

News release

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Dynamic trading environment meeting reinsurance demand

Guy Carpenter business leaders describe market conditions expected to influence placement discussions ahead of January 1, 2025 renewals

London, 4 September, 2024 – According to Guy Carpenter, a leading global risk and reinsurance specialist and a business of Marsh McLennan (NYSE: MMC), the reinsurance market is characterized by reinsurers' strong profitability in 2024 and growing capitalization, which is expected to continue into 2025.

Examining the current data on the reinsurance market's capital positions, Guy Carpenter and AM Best jointly project a 9% increase in dedicated reinsurance capital, rising to \$620 billion in 2024. Catastrophe bonds had a record first half of the year, with Q2 being the most active quarter recorded to date. By June 30, 51 different catastrophe bonds had been brought to the 144A market for approximately \$12.2 billion in limit placed, taking the total outstanding notional amount to more than \$45.2 billion.

"The market has ample capacity and reinsurers are motivated to engage with cedents," said Dean Klisura, President & CEO, Guy Carpenter. "Our clients are seeking to differentiate themselves in this marketplace and leverage key strategic trading relationships."

Sharing their views at a virtual media briefing, *Dynamic trading environment meeting reinsurance demand*, ahead of the Monte Carlo Rendez-Vous, Guy Carpenter's business leaders addressed the market outlook for the January 1, 2025 reinsurance renewals.

David Priebe, Chairman, Guy Carpenter, noted that risk appetites continued to improve through the first half of 2024, with underwriting discipline remaining. Building on mid-year momentum, "this current trading cycle is marked by engaged stakeholders actively coming to the table to provide critical capital and financial support to the economy," he said.

In discussing the property and casualty reinsurance market outlook, Guy Carpenter's executives noted that after a historic reset in property pricing, program retentions, and coverage in 2023, 2024 has been characterized by a more orderly trading environment, which is expected to continue in 2025, subject to no major natural catastrophe loss activity for the balance of the year. Casualty renewal negotiations are expected to continue to focus on underlying rate environment and portfolio performance. Programs are expected to complete with adequate capacity but with continued scrutiny across sublines.

For the full briefing recap and additional insights from Guy Carpenter’s virtual media briefing, please visit Guy Carpenter’s [Renewal Resource Center](#).

About Guy Carpenter

[Guy Carpenter](#), a business of [Marsh McLennan](#) (NYSE: MMC), is a leading global risk advisory and reinsurance specialist and broker. Marsh McLennan is a global leader in risk, strategy and people, advising clients in 130 countries across four businesses: [Marsh](#), [Guy Carpenter](#), [Mercer](#) and [Oliver Wyman](#). With annual revenue of \$23 billion and more than 85,000 colleagues, Marsh McLennan helps build the confidence to thrive through the power of perspective. For more information, visit [guycarp.com](#), or follow on [LinkedIn](#) and [X](#).