



# Short Overview of key indicators of Russian Trade Credit Insurance market

9 months 2020



# Foreword



The purpose of this Overview is to provide objective information on the Russian Trade Credit Insurance market and its participants.

This Overview is not intended to provide any advice, nor does it contain direct or indirect statements, appeals or otherwise.

The Overview is based on open sources of information, including but not limited to the following: information disclosed by insurance companies on their websites, information provided by insurance companies to the Central Bank of the Russian Federation and published by the latter, arbitration cases database, other Internet resources that, in our opinion, are reliable. Despite the listed sources of information, we admit that the data presented in the Overview may have some errors, but according to our estimates within a 5% treshold.

The use of information contained in this Overview means that you have full understanding that you voluntarily assume all risks and consequences that may arise from its use.

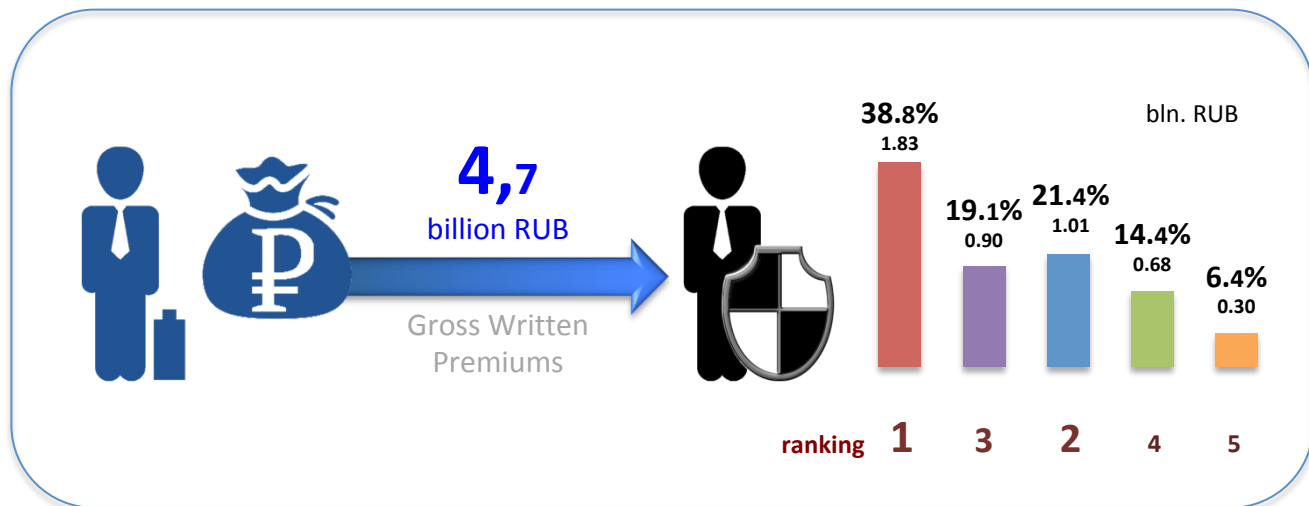
Director General «TCI» LLC

Petrenko D.

## Gratitude:

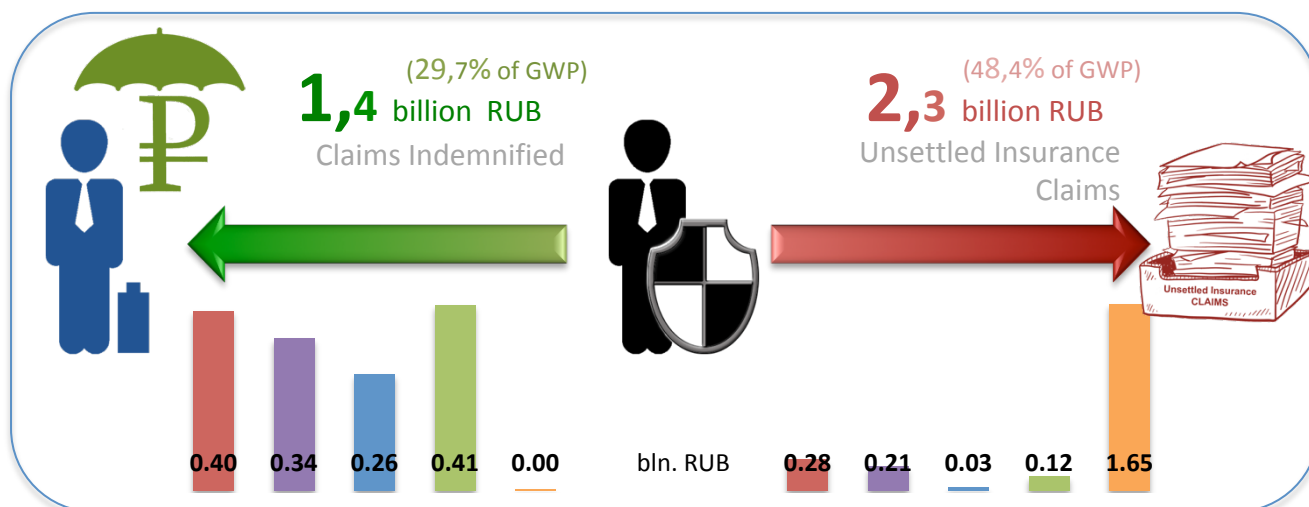
We express our gratitude to the management of the companies "Atradius Rus Credit Insurance", "Credendo - Ingosstrakh Credit Insurance", "Insurance company "Euler Hermes Ru "and "Insurance company "Soglasie" for their contribution to improving the information content of these overviews.

# Key Indicators of Russian Trade Credit Insurance market 9 months 2020



**+13.0%** insurance premium growth in 9 months 2020 compared to 9 months 2019.

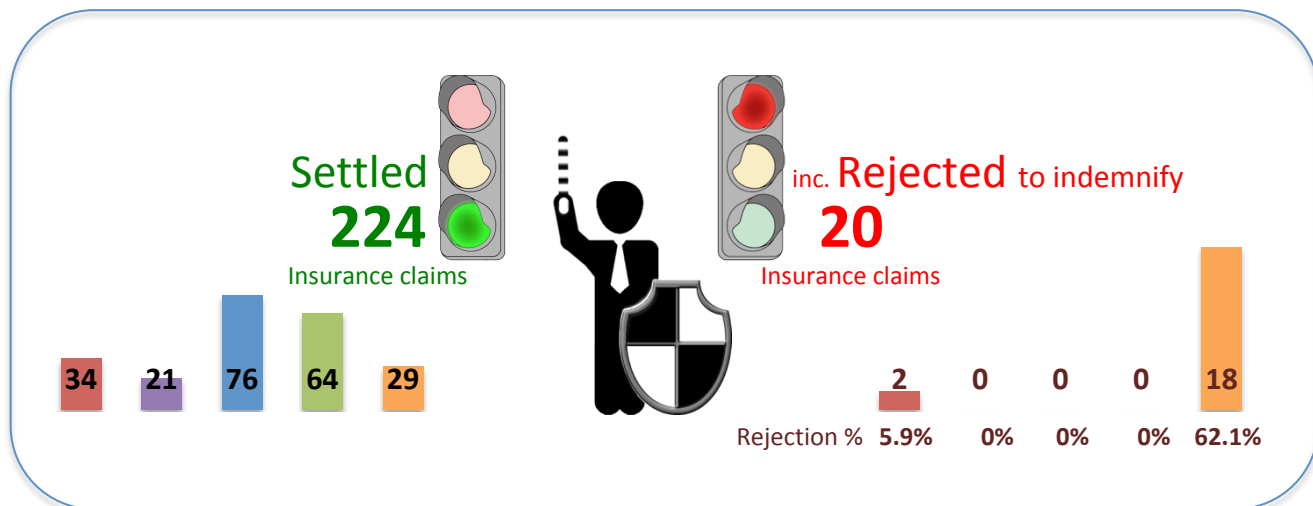
The best growth was demonstrated by Atradius Rus Credit Insurance LLC **+24.9%**



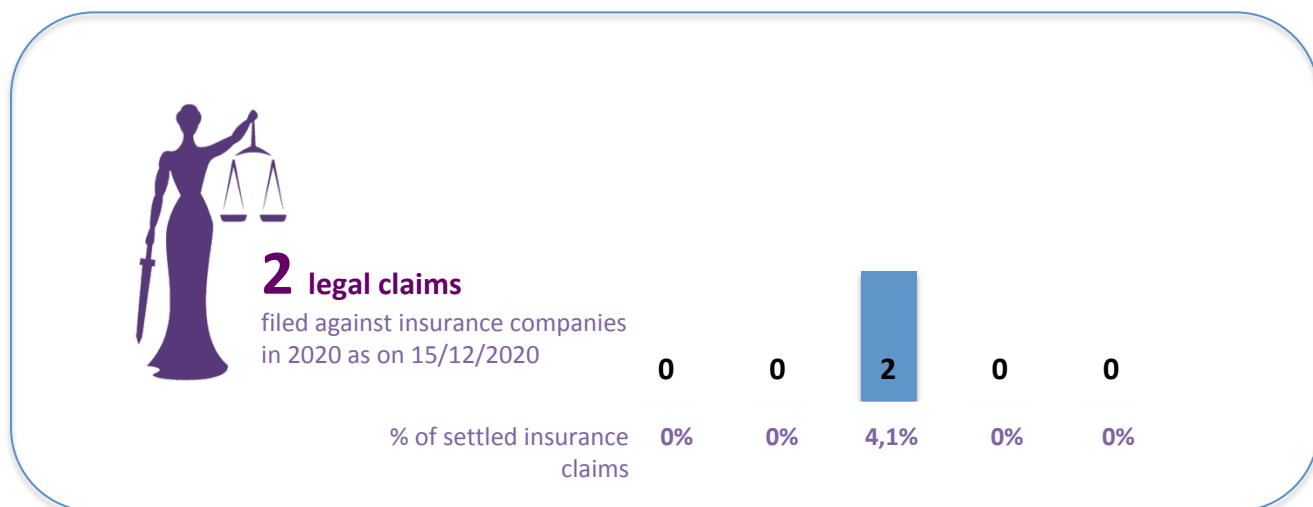
**1,65** bln. RUB unsettled insurance claims were reported by Soglasie LLC as at the end of 9 months 2020 (should be noted that the reported amount is consolidated on entrepreneurial risk insurance, means that not necessarily all amount is related to TCI).

Unsettled insurance claims does not include IBNR and LAE reserves.

# Key Indicators of Russian Trade Credit Insurance market **9 months 2020**



Overall rejection rate in 9 months of 2020 amounted to **8.9%** of all claims settled.



The number of legal claims filed against insurance companies in comparison to the overall amount of settled insurance claims 9 months of 2020 amounted to **0.9%**



# Comparative charts

Gross Written Premiums **2016 – 9 months 2020** in mln. RUB

Insurance companies with GWP >**1bln.** RUB annually

Chart 1.

Atradius Rus  
GWP  
2016-9m2020

1Q 2Q 3Q 4Q

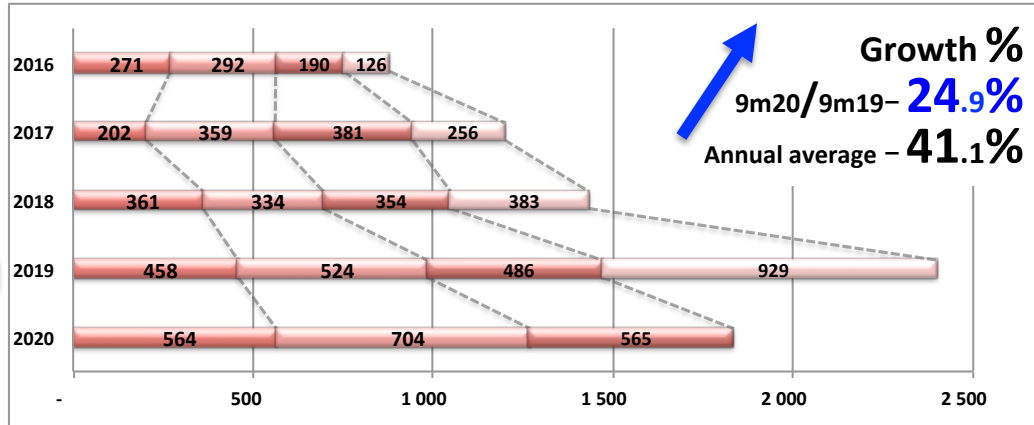


Chart 2.

Credendo-Ingosstrakh  
GWP  
2016-9m2020

1Q 2Q 3Q 4Q

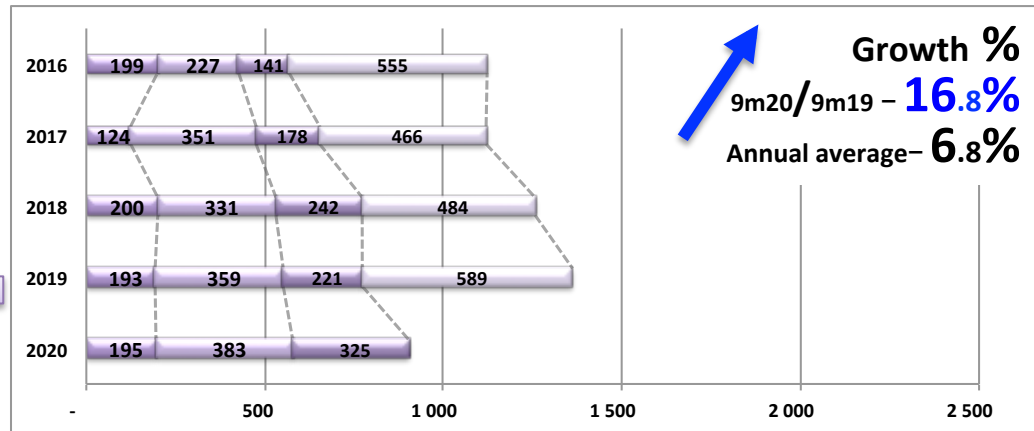
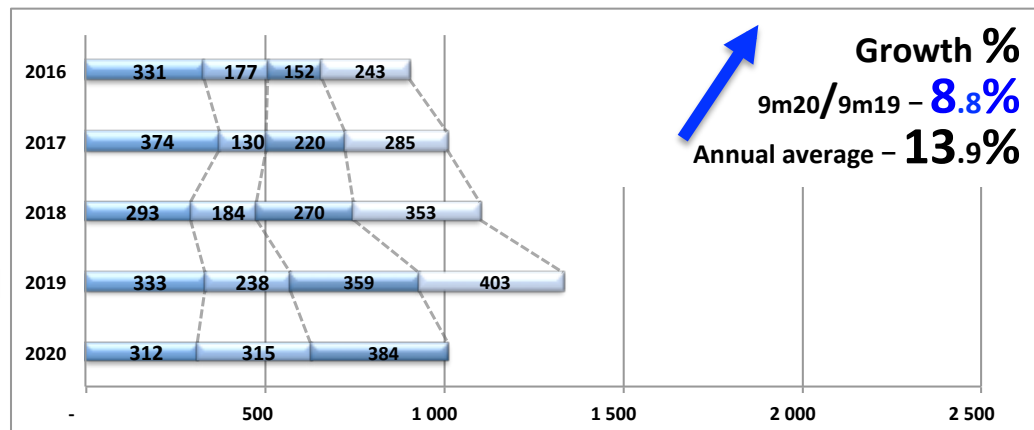


Chart 3.

Euler Hermes Rus  
GWP  
2016-9m2020

1Q 2Q 3Q 4Q





# Comparative charts

Gross Written Premiums **2016 – 9 months 2020** in mln. RUB

Insurance companies with GWP < **1bln.** RUB annually

Chart 4.  
Coface Rus  
GWP  
2016-9m2020

1Q 2Q 3Q 4Q

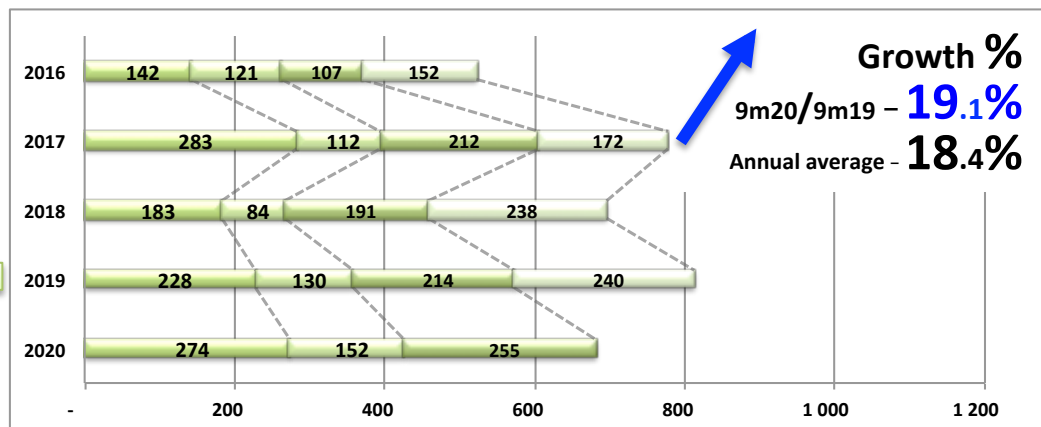
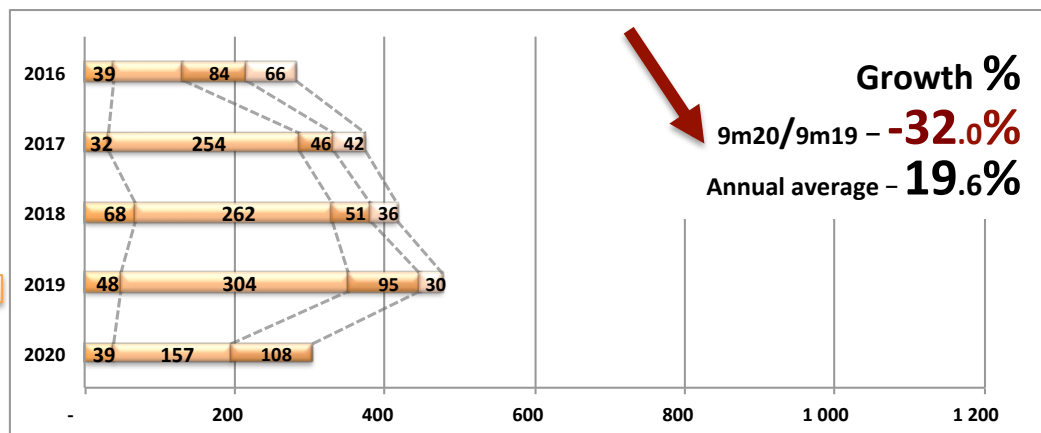


Chart 5.  
Soglasie IC  
GWP  
2016-9m2020

1Q 2Q 3Q 4Q





# Comparative charts

Gross Written Premiums **2016 – 9 months 2020** in mln. RUB

All Insurance companies consolidated

Chart 6.  
GWP distribution per Quarters

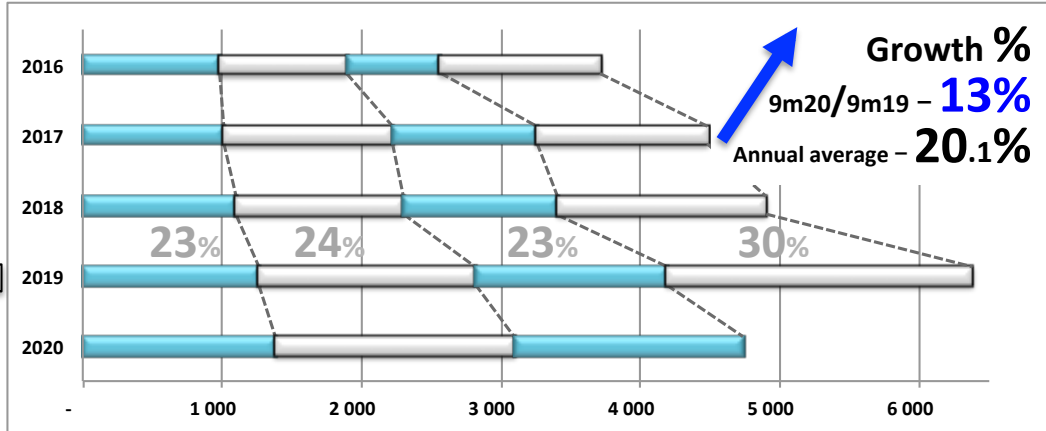


Chart 7.  
GWP market share by Insurance companies

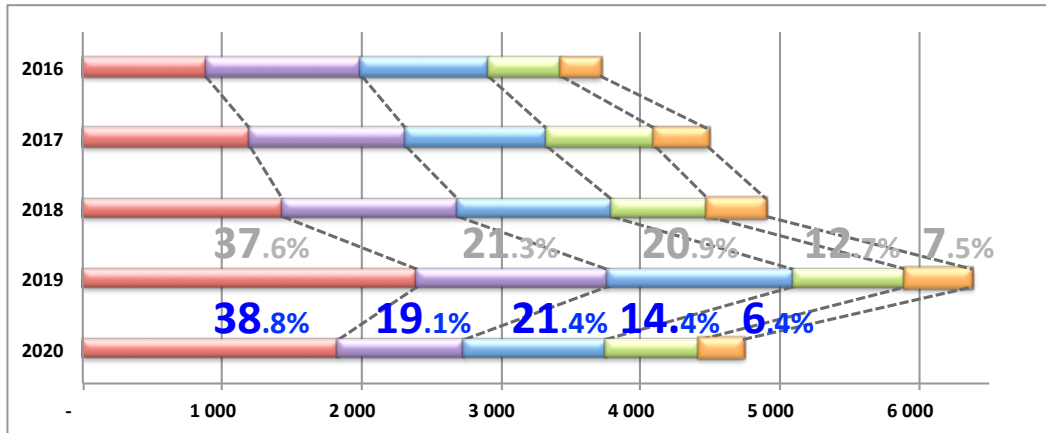
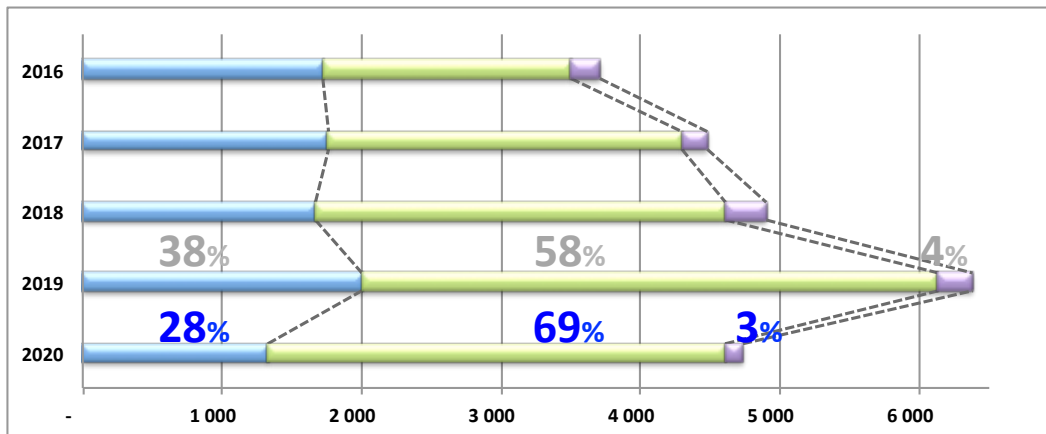


Chart 8.  
GWP distribution per Aquisition channel





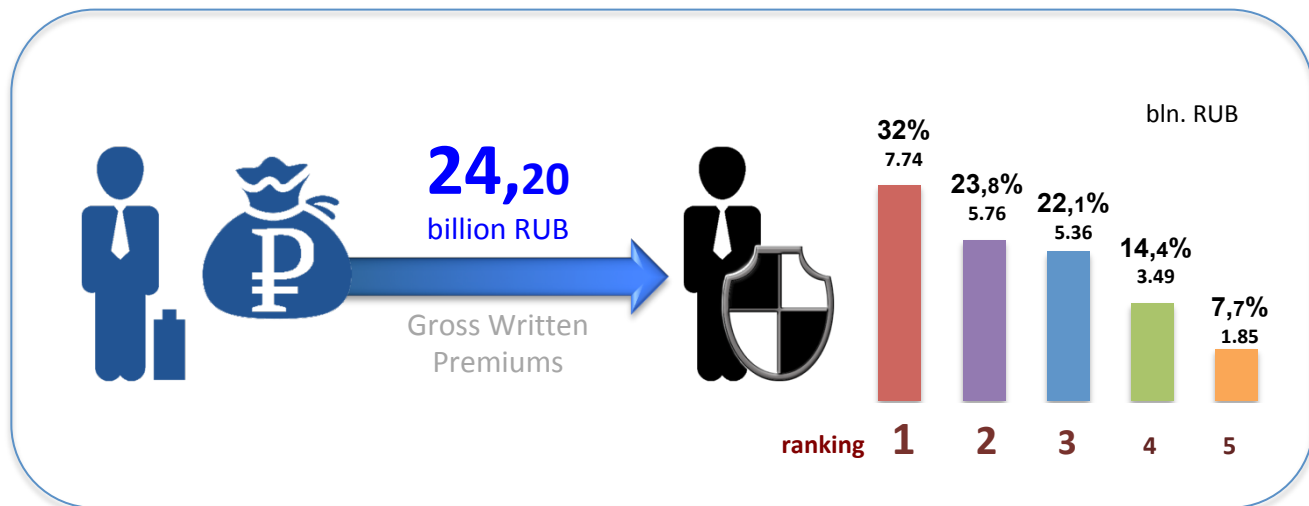
# Key indicators of Russian Trade Credit Insurance market

consolidated for the period 2016 – 9 months 2020



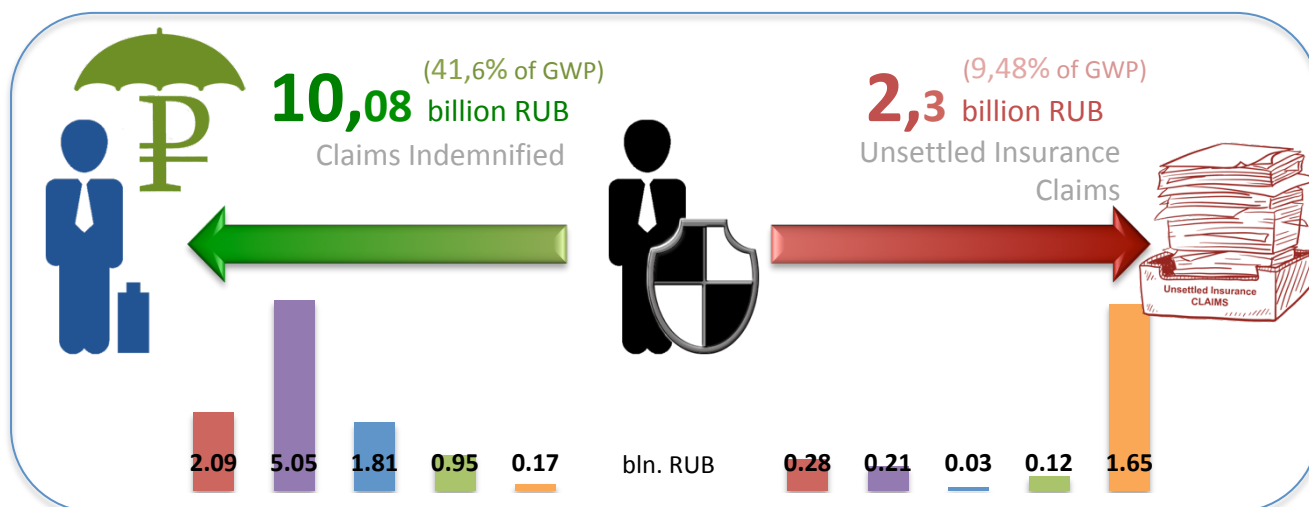


# Summary for Insurance companies in total for 2016 – 9 months 2020



**+20%** annual average growth rate based on the past 3 years.

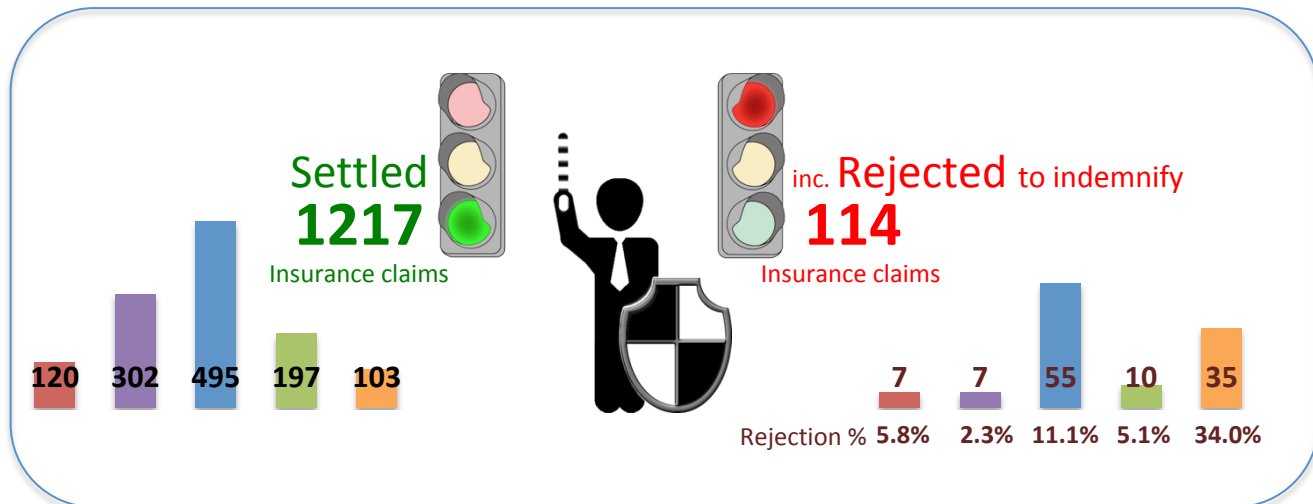
The average (for 4 years) growth rate of 9 months to 9 months is **+16,9%**



**1,65** bln. RUB unsettled insurance claims were reported by Soglasie LLC as at the end of 9 months 2020 (should be noted that the reported amount is consolidated on entrepreneurial risk insurance, means that not necessarily all amount is related to TCI).

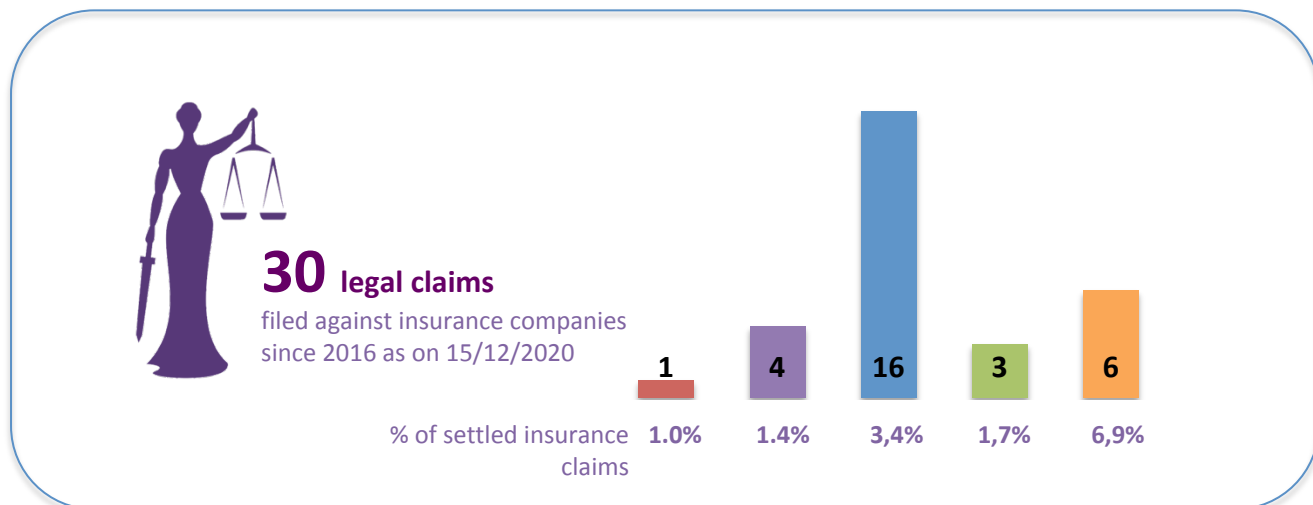
Unsettled insurance claims does not include IBNR and LAE reserves.

# Summary for Insurance companies in total for **2016 – 9 months 2020**



Overall accumulated rejection rate for the period 2016 – 9m2020 amounted to **9.4%** of all claims settled.

Should be noted that the reported amount of rejected claims of Soglasie LLC is consolidated on all entrepreneurial risk insurance, means that not necessarily all rejections are related to TCI.



The number of legal claims filed against insurance companies in comparison to the overall amount of settled insurance claims since 2016 amounted to **2.5%**

# Conclusion



Please note that interim information on IBNR formed by insurers is not available to us, so at the moment we cannot fully assess the amount of losses incurred on trade credit insurance in the reporting period of 9 months 2020. The following conclusion is made without taking into account the influence of IBNR.

The results for 9 months of 2020 for trade credit insurance in the Russian Federation can be characterized as very good, taking into account the current unique epidemiological situation in 2020.

Of the remarkable should be highlighted:

- Gross written premiums in 9 months 2020 compared to 9 months of 2019 have grown by +13,0% (+0.54 bln.RUB);
- Should be noted that Atradius Rus continues drastic growth of his portfolio by +24.9% (+0.37 bln.RUB);
- In the third quarter, IC Soglasie failed to significantly reduce the gap in the premium that formed in the 2nd quarter; as a result, the company closed 9 months of 2020 with -32.0% (-0.14 billion rubles) deviation from the same indicator for 9 months of 2019;
- Insurance brokers remain the dominant acquisition channel, whose share of total premiums accrued in 9 months 2020 amounted 69%;
- Total amount of claims paid in 9 months 2020 was 1,4 bln. RUB (which is still below annual average accounted for 4 years);
- The total amount of unsettled insurance claims at the end of 9 months 2020 amounted to 2.3 billion RUB (with 72% of this amount accounted for by IC Soglasie - 1.65 billion RUB).

Without taking into account information about IBNR, we have not yet observed a pronounced significant increase in losses in trade credit insurance.

**Director General «TCI» LLC**

**Petrenko D.**

PS.

In case you will find any errors or omissions in the overview and/or possess more accurate data, in order to increase the accuracy and objectivity of the overview, we would kindly appreciate your feedback which you may send to: [info@tci-rus.com](mailto:info@tci-rus.com)