



5 Key Takeaways from Mid-Year Renewals 2025

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As we reach the halfway point of 2025, the reinsurance market is showing more stability compared to last year, though still far from uniform.

The latest reports from Gallagher and Aon highlight a market in transition—one that's softening in certain areas but remaining disciplined and selective.

The mid-year renewals reflect a shift from market disruption to more disciplined recalibration.



Capital Surge Reshapes Dynamics

Global reinsurance capital hit \$720 billion, driven by robust earnings among established players and a record-setting of over \$16.8 billion in cat bond issuance in 1H of 2025.¹ This influx of capital has created a more buyer-friendly market, with improved pricing and broader terms on the table.



¹ Aon. (2025). Reinsurance Market Dynamics: Midyear 2025 Renewal. Aon plc.

Selective Discipline Still Rules

Despite capital abundance, reinsurers stayed focused on quality. Loss-free programs benefited from rate reductions of 5–15%, while loss-hit accounts saw increases of 10–20%.² The market rewarded underwriting discipline and long-term partnerships.



² Guy Carpenter. (2025, July 1). Strong returns in reinsurance sector attract capital, leading to favorable client outcomes [Press release].

Property Cat is Firm but Flexible

Pricing is still significantly higher than 2017 levels (200% above)³, but reinsurers are showing more flexibility. Structured and aggregate covers are gaining popularity, with improved risk-adjusted terms noted in regions like Florida, where legislative reforms have enhanced predictability.



³ Gallagher Re. (2025). 1st View: Challenging the Status Quo. Arthur J. Gallagher & Co.

ILS and Cyber Drive Innovation

Insurance-Linked Securities (ILS) have become a vital capital source in reinsurance, managing over \$105 billion in assets.⁴ Cyber reinsurance is rapidly evolving, with new structures like surge stop-loss gaining popularity. Innovations in these areas are transforming market approaches to emerging risks.



⁴ Aon. (2025). Reinsurance Market Dynamics: Midyear 2025 Renewal. Aon plc.



Casualty & Specialty are Stable amid Caution

Casualty rates remain stable, though challenges like social inflation, litigation funding, and nuclear verdicts continue to affect capacity decisions. Specialty lines, on the other hand, show mixed trends—some segments softening, others continuing to firm.





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