

## Q1 2019 overview of non-life insurance sector

In the first quarter of 2019 there were seven non-life insurers and six branches of foreign non-life insurers operating in the Estonian market.

| Key indicators                          | Q4 2018    | Change | Q1 2019    |
|---|------------|--------|------------|
| Volume of insurance premiums            | 140 mln €  | ?      | 156 mln €  |
| Volumes of claims                       | 77 mln €   | ?      | 88 mln €   |
| Volume of assets of insurance companies | 834 mln €  | ?      | 883 mln €  |
| Neto combined ratio                     | 86,6%      | ?      | 91%        |
| Profit                                  | 15,6 mln € | ?      | 16,6 mln € |
| Solvency Capital Requirement coverage   | 200,7%     | ?      | 202,1%     |

The non-life insurers registered in Estonia, of which four are branches in Latvia and Lithuania, received 156 million euros in premiums in the first quarter of 2019.

Claims of 88 million euros were submitted in the first quarter of 2019, which is 20% more than in the first quarter of 2018.

The size of the Estonian non-life insurance market, together with branches of foreign insurers, was 98 million euros in the first quarter. Branches of foreign insurers had 29% of the Estonian non-life insurance market.

The combined ratio of non-life insurers, which is the loss ratio together with the expense ratio, rose to 90.4%. Seasonal factors need to be taken into account in this, as a notable part of the non-life insurance portfolio relates to vehicles. The expense ratio continues to fall gently.

Non-life insurance companies earned profit of 16.6 million euros in the first quarter of 2019. Although the main source of profit was once again insurance activities, profit in the first quarter was strongly supported by profit earned from investment. All the non-life insurers were in profit in the first quarter.

The capitalisation of the non-life insurance sector rose a little over the quarter to 202%. Equity was up by some 10 million euros in the quarter, as is usual, but the increase in capitalisation was a little more modest than earlier. All non-life insurers met the capital requirements.

## **Main development trends**

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- Although some decline in profitability was evident in the second half of 2018 in the revenues of non-life insurers from third party motor insurance, they were still in profit in the first quarter of 2019. Third party liability insurance in the Estonian non-life insurance market was in profit by 1.7 million euros in the first quarter.

[Quarterly reviews of the non-life insurance sector](#)

Page last edited on 09/01/2020