

Annual Stats Report: Another positive year for marine insurers

30th November 2022

Today – 30 November 2022 – the International Union of Marine Insurance (IUMI) releases its 2022 global marine insurance market analysis – known as the IUMI Stats Report.

The report presents various statistical data from multiple sources, including IUMI's data, to provide insight into the marine insurance market within the context of global trade and shipping.

Also, for the third year, IUMI Stats contains analysis from its major claims database, which now comprises 11,000 claims records amounting to **USD 17.3 billion** of major losses.

Highlights from the 2022 report include:

- 2021 saw a robust macroeconomic recovery, but in 2022 worries about inflation and recession are gathering. The International Monetary Fund (IMF) has lowered (Oct 2022) its global growth projection to 2.7%.
- Global marine insurance premiums in 2021 reached USD 33 billion, up 6.4% on 2020. Premiums have been lifted by increased global trade volumes, a stronger US dollar, increased offshore activity, higher vessel values and a reaction to deteriorating results in previous years. Insurers in Europe and Asia, in particular, saw premium growth.
- The positive trend for the ocean hull business, starting in 2021, continued into 2022. Premiums grew 4.1% in 2021, reaching USD 7.8 billion. There was continued rapid growth in the Nordic region and China, but much weaker in the UK (Lloyd's) market, where the decline of recent years continued. The extraordinarily benign claims impacted both the frequency and the cost in recent years and could achieve the recovery of previous years' adverse results.
- The cargo market saw an increase in premiums for 2021 to USD 18.9 billion, driven by increased global trade volumes. Also, in this segment, claims impact was comparably benign in 2021 and loss ratios in most markets improved.
- The offshore energy sector saw an increase in overall premiums, reaching USD 3.9 billion in 2021, representing a 6.9% increase in 2020. This is the second year of rise after six years of decline (2014 to 2019). The demand for offshore energy insurance typically tracks oil prices

IUMI's 2022 analysis of the global marine insurance market



STATS



as projects become viable. Historically, there is an 18-month time lag between improved oil prices, authorised offshore expenditure, and unit reactivation. Loss ratios kept in recent years a fragile balance with significant loss events being absent, but with a long backlog in claims reporting, the youngest years still have to mature. With the oil price rally in 2022, more activity and, thus, demand for offshore energy insurance may be expected.

Commenting on this year's report, IUMI's Secretary General, Lars Lange, said:

"We are reporting this data at a time when several shocks have hit a world economy already weakened by the pandemic. Indicators in many economies now point to an extended period of subdued growth. Marine underwriters are navigating some highly complex issues.

This report presents data on the global marine insurance market in the context of world economic performance, trade, and the shipping industry. We also offer commentary and opinions based on the data we have collected.

Building on the gains made in 2020, 2021 was another positive year for marine insurers. It was the year when global trade saw a tentative recovery, absolute premiums rose, claims impact was benign, and, as a result, loss ratios improved. However, this position is tempered by the significant economic uncertainties the world is facing today," Lange concluded.

The full report is available to download from IUMI's website: <https://iumi.com/statistics>.

Ends

For further information:

Bill Lines

Director

E: blines@navigatepr.com

+44 7970 730521

Notes to editors:

The International Union of Marine Insurance (IUMI) represents 44 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.

More information can be found at www.iumi.com