

THE STATS

● The private car insurance market has been on a mild roller-coaster ride over the last 12 months, according to the Average Premium Index from SSP.

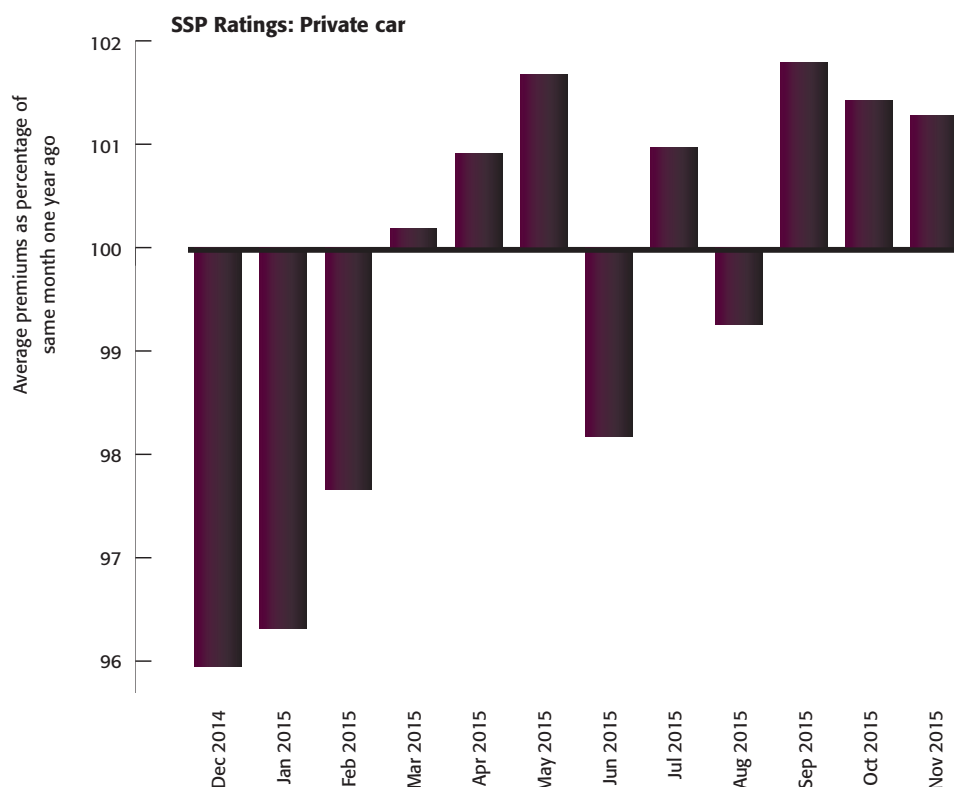
The latest statistics from the software provider show that premiums have been swinging up and down between December 2014 and November 2015.

The largest dips reported during the 12-month period were in the winter months and premiums were lower than in the preceding year from December 2014 through to February 2015. As the graph shows, across Spring and Autumn most of the months posted rises – with June and August the notable exceptions. The strongest increases came in May and September.

However, while premiums have been seesawing away across the individual months, the overall view is that of a relatively flat market without any major differences to report. During the largest dip, in December 2014, premiums were about 4% lower than in the same month in 2013. Similarly the largest jump, which took place in September 2015, reached 1.8% higher than the same month in the preceding year.

According to Gary Humphreys, group underwriting director for Markerstudy, there were no real surprises in the SSP data.

However, he pointed out that the ratings were not necessarily representative of the whole market and explained that other surveys had shown



higher rate increases in the fourth quarter of 2015.

Humphreys commented: "There are anomalies, most likely due to the increased rates insurers often apply at the end of the year to slow volumes, which are then reversed in the first quarter."

He further noted that the market was currently stable and mentioned that there was good rating discipline.

Looking at the coming months, he added: "Going forward, I expect good news from the latest government review to lead to further rate reductions when legislation is enacted."

A.M. Best Company: Top 10 personal motor 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	87648	UK Insurance	NR	Direct Line Insurance Group	1,262,604	1,054	100.7	69.3
2	2	86524	Aviva Insurance	A ¹	Aviva	1,206,362	-27,544	102.7	82.0
3	3	87864	Liverpool Victoria Insurance Company	NR	Liverpool Victoria Friendly Society	709,926	3,515	103.0	81.5
4	5	87233	Ageas Insurance	NR	Ageas SA/NV	680,750	-7,051	101.1	78.4
5	4	86160	Great Lakes Reinsurance (UK) SE	A+	Munich Reinsurance Company	646,361	-1,846	N/A	N/A
6	6	92588	Axa Insurance UK	NR	Axa SA	497,889	13,797	104.9	81.8
7	8	84803	esure Insurance	NR	Esure Group	405,542	7,759	98.3	77.8
8	9	49268	Tesco Underwriting	NR	Tesco	367,183	-9,935	104.9	82.6
9	7	86257	Royal & Sun Alliance Insurance	NR	RSA Insurance Group	360,831	-2,006	101.3	70.5
10	11	86373	Allianz Insurance	NR	Allianz SE	336,299	-45,927	114.1	88.3

* Underwriting result excludes investment income. Note: Some ratio figures are not available (N/A) because more than 1% of these companies' personal lines motor 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 personal lines motor insurance business (reporting category 120). ¹ Rating relates to AMB 78773 Aviva Insurance.
Ratings as of January 7, 2016. Source: A.M. Best's Financial Suite - Best's Statement File - UK ©