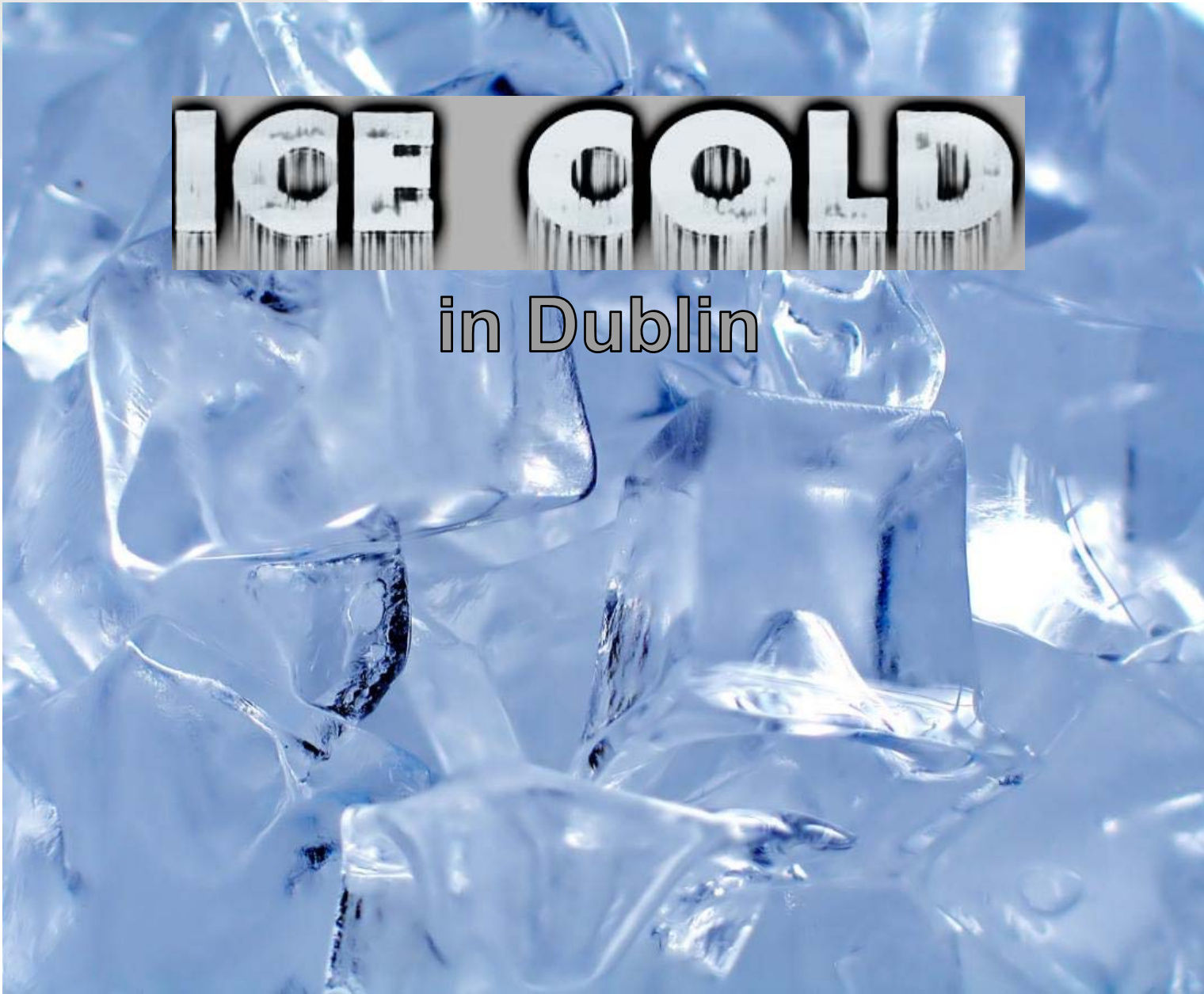




IMCC'12

Deirdre Littlefield
Starr Marine





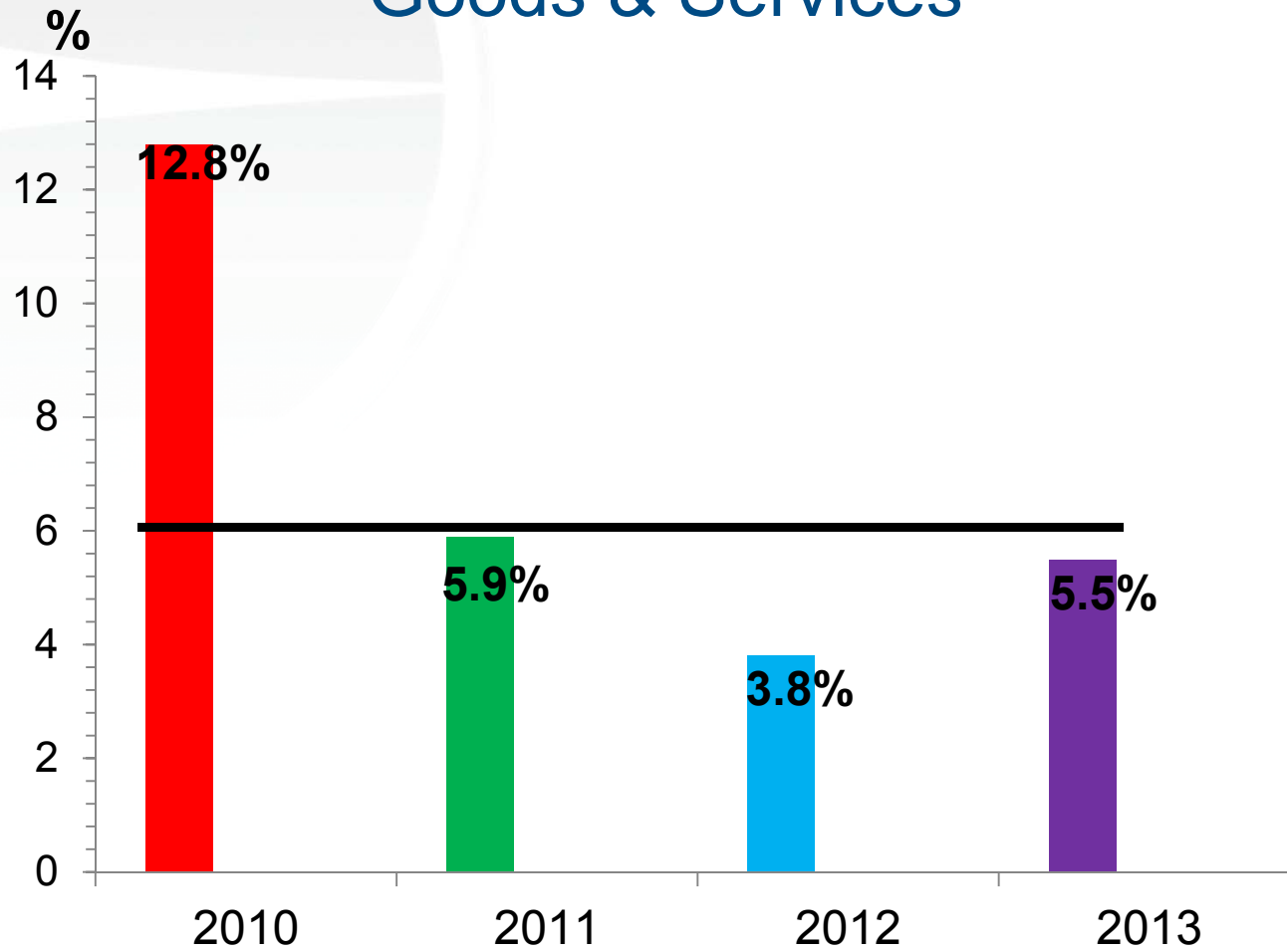
Global Economic Growth

	<u>2012</u>	<u>2013</u>
Worldwide	3.5%	3.9%
Advanced Economies	1.4%	1.9%
Euro	(.3%)	.7%
U.S.	2.0%	2.3%
U.K.	.2%	1.4%
Japan	2.4%	1.5%
Emerging Economies	6.4%	6.1%
China	8.8%	8.5%
India	6.1%	6.5%
U.K.	3.4%	4.6%

“Outlook for trade darkened in recent months.”



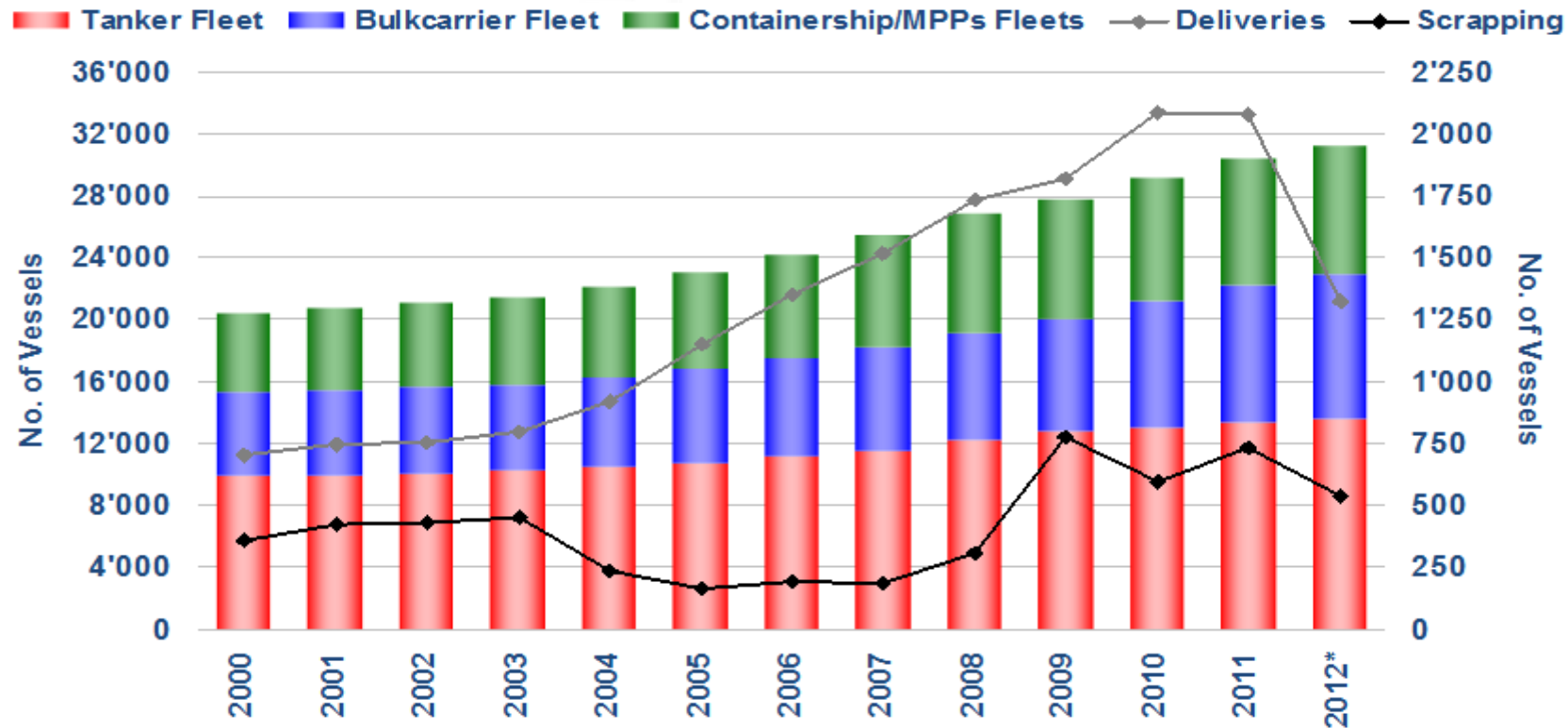
World Trade Volume Goods & Services





Marine Insurance
Charting the Course Through Economic
Uncertainty

Tanker, Bulkcarrier, Containership and Multipurpose Fleets



Source: Clarkson Research, August 2012.

Note (1): Includes all vessels in these categories above 100 GT.

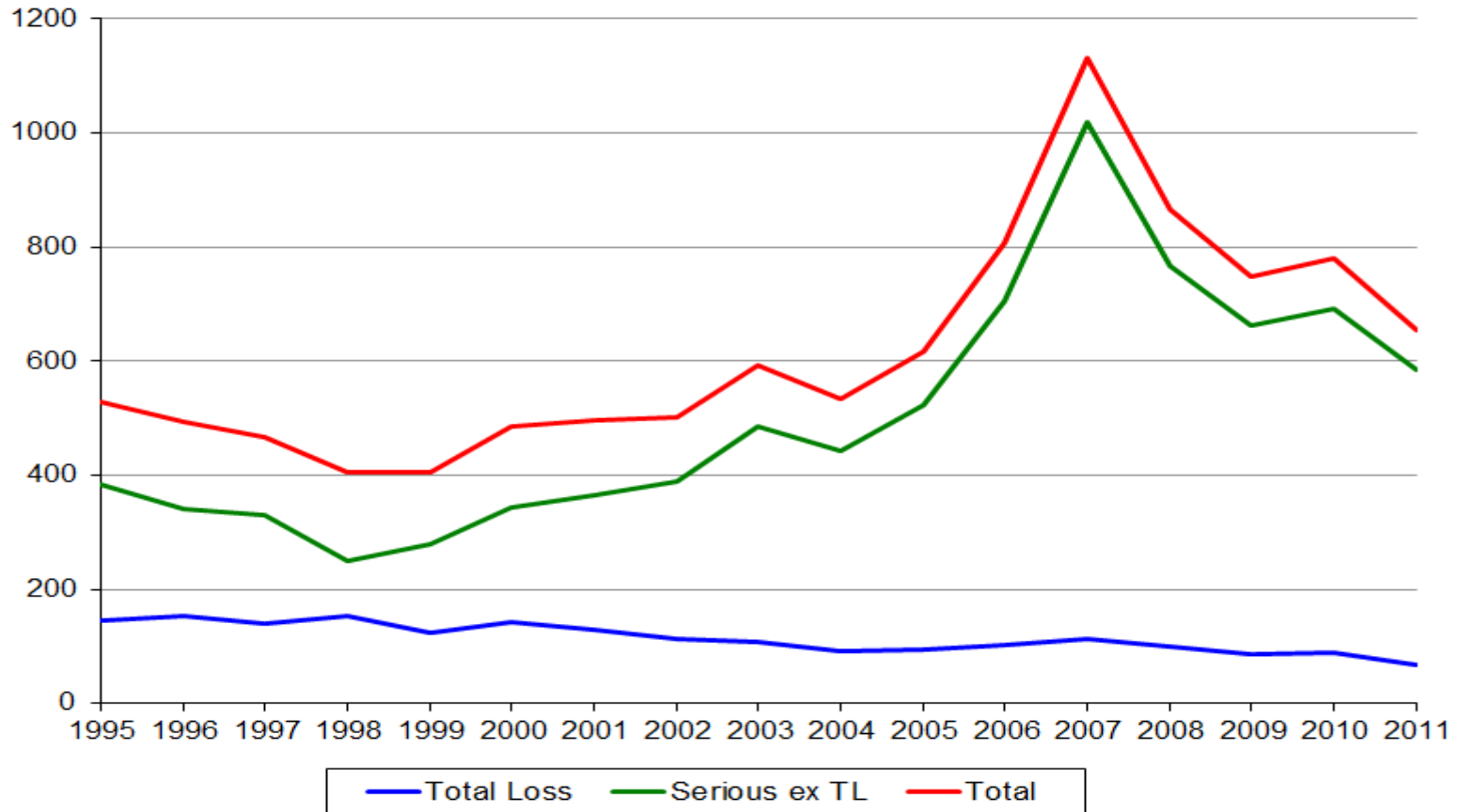
Note (2): All fleet totals are on the left-hand axis and deliveries and scrapping figures are on the right hand axis. Fleet totals are as at end year; deliveries and scrapping figures are full year totals.

Note (3): * 2012 data is for the year to August 1, 2012.

Serious and Total Losses 1995 – 2011

By Number
(vessels > 500 GT)

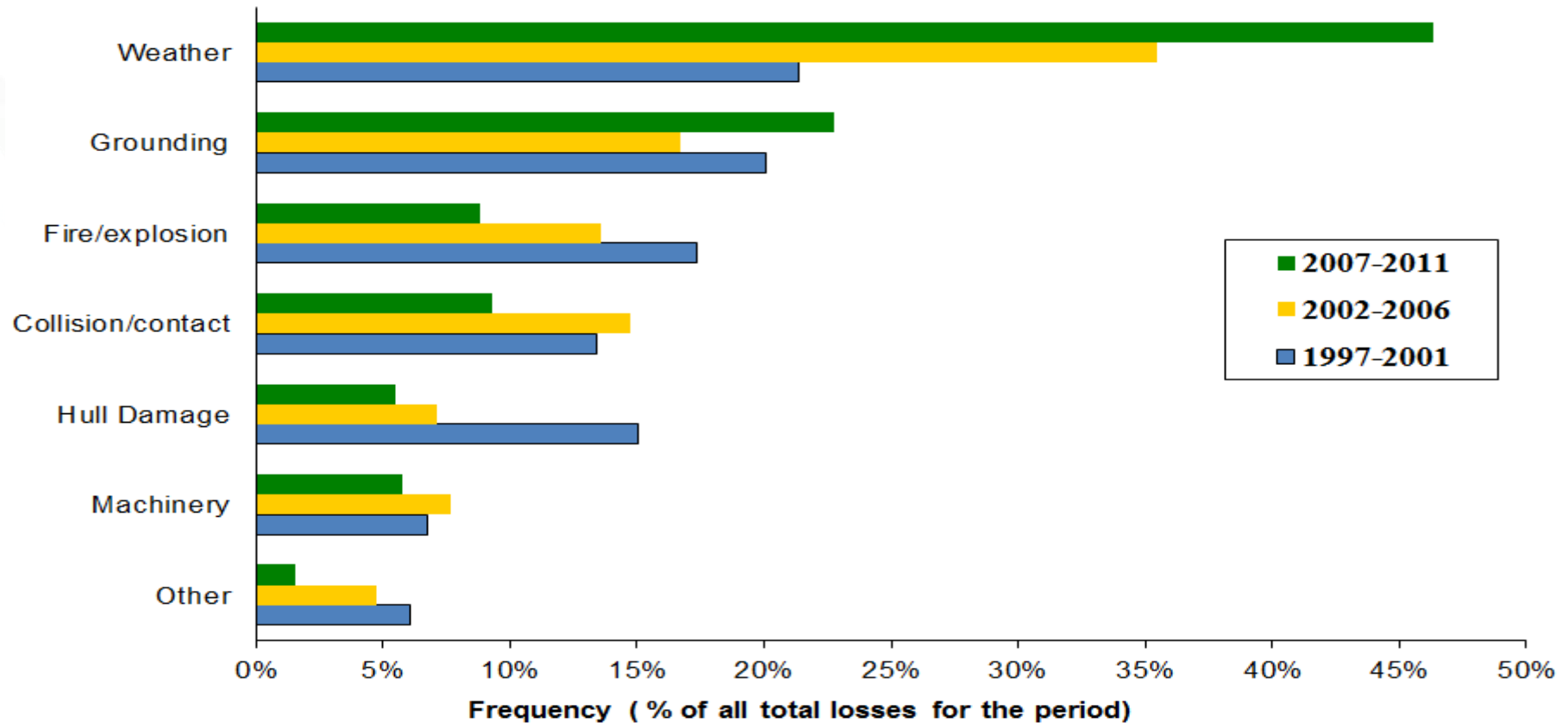
Number of Incidents



Source: LMIU, total losses as reported by Lloyds List

Total Losses 1997–2011

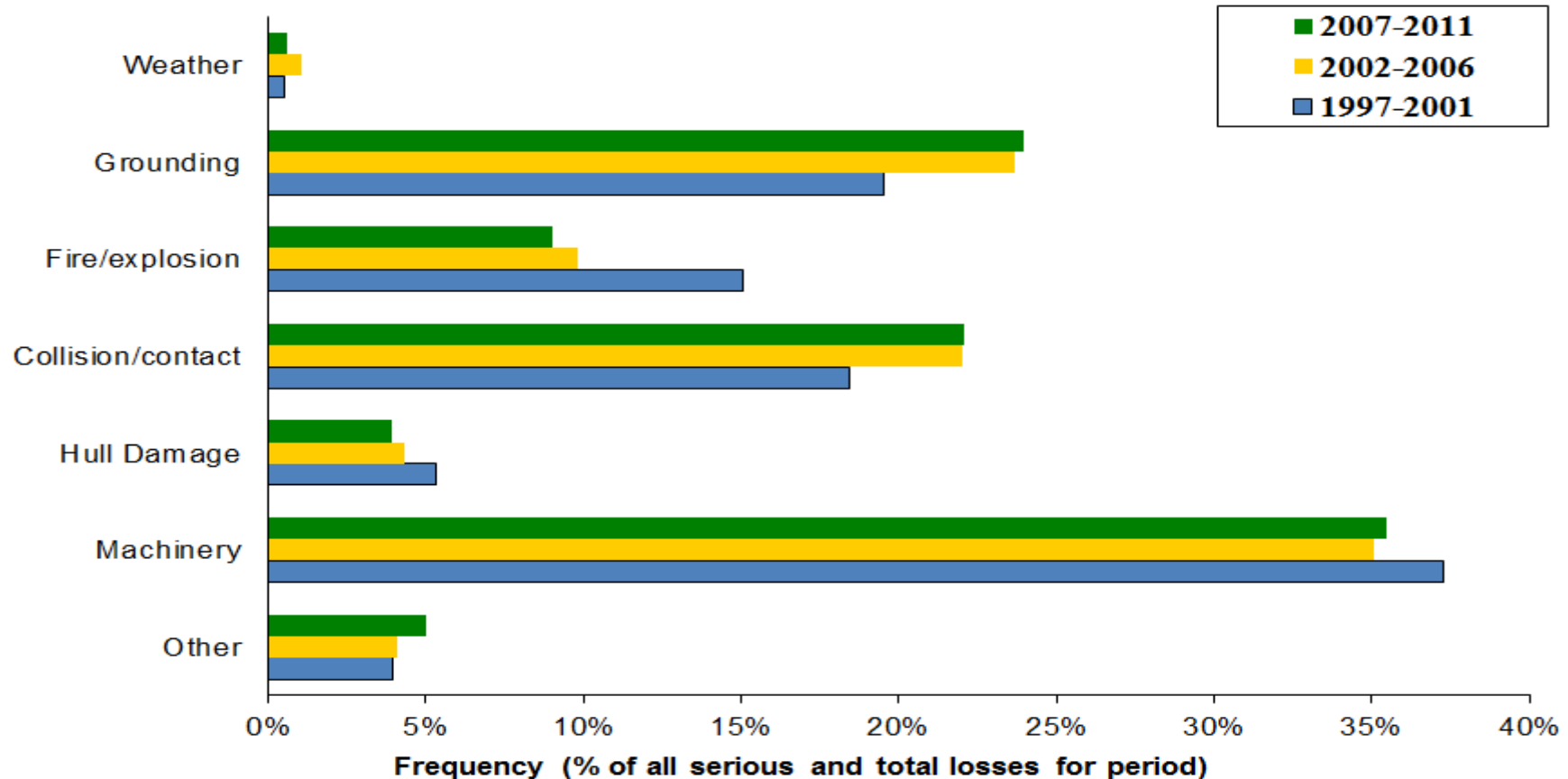
By Cause, All Vessel Type
(vessels > 500 GT)



Source: LMIU, total losses as reported by Lloyds List

Serious Losses 1997– 2011

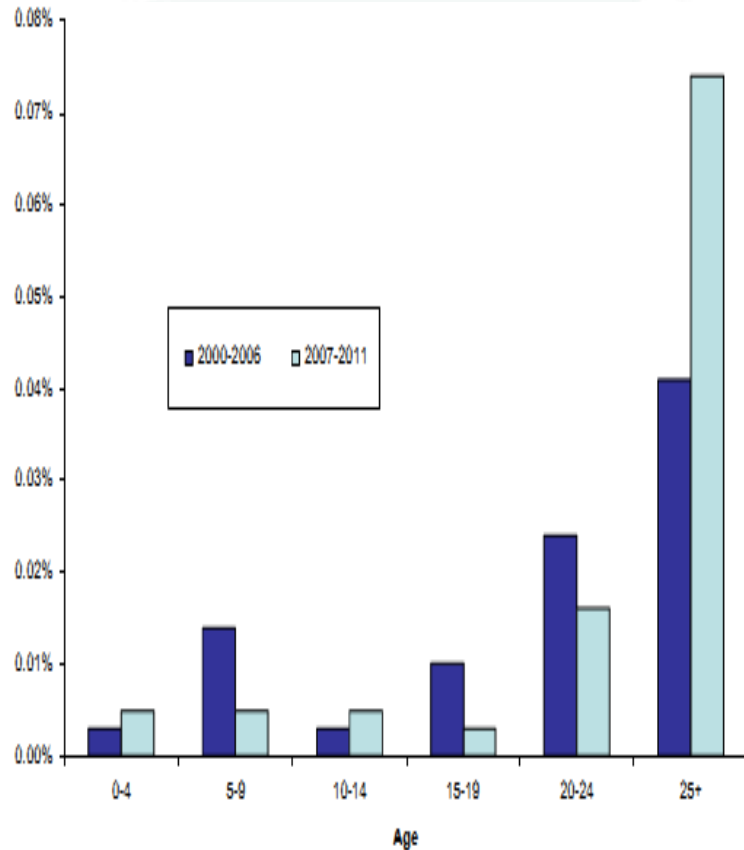
By Cause, All Vessel Type
(vessels > 500 GT)



Source: LMIU, total losses as reported by Lloyds List

Total Bulker Losses by Age

Percentage of World Bulker Fleet
Bulkers > 10,000 DWT

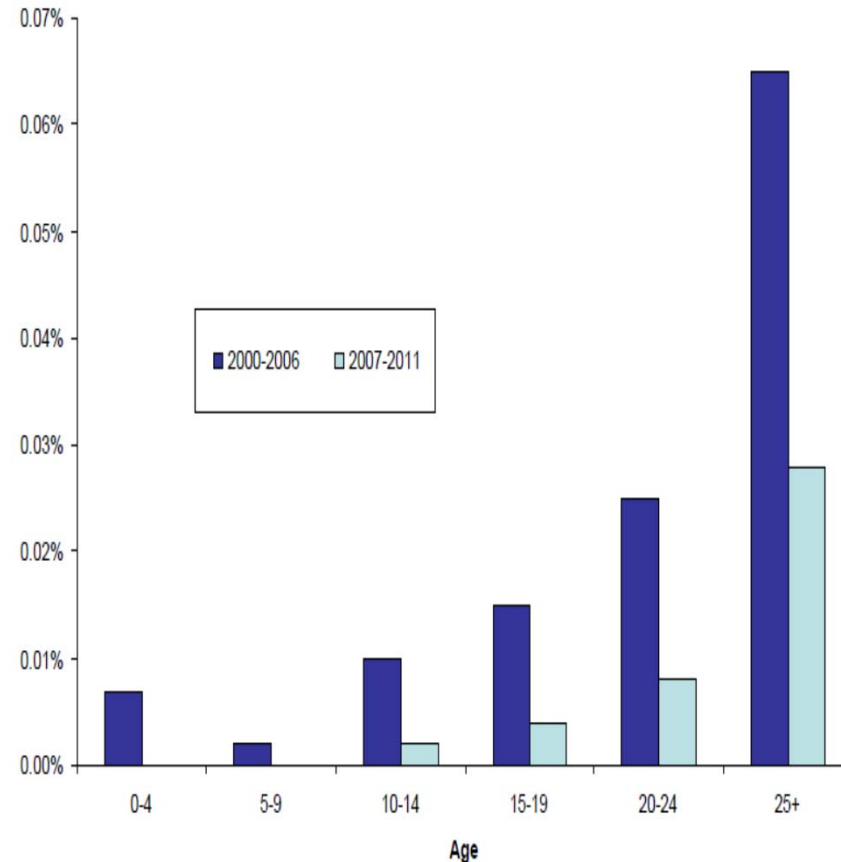


Source: Fleet numbers : Clarkson Research Services

Losses: LMIU, total losses as reported in Lloyds List

Total Tanker Losses by Age

Percentage of World Tanker Fleet
Tankers > 10,000 DWT

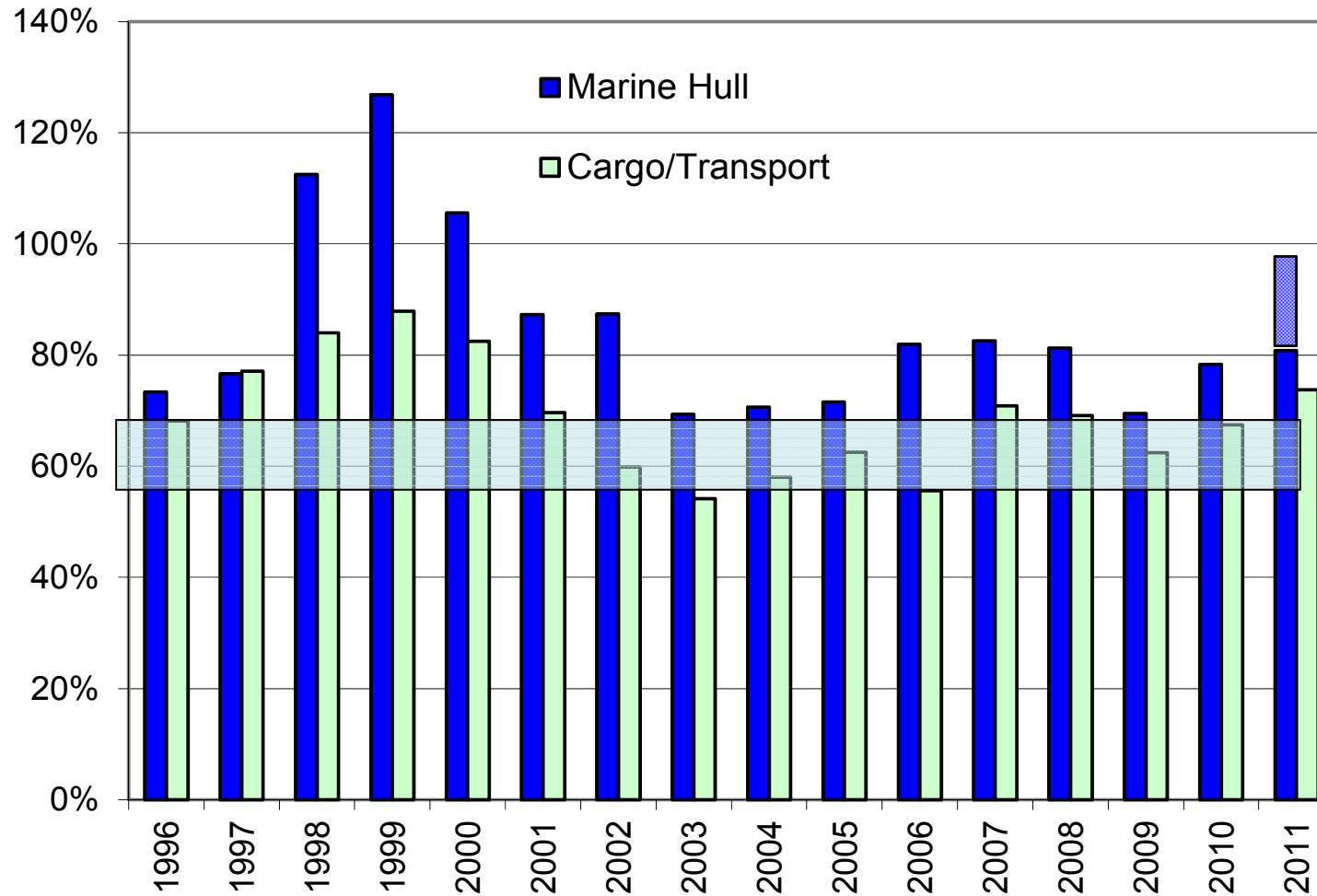


Source: Fleet numbers : Clarkson Research Services

Losses: LMIU, total losses as reported in Lloyds List

Hull and Cargo – Gross* Ultimate Loss Ratio

Underwriting years 1996 to 2011



* Technical break even: gross loss ratio does not exceed 100% minus the expense ratio (usually 20%-30% acquisition cost, capital cost, management expenses)

Recap

- Sluggish Economy will negatively impact trade volume and Marine results
- Shippers not out of woods yet
- Younger world fleet
- Marine insurers losing money
- 2013 will be challenging!!



Thank you.



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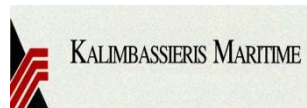
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