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Half-year figures offer a glimpse of the way ahead

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> 'The results have thrown up some new questions'

The insurance industry's full-year 2012 results posed many questions.

How would UK general insurers tackle persistent underwriting unprofitability in commercial lines and the reforms in personal lines motor?

Could UK, global and Lloyd's insurers cut their dependence on investment returns to counteract the effects of interest rates?

Would global brokers be able to continue growing despite the competitive and economic pressures in many of their key markets?

With the companies operating in such challenging global economic conditions and coping with so much internal and external change, it makes sense to take a health check at the half-year stage.

As this third edition in *Insurance Times' Insurance Monitor* series shows, the half-year 2013 results have begun to provide some of the answers to the questions that emerged at year-end, and some indication of where the market is going.

For example, we have a good idea about UK general insurers' responses to difficult commercial lines and how legal changes have affected personal lines motor rates.

The results have also thrown up some new questions. On the UK general insurance front, for example, are we about to witness a resurgence of AXA after its motor cutbacks over the past few years?

Will reserve strengthening for commercial motor bodily injury claims start blighting results in the same way that similar actions in personal lines did three years ago?

There is still a half-year to go, and six months can be a long time in insurance.

The US hurricane season is in full swing, which could generate losses for those, such as the Lloyd's firms, writing international property catastrophe business.

UK insurers could be hit by winter freeze claims in the next half-year. Brokers could lose a big client or haemorrhage business after sudden staff defections to rivals.

Even so, the half-year stage is very revealing about the market's progress.