

PROPERTY/CASUALTY MARKET REPORT

Q2/2024

PREMIUMS FELL FOR MULTIPLE LINES IN Q2 2024, THE COUNCIL'S P/C MARKET SURVEY SHOWS

Signs of softened property and casualty market conditions were evident in Q2 2024, according to The Council of Insurance Agents & Brokers' quarterly survey. Premiums across all account sizes rose by 5.2% – a 32% decrease from the 7.7% average for Q1 2024.

The signs of softened market conditions were even clearer when looking at the lines of business. Premium increases were flat or down from the previous quarter for all lines, and premiums across commercial lines increased by an average of 5.6%. Notably, four lines recorded lower premiums this quarter: workers compensation, cyber, D&O, and employment practices liability.

Workers compensation premiums fell the most, 2.2% on average, followed by cyber premiums at 1.7%. While respondents were not specific about what may have contributed to this decrease, 46% reported an increase in capacity for the cyber line of business; more capacity often correlates with lower premiums. Other respondents also described a general sense that there was more competition for lines of business and more fresh capital entering most markets, both of which tend to drive premiums lower.

Nevertheless, respondents' clients remained concerned by high current premiums, future premium increases, and limitations on coverage. Cyber risk was also top of mind for respondents' clients this quarter.

Use of technology was a focus in respondent comments—both as a benefit and as a challenge. Some respondents described carriers using AI to supplement the assessment process for commercial property; others focused on the difficulties that came with learning to use a new system. Multiple respondents said they felt there was an overreliance on “automated” underwriting and a lack of “getting to know the client or the unique nature of [their] risk.”

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