

Subject: FW:

ILLA Report

The down trend felt globally has stricken the economies of almost all the S.E. Asia, particularly the financial hubs of Singapore, and tigers Thailand and Malaysia, Indonesia. All the banks in the region have held off expansion of credit whilst major currencies slowly tumbled due to pressure, resulting in closures of large multinational companies and lost of thousands of jobs, and blocked capital inflows.

The export sector, with cut opportunities could not sustain nor target new growth. Overseas buyers could to protect their markets, and with the lack of capital, could not penetrate new markets.

The impact on claims has been dramatic, in both property and marine in most Asian countries. The quality of claims could still be called acceptable, but surely the volumes have taken a step back compared the previous years.

The economic forums, on a governmental level have not provided clear cut strategies, and even with new papeer reports glamorize "showing signs of recovery", the reception in most companies remain rather lukewarm for the time being.

W. Raymond Tierra
September 2009