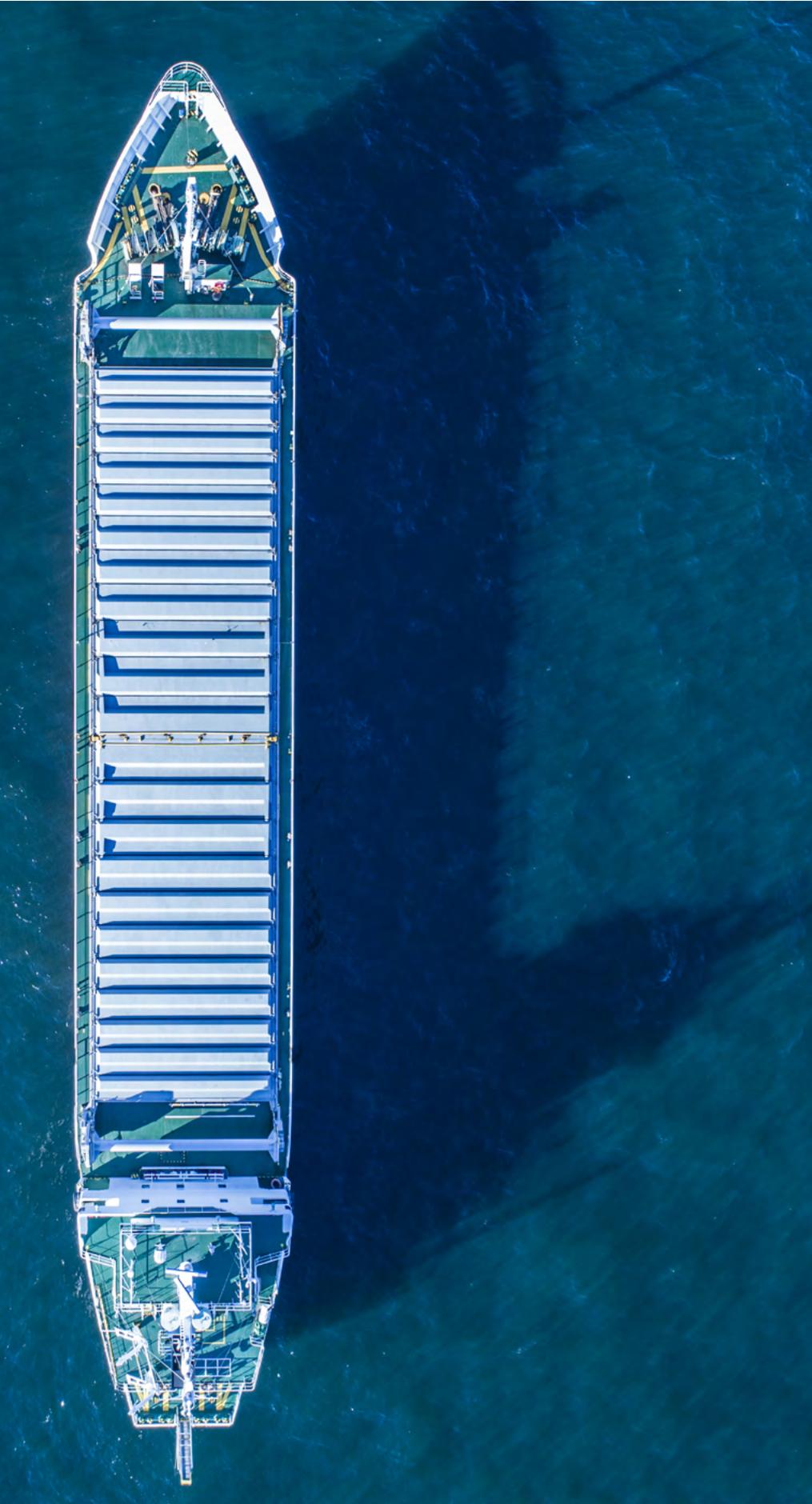
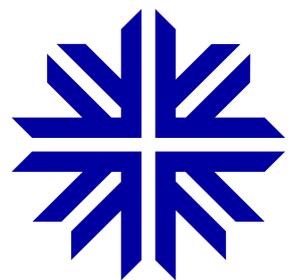


An analysis of the global marine
insurance market 2019



STATS



IUMI



Introduction

In this document we present data on the global marine insurance market set in the context of world economic performance, trade and the shipping industry. We also offer commentary and opinion based on the data we have collected.

The International Union of Marine Insurance (IUMI) represents 43 national and marine market insurance and reinsurance associations. Its Fact & Figures Committee compiles and analyses data submitted by national insurance associations and cooperates with other data providers. Our thanks go to those IUMI member associations for their continued support, and to the other data providers, in particular Clarksons Research, IHS Markit, Lloyd's List Intelligence and Swiss Re Economic Research for supporting IUMI with extensive and up to date information on the relevant trends that impact the marine industry. Special thanks are offered to the Nordic Association of Marine Insurers (Cefor) for annually compiling global marine insurance data on behalf of IUMI and supporting IUMI with up-to-date hull trend analyses from the Nordic Marine Insurance Statistics database.

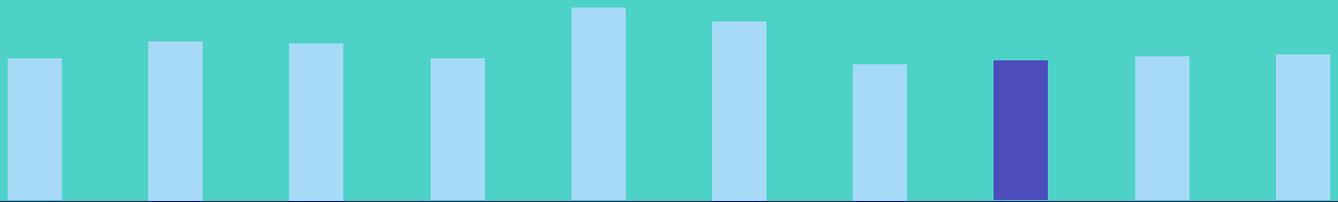
The majority of the graphs in this report originate from the presentations given at the IUMI conference 2019 by Facts & Figures Committee Chair Philip Graham ("Chairman's Report & Report on World Merchant Fleet and World Trade") and Vice Chair Astrid Seltmann ("Global Marine Insurance Report"). These contain further graphs and market trends for reference.

Philip Graham
IUMI Facts & Figures Committee Chair

Lars Lange
IUMI Secretary General

Highlights

Growth in global GDP has slowed to 2.7% amongst an increasingly uncertain political and trading environment. World seaborne trade reached 11 bn tonnes in 2018 and is forecast to grow by 2.6% in 2019. Growth in the world's fleet has dropped to around 2%. China's dominance in shipbuilding and vessel ownership is growing.

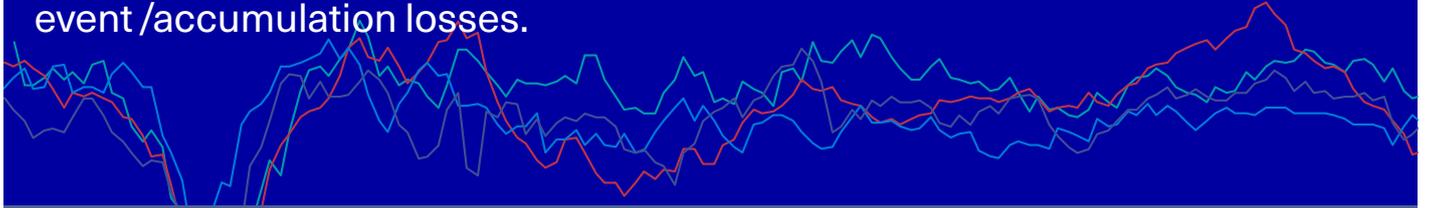


Global marine insurance premiums totalled USD 28.9bn in 2018. This 1% increase originates only from one marine line of business and is a reflection of growth in global trade. With many uncertainties impacting global trade including national policies, geopolitical tensions, oil price and more, the future of marine insurance market improvement remains equally uncertain.



Global hull insurance achieved premiums of USD 7bn in 2018, unchanged from last year. Set alongside a growing global fleet and higher single risk exposure being driven by the trend for ever larger vessel sizes, the gap between income and risk covered continued to widen (graph 13). This is a concern and is reflected in the technical results (graphs 16, 17). While the market seems to have bottomed out in 2019, major losses are beginning to return. Therefore it is uncertain how and when this sector may return to a sustainable level.

Premium income for global marine cargo underwriting reached USD 16.6bn, a 2.5% increase on 2017. Growth is mainly attributable to the ongoing uptick in world trade and does not represent any real market growth. Macro-economic uncertainties have the potential to impact on this line of business as does the increasing likelihood of large event /accumulation losses.



Offshore energy underwriting reported USD 3.4bn in premiums, down 3% on 2017. The continued erosion in the premium base is aligned with the oil price which bottomed out in 2016. A modest uplift in activity has followed some increase in the oil price since then, but reactivation of offshore facilities will increase the risk going forward. In 2019, geopolitical tensions and other factors make it difficult to predict future oil price development and its impact on this sector.



The increasing number of fires on container vessels which break out in on-board containers are of increasing concern to insurers and this impacts both the hull and cargo sectors. IUMI is calling for urgent steps to be taken to address this growing risk.

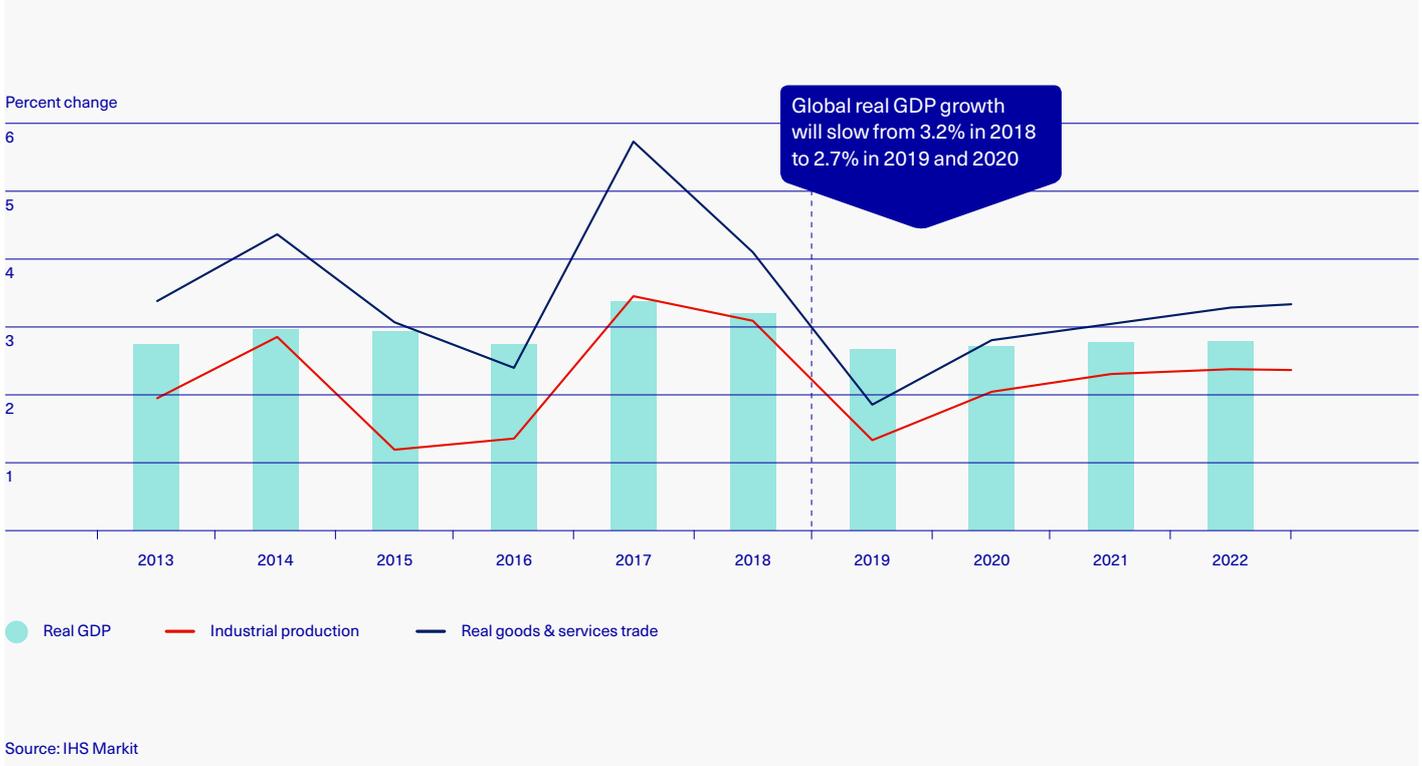


For many years, supply has outstripped demand and a sustained period of unprofitability has led to a reduction in capacity. The result is that, in general, the marine insurance markets appear to have bottomed-out and a modest uplift, albeit from a low base, is expected. However, in the short-term at least, profitability is likely to be pressured by the return of major losses as premiums will not be sufficient to cover these claims. In short, uncertainty prevails.



In context

Graph 1: Global real GDP, industrial production, and real exports



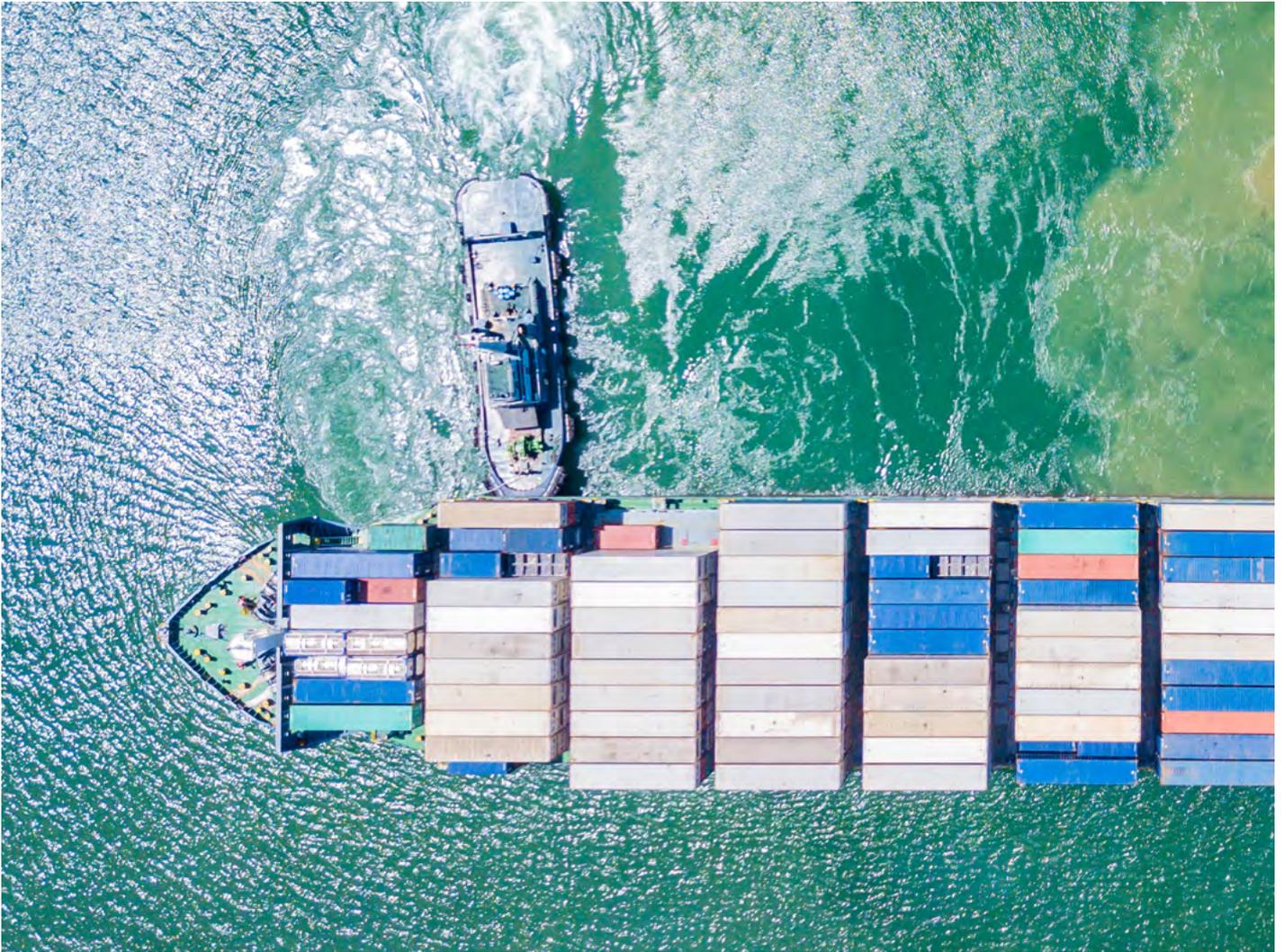
2.7%

global GDP growth is expected to slow from 3.2% in 2018 to 2.7% in 2019 and 2020

Global economy slows as political uncertainties grow

From a macro-economic perspective, real global GDP growth is expected to slow from 3.2% in 2018 to 2.7% in 2019 and 2020, this is largely due to a deceleration of world trade and investment.

The strongest contributing region to growth in 2019 will be Asia-Pacific although the deceleration currently being witnessed in China is driving a general slowdown across the region. The Chinese economy is being impacted by the rising oil price which is having a significant impact on its cost base, added to this the demanding US trade conditions will further reduce China's growth by around 0.2%.

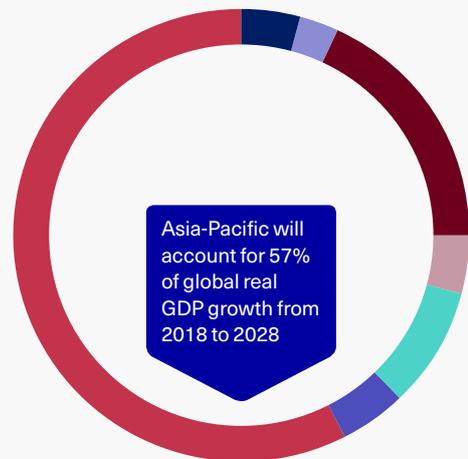


Graph 2: Percent of world real GDP growth, 2018–2028

Notable contributions

China	35.6%
United States	15.9%
India	8.8%

● Middle East & North Africa	4.2%
● Sub-Saharan Africa	2.8%
● North America	18.1%
● Other Americas	4.1%
● Western Europe	8.8%
● Emerging Europe	4.8%
● Asia-Pacific	57.3%



Asia-Pacific will account for 57% of global real GDP growth from 2018 to 2028

Source: IHS Markit

2.3%

US economy is forecast to grow by 2.3% in 2019 and 2020

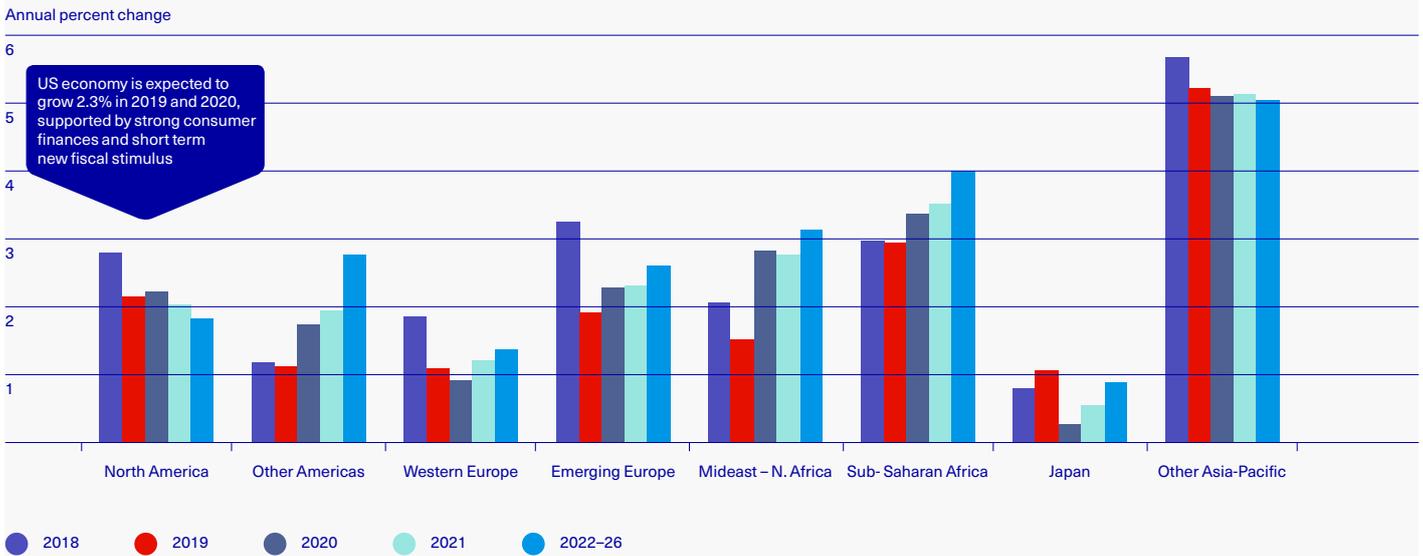
The US economy is forecast to grow at 2.3% in 2019 and 2020 supported by strong consumer finances and new fiscal stimulus. This growth is expected to be short-lived, however.

In Europe, eurozone GDP is expected to achieve just a single percentage point growth despite an easing of policy. The UK is a special case where uncertainty, due to Brexit, continues to dominate.

Across the world, economic risk has increased but its influence is not yet at the level where a global recession is imminent. US-China trade conflicts are impacting general GDP reductions by around 0.2%–0.3%. Hostilities in the Middle East (particularly concerning shipping in the Strait of Hormuz and sanctions against Iran), rising levels of debt and political uncertainty in many areas are all activities that will need careful monitoring over the coming period.



Graph 3: Asia-Pacific (excluding Japan) will continue to lead all regions in real GDP growth



Source: IHS Markit

Graph 4: IHS Markit manufacturing PMIs
Signal deteriorating business conditions in major economies



Source: IHS Markit

Graph 5: Consumer price inflation



Graph 6: Ten-year government bond yields



“The historically low inflation rate environment continues at around 2.6%–2.9%”

Inflation and interest rates remain at rock-bottom

The historically low inflation rate environment continues at around 2.6%–2.9% and this is helping to maintain interest rates at an extremely low level globally. In turn, this has driven down yield rates on 10 year government bonds which means underwriters are achieving very low returns on investments. On a macro-scale, the low inflation/ interest rate environment leaves governments with very little room to manoeuvre should economies threaten to retreat into recession.

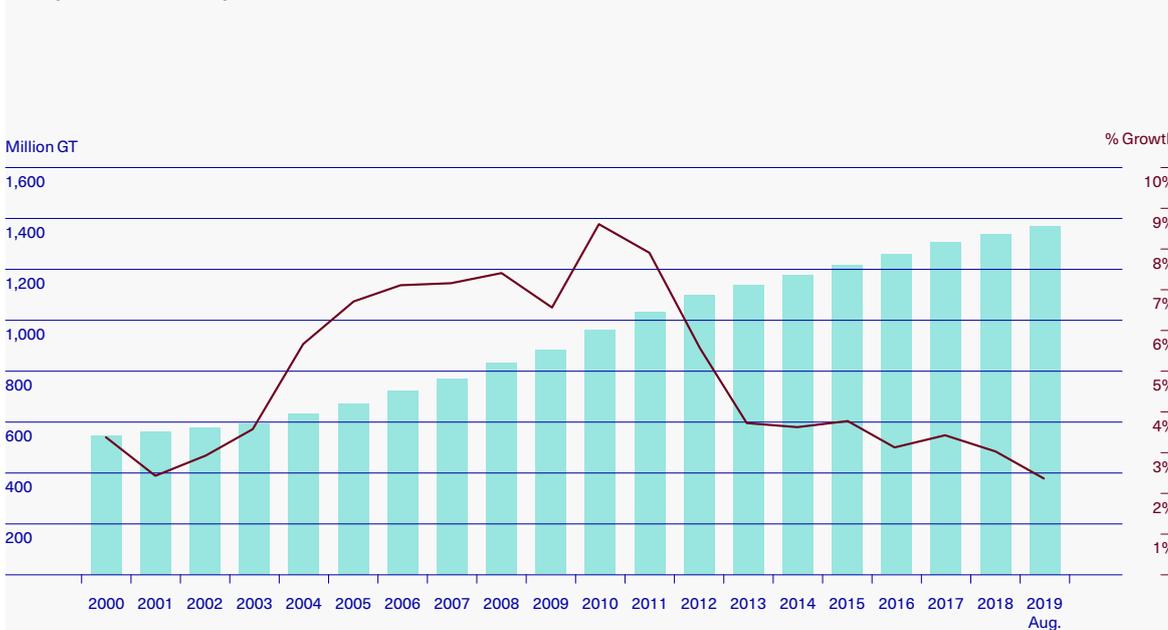
“The 2019 UNCTAD Review of Maritime Transport reports world seaborne trade in 2018 to have reached 11 billion tonnes”

Trade by sea grows while global fleet growth slows

The 2019 UNCTAD Review of Maritime Transport (published October 2019) reports world seaborne trade to reach 11 billion tonnes in 2018 and forecasts a growth rate of 2.6% in 2019. According to Clarksons Research, cargo carried is split 71% by sea, 16% by air and 13% by land.

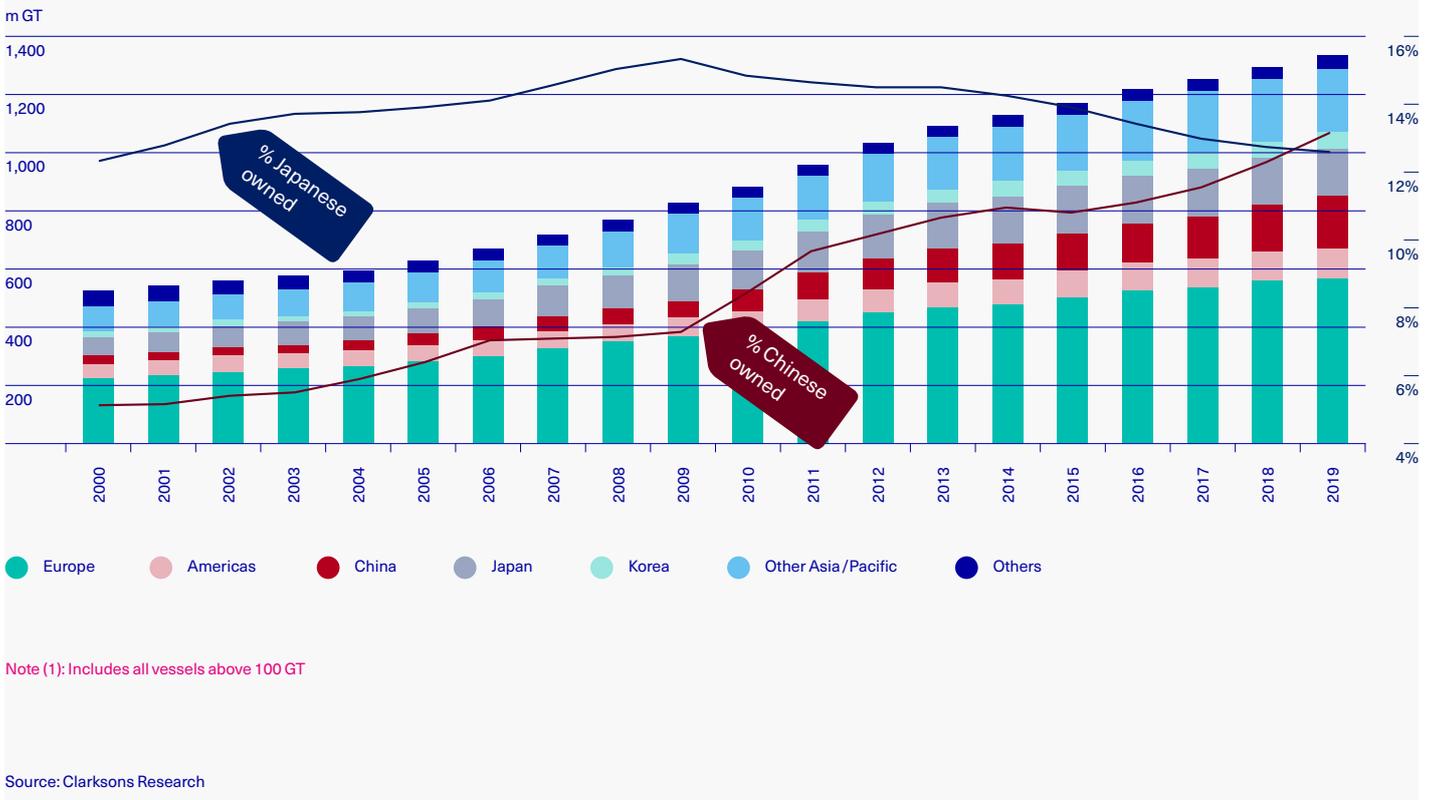
Global fleet growth continues albeit at a reduced rate. Growth has slowed to around 2% to date and totals around 1,300 million gross tonnes.

Graph 7: Development of Global Fleet



Note (1): Includes all vessels above 100 GT. Note (2) 2019* = year-to-date.

Graph 8: Long Term Regional Fleet Development (start-year)



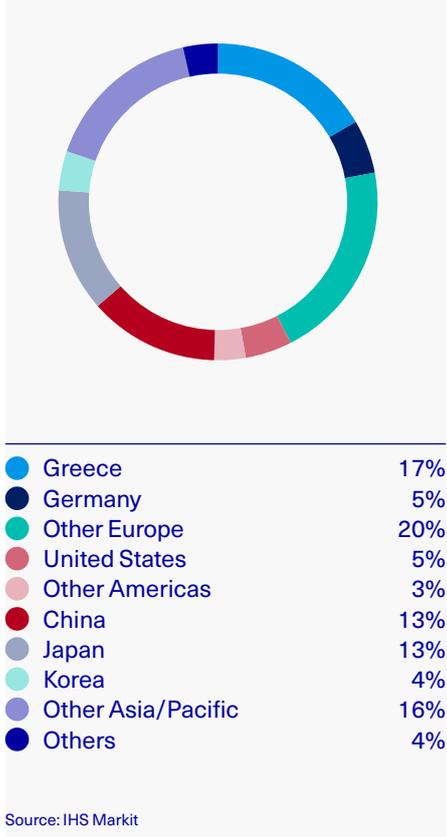
“The current order book stands at 3,987 vessels or 78.8 million gross tonnes with a contracted value of US\$ 222.57bn”

The average vessel age is now 21.2 years. The current order book stands at 3,987 vessels or 78.8 million gross tonnes with a contracted value of US\$ 222.57bn. Interestingly, the highest value is placed in the European market due to its dominance in building cruise ships. More generally, China is now building more ships in terms of numbers than any other nation but South Korea retains its position as a constructor of the world's largest and most technologically advanced vessels. Greece holds on to the top spot for vessel ownership with a 17% market share but China (at 13% and growing) is likely to overtake.

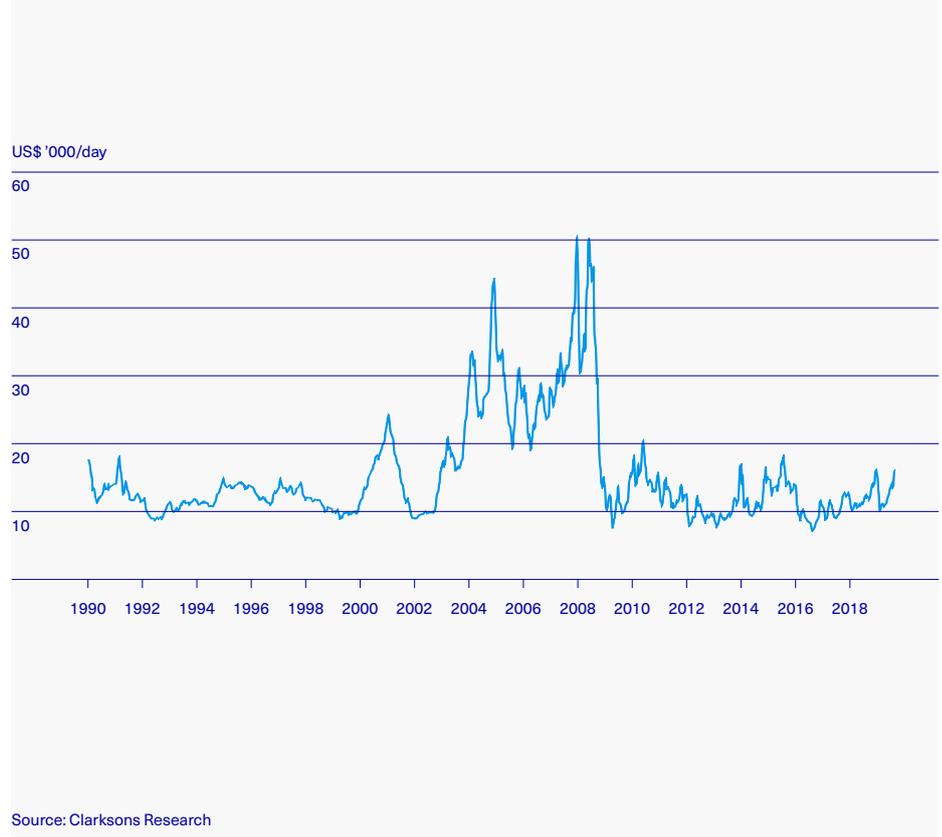
In terms of vessel earnings, all sectors remain depressed although there has been a slight uptick in freight rates recently.



Graph 9: Regional Ownership – Start 2019



Graph 10: ClarkSea Index: Historical View
US\$/day



Marine insurance

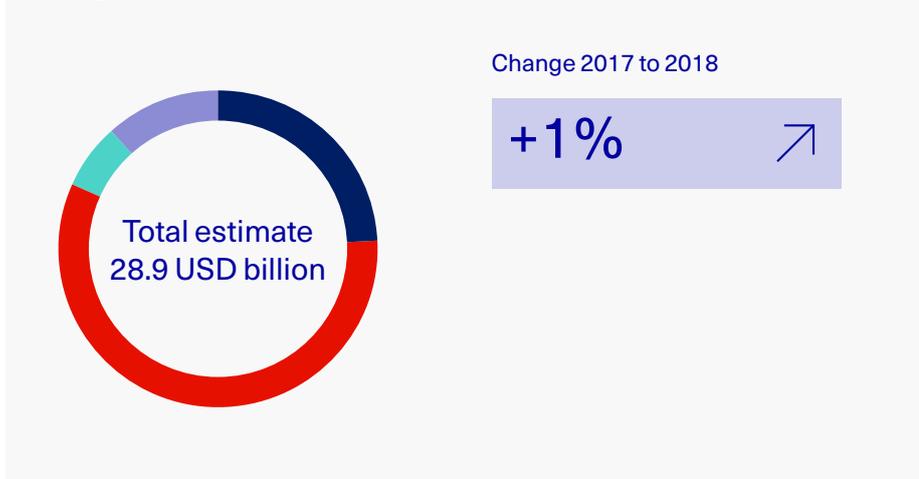
29.8 bn

US dollar marine insurance premiums in 2018

No real market growth in 2018

Global marine insurance premiums reached USD 28.9 billion for 2018 which represented a 1% increase on the 2017 number. The modest growth originated solely from the cargo sector, while the other sectors stagnated or were reduced further. Changes to frame conditions are the most likely reason for the modest increase. The 2.5% increase in cargo premium appears to have been driven solely by growth in global trade. But even with this uplift, premium growth lagged behind the increase in transported values (graph 19) and an increasing exposure covered in terms of high-value single risks, value aggregation on single sites and extended coverages. With significant challenges facing the market, this single percentage point rise does not demonstrate any real market improvement.

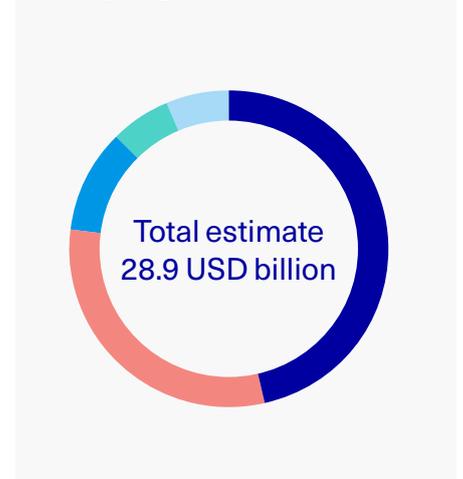
Graph 11: Marine Premiums 2018 by line of business



● Global Hull	24.4%
● Transport/Cargo	57.4%
● Marine Liability (other than IGPI)	6.7%
● Offshore/Energy	11.6%

Source: IUMI Global Marine Insurance Report

Graph 12: Marine Premiums 2018 by region

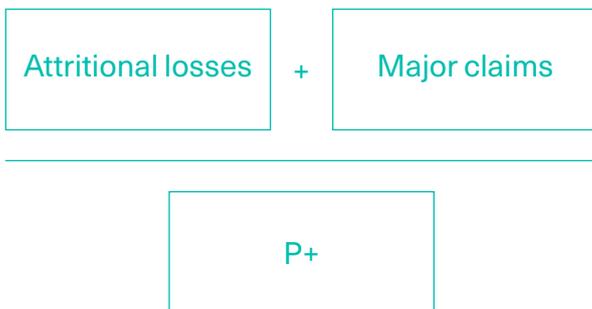


● Europe	46.4%
● Asia/Pacific	30.7%
● Latin America	10.4%
● North America	6.2%
● Other	6.3%

Source: IUMI Global Marine Insurance Report

“An increasing share of the global marine business is being written from Asia”

Loss ratio = Claims cost (C) ÷ Premium (P)



Premium (P+)

= Risk premium

(expected cost for attritional and major claims)

+ loading for expenses

(acquisition and capital costs, management expenses)

+ profit margin

An increasing share of the global marine business is being written from Asia, reducing the dominance of the European and, in particular, the London marine insurance markets.

Going forward, the continued downward adjusting of global trade growth will not be helpful for marine underwriting. Ongoing global uncertainties, including the current tensions in trade, will continue to impact all sectors but specifically cargo and offshore energy. High levels of technical losses are likely to blight all sectors, particularly hull and cargo. Cargo is already suffering from the high impact of large event losses in recent years, and a normalization of the frequency of major hull losses after several relatively benign years is likely to make its presence felt.

The underwriting markets continue to be characterised by high loss ratios. These are defined by the combination of the cost of attritional losses together with major claims divided by the premium (see left).

In 2019, major claims appear to be making a come back after three years of little impact in the hull sector. At the same time, the global premium base, particularly in the hull market, is showing signs of a modest recovery. It remains to be seen how the combination of a modest uplift in premium income in combination with a renewed impact of expensive single losses on the cost side will impact the results going forward.

In short, the marine underwriting sector is characterized by uncertainty. At a macro-level this is created by political, economic and environmental factors; and at an industry level it is due to accumulations, a worrying and increasing incidence of major losses; and through a reactivation of the offshore sector.

“The marine underwriting sector is characterized by uncertainty”

Global marine hull insurance

“A significant number of large claims will impact 2019 underwriting results”

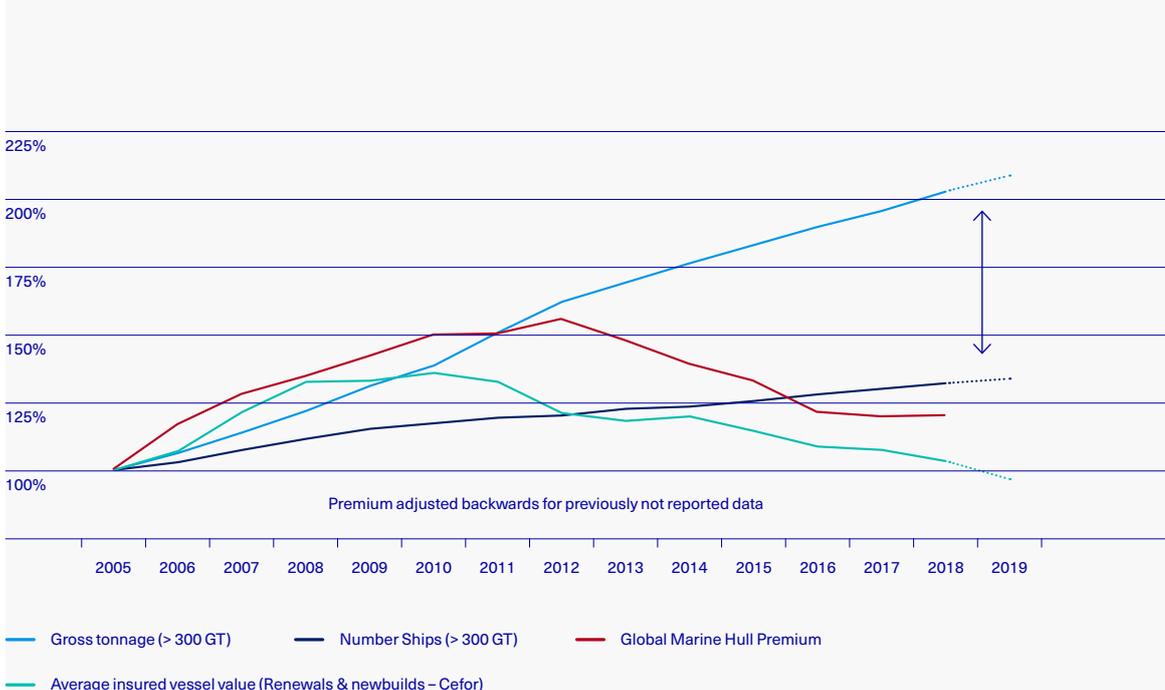
Indications of a modest recovery, but challenges remain

Global underwriting premiums for ocean hull totalled USD 7 billion in 2018, unchanged from 2017. The divergence between the growth in tonnage and the premium base continues to widen and this remains a concern (graph 13).

The return of major claims will affect future underwriting results

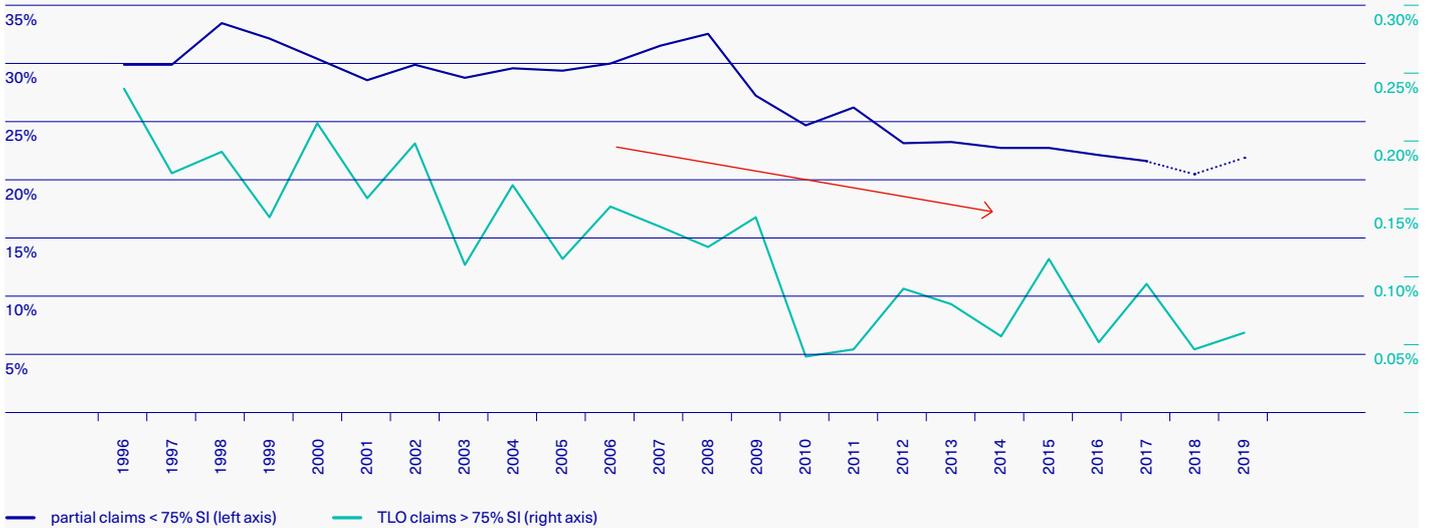
Throughout the period 2016–2018, the hull sector suffered few major losses, and attritional losses began accounting for an increasing share of the total claims costs. But the months from the end of 2018 and into the first quarter of 2019 have witnessed a significant number of large claims, which will impact 2019 underwriting results. Added to this, the search for economies of scale is driving growth in vessel size and larger ships represent higher single risk exposure – another growing feature of the future risk profile.

Graph 13: Hull Premium versus World Fleet
Index of evolution 2005 = 100%



Sources: World fleet data: IHS/ISL, Hull premium: IUMI, Vessel values: Cefor, Nordic Marine Insurance Statistics

Graph 14*: Claims frequency



* Graph 14 and 15 are Hull & Machinery business only (no loss of hire, builder's risk, increased interest etc). For further reference and more claims trends, see Cefor half-year report: <https://cefor.no/statistics/nomis/2019/>

Source: Cefor, Nordic Marine Insurance Statistics

“The frequency of total losses has shown a long-term downward trend”

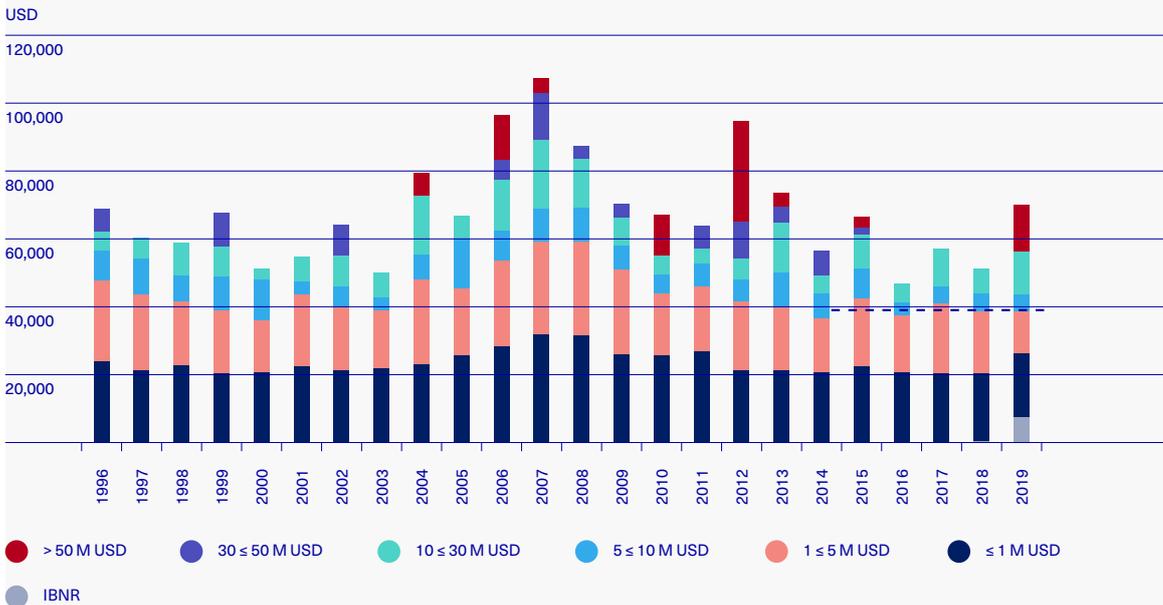
In addition, the 2018 fire at a major German yard demonstrates a new dimension of claims impacting the builder's risk portfolio. Although (due to long-term policies) this incident severely deteriorated not the 2018, but the 2014 underwriting year results (graph 16), it may, nonetheless, add further pressure to the recovery of this line of business.

The 2016 underwriting year has exhibited a further severe increase in its loss ratios resulting from the impact of claims first occurred in 2018 (graph 16).

More positively, the frequency of total losses has shown a long-term downward trend and recently stabilised at a historically low level (below 0.1%, graph 14). This is good news for the wider maritime industry.

Similarly, there has been a long-term downward trend in the frequency of claims (across all claims) and this now appears to be stabilising at around 22% according to figures published by the Nordic Association of Marine Insurers (Cefor), see graph 14. The year 2019 to date has seen a slight increase, however, but this follows an all-time low in 2018 and reflects the sector returning to “normal”.

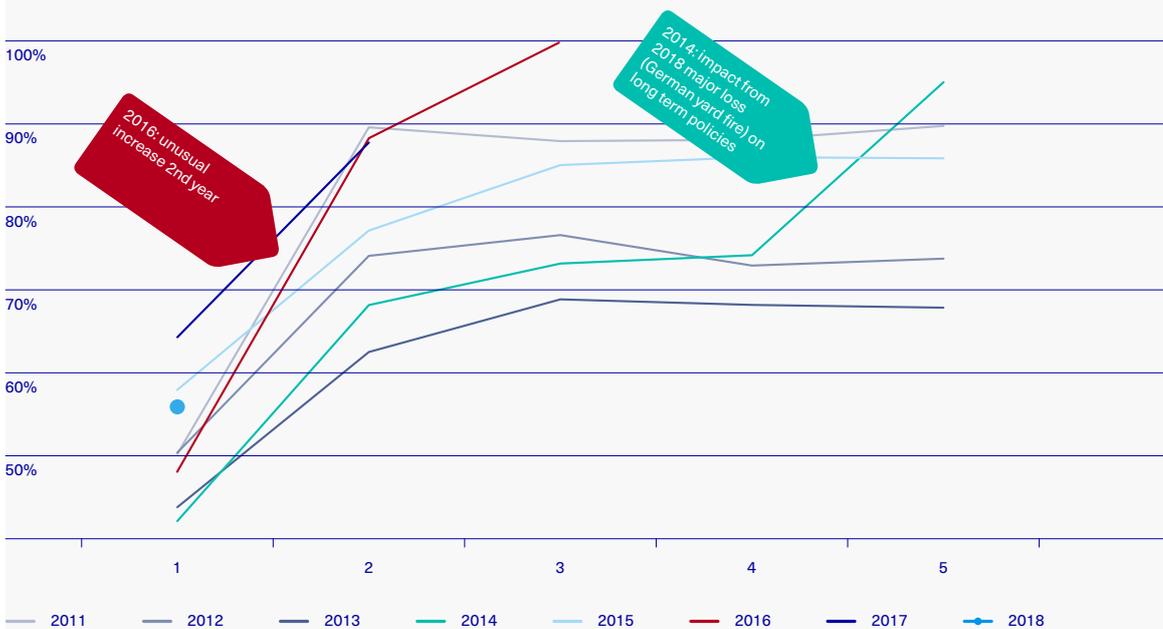
Graph 15: Claim cost per vessel*
In bands of claim cost, by accident year, in USD



* Figures do not include total losses and represent H&M insurance. Builder's risk not included (i.e. 2018 Lürssen fire)

Source: Cefor, Nordic Marine Insurance Statistics

Graph 16: Gross* loss ratios Hull Europe (and partly US)**
Underwriting years 2010 to 2017, as reported at 1, 2, 3, 4, 5 years, gross premiums, paid and outstanding claims



* Technical break even: gross loss ratio does not exceed 100% minus the expense ratio (acquisition cost, capital cost, management expenses)

** Data included from: Belgium, France, Germany, Italy, Nordic (Cefor), UK, USA

Source: IUMI Global Marine Insurance Report

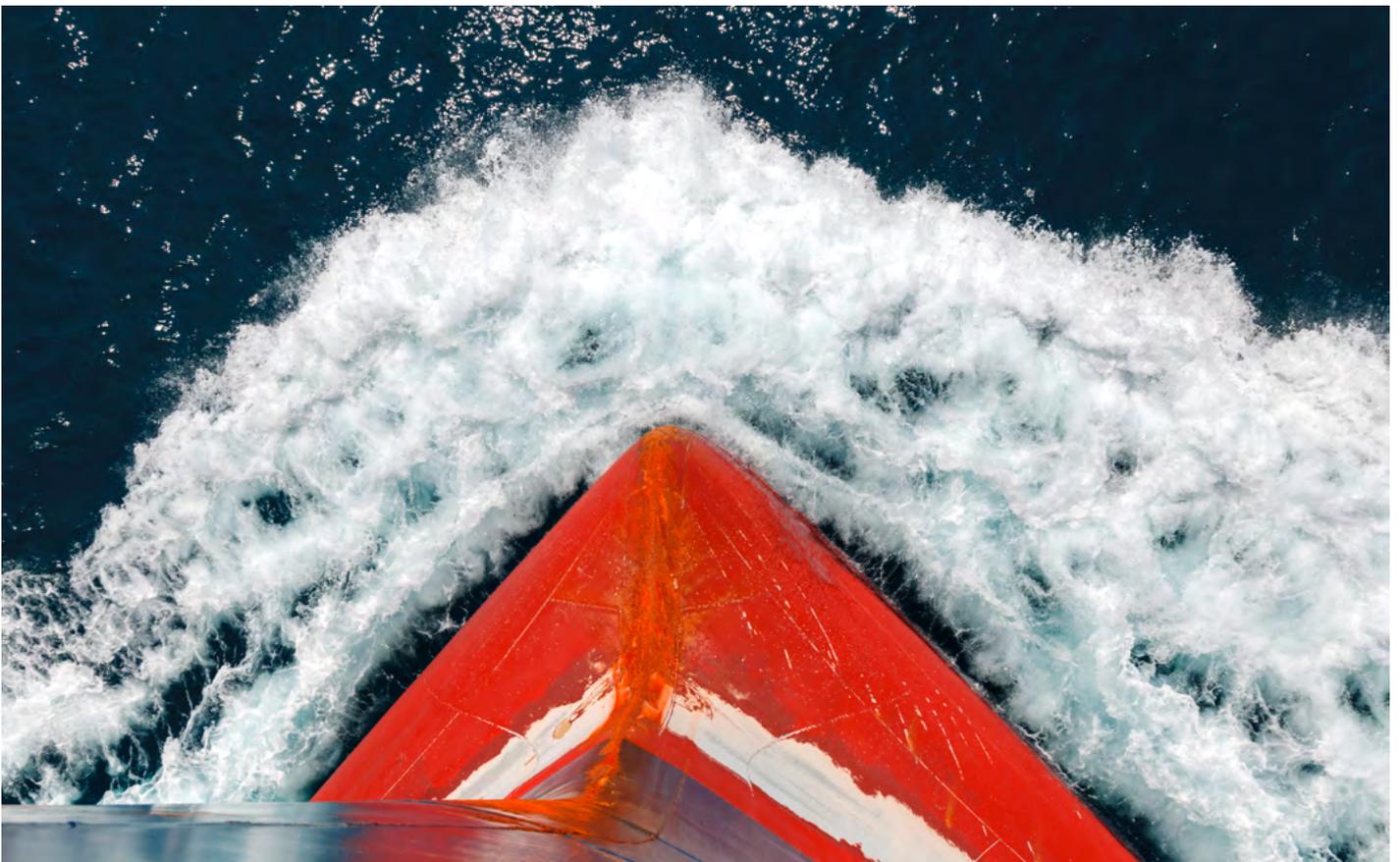
“2019 was characterized by a renewed impact of major losses and especially a high number of fires on container vessels”

“The hull sector continues to generate a technical loss”

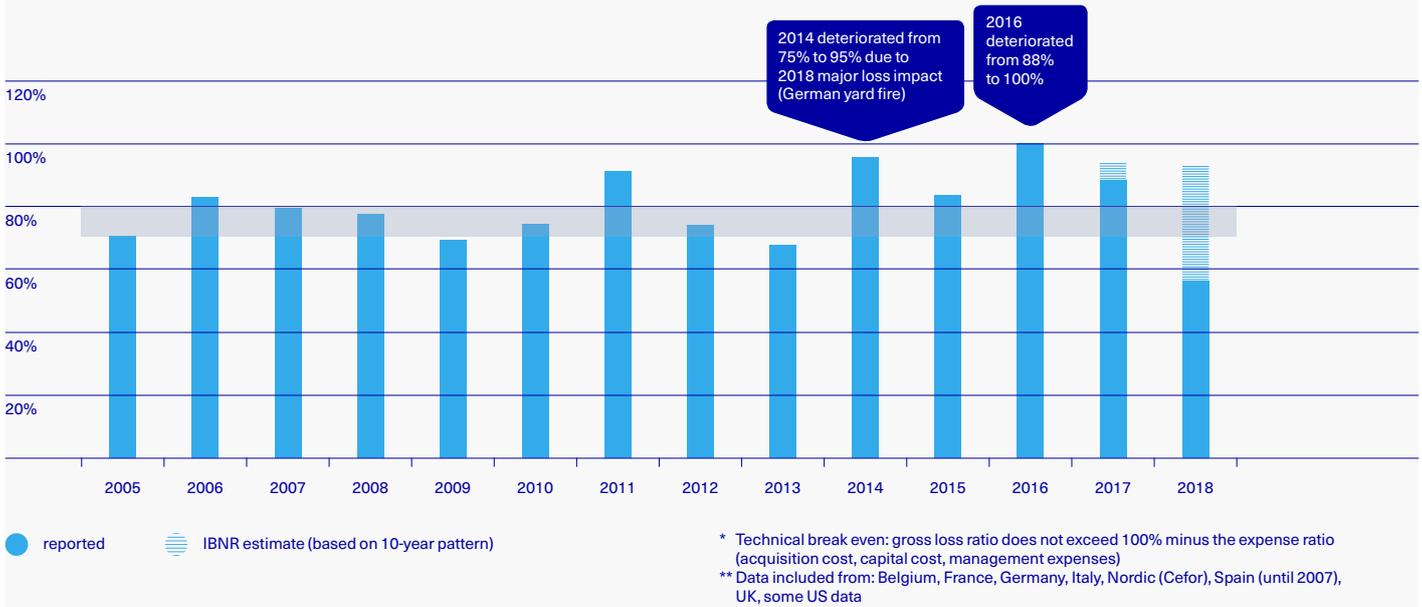
Major hull & machinery losses were unusually few during the period 2016–2018, but the first quarter of 2019 was characterized by a renewed impact of major losses and especially a high number of fires on container vessels. Further, there is concern that the incoming IMO sulphur cap may generate a spike in H&M claims, especially linked to machinery breakdowns. There is also an increasing risk of major losses occurring with unprecedented high single-loss costs due to larger vessel sizes, accumulation risk and new trading areas such as arctic sailings.

Unsustainable loss ratios continue to blight the sector

Graphs 16 and 17 show that the hull sector continues to generate a technical loss, illustrated by the gross loss ratios. These represent the claims cost (attritional and major losses) divided by the gross premium (risk premium plus acquisition cost, capital cost and management expenses).



Graph 17: Ultimate Gross* loss ratios Hull Europe** (and some US)
Underwriting years 2005 to 2018, gross premiums, paid and outstanding claims



Source: IUMI Global Marine Insurance Report

“Throughout the period 2014–2018, the market dropped to unsustainable levels.”

Acquisition costs and other expenses may vary substantially between markets and companies. If for example the expense level is 30%–40% of the premium, the portfolio will produce a technical loss when the claims costs exceed 60%–70% of the premium. This ongoing technical loss has largely been driven by surplus market capacity, depressed vessel values and a general reduction in market activity. As for the claims impact, more specific causes include hurricane damage to yachts which deteriorated the 2016 and 2017 underwriting years and, as mentioned above, the fire in the German yard which has severely deteriorated the 2014 underwriting year.

Throughout the period 2014–2018, the market dropped to unsustainable levels. Although there were fewer major claims, attritional losses alone significantly eroded income. Income achieved during that period was not sufficient to cover those losses and there was no buffer to cover the major losses. It seems likely that the 2018 underwriting year will record a gross loss ratio of around 90% as it continues to develop. The hull sector has only made a technical profit in three years since 2005.

More positively, vessel earnings and sale & purchase prices are rising and this will assist the hull underwriting sector going forward.

Marine cargo

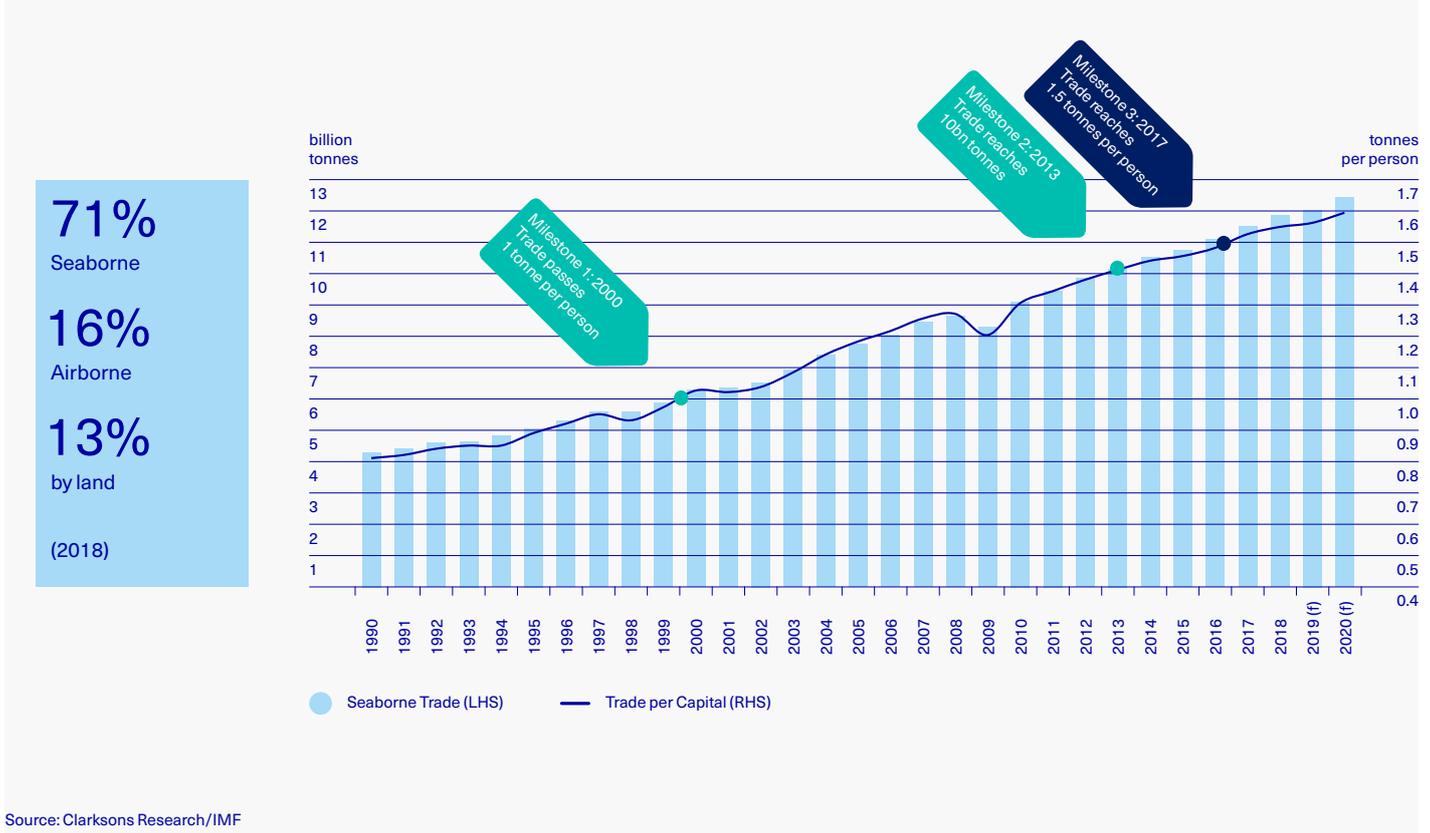
2.5%

premium increase is most likely a result of growth in global trade

A 2.5% increase in premium base is largely attributed to growth in global trade

In 2018, premium income for marine cargo insurance was reported to be USD 16.6 million representing a 2.5% uplift on the previous year. As in 2017, cargo was the only business line to record a rise in global premiums and, consequently, a marginal increase in its relative share of global premium. As graph 19 shows, the premium increase is most likely a result of growth in global trade as opposed to any real market improvement, and even lags behind the growth in global values.

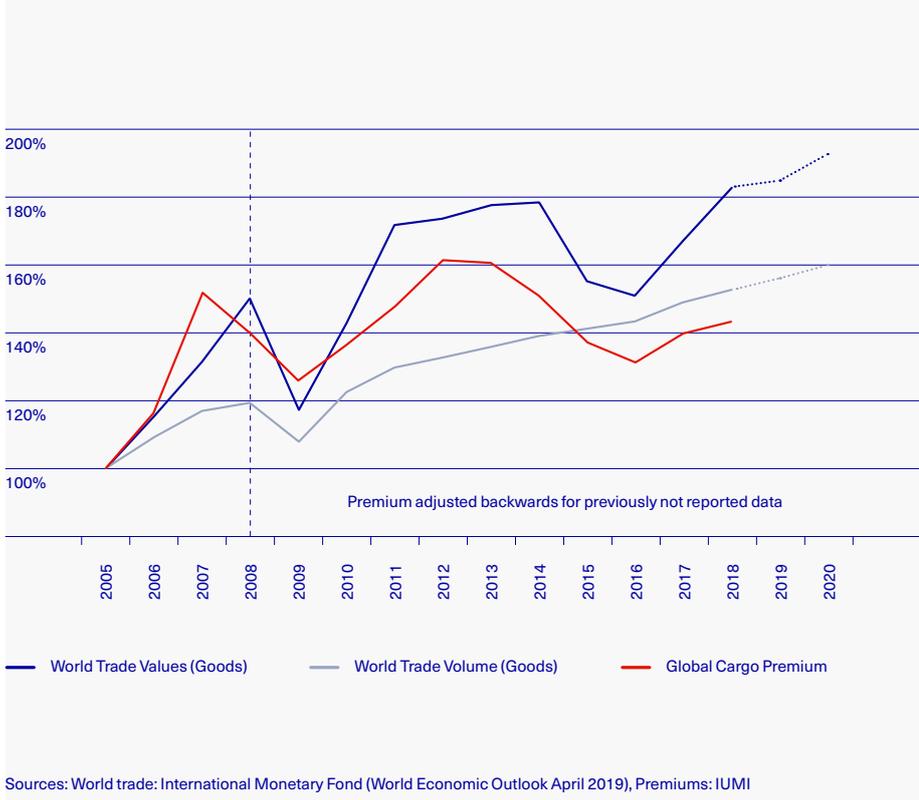
Graph 18: World Seaborne Trade and the World Economy



Source: Clarksons Research/IMF

Graph 19: Cargo premium vs world trade values and exports

Index of evolution, 2005=100%



“Seaborne trade continues to grow year-on-year”

It should be noted that exchange rate influences for this line of business are stronger than for hull or offshore energy, as most cargo business is written in local currencies. With all figures published by IUMI being presented in USD, cargo premium trends in USD may differ from those in the original currencies, depending on whether these have strengthened or weakened against the USD.

Global seaborne trade is estimated to be 71% of total trade. Aside from the brief blip at the time of the financial crisis, seaborne trade continues to grow year-on-year.

Positive growth in cargo premiums offset by trade restrictions and political uncertainties
Trade growth is expected to continue into 2019 and beyond although the continued downward adjustments are not helpful. Any growth, however, will impact positively on global cargo premiums as a whole but will not necessarily herald any market improvement. Governments in emerging markets investing in infrastructure and promoting domestic manufacturing should boost the cargo line but macro-economic uncertainties such as national and regional trade restrictions as well as changes to economic and political frame conditions are likely to have a negative effect.

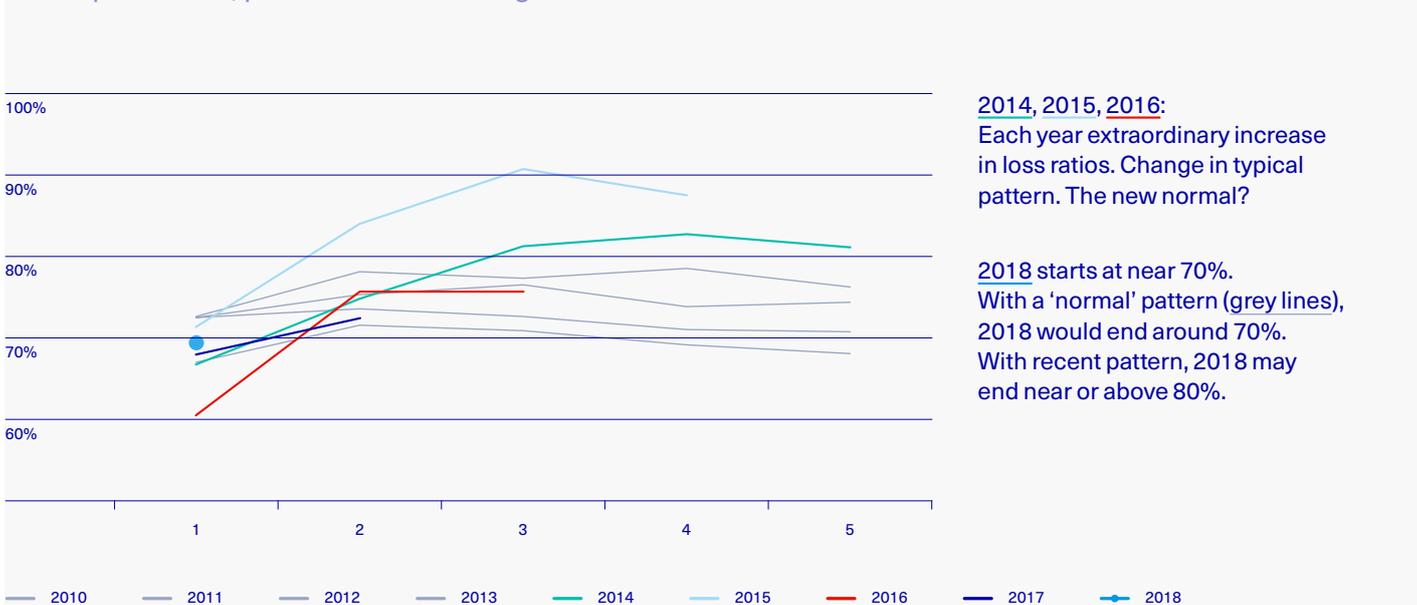
“The risk of large event losses, both nat-cat and man-made, is substantially increasing”

Development of global trade values and cargo premiums seem to be aligned although cargo premiums lag, possibly due to the influence of exchange rate fluctuations.

Accumulation and large event losses increasing

Covered risks are increasingly representing stock rather than transit exposure and accumulation risks continue to grow. The risk of large event losses, both nat-cat and man-made, is substantially increasing both on single sites and single assets. Ashore, there have been cargo storage losses in 2017 and 2018 from nat-cat incidents (including hurricanes, earthquakes and flooding) as well as a number of significant fire losses over the past 12 months. The marine cargo market insures a significant amount of property contents storage under Warehouse / Storage Endorsements and “Stock Thru Put” policies. The current soft market has increased this risk profile as underwriters have been offering broader terms, higher nat-cat limits, lower deductibles and more competitive prices than their property counterparts would provide.

Graph 20: Gross* loss ratios Cargo Europe (and partly US) **
Underwriting years 2010 to 2018, as reported at 1, 2, 3, 4, 5 years, Gross premiums, paid and outstanding claims



2014, 2015, 2016: Each year extraordinary increase in loss ratios. Change in typical pattern. The new normal?

2018 starts at near 70%. With a 'normal' pattern (grey lines), 2018 would end around 70%. With recent pattern, 2018 may end near or above 80%.

* Technical break even: gross loss ratio does not exceed 100% minus the expense ratio (acquisition cost, capital cost, management expenses)
** Data included from: Belgium, France, Germany, Netherlands, Italy, UK, USA

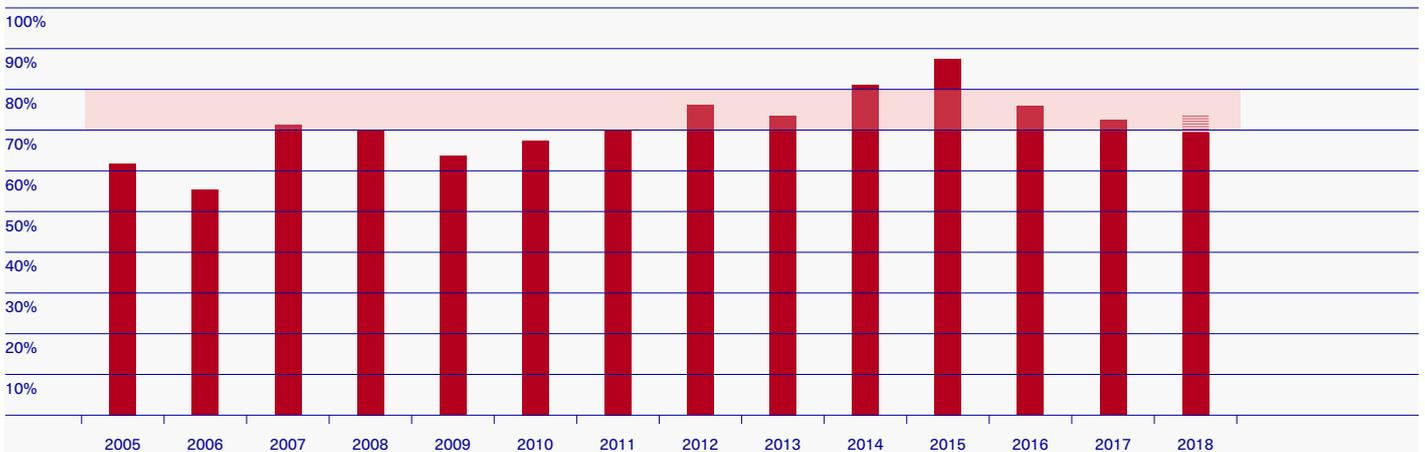
“On a global basis, the cargo line is technically unprofitable ”

In recent years, underwriting performance has been strongly impacted by outlier and nat-cat event losses including Tianjin port fires in 2015; Hanjin and Amos 6 in 2016; hurricanes and nat-cats in 2017; and Maersk Honam and hurricanes in 2018. These events are likely to affect more than one underwriting year and lead to a strong deterioration of the results of the underwriting years 2014 to 2016.

Technical unprofitability continues

On a global basis, the cargo line is technically unprofitable and has been for a number of years. Premiums have not been technically adequate to cover losses and expenses and, as such, have not delivered an acceptable return for capital providers. A significant reason for this ongoing situation is the commoditization of this speciality line of business which has lowered entry barriers and attracted new entrants, some of whom are now exiting. In Europe, technical gross loss ratios tended to be relatively stable at just over 70% , but underwriting years 2014 to 2016 saw a severe and abnormal deterioration due to large event losses (graph 20) as explained above. Asia is still a developing account and loss ratios are beginning to rise in that region, now approaching 60%.

Graph 21: Ultimate Gross* loss ratios Cargo Europe (and partly US)**
Underwriting years 2005 to 2018, gross premiums, paid and outstanding claims

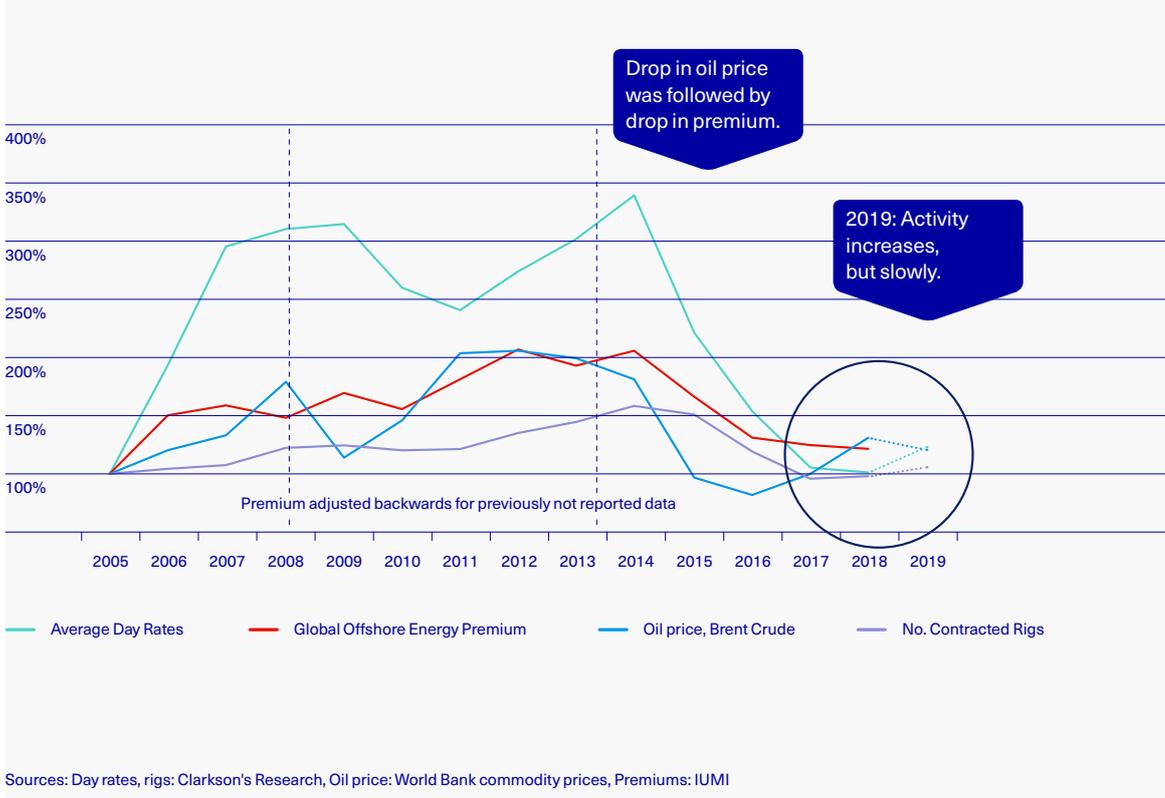


● reported ■ IBNR Estimate (10 year pattern)

* Technical break even: gross loss ratio does not exceed 100% minus the expense ratio (acquisition cost, capital cost, management expenses)
 ** Data included from: Belgium, France, Germany, Netherlands, Italy, Spain (until 2007), UK, some US data

Offshore energy

Graph 22: Offshore energy premium
Energy mobiles, day rates, oil price (as of Aug. 2019)



Sources: Day rates, rigs: Clarkson's Research, Oil price: World Bank commodity prices, Premiums: IUMI

3.4 bn

US dollar offshore energy premiums in 2018

Premium base continues to erode

Global premiums for the offshore energy sector were reported at USD 3.4 billion in 2018 representing a 3% reduction from 2017. It should be noted that the 2017 number was a 5% reduction from 2016; and the 2016 number was a 21% reduction from 2015. The majority of business in this sector is transacted in US dollars and so exchange rate fluctuations have very little impact.

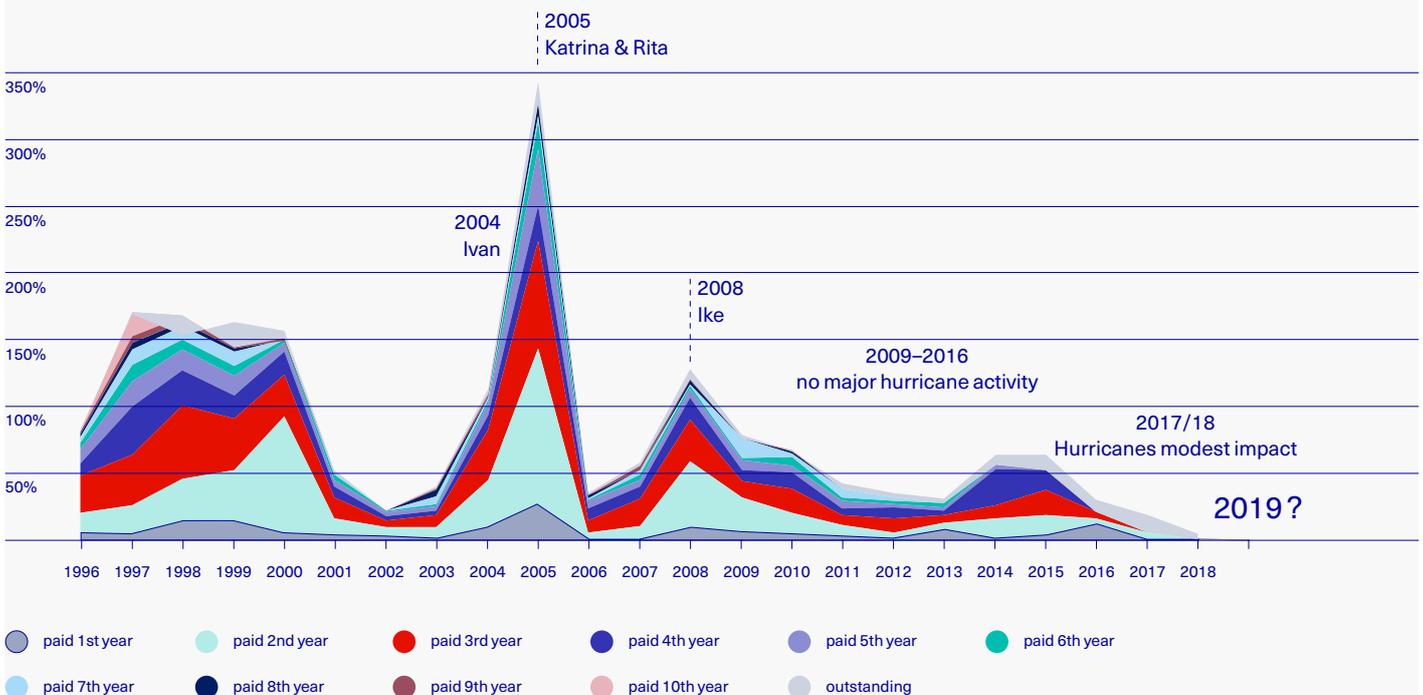
“The slide in offshore energy premiums followed the earlier oil price dip”

Oil price is the key driver

Oil prices dropped during the period 2012–2016 but have rallied somewhat from 2016–2018. The slide in offshore energy premiums followed the earlier oil price dip but have only flattened, not grown, in response to the recent price rise. A general round of rate reductions has also eroded the premium base. Oil demand is being affected by trade tensions which are impacting economies across the world. Conversely, geopolitical considerations in Venezuela, Iran, Libya and Syria in tandem with OPEC and Russia’s agreement to cut production is squeezing supply. This makes the potential of a price rally (and likely impact on the insurance market) uncertain.

Graph 23: Offshore Energy Gross Loss Ratios

Underwriting years 1996–2018 / incl. liability / data from UK, Nordic, some US as of December 2018



Source: IUMI Global Marine Insurance Report

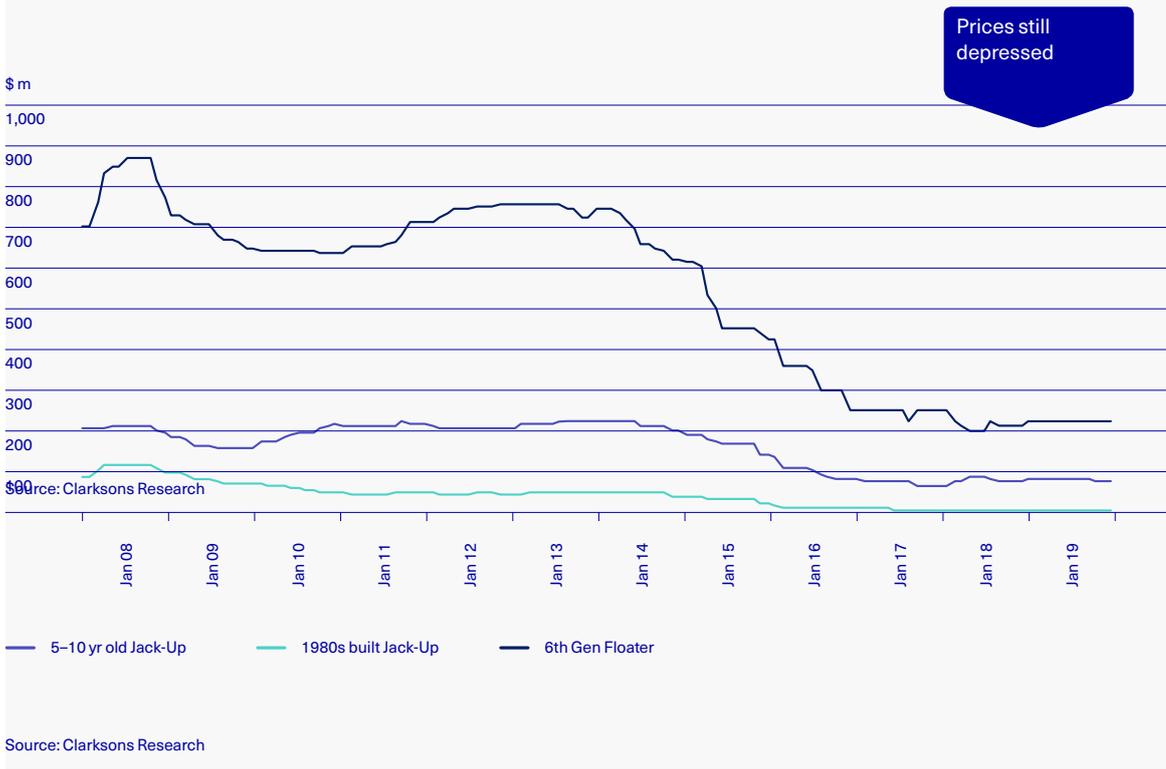


“High profile losses in this sector and nat-cat events (mainly hurricanes) have had little impact on the market recently”

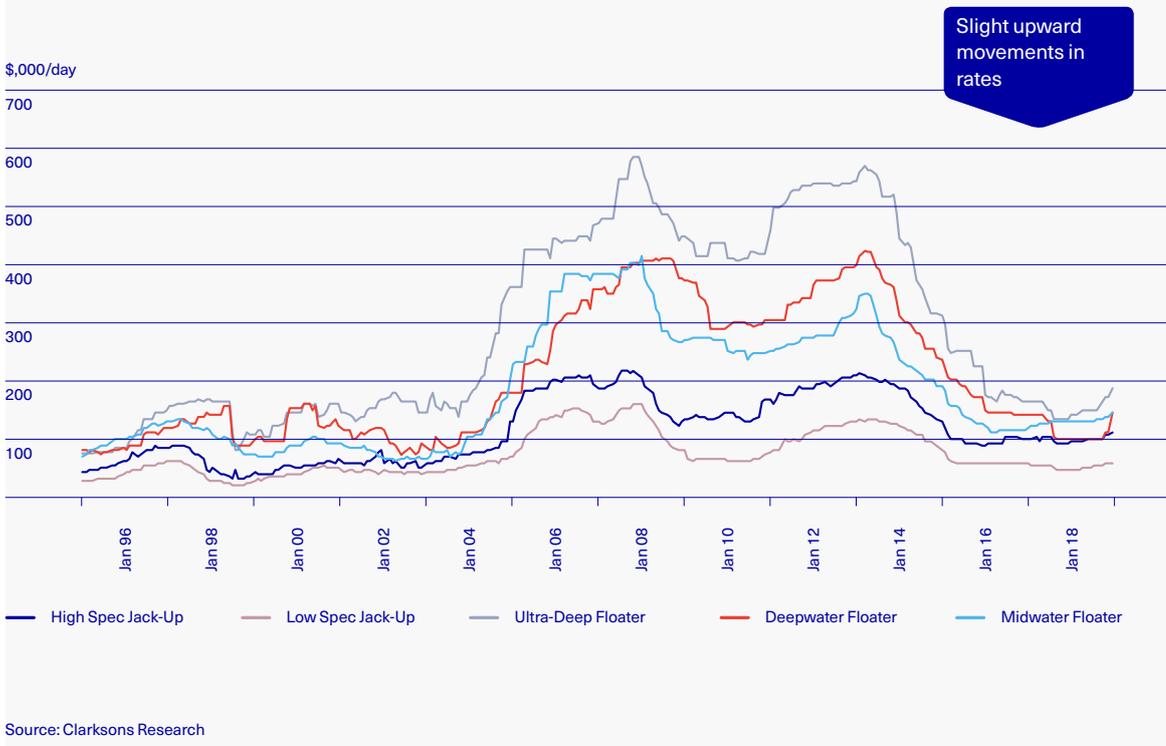
Risk of large losses returning after a period of relative calm

High profile losses in this sector and nat-cat events (mainly hurricanes) have had little impact on the market recently. 2018 has seen a historically low number of large losses to date but there are several potential large losses in the pipeline, including possible LOPI (loss of production income) losses on two FPSOs and a significant blowout in Indonesia. 2018 is still an immature year and given the increased activity in the oil and gas sector, it is likely to have a longer tail than the years immediately preceding it.

Graph 24: Average Rig Secondhand Prices



Graph 25: Average Rig Dayrates





“Reactivation of assets will increase the risk of more claims but there are modest indications that the sector will return to profitability.”

Rebalancing likely

The prolonged downturn in activity has begun to reverse, albeit slowly, as the sector rebalances itself to operate within a lower oil price environment. Historically, there is an 18 month lag between improved oil prices and authorization for downstream expenditure. Reactivation of assets will increase the risk of more claims but there are modest indications that the sector will return to profitability.

Graph 26: Dayrates responding to increased activity in some areas



Source: Clarksons Research

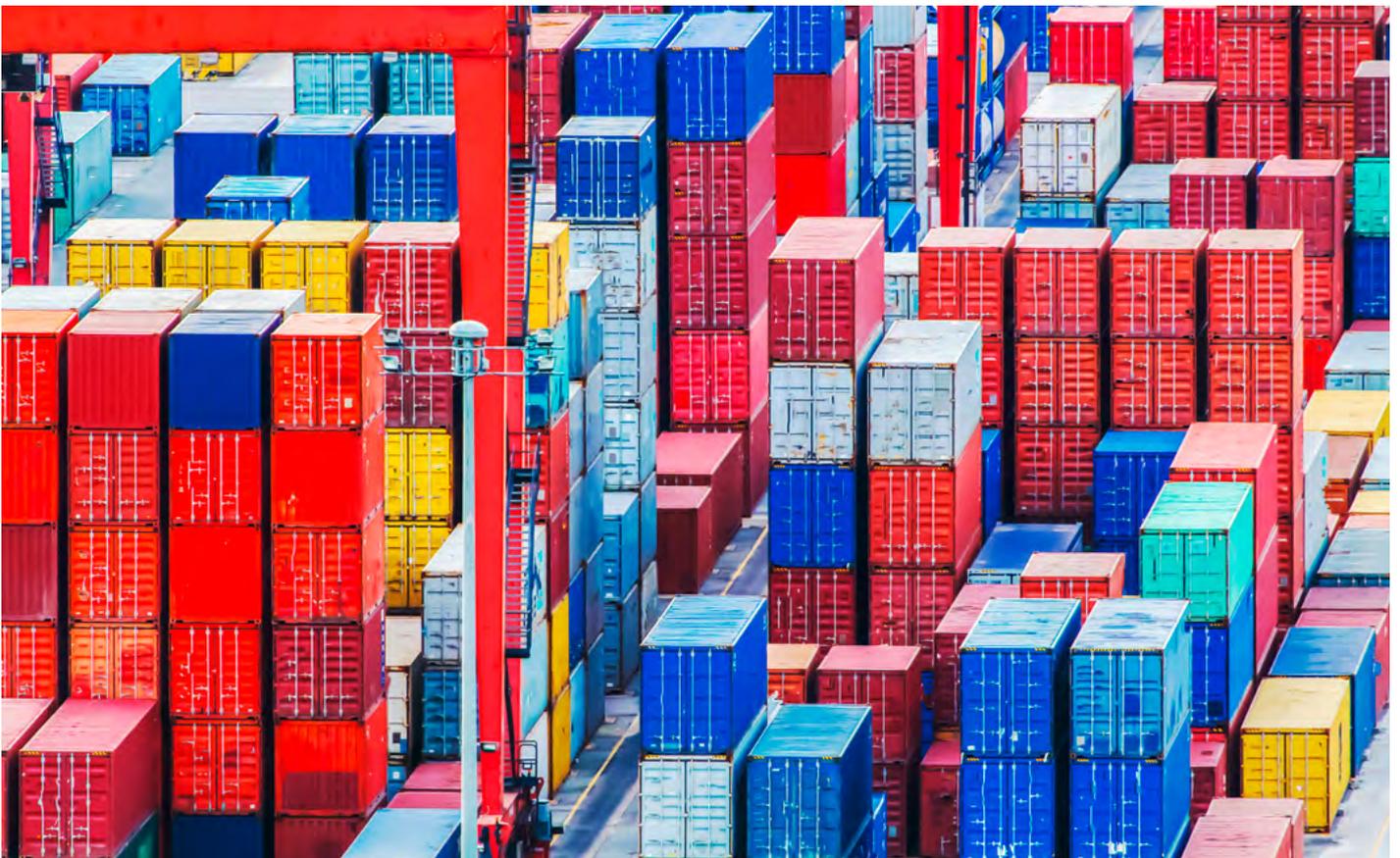
Fires on board container vessels

9

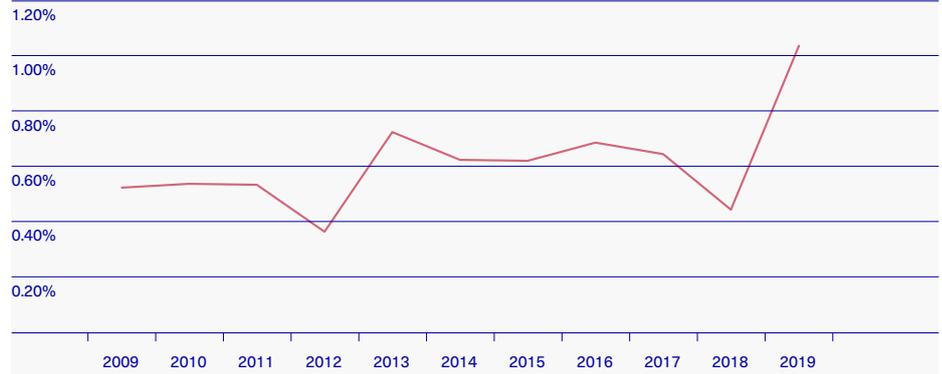
major container
vessel fires in 2019

Safety of life must remain top priority for all stakeholders, including underwriters. Already, 2019 has been impacted by nine major cargo vessel fires which, tragically, have resulted in loss of life, injury and environmental damage. Apart from severe consequences for the crew on board as well as the natural environment, these fires have a strong economic impact, causing high costs to both the hull and cargo sectors. Recent statistics (graphs 27–29) from the Nordic Association of Marine Insurers (Cefor) show that the larger vessels are most affected.

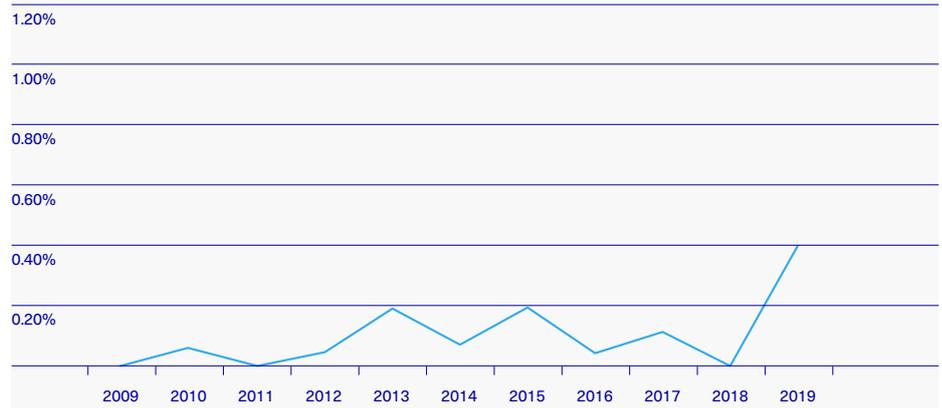
IUMI's recent position paper reports on this issue and recommends that firefighting systems should be arranged to segregate the ship into fire compartments where the fire can be isolated to prevent it from spreading. Onboard systems could then cool the containers and allow them to burn out in a controlled manner. Better prevention measures must also address the concerning rise in cargo misdeclaration.



Graph 27: Frequency – all fire/explosion claims
All container vessels

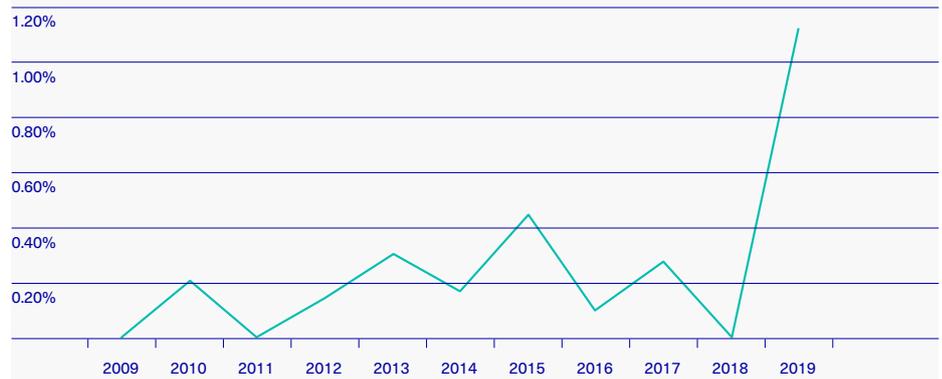


Graph 28: Frequency – Fires starting in cargo area**
All container vessels



**by linking NoMIS data to vessels specified in https://iumi.com/news/news/iumi-presentation-at-imo-maritime-safety-committee_1559731776
About one third of these claims could be identified in the Cefor NoMIS database

Graph 29: Frequency – Fires starting in cargo area*
Container vessels > 50,000 gross ton



* Including RoRo with container carrying capacity

Source of graphs 27–29: Cefor, Nordic Marine Insurance Statistics as of June 2019, <https://cefor.no/statistics/analysis-with-special-focus/>

Notes

More information

Additional information such as marine premiums by country, loss ratio triangulations for cargo, hull and offshore energy, and hull and cargo inflation indices are available for IUMI members from the statistics section of IUMI's website www.iumi.com/statistics

Data sources

Information sources are clearly stated at the foot of each chart. IUMI thanks its partners who have kindly supplied charts or data for this document.

IUMI data

IUMI's total world-wide premium includes data from all relevant marine insurance markets including Asia, Latin America and Africa. Care should be taken when making comparisons with earlier published figures as data coverage varies in different years and a number of figures will be updated retrospectively. Similarly, "global" loss ratios for hull, energy and cargo do not encompass all regions, and underwriting year results do develop over a couple of years due to a time lag in claims reporting and payments. Since 2017, IUMI has been able to show accounting year loss ratios originating from major Asian and Latin American markets (not included here, see IUMI's Global Marine Insurance Report), in addition to the underwriting year loss ratios reported from primarily major European marine insurance markets. When interpreting statistics, caution should always be applied regarding what the data actually relates to.

All figures released by IUMI are global market sums or averages. While these reflect the average performance of the marine insurance market, individual companies' or countries' results may differ substantially. As with all averages, individual underwriting units may over or underperform compared with the average. IUMI does not make any statements about what actual applied premium rates were or should be. The aim of IUMI is solely to provide data as available and raise awareness for the importance of a critical evaluation of the risks covered.

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About IUMI

The International Union of Marine Insurance (IUMI) represents 43 national and marine market insurance and reinsurance associations. Operating at the forefront of marine risk, it gives a unified voice to the global marine insurance market through effective representation and lobbying activities. As a forum for the exchange of ideas and best practice, IUMI works to raise standards across the industry and provides opportunities for education and the collection and publication of industry statistics. IUMI is headquartered in Hamburg and traces its roots back to 1874.

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