



# GLOBEX UPDATE

*Events, developments, and opportunities in the international marketplace*

## South Africa.

South Africa's unemployment rate declined to 25% in the second quarter as the government and the construction industry added more workers. Overall, the number of people without jobs has decreased by 305,000 to 5.23 million. Africa's second-largest economy has struggled to boost employment since a 2009 recession and has the second-highest jobless rate among 62 countries. Falling commodity prices and rising wage demands are curbing work opportunities, with at least seven listed mining companies announcing plans in the past two months to cut up to 10,000 jobs. Economic growth will probably accelerate to 2% this year, according to the government, from 1.5% in 2014, the slowest since the recession. The number of people employed in community and social services, which includes the government, increased by 98,000 to 3.55 million. That makes it the biggest employer by industry. The construction sector added 79,000 workers while the finance industry and manufacturing lost 31,000 jobs and 23,000 positions respectively. Mining added 3,000 jobs. The government's National Development Plan seeks to cut the jobless rate to 14% by 2020 and 6% by 2030.

## China.

The Chinese non-life sector saw premiums rise by 12% to CNY326.88 billion (US\$68.7 billion) in the first half of this year, compared to the corresponding period last year. The top 10 non-life insurers, in terms of premiums from January to June, are PICC, Ping An, China Pacific, China Life Property & Casualty, China United, China Continent, Sunshine, Taiping, Tian An and China Export & Credit Insurance. There is no change in the positioning of the top seven non-life insurers compared to the first half of last year. However, China Export & Credit Insurance fell to 10th spot in the first half of this year from the Number Eight place as at June last year while Taiping and Tian An both moved up by one position in the first half this year. China Export & Credit Insurance was the only one among the top 10 to post a fall in premiums in 1H this year. Its premiums from January to June stood at CNY5.9 billion, representing a decline of 20.5% compared to the corresponding period last year. For last year as a whole, China's non-life sector's premiums grew by 16% to CNY720.34 billion. There are more than 60 non-life insurers in the country.

## United Arab Emirates.

The UAE Cabinet has issued a resolution granting composite insurance companies operating in the country one more year starting from 28 August 2015 to separate their life and non-life businesses. A 2007 insurance law makes it mandatory for composite insurers to set up separate life and non-life businesses. The deadline for doing so was originally five years from 2007, but had been extended to 28 August this year. Insurance executives welcomed the postponement, saying it would allow local composite insurers to increase their share of the life insurance market, through a greater focus on this line of business. Smaller composite insurers, which do not have a sufficiently large life insurance portfolio for operations to be financially viable, might have to transfer their life operations to other insurers. 2014 premiums for the non-life sector were AED24.9 billion (US\$6.8 billion), while premiums in life insurance totaled AED8.6 billion. Of 60 total insurers in the UAE, 13 are composite insurers, 37 are engaged in non-life business only and 10 in life business only.

### RECENT SUCCESSES

- Secured standalone quote for a vaccine related Clinical Trial being undertaken in Haiti as part of a total 5 country study
- Bound coverage for beach front, jumbo homeowners risk in Los Cabos, Mexico.
- Provided a property quotation for storage risk of school supplies in a warehouse in Juba, South Sudan.
- Sourced a Professional Liability quotation for a US client's South Korean contractor who provided chemical registration services to the Ministry of the Environment.
- Placed cover for a condo unit in Grand Cayman.



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