

CAC (MPI) 2-25

Part and Chapter:	CAC (MPI) 1-44	Page No.:	
PUB Approved Issue No:	4. Financial forecasts 18. Impacts of COVID-19		
Topic:	Revenue Forecasts		
Sub Topic:	HTA units forecast		

Preamble to IR:

In response to the above noted IR, MPI provided the follow table:

Figure 1 Policy Year 2020/21 Forecasted vs. Actual Growth in First 12 Months

Line No.		Private Passenger			Commercial			Public			Motorcycles			Trailers			Off Road Vehicles		
		Forecast Growth	Actual Growth	Diff.	Forecast Growth	Actual Growth	Diff.	Forecast Growth	Actual Growth	Diff.	Forecast Growth	Actual Growth	Diff.	Forecast Growth	Actual Growth	Diff.	Forecast Growth	Actual Growth	Diff.
1	Mar	31	(69)	(100)	5	0	(5)	(1)	(21)	(20)	0	0	(0)	12	(4)	(16)	6	(3)	(9)
2	Apr	36	(599)	(636)	2	(46)	(48)	1	(62)	(64)	2	(20)	(22)	14	(89)	(103)	5	(12)	(18)
3	May	60	(726)	(786)	2	(49)	(51)	2	(102)	(104)	1	(18)	(19)	23	(66)	(89)	9	16	7
4	Jun	79	(394)	(473)	3	(7)	(9)	2	(136)	(138)	3	(10)	(13)	31	113	82	12	70	58
5	Jul	146	(100)	(245)	4	(9)	(13)	3	(180)	(183)	5	7	2	60	255	195	22	115	93
6	Aug	229	208	(21)	6	12	6	5	(157)	(162)	12	29	17	96	379	283	36	149	113
7	Sep	317	482	136	8	26	19	6	(125)	(131)	19	40	21	133	467	334	52	170	119
8	Oct	441	653	212	10	36	26	7	(109)	(116)	28	61	33	183	562	379	73	211	137
9	Nov	541	671	129	13	26	13	8	(100)	(107)	35	59	24	224	591	367	93	238	145
10	Dec	612	721	109	14	63	49	8	(108)	(116)	46	61	14	288	687	398	122	333	211
11	Jan	664	1,035	371	15	89	74	8	(115)	(123)	57	64	7	312	795	484	136	476	340
12	Feb	645	1,098	453	14	97	83	9	(160)	(169)	54	59	4	301	747	446	134	416	282

QUESTION:

Please provide similar tables for each of the 3 years prior to 2020/21. Please file as an excel workbook, with formulas intact.

RATIONALE FOR QUESTION:

To understand historical forecasting performance, relative to the pandemic forecast.

RESPONSE:

~~MPI did not perform a similar analysis for prior policy years. MPI completed the analysis only for policy year 2020/21 in order to track the impact of the COVID-19 Pandemic on unit growth for the policy year (to allow for appropriate adjustments when forecasting unit growth).~~

Please see Figure 1 below which compares the forecasted HTA unit growth to the actual HTA unit growth for the past 10 years from 2011 to 2020.

Figure 1 Forecast vs. Actual Unit Growth

Line No.	GRA	Fiscal Year	HTA Unit Growth (a)		
			Forecast	Actual	Variance
1	2012	2011	1.50%	2.15%	0.65%
2	2013	2012	1.75%	2.51%	0.76%
3	2014	2013	2.00%	1.41%	-0.59%
4	2015	2014	1.75%	1.41%	-0.34%
5	2016	2015	1.75%	1.54%	-0.21%
6	2017	2016	1.75%	1.64%	-0.11%
7	2018	2017	1.50%	1.44%	-0.06%
8	2019	2018	1.50%	1.01%	-0.49%
9	2020	2019	1.40%	0.42%	-0.98%
10	2021	2020	0.14%	1.02%	0.88%
11	(a) Prior to the 2021 GRA, reflects the growth in earned year earned units				
12	Thereafter, reflects the growth in policy year earned units.				

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QUESTION:

Please provide similar tables for each of the 3 years prior to 2020/21. Please file as an excel workbook, with formulas intact.

RATIONALE FOR QUESTION:

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RESPONSE:

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