



 THE COUNCIL

COMMERCIAL PROPERTY/ CASUALTY MARKET INDEX

Q1/2023



Commercial Property/Casualty Market Index

Q1/2023

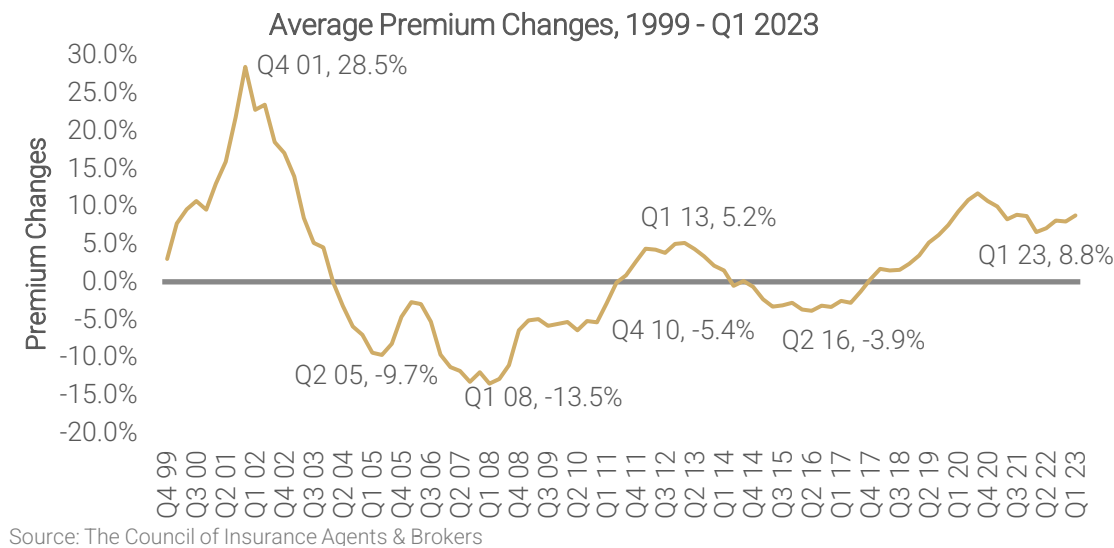
EXECUTIVE SUMMARY

The following are key takeaways from The Council of Insurance Agents & Brokers' Commercial Property/Casualty Market Report for Q1 2023 (January 1 – March 31):

- Q1 2023 was the 22nd consecutive quarter of premium increases, at 8.8%. Large accounts saw the highest increase, at 11.4%.
- Most lines of business experienced premium increases comparable to or slightly lower than the previous quarter. Workers compensation premiums fell further this quarter, at an average of -0.5%.
- Cyber premium pricing saw further relief this quarter, with respondents reporting an average increase of 8.4%, a stark contrast to the quarterly increases of more than 20% just a year ago. Almost a third of respondents also reported an increase in underwriting capacity for the line, suggesting carrier attitudes towards underwriting the line may have started to shift. Industry efforts to promote a more aggressive cyber risk management strategy for insureds may have also contributed by reducing, or at least mitigating, cyber claim losses.
- Commercial property remained the outlier this quarter. The average increase in commercial property premiums spiked to 20.4%, which is the first time since 2001 that this line recorded an increase higher than 20%. Eighty-five percent of respondents also reported that capacity decreased further for the line. Inflation and natural catastrophes were noted as the primary drivers for commercial property's continued troubles.
- Respondents reported that clients remained deeply concerned about high premiums and the potential for future increases. Approximately 80% of respondents said two of the top three concerns their clients had in Q1 2023 were "high current premium" and "future premium increases." Fifty-six (56%) of respondents also identified "limitations on coverage" as a top-three client concern.
- Besides "recruiting and developing talent" and "driving organic growth," a top broker priority and challenge in Q1 2023 was "becoming more data driven." For brokers, making better use of data will help them with identifying new market opportunities and enhance their customer experience by giving them the information to craft custom programs, help customers in the application experience, and provide decision support for clients.

PREMIUM PRICING

Premiums climbed for the 22nd consecutive quarter across all account sizes. Increased carrier scrutiny and tighter terms for lines like commercial property and commercial auto were common themes in respondent comments. Several respondents also reported that carriers put an increased focus on an account’s loss history, to the point that some accounts with higher loss frequency faced non-renewal; some respondents also indicated issues with capacity for historically troubled lines like commercial auto, property, umbrella, and cyber, and that carriers were limiting coverage or even leaving certain markets completely.



KEY NUMBERS AT A GLANCE

- 8.8%: average premium increase across all account sizes
- 22: number of consecutive quarters of increased premiums for all account sizes
- 11.4%: average increase in premiums for large accounts, outstripping medium (9.0%) and small accounts (6.2%)

AVERAGE COMMERCIAL PRICING INCREASES

	By Account Size SMALL	MEDIUM	LARGE	AVERAGE
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%
First Quarter 2022	6.4%	7.3%	6.2%	6.6%
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

Most lines of business experienced further moderation in Q1 2023. The majority of lines recorded lower average increases this quarter than in the previous quarter. Cyber in particular experienced notable relief in premium increases, with respondents reporting an average cyber premium increase of 8.4%, down from 15.0% in Q4 2022, and significantly down from the increases of over 20% seen just a year ago. Workers compensation premiums also continued to fall at an average of -0.5%.

Commercial property was the only line this quarter that did not see any sign of moderation. Inflation and natural catastrophe continued to significantly impact the line. Many respondents highlighted issues with extreme increases in premiums, reduced limits, and high deductibles. “Commercial property was a mess,” said one respondent from a large Midwestern firm, and survey results bore that out.

KEY NUMBERS AT A GLANCE

- 8.3%: average increase across all major lines of business
- 23: number of consecutive quarters of premium increases for all lines of business except workers compensation
- 20.4%: average commercial property premium increase, higher than all other lines

BY-LINE FIRST QUARTER 2023 RATE CHANGES RANGED FROM -0.5% TO +20.4%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
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%
First Quarter 2022	5.9%	-0.5%	8.6%	3.9%	10.5%	5.7%
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

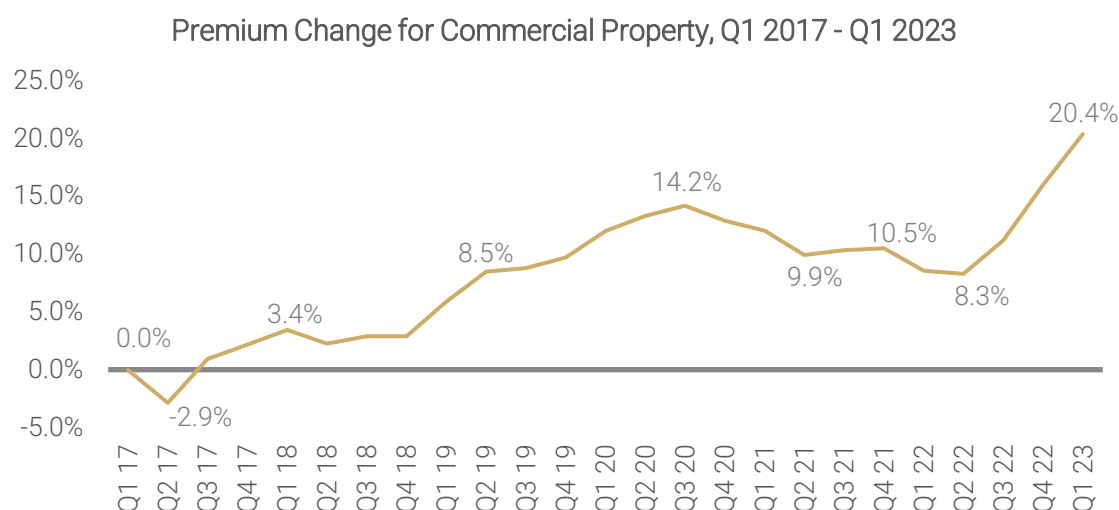
	1Q23	High	Low
Broker E&O	2.4%	15.4%	-4.5%
Business Interruption	9.4%	28.8%	-10.2%
Construction	7.8%	38.7%	-10.7%
Cyber	8.4%	34.3%	-1.5%
D&O Liability	3.1%	32.4%	-8.7%
Employment Practices	4.4%	21.9%	-8.1%
Flood	4.9%	8.6%	-2.7%
Marine	3.9%	4.5%	-10.6%
Medical Malpractice	2.9%	32.5%	-4.1%
Surety Bonds	0.8%	11.2%	-2.3%
Terrorism	0.8%	10.4%	-3.6%

Source:
The Council of Insurance Agents & Brokers

NOTABLE LINE OF BUSINESS: COMMERCIAL PROPERTY

“Property as a whole experienced the quickest hardening market anyone can remember in a lifetime.”

Premiums increased by an average of 20.4% for commercial property in Q1 2023, which is by far the highest out of all lines. According to respondents, inflation and natural catastrophe once again were the main drivers of this pricing trend.



“Property has been impacted the most by inflation,” said one respondent from a large Midwestern firm. A respondent from a large Northeastern firm said the “cost of repair, extended loss of use, and supply chain issues with materials have all contributed unfavorably to ultimate claim cost trends.”

In addition to the increased cost of repair, natural catastrophe losses themselves were higher. Global insured losses from natural disasters alone hit \$125 billion in 2022 according to Swiss Re, the fourth highest total for a year on record, behind 2005 at \$155 billion (Hurricane Katrina), 2011 at \$158 billion (Tōhoku earthquake and tsunami resulting in the Fukushima nuclear disaster), and 2017 at \$173 billion (Hurricanes Harvey and Irma). Hurricane Ian alone contributed to around half of the total insured losses for the year, at \$50-65 billion, results from Swiss Re also showed.

In addition to reporting an increase in severity of claims, respondents also suggested an increase in frequency: 61% of respondents reported that commercial property claims increased in Q1 2023, more than for any other line. And in line with natural catastrophes driving loss trends, one respondent from a large Northeastern firm indicated “weather-related events” as a cause for the increase in property claims.

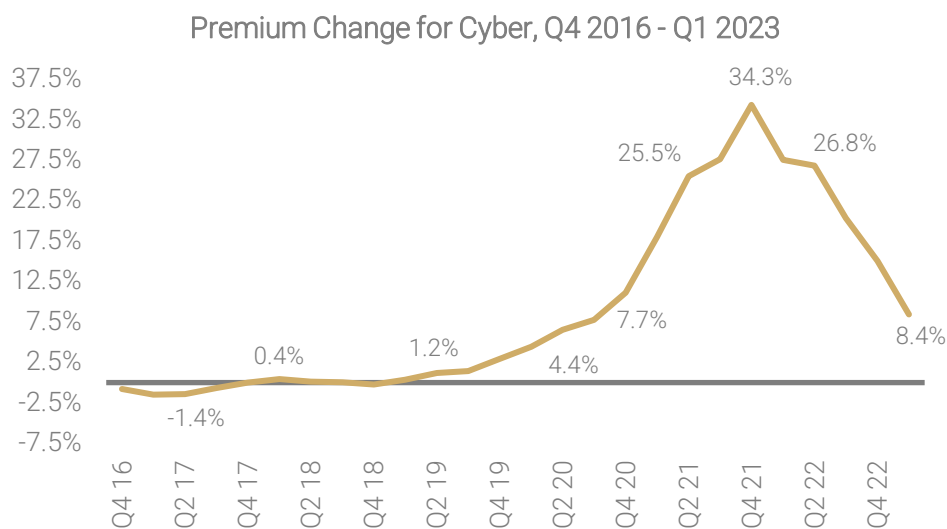
Besides premium pricing increases, loss trends also brought underwriting changes in commercial property. Unsurprisingly, several respondents reported major changes for underwriting for coastal or CAT-exposed property; one respondent said carriers pushed for “review and updating of replacement values along with current updates to the property, i.e., roof, electrical.” Another respondent from the Southeast said alongside those changes, the “age of the building impacted acceptability” for underwriting. And on the other coast, a respondent from a midsize Southwestern firm pointed to broader trends of “significant terms and conditions changes, larger deductibles, more significant exclusions, and reduced coverage” for the line.

Additionally, commercial property insurance capacity suffered, according to respondents. Eighty-five (85%) said they saw a decrease in underwriting capacity for the line, a decrease almost half of that number described as “significant.”

NOTABLE LINE OF BUSINESS: CYBER

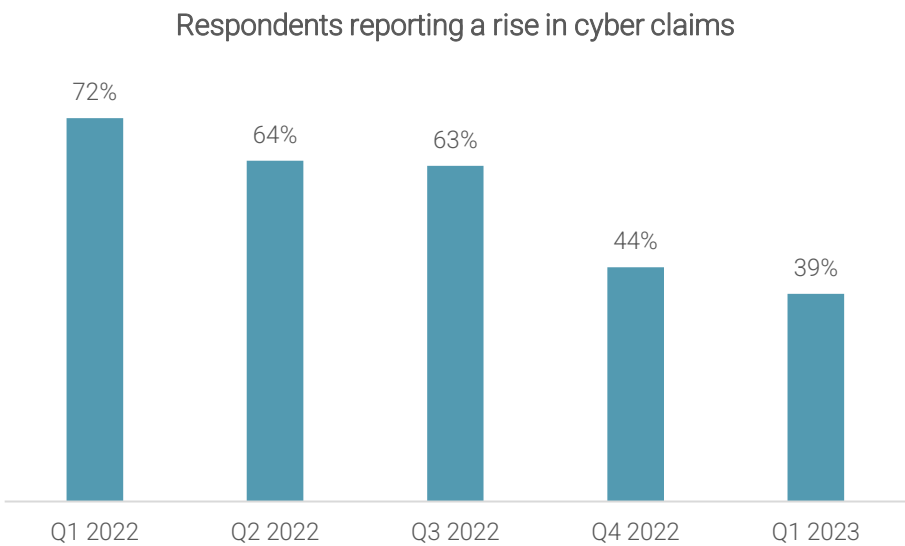
Premium pricing began to settle, some signs of more underwriting capacity

Premium increases slowed significantly for the cyber line of business this quarter, with the line recording an average increase of 8.4%, down from 15.0% the previous quarter, and a notable contrast to the 20%+ increases observed just a year ago.



While respondents did not explicitly specify why they thought the increases for this line had slowed, referring to the older reports may offer a possible explanation. A common theme in respondent comments in the past year was the emphasis carriers placed on requiring insureds to implement basic cyber risk management measures like multi-factor authentication, and practice good cyber hygiene, often by simply refusing to underwrite or even provide a quote for an account if the insured did not have what they judged to be an acceptable cybersecurity posture. Brokers also had to step up to educate their clients on cyber risk preparedness and guide them through renewals requesting far more information than they previously had.

And it seems like that focus on incentivizing insureds to adopt a more aggressive cyber risk management strategy has had some success. In Q1 2022, the number of respondents reporting a rise in cyber claims was 72%. By this quarter, that number had fallen to just 39%. Given how severe cyber claims can be, fewer losses on this front may have allowed carriers to ease back on premium pricing increases.



BROKER PRIORITIES & CHALLENGES

Brokers focus on using data; recruiting and developing talent still a struggle

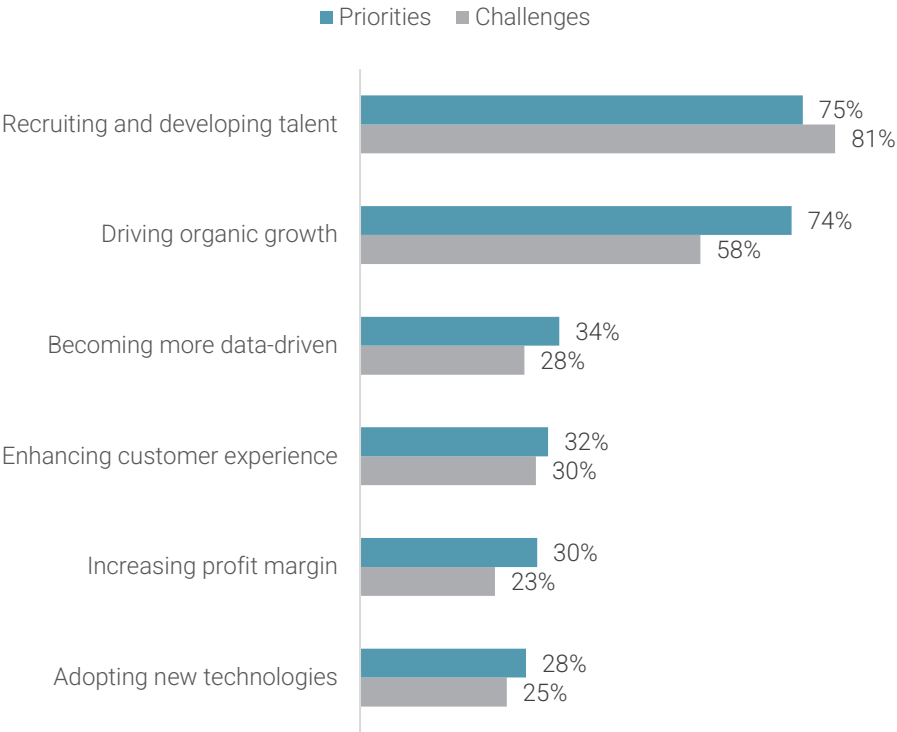
Besides the usual top two broker priorities and challenges – “driving organic growth” and “recruiting and developing talent” – broker attention was focused on “becoming more data driven,” with 34% of respondents identifying this as one of their firm’s top priorities.

“We need better access to our own data and strategy for how we’ll use it,” explains one respondent from a large Midwestern firm. Other respondents also acknowledged this need, with some describing needing to “centralize” their data, as well as “data aggregation and easy accessibility for broader groups.”

Respondents’ stated intentions for data use included analyzing market opportunities and identifying potential issues as well as enhancing the customer experience by refining applications, eliminating redundancies, and providing decision support.

In terms of broker challenges for Q1 2023, “recruiting and developing talent” stood out, with 81% of respondents identifying it as a top challenge, compared to 58% for driving organic growth, the next highest. Some respondents mentioned the conflict over working from home versus working in the office as part of the problem, with one respondent from a midsize Southwestern firm commenting that “It does appear that requiring any level of office attendance is a significant barrier.” Otherwise, respondents mainly pointed to a dearth of young talent and widespread poaching.

Q1 2023 Broker Priorities and Challenges



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 first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following account sizes, compared to the fourth quarter of 2022 (October 1 – December 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%	1.85%	9.26%	70.37%	12.96%	3.70%	0.00%	0.00%	1.85%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	1.85%	5.56%	61.11%	22.22%	5.56%	3.70%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	1.85%	0.00%	1.85%	57.41%	20.37%	9.26%	5.56%	1.85%	1.85%

2. During the first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following lines of business, compared to the fourth quarter of 2022 (October 1 – December 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%	2.00%	32.00%	42.00%	4.00%	0.00%	0.00%	0.00%	20.00%
Business interruption	0.00%	0.00%	0.00%	0.00%	15.38%	44.23%	32.69%	1.92%	5.77%	0.00%	0.00%
Commercial auto	0.00%	0.00%	0.00%	1.92%	5.77%	59.62%	28.85%	0.00%	3.85%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	1.92%	17.31%	38.46%	26.92%	9.62%	5.77%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	7.69%	61.54%	21.15%	1.92%	3.85%	0.00%	3.85%
Cyber	0.00%	1.96%	0.00%	7.84%	11.76%	35.29%	27.45%	9.80%	3.92%	0.00%	1.96%
D&O	0.00%	0.00%	3.85%	9.62%	34.62%	36.54%	13.46%	1.92%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	4.00%	38.00%	44.00%	10.00%	2.00%	2.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	37.50%	31.25%	14.58%	4.17%	2.08%	0.00%	10.42%
General liability	0.00%	0.00%	0.00%	0.00%	25.00%	63.46%	11.54%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	2.00%	42.00%	42.00%	0.00%	6.00%	2.00%	0.00%	6.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	28.57%	46.94%	6.12%	0.00%	0.00%	0.00%	18.37%
Surety bonds	0.00%	0.00%	0.00%	2.00%	66.00%	20.00%	0.00%	0.00%	0.00%	0.00%	12.00%
Terrorism	0.00%	0.00%	0.00%	0.00%	78.72%	12.77%	2.13%	0.00%	0.00%	0.00%	6.38%
Umbrella	0.00%	0.00%	0.00%	6.00%	14.00%	40.00%	26.00%	12.00%	2.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	2.00%	34.00%	48.00%	12.00%	2.00%	2.00%	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 first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following account sizes, compared to the fourth quarter of 2022 (October 1 – December 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%	15.38%	69.23%	15.38%	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%	15.38%	61.54%	15.38%	7.69%	0.00%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	7.69%	46.15%	15.38%	23.08%	7.69%	0.00%	0.00%

2. During the first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following lines of business, compared to the fourth quarter of 2022 (October 1 – December 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%	16.67%	83.33%	0.00%	0.00%	0.00%	0.00%	0.00%
Business interruption	0.00%	0.00%	0.00%	0.00%	8.33%	41.67%	41.67%	0.00%	8.33%	0.00%	0.00%
Commercial auto	0.00%	0.00%	0.00%	0.00%	8.33%	50.00%	41.67%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	8.33%	8.33%	33.33%	41.67%	8.33%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	0.00%	66.67%	33.33%	0.00%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	8.33%	0.00%	41.67%	33.33%	8.33%	8.33%	0.00%	0.00%
D&O	0.00%	0.00%	0.00%	8.33%	58.33%	16.67%	16.67%	0.00%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	8.33%	33.33%	50.00%	8.33%	0.00%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	33.33%	58.33%	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%	41.67%	0.00%	16.67%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	16.67%	75.00%	8.33%	0.00%	0.00%	0.00%	0.00%
Surety bonds	0.00%	0.00%	0.00%	0.00%	75.00%	25.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Terrorism	0.00%	0.00%	0.00%	0.00%	72.73%	18.18%	9.09%	0.00%	0.00%	0.00%	0.00%
Umbrella	0.00%	0.00%	0.00%	8.33%	8.33%	41.67%	25.00%	16.67%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	9.09%	9.09%	54.55%	18.18%	9.09%	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 first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following account sizes, compared to the fourth quarter of 2022 (October 1 – December 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%	9.09%	0.00%	54.55%	18.18%	18.18%	0.00%	0.00%	0.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	9.09%	9.09%	45.45%	18.18%	0.00%	18.18%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	9.09%	0.00%	0.00%	45.45%	18.18%	0.00%	9.09%	9.09%	9.09%

2. During the first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following lines of business, compared to the fourth quarter of 2022 (October 1 – December 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%	30.00%	40.00%	10.00%	0.00%	0.00%	0.00%	20.00%
Business interruption	0.00%	0.00%	0.00%	0.00%	10.00%	30.00%	50.00%	10.00%	0.00%	0.00%	0.00%
Commercial auto	0.00%	0.00%	0.00%	9.09%	0.00%	72.73%	9.09%	0.00%	9.09%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	10.00%	20.00%	30.00%	20.00%	20.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	9.09%	54.55%	18.18%	0.00%	9.09%	0.00%	9.09%
Cyber	0.00%	0.00%	0.00%	9.09%	9.09%	45.45%	27.27%	9.09%	0.00%	0.00%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	45.45%	54.55%	0.00%	0.00%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	0.00%	27.27%	63.64%	9.09%	0.00%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	20.00%	40.00%	20.00%	0.00%	10.00%	0.00%	10.00%
General liability	0.00%	0.00%	0.00%	0.00%	10.00%	80.00%	10.00%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	10.00%	30.00%	30.00%	0.00%	10.00%	0.00%	0.00%	20.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	11.11%	44.44%	11.11%	0.00%	0.00%	0.00%	33.33%
Surety bonds	0.00%	0.00%	0.00%	0.00%	50.00%	20.00%	0.00%	0.00%	0.00%	0.00%	30.00%
Terrorism	0.00%	0.00%	0.00%	0.00%	80.00%	10.00%	0.00%	0.00%	0.00%	0.00%	10.00%
Umbrella	0.00%	0.00%	0.00%	10.00%	20.00%	40.00%	20.00%	0.00%	10.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	27.27%	63.64%	9.09%	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 first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following account sizes, compared to the fourth quarter of 2022 (October 1 – December 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%	6.25%	93.75%	0.00%	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%	87.50%	12.50%	0.00%	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%	81.25%	18.75%	0.00%	0.00%	0.00%	0.00%

2. During the first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following lines of business, compared to the fourth quarter of 2022 (October 1 – December 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%	6.25%	37.50%	25.00%	0.00%	0.00%	0.00%	0.00%	31.25%
Business interruption	0.00%	0.00%	0.00%	0.00%	6.25%	62.50%	25.00%	0.00%	6.25%	0.00%	0.00%
Commercial auto	0.00%	0.00%	0.00%	0.00%	13.33%	73.33%	13.33%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	25.00%	62.50%	6.25%	6.25%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	6.25%	81.25%	6.25%	0.00%	0.00%	0.00%	6.25%
Cyber	0.00%	6.25%	0.00%	12.50%	18.75%	31.25%	18.75%	6.25%	0.00%	0.00%	6.25%
D&O	0.00%	0.00%	12.50%	12.50%	18.75%	37.50%	18.75%	0.00%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	6.67%	46.67%	33.33%	13.33%	0.00%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	46.67%	26.67%	13.33%	0.00%	0.00%	0.00%	13.33%
General liability	0.00%	0.00%	0.00%	0.00%	25.00%	75.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	37.50%	62.50%	0.00%	0.00%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	43.75%	37.50%	0.00%	0.00%	0.00%	0.00%	18.75%
Surety bonds	0.00%	0.00%	0.00%	6.25%	62.50%	18.75%	0.00%	0.00%	0.00%	0.00%	12.50%
Terrorism	0.00%	0.00%	0.00%	0.00%	86.67%	13.33%	0.00%	0.00%	0.00%	0.00%	0.00%
Umbrella	0.00%	0.00%	0.00%	6.67%	6.67%	46.67%	33.33%	6.67%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	43.75%	37.50%	18.75%	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 first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following account sizes, compared to the fourth quarter of 2022 (October 1 – December 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%	28.57%	57.14%	14.29%	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%	42.86%	57.14%	0.00%	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%	57.14%	28.57%	14.29%	0.00%	0.00%	0.00%

2. During the first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following lines of business, compared to the fourth quarter of 2022 (October 1 – December 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%	33.33%	0.00%	0.00%	0.00%	0.00%	16.67%
Business interruption	0.00%	0.00%	0.00%	0.00%	28.57%	28.57%	42.86%	0.00%	0.00%	0.00%	0.00%
Commercial auto	0.00%	0.00%	0.00%	0.00%	0.00%	42.86%	57.14%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	14.29%	42.86%	28.57%	0.00%	14.29%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	14.29%	42.86%	28.57%	14.29%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	0.00%	33.33%	16.67%	33.33%	16.67%	0.00%	0.00%	0.00%
D&O	0.00%	0.00%	0.00%	14.29%	42.86%	42.86%	0.00%	0.00%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	0.00%	83.33%	0.00%	16.67%	0.00%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	33.33%	0.00%	16.67%	33.33%	0.00%	0.00%	16.67%
General liability	0.00%	0.00%	0.00%	0.00%	42.86%	57.14%	0.00%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	66.67%	16.67%	0.00%	0.00%	0.00%	0.00%	16.67%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	50.00%	33.33%	0.00%	0.00%	0.00%	0.00%	16.67%
Surety bonds	0.00%	0.00%	0.00%	0.00%	66.67%	16.67%	0.00%	0.00%	0.00%	0.00%	16.67%
Terrorism	0.00%	0.00%	0.00%	0.00%	83.33%	0.00%	0.00%	0.00%	0.00%	0.00%	16.67%
Umbrella	0.00%	0.00%	0.00%	0.00%	33.33%	16.67%	50.00%	0.00%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	66.67%	33.33%	0.00%	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 first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following account sizes, compared to the fourth quarter of 2022 (October 1 – December 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%	57.14%	28.57%	0.00%	0.00%	0.00%	14.29%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	42.86%	28.57%	28.57%	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%	42.86%	28.57%	14.29%	14.29%	0.00%	0.00%

2. During the first quarter of 2023 (January 1 – March 31), on average, did premiums go up or down for each of the following lines of business, compared to the fourth quarter of 2022 (October 1 – December 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%	33.33%	16.67%	16.67%	0.00%	0.00%	0.00%	33.33%
Business interruption	0.00%	0.00%	0.00%	0.00%	42.86%	42.86%	0.00%	0.00%	14.29%	0.00%	0.00%
Commercial auto	0.00%	0.00%	0.00%	0.00%	0.00%	42.86%	42.86%	0.00%	14.29%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	28.57%	14.29%	42.86%	14.29%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	16.67%	33.33%	33.33%	0.00%	16.67%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	0.00%	0.00%	33.33%	33.33%	16.67%	16.67%	0.00%	0.00%
D&O	0.00%	0.00%	0.00%	16.67%	0.00%	33.33%	33.33%	16.67%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	0.00%	0.00%	66.67%	0.00%	16.67%	16.67%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	60.00%	0.00%	20.00%	0.00%	0.00%	0.00%	20.00%
General liability	0.00%	0.00%	0.00%	0.00%	14.29%	42.86%	42.86%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	50.00%	33.33%	0.00%	0.00%	16.67%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	16.67%	33.33%	16.67%	0.00%	0.00%	0.00%	33.33%
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%	60.00%	20.00%	0.00%	0.00%	0.00%	0.00%	20.00%
Umbrella	0.00%	0.00%	0.00%	0.00%	14.29%	42.86%	0.00%	42.86%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	33.33%	50.00%	0.00%	0.00%	16.67%	0.00%	0.00%	0.00%

AVERAGE COMMERCIAL PRICING INCREASES

	By Account Size SMALL	MEDIUM	LARGE	AVERAGE
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%
First Quarter 2022	6.4%	7.3%	6.2%	6.6%
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 FIRST QUARTER 2023 RATE CHANGES RANGED FROM -0.5% TO +20.4%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
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%
First Quarter 2022	5.9%	-0.5%	8.6%	3.9%	10.5%	5.7%
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%

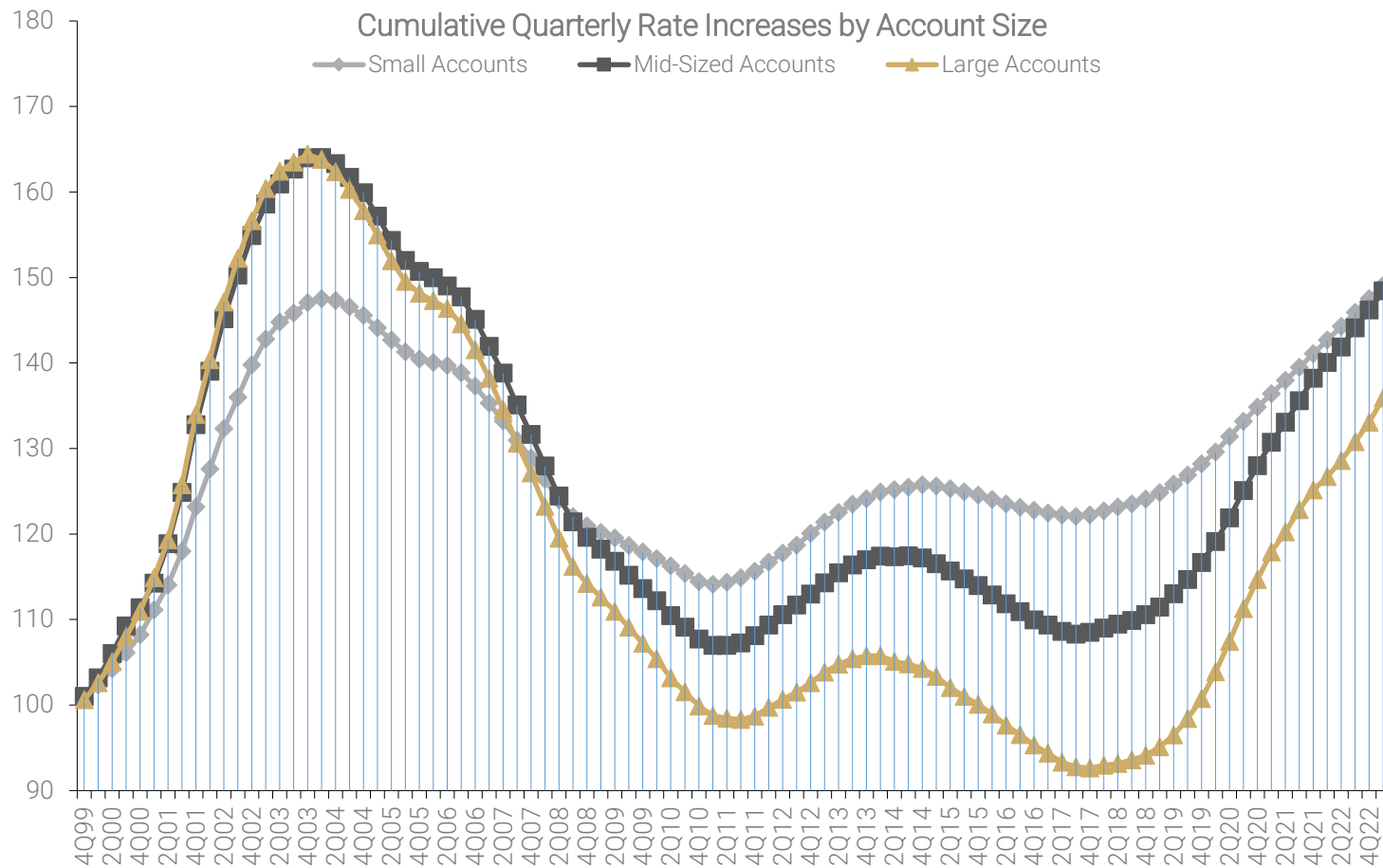
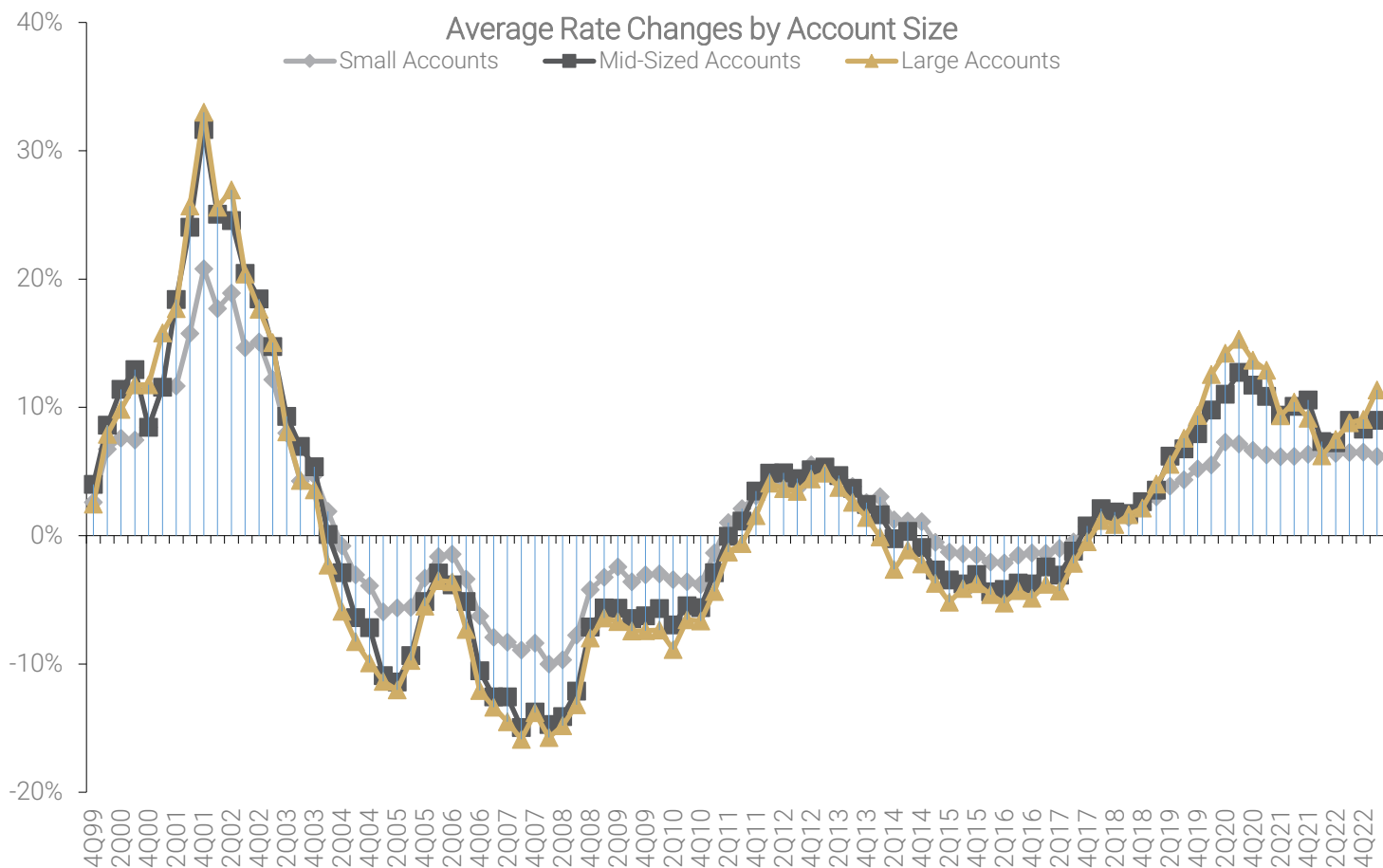
Source:

The Council of Insurance Agents & Brokers

RATE CHANGES IN OTHER LINES

	1Q23	High	Low
Broker E&O	2.4%	15.4%	-4.5%
Business Interruption	9.4%	28.8%	-10.2%
Construction	7.8%	38.7%	-10.7%
Cyber	8.4%	34.3%	-1.5%
D&O Liability	3.1%	32.4%	-8.7%
Employment Practices	4.4%	21.9%	-8.1%
Flood	4.9%	8.6%	-2.7%
Marine	3.9%	4.5%	-10.6%
Medical Malpractice	2.9%	32.5%	-4.1%
Surety Bonds	0.8%	11.2%	-2.3%
Terrorism	0.8%	10.4%	-3.6%

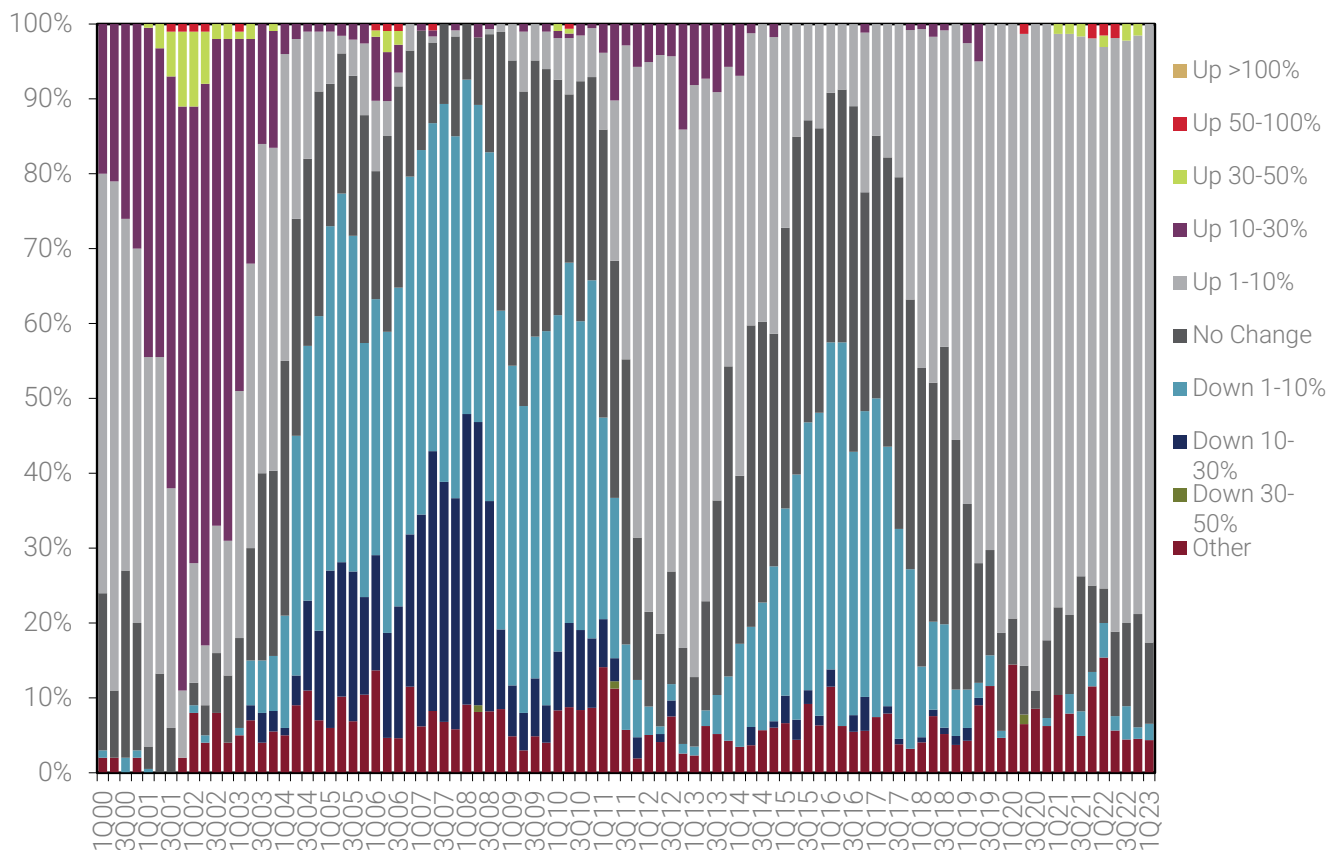
Source:
The Council of Insurance Agents & Brokers



Percentage of Survey
Respondents

Insurance Rate Changes, Small Commercial Accounts

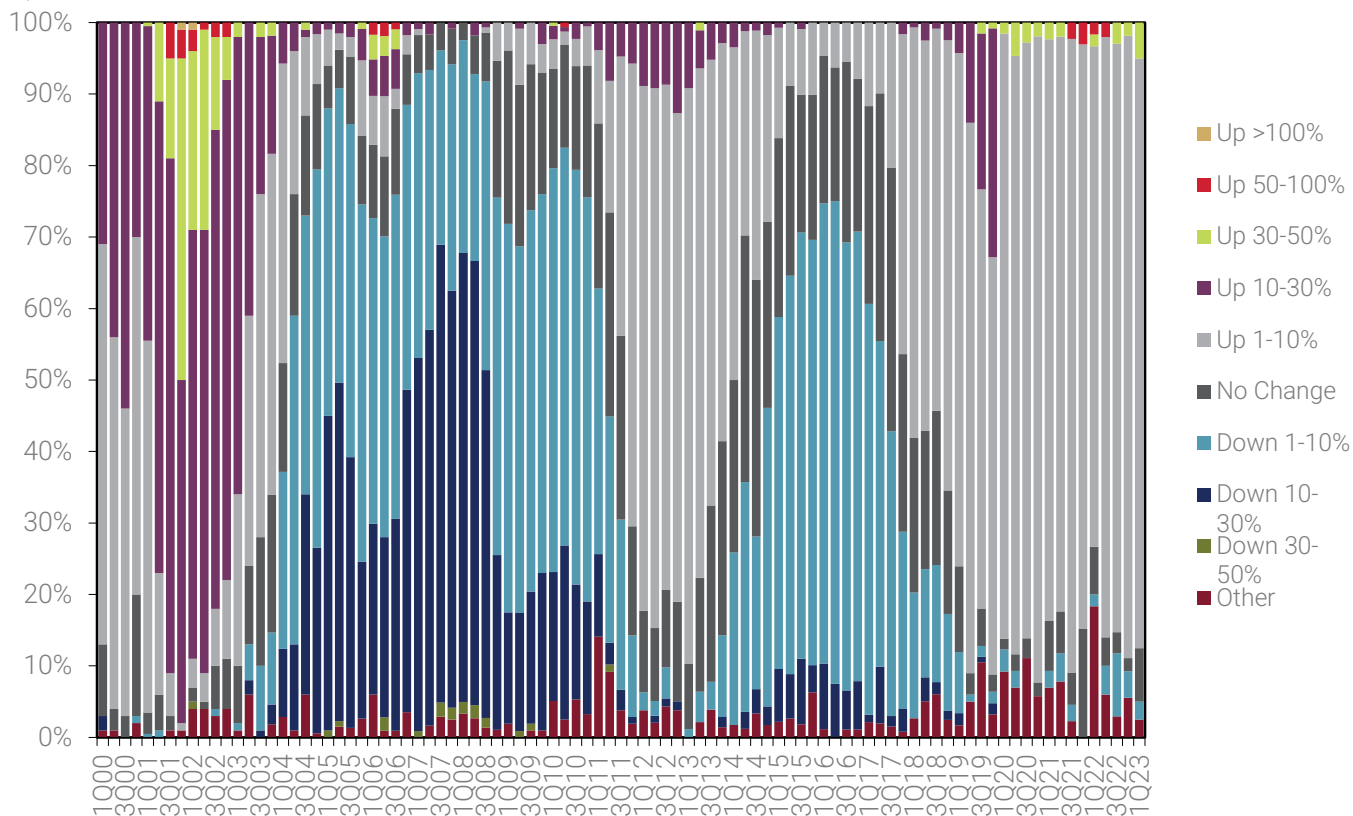
(Accounts generating <\$25,000 in annual commissions & fees)



Percentage of Survey
Respondents

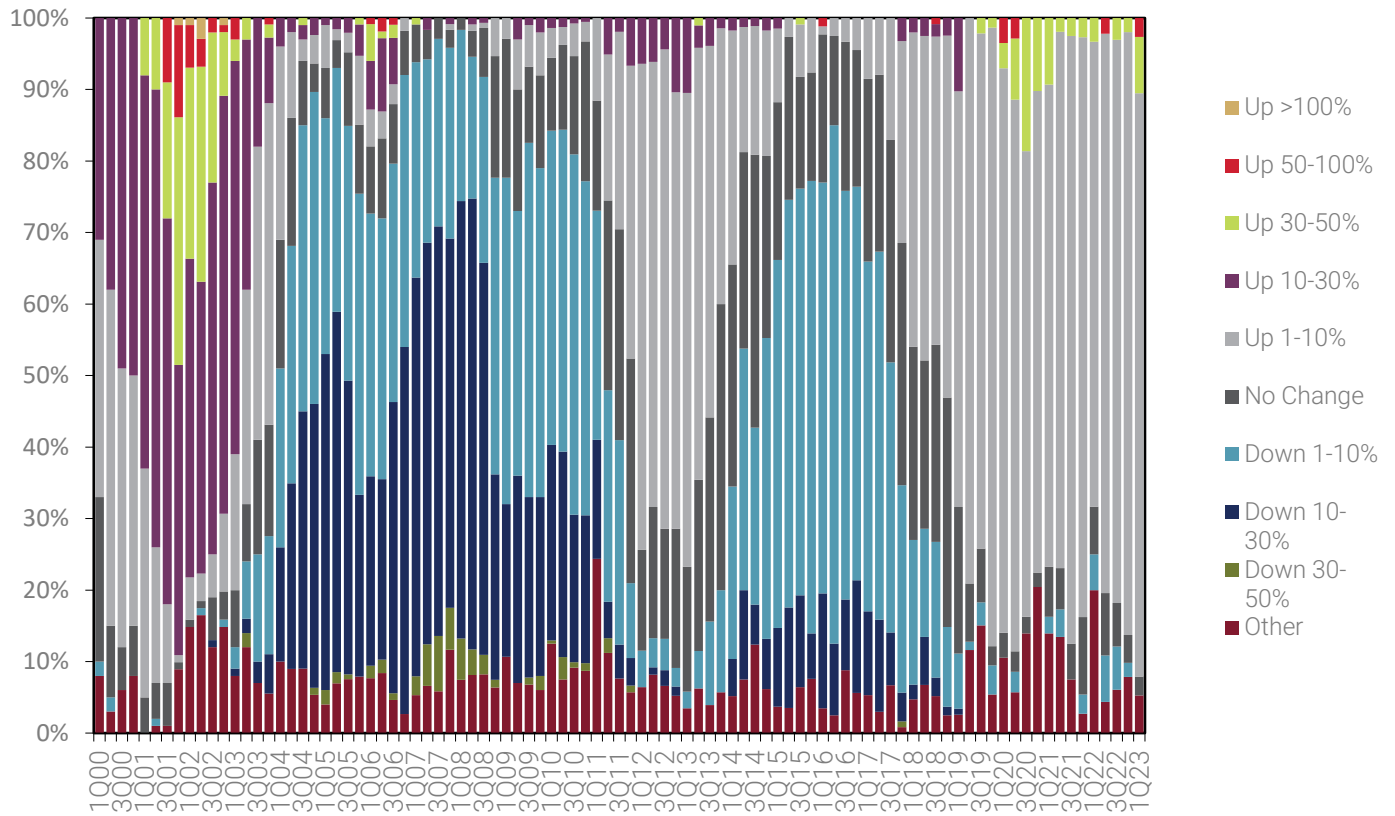
Insurance Rate Changes, Medium Commercial Accounts

(Accounts generating \$25,000-\$100,000 in annual commissions & fees)

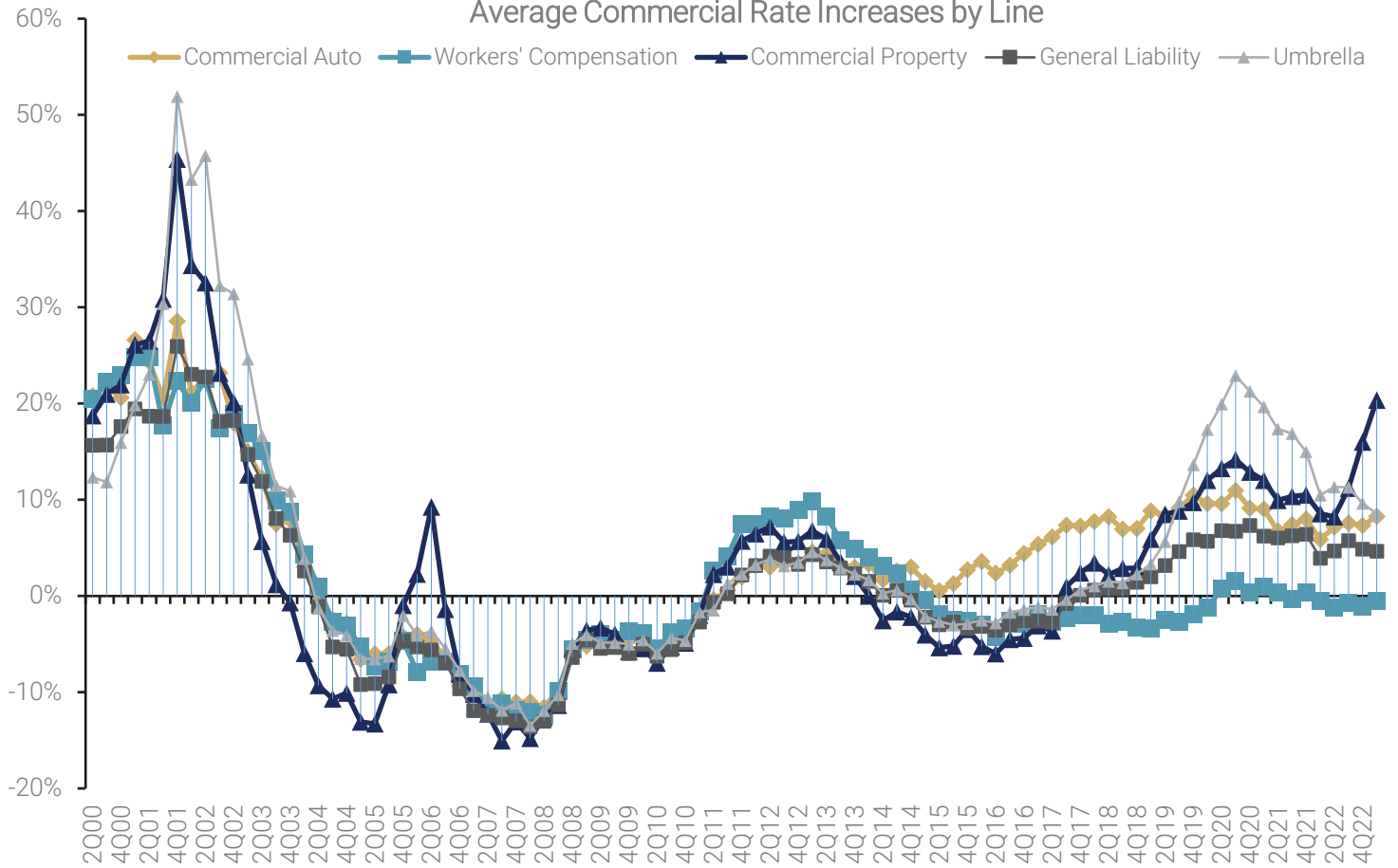


Insurance Rate Changes, Large Commercial Accounts (Accounts generating >\$100,000 in annual commissions & fees)

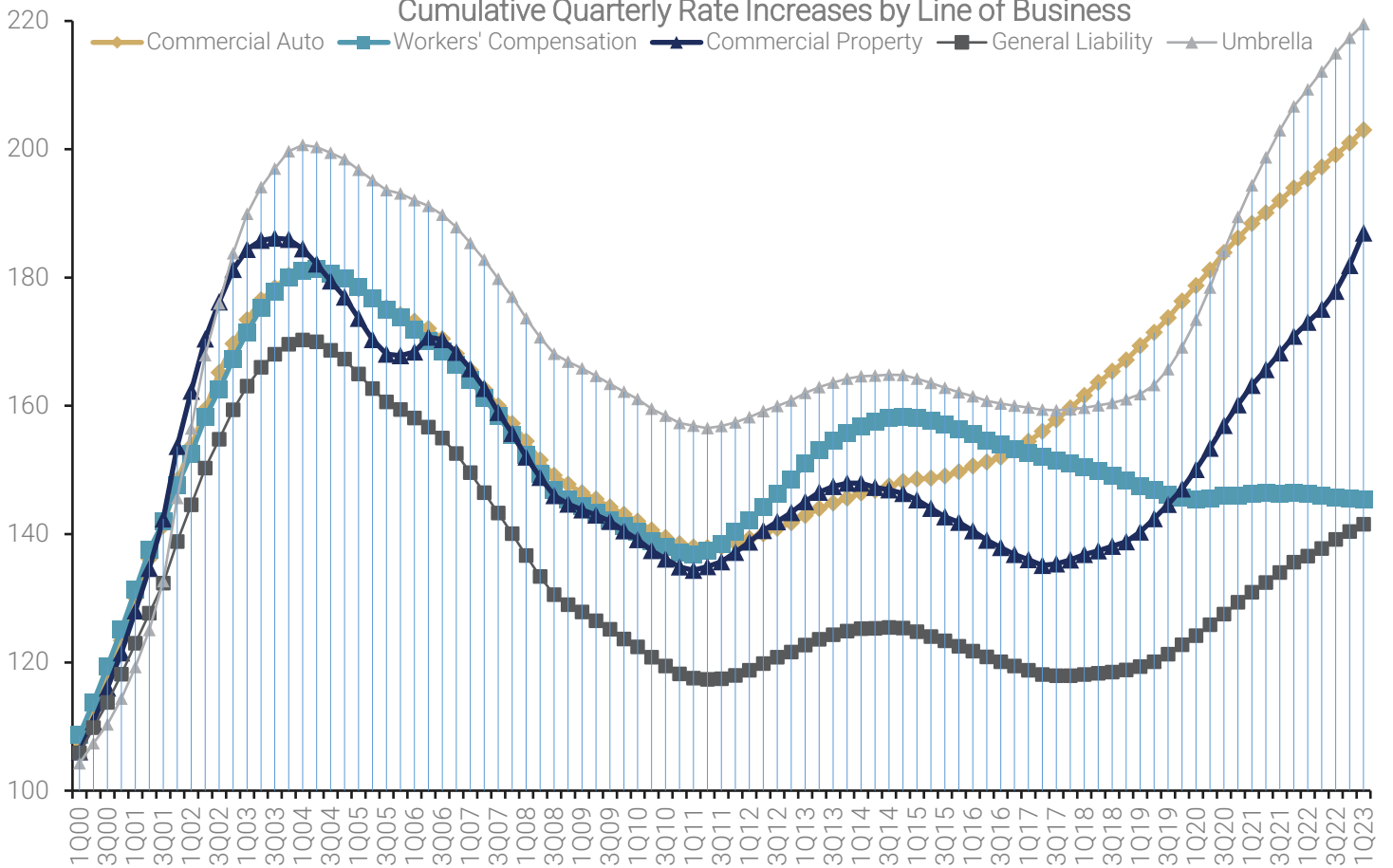
Percentage of Survey Respondents



Average Commercial Rate Increases by Line

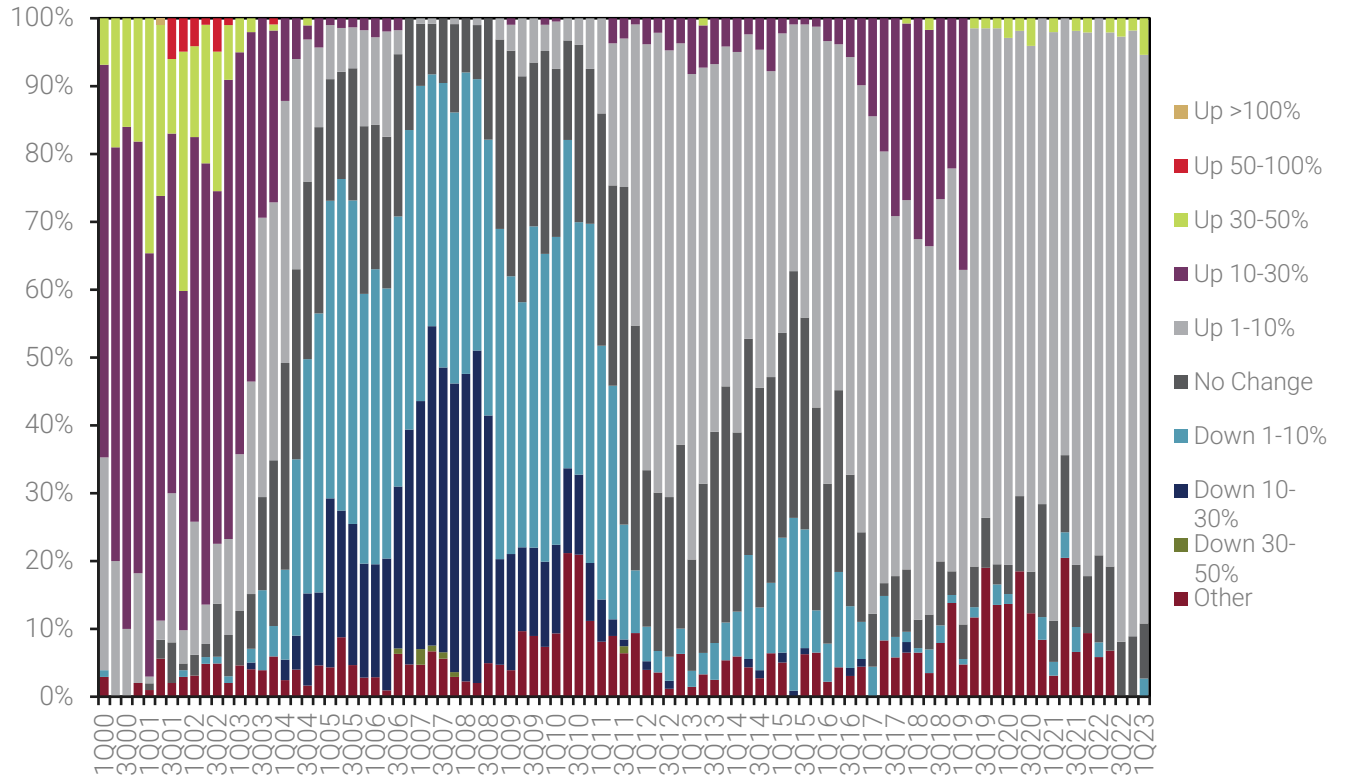


Cumulative Quarterly Rate Increases by Line of Business



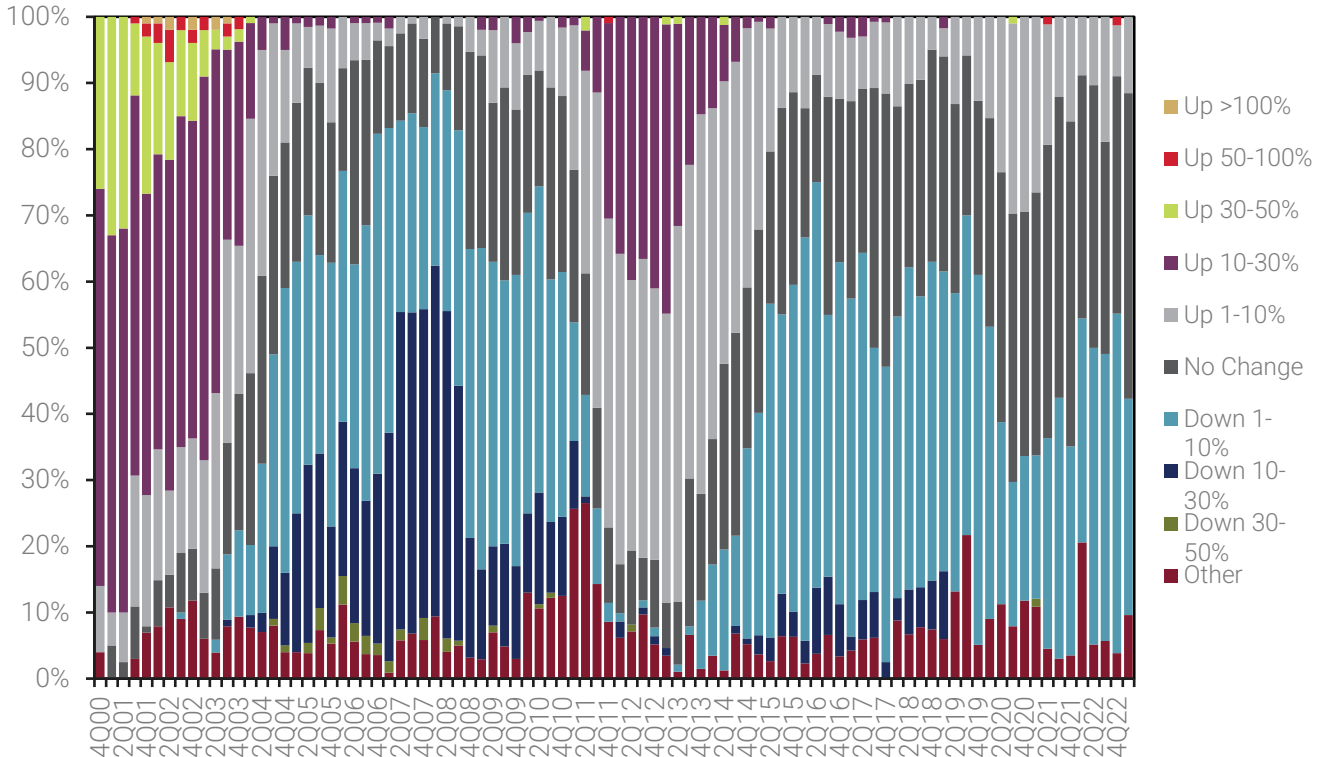
Commercial Auto Insurance Rate Changes

Percentage of Survey Respondents



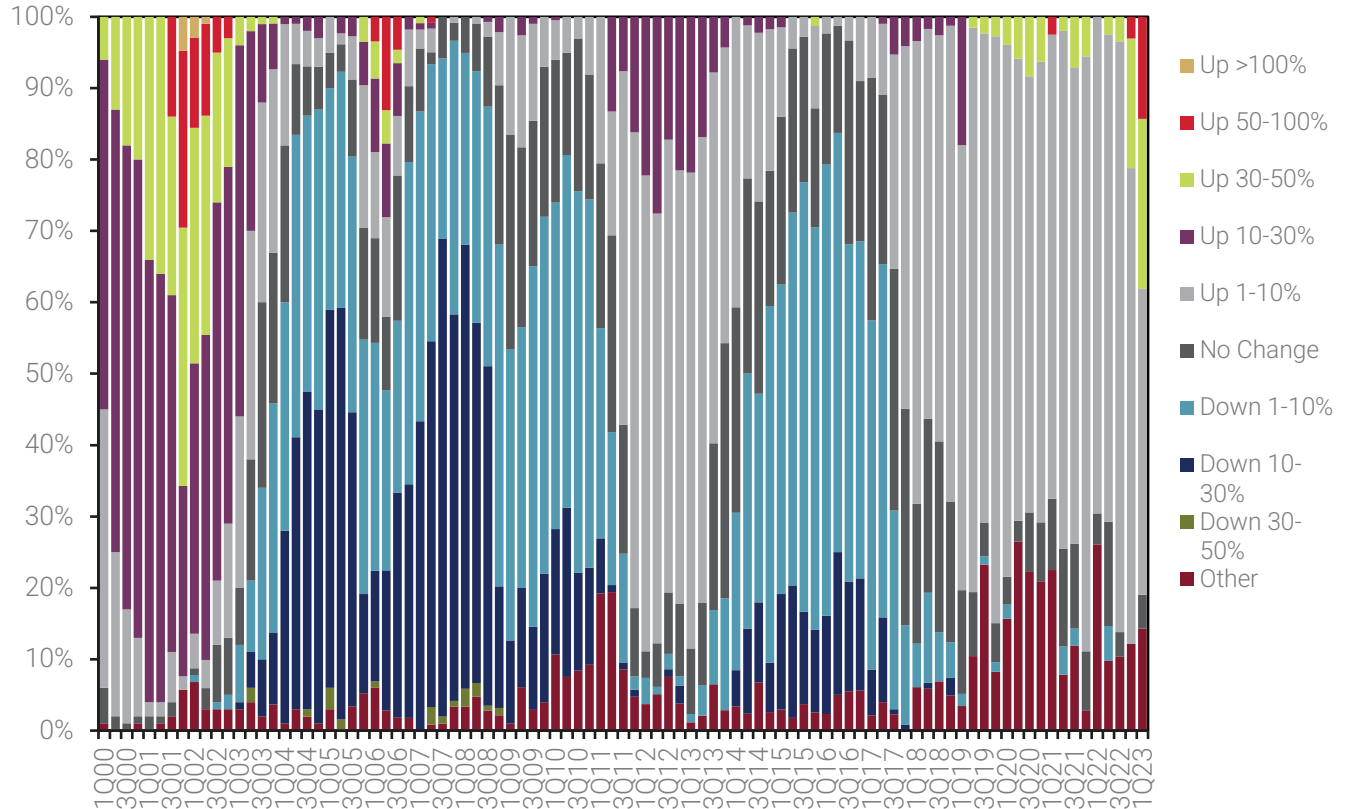
Workers Compensation Insurance Rate Changes

Percentage of Survey Respondents



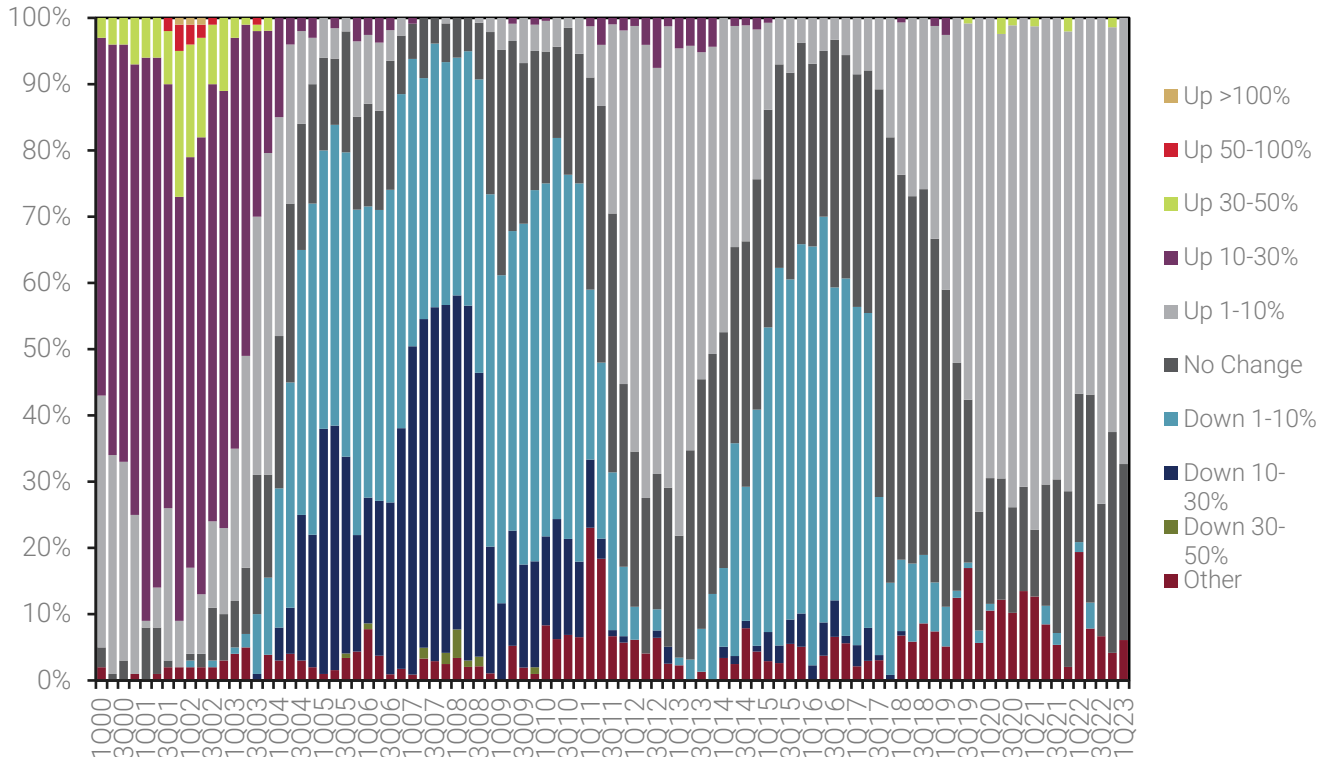
Commercial Property Insurance Rate Changes

Percentage of Survey Respondents

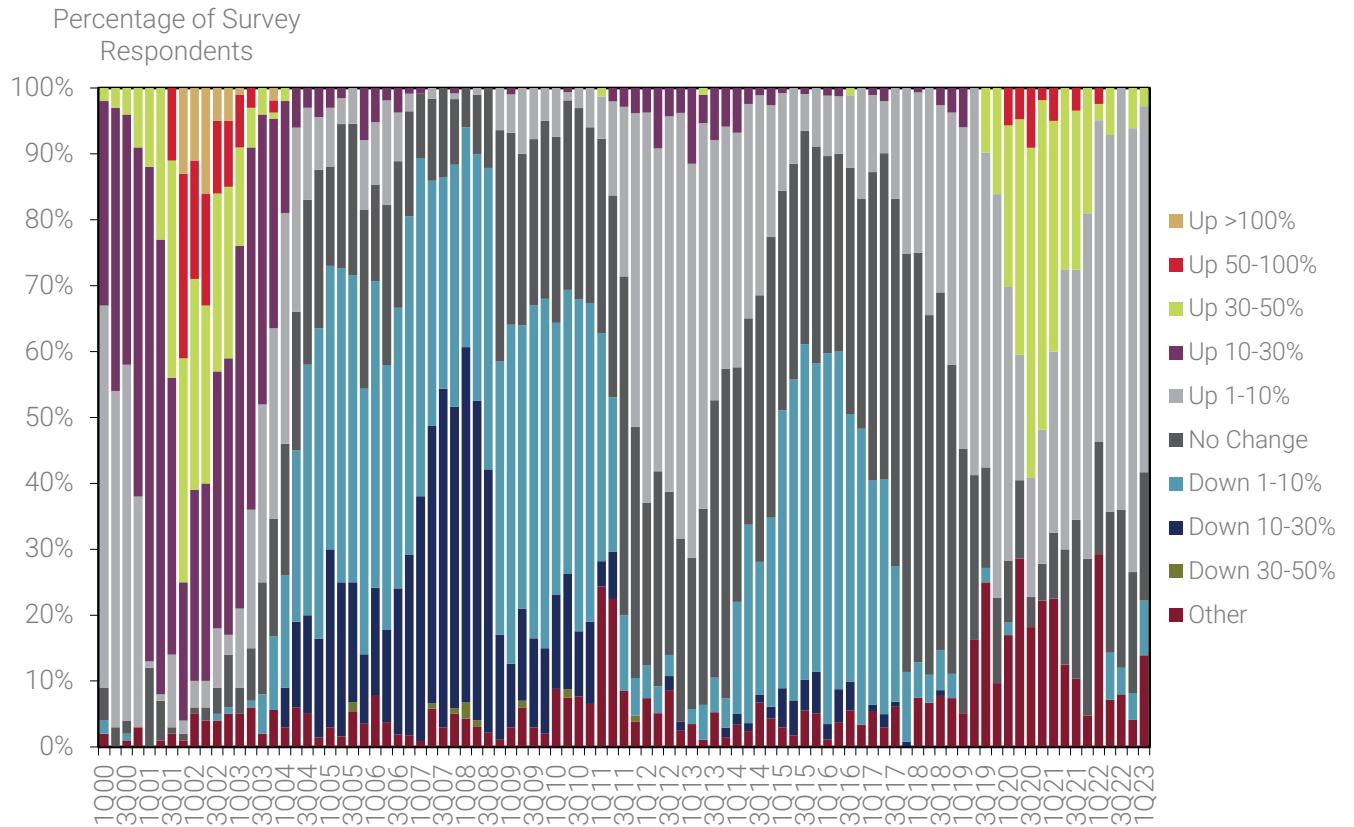


Commercial General Liability Insurance Rate Changes

Percentage of Survey Respondents



Umbrella Insurance Rate Changes



Business Interruption Insurance Rate Changes

