



# Asian Actuarial Conference 2025 Bangkok

## Balancing Growth and Risk

in the Fast-Changing SEA Insurance Market

13 Nov | 11:20 – 12:00



**Ivan Lee**

Head Pricing L&H Re Southeast Asia,  
Swiss Re Asia Pte. Ltd.

### Platinum sponsors



PartnerRe



### Gold sponsors



### Silver sponsors



### Exhibitor sponsors



### Media & Supporting event partners



# Balancing Growth and Risk in the Fast-Changing SEA Insurance Market

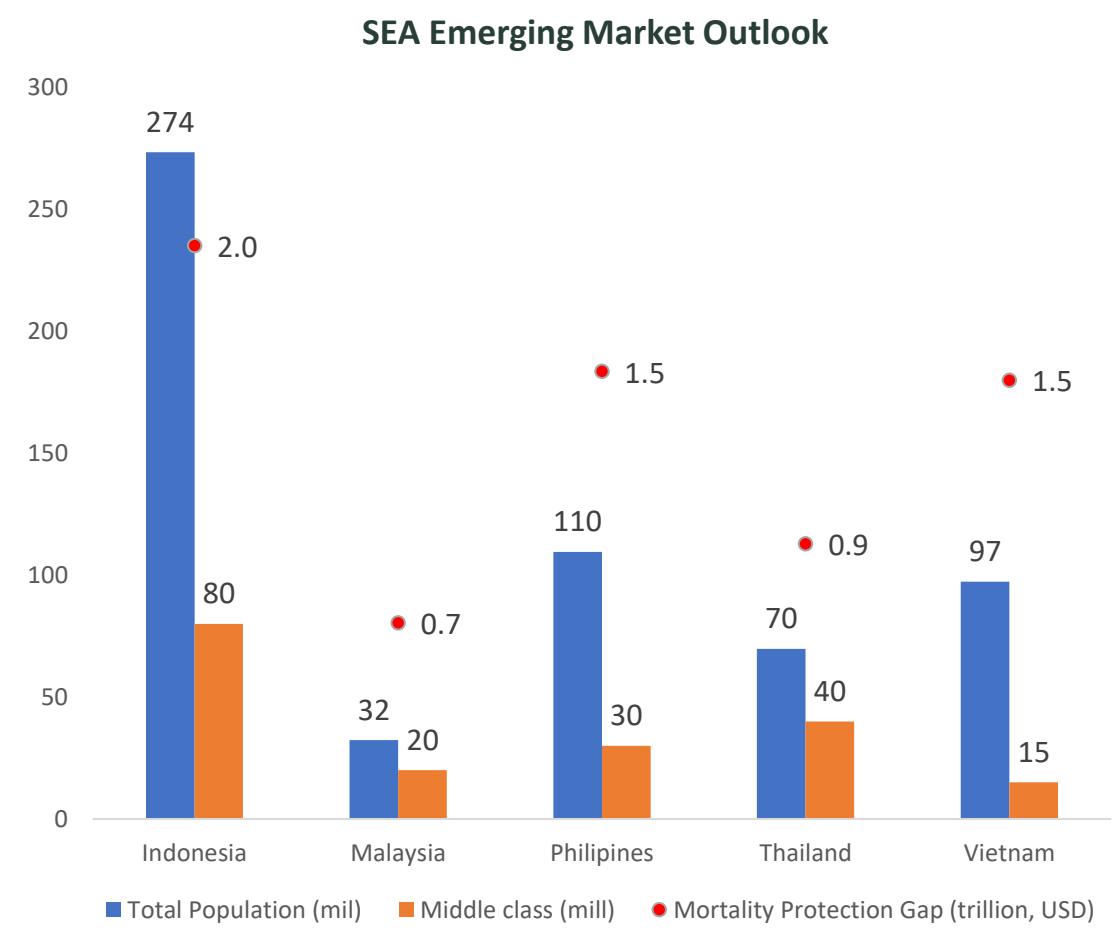
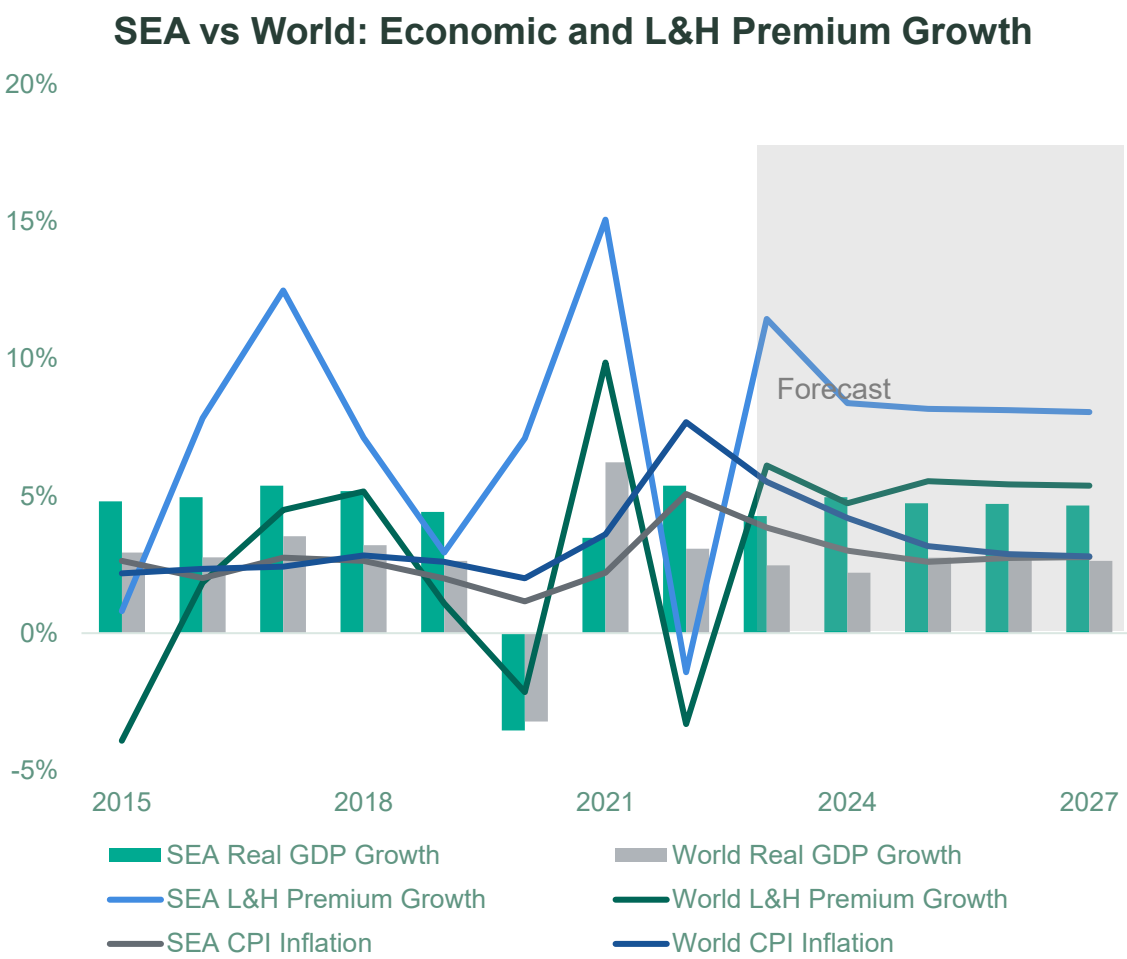
Ivan Lee  
Head Pricing L&H Re Southeast Asia

# Welcome

# Pulse Check

On a scale of 1 to 5, where 1 is the least concern and 5 is the most concern, how many of you rate your concern about experience deterioration. (raise your hand)

# SEA will be the growth engine - regional growth is expected to outcompete world average





# Key Insights from the report

Over the next decade, Southeast Asia will likely grow faster than the last decade, with higher GDP growth and higher total (Foreign Direct Investment) FDI than China...

Source: [bain\\_report\\_navigating\\_high\\_winds\\_southeast\\_asia\\_outlook\\_2024\\_34.pdf](#)



A COLLABORATION BETWEEN

Are we prepared  
to navigate the  
**risks** and achieve  
growth?



# Reflecting on the Past

# 01



# India is one of the largest growth opportunities in Emerging Asia

## Rapidly growing (re)insurance market



The most populous country in 2025

~90% households with unmet protection needs

Low insurance penetration

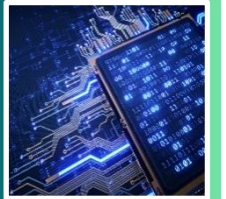
Growth

## Growing digital distribution opportunities

Digital infrastructure and large ecosystems

1bn mobile internet users by 2030

Data availability and enabling policy



## Market development of India term business

**2009/10** Term life first introduced, targeted **affluent internet users**

**2010-2015** Sales **primarily online**, risk assessments matching target segment

**2016** Sales skyrocketing, **distribution expanded to other channels**

**2019** **Quality of risk management compromised** due to increase volume

**2020** **Increasing demand** and further shift to digital driven by COVID-19

2009

2016

2021

# But so far the trend is not going in the direction we expected...

~USD 2.1bn

Life insurance companies have so far received 2,18,084 COVID claims amounting to Rs 16921.70 crores, according to data provided to Business Today by Life Insurance Council, an umbrella body of life insurers. Insurers say the death claims rose drastically in 2021 amid deaths during the second COVID-19 wave.

A new paper based on insurance policy claims data estimates 0.56 million excess deaths in India in 2020 and 4.15 million excess deaths in 2021, or a total of 4.71 million excess deaths in the pandemic years.

Source:

1. Life insurance industry received 2.18 lakh COVID claims so far worth Rs 16,921 cr, data shows – BusinessToday
2. Published paper based on insurance claims pegs excess deaths in 2020 & 2021 at 4.7 million - Times of India (indiatimes.com)


# There is no magic to predict the future



An icon representing market competition, showing a stylized bar chart with three bars of increasing height and a line graph with an upward trend.

Market competition



An icon representing a change in customer profile, showing a silhouette of a person's head and shoulders.


Change of customers' profile



An icon representing a change in behavior, showing a silhouette of a head with three interlocking gears inside.

Change of behaviour



An icon representing a growing market with limited experience for pricing, showing a stopwatch.

Growing market with limited experience for pricing



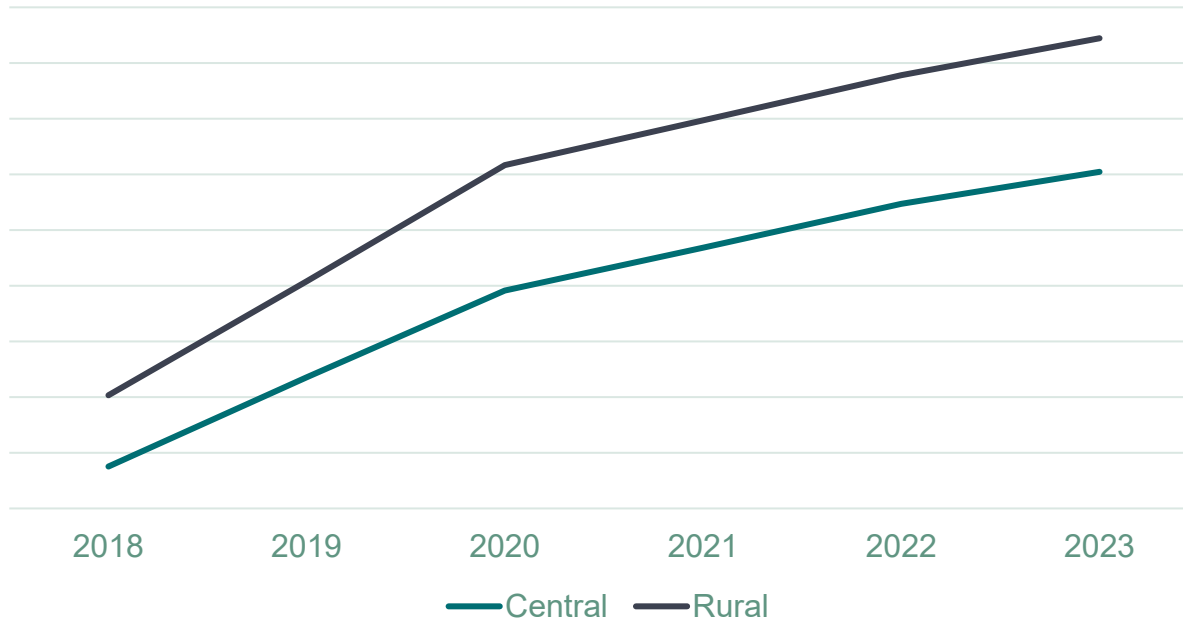
# Analyzing the Present

# 02

# Thailand: Experience varies by regions



Mortality and CI Experience by Region



Increasing experience from the market, both mortality and critical illness



Significant differential between rural and central areas



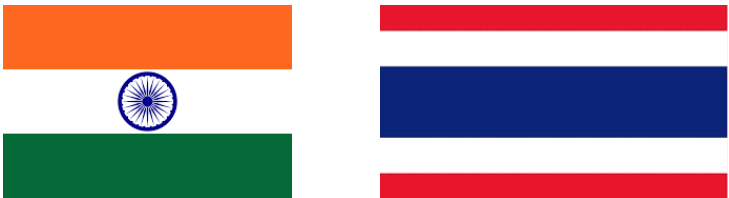
Causes of claims analysis indicate potential anti-selection or even fraud



The industry is taking action



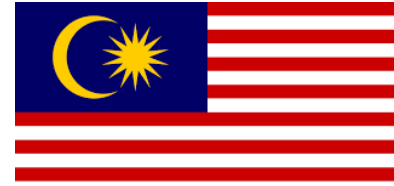
# There is no magic to predict the future



-  Market competition
-  Change of customers' profile
-  Change of behaviour
-  Growing market with limited experience for pricing

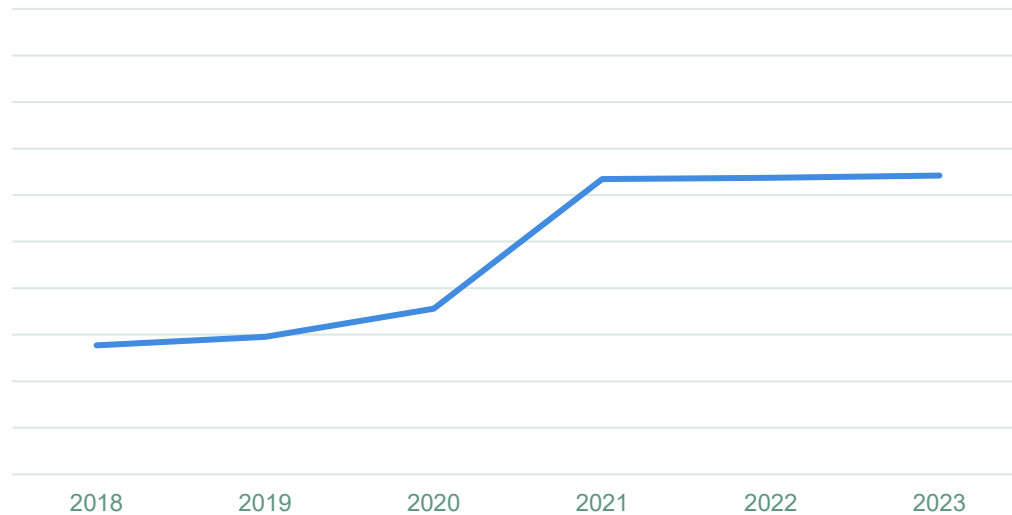


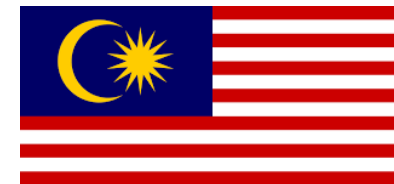
# Malaysia: Deteriorating Mortality Experience - Potential Prolonged COVID Impact and Other Causes



Increasing experience in the mortality business since 2021

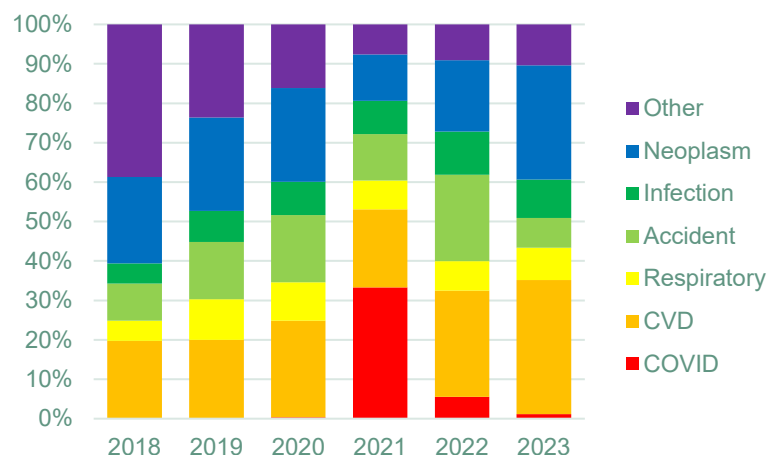
Experience by Exposure Year





# Malaysia: Deteriorating Mortality Experience - Potential Prolonged COVID Impact and Other Causes

Cause of Death Claim

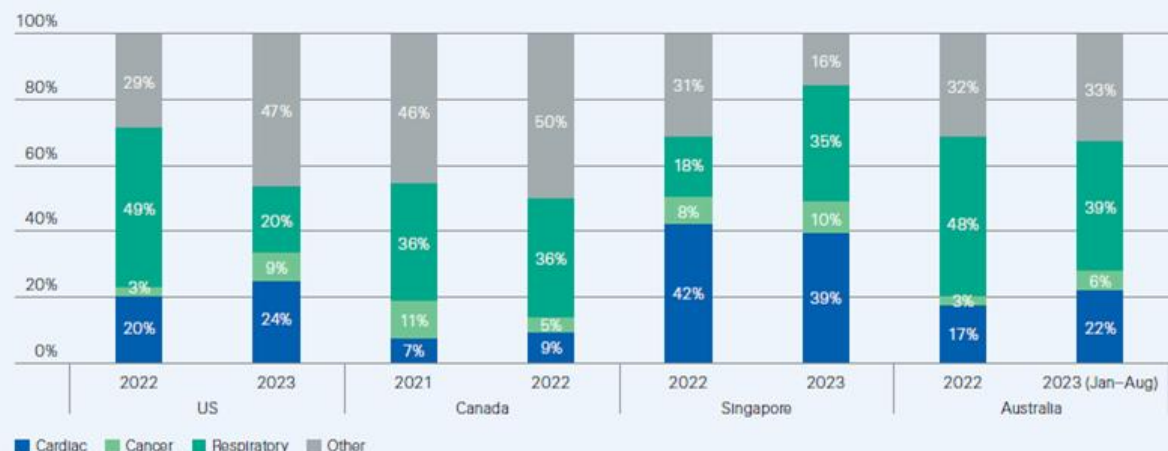


Increasing experience in the mortality business since 2021



Growing portion of claims from respiratory and cardiovascular diseases (CVD)

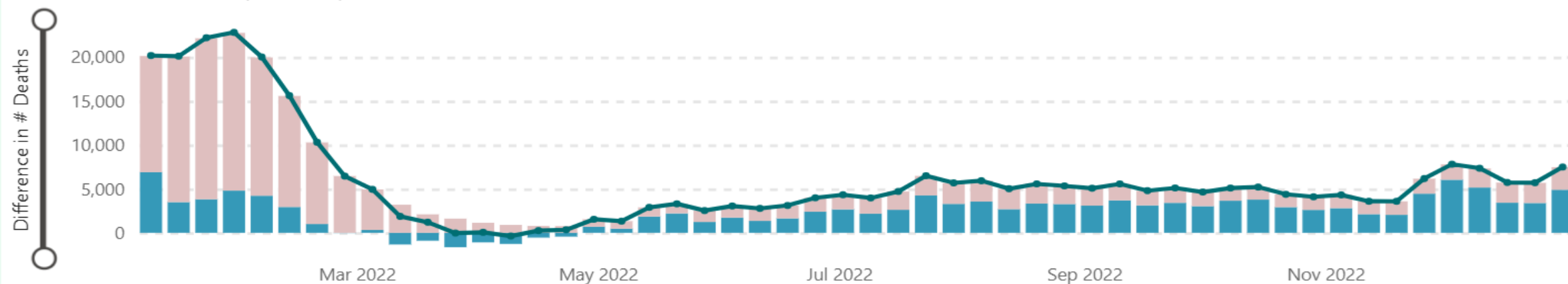
Excess mortality rates in key countries



# Excess Mortality in US

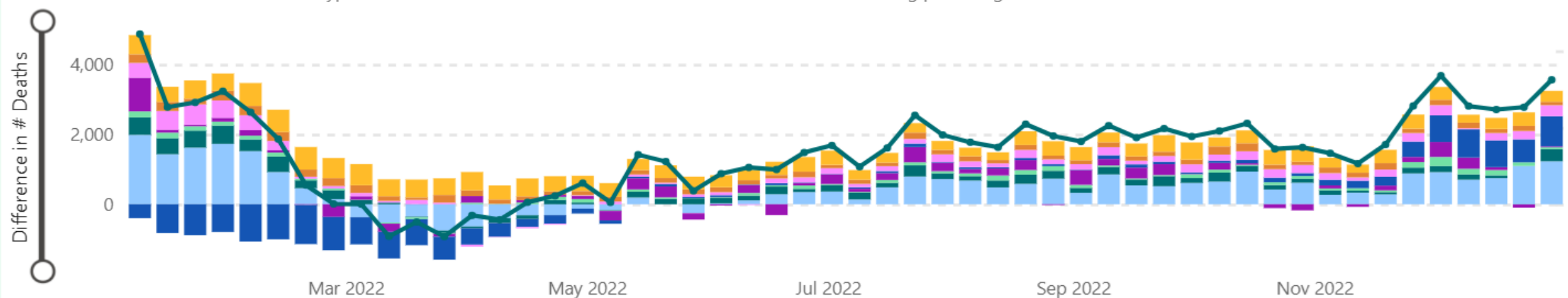
Excess # of Deaths for 2022 based on Trend by COD

CODs Selected: All CODs (excl COVID) COVID Total of Selected



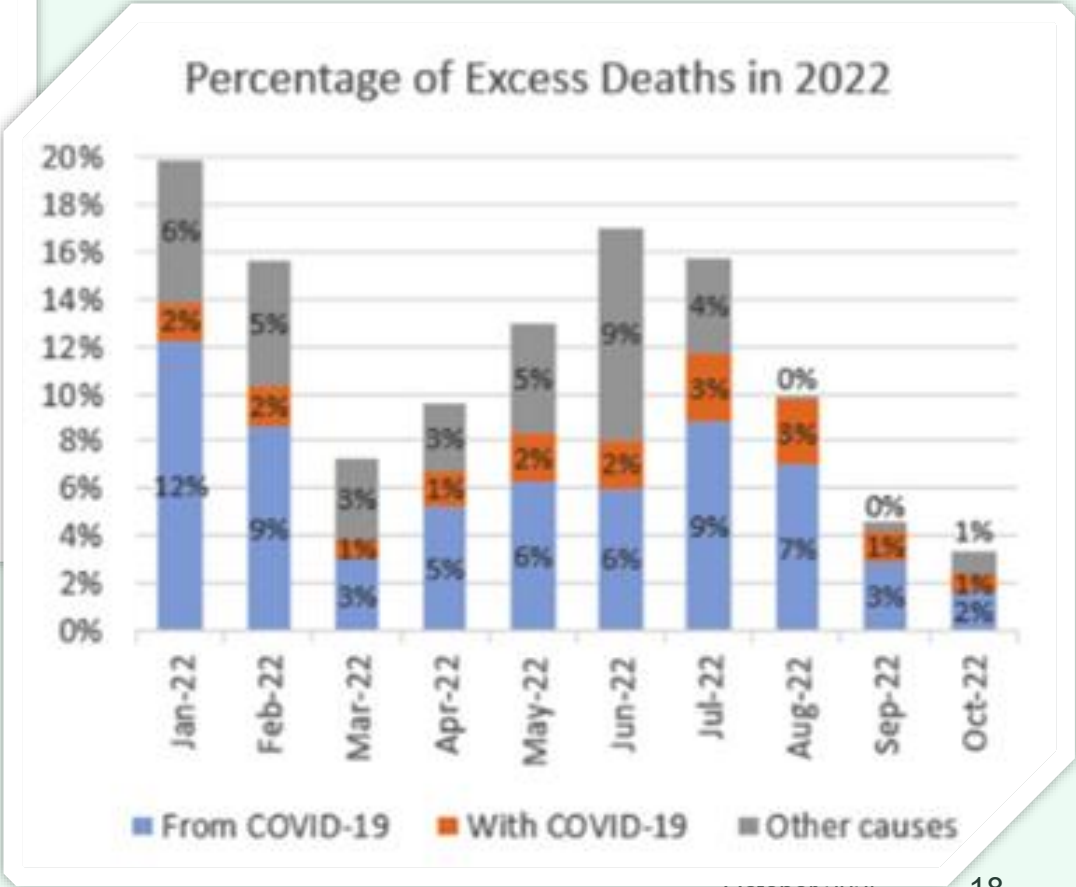
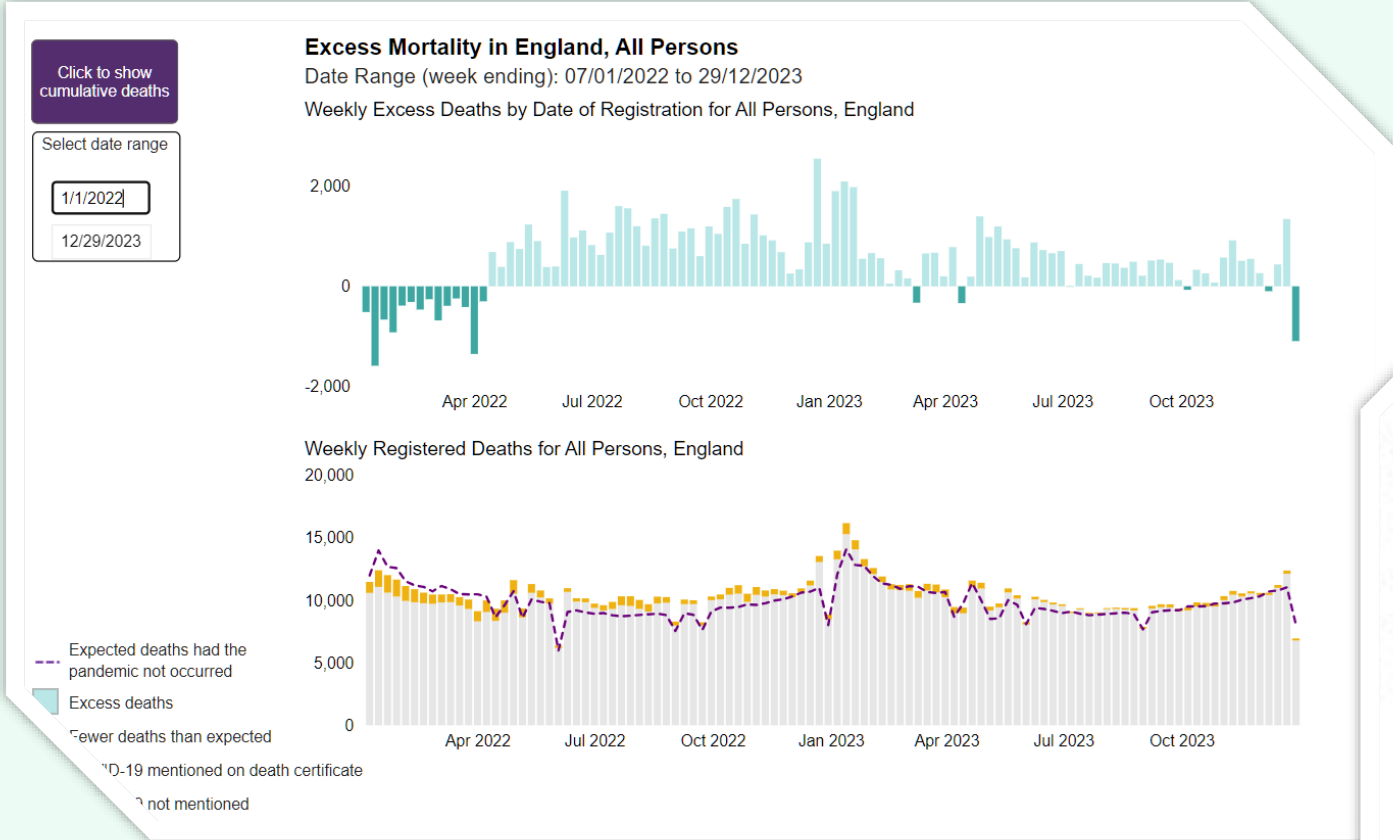
Excess # of Deaths for 2022 based on Trend by COD

CODs Selected: Heart Stroke Hypertension Cancer - All Flu/Pneumonia Diabetes Liver Drug poisoning Total of Selected

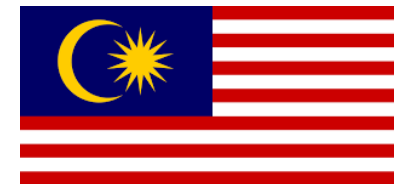


Source (February 22<sup>nd</sup>): CDC Wonder – expected determined by trending 2015-19 and adjusting for normal lags

# Excess Mortality in England and Australia

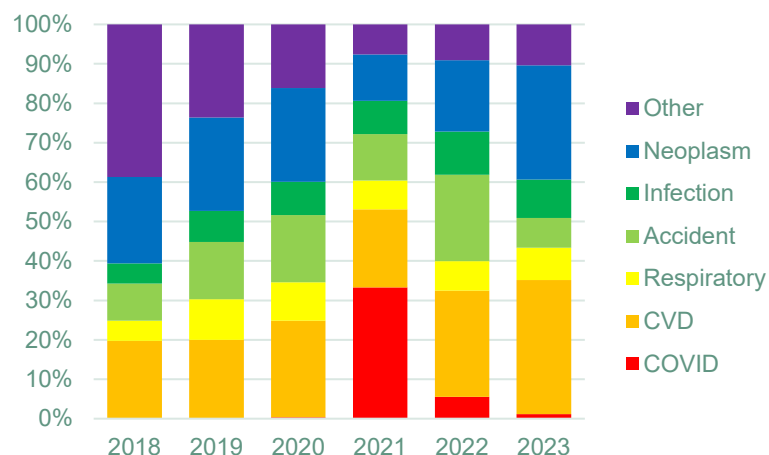






# Malaysia: Deteriorating Mortality Experience - Potential Prolonged COVID Impact and Other Causes

Cause of Death Claim

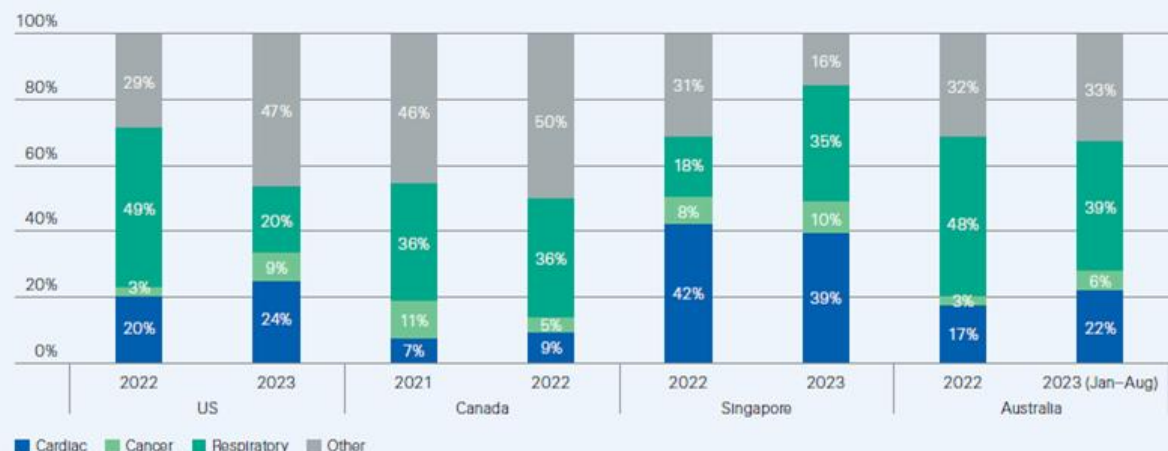


Increasing experience in the mortality business since 2021

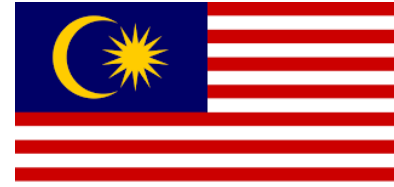


Growing portion of claims from respiratory and cardiovascular diseases (CVD)

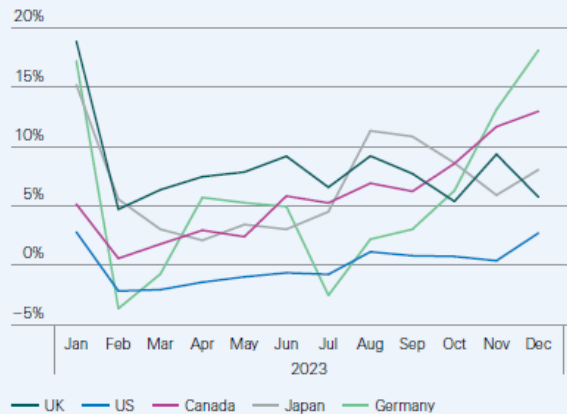
Excess mortality rates in key countries



# Malaysia: Deteriorating Mortality Experience - Potential Prolonged COVID Impact and Other Causes



**Figure 1**  
Reported excess mortality rates in developed countries in 2023



Country	2020–2023	2022	2023
Germany	6.3%	10.1%	5.3%
Canada	6.1%	10.1%	5.9%
Japan	3.6%	8.2%	6.8%
UK	9.4%	7.8%	8.2%
US	11.1%	9.1%	0.0%

Officially reported statistics vary by country, reporting methodology and excess mortality quantification.  
A degree of under-reporting and baseline adjustment is assumed.  
Source: Our World In Data, accessed June 2024. Data subject to updates. Reproduced by Swiss Re Institute.



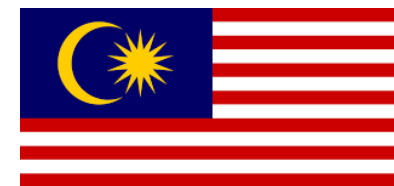
Increasing experience in the mortality business since 2021



Growing portion of claims from respiratory and cardiovascular diseases (CVD)



Similar patterns to excess mortality observed in other countries, but Malaysia (MY) shows significantly higher excess mortality



# Malaysia: Deteriorating Mortality Experience - Potential Prolonged COVID Impact and Other Causes

**Table 4.4.1:** Trends in the prevalence of overweight and obesity among those aged 18 years and above in Malaysia, 2011-2023

	2011 (%)	2015 (%)	2019 (%)	2023 (%)
Overweight	29.4	30.0	30.4	32.6
Obesity	15.1	17.7	19.7	21.8



Increasing experience in the mortality business since 2021



Growing portion of claims from respiratory and cardiovascular diseases (CVD)



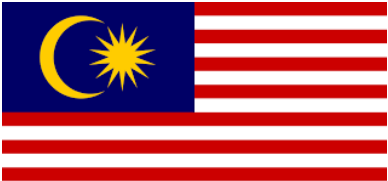
















Similar patterns to excess mortality observed in other countries, but Malaysia (MY) shows significantly higher excess mortality



Other potential causes include shifts in customer profiles during COVID and higher obesity rates in recent years

# There is no magic to predict the future

			
 Market competition			
 Change of customers' profile			
 Change of behaviour			
 Growing market with limited experience for pricing			

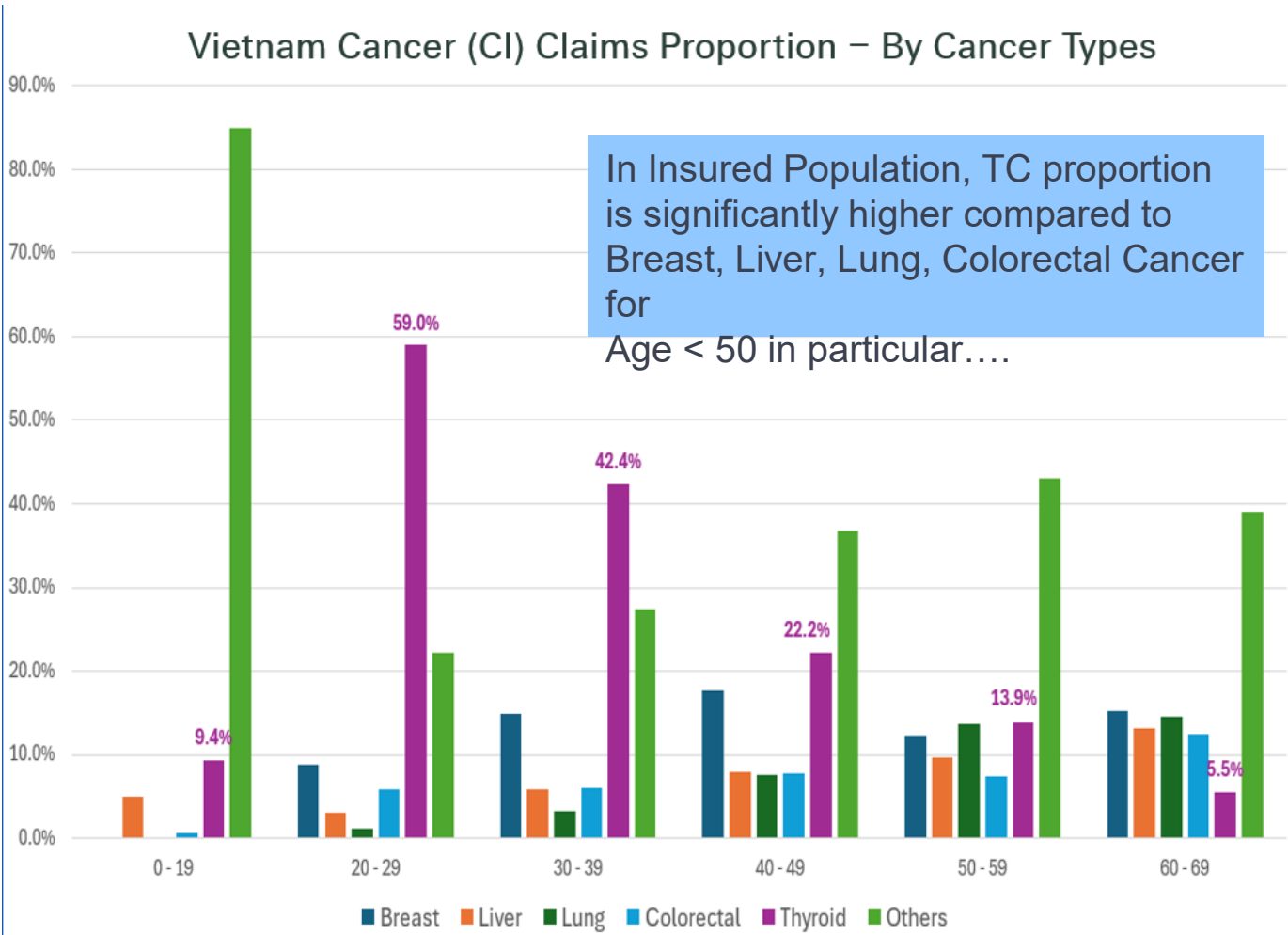
# Anticipating the Future

# 03





# Vietnam: Customer Behavior Meets Definition Gaps in TPD



Source : Swiss Re



Source : Globocan

Thyroid Cancer is **not within Top 5 Cancers** in **Vietnamese Population** between age 20-49. Within **insured population** however, the proportion is **significantly higher**.

# Vietnam: Customer Behavior Meets Definition Gaps in TPD



## A) Presumptive Basis

Irrecoverable loss or complete paralysis of function of one of the following combinations:

Both arms, or both legs, or one arm and one leg,

Both eyes, or one arm and one eye, or one leg and one eye.

Loss of function is defined as the complete and irreversible loss of use from the wrist upward (for arms), ankle upward (for legs), and total blindness (for eyes).

## B) Loss of Bodily function

The Life Assured suffers **bodily injury of 81% or more**, as certified by:

A provincial or centrally governed medical examination council, or

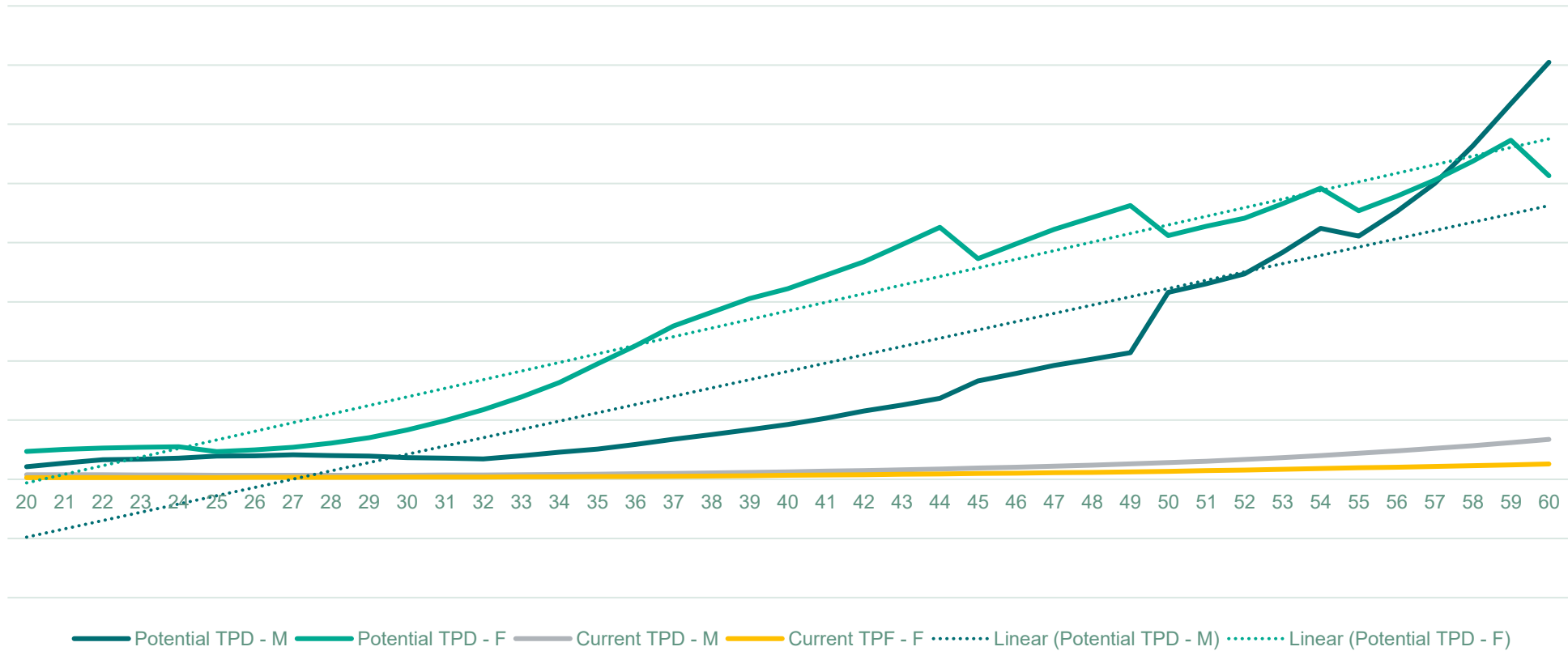
A legally recognized medical assessment organization approved by the insurance company

4.2. Thyroid Cancer	
4.2.1. Undifferentiated body I	71
4.2.2. Differentiation	81

4. Breast cancer	
4.1. Stage 0	31 - 35
4.2. Phase I, Phase II	41 - 45
4.3. Phase III	61 - 65
4.4. Stage IV	81

3. Acute myocardial infarction causes complications: ventricular septal defect due to perforation of the interventricular septum, arrhythmias, heart failure, cerebral artery occlusion, pericarditis, cardiac aneurysm,...	81 - 85
---	---------

# Where do you think the future incidence will land?



## Overdiagnosis remains a challenge everywhere

# From Early Detection to Excessive Claims: The Overdiagnosis Dilemma



United States

Prostate cancer **↑>50%** in 1990-2000s



China

Thyroid cancer in Beijing **↑40%** from 2011 to 2012



United Kingdom



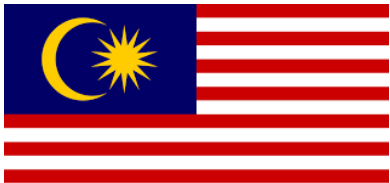

















Breast carcinoma-in-situ **↑>200%** since 1988



Australia

Non-melanoma skin cancer **>100 times** of other countries

# There is no magic to predict the future

				
 Market competition				
 Change of customers' profile				
 Change of behaviour				
 Growing market with limited experience for pricing				



Use the early warning system to predict the movement



Signal



Triage Signal



Take Action

Enable **proactive**  
business decisions by  
**identifying** and  
managing relevant  
risks **faster** than ever  
before.

Together, we can  
detect issues early  
and act swiftly.





Any  
questions?



# Thank you!

Contact us

Follow us



# Legal notice

©2025 Swiss Re. All rights reserved. You may use this presentation for private or internal purposes but note that any copyright or other proprietary notices must not be removed. You are not permitted to create any modifications or derivative works of this presentation, or to use it for commercial or other public purposes, without the prior written permission of Swiss Re.

The information and opinions contained in the presentation are provided as at the date of the presentation and may change. Although the information used was taken from reliable sources, Swiss Re does not accept any responsibility for its accuracy or comprehensiveness or its updating. All liability for the accuracy and completeness of the information or for any damage or loss resulting from its use is expressly excluded.