

A few high level points:

- Overseas: an approach taken in the UK and the US is that the regulator there uses the investment markets to assist them in finding insurers that may have problems. They make a substantial amount of data public which allows public comment and scrutiny of an insurance company and the insurance industry.
- I think from a public policy perspective this can be a very good thing as (1) regulators by themselves may benefit from a second pair of eyes that can pick up some adverse trends and highlight them (2) capital flows may be allocated more efficiently resulting in more orderly markets (both participants and equity / debt investors can allocate capital to the more profitable segments of the market, and avoid perpetuating losses in unprofitable segments.
- Banking disclosures in Australia (APS 330s) are much more useful in helping perform the kind of analysis that I think the investment markets would like to undertake on assessing reserving levels of companies, understanding class of business growth trends and ultimately understanding the risks in a company.
- The negatives from public disclosure from more disclosure of data as I see it is that
 1. particular companies may disclose where they are most profitable, which may encourage competition. That is a possible negative from their perspective (although it may be good from a public policy perspective)
 2. there may be incorrect analysis of some of the data - leading to incorrect decisions being taken (over time this should diminish)
- The companies are APRA regulated entities and the government arguably has a duty to ensure efficient markets - even if that means that this may impinge on some barriers to entry for companies (being their own data). Arguably - in order to have a license it could be deemed that companies have an obligation to ensure that there is some data on their businesses is made publicly available in exchange for them having the right to write regulated classes of business.

Specific GI Data that we think should be made publicly available:

- GI: publicly available disclosures from APRA are OK to judge reported profitability by class currently, growth in GWP, growth in expenses etc.
- They are hard to use to help judge profitability by insurer -and drivers of that profitability (we can see reported profits and combined ratios - but not the sources of that by class of business or from reserve releases etc).
- Public disclosures from APRA to help judge reserving adequacy of particular markets or of particular insurers are very limited. It would be useful if

claims development or triangulated claims data was made publicly available for each class of business. We understand such data is collected by the regulator.

- Actual vs. expected progression of payments vs. assumptions are worth showing and tracking as this can help determine if reserving trends are justified by the actual experience. We understand such data is collected by the regulator.
- Components of the capital requirements for each company.

Specific Life Insurance Data that we think may be useful:

- Discountinances and DAC by class of business and by company (rather than at an aggregated company level) - if that is how they are collected.
- Components of the capital requirements for each company - so we can assess what are the main risks as assessed by the capital standards.

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