

For immediate release

Media Release

Life Insurance industry’s New Business Total Weighted Premiums grew 10.9% in Q1 2025 year-on-year, fueled by continued uptake of Investment-Linked Policies (ILPs)

Annual premium policies and ILPs recorded strong growth, as consumers continue to prioritise long-term protection and wealth accumulation amidst broader market challenges and trade uncertainties.

Singapore, 14 May 2025 — The Life Insurance Association, Singapore (LIA Singapore) today announced a set of industry results for the period January 2025 to March 2025 (Q1 2025).

Singapore’s life insurance industry recorded a total of S\$1.48 billion in weighted new business premiums¹ for Q1 2025, an increase of 10.9% compared to Q1 2024. This is primarily attributed to the growth in annual premium policies, which recorded a 36.7% increase in weighted premiums in Q1 2025 compared to the same period last year. There was a 32.2% decrease in weighted premiums for single premium policies in Q1 2025 compared to the same period last year.

Investment-linked policies (“ILPs”) continued to lead the momentum in Q1 2025 as a key driver of growth. The uptake of ILPs grew 60.6% year-on-year, increasing from S\$414 million in Q1 2024 to S\$665 million in Q1 2025. The uptick in ILPs and the sustained interest in annual premium policies highlight a continued shift in consumer priorities amidst heightened market and trade volatilities. Consumers continue to shore up their financial resilience via propositions that meet their needs. This includes balancing both stability and wealth accumulation potential, such as with ILPs, which combine life insurance coverage with higher potential returns.

In-force premiums for Group Life & Health continued to show steady growth with a 16% increase in Q1 2025 from Q1 2024 to record a total of S\$2.68 billion to date, with accident & health accounting for 73.8%, and life accounting for 26.2%.

Ms Wong Sze Keed, President, LIA Singapore, commented “As we navigate a more cautious and uncertain macroeconomic landscape, as evidenced by Singapore’s downgraded GDP growth forecast to 0 – 2% for 2025², there are clear challenges ahead. Singapore’s life insurance industry remains resilient

¹ Weighted new business premiums measures premiums collected on new policies by taking into account (1) 10 per cent of the value of single premium products, (2) all of a year’s premiums for annual premium products, and (3) adjusted value for products with premium payment durations of less than 10 years. The figure is calculated as follows: 10% Single Premium Insurance + 100% Annual Premium Insurance + Adjusted premium for Insurance with premium payment durations of less than 10 years.

² On 14 April 2025, the Ministry of Trade and Industry (MTI) announced that Singapore’s GDP growth forecast for 2025 has been downgraded from “1.0 to 3.0 per cent” to “0.0 to 2.0 per cent”. Available at: <https://www.mti.gov.sg/Newsroom/Press-Releases/2025/04/Singapore-GDP-Grew-by-3-8-Per-Cent-in-the-First-Quarter-of-2025>

and agile, ready to adapt to shifting dynamics to best meet consumers' evolving needs as we partner with them this year and beyond.”

Continued increase in uptake of annual premium policies

The industry recorded an increased take-up of annual premium policies by 36.7%, compared to the same period last year, amounting to S\$1.14 billion in total weighted premiums. The continued uptake in annual premium policies demonstrates customers' willingness to set aside contributions regularly to meet their insurance needs.

Meanwhile, single premium policies saw a decrease of 32.2% to S\$339.5 million in Q1 2025, compared to the same period last year. However, this was a 5.2% increase from Q4 2024.

Financial Adviser (FA) Representatives³ led the charge in securing S\$14.6 billion in sum assured in Q1 2025, accounting for a notable 43.3% of the total sum assured for the quarter. Tied representatives followed with S\$10.9 billion in sum assured, accounting for 32.4% of the total.

Overall, the industry recorded S\$33.6 billion in total sum assured during this period, which marginally decreased from the same period last year.

Integrated Shield Plans (IPs) is a key cornerstone of health insurance coverage

Approximately 44,000 more Singaporeans and Permanent Residents were covered by IPs as of 31 March 2025. In total, 2.98 million lives – approximately 71% of Singapore residents⁴ – are protected by IPs, which provide coverage on top of MediShield Life, an increase from 2.94 million in Q1 2024.

Total new business premiums⁵ for individual health insurance for Q1 2025 amounted to S\$201.3 million, an increase of 104.2% compared to the same period last year. Overall, IPs and IP rider premiums accounted for 90% (S\$181.8 million) and the remaining 10% (S\$19.5 million) comprised of other medical plans and riders.

Claims payouts

In Q1 2025, the life insurance industry paid out S\$2.77 billion to policyholders and beneficiaries, a decrease of 44.7% compared to the same period last year.

Of this amount, S\$2.21 billion was for policies that matured and the remaining S\$559 million was for death, critical illness or disability claims.

OTHER HIGHLIGHTS FOR Q1 2025

Product classification

Par products accounted for 22% of new sales while non-par products accounted for 33%. Investment-linked products made up the remaining 45%. Investment-linked products represent the largest proportion of total weighted premiums for new business Individual Life & Health, contributing \$665m in Q1 2025.

³ FA Representatives include representatives of “related FA firms”. A related FA firm is a wholly-owned subsidiary of an insurance company.

⁴ Based on the latest available population figures released by the Singapore Department of Statistics. As of mid-2024, the total population of Singapore Residents, which include Singapore Citizens and Permanent Residents, stood at 4.18 million. Available at: <https://www.singstat.gov.sg/find-data/search-by-theme/population/population-and-population-structure/latest-data>

⁵ With effect from 1 January 2016, MediShield Life premiums have been excluded from LIA statistics. New Business premiums refer to the premium due to the new business sold in the year, as well as incremental premiums from any repricing of plans, and change in age-band of the insureds.

Distribution channels

New business from the different channels is as follows:

Distribution Channel	By Weighted Premium (%)	By Number of Policies (%)
Tied Representatives	30.8	39.1
Bank Representatives	33.2	10.3
FA Representatives	32.8	38.6
Online Direct Channel ⁶	1.2	9.7
Others (products sold without intermediaries)	2.0	2.3

Product license classification

As of 31 March 2025, insurers holding “Normal” licenses contributed 99% of new sales, while “Defined Market Segments” (DMS) insurers⁷ made up the remaining 1% of new sales for Q1 2025.

Manpower in the industry

Employment in the life industry decreased by 1.4% compared to the corresponding period in 2024 with life insurers. This brings Singapore life insurance industry’s workforce to 9,606 employees as at 31 March 2025.

In the same period, 12,385 representatives held exclusive contracts with companies that operate a tied-agency force.

LOOKING FORWARD

Ms Wong Sze Keed, President, LIA Singapore, said “Financial awareness and savviness is key, especially so in this current climate, to ensure that Singaporeans are well-prepared today and for the future. The life insurance industry remains committed to supporting consumers – not just by offering a wide range of products and services, but also by championing financial education and promoting financial literacy. We want individuals and families to feel confident in making well-informed financial decisions, and secure their long-term well-being. As we commemorate Singapore’s 60th birthday this year, let’s continue to remain resilient to progress together.”

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Note to Editor: Details of the life insurance industry results for Q1 2025 are available at <https://www.lia.org.sg/news-room/industry-performance/>

⁶ Online Direct Channel is a new data point from January 2019, and it refers to “any web portal or application in the internet created, developed and maintained or operated by a life insurer, on which a client may purchase a life policy”.

⁷ DMS insurers are registered by MAS to conduct only non-CPF business and with minimum policy size.

IN SUMMARY

New Business Sales (Weighted Basis)

Comparison with Corresponding Period	Jan – Mar 2025 S\$ (million)	Jan – Mar 2024 S\$ (million)	Change (%)
Single Premium	339.5	500.4	-32.2
Annual Premium	1,140.0	834.2*	36.7
Total	1,479.5	1,334.6*	10.9

**Updated figures, due to revisions made after the release of Q1 2024 results*

Note: Figures in this media release are subject to rounding differences

Life Insurance Association, Singapore (LIA Singapore)

Established in 1962, the Life Insurance Association, Singapore (LIA Singapore) is the not-for-profit trade body of life insurance product providers and life reinsurance providers based in Singapore and licensed by the Monetary Authority of Singapore (MAS).

Vision and Mission

The vision of member companies is *to provide individuals with peace of mind and to promote a society where every person is prepared for life's changing cycles and for those situations unforeseen.*

They are *committed to being a progressive life insurance industry by collectively enhancing consumer understanding, promoting industry best practices, and through the association fostering a spirit of collaboration and mutual respect with government and business leaders.*

Values underpinning the association and its members

Unified	in our resolve to deliver innovative solutions where every individual's needs are best met.
Professional	in the way we conduct ourselves and in the counsel we give.
Ethical	in ensuring our policyholders' interests are managed with utmost integrity.
Fair	in how we strive to provide favourable outcomes to both our policyholders and shareholders.
Open & honest	in all that we do to build an environment of trust and transparency.
Proactive	in the steps we take to give our people the skills and knowledge to provide sound solutions at all times.

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