



Prezados Senhores,

Para conhecimento e para pensar...

Boa notícia! Uma nova publicação sobre seguro está disponível.

Nesse mês de junho, a KPMG lançou a revista "iCircle". O objetivo é que os textos abordem os aspectos estratégicos, as questões atuariais, o risco e as considerações operacionais do setor de seguros.

Ver...<http://www.kpmg.com/CH/en/Library/Articles-Publications/Documents/FinancialServices/pub-20120619-icircle-issue-june-2012-en.pdf>

Nesse número inicial, a revista faz uma análise resumida dos mercados de alguns países.

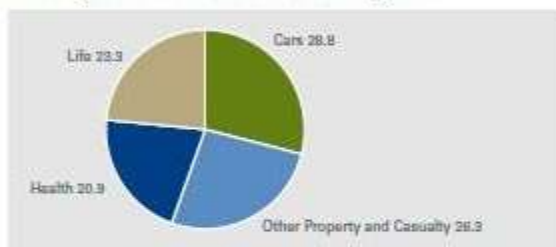
Abaixo, um retrato interessante do Brasil, ressaltando aspectos positivos (potencial de crescimento, agentes dinâmicos e aumento de renda), mas também negativos (marco legal instável e baixa escolaridade da população).

Brazil

Brazil is one of the fastest developing markets in the Latin American region. The insurance penetration rate in Brazil is 3.1 percent. In 2011, the Brazilian insurance industry grew 17.1 percent year-on-year (y-o-y), to US\$ 131.1 billion¹¹ (based on insurance activities invoiced). In 2012, the industry is expected to grow at 12.8 percent, to US\$ 148 billion.¹²

The insurance industry in Brazil grew at CAGR of 25.8 percent between 2002 and 2010. However, the growth is expected to slow down to a CAGR of 10.8 percent between 2011 and 2013.

Break-up of Brazilian Insurance Industry, 2010¹³



Globally, Brazil ranks low on the life insurance sector. However, within the country, life insurance accounts for almost one-fourth of the total insurance sector. Traditionally, group term insurance has formed a major part of this sector. Currently, rise in demand for permanent life insurance products has been observed. Car insurance has become the largest segment due to a rise in income levels and increase in the number of car owners. In recent times, owing to lower interest rates, customers are buying homes on credit, resulting in a rise of homeowners' insurance, leading to the growth of other P&C segments.¹⁴

Further, upcoming sectors such as reinsurance, crop insurance and marine insurance also are expected to fuel growth of the sector in future. The rise in income levels and an expanding middle class have led to the expansion of the life and annuities products market. As a result, insurance service providers that primarily focused on the workplace market have to reorient themselves to tap the potential of this fast developing market. Being one of the high-growth

economies in the world, Brazil is one of the preferred investment destinations for foreign players. Foreign companies can enter the market through various channels, such as setting up a subsidiary, creating a joint venture, or partnering with a local company. However, factors such as low levels of education and shortage of skilled professionals are posing barriers to the growth of the insurance industry in Brazil. In the past, the Brazilian insurance industry was dominated by national companies, but currently private players (both domestic and foreign) account for a major share of the market. In 2010, foreign players accounted for a 40 percent share of the market.

The Brazilian insurance industry is highly concentrated, with five top players – Bradesco, Itaú Unibanco (+ Porto Seguro + Azul), Banco do Brasil + Mapfre, SulAmérica, and Allianz – accounting for a 67.2 percent share of the market, as of 31 December 2010 (this market share is based on total volume of insurance premiums, excluding redeemable life premiums).¹⁵ Unlike other Latin American countries that have opted for Europe's Solvency II model, Brazil has chosen International Association of Insurance Supervisors (IAIS) guidelines.¹⁶ The Superintendencia de Seguros Privados (SUSEP) is the main insurance regulatory body in Brazil. The country has medium level of regulation, but laws and regulation sometime change arbitrarily. In January 2007, to promote the reinsurance segment, the Brazilian government partially deregulated the market. Private and foreign companies have been allowed to participate in the reinsurance market since April 2008.¹⁷

Among all the countries in the Latin America, insurers in Brazil make the most effort for customer retention. It is evident by the fact that 64 percent of insurance providers pursue customers upon termination of employment (in Brazil, most of the first policies are provided by the employer). For a Brazilian insurance customer, competitive pricing and value for money are the two most important reasons for a complete switch. According to the same survey, customers feel that the insurance companies are not always transparent about the information related to performance and fees.

Cordialmente,

Francisco Galiza

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