

IUMI's 2020 analysis of the global marine insurance market (IUMI Stats) is released today



2nd November 2020

COVID-19 has injected uncertainty into the global marine insurance market but early signs predict a modest market recovery

Today – 2 November 2020 - the International Union of Marine Insurance (IUMI) has released its 2020 analysis of the global marine insurance market – known as IUMI Stats.

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

IUMI's Secretary General, Lars Lange explains:

“Working with a number of valued partners, our Facts and Figures Committee has produced this year’s statistical analysis which also includes insight and opinion. IUMI collects data on global marine premiums which we present alongside loss ratios, claims and other data. Whilst our data covers 2019, we also try to comment on the general health of marine underwriting but that has been extremely challenging this year. The coronavirus pandemic has significantly impacted trade, shipping, commodity prices and consumer activity which in turn, means the outlook for marine insurance is far from certain. Despite this, our analysis is reporting the beginnings of a modest market recovery in most business lines.”

Lars Lange continues:

“This year, and for the first time, our report also includes the initial findings from IUMI’s major claims database. Over the past three years we have recruited 22 national insurance associations who, together, have submitted 6,800 records of major marine losses. Our analysis of the major cargo claims data can be seen in the report. I’d like to thank our partner, Boston Consulting Group, and the project team for undertaking

IUMI's 2021 analysis of the global marine insurance market



STATS



such a large and valuable project”.

Highlights from this year’s statistical analysis includes:

- Global marine premiums across all sectors are relatively stable. Early signs of a modest market recovery are encouraging although COVID-19 has injected a new level of uncertainty.
- The gap between global hull premiums and global tonnage continues to widen, although at a slower rate. Hull loss ratios have improved slightly and a benign loss environment prevails (with the continued exception of large vessel fires). This, coupled with a reduction in underwriting capacity, seems likely to predict a market recovery, but from an exceptionally low base.
- Loss ratios for cargo underwriting have improved slightly. But global trade dipped sharply as a result of COVID-19 and accumulation of risk onboard and ashore continues to grow. A market recovery across all regions is reported, however.
- The fortunes of the offshore energy market tend to mirror the oil price which has been unstable, particularly during the pandemic. However, a low impact hurricane season (to date) is positive but a fragile balance between a low premium base and a low claims environment exists.

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

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Notes to editors:

The International Union of Marine Insurance (IUMI) represents 45 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