
Board Meeting

February 2023

Dear Members,

At the Board meeting, held in Singapore on 7 February, the following developments were reported in respect of the Steamship Mutual group companies.

Highlights

- The Club's own incurred claims and the cost of International Group (IG) Pool claims for the 2022/23 policy year remain less than budgeted.
- IG pool claims development for prior years continue to exceed budget expectations.
- The Club's financial year-end combined ratio is expected to be less than 100%.
- After 11 months the Club recorded an investment loss of 2.4%.
- Owned tonnage has increased by 4.7% in the 11 months to 20 January.

Underwriting Results

2022/23 Policy Year

After 11 months the Club's own incurred claims are less than expected notwithstanding tonnage growth and inflationary pressures. The expected cost of COVID-19 remains very low. The Club has not incurred any claims in the IG Pool and there have been only two pool claims notified by other IG Clubs.

2021/22 and prior years

The overall development of the Club's own claims for prior years has been favourable with improvements exceeding expectations. However, the deterioration in IG Pool claims for prior years noted in October has continued which has offset some of the positive current year IG pool experience.

Investments

In the 11 months ending January 2023 the Club's investments, excluding currency movements, recorded losses of US\$28 million or 2.4% largely due to changes in interest rates.

Renewal 2022/23

At the Board meeting in October 2022, it was decided that there should be a general increase of 7.5% in premium ratings. The Directors received a report on renewal progress and thanked the Members for their continued support.

Reinsurance

Changes in the cost of the International Group Excess of Loss reinsurance contract and the Hydra reinsurance programme for 2023/24 were reported in the Club's December Circular [L.412](#).

Tonnage

The Directors were pleased to note the continued growth in the Club's owned entry by 4.7% in the period 20 February 2022 to 20 January 2023, increasing the total owned entry to over 115m GT.

Club Circular: L.415

Yours faithfully,

STEAMSHIP MUTUAL UNDERWRITING
ASSOCIATION LIMITED