



# STATISTICS

## Quarterly General Insurance Performance Statistics

March 2019 (issued 23 May 2019)

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## Highlights for the year ended 31 March 2019

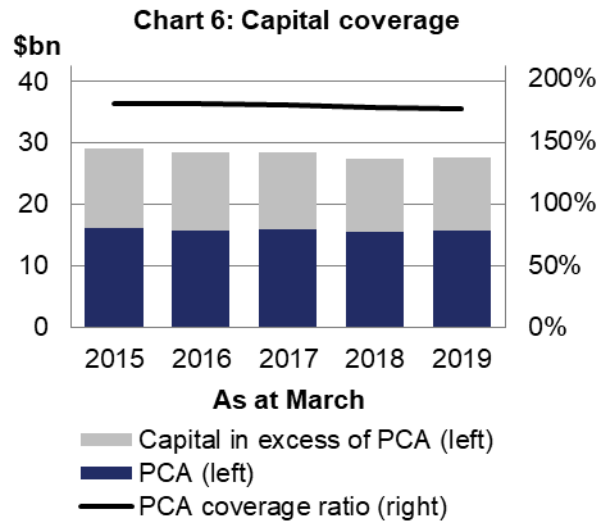
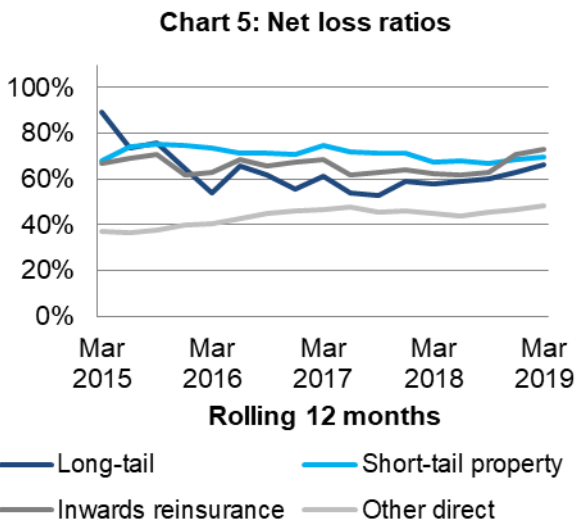
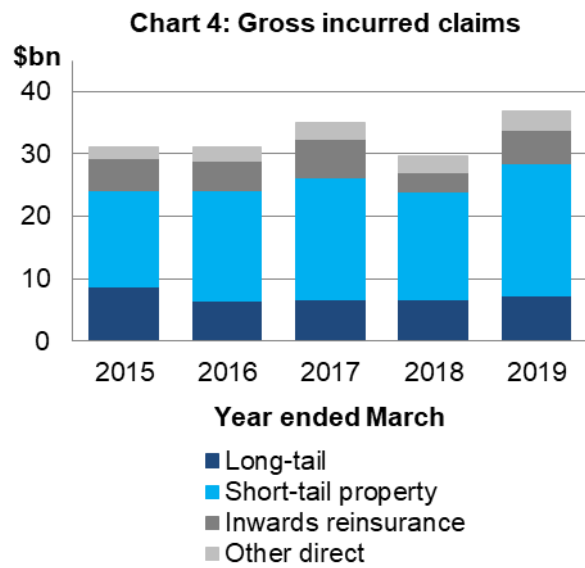
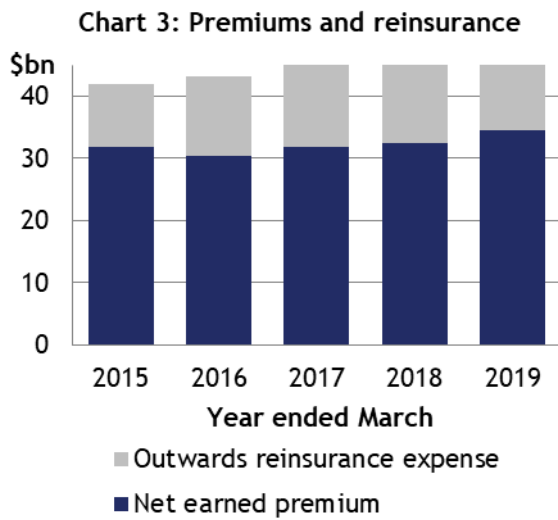
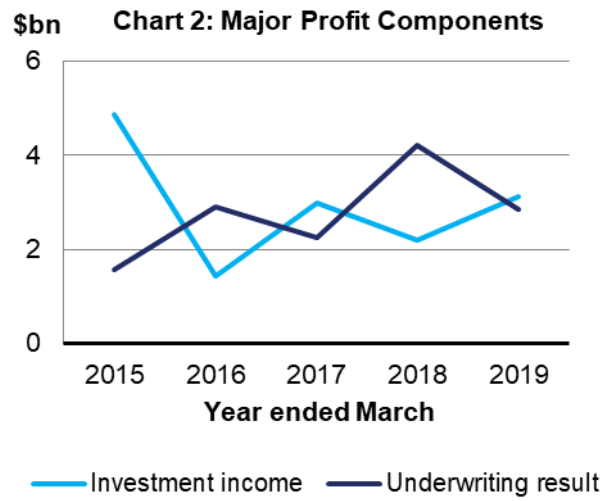
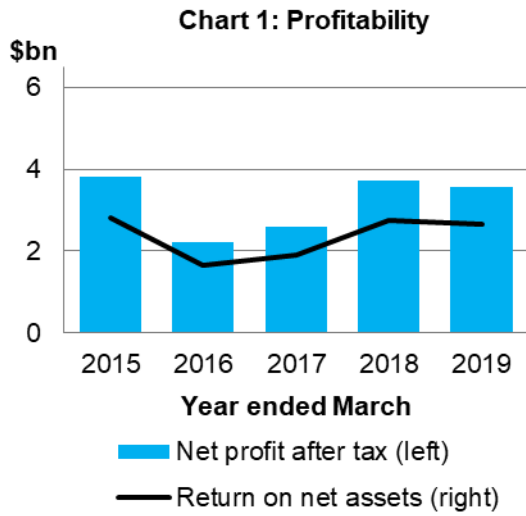
- Industry underwriting profit for the year to 31 March 2019 was \$2.8 billion (2018: \$4.2 billion). This result was negatively impacted by claims costs from the Sydney Hailstorm and Townsville Flood events, and a strengthening of claims reserves in professional indemnity and mortgage classes. During the year insurers reported increases in gross earned premium, largely as a result of premium rate increases in the short tail property classes of business.
- Investment income increased significantly during the year, mainly due to unrealised gains in fixed interest investments resulting from falling bond yields.
- Industry net profit after tax at \$3.6 billion and return on net assets at 13.1 per cent were relatively stable when compared to the prior year.
- Industry PCA coverage ratio increased slightly from 1.74x to 1.76x.

### Key performance data/ metrics at a glance<sup>1</sup>

|                            | Year to 31 March<br>2018 | Year to 31 March<br>2019 | Change    |
|----------------------------|--------------------------|--------------------------|-----------|
| Number of insurers         | 95                       | 96                       | +1        |
| Net profit after tax       | \$3.7bn                  | \$3.6bn                  | -4.7%     |
| Return on net assets       | 13.6%                    | 13.1%                    | -0.5pp    |
| Underwriting result        | \$4.2bn                  | \$2.8bn                  | -32.4%    |
| Investment income          | \$2.2bn                  | \$3.1bn                  | +42.2%    |
| Gross earned premium       | \$45.3bn                 | \$48.0bn                 | +6.1%     |
| Net earned premium         | \$32.5bn                 | \$34.5bn                 | +6.4%     |
| Gross incurred claims      | \$29.7bn                 | \$36.9bn                 | +24.1%    |
| Gross loss ratio           | 60%                      | 71%                      | +11pp     |
| Net loss ratio             | 62%                      | 67%                      | +5pp      |
| <i>short-tail property</i> | 68%                      | 70%                      | +2pp      |
| <i>long-tail classes</i>   | 58%                      | 66%                      | +8pp      |
| Underwriting exp ratio     | 25%                      | 25%                      | Unchanged |
| PCA coverage ratio         | 1.77x                    | 1.76x                    | -0.01x    |

<sup>1</sup> Data on industry segments and classes of business is available in the publication

## Historical performance trends 2015 - 2019





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