



# STATISTICS

## Quarterly General Insurance Performance Statistics

September 2018 (issued 22 November 2018)

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## Highlights for the year ended 30 September 2018

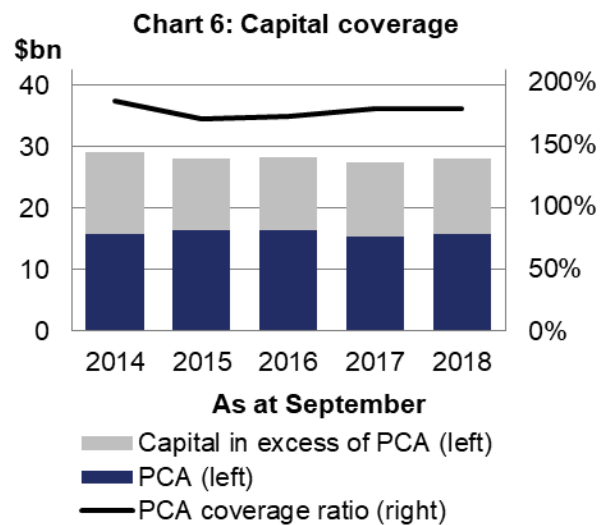
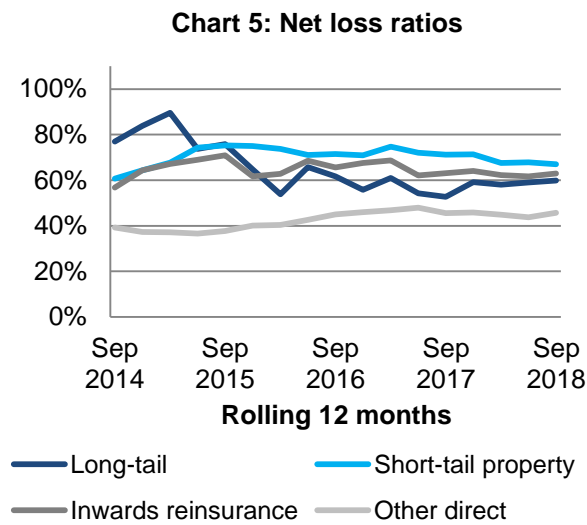
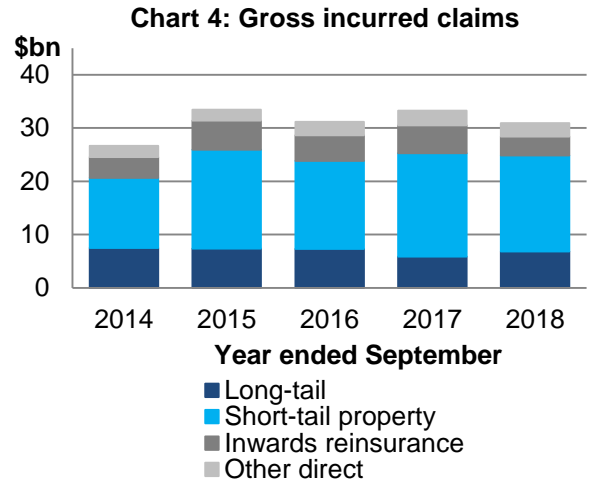
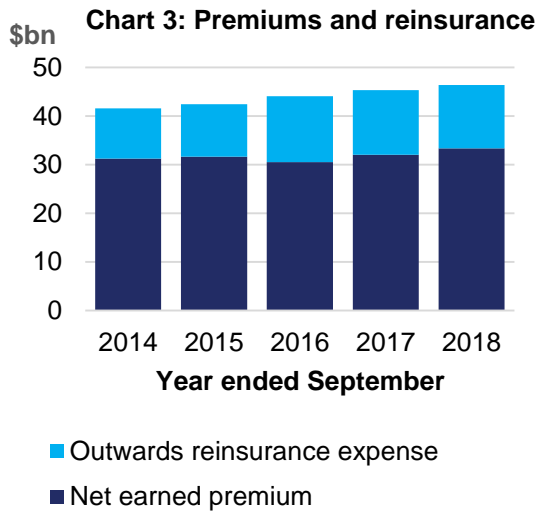
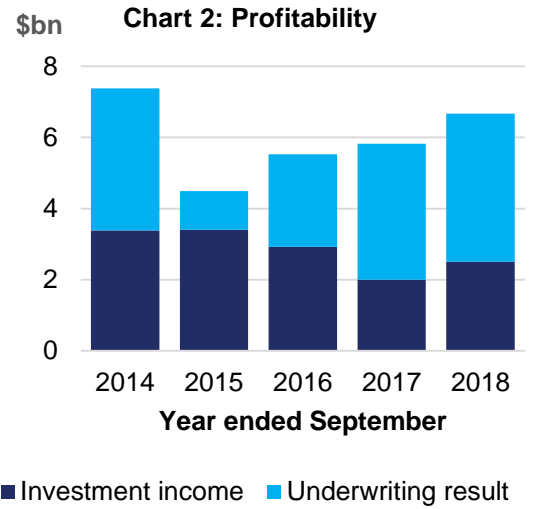
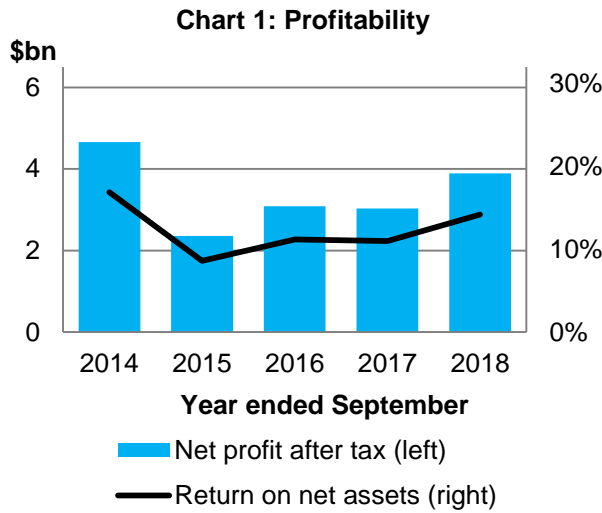
- Industry net profit after tax for the year to 30 September 2018 increased to \$3.9 billion (2017: \$3.0 billion) due to improved underwriting results and increased investment income. This result represented a return on net assets of 14.2 per cent (2017: 11.0 per cent).
- Industry underwriting profit for the year to 30 September 2018 was \$4.2 billion (2017: \$3.8 billion) with the increase driven by premium increases and lower claims costs from natural catastrophe events in the short tail householders and domestic motor classes of business.
- This was slightly offset by a decrease in underwriting profits in the long tail classes of business as a result of smaller prior period reserve releases in the CTP motor vehicle and Employers' liability classes as compared to those recognised in 2017.
- Investment income improved due to higher unrealised gains from interest bearing investments, however it remains at a historically low level.
- Industry capital coverage is unchanged with the PCA coverage ratio at 1.79x.

## Key performance data/ metrics at a glance<sup>1</sup>

	Year to 30 September 2017	Year to 30 September 2018	Change
Number of insurers	96	95	-1
Net profit after tax	\$3.0bn	\$3.9bn	+28%
Return on net assets	11.0%	14.2%	+320bps
Underwriting result	\$3.8bn	\$4.2bn	+9%
Investment income	\$2.0bn	\$2.5bn	+25%
Gross earned premium	\$45.3bn	\$46.4bn	+3%
Net earned premium	\$32.1bn	\$33.4bn	+4%
Gross incurred claims	\$33.3bn	\$30.9bn	-7%
Gross loss ratio	67%	61%	-6pp
Net loss ratio	63%	63%	Unchanged
<i>short-tail property</i>	71%	67%	-4pp
<i>long-tail classes</i>	53%	60%	+7pp
Underwriting exp ratio	25%	25%	Unchanged
PCA coverage ratio	1.79x	1.79x	Unchanged

<sup>1</sup> Data on industry segments and classes of business is available in the publication

## Historical performance trends 2014 - 2018





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