

I.I.I. Issues Its First-Ever Global Macro and Insurance Outlook

Insurers Holding Steady Even as Their Economies Face Headwinds

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NEW YORK, September 10, 2019—Nearly every large economy’s gross domestic product (GDP) growth worldwide is expected to be lower in 2019 than in 2018 yet insurers have found ways to remain profitable, according to a new [Insurance Information Institute](#) (I.I.I.) report.

“Global premium growth has been steady,” stated Dr. Michel Léonard the I.I.I.’s Vice President & Senior Economist, referring to insurers in all lines of business worldwide.

In a [four-plus minute video](#) summarizing his findings, he cites [Organization for Economic Co-Operation and Development](#) (OECD) data putting insurers’ average gross written premium (GWP) growth at 4.1 percent in 2017 and 4.7 percent in 2018. The I.I.I. foresees 5.1 percent average GWP growth for insurers in 2019 based on the latest OECD numbers.

The I.I.I.’s first-ever [Global Macro and Insurance Outlook](#) notes the growing volatility surrounding Brexit, the United Kingdom’s effort to separate from the European Union, and the protests in

Hong Kong. Lower interest rates also are doing little to boost economic activity, the I.I.I.'s report says, with the International Monetary Fund (IMF) projecting global GDP growth at 3.2 percent in 2019. That figure stood at 3.6 percent in 2018.

“The key issue for the global economy for the rest of 2019 is whether the weak growth of the last three quarters turns around, slow growth continues, or the global economy slips into recession,” the report states. The three quarters include the following nine months—October 2018 through June 2019.

“A lot of the ways emerging markets carriers have been able to drive growth is by looking at insurtech channels,” Dr. Léonard said.

Insurtech is considered any product or service which provides insurance in a customer-friendly manner. Economic activity in that sector is robust worldwide. Global insurtech deal volume stood at \$1.42 billion in 2019's first quarter, the I.I.I. report said, citing a Willis Towers Watson study. In the I.I.I. report's Country Watch section, Kenya is highlighted as Eastern Africa's insurtech hub and a driver of Kenya's growing insurance market.

The I.I.I. has a full library of educational videos on its [YouTube Channel](#). Information about I.I.I. mobile apps can be found [here](#).

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