

 THE COUNCIL

COMMERCIAL
PROPERTY/CASUALTY



**MARKET
INDEX
2023**

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Commercial Property/Casualty Market Index

Q2/2023

EXECUTIVE SUMMARY

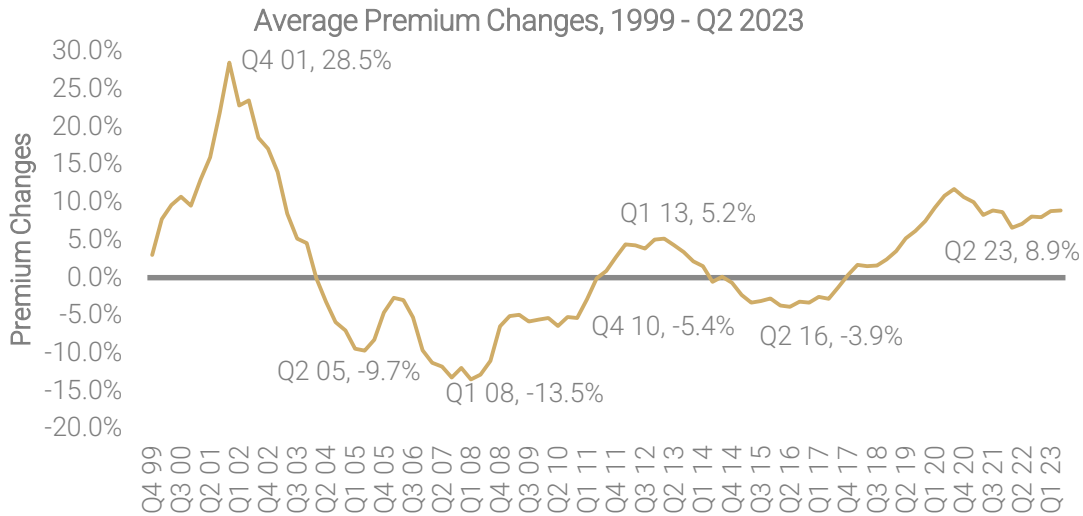
The following are key takeaways from The Council of Insurance Agents & Brokers' Commercial Property/Casualty Market Report for Q2 2023 (April 1 – June 30):

- Q2 2023 was the 23rd consecutive quarter of premium increases, at 8.9%. Medium-sized accounts saw the highest increase, at 9.8%, though only slightly higher than the 9.7% increase in premiums for large-sized accounts.
- Commercial property had the highest reported increase out of all lines, at 18.3%. Natural catastrophe losses and rising property values were among the primary drivers of these increases, according to respondents. Issues with reinsurance capacity led to difficulties placing property policies in the admitted market, especially for coastal property, as well as non-renewals from some carriers on existing accounts.
- Cyber premiums rose by only 3.6% this quarter, the strongest sign of relief for the line seen so far. Respondents also reported greater carrier appetite for underwriting cyber.
- Workers compensation notched the 6th consecutive quarter of decreases, at -0.7%. Commercial auto also recorded an increase of 10.4%, marking a milestone of 50 consecutive quarters of premium increases.
- Respondents reported that high premiums and future premium increases remained top of mind for their clients. Some reported that clients were “rate fatigued,” leading to them purchasing lower limits or biting the bullet and increasing their deductibles to keep premiums down. A respondent from a midsize Northeastern firm mentioned that combined with compounding rate increases, the “demand by insurance carriers for risk control, inspections, worksheets, claims reviews, and general information” appeared to be contributing to a level of mistrust among clients.
- “Adopting new technology,” “becoming more data-driven,” and “enhancing the customer experience” were all top priorities for respondents this quarter, besides “driving organic growth” and “recruiting and developing talent.” Respondents saw leveraging technology to get better and more accurate data in front of their clients, as well as using that data to develop better offerings and inform risk management strategies, all as key to enhancing the customer experience.

PREMIUM PRICING

Premiums rose by 8.9% across all account sizes, slightly up from the previous quarter's increase of 8.8%. Similar to last quarter, respondents reported that carriers often required additional detail on submissions during renewals, in particular when it came to lines like commercial property and commercial auto.

However, several respondents also mentioned that they believed carriers were also more willing to compete for accounts by pulling back on premium increases and lowering retentions. Large accounts were a major focus of this competition, with one respondent from a large Southwestern firm explaining, "Large accounts were very competitive right now, with expiring carriers wanting rate but new carriers offering major discounts." And notably, large accounts did see less of an increase this quarter, at 9.7% down from 11.4% in Q1.



Source: The Council of Insurance Agents & Brokers

KEY NUMBERS AT A GLANCE

- **8.9%:** average premium increase across all account sizes
- **23:** number of consecutive quarters of increased premiums for all account sizes
- **9.8%:** average increase in premiums for medium accounts, higher than large accounts (9.7%) and small accounts (7.2%)

AVERAGE COMMERCIAL PRICING INCREASES

	By Account Size			AVERAGE
	SMALL	MEDIUM	LARGE	
Second Quarter 2023	7.2%	9.8%	9.7%	8.9%
First Quarter 2023	6.2%	9.0%	11.4%	8.8%
Fourth Quarter 2022	6.5%	8.3%	9.1%	8.0%
Third Quarter 2022	6.5%	9.0%	8.8%	8.1%
Second Quarter 2022	6.4%	7.3%	7.5%	7.1%
High	20.8%	31.7%	33.0%	28.5%
High Date	4Q01	4Q01	4Q01	
Low	-10.0%	-15.0%	-15.9%	-13.6%
Low Date	1Q08	3Q07	3Q07	

Source:
The Council of Insurance Agents & Brokers

PREMIUM PRICING BY LINE OF BUSINESS

Premium increases for the various commercial lines remained relatively stable this quarter, with most showing increases roughly in line with the previous quarter, or slightly higher. One notable exception to this trend was the cyber line of business: cyber premiums increased by an average of 3.6%, down from 8.4% last quarter, a strong sign of pricing relief for this line.

The other outlier in terms of premium pricing was commercial property, much like previous quarters. Premiums for that line climbed by 18.3% this quarter, higher than any other line. Rising property values and relentless natural catastrophe losses continued to impact the line, according to respondents, and those issues were further compounded by struggles with reinsurance capacity.

KEY NUMBERS AT A GLANCE

- **8.3%:** average increase across all major lines of business
- **50:** number of consecutive quarters for commercial auto
- **18.3%:** average commercial property premium increase

BY-LINE SECOND QUARTER 2023 RATE CHANGES RANGED FROM -0.7% TO +18.3%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
Second Quarter 2023	10.4%	-0.7%	18.3%	5.2%	8.1%	8.3%
First Quarter 2023	8.3%	-0.5%	20.4%	4.6%	8.5%	8.3%
Fourth Quarter 2022	7.3%	-1.1%	16.0%	4.9%	9.6%	7.4%
Third Quarter 2022	7.6%	-0.7%	11.2%	5.7%	11.3%	7.0%
Second Quarter 2022	7.2%	-1.2%	8.3%	4.7%	11.3%	6.1%
High	28.6%	24.9%	45.4%	26.0%	51.9%	35.3%
Low	-11.6%	-12.3%	-15.0%	-13.6%	-13.5%	-13.2%

Source:
The Council of Insurance Agents & Brokers

RATE CHANGES IN OTHER LINES

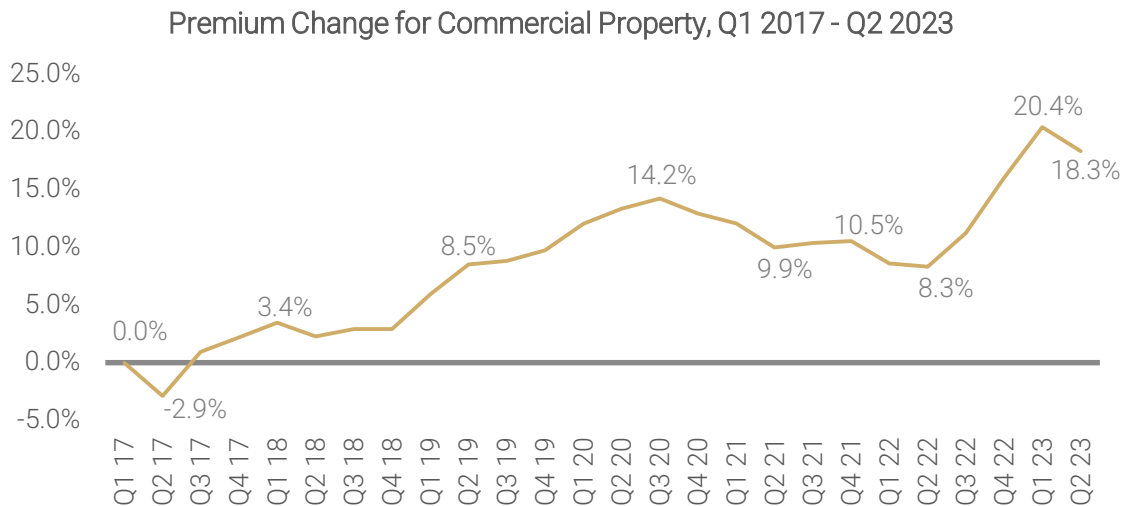
	2Q23	High	Low
Broker E&O	2.2%	15.4%	-4.5%
Business Interruption	8.0%	28.8%	-10.2%
Construction	7.6%	38.7%	-10.7%
Cyber	3.6%	34.3%	-1.5%
D&O Liability	1.6%	32.4%	-8.7%
Employment Practices	2.2%	21.9%	-8.1%
Flood	7.2%	8.6%	-2.7%
Marine	3.6%	4.5%	-10.6%
Medical Malpractice	2.7%	32.5%	-4.1%
Surety Bonds	0.7%	11.2%	-2.3%
Terrorism	1.1%	10.4%	-3.6%

Source:
The Council of Insurance Agents & Brokers

NOTABLE LINE OF BUSINESS: COMMERCIAL PROPERTY

Natural catastrophe and reinsurance struggles led to stark capacity gap

Commercial property had the highest increase in premiums out of all lines, at 18.3%. Respondents once again pointed to rising property values (as a result of inflation) and natural catastrophe losses as the major contributors to the difficulties with this line.



According to a report by Swiss Re, natural catastrophe losses in the U.S. came from multiple severe thunderstorms that accounted for insured losses of around \$34 billion in the U.S. alone during the first half of 2023. The storms accounted for nearly 70% of global insured natural catastrophe losses in that time and the highest ever insured losses in a six-month period. The report notes further that this number, reached in just six months, is almost twice as high as the annual average natural catastrophe losses for the last ten years, \$18.4 billion.

These losses likely further contributed to carriers pulling back on underwriting commercial property—especially coastal property, which one respondent from a large Southeastern firm said was now “very difficult to insure in the standard markets.” Respondents also reported that “property deductibles continued a steady upward march” and that carriers were still “pushing increases in property values,” a lingering effect of inflation.

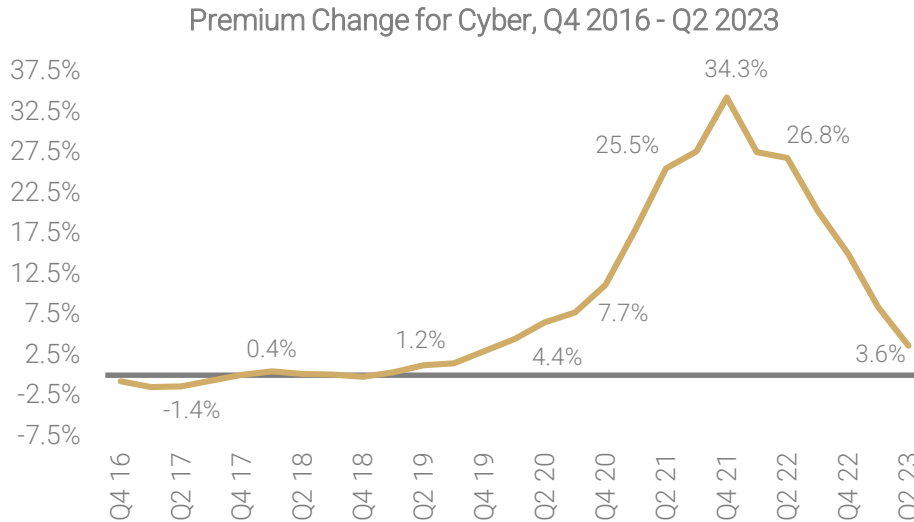
Several respondents mentioned that struggles with reinsurance, both in terms of cost and available capacity, compounded these existing issues in the property market. “Due to lack of reinsurance support, commercial property capacity has been reduced,” explained one respondent from a large Northeastern firm. Survey results bore that out, with 80% of respondents reporting a decrease in commercial property capacity, and nearly half of whom described that decrease as significant.

Another respondent from a large Midwestern firm said that the reinsurance market was so difficult for some companies they had to “non-renew property because of capacity issues.”

NOTABLE LINE OF BUSINESS: CYBER

Premium increases slowed significantly and carriers added capacity

Cyber insurance premiums rose by an average of just 3.6% in Q2 2023, perhaps the strongest sign of relief for this line seen yet.

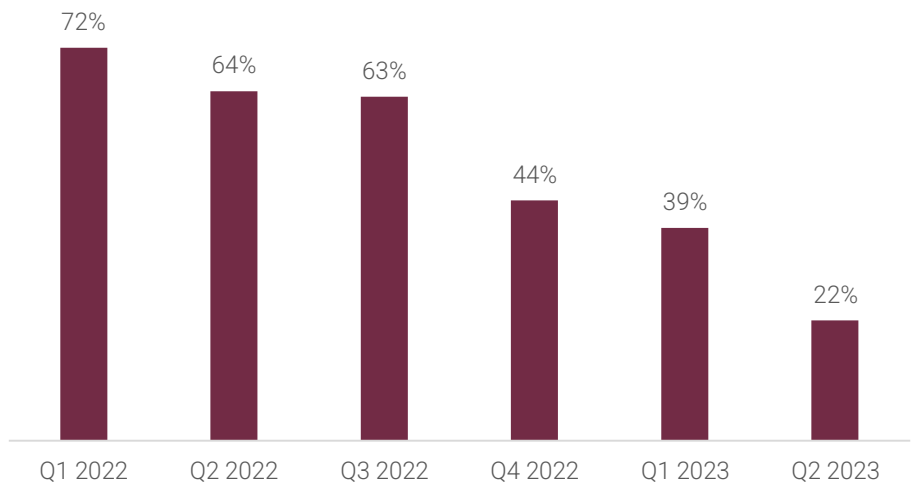


One explanation for this continued easing in cyber premium pricing was additional competition in the space. "Carriers were competing for the business, and this forced premiums and retentions to decrease and sublimits to decrease," explained one respondent from a large Northwestern firm.

Carriers' increased willingness to underwrite cyber insurance was also suggested by underwriting capacity results. In Q2 2022, 14% of respondents reported an increase in capacity for cyber, compared to 68% reporting a decrease; in Q2 2023, 40% of respondents noted an increase in capacity, versus 18% noting a decrease.

Respondents reporting a rise in cyber claims

As with last quarter, respondents did not suggest a particular reason for these shifts. But considering cyber claims, survey results showed that only 22% said there was an increase in cyber claims—down further from 39% last quarter, and down significantly from 72% at the beginning of 2022. Success at mitigating cyber losses could be contributing to renewed interest in underwriting the line and less severe premium increases.



BROKER PRIORITIES & CHALLENGES

Data and technology key to enhancing the customer experience

Three of the top priorities for respondents—“enhancing the customer experience,” “adopting new technologies” and “becoming more data driven”— suggest that brokers recognize the relationship between technology and demonstrating value to their clients.

For example, a key theme in responses on how firms would approach enhancing the customer experience was making use of “better customer-facing technology.” Being able to efficiently and effectively deliver information to clients is crucial part of serving as a true trusted advisor. “We strive to consult and the only way to do that is to provide data for the insured,” said one respondent from a midsize Northeastern firm.

Likewise, respondents emphasized the importance of becoming more data-driven in their risk management approach. Respondents noted that using platforms that aggregate data or adding capabilities to their existing agency management system that allow them to collect more and better data are essential to keeping clients up to speed, developing unique offerings, and informing risk management reduction strategies.

“Recruiting and developing talent” remained by far the top challenge for respondents in Q2 2023; 86% of respondents identified it as a top-three challenge, versus only 57% for “driving organic growth.” One successful strategy to address this issue, given by a respondent from a large Northwestern firm, was prioritizing recruiting employees who fit their culture, and did not necessarily come from a risk management or insurance background.

Another focused on acknowledging the shift in work culture and attitudes around remote work. “We maintained flexibility in respect to work hours and location,” explained one respondent from a large Northeastern firm. “You need to be flexible with how associates conduct their work in order to attract the best available in the marketplace.”

Top Broker Priorities and Challenges in Q2 2023



The Council of Insurance Agents & Brokers is the premier association for the top regional, national and international commercial insurance and employee benefits intermediaries worldwide. Council members are market leaders who annually place 85 percent of U.S. commercial property/casualty insurance premiums and administer billions of dollars in employee benefits accounts. With expansive international reach, The Council fosters industry wide relationships around the globe by engaging lawmakers, regulators and stakeholders to promote the interests of its members and the valuable role they play in the mitigation of risk for their clients. Founded in 1913, The Council is based in Washington, D.C.

**BELOW ARE THE SURVEY RESULTS FOR:
ALL REGIONS**

1. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	2.04%	8.16%	6.12%	53.06%	20.41%	6.12%	2.04%	0.00%	2.04%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	2.04%	2.04%	2.04%	2.04%	42.86%	32.65%	12.24%	2.04%	0.00%	2.04%
Large Account (More than \$100k in commission and fees)	2.00%	2.00%	2.00%	0.00%	2.00%	46.00%	34.00%	6.00%	6.00%	0.00%	0.00%

2. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Broker E&O	0.00%	0.00%	0.00%	0.00%	46.51%	30.23%	6.98%	0.00%	0.00%	0.00%	16.28%
Business interruption	0.00%	0.00%	0.00%	0.00%	11.36%	38.64%	36.36%	6.82%	0.00%	0.00%	6.82%
Commercial auto	0.00%	0.00%	0.00%	0.00%	6.52%	45.65%	32.61%	13.04%	2.17%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	2.13%	14.89%	44.68%	21.28%	12.77%	2.13%	2.13%
Construction risks	0.00%	0.00%	0.00%	2.27%	13.64%	47.73%	25.00%	6.82%	2.27%	0.00%	2.27%
Cyber	0.00%	2.13%	6.38%	10.64%	29.79%	27.66%	14.89%	2.13%	4.26%	0.00%	2.13%
D&O	0.00%	4.35%	0.00%	21.74%	30.43%	30.43%	6.52%	2.17%	2.17%	0.00%	2.17%
Employment practices	0.00%	0.00%	4.35%	13.04%	39.13%	34.78%	0.00%	4.35%	2.17%	0.00%	2.17%
Flood	0.00%	0.00%	0.00%	0.00%	31.82%	38.64%	4.55%	4.55%	6.82%	2.27%	11.36%
General liability	0.00%	0.00%	0.00%	2.17%	26.09%	52.17%	17.39%	2.17%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	42.86%	35.71%	4.76%	7.14%	0.00%	0.00%	9.52%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	35.71%	30.95%	7.14%	2.38%	0.00%	0.00%	23.81%
Surety bonds	0.00%	0.00%	0.00%	0.00%	69.05%	16.67%	0.00%	0.00%	0.00%	0.00%	14.29%
Terrorism	0.00%	0.00%	0.00%	0.00%	77.50%	7.50%	2.50%	2.50%	0.00%	0.00%	10.00%
Umbrella	0.00%	0.00%	0.00%	2.22%	15.56%	51.11%	22.22%	2.22%	6.67%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	41.30%	41.30%	15.22%	0.00%	2.17%	0.00%	0.00%	0.00%

**BELOW ARE THE SURVEY RESULTS FOR:
NORTHEAST (CT, DE, DC, MA, ME, MD, NH, NJ, NY, PA, RI)**

1. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	0.00%	0.00%	16.67%	66.67%	16.67%	0.00%	0.00%	0.00%	0.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	8.33%	58.33%	25.00%	8.33%	0.00%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	8.33%	41.67%	50.00%	0.00%	0.00%	0.00%	0.00%

2. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Broker E&O	0.00%	0.00%	0.00%	0.00%	41.67%	50.00%	0.00%	0.00%	0.00%	0.00%	8.33%
Business interruption	0.00%	0.00%	0.00%	0.00%	0.00%	58.33%	41.67%	0.00%	0.00%	0.00%	0.00%
Commercial auto	0.00%	0.00%	0.00%	0.00%	8.33%	58.33%	25.00%	8.33%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	16.67%	66.67%	16.67%	0.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	8.33%	66.67%	25.00%	0.00%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	8.33%	0.00%	25.00%	41.67%	16.67%	0.00%	8.33%	0.00%	0.00%
D&O	0.00%	0.00%	0.00%	33.33%	25.00%	41.67%	0.00%	0.00%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	16.67%	50.00%	33.33%	0.00%	0.00%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	41.67%	50.00%	8.33%	0.00%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	33.33%	50.00%	16.67%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	41.67%	33.33%	8.33%	16.67%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	41.67%	41.67%	8.33%	0.00%	0.00%	0.00%	8.33%
Surety bonds	0.00%	0.00%	0.00%	0.00%	83.33%	16.67%	0.00%	0.00%	0.00%	0.00%	0.00%
Terrorism	0.00%	0.00%	0.00%	0.00%	91.67%	8.33%	0.00%	0.00%	0.00%	0.00%	0.00%
Umbrella	0.00%	0.00%	0.00%	0.00%	25.00%	50.00%	16.67%	0.00%	8.33%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	54.55%	27.27%	18.18%	0.00%	0.00%	0.00%	0.00%	0.00%

**BELOW ARE THE SURVEY RESULTS FOR:
SOUTHEAST (AL, FL, GA, KY, LA, MS, NC, SC, TN, VA, WV)**

1. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	0.00%	10.00%	0.00%	50.00%	40.00%	0.00%	0.00%	0.00%	0.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	20.00%	70.00%	10.00%	0.00%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	40.00%	40.00%	10.00%	10.00%	0.00%	0.00%

2. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Broker E&O	0.00%	0.00%	0.00%	0.00%	44.44%	33.33%	22.22%	0.00%	0.00%	0.00%	0.00%
Business interruption	0.00%	0.00%	0.00%	0.00%	0.00%	33.33%	66.67%	0.00%	0.00%	0.00%	0.00%
Commercial auto	0.00%	0.00%	0.00%	0.00%	0.00%	30.00%	60.00%	10.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	10.00%	40.00%	30.00%	20.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	22.22%	33.33%	22.22%	22.22%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	33.33%	33.33%	11.11%	22.22%	0.00%	0.00%	0.00%	0.00%
D&O	0.00%	0.00%	0.00%	33.33%	22.22%	33.33%	11.11%	0.00%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	33.33%	22.22%	33.33%	0.00%	11.11%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	33.33%	44.44%	0.00%	11.11%	11.11%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	50.00%	20.00%	30.00%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	75.00%	25.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	22.22%	55.56%	22.22%	0.00%	0.00%	0.00%	0.00%
Surety bonds	0.00%	0.00%	0.00%	0.00%	77.78%	22.22%	0.00%	0.00%	0.00%	0.00%	0.00%
Terrorism	0.00%	0.00%	0.00%	0.00%	77.78%	11.11%	11.11%	0.00%	0.00%	0.00%	0.00%
Umbrella	0.00%	0.00%	0.00%	0.00%	11.11%	44.44%	22.22%	11.11%	11.11%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	50.00%	20.00%	30.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**BELOW ARE THE SURVEY RESULTS FOR:
MIDWEST (AR, IL, IN, IA, KS, MI, MO, MN, NE, ND, SD, OH, WI)**

1. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	0.00%	8.33%	0.00%	75.00%	8.33%	0.00%	0.00%	0.00%	8.33%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	8.33%	0.00%	50.00%	33.33%	0.00%	0.00%	0.00%	8.33%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	8.33%	0.00%	0.00%	50.00%	33.33%	8.33%	0.00%	0.00%	0.00%

2. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Broker E&O	0.00%	0.00%	0.00%	0.00%	54.55%	18.18%	0.00%	0.00%	0.00%	0.00%	27.27%
Business interruption	0.00%	0.00%	0.00%	0.00%	18.18%	45.45%	18.18%	9.09%	0.00%	0.00%	9.09%
Commercial auto	0.00%	0.00%	0.00%	0.00%	0.00%	81.82%	18.18%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	18.18%	36.36%	27.27%	0.00%	9.09%	9.09%
Construction risks	0.00%	0.00%	0.00%	0.00%	9.09%	54.55%	27.27%	0.00%	0.00%	0.00%	9.09%
Cyber	0.00%	0.00%	0.00%	9.09%	36.36%	36.36%	9.09%	0.00%	0.00%	0.00%	9.09%
D&O	0.00%	0.00%	0.00%	9.09%	27.27%	36.36%	18.18%	0.00%	0.00%	0.00%	9.09%
Employment practices	0.00%	0.00%	0.00%	9.09%	27.27%	54.55%	0.00%	0.00%	0.00%	0.00%	9.09%
Flood	0.00%	0.00%	0.00%	0.00%	18.18%	45.45%	0.00%	9.09%	9.09%	0.00%	18.18%
General liability	0.00%	0.00%	0.00%	0.00%	18.18%	72.73%	9.09%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	18.18%	63.64%	9.09%	0.00%	0.00%	0.00%	9.09%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	27.27%	27.27%	0.00%	0.00%	0.00%	0.00%	45.45%
Surety bonds	0.00%	0.00%	0.00%	0.00%	54.55%	18.18%	0.00%	0.00%	0.00%	0.00%	27.27%
Terrorism	0.00%	0.00%	0.00%	0.00%	90.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.00%
Umbrella	0.00%	0.00%	0.00%	0.00%	9.09%	54.55%	36.36%	0.00%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	41.67%	50.00%	8.33%	0.00%	0.00%	0.00%	0.00%	0.00%

**BELOW ARE THE SURVEY RESULTS FOR:
SOUTHWEST (SO. CA, AZ, NM, OK, TX)**

1. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%	0.00%	50.00%	0.00%	0.00%	0.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%	0.00%	50.00%	0.00%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	75.00%	25.00%	0.00%	0.00%	0.00%	0.00%

2. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Broker E&O	0.00%	0.00%	0.00%	0.00%	50.00%	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%
Business interruption	0.00%	0.00%	0.00%	0.00%	33.33%	0.00%	0.00%	66.67%	0.00%	0.00%	0.00%
Commercial auto	0.00%	0.00%	0.00%	0.00%	25.00%	0.00%	25.00%	50.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	25.00%	0.00%	25.00%	0.00%	50.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	33.33%	33.33%	33.33%	0.00%	0.00%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	25.00%	25.00%	25.00%	0.00%	25.00%	0.00%	0.00%	0.00%
D&O	0.00%	0.00%	0.00%	25.00%	50.00%	0.00%	0.00%	25.00%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	0.00%	75.00%	0.00%	0.00%	25.00%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	33.33%	33.33%	0.00%	0.00%	0.00%	0.00%	33.33%
General liability	0.00%	0.00%	0.00%	25.00%	0.00%	50.00%	25.00%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	66.67%	0.00%	0.00%	0.00%	0.00%	0.00%	33.33%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	50.00%	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%
Surety bonds	0.00%	0.00%	0.00%	0.00%	66.67%	0.00%	0.00%	0.00%	0.00%	0.00%	33.33%
Terrorism	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Umbrella	0.00%	0.00%	0.00%	25.00%	25.00%	25.00%	25.00%	0.00%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	50.00%	25.00%	25.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**BELOW ARE THE SURVEY RESULTS FOR:
PACIFIC NORTHWEST (NO. CA, AK, CO, HI, ID, MT, NV, OR, UT, WA, WY)**

1. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	9.09%	18.18%	9.09%	18.18%	27.27%	9.09%	9.09%	0.00%	0.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	9.09%	9.09%	0.00%	0.00%	36.36%	18.18%	18.18%	9.09%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	8.33%	8.33%	0.00%	0.00%	0.00%	41.67%	16.67%	8.33%	16.67%	0.00%	0.00%

2. During the second quarter of 2023 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2023 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Broker E&O	0.00%	0.00%	0.00%	0.00%	44.44%	22.22%	11.11%	0.00%	0.00%	0.00%	22.22%
Business interruption	0.00%	0.00%	0.00%	0.00%	22.22%	22.22%	33.33%	0.00%	0.00%	0.00%	22.22%
Commercial auto	0.00%	0.00%	0.00%	0.00%	11.11%	22.22%	33.33%	22.22%	11.11%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	20.00%	40.00%	20.00%	20.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	11.11%	33.33%	33.33%	11.11%	11.11%	0.00%	0.00%
Cyber	0.00%	9.09%	18.18%	0.00%	27.27%	18.18%	18.18%	0.00%	9.09%	0.00%	0.00%
D&O	0.00%	20.00%	0.00%	10.00%	40.00%	20.00%	0.00%	0.00%	10.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	20.00%	0.00%	40.00%	30.00%	0.00%	0.00%	10.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	33.33%	11.11%	11.11%	0.00%	11.11%	11.11%	22.22%
General liability	0.00%	0.00%	0.00%	0.00%	11.11%	66.67%	11.11%	11.11%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	37.50%	25.00%	0.00%	12.50%	0.00%	0.00%	25.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	50.00%	0.00%	0.00%	12.50%	0.00%	0.00%	37.50%
Surety bonds	0.00%	0.00%	0.00%	0.00%	57.14%	14.29%	0.00%	0.00%	0.00%	0.00%	28.57%
Terrorism	0.00%	0.00%	0.00%	0.00%	50.00%	12.50%	0.00%	12.50%	0.00%	0.00%	25.00%
Umbrella	0.00%	0.00%	0.00%	0.00%	11.11%	66.67%	11.11%	0.00%	11.11%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	11.11%	77.78%	0.00%	0.00%	11.11%	0.00%	0.00%	0.00%

AVERAGE COMMERCIAL PRICING INCREASES

	By Account Size			
	SMALL	MEDIUM	LARGE	AVERAGE
Second Quarter 2023	7.2%	9.8%	9.7%	8.9%
First Quarter 2023	6.2%	9.0%	11.4%	8.8%
Fourth Quarter 2022	6.5%	8.3%	9.1%	8.0%
Third Quarter 2022	6.5%	9.0%	8.8%	8.1%
Second Quarter 2022	6.4%	7.3%	7.5%	7.1%
High	20.8%	31.7%	33.0%	28.5%
High Date	4Q01	4Q01	4Q01	
Low	-10.0%	-15.0%	-15.9%	-13.6%
Low Date	1Q08	3Q07	3Q07	

Source:

The Council of Insurance Agents & Brokers

BY-LINE SECOND QUARTER 2023 RATE CHANGES RANGED FROM -0.7% TO +18.3%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
Second Quarter 2023	10.4%	-0.7%	18.3%	5.2%	8.1%	8.3%
First Quarter 2023	8.3%	-0.5%	20.4%	4.6%	8.5%	8.3%
Fourth Quarter 2022	7.3%	-1.1%	16.0%	4.9%	9.6%	7.4%
Third Quarter 2022	7.6%	-0.7%	11.2%	5.7%	11.3%	7.0%
Second Quarter 2022	7.2%	-1.2%	8.3%	4.7%	11.3%	6.1%
High	28.6%	24.9%	45.4%	26.0%	51.9%	35.3%
Low	-11.6%	-12.3%	-15.0%	-13.6%	-13.5%	-13.2%

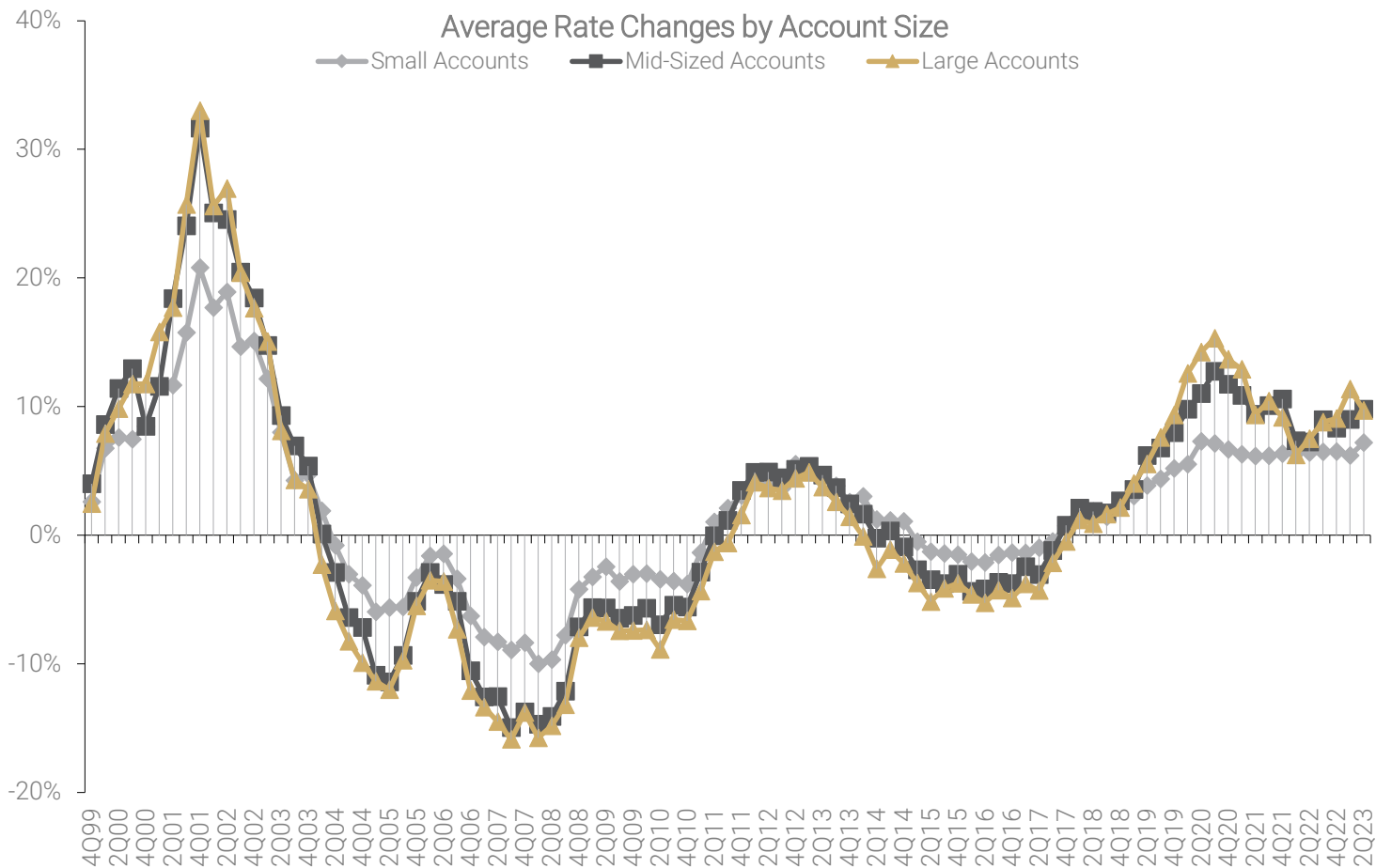
Source:
The Council of Insurance Agents & Brokers

RATE CHANGES IN OTHER LINES

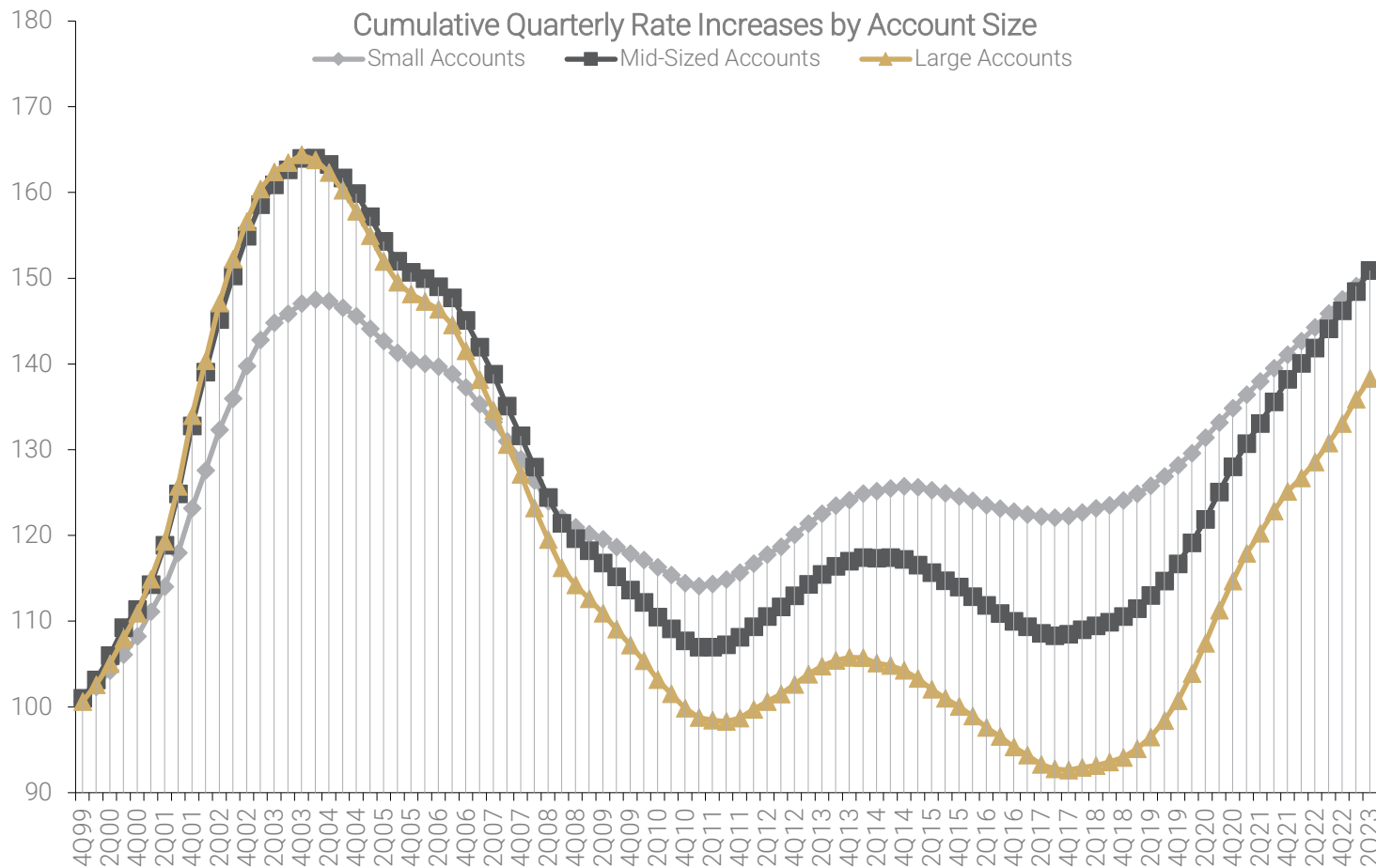
	2Q23	High	Low
Broker E&O	2.2%	15.4%	-4.5%
Business Interruption	8.0%	28.8%	-10.2%
Construction	7.6%	38.7%	-10.7%
Cyber	3.6%	34.3%	-1.5%
D&O Liability	1.6%	32.4%	-8.7%
Employment Practices	2.2%	21.9%	-8.1%
Flood	7.2%	8.6%	-2.7%
Marine	3.6%	4.5%	-10.6%
Medical Malpractice	2.7%	32.5%	-4.1%
Surety Bonds	0.7%	11.2%	-2.3%
Terrorism	1.1%	10.4%	-3.6%

Source:
The Council of Insurance Agents & Brokers

Average Rate Changes by Account Size

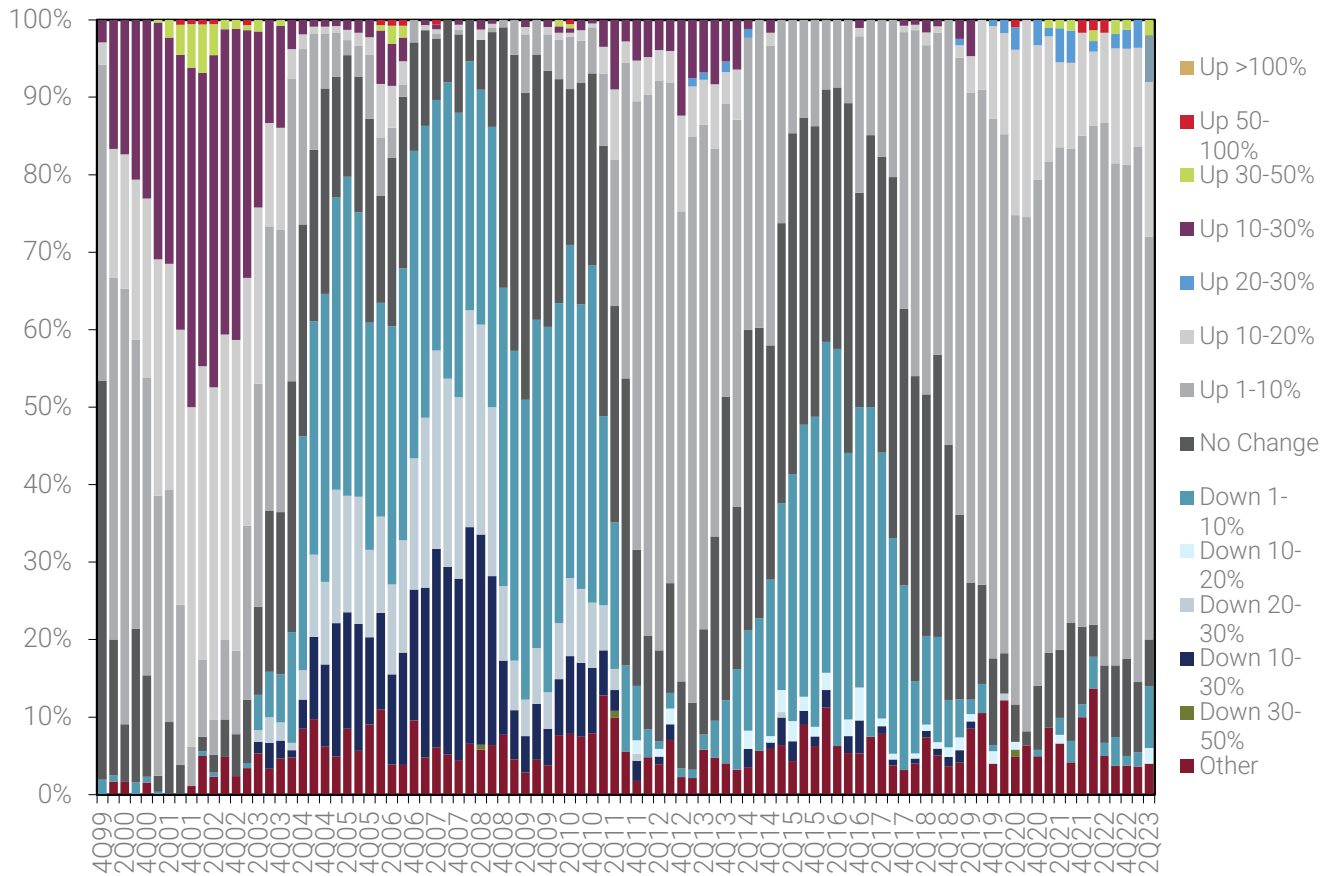


Cumulative Quarterly Rate Increases by Account Size



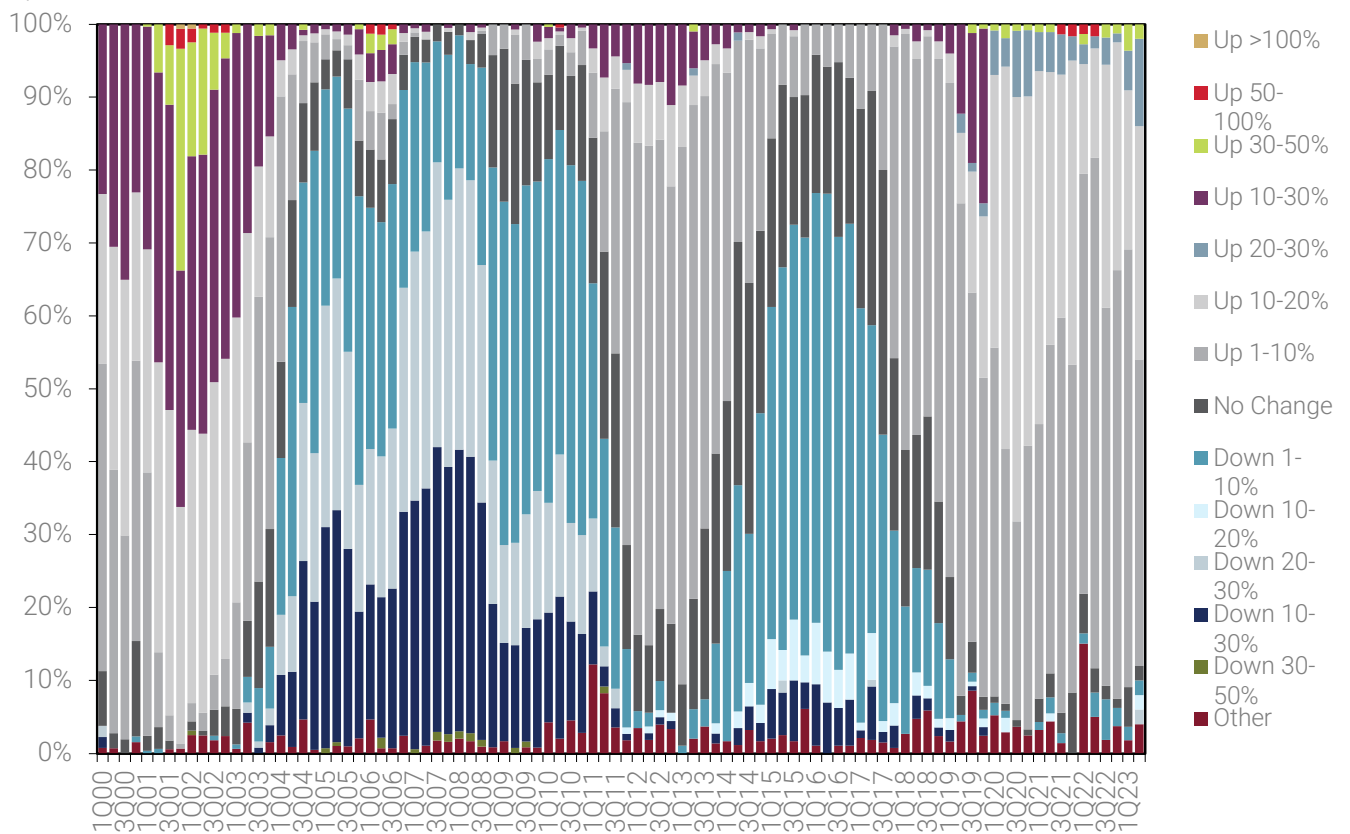
Percentage of Survey Respondents

Insurance Rate Changes, Small Commercial Accounts (Accounts generating <\$25,000 in annual commissions & fees)



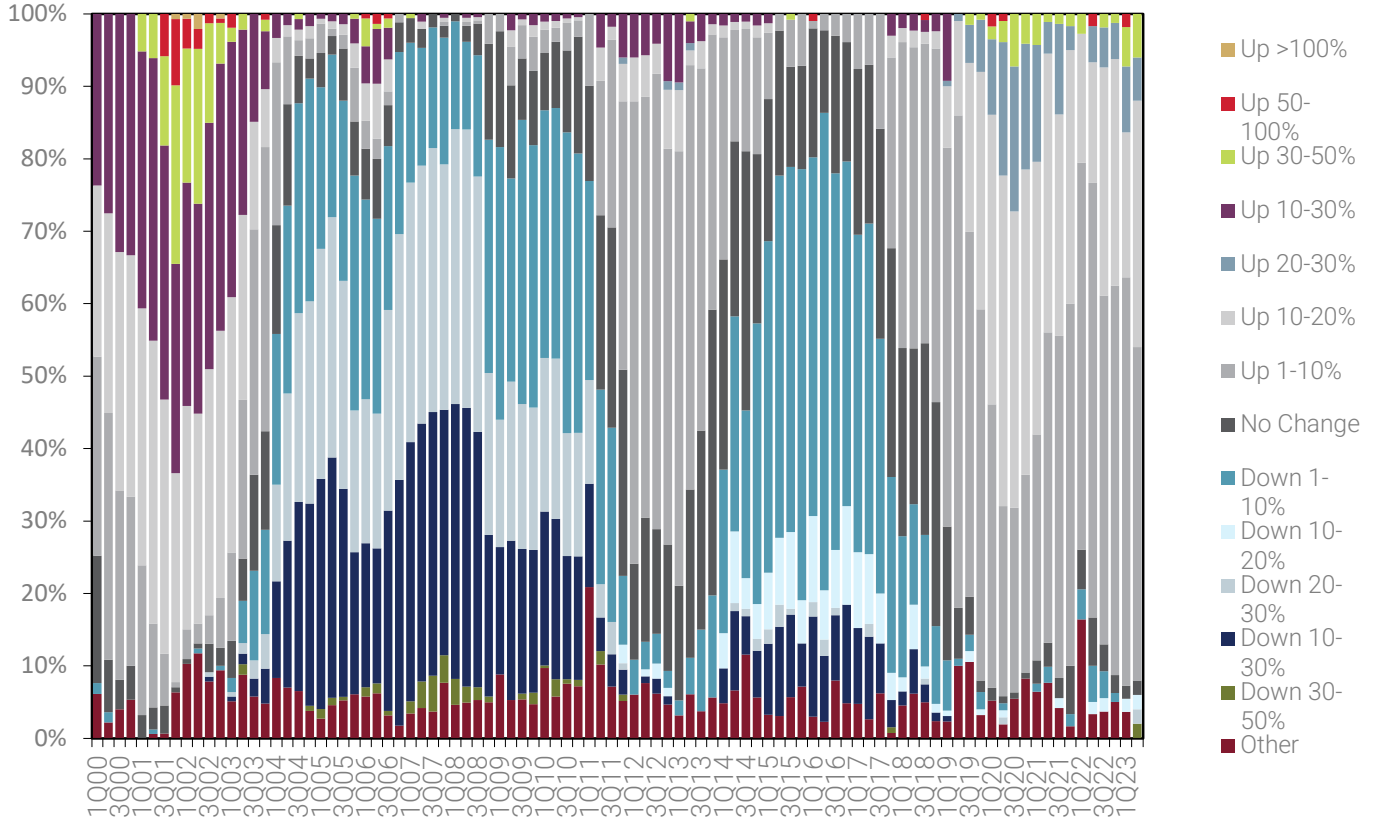
Percentage of Survey Respondents

Insurance Rate Changes, Medium Commercial Accounts (Accounts generating \$25,000-\$100,000 in annual commissions & fees)

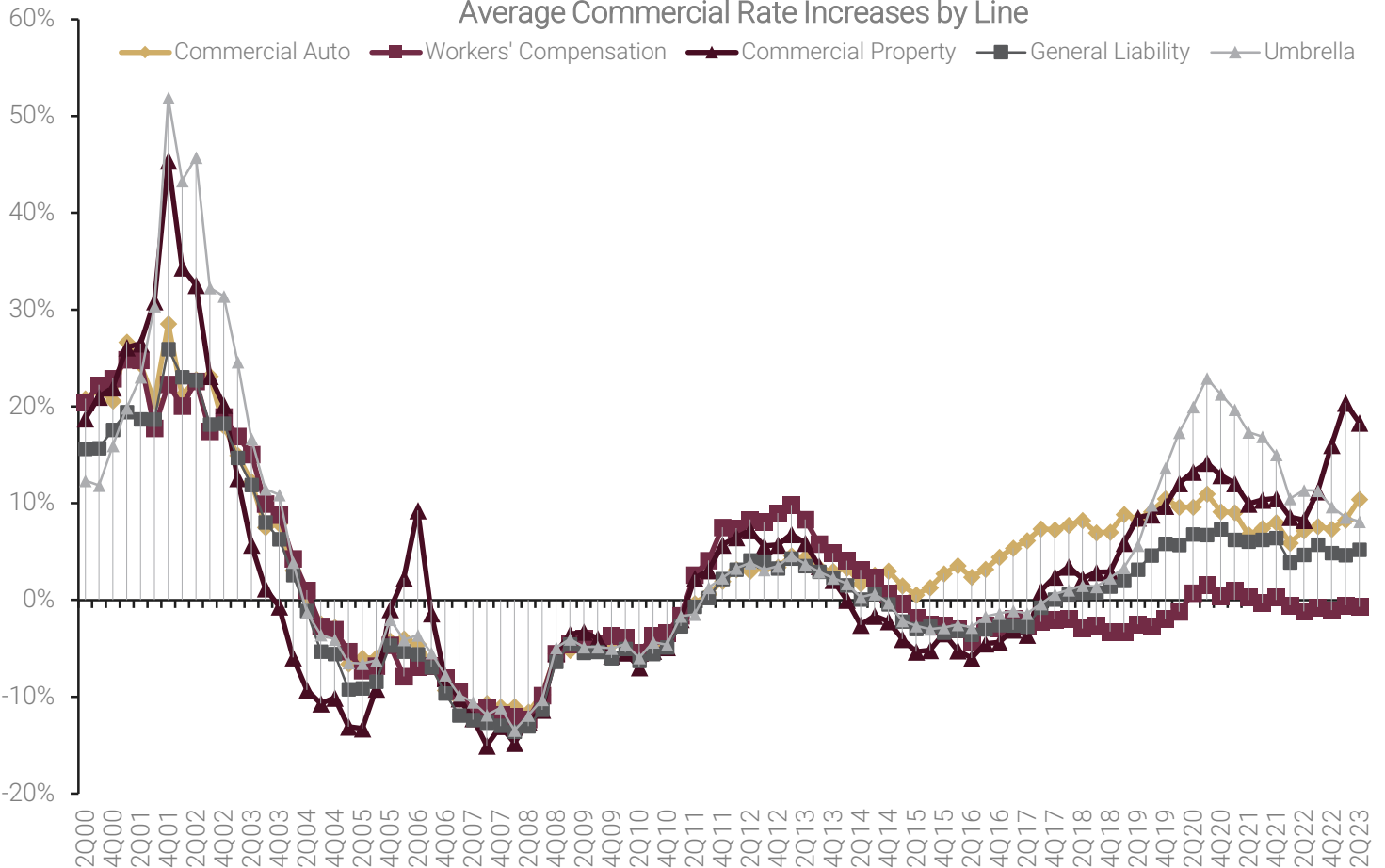


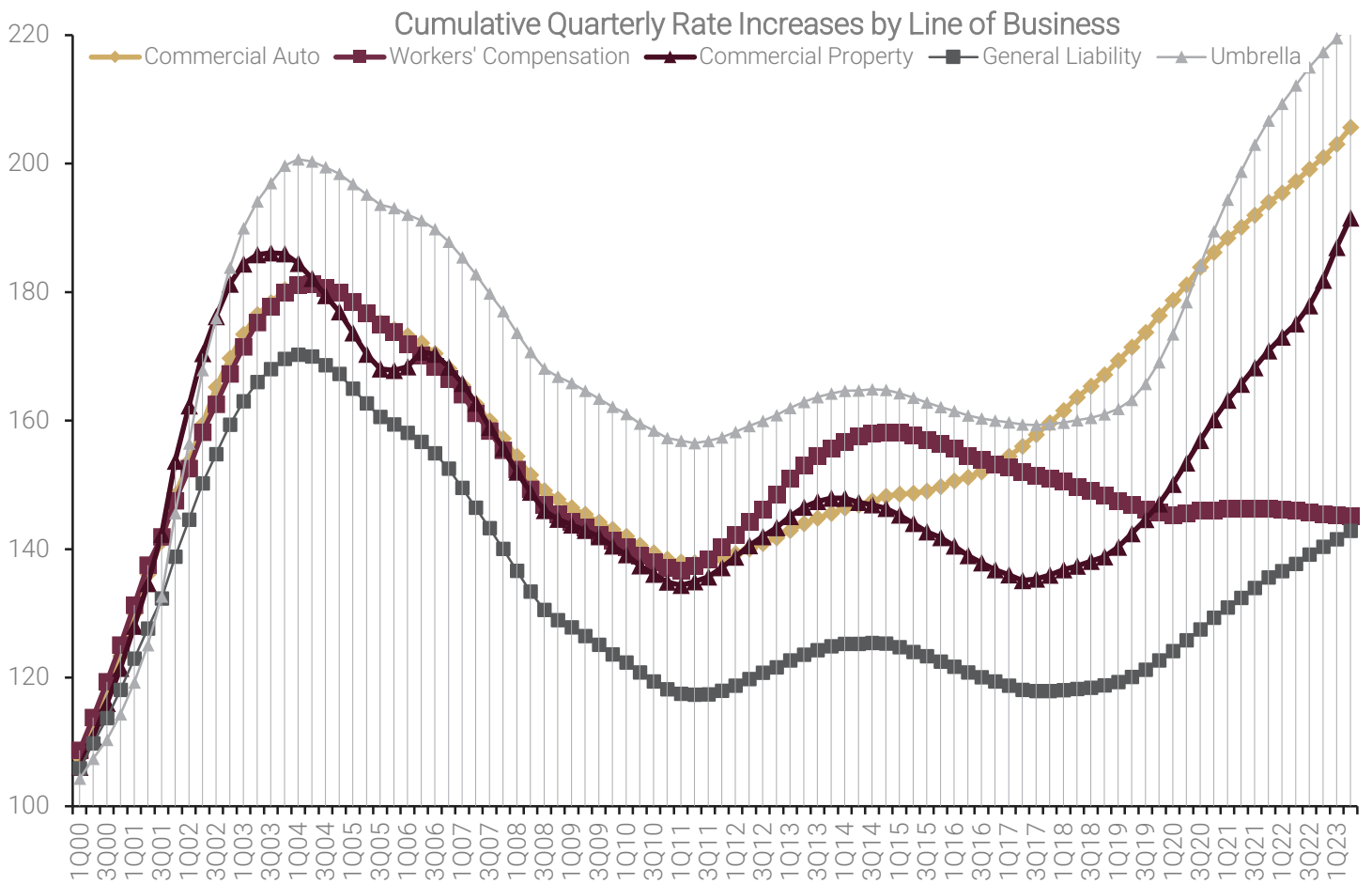
Insurance Rate Changes, Large Commercial Accounts (Accounts generating >\$100,000 in annual commissions & fees)

Percentage of Survey Respondents



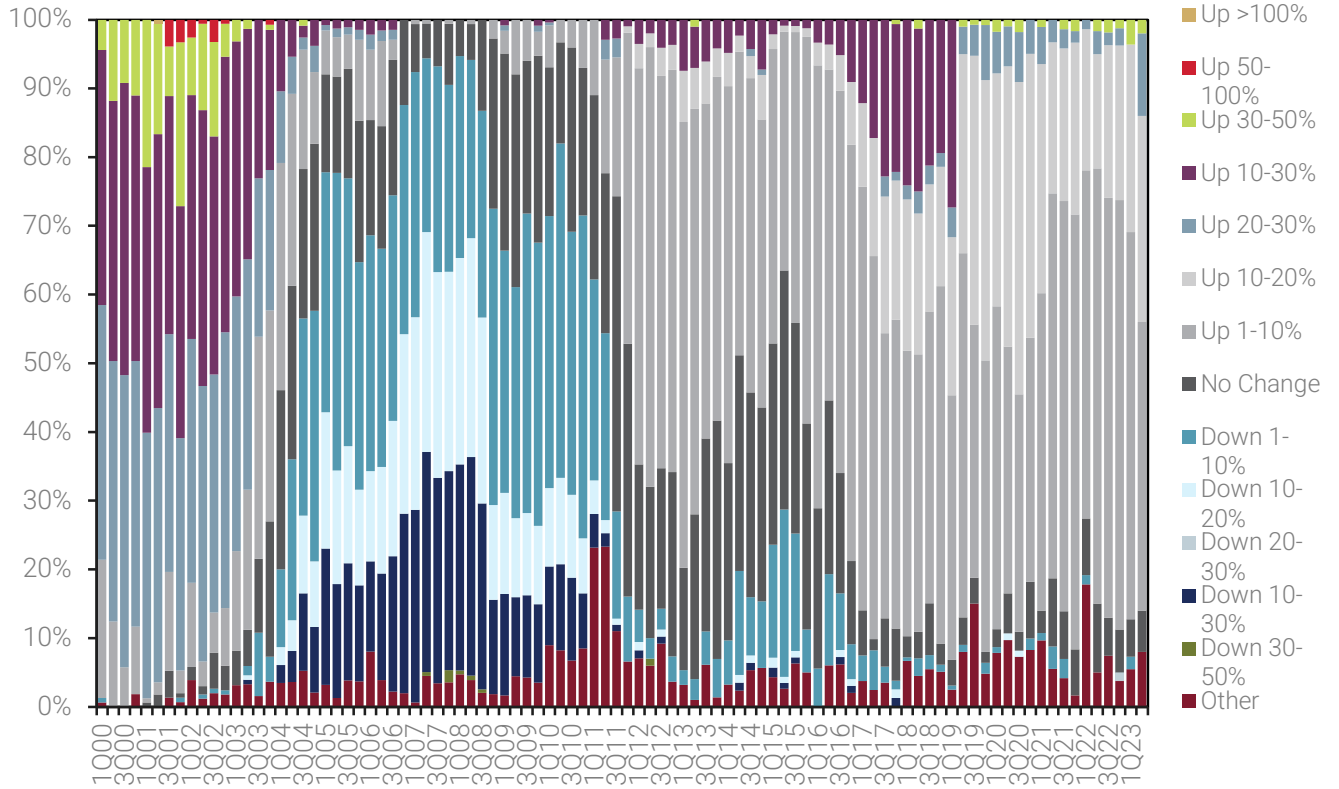
Average Commercial Rate Increases by Line





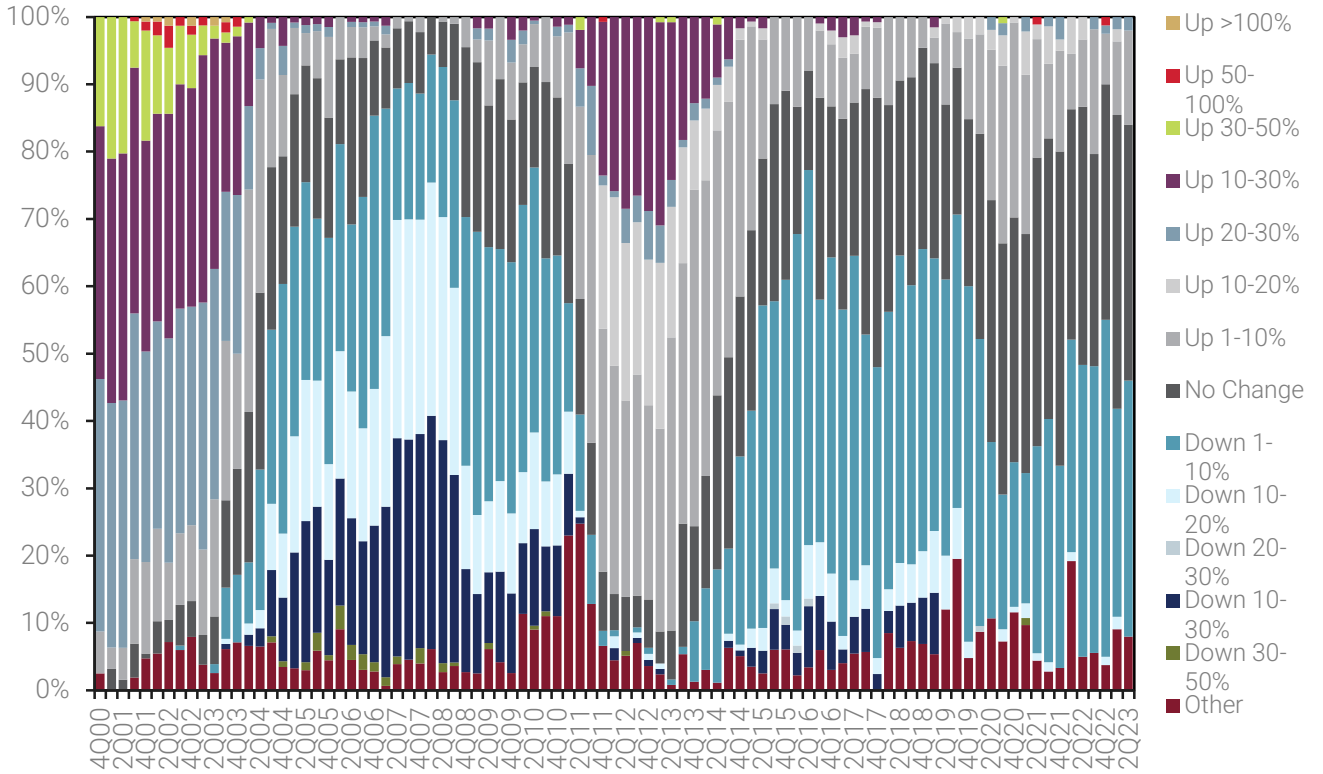
Commercial Auto Insurance Rate Changes

Percentage of Survey Respondents



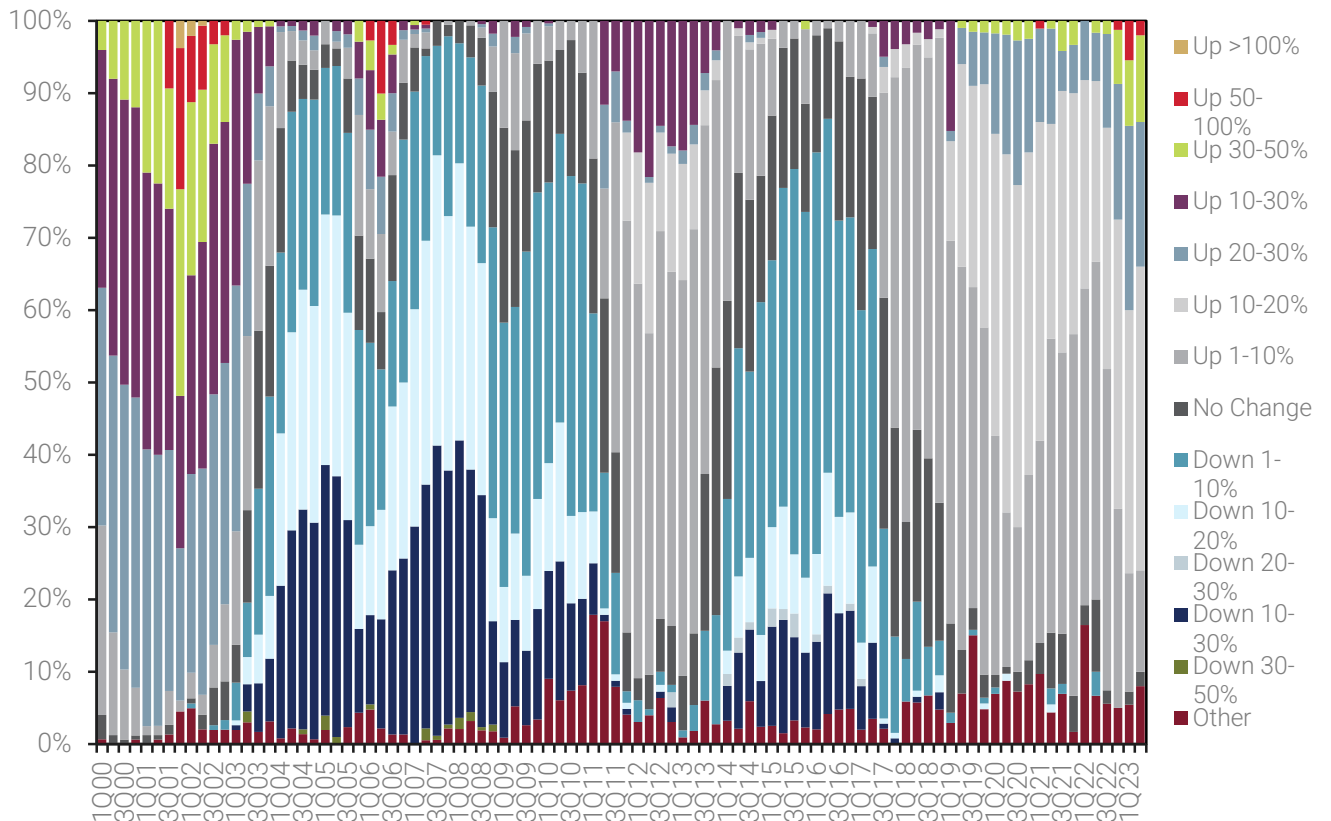
Workers Compensation Insurance Rate Changes

Percentage of Survey Respondents



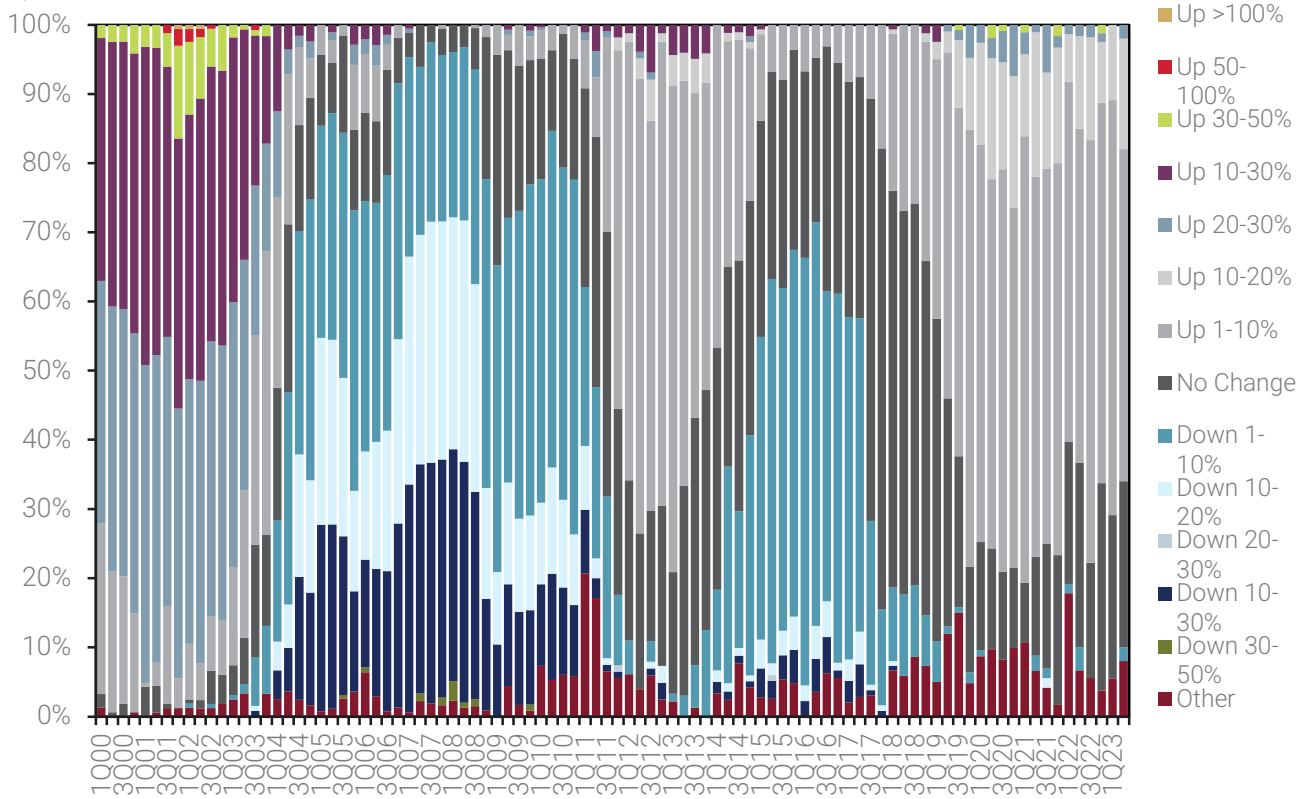
Commercial Property Insurance Rate Changes

Percentage of Survey Respondents



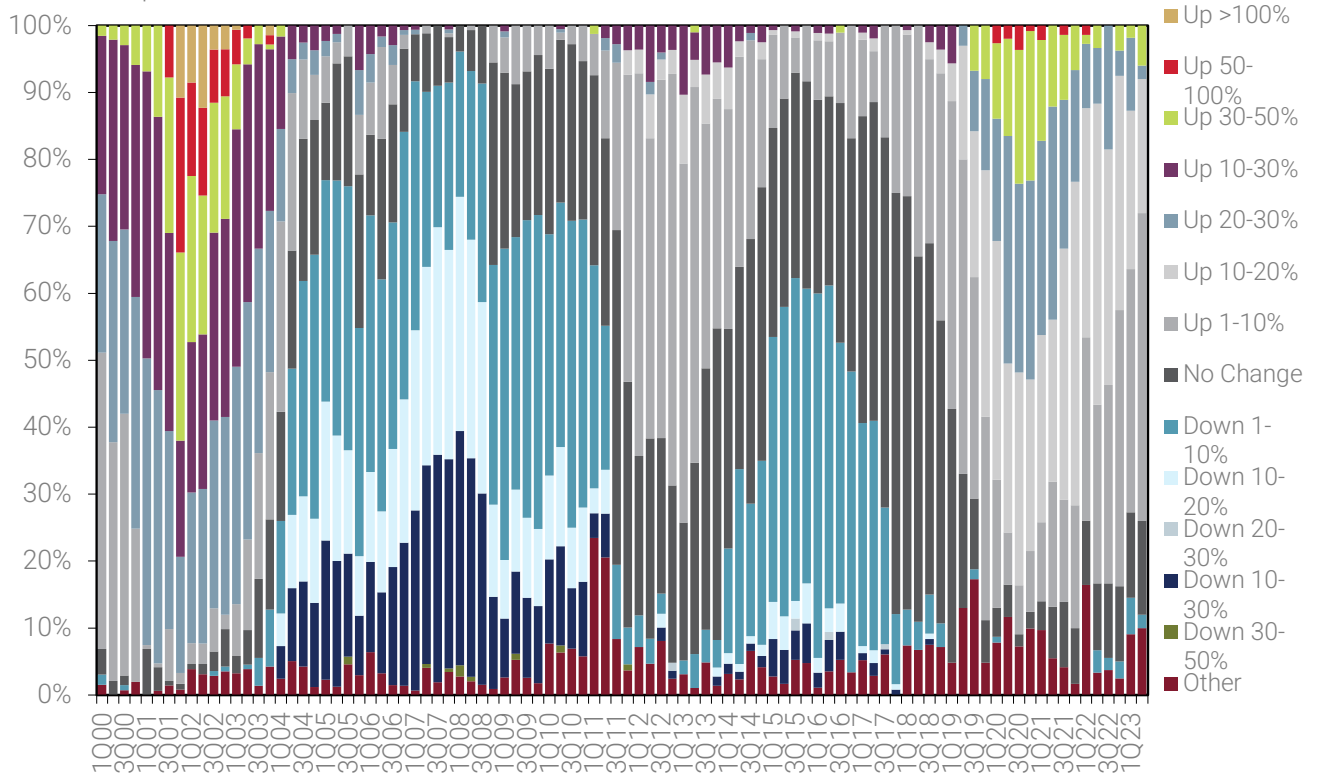
Commercial General Liability Insurance Rate Changes

Percentage of Survey Respondents



Umbrella Insurance Rate Changes

Percentage of Survey Respondents



Business Interruption Insurance Rate Changes

Percentage of Survey Respondents

