

IMIA Country Analysis 2014

Country	Premium Development	Claims Development	Underwriting Profitability	Business Outlook
Turkey 2014	<p>For Engineering Insurance lines, total premium production has decreased by 1.03% to TL 1.248.558.475. Accordingly Engineering Insurance lines' production has resulted as 5.5% of the whole 'non-life' premium production in 2014, whereas this share was 6.21% in 2013.</p> <p>As may be seen in the table below and similarly to last years, Machinery Breakdown Insurance had the first rank with 50.12% share of total premium production of engineering insurance lines in 2014. The share of CAR premium was 23.36% of the total Engineering lines with TL 291,7 m. and with 33.1% decrease compared to 2013. This is because of a couple of fronting policies of some special projects with huge premiums in 2013.</p>	<p>Claim amounts of each Engineering line is given below. As can be seen MB has the highest loss amount in the total. Also the changes compared to 2013 and the shares of each line is also shown in Table 6 b. In this table significant decrease of EAR insurance which is as (-) 40.4% can be seen. Total paid and reserved losses in Machinery Breakdown line took the first place in 2014 with the amount of TL 525.363.275 which is 45.3% of the total engineering insurance lines. The Contractors All Risks Insurance's loss figures show an amount as TL 350.793.165 with 30,3% share</p>	<p>Technical Profit generated by the whole non-life insurance market is TRY 834,511,352 in 2013. For the Engineering lines; technical profit has decreased to 5.48% from 8.63% in 2013.</p>	<p>In 2014, Turkish economy grew by 2.9%, and also 2.3% in the first quarter of 2015. As of 31.03.2014, total premium production of non-life branches increased by 12.33% compared to same period of 2013 and reached to TL 6.967.833.174. For engineering lines, total premium production in the same period of 2014 has decreased to TL 301 m. which shows 8.23% decrease compared to the last year's same period. In the 1Q of 2013, this figure was TL 412 m. The decrease in the 1st quarter of 2015, can be explained with the slowdown of investments due to presidential elections which held on June 2015. This situation shows a considerable decrease on number of contracts for government projects, which effect contractor's all risks business.</p>