

Market Bulletin

Ref: Y5107

Title	Q2 2017 QMR – major losses, exchange rates and instructions
Purpose	To provide managing agents with information required for the completion of the Q2 2017 Quarterly Monitoring Returns including the list of major losses to be reported, suggested exchange rates and confirmation of the instructions.
Type	Scheduled
From	Jake Tomlin, Manager, UK Reporting, Market Finance Contact details: 020 7327 6581 jake.tomlin@lloyds.com
Date	3 July 2017
Deadline	QSR/QAD – 2:00pm, Friday 28 July 2017 (unaudited) QMA – 2:00pm, Thursday 3 August 2017 (unaudited) QMB – 2:00pm, Thursday 3 August 2017 (unaudited) QMA – 2:00pm, Thursday 17 August 2017 (audited) QSR/QAD – 2:00pm, Thursday 31 August 2017 (audited)
Related links	n/a

This bulletin provides:

- (a) the list of major losses to be reported in QMA800u (see Appendix 1);
- (b) suggested exchange rates, including rates for SBF return (see Appendix 2);
- (c) other information relevant to the completion of the Q2 2017 Quarterly Monitoring Returns;
- (d) QMA/QSR/QAD/ASR/ASB/AAD and syndicate accounts deadlines for 2017 year end; and
- (e) contact details.

Deadlines

The submission dates are as noted above. Both returns must be submitted by no later than 2:00pm of the deadline date. Any return submitted after that time will be considered to be late. The 2015 and 2016 forecasts as a percentage of capacity will be released to the Stock Exchange and included on Lloyds.com on Wednesday 10 August 2017.

QMA forms and instructions

Updated instructions for the Q2 2017 QMA “2017 version 1.2” were emailed to all managing agents and return contacts on 27 June 2017 (the email also included a tracked changes version of these instructions) to assist with preparation of the Q2 return. The updated instructions are also available on the QMA home page on the CMR site. There have been some minor changes to the instructions since the emailed version based on feedback received – “2017 version 1.3” is the version available to download from the QMA home page, however these changes will also be detailed in the FAQs which will be available and commence from 7 July 2017.

The key change for Q2 is that QMA360 has been updated for Q2 2017. Forms QMA212u and QMA219u will again be required at Q2 2017 but are likely to be removed later in 2017. The instructions provide further details on all changes for Q2 2017.

QSR, QAD and QMC forms and instructions

As previously advised to the market, with effect from Q2 2017 the QMC is no longer collected as a separate return and has now been combined with the QSR.

The QSR and QAD forms and instructions are now available for download from the CMR site.

As the members’ Solvency II balances collected in the QSR002 and QSR210 are now being used for the members’ release test in Autumn 2017 and for the 2018 capital setting process, an audit report (QSR930) is required to cover these forms only. This has been provided with the instructions.

Accordingly, as summarised above, the unaudited QSR and QAD for Q2 2017 must be submitted by 28 July 2017. The audit report must be provided by 31 August 2017. A revised QSR is only required to be submitted if either the QSR002 or QSR210 has changed from the original submission following the audit; in this case the revised QSR must also be submitted by 31 August 2017.

QMA, syndicate accounts and Pillar 3 deadlines for 2017 year-end

A list of the key submission deadlines for the 2017 year-end and 2018 Qs 1 to 3 will be included in the Q3 2017 major losses/exchange rates bulletin. However, to assist managing agents plan their year-end work the following deadlines are confirmed:

Submission of QSR and QAD	Friday 26 January 2018
Submission of audited QMA	Thursday 15 February 2018
Submission of syndicate annual accounts	Tuesday 20 March 2018
Submission of ASR, ASB and AAD	Thursday 29 March 2018

Software

The software for the Q2 2017 QMA will be available in the Production environment from 10 July onwards. The software for the Q2 2017 QSR and QAD is now available in Production.

ContactsReporting performance issues (not validation or content issues)

We would encourage all agents to report any issues they have with the performance of the software and accessing the systems as soon as they arise. This will enable the IT help desk to resolve the issue earlier in the process, monitor service levels in real time, and respond quickly as issues emerge. The contact e-mail is itcustomersupport@lloyds.com or call 020 7327 5333.

General queries

Any queries on the returns should be submitted via e-mail to

Return	Department	E-mail
QMA	Market Finance	Lloyds-MRD-ReturnQueries@lloyds.com
QMB	Performance Management	Lloyds-QMBReturns@lloyds.com
QSR/QAD	Market Finance	Lloyds-SolvencyReturns@lloyds.com

Jake Tomlin

Appendix 1

Major losses

The XIS catastrophe codes which must be reported in the Q2 2017 QMA800u are:

1	10P	New Zealand Earthquake	4 September 2010
2	11C	New Zealand Earthquake	22 February 2011
3	11N	Losses arising from New Zealand earthquake at Sumner	13 June 2011
4	12J	Hurricane Sandy from Caribbean and ongoing	24 October 2012
5	13A	Cyclone Oswald affecting Queensland and New South Wales, Australia.	27 to 29 January 2013
6	13F	Flooding following heavy rain in Alberta	20 June 2013
7	14A	Malaysian Airlines Loss of B777-200ER, 9M-MRO	8 March 2014
8	14D	Hurricane Odile	13 to 19 Sept. 2014
9	14F	Brisbane and South-East Queensland Storm	27 to 28 Nov. 2014
10	15A	Loss of Germanwings Flight 9525 over the French Alps	24 March 2015
11	15D	Warehouse explosions in Tianjin	12 August 2015
12	15K	Samarco dam burst, Brazil	5 November 2015
13	MADO	Collapse of Madoff Investment Securities LLC	-
14	SUBS	Losses arising from sub prime	-
15	PEMX	Losses arising from the fire at Pemex's Abkatun A-Permanente platform	1 April 2015
16	16A	Brussels explosions	22 March 2016
17	16D	Wildfire – Fort McMurray, Alberta, Canada	1 May 2016 & ongoing
18	16G	Flooding in Louisiana, USA	12 August 2016 to -
19	16K	Typhoon Mernati (known as Ferdie in the Philippines)	8-17 Sept 2016
20	16L#	Hurricane Matthew (irrespective of state)	29 Sept 2016
21	16N	New Zealand earthquake, South Island near Hammer Springs	14 November 2016
22	AMOS	Loss of the AMOS-6 satellite	1 Sept 2016
23	BCSE	Losses arising from anti-trust claims against Blue Cross Association	23 December 2016
24	FPSO	Losses arising from Kwame Nkrumah in the jubilee oil field	20 March to 31 Dec 16
25	HANJ	Losses arising from bankruptcy protection filing of Hanjin Shipping Corporation	1 Jan 2016
26	HUSK	Losses arising from the Husky energy oil spill in Saskatchewan	21 July 2016
27	MOPU	Losses arising from scrapping of YME MOPUstor project	13 December 2016
28	17A	Chile wildfires which began in the Valparaiso hillsides	2 January 2017
29	17B	Tornadoes in the South-Eastern United States	7 February 2017
30	17C	Peruvian floods	13 March 2017
31	17D	Tropical cyclone Debbie (Australia)	27 March 2017
32	SIRI	Losses arising from damage to Noreco's Siri oil platform (previously this was assigned code 09XH)	31 August 2009
33	WCRY	Losses notified in connection with the ransomware cyber-attack 'WannaCry'	12 May 2017
34	ECSP	Losses arising from the grounding of the Eurocopter EC225LP Super Puma helicopter following the loss off the Norwegian coast	29 April 2016
35	GREN	Losses arising from the fire at the Grenfell Tower Block	14 to 15 June 2017

#16L – A number of state level codes were also issued for Hurricane Matthew but for the purposes of the QMA800, all losses relating to the storm, wherever located, should be reported under the single code of 16L.

As noted in section 2.24 to the current QMA instructions, if an event receives a loss code after this bulletin has been published, notification that the event is required in the QMA800u will be made through inclusion in the FAQs.

Agents are reminded that if they have any major loss to be reported on QMA800u that does not have an XIS catastrophe code they need to ensure that the loss has been allocated a major loss code. Any agent wishing to request a new major loss code should send an e-mail to the Lloyd's-MRD-ReturnQueries address and the relevant procedures and template will be provided by return. The deadline for submission of requests for new major loss codes to Market Finance is Friday 28 July 2017.

Major loss codes

Eight major loss codes have been assigned for 2017 to date, codes 17A, 17B, 17C, 17D, SIRI, WCRY, ECSP and GREN.

Please note:

Major loss codes relating to 2016 and prior are still maintained in the database. Syndicates are asked to report on major losses in accordance with the QMA800u instructions.

Appendix 2

Rates of Exchange

The settlement currency rates as at 30 June 2017 (balance sheet), and average currency rates (profit and loss account) for the six months to 30 June 2017 are as follows (to the £):

	Accounts etc		GQD
	Period end	Average	In-quarter average*
US dollars (USD)	1.30	1.26	1.28
Canadian dollars (CAD)	1.69	1.68	1.72
Euro (EUR)	1.14	1.16	1.16
Australian dollar (AUD)	1.69	1.67	1.71
Danish krone (DKK)	8.47	8.64	8.64
Hong Kong dollar (HKD)	10.14	9.79	9.97
Japanese yen (JPY)	145.93	141.45	142.25
New Zealand dollar (NZD)	1.77	1.78	1.81
Norwegian krone (NOK)	10.88	10.67	10.90
Singapore dollar (SGD)	1.79	1.77	1.78
South African rand (ZAR)	17.02	16.62	16.88
Swedish krona (SEK)	10.95	11.15	11.26
Swiss franc (CHF)	1.24	1.25	1.26

It is not a requirement that the above rates are used in your QMR submission but they may be used in the absence of another source for these indices.

* All original currencies that are reported in the GQD under 'currency code' OTH should be converted to Sterling either at the rates of exchange suggested by Lloyd's in this Market Bulletin or at the agent's chosen exchange rates (bearing in mind that outstanding claims should be converted at period-end spot rates).

2018 Syndicate Business Forecast (SBF) return

The final 2018 SBF exchange rates, for use in SBF submissions on or after 10 July 2017, will be in line with the rates set for the Q2 2017 Quarterly Monitoring Return. The final rates will be updated and available in Core Market Returns from 10 July 2017.