



# January 1 Placements Recap

*Industry Intelligence and Analysis*

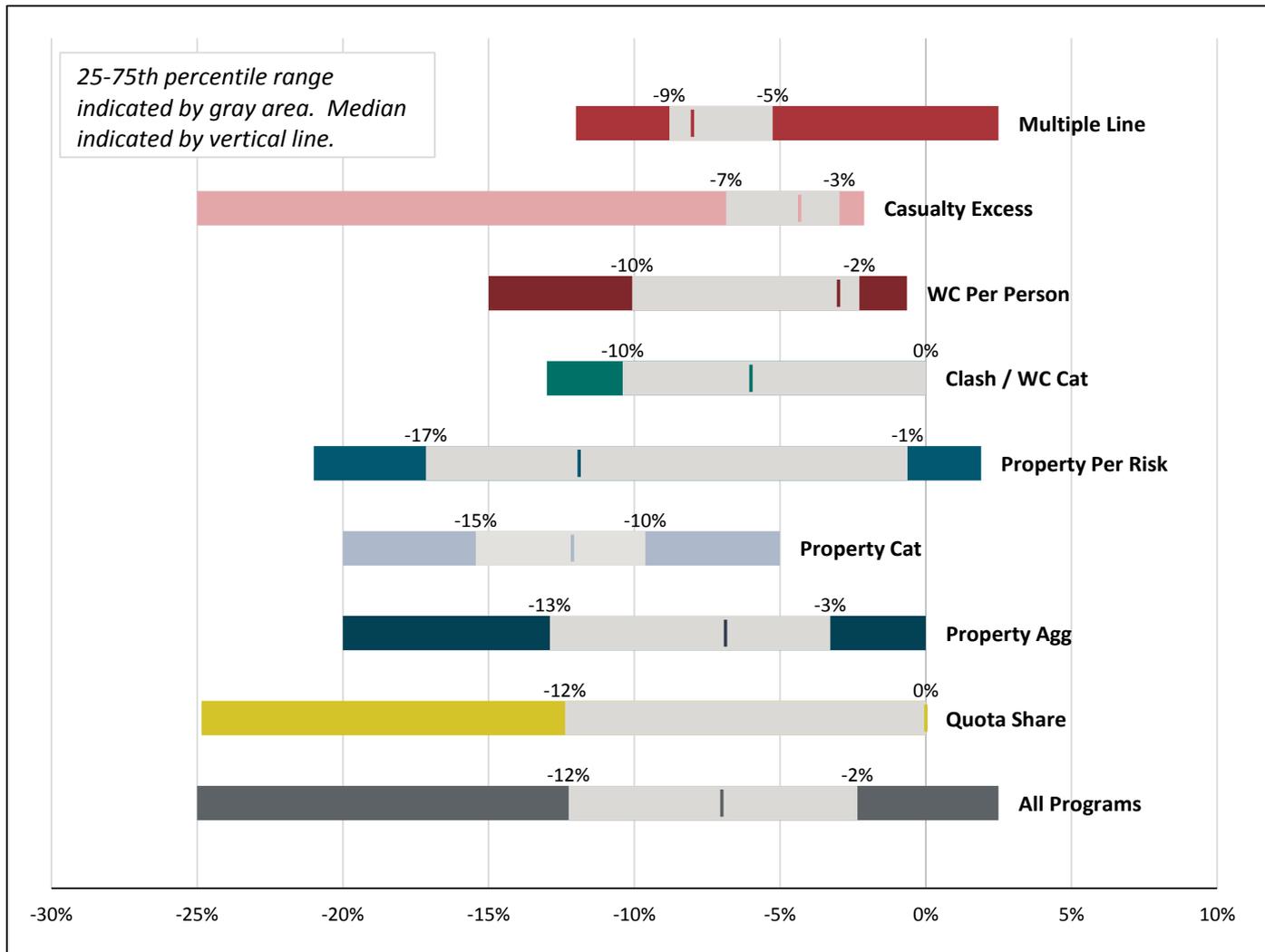
January 2016

# Renewal Commentary

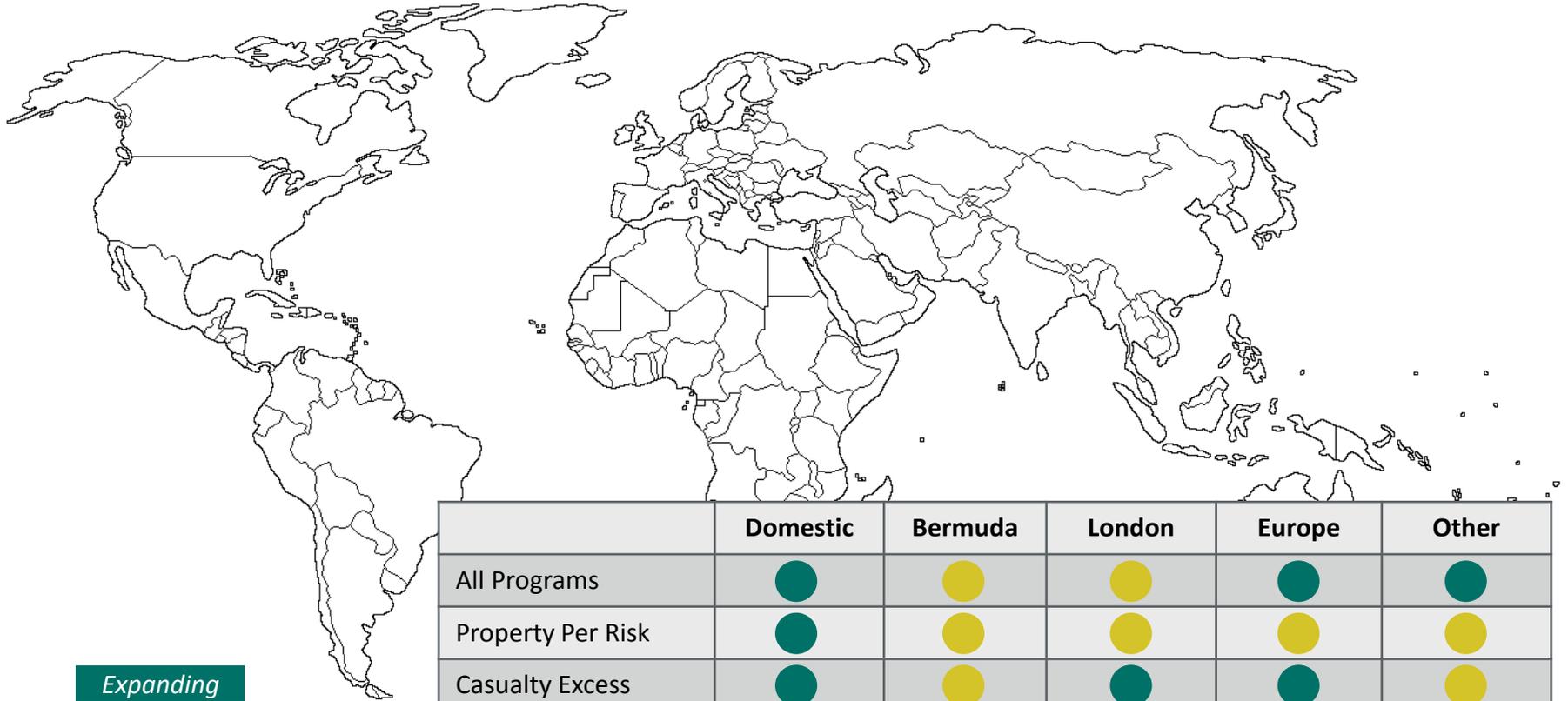
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- Across common renewal dates, Holborn tracks metrics relative to price change, market capacity, buying patterns and the most competitive reinsurers.
- At January 1, major worldwide markets showed increased capacity across all placement types, with domestic U.S. reinsurers figuring most prominently.
- Risk-adjusted pricing reduced more than 10% on average in core catastrophe placements with other treaty types reducing in the high single digits.
- In general, reinsurers continued the trend of accepting more risk for less margin with innovation in coverage design and improved terms and conditions offering significant value to ceding companies.

# Price Change – “Loss Free or Profitable” Programs



# Capacity Offered at Firm Order

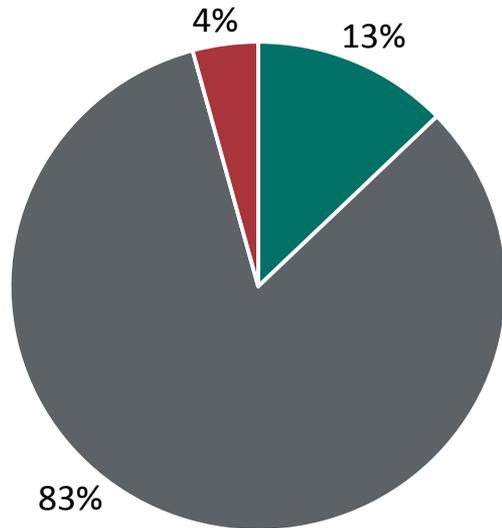


	Domestic	Bermuda	London	Europe	Other
All Programs	●	●	●	●	●
Property Per Risk	●	●	●	●	●
Casualty Excess	●	●	●	●	●
Property Cat	●	●	●	●	●
Property Agg	●	●	●	●	●

# Ceding Company Risk Appetite

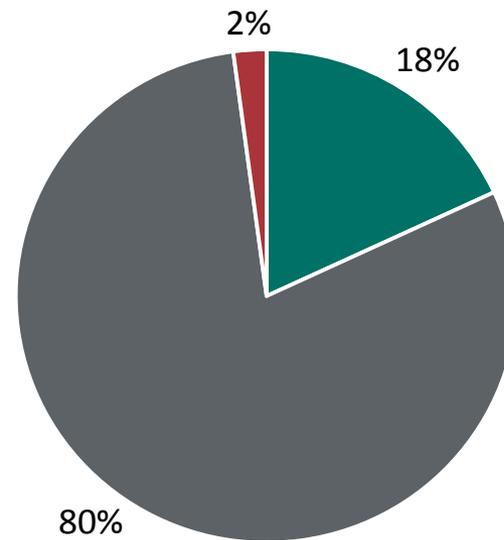
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**Retention Level**



■ Increased ■ Flat ■ Decreased

**Limits Purchased**



■ Increased ■ Flat ■ Decreased

# Improving Terms and Conditions

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- Consistent with 2015 movements, reinsurers were more willing to give in terms and conditions than pure rate reductions.
- Coverage improvements included:
  - *Clarification (e.g., for ice dam sub-peril) and expansion in winter storm coverage language*
  - *Expansion in “hours” clauses*
  - *Improved reinstatement provisions*