

**IMIA Country Analysis 2009**

Country	Premium Development	Claims Development	Underwriting Profitability	Business Outlook
<p><b>DENMARK</b></p> <p><b>National Report 2009</b></p>	<p>Premiums rose in total from 735,831,065 DKK in 2008 to DKK 765,010,726 in 2009 (+4.0 pct.). In view of the general economic recession this development is satisfying. The rate of inflation was 1.3 pct.</p> <p>While total Machinery Breakdown premiums rose by 9.3 pct. from 2008 to 2009 there was a slight decrease in total premiums in all other business areas (Loss of Profit, EAR/CAR, and Electronic Equipment).</p>	<p>Claims in total decreased from 521,776,283 DKK in 2008 to DKK 474,174,683 in 2009 (-9.1 pct.). Apart from Electronic Equipment all business areas experienced decreasing claims from 2008 to 2009.</p> <p>There were no Large Claims (&gt; US\$ 1,000,000) in the Danish market in 2009.</p>	<p>The total loss ratio was 62 pct. in 2009, down from 71 pct. in 2008. Thus the market situation is good. Still competition is strong. The market seems to have stabilized with a tendency to be soft. Still a larger part of heavy engineering risks goes to the London market, where there seems to be new strong inclination to reduce the premiums after some years with an acceptable premium level.</p>	<p>We expect a continuous strong competition in the future. Insurance companies wish to expand in the engineering market also. At the same time we see large risks change from Danish insurance companies to the London market. It seems that the worldwide market for insurance of wind turbines will expand in the coming years. The Danish government has now changed attitude to wind energy so the level of produced wind energy is expected to grow. Also wave energy and fuel cell energy seems to go into industrial phase.</p> <p>We expect that in the future sustainable energy will make up an increasing share of electricity and heating production in Denmark just like in the rest of the world.</p> <p>The Danish general economic situation is strongly influenced by the world wide economic crisis which in turn is expected to constrain further expansion of total premiums in Engineering Insurance in the short term.</p>