
FOR IMMEDIATE RELEASE**Press Release**

Milliman report: Life insurance new business growth in Asia stifled by pandemic

HONG KONG – AUGUST 31, 2021 – Milliman today announced the findings of its annual study on reported year-end 2020 embedded value (EV) and value of new business (VNB) results for 51 major multinational and domestic life insurers across Asia. The *Milliman 2020 Embedded Value Results: Asia* report highlights trends in published EV results, including a total growth in reported EV in 2020 of 13.2% to USD 964 billion but a VNB fall of 19.2% to USD 42.3 billion. The report also provides an in-depth analysis of the EV methodologies and assumptions adopted, as well as the impact of key regulations and other market developments in the region.

“All of Asia’s markets, apart from Thailand, reported positive growth in EV results for the year,” said Paul Sinnott, Principal and Consulting Actuary at Milliman. “Most of Asian VNB results declined in 2020, primarily reflecting the adverse impact on sales of government-imposed lockdowns across the region. However, during the second half of the year, new business sales for some insurers across Asia recovered, mainly due to less stringent pandemic related restrictions, digital and product innovations.”

A complimentary copy of the report is available for download [here](#).

A few key insights from the report include:

- The India and Japan markets led EV growth, posting increases of 26% and 24% respectively. Several other markets also reported double digit growth in EV.
- China Life continues to report the largest EV in the region. Among multinationals, AIA continues to be the largest both by EV and VNB.
- Strategic shifts towards selling more protection business continue, as low interest rates persist throughout the region making savings-oriented business less profitable.
- Traditional Embedded Value methodologies continue to be most popular in the region, with Market Consistent EV/VNB reporting being prevalent in Japan and India, as well as in European insurers’ Asian subsidiaries.
- The Asian equity markets were volatile during 2020, but recovered after initial falls early in the year caused by the onset of the pandemic.

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About Milliman

Milliman is among the world's largest providers of actuarial and related products and services. The firm has consulting practices in healthcare, property & casualty insurance, life insurance and financial services, and



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