



# STATISTICS

## Quarterly General Insurance Performance Statistics

June 2019 (released 22 August 2019)

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## Highlights for the year ended 30 June 2019

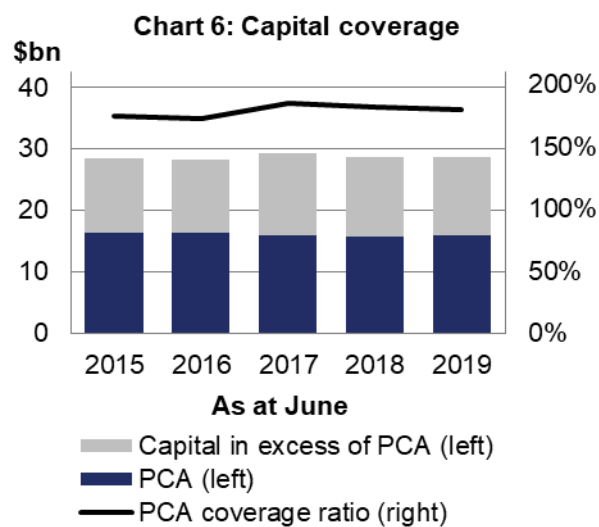
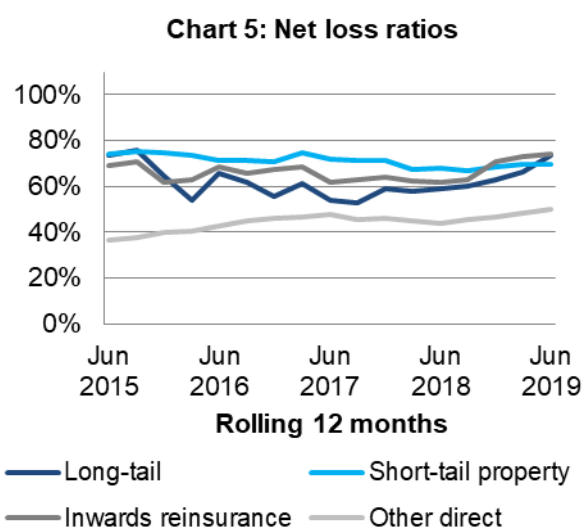
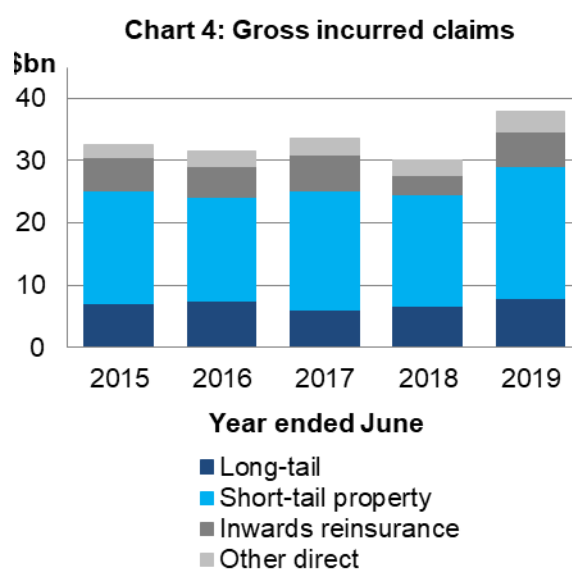
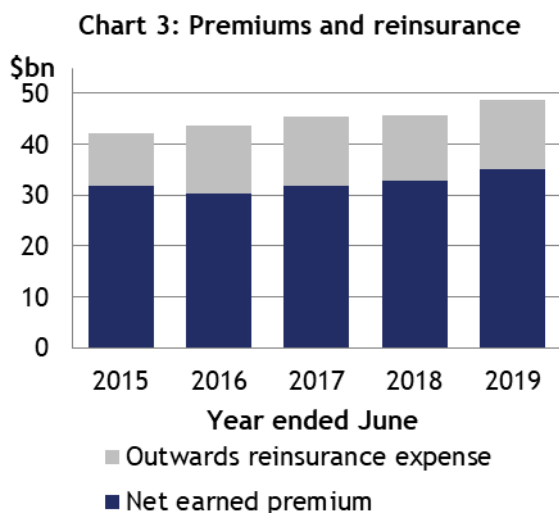
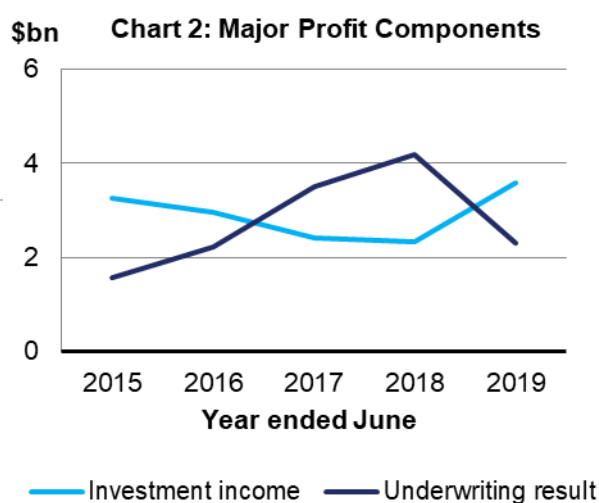
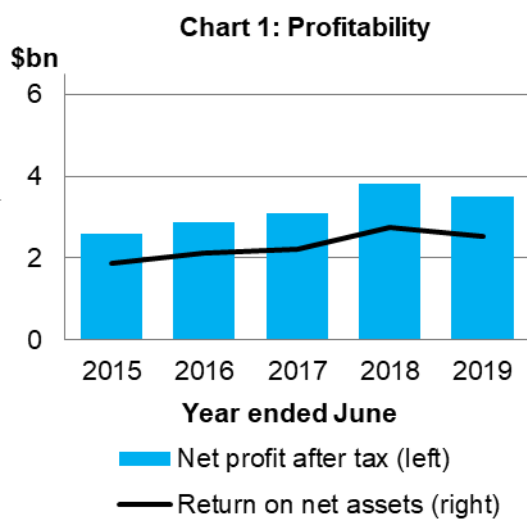
- Industry underwriting profit for the year to 30 June 2019 was \$2.3 billion (2018: \$4.2 billion). This result was negatively impacted by claims costs from the Sydney Hailstorm and Townsville Flood events, and a strengthening of claims reserves in most of the long tail classes of business. During the year insurers reported increases in gross earned premium, largely as a result of premium rate increases in the short tail property classes of business.
- Industry net loss ratio for long tail classes has increased to 73% due to reserve strengthening driven in part by falling bond yields.
- Investment income increased significantly during the year, mainly due to unrealised gains in fixed interest investments resulting from falling bond yields.
- Industry net profit after tax at \$3.5 billion and return on net assets at 12.4 per cent reduced slightly when compared to the prior year.
- Industry PCA coverage ratio increased from 1.76x to 1.80x over the June quarter.

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

	Year to 30 June 2018	Year to 30 June 2019	Change
Number of insurers	95	96	+1
Net profit after tax	\$3.8bn	\$3.5bn	-8.6%
Return on net assets	13.5%	12.4%	-1.1pp
Underwriting result	\$4.2bn	\$2.3bn	-44.7%
Investment income	\$2.3bn	\$3.6bn	+53.3%
Gross earned premium	\$45.6bn	\$48.7bn	+6.7%
Net earned premium	\$32.9bn	\$35.1bn	+6.7%
Gross incurred claims	\$30.2bn	\$37.9bn	+25.4%
Gross loss ratio	60%	72%	+12pp
Net loss ratio	62%	69%	+7pp
<i>short-tail property</i>	68%	70%	+2pp
<i>long-tail classes</i>	59%	73%	+14pp
Underwriting exp ratio	25%	25%	Unchanged
PCA coverage ratio	1.82x	1.80x	-0.02x

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

## Historical performance trends 2015 - 2019





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