New S&P Global Market Intelligence insurance industry outlook projects the status quo won't suffice in postpandemic landscape

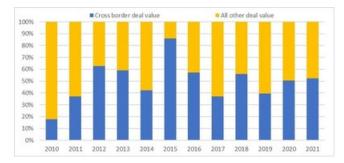
NEW YORK, Nov. 9, 2021 /PRNewswire/ -- Insurance companies will need to accelerate the evolution of everything from distribution and pricing to customer and investor relations, according to the newly released 2022 Insurance Industry Outlook Report from S&P Global Market Intelligence.

Published by S&P Global Market Intelligence's Financial Institutions Research team, the report spotlights several key themes for the insurance industry that include emerging perils, the evolving nature of globalization, balance sheet rationalization and the permeation of technology in all aspects of the insurance value chain. It argues that a growing number of insurers will need to rethink their operating models to address significant structural changes in the competitive environment and rapid evolution in the macroeconomic landscape.

"The very essence of what it means to be an insurance company is changing in front of our eyes," said im Zawacki, principal research analyst at S&P Global Market Intelligence. "Reliance on data and analytics in underwriting, pricing and risk-modeling took on increased importance since the onset of COVID-19. And it will only grow as the industry takes a leading role in the global response to climate change, preparing for future pandemics and providing protection against financial fallout from cyberattacks."

Predictions in the report include:

- A proactive response to the threats posed by economic inflation in the form of rising prices for goods and services as well
 as social inflation, a trend towards larger jury verdicts and legal settlements, in both pricing and underwriting. Historically
 favorable results in the personal auto business during the depths of the pandemic in 2020 may become a distant memory
 by 2022 as vehicle repair and replacement costs rise.
- A growing role for reinsurance in the life insurance and annuity markets as established carriers explore ways to minimize
 volatility and maximize profitability of both new and in-force business. The confluence of a growing supply of solutionsproviders and heightened demand for new approaches to balance sheet management favors an acceleration of this
 transformation.
- The continued digitalization of underwriting and distribution functions particularly in commoditized product lines, fueled by
 greater access to data and analytics, the success of insurtech disruptors and strategic shifts by carriers to more channelagnostic approaches to selling insurance.
- Continued active investment by established carriers and venture capital providers, alike, in emerging insurance markets in Southeast Asia, with a particular emphasis on insurtechs. China and India, which are collectively home to nearly half of private insurtech companies in the Asia-Pacific region, will continue to attract the lion's share of investor interest.
- More M&A activity across international borders. Some sellers may continue to trade out of non-core geographies while buyers seek opportunities in business lines and geographies characterized by favorable economics and demographics.



The S&P Global Market Intelligence 2022 Insurance Industry Outlook is part of a "Big Picture Outlook" series published by the division's research group that provides a look ahead to key strategic trends and opportunities. To learn more about this "Big Picture Outlook" research series, please visit here.

To request a copy of report, please contactpressinguiries.mi@spglobal.com.

S&P Global Market Intelligence's FIG Research team provides independent forecasts and real-time analysis of the banking, insurance and financial technology sectors, across multiple geographies, leveraging the deep sector knowledge of its analysts. The FIG offering complements S&P Global Market Intelligence's broad universe of research sector coverage including energy, enterprise technology, metals & mining and TMT (Technology, Media and Telecom).

S&P Global Market Intelligence's opinions, quotes, and credit-related and other analyses are statements of opinion as of the date they are expressed and not statements of fact or recommendation to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security.

About S&P Global Market Intelligence

At S&P Global Market Intelligence, we understand the importance of accurate, deep and insightful information. We integrate financial and industry data, research and news into tools that help track performance, generate alpha, identify investment ideas, perform valuations and assess credit risk. Investment professionals, government agencies, corporations and universities around the world use this essential intelligence to make business and financial decisions with conviction.

S&P Global Market Intelligence is a division of S&P Global (NYSE: SPGI), the world's foremost provider of credit ratings, benchmarks and analytics in the global capital and commodity markets, offering ESG solutions, deep data and insights on critical business factors. S&P Global has been providing essential intelligence that unlocks opportunity, fosters growth and accelerates progress for more than 160 years. For more information, visit www.spglobal.com/marketintelligence.

Media Contact

Amanda Oey S&P Global Market Intelligence +1 212-438-1904 amanda.oey@spglobal.com



SOURCE S&P Global Market Intelligence

https://press.spglobal.com/2021-11-09-New-S-P-Global-Market-Intelligence-insurance-industry-outlook-projects-the-status-quo-wont-suffice-in-post-pandemic-landscape