

**IUMI**  
SEPTEMBER 16 - 19



## Marine Insurance in Latin America

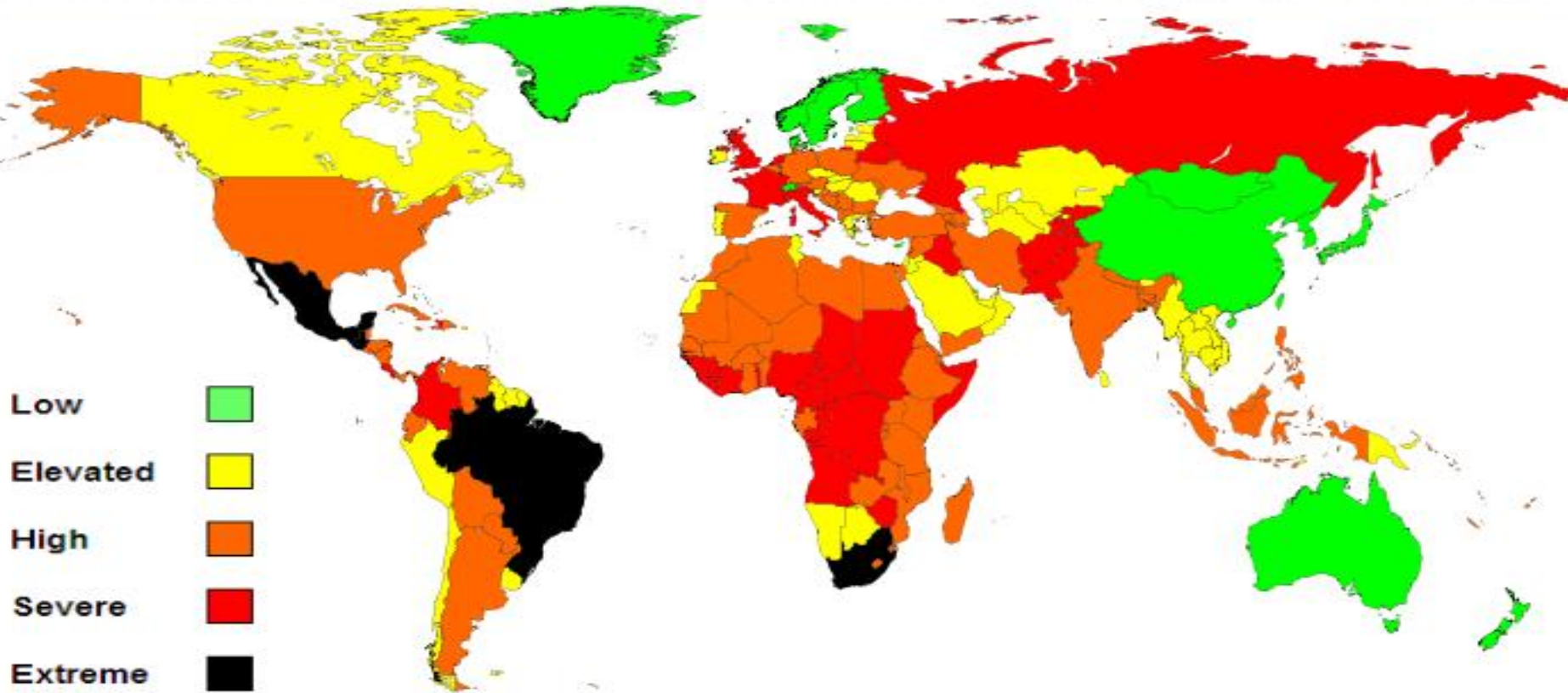
Erika A. Schoch

Swiss Re & ALSUM

Latin American Marine Underwriters Association



## Cargo Theft - Country Risk Profile





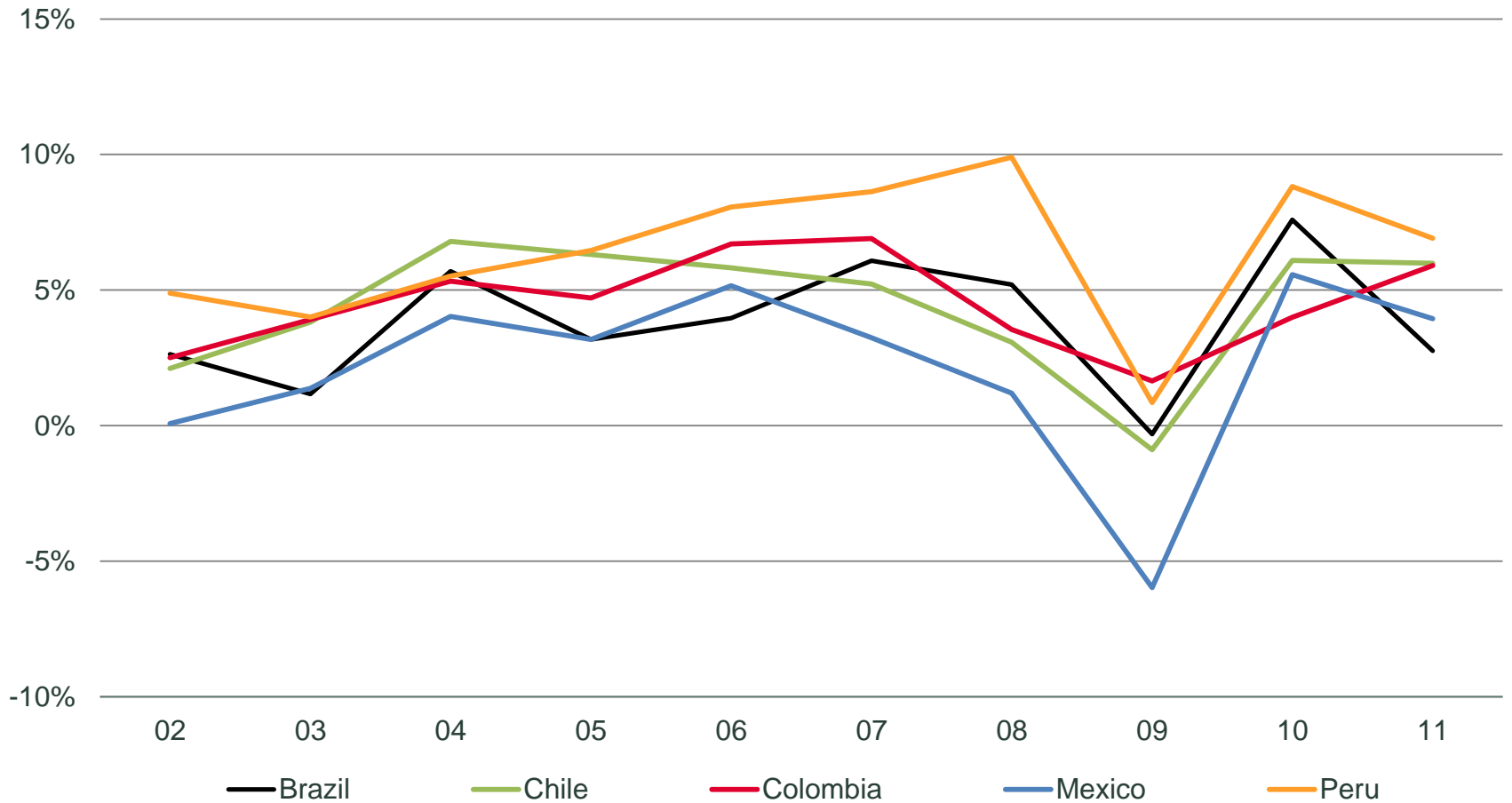
## Extreme Risk Countries - Mexico & Brazil



IUMI PARIS 2011

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# Latin American Real GDP Growth

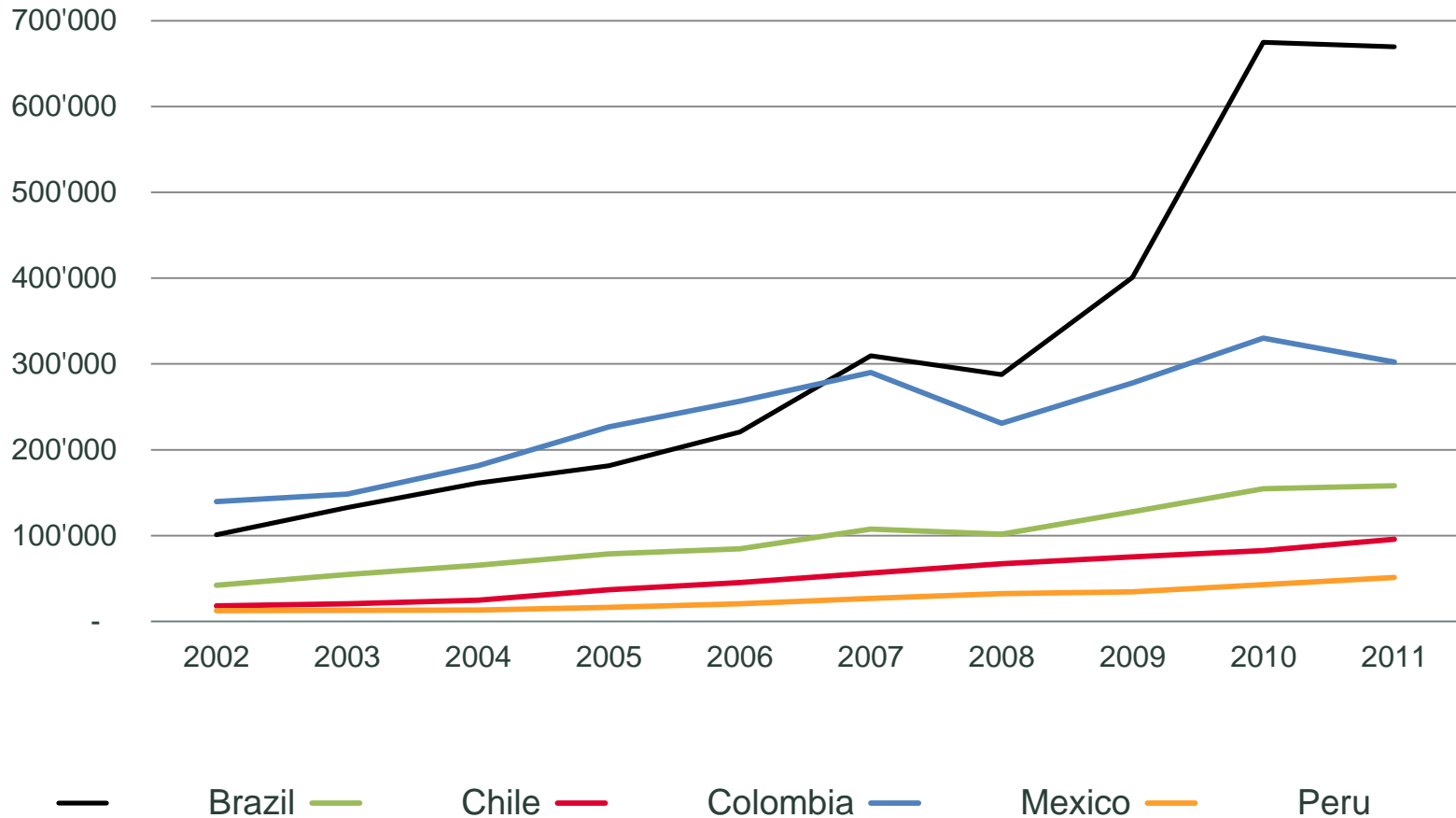


Source: Swiss Re Economic Research & Consulting

# Inward and Outward Foreign Direct Investment Stock (2002-2011)



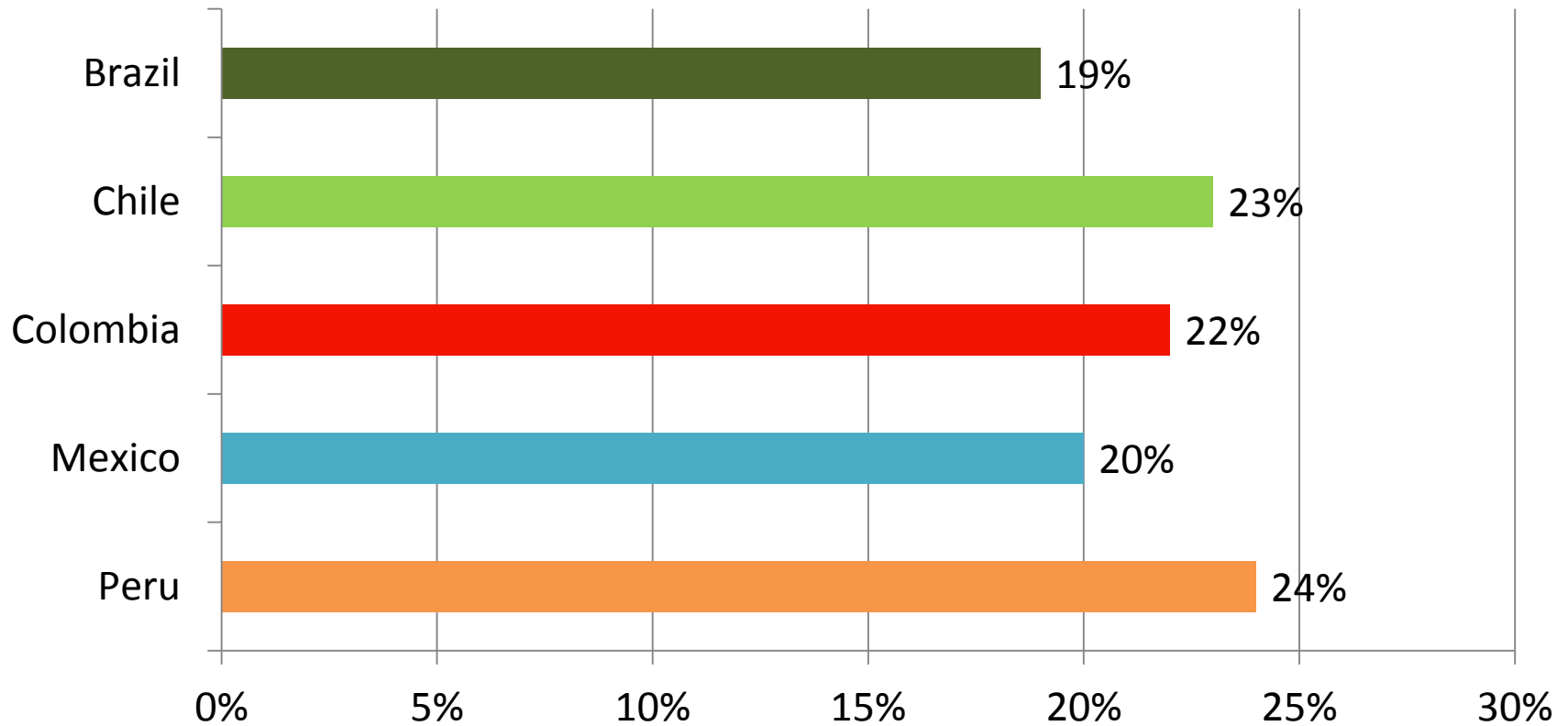
(in mio USD)



Source: Swiss Re Economic Research & Consulting



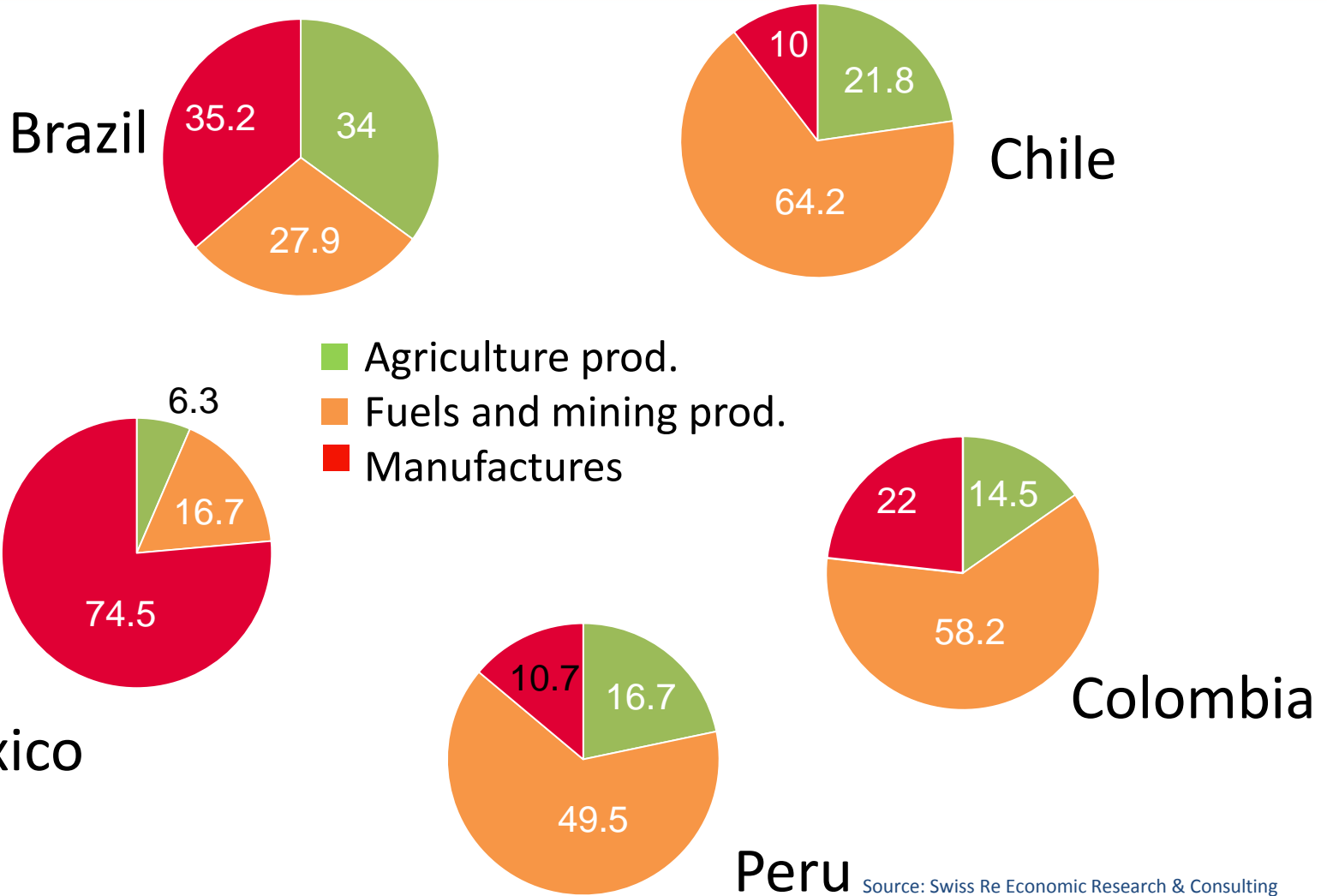
## Investment Rate as part of the GDP



Source: Swiss Re Economic Research & Consulting



## Exports by sector (%)



Source: Swiss Re Economic Research & Consulting



Country	Foreign Currency Long Term			Foreign Currency Short Term		
	Moody's	S&P	Fitch	Moody's	S&P	Fitch
Brazil	Baa2	BBB	BBB	NR	A-2	F2
Chile	Aa3	A+	A+	NR	A-1	F1
Colombia	Baa3	BBB-	BBB-	NR	A-3	F3
Mexico	Baa1	BBB	BBB	WR	A-2	F2
Peru	Baa1	BBB	BBB	NR	A-2	F2

Source: Bloomberg – Proinversion





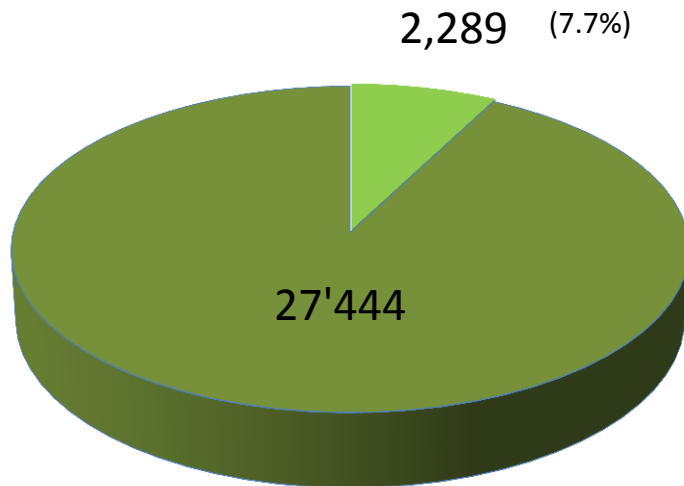
Nr.	Economic Freedom Index (186 countries)
1	Hong Kong
41	Colombia
42	Peru
47	Chile
54	Mexico
99	Brazil

Nr.	Ranking Doing Business (183 Countries)
1	Singapore
39	Chile
41	Peru
42	Colombia
53	Mexico
126	Brazil

Source: Economic Freedom Index, Doing Business

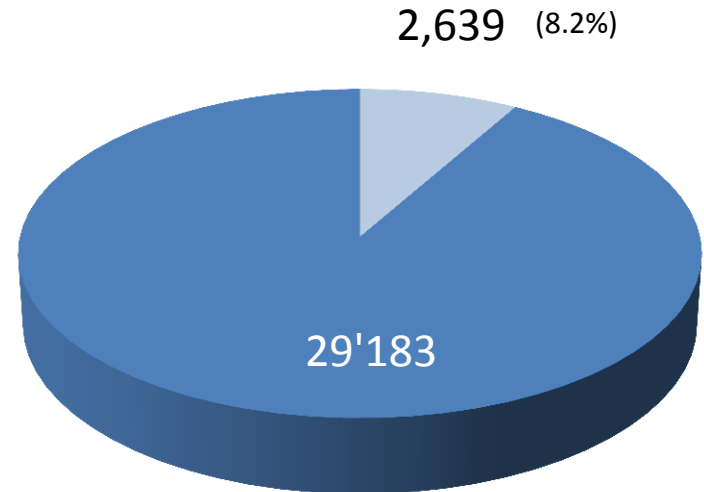


**2010**  
(in USD mio)



- Latin America
- Rest of the World

**2011**  
(in USD mio)

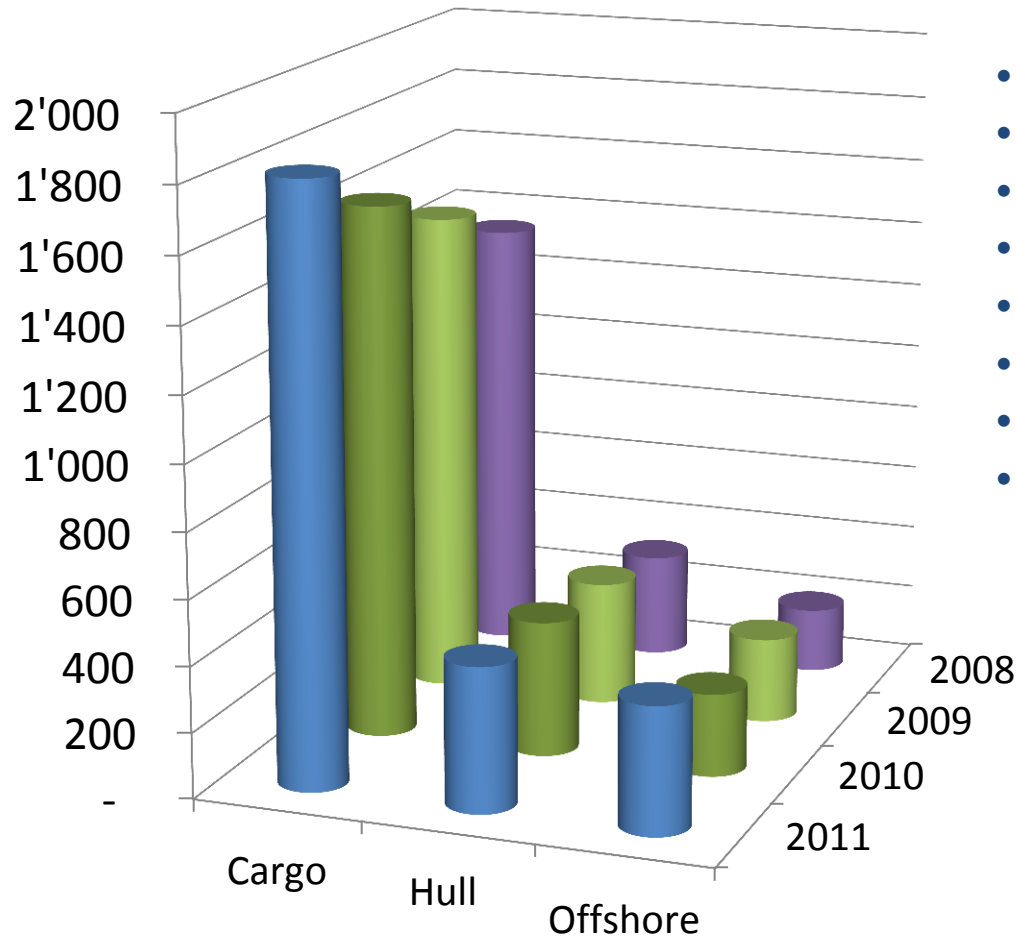


- Latin America
- Rest of the World

Source: IUMI, ALSUM

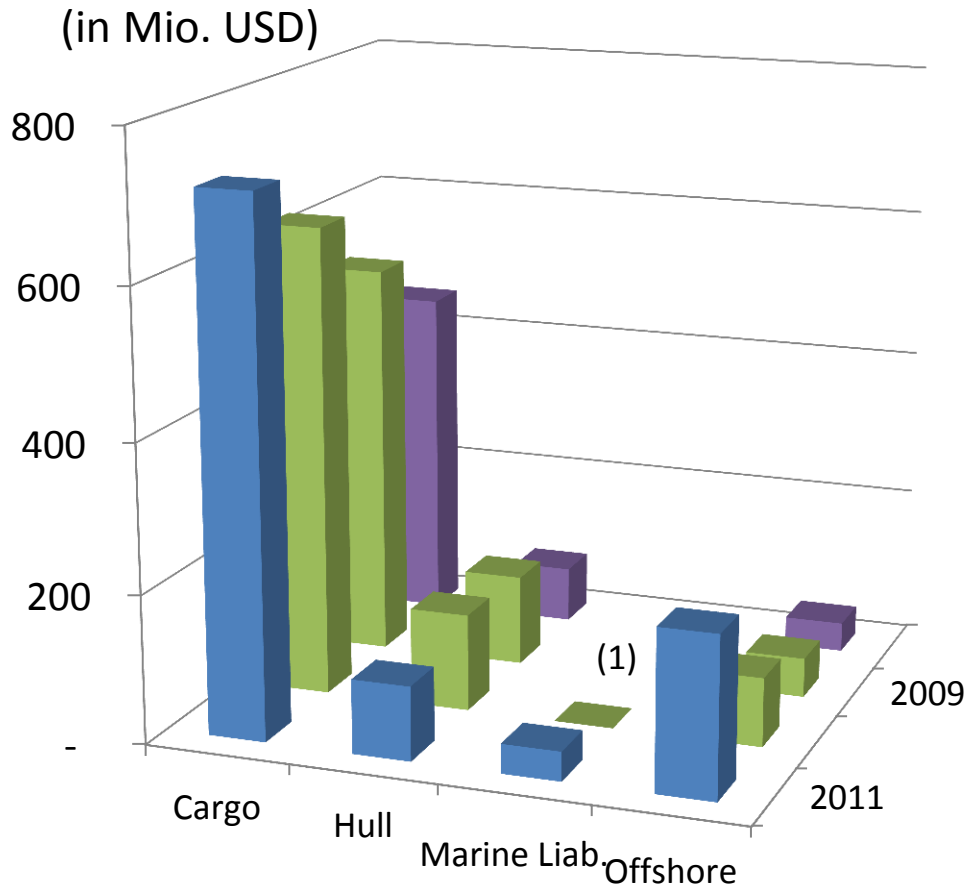


(in Mio. USD)



- Economical & Legal Environment
- Social & Political Environment
- Infrastructure
- The New "Sexy"
- Market competition
- Lack of marine knowledge
- Excess of Confidence
- LA Classic Marine Risks

Source: ALSUM



- Economical & Legal Environment
- Political & Social Environment
- Size of the market
- Protectionism vs PAC 1 & 2 (2)
- Infrastructure
- Auto-sufficient
- Coinsurance
- Quick learner
- Nat Cat Exposures
- LA Classic Marine Risks

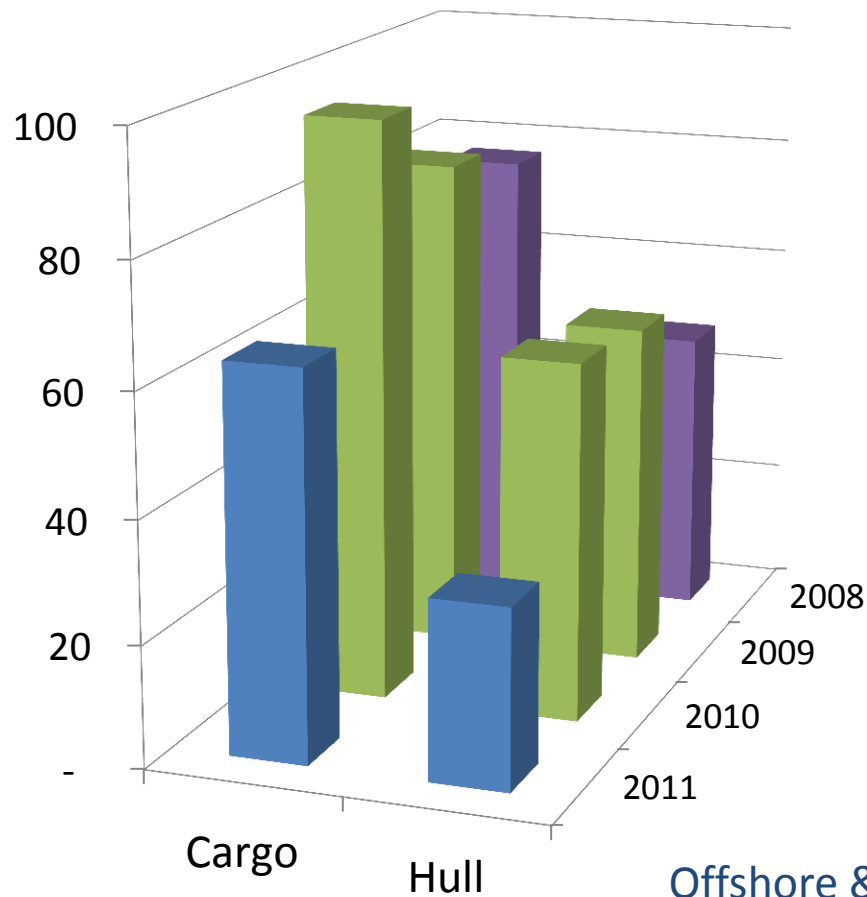
(1) Before 2011 Marine Liab. were included within the Hull LoB

(2) PAC = Programa de Aceleração de Crescimento

Source: ALSUM



(in Mio. USD)



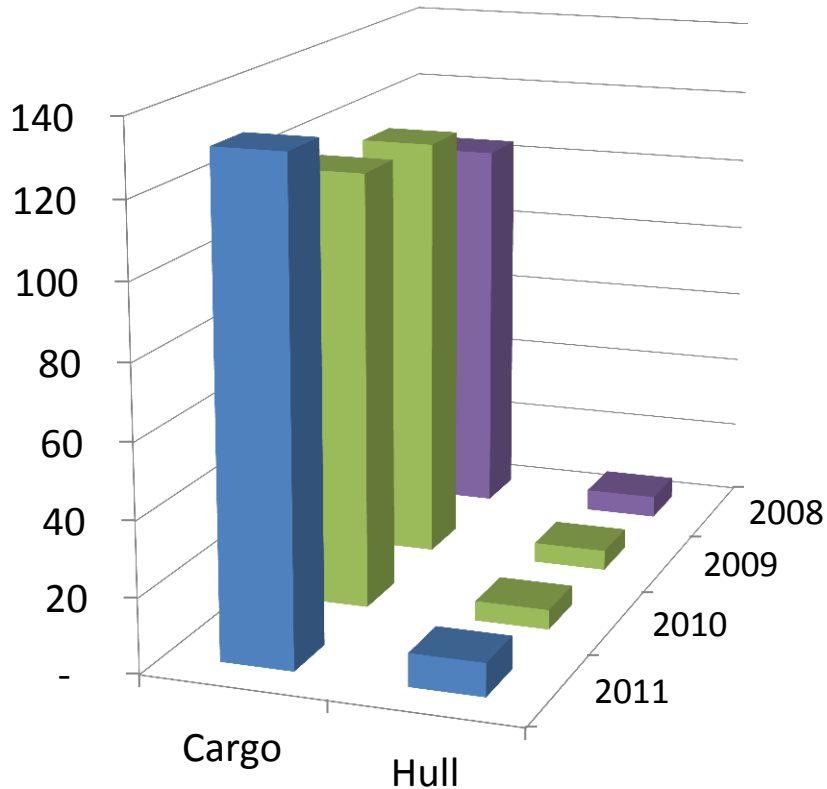
- Economical & Legal Environment
- Political & Social problems
- Infrastructure
- Nat Cat Exposure
- Technical vs Commercial Rates
- Coinsurance (in Hull)
- London Market Attention
- LA Classic Marine Risks

Offshore & Marine Liab.: No data available

Source: ALSUM



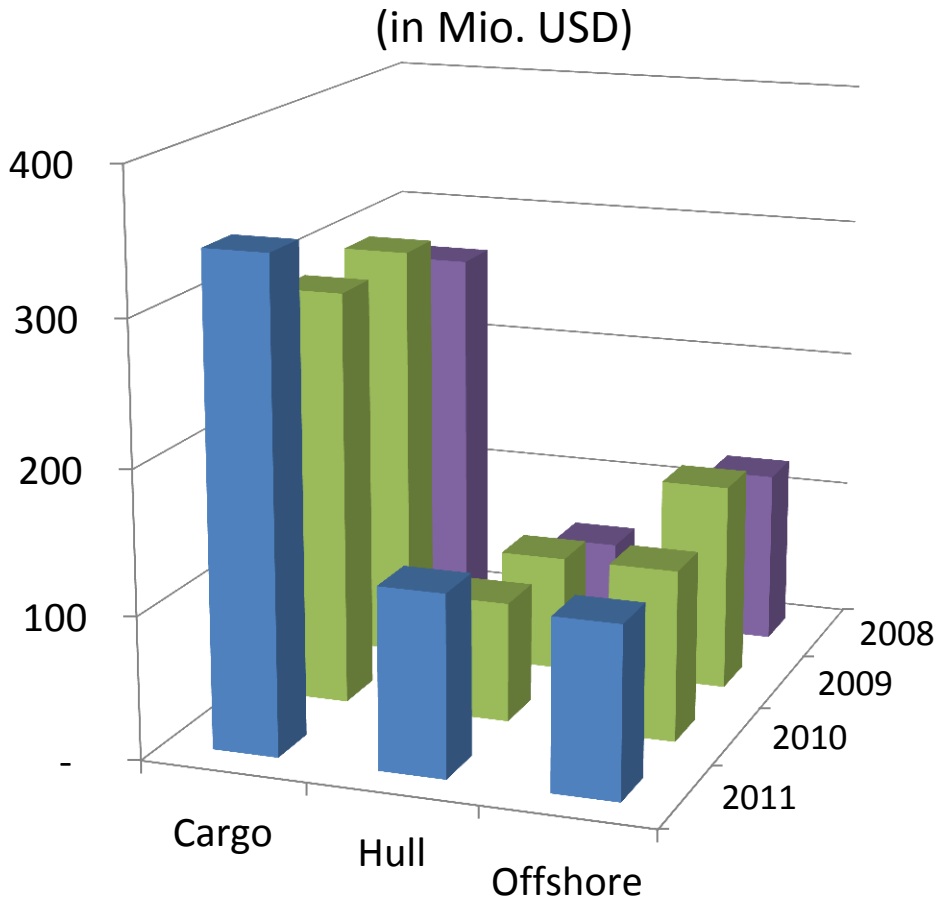
(in Mio. USD)



- Economical & Legal Environment
- Political & Social Environment
- Infrastructure
- Technical vs Commercial market
- Nat Cat Exposures
- LA Classic Marine Risks

Offshore & Marine Liabilities : No data available

Source: ALSUM



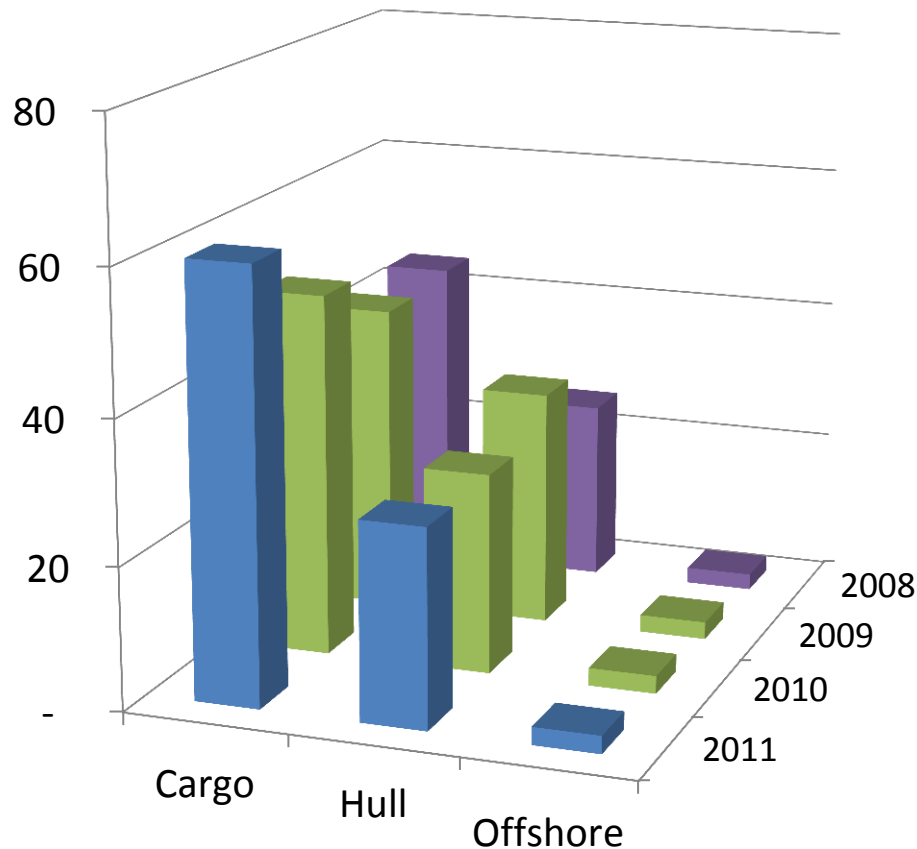
- Economical & Legal Environment
- Political & Social Environment
- Infrastructure
- USA
- Size of the market
- Nat Cat Exposures
- Classic Marine Risks

Offshore data is best estimates  
Marine Liabilities: No data available

Source: ALSUM



(in Mio. USD)



- Economical & Legal Environment
- Political & Social Environment
- Infrastructure
- A "Fishy" market
- Market competition
- Nat Cat Exposures
- Classic Marine Risks

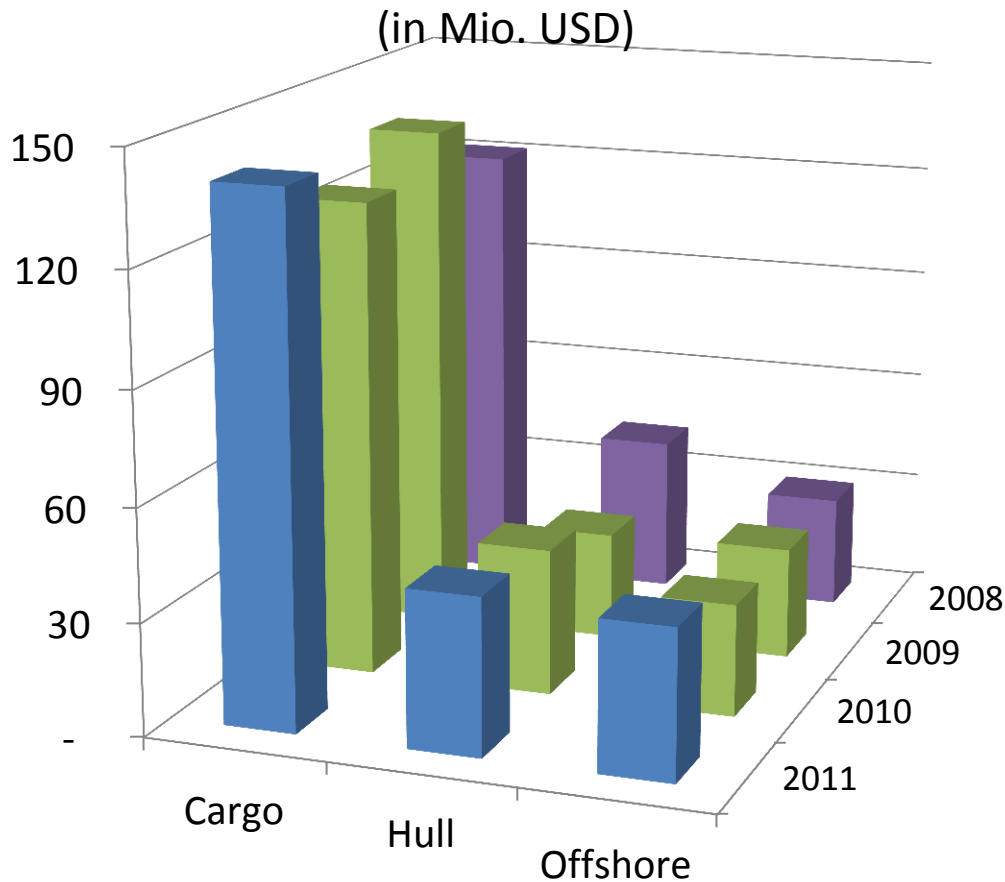
Offshore data is best estimates

Marine Liabilities: No data available

Source: ALSUM



# Venezuelan Marine Market Analysis



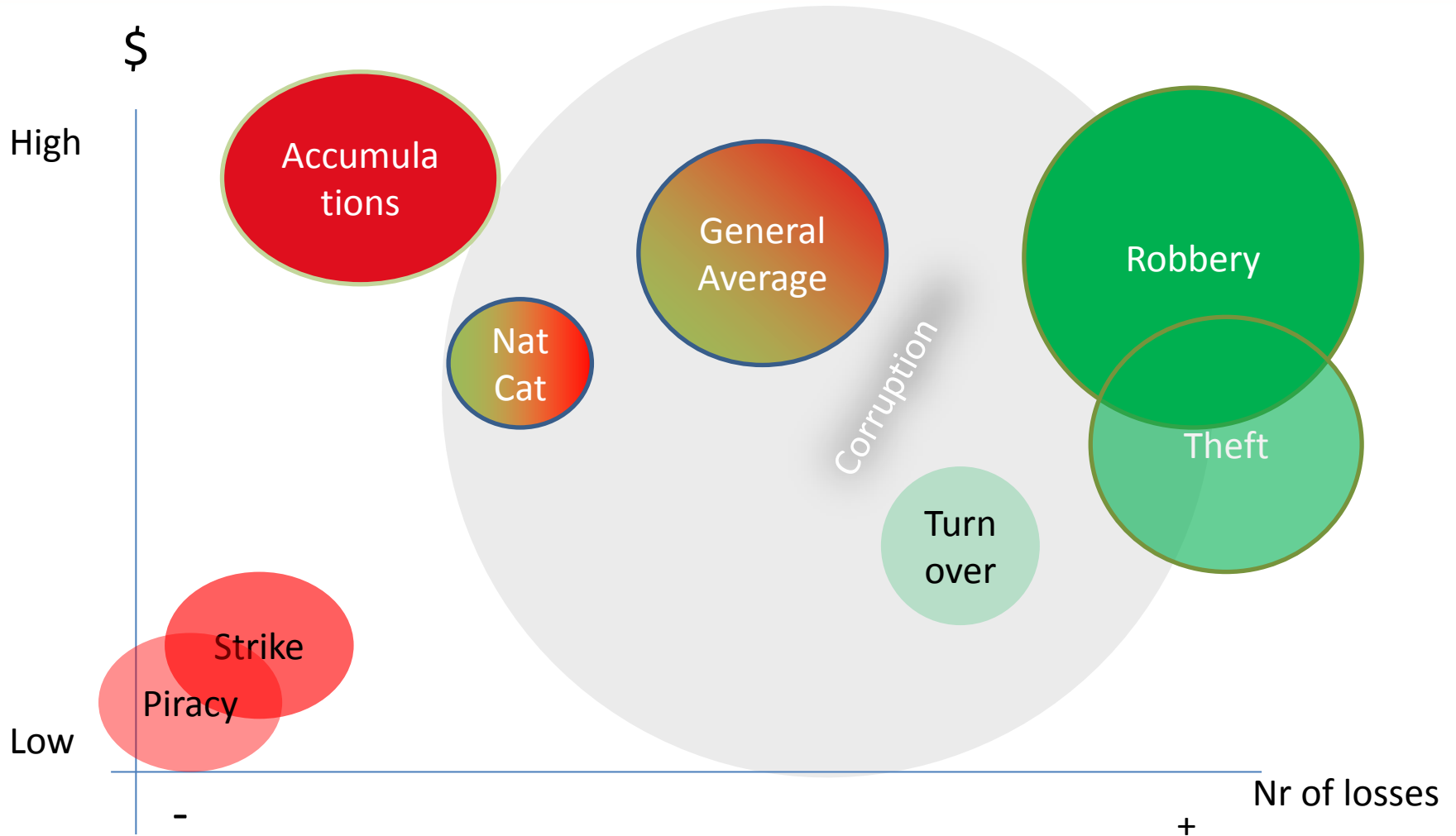
- Economical & Legal Environment
- Political & Social Environment
- Infrastructure
- Currency / Exchange Rate Control
- LA Classic Marine Risks

2011 data is best estimates

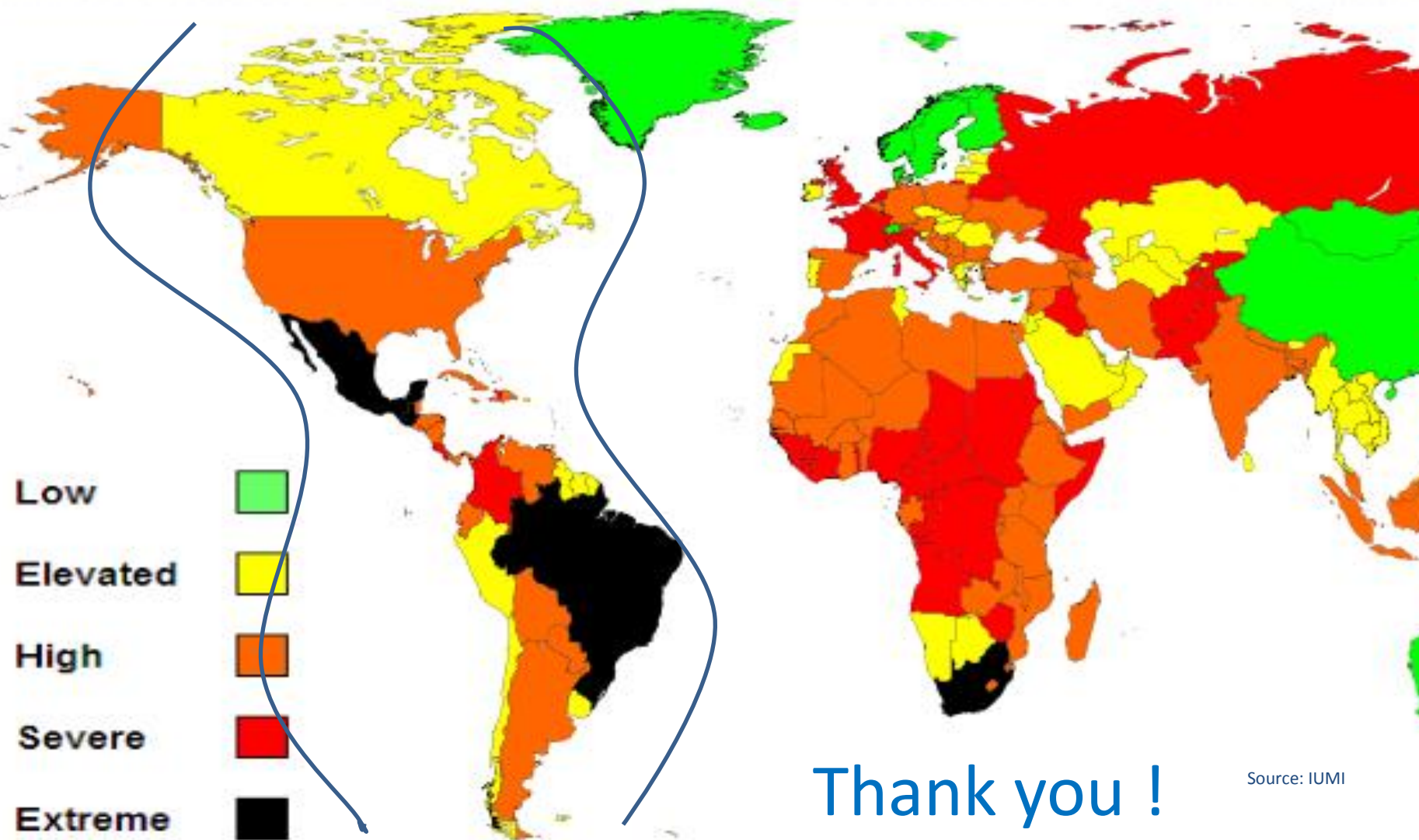
Marine Liabilities: No data available

Source: ALSUM

# Classic Marine Risks in Latin America



# Let's Come Back to the Present – Sept, 2012



Thank you !

Source: IUMI