



REINSURANCE MARKET OVERVIEW



- Property Reinsurance Markets assessment: where we are now?
- Quick overview of the current reinsurance market
- Catastrophes 2024
- Outlook 2025

REINSURANCE MARKET

• 2023

- One of the hardest years in Property Insurance industry.
- Limited capacity for CAT regions.
- Double-digit rate increases.
- Inflation, valuations, SRCC.
- Capacity deployed mostly for existing portfolios with updated exposure.
- Limited capacity for New business.
- Opportunity for remediation.

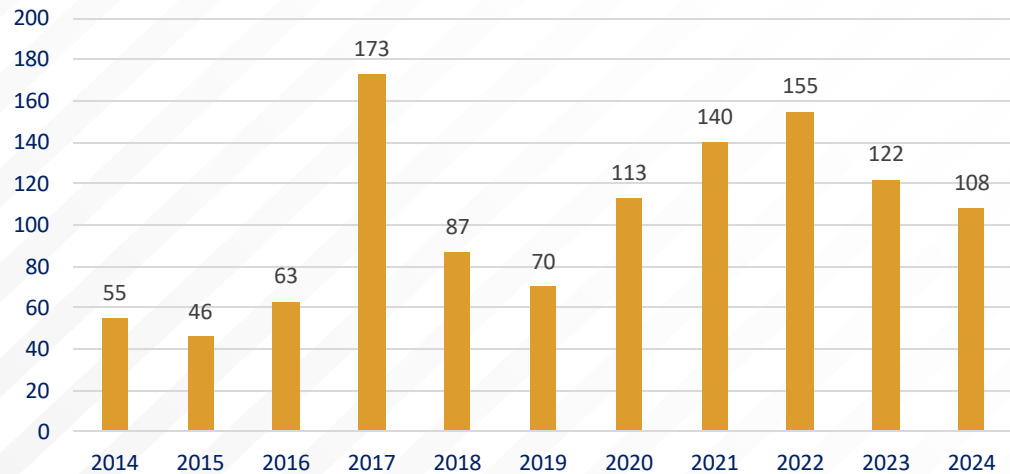
• 2024

- Stabilization of the market.
- Enough capacity to supply demand.
- Low double-digit / high single-digit rate increases 1H2024.
- Lower inflation level.
- Less pressure on values.
- Low single-digit / flat renewals 2Q2024

• 2025?

CATASTROPHES 2024 (1Q-3Q)

Nat CAT losses in first three quarters (\$Bn)



Source: Gallagher Re / October 2024.

51 individual billion-dollar events up to September 2024.

- **30** United States
 - **19** events caused by Severe Convective Storm
- **11** Asia
- **4** in Latin America
- **4** in rest of North America
- **2** in Europe
- **1** in Middle East



STRATEGIES IN THE MARKET TO NAVIGATE

I. Insurers Perspective:

1. Diversification – Growth focused on geographical areas where CAT capacity is more manageable or occupancies that are less exposed to CAT losses.
2. Portfolio Optimization – Exit from top contributing accounts, segments, or non-profitable portfolios.
3. New Market Approach – Redefine risk appetite where capacity is optimized.
4. Higher retentions.



STRATEGIES IN THE MARKET TO NAVIGATE

I. Insureds Perspective:

1. Higher retentions (deductibles, SIR).
2. Alternative Risk Transfer solutions
3. Captive
4. Parametric Insurance.
5. Lower limits.



LATAM review



PRIIC POSSIBLE CONTRIBUTIONS

- Captive Insurance
- Parametric
- Micro-insurance