

AM Best's Insurance Market Briefing

Greg Carter – Managing Director, Analytics, EMEA and Asia-Pacific

Christie Lee – Senior Director, Analytics, Northeast Asia

Michael Dunckley – Director, Head of Analytics, Southeast Asia, Australia and New Zealand

Stefan Holzberger – Chief Rating Officer

Kent Chaplin – Group Chief Executive Officer, Delta Insurance Group

Moderator: Rob Curtis – CEO & Managing Director, Market Development

Global Reinsurance Market Outlook – Stable

Headwinds

More complex risk environment. Secondary perils. Emerging risks

Modelling challenges/forward looking. Inability to model human behavior and government intervention. Social inflation

Economic uncertainty: inflation, rising interest rates, risk of recession

Investors re-assessing their risk appetite

Risk of becoming less relevant in the broader economy

Tailwinds

Sustained upward pricing trends, improving terms and conditions

More stable results following shifts in business mix. Positive reserve development

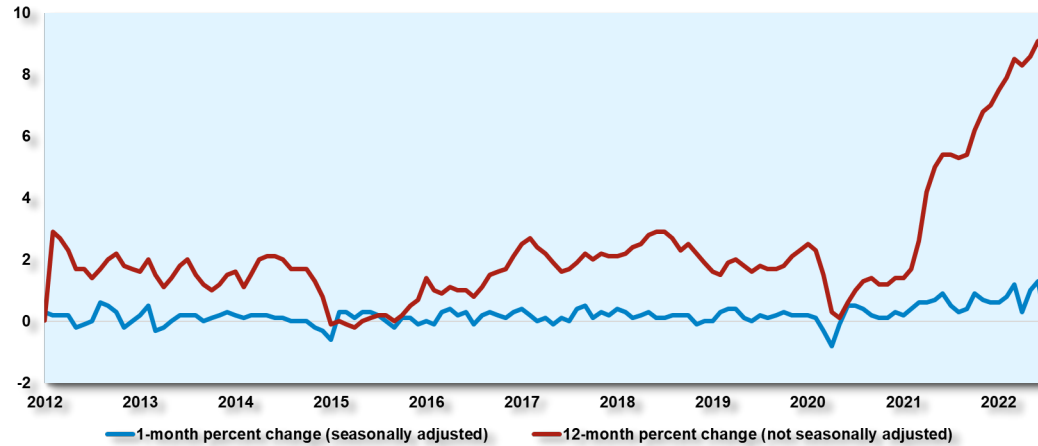
**Segment remains well capitalized but subject to asset market volatility.
Available ≠ Dedicated capital**

Underwriting discipline

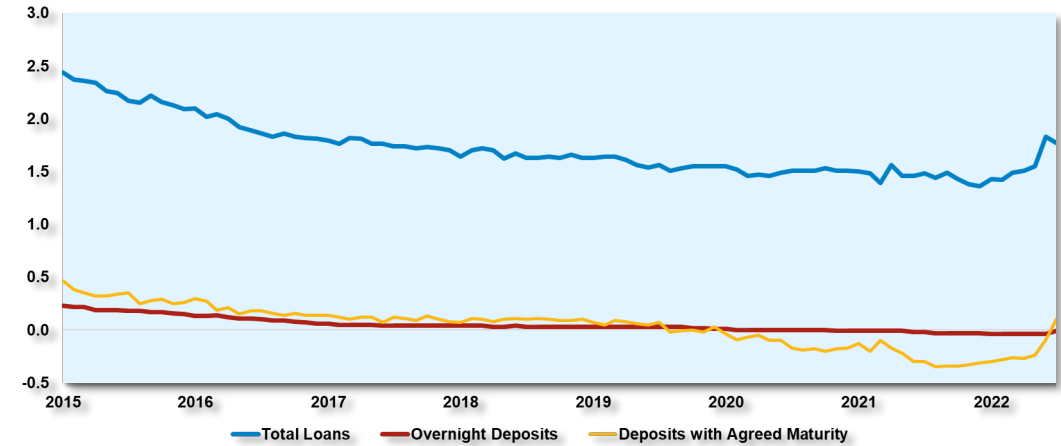
Strong demand from cedents. Opportunities from uncertainty and emerging risks?

Continued Economic Uncertainty

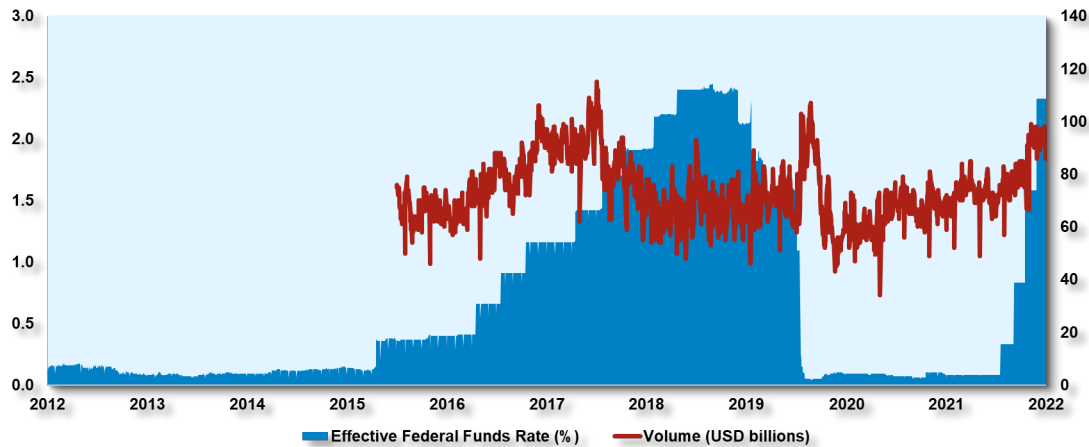
Consumer Price Index



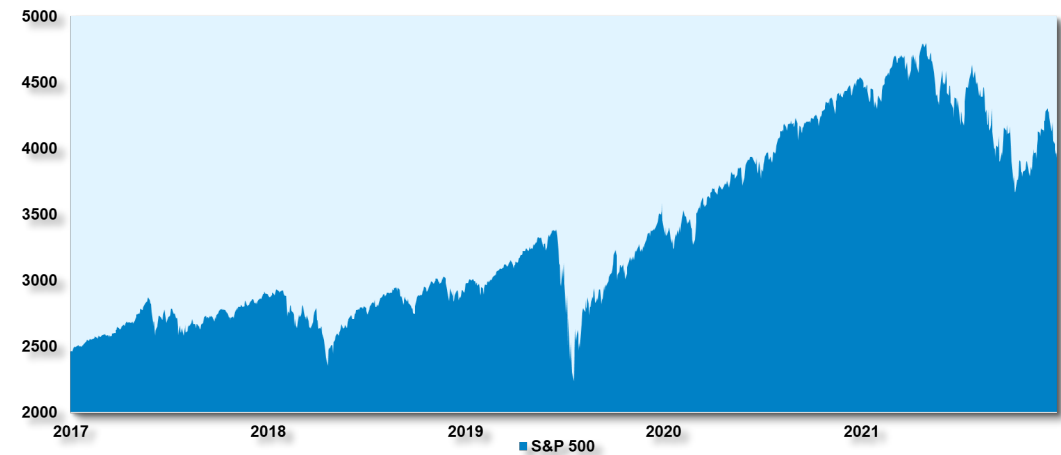
Bank Interest Rates on New Loans to, and Deposits From, Euro Area Corporations



Effective Federal Funds Rate (EFFR) (%) and Volume (USD billions)



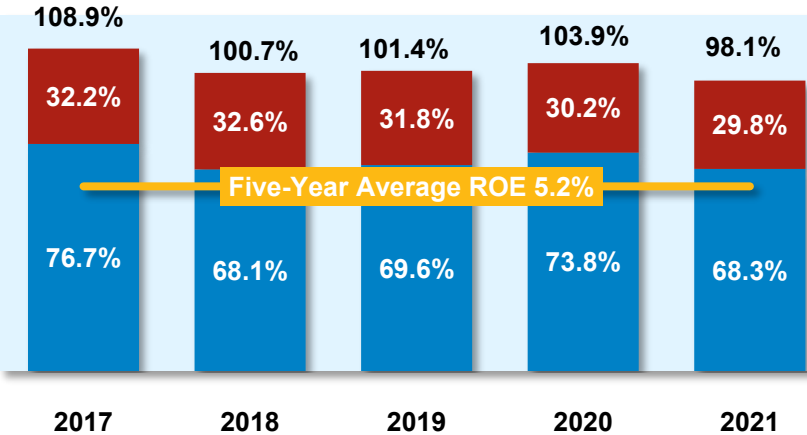
S&P 500



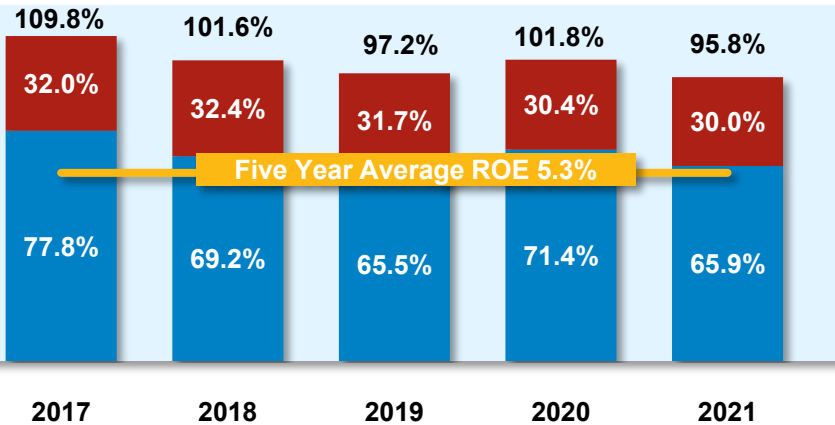
Global Reinsurance Market Performance by Reinsurance Sector

■ Loss Ratio ■ Expense Ratio ■ Five-Year Average Return on Equity

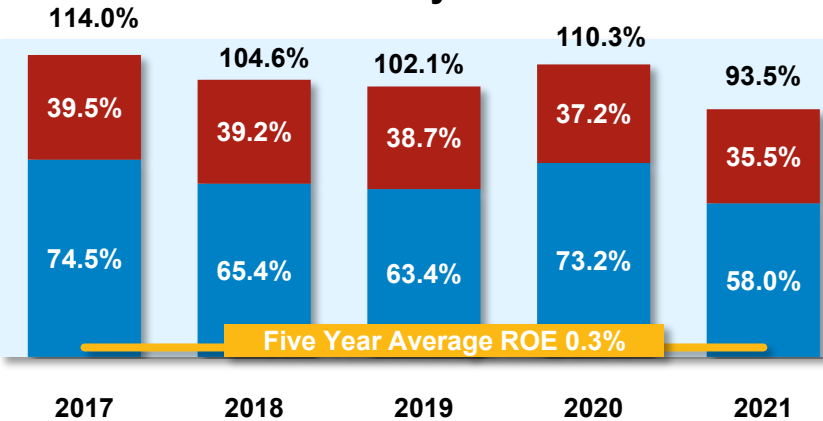
European "Big Four"



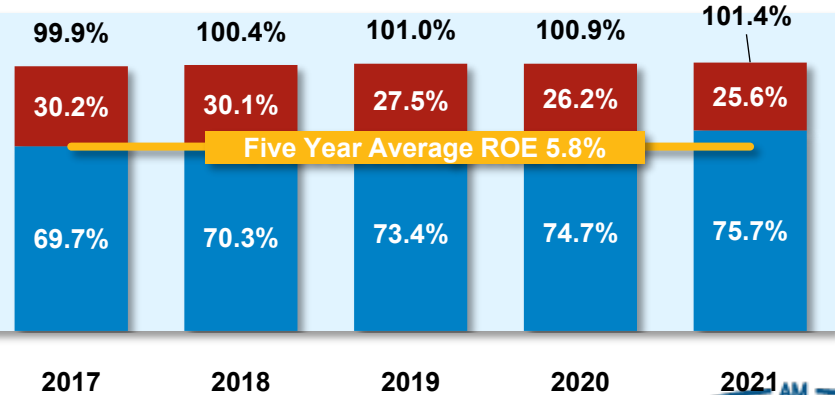
U.S. & Bermuda



Lloyd's



Asia Pacific



Our Insight, Your Advantage™

Combined Ratios labelled at top of columns.
Source: AM Best data and research



Reinsurance market: SEA and ANZ

Tailwinds



Headwinds



Thank You