



sigma

No 4/2007

World insurance in 2006: Premiums came back to “life”

- 3 Executive summary
- 5 Global economy:
solid growth and booming
financial markets
- 8 World insurance:
speed-up in growth and
good profitability
- 14 Industrialised countries:
little growth,
improved profitability
- 20 Emerging markets:
both life and non-life premiums
report strong growth
- 27 Methodology and data
- 29 Statistical appendix

Published by:
Swiss Reinsurance Company
Economic Research & Consulting
P.O. Box
8022 Zurich
Switzerland

Telephone +41 43 285 2551
Fax +41 43 285 4749
E-mail: sigma@swissre.com

New York Office:
55 East 52nd Street
40th Floor
New York, NY 10055

Telephone +1 212 317 5135
Fax +1 212 317 5455

Hong Kong Office:
18 Harbour Road, Wanchai
Central Plaza, 61st Floor
Hong Kong, SAR

Telephone +852 2582 5691
Fax +852 2511 6603

Authors:
Maria Sol Baez
Daniel Staib
Telephone +41 43 285 8136

sigma co-editor:
Rudolf Enz
Telephone +41 43 285 2239

Managing editor:
Thomas Hess, Head of Economic Research
& Consulting, is responsible for the *sigma*
series.

The editorial deadline for this study was
24 May 2007.

sigma is available in English (original lan-
guage), German, French, Italian, Spanish,
Chinese and Japanese.

sigma is available on Swiss Re's website:
www.swissre.com/sigma

The internet version may contain slightly
updated information.

Translations:
CLS Communication AG

Graphic design and production:
Swiss Re Logistics/Media Production

© 2007
Swiss Reinsurance Company
All rights reserved.

The entire content of this *sigma* edition is
subject to copyright with all rights reserved.
The information may be used for private
or internal purposes, provided that any
copyright or other proprietary notices are
not removed. Electronic reuse of the data
published in *sigma* is prohibited.

Reproduction in whole or in part or use
for any public purpose is permitted only
with the prior written approval of Swiss Re
Economic Research & Consulting and if
the source reference "Swiss Re, *sigma*
No 4/2007" is indicated. Courtesy copies
are appreciated.

Although all the information used in this
study was taken from reliable sources,
Swiss Reinsurance Company does not ac-
cept any responsibility for the accuracy
or comprehensiveness of the information
given. The information provided is for in-
formational purposes only and in no way
constitutes Swiss Re's position. In no
event shall Swiss Re be liable for any loss
or damage arising in connection with the
use of this information.

Executive summary

Real premium growth 2006:

	Life	Non-life
Industrialised countries	6.6%	0.6%
Emerging markets	21.1%	10.8%
Total	7.7%	1.5%

Life insurance in 2006: the highest growth rate since 2000 and good profitability

Worldwide insurance premiums amounted to USD 3 723bn in 2006. This was split into USD 2 209bn in life and USD 1 514bn in non-life insurance. Total premium volume grew by 5%, in real terms,¹ with life premiums increasing by 7.7% and non-life premiums by 1.5%. Profitability improved in both life and non-life insurance in 2006 compared to 2005. The macroeconomic environment during 2006 was characterised by solid economic growth and, in most geographical areas, moderate inflation, rising but still low interest rates and booming stock markets.

In 2006, the life market grew by 7.7%, the highest rate since 2000, and faster than overall economic activity in most countries with the exception of Japan. Booming stock markets favouring unit-linked products, together with regulatory changes and tax incentives, were the main contributors to 2006's strong growth rate. Moreover, higher demand for retirement provision in countries with ageing populations together with the efforts of governments to shift from public to private pension schemes increased demand for the life industry's products.

In emerging markets, growth trebled from 2005's rate, with the positive impact of strong economic growth and catch-up dynamics adding substantially to the overall global growth trend.

The profitability of life business has continued to improve in many countries, as costs were cut, guaranteed interest rates reduced and profit participations adjusted to reflect the low interest-rate environment. This improvement is visible in the increased level of life insurers' risk capital.

Non-life insurance in 2006: low growth and good profits

Recovering from last year's stagnation, global non-life business grew by 1.5%, below the growth in GDP. However, this headline figure masks a sharp divergence in performance between the industrialised world, which saw only tiny growth of 0.6%, and the robust 11% delivered by emerging markets.

In emerging markets, strong economic development and the introduction of mandatory cover in areas such as motor third party liability (MTPL) and health were the key drivers of growth. Globally, however, downward pressure on premium rates, particularly in non-catastrophe lines of business, was the salient feature of the market and could not be offset by higher demand. Strong underwriting discipline and the absence of major catastrophes delivered record profits in 2006.

Re-categorisation increases the industrialised countries' share of the insurance business.

The advanced Asian economies of Hong Kong, Singapore, Taiwan and South Korea have been reclassified as industrialised countries. This increased the premium share of the industrialised countries to 92% from 87% under the previous definition.

¹ All premium growth rates shown in this study are given in real terms, ie inflation – measured by local consumer prices index – is factored out.

2007 – Strong life insurance growth but stagnating non-life premiums. Profitability set to remain robust.

The outlook for 2007 suggests a mixed picture; while healthy growth is expected in life insurance, with strong development of savings and pensions products, premiums in non-life are likely to stagnate. The outlook for profits remains robust, however, with the life sector also making further progress on profitability. Non-life insurance combined ratios are expected to deteriorate slightly, as premium growth is sluggish.

This *sigma* delivers the best data available, complemented by some estimates.

This study contains the best market data available at the time of going to press. For most insurance markets, it was too early for definitive 2006 figures. For these, *sigma* used provisional data released by supervisory authorities and insurance associations, or Swiss Re Economic Research & Consulting estimates.

Solid global economic expansion and inflation under control

Solid growth and booming financial markets

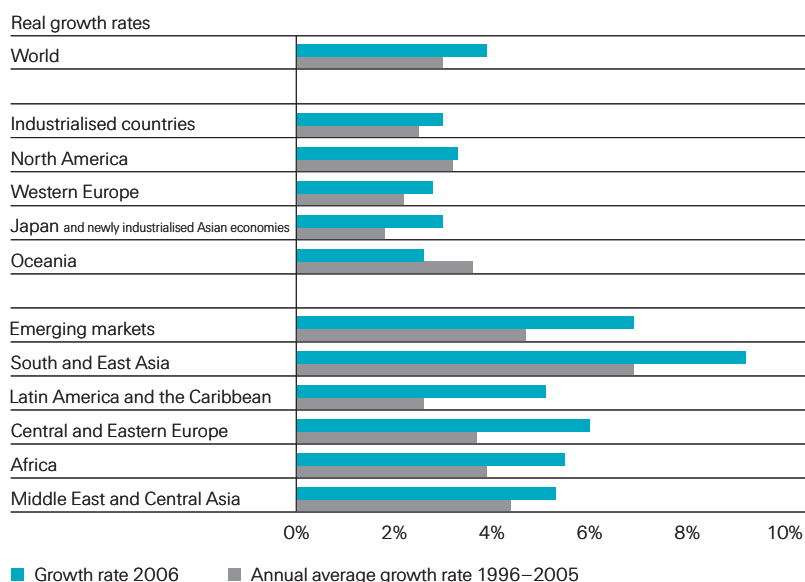
Macroeconomic indicators

The global Gross Domestic Product (GDP) expanded by a solid 3.9%, in real terms,² during 2006, to USD 48 342bn, from 3.4% in 2005, with growth accelerating in most geographical areas. This global growth rate was above the 10-year average of 3% and, with the exception of Oceania, all regions expanded at above the long-term rate (see Figure 1).

The industrialised economies grew by 3% in 2006. In the United States, real GDP rose by 3.3%, but in the final three quarters of the year growth averaged only 2.4%, as weak housing and vehicle sales slowed activity. Economic growth in Western Europe picked up to 2.8%, supported by rising domestic demand, increasing business confidence and improving labour market conditions. Japanese economic activity regained traction, and grew at a healthy 2.2%,

Emerging markets expanded 6.9% in 2006, twice as fast as industrialised countries. The expansion was sustained by robust domestic demand and still high commodity prices. Strong growth was again observed in South and East Asia, up 9.2%, with China and India continuing to boom, bolstering growth in other countries through regional trade. The other emerging-market regions also showed robust growth, ranging from 5.1% in Latin America to 6% in Central and Eastern Europe.

Figure 1
Real GDP growth by regions, 2006
compared to the 10-year average



Countries' GDPs weights are based on USD market exchange rates

Source: Oxford Economic Forecasting

² The aggregation of countries is weighted by USD GDP based on market exchange rates. International statistics using purchasing-power parity show higher world GDP growth rates because of their heavier weighting of fast-growing countries such as China and India.

Oil price development drives inflation rates

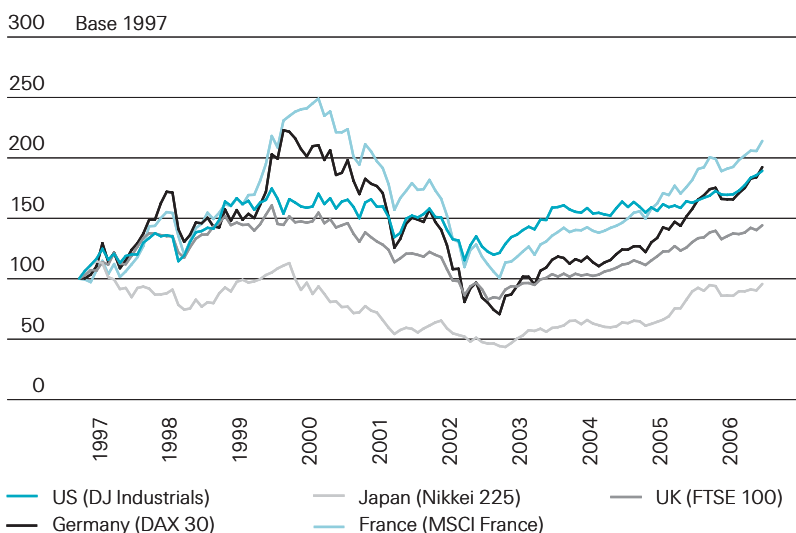
In the industrialised world, inflation rose during the first half of 2006, falling back in the second half, mirroring the movement of global oil prices. In emerging markets, inflation was mostly contained by vigilant central banks through higher interest rates and/or currency appreciation. However, several countries, including Indonesia, Argentina and Venezuela had double-digit inflation.

Booming stock markets in the industrialised countries in 2006

Capital markets

Stock markets in the industrial world boomed in 2006 (see Figure 2), boosted by solid economic growth, strong corporate earnings and low interest rates. The US stock market, after a weak performance in 2005, rose by 16% from year-end 2005 to year-end 2006. The remaining indices, although slowing from their excellent 2005 performance, also posted strong gains, ranging from 7% in Japan to 22% in Germany.

Figure 2
Development of stock market indices, 1997–2006

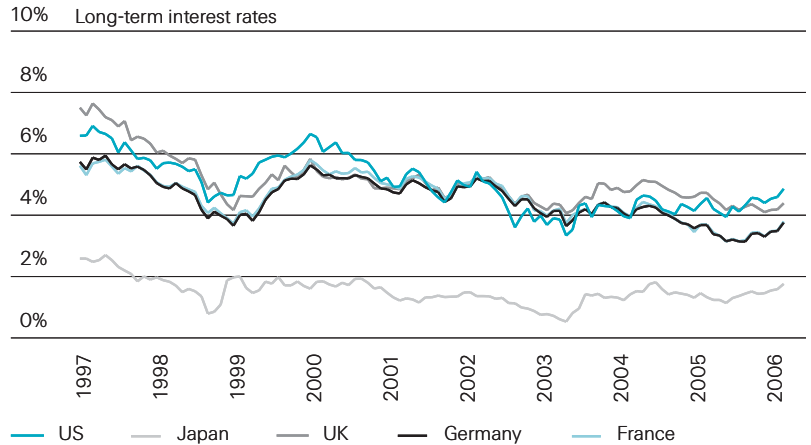


Source: Datastream

Interest rates rose slightly.

Central bank tightening and strong economic activity pushed up interest rates in most countries in 2006 (see Figure 3). During the course of 2006, yields of long-term government bonds increased in all the referenced markets, but by less than 1 percentage point: France 0.7%; UK and Germany 0.6%; US 0.3% and Japan 0.2%. Only in the United States did yields on 10-year government bonds rise, briefly, above 5%.

Figure 3
Long-term bond yields lingering below 5.5% since mid-2000.



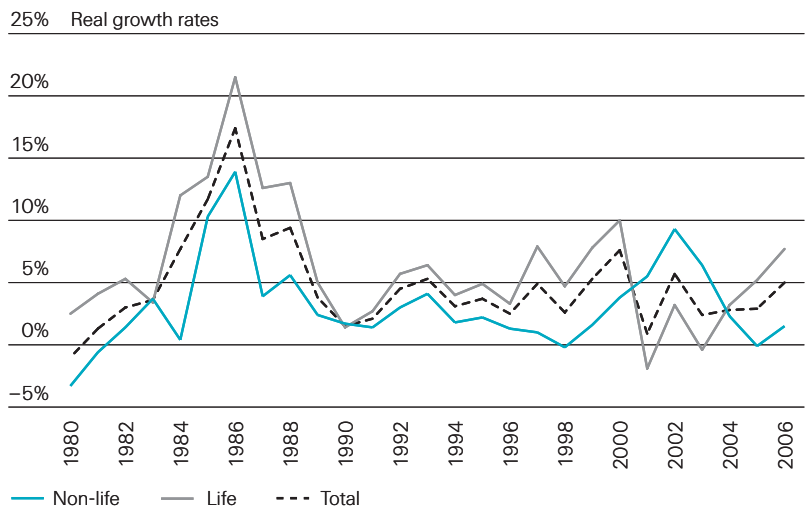
Source: Datastream

Premium growth in 2006 accelerated in both life and non-life business.

Figure 4
Real premium growth in 2006; growth at different paces in life and non-life insurance.

Growth accelerated in life and non-life

In 2006, total world premium volume grew by 5% in real terms, up from 2.9% a year before. Both life and non-life markets grew in real terms, although at 7.7% and 1.5%, respectively, the pace of development was somewhat divergent. Figure 4 shows the performance of the markets over the longer term.



Source: Swiss Re Economic Research&Consulting

Re-categorisation increases the industrialised countries' share of the insurance business.

In 2006, global premium income amounted to USD 3 723 billion. Life business made up 59% (or USD 2 209bn), up slightly from its 58% share in 2005.

The upgrade of Hong Kong, Singapore, Taiwan and South Korea added 5 points to the industrialised countries' share of business, bringing it up to 92%. Growth both in Western, Central and Eastern European life insurance helped Europe gain 1% of market share, while America and Asia lost 0.5% and 0.7%, respectively, on the back of comparatively lower growth in the US life sector and slipping premiums in Japan. However, the South and East Asia region alone gained 0.5%, and Latin America and the Caribbean 0.2%.

Global life premiums amounted to USD 2 209bn, more than doubling the long-term growth rate.

Life insurance: wealth accumulation products drive growth

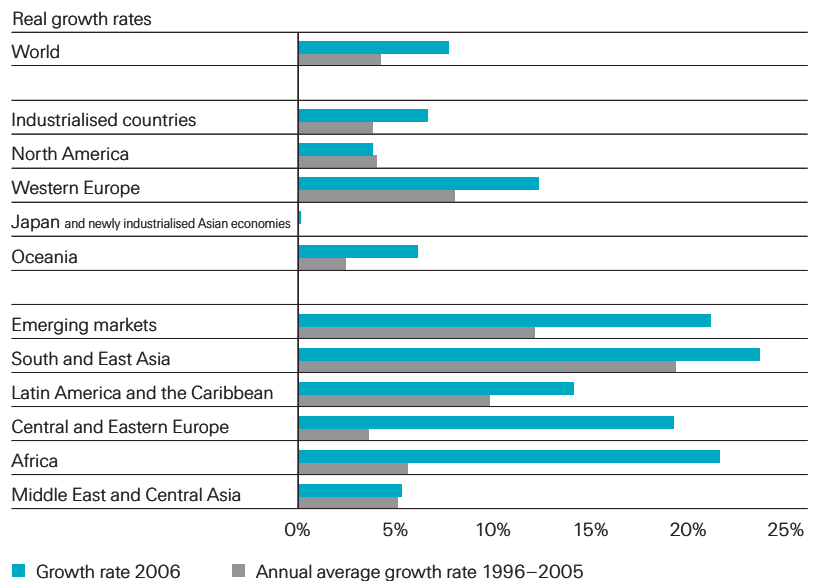
Premiums

In 2006, world life insurance premiums increased by 7.7%, to USD 2 209bn, having seen growth of 5.2% in 2005. Western Europe, which accounted for most of the growth, expanded by 12%, supported by strong developments in the largest regional markets, the United Kingdom, France and Germany. Asian growth of 3.6% was underpinned by strong performances by South Korea and Hong Kong, and the outstanding contribution of fast developing China and India. However, these positive developments were partly offset by declining premiums in Japan. As the United States market recovered, premium growth in America improved to 4.2%. Africa and Central and Eastern Europe also saw premiums increasing by 22% and 19% respectively (more specific regional developments are outlined in the chapters below).

Several factors influenced the development of the life market: firstly, regulatory and tax changes which favoured the treatment of retirement savings and annuity products. Secondly, the stock market boom, which boosted unit-linked products. Thirdly, the strong capital position of life insurers in major markets has bolstered the industry's competitiveness. Last but not least, booming housing markets and the increasing popularity of bancassurance are adding further impetus in both industrialised and emerging markets. Moreover, improved labour conditions and rising incomes are also playing a role, particularly in emerging markets.

The real growth rate in 2006 was the highest since 2000 and was almost twice the long-term growth rate (see Figure 5) across most regions, with the exception of North America, that was only able to achieve growth below the long-term trend, and Japan even witnessed a decline in premiums. In contrast, growth in Central and Eastern Europe quadrupled the long-term rate.

Figure 5
Global life premium growth 2006 well above long-term average.



Source: Swiss Re Economic Research & Consulting

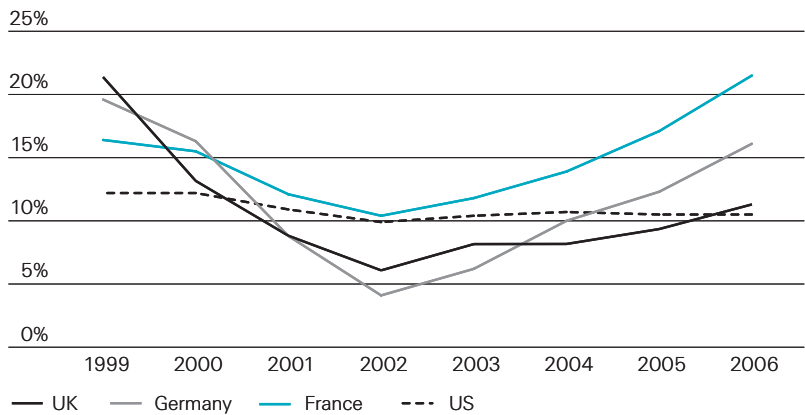
Profitability and risk capital position of life insurers improved further in 2006.

Figure 6
Risk capital* in % of non-linked technical reserves

While industrialised countries are witnessing a shift from traditional business to saving and annuity products to help individuals provide for their financial needs in their old age, many emerging countries are seeing traditional life products dominate the market.

Profitability and financial strength

Stock-market strength significantly enhanced the overall profitability of life insurers, as did the impact of cutbacks in guarantees and bonuses paid to policyholders and improved expense ratios. Due to these good results, the capital position of life insurers improved further in 2006. Higher risk capital will, over time, allow life insurers to pay out higher bonuses to policyholders, which in turn should lead to future growth.



* Risk capital = capital and unrealised capital gains on investment portfolio

Source: Swiss Re Economic Research&Consulting

Life insurance set to grow steadily in 2007.

Life outlook

Prospects for the life market in 2007 remain favourable. In industrialised countries, growth will be underpinned by savings products, in particular investment-linked products, while traditional products will grow at a slower pace. Emerging markets are expected to continue to expand well, with solid growth in both savings and risk products.

In the emerging markets, higher income and risk awareness, bancassurance penetration, and a relatively young population needing savings provision and life and disability cover as governments offer less are factors expected to boost 2007 premiums. Against this backdrop, industrialised countries are forecast to grow in the range of 4% in 2007, with emerging markets likely to grow at twice this rate.

Non-life insurance: sluggish growth, strong underwriting results

Slight rebound in non-life premiums to USD 1 514bn.

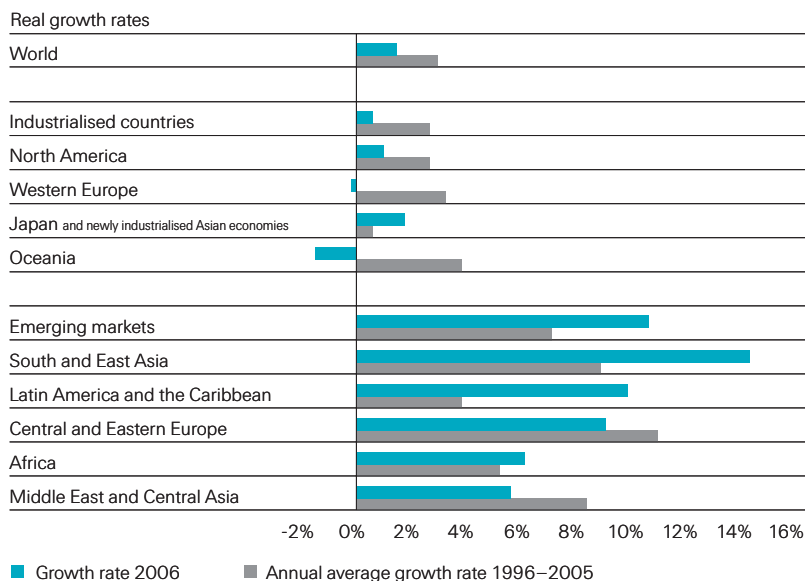
Premiums

Global non-life premiums picked up slightly by 1.5% in real terms, to USD 1 514bn, in 2006, having stagnated during 2005. Low growth was exclusive to industrialised countries at 0.6%, as emerging markets saw premiums rise robustly at 11%.

Premiums in America, the largest non-life area, recovered from the 2005 decline and grew by 1.5%, with North America up 1% and the remaining 0.5% point being added by Latin America (+10%). Across Europe, growth was 0.5%, although Western European premium volumes declined slightly. This was compensated by strong growth in Central and Eastern Europe (9.2%). In Asia, 4.4% growth was observed, with the fast moving markets of China and India offsetting a languishing growth rate in Japan.

Stepped-up price pressure and increasingly abundant capital was the common feature of the non-life market, only partly offset in the industrialised world and some emerging markets by higher demand. In contrast, emerging countries posted strong growth rates on the back of substantial economic growth and trade activity. Regulatory changes also added further growth impetus (eg implementation of compulsory MTPL in China). The global growth achieved is, however, only half the 10-year average of 3% (see Figure 7). At a regional level, 2006 premium volumes in North America, Western Europe, Oceania and the Middle East and Central Asia were also below the long-term average. In contrast, the remaining regions grew, in some cases well above long-term trend.

Figure 7
2006 non-life growth below long-term average, except for Asia and the emerging markets



Source: Swiss Re Economic Research & Consulting

Very low insured losses due to natural catastrophes in 2006

Catastrophe losses

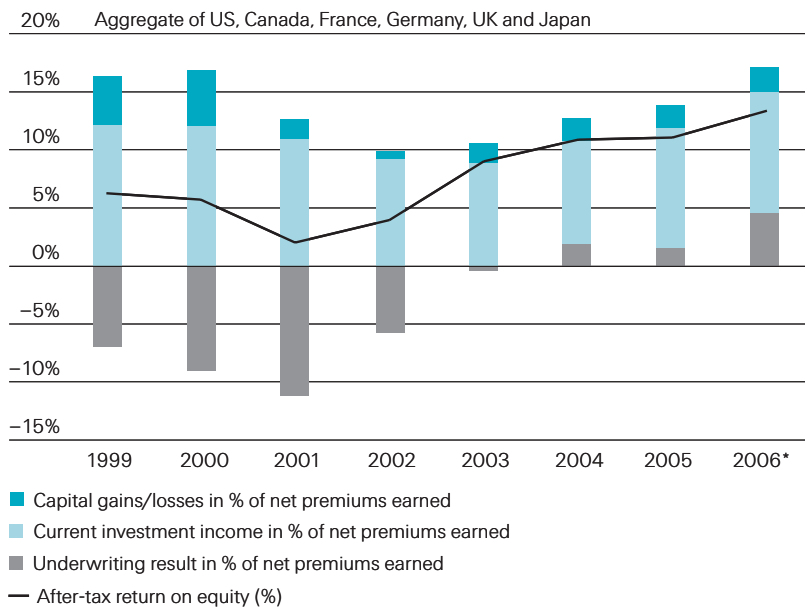
2006 produced the third-lowest insured catastrophe losses of the last 20 years. Insured losses due to natural catastrophes were estimated at USD 11.8bn,³ with storms being the most costly category, as in the previous years. Despite 2006's lower loss figure, the long-term trend shows a rising level of natural catastrophe claims. This reflects the concentration of property values, especially in highly exposed regions, and the almost certain effects of global warming.

Industry return on equity at a solid level compared with other sectors

Profitability and financial strength

2006 was a good year for P&C insurers. Overall profitability reached a solid level compared to other industries, with an after-tax return on equity of 13% in the largest non-life insurance markets, the US, Canada, the UK, Germany, France and Japan (see Figure 8). Profits were based on strong underwriting results. While investment results and capital gains are estimated to have remained unchanged at around 10% and 2% respectively, underwriting results almost tripled, to 4.5%, on the back of a mild catastrophe year and improved underwriting discipline.

Figure 8
Improved underwriting results boosted operating margins in 2006.



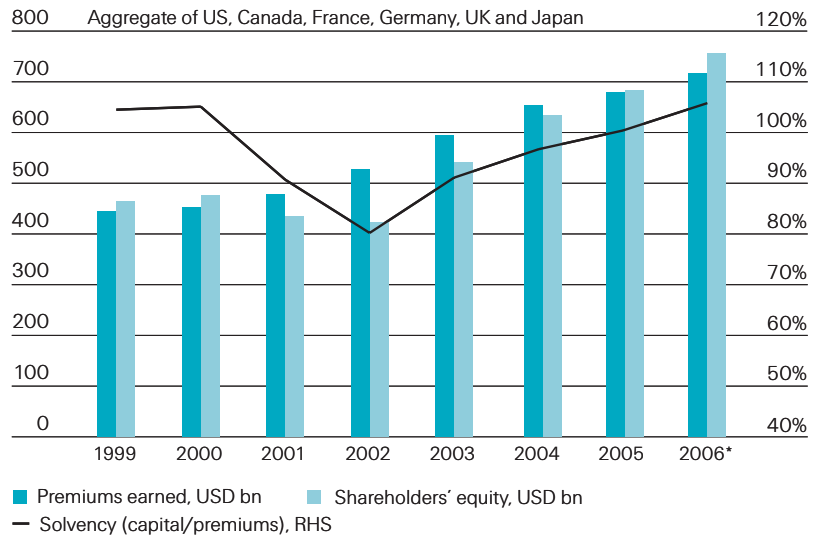
*provisional figures

³ See Swiss Re, sigma No 2/2007, "Natural catastrophes and man-made disasters in 2006".

Insurers' financial strength further improved thanks to higher profits and improved equity valuations.

Figure 9
Non-life insurers' solvency ratio is above 2002 levels.

In the non-life industry, shareholder capital continued to grow (see Figure 9). This was mainly through internal financing fuelled by improved profitability. Reversing the past year's trend, capital expanded more than direct premiums in 2006. The solvency position continued to improve, after bottoming out in 2002. This development was in part imposed by regulators and rating agencies.



*provisional figures

2007 prospects not so promising for industrialised countries, but positive for emerging markets

Non-life outlook

Having rebounded slightly in 2006, premiums in the non-life market are expected to stagnate in 2007. Stiffening price competition will bring premium growth to a halt, despite an increase in underlying exposure. The development will be characterised by a decline in the industrialised world, while growth in premium volume in the newly industrialised countries as well as in emerging markets will increase. Barring a major catastrophe, insurers are once again expected to deliver positive underwriting results and sound overall profits in 2007.

Industrialised countries: little growth, improved profitability

Life insurance led premium growth in industrialised countries.

Life premiums grew by 6.6% to USD 2 033bn.

Non-life premiums scarcely grew to USD 1 357bn.

Slight rebound in premiums in the industrialised countries

The industrialised countries, which generate 92% of world premiums, saw growth of 4% in real terms, to USD 3 390bn. This is more than 2005's 2.6% and above the 10-year average of 3.4%. Life premium growth drove overall premium level increases in the industrialised world.

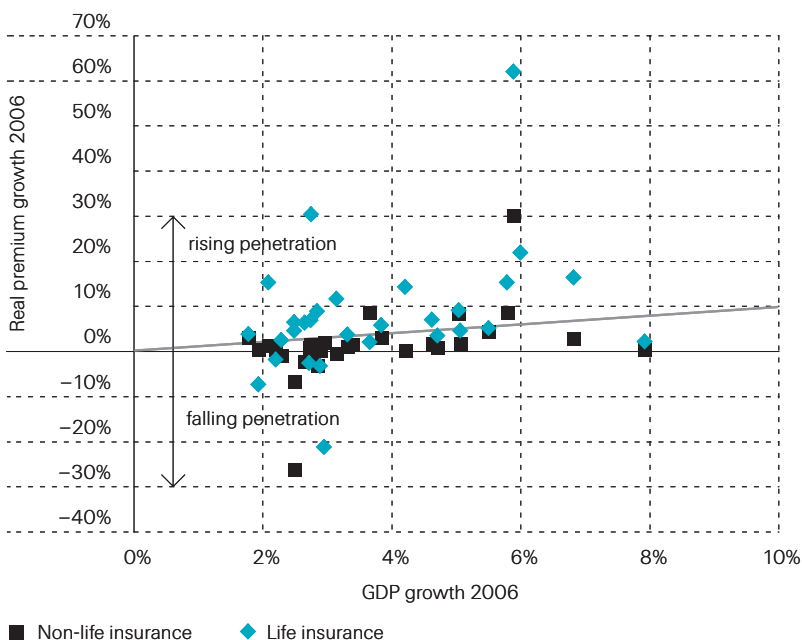
Life insurance

In 2006, life insurance premiums in industrialised countries grew by 6.6%, up from 5.1% in 2005 and almost twice the long-term 3.8% growth rate. However, divergent performance was observed from country to country. While positive developments in the largest markets contributed significantly to overall growth, Japan actually saw premiums decline by 2%. Regulatory and fiscal changes drove increases in some industrial countries. The strongest growth was observed in the UK, up 30%, where changes in the pension regulations allowed increased contributions to funds. In contrast, life premiums in Belgium decreased by 21% as a result of the introduction of a new 1.1% tax on individual policies.

Non-life insurance

Non-life insurance premiums in industrialised countries rose slightly by 0.6% in 2006, having declined by 0.8% in 2005. However, 2006's performance lagged behind the 2.7% 10-year average. After substantial price rises in recent years, good profits have boosted insurance capacity, which in turn has heated up price competition, leading to lower prices and subsequently lower premium growth. Favourable economic conditions resulted in the strongest growth of 8.2% being posted by South Korea, which has only recently joined the category of industrialised countries. The strongest decline was observed in the Netherlands, down 3.2%, where price competition in the largest lines of business, and in particular in the accident and health business following healthcare reforms, pushed the market down.

Figure 10
Premium versus GDP growth in industrialised countries in 2006



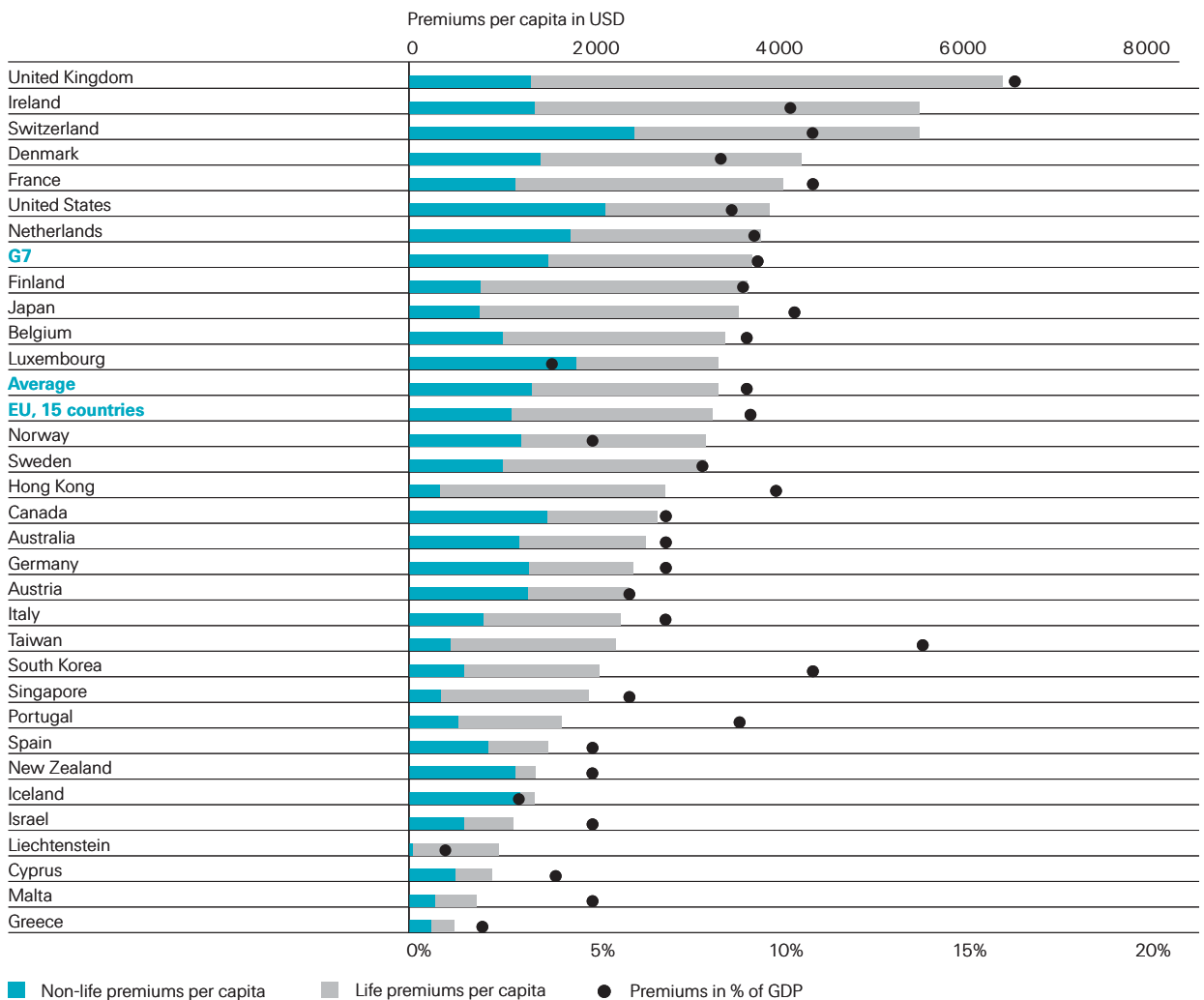
Source: Swiss Re Economic Research & Consulting

**Insurance density USD 3 362,
insurance penetration 9%**

Insurance density and penetration

On a per capita basis, an average of USD 3 362 was spent on insurance in industrialised countries in 2006 (see Figure 11); split into USD 2 026 in life and USD 1 336 in non-life insurance. Insurance penetration, measured as a percentage of GDP, remained unchanged at 9.2%. Life penetration averaged 5.5% and non-life business 3.7%.

Figure 11
Insurance density and penetration in the industrialised countries in 2006.



Source: Swiss Re Economic Research & Consulting

Wealth accumulation products underpin growth in life insurance in North America.

Slow premium growth but healthy profits

North America: life sector is pushing growth

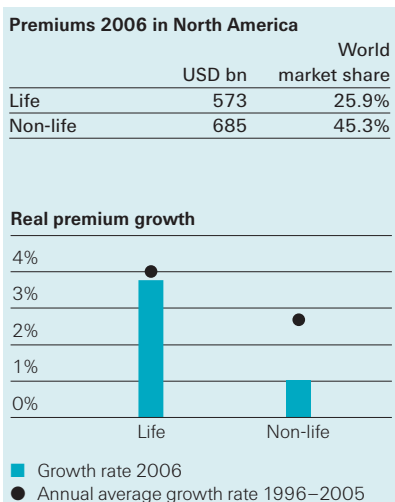
Life insurance

In the US, growth recovered to positive territory, premiums were up by a healthy 3.6%, following a 3.9% decline in 2005. The rebound was largely due to strong sales of wealth accumulation products, particularly variable annuities which benefited from robust stock-market returns and new products offering attractive living guarantees. Sales of mortality protection products improved slightly, but growth remained generally subdued. In Canada, premium growth improved further to 6.7% in 2006, after a 5.9% increase in 2005. As in the US, the robust performance of the stock market favoured sales of individual equity-linked savings products, particularly segregated fund annuities and equity-indexed universal life, while the mortality protection business increased at only a moderate pace. An exceptionally strong increase in employer-sponsored private pensions and retirement savings plans in the group annuity segment was a further major growth factor. It is expected that growth will remain strong in 2007 both in the US and Canada, with savings premiums continuing to outpace mortality protection.

Non-life insurance

North American non-life premiums grew by 1.0 % in 2006, well below trend but better than 2005's 2.8% decline. Both the US and the Canadian market expanded below their long-term trends of 3.5 and 4% respectively. Improved capitalisation in the US resulted in increased competition, which led to the restrained 1.0% premium growth. Canada did better, with real non-life premiums growing by 1.5%. However, even with slow premium growth, several years of disciplined underwriting, combined with a mild hurricane season, saw non-life insurers in both countries report healthy profits. The combined ratio of US Property & Casualty insurers (excluding health insurers) improved to 94% in 2006, from 101% in 2005. In the US, according to Property Casualty Services (PCS), direct insured losses from catastrophes dropped enormously to USD 9 billion in 2006 from USD 62 billion in 2005. Canadian Property & Casualty insurers reported a combined ratio of 90%, an improvement from 95% in 2005, and also better than 2004's 91%. Stable investment returns also supported overall profitability, with US and Canadian Property & Casualty insurers reporting average return on equity of 16% and 20% respectively.

Looking ahead to 2007, non-life premium growth is expected to be flat in Canada and negative in the US, in line with the cyclical downturn of the industry. Technical profitability is expected to start to deteriorate. Gradually improving investment results will assist profitability, but not enough to offset the decline in underwriting results.



Healthy growth in life in 2006 fuelled by strong unit-linked and pensions products

Non-life insurance premium stagnated, but profitability remained excellent.

Western Europe: life market accelerates

Life insurance

Western Europe's life premium volume increased by 12% in 2006, almost identical to the previous year. After the crisis of 2001 to 2003, which was characterised by declining equity capital following huge investment losses and a loss of policyholders' confidence, the European life industry is firmly back on its long-term growth path. Buoyant equity markets led to strong sales of unit-linked policies (eg in the UK, Germany and France). Growth was also driven by strong sales of individual and occupational pension products, notably in the UK and Germany. Of the largest markets, life growth was most pronounced in the UK, up 30% in real terms, driven by a boom in pension sales following the raising of pension contribution limits. In France, the 15% premium increase in Europe's second-largest market was primarily driven by increases in unit-linked products.

The European life market is undergoing a substantial shift. Favourable tax treatment for traditional life insurance policies has been reduced in some markets (eg Germany and Belgium), while newly introduced individual and occupational pension products enjoy tax advantages (eg in Germany, France, Spain and Portugal). While growth in the UK is expected to slow following the pensions boom in 2006, growth in Western Europe as a whole is expected to remain healthy during 2007.

Non-life insurance

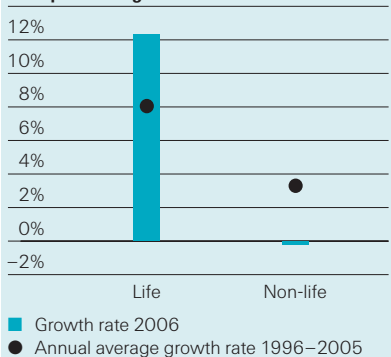
After reporting 1.5% of real premium growth in 2005, non-life premiums in Western Europe declined slightly by -0.2% in 2006. Notwithstanding increased demand, insurance capacity continued to be boosted by improved solvency positions, and this increase in supply resulted in stiffer competition leading to sluggish premium growth in most European markets. The largest markets, the UK and Germany, reported shrinking premium volume, mainly because of slipping motor rates in Germany and declining rates in commercial lines in the UK. Among the top five European markets, only France and Spain showed some growth, while Italy stagnated. Growth in those countries stemmed from liability, engineering and accident & health insurance. Belgium, despite having suffered from companies leaving the country in 2005, showed healthy growth on the back of positive developments in disability & health and property business. Luxembourg again profited from the inflow of foreign business.

Combined ratios for direct business deteriorated only slightly to 95% in 2006. Investment results were also only marginally lower, thanks to strong stock markets. As a result, Western European insurers achieved returns on equity in the range of 13%. Since a considerable portion of these profits were retained by the companies, the solvency levels in the non-life insurance sector once again improved. As a consequence, competition will remain intense, and 2007 is expected to show negative premium growth and declining profits.

Premiums 2006 in Western Europe

	USD bn	World market share
Life	927	42.0%
Non-life	501	33.1%

Real premium growth



Japanese postal life business remains sluggish ahead of proposed privatisation.

Japan and newly industrialised Asian economies: non-life business coming under increasing price pressure

Life insurance

Total life premiums in Japan retreated by 2.0% in 2006 as a result of slowing annuity sales and the shrinking life business of the Japanese post office. This reversed 2005's recovery in premium growth, which had halted years of continued decline. Profitability, however, is expected to have remained robust, given the good stock market performance and firming interest rates over the year. The market landscape is undergoing a major revamp, including the expected full liberalisation of bancassurance by the end of 2007, the extension of the Insurance Business Law to cover previously separately regulated cooperatives (Kyosai), and the upcoming privatisation of the postal insurance system (Kampo).

Elsewhere, the advanced Asian economies registered continued life insurance growth, with stronger gains in South Korea (8.9%) and Hong Kong (16%), while Singapore only managed a 2% increase. Growth was spearheaded by investment-linked policies in Hong Kong and Taiwan, while positive sales of annuities and term life policies underlined the robust performance of the South Korean market. For 2007, life premium growth in Japan is likely to return to slow positive growth due to improving household income and the completion of bancassurance liberalisation. Growth in the other markets should also keep up with a positive momentum in view of the sanguine economic activities.

Non-life insurance

Non-life insurance premiums in Japan are estimated to have increased marginally by 0.3% in 2006, against similarly meagre growth of 0.2% in the previous year. The negative publicity generated by the country's claims non-payment scandal has taken its toll on sales of personal accident policies (9% of total premium volume). Most other personal lines have been impacted, too, as public confidence has generally declined and the government ordered temporary suspension of business for the serious offenders. Typhoon 13, which hit Japan in September 2006, resulted in claims of JPY 121.9bn (USD 1 bn), making it easily the sixth most costly typhoon ever in Japan. The loss is likely to dampen the profitability of Japanese non-life companies in 2006.

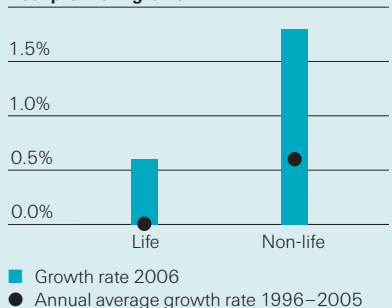
Meanwhile, non-life premiums continued to increase strongly in South Korea, reflecting strong investment and trade activities over the year. Yet, the good profit levels are likely to have worsened due to another jump in motor accident losses during the 2006 World Cup. Premiums rose much more slowly, by 0.2–2.7% in Taiwan, Singapore and Hong Kong, as a result of strong price competition, notwithstanding healthy economic performance. Growth of non-life premiums is likely to be similarly constrained in 2007 despite expectations of another year of upbeat economic growth.

Newly industrialised economies underpin non-life growth in the Asian region.

Premiums 2006 in Japan and the newly industrialised Asian economies

	USD bn	World market share
Life	501	22.7%
Non-life	143	9.4%

Real premium growth



Superannuation and life risk business are the key growth drivers in Australia.

Non-life premiums decreased in Australia on falling rates; consolidation continues.

Oceania: improving life sales in 2006, falling rates in non-life

Life insurance

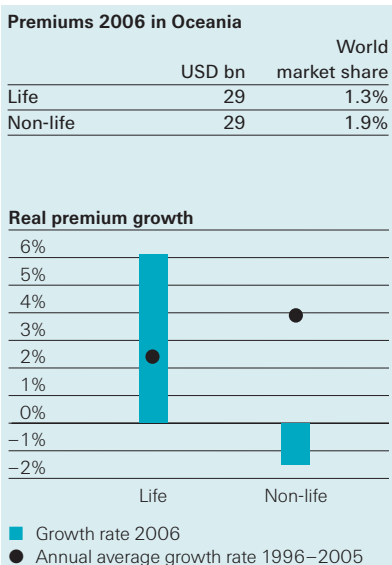
The growth of life insurance premiums in Australia improved to 6.2% in 2006, having fallen by 1.8% in 2005. The mandatory superannuation (saving schemes financed by employers) segment saw real growth over the year, particularly in individual business. Australia's life risk market also reported solid growth on the back of robust performance in group business and, to a lesser extent, in the individual death and disability segment. Individual (non-superannuation) investment business, on the other hand, remained largely in the doldrums. Given the significant protection gap in the market, it is believed that there are still promising growth opportunities. Concentration continued as the larger players with tied distribution networks extend their market share. Looking ahead, the prospect of higher Australian interest rates should bode well for insurers' investment income and their ability to structure products to compete with other fund-management institutions.

In New Zealand, life business growth slowed to 3.6% in 2006 from 4.5% a year earlier, mainly sustained by further expansion in risk premiums. New Zealand's life market is expected to stagnate in 2007. Despite the government's non-compulsory "Kiwisaver" initiative, which may increase interest in life savings products, the very competitive environment will limit the room for significant premium growth.

Non-life insurance

Increasing rate pressure drove Australian non-life premiums down by an estimated 2.4% in 2006. Falling rates are increasing pressure on insurer's profitability and leading to consolidation and merger and acquisition activity amongst the major players, such as 2006's acquisition of PMN by the bank-owned Sun-corp-Metway. Profitability should nonetheless remain satisfactory in 2006 in the absence of major natural catastrophe losses. Monetary tightening by the Reserve Bank of Australia and an unwinding of the commodity boom which has underlined strong real estate market activity offer the main uncertainties for personal lines business. Commercial lines will also have to cope with lower rates.

In New Zealand, non-life premiums are estimated to have risen by 2.9% in 2006 against 0.5% in 2005. Similar to Australia, top-line growth in the commercial market will continue to slow, given the pressure on rates from increasing competition.



Emerging markets: both life and non-life premiums report strong growth

Both life and non-life premiums report strong growth

Premium growth broad-based in 2006.

In 2006, emerging market premium volume amounted to USD 333bn, 8% of world premium volume. Of that, 53% corresponded to life business, the remainder to non-life. Double-digit growth of 17% was observed in emerging markets, almost twice the long-term growth rate of 9.4% during the period 1996 to 2005. Strong economic performance underpinned the emerging markets' premium growth, as economic output rose by 6.9% in 2006, having previously grown by 4.6% annually in the last ten years.

Life premiums grew by 21%, to USD 176bn.

Life insurance

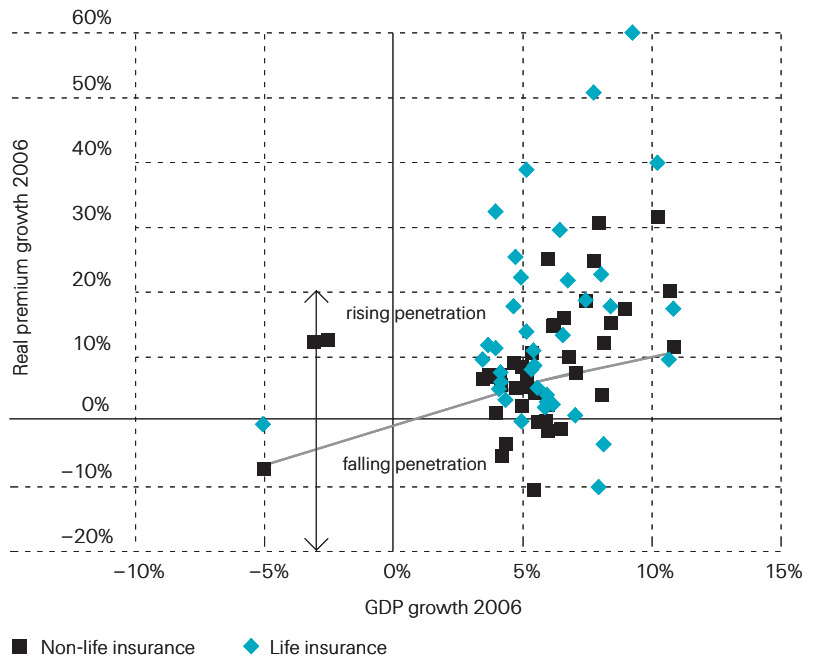
Life insurance in emerging markets grew by 21% in 2006, up from 6.8% a year before and well above the 10-year average of 12%. Double-digit growth was observed in Africa, up 22%; Central and Eastern Europe, up 19%; and Latin America, up 14%. Amid a favourable economic environment, savings and pensions products showed particularly strong development. However, performance varied widely amongst individual countries; for example, in India life premiums rocketed 60%, while in Russia they again plummeted in 2006, by 43%.

Non-life premiums grew by 11%, to USD 157bn.

Non-life insurance

In 2006, non-life insurance premiums in emerging markets grew by 11%, up from 7% in 2005, and above the 10-year average of 7%. At a regional level, South and East Asia grew by 15%, Central and Eastern Europe was up 9.2%, Latin America 10% and Africa 6.2%. Strong GDP growth was the common driver of non-life insurance in emerging markets. On top of that, changes in regulation, such as the introduction of mandatory MTPL in China, added further growth impetus. In fact, across many emerging markets, motor insurance played a key role in the expansion of non-life business. Although price pressures were seen in the emerging markets, surging demand fed by increasing awareness, higher insured values and higher incomes more than offset softening rates. In general, the vast majority of countries posted positive growth rates, with the highest at 25% being seen in Romania.

Figure 12
**Premium versus GDP growth
 in the emerging markets**



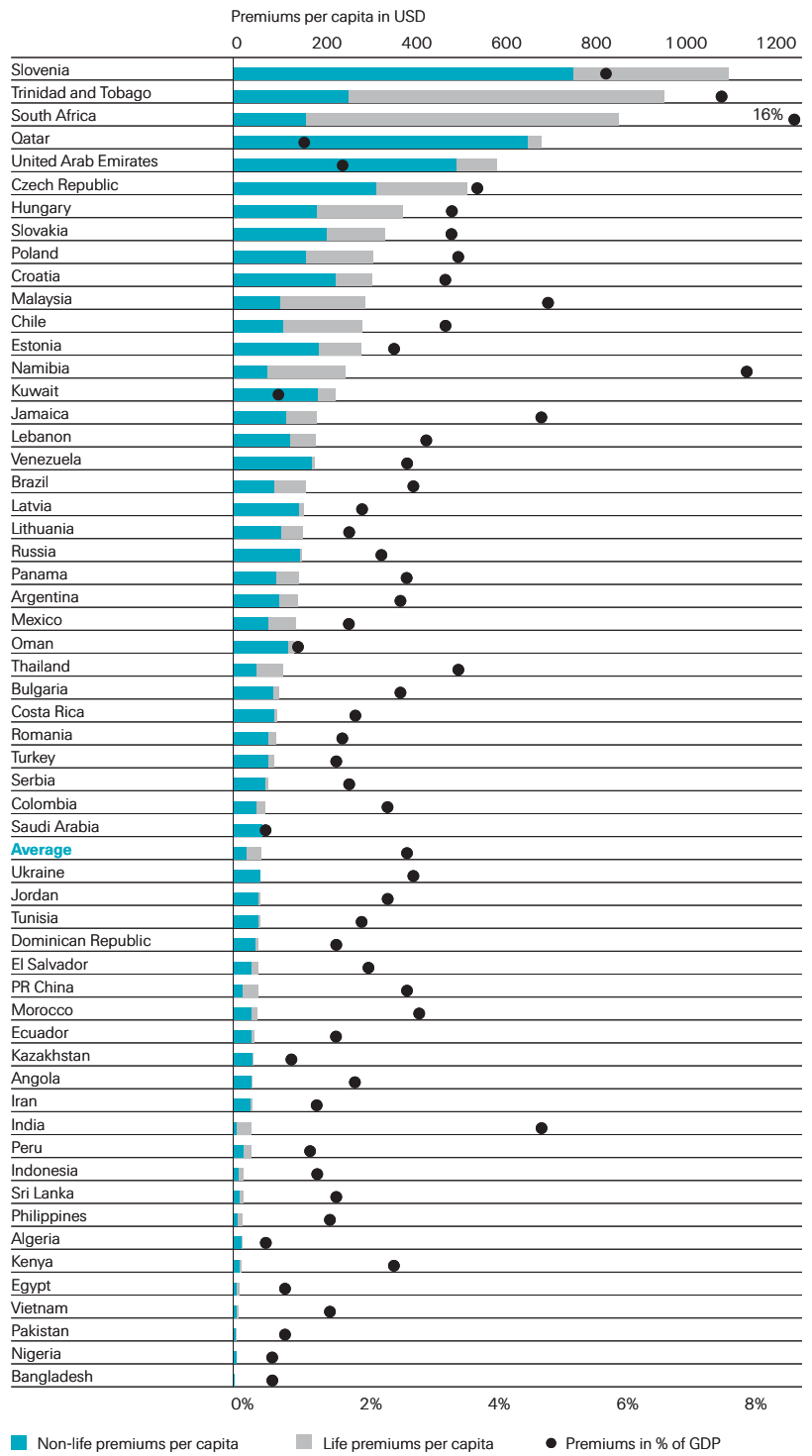
Source: Swiss Re Economic Research & Consulting

Average premiums per capita were USD 60, or 2.7% of GDP.

Insurance density and penetration

In 2006, an average of USD 60 per capita was spent on insurance in the emerging markets, broken down into USD 32 for life and USD 28 for non-life insurance. Significant discrepancies continue to exist at a regional level, which can partly be explained by different levels of economic development and uneven wealth distribution. The split between life and non-life varies considerably across emerging countries (see Figure 13). Insurance penetration in the emerging markets averaged 1.4% in life and 1.3% in non-life insurance. In the emerging markets, penetration increased from 2005's level, as premiums, mainly life, grew faster than GDP. Insurance density increased, not only on the back of higher insurance premiums but also due to the appreciation of some local currencies against the US dollar during the period.

Figure 13
Insurance density and penetration in the emerging markets



Source: Swiss Re Economic Research & Consulting

In 2006, growth in life more than doubled 2005's rate

South and East Asia: sustained strong life and non-life premium growth in China and India

Life insurance

Backed by rising household and personal income, China's life insurance premium grew by a further 9.1% in 2006, although more slowly than 2005's 12%. The slowdown from a year earlier was contributed to by individual savers placing additional funds in the bullish stock markets and investment funds. In comparison, life business in India is estimated to have increased by an exceptionally strong 60% in 2006. Growth was broadly based across business lines and insurers. Private-sector companies have been particularly aggressive in business expansion, some of them actively leveraging bancassurance sales. In Southeast Asia, the growth in the life business remained uninspiring despite improving economies. Rising interest rates may have made some savings-type life products less attractive. In Thailand and Vietnam, premiums are estimated to have declined by 0.6% and 4.1% respectively.

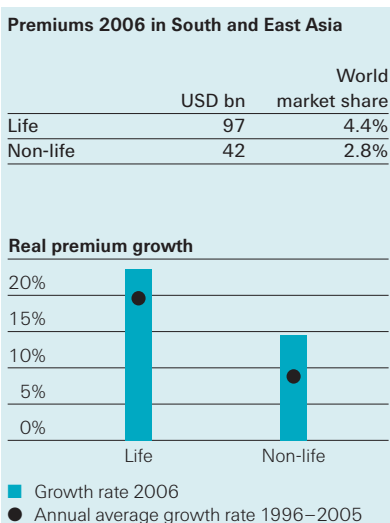
Asia's overall premium growth is expected to remain strong in 2007, in view of the positive economic outlook and further improvements in household income. The expected limited rise in Chinese interest rates is unlikely to materially swing demand in favour of insurance, where bullish stock markets are still drawing in significant liquidity. India will continue to see strong growth in life premiums supported by the regulator's drive to increase rural penetration. In Southeast Asia, growth is expected to improve to the trend level.

Non-life insurance

Non-life premiums rose strongly by close to 20% in China, supported by robust economic activity and the implementation of compulsory MTPL insurance from July 2006. Insurance development has also remained in the spotlight, as the State Council has voiced high expectations for the sector to contribute to social development, particularly in the area of agricultural and health insurance. Similar strong growth of 17% was also reported in the Indian market in line with the country's impressive economic performance. While the strong overall growth momentum may not be sustained in 2007, the latest Union Budget, which raised the tax deduction limit for medical insurance premiums, could help to keep growth at high speed. The authorities also undertook further action towards tariff liberalisation in early 2007, but caused market confusion with the recent rollback of a proposed hike in motor third party rates.

In Southeast Asia, premium growth remained strong in the Philippines and Vietnam but was less inspiring in Thailand and Malaysia. In Malaysia, the weakness was broad-based, as most major classes showed sluggish growth over the year. Looking ahead, the strong growth in Vietnam will be sustained on the back of robust economic activity and low penetration. Premium growth in other South-east Asian countries will hover at around 4–6%, taking into consideration still strong GDP growth and keener price competition.

China and India in the spotlight.



Double-digit growth in the life insurance market on the back of improved economic fundamentals

Non-life in 2006 outperformed 2005 development, growing by 10%.

Latin America and the Caribbean: strong growth, broad based

Life insurance

The life insurance market in Latin America returned to growth in 2006, up 14%, having declined by 2% in 2005. Double-digit growth was observed in most major economies, with the exception of Chile, which grew only by 4.5%, and ranged from 11% in Brazil to 40% in Venezuela. Extended economic growth and improved fundamentals, including better labour-market conditions, expansion of domestic credit and control of inflation are benefiting the development of the market. Higher risk awareness and catch-up dynamics are also playing their part. Solid expansion in individual life in the largest markets, Brazil and Mexico, as a consequence of higher sales of savings-related products, was the main contributor to overall growth. In addition, soaring group and credit-related premiums observed in most countries, but significantly in Chile, Colombia and Argentina, added further growth impetus.

In 2007, life business is expected to grow at a robust, albeit slower, pace profiting from positive economic developments and increasing risk awareness.

Non-life insurance

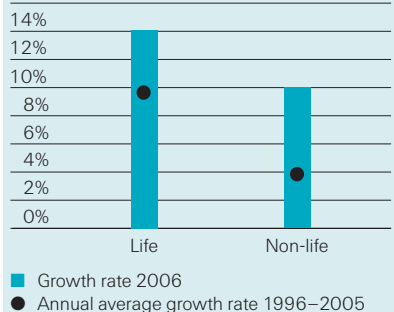
Non-life business grew by 10% in 2006, up from 5% the previous year. The influence of a positive economic environment, externally as well as internally, was also felt in the non-life sector. Almost all markets showed positive growth rates in 2006, and most outperformed the previous year. Motor was the common denominator underpinning growth, riding on higher salaries and easier access to credit. However, growth in accident insurance in Chile and Argentina was the major contributor to growth in these countries. Property insurance showed positive developments, mainly in Mexico and Brazil, as demand for protection increased in the aftermath of the 2005 hurricane devastation, and risk awareness and asset revaluation continued to grow. Strong growth was also observed in credit, though from a low base.

Given the region's expected sustained economic activity, a positive outlook is maintained for 2007, but at a slower pace in the face of renewed price competition in some lines of business.

Premiums 2006 in Latin America and the Caribbean

	USD bn	World market share
Life	29	1.3%
Non-life	43	2.8%

Real premium growth



Strong life insurance growth in Central and Eastern Europe; Turkey suffers from shift to pension business.

Motor insurance restrained growth in Central Europe in 2006, while Turkey boomed.

Central and Eastern Europe and Turkey: healthy growth

Life insurance

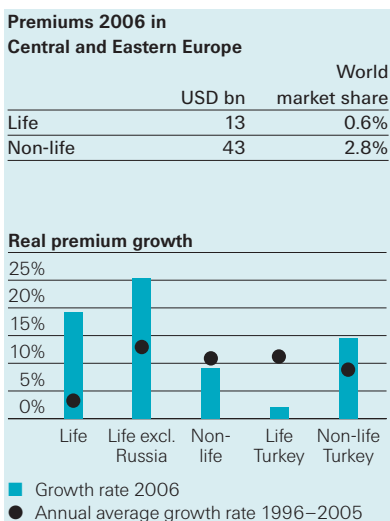
Life insurance premiums in Central and Eastern Europe grew by 19% in 2006, after a 15% decline in 2005. Growth was broad-based across the region. Only in Russia did life insurance premiums decline once again, in 2006, by 43%, reflecting a decrease in short-term policies aimed at tax optimisation. Of the central European countries, Poland (39%), Hungary (32%) and Slovenia (14%) registered double-digit real premium growth in 2006, mainly driven by strong growth of unit-linked, ordinary life, accident and supplementary covers, and in the case of Hungary from a change in taxation which benefited life insurance. In contrast, the Czech Republic saw life insurance premiums grow only slightly, by 1.9%, due to the weakness of single-premium savings which had driven market growth in previous years. Of the remaining Eastern European countries, the Baltic States again recorded double-digit growth (35%). South-eastern European countries, on the other hand, registered a slowdown to 7%. Turkish life premium volume grew by a mere 2.1% in 2006, reflecting the continuing shift from life insurance products to the pension sector.

The healthy economic environment, combined with potential for significant market expansion, should allow further life insurance growth in 2007.

Non-life insurance

Non-life insurance premiums grew by about 9.2% in Central and Eastern Europe in 2006. Growth in Russia remained strong at 15%, reflecting a recovery of MTPL. In the Central European countries, on the other hand, non-life insurance grew by only 2.7%. As in 2005, growth of motor insurance was particularly weak, suffering from increased competition from foreign insurers offering cross-border contracts. In 2006, non-life premium growth was below GDP in most countries, eg Poland 4.9%, Hungary 0.8% and the Czech Republic -2.0%. The Baltic and south-eastern European non-life insurance markets grew by 20% and 12%, respectively. In Turkey, non-life premium volume continued to grow strongly by 15% in 2006, mainly driven by an upsurge in motor and property business.

While for Central&Eastern Europe non-life growth may remain moderate, in 2007, in Turkey strong growth is expected to continue.



Return to growth in African life insurance

Growth across the board in African non-life insurance

Africa: strong life growth in 2006

Life insurance

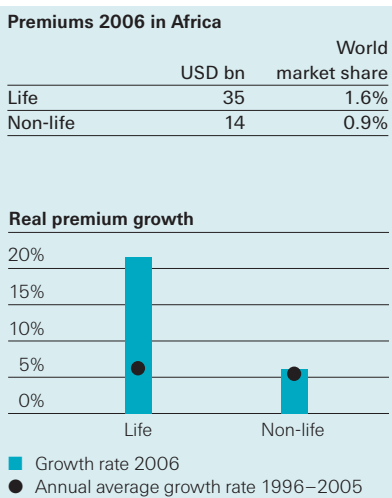
Life insurance premiums in Africa increased by 22% in 2006, compared to 6.5% in 2005. South Africa accounted for 93% of the regional life premium volume in 2006. Growth in the market was driven by strong increases in single-premium business. Sentiment towards life products has improved following a long period of uncertainty, helped by the settlement between the government and the industry on retirement annuity products, although sustained strong equity markets have also played a role. The second largest market, Morocco, also grew strongly by 22%.

Profiting from positive economic development, regional growth should remain healthy in 2007.

Non-life insurance

Non-life business grew by a healthy 6.2% in 2006, having already increased by 9.4% in the previous year. Growth was mainly driven by South Africa, where premiums rose by 8%. The country accounts for more than half of all regional premium volume in this sector. Business was again very profitable in South Africa, thanks to positive underwriting and strong investment results. In Morocco, the second largest market, premiums increased by 3.8%. The strong growth in fire and accident insurance was partly offset by declines in workers' compensation and engineering insurance.

In 2007, the African insurance sector will continue to benefit from strong economic growth.



This study is based on the direct premium volume of insurance companies, regardless of whether they are in private or state ownership. Premiums paid to state social insurers are not included.

Basis: direct premium income from 147 countries

The study examines non-life and life premium volume in 147 countries. The statistical appendix provides detailed information for those 88 countries that registered premium volumes of at least USD 347m in 2006.

Data sources

The insurance data, or estimates where data was not yet available, contained in the study originate primarily from national supervisory authorities and in some cases from insurance associations. The macroeconomic data originate from the International Financial Statistics of the International Monetary Fund (IMF), Oxford Economic Forecasting (OEF), the Economist Intelligence Unit (EIU) and the Wiener Institut für internationale Wirtschaftsvergleiche (WIIW).⁴

Changes

Figures for previous years are adjusted as soon as new information becomes available. An update of sigma's world insurance tables was placed on the internet (www.swissre.com) in December 2006. Compared to the December update, world premiums for 2005 have been revised by +0.1% or USD 4.9bn in life and by -0.1% or USD -1.3bn in non-life insurance. Compared to the last edition (*sigma* No 2/2005), the revision was +1.5% for life and -0.7% for non-life premiums.

Country groups

The composition of the two country groups "emerging markets" and "industrialised countries" was changed, Hong Kong, Singapore, South Korea and Taiwan moving to the industrialised countries.

Definition of premium income

The basis for this report consists of the premiums written for direct business by all registered insurers. This means:

1. Direct insurance premiums, including commissions and other charges, are considered prior to cession to a reinsurance company.
2. Domestic insurers – regardless of their ownership – and domestic branches of foreign insurers are regarded as domestically domiciled business units. By contrast, business undertaken by the branches of domestic insurers abroad is not regarded as domestic business.
3. Business that has been written in the domestic market includes premiums from domestic risks and premiums for foreign risks written by domestic insurers (cross-border business).

⁴ It should be noted that both insurance and macroeconomic data may deviate from the 2004 and 2005 figures published in earlier World Insurance sigmas. These discrepancies are due to statistical adjustments or the use of better sources.

Health insurance allocated to non-life business

Life and non-life business are categorised in accordance with standard EU and OECD conventions. This means that accident and health insurance are seen as belonging to non-life insurance, regardless of the classifications of lines used in the individual countries.

Growth rates in local currency adjusted for inflation

Unless stated otherwise, all premium growth rates given in the text indicate changes in real terms. These real growth rates are calculated using premiums in local currencies and adjusted for inflation using the consumer price index for each country. In addition to the real growth rate, the statistical appendix provides the nominal change in growth for each country. Regional aggregated growth rates were calculated using the previous year's premium volumes, converted into USD at market exchange rates. The same procedure was used for the economic aggregates of Table X, where the previous year's nominal GDPs in USD were used as weights.

US dollar figures facilitate an international perspective.

Premium volumes are converted into USD to facilitate comparisons between the different markets and regions, using the average exchange rate for the financial year.⁵ Where no premium data are available (indicated by "na." for the local currency value), the premium income in USD is estimated based on the assumption that the ratio of insurance premiums to GDP remained constant (constant insurance penetration). Regional growth rates are calculated using a weighted average of the real growth rates of the individual countries. The weighting is based on the relevant premium of the previous year in USD.

The statistical appendix contains additional calculations as well as the macro-economic data used in currency conversions. Alongside real growth rates, the changes are also shown at current prices (nominal growth rates) in both local currency and in USD.

Density and penetration do not include cross-border business.

Only premium income from domestic risks is used to calculate insurance penetration and density. Cross-border business is not included. This has a significant effect in Luxembourg, Ireland and the United Kingdom.

Thanks

The *sigma* editorial team would like to thank the supervisory authorities, associations and companies that helped them in compiling the data.

⁵ In Egypt, India, Iran, Japan, South Korea and Malaysia, the financial year is not the same as the calendar year. Precise details about the differences in dates are given in the notes to the statistical appendix.

Premium data for the countries and regions are now available electronically at the following prices:

	1995–2006	1990–2006	1980–2006	Update per package
Life insurance				
CHF	1 200	1 800	3 500	440
USD	980	1 460	2 850	360
EUR	730	1 090	2 120	270
Non-life insurance				
CHF	1 200	1 800	3 500	440
USD	980	1 460	2 850	360
EUR	730	1 090	2 120	270
Total premium volume (non-life and life)				
CHF	2 400	3 600	7 000	880
USD	1 960	2 920	5 700	720
EUR	1 460	2 180	4 240	540

Further information and order forms can be downloaded from “Dataselling” at www.swissre.com/sigma

Some insurance figures are available free of charge on the Swiss Re Portal in the *sigma* chartroom at www.swissre.com/portal

Legend for tables I to X

- ¹ Excluding cross-border business
- ² Insurance penetration (premiums as a percentage of GDP) and density (premiums per capita) exclude cross-border business
- ³ North America, Western Europe (w/o Turkey), Japan, Hong Kong, Singapore, South Korea, Taiwan (counted among the emerging markets in earlier editions), Oceania, Israel
- ⁴ Latin America, Central and Eastern Europe, South and East Asia (w/o, Hong Kong, Singapore, South Korea, Taiwan), Middle East (w/o Israel) and Central Asia, Africa, Turkey
- ⁵ 30 member countries
- ⁶ US, Canada, UK, Germany, France, Italy, Japan
- ⁷ US, Canada, Mexico
- ⁸ Singapore, Malaysia, Thailand, Indonesia, Philippines, Vietnam.
The four remaining member countries – Brunei, Cambodia, Laos and Myanmar – are not included.
- ⁹ Life insurance: premiums are supplemented by estimated premiums for group pension business, which has not been included in the statistics for some regions since 2001. Non-life insurance incl state funds.
- ¹⁰ Life insurance: net premiums
- ¹¹ Non-life insurance: gross premiums including a small amount of reinsurance premiums
- ¹² Financial year 1.4.2006–31.3.2007
- ¹³ Financial year 21.3.2006–20.3.2007
- ¹⁴ The market volume for 2003 comprises the premium income of 30 out of a total of 60 companies, which together have a market share of approximately 85%.
- ¹⁵ Financial year 1.7.2005–30.6.2006
- ¹⁶ Non-life insurance: financial year 1.7.2005–30.6.2006
- ¹⁷ Inflation-adjusted premium growth rates in local currency, see Tables II, IV and VI
- ¹⁸ Including remaining countries
- ¹⁹ Growth of life business in the UK was driven by a boom in pension sales following the raising of pension contribution limits.
- + provisional
- * estimated
- ** estimated USD value assuming constant insurance penetration

Table I: Premium volume by region and organisation in 2006

	Premium volume (in millions of USD)		Change (in %) inflation-adjusted		Share of world market (in %) 2006	Premiums ¹ in % of GDP 2006	Premiums ¹ per capita (in USD) 2006
	2006	2005	2006	2005			
Total business	1 329 729	1 246 641	2.7	-2.8	35.71	7.61	1 486.3
America	1 258 301	1 187 853	2.2	-3.0	33.79	8.67	3 804.0
North America	71 428	58 787	11.6	2.2	1.92	2.42	126.7
Latin America and Caribbean							
Europe	1 484 881	1 335 057	7.5	7.8	39.88	8.27	1 745.7
Western Europe	1 428 806	1 288 386	7.3	8.1	38.37	9.04	2 829.5
Central and Eastern Europe	56 075	46 671	11.4	-1.9	1.51	2.73	171.6
Asia	800 819	765 211	3.8	4.7	21.51	6.63	205.0
Japan and newly industrialised	643 621	639 349	0.9	3.4	17.29	10.74	3 033.0
Asian economies							
South and East Asia	138 297	109 155	20.8	12.6	3.71	2.95	40.9
Middle East and Central Asia	18 901	16 706	5.6	9.0	0.51	1.37	62.5
Africa	49 667	42 718	17.5	7.3	1.33	4.77	53.6
Oceania	58 316	56 190	2.2	-1.1	1.57	6.70	1 787.3
World²	3 723 412	3 445 816	5.0	2.9	100.00	7.52	554.8
Industrialised countries ³	3 390 180	3 173 392	4.0	2.6	91.05	9.18	3 362.2
Emerging markets ⁴	333 231	272 423	16.3	6.9	8.95	2.69	59.8
OECD ⁵	3 338 160	3 123 404	3.9	2.5	89.65	8.81	2 765.1
G7 ⁶	2 731 315	2 562 540	4.1	1.8	73.36	9.49	3 734.3
EU, 15 countries	1 357 328	1 219 638	7.6	8.4	36.45	9.32	3 305.1
EU, 27 countries	1 387 494	1 245 068	7.7	8.4	37.26	8.95	2 667.4
NAFTA ⁷	1 273 373	1 200 719	2.4	-3.0	34.20	8.29	2 899.9
ASEAN ⁸	32 977	29 708	1.3	3.3	0.89	2.98	62.8
Life business							
America	601 784	556 121	4.2	-3.3	27.24	3.44	672.6
North America	572 860	532 848	3.8	-3.4	25.93	3.95	1 731.8
Latin America and Caribbean	28 923	23 273	14.1	-2.0	1.31	0.98	51.3
Europe	940 586	812 226	12.4	12.2	42.57	5.30	1 119.6
Western Europe	927 431	801 702	12.3	12.6	41.98	5.95	1 862.9
Central and Eastern Europe	13 154	10 525	19.2	-14.6	0.60	0.64	40.3
Asia	602 266	578 567	3.6	5.1	27.26	5.00	154.6
Japan and newly industrialised	500 871	499 517	0.6	4.0	22.67	8.38	2 368.4
Asian economies							
South and East Asia	96 627	74 707	23.6	13.7	4.37	2.06	28.6
Middle East and Central Asia	4 769	4 343	5.3	5.7	0.22	0.34	15.8
Africa	35 468	29 676	21.6	6.5	1.61	3.40	38.3
Oceania	29 214	26 968	6.1	-1.6	1.32	3.36	896.3
World²	2 209 317	2 003 557	7.7	5.2	100.00	4.48	330.6
Industrialised countries ³	2 033 051	1 863 503	6.6	5.1	92.02	5.53	2 026.0
Emerging markets ⁴	176 266	140 053	21.1	6.8	7.98	1.42	31.6
OECD ⁵	1 976 063	1 810 333	6.6	4.9	89.44	5.24	1 645.0
G7 ⁶	1 609 706	1 477 210	6.8	3.9	72.86	5.66	2 225.7
EU, 15 countries	887 928	763 690	12.8	13.0	40.19	6.20	2 197.8
EU, 27 countries	900 477	773 349	13.0	13.0	40.76	5.90	1 758.4
NAFTA ⁷	579 674	538 105	4.0	-3.4	26.24	3.78	1 320.1
ASEAN ⁸	20 299	18 108	2.5	1.7	0.92	1.96	41.4
Non-life business							
America	727 945	690 520	1.5	-2.5	48.08	4.17	813.6
North America	685 440	655 005	1.0	-2.8	45.27	4.72	2 072.2
Latin America and Caribbean	42 505	35 515	10.0	5.1	2.81	1.44	75.4
Europe	544 295	522 830	0.5	1.6	35.95	2.97	626.0
Western Europe	501 374	486 684	-0.2	1.5	33.11	3.09	966.6
Central and Eastern Europe	42 920	36 146	9.2	2.6	2.83	2.09	131.4
Asia	198 553	186 644	4.4	3.4	13.11	1.63	50.4
Japan and newly industrialised	142 750	139 833	1.8	1.4	9.43	2.35	664.6
Asian economies							
South and East Asia	41 670	34 448	14.5	10.1	2.75	0.89	12.3
Middle East and Central Asia	14 133	12 363	5.7	10.4	0.93	1.02	46.8
Africa	14 200	13 042	6.2	9.4	0.94	1.36	15.3
Oceania	29 102	29 222	-1.5	-0.7	1.92	3.34	891.0
World²	1 514 094	1 442 258	1.5	-0.1	100.00	3.04	224.2
Industrialised countries ³	1 357 129	1 309 889	0.6	-0.8	89.63	3.65	1 336.2
Emerging markets ⁴	156 965	132 369	10.8	7.0	10.37	1.27	28.2
OECD ⁵	1 362 097	1 313 071	0.6	-0.7	89.96	3.57	1 120.1
G7 ⁶	1 121 609	1 085 330	0.4	-1.0	74.08	3.84	1 508.6
EU, 15 countries	469 400	455 948	-0.3	1.4	31.00	3.12	1 107.4
EU, 27 countries	487 017	471 719	-0.2	1.5	32.17	3.05	909.0
NAFTA ⁷	693 698	662 614	1.0	-2.8	45.82	4.52	1 579.8
ASEAN ⁸	12 678	11 601	-0.6	5.8	0.84	1.01	21.4

Table II: Total premium volume in local currency in 2006

Region	Country	Currency	Premium volume (in millions of local currency)			Change (in %) nominal		Change (in %) inflation-adjusted	
			2006	2005	2004	2006	2005	2006	2005
North America	United States ⁹	USD	1 170 101 *	1 109 796	1 112 280	5.4	-0.2	2.1	-3.5
	Canada ¹⁰	CAD	100 050 *	94 558 *	88 777	5.8	6.5	3.7	4.2
	Total							2.2	-3.0
Latin America and Caribbean	Brazil	BRL	66 132 *	58 315	52 776	13.4	10.5	8.9	3.4
	Mexico	MXN	164 275 *	140 208	138 589	17.2	1.2	13.1	-2.7
	Argentina	ARS	17 201 *	13 413	12 012	28.2	11.7	15.6	1.8
	Venezuela	VEB	10 490 532 *	7 003 067	4 971 285	49.8	40.9	31.8	21.5
	Chile	CLP	2 514 002 *	2 323 469	2 254 079	8.2	3.1	5.4	-0.6
	Colombia	COP	7 555 041 *	6 422 274	6 156 151	17.6	4.31	2.9	-0.7
	Trinidad and Tobago	TTD	na.	na.	na.	na.	na.	na.	na.
	Peru	PEN	3 544	3 215	3 016	10.3	6.6	8.1	4.9
	Ecuador	USD	616	543	477	13.5	13.8	9.9	11.0
	Dominican Republic	DOP	na.	14 068 *	14 682	na.	-4.2	na.	-8.0
	Jamaica	JMD	na.	na.	na.	na.	na.	na.	na.
	Panama	PAB	na.	430	422	na.	1.9	na.	-1.2
	Costa Rica	CRC	na.	na.	152 541	na.	na.	na.	-4.8
	El Salvador	SVC	3 374	3 061	3 071	10.2	-0.3	5.8	-4.8
	Uruguay	UYU	8 090 *	7 179	7 045	12.7	1.9	5.9	-2.7
	Total								11.6
Europe	United Kingdom ¹⁹	GBP	227 020 *	184 730	160 179	22.9	15.3	20.1	13.0
	France	EUR	199 990 *	177 819	158 651	12.5	12.1	10.6	10.2
	Germany	EUR	162 869 *	159 286	153 465	2.2	3.8	0.5	1.8
	Italy	EUR	110 424 *	113 739 *	103 752	-2.9	9.6	-4.9	7.5
	Spain	EUR	52 404 *	48 619	45 156	7.8	7.7	4.1	4.2
	Netherlands ¹¹	EUR	49 901 *	47 937	48 200	4.1	-0.5	2.9	-2.2
	Ireland	EUR	na.	31 040	26 564	na.	16.8	na.	14.4
	Switzerland	CHF	52 318 *	52 432	52 453	-0.2	0.0	-1.3	-1.2
	Belgium	EUR	30 169 *	34 807	31 815	-13.3	9.4	-14.9	6.4
	Sweden	SEK	215 134 *	207 065	178 834	3.9	15.8	2.5	15.3
	Denmark	DKK	138 332 *	126 712	119 515	9.2	6.0	7.1	4.1
	Russia	RUB	602 100	490 600	471 580	22.7	4.0	11.6	-7.5
	Austria	EUR	15 581 *	15 295	13 974	1.9	9.5	0.4	7.0
	Finland	EUR	15 374 *	14 443	13 146	6.4	9.9	4.8	8.9
	Portugal	EUR	na.	13 509 *	10 506	na.	28.6	na.	25.7
	Luxembourg	EUR	13 123 *	11 151	8 900	17.7	25.3	14.3	20.8
	Norway	NOK	104 203 *	103 878	93 741	0.3	10.8	-2.0	9.2
	Poland	PLN	37 072 *	30 548	27 136	21.4	12.6	19.0	10.3
	Turkey	TRY	9 459	7 665	6 600	23.4	16.1	12.6	7.4
	Greece	EUR	4 333 *	3 923	3 624	10.4	8.3	7.0	4.6
	Liechtenstein	CHF	6 750	4 151	2 527	62.6	64.3	60.9	62.4
	Czech Republic	CZK	119 857 *	117 174	112 575	2.3	4.1	-0.5	2.1
	Hungary	HUF	797 175 *	671 234	585 443	18.8	14.7	14.7	10.7
	Ukraine	UAH	13 830	12 854	19 431	7.6	-33.9	-0.8	-41.7
	Slovenia	SIT	1 725 *	1 549	1 454	11.4	6.6	8.7	4.0
	Romania	RON	5 741 *	4 417	3 444	30.0	28.3	19.8	7.7
	Slovakia	SKK	na.	50 519	47 956	na.	5.3	na.	2.6
	Croatia	HRK	8 191 *	7 350	6 627	11.4	10.9	7.7	7.4
	Bulgaria	BGN	1 207 *	1 069	834	12.9	28.2	4.6	22.0
	Cyprus	CYP	352 *	325	305	8.1	6.5	5.4	3.8
	Serbia	RSD	38 329	34 690	22 636	10.5	53.2	-1.0	31.9
	Lithuania	LTL	1 448 *	1 058	916	36.8	15.6	31.8	12.6
	Iceland	ISK	28 354 *	28 180	26 306 *	0.6	7.1	-5.7	2.8
Estonia	EEK	4 677	3 962	3 173	18.1	24.9	13.0	20.0	
Latvia	LVL	202	153	127	32.1	20.4	23.9	12.8	
Total								7.5	7.8
Asia	Japan ¹²	JPY	53 471 112 *	54 147 016 *	53 290 160	-1.2	1.6	-1.5	1.9
	South Korea ¹²	KRW	95 915 232 *	86 204 216 *	76 278 552	11.3	13.0	8.7	10.0
	PR China	CNY	564 132 *	492 842	432 293	14.5	14.0	12.8	12.0
	Taiwan	TWD	1 677 527 *	1 576 254	1 423 957	6.4	10.7	5.8	8.2
	India ¹²	INR	1 960 843 *	1 213 547 *	970 859	61.6	25.0	52.6	19.9
	Hong Kong	HKD	154 132	132 292	116 572	16.5	13.5	14.4	12.3
	Singapore	SGD	17 122 *	16 724	16 663	2.4	0.4	1.4	-0.1
	Israel	ILS	34 551 *	32 896	31 909	5.0	3.1	2.9	1.8
	Malaysia ¹²	MYR	27 497 *	26 298 *	24 522	4.6	7.2	0.9	4.1
	Thailand	THB	269 971 *	256 611 *	230 602	5.2	11.3	0.5	6.4
	Indonesia	IDR	44 422 900 *	39 159 464	33 494 872	13.4	16.9	0.3	5.8
	Iran ¹³	IRR	na.	21 503 360	17 317 628	na.	24.2	na.	9.5
	United Arab Emirates	AED	1 0012 *	7 859	5 783	27.4	35.9	18.3	28.0
	Philippines	PHP	89 755	77 815	69 200 *	15.3	12.4	8.6	4.5
	Saudi Arabia ¹⁴	SAR	na.	na.	na.	na.	na.	na.	na.
	Pakistan	PKR	57 200 *	46 284	36 064	23.6	28.3	14.5	17.7
	Vietnam	VND	14 978 843	13 620 525	12 400 000 *	10.0	9.8	2.4	1.5
	Lebanon	LBP	988 920	1 000 829	873 948	-1.2	14.5	-5.8	17.6
	Kuwait	KWD	na.	154	130	na.	18.3	na.	13.6
	Kazakhstan	KZT	na.	67 123	39 978	na.	67.9	na.	56.1
	Qatar	QAR	na.	na.	na.	na.	na.	na.	na.
	Sri Lanka	LKR	na.	37 224	29 555	na.	25.9	na.	12.8
	Bangladesh	BDT	na.	na.	na.	na.	na.	na.	na.
	Oman	OMR	na.	113	103	na.	9.7	na.	8.4
Jordan	JOD	na.	219	191	na.	14.6	na.	10.7	
Total								3.8	4.7
Africa	South Africa ¹⁰	ZAR	275 537 *	221 153	199 737	24.6	10.7	19.1	7.1
	Morocco	MAD	14 731	13 157	12 193	12.0	7.9	8.4	6.9
	Egypt ¹⁵	EGP	4 849	4 567	3 773	6.2	21.0	-1.4	15.5
	Nigeria	NGN	na.	79 918	61 222	na.	30.5	na.	10.8
	Angola	AOA	na.	na.	na.	na.	na.	na.	na.
	Algeria	DZD	45 394 *	41 620	35 758	9.1	16.4	6.4	14.6
	Tunisia	TND	804 *	770	697	4.4	10.5	-0.1	8.3
	Kenya	KES	42 649 *	36 306	32 490	17.5	11.7	2.6	1.3
	Namibia	NAD	na.	na.	2 935	na.	na.	na.	na.
Total								17.5	7.3
Oceania	Australia ¹⁶	AUD	69 787	66 033	65 218 *	5.7	1.2	2.1	-1.4
	New Zealand	NZD	8 590 *	8 066	7 746	6.5	4.1	3.0	1.1
Total								2.2	-1.1
World								5.0	2.9

Table III: Total premium volume in USD in 2006

Region	Ranking	Country	Premium volume (in millions of USD)		nominal (in USD)	Change (in %) 2006 inflation- adjusted ¹⁷		Share of world market 2006 (in %)
			2006	2005				
North America	1	United States ⁹	1 170 101 *	1 109 796	5.43	2.13	31.43	
	8	Canada ¹⁰	88 200 *	78 057 +	12.99	3.72	2.37	
		Total	1 258 301	1 187 853	5.93	2.24	33.79	
Latin America and Caribbean	19	Brazil	30 390 +	23 947	26.91	8.85	0.82	
	29	Mexico	15 072 +	12 866	17.15	13.06	0.40	
	36	Argentina	5 632 +	4 619	21.91	15.63	0.15	
	41	Venezuela	4 886 *	3 351	45.80	31.80	0.13	
	43	Chile	4 704 +	4 519	4.11	5.36	0.13	
	45	Colombia	3 200 +	2 767	15.63	12.86	0.09	
	56	Trinidad and Tobago	1 255 **	1 065 **	17.81	na.	0.03	
	57	Peru	1 083	975	10.99	8.09	0.03	
	69	Ecuador	616	543	13.54	9.88	0.02	
	76	Dominican Republic	499 **	463 *	7.94	na.	0.01	
	77	Jamaica	494 **	466 **	6.07	na.	0.01	
	78	Panama	474 **	430	10.33	na.	0.01	
	80	Costa Rica	423 **	376 **	12.63	na.	0.01	
	82	El Salvador	386	350	10.20	5.76	0.01	
	88	Uruguay	336 +	293	14.6	5.9	0.01	
		Other countries	1 977	1 757			0.06	
		Total	71 428	58 787	21.50	11.61	1.92	
	Europe	3	United Kingdom ¹⁹	418 366 *	336 158	24.46	20.09	11.24
		4	France	251 164 +	220 997	13.65	10.61	6.75
5		Germany	204 544 +	197 964	3.32	0.55	5.49	
6		Italy	138 679 *	141 357 *	-1.89	-4.90	3.72	
10		Spain	65 813 *	60 425	8.92	4.11	1.77	
11		Netherlands ¹¹	62 669 *	59 578	5.19	2.92	1.68	
14		Ireland	47 281 **	38 577	22.56	na.	1.27	
16		Switzerland	41 758 +	42 115	-0.85	-1.27	1.12	
18		Belgium	37 889 *	43 259	-12.42	-14.85	1.02	
20		Sweden	29 182 *	27 710	5.31	2.50	0.78	
21		Denmark	23 262 *	21 130	10.09	7.15	0.62	
22		Russia	21 504	17 336	24.04	11.57	0.58	
24		Austria	19 568 +	19 009	2.94	0.41	0.53	
25		Finland	19 308 *	17 950	7.57	4.81	0.52	
26		Portugal	17 679 **	16 789 +	5.30	na.	0.47	
27		Luxembourg	16 480 *	13 859	18.91	14.29	0.44	
28		Norway	16 249 *	16 124 **	0.78	-1.97	0.44	
30		Poland	11 947 +	9 446	26.47	18.98	0.32	
35		Turkey	6 618 **	5 716	15.78	12.60	0.18	
38		Greece	5 442 *	4 876	11.61	7.01	0.15	
39		Liechtenstein	5 388	3 334	61.58	60.90	0.14	
40		Czech Republic	5 304 +	4 891	8.45	-0.50	0.14	
44		Hungary	3 789 +	3 363	12.66	14.75	0.10	
47		Ukraine	2 739	2 508	9.19	-0.83	0.07	
49		Slovenia	2 164 +	1 926	12.35	8.65	0.06	
50		Romania	2 044 +	1 516	34.81	19.79	0.05	
51		Slovakia	1 820 **	1 629	11.72	na.	0.05	
55		Croatia	1 403 +	1 235	13.56	7.67	0.04	
61		Bulgaria	774 *	679	14.00	4.56	0.02	
62		Cyprus	766 +	701	9.28	5.43	0.02	
72		Serbia	574	520	10.31	-0.99	0.02	
74		Lithuania	526 +	381	37.92	31.78	0.01	
81		Iceland	404 *	447 **	-9.72	-5.70	0.01	
83		Estonia	375	315	19.18	13.02	0.01	
85		Latvia	360	271	33.08	23.93	0.01	
	Other countries	1 049	965			0.03		
	Total	1 484 881	1 335 057	11.22	7.47	39.88		
Asia	2	Japan ¹²	460 261 *	478 211 +	-3.75	-1.49	12.36	
	7	South Korea ¹²	101 179 *	85 097 +	18.90	8.73	2.72	
	9	PR China	70 805 +	60 144	17.73	12.79	1.90	
	13	Taiwan	51 562 +	48 984	5.26	5.79	1.38	
	15	India ¹²	43 032 *	27 410 *	56.99	52.55	1.16	
	23	Hong Kong	19 842 **	17 010	16.65	14.40	0.53	
	31	Singapore	10 776 +	10 047	7.25	1.40	0.29	
	32	Israel	7 754 +	7 330	5.78	2.85	0.21	
	33	Malaysia ¹²	7 537 *	6 977 +	8.02	0.92	0.20	
	34	Thailand	7 128 *	6 376 +	11.80	0.54	0.19	
	42	Indonesia	4 849 *	4 035	20.16	0.31	0.13	
	46	Iran ¹³	2 818 **	2 381	18.36	na.	0.08	
	48	United Arab Emirates	2 726 *	2 140	27.40	18.33	0.07	
	52	Philippines	1 751 **	1 414 **	23.84	8.55	0.05	
	54	Saudi Arabia ¹⁴	1 590 **	1 412 **	12.63	na.	0.04	
	58	Pakistan	949 *	778 **	22.03	14.54	0.03	
	59	Vietnam	937 **	859 **	9.14	2.40	0.03	
	65	Lebanon	656 **	664	-1.19	-5.81	0.02	
	66	Kuwait	628 **	527 **	19.27	na.	0.02	
	67	Kazakhstan	627 **	505	24.12	na.	0.02	
	73	Qatar	573 **	462 **	24.17	na.	0.02	
	79	Sri Lanka	444 **	370 **	20.00	na.	0.01	
	84	Bangladesh	375 **	351 **	6.96	na.	0.01	
86	Oman	349 **	293	19.04	na.	0.01		
87	Jordan	347 **	309	12.21	na.	0.01		
	Other countries	1 322	1 124			0.04		
	Total	800 819	765 211	4.65	3.83	21.51		
Africa	17	South Africa ¹⁰	40 731 *	34 773	17.13	19.06	1.09	
	53	Morocco	1 675 **	1 484	12.85	8.39	0.04	
	60	Egypt ¹⁵	843	760	10.93	-1.36	0.02	
	63	Nigeria	716 **	609	17.68	na.	0.02	
	64	Angola	687 **	512 **	34.15	na.	0.02	
	68	Algeria	625 +	568	10.01	6.41	0.02	
	70	Tunisia	604 +	594	1.74	-0.11	0.02	
	71	Kenya	592 +	481	23.10	2.59	0.02	
	75	Namibia	509 **	491 **	3.70	na.	0.01	
		Other countries	2 686	2 446			0.06	
	Total	49 667	42 718	16.27	17.55	1.33		
Oceania	12	Australia ¹⁶	52 561	50 329	4.43	2.07	1.41	
	37	New Zealand	5 570 *	5 679	-1.93	3.02	0.15	
		Other countries	185	181			0.00	
	Total	58 316	56 190	3.78	2.17	1.57		
World			3 723 412	3 445 816	8.06	4.97	100.00	

Table V: Life premium volume in USD in 2006

Region	Ranking	Country	Premium volume (in millions of USD)		Change (in %) 2006		Share of total business 2006 (in %)	Share of world market 2006 (in %)
			2006	2005	nominal (in USD)	inflation- adjusted ¹⁷		
North America	1	United States ⁹	533649 *	499112	6.9	3.6	45.6	24.15
	10	Canada ¹⁰	39212 *	33736	16.2	6.7	44.5	1.77
		Total	572860	532848	7.5	3.8	45.5	25.93
Latin America and Caribbean	24	Brazil	13699 *	10553	29.8	11.3	45.1	0.62
	29	Mexico	6814 *	5257	29.6	25.1	45.2	0.31
	35	Chile	2898 *	2807	3.2	4.5	61.6	0.13
	40	Argentina	1713 *	1384	23.8	17.4	30.4	0.08
	43	Colombia	947 *	761	24.4	21.5	29.6	0.04
	44	Trinidad and Tobago	922 **	783 **	17.8	na.	73.5	0.04
	50	Peru	485	530	-8.4	-10.8	44.8	0.02
	61	Jamaica	186 **	176 **	6.1	na.	37.7	0.01
	65	Panama	168 **	153	10.3	na.	35.5	0.01
	67	Venezuela	162 *	105	54.7	39.9	3.3	0.01
	70	El Salvador	115	103	11.5	7.0	29.9	0.01
	75	Ecuador	86	71	21.3	17.4	14.0	0.00
	76	Dominican Republic	67 **	62 *	7.9	na.	13.5	0.00
	77	Uruguay	58 *	53	8.6	0.4	17.2	0.00
	84	Costa Rica	34 **	30 **	12.6	na.	8.0	0.00
		Other countries	568	446			27.1	0.03
	Total	28923	23273	24.3	14.1	40.5	1.31	
Europe	3	United Kingdom ¹⁹	311691 *	231032	34.9	30.2	74.5	14.11
	4	France	177902 *	150472	18.2	15.1	70.8	8.05
	5	Germany	94911 *	90225	5.2	2.4	46.4	4.30
	6	Italy	89576 *	93903	-4.6	-7.5	64.6	4.05
	11	Ireland	37331 *	29554	26.3	21.7	79.0	1.69
	13	Netherlands ¹¹	33907 *	30504	11.2	8.8	54.1	1.53
	16	Spain	28285 *	25586	10.5	5.7	43.0	1.28
	17	Belgium	25081 *	31026	-19.2	-21.4	66.2	1.14
	18	Switzerland	23363 *	23914	-2.3	-2.7	55.9	1.06
	19	Sweden	20032 *	18866	6.2	3.3	68.6	0.91
	21	Denmark	15471 *	13505	14.6	11.5	66.5	0.70
	22	Finland	15227 *	14138	7.7	4.9	78.9	0.69
	23	Luxembourg	14585 *	12180	19.7	15.1	88.5	0.66
	25	Portugal	12054 **	11447 *	5.3	na.	68.2	0.55
	26	Norway	9339 *	9400 **	-0.7	-3.4	57.5	0.42
	27	Austria	9018 *	8854	1.9	-0.6	46.1	0.41
	30	Poland	5793 *	3927	47.5	38.8	48.5	0.26
	31	Liechtenstein	5256 *	3233	62.6	61.9	97.5	0.24
	36	Greece	2856 *	2398	19.1	14.2	52.5	0.13
	38	Czech Republic	2083 *	1876	11.0	1.9	39.3	0.09
	39	Hungary	1936 *	1492	29.8	32.2	51.1	0.09
	42	Turkey	972 **	926	5.0	2.1	14.7	0.04
	46	Slovakia	704 **	630	11.7	na.	38.7	0.03
	47	Slovenia	678 *	578	17.3	13.5	31.3	0.03
	48	Russia	571	894	-36.1	-42.5	2.7	0.03
	53	Romania	405 *	352	15.3	2.5	19.8	0.02
	55	Croatia	373 *	319	17.0	10.9	26.6	0.02
	58	Cyprus	345 *	327	5.6	1.9	45.1	0.02
	66	Lithuania	164 *	104	57.8	50.8	31.3	0.01
	69	Estonia	124	101	23.4	17.1	33.1	0.01
	73	Bulgaria	102 *	86	18.0	8.2	13.1	0.00
	74	Ukraine	89	63	42.4	29.3	3.3	0.00
	78	Serbia	57	47	20.7	8.3	9.9	0.00
	80	Iceland	44 *	44 **	-0.1	4.4	10.9	0.00
	85	Latvia	28	19	47.5	37.3	7.9	0.00
	Other countries	230	203			21.9	0.01	
	Total	940586	812226	15.8	12.4	63.3	42.57	
Asia	2	Japan ¹²	362766 *	378729	-4.2	-2.0	78.8	16.42
	7	South Korea ¹²	72298 *	60683 *	19.1	8.9	71.5	3.27
	8	PR China	45092 *	39604	13.9	9.1	63.7	2.04
	9	Taiwan	41245 *	38788	6.3	6.9	80.0	1.87
	12	India ¹²	37220 *	22587 *	64.8	60.1	86.5	1.68
	20	Hong Kong	17482 **	14755	18.5	16.2	88.1	0.79
	28	Singapore	7080 *	6562	7.9	2.0	65.7	0.32
	32	Malaysia ¹²	4881 *	4487 *	8.8	1.6	64.8	0.22
	33	Thailand	3887 *	3516 *	10.6	-0.6	54.5	0.18
	34	Israel	3647 *	3396	7.4	4.4	47.0	0.17
	37	Indonesia	2822 *	2131	32.4	10.5	58.2	0.13
	41	Philippines	1110 **	905 **	22.7	7.6	63.4	0.05
	49	Vietnam	518 **	507 **	2.2	-4.1	55.2	0.02
	52	United Arab Emirates	418 *	328	27.4	18.3	15.3	0.02
	54	Pakistan	375 *	312 **	20.3	12.9	39.5	0.02
	59	Bangladesh	255 **	239 **	7.0	na.	68.1	0.01
	60	Lebanon	209 **	202	3.8	-1.0	31.9	0.01
	62	Iran ¹³	186 **	157	18.4	na.	6.6	0.01
	64	Sri Lanka	177 **	147 **	20.0	na.	39.8	0.01
	71	Kuwait	113 **	95 **	19.3	na.	18.0	0.01
	82	Oman	37 **	31	19.0	na.	10.7	0.00
83	Jordan	36 **	32	12.2	na.	10.4	0.00	
86	Qatar	26 **	21 **	24.2	na.	4.5	0.00	
87	Saudi Arabia ¹⁴	19 **	17 **	12.6	na.	1.2	0.00	
88	Kazakhstan	13 **	11	24.1	na.	2.1	0.00	
	Other countries	353	326			26.7	0.02	
	Total	602266	578567	4.1	3.6	75.2	27.26	
Africa	14	South Africa ¹⁰	33106 *	27596	20.0	21.9	81.3	1.50
	51	Morocco	469 **	368	27.5	22.4	28.0	0.02
	56	Namibia	358 **	345 **	3.7	na.	70.3	0.02
	57	Egypt ¹⁵	356	300	18.7	5.6	42.2	0.02
	63	Kenya	186 *	149	24.3	3.6	31.4	0.01
	72	Nigeria	112 **	95	17.7	na.	15.6	0.01
	77	Angola	63 **	47 **	34.1	na.	9.2	0.00
	79	Tunisia	54 *	51	6.6	4.7	9.0	0.00
	81	Algeria	39 *	34	12.8	9.1	6.2	0.00
		Other countries	726	690			26.3	0.03
	Total	35468	29676	19.5	21.6	71.4	1.61	
Oceania	15	Australia ¹⁶	28287	26029	8.7	6.2	53.8	1.28
	45	New Zealand	874 *	886	-1.3	3.6	15.7	0.04
		Other countries	53	53			28.5	0.00
	Total	29214	26968	8.3	6.1	50.1	1.32	
World			2209317	2003557	10.3	7.7	59.3	100.00

Table VIII: Insurance density: premiums¹ per capita in USD in 2006

	Ranking	Country	Total business	Life business	Non-life business	
Region	6	United States ⁹	3923.7 *	1789.5 *	2 134.2 *	
	North America	Canada ¹⁰	2 708.3 *	1 204.1 *	1 504.3 *	
		Total	3 804.0	1 731.8	2 072.2	
Latin America and Caribbean	30	Trinidad and Tobago	958.2 **	704.1 **	254.1 **	
	42	Chile	285.7 +	176.0 *	109.7 *	
	46	Jamaica	185.7 **	69.9 **	115.8 **	
	48	Venezuela	179.5 *	6.0 *	173.6 *	
	49	Brazil	160.9 +	72.5 +	88.4 +	
	53	Panama	144.3 **	51.2 **	93.1 **	
	54	Argentina	143.9 +	43.8 +	100.1 +	
	55	Mexico	139.1 +	62.9 +	76.2 +	
	59	Uruguay	96.4 +	16.6 +	79.8 +	
	59	Costa Rica	96.2 **	7.7 **	88.6 **	
	63	Colombia	69.1 +	20.5 +	48.7 +	
	68	Dominican Republic	55.4 **	7.4 **	47.9 **	
	69	El Salvador	55.1	16.5	38.6	
	72	Ecuador	45.9	6.4	39.5	
	77	Peru	38.1	17.1	21.1	
			Total	1 266.7	51.3	75.4
	Europe	1	United Kingdom ¹	6 466.7 *	5 139.6 *	1 327.1 +
2		Ireland ¹	5 564.7 **	4 203.8 *	1 360.9 **	
3		Switzerland	5 561.9 +	3 111.8 +	2 450.1 *	
4		Denmark	4 271.4 *	2 840.8 *	1 430.6 *	
5		France ¹	4 075.4 +	2 922.5 +	1 152.9 *	
7		Netherlands ¹¹	3 828.8 *	2 071.6 *	1 757.3 *	
8		Finland	3 681.2 *	2 903.1 *	778.0 *	
10		Belgium ¹	3 442.5 *	2 427.7 *	1 014.8 *	
11		Luxembourg ¹	3 366.3 *	1 548.4 *	1 817.9 *	
12		Norway ¹	3 229.0 *	2 016.0 *	1 213.0 *	
13		Sweden	3 226.2 *	2 214.6 *	1 011.6 *	
17		Germany ¹	2 436.8 +	1 136.1 +	1 300.7 +	
18		Austria	2 396.7 +	1 104.6 +	1 292.1 +	
19		Italy ¹	2 302.2 *	1 492.8 *	809.5 *	
23		Portugal	1 663.8 **	1 131.5 **	532.3 **	
24		Spain	1 514.6 *	651.0 *	863.7 *	
26		Iceland	1 360.0 *	148.2 *	1 211.9 *	
28		Slovenia	1 100.9 +	345.0 +	755.9 +	
29		Liechtenstein	972.0	931.1	40.8	
31		Cyprus	906.6 +	408.6 +	498.0 *	
35		Czech Republic	519.6 +	204.1 +	315.5 +	
36		Greece	489.3 *	256.7 *	232.6 *	
37		Hungary	376.2 +	192.3 +	183.9 +	
38		Slovakia	336.9 **	130.3 **	206.5 **	
39		Poland	310.3 +	150.5 +	159.8 +	
40		Croatia	307.9 +	81.8 +	226.1 +	
43		Estonia	283.2	93.7	189.5	
50		Latvia	156.9	12.4	144.6	
51		Lithuania	154.0 +	48.1 +	105.8 +	
52		Russia	150.9	4.0	146.9	
58		Bulgaria	100.9 *	13.2 *	87.7 *	
60		Romania	94.5 +	18.7 +	75.7 +	
61		Turkey	89.2 **	13.1 **	76.1 +	
62		Serbia	77.1	7.7	69.4	
65		Ukraine	59.6	1.9	57.6	
		Total	1 745.7	1 119.6	626.0	
Asia	9	Japan ¹²	3 589.6 *	2 829.3 *	760.4 **	
	14	Hong Kong	2 787.6 **	2 456.0 **	331.6 **	
	20	Taiwan	2 250.2 +	1 800.0 +	450.3 +	
	21	South Korea ¹²	2 071.3 *	1 480.0 *	591.2 *	
	22	Singapore ¹	1 957.7 +	1 616.5 +	341.2 *	
	27	Israel	1 132.5 **	532.6 **	599.9 +	
	33	Qatar	683.5 **	30.9 **	652.6 **	
	34	United Arab Emirates	585.4 *	89.8 *	495.6 *	
	41	Malaysia ¹²	292.2 *	189.2 *	103.0 +	
	45	Kuwait	227.2 **	40.9 **	186.3 **	
	47	Lebanon	181.5 **	57.9 **	123.6 **	
	56	Oman	133.7 **	14.3 **	119.4 **	
	57	Thailand	110.1 *	60.0 *	50.0 *	
	64	Saudi Arabia ¹⁴	63.1 **	0.8 **	62.4 **	
	66	Jordan	59.5 **	6.2 **	53.2 **	
	70	PR China	53.5 +	34.1 +	19.4 +	
	73	Kazakhstan	42.3 **	0.9 **	41.4 **	
	75	Iran ¹³	40.1 **	2.6 **	37.4 **	
	76	India ¹²	38.4 *	33.2 *	5.2 *	
	78	Indonesia	21.5 *	12.5 *	9.0 *	
	79	Sri Lanka	21.3 **	8.5 **	12.8 **	
	80	Philippines	20.7 **	13.1 **	7.6 *	
	84	Vietnam	11.0 **	6.1 **	4.9 **	
	85	Pakistan	5.9 *	2.3 *	3.6 *	
87	Bangladesh	2.6 **	1.8 **	0.8 **		
		Total	205.0	154.6	50.4	
Africa	32	South Africa ¹⁰	855.8 *	695.6 *	160.2 +	
	44	Namibia	248.1 **	174.4 **	73.7 **	
	67	Tunisia	59.2 +	5.3 +	53.9 +	
	71	Morocco	52.4 **	14.7 **	37.8 **	
	74	Angola	41.9 **	3.9 **	38.0 **	
	81	Algeria	18.7 +	1.2 +	17.6 +	
	82	Kenya	16.8 +	5.3 +	11.6 +	
	83	Egypt ¹⁵	11.2	4.7	6.5	
86	Nigeria	5.3 **	0.8 **	4.5 **		
		Total	53.6	38.3	15.3	
Oceania	16	Australia	2 580.8	1 389.0	1 191.9 *	
	25	New Zealand	1 370.9 *	215.0 +	1 155.9 *	
		Total	1 787.3	896.3	891.0	
World ²			554.8	330.6	224.2	

Table IX: Insurance penetration: premiums¹ in % of GDP in 2006

	Ranking	Country	Total business	Life business	Non-life business
Region	14	United States ⁹	8.8 *	4.0 *	4.8 *
North America	21	Canada ¹⁰	7.0 *	3.1 +	3.9 *
		Total	8.7	3.9	4.7
Latin America and Caribbean	17	Trinidad and Tobago	7.6 **	5.6 **	2.0 **
	30	Jamaica	4.8 **	1.8 **	3.0 **
	41	Chile	3.3 +	2.0 +	1.3 +
	44	Brazil	2.8 +	1.3 +	1.6 +
	46	Panama	2.7 **	1.0 **	1.8 **
	48	Venezuela	2.7 *	0.1 *	2.6 *
	49	Argentina	2.6 +	0.8 +	1.8 +
	55	Colombia	2.4 +	0.7 +	1.7 +
	57	El Salvador	2.1	0.6	1.5
	61	Costa Rica	1.9 **	0.1 **	1.7 **
	62	Mexico	1.8 +	0.8 +	1.0 +
	67	Uruguay	1.73 +	0.30 +	1.43 +
	69	Dominican Republic	1.6 **	0.2 **	1.4 **
	71	Ecuador	1.6	0.2	1.3
	76	Peru	1.2	0.5	0.6
		Total	2.4	1.0	1.4
Europe	1	United Kingdom ¹	16.5 *	13.1 *	3.4 +
	5	Switzerland	11.0 +	6.2 +	4.9 +
	6	France ¹	11.0 +	7.9 +	3.1 +
	9	Ireland ¹	10.4 **	7.9 *	2.5 **
	10	Netherlands ¹¹	9.4 *	5.1 *	4.3 *
	11	Belgium ¹	9.2 *	6.5 *	2.7 *
	12	Finland	9.1 *	7.2 *	1.9 *
	13	Portugal	9.0 **	6.1 **	2.9 **
	15	Denmark	8.5 *	5.6 *	2.8 *
	18	Sweden	7.6 *	5.2 *	2.4 *
	19	Italy ¹	7.2 *	4.7 *	2.5 *
	22	Germany ¹	6.7 +	3.1 +	3.6 +
	24	Austria	6.1 +	2.8 +	3.3 +
	25	Slovenia	5.8 +	1.8 +	4.0 +
	27	Spain	5.4 *	2.3 *	3.1 *
	32	Norway ¹	4.6 *	2.8 *	1.7 *
	33	Cyprus	4.3 +	1.9 +	2.3 +
	34	Luxembourg ¹	3.9 *	1.8 *	2.1 *
	35	Czech Republic	3.8 +	1.5 +	2.3 +
	36	Poland	3.5 **	1.7 **	1.8 **
	38	Slovakia	3.4 **	1.3 **	2.1 **
	39	Hungary	3.4 +	1.7 +	1.7 +
	40	Croatia	3.3 +	0.9 +	2.5 +
	45	Ukraine	2.8	0.1	2.7
	50	Bulgaria	2.6 *	0.3 *	2.2 *
	51	Iceland	2.6 *	0.3 *	2.3 *
	52	Estonia	2.5	0.8	1.7
	56	Russia	2.3	0.1	2.3
	58	Latvia	2.0	0.2	1.8
	63	Lithuania	1.8 +	0.6 +	1.2 +
	64	Serbia	1.8	0.2	1.6
	65	Greece	1.8 *	0.9 *	0.8 *
	66	Romania	1.7 +	0.3 +	1.4 +
	68	Turkey	1.6 **	0.2 **	1.4 **
	78	Liechtenstein	1.0	0.9	0.0
		Total	8.3	5.3	3.0
Asia	3	Taiwan	14.5 +	11.6 +	2.9 +
	4	South Korea ¹²	11.1 *	7.9 *	3.2 *
	7	Japan ¹²	10.5 *	8.3 *	2.2 *
	8	Hong Kong	10.5 **	9.2 **	1.2 **
	23	Singapore ¹	6.5 +	5.4 +	1.1 +
	26	Israel	5.5 +	2.6 +	2.9 +
	29	Malaysia ¹²	4.9 *	3.2 *	1.7 *
	31	India ¹²	4.8 *	4.1 *	0.6 *
	37	Thailand	3.5 *	1.9 *	1.6 *
	42	Lebanon	3.0 **	0.9 **	2.0 **
	47	PR China	2.7 +	1.7 +	1.0 +
	54	Jordan	2.4 **	0.3 **	2.2 **
	67	United Arab Emirates	1.7 *	0.3 *	1.4 *
	70	Sri Lanka	1.6 **	0.6 **	0.9 **
	72	Vietnam	1.5 **	0.9 **	0.7 **
	73	Philippines	1.5 **	0.9 **	0.5 *
	74	Indonesia	1.3 *	0.8 *	0.6 *
	75	Iran ¹³	1.3 **	0.1 **	1.2 **
	77	Qatar	1.1 **	0.0 **	1.0 **
	79	Oman	1.0 **	0.1 **	0.9 **
	80	Kazakhstan	0.9 **	0.0 **	0.9 **
	82	Pakistan	0.8 *	0.3 *	0.5 *
	83	Kuwait	0.7 **	0.1 **	0.5 **
	85	Bangladesh	0.6 **	0.4 **	0.2 **
	87	Saudi Arabia ¹⁴	0.5 **	0.0 **	0.5 **
		Total	6.6	5.0	1.6
Africa	2	South Africa ¹⁰	16.0 *	13.0 *	3.0 +
	16	Namibia	8.0 **	5.6 **	2.4 **
	43	Morocco	2.9 **	0.8 **	2.1 **
	53	Kenya	2.5 +	0.8 +	1.7 +
	59	Tunisia	2.0 +	0.2 +	1.8 +
	60	Angola	1.9 **	0.2 **	1.7 **
	81	Egypt ¹⁵	0.8	0.3	0.5
	84	Nigeria	0.6 **	0.1 **	0.5 **
	86	Algeria	0.5 +	0.0 +	0.5 +
		Total	4.8	3.4	1.4
Oceania	20	Australia	7.0	3.8	3.2
	28	New Zealand	5.3 *	0.8 +	4.5 *
		Total	6.7	3.4	3.3
World ²			7.5	4.5	3.0

Recent *sigma* publications

- No 4/2007 World insurance in 2006: Premiums came back to “life”
- No 3/2007 Annuities: a private solution to longevity risk
- No 2/2007 Natural catastrophes and man-made disasters in 2006: low insured losses
- No 1/2007 Insurance in emerging markets: sound development; greenfield for agricultural insurance

- No 7/2006 Securitization – new opportunities for insurers and investors
- No 6/2006 Credit and surety: solidifying commitments
- No 5/2006 World insurance in 2005: moderate premium growth, attractive profitability
- No 4/2006 Solvency II: an integrated risk approach for European insurers
- No 3/2006 Measuring underwriting profitability of the non-life insurance industry
- No 2/2006 Natural catastrophes and man-made disasters 2005: high earthquake casualties, new dimension in windstorm losses
- No 1/2006 Getting together: globals take the lead in life insurance M&A

- No 5/2005 Insurance in emerging markets: focus on liability developments
- No 4/2005 Innovating to insure the uninsurable
- No 3/2005 Insurers’ cost of capital and economic value creation: principles and practical implications
- No 2/2005 World insurance 2004: growing premiums and stronger balance sheets
- No 1/2005 Natural catastrophes and man-made disasters in 2004: more than 300 000 fatalities, record insured losses

- No 7/2004 The impact of IFRS on the insurance industry
- No 6/2004 The economics of liability losses – insuring a moving target
- No 5/2004 Exploiting the growth potential of emerging insurance markets – China and India in the spotlight
- No 4/2004 Mortality protection: the core of life
- No 3/2004 World insurance 2003: insurance industry on the road to recovery
- No 2/2004 Commercial insurance and reinsurance brokerage – love thy middleman
- No 1/2004 Natural catastrophes and man-made disasters in 2003: many fatalities, comparatively moderate insured losses

- No 8/2003 World insurance in 2002: high premium growth in non-life insurance
- No 7/2003 Emerging insurance markets: lessons learned from financial crises
- No 6/2003 Asia’s non-life insurance markets: recent developments and the evolving corporate landscape
- No 5/2003 Reinsurance – a systemic risk?
- No 4/2003 Insurance company ratings
- No 3/2003 Unit-linked life insurance in western Europe: regaining momentum?
- No 2/2003 Natural catastrophes and man-made disasters in 2002: high flood loss burden
- No 1/2003 The picture of ART

Swiss Reinsurance Company
Economic Research & Consulting
Mythenquai 50/60
P.O. Box
8022 Zurich
Switzerland

Telephone +41 43 285 2551
Fax +41 43 285 4749
sigma@swissre.com