Executive Summary
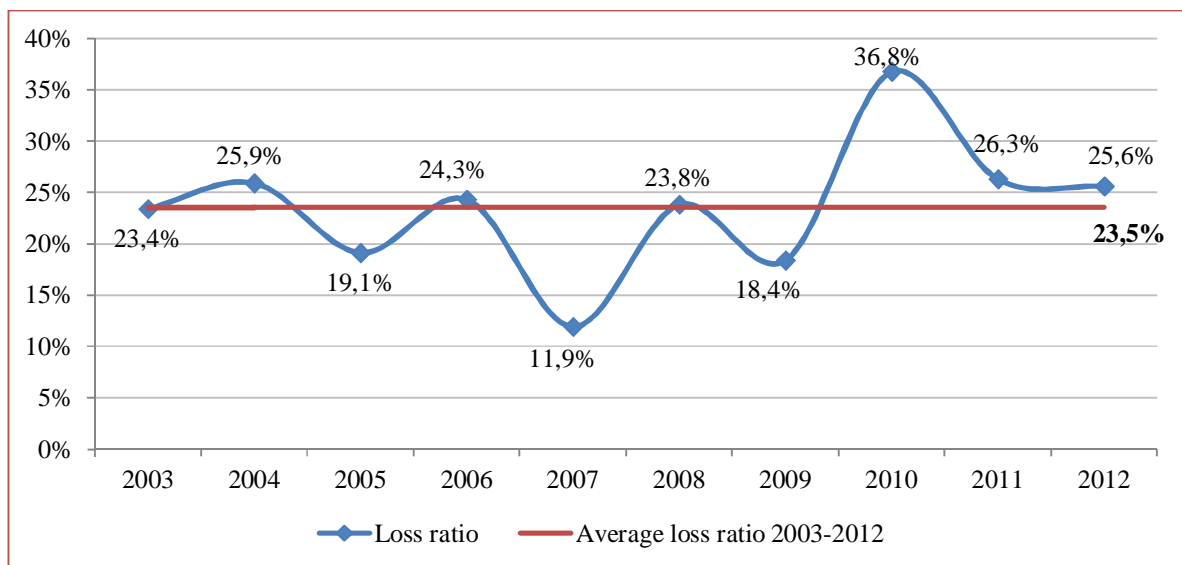
Total market premium in cargo insurance was decreased by 16.3% during 2012 and amounted at 23.6 million € Loss ratio decreased to 25.6% from 26.3% in 2011.

Average paid claim increased at 2,687 € from 1,808 € in 2011, while the average outstanding claim was decreased from 6,740 € in 2011 to 6,154 € in 2012.

After the study of the data for the financial year 2012, it is noted that the ratio of outstanding claims as a percentage of the premium production was increased from 79.6% in 2011 to 92.0% in 2012. At the same time, outstanding claims were increased as a percentage of the claims that occurred during the year from 288.2% in 2011 to 349.7% in 2012.

According to the estimations of the chain-ladder method, which studies the evolution of the claims, the reserves for the outstanding claims were satisfactory throughout the studied period. From the same study, loss ratio is estimated at 35.0% and the average loss was 5,233 €in 2012.

The following table depicts the most important figures in the Cargo insurance branch for the years 2011-2012, as well as the most important ratios. The latter were a result of HAIC's research amongst the insurance enterprises - members which were active in cargo insurance for the respective time period.

Cargo insurance		
Total market	**2012**	**2011**
Insurance enterprises	33	34
Premium	23.6 mil. €	28.2 mil. €
Change	-16.3%	-16.2%
Paid claims	5.9 mil. €	6.0 mil. €
Change	-3.1%	-28.7%
HAIC's research	**2012**	**2012**
Loss ratio	25.6%	26.3%
Average paid claim (€)	2,687	1,808
Average outstanding claim for the year (€)	6,154	6,740
Outstanding claims / Premium	92.0%	79.6%
Outstanding claims (end of the year) / Total claims incurred (of the year)	349.7%	288.2%
Policy fees / Written premium	12.2%	12.4%
Sales acquisition cost / Premium	23.0%	23.8%