Chart 1: Malaysia – Macro Economic Indicators

	2000	2001	2002[p]
Population (million persons)	23.5	24.0	24.5
Labour force (million persons)	9.6	9.9	10.2
Employment (million persons)	9.3	9.5	9.8
Unemployment (% of labour force)	3.1	3.6	3.5

	2000		2001		2002[p]	
NATIONAL PRODUCT	**RM billion**	**% change**	**RM billion**	**% change**	**RM billion**	**% change**
Gross domestic product (GDP)						
Market prices	342.2	13.8	334.6	–2.2	361.6	8.1
1987 prices	209.5	8.3	210.5	0.4	219.3	4.2
Gross national product (GNP)						
Market prices	313.2	11.9	309.0	–1.4	336.4	8.9
1987 prices	190.5	6.0	192.8	1.2	202.1	4.8
Gross national savings/GNP (%)	39.9		34.8		34.4	

	2000 RM billion	2001 RM billion	2002[p] RM billion
BALANCE OF PAYMENTS			
Goods	79.1	69.9	68.9
Exports (f.o.b.)	374.0	334.3	354.9
Imports (f.o.b.)	294.9	264.5	285.9
Services, income and transfers (net)	–46.9	–42.2	–41.6
Current account balance	32.3	27.7	27.3
Current account balance (% of GNP)	10.3	9.0	8.1

	2000 % change	2001 % change	2002[p] % change
Consumer Price Index (2000 = 100)	1.6	1.4	1.8
Movement of Ringgit (end-period)			
Against SDR	5.2	3.8	–7.3
Against US$[1]	0.0	0.0	0.0

	2000	2001	2002[p]
Commercial banks average base lending rate (average rates as at end of year, %)	6.78	6.39	6.39

[1] Ringgit was pegged at RM3.80=US$1 on 2 September 1998

[p] Preliminary

Figures may not necessarily add up due to rounding

Sources: Bank Negara Malaysia and Department of Statistics, Malaysia

Chart 2: Insurance Key Indicators[1]

	1990[2]	1999	2000	2001	2002
Market Structure					
No. of licensees	**147**	**145**	**141**	**140**	**129**
Direct insurers	57	56	53	52	44
Life	3	7	7	8	7
General	39	38	36	36	28
Life and General	15	11	10	8	9
Professional reinsurers	1	11	11	11	10
Life	–	1	1	1	1
General	1	10	9	9	8
Life and General	–	–	1	1	1
Insurance brokers	46	36	36	36	35
Adjusters	43	41	41	41	40
No. of registered agents					
Life	37,373	88,786	87,375	88,504	87,205
General	14,456	37,864	41,233	45,246	51,317
No. of offices					
Insurers	448	882	832	786	738
Insurance brokers	n.a.	29	30	31	31
Adjusters	n.a.	96	105	116	122
No. employed (as at December)					
Insurers	10,173 [3]	19,065	19,567	20,417	20,143
Insurance brokers	787 [3]	1,160	1,126	1,152	1,207
Adjusters	694 [3]	1,562	1,739	1,788	1,811
No. of qualifications held by insurance personnel [4]	**2,091**	**7,321**	**7,924**	**9,036**	**9,493**
Premium Income					
Total (RMm)	**3,170.1**	**11,616.5**	**13,945.9**	**17,071.5**	**16,806.4**
Premium (% of GNP)	2.9	4.2	4.5	5.5	5.0
Life (% of GNP)	1.5	2.5	2.8	3.8	3.2
General (% of GNP)	1.4	1.6	1.6	1.7	1.8
Per capita insurance premium expenditure (RM) on:					
Life insurance [5]	92	310	378	487	442
General insurance [6]	111	239	252	267	302
Benefit Payments					
Total (RMm)	**1,170.6**	**4,887.5**	**5,516.2**	**6,414.6**	**7,622.1**
Life	522.6	2,232.1	2,715.3	3,311.1	4,308.5
General	648.0	2,655.4	2,800.9	3,103.5	3,313.6

Chart 2: Insurance Key Indicators[1] (contd.)

	1990[2]	1999	2000	2001	2002
Insurance Fund Assets					
Total (RMm)	**9,498.1**	**44,803.7**	**50,597.9**	**59,869.2**	**66,639.8**
Life	7,097.2	31,489.5	36,806.9	44,926.4	51,217.7
General	2,400.9	13,314.2	13,791.0	14,942.8	15,422.1
% of GNP	8.6	16.0	16.2	19.4	19.8
% of total assets of the financial system	2.9	3.8	4.0	4.6	4.8
LIFE INSURANCE					
New Business					
No. of policies	498,338	1,437,056	1,174,157	1,370,448	1,381,125
Sums insured (RMm)	24,805.0	99,854.6	116,816.6	129,003.8	140,715.7
Total premiums (RMm)	573.1	1,910.7	2,942.3	5,247.9	3,558.5
Business in Force					
No. of policies	2,388,585	6,998,733	7,234,940	7,890,907	8,506,730
Sums insured (RMm)	86,678.0	363,929.0	399,662.8	440,005.8	481,999.4
(% of GNP)	78.3	130.0	127.6	142.4	143.3
Annual premiums (RMm)	1,576.7	6,842.7	7,364.7	8,170.0	9,101.0
Distribution of Sums Insured in Force (%)					
Whole Life	35.8	37.1	33.9	33.1	31.4
Endowment	13.5	11.9	11.7	11.4	10.9
Temporary	46.6	35.1	36.8	37.4	38.3
Investment-linked	–	0.9	2.5	4.3	7.1
Annuity	…	…	0.1	0.4	0.3
Others	4.1	15.0	15.0	13.4	12.0
Premium Income (RMm)	**1,643.1**	**7,037.3**	**8,888.6**	**11,684.8**	**10,834.9**
Net Policy Benefits					
Total (RMm)	**522.6**	**2,232.1**	**2,715.3**	**3,311.1**	**4,308.5**
Death and disability	160.2	456.7	495.4	560.2	585.6
Maturity	178.2	530.1	615.0	703.3	1,026.9
Surrender	127.6	577.2	673.7	771.7	973.3
Cash bonuses	56.5	335.5	431.3	509.2	516.0
Medical	–	88.2	152.7	216.4	299.9
Annuity	0.1	–	–	46.8	198.7
Others	–	244.4	347.2	503.5	708.1

Chart 2: Insurance Key Indicators[1] (contd.)

LIFE INSURANCE (contd.)	1990[2]	1999	2000	2001	2002
Net Investment Income (RMm)	431.8	1,636.7	1,711.7	2,008.5	2,326.8
Weighted Forfeiture Rate (%)	24.5	32.1	33.9	20.8	20.0
Surrender Rate (%)	1.5	1.9	2.0	2.0	2.3
Expense Rate (%)	45.9	30.5	29.8	31.8	30.5
Rate of Interest Earned (%) (excluding capital gains)	7.2	6.5	5.8	5.4	5.6
GENERAL INSURANCE					
Premium (RMm)					
Gross Direct Premiums [6]	1,979.1	5,428.4	5,928.6	6,404.0	7,387.8
Net Premiums	1,527.0	4,579.2	5,057.3	5,386.7	5,971.5
Earned Premiums	1,405.8	4,567.2	4,822.1	5,231.6	5,705.8
Reinsurance Premiums placed outside Malaysia	452.1	680.5	591.1	584.4	905.7
Retention ratio (%)	77.2	87.1	89.5	90.2	86.8
Overseas Reinsurance Business (RMm)	44.9	197.6	194.3	226.5	283.6
Net Premiums					
Total (RMm)	**1,527.0**	**4,579.2**	**5,057.3**	**5,386.7**	**5,971.5**
Marine, aviation and transit	92.3	224.2	247.4	231.7	273.7
Fire	298.4	924.4	965.6	957.4	1,060.8
Motor - Total	782.0	2,408.2	2,770.4	3,039.7	3,321.9
- 'Act' cover	175.2	335.5	370.9	367.8	383.5
- Others	606.8	2,072.7	2,399.5	2,671.9	2,938.4
Contractors' all risks and engineering	n.a.	134.1	134.2	149.7	205.5
Medical expenses and personal accident	n.a.	510.2	543.5	595.0	629.0
Liability	n.a.	64.0	71.1	79.1	117.9
Workmen's compensation and employers' liability	n.a.	82.1	80.4	77.8	79.8
Miscellaneous	354.3	232.0	244.7	256.3	282.9
Claims (RMm)					
Gross less local recoveries	898.6	3,592.4	3,210.1	3,588.2	3,599.3
Net claims paid	648.0	2,655.4	2,800.9	3,103.5	3,313.6

Chart 2: Insurance Key Indicators[1] (contd.)

GENERAL INSURANCE (contd.)	1990[2]	1999	2000	2001	2002
Claims Ratio					
Total (%)	**69.2**	**63.0**	**63.7**	**63.0**	**63.2**
Marine, aviation and transit	64.9	62.5	71.0	60.8	59.7
Fire	29.2	39.5	44.8	43.0	46.6
Motor - Total	91.1	69.3	66.3	65.4	67.3
- 'Act' cover	198.6	94.0	100.9	111.7	142.8
- Others	58.9	65.1	60.9	58.6	57.3
Contractors' all risks and engineering	n.a.	85.5	63.9	99.8	70.5
Medical expenses and personal accident	n.a.	61.1	59.5	63.7	65.0
Liability	n.a.	61.3	81.6	67.9	36.8
Workmen's compensation and employers' liability	n.a.	23.2	23.8	18.8	23.5
Miscellaneous	56.5	93.7	120.4	103.1	90.6
Underwriting Results (%)					
Claims ratio	69.2	63.0	63.7	63.0	63.2
Management expenses ratio	20.8	21.6	22.4	22.8	21.4
Commissions ratio	19.3	10.4	11.0	11.0	11.0
Underwriting margin	–9.3	5.0	2.9	3.2	4.4
Operating Results (RMm)					
Underwriting gain/loss	–130.3	228.9	138.9	170.1	251.4
Investment income	94.7	614.7	501.3	515.1	528.9
Operating profit/loss	–147.5	1,160.4	437.9	747.1	809.3

1 As at calendar year end, unless indicated otherwise
2 As at financial year end, consolidation from 1 May - 30 April
3 As at June
4 Academic and professional qualifications
5 As per revenue account
6 Premiums on original gross rate charged to clients in respect of direct insurance business without any deduction for commission or brokerage
n.a. Not available
… Negligible

Chart 3: Total Premium Income and Assets of Insurance Funds