

IUMI
SEPTEMBER 16 - 19



CBMU Annual Conference

November 27, 2012

IUMI Facts & Figures Committee &
ALSUM - Latin American Marine Underwriters Association

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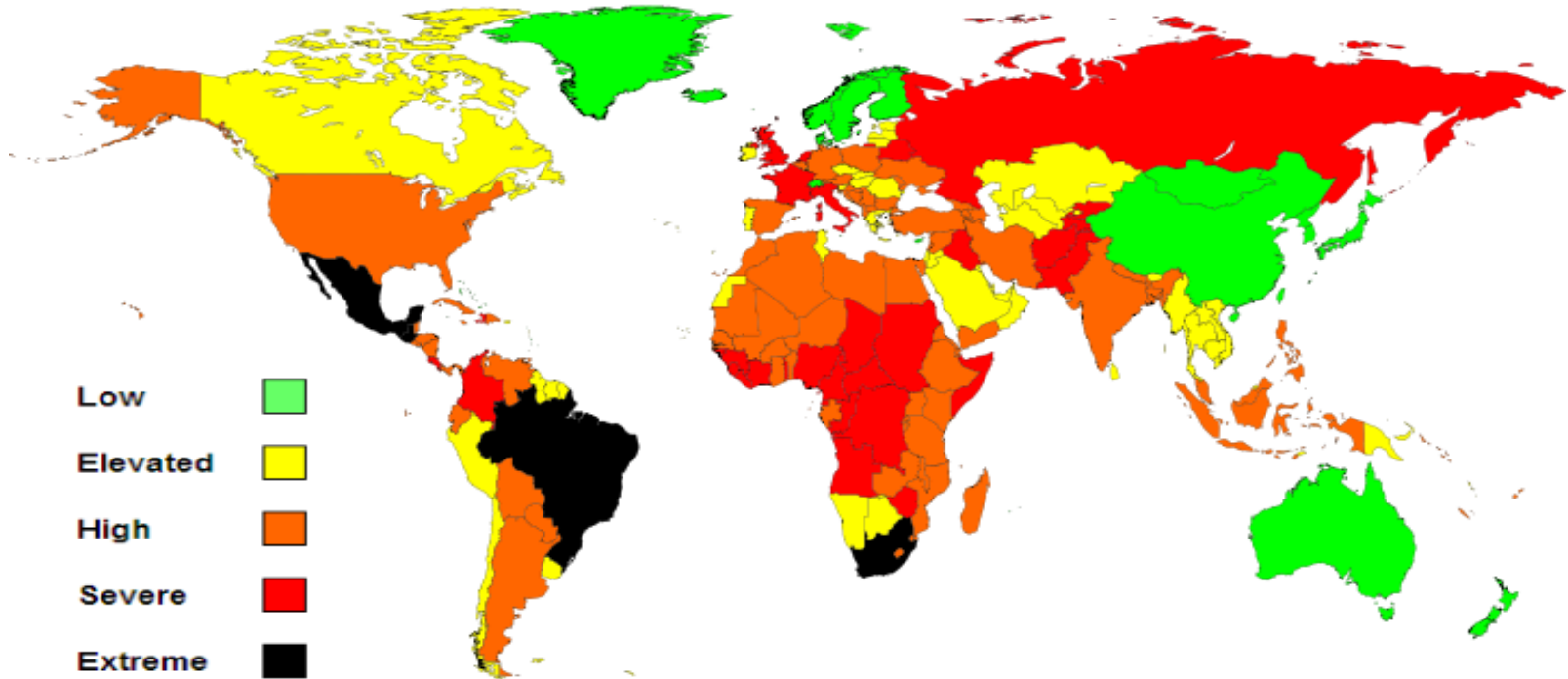
Marine Insurance in Latin America

Erika A. Schoch

IUMI Facts & Figures Committee &
ALSUM - Latin American Marine Underwriters Association



Cargo Theft - Country Risk Profile



IUMI PARIS 2011

Source from Freightwatch

9/26/2011

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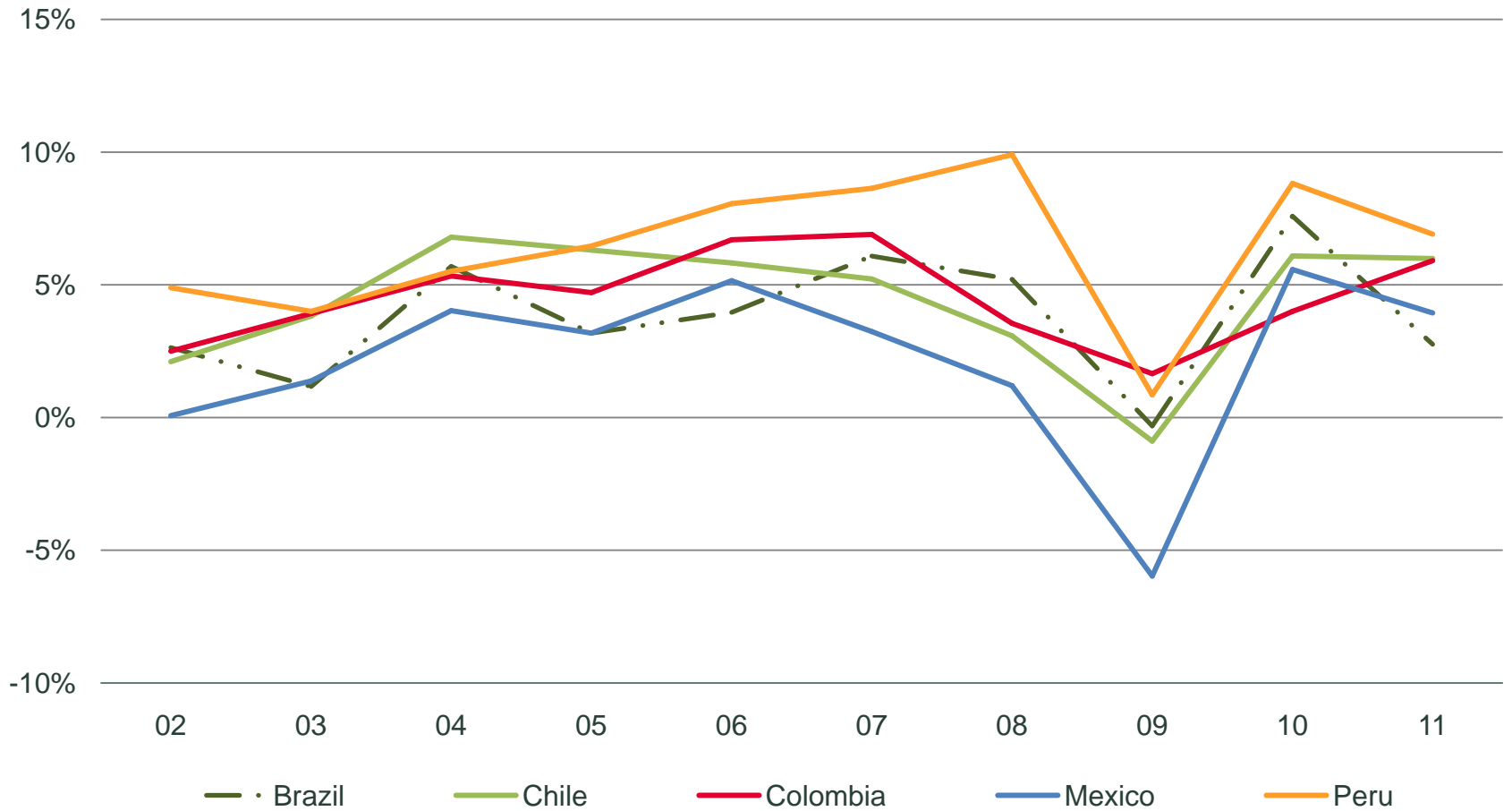
Economical background

Latin America Insurance premium

Latin America Insurance details per market

Type of coverages

Latin American Real GDP Growth

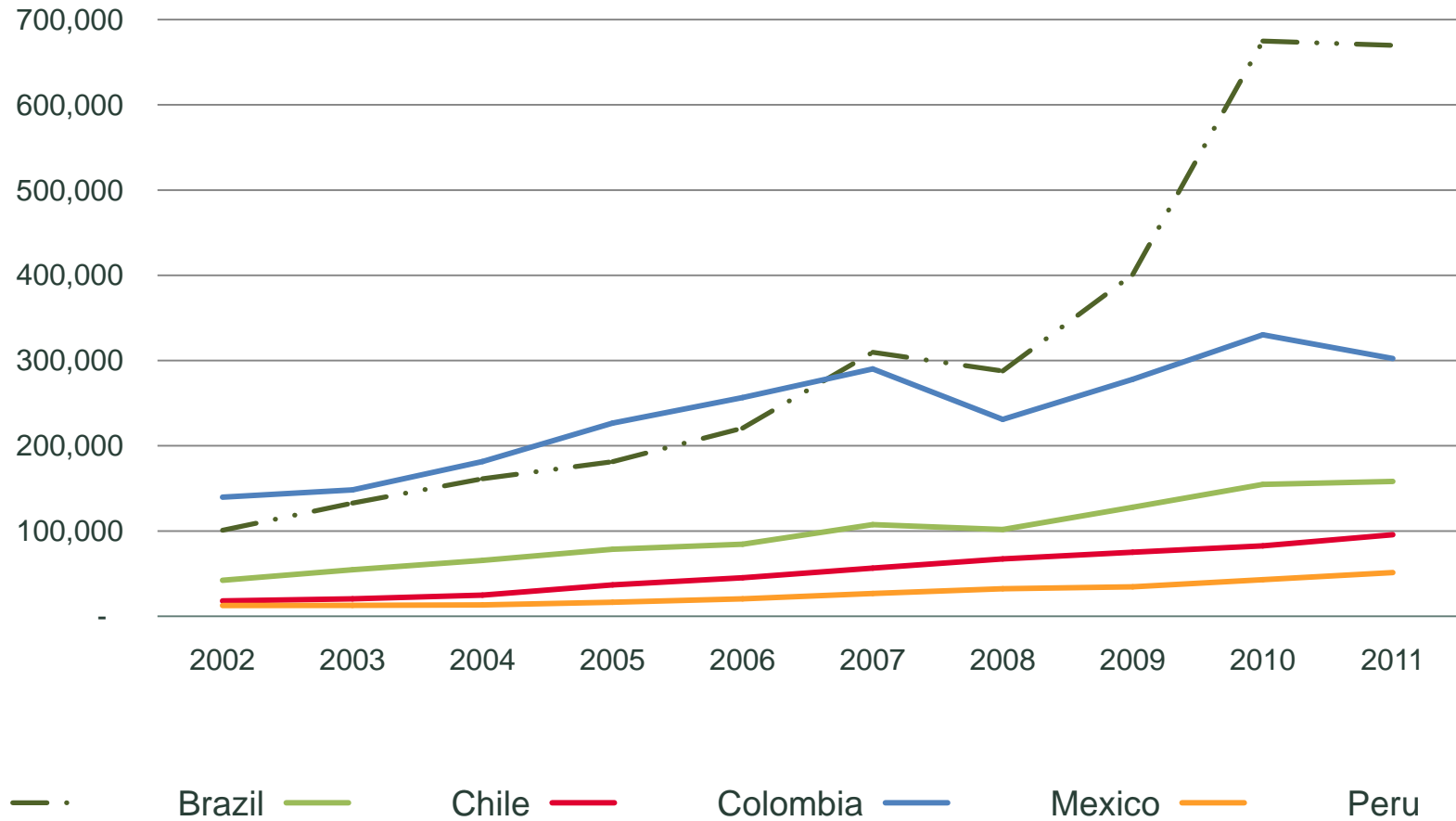


Source: Swiss Re Economic Research & Consulting

Inward and Outward Foreign Direct Investment Stock (2002-2011)



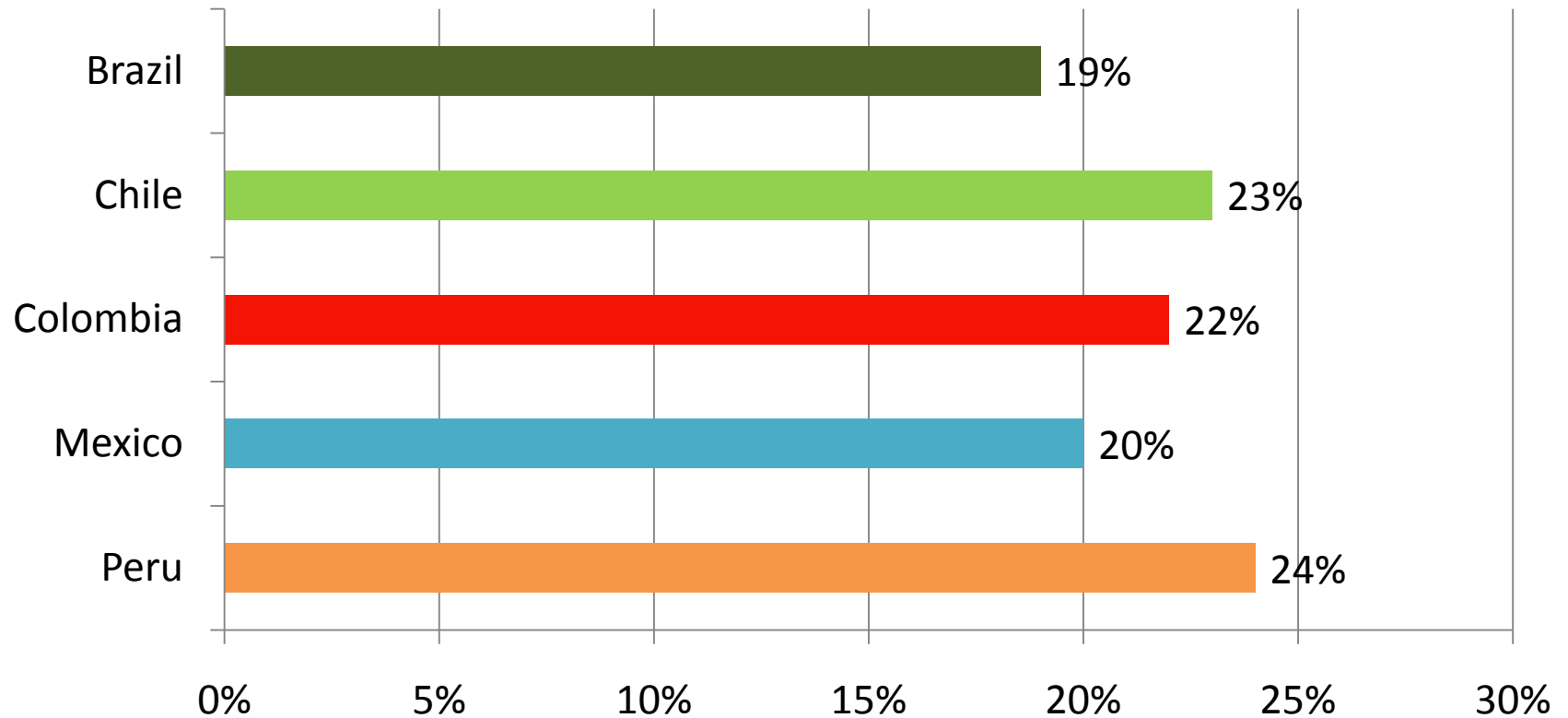
(in mio USD)



Source: Swiss Re Economic Research & Consulting



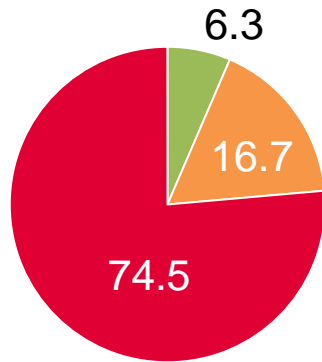
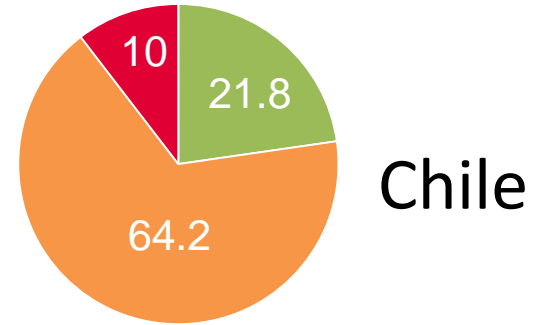
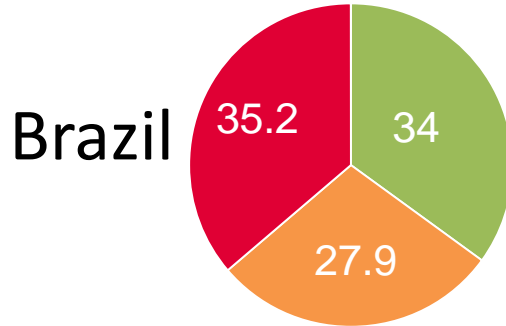
Investment Rate as part of the GDP



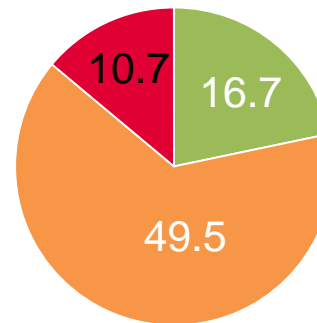
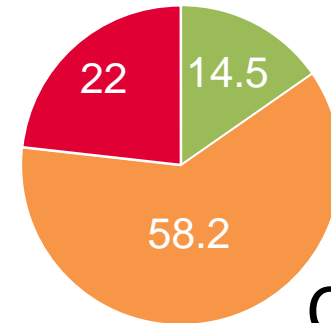
Source: Swiss Re Economic Research & Consulting



Exports by sector (%)



- Agriculture prod.
- Fuels and mining prod.
- Manufactures



Source: Swiss Re Economic Research & Consulting



Country	Foreign Currency Long Term			Foreign Currency Short Term		
	Moody's	S&P	Fitch	Moody's	S&P	Fitch
Brazil	Baa2	BBB	BBB	NR	A-2	F2
Chile	Aa3	A+	A+	NR	A-1	F1
Colombia	Baa3	BBB-	BBB-	NR	A-3	F3
Mexico	Baa1	BBB	BBB	WR	A-2	F2
Peru	Baa1	BBB	BBB	NR	A-2	F2

Source: Bloomberg – Proinversion



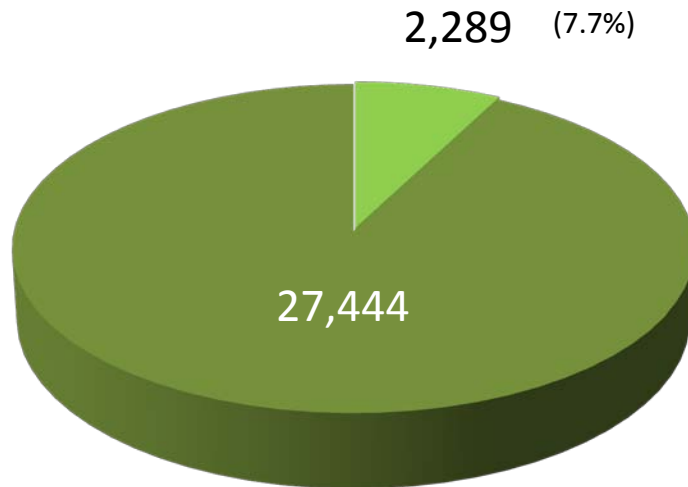
Nr.	Economic Freedom Index (186 countries)	Nr.	Ranking Doing Business (183 Countries)
1	Hong Kong	1	Singapore
7	Chile	37	Chile
42	Peru	43	Peru
45	Colombia	45	Colombia
54	Mexico	48	Mexico
99	Brazil	130	Brazil

Source: Economic Freedom Index, Doing Business

Marine insurance growth in Latin America

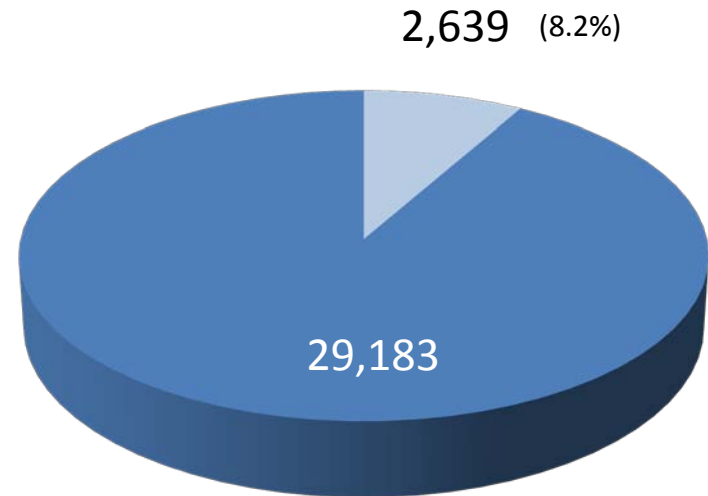


2010
(in USD mio)



- Latin America
- Rest of the World

2011
(in USD mio)



- Latin America
- Rest of the World

Source: IUMI, ALSUM



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Economical background

Latin America Insurance premium

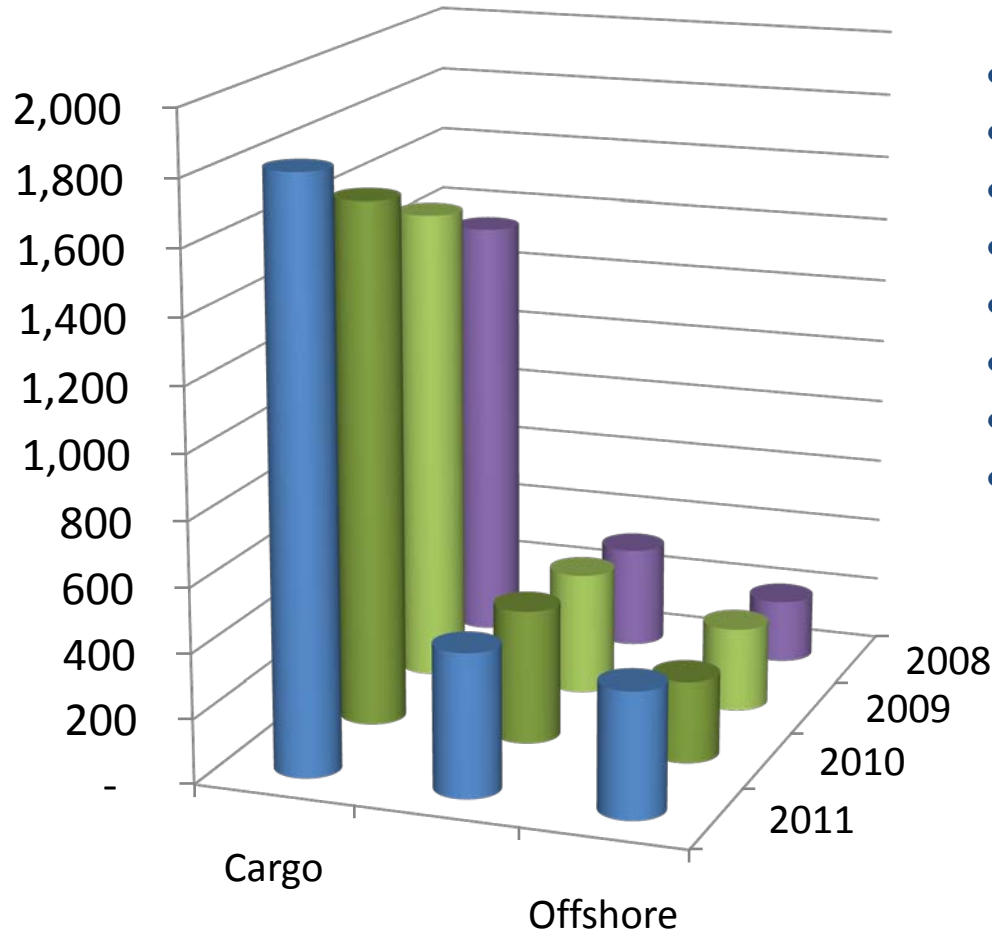
Latin America Insurance market

Type of coverages

Latin American Marine Insurance Premium



(in Mio. USD)



- Economical & Legal Environment
- Social & Political Environment
- Infrastructure
- The New "Sexy"
- Market competition
- Lack of marine knowledge
- Excess of Confidence
- LA Classic Marine Risks

Source: ALSUM



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Economical background

Latin America Insurance premium

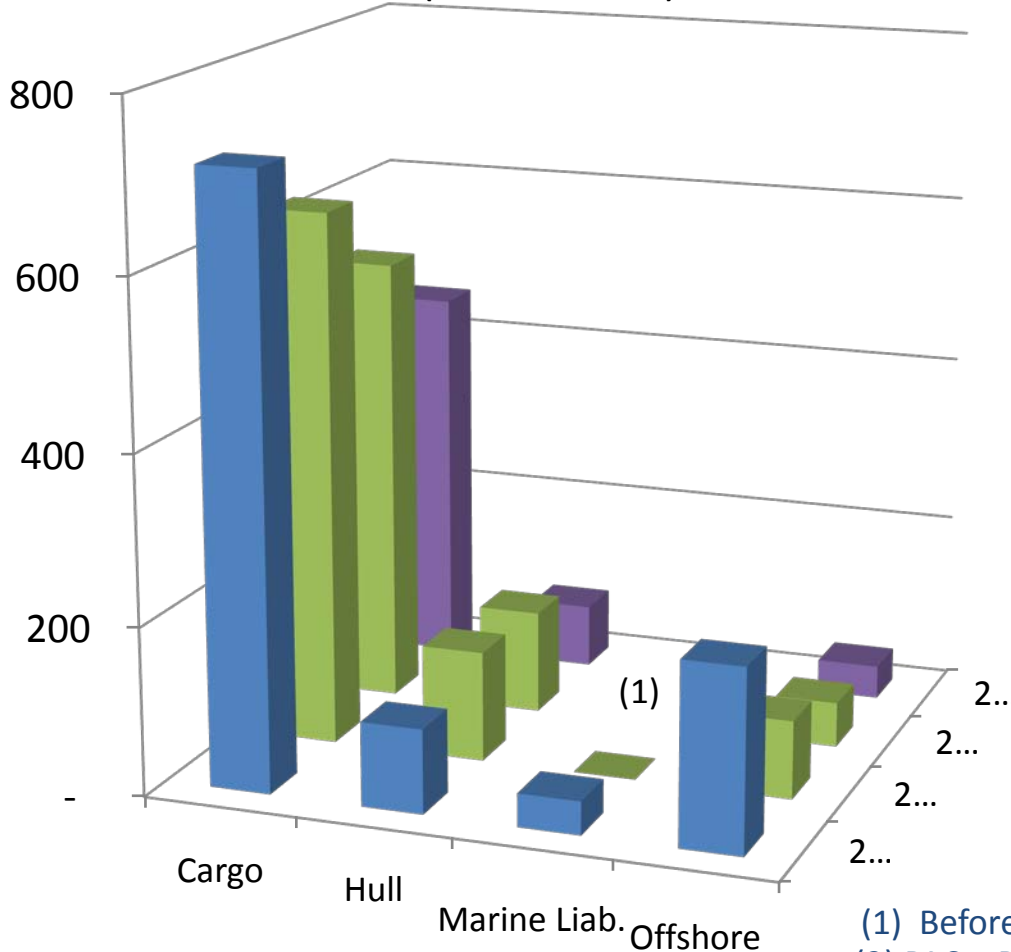
Latin America Insurance market

Type of coverages

Brazilian Marine Market Analysis



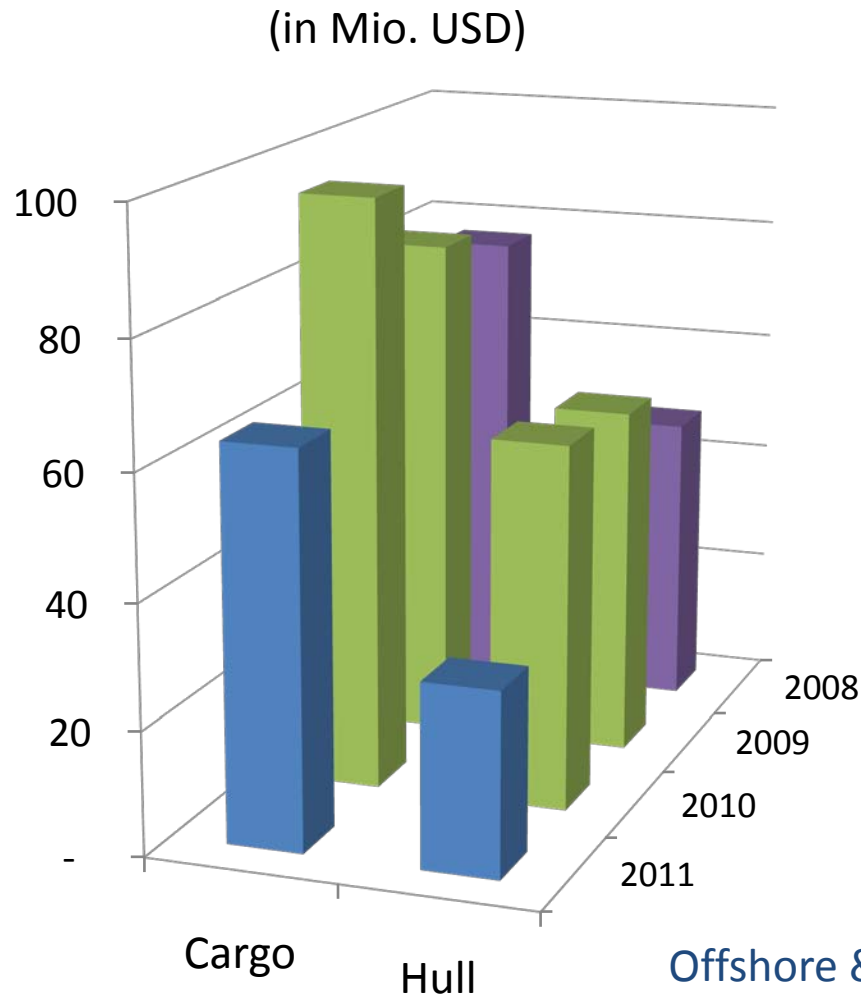
(in Mio. USD)



- Economical & Legal Environment
- Political & Social Environment
- Size of the market
- Protectionism vs PAC 1 & 2 (2)
- Infrastructure
- Auto-sufficient
- Coinsurance
- Quick learner
- Nat Cat Exposures
- LA Classic Marine Risks

(1) Before 2011 Marine Liab. were included within the Hull LoB
 (2) PAC = Programa de Aceleração de Crescimento

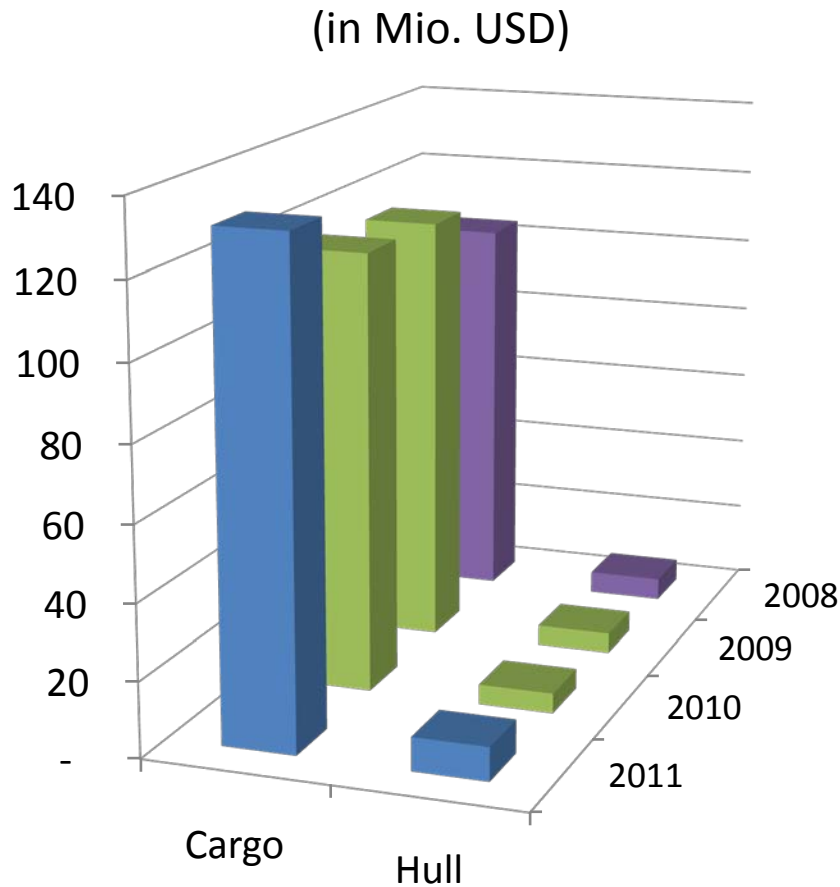
Source: ALSUM



- Economical & Legal Environment
- Political & Social problems
- Infrastructure
- Nat Cat Exposure
- Technical vs Commercial Rates
- Coinsurance (in Hull)
- London Market Attention
- LA Classic Marine Risks

Offshore & Marine Liab.: No data available

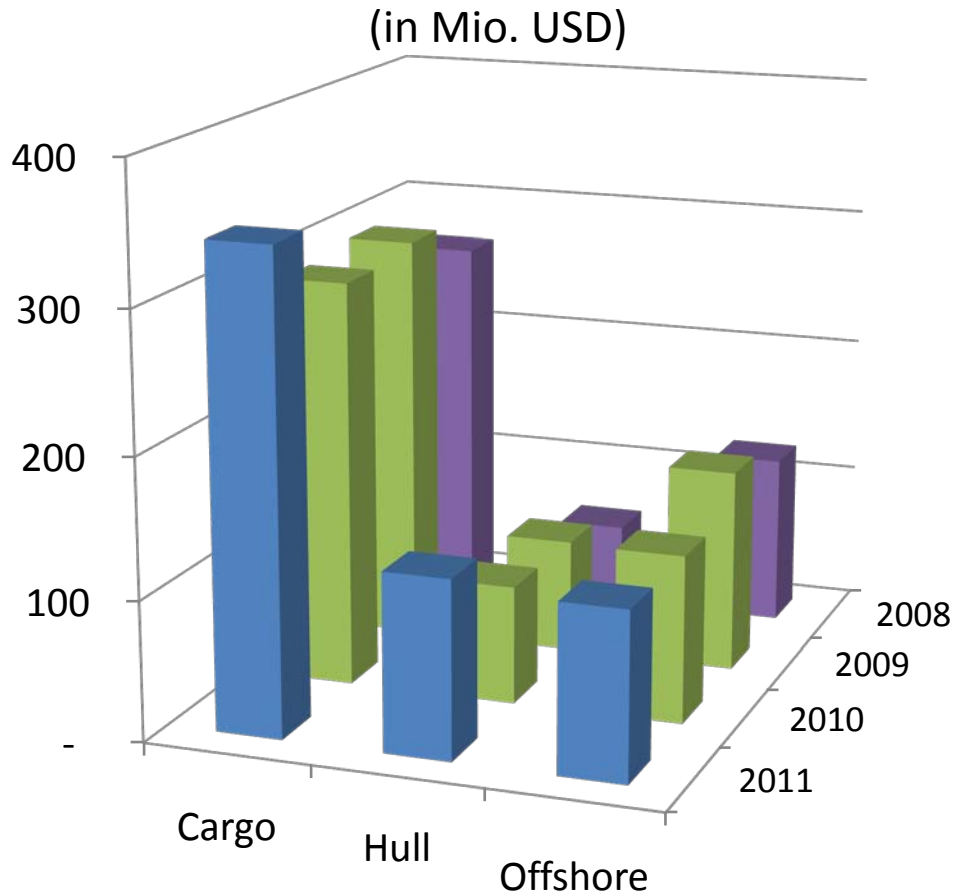
Source: ALSUM



- Economical & Legal Environment
- Political & Social Environment
- Infrastructure
- Technical vs Commercial market
- Nat Cat Exposures
- LA Classic Marine Risks

Offshore & Marine Liabilities : No data available

Source: ALSUM



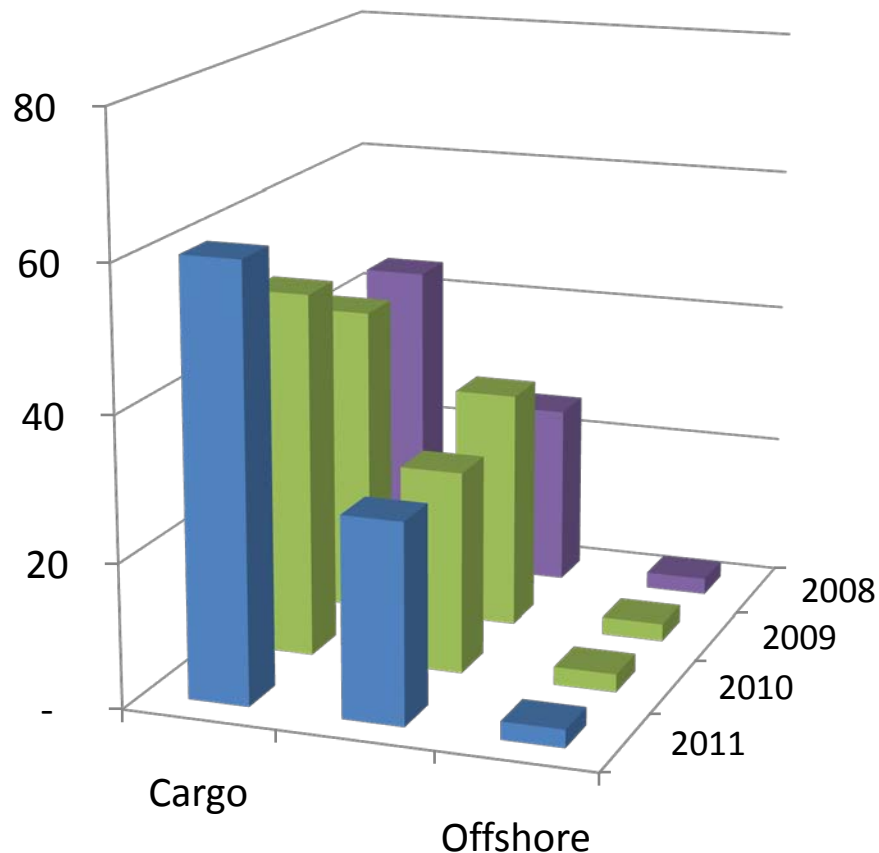
- Economical & Legal Environment
- Political & Social Environment
- Infrastructure
- USA
- Size of the market
- Nat Cat Exposures
- Classic Marine Risks

Offshore data is best estimates
Marine Liabilities: No data available

Source: ALSUM



(in Mio. USD)



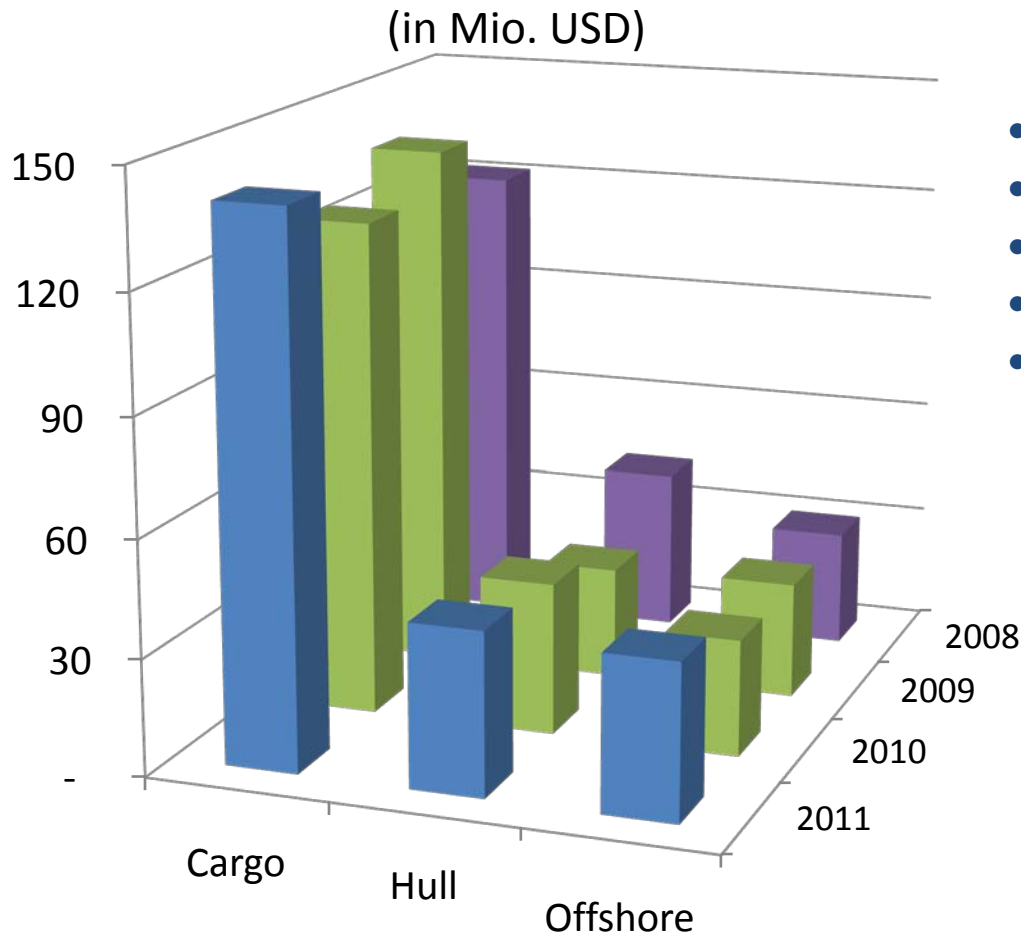
- Economical & Legal Environment
- Political & Social Environment
- Infrastructure
- A "Fishy" market
- Market competition
- Nat Cat Exposures
- Classic Marine Risks

Offshore data is best estimates

Marine Liabilities: No data available

Source: ALSUM

Venezuelan Marine Market Analysis



- Economical & Legal Environment
- Political & Social Environment
- Infrastructure
- Currency / Exchange Rate Control
- LA Classic Marine Risks

2011 data is best estimates

Marine Liabilities: No data available

Source: ALSUM



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Economical background

Latin America Insurance premium

Latin America Insurance market

Type of coverages

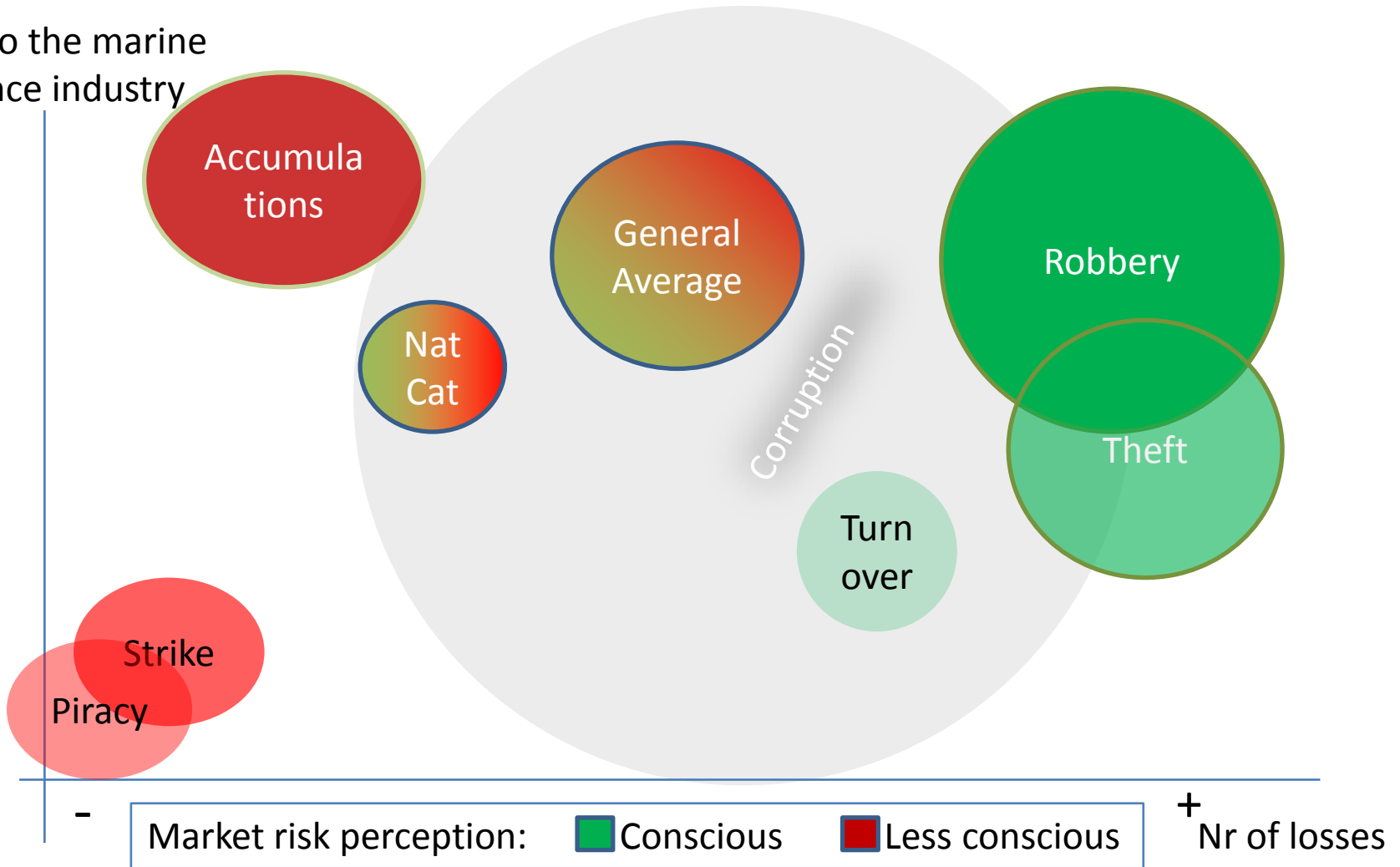


Classic Marine Risks in Latin America

Impact to the marine insurance industry

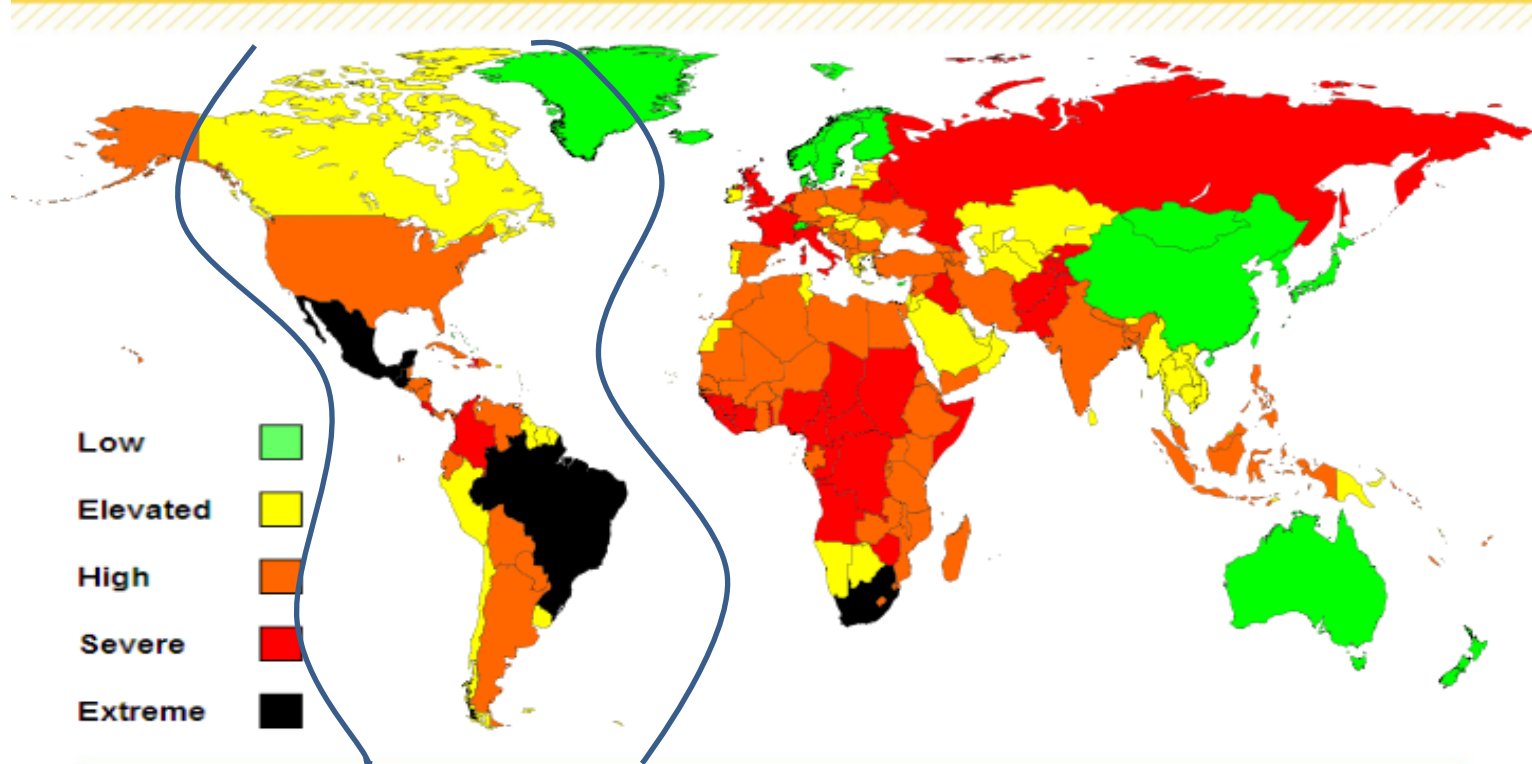
High

Low





Cargo Theft - Country Risk Profile



- Low
- Elevated
- High
- Severe
- Extreme



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THANK YOU

Special thanks to ALSUM and Swiss Re Economic Research & Consulting for their statistical Input