

RISK TRENDS



MARKET UPDATE

STRONG SIGNS OF MODERATION WERE EVIDENT IN Q3 2025, THE COUNCIL'S P/C MARKET SURVEY SHOWS

Premiums across all account sizes rose by an average of 1.6%, down from 3.7% in Q2 2025. Premiums for each account size increased by less than 2%; small account premiums increased the least, at an average of 1.2%. Respondents attributed this to aggressive competition among carriers for small business.

All lines of business had premium increases flat to or lower than the previous quarter's increases. The number of lines for which premiums decreased rose from five in Q2 to six in Q3: business interruption, commercial property, cyber, D&O, employment practices, and workers compensation.

Overall, the average increase in premiums across all the major lines of business (commercial auto, commercial property, general liability, umbrella, and workers compensation) was 2.7% in Q3 2025, a 45% decrease from the 4.9% average increase recorded last quarter.

Commercial property premiums decreased for the first time since Q2 2017, at an average of -0.2%. Respondents and industry sources attributed this to changes in two factors that caused significant hard market conditions in 2023: restricted capacity and a hard reinsurance market. More than half of survey respondents reported an increase in commercial property capacity in Q3 2025; not only did a wave of new carriers and MGAs enter the property market, but some carriers also reentered the market after exiting in 2023, industry sources said. A softened reinsurance market also allowed primary carriers some relief, which was passed on to insureds as well.

Cyber premiums fell the most out of all lines in Q3, at an average of -2.6%. This was also the fourth record decrease set by the line in the past six quarters. Respondents and industry sources suggested that ample capacity and demand-driven competition for business—including lower premiums—kept the market buyer-friendly.

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Source: The Council of Insurance Agents & Brokers, Commercial Property/Casualty Market Index

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