

## IMIA Country Analysis 2015

Country	Premium Development	Claims Development	Underwriting Profitability	Business Outlook
<p><b>USA</b></p> <p><b>National Report 2015</b></p>	<p>In 2015, the total Property &amp; Casualty written premium grew by 3.4% to \$514.0 billion, up from \$497.0 billion in 2014. Earned premium also increased, rising 3.7% to \$505.8 billion, up from \$487.9 billion in 2014. This is the fifth consecutive year where both written and earned premiums increased. The increase can be attributed to an increase in demand as well as increases in rated premiums. Starting in 2010, premiums began to rise as the economy started to grow. This premium growth is helping to maintain and grow the market.</p> <p>Present trends show that the market will continue in this direction through the remainder of 2016.</p>	<p>In 2015, Property &amp; Casualty Incurred Losses increased by 4.7% to total \$290.6 billion, rising from \$277.7 billion in 2014. Incurred LAE rose for the seventh consecutive year, increasing by 4.0% from \$57.3 billion to \$59.6 billion. The percentage change for incurred losses is fluctuating from year to year implying continuously changing conditions in the insurance industry with an impact from frequency and severity type losses, including CAT events.</p> <p>The Loss and LAE Reserves increased in 2015 to total \$583.1 billion. This was a 1.3% increase from the prior year which totaled \$575.8 billion.</p> <p>Present trending indicates that as loss exposure increases with higher costs and new technologies, the need for Loss &amp; LAE Reserves is increasing as well.</p>	<p>In 2015, the Loss Ratio (including LAE) for the Property &amp; Casualty industry increased by 0.5 percentage points to 69.2%, while the Combined Ratio also increased, rising 0.8 percentage points to 97.8%. The increase in Combined Ratio can be attributed to total incurred losses increasing by a greater amount than the rise in written premium. The Expense Ratio increased in 2015 to 28.1%.</p>	<p>In 2015, the Property &amp; Casualty market produced a positive premium growth for the sixth straight year.</p> <p>Net Investment Income decreased for the fourth consecutive year, from \$47.6 billion in 2014 to \$47.1 billion in 2015. Net Investment Gain also decreased, falling from \$53.4 billion in 2014 to \$39.2 billion in 2015.</p>