

THE STATS

● The market for agricultural and farm insurance has been relatively flat over the last 12 months, according to the Average Premium Index from SSP.

As the latest statistics from the insurance software provider show, premiums remained flat between November 2014 and August 2015.

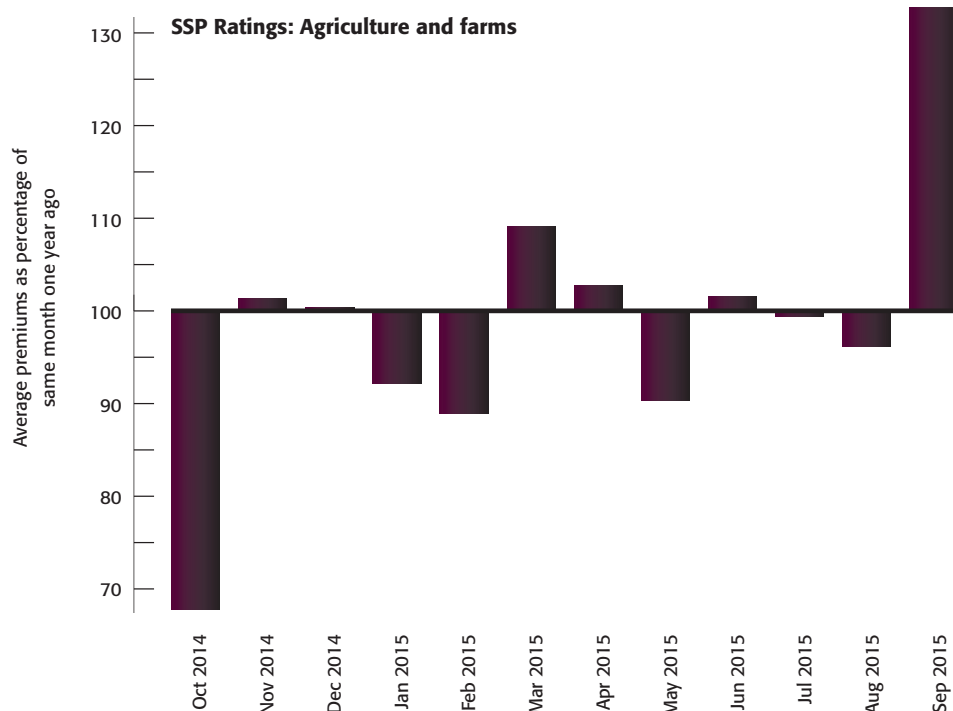
However, there were a couple of exceptions to the rule. There was a major dip in average premiums in October 2014, compared to the same month in 2013. In contrast, September 2015 saw a big jump in premiums, which rose almost 33% compared to September 2014.

According to SSP, the numbers behind this graph contain all of the agriculture and farm insurance business that goes through its system, including several different business lines such as farmers' vehicle and farmers combined.

Thus, to be clear, *Insurance Age* interviewed experts about the general state of the farm insurance market, rather than the granular numbers behind the overall graph or the more extreme months.

The feedback was similarly clear: premiums in the wider sector have been flat.

John Noone, managing director of H&H Insurance Brokers, said he did not expect to see an improvement in rates in the short term, but noted that the sector needed to see an increase at some point in the future.



Noone described the farm insurance space as a fiercely competitive area for brokers and added that, apart from understanding farming, having good relationships with clients was one of the most important things to succeed in the sector.

"It's about having a mix of the right technical knowledge and the ability to

determine the risks," he said. "But it's also about building relationships with clients. Insurance is a people business after all and it's about building up trust."

He added: "You need to find the right policy at the right price. It's not necessarily going to be the cheapest policy, but it will be the most cost effective one."

A.M. Best Company: Top 10 commercial lines financial loss insurers in the UK

Rank 2014	Rank 2013	AMB	Company name	Rating	Ultimate parent	GWP (£000s)	underwriting result* (£000s)	combined ratio (%)	Loss ratio (%)
1	1	87416	AIG Europe	A	American International Group	190,028	-18,230	119.4	79.4
2	2	86485	Ace European Group	A++	Ace	142,309	-2,785	106.5	75.9
3	3	87312	HCC International Insurance Company	NR	HCC Insurance Holdings	91,397	20,373	67.1	33.4
4	4	87425	Liberty Mutual Insurance Europe	A	Liberty Mutual Holding Company	67,741	-31,650	N/A	N/A
5	6	86126	QBE Insurance (Europe)	A	QBE Insurance Group	48,065	15,176	N/A	N/A
6	5	85630	Chubb Insurance Company of Europe SE	A++	The Chubb Corporation	43,356	-2,462	109.2	79.5
7	8	84806	Aspen Insurance UK	A	Aspen Insurance Holdings	29,784	848	178.1	42.0
8	7	87466	Motors Insurance Company	NR	AmTrust Financial Services	29,476	4,993	80.4	78.1
9	11	85173	Markel International Insurance Co	A	Markel Corporation	23,882	1,846	N/A	N/A
10	12	77622	Catlin Insurance Company (UK)	A	XL Group	16,826	-1,664	N/A	N/A

* Underwriting result excludes investment income. Note: Some ratio figures are not available (N/A) because more than 1% of these companies' commercial lines financial loss insurance business is accounted for on an underwriting year basis, for which earned premiums is not disclosed on the PRA return. Figures in above table are based on PRA returns of financial year 2014 for commercial lines financial loss insurance business lines (reporting category 280)
Ratings as of October 12, 2015. Source: A.M. Best's Financial Suite - Best's Statement File - UK ©