

Country Analysis report for Imia Web Site

IMIA 2011 Country Analysis

Country	Premium development	Claims development	Underwriting Profitability	Business Outlook
Finland 2011	<p>The premium income increased by 1.2 % compared with the previous year.</p> <p>The machinery breakdown premiums decreased approximately by 12.6 %, whereas the loss of profit premiums increased by some 5.9 %. But the combined premiums for EAR, CAR and Guarantee increased even more by approximately 11.6 %.</p> <p>A slight shift of the market shares always takes place during the year. This year the division of shares has thus changed a little since last year, i.e. this year the biggest player has somewhat more than half of the market and the two others share the rest.</p>	<p>The overall loss ratio for 2011 was 58.1 % compared with 63.4 % in 2010 and 46.7 % in 2009.</p> <p>From 2006 to 2010 a five years average gives around 63.7 %. Thus the last year represented a normal level for the overall loss ratio.</p> <p>In 2011 no large claim was reported.</p>	<p>The trend of power producing machines, especially steam and gas turbines, being the most critical items for the insurance companies has continued.</p> <p>When more and more manufacturing is being moved to the developing countries, the risk management of the projects is extremely challenging.</p> <p>The same situation applies to some extent also for domestic traditional construction projects where the proportion of foreign workforce today is very high.</p>	<p>In 2011 the unemployment rate fell by almost half a percentage point to 7.8 per cent. The decrease was driven by moderate GDP growth.</p> <p>In 2011, the value of exports was 56.6 billion Euros, i.e. eight per cent, higher than in 2010. The imports increased by 16 per cent, to nearly 60.2 billion Euros. The imports rose close to the pre-recession level, whereas the value of exports still remained clearly lower than in 2006–2008.</p> <p>Some years ago a great deal of the biggest companies tried to outsource their maintenance in an endeavour to concentrate on their core business. Now the trend seems to have changed and the companies rely again more on their own maintenance capacities. This trend is clearly positive according to the view of the insurers.</p>