

NCI NEWS FLASH

Credit Insurance claims lodged in February 2016 were the highest recorded since the height of the GFC in mid 2009. A total of **141 claims** were received in one month, with a total claim value of **\$10,021,956**.

This is consistent with trends indicated in the NCI Trade Credit Risk Index results for the last quarter for 2015, where we highlighted credit adverse events had increased by 27%.

Major insolvencies including Dick Smith (Australia and New Zealand), My Baby Warehouse, Allied Traffic Services, SX Projects and Stonewood Homes (NZ) have all added to the claim pool in a significant way.

Kirk Cheesman, Managing Director (NCIB) said "there has definitely been a major increase in the trade credit risk aspect over the past quarter, resulting in the highest level of claims received in a month by NCI for seven years. It is a timely reminder why trade credit insurance gives comfort and assists businesses in protecting themselves against bad debts. It is also a reminder to our clients to ensure they are trading within the terms and conditions of their policy, including advising us of any repayment plans, overdue amounts past maximum extension period and focusing on early collection with their clients".

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National Credit Insurance (NCI) have been supporting companies with dealing with the right customers and providing trade credit solutions to protect their profits. Offering trade credit insurance, credit risk management solutions and commercial recoveries, NCI can assist with all your trade credit requirements under one roof.