

Life Insurance Industry Performance January - June 2018

The life insurance industry has paid out a total of RM5.18 billion in claims during the first half of 2018, recording an increase of 4.3% over the same period last year.

Medical payment registered a growth of 8.5%, followed by disability payment a growth of 7%.

Claims

Benefit	Jan-June 2018	Jan-June 2017	Difference	% Change
Death	679,091,689	677,350,955	1,740,734	0.3
Disability	58,352,194	54,513,745	3,838,449	7.0
Medical	1,928,209,788	1,777,607,961	150,601,827	8.5
Bonuses	1,807,401,598	1,775,699,166	31,702,432	1.8
Others	710,155,179	685,335,294	24,819,885	3.6
Total	5,183,210,448	4,970,507,121	212,703,327	4.3

The life insurance industry recorded a slight negative growth of 0.6% in terms of new business weighted premium between January and June 2018. Weighted premium is the industry commonly adopted method for measuring new business volume by adding 10% of single premium business to 100% of regular premium business.

Traditional and Investment-Linked

	Jan-June 2018	Jan-June 2017	% Change
Single Premium	742,741,343	719,204,710	3.3
Regular Premium	2,469,757,448	2,487,697,311	-0.7
Total Premium	3,212,498,791	3,206,902,021	0.2
Weighted Premium (*)	2,544,031,582	2,559,617,782	-0.6

* Note : Weighted Premium is calculated as 10% of Single Premium + 100% of Regular Premium

Despite the slight slowdown in new business, investment-linked policies continued to be popular, recording a growth of 5.3% in weighted premium.

In contrast, traditional policies declined by -11.2%.

Investment-Linked

	Jan-June 2018	Jan-June 2017	% Change
Single Premium	448,179,726	488,488,061	-8.3
Regular Premium	1,688,579,842	1,597,443,294	5.7
Total Premium	2,136,759,568	2,085,931,355	2.4
Weighted Premium (*)	1,733,397,814.	1,646,292,100	5.3

Traditional

	Jan-June 2018	Jan-June 2017	% Change
Single Premium	294,561,617	230,716,649	27.7
Regular Premium	781,177,606	890,254,017	-12.3
Total Premium	1,075,739,223	1,120,970,666	-4.0
Weighted Premium (*)	810,633,767.7	913,325,681.9	-11.2

* Note : Weighted Premium is calculated as 10% of Single Premium + 100% of Regular Premium

Gross sum assured grew by 20.6% during the first half of 2018. The growth was driven by investment-linked products which rose by 27.3%. Traditional products, on the other hand, declined by 14%.

Traditional and Investment-Linked

	Jan-June 2018	Jan-June 2017	% Change
Traditional	8,482,377,617	9,868,213,309	-14.0
Investment-Linked	64,325,072,519	50,525,933,198	27.3
Total	72,807,450,136	60,394,146,507	20.6