

Newfoundland & Labrador Commercial 2011-2 AIX Trend Analysis	
Coverage	Summary of Selected Models and Results
Bodily Injury	<ul style="list-style-type: none"> * Log linear regression on Industry frequencies and Private Passenger severities * Accident years: frequency – 2004 to 2011 severity – 2001 to 2011 * Independent variable(s): frequency – time severity – time * Selected past average annual loss cost trend: +2.4% up to 2010, +4.0% 2010 to 2011 (frequency trend set to -1.6% after 2010) * Selected future average annual loss cost trend: +4.0% after 2011
Property Damage	<ul style="list-style-type: none"> * Log linear regression on Industry frequencies and severities * Accident years: severity – 1997 to 2011 * Independent variable(s): severity – time * Selected past average annual loss cost trend: +3.8% 2004 to 2010, +1.9% 2010 to 2011 (frequency trend judgmentally set to +0.0% after 2004, severity trend set to +1.9% after 2010) * Selected future average annual loss cost trend: +1.9% after 2011
Uninsured Auto	<ul style="list-style-type: none"> * Use resulting Liability Total projection factors
Accident Benefits	<ul style="list-style-type: none"> * Log linear regression on Industry Private Passenger frequencies and severities * Accident years: frequency – 1999 to 2011 severity – 1999 to 2011 * Independent variable(s): frequency – time severity – time * Selected past average annual loss cost trend: +1.6% up to 2009, +4.2% 2009 to 2011 (frequency trend set to 0.0% after 2009) * Selected future average annual loss cost trend: +4.2% after 2011