

Global Casualty

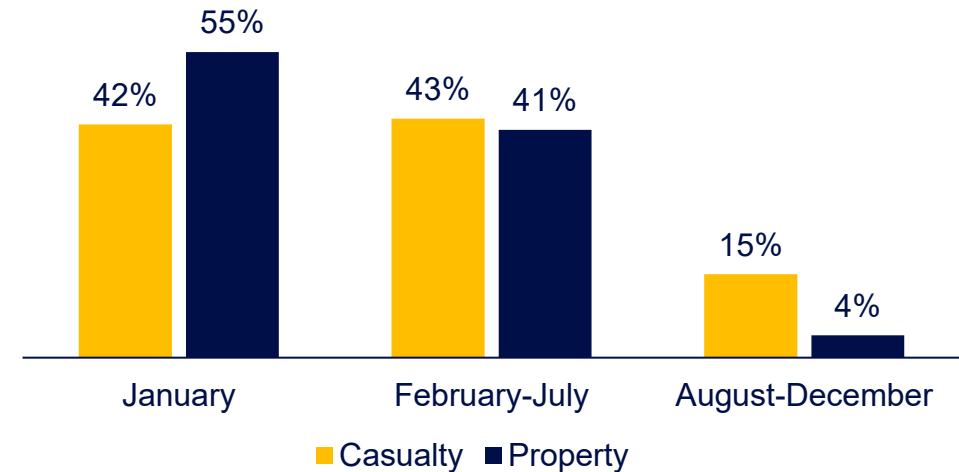
Casualty reinsurance renewals since January 1, 2026 continued to demonstrate nuanced outcomes shaped by treaty structure, loss experience and composition of underlying portfolios.

While January is a significant date for the property reinsurance market with over 50% of the premium placed at January 1, the global casualty market is more spread. January 1 represents 42% of global casualty premium and 43% of the premium has renewed February through July 1.

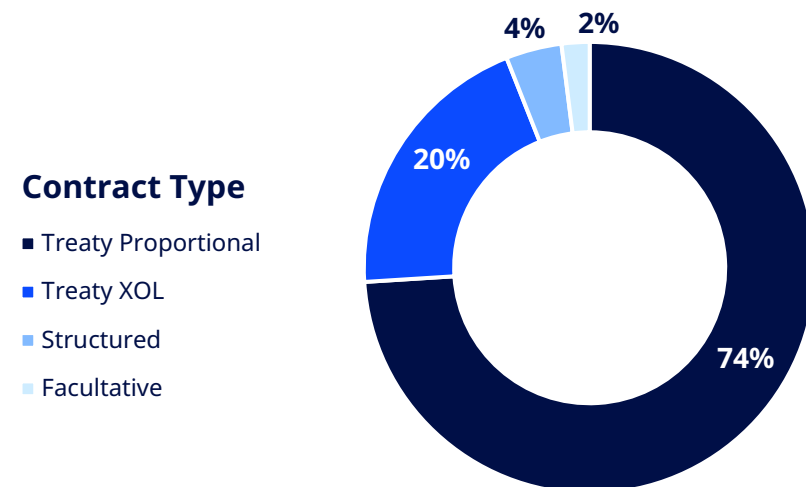
Globally, for all casualty lines, over 70% of the reinsurance premium is placed on a proportional treaty basis, making underlying insurance dynamics critical to renewal outcomes.

Despite ample capacity in the market, years of a hardening reinsurance rate environment have driven clients to more actively seek alternative risk transfer strategies, such as sidecars and platform-based solutions, to diversify capital sources balanced with traditional programs. Through year-end 2025, structured solutions made up 4% of the global placed premium.

Renewal distribution comparison



Contract type



US Casualty

Reinsurance renewal outcomes reflected adequate capacity, differentiated pricing based on loss experience, and evolving market structures as clients increasingly sought to leverage alternative capital solutions alongside traditional reinsurance.

Excess of loss

Placements generally experienced upward reinsurance rate pressure due to increased loss severity, however treaties with low loss impact and high attachments were able to sustain flat rates, or even modest decreases on select layers. Attachment points remain a key driver in renewal outcomes, with increased loss severity continuing to drive rates on lower-attaching treaties.

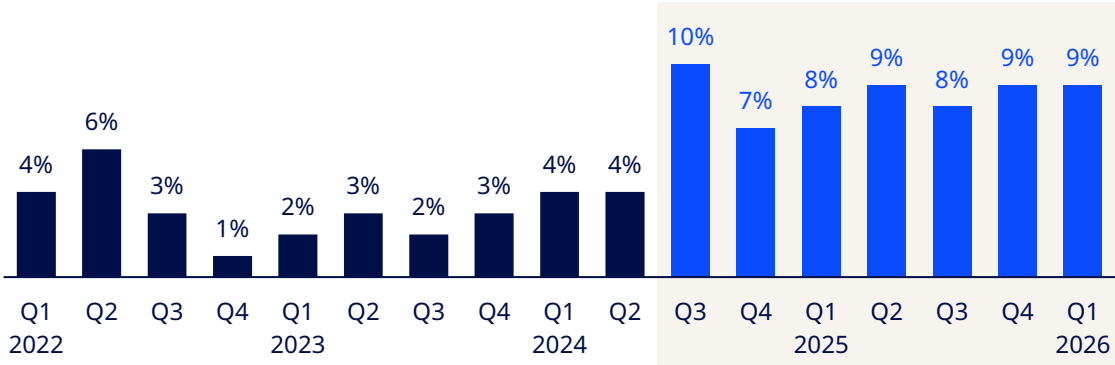
While capacity remains more than sufficient to meet demand, reinsurers have been judicious in their deployment and maintain more limited appetites for treaties with exposures they deem more challenging, such as exposure to MGAs, auto, and segments such as Energy and Construction.

Quota share

Placements experienced differentiated outcomes based on loss emergence and portfolio quality. Underlying US Casualty insurance rates have consistently shown close to double digit rate increases over the past seven quarters (since the third quarter of 2024).

Adverse prior year development has contributed to higher reinsurer loss ratio selections on the underlying portfolios of some casualty treaties, which resulted in downward pressure on ceding commissions of approximately -1 point. On the other hand, treaties with loss experience performing in line, or better than expectations, were able to maintain expiring ceding commissions, or in select cases, achieve slight increases.

US casualty: insurance rates



Source: Global Insurance Market Index, Marsh Risk