

Risk management update: a surge in claims

With a cyclical economy, we continue to observe a significant surge in the volume and size of claims filed by our customers in North America.

To illustrate the sector volatility throughout the past few years, here's an overview of the claims trends and the current risk assessments from 2022 to March 2024.

All sectors have suffered from disruptions or maintained signs of weakness for quite some time. These two defining factors and the current economic climate continue to influence the assigned risk level.

Year to date, we have seen a **27% increase** in the dollar amount of claims filed, as well as a **42% increase** in the volume of claims.*

	FULL YEAR 2022 VS. 2023			2023 Q4 VS. 2024 Q1		
	Difference in Claims by Volume Amount	Difference in Claims by Dollar Amount	Allianz Trade Risk Assessment 2023 Q4	Difference in Claims by Volume Amount	Difference in Claims by Dollar Amount	Allianz Trade Risk Assessment YTD
Agrifood	128%	104%	2	23%	-37%	2
Automotive Manufacturers	208%	62%	2	-39%	-19%	2
Automotive Suppliers	114%	245%	2	-39%	-43%	2
Chemicals	138%	252%	2	-25%	58%	2
Computers and Telecom	4%	-47%	2	100%	191%	2
Construction	103%	63%	2	44%	94%	2
Electronics	83%	85%	2	-20%	-94%	2
Energy	61%	10%	2	0%	58%	2
Household Equipment	78%	9%	3	4%	-28%	3
Machinery & Equipment	81%	209%	2	26%	-64%	2
Metals	94%	16%	2	59%	113%	2
Paper	67%	-17%	2	8%	138%	2
Pharmaceuticals	39%	95%	1	-50%	143%	1
Retail	92%	145%	2	47%	-13%	2
Software & IT Services	120%	233%	2	13%	-45%	2
Textiles	71%	14%	3	23%	-36%	3
Transportation	317%	147%	2	11%	49%	2
Transport Equipment	325%	188%	3	0%	21%	3

*Versus the end of Q1 2023

CATEGORY	LEVEL OF RISK	DEFINITION
1	Low	Sound fundamentals. Very favorable or fairly good outlook
2	Medium	Signs of weakness. Possible slowdown
3	Sensitive	Structural weaknesses. Unfavorable for fairly bad outlook
4	High	Imminent or recognized crisis

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