

EDITION N°40

# Re PORT

DECEMBER 2022

A 360° vision  
of the Brazilian  
Reinsurance  
market.

AUSTRAL / Re





# General Brazilian Insurance Market

Accepted share

GROWTH OF  
PREMIUMS ISSUED

29,1%

CLAIMS OCCURRED

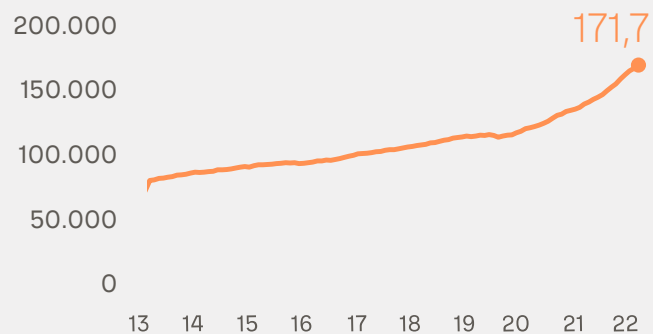
73,2Bi

ACQUISITION COSTS

39,7Bi

ABSOLUTE PREMIUM GROWTH,  
BIGGEST LINES: AGRICULTURE,  
TRANSPORT AND RC.

Gross Premiums Issued  
(Value in Billions)



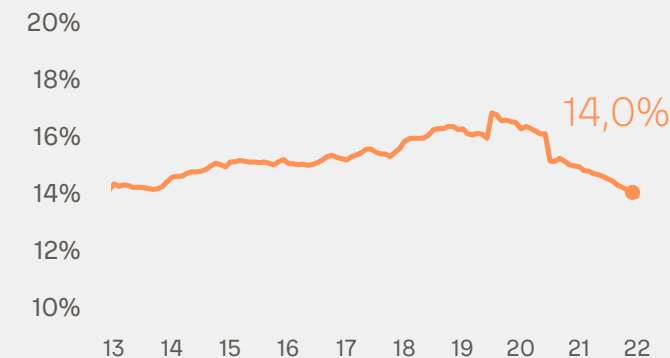
Loss Ratio  
(Occured Losses / Earned Premiums)



Acquisition Costs  
(Brokerage costs + Dif. Brokerage var. / Earned Premiums)



Administrative Costs  
(Administrative Expenses / Earned Premiums)



# General Brazilian Insurance Market

Ceded share

GROWTH OF CEDED PREMIUMS  
IN REINSURANCE

37,8%

PREMIUMS CEDED  
IN COINSURANCE

3,7Bi

CEDED CLAIMS

17,0Bi

REINSURANCE COMMISSION

4,8Bi

Ceded Premiums  
(Value in Billions)



Ceded Loss Ratio

(Ceded Claims / Net Commission of Earned Premiums)

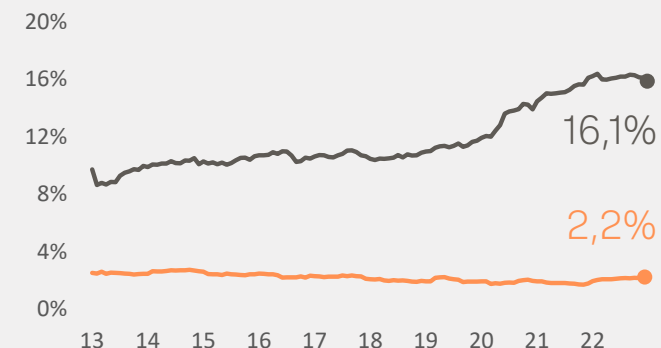


Reinsurance Commission  
(Ceded Commission / Ceded Premiums)



Cession

(Coinsurance Premium / Ins. Premium) &  
(Reinsurance Premium / Ins. Premium)



# General Brazilian Insurance Market

## Results

### COMBINED RATIO

92,8%

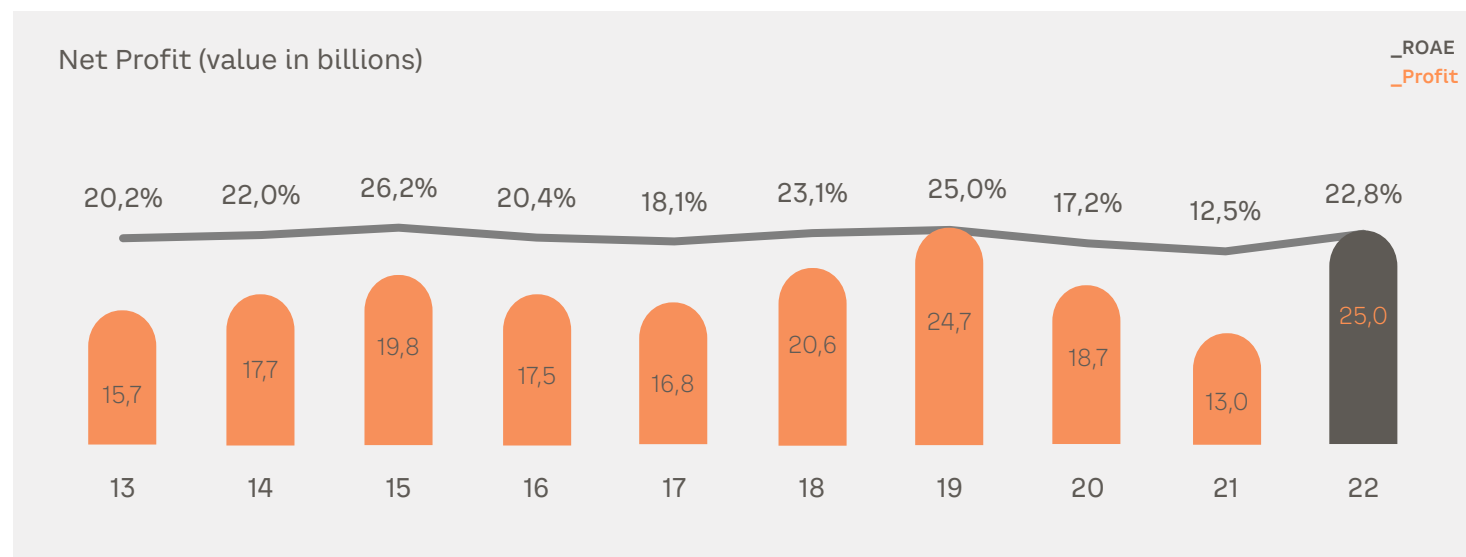
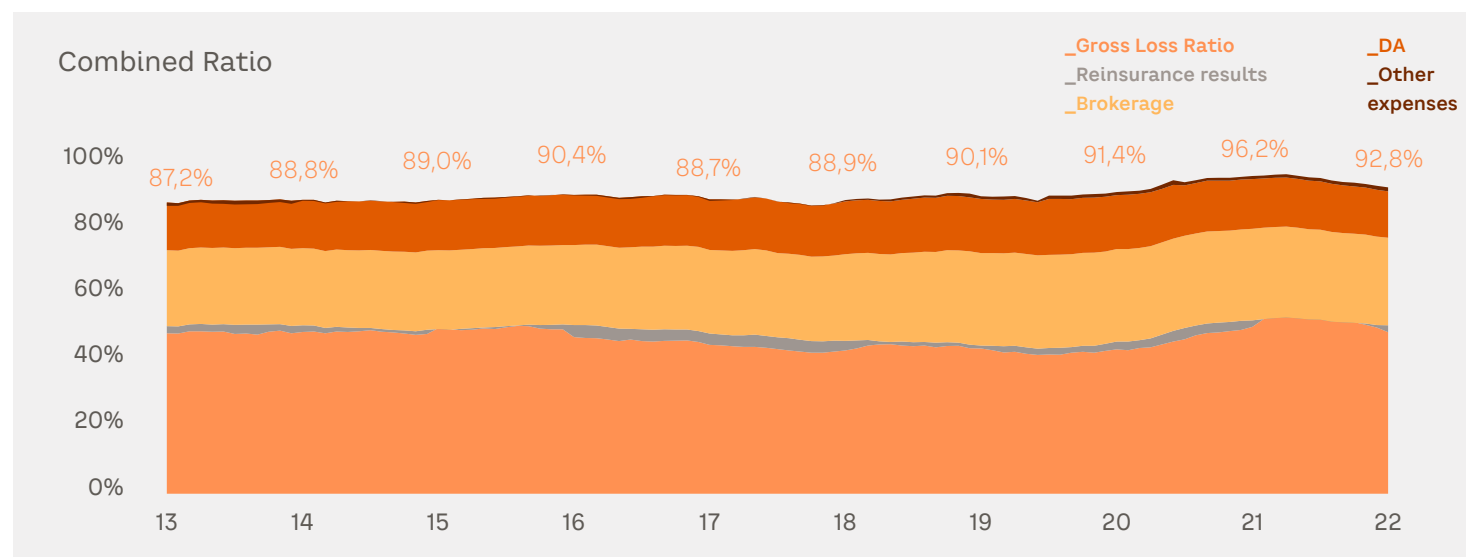
### NET WORTH

111,5Bi

### TOTAL ASSETS

1.576,3Bi

THE COMBINED RATIO OF THE INSURERS DECREASED COMPARED TO THE PREVIOUS YEAR, MAINLY DUE TO BETTER CONTROL OVER CLAIMS, ADMINISTRATIVE AND COMMERCIAL EXPENSES, REDUCING THE RATIO BY -3.4% IN THE PERIOD, AGAINST DECEMBER 2021.



Combined Ratio = Claims (48.9%) + Reinsurance Result (2.2%) + Commercial Expenses (26.5%) + Administrative Expenses (14%) + Tax Expenses (3.6%) + Other Expenses (-2.3%) ROAE = Net Profit for the period / Average Net Worth. SUSEP, accumulated over 12 months.



# Overview of the Reinsurance Market

GROWTH OF PREMIUMS  
ISSUED BY LOCAL  
REINSURERS FROM  
BRAZILIAN INSURERS

20,4%

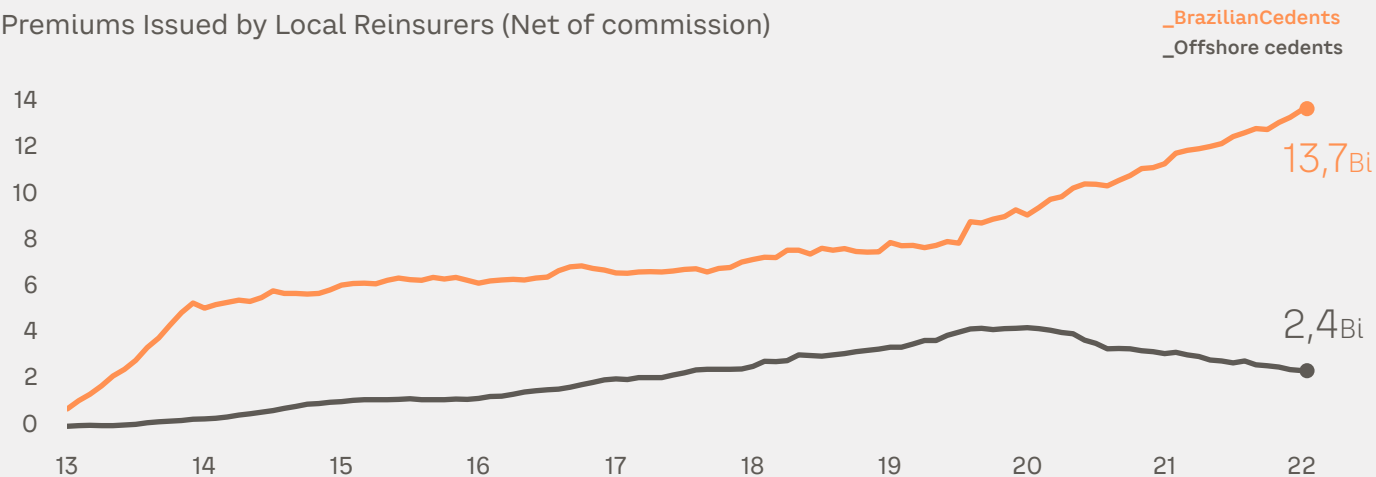
VOLUME OF ANNUAL  
DECREASE FROM  
OFFSHORE CEDENTS

-23,4%

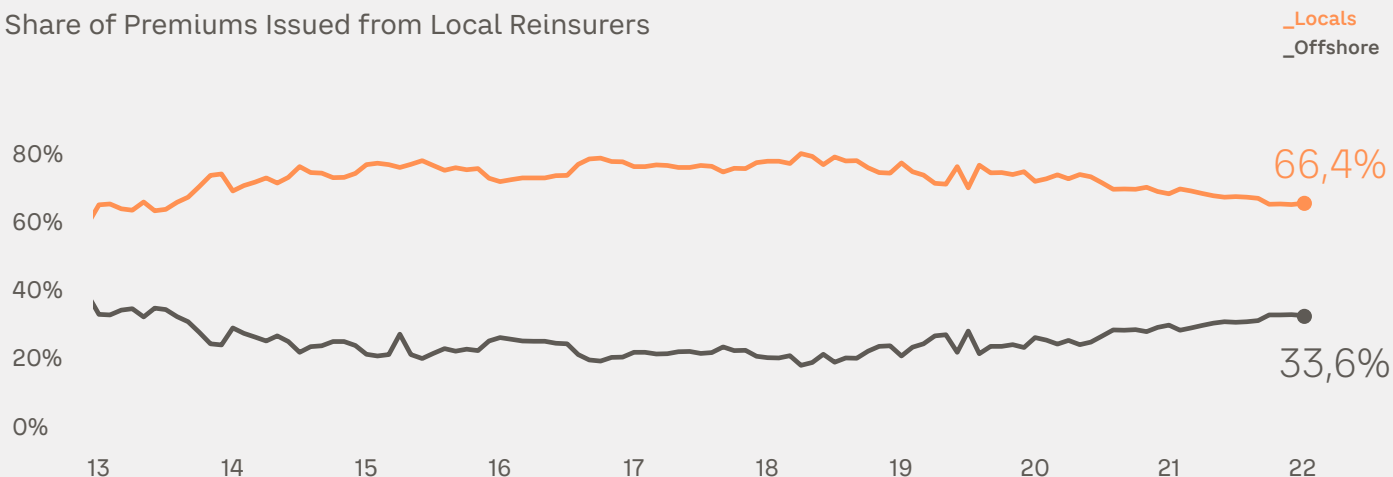
TOTAL REINSURANCE  
VOLUME FROM  
OFFSHORE CEDENTS

15,0%

Premiums Issued by Local Reinsurers (Net of commission)



Share of Premiums Issued from Local Reinsurers



# Overview of the Reinsurance Market

LOCAL REINSURERS  
RETAINED

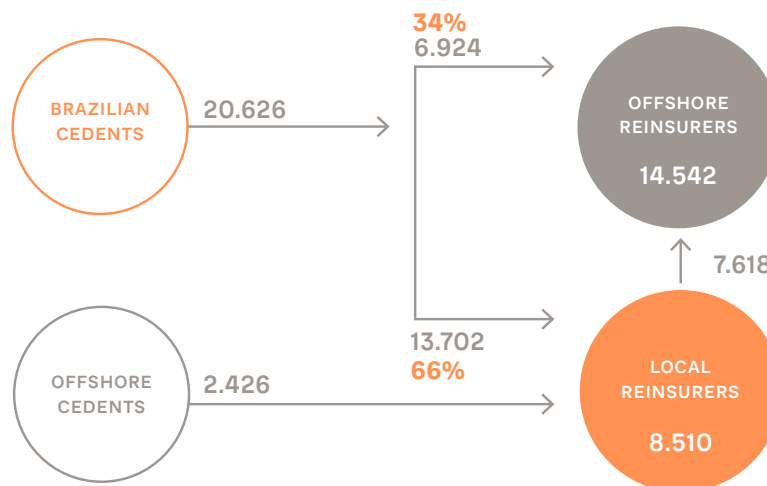
R\$8,5Bi

ANNUAL GROWTH

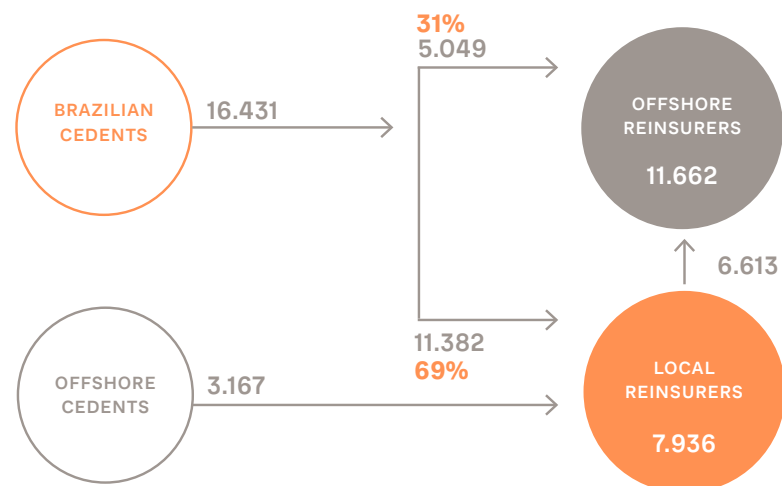
7,2%

## Market Reinsurance Flow (Net of commission, in BRL millions)<sup>1</sup>

ACCUMULATED OVER 12 MONTHS  
DEC. 2022



ACCUMULATED OVER 12 MONTHS  
DEC. 2021



Source: SUSEP, BRL millions, numbers are net of reinsurance commission.

<sup>1</sup>Approximate values.

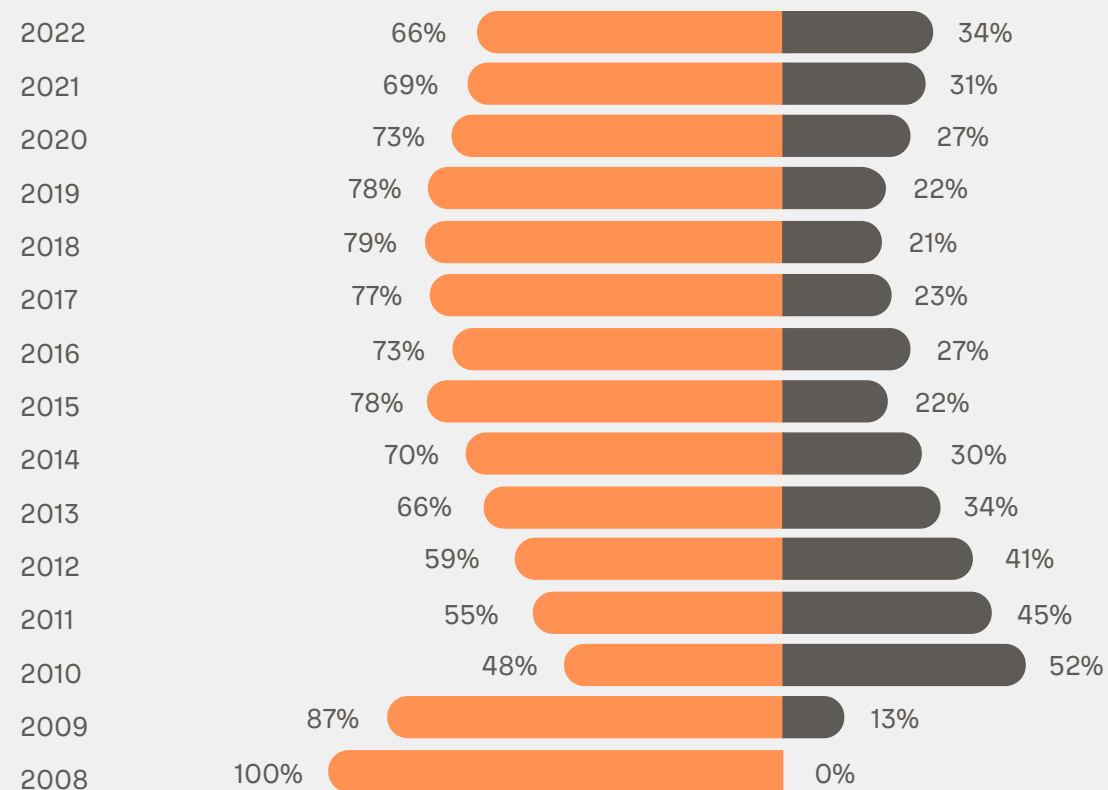


# Overview of the Reinsurance Market

REINSURANCE CESSION DYNAMICS  
AFTER THE MONOPOLY BREAKUP

Reinsurance MarketShare (Net of commission) ceded by Brazilian cedents<sup>1</sup>

\_Locals  
\_Offshore





# Brazilian Market of Local Reinsurers

Accepted share

GROWTH OF GROSS REINSURANCE PREMIUMS

19,3%

CLAIMS OCCURRED

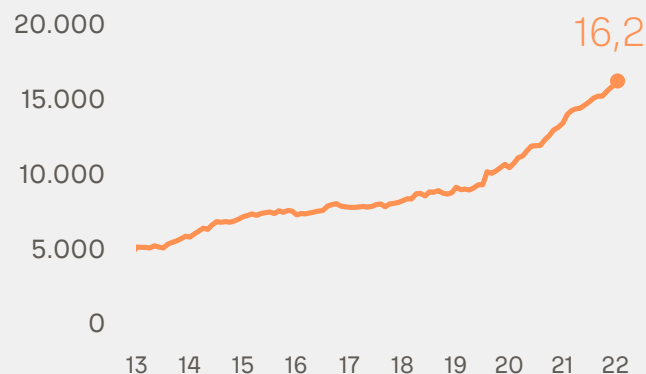
15,7Bi

ACQUISITION COSTS

0,4Bi

ABSOLUTE PREMIUM GROWTH, BIGGEST LINES: AGRICULTURE, PROPERTY, LIFE AND TRANSPORT.

Gross Premiums Issued  
(Value in Billions)



Loss Ratio  
(Claims occurred / Earned Premiums)



Acquisition Costs  
(Brokerage costs + Dif. Brokerage var. / Earned Premiums)



Administrative Costs  
(Administrative Costs / Earned Premiums)



# Brazilian Market of Local Reinsurers

Ceded share

GROSS REINSURANCE CEDED  
PREMIUMS

19,2%

CEDED CLAIMS

6,2Bi

CEDED COMMISSION

1,6Bi

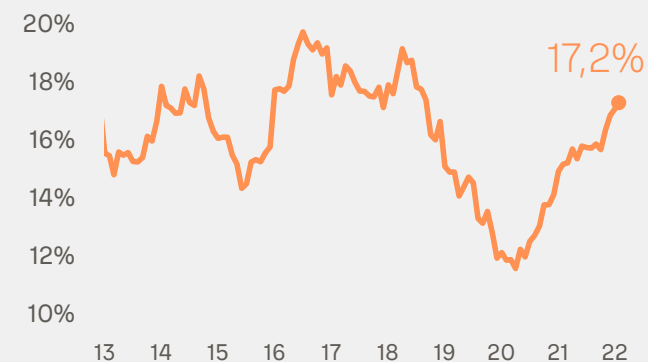
Gross Reinsurance Ceded Premiums  
(Value in billions)



Ceded Loss Ratio Sinistralidade Cedida  
(Ceded Claims / Net Commission of Earned Premiums)



Ceded Commission  
(Ceded Commission / Ceded Premium)



Cession  
(Ceded Premium / Issued Premium)



# Brazilian Market of Local Reinsurers

## Results

### COMBINED RATIO

117%

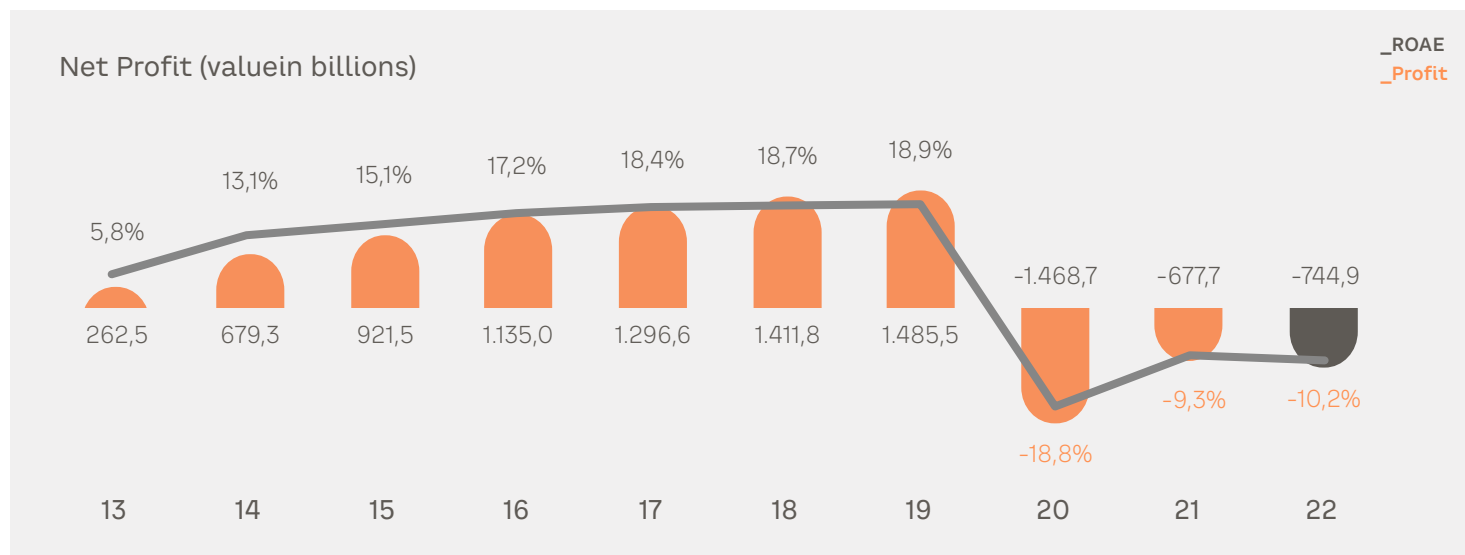
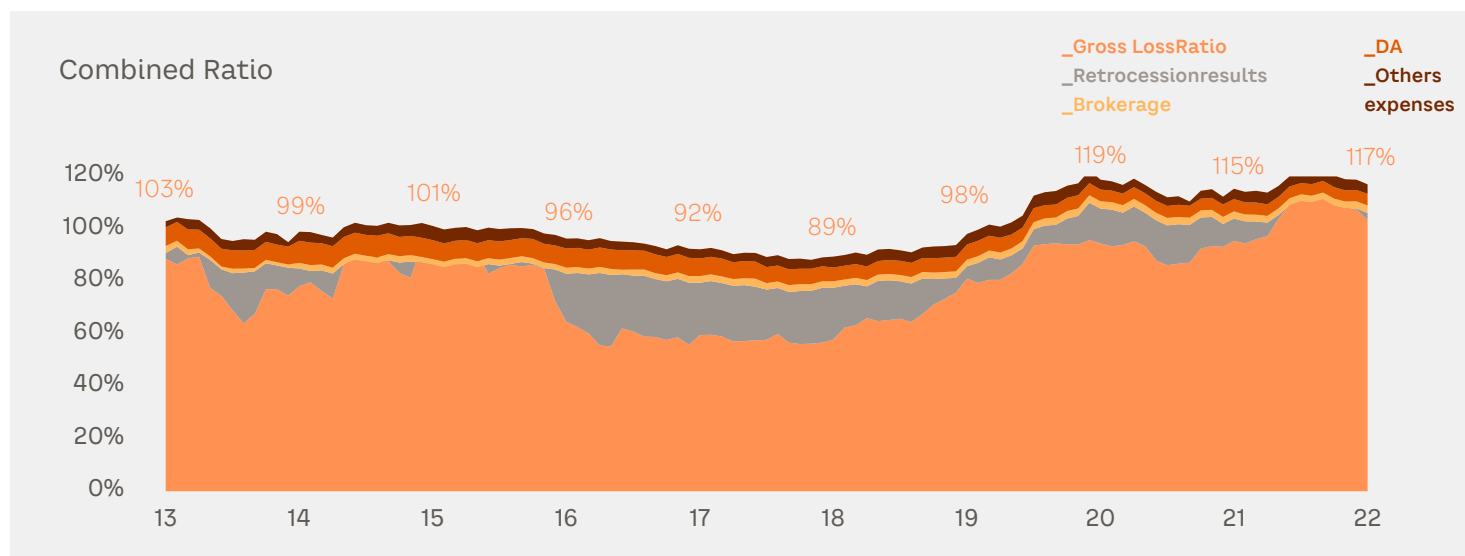
### NET WORTH

7,8Bi

### TOTAL ASSETS

47,4Bi

THE COMBINED RATIO OF THE REINSURER WORSENE BY APPROXIMATELY 2 PERCENTAGE POINTS COMPARED TO DECEMBER 2021. IT CAN BE SAID THAT THE MAIN REASON WAS THE DETERIORATION OF THE LOSS RATIO BY 8 PERCENTAGE POINTS COMPARED TO 2021, HOWEVER, THE RESULT OF RETROCESSION IMPROVED BY 6 PERCENTAGE POINTS.



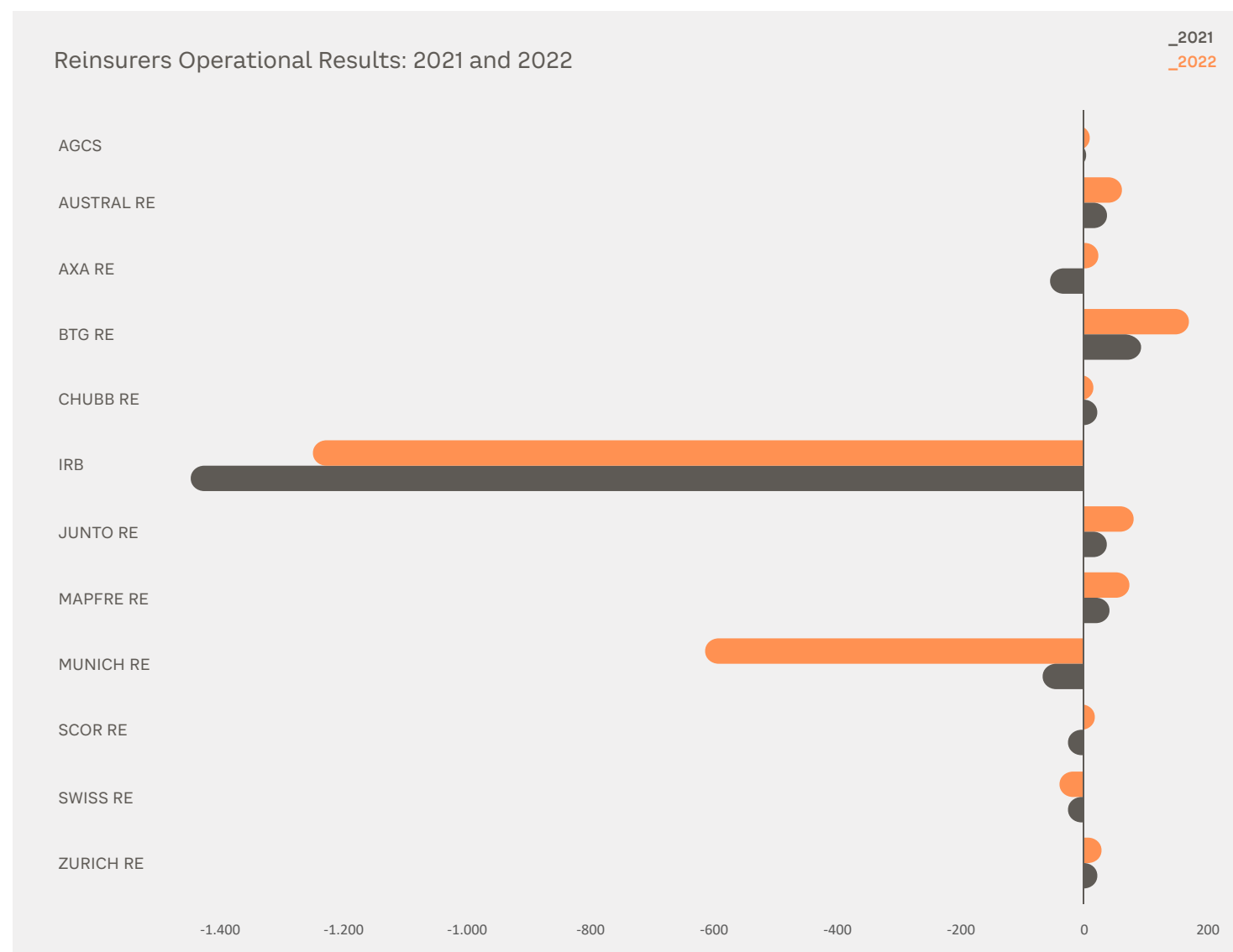
Combined Ratio = Loss Ratio (103.5%) + Retrocession Result (2.5%) + Commercial Expense (2.9%) + Administrative Expense (4.5%) + Taxes Expenses (1.8%) + Other Expenses (1.8%). ROAE = Net Profit for the period / Average Net Worth. Source: SUSEP.

# Brazilian Market of Local Reinsurers

## Operational results

THE BRAZILIAN REINSURANCE MARKET HAD AN OPERATIONAL LOSS OF BRL\$1.37 BILLION IN 2022 CAUSED BY AGRICULTURAL CLAIMS ACCOUNTED MOSTLY BY IRB, MUNICH, AND SWISS.

AUSTRAL RE, BTG, AND MAPFRE MAINTAINED CONSECUTIVE POSITIVE OPERATIONAL RESULTS, GOING AGAINST THE MARKET TREND, THAT ALSO PRESENTED AN OPERATIONAL LOSS OF BRL\$1.32 BILLION IN 2021.



# Brazilian Market of Local Reinsurers

THE MARKET IS MOVING  
TOWARDS LESS PRONOUNCED  
CONCENTRATION.

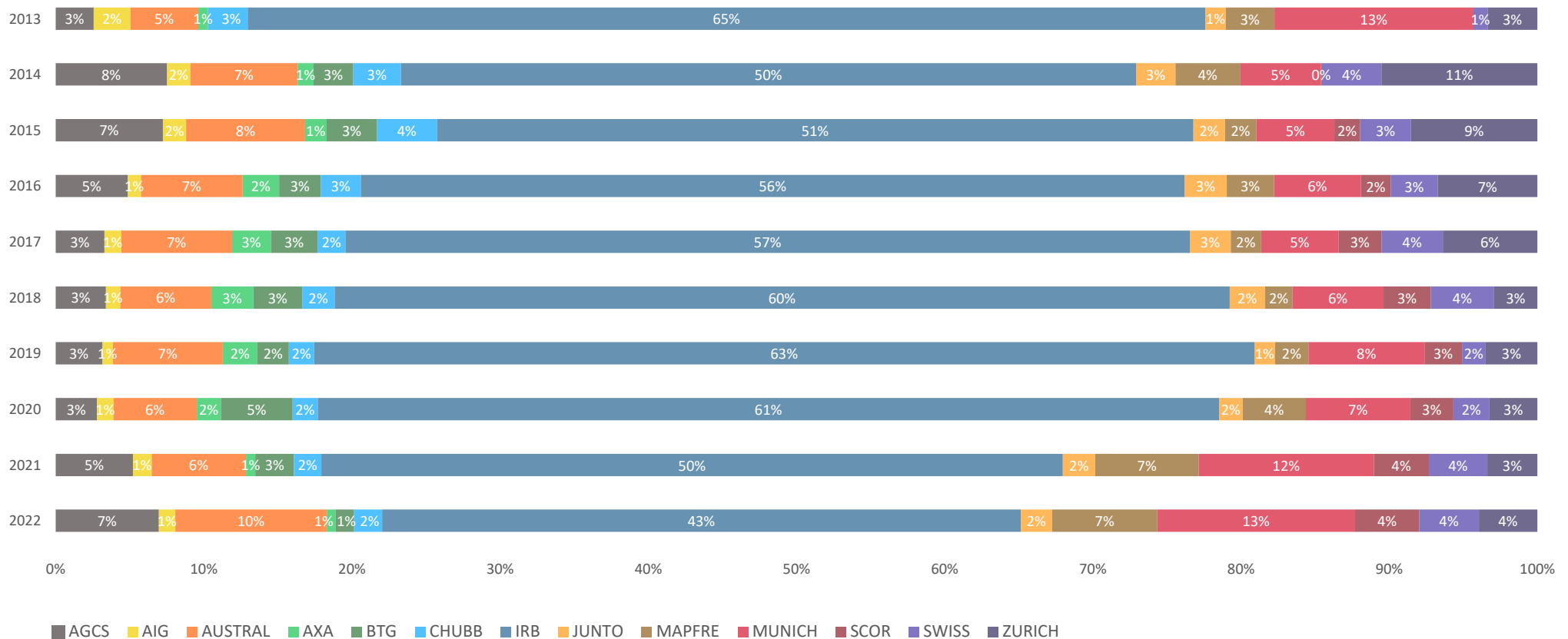
## PREMIUMS ISSUED BY LOCAL REINSURERS FROM BRAZILIAN INSURERS (IN MILLIONS, NET OF COMMISSION) - JANUARY TO DECEMBER

Company	Estimated Premium		Variation		Market Share	
	2022/12	2021/12			2022/12	2021/12
AIG	180	187	-7	-4%	1,1%	1,3%
Allianz	1.130	778	352	45%	7,0%	5,2%
Austral <sup>1</sup>	1.659	950	709	75%	10,2%	6,4%
AXA	95	94	1	1%	0,6%	0,6%
BTG	203	389	-186	-48%	1,2%	2,6%
Chubb	307	276	31	11%	1,9%	1,8%
IRB	6.996	7.462	-466	-6%	43,1%	50,0%
Junto	343	326	16	5%	2,1%	2,2%
Mapfre	1.153	1.041	112	11%	7,1%	7,0%
Munich	2.164	1.762	403	23%	13,3%	11,8%
Scor	704	556	148	27%	4,3%	3,7%
Swiss	654	587	67	11%	4,0%	3,9%
Zurich	640	504	136	27%	3,9%	3,4%
<b>Total</b>	<b>16.227</b>	<b>14.911</b>	<b>1.316</b>	<b>9%</b>	<b>100%</b>	<b>100%</b>

Austral<sup>1</sup>: Austral + Markel up to November/21. Source: SUSEP.

# Brazilian Market of Local Reinsurers

## MARKET SHARE BY LOCAL REINSURERS -ISSUED PREMIUMS







# Lines of Bussiness Results

THE HIGHLIGHT IS THE GROWTH OF AUTOMOBILE INSURANCE PREMIUMS BY BRL\$12.8 BILLION IN THE COMPARISON BETWEEN DEC/2021 AND DEC/2022. THE REINSURANCE PREMIUMS WERE ALSO BOOSTED BY THE MARKET, GROWING BY BRL\$861 MILLION IN THE COMPARISON.

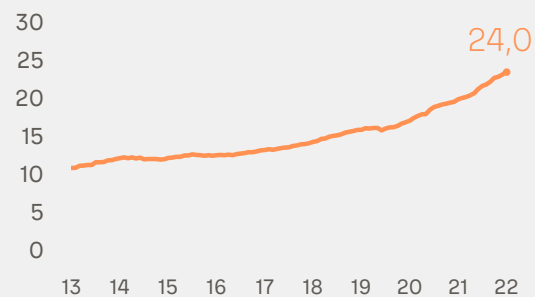
ANOTHER GROUP WITH SIGNIFICANT GROWTH WAS RURAL INSURANCE, WITH BRL\$3.8 BILLION AND BRL\$1.2 BILLION OF INSURANCE AND REINSURANCE PREMIUMS GROWTH, RESPECTIVELY.

## GENERAL INSURANCE AND REINSURANCE PREMIUMS (BRL\$ MILLIONS) - JANUARY TO DECEMBER.

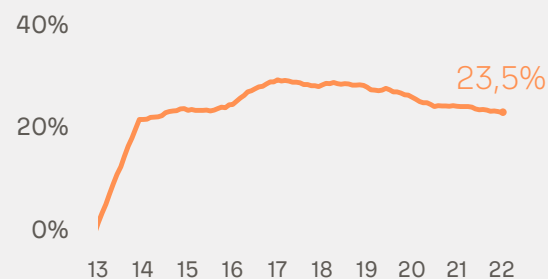
	Insurance Premiums – Issued by Brazilian Insurers.			Reinsurance Premiums – Ceded by Brazilian Insurers.			Premiums Issued by Local Reinsurers		
	2022/12	2021/12	Growth	2022/12	2021/12	Growth	2022/12	2021/12	Growth
Property	23.996	20.332	18%	6.648	5.524	20%	3.751	3.742	0%
Special Risk	24	5	422%	23	38	-39%	15	17	-10%
Liability	3.713	3.462	7%	1.387	1.252	11%	783	648	21%
Auto	51.236	38.460	33%	2.083	1.222	71%	1.612	1.120	44%
Transportation	5.810	4.733	23%	1.208	1.073	13%	855	861	-1%
Financial Risk	6.723	5.662	19%	1.899	1.654	15%	1.416	1.272	11%
Group life	39.415	36.303	9%	716	595	20%	931	716	30%
Home	5.682	5.089	12%	70	74	-5%	52	50	3%
Rural	13.478	9.634	40%	3.910	2.679	46%	2.826	1.946	45%
Individual life	6.728	5.417	24%	284	185	54%	369	222	66%
Marine	546	503	8%	278	282	-1%	102	179	-43%
Aviation	1.007	1.055	-5%	809	706	14%	271	230	18%
Microinsurance	1.087	602	81%		1	-74%			
Oil	1.513	1.435	5%	1.275	1.118	14%	811	866	-6%
Nuclear	36	37	-4%	35	29	19%			
Health							104	66	56%
Pension	35	23	57%	1	1	2%			
	<b>161.030</b>	<b>132.749</b>	<b>21%</b>	<b>20.626</b>	<b>16.431</b>	<b>26%</b>	<b>13.896</b>	<b>11.937</b>	<b>16%</b>

# Property

Insurance Premium



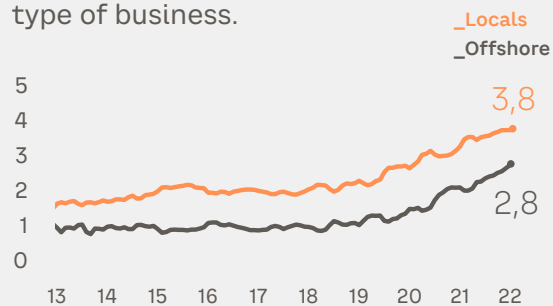
% Brokerage Commission



Reinsurance Premium / Insurance Premium



Division of Reinsurance Premiums by type of business.



Loss Ratio: Insurers



Loss Ratio: Reinsurers



## Financial Risks

Insurance Premium



% Brokerage Commission



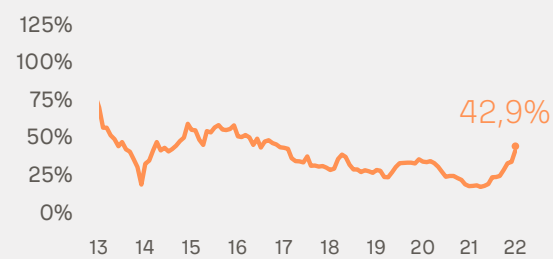
Reinsurance Premium / Insurance Premium



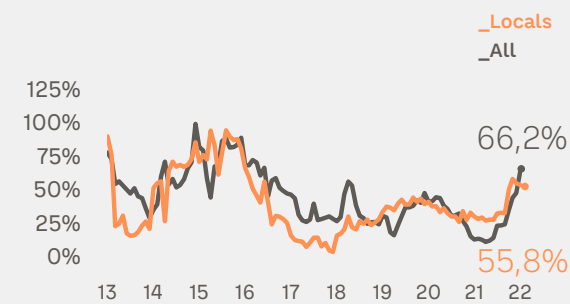
Division of Reinsurance Premiums by type of business.



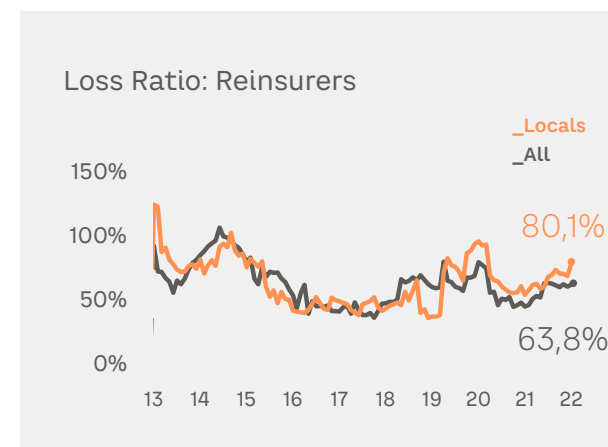
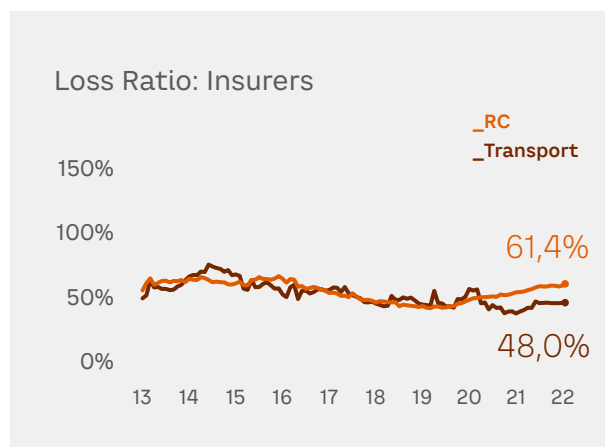
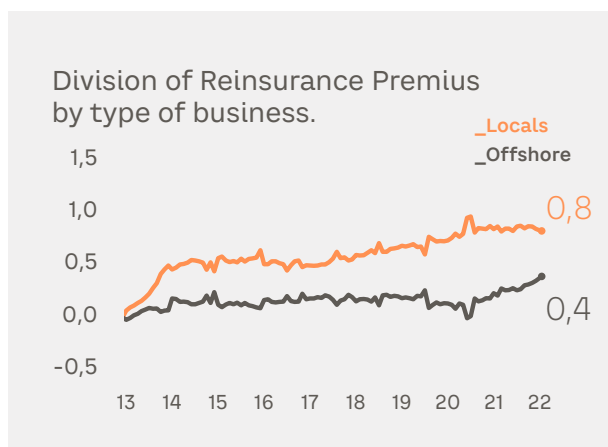
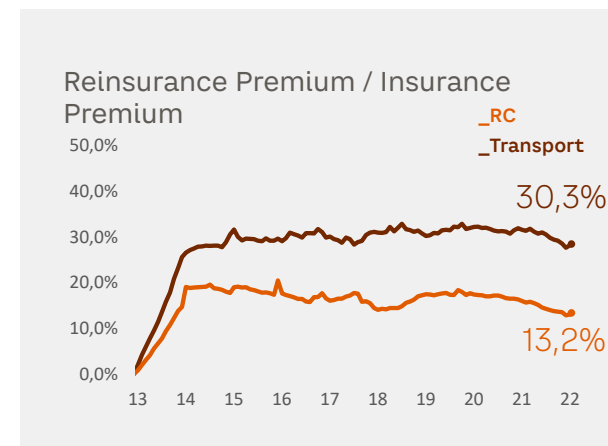
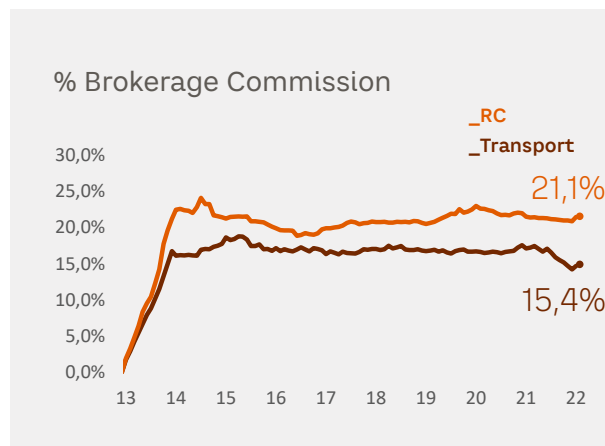
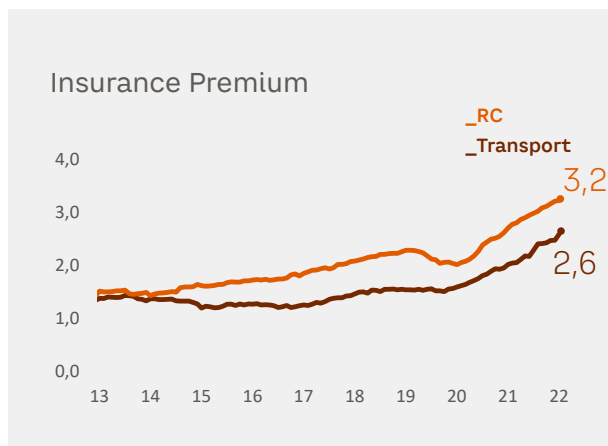
Loss Ratio: Insurers



Loss Ratio: Reinsurers



## Transportation and RC

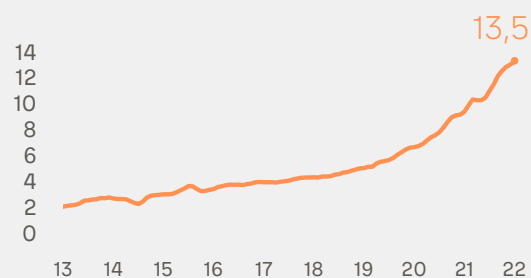


TRANSPORTATION: SUSEP LOB 0621 AND 0622 | LIABILITY: SUSEP GROUP 06 - TRANSPORTATION EXCLUDING LOB 0621 AND 0622.

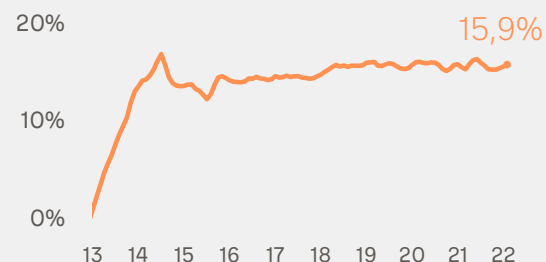
Source: SUSEP, accumulated over 12 months. Value in billions.

# Rural

Insurance Premium



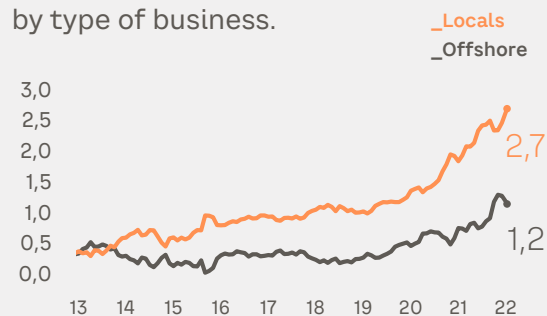
% Brokerage Commission



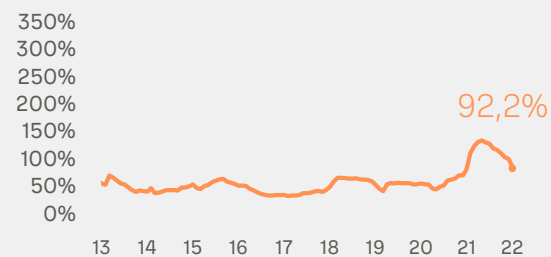
Reinsurance Premium / Insurance Premium



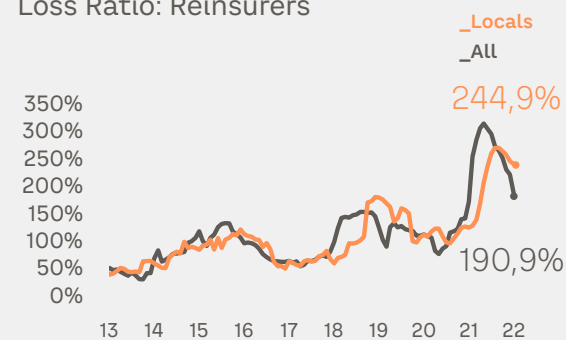
Division of Reinsurance Premiums by type of business.



Loss Ratio: Insurers

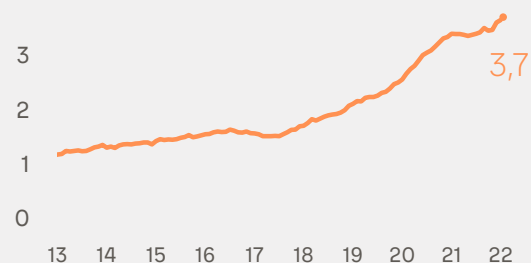


Loss Ratio: Reinsurers

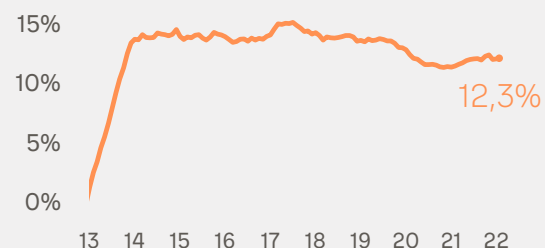


# Liability

Insurance Premium



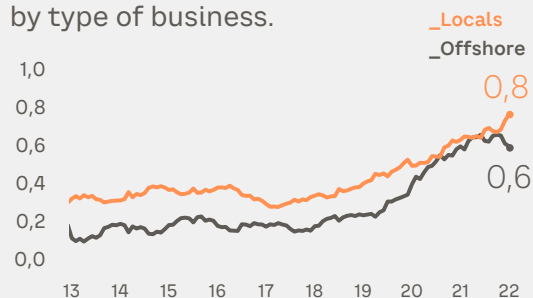
% Brokerage Commission



Reinsurance Premium / Insurance Premium



Division of Reinsurance Premiums by type of business.



Loss Ratio: Insurers



Loss Ratio: Reinsurers



# Marine

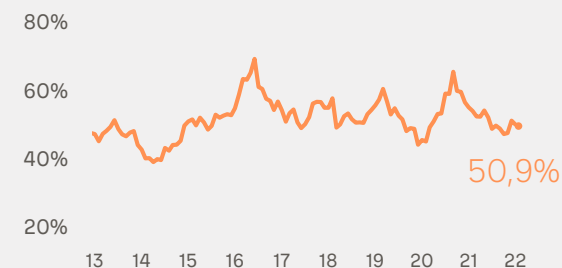
Insurance Premium



% Brokerage Commission



Reinsurance Premium / Insurance Premium



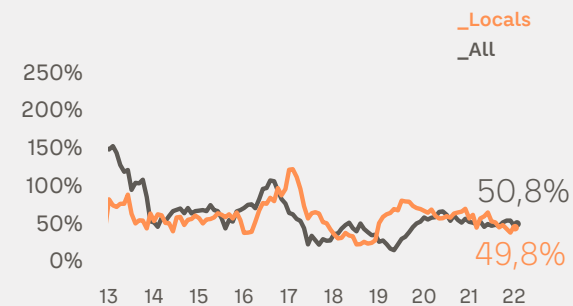
Division of Reinsurance Premiums by type of business.



Loss Ratio: Insurers



Loss Ratio: Reinsurers







Cession from  
Brazilian  
insurance  
companies  
to the global  
reinsurance  
market.

#### RANKING OF ACCEPTED REINSURANCE FROM BRAZILIAN INSURANCE COMPANIES (BRL\$ MILLIONS)

Rank	Var. 2021	Economic Group	Type <sup>(1)</sup>	Reinsured Premium	Market share
1	-	IRB	Local	6.034	20,1%
2	-	Mapfre	Local+ Foreign	3.941	13,1%
3	+1	Munich	Local+ Foreign	2.793	9,3%
4	-1	Allianz	Local+ Foreign	2.784	9,3%
5	-	Austral	Local	1.709	5,7%
6	-	Zurich	Local+ Foreign	1.525	5,1%
7	-	Scor	Local+ Foreign	1.311	4,4%
8	-	Lloyd's	Exterior	1.046	3,5%
9	+2	Swiss	Local+ Foreign	999	3,3%
10	-	Talanx	Exterior	957	3,2%
Other Groups (63)				6.898	23,0%
<b>Total</b>				<b>29.994</b>	<b>100%</b>

Cession from  
Brazilian  
insurance  
companies  
to the global  
reinsurance  
market.

#### HISTORICAL RANKING OF THE TOP TEN POSITIONS

Rank	2015	2016	2017	2018	2019	2020	2021	2022
1	IRB	IRB	IRB	IRB	IRB	IRB	IRB	IRB
2	Zurich	Zurich	Zurich	Munich	Mapfre	Mapfre	Mapfre	Mapfre
3	Allianz	Swiss	Swiss	Swiss	Munich	Munich	Allianz	Munich
4	Austral	Munich	Munich	Chubb	Zurich	Zurich	Munich	Allianz
5	Swiss	Allianz	Mapfre	Mapfre	Austral	Austral	Austral	Austral
6	Lloyd's	Lloyd's	Everest	Zurich	Lloyd's	Chubb	Zurich	Zurich
7	Munich	Mapfre	Lloyd's	Lloyd's	Scor	Lloyd's	Scor	Scor
8	Chubb	Everest	Junto	Scor	Everest	Everest	Lloyd's	Lloyd's
9	Mapfre	Junto	Scor	Allianz	Chubb	Talanx	Everest	Swiss
10	Talanx	Talanx	Talanx	Talanx	Allianz	Scor	Talanx	Talanx

Cession from  
Brazilian  
insurance  
companies  
to the global  
reinsurance  
market.

#### ACCEPTED REINSURANCE PREMIUMS BY LINE OF BUSINESS: 2022 AND 2021.

	2022	%	2021	22/21
Property	8.397.864	28%	6.740.759	25%
Rural	6.641.357	22%	5.051.210	31%
Surety	3.538.496	12%	2.972.612	19%
Auto	3.410.213	11%	2.576.302	32%
Life	2.051.583	7%	1.389.743	48%
Marine	1.845.374	6%	1.634.478	13%
Liability	1.776.274	6%	1.652.918	7%
Special Risks	1.319.927	4%	1.361.143	-3%
Aviation	952.560	3%	954.199	0%
Home	60.778	0%	62.740	-3%
Microinsurance	22	0%	57	-62%
	<b>29.994.449</b>		<b>24.396.160</b>	<b>23%</b>

# Cession from Brazilian insurance companies to the global reinsurance market.

## PROPERTY

Rank	Var. 2021	Economic Group	Reinsured Premium	Market share
1	-	IRB	1.729	20,6%
2	-	Mapfre	1.296	15,4%
3	-	Munich	614	7,3%
4	+5	Swiss	430	5,1%
5	-	Austral	421	5,0%
6	-2	Zurich	411	4,9%
7	-1	Starr	399	4,7%
8	-	Lloyd's	368	4,4%
9	-2	Talanx	350	4,2%
10	+1	Everest	311	3,7%
Other groups (50)			2.069	24,6%
<b>Total</b>			<b>8.398</b>	

## SURETY

Rank	Var. 2021	Economic Group	Reinsured Premium	Market share
1	-	Junto	671	19,0%
2	+1	Everest	348	9,8%
3	-1	Chubb	324	9,1%
4	-	IRB	247	7,0%
5	+1	Lloyd's	207	5,9%
6	+4	Allianz	160	4,5%
7	-2	AIG	151	4,3%
8	-1	Talanx	145	4,1%
9	-	Zurich	127	3,6%
10	+11	BTG	119	3,4%
Other groups (38)			1.040	29,4%
<b>Total</b>			<b>3.538</b>	

# Cession from Brazilian insurance companies to the global reinsurance market.

## RURAL

Rank	Var. 2021	Economic Group	Reinsured Premium	Market share
1	+1	Mapfre	1.830	27,6%
2	-1	IRB	1.456	21,9%
3	+1	Munich	1.155	17,4%
4	-1	Scor	839	12,6%
5	-	Talanx	345	5,2%
6	+3	Berkshire Hathaway	188	2,8%
7	-	Swiss	151	2,3%
8	-2	Everest	129	1,9%
9	+8	Partner	106	1,6%
10	+10	Mitsui	98	1,5%
Other groups (20)			344	5,2%
<b>Total</b>			<b>6.641</b>	

## MARINE AND TRANSPORTATION

Rank	Var. 2021	Economic Group	Reinsured Premium	Market share
1	-	IRB	361	19,6%
2	-	Austral	352	19,1%
3	+1	Allianz	225	12,2%
4	-1	Munich	206	11,2%
5	-	Chubb	137	7,4%
6	-	Mapfre	116	6,3%
7	-	Scor	68	3,7%
8	-	Lloyd's	50	2,7%
9	-	Swiss	46	2,5%
10	+7	Axa XL	40	2,1%
Other groups (36)			245	13,3%
<b>Total</b>			<b>1.845</b>	

# Cession from Brazilian insurance companies to the global reinsurance market.

## LIFE

Rank	Var. 2021	Economic Group	Reinsured Premium	Market share
1	-	IRB	1.004	48,9%
2	-	Munich	506	24,7%
3	-	Swiss	230	11,2%
4	-	Mapfre	116	5,7%
5	+3	Allianz	56	2,7%
6	+3	Talanx	48	2,3%
7	-	Austral	36	1,7%
8	-3	Scor	13	0,7%
9	+2	Zurich	13	0,6%
10	-4	RGA	11	0,5%
Other groups (16)			18	0,9%
<b>Total</b>			<b>2.052</b>	

## LIABILITY

Rank	Var. 2021	Economic Group	Reinsured Premium	Market share
1	+1	Zurich	332	18,7%
2	-1	IRB	244	13,7%
3	+1	AIG	210	11,8%
4	+1	Austral	178	10,0%
5	-2	Chubb	152	8,6%
6	-	Lloyd's	101	5,7%
7	+1	Allianz	73	4,1%
8	-1	Mapfre	59	3,3%
9	-	Munich	54	3,1%
10	+1	Starr	51	2,9%
Other groups (38)			323	18,2%
<b>Total</b>			<b>1.776</b>	

# Cession from Brazilian insurance companies to the global reinsurance market.

## AVIATION

Rank	Var. 2021	Economic Group	Reinsured Premium	Market share
1	-	Mapfre	245	25,7%
2	+5	AIG	126	13,2%
3	-1	Lloyd's	121	12,7%
4	-	Starr	83	8,7%
5	-2	IRB	59	6,2%
6	-	Swiss	50	5,3%
7	-2	Austral	38	3,9%
8	+2	Munich	35	3,7%
9	-1	Allianz	30	3,1%
10	+4	Assicurazioni	19	2,0%
Other groups (30)			147	15,4%
<b>Total</b>			<b>953</b>	

## AUTO

Rank	Var. 2021	Economic Group	Reinsured Premium	Market share
1	-	Allianz	1.833	53,8%
2	-	Zurich	613	18,0%
3	-	Austral	571	16,7%
4	-	Munich	142	4,2%
5	+1	Scor	117	3,4%
6	-1	IRB	115	3,4%
7	-	Swiss	9	0,3%
8	-	Mapfre	6	0,2%
9	+3	Lloyd's	3	0,1%
10	-1	Talanx	1	0,0%
Other groups (6)			1	0,0%
<b>Total</b>			<b>3.410</b>	



# Cession from Brazilian insurance companies to the global reinsurance market.

## HOUSING

Rank	Var. 2021	Economic Group	Reinsured Premium	Market share
1	-	IRB	34	56,7%
2	-	Mapfre	13	21,0%
3	-	Munich	7	10,8%
4	+2	Austral	3	4,5%
5	-1	Swiss	2	3,0%
6	-1	Lloyd's	1	1,8%
7	+1	Talanx	1	1,7%
8	+5	Everest	0	0,5%
9	+1	Zurich	0	0,4%
10	+2	Allianz	0	0,0%
Other groups (6)			0	-0,3%
<b>Total</b>			<b>61</b>	

## OIL AND NUCLEAR

Rank	Var. 2021	Economic Group	Reinsured Premium	Market share
1	-	IRB	785	59,5%
2	-	Mapfre	214	16,2%
3	-	Lloyd's	136	10,3%
4	+3	Allianz	37	2,8%
5	-1	AIG	33	2,5%
6	-1	Starr	30	2,3%
7	-1	Austral	25	1,9%
8	+6	Korean Re	6	0,5%
9	+13	Liberty	6	0,5%
10	+7	Talanx	6	0,4%
Other groups (32)			41	3,1%
<b>Total</b>			<b>1.320</b>	

Cession from  
Brazilian  
insurance  
companies  
to the global  
reinsurance  
market.

#### RANKING OF REINSURANCES ACCEPTED BY COUNTRY OF HEADQUARTERS OF THE ECONOMIC GROUPS.

Rank	Var. 2021	Country of EG Headquarters	Reinsured Premium	Market share
1	-	Brasil	8.533	28,4%
2	-	Alemanha	6.803	22,7%
3	+1	Espanha	4.007	13,4%
4	-1	Estados Unidos	3.555	11,9%
5	-	Suíça	2.562	8,5%
6	-	França	1.697	5,7%
7	-	Inglaterra	1.119	3,7%
8	-	Bermudas	718	2,4%
9	-	Japão	414	1,4%
10	-	Canadá	173	0,6%
11	+3	África do Sul	122	0,4%
12	-	Itália	101	0,3%
13	-2	México	93	0,3%
14	-1	Coreia do Sul	46	0,2%
15	+3	Bélgica	19	0,1%
		Others (6)	33	0,1%
<b>Total</b>			<b>29.994</b>	
10	-1	Emerging countries*, less Brazil	293	1,0%
6	+1	Brazil, less the IRB	2.499	8,3%

\*Emerging countries: South Africa, Brazil, Kazakhstan, China, India, Mexico and Russia.  
Source: Table 51 (chartSes\_Cessos\_Recebidas) Value in BRL\$ million, Gross on commission.

CLASSIFICATION OF ENTITIES BY ECONOMIC  
GROUP AND LIST OF TECHNICAL TERMS.  
([CLICK HERE TO ACCESS](#))

AUSTRAL / Re

