

## **AUSTRALIAN ENGINEERING INSURANCE MARKET IN 2017**

### **A. Premium Development**

In 2017, total premium of Engineering lines has increased to AUD 350.4 million with 28% for MB lines, 62% for CAR/EAR and 10.5% for EEI. (This reflects 60% of the Australian Engineering market). Overall there was an increase of 5.7% over 2016, but less than 2015 (AUD 381 million).

### **B. CLAIMS DEVELOPMENT**

Claim for Engineering line increased to AUD 292 million which is a substantial increase of 37% over 2016. There had been 31 large losses, except on in MB all in CAR/EAR business from € 1.1 million to € 2.0 million (MB, EAR and CAR). One EAR loss suffered plant construction loss of AUD 149 million.

### **C. Underwriting Profitability**

Loss ratios in 2017 increased in MB lines from 48 % to 57% and for CAR/EAR from 76% to 107%.

The overall loss ratio was 83%

### **D. Business Outlook**

No information provided