

A cubist illustration of a man in a suit and hat, rendered in various geometric shapes and colors. The man is wearing a dark hat with a green band, a white shirt with a dark tie, and a dark suit jacket. He is holding a briefcase in his right hand. The background features stylized buildings in yellow and orange, and a dark, patterned area that looks like a rug or a wall. The overall style is reminiscent of Pablo Picasso's cubism.

Fundación **MAPFRE**

THE LATIN AMERICAN
INSURANCE MARKET IN 2024

MAPFRE Σconomics

The Latin American Insurance Market in 2024



Emilio Pettoruti

Harlequin (1928)

Oil on canvas (114x70 cm), signed and dated bottom right: "Pettoruti 28".

Museo Nacional de Bellas Artes collection, Buenos Aires, Argentina.

Reproduced in artist Emilio Pettoruti's critical catalogue, published by Fundación Pettoruti, 1995, Buenos Aires, with product number: 259.

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MAPFRE Economics - mapfre.economics@mapfre.com

Spain: Carretera de Pozuelo, 52 - Edificio 1
28222 Majadahonda, Madrid

Mexico: Avenida Revolución, 507
Col. San Pedro de los Pinos
03800 Benito Juárez, Mexico City

© For this edition:

2025, Fundación MAPFRE
Paseo de Recoletos, 23. 28004 Madrid
www.fundacionmapfre.org

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MAPFRE Economics

Manuel Aguilera Verduzco

General Manager

avmanue@mapfre.com

Ricardo González García

Director of Analysis, Sectorial Research and Regulation

ggricar@mapfre.com

Gonzalo de Cadenas Santiago

Director of Macroeconomics and Financial Analysis

gcaden1@mapfre.com

José Brito Correia

jbrito@mapfre.com

Begoña González García

bgonza2@mapfre.com

Isabel Carrasco Carrascal

icarra@mapfre.com.mx

Fernando Mateo Calle

macafee@mapfre.com

Rafael Izquierdo Carrasco

rafaizq@mapfre.com

Eduardo García Castro

gcedua1@mapfre.com

Johannes Ricardo Rojas Díaz

jrroja1@mapfre.com

Eduardo Arroyo Samper

Andrea Díaz Nava

Gloria Donaire Picón

Pablo Planelles Pereira

MAPFRE Economics recognizes and appreciates the valuable collaboration of the regulatory and supervisory bodies of insurance markets in Latin America. Their participation and support have contributed significantly to the preparation of this report.

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Presentation

The 2024 edition of the report *The Latin American Insurance Market*, prepared by MAPFRE Economics, offers a comprehensive view of changes in the Latin American insurance industry. In this edition, the report not only examines industry behavior during 2024, but also presents a medium-term perspective covering the 2010–2024 period. Consolidated and comparable statistical series are used to analyze key market indicators—such as premium growth, investments, technical provisions, technical performance, and profitability—as well as the most relevant structural trends, including indicators of penetration, density, and the protection gap.

Despite existing geopolitical tensions, the economic environment drove growth in the global insurance industry, which recorded a solid 7.2% increase in premiums, with strong performance in both Life and Non-Life insurance. The Latin American insurance market registered a premium volume of 215.1 billion dollars and 5.8% growth. The Life segment led growth (with 8.7%), while Non-Life showed more moderate expansion (3.7%). From a structural perspective, insurance penetration in the region increased slightly to 3.2% of GDP, and density (premiums per capita) reached 340.7 dollars.

Despite this positive performance, the Latin American insurance industry's share of the global total fell slightly during 2024, by 0.04 percentage points, to 2.8% of global premiums, which is still a small percentage considering the size of the region's economy, which accounts for around 8% of global GDP. The updated estimate of the Insurance Protection Gap for Latin American countries as a whole in 2024 amounts to 315.9 billion dollars, which, added to actual insurance market premiums, places the potential insurance market in Latin America at 531.1 billion dollars, representing 2.5 times the current market.

The publication of this report is part of Fundación MAPFRE's commitment to promoting knowledge and awareness of insurance, as well as its essential role in economic development and social welfare. We hope that this new edition will contribute to the analysis and understanding of the Latin American insurance market and serve as a useful tool for all stakeholders involved in strengthening and expanding it.

Fundación MAPFRE

Introduction

This new edition of the report *The Latin American Insurance Market* analyzes developments in the region's insurance industry in 2024, within an international economic environment characterized by moderate growth, high geopolitical uncertainty, and the gradual normalization of monetary policies. Against this backdrop, the performance of Latin America's insurance market is particularly relevant, as it has demonstrated significant resilience and adaptability, reinforcing its role as a driver of financial and social stability in the region. Although the macroeconomic environment was marked by fiscal constraints, residual inflationary pressures, and exchange rate volatility, the sector managed to advance along a path of positive real growth, maintaining its technical and financial profitability. The Life insurance segment performed particularly well, driven by demand for savings and pension products, while Non-Life insurance remained stable, benefiting from the recovery in productive activity and rate adjustments in response to inflation.

The report also highlights structural advances that are beginning to shape a new phase in the maturity of the Latin American insurance market. Factors such as the increasing digitization of processes, innovation in products aimed at financial inclusion, and the strengthening of national regulatory frameworks contribute to narrowing the still-wide insurance protection gap compared with other regions of the world, and to fostering greater penetration and density in the Latin American insurance market.

Despite differences between countries, the Latin American insurance industry is consolidating its position as a pillar of stability in the face of the region's economic and social challenges. The strength of institutional capital, prudent risk management, and adaptation to new regulatory and technological requirements underpin its growth. Our aim with this report is to provide an overview of this development, offering analytical tools that enable readers to understand the trends, challenges, and opportunities that will define the future of the insurance market in Latin America.

MAPFRE Economics

Executive summary

The global economy and the insurance industry

Global economic growth in 2024 remained close to the pace observed in the previous year, posting a slight deceleration to 3.3% (3.5% in 2023). The expansion showed resilience and remained near potential despite geopolitical uncertainty stemming from the conflicts in Eastern Europe (Russia-Ukraine) and the Middle East (Israel-Palestine, Iran, Yemen), and due to associated energy tensions. Moreover, the central banks' progress in controlling inflation allowed them to relax their monetary policies, despite the fact that some risks associated with inflation, especially fiscal sustainability, remain. Inflation data generally improved throughout the year, with some exceptions, and although it remained above monetary policy targets, there are signs of greater control over the pace of price growth. This allowed the main central banks to drop interest rates in the last quarter of 2024.

From a regional perspective, the main contribution to global economic growth in 2024 came from emerging and developing markets, which experienced 4.3% growth (4.7% in 2023). Among them, China's economy stands out, growing 5.0% in 2024 (versus 5.4% in 2023), while India is the second-highest contributor by volume, with growth of 6.5% (9.2% in 2023). All of these rates exceeded the 2.4% growth in Latin America (2.4% in 2023). Meanwhile, the advanced economies grew 1.8% (1.7% in 2023), with slightly less growth by the United States, up 2.8% in 2024 (2.9% in 2023), while the Eurozone presented low aggregate growth of 0.8% (0.6% in 2023), with the economies of Germany, France, and Italy practically stagnant.

The U.S. economy showed great resilience amid tight monetary conditions, and maintained the pace of the previous year with 2.8% GDP growth (2.9% in 2023). The Federal Reserve lowered interest rates three times in 2024, from September through the end of the year. Other economies that are relevant commercial partners with Latin America, like China and the Eurozone, presented a different situation. China's economy grew 5.0% in 2024 (5.4% in 2023), driven by domestic consumption which, despite its sizable contribution to total growth, continues to follow a path of deceleration accompanied by weak inflation. As a result, the country's central bank continued to implement accommodative stimulus measures. As noted above, although the aggregate economy in the Eurozone accelerated slightly, low economic growth persisted (0.8% in 2024 and 0.6% in 2023), with inflation data that improved as the year progressed. This allowed the European Central Bank to lower interest rates four times in 2024, starting in June. This trend has continued throughout 2025 with four additional reductions, bringing the deposit facility to 2.00%.

Despite existing geopolitical tensions, the economic environment drove the global growth of the insurance industry. Property & Casualty insurance continued its upward trend, with price adjustments due to inflation, while high interest rates have been a positive factor for Life insurance development, which experienced increased demand for savings products. Thus, in 2024, global insurance premiums grew to about 7.8 trillion dollars, an increase of 7.2% compared with the previous year. Performance was strong in both Life insurance, which grew 7.4% (7.1% in 2023),

and Non-Life insurance, which expanded 7.0% (7.7% in 2023). This lifted premium density (premiums per capita) to 943 dollars (845 dollars in 2023) and penetration (premiums/GDP) to 7.3% (6.8% in 2023). By region, if real variations are considered, growth was stronger in emerging markets, at 9.6%, compared with 4.3% in advanced markets.

This solid performance of the global insurance sector in 2024, in terms of business volume, was also reflected in profitability. Contributing factors included further premium adjustments, following those of the previous year, to address more moderate inflation, as well as supportive financial conditions for both fixed-income and equity assets in insurers' investment portfolios.

The Latin American economy and insurance market

Aggregate economic growth in Latin America was 2.4% in 2024 (2.4% in 2023), evidence of the persistent pattern of low momentum in the region. Private consumption remained the main engine of GDP, but its pace was weak due to the interest rate environment, still in restrictive territory, limited confidence, and a labor market with not enough job creation. Meanwhile, inflation levels continued to moderate throughout the year, following the 2023 trend, which led some central banks in the region to start progressively lowering interest rates as the downward effects of this trend and the anchoring of expectations were deemed consolidated. Nevertheless, central banks in the region generally maintained contractionary monetary stances, with interest rates above inflation and pre-pandemic levels, reflecting caution amid global uncertainty. Some of the larger economies, like Brazil, even had to reverse the interest rate cuts implemented in previous months in the last few months of the year, in response to the new spike in inflation. Fiscal policy

remained constrained due to debt levels (close to 50% of GDP on average) and persistent deficits. In this context, interest payments on debt and rate increases have limited the adoption of expansionary fiscal stimulus measures. This was compounded by an adverse international backdrop, characterized by tighter financial conditions and weaker foreign demand, which made access to financing more expensive and negatively affected investment flows in the region.

In 2024, the Latin American insurance market registered a premium volume of 215.1 billion dollars, representing 5.8% growth (17.1% in 2023). This deceleration in the sector's growth, following the strong expansions of previous years, occurred in a complex environment of low economic growth at the regional level, below that of other emerging regions, in which some of the largest economies experienced a slowdown, as in the case of Mexico and, to a lesser extent, Brazil. While, at the aggregate level, the Latin American insurance sector could not maintain the strong pace of the previous two years, growth remained healthy and exceeded regional GDP growth.

Despite the complex environment of weak economic growth, the region's main insurance markets posted premium growth in their respective local currencies that was significantly higher than inflation and above the previous year. Argentina was the only market that experienced a significant decline when adjusting insurance premium growth to deduct the monetary effect. Thus, this moderation in the region's aggregate insurance growth also reflects, in part, a base effect stemming from the strong expansion seen in the previous two years (which was itself driven by inflation-related pricing adjustments) and from adverse exchange-rate effects which, in 2023, had been favorable when converting premiums into dollars.

Against this backdrop, comparing the Latin American insurance market with the global insurance market, the share of the Latin American and Caribbean insurance industry in the global total in 2024 fell only slightly by 0.04 percentage points (pp), standing at 2.8% of global premiums, with the share of Non-Life business falling by 0.09 pp, partially offset by the Life business, which increased by 0.03 pp in the last year. In any case, the percentage remains low considering the size of the region's economy, which represents about 8% of the global population and global GDP.

Insurance market performance in Latin America

Total premiums in the Latin American insurance market in 2024 amounted to 215.1 billion dollars, representing 5.8% growth (17.1% in 2023). The Life insurance segment reached 93.5 billion dollars in premiums, up 8.7% (17.1% in 2023), and Non-Life insurance premiums rose to 121.7 billion dollars, up 3.7% (17.1% in 2023). This moderation in aggregate growth in the region's insurance industry was partly due to a base effect from the significant growth experienced by the insurance industry in the two previous years (driven, in turn, by tariff adjustments resulting from inflation) and the negative effect of exchange rates, which had been favorable in 2023 when converting to dollars (see Chart 2.1-a). While, at the aggregate level, the Latin American insurance sector could not sustain the strong pace of growth seen in the previous two years, growth was healthy despite a marked by weak economic activity. Thus, the region's main insurance markets registered growth in local currency significantly higher than inflation and above the previous year. Argentina was the exception, as it was the only market that experienced a significant decline in real terms when adjusting insurance premium growth to deduct the monetary effect.

A breakdown of premium increases in the region's different markets shows that the growth of the Latin American insurance industry in 2024, together with moderate inflation in most countries, has led to real premium growth in all markets, with the aforementioned exception of Argentina, where average inflation of 219.9% led to a 13.1% decline in premium income in real terms. In addition to the notable real growth in premiums in Uruguay (25.8%) and the Dominican Republic (13.6%), highlighting the region's main markets, such as Brazil (with 8.2% real growth), Mexico (11.2%), and Peru (7.0%). It is worth noting that, unlike the previous year, the general performance of exchange rates has not been favorable to nominal growth measured in dollars, with a few exceptions such as Colombia (with 17.5% growth measured in dollars), Costa Rica (15.9%), and Guatemala (8.8%), all of which recorded dollar-denominated growth significantly higher than their real growth in local currency.

In the Life insurance segment, premiums in the region grew 8.7% in 2024 (measured in dollars). In particular, the Colombian insurance market returned to growth after the decline the previous year, with dollar-denominated growth of 21.8%. Brazil, which accounts for 48.4% of the region's Life premiums, posted dollar-denominated growth of 7.6%, reflecting the unfavorable effect of currency depreciation. However, nominal Life premium growth reached 16.2% in local currency (11.3% after adjusting for inflation), supported once again by strong momentum in private pension-related products. Mexico, the second-largest market in this business segment with a share of 24.2%, grew 14.3% in dollar terms. Nominal Life premium growth in local currency reached 18.1% (12.8% in real terms). The Chilean market was third by volume of Life premiums, showing a decline of 4.2% after strong performance the year before.

Meanwhile, the Non-Life insurance segment registered more moderate

growth of 3.7% in 2024. The most dynamic lines in 2024 were Health (with 8.4% growth) and Personal Accident (8.9%). The Automobile segment, which has the largest aggregate share in the region and had been the main driver of growth in the previous two years, posted weaker growth in 2024, in line with the region's subdued economic performance, rising 2.6%. The Fire and Allied Lines segment also recorded weak but slightly higher growth (4.1%). At the market level, growth in this segment was generally more moderate than in the previous year, with notable increases in Colombia, which posted dollar-denominated growth of 15.3%; Mexico, which grew 11.5% (34.4% in 2023); and Costa Rica, up 19.0% (24.4% in 2023). Meanwhile, the Brazilian Non-Life market declined slightly (down 0.2%) due to the negative effect of the depreciation of its currency. However, the nominal growth of Non-Life premiums was 7.8% in local currency (3.3% real, after adjusting for inflation).

In 2024, the net aggregate result of the Latin American insurance market reached 14.5 billion dollars (15.6 billion in 2023), a 7.4% decline from the previous year, although it was still an exceptional result. Thus, the aggregate result for the sector remains above pre-pandemic levels, following the setbacks experienced in 2020 and 2021. In particular, net result for the year was positive in every market in the region except Argentina. Likewise, in relative terms, return on equity (ROE) was also positive, notably in the insurance markets of Brazil (with an ROE of 27.3%), Mexico (25.5%), Guatemala (25.0%), Paraguay (24.6%), and Peru (24.1%), all of which recorded ROE above 20%.

Regarding concentration levels in the Latin American insurance industry, there were no significant changes in 2024 compared with the previous year. The markets showing the highest concentration were Uruguay, Costa Rica, and Nicaragua, each with a Herfindahl index above the threshold indicating high industrial

concentration. Meanwhile, Peru, Honduras, Venezuela, the Dominican Republic, Panama, and Guatemala show index values characteristic of markets with still-moderate concentration. The remaining Latin American markets present index levels below the threshold associated with moderate concentration.

Structural trends in the insurance industry

Regarding structural trends in the Latin American insurance industry over the 2010–2024 period, the region's average penetration rate (premiums/GDP) stood at 3.2% in 2024, 0.1 percentage points (pp) higher than the previous year's rate. It should be noted that this indicator improved in both the Non-Life segment (1.80% versus 1.78% the previous year) and, to a greater degree, in the Life segment (1.39% versus 1.31% the previous year). Puerto Rico continues to report the highest penetration and density (premiums per capita) indexes in the region, increasing to 18.2% and 6,788 dollars in 2024, respectively. After Puerto Rico, the markets of Chile (4.6%), Uruguay (3.6%), Brazil (3.3%), and Colombia (3.3%) reported the highest penetration rates in 2024, above the regional average.

The density indicator (premiums per capita) was 340.7 dollars in 2024, a 5.0% increase over the level of the previous year. This improved density over 2023 across most countries in the region is explained by growth in the main markets in local currency, which helped offset the adverse exchange-rate effects seen against the dollar—unlike the situation the previous year. It should be noted that a large part of insurance spending per person in most of the region remains focused on the Non-Life segment (192.6 dollars), up 2.9% compared to the previous year. Meanwhile, Life insurance density amounted to 148.0 dollars, 7.9% above that of 2023. In the medium term, density (measured in dollars) rose 54.4% between 2010 and

2024. In particular, in the Life segment, the cumulative increase over this period was 69.9% (from 87.1 to 148.0 dollars), while in the Non-Life segment, cumulative growth was up 44.2% (from 133.6 to 192.6 dollars).

Finally, the insurance depth rate in Latin America (Life insurance premiums over total premiums) was 43.5% in 2024; that is, 1.2 pp above the level recorded in 2023, driven by the stronger dynamism of the Life segment. It is worth noting that between 2023 and 2024, the markets in Argentina, Costa Rica, El Salvador, Guatemala, and Panama posted declines in this indicator. From a medium-term perspective, the indicator for the region shows an improvement over the last decade, with only a few significant declines in Argentina, Chile, and El Salvador and, to a lesser extent, Panama, Mexico, and Venezuela.

The updated Insurance Protection Gap (IPG) estimate for the Latin American insurance market was 315.9 billion dollars in 2024, up 4.2% (12.6 billion dollars) over the 2023 estimate. The IPG composition over the last 15 years (2010–2024) does not change significantly, confirming the predominance of Life insurance. As a result, in 2024, 60.2% of the IPG corresponded to Life insurance (190.3 billion dollars), while Non-Life insurance accounted for 39.8% of the gap, equivalent to 125.7 billion dollars. Thus, the potential insurance market in Latin America in 2024 (measured as the sum of the actual insurance market and the protection gap) was 531.1 billion dollars, or 2.5 times the actual market in the region.

Over the 2014–2024 period, the region's insurance market recorded 3.2% annual average premium growth (in dollars), underpinned by 3.0% average growth in the Life insurance segment and 3.4% in the Non-Life segment. This dynamic has notably accelerated compared to the 2013–2023 period, which experienced

2.2% growth in the Total and Non-Life segments and 2.3% in Life. Accordingly, if this same regional dynamic in the sector's growth observed over the 2014–2024 period were to continue over the next decade, the market growth rate would fall short of covering the 2024 IPG by 6.2 percentage points. A similar situation presents when analyzing the Life insurance segment (short -8.7 pp) and the Non-Life Insurance segment (short -4.0 pp), with some improvement with respect to the 2023 figures in both segments.

With regard to the updated Market Development Index (an indicator that reflects medium-term trends and the maturity of insurance markets), the aggregate result for the region continues to show a pattern of sustained annual progress over the past decade. Thus, the medium-term development trend of the region's insurance sector remains upward, indicating that the Latin American market is recording positive growth when isolating the sharp fluctuations caused by the economic crisis triggered by the pandemic and the subsequent recovery.

Medium-term outlook

The Latin American economy is expected to slow down slightly in 2025, maintaining a similar pace in 2026. In 2025, the global economy has been stable despite geopolitical tensions and energy risks, with a moderate recovery driven by disinflationary processes and the momentum of emerging markets. This context benefits the insurance industry, which relies on positive real interest rates, controlled inflation, and stable consumption. Thus, within the framework of economic projections for the 2025–2026 period, insurance activity in Latin America is expected to experience a nominal increase of around 6.2%, with an estimated average growth for the insurance market in the South American subregion of close to 6.9%, while an average increase of around 4.4% is projected for Mexico and Central America.

As in previous editions, this report includes a detailed analysis for each of the Latin American insurance markets. These individual reports begin with an initial assessment of the macroeconomic environment of each country in 2024, before analyzing the main performance figures and structural trends in their insurance markets.

Latin American insurance market: interactive data

Supplementing this version of the report *The Latin American Insurance Market*, MAPFRE Economics makes an interactive version available to readers at the website ([Latin American insurance market: interactive data](#)), which incorporates much of the information contained in this document. The intention is to offer up-to-date information on the Latin American insurance market, through a web tool with automated tables, which allows the user to consult the information contained in the report. With this tool, you can also periodically view, based on the data available at any given time, information relating to the main variables that explain the behavior of Latin American insurance markets.

1. Economic and demographic context

1.1 Economy

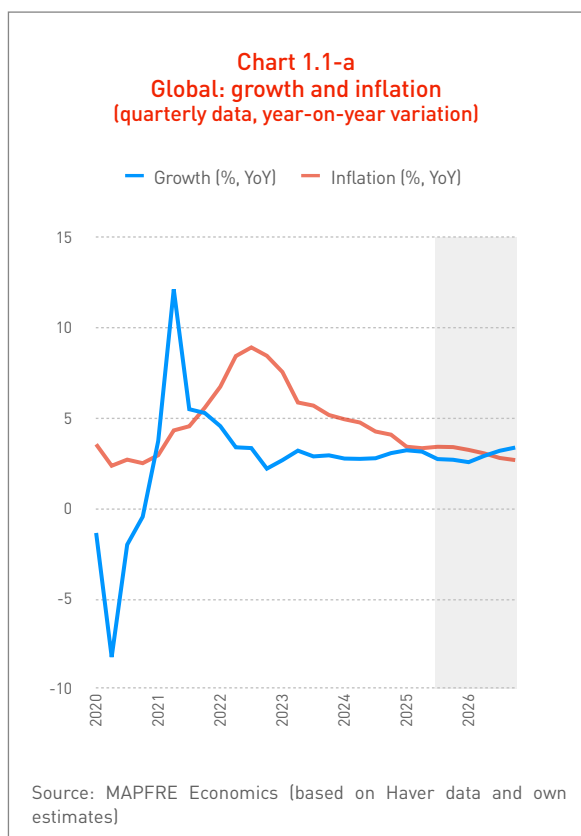
Overall environment

Global economic growth in 2024 remained close to the pace observed in the previous year, posting a slight deceleration to 3.3% (3.5% in 2023). The expansion showed resilience and remained near potential despite geopolitical uncertainty stemming from the conflicts in Eastern Europe (Russia-Ukraine) and the Middle East (Israel-Palestine, Iran, Yemen), and due to associated energy tensions. Moreover, the central banks' progress in controlling inflation allowed them to relax their monetary policies, despite the fact that some risks associated with inflation, especially fiscal sustainability, remain. Inflation data generally improved throughout the year (with exceptions like Argentina and Turkey), and

although it remained above monetary policy targets, there are signs of greater control over the pace of price growth (see Chart 1.1-a). This allowed the main central banks to drop interest rates in the last quarter of 2024.

In terms of a regional analysis, the main contribution to global economic growth in 2024 came from emerging and developing markets, which experienced 4.3% aggregate growth (4.7% in 2023). Among them, China's economy stands out, growing 5.0% in 2024 (versus 5.4% in 2023), while India is the second-highest contributor by volume, with growth of 6.5% (9.2% in 2023). All of these rates exceeded the 2.4% growth in Latin America (2.4% in 2023). Meanwhile, the advanced economies grew 1.8% (1.7% in 2023), with slightly less growth by the United States, up 2.8% in 2024 (2.9% in 2023), while the Eurozone presented low aggregate growth of 0.8% (0.6% in 2023), with the economies of Germany, France and Italy practically stagnant.

The United States economy in particular showed great resilience to monetary tightening and maintained the pace of the previous year, with 2.8% GDP growth in 2024 (2.9% in 2023). This performance was supported by increases in private consumption and investment, as well as by exports and federal government spending, which maintained an expansionary fiscal policy. In this area, social and healthcare transfers were predominant, raising concerns about debt management, as the proportion of interest payments on the debt is now equal to defense spending. Meanwhile, U.S. inflation data improved over the course of the year, resulting in 3.0% average inflation in 2024 (4.1% in 2023). This still-inflationary environment led risk-free interest rates to remain constant, anchoring expectations until the last quarter of 2024, when the Federal Reserve applied the first interest rate cut after the monetary tightening cycle, reducing rates to the 4.75%-5.00% range.



Subsequently interest rates were lowered in November and December (25 basis points each month), to close the year in the 4.25%-4.50% range. From that point onward, the monetary policy interest rate remained unchanged until the September 2025 meeting, when it was reduced again by 25 basis points (bps) to a range of 4.00%-4.25%. This shift in monetary policy in 2024, with the first interest rate cuts after two years of sharp increases, caused the risk-free yield curve to shift downward across the board, consolidating the trend that began after the peaks reached at the end of 2023. This easing relieved pressure on longer-duration fixed income valuations, allowing for some recovery in segments that had been hammered during the monetary tightening cycle. On the other hand, equities in the United States continued their strong performance in 2024, as the Nasdaq Composite Index closed the year with an annual gain of 28.6% (43.4% in 2023 and -33.1% in 2022). The S&P 500, meanwhile, performed similarly, although with lower growth than the Nasdaq at 23.3% (24.2% in 2023 and -19.4% in 2022).

Other economies that are relevant commercial partners with Latin America, like China and the Eurozone, presented a different situation. The Chinese economy grew by 5.0% in 2024 (5.4% in 2023), driven by domestic consumption which continues to slow down and resist the weakness of the real estate sector despite its significant contribution to overall growth. This situation has led authorities to take measures to support the real estate sector and thus prevent possible contagion to the financial sector. Meanwhile, China's central bank continued to implement accommodative stimulus measures in response to weak inflation. In the case of the Eurozone, although the economy accelerated slightly overall, low economic growth persisted, standing at 0.8% in 2024 (0.6% in 2023), driven by the weak performance of three of its main economies (Germany, France, and Italy), especially in terms of investment. Inflation data improved as the year progressed, with average inflation ending 2024 at 2.4% (5.4% in 2023), still above the European Central Bank's 2% target but showing signs of easing. In this environment

of moderate inflation, risk-free interest rates for euro-denominated issues began to shift, and this turning point occurred slightly earlier than in the United States (September 2024), driven by the need to stimulate economic activity. The first rate cut was implemented in June (25 bps), followed by three additional cuts in September, October, and December (of 60, 25, and 25 bps, respectively), bringing the deposit facility rate to 3.00% and the main refinancing operations rate to 3.15% at year-end. This pattern continued throughout 2025, with rates reaching 2.00% and 2.15%, respectively, after four cuts during the first half of the year.

In 2025, following a continuity in economic trends from late 2024, the announcement of a tariff war by the United States government on April 2 ("*Liberation Day*") triggered a sharp rise in global uncertainty due to its potential impact on consumption and investment decisions, inflation expectations, interest rates, and exchange rates, all of which are closely related to the performance of the insurance business. Even so, the sharp rise in uncertainty triggered by the tariff war—together with the escalation of the conflict in the Middle East—has been gradually easing over the months. The soft deceleration of the global economy is expected to continue in 2025, with a slight improvement in 2026. MAPFRE Economics estimates 2.9% and 3.0% GDP growth in 2025 and 2026, respectively.¹

Latin American economic environment

Aggregate economic growth in Latin America was 2.4% in 2024 (2.4% in 2023), evidence of the persistent pattern of low momentum in the region. Private consumption remained the main engine of GDP, but its pace was weak due to the interest rate environment, still in restrictive territory, limited confidence, and a labor market with not enough job creation. Inflation levels, meanwhile, continued to moderate throughout the year, following the trend seen in 2023. This led some central banks in the region to gradually start lowering interest rates, as the downward effects of this trend and the anchoring of expectations were deemed to be

consolidated (see Chart 1.1-b). Nevertheless, central banks in the region generally maintained contractionary monetary stances, with interest rates above inflation and pre-pandemic levels, reflecting caution amid global uncertainty. Some of the larger economies, like Brazil, even had to reverse the interest rate cuts implemented in previous months in the last few months of the year, in response to the new spike in inflation. Fiscal policy remained constrained due to debt levels (close to 50% of GDP on average) and persistent deficits. In this context, interest payments on debt and rate increases have limited the adoption of expansionary fiscal stimulus measures. This was compounded by an adverse international backdrop, characterized by tighter financial conditions and weaker foreign demand, which made access to financing more expensive and negatively affected investment flows in the region.

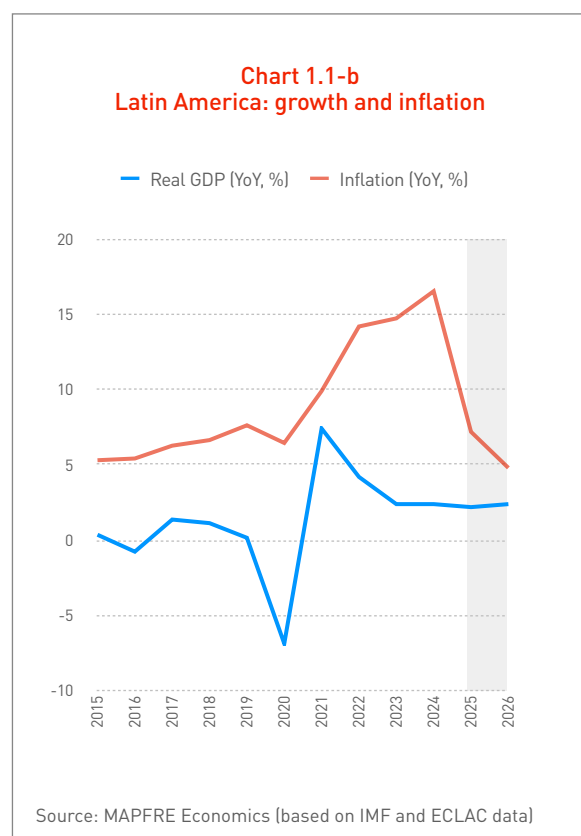
Regarding the economic growth outlook for Latin America, MAPFRE Economics estimates that the region will slow down slightly again in 2025, with aggregate growth of around 2.1%, maintaining a similar pace in 2026, when 2.0% growth is expected. The Economic Commission for Latin America and the Caribbean (ECLAC), for its part, places its growth forecast at 2.2% for 2025, with a marginal improvement to 2.3% in 2026. ECLAC's assessment of the region's relatively low activity levels leads it to project GDP growth in which all subregions show limited momentum: South America would grow 2.7% in 2025 (2.4% in 2026), the group formed by Central America and Mexico 1.0% (1.7% in 2026), and the Caribbean (excluding Guyana) 1.8% (1.7% in 2026).²

This scenario confirms that the region remains trapped in a structural dynamic of low growth and limited investment, which has been exacerbated by the tariff war, with significant economic and social challenges such as insecurity, inequality, and low productivity in its economies, influenced by high levels of informality, low labor-force participation (which particularly affects women), an aging population, greater exposure to natural disasters, and weak social protection systems, among other

factors. These structural constraints result in potential growth insufficient to narrow the region's per-capita income gap relative to high-income countries. In summary, the region faces a scenario of modest growth and macroeconomic fragility, where improvements in inflation have not yet translated into a rebound in investment or formal employment. Therefore, the main challenge is to move towards a model that allows for the transformation of production chains, making them more efficient, and towards adequate management of public finances that enables fiscal sustainability, helping to break the cycle of low growth and high inequality.

Global economic environment and insurance demand

According to the data shown in Chart 1.1-c, global insurance premiums in 2024 stood at around 7.8 trillion dollars, up 7.2% from 2023. This growth reflects very strong performance in both the Life insurance segment, up 7.4% (7.1% in 2023), and the Non-Life segment, up 7.0% (7.7% in 2023). As a result, premium density (premiums per



capita) reached 943 dollars (845 dollars in 2023), and penetration (premiums/GDP) rose to 7.3% (6.8% in 2023).³

Across regions, and considering real variations, insurance activity grew more strongly in emerging markets in 2024, with real growth of 9.6%, compared with 4.3% in advanced markets. In emerging Asia, real growth reached 8.9%, while in Africa and the Middle East it stood around 7.2%. In contrast, the advanced markets in Asia grew only 0.5% due to less inflationary pressure and a weaker economic context. The United States market, which accounts for 45% of global premiums, recorded premium growth across all three market segments—Life, Health, and Property & Casualty—achieving real growth of 5.0%. In the Life segment, increases in annuities and deposits stand out, while in the Property & Casualty segment, the main driver came from personal lines, greatly influenced by rate increases to recover from the poor technical performance of recent years due to inflation and higher losses from natural catastrophes.

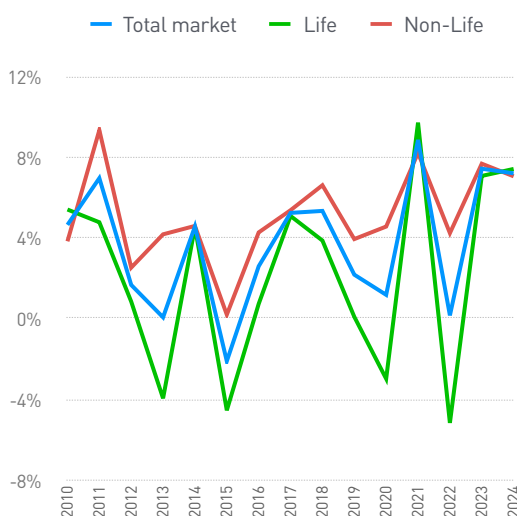
In summary, despite existing geopolitical tensions, the economic environment drove

growth of the insurance industry in 2024. This strong business performance was also reflected in profitability, supported by additional premium adjustments—following those implemented the previous year—to address more moderate inflation, together with favorable financial conditions for both fixed-income and equity assets in insurers' investment portfolios. Property & Casualty insurance also continued its upward trend, with price adjustments due to inflation, while the rise in interest rates has been a positive factor for Life insurance, which experienced increased demand for savings products.

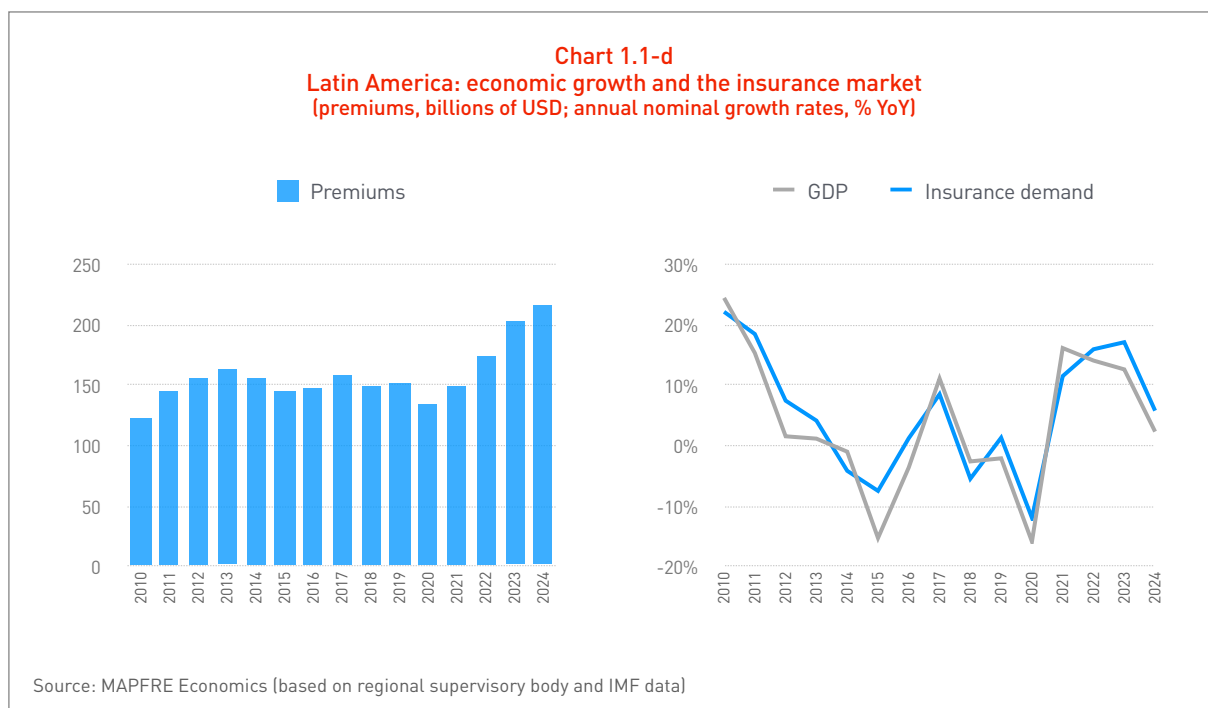
Economic environment and insurance demand in Latin America

In 2024, the Latin American insurance market registered a premium volume of 215.1 billion dollars, representing 5.8% growth (17.1% in 2023).⁴ This deceleration in growth in the sector's growth, following the strong expansions of previous years, occurred in a complex environment of low economic growth at the regional level, below that of other emerging regions, in which some of the largest economies experienced a slowdown, as in the case of Mexico and, to

Chart 1.1-c
Global: insurance market growth
(nominal growth rates in USD, % YoY)



Source: MAPFRE Economics (based on Swiss RE data)



a lesser extent, Brazil. While, at the aggregate level, the Latin American insurance sector could not maintain the excellent growth rate of the previous two years, growth was healthy and exceeded regional GDP growth (see Chart 1.1-d).

The limited room for fiscal policy and a monetary policy stance that remained restrictive in much of the region—despite interest rate cuts implemented by some central banks amid a more moderate inflation environment—contributed to this situation of low regional economic growth and to the deceleration in insurance-sector growth. This slowdown affected the Non-Life segment more significantly, particularly the Automobile line, which had been one of the main drivers of growth in recent years. However, the interest rate environment continued to support the development of the Life and pension segments, as monetary policy interest rates remained above inflation (positive real interest rates). The Life segment made the largest contribution to premium growth in the Latin American insurance sector in 2024.

1.2 Demographics

According to the United Nations (UN) population databases, updated in 2024,⁵ the

estimated population of the 19 Latin American countries included in this report was 631.5 million, maintaining the same ranking as in 2023. Chart 1.2-a shows that Brazil and Mexico lead the region, with populations of 212.0 and 130.9 million, respectively. They are followed by Colombia and Argentina, which exceed 40 million, at 52.9 and 45.7 million, respectively. Peru and Venezuela are next, with approximately 34.2 and 28.4 million residents, respectively. In the rest of the Latin American countries, the population remains below 20 million, notably Chile, Guatemala, and Ecuador, whose populations stand between 18 and 20 million.

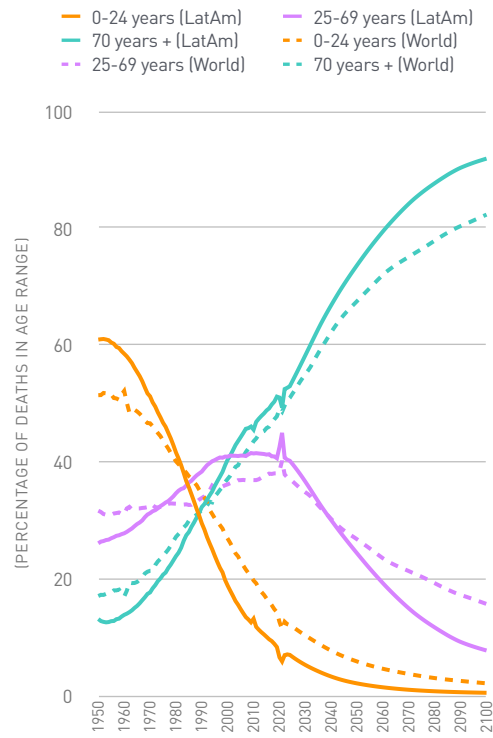
According to the latest projections by the United Nations, the main demographic parameters for the region continue to show a decline in fertility rates and an increase in population survival. Chart 1.2-b shows how the COVID-19 pandemic had a profound impact on Latin America in this regard. Accordingly, between 2019 and 2021, the region experienced a reduction of 3.5 years in life expectancy at birth, dropping from 75.3 years to 71.8 years, which represents the largest decline recorded globally. However, in 2024, life expectancy in Latin America once again surpassed pre-pandemic levels, returning to an upward trajectory and

Chart 1.2-a
Latin America: population, 2024
(millions)



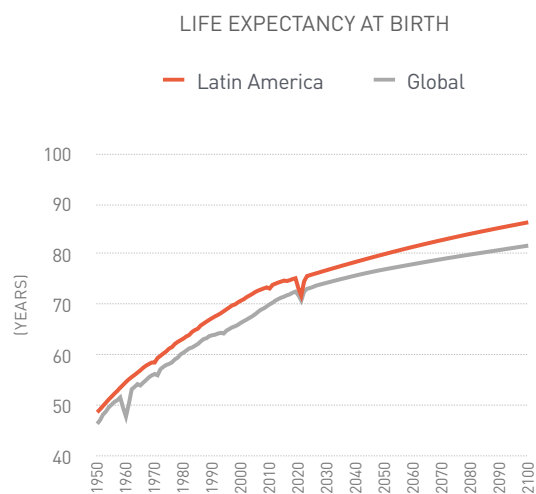
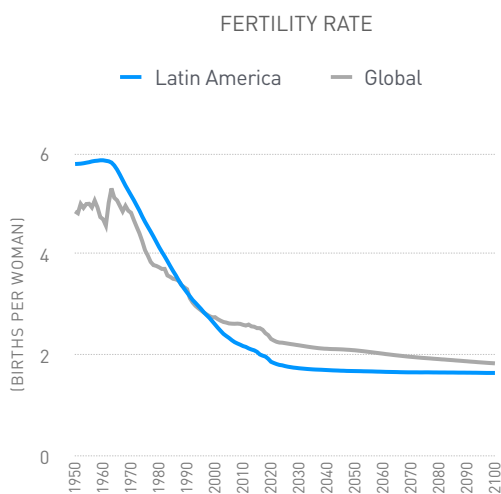
Source: MAPFRE Economics (based on UN data)

Chart 1.2-c
Latin America: percentage of deaths by age cohort, 1950–2100



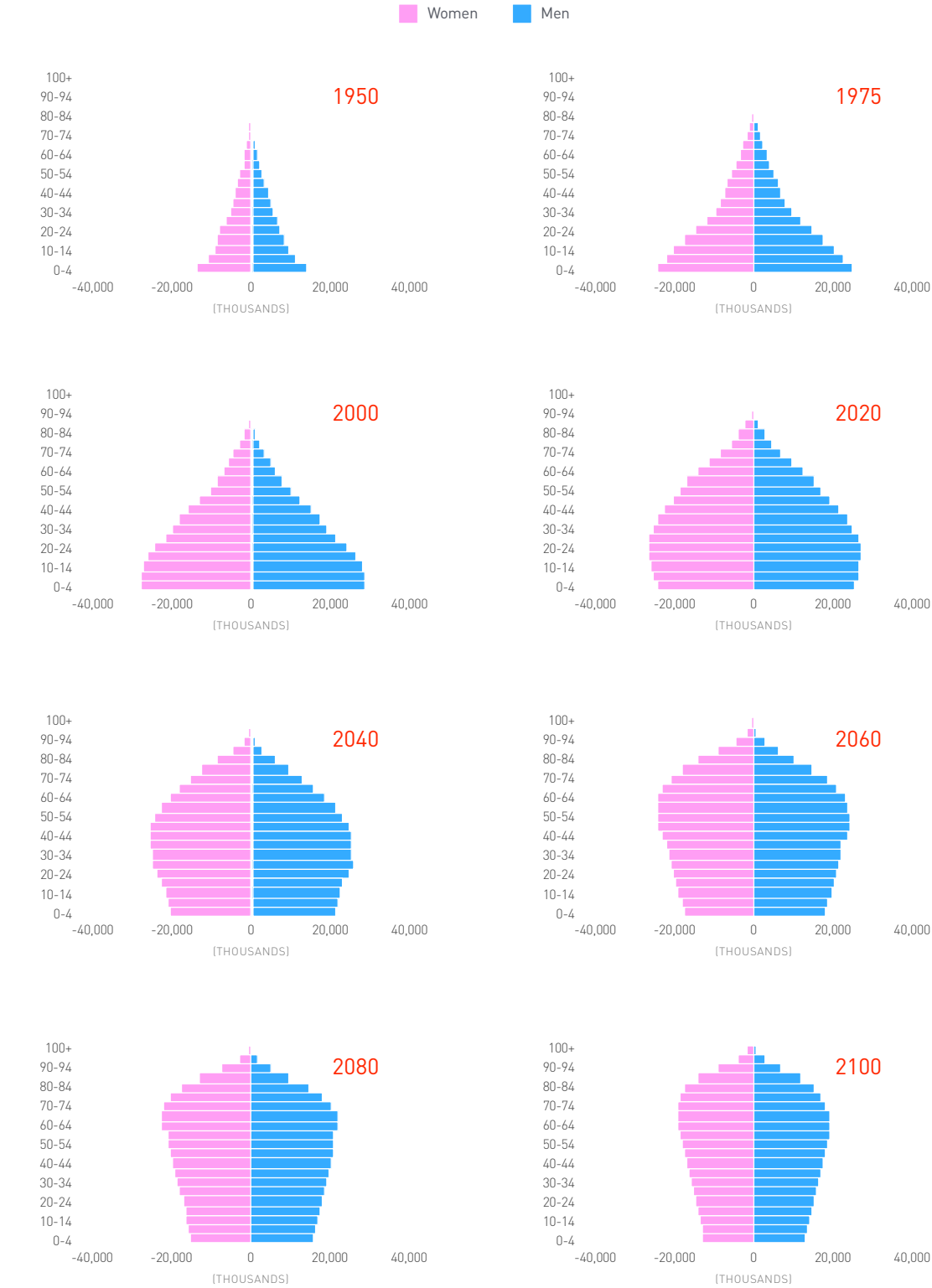
Source: MAPFRE Economics (updated based on UN data)

Chart 1.2-b
Latin America: fertility rate and life expectancy at birth, 1950–2100



Source: MAPFRE Economics (updated based on UN data)

Chart 1.2-d
Latin America: changes in the population pyramid, 1950-2100



Source: MAPFRE Economics (updated based on UN data)

remaining above the global average through the end of the century. As anticipated in previous editions of this report, life expectancy at birth in Latin America rose significantly between 1950 and 2024, increasing from 48.7 to 75.9 years—an improvement of 27.2 years over that period. Projections indicate that this trend could continue with estimated gains of approximately two years per decade. If this pace is maintained, life expectancy would exceed 80 years by 2050 and could surpass 86 years by the end of the century. Meanwhile, fertility rate estimates reveal a marked and sustained decline, from an average of nearly 5.8 children per woman in the 1950s, and is expected to stabilize around 1.6 by the end of the century.

Finally, the most recent United Nations projections confirm that the impact of the COVID-19 pandemic was not significant enough to alter the structural dynamics of demographic change, marked by a transition toward older populations. Chart 1.2-d shows that this trend is expected to continue throughout the century, initially resulting in constrictive population pyramids, with a growing proportion of older people, which will gradually evolve into stationary pyramids by the end of the 21st century.

In terms of mortality, Chart 1.2-c shows that, both globally and in Latin America, the COVID-19 pandemic had a more severe impact on older age groups than on younger populations. This pattern would have significantly altered the demographic trends observed in recent decades, marked by a sustained decline in mortality rates (except at very advanced ages) resulting in increased life expectancy, combined with sharp declines in fertility rates, which have driven a transition toward increasingly aging societies. This phenomenon affects all regions of the world, although it is occurring more rapidly and intensely in developed countries, and is also increasingly affecting Latin America. As a result, the working-age population is declining while the number of older people is increasing, placing growing pressure on health and pension systems, especially in countries with significant pay-as-you-go components.

2. The Latin American Insurance Market in 2024

2.1 Insurance market performance

Growth

Total premiums in the Latin American insurance market in 2024 amounted to 215.1 billion dollars, representing 5.8% growth (17.1% in 2023). The Life insurance segment reached 93.5 billion dollars in premiums, up 8.7% (17.1% in 2023), and Non-Life insurance premiums rose to 121.7 billion dollars, up 3.7% (17.1% in 2023). This moderation in aggregate growth in the region's insurance industry was partly due to a base effect from the significant growth experienced by the insurance industry in the two previous years (driven, in turn, by tariff adjustments resulting from inflation) and the negative effect of exchange rates, which had been favorable in 2023 when converting to dollars (see Chart 2.1-a). While, at the aggregate level, the Latin American

insurance sector could not sustain the strong pace of growth seen in the previous two years, growth was healthy despite a complex environment marked by weak economic activity. The region's main insurance markets recorded local-currency growth rates that were significantly above inflation and higher than those of the previous year. The exception was Argentina, the only market that, after adjusting premium growth to remove monetary effects, experienced a significant real decline.

Against this backdrop, comparing the Latin American insurance market with the global insurance market, the region's share of the global total in 2024 fell only slightly by 0.04 percentage points (pp), standing at 2.76% of global premiums. The share of Non-Life business decreased by 0.09 pp, partially offset by that of the Life business, which increased by 0.03 pp in the last year (see Chart 2.1-b). It should be noted that Latin

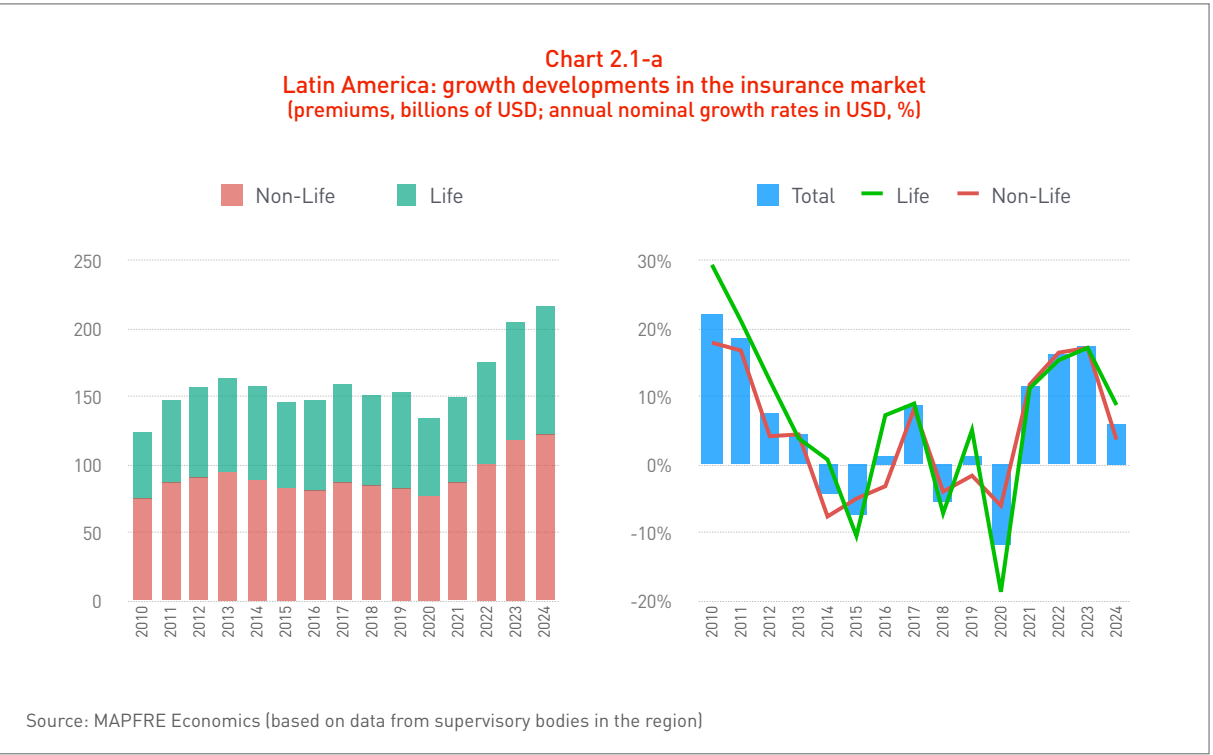
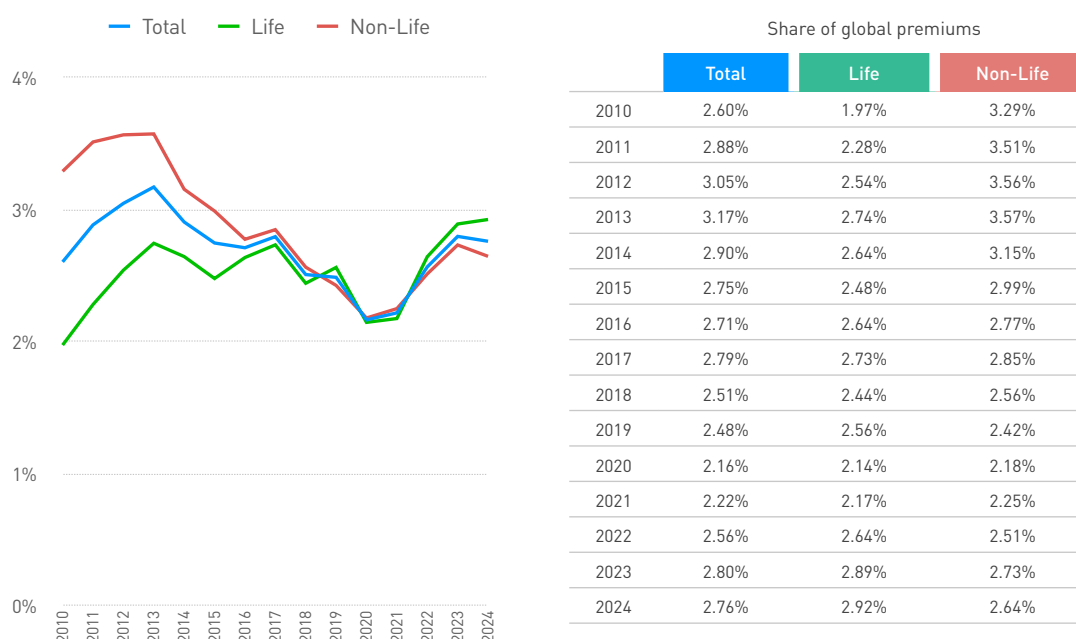


Chart 2.1-b
Latin America: share of global insurance premiums (%)



Source: MAPFRE Economics (based on data from supervisory bodies in the region and Swiss Re)

America's share of the global insurance industry had shown a generally rising trend since 1980; in that year, its share was only 1.80%, and by 2024 it had risen to 2.76%. However, examining the 2010–2024 period reveals a trend reversal beginning in 2013 and extending through 2020, during which Latin America's share of global premiums fell markedly in both Life and Non-Life—more sharply in Non-Life—although this trend appears to have reversed starting in 2021. In any case, the percentage remains low considering the size of the region's economy, which represents about 8% of the global population and global GDP.

As noted in previous versions of this report, this trend toward an increase in the Latin American insurance market's share of the global market has been interrupted during the periods of economic and financial crises that have affected the region, amplified by the effect of the depreciation of various

countries' currencies, which typically accompanies such cyclical events. This was the case between 2013 and 2020, when, after a period of economic prosperity in the region (the “*commodities boom*”), its market share began to decline, in line with the subsequent recession and economic stagnation at the regional level. Similarly, the monetary normalization process carried out by the U.S. Federal Reserve in 2018, compounded in 2020 by the severe impact of the COVID-19 pandemic, together with a series of structural weaknesses, amplified the impact on some of the region's economies due to the negative effect on exchange rates of their main markets. However, in the last three years, the region's currencies have performed better, with greater stability.

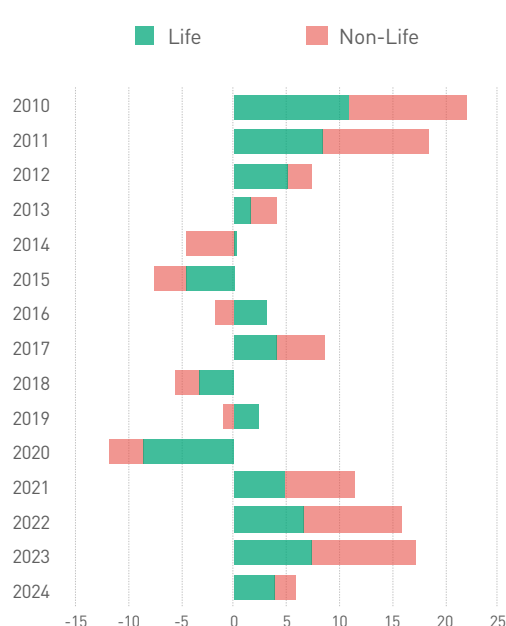
However, as Chart 2.1-c shows, an analysis of the two major insurance business segments in the region indicates that, in

2024, both the Life and Non-Life insurance segments made a positive contribution to the growth of the insurance industry, with the Non-Life segment contributing 2.1 pp more (9.9 pp in 2023) and the Life segment contributing 3.7 pp more (7.2 pp in 2023), lower than the contributions of the preceding three years in both business segments. Three distinct periods can be identified when analyzing the performance of the region's insurance market in terms of its contribution to growth over the 2010–2024 period. The first period, from 2010 to 2013, saw positive growth, but this gradually slowed in line with the end of the so-called “*commodities boom*,” which was driven by strong demand for raw materials as a result of the rapid expansion of the real estate market and the infrastructure sector in China. A second period, between 2014 and 2019, in which the region's insurance sector showed somewhat erratic behavior, coincided with a period of low economic growth in the region. And a third period, starting in 2020, reflects the distortions

caused by the COVID-19 pandemic, with a sharp decline in 2020 followed by subsequent double-digit growth, driven in part by the adjustment of insurance premiums to the sharp rise in inflation during that period. This situation normalized in 2024 with more moderate growth, but still above GDP growth rates in an inflationary environment far removed from the levels reached in previous years.

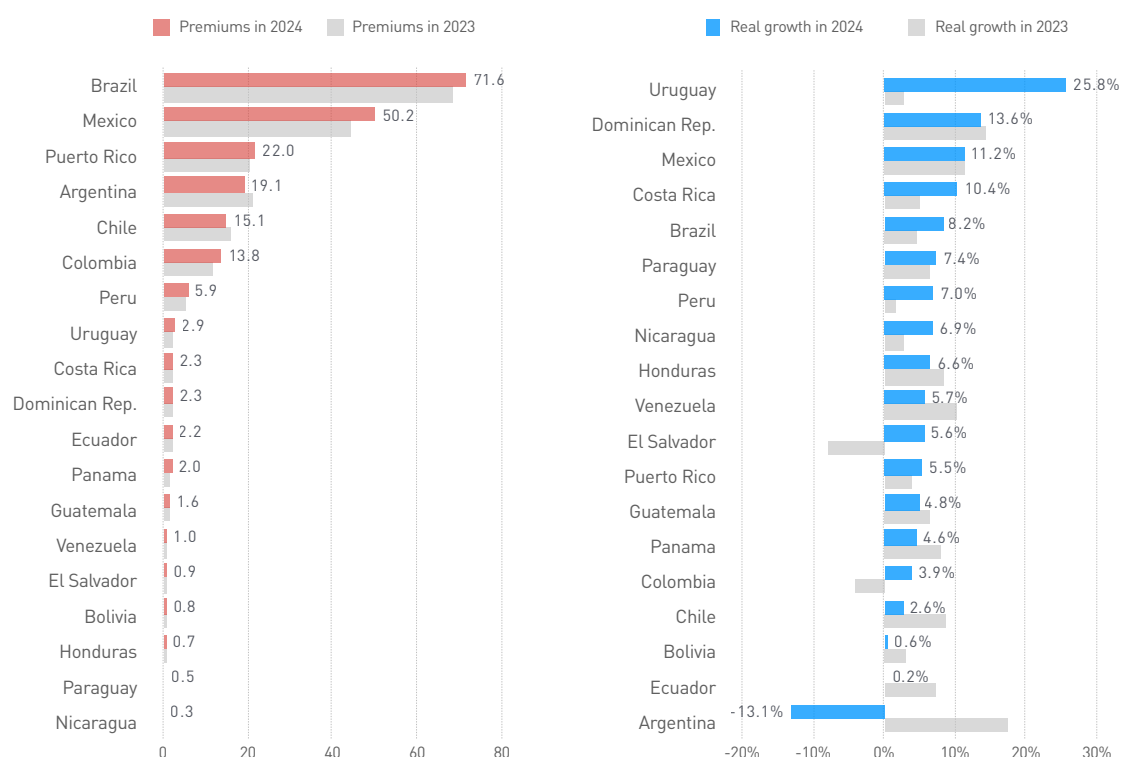
A breakdown of premium increases in the region's different markets shows that the growth of the Latin American insurance industry in 2024, together with moderate inflation in most countries, led to real premium growth in all markets, with the aforementioned exception of Argentina, where average inflation of 219.9% led to a 13.1% decline in premium income in real terms (see Chart 2.1-d). In addition to the notable real growth in premiums in Uruguay (25.8%) and the Dominican Republic (13.6%), highlighting the region's main markets, such as Brazil (with 8.2% real growth), Mexico

Chart 2.1-c
Latin America: contribution to insurance market growth
(percentage points, pp)



Source: MAPFRE Economics (based on data from supervisory bodies in the region)

Chart 2.1-d
Latin America: insurance market premiums and real growth
 (billions of USD; real growth in local currency, %)



Source: MAPFRE Economics (based on data from supervisory bodies in the region)

(11.2%), and Peru (7.0%). It is worth noting that, unlike the previous year, exchange-rate movements generally did not favor nominal growth when measured in dollars. There were, however, some exceptions, such as Colombia (with dollar-denominated growth of 17.5%), Costa Rica (15.9%), and Guatemala (8.8%), which present significantly higher growth in dollars than real growth in local currency (see Tables 2.1-a and 2.1-b). It should also be noted that, as shown in the cited Table 2.1-b, only Argentina and Chile show declines in premium income measured in dollars in 2024 versus the previous year.

In the specific analysis of the Life insurance segment, the Colombian market recovered its growth (21.8%) after the previous year's decline. Brazil, which accounts for 48.4% of

Life premiums in the region, obtained 7.6% growth measured in dollars due to the negative effect of the depreciation of its currency. However, nominal growth in Life premiums was 16.2% in its local currency (11.3% adjusted for inflation), with a significant boost again from insurance linked to private pensions (*Vida Gerador de Beneficio Libre*, VGBL) Mexico—the second-largest market in this segment, with a 24.2% share—grew 14.3% in dollar terms, while nominal Life-premium growth in local currency reached 18.1% (12.8% in real terms). The Chilean market was third by volume of Life premiums, showing a decline of 4.2% measured in dollars after strong performance the year before.

Meanwhile, in the Non-Life insurance segment, the increase in dollars was generally

Table 2.1-a
Latin America: annual changes in premium
volume, 2023–2024
 (growth in local currency, %)

Country	Nominal growth	Real growth
Argentina	178.1	-13.1
Bolivia	5.8	0.6
Brazil	12.9	8.2
Chile	6.7	2.6
Colombia	10.8	3.9
Costa Rica	10.0	10.4
Ecuador	1.7	0.2
El Salvador	6.6	5.6
Guatemala	7.8	4.8
Honduras	11.5	6.6
Mexico	16.5	11.2
Nicaragua	11.8	6.9
Panama	5.4	4.6
Paraguay	11.5	7.4
Peru	9.5	7.0
Puerto Rico	7.2	5.5
Dominican Rep.	17.3	13.6
Uruguay	31.9	25.8
Venezuela	57.4	5.7

Source: MAPFRE Economics (based on data from supervisory bodies in the region)

more moderate than in 2023, except in the case of Colombia among the major markets, which improved with 15.3% dollar growth (13.0% in 2023). Meanwhile, Mexico grew 11.5% (34.4% in 2023), Costa Rica 19.0% (24.4% in 2023), and Brazil was down slightly by 0.2% due to the unfavorable effect of the depreciation of its currency, but nominal growth of Non-Life premiums was 7.8% in its local currency (3.3% in real terms).

Performance by line of business

As shown on Table 2.1-c, in 2024, regional Life insurance premiums were up 8.7% in dollar terms (17.1% in 2023), significantly higher growth than that of Non-Life insurance, which was 3.7% (versus 17.1% in 2023). Thus, the main driver of insurance growth at the regional level in 2024 was the Life segment, although it was more moderate than the previous two years. This was supported, once again, by a favorable, albeit somewhat more complex, environment for the expansion of savings-oriented Life products and annuities, with a

Table 2.1-b
Latin America: premium volume and growth by country, 2024
 (premiums, millions of USD; growth in USD, % YoY)

Country	Non-Life		Life		Total	
	Premiums	Growth 2023–2024 (%)	Premiums	Growth 2023–2024 (%)	Premiums	Growth 2023–2024 (%)
Argentina	17,014.7	-9.1	2,071.9	-16.5	19,086.6	-10.0
Bolivia	452.9	3.5	334.8	8.9	787.7	5.8
Brazil	26,359.2	-0.2	45,199.1	7.6	71,558.3	4.6
Chile	6,804.0	-6.1	8,262.3	-4.2	15,066.3	-5.1
Colombia	8,990.6	15.3	4,789.2	21.8	13,779.8	17.5
Costa Rica	1,896.3	19.0	393.0	3.2	2,289.3	15.9
Ecuador	1,527.4	-0.1	713.3	6.0	2,240.7	1.7
El Salvador	681.9	9.7	245.8	-0.9	927.7	6.6
Guatemala	1,184.2	9.3	381.0	7.4	1,565.3	8.8
Honduras	480.7	10.7	261.3	10.5	742.0	10.6
Mexico	27,551.7	11.5	22,630.7	14.3	50,182.4	12.8
Nicaragua	233.4	10.5	56.1	14.6	289.5	11.3
Panama	1,510.5	5.5	455.0	5.2	1,965.5	5.4
Paraguay	449.5	6.1	89.4	15.6	539.0	7.6
Peru	2,970.0	3.6	2,942.4	15.4	5,912.5	9.2
Puerto Rico	19,376.9	7.0	2,632.0	8.1	22,008.9	7.2
Dominican Rep.	1,899.2	10.1	378.6	13.1	2,277.8	10.6
Uruguay	1,254.0	5.8	1,635.1	51.0	2,889.2	27.3
Venezuela	1,013.9	20.0	8.7	44.3	1,022.6	20.1
Total	121,650.9	3.7	93,480.1	8.7	215,131.0	5.8

Source: MAPFRE Economics (based on data from supervisory bodies in the region)

Table 2.1-c
Latin America: premium volume by insurance line, 2024
 (premiums, millions of USD)

Lines of business	2023	2024	Growth [%]	Share %
Life	86,004.4	93,480.1	8.7%	43.5
Life — individual and group	73,177.3	79,861.0	9.1%	37.1
Life — social security and/or pensions	12,827.2	13,619.2	6.2%	6.3
Non-Life	117,365.1	121,650.9	3.7%	56.5
Workplace accidents	7,147.8	7,004.6	-2.0%	3.3
Personal Accident	4,308.1	4,690.8	8.9%	2.2
Automobiles	36,242.3	37,184.9	2.6%	17.3
Credit and/or surety	2,896.8	2,931.4	1.2%	1.4
Fire and allied lines	12,572.5	13,093.3	4.1%	6.1
Other damage	17,960.7	18,112.3	0.8%	8.4
Third-party liability	3,878.6	3,968.6	2.3%	1.8
Health	28,180.2	30,538.7	8.4%	14.2
Transport	4,178.1	4,126.2	-1.2%	1.9
Total	203,369.5	215,131.0	5.8%	100.0

Source: MAPFRE Economics (based on data from supervisory bodies in the region)

Table 2.1-d
Latin America: income statement by country, 2024
 (millions of USD)

Country	Earned premiums	Loss ratio	Operating expenses	Technical result	Financial result	Other revenues and expenses	Net result
Argentina	18,626.1	-9,548.2	-7,102.1	1,975.9	-3,644.5	556.9	-1,111.7
Bolivia	656.6	-214.0	-410.0	32.6	25.5	-15.9	42.2
Brazil	28,537.6	-11,092.1	-13,698.3	3,747.2	4,571.9	-1,659.2	6,659.9
Chile	12,121.2	-11,157.8	-3,281.7	-2,318.3	3,512.3	-40.0	1,154.0
Colombia	8,874.6	-6,161.6	-4,125.6	-1,412.6	2,673.6	-282.7	978.3
Costa Rica	1,699.0	-979.9	-777.1	-57.9	196.6	-51.4	87.2
Ecuador	1,404.2	-600.8	-605.9	197.5	76.2	-188.0	85.7
El Salvador	591.0	-300.4	-291.6	-1.0	41.5	25.0	65.5
Guatemala	1,000.3	-543.9	-332.3	124.1	72.2	-14.0	182.3
Honduras	295.9	-138.4	-136.4	21.1	31.8	13.5	66.3
Mexico	31,185.4	-25,389.6	-10,222.2	-4,426.4	4,275.3	4,504.1	4,353.0
Nicaragua	128.9	-56.9	-64.3	7.7	24.8	-6.6	25.9
Panama	1,396.4	-814.4	-474.8	107.2	146.8	-	254.0
Paraguay	396.5	-140.6	-170.8	85.1	38.2	-37.7	85.7
Peru	3,621.6	-1,885.4	-2,020.1	-283.9	1,095.7	-56.0	755.8
Puerto Rico	-	-	-	-	-	-	448.7
Dominican Republic ¹	899.7	-531.2	-342.8	25.7	79.5	22.2	127.5
Uruguay	2,656.5	-2,069.8	-750.3	-163.7	351.4	-4.1	183.6
Venezuela	440.0	-162.1	-260.7	17.1	-2.3	2.4	17.2

Source: MAPFRE Economics (based on data from supervisory bodies in the region)

1/ The data corresponds to the close of September 2024 (latest available).

Table 2.1-e
Latin America: net result by country, 2024
 (millions of USD)

Country	2023	2024	2023-2024 change
Argentina	1,094.5	-1,111.7	-2,206.2
Bolivia	40.0	42.2	2.2
Brazil	7,318.9	6,659.9	-659.0
Chile	1,206.3	1,154.0	-52.3
Colombia	976.1	978.3	2.2
Costa Rica	65.0	87.2	22.3
Ecuador	72.3	85.7	13.4
El Salvador	53.3	65.5	12.2
Guatemala	165.8	182.3	16.5
Honduras	54.8	66.3	11.6
Mexico	3,742.6	4,353.0	610.4
Nicaragua	20.9	25.9	4.9
Panama	181.4	254.0	72.6
Paraguay	63.3	85.7	22.4
Peru	605.5	755.8	150.2
Puerto Rico	-385.0	448.7	833.6
Dominican Republic ¹	174.9	127.5	-47.4
Uruguay	148.9	183.6	34.6
Venezuela	13.8	17.2	3.4
TOTAL	15,613.2	14,460.9	-1,152.3

Source: MAPFRE Economics (based on data from supervisory bodies in the region)

1/ The data corresponds to the close of September 2024 (latest available).

shift by the region's main central banks toward less restrictive interest rates, which remained well above inflation. Inflation itself was more contained and below the levels seen in the two preceding years. In the Non-Life insurance segment, Health (with 8.4% growth) and Personal Accident (8.9%) were the most dynamic lines of business. The Automobile segment, the largest by market share and the main driver of growth in the previous two years, posted weaker growth in 2024 (2.6%), in line with the region's weak economic growth. The Fire and Allied Lines segment also posted modest growth, albeit slightly higher, at 4.1%.

Table 2.1-f
Latin America: profitability by country, 2024
 (in local currency)

Country	Equity/assets	ROE	ROA	Average inflation
Argentina	33.6%	-17.6%	-5.8%	219.9%
Bolivia	28.8%	11.1%	3.1%	5.1%
Brazil	6.4%	27.3%	1.9%	4.4%
Chile	9.9%	14.5%	1.4%	3.9%
Colombia	14.4%	17.8%	2.6%	6.6%
Costa Rica	44.1%	3.3%	1.5%	-0.4%
Ecuador	28.2%	12.7%	3.6%	1.5%
El Salvador	44.3%	13.1%	5.7%	1.0%
Guatemala	37.4%	25.0%	9.1%	2.9%
Honduras	35.1%	19.1%	6.7%	4.6%
Mexico	11.9%	25.5%	3.1%	4.7%
Nicaragua	41.5%	12.7%	5.4%	4.6%
Panama	42.1%	14.7%	6.1%	0.8%
Paraguay	43.2%	24.6%	10.4%	3.8%
Peru	15.0%	24.1%	3.5%	2.4%
Puerto Rico	26.6%	12.5%	3.3%	1.6%
Dominican Republic ¹	29.4%	18.0%	5.3%	3.3%
Uruguay	9.2%	18.0%	1.8%	4.9%
Venezuela	40.3%	3.4%	1.3%	49.0%

Source: MAPFRE Economics (based on data from supervisory bodies in the region)

1/ The data corresponds to the close of September 2024 (latest available).

Results and profitability

In 2024, the net aggregate result of the Latin American insurance market reached 14.5 billion dollars (15.6 billion in 2023), a 7.4% decline from the previous year, which, in any case, was an exceptional result (see Table 2.1-d). Thus, the aggregate result for the sector remained above pre-pandemic levels, following the setbacks experienced in 2020 and 2021. The net result for the year was positive in all markets in the region, with the exception of the Argentine insurance market. As Table 2.1-e shows, following the strong performance of the previous year, the Brazilian market experienced a 9.0% decline in its aggregate net result, amounting to 6.7 billion dollars (659 million dollars less than in 2023), while

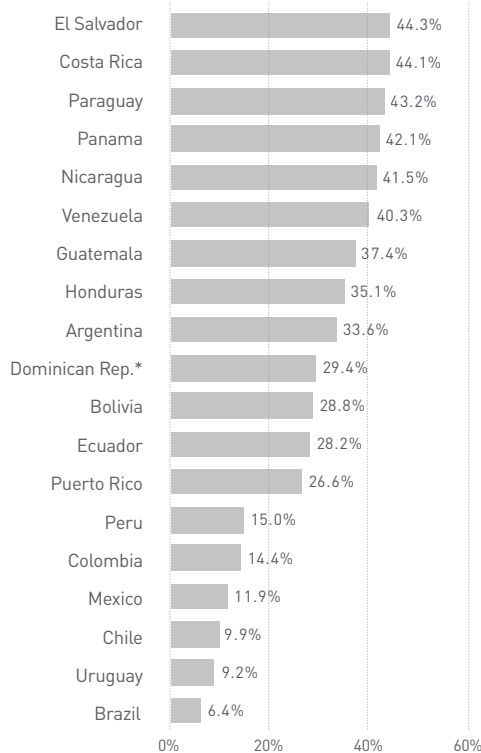
the Chilean market fell by 4.3% (down 52.3 million dollars), achieving a net result of 1.2 billion dollars in 2024. The remaining markets, with the exception of Argentina, posted positive net results above the previous year's figures. Mexico stood out with 4.4 billion dollars (up 16.3%), Colombia with 978.3 million (0.2%), and Peru with 755.8 million (24.8%).

Finally, the information presented in Table 2.1-f shows the return on equity (ROE) and return on assets (ROA) in the region's various insurance markets in 2024. According to this data, the insurance markets of Brazil (with an ROE of 27.3%), Mexico (25.5%), Guatemala (25%), Paraguay (24.6%), and Peru (24.1%) all recorded ROE levels above 20%. It should be noted that only the Argentine market presented a negative ROE and ROA (-17.6% and -5.8%, respectively) in 2024.

Capitalization levels

Chart 2.1-e presents data related to the capitalization level (measured as shareholders' equity over total assets) of the insurance industries of each of the countries analyzed in this report. As noted in previous versions of this report, smaller insurance markets in the region tend to have higher capitalization ratios, while in markets with a higher degree of relative development, especially if measured in terms of depth (Brazil, Uruguay, Chile, Mexico, Colombia, and Peru), the indicator is lower and more aligned with the ratios observed in insurance markets in advanced economies. Thus, in 2024, while the markets of El Salvador, Costa Rica, and Paraguay presented the highest capitalization levels in the region (44.3%, 44.1%, and 43.2%, respectively), Chile, Uruguay, and Brazil showed the lowest ratios (9.9%, 9.2% and 6.4%, respectively).

Chart 2.1-e
Latin America: capitalization level, 2024
(equity/assets, %)



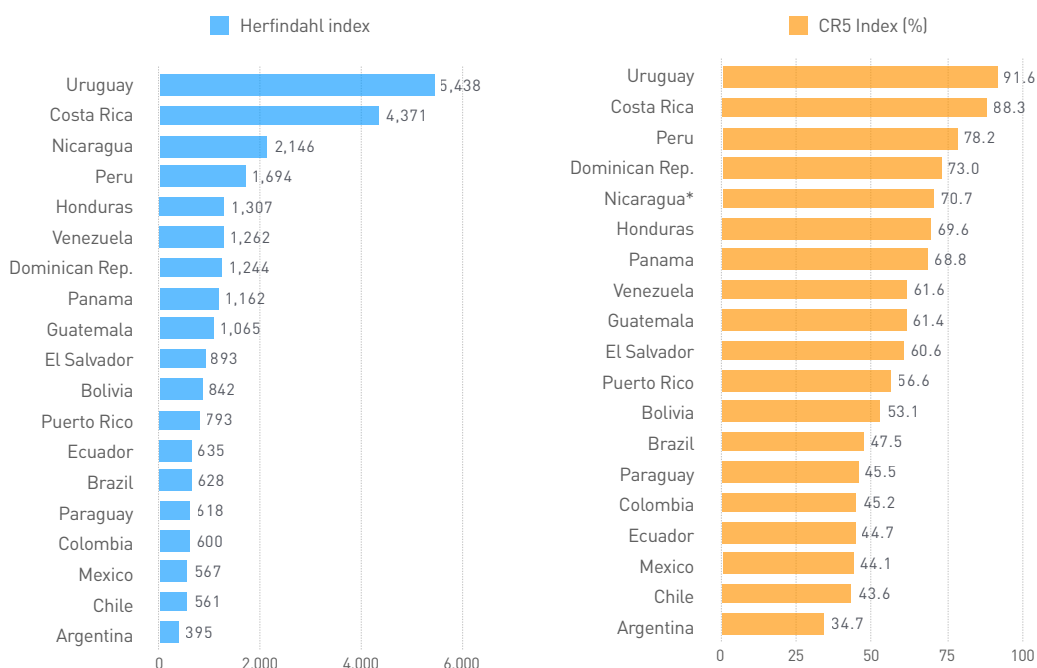
Source: MAPFRE Economics (based on data from supervisory bodies in the region)

*The data corresponds to the close of September 2024 (latest available).

Insurance industry concentration levels

Overall, the concentration levels of the Latin American insurance industry showed little variation in 2024 compared with the previous year. As noted in previous versions of this report, the Latin American insurance markets with the highest concentration levels were Uruguay, Costa Rica, and Nicaragua, each recording a Herfindahl index above the threshold associated with a highly concentrated industry ($HHI > 1800$). Meanwhile, Peru, Honduras, Venezuela, the Dominican Republic, Panama, and Guatemala posted index values characteristic of markets with moderate concentration levels ($1,000 < HHI < 1,800$). It is worth noting that, unlike the previous year, El Salvador fell below this threshold in

Chart 2.1-f
Latin America: Herfindahl and CR5 Indexes, 2024



Source: MAPFRE Economics (based on data from supervisory bodies in the region)

* Corresponds to the CR3 estimate, whereby a total of only five insurance companies operate in this market.

2024. The remaining Latin American markets reported indexes below 1,000 points, that is, below the threshold associated with moderate concentration levels (see Chart 2.1-f). Likewise the market share of the top five largest insurers (CR5) in each market, which confirms the existence of the concentration levels described based on the Herfindahl index. It is worth recalling that measuring the degree of concentration in the insurance industry provides insight into competition levels, based on the principle that the lower the concentration, the greater the competitive pressure, which in turn serves as an additional factor driving market development.

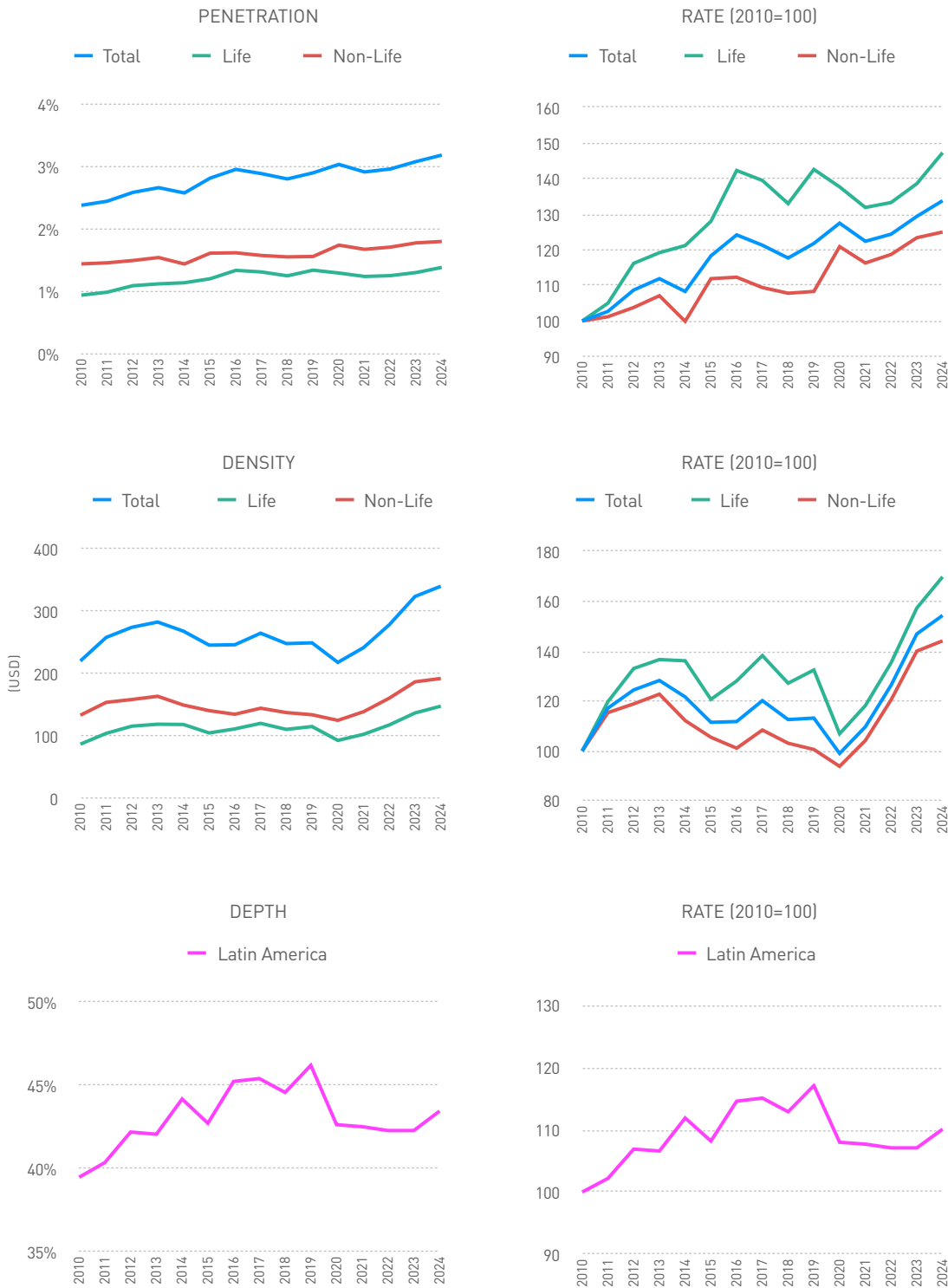
2.2 Structural trends

Penetration, density and depth

Chart 2.2-a illustrates the structural trends of the Latin American insurance industry, taken as a whole, over the 2010–2024

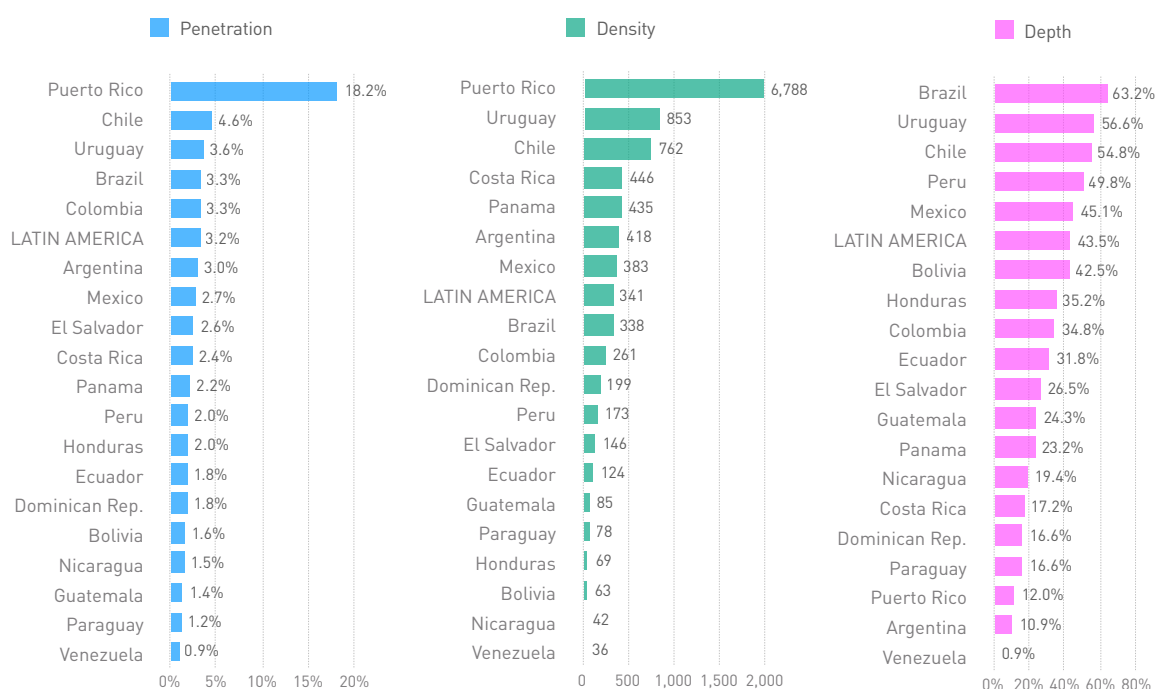
period.⁶ According to this data, the region's average penetration rate (premiums/GDP) was 3.2% in 2024, 0.1 percentage points (pp) higher than the previous year. It should be noted that this indicator improved in both the Non-Life segment (1.80% versus 1.78% the previous year) and, to a greater degree, in the Life segment (1.39% versus 1.31% the previous year). Puerto Rico continues to report the highest penetration and density (premiums per capita) indexes in the region, increasing to 18.2% and 6,788 dollars in 2024, respectively (see Chart 2.2-b). As noted in previous editions of this report, this particular dynamic is explained by the fact that premium volume in this market includes health-insurance coverage for low-income populations, which is managed by the private insurance sector but financed with government budgetary resources. After Puerto Rico, the markets of Chile (4.6%), Uruguay (3.6%), Brazil (3.3%), and Colombia (3.3%) reported the highest penetration rates in 2024, above the regional average.

Chart 2.2-a
Latin America: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, USD; Life insurance premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from supervisory bodies in the region)

Chart 2.2-b
Latin America: penetration, density and depth indexes, 2024
 (premiums/GDP, %; premiums per capita, USD; Life premiums/total premiums, %)



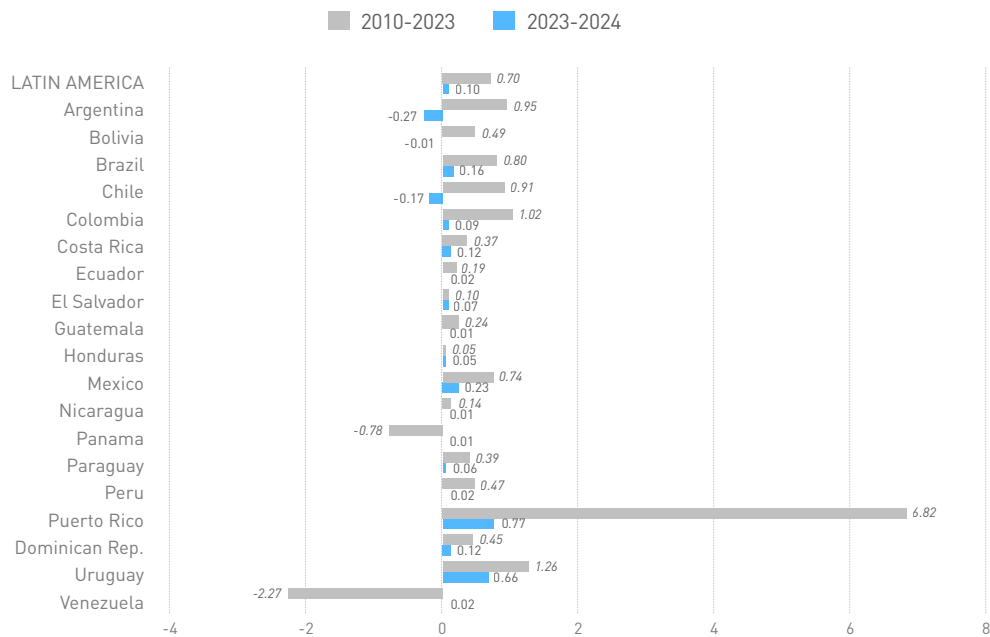
Source: MAPFRE Economics (based on data from supervisory bodies in the region)

Chart 2.2-c complements the analysis of penetration levels, presenting the variation in penetration levels across different markets in 2024, compared with the previous year and over the 2010–2023 period. According to this information, in 2024 all insurance markets in the region improved the figures for this indicator relative to 2023, with the only exceptions being Argentina, Bolivia, and Chile. Meanwhile, from a medium-term perspective, the markets in Puerto Rico, Uruguay, and Colombia presented the greatest advances in the 2010–2023 period, while the indicator deteriorated the most in Panama and Venezuela. In summary, in the medium term (2010–2024), we see an upward trend in insurance penetration in the Latin American region, with a 0.88 pp increase in penetration during this period. In the case of Life insurance penetration, cumulative growth over the 2010–2024 period was 0.4 pp, while in the Non-Life

segment the accumulated increase over that same period was also 0.4 pp.

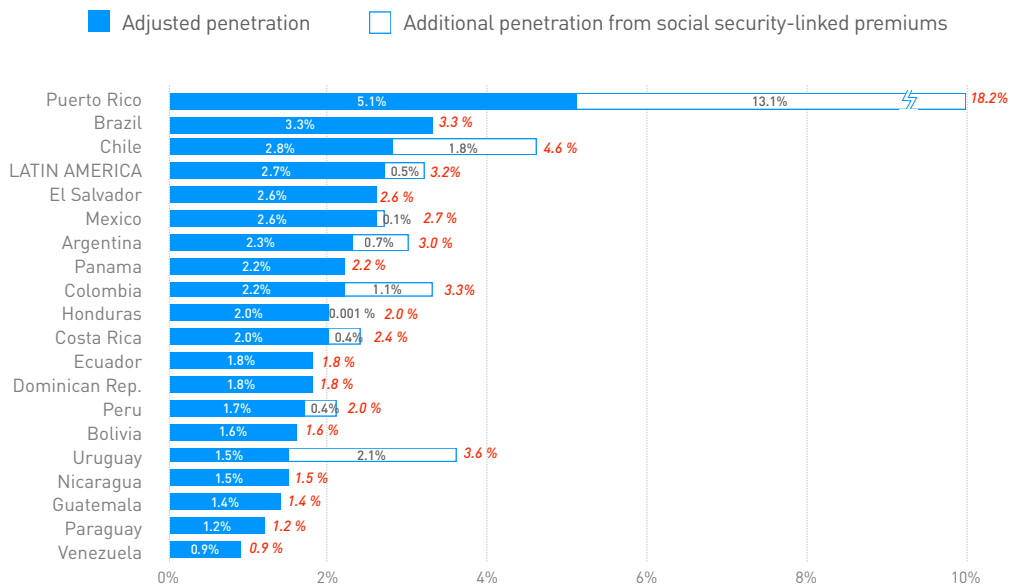
As stated in other reports, an important part of the explanation for the evolution of penetration levels in the region relates to the implementation of public policies that use insurance mechanisms as instruments to achieve major social objectives. In this regard, it is important to highlight the use of such public policies in several countries in the region, particularly those linked to social-security schemes. Examples include the participation of the private insurance sector in pension systems through the provision of annuities, mandatory health-care coverage, and medical care and compensation for workplace accidents and occupational diseases. Chart 2.2-d presents a comparative analysis of the region's markets, adjusting the penetration levels registered in 2024 to neutralize the impact that these public-policy decisions have on the penetration levels of each market. As

Chart 2.2-c
Latin America: changes in penetration, 2010–2024
 (percentage points)



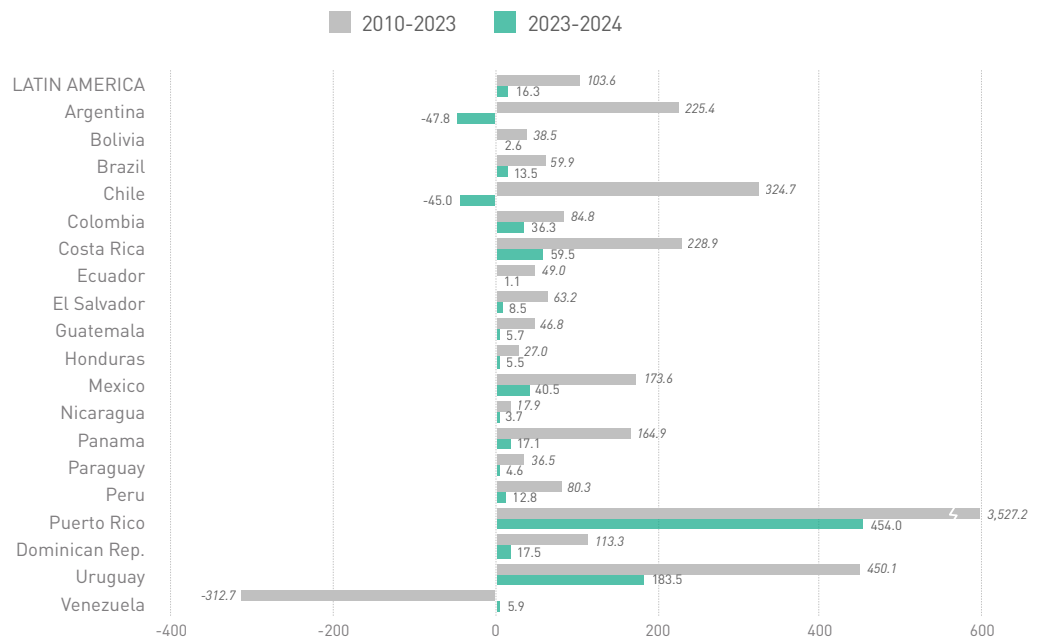
Source: MAPFRE Economics (based on data from supervisory bodies in the region)

Chart 2.2-d
Latin America: insurance penetration adjusted for the effect of social security-linked premiums,
2024
 (premiums/GDP, %)



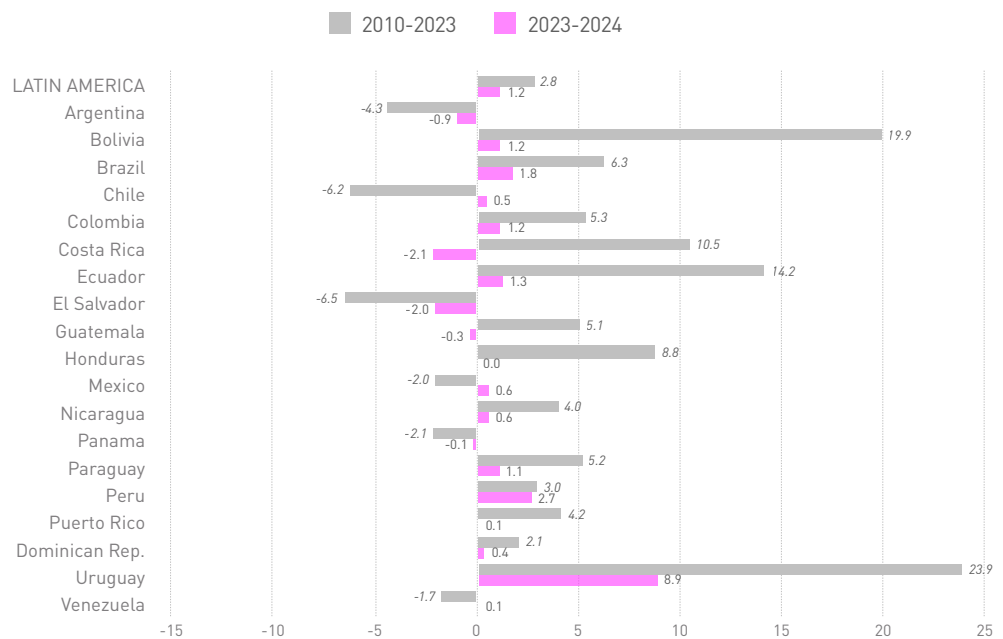
Source: MAPFRE Economics (based on data from supervisory bodies in the region)

Chart 2.2-e
Latin America: changes in density, 2010–2024
 (USD)



Source: MAPFRE Economics (based on data from supervisory bodies in the region)

Chart 2.2-f
Latin America: changes in depth, 2010–2024
 (percentage points)



Source: MAPFRE Economics (based on data from supervisory bodies in the region)

stated previously, the most significant case is Puerto Rico, which follows a system similar to that of the United States for mandatory healthcare coverage managed by private insurance companies, representing a 13.1 pp increase in penetration (measured in terms of the country's GDP). These mechanisms also have considerable influence on penetration levels in the Chilean and Uruguayan markets, due to the role of private insurance companies in their pension systems, which entail a 2.1 and 1.8 pp increase in penetration, respectively. Similarly, Colombia and Argentina show notable adjustments due to the coverage of workplace accidents through private insurers.

Meanwhile, as Chart 2.2-a shows, the density indicator (premiums per capita) for the region stood at 340.7 dollars in 2024. This is a 5.0% increase over the previous year. This improved density over 2023 in the great majority of countries in the region is explained by growth in the main markets in local currency, which has offset the negative effect of dollar exchange rates, as opposed to what happened the year before (see Chart 2.2-e). It should be noted that a large part of insurance spending per person in most of the region remains focused on the Non-Life segment (192.6 dollars), up 2.9% compared to the previous year. Meanwhile, Life insurance density

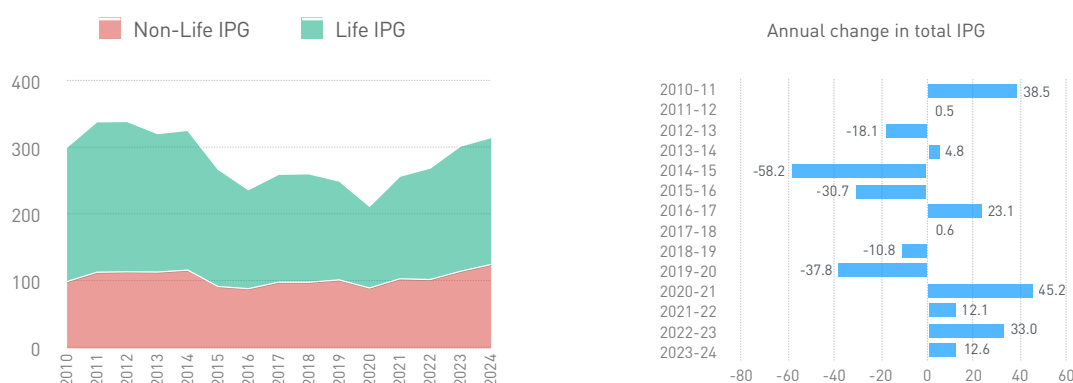
amounted to 148.0 dollars, 7.9% above that of 2023. In the medium term, density (measured in dollars) rose 54.4% between 2010 and 2024. In particular, in the Life segment, the cumulative increase over this period was 69.9% (from 87.1 to 148.0 dollars), while in the Non-Life segment, cumulative growth was up 44.2% (from 133.6 to 192.6 dollars).

Finally, the insurance depth rate in Latin America (Life insurance premiums over total premiums) was 43.5% in 2024, 1.2 pp above the 2023 level, as a result of greater momentum in the Life segment (see the cited Chart 2.2-a). It is notable that, between 2023 and 2024, the markets in Argentina, Costa Rica, El Salvador, Guatemala, and Panama posted declines in this indicator (see Chart 2.2-f). Meanwhile, in the medium-term analysis (2010–2023), the indicator for the region shows an improvement over the last decade, with a cumulative increase of 2.8 pp over that time, and only a few significant setbacks in the cases of Argentina, Chile, and El Salvador and, to a lesser extent, Panama, Mexico, and Venezuela.

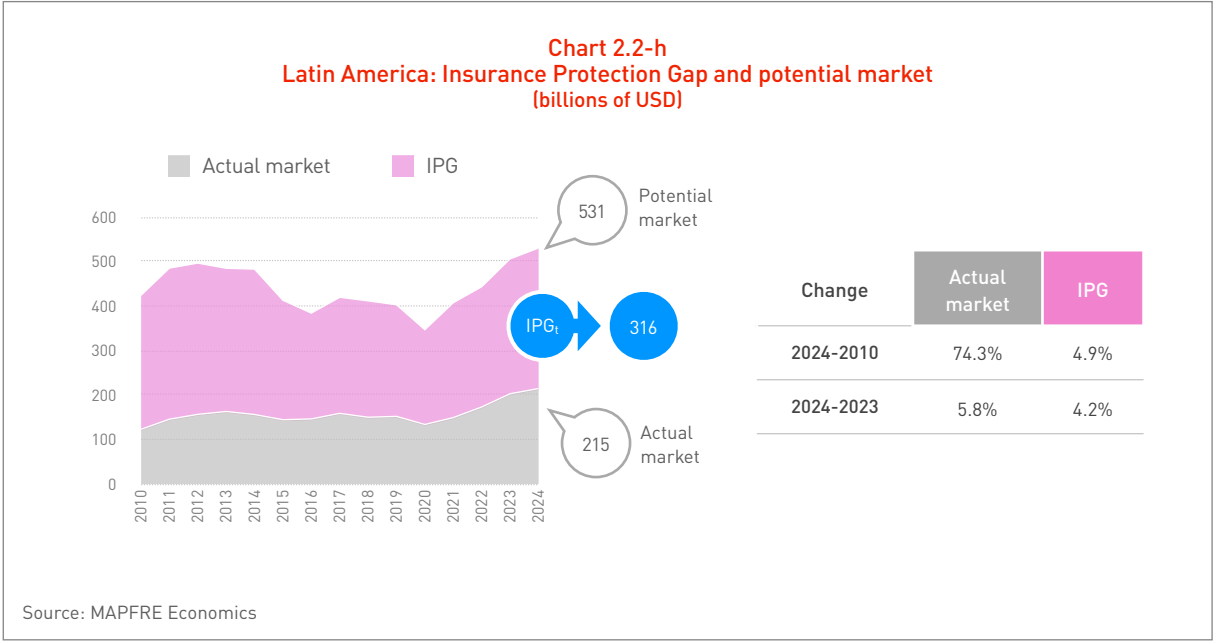
Insurance Protection Gap estimate

Chart 2.2-g provides an estimate of the Insurance Protection Gap (IPG)⁷ for the Latin American insurance market over the 2010–

Chart 2.2-g
Latin America: Insurance Protection Gap
(billions of USD)



Source: MAPFRE Economics



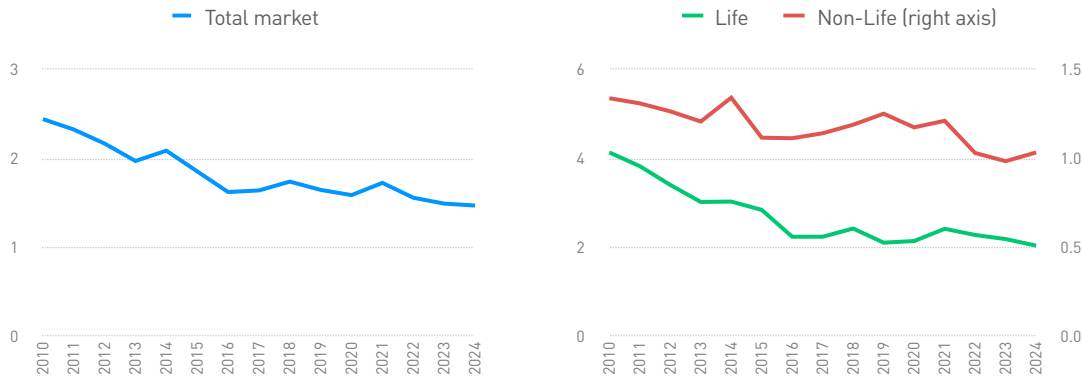
2024 period. In 2024, the estimated Insurance Protection Gap (IPG) for the region’s insurance market reached 315.9 billion dollars, an increase of 4.2% (12.6 billion dollars) compared with the estimate for 2023. The IPG composition over the last 15 years (2010–2024) does not change significantly, confirming the predominance of Life insurance. As a result, in 2024, 60.2% of the IPG corresponded to Life insurance (190.3 billion dollars), while Non-Life insurance accounted for 39.8% of the gap, equivalent to 125.7 billion dollars. It is important to remember that the IPG is a structural measurement, representing the difference between the insurance coverage that is estimated to be economically necessary and beneficial for society, and the amount of such coverage actually acquired, based on the levels of insurance achieved in more developed economies. Its determination helps to identify not only the gap in terms of societal under-insurance, but also the potential market for insurance, which is the market size that could be achieved were the gap eradicated. Thus, the potential insurance market in Latin America in 2024 (measured as the sum of the actual insurance market and the protection gap) was 531.1 billion dollars, or 2.5 times the

actual market in the region, the same as the year before (see Chart 2.2-h).

It is worth noting that, by its nature, the IPG is not a static concept, but rather on the contrary, this potential insurance coverage area is continually modified depending on both the growth of each country’s economy and on the emergence of new risks to be covered that are inherent to economic and social development. The insurance protection gap is also highly correlated with market growth: quantitatively, the gap becomes smaller as the penetration rate increases, and qualitatively it tends to get smaller as markets become more sophisticated and more mature. Hence, factors such as sustained economic growth, low inflation, higher personal disposable income, the general development of the financial system, an efficient regulatory framework, and the application of public policies aimed at increasing financial inclusion and education are factors that stimulate a decrease in the IPG in the medium-term.

In order to advance this medium-term analysis, Chart 2.2-i presents the estimated IPG as a multiple of the existing insurance market. According to this information, the

Chart 2.2-i
Latin America: IPG as a multiple of the actual market
(number of times the size of the actual insurance market)



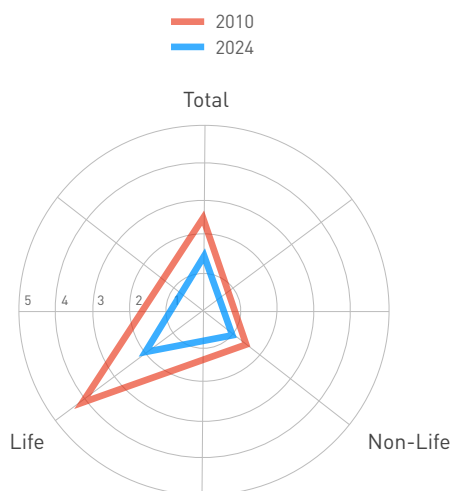
Source: MAPFRE Economics

region's protection gap between 2010 and 2024 showed a clearly decreasing trend in terms of both the total market (falling from 2.4 to 1.5 times the actual market during that period) as well as the Life segment (from 4.1 to 2.0 times the market) and the Non-Life category (from 1.3 to 1.0 times). This is indicative of the medium-term trend of the region toward convergence with the insurance-coverage levels of developed

markets. Chart 2.2-j illustrates the evolution of the IPG as a multiple of the actual market for the Life segment, the Non-Life segment, and the Latin American insurance market as a whole in 2010 and 2024. During this period, there was a clear reduction in the region's protection gap, especially in the Life insurance segment.

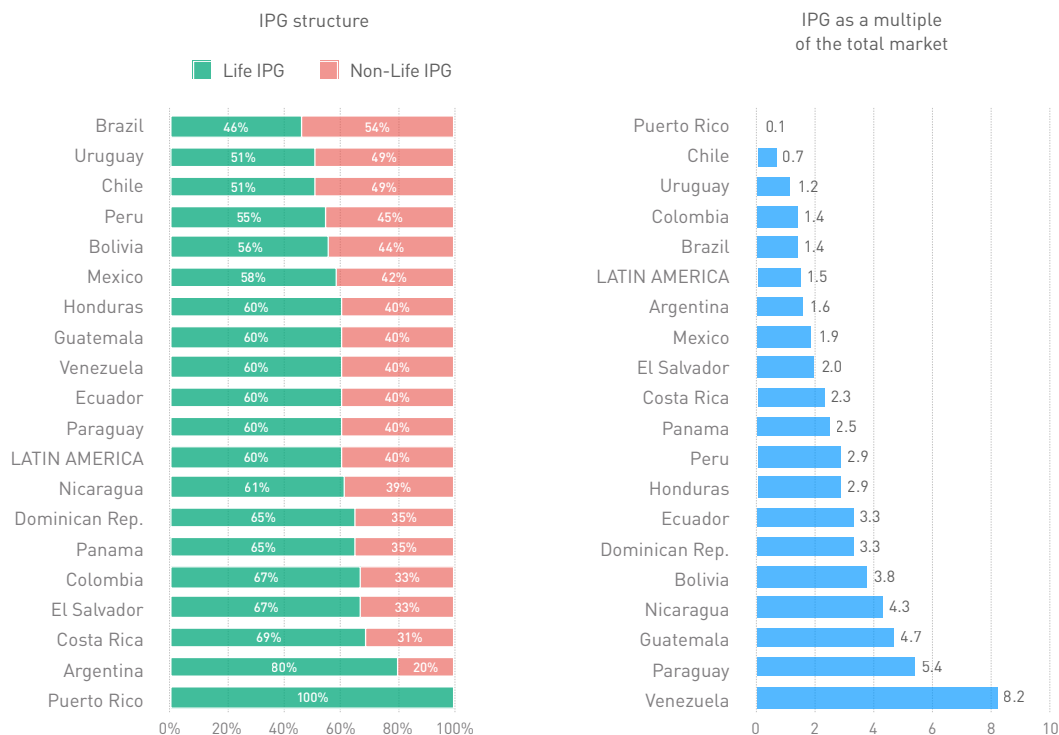
Supplementing the analysis of underinsurance levels in the region, Charts 2.2-k and 2.2-l show the structure of the protection gap for each of the countries considered, as well as the relative size of the IPG compared with the actual total market across the different segments (Life and Non-Life). It should be noted that, when analyzing the development of insurance markets, in addition to the dynamics of their structural trends, the degree of balance in the existing IPG, which may suggest underdeveloped areas, must also be taken into consideration. Thus, the level of market advancement is also linked to the proportion the protection gap represents of the current size of the market. For example, typological poles can be seen between markets such as Brazil, Chile and Uruguay, where the structure of the IPG remains balanced between insurance segments, and a market such as Puerto Rico, where practically the entire protection gap is concentrated in the Life segment.

Chart 2.2-j
Latin America: change in IPG as a
multiple of the actual market



Source: MAPFRE Economics

Chart 2.2-k
Latin America: structure and relative size
of the Insurance Protection Gap, 2024
 (structure, %; IPG as a proportion of total market, number of times)



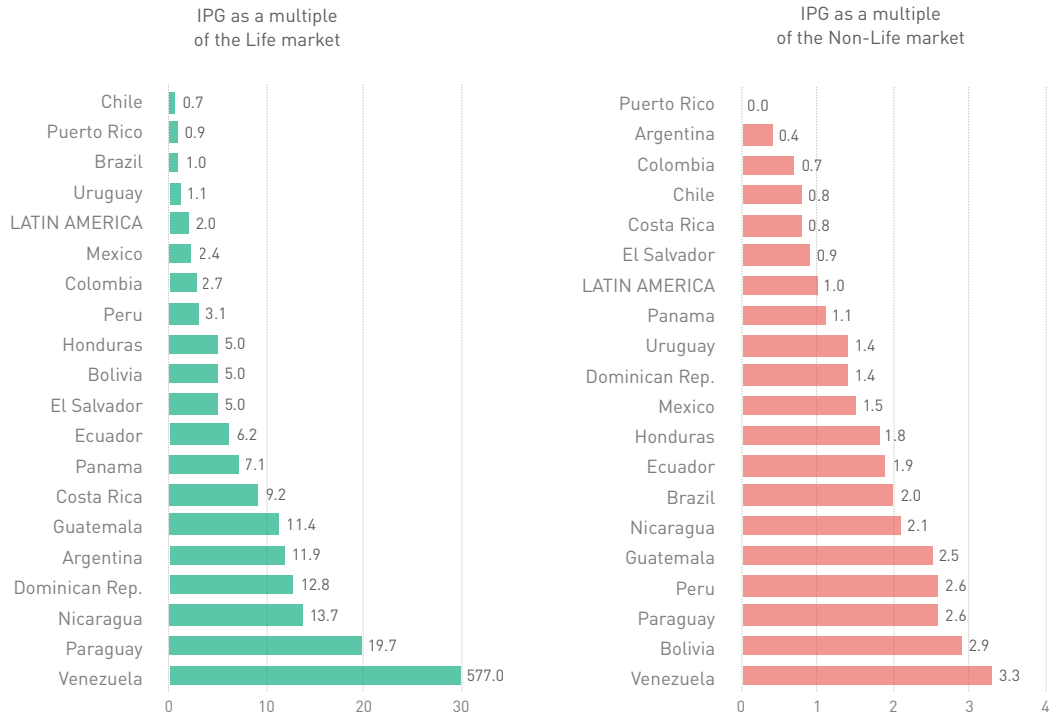
Source: MAPFRE Economics (based on data from supervisory bodies in the region)

Meanwhile, Chart 2.2-m illustrates the updated evaluation of the Latin American insurance industry's capacity to close the 2024 protection gap. This analysis compares the growth rates observed over the 2014–2024 period in relation to the growth rates that would be required to close the IPG determined in 2024 over the next decade. The results of this exercise indicate that throughout that period, the region's insurance market recorded 3.2% annual average premium growth (in dollars), underpinned by 3.0% average growth in the Life insurance segment and 3.4% in the Non-Life segment. This dynamic has notably accelerated compared to the 2013–2023 period, which experienced 2.2% growth in the total and Non-Life segments and 2.3% in Life. As a result, if the same regional growth rate seen over the 2014–2024 period were to continue in

the industry over the next decade, the growth rate of the market as a whole would fall short of closing the 2024 IPG by 6.2 percentage points. A similar situation presents when analyzing the Life insurance segment (short -8.7 pp) and the Non-Life Insurance segment (short -4.0 pp), with some improvement with respect to the 2023 figures in both segments.

In summary, Chart 2.2-n presents the results of this analysis for each of the markets analyzed in this report; that is, the ability or inability of each to close the 2024 protection gap during the next decade. According to this information, with the exception of the insurance markets of Argentina, Puerto Rico, Uruguay, Chile, and Colombia, the remaining markets have recorded average annual growth rates that are insufficient—if maintained over the next

Chart 2.2-l
Latin America: structure and relative size of the insurance protection gap in the
Life and Non-Life segments, 2024
 (structure, %; IPG as a proportion of the respective market, number of times)

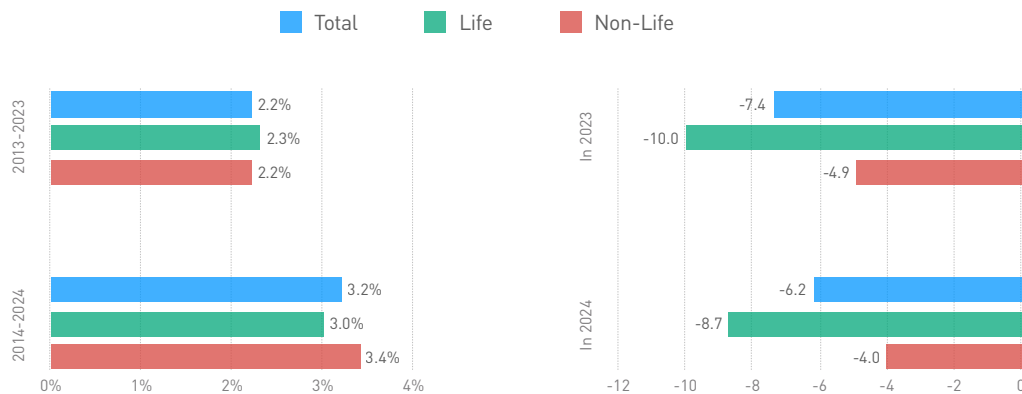


Source: MAPFRE Economics (based on data from supervisory bodies in the region)

decade—to close the protection gap estimated for 2024. In the Life segment, the markets that would succeed in closing the IPG based on the dynamic observed over the

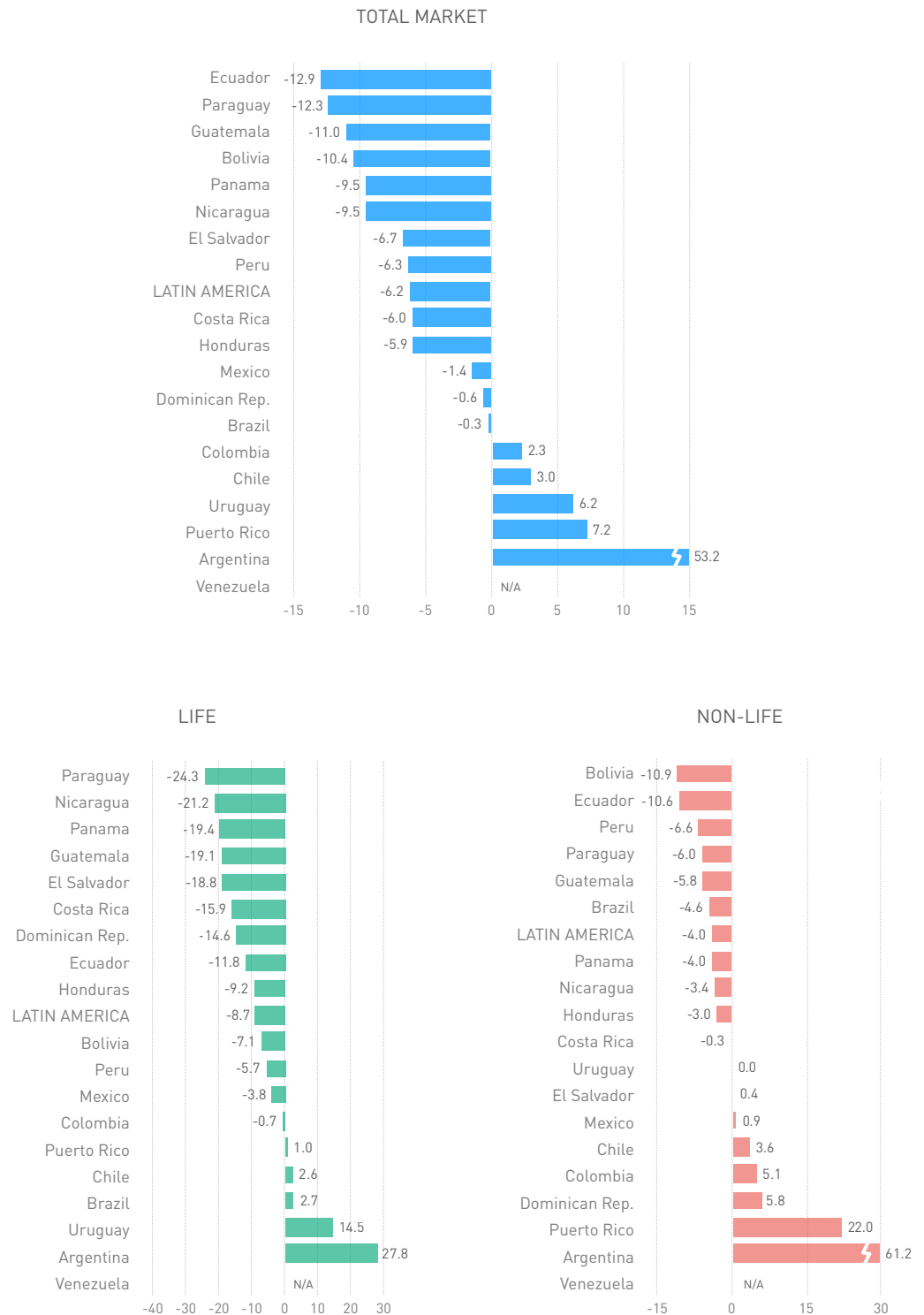
last ten years would be Argentina, Uruguay, Brazil, Chile, and Puerto Rico, while in the Non-Life segment, the markets that show growth sufficient to close the gap are

Chart 2.2-m
Latin America: capacity to close the IPG
 (annual growth rate, %; sufficiency or insufficiency, pp)



Source: MAPFRE Economics

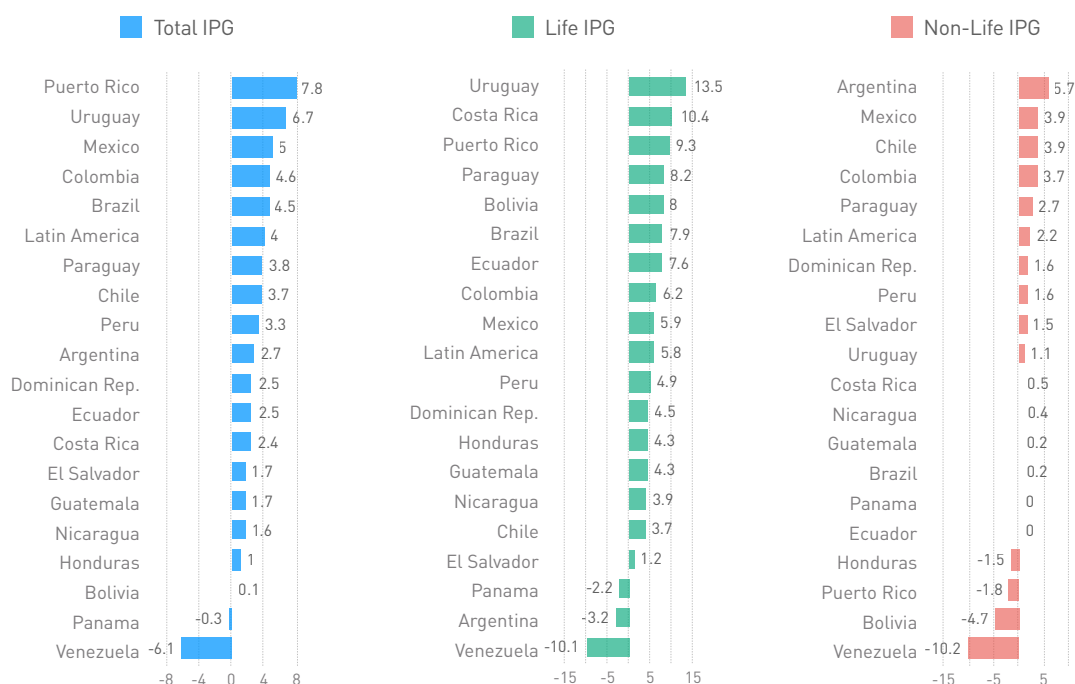
Chart 2.2-n
Latin America: sufficiency (or insufficiency) to close the 2024 IPG in 10 years
(sufficiency or insufficiency, pp)



Source: MAPFRE Economics

N/A Not relevant for the comparative analysis, due to the effects of overestimation produced by the high inflation levels present in this economy.

Chart 2.2-o
Latin America: IPG absorption rate index*



Source: MAPFRE Economics

*Equivalent to the 2005–2024 CAGR of the reduction of the IPG as a multiple of the actual market.

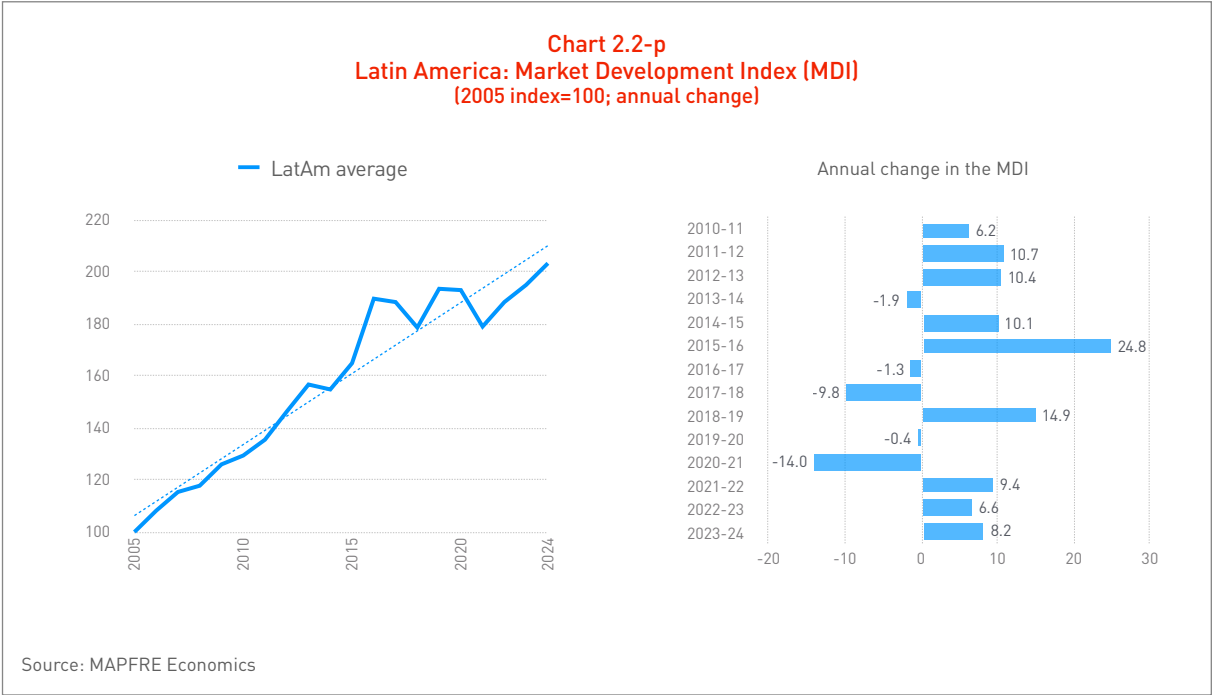
Argentina, Puerto Rico, Dominican Republic, Colombia, Chile, Mexico, El Salvador, and Uruguay. It is important to note that, in the case of Argentina, the hyperinflationary environment during the period analyzed introduces distortions into the assessment, meaning that its estimated capacity to close the protection gap may be overstated.

Finally, in order to provide an additional indicator of the capacity of different Latin American insurance markets to close their IPG and approach the levels of insurance activity seen in relatively more developed countries, Chart 2.2-o shows the updated protection gap absorption rate index, which is equivalent to the average annual growth rate of the reduction in the IPG as a multiple of the existing market, estimated for the 2005–2024 period. According to this analysis, except for Panama and Venezuela, all other markets considered show positive

protection-gap absorption rates during this period. Likewise, when analyzed by insurance segment, in Life insurance, only Panama, Argentina, and Venezuela show negative gap absorption rates, while in Non-Life, Honduras, Puerto Rico, Bolivia and Venezuela show negative rates.

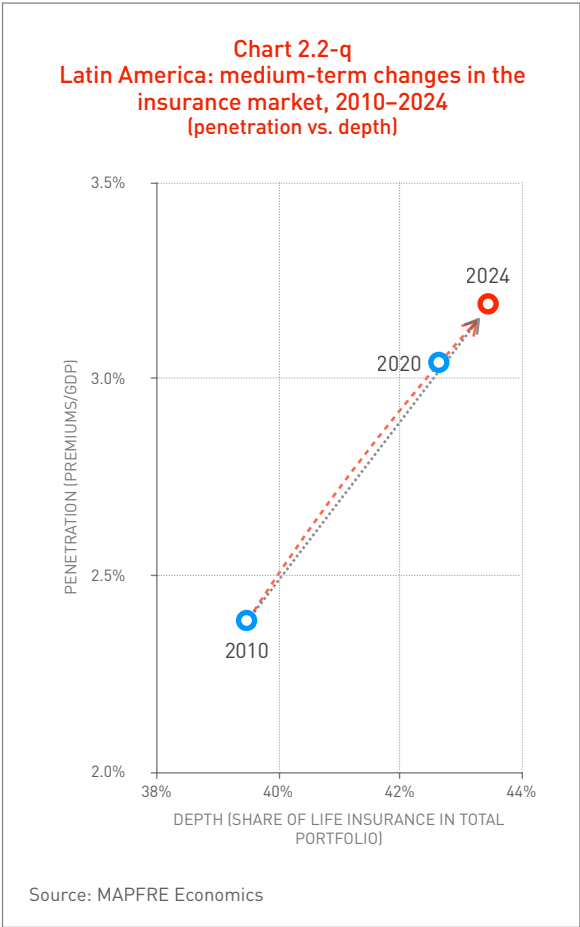
Market Development Index

Chart 2.2-p shows an update of the Market Development Index (MDI) for the Latin American insurance industry. The MDI is an indicator that summarizes trends in the evolution and maturity of insurance markets. It is a composite index constructed from four individual indicators (based on 2005): (i) the penetration rate, (ii) the depth index, (iii) an evolution index of the IPG (inverse index of the IPG as a market multiple), and (iv) an evolution index of the Life insurance IPG (inverse index of the Life



insurance IPG as a multiple of that market). In 2024, we observe that, for the region as a whole, the MDI continues to show a trend of

sustained annual progress over the last decade, albeit with setbacks in 2014, 2018, and 2021. However, despite these setbacks, the medium-term development trend of the regional insurance industry remains upward, above the trend-line for the 2014–2019 period, demonstrating that the Latin American market continues to display positive growth once the abrupt movements caused by the pandemic-induced economic crisis and the subsequent recovery are filtered out.



A similar conclusion emerges from the dispersion analysis illustrated in Chart 2.2-q, which seeks to identify the development trend of the Latin American insurance market over the 2010–2024 period, based on the evolution of penetration rates (as an indicator of the quantitative growth of this activity) and of insurance depth (as a proxy for the qualitative maturity of market development). According to this analysis, the region's insurance sector has shown sustained and balanced growth over the last 15 years, with gains in both penetration (quantitative dimension) and insurance depth (qualitative dimension).

Medium-term premium growth forecasts

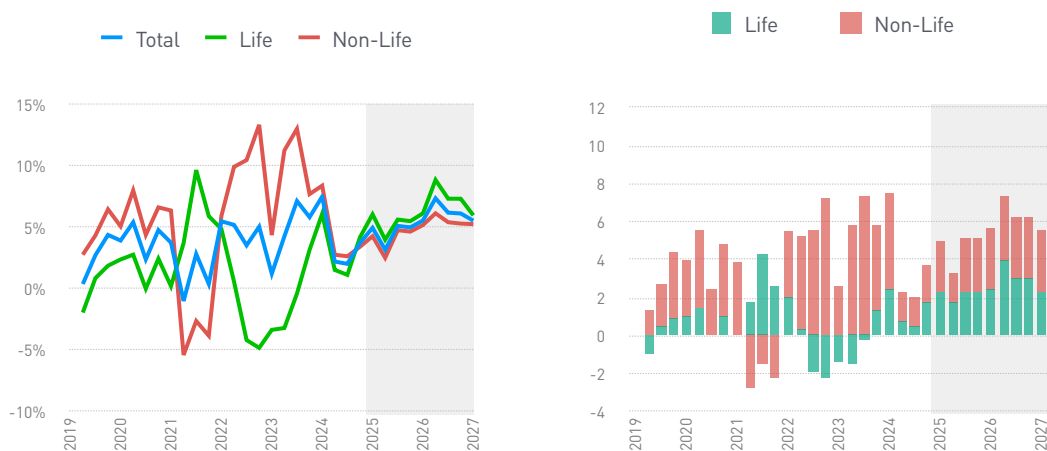
In the first half of 2025, the global economy has been stable despite geopolitical tensions and energy risks, with a moderate recovery driven by disinflationary processes and the momentum of emerging markets. This context has benefited the insurance industry, which relies on positive real interest rates, controlled inflation, and stable consumption. Against this backdrop, the savings-oriented Life segment stands out for its growth, boosted by the performance of fixed-income instruments and the stability of financial markets. Developed economies are pursuing policies with differentiated fiscal and monetary constraints, while emerging markets are maintaining dynamic growth with stable fundamentals. In Latin America specifically, there are signs of improvement in the economic outlook, with upward revisions in growth projections, although moderate progress is still expected. Even so, the region could surprise to the upside, driven by stronger recovery in Argentina, greater-than-expected momentum in Brazil, and a milder slowdown in Mexico and Peru. With inflation approaching targets and still-

restrictive monetary policies, governments in Latin America have room to address the economic slowdown. In addition, less geopolitical uncertainty, in both trade and international conflicts, could support the strengthening of Latin American currencies.

Global consumption and investment will shape production and demand in the global insurance market. Based on this, worldwide nominal insurance demand is expected to grow by around 5.6% between 2025 and 2026, exceeding nominal global GDP growth for that period. Thus, the Life insurance segment is expected to grow by an average of around 6.0% over the 2025–2026 period, while the Non-Life insurance segment is expected to grow by around 5.2%. Based on the size and growth of each insurance segment, Life insurance is expected to contribute 2.6 pp to overall insurance growth, while Non-Life insurance would contribute 2.9 pp during the 2025–2026 period (see Chart 2.2-r).

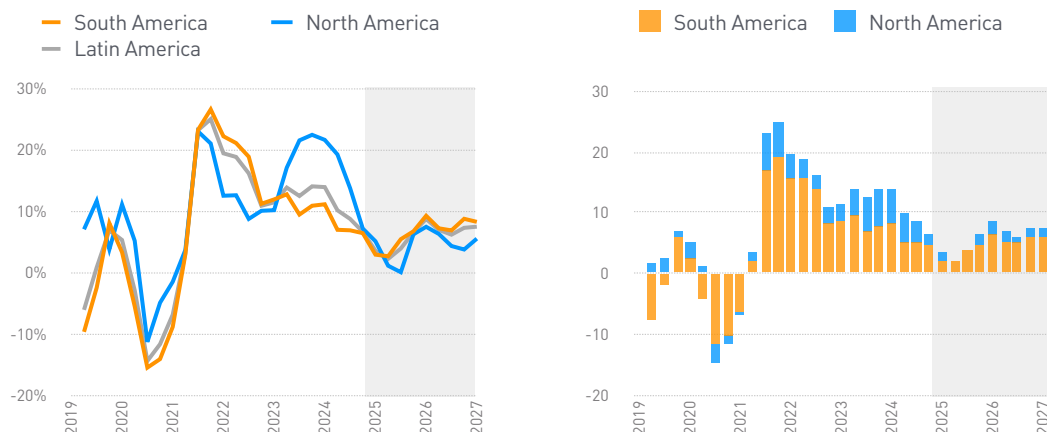
Within the framework of economic projections for the 2025–2026 period, the insurance industry in Latin America is expected to experience a nominal increase

Chart 2.2-r
Global: premium growth and contributions to growth by insurance line
(year-on-year growth, %, contribution to growth, percentage points)



Source: MAPFRE Economics

Chart 2.2-s
Latin America: premium growth and contributions to growth by region
 (year-on-year growth, %, contribution to growth, percentage points)



Source: MAPFRE Economics

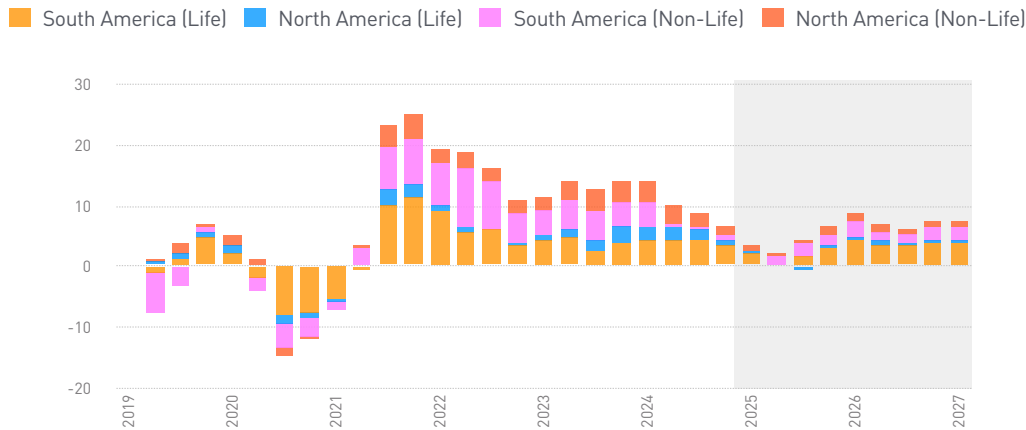
of approximately 6.2%. In this context, the South American insurance market⁸ could achieve average growth of around 6.9%, while in North America, an average increase of 4.4% is projected for Latin America (see Chart 2.2-s). Likewise, observing the contribution to growth by region reveals existing differences by geographical area. Thus, while both North and South America are expected to make positive contributions during 2025, South America's average contribution would be close to 4.3 pp, while that of North America for the same period would be 1.1 pp. Both regions are expected to increase their contribution to insurance growth by 2026, with South America reaching an average contribution of 5.6 pp and North America around 1.4 pp.

It is equally important to note that the economic projections for each subregion of Latin America reflect different dynamics between the Life and Non-Life segments, highlighting the variations in their evolution over time between the northern and southern parts of the region. According to the comparative analysis illustrated in Chart 2.2-t, in the South American Life insurance

market, driven primarily by the weight of the Brazilian market, the average contribution to premium growth is estimated at 3.1 pp, whereas in Latin North America, the contribution of Life premiums is projected to be significantly lower, at around 0.3 pp. Non-Life insurance is expected to contribute 1.9 percentage points to average growth in South America during the same period, while in North America the figure is expected to be 0.9 percentage points. These differences underscore the diverse behavior of the insurance market within the Latin American region.

However, an analysis of the Life insurance segment shows a trend marked by significant variations in growth rates in different subregions between 2019 and 2023 (see Chart 2.2-u). In the South American subregion, growth rates contracted sharply in 2020, attributed to the economic impact of the COVID-19 pandemic, which was reflected in a decline in demand for Life insurance due to economic uncertainty and reduced household income. However, a rebound effect was recorded in 2021, with positive growth rates driven by economic recovery and increased awareness of the

Chart 2.2-t
Latin America: premium growth and contributions to growth by region and insurance line
 (year-on-year growth, %, contribution to growth, percentage points)

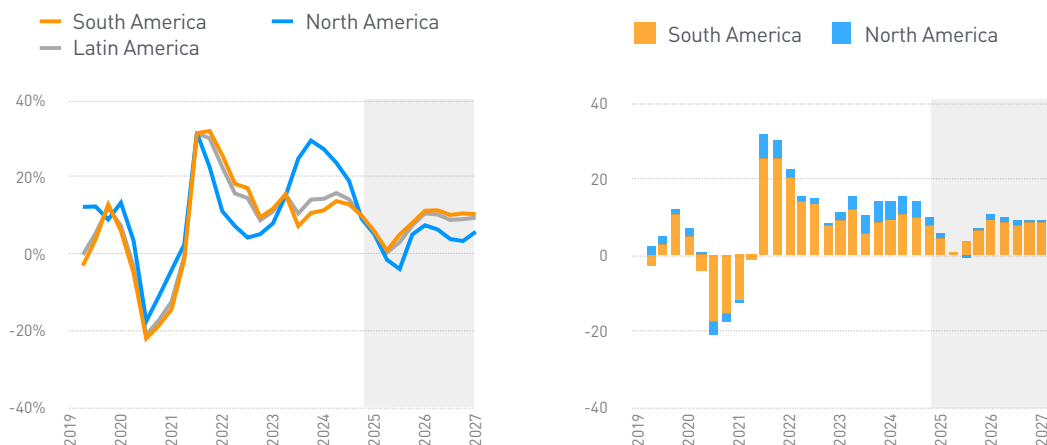


Source: MAPFRE Economics

importance of Life insurance. In 2022, although growth rates remained positive, they showed a downward trend, possibly influenced by factors such as market stabilization and changes in underwriting policies. In contrast, North America saw significant growth in the Life insurance business in 2023, likely supported by greater

economic stability and a more mature market. However, projections for 2024 suggest a slowdown in growth rates in both North and South America, which could be related to macroeconomic factors such as inflation, changes in interest rates, and a possible reduction in consumers' ability to save. Thus, growth forecasts for the Life

Chart 2.2-u
Latin America: Life premium growth and contributions to growth by region
 (year-on-year growth, %, contribution to growth, percentage points)



Source: MAPFRE Economics

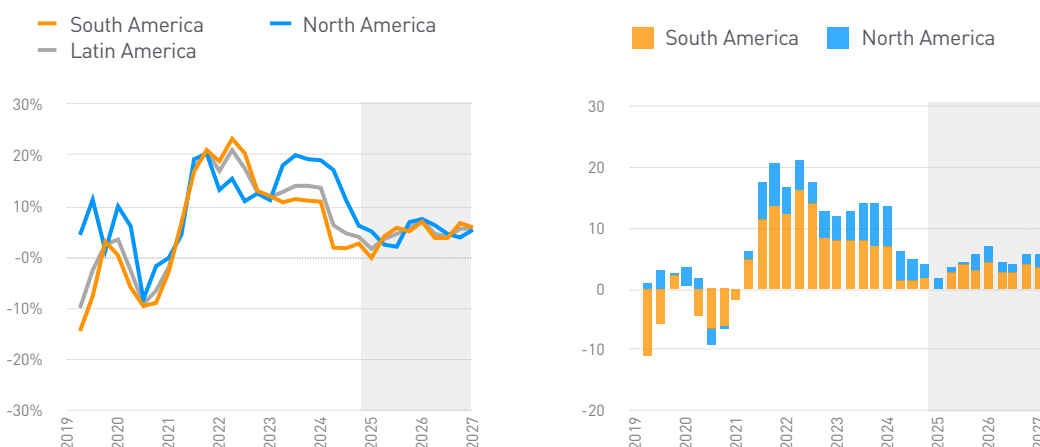
segment towards 2026 suggest that, in the South American subregion, average growth could reach 8.5% by the end of the period, while it could be around 5.8% in the North American subregion by the end of 2026. Latin America as a whole is expected to maintain growth of around 9.5% over the forecast period.

The contributions to growth in the Life segment over the forecast horizon show marked differences between subregions in Latin America. Thus, South America is positioned as the main driver of growth in this segment, as the subregion with the largest share of the Life insurance market in the region. Meanwhile, North America would make a smaller contribution, reflecting less momentum in this sector compared to South America. Projections for 2026 indicate that this trend will continue, consolidating South America's leadership in the Life insurance sector within the current insurance context.

On the other hand, the analysis of the Non-Life insurance segment illustrated in Chart 2.2-v reveals distinct trends in the subregions of South America and North America, marked by fluctuations in growth

rates. During 2020, the impact of the COVID-19 pandemic led to negative growth rates in this insurance segment, which reversed between 2021 and 2023 with significant increases, exceeding 10% in some quarters and even reaching values above 20%. Performance in the North American subregion was more stable, with positive but declining growth rates from late 2021 to early 2023, when they resumed an upward trend until the end of that year. Subsequently, both subregions recorded positive rates, albeit with a gradual slowdown, remaining in positive territory until the end of 2024. Thus, based on economic developments in 2025 and consensus forecasts for the short term, the Non-Life insurance segment in the North American subregion is projected to grow by 5.4% by the end of 2026, while South America could see an increase of 5.9%. Latin America as a whole is expected to achieve average growth of 5.7% in the Non-Life segment, consolidating the sector's recovery and stability in a context of regional economic improvement. It is evident that, like in the Life segment, South America's contribution to the Non-Life segment has consistently exceeded that of North America

Chart 2.2-v
Latin America: Non-Life premium growth and contributions to growth by region
(year-on-year growth, %, contribution to growth, percentage points)



Source: MAPFRE Economics

in recent years. This performance reflects greater momentum in the South American insurance market, driven by economic and structural factors specific to the region. Projections for the coming years indicate that this trend will continue over the forecast horizon.

Finally, it should be noted that the Latin American insurance sector's share of the global market is still projected to fall short when measured against the region's share of global GDP and population, representing approximately 3.9% in 2024.⁹ Although insurance activity in the region shows remarkable figures in nominal terms, its real impact is reduced due to adverse economic factors. These include the effect of inflation impacting many countries in the region and the depreciation of local currencies against the U.S. dollar, which reduces the value of premiums and financial results when converted into this currency. These factors highlight the structural challenges facing the insurance industry in Latin America, in a global economic context marked by volatility and uncertainty.

Detailed analysis of Latin American insurance markets

As in previous versions of this report, a detailed analysis of each of the Latin American insurance markets is presented in the following chapter. This time, the length of the time series for the main structural indicators has been extended to fifteen years, compared to previous versions of the report, which covered a ten-year time horizon. These individual reports first provide an assessment of each country's macroeconomic environment in 2024, followed by an examination of the main metrics and trends in their insurance markets. Where available, the analysis incorporates a 2010–2024 perspective covering premium growth, the main components of the sector's aggregate balance sheet, technical performance, and the industry's results and profitability. They

also includes a review of the main structural trends in each market, analyzing developments in insurance penetration, density, depth, and the protection gap. Likewise, in order to appropriately portray the dynamics underlying the main trends in each market, the country analysis uses local currency so as to avoid the distorting effects of exchange fluctuations. Finally, each of the individual reports includes an estimate of the protection gap, in terms of both its size and structure.

Latin American insurance market: interactive data

Supplementing this version of the report The Latin American Insurance Market, MAPFRE Economics makes an interactive version available to readers ([*Latin American insurance market: interactive data*](#)), which incorporates much of the information contained in this report. The intention is to offer dynamic, up-to-date information on the insurance markets in Latin America through a web tool with automated tables where users can consult the information contained in the report. With this tool, you can also periodically view, based on the data available at any given time, information relating to the main variables that explain the behavior of Latin American insurance markets.

3. The Latin American insurance markets: country analysis

3.1 North America, Central America and the Caribbean

3.1.1 Mexico

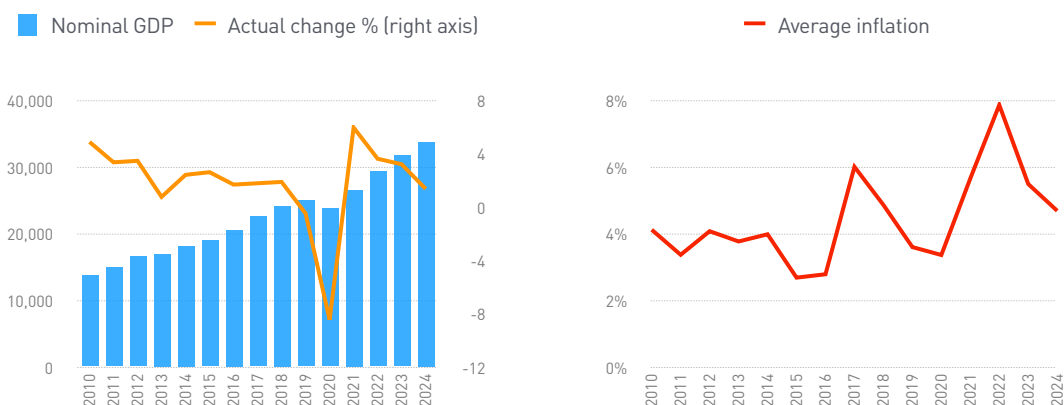
Macroeconomic environment

The Mexican economy slowed in 2024, moderating its growth to 1.5%, compared with 3.3% the previous year. Activity was driven by the services sector (2.3%), and especially by the professional, transportation, and retail segments, as well as by external-sector momentum supported by exports to the United States, remittances, and tourism, although the current account remained in deficit. The primary sector contracted by 2.3% as a result of the decline in the agricultural subsector (-4.7%), affected by droughts, heat waves, and uneven rainfall across regions. In some cases, such as Hurricane John in September, crops were affected by flooding and displacement.

The industrial sector also saw weaker performance, growing only 0.2%, as manufacturing stagnated amid weaker domestic and external industrial demand, as well as persistent supply-chain disruptions that increased production costs and delays. On this point, nearshoring has not generated the expected boost in productive investment in Mexico, yielding benefits only on the commercial side. The lack of incentives for developing new infrastructure and production facilities has limited the country's ability to capitalize on any competitive advantages in the coming years, particularly amid uncertainty stemming from signals regarding U.S. tariff policy.

Breaking down external performance, the current account once again posted a deficit (-0.3% of GDP), the same level as the previous year. The negative value was repeated in both the goods balance and, to a greater extent, in the services balance, due to the decline in trade flows. However, the

Chart 3.1.1-a
Mexico: changes in economic growth and inflation
(GDP in local currency, billions of pesos; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

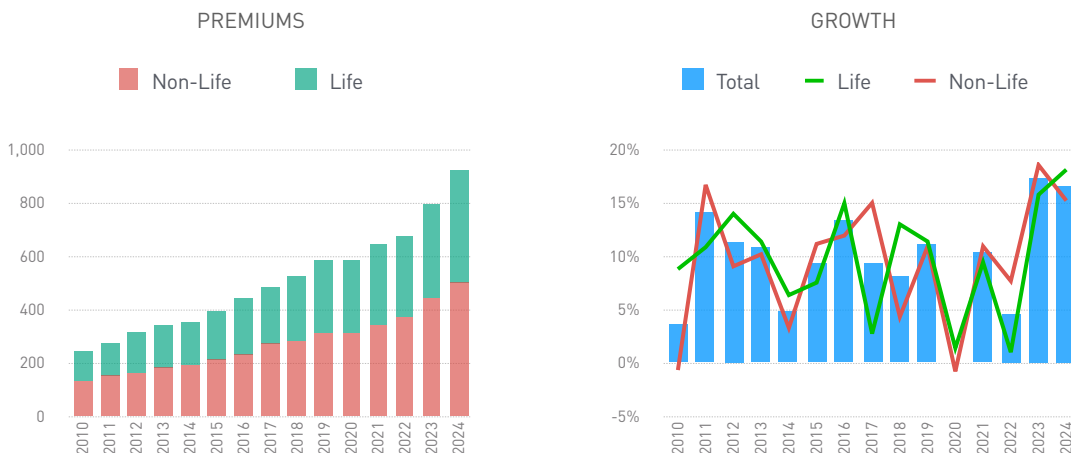
financial account closed in positive territory, with foreign direct investment figures showing growth, driven mainly by reinvested earnings from companies already established in the country. From the standpoint of public finances, the public deficit stood at 4.9% of GDP, reflecting a fiscal decline compared to the previous year (3.4% in 2023) and a higher level of public debt, which rose to around 51.4% of GDP.

Inflation continued to moderate, slowing to 4.7% annually in 2024 (5.5% in 2023 and 7.9% in 2022), reflecting lower price pressures that are also evident in core inflation measurements. Given this dynamic, coupled with the complex international scenario, the Bank of Mexico pursued a cautious monetary policy in 2024, lowering the policy rate by 25 basis points (bps) on five occasions, from 11.25% in January to 10.00% at year end, emphasizing the need for time to ensure a sustained downward inflation trajectory. (Four of the rate cuts in 2024 occurred after August, once the slowdown in inflation became more evident.)

The average exchange rate in 2024 remained around 18.30 pesos per dollar (20.83 pesos per dollar at the end of December 2024), compared to 17.73 pesos per dollar the previous year.

MAPFRE Economics estimates that by 2025, growth in the Mexican economy will slow to 0.4% (1.5% in 2026) as a result of reduced public spending (especially on infrastructure), weak private investment, and sluggish consumption due to the government's reduced capacity to implement fiscal stimulus measures, as well as uncertainty over trade policy with the United States, which is affecting investment confidence. Meanwhile, the Economic Commission for Latin America and the Caribbean (ECLAC) forecasts a slowdown in activity to 0.3% in 2025 (1.0% in 2026).

Chart 3.1.1-b
Mexico: growth developments in the insurance market
(premiums, billions of pesos; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

Table 3.1.1
Mexico: premium volume¹ by line, 2024

Line of business	Millions of pesos	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	919,209.7	50,182.4	16.5	11.2
Life	414,534.4	22,630.7	18.1	12.8
Individual life	280,513.5	15,314.1	23.2	17.6
Group life	95,418.1	5,209.2	10.9	5.9
Pensions	38,602.8	2,107.4	3.8	-0.9
Non-Life	504,675.4	27,551.7	15.2	10.0
Automobiles	193,926.5	10,587.0	26.3	20.6
Health ²	163,605.6	8,931.7	14.1	9.0
Fire	29,227.3	1,595.6	2.6	-2.1
Earthquake and other catastrophic risks	35,003.7	1,911.0	15.5	10.3
Miscellaneous	33,467.0	1,827.1	-1.5	-6.0
Transport	18,259.9	996.9	-2.2	-6.6
Third-party liability	19,522.9	1,065.8	2.5	-2.1
Personal accidents ²	6,679.3	364.6	15.6	10.4
Agricultural	1,362.4	74.4	-15.0	-18.8
Credit and Surety	3,620.8	197.7	10.1	5.1

Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

1/ Direct premium

2/ Accident and Illness line

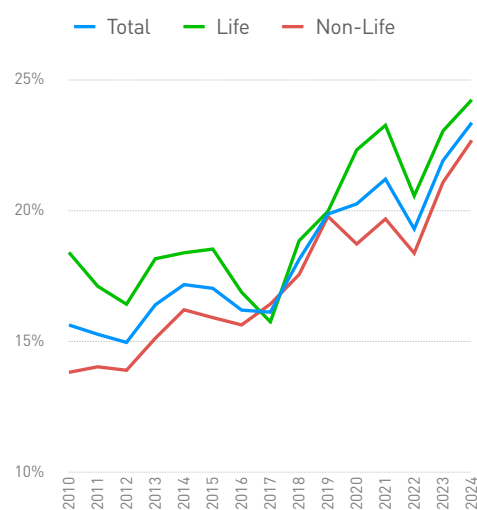
Insurance market

Growth

The Mexican insurance market achieved a premium volume of 919.2 billion pesos (50.2 billion dollars) in 2024, nominal growth of 16.5% and real growth of 11.2% (see Table 3.1.1 and Chart 3.1.1-b). The percentage of premiums corresponding to Life and Pension insurance accounts for 45.1%, 0.6 percentage points (pp) more than the previous year, and the remaining 54.9% corresponds to Non-Life insurance.

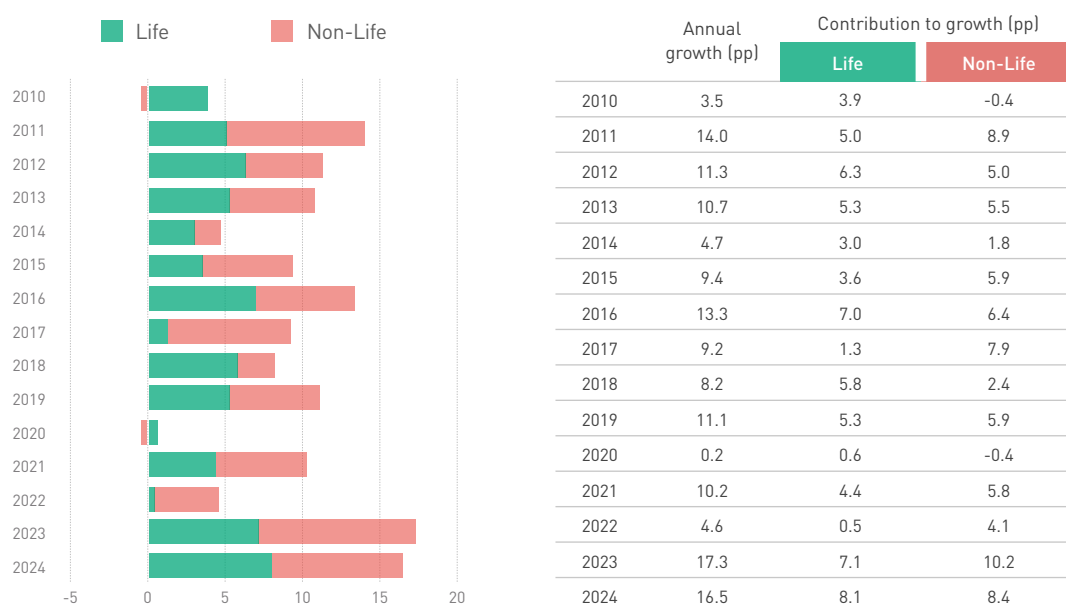
An analysis of the main market segments shows that Life insurance premiums grew 18.1% in nominal terms (12.8% in real terms) to reach 414.5 billion pesos (22.6 billion dollars). It should be noted that individual Life insurance, which represents 67.7% of Life insurance, grew 23.2% in nominal terms and 17.6% in real terms, to

Chart 3.1.1-c
Mexico: share of insurance premiums in Latin America (%)



Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission and supervisory bodies of the region)

Chart 3.1.1-d
Mexico: contribution to insurance market growth
 (percentage points, pp)



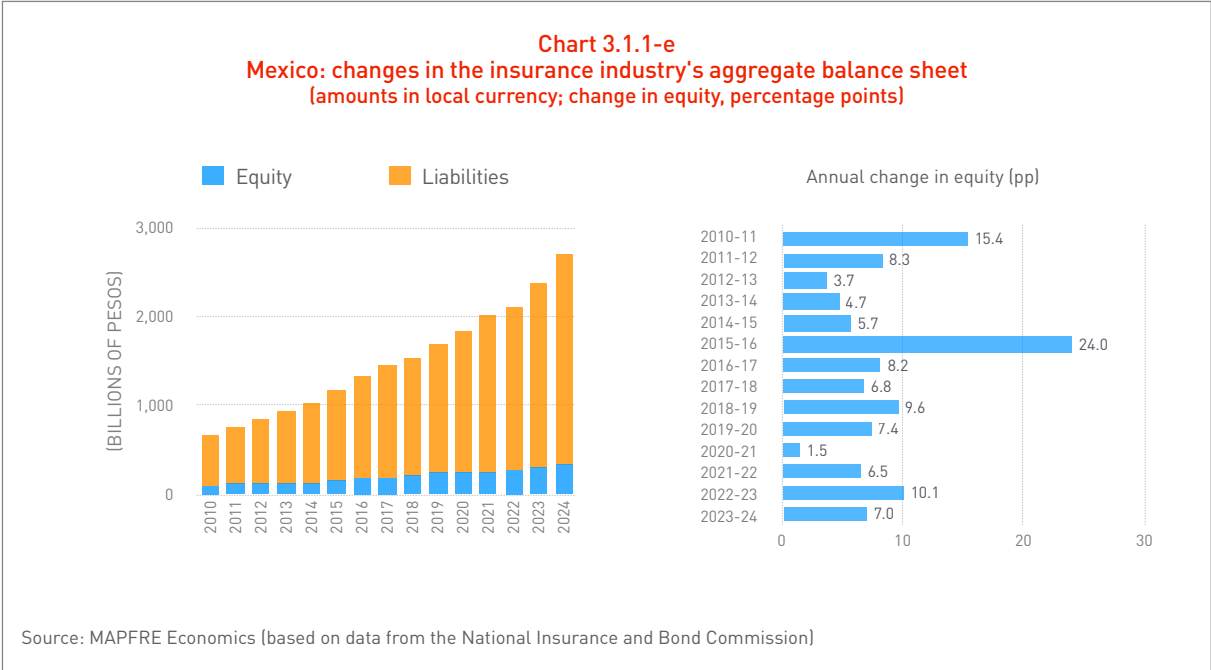
Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

280.5 billion pesos (15.3 billion dollars). Meanwhile, group Life insurance increased 10.9% and 5.9% in nominal and real terms, respectively, while Pension insurance, in contrast to the former, grew 3.8% in nominal terms and decreased 0.9% in real terms. Non-Life insurance premiums in 2024 grew by 15.2% in nominal terms and 10.0% in real terms to 504.7 billion pesos (27.6 billion dollars). The Agricultural (-15.0%), Transport (-2.2%), and Miscellaneous (-1.5%) lines decreased in nominal terms, while the most representative Non-Life lines of business, such as the Health, Auto, Personal Accident, and Earthquake and Other Catastrophic risks lines, continued to grow at double-digit rates of 14.1%, 26.3%, 15.6%, and 15.5%, respectively.

Over the last 15 years, despite some occasional setbacks in that period, the evolution of Mexico's share of total premiums, as well as its shares in the Life

and Non-Life segments relative to the Latin American insurance market, has been favorable. Thus, the weight of total Mexican premiums in the total for Latin America grew from 15.6% in 2010 to 23.3% in 2024. Similarly, the share in the Life line has also grown from 18.4% in 2010 to 24.2% in 2024, and in the Non-Life line from 13.8% to 22.6% in that time (see Chart 3.1.1-c).

Chart 3.1.1-d illustrates the contribution of the Life and Non-Life segments to the growth of the Mexican insurance market in 2024. According to this information, of the market's total growth of 16.5% in 2024, 8.4 pp came from the Non-Life segment, while the Life segment contributed the remaining 8.1 pp. It is worth noting that, except for 2010 and 2020, both market segments contributed positively to the growth of insurance activity in Mexico over the period analyzed.



Balance sheet and shareholders' equity

Chart 3.1.1-e presents information on the evolution of the aggregated sector-level

balance sheet of the Mexican insurance market over the 2010–2024 period. According to this information, the total assets for the Mexican insurance industry

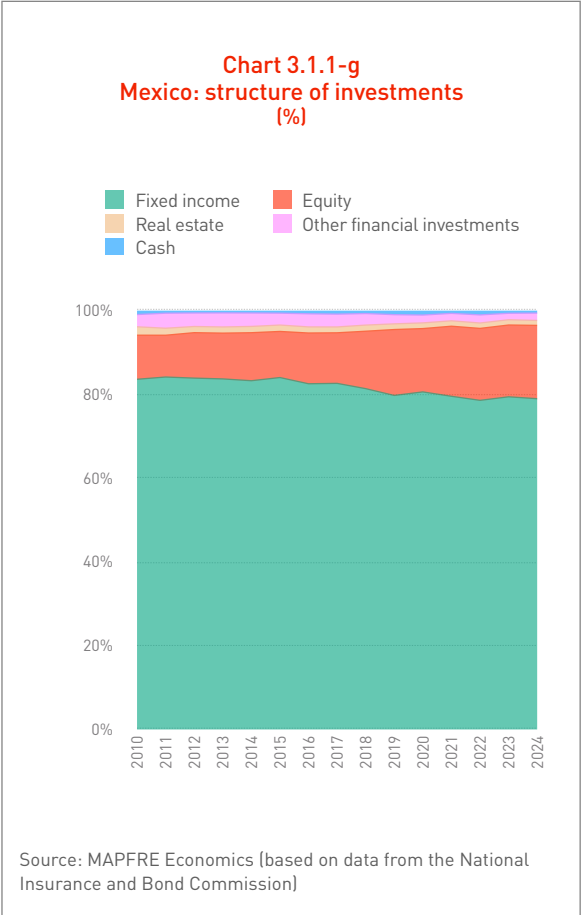
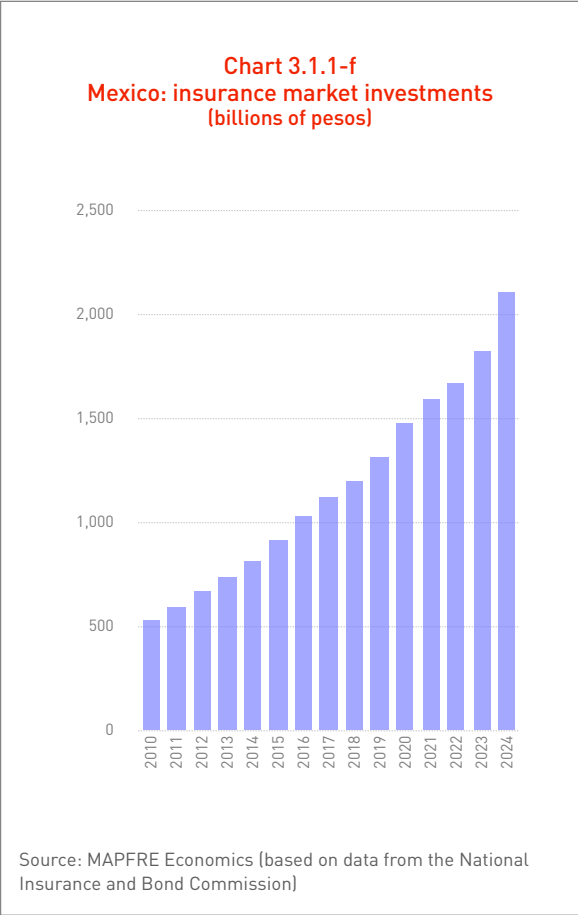
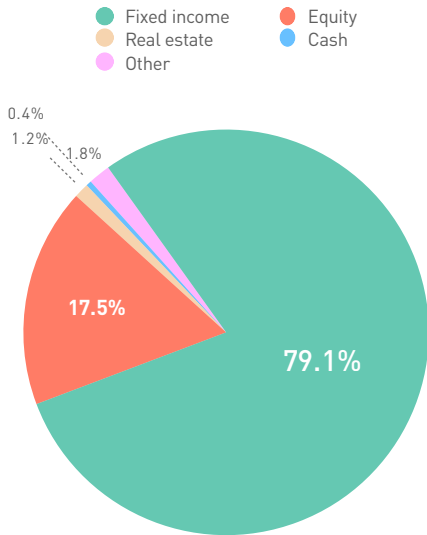


Chart 3.1.1-h
Mexico: structure of investments, 2024 (%)



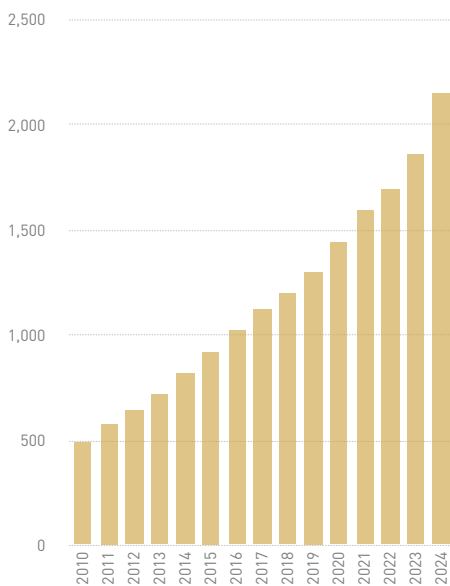
Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

amounted to 2.7 trillion pesos (130.4 billion dollars) in 2024, while equity stood at 322.8 billion pesos (15.5 billion dollars), 7.0 pp more than in 2023.

Investments

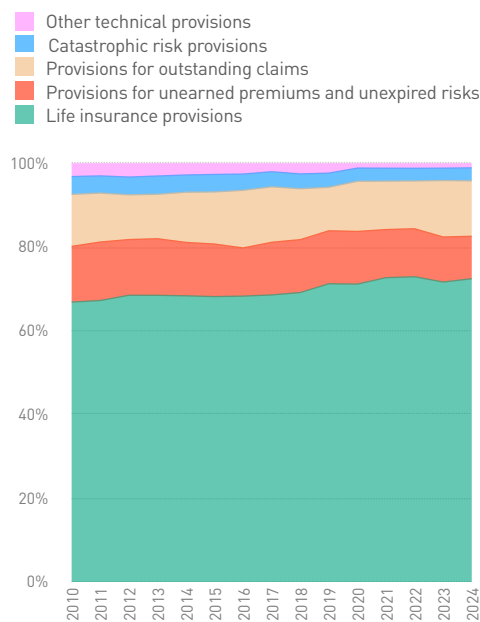
Chart 3.1.1-f illustrates the evolution of total investments during the 2010–2024 period, while Charts 3.1.1-g and 3.1.1-h show the composition of the aggregated investment portfolio of the Mexican insurance sector in 2024. In the last year, total investments reached 2.1 trillion pesos (101.3 billion dollars), with a very concentrated distribution in fixed-income investments (79.1%), marking a 0.5 pp decrease on the previous year, while equity investments (17.5% of the total portfolio) increased by 0.4 pp. It is worth noting that Mexico's implementation of a Solvency II-type prudential regulatory framework has supported improved asset-

Chart 3.1.1-i
Mexico: technical provisions of the insurance market (billions of pesos)



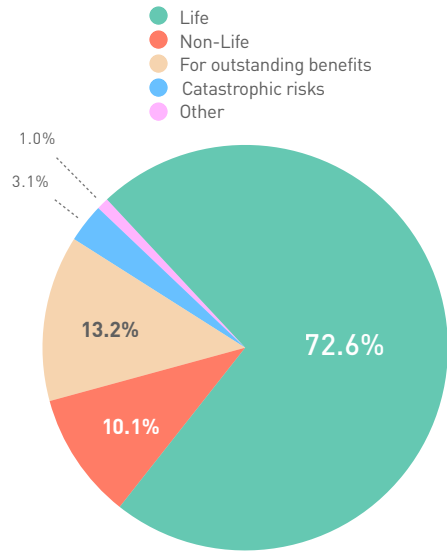
Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

Chart 3.1.1-j
Mexico: structure of technical provisions (%)



Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

Chart 3.1.1-k
Mexico: structure of technical provisions, 2024
(%)



Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

liability matching and, consequently, increased the use of sovereign debt instruments and, more broadly, fixed-income assets.

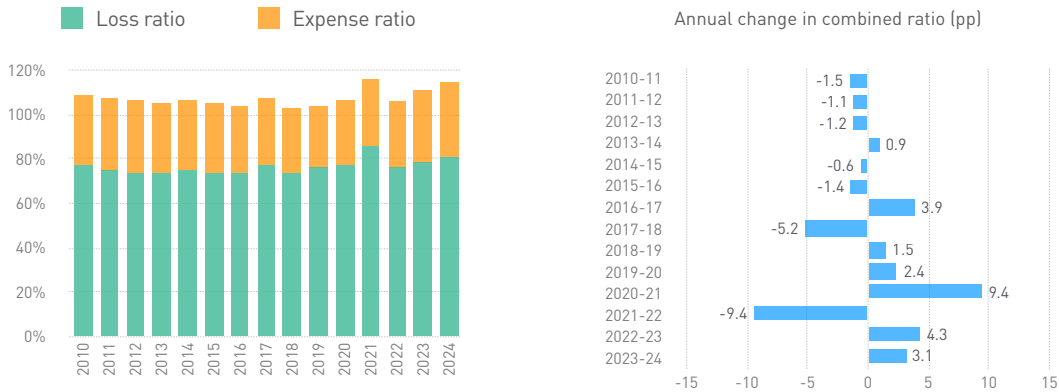
Technical provisions

Chart 3.1.1-i shows the evolution of technical provisions in the Mexican insurance industry during the 2010–2024 period. As observed, in this last year, the total technical provisions amounted to 2.2 trillion pesos (103.4 billion dollars). Additionally, Charts 3.1.1-j and 3.1.1-k show the evolution over this period of the structure of technical provisions, of which 72.6% corresponded to Life insurance, 10.1% to unearned-premium and unexpired-risk provisions in Non-Life insurance, 13.2% to the claims technical provision, 3.1% to the catastrophic reserve, and the remaining 1.0% to other technical provisions. It is important to note that the relative weight of Life insurance provisions increased over the 2010–2024 period, from 67.0% in 2010 to 72.6% in 2024. After 2018, the shares of the remaining provisions dropped slightly.

Technical performance

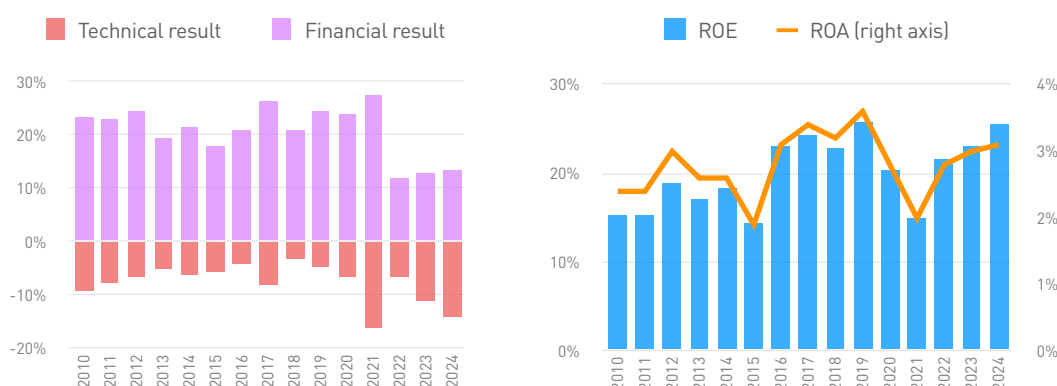
Chart 3.1.1-l illustrates developments in the Mexican insurance industry's technical performance over the 2010–2024 period. These data show that the total combined ratio (calculated in relation to net earned

Chart 3.1.1-l
Mexico: changes in market technical performance
(total combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

Chart 3.1.1-m
Mexico: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

premiums) stood at 114.2% in 2024, up 3.1 pp compared to the figure reported in 2023 (111.1%). It should be noted that the change in the 2024 indicator was caused by the effect of the increase in both the loss ratio (+2.23 pp) and the expense ratio (+0.90 pp).

As for profitability levels in the Mexican insurance sector, return on equity (ROE) stood at 25.5% in 2024, 2.4 pp higher than the level observed in 2023. Similarly, return on assets (ROA) reached 3.1% in 2024, a slight rebound of 0.1 pp over the previous year's figure.

Results and profitability

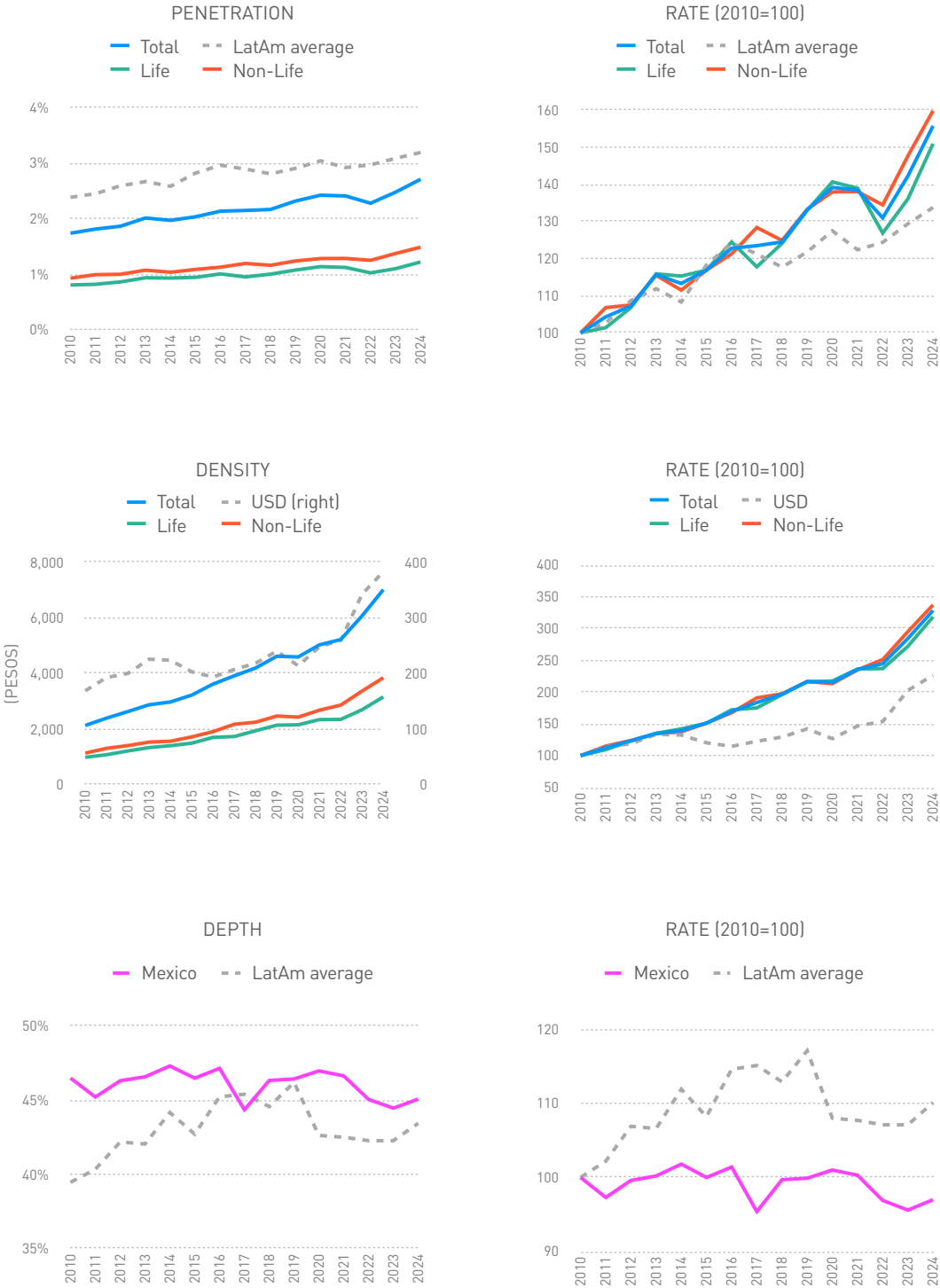
The net result for the Mexican insurance sector in 2024 was 79.7 billion pesos (4.4 billion dollars), 20.1% more than in the previous year, due to an excellent financial result of 78.1 billion pesos (4.3 billion dollars), representing 19.0% growth (13.7% of accrued premiums). Regarding the technical result of the Mexican insurance industry, over the 2010–2024 period the loss ratio increased from 77.2% in 2010 to 81.4% in 2024, reaching its worst level in 2021 (85.7%). Meanwhile, the expense ratio exceeded the 32.0% mark and remains far from the 2019 figure, when it posted its best result (28.0%). In any case, the indicator remained above 100% over the period analyzed, as it reflects the ratio for the total market (see Chart 3.1.1-m).

Insurance penetration, density, and depth

The main structural trends in the development of the Mexican insurance sector over the 2010–2024 period are presented in Chart 3.1.1-n. First, the penetration rate (premiums/GDP) in Mexico stood at 2.7% in 2024 (1.2% for the Life line and 1.5% for the Non-Life line). As the cited chart shows, this indicator has displayed a generally upward trend over the 2010–2024 period, in line with the general pattern seen across the wider Latin American region. However, insurance penetration in the Mexican market still remains below the average level for Latin America (3.2%).

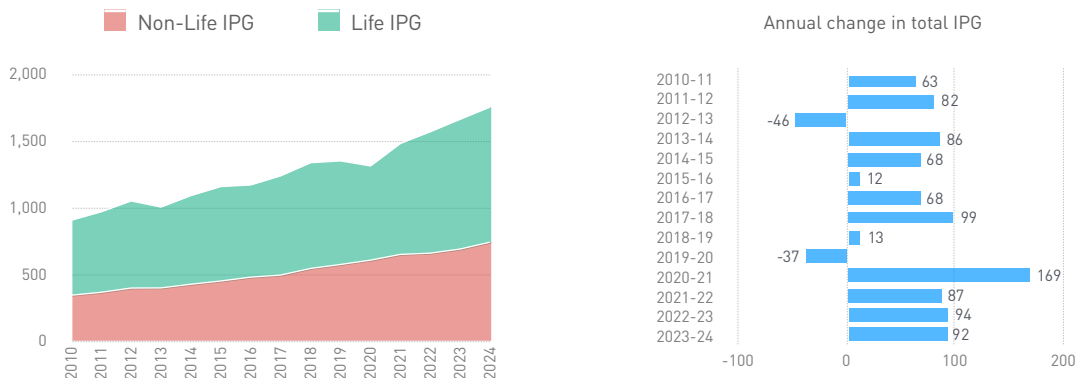
Insurance density (premiums per capita) in Mexico reached 7,024.3 pesos (383.5 dollars) in 2024, 15.5% more than the value recorded in 2023 (6,081.4 pesos). As with penetration, density also shows a growing trend over the

Chart 3.1.1-n
Mexico: changes in penetration, density and depth
(premiums/GDP, %; premiums per capita, pesos and USD; Life premiums/total premiums, %; 2010 index=100)



Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

Chart 3.1.1-o
Mexico: Insurance Protection Gap
(billions of pesos)



Source: MAPFRE Economics

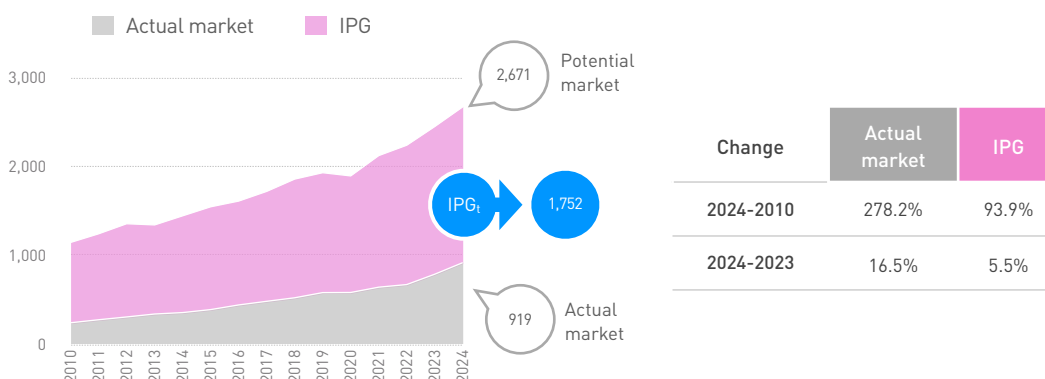
last 15 years, with 228.4% accumulated growth in local currency over the period analyzed (2010–2024). Finally, the indicator of depth levels (measured for the purposes of this report as the ratio between Life insurance premiums and total premiums), rose to 45.1%, 0.6 pp more than in 2023, and 1.4 pp less than in 2010. It should be noted that, since 2010, the difference between the depth trend in the Mexican insurance market and the average levels of the Latin American insurance markets has gradually declined until, in 2017, Mexican depth fell

below the Latin American average (44.4% vs 45.4%). In 2024, the Mexican indicator landed at 1.6 pp over the regional average.

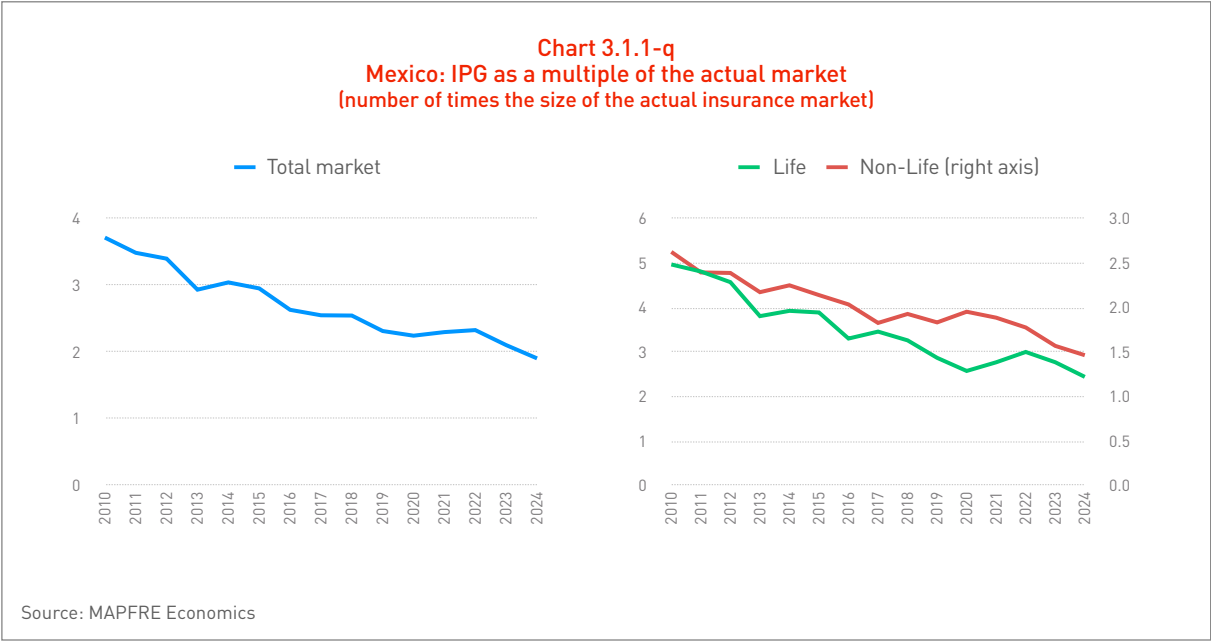
Insurance Protection Gap estimate

Chart 3.1.1-o presents the updated estimate of the Insurance Protection Gap (IPG) for the Mexican insurance market over the 2010–2024 period. According to this data, in 2024, the IPG stood at 1.8 billion pesos (95.7 billion dollars). As in previous editions of this report, the structure and evolution of

Chart 3.1.1-p
Mexico: Insurance Protection Gap and potential market
(billions of pesos)



Source: MAPFRE Economics



the IPG over the last decade continue to show the predominance of Life insurance. In 2024, 57.8% of the IPG corresponded to Life insurance, equivalent to 1,012.8 billion pesos. Meanwhile, Non-Life insurance accounted for 42.2% of the protection gap in the Mexican market, amounting to 739.3 billion pesos. Thus, measured as the sum of the actual market and the IPG, the potential insurance market in Mexico stood at 2.7 billion pesos (145.8 million dollars). This is 2.9 times the actual market in that country, maintaining the gap with respect to the previous year (see Chart 3.1.1-p).

Chart 3.1.1-q shows the estimated protection gap as a multiple of the actual market in each year of the period analyzed, in order to assess the trend in IPG behavior. According to this analysis, the IPG as a multiple of the real market has remained on a clear downward trend over the last 15 years, both when analyzing the total market and the Life and Non-Life segments. As a result, while in 2010 the IPG was 3.7 times the size of the actual insurance market in Mexico, in 2024 this had been reduced to 1.9 times. The same holds true when analyzing the Life and Non-Life segments: in the case of the former, the multiple fell from 5.0 to 2.4 times, while for the latter it shrunk from 2.6 to 1.5 over this

decade. This trend toward reducing the protection gap is also illustrated in Chart 3.1.1-r, which summarizes the change in the IPG as a multiple of the actual market for the Life and Non-Life segments and for the total Mexican insurance market over the 15 years, comparing the situation in 2024 with that of 2010. This analysis shows a

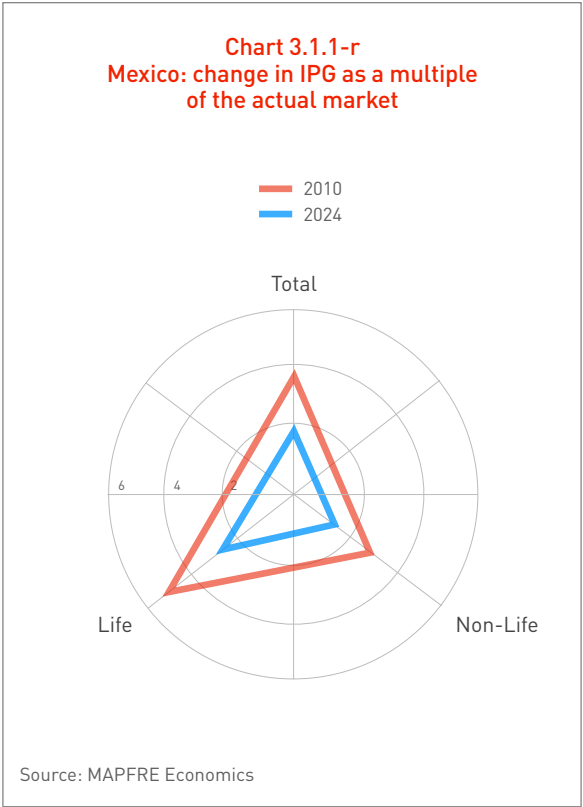
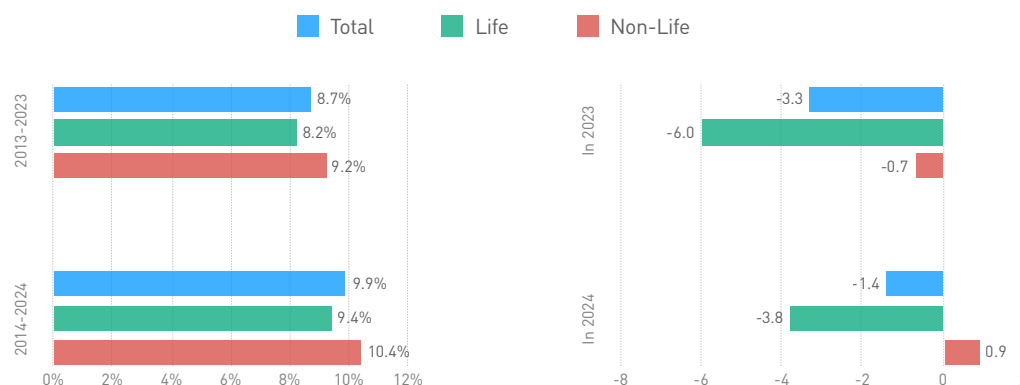


Chart 3.1.1-s
Mexico: capacity to close the IPG
 (average annual growth rate, %; sufficiency or insufficiency, pp)



Source: MAPFRE Economics

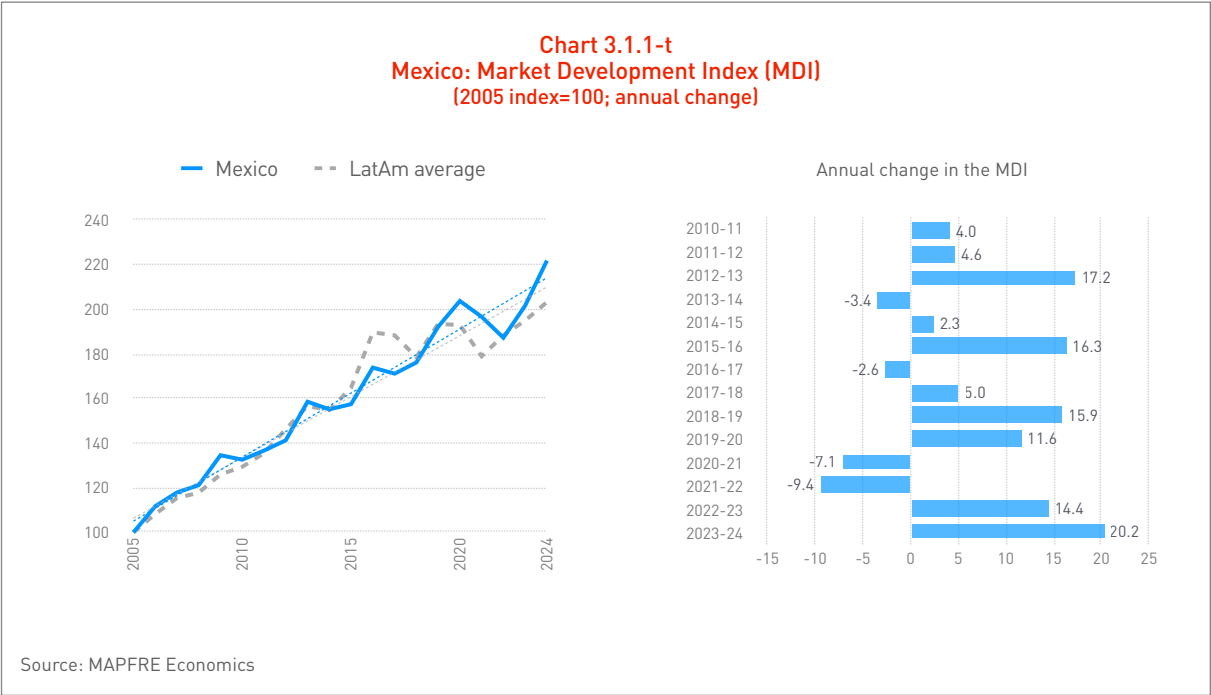
clear reduction in the protection gap, which is decreasing in both the Non-Life segment and, to a greater extent, in the Life segment.

Finally, as has been done in previous Latin American insurance market reports, Chart 3.1.1-s presents the results of the updated comparative analysis of the growth rates observed in the Mexican market over the last ten years and the growth rates that would be needed to close the 2024 IPG in the next decade. According to this analysis, the Mexican insurance market recorded an average annual growth rate of 9.9% over the 2014–2024 period. This was underpinned by an average growth of 9.4% in the Life insurance segment and of 10.4% in the Non-Life insurance segment. Were the same growth to continue over the next ten years, the growth rate for the market as a whole would fall short of the rate needed to cover the IPG determined in 2024 by 1.4 pp; that is, the Mexican insurance market would need an average growth rate of 11.3% over the next decade in order to close the IPG estimated in 2024. A similar situation arises when analyzing the Life insurance segment separately, where there is also a 3.8 pp shortfall (the Life insurance market in Mexico would need to grow by an average of 13.2% annually over the next decade to

close this gap), while, on the contrary, the Non-Life insurance segment would need to grow by 10.4% over the next decade to close the gap identified in 2024. It should be noted that, as shown in Chart 3.1.1-s, the insufficiency to close the gap narrowed in 2024 compared with 2023, reflecting better performance in both segments—Life (-3.8 pp in 2024 vs. -6.0 pp in 2023) and Non-Life (where the gap moved from an insufficiency of -0.7 pp in 2023 to a sufficiency of 0.9 pp in 2024).

Market Development Index (MDI)

The updated estimate of the Market Development Index (MDI) for the Mexican insurance industry is shown in Chart 3.1.1-t. As indicated previously, the aim of the MDI is to summarize trends shaping the performance and maturity of insurance markets. In the case of the Mexican insurance market, the indicator shows a positive trend since 2005, slightly higher than the regional average. It should be noted that, despite the unfavorable data of the last two years, the index has shown positive progress over the last decade.



Comparative analysis of structural coefficients

Lastly, Chart 3.1.1-u summarizes the Mexican insurance market's situation in comparison with the average for Latin America, measured in terms of the different structural indicators analyzed

(penetration, density, depth, and MDI). This analysis demonstrates that, while the density, depth, and MDI of the Mexican insurance market are slightly higher than average for the region, it still lags behind in penetration levels. However, the dispersion analysis illustrating market development

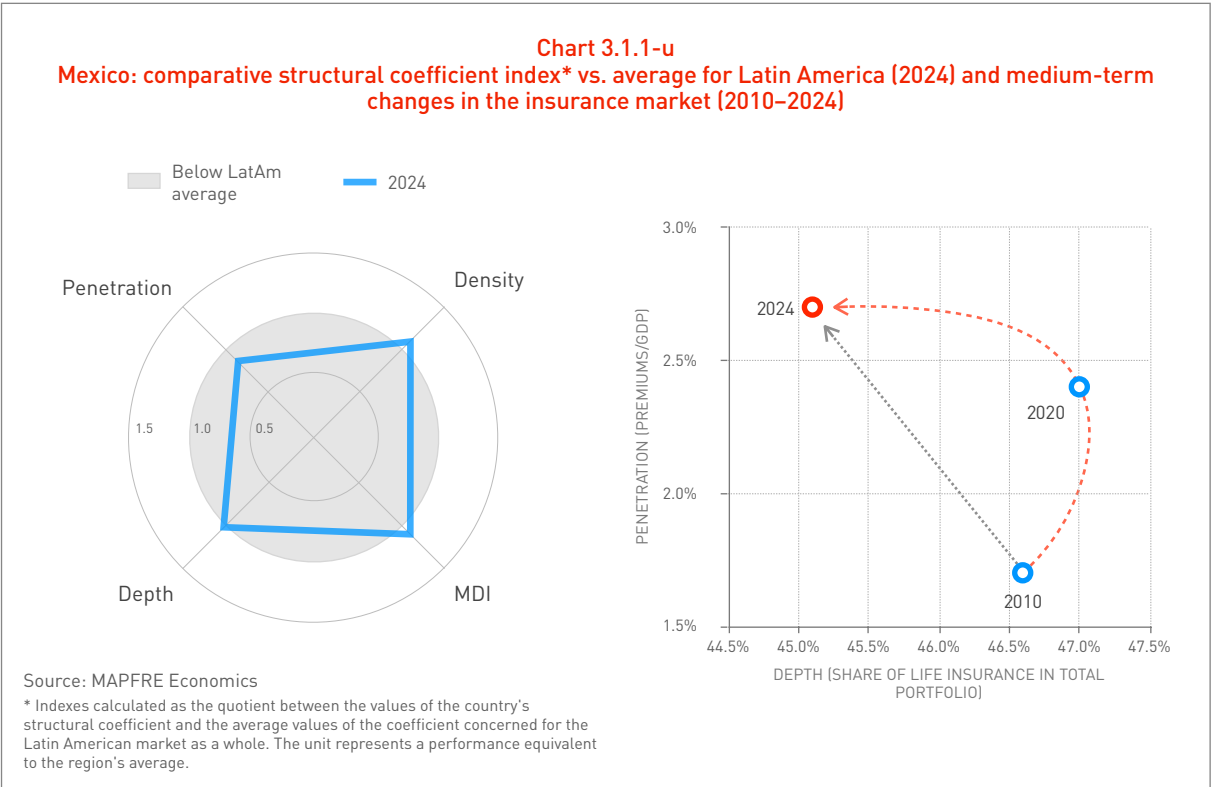
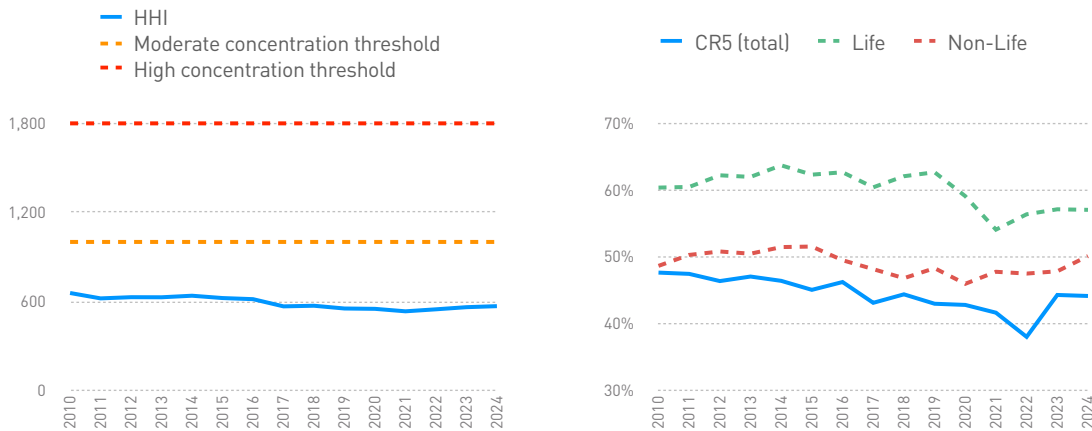


Chart 3.1.1-v
Mexico: insurance industry concentration
(Herfindahl index; CR5 index, %)



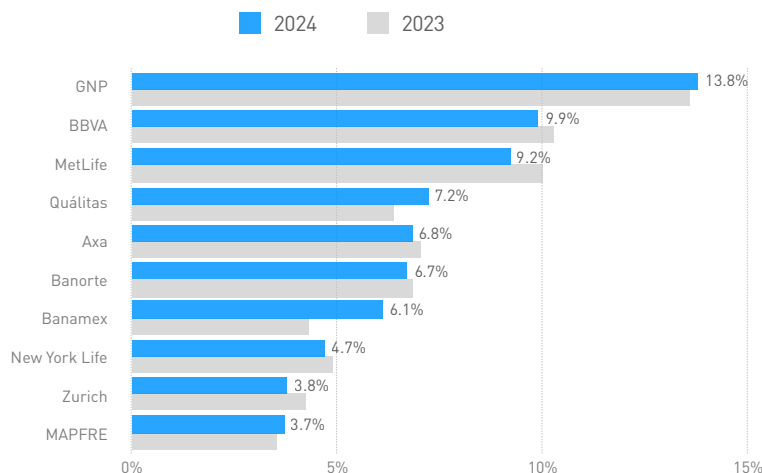
Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

over the period under review (2010–2024) shows that Mexico's insurance sector has evolved with a certain degree of imbalance, with improvements in penetration levels (quantitative dimension) but a deterioration in depth (qualitative dimension).

Insurance market rankings

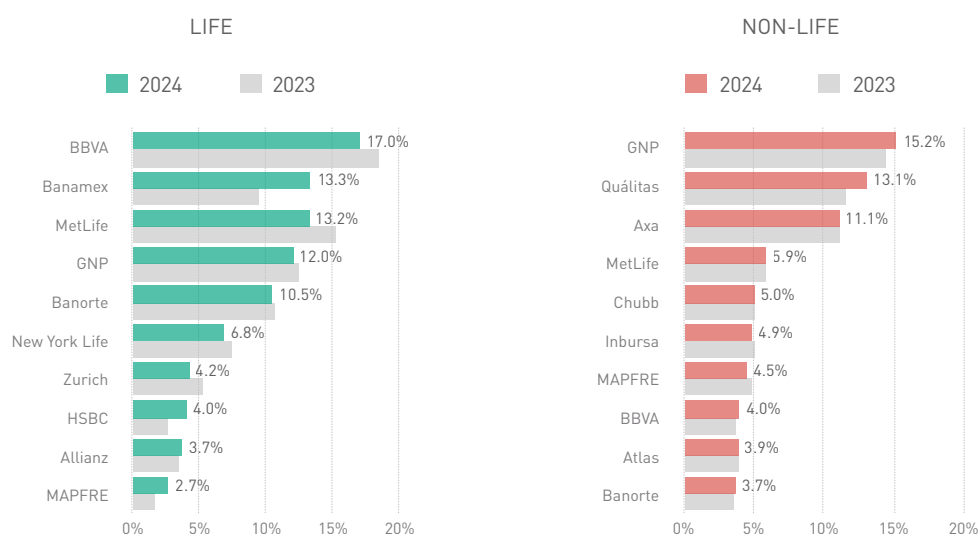
At year-end 2024, the insurance and finance market in Mexico was comprised of 105 institutions, among them 87 insurance and 18 finance institutions. The top five insurance groups in Mexico accounted for 46.8% of total premiums, representing a slight increase from the 47.3% recorded in

Chart 3.1.1-w
Mexico: overall ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

Chart 3.1.1-x
Mexico: Life and Non-Life ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

2023. These movements reflect an internal restructuring of the CR5 index, in both the Life and Non-Life segments, which, although it does not significantly alter the market's overall level of concentration, shows more active competitive dynamics among the main players in that market. This is confirmed, in structural terms, by the evolution of the Herfindahl index, which remains below the threshold that would signal competitive risks, confirming that the Mexican insurance market continues to enjoy healthy competition, despite the adjustments observed in leadership by premium volume (see Chart 3.1.1-v).

Total ranking

In 2024, there was significant movement in the rankings of insurance companies by direct premiums in Mexico in terms of positions and market share. Grupo Nacional Provincial (GNP) remained the leader with 13.8% of the sector's total premiums, slightly above the 13.6% recorded the previous year. BBVA and MetLife held on to second and third place, although both saw a decline in their market share. Quálitas rose two places

to fourth, driven by significant growth in premiums, while Axa and Banorte each fell one place. Banamex stands out, climbing one place and increasing its market share from 4.3% to 6.1%. Meanwhile, Zurich and MAPFRE hold their positions, although with marginal adjustments in their shares (see Chart 3.1.1-w).

Life and Non-Life rankings

GNP led the Non-Life ranking, with 15.2% of total premiums in this segment, followed by Quálitas (with 13.1%), which maintained second place ahead of Axa (11.1%). In the rest of the Non-Life ranking, Atlas drops one place to a 3.9% market share, while BBVA rises to eighth place with a 4.0% market share (see Chart 3.1.1-x). Meanwhile, in the Life line, BBVA continues to lead the market with a 17.0% share, followed by Banamex (13.3%), up three places, and MetLife (13.2%). MAPFRE holds onto tenth place with a 2.7% share.

Key regulatory aspects

The Mexican market supervisory body, the National Insurance and Surety Commission (CNSF), issued 16 updates to the Single Insurance and Surety Circular (CUSF), which focused on strengthening the operational framework of the country's insurance industry. The main provisions are grouped under the following headings:

- *Sustainability and ESG criteria.* Circular Amendment 2/24 was issued on June 5, 2024, requiring insurance institutions and mutual societies to incorporate Environmental, Social, and Governance (ESG) criteria into their investment and risk management policies. This provision, effective as of January 1, 2025, is aligned with Mexico's Sustainable Taxonomy issued by the Ministry of Finance and Public Credit (SHCP).
- *Mortgage credit* The 30% cap on the loan amount used in calculating the Maximum Liability Limit (LMR) has been eliminated, allowing institutions to assume higher liability levels in line with their experience and internal risk policies.
- *Corporate governance.* The CNSF reaffirms its focus on strengthening corporate governance as a preventive tool against solvency impairment. Emphasis is placed on the robustness of the audit, internal control, and compliance committees, as well as the independence of the board of directors.
- *Climate risk management.* An adverse climate change scenario is included on a mandatory basis in the Dynamic Solvency Test (DST) for 2024, taking into account physical and transition risks. This measure seeks to promote a proactive approach to risk management.
- *Technology and cybersecurity.* The CNSF monitors the development of InsurTechs, without imposing additional regulations,

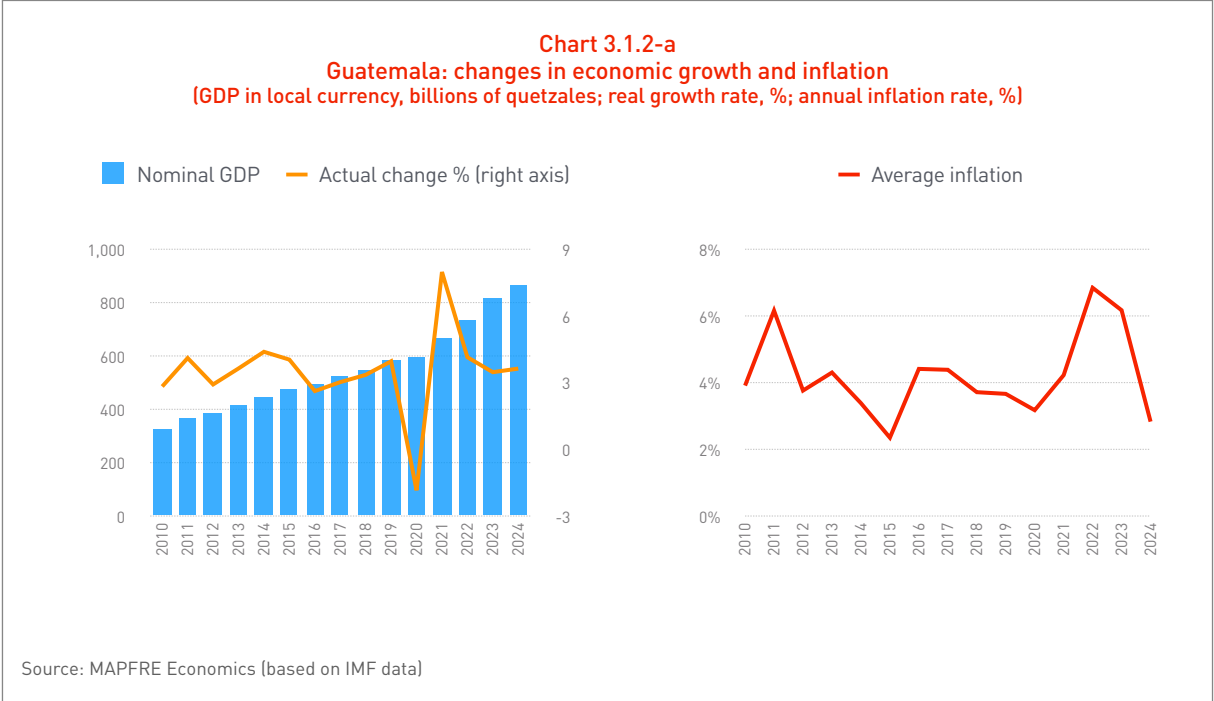
while keeping an eye on emerging cybersecurity risks, both in insurance and institutional operations.

Furthermore, during the first half of 2025, two additional circulars were published in the CUSF, focusing on: (i) new provisions for foreign reinsurers, and (ii) penalties for unauthorized brokerage. These measures reflect the regulator's interest in closing regulatory gaps and strengthening market discipline. In addition, between 2024 and June 2025, the CNSF implemented an active regulatory strategy focused on sustainability, financial resilience, and modernization of the insurance industry. The approach remains aligned with international standards, while simultaneously addressing emerging challenges in the local environment.

3.1.2 Guatemala

Macroeconomic environment

The Guatemalan economy grew 3.7% in 2024, maintaining the momentum observed in 2023, when growth was 3.5% (see Chart 3.1.2-a). This slight acceleration was mainly due to strong private consumption (which accounts for around 80% of GDP) in response to an improvement in real wages, credit expansion, and increased remittances, which grew 8.6%. Public spending also had a positive impact on economic performance, boosted by increased investment in infrastructure and social programs, while the trade balance deteriorated due to weaker export growth and relatively stronger import growth as a result of increased purchasing power from remittances. In terms of public finances, the central government's fiscal deficit was -1.0% of GDP in 2024, while total public debt reached 27.0% of GDP, demonstrating a stable fiscal position that contrasts with its regional peers. Meanwhile, year-on-year inflation slowed significantly in 2024 (2.9% compared to 6.2% in 2023), as a result of lower pressure on domestic food prices



(the agricultural sector benefited from favorable weather conditions and dissipated negative supply *shocks*) and external pressure (international food and oil prices fell), and a stable monetary policy (since mid-2023, the official interest rate has remained at 5.0%, allowing inflation to reach the 2-4% target range). In terms of labor,

the open unemployment rate was 2.9% in 2024.

ECLAC forecasts that the Guatemalan economy will grow by 3.6% in 2025 (4.0% in 2026), driven by strong domestic demand and increased public spending, which would counterbalance the slowdown in the U.S. economy and, consequently, the dynamics of

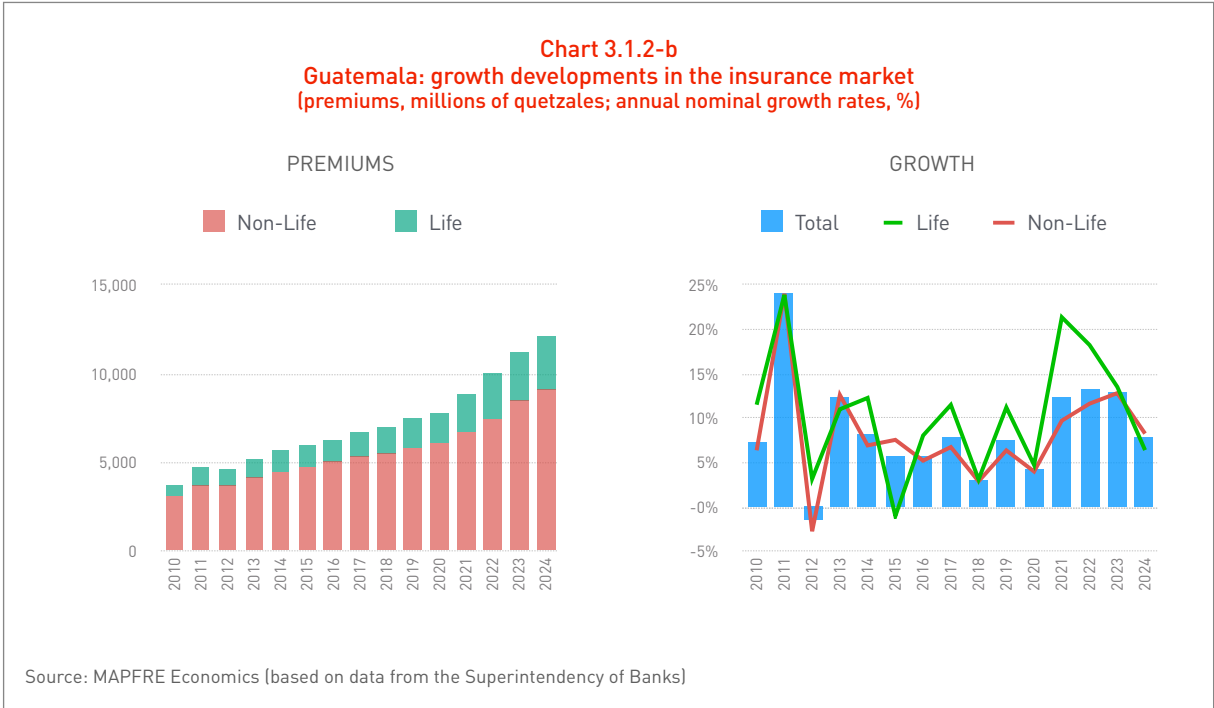


Table 3.1.2
Guatemala: premium volume¹ by line, 2024

Line of business	Millions of quetzales	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	12,149.9	1,565.3	7.8	4.8
Life	2,957.6	381.0	6.4	3.5
Public life	-0.1	0.0	8.1	5.1
Individual life	258.5	33.3	-27.5	-29.5
Group life	2,688.2	346.3	11.4	8.3
Pensions	10.9	1.4	19.7	16.4
Non-Life	9,192.3	1,184.2	8.3	5.3
Health	2,977.6	383.6	0.9	-1.9
Automobiles	2,262.9	291.5	13.9	10.8
Fire and allied lines	773.7	99.7	6.6	3.7
Earthquakes	822.3	105.9	10.7	7.6
Other lines	909.3	117.1	14.6	11.4
Transport	372.4	48.0	7.0	4.0
Surety	333.5	43.0	10.4	7.3
Technical risks	268.4	34.6	15.6	12.4
Personal Accident	260.6	33.6	2.6	-0.2
Third-party liability	211.6	27.3	39.5	35.7

Source: MAPFRE Economics (based on data from the Superintendency of Banks)

1/ Net direct premiums. Direct insurance.

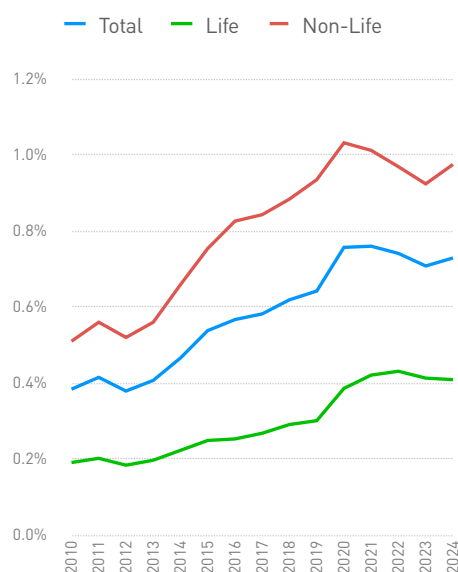
its exports. It also forecasts that the fiscal deficit will be around 1.5% of GDP, and the current account balance at 2.5% of GDP. The International Monetary Fund estimates 4.1% growth for the Guatemalan economy in 2025. Meanwhile, MAPFRE Economics forecasts the Guatemalan economy will grow 3.6% in 2025 and 3.5% in 2026.

Insurance market

Growth

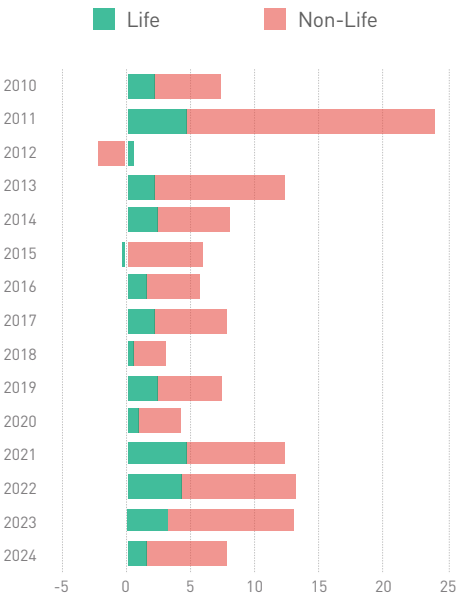
The Guatemalan insurance market achieved premiums of 12.1 billion quetzales in 2024 (1.6 billion dollars), representing nominal growth of 7.8% and real growth of 4.8%. The market is growing at a slower pace than in 2023, when it registered 6.4%, in real terms. Premiums in the Non-Life segment grew by 8.3%, reaching 9.2 billion quetzales (1.2 billion dollars); this segment accounts for 75.7% of the total market. As for the two most important lines of business (Health and Automobiles), Health grew by 0.9% in

Chart 3.1.2-c
Guatemala: share of insurance premiums in Latin America (%)



Source: MAPFRE Economics (based on data from the Superintendency of Banks and supervisory bodies in the region)

Chart 3.1.2-d
Guatemala: contribution to insurance market growth
(percentage points, pp)



	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	7.4	2.2	5.2
2011	24.0	4.7	19.3
2012	-1.5	0.6	-2.2
2013	12.3	2.3	10.1
2014	8.1	2.5	5.6
2015	5.8	-0.2	6.0
2016	5.8	1.6	4.2
2017	7.7	2.3	5.4
2018	3.0	0.7	2.3
2019	7.4	2.3	5.1
2020	4.2	1.0	3.2
2021	12.3	4.6	7.6
2022	13.2	4.3	8.9
2023	13.0	3.3	9.7
2024	7.8	1.6	6.3

Source: MAPFRE Economics (based on data from the Superintendency of Banks)

nominal terms, and Automobiles grew by 13.9%, representing a 1.9% decline in the Health business in real terms and 10.8% real growth in Automobiles. The Life segment grew by 6.4% compared with the previous year, reaching 3.0 billion quetzales [381.0 million dollars], as shown in Table 3.1.2 and Chart 3.1.2-b.

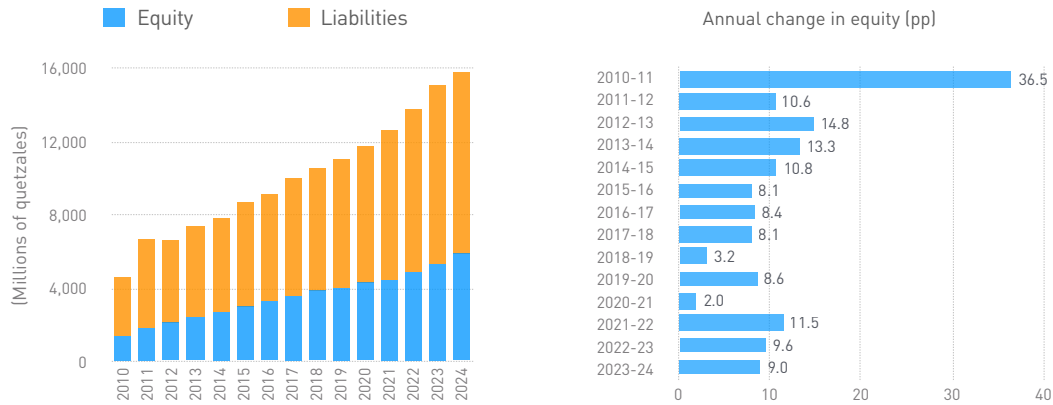
Over the past 15 years, the change in the share of total premiums and by Life and Non-Life segments in the Guatemalan insurance market in comparison to the Latin American market has been favorable (see Chart 3.1.2-c). Thus, the total weight of Guatemalan premiums to all of Latin America rose from 0.4% in 2010 to 0.7% in 2024. Similarly, the share in the Life line has also grown from 0.2% in 2010 to 0.4% in 2024, and in the Non-Life line from 0.5% to 1.0%

Meanwhile, of the 7.8 pp nominal growth registered by the Guatemalan insurance market in 2024, 6.3 pp were contributed by the Non-Life insurance segment, while the Life segment contributed the remaining 1.6 pp (see Chart 3.1.2-d). This maintains the balanced growth trend of the previous year, with positive contributions from both insurance lines, which have been accelerated since 2020.

Balance sheet and shareholders' equity

Chart 3.1.2-e illustrates developments in the aggregated balance sheet of the Guatemalan insurance industry over the 2010–2024 period. According to this data, the Guatemalan insurance industry had total assets of 15.8 billion quetzales (2.1 billion dollars) in 2024, while equity amounted to 5.9 billion quetzales (767.2 million dollars), 9.0 pp above the level recorded in the previous year. Aggregate capitalization

Chart 3.1.2-e
Guatemala: changes in the insurance industry's aggregate balance sheet
(amounts in local currency; change in equity, percentage points)

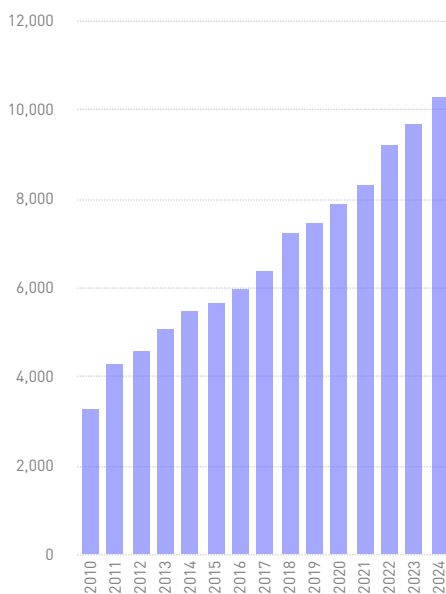


Source: MAPFRE Economics (based on data from the Superintendency of Banks)

levels for the Guatemalan insurance industry (measured over total assets) are notable, averaging 34.7% over the last fourteen years and, except for 2011, above

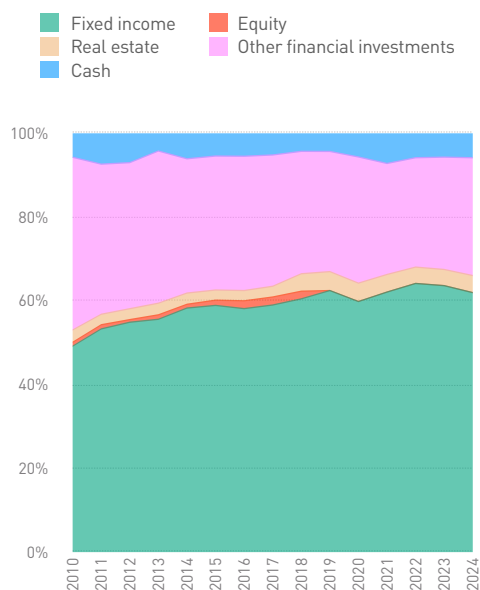
30.0%. At the end of 2024, the indicator stood at 37.4% of the total assets, while it was 30.2% in 2010.

Chart 3.1.2-f
Guatemala: insurance market investments
(millions of quetzales)



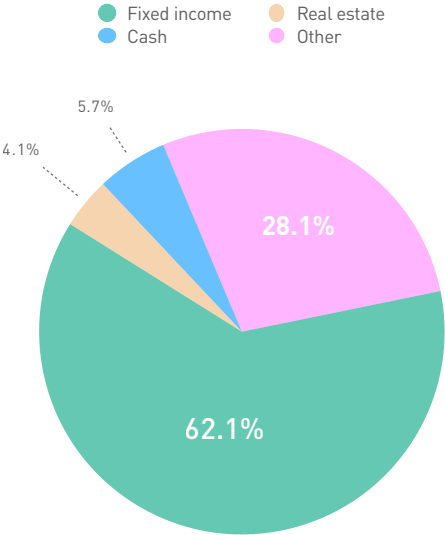
Source: MAPFRE Economics (based on data from the Superintendency of Banks)

Chart 3.1.2-g
Guatemala: structure of investments
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Banks)

Chart 3.1.2-h
Guatemala: structure of investments, 2024
(%)



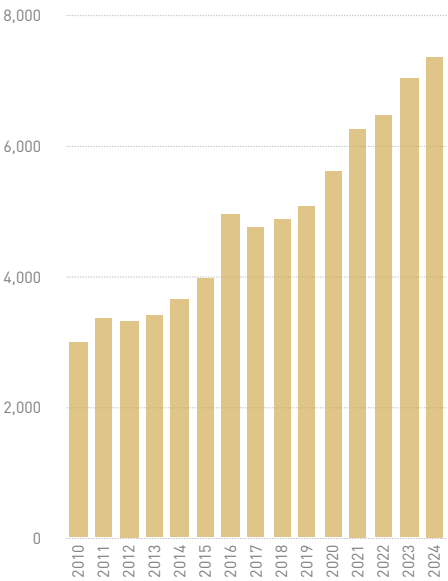
Source: MAPFRE Economics (based on data from the Superintendency of Banks)

Investments

The evolution of the Guatemalan insurance sector’s investments over 2010–2024, as well as the composition of the aggregated investment portfolio over that period, is shown in Charts 3.1.2-f, 3.1.2-g and 3.1.2-h. In 2024, total investments reached 10.3 billion quetzales (1.3 billion dollars), with a strong concentration in fixed-income instruments (62.1%). The category of Other financial investments—mainly bank deposits—accounted for 28.1% of the portfolio. Debt instruments therefore dominate, with real-estate investments representing only 4.1% of the total. It should be noted there is no data available for equity instruments from 2019, as they accounted for less than 2% of the portfolio in that year.

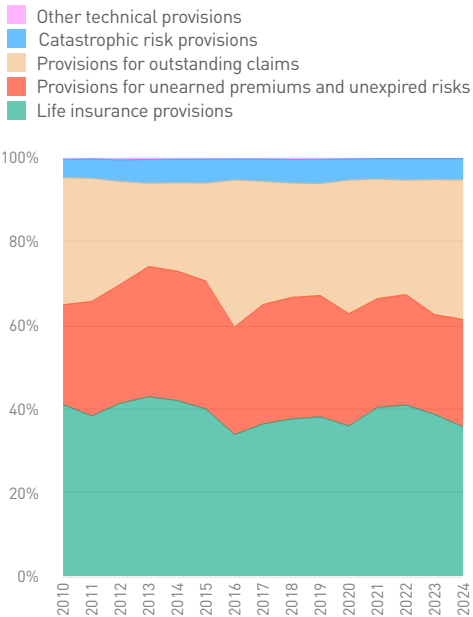
The analysis of portfolio performance over the last 15 years shows a gradual increase in the weight of public equities investments in the 2010–2024 period, climbing from

Chart 3.1.2-i
Guatemala: technical provisions of the insurance market
(millions of quetzales)



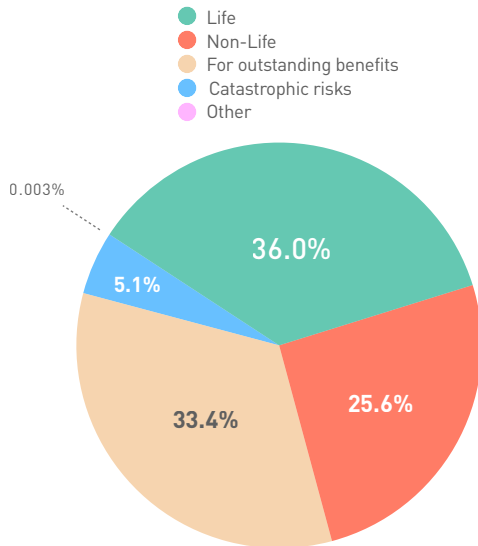
Source: MAPFRE Economics (based on data from the Superintendency of Banks)

Chart 3.1.2-j
Guatemala: structure of technical provisions
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Banks)

Chart 3.1.2-k
Guatemala: structure of technical provisions,
2024
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Banks)

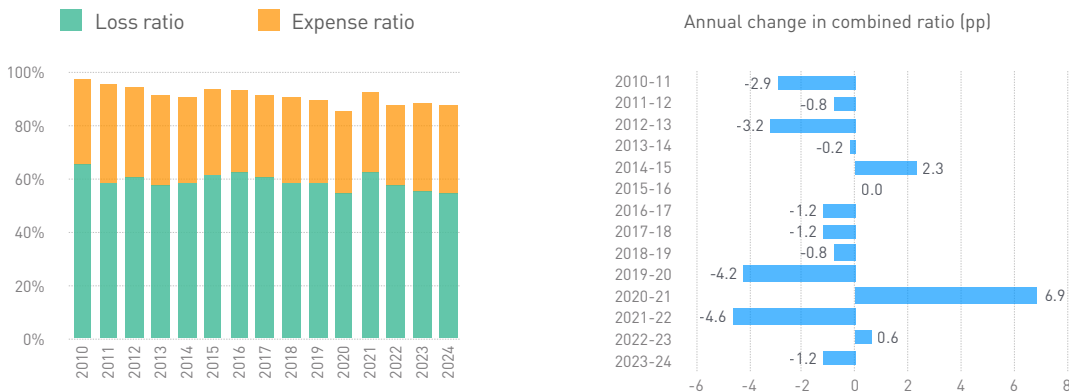
49.3% in 2010 to 62.1% in 2024 (Charts 3.1.2-f and 3.1.2-g). Meanwhile, in that period, other financial investments (mainly bank deposits) accounted for 41.2% in 2010. Thereafter, a change in trend can be observed, with a gradual reduction to 28.1% by the end of 2024.

Technical provisions

Charts 3.1.2-i, 3.1.2-j, and 3.1.2-k illustrate the development and relative composition of the Guatemalan insurance industry's technical provisions over the 2010–2024 period. According to this data, in 2024, technical provisions amounted to 7.4 billion quetzales (955.1 million dollars). Of this total, 36.0% related to Life insurance technical provisions, 25.6% to provisions for unearned premiums and unexpired risks in Non-Life insurance, 33.4% to provisions for outstanding claims, and 5.1% to provisions for catastrophic risks.

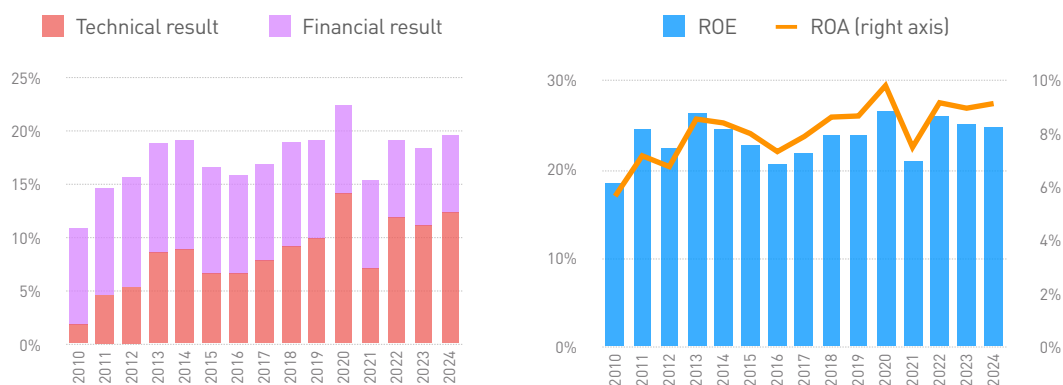
Technical provisions saw sustained growth in absolute terms over the 2010–2024 period, both in Life and Non-Life insurance, interrupted only in 2017. Considering the weight of total technical provisions, there was a general decline in 2016 in both Life and Non-Life in favor of the provision for benefits. The share of provisions in the Non-Life segment has risen from 23.8% in 2010 to 25.6% in 2024, while in the Life segment it has fallen from 41.3% in 2010 to 36.0% in 2024.

Chart 3.1.2-l
Guatemala: changes in market technical performance
(total combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the Superintendency of Banks)

Chart 3.1.2-m
Guatemala: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Superintendency of Banks)

Technical performance

Chart 3.1.2-l shows the technical performance of the Guatemalan insurance industry over the 2010–2024 period, based on an analysis of the market's combined ratio. According to this data, the combined ratio in 2024 rose to 87.6% (down 1.2 pp from the previous year), showing an improvement in technical performance compared to 2023, mainly attributable to the 1.43 pp decrease in the loss ratio compared to the previous year, despite the increase in the expense ratio (+0.25 pp).

Results and profitability

The net result of the Guatemalan insurance sector amounted to 1.4 billion quetzales (182.3 million dollars) in 2024, an increase of 8.9% over the previous year. This performance was driven by an 18.7% rise in the technical result and a 6.8% increase in the financial result compared to the value observed in 2023 (see Chart 3.1.2-m). Thus, return on equity (ROE) stood at 25.0%, a slight decline of 0.1 pp from the previous year's figure. By contrast, return on assets (ROA) rose to 9.1%, up 0.2 pp from 2023. The financial result over earned premiums has followed a downward trajectory over the

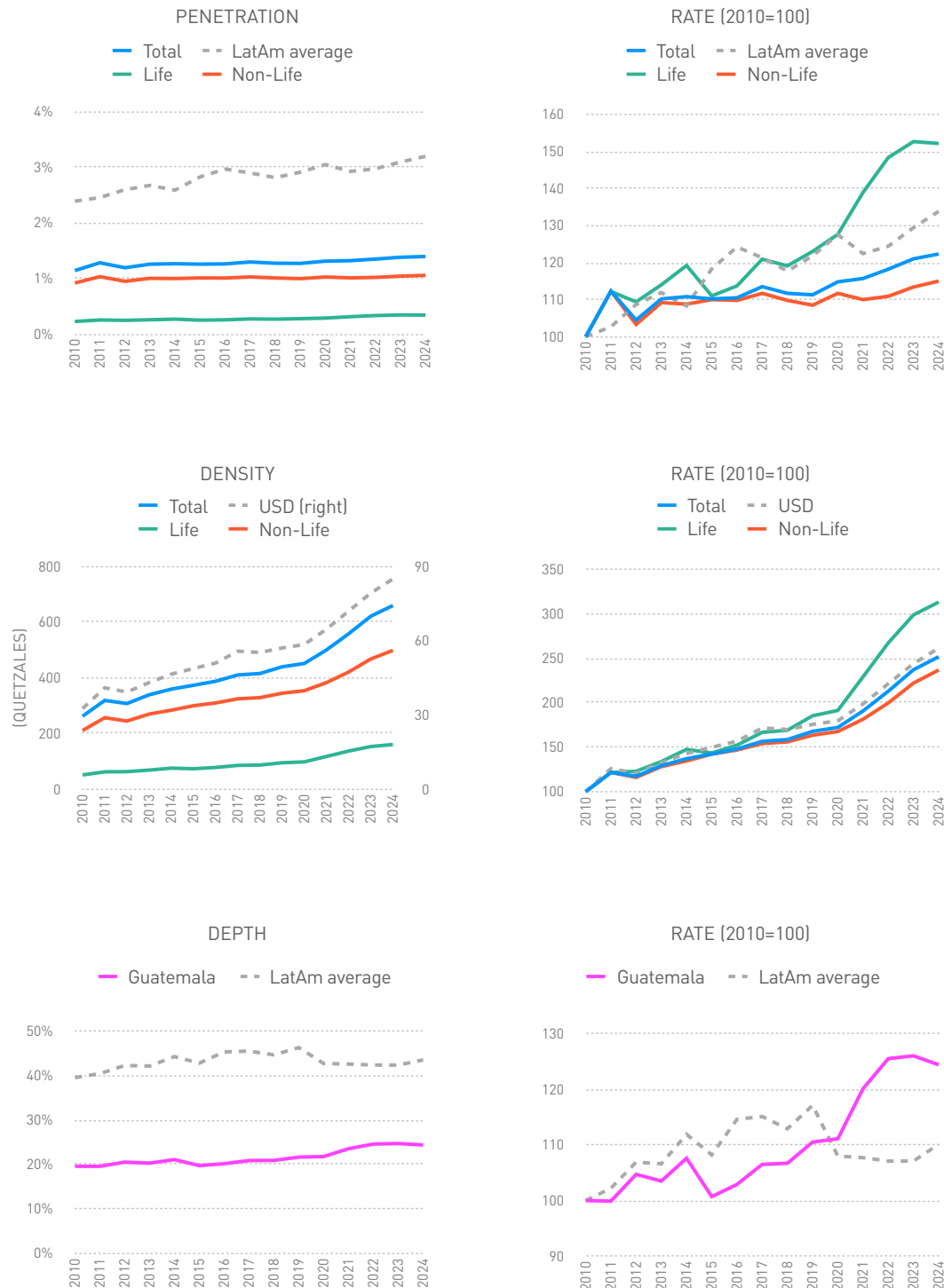
past fourteen years, falling from 9.1% in 2010 to 7.2% in 2024, while the technical result over earned premiums increased from 1.9% in 2010 to 12.4% in 2024.

Insurance penetration, density, and depth

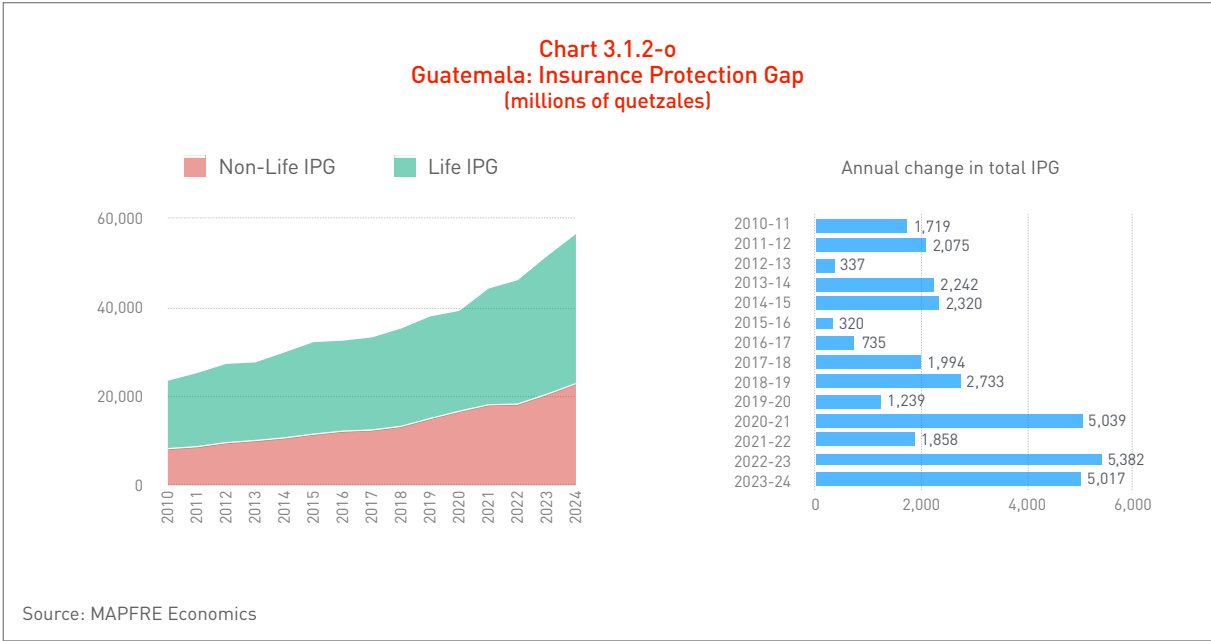
Chart 3.1.2-n illustrates the behavior of Guatemala's main structural growth indicators for the insurance sector, as well as their trends over 2010–2024. First, notably, despite the insurance industry's growth rate, the 2024 penetration rate (premiums/GDP) remained at 1.4%. Throughout 2010–2024, this indicator showed only a weak upward trend, fluctuating around 1.3%. As such, its level remains well below the average for Latin American insurance markets, and it has diverged over the last fourteen years relative to the rest of the countries in the region, where penetration stood at 3.2% in 2024.

In terms of density levels (premiums per capita), this indicator for the Guatemalan market stood at 660.1 quetzales (85.0 dollars), up 151.5% from the figure recorded in 2010 (262.4 quetzales). In contrast with the behavior of penetration, the density index has shown a sustained upward trend over the past fourteen years.

Chart 3.1.2-n
Guatemala: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, quetzales and USD; Life premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from the Superintendency of Banks)



This indicates that, although per-capita insurance spending has increased steadily—quite significantly, given its relatively low starting point—it has not grown at a pace sufficient for insurance to gain greater relative weight in the overall economy.

Depth levels (the ratio between Life insurance premiums and total premiums), stood at 24.3%, 0.4 pp below the 2023 figure but 4.8 pp above the figure reported in 2010. As with the penetration rate, the Guatemalan insurance market's depth level

is 19.1 pp lower than the Latin American average (43.5%).

Insurance Protection Gap estimate

Chart 3.1.2-o shows an updated estimate of the IPG for the Guatemalan insurance market between 2010 and 2024. According to the results of this exercise, the protection gap stood at 56.7 billion quetzales (7.3 billion dollars). As in the majority of Latin American insurance markets, the structure and evolution of the IPG

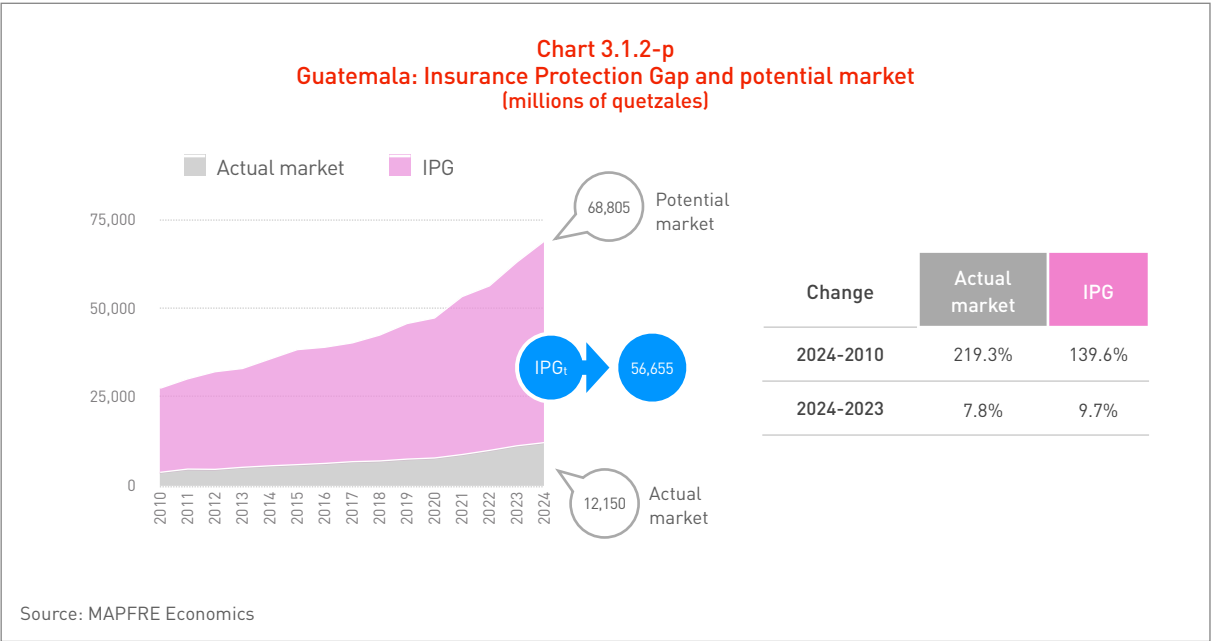
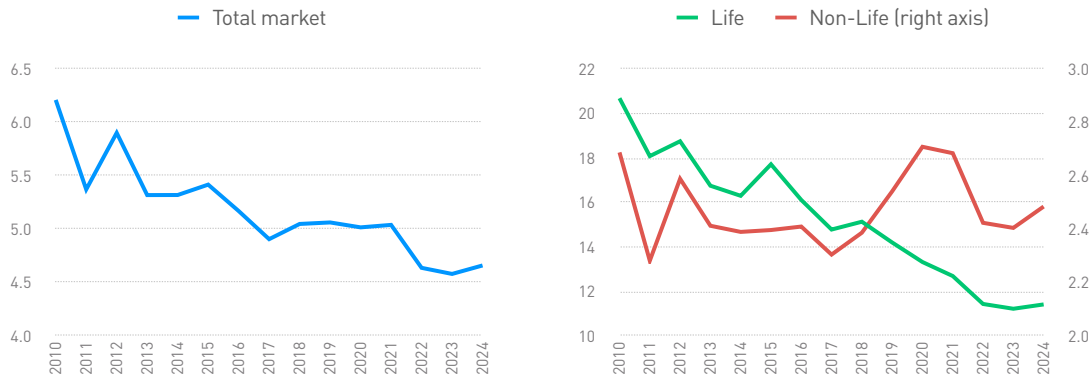


Chart 3.1.2-q
Guatemala: IPG as a multiple of the actual market
(number of times the size of the actual insurance market)



Source: MAPFRE Economics

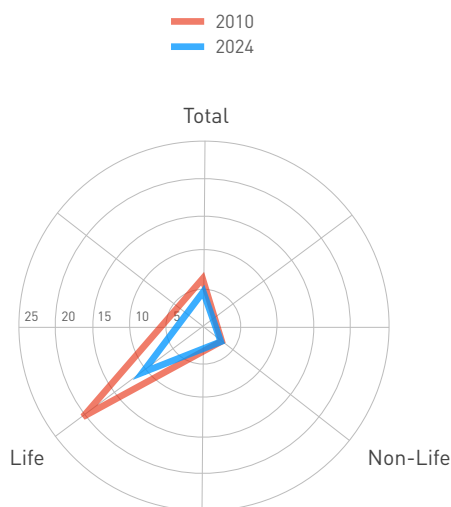
demonstrates the predominance of Life insurance. In 2024, 59.7% of the gap related to Life insurance (33.8 billion quetzales), while Non-Life insurance accounted for the remaining 40.3% (22.8 billion quetzales). Based on this estimate, the potential insurance market in Guatemala in 2024 (measured as the sum of the actual market plus the IPG) stood at 68.8 billion

quetzales (8.9 billion US dollars), 5.7 times the size of the actual market (see Chart 3.1.2-p).

With respect to the evolution of the protection gap, Chart 3.1.2-q shows an estimate of the IPG as a multiple of the actual market in each year of the period under analysis. For the Guatemalan insurance market, the protection gap (measured as a multiple) shows a downward trend over 2010–2024, driven mainly by developments in the Life insurance segment. Thus, as Chart 3.1.2-r illustrates, while the IPG of the Guatemalan market in 2010 represented 6.2 times the actual market, by 2024 that ratio had fallen to 4.7 times. A similar situation can be seen in the Life segment, where the multiple fell from 20.7 to 11.4 times. The Non-Life insurance segment, however, saw relative stagnation; it was nearly the same in 2010 (2.7 times) and in 2024 (2.5 times).

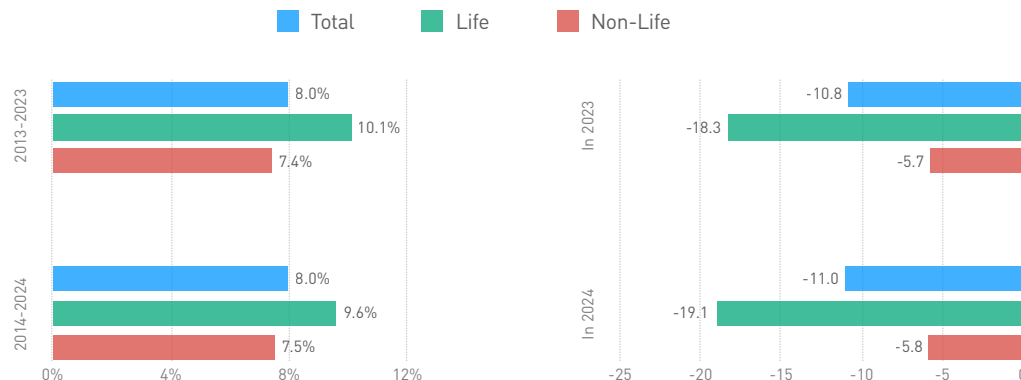
Finally, Chart 3.1.2-s summarizes the assessment of the Guatemalan insurance market's capacity to close the protection gap. Thus, a comparative analysis has been carried out between the growth rates recorded in the market over the last ten years and the growth rates that would be needed to close the IPG calculated in 2024

Chart 3.1.2-r
Guatemala: change in IPG as a multiple of the actual market



Source: MAPFRE Economics

Chart 3.1.2-s
Guatemala: capacity to close the IPG
 (average annual growth rate, %; sufficiency or insufficiency, pp)



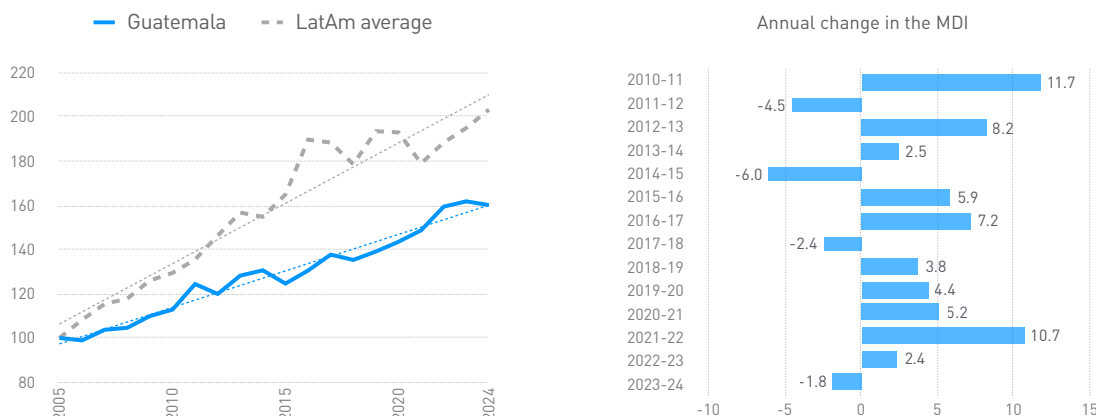
Source: MAPFRE Economics

over the next decade. According to the results of this analysis, the Guatemalan insurance market recorded an average annual growth rate of 8.0% between 2014 and 2024. This was underpinned by an average growth of 9.6% in the Life insurance segment and 7.5% in the Non-Life segment. Were the same pattern to continue over the next ten years, the growth rate for the market as a whole would fall short of the rate needed to cover the gap determined in

2024 by 11 pp; that is, the insurance market would need an average growth rate of 18.9% over the next decade in order to close the IPG estimated in 2024.

These results extend to performance in both the Life and Non-Life segments. The insufficiency in the former would be 19.1 pp, while it would be 5.8 pp in the latter. Thus, closing the respective protection gaps would require the Guatemalan insurance market to

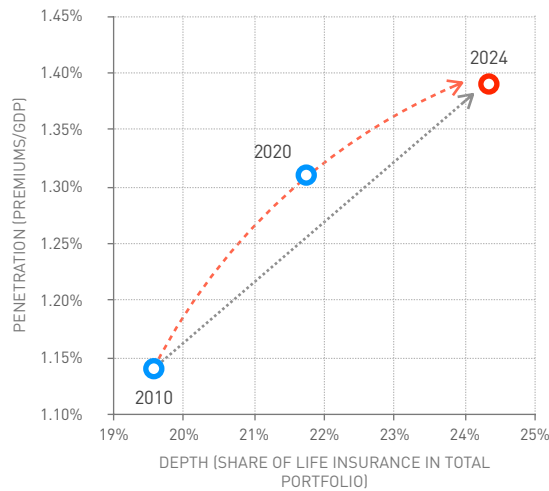
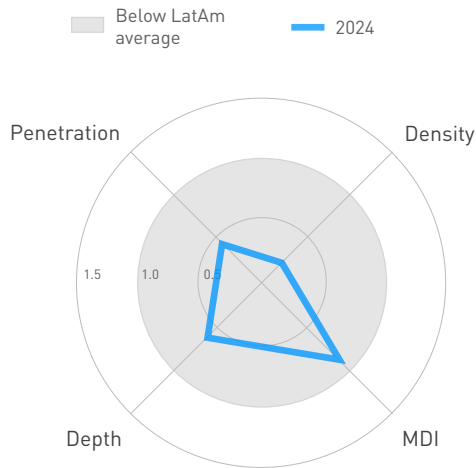
Chart 3.1.2-t
Guatemala: Market Development Index (MDI)
 (2005 index=100; annual change)



Source: MAPFRE Economics

Chart 3.1.2-u

Guatemala: comparative structural coefficient index* vs. average for Latin America (2024) and medium-term changes in the insurance market (2010–2024)



Source: MAPFRE Economics

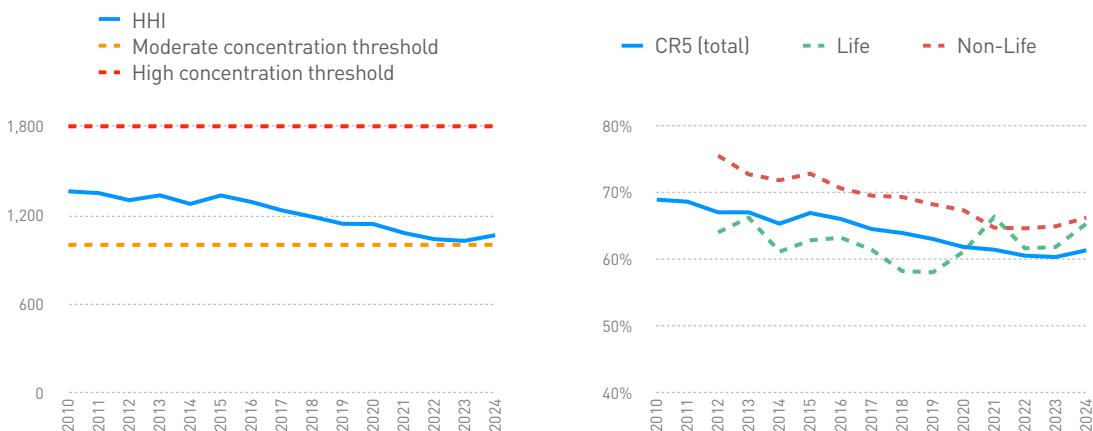
* Indexes calculated as the quotient between the values of the country's structural coefficient and the average values of the coefficient concerned for the Latin American market as a whole. The unit represents a performance equivalent to the region's average.

grow by an average of 28.7% and 13.3% annually over the next decade. It should be noted that, with regard to the comparative analysis of this fiscal year compared to that conducted in 2023 for the Guatemalan insurance market, the insufficiency of the market has increased slightly.

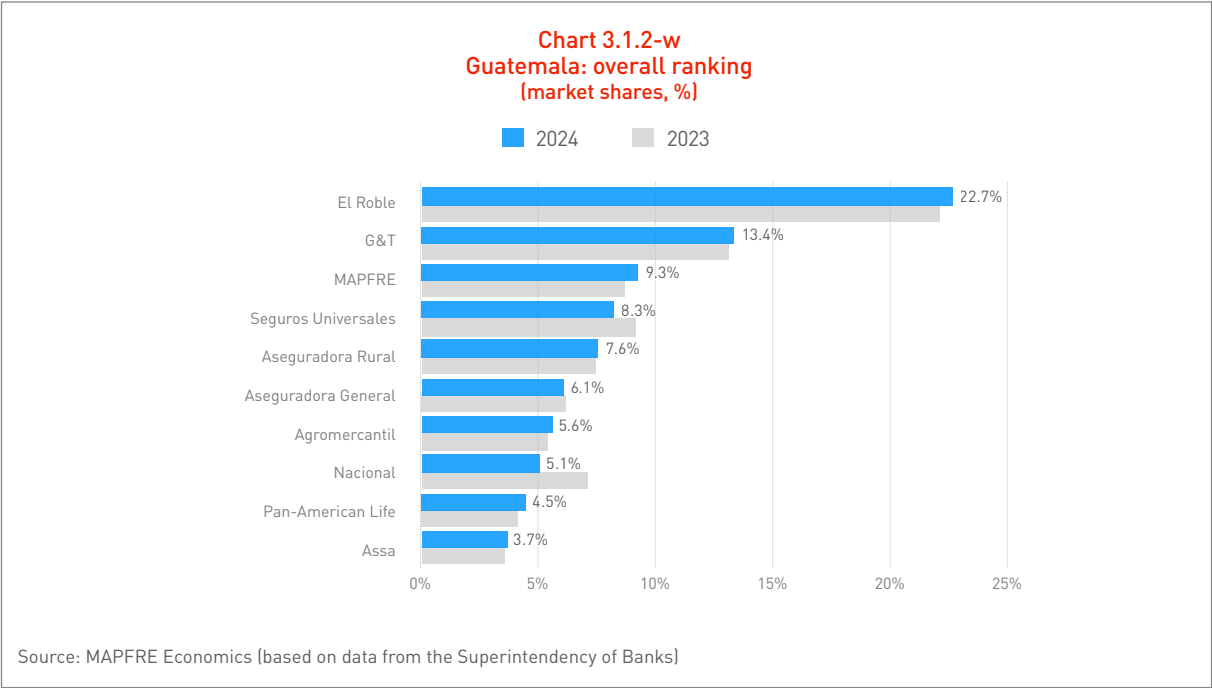
Market Development Index (MDI)

Chart 3.1.2-t presents an update of the estimate of the Market Development Index (MDI) for the Guatemalan insurance industry. Overall, this indicator shows a positive trend since 2005, with annual decreases in 2012, 2015, and 2018. However,

Chart 3.1.2-v
Guatemala: insurance industry concentration
(Herfindahl index; CR5 index, %)



Source: MAPFRE Economics (based on data from the Superintendency of Banks)



it should be noted that its current level stands below the Latin American market average (203.3), and its trend, diverging from the region, stagnated from 2011 to 2015, improving considerably in the last stretch to 2022.

Comparative analysis of structural coefficients

Finally, Chart 3.1.2-u illustrates the position of the Guatemalan insurance market when compared with the average for Latin America, measured in terms of the different structural indicators featured in this report. Thus, it is evident that its situation is significantly below the Latin American average for all indicators, especially in terms of density (340.7 dollars in premiums per capita in Latin America vs 85.0 dollars in Guatemala), which indicates its fledgling level of development compared to the region as a whole.

Insurance market rankings

There were 27 insurance companies operating in the Guatemalan insurance industry in 2024. The top five institutions accounted for 61.4% of total premiums,

1.0 pp more than in 2023. However, it should be noted that over these last fourteen years, there has been a slight decline in concentration levels in the Guatemalan insurance market. Despite this, the Herfindahl index shows that the market's concentration levels have remained above the theoretical threshold indicating moderate concentration (see Chart 3.1.2-v).

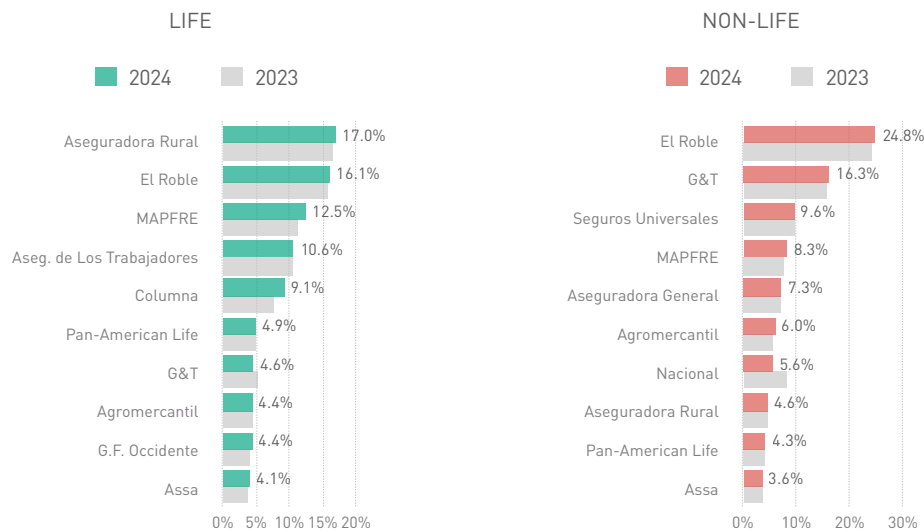
Total ranking

As shown in Chart 3.1.2-w, El Roble, with 22.7% of market premiums (up 0.6 pp from 2023), and G&T, which has raised its participation 0.3 pp with 13.4% of the market (13.1% last year), remain the two largest insurance groups in the Guatemalan market. They are followed by MAPFRE, with a 9.3% share (up 0.6 pp from 2023), Seguros Universales, with 8.3%, and Aseguradora Rural, with 7.6%. The rest of the insurance companies maintain their relative positions.

Life and Non-Life rankings

In the Non-Life ranking, the top three positions remain unchanged. El Roble leads again, with a 24.8% market share, increasing its share slightly over the 24.2%

Chart 3.1.2-x
Guatemala: Life and Non-Life ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the Superintendency of Banks)

of last year. In second place, G&T retains its position with 16.3% of total premiums, up 0.6 pp, while Seguros Universales remains in third place with a 9.6% share, recording a slight drop from 9.8% in 2023. MAPFRE climbs one place to fourth with an 8.3% share, up 0.5 pp on last year. It is followed by Aseguradora General, which also climbs one place and maintains a stable 7.3% share. Agromercantil moves up to sixth place, with 6.0%, improving its share from 5.7% last year. The most significant change was Nacional, which dropped three places to seventh, with a 5.6% share, down 2.7 pp from 2023. Aseguradora Rural (4.6%), Pan-American Life (4.3%), and Assa (3.6%) close out the ranking, all maintaining their positions and showing slight increases or stability in their respective market shares (see Chart 3.1.2-x).

Finally, in the Life ranking, there are no changes in the top five positions in the Guatemalan insurance market. Aseguradora Rural remains in first place, with a 17.0% market share, compared to 16.6% the previous year. El Roble maintains its position in second place with 16.1% of total

premiums, increasing its share by 0.5 percentage points. Meanwhile, MAPFRE consolidates its position in third place with 12.5%, standing out with 1.2 pp growth, the highest among the top three groups. Aseguradora de los Trabajadores remains in fourth place, with a 10.6% share, followed by Columna, which stays in fifth place, increasing its share to 9.1%, compared to 7.8% last year. A unique change occurs at sixth place in the ranking: Pan-American Life moves up to sixth place, with a 4.9% share, overtaking G&T, which drops to seventh place with 4.6%, down 0.6 pp from 2023 (see Chart 3.1.2-x).

Key regulatory aspects

In 2024 and through mid-2025, Guatemala passed several provisions relevant to the insurance industry, mainly aimed at regulatory modernization and institutional reinforcement. One of the most notable is Monetary Board Resolution JM-24-2025, which introduces the new Regulation for the Registration of Insurance and Reinsurance Intermediaries and Independent Adjusters. This regulation marks a significant change

to establish a completely digital environment for the registration process. The goal of the implementation of information technologies is to optimize resources, improve user services, and streamline processes. This regulation will take effect on July 1, 2025, repealing the previous resolution JM-13-2011.

Meanwhile, the Superintendency of Banks (which supervises and regulates insurance activities in Guatemala) has reviewed and set new minimum paid-in capital requirements for insurance and reinsurance companies incorporated in the country, through Resolution 78-2025. This measure is part of a set of reforms aimed at strengthening the solvency and stability of the Guatemalan financial system. In addition, implementation of the Financial Reporting Standards for Insurers (FRSI) continues, aimed at replacing the current Accounting Instructions Manual with an accounting system based on international standards. The third phase of the pilot plan was completed in 2024, and phase four is expected to conclude in 2025. This project represents significant progress toward greater transparency and quality in the financial reporting sector.

3.1.3 Honduras

Macroeconomic environment

In 2024, the Honduran economy grew by 3.6% in real terms, maintaining the growth recorded in 2023, supported by private consumption, up 4.3%, public consumption at 5.3%, and total investment, which also performed well, especially public investment, with 41% of the budget allocated to road works and energy projects such as hydroelectric, renewable, and rural electrification projects. However, economic growth was slowed by a decline in foreign demand, especially for textiles, coffee, and other agricultural products from the United States (see Chart 3.1.3-a).

Moreover, in 2024, the fiscal deficit stood at 1.1% (down from 3.6% the previous year), due to lower implementation of public investment projects compared to 2023. Average inflation stood at around 4.6% (6.7% in 2023), influenced by lower international commodity prices and a restrictive monetary policy (there were two rate hikes since August, bringing the monetary policy rate to 5.75%, after remaining unchanged at 3.00% since 2020). In this context, it is important to note that the effects of this policy shift were

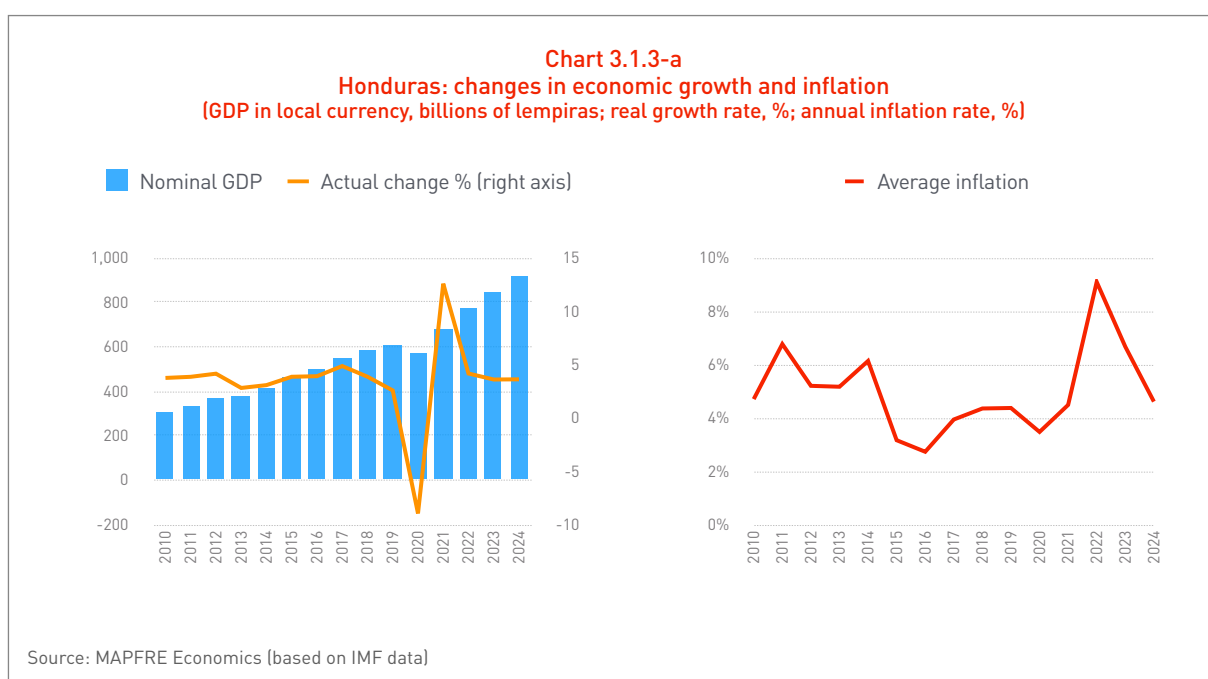
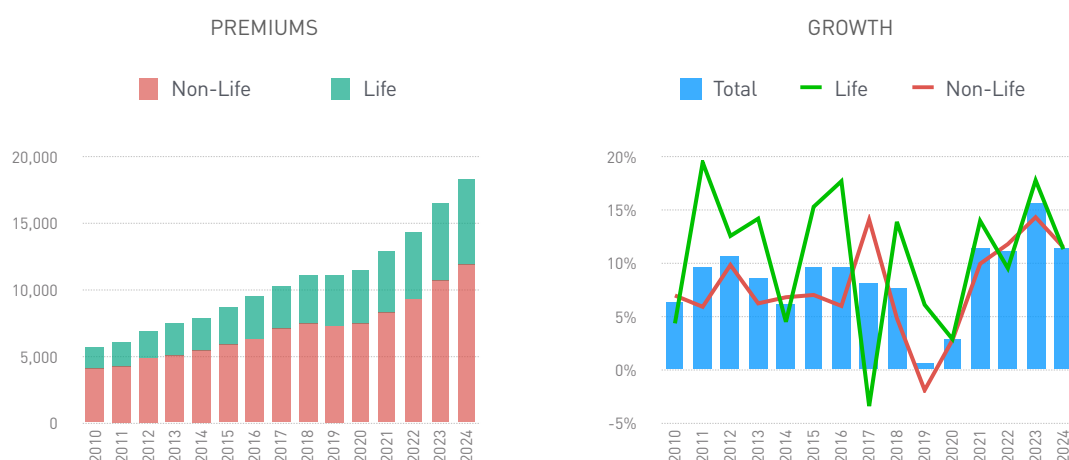


Chart 3.1.3-b
Honduras: growth developments in the insurance market
(premiums, millions of lempiras; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

transmitted to private consumption and investment with a lag, mainly affecting the last quarter of 2024, in contrast with the growth observed in the earlier quarters. The unemployment rate is expected to reach 5.2% of the economically active population in 2024, down 1.2% from 2023.

Looking ahead to next year, ECLAC projects that the Honduran economy will grow by around 3.2% in 2025 (3.8% in 2026), despite the slowdown in foreign demand from the United States and other key partners. Positive developments are expected in public and private investment and consumption, thus offsetting the negative

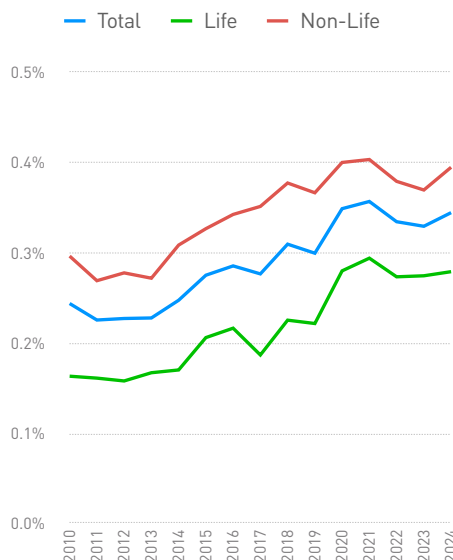
Table 3.1.3
Honduras: premium volume¹ by line, 2024

Line of business	Millions of lempiras	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	18,441.7	742.0	11.5	6.6
Life	6,494.0	261.3	11.4	6.5
Non-Life	11,947.7	480.7	11.6	6.6
Fire and allied lines	3,597.3	144.7	1.4	-3.1
Automobiles	2,816.2	113.3	19.8	14.5
Health	3,246.1	130.6	15.0	10.0
Other lines	1,002.1	40.3	27.7	22.1
Transport	360.8	14.5	-3.8	-8.0
Surety	232.7	9.4	20.9	15.5
Personal Accident	413.1	16.6	9.3	4.4
Third-party liability	270.9	10.9	8.5	3.7
Occupational risks	8.6	0.3	-11.0	-14.9

Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

1/ Premiums net of returns and cancellations

Chart 3.1.3-c
Honduras: share of insurance premiums in Latin America (%)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission and supervisory bodies in the region)

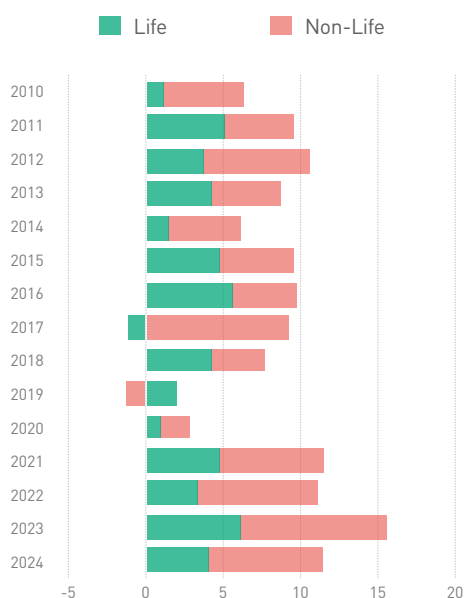
factors affecting the external sector. The International Monetary Fund estimates 3.3% growth for 2025. MAPFRE Economics forecasts 3.3% growth in the Honduran economy in 2025 and 3.4% in 2026.

Insurance market

Growth

The premium volume of the Honduran insurance market amounted to 18.4 billion lempiras (742.0 million dollars) in 2024. This represents growth of 11.5% in nominal terms and 6.6% in real terms relative to the previous year (see Table 3.1.3 and Chart 3.1.3-b). Growth within the Honduran insurance industry was down 4.1 percentage points (pp) on the previous year, when premiums rose 15.6% in nominal terms. Specifically, Life insurance premiums grew 11.4% in 2024 (compared to the significant growth of 17.8% registered in 2023), reaching 6.5 billion lempiras (261.3 million dollars). Meanwhile, Non-Life insurance

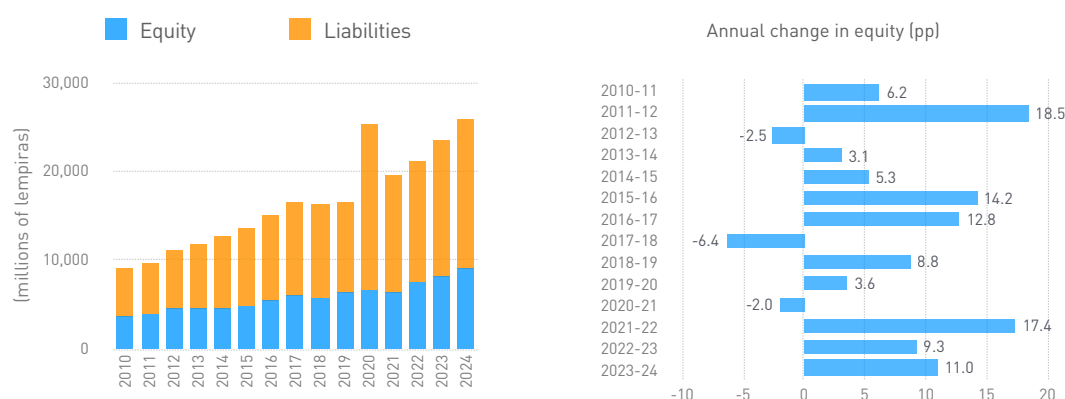
Chart 3.1.3-d
Honduras: contribution to insurance market growth (percentage points, pp)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	6.3	1.2	5.1
2011	9.6	5.2	4.4
2012	10.7	3.6	7.0
2013	8.6	4.2	4.5
2014	6.2	1.4	4.8
2015	9.6	4.7	4.9
2016	9.8	5.7	4.1
2017	8.1	-1.1	9.3
2018	7.7	4.3	3.4
2019	0.8	2.0	-1.2
2020	2.9	1.0	1.9
2021	11.4	4.8	6.6
2022	11.1	3.4	7.7
2023	15.6	6.2	9.4
2024	11.5	4.0	7.5

Chart 3.1.3-e
Honduras: changes in the insurance industry's aggregate balance sheet
 (amounts in local currency; change in equity, percentage points)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

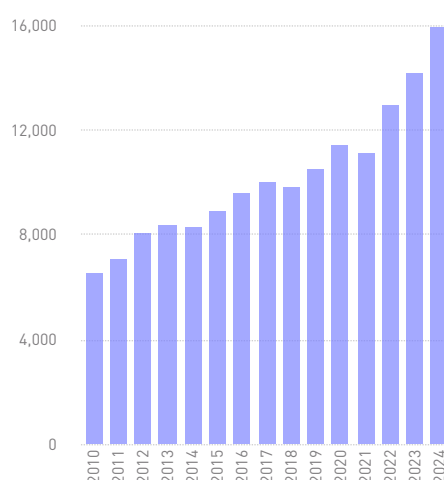
premiums were up 11.6% (versus 14.4% in 2023), reaching 11.9 billion lempiras (480.7 million dollars). It should be noted that all Non-Life categories grew nominally except for Professional Risks (-11.0%) and Transport (-3.8%). Meanwhile, the Other Lines, Automobile, and Health lines, which are the most relevant, contributed significantly with their respective nominal growth rates of 27.7%, 19.8%, and 15.0%, respectively.

The share of total premiums, as well as by Life and Non-Life segments, of the Honduran insurance market in relation to the Latin American market has increased by 0.1 percentage points over the last fourteen years. The Non-Life line of business has a bigger share (0.40% in 2024) in Latin America when compared to Life insurance (0.28%). The total weight of Honduran premiums to all of Latin America rose from 0.24% in 2010 to 0.34% in 2024 (Chart 3.1.3.-c).

Thus, as Chart 3.1.3-d shows, Non-Life insurance contributed somewhat more positively to the 11.5% growth registered by the Honduran insurance market in 2024, with 7.5 pp, while the Life insurance

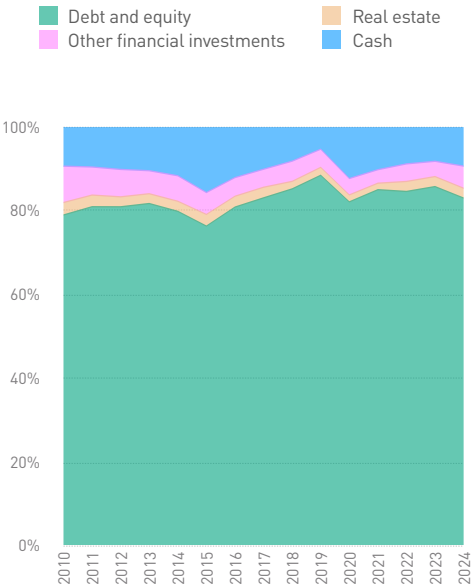
segment contributed 4.0 pp (see Chart 3.1.3-d). It should be noted that, except for 2017 and 2019, both market segments contributed positively to the growth of insurance activity in this country.

Chart 3.1.3-f
Honduras: insurance market investments
 (millions of lempiras)



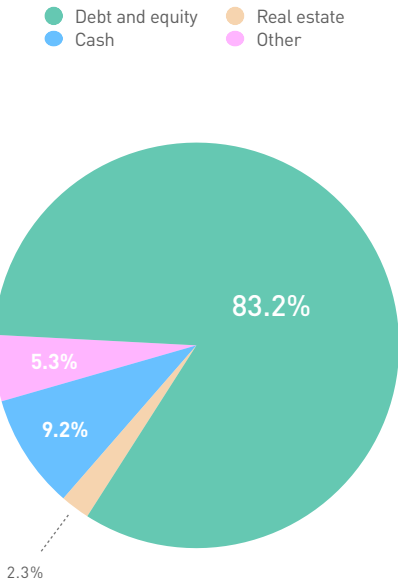
Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

Chart 3.1.3-g
Honduras: structure of investments
(%)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

Chart 3.1.3-h
Honduras: structure of investments, 2024
(%)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

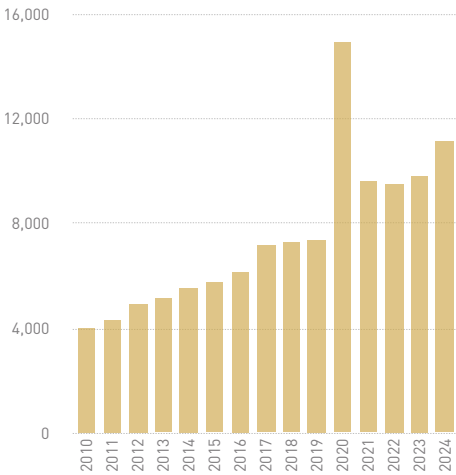
Balance sheet and shareholders' equity

Chart 3.1.3-e shows developments in the aggregate balance sheet of the Honduran insurance industry over the 2010–2024 period. In this context, total assets in the sector reached 25.9 billion lempiras (1.0 billion dollars), while net equity stood at 9.1 billion lempiras (357.6 million dollars), showing an upward trend, interrupted only in 2018 and 2021. The aggregate capitalization levels of the Honduran insurance industry (measured in relation to total assets) are significant, at around 38.9% on average in the 2010–2014 period. Since then, it has experienced stagnation at values close to 34.8% on average over the total assets, reaching 35.1% in 2024, down 4.2 pp since 2010.

Investments

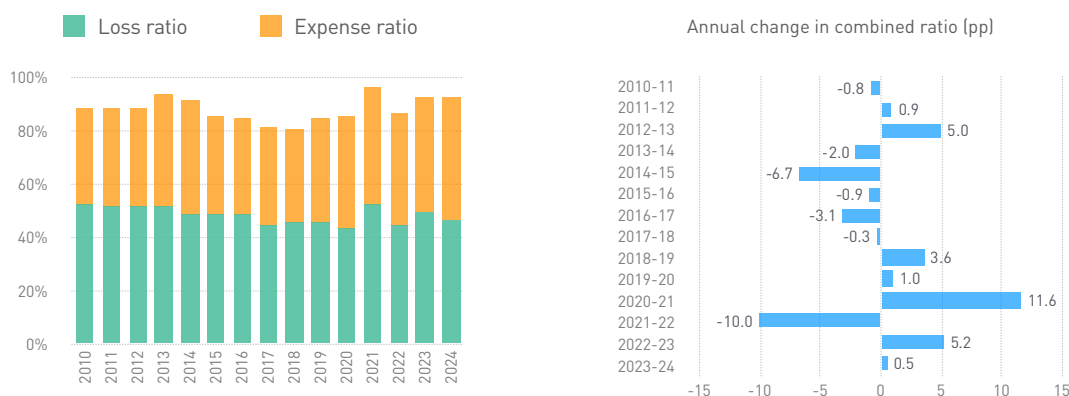
Chart 3.1.3-f shows developments in the Honduran insurance industry's investment

Chart 3.1.3-i
Honduras: technical provisions of the insurance market
(millions of lempiras)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

Chart 3.1.3-j
Honduras: changes in market technical performance
 (total combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

over the 2010–2024 period, while Charts 3.1.3-g and 3.1.3-h show the composition of the aggregate sector-level investment portfolio over that period and also in 2024. In this last year, investment by insurance companies operating in the Honduran market came to 16.0 billion lempiras (630.3 million dollars), with 83.2% concentrated in debt and equity instruments, 9.2% in cash, 2.3% in real estate, and the remaining 5.3% in other financial investment. It should be noted that investments in cash and cash equivalents over the period analyzed followed an upward trend, which reverted after 2016. There is also a general trend toward growth in the share of debt and equity investments (which seemed to have stagnated as of 2014), landing very close to the 10-year average (83.2%) in 2024. A similar situation can also be observed throughout this period in cash investments, which remain at 9.2% in 2024, the same as in 2010.

Technical provisions

Chart 3.1.3-i presents information related to technical provisions in the Honduran insurance industry. Conducting a more detailed analysis of the composition of technical provisions at a sector level was not possible with the data available.

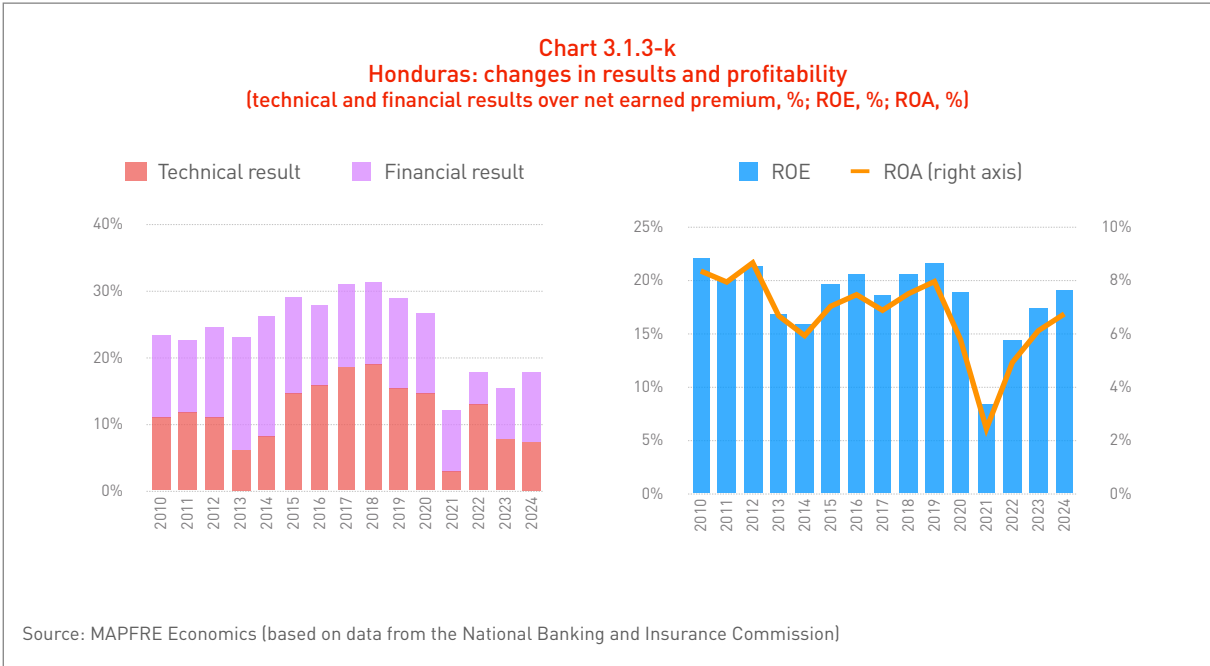
However, over the 2010–2024 period, technical provisions show sustained growth in absolute terms at the aggregate level, although this was distorted in 2020 by atypical growth in loss reserves. The upward trajectory continued through 2024, when they reached 11.1 billion lempiras (437.9 million dollars).

Technical performance

Chart 3.1.3-j shows the technical performance of the Honduran insurance industry over the 2010–2024 period, based on an analysis of the market's combined ratio. According to this information, in 2024 the technical coefficient declined slightly, standing at 92.9%, above the level reached in 2023 (92.3%). The expense ratio stood at 46.1%, up 3.1 pp from the previous year. Meanwhile, the loss ratio improved, down 2.6 pp (46.8%), below the 14-year peak recorded in 2021 (52.4%).

Results and profitability

The Honduran insurance industry posted a net result of 1.6 billion lempiras (66.3 million dollars) in 2024, up 22.1% on the previous year. It is important to note that the net result of the Honduran insurance



industry in 2024 was supported by growth in the sector's financial result, which was 52.9%, reaching 789.9 million lempiras (31.8 million dollars), above the average since 2010 of 585.9 million lempiras. Meanwhile, the technical result was positive (524.8 million lempiras), 58.8 million lempiras below the average figure for the last fourteen years (583.6 million lempiras) and similar to the previous year (see Chart 3.1.3-k). In terms of profitability, return on equity (ROE) was 19.1% in 2024, climbing 1.9 pp compared to 2023 mostly due to the improved results discussed above. A similar situation emerges in return on assets (ROA), which reached 6.7% in 2024, dropping 0.6 pp compared to the 2023.

Insurance penetration, density, and depth

Chart 3.1.3-l illustrates the main structural trends shaping the development of the Honduran insurance market over the 2010–2024 period. First, the penetration rate (premiums/GDP) stood at 2.0% in 2024, the same as observed in 2023. It should be noted that the penetration rate for the Honduran market has practically stagnated over the course of the last fourteen years, clearly diverging from the average growth trend seen across the Latin American

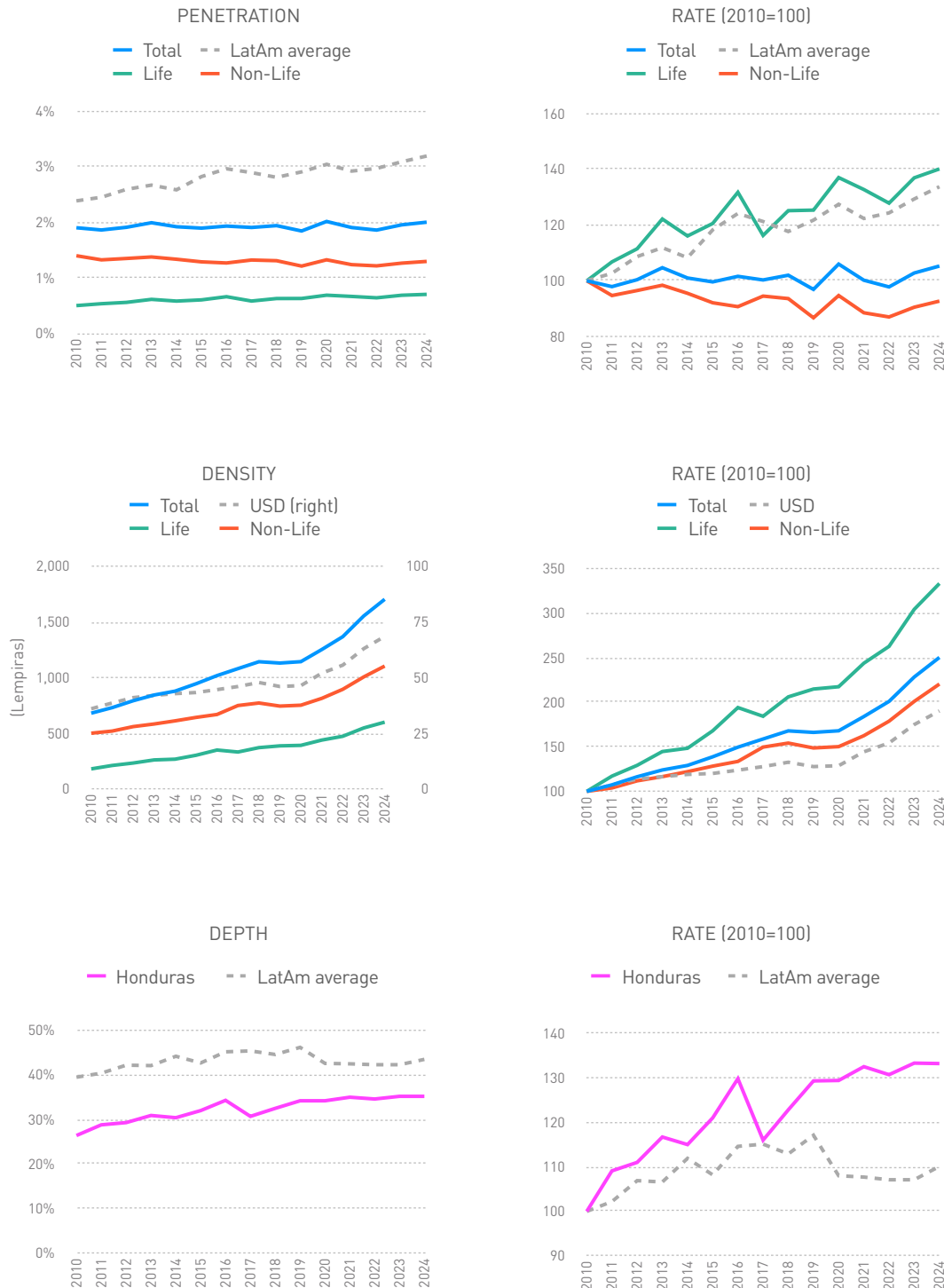
insurance market as a whole (whose index stood at 3.2% in 2024).

Insurance density in Honduras (premiums per capita) amounted to 1,703.5 lempiras (68.6 dollars), up 9.6% on 2023 (1,553.9 lempiras). As opposed to the penetration rate, density in Honduras has been trending upward, registering cumulative growth of 150.4% over the 2010–2024 period. Meanwhile, the depth in the Honduran market (measured as Life insurance premiums with respect to total premiums) is practically unchanged with respect to the previous year, standing at 35.2% in 2024, that is, 8.8 pp above the value registered in 2010. It is worth noting that since 2017, the gap between the Honduran depth indicator and the Latin American depth indicator has narrowed, though it still remains below the indicator's absolute values for the average of the region's countries (43.5%).

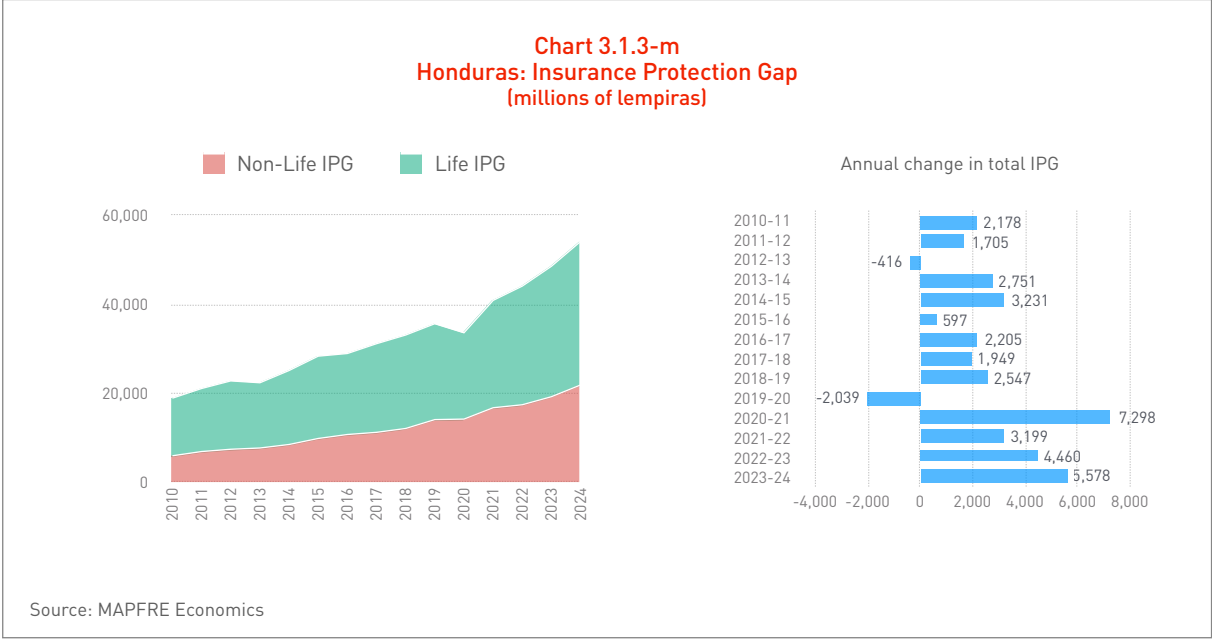
Insurance Protection Gap estimate

Chart 3.1.3-m presents an estimation of the IPG for the Honduran insurance market between 2010 and 2024. According to this analysis, the protection gap stood at 54.1 billion lempiras (2.2 billion dollars) in

Chart 3.1.3-l
Honduras: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, lempiras and USD; Life premiums/total premiums, %; 2010 index=100)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)



2024, 2.9 times the size of the current insurance market in Honduras at the end of that year. The structure and performance of the IPG over the period under analysis are largely attributable to the Life insurance segment, as is the case in most Latin American insurance markets. Thus, Life insurance accounted for 59.6% of the IPG at the end of 2024 (32.3 billion lempiras), down 9.0 pp from the share observed in that segment in 2010. The remaining 40.4% of the gap is a product of the Non-Life insurance segment (21.8 billion lempiras).

Thus, the potential insurance market in Honduras at the close of 2024 (sum of the actual market plus the IPG) is therefore estimated at 72.6 billion lempiras (2.9 billion dollars), 3.9 times the size of the total insurance market in Honduras that year (see Chart 3.1.3-n).

In order to analyze the trending behavior of the IPG in this insurance market, Chart 3.1.3-o shows the estimate of the IPG as a multiple of the actual market. In Honduras, the protection gap as a multiple presents a

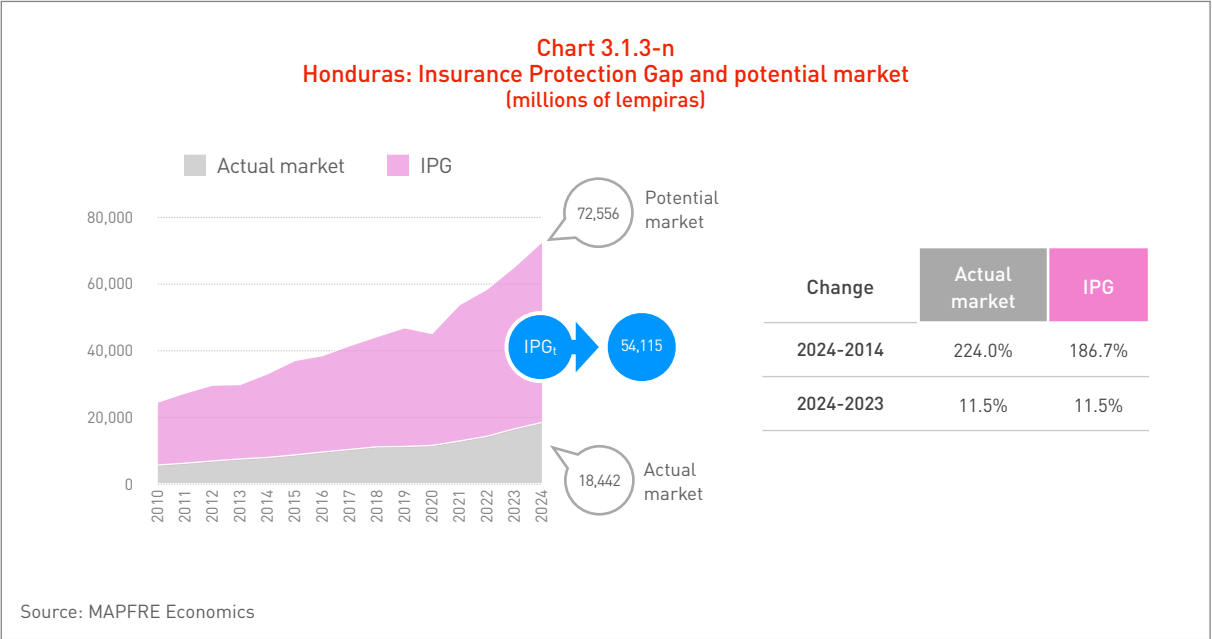
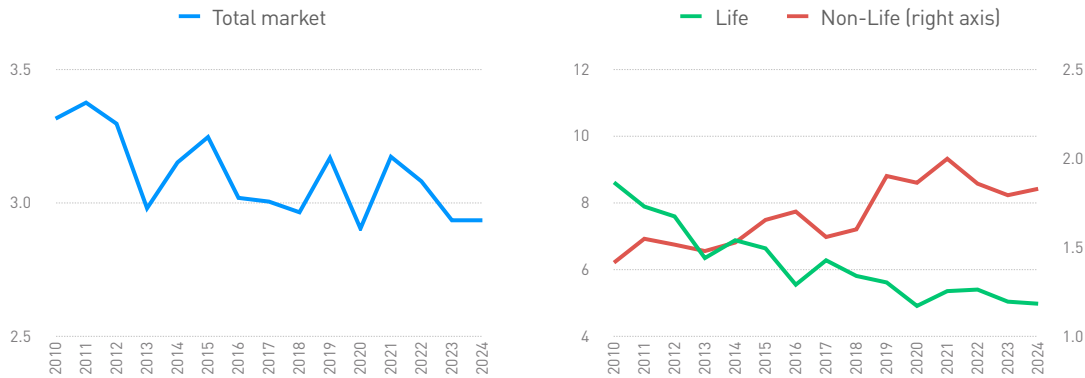


Chart 3.1.3-o
Honduras: IPG as a multiple of the actual market
(number of times the size of the actual insurance market)

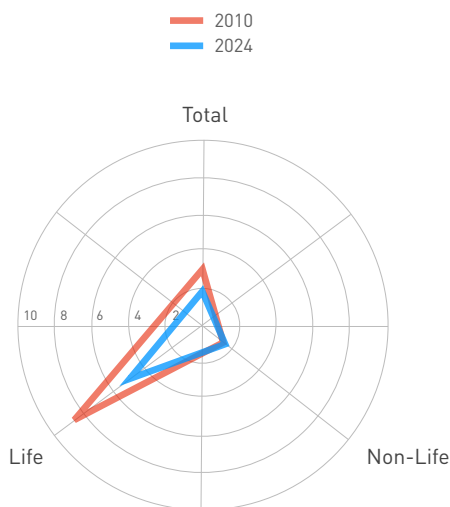


Source: MAPFRE Economics

slightly downward trend in the last two years. There is clearly a downward trend in the Life insurance segment (from 8.6 to 5.0 times) between 2010 and 2024. The same cannot be said for the Non-Life insurance segment, however, where the protection gap has displayed a positive trend over the period under analysis by climbing

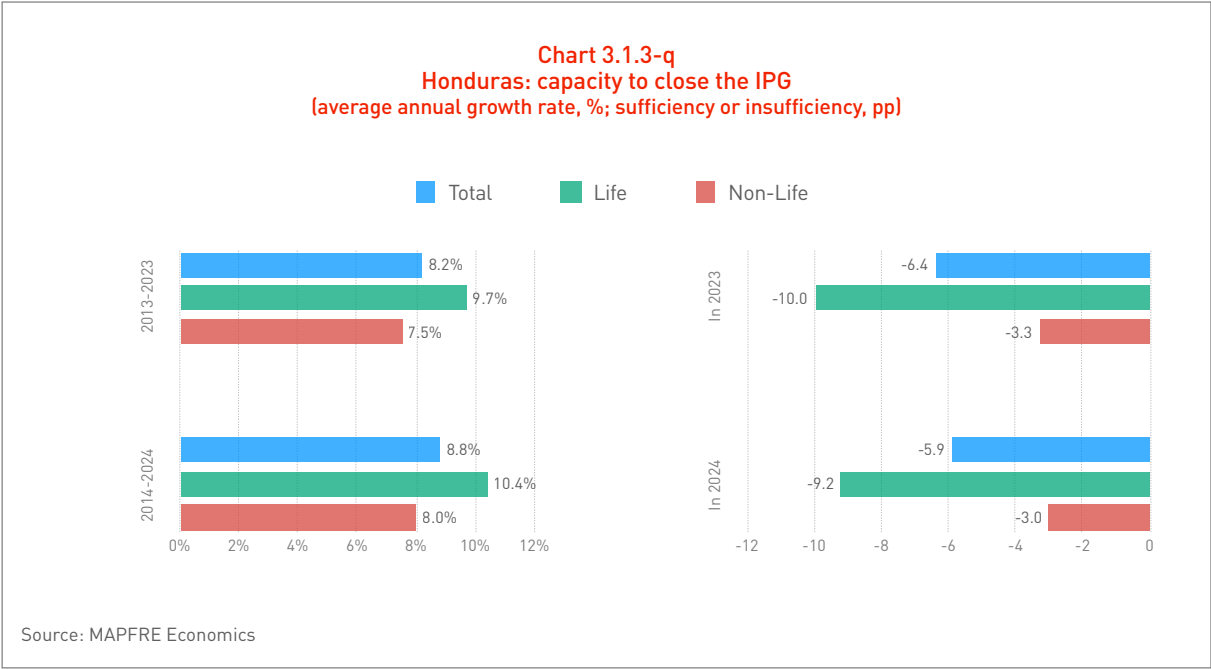
from 1.4 to 1.8 times over the period. This is confirmed in the schematic analysis presented in Chart 3.1.3-p, which summarizes the changes in the IPG as a multiple of the actual market for the Life and Non-Life segments and for the total Honduran insurance market over the last decade. A clear improvement was only observed in the Life segment, which closed the gap in terms of insurance coverage as a multiple of the real market.

Chart 3.1.3-p
Honduras: change in IPG as a multiple of the actual market



Source: MAPFRE Economics

Finally, Chart 3.1.3-q provides an overview of the capacity of the Honduran insurance market to close the protection gap, by means of a comparative analysis between the growth rates observed over the last decade and the growth rates that would be needed to close the 2024 gap over the next ten years. The analysis reveals that the Honduran insurance market posted an average growth rate of 8.8% over the 2014–2024 period; this was the product of an annual growth rate of 10.4% in the Life insurance segment and of 8.0% in the Non-Life segment. This shows that, were the same growth dynamics seen over the last decade to continue over the next ten years, the growth rate of the Honduran insurance market would prove insufficient to achieve the objective indicated. In relation to the Life segment, the observed growth rate



would fall short by 9.2 pp, and by 3.0 pp for the Non-Life segment. It should be noted, however, that the situation has improved in both segments compared to 2023, with this trend extending to the industry as a whole: in the Life segment, the shortfall decreased from 10.0 pp to 9.2 (+0.8 pp) between 2023 and 2024, while in Non-Life it declined from 3.3 pp to 3.0 (+0.3 pp) over the same period.

Market Development Index (MDI)

Chart 3.1.3-r presents an estimation of the Market Development Index (MDI) for the Honduran insurance industry. The MDI (which is used in this report as an indicator of the overall trend in development and maturity of the insurance market) displayed a positive trend over the period under analysis, with spikes in growth in 2007, 2010,

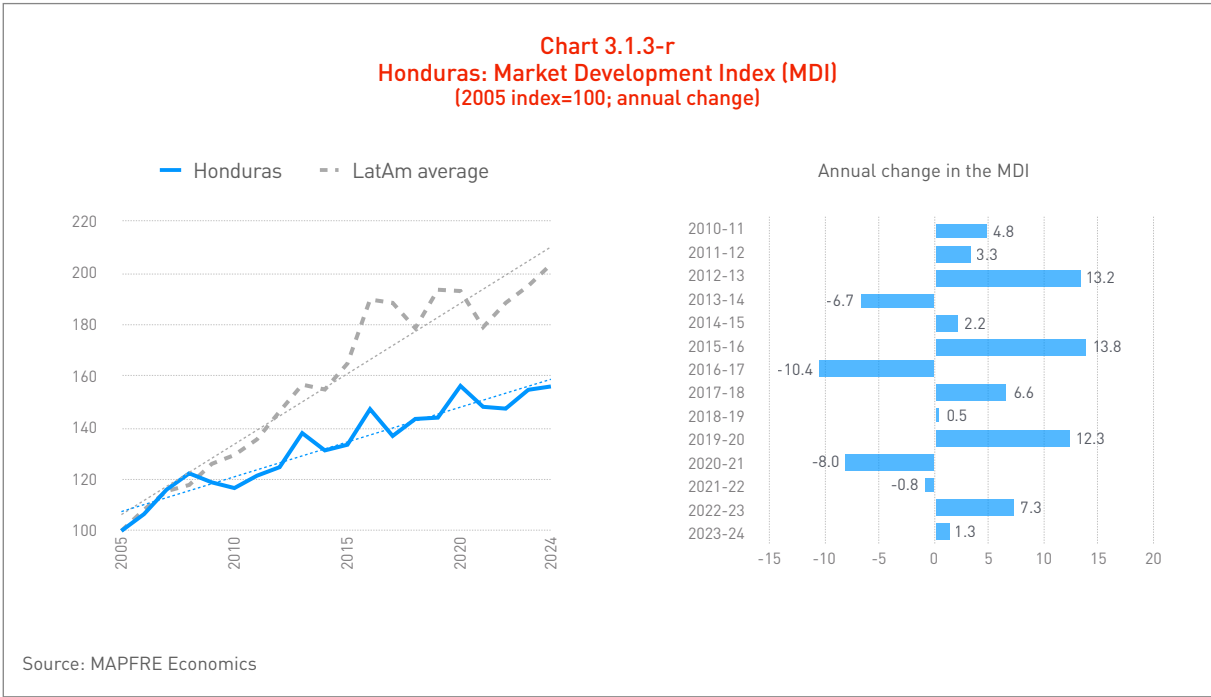
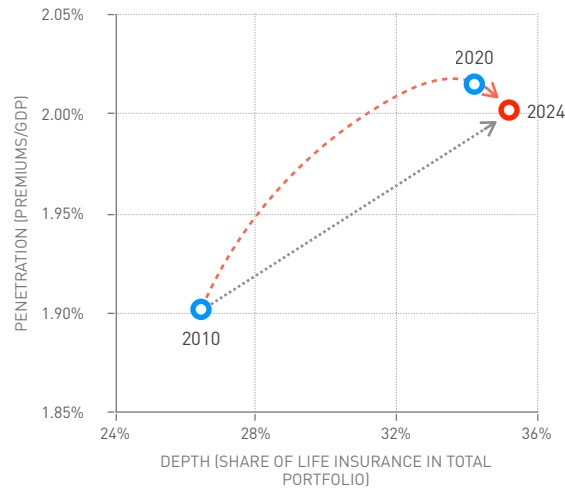
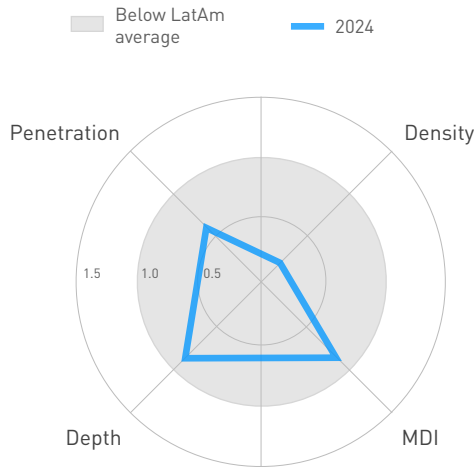


Chart 3.1.3-s

Honduras: comparative structural coefficient index* vs. average for Latin America (2024) and medium-term changes in the insurance market (2010–2024)



Source: MAPFRE Economics

* Indexes calculated as the quotient between the values of the country's structural coefficient and the average values of the coefficient concerned for the Latin American market as a whole. The unit represents a performance equivalent to the region's average.

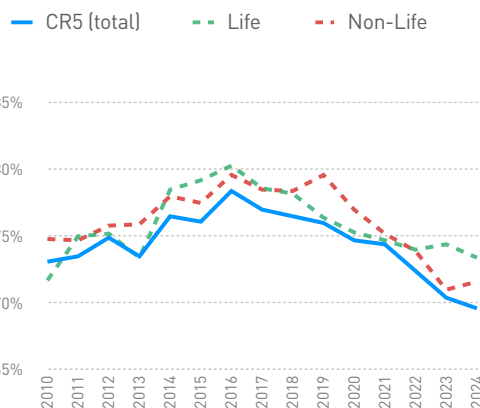
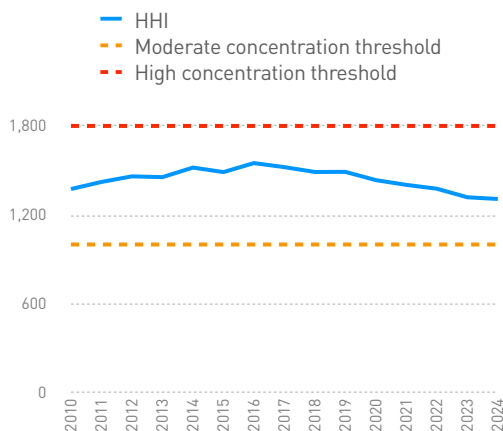
2016, and 2020. As of 2016, this growth trend clearly separates from the figures recorded for the average of the Latin American insurance markets, registering one of the greatest deviations from the Latin American region average in recent years in 2024.

Comparative analysis of structural coefficients

Lastly, Chart 3.1.3-s summarizes the Honduran insurance market's situation compared with the average for Latin America, measured in terms of the various

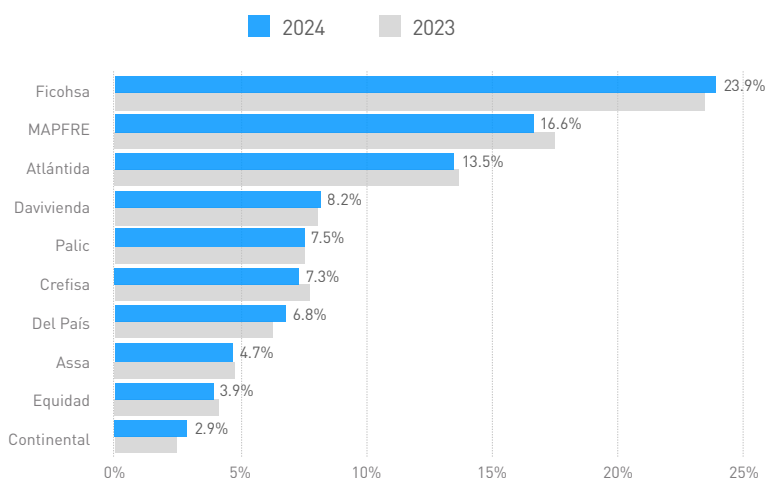
Chart 3.1.3-t

Honduras: insurance industry concentration (Herfindahl index; CR5 index, %)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

Chart 3.1.3-u
Honduras: overall ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

structural indicators previously analyzed. Its situation is below the Latin American average for all indicators, particularly in terms of density, suggesting it is still at the emerging level of development compared to the region as a whole.

Insurance market rankings

In 2024, 12 insurance companies operated in Honduras. The market share of the top five insurers (CR5) represented 69.6% of total premiums, registering a 0.8 pp reduction in concentration versus 2023 (70.4%). Despite this, industry concentration levels have dropped slightly in recent years, albeit at values that indicate significant levels of concentration. This is confirmed by an analysis of the Herfindahl index, which has remained above the threshold for moderate concentration over the last fifteen years (see Chart 3.1.3-t).

Total ranking

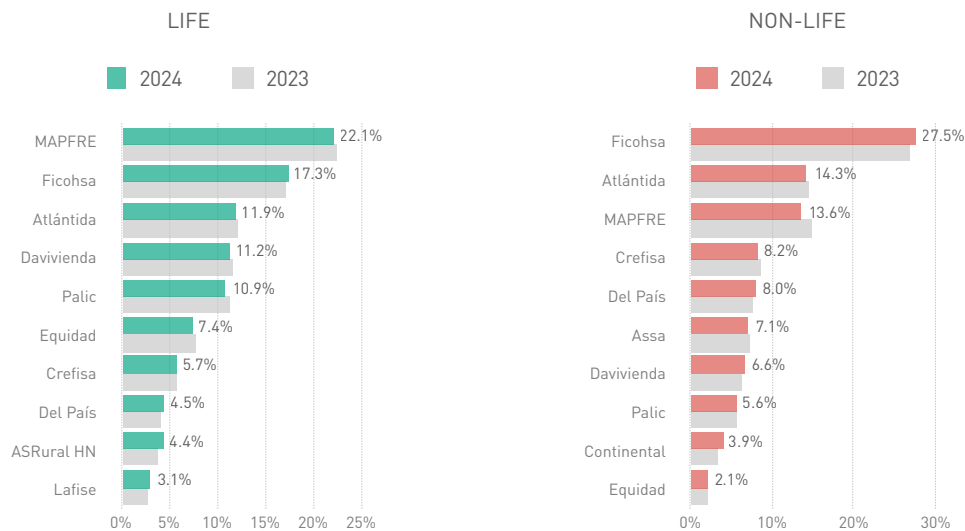
Chart 3.1.3-u presents the ranking of Honduran insurance groups in 2024, which reflects a market structure heavily concentrated in the top three places. Fichosa Seguros leads with 23.9% of the

market, followed by MAPFRE (16.6%) and Atlántida (13.5%). Together, these three companies represent more than 53% of the total market premiums, indicating a strong presence of consolidated leaders. Meanwhile, Palic overtook Crefisa in the 2024 ranking of Honduran insurers, placing fifth, with a 7.5% market share, versus Crefisa's 7.3%, although this change is due more to Crefisa's loss of market share than to significant growth by Palic, as the latter maintains the exact same share as in 2023. More stability is observed in the lower positions in the ranking, although there are interesting movements such as the growth of Del País, which gains half a point of market share (6.8%).

Life and Non-Life rankings

For the Non-Life ranking, like the previous year, Ficohsa Seguros again topped the table with a share of 27.5% (up 0.8 pp on the previous year). Atlántida came in next with 14.3%, followed by MAPFRE with 13.6% of the market. It should be noted that the remaining companies held the same positions as the year before (see Chart 3.1.3-v). Finally, in the Life ranking, MAPFRE held first place with 22.1% of total

Chart 3.1.3-v
Honduras: Life and Non-Life ranking
 (market shares, %)



Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

premiums, followed by Ficohsa Seguros with 17.3%. Atlántida, with 11.9% of the premiums in this market segment, places third. It is worth noting that the rest of the top five (Davivienda Seguros and Palic) also present small drops in market share, which suggests a moderate market redistribution. In the lower positions, the advances of ASRural and Lafise are notable. Both gained market share, while Equidad and Del País remained stable or had minimal changes (see Chart 3.1.3-v).

Key regulatory aspects

Three provisions stand out among the relevant regulatory adjustments for the 2024–2025 period in Honduras. First, Resolution GEE No.170/18-03-2024 amends the Regulation on Reinsurance Operations and the Registry of Foreign Reinsurers and Reinsurance Brokers, introducing updates to align the framework with current market conditions. This reform includes new due diligence requirements for reinsurance counterparties, the establishment of progressive reserves in cases of non-compliance with reporting obligations, and

updated requirements for the registration and renewal of representation offices and foreign branches.

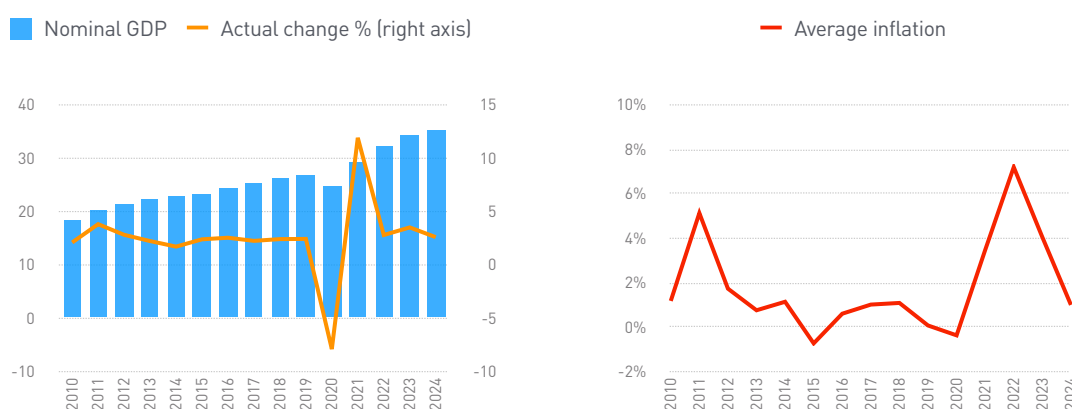
Second, Resolution GEE No. 831/13-12-2024 amends the Rules for Strengthening Financial Education, adapting them to the size and complexity of the supervised institutions. It requires the development of educational programs with methodologies tailored to each target audience, addressing topics such as decision-making, contracts, claims, and product-related risks. Finally, Resolution No. 129-3/2025 of the Central Bank of Honduras remains in effect, establishing minimum capital requirements at 90 million lempiras for Life and Non-Life insurers, 180 million lempiras for companies operating in both segments, and 240 million lempiras for reinsurers or bond reinsurers.

3.1.4 El Salvador

Macroeconomic environment

In 2024, El Salvador's economy grew by 3.0% in real terms, compared to 3.5% in

Chart 3.1.4-a
El Salvador: changes in economic growth and inflation
 (GDP in local currency, billions of USD; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

2023 (see Chart 3.1.4-a). Economic activity was driven by the expansion of public investment (in infrastructure such as road works, tourism, and digital projects) and the increase in family remittances, which boosted private consumption. Meanwhile, private investment and exports remained at levels similar to those of the previous year. All these factors together had a positive effect on the momentum of domestic demand for goods and services. Year-on-year inflation, which had stood at 4.0% in 2023, averaged 1.0% in 2024. This was driven by lower international prices for primary goods and by government measures to control inflation through fiscal policy, moderating current expenditure, reducing generalized subsidies (focusing them instead on transport and energy), improving tax collection through advances in digitalization, and securing more favorable financing conditions with IMF support to strengthen fiscal sustainability. It should be noted that, in 2023, the fiscal deficit represented approximately 1.3% of GDP, and declined further to 1.1% in 2024 due to more moderate growth in public-investment spending. As a result, total debt stood at around 40.0% of GDP.

ECLAC forecasts that El Salvador's economy will grow by 2.4% in 2025 (2.7% in 2026), driven by strong domestic demand and public spending, which would counterbalance the slowdown in the U.S. economy and, consequently, the dynamics of its exports. Meanwhile, MAPFRE Economics forecasts El Salvador's GDP growth at around 2.6% in 2025 and 2.4% in 2026.

Insurance market

Growth

As reflected in Table 3.1.4-a and Chart 3.1.4-b, in 2024, the premium volume of the Salvadoran insurance market grew 6.6% in nominal terms (5.6% in real terms), reaching 927.7 million dollars, higher figures than the year before in the Life line (9.7%) despite the lack of growth in the Non-Life line (-0.9%). Life insurance premiums accounted for 26.5% of the total market, down 1.9% in real terms in 2024 to 245.8 million dollars. In turn, Non-Life premiums increased 8.6% to 681.9 million dollars. The most significant insurance categories, Individual and Group life Insurance, grew 3.5% in nominal terms (2.5% in real terms), while pension and

Table 3.1.4
El Salvador: premium volume¹ by line, 2024

Line of business	Millions of USD	Growth	
		Nominal (%)	Real (%)
Total	927.7	6.6	5.6
Life	245.8	-0.9	-1.9
Individual and group	248.8	3.5	2.5
Social security and pensions	-2.9	-137.5	-137.1
Non-Life	681.9	9.7	8.6
Accident and illness	178.1	9.0	7.9
Fire and allied lines	177.5	5.8	4.8
Automobiles	145.7	8.8	7.7
Other lines	157.2	15.4	14.3
Credit and/or surety	23.4	13.7	12.6

Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

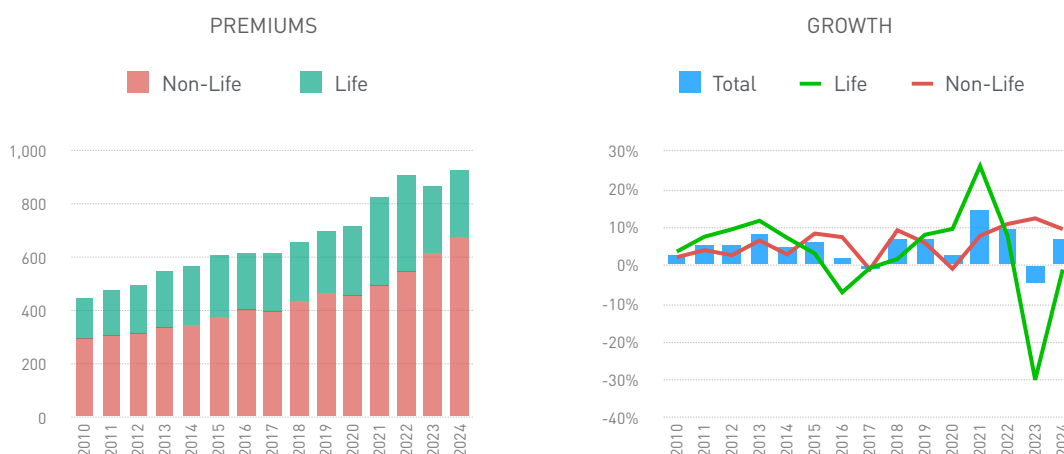
1/ Written premiums net of returns and cancellations

retirement insurance dropped 137.5%. This contraction adds to the drop recorded the previous year, following the pension-system reforms introduced at the end of 2022, which eliminated certain forms of coverage that had previously been mandatory for Pension Fund Administrators (AFP). Meanwhile, double-digit growth was recorded in the Non-Life segment in the Credit (13.7%) and Other Lines (15.4%)

segments; Accident and Health (9.0%), Fire and Allied Lines (5.8%), and Automobile (8.8%) grew more slowly in nominal terms.

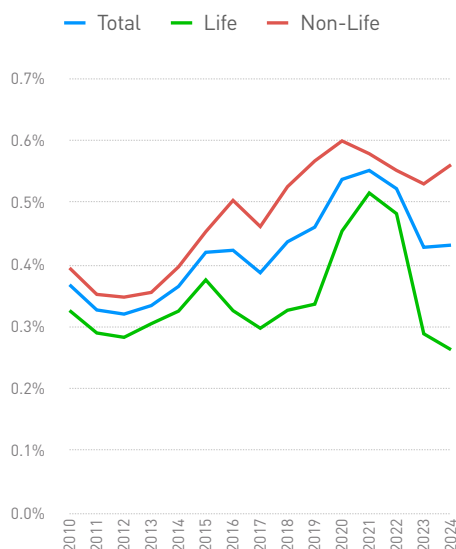
Over the last fourteen years, the evolution of El Salvador's share of total premiums—and of Life and Non-Life premiums separately—within the Latin American insurance market has generally been

Chart 3.1.4-b
El Salvador: growth developments in the insurance market
(premiums, millions of USD; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

Chart 3.1.4-c
El Salvador: share of insurance premiums
in Latin America
 (%)

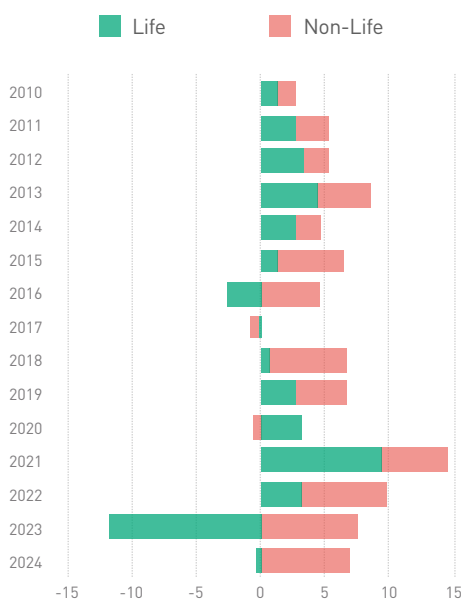


Source: MAPFRE Economics (based on data from the Superintendency of the Financial System and supervisory bodies in the region)

favorable, interrupted only by the contractions observed in 2017, 2022, 2023, and 2024. Thus, El Salvador's share of total premiums within Latin America increased from 0.37% in 2010 to 0.43% in 2024. However, the Life segment's share declined from 0.33% in 2010 to 0.26% in 2024, while the Non-Life segment's share rose from 0.39% to 0.56%, an increase of 0.17 percentage points over the period (see Chart 3.1.4-c).

In terms of contributions to the growth of the Salvadoran insurance industry, the Life insurance segment had a negative contribution of -0.3 pp to the growth observed in 2024 (6.6%), explained by the Pension line of business, as mentioned above. Thus, industry growth in 2024 was driven by Non-Life insurance, which contributed 6.9 percentage points, supported by the Accident and Health, Automobile, and Other Lines categories (see Chart 3.1.4-d).

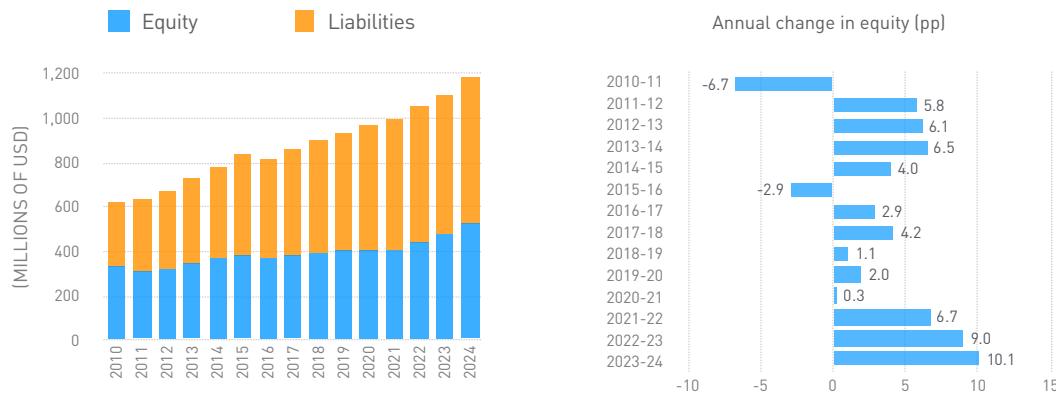
Chart 3.1.4-d
El Salvador: contribution to insurance market growth
 (percentage points, pp)



	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	2.8	1.3	1.5
2011	5.4	2.7	2.7
2012	5.2	3.4	1.8
2013	8.6	4.4	4.2
2014	4.7	2.8	1.9
2015	6.4	1.3	5.1
2016	2.0	-2.6	4.7
2017	-0.8	-0.2	-0.6
2018	6.7	0.6	6.1
2019	6.8	2.7	4.0
2020	2.8	3.3	-0.5
2021	14.5	9.4	5.1
2022	9.7	3.1	6.6
2023	-4.1	-11.7	7.6
2024	6.6	-0.3	6.9

Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

Chart 3.1.4-e
El Salvador: changes in the insurance industry's aggregate balance sheet
 (amounts in local currency; change in equity, percentage points)



Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

Balance sheet and shareholders' equity

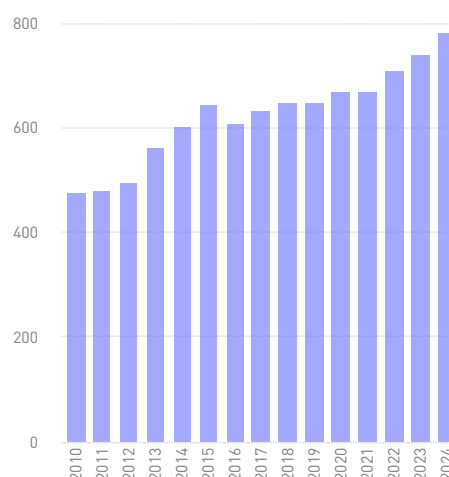
Chart 3.1.4-e presents changes in the aggregate balance of El Salvador's insurance industry in 2010–2024. According to this data, the industry's total assets amounted to 1.2 billion dollars in 2024, up 7.1% year over year. Aggregate capitalization levels measured over total assets are notable in a balance sheet analysis. This indicator has remained on average above 45.2% in the 2010–2024 period, reaching a peak of 52.3% in 2010, and decreasing slightly thereafter to 44.3% of total assets in 2024.

Investments

The evolution of investments in El Salvador's insurance market is shown in Chart 3.1.4-f, while Charts 3.1.4-g and 3.1.4-h illustrate the composition of the sector's aggregate investment portfolio during 2010–2024. This data shows that investments amounted to 779.6 million dollars in 2024 (5.3% higher than in 2023). As shown in Chart 3.1.4-h, 84.0% of investments in 2024 was concentrated in debt and equity instruments, 8.0% in cash, 3.3% in real estate, and the remaining 4.7% in other financial investments.

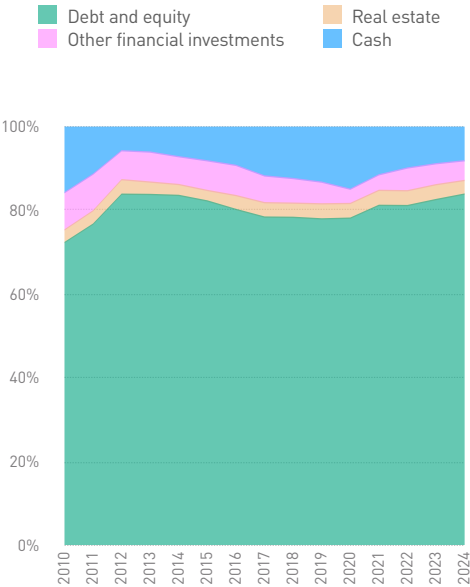
An analysis of the evolution of the industry investment structure over the 2010–2024 period shows a gradual strengthening of the relative weight of debt and equities, which together will reach 84.0% in 2024, compared to 72.5% in 2010. This increase has largely been achieved through a

Chart 3.1.4-f
El Salvador: insurance market investments
 (millions of USD)



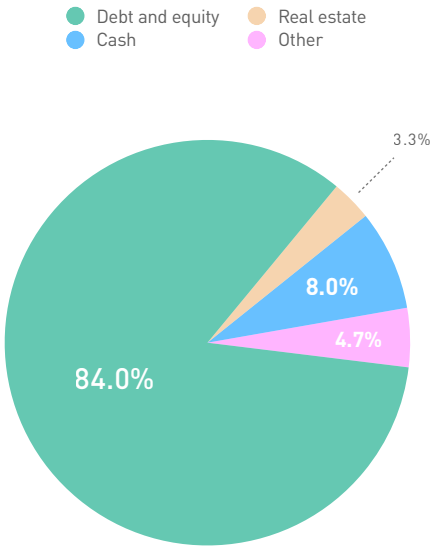
Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

Chart 3.1.4-g
El Salvador: structure of investments
(%)



Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

Chart 3.1.4-h
El Salvador: structure of investments, 2024
(%)



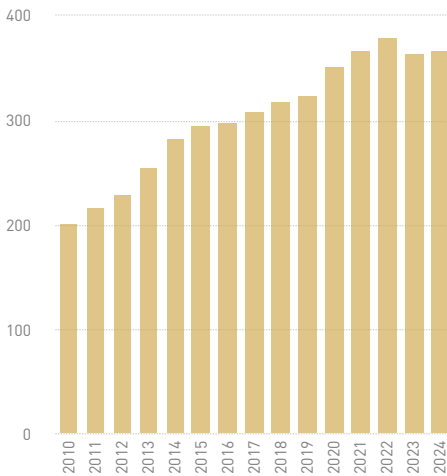
Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

sustained reduction in assets held as cash, which have fallen from 15.6% to 8.0% over the same period. This trend suggests a gradual shift from more liquid positions to assets with greater potential returns, especially in recent years. (Chart 3.1.4-g).

Technical provisions

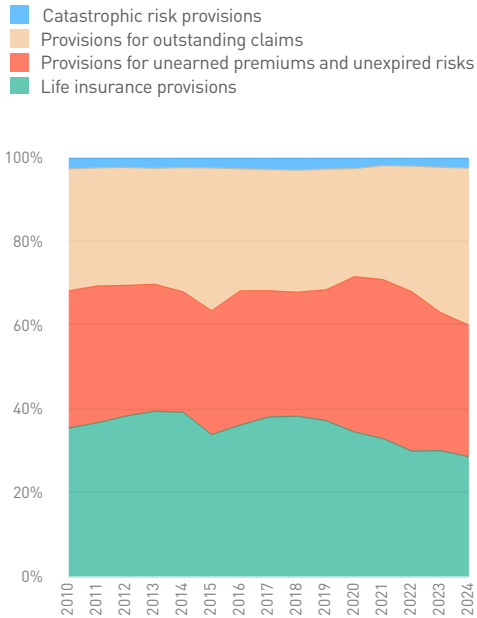
Meanwhile, Charts 3.1.4-i, 3.1.4-j, and 3.1.4-k present information on the performance and composition of technical provisions during the period being analyzed (2010–2024). Technical provisions stood at 367.8 million dollars in 2024, up 3.9 million from the previous year. That year, 28.8% of the total related to Life insurance technical provisions, 31.4% to provisions for unearned premiums and unexpired risks in Non-Life insurance, 37.5% to provisions for outstanding benefits, and the remaining 2.3% to provisions for catastrophic risks. Over the 2010–2024 period, there was a general sustained increase in the absolute

Chart 3.1.4-i
El Salvador: technical provisions
of the insurance market
(millions of USD)



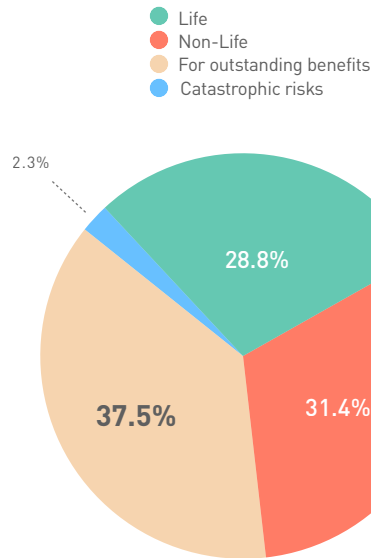
Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

Chart 3.1.4-j
El Salvador: structure of technical provisions (%)



Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

Chart 3.1.4-k
El Salvador: structure of technical provisions, 2024 (%)



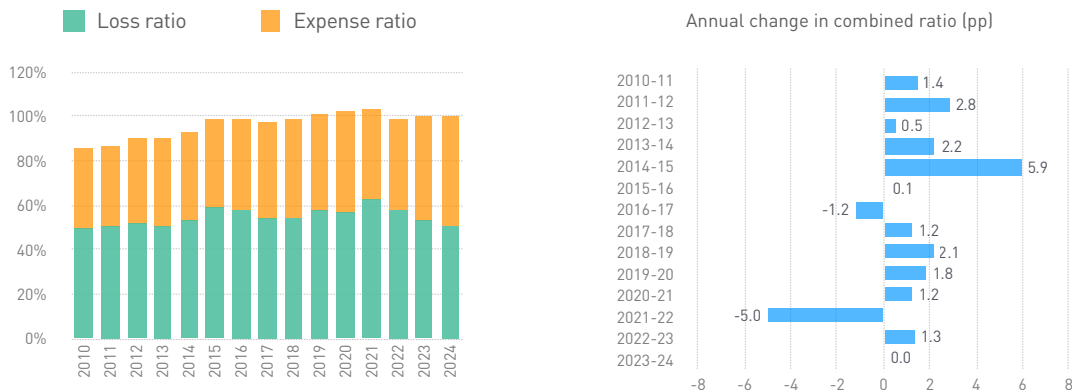
Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

values of all technical provisions, with the exception of Life provisions, which dropped slightly during the period analyzed.

Technical performance

Chart 3.1.4-l shows changes in the technical performance of the Salvadoran insurance

Chart 3.1.4-l
El Salvador: changes in market technical performance
(total combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

industry over the 2010–2024 period, based on an analysis of the market's total combined ratio. The indicator shows sustained growth since 2010, with a combined ratio of 85.9% that year, rising to 100.2% in 2024 and reaching its peak for this period in 2021 (103.9%). The behavior of the total combined ratio is mainly explained by the deterioration in the expense ratio over the last fourteen years, which rose from 36.2% of earned premiums in 2010 to 49.3% in 2024 (+13.1 pp impairment).

Results and profitability

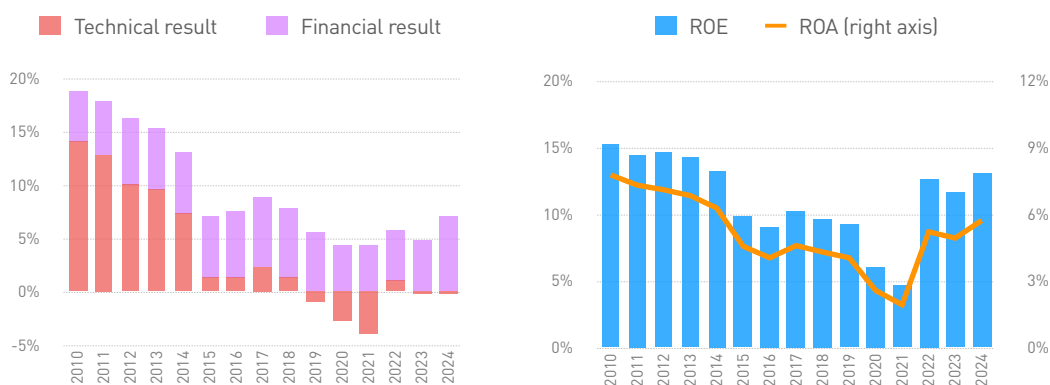
The pre-tax result of the Salvadoran insurance industry was 65.5 million dollars in 2024 (53.3 million in 2023). The negative technical result (-1.04 million dollars) was offset by a strong performance in financial income (41.5 million dollars). There has been a sustained downward trend in technical results since 2010, which has affected the profitability of the insurance industry in El Salvador. However, this negative trend has reversed in the last three years, mainly due to an improvement in technical results accompanied by strong financial results (see Chart 3.1.4-m).

In line with the above, the return on equity (ROE) shows a sustained downward trend since 2010, when it reached 15.3%, to its low point in 2021 at 4.6%. Since 2022, however, a recovery has been observed, standing at 13.1% in 2024, although still 2.2 pp below the 2010 level. A similar evolution is observed in the return on assets (ROA), which declined from 7.8% in 2010 to a minimum of 1.9% in 2021, before rebounding to 5.7% in 2024, remaining 2.1 pp below the 2010 figure.

Insurance penetration, density, and depth

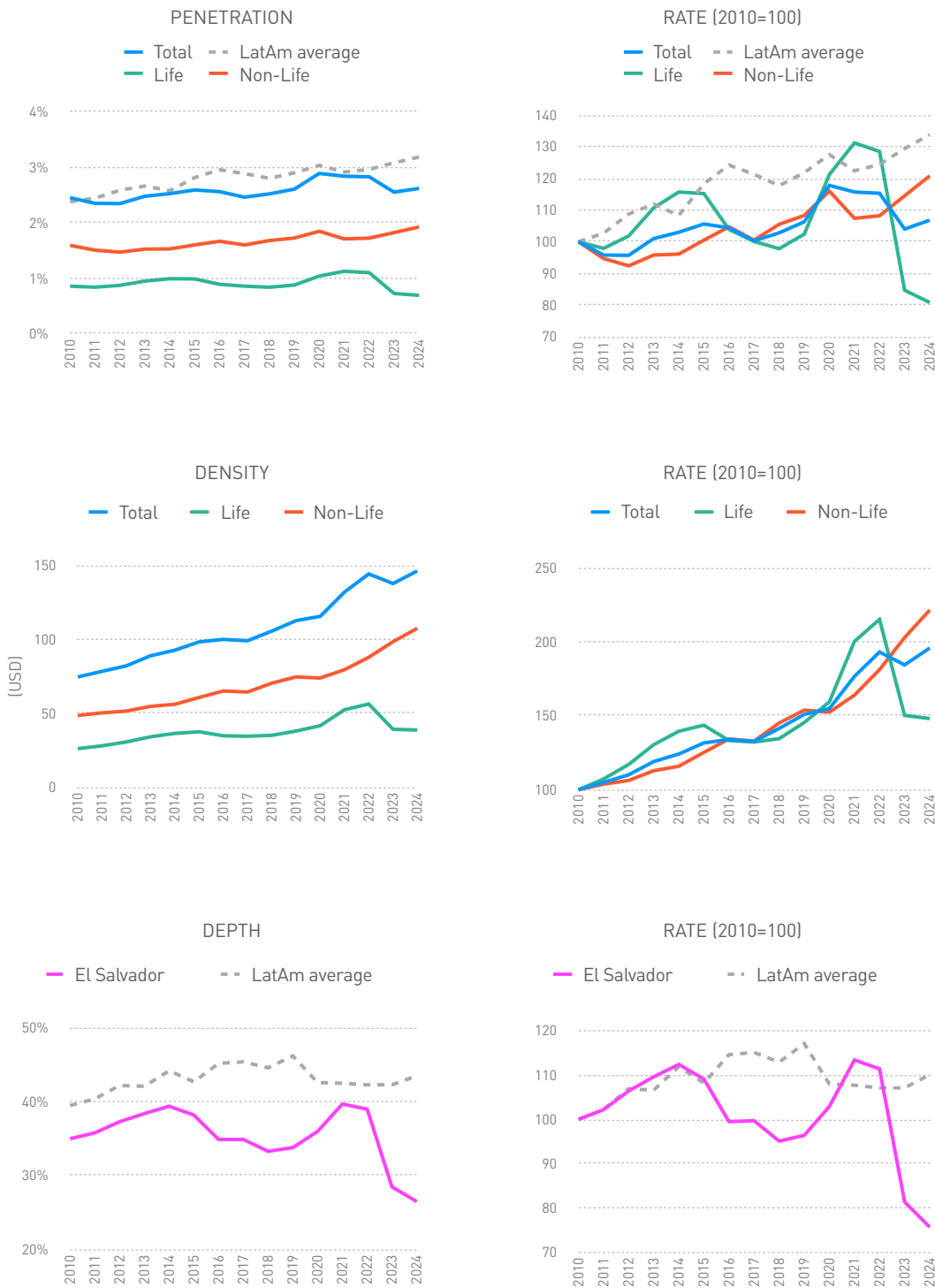
The main structural trends in the development of El Salvador's insurance sector during 2010–2024 are illustrated in Chart 3.1.4-n. The penetration rate (premiums/GDP) stood at 2.6% in 2024, nearly identical to the 2010 figure (2.5%). Thus, the penetration rate in the Salvadoran insurance market remained virtually unchanged over the period analyzed, primarily affected by the lack of growth in penetration in the Life segment. However, when compared with the average trend across Latin American markets, the indicator clearly diverges from 2012 onwards, with values below the regional average, which reached 3.2% in 2024.

Chart 3.1.4-m
El Salvador: changes in results and profitability
(technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

Chart 3.1.4-n
El Salvador: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, USD; Life insurance premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

Meanwhile, the density indicator (premiums per capita) stood at 146.4 dollars in 2024, up from the level reported the previous year (137.9 dollars). The density of the Salvadoran insurance market increased steadily over the period, recording cumulative growth of 95.9% between 2010 and 2024. Finally, depth in the Salvadoran market (measured as Life insurance premiums vs. total premiums) stood at 26.5% in 2024, up 2.0 pp over 2023 and 8.5 pp less than the figure achieved in 2010. Between 2016 and 2020, the indicator stagnated around 34.6%. It should also be noted that the absolute values of the indicator for the regional average (43.5% in 2024) have consistently remained above those of the Salvadoran insurance market. However, as noted earlier, the divergence with the regional average has widened—first from 2016 onward, and again from 2022.

Insurance Protection Gap estimate

Chart 3.1.4-o shows an updated estimate of the protection gap for the Salvadoran insurance market between 2010 and 2024. In 2024, the IPG stood at 1.9 billion dollars, representing 2.0 times the actual insurance market at the end of that year (the same ratio as the previous year). Meanwhile, the structure and performance of the IPG over

the period under analysis are largely attributable to the Life insurance segment. Life insurance accounted for 66.9% of the protection gap at the close of 2024 (1.2 billion dollars), similar to the share observed in 2023 and 2.2 pp less than in 2010. The remaining 33.1% of the IPG is attributable to the contribution of the Non-Life segment (614.4 million dollars). Accordingly, the potential insurance market in El Salvador at the close of 2024 (sum of the actual market plus the IPG) is estimated at 2.8 billion dollars, accounting for 3.0 times the total insurance market in El Salvador that year (see Chart 3.1.4-p).

Chart 3.1.4-q shows an estimate of the protection gap as a multiple of the actual insurance market over the course of the 2010–2024 period. According to this information, in the Life insurance segment, the IPG shows a general downward trend between 2011 and 2022, falling from 4.7 to 2.7 times, which reflects a gradual closing of the gap. However, this trend reverses sharply in the last two years of the period: in 2023, the multiple jumps to 4.7 times, and in 2024, it reaches 5.0 times, the highest value in the entire series, indicating a significant widening of the gap in this segment. In contrast, the Non-Life segment shows a downward trend. Thus, for most of the

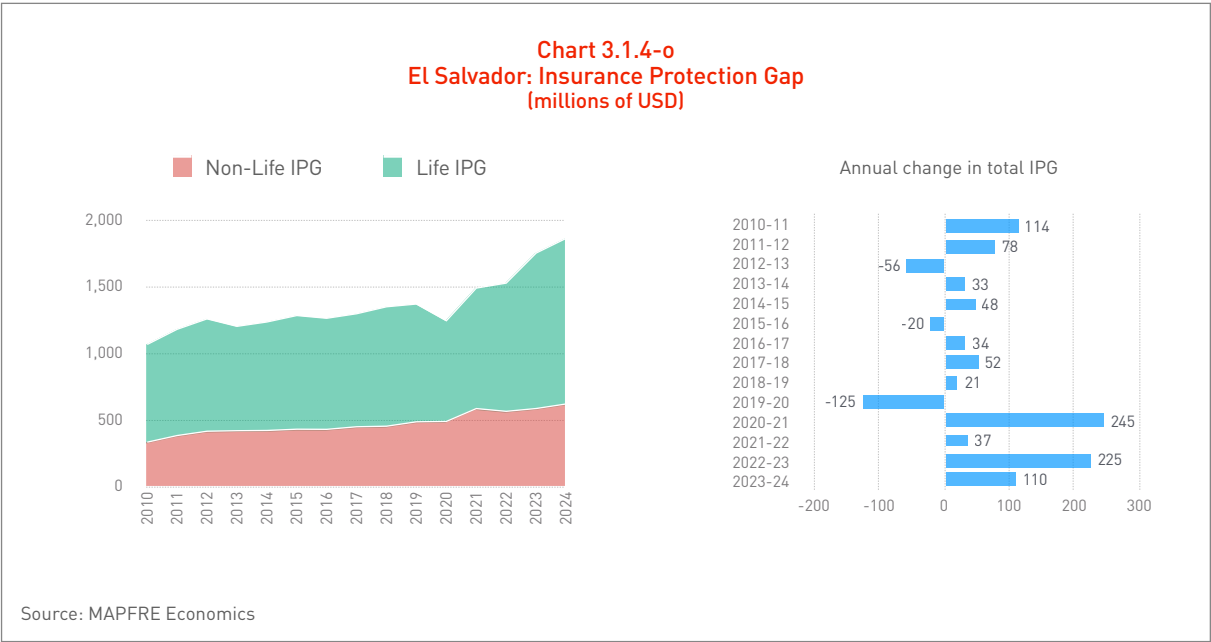
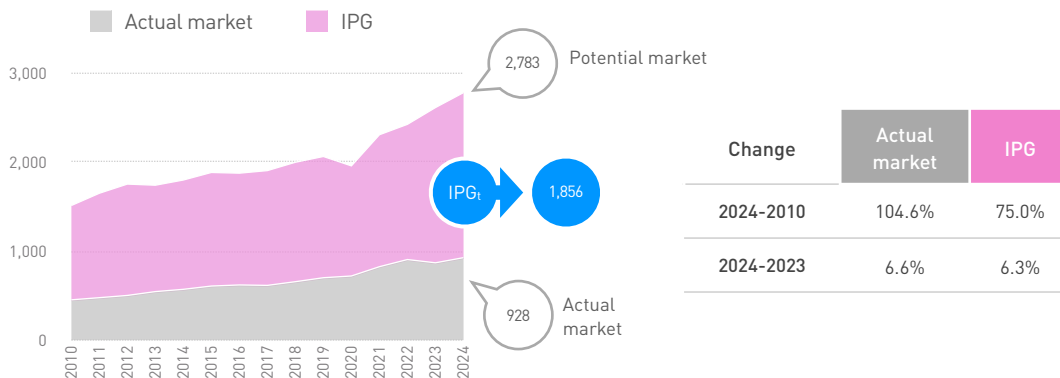


Chart 3.1.4-p
El Salvador: Insurance Protection Gap and potential market
 (millions of USD)

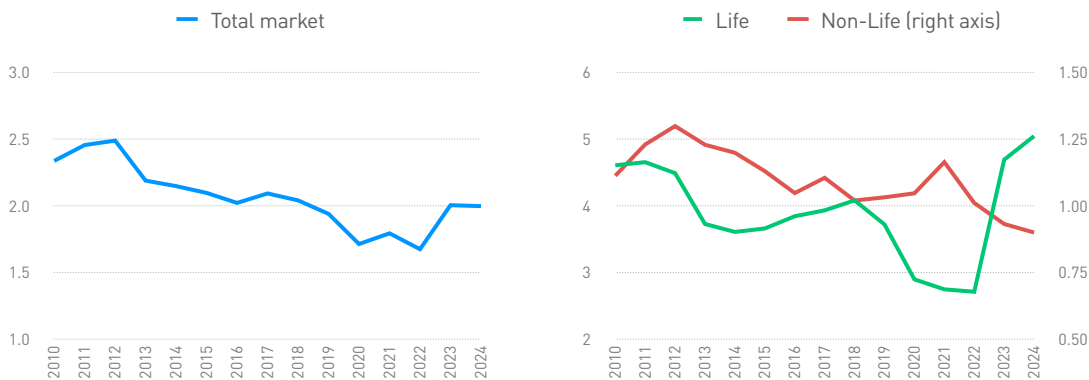


Source: MAPFRE Economics

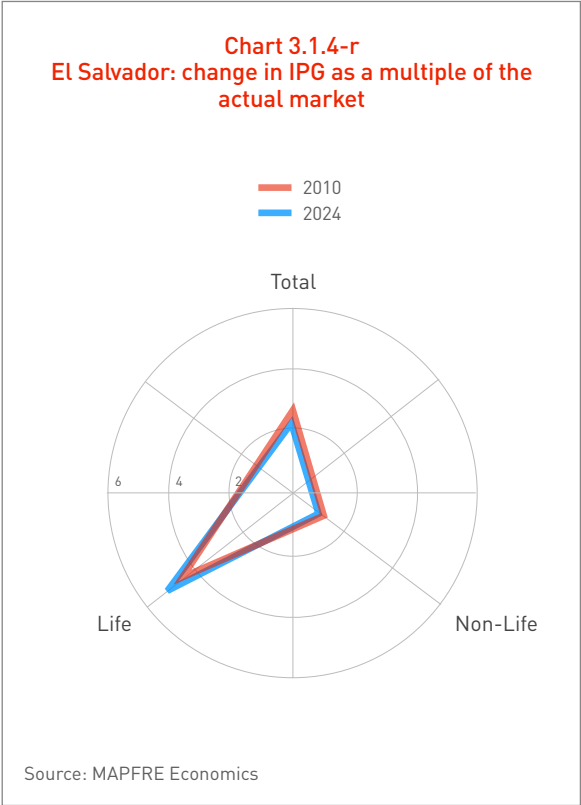
period, the multiple remains around 1.0 or 1.1 times, with a slight drop in the last two years, standing at 0.93 times in 2023 and 0.90 times in 2024. Chart 3.1.4-r schematically confirms the changes in the IPG as a multiple of the real market of the Life and Non-Life segments, and total Salvadoran insurance market, comparing the situation in 2024 with that of 2010. Over this period, the gap closed slightly in the Non-Life segment, but expanded in the Life segment.

Finally, Chart 3.1.4-s provides an updated assessment of the capacity of the Salvadoran insurance market to close the protection gap, by means of a comparative analysis between the growth rates observed over the last decade and the growth rates that would be needed to close the 2024 gap over the coming ten years. The Salvadoran insurance market grew at an average annual rate of 5.0% between 2014 and 2024; the Life segment saw average annual growth of 0.9%, while the Non-Life segment reported annual growth of 7.0%. If the same growth dynamics observed over the past decade

Chart 3.1.4-q
El Salvador: IPG as a multiple of the actual market
 (number of times the size of the actual insurance market)



Source: MAPFRE Economics



were to persist through the next, the growth rate of the Salvadoran insurance market would be insufficient to close the insurance protection gap only in the Life segment, where the shortfall would amount to 18.8 pp. It is also noteworthy that the

shortfall in this area grew by 1.5 percentage points compared to the previous year.

Market Development Index (MDI)

Chart 3.1.4-t shows the updated Market Development Index (MDI) for the insurance market in El Salvador. This indicator is used in this report as a measure of the maturity and dynamism of the insurance sector. For the Salvadoran insurance market, the MDI shows a generally positive trend between 2005 and 2022. However, there is a sharp decline in 2023, which increases the divergence from the Latin American insurance market average. This greater divergence can be largely explained by the widening gap in the Life insurance sector, which has once again exerted negative pressure on the overall performance of the Salvadoran market.

Comparative analysis of structural coefficients

Finally, the position of the Salvadoran insurance market when compared with the average for Latin America in terms of the four structural indicators analyzed previously is illustrated in Chart 3.1.4-u. This

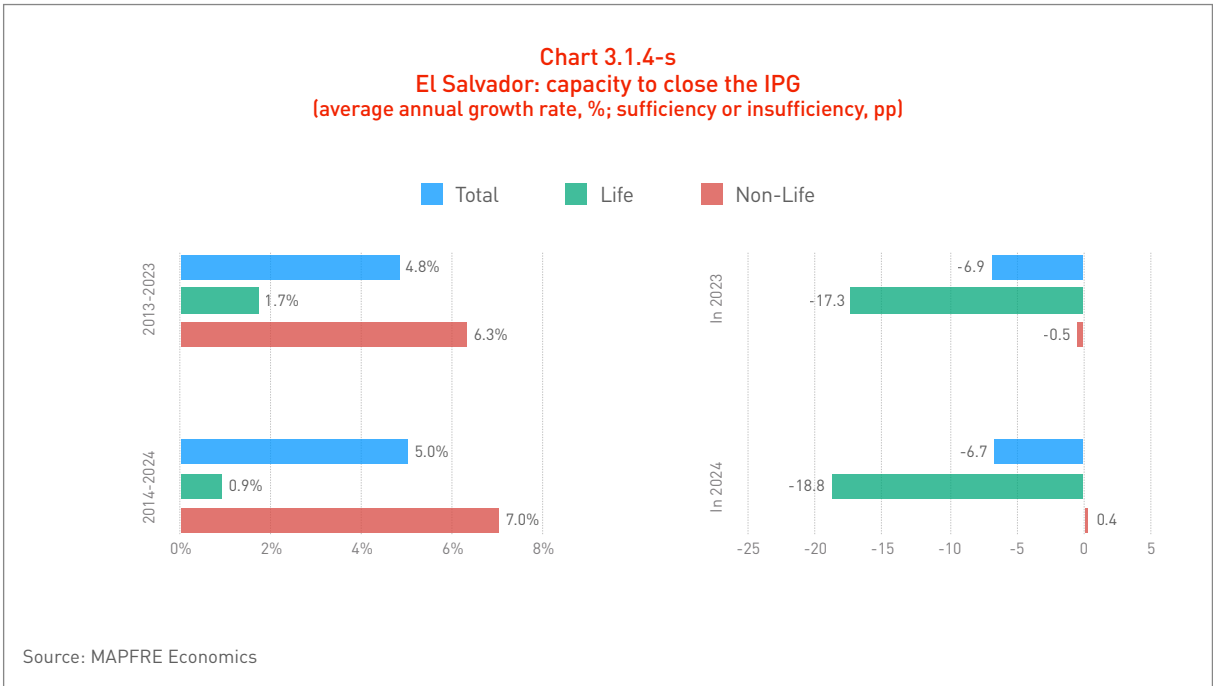
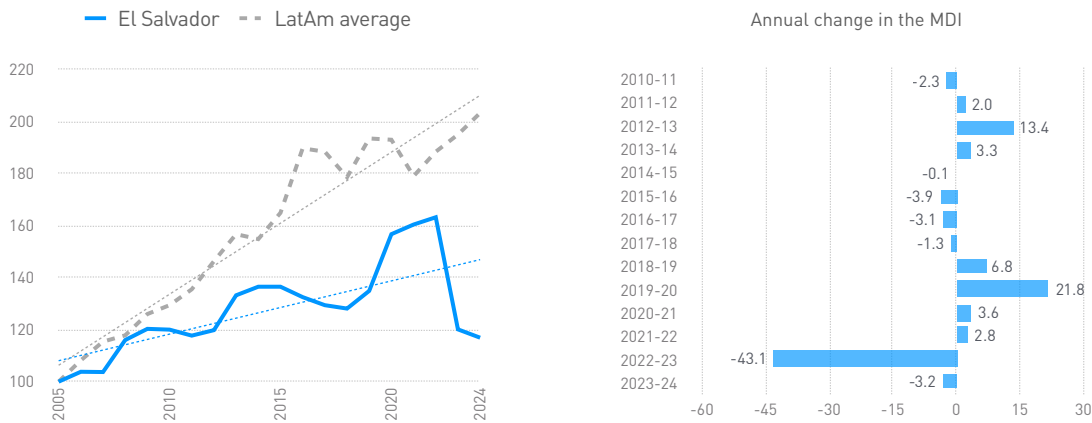


Chart 3.1.4-t
El Salvador: Market Development Index (MDI)
 (2005 index=100; annual change)

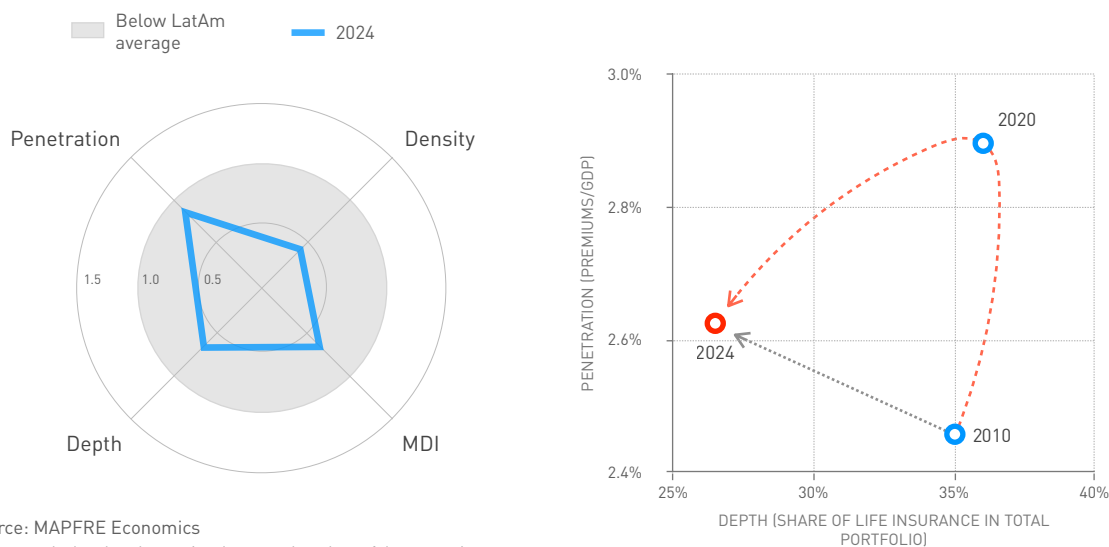


Source: MAPFRE Economics

information reveals that the current position of the insurance market in El Salvador is below the average for all indicators in Latin America, especially density. This confirms the still-emerging level of development of this market, compared to the insurance markets in the region as a whole. Similarly,

the dispersion analysis shows that market development has been marked by a certain degree of imbalance throughout the 2010–2024 period, characterized by a slight increase in penetration (quantitative dimension), but with setbacks in terms of depth (qualitative dimension).

Chart 3.1.4-u
El Salvador: comparative structural coefficient index* vs. average for Latin America (2024) and medium-term changes in the insurance market (2010–2024)



Source: MAPFRE Economics

* Indexes calculated as the quotient between the values of the country's structural coefficient and the average values of the coefficient concerned for the Latin American market as a whole. The unit represents a performance equivalent to the region's average.

Insurance market rankings

In 2024, 23 insurance companies operated in the Salvadoran insurance market, the same as the year before. The Herfindahl and CR5 indexes show that concentration levels in the Salvadoran market are similar to those 15 years ago. The market share of the top five insurers (CR5) in 2024 represented 60.6% of total premiums, a slight decrease in concentration compared to 2023 (66.3%). Meanwhile, as stated in our previous report, the Herfindahl index has remained practically in line with the theoretical threshold consistent with moderate levels of concentration in the insurance industry, remaining slightly below such threshold in 2024 (see Chart 3.1.4-v).

Total ranking

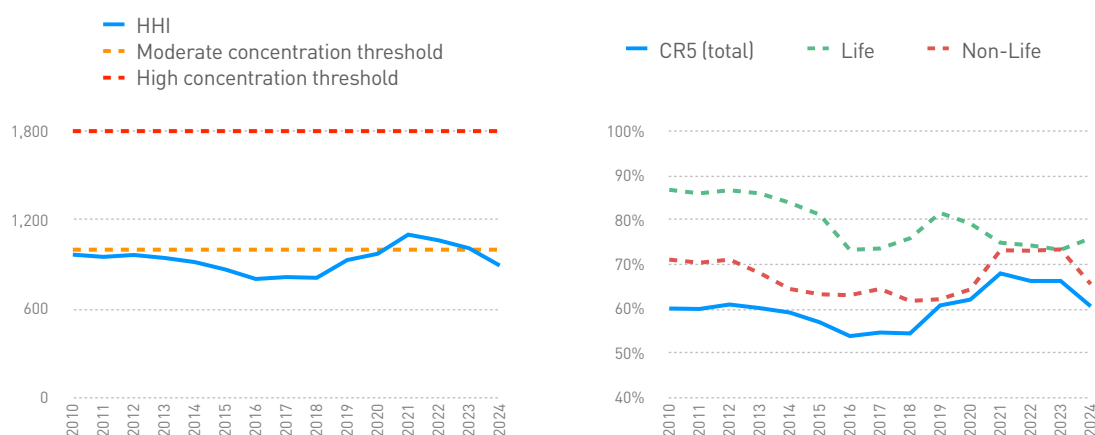
With respect to the total ranking of insurance groups in 2024 (Chart 3.1.4-w), Sisa holds first place, with a market share of 23.4% (up 0.1 pp). Asesuisa comes in second, with a market share of 17.4% (up 0.5 pp), and MAPFRE remains in third, with a market share of 13.8% (up 0.7 pp on the

previous year]. The entry of Quálitas, with 2.2% of the market in 2024, is notable.

Life and Non-Life rankings

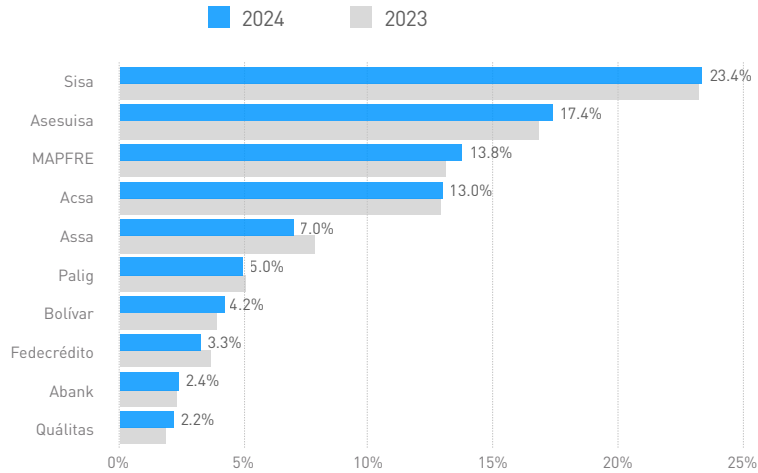
The top three places in the ranking of Non-Life insurance groups in the Salvadoran market are held by Sisa (with 18.7% of premiums in this segment), followed by Asesuisa (17.8%), which overtook Acsa, now in third place with a 16.8% market share. MAPFRE remains in fourth place with a 16.7% market share. At the bottom of the Non-Life ranking is Bolívar, in eighth place, with Abank closing the ranking in tenth place with a market share of 2.3% (see Chart 3.1.4-x). In the Life insurance segment, Sisa maintains its top position with a 36.4% market share, up 2.7 percentage points from the previous year. Asesuisa and Bolívar retain second and third places, although Asesuisa experiences a slight drop in its share (16.0% compared to 16.3% in 2023), while Bolívar improves slightly (8.5% vs. 8.2%). Among the most notable movements, Palig rises one place to fourth, with half a percentage point growth in market share. Conversely, Fedecrédito drops to fifth place, losing

Chart 3.1.4-v
El Salvador: insurance industry concentration
(Herfindahl index; CR5 index, %)



Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

Chart 3.1.4-w
El Salvador: overall ranking
 (market shares, %)



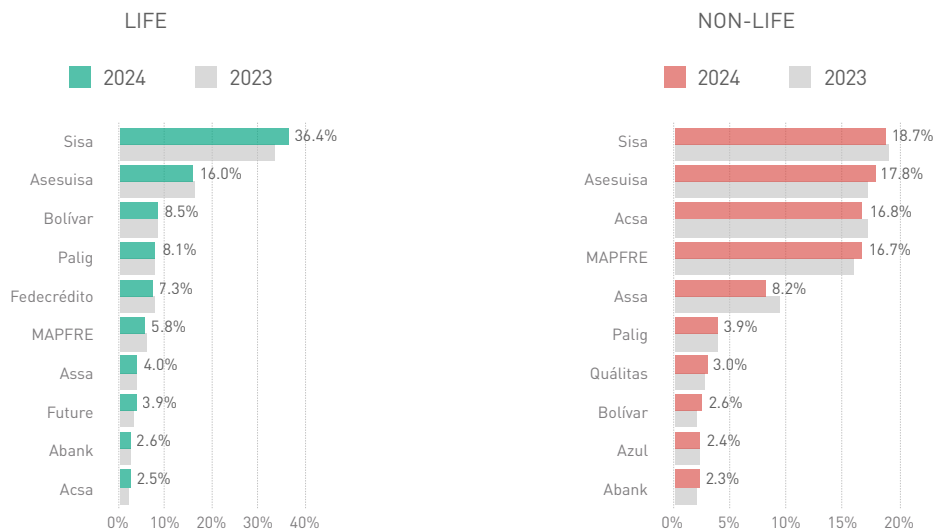
Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

market share (7.3% vs. 7.9%). MAPFRE remains in sixth place, with a slight reduction in its share (5.8% vs. 6.0%). Assa holds onto seventh place, while Futuro, Abank and Acsa climb one place each, reflecting moderate growth in their market shares.

Key regulatory aspects

In 2024, the Standards Committee of the Central Reserve Bank of El Salvador conducted a comprehensive review of the regulatory framework applicable to insurance companies, in order to update and

Chart 3.1.4-x
El Salvador: Life and Non-Life ranking
 (market shares, %)



Source: MAPFRE Economics (based on data from the Superintendency of the Financial System)

clarify existing provisions in laws such as the Insurance Companies Act and the Financial System Supervision and Regulation Act. This revision led to the approval of a set of technical standards that, for the most part, update previous regulations, incorporating new requirements, terms, and procedures to improve their understanding and practical application.

The main changes include the Technical Standard for Calculating the Minimum Equity of Insurance Companies (NRP-52), intended to facilitate the application of legal provisions relating to this calculation by establishing a uniform system for reporting to the Financial System Superintendency. This regulation was updated in the context of the enactment of the Special Municipal Restructuring Act. The Technical Standard on Stock Transfers in Insurance Companies (NRP-54) was also revised, expanding the documentation requirements for individuals and legal entities interested in acquiring more than 1% of an insurer's capital stock, including specific provisions for foreign entities, especially those from Central America.

The Technical Standard for the Authorization of Incorporation and Commencement of Operations of Insurance Companies (NRP-56) now includes the requirement for a business plan as part of the incorporation requirements, in addition to updating the regulatory deadlines applicable to the process. In terms of investments, the Technical Standard for Investment Diversification Control (NRP-57) introduces changes in the submission of information on loans and discounts, in order to ensure the correct application of regulatory limits. In addition, Technical Standard for the Filing of Insurance Policy Forms (NRP-66) was amended to update its legal basis and name, bringing it into line with current financial sector legislation.

Meanwhile, Technical Standard NRP-67 for the Registration of Companies that

Mass Market Insurance Policies now includes the requirement for an agreement between the marketer and the insurance company, detailing the responsibilities of both parties. The Technical Standard for the Disposal and Acquisition of Assets by Insurance Companies (NRP-68) establishes specific requirements for transactions with related parties, including managers, directors, shareholders, and affiliated companies, and introduces articles on penalties, transitional provisions, and repeals.

In the accounting field, the Technical Standard for the Submission and Collection of Information for the Statistical Accounting System of Insurance Companies (NRP-70) details the processes for sending, validating, and submitting financial information to the Statistical Accounting System of Insurance Companies (SCOE), to ensure consistent, timely, and high-quality data. Additionally, Technical Standard NRP-77 on Granting Credit to Related Parties was revised to include definitions of degrees of kinship, as well as an article requiring insurers to submit information on their directors and managers to the Superintendency. Moreover, the Technical Standard for the Amendment of the Corporate Bylaws of Insurance Companies (NRP-78) sets out the procedures for requesting authorization to amend corporate bylaws—including mergers—and allows the required documentation to be submitted through the electronic channels enabled by the Superintendency.

The Technical Standard for Determining Top-Tier Foreign Financial Institutions (NRP-80) defines the criteria for classifying a foreign institution as top-tier or investment grade, and regulates its registration on the Superintendency's official list. In accounting matters, the Technical Standard for the Recognition and Accounting of Loan Fees (NCF-04) was updated, incorporating new terms and articles on penalties and transitional provisions. Finally, the Technical Standard

for the Liquidation or Conservation of Extraordinary Assets (NCF-05) introduces procedures such as the publication of public auctions, the submission of minutes and reports to the Superintendency, and the obligation to report on such auctions.

3.1.5 Nicaragua

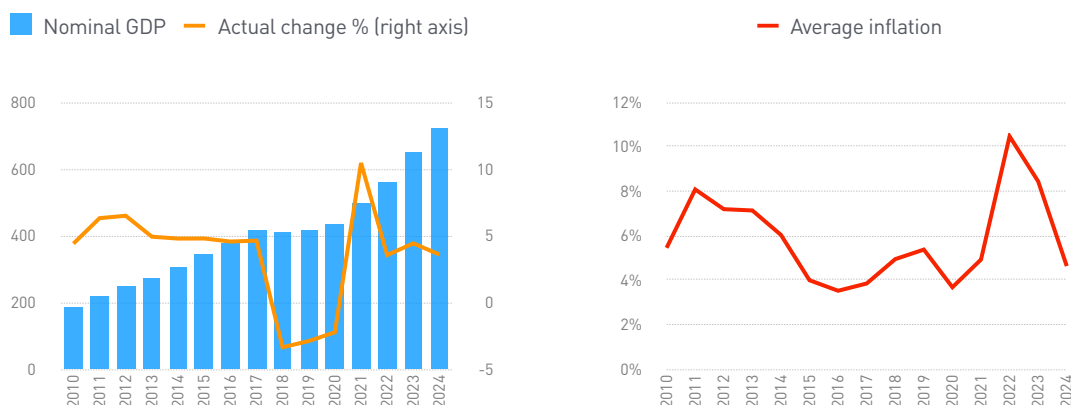
Macroeconomic environment

The Nicaraguan economy grew 3.6% in real terms in 2024, approximately one percentage point (pp) less than the year before (see Chart 3.1.5-a). This growth was fueled by increased domestic demand, driven by the expansion of private consumption (3.0%) and gross capital formation (5.1%); both of the latter were stimulated by the expansion of private credit and increased remittances. These factors partially offset the slowdown in exports (2.0%), especially of agricultural and assembly-plant products. By sector, strong performance was recorded in both industrial activities (4.0%) and services (3.8%), offsetting the slower growth in the primary sector (2.0%), which was limited by weather factors that mainly affected coffee and grain crops. In the external sector, family remittances continued to be the main driver

of the current account surplus, which stood at 4.2% of GDP, compared to a surplus of 7.7% in 2024. This dynamic places Nicaragua's economy in a favorable foreign position, although it remains vulnerable to the persistent trade-balance deficit and the continued strength of external remittances. In terms of fiscal policy, this led to a new surplus in 2024 (2.1% compared to 2.6% the previous year) and an improvement in the debt-to-GDP ratio, down to 47.1% from 49.6% in 2023. Year-on-year inflation slowed in 2024 (4.6%), in contrast to 8.4% the previous year, while the unemployment rate for 2023 stood at around 2%.

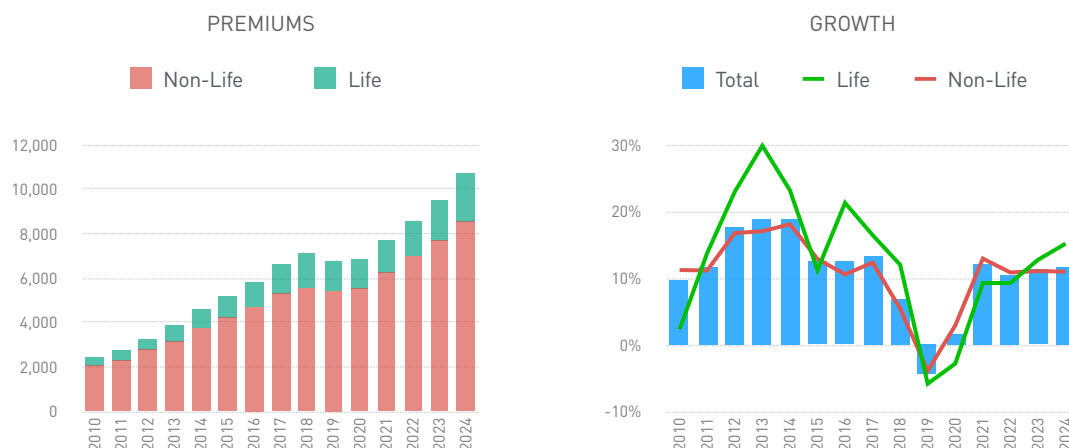
ECLAC estimates that Nicaragua's economy will grow by around 3.1% in 2025 (3.4% in 2026), supported by growth in private consumption and investment, which would offset the poorer performance of exports, mainly affected by the slowdown in the U.S. economy. Meanwhile, MAPFRE Economics expects the Nicaraguan GDP to grow around 3.2% in 2025 and 3.1% in 2026.

Chart 3.1.5-a
Nicaragua: changes in economic growth and inflation
(GDP in local currency, billions of córdobas; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

Chart 3.1.5-b
Nicaragua: growth developments in the insurance market
 (premiums, millions of córdobas; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

Insurance market

Growth

Premium volume in the Nicaraguan insurance market amounted to 10.7 billion córdobas (289.5 million dollars) in 2024, reflecting nominal growth of 11.8% and real growth of

6.9% year over year (see Chart 3.1.5-b). Table 3.1.5 shows that in 2024, the Nicaraguan insurance market improved in nominal terms compared to the previous year in all lines and insurance types, with the exception of Third-Party Liability (-0.6% YoY). In real terms, in addition to Third-Party Liability (down 5.0%), the Fire

Table 3.1.5
Nicaragua: premium volume¹ by line, 2024

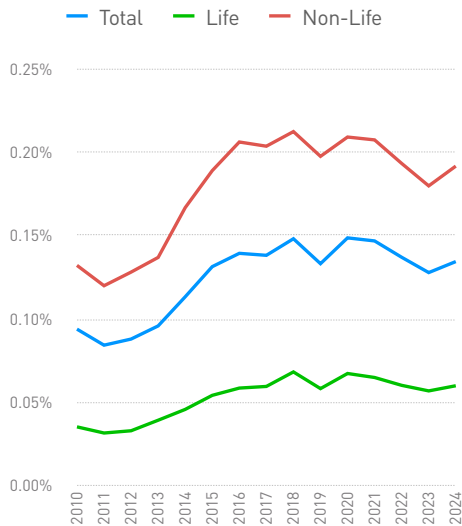
Line of business	Millions of córdobas	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	10,657.3	289.5	11.8	6.9
Life	2,064.5	56.1	15.2	10.1
Non-Life	8,592.8	233.4	11.0	6.1
Automobiles	2,108.4	57.3	27.1	21.5
Fire and allied lines	2,596.3	70.5	1.7	-2.8
Compulsory ²	1,562.0	42.4	12.9	7.9
Other lines	978.7	26.6	13.2	8.2
Health	548.7	14.9	3.4	-1.2
Personal Accident	185.3	5.0	2.0	-2.5
Credit and/or surety	177.0	4.8	12.9	7.9
Transport	200.8	5.5	15.0	9.9
Third-party liability	235.5	6.4	-0.6	-5.0

Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

1/ Net written premiums

2/ Includes compulsory automobile insurance

Chart 3.1.5-c
Nicaragua: share of insurance premiums in Latin America (%)

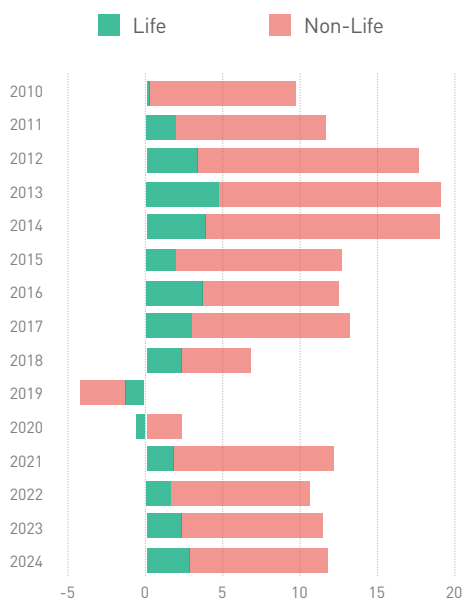


Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions and supervisory bodies in the region)

(-2.8%), Health (-1.2%), and Personal Accident (-2.5%) lines did not exceed the previous year's levels. From the market segment standpoint, the Life business represented 19.4% of the total, up 15.2%, reaching 2.1 billion córdobas (56.1 million dollars). Meanwhile, Non-Life premiums grew by 11.0% to 8.6 billion córdobas (233.4 million dollars). With regard to the three most important categories: Automobiles performed excellently (with 27.1% nominal growth), as did Transportation, Other Lines, and Credit and/or Surety, which grew by 15.0%, 13.2%, and 12.9%, respectively.

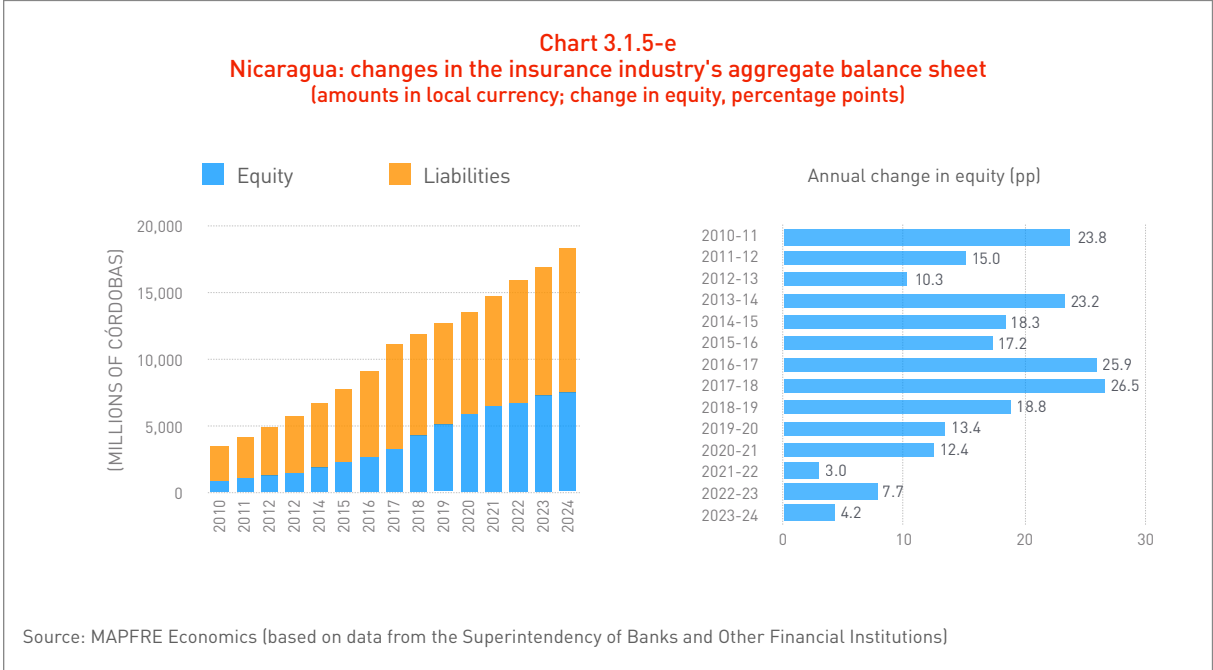
The share of total premiums—and of the Life and Non-Life segments—of the Nicaraguan insurance market relative to the Latin American total has increased over the past fourteen years by 0.04 pp for the market as a whole, 0.02 pp for Life, and 0.06 pp for Non-Life (see Chart 3.1.5-c). The Non-Life line has a greater share (0.19% in 2024) over Latin America as a whole than the Life line,

Chart 3.1.5-d
Nicaragua: contribution to insurance market growth (percentage points, pp)



	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	9.9	0.4	9.5
2011	11.6	2.0	9.5
2012	17.7	3.5	14.3
2013	19.1	4.7	14.4
2014	19.0	4.0	15.0
2015	12.6	2.0	10.6
2016	12.5	3.8	8.7
2017	13.2	3.1	10.0
2018	6.8	2.4	4.4
2019	-4.2	-1.2	-3.1
2020	1.8	-0.6	2.4
2021	12.3	1.8	10.5
2022	10.6	1.8	8.9
2023	11.4	2.4	9.1
2024	11.8	2.9	9.0

Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)



which stands at 0.06%. Thus, the proportion of Nicaraguan premiums in the total for Latin America rose from 0.09% in 2010 to 0.13% in 2024.

ratio increased progressively over the 2010–2024 period, reaching 41.5% of total assets by the end of 2024.

However, in terms of contribution to growth, of the 11.8% recorded by the Nicaraguan insurance market in 2024, the Life insurance segment contributes positively with 2.9 pp. This shows that most of the growth in 2024 was due to the 9.0 pp contributed by the Non-Life insurance segment (see Chart 3.1.5-d). Even so, it should be noted that, except for 2019 and 2020, both segments have contributed positively to the growth of the insurance industry in the country

Balance sheet and shareholders' equity

Chart 3.1.5-e presents changes in the Nicaraguan insurance industry's aggregate balance sheet between 2010 and 2024. In this regard, total assets amounted to 18.4 billion córdobas (500.0 million dollars) in 2024, while equity reached 7.6 billion córdobas (4.2% more than in 2023). It should be noted that, in 2010, the aggregate capitalization level of the Nicaraguan insurance industry, relative to total assets, stood at 27.9%. This

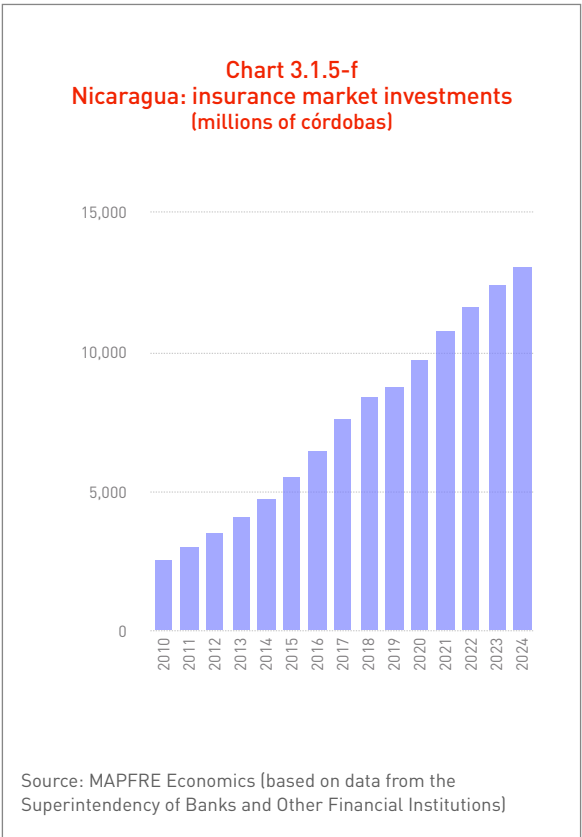
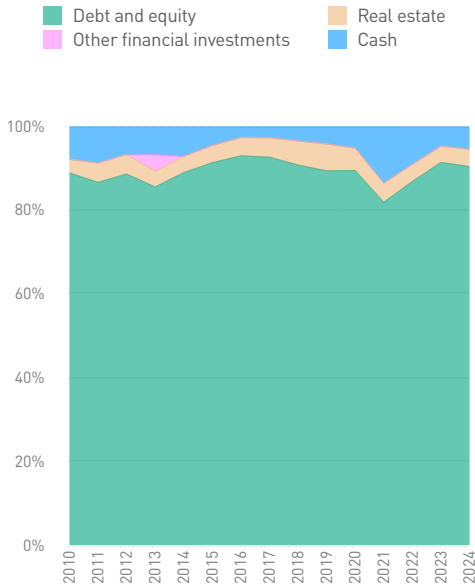
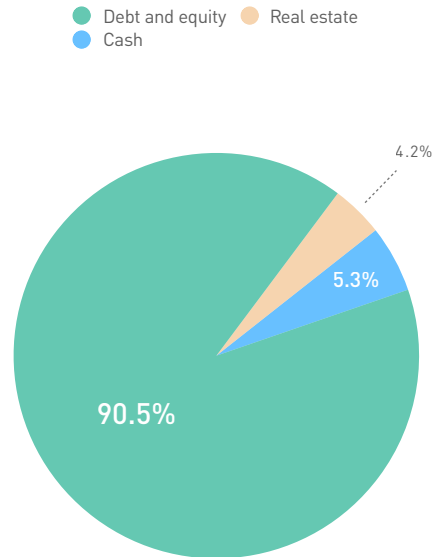


Chart 3.1.5-g
Nicaragua: structure of investments
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

Chart 3.1.5-h
Nicaragua: structure of investments, 2024
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

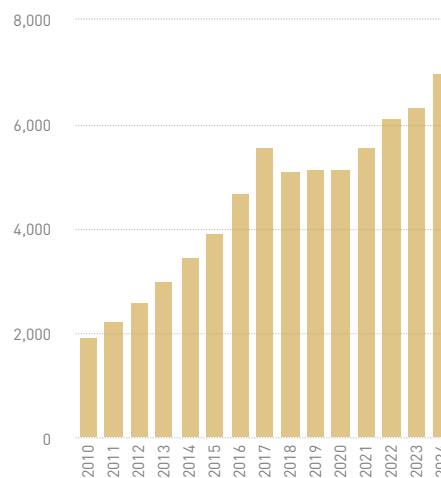
Investments

Meanwhile, Chart 3.1.5-f shows the evolution of investments of the Nicaraguan insurance industry, while Charts 3.1.5-g and 3.1.5-h show the composition of the aggregate portfolio by sector over the course of the 2010–2024 period. According to this data, investment in 2024 totaled 13.0 billion córdobas (354.0 million dollars), with 90.5% concentrated in debt and equity instruments, 5.3% in cash, and the remaining 4.2% in real estate investments. The composition of insurance market investments over the last fourteen years generally shows the dominance of investments in debt and equity instruments.

Technical provisions

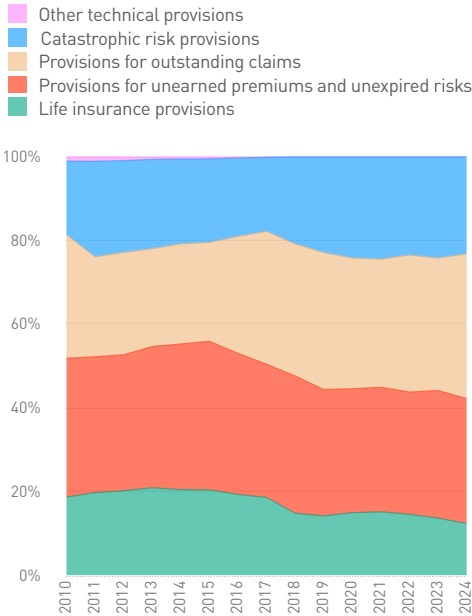
The performance and relative composition of the Nicaraguan insurance industry's technical provisions over the period analyzed are shown in Charts 3.1.5-i, 3.1.5-j,

Chart 3.1.5-i
Nicaragua: technical provisions of the insurance market
(millions of córdobas)



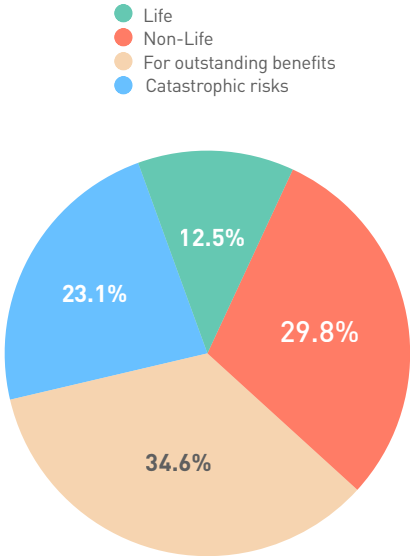
Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

Chart 3.1.5-j
Nicaragua: structure of
technical provisions
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

Chart 3.1.5-k
Nicaragua: structure of
technical provisions, 2024.
(%)

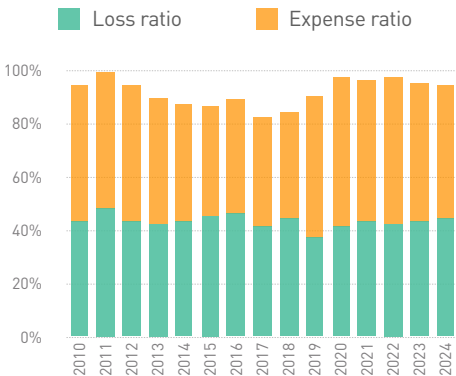


Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

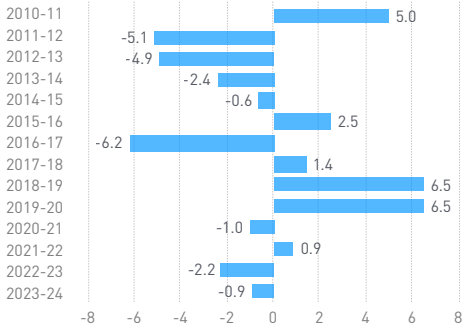
and 3.1.5-k. In 2024, technical provisions amounted to 7.0 billion córdobas (189.3 million dollars). Of this total, 12.5% related to Life insurance technical provisions, 29.8% to provisions for unearned

premiums and unexpired risks in Non-Life insurance, 34.6% to provisions for outstanding benefits, and the remaining 23.1% to provisions for catastrophic risks. It should be noted that, throughout the 2010–

Chart 3.1.5-l
Nicaragua: changes in market technical performance
(total combined ratio, %; annual change in combined ratio, percentage points)

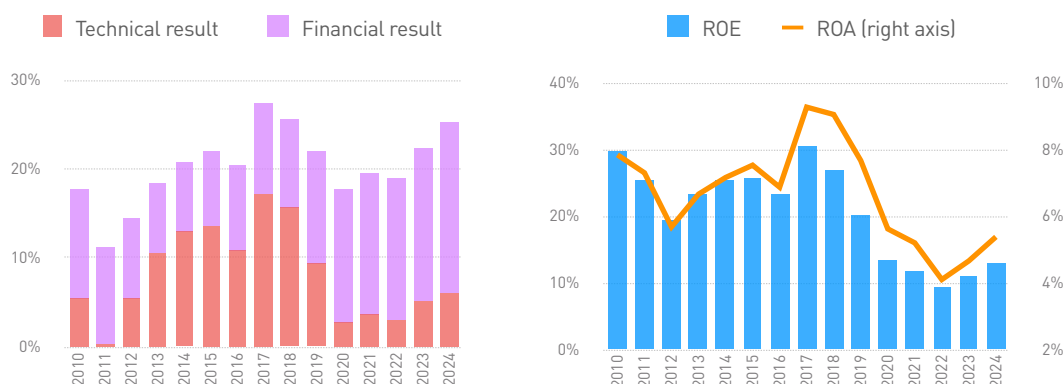


Annual change in combined ratio (pp)



Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

Chart 3.1.5-m
Nicaragua: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

2024 period, technical provisions in the Life insurance segment decreased progressively from 18.8% to 12.5%. Meanwhile, those corresponding to the Non-Life insurance segment also fell, ranging between 33.1% and 29.8%. Provisions for benefits increased significantly, from 29.6% to 34.6%, reflecting a greater weight of direct commitments to policyholders. Meanwhile, provisions for catastrophic risks grew steadily, from 17.5% to 23.1%, suggesting greater attention to extreme events.

Technical performance

Chart 3.1.5-l presents the technical performance of the Nicaraguan insurance industry, based on the evolution of the total combined ratio over the 2010–2024 period. As this information shows, the combined ratio indicates that the sector's technical performance improved by 0.9 pp in 2024, standing at 94.0%, mainly because the expense ratio (49.9%) fell more (-1.6 pp) than the growth in the loss ratio (which rose by +0.7 pp) to stand at 44.1%.

Results and profitability

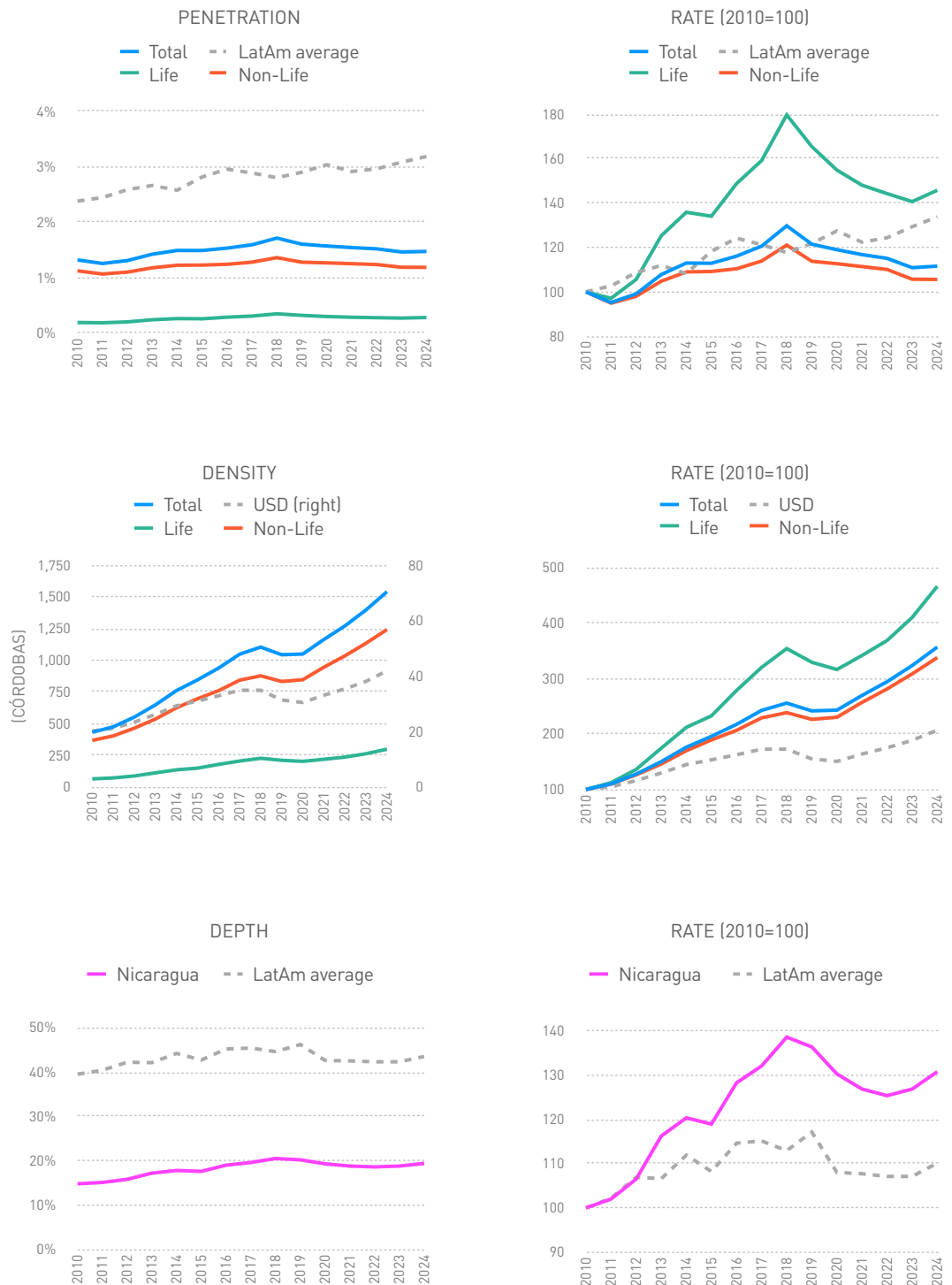
The net result of the Nicaraguan insurance business amounted to 952.4 million

córdobas (25.9 million dollars) in 2024, up 24.2% from the previous year, sustained by the improved technical result (+26.6% YoY) and financial result (+20.4% YoY). In terms of profitability, return on equity (ROE) stood at 12.7% in 2024, down 1.9 pp from 2023. Return on assets (ROA) performed similarly, reaching 5.4% in 2024, up 0.7 pp on the previous year (see Chart 3.1.5-m). Generally speaking, the Nicaraguan insurance sector has performed positively and consistently, with an average return of around 20.4% over the last fourteen years, despite falling below this figure in the 2020–2024 period, thereby increasing the standard deviation of the data. The technical and financial results relative to net earned premiums grew by 0.9 pp and 2.1 pp, respectively, compared with the previous year, reaching 6.0% and 19.2%.

Insurance penetration, density, and depth

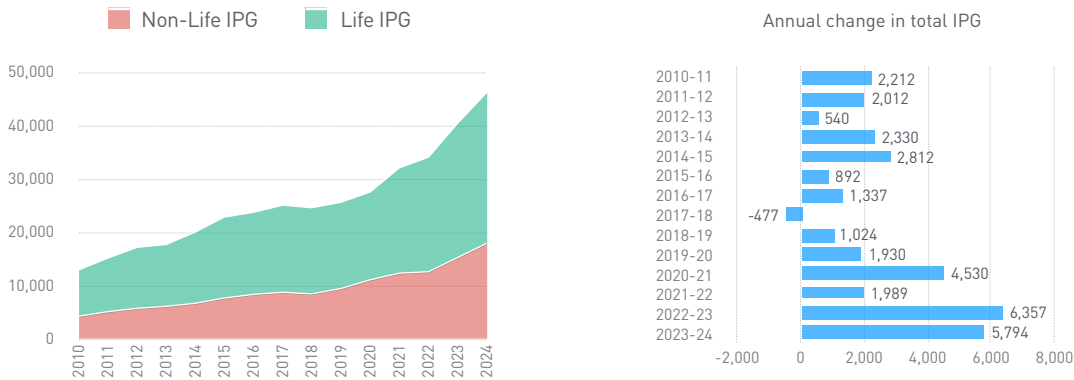
Meanwhile, Chart 3.1.5-n shows the main structural trends in the development of the Nicaraguan insurance industry over the 2010–2024 period. The penetration rate (premiums/GDP) between 2010 and 2024 remained virtually stable, with slight growth from 1.3% to 1.5% of GDP, well below the Latin American average, which rose from

Chart 3.1.5-n
Nicaragua: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, córdobas and USD; Life premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

Chart 3.1.5-o
Nicaragua: Insurance Protection Gap
 (millions of córdobas)



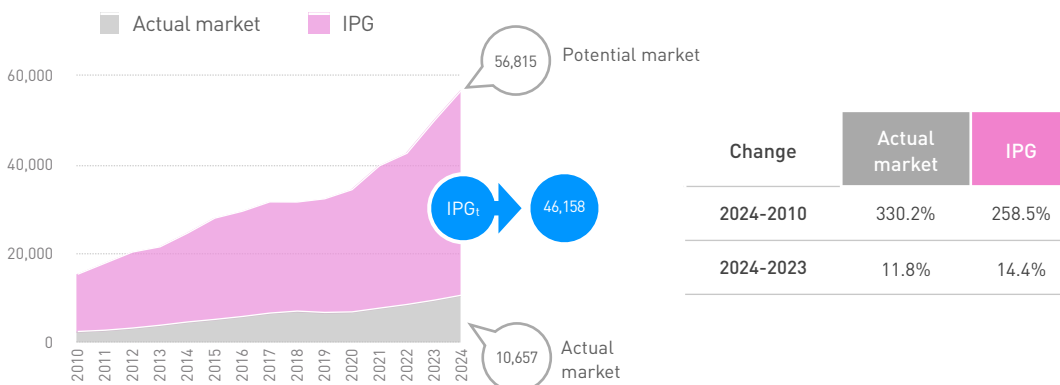
Source: MAPFRE Economics

2.4% to 3.2% over the same period. Thus, insurance penetration in the Nicaraguan market grew 11.6% between 2010 and 2024, with a sharper increase in the Life segment (45.8%) compared with 5.6% in Non-Life. However, a slowdown has been evident since 2019, while the Latin American average rose 33.8%, surpassing Nicaragua as early as 2011 and showing a more sustained trajectory.

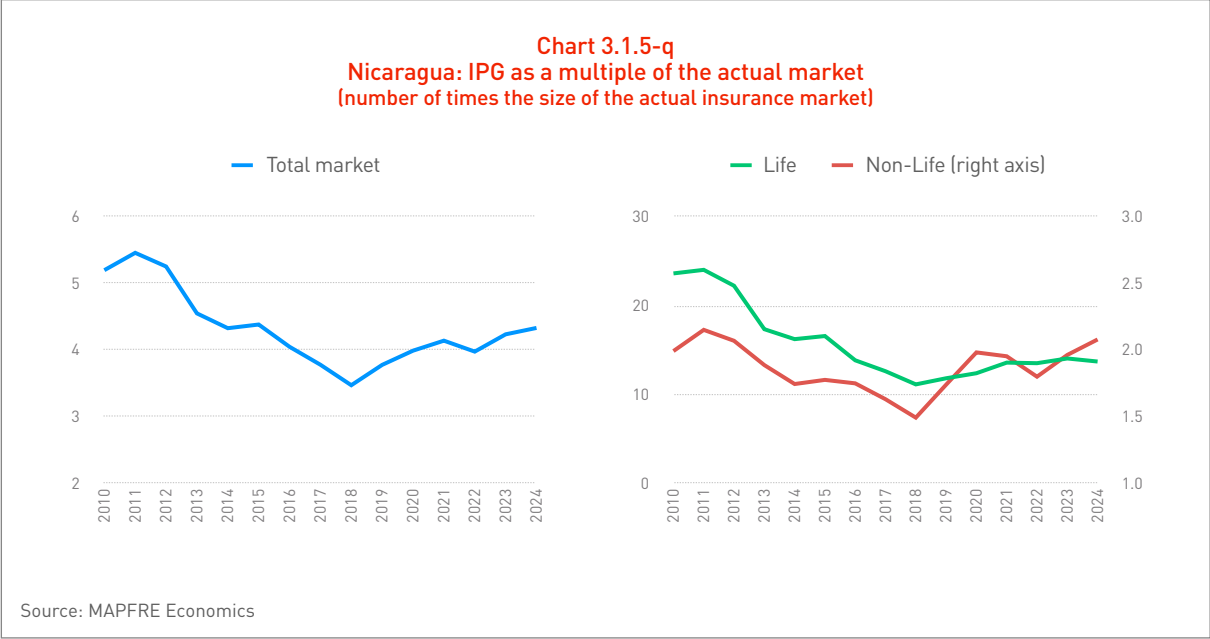
Insurance density in Nicaragua (premiums per capita) stood at 1.54 córdobas

(41.9 dollars), up 10.3% with respect to the previous year (1.4 córdobas). As opposed to penetration, the density indicator (measured in local currency) shows an upward trend, except in 2019, with a cumulative increase of 256.8% over the 2010–2024 period. The Life line presented greater momentum, with 4.7 times growth since 2010. Finally, the depth (Life insurance premiums to total premiums) of the Nicaraguan insurance market in 2024 came to 19.4%, up 4.5 pp over the level reported in 2010 and, in general, maintaining the overall trend

Chart 3.1.5-p
Nicaragua: Insurance Protection Gap and potential market
 (millions of córdobas)



Source: MAPFRE Economics



across Latin American markets of -24.9% on average. In absolute levels, depth is still far below the regional average (43.5% in Latin America for 2024).

Insurance Protection Gap estimate

Chart 3.1.5-o shows an estimate of the IPG for the Nicaraguan insurance market between 2014 and 2024. According to these figures, the protection gap in 2024 stood at 46.16 billion córdobas (1.25 billion dollars), representing 4.3 times the current insurance market at the end of that year. Meanwhile, the structure and performance of the IPG over the period under analysis are largely attributable to the Life insurance segment, similar to most Latin American markets. As such, Life insurance accounted for 61.3% (62.4% in 2023) of the protection gap at the close of 2024 (28.3 billion córdobas), 6.1 pp below the share for this segment in 2010. The remaining 38.7% of the protection gap can be explained by the contribution of the Non-Life insurance segment (17.9 billion córdobas). As reflected in Chart 3.1.5-p, the potential insurance market in Nicaragua at the close of 2024 (the sum of the actual market plus the IPG) was estimated at 56.8 billion córdobas (1.5 billion dollars), 5.3 times the size of the total insurance market that year.

Chart 3.1.5-q shows an estimate of the IPG as a multiple of the actual market in Nicaragua. The IPG as a multiple shows a sustained downward trend throughout the 2010–2018 period, after which it begins an upward trend, which is more moderate in the Life insurance segment than in the Non-Life segment. Between 2010 and 2024, the

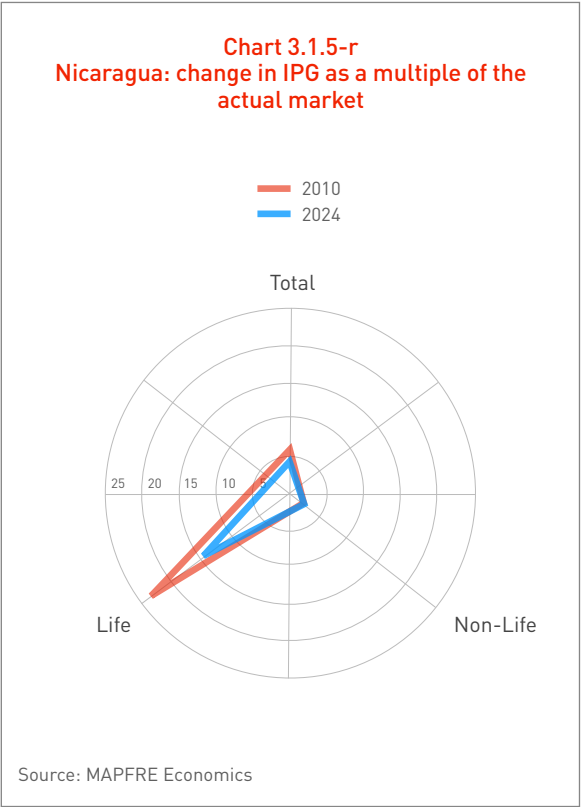
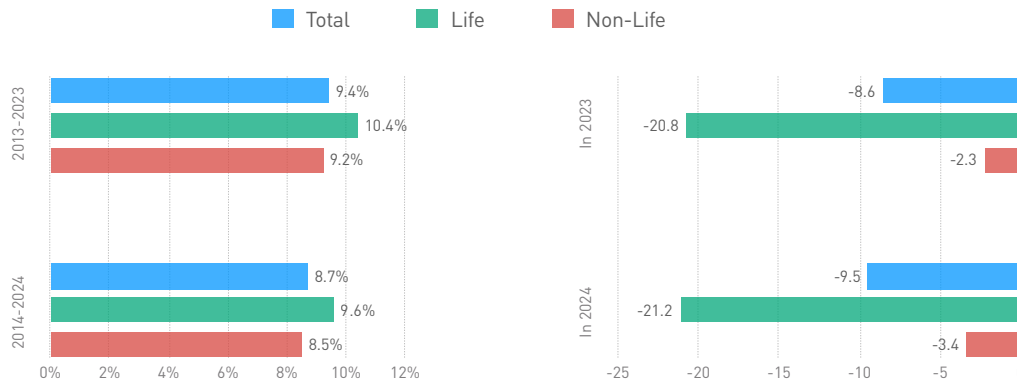


Chart 3.1.5-s
Nicaragua: capacity to close the IPG
 (average annual growth rate, %; sufficiency or insufficiency, pp)

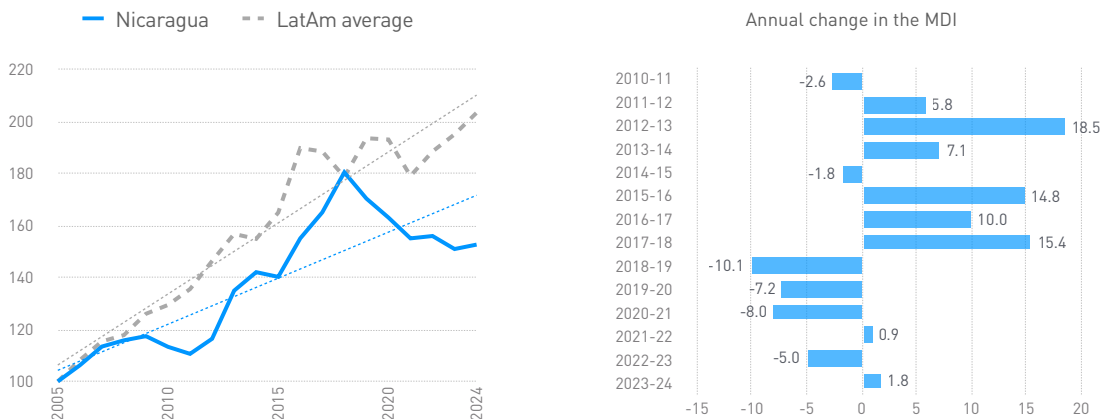


Source: MAPFRE Economics

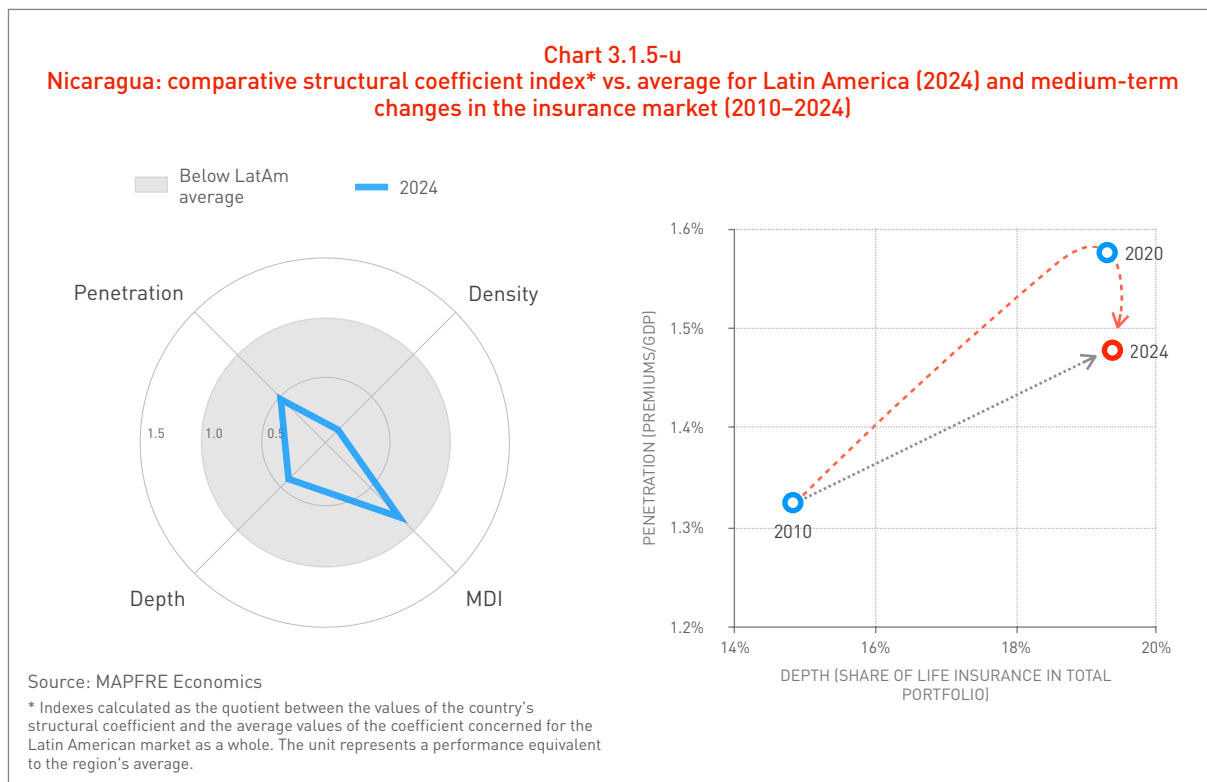
multiple for the Life insurance segment fell from 23.6 to 13.7 times, while for Non-Life insurance it stood at an average of 1.9 times (rising from 2.0 to 2.1 times during that period). This evolution is summarized in Chart 3.1.5-r, comparing the situation in 2024 with that in 2010. This analysis shows that the protection gap in the Nicaraguan market is improving mainly in the Life insurance sector, while there has been virtually no change in the Non-Life insurance segment.

Lastly, Chart 3.1.5-s shows a summary of the Nicaraguan insurance market's capacity to close the IPG, based on a comparative analysis between the growth rates observed over the last ten years and the growth rates that would be required to close the gap determined in 2024 over the next decade. According to this analysis, the Nicaraguan insurance market grew at an average annual rate of 8.7%, underpinned by an average annual growth rate of 9.6% in the Life insurance segment and average annual

Chart 3.1.5-t
Nicaragua: Market Development Index (MDI)
 (2005 index=100; annual change)



Source: MAPFRE Economics



growth rate of 8.5% in the Non-Life insurance segment. This shows that, were the same growth rate seen over the last decade to continue over the next decade, the growth rate of the Nicaraguan insurance market would prove insufficient by 9.5 pp to achieve the objective indicated. Specifically in relation to the Life segment, the observed growth rate would fall short by 21.2 pp, and by 3.4 pp for the Non-Life segment. It should be noted that, compared to fiscal year 2023, the deterioration in the Nicaraguan insurance market's capacity to cover the IPG has increased by 0.9 pp (0.4 pp in the Life segment and 1.1 pp in the Non-Life segment).

Market Development Index (MDI)

Chart 3.1.5-t provides an estimation of the Market Development Index (MDI) for the Nicaraguan insurance industry. The MDI, which is used as an indicator of general patterns shaping the performance and maturity of the insurance market, shows a positive trend over the 2005–2024 period. However, since 2018, its performance has deteriorated, causing it to diverge

significantly from the Latin American average. In fact, except for 2022 and 2024, the MDI has been declining since 2018.

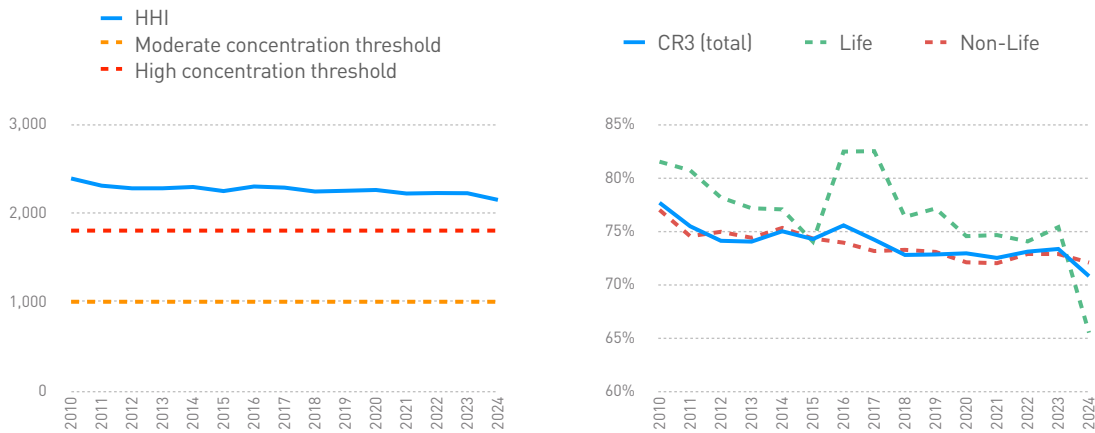
Comparative analysis of structural coefficients

Lastly, Chart 3.1.5-u summarizes the Nicaraguan insurance market's situation in comparison with the average for Latin America, measured in terms of the various structural indicators previously analyzed. According to this information, the Nicaraguan insurance market falls short of the Latin American average, especially in terms of density and penetration, although the market development index is closer to the region's average.

Insurance market rankings

The Nicaraguan insurance industry maintained its structure in 2024 with only five insurers operating in the market. As a result, over the last fourteen years, there has been only a slight decline in the trend in market concentration levels (see Chart 3.1.5-v). Over the entire 2010–2024 period,

Chart 3.1.5-v
Nicaragua: insurance industry concentration
 (Herfindahl index; CR3 index, %)



Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

the Herfindahl index has remained above the theoretical threshold indicative of high levels of concentration. The same occurs upon analysis of the CR3 (market share of the top three companies) for the Nicaraguan market, whose industry concentration levels dropped slightly over the period analyzed, especially in the Life insurance segment, albeit while remaining significantly high.

Total ranking

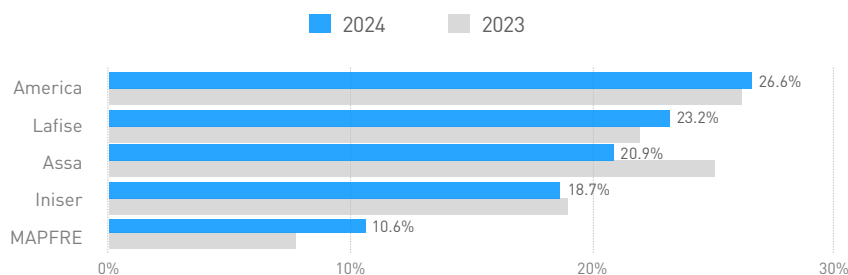
In terms of the overall ranking in the Nicaraguan market, in 2024, América continues to lead the market for another

year, with a 26.6% share. The next two places in the ranking go to Lafise, which overtakes Assa (20.9%) with a 23.2% market share, to move up to second place. MAPFRE closes out the ranking with a 10.6% share (see Chart 3.1.5-w).

Life and Non-Life rankings

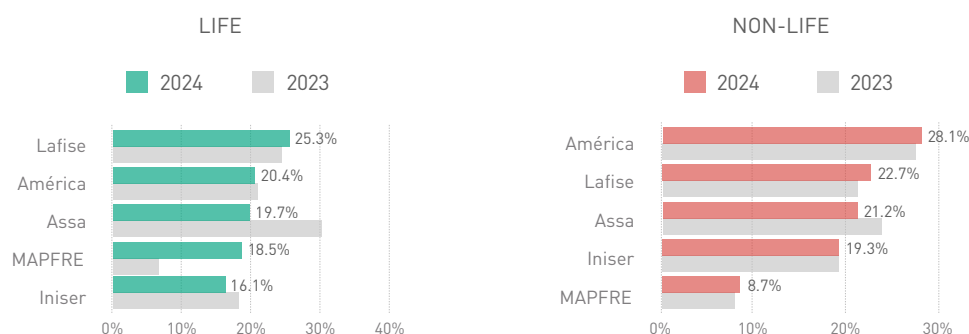
In the Non-Life ranking, América once again tops the Nicaraguan market in 2024 with a 28.1% market share (up 0.7 pp on the previous year), while Lafise (22.7%) and Assa (21.2%) hold second and third places, as in the total market ranking (see Chart 3.1.5-x).

Chart 3.1.5-w
Nicaragua: overall ranking
 (market shares, %)



Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

Chart 3.1.5-x
Nicaragua: Life and Non-Life ranking
 (market shares, %)



Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

Finally, the ranking of Life insurance companies is still led by Lafise with 25.3% of the market (up 1.0 pp on the previous year); América is second, with a 20.4% market share (down 0.5 pp from the previous year), in front of Assa, which drops to third place (19.7% of the market, 10.4 pp below the previous year). They are followed by MAPFRE, with 18.5% (up 11.8 pp on 2023). The ranking closes out with Iniser (with a 16.1% market share).

Key regulatory aspects

The main regulatory changes in 2024 relating to the Nicaraguan insurance market include the approval of three important laws: (i) Law No. 1232, published on December 30, 2024, which establishes a new framework for the administration of the monetary and financial system and unifies the Governing Councils of the Central Bank and the Superintendency of Banks; (ii) Law No. 1215, published on September 6, 2024, reforming Law No. 977, to strengthen the prevention of money laundering and financing of terrorism; and (iii) Law No. 1175, published on August 20, 2024, which mandates the compilation of the legal framework governing banking and finance.

In the regulatory sphere, the Superintendency of Banks and Other Financial Institutions (SIBOIF) issued

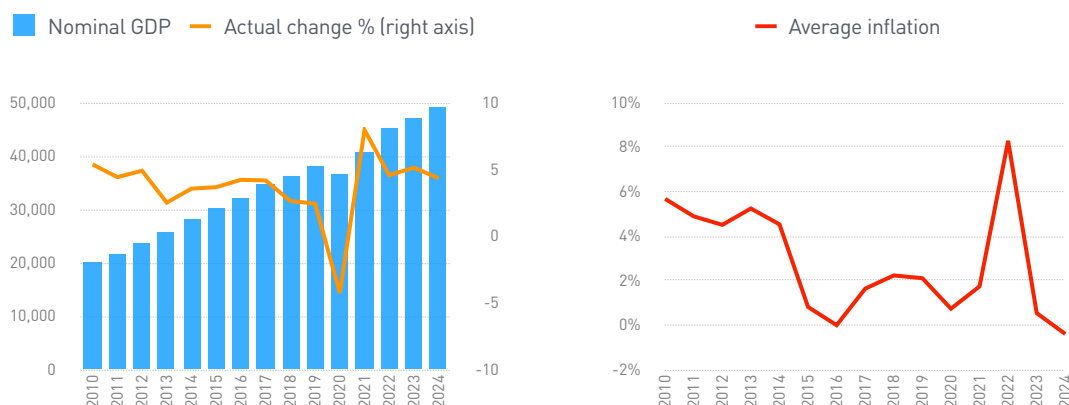
several provisions, including the following: (i) the reform of Article 5 of the standard for implementation of the accounting framework (Resolution No. CD-SIBOIF-1482-1-DIC10-2024, published on December 18, 2024), which extends the schedule for adopting IFRS 17; (ii) the reform of Articles 20 and 21 of the regulation on investment limits (Resolution No. CDMF-VII-3-25, published on March 19, 2025), which expands the recognized rating agencies; and (iii) the reform of the ML/TF risk prevention regulation (Resolution No. CD-SIBOIF-1479-1-NOV29-2024, published on December 2, 2024), which updates risk management requirements and seeks to mitigate discriminatory practices in financial services. It should be noted that regulations on contributions to the SIBOIF budget and on the processing of administrative appeals were also approved, both published on May 29, 2025, in response to the changes introduced by Law No. 1232.

3.1.6 Costa Rica

Macroeconomic environment

Costa Rica's economy grew 4.3% in real terms in 2024, compared to 5.1% the previous year, driven by growth in private consumption and investment (in line with lower inflation and the expansion of private lending), as well as exports of goods

Chart 3.1.6-a
Costa Rica: changes in economic growth and inflation
 (GDP in local currency, billions of colons; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

(various crops and medical equipment) and services (from tourism and the business sector). Analyzed by economic sector, in 2024, the strength of the construction and light manufacturing sectors stood out. The services sector also performed well, especially professional and business support services, as well as those associated with tourism. The average open unemployment rate stood at around 8.5%, compared to 8.9% the previous year (see Chart 3.1.6-a). Public debt reached 61.5% of GDP at the close of 2024 (61.1% in 2023), as external and domestic debt showed hardly any variation. Meanwhile, the estimated fiscal deficit for 2024 stood at 3.8% of GDP, compared to 3.3% the previous year, due to the deterioration in the financial deficit (-3.8%). Likewise, the current account deficit in the balance of payments remained broadly stable relative to 2023, supported by exports and foreign direct investment, which helped offset the financial account.

It should be noted that expansionary monetary policy boosted the Costa Rican economy, with cuts in the policy rate in response to the disappearance of inflationary pressures, which fell from 6.0% at the beginning of 2024 to 4.0% at the end

of the year. In this regard, the inflation rate became deflationary in 2024, at -0.4%, consolidating the decline seen the previous year (from 8.3% in 2022 to 0.5% in 2023), well below the central bank's target of 3% (with a tolerance range of one percentage point in either direction).

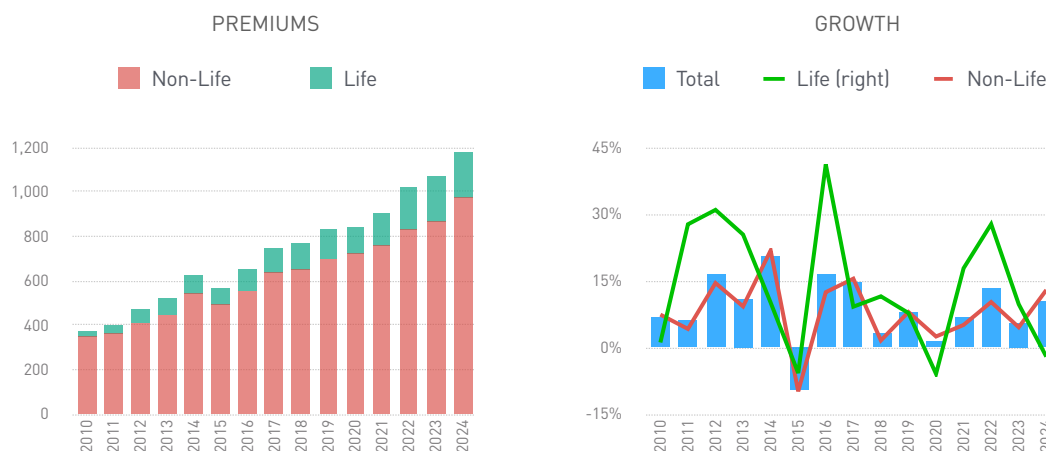
By 2025, ECLAC estimates that there will be a slight slowdown in the Costa Rican economy, with real growth standing at around 3.5%. Thus, foreign and domestic demand are expected to be less dynamic in light of a slight decline in disposable income from remittances, a situation that is expected to improve in 2026 with an estimated growth rate of 3.7% according to this agency. The IMF estimates 3.4% growth for 2025, which would be repeated in 2026, while MAPFRE Economics forecasts GDP growth of 3.6% for 2025 and 3.4% for 2026.

Insurance market

Growth

In 2024, the premium volume of the Costa Rican insurance market grew to 1.2 trillion colons (2.3 billion dollars), representing a nominal increase of 10.0% and real growth

Chart 3.1.6-b
Costa Rica: growth developments in the insurance market
(premiums, billions of colons; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the General Superintendency of Insurance)

of 10.4% compared to the previous year. This growth was mainly driven by the Non-Life insurance segment, which grew 12.9% in nominal terms and 13.3% in real terms, while the Life segment contracted by 2.1% in nominal terms and 1.7% in real terms. Within the Non-Life insurance segment, the Automobile line stands out with 28.0% real

growth, followed by Transport (13.8%), Other lines (12.0%) and Credit and Surety (11.8%), while the Fire and Allied Lines, Third-Party Liability, and Agricultural and Livestock lines showed negative or marginal variations, the latter being the most affected with a real decline of -22.5% (see Table 3.1.6 and Chart 3.1.6-b).

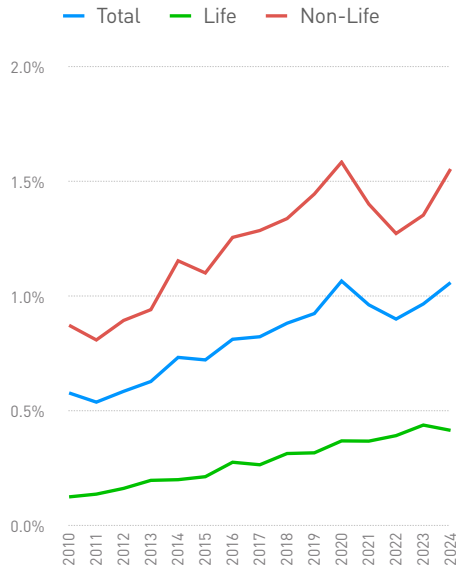
Table 3.1.6
Costa Rica: premium volume¹ by line, 2024

Line of business	Millions of colons	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	1,180,653.3	2,289.3	10.0	10.4
Life	202,698.8	393.0	-2.1	-1.7
Non-Life	977,954.5	1,896.3	12.9	13.3
Automobiles	321,073.3	622.6	27.4	28.0
Fire and allied lines	115,758.3	224.5	-0.2	0.2
A&H	199,766.5	387.4	8.9	9.4
Other lines	95,469.9	185.1	11.5	12.0
Transport	15,830.5	30.7	13.4	13.8
Third-party liability	23,607.9	45.8	-1.6	-1.2
Credit and surety	4,638.2	9.0	11.3	11.8
Agriculture and livestock	149.1	0.3	-22.8	-22.5
Workplace accidents	201,660.8	391.0	7.8	8.2

Source: MAPFRE Economics (based on data from the General Superintendency of Insurance)

1/ Gross premium (direct insurance plus accepted reinsurance)

Chart 3.1.6-c
Costa Rica: share of insurance premiums in Latin America (%)

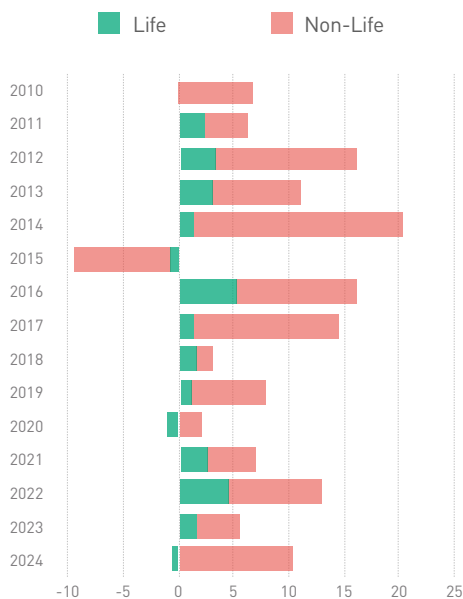


Source: MAPFRE Economics (based on data from the General Superintendency of Insurance and supervisory bodies of the region)

The Costa Rican insurance market has grown on average 8.6% over the last fourteen years, since the decline recorded in 2015 (-9.4%), the year in which the National Insurance Institute of Costa Rica (the insurer with the largest market share) changed its premium-accounting criterion to align it with the prevailing regulatory framework. However, these modifications make it more difficult to compare statistical data for 2015 onward with data for previous years, both in terms of revenue per premium and in terms of the balance sheet and income statements. Meanwhile, as noted above and shown in Chart 3.1.6-b, Life insurance premiums, which account for 17.2% of the total, fell 2.1% in nominal terms in 2024 to 202.7 billion colons (393.0 million dollars), while Non-Life premiums increased 12.9% to 978.0 billion colons (1.9 billion dollars).

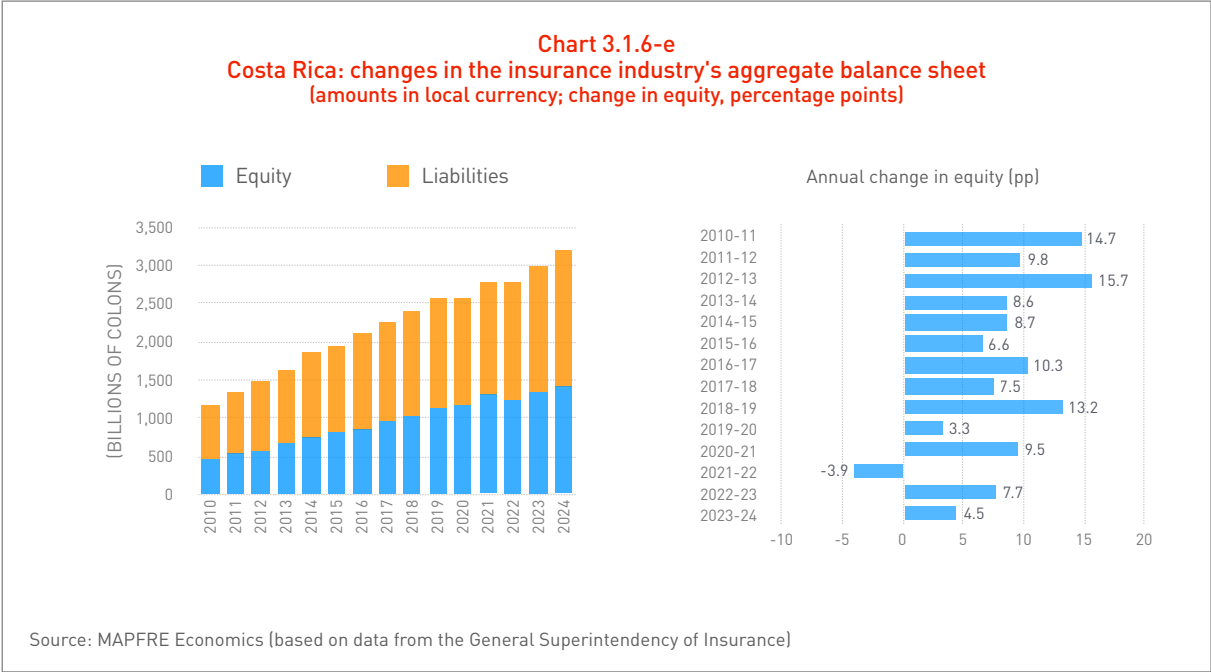
As reflected in Chart 3.1.6-c, over the last fourteen years, the shift in the Costa Rican market share of total premiums and by Life

Chart 3.1.6-d
Costa Rica: contribution to insurance market growth (percentage points, pp)



	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	6.8	0.1	6.7
2011	6.2	2.4	3.8
2012	16.2	3.3	12.9
2013	11.1	3.0	8.1
2014	20.2	1.4	18.8
2015	-9.4	-0.7	-8.7
2016	16.1	5.3	10.8
2017	14.5	1.4	13.0
2018	3.0	1.7	1.3
2019	7.9	1.2	6.7
2020	1.1	-1.0	2.0
2021	6.9	2.7	4.3
2022	13.1	4.5	8.5
2023	5.5	1.8	3.7
2024	10.0	-0.4	10.4

Source: MAPFRE Economics (based on data from the General Superintendency of Insurance)



and Non-Life segments compared to the Latin American market has been on an upward trend. The total ratio of Costa Rican premiums to the Latin American total rose from 0.58% in 2010 to 1.06% in 2024. Similarly, the share in the Life line increased from 0.13% in 2010 to 0.42% in 2024, and in the Non-Life line from 0.88% to 1.56%.

However, Chart 3.1.6-d shows that the largest contribution to the growth of the Costa Rican insurance industry in 2024 came from the Non-Life insurance segment. This segment contributed 10.4 percentage points (pp) to the sector's total growth of 10.0 pp that year, while Life insurance had a negative contribution (-0.4 pp).

Balance sheet and shareholders' equity

Chart 3.1.6-e shows the aggregate balance sheet of the Costa Rican insurance industry over the 2010–2024 period. Thus, the industry's total assets in 2024 amounted to 3.2 trillion colons (6.2 billion dollars), while net equity that year stood at 1.4 trillion colons (2.8 billion dollars), with growth of 4.5 percentage points compared to the previous year. Meanwhile, the Costa Rican insurance industry had aggregate

capitalization levels (measured over total assets) of around 42.5% over the last fourteen years, representing 44.1% of total assets in 2024.

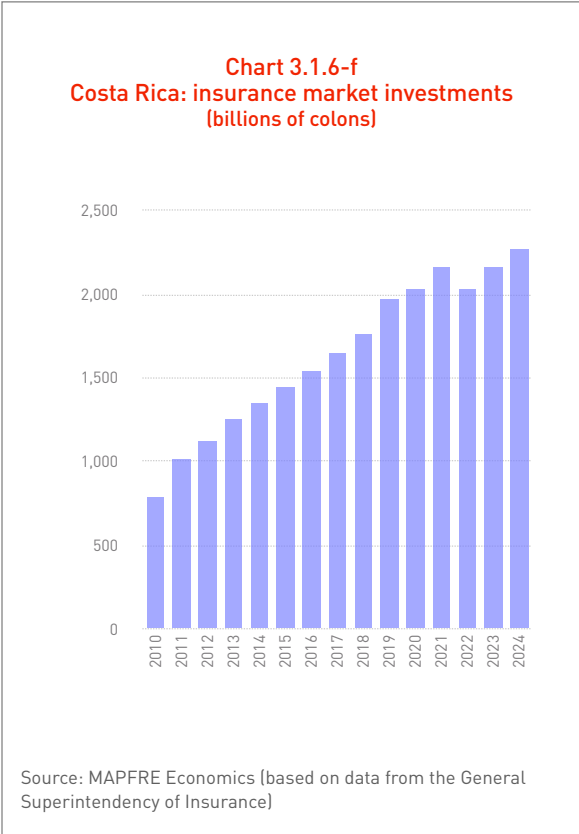
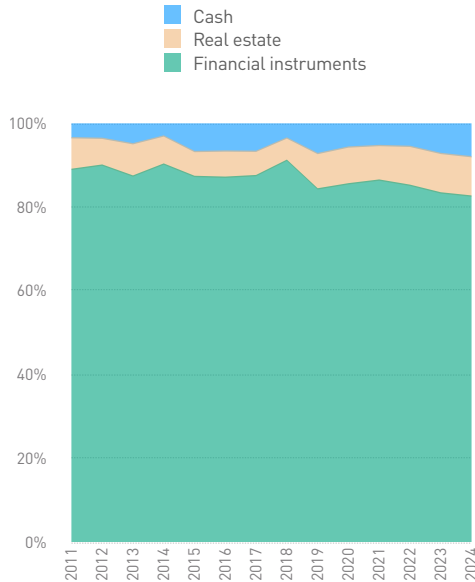
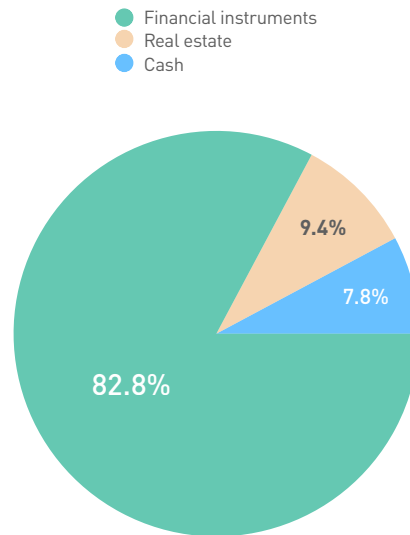


Chart 3.1.6-g
Costa Rica: structure of investments
(%)



Source: MAPFRE Economics (based on data from the General Superintendency of Insurance)

Chart 3.1.6-h
Costa Rica: structure of investments, 2024
(%)



Source: MAPFRE Economics (based on data from the General Superintendency of Insurance)

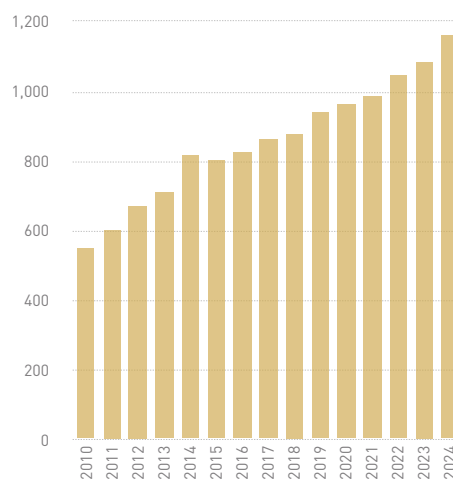
Investments

The evolution of the Costa Rican insurance industry's investments is illustrated in Chart 3.1.6-f, while the composition of the aggregate investment portfolio at the industry level for the 2011–2024 period is presented in Charts 3.1.6-g and 3.1.6-h. In the last year of the period analyzed, total investments reached 2.3 trillion colons (4.4 billion dollars), concentrated in financial instruments (82.8%), cash (7.8%), and real estate (9.4%). Meanwhile, over the 2011–2024 period, the investment structure of the Costa Rican insurance industry shows a slight reduction in investments in financial instruments (from 89.2% in 2011 to 82.8% in 2024), although they still dominate over cash and real estate investments.

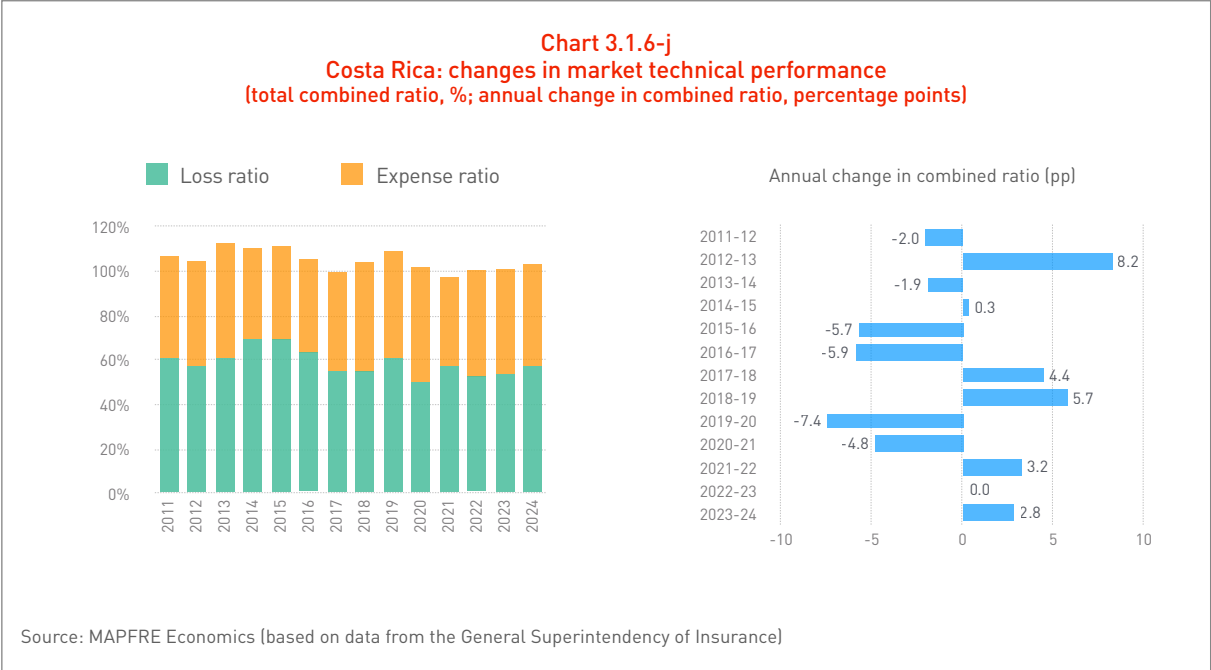
Technical provisions

Chart 3.1.6-i shows developments in the Costa Rican insurance industry's technical

Chart 3.1.6-i
Costa Rica: technical provisions of the insurance market
(billions of colons)



Source: MAPFRE Economics (based on data from the General Superintendency of Insurance)



provisions over the 2010–2024 period. According to this information, in 2024, technical provisions stood at 1.2 trillion colons (2.3 million dollars), in contrast with the 545.8 billion colons reached in 2010. It is important to note that technical provisions constituted by the Costa Rican insurance industry saw sustained growth in aggregate terms over the course of the 2010–2024 period, notably spiking in 2014 and 2024.

Technical performance

Chart 3.1.6-j shows the technical performance of the Costa Rican insurance industry over the 2011–2024 period, based on an analysis of the industry's total combined ratio. This period notably included a surge in the loss ratio in 2014 and 2015, when it peaked (69.9%). In 2024, the loss ratio rose 3.5 pp to 57.7%, while the expense ratio fell 0.7 pp to 45.7%. As a result, in

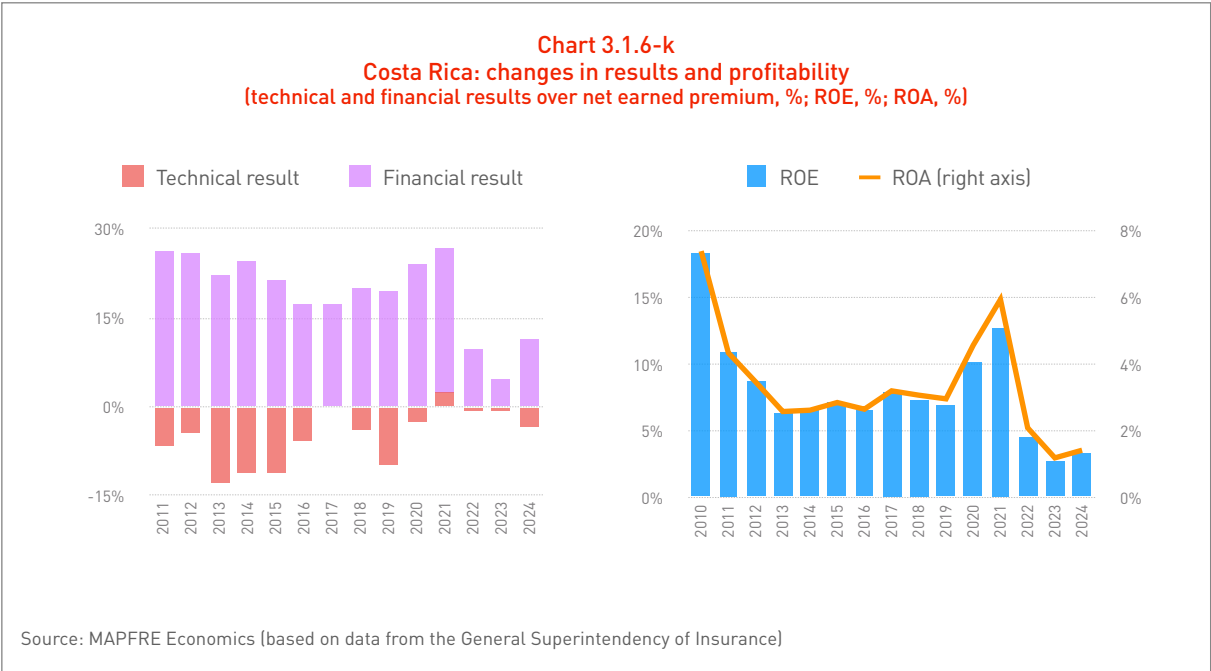
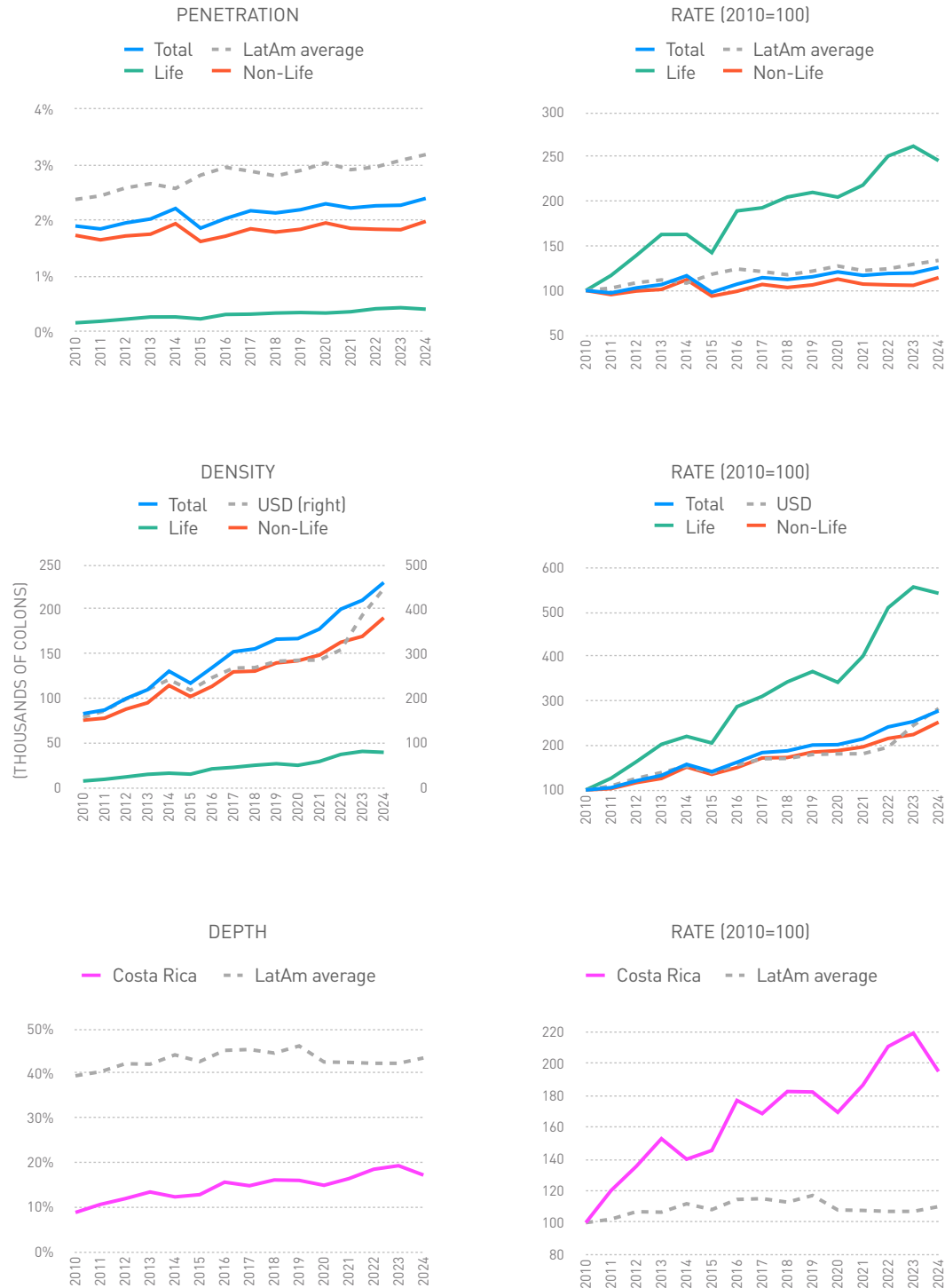


Chart 3.1.6-l
Costa Rica: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, colons and USD; Life premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from the General Superintendency of Insurance)

2024, the combined ratio exceeded the 100% mark, reaching 103.4%, up 2.8 percentage points from the previous year.

Results and profitability

The Costa Rican insurance industry posted a net result of 45.0 billion colons (87.2 million dollars) in 2024, up 27.4% on the previous year. The financial result, meanwhile, increased by 151.4% to 101.4 billion colons, representing 11.6% of premiums (4.9% the previous year), while the technical result showed losses of 29.9 billion colons, lower than the previous year, when it also recorded losses of 5.0 billion colons (see Chart 3.1.6-k). In terms of profitability, indicators have shown a growing trend as of 2022. Return on equity (ROE) stood at 3.3% in 2024, up 0.5 pp on 2023. Meanwhile, return on assets (ROA) reached 1.5% in 2024, up 0.2 percentage points on the previous year.

Insurance penetration, density, and depth

Chart 3.1.6-l shows the main structural trends shaping the development of the Costa Rican insurance industry over the 2010–2024 period. The penetration rate (premiums/GDP) reached 2.4% in 2024, up 0.5 percentage points over the last fourteen years. The penetration rate in the Costa

Rican market has trended upward, although less dynamically in recent years than the trend recorded for Latin American insurance markets as a whole, and below the absolute values of the average penetration rate for the region (3.2%). It should be noted that the Life insurance segment led the increase in penetration, with a 145.9% increase during 2010–2024, while the Non-Life segment increased by only 14.4% during that period.

In terms of insurance density in Costa Rica (premiums per capita), the indicator reached 230,150.9 colons (446.3 dollars), up 9.5% from 2023 (210,245.1 colons). Density in the Costa Rican market (measured in local currency) has generally shown a growing trend between 2010 and 2024, with the exception of 2015, when there was a 10.3% dip in the market's premium volume (essentially the result of changes to the accounting treatment of premiums, as mentioned previously). The level of depth in the Costa Rican insurance market (Life insurance premiums as a percentage of total premiums) in 2024 stood at 17.2%, 8.4 pp above the value reached in 2010, with an upward trend over the period analyzed, except for 2024, when it fell by 2.1 pp. Nevertheless, it continues to follow a trajectory similar to the average for Latin American countries, although consistently below it (43.5% in Latin America in 2024).

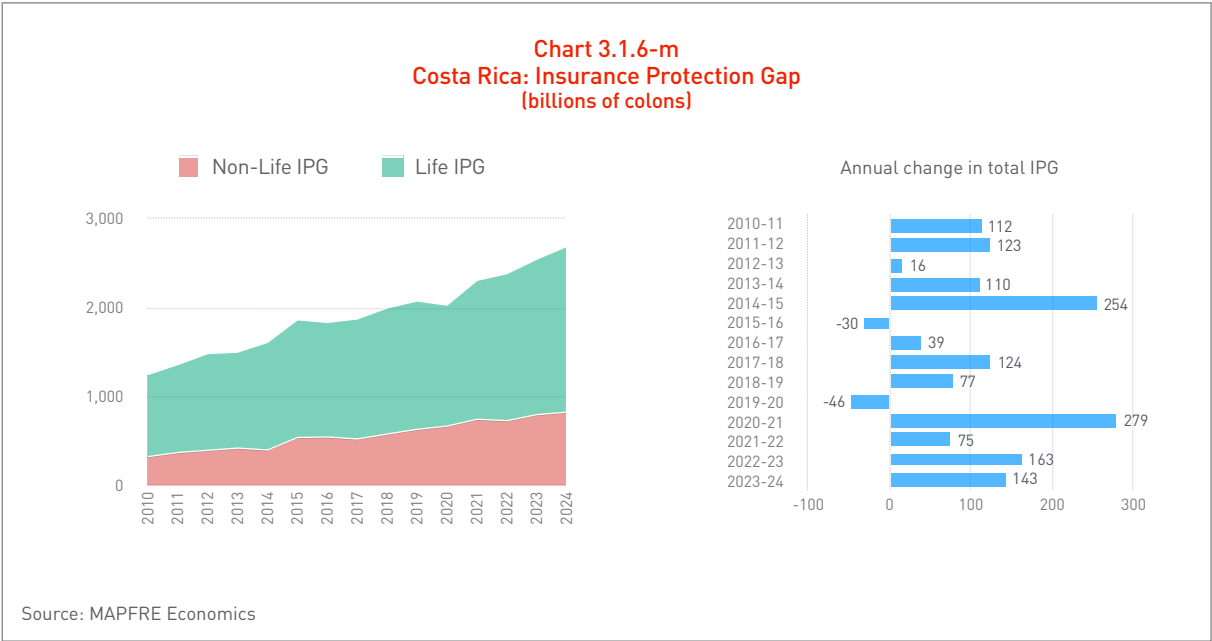
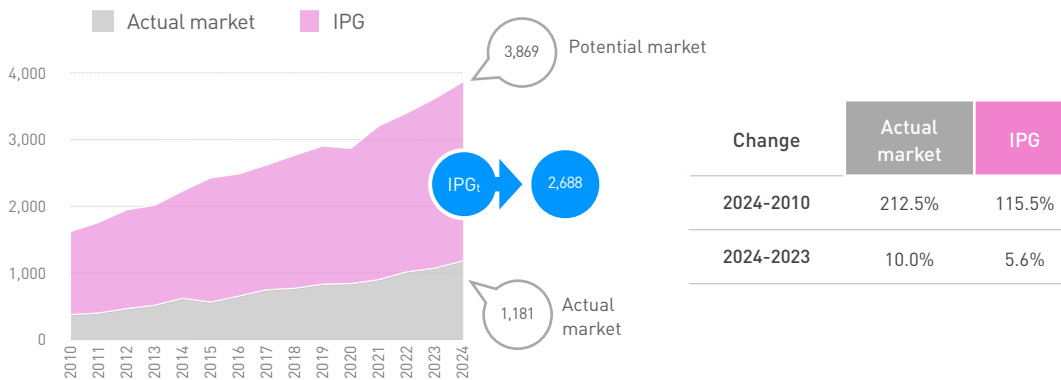


Chart 3.1.6-n
Costa Rica: Insurance Protection Gap and potential market
(billions of colons)



Source: MAPFRE Economics

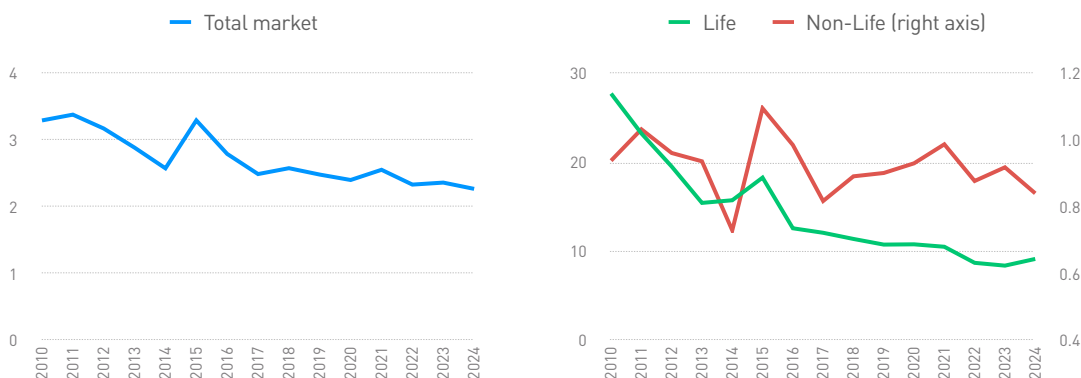
Estimation of the Insurance Protection Gap

Chart 3.1.6-m presents an updated estimation of the IPG for the Costa Rican insurance market between 2010 and 2024. The protection gap in Costa Rica stood at 2.7 trillion colons in 2024 (5.2 billion dollars). The structure and performance of the IPG over the period under analysis have been mainly shaped by the Life insurance segment. At the end of 2024, Life insurance accounted for 69.4% of the IPG (1.9 trillion colons), although this share is 4.7 percentage

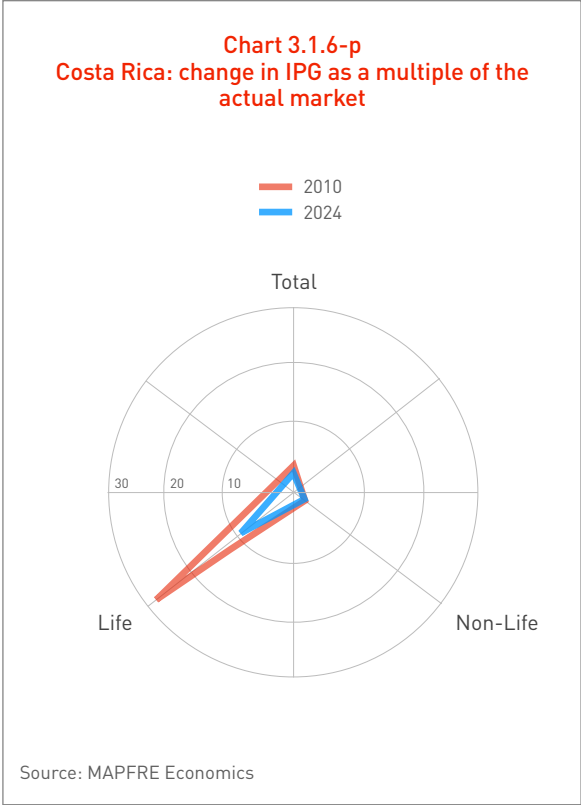
points lower than in 2010. The remaining 30.6% of the IPG is attributable to the Non-Life insurance segment (823.7 billion colons). Thus, as Chart 3.1.6-n illustrates, the potential insurance market in Costa Rica at the end of 2024 (estimated as the sum of the actual market and the insurance protection gap) was estimated at 3.9 trillion colons (7.5 billion dollars), or 3.3 times the total insurance market in Costa Rica in 2024, while it was 4.3 times in 2010.

In order to assess the trend in IPG coverage over the 2010–2024 period, Chart 1.6-o

Chart 3.1.6-o
Costa Rica: IPG as a multiple of the actual market
(number of times the size of the actual insurance market)



Source: MAPFRE Economics



illustrates the coverage gap measured as a multiple of the actual market. As this analysis shows, there is a downward trend in the total gap, which remains stable in the case of Non-Life insurance (remaining at a multiple of around 0.9), while the IPG for Life insurance shows a downward trend over the period analyzed, falling from 27.8 to 9.2 times the actual market. This behavior is

confirmed by analyzing Chart 3.1.6-p, which summarizes changes in the IPG as a multiple of the actual market for the Life and Non-Life segments and for the total Costa Rican insurance market over the last ten years, comparing the situation in 2024 with the position of the market in 2010.

Finally, Chart 3.1.6-q provides an overview of the capacity of the Costa Rican insurance market to close the protection gap, based on a comparison between the growth rates observed over the last ten years and the growth rates that would be required in order to close the IPG for 2024 over the next decade. This analysis shows that the Costa Rican insurance market grew at an average annual rate of 6.6% over the period under analysis; the product of an annual growth rate of 10.2% in the Life insurance segment and an average annual growth rate of 6.0% in the Non-Life insurance segment. Were the same growth rate seen over the last ten years to continue over the next ten years, the growth rate of the Costa Rican insurance market would fall short of bridging the protection gap in the Non-Life insurance segment by 0.3 pp, and by 15.9 pp in Life insurance. It should be noted that, compared to fiscal year 2023, the decline in the Costa Rican insurance market's capacity to cover the IPG has worsened by 0.6 pp

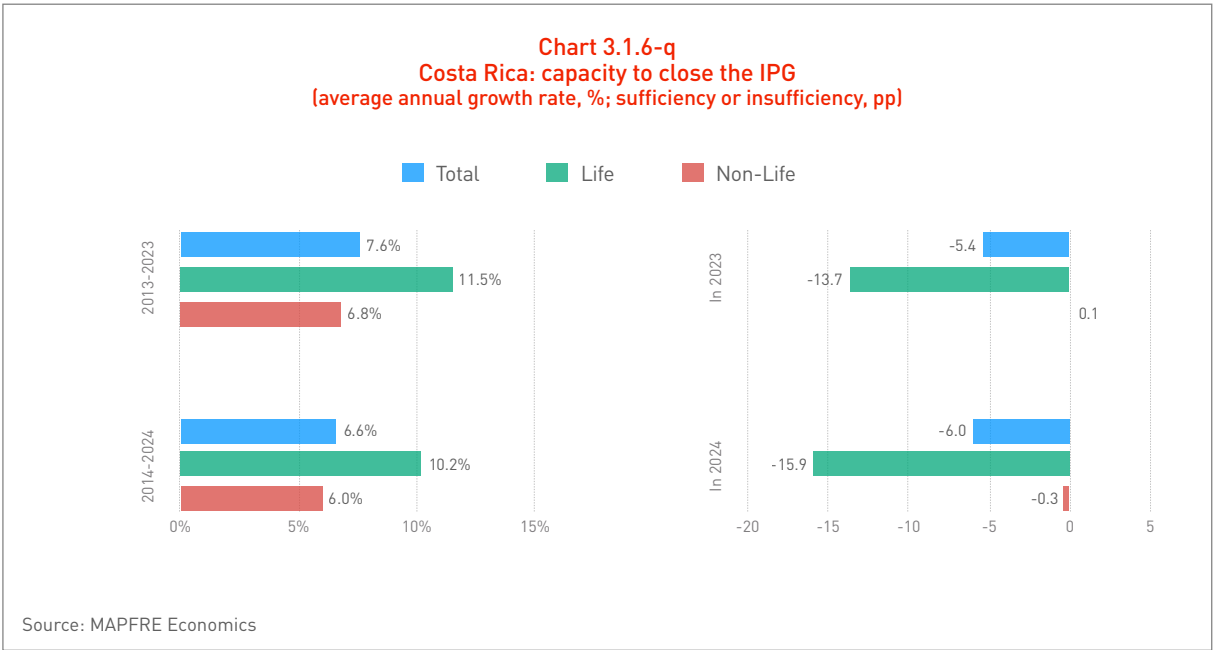
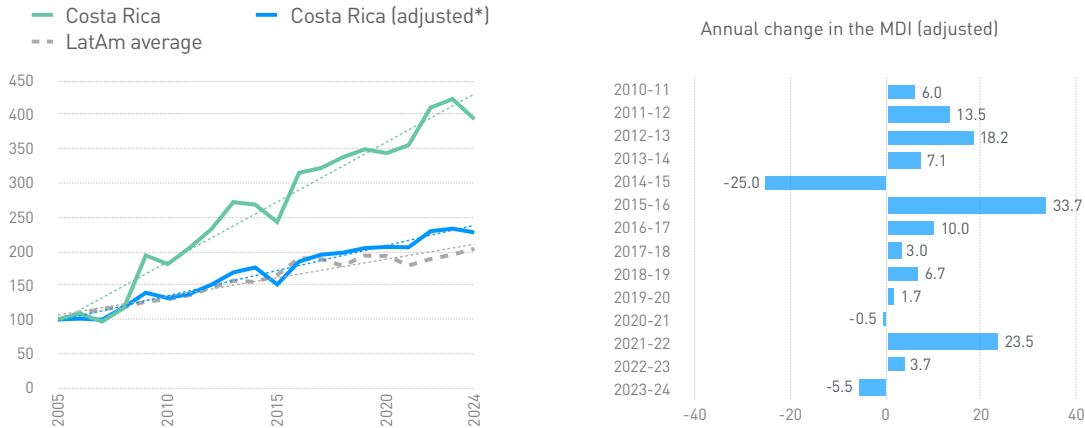


Chart 3.1.6-r
Costa Rica: Market Development Index (MDI)
 (2005 index=100; annual change)



Source: MAPFRE Economics

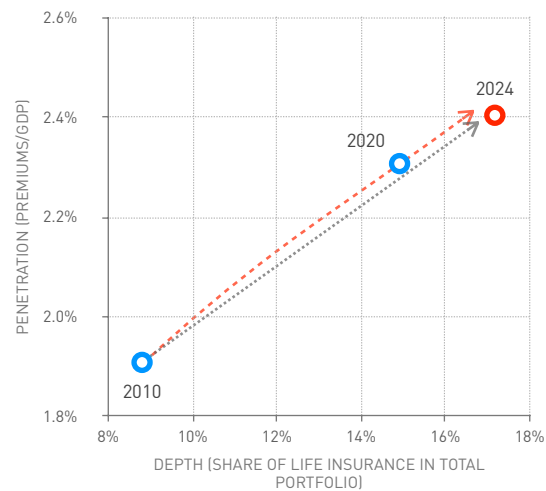
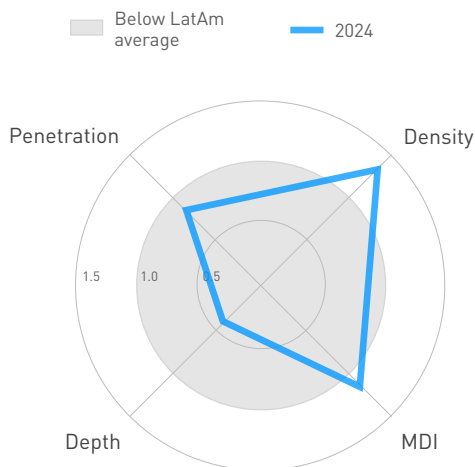
* Adjustment to eliminate overestimation in the speed to close the Life IPG

overall and by 2.3 pp and 0.4 pp in Life and Non-Life, respectively, with the shortfall rising from 5.4 to 6.0 overall and from 13.7 to 15.9 in Life.

Market Development Index (MDI)

Chart 3.1.6-r shows the estimated Market Development Index (MDI) for the Costa Rican insurance sector, which is used in this report as an indicator of the general trend observed in the development and maturity of

Chart 3.1.6-s
Costa Rica: comparative structural coefficient index* vs. average for Latin America (2024) and medium-term changes in the insurance market (2010-2024)



Source: MAPFRE Economics

* Indexes calculated as the quotient between the values of the country's structural coefficient and the average values of the coefficient concerned for the Latin American market as a whole. The unit represents a performance equivalent to the region's average.

insurance markets. In the particular case of the Costa Rican insurance industry, the MDI has shown a positive trend over the period under analysis. However, as stated in previous versions of this report, this trend could be overestimated considering the rapid growth of the Life insurance market, which started from a very small base in 2005. In that vein, Chart 3.1.6-r also shows an adjustment to eliminate this overestimation and present the underlying trend in this market's performance more accurately. After making this adjustment, it is clear that the Costa Rican insurance market has developed in line with the average level seen across the markets in the region.

Comparative analysis of structural coefficients

Finally, Chart 3.1.6-s summarizes the position of the Costa Rican insurance market compared to the Latin American average, from the perspective of the various structural ratios analyzed. Thus, it is evident that its position is below the Latin American average in terms of penetration and depth, although not in terms of market density and growth rate. This relative comparison

reveals the emerging level of development in the Life business within the Costa Rican market compared to the region as a whole, while also showing the growth potential of this insurance segment in the country.

Insurance market rankings

There were 12 insurance companies operating in Costa Rica in 2024, the same as the previous year. As noted in previous editions of this report, this is a highly concentrated market that was opened to competition in 2008, and in which the National Insurance Institute (INS) accounts for most of the premiums. Chart 3.1.6-t shows the Herfindahl and CR5 indexes for the Costa Rican insurance industry. As this information shows, levels of concentration are well above the theoretical threshold associated with a high degree of market concentration, although concentration levels are steadily decreasing. In the medium term, this could lead to greater levels of competition within the insurance market.

Total ranking

In the overall ranking for 2024, the top five insurance groups remain the same as in

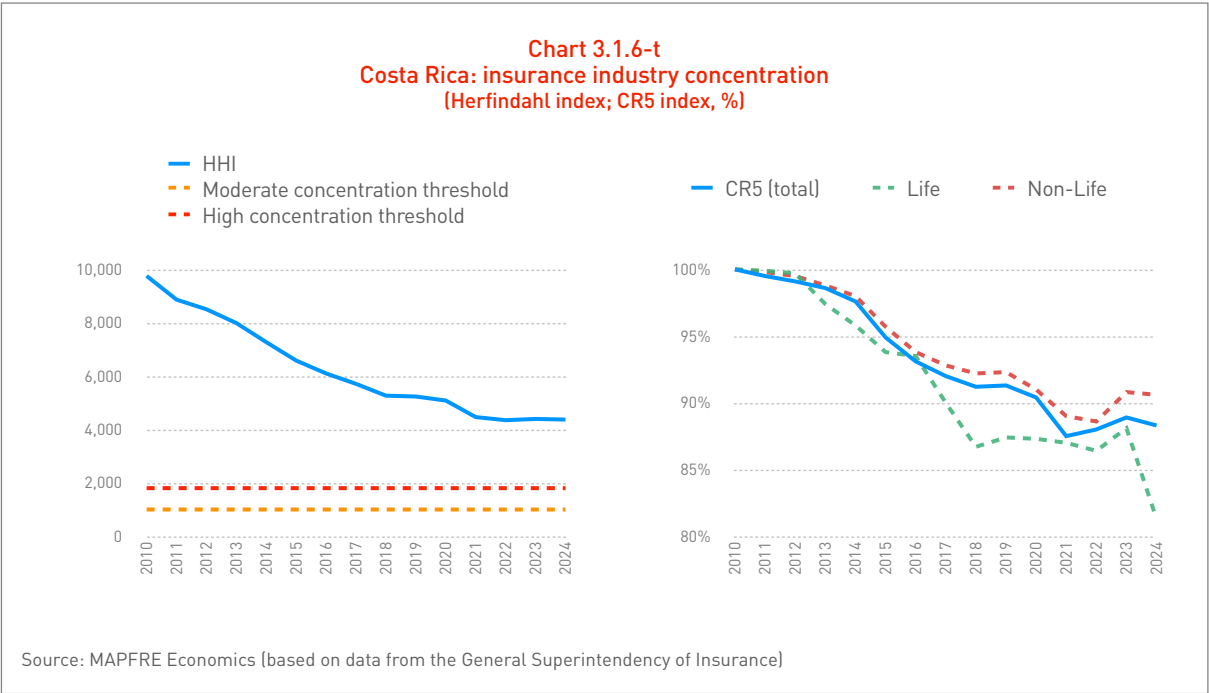
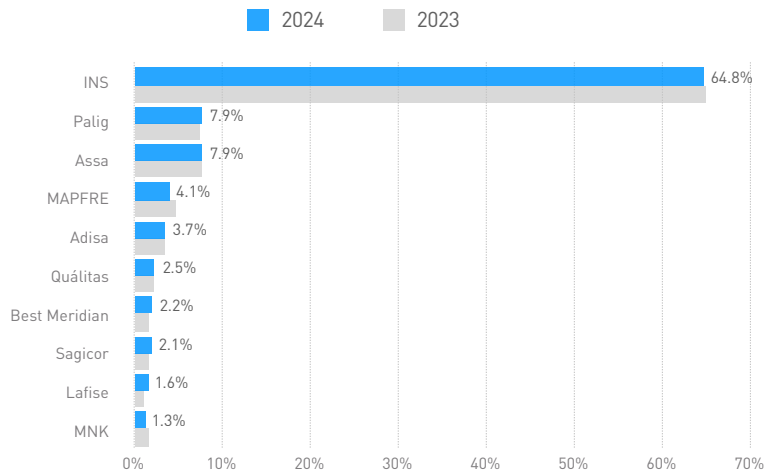


Chart 3.1.6-u
Costa Rica: overall ranking
(market shares, %)

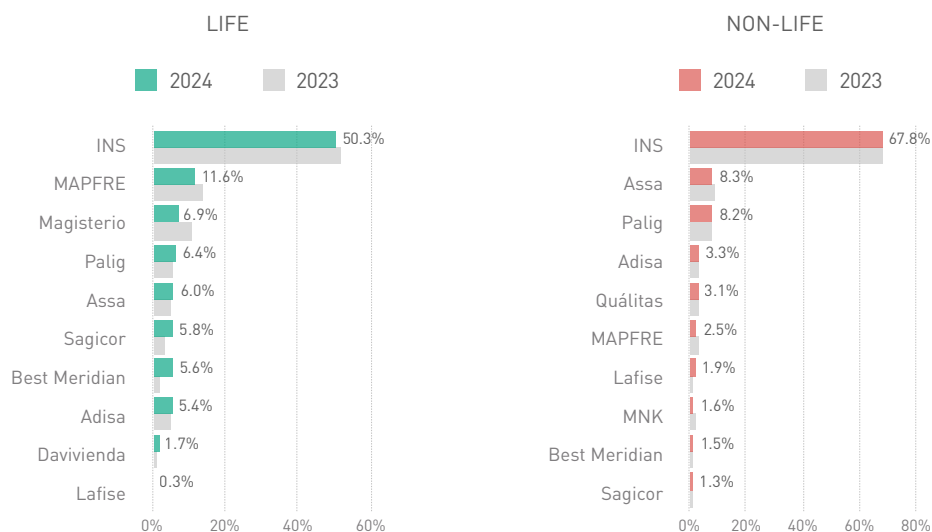


Source: MAPFRE Economics (based on data from the General Superintendency of Insurance)

2023 (see Chart 3.1.6-u). Thus, INS continues to lead the ranking with a 64.8% market share, followed at a considerable distance by Pan-American Life (Palig) with a 7.9% market share, Assa (7.9%), and MAPFRE (4.1%). Seguros Lafise (with a 1.6% market share) has climbed two spots to ninth

place, as has Best Meridian (2.2%), which has risen in the rankings for the third consecutive year. MNK (formerly Océánica Seguros) ranks tenth, closing out the ranking.

Chart 3.1.6-v
Costa Rica: Life and Non-Life ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the General Superintendency of Insurance)

Life and Non-Life rankings

In 2024, the relative positions in the ranking of Non-Life insurance groups remain unchanged, with INS holding onto its lead for another year with a market share of 67.8%. It is followed at a considerable distance by Assa (with an 8.3% share), Palig (8.2%), Adisa (3.3%), Quálitas (3.1%), and MAPFRE (2.5%). Lafise climbs two places (with a 1.9% share), overtaking MNK (1.6%) and Best Meridian (1.5%). Finally, INS is also the largest insurer in the Life segment of the Costa Rican market, with a 50.3% share, followed by MAPFRE (11.6%), and Seguros del Magisterio (6.9%). Adisa drops two places (with a 5.4% share), overtaken by Sagicor (5.8%) and Best Meridian (5.6%). Finally, Davivienda (1.7%) and Lafise (0.3%) remain in ninth and tenth place, respectively (see Chart 3.1.6-v).

Key regulatory aspects

Regulatory developments in the insurance sector in Costa Rica during 2024 and so far in 2025 have focused mainly on transversal adjustments to the financial system, although specific advances have also been made in the insurance market.

The most pertinent changes are summarized below:

Resolutions issued by the Superintendent

In 2024, several resolutions were issued, including SGS-A-0100-2024, which amended the guidelines on the use of the Sugese Online platform during contingencies, and SGS-A-0101-2024, which established the new Financial Consumer Procedures System for complaints and inquiries. In 2025, additional resolutions were approved, such as SGS-A-0103-2025, which limited the submission of parallel exercises under IFRS 17 to the first quarter of 2025, and SGS-A-0105-2025, which set the requirements for submitting the quarterly

report of the Insurance Consumer Protection Agency.

Common Regulation of the National Financial System

Although no new official effective date is mentioned, the implementation process remains ongoing, with partial submissions of accounting information under IFRS 17 and pending regulatory adjustments based on the quality of the data received.

Common Regulation of the National Financial System

The Executive Decree governing the financing of supervisory bodies (Executive Decree 44705-H), published in December 2024, was amended. In addition, the new General Regulation on Governance and Information Technology Management (CONASSIF Resolution 5-24) was approved, strengthening cybersecurity, IT management, and the treatment of emerging technologies.

Regulatory initiatives under development (2024–2026)

Work is underway on new business conduct regulations that will unify rules on consumer protection, marketing, inclusion, product registration, and oversight. Adjustments are also expected in the authorization and solvency framework, including updated mortality tables and the processing of portfolio transfers. Additional proposals are being developed on the suitability of boards of directors, reinsurance, and the use of trade names.

Across the board, progress continues on reforms to the Financial Reporting Regulations, particularly to close gaps with IAS 21, and on defining systemically important entities in the insurance, securities, and pensions sectors. These efforts reflect a comprehensive approach to strengthening insurance market regulation,

improving supervision, and facilitating adaptation to international standards such as IFRS 17, as well as best practices in cybersecurity, sustainability, and risk management.

3.1.7 Panama

Macroeconomic environment

In 2024, the Panamanian economy slowed to 2.9% (7.3% in 2023), hampered by the closure of the country's largest mine (Cobre Panamá) and adverse weather conditions (droughts that affected both agricultural products and traffic and cargo in the Panama Canal), which led to a contraction in the primary sector. However, sectors such as construction stood out for their dynamism (up 7.0% in 2024), along with solid private consumption and investment. The manufacturing industry remained largely unchanged (see Chart 3.1.7-a). The average inflation rate fell to 0.8% in 2024 (from 1.5% in 2023), while the unemployment rate edged down to 6.5% in 2024 from 6.7% at year-end 2023. On the fiscal side, the deficit widened to 7.35% of GDP in 2024 (compared with 3.93% in 2023), reflecting lower fiscal revenues from mining royalties following the closure of Cobre Panamá, lower-than-

expected revenues from state land sales (which had been exceptionally high in 2023), and higher expenditure, especially interest payments on public debt. Thus, public debt stood at 61.5% of GDP in 2024 (56.4% in 2023), given the greater need for financing.

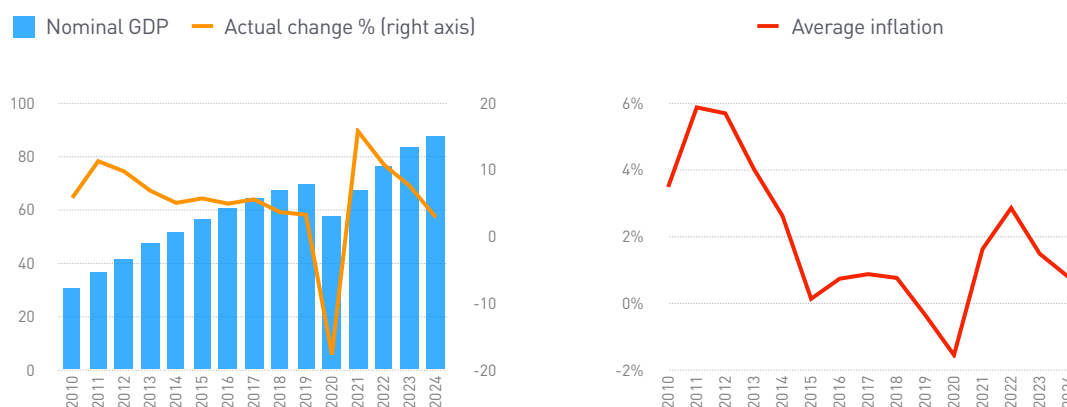
ECLAC estimates that Panama's GDP will grow by 4.2% in 2025 (4.6% in 2026), driven by the expected end of the droughts that affected the performance of the Panama Canal and the primary sector, as well as by stronger public infrastructure investment and fiscal reforms aimed at attracting foreign direct investment. For its part, MAPFRE Economics forecasts that the Panamanian economy will grow 3.8% in 2025 and 3.9% in 2026.

Insurance market

Growth

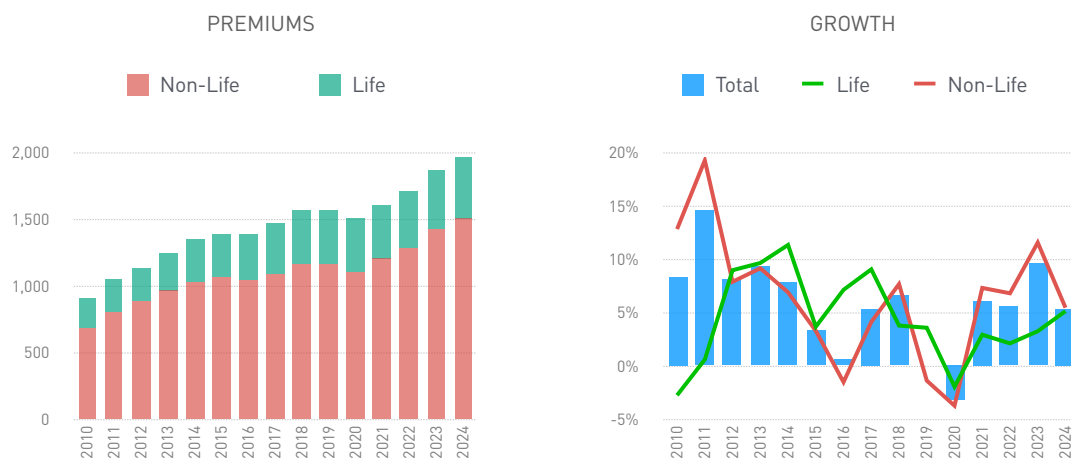
In 2024, premium volume in the Panamanian insurance market amounted to 2 billion balboas (at the fixed one-to-one exchange rate with the U.S. dollar). According to the data shown in Table 3.1.7 and Chart 3.1.7-b, nominal growth in 2024 was 5.4% (compared to 9.5% growth the previous year), while real growth reached 4.6%. Non-Life insurance

Chart 3.1.7-a
Panama: changes in economic growth and inflation
(GDP in local currency, billions of balboas; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

Chart 3.1.7-b
Panama: growth developments in the insurance market
(premiums, millions of balboas; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance)

premiums, which account for 76.8% of the entire Panamanian insurance market, performed slightly better than Life premiums, amounting to 1.5 billion balboas. Specifically, Non-Life premiums increased by 5.5% in nominal terms (4.7% in

real terms), driven by the Health (with nominal growth of 9.7%), Automobile (6.5%), and Fire and Allied Lines (6.3%) segments, all of which outperformed the market average and reflect sustained demand. Life insurance premiums (23.2% of the

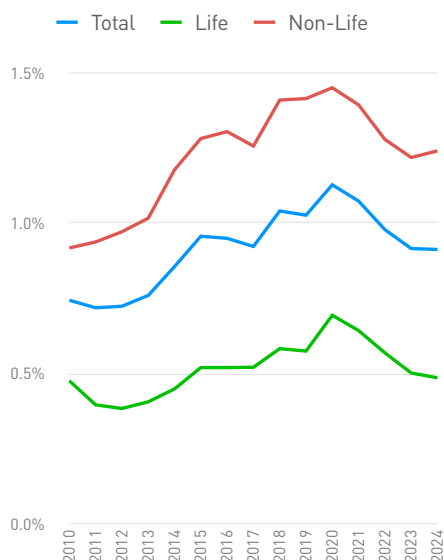
Table 3.1.7
Panama: premium volume¹ by line, 2024

Line of business	Millions of balboas (= USD)	Growth	
		Nominal (%)	Real (%)
Total	1,965.5	5.4	4.6
Life	455.0	5.2	4.3
Non-Life	1,510.5	5.5	4.7
Automobiles	325.8	6.5	5.6
Health	517.0	9.7	8.8
Other lines	128.1	-0.4	-1.1
Surety	129.3	3.6	2.8
Fire and allied lines	204.0	6.3	5.5
Third-party liability	61.2	-8.5	-9.2
Transport	80.5	7.1	6.3
Technical risks	26.2	-14.7	-15.4
Personal Accident	30.1	7.0	6.2
Multirisk	8.3	-2.0	-2.8

Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance)

1/ Underwritten premiums, direct insurance

Chart 3.1.7-c
Panama: share of insurance premiums in Latin America (%)

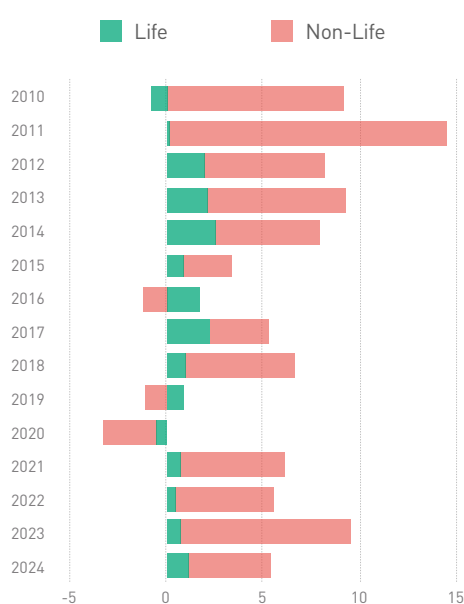


Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance and supervisory bodies of the region)

Panamanian insurance industry's portfolio) grew by 5.2% to 455.0 million balboas. The Life segment grew by 4.3% in real terms, in line with the market. On the contrary, some business lines showed real contractions, notably Technical Risks (-15.4%) and Third-Party Liability (-9.2%).

In the Panamanian market, the share of total premiums—and of the Life and Non-Life segments—in the overall Latin American insurance market showed an upward trend during 2010–2020, peaking in the latter year. From 2021 onward, however, a gradual slowdown is observed in both segments. Thus, over the last fifteen years, Panama's share of total premiums in Latin America has risen from 0.74% in 2010 to 0.91% in 2024. Similarly, the share of the Life segment rose slightly, from 0.48% in 2010 to 0.49% in 2024, while the Non-Life segment recorded a more significant increase, moving from 0.92% to 1.24% over the same period (see Chart 3.1.7-c).

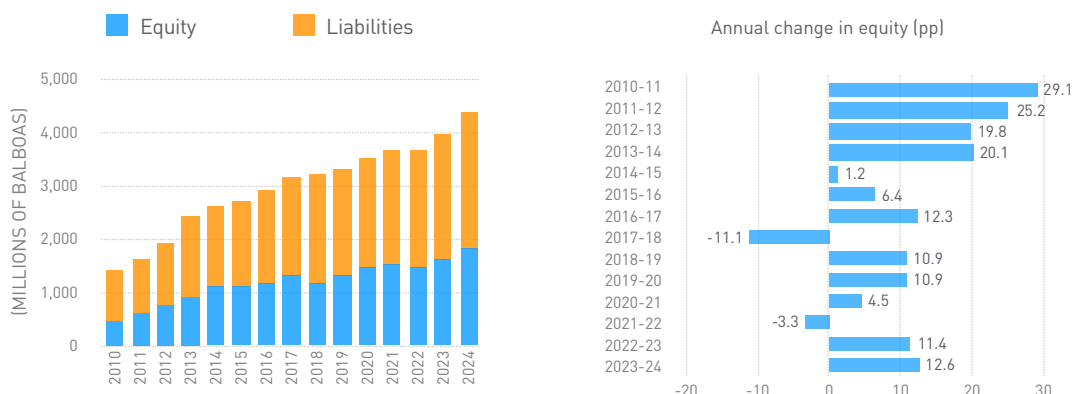
Chart 3.1.7-d
Panama: contribution to insurance market growth (percentage points, pp)



	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	8.5	-0.8	9.2
2011	14.6	0.2	14.4
2012	8.2	2.0	6.2
2013	9.3	2.2	7.1
2014	7.9	2.6	5.4
2015	3.4	0.9	2.5
2016	0.5	1.7	-1.1
2017	5.4	2.3	3.1
2018	6.7	1.0	5.7
2019	-0.1	0.9	-1.0
2020	-3.2	-0.5	-2.7
2021	6.2	0.8	5.4
2022	5.6	0.5	5.1
2023	9.5	0.8	8.7
2024	5.4	1.2	4.2

Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance)

Chart 3.1.7-e
Panama: changes in the insurance industry's aggregate balance sheet
(amounts in local currency; change in equity, percentage points)



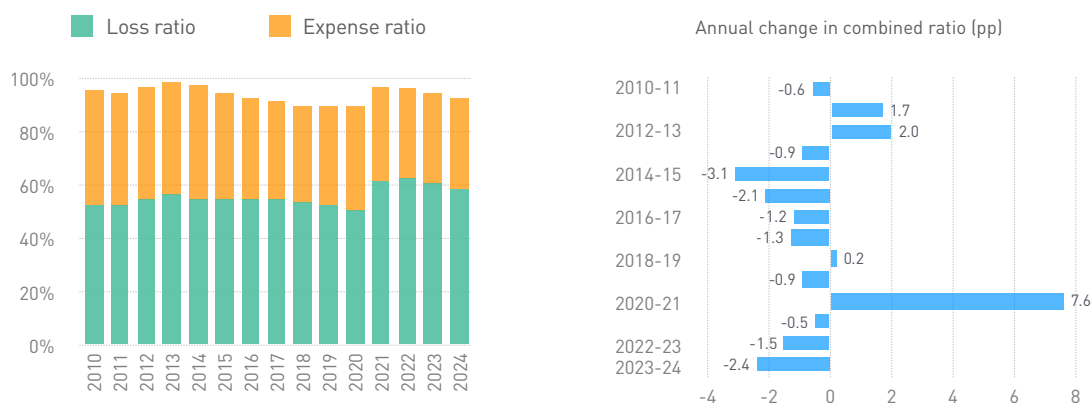
Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance)

Meanwhile, in terms of contribution to industry growth, of the 5.4% expansion recorded by the Panamanian insurance market in 2024, 1.2 percentage points (pp) were contributed by the Life insurance segment, while Non-Life contributed 4.2 pp (see Chart 3.1.7-d). Notably, since 2021, both market segments have made positive contributions to industry growth in this market.

Balance sheet and shareholders' equity

Chart 3.1.7-e shows the aggregate balance sheet of the Panamanian insurance industry for the 2010–2024 period. According to this information, total assets in 2024 amounted to 4.3 billion balboas, up 9.0% on the previous year, while net equity that year stood at 1.8 billion balboas (up 12.6% on the previous year). Meanwhile, the Panamanian insurance industry's aggregate

Chart 3.1.7-f
Panama: changes in market technical performance
(total combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance)

capitalization level (measured over total assets) has increased 8.4 pp over the last fourteen years. Since 2010 (33.7%), the indicator has shown a trend averaging close to 39.6% (42.1% in 2024), although with sharp downward fluctuations in 2018 (36.7%) and 2022 (39.7%), years in which capitalization over total assets suffered a marked contraction.

Investment and technical provisions

Information for these sections is not included, as timely statistical data on investments and technical provisions for recent years was not available as of the report's closing date.

Technical performance

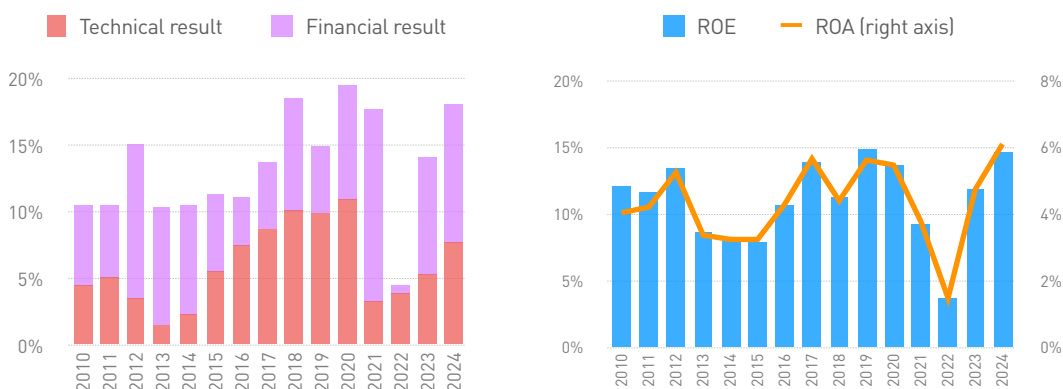
Chart 3.1.7-f shows that, continuing the trend that began in 2022, the aggregate combined ratio for the Panamanian insurance sector performed favorably compared to the previous year, falling by 2.36 pp in 2024 to 92.32%. Thus, the indicator for 2024 stands at values below the average for the last fourteen years (94.02%), indicating an improvement in technical efficiency. The 2.5 pp decline in

the loss ratio, from 60.9% to 58.3% in 2024, has offset the 0.18 pp deterioration in the expense ratio, which stands at 34.0% (33.8% in 2023), leading to an improvement in the total combined ratio for the Panamanian market.

Results and profitability

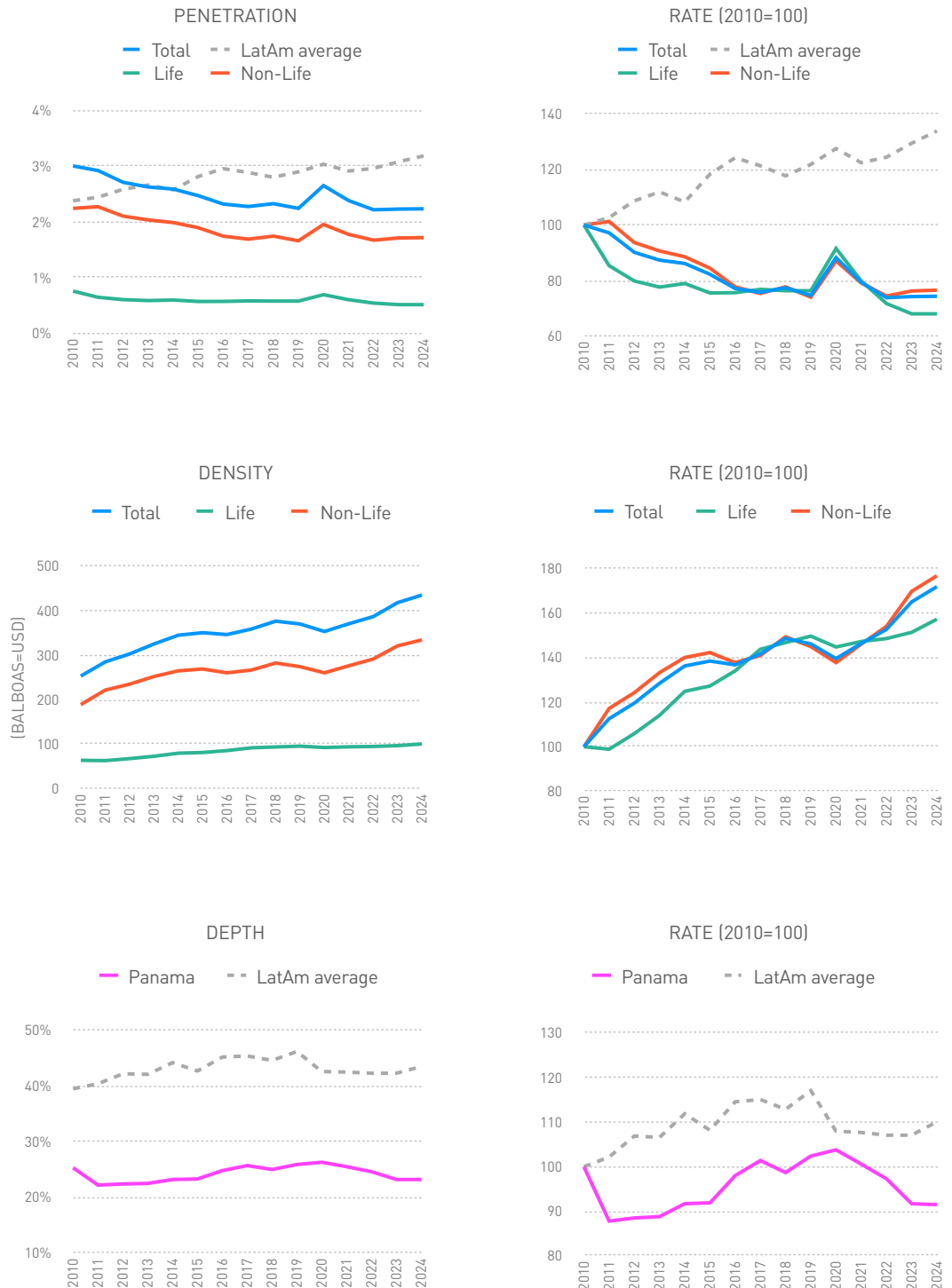
In 2024, the net result of the insurance sector in Panama was 254.0 million balboas (40.0% more than the previous year), the highest figure obtained during the period analyzed. This excellent performance in 2024 was supported by a technical result of 107.2 million balboas (68.8 million in 2023), representing 55.9% growth. The financial result also recovered to 146.8 million balboas (112.6 million in 2023). Thus, profitability indicators show an upward trend since 2023, although there were years when growth momentum slowed (2015, 2018, and 2022). Return on equity (ROE) stood at 14.7% in 2024 (up 2.9 pp from the previous year) The same is true for return on assets (ROA), which reached 6.1% in 2024, up 1.4 pp from the previous year (see Chart 3.1.7-g).

Chart 3.1.7-g
Panama: changes in results and profitability
(technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance)

Chart 3.1.7-h
Panama: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, balboas; Life premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance)

Insurance penetration, density, and depth

Chart 3.1.7-h shows the main structural trends in the development of the insurance industry in Panama during the 2010–2024 period. According to this data, the penetration rate (premiums/GDP) in 2024 stood at 2.2%, at levels identical to the previous year and 0.08 pp less than in 2010. The insurance penetration rate in the Panamanian market has followed a declining trend over the period analyzed and has not kept pace with the growth observed in the Latin American insurance market as a whole. In 2024, it stood 1.0 pp below the regional average, which increased from 2.4% in 2010 to 3.2% in 2024.

Insurance density in Panama (premiums per capita) stood at 435.3 balboas, representing cumulative growth of 71.9% compared to 2010 and 4.1% compared to the level reached the previous year (418.2 balboas). Unlike the penetration rate, density shows an upward trend and is above the Latin American average, reaching 340.7 dollars in 2024. The market penetration rate in Panama (measured as the ratio of Life insurance premiums to total premiums) remained at 23.2% in 2024. The depth trend has been neutral over the period analyzed, standing at values 20% lower than the

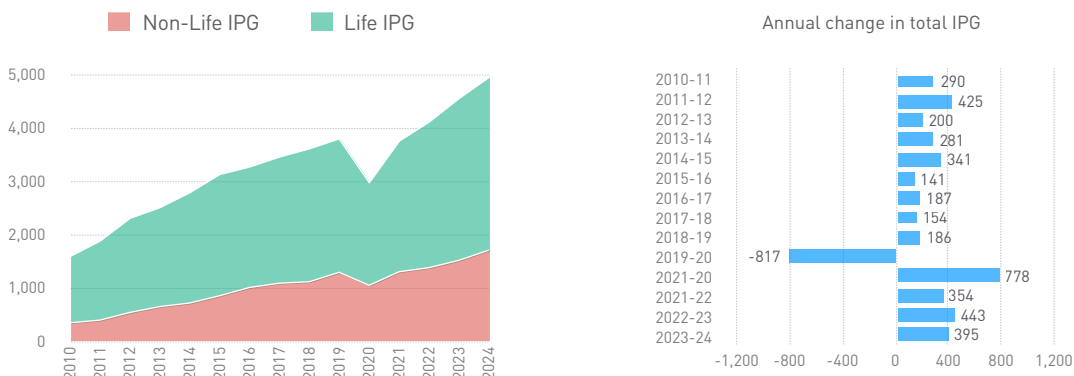
average for the Latin American insurance markets as a whole.

Insurance Protection Gap estimate

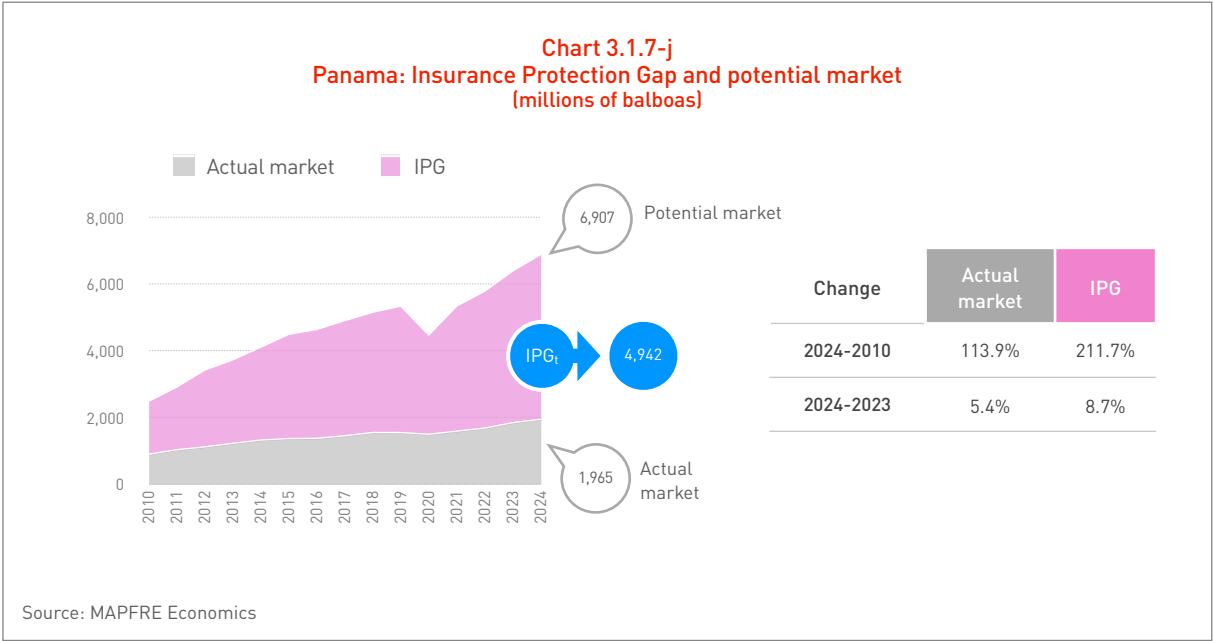
Chart 3.1.7-i shows the IPG's estimate for the Panamanian insurance market between 2010 and 2024. According to this data, the protection gap in 2024 stood at 4.9 billion balboas, equivalent to 2.5 times the actual insurance market in Panama in that year. The structure and performance of the IPG between 2010 and 2024 (as for most Latin American insurance markets) show a dominance of the Life insurance segment. Thus, at the end of 2024, Life insurance accounted for 65.5% of the IPG (66.7% in 2023), totaling 3.2 billion balboas, which means that the share of this segment declined by 12.8 pp compared to 2010. The remaining 34.5% of the IPG is a product of the Non-Life insurance segment (1.7 billion balboas). Thus, as Chart 3.1.7-j shows, the potential insurance market in Panama (the sum of the actual market and the IPG) at the end of 2024 was estimated at 6.9 billion balboas, representing 3.5 times the total insurance market that year.

In order to analyze the protection gap trend, Chart 3.1.7-k shows the IPG estimate as a multiple of the actual insurance market in

Chart 3.1.7-i
Panama: Insurance Protection Gap
(millions of balboas)



Source: MAPFRE Economics



Panama. According to this analysis, the insurance protection gap shows an upward trend over the 2010–2024 period, driven mainly by the performance of the Life insurance segment, whose multiple increased from 5.3 in 2010 to 7.1 in 2024. In the Non-Life segment, the indicator also shows an upward trajectory, rising from 0.5 in 2010 to 1.1 in 2024, with relative stabilization in recent years. Overall, the total market reflects sustained growth in the IPG, rising from 1.7 in 2010 to 2.5 in 2024. Chart 3.1.7-l summarizes the evolution of

the IPG as a multiple of the actual Life and Non-Life markets and the Panamanian insurance market as a whole over the last decade. Over the 2010–2024 period, the IPG as a multiple of the actual market rose in both the Life and Non-Life segments.

Chart 3.1.7-m shows the updated assessment of the Panamanian insurance market's capacity to close the protection gap. This estimate is based on a comparative analysis of the growth rates observed over the last decade and the

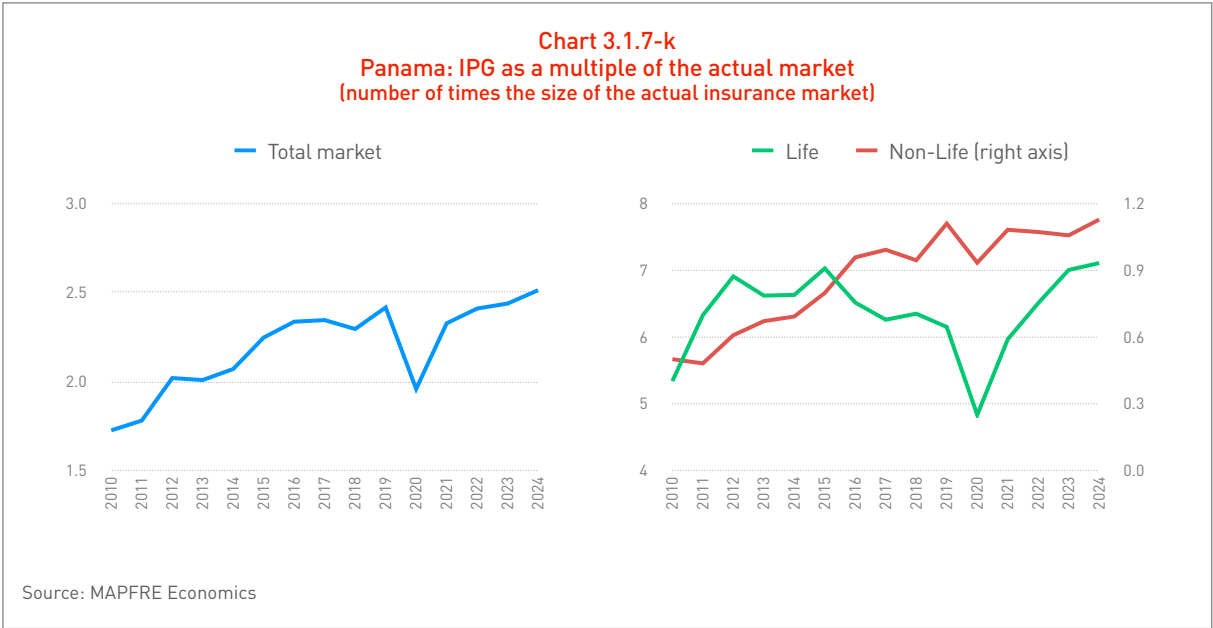
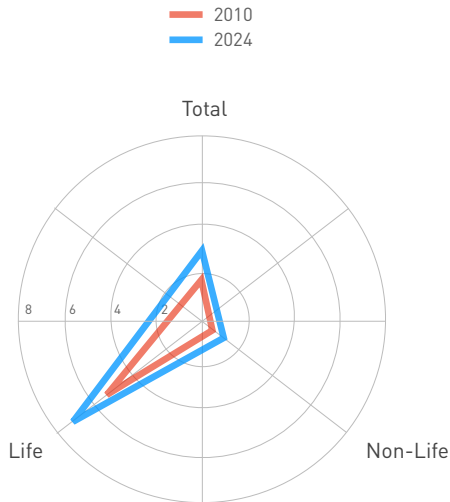


Chart 3.1.7-l
Panama: change in IPG as a multiple of the actual market



Source: MAPFRE Economics

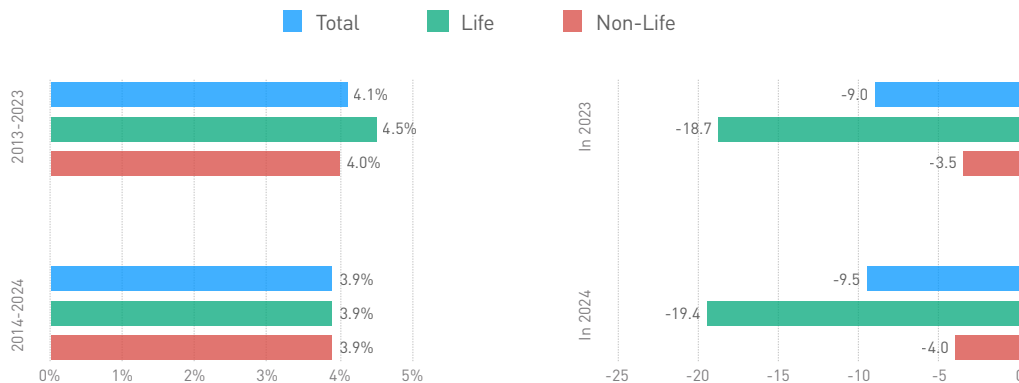
growth rates that would be required to close the 2024 IPG over the next decade. As such, the Panamanian insurance market grew at an average annual rate of 3.9% (4.1% the previous year), made up of an annual rate of 3.9% in both the Life segment and the Non-Life segment. This growth dynamic falls

short of closing the market's total protection gap by 9.5 percentage points. This analysis confirms that, if the same growth dynamics observed over the past decade were to continue throughout the next ten years, the growth rate of the Panamanian insurance market would fall short of the required level. In the Non-Life segment, the shortfall would be 4.0 pp (a deterioration of 0.5 pp compared with the previous period), while in the Life segment the shortfall would be 19.4 pp, also reflecting a deterioration relative to the 2013–2023 period.

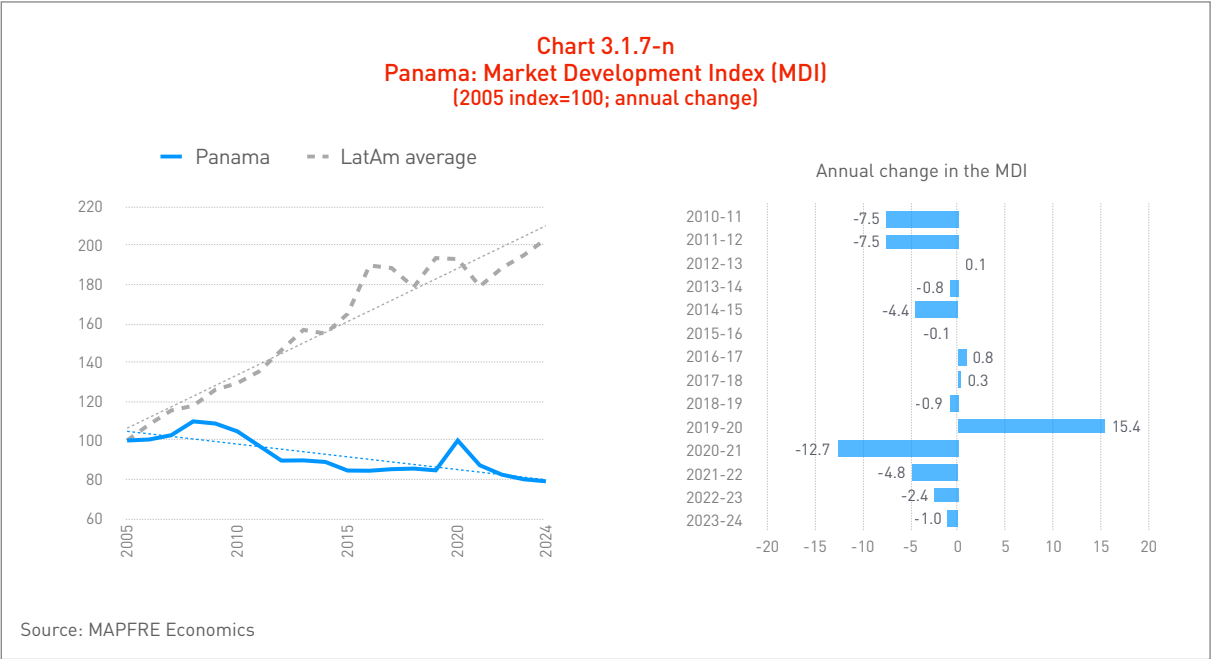
Market Development Index (MDI)

Chart 3.1.7-n shows the estimated Market Development Index (MDI) for the Panamanian insurance industry over the 2005–2024 period. In 2024, the indicator declined compared to the previous year, reaching a new historic low. As noted throughout this report, the MDI is used as a benchmark for the general trends observed in the performance and maturity of insurance markets. Thus, the indicator followed the same trend as the Latin American market average only until 2008 (although always remaining below that value), after which it clearly diverged from the average

Chart 3.1.7-m
Panama: capacity to close the IPG
(average annual growth rate, %; sufficiency or insufficiency, pp)



Source: MAPFRE Economics



performance seen across the region. In 2024, this gap widened further, from -114.9 points in 2023 to -124.1 points in 2024. This occurred because the Panamanian index fell while the Latin American average increased from 195.0 to 203.3 points, reinforcing the structural difference in the pace of market development.

Comparative analysis of structural coefficients

Finally, Chart 3.1.7-o provides a summary of the situation of the Panamanian insurance market compared to the Latin American average in terms of the four structural coefficients analyzed above. This

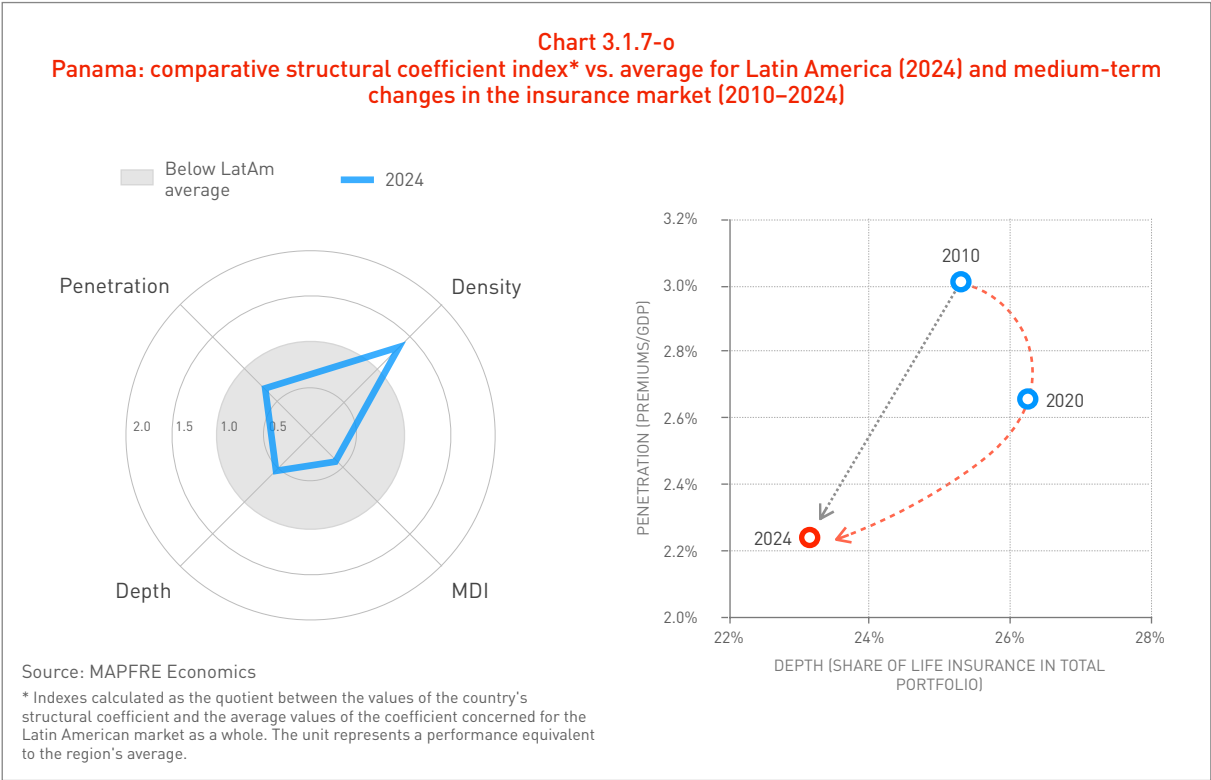
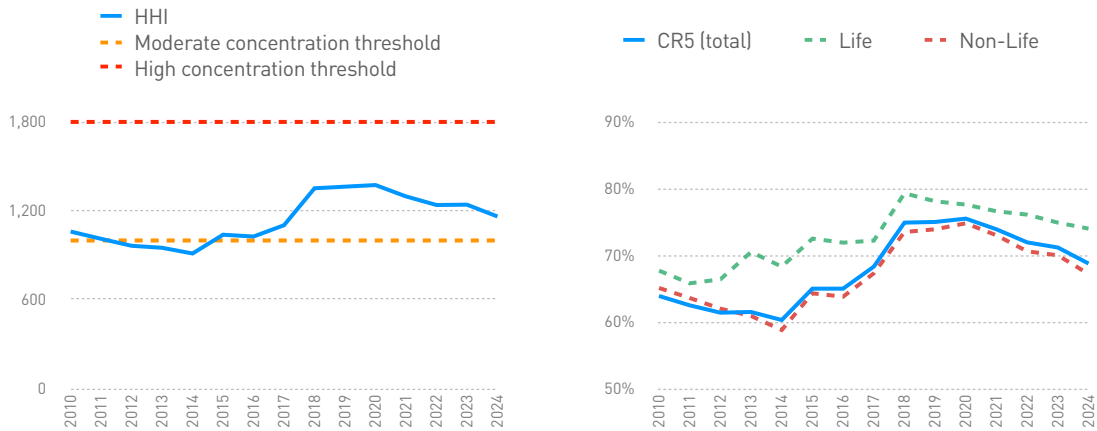


Chart 3.1.7-p
Panama: insurance industry concentration
 (Herfindahl index; CR5 index, %)



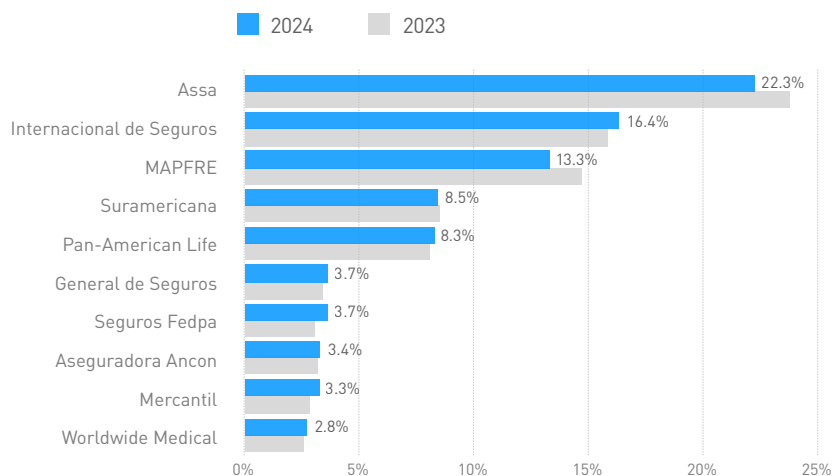
Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance)

information shows that Panama's insurance industry remains below the average for Latin American insurance markets in terms of the indicators analyzed, with the exception of the density index. This performance is consistent with the structural analysis of this market in recent years.

Insurance market rankings

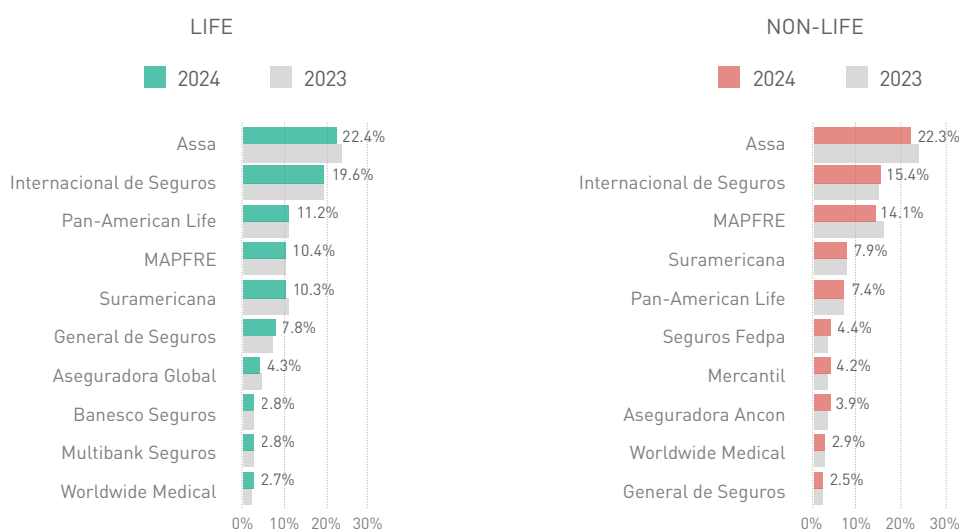
There were 22 insurance companies operating in the Panamanian market in 2024, one less than in 2023. Despite the trend toward lower concentration that characterized the Panamanian insurance industry through 2014, the Herfindahl and CR5 indexes show an increase in market concentration since then. Despite this, since

Chart 3.1.7-q
Panama: overall ranking
 (market shares, %)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance)

Chart 3.1.7-r
Panama: Life and Non-Life ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance)

2021 there has been a renewed trend toward reduced concentration according to the Herfindahl index metric. Likewise, the CR5 index (market share of the five largest companies operating in the market) stood at 68.8% in 2024 (74.0% for the Life segment and 67.2% for the Non-Life segment). The Herfindahl index in 2024 remained above the theoretical threshold indicative of moderate levels of industry concentration, a parameter that the Panamanian market has been exceeding since 2015 (see Chart 3.1.7-p).

Total ranking

Chart 3.1.7-q shows that the overall ranking of insurance groups in Panama in 2024 is once again led by Assa, with a market share of 22.3% (23.8% in 2023), followed by Internacional de Seguros (16.4%) and MAPFRE (13.3%). Aseguradora Ancon (3.4%) and Mercantil Panamá (3.3%) move up one place, pushing Worldwide Medical Assurance into tenth place (2.8%).

Life and Non-Life rankings

Meanwhile, the two insurance groups leading the Life ranking maintain their

positions from the previous year. Assa held a 22.4% share (23.5% in 2023), followed by Internacional with 19.6% (up 0.6 pp on the previous year). The remaining insurers maintained their relative positions, except for MAPFRE, which climbed one place to fourth, with a 10.4% market share and 47.3 million dollars in premiums (see Chart 3.1.7-r). The Non-Life ranking for 2024 remains largely unchanged from the previous year, except for MAPFRE and Internacional de Seguros, which swapped second and third place respectively, and Seguros Fedpa, which moved up two places to sixth. Assa led the ranking once again this year, with a 22.3% market share, followed by Internacional de Seguros, with a 15.4% market share (15.0% last year), and MAPFRE, with a 14.1% market share (down 1.9 pp compared to 2023), in third place. General de Seguros closed out the Non-Life ranking, with a 2.5% market share (up 0.2 pp on the previous year).

Key regulatory aspects

In 2024, several noteworthy regulatory adjustments were issued in Panama's insurance market by the Board of Directors

and the General Directorate of the Superintendency of Insurance and Reinsurance, the authority responsible for supervising insurance activity in the country:

Agreements

- *Agreement No. 001-2024* (February 23, 2024), which establishes the provisions for the adoption and application of IFRS 17, applicable to insurance and reinsurance operations, as well as the solvency capital requirements, solvency margin, and minimum liquidity requirements.

Resolutions

- *Resolution JD-024-2024* (May 18, 2024), issuing an Interpretation Guide to Agreement No. 001-2024, in order to facilitate its implementation by regulated entities.
- *Resolution DG-SSRP-014-2024* (September 25, 2024), which approves the Consolidated Supervision Methodology

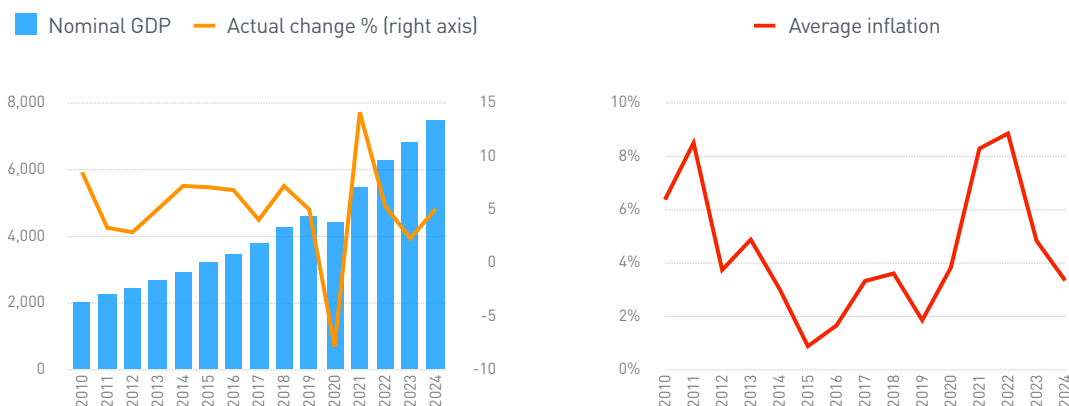
Manual applicable to individuals and legal entities subject to supervision.

- *Resolution DG-SSRP-012-2024* (July 26, 2024), establishing the procedure for requesting information from the Private and Single Registry System of Ultimate Beneficial Owners.

Circulars

- *Circular No. CIR-029-2024* (May 20, 2024), requesting additional information on the process of adjusting health insurance policy rates.
- *Circular No. CIR-038-2024* (December 18, 2024), which regulates the procedure for increasing rates on individual health insurance policies.
- *Circulars No. CIR-028-2024 and CIR-032-2024* (November 7, 2024), which establish guidelines on the Compulsory Basic Traffic Accident Insurance Policy (SOAT) and the submission of related statistical information.

Chart 3.1.8-a
Dominican Republic: changes in economic growth and inflation
(GDP in local currency, billions of pesos; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

3.1.8 Dominican Republic

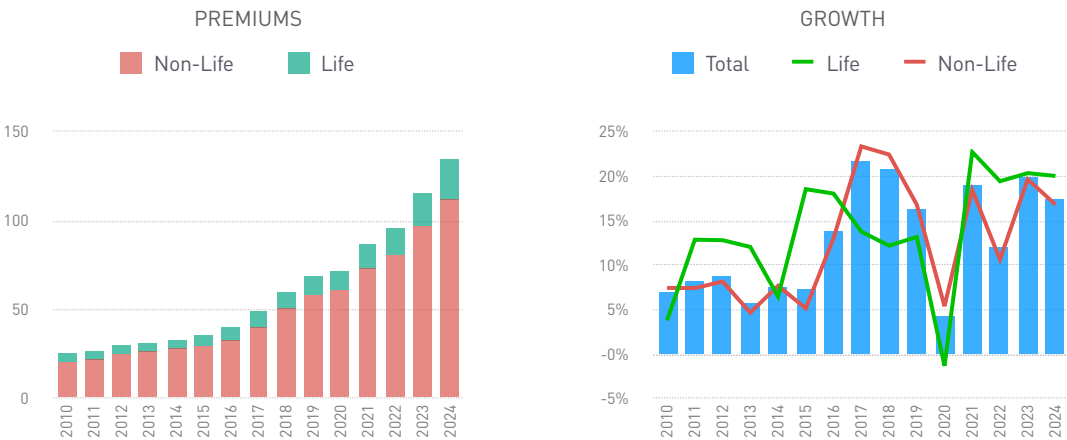
Macroeconomic environment

In 2024, the Dominican economy grew by 5.0% in real terms, accelerating its rate of expansion compared to the previous year (2.4% in 2023) and positioning itself as the fastest-growing economy in Latin America (see Chart 3.1.8-a). This behavior can be explained, in part, by the impact of monetary policy (the policy rate closed 2024 one hundred basis points below its level at the beginning of the year), affecting domestic demand and other interest rate-sensitive sectors such as housing, construction, and manufacturing. It was also reinforced by an improvement in external demand, with tourism-related activities posting record growth. Likewise, with regard to foreign direct investment, investors have found a market niche in the country (*nearshoring* in light of the greater risks in other countries in the region), supported by its macroeconomic stability and incentive policies, including the expansion of free trade zones. As for the current account deficit, it narrowed to 3.3% (3.7% the previous year), driven by the strong performance of the services balance (reflecting the surplus generated by tourism), a continued deficit in the goods

balance (despite an approximately 7% improvement in exports from free trade zones), and a financial account that continues to record solid foreign direct investment inflows. These factors, together with the government's efforts to maintain a better balance between revenue and expenditure, led to positive progress in the fiscal position, with the deficit standing at 3.0% of GDP, down 0.4 percentage points (pp) on the previous year, and public debt also falling slightly to 57.5% of GDP in 2024. Meanwhile, following the central bank's efforts to control price growth, interest rates (which remained at 7.0% in the first eight months of the year) were lowered by 25 basis points (bps) each month from September onwards, once the moderation in inflation had been confirmed, ending the year at 6.0%. Inflation averaged 3.3% in 2024 (4.8% in 2023), placing it within the central bank's target range (4% ± 1%).

As for growth forecasts, ECLAC estimates that the Dominican economy will grow 3.7% in 2025 (4.8% in 2026), driven by less restrictive monetary policy, higher public spending, and exchange-rate stability due to improvements in the current account. The IMF forecasts even stronger growth, with an estimated growth rate of 4.0% for 2025.

Chart 3.1.8-b
Dominican Republic: growth developments in the insurance market
(premiums, billions of pesos; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance)

Table 3.1.8
Dominican Republic: premium volume¹ by line, 2024

Line of business	Millions of pesos	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	135,354.3	2,277.8	17.3	13.6
Life	22,497.3	378.6	20.0	16.2
Individual life	1,922.2	32.3	60.4	55.3
Group life	20,575.2	346.2	17.3	13.5
Non-Life	112,856.9	1,899.2	16.8	13.1
Fire and allied lines	35,660.5	600.1	22.8	18.9
Automobiles	29,850.9	502.3	18.1	14.3
Health	32,510.9	547.1	13.8	10.1
Other lines	8,427.8	141.8	8.2	4.7
Transport	2,357.1	39.7	-0.1	-3.3
Surety	2,647.5	44.6	12.6	9.0
Personal Accident	1,402.3	23.6	14.5	10.8

Source: MAPFRE Economics (based on data from the Superintendency of Insurance)

1/ Written premiums net of returns and cancellations

Meanwhile, MAPFRE Economics forecasts that Dominican GDP growth will be around 3.9% in 2025 and rise to 4.7% in 2026.

Automobile insurance remain the most important lines in the Non-Life segment. Health premiums grew by 13.8% in nominal terms, reaching 32.5 billion pesos. Fire and Allied Lines, with 35.7 billion pesos

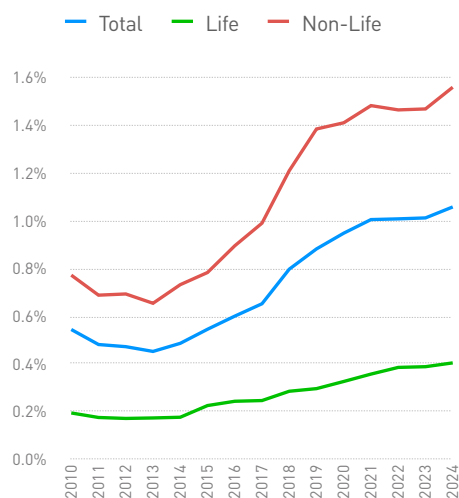
Insurance market

Growth

As shown in Table 3.1.8 and Chart 3.1.8-b, in 2024, the premium volume of the Dominican Republic's insurance market amounted to 135.4 billion pesos (2.3 billion dollars), representing a nominal increase of 17.3% and real growth of 13.6%. Premiums in the Life segment grew 20.0% in nominal terms, reaching 22.5 billion pesos (378.6 million dollars). In the individual Life insurance sector, premiums increased by 60.4% in nominal terms, reaching 1.9 billion pesos, while group Life insurance premiums stood at 20.6 billion pesos, a 17.3% increase over the previous year.

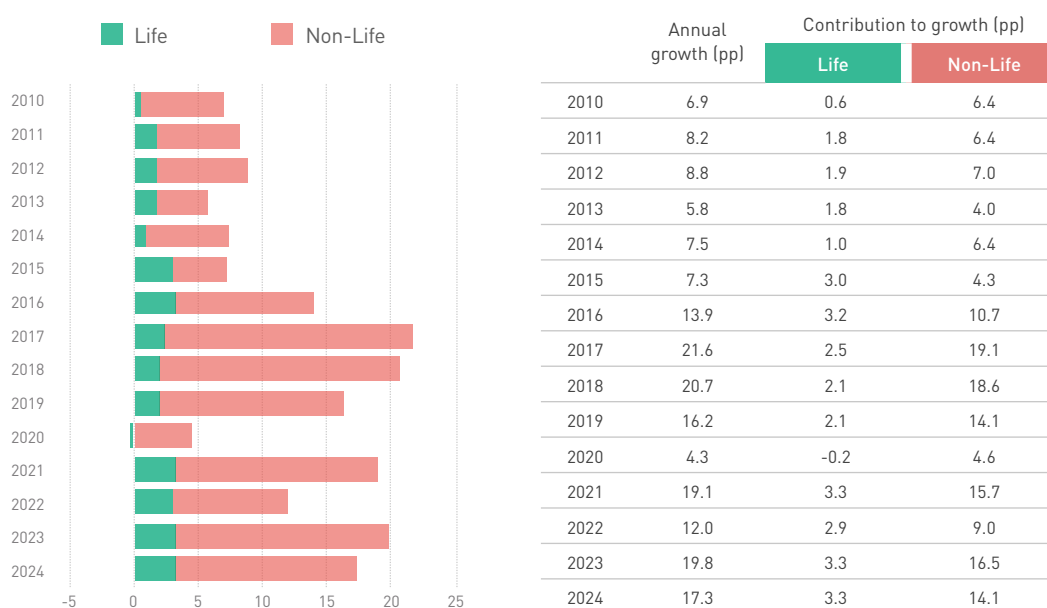
Premiums in the Non-Life segment—which represented 83.4% of the total—rose 16.8% in nominal terms (13.1% real), reaching 112.9 billion pesos (1.9 billion dollars). Health, Fire and Allied Lines, and

Chart 3.1.8-c
Dominican Republic: share of insurance premiums in Latin America (%)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance and supervisory bodies of the region)

Chart 3.1.8-d
Dominican Republic: contribution to insurance market growth
 (percentage points, pp)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance)

{600.1 million dollars), grew 22.8% in nominal terms (an 18.9% increase in real terms compared to the previous year), and Automobile grew in nominal and real terms by 18.1% and 14.3%, respectively, reaching 29.9 billion pesos. The remaining Non-Life segments grew in nominal and real terms, except for the Transport segment, which dropped 0.1% in nominal terms. Notable gains were recorded in Personal Accident (14.5%), Surety (12.6%), and Other Non-Life lines (8.2%).

Regarding the share of total premiums—and by Life and Non-Life segments—of the Dominican insurance market within the broader Latin American market, performance has been positive (see Chart 3.1.8-c). Throughout the 2010–2024 period, the Dominican Republic's share of total premiums in Latin America rose from 0.55% in 2010 to 1.06% in 2024. Similarly, the Life segment's share increased from 0.20% to 0.40%, while the Non-Life segment

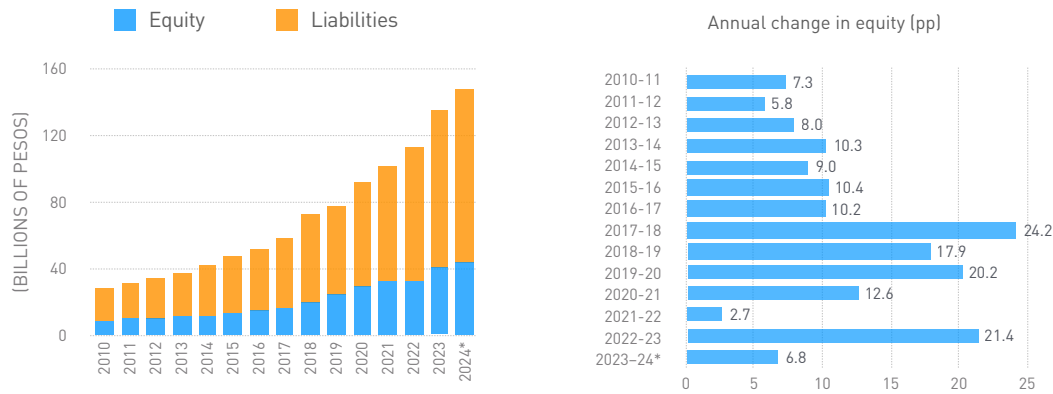
expanded from 0.77% to 1.56% over the same period.

Of the 17.3% growth recorded by the Dominican Republic's insurance market in 2024, the Non-Life insurance segment made a significant contribution, accounting for 14.1 pp of this increase, while the Life insurance segment contributed to a lesser extent, accounting for 3.3 pp. As shown in Chart 3.1.8-d, apart from a marginally negative contribution from the Life segment in 2020, both segments contributed positively to growth of the country's insurance industry over the period analyzed.

Balance sheet and shareholders' equity

Chart 3.1.8-e (with the latest data available for the third quarter of 2024) shows the aggregate sector-level balance sheet of the Dominican insurance industry. According to this information, the industry's total assets stood at 147.4 billion pesos (2.4 billion dollars). Meanwhile, equity within the

Chart 3.1.8-e
Dominican Republic: changes in the insurance industry's aggregate balance sheet
(amounts in local currency; change in equity, percentage points)



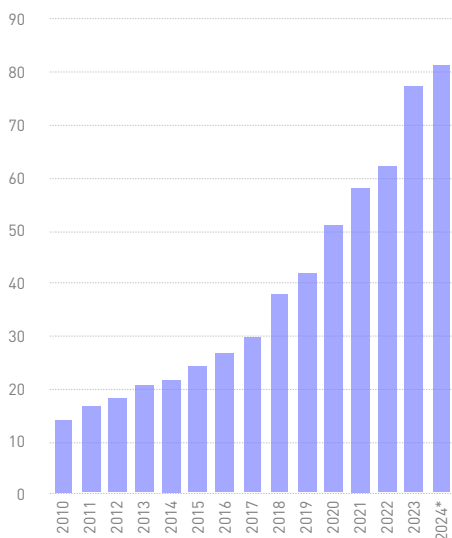
Source: MAPFRE Economics (based on data from the Superintendency of Insurance)

*Data through September 2024

industry came to 43.4 billion pesos (710.1 million dollars), up 6.8 pp on the value reported in 2023. It should be noted that these variations are significantly smaller than those registered the previous

year. It is also important to highlight that, over the 2010–2024 period, the Dominican insurance sector consistently recorded positive annual increases in equity. Meanwhile, the aggregate capitalization

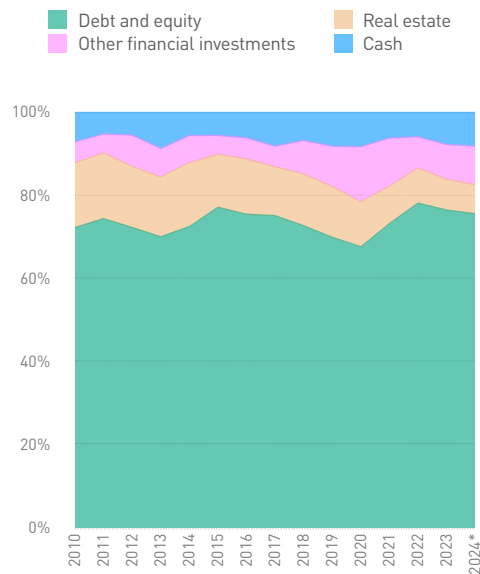
Chart 3.1.8-f
Dominican Republic: insurance market investments
(billions of pesos)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance)

*Data through September 2024

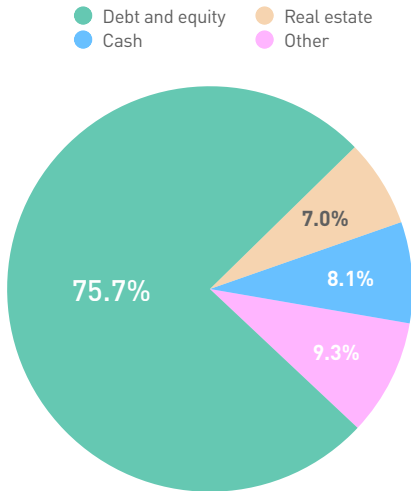
Chart 3.1.8-g
Dominican Republic: structure of investments
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance)

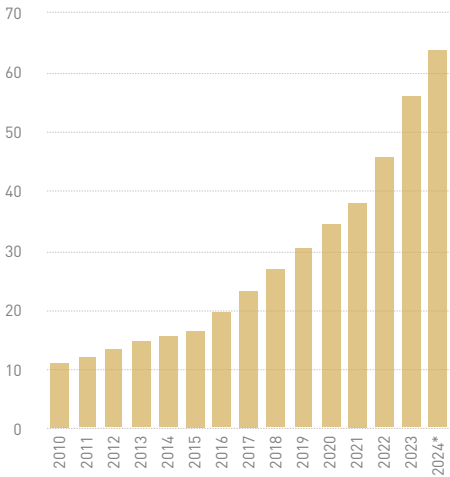
*Data through September 2024

Chart 3.1.8-h
Dominican Republic: structure of investments,
2024*
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance)
*Data through September 2024

Chart 3.1.8-i
Dominican Republic: technical provisions of the
insurance market
(billions of pesos)



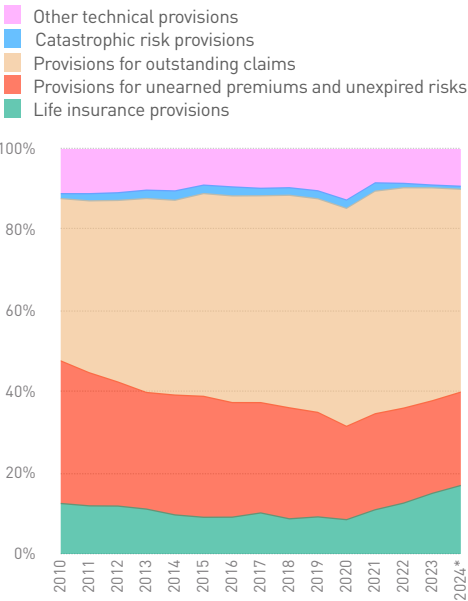
Source: MAPFRE Economics (based on data from the Superintendency of Insurance)
*Data through September 2024

levels of the country's insurance industry (measured against total assets), which stood at around 30.1% over the period, reached their lowest point in 2017 (28.1%), representing 29.4% in the third quarter of 2024.

Investments

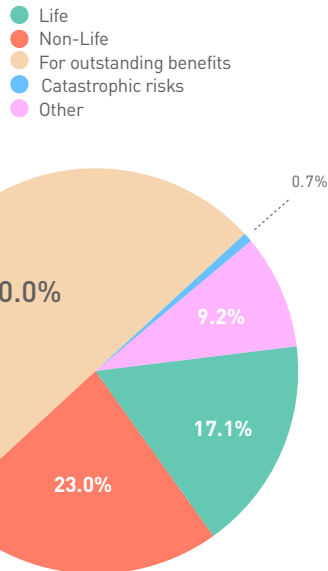
Chart 3.1.8-f shows the performance of the aggregate investment portfolio at sector level over the 2010–2024 period, while Charts 3.1.8-g and 3.1.8-h show changes in investment patterns over the same period. At the end of the third quarter of 2024, total investments reached 81.5 billion pesos (1.3 billion dollars), concentrated in debt and equity instruments (75.7%) and, to a relatively lesser extent, in real estate (7%) and cash (8.1%). In the analysis of the performance of the aggregate investment portfolio, it is worth noting the change in the weight of real estate investments, which has steadily declined since 2010 (when it represented 15.6% of the portfolio) to reach 7.0% in the third quarter of 2024, amounting

Chart 3.1.8-j
Dominican Republic: structure of technical
provisions
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance)
*Data through September 2024

Chart 3.1.8-k
Dominican Republic: structure of technical provisions, 2024*
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance)

*Data through September 2024

period, reaching 7.6 billion pesos, exceeding the figures for December 2023 and those obtained since 2010.

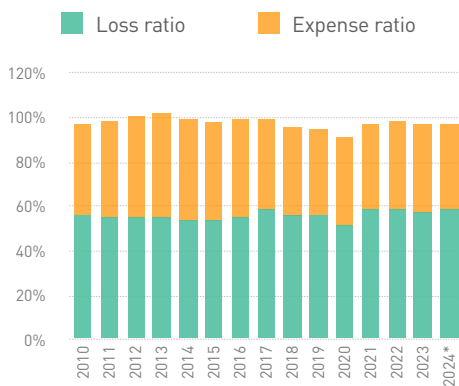
Technical provisions

Chart 3.1.8-i shows the evolution of technical provisions in the Dominican insurance market, while Charts 3.1.8-j and 3.1.8-k illustrate their relative composition over 2010–2024. According to this data, as of September 2024, aggregate technical provisions stood at 63.6 billion pesos (1.0 billion dollars), representing a 13.1% increase from the previous year. Of this total, 17.1% related to mathematical provisions and unexpired risks in personal insurance, 23.0% to provisions for unearned premiums and unexpired risks in Non-Life insurance, 50.0% to provisions for outstanding benefits, 0.7% to provisions for catastrophic risks, and the remaining 9.2% to other technical provisions.

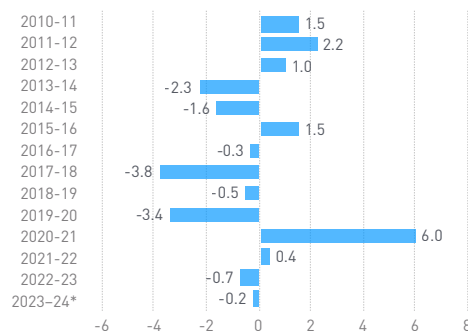
Technical performance

Chart 3.1.8-l shows the evolution of the aggregate combined ratio for the Dominican insurance industry as a whole over the 2010–2024 period. According to this data, the technical performance indicator

Chart 3.1.8-l
Dominican Republic: changes in market technical performance
(total combined ratio, %; annual change in combined ratio, percentage points)



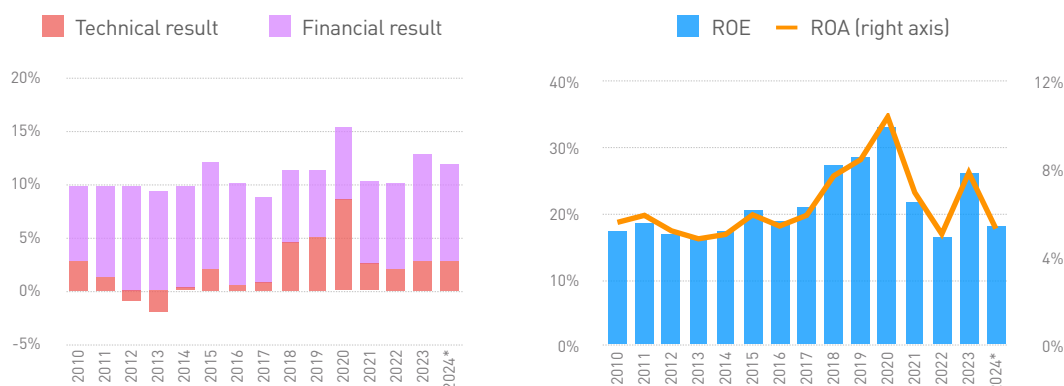
Annual change in combined ratio (pp)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance)

*Data through September 2024

Chart 3.1.8-m
Dominican Republic: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance)

*Data through September 2024

improved by 0.15 pp, with data through the third quarter of 2024. This improvement was driven mainly by the improvement in the expense ratio, which dropped 1.36 pp to 38.1%, despite the negative trend in the loss ratio, which rose slightly by 1.21 pp to 59.0%.

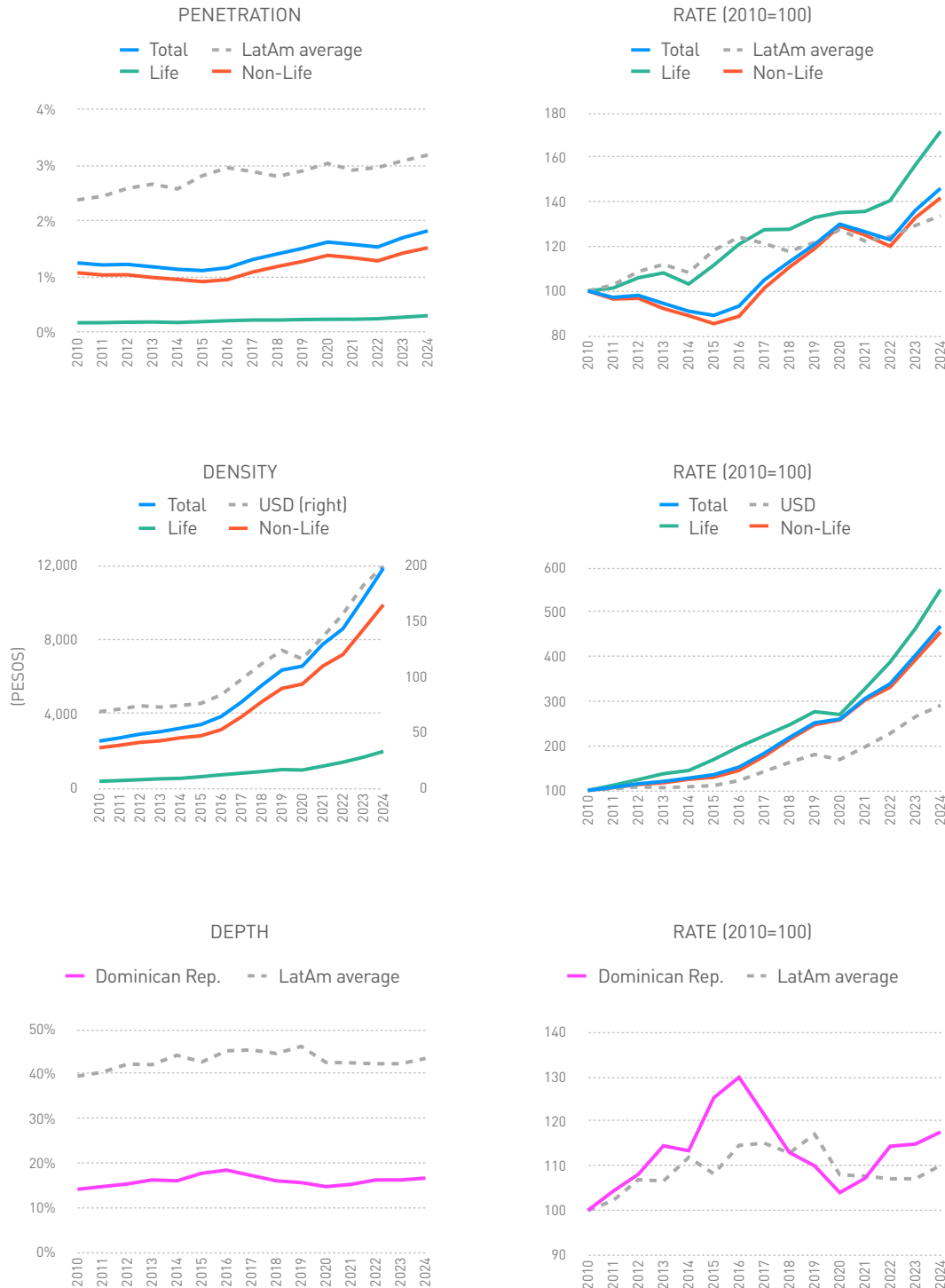
Results and profitability

The consolidated result of the Dominican insurance sector as a whole in 2024 was 7.6 billion pesos (127.5 million dollars), 22.7% less than the previous year. The financial result as of September 2024 in relation to earned premiums decreased by 1.13 pp compared to December 2023, reaching 8.84%. However, the technical result in relation to earned premiums increased by 0.15 pp to 2.86% (see Chart 3.1.8-m). As a result, return on equity (ROE) stood at 18.0% in September 2024, down 8.4 percentage points compared to December of the previous year. Similarly, return on assets (ROA) reached 5.3% in the third quarter of 2024, down 2.5 pp from the end of 2023.

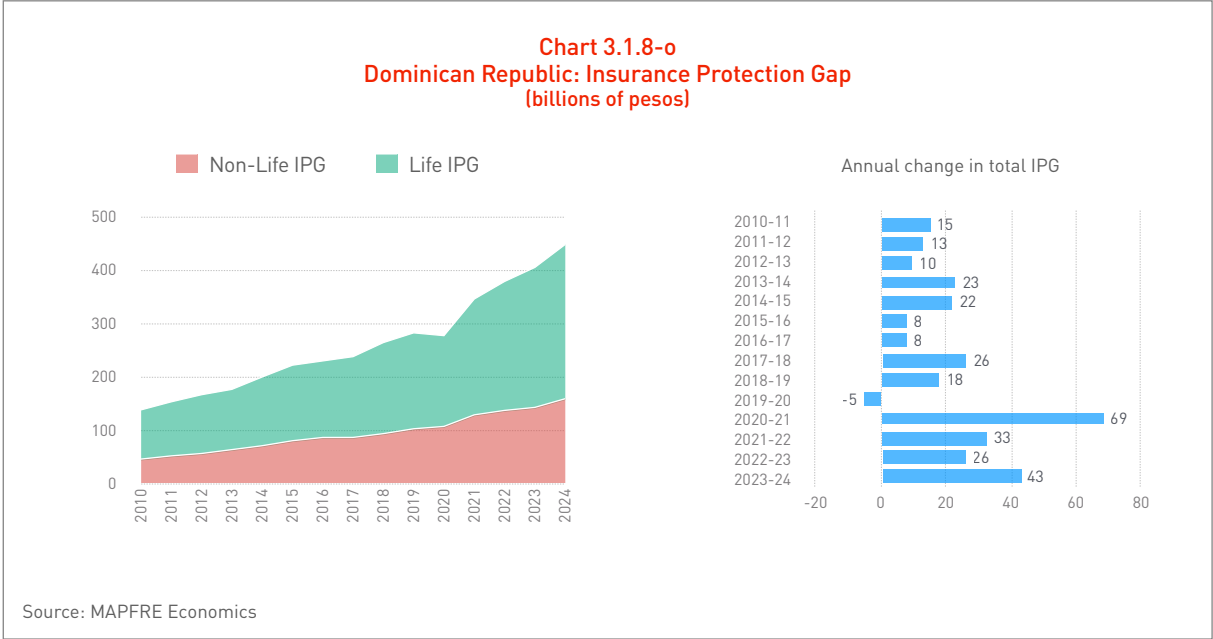
Insurance penetration, density, and depth

Chart 3.1.8-n shows the main structural trends shaping the development of the Dominican insurance industry over the 2010–2024 period. The penetration rate (premiums/GDP), which declined from 2010 (1.3%) to 2015 (1.1%), began to grow steadily, reaching 1.8% in 2024. This is primarily due to the momentum generated by the Non-Life insurance segment. However, penetration in the Dominican market has remained well below the average absolute values of the region's markets (3.2% in 2024). Meanwhile, insurance density (premiums per capita) stood at 11,844.6 pesos (199.3 dollars) in 2024, 16.3% above the level reached in 2023 (10,180.3 pesos). The density of the Dominican market (measured in local currency) shows a clear upward trend over the period analyzed, with a cumulative increase of 369.1% between 2010 and 2024. Finally, the penetration ratio (Life insurance premiums as a percentage of total premiums) increased by 0.4 percentage points to 16.6% in 2024. Although depth in the Dominican market grew practically in step with the market trends for Latin America as a whole, its absolute levels were

Chart 3.1.8-n
Dominican Republic: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, pesos and USD; Life premiums/total premiums, %; 2010 index=100)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance)



26.8% pp below the regional average in 2024.

Insurance Protection Gap estimate

Chart 3.1.8-o shows an estimate of the protection gap for the Dominican Republic's insurance market between 2010 and 2024. As this analysis shows, the IPG stood at 447.8 billion pesos (7.5 billion dollars) in 2024, representing 3.3 times the Dominican insurance market at the end of that year. The structure and performance of the

protection gap over the period under analysis were shaped mainly by the Life insurance segment. Thus, at the end of 2024, Life insurance accounted for 64.6% of the IPG (289.1 billion pesos), down 0.3 pp from the share observed in that segment in 2023. The remaining 35.4% of the protection gap can be explained by the contribution of the Non-Life segment (158.7 billion pesos). Thus, as Chart 3.1.8-p shows, the potential insurance market in the Dominican Republic at the end of 2024 (calculated as the sum of the actual market and the IPG) was

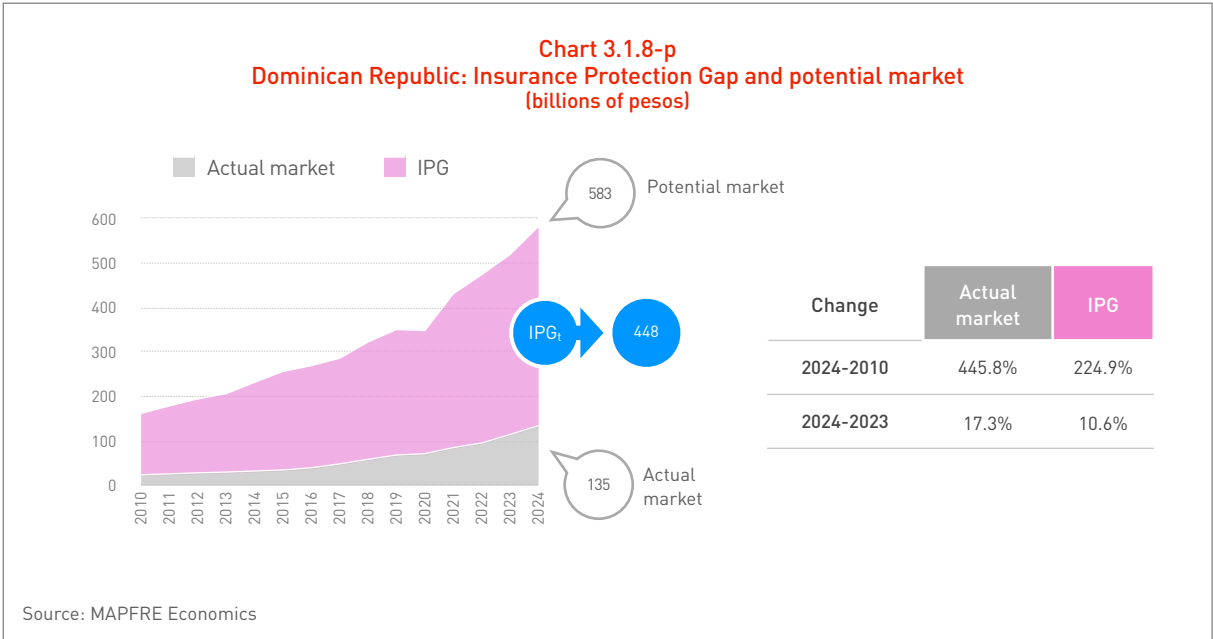
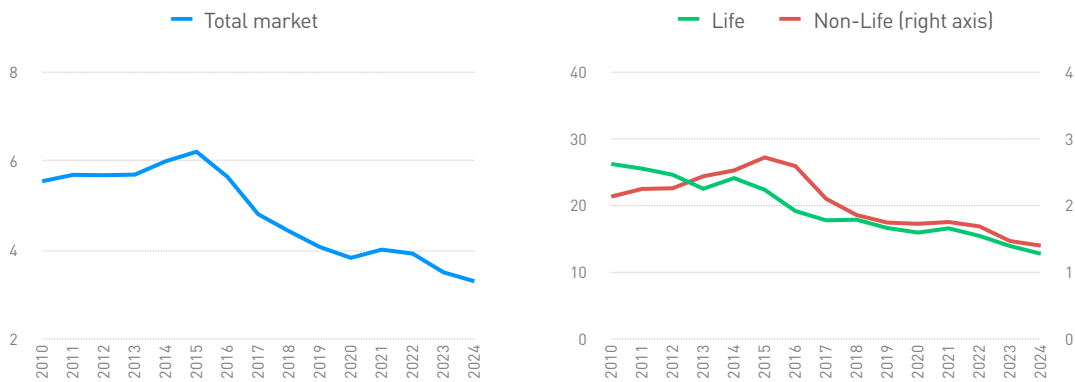


Chart 3.1.8-q
Dominican Republic: IPG as a multiple of the actual market
(number of times the size of the actual insurance market)



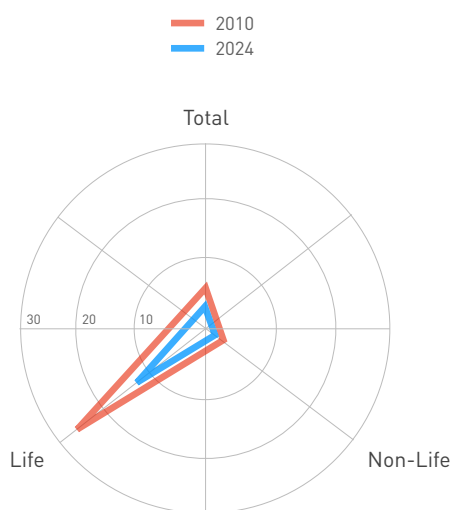
Source: MAPFRE Economics

estimated at 583.1 billion pesos (9.8 billion dollars), representing 4.3 times the total insurance market that year.

To analyze the trend in IPG behavior, Chart 3.1.8-q shows its estimate as a multiple of the actual insurance market in the

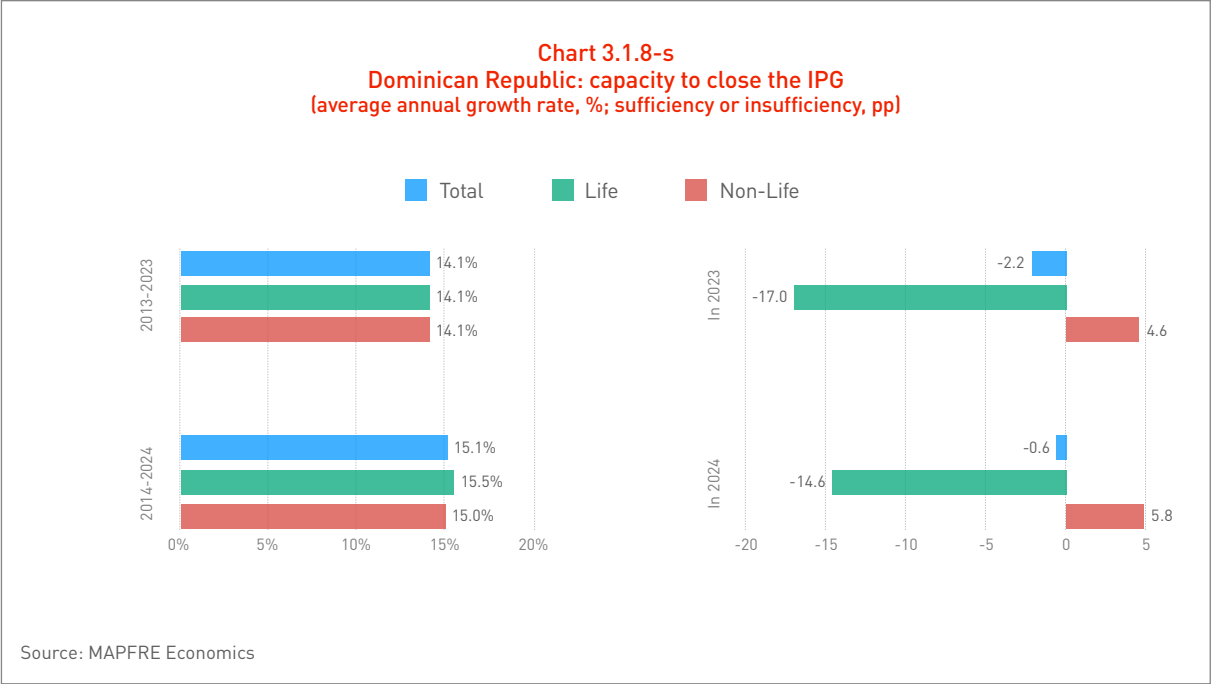
Dominican Republic over the 2010–2024 period. As this information indicates, the protection gap as a multiple of the market trended upward until 2015, largely due to the behavior of the protection gap in the Non-Life segment. From that point on, the trend reversed, as both segments saw a gradual narrowing of the IPG. Thus, the protection gap as a multiple of the market has fallen from 5.6 to 3.3 times during this period, experiencing a notable decline in the last six years. For the Life insurance segment, the indicator shows a clear downward trend over the 2010–2024 period, falling from 26.3 to 12.8 times, while the decline in the Non-Life segment is from 2.1 times to 1.4 times over the same period. This trend is confirmed by the schematic analysis presented in Chart 3.1.8-r, which summarizes the changes in the IPG as a multiple of the real market for the Life and Non-Life business segments and the total Dominican insurance market in 2010 and 2024. This chart shows that both insurance segments have reduced the gap as a multiple of the market, although the protection gap in Life continues to be significantly greater than in Non-Life insurance.

Chart 3.1.8-r
Dominican Republic: change in IPG as a multiple
of the actual market



Source: MAPFRE Economics

Finally, Chart 3.1.8-s shows the updated assessment of the Dominican insurance



market's capacity to close the protection gap. A comparative analysis is used for this purpose, comparing the growth rates observed over the last ten years with the growth rates that would be required to close the gap identified in 2024 over the next decade. Accordingly, the Dominican insurance market grew at an average annual rate of 15.1% during this period, supported by growth rates in the Life and Non-Life

segments of 15.5% and 15.0%, respectively. If the same growth dynamics observed in the last decade continue over the next ten years, the growth rate of the Dominican insurance market would fall short of the target for closing the IPG in 2024 in the Life insurance segment (with a shortfall of 14.6 pp), while this growth rate would be sufficient to achieve the target for the Non-Life segment. It should be noted that, relative to the

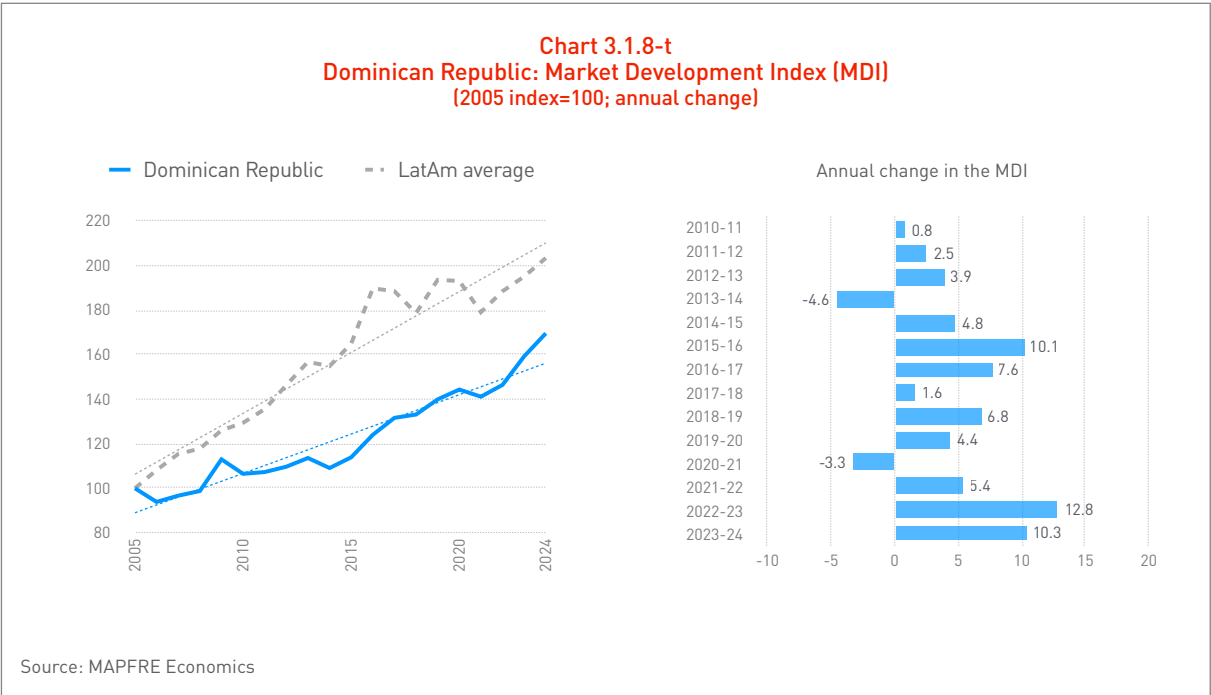
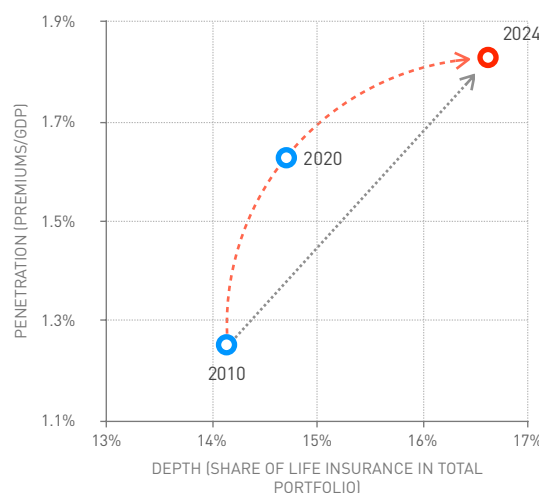
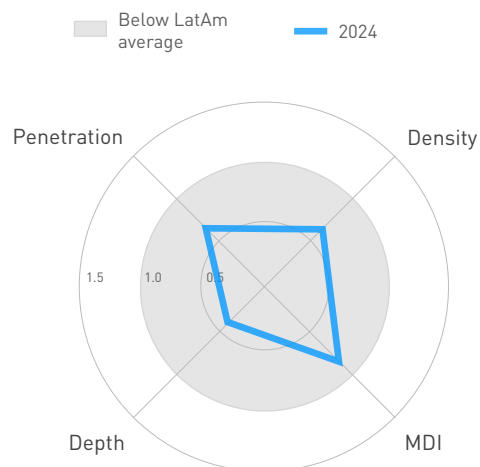


Chart 3.1.8-u
Dominican Republic: comparative structural coefficient index* vs. average for Latin America (2024) and medium-term changes in the insurance market (2010–2024)



Source: MAPFRE Economics

* Indexes calculated as the quotient between the values of the country's structural coefficient and the average values of the coefficient concerned for the Latin American market as a whole. The unit represents a performance equivalent to the region's average.

exercise conducted in 2023, this shortfall narrowed in the Life segment (by 2.4 pp) and for the market as a whole (by 1.5 pp).

Market Development Index (MDI)

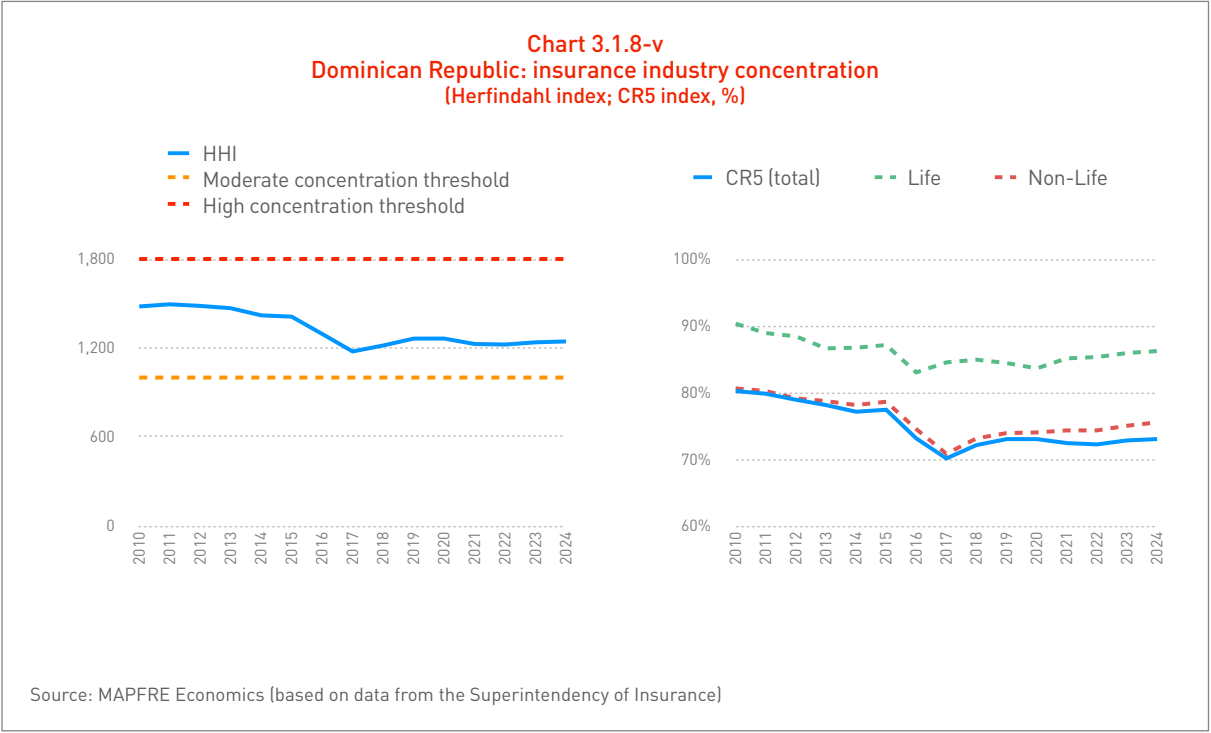
Chart 3.1.8-t provides an estimate of the Market Development Index (MDI) for the Dominican insurance industry. The MDI—an indicator used to assess the overall trend in the development and maturity of insurance markets—shows a positive trajectory over 2005–2024. However, this improvement has not been sufficient to converge with the average performance of Latin American insurance markets, with the Dominican index standing 33.7 points below the regional average in the latest year. It should be noted, however, that this differential, explained by the still-insufficient development of the Life insurance segment in the Dominican market, increased from 2005 to 2016, when it peaked, and has been declining since then.

Comparative analysis of structural coefficients

Lastly, Chart 3.1.8-u summarizes the Dominican insurance market's situation in comparison with the average for Latin America, measured in terms of the various structural coefficients analyzed. This information shows that its position is below the Latin American average in all these areas, especially in terms of depth and density, although the latter has been gradually reducing its gap with the regional trend. Despite this, the dispersion analysis confirms that the development of the insurance industry in the Dominican Republic over 2010–2024 has been balanced, with gains in both penetration levels (quantitative dimension) and depth (qualitative dimension).

Insurance market rankings

In 2024, 33 insurance companies and two reinsurance companies operated in the Dominican Republic, the same as in the previous year. It is a relatively concentrated



market, although over the last fifteen years there has been a downward trend in its degree of concentration, which was intense only until 2017. As shown in Chart 3.1.8-v, the Herfindahl index, at 1,244 points in 2024, increased slightly over the previous year and remains above the theoretical threshold associated with moderate concentration.

The CR5 index increased slightly in 2024 (73.0%) and is now higher than in the last two years.

Total ranking

The composition of the ten largest insurance companies in the overall ranking

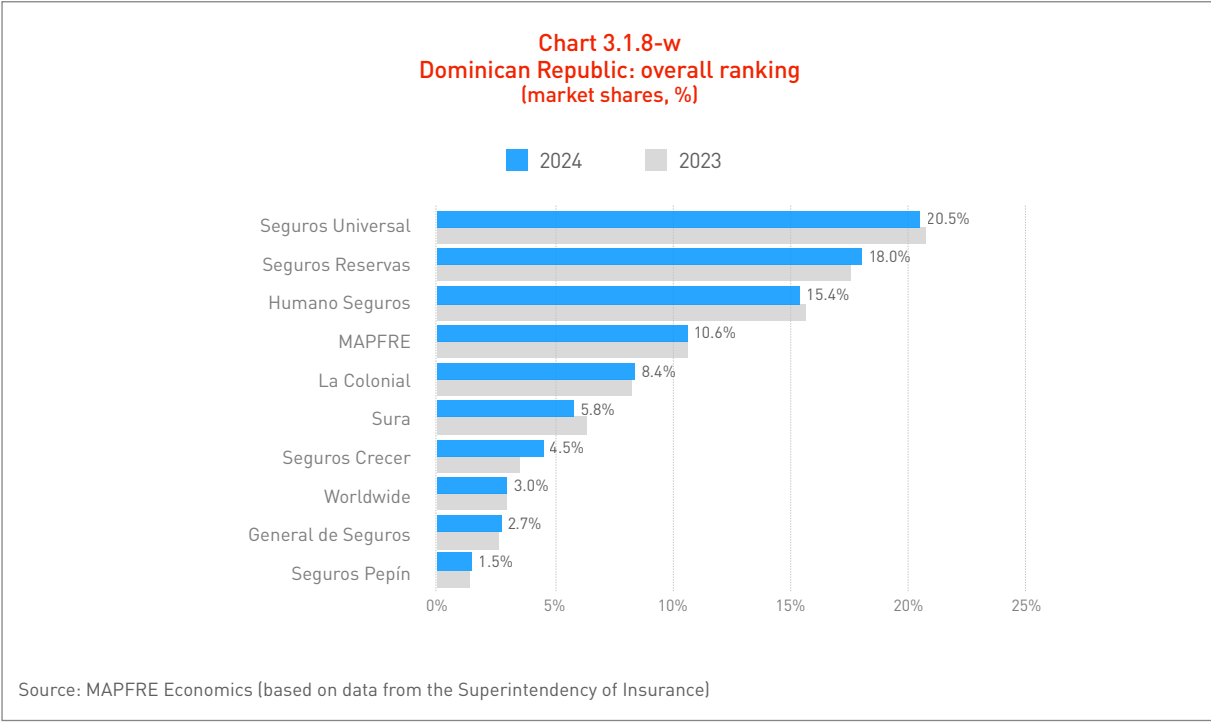
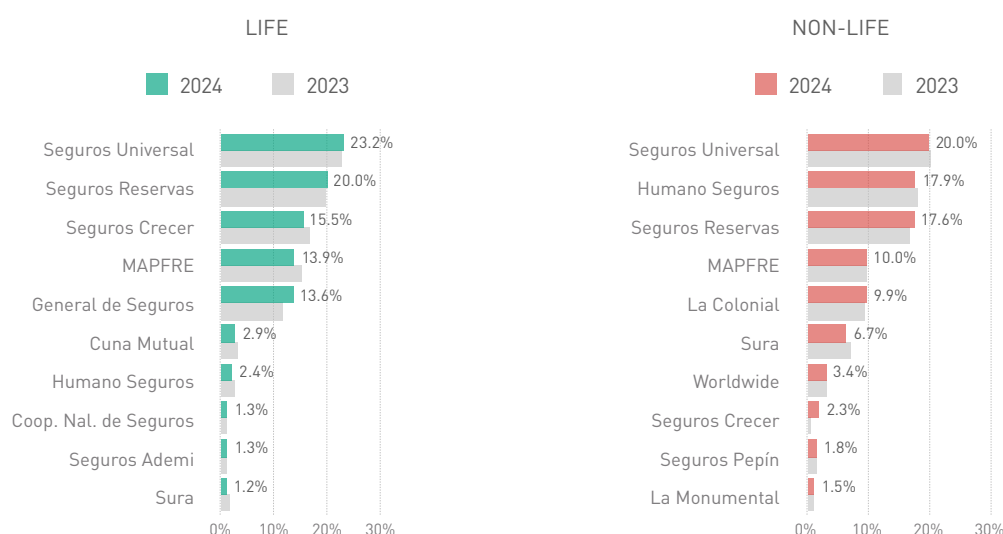


Chart 3.1.8-x
Dominican Republic: Life and Non-Life ranking
 (market shares, %)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance)

of the Dominican insurance market has not changed from the previous year. Seguros Universal ranks at the top of the table, with a 20.5% market share (20.7% in 2023) and 27.8 billion pesos in premiums. Seguros Reservas ranks second, with an 18.0% market share and premiums totaling 24.4 billion pesos, while Humano Seguros, with 20.8 billion pesos in premiums, captured 15.4% of the market, 0.2 pp less than the previous year, placing it third in the ranking, followed by MAPFRE, with a 10.6% market share (see Chart 3.1.8-w).

Life and Non-Life rankings

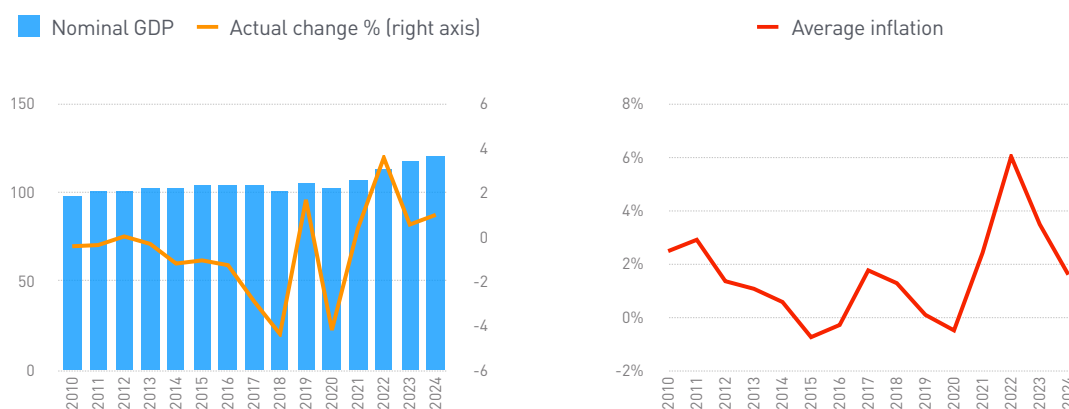
Given the relative weight of Non-Life insurance in the Dominican market, the ranking for this segment closely mirrors the overall ranking (see Chart 3.1.8-x). The insurance companies that make up the ranking for the Non-Life segment in 2024 are the same as in the previous year, with the exception of Cía. Dominicana de Seguros, which is replaced by Seguros Crecer, ranks eighth in the classification. Thus, Seguros Universal still tops the ranking, with a 20.0% market share (down

0.3 pp from the previous year), followed by Humano Seguros, with 17.9% (down 0.2 pp), and Seguros Reservas, with 17.6% (up 0.6 pp). It should be noted that both Seguros Pepín and La Monumental have dropped one place in the 2024 ranking. Meanwhile, in the Life segment ranking, Seguros Universal remains at the top of the ranking, with 23.2% of the market premiums (0.6 pp more than the previous year), followed by Seguros Reservas (with a 20.0% share) and Seguros Crecer, with a market share of 15.5% (-1.0 pp). MAPFRE ranks fourth, with a market share of 13.9% (down 1.3 percentage points from the previous year). In addition, Cooperativa Nacional (with a 1.3% share) and Seguros Ademi (1.3%) moved up one place, pushing Seguros Sura (1.2%) down to tenth place.

Key regulatory aspects

With regard to the most relevant regulatory developments in the Dominican insurance market, the following provisions issued in 2024 may be highlighted, in terms of the prudential regulation enacted by the

Chart 3.1.9-a
Puerto Rico: changes in economic growth and inflation
 (GDP in local currency, billions of USD; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

Superintendency of Insurance and Reinsurance:

- *Resolution 05-2025.* Updates the minimum liability limits and rates applicable to motor insurance and general insurance.
- *Resolution 02-2025.* Orders the permanent closure of nine insurance companies.
- *Circular 04-2025.* Addressed to insurers regulated under Law 146-02.
- *Circular 01-2025.* Applies to insurers and reinsurers in connection with Resolution 01-2024.

3.1.9 Puerto Rico

Macroeconomic environment

In 2024, Puerto Rico's economy registered 1.0% growth, reflecting a slight recovery after growing 0.6% the previous year (see Chart 3.1.9-a). Both the improvement in private consumption, supported by the gradual recovery of the labor market and stronger retail sales, and the increase in purchasing power stemming from lower inflation (3.5% in 2023 to 1.6% in 2024)

boosted domestic demand. Public expenditure was also stimulated by investment in infrastructure and renewable energy projects to reduce the island's high dependence on the United States. In terms of external trade, the trade balance once again recorded a surplus. Although imports of goods and services increased in 2024, exports expanded at an even faster pace, enabling a larger trade surplus. Meanwhile, the financial account showed a positive balance in 2024, slightly higher than the previous year, driven by a marginal improvement in foreign direct investment. In line with labor market dynamics, the unemployment rate remained at around 5.5% (5.7% in 2023), while the labor-force participation rate continued to recover, supported by momentum in key sectors such as tourism, manufacturing, and financial services, as well as moderate weather effects that did not disrupt labor supply. Inflation closed 2024 with an average variation of 1.6%, allowing the moderation process to continue (3.5% in 2023). Following increases in fossil fuel prices in 2022–2023, prices stabilized or declined in 2024. Likewise, the dollar remained strong and reduced pressure from imported costs. In contrast, Food and Beverages (up 4.1%) and Other Goods and Services (4.1%) were

Table 3.1.9
Puerto Rico: premium volume¹ by line, 2024

Line ²	Millions of USD	Growth	
		Nominal (%)	Real (%)
Total	22,008.9	7.2	5.5
Life	2,632.0	8.1	6.5
Non-Life	19,376.9	7.0	5.4
Health	15,873.4	6.6	4.9
Automobiles	1,087.1	5.5	3.9
Third-party liability	373.7	3.5	1.9
Fire and allied lines	419.4	11.3	9.5
Transport	186.9	15.6	13.7
Other lines	1,436.2	12.1	10.3

Source: MAPFRE Economics (based on data from the Insurance Commissioner's Office)

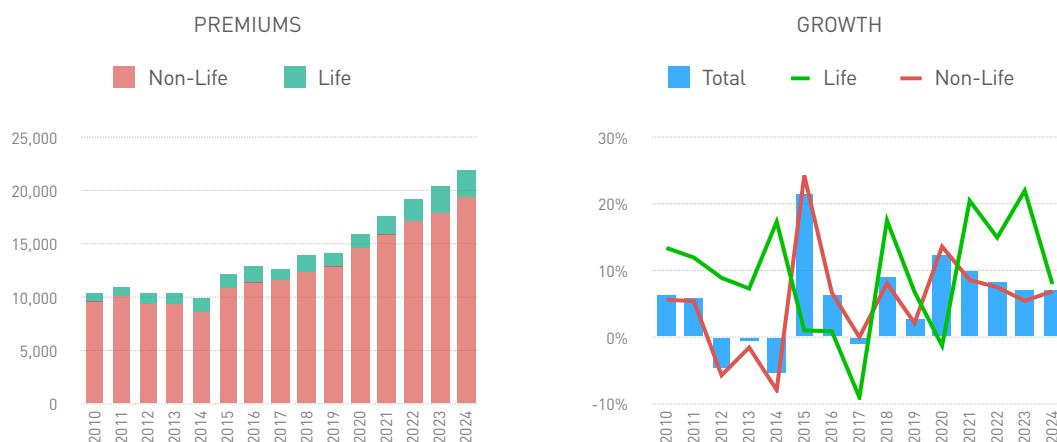
1/ Written premiums net of returns and cancellations

among the largest contributors to the rise in prices. The latter includes recreational items, retail healthcare, and miscellaneous services, reflecting continued strong domestic demand.

acknowledging the possibility of a moderate recession if external challenges persist and fiscal momentum wanes. Meanwhile, MAPFRE Economics forecasts a 0.8% decline in Puerto Rico's GDP for 2025 and a 0.1% decline for 2026.

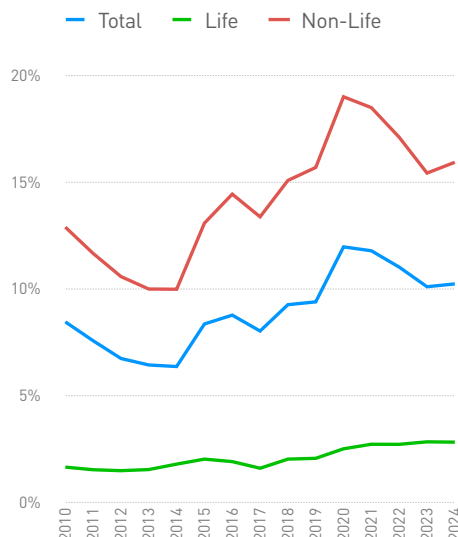
Looking ahead to 2025, the IMF forecasts a further decline in Puerto Rico's GDP of 0.8 percentage points (pp), compared to a more positive scenario from the Financial Oversight and Management Board, which forecasts growth of less than 1%, while still

Chart 3.1.9-b
Puerto Rico: growth developments in the insurance market
 (premiums, millions of USD; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the Insurance Commissioner's Office and the National Association of Insurance Commissioners, NAIC)

Chart 3.1.9-c
Puerto Rico: share of insurance premiums in Latin America (%)



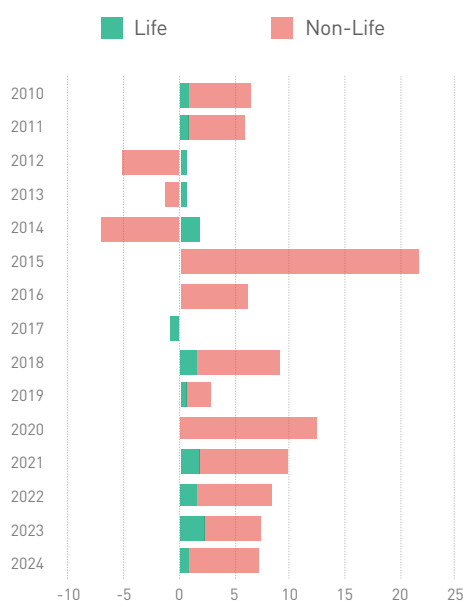
Source: MAPFRE Economics (based on data from the Insurance Commissioner's Office and the National Association of Insurance Commissioners, NAIC, and supervisory bodies of the region)

Insurance market

Growth

Puerto Rico's insurance market grew by 7.2% in nominal terms (5.5% real) to 22.0 billion dollars in premiums in 2024, while nominal growth in 2023 was 7.3% (see Chart 3.1.9-b and Table 3.1.9). In 2024, Life insurance premiums (which represent 12.0% of the market) increased 8.1% in nominal terms, while they grew in real terms by 6.5%. Meanwhile, Non-Life premiums increased by 7.0% in nominal terms, which translates to 5.4% growth in real terms. Health insurance accounts for 81.9% of the Non-Life insurance segment, which grew by 6.6% in nominal terms (4.9% in real terms) in 2024. Among the other Non-Life categories, Fire insurance stands out, growing 11.3% in nominal terms, while Third-Party Liability, Transport, and Other categories increased by 3.5%, 15.6%, and 12.1%, respectively.

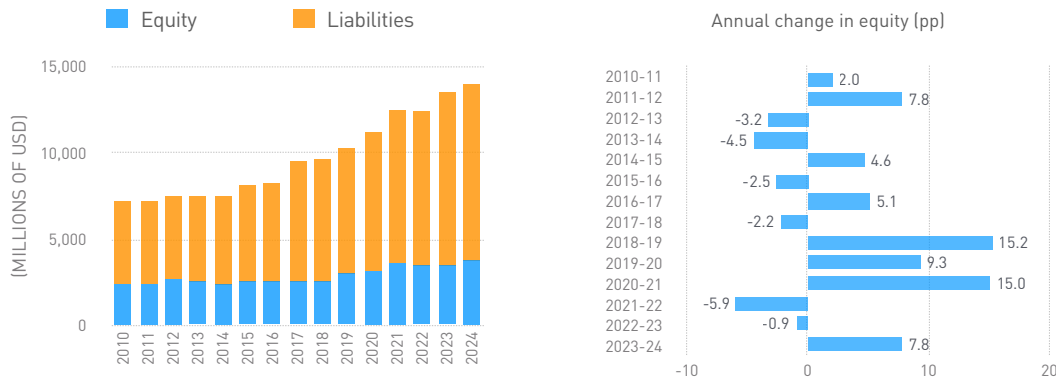
Chart 3.1.9-d
Puerto Rico: contribution to insurance market growth (percentage points, pp)



	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	6.4	1.0	5.4
2011	6.1	0.9	5.1
2012	-4.4	0.7	-5.1
2013	-0.6	0.7	-1.3
2014	-5.2	1.7	-7.0
2015	21.5	0.1	21.4
2016	6.2	0.1	6.1
2017	-0.7	-0.9	0.2
2018	9.1	1.6	7.5
2019	2.7	0.7	2.1
2020	12.3	-0.1	12.4
2021	9.8	1.8	8.0
2022	8.4	1.5	6.9
2023	7.3	2.3	5.0
2024	7.2	1.0	6.2

Source: MAPFRE Economics (based on data from the Insurance Commissioner's Office and the National Association of Insurance Commissioners, NAIC)

Chart 3.1.9-e
Puerto Rico: changes in the insurance industry's aggregate balance sheet
 (amounts in local currency; change in equity, percentage points)



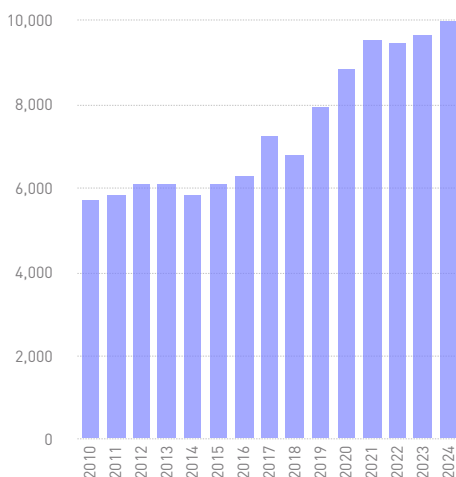
Source: MAPFRE Economics (based on data from the Insurance Commissioner's Office and the National Association of Insurance Commissioners, NAIC)

Regarding Puerto Rico's participation in the overall Latin American insurance market, although its share declined during 2011–2013 (particularly in Non-Life), it has followed an upward trend since 2015. Thus, Puerto Rico's share of total premiums in Latin America rose from 8.4% in 2010 to 10.2% in 2024. Similarly, the Life segment's

participation increased from 1.6% in 2010 to 2.8% in 2024, while the Non-Life segment's share grew from 12.9% to 15.9% over the same period (see Chart 3.1.9-c).

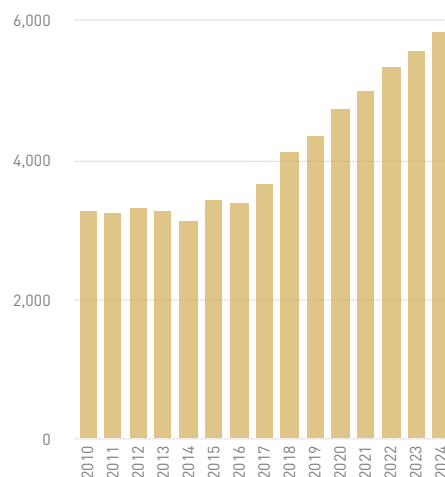
On the other hand, as illustrated in Chart 3.1.9-d, the Puerto Rican insurance market's 7.2% growth in 2024 was driven

Chart 3.1.9-f
Puerto Rico: insurance market investments
 (millions of USD)



Source: MAPFRE Economics (based on data from the Puerto Rico Insurance Commissioner's Office and the National Association of Insurance Commissioners, NAIC)

Chart 3.1.9-g
Puerto Rico: technical provisions of the insurance market
 (millions of USD)

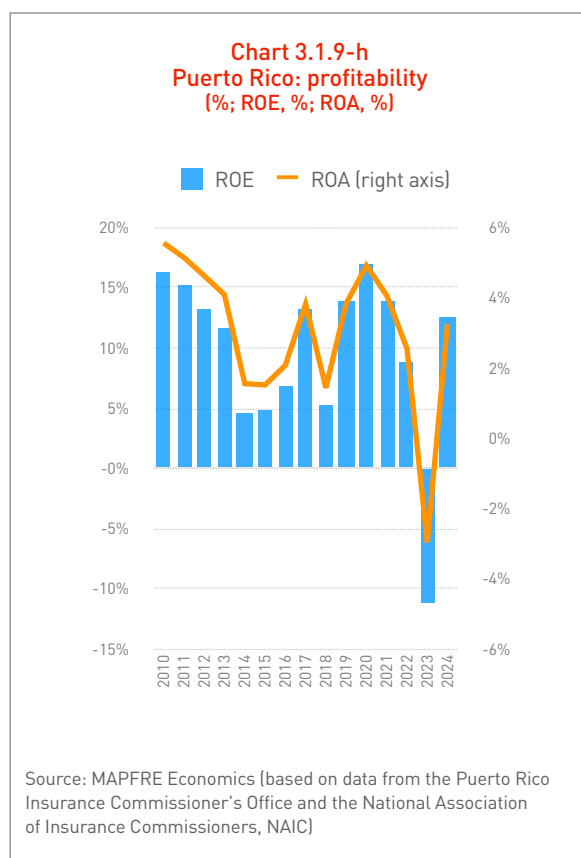


Source: MAPFRE Economics (based on data from the Puerto Rico Insurance Commissioner's Office and the National Association of Insurance Commissioners, NAIC)

both by the contribution of the Life segment, which accounted for 1.0 pp of the total, and—more significantly—by the contribution of the Non-Life segment, which added 6.2 pp. It should be noted that since 2018, both market segments have contributed positively to the sector's growth.

Balance sheet and shareholders' equity

Chart 3.1.9-e shows changes in the aggregate balance sheet of insurance companies operating in Puerto Rico over the 2010–2024 period. These figures show that in 2024, the sector's total assets amounted to 14 billion dollars, while equity stood at 3.7 billion dollars, a 7.8% increase over the previous year. Aggregate capitalization levels (measured as the ratio of equity to total assets) remained above 30.0% until 2016, peaking at 35.3% in 2012, and then gradually declined to 26.6% in 2024.



Investment and technical provisions

The evolution of the sector's aggregate investment portfolio between 2010 and 2024 is presented in Chart 3.1.9-f. In 2024, the total portfolio amounted to 10.0 billion dollars, 3.3% more than the previous year's figure. Meanwhile, Chart 3.1.9-g shows changes in technical provisions at industry level over the 2010–2024 period. According to this information, in 2024, technical provisions reached 5.8 billion dollars, an increase of 4.6% compared to the figure for 2023 (5.6 billion dollars). It should be noted that it is impossible, on the basis of available data, to provide a more detailed disaggregation of the composition of both investments and technical provisions.

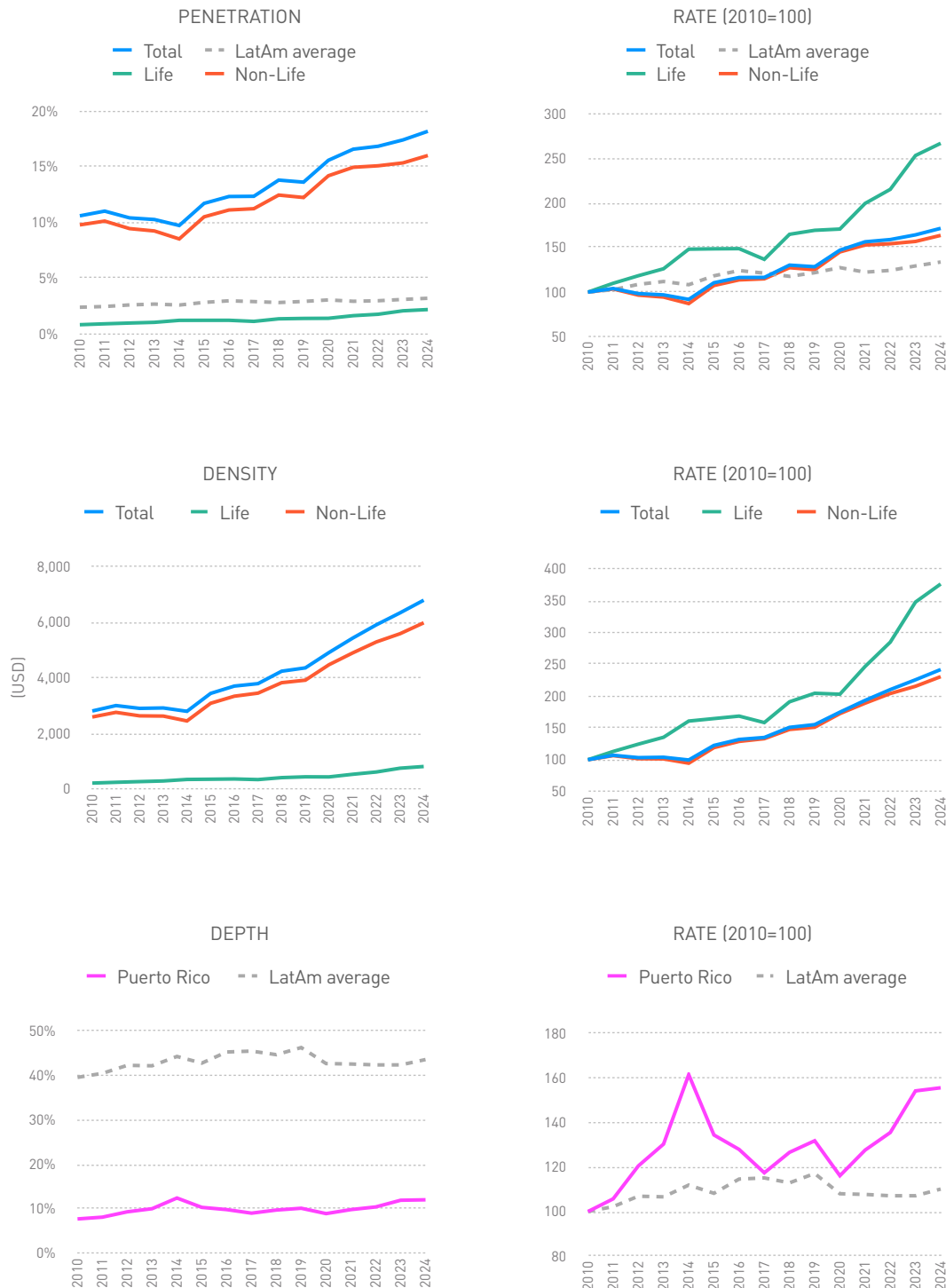
Results and profitability

The consolidated result for the 2024 fiscal year for the Puerto Rican insurance industry shows a net profit of 448.7 million dollars, reversing the loss recorded in 2023 (-385.0 million dollars). This improvement is partly explained by a recovery in the performance of the Health segment, which had generated significant losses the previous year due to the poor technical performance of the Medicare Advantage plan. In terms of market profitability parameters, return on equity (ROE) stood at 12.5% in 2024, representing an improvement of 23.6 pp compared to the negative value observed in 2023 (-11.1%). Similarly, return on assets (ROA) reached 3.3% in 2024, up 6.3 pp over the previous year (see Chart 3.1.9-h). The performance of both indicators reflects a significant recovery after the first loss recorded in the decade, the previous one having occurred in 2006.

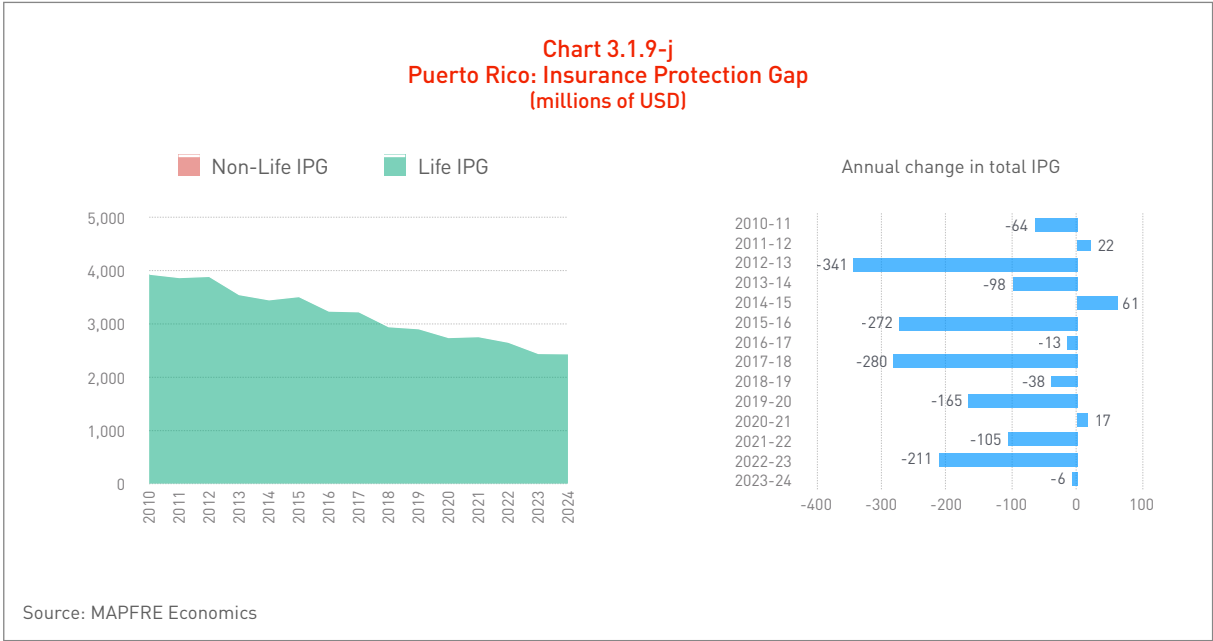
Insurance penetration, density, and depth

Chart 3.1.9-i illustrates the main structural trends shaping the development of the Puerto Rican insurance market over the 2010–2024 period. The penetration rate (premiums/

Chart 3.1.9-i
Puerto Rico: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, USD; Life insurance premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from the Puerto Rico Insurance Commissioner's Office)



GDP) stood at 18.2% in 2024, up 7.6 pp on 2010. It is the highest indicator value to be found in all Latin American markets and is largely because premium volumes in this segment include Health insurance for low-income populations, which is managed by the insurance sector and funded through government budgets. Insurance density in Puerto Rico (premiums per capita) came to 6,788.3 dollars (also the highest in the region), up by 7.2% from the previous year (6,334.2 dollars). As with penetration, density has continued to grow over the

period under analysis, with cumulative growth of 141.8% over the 2010–2024 period, strongly influenced, as stated above, by the behavior of the Health insurance line. Finally, the insurance depth rate of the Puerto Rican market (Life insurance premiums over total premiums) was 12.0%, a figure similar to that of 2023 (11.9%) and 4.3 pp above the level recorded in 2010. It should be noted that, in contrast to the penetration and density indicators, the depth the Puerto Rican insurance market is well below the regional average (-31.5 pp).

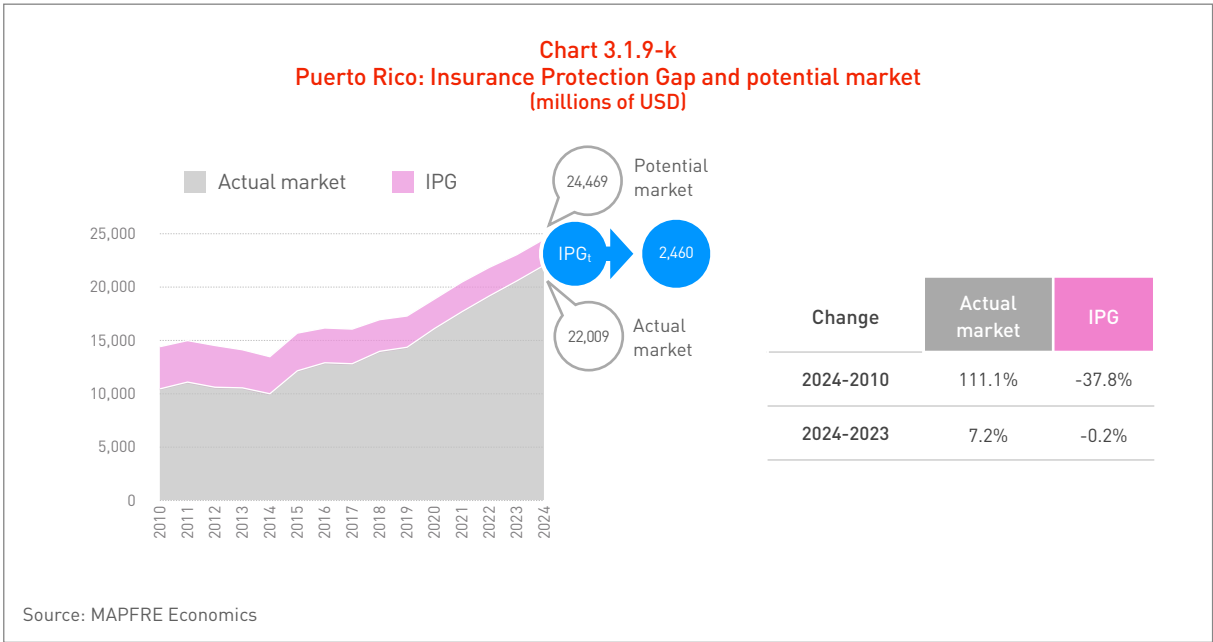
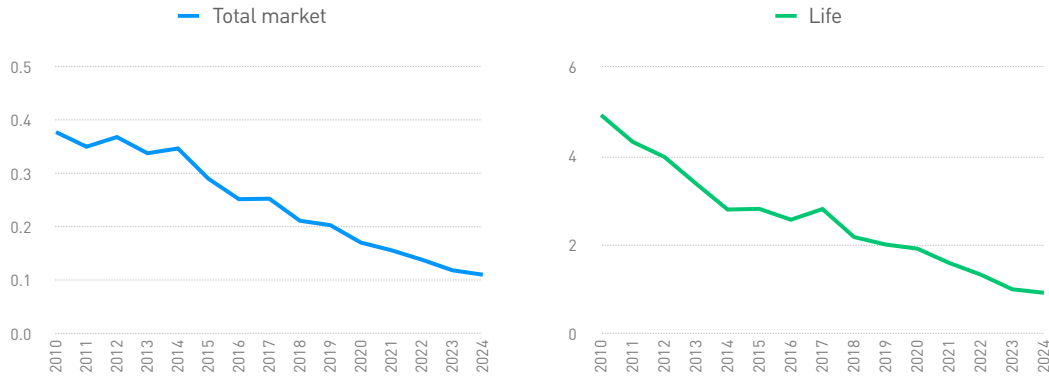


Chart 3.1.9-l
Puerto Rico: IPG as a multiple of the actual market
(number of times the size of the actual insurance market)



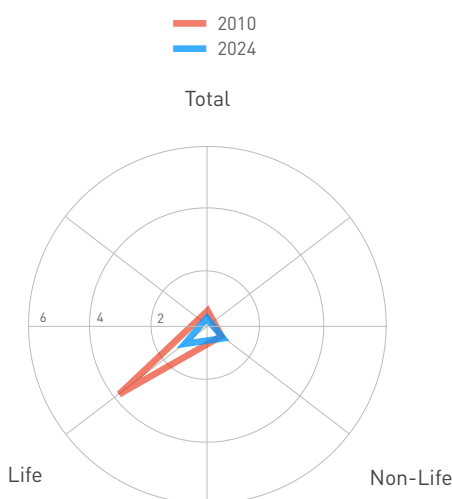
Source: MAPFRE Economics

Estimation of the Insurance Protection Gap

Chart 3.1.9-j provides an estimate of the IPG for the Puerto Rican insurance market over the 2010–2024 period. According to this data, the protection gap amounted to 2.5 billion

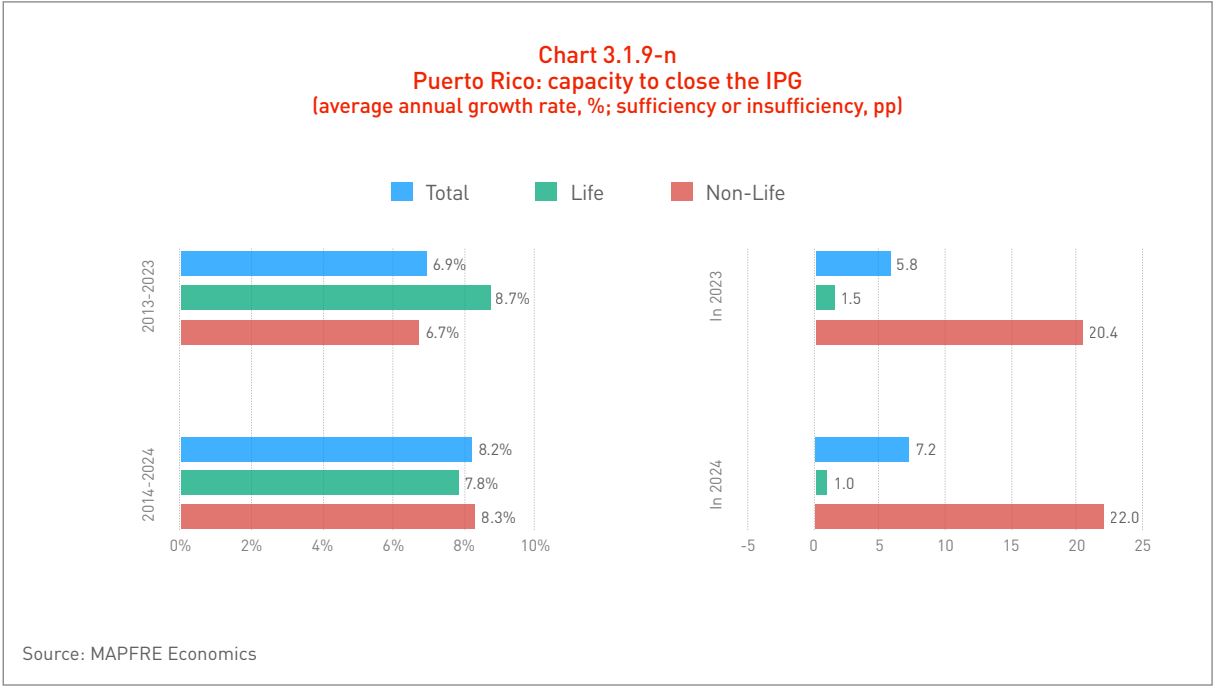
dollars in 2024, 0.1 times the size of the insurance market in Puerto Rico at the close of that year. The structure and performance of the protection gap over the period analyzed are largely attributable to the Life insurance segment, given the relative size of the Non-Life insurance segment (dominated by growth in Health insurance). Accordingly, the potential insurance market in Puerto Rico at the close of 2024 (the sum of the actual market plus the IPG) is estimated at 24.5 billion dollars, 1.1 times the size of the total insurance market that year (see Chart 3.1.9-k).

Chart 3.1.9-m
Puerto Rico: evolution of IPG
as a multiple of the actual market



Source: MAPFRE Economics

As a multiple of the actual insurance market in Puerto Rico and concentrated in the Life insurance segment, the IPG shows a downward trend throughout 2014–2024, falling from 0.4 to 0.1 times during that period (see Chart 3.1.9-l). Likewise, when analyzed with respect to the Life insurance segment, the multiple goes from 4.9 to 0.9 times in the same period. In contrast, the Non-Life segment continues to show persistently negative multiples, reflecting a valuation that is structurally lower than the book value in that line of business. This behavior is confirmed in the schematic analysis presented in Chart 3.1.9-m, which shows the changes in the IPG as a multiple



of the actual market for the Life, Non-Life, and total Puerto Rican insurance market segments, comparing the situation in 2024 with that in 2010. As we can see, there has been an improvement in the protection gap, mainly in the Life segment, while the gap in Non-Life insurance is practically zero.

Finally, a summary of the assessment carried out regarding the capacity of Puerto Rico's insurance market to close the

protection gap, using a comparative analysis between the growth rates observed over the last ten years and the growth rates that would be required to close the gap estimated in 2024 over the following decade, is presented in Chart 3.1.9-n. According to the results of this exercise, over the past decade the Puerto Rican insurance market grew at an average annual rate of 8.2%, comprising an annual growth rate of 7.8% in the Life segment and 8.3% in the Non-Life

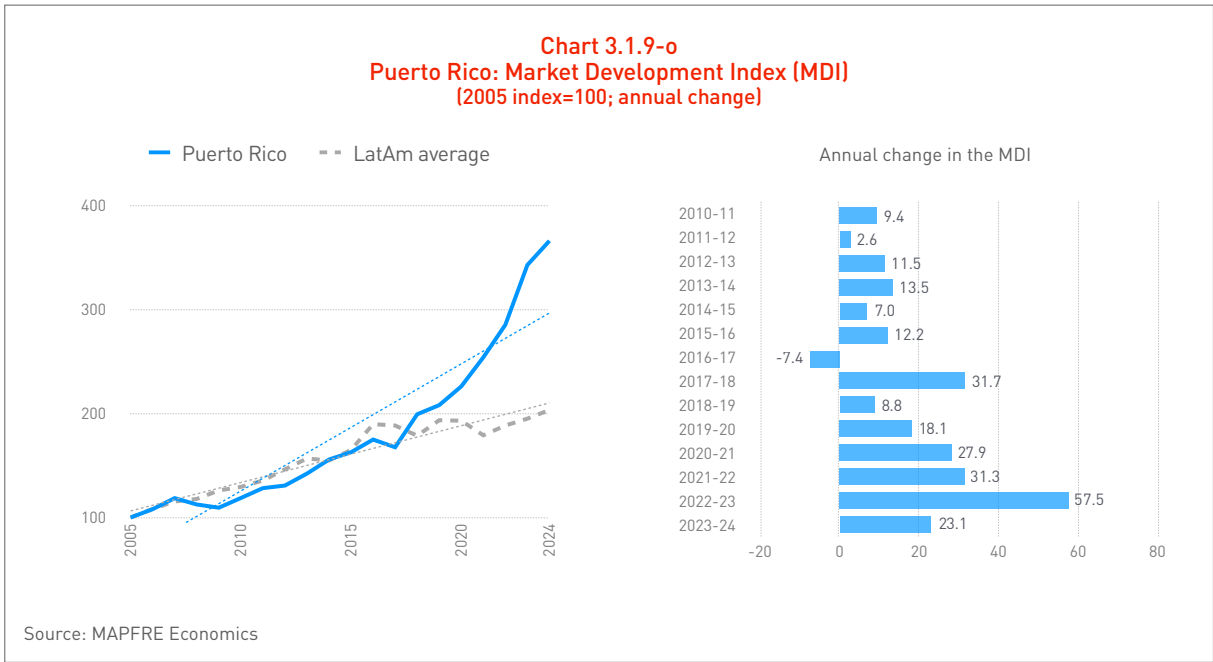
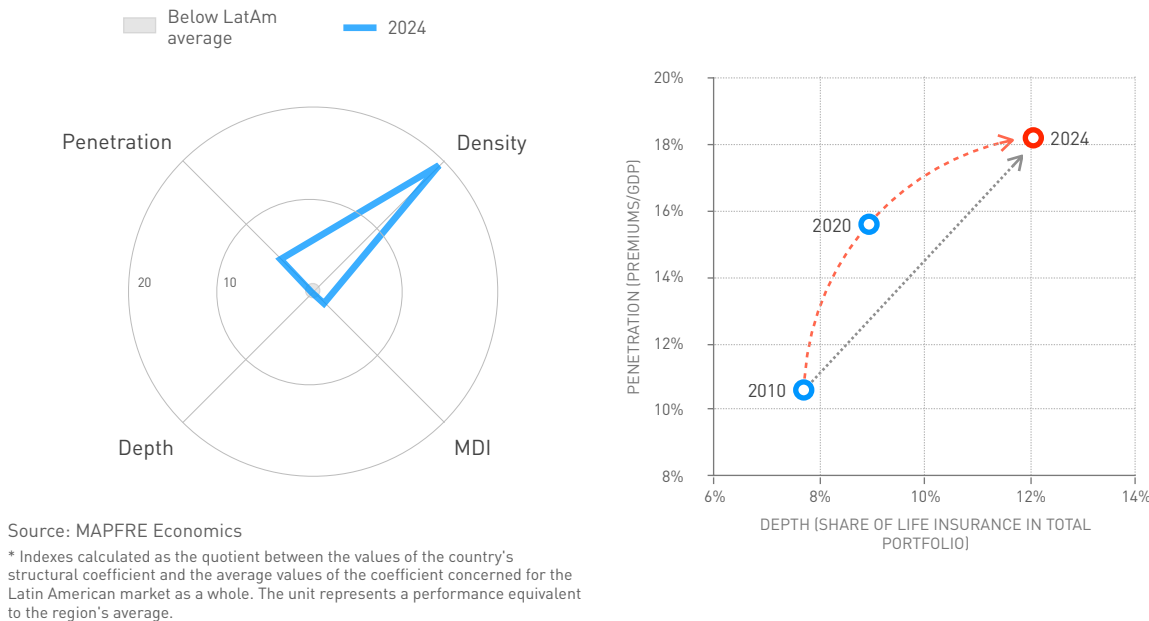


Chart 3.1.9-p
Puerto Rico comparative structural coefficient index* vs. average for Latin America (2024)
and medium-term changes in the insurance market (2010–2024)



segment. Thus, if the growth rate observed over the past decade were to be maintained over the next ten years, the growth rate of the Puerto Rican insurance market would be sufficient to achieve the target in the case of the Life insurance segment (where IPG is concentrated in that market), thereby covering a shortfall that has been declining relative to the measurements taken since 2014.

Market Development Index (MDI)

Chart 3.1.9-o shows an estimate of the Market Development Index (MDI) for the Puerto Rican insurance industry. In this regard, the MDI shows a positive trend over the period analyzed, in line with the average development of the Latin American market, and diverging positively from this trend starting in 2018.

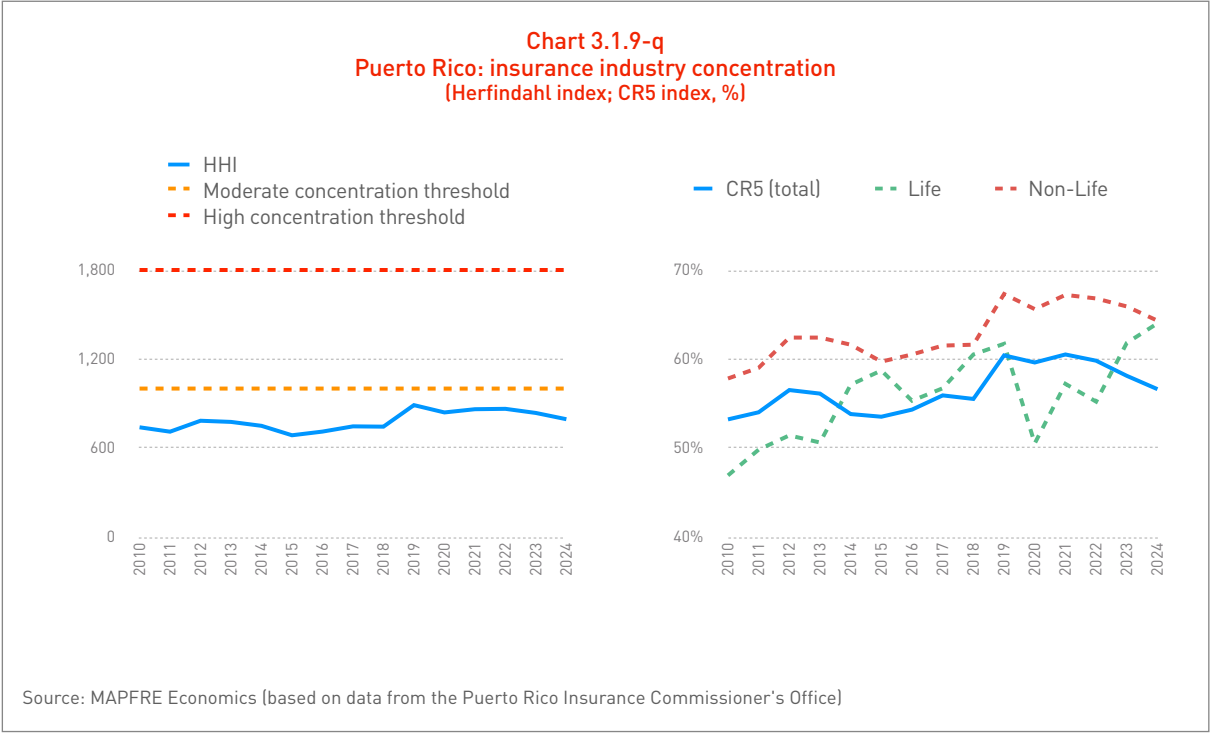
Comparative analysis of structural coefficients

Chart 3.1.9-p summarizes the Puerto Rican insurance market's situation in comparison

with the average for Latin America, measured in terms of the various structural indicators analyzed. According to this analysis, with the exception of the depth indicator (due to the insufficient relative development of the Life insurance segment in the Puerto Rican market), all indicators, especially those for penetration and density, are well above the average for Latin America. This is explained, once again, by the high level of development of private Health insurance in Puerto Rico noted earlier. Similarly, the analysis of the development of the Puerto Rican insurance industry confirms a balanced trend over the past decade, with improvements in both the quantitative (penetration) and qualitative (depth) dimensions.

Insurance market rankings

The number of companies authorized to provide insurance services in Puerto Rico across multiple lines of business in 2024 was 274. Both the Herfindahl index and the CR5 showed stable levels of industry concentration until 2018, after which concentration levels began to rise slightly,



though remaining below the theoretical threshold indicating moderate concentration (see Chart 3.1.9-q). It is worth highlighting, however, the increase in concentration observed specifically in the Non-Life segment, which has risen continuously—interrupted only in 2015 and 2020—as well

as the increase in concentration in the Life market beginning in 2021.

Total ranking

In 2024, the top three places in the overall ranking are occupied by GuideWell, with a 20.9% market share, ahead of Elevance

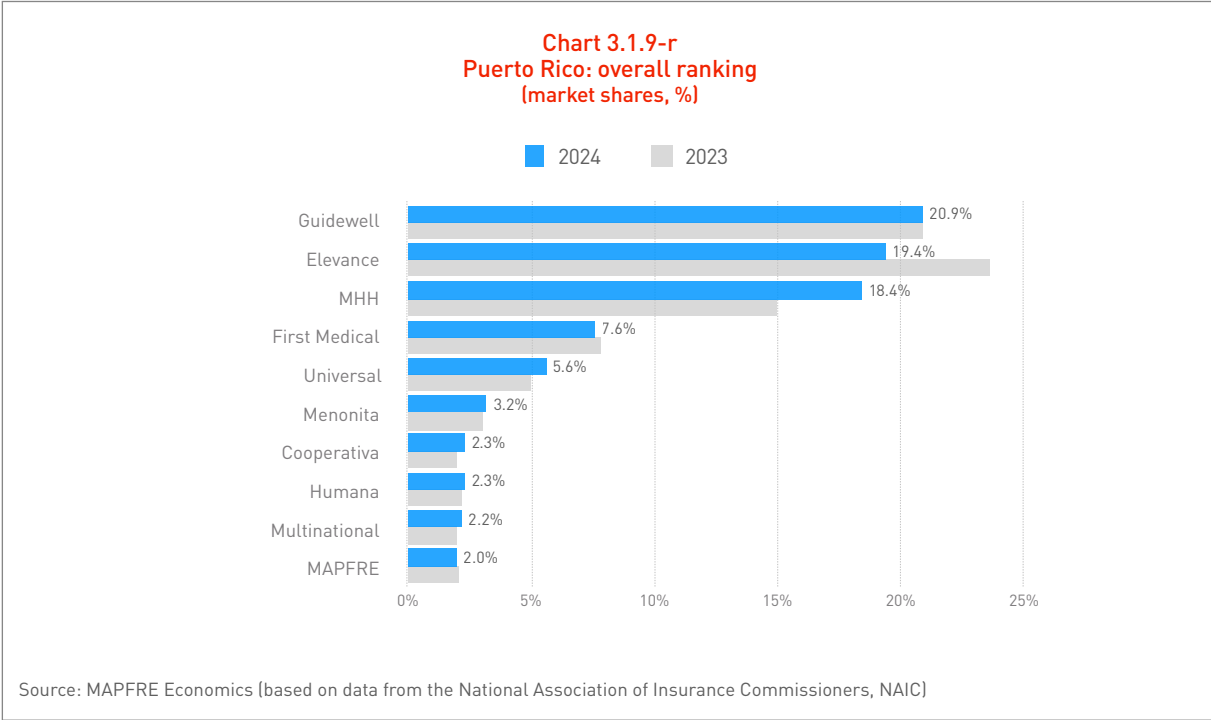
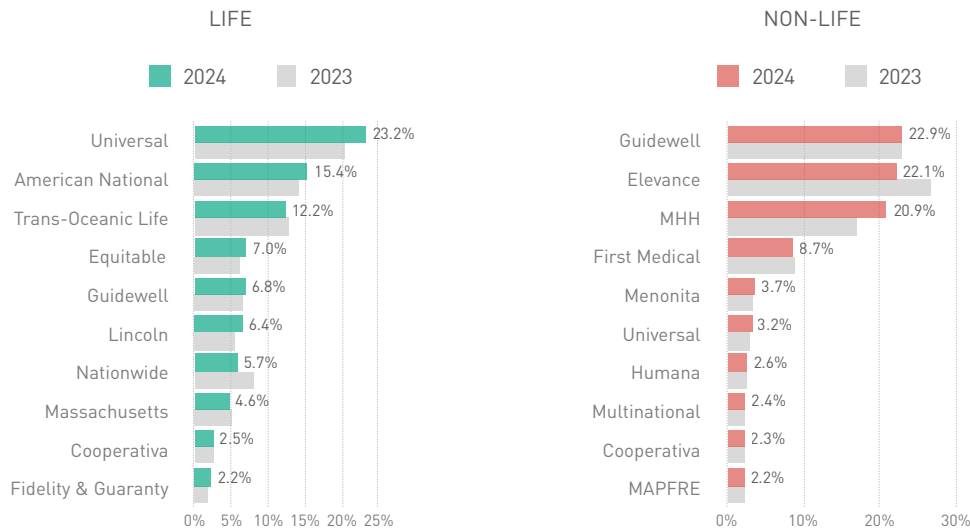
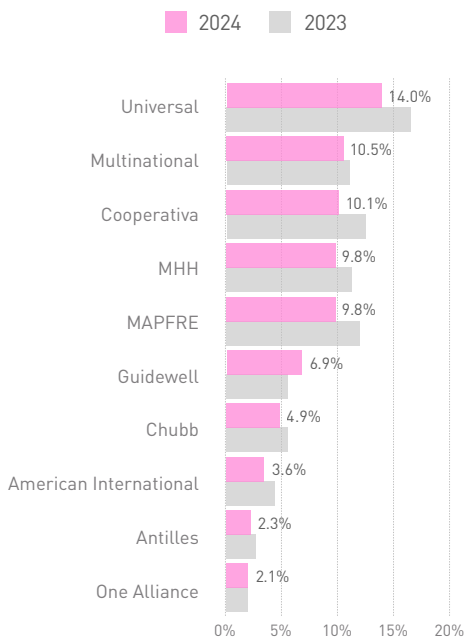


Chart 3.1.9-s
Puerto Rico: Life and Non-Life ranking
 (market shares, %)



Source: MAPFRE Economics (based on data from the National Association of Insurance Commissioners, NAIC)

Chart 3.1.9-t
Puerto Rico: Non-Life ranking
 (without Health)
 (market shares, %)



Source: MAPFRE Economics (based on data from the National Association of Insurance Commissioners, NAIC)

(19.4%) and MHH (18.4%), whose market shares are far removed from those of other market participants. Cooperativa climbs three places in the ranking to seventh, while Humana and MAPFRE drop one and two places, respectively, to eighth and tenth place. All other components of the overall ranking show no relative change compared to 2023 (see Chart 3.1.9-r).

Life and Non-Life rankings

Given the significant relative weight of the Health segment in Puerto Rico, the leading positions in the total and Non-Life rankings are very similar. GuideWell ranks first, with 22.9% of premiums in this segment; Elevance ranks second, with a market share of 22.1%; and MHH ranks third, with a 20.9% share (see Chart 3.1.9-s). Meanwhile, if we analyze the Non-Life segment ranking excluding the Health line (due to its particular characteristics in this market), the segment would be led by Universal, with a 14.0% share, followed by Multinational, which rises two positions compared with 2023 (10.5%), and with MHH and MAPFRE each holding a 9.8% share of premiums (see

Chart 3.1.9-t). Meanwhile, in the Life insurance segment ranking for 2024, the top three positions are held by Universal, with a 23.2% market share, followed by American National (15.4%) and Trans-Oceanic Life, with a 12.2% market share.

Key regulatory aspects

With respect to regulatory adjustments in the Puerto Rican insurance market, the following modifications implemented in 2024 and in early 2025 updated the prudential regulatory framework in this market.

Laws

- *Law No. 169-2024.* Adds Chapter 54 to the Insurance Code, regulating the licensing of third-party administrators. Introduces subsection (gg) to Art. 7.010, establishing registration requirements, fees, and authorization procedures.
- *Law No. 105-2024.* Establishes parametric requirements, including contract submission, activation criteria, and minimum solvency.
- *Law No. 59-2024.* Amends Article 30.040 of the Insurance Code to reduce from six to two years the period during which an insurer, third-party administrator, pharmacy benefit manager, or health service organization may request reimbursement for a previously paid claim that was later deemed unprocessable, establishing exceptions.
- *Law No. 49-2024.* Amends Articles 61.010 and 61.260 and adds a new Article 61.035 to Act No. 77 of 1957 (Puerto Rico Insurance Code), clarifying the purpose and scope of the International Insurers and Reinsurers Act, the terms under which an international insurer or reinsurer may underwrite or reinsure risks in the United States of America, and directing the Office of the Insurance

Commissioner of Puerto Rico (OCS) to develop the International Insurance Center.

- *Law No. 78-2024.* Establishes a framework for collective bargaining between insurers and healthcare providers, limiting the participation of negotiating groups to 40% per specialty.

Regulations and Amendments

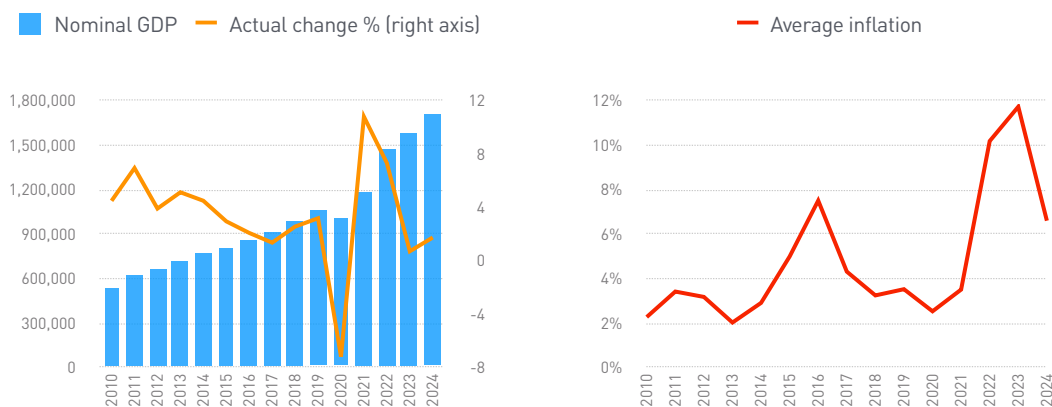
- *Rule 111 of the Insurance Code Regulations* Licensing process for third-party administrators.
- *Rule 107 of the Insurance Code Regulations* Standards for financing reserves for Term Life and Universal Life policies.
- *Rule 108 of the Insurance Code Regulations* Cybersecurity standards for the insurance industry.
- *Amendment to Rule 11 of the Insurance Code Regulations* Implements the mandatory licensing of third-party administrators under Act. 169-2024. Sets requirements, annual fee of 2,500 dollars, and a 30-day deadline to regularize existing operations.

Regulatory Letters

- *CN-2025-369-SR.* Communicates the enactment of Rule 111 and the steps for licensing of third-party administrators. Establishes the payment methods, forms, and submission requirements.
- *CN-2025-368-AS.* Amendments to the Health Plan Submission Guides. Updates instructions on changes to coverages and the procedures applicable to medical plans for 2025, including new provisions under Rule 110 (Electronic Insurance Transactions) and uniform product-filing formats.

- *CN-2025-367-AS*. Establishes uniform rules and forms for all health service organizations and health plan insurers to file their annual health-insurance products, including requirements on rates, mandatory benefits, and compliance with new laws.
- *CN-2025-366-D*. Automatically extends mandatory vehicle insurance coverage for registrations expiring in December 2024, according to Resolution 2024-21 of the Department of Transportation and Public Works (DTOP), ensuring continuity of Mandatory Liability Insurance (SRO) protection until the new renewal date.
- *CN-2024-363-D*. Instructs all insurers subject to MSP (group and non-group health plans, including liability and workers' compensation) on the obligation to report to Medicare cases in which Medicare is the secondary payer, and clarifies how these federal requirements affect claims handling under the Puerto Rico Insurance Code.
- *CN-2024-362-D*. Orders all entities regulated by the OCS (insurers, producers, organizations, etc., with more than 15 employees) to register on the Cybersecurity Portal and details the procedure for filing the Annual Compliance Certification and reporting incidents, in accordance with the new Cybersecurity Rule 108.
- *CN-2024-361-D*. Establishes the uniform procedure for insureds to request reimbursement of the compulsory insurance premium when, upon renewing their vehicle tag, their current policy voucher was not recognized and they had to pay for another SRO policy.
- *CN-2024-360-D*. Notifies all health service organizations and health plan insurers of the Department of Health's administrative order (OA-594) requiring the inclusion of screening tests for Hepatitis A, B, and C as part of the mandatory coverage of health plans in Puerto Rico.
- *CN-2024-359-D*. Extends the validity of compulsory insurance during the renewal extension granted by the DTOP (Resolution 2024-18 of August 8, 2024) for licenses and vehicle tags, preventing lapses in mandatory liability coverage.
- *CN-2024-358-D*. Reiterates the obligation of insurers to notify the DTOP and the Puerto Rico Police when a vehicle is declared a total loss, and sets standards for handling salvaged vehicles (total-loss property) in accordance with the Insurance Regulations.
- *CN-2024-357-D*. Implements the "*Property & Casualty Insurance Market Intelligence Data Call*" for the collection of property-insurance policy data. Announces the participation of the OCS, together with the National Association of Insurance Commissioners (NAIC), in this nationwide property-insurance data call (particularly for homeowners insurance), and instructs domestic insurers to report certain property-policy information via the NAIC-RDC portal by June 6, 2024.
- *CN-2024-354-D*. Notifies all insurance producers who handle municipal policies that, in order to comply with the Federal Emergency Management Agency (FEMA) "Obtain and Maintain" program, they must register in the OCS ICC electronic portal before applying for the Commissioner's Certification (a document required by FEMA).
- *CN-2024-351-D*. Extends compulsory insurance coverage during the license and vehicle-tag extension granted by the DTOP under Resolution 2024-08 (February 29, 2024), ensuring that SRO protection does not lapse during that period.
- *CN-2024-348-CIS*. Addressed to insurers authorized under the International

Chart 3.2.1-a
Colombia: changes in economic growth and inflation
 (GDP in local currency, billions of pesos; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

Insurance Center (IIC), establishes a standard form for formally notifying the OCS of their intent to expand operations into other jurisdictions in the United States of America, in compliance with NAIC solvency standards.

- *CN-2024-347-D*. Summarizes the provisions of several recent laws requiring medical plans to cover diagnostic tests and treatments for cancer patients and survivors, and establishes uniform compliance standards applicable to all health insurers.
- *CN-2024-346-D*. Disseminates Circular Letter 2024-004 from the Department of Health (February 13, 2024), which details the legal amendments related to the coverage of COVID-19 vaccines and treatments, clarifying the continuity of these coverages after the end of the emergency and their integration into the Health Insurance Code.
- *CN-2024-345-D*. Extends the protection of the compulsory liability insurance while the general extension of license and vehicle-tag deadlines granted by the

DTOP under Resolution 2024-05 remained in force.

3.2 South America

3.2.1 Colombia

Macroeconomic environment

Colombia's GDP grew by 1.7% in 2024 (0.6% in 2023), driven by stronger domestic demand, supported by lower borrowing costs amid still-high inflation (6.6% on average in 2024), but more contained, with a 5-percentage-point (pp) decline from the previous year (see Chart 3.2.1-a). The increase in fixed investment (3.0%) was key in this regard (even exceeding private consumption, which increased 1.6%), driven by improved performance in civil-works, machinery, and equipment investment. On the supply side, the agricultural sector (benefiting from a favorable coffee harvest and increased livestock production), entertainment and recreation activities, and restaurants and hotels benefited from improved private consumption and grew by 6.5%, 5.5%, and 4.4%, respectively.

Labor market indicators remained steady at around 10.2% (the same unemployment rate as in 2023), although there were differences between large cities and outside these areas, with an improvement in the former. Meanwhile, inflation reached 5.2% at the end of 2024. The housing and utilities, restaurants and hotels, and transportation sectors contributed the most to inflation throughout the year, despite having less impact than in 2023 due to a greater supply of processed foods, smaller adjustments to electricity and fuel prices, and falling international costs. In the fiscal sphere, the central government deficit rose (6.7% of GDP in 2024 compared to 5.3% in 2023) for the first time since 2020 to mitigate the effects of the coronavirus pandemic. Likewise, central government debt relative to GDP increased significantly, closing the year at 61.6% (56.3% in 2023). This situation, together with measures to suspend the fiscal rule (a legal mechanism that limits

public spending, deficit, and debt), has generated uncertainty about fiscal sustainability and the government's credibility in meeting its obligations. In this context of limited scope for fiscal stimulus, the Central Bank of Colombia has continued to lower interest rates in order to stimulate the economy, reaching 9.5% in December (from 12.75% at the beginning of the year). It should be noted that, so far in 2025, this easing of monetary policy has slowed down, with interest rates only being lowered in May, to 9.25% (compared to eight rate cuts in 2024). This is explained by the moderation of inflation and caution to avoid reigniting price pressures, as inflation remains above the central bank's target.

ECLAC projects Colombian GDP growth of 2.5% and 2.7% in 2025 and 2026, respectively, continuing on a path of stabilization in output and prices, supported by more favorable financing conditions that

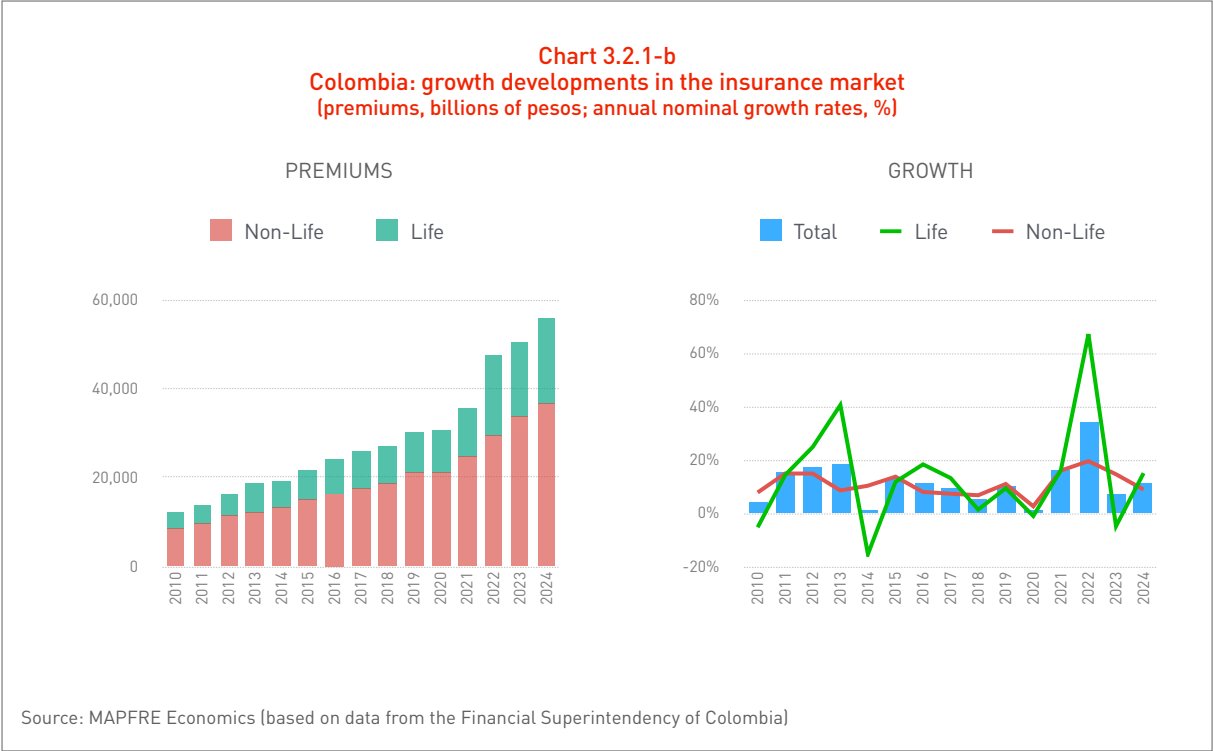
Table 3.2.1
Colombia: premium volume¹ by line, 2024

Line of business	Millions of pesos	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	56,135,717.9	13,779.8	10.8	3.9
Life	19,510,210.5	4,789.2	14.9	7.8
Life — individual and group	8,548,323.7	2,098.4	6.2	-0.4
Pension insurance	10,961,886.7	2,690.8	22.7	15.1
Non-Life	36,625,507.4	8,990.6	8.7	2.0
Automobiles	6,623,504.9	1,625.9	3.1	-3.3
Other lines	5,325,018.4	1,307.1	-0.9	-7.1
SOAT ²	3,971,994.3	975.0	21.7	14.1
Health	4,116,188.7	1,010.4	24.1	16.4
Earthquakes	1,663,130.8	408.3	11.7	4.8
Fire	1,818,490.1	446.4	8.9	2.1
Third-party liability	2,439,308.0	598.8	9.1	2.3
Personal Accident	1,652,196.9	405.6	4.6	-1.8
Transport	544,615.0	133.7	5.1	-1.4
Theft	652,939.2	160.3	3.3	-3.1
Aviation	269,907.6	66.3	-5.9	-11.7
Credit	193,917.1	47.6	-2.7	-8.8
Workplace accidents	7,354,296.4	1,805.3	10.0	3.1

Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

1/ Written premiums

2/ Compulsory Traffic Accident Insurance



would strengthen domestic demand—while considering other factors such as the future of fiscal policy and the exchange-rate dynamics related to peso depreciation. MAPFRE Economics, meanwhile, estimates

an acceleration in Colombian GDP growth of around 2.4% for 2025 (2.8% in 2026).

Insurance market

Growth

In 2024, the Colombian insurance industry recorded 56.1 trillion pesos in premiums (13.8 billion dollars), representing an increase of 10.8% and real growth of 3.9% compared with the previous year. Unlike what occurred in 2024, the main driver was the Life segment, with nominal growth of 14.9%, and more specifically the pension-related lines, which posted a significant increase of 22.7%. Within these, Lifetime Annuities – Pensions Law 100 stood out as the fastest-growing line (40.3%). The Non-Life lines also performed well in 2024, with a nominal 8.7% increase in premiums, particularly in the Health line (24.1%) and Mandatory Traffic Accident Insurance (SOAT) (21.7%). Workplace Accident insurance—the largest line by premium volume in the Non-Life segment—recorded a smaller but still notable increase of 10% (see Table 3.2.1). As Chart 3.2.1-b shows,

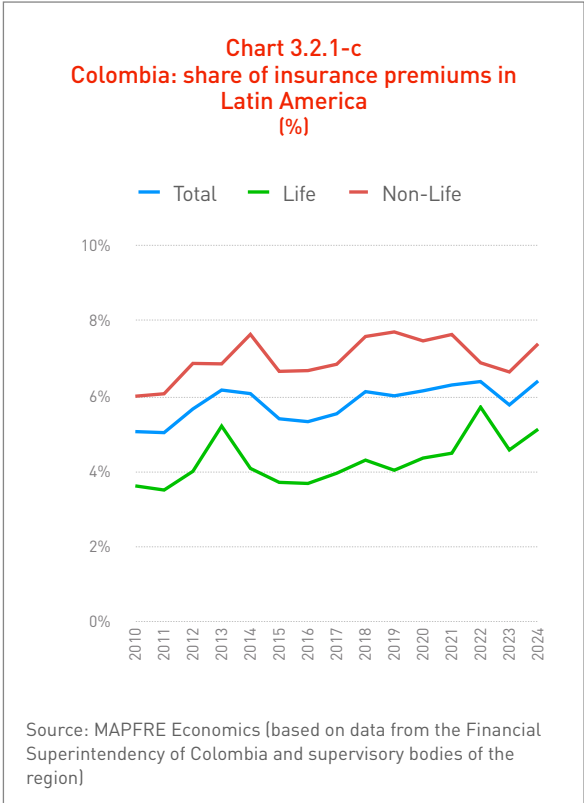
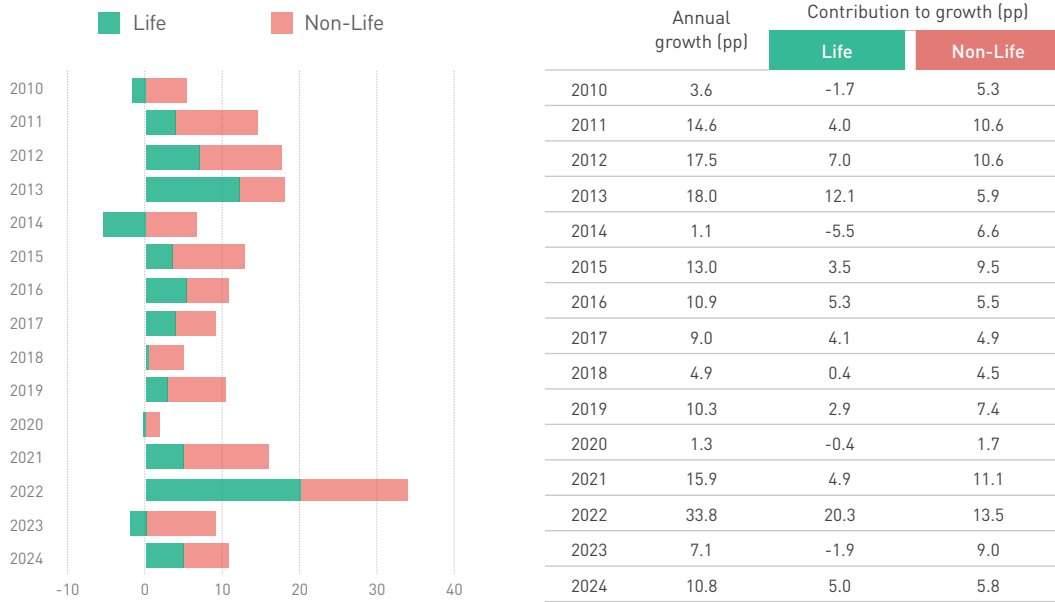


Chart 3.2.1-d
Colombia: contribution to insurance market growth
(percentage points, pp)

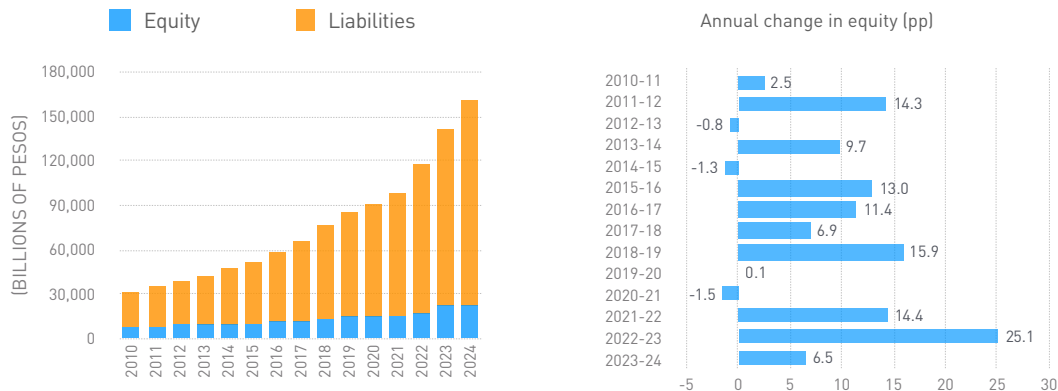


Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

the Colombian insurance market has performed well over the last fifteen years, with Non-Life insurance offsetting declines in Life insurance premium income in 2010, 2014, 2020, and 2023.

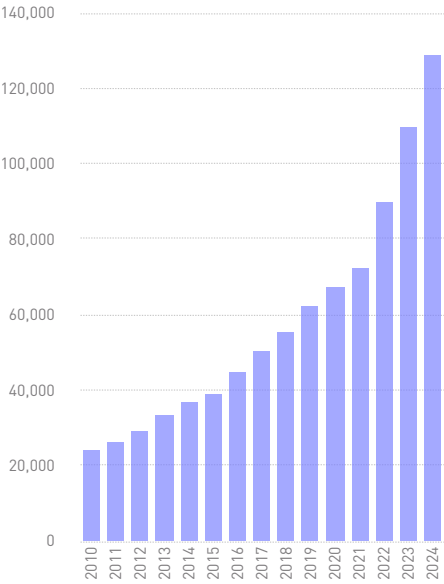
In the period analyzed, the evolution of total premiums and premiums by segments (Life and Non-Life) in the Colombian market relative to the Latin American market has generally been favorable, especially in the

Chart 3.2.1-e
Colombia: changes in the insurance industry's aggregate balance sheet
(amounts in local currency; change in equity, percentage points)



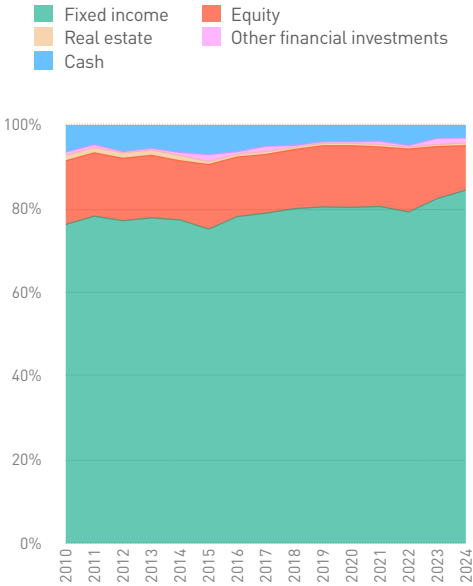
Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

Chart 3.2.1-f
Colombia: insurance market investments
(billions of pesos)



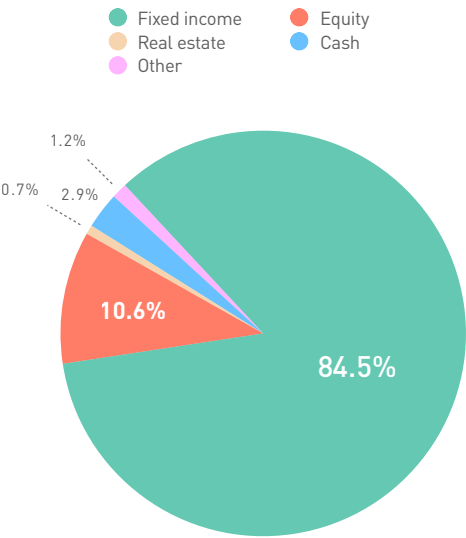
Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

Chart 3.2.1-g
Colombia: structure of investments
(%)



Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

Chart 3.2.1-h
Colombia: structure of investments, 2024
(%)



Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

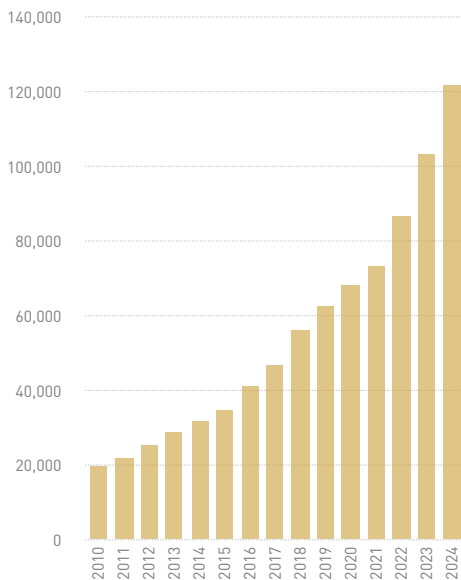
case of the Life segment, although there was a notable decline in 2015–2016 and in fiscal year 2023. As a result, Colombia's share of total premiums in Latin America rose from 5.1% in 2010 to 6.4% in 2024. This was driven by a greater share in the Life segment, which rose from 3.6% in 2010 to 5.1% in 2024, while the share of the Non-Life segment stood at 7.4%, with a slight increase of 0.7 pp in 2024 compared with the previous year (see Chart 3.2.1-c).

Non-Life insurance continued to make the largest contribution to the growth of the Colombian insurance sector in 2024, as shown in Chart 3.2.1-d, contributing 5.8 pp to the industry's total growth (10.8%) that year. Meanwhile, the Life segment contributed 5.0 pp to growth in 2024.

Balance sheet and shareholders' equity

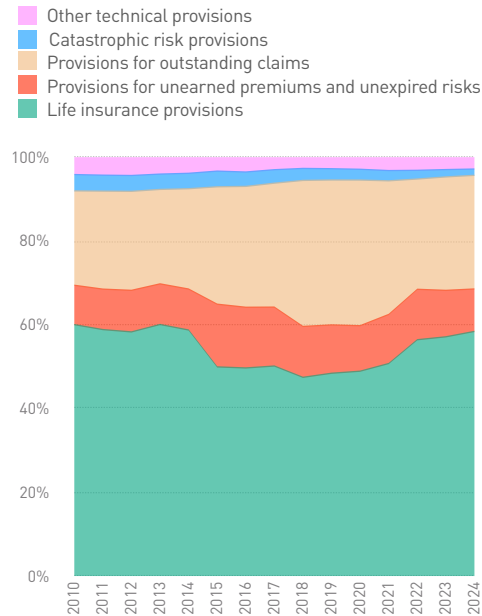
Chart 3.2.1-e shows the performance of the aggregate balance sheet at sector level

Chart 3.2.1-i
Colombia: technical provisions of the insurance market
(billions of pesos)



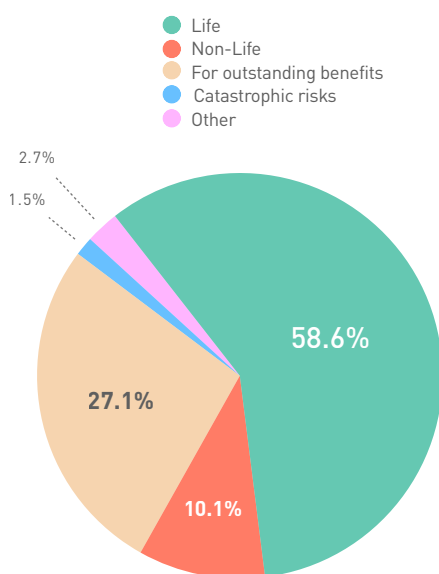
Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

Chart 3.2.1-j
Colombia: structure of technical provisions
(%)



Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

Chart 3.2.1-k
Colombia: structure of technical provisions,
2024.
(%)



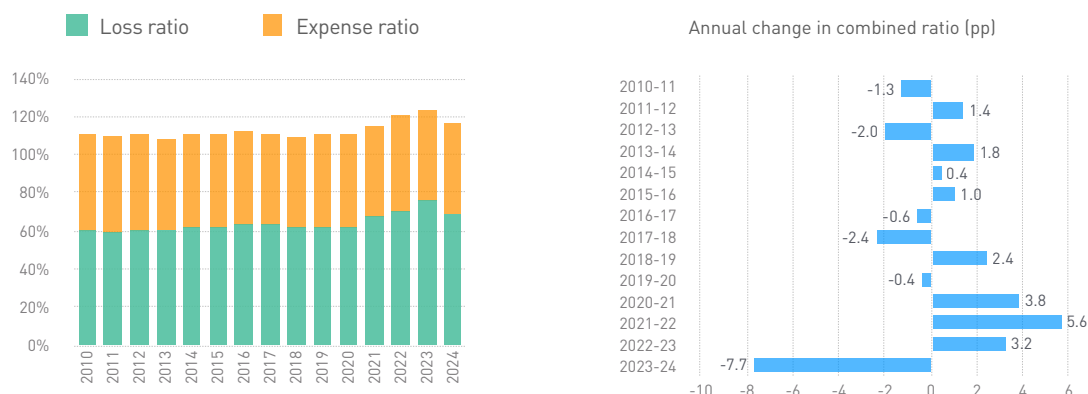
Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

for the Colombian insurance industry over the 2010–2024 period. Based on this information, the industry's total assets amounted to 160.6 trillion pesos (36.4 billion dollars). Similarly, the industry's aggregate equity stood at 23.1 trillion pesos (5.2 billion dollars) for the year, an increase of 6.5 pp compared to the previous year. Meanwhile, aggregate capitalization levels in the Colombian insurance industry (measured relative to total assets) declined in 2024, standing at 14.4% at year end, compared to 15.4% in 2023. This is below the capitalization levels of other markets in the region with a higher degree of relative development, such as Mexico, Chile, or Brazil.

Investments

Chart 3.2.1-f shows the evolution of investments in the Colombian insurance industry between 2010 and 2024, while Charts 3.2.1-g and 3.2.1-h show changes in

Chart 3.2.1-l
Colombia: changes in market technical performance
 (total combined ratio, %; annual change in combined ratio, percentage points)



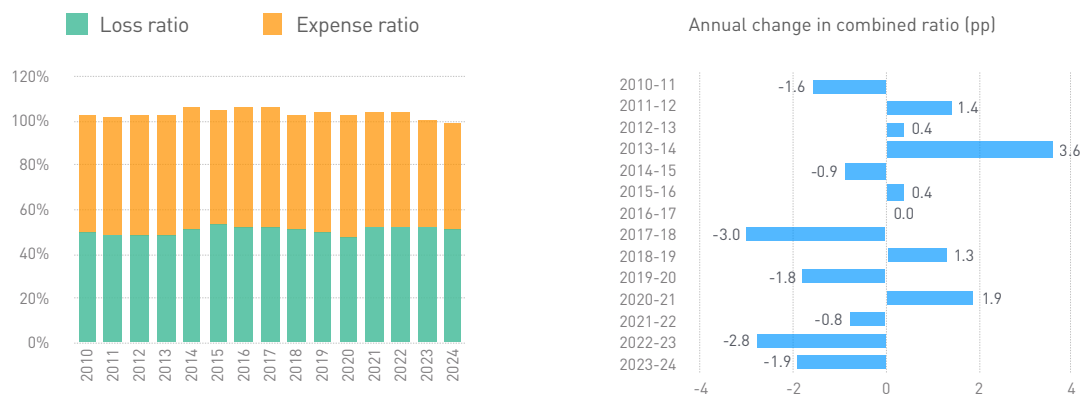
Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

the investment portfolio structure during said period, and specifically in 2024. According to this information, in 2024, investments in the Colombian insurance sector reached 128.4 trillion pesos (29.1 billion dollars), including cash and real estate (investment properties), representing an increase of 16.8% over the previous year. In terms of structure, investment was concentrated in fixed income (84.5%) and, to a lesser extent (10.6%), in equity instruments.

Technical provisions

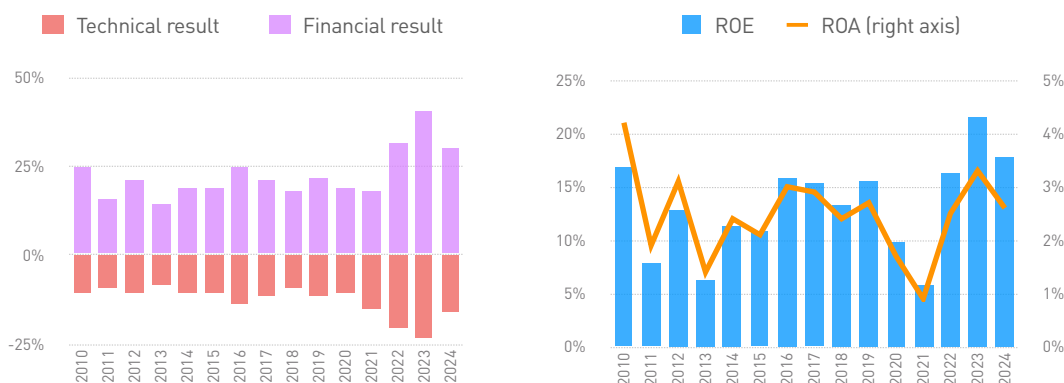
Regarding technical provisions in the Colombian insurance market, Chart 3.2.1-i shows changes at industry level over the 2010–2024 period, while Charts 3.2.1-j and 3.2.1-k highlight their relative composition over that period. In 2024, technical provisions stood at 121.7 trillion pesos (27.6 billion dollars). Of this total, 58.6% corresponded to technical provisions linked to Life insurance (1.3 pp more than the

Chart 3.2.1-m
Colombia: changes in the technical performance of the Non-Life market
 (combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

Chart 3.2.1-n
Colombia: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

previous year), 10.1% to the unearned-premium and outstanding-risk provision for Non-Life insurance, 27.1% to the claims provision, 1.5% to the catastrophic-risk provision, and the remaining 2.7% to other technical provisions. Over 2010–2024, technical provisions in the Colombian insurance sector show sustained growth in absolute terms. Life-insurance technical provisions increased sixfold, reaching 71.3 trillion pesos (16.2 billion dollars), although their share of total provisions decreased from 60.2% in 2010 to 58.6% in 2024. Conversely, provisions for outstanding benefits increased their share most, from 22.5% in 2010 to 27.1% in 2024.

Technical performance

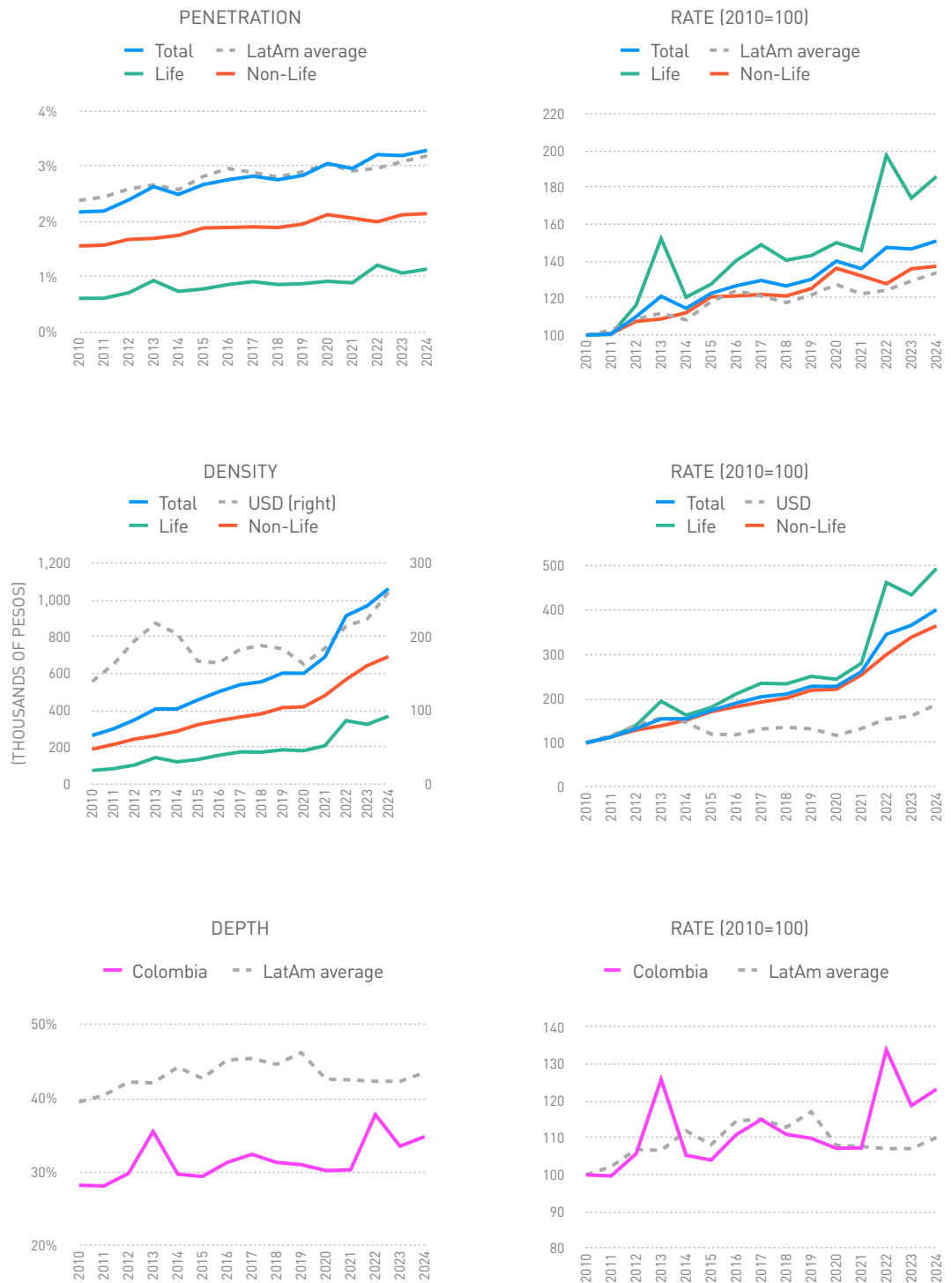
Chart 3.2.1-l shows the technical result of the Colombian insurance industry, based on an analysis of the total combined ratio. According to this data, the sector showed improvement in 2024, with the combined ratio falling by 7.7 pp from 2023, reaching 115.9%, due to a 6.1 pp decrease in the loss ratio and a 1.6 pp decline in the expense ratio. It is worth noting that the decline in the combined ratio was mainly due to the performance of Life insurance companies, since, as shown in Chart 3.2.1-m, the

combined ratio of companies operating in Property & Casualty insurance (Non-Life) improved by 1.9 pp from 2023, standing at 98.5%, mainly due to a reduction in expenses of 0.5 pp and a slight improvement in the loss ratio of 1.4 pp, to 50.4%.

Results and profitability

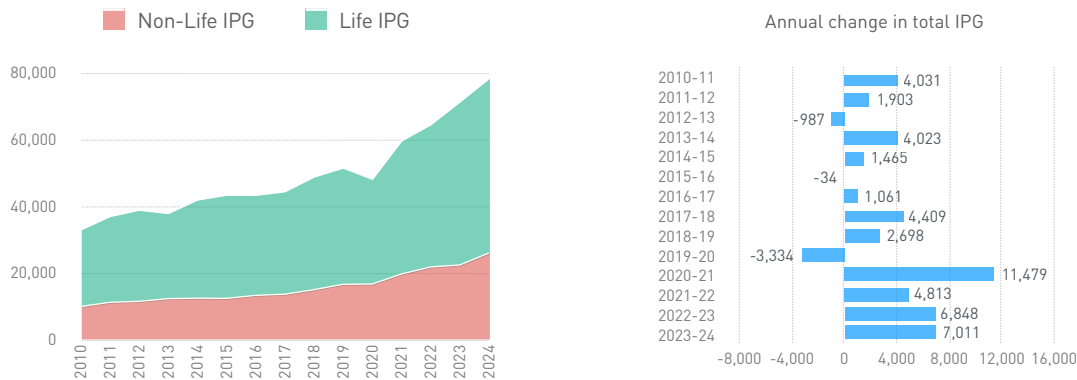
Despite the improvement in technical results, the net result of the Colombian insurance business in 2024 was down 5.5% on the previous year, to 4.0 trillion pesos (978.3 million dollars), due to the significant decline in financial returns, which fell to 10.9 trillion pesos (2.7 billion dollars), 14.3% less than the previous year. Meanwhile, as Chart 3.2.1-n shows, the sector's profitability in 2024 was lower than in the previous year. Thus, return on equity (ROE) stood at 17.8%, compared to 21.6% in the previous year. A similar situation occurred with return on assets (ROA), which reached 2.6% in 2024, a decrease of 0.6 percentage points compared to the previous year.

Chart 3.2.1-o
Colombia: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, pesos and USD; Life premiums/total premiums, %; 2010 index=100)



Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

Chart 3.2.1-p
Colombia: Insurance Protection Gap
 (billions of pesos)



Source: MAPFRE Economics

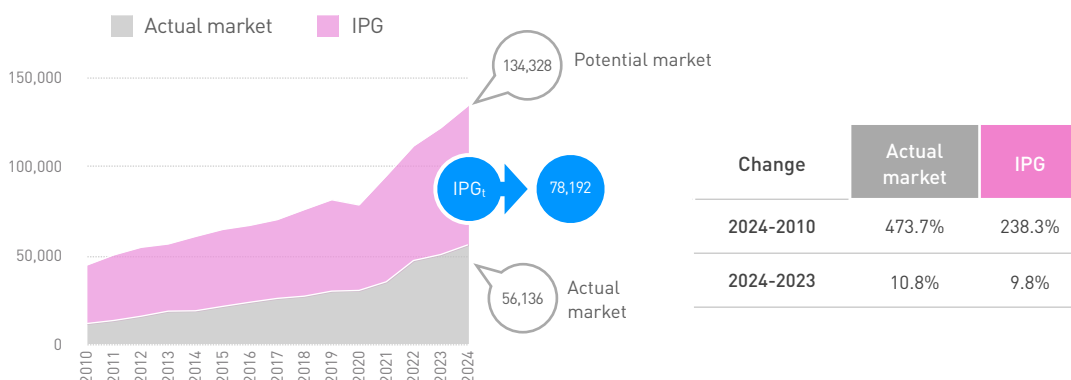
Insurance penetration, density, and depth

Chart 3.2.1-o shows the main structural trends shaping the development of the Colombian insurance industry over the 2010–2024 period. According to this information, the penetration rate (premiums/GDP) in 2024 stood at 3.3% (0.1 pp higher than in 2023) mainly due to stronger performance in both market segments. Generally, the penetration rate for the Colombian insurance market has been on an upward trend since 2010, in line

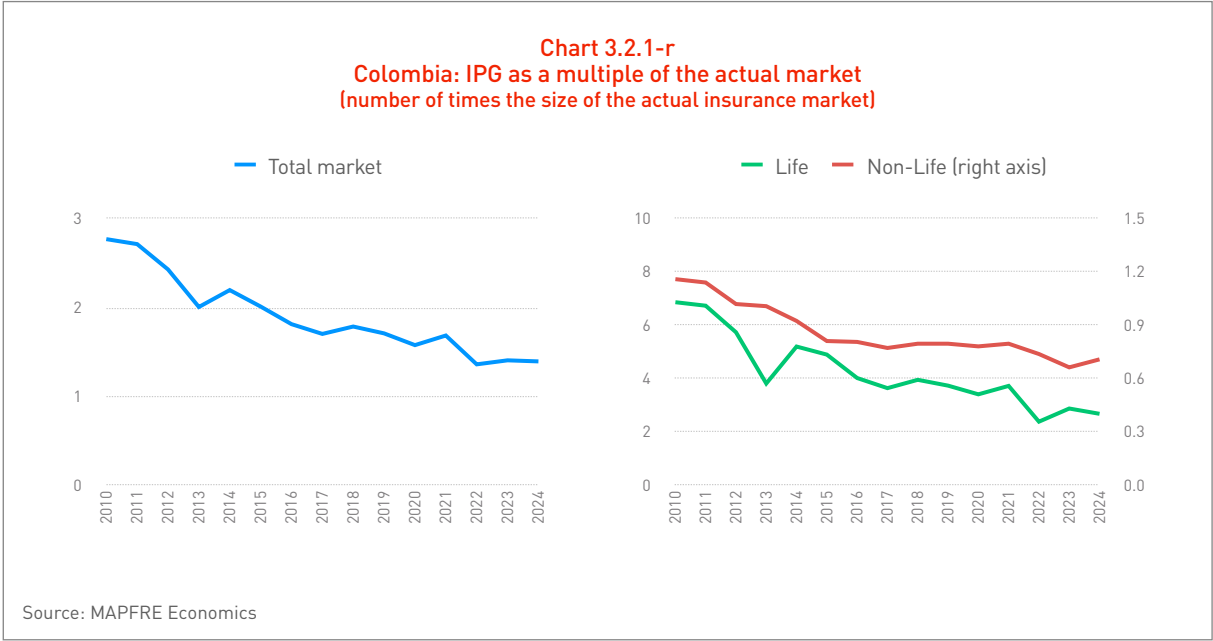
with the average for the Latin American insurance market as a whole.

Meanwhile, the density indicator (premiums per capita) amounted to 1,061.4 Colombian pesos (260.6 dollars) in 2024, up by 9.6% in local currency compared to the previous year. As with the penetration rate, density in the Colombian market (measured in local currency) followed an upward trend over the 2010–2024 period. However, when measured in dollars, it showed a decline from 2014 through 2016 as a result of the depreciation

Chart 3.2.1-q
Colombia: Insurance Protection Gap and potential market
 (billions of pesos)



Source: MAPFRE Economics



of the Colombian peso against the U.S. dollar. This situation reversed in 2017 but was repeated in 2019 and 2020, recovering again after 2021. Lastly, the depth of the Colombian insurance market (Life insurance premiums in relation to total premiums) stood at 34.8% in 2024, compared to 33.5%

in 2023 and 6.5 pp higher than its level in 2010.

Insurance Protection Gap estimate

Chart 3.2.1-p shows an updated estimate of the protection gap for the Colombian insurance market between 2010 and 2024. This shows that the IPG stood at 78.2 trillion pesos (19.2 billion dollars) in 2024, 1.4 times the size of the actual Colombian insurance market at the close of that year. Similar to most Latin American insurance markets, the structure and performance of the IPG over the period under analysis continue to reflect the prevalence of the contribution of Life insurance. Thus, at the end of 2024, Life insurance accounted for 66.8% of the IPG (52.3 trillion pesos), which is, however, 3.1 percentage points less than the share observed in 2010. The remaining 33.2% of the protection gap is attributable to the contribution of the Non-Life insurance segment (25.9 trillion pesos). As a result, the potential insurance market in Colombia at the close of 2024 (measured as the sum of the actual market plus the IPG) was estimated at 134.3 trillion pesos (33.0 billion dollars), 2.4 times the size of the total insurance market that year (see Chart 3.2.1-q).

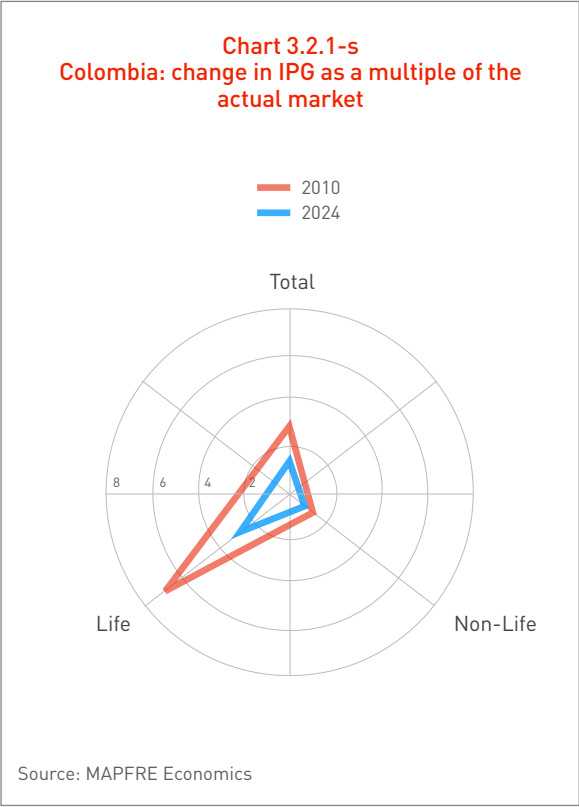
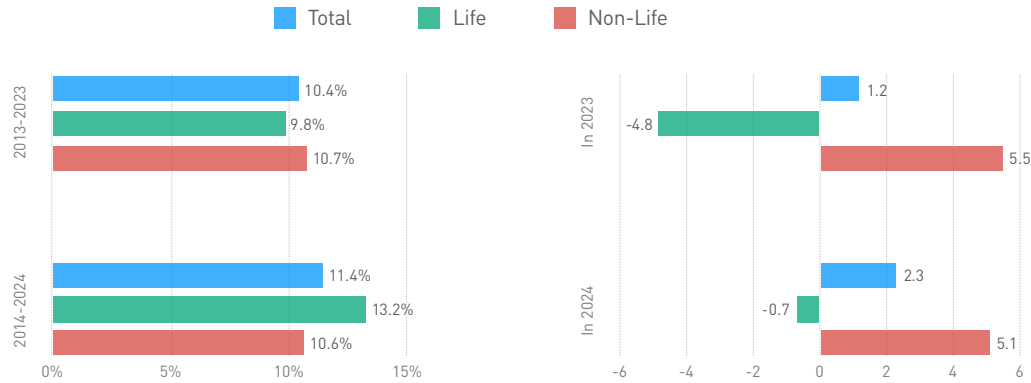


Chart 3.2.1-t
Colombia: capacity to close the IPG
 (average annual growth rate, %; sufficiency or insufficiency, pp)

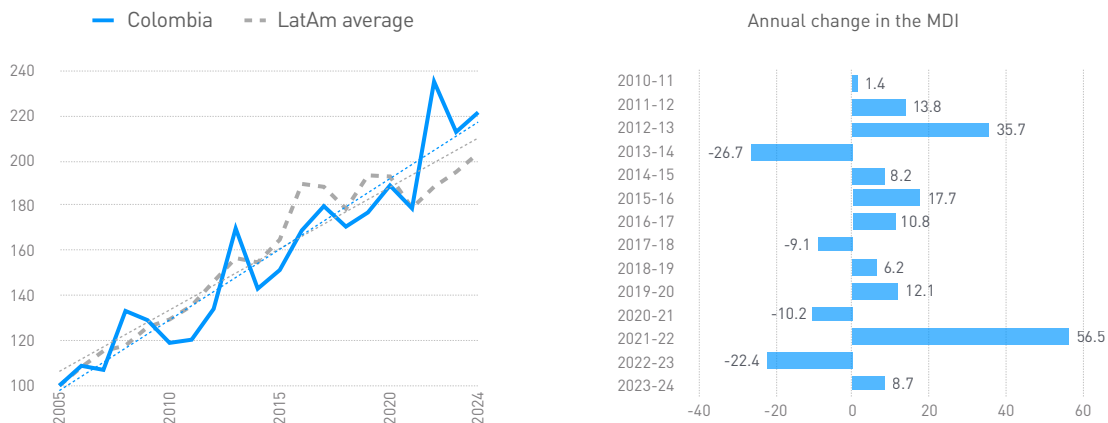


Source: MAPFRE Economics

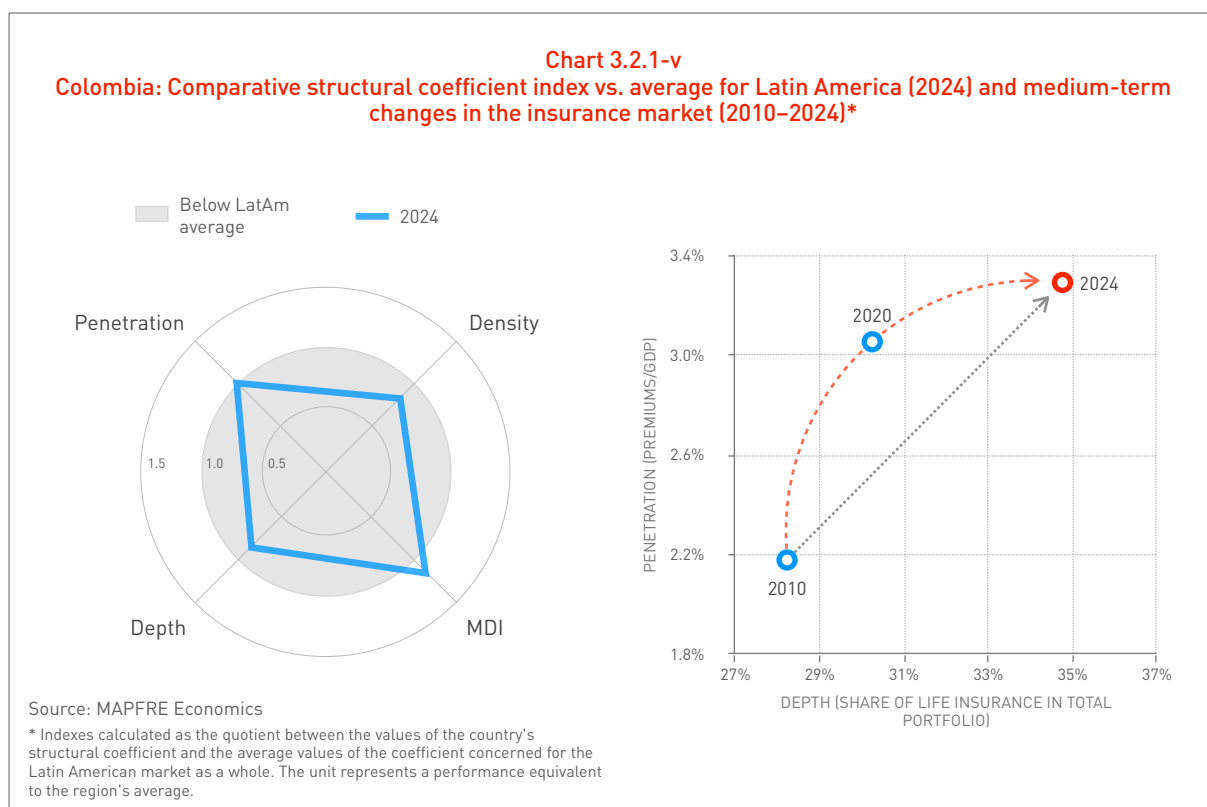
Considering the above factors, the protection gap in the Colombian market as a multiple of the actual market in that country shows a sustained downward trend throughout 2010–2024 (see Chart 3.2.1-r). Over this period, the total IPG fell from 2.8 to 1.4 times the size of the actual market. This behavior has been determined mainly by the performance of the Life insurance segment, whose multiple fell from 6.9 to 2.7 times (with a rebound in

2014), while the multiple for Non-Life insurance fell from 1.2 to 0.7, with a stable trend between 2015 and 2021 and a decline in recent years. Chart 3.2.1-s shows the change in the IPG as a multiple of the actual market for the Life and Non-Life segments and for the total insurance comparing the situation in 2024 with the position of the market in 2010. In this analysis, we can see an improvement of the gap as a multiple of the actual market mainly in the Life

Chart 3.2.1-u
Colombia: Market Development Index (MDI)
 (2005 index=100; annual change)



Source: MAPFRE Economics



segment, with less significant variation in the Non-Life segment.

Lastly, to complete our protection gap analysis, Chart 3.2.1-t provides an update on the question of whether the Colombian insurance market will be able to close the protection gap determined, based on a comparative analysis between the growth rates observed over the last decade and the growth rates that would be needed in order to close the 2024 gap over the coming ten years. In this regard, the Colombian insurance market grew at an average annual rate of 11.4% during 2014–2024, underpinned by an average annual growth rate of 13.2% in the Life insurance segment and average annual growth rate of 10.6% in the Non-Life insurance segment. Thus, assuming that the same growth dynamics observed in the last decade continue over the next ten years, the growth rate of the Colombian insurance market would be sufficient to close the protection gap determined for 2024 in the Non-Life segment, but would fall short by 0.7 pp in the Life insurance segment..

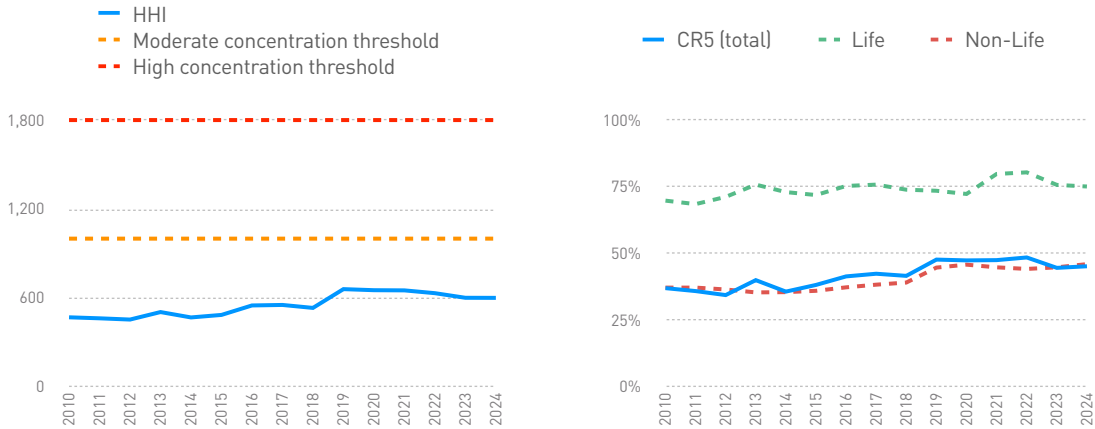
Market Development Index (MDI)

Chart 3.2.1-u shows an updated estimate of the Market Development Index (MDI) for the Colombian insurance industry between 2005 and 2024. According to this analysis, overall, the MDI for the Colombian market shows a positive trend over the period analyzed, with a significant increase in 2022 (determined especially by the excellent performance of the Life insurance segment). In 2024, the MDI has recovered from the decline experienced last year and remains above the average index registered by Latin American insurance markets.

Comparative analysis of structural coefficients

Using the four structural coefficients analyzed in the sections above, Chart 3.2.1-v shows the situation of the Colombian insurance market in 2024, compared with the Latin American average. In this regard, both the Colombian market position in terms of penetration and the Market Development Index (MDI) are above the regional averages for 2024, while the depth

Chart 3.2.1-w
Colombia: concentration of the insurance industry
(Herfindahl index; CR5 index, %)



Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

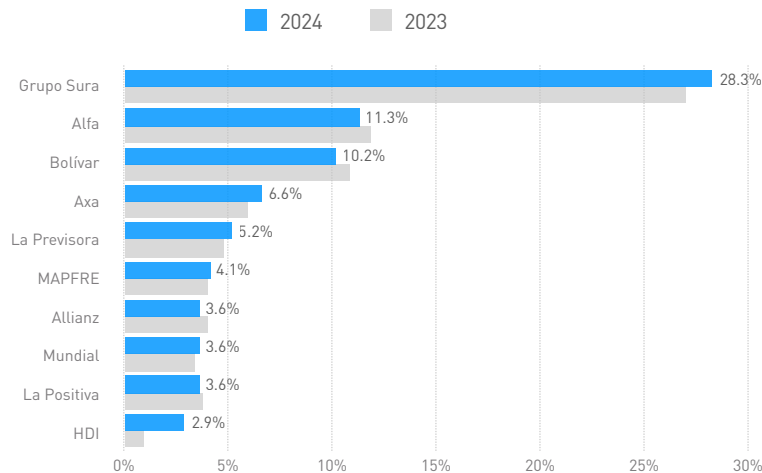
and density levels are below the average for Latin American insurance markets. Moreover, the dispersion analysis presented in the aforementioned graph confirms that, throughout the 2010–2024 period, the Colombian insurance sector showed improvements in terms of penetration (quantitative dimension) and depth

(qualitative dimension), representing a path of structurally balanced development for the sector in the medium term.

Insurance market rankings

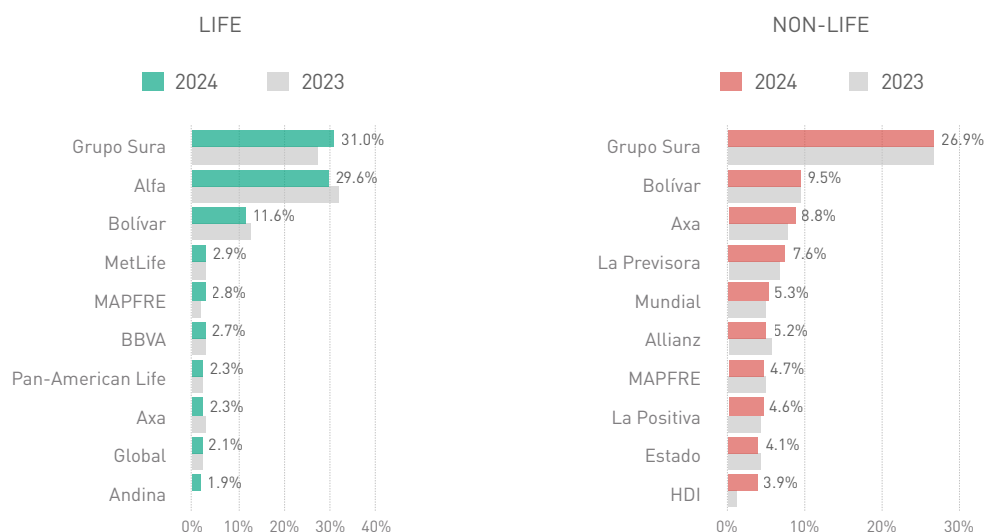
There were 25 general P&C insurance companies, 21 Life insurance companies

Chart 3.2.1-x
Colombia: overall ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

Chart 3.2.1-y
Colombia: Life and Non-Life ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

and two insurance cooperatives operating in Colombia in 2024. In general, the Colombian insurance market shows low concentration levels; this is confirmed by the Herfindahl and CR5 indexes (see Chart 3.2.1-w). Over the past year, the Herfindahl index fell slightly for the fifth consecutive year (600.4 points) and remains below the moderate concentration threshold. The concentration level of the top five insurance companies in the market (CR5), which account for 45.2% of premiums, increased 0.5 pp in 2024, with a higher concentration in the Life segment, with 75.1%, than in the Non-Life segment, with 46.0%.

Total ranking

The positions of the groups in the 2024 overall ranking of insurance groups changed with respect to their positions in 2023. Sura Group tops the ranking with 28.3% of total premiums, placing it far ahead of the next-ranked company, Alfa, with a market share of 11.3%. Mundial overtakes La Positiva for eighth and ninth place, respectively. Finally, HDI's significant growth, thanks to the acquisition of Liberty,

has enabled this group to enter the ranking in tenth position, pushing Estado out of the top ten (see Chart 3.2.1-x).

Life and Non-Life rankings

In the Non-Life insurance segment, the Sura group remains at the top of the ranking in 2024, with 26.9% of premiums, representing a 0.1 pp increase in its market share compared to the previous year. Mundial moves up two places to fifth, pushing Allianz and MAPFRE down to sixth and seventh place, respectively. Meanwhile, HDI joins the ranking in last place, following the acquisition of Liberty. In terms of the Life ranking, the Sura group is positioned as the leader, with a market share of 31.0%, while Alfa drops to second place, with a 2.5 pp decline in market share compared to 2023. These groups account for 60.6% of Life premiums in the Colombian insurance market in this segment. As for other movements, La Positiva (-4 positions to eleventh place), BBVA (-2), Axa Colpatría (-2), and Global (-1) fell in the rankings, while MAPFRE (+5 positions), Pan American Life (+2), and MetLife (+1) rose. Andina, a

new insurance company authorized by the Colombian Financial Superintendency to operate in that country in October 2024, also enters the ranking in tenth place (see Chart 3.2.1-y).

Key regulatory aspects

During 2024 and so far in 2025, the regulatory environment of the Colombian insurance sector underwent a series of adjustments, which are reflected in an expanded regulatory framework that includes laws adopted by the Congress of the Republic, decrees issued by the national government, and external circulars issued by the Financial Superintendency of Colombia (SFC).

Laws

In 2024, the Congress of the Republic passed Law 2381 of 2024, which reforms the General Pension System, with provisions relevant to the insurance sector. Among them, the following amendments stand out: (i) Articles 14, 19, and 44, which adopted amendments to social security insurance to finance disability and survivor pensions; (ii) Article 24, which will allow the resources of the Contributory Pillar Savings Fund to be managed through autonomous assets or fiduciary trusts that the Fund will set up in entities supervised by the SFC, including Life insurance companies; these entities must comply with the regulations on adequate equity levels and minimum solvency ratios established by the National Government, and (iii) the possibility for the Complementary Individual Savings Component of the Contributory Pillar to be managed by insurance companies (Article 57).

Meanwhile, several bills have been debated in Congress that would impact the regulation of the insurance sector. Among these, those related to the acquisition of insurance policies and occupational risks stand out, such as:

- PL 311 of 2024 (Senate) – 166/2023 (House), consolidated with PL 192 of 2023 (House) and PL 256 of 2023 (House),

which adopts a labor reform aimed at promoting dignified and decent work in Colombia ("Labor Reform"). It establishes several provisions regarding enrollment and contributions to the social security system (Health, Pensions, and Occupational Risks) for different groups, including digital platform workers, domestic-service workers, and part-time workers.

- PL 237 of 2024 (Senate) – 311 of 2023 (House), which regulates medical and surgical procedures for cosmetic purposes, establishing that patients undergoing surgical procedures for cosmetic purposes must take out a patient benefit policy covering medical, hospital, surgical, non-surgical, and pharmaceutical expenses arising from complications of such procedures.
- PL 452 of 2024 (House) – 040 of 2023 (Senate) regulates care services for companion animals, establishing that animal service providers may purchase a liability policy covering damage caused by death, injury, illness, or loss of animals under their custody.
- PL 430 of 2024 (House) – 201 of 2023 (Senate) establishes and guarantees the right to oncological oblivion in Colombia, specifying that policyholders or insureds will not be considered to have acted with misrepresentation if they do not declare a prior cancer diagnosis after four years from the end of treatment with no recurrence (for adults), or two years if the condition occurred while the individual was a minor. No additional conditions may be imposed, nor may insurance be denied.
- PL 250 of 2024 (Senate) – 070 of 2023 (House), consolidated with PL 114 of 2023 (House), establishes a new equity framework for rural and farming women, amends Law 731 of 2002, and introduces affirmative measures for rural and farming women. The Agricultural Guarantee Fund (FAG) will create an agricultural insurance line for rural, farming, and fishing women and will provide technical assistance.

- PL 029 of 2024 (Senate) – 014 of 2023 (House), consolidated with PL 080 of 2023 (House), PL 143 of 2023 (House), PL 151 of 2023 (House), PL 261 of 2023 (House), and PL 268 of 2023 (House), seeks to safeguard, promote, and ensure access to mental health and psychosocial well-being for all inhabitants of Colombia. Occupational Risk Administrators (ARL) must incorporate the policies established and carry out actions to promote mental health and prevent workplace-related diseases.
- PL 220 of 2024 (House) – 063 of 2023 (Senate) establishes measures to strengthen mental health care in special settings and updates Law 1616 of 2013. It establishes provisions regarding mental health. It imposes obligations on Occupational Risk Administrators related to healthcare personnel and the identification and management of mental-health issues arising from the COVID-19 pandemic.
- PL 115 of 2023 (Senate) – 331 of 2023 (House) guarantees access to the General Social Security Health System for the leaders and officers of Community Action Boards, establishing burial, life, and disability insurance as part of the benefits.
- PL 358 of 2024 (House) – 154 of 2023 (Senate) adopts measures to support the well-being of the coffee sector. Small coffee producers and pickers working under employment or service contracts, on a part-time basis, and earning less than one (1) Monthly Legal Minimum Wage (SMLMV) must join the Social Protection Floor, which comprises: (i) the Subsidized Regime of the General Health Insurance System; (ii) the Complementary Social Service of Periodic Economic Benefits (BEPS) as a mechanism for elderly protection; and (iii) Inclusive Insurance, which will protect workers from risks arising from occupational activities and illnesses covered by BEPS. A 15% BEPS contribution must be made based on the worker's or contractor's monthly income.
- PL 055/2024 Senate "Whereby the ladder of formality is continued and provisions are enacted to reduce costs and procedures for companies." Establishes several provisions regarding occupational hazards, including: progressive application of occupational health, labor-risk, and workplace safety rules in the early stages of formality to be regulated by the Ministry of Labor, and entrance, periodic, and exit evaluations carried out by Occupational Risk Administrators at no cost to companies.
- PL 066 of 2024 (House) establishes an exemption from payment of Compulsory Traffic Accident Insurance (SOAT) for foreign vehicles in border areas and enacts other provisions. Foreign vehicles may remain up to three days in border areas without SOAT, and the bill allows immediate issuance of SOAT in those areas.
- PL 075 of 2024 (House) proposes a new classification for SOAT tariffing, creating new categories for motorcycles: Motorcycles under 100 cc, motorcycles from 101 to 200 cc, motorcycles from 201 to 400 cc, motorcycles from 401 to 600 cc, and motorcycles over 600 cc.
- PL 115 of 2024 (House) establishes guidelines to strengthen the rural economy. It creates a rural agricultural insurance program under the National Agricultural Credit Commission that covers rural associations against climatic, geological, biological, sanitary, market-volatility, and geographic-concentration risks.
- PL 136 of 2024 (House) establishes measures to promote road-user responsibility and road safety. It

establishes an incentive allowing vehicle owners who have not been penalized for violations or fines under the National Traffic Code during the twelve (12) months prior to applying for the benefit to access the installment payment option for Compulsory Traffic Accident Insurance (SOAT). The incentive may consist of payment facilities, financing mechanisms, compliance-based discounts, or other measures that ease progressive payment without affecting the policy's guarantees or coverage.

- PL 236 of 2024 (House) establishes the formation and integration of regional and national interdisciplinary assessment boards and enacts other provisions. It defines criteria for granting severe disability pensions and permanent partial disability compensation in the general occupational-risk system. It also mandates updating the single disability-rating manual within one year of the law's entry into force.
- PL 312 of 2024 (House) consolidated with PL 135 of 2024 (House), "Whereby the healthcare system is transformed and other provisions are enacted" (Healthcare reform).
- PL 450 of 2024 (House), "Whereby the Popular and Community Economy is regulated, its sustainability is guaranteed, and other provisions are enacted." As part of the incentives, microinsurance programs may be implemented to protect microenterprises and ventures in the popular economy.
- PL 451 of 2024 (House) promotes and incentivizes the development of the low-emission hydrogen ecosystem in Colombia to ensure an orderly energy transition and establishes additional provisions ("hydrogen economy"). It extends the benefits established for electric vehicles under Law 1964 of 2019

to hydrogen-powered vehicles, including a 10% reduction in SOAT tariffs.

- PL 513 of 2025 (House) establishes mechanisms to strengthen the General Occupational Risk System, Life insurance and its associated coverages, and promote optimal use of system resources, and creates a protection benefit for informal occupations. It sets out mechanisms to ensure optimal use of resources in the General Occupational Risk System and creates an insurance product for informal workers who are beneficiaries of programs administered by the Administrative Department for Social Prosperity.
- PL 613 of 2025 (House) recognizes the ancestral economy developed by Black, Afro-Colombian, Raizal, and Palenquero communities, and establishes other provisions for its development and protection. It promotes membership in the SGRL for these communities.
- PL 632 of 2025 (House) amends and adds to Law 675 of 2001 (horizontal property regime in Colombia). It establishes that the state insurer will assume—through the creation of mandatory fire and earthquake insurance for horizontal-property buildings—the risks of structures that can no longer be insured due to age, as well as those of VIS (Social Interest Housing) and VIP (Priority Interest Housing) co-properties, under a first-loss structure. It also requires co-properties to maintain a non-contractual third-party liability policy covering risks to visitors and occupants in common areas.

Decrees

The following decrees were issued during this period:

- Decree 1271 of 2024, which establishes the adoption of IFRS 17 (International Financial Reporting Standard), applicable

to insurance contracts, representing a significant change in the way insurers must recognize, measure, present, and report their contractual obligations.

- Decree 1272 of 2024, which adjusts the technical reserve regime, allowing for better alignment with the principles of solvency and financial stability, in line with international standards such as the European Solvency II regime.
- Decree 1225 of 2024, which regulates, among other things, Article 57 of the Pension Reform Law (Law 2381 of 2024), stating that the complementary individual savings component of the contributory pillar may be administered by Life insurance companies, among others.
- Decree 1558 of 2024, amending Decree 2555 of 2010 and adding Book 43 to Part 2 of Decree 2555 of 2010 in relation to the rules applicable to the Administrators of the Complementary Individual Savings Component of the Contributory Pillar concerning authorization, administration, and corporate governance rules, which applies, among others, to Life insurance companies, in their capacity as administrators.
- Decree 514 of 2025, the Unified Pension Regulatory Decree, which regulates and compiles the rules of the Integral Social Protection System for Old Age, Disability, and Death of common origin under Law 2381 of 2024. It includes provisions applicable to insurance-sector entities, such as: (i) Article 2.2.3.3.4., payment of annuities under the Semi-Contributory Pillar. Contracted with insurance companies; (ii) Title 5, provisions related to risk-coverage mechanisms for disability and death. Taking out of pension insurance with insurance companies, and (iii) Article 2.2.4.9.12. Payment of annuities under the Complementary Individual Savings

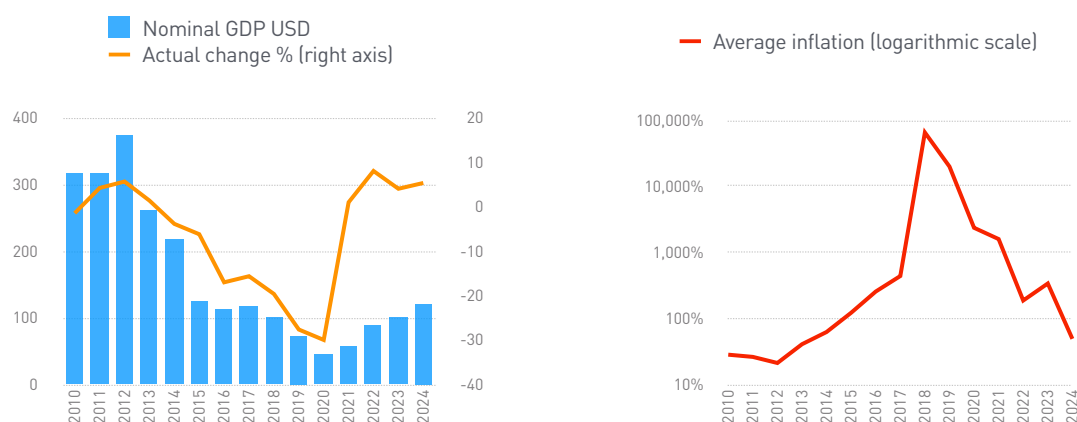
Component. Contracts with insurance companies.

- Decree 574 of 2025, concerning the rules applicable to the administration of the Contributory Pillar Savings Fund of the Integral Social Protection System for Old Age, Disability, and Death of Common Origin, as provided in Law 2381 of 2024. This decree includes, within operational risk, income received from the management of autonomous assets or fiduciary mandates linked to the Contributory Pillar Savings Fund (FAPC), including Life insurance companies, given their status as administrators of the complementary individual savings component.
- Decree 228 of 2025, which regulates the Comprehensive Financial and Welfare Information System (SIIFA), establishing parameters and components to improve the traceability of financial information in the health and social protection sector, including both SOAT companies and Occupational Risk Administrators (ARL).

Draft decrees currently under discussion apply, among others, to Life insurers in their capacity as administrators of the Complementary Individual Savings Component under the Pension Reform (Law 2381 of 2024):

- Draft decree adding Book 45 to Part 2 of Decree 2555 of 2010, concerning the decumulation scheme of the Complementary Individual Savings Component of the Integral Social Protection System for old age, disability, and death of common origin, pursuant to Law 2381 of 2024.
- Draft decree amending Decree 2555 of 2010 and adding Title 3 to Book 43 of Part 2 of Decree 2555 of 2010, regarding rules applicable to the administration of the resources of the Complementary Component of the Contributory Pillar of

Chart 3.2.2-a
Venezuela: changes in economic growth and inflation
 (GDP in USD, billions; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

the Integral Social Protection System for Old Age, Disability, and Death of Common Origin.

Similarly, for the health sector, the following draft decrees are currently being prepared:

- Draft decree adding Part 6 to Book 3 of Decree 780 of 2016 (Unified Health and Social Protection Regulatory Decree), concerning the procedure for the initial determination of the origin of illness or accident, loss of work capacity, disability rating, date of structuring, and review of disability status.
- Draft decree adding Section 8 to Chapter 6, Title 1, Part 2 of Decree 1072 of 2015, the Unified Regulatory Decree of the Labor Sector, creating the “Incluir para Trabajar” National Program, and establishing provisions to ensure the labor inclusion of persons with disabilities. The decree sets a public-sector policy to promote the employment inclusion of persons with disabilities and establishes obligations for Occupational Risk Administrators (ARL).

External Circulars of the Financial Superintendence of Colombia

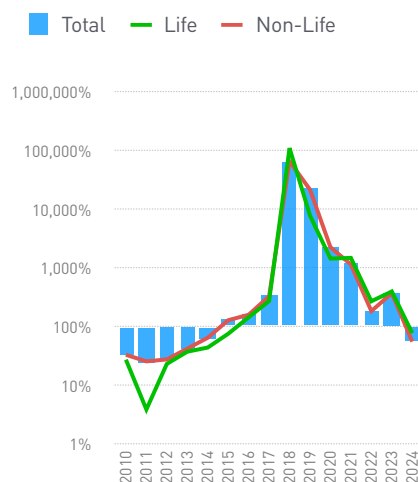
- External Circular 001 of 2024, updating tariffs for Compulsory Traffic Accident Insurance (SOAT).
- External Circular 013 of 2024, issuing instructions on maximum tariffs and the validity of the Compulsory Insurance for Bodily Injury Caused to Persons in Traffic Accidents (SOAT) for foreign vehicles circulating in border areas.
- External Circular 017 of 2024, issuing instructions regarding the role of insurance company actuaries.
- External Circular 020 of 2024, updating SOAT tariffs for 2025, adjusting values in line with new provisions and circumstances in the insurance market.

3.2.2 Venezuela

Macroeconomic environment

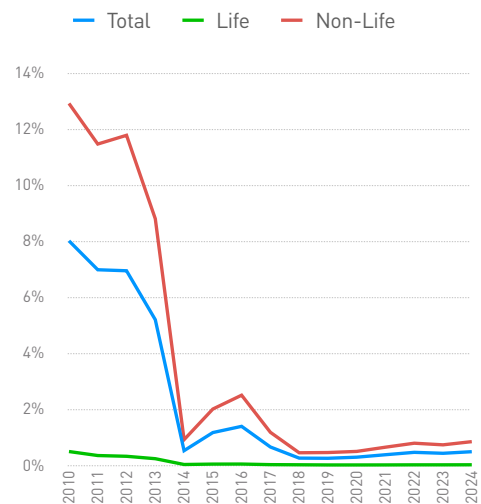
In 2024, the Venezuelan economy is expected to grow by around 5.3%, compared

Chart 3.2.2-b
Venezuela: growth developments in the insurance market
(annual nominal growth rates, logarithmic scale)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

Chart 3.2.2-c
Venezuela: share of insurance premiums in Latin America (%)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity and supervisory bodies of the region)

Table 3.2.2
Venezuela: premium volume¹ by line, 2024

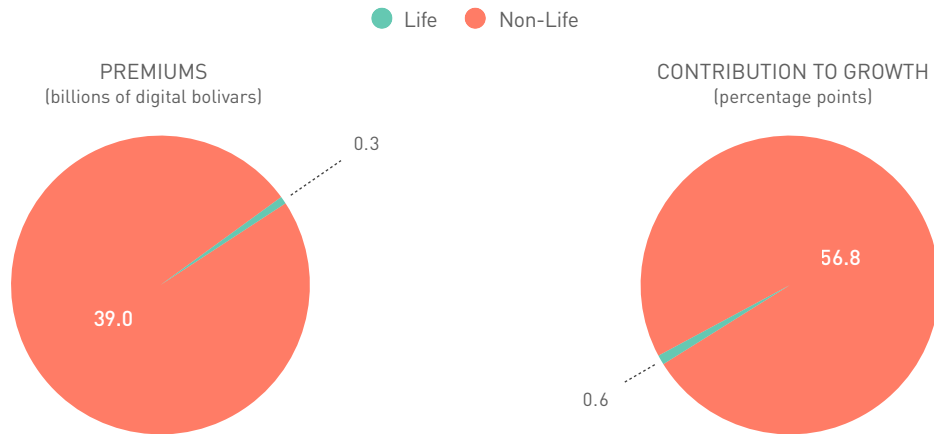
Line of business	Millions of digital bolivars	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	39,320.8	1,022.6	57.4	5.7
Life	335.5	8.7	89.1	27.0
Individual life	193.1	5.0	74.3	17.0
Group life	142.4	3.7	113.9	43.6
Life annuity	-0.0040	-0.0001	--	--
Non-Life	38,985.3	1,013.9	57.2	5.5
Health	26,351.4	685.3	51.8	1.9
Automobiles	3,062.0	79.6	71.4	15.0
Multirisk	3,609.9	93.9	98.0	32.9
Transport	1,053.5	27.4	19.6	-19.7
Credit and surety	1,009.6	26.3	83.6	23.2
Accident	878.0	22.8	67.1	12.1
Fire	568.3	14.8	40.4	-5.8
Third-party liability	728.1	18.9	51.2	1.5
Other lines	662.3	17.2	41.6	-5.0
Burial	781.4	20.3	154.8	71.0
Earthquakes	203.9	5.3	35.8	-8.9
Pecuniary losses	77.0	2.0	27.8	-14.2

Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

1/ Net premiums received from direct insurance.

2/ The VEF/USD exchange rate has been interpolated based on the latest DICOM auctions available.

Chart 3.2.2-d
Venezuela: insurance market and contributions to growth, 2024
 (premiums, billions of digital bolivars; percentage points, pp)

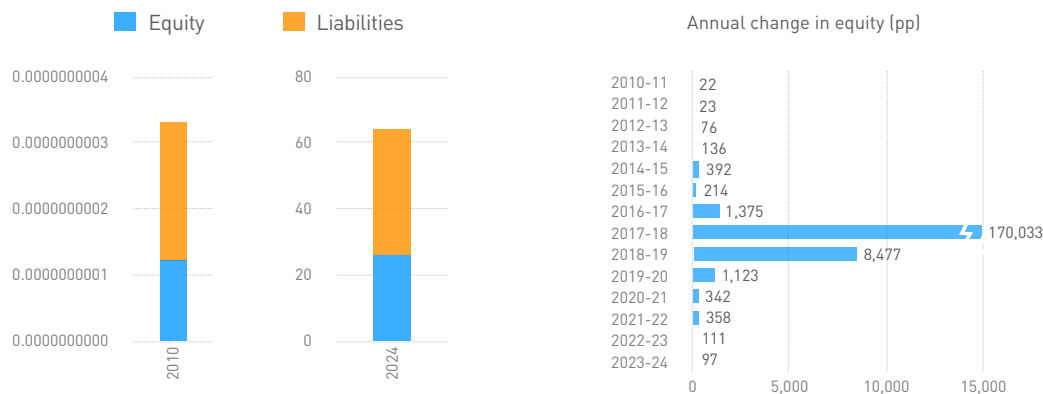


Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

to 4.0% a year earlier (see Chart 3.2.2-a). This expansion in economic activity, however, appears to be strongly influenced by the increase in oil activity and has yet to spread to other sectors in a significant way. The easing of sanctions imposed by the United States through oil licenses granted to companies such as Chevron and Repsol allowed Venezuela's oil exports to increase by nearly 160,000 additional barrels per day

by the end of 2024. This improvement has helped to alleviate production figures, which had been in clear decline in recent years. However, the possibilities for recovery remain structurally limited, both by the licensing scheme and by the lack of progress in improving installed capacity. With regard to non-oil activity, the relative recovery in certain sectors is estimated to have been marginal, aided by remittance

Chart 3.2.2-e
Venezuela: changes in the insurance industry's aggregate balance sheet
 (billions of digital bolivars; change in equity, percentage points)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

income and some relief on the inflation front.

Average inflation in 2024 stood at around 49.0% (337.5% in 2023), still one of the highest rates in the region. Furthermore, taking into account the base effect from 2023, this figure still represents a significant loss of purchasing power for consumers. In terms of monetary policy, the course set in previous years has been maintained, with foreign exchange interventions to curb the depreciation of the bolivar, negative real interest rates, and the management of international reserves, which, despite having grown marginally, can only be used effectively in part due to sanctions. In addition, there has been a sharp acceleration in monetary aggregates, which points to future inflationary pressures despite the rising cost of credit.

The IMF estimates that Venezuela's GDP will decline by around 4.0% by 2025, while ECLAC raises this figure to 2.0% (maintaining this rate in 2026), but based on

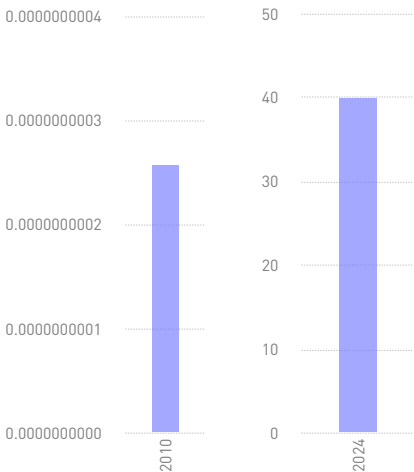
expectations that are heavily dependent on the performance of the oil sector and the authorities' ability to maintain exchange rate stability and reduce inflation. For its part, MAPFRE Economics forecasts a contraction in Venezuela of around 0.9% for 2025 and stagnation for 2026.

Insurance market

Growth

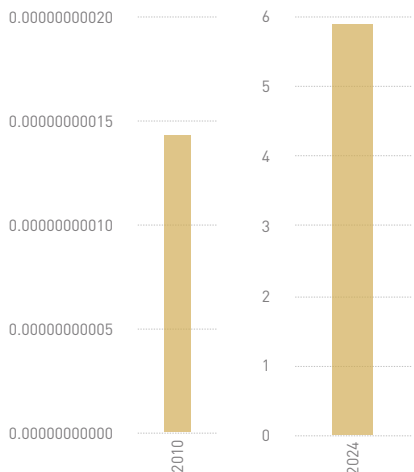
In 2024, premiums in the Venezuelan insurance market grew 5.7% in real terms (57.4% in nominal terms) compared to the previous year, reaching 39.3 billion digital bolivars (1.0 billion dollars). The majority of premiums remained concentrated in the Non-Life segment, representing 99.1%, compared to premiums in the Life insurance segment, which accounted for 0.9% (see Table 3.2.2 and Chart 3.2.2-b). Moreover, over the last fourteen years, the development of total premiums and premiums by segment (Life and Non-Life) in

Chart 3.2.2-f
Venezuela: insurance market investments
(billions of digital bolivars)



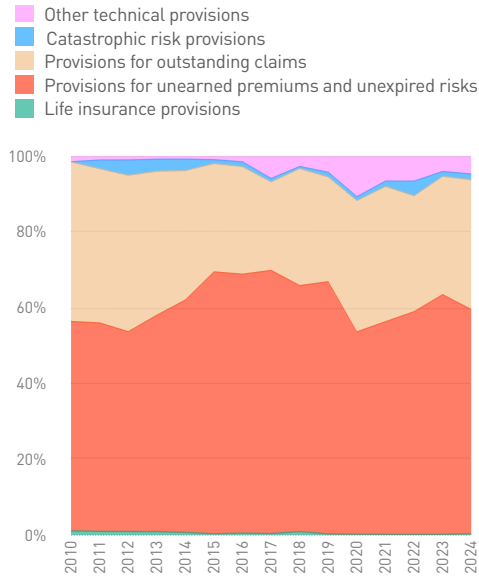
Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

Chart 3.2.2-g
Venezuela: technical provisions of the insurance market
(billions of digital bolivars)



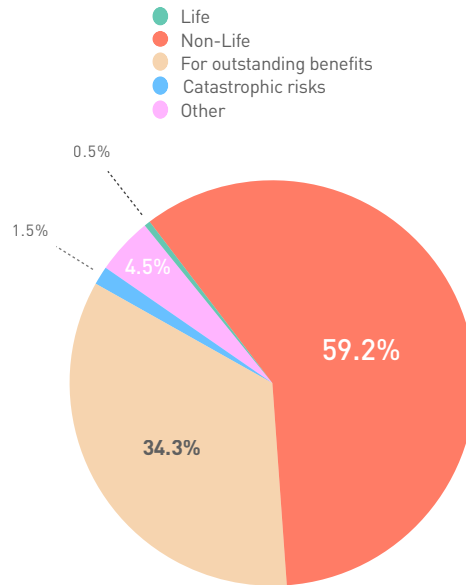
Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

Chart 3.2.2-h
Venezuela: structure of technical provisions
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

Chart 3.2.2-i
Venezuela: structure of technical provisions,
2024
(%)

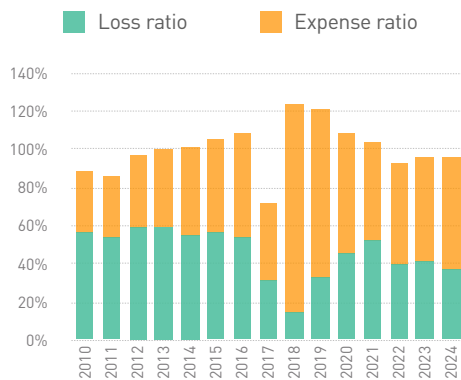


Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

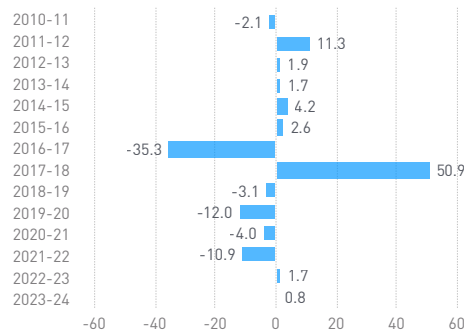
the Venezuelan insurance market compared to the Latin American market has been very unfavorable. The proportion of total Venezuelan premiums in the Latin American

total dropped from 8.0% in 2010 to 0.5% in 2024. Likewise, participation in the Life insurance segment also decreased from 0.5% in 2010 to practically zero in 2024

Chart 3.2.2-j
Venezuela: changes in market technical performance
(total combined ratio, %; annual change in combined ratio, percentage points)

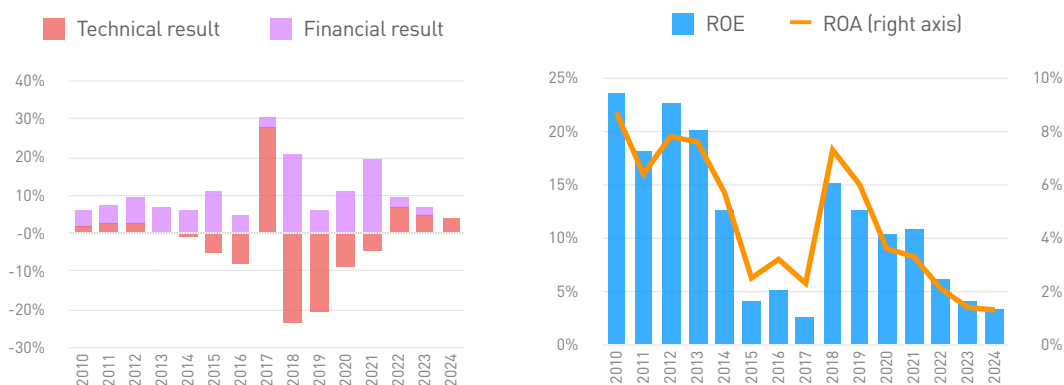


Annual change in combined ratio (pp)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

Chart 3.2.2-k
Venezuela: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

[0.01%], while in the Non-Life insurance segment, the share fell from 12.9% to just 0.8% over that period (see Chart 3.2.2-c).

However, reflecting the characteristics of the Venezuelan market in 2024, the contribution to sector growth that year was concentrated entirely in the Non-Life segment. As shown in Chart 3.2.2-d, virtually all growth in 2024 (56.8 percentage points) came from the Non-Life segment.

Balance sheet and shareholders' equity

Chart 3.2.2-e shows the aggregate balance sheet of the Venezuelan insurance industry for 2010 and 2024. This information shows that in 2024, the sector's total assets stood at 64.1 billion digital bolivars, while equity stood at 25.9 billion digital bolivars, a positive change of 96.8% compared to 2023. This was a quantitative effect determined by hyperinflation in the economy. The aggregate capitalization levels of the Venezuelan insurance industry (measured against total assets) stood at around 36% in the 2009–2010 period, subsequently increasing to a peak in 2017 and then falling below the average to reach 31.7% of total assets in 2024. It should be noted, as highlighted in previous versions of this

report, that a large part of the equity capital calculated corresponds to unrealized capital gains on real estate investments and other financial instruments, related to the hyperinflationary process that continues to affect that economy.

Investments

Chart 3.2.2-f shows the available data on the development of investments in the Venezuelan insurance market over the 2010–2024 period. According to this data, in 2024, aggregate investments in the sector reached 40.0 billion digital bolivars. It should be noted, however, that it has not been possible to carry out a more detailed analysis of the portfolio composition at the sector level for Venezuela's insurance industry due to a lack of available data.

Technical provisions

Charts 3.2.2-g, 3.2.2-h, and 3.2.2-i show the evolution and composition relative to technical provisions, net of reinsurance, of the Venezuelan insurance industry for the 2010–2024 period. In 2024, technical provisions stood at 5.9 billion digital bolivars. Of this total, 59.2% corresponded to Non-Life provisions, 0.5% to technical provisions

Chart 3.2.2-l

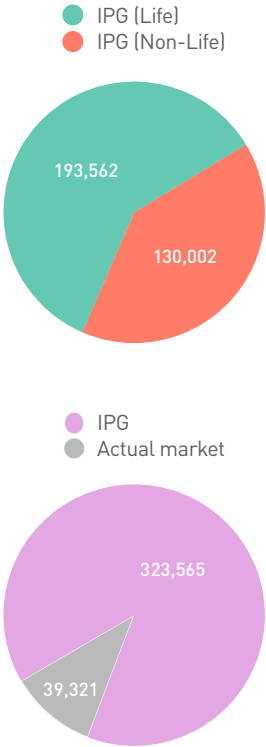
Venezuela: changes in penetration, density and depth

(premiums/GDP, %; premiums per capita, digital bolivars and USD; Life premiums/total premiums, %, 2010 index=100)



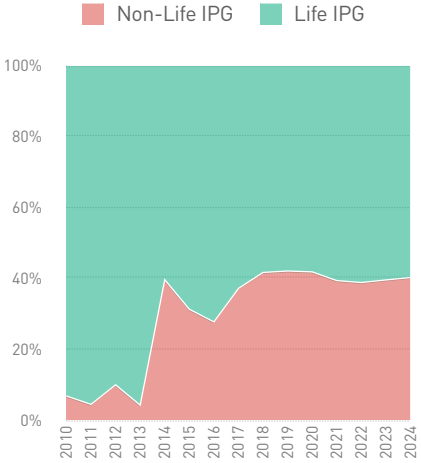
Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

Chart 3.2.2-m
Venezuela: Insurance Protection Gap* and potential market, 2024
(millions of digital bolivars)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)
* IPG (estimate adjusted with penetration estimated in USD)

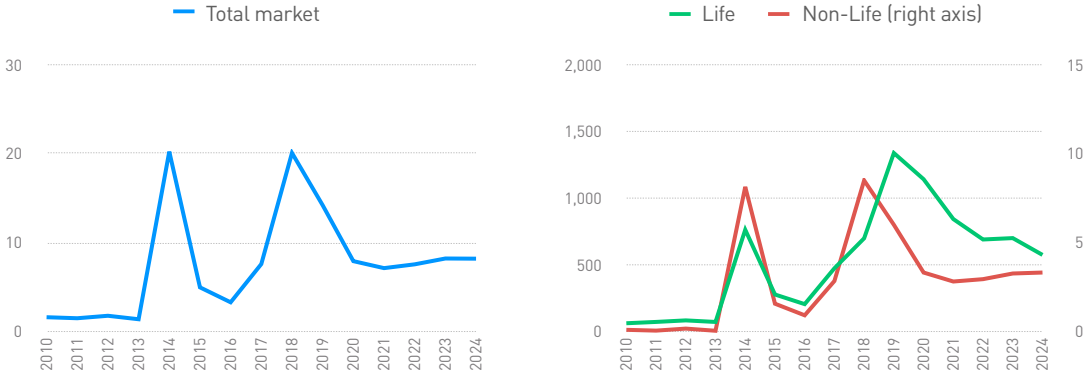
Chart 3.2.2-n
Venezuela: structure of the Insurance Protection Gap



Source: MAPFRE Economics

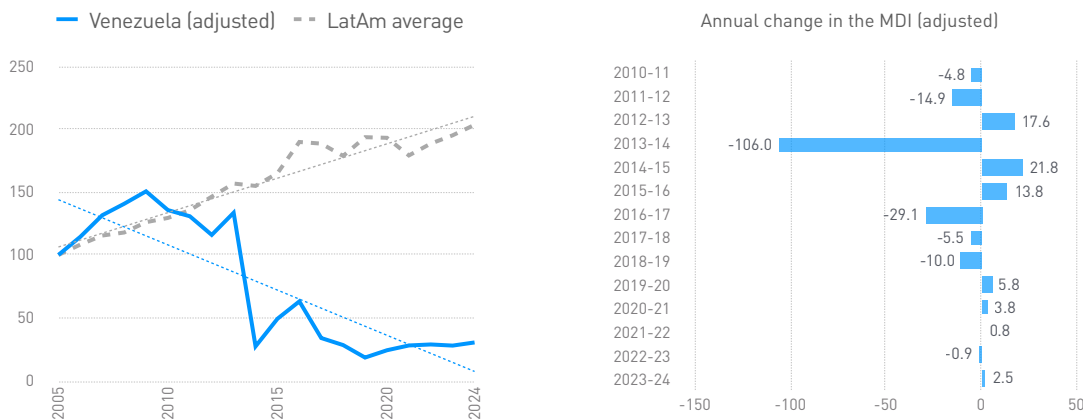
related to Life insurance, 34.3% to the provision for outstanding claims, 1.5% to the catastrophic risks provision, and 4.5% to other technical provisions. Throughout 2010–2024, the relatively small weight of Life insurance provisions stands out: they fell from 1.3% of total provisions in 2010 to 0.5% in 2024. Similarly, Non-Life provisions increased from 55.2% in 2010 to 59.2% in 2024.

Chart 3.2.2-o
Venezuela: IPG* as a multiple of the actual market
(number of times the size of the actual insurance market)



Source: MAPFRE Economics
* IPG (estimate adjusted with penetration estimated in USD)

Chart 3.2.2-p
Venezuela: Market Development Index (MDI)
 (2005 index=100; annual change)



Source: MAPFRE Economics

Technical performance

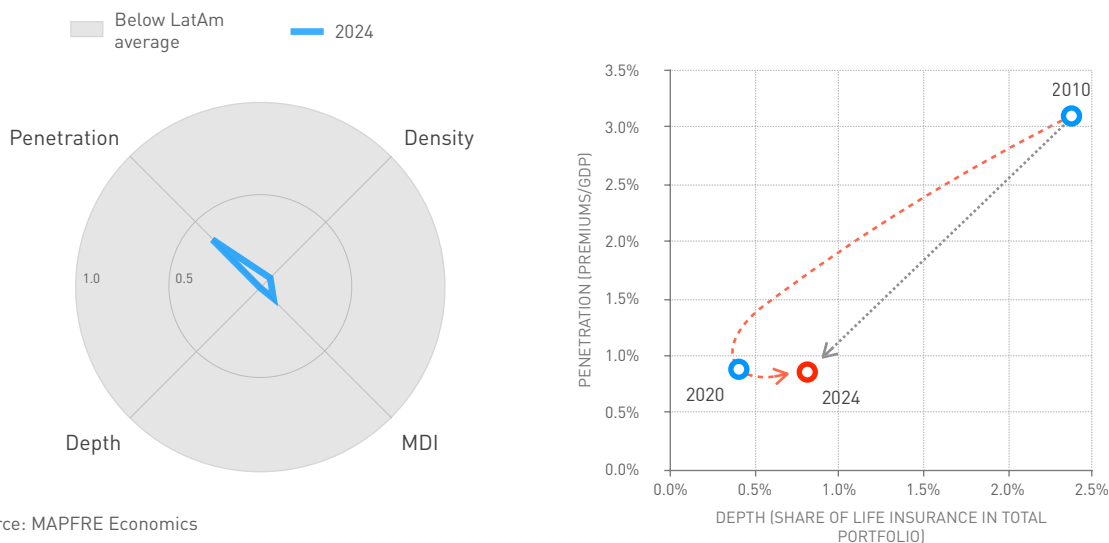
Chart 3.2.2-j shows that in 2024, the Venezuelan insurance industry posted a positive technical result, with a combined ratio of 96.1%, representing a 0.8 percentage point (pp) decline from the 2023 figure. This was because the increase in the expense ratio (+5.4 pp) was not fully

offset by the decrease in the loss ratio (-4.6 pp).

Results and profitability

In fiscal year 2024, the consolidated result for the Venezuelan insurance sector was 660.3 million bolivars (22.5 million dollars). As shown in Chart 3.2.2-k, between 2010

Chart 3.2.2-q
Venezuela: comparative structural coefficient index* vs. average for Latin America (2024) and medium-term changes in the insurance market (2010-2024)



Source: MAPFRE Economics

* Indexes calculated as the quotient between the values of the country's structural coefficient and the average values of the coefficient concerned for the Latin American market as a whole. The unit represents a performance equivalent to the region's average.

and 2024, there is a clear downward trend in the profitability of the insurance industry in Venezuela, which began in 2012 and reached its lowest level of the decade in 2017. Recovery is then observed in 2018, after which, however, a new downward trend emerges and continues until 2024.

Insurance penetration, density, and depth

Chart 3.2.2-l shows the main structural trends shaping the development of the Venezuelan insurance industry between 2010 and 2024. First, the penetration rate (premiums/GDP) in 2024 stood at 0.9%, practically in line with the 2023 figure and remaining well below the Latin American average since 2014. Insurance density in Venezuela (premiums per capita) stood at 1,384.3 bolivars (36.0 dollars), 56.9% higher than the figure observed in 2023; however, this trend still reflects the underlying inflationary dynamics of the country's economy. Accordingly, density has climbed steadily over the last decade in nominal terms, when measured in local currency, rising exponentially from 2010. However, when the index is calculated in dollars, density has been clearly declining, despite the slight upturn in the last two years. In terms of depth (Life insurance premiums as

a percentage of total premiums), the indicator stood at just 0.9% in 2024, 1.5 pp below the figure observed in 2010. The trend in the depth of the Venezuelan insurance market clearly diverges from the average performance of the other insurance markets in Latin America, as the Life insurance segment has virtually disappeared in the country.

Insurance Protection Gap estimate

Chart 3.2.2-m shows the estimated protection gap for the Venezuelan insurance market in 2024. The IPG for that year stood at 323.6 billion bolivars, representing 8.2 times the Venezuelan insurance market at the end of that year. The structure and evolution of the IPG show the predominance of Life insurance contributions in its explanation (see Chart 3.2.2-n). At the close of 2024, 59.8% of the IPG corresponded to this market segment, compared to 40.2% for Non-Life insurance. As such, the potential insurance market in Venezuela at the close of 2024 (estimated as the sum of the country's actual insurance market plus the IPG) would stand at 362.9 billion bolivars, 9.2 times the size of the total insurance market that year. As a supplement to this analysis, Chart 3.2.2-o presents the IPG

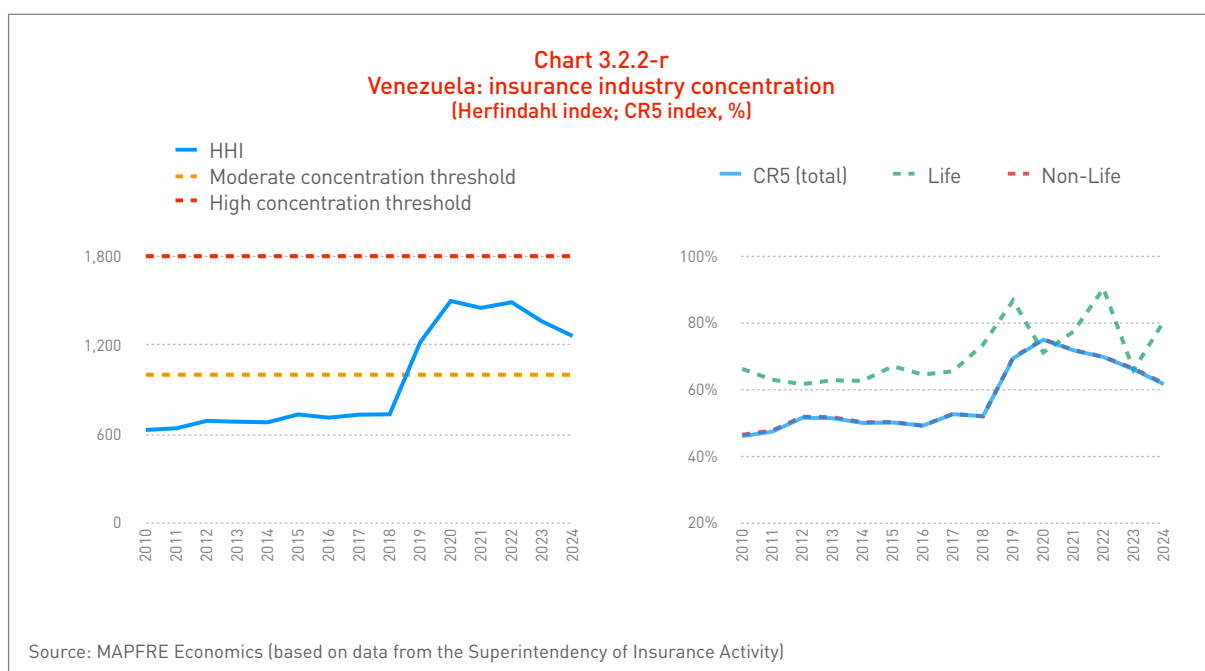
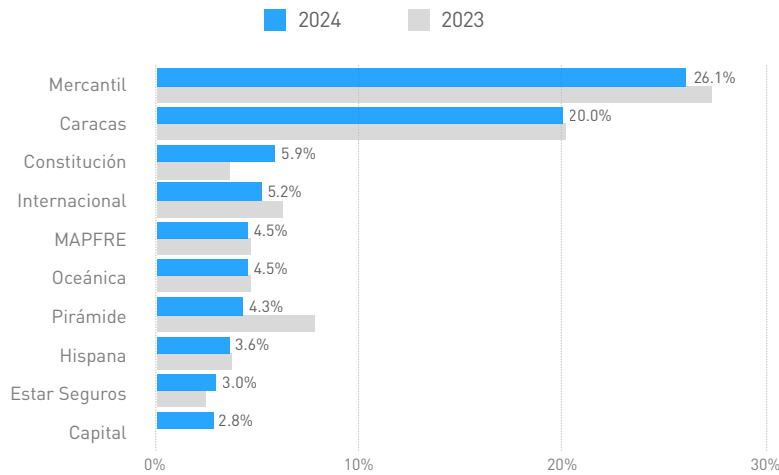


Chart 3.2.2-s
Venezuela: overall ranking
(market shares, %)



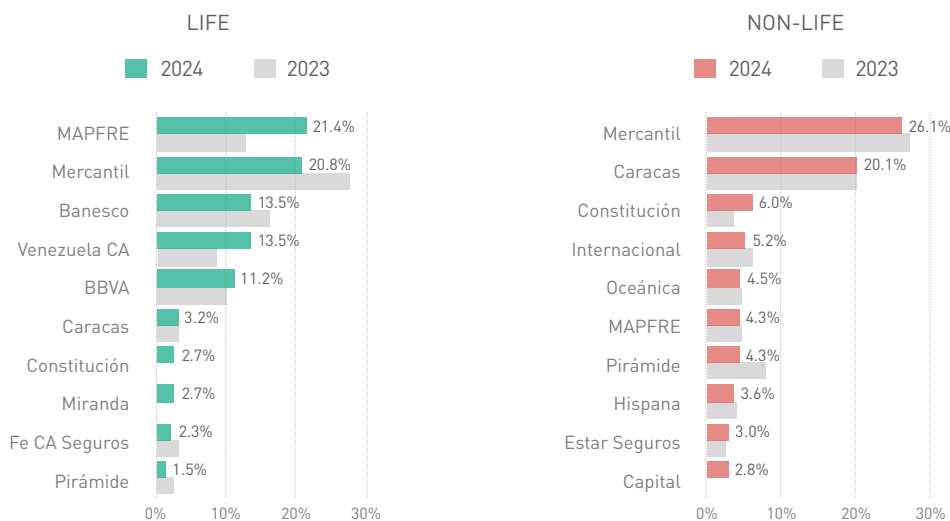
Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

estimate as a multiple of the actual insurance market in Venezuela. The protection gap as a multiple of the market shows an upward trend over the period analyzed, reaching 8.2 times the relative market in 2024. This behavior is similar when analyzing this trend in the Life and Non-Life segments.

Market Development Index (MDI)

Chart 3.2.2-p shows the estimated Market Development Index (MDI) for the Venezuelan insurance industry. The indicator had been trending in line with the Latin American average until 2013, at which point it began a clear decline that is expected to continue

Chart 3.2.2-t
Venezuela: Life and Non-Life ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

until 2024, diverging from the average performance of insurance markets in the region.

Comparative analysis of structural coefficients

Finally, the position of the Venezuelan insurance market compared to the Latin American average, from the perspective of the structural indicators analyzed above, is presented schematically in Chart 3.2.2-q. This confirms that the deterioration of the Venezuelan insurance market has caused it to fall well below the regional average in all structural dimensions. This conclusion is confirmed by an analysis of the market's development over the past decade, which shows a worsening in both quantitative (penetration levels) and qualitative (depth levels) terms over the period analyzed.

Insurance market rankings

At year-end 2024, 48 insurance companies were operating in Venezuela, three fewer than in the previous year. From a concentration standpoint, the Herfindahl index decreased in 2024, falling to 1,261.6.

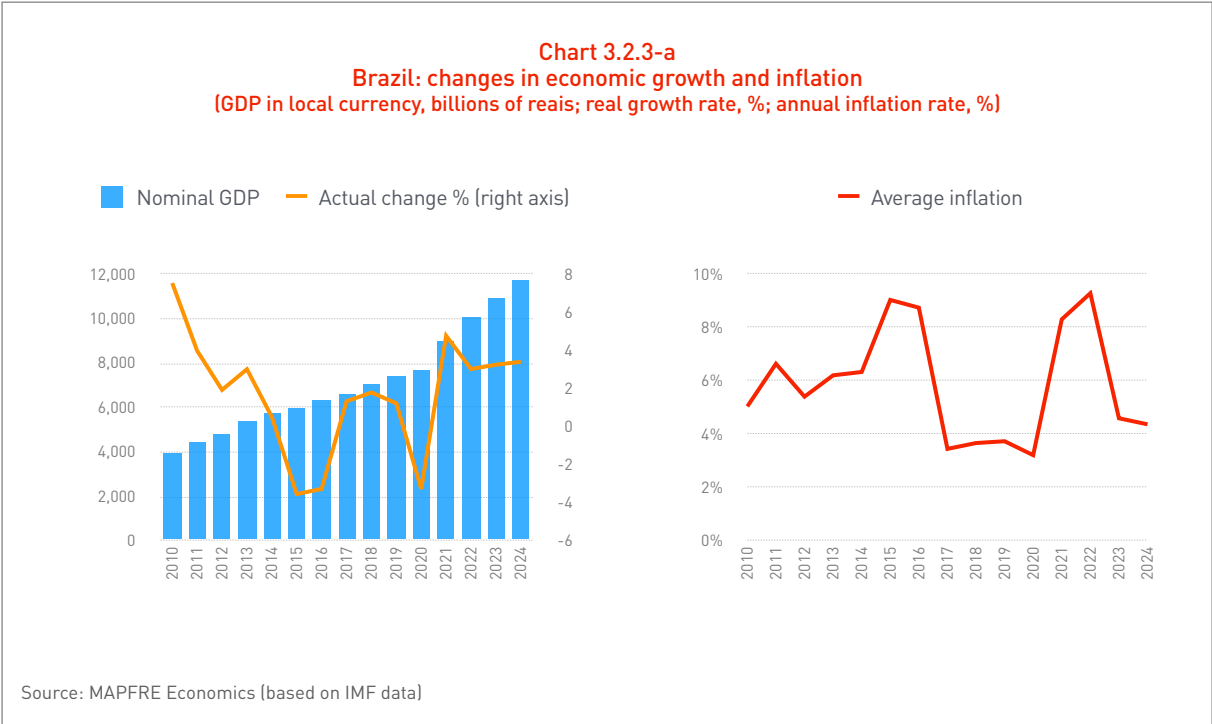
However, the indicator remains above the threshold indicating moderate market concentration, and below the 1,800-point threshold indicating a high level of concentration. Likewise, the CR5 index stood at 61.6%, indicating a high degree of relative concentration in both the Life and Non-Life segments (see Chart 3.2.2-r).

Total ranking

As regards the ranking of insurance groups shown in Chart 3.2.2-s, in 2024 this continued to be led by Mercantil and Caracas, with market shares of 26.1% and 20.0%, respectively. They were followed by Constitución (5.9%), Internacional (5.2%), and MAPFRE (4.5%). Capital (with a 2.8% share) closes out the overall ranking for 2024 in tenth place, with Estar (3.0%), Hispana (3.6%), and Pirámide (4.3%) in ninth, eighth, and seventh place, respectively.

Life and Non-Life rankings

Meanwhile, according to Chart 3.2.2-t, Mercantil continues to lead the Non-Life ranking in 2024, with a market share of



26.1%, followed by Caracas (20.1%) and Constitución (6.0%). MAPFRE leads the Life insurance ranking (with a 21.4% share in this segment), followed by Mercantil (20.8%) and Banesco (13.5%).

Key regulatory aspects

Regarding the main regulatory adjustments in the Venezuelan insurance market, the following provisions issued by the Superintendence of Insurance Activity (SAA) stand out:

- SAA-08-0120-2025, which temporarily suspends the requirement to set aside provisions for exchange-rate fluctuations in insurance and reinsurance contracts denominated in foreign currency.
- SAA-07-0105-2025, which regulates the use of alternative channels (including Fintech and Insurtech platforms) to market pre-approved insurance products, including microinsurance and inclusive insurance.
- SAA-09-0103-2025, which establishes specific guidelines for reinsurance

contracting, detailing reporting and validation requirements to the SAA for authorization and monitoring.

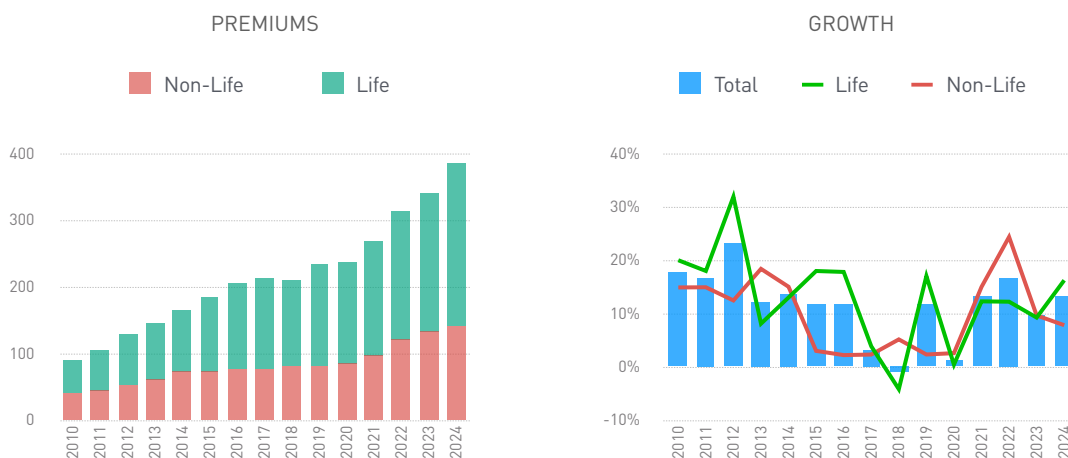
- SAA-09-0102-2025, which establishes the mandatory annual contribution insurance companies must make to the SAA's operating fund for the corresponding fiscal year.
- SAA-02-0578-2024, which introduces new accounting instructions for the presentation of inflation-adjusted financial statements, in line with specific technical standards.
- SAA-07-0592-2024, which requires motorcycles to be included under the Vehicle Third-Party Liability Regime (RCV), making their insurance coverage mandatory.

3.2.3 Brazil

Macroeconomic environment

In 2024, Brazil's economy continued the trend of the previous two years, with GDP

Chart 3.2.3-b
Brazil: growth developments in the insurance market
(premiums, billions of reais; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

Table 3.2.3-a
Brazil: premium volume¹ by line, 2024

Line of business	Millions of reais	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	385,851.6	71,558.3	12.9	8.2
Life	243,719.5	45,199.1	16.2	11.3
Life — individual and group	65,464.4	12,140.7	15.9	11.0
VGBL ²	178,255.1	33,058.4	16.3	11.4
Non-Life	142,132.1	26,359.2	7.8	3.3
Automobiles	57,637.0	10,689.1	3.1	-1.2
Other lines	29,133.7	5,403.0	15.6	10.8
Accident	9,394.9	1,742.3	17.4	12.5
Fire (Comprehensive Insurance)	11,245.0	2,085.5	15.1	10.3
Transport	6,210.2	1,151.7	6.0	1.6
Credit and surety	8,836.6	1,638.8	12.7	8.0
Agricultural	9,604.0	1,781.1	-4.3	-8.3
Third-party liability	4,454.8	826.2	12.2	7.5
Hull transport	2,049.8	380.1	24.3	19.1
Special risks ³	1,954.1	362.4	-10.4	-14.1
Burial	1,612.1	299.0	7.4	2.9

Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

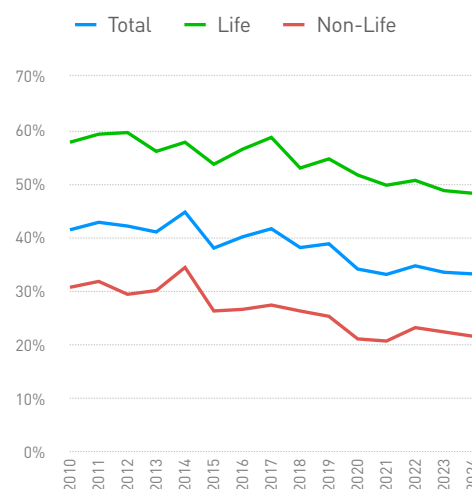
1/ Written Premium (on funding basis) + Insurance Premium

2/ Vida Gerador de Benefício Livre (cash-value Life insurance)

3/ Oil, nuclear risks and satellites

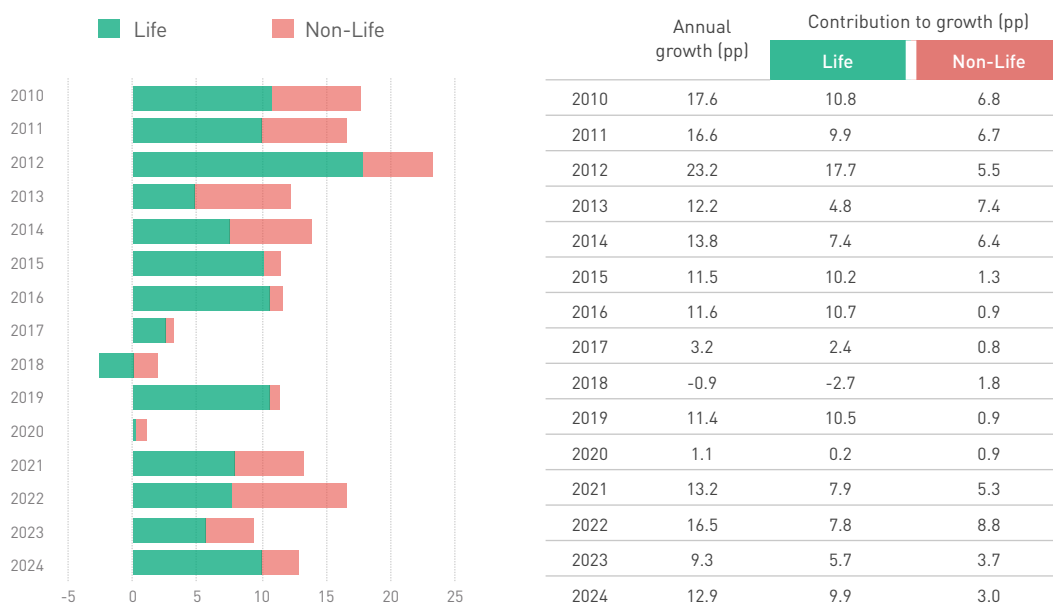
growth of 3.4% (3.2% in 2023 and 3.0% in 2022). This growth was supported by an expansion in domestic demand (private consumption grew by 4.5% and fixed investment by 5.5%), with exports (which grew by 2.9%) playing a minor role, given adverse weather conditions for agricultural crops (particularly soybeans, corn, coffee, and sugar), as well as limited improvement in mining and manufacturing. Furthermore, 2024 was a year in which inflation continued to exceed the target set by the monetary authority, standing at an annual average of 4.4% (compared to 4.6% in 2023), driven by strong domestic demand, rising prices for agricultural products and food, and the depreciation of the real, which pushed up the value of imported supplies and goods. As a result, the last quarter of 2024 saw year-on-year inflation of close to 4.8%, meaning that inflationary risk continues to be present

Chart 3.2.3-c
Brazil: share of insurance premiums in Latin America (%)



Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance and supervisory bodies of the region)

Chart 3.2.3-d
Brazil: contribution to insurance market growth
 (percentage points, pp)



Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

in the economy (see Chart 3.2.3-a). Similarly, the average unemployment rate fell to 6.6% (7.8% in 2023), driven by the creation of formal jobs, especially in the trade and construction sectors.

In 2024, public accounts showed a primary fiscal deficit of 0.6% of GDP (2.4% in 2023), following fiscal efforts to reduce non-recurring public expenditure and tax reforms to increase tax revenues. The government's gross debt increased by 2.7 percentage points (pp) of GDP, representing 76.5% (73.8% in 2023). This deterioration is keeping public indebtedness at high levels, which represents one of the main vulnerabilities of the Brazilian economy. In terms of interest rates, in 2024, the Bank of Brazil continued to ease its restrictive monetary policy in the first half of the year, setting the benchmark rate (SELIC) at 10.50% at the end of May. However, in the second half of the year, following increased inflationary pressures, interest rates were raised, ending the year at 12.25%. This trend

has continued, reaching 15.00% in June 2025, reflecting concerns about a new spiral of price increases in the short term and a possible de-anchoring of inflation expectations.

By 2025, forecasts point to a slowdown in the Brazilian economy as a result of tighter monetary policy, weakening domestic and foreign demand, and the government's fiscal adjustment on the expenditure side. Thus, ECLAC forecasts Brazilian GDP growth of 2.3% in 2025 (2.0% in 2026), while the International Monetary Fund forecasts 2.0%. MAPFRE Economics forecasts economic growth of around 2.2% for 2025 and 1.6% for 2026.

Insurance market

Growth

The Brazilian insurance market once again performed strongly in 2024, reaching a premium volume of 385.9 billion reais

Table 3.2.3-b
Brazil: private insurance premiums and contributions, 2024

Line of business	Millions of reais	Millions of USD	Growth 2022-2023 (%)
Insurance	385,851.6	71,558.3	12.9
Private pension	17,845.8	3,309.6	7.3
Health Insurance	79,237.1	14,695.0	13.9
Capitalization	31,997.3	5,934.1	7.3
Total	514,931.7	95,496.9	12.5

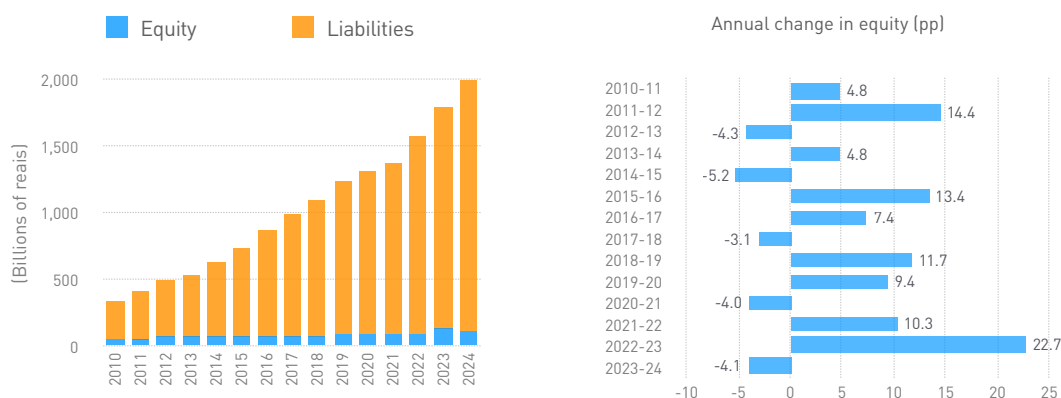
Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance and the National Supplementary Health Agency, ANS)

[71.6 billion dollars], representing nominal growth of 12.9% and a real increase of 8.2% (see Table 3.2.3-a and Chart 3.2.3-b). Both market segments (Life and Non-Life) saw increases in premium income, with Life growing at a rate of 16.2% and Non-Life at 7.8%. In total, Life insurance premiums amounted to 243.7 billion reais (45.2 billion dollars), a real increase of 11.3%, which is 6.9 percentage points (pp) higher than in 2023. The *Vida Gerador de Benefício Livre* (VGBL) product, which accounts for 73.1% of Life premiums, saw an 11.4% real increase in 2024, above the 4.4% in 2023. Likewise, Life products other than VGBL grew at a real rate of 11.0%, which is 6.6 pp more than in 2023. The Non-Life insurance segment reached premium volume of 142.1 billion reais (26.4 billion dollars), representing a

nominal increase of 7.8% and a real increase of 3.3%. Except for agricultural and special risk insurance, whose premiums fell by 4.3% and 10.4%, respectively, all other lines in this segment showed nominal increases, while in real terms, the decline in the Automobile line (-1.2%) must be added. Similarly, growth in Hull Transport (24.3% nominal), Personal Accident (17.4%), and Other Lines (15.6%) stood out.

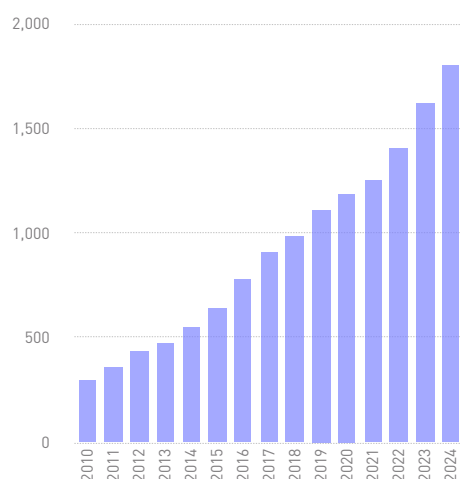
Furthermore, an analysis of the evolution over the past fourteen years of Brazil's share of total premiums—and of Life and Non-Life segments—relative to the Latin American market as a whole, illustrated in Chart 3.2.3-c, shows that, although this proportion is by far the highest in the region, it has trended downward, falling

Chart 3.2.3-e
Brazil: changes in the insurance industry's aggregate balance sheet
 (amounts in local currency; change in equity, percentage points)



Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

Chart 3.2.3-f
Brazil: insurance market investments
(billions of reais)



Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

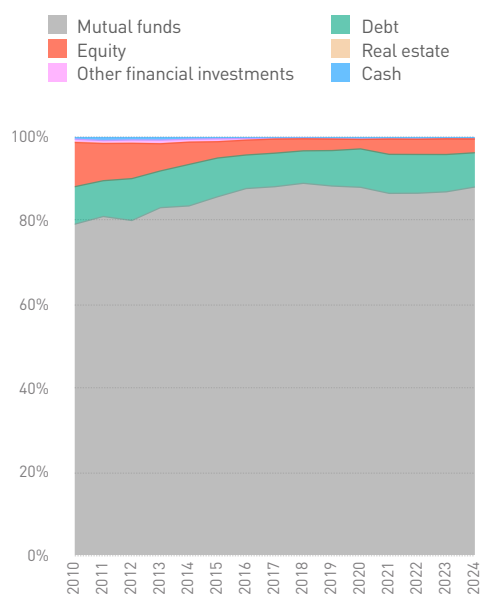
Table 3.2.3-c
Brazil: changes in the structure of investments by
underlying asset
(composition, %)

Year	Fixed income	Equity	Real estate	Other investments
2011	89.2%	9.4%	0.4%	1.0%
2012	89.4%	9.4%	0.4%	0.9%
2013	91.3%	7.1%	0.4%	1.1%
2014	93.3%	5.5%	0.4%	0.9%
2015	94.7%	4.0%	0.3%	1.0%
2016	95.1%	4.3%	0.2%	0.4%
2017	95.2%	4.3%	0.2%	0.3%
2018	95.4%	4.1%	0.2%	0.3%
2019	94.2%	5.3%	0.1%	0.4%
2020*	92.8%	6.5%	0.2%	0.5%

Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

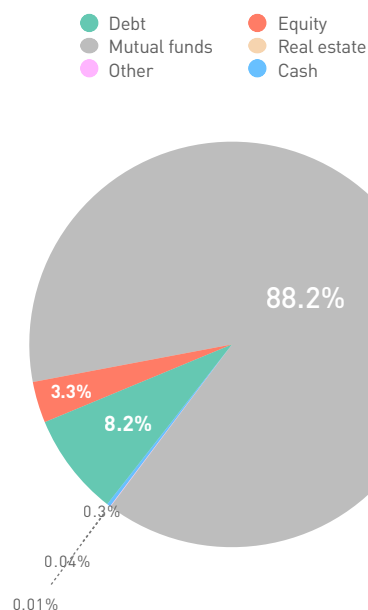
* Latest data available

Chart 3.2.3-g
Brazil: structure of investments
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

Chart 3.2.3-h
Brazil: structure of investments, 2024
(%)



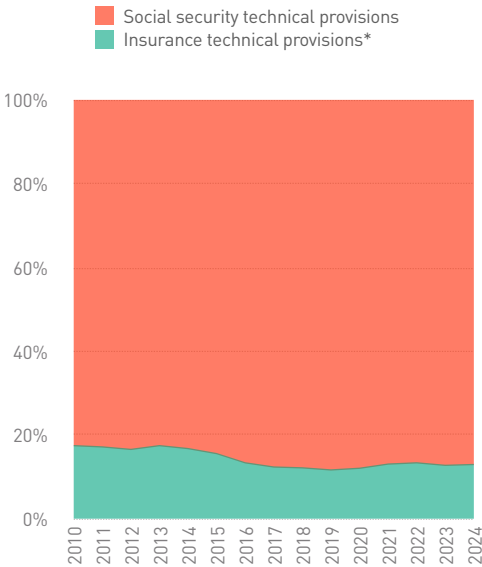
Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

from 41.5% in 2010 to 33.3% in 2024. In particular, the Life segment's share has decreased from 57.8% in 2010 to 48.4% in 2024, while the Non-Life segment's share has fallen from 30.8% to 21.7% over the same period.

As for the contributions of the different market segments to the nominal growth of the Brazilian insurance industry in 2024, it should be noted that, of the 12.9% recorded that year, the largest contribution came from the Life insurance segment, with 9.9 pp, while the Non-Life lines accounted for the remaining 3.0 pp (see Chart 3.2.3-d). It should be noted that, except for 2018, both insurance segments contributed positively to the growth of insurance activity in Brazil over the period analyzed (2010–2024).

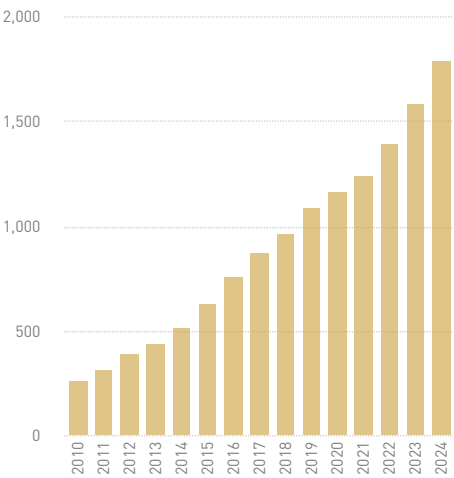
As indicated in previous versions of this report, the aforementioned insurance premium amount should be added to the premiums from Private Pension, Health (under the control of the National Health Agency, ANS), and Capitalization insurance.

Chart 3.2.3-j
Brazil: structure of technical provisions (%)



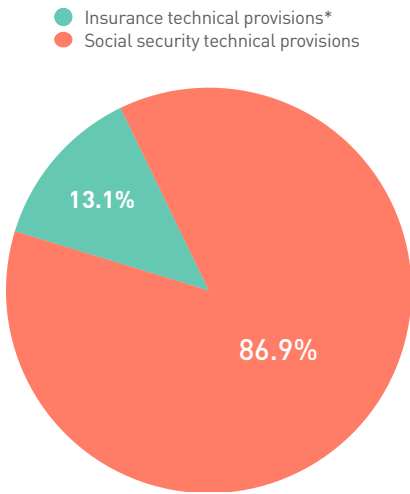
Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)
* Without VGBL

Chart 3.2.3-i
Brazil: technical provisions of the insurance market (billions of reais)



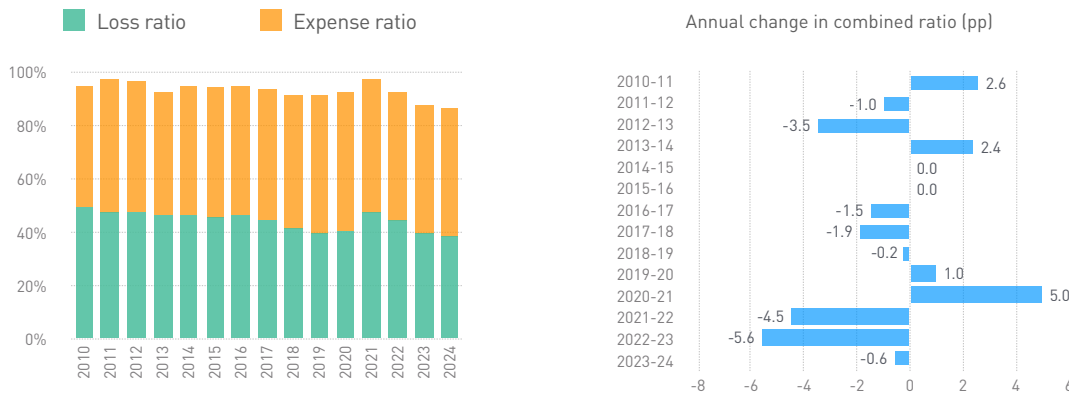
Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

Chart 3.2.3-k
Brazil: structure of technical provisions, 2024 (%)



Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)
*Without VGBL

Chart 3.2.3-l
Brazil: changes in market technical performance
 (total combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

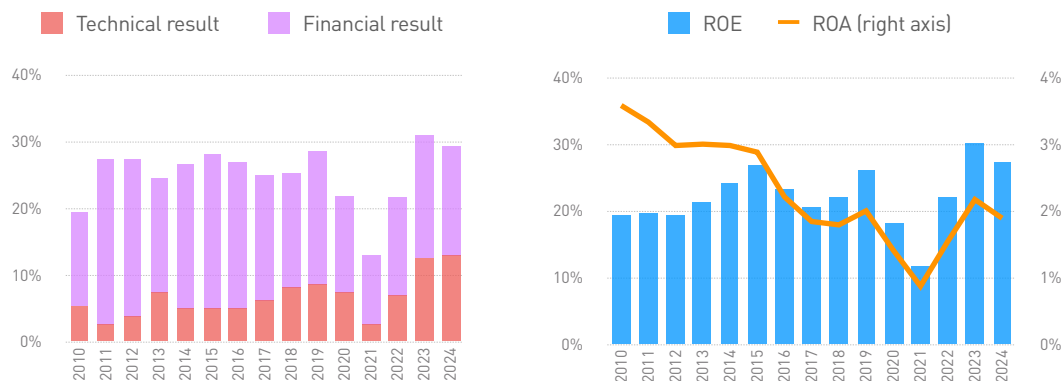
Thus, as summarized in Table 3.2.3-b, in the pension products marketed by insurers in Brazil (not including contributions from open private pension entities, EAPP), there was a 7.3% increase in recorded income in 2024 compared with the previous year, reaching 17.8 billion reais (3.3 billion dollars). Health insurers obtained a premium volume of 79.2 billion reais (14.7 billion dollars), while the Capitalization segment brought in 32.0 billion reais

(5.9 billion dollars), an increase of 7.3% over the previous year. Total revenue in 2024 for all market segments amounted to 514.9 billion reais (95.5 billion dollars), a nominal increase of 12.5% compared to the previous year.

Balance sheet and shareholders' equity

Changes in the size of the aggregate balance sheet for all insurance companies

Chart 3.2.3-m
Brazil: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

operating in Brazil in 2010–2024 are shown in Chart 3.2.3-e. Accordingly, the industry's total assets stood at 2.0 trillion reais (323.3 billion dollars), while equity reached 128.7 billion reais (20.8 billion dollars), representing a decline of 4.1 pp from 2023. Similarly, the aggregate capitalization levels (measured over total assets) in the Brazilian insurance industry followed a downward trend, moving from around 18.2% in 2010 to 6.4% of total assets in 2024.

Investments

Charts 3.2.3-f, 3.2.3-g, and 3.2.3-h show the performance and composition of the aggregate investment portfolio at sector level for the Brazilian insurance industry between 2010 and 2024. Investment in 2024 amounted to 1.8 trillion Brazilian reais (290.4 billion dollars), concentrated in mutual funds (88.2%) and, to a significantly lesser extent, debt instruments (8.2%), equities (3.3%), and cash (0.3%). When analyzing the Brazilian insurance industry's aggregate portfolio, the high percentage of investments managed through mutual funds is notable, as this increased both in absolute and relative values compared to other investments in the 2010–2024 period, from 79.3% to 88.2% over the last 15 years. Table 3.2.3-c shows changes in the investment structure considering the underlying assets managed through mutual funds, which are basically concentrated in fixed income instruments, and which, in 2020 (the last year for which this information is available) accounted for 92.8% of investments.

Technical provisions

Charts 3.2.3-i, 3.2.3-j, and 3.2.3-k show the relative composition and performance of the Brazilian insurance industry's technical provisions over the 2010–2024 period. According to this data, in 2024, technical provisions stood at 1.8 trillion reais (289.4 billion dollars), and those associated with the Life insurance segment represented around 86.9% of total provisions,

if the provisions of the so-called pension business are included in the calculation of the percentage. Although VGBL insurance is included as an insurance product for regulatory and fiscal reasons, it is similar in nature to a pension product. Therefore, if provisions for this product are grouped with other pension products, these provisions can be seen to have increased over the 2010–2024 period, from 82.4% of the total in 2010 to 86.9% of the total in 2024.

Technical performance

Information regarding the aggregate combined ratio for all insurance lines of the Brazilian insurance market in 2010–2024 is shown in Chart 3.2.3-l. This data shows that after the significant increase in the indicator in 2021 resulting from the impact of the pandemic, the combined ratio has fallen steadily in subsequent years, reaching 86.9% in 2024, the lowest level in the entire period analyzed. This improvement in the industry's technical performance in 2024 is explained by both a reduction in the loss ratio (-1.0 pp) and a drop in the expense ratio (-0.4 pp).

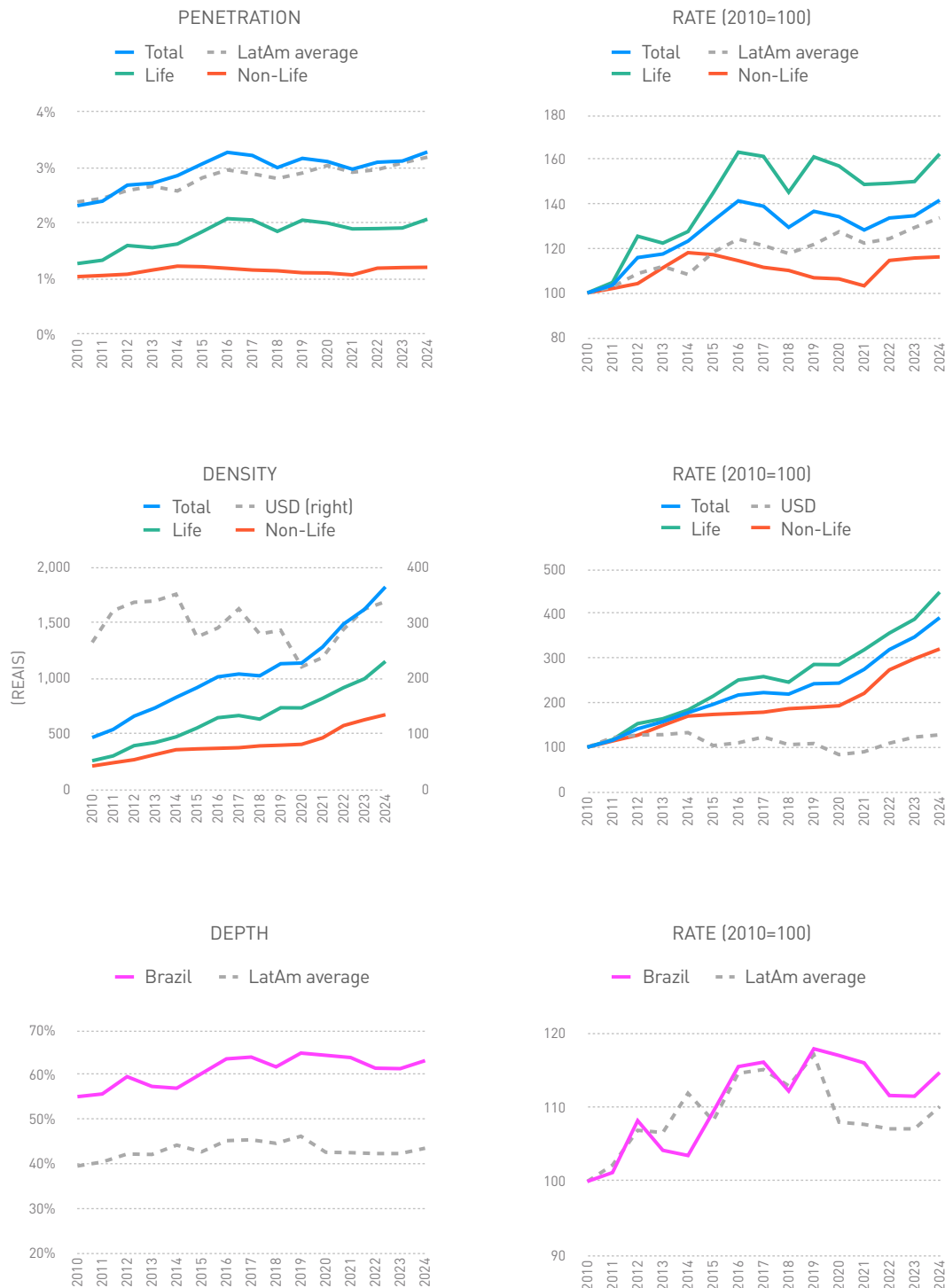
Results and profitability

The improvement in the technical performance of the Brazilian insurance market in 2024 was countered by a 6.5% decline in the financial result, giving the sector a net result of 35.9 billion reais (6.7 billion dollars), 1.7% lower than the previous year. As a result, profitability indicators for Brazil's insurance industry in 2024, provided in Chart 3.2.3-m, also showed decreases versus the previous year. Return on equity (ROE) stood at 27.3% compared to 30.0% in 2023, while return on assets (ROA) reached 1.9% in 2024, 0.3 pp less than the previous year.

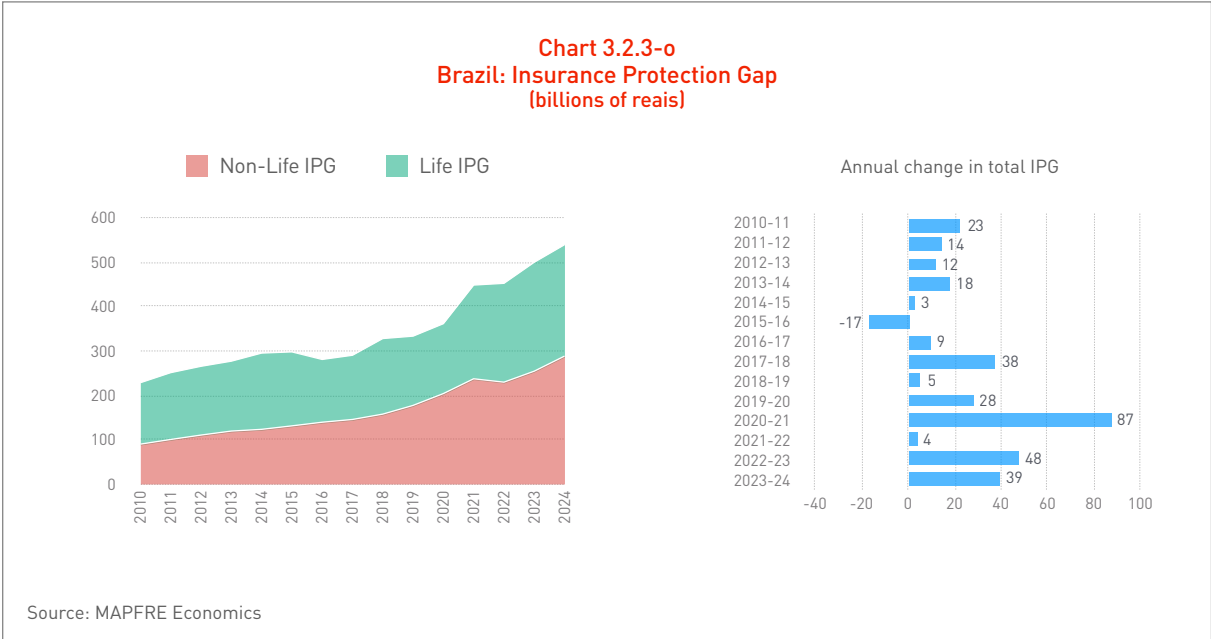
Insurance penetration, density, and depth

Chart 3.2.3-n shows the major structural trends in the development of the Brazilian

Chart 3.2.3-n
Brazil: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, reais and USD; Life premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)



insurance industry during the period under analysis (2010–2024). According to this data, the penetration rate (premiums/GDP) in 2024 stood at 3.3%, with a slight decline of 0.2 pp versus 2023 and a cumulative increase of 1.0 pp versus 2010. The penetration rate (considering only premiums derived from insurance activity) grew steadily between 2010 and 2016, in line with the average trend registered by the Latin American insurance market as a whole. However, it declined in 2018, 2020, 2021, and 2023, and increased in 2019, 2022, and 2024,

which overall kept the indicator stable from 2016 onward.

The insurance density level (premiums per capita) stood at 1,820.1 reais (337.5 dollars), 12.5% higher than the value observed in 2023 (1,618.2 reais), with similar performance in both market segments (Life and Non-Life). It should be noted that the average density measured in local currency followed an upward trend over the course of 2010–2024 with a single dip in 2018. Finally, due to the greater momentum of Life

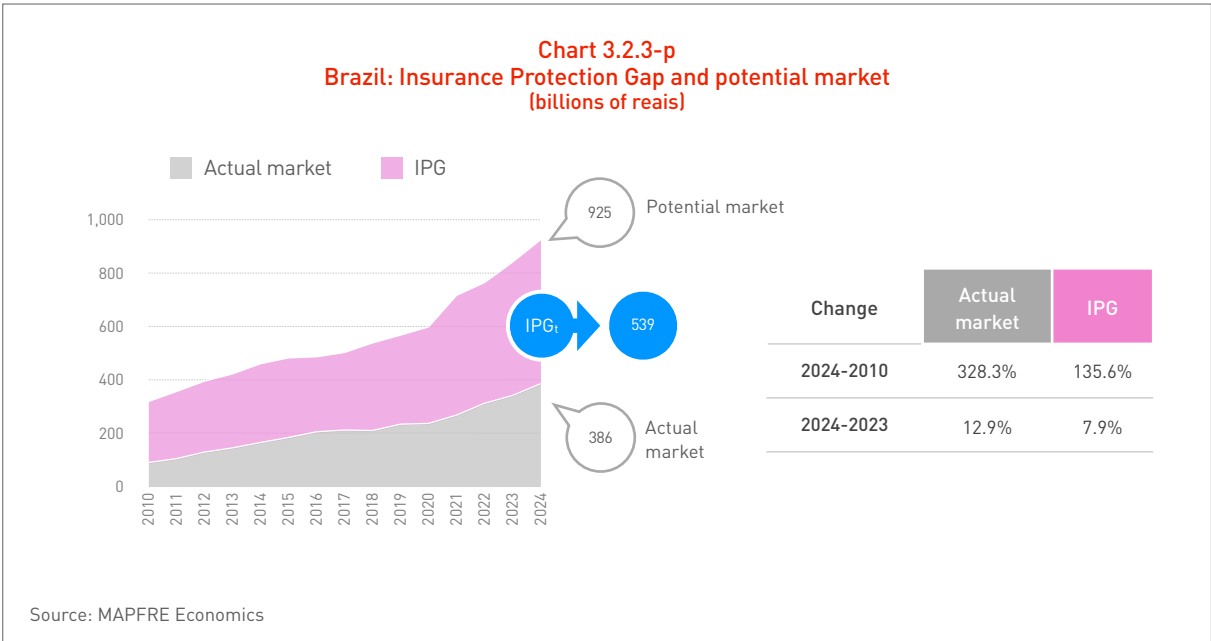
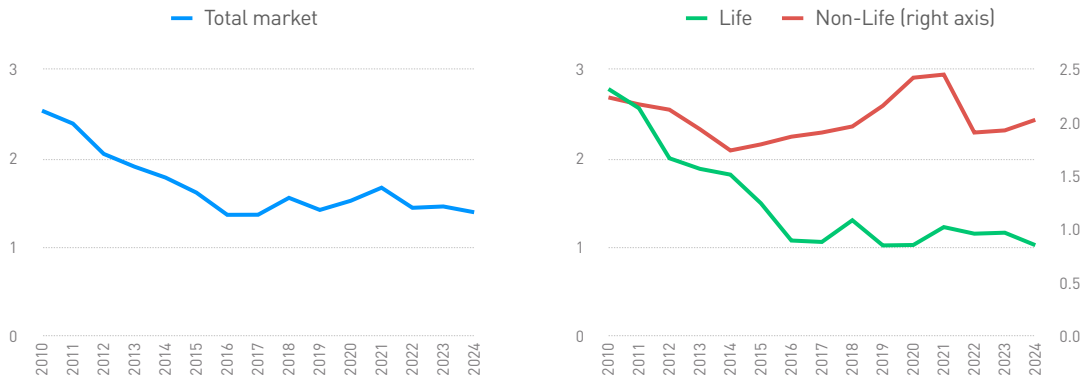


Chart 3.2.3-q
Brazil: IPG as a multiple of the actual market
(number of times the size of the actual insurance market)



Source: MAPFRE Economics

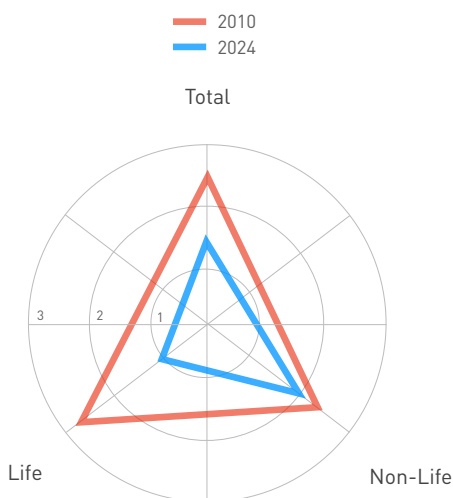
insurance in 2024, the depth level (measured as the ratio of Life insurance premiums to total premiums) increased slightly by 1.8 percentage points in 2024, reaching 63.2%. Thus, the indicator stood 8.1 pp above the value observed in 2010 and is well above the average values observed in the Latin American region.

Estimation of the Insurance Protection Gap

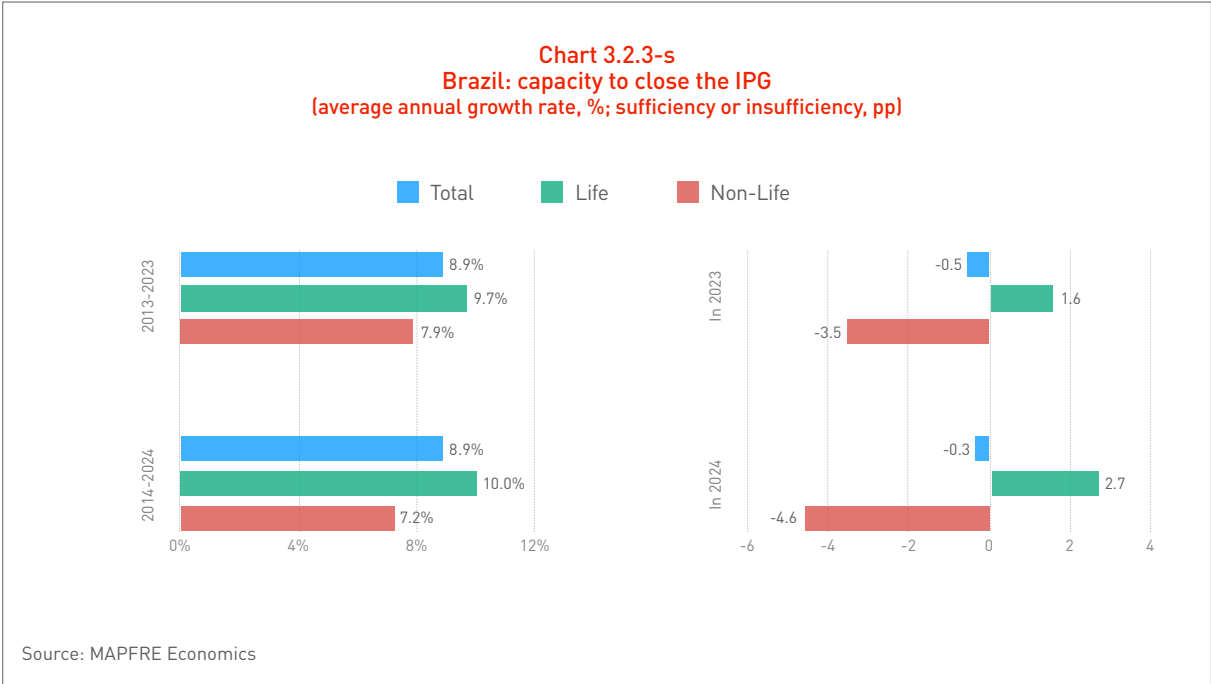
Chart 3.2.3-o shows the updated estimate of the protection gap for the Brazilian insurance market over the 2010–2024 period. The IPG came to 539.3 billion reais (100.0 billion dollars) in 2024, equivalent to 1.4 the size of the actual insurance market in Brazil at the end of that year. In terms of its composition, 46.5% of the IPG corresponded to Life insurance (250.6 billion reais), while the remaining 53.5% related to the Non-Life segment (288.7 billion reais). It is worth noting that, over 2010–2024, the share of Life insurance in the IPG decreased by 13.9 pp. Thus, the potential insurance market in Brazil in 2024 (the sum of the actual market and the IPG) was estimated at 925.1 billion reais (171.6 billion dollars)—that is, 2.4 times the total insurance market in Brazil that year (see Chart 3.2.3-p).

To complement this analysis, Chart 3.2.3-q shows the estimate of IPG as a multiple of the actual market. Overall, this ratio shows a downward trend over the period analyzed, remaining low in Life, although with slight increases from 2018 to 2021, and showing a progressive increase in the Non-Life segment from 2014 onwards, which reversed in 2022 due to the strong

Chart 3.2.3-r
Brazil: change in IPG as a multiple of the actual market



Source: MAPFRE Economics



expansion of this segment in that year, before edging up slightly again (0.1 pp) in 2024. From a medium-term perspective, considering the entire period analyzed (2010–2024), the protection gap narrowed from 2.5 to 1.4 times the actual market, while the multiple for the Life market fell from 2.8 to 1.0, and that for Non-Life insurance stood at 2.0 times in 2024 (2.2 in 2010). Chart 3.2.3-r summarizes the changes in the protection

gap as a multiple of the actual market for the Life and Non-Life segments and for the total Brazilian insurance market between 2010 and 2024. This analysis confirms the substantial improvement in closing the gap in the Life insurance segment over the past decade, while in the Non-Life segment, the IPG remains virtually unchanged from 2010.

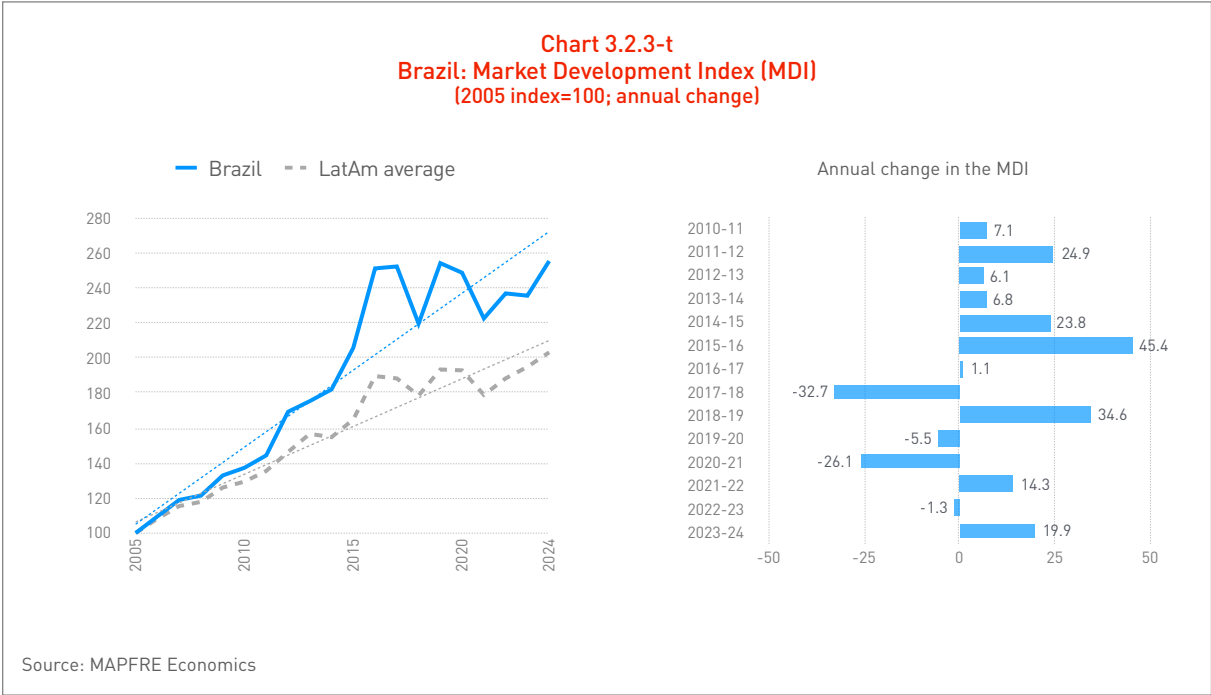
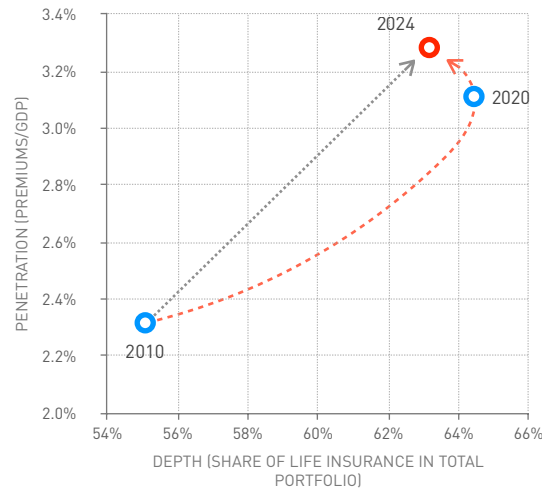
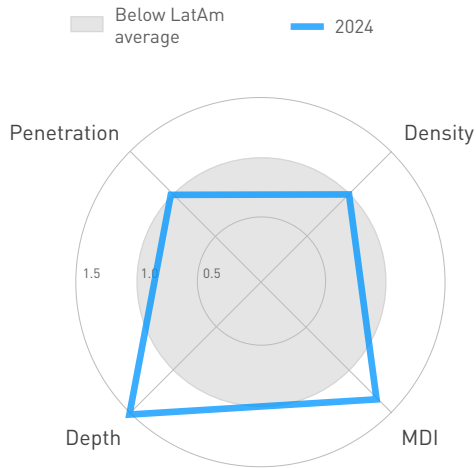


Chart 3.2.3-u

Brazil: comparative structural coefficient index* vs. average for Latin America (2024) and medium-term changes in the insurance market (2010–2024)



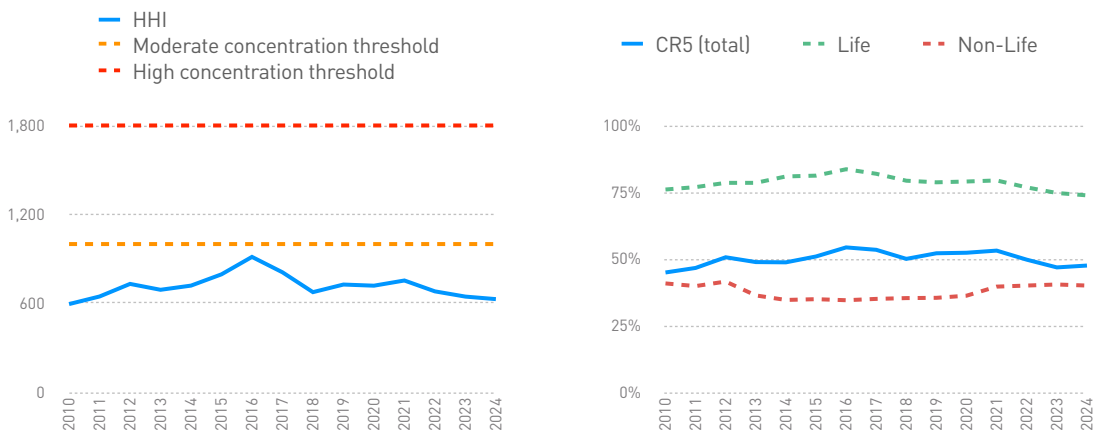
Source: MAPFRE Economics

* Indexes calculated as the quotient between the values of the country's structural coefficient and the average values of the coefficient concerned for the Latin American market as a whole. The unit represents a performance equivalent to the region's average.

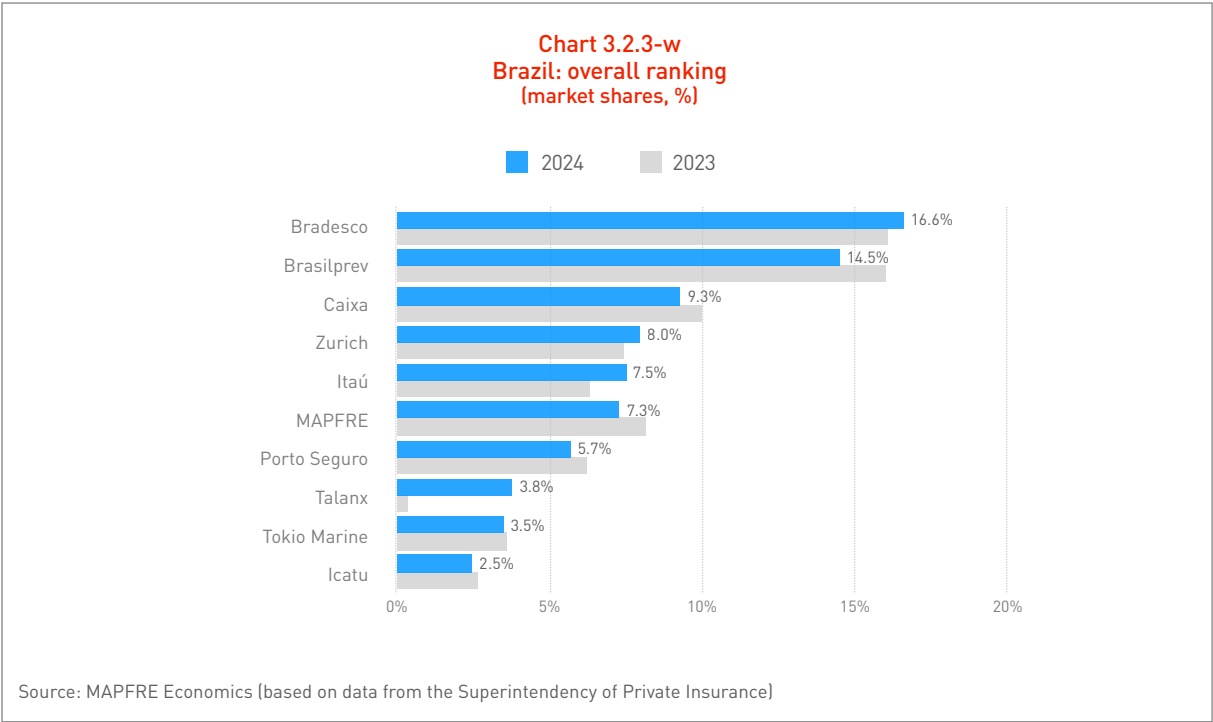
Meanwhile, Chart 3.2.3-s provides an updated overview of the capacity of the Brazilian insurance market to close the protection gap determined in 2024, based on a comparative analysis of the growth rates observed over the last ten years with

respect to the growth rates that would be required to close this gap over the next ten years. The Brazilian insurance market grew at an average annual rate of 8.9% during the period under analysis (2014–2024), with an annual rate of 10.0% in the Life insurance

Chart 3.2.3-v
Brazil: insurance industry concentration
(Herfindahl index; CR5 index, %)

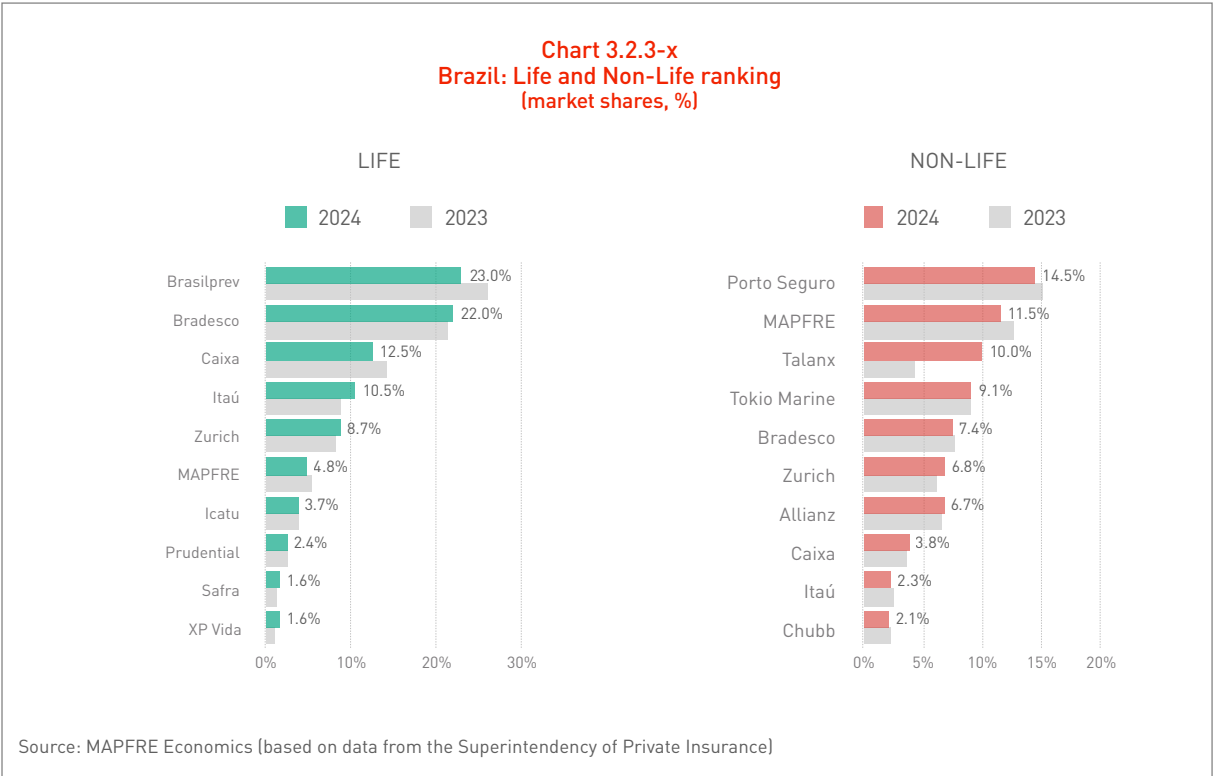


Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)



segment and an annual average of 7.2% for Non-Life insurance. Therefore, were the same growth rate seen over the past decade to continue for the next ten years, the Brazilian insurance market's growth rate would be sufficient to close the protection gap in the Life segment, but not in the Non-

Life segment, where it would fall 4.6 pp short. This insufficiency was 1.1 pp over that observed in the previous year's analysis.



Market Development Index (MDI)

Chart 3.2.3-t shows the estimated Market Development Index (MDI) for the Brazilian insurance industry, compared to that corresponding to the average for the total Latin American insurance market. As indicated previously, the MDI is used in this report as an indicator of the trends shaping the performance and maturity of insurance markets. In Brazil, the indicator shows a general positive trend throughout the 2005–2024 period, with isolated declines in 2018, 2021, and 2023, but recovering its dynamic in 2024. Thus, the indicator diverges positively from the average trend of Latin American insurance markets in that period.

Comparative analysis of structural coefficients

Chart 3.2.3-u outlines the position of the Brazilian insurance market in comparison with the average for Latin American insurance markets, measured in terms of the four structural indicators analyzed in this report. In this regard, the Brazilian market exceeds the regional average in all structural aspects, especially in terms of depth and MDI. However, the dispersion analysis illustrating market development during the period analyzed confirms that the Brazilian insurance industry has shown balanced growth, with improvements in both penetration levels (quantitative dimension) and depth levels (qualitative dimension), despite the decline in the latter indicator from 2020 to 2023, which improved again in 2024.

Insurance market rankings

At the end of 2024, there were 143 insurance companies, 14 local reinsurance companies, 18 capitalization companies, and 13 open private pension funds (EAPP) operating in the Brazilian insurance sector. The concentration level of insurance companies, according to Herfindahl index values, fluctuated around 600 points during the period analyzed

(2010–2024), with a downward trend since 2016, staying below the threshold that would indicate the onset of moderate concentration levels. Therefore, this can be considered a highly competitive market. As a result, in 2024, the Herfindahl index stood at 628.4 points (645.5 in 2023), while the CR5 index also increased slightly in 2024, standing at 47.5%. As shown in Chart 3.2.3-v, the concentration is greater in the Life insurance segment (73.8%) than in the Non-Life insurance segment (40.0%).

Total ranking

Bradesco led the overall ranking of insurance groups operating in the Brazilian market in 2024, with a market share of 16.6%. Brasilprev ranks second, accounting for 14.5% of premiums, and Caixa remains third, with a 9.3% share, representing a 0.7 pp decline in its share compared to the previous year. Meanwhile, Zurich (with an 8.0% share) and Itaú (7.5%) each move up one place, and MAPFRE (7.3%) ranks sixth. Porto Seguro remains in seventh place, while Tokio Marine (3.5%) and Icatu (2.5%) each drop one place. Talanx stands out (with a market share of 3.8%), climbing three positions in the ranking following its acquisition of Liberty's business (see Chart 3.2.3-w).

Life and Non-Life rankings

Meanwhile, Porto Seguro continues to lead the Non-Life group ranking with a 14.5% share, followed by MAPFRE, which accounts for 11.5% of premiums. Following the Liberty acquisition, Talanx (with a 10.0% share) moves up five places in the ranking, displacing Tokio Marine (9.1%) and Bradesco (7.4%) one place each, while Zurich remains in sixth place. Allianz (6.7%) drops two places in the ranking, while Caixa and Itaú each move up one place, and Chubb climbs three places. With regard to the Life insurance segment ranking, Brasilprev (with a 23.0% share of premiums in this segment) remains the leader, followed by Bradesco

(22.0%) and Caixa (12.5%), which together account for 57.5% of premiums. In the Life ranking, all insurers maintain the same positions as in 2023 (see Chart 3.2.3-x).

Key regulatory aspects

Adjustments to insurance regulations in 2024 include the enactment of Law No. 15,040 of 2024 (Insurance Contract Law), which was the subject of Bill No. 3,555 of 2004. The new law aims to mitigate imbalances, build trust in contracts, increase demand for insurance, and grow the market by incorporating principles of contractual ethics and implementation of the Constitutional Economic Order into various legal provisions, including those relating to the regulation of losses and risk aggravation.

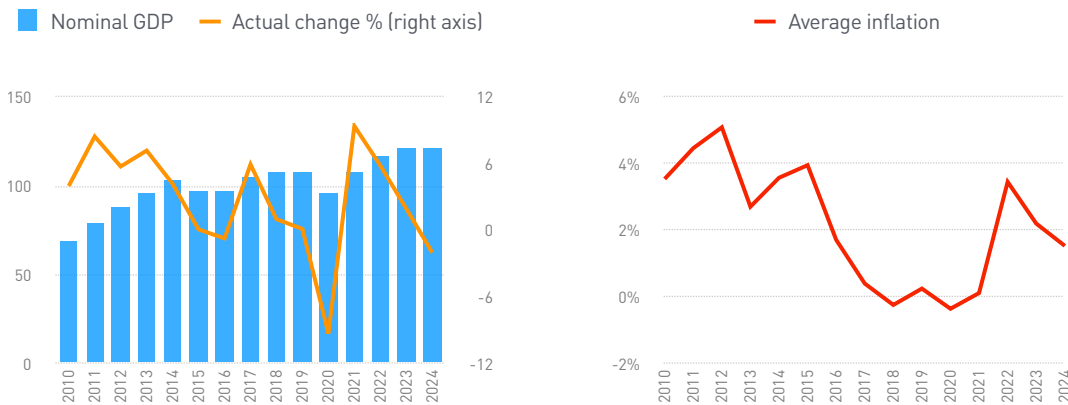
The Insurance Contract Law, together with Supplementary Law No. 213, passed in early 2025, represent the largest reform of the sector in decades. Supplementary Law 213/2025 regulates the operation of insurance cooperatives and mutual groups, expanding competition and promoting the financial protection of small business owners and consumers, as well as promoting a comprehensive reform of the National Private Insurance System and expanding the supervisory tools available to the Superintendence of Private Insurance (SUSEP). In its most relevant aspects, this Law: (i) amends Decree-Law No. 261 of February 28, 1967, to establish the rules governing capitalization companies; (ii) amends Supplementary Law No. 109 of May 29, 2001 (Supplementary Pensions Law), to establish cases of exemption from authorization for acts related to the election and swearing-in of directors and statutory board members of open supplementary pension entities; (iii) amends Law No. 10,190 of February 14, 2001, to regulate director liability, special insolvency regimes, and preventive measures applicable to insurance cooperatives and administrators of mutual asset-protection operations; (iv) amends Supplementary Law

No. 126 of January 15, 2007 (Reinsurance Law), to regulate the contracting of reinsurance operations by insurance cooperatives and administrators of mutual asset-protection operations; (v) amends Law No. 12,249, of June 11, 2010, to regulate the Inspection Fee for the Insurance and Reinsurance, Mutual Asset-Protection, Capitalization, and Open Supplementary Pension Markets; and (vi) establishes rules and conditions for the regularization of the bylaws of certain associations.

Other insurance laws and regulations passed in 2024 are listed below:

- Law No. 14,803/2024, of January 10, 2024, subject of Bill No. 5,503/2019, which authorizes participants and beneficiaries of supplementary pension plans to choose the tax regime (progressive or regressive) when receiving benefits or withdrawing accumulated amounts.
- Law No. 14,967/2024, of September 9, 2024, originating from the Substitute Bill approved by the Chamber of Deputies to the Senate Bill (PLS) No. 135/2010, established the Statute of Private Security and the Security of Financial Institutions. It includes provisions concerning Life insurance for security guards and the surety bonds that private security companies may take out to guarantee compliance with their labor, tax, social security, and third-party liability obligations.
- Law No. 15,042/2024, of December 11, 2024, originating from Bill No. 182/2024, regulates the carbon market. It was subsequently amended by Law No. 15,076/2024, of December 26, 2024, originating from Bill No. 6,012/2023, which set the mandatory minimum value of technical reserves and provisions that SUSEP-supervised entities must allocate to the acquisition of carbon credits.

Chart 3.2.4-a
Ecuador: changes in economic growth and inflation
(GDP in local currency, billions of USD; real growth rate, %; annual inflation rate, %)

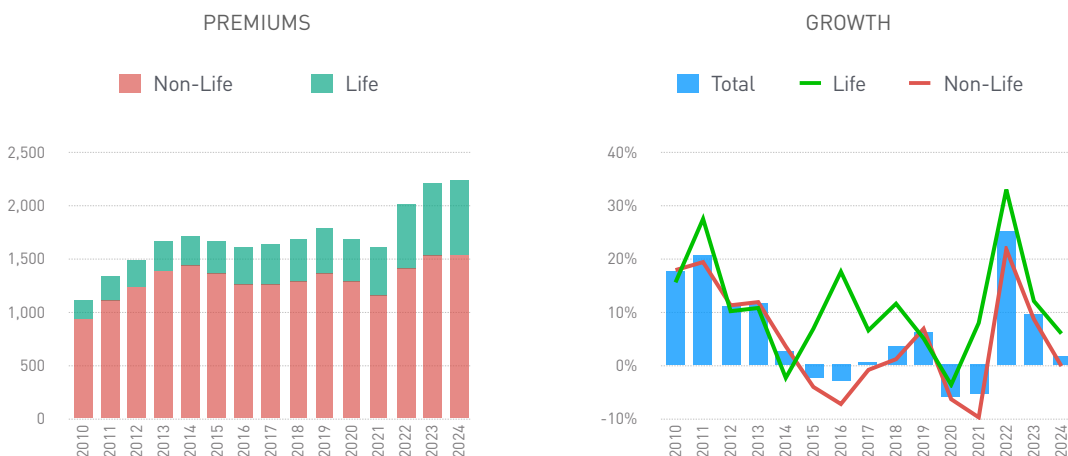


Source: MAPFRE Economics (based on IMF data)

- Supplementary Law No. 207, of May 16, 2024, originating from Bill No. 233/2023, sought to establish the Mandatory Insurance for the Protection of Traffic Accident Victims (SPVAT) as from 2025. However, it was repealed before the new insurance came into effect by Supplementary Law No. 211, of December 30, 2024.

Among the priority issues included in SUSEP's Regulatory Plan for 2025 is the regulation of Law 15,040/2024 (Insurance Contract Law). SUSEP will work on developing regulations that ensure greater legal certainty and transparency in relations between consumers and businesses. SUSEP will also review reinsurance regulations to comply with Law

Chart 3.2.4-b
Ecuador: growth developments in the insurance market
(premiums, millions of USD; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

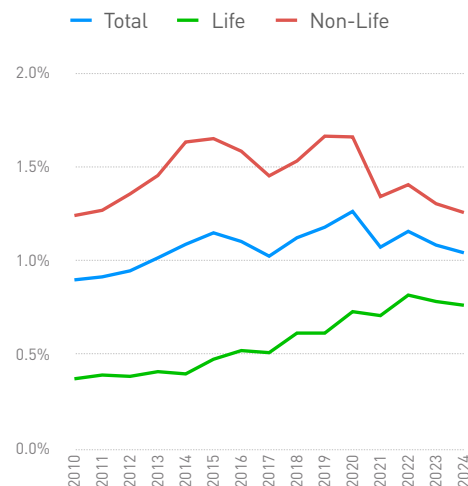
15,040 of 2024 and, where applicable, the final report of the National Reinsurance Policy Working Group. Another priority issue is the regulation of the law issued as a result of the approval of PLP 143/2024 (Supplementary Law 213/2025) mentioned above. Moreover, key actions also include regulations affecting insurance brokers, including standards for the self-regulatory bodies in the brokerage market and for educational institutions that offer training courses and administer licensing exams.

3.2.4 Ecuador

Macroeconomic environment

In 2024, the Ecuadorian economy contracted 2.0% (after expanding 2.3% in the previous year), driven by a decline in domestic demand (private consumption fell 1.3%, following an increase in the sales tax from 12% to 15%), while exports increased—particularly exports of petroleum derivatives—despite the closure of the ITT oil block (see Chart 3.2.4-a). Unemployment has also fallen slightly, to 3.9% in 2024 (compared to 4.1% in 2023). Although the positive trend in

Chart 3.2.4-c
Ecuador: share of insurance premiums in Latin America (%)



Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance and supervisory bodies in the region)

this indicator is based on an increase in informal jobs, it also highlights the formal sector's difficulty in generating jobs, as it has not yet returned to pre-pandemic levels.

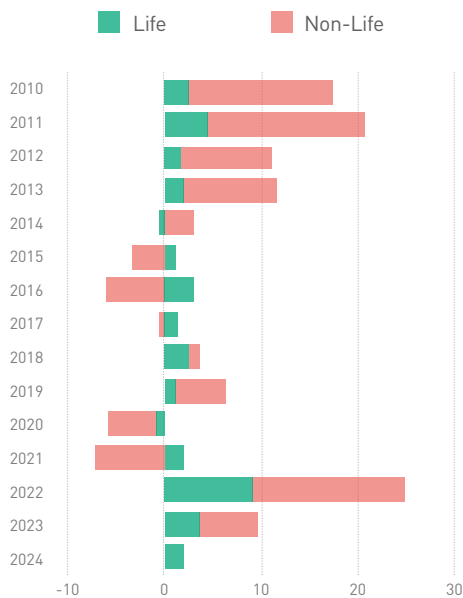
Table 3.2.4
Ecuador: premium volume¹ by line, 2024

Line of business	Millions of USD	Growth	
		Nominal (%)	Real (%)
Total	2,240.7	1.7	0.2
Life	713.3	6.0	4.4
Individual life	20.2	-9.4	-10.8
Group life	693.1	6.5	4.9
Non-Life	1,527.4	-0.1	-1.7
Automobiles	418.9	3.8	2.2
Other lines	260.1	-8.5	-9.9
Fire, theft and allied lines	301.4	5.1	3.5
Transport	144.7	-3.4	-4.9
Personal Accident	84.0	3.0	1.4
Surety and credit	96.3	0.1	-1.4
Health	144.4	5.1	3.5
Third-party liability	77.5	-13.7	-15.0

Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

1/ Net written premium

Chart 3.2.4-d
Ecuador: contribution to insurance market growth
(percentage points, pp)



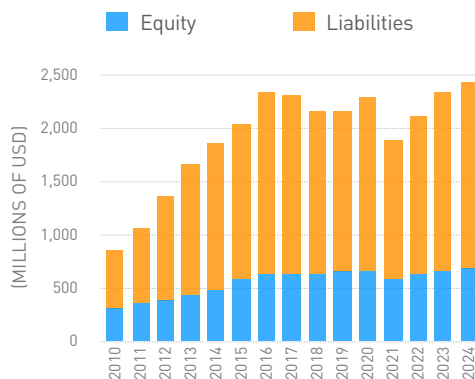
	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	17.5	2.6	14.9
2011	20.7	4.5	16.2
2012	11.1	1.8	9.3
2013	11.7	1.9	9.9
2014	2.6	-0.4	3.0
2015	-2.2	1.1	-3.4
2016	-2.8	3.1	-5.9
2017	0.8	1.4	-0.6
2018	3.6	2.6	0.9
2019	6.4	1.2	5.2
2020	-5.6	-0.9	-4.8
2021	-5.3	2.0	-7.3
2022	25.0	9.3	15.7
2023	9.7	3.6	6.1
2024	1.7	1.8	-0.1

Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

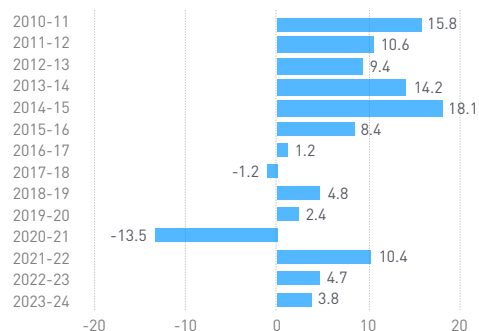
Meanwhile, in 2024, the trade balance strengthened, recording a surplus that was sustained by non-oil exports (bananas, shrimp, and cocoa), coupled with the oil surplus which, despite the drop in crude oil

production, remained positive, albeit with a much smaller margin than in 2023. The fiscal deficit narrowed as a result of emergency fiscal measures, higher tax revenues, multilateral external financing,

Chart 3.2.4-e
Ecuador: changes in the insurance industry's aggregate balance sheet
(amounts in local currency; change in equity, percentage points)



Annual change in equity (pp)



Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

and a reduction in current public expenditure, concentrated in public investment projects (particularly in energy and security). These factors offset the negative impact of lower public revenues from the oil sector and interest payments on external debt. However, this improvement in the deficit has a cyclical character, as it is based on extraordinary measures which, if discontinued, would cause the fiscal balance to deteriorate again. On the other hand, Ecuador's consolidated public debt represented around 50.6% of GDP at the end of 2024 (compared to 51.2% at the end of 2023), remaining within budgeted limits. Public debt management is expected to continue through 2025, with commercial loans negotiated with international financial institutions, although with greater restraint in light of a more unfavorable international environment and the pressure that the country could face. As regards the external sector, the balance of payments current account in 2024 returned a surplus of 5.7%

(compared to 2.0% in 2023). The average inflation rate, meanwhile, stood at 1.5% (average annual inflation of 2.2% in 2023).

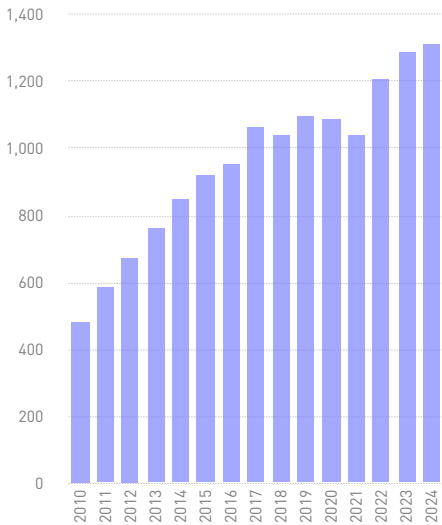
For 2025, ECLAC estimates a slow recovery of the Ecuadorian economy, with growth of 1.5% (2.1% in 2026). However, there is still great uncertainty regarding external conditions and the situation of domestic demand, especially regarding how it will respond to changes in oil prices, the continued expansion of private credit, exposure to natural disasters, and recovery. MAPFRE Economics, for its part, forecasts that Ecuador's GDP will grow by around 1.7% in 2025 and accelerate to 1.8% in 2026.

Insurance market

Growth

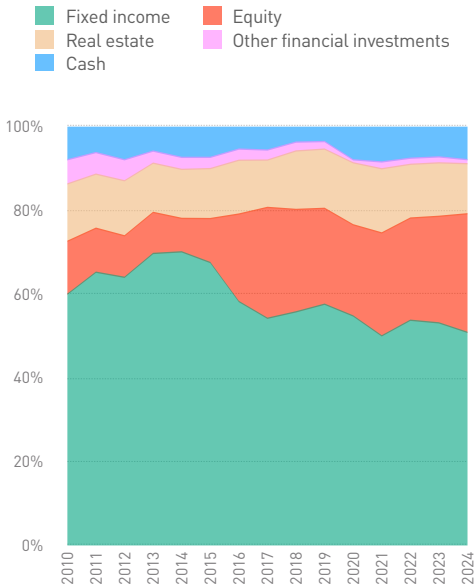
Despite the contraction in GDP, the Ecuadorian insurance market managed to maintain positive performance in 2024, with

Chart 3.2.4-f
Ecuador: insurance market investments
(millions of USD)



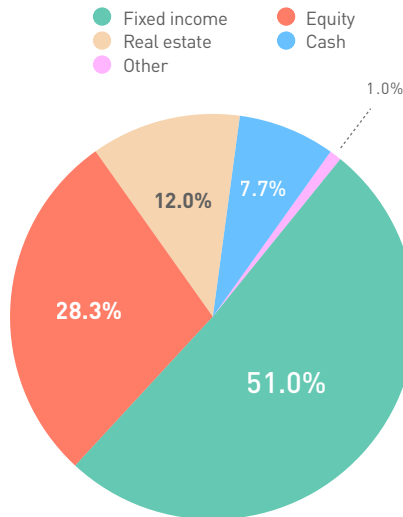
Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

Chart 3.2.4-g
Ecuador: structure of investments
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

Chart 3.2.4-h
Ecuador: structure of investments, 2024
(%)

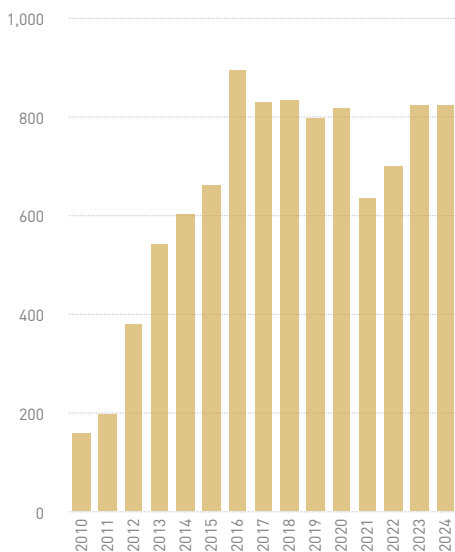


Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

nominal premium growth of 1.7% and real growth of 0.2%, reaching 2.2 billion dollars (see Chart 3.2.4-b and Table 3.2.4). Life insurance played a significant role in this growth, accumulating 713.3 million dollars in premiums, representing a 6.0% increase over the previous year in nominal terms, thanks to the momentum of group Life insurance, as individual Life insurance declined by 9.4%. Meanwhile, the Non-Life segment recorded a slight decline of 0.1% in nominal terms and 1.7% in real terms. Within Non-Life insurance, Health (with 5.1% nominal growth), Fire and Allied Lines (5.1%), and Motor (3.8%) posted the strongest increases in premium volume.

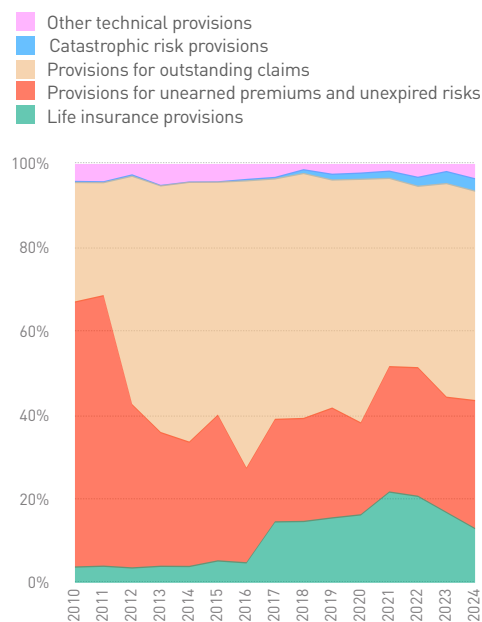
From a regional perspective, Ecuador's insurance premiums accounted for 1.0% of the Latin American insurance market in 2024, a share that has remained more or less unchanged since 2010, when it stood at 0.9% (see Chart 3.2.4-c). The share of the Non-Life segment is higher than that of the

Chart 3.2.4-i
Ecuador: technical provisions of the insurance market
(millions of USD)



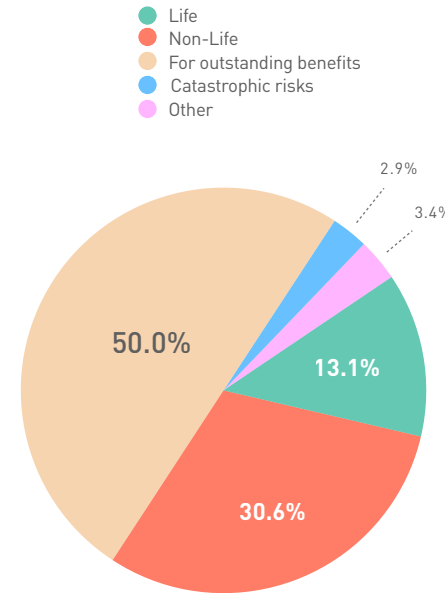
Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

Chart 3.2.4-j
Ecuador: structure of technical provisions
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

Chart 3.2.4-k
Ecuador: structure of technical provisions, 2024 (%)



Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

Life segment, accounting for 1.2% and 1.3% in 2010 and 2024, respectively. Meanwhile, the Life insurance segment saw its share grow during this period (0.4% and 0.8%,

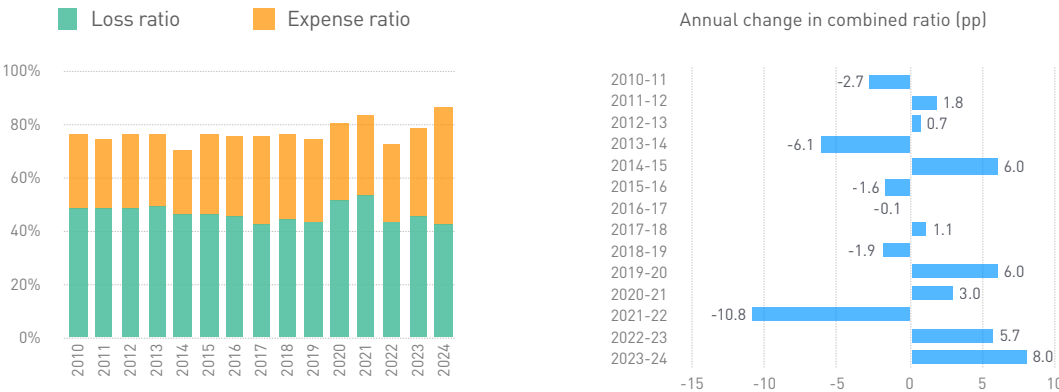
respectively), although at lower levels than the Non-Life segment.

Over the last year, the Non-Life insurance segment made a negative contribution to growth, with 0.1 percentage points (pp), while Life insurance contributed 1.8 pp. Chart 3.2.4-d shows that, over the last fourteen years, the Non-Life business has contributed negatively to the sector's growth in six fiscal years (2015, 2016, 2017, 2020, 2021, and 2024), while Life has only done so on two occasions (2014 and 2020).

Balance sheet and shareholders' equity

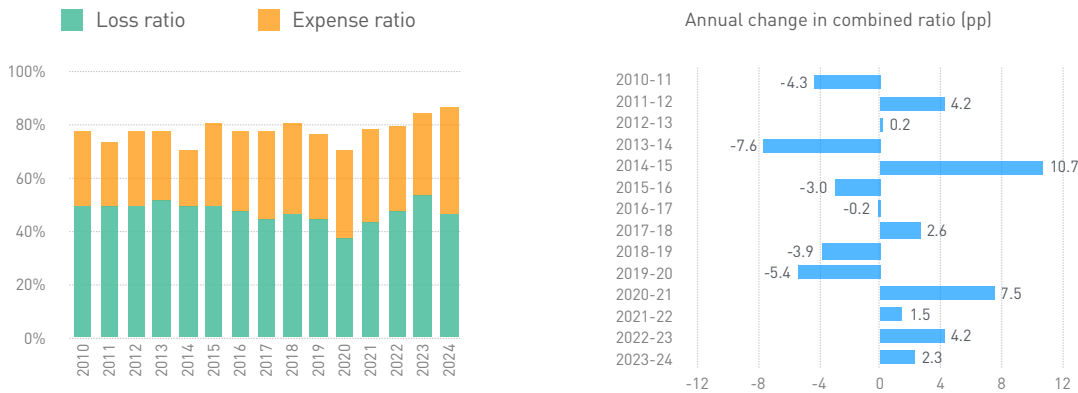
Chart 3.2.4-e shows the aggregate balance sheet of the Ecuadorian insurance industry. These figures show that the industry's total assets in 2024 reached 2.4 billion dollars, which is 93.4 million dollars more than the previous year. Moreover, net equity stood at 687.6 million dollars, representing an increase of 25.5 million dollars compared to the previous year. The aggregate capitalization level of the Ecuadorian insurance industry (measured against total assets) stood at a minimum of 25.6% in 2013, subsequently growing to reach a maximum of 30.4% of total assets in 2021, followed by a decline in subsequent years to 28.2% in 2024.

Chart 3.2.4-l
Ecuador: changes in market technical performance (total combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

Chart 3.2.4-m
Ecuador: changes in non-life market technical performance
 (combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

Investments

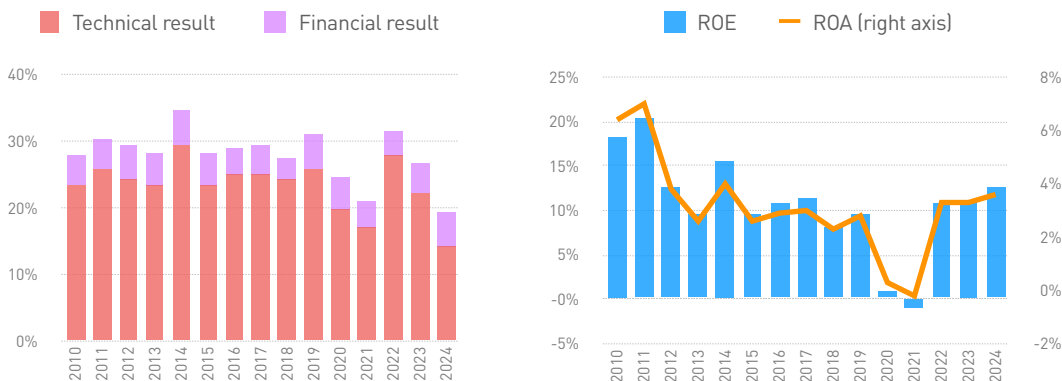
Charts 3.2.4-f, 3.2.4-g, and 3.2.4-h show the evolution of the aggregate investment portfolio at the industry level in Ecuador during the 2010–2024 period, as well as the evolution of the relative composition of the portfolio over that period. According to this information, total investments in the sector reached 1.31 billion dollars in 2024, compared to 1.28 billion in the previous year. It is worth noting the downward trend in

fixed-income instruments as a share of the portfolio (51.0% in 2024 versus 60.1% in 2010), as well as the increase in equity investments, which rose from 12.6% in 2010 to 28.3% in 2024.

Technical provisions

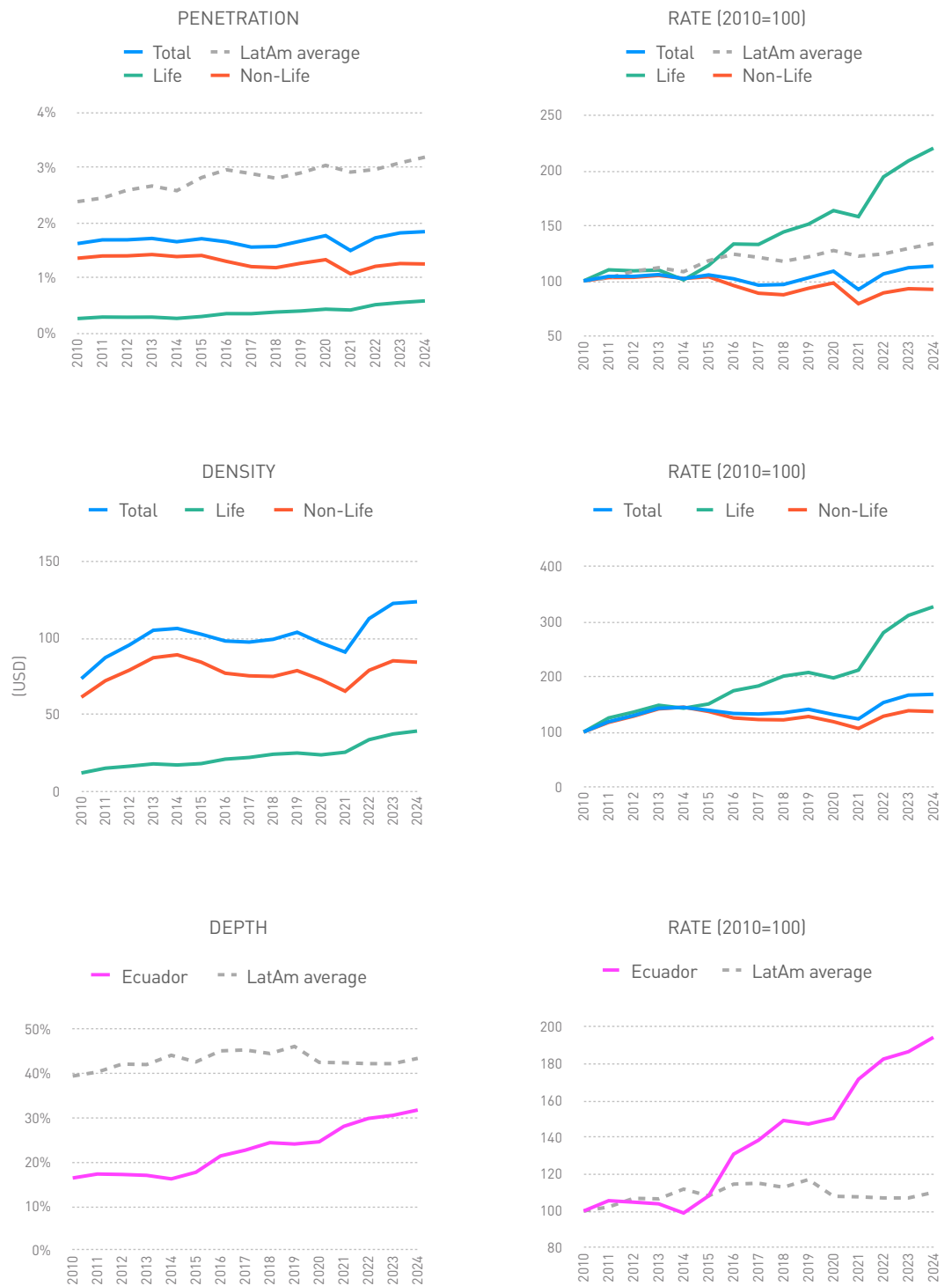
The performance and composition of technical provisions in the Ecuadorian insurance industry between 2010 and 2024 can be seen in Charts 3.2.4-i, 3.2.4-j, and

Chart 3.2.4-n
Ecuador: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

Chart 3.2.4-o
Ecuador: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, USD; Life insurance premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

3.2.4-k. In 2024, technical provisions amounted to 827.5 million dollars (825.5 million dollars in 2023). It should be noted that Life insurance provisions decreased in 2024 (after increasing significantly in 2017) to 13.1% of the total, below the 2023 share (17.0%). In turn, 30.6% of technical provisions in the Ecuadorian insurance sector corresponded to Non-Life insurance unearned premiums and unexpired risks, 50.0% to provisions for outstanding claims, 2.9% to provisions for catastrophic risks, and the remaining 3.4% to other technical provisions. It should be noted that the significant change in the composition of technical provisions from 2015 to 2016 reflects the increase in provisions for outstanding claims following the earthquake that struck the country in April 2016.

Technical performance

Chart 3.2.4-l shows information on the technical performance of the Ecuadorian insurance industry over the 2010–2024 period. In the last year of the period, the combined ratio increased by 8.0 pp to 85.9%. This is attributable to a 10.6 pp increase in the expense ratio to 43.1%, while the loss ratio decreased by only 2.6 pp. It should be noted that the total combined ratio for the

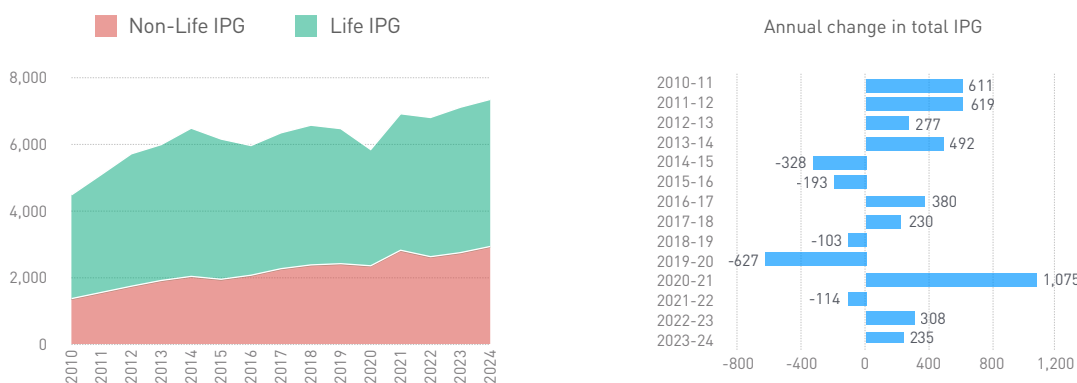
Ecuadorian insurance market has remained well below the 100% benchmark over the period analyzed.

In relation to the Non-Life segment shown in Chart 3.2.4-m, the combined ratio increased in by 2.3 pp to 86.4% in 2024. This relative deterioration in the Non-Life combined ratio is explained by the fact that the increase in the expense ratio (8.8 pp) exceeded the decrease in the loss ratio (-6.4 pp). However, as in the case of the total combined ratio, the indicator for the Non-Life segment has remained low, at around 80% over the last fourteen years. It should be noted, however, that the technical result indicated above does not include other revenue and non-operational expenses related, on the one hand, to other lines of business carried out by insurance companies in Ecuador and, on the other hand, to certain administration costs that are not counted as such in the country when calculating the expense ratio. This could explain the remarkably low combined ratio, both at the total level and the Non-Life insurance segment level.

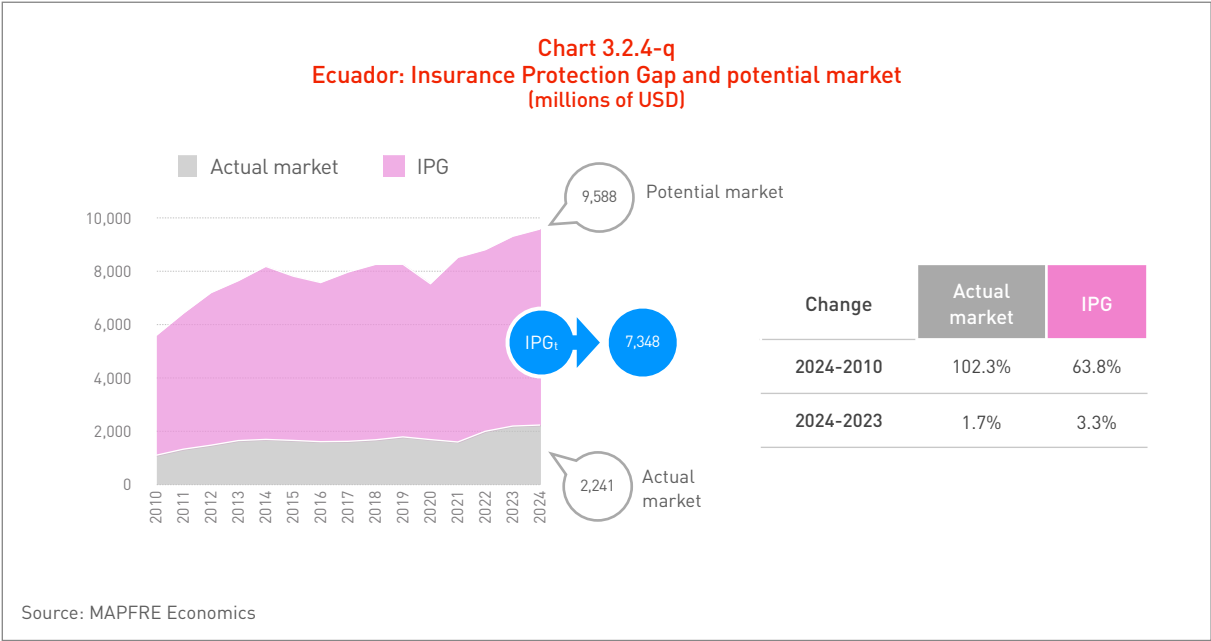
Results and profitability

In 2024, the aggregate technical result of the Ecuadorian insurance industry reached

Chart 3.2.4-p
Ecuador: Insurance Protection Gap
(millions of USD)



Source: MAPFRE Economics



197.5 million dollars, 34.4% lower than the previous year. This decrease in the technical result was offset by a 24.3% increase in the financial result, which stood at 76.2 million dollars. Therefore, and considering non-operational expenses not included in technical profitability, to which we referred in the previous section, the insurance industry's net result reached 85.7 million dollars, compared to losses of 5.0 million dollars the previous year. Thus, the main profitability indicators in 2024 were positive: return on equity (ROE) stood at 12.7% (11.2%

in 2023), while return on assets (ROA) reached 3.6%, slightly above the 3.3% recorded in the previous year, thus sustaining the profitability recovery trend that began in 2022 (see Chart 3.2.4-n).

Insurance penetration, density, and depth

Chart 3.2.4-o shows key structural trends shaping the development of the Ecuadorian insurance industry between 2010 and 2024. First, the penetration rate (premiums/GDP) in 2024 stood at 1.8% (0.6% in the Life

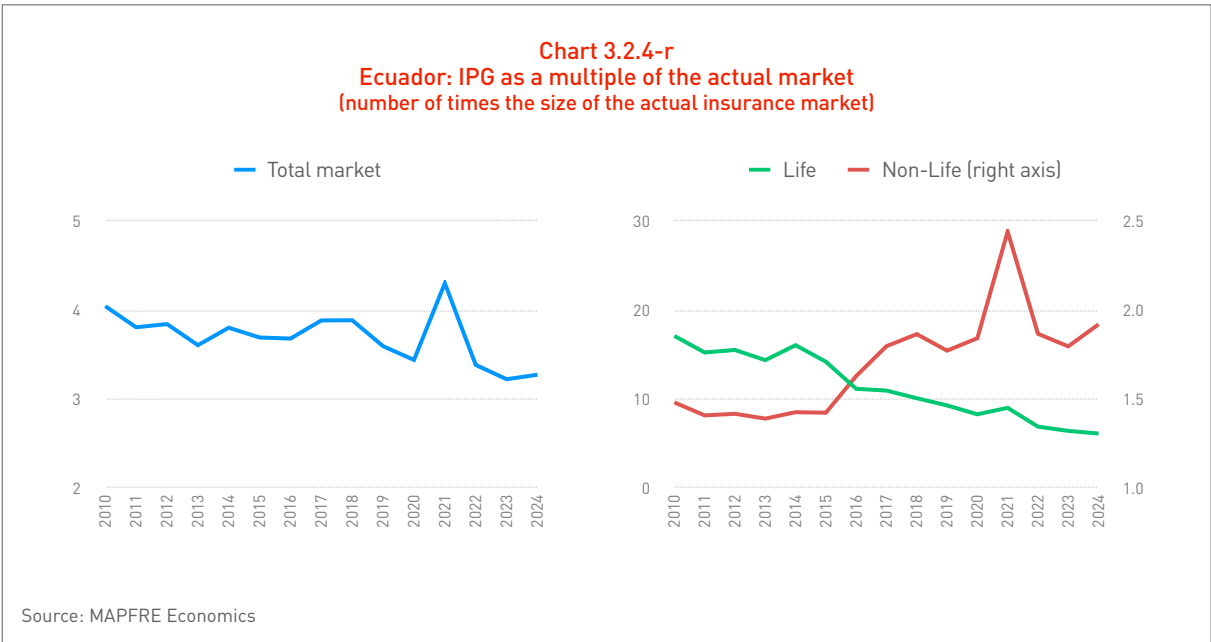
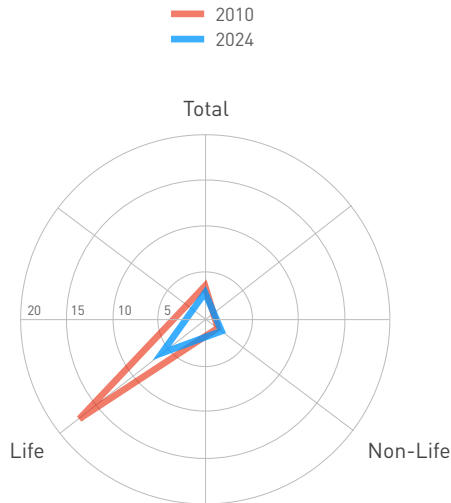


Chart 3.2.4-s
Ecuador: change in IPG as a multiple of the actual market



Source: MAPFRE Economics

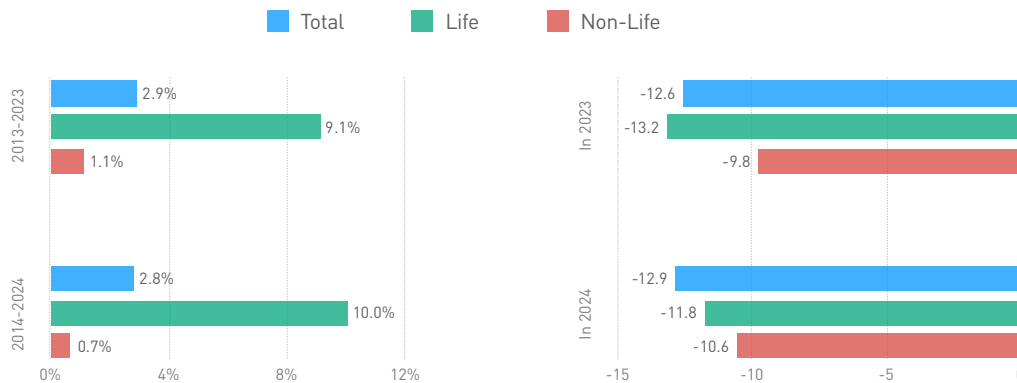
insurance segment and 1.3% in the Non-Life segment), equivalent to the previous year's levels. Insurance density (premiums per capita) reached 123.6 dollars in 2024, an increase of 1.1 dollars relative to 2023, and the highest level in the past fourteen years. Finally, in terms of depth (Life premiums as

a share of total premiums), the indicator shows a rising trend over the past fourteen years—supported by the strong performance of group Life insurance—although it remains well below the regional average. In 2024, the indicator was at 31.8%, up 1.2 percentage points on 2023. In the medium term, it should be noted that since 2010, the depth of Ecuador's insurance market has increased by 15.5 pp.

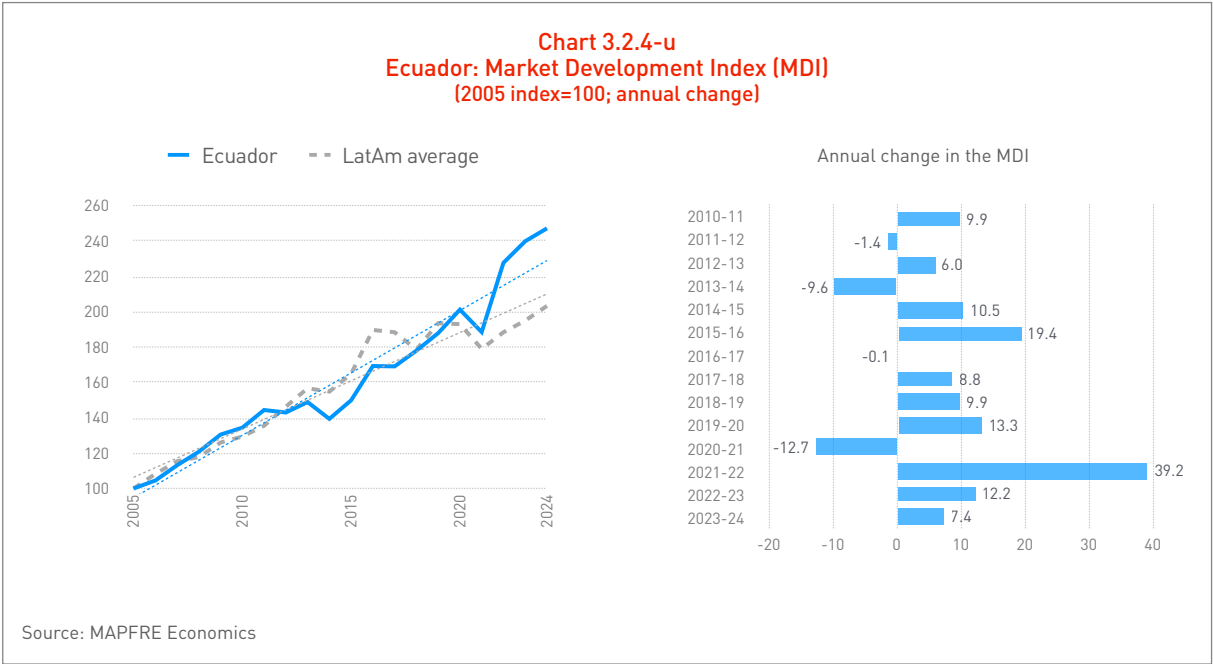
Insurance Protection Gap estimate

Chart 3.2.4-p provides an updated estimate of the insurance protection gap for the Ecuadorian insurance market between 2010 and 2024. According to this information, the 2024 IPG was 7.3 billion dollars. As is the case for most Latin American markets, the structure and performance of the IPG over the 2010–2024 period are shaped mainly by the Life insurance segment. Thus, at year-end 2024, 60.0% of the IPG was attributable to the contribution of the Life segment (4.4 billion dollars), down 9.3 pp from 2010; the remaining 40.0% of the IPG was attributable to the Non-Life segment (2.9 billion dollars). Thus, as Chart 3.2.4-q shows, the potential insurance market at the end of 2024 (measured as the actual

Chart 3.2.4-t
Ecuador: capacity to close the IPG
(average annual growth rate, %; sufficiency or insufficiency, pp)



Source: MAPFRE Economics



market plus the IPG) was estimated at 9.6 billion dollars, equivalent to 4.3 times the total insurance market in Ecuador in that year.

To analyze the trend in the behavior of the protection gap, Charts 3.2.4-r and 3.2.4-s present the IPG expressed as a multiple of the actual insurance market in Ecuador over

2010–2024. As this analysis shows, the gap for the Life insurance segment shows a clear downward trend over the period analyzed (falling from 17.2 to 6.2 times the actual market for this segment), while in the Non-Life insurance segment, by contrast, an upward trend has been observed since 2016, reaching its highest point in 2021.

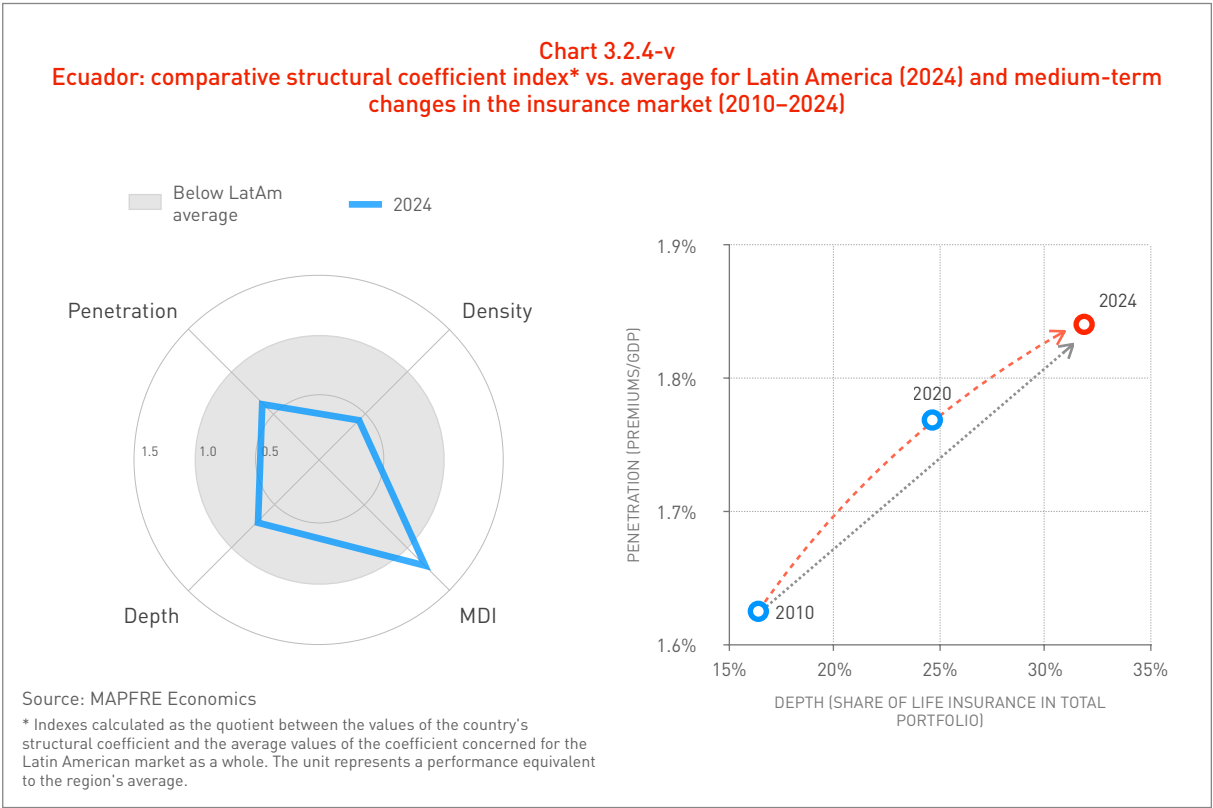
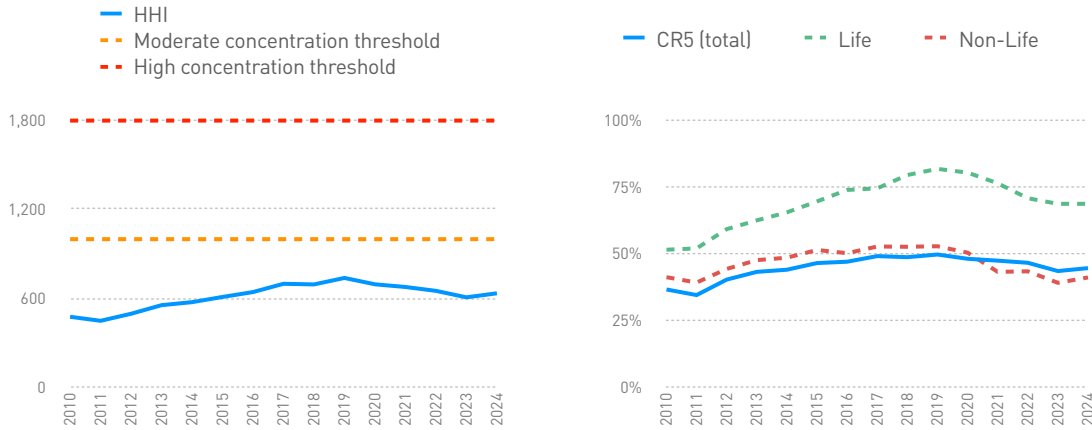


Chart 3.2.4-w
Ecuador: insurance industry concentration
(Herfindahl index; CR5 index, %)

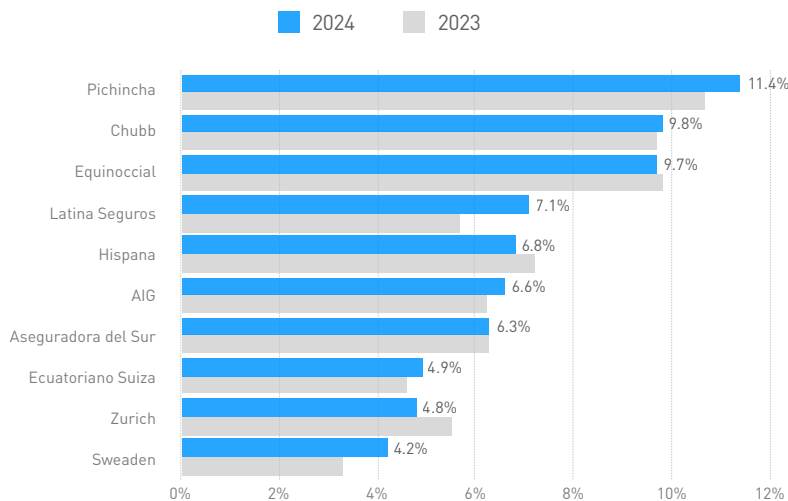


Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

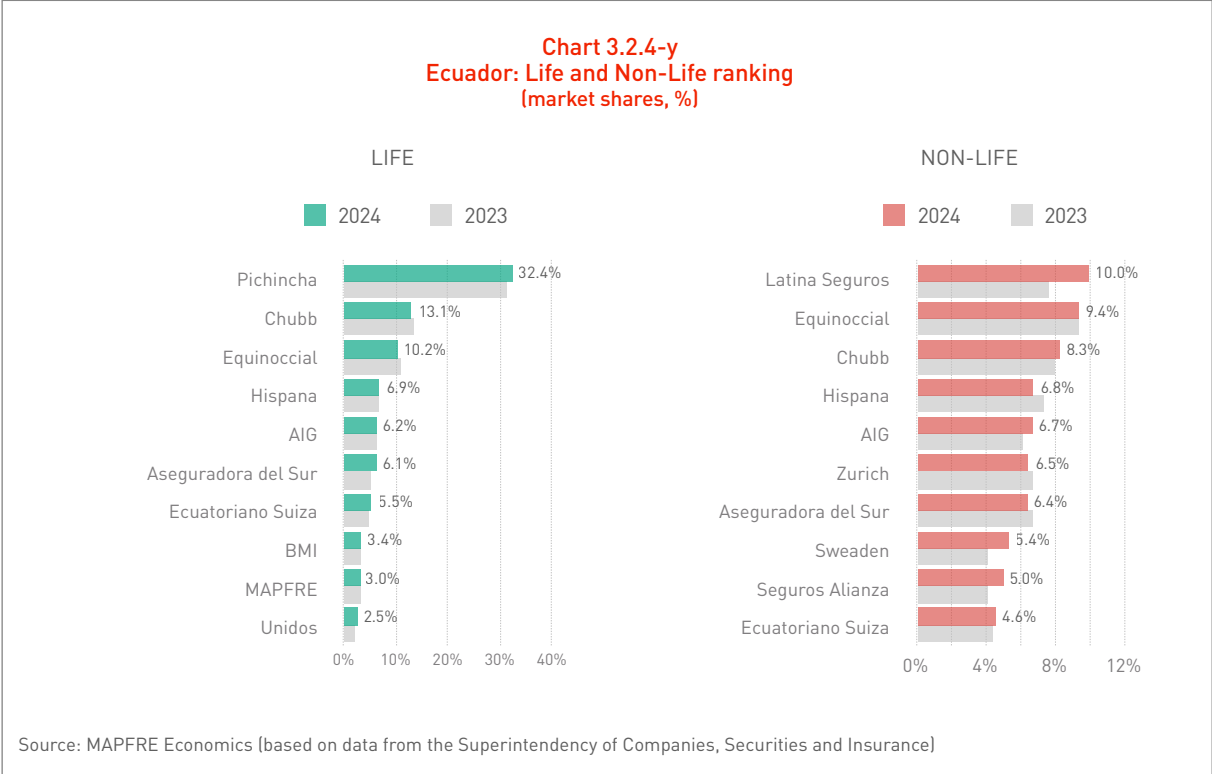
Finally, the updated assessment of the Ecuadorian insurance market's capacity to close the estimated IPG in 2024 is presented in Chart 3.2.4-t. This assessment is based on a comparative analysis between the growth rates observed during the last decade and those that would be required to eliminate the

gap over the next ten years. According to this analysis, the Ecuadorian insurance market grew at an average annual rate of 2.8% over 2014–2024; the Life segment grew at an average annual rate of 10.0%, while the Non-Life segment grew 0.7% annually. Were the same growth dynamics seen over the last

Chart 3.2.4-x
Ecuador: overall ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)



decade to continue over the next ten years, the growth rate of the Ecuadorian insurance market would fall 12.9 pp short of closing the IPG calculated in 2024 over that period. For the Life segment, the shortfall in the growth rate would be 11.8 pp, while for Non-Life insurance, the observed rate would be insufficient by 10.6 pp, with Non-Life values increasing compared with those recorded in the IPG measurement for 2023.

Market Development Index (MDI)

The performance of the Market Development Index (MDI) for the Ecuadorian insurance sector is illustrated in Chart 3.2.4-u. The data confirms that the market performance indicator has shown, over 2005–2024, a trend broadly consistent with the average for Latin American insurance markets, with significant gains from 2015 to 2020 and a decline in 2021, recovering in the last three years and exceeding the average for markets in the region. This performance can be explained by the improved evolution of the Life insurance segment, which, however, is still in its infancy, as highlighted by the analysis of the protection gap in this segment.

Comparative analysis of structural coefficients

Chart 3.2.4-v shows the position of the Ecuadorian insurance market in 2024 compared with the Latin American average from the perspective of the structural indicators analyzed above. In this regard, the Ecuadorian market remains below the regional average in all aspects, except for the market development index, which exceeds the regional average, as explained in the previous section.

Similarly, the dispersion analysis illustrated in the chart shows that, over the 2010–2024 period, the insurance industry has experienced uneven growth, with gains in both depth (qualitative dimension) and penetration (quantitative dimension).

Insurance market rankings

There were 28 insurance companies operating in Ecuador in 2024, the same as the previous year. That year, the top five insurance companies accounted for 44.7% of the sector's premiums (CR5), recording a slight increase in concentration levels

compared to 2023, which mainly affected the Non-Life segment. Chart 3.2.4-w shows that the upward trend in market concentration levels began to reverse in 2020. Meanwhile, the industry-specific Herfindahl index also rose in 2024, from 607.5 to 634.7, but remained below the threshold that defines moderate concentration.

Total ranking

In 2024, Pichincha led the overall ranking of insurance groups in the Ecuadorian market with an 11.4% share, followed by Chubb, which rose one place with a 9.8% share. Equinoccial, however, fell from second to third place, while Latina Seguros (7.1%) rose three places, overtaking Hispana (6.8%), which fell one place, as well as AIG Metropolitana (6.6%) and Aseguradora del Sur (6.3%), which fell two places to seventh. Meanwhile, Ecuatoriano Suiza (with a 4.9% share) and Zurich Seguros (4.8%) have swapped places, occupying eighth and ninth place, respectively. Finally Sweden ranks tenth, rising from thirteenth place (see Chart 3.2.4-x).

Life and Non-Life rankings

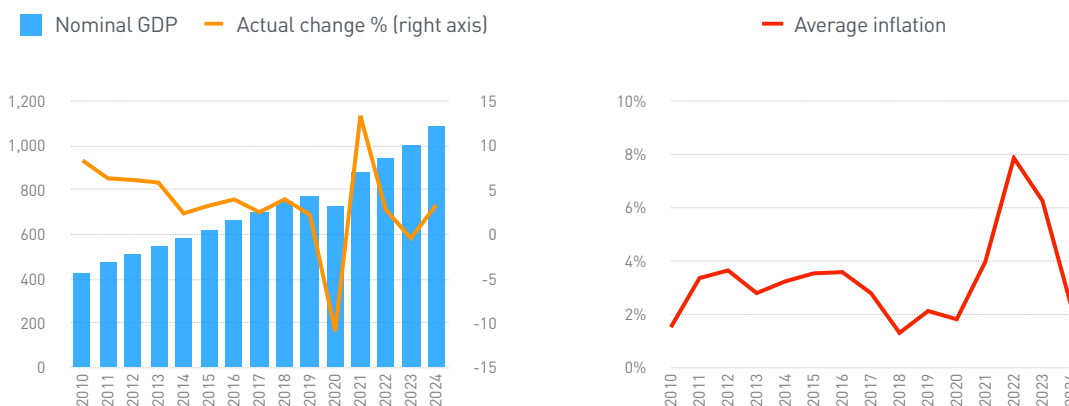
Moreover, Latina Seguros now leads the Non-Life insurance segment ranking, climbing two places in the classification with a 10.0% share (7.7% in 2023). It is followed by Equinoccial (9.4%), which drops one place, and Chubb (8.3%), which drops another place. AIG stands out with its rise from seventh to fifth place, with a 6.7% market share. In the next five places, Sweden stands out, entering the ranking in eighth place with a 5.4% market share. Pichincha holds the top spot in the Life insurance segment ranking for 2024, with a 32.4% market share. The remaining insurance companies maintain their positions in the ranking, with the exception of BMI (3.4%), which moves up to eighth place, displacing MAPFRE (3.0%) to ninth (see Chart 3.2.4-y).

Key regulatory aspects

The key provisions and regulations issued in 2024 and the first half of 2025 affecting the insurance industry in the Ecuadorian market are summarized below:

- *Resolution No. JPRF-S-2025-0152.* Regulation governing Insurance Technology

Chart 3.2.5-a
Peru: changes in economic growth and inflation
(GDP in local currency, billions of soles; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

Service Providers under the Fintech Law. Regulates activities such as digital insurance sales, claims management, and blockchain use, and requires authorization from the Superintendence of Companies, Securities, and Insurance (SCVS).

- *Resolution No. JPRF-S-2025-0146.* Amendment to the Codification of Monetary, Financial, Securities, and Insurance Resolutions. Introduces stricter criteria for investments in sovereign bonds, requiring a minimum “AA” rating from international agencies.
- *Resolution No. JPRF-S-2024-0137.* Establishes contributions to the Private Insurance Fund, increasing the protected amount to 2,000 dollars per insured person and setting a basic contribution of 0.12%.
- *Resolution No. JPRF-F-2024-0120.* Establishes preferential conditions for sectors affected by natural disasters or social crises, including tourism and agriculture.
- *Resolution No. JPRF-S-2024-0116.* Standards for the Promotion and Contracting of Insurance Policies and Prepaid Comprehensive Health Care Plans through Alternative Distribution Channels.
- *Resolution No. JPRF-S-2024-0106.* Microinsurance Standard, which establishes a regulatory framework to promote insurance services for people whose monthly income is equal to or below the unified basic salary and above the poverty line defined by the National Institute of Statistics and Census (INEC).
- *Resolution No. JPRF-F-2024-0100.* Modification of technical notes for calculating the Technical Equity of entities in the private financial sector and the popular and solidarity-based financial sector.

- *Resolution No. JPRF-F-2024-0098.* Revises the standard contained in Chapter IX, “Rules Governing Loan Portfolio Segmentation for Entities in the National Financial System,” as well as Section II, “Elements for Rating and Classifying Risk Assets,” Chapter XVIII, “Rating of Risk Assets and Establishment of Provisions by Public- and Private-Sector Financial Entities Under the Superintendence of Banks,” of Title II, “National Financial System,” Book I, “Monetary and Financial System,” within the Codification of Monetary, Financial, Securities, and Insurance Resolutions, to stimulate productive growth, investment, job creation, and consumption, thereby contributing to financial stability and economic development.

3.2.5 Peru

Macroeconomic environment

In 2024, Peru's economy grew 3.3% (compared to a 0.4% contraction recorded the previous year), supported by stable weather (which had been affected by the El Niño phenomenon in 2023, damaging infrastructure and sectors such as fishing and agriculture) and by the boost in domestic demand (see Chart 3.2.5-a). Private consumption and investment (2.8% and 5.0% year-on-year growth, respectively) were the main drivers of economic activity, as public spending was more selective and focused on infrastructure (public investment grew by 15%, mainly due to energy and port projects). Mining and agricultural exports also grew, providing additional momentum to GDP. The unemployment rate stood at 4.8% in 2024 (4.9% in 2023) and remained relatively low thanks to economic revitalization and the creation of new jobs, especially in the construction and service sectors, as well as those linked to mining and agriculture. The fiscal deficit, in annual terms, increased from 2.8% to 3.6% between 2023 and 2024. This situation was due to the decline in current revenue relative to GDP,

Table 3.2.5
Peru: premium volume¹ by line, 2024

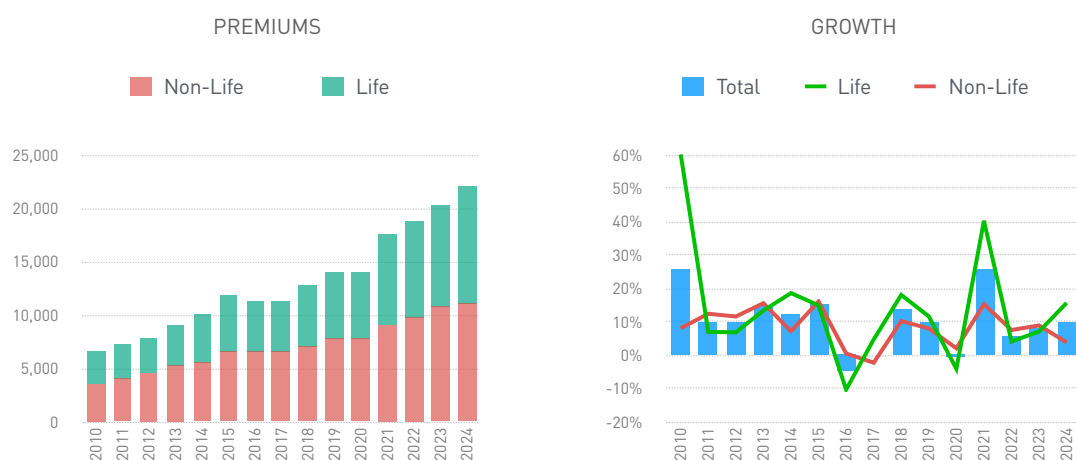
Line of business	Millions of soles	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	22,186.1	5,912.5	9.5	7.0
Life	11,041.2	2,942.4	15.7	13.1
Individual Life	4,412.1	1,175.8	48.3	44.9
Group life	3,406.9	907.9	2.1	-0.2
Pensions	3,222.2	858.7	-0.3	-2.5
Non-Life	11,144.9	2,970.0	3.9	1.5
Automobiles	1,647.3	439.0	3.0	0.7
Fire and allied lines	2,752.4	733.5	7.6	5.2
Other lines	1,769.8	471.6	11.1	8.5
Health	1,629.5	434.3	0.2	-2.1
Personal accidents ²	848.3	226.1	-0.9	-3.1
Transport	297.2	79.2	6.5	4.1
Third-party liability	601.1	160.2	12.6	10.0
Burial	153.5	40.9	-4.8	-7.0
Aviation	151.8	40.5	5.5	3.1
Multirisk	180.3	48.1	-8.2	-10.3
Sea - Hull	95.7	25.5	-24.0	-25.8
Credit and surety	172.2	45.9	-25.4	-27.2
Workplace accidents	845.8	225.4	2.9	0.5

Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

1/ Net insurance premiums

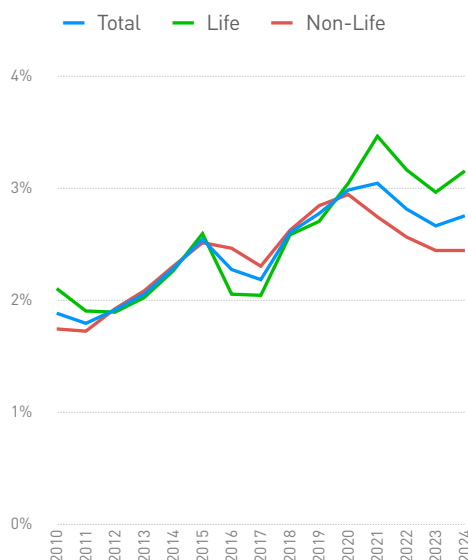
2/ Includes Seguro Obligatorio de Accidentes de Tránsito (SOAT — Compulsory Traffic Accident Insurance)

Chart 3.2.5-b
Peru: growth developments in the insurance market
(premiums, millions of soles; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

Chart 3.2.5-c
Peru: share of insurance premiums in Latin America (%)

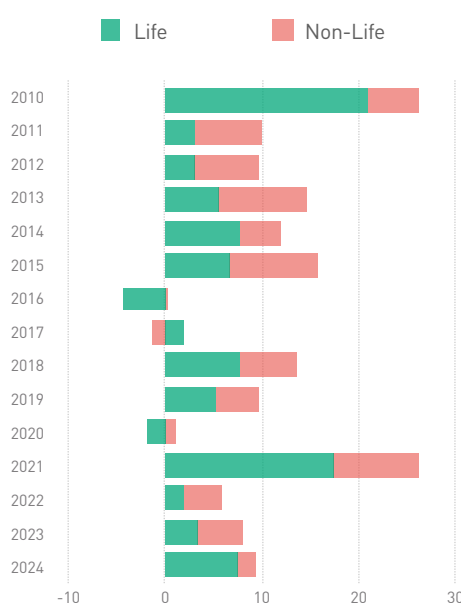


Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators and supervisory bodies in the region)

as well as in fixed capital formation expenditure. The central government's public debt stood at 32.7% of GDP at the end of the year (33.0% in 2023). In relation to the external sector, the current account balance closed the year with a surplus of 2.2% (surplus of 0.7% in 2023), as well as a higher trade balance surplus (stronger mineral and agro-industrial exports contrasted with lower import growth). Moreover, this trade surplus largely contributed to the increase in net international reserves, which increased by 7.9 billion dollars from the end of 2023 to the end of 2024. In this context of greater dollar supply, the central bank conducted foreign-exchange interventions to ease appreciation pressures on the sol, avoiding direct dollar sales and thus preventing a reduction in international reserves.

As for inflation, the reversal of the supply shocks observed in 2023—thanks to the absence of adverse weather events that would have driven up food prices—together

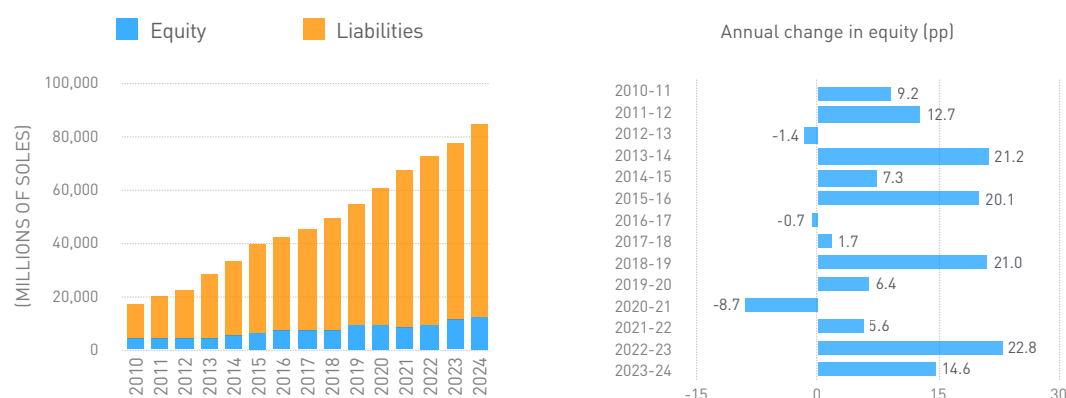
Chart 3.2.5-d
Peru: contribution to insurance market growth (percentage points, pp)



	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	26.2	20.9	5.3
2011	10.1	3.1	7.0
2012	9.6	3.0	6.7
2013	14.7	5.6	9.1
2014	12.0	7.7	4.2
2015	15.7	6.6	9.1
2016	-4.2	-4.5	0.3
2017	0.6	1.9	-1.3
2018	13.6	7.7	5.9
2019	9.7	5.2	4.5
2020	-0.7	-1.8	1.2
2021	26.2	17.5	8.7
2022	5.9	2.0	3.9
2023	8.1	3.4	4.7
2024	9.5	7.4	2.1

Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

Chart 3.2.5-e
Peru: changes in the insurance industry's aggregate balance sheet
(amounts in local currency; change in equity, percentage points)



Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

with improved terms of trade (gold and copper prices increased, while imported food and fuel prices did not rise to the same extent) and lower imported-inflation pass-through, led to a decline in inflation, which fell from an average of 6.3% in 2023 to 2.4% in 2024. The central bank therefore continued its gradual cuts in the monetary policy interest rate that began in 2023, bringing it to 5.00% by the end of 2024.

ECLAC has estimated 3.1% growth in Peru's GDP for 2025 (2.9% in 2026). The Peruvian economy's growth trajectory will be underpinned by macroeconomic stability, and its sustainability will depend on the revitalization of domestic demand (in an environment of lower inflation and continued monetary policy by the central bank), as well as the absence of external shocks affecting the trade balance. MAPFRE Economics forecasts 3.0% growth in the Peruvian economy in 2025 and 2.8% in 2026.

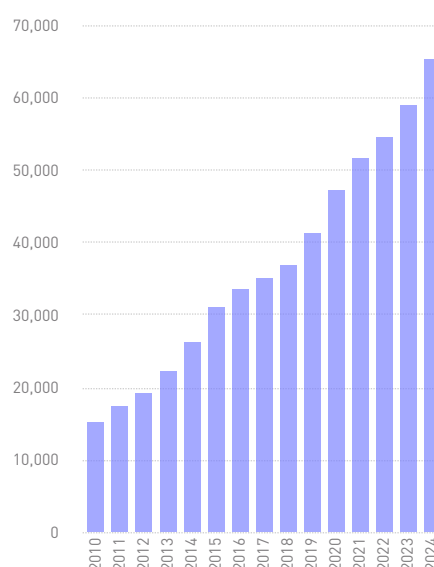
Insurance market

Growth

The Peruvian insurance sector has shown sustained growth in both market segments over recent years. In 2024, premiums

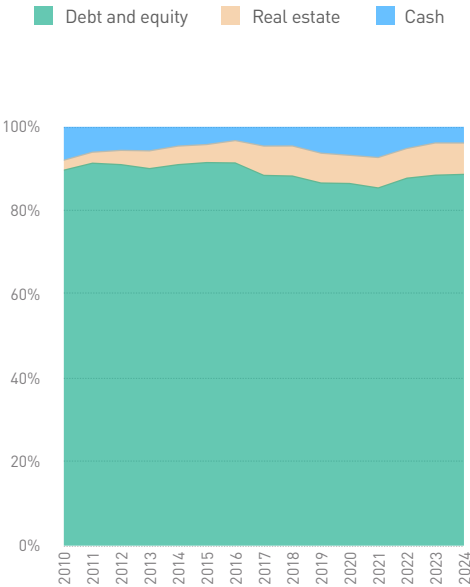
reached 22.2 billion soles (5.9 billion dollars), representing a nominal 9.5% increase and a real 7.0% increase (see Chart 3.2.5-b and

Chart 3.2.5-f
Peru: insurance market investments
(millions of soles)



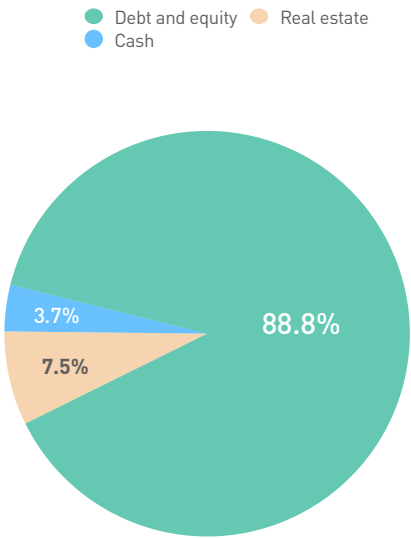
Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

Chart 3.2.5-g
Peru: structure of investments
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

Chart 3.2.5-h
Peru: structure of investments, 2024
(%)

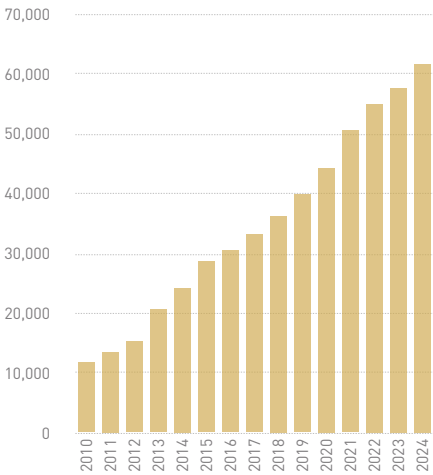


Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

Table 3.2.5). Life insurance brought in 11.0 billion soles (2.9 billion dollars), with a significant nominal increase in individual Life (48.3%) and positive performance in group Life (2.1%), which offset the decline in private pension insurance (-0.3%). Meanwhile, Non-Life insurance lines registered nominal growth in premiums of 3.9% (1.5% in real terms), reaching 11.1 billion soles (3.0 billion dollars). The Fire and Allied Lines segment, which includes Earthquake coverage, continues to account for the largest share of premiums within the Non-Life segment (24.7%), and once again performing very well in 2024, with a 7.6% increase in premium income. Third-party liability and other business lines saw the largest increases, at 12.6% and 11.1%, respectively, while Credit and Surety experienced the largest decline (-25.4% in nominal terms).

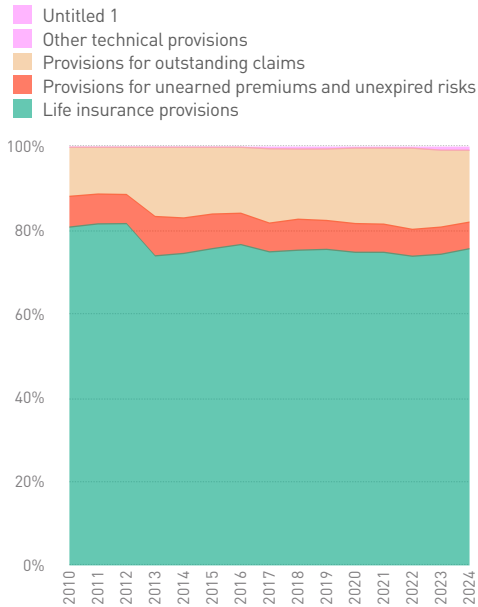
Comparing the performance of the Peruvian insurance sector with that of the Latin American market (see Chart 3.2.5-c), the country's share of regional premiums has

Chart 3.2.5-i
Peru: technical provisions of the insurance market
(millions of soles)



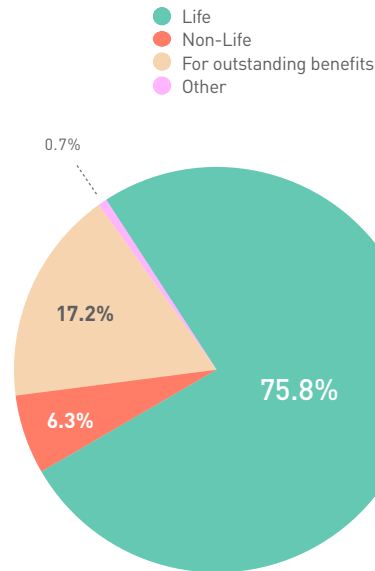
Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

Chart 3.2.5-j
Peru: structure of technical provisions
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

Chart 3.2.5-k
Peru: structure of technical provisions, 2024.
(%)

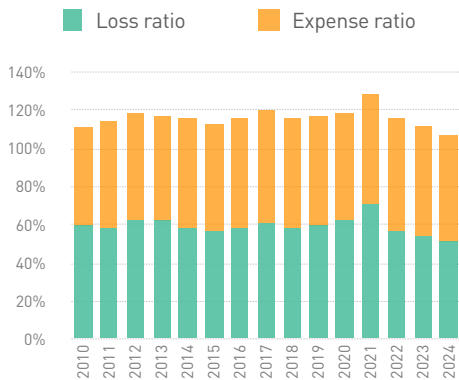


Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

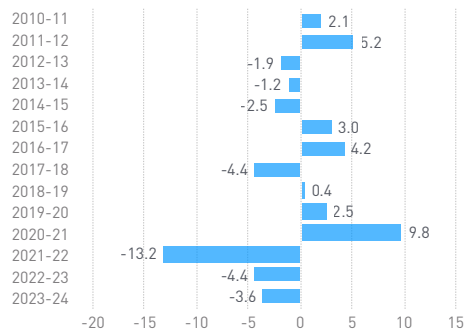
generally increased over the past fifteen years, from 1.9% in 2010 to 2.7% in 2024, although with a slight reduction between 2021 and 2023. The segment showing the strongest growth over this period was Life

insurance, whose share increased from 2.1% to 3.1%, while that of Non-Life segment increased from 1.7% to 2.4% in that time.

Chart 3.2.5-l
Peru: changes in market technical performance
(total combined ratio, %; annual change in combined ratio, percentage points)

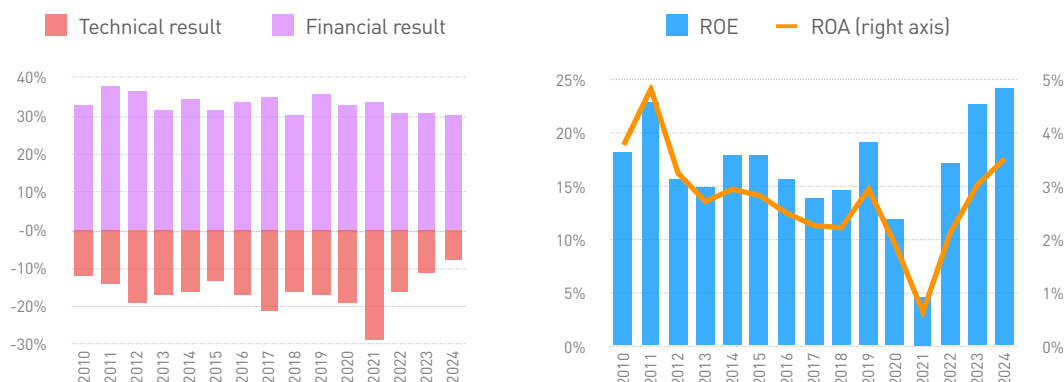


Annual change in combined ratio (pp)



Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

Chart 3.2.5-m
Peru: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

As illustrated in Chart 3.2.5-d, the Life insurance segment contributed 7.4 pp to the 9.5% nominal growth registered by the Peruvian insurance market in 2024, while the Non-Life insurance segment accounted for the remaining 2.1 pp. It is worth noting that, with the exception of 2016, 2017, and 2020, both segments have contributed positively to sector growth throughout the period analyzed.

Balance sheet and shareholders' equity

The performance of the aggregate balance sheet at sector level for the Peruvian insurance industry between 2010 and 2024 is shown in Chart 3.2.5-e. According to this data, total insurance industry assets in 2024 came to 83.7 billion soles (22.4 billion dollars), while equity rose to 12.6 billion soles (3.4 billion dollars), up 14.6% on the previous year. As such, aggregate capitalization levels in the Peruvian insurance industry (measured over total assets) have gradually declined over the years, landing at 15.0% in 2024.

Investments

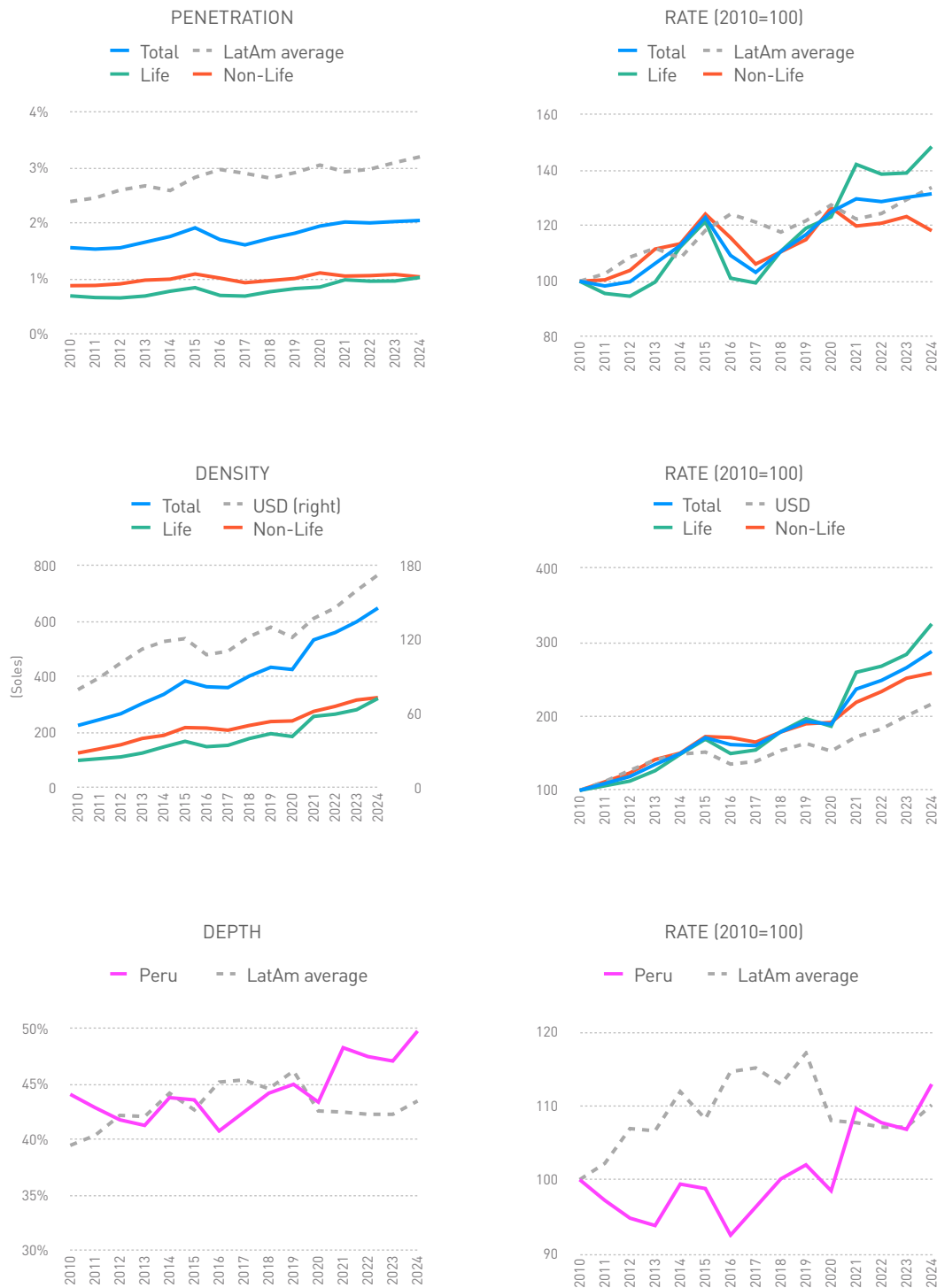
Charts 3.2.5-f, 3.2.5-g, and 3.2.5-h show the performance of investments of the Peruvian

insurance market between 2010 and 2024, as well as the composition of the industry's aggregate portfolio during the same period. As this information shows, in 2024, the industry's investments reached 65.2 billion soles (17.4 billion dollars). In 2024, 88.8% of investments were concentrated in debt and equities, 7.5% in real estate investments, and the remaining 3.7% in cash, maintaining a structure that did not vary significantly throughout the analysis period.

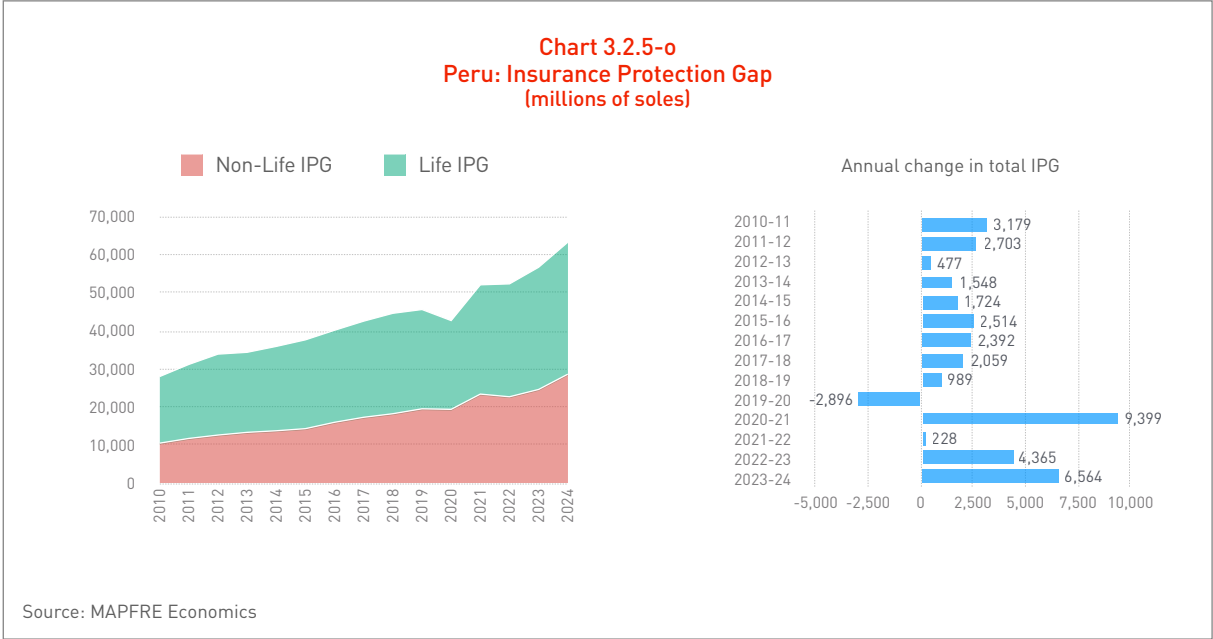
Technical provisions

Charts 3.2.5-i, 3.2.5-j, and 3.2.5-k show the evolution and relative composition of technical provisions over the 2010–2024 period. In this regard, technical provisions amounted to 61.7 billion soles (16.5 billion dollars) in 2024; 75.8% of the total corresponded to Life insurance, 17.2% to the provision for outstanding claims, and the remaining 6.3% to the provision for unearned premiums and unexpired Non-Life insurance risks. Over this period, the volume of technical provisions of the Peruvian insurance industry steadily increased in absolute terms for both Life and Non-Life insurance. The composition of aggregate provisions shows that the proportion corresponding to Life insurance has fallen during the period analyzed, from

Chart 3.2.5-n
Peru: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, soles and USD; Life premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)



80.9% in 2010 to 75.8% in 2024. This has been offset by an increase in provisions for benefits, which have risen from 11.7% in 2010 to 17.2% in 2024.

3.6 percentage points (pp)—bringing the indicator to 107.8%. This improvement reflects a 2.3 pp decrease in the loss ratio and a 1.3 pp reduction in the expense ratio.

Technical performance

Results and profitability

Chart 3.2.5-l shows the evolution of the technical performance of the Peruvian insurance market over 2010–2024, using an analysis of the sector's total combined ratio. According to this data, in 2024 the combined ratio recorded a further decline—

In 2024, the net result for the Peruvian insurance market was 2.8 billion soles (755.8 million dollars), up 25.2% from the previous year, thanks to improved technical results and a boost in financial results, which rose 7.8% in 2024. Accordingly, in terms of

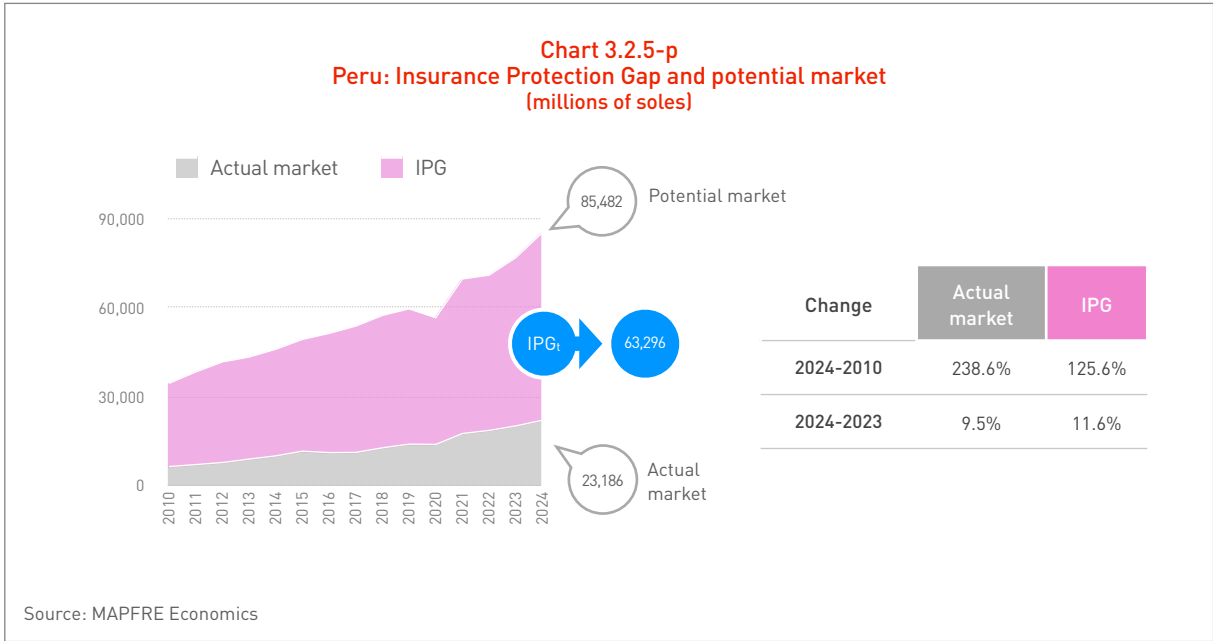
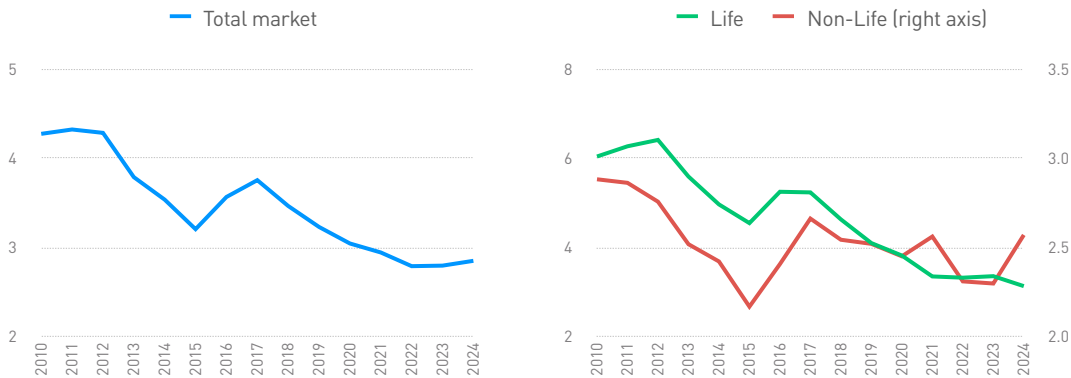


Chart 3.2.5-q
Peru: IPG as a multiple of the actual market
(number of times the size of the actual insurance market)



Source: MAPFRE Economics

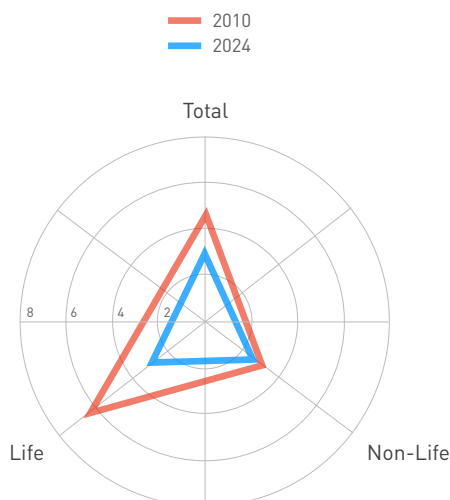
profitability levels, return on equity (ROE) stood at 24.1% in 2024, up by 1.3 pp from the previous year. Return on assets (ROA) rose to 3.5%, an increase of 0.5 pp compared with 2023. Chart 3.2.5-m shows that profitability, which had dropped significantly in 2021, has since recovered to reach its highest level of the period analyzed in 2024.

Insurance penetration, density, and depth

Chart 3.2.5-n illustrates the main structural trends in the development of Peru's insurance sector over the 2010–2024 period. In 2024, the penetration rate (premiums/GDP) of the Peruvian market stood at 2.0% for the fourth consecutive year, continuing the gradual recovery observed since 2018. Looking at the past fifteen years, the penetration rate in the Peruvian market grew steadily over the period under analysis, but remained below the average absolute values of the region's markets.

Meanwhile, insurance density in Peru (premiums per capita) came to 648.4 soles (172.8 dollars), up 8.3% on the level reached in 2023. It should be noted that this indicator continued to recover in 2024 after dropping in 2020. Lastly, insurance depth (Life insurance premiums in relation to total premiums) stood at 49.8% in 2024, up 5.7 pp from 2010 and 2.7 pp higher than the previous year. The depth indicator for the Peruvian market has hovered around the regional average over the past decade, exceeding it in each of the last five years.

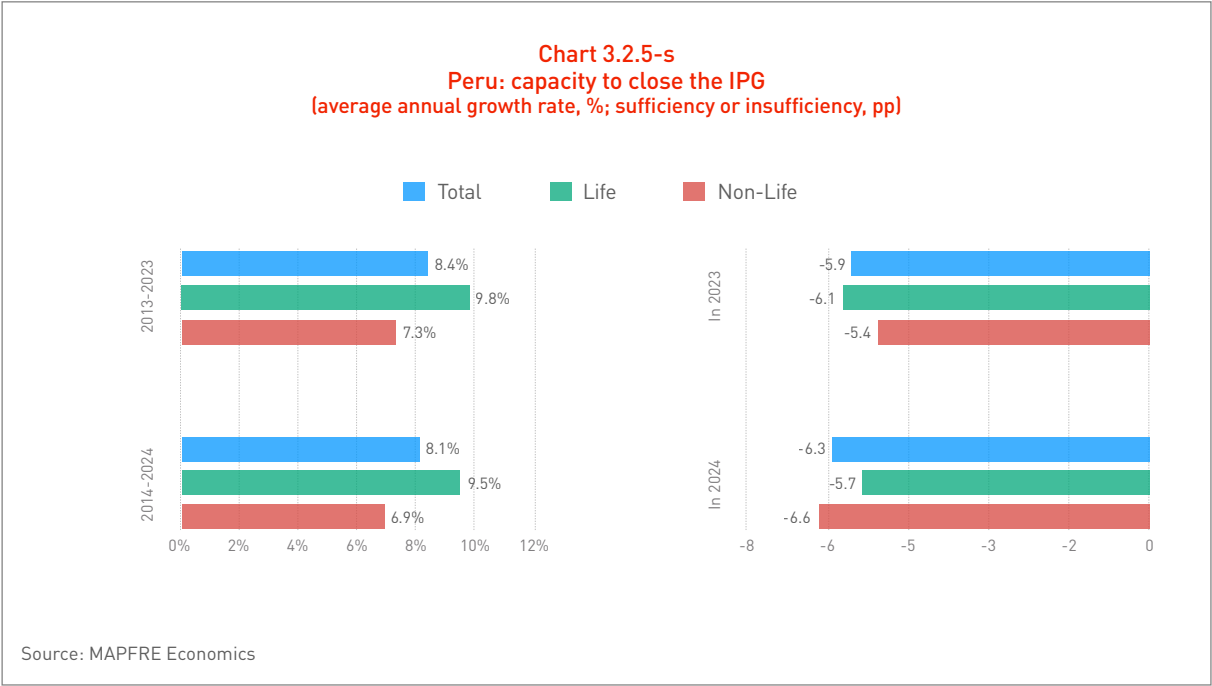
Chart 3.2.5-r
Peru: change in IPG as a multiple of the actual market



Source: MAPFRE Economics

Insurance Protection Gap estimate

Chart 3.2.5-o provides an estimate of the protection gap for the Peruvian insurance



market between 2010 and 2024. Thus, the protection gap amounted to 63.3 billion soles (16.9 billion dollars) in 2024, some three times the size of the actual insurance market in Peru at the end of that year. The structure and performance of the IPG over the period under analysis continued to be shaped mainly by the Life insurance segment, as opposed to Non-Life. At the close of 2024, 54.7% of the protection gap

was attributable to Life insurance (34.6 billion soles), down by 7.6 pp from the share observable in this segment in 2010. Meanwhile, the remaining 45.3% of the IPG in 2024 was attributable to the Non-Life insurance segment (28.7 billion soles). Thus, Chart 3.2.5-p shows that the potential insurance market in Peru (the sum of the actual market and the IPG) was estimated at 85.5 million soles at the end of 2024,

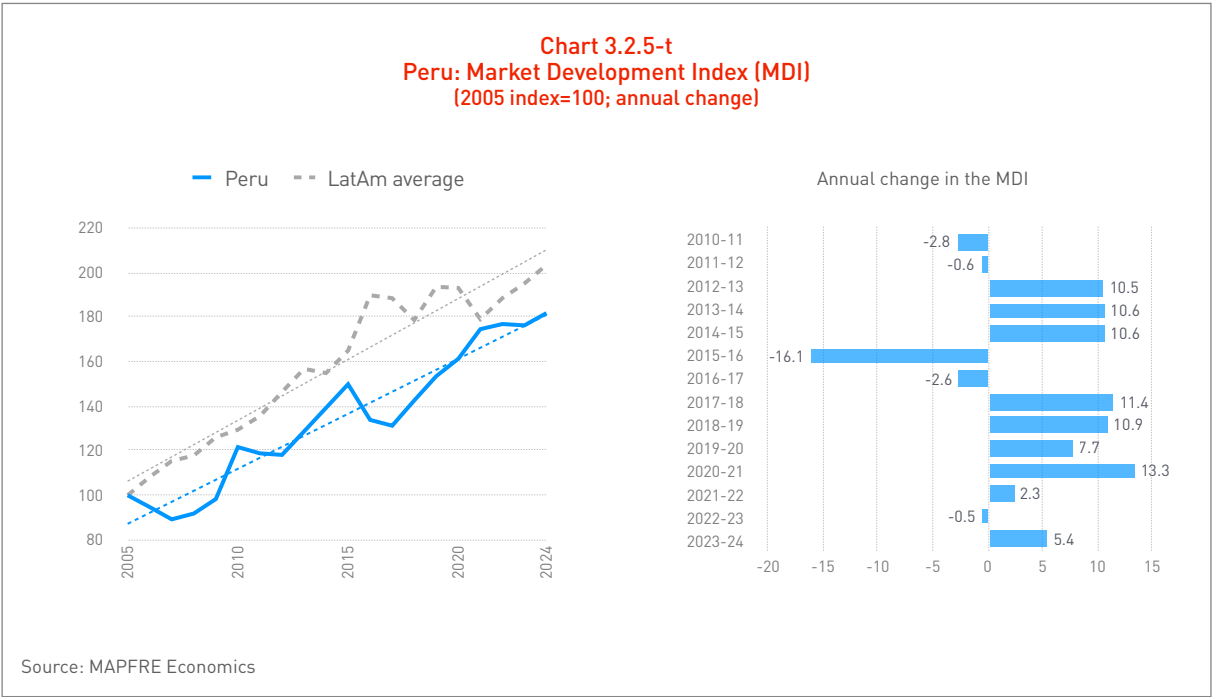
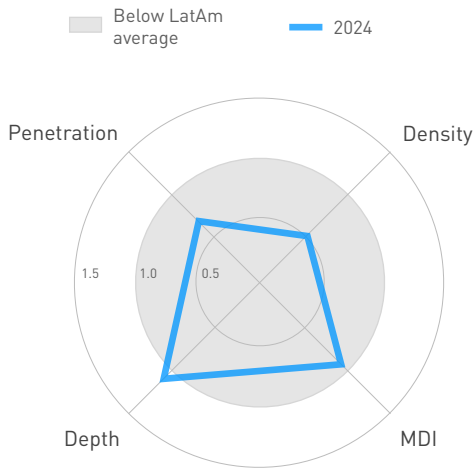
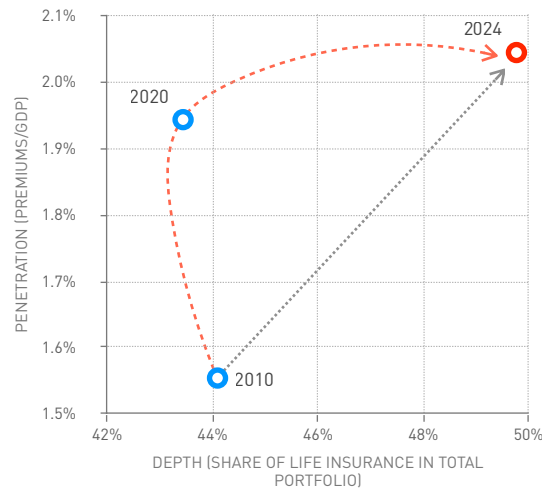


Chart 3.2.5-u
Peru: comparative structural coefficient index* vs. average for Latin America (2024) and medium-term changes in the insurance market (2010–2024)



Source: MAPFRE Economics

* Indexes calculated as the quotient between the values of the country's structural coefficient and the average values of the coefficient concerned for the Latin American market as a whole. The unit represents a performance equivalent to the region's average.



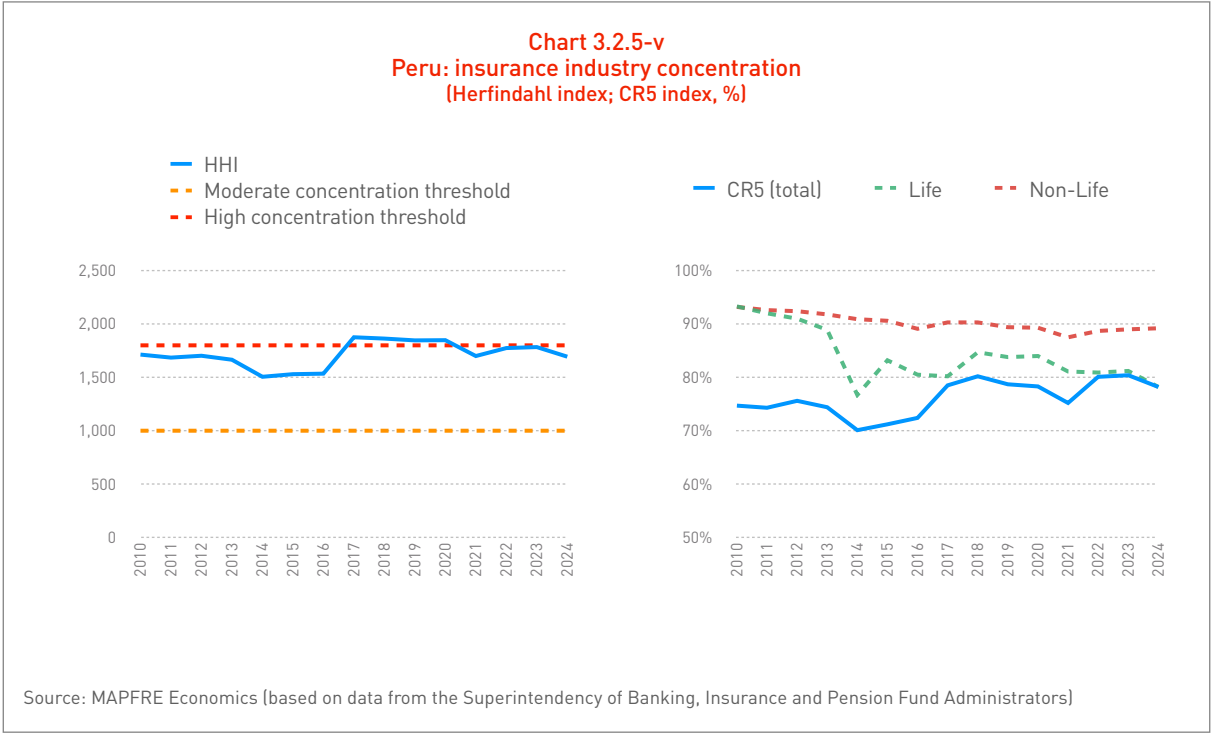
representing 3.9 times the total insurance market in that year.

Chart 3.2.5-q shows the estimated protection gap in the Peruvian market as a multiple of the actual insurance market, in order to analyze trends in IPG behavior in the Peruvian market. In this regard, the protection gap as a multiple followed a downward trend between 2010 and 2024, and this became especially clear from 2018 onward, after reversing for a few years. In the case of the Life insurance segment, the IPG as a multiple of the market fell from 6.1 to 3.1 over the 2010–2024 period, while in the Non-Life segment, it fell from 2.9 to 2.6 times. The schematic analysis presented in Chart 3.2.5-r confirms this, illustrating the development of the IPG as a multiple of the actual market for the Life and Non-Life business segments and the total insurance market in Peru, comparing the situation in 2010 with that in 2024. This shows a clear reduction in the protection gap in relative terms, led by the decline in the Life insurance segment.

Chart 3.2.5-s provides a summary update on the evaluation done on the Peruvian insurance market's capacity to close the protection gap estimated in 2024, using a comparative analysis on the growth rates observed over the last ten years and the growth rates that would be needed to close the gap estimated in 2024 over the next decade. The Peruvian insurance market recorded an average annual growth rate of 8.1% between 2014 and 2024, which consisted of an annual growth rate of 9.5% in the Life insurance segment and of 6.9% in the Non-Life insurance segment. As a result, were the same growth rate seen over the past decade to continue over the next ten years, the growth rate of the Peruvian insurance market would fall 5.7 pp short of closing the protection gap estimated for 2024 in the Life segment and 6.6 pp short in the Non-Life segment, showing a slight increase in insufficiency levels compared with the 2023 measurement.

Market Development Index (MDI)

Chart 3.2.5-t shows an estimate of the Market Development Index (MDI) for the



Peruvian insurance industry. According to this indicator, which is used to analyze trends in the development and maturity of insurance markets, the Peruvian market has generally performed well over the 2005–2024 period. After exhibiting declines in 2011–2012, 2016–2017, and 2023, the indicator rose again in 2024, while

remaining below the average trend for Latin American insurance markets.

Comparative analysis of structural coefficients

As shown in Chart 3.2.5-u, when comparing the Peruvian insurance market’s situation

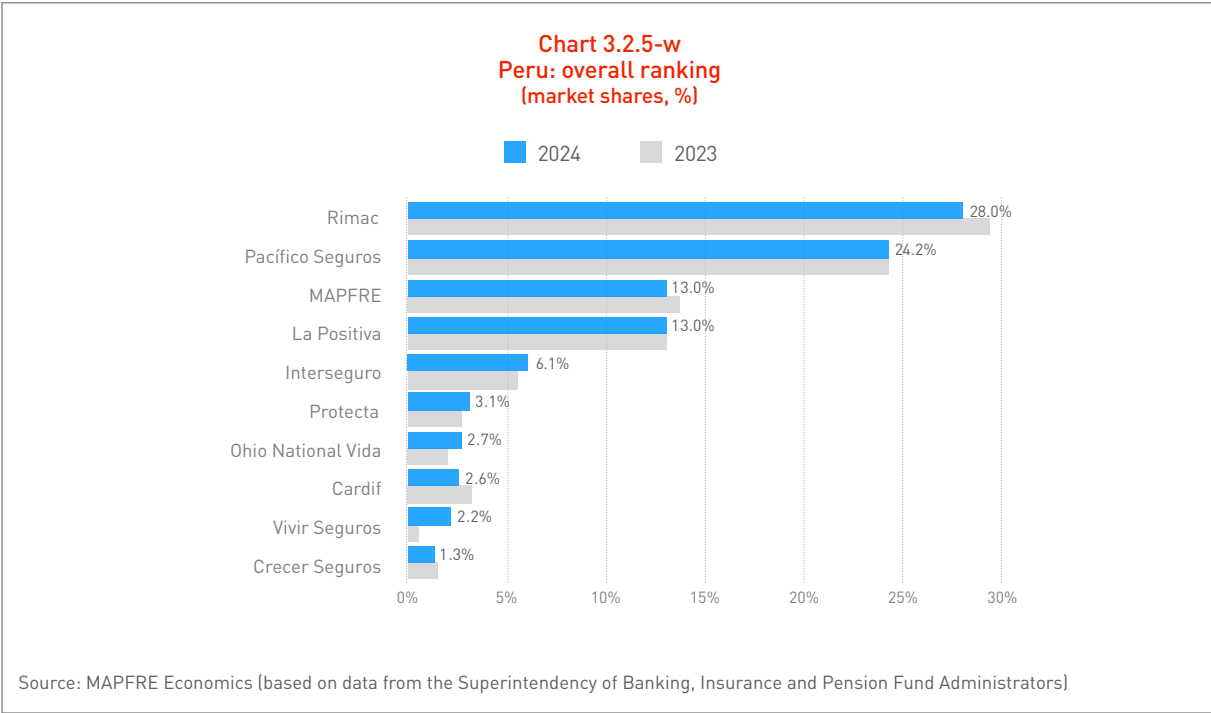
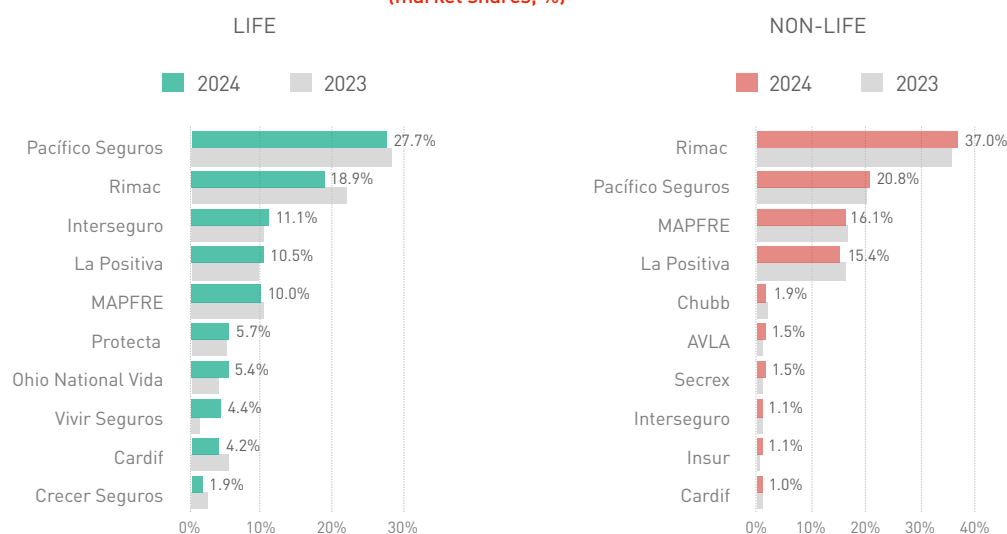


Chart 3.2.5-x
Peru: Life and Non-Life ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators)

with the Latin American market average, from the perspective of structural indicators analyzed in this report, all dimensions except for depth levels (Life insurance premiums to total market premiums) stood below the regional average. Meanwhile, the dispersion analysis, which aims to identify the development trend in the Peruvian insurance market over the past decade, shows that the industry's development was balanced in the 2010 to 2024 period, with increases in penetration (quantitative aspect) and depth (qualitative aspect).

Insurance market rankings

In 2024, Peru's insurance sector consisted of 17 companies, of which 8 operated in both Life and Non-Life insurance, 6 were exclusively dedicated to Non-Life insurance, and 3 were exclusively dedicated to Life insurance. As shown by the evolution of the Herfindahl index in Chart 3.2.5-v, market concentration in Peru's insurance sector has remained relatively high over the past fifteen years. The index trended downward until 2016, then exceeded 1,800 points between 2017 and 2020, before declining again over the past four years to levels below the high-

concentration threshold. The foregoing is confirmed by analyzing the CR5 index, at 78.2% in 2024, which replicates this behavior in the Life segment and stands at 89.2% in Non-Life.

Total ranking

In terms of the overall market ranking, Rimac and Pacífico Seguros continued to hold the top two positions in 2024, with market shares of 28.0% and 24.2%, respectively. The remaining groups in the ranking are the same as in 2023, except for the entry of Vivir Seguros, which replaces Chubb (see Chart 3.2.5-w).

Life and Non-Life rankings

In the overall Non-Life group ranking for 2024, Rimac, Pacífico Seguros, MAPFRE and La Positiva remained in the first four positions, with market shares of 37.0%, 20.8%, 16.1% and 15.4% respectively, followed at a great distance by Chubb (1.9%). AVLA climbs two spots in the ranking to sixth place, pushing Secrex and Interseguro down to seventh and eighth place, respectively. Insur and Cardif swap positions

and are now in ninth and tenth place, respectively. For the 2024 Life segment ranking, Pacífico Seguros remains in first place with a market share of 27.7%, followed by Rimac with 18.9% and Interseguro with 11.1%. From there, several movements occur: La Positiva and MAPFRE swap positions, ranking fourth and fifth, respectively; Ohio moves up one place to seventh, and Vivir Seguros moves up two places to eighth. Cardif drops from sixth to ninth, and Crecer Seguros falls to tenth (see Chart 3.2.5-x).

Key regulatory aspects

The most significant regulatory adjustments implemented in Peru during 2024 are summarized below:

- *SBS Resolution No. 12-2024.* Amendment to the Regulation on the Registry of Insurance Intermediaries and Auxiliaries, Foreign Reinsurance Companies, and Cross-Border Insurance Activities. SBS Resolution No. 12-2024 amends the “Regulation on the Registry of Insurance Intermediaries and Auxiliaries, Foreign Reinsurance Companies, and Cross-Border Insurance Activities.” The Resolution clarifies registration requirements to make the process more efficient. Among the main changes, the following stand out: (i) Publication of Authorization Resolutions in the newspaper is no longer required; the Superintendency of Banking, Insurance, and Pension Fund Administrators (SBS) will publish the authorization for registration on its institutional website, and the applicant must do the same on its own website, if it has one; and (ii) individuals who have passed the competency assessment to become brokers are no longer required to submit various policy and procedure manuals. Instead, they must submit a sworn statement confirming that such manuals are in place.
- *SBS Resolution No. 361-2024.* Amendment to the Regulation on the Opening, Conversion, Relocation, or Closing of Offices due to the Implementation of the Office Inventory System (SIOFI) Through SBS Resolution No. 361-2024, the SBS announced the implementation of a web platform known as the Office Inventory System (SIOFI), which allows entities to directly register office-related movements and ensures that the inventory is updated in real time. As a result, Annex B (“Office Movements”) and Annex C (“Inventory of Operating Offices”) are eliminated.
- *SBS Resolution No. 397-2024.* Amendments to the “Regulation on Capital Requirements for Insurance and Reinsurance Companies,” the Chart of Accounts for the Insurance System, and other provisions. SBS Resolution No. 397-2024 introduces several changes, including: (i) amendments to the Chart of Accounts for the Insurance System to ensure that information is available on liability risks related to additional premium reserves and separable savings and/or investment components for which financial risk is borne fully or partially by the insurer; (ii) amendments to the Regulation on Capital Requirements for Insurance and Reinsurance Companies, clarifying the calculation of indebtedness; in addition, given the significant decline in COVID-19 excess mortality since the start of the third quarter of 2021, the temporary modification to the claims-based methodology for calculating the solvency margin of group Life insurance is repealed; and (iii) amendments to Annex ES-33 to clarify the types of remuneration that must be reported.
- *SBS Resolution No. 854-2024.* Amendment of the Chart of Accounts for Companies of the Insurance System (SBS Resolution No. 348-95 and amendments thereto). The Chart of Accounts is amended to specify that insurance companies must publish their audited year-end financial statements and the opinion of the external audit firm on the reasonableness of those statements on their official website within seven

business days of approval by the General Shareholders' Meeting; they must keep them available to the public on an ongoing basis. It should be noted that insurance companies were previously required to publish their annual financial information in two newspapers. The Resolution also establishes that insurance companies must publish their annual reports on their websites (previously, they were only submitted to the SBS).

- *SBS Resolution No. 855-2024*. New Regulation on Subordinated Debt Applicable to Insurance Companies. The new Regulation on Subordinated Debt Applicable to Insurance Companies updates the regulatory framework for subordinated debt in line with international standards and with the rules currently applicable to financial system companies. The main provisions include: (i) the definition and general requirements for subordinated debt are updated, as well as the treatment applicable to amendments to subordinated debt agreements. (ii) updated requirements for the authorization process to issue subordinated debt instruments or incur subordinated debt; and (iii) an updated limit on the recognition of subordinated debt within effective equity, set at 40% of effective equity.
- *SBS Resolution No. 898-2024*. Guidelines for valuing real estate investments under the fair value model are amended. The standard was issued with the aim of aligning the guidelines for estimating the fair value of real estate investments with market practices, while maintaining a prudent approach. Thus, the appropriate fair-value measurement of real estate investments—which support insurers' technical obligations—is preserved. It should be noted that real estate investments may be valued using either the cost model or the fair value (FV) model, for which prior authorization is required. Under the fair value model, income-generating properties are recognized at market value, which is determined by considering the results obtained through the application of at least two approaches: the income approach, using the discounted cash flow methodology, and the market approach, based on comparable values. Specific guidelines must be followed when applying the income approach. The main changes made to the guidelines are as follows: (i) regarding assumptions on rental uncollectibility, instead of considering the tenant's rental payment history only when they have no debts within the financial system, the rule now requires consideration of both the tenant's rental payment history and their credit classification within the financial system; (ii) Regarding maintenance CAPEX, if the tenant partially or fully assumes maintenance CAPEX under the lease, projected cash outflows for maintenance CAPEX must still be included and, additionally, an inflow must be projected for the portion assumed by the tenant; (iii) vacancy rate estimates must be determined by the appraiser or valuation entity; such estimates must consider not only the property's vacancy statistics (if available) but also contractual conditions (e.g., mandatory terms and penalties). In all cases, vacancy rates may not be set—or reduced—to zero; and (iv) the income tax rate used to calculate net cash flows must match the tax rate applied in the WACC formula—namely, the corporate income tax rate (third-category income tax).
- *SBS Resolution No. 1438-2024*. Amendment to the Microinsurance Policy Regulation. SBS Resolution No. 1438-2024 amended the regulation governing microinsurance policies (SBS Resolution No. 2829-2016), specifically updating the definition of microinsurance and including the possibility of terminating the contract without giving a reason. With respect to the definition of microinsurance, a change is made in the parameter that determines the maximum premium to be charged in order for these products to be deemed microinsurance. Before the amendment, the monthly premium could not exceed 2%

of the Minimum Living Wage (RMV); henceforth, it may not exceed 0.60% of the Tax Unit (UIT). The UIT was adopted as the reference variable for determining maximum microinsurance premiums because, unlike the RMV, it better reflects the country's economic conditions according to information published by the Ministry of Economy and Finance. In addition, it is a less volatile variable than the Consumer Price Index. Another important change is the inclusion of the "termination without cause" clause. It establishes that, with the exception of Life and Health insurance, either party has the right to terminate the contract without cause. If the company exercises its right to terminate the contract, it must give the insured and/or policyholder at least 30 days' advance notice. If the insured and/or policyholder requests termination of the contract, they must be informed of their right to request a refund of the premium corresponding to the unexpired period, where applicable. Finally, the content of the information report on these products was amended. It must now be submitted semiannually, rather than annually.

- *SBS Resolution No. 2378-2024.* Amendment to the Premium Payment Regulation for Insurance Policies. This resolution amends the Premium Payment Regulation to incorporate clarifications regarding suspension of coverage for non-payment, contract termination for non-payment, and extinction of the insurance contract.
- *SBS Resolution No. 4243-2024.* Information Center for Surety and Bond Insurance Issued by Insurance Companies. Resolution SBS No. 04243-2024 approved the creation of the Information Center for Surety and Bond Insurance issued by insurance companies. The cited Resolution took effect on January 1, 2025. The Resolution establishes the following main aspects: (i) information annexes on surety and bond policies that insurers must submit to the SBS; (ii) procedures for submitting annexes and for correcting and reporting

information errors; and (iii) annexes with general guidelines for proper reporting. The creation of an Information Center for Surety and Bond Insurance will consolidate information on surety and bond policies issued by insurance companies for the purpose of: (i) gathering information on policy issuance, policyholders, and consortium members; (ii) gathering information on claims related to these products; (iii) promoting proper evaluation of policyholders; and (iv) identifying risk accumulations.

- *SBS Resolution No. 4380-2024.* Amendments to the Investment Regulations for Insurance Companies and the Regulations on Capital Requirements for Insurance and Reinsurance Companies. SBS Resolution No. 332-2023 approved the Regulations on Credit, Surety, and Bond Insurance issued by Insurance Companies. That regulation established that the liabilities arising from cash counter-guarantees received by insurance companies in support of the surety bonds or guarantee policies they issue shall be treated as part of technical obligations as from January 1, 2025. Given that there are complementary information requirements (Annexes ES-3 "Technical Obligations" and ES-3A "Backing of Technical Obligations") relating to the value of the components that make up technical obligations, it is necessary to update those reporting requirements so as to incorporate, as part of technical obligations, the liability component corresponding to the cash counter-guarantees received by companies. Meanwhile, the Regulations on Capital Requirements for Insurance and Reinsurance Companies, approved by SBS Resolution No. 1124-2006 and amending regulations, establishes, among other aspects, the methodology for calculating the solvency margin requirement insurance and reinsurance companies must follow. Annex ES-7C "Solvency Margin Information," which is part of the aforementioned Regulations, allows for the collection of information on, among other

aspects, the solvency margin for disability, survival, and funeral expense insurance (SISCO). SBS Resolution No. 4380-2024 updates Annex ES-7C to record information on the SISCO VII portfolio that entered run-off as of January 1, 2025.

- *SBS Resolution No. 556-2025.* Amendments to the Investment Regulations for Insurance Companies and Circular No. S-664-2017. The draft regulation updates the Investment Regulations for Insurance Companies with the aim of expanding the range of eligible investment alternatives, incorporating clarifications based on questions received in recent years, and aligning the framework with recent changes in international regulation. It also seeks to ensure that investment-eligibility requirements are consistent with the latest amendments to the investment regulations applicable to the Private Pension System (SPP). In addition, the content of the Circular “Procedures for Registering Investment Information and the Coding Methodology for the Annexes and Insurance Investment Reports” is updated. The main provisions include: (i) the eligibility requirements for investments in debt instruments, stocks, fund share certificates, participation certificates issued by trust assets or special-purpose entities, real estate, future real estate, direct investment in real-estate projects, repo transactions, among others, are updated. (ii) new types of investment instruments and transactions are incorporated, such as co-investments and *private-debt* funds; in the latter case, investments in the debt of companies undergoing bankruptcy proceedings (*Chapter 11* and similar), companies in crisis (*distressed debt*), and *high-yield* debt are excluded; (iii) the supporting documentation required for notification and authorization processes is updated. (iv) the limits for investments eligible under the notification and authorization process are modified from 30% to 35% of technical obligations. (v) risk ratings granted by rating agencies registered with the SEC,

ESMA, or market regulators of G10 countries are included as valid within the risk rating requirements; and (vi) the first provision specifies the eligibility requirements applicable to owner-occupied real estate and real-estate projects intended for own use. Similarly, the content of Circular No. S-664-2017 “Procedures for Registering Investment Information and Coding Methodology for the Annexes and Investment Reports of Insurance Companies” has been updated to align it with the current registration process, which is carried out through the Supervised Entity Portal, using the Investment Monitoring System (SSI). In addition, a new Annex is created to separate the content of item 3 of the Circular.

- *SBS Resolution No. 1660-2025.* Asset-Liability Management Regulation for Insurance Companies. This Regulation establishes the guidelines and methodological approach for the comprehensive asset-liability management (ALM) of insurance companies operating in the Non-Life and/or Life insurance segments. The key provisions of the Regulation are as follows: (i) it provides for the establishment of the ALM Committee and its functions, which may be assumed by the Investment Committee in companies that only market Non-Life insurance, as well as for Life and mixed insurance companies whose retained reserves for long-term Life insurance are less than 10% of the company's total retained reserves; (ii) it provides for the creation of Regulatory Homogeneous Obligation Groups (GHO) for Asset and Liability Management (ALM), as well as the criteria for the allocation and reallocation of assets to back obligations. The following are considered obligations: liabilities generated by the establishment of technical reserves for insurance contracts, accepted reinsurance, and assumed coinsurance, net of ceded reinsurance and co-insurance; provisions for bonds guaranteeing credit obligations; liabilities for counter-guarantees received in cash or through deposits in company

accounts; capital requirements; and financial debt; (iii) a methodology is incorporated for the Asset Sufficiency Analysis (ASA) used to support the obligations associated with technical reserves for premiums and claims for Life insurance lines other than short-term Life; the ASA must be performed by currency and by type of regulatory GHQ; (iv) indicators are established for interest-rate risk, duration, and interest-rate sensitivity; (v) provisions are established for liquidity-risk management, short-term liability liquidity indicators, and liquidity stress tests; (vi) provisions and guidelines are established for underwriting risk and inflation-risk management; and (vii) the authorization procedure for determining asset eligibility for the ASA under TUPA No. 181 is amended so that, in addition to performing the ASA for income from the SPP and SCTR schemes, the analysis also includes other obligations associated with technical reserves for premiums and claims in Life insurance lines other than short-term Life.

Among the regulatory projects currently under development, one of the most notable is the *proposed amendment to the Regulation on the Establishment of the Catastrophic Risk Reserve*.

This draft legislation includes the following provisions: (i) incorporation of the “Procedures Manual for Classifying Buildings According to Their Structural Typology,” prepared by the Peruvian–Japanese Center for Seismic Research and Disaster Mitigation (CISMID); this manual sets out a methodology for determining structural typologies; (ii) incorporation of technical assumptions for calculating the catastrophic reserve for special structures; (iii) incorporation of an authorization procedure for applying an internal methodology to a portfolio of special structures; and (iv) greater flexibility in the calculation date of the Loss at Risk (LaR) so that it may be calculated based on the renewal dates of reinsurance contracts.

The draft amendment to the *Regulation on the Contracting and Management of Reinsurance and Co-insurance*, which contains provisions on the following topics, should also be highlighted: (i) updating the minimum information that reinsurance contracts must contain; (ii) updating the requirements for the Annual Reinsurance Plan; (iii) incorporating clarifications regarding the reinsurance management policy; and (iv) incorporating clarifications for the evaluation of reinsurers’ credit risk.

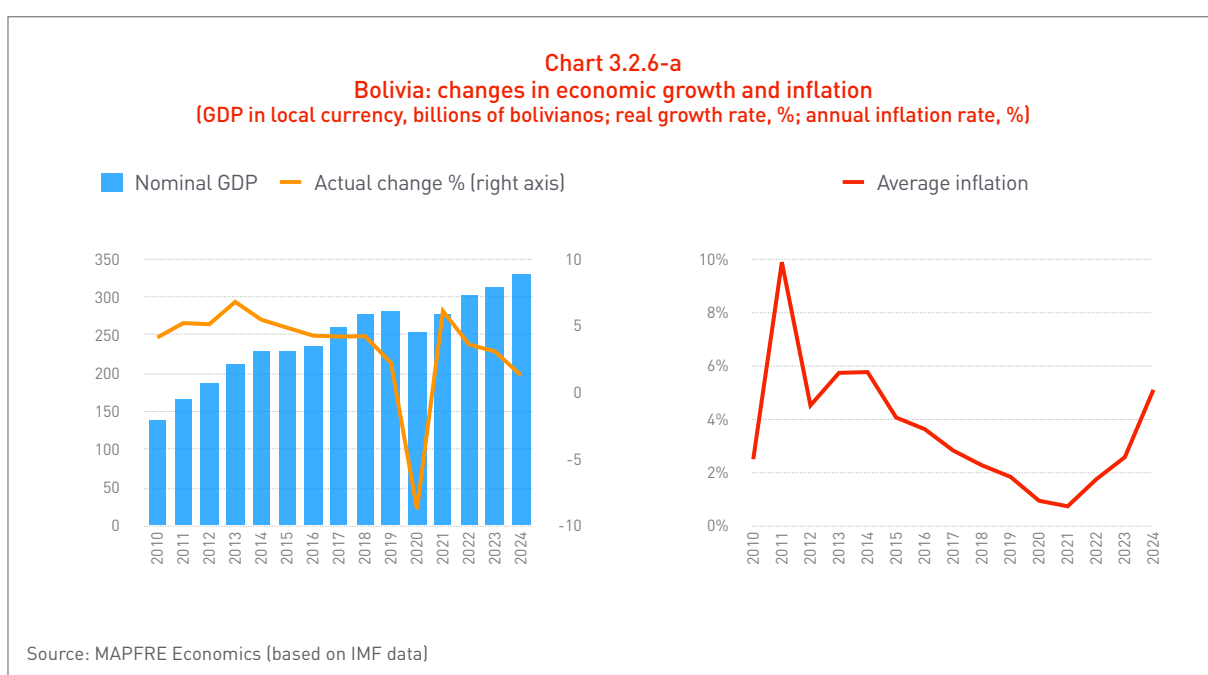


Table 3.2.6
Bolivia: premium volume¹ by line, 2024

Line of business	Millions of bolivianos	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	5,442.1	787.7	5.8	0.6
Life	2,313.2	334.8	9.0	3.7
Group life	1,899.6	275.0	9.1	3.8
Individual life	380.6	55.1	8.4	3.2
Life annuity	33.1	4.8	7.8	2.6
Non-Life	3,128.9	452.9	3.5	-1.5
Automobiles	840.2	121.6	1.0	-3.9
Other lines	704.3	101.9	17.1	11.5
Fire	281.7	40.8	1.3	-3.6
Third-party liability	148.3	21.5	8.6	3.3
Transport	260.0	37.6	-2.2	-6.9
Technical risks	137.5	19.9	-0.9	-5.7
Surety	117.1	16.9	-6.2	-10.7
Health	564.0	81.6	2.8	-2.2
Personal Accident	75.8	11.0	-20.9	-24.7

Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

1/ Direct premiums

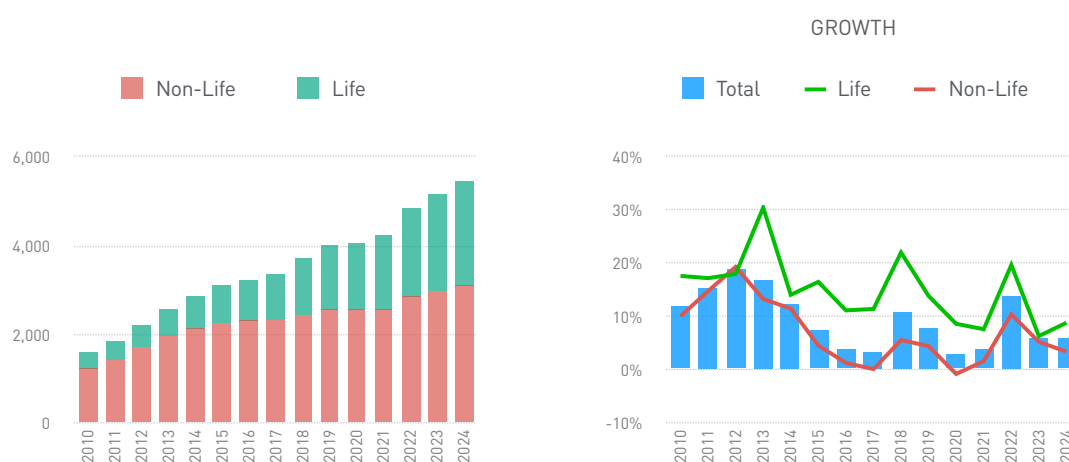
3.2.6 Bolivia

Macroeconomic environment

In 2024, Bolivia's economy grew by 1.3% in real terms (3.1% in 2023), marking a new

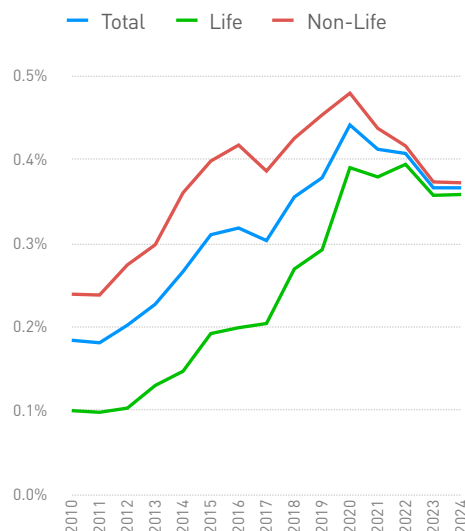
slowdown in the pace of recovery observed in previous years. This trend was due to internal headwinds, such as the decline in hydrocarbon production (loss of reserves without new discoveries, political obstacles from affected communities, and lower

Chart 3.2.6-b
Bolivia: growth developments in the insurance market
 (premiums, millions of bolivianos; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

Chart 3.2.6-c
Bolivia: share of insurance premiums in
Latin America
 (%)

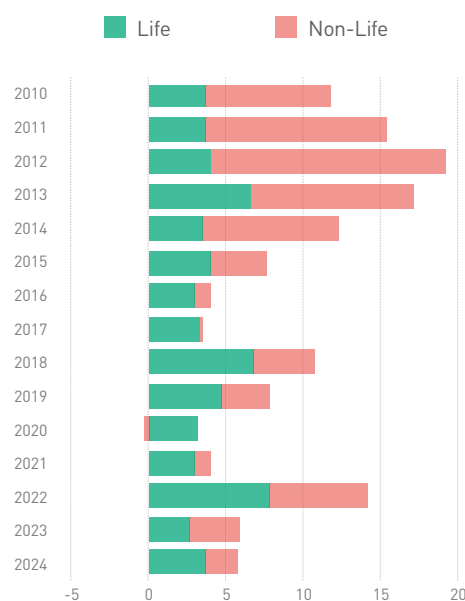


Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority and supervisory bodies in the region)

returns on current investments, such as the Mayaya field project), as well as extreme weather conditions (including floods and landslides in the first quarter, and droughts and large fires from the second half of the year onwards), which negatively affected GDP (see Chart 3.2.6-a). Thus, domestic demand declined, weighed down by high inflation, fuel shortages, and loss of purchasing power. Moreover, the decline in natural gas production and exports significantly reduced external revenues and, in turn, the government's fiscal space to support key sectors. Thus, the fiscal deficit widened from 10.9% in 2023 to 11.6% in 2024, driven by continued spending on subsidies (especially fuel subsidies, without structural reforms to address the underlying problem), lower tax revenues from hydrocarbons, and a broader economic deterioration.

Meanwhile, the average inflation rate for 2024 stood at 5.1%, compared to 2.6% the previous year, due to several weather

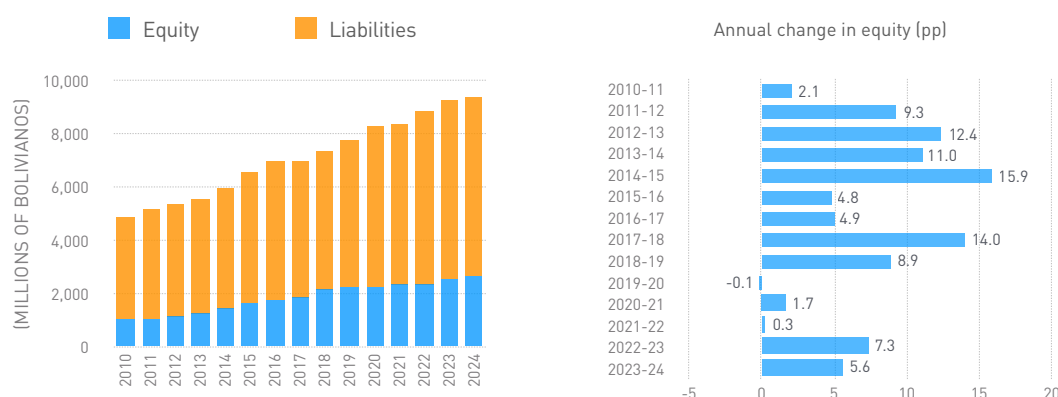
Chart 3.2.6-d
Bolivia: contribution to insurance market growth
 (percentage points, pp)



	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	11.7	3.6	8.1
2011	15.4	3.7	11.7
2012	19.1	3.9	15.2
2013	17.1	6.6	10.5
2014	12.2	3.4	8.8
2015	7.6	4.1	3.5
2016	4.0	3.0	1.1
2017	3.5	3.3	0.2
2018	10.7	6.8	4.0
2019	7.8	4.7	3.0
2020	2.7	3.1	-0.4
2021	4.0	2.9	1.1
2022	14.2	7.7	6.4
2023	5.8	2.7	3.2
2024	5.8	3.7	2.1

Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

Chart 3.2.6-e
Bolivia: changes in the insurance industry's aggregate balance sheet
 (amounts in local currency; change in equity, percentage points)

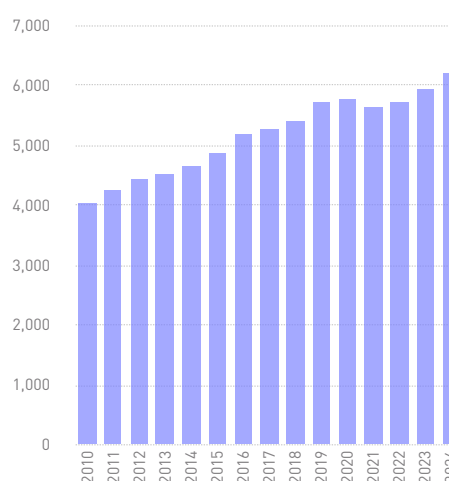


Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

factors that had a negative impact on food and beverages, as well as fuel shortages. Given the limited availability of external financing, the government has opted for monetary financing of the deficit, which further increases inflationary pressures. Furthermore, since the central bank does not use interest rates as a monetary policy instrument, but rather relies on an exchange-rate mechanism, imported inflation rose amid a shortage of dollars due to falling exports and relatively low net international reserves. Thus, forecasts for 2025 and 2026 continue to point to weak economic growth, with ECLAC estimating 1.5% growth for the Bolivian economy (1.1% in 2026), compared to 1.1% for the IMF.

upward trend (which has remained uninterrupted for more than a decade), accounting for 42.5% of premiums (21.4% in 2010). Life insurance premiums increased to 2.3 billion bolivianos (334.8 million dollars), which represents a nominal increase of 9.0% and a real increase of 3.7%. The largest

Chart 3.2.6-f
Bolivia: insurance market investments
 (millions of bolivianos)



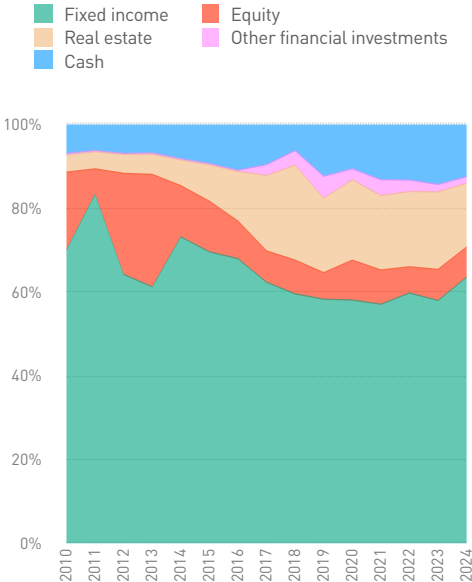
Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

Insurance market

Growth

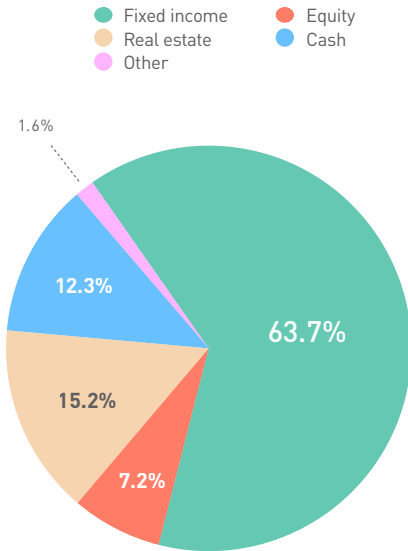
In 2024, premiums in the Bolivian insurance market amounted to 5.4 billion bolivianos (787.7 million US dollars), nominal growth of 5.8% and real growth of 0.6% compared to the previous year. Non-Life insurance accounted for 57.5% of premiums in 2024, while Life insurance accounted for the remaining 42.5% (see Table 3.2.6 and Chart 3.2.6-b). Life insurance continued on its

Chart 3.2.6-g
Bolivia: structure of investments
(%)



Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

Chart 3.2.6-h
Bolivia: structure of investments, 2024
(%)

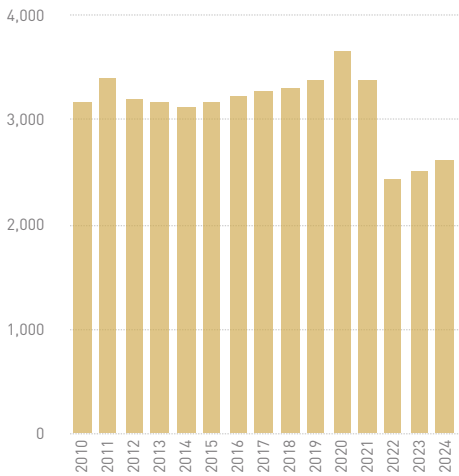


Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

increase occurred in the Group life category (9.1% nominal and 3.8% real). Meanwhile, Non-Life insurance premiums (which made up 57.5% of premiums in 2024) saw nominal growth of 3.5%, while decreasing 1.5% in real terms, reaching 3.1 billion bolivianos (452.9 million dollars). Automobile was the most important modality, which includes Compulsory Traffic Accident Insurance (SOAT) which was up 1.0% in nominal terms (-3.9% in real terms) in 2024.

Comparing the evolution of the Bolivian insurance sector with that of the Latin American insurance market (see Chart 3.2.6-c), it can be observed that Bolivia's share of regional premiums remains small. Even so, it has shown a gradual upward trend, rising from 0.18% in 2010 to 0.37% in 2024, although with a reversal beginning in 2021. The Life segment has experienced the strongest growth, up from 0.10% in 2010 to 0.36% in 2024, while the Non-Life segment has grown from 0.24% to 0.37% over the same period.

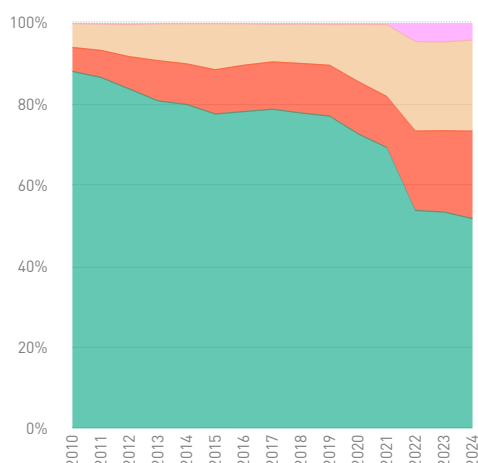
Chart 3.2.6-i
Bolivia: technical provisions of the insurance market
(millions of bolivianos)



Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

Chart 3.2.6-j
Bolivia: structure of technical provisions
(%)

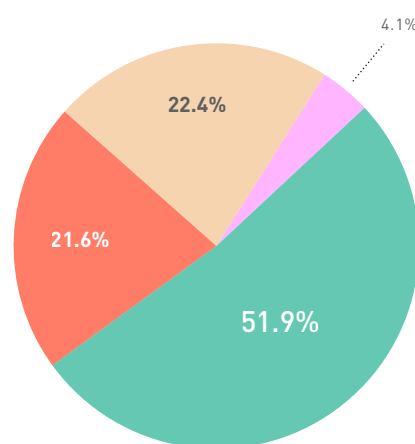
Other technical provisions
Provisions for outstanding claims
Provisions for unearned premiums and unexpired risks
Life insurance provisions



Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

Chart 3.2.6-k
Bolivia: structure of technical provisions, 2024
(%)

Life
Non-Life
For outstanding benefits
Other



Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

As shown in Chart 3.2.6-d, Life insurance contributed 3.7 pp to the 5.8% growth recorded by the Bolivian insurance market in 2024, while the Non-Life segment contributed 2.1 pp. It should be noted that, except for 2020, in the rest of the period analyzed, both insurance segments (Life and Non-Life) contributed positively to insurance growth in that country.

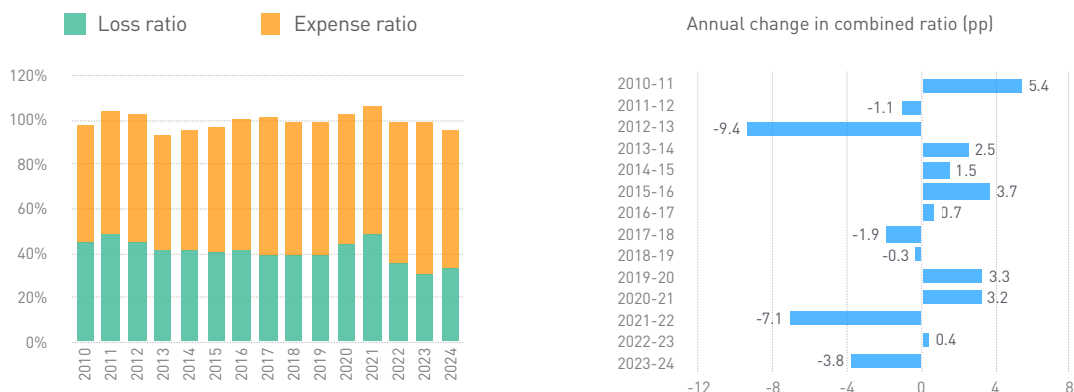
Balance sheet and shareholders' equity

Chart 3.2.6-e shows the aggregate balance sheet for the Bolivian insurance industry. According to this information, in 2024, the sector's total assets amounted to 9.3 billion bolivianos (1.4 billion dollars), while net equity stood at 2.7 billion bolivianos (389.6 million dollars), a positive variation of 5.6% compared to 2023. Moreover, the Bolivian insurance industry maintained aggregate capitalization levels (measured against total assets) of over 20% between 2010 and 2024, reaching 28.8% of total assets in 2024.

Investments

Chart 3.2.6-f shows the evolution of investments in the Bolivian insurance market between 2010 and 2024. Investments in the sector reached 6.2 billion bolivianos (898.8 million dollars) in 2024. Meanwhile, Charts 3.2.6-g and 3.2.6-h show the evolution of the sector's investment-portfolio composition over 2010–2024. According to this data, in 2024, the investment portfolio was allocated to fixed income (63.7%) and, to a significantly lesser extent, equity instruments (7.2%), real estate (15.2%), and cash and other investments (12.3% and 1.6%, respectively). The structure of the portfolio changed significantly over the period analyzed, with the weight of investment in equities falling from above 20% in 2012 and 2013 to around 12.0% in 2014 and 2015 and to 9.0% by 2016. Meanwhile, the weight of real-estate assets has increased from 4.1% in 2010 to 15.2% in 2024.

Chart 3.2.6-l
Bolivia: changes in market technical performance
 (total combined ratio, %; annual change in combined ratio, percentage points)



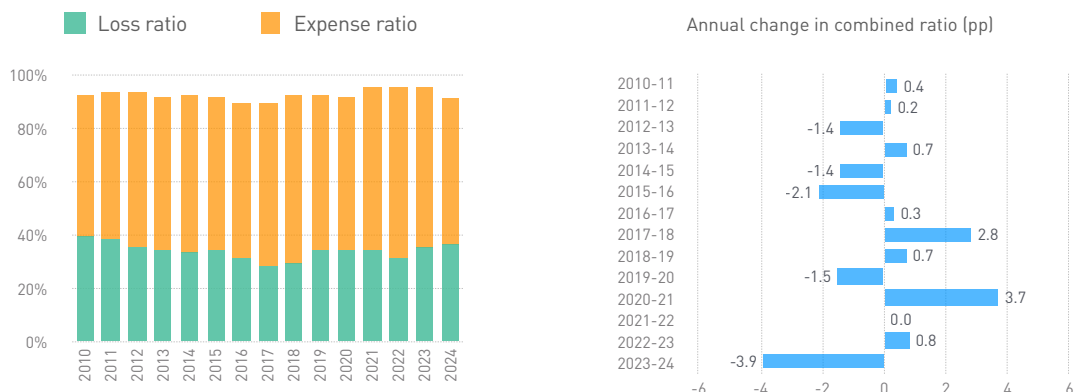
Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

Technical provisions

Charts 3.2.6-i, 3.2.6-j, and 3.2.6-k illustrate the development and relative composition of the Bolivian insurance industry's technical provisions over the 2010–2024 period. According to this data, in 2024, technical provisions amounted to 2.6 billion bolivianos (378.2 million dollars). At year-end 2024, Life insurance accounted for 51.9% of total technical provisions,

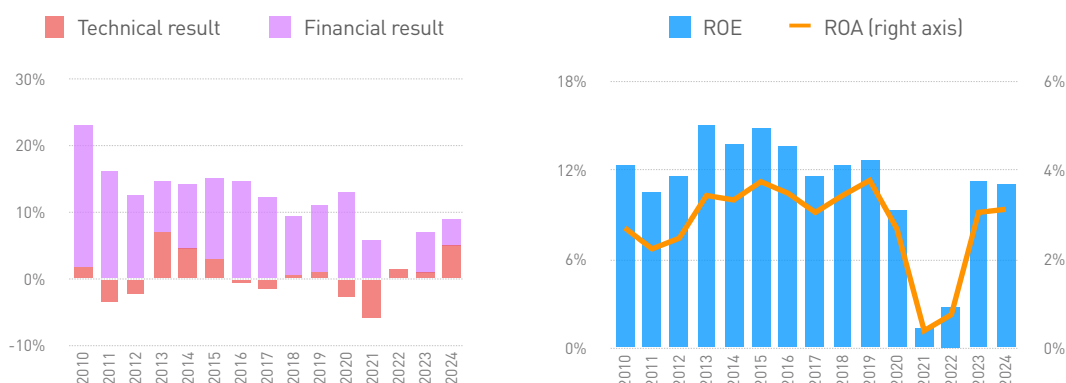
unearned-premium and outstanding-risk reserves for Non-Life represented 21.6%, and provisions for outstanding claims accounted for 22.4%. It should be noted that, throughout the 2010–2015 period, there was a steady decline in the weight of Life insurance provisions, from 88.2% of total provisions in 2010 to 77.7% in 2015, followed by a slight increase in the next two years to 78.9% in 2017, before falling again over the last seven years to the current

Chart 3.2.6-m
Bolivia: changes in Non-Life market technical performance
 (combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

Chart 3.2.6-n
Bolivia: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

level of 51.9%. This also holds true for the absolute values, which fell from 2.8 billion bolivianos (399.6 million dollars) in 2010 to 2.5 billion bolivianos (358.1 million dollars) in 2015, before climbing to 2.6 billion bolivianos (378.3 million dollars) in 2019. During the same period (2010–2024), provisions for unearned premiums and unexpired risks in Non-Life insurance doubled in value from 186.8 million bolivianos in 2010 to 563.3 million bolivianos (81.5 million dollars) in 2024.

Technical performance

Chart 3.2.6-l analyzes the aggregate technical performance of the Bolivian insurance market based on the sector's total combined ratio. According to this information, the indicator improved by 3.8 percentage points (pp) in 2024, reaching 95.0%. This improvement was due to a 5.4 pp decrease in the expense ratio, despite a 1.6 pp increase in the loss ratio. Meanwhile, the combined ratio for Non-Life insurance companies in 2024 improved 3.9 pp to 92.2%. This performance was due to a 5.0 pp decrease in the expense ratio, despite a 1.0 pp deterioration in the loss ratio (see Chart 3.2.6-m).

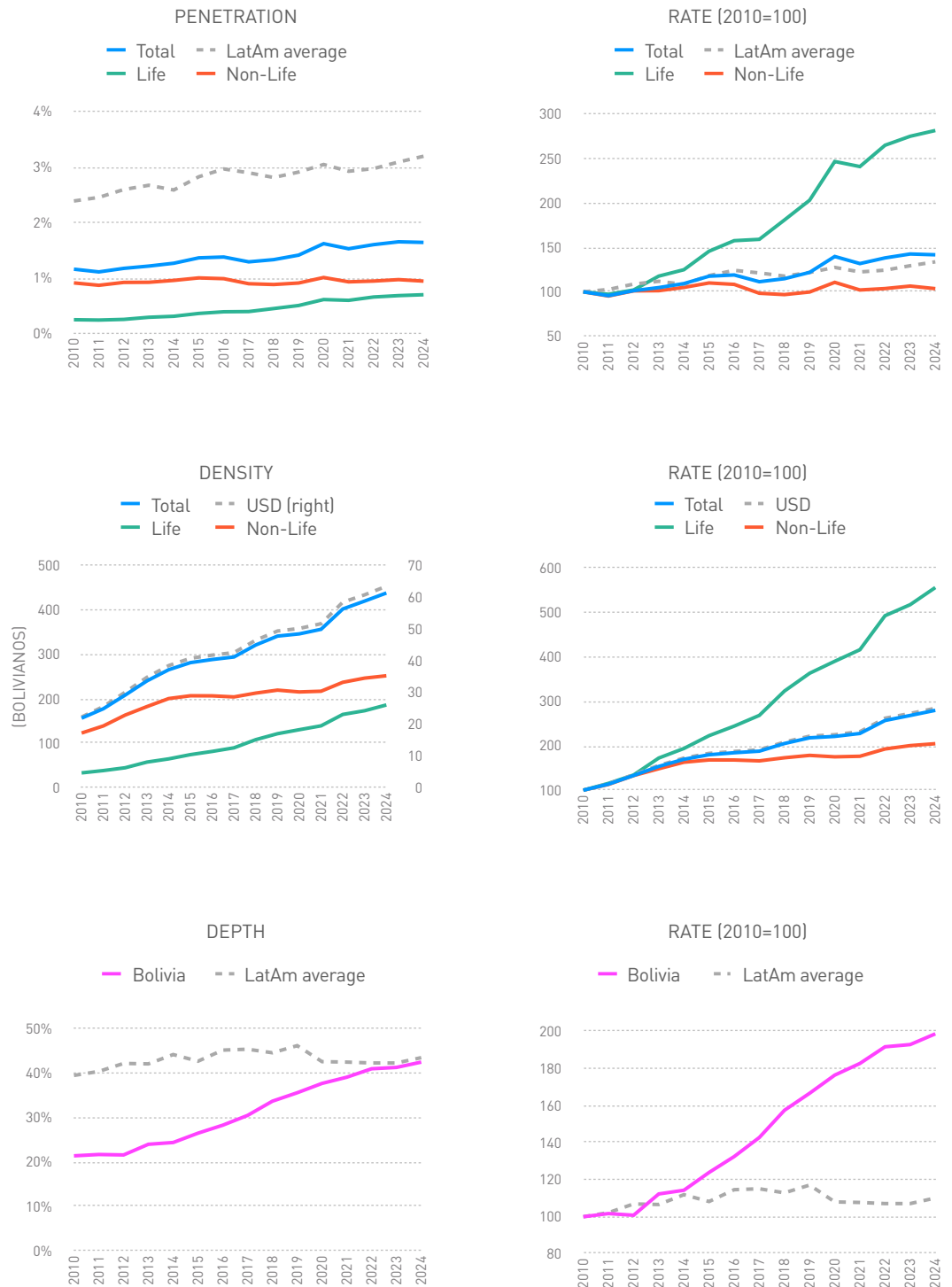
Results and profitability

In 2024, the Bolivian insurance industry posted a profit of 176.3 million bolivianos (25.5 million dollars). The improved financial and technical results led to a 5.4% increase in the net result for fiscal year 2024, which amounted to 291.4 million bolivianos (42.2 million dollars). In terms of profitability, return on equity (ROE) stood at 11.1% in 2024, down 0.1 pp compared to 2023. Return on assets (ROA), meanwhile, reached 3.1% in 2024, up 0.1 pp from 2023 (see Chart 3.2.6-n). It should be noted that, starting in 2023, Bolivia's insurance sector recovered its profitability levels after a decline during 2021–2022.

Insurance penetration, density, and depth

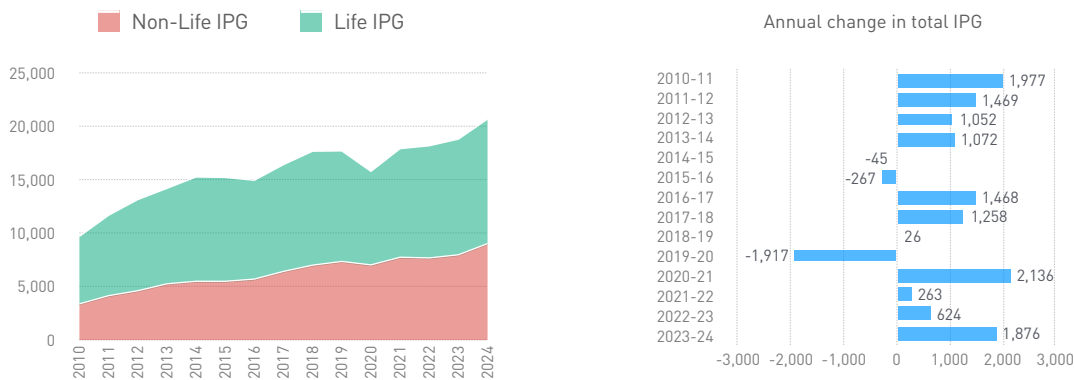
Chart 3.2.6-o shows the main structural trends shaping the development of the Bolivian insurance industry between 2010 and 2024. The penetration rate (premiums/GDP) in 2024 stood at 1.6%, up just 0.4 pp from the 2010 figure, still well below the average values observed in the Latin American region (which stood at 3.2% in 2024). In terms of insurance density (premiums per capita), the indicator stood at 438.4 bolivianos (63.5 dollars) in 2024,

Chart 3.2.6-o
Bolivia: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, bolivianos and USD; Life premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

Chart 3.2.6-p
Bolivia: Insurance Protection Gap
 (millions of bolivianos)



Source: MAPFRE Economics

following an upward trend over the last fourteen years, with growth of practically 179.8% since 2010, when the density stood at 156.7 bolivianos.

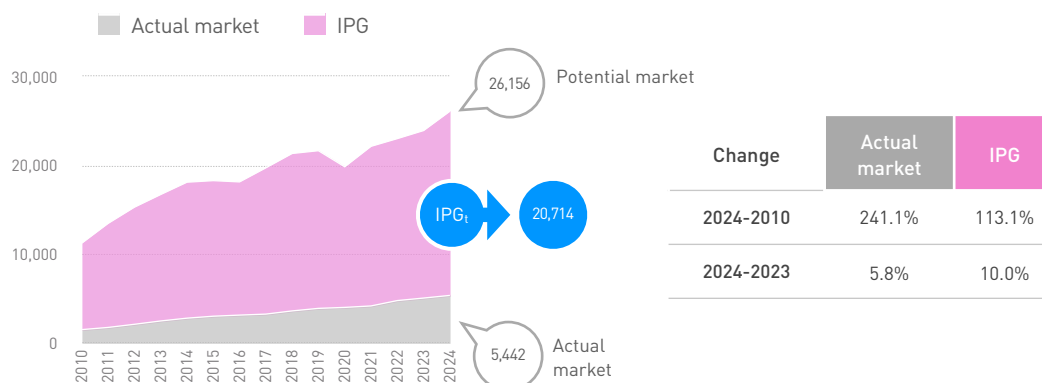
with growth rates higher than the regional average.

Insurance Protection Gap estimate

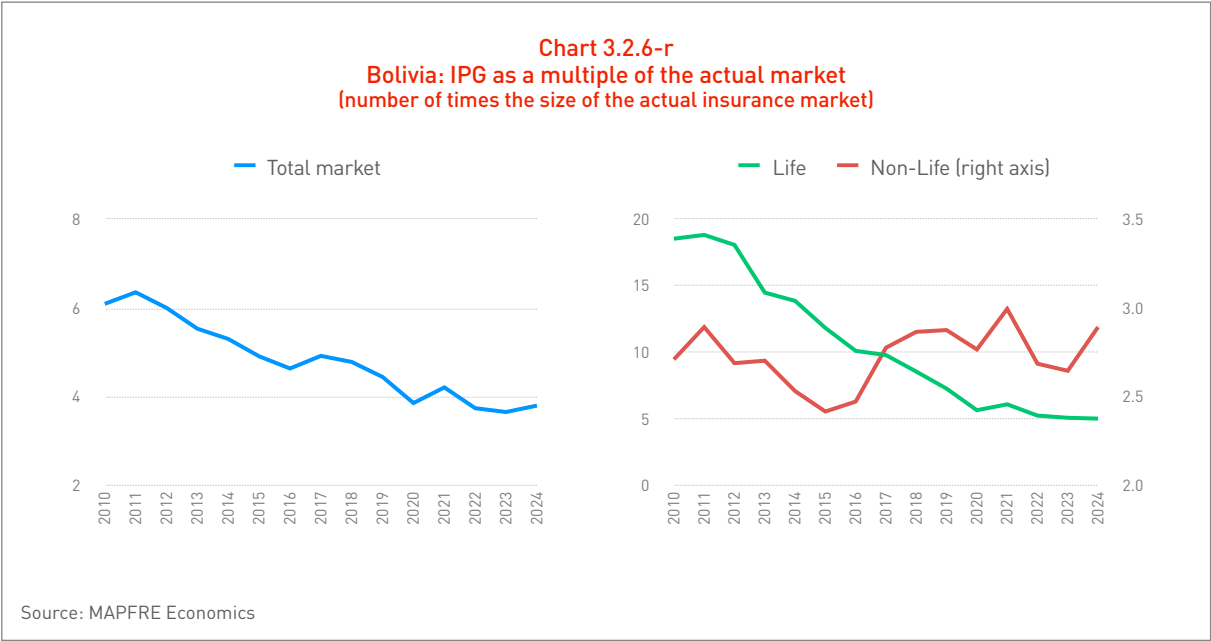
Lastly, with regard to depth (Life insurance premiums in relation to total premiums), the indicator for 2024 stood at 42.5%, up 21.1 pp from 2010. In this case, the Bolivian insurance market has shown a growing trend toward deepening over the period analyzed, experiencing a convergent trend

Chart 3.2.6-p shows the estimated protection gap for the Bolivian insurance market over the 2010–2024 period. According to this analysis, in 2024, the IPG stood at 20.7 billion bolivianos (3 billion dollars), equivalent to 3.8 times the actual insurance market in that country at the end of that year. As in other Latin American

Chart 3.2.6-q
Bolivia: Insurance Protection Gap and potential market
 (millions of bolivianos)



Source: MAPFRE Economics



insurance markets, Life insurance has clearly dominated the structure and evolution of the protection gap over the last fourteen years. As such, 65.0% of the IPG in 2010 related to Life insurance, which amounted to 6.3 billion bolivianos. By 2024, this percentage had fallen to 56.3% (11.7 billion bolivianos). Consequently, the

potential insurance market in Bolivia in 2024 (the sum of the actual insurance market and the IPG) was estimated at 26.2 billion bolivianos, or 4.8 times the total insurance market in that year (see Chart 3.2.6-q).

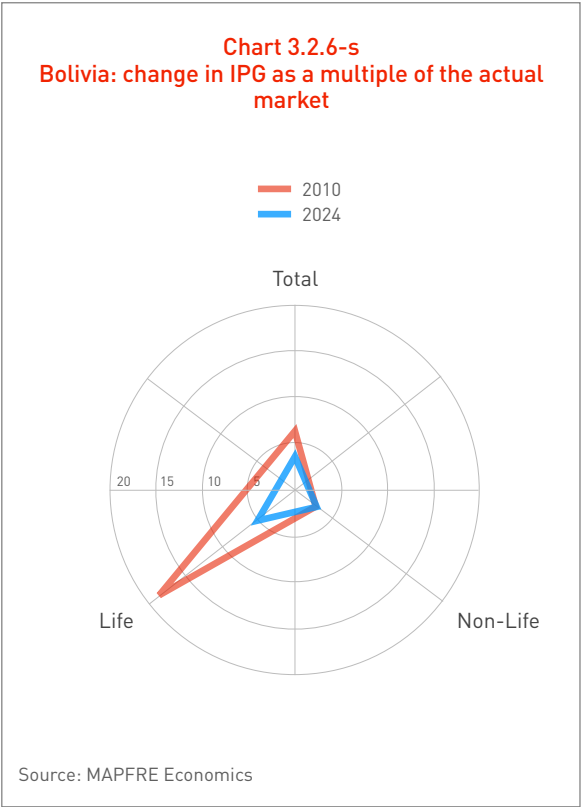
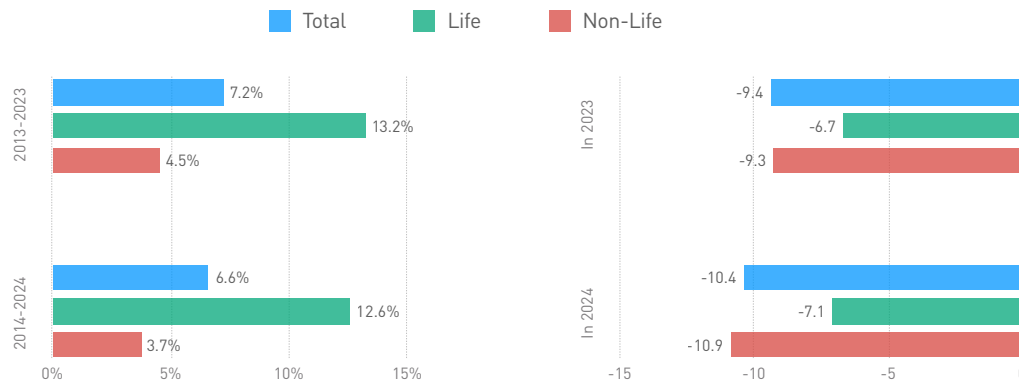


Chart 3.2.6-r illustrates the estimated IPG as a multiple of the actual market in each year of the period analyzed, as an indicator of the trend the protection gap has been following. In the case of the Bolivian market, the protection gap, measured as a multiple of the actual market, began to decline significantly in 2010, falling from 6.1 to 3.8 times in 2024. However, in the Non-Life insurance segment, the trend remains virtually unchanged, rising from 2.7 in 2010 to 2.9 times in 2024. Finally, in the Life insurance segment, the IPG as a multiple of the real market shows a downward trend between 2010 and 2024, falling from 18.5 to 5.0 times over that period, although there has been no progress in recent years. Chart 3.2.6-s summarizes this analysis by showing the evolution of the protection gap as a multiple of the actual market for the Life, Non-Life, and total Bolivian insurance market segments in 2010 and 2024. As can be seen, during this period the situation improved solely with respect to the Life segment.

Chart 3.2.6-t
Bolivia: capacity to close the IPG
 (average annual growth rate, %; sufficiency or insufficiency, pp)

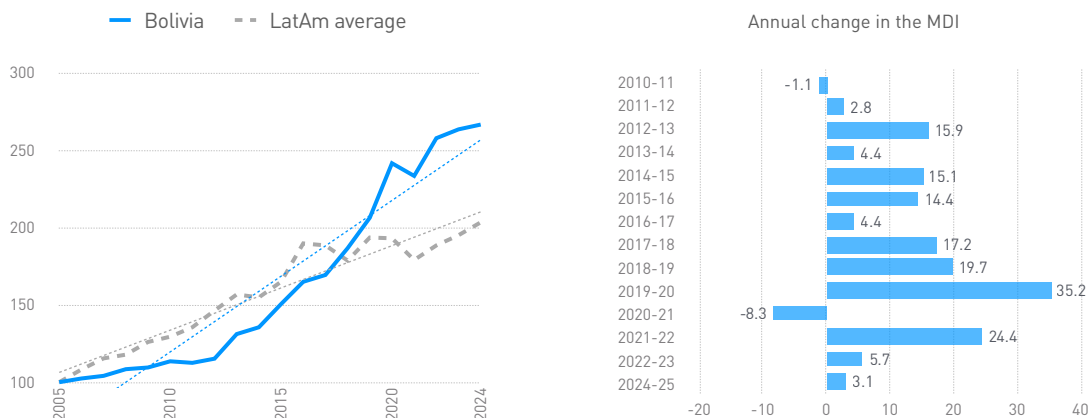


Source: MAPFRE Economics

Finally, Chart 3.2.6-t shows the assessment of the Bolivian insurance market's capacity to close the IPG identified for 2024, using a comparative analysis of the growth rates observed in that market over the last ten years and the growth rates that would be necessary to close the protection gap. During 2014–2024, Bolivia's insurance market grew at an average annual rate of 6.6%, comprised of an average rate of 12.6% for the Life segment and 3.7% for the Non-Life segment. Thus, were the same growth

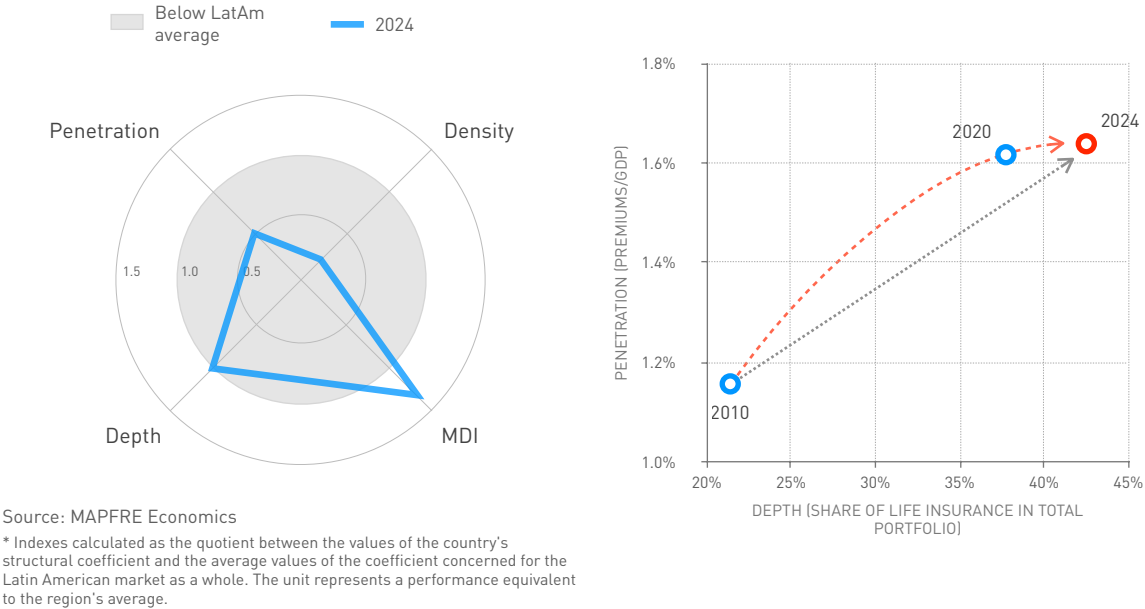
pattern to continue over the next ten years, the Bolivian market as a whole would fall 10.4 pp short of the amount needed to bridge the IPG calculated for 2024. The same would apply to both the Life insurance segment (short by 7.1 pp) and the Non-Life segment (short by 10.9 pp). This means that in order to close the estimated protection gap for 2024, the Bolivian insurance market would require annual growth rates of 17.0% for the total market, and 19.7% and 14.6% for the Life and Non-Life segments, respectively.

Chart 3.2.6-u
Bolivia: Market Development Index (MDI)
 (2005 index=100; annual change)



Source: MAPFRE Economics

Chart 3.2.6-v
Bolivia: comparative structural coefficient index* vs. average for Latin America (2024) and medium-term changes in the insurance market (2010–2024)



Market Development Index (MDI)

Chart 3.2.6-u shows an update of the estimate of the Market Development Index (MDI) for the Bolivian insurance industry. This indicator aims to summarize the

trend in the development and maturity of insurance markets and, in the case of the Bolivian insurance industry, shows a positive trend throughout 2005–2020, followed by a decline in 2021 and a subsequent recovery.

Chart 3.2.6-w
Bolivia: insurance industry concentration
(Herfindahl index; CR5 index, %)

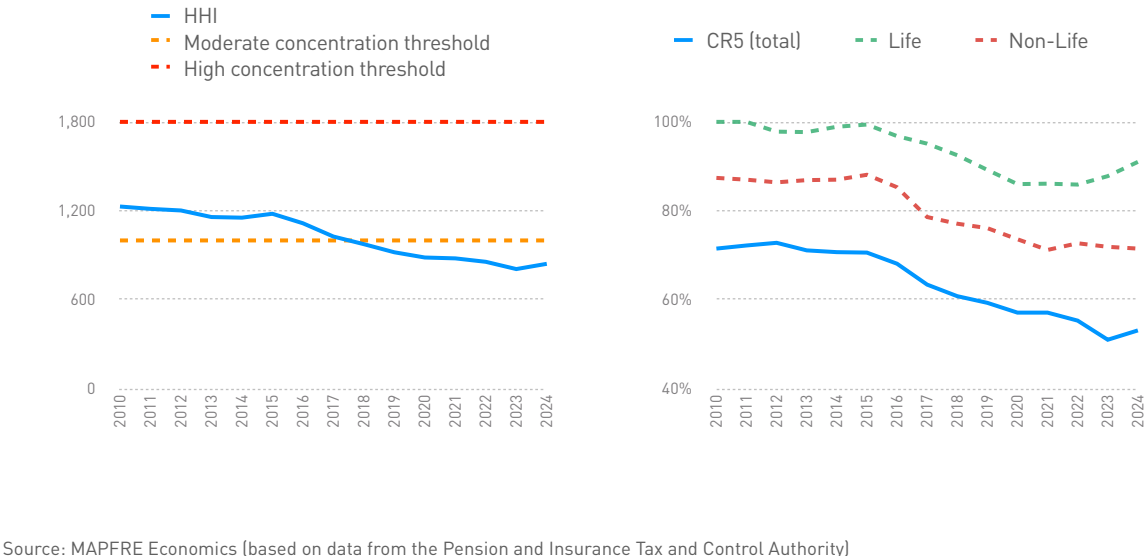
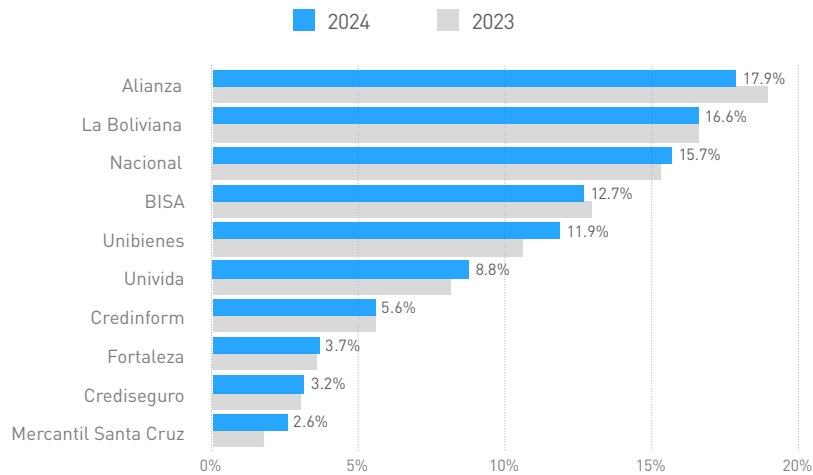


Chart 3.2.6-x
Bolivia: overall ranking
(market shares, %)



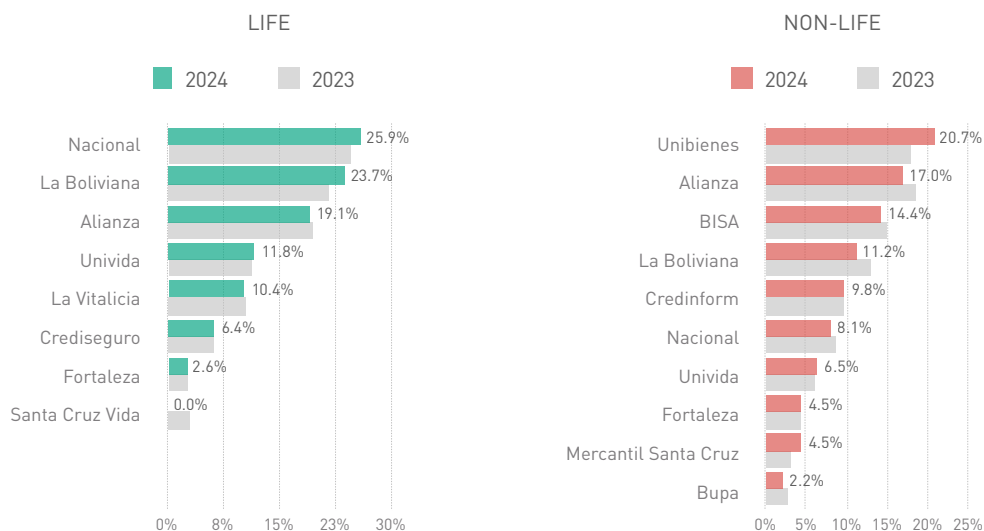
Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

Comparative analysis of structural coefficients

Chart 3.2.6-v shows the position of the Bolivian insurance market compared to the Latin American average, from the perspective of the structural coefficients

analyzed in this report. According to this analysis, both the market development index and market depth are at levels above or equal to the regional average. However, penetration and density rates are below the regional average, especially in terms of density levels (premiums per capita).

Chart 3.2.6-y
Bolivia: Life and Non-Life ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

Meanwhile, the dispersion analysis confirms that, throughout 2010–2024, Bolivia's insurance industry has shown balanced development, characterized by improvements in both penetration levels (quantitative dimension of market development) and depth levels (qualitative dimension).

Insurance market rankings

In 2024, 20 insurance companies operated in the Bolivian insurance market—one more than in 2023. Of these, eight operated exclusively in the Personal Insurance sector, ten in Property & Casualty and Surety Insurance, and the remaining two in Prepaid Health Insurance. Given this industry structure, market concentration in Bolivia has shown a declining trend over the 2010–2024 period, particularly from 2016 onward. In 2018, the Herfindahl index crossed below the threshold indicating moderate concentration, a situation that has persisted through 2024. Similarly, the top five individual insurers together accounted for 53.1% of total premiums in 2024, an increase of 2.0 pp compared with the previous year (see Chart 3.2.6-w).

Total ranking

The overall ranking in 2024 was led, once again, by Alianza, with a market share of 17.9%. La Boliviana follows with 16.6%, and Nacional with 15.7%, leaving BISA in fourth place, with a market share of 12.7% in 2024. All groups maintain the same positions as last year, with Mercantil Santa Cruz closing the ranking with a market share of 2.6% (see Chart 3.2.6-x).

Life and Non-Life rankings

Unibienes climbs one spot to top the 2024 Non-Life Ranking, with a market share of 20.7%, pushing Alianza (17.0%) into second place and BISA into third place, with a share of 14.4%. Meanwhile, Nacional still tops the Life ranking in 2024, with a 25.9% share of market premiums, followed by La Boliviana with 23.7% and Alianza with a market share

of 19.1%. Fortaleza and Santa Cruz Vida swap positions (see Chart 3.2.6-y).

Key regulatory aspects

In terms of regulations relating to the operation of the Bolivian insurance industry, the most relevant regulations issued in 2024 and so far in 2025 are detailed below:

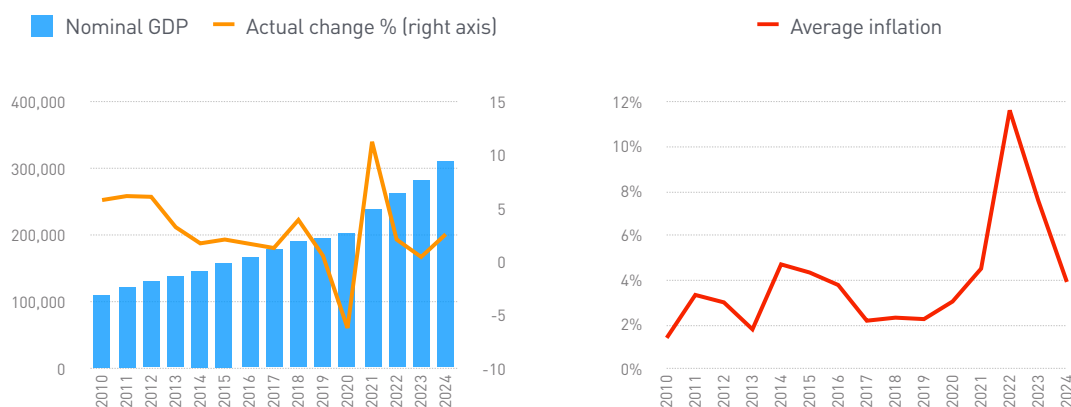
- Resolution APS/DJ/No. 1621/2023, which authorizes Univida S.A. as the managing entity of the Compulsory Accident Insurance for Construction Workers (SOATC) for the 2024–2026 period.
- Amendment to the “Insurance Agents Regulations” (January–April 2024), which requires annual revalidation of agent registration and facilitates changes of insurer by agents.
- Administrative Resolution APS/DJ/DS No. 1785/2024, authorizing the merger by absorption of Bupa Insurance (Bolivia) S.A. into Bisa Seguros y Reaseguros S.A., revoking Bupa's previous authorization.
- Circular APS/DS/38-2025, which establishes obligations for insurers to supervise reinsurers and international brokers.
- Reform of the insurance sector's “Sanctions Regulations” (2024), updating the offenses and violations punishable by sanctions against entities and executives in accordance with the recommendations of the Financial Action Task Force of Latin America (GAFILAT).

3.2.7 Chile

Macroeconomic environment

In 2024, the Chilean economy grew by 2.6%, accelerating the pace of expansion compared to the previous year (0.3% in 2023). This economic acceleration was mainly due to the increase in mining exports

Chart 3.2.7-a
Chile: changes in economic growth and inflation
 (GDP in local currency, billions of pesos; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

(9.5%), especially copper and lithium, since, while private consumption expanded, it did so marginally (1.0%) following the decline in the previous year. Meanwhile, investment in gross capital formation fell 1.4%, while government spending rose 3.5%. Marginal growth in domestic demand was reflected in

the unchanged value of imports compared to the previous year, which, given the higher flow of exports, partly explains the lower current account deficit (which fell from 3.5% in 2023 to 1.5% in 2024) (see Chart 3.2.7-a). In the public sector, the deficit was equivalent to -2.9% of GDP in 2024 (-2.4% in

Table 3.2.7
Chile: premium volume¹ by line, 2024

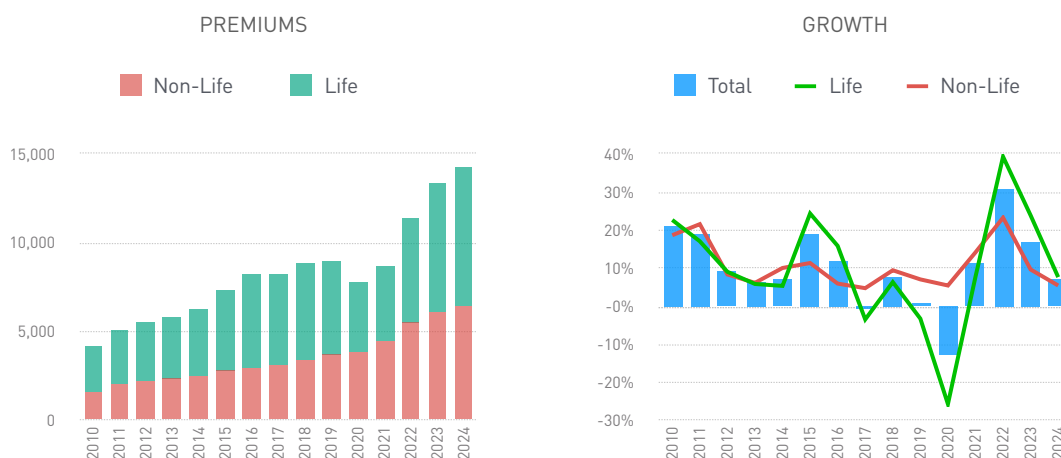
Line of business	Billions of pesos	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	14,226.6	15,066.3	6.7	2.6
Life	7,801.9	8,262.3	7.7	3.6
Individual life	801.7	849.0	15.9	11.6
Group life	1,033.4	1,094.4	7.8	3.8
Pension insurance	5,966.8	6,319.0	6.6	2.6
Non-Life	6,424.8	6,804.0	5.5	1.5
Fire and allied lines	2,183.7	2,312.6	2.8	-1.1
Automobiles	1,339.6	1,418.7	-1.5	-5.2
Other lines	701.6	743.0	12.5	8.3
Health	1,097.1	1,161.9	13.7	9.4
Personal accidents ²	377.3	399.5	8.3	4.2
Transport	240.5	254.7	0.4	-3.4
Third-party liability	244.0	258.5	7.4	3.3
Credit and/or surety	240.9	255.1	18.6	14.1

Source: MAPFRE Economics (based on data from the Chilean Insurance Association)

1/ Direct premiums

2/ Includes Seguro Obligatorio de Accidentes Personales (SOAP — Compulsory Personal Accident Insurance)

Chart 3.2.7-b
Chile: growth developments in the insurance market
 (premiums, billions of pesos; annual nominal growth rates, %)



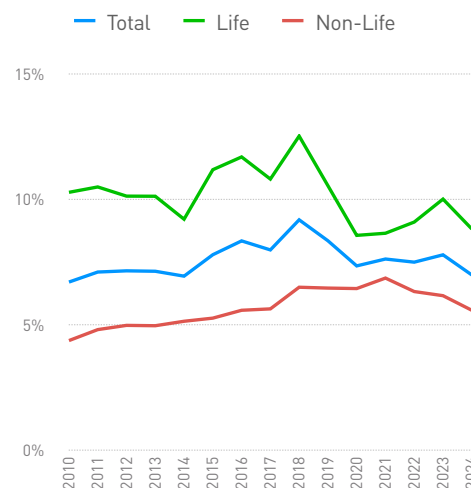
Source: MAPFRE Economics (based on data from the Chilean Insurance Association)

2023), due to lower tax revenues and an adjustment in spending that was not enough to offset this decline, with gross debt standing at 42.3% of GDP (2.6 percentage points higher than the previous year), driven by a larger-than-expected fiscal deficit. Meanwhile, average inflation in 2024 stood at 3.9% (7.6% in 2023), showing a clear downward trend. In this context, monetary policy still has ample wiggle room, as interest rates, which stood at 8.25% (since December 2023), have been gradually reduced to 5.00% throughout 2024.

ECLAC estimates that Chile's GDP will grow by 2.4% in 2025 (2.2% in 2026). The main contributing factors include an improvement in private consumption relative to 2024—driven by lower inflation—and a return to growth in investment as more public infrastructure projects are executed, particularly in the energy and mining sectors. Exports, however, are expected to decelerate compared to the previous year due to stable copper prices and ongoing uncertainty surrounding external demand amid geopolitical conflicts. Meanwhile, MAPFRE Economics forecasts that Chilean

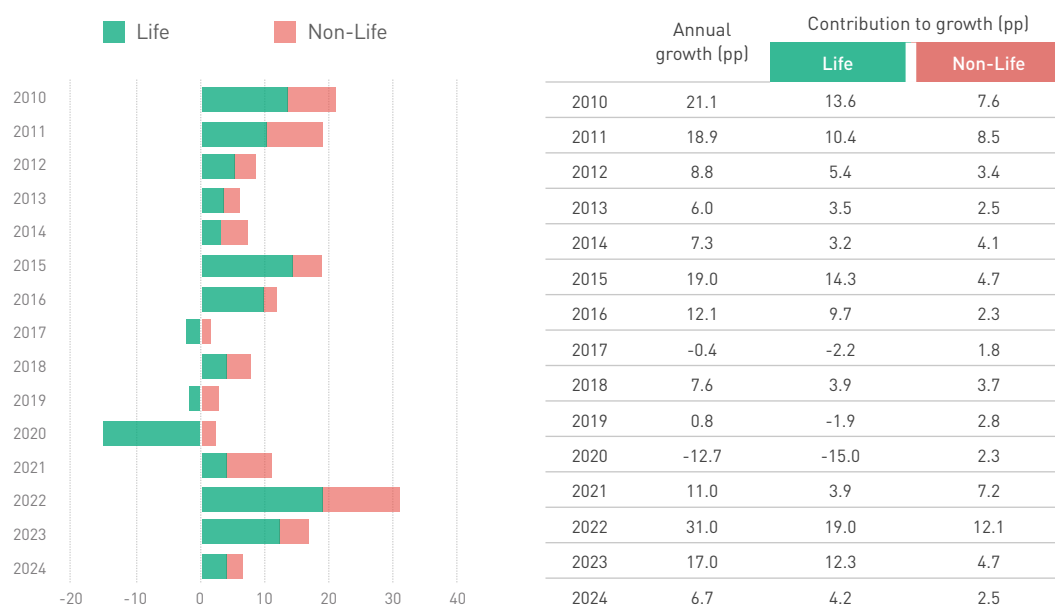
GDP will grow by around 2.2% in 2025 and 2.3% in 2026.

Chart 3.2.7-c
Chile: share of insurance premiums in Latin America (%)



Source: MAPFRE Economics (based on data from the Insurers' Association of Chile and supervisory bodies of the region)

Chart 3.2.7-d
Chile: contribution to insurance market growth
 (percentage points, pp)



Source: MAPFRE Economics (based on data from the Chilean Insurance Association)

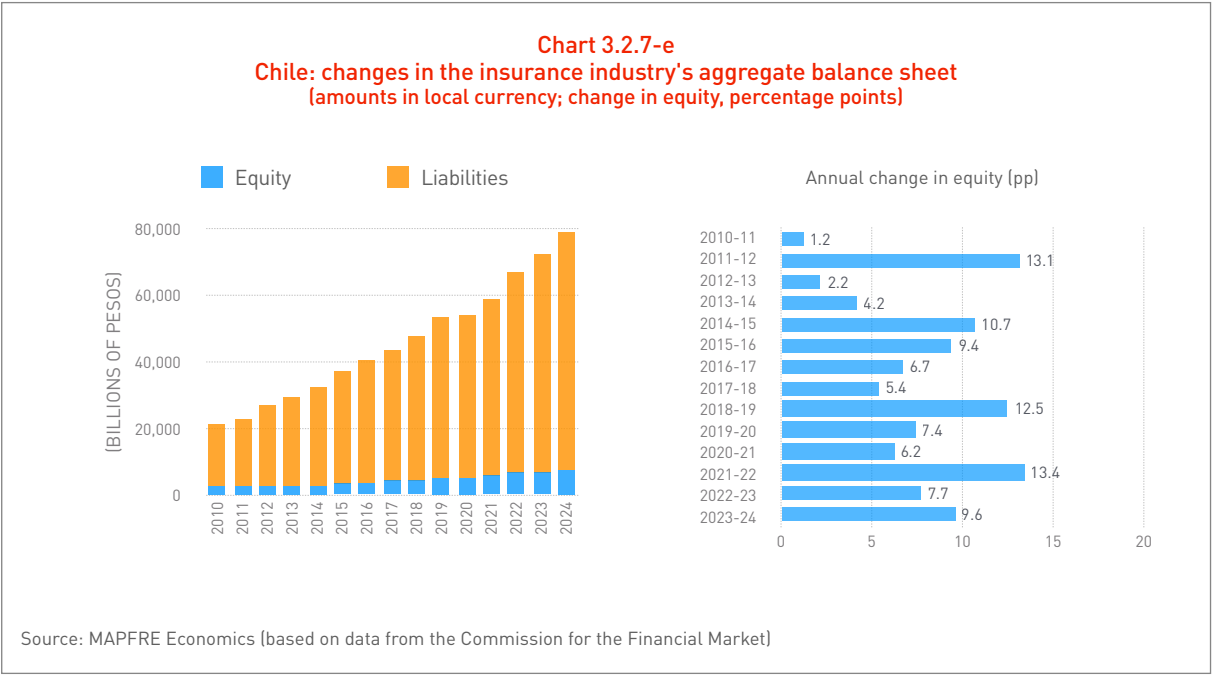
Insurance market

Growth

The Chilean insurance industry performed well in 2024, although growth moderated compared to the previous year. Premiums reached a volume of 14.2 trillion pesos (15.1 billion dollars), representing a nominal increase of 6.7% and a real increase of 2.6%. The greatest momentum came from the Life insurance segment, with 7.7% nominal growth and 3.6% real growth, but the Non-Life segment also made a very positive contribution, recording a nominal increase of 5.5% (see Table 3.2.7 and Chart 3.2.7-b). Total Life insurance sales amounted to 7.8 trillion pesos (8.3 billion dollars), with a notable increase of 15.9% in individual Life insurance and 8.6% in annuities, which represent 53.6% of the Life segment. Non-Life insurance, meanwhile, posted 6.4 trillion pesos in premium income (6.8 billion dollars), representing a nominal increase of 5.5% and a real increase of 1.5%.

The positive contribution of two of the main lines, Fire and Allied Lines (with nominal growth of 2.8%) and Health (13.7%), offset the decline in Automobile premiums (-1.5%). Credit and Surety insurance (18.6%), Other Lines (12.5%), and Personal Accident insurance (8.3%) also performed well.

As noted in previous reports, the Chilean insurance market is one of the most developed in Latin America. In 2024, it accounted for 7.0% of premiums in the region, 0.8 percentage points (pp) less than the previous year. In the period from 2010 to 2024, the highest share was recorded in 2018, with 9.2% of premiums in the region, with some declines in subsequent years. In the Life business, the market share decreased from 10.3% in 2010 to 8.8% in 2024 after reaching its highest point in 2018, with 12.5% of premiums. Meanwhile, its Non-Life market share generally followed an upward trend, going from 4.4% in 2010 to 5.6% in 2024 (see Chart 3.2.7-c). In 2024, the



Life segment lost 1.2 pp of its share of regional premiums, while the Non-Life segment lost 0.6 pp.

With respect to the contributions to growth in 2024, the Life segment contributed 4.2 pp to the Chilean insurance industry's 6.7% expansion that year, while the Non-Life

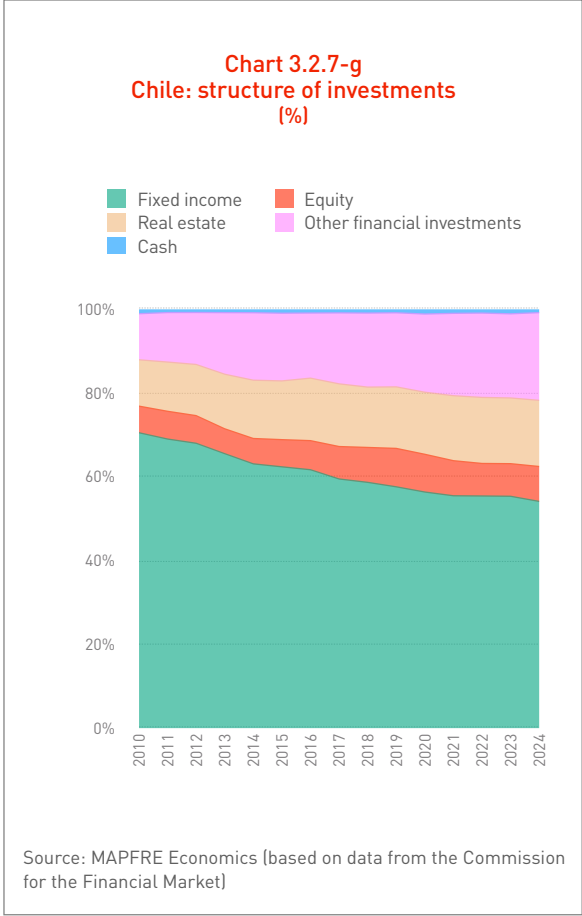
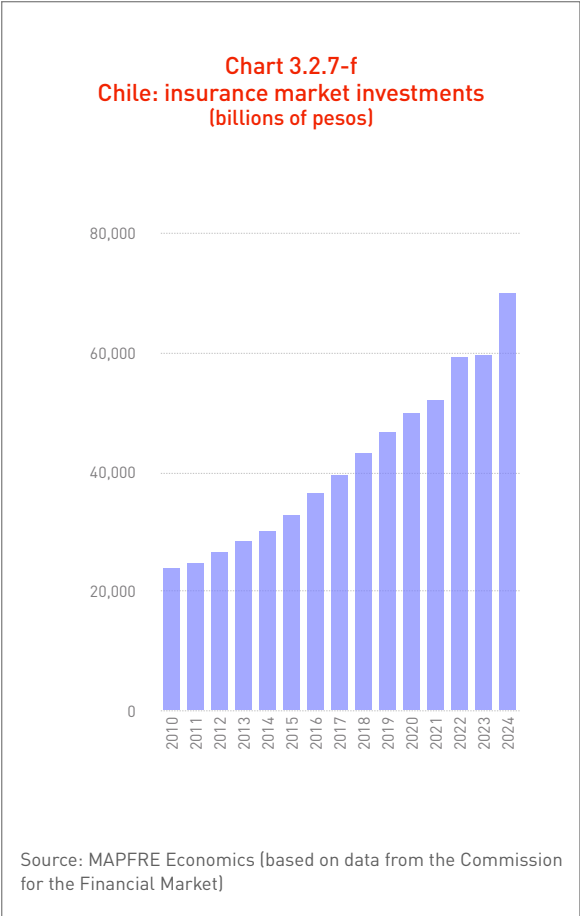
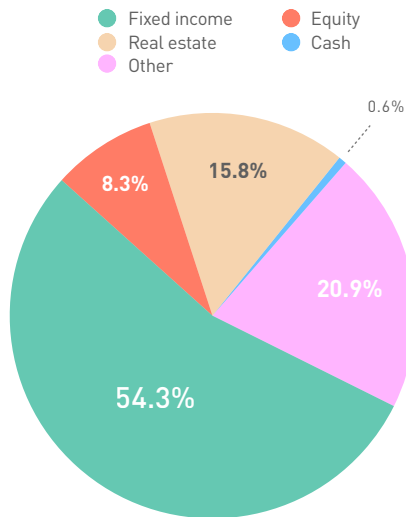


Chart 3.2.7-h
Chile: structure of investments, 2024
(%)



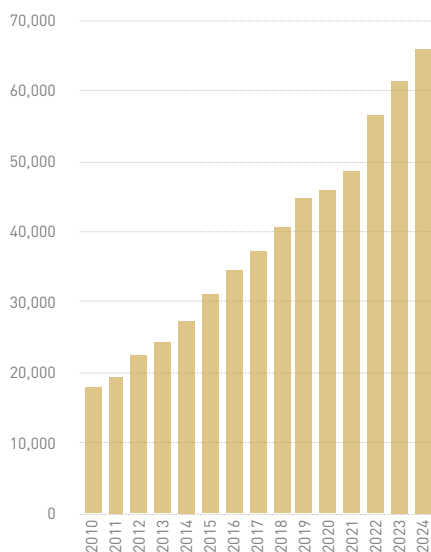
Source: MAPFRE Economics (based on data from the Commission for the Financial Market)

segment contributed 2.5 pp (see Chart 3.2.7-d). It should be noted that, except for 2017, 2019, and 2020, when the Life insurance segment made negative contributions, during the rest of the period analyzed (2010–2024), both segments (Life and Non-Life) contributed positively to the growth of insurance activity in Chile.

Balance sheet and shareholders' equity

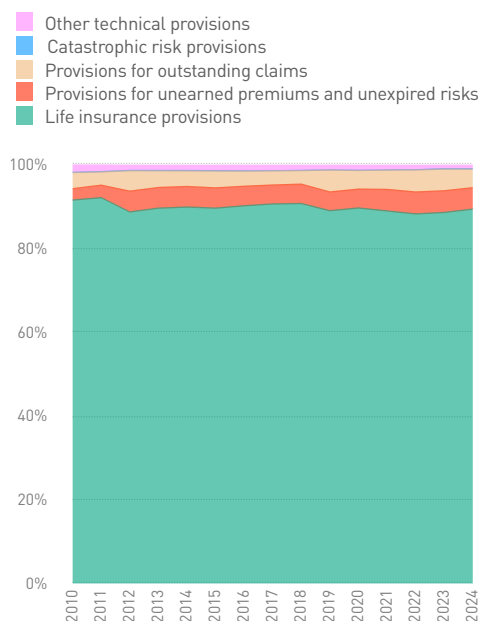
Chart 3.2.7-e summarizes the aggregate balance sheet at sector level for the Chilean insurance industry between 2010 and 2024. Thus, at the end of 2024, the sector's total assets reached 78.9 trillion pesos (79.3 billion dollars), while net equity stood at 7.8 trillion pesos (7.9 billion dollars), representing 9.6% growth compared to 2023. It should be noted that the level of capitalization of the Chilean insurance sector increased steadily in absolute terms over the period analyzed, although, in relative terms, the capitalization ratio (capital over

Chart 3.2.7-i
Chile: technical provisions of the insurance market
(billions of pesos)



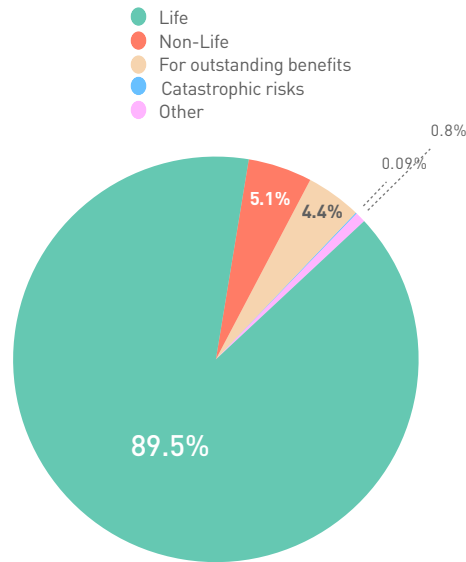
Source: MAPFRE Economics (based on data from the Commission for the Financial Market)

Chart 3.2.7-j
Chile: structure of technical provisions
(%)



Source: MAPFRE Economics (based on data from the Commission for the Financial Market)

Chart 3.2.7-k
Chile: structure of technical provisions, 2024.
[%]



Source: MAPFRE Economics (based on data from the Commission for the Financial Market)

total assets) decreased from 12.9% in 2010 to 9.9% in 2024.

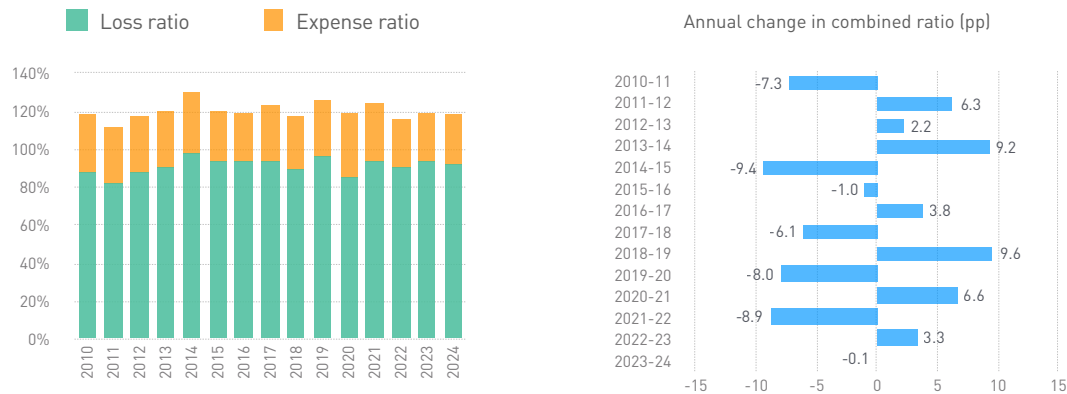
Investments

Charts 3.2.7-f, 3.2.7-g and 3.2.7-h show the performance and composition of the aggregate investment portfolio at sector level for the Chilean insurance industry between 2010 and 2024. According to this information, in 2024, total investments in the sector reached 69.9 trillion pesos (70.2 billion dollars), with 54.3% concentrated in fixed income, while equity instruments accounted for 8.3%. Investments in fixed income instruments lost relative weight in total investments of the Chilean insurance industry over the period analyzed, dropping from 70.7% in 2010 to 54.3% in 2024. By contrast, the weight of real estate investment and other types of financial investments grew during the period, climbing in each case from 11.1% and 11.0% of the portfolio in 2010 to 15.8% and 20.9% respectively in 2024.

Technical provisions

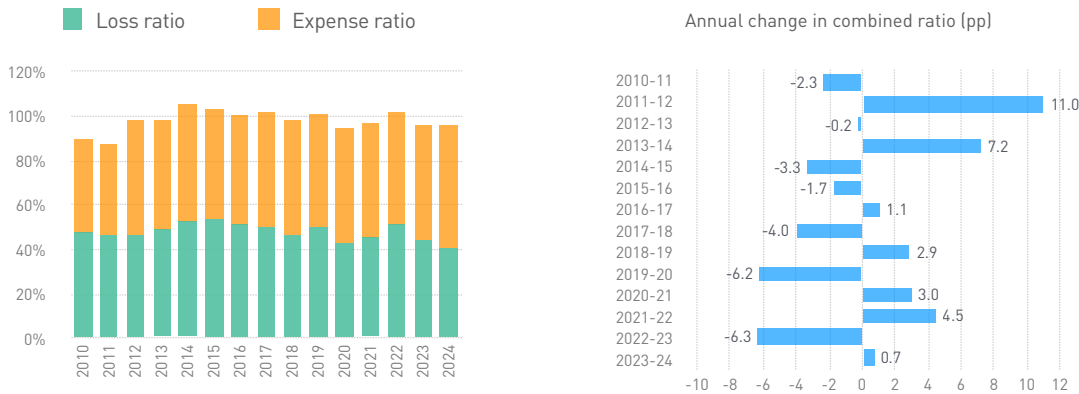
Charts 3.2.7-i, 3.2.7-j, and 3.2.7-k show the relative composition and performance of the Chilean insurance industry's technical provisions over the period analyzed (2010–2024) According to this data, in 2024, technical provisions stood at 66.1 trillion

Chart 3.2.7-l
Chile: changes in market technical performance
(total combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the Chilean Insurance Association)

Chart 3.2.7-m
Chile: changes in Non-Life market technical performance
 (combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the Chilean Insurance Association)

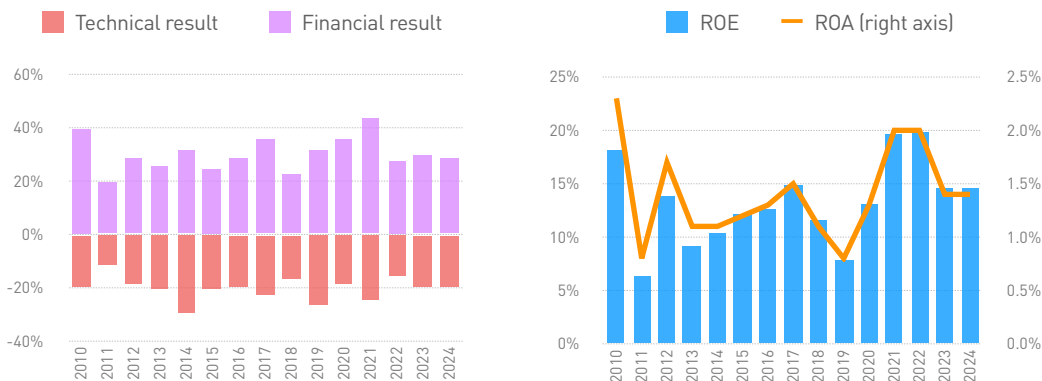
pesos (66.4 billion dollars); Life insurance provisions accounted for 89.5% of the total, provisions for unearned premiums and unexpired risks in Non-Life insurance accounted for 5.1%, provisions for outstanding claims accounted for 4.4%, provisions for catastrophic risks accounted for 0.09%, and other technical provisions accounted for the remaining 0.8%. Throughout the analyzed period, a fairly stable structure is observed, with a

significant weight corresponding to technical provisions linked to Life insurance and particularly Life annuities associated with the country's pension system.

Technical performance

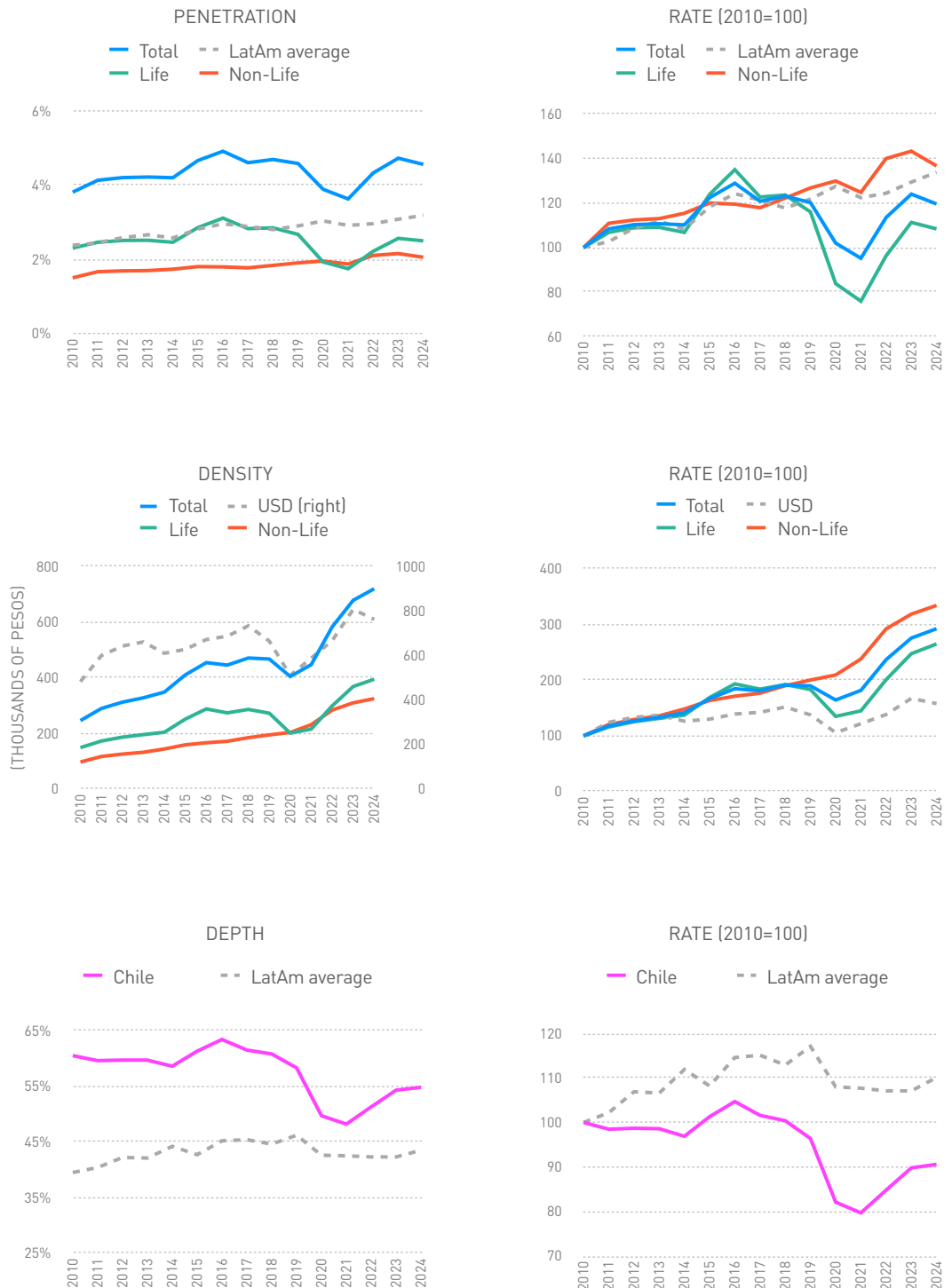
The total combined ratio for the Chilean insurance industry in 2024 remained virtually unchanged from 2023, standing at

Chart 3.2.7-n
Chile: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Commission for the Financial Market)

Chart 3.2.7-o
Chile: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, pesos and USD; Life premiums/total premiums, %; 2010 index=100)



Source: MAPFRE Economics (based on data from the Commission for the Financial Market and the Chilean Insurance Association)

119.1% (119.2% in 2023). This ratio reflects a loss ratio 1.4 percentage points lower than the previous year and a 1.3-pp increase in the expense ratio (see Chart 3.2.7-l). In the Non-Life segment, despite a slight deterioration (+0.7 pp versus 2023), the combined ratio remained below the 100% threshold, reaching 96.5%. This was the result of a 4.0-pp decrease in the loss ratio, which more than offset the 4.6-pp rise in the expense ratio (see Chart 3.2.7-m).

Results and profitability

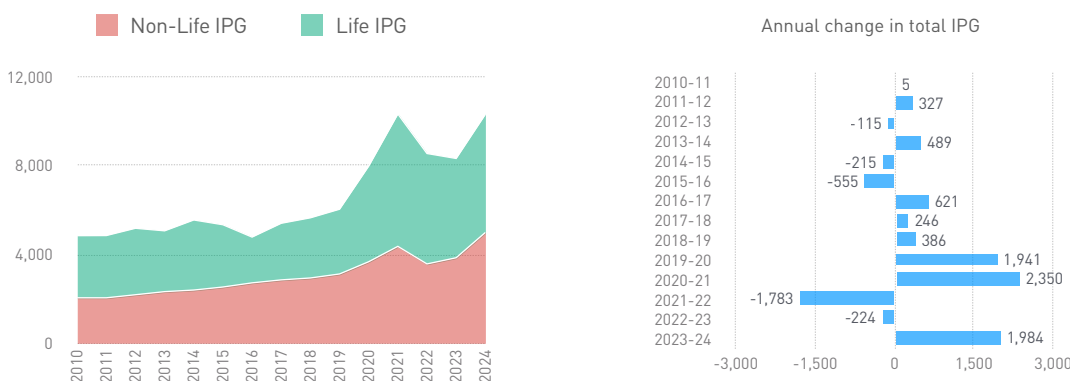
In terms of the Chilean insurance sector's results in 2024, the slight deterioration in the technical result mentioned above was offset by an improvement in the financial result, leading to a net result of 1.1 trillion pesos (1.2 billion dollars), 7.5% higher than in 2023. As shown in Chart 3.2.7-n, a positive net result was achieved by the Chilean insurance industry over nearly the entire period under analysis, a product of financial results that were able to offset the negative technical results. Accordingly, return on equity (ROE) stood at 14.5% in 2024, down from 14.7% the previous year. Likewise, return on assets (ROA) stood at 1.4%, the same as the previous year.

Insurance penetration, density, and depth

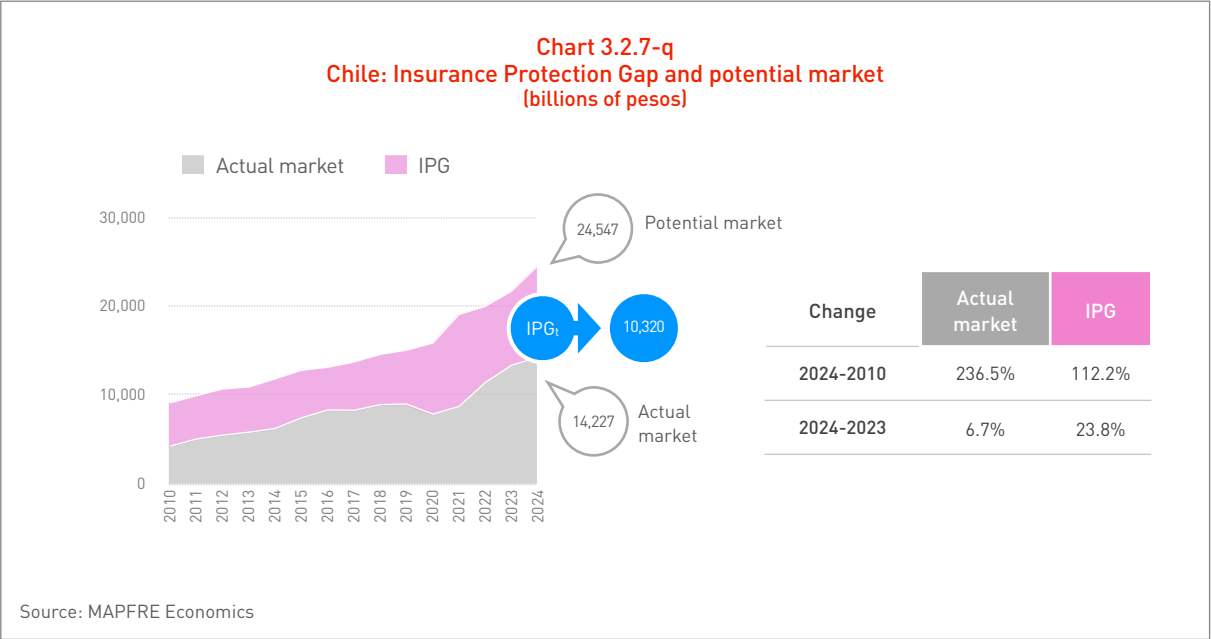
Chart 3.2.7-o shows the main structural trends that shaped the Chilean insurance industry over the past decade. First, Chile's penetration rate (premiums/GDP) remains the second highest in Latin America, above the regional average; in 2024, the rate reached 4.6%, slightly below the previous year's 4.7%. As the above chart confirms, the penetration rate in the Chilean market showed an upward trend from 2010 to 2016, reverting from 2017 onwards due to the loss of momentum in the performance of the Life insurance segment, and more specifically of annuities, to return to the growth path in 2022 and once again exceed 4%.

Meanwhile, the density index (premiums per capita) continues on the upward trend that began in 2021, reaching 719,797 pesos (762.3 dollars) in 2024, 6.1% above the value recorded the previous year. Insurance density in the Chilean market (measured in local currency) shows an upward long-term trend from 2010 to 2018, with declines in 2017, 2019, and 2020, and renewed growth over the past four years. It should be noted that the high level of density in the Chilean market is largely due to the participation of the private insurance sector in the pension system through the provision of annuities,

Chart 3.2.7-p
Chile: Insurance Protection Gap
(billions of pesos)



Source: MAPFRE Economics



which have regained momentum in recent years. Finally, penetration (Life insurance premiums as a percentage of total premiums) rose 0.5 pp in 2024 to 54.8%, above the average for Latin American insurance markets. However, it should be noted that this indicator is still below the level achieved in 2010 (60.5%).

Estimation of the Insurance Protection Gap

Chart 3.2.7-p shows the estimated protection gap for the Chilean insurance

market for the 2010–2024 period. The gap in 2024 stood at 10.3 trillion pesos (10.9 billion dollars), an amount representing 0.7 times the actual insurance market in Chile at the end of that year. As shown in the aforementioned chart, the structure and evolution of the IPG during the period analyzed show a more balanced contribution from Life and Non-Life insurance than in other markets in the region. Thus, at the close of 2024, 51.5% of the IPG related to Life insurance (5.3 trillion pesos), while the Non-Life insurance segment accounted for

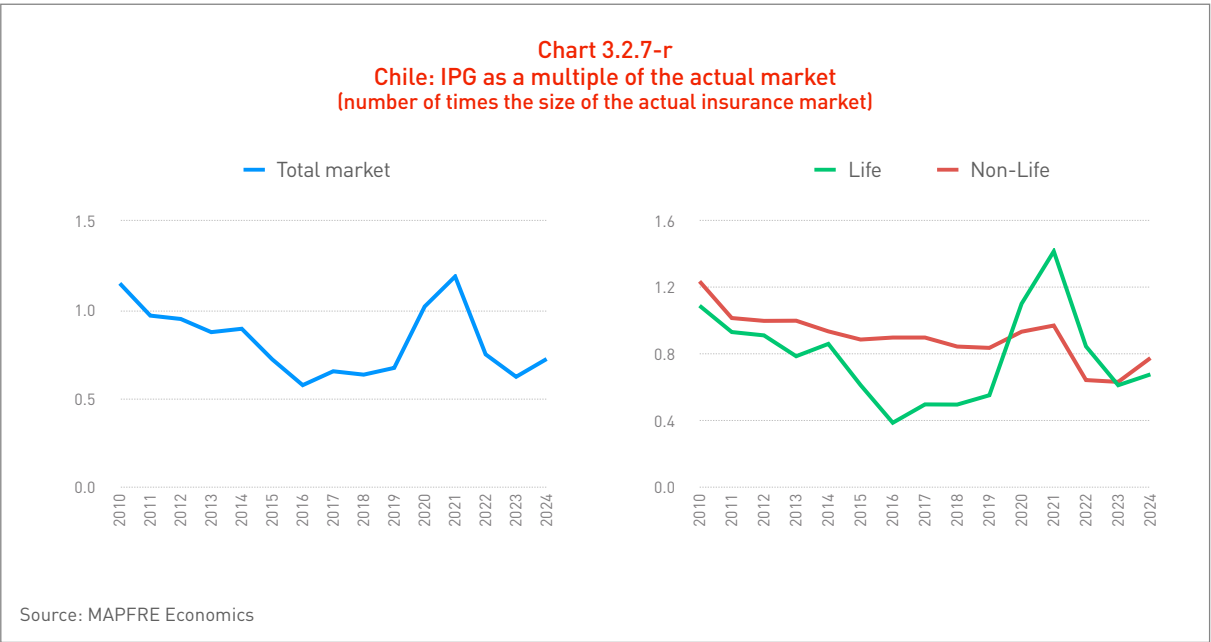
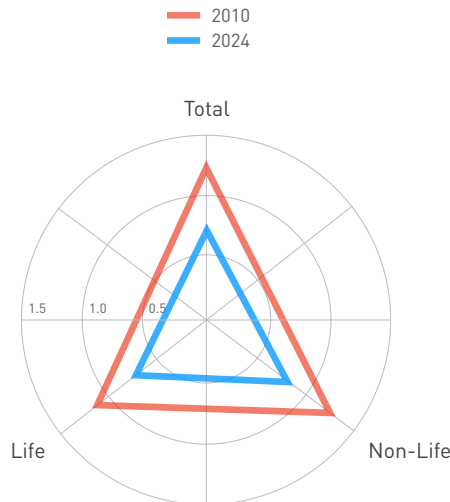


Chart 3.2.7-s
Chile: change in IPG as a multiple of the actual market

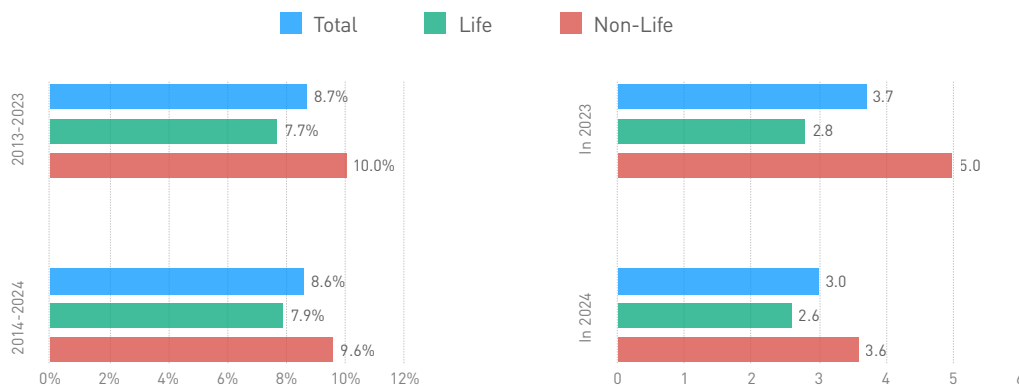


Source: MAPFRE Economics

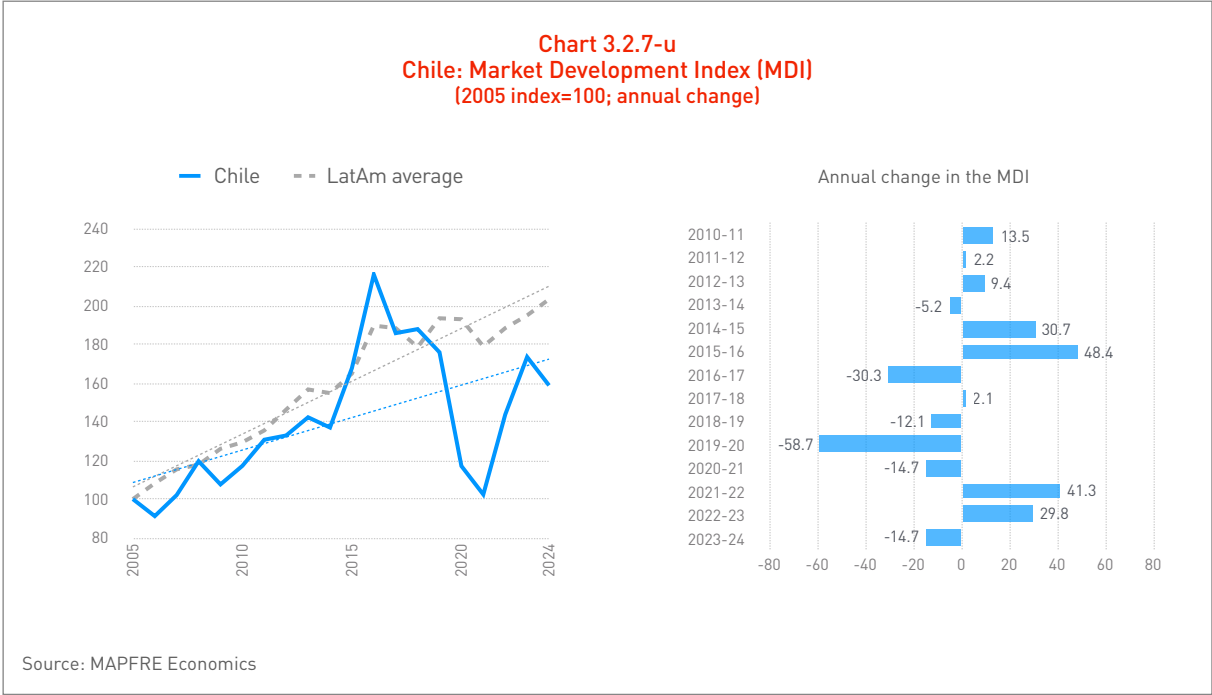
the remaining 48.5% of the gap (5.0 trillion pesos). Accordingly, Chart 3.2.7-q shows that the potential insurance market in Chile at the end of 2024 (measured as the sum of the actual market and the IPG) was estimated at 24.5 trillion pesos (30.0 billion dollars), representing 1.7 times the total insurance market in Chile that year.

Chart 3.2.7-r, meanwhile, illustrates the estimated protection gap as a multiple of the existing insurance market; this methodology is used in this report to analyze the trend in the IPG in the medium term. As this analysis shows, the gap, measured in relative terms, showed an upward trend between 2018 and 2021, which reversed in the following two years and has grown again in 2024. However, over the 2010–2024 period as a whole, the total protection gap, as a multiple of the actual market, fell from 1.2 to 0.7 times. For its part, the Life insurance multiple declined in 2015 and 2016, falling from 0.6 to 0.4 times, before increasing in the following years to reach 1.4 times the real market in 2021. It then decreased again in 2022 and 2023, settling at 0.6 times, and rose slightly in 2024 to 0.7 times. In the Non-Life segment, the indicator followed a declining trend until 2019, going from 1.2 times in 2010 to 0.8 times in 2019. It then increased slightly over the next two years before decreasing in 2022 and 2023, when it represented 0.8 times the size of the actual market. The medium-term trend toward a reduction of the protection gap in the Chilean insurance market is confirmed schematically in Figure 3.2.7-s, which shows the evolution of the protection gap as a multiple of the real market for the Life, Non-

Chart 3.2.7-t
Chile: capacity to close the IPG
(average annual growth rate, %; sufficiency or insufficiency, pp)

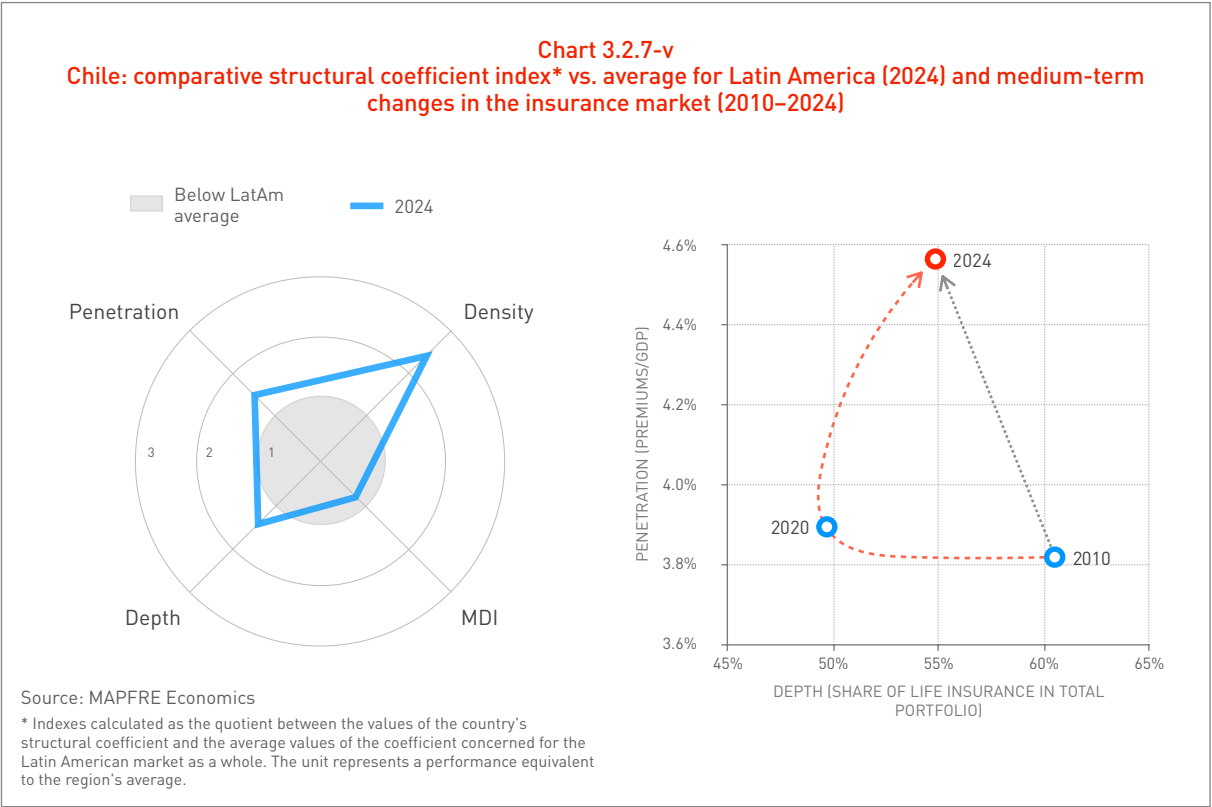


Source: MAPFRE Economics



Life, and total market segments in Chile, comparing the situation in 2024 with that of 2010. This analysis confirms that, despite fluctuations, over the last fourteen years the IPG has fallen in relative terms in both market segments.

Finally, to complement the analysis, Chart 3.2.7-t summarizes the assessment made regarding the Chilean insurance market's ability to close the protection gap determined in 2024, using a comparative analysis between the growth rates observed over the last ten years and the



growth rates that would be necessary to close the IPG determined in 2024 over the next decade. This confirms that the country's insurance market grew at an average annual rate of 8.6% between 2010 and 2024, while the Life and Non-Life segments grew at a rate of 7.9% and 9.6% respectively. Given the relative development of the Chilean insurance market, the analysis confirms that, if the same growth dynamics continue over the next ten years, the growth rate of the insurance market would be sufficient to close the protection gap identified in 2024 in both market segments.

Market Development Index (MDI)

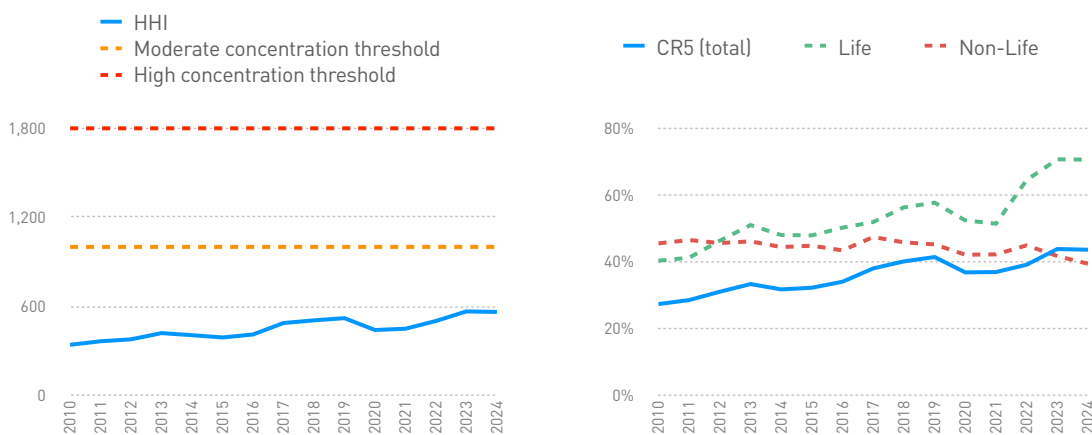
An updated estimation of the Market Development Index (MDI) for the Chilean insurance industry is shown in Chart 3.2.7-u. The MDI, an indicator used to measure the overall trend in the development and maturity of the insurance market, showed a clearly positive trend until 2016, when it began to fall. It did so abruptly in 2020, largely impacted by the downturn experienced in the Life insurance segment that year as a result of the economic

situation caused by the pandemic, the low interest rate environment, and the particular situation of the life annuity segment. However, as mentioned above, this trend has reversed since 2022, due to growth in both market segments, especially Life insurance, although there was a slight decline in 2024 compared to the previous year.

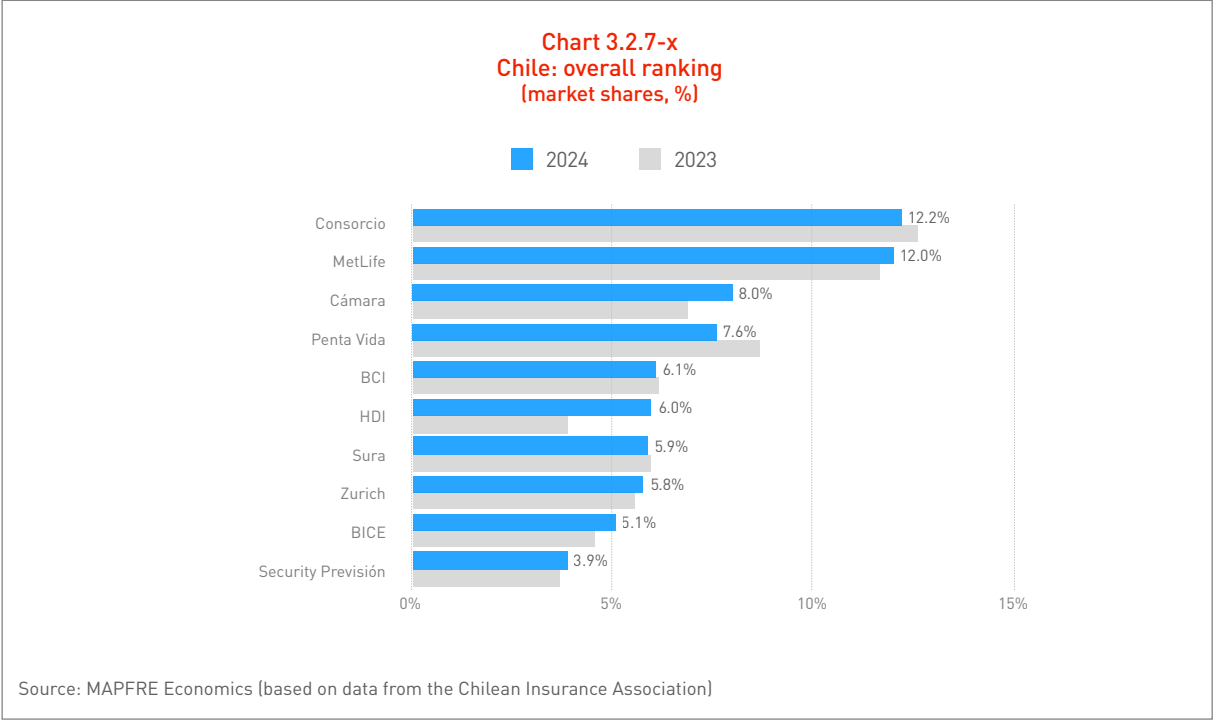
Comparative analysis of structural coefficients

Chart 3.2.7-v shows the situation of the Chilean insurance market compared to the Latin American average in terms of the four structural coefficients analyzed previously. This analysis confirms that, in general, the Chilean market remains above the Latin American average for all of them, except for the MDI, which has grown below the average for the region's insurance markets. The dispersion analysis, which seeks to identify trends in the development of the insurance industry over 2010–2024, confirms that the Chilean insurance industry has improved in quantitative terms (penetration levels), although with cumulative losses in qualitative terms

Chart 3.2.7-w
Chile: insurance industry concentration
(Herfindahl index; CR5 index, %)



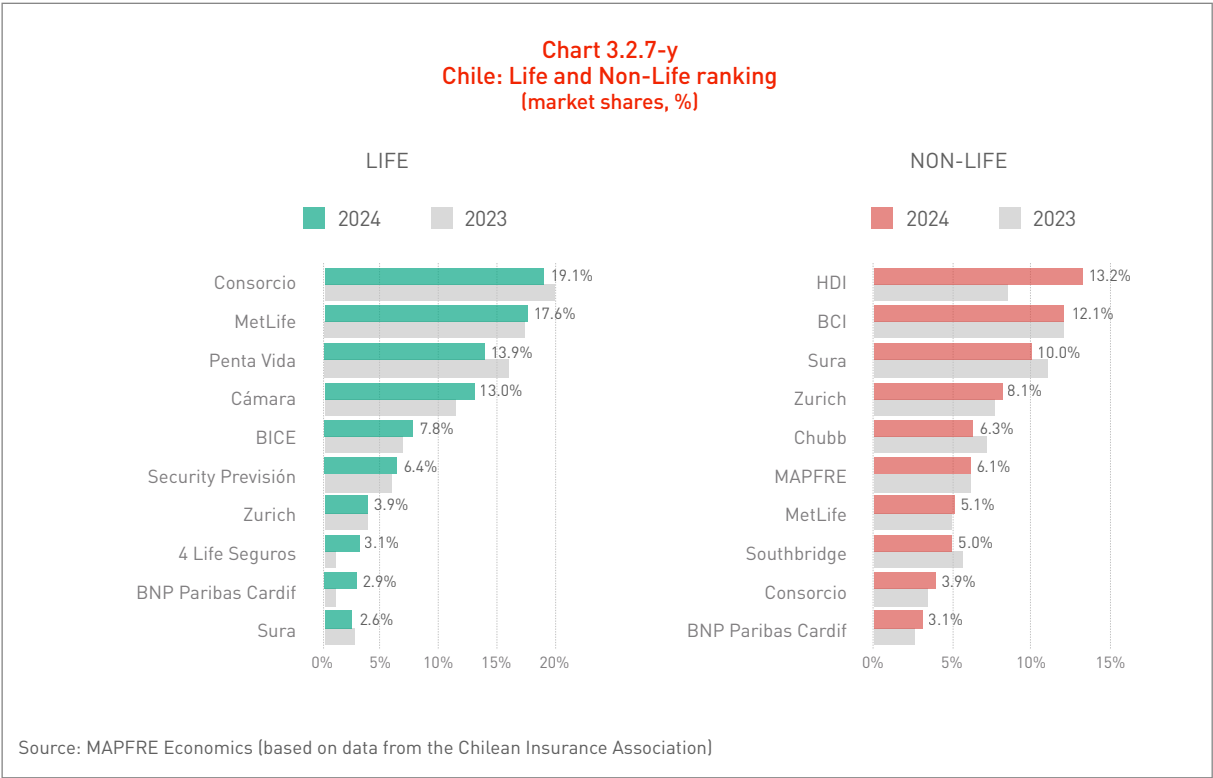
Source: MAPFRE Economics (based on data from the Chilean Insurance Association)



(depth levels). This trend has been particularly evident since 2017, due to the loss of momentum in the Life segment, although the recovery of the last two years has begun to bring the indicator closer to its 2010 level.

Insurance market rankings

There were 33 General P&C insurance companies and 34 Life insurance companies operating in the Chilean insurance market in 2024. Chart 3.2.7-w shows the concentration indicators for the sector over the period



analyzed (2010–2024). According to this information, the Herfindahl index indicates that this is a low-concentration industry, remaining below the theoretical threshold that marks moderate concentration, although with a slight upward trend over the last fifteen years, reaching 561.2 points. Meanwhile, the CR5 (the market share of the five largest insurance companies) confirms the slight upward trend throughout this period, mainly in the Life segment, which rises from 40.3% in 2010 to 70.6% in 2024.

Total ranking

Consorcio holds onto the top spot in the overall ranking of insurance groups in 2024, with a market share of 12.2%. It is followed by MetLife, which accounts for 12.0% of premiums, and Cámara Chilena de la Construcción, which moves up one place to third, displacing Penta to fourth place. HDI's rise of four positions in the ranking to sixth place is noteworthy, following the acquisition of Liberty and the entry of Security in place of Chubb (see Chart 3.2.7-x).

Life and Non-Life rankings

HDI ranks first in the Non-Life insurance segment in 2024, thanks to the incorporation of Liberty's premiums, reaching a market share of 13.2%. It is followed by BCI, which ranked first last year, accounting for 12.1% of premiums. MetLife's rise from ninth place in 2023 to seventh place is noteworthy among the movements of the other groups. Meanwhile, in the Life ranking, Consorcio remains at the top of the list with a 19.1% share, followed by MetLife and Penta Vida in second and third place, respectively. The rest of the ranking remains largely unchanged, with the exception of Sura entering in tenth place (see Chart 3.2.7-y).

Key regulatory aspects

The Financial Market Commission (CMF), which is the body that regulates and

supervises Chilean insurance activity, is currently migrating toward best international practices when it comes to the regulation of the insurance industry. A number of new regulations have been issued in recent years in this regard. Global markets saw significant gains in 2024, particularly in equities, while inflation continued to decline, approaching pre-pandemic levels. In light of the above, the CMF is currently analyzing and reviewing its Insurance Regulation Plan and making adjustments where required. Within this framework, Law No. 21,680 was enacted in July 2024, creating a consolidated debt registry with the aim of facilitating access to credit and lowering its cost, strengthening saver protection, and helping reduce household over-indebtedness risks.

Moreover, Law No. 21,735 was enacted in March 2025, introducing a major reform to the current pension system, whose fundamental principles will focus on a significant increase in the contribution rate, gradually rising to an additional 8.5%, funded by employers. This breaks down into a 4.5% increase for each contributor's individual capitalization accounts, 1.5% to a protected-return contribution that will help finance the benefit for years of contributions through the Autonomous Pension Protection Fund (FAPP); and 2.5% to finance compensation for differences in life-expectancy assumptions. The law has several implications for insurance companies, the most significant being: (i) The requirement to qualify for a life annuity is reduced from 3 to 2 Unidades de Fomento (UF); (ii) The external offer mechanism of the Pension Amount Inquiry and Offer System (SCOMP) is eliminated; (iii) the Pension Superintendency is granted supervisory authority over Life insurance companies with respect to the settlement and payment of pensions and related benefits; and (iv) as of August 2026, the current disability and survivor insurance will become one of the Social Security benefits. From that date forward, this coverage will be funded by the Autonomous Pension

Protection Fund (FAPP) through employer contributions to the social pension insurance system.

Finally, the bill amending DFL No. 251 (Insurance Law) to incorporate a risk-based capital requirement within a risk-based supervision model for the insurance industry has not progressed since last year.

In addition, below is a list of the main regulations issued and those currently under consultation. First, related to the standards issued:

- *General Standard No. 525, issued 12/3/2024.* Amends General Standard No. 152, which establishes rules on admissible assets for backing technical reserves and risk capital. This purpose of this standard is to modify the limit on foreign equity investments. The limit rises from 10 to 15%.
- *General Standard No. 520, issued 11/5/2024.* Modification of General Standard No. 200, which establishes rules on financial risk hedging, investment in financial derivative products, and stock lending. The methodology for calculating exposure to counterparty credit risk in financial derivatives has been adjusted, migrating from an approach based on the size of the contract (notional) to a risk-based approach, with exposure now measured via the credit equivalent. Also, the limit per counterparty for hedging derivatives is adjusted, differentiating it according to the type of counterparty, creating incentives for companies to use central counterparties.
- *Circular No. 2360, issued 11/5/2024.* Amendment Circular No. 1512, which provides instructions on the establishment of technical reserves and the valuation of assets and liabilities in relation to the matching of assets and liabilities. The regulatory adjustment considers allowing the use of CLP/UF

hedging derivatives for use in matching estimates, in accordance with the provisions of the circular.

- *Circular No. 2357, issued 11/5/2024.* Amendment of Circular No. 2275, which establishes a monthly requirement for financial and solvency reporting by insurance companies. The main objective of the amendment is to systematize the current requirement for information relating to quarterly solvency projections, established via Ordinary Official Letter, incorporating it into the current Circular on Monthly Financial Statements.
- *General Standard No. 517, issued August 26, 2024.* Amendment to General Standard No. 136, which establishes rules on the granting and acquisition of transferable mortgage loans by insurance and reinsurance entities, and on the registration and operations of administrators of transferable mortgage loans. The objective is to incorporate into the regulation the reference to the government guarantees authorized by Law No. 21,673 of May 30, 2024, which adopts measures to combat over-indebtedness. That law amended Article 90 of Decree with Force of Law No. 251 of 1931, allowing transferable mortgage loans whose principal amount exceeds 80% of the appraised value of the property pledged as collateral to be eligible as technical reserves and risk capital of insurance and reinsurance companies when there are insurance or government guarantees that cover the portion exceeding that percentage. Prior to the aforementioned legal amendment, the condition only required the existence of insurance. The amendment now includes government guarantees when they involve state guarantee funds supervised by the Commission.
- *Circular No. 2354, issued 7/30/2024.* Amendment of Circular No. 1835, which provides instructions regarding the format and content of information on

investments and on the market-risk evaluation system for insurers' investment portfolios. Adjustment to various sections of the Circular to improve the submission of information on investments by insurance companies, in order to: (i) obtain detailed information on loans granted by insurers, strengthening the supervision of provisions made for this portfolio; (ii) supplement information on leased real estate, as well as on the delinquency of transferable mortgage loans and leasing *contracts*, with the aim of strengthening oversight of vacancy and delinquency; (iii) enhance information on real estate investments, with an emphasis on ongoing real estate development projects; (iv) supplement currently available information on guarantees posted and received in connection with derivatives transactions; (v) systematize the reporting of duration data for fixed-income instruments in insurers' portfolios, used to develop the discount-rate vector (VTD) applicable to annuity technical reserves; (vi) adjust existing reporting files to expand and improve available information (e.g., the typology of investment and real-estate funds); and (vii) enable flexibility for future changes in reporting requirements arising from legal or regulatory amendments by relocating the Circular's annexes to a Technical Annex available in the SEIL reporting module on the CMF website.

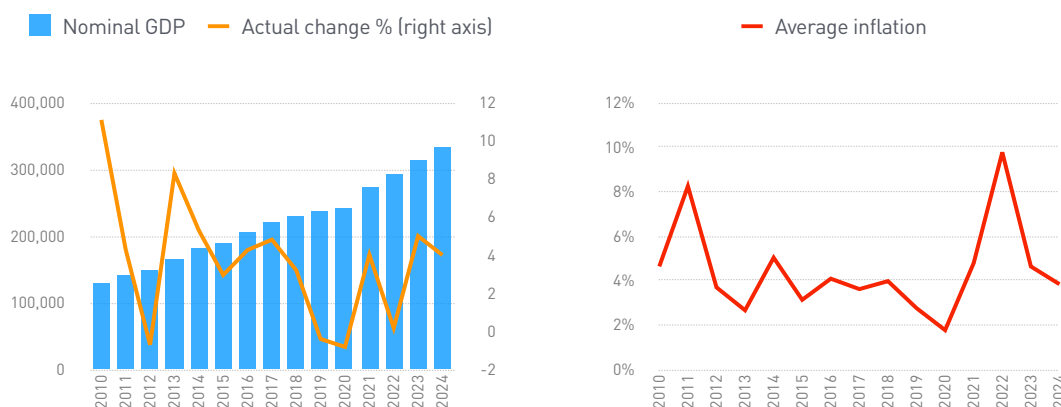
- *Circular No. 2353, issued 7/25/2024.* Amendment of Circular No. 2022, which establishes rules on the form, content, and presentation of the financial statements of insurance and reinsurance companies. A requirement is added for insurance companies to submit an interim review report on their financial statements by June 30 each year.
- *Circular No. 2352, issued 6/11/2024.* Amendment of Circular No. 1815, which establishes rules for reporting information on pension annuity policies under Decree

Law No. 3,500 of 1980. The purpose of the regulation is to receive periodic information on the number of pensions paid, by payment method and accrual date, as well as the payment dates used by each insurance company. This is intended to strengthen monitoring of pension payments at the company level.

To date, the following regulations are under consultation or in the process of approval:

- *Outsourcing standard.* The proposed regulation aims to establish a clear and detailed regulatory framework for the outsourcing of services by insurance and reinsurance companies. This regulatory framework seeks to ensure that companies effectively identify and manage the risks associated with outsourcing, classify outsourced activities according to their criticality and materiality, and implement robust oversight and audit mechanisms to ensure the proper provision of outsourced services, among other requirements.
- *Liquidity projection.* The purpose of the proposed regulation is to establish a periodic requirement for liquidity reporting, which will improve the current quantitative methodology used to measure inherent liquidity risk. The current methodology, based on a *stock* approach, does not take into account a number of factors and complexities associated with liquidity-risk dynamics. The proposal would therefore adopt a forward-looking, cash-flow-based approach.
- *Parametric insurance.* The Fintec Law (enacted in 2023) introduced the possibility of offering parametric insurance. In this context, the CMF has submitted for public consultation (for a second time) a draft regulation that establishes the rules governing parametric insurance products offered by

Chart 3.2.8-a
Paraguay: changes in economic growth and inflation
 (GDP in local currency, billions of guaraníes; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

Chilean insurers. Among other aspects, it considers the variables that may be used as indexes, the risks that will be insurable under this category, and the characteristics of the policies that will be issued.

- *Technical reserves for parametric earthquake insurance.* In line with the future issuance of the parametric insurance regulation, General Standard No. 306— which sets out instructions on the constitution of technical reserves for insurance other than the pension insurance governed by DL No. 3,500 of 1980—was amended to adjust the treatment of technical reserves for parametric insurance covering earthquake risk. The purpose is to ensure that reserves adequately reflect the particular features of this type of contract, especially its automatic activation based on predefined indexes, the fixed nature of the insured amount, and the binary nature of the payout. In particular, specific treatment is incorporated for calculating the Catastrophic Earthquake Reserve and the Ongoing Risk Reserve.

- *Life annuities.* Law No. 21,735, a major reform of the current pension system, eliminated the possibility of requesting external quotes for life annuities, effective September 2025, which are associated with internal offers generated through the Pension Amounts Consultation and Quotation System (SCOMP).
- *Survivorship and Disability Insurance (SDI) Amendment to General Standard No. 243,* which regulates the technical reserves of the Survivorship and Disability Insurance under D.L. 3500 (SDI), with the aim of introducing adjustments to the methodology for calculating technical reserves associated with the SDI, improving its consistency with the coverage provided and seeking to move towards practices more aligned with international standards, such as IFRS and Solvency II.

3.2.8 Paraguay

Macroeconomic environment

Paraguay's GDP grew by 4.0% in real terms in 2024 (4.5% in 2023), driven by momentum in the construction sector (which grew by 13.0%

Table 3.2.8
Paraguay: premium volume¹ by line, 2024

Line of business	Millions of guaraníes	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	4,075,022.6	539.0	11.5	7.4
Life	676,312.6	89.4	19.8	15.4
Non-Life	3,398,710.0	449.5	10.0	6.0
Automobiles	1,686,978.9	223.1	9.3	5.2
Other lines	280,456.1	37.1	-3.5	-7.1
Fire	283,011.2	37.4	9.8	5.8
Miscellaneous risks	415,752.2	55.0	21.9	17.4
Transport	194,165.9	25.7	14.4	10.1
Theft	64,137.1	8.5	8.0	4.0
Surety	137,996.8	18.3	6.3	2.4
Third-party liability	120,892.1	16.0	-0.1	-3.8
Personal Accident	215,319.6	28.5	22.5	18.0

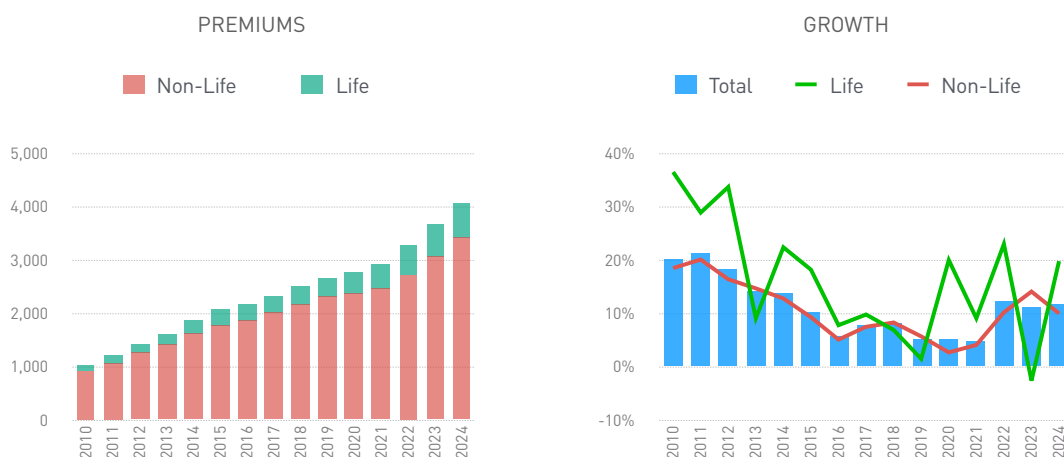
Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

1/ Direct premiums net of cancellations plus administrative surcharges

in 2024), services (4.8%), and manufacturing (3.1%). These gains offset the slowdown in agricultural and electricity activity, both adversely affected by drought and low water levels in the Paraná River (see Chart 3.2.8-a). External sector data showed a negative dynamic, with a return to a trade deficit.

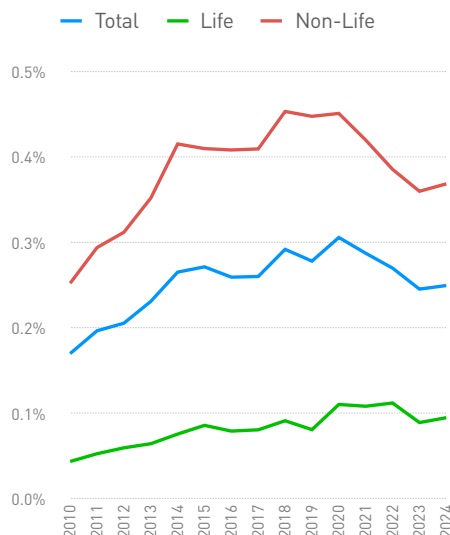
Goods exports fell 7.7% YoY, while imports rose 3.6%. Combined with the deficit in the income account (external debt interest, dividends and foreign workers' remuneration, among others) and limited growth in remittances, this led to a widening of the current account deficit to -3.9% of GDP.

Chart 3.2.8-b
Paraguay: growth developments in the insurance market
(premiums, billions of guaraníes; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

Chart 3.2.8-c
Paraguay: share of insurance premiums in Latin America (%)

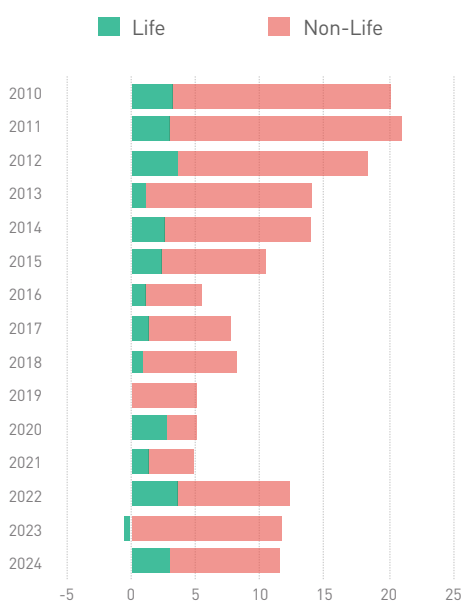


Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay and supervisory bodies of the region)

With regard to the fiscal balance, the central government deficit fell to 2.6% in 2024 (4.1% in 2023), due to strong growth in tax revenue (20.0%), in contrast to a smaller increase in public spending (13.0%). As a result, the imbalance moved back close to the ceiling established under the Fiscal Responsibility Law, which provides for a convergence path toward a 1.5% deficit. Moreover, the government's operating deficit (excluding investment) stands at -0.7% of GDP, reflecting that the bulk of the fiscal deficit is related to public investment.

In terms of inflation, the downward trend of the previous year continued, averaging 3.8% (4.6% in 2023). This decline, together with the convergence of inflation expectations with the central bank's targets, has permitted the easing of monetary policy to an interest rate of 6.00% at the end of the first quarter of the year (from 6.75% at the end of 2023), concluding that both activity and inflation indicators continued to evolve favorably to support the new path.

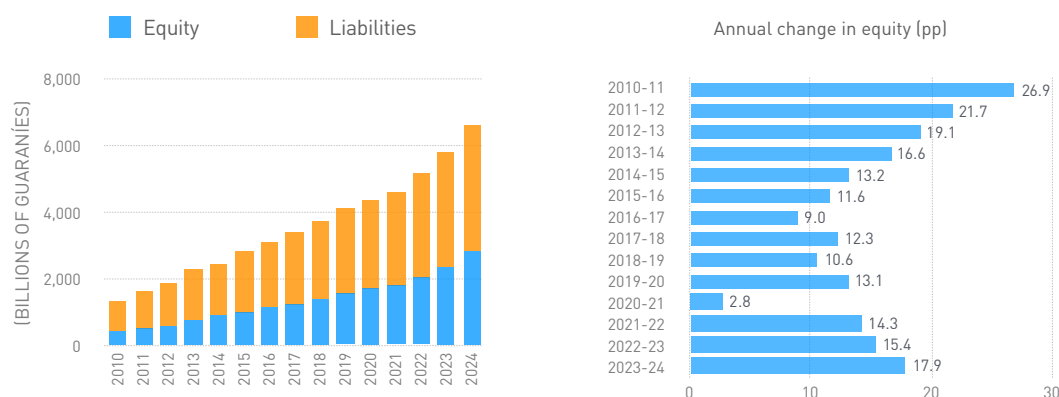
Chart 3.2.8-d
Paraguay: contribution to insurance market growth (percentage points, pp)



	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	20.1	3.3	16.8
2011	21.0	3.0	18.0
2012	18.3	3.7	14.7
2013	14.0	1.1	12.8
2014	13.9	2.7	11.3
2015	10.4	2.3	8.1
2016	5.5	1.1	4.4
2017	7.8	1.4	6.4
2018	8.1	1.0	7.1
2019	5.1	0.2	4.9
2020	5.0	2.7	2.3
2021	4.9	1.4	3.5
2022	12.3	3.7	8.6
2023	11.2	-0.5	11.6
2024	11.5	3.1	8.5

Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

Chart 3.2.8-e
Paraguay: changes in the insurance industry's aggregate balance sheet
(amounts in local currency; change in equity, percentage points)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

Looking ahead to 2025, ECLAC forecasts that Paraguay's GDP will grow by 4.0% (4.0% in 2026), due to sustained domestic demand (although this is expected to be lower than in 2024 due to the expected lower fiscal stimulus) and growth in exports as a result of the economic recovery of its trading partners. Meanwhile, MAPFRE Economics estimates that economic growth in Paraguay will be around 3.9% in 2025 and 3.6% in 2026.

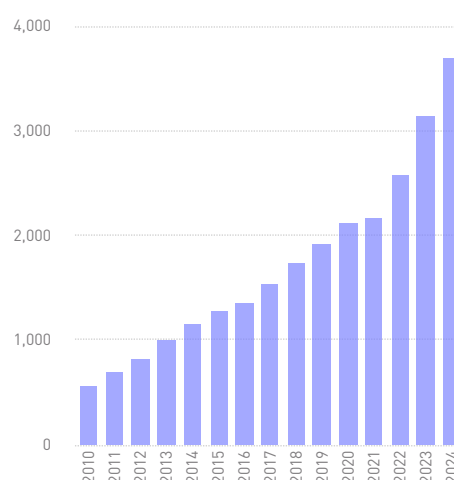
nominal terms, with the exception of Other lines (-3.5%) and Third-Party Liability (-0.1%). On the contrary, the lines that saw the highest increases were Personal Accident (22.5%), Miscellaneous Risks (21.9%), and Transport (14.4%).

Insurance market

Growth

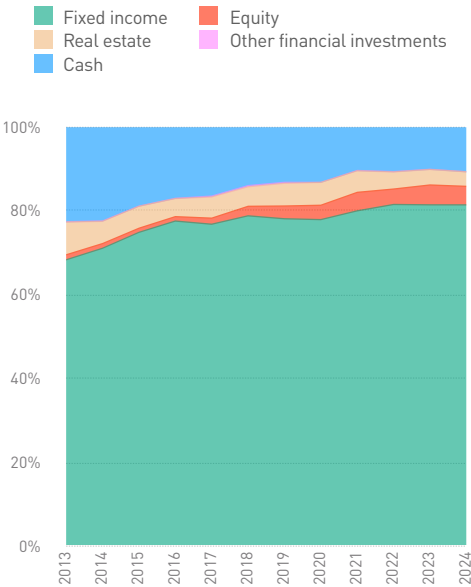
Paraguayan insurance market premiums (annualized at December 2024) reached 4.1 trillion guaraníes (539 million dollars) in 2024, with nominal growth of 11.5% and real growth of 7.4% (see Chart 3.2.8-b and Table 3.2.8). Life insurance premiums, which account for 16.6% of the total market, experienced growth, rising 19.8% in nominal terms (15.4% in real terms) to 676.3 billion guaraníes (89.4 million dollars), while Non-Life insurance premiums, which represent the remaining 83.4%, grew by 10% in nominal terms (6.0% in real terms) to 3.4 trillion guaraníes (449.5 million dollars). Almost all insurance categories grew in

Chart 3.2.8-f
Paraguay: insurance market investments
(billions of guaraníes)



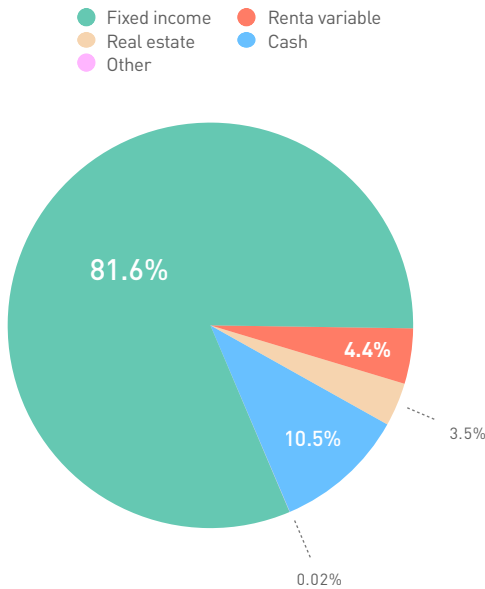
Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

Chart 3.2.8-g
Paraguay: structure of investments
(%)



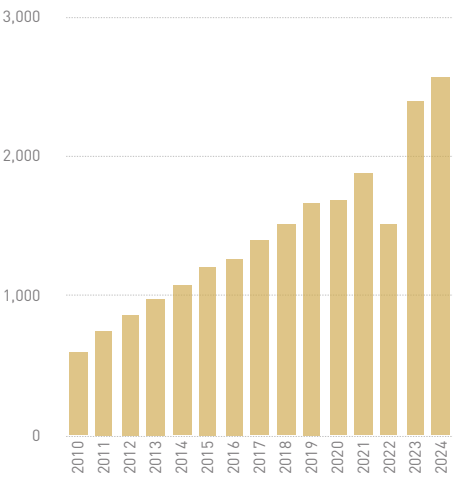
Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

Chart 3.2.8-h
Paraguay: structure of investments, 2024
(%)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

Chart 3.2.8-i
Paraguay: technical provisions of the insurance market
(billions of guaraníes)



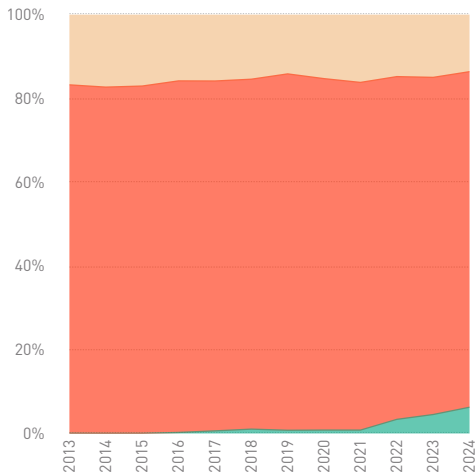
Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

The Paraguayan insurance industry's share of the Latin American insurance market is small, accounting for only 0.25% of premiums in 2024, a share equivalent to that of 2014, when it increased slightly from the 0.17% it represented in 2010 (see Chart 3.2.8-c). In 2024, the Life segment accounted for a 0.10% share, while Non-Life segments accounted for 0.37%.

With regard to the structure of growth in Paraguay's insurance industry, in the 11.5% nominal growth of the industry in 2024, the Non-Life insurance segment made a greater contribution, accounting for 8.5 percentage points (pp), while the Life insurance segment contributed 3.1 pp (see Chart 3.2.8-d). It should be noted that, except for what happened in 2023, over the period analyzed, both segments have contributed positively to the growth of the insurance industry in Paraguay.

Chart 3.2.8-j
Paraguay: structure of technical provisions (%)

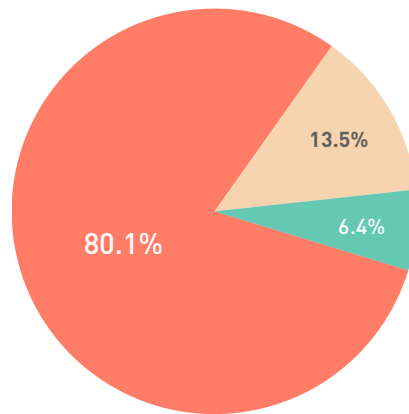
Provisions for outstanding claims
Provisions for unearned premiums and unexpired risks
Life insurance provisions



Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

Chart 3.2.8-k
Paraguay: structure of technical provisions, 2024 (%)

Life
Non-Life
For outstanding benefits



Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

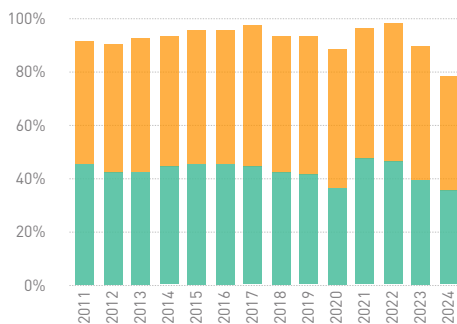
Balance sheet and shareholders' equity

Chart 3.2.8-e shows developments in the aggregate balance sheet of the Paraguayan

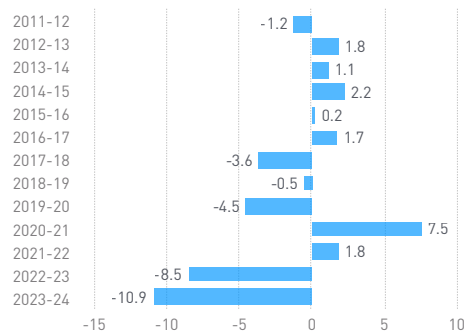
insurance industry over the 2010–2024 period. According to this data, the sector's total assets amounted to 6.6 trillion guaraníes (845.2 million dollars) in 2024,

Chart 3.2.8-l
Paraguay: changes in market technical performance
(total combined ratio, %; annual change in combined ratio, percentage points)

Loss ratio
Expense ratio

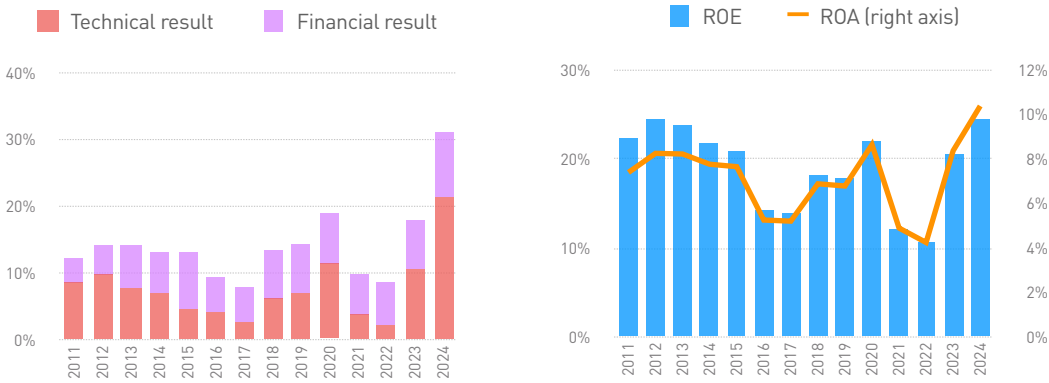


Annual change in combined ratio (pp)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

Chart 3.2.8-m
Paraguay: changes in results and profitability
(technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

while equity came to 2.9 trillion guaraníes (364.7 million dollars), 17.9% above the level observed in 2023. It should be noted that aggregate capitalization levels in the Paraguayan insurance industry remained high over the period. In 2010, equity stood at 32.6% of total assets, a figure that has risen gradually to reach 43.2% in 2024.

Investments

Charts 3.2.8-f, 3.2.8-g, and 3.2.8-h show the development of investments in the Paraguayan insurance sector during 2013–2024. These figures show that total investment in the industry reached 3.7 trillion guaraníes (473.9 million dollars) in 2024, up 18.7% from 2023. An analysis of the aggregate investment portfolio highlights fixed-income products, which account for 81.6% of the total, with a gradual increase over the period analyzed from 68.5% in 2013. Although equities have also increased during this period, they account for only 4.4% of investments, with a decline of 0.3 percentage points in 2024.

Technical provisions

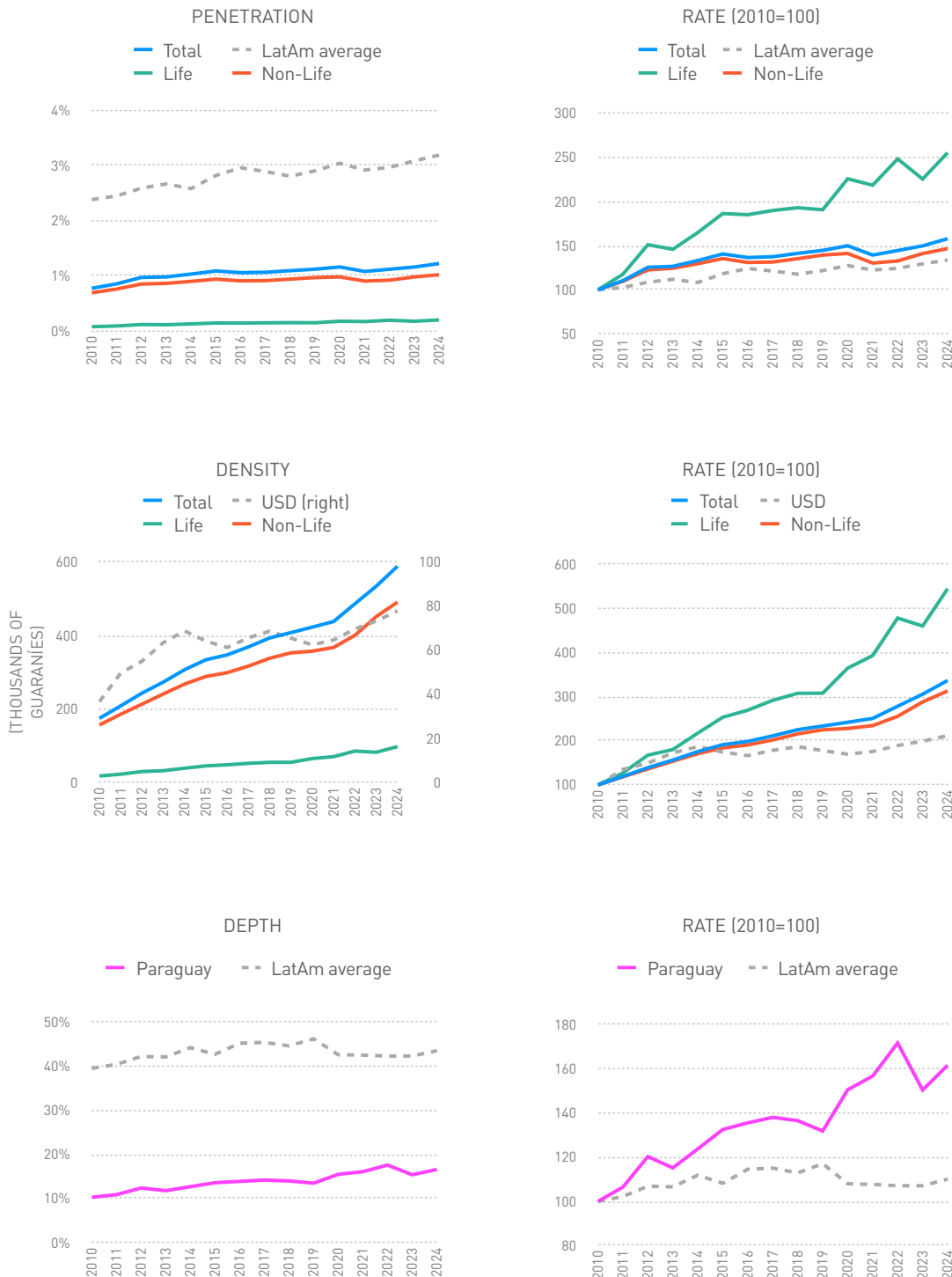
Charts 3.2.8-i, 3.2.8-j, and 3.2.8-k, meanwhile, illustrate the evolution of the relative composition of the technical

provisions of the Paraguayan insurance industry throughout the 2010–2024 period. Technical provisions in 2024 reached 2.6 trillion guaraníes (328.3 million dollars), up 7.7% from the previous year. Of this total, 80.1% corresponded to provisions for ongoing risks, 13.5% were provisions for outstanding claims, and the remaining 6.4% were technical reserves for Life insurance. It should be noted that, in Paraguay, Life insurance is still in its infancy and accounts for only 16.6% of market premiums. Throughout the period analyzed, we see that both technical provisions for current risks and benefits have remained constant, with only a few variations, such as the significant increase in 2022. Meanwhile, Life insurance provisions have grown slightly from 2013 to 2023, from 0.2% at the beginning of that period to 6.4% in 2024, in line with the growing trend in this insurance industry segment in the country.

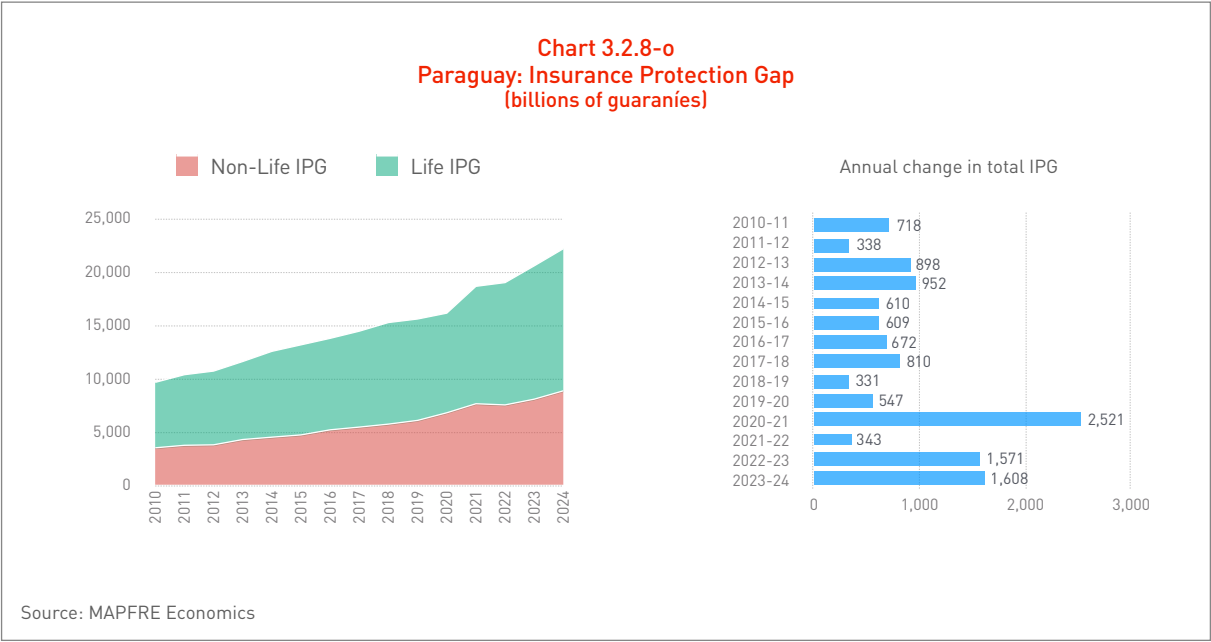
Technical performance

Chart 3.2.8-l shows that the technical result of the Paraguayan insurance industry (with annualized data as of December 2024) improved significantly compared to the previous year, thanks to improvements in both the loss ratio and expenses. The total

Chart 3.2.8-n
Paraguay: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, guaraníes and USD; Life premiums/total premiums, %, 2010 index=100)



Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)



combined ratio in 2024 was 78.5% (compared to 89.5% in 2023), down 10.9 pp from the previous year's ratio, with a significant decrease of 3.6 pp in the loss ratio and 7.3 pp in expenses. Thus, 2024 continued the downward trend in the total combined ratio that began in 2023, following the sharp increases recorded in 2021 and 2022.

Results and profitability

The net result for the Paraguayan insurance industry in December 2024 was 647.6 trillion

guaraníes (85.7 million dollars), representing a 40.4% increase over the previous year, thanks to a significant improvement in technical results and excellent financial results (which grew by 48.5%). Turning to profitability parameters, return on equity (ROE) stood at 24.6% in 2024, up 4.1 pp from 2023. In a similar vein, return on assets (ROA) amounted to 10.4% that year, up 2.0 pp from the value reported the previous year (see Chart 3.2.8-m).

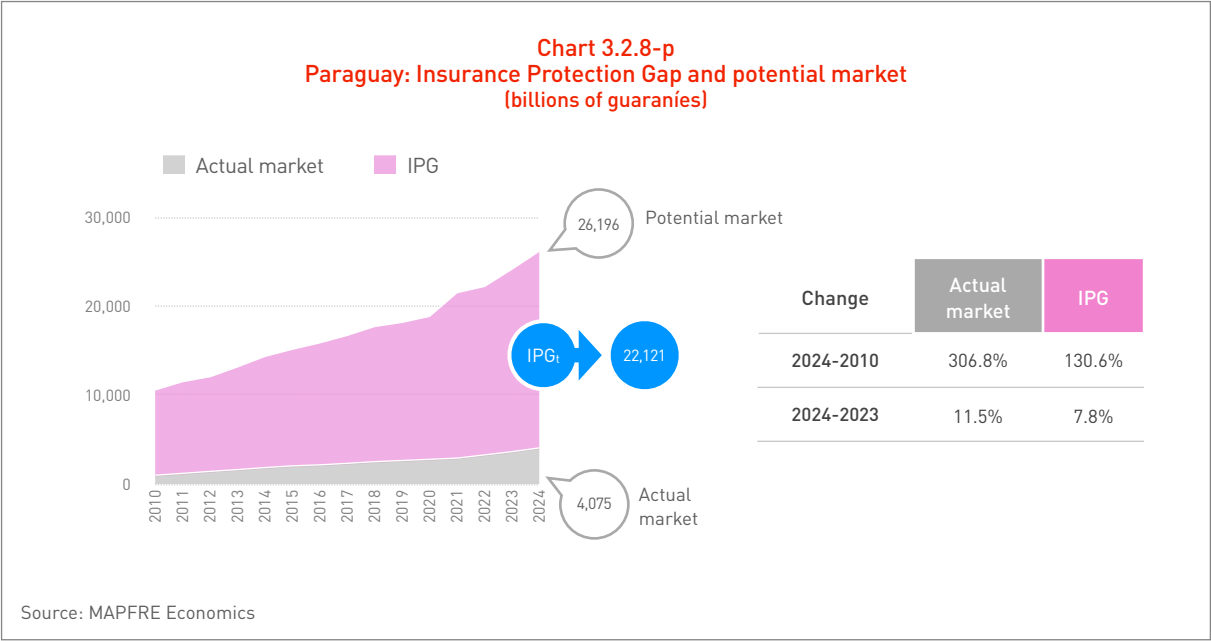
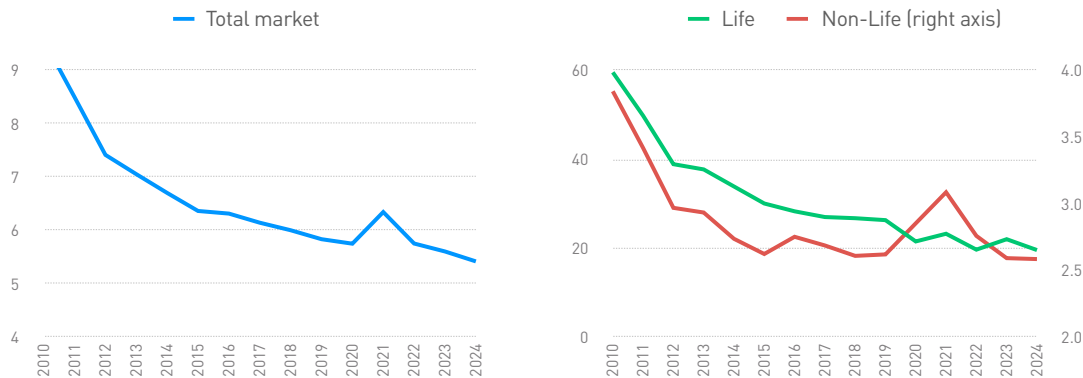


Chart 3.2.8-q
Paraguay: IPG as a multiple of the actual market
(number of times the size of the actual insurance market)



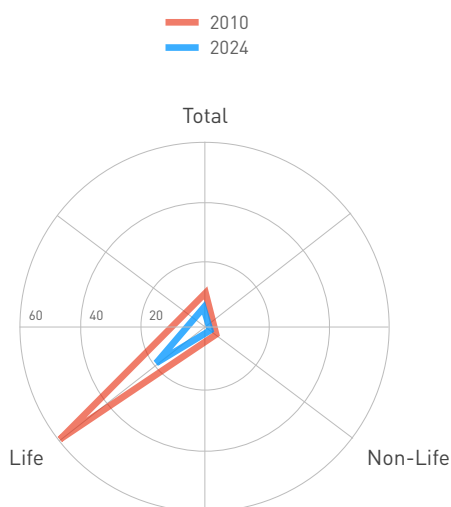
Source: MAPFRE Economics

Insurance penetration, density, and depth

Chart 3.2.8-n illustrates the main structural trends in the development of the Paraguayan insurance sector between 2010 and 2024. First, the penetration rate (premiums/GDP) stood at 1.2% in 2024,

remaining virtually unchanged from 2023 and below the average absolute values of the region's insurance markets over the period analyzed. Meanwhile, insurance density (premiums per capita) stood at 588,098.2 guaraníes (77.8 dollars), 10.2% higher than in 2023. There was a growing trend in density (measured in local currency) over the period under analysis, registering cumulative growth of 236.8% between 2010 and 2024. Lastly, insurance depth in the Paraguayan market (Life insurance premiums vs. total premiums) came to 16.6%, up 6.3 pp from 2010 and 1.1 pp more than in 2023. It should be noted that the depth of the Paraguayan insurance market is well below the average for Latin American insurance markets, confirming the still emerging level of development of the Life insurance segment in that market.

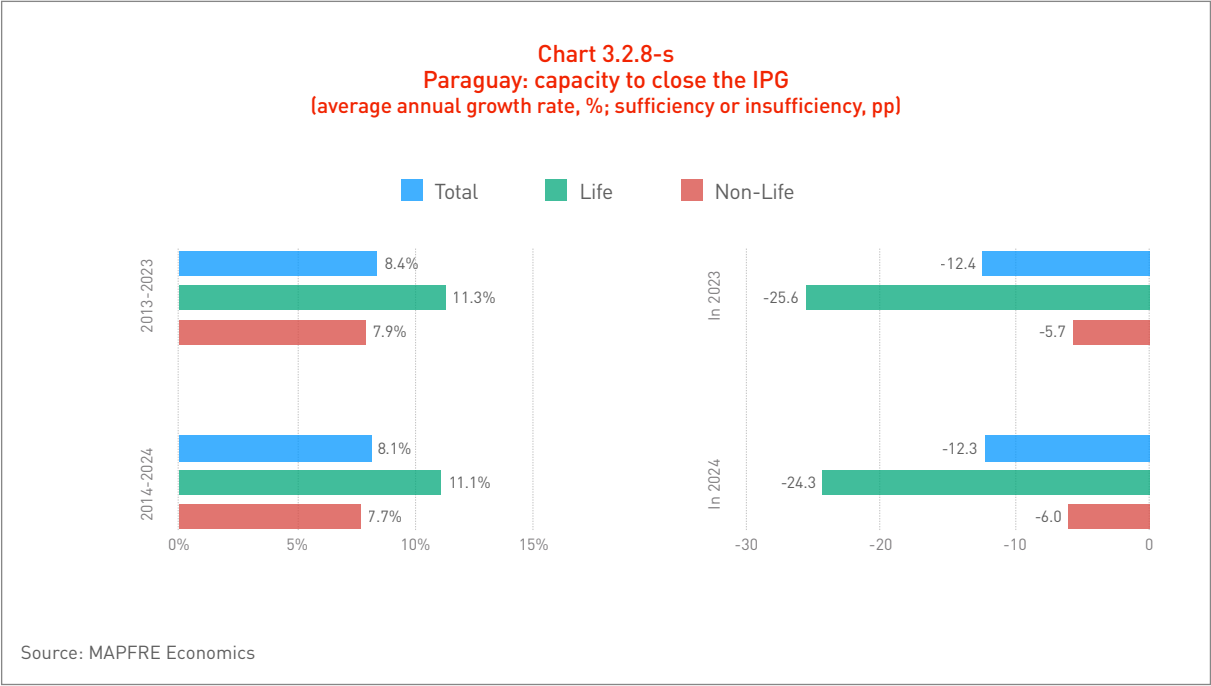
Chart 3.2.8-r
Paraguay: change in IPG as a multiple of the actual market



Source: MAPFRE Economics

Insurance Protection Gap estimate

Chart 3.2.8-o provides an estimation of the IPG for the Paraguayan insurance market between 2010 and 2024. As the analysis shows, the protection gap in 2024 stood at 22.1 trillion guaraníes (2.9 billion dollars), representing 5.4 times the Paraguayan insurance market at the end of that year, with an increase in both the Non-Life and Life insurance segments. The structure and



evolution of the protection gap over the period analyzed shows the predominance of Life insurance contributions. At the end of 2024, Life insurance accounted for 60.2% of the IPG (13.3 trillion guaraníes), 3.7 pp less than the share observed for this segment in 2010, while Non-Life contributed the remaining 39.8% (8.8 trillion guaraníes). As such, the potential insurance market in Paraguay at the close of 2024 (the sum of

the actual insurance market plus the IPG) was estimated at 26.2 trillion guaraníes, 6.4 times the size of the total insurance market that year (see Chart 3.2.8-p).

Moreover, Chart 3.2.8-q illustrates the estimated protection gap as a multiple of the actual insurance market in Paraguay, as a way of analyzing the medium-term trend in the evolution of the IPG. As this analysis shows, the gap as a multiple of the market shows a clear

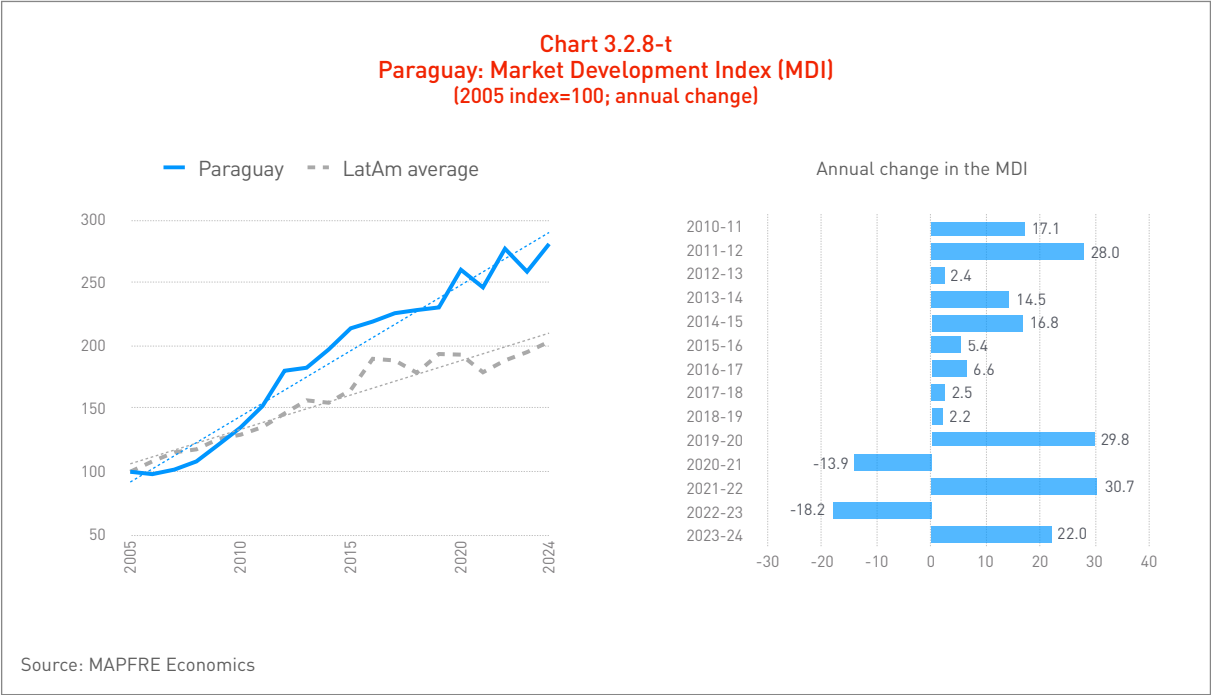
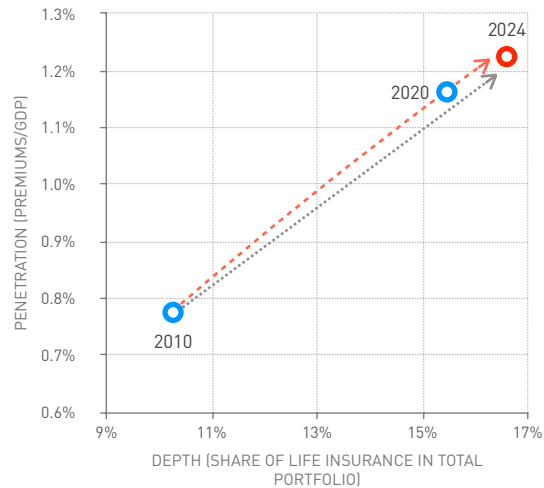
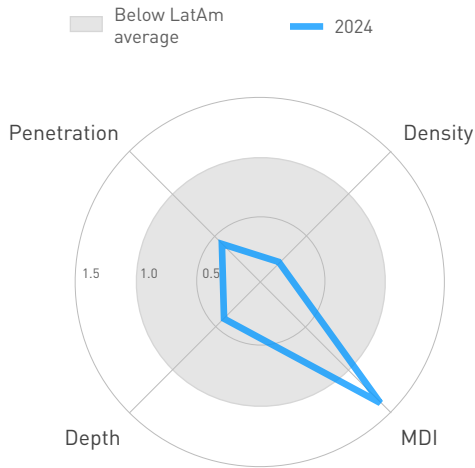


Chart 3.2.8-u

Paraguay: comparative structural coefficient* vs. average for Latin America (2024) and medium-term changes in the insurance market (2010–2024)



Source: MAPFRE Economics

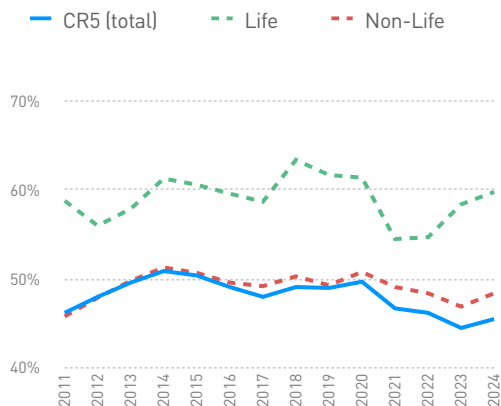
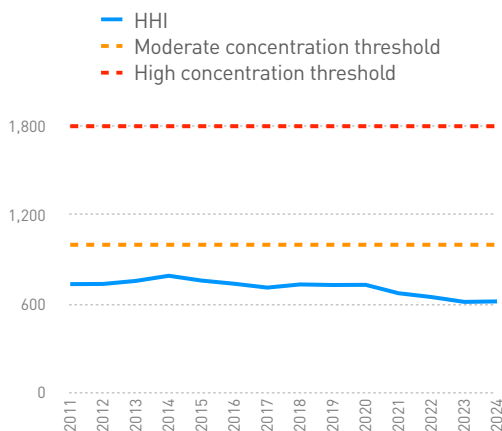
* Indexes calculated as the quotient between the values of the country's structural coefficient and the average values of the coefficient concerned for the Latin American market as a whole. The unit represents a performance equivalent to the region's average.

downward trend between 2010 and 2024, especially in the Life insurance segment (falling from 59.7 to 19.7 times), and to a much lesser extent in Non-Life insurance (falling from 3.8 to 2.6 times). However, it should be noted that this downward trend has moderated since 2017. A review of changes in the protection gap as a

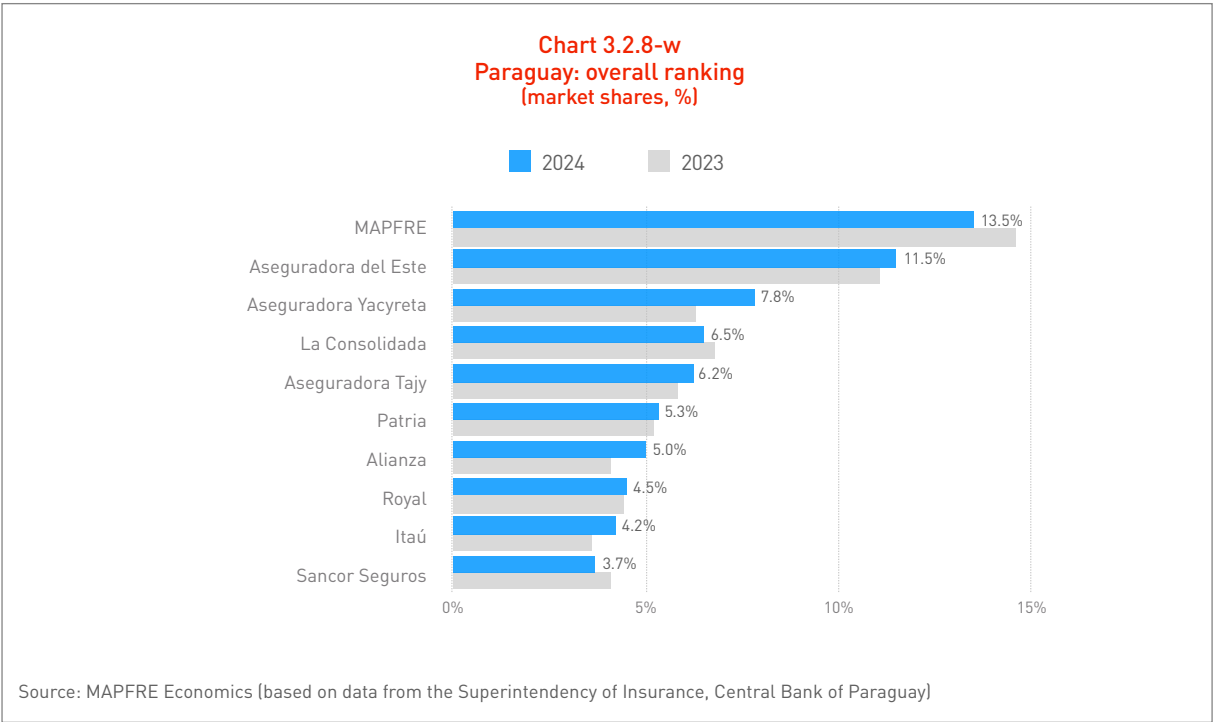
multiple of the actual market for the Life and Non-Life business segments and the total Paraguayan insurance market in 2010 and 2024 confirms this. Chart 3.2.8-s shows that during this period, the situation improved more significantly in the Life insurance segment.

Chart 3.2.8-v

Paraguay: insurance industry concentration (Herfindahl index; CR5 index, %)

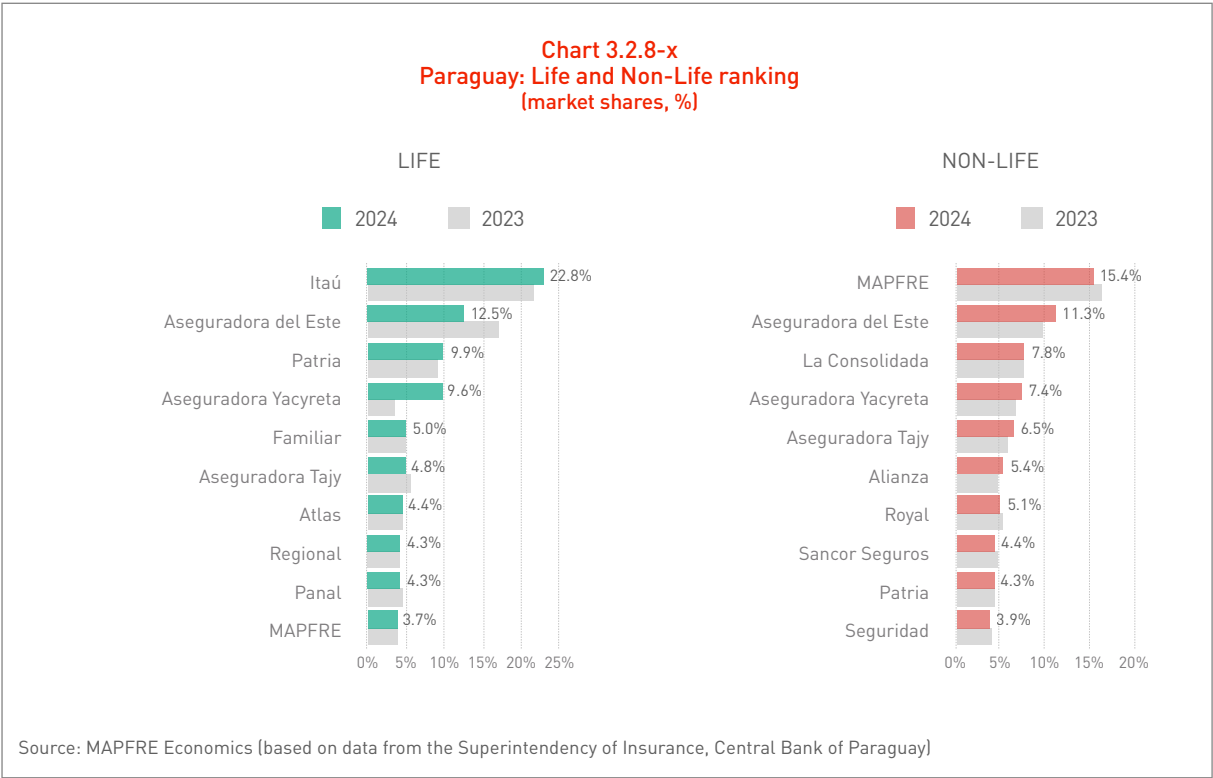


Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)



Lastly, Chart 3.2.8-s provides an update to the assessment made in terms of the Paraguayan insurance market's capacity to bridge the protection gap estimated in 2024, using a comparative analysis between the growth rates observed over the last ten years and the growth rates needed to close the IPG over the next decade. This analysis shows that the

Paraguayan insurance market grew over the last decade at an average annual rate of 8.1%, underpinned by an annual growth rate of 11.1% in the Life insurance segment and 7.7% in the Non-Life insurance segment. If the same growth dynamics continue over the next ten years, the growth rate of the Paraguayan insurance market would fall 6.0 percentage points short of the



target in the case of the Non-Life insurance segment, and 24.3 percentage points short in the case of the Life insurance segment. These measurements remain virtually unchanged from the analysis carried out in 2023.

Market Development Index (MDI)

Chart 3.2.8-t provides an updated estimation of the Market Development Index (MDI) for the Paraguayan insurance industry between 2005 and 2024. As indicated earlier in this report, the MDI is used as an indicator to track the maturity of the markets analyzed. In the case of the Paraguayan market, the indicator has shown a positive trend in general terms, thanks mainly to the growth of the Life market, whose level of depth is well below the average for Latin American insurance markets, but which has shown significant momentum in recent years. Thus, Paraguay's MDI exceeds the level recorded by the average for Latin American insurance markets since 2010, with a trend that diverges positively from that of the latter.

Comparative analysis of structural coefficients

Chart 3.2.8-u outlines the position of the Paraguayan insurance market when compared with the average for Latin America, measured in terms of the four structural indicators analyzed in this report: penetration, density, depth, and MDI. In this sense, as can be seen, the Paraguayan insurance market falls well below the regional average for these indicators, with the exception of the MDI, which exceeded the regional market average in 2024. Similarly, the dispersion analysis illustrated in the chart shows that, over the period analyzed, Paraguay's insurance industry has shown relatively balanced growth, characterized by improvements in penetration and depth levels.

Insurance market rankings

There were 34 insurance companies operating in the Paraguayan market in 2024; 19 authorized to offer property insurance and 15

operating in Life and Property & Casualty insurance. Chart 3.2.8-v shows that the sector does not have high levels of concentration. The Herfindahl index rose slightly in 2024, reaching 617.8 points, compared to 614.6 in 2023, but still below the moderate concentration threshold. In terms of the CR5 index, the top five companies account for 45.5% of total premiums in 2024, up 1.0 percentage points from 2023, with a 1.4 percentage point increase in Life and a 1.5 percentage point increase in Non-Life.

Total ranking

For 2024, MAPFRE continues to lead the overall ranking of insurance groups in the Paraguayan market, with a 13.5% market share, followed at some distance by Aseguradora del Este (11.5%) and Yacyreta (7.8%), which overtakes La Consolidada (6.5%). Noteworthy among the other movements is Itaú's entry into the ranking in ninth place and Seguridad's exit (see Chart 3.2.8-w).

Life and Non-Life rankings

Meanwhile, MAPFRE continues to lead the 2024 Non-Life ranking, with a 15.4% share of premiums, with virtually no changes in the classification compared to 2023: Alianza overtakes Royal and moves into sixth place, pushing the latter down to seventh position. Itaú remains at the top of the Life ranking, with a 22.8% share, followed by Aseguradora del Este (12.5%). The rise of Aseguradora Yacyreta (with a 9.6% share) from tenth to fourth place (see Chart 3.2.8-x) is worth mentioning.

Key regulatory aspects

The Superintendency of Insurance of the Central Bank of Paraguay (SIS), as a means of establishing a framework that promotes the strengthening of the sector and healthy competition in the market, focused on promoting greater transparency and better governance practices among insurance companies—measures intended to enhance policyholder protection and promote

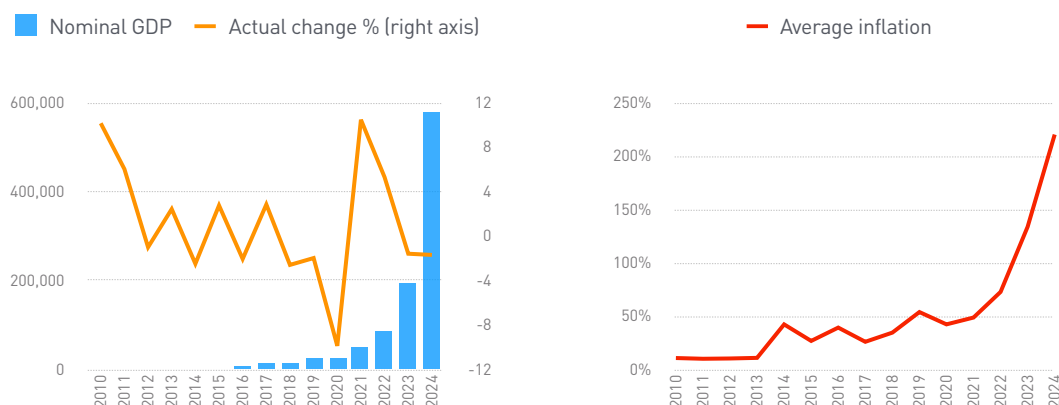
convergence toward leading international supervisory standards. Thus, with regard to the supervision of money laundering and financing of terrorism (ML/FT) risks, in recent years the SIS has focused on ensuring compliance with the regulatory framework for the prevention of ML/FT. The main focus has been to assess the effectiveness of the measures implemented by the supervised entities, prioritizing key aspects such as improving governance, developing specific policies and procedures, comprehensive ML/TF risk management, strengthening internal control bodies, and allocating sufficient resources to the prevention system. These actions seek to promote sound risk management, foster a culture of compliance, and align supervised entities with international standards in this area.

Moreover, in order to optimize the quality of information, a new Accounting Module platform was implemented, the nomenclature of the Chart of Accounts was modified, and its modernization was made public so that stakeholders could become aware of these changes. Additionally, existing accounts in the Chart of Accounts were updated to reflect the entry or change of market players. Finally, various regulations were issued aimed at broadening the parameters for accrediting financial or insurance suitability of administrators or legal representatives of legal entities interested in registering as insurance auxiliaries or claims adjusters.

The key regulations issued by the SIS are detailed below:

- *RES.SS.SG. No. 11/24 of 1/11/2024.* Partial amendment of Resolution SS. SG. No. 240/04 of June 30, 2004, "Approving the Chart and Manual of Accounts for Insurance and Reinsurance Companies." Authorization of new sub-accounts and accounts classified under assets to record profit participation from ceded reinsurance contracts, and creation of the corresponding income statement accounts.
- *RES.SS.SG. No. 012/24 of 1/11/2024.* Partial amendment of Resolution SS. SG. No. 240/04 of June 30, 2004, "Approving the Chart and Manual of Accounts for Insurance and Reinsurance Companies." Updating of the chart of accounts in the event of a change in the name of a supervised entity.
- *RES.SS.SG. No. 022/24 of 1/25/2024.* Consultation, complaint, and claims form for submission to the Superintendency of Insurance, with the aim of streamlining, facilitating, and standardizing communications made by insurance users before the SIS User Assistance Division regarding inquiries, complaints, and claims arising from the contracting of an insurance policy.
- *RES.SS.SG. No. 186/24 of 5/28/2024.* Expansion of Resolution SS. SG. No. 240/04 of June 30, 2004, "Approving the Chart and Manual of Accounts for Insurance and Reinsurance Companies." Updating of the chart of accounts in view of the incorporation of new banking institutions in the financial system.
- *RES.SS.SG. No. 201/2024 of 6/24/2024.* Expansion of Resolution SS. SG. No. 240/04 of June 30, 2004, "Approving the Chart and Manual of Accounts for Insurance and Reinsurance Companies."
- *RES.SS.SG. No. 222/24 of 7/31/2024.* New methodology for calculating financial indicators.
- *RES.SS.SG. No. 270/24 of 11/1/2024.* Amendment of Article 5, Annex I of Resolution SS.SG. No. 161/18, "Preliminary proceedings and investigation of administrative proceedings by the Superintendency of Insurance."
- *RES.SS.SG. No. 280/24 of 11/19/2024.* Expansion of Resolution SS.SG. No. 240/04 of June 30, 2004, "Approving the Chart of

Chart 3.2.9-a
Argentina: changes in economic growth and inflation
 (GDP in local currency, billions of pesos; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF and OEF data)

Accounts and Manual for Insurance and Reinsurance Companies.”

- *RES.SS.SG. No. 302/24 of 12/23/2024.* Establishing rules for the transfer of shares, whether for consideration or free of charge, or any other transaction that results in changes to capital or irrevocable contributions for capitalization, as well as incompatibilities for being shareholders or holding director or executive positions in insurance or reinsurance companies.
- *RES.SS.SG. No. 303/24 of 12/23/2024.* Amendment to Article 2 of Resolution SS.SG No. 14/96 dated June 21, 1996, as amended by Article 4 of Resolution SS.SG No. 126/2021 dated July 2, 2021, “Approving the instructions for online registration and renewal of licenses for insurance auxiliaries (insurance agents and brokers) and claims adjusters.”
- *RES.SS.SG. No. 13/2025 of 1/22/2025.* Expansion of Resolution SS. SG. No. 240/04 of June 30, 2004, “Approving the Chart and Manual of Accounts for Insurance and Reinsurance Companies.”
- *RES.SS.SG. No. 030/25 of 2/4/2025.* Approval of the instructions for submitting inquiries, complaints, and claims by insurance users to the SIS, and repeal of resolution SS.SG. No. 022/2024 dated January 25, 2024.
- *RES.SS.SG. No. 117/2025 of 5/23/2025.* Partial amendment of Resolution SS. SG. No. 240/04 of June 30, 2004, “Approving the Chart and Manual of Accounts for Insurance and Reinsurance Companies.”
- *RES.SS.SG. No. 190/25 of 9/8/2025.* Provision requiring insurance agents, insurance brokers, and claims adjusters to use exclusively the name registered and authorized by the SIS, and complementary measures are provided.

3.2.9 Argentina

Macroeconomic environment

In 2024, Argentina's economy contracted by 1.7% (-1.6% in 2023), due to the collapse of domestic demand (private consumption and gross capital formation fell by 4.2% and 17.4%, respectively, as well as imports by 10.6%), in the face of stabilization policies in

Table 3.2.9
Argentina: premium volume¹ by line, 2024

Line of business	Billions of pesos	Millions of USD	Growth	
			Nominal [%]	Real [%]
Total	17,474.3	19,086.6	178.1	-13.1
Life	1,896.9	2,071.9	157.7	-19.4
Group life	1,074.7	1,173.8	150.7	-21.6
Individual life	566.3	618.5	154.9	-20.3
Retirement	255.9	279.5	200.3	-6.1
Non-Life	15,577.4	17,014.7	180.8	-12.2
Automobiles	7,237.5	7,905.3	177.7	-13.2
Other lines	833.2	910.1	165.9	-16.9
Fire	1,028.9	1,123.9	221.7	0.6
Combined family	890.8	973.0	203.0	-5.3
Agricultural insurance	463.4	506.2	189.0	-9.7
Personal Accident	295.2	322.5	165.0	-17.2
Third-party liability	334.1	364.9	185.7	-10.7
Transport	297.4	324.8	176.1	-13.7
Credit and surety	245.0	267.6	138.6	-25.4
Health	38.1	41.6	196.4	-7.3
Workplace accidents	3,913.8	4,274.9	178.9	-12.8

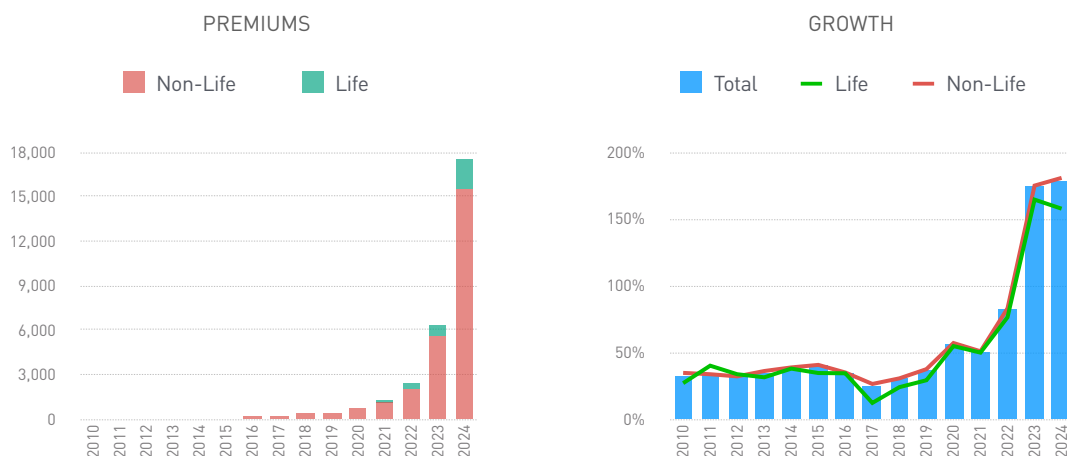
Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

1/ Premiums and surcharges issued

a context of high inflation and inherited imbalances (see Chart 3.2.9-a). In this context, export growth (23.2% in 2024) served to cushion the decline in GDP. The most

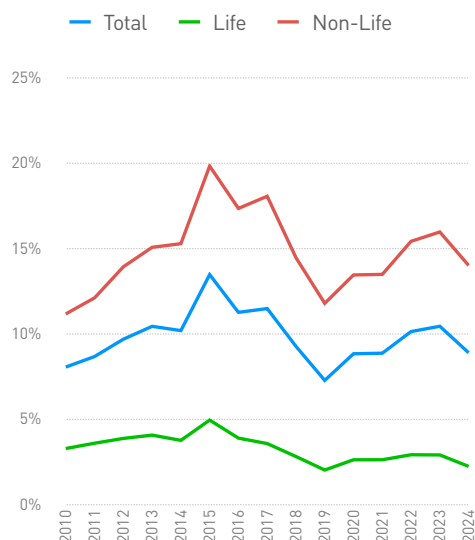
dynamic sectors were agriculture (31.3%) and mining (7.4%), while trade (wholesale and retail), manufacturing, and construction recorded declines of 7.3%, 9.2%, and 17.7%,

Chart 3.2.9-b
Argentina: growth developments in the insurance market
 (premiums, billions of pesos; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

Chart 3.2.9-c
Argentina: share of insurance premiums in Latin America (%)

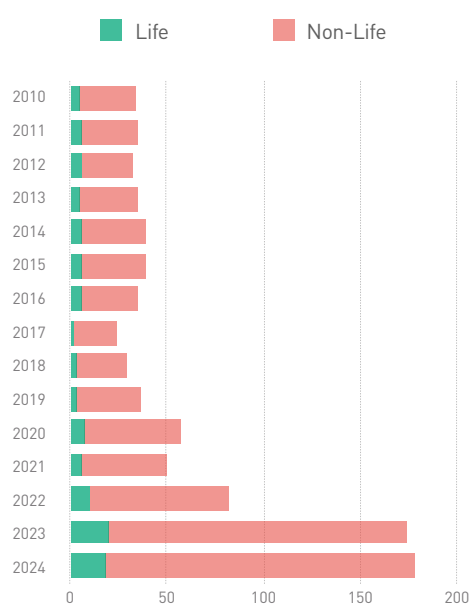


Source: MAPFRE Economics (based on data from the National Superintendency of Insurance and supervisory bodies of the region)

respectively. In terms of external trade, export growth and the decline in imports resulted in a trade surplus of close to 7.2 billion dollars. In 2024, the current account balance also showed a surplus (0.6% of GDP), reversing the previous year's deficit (-3.2%), with the trade balance in goods playing a decisive role. From a fiscal standpoint, the country closed with a surplus of 0.3%, reversing a 4.4% deficit in 2023. This outcome was driven by an unprecedented reduction in expenditure, which brought public spending down to 15.2% of GDP, while fiscal revenues fell only marginally and trade-related tax collection showed the strongest performance.

Meanwhile, inflation closed 2024 with an average annual increase of 219.9% (133.5% in 2023), as a result of accumulated macroeconomic imbalances and a monetary and fiscal policy strategy that weighed negatively on the parallel exchange rate throughout the year. As part of the adjustment plan, the official exchange rate

Chart 3.2.9-d
Argentina: contribution to insurance market growth (percentage points, pp)



	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	33.3	4.5	28.8
2011	34.6	6.4	28.2
2012	32.3	5.6	26.7
2013	35.2	5.3	30.0
2014	38.6	6.2	32.4
2015	39.6	5.6	34.0
2016	34.8	5.4	29.5
2017	24.1	1.9	22.2
2018	29.5	3.4	26.2
2019	36.3	3.9	32.4
2020	56.8	7.0	49.8
2021	50.6	6.3	44.4
2022	82.2	9.6	72.6
2023	173.8	19.9	153.8
2024	178.1	18.5	159.6

Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

remained devalued, and the first course corrections were cemented in the monetary policy roadmap of the Central Bank of Argentina, with a shift toward reducing financing and assistance lines to the Treasury in order to rebuild international reserves and allow for the reordering of benchmark interest rates to lower levels that reflect these reduced financing needs.

By 2025, ECLAC estimates GDP growth of 5.0% (4.0% in 2026), based on a positive baseline effect due to the 2024 recession, as well as growth in domestic demand and a boost to exports from other strategic sectors, such as mining and hydrocarbons, in addition to the agricultural sector. Meanwhile, MAPFRE Economics has forecast Argentine GDP growth of 5.0% in 2025, followed by a slowdown in 2026 that would bring economic growth down to around 3.3%.

Insurance market

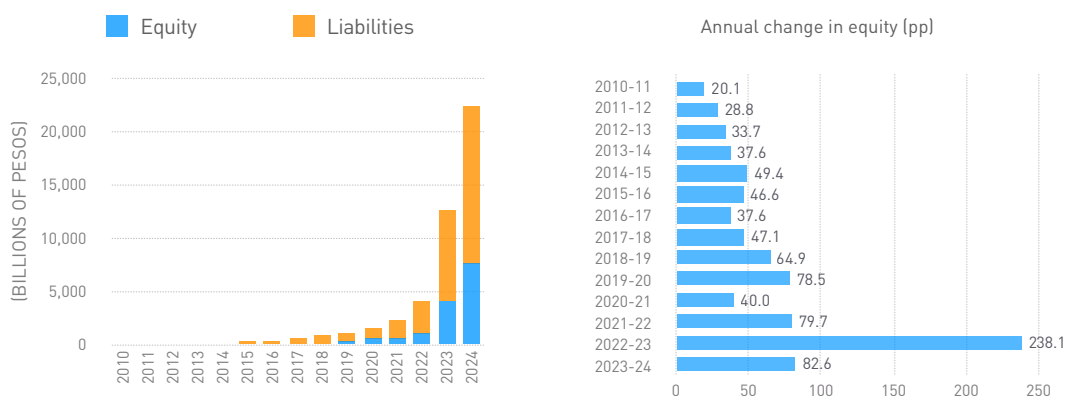
Growth

Premium volume in the Argentine insurance market (annualized as of December 2024) reached 17.5 trillion pesos (19.1 billion dollars) in 2024, which represents a nominal increase of 178.1% and a real decrease of

13.1% vs. the previous year, with greater growth in Non-Life lines compared to the Life insurance segment (see Chart 3.2.9-b and Table 3.2.9). Life insurance premiums, which account for 10.9% of the total market, grew by 157.7% in nominal terms (-19.4% in real terms) to reach 1.9 trillion pesos (2.1 billion dollars). Non-Life insurance premiums, which account for 89.1% of the market, grew 180.8% in nominal terms (-12.2% in real terms) to reach 15.6 trillion pesos (17.0 billion dollars). All lines posted positive growth in nominal terms, but decreased in real terms, with the exception of the Fire line (with 0.6% growth in real terms). The lines with the most growth were Fire (221.7%), Combined Family (203.0%), and Health (196.4%).

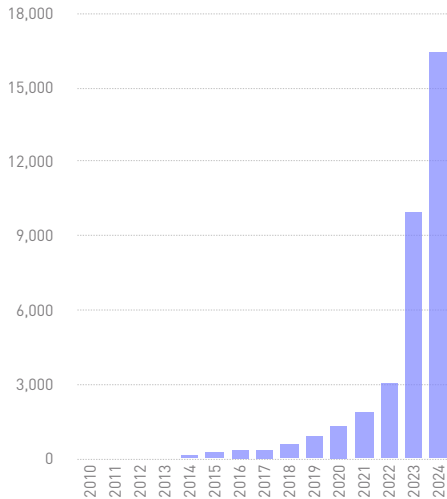
The share of Argentine insurance in the Latin American insurance market increased to 8.9% in 2024, with Non-Life contributing a higher share (14.0%) than Life (2.2%). It should be noted that the market share of the Argentine insurance industry reached its highest point in 2015, accumulating 13.4% of total premiums and 19.8% of Non-Life. Thereafter, the share has been on a downward trend, with the exception of 2022 and 2023, when the share rebounded and stood at around 10% (see Chart 3.2.9-c).

Chart 3.2.9-e
Argentina: changes in the insurance industry's aggregate balance sheet
(amounts in local currency; change in equity, percentage points)



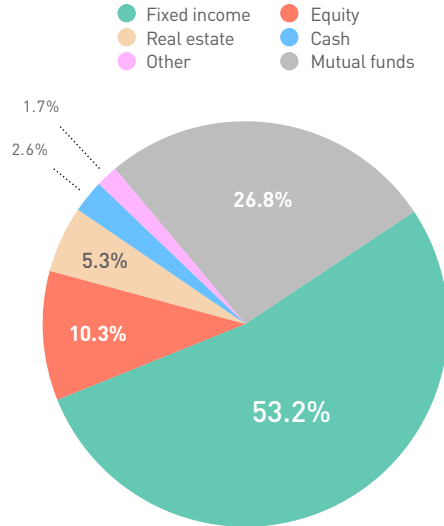
Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

Chart 3.2.9-f
Argentina: insurance market investments
(billions of pesos)



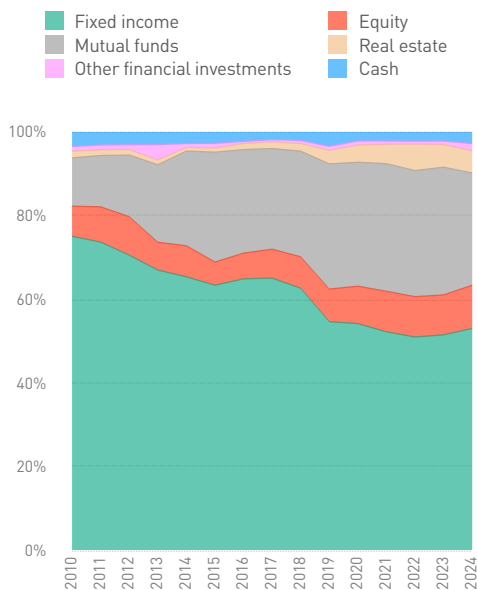
Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

Chart 3.2.9-h
Argentina: structure of investments, 2024
(%)



Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

Chart 3.2.9-g
Argentina: structure of investments
(%)



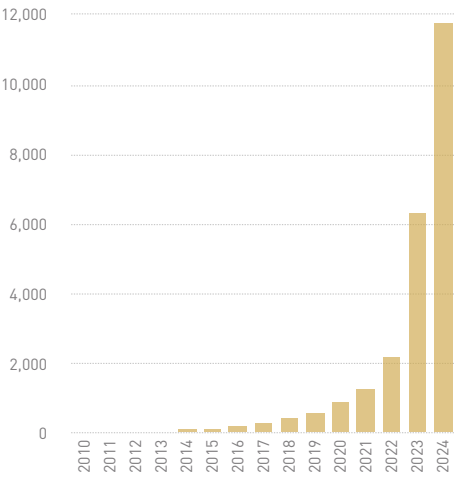
Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

In terms of growth contributions, of the nominal increase of 178.1% registered in the Argentine insurance market in 2024, Non-Life insurance contributed the most, with 159.6 percentage points (pp), while the Life insurance segment only contributed 18.5 pp (see Chart 3.2.9-d). This situation has been consistent in this insurance market over the last fifteen years, with the Life insurance maintaining a significantly lower relative weight in the general dynamic of the Argentine market.

Balance sheet and shareholders' equity

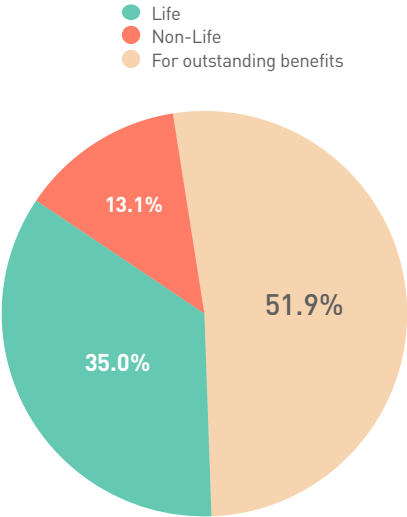
The aggregate balance sheet of the Argentine insurance industry, presented in Chart 3.2.9-e, shows that the industry recorded 22.3 trillion pesos (21.6 billion dollars) in total assets at the end of 2024, up 75.3% from the previous year, while equity stood at 7.5 trillion pesos (7.3 billion dollars), 82.6% above the figure registered the year before. With respect to aggregate capitalization levels (measured relative to total assets), the Argentine insurance sector shows a progressive increase over the period

Chart 3.2.9-i
Argentina: technical provisions of the insurance market
(billions of pesos)



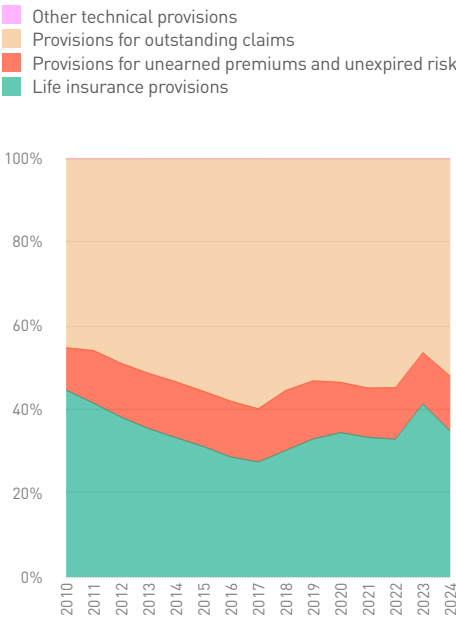
Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

Chart 3.2.9-k
Argentina: structure of technical provisions, 2024.
(%)



Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

Chart 3.2.9-j
Argentina: structure of technical provisions
(%)



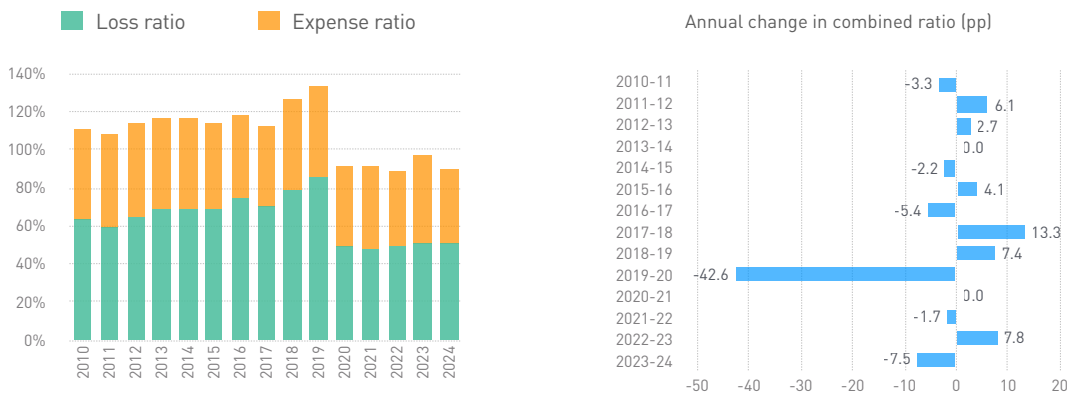
Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

analyzed, reaching its highest point in 2024, at 33.6% of total assets. It should be noted that previous editions of this report already highlighted the extraordinary increase in the aggregate equity of the Argentine insurance industry as a result of the complementary provisions dictated by the National Insurance Superintendence. These measures required all insurance and reinsurance companies to restate their financial statements in constant currency (inflation-adjusted) starting with the June 2020 fiscal year.

Investments

Charts 3.2.9-f, 3.2.9-g, and 3.2.9-h show the performance, structure and composition of the Argentine insurance industry's aggregate investment portfolio at sector level between 2010 and 2024. According to this data, in 2024, the industry's total investments reached 16.4 trillion pesos (15.9 billion dollars), concentrated in fixed income (53.2%), mutual funds (26.8%) and, to a much lesser extent (10.3%), in equities. Particularly noteworthy in the aggregate investment portfolio analysis is the gradual

Chart 3.2.9-l
Argentina: changes in market technical performance
 (total combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

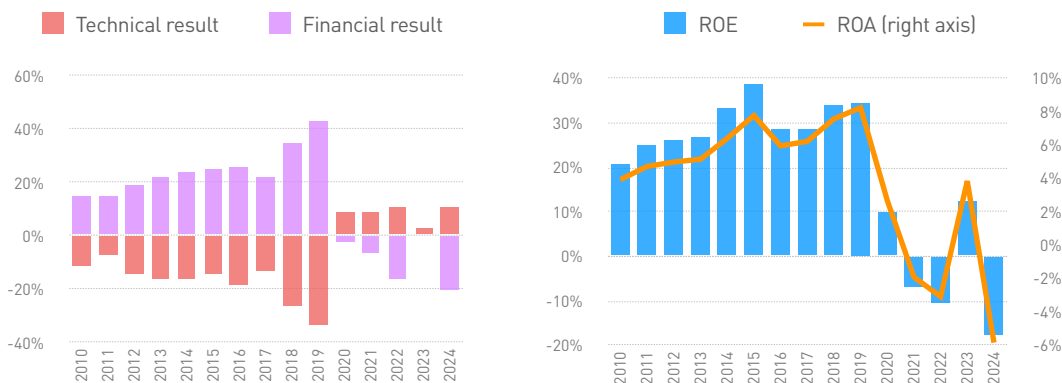
increase in amounts managed through mutual funds, which increased in relative values in nearly all of the period analyzed, growing from 11.5% of total investments in 2010 to 26.8% by the end of 2024. Conversely, the fixed income share has lost weight in the last fifteen years, going from 75.2% in 2010 to 53.2% in 2024.

Technical provisions

Charts 3.2.9-i, 3.2.9-j, and 3.2.9-k show the relative composition and performance of the

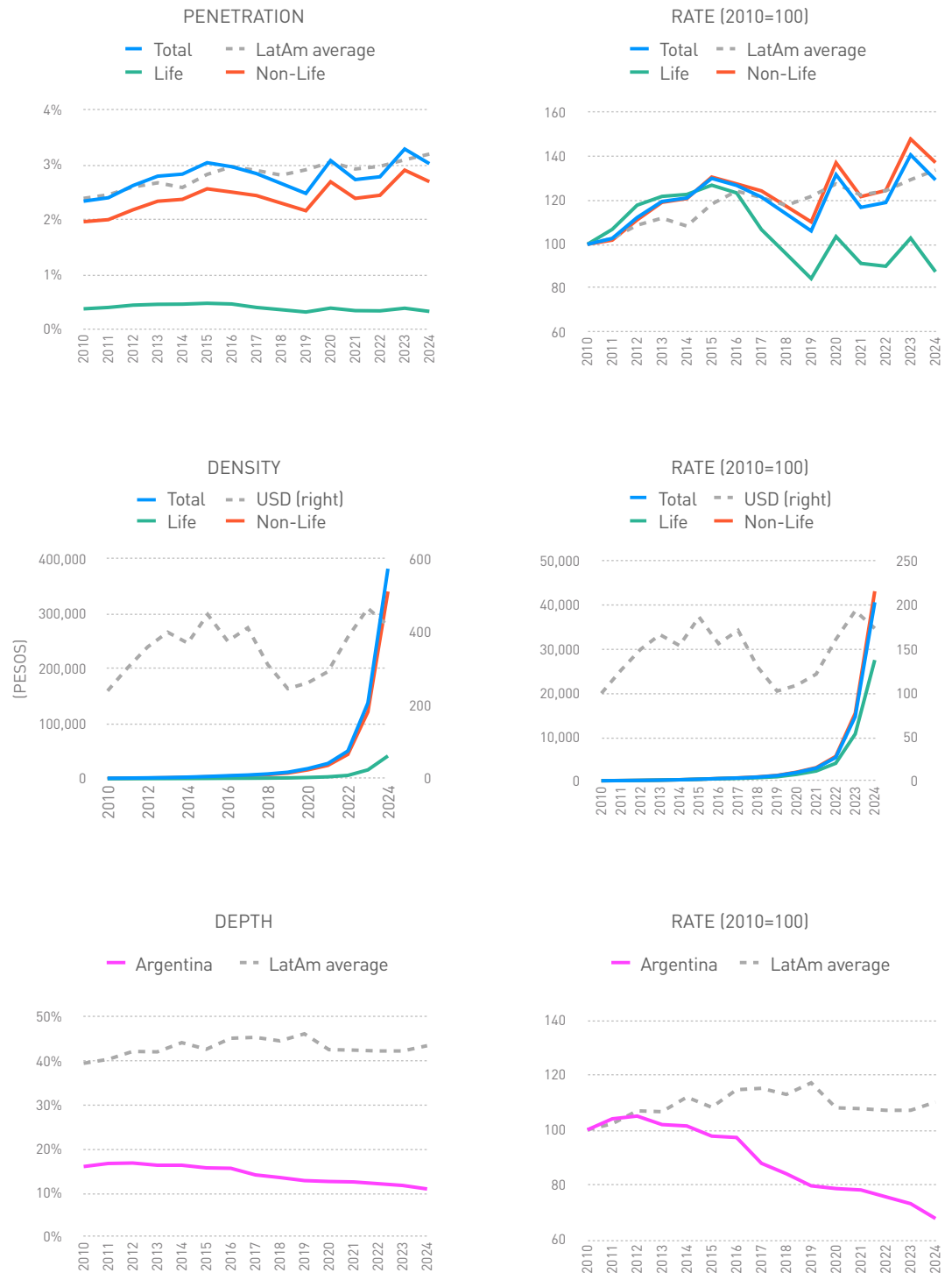
Argentine insurance industry's technical provisions over the 2010–2024 period. Technical provisions amounted 11.7 trillion pesos (11.4 billion dollars) in 2024. Of this total, 35.0% related to Life insurance provisions, 13.1% to provisions for unearned premiums and unexpired risks in Non-Life insurance, and 51.9% to provisions for outstanding claims. Over the period under review, the share of Life insurance provisions shows a declining trend, falling from 44.8% in 2010 to 27.6% in 2017; from that point on, their share remained above 30%, reaching 35.0% in

Chart 3.2.9-m
Argentina: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

Chart 3.2.9-n
Argentina: changes in penetration, density and depth
 (premiums/GDP, %; premiums per capita, pesos and USD; Life premiums/total premiums, %; 2010 index=100)



Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

2024. By contrast, provisions for outstanding claims increased over the period, rising from 45.1% in 2010 to 51.9% in 2024.

Technical performance

In terms of the technical performance of the Argentine insurance industry, the total combined ratio of the market stood at 89.4% in 2024, down 7.5 pp from 2023, thanks to a -7.8 pp improvement in the expense ratio, while the loss ratio saw a slight increase of 0.3 pp. As Chart 3.2.9-l shows, the technical result for the insurance business in Argentina was positive for the fifth consecutive year. As stated in our 2020 report, this can be explained by the restatement of various items in insurance companies' financial statements in standard currency (adjusted for inflation). When applying inflation adjustment, the various items must be restated based on the Consumer Price Index from their date of origin. As a result, the adjustments applied to premiums are larger than those applied to costs, since in the insurance industry the production cycle is inverted: revenues (premiums) are generated first and costs (claims and expenses) arise later, together with the requirement to establish the technical reserves needed to meet the obligations assumed. As a result, depending on the adjustment, an increase in items under

accrued premiums can be higher than accrued claims and adjusted expenses, thereby boosting the technical result. The changes introduced by National Superintendence of Insurance in the calculation of technical reserves for insufficient premiums (Resolution 147/2020) also had an impact. This calculation must be done with values expressed in standard currency, which led to a lower amount in the reserve or the need to create one.

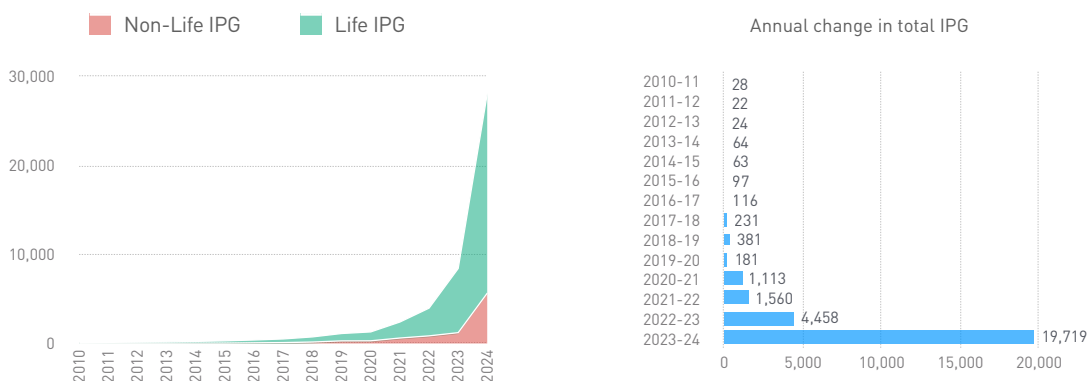
Results and profitability

The Argentine insurance sector closed 2024 with a decrease in its results. The net result from the insurance business (with annualized data as of December 2024) was -1.0 trillion pesos (-1.1 billion dollars), as the consequence of a negative financial result, while, as stated above, the technical result was positive. Profitability was negative in 2024: return on equity (ROE) stood at -17.6% (versus a positive ROE of 12.2% in 2023), while return on assets (ROA) reached a negative value of -5.8%, down 9.7 pp from 2023 (see Chart 3.2.9-m).

Insurance penetration, density, and depth

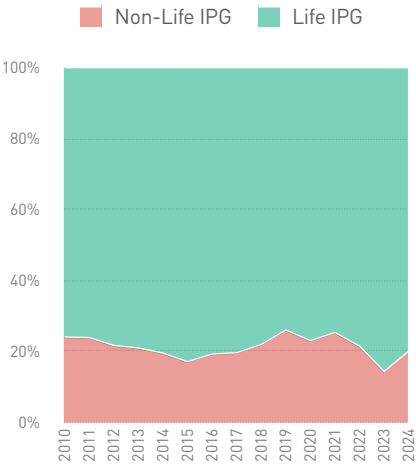
The main structural trends in the development of the Argentine insurance

Chart 3.2.9-o
Argentina: Insurance Protection Gap
(billions of pesos)



Source: MAPFRE Economics

Chart 3.2.9-p
Argentina: structure
of the Insurance Protection Gap



Source: MAPFRE Economics

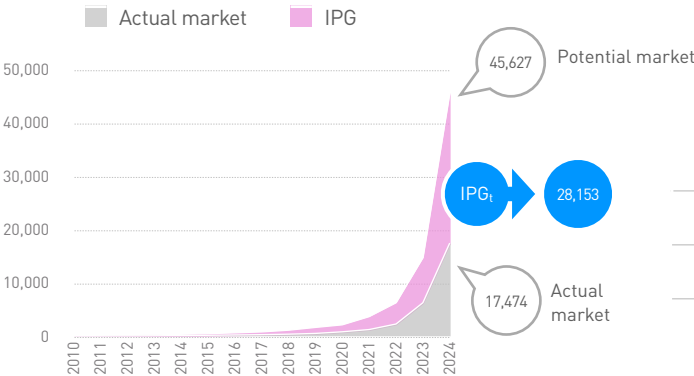
sector over 2010–2024 are shown in Chart 3.2.9-n. First, the penetration rate [premiums/GDP] stood at 3.0% in 2024, 0.3 pp below the previous year. The indicator saw a period of expansion until 2015, and from 2016 forward, a clear downward trend was observed, which reversed again after 2020. Thus, in the medium term, the penetration index has increased from 2.3% in 2010 to the current 3.0%. Meanwhile, insurance density (premiums per capita)

reached 382,401.6 pesos (417.7 dollars), 177.1% higher than the value observed in 2023. Density followed an upward trend over the last fifteen years, although its measurement in local currency was heavily influenced by the hyperinflationary context of that market in recent years. Thus, when measuring the indicator in terms of dollars, the density shows more stable behavior. Turning our attention to depth (Life insurance premiums to total premiums), the indicator for 2024 came to 10.9%, 5.2 pp below the value observed in 2010. This analysis shows that the Argentine insurance market's depth trend diverges substantially from the average trend observed in the Latin American region, showing once again the structural weakening of the Life segment within that country's insurance market.

Insurance Protection Gap estimate

Chart 3.2.9-o provides an estimate of the IPG for the Argentine insurance market over the 2010–2024 period. According to this analysis, the protection gap in 2024 stood at 28.2 trillion pesos (30.8 billion dollars), 1.6 times the size of the actual insurance market at the end of the year. As reflected in Chart 3.2.9-p, the structure and evolution of the IPG from 2010 to 2024 was determined by Life insurance. This proportion has increased from 75.9% in 2010 to 79.9% in

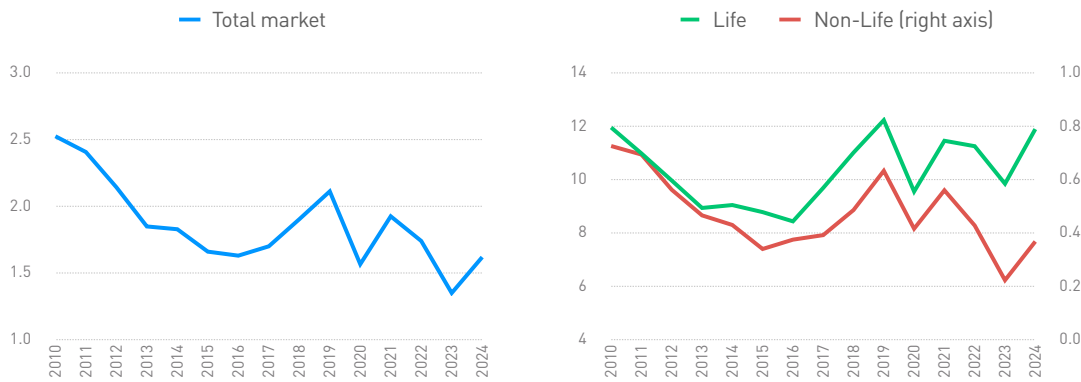
Chart 3.2.9-q
Argentina: Insurance Protection Gap and potential market
(billions of pesos)



Change	Actual market	IPG
2024-2010	449.5%	287.4%
2024-2023	178.1%	233.8%

Source: MAPFRE Economics

Chart 3.2.9-r
Argentina: IPG as a multiple of the actual market
(number of times the size of the actual insurance market)

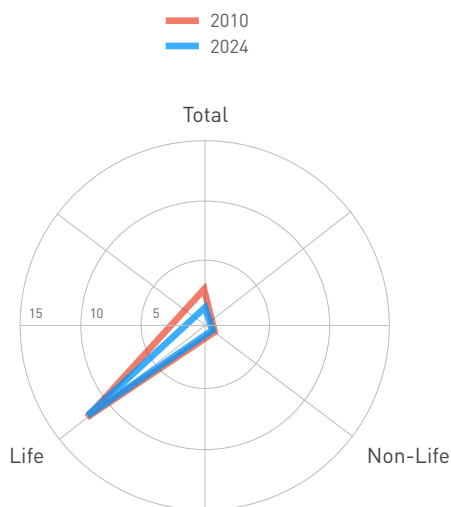


Source: MAPFRE Economics

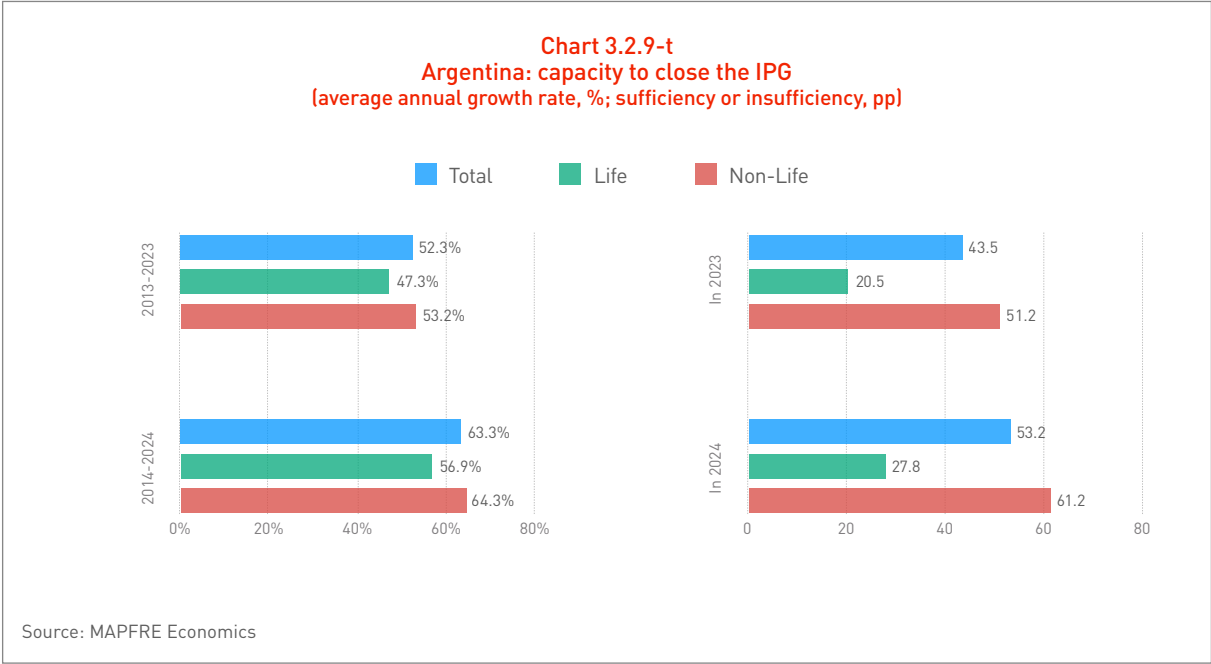
2024 (22.5 trillion pesos). In contrast, Non-Life insurance saw its IPG share decrease from 24% to 20.1% in this period. As such, as Chart 3.2.9-q shows, the potential insurance market in Argentina in 2024 (the sum of the actual market plus the IPG) amounted to 45.6 trillion pesos, almost 2.6 times the size of the country's market that year.

Given the hyperinflation experienced by the Argentine economy in recent years, absolute values in the IPG estimate can be misleading. For this reason, a useful indicator for assessing the trend in the insurance protection gap in the country is the estimate of the IPG expressed as a multiple of the real market, as shown in Chart 3.2.9-r. In this regard, the IPG as a multiple showed a downward trend between 2010 and 2016, falling from 2.5 to 1.6 times the size of the actual market. However, since 2017, this trend reversed, growing to 2.1 times the size of the market in 2019, with alternating ups and downs in subsequent years, landing at 1.6 times in 2024. A similar pattern is observed in both the Life and Non-Life segments. In the case of Life insurance, the IPG as a multiple of the respective market fell from 11.9 to 8.4 times between 2010 and 2016, before rising again to 12.2 times in 2019, followed by alternating declines and increases in the subsequent years, reaching 11.9 times in 2024. In the Non-Life segment, the IPG multiple declined from 0.7 to 0.3 times between 2010 and 2015. From 2016 onward, it resumed an upward trend, reaching 0.6 times in 2019, and then experienced further ups and downs in the following years, standing at 0.4 times in 2024. Thus, in the medium-term perspective over the last fifteen years, the protection gap for the Argentine market gradually fell, before

Chart 3.2.9-s
Argentina: change in IPG as a multiple of the actual market



Source: MAPFRE Economics



rebounding in both the Life and the Non-Life segment in 2024.

This medium-term behavior is confirmed in the schematic analysis presented in Chart 3.2.9-s, which shows the changes in the IPG as a multiple of the actual market for the Life, Non-Life, and total Argentine insurance market segments, comparing the situation in 2024 with that in 2010. It is evident that the Life line clearly maintains the dominant

weight in the insurance protection gap, where the multiples remain high. In contrast, in the Non-Life segment, the performance is practically flat, reflecting a barely marginal adjustment in terms of the gap as a multiple of the actual market in the period analyzed.

Lastly, Chart 3.2.9-t summarizes the updated assessment of the Argentine insurance market's capacity to close the IPG, based on a comparative analysis

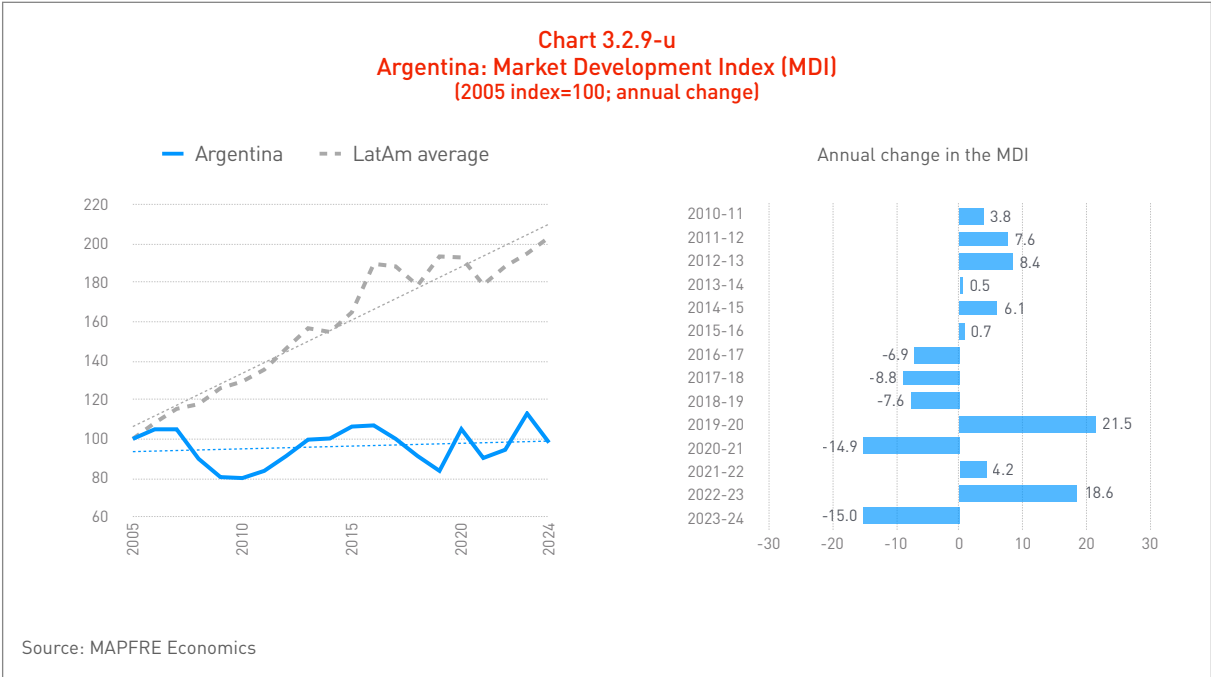
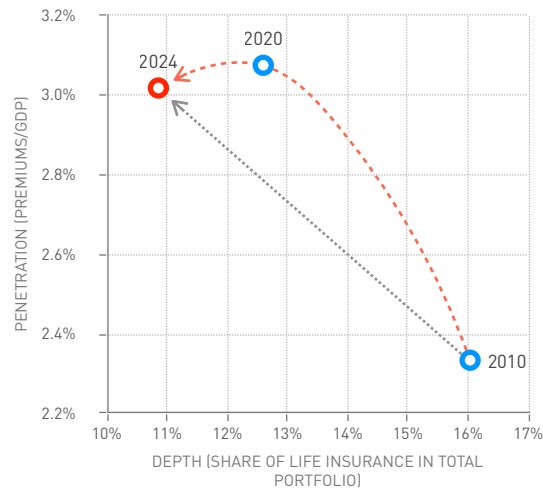
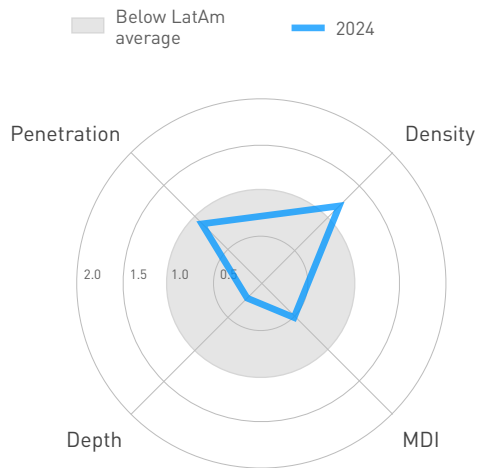


Chart 3.2.9-v

Argentina: comparative structural coefficient index* vs. average for Latin America (2024) and medium-term changes in the insurance market (2010–2024)



Source: MAPFRE Economics

* Indexes calculated as the quotient between the values of the country's structural coefficient and the average values of the coefficient concerned for the Latin American market as a whole. The unit represents a performance equivalent to the region's average.

between the growth rates observed over the last ten years in this market and the growth rates that would be required to close the IPG determined in 2024 over the next decade. Thus, the Argentine insurance market recorded an average annual growth rate of 63.3% between 2014 and 2024, in nominal terms. This was underpinned by an average growth of 56.9% in the Life insurance segment and 64.3% in the Non-Life segment. Thus, were this growth rate to continue over the next ten years, the growth rate of the market as a whole should prove sufficient to close the IPG determined in 2024 as far as both Non-Life and Life insurance are concerned. However, as stated in previous versions of this report, it should also be noted that the sufficiency rates resulting from this analysis tend to be clearly overestimated due to the high inflation rates observed in the Argentina economy.

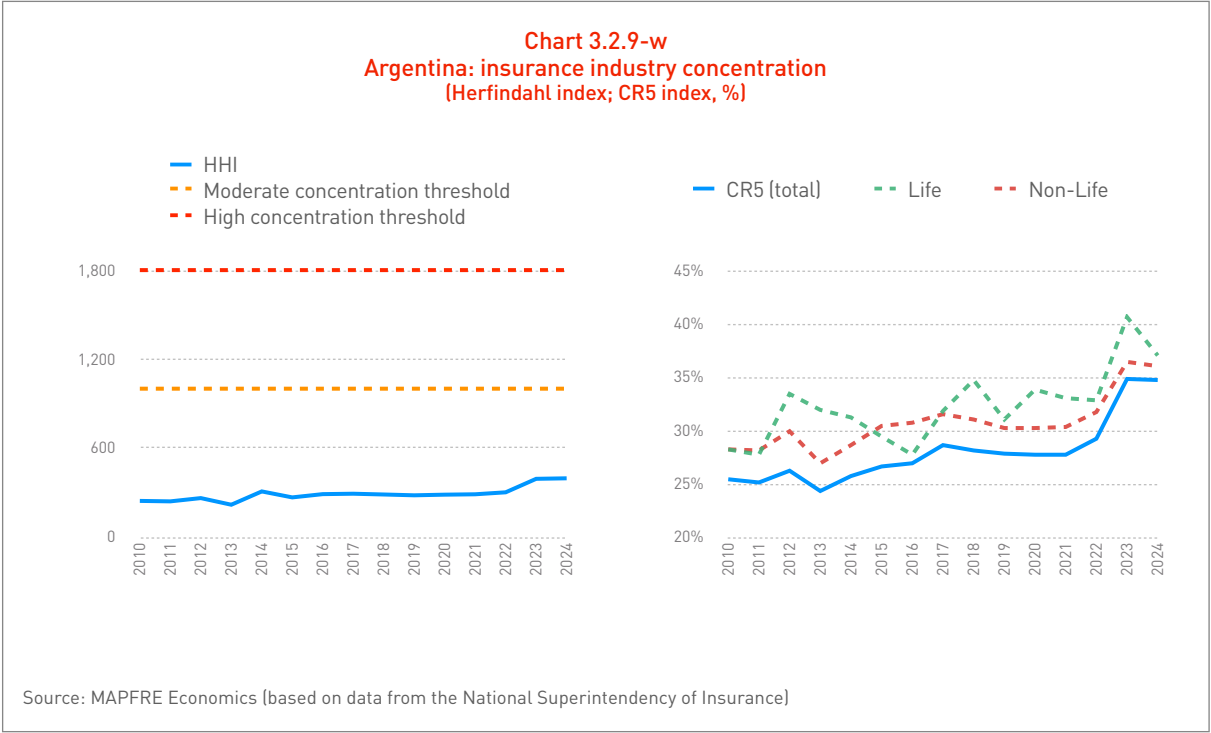
Market Development Index (MDI)

The updated estimate of the Market Development Index (MDI) for the Argentine

insurance industry is shown in Chart 3.2.9-u. The MDI seeks to summarize the performance and maturity of insurance markets and shows that the trend in the Argentine insurance market continues to diverge substantially from the trend presented by the Latin American region as a whole. There are several moments in which the indicator worsens and further distances itself from the trend of the rest of the countries in the region: between 2008 and 2010, from 2017 to 2019, in 2021, and again in 2024.

Comparative analysis of structural coefficients

Chart 3.2.9-v shows the Argentine insurance market's situation in comparison with the average for Latin America, measured in terms of the various structural indicators analyzed (penetration, density, depth, and MDI). As this analysis shows, both depth and the MDI are well below average for the region. By contrast, in terms of penetration, Argentina is roughly aligned with the regional mean, and in density it slightly exceeds it. Similarly, the dispersion analysis shown in the aforementioned chart



confirms that, over the 2010–2024 period as a whole, the Argentine insurance industry had been showing unbalanced development where, despite some improvements in quantity (penetration), strongly influenced by hyperinflation, there has been a decrease in quality (depth).

Insurance market rankings

A total of 191 insurance companies were authorized to operate in the Argentine market in 2024. Among them, 124 operated in Property & Casualty and Mixed insurance, five in Public Passenger Transport, 14 exclusively in Occupational Risks, 32 exclusively in Life

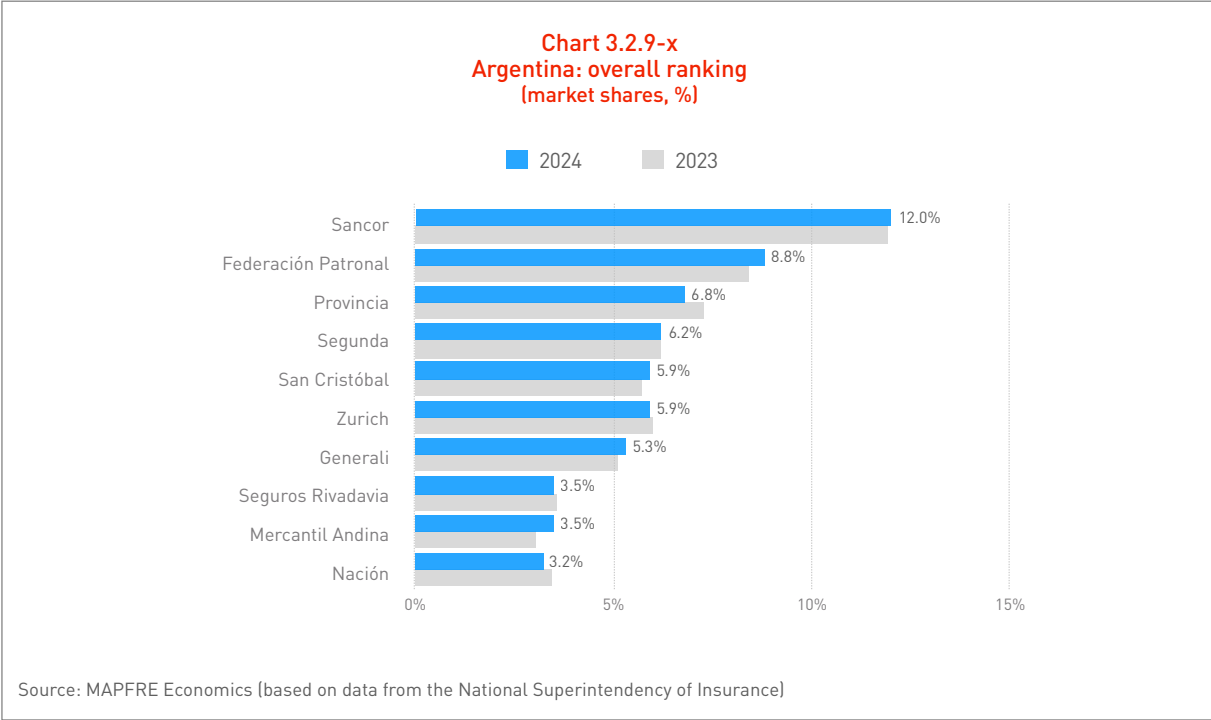
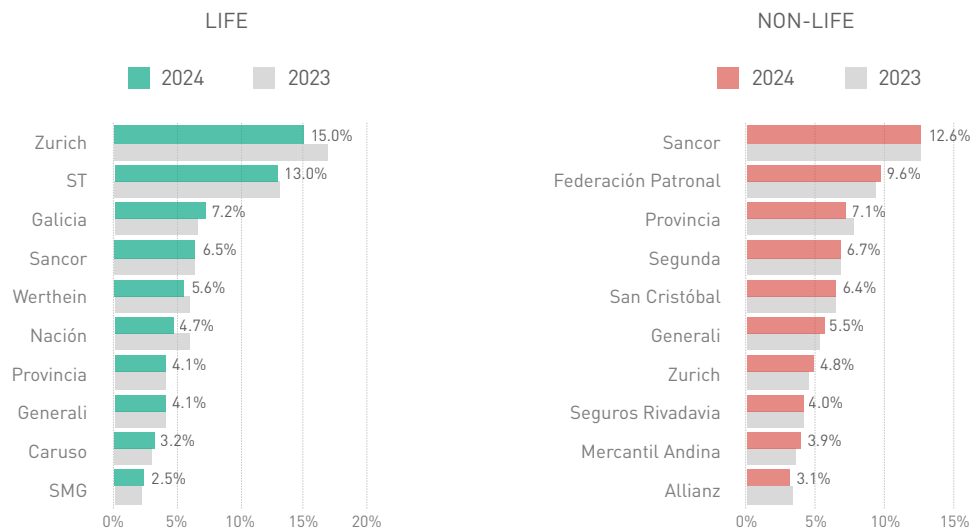


Chart 3.2.9-y
Argentina: Life and Non-Life ranking
 (market shares, %)



Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

insurance and 16 in Retirement insurance. Based on this number of participants in the market, the Herfindahl and CR5 indexes generally show a low degree of concentration, the former standing at 395.3 points in 2024, although with a slight upward trend in concentration since 2015 (see Chart 3.2.9-w). The CR5 index, for its part, shows that the five largest companies together accounted for 34.7% of total premiums in 2024—very similar to the previous year, but higher than the 25.4% recorded in 2010. In 2024, this indicator was very similar in the Life segment (37.0%) and in Non-Life (36.0%).

Total ranking

Sancor (with a 12.0% market share) and Federación Patronal (8.8%) retained the top spots in the ranking of the top insurance groups in Argentina in 2024. The only changes in the positioning of the companies included in the ranking with respect to 2023 were San Cristóbal and Zurich, which swapped positions, both with the same market share (5.9%). Moreover, Mercantil Antina climbs from twelfth to ninth place, while Nación drops one spot to tenth (see Chart 3.2.9-x).

Life and Non-Life rankings

Given the relative weight of Non-Life insurance, the companies included in the ranking of this segment in 2024 are the same as those in the total ranking. As a result, Sancor led the ranking with 12.6% of premiums on the market, followed by Federación Patronal (9.6%). Meanwhile, Zurich group topped the Life ranking with a 15.0% market share (17.0% in 2023), followed by ST, which confirms its growth in recent years with a 13.0% share. Wertheim (with a 5.6% share of the segment) rises one spot, displacing Nación (4.7%), occupying fifth and sixth places, respectively. The other groups stayed in the same positions (see Chart 3.2.9-y).

Key regulatory aspects

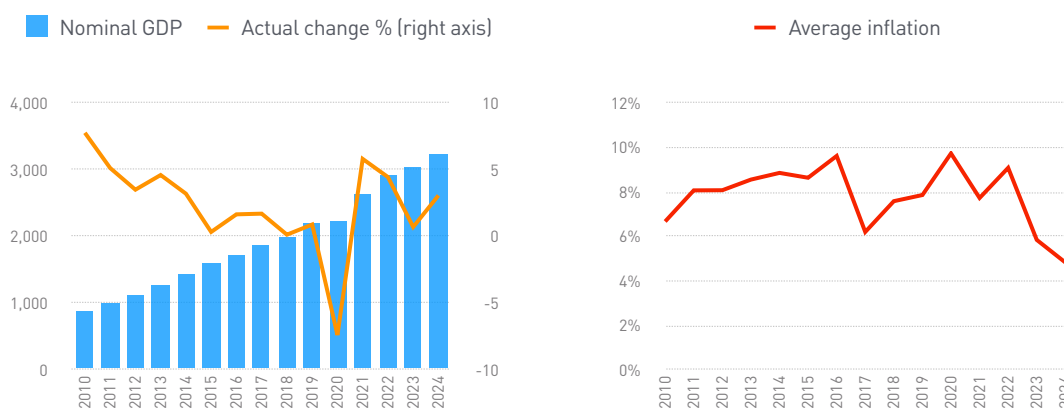
Among the main regulatory adjustments in the Argentine insurance market in 2024, the Law of Bases and Starting Points for the Freedom of Argentines No. 27,752 has introduced substantial reforms in the labor regime, considering the possibility of constituting a Termination Benefits System as an alternative to the traditional compensation for length of

service provided in Article 245 of the Employment Contract Law No. 20,744. Decree No. 847, dated September 25, 2024, regulated the Termination Benefits System and established that this system may be implemented through the purchase of an insurance policy issued by insurance companies authorized by the National Insurance Superintendency (SSN), granting the agency authority to issue any supplementary regulations required for that purpose.

In addition, the main regulatory resolutions issued by the SSN in 2024 and thus far in 2025 are detailed below:

- *SSN Resolution 40/2024*. Simplifies the authorization requirements for share transfers and capital contributions, streamlining corporate processes.
- *SSN Resolution 197/2024*. Amends Section 23 of the General Insurance Activity Regulation (RGAA). Defines microinsurance as coverage for the low-income population, establishing maximum response terms of 15 days, prohibits profit-sharing clauses, as well as a 30% limit on production and exploitation expenses.
- *SSN Resolution 287/2024*. Raises technical standards for calculating outstanding claims in mediation and litigation, and incurred-but-not-reported claims. Introduces the use of the FACPCE rate (accounting restatement index published by the Argentine Federation of Professional Economic Sciences Advisors, FACPCE) and more precise actuarial criteria.
- *SSN Resolution 348/2024*. Amends the criteria for admissible investments, establishing limits for assets such as stocks and public securities, in order to strengthen the technical solvency of insurance companies.
- *SSN Resolution 360/2024*. Establishes the Policyholder Services Coordination Unit, which requires insurance companies to respond to claims within fifteen business days and clearly display their contact channels.
- *SSN Resolution 394/2024*. Strengthens oversight of the coverage of payable obligations and settled claims. Imposes corrective measures on entities showing accounting inconsistencies.
- *SSN Resolution 459/2024*. Standardizes the criteria for calculating risk-retention capacity, establishing a uniform model for the Auditor's Special Report on automatic reinsurance contracts.
- *SSN Resolution 551/2024*. Introduces updated sums insured and deductibles for motor vehicle liability insurance. The changes impact coverage for public-transport vehicles, private and/or towed vehicles, and vehicles operating through technology platforms, ensuring that coverage limits remain aligned with current risk levels.
- *SSN Resolution 644/2024*. Redefines the minimum conditions of insurance policies, their marketing and cancellation, in order to provide greater contractual clarity and protect policyholders.
- *SSN Resolution 18/2025*. Repeals Resolution 38,064 of 2013, eliminating the previously established limits and guidelines for setting prices on insurance policies.
- *SSN Resolution 24/2025*. Establishes a new minimum capital regime based on Acquisition Value Units (UVA), raising the technical requirements to operate in the insurance market.
- *SSN Resolution 158/2025*. Amends Section 25 of the General Insurance Activity Regulations (SSN Resolution No. 38,708, November 2014) to achieve a clearer and more structured drafting that provides greater legal certainty. The amendment concerns all provisions related to policy content (Section 25.1) and delivery and retention of documentation (Section 25.2).

Chart 3.2.10-a
Uruguay: changes in economic growth and inflation
 (GDP in local currency, billions of pesos; real growth rate, %; annual inflation rate, %)



Source: MAPFRE Economics (based on IMF data)

- *SSN Resolution 287/2025*. Establishes new requirements for the accounting breakdown of reserves for incurred-but-not-reported (IBNR) claims and for reinsurance exposure.
- *SSN Resolution 347/2025*. Approves the guidelines for the Contractual Conditions and the Technical Note of "Severance Insurance" entered into under Articles 6 and 21 of Annex II of Decree No. 847, dated September 25, 2024.
- *SSN Resolution 384/2025*. Amends point 23 of the General Regulations for Insurance Activity (RGAA), to specify and update the documentation required for authorization of insurance lines and plans.

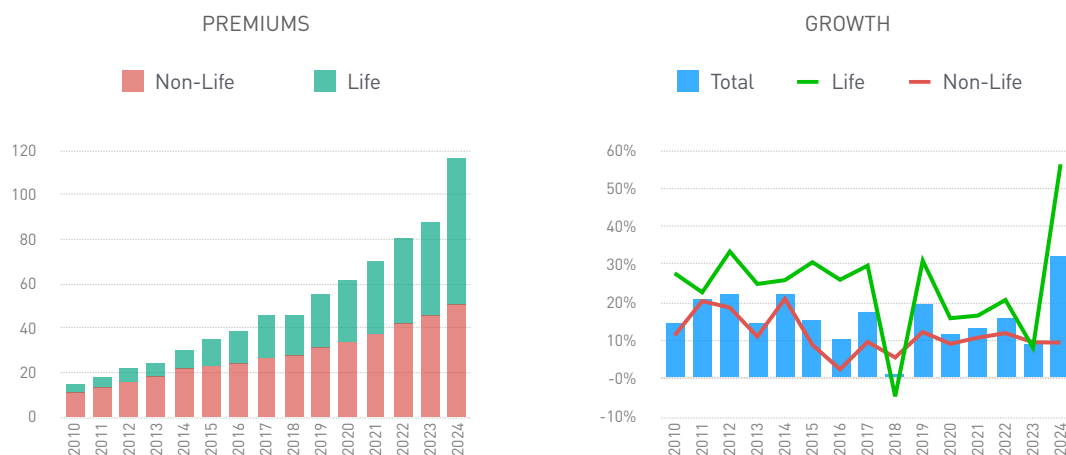
3.2.10 Uruguay

Macroeconomic environment

The Uruguayan economy grew 3.1% in real terms in 2024, accelerating over the previous year (1.0% in 2023). This reflects a recovery supported by the improved performance of the agriculture and energy sectors (up 11.3% and

19.6%, respectively, after being severely affected by the droughts in 2023) and the growth of domestic demand, which boosted the trade and tourism sectors (see Chart 3.2.10-a). Exports increased (4.5%, driven by sales of meat, dairy products, and wood pulp), although this growth was outpaced by a 6.0% increase in imports, influenced by stronger domestic demand for capital goods and fuels. The unemployment rate remained stable, standing at 8.4% in 2024 (8.3% in 2023). Meanwhile, the government's fiscal balance remained in deficit, standing at -4.1% of GDP, as higher tax revenues from economic growth did not offset the increase in public spending—both current expenditure (higher public-sector wages and inflation adjustments) and capital expenditure (road, port, and energy infrastructure). In terms of prices, annual inflation continued its downward trend, averaging 4.9% in 2024, versus 5.9% the previous year, staying within the target range of the central bank (3%-6%). This allowed the monetary policy rate to be cut from 9.00% to 8.50 in April. However, a final adjustment was made at year-end, to 8.75%, to anchor inflation expectations amid international uncertainty.

Chart 3.2.10-b
Uruguay: growth developments in the insurance market
(premiums, billions of pesos; annual nominal growth rates, %)



Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

Against this backdrop, ECLAC estimates more moderate recovery of the Uruguayan economy in 2025, with 2.8% growth (2.5% in 2026), given the absence of the base effect of the agricultural and energy recession in 2023, as

well as the weaker momentum among trading partners such as Brazil. Meanwhile, MAPFRE Economics expects the Uruguayan GDP to grow around 2.5% in 2025 and 2.4% in 2026.

Table 3.2.10
Uruguay: premium volume¹ by line, 2024

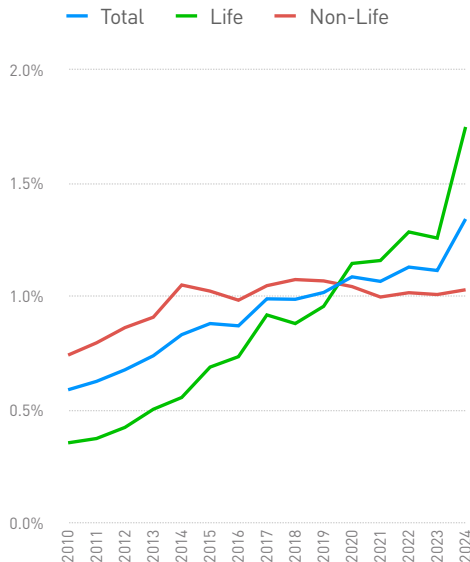
Line of business	Millions of pesos	Millions of USD	Growth	
			Nominal (%)	Real (%)
Total	116,179.3	2,889.2	31.9	25.8
Life	65,752.2	1,635.1	56.3	49.1
Pension	54,704.3	1,360.4	68.5	60.7
Non-Pension	11,047.9	274.7	15.2	9.9
Non-Life	50,427.1	1,254.0	9.5	4.5
Automobiles	21,355.0	531.1	10.9	5.7
Other lines	7,189.7	178.8	1.5	-3.2
Fire	1,229.9	30.6	12.5	7.3
Transport	1,274.7	31.7	11.8	6.6
Third-party liability	1,410.4	35.1	8.1	3.1
Theft	2,658.6	66.1	34.6	28.4
Surety and credit	2,322.9	57.8	20.3	14.7
Workplace accidents ²	12,367.8	307.6	5.8	0.9
Health	618.2	15.4	11.0	5.9

Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

1/ Written premiums net of cancellations

2/ The volume of *Workplace accident* premiums corresponds to Banco de Seguros del Estado.

Chart 3.2.10-c
Uruguay: share of insurance premiums in Latin America (%)



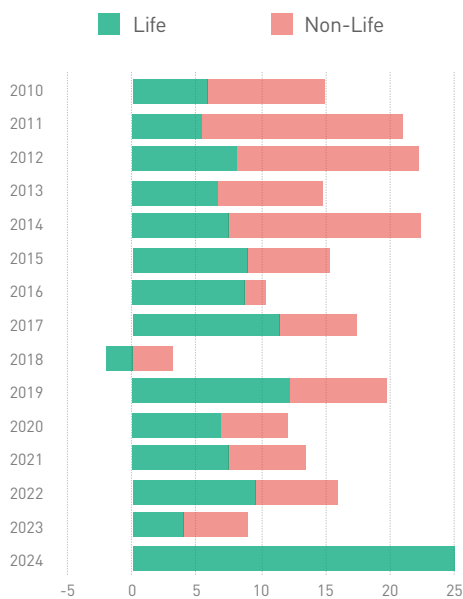
Source: MAPFRE Economics (based on data from the Central Bank of Uruguay and supervisory bodies of the region)

Insurance market

Growth

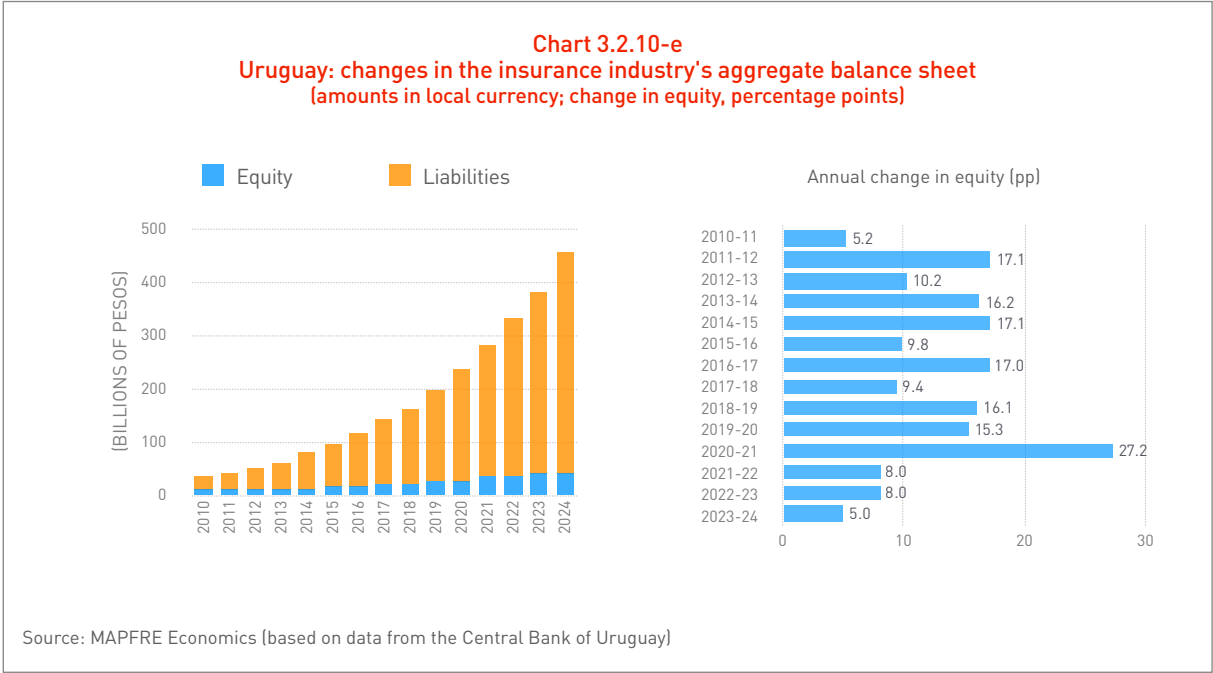
In 2024, Uruguay's insurance market showed very strong performance, with total premiums reaching 116.2 billion pesos (2.9 billion dollars), representing nominal growth of 31.9% and real growth of 25.8% (see Chart 3.2.10-b and Table 3.2.10). The Life insurance segment was the main driver in 2024, with 67.8 billion pesos in premiums (1.6 billion dollars), showing a nominal increase of 56.3% over the previous year, and 49.1% in real terms. Pension insurance, which accumulated the greatest premium volume (83.2% of the Life segment) registered the highest increase in premiums written, 68.5% in nominal terms. Meanwhile, the Non-Life segment grew 9.5% in nominal terms and 4.5% in real terms. The Automobile line accounted for the most revenue, at 21.4 billion pesos (531.1 million dollars). Meanwhile, the Theft line registered the highest nominal increase with 34.6% (28.4% real).

Chart: 3.2.10-d
Uruguay: contribution to insurance market growth (percentage points, pp)



	Annual growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2010	14.9	5.9	8.9
2011	21.0	5.4	15.6
2012	22.3	8.1	14.2
2013	14.8	6.6	8.2
2014	22.4	7.4	14.9
2015	15.3	9.0	6.2
2016	10.4	8.7	1.7
2017	17.3	11.3	6.0
2018	1.3	-1.9	3.2
2019	19.7	12.3	7.4
2020	12.1	6.9	5.2
2021	13.4	7.5	5.9
2022	16.0	9.6	6.5
2023	9.0	3.9	5.0
2024	31.9	26.9	5.0

Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)



The Uruguayan insurance sector accounted for 1.3% of total premiums in the Latin American insurance market in 2024, with a larger share in Life (1.7%) than in Non-Life

(1.0%). It is worth noting that, throughout the period from 2010 to 2024, this share has increased steadily—from 0.6% in 2010 to 1.3% in 2024—showing similar dynamics in both the

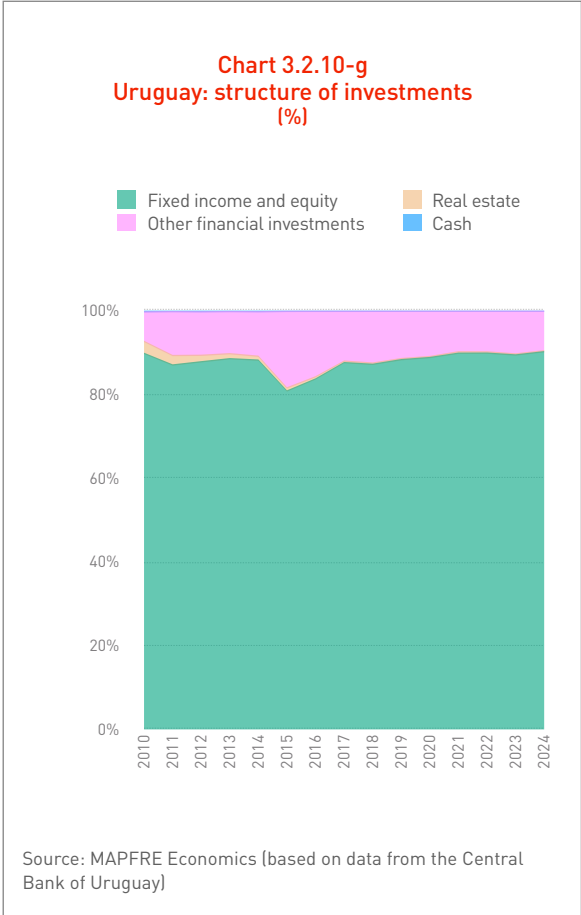
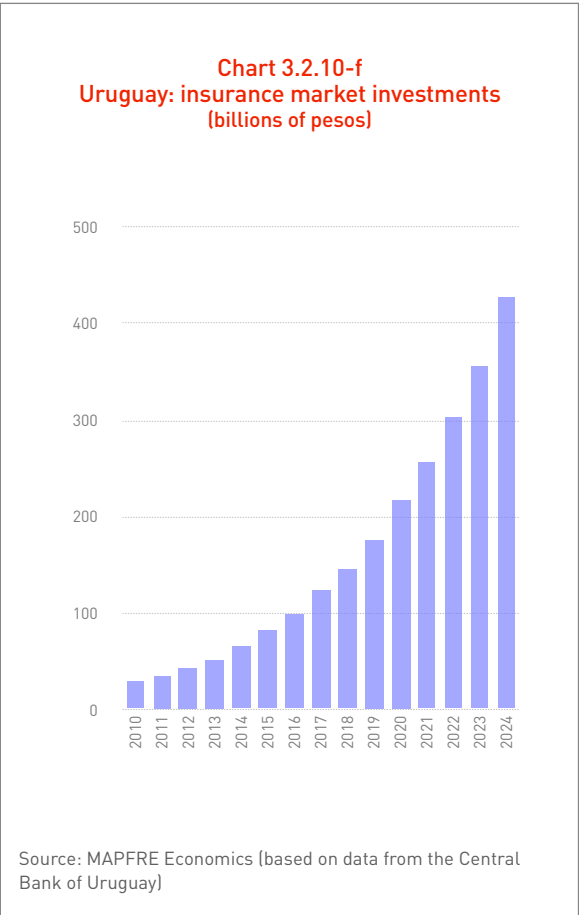
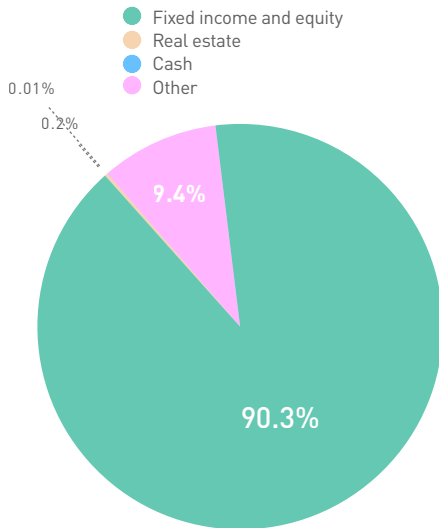


Chart 3.2.10-h
Uruguay: structure of investments, 2024 (%)



Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

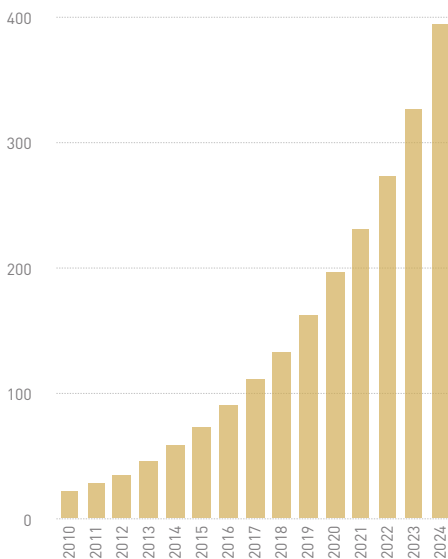
Life segment, where participation rose from 0.4% to 1.7%, and the Non-Life segment, where the share increased from 0.7% in 2010 to 1.0% in 2024 (see Chart 3.2.10-c).

Regarding contributions to market growth, as shown in Chart 3.2.10-d, the 31.9% nominal increase recorded by the Uruguayan insurance industry in 2024 resulted from a positive contribution of 26.9 percentage points (pp) from the Life segment and 5.0 pp from the Non-Life segment. As confirmed in the chart, since 2015, Life insurance has generally been the main driver of sector growth, with the exception of the decline observed in 2018.

Balance sheet and shareholders' equity

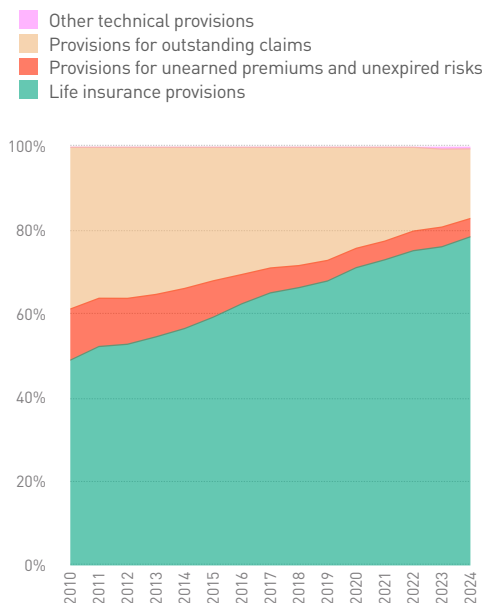
Chart 3.2.10-e shows changes in the aggregate balance sheet of the Uruguayan insurance industry between 2010 and 2024. This information reveals that in 2024, the industry's total assets reached 457.0 billion pesos (10.4 billion dollars), up 19.7% from its

Chart 3.2.10-i
Uruguay: technical provisions of the insurance market (billions of pesos)



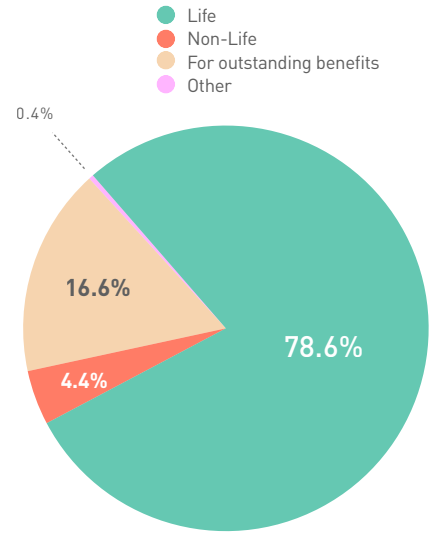
Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

Chart 3.2.10-j
Uruguay: structure of technical provisions (%)



Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

Chart 3.2.10-k
Uruguay: structure of technical provisions,
2024
(%)



Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

level in 2023, with equity of 42.0 billion pesos (956.7 million dollars). With regard to the performance of the Uruguayan insurance industry's aggregate capitalization levels (measured over total assets), the gradual decline from 22.1% in 2010 to 9.2% in 2024, with a small upturn in 2021, is noteworthy.

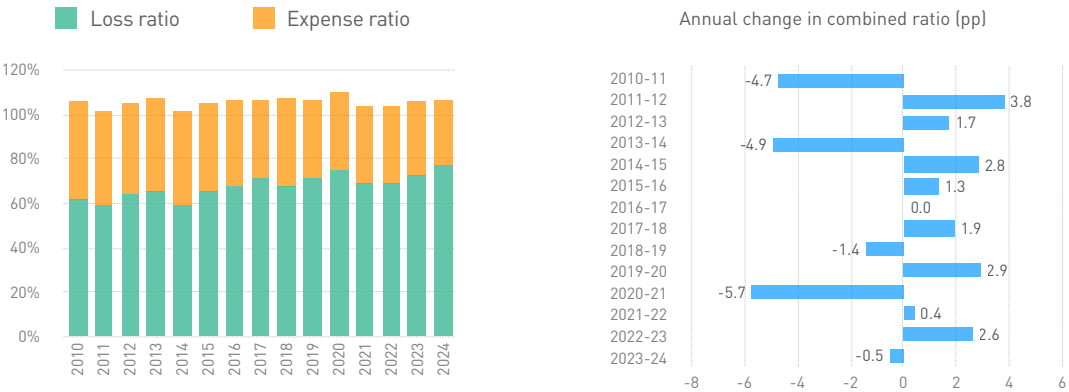
Investments

Charts 3.2.10-f, 3.2.10-g, and 3.2.10-h show investment performance and the composition of the investment portfolio for the Uruguayan insurance industry over the 2010–2024 period. According to this data, the industry's investments totaled 427.17 billion pesos (9.72 billion dollars), with 90.3% of investments concentrated in fixed income and equity instruments, 0.2% in real estate investments, 0.01% in cash and cash equivalents, and the remaining 9.4% in other financial investments (mainly bank deposits). It is also worth noting the change in the relative weight of real estate investments in the aggregate portfolio, as this fell from 2.9% of the portfolio in 2010 to just 0.2% in 2024.

Technical provisions

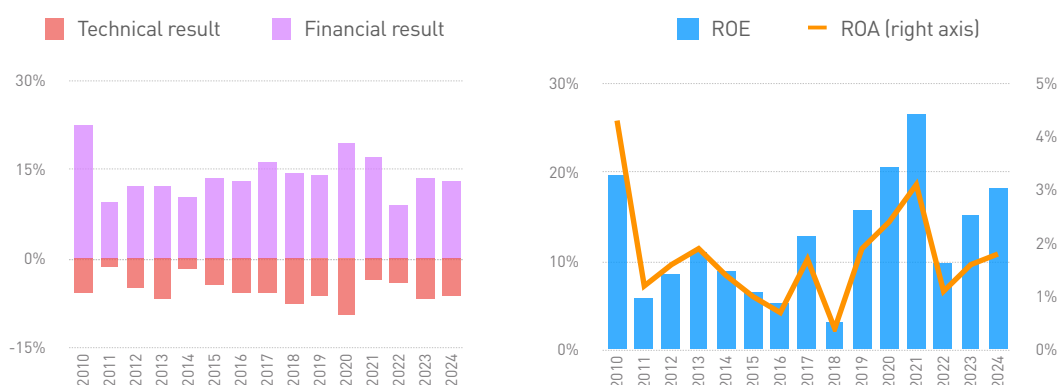
The performance and composition of technical provisions in the Ecuadorian insurance industry between 2010 and 2024 are presented in Charts 3.2.10-i, 3.2.10-j, and 3.2.10-k. In 2024, technical provisions stood at 396.4 billion pesos (9.0 billion dollars). Technical provisions for Life insurance accounted for 78.6% of the total, while provisions for unearned premiums and unexpired risks in Non-Life insurance accounted for 4.4% and provisions for outstanding losses for the remaining 16.6%. It should be noted that, during this period, the relative weight of the technical

Chart 3.2.10-l
Uruguay: changes in market technical performance
(total combined ratio, %; annual change in combined ratio, percentage points)



Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

Chart 3.2.10-m
Uruguay: changes in results and profitability
 (technical and financial results over net earned premium, %; ROE, %; ROA, %)



Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

provision for Life insurance grew in a sustained manner, rising from 49.2% of total provisions in 2010 to 78.6% in 2024.

Technical performance

Chart 3.2.10-l illustrates the technical performance of the Uruguayan insurance market from 2010 to 2024, based on an analysis of the sector's total combined ratio. According to this data, the indicator improved slightly in 2024 by -0.5 pp to 106.2%, influenced by a 5.7 pp increase in the loss ratio, and a 6.2% decline in the expense ratio.

Results and profitability

The Uruguayan insurance industry closed 2024 with a net result of 7.4 billion pesos (183.6 million dollars), which confirms the positive trend of recent years, thanks to the improved technical and financial margins. In terms of profitability, return on equity (ROE) stood at 18.0%, improving over the 15.0% of 2023, although below the maximum of 26.4% reached in 2021. Meanwhile, return on assets (ROA) stood at 1.8%, up 0.2 pp from the previous year (see Chart 3.2.10-m).

Insurance penetration, density, and depth

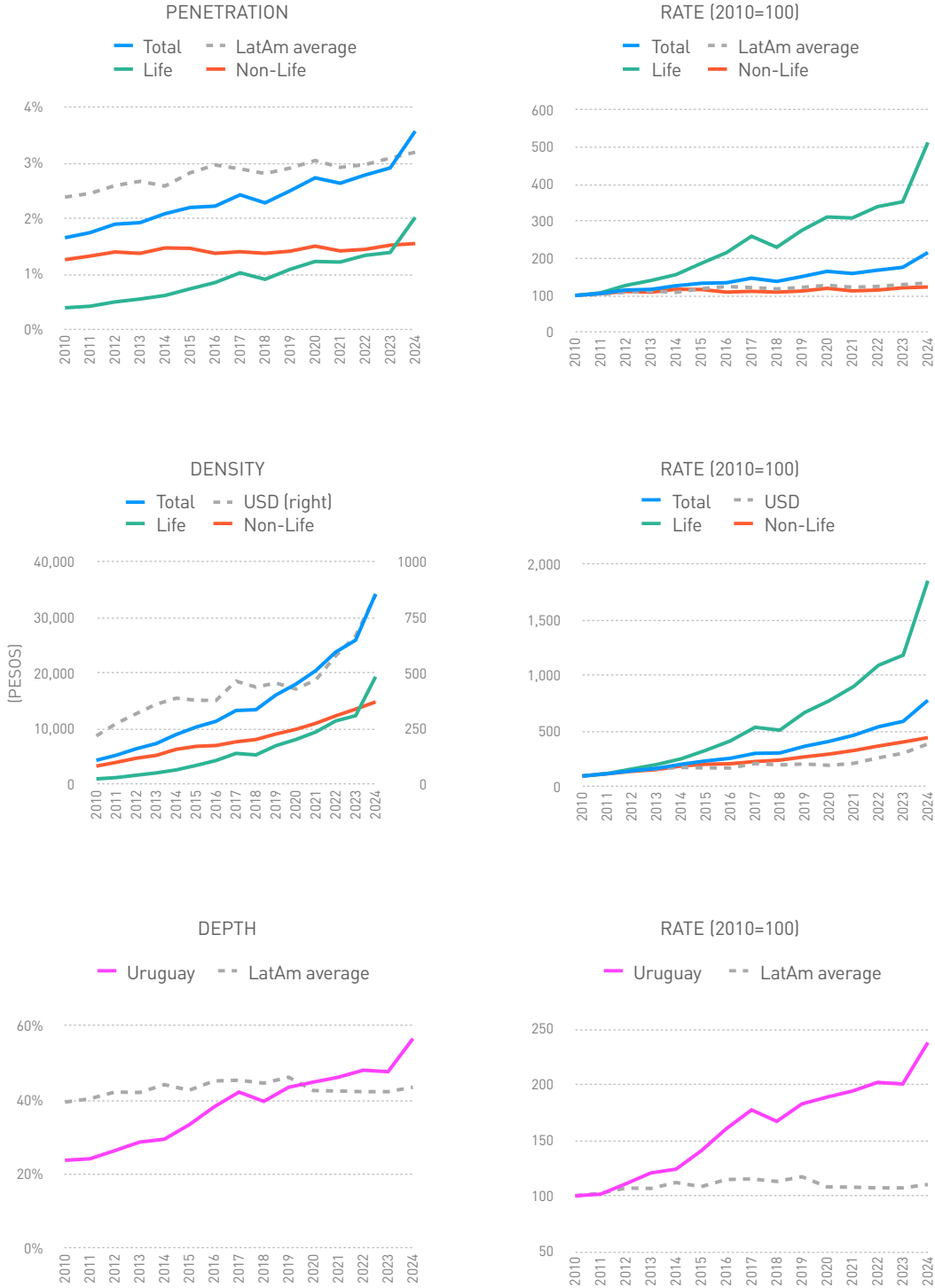
Chart 3.2.10-n illustrates the main structural trends shaping the development of the

Uruguayan insurance industry over the 2010–2024 period. The penetration index (premiums/GDP) in 2024 stood at 3.6%, up 1.9 pp from 2010. From a medium-term perspective, the penetration rate in the Uruguayan market has maintained a steadily rising trend throughout the period analyzed, increasingly converging with the regional average and surpassing it in 2024, driven by the strong performance of Life insurance. Meanwhile, insurance density in Uruguay (premiums per capita) came to 34,305.7 pesos (853.1 dollars), up 31.9% on the level reached in 2023. Density (measured in local currency) followed an upward trend over the course of the period under analysis, both in the Life segment and in the Non-Life segment, with a cumulative increase of 680.8% over the 2010–2024 period. Lastly, after a slight contraction in 2018, insurance depth in the Uruguayan market (Life insurance premiums over total premiums) continued its year-on-year growth, standing at 56.6% in 2024, 32.8 percentage points above its 2010 level, and exceeding the average for Latin American insurance markets as a whole since 2020.

Insurance Protection Gap estimate

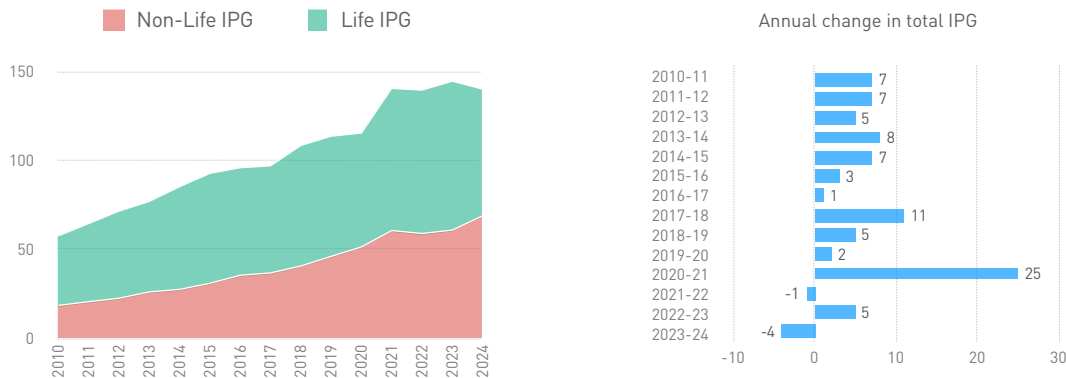
Chart 3.2.10-o provides an estimation of the IPG for the Uruguayan insurance market between 2010 and 2024. According to this analysis, the IPG stood at 140.3 billion pesos (3.5 billion dollars) in 2024, 1.2 times the size

Chart 3.2.10-n
Uruguay: changes in penetration, density and depth
(premiums/GDP, %; premiums per capita, pesos and USD; Life premiums/total premiums, %; 2010 index=100)



Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

Chart 3.2.10-o
Uruguay: Insurance Protection Gap
 (billions of pesos)



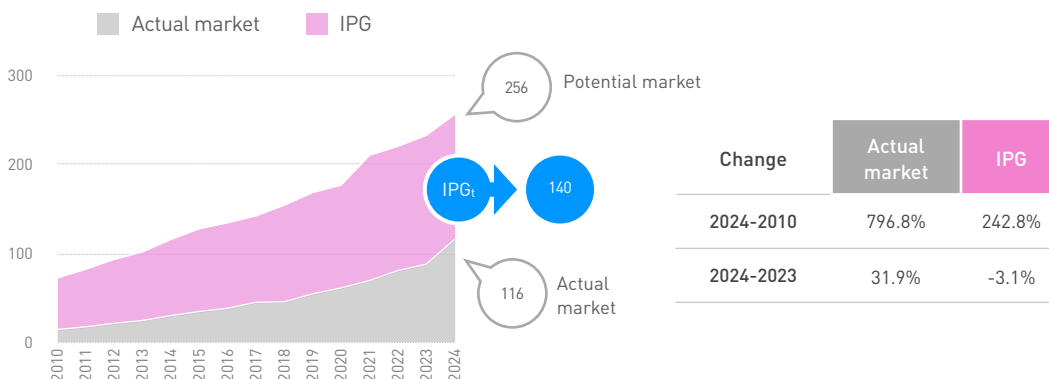
Source: MAPFRE Economics

of the Uruguayan insurance market at the end of that year. The structure and performance of the IPG over the period under analysis are largely attributable to the contribution of the Life insurance segment, although in recent years the proportion each segment represents in the total gap is equalizing. Thus, at year-end 2024, 50.8% of the IPG related to Life insurance (71.3 trillion pesos), while the remaining 49.2% of the 2024 gap is explained by the contribution of the Non-Life insurance segment (69.0 billion pesos). Thus, the potential insurance market in Uruguay at the

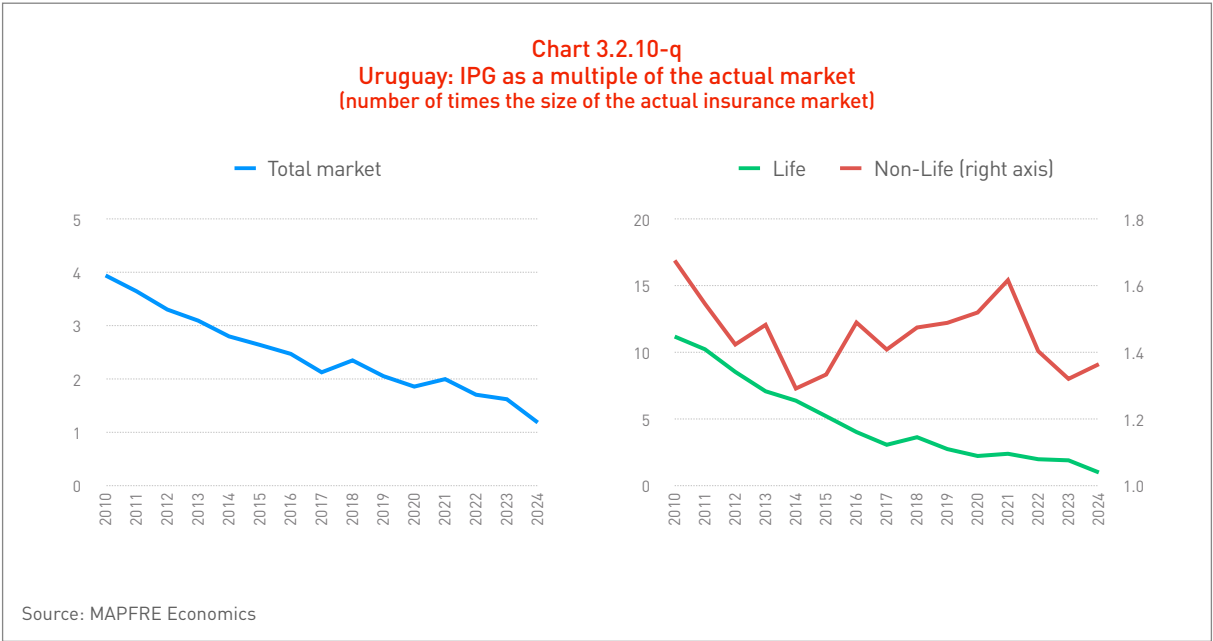
close of 2024 (the sum of the actual market plus the IPG) was therefore estimated at 256.4 billion pesos (6.4 billion dollars), 2.2 times the size of the total insurance market that year (see Chart 3.2.10-p).

An analysis of the protection gap trend in the Uruguayan market, expressed as a multiple of the actual insurance market, is presented in Chart 3.2.10-q. According to this review, the market's IPG shows a downward trend over 2010–2024, which is particularly significant in the Life segment, where the multiple falls

Chart 3.2.10-p
Uruguay: Insurance Protection Gap and potential market
 (billions of pesos)

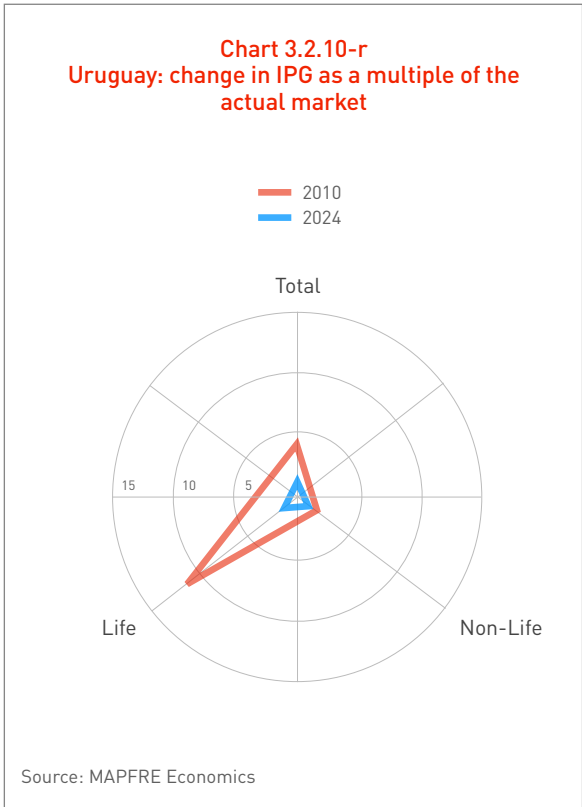


Source: MAPFRE Economics



from 11.3 to 1.1 times over the period. For the Non-Life segment, the gap as a multiple of the real market stood at 1.7 times in 2010 and, throughout the period analyzed, displayed a less clear pattern than Life, with increases and decreases fluctuating between 1.3 and 1.5 times the real market, reaching 1.4 times in 2024. Chart 3.2.10-r, which illustrates the development of the IPG as a multiple of the

real market for the Life, Non-Life, and total Uruguayan insurance market segments, comparing the situation in 2024 with that in 2010, confirms that the Uruguayan market has improved in terms of reducing the protection gap, especially in the Life segment, unlike the Non-Life segment where, as stated above, the improvement is marginal.

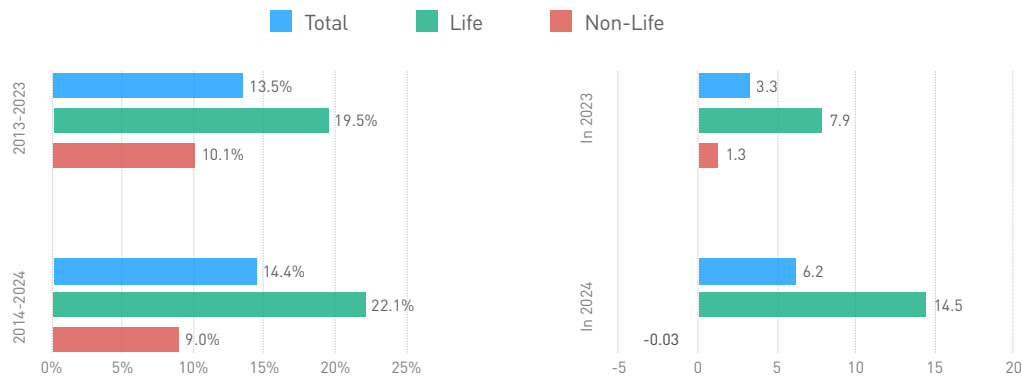


Finally, Chart 3.2.10-s summarizes an updated overview of the Uruguayan insurance market's capacity to close the IPG determined in 2024, based on a comparative analysis between the growth rates observed over the past ten years and the growth rates that would be required to close the gap over the next decade. According to this analysis, the Uruguayan insurance market grew at an average annual rate of 14.4% over the period analyzed; this growth was comprised of an annual growth rate of 22.1% in the Life insurance segment and 9.0% in the Non-Life insurance segment. Thus, were the growth rate seen over the last decade to continue over the next ten years, the growth rate of the Uruguayan insurance market should be sufficient to close the protection gap estimated in 2024 during the aforementioned period of time.

Market Development Index (MDI)

Chart 3.2.10-t provides the estimation of the Market Development Index (MDI) for the

Chart 3.2.10-s
Uruguay: capacity to close the IPG
(average annual growth rate, %; sufficiency or insufficiency, pp)



Source: MAPFRE Economics

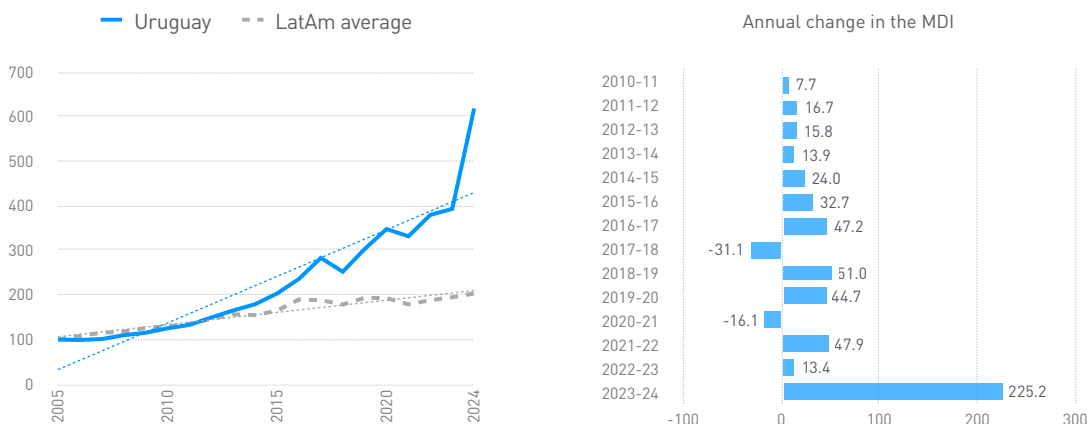
Uruguayan insurance industry between 2005 and 2024. In this case, the MDI shows a positive trend throughout the analysis period. Since 2012, it has stood well above the average performance of Latin American insurance markets, supported by the strong results of the Life insurance segment. As shown in the chart, the index declines in 2018 in line with the overall market performance that year, recovers in 2019 and 2020, dips slightly in 2021, and then resumes its growth

in the following years, with particularly significant growth in 2024.

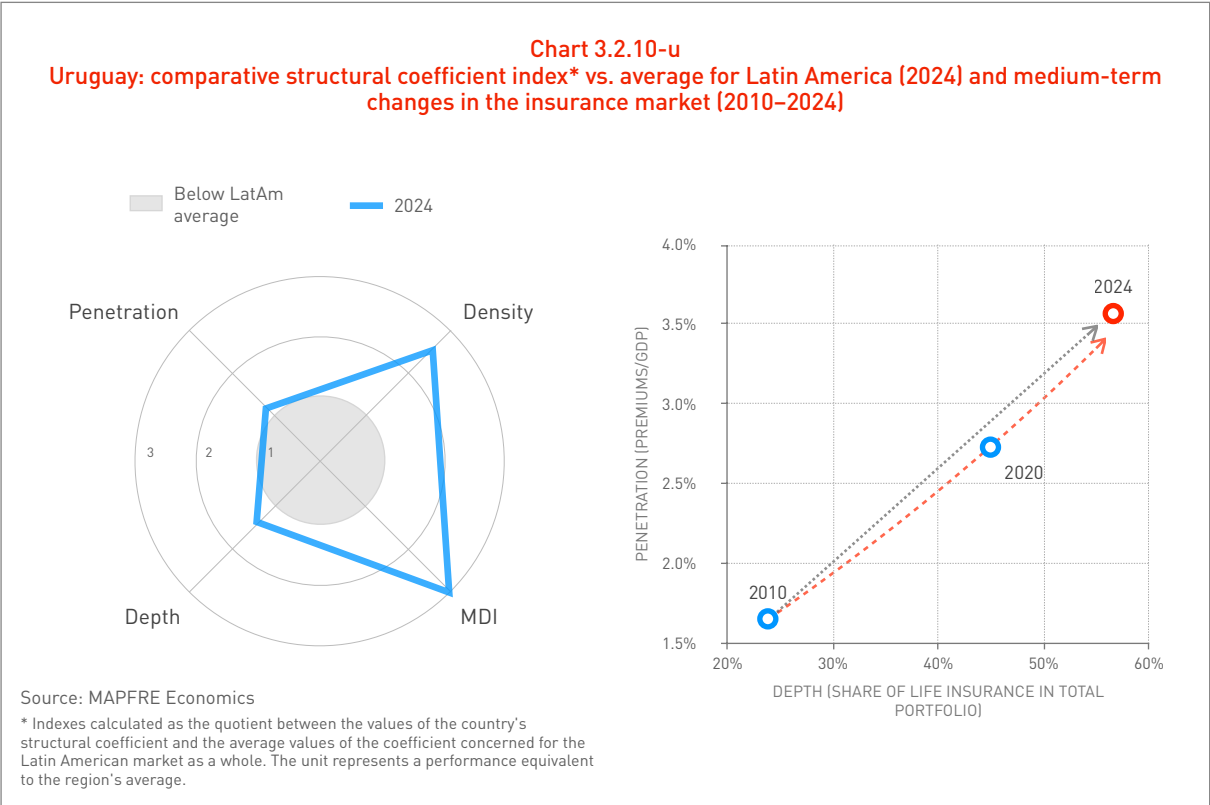
Comparative analysis of structural coefficients

Chart 3.2.10-u shows the situation of the Uruguayan insurance market in 2024 compared to the Latin American average in terms of the four structural coefficients analyzed previously. This analysis shows that these indicators

Chart 3.2.10-t
Uruguay: Market Development Index (MDI)
(2005 index=100; annual change)



Source: MAPFRE Economics



surpass the regional average. Similarly, the dispersion analysis shown in the chart confirms that, over the 2010–2024 period, the Uruguayan insurance industry showed balanced development characterized by improvements in both penetration of insurance (quantity) and depth of insurance (quality).

Insurance market rankings

There were 16 insurance companies operating in Uruguay in 2024: 15 private companies and one state-owned company (Banco de Seguros del Estado, or BSE), which monopolizes the Workplace Accidents line. As indicated in

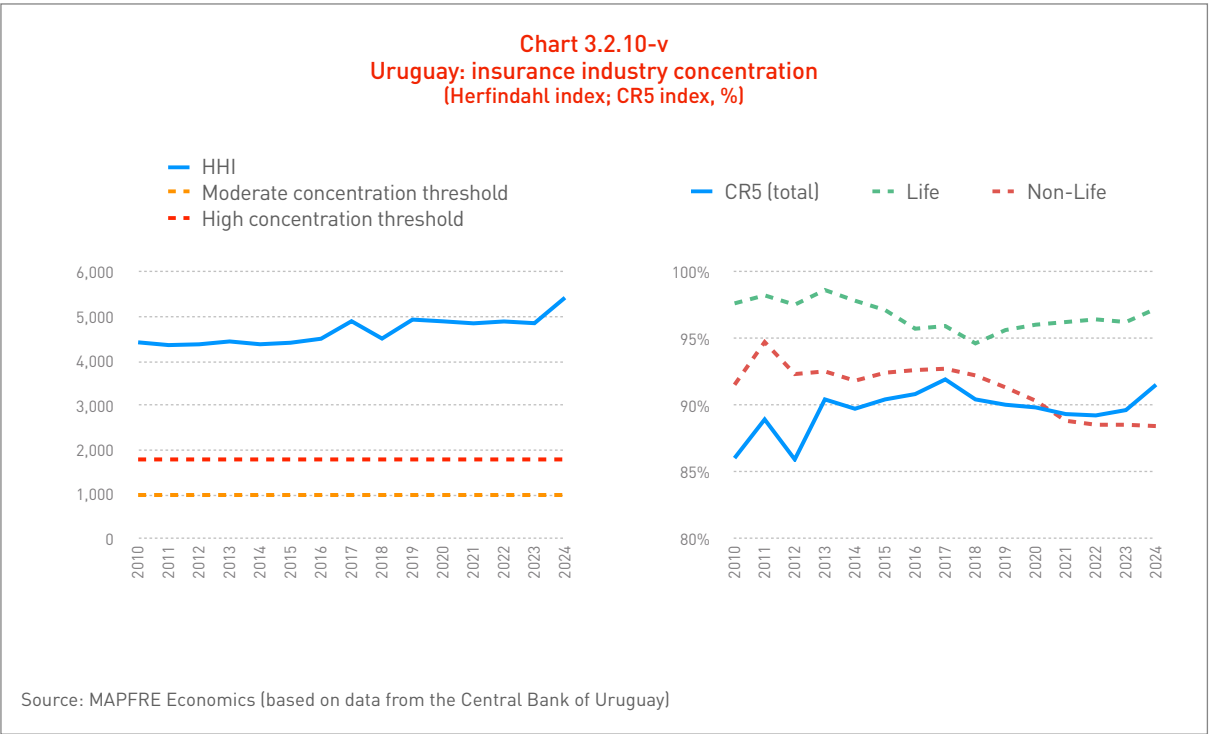
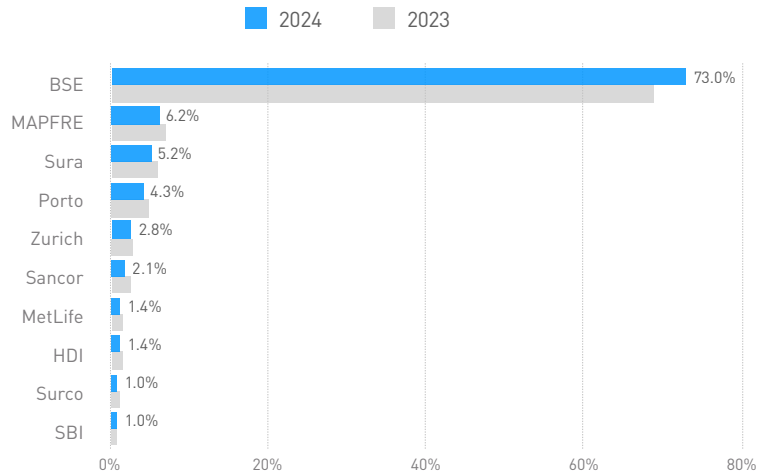


Chart 3.2.10-w
Uruguay: overall ranking
(market shares, %)

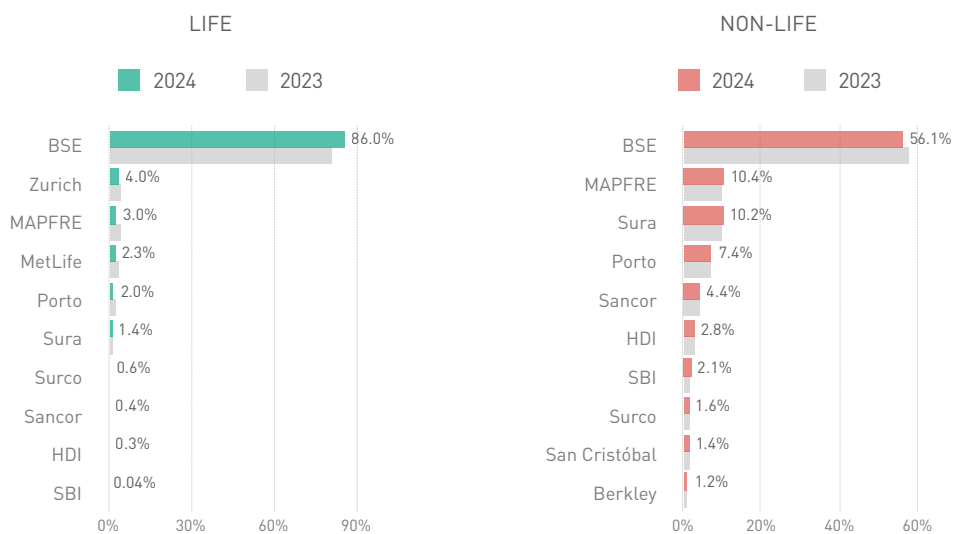


Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

previous reports, this has created a highly concentrated insurance market, with high Herfindahl and CR5 index values over the period under analysis (Chart 3.2.10-v). However, while concentration in the Life

insurance segment has almost always remained above 95% in the respective CR5, a downward trend has been observed in the Non-Life market since 2018.

Chart 3.2.10-x
Uruguay: Life and Non-Life ranking
(market shares, %)



Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

Total ranking

As Chart 3.2.10-w shows, in 2024, the positions of the different groups in the overall ranking of the Uruguayan insurance market remain unchanged from the previous year. Thus, BSE is still the leader, with a 73.0% market share (up 4.3 pp from 2023). Following behind are MAPFRE, with a share of 6.2%, and Sura, with 5.2%.

Life and Non-Life rankings

For the ranking of the Non-Life insurance segment in 2024, BSE still leads, with a market share of 56.1%, followed at a great distance by MAPFRE, which climbs one place in the ranking after increasing its market share close to 1.0 pp. Meanwhile, BSE also leads the Life ranking, with an increase in its market share following the significant rise in the sale of Pension insurance, reaching 86.0% of premiums. Zurich maintains second place, with a 4.0% market share, and MAPFRE places third, with a 3.0% share in premiums in this segment (see Chart 3.2.10-x).

Key regulatory aspects

The main regulations issued by the Superintendency of Financial Services (SSF) of the Central Bank of Uruguay between January 1, 2024, and April 30, 2025, regarding regulatory adjustments in the Uruguayan market are summarized below. The most relevant drafts in progress related to this market are also detailed.

Regulations issued

- Circular No. 2460, of July 12, 2024, adjusted the definitions of lines and sub-lines of pension insurance to adapt them to the changes in Law No. 20,130 (Social Security Reform Law) of May 2, 2023, which introduced a series of amendments to the current pension savings system, through the creation of a Common

Pension System, in which the different existing pension regimes converge.

- Circular No. 2462, dated July 19, 2024, was issued, introducing changes to the way insurance companies determine the reserve for outstanding claims, particularly in cases where legal proceedings have been brought against the insurance company or it has been summoned as a guarantor. This reserve goes from being a certain percentage of the claim (30%) to being based on the insurance company's best estimate of the cost of the claim. Alternatively, companies may reserve exclusively a percentage of the updated amount claimed based on their own claims experience in each line or sub-line, which may not be less than 20%.
- Circular No. 2464 was issued on October 14, 2024, adjusting the method for calculating technical reserves for group disability and death insurance and pension insurance, whose current actuarial values are no longer established in adjustable units but are now calculated in national currency updated by the Average Nominal Wage Index (IMSN), which is how benefits evolve.
- Circular No. 2466 of October 22, 2024, introduces changes to the opening of insurance lines, in the framework of the changes in the basic capital requirement.
- Circular No. 2470 was issued on December 30, 2024, constituting the first phase in the incorporation of capital requirements for risk in insurance companies. In this case, requirements are incorporated for market and counterparty risk, which will be compulsory as of January 1, 2028. The drafted text is based on Solvency II guidelines, with adaptations to the local reality that arise from information of the companies under the supervision of the SSF and others that were requested from companies on various occasions.

Ongoing projects

- The SSF continues working on a project that seeks to promote alignment with best practices and international standards in relation to risk-based capital requirements for insurance companies. During the current year, a public consultation and subsequent issuance of regulation related to insurance risk (premiums and reserves) is expected.
- In addition, based on a request submitted by the industry, an amendment is soon to be issued to the regulation governing the scope of simplified due diligence for matters related to anti-money laundering, counter-terrorism financing, and the financing of the proliferation of weapons of mass destruction, as applicable to insurance companies.

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1/ See: MAPFRE Economics (2025), *2025 Economic and Industry Outlook: Perspectives for the Second Half*, Madrid, Fundación MAPFRE.

2/ See: ECLAC *Estudio Económico de América Latina y el Caribe 2025*.

3/ See: Swiss Re Institute, *Sigma* 2/2025

4/ See: MAPFRE Economics (2024), *The Latin American Insurance Market in 2023*, Madrid, Fundación MAPFRE.

5/ UN, *World Population Prospects 2024*, at: <https://population.un.org/wpp/>

6/ The penetration, density and depth data, as well as those corresponding to the Insurance Protection Gap (IPG) measurement and the Market Development Index (MDI) for 2023 and prior years, may show differences relative to those presented in our report from the previous year (MAPFRE Economics [2024] *The Latin American Insurance Market in 2023*, Madrid, Fundación MAPFRE). This reflects updates to the insurance-premium figures for Latin American markets reported by supervisory authorities, adjustments to GDP data published by the corresponding entities in each country, and adjustments to the insurance-market penetration parameters used in the estimation of the IPG as a result of updates to insurance-premium figures and GDP.

7/ From a methodological standpoint, the Insurance Protection Gap (IPG) can be estimated in two ways. The first is an *ex-post* approach based on losses observed. In this case, the IPG will be calculated as the difference between the economic losses recorded during a specific period and the portion of those losses that were covered by insurance compensation. The second is an *ex-ante* approach based on an analysis of optimal protection levels, which are estimated based on a comparison between the level of coverage that is socially and economically adequate to cover the risks and the actual level of protection. The second approach was selected for this fiscal year's report, which involved determining the spread between the optimal and real covered amounts, contemplated as the differential between penetration rates of each Latin American insurance market with respect to an average of advanced markets (United States, Canada, Japan, and 27 countries of the European Union).

8/ In the case of the North America region, the analytical integration consists of the insurance markets of Mexico, Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, the Dominican Republic, and Puerto Rico. The South America region, meanwhile, is made up of the markets of Colombia, Venezuela, Brazil, Ecuador, Peru, Bolivia, Chile, Paraguay, Argentina, and Uruguay.

9/ It should be noted that some differences may be observed in certain historical premium figures in this report compared to data presented in the report *The Latin American Insurance Market in 2023*, published in 2024. This is because that report used estimates for those countries where official insurance-sector data were not yet available, which affects the calculation of the overall Latin America total and the subregional results.

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Table A.1. Mexico: main insurance market figures and indicators
(millions of pesos)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	243,041	113,033	130,008	3.5%	-0.6%	653,738	520,469	549,120	493,603	104,618	109.1	-14,616	38,030	15.4%	2.4%
2011	277,003	125,297	151,706	14.0%	10.2%	760,855	593,981	640,174	572,675	120,681	107.6	-13,356	40,627	15.3%	2.4%
2012	308,257	142,811	165,446	11.3%	6.9%	834,069	663,036	703,352	635,864	130,718	106.4	-12,289	46,402	18.9%	3.0%
2013	341,351	159,058	182,293	10.7%	6.7%	927,429	726,451	791,825	714,968	135,604	105.2	-11,465	43,024	17.2%	2.6%
2014	357,465	169,178	188,287	4.7%	0.7%	1,038,144	806,795	896,113	812,993	142,031	106.1	-14,431	50,546	18.3%	2.6%
2015	391,210	181,918	209,293	9.4%	6.5%	1,164,846	906,063	1,014,786	920,402	150,060	105.5	-14,606	47,648	14.5%	1.9%
2016	443,429	209,146	234,283	13.3%	10.2%	1,333,539	1,022,961	1,147,457	1,027,596	186,082	104.1	-12,612	63,719	23.0%	3.1%
2017	484,322	214,897	269,425	9.2%	3.0%	1,456,244	1,111,609	1,254,968	1,122,988	201,276	108.0	-25,958	86,262	24.4%	3.4%
2018	523,902	242,817	281,085	8.2%	3.1%	1,550,682	1,195,650	1,335,629	1,196,364	215,053	102.8	-10,558	79,043	22.8%	3.2%
2019	582,245	270,456	311,789	11.1%	7.2%	1,687,453	1,310,484	1,451,681	1,296,873	235,772	104.3	-17,516	99,083	25.8%	3.6%
2020	583,563	274,240	309,322	0.2%	-3.1%	1,833,953	1,474,737	1,580,653	1,439,659	253,299	106.7	-27,092	95,773	20.3%	2.8%
2021	643,261	300,119	343,142	10.2%	4.3%	2,005,332	1,584,176	1,748,162	1,587,087	257,170	116.1	-67,152	113,704	15.0%	2.0%
2022	672,649	303,147	369,503	4.6%	-3.1%	2,100,042	1,668,415	1,826,188	1,689,250	273,855	106.7	-32,767	57,525	21.5%	2.8%
2023	788,993	350,960	438,034	17.3%	11.2%	2,364,819	1,826,896	2,063,229	1,862,024	301,590	111.1	-57,105	65,799	23.1%	3.0%
2024	919,210	414,534	504,675	16.5%	11.2%	2,715,085	2,109,372	2,392,334	2,154,182	322,751	114.2	-81,080	78,312	25.5%	3.1%

Table A.1. Mexico: main insurance market figures and indicators (continued)
(millions of pesos)

Year	Penetration (premiums/GDP)			Density (premiums per capita, pesos)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	1.7%	0.8%	0.9%	2,139	995	1,144	46.5%	903,446	561,932	341,514	3.7	5.0	2.6
2011	1.8%	0.8%	1.0%	2,404	1,087	1,316	45.2%	966,578	603,077	363,501	3.5	4.8	2.4
2012	1.9%	0.9%	1.0%	2,639	1,223	1,416	46.3%	1,048,398	653,051	395,347	3.4	4.6	2.4
2013	2.0%	0.9%	1.1%	2,884	1,344	1,540	46.6%	1,002,131	605,875	396,256	2.9	3.8	2.2
2014	2.0%	0.9%	1.0%	2,984	1,412	1,572	47.3%	1,088,330	664,475	423,855	3.0	3.9	2.3
2015	2.0%	0.9%	1.1%	3,231	1,503	1,729	46.5%	1,156,049	707,904	448,145	3.0	3.9	2.1
2016	2.1%	1.0%	1.1%	3,627	1,711	1,916	47.2%	1,168,112	691,136	476,976	2.6	3.3	2.0
2017	2.1%	1.0%	1.2%	3,925	1,741	2,183	44.4%	1,236,171	743,697	492,474	2.6	3.5	1.8
2018	2.2%	1.0%	1.2%	4,206	1,949	2,256	46.3%	1,334,911	792,608	542,302	2.5	3.3	1.9
2019	2.3%	1.1%	1.2%	4,630	2,151	2,479	46.5%	1,348,300	776,349	571,951	2.3	2.9	1.8
2020	2.4%	1.1%	1.3%	4,602	2,163	2,439	47.0%	1,310,894	706,547	604,347	2.2	2.6	2.0
2021	2.4%	1.1%	1.3%	5,039	2,351	2,688	46.7%	1,479,716	831,538	647,539	2.3	2.8	1.9
2022	2.3%	1.0%	1.3%	5,230	2,357	2,873	45.1%	1,567,029	910,342	656,687	2.3	3.0	1.8
2023	2.5%	1.1%	1.4%	6,081	2,705	3,376	44.5%	1,660,558	972,829	687,729	2.1	2.8	1.6
2024	2.7%	1.2%	1.5%	7,024	3,168	3,857	45.1%	1,752,171	1,012,843	739,329	1.9	2.4	1.5

Source: MAPFRE Economics (based on data from the National Insurance and Bond Commission)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.2. Guatemala: main insurance market figures and indicators
(millions of quetzales)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio¹	Technical result	Financial result	ROE²	ROA³
	Total	Life	Non-Life	Nominal	Real										
2010	3,805	745	3,060	7.4%	3.3%	4,665	3,276	3,254	3,005	1,410	98.1	48	230	18.6%	5.7%
2011	4,718	923	3,796	24.0%	16.8%	6,662	4,277	4,737	3,366	1,925	95.3	135	283	24.4%	7.2%
2012	4,646	952	3,694	-1.5%	-5.1%	6,671	4,591	4,543	3,340	2,128	94.5	170	310	22.3%	6.8%
2013	5,219	1,057	4,162	12.3%	7.6%	7,359	5,041	4,916	3,398	2,443	91.2	293	343	26.3%	8.6%
2014	5,639	1,187	4,452	8.1%	4.5%	7,889	5,463	5,121	3,648	2,768	91.0	318	363	24.6%	8.4%
2015	5,966	1,176	4,790	5.8%	3.3%	8,686	5,640	5,619	3,993	3,067	93.3	256	378	22.8%	8.0%
2016	6,313	1,271	5,042	5.8%	1.3%	9,132	5,951	5,817	4,964	3,314	93.3	284	389	20.5%	7.3%
2017	6,802	1,418	5,384	7.7%	3.2%	9,973	6,382	6,380	4,775	3,593	92.1	357	407	21.9%	7.9%
2018	7,005	1,462	5,542	3.0%	-0.7%	10,637	7,213	6,754	4,864	3,883	90.9	416	450	23.8%	8.6%
2019	7,525	1,627	5,898	7.4%	3.6%	11,048	7,489	7,042	5,082	4,006	90.1	486	459	23.9%	8.7%
2020	7,841	1,704	6,136	4.2%	1.0%	11,719	7,868	7,367	5,611	4,352	85.8	723	428	26.7%	9.8%
2021	8,804	2,069	6,735	12.3%	7.7%	12,696	8,310	8,256	6,281	4,440	92.8	399	453	20.9%	7.5%
2022	9,968	2,447	7,521	13.2%	5.9%	13,857	9,207	8,905	6,464	4,951	88.2	761	478	25.9%	9.2%
2023	11,266	2,778	8,488	13.0%	6.4%	15,105	9,679	9,678	7,036	5,427	88.8	812	525	25.0%	9.0%
2024	12,150	2,958	9,192	7.8%	4.8%	15,844	10,262	9,926	7,367	5,918	87.6	964	560	25.0%	9.1%

Table A.2. Guatemala: main insurance market figures and indicators (continued)
(millions of quetzales)

Year	Penetration (premiums/GDP)			Density (premiums per capita, quetzales)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	1.1%	0.2%	0.9%	262	51	211	19.6%	23,645	15,416	8,229	6.2	20.7	2.7
2011	1.3%	0.2%	1.0%	319	62	257	19.6%	25,364	16,697	8,667	5.4	18.1	2.3
2012	1.2%	0.2%	0.9%	308	63	245	20.5%	27,440	17,871	9,569	5.9	18.8	2.6
2013	1.3%	0.3%	1.0%	339	69	270	20.3%	27,777	17,729	10,047	5.3	16.8	2.4
2014	1.3%	0.3%	1.0%	360	76	284	21.1%	30,018	19,373	10,645	5.3	16.3	2.4
2015	1.3%	0.2%	1.0%	374	74	300	19.7%	32,338	20,852	11,486	5.4	17.7	2.4
2016	1.3%	0.3%	1.0%	388	78	310	20.1%	32,658	20,500	12,158	5.2	16.1	2.4
2017	1.3%	0.3%	1.0%	411	86	325	20.8%	33,394	20,978	12,416	4.9	14.8	2.3
2018	1.3%	0.3%	1.0%	416	87	329	20.9%	35,387	22,152	13,236	5.1	15.1	2.4
2019	1.3%	0.3%	1.0%	440	95	345	21.6%	38,121	23,124	14,997	5.1	14.2	2.5
2020	1.3%	0.3%	1.0%	452	98	354	21.7%	39,360	22,732	16,628	5.0	13.3	2.7
2021	1.3%	0.3%	1.0%	500	118	383	23.5%	44,399	26,291	18,092	5.0	12.7	2.7
2022	1.3%	0.3%	1.0%	558	137	421	24.5%	46,257	28,017	18,241	4.6	11.5	2.4
2023	1.4%	0.3%	1.0%	622	153	468	24.7%	51,639	31,217	20,422	4.6	11.2	2.4
2024	1.4%	0.3%	1.1%	660	161	499	24.3%	56,655	33,807	22,849	4.7	11.4	2.5

Source: MAPFRE Economics (based on data from the Superintendency of Banks)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.3. Honduras: main insurance market figures and indicators
(millions of lempiras)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio¹	Technical result	Financial result	ROE²	ROA³
	Total	Life	Non-Life	Nominal	Real										
2010	5,693	1,505	4,187	6.3%	1.6%	9,132	6,554	5,546	3,962	3,586	89.0	361	406	21.9%	8.3%
2011	6,237	1,799	4,438	9.6%	2.6%	9,591	7,061	5,784	4,293	3,807	88.2	434	387	20.0%	7.9%
2012	6,903	2,026	4,877	10.7%	5.2%	10,974	8,057	6,461	4,939	4,513	89.1	440	548	21.3%	8.6%
2013	7,499	2,315	5,184	8.6%	3.3%	11,622	8,371	7,220	5,107	4,402	94.0	255	713	16.8%	6.6%
2014	7,961	2,421	5,541	6.2%	0.0%	12,477	8,328	7,937	5,533	4,540	92.0	337	756	15.9%	5.9%
2015	8,726	2,792	5,934	9.6%	6.2%	13,401	8,877	8,622	5,765	4,779	85.3	665	639	19.4%	7.0%
2016	9,581	3,288	6,294	9.8%	6.9%	14,910	9,648	9,454	6,165	5,456	84.5	755	591	20.6%	7.4%
2017	10,362	3,179	7,184	8.1%	4.1%	16,561	10,057	10,406	7,189	6,155	81.3	893	580	18.6%	6.9%
2018	11,158	3,622	7,536	7.7%	3.2%	16,361	9,838	10,602	7,302	5,759	81.0	887	578	20.7%	7.5%
2019	11,244	3,845	7,398	0.8%	-3.4%	16,420	10,572	10,152	7,326	6,267	84.6	839	721	21.6%	7.9%
2020	11,569	3,959	7,610	2.9%	-0.6%	25,158	11,423	18,663	14,907	6,495	85.5	804	658	18.8%	5.8%
2021	12,886	4,515	8,371	11.4%	6.6%	19,493	11,172	13,127	9,605	6,366	97.1	185	576	8.4%	2.4%
2022	14,312	4,948	9,364	11.1%	1.8%	21,109	12,928	13,636	9,483	7,473	87.1	850	327	14.4%	4.9%
2023	16,541	5,830	10,710	15.6%	8.4%	23,267	14,210	15,099	9,859	8,168	92.3	523	517	17.3%	6.1%
2024	18,442	6,494	11,948	11.5%	6.6%	25,855	15,979	16,789	11,102	9,066	92.9	525	790	19.1%	6.7%

Table A.3. Honduras: main insurance market figures and indicators (continued)
(millions of lempiras)

Year	Penetration (premiums/GDP)			Density (premiums per capita, lempiras)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	1.9%	0.5%	1.4%	680	180	501	26.4%	18,872	12,957	5,916	3.3	8.6	1.4
2011	1.9%	0.5%	1.3%	730	211	520	28.8%	21,051	14,183	6,867	3.4	7.9	1.5
2012	1.9%	0.6%	1.3%	792	232	560	29.3%	22,755	15,373	7,383	3.3	7.6	1.5
2013	2.0%	0.6%	1.4%	844	260	583	30.9%	22,339	14,674	7,665	3.0	6.3	1.5
2014	1.9%	0.6%	1.3%	878	267	611	30.4%	25,090	16,637	8,453	3.2	6.9	1.5
2015	1.9%	0.6%	1.3%	945	302	642	32.0%	28,321	18,513	9,808	3.2	6.6	1.7
2016	1.9%	0.7%	1.3%	1,018	349	669	34.3%	28,918	18,220	10,698	3.0	5.5	1.7
2017	1.9%	0.6%	1.3%	1,081	332	749	30.7%	31,123	19,935	11,188	3.0	6.3	1.6
2018	1.9%	0.6%	1.3%	1,143	371	772	32.5%	33,072	21,016	12,056	3.0	5.8	1.6
2019	1.8%	0.6%	1.2%	1,131	387	744	34.2%	35,620	21,565	14,054	3.2	5.6	1.9
2020	2.0%	0.7%	1.3%	1,143	391	752	34.2%	33,580	19,415	14,165	2.9	4.9	1.9
2021	1.9%	0.7%	1.2%	1,252	439	814	35.0%	40,879	24,145	16,718	3.2	5.3	2.0
2022	1.9%	0.6%	1.2%	1,368	473	895	34.6%	44,077	26,688	17,389	3.1	5.4	1.9
2023	2.0%	0.7%	1.3%	1,554	548	1,006	35.2%	48,537	29,339	19,198	2.9	5.0	1.8
2024	2.0%	0.7%	1.3%	1,704	600	1,104	35.2%	54,115	32,274	21,840	2.9	5.0	1.8

Source: MAPFRE Economics (based on data from the National Banking and Insurance Commission)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.4. El Salvador: main insurance market figures and indicators
(millions of USD)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio¹	Technical result	Financial result	ROE²	ROA³
	Total	Life	Non-Life	Nominal	Real										
2010	453	159	295	2.8%	1.6%	625	475	298	200	327	85.9	36	12	15.3%	7.8%
2011	478	171	307	5.4%	0.2%	629	479	323	216	305	87.3	35	14	14.5%	7.3%
2012	503	187	315	5.2%	3.5%	663	497	340	228	323	90.0	30	19	14.6%	7.1%
2013	546	210	336	8.6%	7.8%	724	561	381	254	343	90.6	31	19	14.3%	6.8%
2014	572	225	347	4.7%	3.5%	775	600	410	282	365	92.8	25	20	13.3%	6.3%
2015	609	233	376	6.4%	7.2%	841	645	461	295	380	98.7	5	22	9.9%	4.6%
2016	621	216	405	2.0%	1.4%	817	607	448	299	369	98.8	5	25	9.0%	4.0%
2017	616	215	401	-0.8%	-1.8%	855	632	476	307	380	97.6	9	24	10.3%	4.6%
2018	658	219	438	6.7%	5.6%	891	648	496	317	396	98.8	5	27	9.7%	4.3%
2019	702	237	465	6.8%	6.7%	932	650	532	323	400	100.9	-4	24	9.3%	4.0%
2020	722	260	462	2.8%	3.2%	971	667	563	352	408	102.7	-11	18	6.1%	2.6%
2021	826	328	498	14.5%	10.7%	994	671	585	365	409	103.9	-20	22	4.6%	1.9%
2022	907	354	553	9.7%	2.4%	1,057	707	620	380	437	98.9	6	26	12.6%	5.2%
2023	870	248	622	-4.1%	-7.8%	1,105	741	629	364	476	100.2	-1	27	11.7%	4.9%
2024	928	246	682	6.6%	5.6%	1,183	780	660	368	524	100.2	-1	41	13.1%	5.7%

Table A.4. El Salvador: main insurance market figures and indicators (continued)
(millions of USD)

Year	Penetration (premiums/GDP)			Density (premiums per capita, USD)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	2.5%	0.9%	1.6%	75	26	49	35.0%	1,061	733	328	2.3	4.6	1.1
2011	2.4%	0.8%	1.5%	78	28	50	35.8%	1,174	797	378	2.5	4.7	1.2
2012	2.4%	0.9%	1.5%	82	31	52	37.3%	1,252	842	410	2.5	4.5	1.3
2013	2.5%	1.0%	1.5%	89	34	55	38.4%	1,196	783	414	2.2	3.7	1.2
2014	2.5%	1.0%	1.5%	93	37	56	39.4%	1,229	813	416	2.1	3.6	1.2
2015	2.6%	1.0%	1.6%	98	38	61	38.2%	1,277	852	425	2.1	3.7	1.1
2016	2.6%	0.9%	1.7%	100	35	65	34.9%	1,257	833	424	2.0	3.8	1.0
2017	2.5%	0.9%	1.6%	99	35	65	34.9%	1,291	847	444	2.1	3.9	1.1
2018	2.5%	0.8%	1.7%	106	35	70	33.3%	1,343	895	448	2.0	4.1	1.0
2019	2.6%	0.9%	1.7%	113	38	75	33.8%	1,364	883	481	1.9	3.7	1.0
2020	2.9%	1.0%	1.9%	116	42	74	36.0%	1,238	755	484	1.7	2.9	1.0
2021	2.8%	1.1%	1.7%	132	52	80	39.7%	1,484	903	580	1.8	2.8	1.2
2022	2.8%	1.1%	1.7%	144	56	88	39.0%	1,521	961	559	1.7	2.7	1.0
2023	2.6%	0.7%	1.8%	138	39	99	28.5%	1,746	1,165	580	2.0	4.7	0.9
2024	2.6%	0.7%	1.9%	146	39	108	26.5%	1,856	1,241	614	2.0	5.0	0.9

Source: MAPFRE Economics [based on data from the Superintendency of the Financial System]

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.5. Nicaragua: main insurance market figures and indicators
(millions of córdobas)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	2,478	367	2,110	9.9%	4.2%	3,667	2,530	2,646	1,949	1,021	94.5	82	180	29.6%	7.8%
2011	2,765	418	2,347	11.6%	3.3%	4,193	3,003	2,929	2,217	1,264	99.5	8	174	25.1%	7.3%
2012	3,255	514	2,741	17.7%	9.8%	4,944	3,486	3,490	2,598	1,453	94.4	103	166	19.1%	5.7%
2013	3,878	668	3,210	19.1%	11.2%	5,793	4,096	4,190	2,997	1,603	89.6	236	178	23.4%	6.6%
2014	4,615	823	3,792	19.0%	12.2%	6,795	4,788	4,820	3,450	1,975	87.2	350	213	25.1%	7.1%
2015	5,198	916	4,282	12.6%	8.3%	7,857	5,533	5,521	3,916	2,336	86.6	431	269	25.6%	7.5%
2016	5,848	1,111	4,737	12.5%	8.7%	9,268	6,493	6,529	4,709	2,738	89.1	403	347	23.1%	6.9%
2017	6,618	1,295	5,324	13.2%	9.0%	11,132	7,597	7,684	5,571	3,448	82.8	718	431	30.5%	9.3%
2018	7,066	1,451	5,615	6.8%	1.7%	12,012	8,356	7,648	5,080	4,364	84.3	753	466	26.8%	9.0%
2019	6,766	1,367	5,399	-4.2%	-9.1%	12,853	8,755	7,667	5,127	5,185	90.7	397	541	20.0%	7.7%
2020	6,888	1,329	5,559	1.8%	-1.8%	13,512	9,781	7,631	5,165	5,881	97.2	109	581	13.4%	5.6%
2021	7,734	1,453	6,281	12.3%	7.0%	14,788	10,826	8,180	5,534	6,608	96.2	144	601	11.8%	5.2%
2022	8,554	1,588	6,965	10.6%	0.1%	15,918	11,648	9,109	6,129	6,809	97.1	115	643	9.4%	4.1%
2023	9,532	1,792	7,740	11.4%	2.8%	17,049	12,375	9,715	6,333	7,334	94.9	224	757	10.8%	4.7%
2024	10,657	2,065	8,593	11.8%	6.9%	18,422	13,042	10,777	6,974	7,644	94.0	284	911	12.7%	5.4%

Table A.5. Nicaragua: main insurance market figures and indicators (continued)
(millions of córdobas)

Year	Penetration (premiums/GDP)			Density (premiums per capita, córdobas)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	1.3%	0.2%	1.1%	432	64	368	14.8%	12,875	8,671	4,204	5.2	23.6	2.0
2011	1.3%	0.2%	1.1%	475	72	403	15.1%	15,087	10,038	5,049	5.5	24.0	2.2
2012	1.3%	0.2%	1.1%	552	87	465	15.8%	17,099	11,427	5,672	5.3	22.2	2.1
2013	1.4%	0.2%	1.2%	648	112	536	17.2%	17,639	11,583	6,056	4.5	17.3	1.9
2014	1.5%	0.3%	1.2%	761	136	625	17.8%	19,969	13,352	6,617	4.3	16.2	1.7
2015	1.5%	0.3%	1.2%	845	149	696	17.6%	22,781	15,175	7,606	4.4	16.6	1.8
2016	1.5%	0.3%	1.2%	938	178	760	19.0%	23,672	15,380	8,292	4.0	13.8	1.8
2017	1.6%	0.3%	1.3%	1,048	205	843	19.6%	25,009	16,327	8,682	3.8	12.6	1.6
2018	1.7%	0.4%	1.4%	1,104	227	877	20.5%	24,533	16,151	8,382	3.5	11.1	1.5
2019	1.6%	0.3%	1.3%	1,044	211	833	20.2%	25,557	16,160	9,397	3.8	11.8	1.7
2020	1.6%	0.3%	1.3%	1,049	202	847	19.3%	27,487	16,467	11,019	4.0	12.4	2.0
2021	1.5%	0.3%	1.3%	1,164	219	945	18.8%	32,017	19,736	12,269	4.1	13.6	2.0
2022	1.5%	0.3%	1.2%	1,271	236	1,035	18.6%	34,006	21,471	12,535	4.0	13.5	1.8
2023	1.5%	0.3%	1.2%	1,397	263	1,134	18.8%	40,363	25,172	15,191	4.2	14.0	2.0
2024	1.5%	0.3%	1.2%	1,541	299	1,242	19.4%	46,158	28,293	17,865	4.3	13.7	2.1

Source: MAPFRE Economics (based on data from the Superintendency of Banks and Other Financial Institutions)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.6. Costa Rica: main insurance market figures and indicators
(millions of colons)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	377,750	33,235	344,515	6.8%	1.0%	1,155,893	786,703	689,849	545,786	466,044	N/A	N/A	N/A	18.4%	7.4%
2011	401,191	42,428	358,762	6.2%	1.3%	1,340,977	1,012,246	806,556	602,105	534,421	106.4	-17,020	70,042	10.9%	4.4%
2012	466,156	55,542	410,614	16.2%	11.2%	1,484,494	1,121,715	897,830	670,748	586,664	104.4	-14,203	83,428	8.8%	3.5%
2013	517,980	69,625	448,355	11.1%	5.6%	1,634,857	1,259,540	956,010	709,259	678,847	112.7	-45,863	80,619	6.4%	2.6%
2014	622,592	76,621	545,972	20.2%	15.0%	1,851,783	1,350,464	1,114,450	818,676	737,333	110.8	-44,132	100,903	6.5%	2.6%
2015	564,060	72,182	491,878	-9.4%	-10.1%	1,946,158	1,451,305	1,144,461	801,335	801,698	111.1	-50,555	97,502	7.1%	2.9%
2016	654,715	101,881	552,835	16.1%	16.1%	2,128,211	1,542,933	1,273,229	827,324	854,982	105.4	-27,856	90,305	6.6%	2.7%
2017	749,330	111,184	638,146	14.5%	12.6%	2,263,997	1,646,678	1,320,973	863,940	943,024	99.5	2,815	97,525	7.9%	3.2%
2018	771,902	123,926	647,976	3.0%	0.8%	2,402,493	1,754,528	1,389,075	875,442	1,013,417	103.9	-23,743	121,554	7.4%	3.1%
2019	832,846	133,476	699,370	7.9%	5.7%	2,558,216	1,970,450	1,410,744	941,175	1,147,473	109.6	-56,535	116,042	6.9%	3.0%
2020	841,870	125,503	716,367	1.1%	0.4%	2,578,152	2,032,209	1,392,377	964,422	1,185,774	102.2	-14,426	159,278	10.1%	4.6%
2021	900,209	147,816	752,393	6.9%	5.1%	2,761,554	2,156,993	1,462,749	983,194	1,298,805	97.4	18,087	167,535	12.8%	6.0%
2022	1,017,756	188,763	828,993	13.1%	4.4%	2,794,171	2,025,260	1,545,632	1,043,095	1,248,538	100.6	-4,635	74,326	4.6%	2.1%
2023	1,073,412	207,041	866,371	5.5%	4.9%	2,998,490	2,162,838	1,653,441	1,086,410	1,345,049	100.6	-4,973	40,335	2.7%	1.2%
2024	1,180,653	202,699	977,955	10.0%	10.4%	3,187,277	2,264,421	1,781,037	1,159,079	1,406,240	103.4	-29,879	101,393	3.3%	1.5%

Table A.6. Costa Rica: main insurance market figures and indicators (continued)
(millions of colons)

Year	Penetration (premiums/GDP)			Density (premiums per capita, colons)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	1.9%	0.2%	1.7%	82,913	7,295	75,618	8.8%	1,247,573	923,632	323,941	3.3	27.8	0.9
2011	1.9%	0.2%	1.7%	87,029	9,204	77,825	10.6%	1,359,999	989,113	370,886	3.4	23.3	1.0
2012	2.0%	0.2%	1.7%	99,949	11,909	88,040	11.9%	1,483,401	1,088,137	395,263	3.2	19.6	1.0
2013	2.0%	0.3%	1.8%	109,831	14,763	95,068	13.4%	1,499,774	1,079,216	420,559	2.9	15.5	0.9
2014	2.2%	0.3%	1.9%	130,601	16,073	114,529	12.3%	1,609,460	1,210,392	399,067	2.6	15.8	0.7
2015	1.9%	0.2%	1.6%	117,073	14,982	102,091	12.8%	1,863,769	1,324,052	539,718	3.3	18.3	1.1
2016	2.0%	0.3%	1.7%	134,521	20,933	113,588	15.6%	1,833,869	1,288,359	545,510	2.8	12.6	1.0
2017	2.2%	0.3%	1.9%	152,514	22,630	129,885	14.8%	1,872,584	1,349,648	522,936	2.5	12.1	0.8
2018	2.1%	0.3%	1.8%	155,694	24,996	130,698	16.1%	1,997,074	1,418,493	578,581	2.6	11.4	0.9
2019	2.2%	0.4%	1.8%	166,584	26,698	139,887	16.0%	2,074,453	1,442,958	631,496	2.5	10.8	0.9
2020	2.3%	0.3%	2.0%	167,226	24,929	142,297	14.9%	2,028,532	1,360,545	667,987	2.4	10.8	0.9
2021	2.2%	0.4%	1.9%	177,907	29,213	148,695	16.4%	2,307,450	1,562,033	744,451	2.6	10.6	1.0
2022	2.3%	0.4%	1.9%	200,276	37,145	163,131	18.5%	2,382,430	1,653,504	728,926	2.3	8.8	0.9
2023	2.3%	0.4%	1.8%	210,245	40,552	169,693	19.3%	2,545,236	1,748,552	796,684	2.4	8.4	0.9
2024	2.4%	0.4%	2.0%	230,151	39,513	190,638	17.2%	2,688,193	1,864,510	823,683	2.3	9.2	0.8

Source: MAPFRE Economics (based on data from the General Superintendency of Insurance)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.7. Panama: main insurance market figures and indicators
(millions of balboas)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	919	233	686	8.5%	4.8%	1,390	1,099	921	655	468	95.5	24	32	12.1%	4.1%
2011	1,053	234	819	14.6%	8.2%	1,588	1,157	984	673	604	94.9	31	32	11.7%	4.2%
2012	1,139	255	884	8.2%	2.3%	1,899	1,374	1,143	689	756	96.5	21	71	13.5%	5.3%
2013	1,244	280	965	9.3%	5.1%	2,389	1,549	1,483	982	906	98.5	11	62	8.7%	3.4%
2014	1,343	312	1,032	7.9%	5.2%	2,602	1,679	1,513	1,080	1,089	97.6	18	62	8.1%	3.3%
2015	1,389	323	1,066	3.4%	3.3%	2,729	1,747	1,627	1,129	1,102	94.6	44	47	7.9%	3.3%
2016	1,396	346	1,050	0.5%	-0.2%	2,888	1,869	1,715	1,209	1,173	92.5	66	32	10.6%	4.3%
2017	1,471	378	1,093	5.4%	4.5%	3,172	2,068	1,855	1,356	1,317	91.2	84	47	13.8%	5.7%
2018	1,570	392	1,178	6.7%	5.9%	3,195	1,939	2,024	1,435	1,171	89.9	99	82	11.3%	4.4%
2019	1,568	406	1,162	-0.1%	0.2%	3,316	2,051	2,016	1,456	1,299	90.1	102	52	14.8%	5.6%
2020	1,517	398	1,119	-3.2%	-1.7%	3,530	2,239	2,089	1,574	1,441	89.2	110	89	13.7%	5.5%
2021	1,611	410	1,201	6.2%	4.5%	3,651	2,330	2,145	N/A	1,505	96.7	37	161	9.2%	3.8%
2022	1,702	419	1,283	5.6%	2.7%	3,662	2,432	2,207	N/A	1,455	96.2	46	8	3.7%	1.5%
2023	1,865	433	1,432	9.5%	7.9%	3,976	2,585	2,355	N/A	1,621	94.7	69	113	11.8%	4.7%
2024	1,965	455	1,510	5.4%	4.6%	4,333	2,782	2,508	N/A	1,825	92.3	107	147	14.7%	6.1%

Table A.7. Panama: main insurance market figures and indicators (continued)
(millions of balboas)

Year	Penetration (premiums/GDP)			Density (premiums per capita, balboas)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	3.0%	0.8%	2.2%	253	64	189	25.3%	1,586	1,242	344	1.7	5.3	0.5
2011	2.9%	0.7%	2.3%	285	63	222	22.2%	1,875	1,481	394	1.8	6.3	0.5
2012	2.7%	0.6%	2.1%	303	68	235	22.4%	2,301	1,763	538	2.0	6.9	0.6
2013	2.6%	0.6%	2.0%	325	73	252	22.5%	2,501	1,853	648	2.0	6.6	0.7
2014	2.6%	0.6%	2.0%	345	80	265	23.2%	2,781	2,067	715	2.1	6.6	0.7
2015	2.5%	0.6%	1.9%	351	82	269	23.3%	3,122	2,271	851	2.2	7.0	0.8
2016	2.3%	0.6%	1.7%	347	86	261	24.8%	3,263	2,257	1,006	2.3	6.5	1.0
2017	2.3%	0.6%	1.7%	359	92	267	25.7%	3,451	2,365	1,086	2.3	6.3	1.0
2018	2.3%	0.6%	1.8%	377	94	283	25.0%	3,604	2,490	1,114	2.3	6.4	0.9
2019	2.2%	0.6%	1.7%	370	96	274	25.9%	3,790	2,499	1,291	2.4	6.2	1.1
2020	2.7%	0.7%	2.0%	353	93	261	26.3%	2,973	1,926	1,047	2.0	4.8	0.9
2021	2.4%	0.6%	1.8%	371	94	276	25.5%	3,751	2,448	1,301	2.3	6.0	1.1
2022	2.2%	0.5%	1.7%	387	95	292	24.6%	4,104	2,727	1,377	2.4	6.5	1.1
2023	2.2%	0.5%	1.7%	418	97	321	23.2%	4,547	3,032	1,515	2.4	7.0	1.1
2024	2.2%	0.5%	1.7%	435	101	334	23.2%	4,942	3,236	1,706	2.5	7.1	1.1

Source: MAPFRE Economics (based on data from the Superintendency of Insurance and Reinsurance)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.8. Dominican Republic: main insurance market figures and indicators
(millions of pesos)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	24,797	3,506	21,291	6.9%	0.5%	28,273	14,318	19,094	10,973	9,179	97.3	353	894	17.2%	5.6%
2011	26,828	3,957	22,871	8.2%	-0.2%	31,425	16,808	21,573	12,091	9,852	98.7	178	1,181	18.7%	6.0%
2012	29,201	4,464	24,737	8.8%	5.0%	34,550	18,243	24,130	13,570	10,421	100.9	-137	1,441	17.1%	5.2%
2013	30,893	5,002	25,891	5.8%	0.9%	37,514	20,800	26,261	14,639	11,253	102.0	-296	1,404	16.2%	4.9%
2014	33,207	5,326	27,881	7.5%	4.4%	42,397	21,532	29,980	15,533	12,417	99.7	54	1,626	17.2%	5.1%
2015	35,628	6,314	29,315	7.3%	6.4%	46,790	23,991	33,261	16,652	13,529	98.1	358	1,846	20.5%	6.0%
2016	40,589	7,453	33,136	13.9%	12.1%	52,191	26,620	37,257	19,747	14,935	99.6	92	2,074	19.0%	5.5%
2017	49,354	8,480	40,875	21.6%	17.7%	58,605	29,683	42,151	23,215	16,454	99.3	202	2,236	21.0%	6.0%
2018	59,562	9,513	50,048	20.7%	16.5%	71,962	37,800	51,527	26,827	20,436	95.5	1,622	2,424	27.4%	7.7%
2019	69,230	10,766	58,464	16.2%	14.2%	77,956	41,899	53,872	30,362	24,086	95.0	2,098	2,582	28.6%	8.5%
2020	72,241	10,625	61,616	4.3%	0.5%	91,143	50,915	62,188	34,693	28,957	91.6	3,584	2,878	33.2%	10.4%
2021	86,021	13,039	72,982	19.1%	10.0%	101,264	58,324	68,667	38,245	32,597	97.6	1,125	3,707	21.8%	7.0%
2022	96,313	15,573	80,740	12.0%	2.9%	112,274	62,025	78,812	45,899	33,462	98	1,034	4,189	16.5%	5.1%
2023	115,356	18,743	96,613	19.8%	14.3%	135,919	77,493	95,303	56,183	40,616	97.3	1,692	6,235	26.4%	7.9%
2024*	135,354	22,497	112,857	17.3%	13.6%	147,403	81,460	104,013	63,560	43,389	97.1	1,528	4,727	18.0%	5.3%

Table A.8. Dominican Republic: main insurance market figures and indicators (continued)
(millions of pesos)

Year	Penetration (premiums/GDP)			Density (premiums per capita, pesos)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	1.3%	0.2%	1.1%	2,525	357	2,168	14.1%	137,803	92,220	45,582	5.6	26.3	2.1
2011	1.2%	0.2%	1.0%	2,698	398	2,300	14.7%	152,936	101,332	51,604	5.7	25.6	2.3
2012	1.2%	0.2%	1.0%	2,900	443	2,456	15.3%	166,249	110,193	56,055	5.7	24.7	2.3
2013	1.2%	0.2%	1.0%	3,031	491	2,540	16.2%	176,285	112,958	63,327	5.7	22.6	2.4
2014	1.1%	0.2%	1.0%	3,219	516	2,703	16.0%	199,429	128,814	70,616	6.0	24.2	2.5
2015	1.1%	0.2%	0.9%	3,414	605	2,809	17.7%	221,602	141,618	79,983	6.2	22.4	2.7
2016	1.2%	0.2%	1.0%	3,847	706	3,140	18.4%	229,593	143,483	86,110	5.7	19.3	2.6
2017	1.3%	0.2%	1.1%	4,627	795	3,832	17.2%	237,587	151,393	86,194	4.8	17.9	2.1
2018	1.4%	0.2%	1.2%	5,524	882	4,642	16.0%	263,975	170,708	93,267	4.4	17.9	1.9
2019	1.5%	0.2%	1.3%	6,355	988	5,367	15.6%	282,173	179,776	102,397	4.1	16.7	1.8
2020	1.6%	0.2%	1.4%	6,562	965	5,597	14.7%	276,957	170,160	106,797	3.8	16.0	1.7
2021	1.6%	0.2%	1.3%	7,733	1,172	6,561	15.2%	345,691	217,086	128,475	4.0	16.6	1.8
2022	1.5%	0.2%	1.3%	8,576	1,387	7,189	16.2%	378,490	241,682	136,809	3.9	15.5	1.7
2023	1.7%	0.3%	1.4%	10,180	1,654	8,526	16.2%	404,806	262,364	142,442	3.5	14.0	1.5
2024	1.8%	0.3%	1.5%	11,845	1,969	9,876	16.6%	447,769	289,078	158,691	3.3	12.8	1.4

Source: MAPFRE Economics (based on data from the Superintendency of Insurance)

*Balance sheet figures at the end of September 2024.

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.9. Puerto Rico: main insurance market figures and indicators
(millions of USD)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	10,428	801	9,626	6.4%	3.8%	7,135	5,752	4,732	3,275	2,403	N/A	N/A	N/A	16.3%	5.6%
2011	11,059	898	10,161	6.1%	3.1%	7,143	5,824	4,691	3,238	2,452	N/A	N/A	N/A	15.1%	5.1%
2012	10,577	980	9,597	-4.4%	-5.6%	7,477	6,136	4,835	3,321	2,643	N/A	N/A	N/A	13.3%	4.6%
2013	10,518	1,053	9,465	-0.6%	-1.6%	7,463	6,091	4,906	3,278	2,557	N/A	N/A	N/A	11.8%	4.1%
2014	9,967	1,237	8,730	-5.2%	-5.8%	7,437	5,841	4,994	3,127	2,443	N/A	N/A	N/A	4.7%	1.6%
2015	12,113	1,252	10,861	21.5%	22.5%	8,106	6,122	5,549	3,452	2,557	N/A	N/A	N/A	4.7%	1.5%
2016	12,869	1,265	11,605	6.2%	6.6%	8,241	6,294	5,749	3,400	2,492	N/A	N/A	N/A	6.8%	2.1%
2017	12,778	1,153	11,625	-0.7%	-2.4%	9,439	7,249	6,819	3,680	2,620	N/A	N/A	N/A	13.2%	3.8%
2018	13,939	1,356	12,583	9.1%	7.7%	9,607	6,819	7,045	4,140	2,562	N/A	N/A	N/A	5.3%	1.4%
2019	14,322	1,451	12,871	2.7%	2.7%	10,227	7,933	7,275	4,338	2,952	N/A	N/A	N/A	13.8%	3.8%
2020	16,077	1,435	14,642	12.3%	12.8%	11,187	8,846	7,961	4,750	3,226	N/A	N/A	N/A	17.1%	4.9%
2021	17,651	1,731	15,920	9.8%	7.2%	12,436	9,551	8,725	5,007	3,711	N/A	N/A	N/A	13.9%	4.1%
2022	19,134	1,992	17,141	8.4%	2.2%	12,514	9,510	9,020	5,344	3,494	N/A	N/A	N/A	8.9%	2.6%
2023	20,536	2,434	18,102	7.3%	3.7%	13,493	9,647	10,033	5,581	3,461	N/A	N/A	N/A	-11.1%	-3.0%
2024	22,009	2,632	19,377	7.2%	5.5%	14,016	9,963	10,286	5,837	3,730	N/A	N/A	N/A	12.5%	3.3%

Table A.9. Puerto Rico: main insurance market figures and indicators (continued)
(millions of USD)

Year	Penetration (premiums/GDP)			Density (premiums per capita, USD)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	10.6%	0.8%	9.8%	2,807	216	2,591	7.7%	3,952	3,952	-	0.4	4.9	-
2011	11.0%	0.9%	10.1%	3,002	244	2,758	8.1%	3,889	3,889	-	0.4	4.3	-
2012	10.4%	1.0%	9.4%	2,901	269	2,632	9.3%	3,910	3,910	-	0.4	4.0	-
2013	10.3%	1.0%	9.2%	2,916	292	2,624	10.0%	3,569	3,569	-	0.3	3.4	-
2014	9.7%	1.2%	8.5%	2,795	347	2,449	12.4%	3,472	3,472	-	0.3	2.8	-
2015	11.7%	1.2%	10.5%	3,439	355	3,084	10.3%	3,532	3,532	-	0.3	2.8	-
2016	12.3%	1.2%	11.1%	3,702	364	3,338	9.8%	3,260	3,260	-	0.3	2.6	-
2017	12.4%	1.1%	11.2%	3,790	342	3,448	9.0%	3,247	3,247	-	0.3	2.8	-
2018	13.8%	1.3%	12.5%	4,237	412	3,824	9.7%	2,967	2,967	-	0.2	2.2	-
2019	13.6%	1.4%	12.2%	4,356	441	3,914	10.1%	2,930	2,930	-	0.2	2.0	-
2020	15.6%	1.4%	14.2%	4,908	438	4,470	8.9%	2,765	2,765	-	0.2	1.9	-
2021	16.6%	1.6%	15.0%	5,426	532	4,894	9.8%	2,782	2,782	-	0.2	1.6	-
2022	16.8%	1.8%	15.1%	5,904	615	5,289	10.4%	2,677	2,677	-	0.1	1.3	-
2023	17.4%	2.1%	15.4%	6,334	751	5,584	11.9%	2,466	2,466	-	0.1	1.0	-
2024	18.2%	2.2%	16.0%	6,788	812	5,976	12.0%	2,460	2,460	-	0.1	0.9	-

Source: MAPFRE Economics (based on data from the Puerto Rico Insurance Commissioner's Office and the National Association of Insurance Commissioners, NAIC)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.10. Colombia: main insurance market figures and indicators
(millions of pesos)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	11,849,969	3,344,106	8,505,863	3.6%	1.3%	30,723,343	23,910,276	22,887,250	19,540,989	7,836,093	110.4	-889,033	2,131,454	16.7%	4.2%
2011	13,581,554	3,819,524	9,762,029	14.6%	10.8%	34,160,398	26,072,658	26,131,154	22,356,789	8,029,244	109.2	-890,427	1,495,277	7.8%	1.9%
2012	15,964,766	4,764,043	11,200,722	17.5%	13.9%	38,485,408	29,378,048	29,305,428	25,324,006	9,179,981	110.6	-1,216,912	2,405,145	12.9%	3.1%
2013	18,833,416	6,690,847	12,142,569	18.0%	15.6%	42,857,016	33,375,423	33,746,620	29,208,392	9,110,396	108.6	-1,129,101	1,822,198	6.4%	1.4%
2014	19,036,166	5,656,006	13,380,160	1.1%	-1.8%	47,590,990	37,157,033	37,599,677	32,297,179	9,991,312	110.4	-1,523,216	2,747,916	11.4%	2.4%
2015	21,508,936	6,313,957	15,194,979	13.0%	7.6%	51,585,889	38,983,976	41,720,926	35,211,300	9,864,962	110.8	-1,718,318	2,928,678	10.7%	2.1%
2016	23,849,424	7,461,856	16,387,568	10.9%	3.1%	58,252,927	44,323,525	47,104,482	41,262,658	11,148,445	111.8	-2,251,876	4,095,605	15.9%	3.0%
2017	26,003,162	8,436,839	17,566,323	9.0%	4.5%	66,222,514	50,288,473	53,805,647	47,177,339	12,416,867	111.3	-2,104,869	3,926,468	15.3%	2.9%
2018	27,268,333	8,540,789	18,727,544	4.9%	1.6%	76,735,130	55,415,603	63,464,833	56,464,952	13,270,296	108.9	-1,763,815	3,511,196	13.2%	2.4%
2019	30,087,537	9,329,143	20,758,394	10.3%	6.6%	86,054,031	62,472,309	70,667,652	62,744,057	15,386,379	111.3	-2,431,053	4,659,640	15.5%	2.7%
2020	30,489,756	9,220,345	21,269,412	1.3%	-1.2%	91,494,288	67,407,641	76,093,288	68,165,878	15,401,001	110.9	-2,405,413	4,120,245	9.8%	1.7%
2021	35,343,993	10,701,224	24,642,769	15.9%	12.0%	98,886,644	72,174,030	83,718,761	73,255,637	15,167,883	114.7	-3,573,731	4,319,491	5.7%	0.9%
2022	47,292,203	17,870,454	29,421,749	33.8%	21.4%	117,202,908	89,834,431	99,845,561	87,196,867	17,357,347	120.4	-5,388,704	8,381,864	16.3%	2.5%
2023	50,664,878	16,982,155	33,682,722	7.1%	-4.1%	140,984,246	109,952,260	119,274,750	103,195,231	21,709,496	123.6	-7,393,731	12,703,784	21.6%	3.3%
2024	56,135,718	19,510,210	36,625,507	10.8%	3.9%	160,551,499	128,408,192	137,436,016	121,728,434	23,115,483	115.9	-5,754,556	10,891,607	17.8%	2.6%

Table A.10. Colombia: main insurance market figures and indicators (continued)
(millions of pesos)

Year	Penetration (premiums/GDP)			Density (premiums per capita, pesos)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	2.2%	0.6%	1.6%	264,642	74,683	189,959	28.2%	32,805,770	22,945,816	9,859,954	2.8	6.9	1.2
2011	2.2%	0.6%	1.6%	300,081	84,391	215,690	28.1%	36,836,537	25,710,702	11,125,829	2.7	6.7	1.1
2012	2.4%	0.7%	1.7%	349,218	104,210	245,008	29.8%	38,739,998	27,327,715	11,412,279	2.4	5.7	1.0
2013	2.6%	0.9%	1.7%	408,077	144,975	263,102	35.5%	37,753,356	25,527,736	12,225,622	2.0	3.8	1.0
2014	2.5%	0.7%	1.8%	408,805	121,464	287,341	29.7%	41,776,629	29,408,980	12,367,651	2.2	5.2	0.9
2015	2.7%	0.8%	1.9%	457,930	134,425	323,504	29.4%	43,241,833	30,923,908	12,317,921	2.0	4.9	0.8
2016	2.8%	0.9%	1.9%	502,755	157,299	345,456	31.3%	43,207,439	29,999,238	13,208,202	1.8	4.0	0.8
2017	2.8%	0.9%	1.9%	540,257	175,289	364,968	32.4%	44,268,807	30,716,069	13,552,737	1.7	3.6	0.8
2018	2.8%	0.9%	1.9%	556,219	174,215	382,004	31.3%	48,677,548	33,763,783	14,913,768	1.8	4.0	0.8
2019	2.8%	0.9%	2.0%	602,860	186,927	415,933	31.0%	51,375,846	34,842,982	16,532,864	1.7	3.7	0.8
2020	3.1%	0.9%	2.1%	602,207	182,112	420,095	30.2%	48,041,372	31,436,332	16,605,041	1.6	3.4	0.8
2021	3.0%	0.9%	2.1%	690,472	209,057	481,415	30.3%	59,520,453	39,866,458	19,625,443	1.7	3.7	0.8
2022	3.2%	1.2%	2.0%	914,072	345,403	568,669	37.8%	64,333,302	42,609,780	21,723,522	1.4	2.4	0.7
2023	3.2%	1.1%	2.1%	968,344	324,575	643,769	33.5%	71,180,872	48,865,832	22,315,040	1.4	2.9	0.7
2024	3.3%	1.1%	2.1%	1,061,440	368,908	692,532	34.8%	78,192,013	52,264,025	25,927,987	1.4	2.7	0.7

Source: MAPFRE Economics (based on data from the Financial Superintendency of Colombia)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.11. Venezuela: main insurance market figures and indicators
(millions of digital bolivars)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	0.000000369	0.000000009	0.000000360	34.0%	4.6%	0.0000000003	0.0000000003	0.0000000002	0.0000000001	0.0000000001	88.3	0.000000006	0.000000013	23.7%	8.7%
2011	0.000000465	0.000000009	0.000000456	25.9%	-0.2%	0.0000000004	0.0000000003	0.0000000003	0.0000000002	0.0000000001	86.2	0.000000010	0.000000019	18.0%	6.4%
2012	0.000000597	0.000000011	0.000000586	28.4%	6.1%	0.0000000005	0.0000000004	0.0000000003	0.0000000002	0.0000000002	97.5	0.000000011	0.000000031	22.5%	7.8%
2013	0.000000856	0.000000016	0.000000841	43.4%	2.0%	0.0000000008	0.0000000006	0.0000000005	0.0000000003	0.0000000003	99.4	0.000000004	0.000000038	20.0%	7.6%
2014	0.000001424	0.000000023	0.000001401	66.3%	2.6%	0.0000000016	0.0000000013	0.0000000008	0.0000000006	0.0000000008	101.1	-0.000000010	0.000000055	12.6%	5.7%
2015	0.0000003300	0.000000041	0.0000003259	131.7%	4.5%	0.0000000058	0.0000000048	0.0000000021	0.0000000013	0.0000000037	105.3	-0.000000103	0.000000210	4.1%	2.5%
2016	0.0000008715	0.000000101	0.0000008614	164.1%	-25.6%	0.0000000180	0.0000000146	0.0000000063	0.0000000030	0.0000000117	107.9	-0.0000000396	0.000000216	5.0%	3.2%
2017	0.0000038201	0.000000384	0.0000037817	338.3%	-18.5%	0.0000002012	0.0000001840	0.0000000291	0.0000000142	0.0000001721	72.6	0.0000008187	0.000000936	2.7%	2.3%
2018	0.026054241	0.000436408	0.025617833	68,102.8%	4.2%	0.0006097074	0.0004538309	0.0003169539	0.0000107385	0.0002927535	123.5	-0.003180139	0.002808183	15.1%	7.3%
2019	5.766	0.036	5.731	22,032.1%	10.6%	0.052	0.039	0.027	0.002	0.025	120.4	-0.467	0.142	12.5%	6.0%
2020	139.403	0.564	138.839	2,317.5%	-1.5%	0.919	0.628	0.612	0.044	0.307	108.4	-4.353	5.538	10.4%	3.6%
2021	1,786.096	9.184	1,776.912	1,181.2%	-24.1%	4.585	2.531	3.228	0.354	1.358	104.5	-28.157	121.509	10.8%	3.3%
2022	5,181.499	34.786	5,146.713	190.1%	1.2%	17.571	10.355	11.359	1.086	6.212	93.6	135.669	73.056	6.1%	2.1%
2023	24,976.111	177.369	24,798.742	382.0%	10.2%	41.474	24.127	28.337	3.535	13.137	95.3	479.925	230.562	4.2%	1.4%
2024	39,320.790	335.489	38,985.301	57.4%	5.7%	64.094	39.968	38.234	5.899	25.860	96.1	659.187	-89.758	3.4%	1.3%

Table A.11. Venezuela: main insurance market figures and indicators (continued)
(millions of digital bolívars)

Year	Penetration (premiums/GDP)			Density (premiums per capita, digital bolívars)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	3.1%	0.1%	3.0%	0.000000128	0.0000000003	0.0000000125	2.4%	0.0000006075	0.0000005663	0.0000000413	1.6	64.5	0.1
2011	3.2%	0.1%	3.2%	0.0000000159	0.0000000003	0.0000000156	2.0%	0.0000007109	0.0000006795	0.0000000315	1.5	74.4	0.1
2012	2.9%	0.1%	2.9%	0.0000000202	0.0000000004	0.0000000198	1.9%	0.0000010793	0.0000009720	0.0000001073	1.8	85.9	0.2
2013	3.3%	0.1%	3.2%	0.0000000286	0.0000000005	0.0000000281	1.8%	0.0000012145	0.0000011633	0.0000000512	1.4	74.2	0.1
2014	0.4%	0.0%	0.4%	0.0000000471	0.0000000008	0.0000000463	1.6%	0.0000288667	0.0000174430	0.0000114236	20.3	765.3	8.2
2015	1.3%	0.0%	1.3%	0.0000001079	0.0000000013	0.0000001066	1.2%	0.0000165157	0.0000113552	0.0000051605	5.0	280.0	1.6
2016	1.8%	0.0%	1.8%	0.0000002833	0.0000000033	0.0000002800	1.2%	0.0000289602	0.0000209464	0.0000080139	3.3	207.8	0.9
2017	0.9%	0.0%	0.9%	0.0000012498	0.0000000126	0.0000012372	1.0%	0.0002912800	0.0001831902	0.0001080899	7.6	476.6	2.9
2018	0.4%	0.0%	0.4%	0.0008740807	0.0000146408	0.0008594399	1.7%	0.5241400217	0.3060414742	0.2180985654	20.1	701.3	8.5
2019	0.5%	0.0%	0.5%	0.199	0.001	0.198	0.6%	82.101	47.609	34.492	14.2	1,340.5	6.0
2020	0.9%	0.0%	0.9%	4.901	0.020	4.881	0.4%	1,108.515	645.501	463.014	8.0	1,144.4	3.3
2021	1.0%	0.0%	1.0%	63.252	0.325	62.927	0.5%	12,799.679	7,765.792	5,029.496	7.2	845.6	2.8
2022	0.9%	0.0%	0.9%	183.656	1.233	182.423	0.7%	39,338.277	24,086.641	15,251.636	7.6	692.4	3.0
2023	0.8%	0.0%	0.8%	882.521	6.267	876.254	0.7%	206,013.093	124,654.019	81,359.074	8.2	702.8	3.3
2024	0.9%	0.0%	0.8%	1,384.265	11.811	1,372.454	0.9%	323,564.553	193,562.064	130,002.490	8.2	577.0	3.3

Source: MAPFRE Economics (based on data from the Superintendency of Insurance Activity)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.12. Brazil: main insurance market figures and indicators
(millions of reais)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	90,089	49,616	40,473	17.6%	12.0%	345,903	300,020	283,074	262,680	62,829	94.7	2,413	6,366	19.4%	3.6%
2011	105,001	58,511	46,490	16.6%	9.3%	409,926	354,677	344,088	317,909	65,838	97.3	1,465	13,278	19.6%	3.3%
2012	129,401	77,147	52,255	23.2%	16.9%	499,599	433,224	424,253	391,713	75,346	96.3	2,210	14,177	19.2%	3.0%
2013	145,184	83,357	61,828	12.2%	5.6%	547,428	470,528	475,329	443,146	72,098	92.8	4,985	11,888	21.3%	3.0%
2014	165,235	94,153	71,082	13.8%	7.0%	637,696	549,907	562,118	520,982	75,579	95.2	3,630	16,682	23.9%	3.0%
2015	184,201	111,024	73,177	11.5%	2.2%	740,603	643,058	668,983	626,924	71,620	95.2	3,941	19,422	26.9%	2.9%
2016	205,480	130,722	74,757	11.6%	2.6%	873,463	776,339	792,216	755,915	81,247	95.3	4,074	18,932	23.3%	2.2%
2017	212,155	135,709	76,446	3.2%	-0.2%	1,004,977	901,751	917,710	876,797	87,248	93.7	5,574	16,611	20.5%	1.8%
2018	210,319	129,975	80,344	-0.9%	-4.4%	1,095,005	985,310	1,010,482	965,974	84,523	91.8	7,744	15,989	21.9%	1.8%
2019	234,218	152,049	82,169	11.4%	7.4%	1,233,605	1,113,310	1,139,153	1,087,039	94,453	91.6	8,111	19,488	26.0%	2.0%
2020	236,860	152,617	84,243	1.1%	-2.0%	1,326,740	1,187,390	1,223,484	1,169,093	103,331	92.6	7,365	14,343	18.2%	1.4%
2021	268,104	171,279	96,825	13.2%	4.5%	1,389,086	1,249,482	1,289,928	1,236,121	99,158	97.6	2,490	10,956	11.7%	0.9%
2022	312,471	192,116	120,355	16.5%	6.7%	1,571,110	1,409,200	1,461,733	1,398,666	109,378	93.1	8,599	18,174	21.9%	1.5%
2023	341,667	209,776	131,891	9.3%	4.5%	1,797,220	1,621,093	1,662,999	1,590,625	134,224	87.5	18,016	26,373	30.0%	2.2%
2024	385,852	243,719	142,132	12.9%	8.2%	1,997,247	1,793,684	1,868,560	1,787,488	128,687	86.9	20,205	24,652	27.3%	1.9%

Table A.12. Brazil: main insurance market figures and indicators (continued)
(millions of reais)

Year	Penetration (premiums/GDP)			Density (premiums per capita, reais)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	2.3%	1.3%	1.0%	465	256	209	55.1%	228,856	138,155	90,702	2.5	2.8	2.2
2011	2.4%	1.3%	1.1%	538	300	238	55.7%	251,446	150,263	101,183	2.4	2.6	2.2
2012	2.7%	1.6%	1.1%	657	392	265	59.6%	265,778	154,680	111,099	2.1	2.0	2.1
2013	2.7%	1.6%	1.2%	731	420	312	57.4%	277,308	157,196	120,112	1.9	1.9	1.9
2014	2.9%	1.6%	1.2%	826	471	355	57.0%	295,419	171,463	123,956	1.8	1.8	1.7
2015	3.1%	1.9%	1.2%	913	551	363	60.3%	298,259	166,437	131,822	1.6	1.5	1.8
2016	3.3%	2.1%	1.2%	1,011	643	368	63.6%	281,219	141,170	140,049	1.4	1.1	1.9
2017	3.2%	2.1%	1.2%	1,036	663	373	64.0%	290,603	144,409	146,194	1.4	1.1	1.9
2018	3.0%	1.9%	1.1%	1,020	631	390	61.8%	328,192	169,995	158,197	1.6	1.3	2.0
2019	3.2%	2.1%	1.1%	1,129	733	396	64.9%	333,617	155,850	177,767	1.4	1.0	2.2
2020	3.1%	2.0%	1.1%	1,135	731	404	64.4%	361,646	157,237	204,408	1.5	1.0	2.4
2021	3.0%	1.9%	1.1%	1,279	817	462	63.9%	448,740	210,836	237,688	1.7	1.2	2.5
2022	3.1%	1.9%	1.2%	1,486	914	572	61.5%	452,375	222,288	230,087	1.4	1.2	1.9
2023	3.1%	1.9%	1.2%	1,618	994	625	61.4%	499,828	244,985	254,842	1.5	1.2	1.9
2024	3.3%	2.1%	1.2%	1,820	1,150	670	63.2%	539,275	250,596	288,679	1.4	1.0	2.0

Source: MAPFRE Economics (based on data from the Superintendency of Private Insurance)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.13. Ecuador: main insurance market figures and indicators
(millions of USD)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	1,108	181	926	17.5%	13.5%	849	480	548	162	301	76.7	96	18	18.2%	6.4%
2011	1,337	231	1,105	20.7%	15.5%	1,045	583	697	199	348	74.0	130	21	20.5%	7.0%
2012	1,485	255	1,230	11.1%	5.7%	1,356	674	970	384	385	75.8	147	31	12.5%	3.8%
2013	1,659	282	1,377	11.7%	8.8%	1,645	761	1,223	546	422	76.6	164	33	9.7%	2.6%
2014	1,703	276	1,427	2.6%	-0.9%	1,853	847	1,372	607	482	70.5	214	37	15.6%	4.0%
2015	1,665	295	1,370	-2.2%	-6.0%	2,017	919	1,448	663	569	76.5	208	41	9.7%	2.6%
2016	1,618	347	1,271	-2.8%	-4.5%	2,320	952	1,704	895	617	74.9	250	40	10.7%	2.9%
2017	1,631	370	1,261	0.8%	0.4%	2,297	1,059	1,673	831	624	74.8	254	44	11.3%	3.0%
2018	1,689	413	1,276	3.6%	3.8%	2,158	1,043	1,541	840	617	75.9	265	39	8.2%	2.3%
2019	1,797	434	1,364	6.4%	6.1%	2,156	1,093	1,509	799	647	74.0	290	56	9.7%	2.8%
2020	1,696	418	1,278	-5.6%	-5.3%	2,275	1,090	1,613	819	662	80.0	207	48	0.9%	0.3%
2021	1,606	451	1,155	-5.3%	-5.4%	1,885	1,036	1,313	639	572	83.0	173	43	-0.8%	-0.2%
2022	2,007	600	1,407	25.0%	20.8%	2,098	1,208	1,466	705	632	72.2	342	45	10.9%	3.3%
2023	2,203	673	1,530	9.7%	7.4%	2,341	1,284	1,679	826	662	77.9	301	61	11.2%	3.3%
2024	2,241	713	1,527	1.7%	0.2%	2,435	1,307	1,747	828	688	85.9	198	76	12.7%	3.6%

Table A.13. Ecuador: main insurance market figures and indicators (continued)
(millions of USD)

Year	Penetration (premiums/GDP)			Density (premiums per capita, USD)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	1.6%	0.3%	1.4%	73	12	61	16.4%	4,486	3,112	1,374	4.1	17.2	1.5
2011	1.7%	0.3%	1.4%	87	15	72	17.3%	5,097	3,537	1,560	3.8	15.3	1.4
2012	1.7%	0.3%	1.4%	95	16	79	17.2%	5,716	3,970	1,746	3.8	15.6	1.4
2013	1.7%	0.3%	1.4%	105	18	87	17.0%	5,993	4,075	1,918	3.6	14.4	1.4
2014	1.7%	0.3%	1.4%	106	17	89	16.2%	6,485	4,445	2,040	3.8	16.1	1.4
2015	1.7%	0.3%	1.4%	102	18	84	17.7%	6,157	4,204	1,954	3.7	14.3	1.4
2016	1.7%	0.4%	1.3%	98	21	77	21.4%	5,964	3,889	2,075	3.7	11.2	1.6
2017	1.6%	0.4%	1.2%	97	22	75	22.7%	6,344	4,074	2,271	3.9	11.0	1.8
2018	1.6%	0.4%	1.2%	99	24	75	24.4%	6,574	4,190	2,384	3.9	10.2	1.9
2019	1.7%	0.4%	1.3%	104	25	79	24.1%	6,471	4,050	2,421	3.6	9.3	1.8
2020	1.8%	0.4%	1.3%	97	24	73	24.6%	5,844	3,486	2,358	3.4	8.3	1.8
2021	1.5%	0.4%	1.1%	91	26	65	28.1%	6,919	4,093	2,824	4.3	9.1	2.4
2022	1.7%	0.5%	1.2%	113	34	79	29.9%	6,805	4,174	2,631	3.4	7.0	1.9
2023	1.8%	0.6%	1.3%	123	37	85	30.6%	7,113	4,361	2,752	3.2	6.5	1.8
2024	1.8%	0.6%	1.3%	124	39	84	31.8%	7,348	4,410	2,938	3.3	6.2	1.9

Source: MAPFRE Economics (based on data from the Superintendency of Companies, Securities and Insurance)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.14. Peru: main insurance market figures and indicators
(millions of soles)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio¹	Technical result	Financial result	ROE²	ROA³
	Total	Life	Non-Life	Nominal	Real										
2010	6,552	2,889	3,663	26.2%	24.3%	17,359	15,259	13,598	11,852	3,761	111.7	-393	1,107	18.2%	3.8%
2011	7,212	3,092	4,120	10.1%	6.5%	19,786	17,371	15,680	13,568	4,106	113.8	-540	1,481	22.9%	4.8%
2012	7,906	3,306	4,600	9.6%	5.8%	22,261	19,397	17,634	15,275	4,627	119.0	-809	1,545	15.7%	3.3%
2013	9,069	3,750	5,320	14.7%	11.6%	28,172	22,282	23,607	20,482	4,564	117.1	-867	1,591	15.0%	2.7%
2014	10,154	4,450	5,704	12.0%	8.4%	33,303	26,271	27,770	24,073	5,534	115.9	-861	1,840	18.0%	3.0%
2015	11,744	5,118	6,626	15.7%	11.7%	39,373	31,116	33,437	28,771	5,936	113.4	-843	2,001	18.0%	2.8%
2016	11,256	4,592	6,664	-4.2%	-7.5%	42,187	33,725	35,056	30,676	7,131	116.4	-1,082	2,214	15.7%	2.5%
2017	11,327	4,811	6,517	0.6%	-2.1%	45,169	35,146	38,084	33,247	7,084	120.6	-1,291	2,200	14.0%	2.3%
2018	12,869	5,682	7,186	13.6%	12.1%	48,867	36,955	41,665	36,300	7,202	116.3	-1,276	2,338	14.7%	2.2%
2019	14,114	6,347	7,766	9.7%	7.4%	53,682	41,536	44,968	39,735	8,714	116.7	-1,395	2,981	19.1%	3.0%
2020	14,021	6,091	7,931	-0.7%	-2.4%	60,100	47,165	50,828	44,308	9,272	119.2	-1,644	2,829	12.0%	1.9%
2021	17,695	8,548	9,147	26.2%	21.4%	67,150	51,650	58,688	50,642	8,462	129.0	-2,805	3,280	4.7%	0.7%
2022	18,746	8,904	9,842	5.9%	-1.8%	71,887	54,692	62,952	54,843	8,935	115.8	-1,624	3,138	17.1%	2.1%
2023	20,266	9,541	10,725	8.1%	1.7%	77,058	59,036	66,086	57,521	10,971	111.5	-1,425	3,813	22.8%	3.0%
2024	22,186	11,041	11,145	9.5%	7.0%	83,694	65,228	71,126	61,688	12,568	107.8	-1,065	4,111	24.1%	3.5%

Table A.14. Peru: main insurance market figures and indicators (continued)
(millions of soles)

Year	Penetration (premiums/GDP)			Density (premiums per capita, soles)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	1.6%	0.7%	0.9%	225	99	126	44.1%	28,051	17,483	10,568	4.3	6.1	2.9
2011	1.5%	0.7%	0.9%	246	106	141	42.9%	31,230	19,424	11,806	4.3	6.3	2.9
2012	1.6%	0.6%	0.9%	268	112	156	41.8%	33,933	21,239	12,694	4.3	6.4	2.8
2013	1.7%	0.7%	1.0%	304	126	178	41.3%	34,411	21,006	13,405	3.8	5.6	2.5
2014	1.8%	0.8%	1.0%	337	148	189	43.8%	35,959	22,139	13,820	3.5	5.0	2.4
2015	1.9%	0.8%	1.1%	386	168	218	43.6%	37,683	23,307	14,375	3.2	4.6	2.2
2016	1.7%	0.7%	1.0%	365	149	216	40.8%	40,197	24,152	16,045	3.6	5.3	2.4
2017	1.6%	0.7%	0.9%	362	154	208	42.5%	42,589	25,230	17,360	3.8	5.2	2.7
2018	1.7%	0.8%	1.0%	403	178	225	44.2%	44,648	26,357	18,292	3.5	4.6	2.5
2019	1.8%	0.8%	1.0%	435	196	239	45.0%	45,637	26,052	19,585	3.2	4.1	2.5
2020	1.9%	0.8%	1.1%	427	185	242	43.4%	42,741	23,296	19,445	3.0	3.8	2.5
2021	2.0%	1.0%	1.0%	534	258	276	48.3%	52,140	28,677	23,461	2.9	3.4	2.6
2022	2.0%	1.0%	1.1%	560	266	294	47.5%	52,367	29,626	22,741	2.8	3.3	2.3
2023	2.0%	1.0%	1.1%	599	282	317	47.1%	56,732	32,071	24,661	2.8	3.4	2.3
2024	2.0%	1.0%	1.0%	648	323	326	49.8%	63,296	34,634	28,662	2.9	3.1	2.6

Source: MAPFRE Economics [based on data from the Superintendency of Banking, Insurance and Pension Fund Administrators]

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.15. Bolivia: main insurance market figures and indicators
(millions of bolivianos)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio¹	Technical result	Financial result	ROE²	ROA³
	Total	Life	Non-Life	Nominal	Real										
2010	1,595	341	1,254	11.7%	9.0%	4,902	4,052	3,788	3,167	1,056	98.1	20	220	12.3%	2.7%
2011	1,841	400	1,441	15.4%	5.0%	5,176	4,251	4,097	3,395	1,078	103.4	-41	193	10.6%	2.2%
2012	2,194	473	1,721	19.1%	14.0%	5,346	4,445	4,167	3,206	1,179	102.3	-33	180	11.6%	2.5%
2013	2,569	617	1,952	17.1%	10.8%	5,624	4,543	4,294	3,165	1,326	92.9	130	133	15.1%	3.4%
2014	2,883	705	2,178	12.2%	6.1%	5,957	4,635	4,485	3,121	1,472	95.4	87	179	13.8%	3.3%
2015	3,103	822	2,281	7.6%	3.4%	6,600	4,895	4,893	3,179	1,707	96.8	64	237	14.8%	3.8%
2016	3,228	915	2,313	4.0%	0.4%	6,953	5,183	5,164	3,214	1,789	100.5	-11	290	13.5%	3.5%
2017	3,340	1,020	2,320	3.5%	0.6%	6,978	5,302	5,101	3,280	1,877	101.3	-28	265	11.6%	3.1%
2018	3,698	1,246	2,452	10.7%	8.3%	7,347	5,431	5,207	3,304	2,141	99.4	15	224	12.3%	3.4%
2019	3,985	1,420	2,565	7.8%	5.8%	7,737	5,725	5,406	3,387	2,330	99.1	25	280	12.8%	3.8%
2020	4,093	1,545	2,549	2.7%	1.8%	8,279	5,750	5,950	3,667	2,329	102.4	-69	378	9.2%	2.7%
2021	4,258	1,665	2,594	4.0%	3.3%	8,423	5,617	6,055	3,385	2,368	105.6	-172	175	1.4%	0.4%
2022	4,861	1,994	2,867	14.2%	12.2%	8,845	5,735	6,471	2,446	2,374	98.5	54	-1	2.8%	0.8%
2023	5,145	2,123	3,022	5.8%	3.2%	9,248	5,950	6,699	2,520	2,548	98.9	44	231	11.2%	3.1%
2024	5,442	2,313	3,129	5.8%	0.6%	9,348	6,210	6,656	2,613	2,692	95.0	225	176	11.1%	3.1%

Table A.15. Bolivia: main insurance market figures and indicators (continued)
(millions of bolivianos)

Year	Penetration (premiums/GDP)			Density (premiums per capita, bolivianos)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	1.2%	0.2%	0.9%	157	34	123	21.4%	9,721	6,321	3,400	6.1	18.5	2.7
2011	1.1%	0.2%	0.9%	178	39	139	21.7%	11,698	7,530	4,168	6.4	18.8	2.9
2012	1.2%	0.3%	0.9%	209	45	164	21.6%	13,167	8,539	4,629	6.0	18.1	2.7
2013	1.2%	0.3%	0.9%	240	58	183	24.0%	14,219	8,941	5,278	5.5	14.5	2.7
2014	1.3%	0.3%	1.0%	266	65	201	24.4%	15,292	9,775	5,517	5.3	13.9	2.5
2015	1.4%	0.4%	1.0%	282	75	207	26.5%	15,246	9,730	5,516	4.9	11.8	2.4
2016	1.4%	0.4%	1.0%	289	82	207	28.3%	14,979	9,257	5,722	4.6	10.1	2.5
2017	1.3%	0.4%	0.9%	294	90	204	30.5%	16,447	10,004	6,443	4.9	9.8	2.8
2018	1.3%	0.4%	0.9%	321	108	213	33.7%	17,705	10,677	7,029	4.8	8.6	2.9
2019	1.4%	0.5%	0.9%	341	122	220	35.6%	17,731	10,355	7,376	4.4	7.3	2.9
2020	1.6%	0.6%	1.0%	346	131	216	37.7%	15,814	8,762	7,052	3.9	5.7	2.8
2021	1.5%	0.6%	0.9%	357	139	217	39.1%	17,950	10,174	7,770	4.2	6.1	3.0
2022	1.6%	0.7%	0.9%	403	165	237	41.0%	18,213	10,508	7,705	3.7	5.3	2.7
2023	1.6%	0.7%	1.0%	420	173	247	41.3%	18,838	10,838	8,000	3.7	5.1	2.6
2024	1.6%	0.7%	0.9%	438	186	252	42.5%	20,714	11,662	9,051	3.8	5.0	2.9

Source: MAPFRE Economics (based on data from the Pension and Insurance Tax and Control Authority)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.16. Chile: main insurance market figures and indicators
(millions of pesos)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio¹	Technical result	Financial result	ROE²	ROA³
	Total	Life	Non-Life	Nominal	Real										
2010	4,228,291	2,558,164	1,670,127	21.1%	19.4%	21,417,926	23,766,697	18,665,080	17,813,497	2,752,846	119.0	-609,520	1,269,471	18.2%	2.3%
2011	5,027,445	2,996,333	2,031,111	18.9%	15.1%	23,278,241	25,082,990	20,493,396	19,451,724	2,784,845	111.7	-409,867	697,379	6.4%	0.8%
2012	5,471,147	3,268,621	2,202,526	8.8%	5.6%	26,865,447	26,737,945	23,715,846	22,259,531	3,149,601	118.0	-771,039	1,225,596	13.9%	1.7%
2013	5,799,279	3,460,278	2,339,001	6.0%	4.1%	28,975,286	28,463,050	25,756,831	24,171,607	3,218,455	120.2	-926,618	1,190,212	9.2%	1.1%
2014	6,223,280	3,648,398	2,574,881	7.3%	2.5%	32,735,709	30,259,750	29,381,835	27,347,299	3,353,874	129.4	-1,380,138	1,495,595	10.3%	1.1%
2015	7,408,342	4,539,451	2,868,891	19.0%	14.1%	37,046,460	32,821,107	33,332,714	30,994,962	3,713,746	120.0	-1,149,424	1,399,500	12.1%	1.2%
2016	8,301,283	5,260,639	3,040,644	12.1%	8.0%	40,686,590	36,493,884	36,625,202	34,358,555	4,061,388	119.0	-1,240,876	1,870,502	12.7%	1.3%
2017	8,268,352	5,081,617	3,186,734	-0.4%	-2.5%	43,853,552	39,657,529	39,521,405	37,292,101	4,332,147	122.8	-1,450,732	2,247,955	14.8%	1.5%
2018	8,897,609	5,407,209	3,490,400	7.6%	5.2%	47,798,519	42,967,393	43,233,678	40,491,470	4,564,841	116.7	-1,232,450	1,662,286	11.6%	1.1%
2019	8,973,076	5,235,631	3,737,445	0.8%	-1.4%	53,157,557	46,909,890	48,021,269	44,812,087	5,136,288	126.3	-1,885,111	2,250,439	7.8%	0.8%
2020	7,835,530	3,893,325	3,942,205	-12.7%	-15.3%	54,530,120	49,724,054	49,012,111	45,863,439	5,518,009	118.3	-1,085,453	2,082,160	13.2%	1.3%
2021	8,700,176	4,197,236	4,502,940	11.0%	6.2%	59,213,864	52,087,401	53,354,025	48,526,711	5,859,839	124.8	-1,574,054	2,736,606	19.7%	2.0%
2022	11,401,203	5,847,848	5,553,355	31.0%	17.4%	67,201,757	59,388,413	60,557,971	56,314,873	6,643,787	115.9	-1,548,731	2,638,527	19.8%	2.0%
2023	13,336,917	7,246,924	6,089,993	17.0%	8.7%	72,849,042	59,702,038	65,692,796	61,353,132	7,156,245	119.2	-2,097,682	3,227,519	14.7%	1.4%
2024	14,226,622	7,801,856	6,424,766	6.7%	2.6%	78,909,292	69,862,061	71,066,323	66,062,176	7,842,968	119.1	-2,189,102	3,316,535	14.5%	1.4%

Table A.16. Chile: main insurance market figures and indicators (continued)
(millions of pesos)

Year	Penetration (premiums/GDP)			Density (premiums per capita, pesos)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	3.8%	2.3%	1.5%	246,096	148,891	97,205	60.5%	4,864,212	2,794,814	2,069,398	1.2	1.1	1.2
2011	4.1%	2.5%	1.7%	289,736	172,681	117,055	59.6%	4,869,226	2,800,215	2,069,010	1.0	0.9	1.0
2012	4.2%	2.5%	1.7%	312,296	186,574	125,721	59.7%	5,196,637	2,989,481	2,207,156	0.9	0.9	1.0
2013	4.2%	2.5%	1.7%	327,884	195,640	132,244	59.7%	5,081,479	2,734,856	2,346,624	0.9	0.8	1.0
2014	4.2%	2.5%	1.7%	348,366	204,230	144,136	58.6%	5,570,266	3,151,824	2,418,442	0.9	0.9	0.9
2015	4.7%	2.9%	1.8%	410,488	251,526	158,962	61.3%	5,355,492	2,800,970	2,554,521	0.7	0.6	0.9
2016	4.9%	3.1%	1.8%	454,436	287,982	166,454	63.4%	4,800,206	2,058,464	2,741,742	0.6	0.4	0.9
2017	4.6%	2.8%	1.8%	445,520	273,811	171,710	61.5%	5,421,174	2,545,674	2,875,501	0.7	0.5	0.9
2018	4.7%	2.9%	1.8%	470,943	286,199	184,744	60.8%	5,667,009	2,705,804	2,961,205	0.6	0.5	0.8
2019	4.6%	2.7%	1.9%	467,403	272,721	194,681	58.3%	6,053,013	2,912,009	3,141,004	0.7	0.6	0.8
2020	3.9%	1.9%	2.0%	404,506	200,991	203,515	49.7%	7,993,671	4,301,676	3,691,994	1.0	1.1	0.9
2021	3.6%	1.8%	1.9%	447,164	215,726	231,438	48.2%	10,343,611	5,954,092	4,383,787	1.2	1.4	1.0
2022	4.3%	2.2%	2.1%	583,091	299,076	284,015	51.3%	8,560,208	4,967,519	3,592,689	0.8	0.8	0.6
2023	4.7%	2.6%	2.2%	678,418	368,634	309,784	54.3%	8,336,666	4,465,933	3,870,734	0.6	0.6	0.6
2024	4.6%	2.5%	2.1%	719,797	394,735	325,061	54.8%	10,320,439	5,314,174	5,006,265	0.7	0.7	0.8

Source: MAPFRE Economics (based on data from the Chilean Insurance Association and the Commission for the Financial Market)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.17. Paraguay: main insurance market figures and indicators
(millions of guaranies)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	1,001,832	102,823	899,009	20.1%	14.8%	1,321,113	548,449	890,240	594,659	430,874	N/A	N/A	N/A	N/A	N/A
2011	1,212,157	132,555	1,079,602	21.0%	11.8%	1,634,863	689,037	1,088,238	739,285	546,625	91.4	80,701	36,172	22.4%	7.4%
2012	1,434,355	177,160	1,257,195	18.3%	14.1%	1,944,590	805,443	1,279,459	860,589	665,132	90.3	109,222	48,618	24.4%	8.3%
2013	1,634,685	193,270	1,441,415	14.0%	11.0%	2,266,305	983,354	1,474,367	978,520	791,938	92.0	103,509	80,826	23.8%	8.2%
2014	1,862,298	236,639	1,625,659	13.9%	8.5%	2,502,884	1,136,600	1,579,631	1,071,207	923,253	93.1	100,904	89,640	21.6%	7.8%
2015	2,056,627	279,820	1,776,807	10.4%	7.1%	2,856,288	1,276,304	1,811,512	1,201,741	1,044,776	95.4	75,641	140,355	20.9%	7.7%
2016	2,168,768	301,748	1,867,020	5.5%	1.3%	3,078,466	1,359,067	1,912,605	1,269,155	1,165,861	95.6	74,631	84,295	14.2%	5.3%
2017	2,338,258	331,425	2,006,833	7.8%	4.1%	3,386,526	1,541,506	2,116,130	1,394,368	1,270,395	97.3	49,135	91,367	13.8%	5.2%
2018	2,527,763	354,421	2,173,343	8.1%	4.0%	3,756,992	1,724,769	2,330,833	1,506,866	1,426,159	93.7	121,197	135,213	18.3%	6.9%
2019	2,657,159	359,584	2,297,575	5.1%	2.3%	4,120,265	1,913,863	2,542,861	1,661,780	1,577,403	93.1	135,864	148,626	17.8%	6.8%
2020	2,791,067	431,545	2,359,522	5.0%	3.2%	4,401,562	2,109,456	2,617,467	1,673,925	1,784,096	88.6	231,092	156,331	22.0%	8.7%
2021	2,927,024	470,969	2,456,055	4.9%	0.1%	4,599,553	2,168,184	2,766,110	1,879,679	1,833,443	96.1	83,698	128,959	12.2%	4.9%
2022	3,286,154	579,272	2,706,882	12.3%	2.3%	5,156,244	2,585,032	3,061,201	1,505,344	2,095,043	97.9	49,401	157,490	10.6%	4.3%
2023	3,653,322	564,436	3,088,886	11.2%	6.3%	5,839,759	3,122,835	3,421,268	2,384,065	2,418,491	89.5	283,713	194,419	20.4%	8.4%
2024	4,075,023	676,313	3,398,710	11.5%	7.4%	6,609,794	3,705,745	3,757,655	2,567,577	2,852,139	78.5	643,702	288,643	24.6%	10.4%

Table A.17. Paraguay: main insurance market figures and indicators (continued)
(millions of guaraníes)

Year	Penetration (premiums/GDP)			Density (premiums per capita, guaraníes)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	0.8%	0.1%	0.7%	174,597	17,920	156,677	10.3%	9,593,944	6,135,168	3,458,776	9.6	59.7	3.8
2011	0.9%	0.1%	0.8%	208,467	22,797	185,670	10.9%	10,311,610	6,616,995	3,694,613	8.5	49.9	3.4
2012	1.0%	0.1%	0.9%	243,234	30,042	213,192	12.4%	10,649,426	6,911,615	3,737,810	7.4	39.0	3.0
2013	1.0%	0.1%	0.9%	273,247	32,306	240,941	11.8%	11,547,410	7,312,166	4,235,244	7.1	37.8	2.9
2014	1.0%	0.1%	0.9%	306,813	38,986	267,827	12.7%	12,499,801	8,044,624	4,455,177	6.7	34.0	2.7
2015	1.1%	0.1%	0.9%	333,917	45,432	288,485	13.6%	13,109,488	8,442,142	4,667,345	6.4	30.2	2.6
2016	1.1%	0.1%	0.9%	347,051	48,286	298,765	13.9%	13,718,348	8,573,537	5,144,811	6.3	28.4	2.8
2017	1.1%	0.2%	0.9%	368,888	52,286	316,602	14.2%	14,390,301	8,989,102	5,401,199	6.2	27.1	2.7
2018	1.1%	0.2%	0.9%	393,280	55,142	338,138	14.0%	15,200,009	9,520,583	5,679,427	6.0	26.9	2.6
2019	1.1%	0.2%	1.0%	407,849	55,193	352,656	13.5%	15,531,179	9,502,731	6,028,449	5.8	26.4	2.6
2020	1.2%	0.2%	1.0%	422,649	65,349	357,301	15.5%	16,078,559	9,337,528	6,741,031	5.8	21.6	2.9
2021	1.1%	0.2%	0.9%	437,903	70,460	367,443	16.1%	18,599,726	11,003,908	7,589,339	6.4	23.4	3.1
2022	1.1%	0.2%	0.9%	486,084	85,685	400,399	17.6%	18,942,654	11,464,602	7,478,052	5.8	19.8	2.8
2023	1.2%	0.2%	1.0%	533,788	82,470	451,318	15.4%	20,513,560	12,495,852	8,017,708	5.6	22.1	2.6
2024	1.2%	0.2%	1.0%	588,098	97,604	490,494	16.6%	22,121,407	13,321,011	8,800,396	5.4	19.7	2.6

Source: MAPFRE Economics (based on data from the Superintendency of Insurance, Central Bank of Paraguay)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.18. Argentina: main insurance market figures and indicators
(millions of pesos)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio¹	Technical result	Financial result	ROE²	ROA³
	Total	Life	Non-Life	Nominal	Real										
2010	38,784	6,218	32,566	33.3%	20.7%	67,612	52,114	54,630	42,329	12,982	110.7	-3,290	4,758	20.7%	4.0%
2011	52,213	8,704	43,509	34.6%	22.6%	82,077	61,866	66,480	55,231	15,597	107.4	-3,139	6,259	24.9%	4.7%
2012	69,062	11,625	57,437	32.3%	20.2%	105,071	78,310	84,977	69,572	20,094	113.5	-7,662	10,685	26.2%	5.0%
2013	93,389	15,262	78,127	35.2%	22.2%	139,358	103,916	112,499	92,121	26,858	116.2	-12,274	16,772	27.0%	5.2%
2014	129,421	21,032	108,389	38.6%	-2.4%	188,896	142,120	151,932	123,804	36,964	116.2	-16,835	24,876	33.1%	6.4%
2015	180,672	28,285	152,387	39.6%	10.4%	271,656	208,840	216,415	175,855	55,241	114.0	-20,591	37,335	39.0%	7.8%
2016	243,602	37,979	205,622	34.8%	-3.0%	379,860	292,721	298,885	245,173	80,975	118.1	-35,988	52,057	28.6%	6.0%
2017	302,312	42,577	259,734	24.1%	-1.3%	502,009	390,929	390,617	321,404	111,392	112.6	-44,365	75,805	28.6%	6.2%
2018	391,594	52,749	338,845	29.5%	-3.5%	728,417	562,540	564,612	458,667	163,805	126.0	-102,864	138,220	34.0%	7.6%
2019	533,673	68,113	465,559	36.3%	-11.2%	1,086,274	845,321	816,182	638,970	270,092	133.4	-177,023	227,173	34.6%	8.3%
2020	836,533	105,376	731,157	56.8%	10.4%	1,695,609	1,335,880	1,213,381	930,767	482,228	90.8	94,263	-25,316	10.0%	2.7%
2021	1,260,182	157,830	1,102,351	50.6%	1.5%	2,359,964	1,814,494	1,684,740	1,327,036	675,224	90.8	83,130	-54,634	-6.6%	-1.9%
2022	2,295,704	278,243	2,017,461	82.2%	5.6%	4,048,580	3,059,208	2,835,084	2,232,729	1,213,497	89.1	235,909	-345,108	-10.4%	-3.1%
2023	6,284,491	736,075	5,548,416	173.8%	17.2%	12,712,547	9,893,485	8,609,376	6,319,776	4,103,171	96.9	159,770	-5,795	12.2%	3.9%
2024	17,474,283	1,896,867	15,577,416	178.1%	-13.1%	22,285,009	16,435,755	14,793,761	11,732,656	7,491,248	89.4	1,808,967	-3,336,634	-17.6%	-5.8%

Table A.18. Argentina: main insurance market figures and indicators (continued)
(millions of pesos)

Year	Penetration (premiums/GDP)			Density (premiums per capita, pesos)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	2.3%	0.4%	2.0%	939	151	789	16.0%	97,608	74,079	23,528	2.5	11.9	0.7
2011	2.4%	0.4%	2.0%	1,251	209	1,043	16.7%	125,264	95,245	30,019	2.4	10.9	0.7
2012	2.6%	0.4%	2.2%	1,638	276	1,362	16.8%	147,450	115,388	32,062	2.1	9.9	0.6
2013	2.8%	0.5%	2.3%	2,193	358	1,835	16.3%	171,940	135,807	36,133	1.8	8.9	0.5
2014	2.8%	0.5%	2.4%	3,008	489	2,519	16.3%	235,589	189,435	46,154	1.8	9.0	0.4
2015	3.0%	0.5%	2.6%	4,156	651	3,505	15.7%	298,467	247,266	51,202	1.7	8.7	0.3
2016	3.0%	0.5%	2.5%	5,549	865	4,684	15.6%	395,164	318,865	76,299	1.6	8.4	0.4
2017	2.8%	0.4%	2.4%	6,826	961	5,865	14.1%	511,527	410,863	100,664	1.7	9.6	0.4
2018	2.7%	0.4%	2.3%	8,769	1,181	7,588	13.5%	742,055	578,734	163,321	1.9	11.0	0.5
2019	2.5%	0.3%	2.2%	11,866	1,515	10,352	12.8%	1,123,036	830,209	292,827	2.1	12.2	0.6
2020	3.1%	0.4%	2.7%	18,511	2,332	16,179	12.6%	1,303,556	1,002,578	300,978	1.6	9.5	0.4
2021	2.7%	0.3%	2.4%	27,811	3,483	24,328	12.5%	2,416,175	1,801,859	613,210	1.9	11.4	0.6
2022	2.8%	0.3%	2.4%	50,557	6,128	44,430	12.1%	3,975,994	3,119,849	856,145	1.7	11.2	0.4
2023	3.3%	0.4%	2.9%	138,004	16,164	121,840	11.7%	8,433,699	7,217,942	1,215,757	1.3	9.8	0.2
2024	3.0%	0.3%	2.7%	382,402	41,510	340,891	10.9%	28,152,718	22,482,634	5,670,083	1.6	11.9	0.4

Source: MAPFRE Economics (based on data from the National Superintendency of Insurance)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

Table A.19. Uruguay: main insurance market figures and indicators
(millions of pesos)

Year	Premiums			Premium growth		Assets	Investments	Liabilities	Technical provisions	Equity	Combined ratio ¹	Technical result	Financial result	ROE ²	ROA ³
	Total	Life	Non-Life	Nominal	Real										
2010	14,581	3,472	11,109	14.9%	7.7%	35,109	28,237	27,334	23,547	7,775	106.0	-743	2,801	19.5%	4.3%
2011	17,637	4,261	13,377	21.0%	11.9%	40,986	33,942	32,806	29,069	8,180	101.3	-192	1,455	5.7%	1.2%
2012	21,564	5,684	15,880	22.3%	13.1%	50,863	42,461	41,286	36,799	9,576	105.1	-963	2,343	8.4%	1.6%
2013	24,749	7,100	17,648	14.8%	5.7%	62,405	52,154	51,851	46,470	10,554	106.8	-1,470	2,595	10.8%	1.9%
2014	30,285	8,937	21,347	22.4%	12.4%	77,793	65,068	65,535	58,548	12,259	101.9	-487	2,699	8.8%	1.4%
2015	34,910	11,672	23,238	15.3%	6.1%	96,715	83,041	82,363	74,257	14,352	104.6	-1,432	4,249	6.5%	1.0%
2016	38,531	14,707	23,824	10.4%	0.7%	115,866	99,900	100,114	90,779	15,752	105.9	-2,073	4,641	5.1%	0.7%
2017	45,207	19,075	26,132	17.3%	10.5%	140,142	123,081	121,707	113,058	18,435	105.9	-2,426	6,782	12.7%	1.7%
2018	45,787	18,196	27,591	1.3%	-5.9%	162,306	144,805	142,141	133,506	20,165	107.8	-3,269	6,108	3.0%	0.4%
2019	54,800	23,829	30,971	19.7%	10.9%	196,767	177,349	173,346	162,776	23,421	106.4	-3,156	6,898	15.8%	1.9%
2020	61,448	27,616	33,831	12.1%	2.2%	236,945	216,500	209,942	198,164	27,003	109.3	-5,097	10,512	20.4%	2.4%
2021	69,684	32,202	37,482	13.4%	5.2%	279,211	256,865	244,853	231,507	34,359	103.6	-2,251	10,681	26.4%	3.1%
2022	80,858	38,872	41,986	16.0%	6.4%	328,304	303,358	291,210	275,218	37,093	104.0	-2,897	6,496	9.6%	1.1%
2023	88,098	42,061	46,036	9.0%	2.9%	381,633	355,114	341,577	326,545	40,056	106.6	-5,195	10,472	15.0%	1.6%
2024	116,179	65,752	50,427	31.9%	25.8%	456,989	427,166	414,943	396,357	42,046	106.2	-6,581	14,129	18.0%	1.8%

Table A.19. Uruguay: main insurance market figures and indicators (continued)
(millions of pesos)

Year	Penetration (premiums/GDP)			Density (premiums per capita, pesos)			Depth index ⁴	Insurance Protection Gap			IPG as a multiple of the actual market		
	Total	Life	Non-Life	Total	Life	Non-Life		Total	Life	Non-Life	Total	Life	Non-Life
2010	1.7%	0.4%	1.3%	4,394	1,046	3,347	23.8%	57,779	39,128	18,651	4.0	11.3	1.7
2011	1.7%	0.4%	1.3%	5,301	1,281	4,021	24.2%	64,677	43,951	20,725	3.7	10.3	1.5
2012	1.9%	0.5%	1.4%	6,465	1,704	4,761	26.4%	71,670	49,010	22,660	3.3	8.6	1.4
2013	1.9%	0.6%	1.4%	7,398	2,123	5,275	28.7%	77,120	50,900	26,220	3.1	7.2	1.5
2014	2.1%	0.6%	1.5%	9,023	2,663	6,360	29.5%	85,421	57,779	27,642	2.8	6.5	1.3
2015	2.2%	0.7%	1.5%	10,365	3,465	6,900	33.4%	92,894	61,828	31,066	2.7	5.3	1.3
2016	2.2%	0.8%	1.4%	11,402	4,352	7,050	38.2%	96,064	60,484	35,580	2.5	4.1	1.5
2017	2.4%	1.0%	1.4%	13,342	5,630	7,712	42.2%	97,108	60,217	36,891	2.1	3.2	1.4
2018	2.3%	0.9%	1.4%	13,488	5,360	8,128	39.7%	108,576	67,790	40,787	2.4	3.7	1.5
2019	2.5%	1.1%	1.4%	16,131	7,014	9,117	43.5%	113,778	67,580	46,198	2.1	2.8	1.5
2020	2.7%	1.2%	1.5%	18,078	8,125	9,953	44.9%	115,534	64,010	51,524	1.9	2.3	1.5
2021	2.6%	1.2%	1.4%	20,515	9,480	11,035	46.2%	140,741	79,966	60,712	2.0	2.5	1.6
2022	2.8%	1.3%	1.4%	23,845	11,464	12,382	48.1%	139,682	80,619	59,063	1.7	2.1	1.4
2023	2.9%	1.4%	1.5%	26,002	12,415	13,588	47.7%	144,738	83,768	60,970	1.6	2.0	1.3
2024	3.6%	2.0%	1.5%	34,306	19,415	14,890	56.6%	140,270	71,274	68,996	1.2	1.1	1.4

Source: MAPFRE Economics (based on data from the Central Bank of Uruguay)

¹ Estimated with respect to net earned premiums; ² Return on equity; ³ Return on assets; ⁴ Life insurance premiums/Total premiums

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Paseo de Recoletos, 23
28004 Madrid

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Paseo de Recoletos, 23
28004 Madrid

