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GLOBEX UPDATE
PROPERTY & CASUALTY

Events, developments, and opportunities in the international marketplace.

Recent Success Stories

- **Placed local Property Damage & Employers' Liability policies in Malaysia for a leading manufacturer of solutions for the Medical Device market.**
- **Bound a standalone Package policy for a paper & plastic shipping materials company with multiple locations in Mexico.**
- **Placed local Property & General Liability policies In Poland as part of a Controlled Master Program for a provider of industrial automation solutions.**
- **Quoted a homeowners policy with full catastrophe perils for a beachfront $4m property on Bimini, Bahamas.**

Global

The global employer's liability insurance market is projected to grow steadily over the next few years, rising from $31.51b in 2024 to $33.90b in 2025, with a compound annual growth rate (CAGR) of 7.6% according to a recent report. The market's growth in recent years has been driven by an increase in workplace injuries, greater awareness of legal responsibilities, more worker compensation claims, and the expansion of industrial workforces. Rising litigation costs for employers have also contributed to the demand for coverage. Looking ahead, the market is expected to reach $44.82b by 2029, growing at a CAGR of 7.2%. This growth will likely be supported by higher demand for liability coverage related to remote work, more employee mental health claims, and new risks linked to workplace automation. Stricter regulatory oversight and the need for protection against pandemic-related liabilities are also expected to fuel demand. Key trends shaping the sector include digital claim processing, AI-based risk assessment tools, telehealth integration, flexible liability policies, and predictive analytics for claims prevention. According to the report, North America led the market in 2024, whilst Asia-Pacific is expected to record the fastest growth in the coming years.

Australia

Over the 12 months to 30 June 2025, Australia saw a 25% decrease in total insurance losses from natural catastrophe events, falling from $2.61 billion in 2023–24 to $1.97 billion in 2024–25, according to the Insurance Council of Australia (ICA). Data from the latest report shows a notable reduction in total claims incurred year-on-year, though the number of claims was much closer, falling by only 7% from 163,400 claims related to declared extreme weather events to 154,100 in 2024–25. Declared events over the 12 months included one cyclone and two floods, compared with one cyclone and three storm events the previous year. The three events were the North Queensland Floods ($289 million), Ex-Tropical Cyclone Alfred ($1.43 billion), and the Mid

North Coast and Hunter floods ($248 million). Australia has consistently ranked second globally for extreme weather losses over the past 45 years, behind only the US for economic and insured losses per capita. In the last five years, it was only pushed into third place by two extraordinary events in New Zealand. Australia's high ranking reflects its unique geography and exposure to natural perils, compounded by population growth in higher-risk areas and infrastructure not designed to withstand the impacts of a changing climate.

Lloyd's

Lloyd's reinsurance business delivered £1.7 billion ($2.3 billion) in underwriting profits with an 88% combined ratio in 2024, but the market's largest segment faces significant pressure from California wildfires that could consume a third of its 2025 catastrophe budget. The reinsurance segment, representing approximately one-third of the market's gross written premium at £18.7 billion ($25.3 billion) has experienced remarkable expansion with a five-year compound annual growth rate of 9%. Specialty reinsurance led the charge with 11% annual growth, while property and specialty lines drove an 8% premium increase in 2024. The property reinsurance segment emerged as the standout performer, achieving a 75% combined ratio supported by favorable pricing conditions and prior-year reserve releases from major catastrophe events including hurricanes Ian and Ida. While property reinsurance thrived, other segments showed signs of strain. Casualty reinsurance deteriorated to a 98% combined ratio from 90% in 2023, despite apparent rate adequacy, as syndicates grappled with adverse development from pre-2019 business. The specialty reinsurance segment fared worse, reporting a 106% combined ratio amid slowing rate increases and significant losses including the Baltimore bridge collision and strengthening Ukraine conflict-related aviation claims. The California wildfire losses, estimated at £1.7 billion ($2.3 billion) for the overall Lloyd's market, present an immediate challenge for 2025 profitability. As market conditions soften and catastrophe losses mount, Lloyd's capital framework is increasingly critical. Its capital position remains very strong, with total capital, reserves, and subordinated loan notes of £43.8 billion at 30 June 2025, compared with £47.1 billion at the end of 2024.

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