

# RENEWAL PRICE MONITORING

ISO MARKETWATCH APPROACH

# RENEWAL PRICE MONITORING

WHAT DO YOU WISH TO  
BASE CONCLUSIONS UPON?

## RENEWAL PRICE MONITORING

- RUMORS ?
- SURVEYS ?
- GUESSES?

OR

- ACTUAL RENEWAL PRICE TRANSACTIONS?

## RENEWAL PRICE MONITORING

REMEMBER THE OBVIOUS:  
RENEWALS USUALLY REPRESENT THE VAST  
MAJORITY OF YOUR TOTAL PREMIUM

# Actual 2008 Renewal Premium Volume in Marketwatch

Line of Business	Premium Volume
GL - Products	673,000,000
GL - Premises/Operations	1,937,000,000
CA - Physical Damage	757,000,000
CA - Liability	2,769,000,000
CF - Allied	1,134,000,000
CF - Fire	1,230,000,000
BOP	2,517,000,000

## RENEWAL PRICE MONITORING

ISO HAS ACTUAL RENEWAL DATA FOR  
MILLIONS OF TRANSACTIONS

WE SPECIFICALLY TRACK RENEWAL PRICING

# RENEWAL PRICE MONITORING

WE HAVE:

- ACTUAL FINAL PRICES CHARGED, BOTH EXPIRING AND RENEWING
- ACTUAL TRUE POLICY EXPOSURES, BOTH EXPIRING AND RENEWING

# RENEWAL PRICE MONITORING

WE ONLY MONITOR RENEWALS IN POLICY BY POLICY DETAIL. THEN WE AGGREGATE TO INDUSTRY LEVEL.

THESE POLICIES HAVE:

- SAME LIMITS
- SAME DEDUCTIBLES

# RENEWAL PRICE MONITORING

ADVANCED ARITHMETIC:

WE TAKE RATIOS:

- E - EXPIRING PREMIUM PER EXPOSURE
- R - RENEWING PREMIUM PER EXPOSURE
- COMPUTED AS :  $R/E$

# RENEWAL PRICE MONITORING

FEATURES:

- MONTHLY DATA PUBLISHED QUARTERLY
- HISTORY BACK TO 1996
- LINE OF BUSINESS BY STATE BY LINE DETAIL
- EVEN MORE GRANULARITY IS AVAILABLE IN OUR CUBE PRODUCT

# RENEWAL PRICE MONITORING

## LINES OF BUSINESS

- Commercial Auto:
  - Liability and Physical Damage Separately
- General Liability:
  - Products and Premises/Operations Separately
- Commercial Property:
  - Fire and Allied Separately
- BOP