad-based second-round effects. In the Eurozone, inflation dynamics would be similar in direction but more persistent in profile. Headline CPI is forecast at 3.1% for 2026 as the pass-through from higher wholesale gas prices into household utility bills keeps inflation elevated for longer than in the US. This leaves the ECB in an uncomfortable position: inflation is rising above target just as growth weakens sharply. We forecast the ECB to hike rates by 50bps in 2026, with a focus on keeping inflation expectations in check.

Government bond markets are undergoing a sharp repricing as the energy shock pushes inflation expectations higher while simultaneously weakening the growth outlook. Long-term sovereign yields are rising as investors demand greater compensation for inflation risk and increasingly question the sustainability of large fiscal deficits in a weaker growth environment. On balance, we expect 10-year Treasury yields to reach 4.6% by year-end, with persistent fiscal deficits of around 7% of GDP adding further upward pressure on US borrowing costs. In Europe, 10-year Bund yields are forecast at 3.0%, as weaker growth and safe-haven demand from investors diversifying away from US assets partially offset rising inflation expectations. In the periphery, however, Italian and French borrowing costs are increasing more sharply than Germany's as markets grow more concerned about the capacity of heavily indebted sovereigns to absorb energy-related fiscal pressures without compromising fiscal consolidation commitments – a dynamic likely to intensify as France approaches its 2027 election cycle.

Risks to the outlook remain clearly skewed to the downside. A prolonged closure of the Strait of Hormuz into fall would produce a materially more adverse outcome. In this downside scenario, the Eurozone economy would fall into technical recession, with annual growth in 2026 slowing to just +0.2%, while US growth would weaken sharply to +1.5% as equity market corrections feed through to consumer confidence and spending. Inflation would rise to 4.1% in the Eurozone and 4.2% in the US, forcing central banks into a more aggressive tightening response despite deteriorating growth conditions – a policy dilemma with few good options. Beyond the direct energy channel, a prolonged conflict would amplify second-round effects through weaker consumer confidence, rising insolvencies, tighter financial conditions and growing fiscal strain across energy-importing economies. At a time of weakening international policy coordination and increasingly constrained public finances, policymakers may have less capacity to cushion additional shocks. In such an environment, non-linear dynamics could emerge quickly, turning an initial energy shock into a broader and more persistent global downturn.

How geopolitical fragmentation impacts insurance

The insurance industry was built for a world of open capital flows, stable rules and predictable cross-border commerce, and that world is receding. A series of geopolitical shocks, from the US-China trade conflict and the Covid-19 pandemic to the Russia-Ukraine war and the US-Iran conflict, has accelerated the fragmentation of trade, finance and supply chains, pushing the global economy toward a more fractured geoeconomic order. For insurers, this is not simply a challenging macroeconomic backdrop but a structural shift in the foundations of the global insurance business model.

The question is no longer whether fragmentation will reshape global insurance, but how far and how fast. The assumptions that supported global operating models for decades are weakening simultaneously: capital is becoming less mobile, regulatory regimes are diverging and borders are increasingly functioning as strategic barriers rather than manageable operational frictions. For insurers, this directly challenges the foundations of global risk pooling. Insurance depends on the ability to diversify exposures across geographies and move capital and reinsurance capacity freely across borders. Fragmentation weakens both. As cross-border activity becomes more constrained, volatility in claims, currencies and investment returns increases, while regional pools struggle to replicate the efficiency and resilience of global ones.

Regional pools are structurally less efficient because fragmentation increases correlation across exposures while reducing the fungibility of capital and reinsurance. Political shocks increasingly affect currencies, asset prices, trade flows and claims simultaneously, weakening diversification benefits precisely when they are most needed. At the same time, sanctions risk, capital controls and regulatory divergence increase the likelihood that capital becomes trapped within jurisdictions during periods of stress, forcing insurers to hold more capital against the same underlying risks. This undermines one of the key advantages of global insurance groups: efficient cross-border capital allocation and diversification. As trapped capital and duplicated solvency buffers rise, returns on capital are likely to come under structural pressure. The challenge is therefore no longer preserving the hyper-globalized insurance model of the past, but maintaining sufficient diversification and risk-sharing capacity in a more regionalized world.

Regulatory fragmentation is reinforcing these pressures. The decades of supervisory convergence that produced Solvency II, IAIS standards and equivalence regimes are giving way to more modular and bloc-specific systems. Cross-border reinsurance recoveries, sanctions compliance and contract enforceability can no longer be treated as stable assumptions. Meanwhile, the weakening of multilateral cooperation is amplifying the very risks insurers must absorb. Climate change, cyber threats, pandemics and financial instability all require international coordination to contain; as geopolitical rivalry undermines that cooperation, these risks become larger, more interconnected and harder to price.

The investment consequences are equally significant. Insurers collectively manage trillions in long-duration assets and fragmentation permanently raises the cost and complexity of deploying that capital globally. When the movement of capital increasingly requires political approval rather than responding to market logic, global integration loses efficiency by design. Currency and convertibility risks rise alongside political tensions, sovereign risk becomes harder to hedge and friendshoring creates exposures that are often less liquid and operationally more complex.

The effects are unevenly distributed across business lines. Political-risk insurance is experiencing a structural increase in demand as multinational companies move from treating geopolitical exposure as episodic to embedding it permanently within risk-management frameworks. In trade credit, tariffs are squeezing margins and raising insolvency risk, particularly among smaller companies exposed to disrupted supply chains. Marine and aviation insurers must navigate rerouted shipping lanes and persistent geopolitical volatility; the closure of major maritime chokepoints has shown how quickly coverage availability and pricing can deteriorate when political risk crystallizes into physical disruption. State-sponsored cyber threats are escalating, with attribution challenges straining the boundaries of standard policy language. In D&O, rising regulatory investigations and extra-territorial enforcement actions are increasing claims exposure for internationally active firms. Retail insurance faces a more indirect but persistent transmission through slower growth, higher inflation and weaker household purchasing power.

At the same time, fragmentation is also creating new insurable risk categories that reward analytical capability and underwriting specialization. The push for energy independence is increasing demand for specialized engineering insurance, while industrial policy initiatives including the CHIPS Act, European sovereignty investment programs and rising defense spending are generating substantial new property and infrastructure exposures. Geopolitics is on balance a net headwind for the sector's long-term growth prospects, but rising investment in defense, energy security, cyber resilience and strategic infrastructure is creating offsetting opportunities for insurance, risk transfer and long-duration capital deployment.

The fact that the insurance sector has remained broadly stable through successive geopolitical shocks so far is no guarantee of future success. Capital positions have remained healthy, combined ratios have held and capacity has not materially decreased. This is testament to the resilience of the insurance industry. However, each shock raises the structural baseline, which is not fully reversed during recovery periods. This means that the industry has to reprice for a genuinely higher level of structural risk. This makes strategically adapting to a fragmenting world a matter of current urgency.

The industry's strategic response must operate on several levels simultaneously.

• **First, operating models must become less centralized and more regionally resilient.** In a more fragmented world, resilience and adaptability matter more than pure scale efficiency. Capital must be increasingly pre-positioned within jurisdictions rather than assumed freely transferable, and entities must be capable of operating with greater autonomy during periods of geopolitical disruption. Scenario planning must also replace narrow point forecasts. Tail risks such as severe bloc bifurcation or financial decoupling are no longer remote enough to ignore in strategic planning, even if the most likely trajectory remains one of escalating but contained protectionism.

• **Second, portfolio and underwriting decisions must incorporate explicit geopolitical assessment as a systematic input rather than a qualitative overlay.** Insurers should classify markets along a clear spectrum from core to optional to potential exit candidates, combining underwriting analysis with regular geopolitical, sanctions and affordability assessments rather than making decisions reactively under pressure. Stress testing must extend beyond financial variables to include sanctions regimes, reinsurance enforceability and diversification failure under fragmentation scenarios. The industry cannot assume that mechanisms designed for a globalized world will continue to function under sustained geopolitical strain.

• **Third, product strategy must evolve to address the new exposures fragmentation is creating rather than relying primarily on exclusions and silent coverage.** Recent conflicts have exposed significant gaps in affirmative cover for war risk, political violence, trade disruption, cyber escalation and supply-chain interruption. Insurers that develop explicit and well-priced solutions for these exposures will benefit from a structural increase in corporate demand. Those that rely primarily on exclusions risk marginalization from some of the fastest-growing segments of the commercial market.

Fragmentation will reshape how the global insurance industry operates. A more regionalized world implies higher capital requirements, weaker diversification benefits and greater operational complexity. Yet the same forces that reduce efficiency are also increasing demand for protection, resilience and specialized risk transfer. Insurance may become structurally more complex and capital-intensive, but also strategically more important.

Looking ahead: Insurance remains a growth industry

Insurance will remain a structural growth industry over the next decade, although growth will become more regionally uneven. We expect the global insurance market to expand by +5.3% annually over the next ten years, broadly in line with last year's long-term outlook. Beneath this stable headline picture, however, regional dynamics are shifting meaningfully.

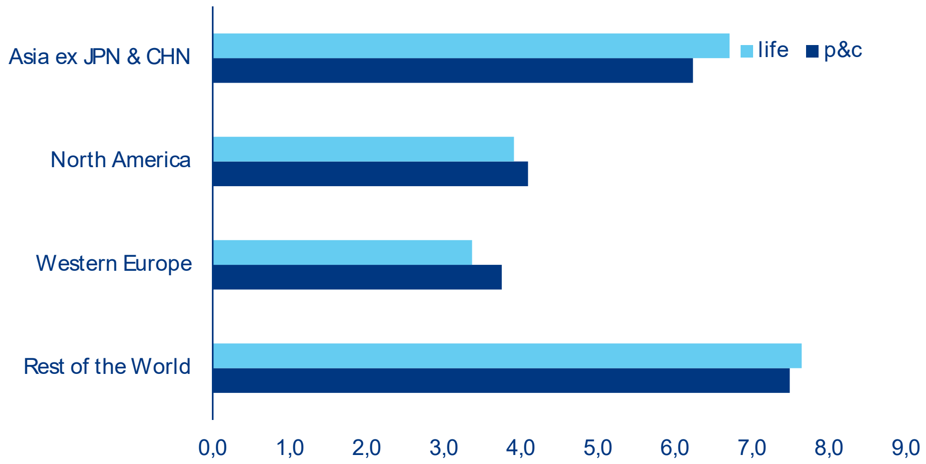
North America is likely to remain the industry's dominant profit and growth pool. Compared to last year, our outlook for the region has become more optimistic across all three business lines, particularly in P&C. Three forces are driving this shift: the expected AI investment boom and associated productivity gains, continued increases in household spending on protection – especially in health insurance – and elevated interest rates supporting life and annuity products.

Europe faces a structurally weaker outlook. Our view on Western Europe has become more cautious compared with last year. The region is likely to continue struggling with the fallout from higher energy costs triggered by the escalation in the Middle East (see Chapter 3 for more details), slower than expected progress on strategic sovereignty and both weaker AI investment and slower AI adoption than the US. As a result, we expect European P&C growth to lag the US over the next decade at +3.8% versus +4.1%. Although rising natural-catastrophe losses should continue to support premium growth, we now expect only a limited increase in penetration rates, rising by just +0.1pp to 2.6% by 2036.

Asia will remain the industry's principal long-term growth engine despite rising geopolitical headwinds. We expect P&C growth in Asia to slow modestly relative to previous forecasts as trade tensions and supply-chain restructuring weigh on economic momentum. Even so, projected annual growth of +6.2% in wider Asia and +6.3% in China remains comfortably above expected growth rates in Europe and North America. Overall, we expect global P&C premiums to expand by +4.7% annually through 2036 as demand for protection continues to rise worldwide.

Life and health insurance will remain the industry's key structural growth segments. We expect life insurance to grow at a CAGR of +4.9% over the next decade, benefiting from elevated interest rates and rising retirement needs. Asia and China should remain the principal growth engines as demographic ageing accelerates and pension systems continue to deepen. Health insurance is expected to remain the industry's fastest growing segment at +6.7% annually, supported by rising healthcare costs and still substantial unmet demand, particularly across Asia (Figure 8).

Figure 8: Solid growth
Gross written premium* growth, CAGR 2026 -2036 by region and segment in %

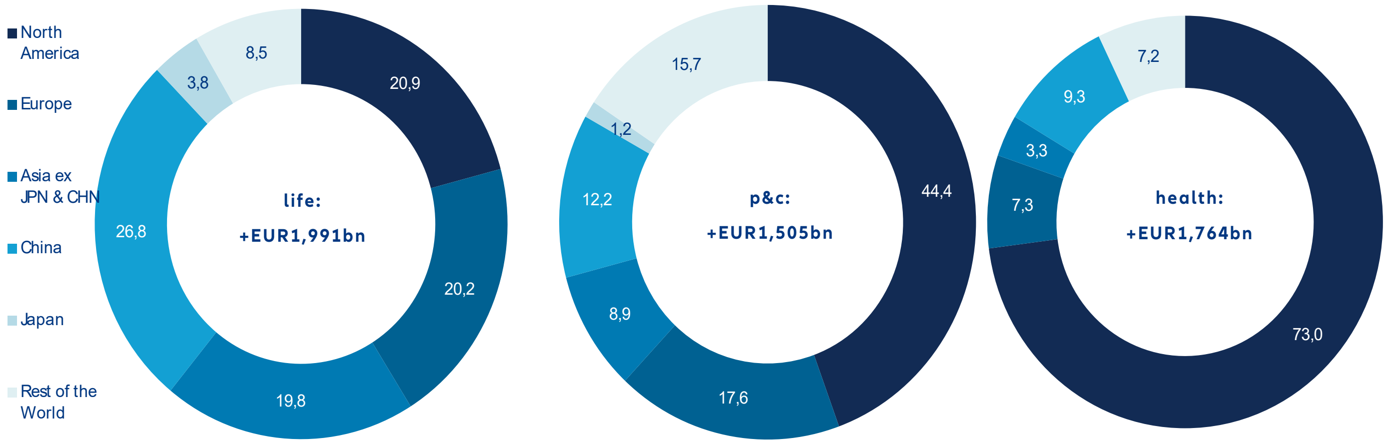


*The conversion into EUR is based on 2025 exchange rates.
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research..

Asia will generate most of the industry's additional premium growth. The global premium pool is expected to expand by EUR5,260bn by 2036 (Figure 9), with life insurance contributing the largest share at EUR1,991bn. More than half of all additional premiums will originate in Asia including China, exceeding the combined contribution of North America and Europe. While China will remain the region's dominant market in absolute terms with growth of +7.6% annually, India is expected to emerge as the fastest-growing major market at +10.5% annually, positioning it to challenge Japan as Asia's second-largest life insurance market by 2036.

Despite Asia's rise, the US insurance market will remain unrivaled in scale. Although North America's share of incremental P&C growth is expected to decline relative to the previous decade, the US market will continue to dominate globally. By 2036, US P&C premiums are projected to exceed EUR1,800bn, almost five times larger than China's market and more than twice the size of Europe's. In health insurance, US dominance is even more pronounced, with more than two-thirds of expected global premium growth projected to originate from the US market.

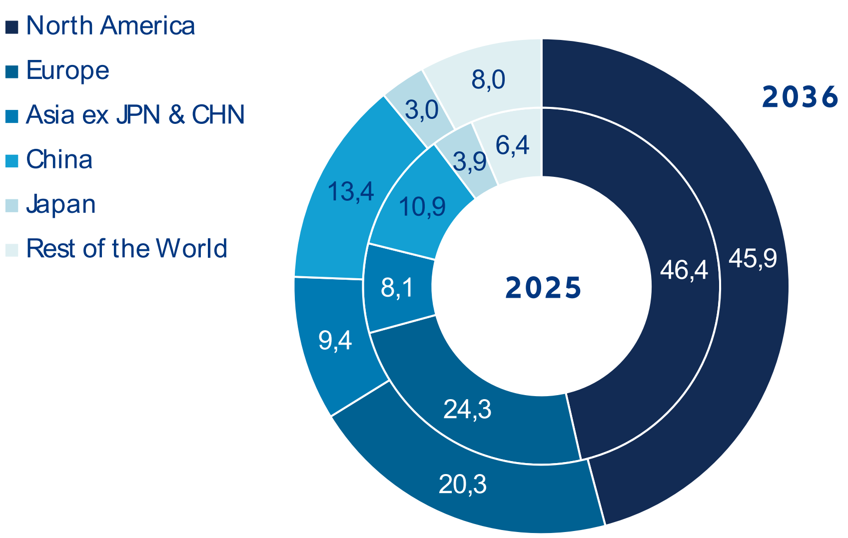
Figure 9: Life remains on top
Share of additional gross written premiums* by 2036, by region in %



*The conversion into EUR is based on 2025 exchange rates.
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

The global insurance map will continue shifting eastward, albeit gradually. North America is expected to retain a global market share of roughly 46% through 2036, surrendering only marginal ground over the next decade (-0.5pp). India and China, by contrast, are expected to continue gaining relevance, together adding almost 4pps of global market share. Western Europe will continue to lose relative weight. A glimmer of hope for the Old Continent: while it lost 5.3pps of market share in the last decade, it may lose „only" 4pps in the next decade (Figure 10).

Figure 10: North America, a slightly smaller giant
Total gross written premiums*, 2025 and 2036 by region in %

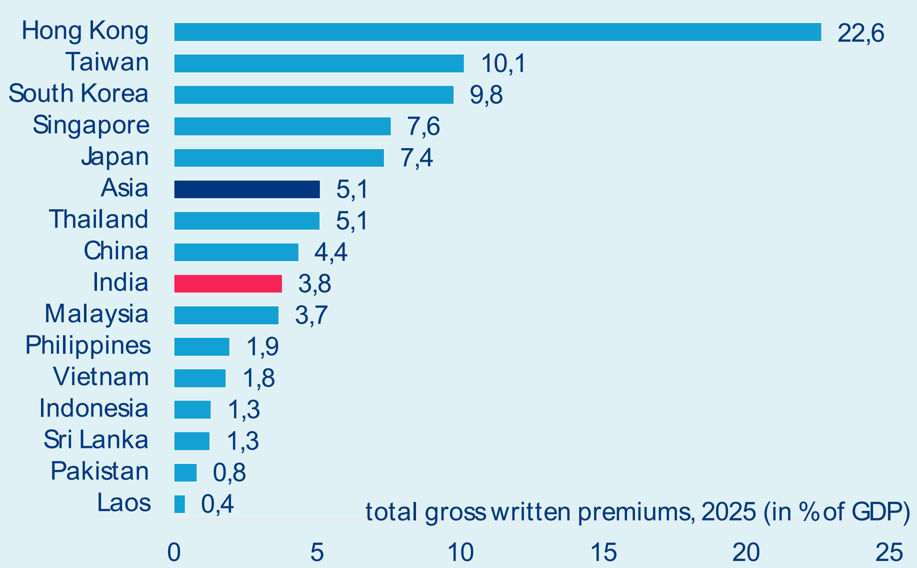


*The conversion into EUR is based on 2025 exchange rates.
Sources: National financial supervisory authorities, insurance associations and statistical offices, Axco, LSEG Datastream, Allianz Research.

Indian insurance market deep dive – turning scale into depth

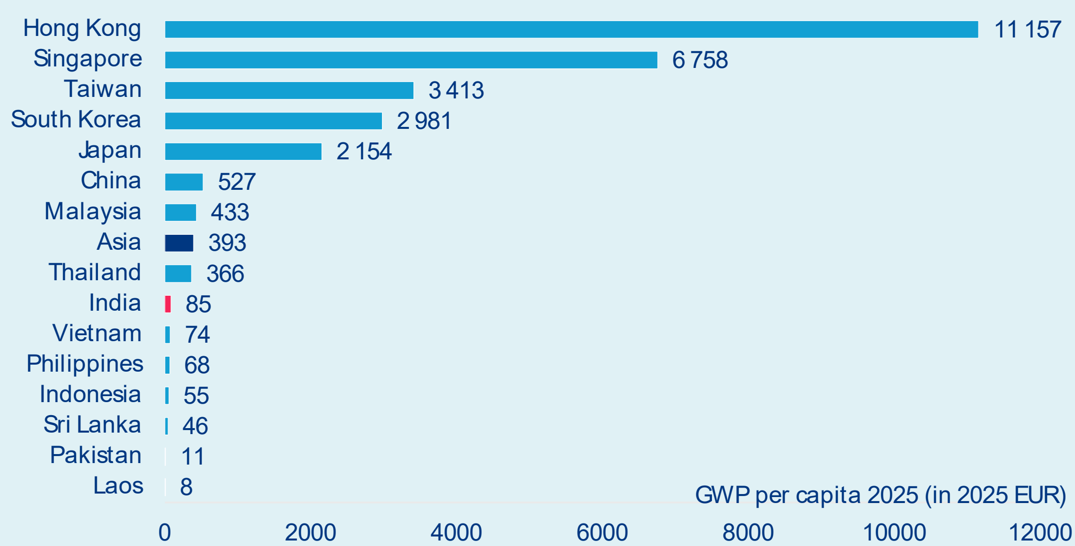
India ranks among the world's ten largest insurance markets. But by almost every measure of depth, it remains significantly underdeveloped. Despite double-digit growth rates and total gross written premium income of EUR124bn in 2025, insurance penetration and density still indicate substantial pent-up demand. In 2025, total gross written premium income corresponded to 3.8% of GDP compared to 4.4% in China or 5.1% in Thailand. And while per-capita spending for insurance amounted to the equivalent of around EUR527 in China and EUR366 in Thailand, it was merely EUR85 in India (Figure 11 and 12).

Figure 11: Insurance penetration, selected countries (gross written premiums in percent of GDP)



Source: National financial supervisory authorities, insurance associations and statistical offices..

Figure 12: Insurance density, selected countries (gross written premiums per capita, in 2025 EUR)

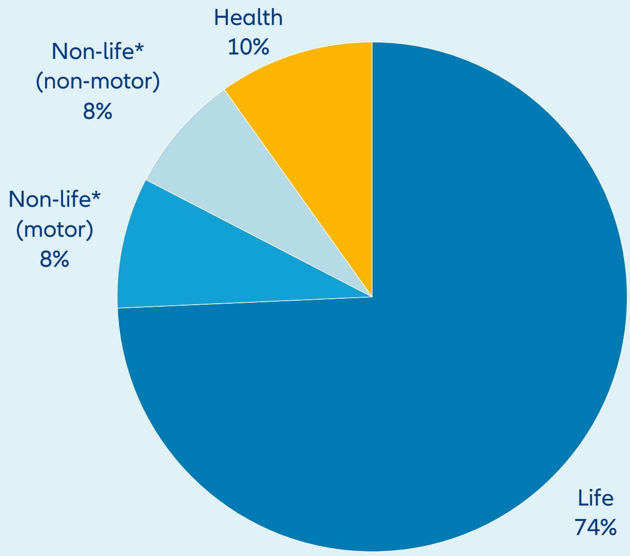


Source: National financial supervisory authorities, insurance associations and statistical offices.

Life insurance dominates the market, but the non-life and health segments reveal where the structural gaps and the growth potential are most acute. India's insurance market is dominated by the life insurance segment, which accounted for 74% of total gross written premium income in 2024. Non-life insurance premiums, including personal accident and travel insurance, accounted for 16% and health insurance accounted for 10% of total gross written premiums (see Figure 13).

Mandatory motor coverage is the backbone of non-life insurance yet, half of all vehicles on Indian roads remain uninsured, illustrating the gap between legal requirements and market reality. As in most countries, motor insurance was the most important business line in the non-life segment (excluding health), with a share of 52% in fiscal year 2024–2025. Third-party liability business made up more than half of the motor segment as such coverage is mandatory for all vehicles driven on public roads. Nevertheless, it is estimated that over 50% of vehicles remain uninsured[6]. Given the importance of the agricultural sector for the Indian economy, crop insurance accounted for 16% of general premium income. However, there were significant differences in the composition of premium income across individual states, largely reflecting their respective economic structures (see Figure 14).

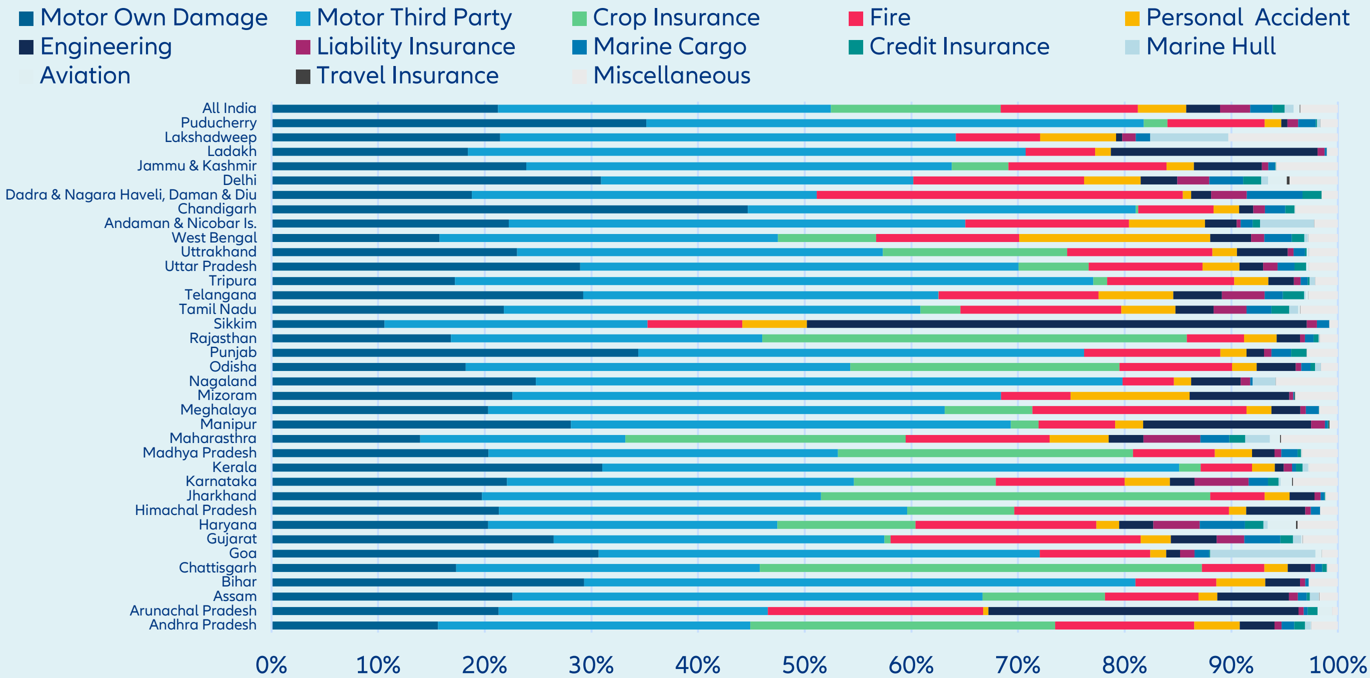
Figure 13: Gross written premiums by business line (in percent)



*including personal accident and travel insurance premiums
Source: IRDAI, Allianz Research.

[6] See Axco (2025): Insurance market reports (non-life). India (as of March 2026).

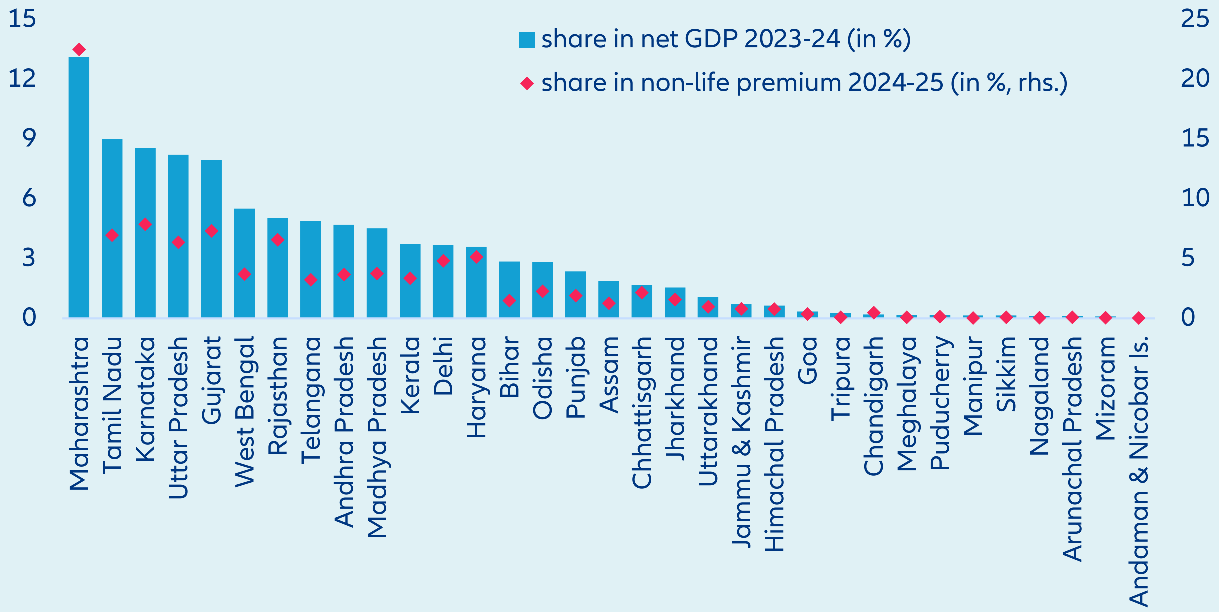
Figure 14: Non-life insurance premium by line of business and state (in percent)



Source: IRDAI

Premium income is as unevenly distributed as economic activity itself, and product design that ignores this geography will systematically miss the largest underserved populations. Five states – Gujarat, Karnataka, Maharashtra, Rajasthan and Uttar Pradesh – accounted for 48% of general premium income, with Maharashtra alone accounting for 20% (see Figure 15). In health insurance, Karnataka, Maharashtra and Tamil Nadu accounted for 49.2% of premium income in 2023–2024, with 22.5% generated in Maharashtra. Despite signs of economic convergence, marked regional differences persist. In 2023–2024, per-capita net state domestic product ranged between EUR570 in Bihar, representing around a third of the national average of EUR1,790, to EUR5,568 in Sikkim. These differences need to be taken into account when it comes to the design and distribution of insurance products.

Figure 15: Non-life premium income by state



Source: IRDAI, Reserve Bank of India

The most powerful long-term growth driver for India's insurance market, alongside rising household wealth, is the still incomplete and uneven reach of the country's social protection system. Market expansion is therefore expected to be driven primarily by pent-up demand and the growing need for supplementary private risk protection, as public social security remains at a relatively early stage of development. According to the latest available ILO data, only 64.3% of India's population was covered by at least one branch of the social security system at all. Effective pension coverage is even more limited: the ILO estimates that only 45.8% of the working-age population was covered by the pension system, compared with close to universal coverage in most industrialized countries. Without targeted government initiatives such as Atal Pension Yojana and the e-Shram portal aimed at informal workers, as well as the supplementary state-level pension schemes, this share would be significantly lower. This is particularly relevant given that only around 12% of India's workforce is employed in the formal sector and therefore benefits from standard pension coverage. Against the backdrop of rising life expectancy, these structural gaps point to a growing need for supplementary, capital-funded private pension solutions to secure retirement income. A similar dynamic is evident in healthcare. Despite the successful rollout of Pradhan Mantri Jan Arogya Yojana (PM-JAY), out-of-pocket spending still accounts for 43.9% of total health expenditure - high by international standards. This underscores both the need for further reforms to broaden public healthcare coverage and the resulting demand for supplementary private health insurance. In this context, medical inflation in India, which is among the highest in Asia, poses a significant financial challenge for households and health insurance providers alike.

Regulatory reform and an ambitious universal coverage target are creating both the policy tailwind and the competitive catalyst for the next growth phase. Recent insurance market reforms, notably the opening up to foreign insurance participation, will increase the efficiency of the insurance sector and together with the IRDAI's „Insurance for All by 2047" program are expected to spur double-digit insurance market growth of an estimated average 10.5% in life insurance, 10.2% in non-life and 12.5% in health insurance per annum until 2036.

India's insurance sector will expand not just in scale but in structural sophistication, shifting from a peripheral to a systemically important pillar of the financial system. Rising incomes and a growing middle class will lift demand for protection and savings products, driving higher penetration and density. Demand is expected to shift from basic, often mandatory covers such as motor and simple life towards more complex products including health, pensions and wealth-linked insurance. Insurers will increasingly act as institutional investors, supporting capital market development and long-term financing, particularly for infrastructure. Higher incomes and improving financial literacy would also help reduce underinsurance and encourage more proactive risk management by households and firms. Together with demographic trends, notably ageing, this would further boost demand for private health and retirement solutions. India's still-developing social security system implies a greater reliance on private provision compared to other markets such as China. Overall, sustained growth is likely to transform the sector into a more mature and systemically important pillar of the financial system.

The next frontier: Climate risk, affordability and the future of Insurability

Affordability is emerging as a key structural challenge facing the insurance industry. In some markets and lines of business, the cost of adequate coverage is beginning to outpace households' capacity to pay, driven by claims severity, inflation and broader economic pressures. Where this gap becomes persistent, it translates into structural underinsurance, concentrating uninsured risk where financial resilience is weakest. Climate risk is where this dynamic is already most visible and most advanced.

Global insured NatCat losses are rising by 5–7%[7] annually in real terms, underlining that climate risk is now a structural underwriting issue rather than a cyclical volatility event. Climate change is an undisputed driver, but observed loss trends are also shaped by socioeconomic factors, including exposure growth in hazard-prone areas and inflation rather than by climate effects alone[8] . Rising premiums are increasingly colliding with falling household purchasing power. Climate shocks alongside other socioeconomic pressures such as demographic change, wars and geopolitical instability are driving both insurance costs and greater financial stress. This dynamic is already visible in household insurance markets: In the US, homeowners' insurance premiums rose by +38% between 2019 and 2024, roughly twice the rate of inflation. The same climate shocks driving up premiums also erode the capacity to pay: droughts reduce crop yields and push up food prices, while heat stress lowers labor productivity and wages. Global food prices could be around 13% above baseline by 2050 in a +2°C warming scenario, with Asia-Pacific facing increases of up to 27%, while the most exposed European economies could see cumulative GDP losses of 5–7% over five years[9] . Households are therefore being squeezed from both directions: rising insurance costs and weakening income resilience.

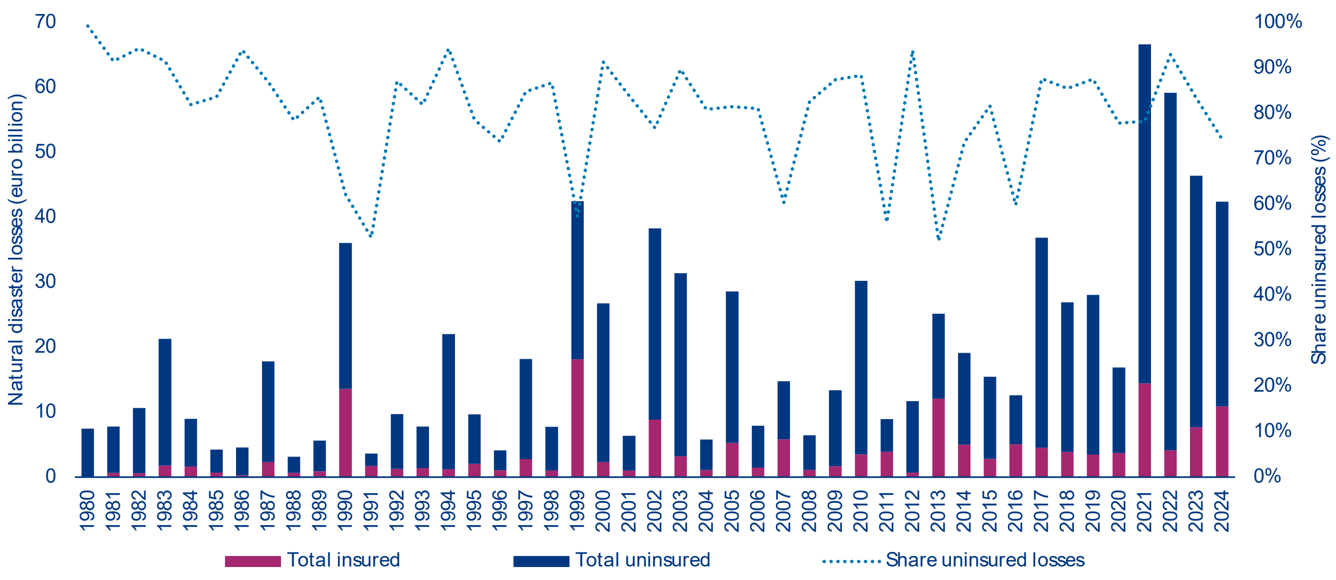
Lower-income households face a self-reinforcing vulnerability trap as higher premiums and weaker incomes push them out of insurance coverage. The poorest and most climate-exposed households are hit hardest, creating a cycle in which rising risks deepen both poverty and underinsurance. Evidence from developing countries shows that the poorest 40% experience climate-driven income losses 70% larger than the average[10], while a 1°C increase in temperature raises poverty rates by 0.9 to 2.3pps[11]. Similar patterns are emerging in developed

[7] Swiss RE (Sigma 1/2025)
[8] The primary driver to date has been exposure growth (urbanization, asset accumulation and rising construction costs) which accounts for over 80% of the long-term increase in weather-related insured losses. Climate change effects have so far been a smaller but growing contributor, and Swiss Re cautions that for certain perils and regions, such as wildfire in North America and severe convective storms in Europe, hazard intensification is already accelerating losses well beyond what exposure alone can explain.
[9] Feeding a warming world: Securing food and economic stability in a changing climate | Allianz
[10] Climate change through a poverty lens | Nature Climate Change
[11] World Bank Document

economies, where climate change also drives chronic rather than temporary poverty, making exclusion from insurance more persistent. As premiums rise, disaster insurance risks becoming a product accessible only for wealthier households. Evidence from Florida shows that without public investment in risk reduction and affordability mechanisms, both traditional and parametric insurance products become inaccessible for low- and middle-income households[12].

As private insurance affordability declines, climate losses increasingly shift onto public balance sheets that are themselves being weakened by climate shocks. In the EU, uninsured direct disaster losses averaged EUR59bn annually between 2021 and 2023 (Figure 16), highlighting how a large share of climate losses continues to sit outside formal insurance coverage and is ultimately absorbed by households, firms and governments[13]. This gap is significantly demand-driven: EIOPA research highlights[14] that low risk awareness, expectations of government compensation and lack of product clarity mean many households and businesses simply do not purchase available NatCat coverage, a challenge distinct from the supply-side retreat seen in parts of the US market. This is also visible in the rapid expansion of state-backed insurance schemes. Heat stress alone could worsen European fiscal balances by around 0.5% of GDP annually. France faces additional fiscal pressure of 2.2% of GDP, while Italy and Spain face 1.9% and 1.7% respectively. The governments most exposed to climate risk are often those with the least fiscal space to subsidize insurance or invest in adaptation, creating a dangerous feedback loop of rising losses, weaker coverage and declining fiscal resilience. In the US, California's FAIR Plan increased insured exposure from USD220bn in September 2022 to USD750bn by early 2026[15] , and following the Los Angeles wildfires required a USD1bn emergency levy on insurers to maintain solvency. Florida's Citizens scheme peaked at USD618bn of insured exposure in 2023, showing how quickly public contingent liabilities can grow when private insurers retreat[16].

Figure 16: Development of NatCat losses in Europe and share of uninsured losses



Source: CATDAT

[12] Insurance and climate risks: Policy lessons from three bounding scenarios | PNAS
[13] Climate and nature risks fuel multi-billion insurance protection gaps | WWF
[14] Climate insurance protection gaps: a demand-side challenge - European Insurance and Occupational Pensions Authority
[15] California FAIR Plan Association (March 2026)
[16] Citizens Property Insurance Corporation (Policies in Force)

Europe is increasingly moving toward mandatory and state-backed NatCat systems, but these solutions must avoid creating long-term moral hazard. Public-private NatCat systems are becoming a structural feature to adapt to extreme weather events. France already operates a mandatory state-backed NatCat reinsurance scheme funded by a surcharge on all property insurance policies, and after repeated climate-related losses that charge was nearly doubled last year to 20%. Since 2025, all businesses in Italy have been required to carry NatCat insurance, with the government covering up to half of the exposure through its state reinsurer. Germany is about to introduce a mandatory scheme, and the German Insurance Association has proposed a new private-sector pool for high-risk residential properties backed by a government stop-loss mechanism for catastrophe losses above EUR30bn. At the EU level, supervisors are exploring a Europe-wide risk-sharing system combining a premium-financed pool with a public loan-funded mechanism. These schemes can preserve insurability, but if public support becomes too strong, pricing signals could weaken and incentives for resilience investment, relocation and land-use discipline could be reduced. Equally, even well-designed public-private schemes face structural limits if investment in climate-change adaptation, from enforced flood defenses and resilient infrastructure to smart agriculture and water management systems, does not scale fast enough to reduce costs of the rising loss trends. Without combined strategies, the fiscal and insurance capacity underpinning the public-private NatCat schemes will be progressively eroded.

The deeper issue is that climate risk is exposing the limits of pricing alone as a long-term solution to maintaining insurability. Insurance pricing continues to rely primarily on claims experience, probabilistic NatCat models and increasingly granular hazard maps that capture location-specific risk differentials. These tools remain broadly effective for pricing incremental climate risks and preserving underwriting discipline. However, annual repricing becomes increasingly difficult when physical risks and claims severity rise faster than households' ability to absorb higher premiums. For insurers, the challenge is no longer simply to reprice risk, but to preserve insurability in economies where affordability is structurally weakening.

Preserving long-term insurability requires stronger adaptation incentives, efficiency gains, targeted affordability measures and public-private solutions. This requires moving beyond pure risk transfer toward stronger risk reduction and resilience incentives. Insurance will increasingly need to incentivize adaptation through pricing, deductibles and prevention management, while efficiency gains become essential to offset structurally rising claims severity driven by technological complexity, specialized repair services and legal costs. Automation, AI and digital claims management already show significant potential to reduce operational costs without compromising coverage quality. Critically, however, affordability cannot be preserved through artificially suppressed premiums. Underpricing weakens incentives for risk reduction and ultimately accelerates rather than closes protection gaps. Where lower-income households are being priced out of coverage, targeted support mechanisms such as means-tested vouchers or public reinsurance are likely to prove more effective and transparent than below-risk pricing. In areas where physical risks have shifted permanently, managed relocation may ultimately be more sustainable than maintaining coverage at unsustainably low prices. More broadly, protection gaps cannot be solved by private insurance alone. Public-private partnerships, sovereign backstops and targeted affordability mechanisms will become increasingly necessary where risks become privately uninsurable, but must always be combined with credible adaptation investment at scale. Without enforced building codes, flood defenses and resilient infrastructure, public-private schemes absorb rising losses without addressing their source, progressively eroding the fiscal and insurance capacity that underpins them.

Appendix

Appendix A	Total premium income (in EUR bn)[1]			Penetration (as % of GDP)			Density (per capita, in EUR)[1]		
Insurance markets 2025[2] KPIs	p&c	life	health	p&c	life	health	p&c	life	health
Argentina	11,8	1,5	0,03	2,4	0,3	0,01	258	33	0,6
Australia	40,5	14,0	18,1	2,5	0,9	1,1	1 500	517	670,6
Austria	15,6	5,2	3,4	3,0	1,0	0,7	1 710	568	376,8
Bahrain	*0,4*	*0,1*	*0,2*	*1,1*	*0,2*	*0,5*	*260*	*41*	*134,6*
Belgium	*13,3*	*17,8*	*2,5*	*2,1*	*2,8*	*0,4*	*1 127*	*1 516*	*214,7*
Brazil	24,0	10,5	53,6	1,2	0,5	2,7	113	49	251,6
Bulgaria	*2,2*	*0,3*	0,2	*3,7*	*0,5*	0,3	*326*	*48*	28,6
Canada	*49,9*	*66,6*	*25,4*	*2,5*	*3,3*	*1,3*	*1 244*	*1 659*	*633,0*
Chile	4,9	9,1	1,1	1,5	2,9	0,4	247	460	57,6
China	190,9	433,2	121,5	1,1	2,5	0,7	135	306	85,8
Colombia	5,8	6,8	1,1	1,4	1,6	0,3	109	127	21,0
Croatia	1,6	0,3	0,2	1,7	0,4	0,2	411	87	39,4
Czech Republic	7,3	2,1	0,6	2,1	0,6	0,2	684	196	60,2
Denmark	*12,8*	*36,2*	*0,5*	*3,1*	*8,8*	*0,1*	*2 134*	*6 034*	*88,7*
Egypt	*0,9*	*1,1*	*0,3*	*0,3*	*0,3*	*0,1*	*8*	*9*	*2,6*
Finland	4,8	6,0	0,8	1,7	2,2	0,3	850	1 075	141,3
France	*98,2*	192,1	48,4	*3,3*	6,4	1,6	*1 474*	2 882	726,7
Germany	103,6	95,0	54,1	2,3	2,1	1,2	1 232	1 130	643,9
Greece	2,7	2,8	0,6	1,1	1,1	0,2	267	283	55,6
Hong Kong	*3,3*	*77,0*	*2,3*	*0,9*	*21,1*	*0,6*	*441*	*10 411*	*305,0*
Hungary	3,0	2,1	0,1	1,3	0,9	0,1	312	214	13,4
India	19,7	*92,1*	12,4	0,6	*2,8*	0,4	13	*63*	8,5
Indonesia	6,2	8,2	1,4	0,5	0,7	0,1	22	29	5,0
Ireland	*4,6*	*24,1*	*3,9*	*0,7*	*3,8*	*0,6*	*874*	*4 539*	*741,0*
Italy	*48,0*	*122,6*	5,0	*2,1*	*5,4*	0,2	*812*	*2 073*	84,0
Japan	58,5	206,7	n/a	1,6	5,7	n/a	475	1 679	n/a
Kazakhstan	1,2	1,8	0,1	0,4	0,7	0,1	55	86	6,6
Kenya	*0,9*	*1,4*	*0,6*	*0,8*	*1,2*	*0,5*	*16*	*25*	*10,9*
Laos	*0,1*	*0,01*	n/a	*0,3*	*0,1*	n/a	*6*	*1*	n/a
Malaysia	*4,7*	10,6	*0,3*	*1,1*	2,5	*0,1*	*130*	296	*7,4*
Mexico	18,1	22,0	8,7	1,1	1,3	0,5	137	167	65,6
Morocco	2,8	2,7	0,5	1,7	1,7	0,3	72	72	12,6
Netherlands	*16,7*	*15,7*	66,5	*1,4*	*1,3*	5,6	912	855	3 624,3
Nigeria	*0,9*	*0,4*	n/a	*0,4*	*0,2*	n/a	*4*	*2*	n/a
New Zealand	*5,5*	*1,6*	n/a	*2,5*	*0,7*	n/a	*1 039*	*303*	n/a
Norway	10,7	15,2	0,5	2,3	3,3	0,1	1 910	2 708	87,5
Pakistan	*1,5*	*1,2*	n/a	*0,4*	*0,4*	n/a	*6*	*5*	n/a
Peru	*2,1*	3,5	*0,4*	*0,7*	1,2	*0,1*	*61*	103	*12,5*
Philippines	2,1	5,6	*0,2*	0,5	1,4	*0,1*	18	48	*1,8*
Poland	*14,5*	*3,6*	1,7	*1,6*	*0,4*	0,2	*381*	*95*	43,8
Portugal	6,2	8,1	1,8	2,0	2,7	0,6	600	783	171,1
Romania	3,5	0,8	*0,2*	0,9	0,2	*0,1*	183	44	*11,7*
Saudi Arabia	*5,8*	*2,8*	*10,7*	*0,5*	*0,3*	*1,0*	*169*	*81*	*308,4*
Singapore	3,7	33,5	2,5	0,7	6,4	0,5	625	5 705	428,3
Slovakia	1,4	0,6	0,2	1,0	0,5	0,1	253	115	36,1
South Africa	11,8	40,2	n/a	3,0	10,2	n/a	183	622	n/a
South Korea	79,8	74,2	n/a	5,1	4,7	n/a	1 545	1 437	n/a
Spain	36,5	35,9	13,5	2,2	2,1	0,8	763	750	280,9
Sri Lanka	0,4	0,6	0,1	0,4	0,7	0,1	16	27	2,7
Sweden	10,8	39,4	n/a	1,8	6,5	n/a	1 017	3 697	n/a
Switzerland	22,1	24,3	14,4	2,4	2,6	1,5	2 462	2 710	1 609,0
Taiwan	9,8	56,1	13,0	1,3	7,2	1,7	424	2 428	560,3
Thailand	8,0	14,0	4,2	1,6	2,7	0,8	112	196	58,2
Türkiye	16,5	3,5	4,2	1,3	0,3	0,3	188	40	47,9
United Arab Emirates	7,3	1,9	8,2	1,5	0,4	1,7	642	170	726,3
United Kingdom	*122,0*	*275,3*	*10,4*	*3,5*	*7,9*	*0,3*	*1 754*	*3 958*	*150,1*
United States	*1155,5*	725,6	1167,6	*4,4*	2,8	4,5	*3 327*	2 089	3 362,1
Vietnam	*2,7*	*4,9*	n/a	*0,6*	*1,2*	n/a	*26*	*48*	n/a

[1] 2025 exchange rates.

[2] *Estimates are shown in italics.*

Appendix B

Insurance markets
Long-term development

	CAGR 2015-2025 (in %)			CAGR 2026-2036 (in %)			Total premium income 2036 (in EUR bn)[1]		
	p&c	life	health	p&c	life	health	p&c	life	health
Argentina	61,0	54,4	61,0	17,5	18,8	22,8	69,8	10,1	0,3
Australia	6,5	-8,1	4,3	4,7	3,1	4,2	67,1	19,5	28,5
Austria	3,8	-2,3	5,6	3,1	1,2	5,0	21,8	5,9	5,9
Bahrain	1,2	-6,3	6,7	3,4	3,7	5,6	0,6	0,1	0,4
Belgium	3,2	0,9	5,2	3,0	4,0	6,1	18,4	27,4	4,8
Brazil	7,1	11,6	9,2	5,5	11,4	5,8	43,0	34,5	99,9
Bulgaria	10,5	7,2	16,9	7,2	7,4	15,4	4,7	0,7	0,9
Canada	4,1	5,3	4,8	3,7	4,1	4,7	74,8	104,0	42,1
Chile	8,2	9,3	11,1	6,4	7,3	6,3	9,7	19,9	2,2
China	6,6	11,3	18,2	6,3	7,6	8,1	374,3	966,7	285,6
Colombia	9,1	12,4	14,6	6,7	8,0	11,5	11,9	15,8	3,7
Croatia	7,0	-0,4	13,7	4,4	2,6	12,2	2,5	0,4	0,5
Czech Republic	6,6	-2,7	8,9	4,7	2,4	8,6	12,0	2,7	1,6
Denmark	2,8	6,2	7,2	3,0	5,6	8,1	17,8	66,0	1,3
Egypt	20,4	20,2	30,5	11,4	9,8	20,9	3,0	3,0	2,5
Finland	1,8	0,2	9,0	3,3	4,5	9,8	6,8	9,8	2,2
France	4,5	3,7	2,8	4,1	3,5	3,2	153,5	280,8	68,7
Germany	4,6	0,5	3,7	4,3	2,5	3,9	165,3	124,3	82,7
Greece	2,3	4,5	14,4	5,4	3,6	6,8	4,7	4,2	1,1
Hong Kong	2,3	8,2	6,8	4,1	5,2	5,9	5,1	135,1	4,2
Hungary	10,7	5,1	16,1	6,8	4,5	12,6	6,2	3,3	0,5
India	10,9	10,4	18,3	10,2	10,5	12,5	57,3	277,0	45,2
Indonesia	8,0	3,7	13,1	7,3	7,9	12,9	13,3	18,8	5,4
Ireland	5,1	8,0	4,9	3,5	3,4	4,9	6,8	34,8	6,7
Italy	2,9	0,5	8,3	3,6	2,8	7,6	70,6	167,0	11,1
Japan	1,9	0,5	n/a	2,5	2,9	n/a	77,2	282,9	n/a
Kazakhstan	12,0	32,8	12,7	7,1	11,8	12,1	2,4	6,1	0,5
Kenya	5,5	12,9	12,7	7,8	12,1	12,5	2,1	5,0	2,3
Laos	11,3	35,0	n/a	10,4	15,0	n/a	0,2	0,0	n/a
Malaysia	3,3	6,1	2,1	5,6	5,2	6,7	8,5	18,6	0,5
Mexico	9,2	9,8	12,2	8,2	8,5	9,7	43,0	53,8	24,0
Morocco	5,8	10,8	5,2	5,9	7,1	6,8	5,2	5,8	1,0
Netherlands	2,5	0,0	4,4	3,2	2,7	4,3	23,8	21,1	105,7
Nigeria	21,6	21,7	n/a	15,7	20,0	n/a	4,7	3,3	n/a
New Zealand	7,1	3,9	n/a	3,6	3,6	n/a	8,0	2,3	n/a
Norway	7,1	6,2	12,8	5,0	4,4	8,7	18,3	24,4	1,2
Pakistan	27,7	11,5	n/a	13,8	13,8	n/a	6,4	5,2	n/a
Peru	5,0	10,7	8,3	5,2	8,0	5,2	3,7	8,3	0,8
Philippines	7,6	8,7	n/a	8,5	10,0	n/a	5,1	16,0	n/a
Poland	6,9	-3,8	24,1	4,2	3,6	8,7	22,9	5,3	4,2
Portugal	6,1	-2,2	11,2	4,0	3,9	8,1	9,7	12,5	4,2
Romania	9,6	11,1	27,8	3,2	3,3	21,6	4,9	1,2	1,9
Saudi Arabia	5,8	26,8	10,5	6,2	11,7	8,2	11,3	9,4	25,3
Singapore	4,2	7,5	23,9	5,6	5,5	8,4	6,7	60,2	6,1
Slovakia	3,6	-5,4	n/a	4,0	3,5	10,5	2,1	0,9	0,6
South Africa	7,0	5,0	n/a	5,6	5,6	n/a	21,6	73,0	n/a
South Korea	5,4	0,8	n/a	4,9	4,4	n/a	135,6	119,0	n/a
Spain	4,1	3,4	5,8	3,4	3,6	6,0	52,9	52,8	25,6
Sri Lanka	8,8	15,9	10,6	10,6	12,8	8,3	1,1	2,4	0,2
Sweden	4,8	5,4	n/a	3,6	4,1	n/a	16,1	61,2	n/a
Switzerland	2,0	-3,3	3,1	2,9	1,6	2,4	30,4	28,9	18,8
Taiwan	5,9	-1,3	4,1	4,8	4,3	4,8	16,4	89,2	21,6
Thailand	2,5	0,5	9,7	4,5	3,6	8,6	12,9	20,8	10,4
Türkiye	40,5	43,8	48,1	11,8	14,4	15,3	56,3	15,6	20,0
United Arab Emirates	7,7	-0,4	11,2	4,7	5,3	6,3	12,0	3,4	16,1
United Kingdom	7,8	4,5	4,8	3,4	3,4	3,3	176,1	397,2	14,9
United States	5,7	4,9	9,0	4,1	3,9	6,9	1 799,6	1 103,9	2 437,4
Vietnam	10,6	16,4	n/a	9,5	7,0	n/a	7,3	10,2	n/a

[1] 2025 exchange rates.

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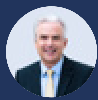

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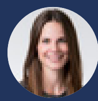

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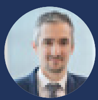

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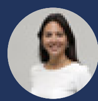

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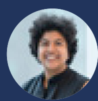

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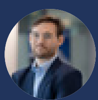

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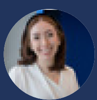

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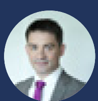

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