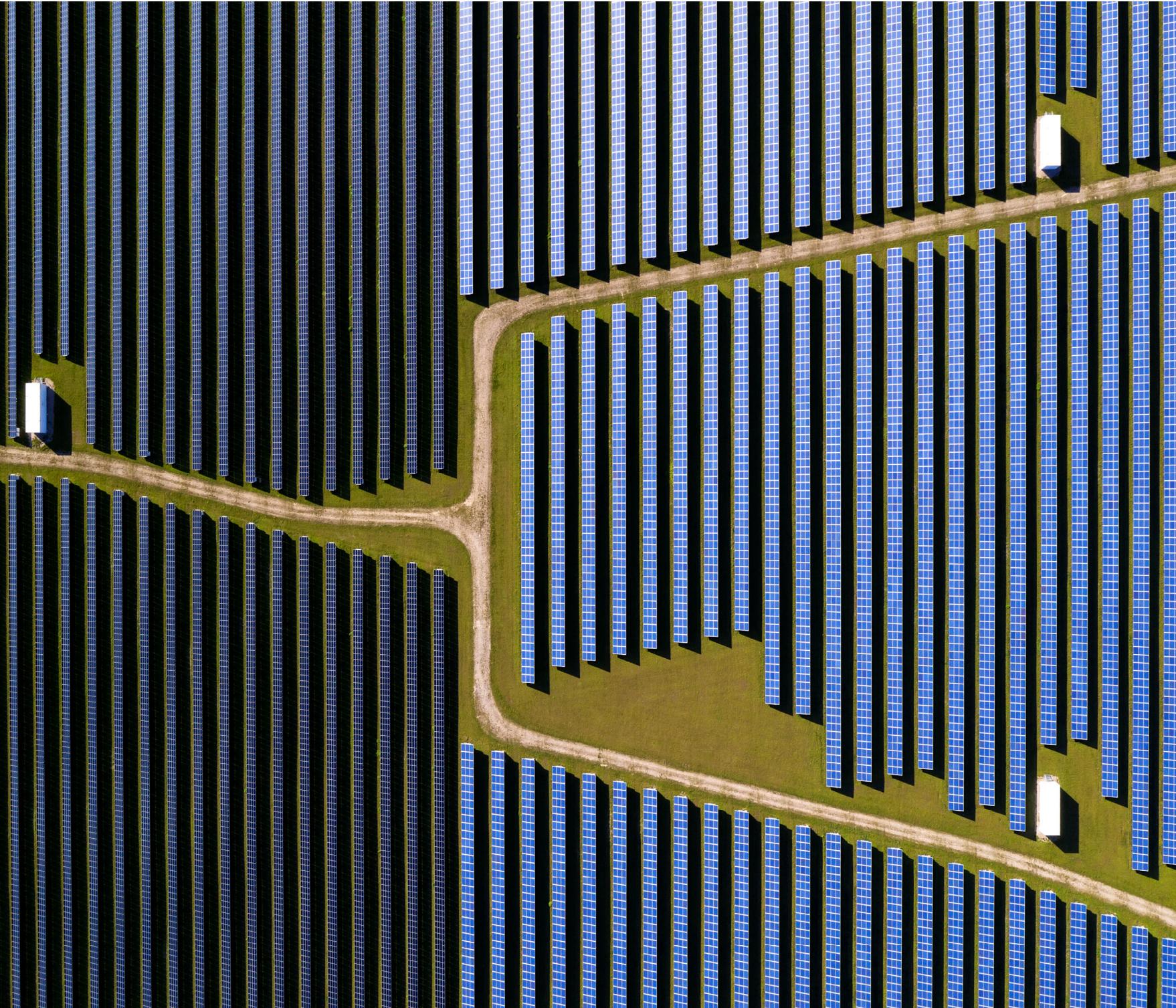




# Task Force on Homeowners and Commercial Property Insurance

**Pat Abbe**  
**Executive Managing Director**

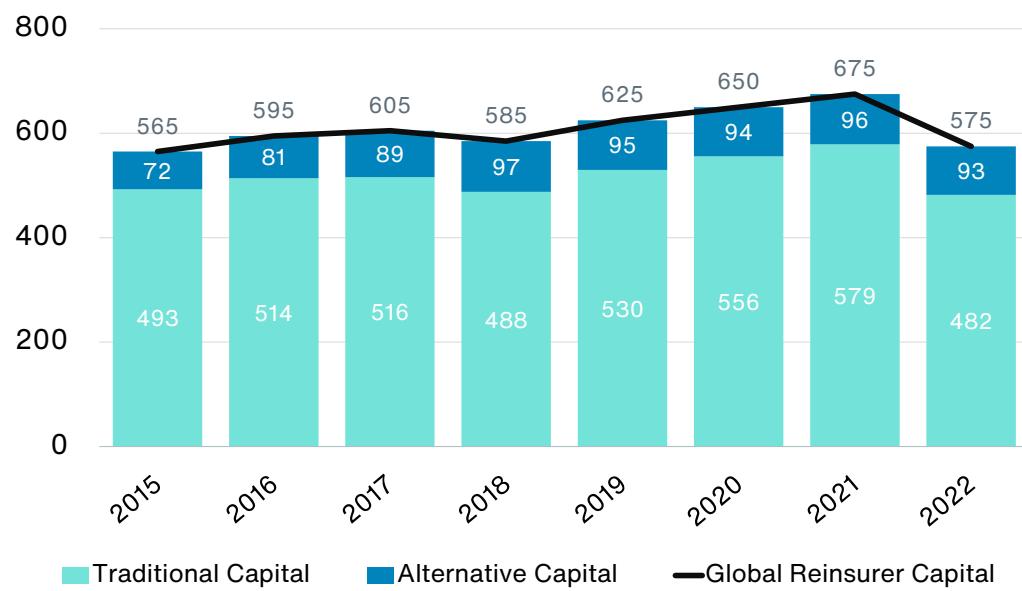
December 3, 2025



# Global Reinsurer Capital Reduced in Late 2022

Reinsurance Supply & Demand Impacted in 2022

## Global Reinsurer Capital (\$B)

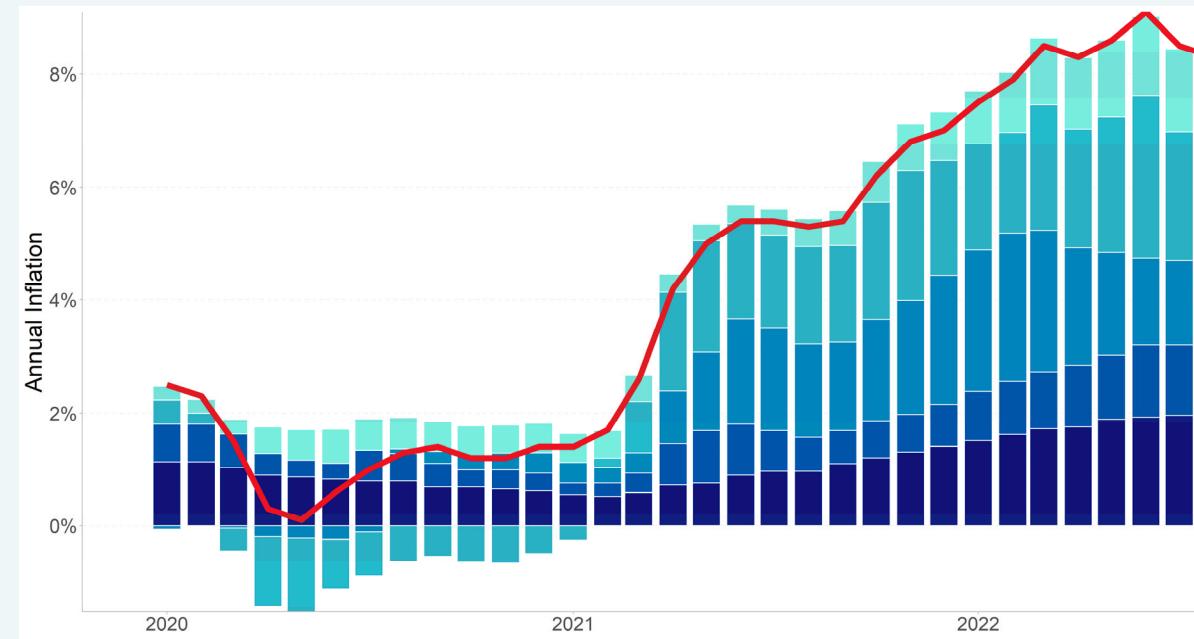


- Aon estimated that global reinsurer capital totalled \$575bn at the end of '22, down 15% from \$675bn at the end of '21.
- Traditional equity had returned to levels last seen a decade prior, driven mainly by unrealized losses on investments.

**Key Measure of 'Supply'**

## Key Inflation Measure Rose through Q3 2022

Food Energy Core Goods Core Services x Shelter Shelter



- Key inflation metrics had increased consistently since early 2021
- Cumulative impact of inflation felt across the (re)insurance marketplace

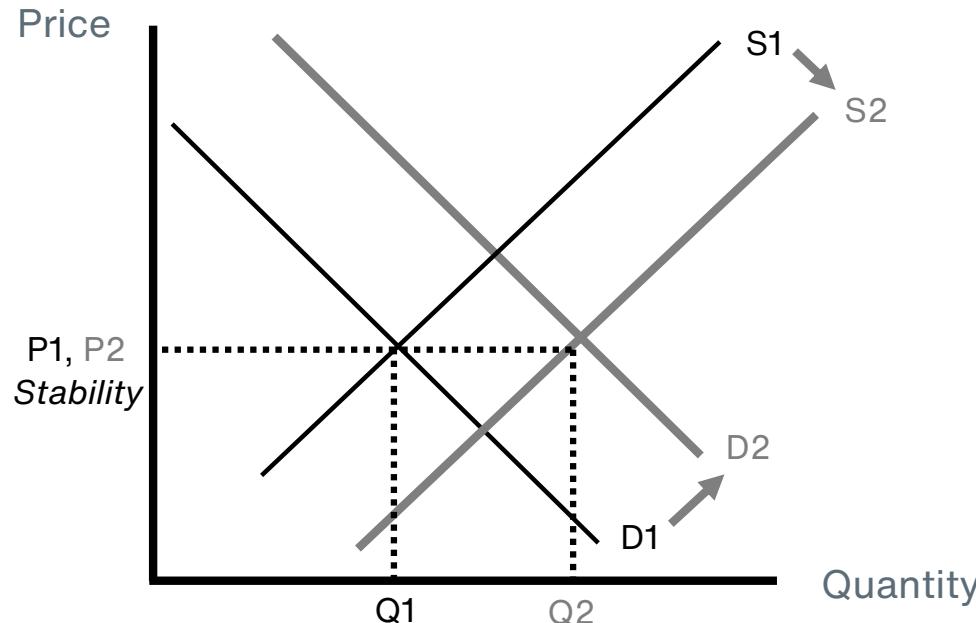
**Key Factor Driving 'Demand'**

# The Reinsurance Market in its Simplest Form... (an Illustration)

Impacts of the Supply Decrease and Demand Increase Experienced in Late 2022

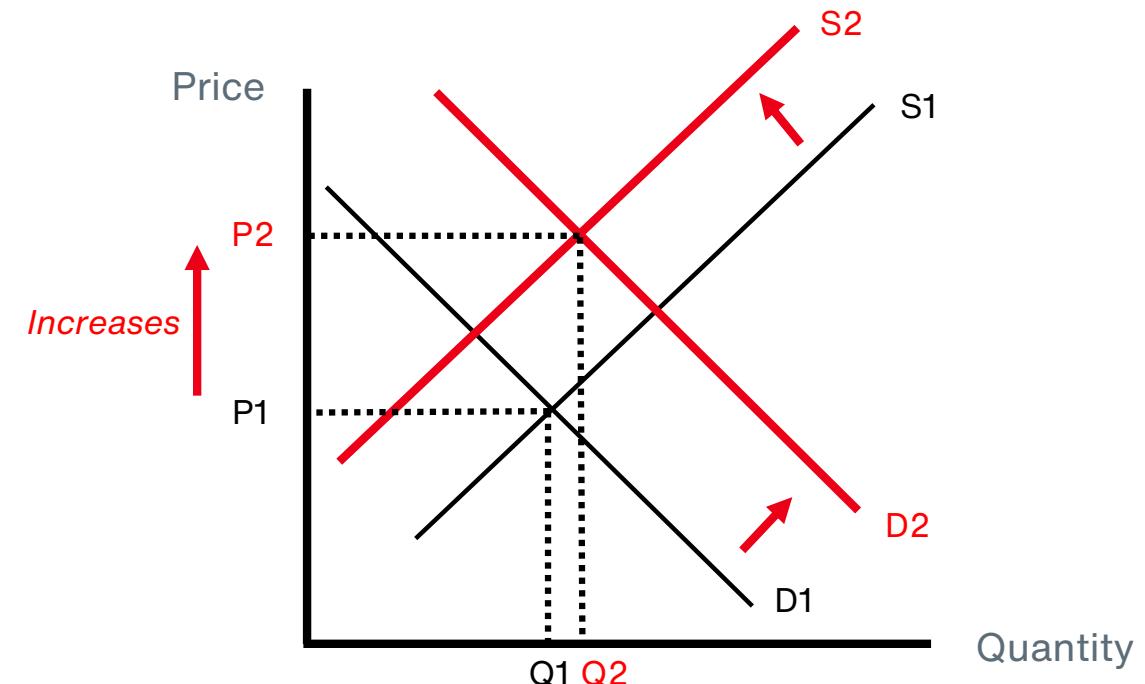
2015-2021 – Supply and  
Demand Relatively Aligned

## ‘Relative Pricing Stability’



Impact of both decreased supply and increased demand

## ‘The Inflection Point’

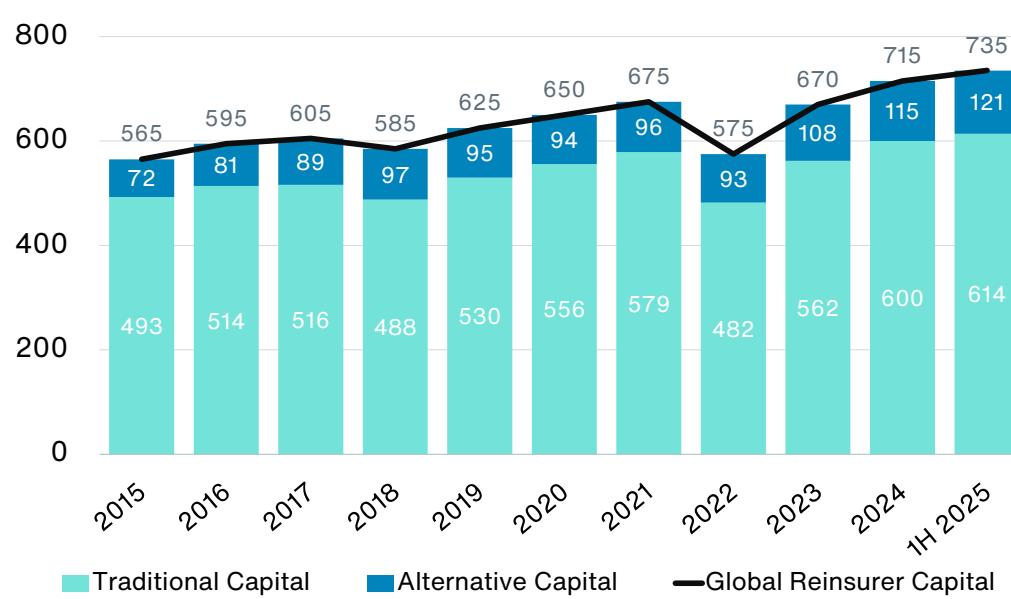


Note: Illustrative examples, not drawn to scale.

# Global Reinsurer Capital Has Increased Since 2023

Improved Supply:Demand Dynamics for Buyers of Reinsurance in Recent Years

## Global Reinsurer Capital (\$B)

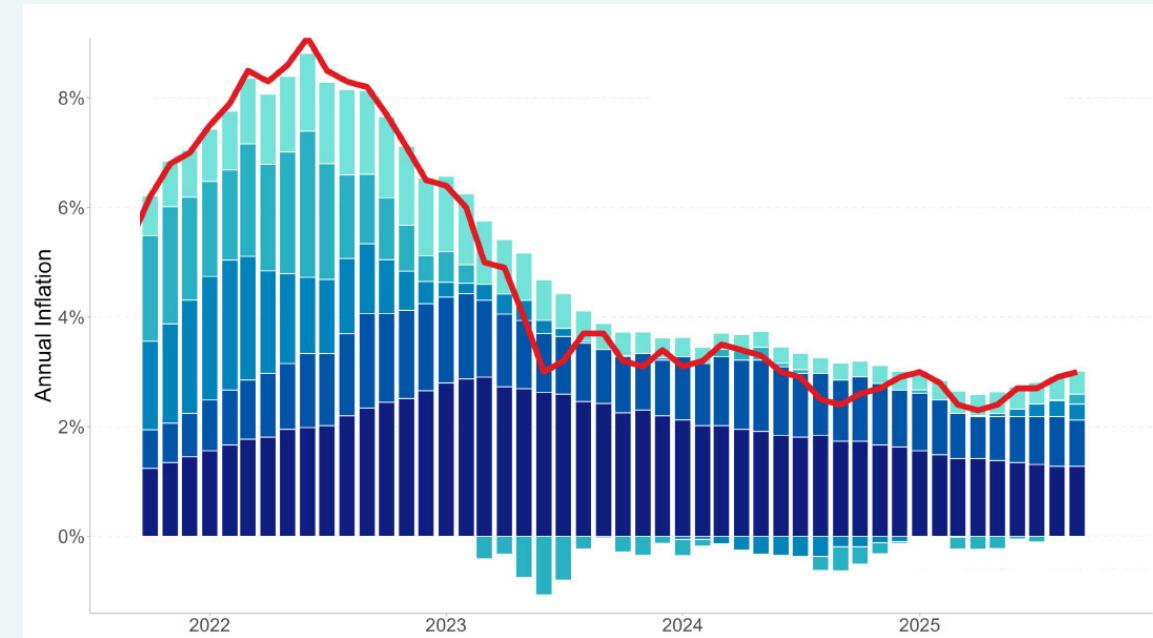


- Aon estimates that global reinsurer capital through the first half of 2025 totalled \$735bn, a record high and nearly 28% higher than the end of '22.
- Growth in both Traditional and Alternative Capital has supported the steady grow through the 3 1/2 year period.

**Key Measure of 'Supply'**

## Key Inflation Measure Rose through H1 2025

Food Energy Core Goods Core Services x Shelter Shelter

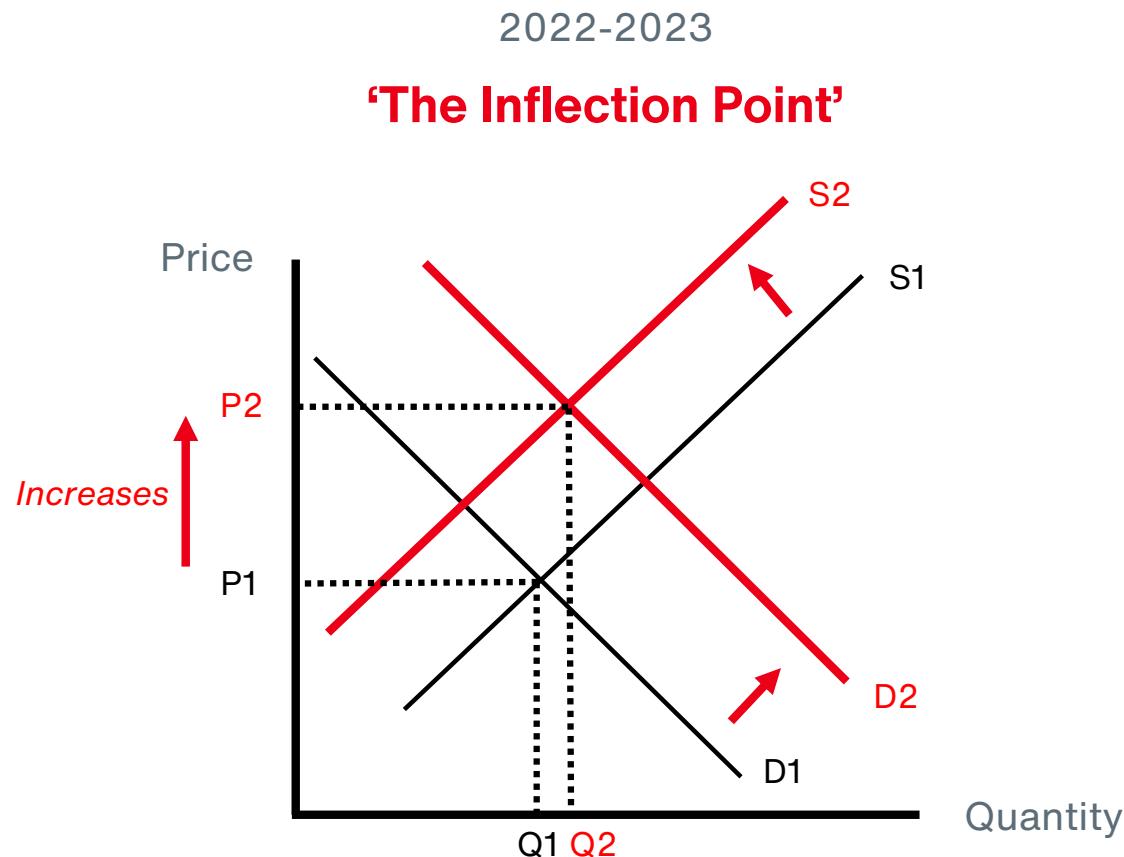


- Key inflation metrics have stabilized since early 2024.
- While inflation has stabled, it remains positive, signaling the expectation for a steady increase in reinsurance demand moving forward.

**Key Factor Driving 'Demand'**

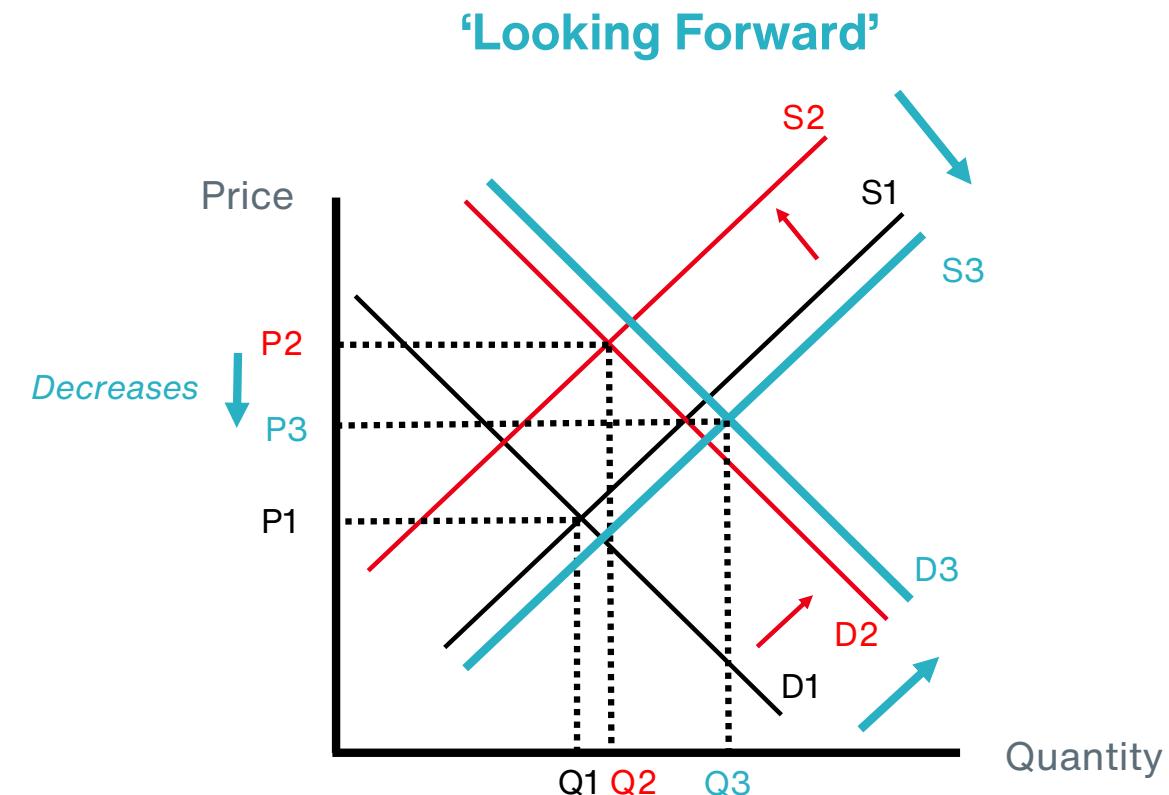
# The Reinsurance Market in its Simplest Form... (an Illustration)

## Impacts of the Supply Increases and Demand Increases Being Observed Today



Note: Illustrative examples, not drawn to scale.

Impact of both increased supply outpacing increased demand



Proprietary & Confidential

# Thank you

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