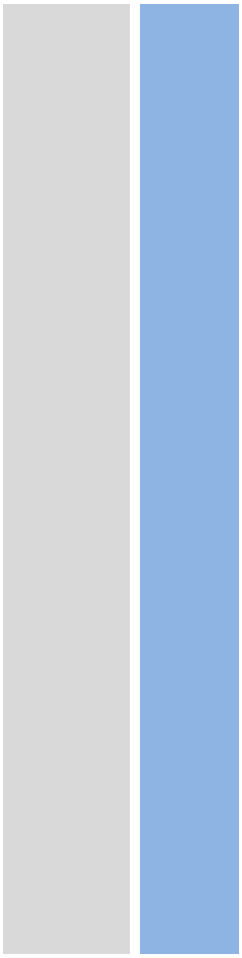
Property & Casualty Insurance Industry

PROPERTY & CASUALTY OVERVIEW

Premium increases and lower claims costs helped the U.S. Property & Casualty (P&C) insurance industry recover from two years of underwriting losses. Investment gains, largely driven by a $50 billion swing from a transaction related to one insurer, resulted in a significant increase in net income which drove policyholders' surplus to an all-time high at June 30, 2024.

Although the long trend of industry profits continued, operating results in the second half of the year will be impacted by an active hurricane season, a more recent trend of severe convective storms, high reinsurance costs, and uncertainty in the financial markets.



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Capital & Surplus

Policyholders' surplus (PHS) decreased 1.7% since 2023 to $5.8 billion, largely due to $4329 million dividends to stockholders, a $107.4 million increase in nonadmitted assets, and $16.6 million unrealized capital losses, which among lessor factors, offset net income. While dividends to stockholders contributed to the surplus decline, it was noted that industry-wide dividend payments were lower compared to mid-year 2023.T93 0/219004 Tw -20.190.004 T1 ( )-11.389 (0 Td [(T (r)-2.8 (p)-0.7 (e)]TJ 0. n)-0.7 (t)]TJ 0. u)-0.8 (r)-2.7 (p)