

GENERAL INSURANCE PREMIUM FORECAST

AS at
2022Q2

Direct Premium Report as of 2022Q2 and Full Year Forecast of 2022-2023

Prepared by Insurance Premium Rating Bureau (IPRB)

Total Direct
Premium Forecast
for 2022

272,000 - 274,600 M Baht

(+3.5%-4.5%)

	2022		2023
	Q2	Full-year(F)	Full-year(F)
Direct Premium (M Baht)	132,741	272,000 - 274,600	282,200 - 287,900
Premium Growth	2.1%	3.5% - 4.5%	4.5% - 5.5%
Motor	4.0%	5.0%	5.0%
Motor Compulsory	0.6%	2.4%	2.1%
Motor Voluntary	4.6%	5.4%	5.4%
Non-motor	-0.3%	2.4%	5.1%
Property*	9.4%	6.5%	2.7%
Marine	12.4%	11.1%	6.0%
Health	-24.8%	-15.1%	12.7%
PA	-3.9%	1.7%	1.3%
Miscellaneous**	12.8%	9.2%	9.4%
GDP Growth** *	2.5%	2.7% - 3.3%	3.2% - 4.2%

*Property includes Fire and IARs

**Miscellaneous include Aviation, Bail Bond, Financial, Engineering, Crop, Live Stock, Public Liability, Travel, and Others.

**GDP retrieved from NESDC Report as of August 2022 and BOT Report as of June 2022. NESDC's GDP forecast for 2022 is 2.7%-3.2% and BOT forecast for 2022 is 3.3% and 2023 is 4.2%

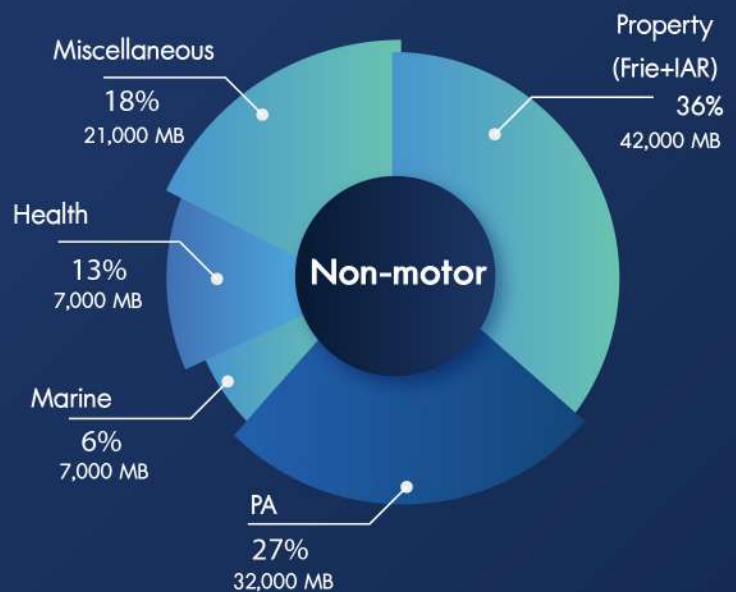
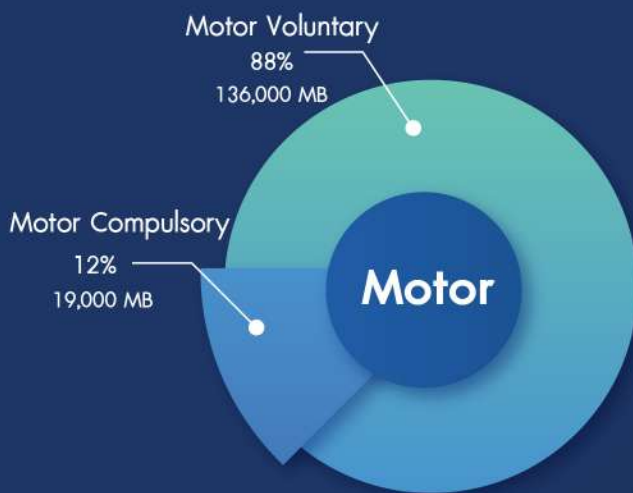
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Full Year Forecast of 2022



57%

Motor Insurance
155,000 Million Baht (+5.0%)

Motor Compulsory

- The average premium per policy has been stable for the last five years. In terms of long-term alternative motorbike policy, the impact on the direct premium is not expected to be significant in the short term.
- As a result of the general economic recovery and the alleviation of the automotive components shortage, more new cars will be sold as well as the number of policies. The number of policies tends to increase around 2%.

Motor Voluntary

- Consequent to the current economic situation, new car sales will rise, with 880,000* expected to be sold in 2022. The number of policies tends to increase by 3% while average premium per policies will rise by 2%

*Expected new car sale was estimated by Toyota Motor Thailand Co., Ltd. as of 25 July 2022

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43%

Non-Motor Insurance
118,000 Million Baht (+2.3%)

Overall

- IPRB forecasts the growth rate based on assumption that the outbreak will be less intense. This led to increase in direct premium across multiple lines of business, following the economic recovery. Depending on the pandemic condition, the prediction for the direct premium may alter.

Marine



- Due to an increase in demand, the amount of export has been increasing and is predicted to reach 9% in 2022, which translated to a considerable increase in Marine Cargo direct premium.

Health



- The emergence of the Omicron variant at the beginning of 2022 caused the insurance firms who sold COVID-19 Insurance lump-sum payment ("Jer Jai Job") to cease renewal policies. Consequently, approximately 6 billion Baht was wiped-out from the market. Contrarily, Non-COVID Health direct premium has been rising during the last 3 consecutive years, and are expected to continue growing as rising in medical costs and consumers are more conscious on health insurance.

Accident



- Personal Accident direct premium increased due to an expanding in group insurance of some insurers.

Property



- The amount of housing loan declined which led to a reduction in the Fire insurance direct premium.
- The IARs direct premium increased due to the recovery of economy.

Miscellaneous



- Miscellaneous direct premium increased in the first half of 2022 aligning with the GDP growth rate.
- As a result of the removal of the country lockdown and the relaxation of entry requirements, the travel industry has greatly expanded. Inbound travelers have anticipated around 9.3 million passengers* in 2022, up from 0.4 million in 2021, which will lead to a 140% expected growth in the direct premium for Travel insurance.
- Thai government has cut off the low-risk rice plantation zone in 2022 causing a drop in crop premium by 650 million Baht. However, Cassava Insurance Scheme may be implemented in 2023, leading to an increase of about 685 million Baht.

*Ministry of Tourism and Sports prediction