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International Union of Marine Insurance

IUMI 2016 Cargo Statistics - Analysis

Provided by Nick Derrick, Chairman Cargo Committee

After a year of commodity prices declining across the board reaching levels last seen in 2002 cargo markets globally have seen premium levels dropping dramatically.

The commodity crash particularly in respect of crude oil has led to enormous excess of capacity within our markets.

Three years ago a fully laden tanker would have carried crude worth \$250m now the crude is worth less than \$100m.

World trade remains subdued although modest growth is expected through 2016 reaching \$24.5 trillion: a growth of 4.1%.

Much work is being done by the committee on port and vessel accumulations following Sandy and Tianjin, these results will be demonstrated at our September workshop.

Market conditions are leading to loss making years for many cargo markets, poor rating coupled wide wordings are now the norm.

Mounting losses as a result of misappropriation are now covered by many cargo underwriters without the appropriate checks that the crime markets would make.