

ECONOMIC TRENDS AFFECTING THE GLOBAL INSURANCE INDUSTRY

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BARELY STAYING AFLOAT

- ▶ Low Investment returns – the new normal
- ▶ Economic slowdown continues
- ▶ Less trade less risk
- ▶ Where's the new middle class?
- ▶ Don't mention the oil price – are we all doomed?

A GLASS HALF FULL?

▶ **IMPACT ON INSURERS**

- ▶ Falling demand for cover
- ▶ Third party capital still a threat
- ▶ Protectionism on the rise
- ▶ Political risk and violence increasing
- ▶ Regulatory burden growing
- ▶ Demand for profitable underwriting

A GLASS HALF EMPTY?

- ▶ Need for new covers for new risks
- ▶ Reinsurance pricing still under pressure
- ▶ Nat Cats rise but still below ten year average
- ▶ The end of the reserve release is near
- ▶ Global premium levels still growing

EVERY CLOUD HAS A SILVER LINING!!!



LIGHT AT THE END OF THE TUNNEL-
RELEVANCE REMAINS THE KEY