

IAIS mid-year Global Insurance Market Report 2025 reflects insurance sector resilience

- Interim data analysis from the 2025 Global Monitoring Exercise (GME) indicates stable solvency, liquidity and profitability positions in the global insurance sector at year-end 2024. Aggregate systemic risk scores of global insurance groups at year-end 2024 were consistent with those at year-end 2023.
- Global economic growth is expected to slow in 2025, mainly due to trade tensions, market volatility and mounting debt burdens. These developments are creating risks for insurers' balance sheets by straining asset valuations and posing challenges to liability management. Diversified asset and liability portfolios have provided stability to investment and underwriting returns.
- Key sector-wide themes in focus of the 2025 GME are (1) the impact of geoeconomic fragmentation on insurers' management of assets and liabilities; (2) insurers' growing investments in private credit; and (3) insurers' adoption and governance of artificial intelligence (AI).
- Additional areas of supervisory attention outlined in the report include climate and cyber-related risks.

Basel, Switzerland – The International Association of Insurance Supervisors (IAIS) today released the mid-year update of its Global Insurance Market Report 2025. The report, based on preliminary findings from the IAIS' 2025 Global Monitoring Exercise (GME), analyses emerging trends and risks within the global insurance sector.

"The mid-year GIMAR provides timely insights into evolving challenges and opportunities for the global insurance sector," said Shigeru Ariizumi, Chair of the IAIS Executive Committee. "By identifying emerging risks and trends such as geoeconomic fragmentation, growing investment in private credit and the increasing adoption of AI, the IAIS equips its members with the knowledge needed to strengthen supervisory practices and promote stability of the sector in the face of rapid change."

Interim results

The interim results highlight stable solvency and profitability positions, in aggregate, in the global insurance sector, supported by strong operational performance, effective asset-liability management, and robust capital buffers. Liquidity positions have also improved for many insurers, although some challenges persist due to increased allocations to illiquid assets, market volatility and dividend payments.

Aggregate systemic risk scores of global insurance groups at year-end 2024 were consistent with those at year-end 2023. While certain indicators saw increases, such as intra-financial assets and level 3 assets, these were offset by reductions in indicators linked to minimum guarantees on variable products and derivatives holdings.

In 2025, global economic growth is expected to slow, driven by trade conflicts, market volatility and rising debt challenges. Disorderly disruptions in financial markets could impact insurers' balance sheets by weakening asset valuations and challenging liability management, although diversification has helped maintain stable returns.

Key sector-wide themes in the 2025 GME

Each year, the IAIS identifies sector-wide themes which are top of mind for insurance supervisors globally. For 2025, these focus on:

1. Geoeconomic fragmentation

Rising geopolitical tensions and economic divisions are creating significant challenges for insurers, including credit, foreign exchange, liquidity, interest rate and underwriting risks. Insurers are responding with robust risk management strategies, such as asset reallocation, scenario testing and crisis response planning.

2. Private credit investment

IMF research finds that global private credit investments reached \$2.1 trillion in 2023 with annual growth rates of 20% in North America, 17% in Europe and 20% in Asia. Insurers are balancing the diversification and stable long-term cash flow benefits of investments in private credit with risks such as credit, concentration, liquidity and valuation challenges.¹ The IAIS is conducting an in-depth analysis of insurers' private credit investments to better understand potential vulnerabilities and refine supervisory practices.

3. Artificial intelligence (AI)

AI offers insurers opportunities to enhance efficiency and improve risk selection leading to better consumer outcomes but also introduces risks that require robust governance and risk management. The IAIS is examining AI adoption in the insurance sector, with a focus on its implications for insurers' operations, balance sheets and risk management frameworks.

Other areas of increased supervisory focus

Additional focus areas for analysis include cyber risk and climate-related risks. As part of the GME process the IAIS will consider the extent to which insurers are able to identify cyber risks, transparently apply policy exclusions and manage their underwriting exposure. The year-end GIMAR will again include an assessment of climate-related risks in a dedicated chapter.

"The GIMAR mid-year update underscores the continued resilience of the insurance sector, with solvency, liquidity and profitability positions remaining strong and systemic risk scores stable", said Jonathan Dixon, IAIS Secretary General. "Yet caution remains as market volatility and global economic headwinds pose emerging challenges to balance sheets. The 2025 GME reflects the IAIS' commitment to identifying and responding to emerging risks in the insurance sector."

The year-end 2025 GIMAR will be published in December and will elaborate on key potential systemic risk developments in the insurance sector relative to those in the banking sector and examine in detail solvency, profitability and liquidity positions. Data analysis on individual insurers and sector-wide themes will be enriched by input collected through a feedback loop with supervisors, followed by a collective discussion among insurance supervisors in September.

Read the 2025 GIMAR mid-year update [here](#).

¹ IMF. Global Financial Stability Report. 2024.

About the GIMAR

The Global Insurance Market Report (GIMAR) reports on the outcomes of the IAIS' Global Monitoring Exercise (GME). The GME is the IAIS' framework for monitoring risks and trends in the global insurance sector and assessing the possible build-up of systemic risk. It draws on data from 57 of the largest international insurance groups and aggregate market-wide data from supervisors across the globe, representing more than 90% of global gross written premiums.

About the IAIS

The IAIS is a global standard-setting body whose objectives are to promote effective and globally consistent supervision of the insurance industry to develop and maintain fair, safe and stable insurance markets for the benefit and protection of policyholders and to contribute to the maintenance of global financial stability. Its membership includes insurance supervisors from more than 200 jurisdictions. Learn more at www.iais.org. Follow us on LinkedIn: [IAIS – International Association of Insurance Supervisors](#).

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