

**APPLIED RATING INDEX™**

# The Canadian insurance industry's premium rate index

**Q2 2020**



# Executive Summary

The Applied Rating Index is a data-driven report of current conditions and trends for Personal Auto and Personal Property insurance premium rates in Canada. This index is derived from rates generated in Applied Rating Services and covers more than 80% of the independent brokerage market and 675 insurer rating plans. Applied Rating Index offers the most complete depiction of premium rate trends across the Canadian market.

In Q2 2020, average premiums for both Personal Auto and Personal Property lines increased versus the same quarter in 2019. For Personal Auto, Alberta and the Atlantic provinces experienced the most significant increase in premium year over year for the second quarter in a row at 12.3% and 11.5% respectively. For Personal Property, Quebec's year-over-year premium stayed the highest for the second quarter running at 22.1% while British Columbia's annual premium rate was the only province with negative change premium rate change at -6.3%.

## Significant Findings

### Personal Auto

In Q2 2020, Personal Auto premiums increased by 4.7% versus Q2 2019. Personal Auto premiums decreased -1.6% versus Q1 2020.

### Personal Property

In Q2 2020, Personal Property premiums increased by 5.3% versus Q2 2019. Personal Property premiums decreased -0.5% versus Q1 2020.

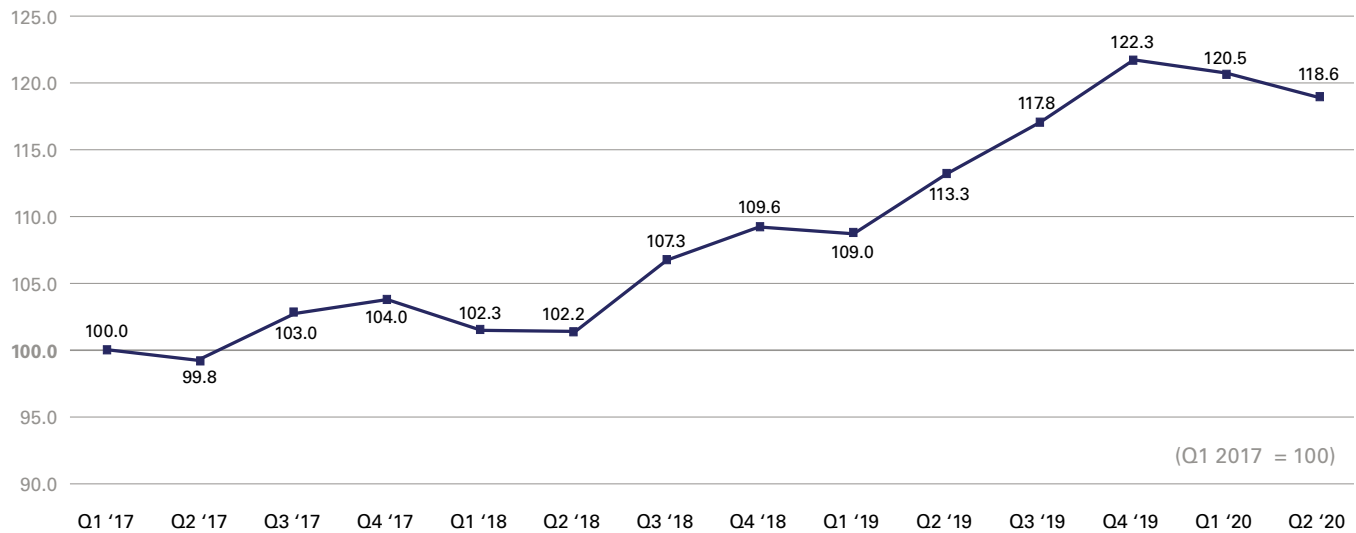
### Provinces

For Personal Auto, Ontario experienced the lowest year over year premium change at 0.8% while Alberta experienced the greatest year over year premium change at 12.3%. Compared to Q1 2020, all provinces experienced a downturn in premium change. For Personal Property, all provinces experienced an increase in premium change, except for British Columbia, year over year. Quarter over quarter, all provinces experienced a downturn in premium change.

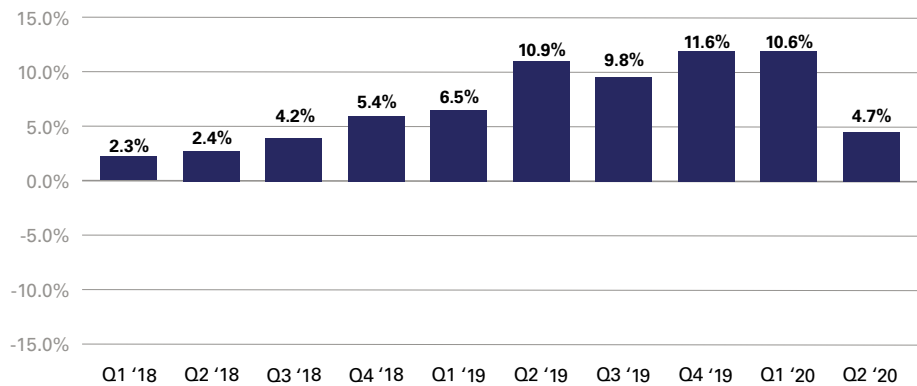
# National Premium Rates

## Personal Auto

### Applied Rating Index



### Average Change in Premium Rate Compared to Same Quarter in Prior Year

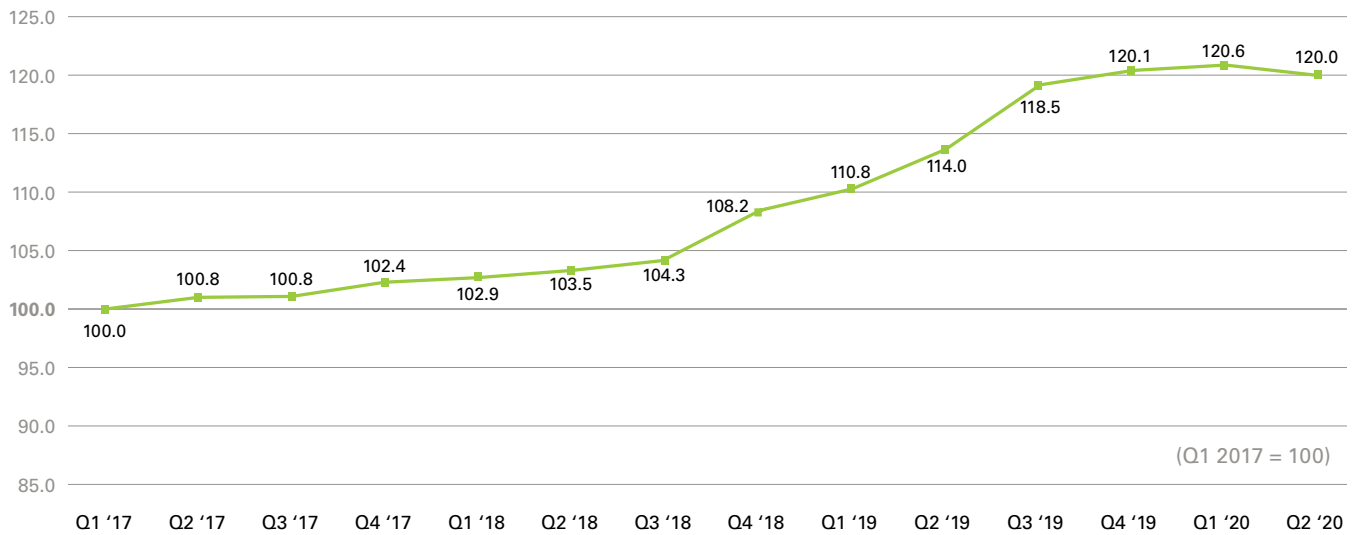


**+4.7%**

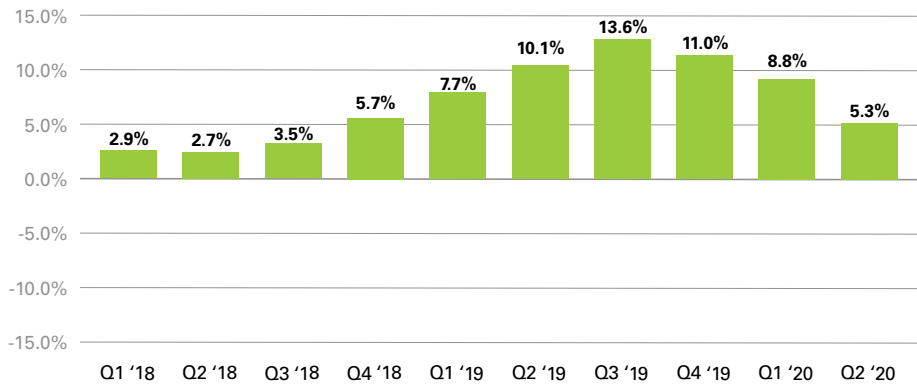
Average year-over-year increase in national Personal Auto premium rates from Q2 2019 to Q2 2020

# Personal Property

## Applied Rating Index



## Average Change in Premium Rate Compared to Same Quarter in Prior Year



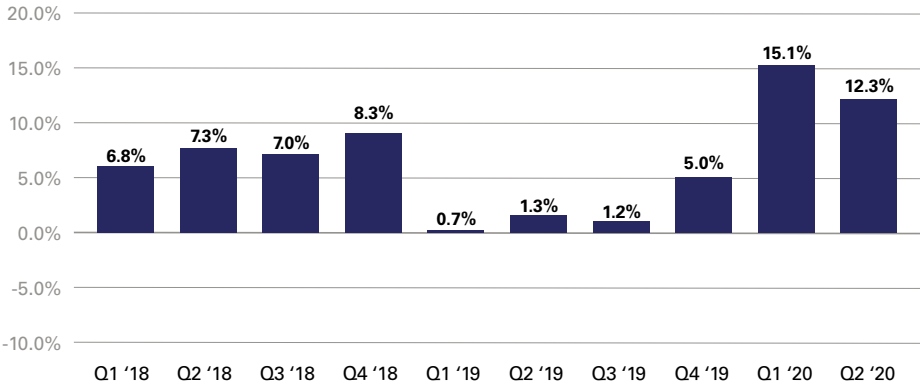
**+5.3%**

Average year-over-year increase in national Personal Property premium rates from Q2 2019 to Q2 2020

# Provincial Premium Rates

## Alberta

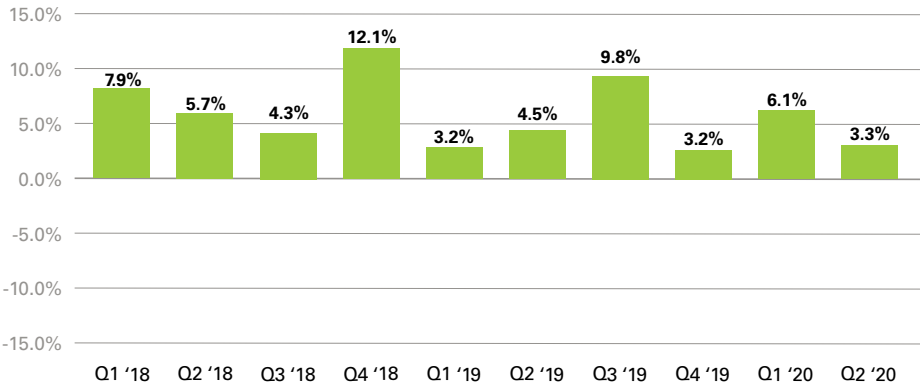
**Personal Auto – Average Change in Premium Rate Compared to Same Quarter in Prior Year**



**+12.3%**

Average year-over-year increase in Personal Auto premium rates in Alberta from Q2 2019 to Q2 2020

**Personal Property – Average Change in Premium Rate Compared to Same Quarter in Prior Year**

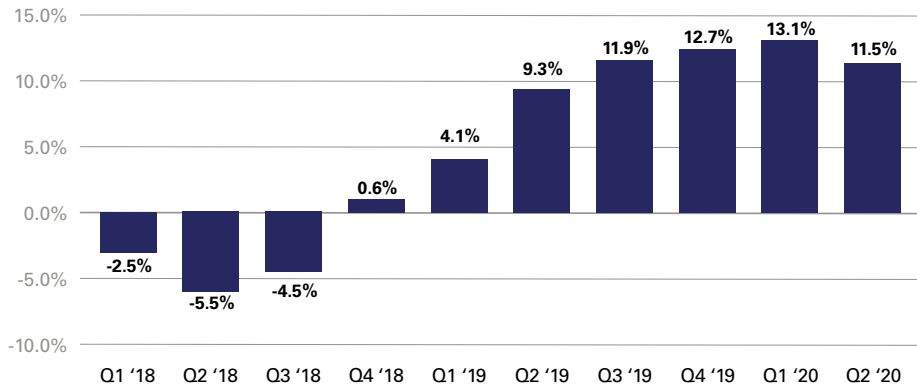


**+3.3%**

Average year-over-year increase in Personal Property premium rates in Alberta from Q2 2019 to Q2 2020

## Atlantic Provinces

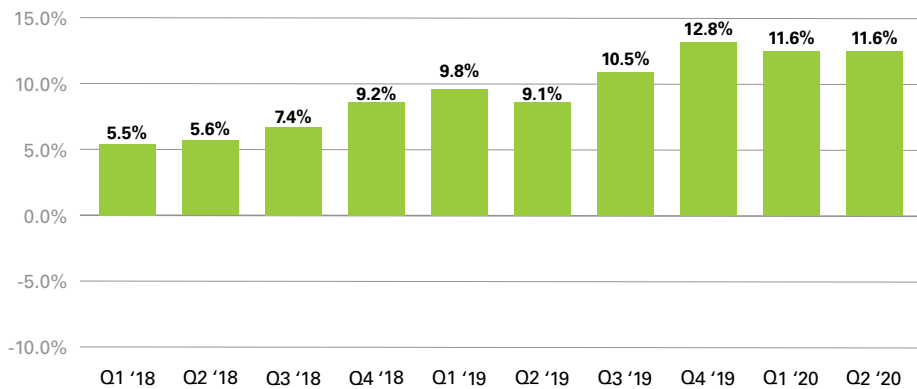
**Personal Auto – Average Change in Premium Rate Compared to Same Quarter in Prior Year**



**+11.5%**

Average year-over-year increase in Personal Auto premium rates in the Atlantic provinces from Q2 2019 to Q2 2020

**Personal Property – Average Change in Premium Rate Compared to Same Quarter in Prior Year**

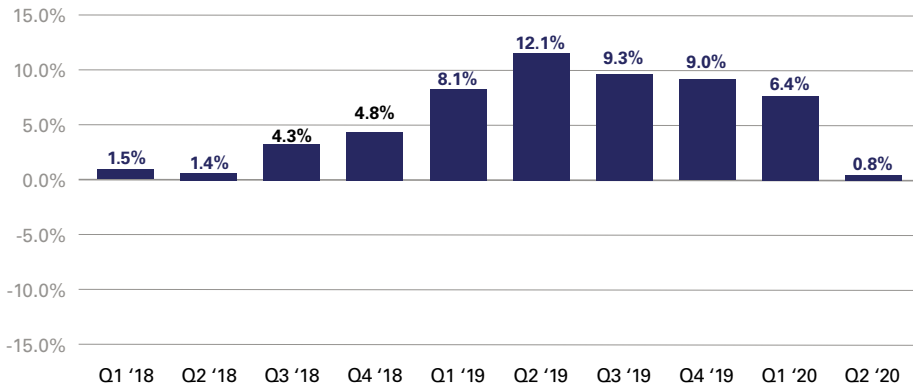


**+11.6%**

Average year-over-year increase in Personal Property premium rates in the Atlantic provinces from Q2 2019 to Q2 2020

## Ontario

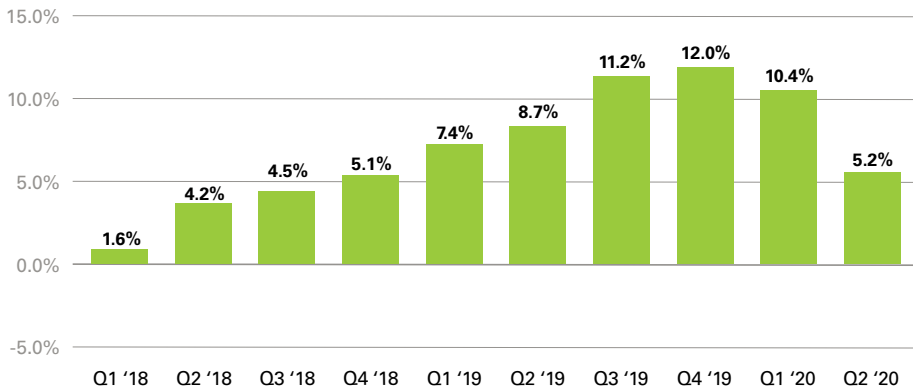
### Personal Auto – Average Change in Premium Rate Compared to Same Quarter in Prior Year



**+0.8%**

Average year-over-year increase in Personal Auto premium rates in Ontario from Q2 2019 to Q2 2020

### Personal Property – Average Change in Premium Rate Compared to Same Quarter in Prior Year

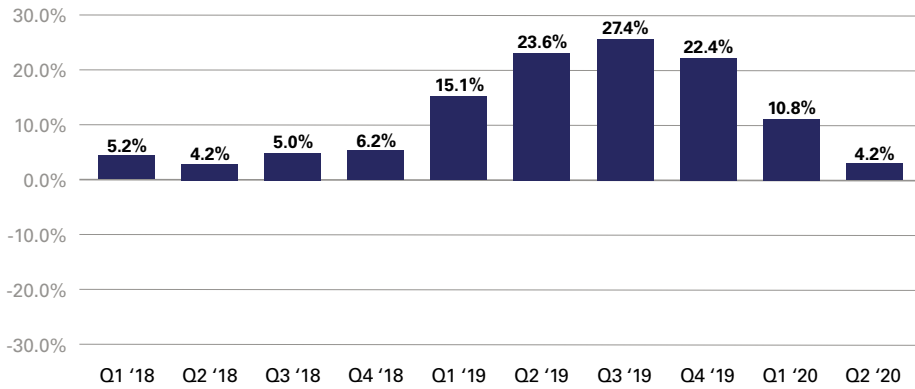


**+5.2%**

Average year-over-year increase in Personal Property premium rates in Ontario from Q2 2019 to Q2 2020

## Quebec

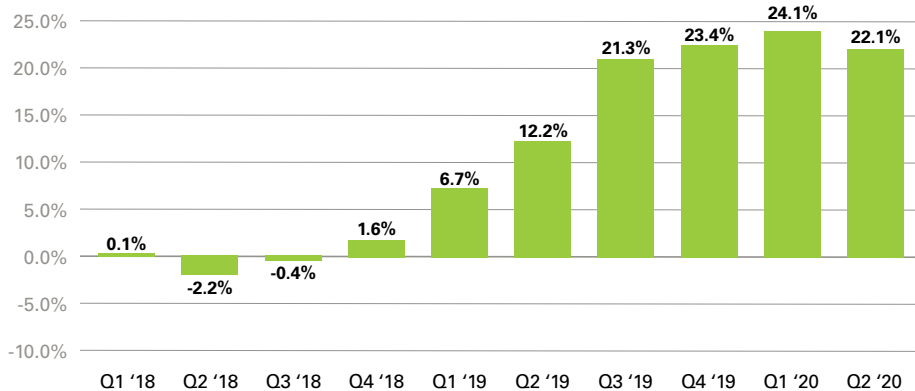
### Personal Auto – Average Change in Premium Rate Compared to Same Quarter in Prior Year



**+4.2%**

Average year-over-year increase in Personal Auto premium rates in Quebec from Q2 2019 to Q2 2020

### Personal Property – Average Change in Premium Rate Compared to Same Quarter in Prior Year



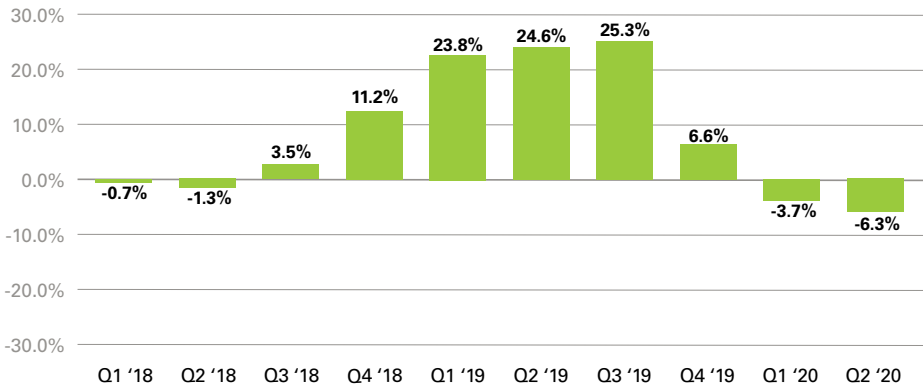
**+22.1%**

Average year-over-year increase in Personal Property premium rates in Quebec from Q2 2019 to Q2 2020



## British Columbia

### Personal Property – Average Change in Premium Rate Compared to Same Quarter in Prior Year

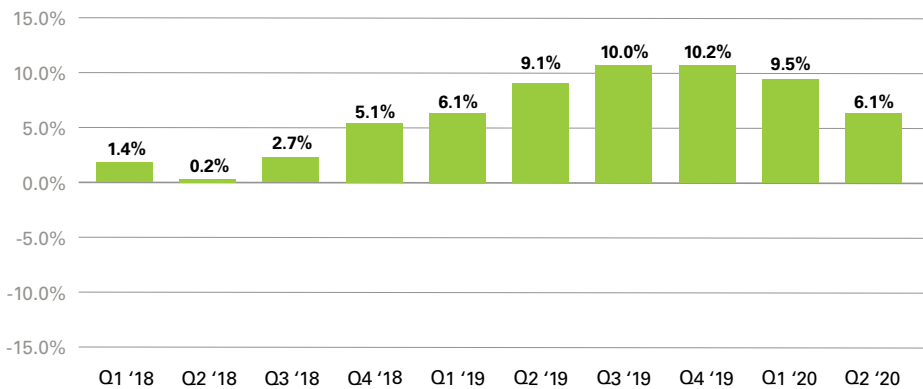


**-6.3%**

Average year-over-year increase in Personal Property premium rates in British Columbia from Q2 2019 to Q2 2020

## Saskatchewan and Manitoba

### Personal Property – Average Change in Premium Rate Compared to Same Quarter in Prior Year



**+6.1%**

Average year-over-year increase in Personal Property premium rates in Saskatchewan and Manitoba Q2 2019 to Q2 2020

# About Applied Rating Index

**The Applied Rating Index is a data-driven report of current conditions and trends for Personal Auto and Personal Property insurance premium rates. Analyzing more than 1.3 billion quotes completed, the Applied Rating Index measures the increase or decrease in average premium rate trends across Canada.**

Representing more than 80% of the brokerage market and 675 insurer rating plans written by brokers, the Applied Rating Index is the most complete depiction of the premium rate trends being experienced by consumers, brokerages, and their insurers across the Canadian market.

To derive the premium index, Applied uses the average of the three best final premiums of each risk quoted. The data analyzed represents over 30 million quotes per quarter.

All data is fully anonymized when aggregating and analyzing the Applied Rating Index.

# About Applied

**Applied Systems is the leading global provider of cloud-based software that powers the business of insurance. Recognized as a pioneer in insurance automation and the innovation leader, Applied is the world's largest provider of agency and brokerage management systems, serving customers throughout the United States, Canada, the Republic of Ireland, and the United Kingdom. By automating the insurance lifecycle, Applied's people and products enable millions of people around the world to safeguard and protect what matters most.**

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