



## STEAMSHIP MUTUAL

To the Members

July 2012

Dear Sirs,

### FINANCIAL UPDATE

At a Board Meeting in Berlin, Germany on 23<sup>rd</sup> and 24<sup>th</sup> July 2012 the following developments were reported:

#### **Tonnage**

The Directors were pleased to note the continued growth in the Association's owned entry, 2.74 million tons in the period 20<sup>th</sup> February to 20<sup>th</sup> July 2012.

#### **Claims**

##### **2012/13 Policy Year**

On the basis of gross owned claims reported to date, the number of claims in the layer up to US\$250,000 is significantly lower than the level seen in the 2011/12 year but the average size is a little higher. The number of claims estimated in excess of US\$250,000 is similar to the experience of the last year. The experience on the International Group Pool has been worse than in recent years with four claims notified.

##### **2011/12 and Prior Years**

On the experience of the five months to 20<sup>th</sup> July the forecast ultimate cost of claims for the 2011/12 year has increased but the forecast in respect of other prior years has reduced.

#### **Investments**

Investment markets stabilised in June after a widespread sell-off in May. Economic growth appears to be slowing in all parts of the world and markets continue to look for co-ordinated action by central banks and policymakers, particularly in the Eurozone, to provide monetary stimulus. Despite these conditions the combined portfolio of the Club and Trust has recorded a small positive return for the year to date.

#### **Class 1 Mutual Premium**

##### **2012/13 Policy Year**

The third instalment of Mutual Premium of 25% will be debited on 20<sup>th</sup> August 2012 in the normal way.

Yours faithfully,

THE STEAMSHIP MUTUAL UNDERWRITING  
ASSOCIATION (BERMUDA) LIMITED

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**THE STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION (BERMUDA) LIMITED**

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Authorised and Regulated by the Bermuda Monetary Authority and the United Kingdom Financial Services Authority  
(FSA registration number 202762)

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