



GLOBEX UPDATE

Property & Casualty

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India

India's attractiveness as a destination for manufacturing has improved sharply over the past three to four years and a survey of CFOs in the US found that India has grown in popularity as an FDI destination. A significant shift of manufacturing out of China is expected to be a multi-year trend and a potential golden opportunity for India, especially if it is properly positioned after the elections. Early evidence of this potential is already emerging. While its future pace and scale remains uncertain, the migration of manufacturing out of China is well underway. The escalation in trade tensions between the US and China is a major new factor but, even if a trade deal emerges, uncertainty as to its robustness is likely to remain. At the same time, rising costs and tougher environmental norms are here to stay. India has evolved as one of the preferred destinations in which to establish a manufacturing base. As well as lower costs and an absence of tensions associated with a potential trade-war, India is perceived as both less onerous in terms of environmental governance and offering a more highly-skilled workforce relative to its peers.

Mexico

Hurricane season in the northeast Pacific is officially underway and will extend until November 30th. This year could be a repeat of 2018 as forecasts are calling for a well above normal season in terms of activity. Mexico's National Weather Service has forecasted 19 named storms during the coming six months, which is above the average of 15.4. Eleven of those storms will become hurricanes, which is also above the average of 7.6. Perhaps the more significant part of the forecast is that six of those hurricanes are expected to be major, with categories of 3, 4 or 5. That would mean having almost twice the number normally seen on an average year. These stronger storms normally form later in the season, in August, September or October, when water temperatures in the region tend to be higher. From Central America, up to Mexico and across to Hawaii, the chances of a storm impacting the coast this season will be high.

Kuwait

Kuwait's Ministry of Commerce and Industry has issued a decree requiring companies and institutions operating in the insurance, gold, banking and real estate sectors to appoint a Kuwaiti auditor from 1 January 2020 to combat money laundering. The decision includes insurance companies and insurance brokers when entering life insurance contracts and other types of insurance related to investment as an insurer or broker of the insurance contract. Directives have been issued to conduct a comprehensive study of the insurance sector, including developing and regulating the market and ensuring the soundness of its financial and legal position.

RECENT SUCCESSES

- Appointed local partner broker in the United Arab Emirates for a client specializing in artificial intelligence technology applications.
- Arranged servicing for an admitted policy in Canada for an on-site event apparel & merchandising company.
- Quoted a local General / Products Liability policy for an aerial platform manufacturer in New Zealand.
- Issued local Property & General Liability policies as part of controlled master programs for a global at-home fitness company opening in Germany.

GLOBEX BROKER SERVICES

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