

PROPERTY AND CASUALTY

GLOBAL PROPERTY INSURANCE

Market Outlook



Gallagher
SPECIALTY





EXECUTIVE SUMMARY

As we reach the end of the first half of 2025, the global insurance industry continues to exhibit a favourable market environment, with insurers worldwide offering more advantageous terms during renewals than at any point since 2017. This positive trend is underpinned by abundant carrier capacity across major international hubs — including London, Bermuda, Dubai, Singapore, Zurich and other key markets — facilitating more competitive offerings and improved underwriting conditions globally.

CONTENTS

Executive Summary	2
Global Market Conditions	3
US Property Market	4
How Gallagher Can Help	5
Let’s Talk	6



GLOBAL MARKET CONDITIONS

The strong underwriting results achieved in 2023 and 2024 have contributed to a more balanced and technically adequate property rating environment internationally.

Insurers renewing treaties across various regions have experienced rate reductions and enhancements in coverage terms, reflecting increased capacity and a cautious yet optimistic outlook.

The international reinsurance landscape continues to benefit from increased capacity for both catastrophe (Cat) and non-catastrophe risks. Insurers are actively expanding their lines, leveraging strong financial results from recent years to grow their primary property portfolios. The second quarter renewals maintained the momentum of prior months, demonstrating resilience and adaptability across markets worldwide.

There is ongoing growth from individual insurers, MGAs, other facilities and consortium arrangements, including market-tracking facilities and algorithmic syndicates, fostering more flexible and innovative risk transfer solutions.

Whilst there is ongoing vigilance in valuation practices to ensure accuracy and appropriate pricing, the impact on clients from inflation has greatly diminished during 2025 from prior years.

Looking at specific regions around the world, the North American property insurance market has transitioned to a more competitive phase. This shift is driven by ample capacity, improved profitability and robust reinsurance support. Rate reductions are evident, with H2 renewals showing significant programme improvements in terms of both pricing and coverage terms. This is despite a catastrophic California wildfire event, forecast to be in the USD40 billion-plus insured range.

Regions outside of North America are experiencing similar trends to North America with increased capacity and lower pricing.

The increased capacity and competitive environment of 2025 are creating favourable conditions for clients worldwide. We remain optimistic about continuing to secure optimal coverage solutions and improved terms for the remainder of 2025, in the absence of any significant catastrophic events. Our commitment is to continue providing specialist advice and innovative risk transfer strategies to meet our clients' evolving needs.





US PROPERTY MARKET

The US property insurance market continues its transition to a more competitive phase for buyers, driven by ample capacity, improved carrier profitability and stronger reinsurance support. Despite the decreasing rating environment seen thus far in 2025, pricing is still seen as generally adequate from a technical pricing standpoint, further increasing competition.

KEY THEMES

PRICING TRENDS

Strong double-digit rate reductions on clean accounts; core CAT pricing now seen as broadly adequate following prior correction.

CAPACITY

Strong carrier appetite across admitted and E&S markets; MGA, facility and program business adding further capacity. Admitted markets are starting to repatriate select accounts after retrenching in recent years.

REINSURANCE IMPACT

Reinsurance rates are generally declining.

SECONDARY PERILS

Hail, SCS and wildfire exposures remain a challenge for the marketplace and continue to be tightly underwritten.

VALUATIONS

ITV increases largely stabilised after prior inflationary adjustments; carriers remain vigilant on valuation accuracy.

DEDUCTIBLES

Deductible levels generally holding firm; isolated examples of lower retentions on well-performing risks.

ALTERNATIVE SOLUTIONS

Continued interest in captives, parametrics, and ILS-backed solutions for retention volatility management.

US MARKET OUTLOOK

- Continued rate reductions are expected for clean, well-performing risks through the second half of 2025
- Challenging occupancies, CAT-heavy programmes and loss-impacted accounts may still require creative structuring and layering to achieve client goals
- Market competition is likely to remain elevated into 2026, barring any major catastrophic events

US KEY WATCHPOINTS FOR H2 2025

- Atlantic hurricane season activity
- Severe Convective Storm (SCS) losses (already elevated YTD)
- Wildfire activity in the western US





HOW GALLAGHER CAN HELP

Our large team of placement specialists can assist with the following products/occupancies:

PRODUCTS

- Primary/Excess of loss/
Quota share limits
- Large high excess limits
- Difference in conditions/limits
- Named perils only, i.e., flood,
windstorm, etc.
- Deductible buy-downs
(CAT/Non-CAT)

OCCUPANCIES

- Public entity
- Higher Ed/Scholastic
- Real estate and hospitality
- Manufacturing/Industrial
- Habitational/Multi-family/
Single-family rentals
- Risk pools
- Agri-business
- Warehousing
- Retail
- Ports and terminals
- Rail
- Telecoms
- Religious





LET’S TALK



GLOBAL

MARK HUBBARD

Managing Director

T: +44 7867 976 979

E: mark_hubbard@ajg.com



NORTH AMERICA

NIGEL HOLLAND

Managing director

E: nigel_holland@ajg.com



MILES LINTOTT

Executive Director

E: miles_lintott@ajg.com



APAC REGION

MATTHEW HAINE

Managing Director

E: matthew_haine@ajg.com



BEN KENDALL

Executive Director

E: ben_kendall@ajg.com



LATIN AMERICA & THE CARIBBEAN

CHRIS HARRISON

Managing Director

E: chris_harrison@ajg.com



MAYRA MEJIA

Director

E: mayra_mejia@ajg.com

CANADA & MENA

ROSS BRIDGER

Managing Director

E: ross_bridger@ajg.com

VIMAL PATEL

Executive Director

E: vimal_patel@ajg.com

[AJG.com/gallagher-specialty](https://ajg.com/gallagher-specialty)

The Gallagher Way. Since 1927.

[gallagher-specialty](https://www.linkedin.com/company/gallagher-specialty)

This information is not intended to constitute any form of opinion or specific guidance and recipients should not infer any opinion or specific guidance from its content. Recipients should not rely exclusively on the information contained in the bulletin and should make decisions based on a full consideration of all available information. We make no warranties, express or implied, as to the accuracy, reliability or correctness of the information provided. We and our officers, employees or agents shall not be responsible for any loss whatsoever arising from the recipient’s reliance upon any information we provide and exclude liability for the statistical content to fullest extent permitted by law.

Arthur J. Gallagher (UK) Limited is authorised and regulated by the Financial Conduct Authority. Registered Office: The Walbrook Building, 25 Walbrook, London EC4N 8AW. Registered in England and Wales. Company Number: 1193013. Exp. 31.07.2026.

© 2025 Arthur J. Gallagher & Co. | GGBSPEGLOB105379



Gallagher
SPECIALTY