

Macro Roundup Article

Headline: [US Home Insurers Suffer Worst Loss This Century](#)

Article Link: <https://www.ft.com/content/09a37793-7bea-4c90-a47f-4536405458e3>

| | |
|------------------|-----------------|
| Author(s) | Ian Smith |
| Publication | Financial Times |
| Publication Date | July 29, 2024 |

Tweet: US home insurers suffered net underwriting losses of \$15.2B in 2023, twice their 2022 losses, driven by “a toxic mix of natural disasters, inflation, and population growth in at-risk areas.” @FT

Summary: US home insurers last year suffered their worst underwriting loss this century as a toxic mix of natural disasters, inflation and population growth in at-risk areas put a vital financial market under acute pressure. Insurers providing policies to homeowners suffered a \$15.2bn net underwriting loss last year, according to figures from rating agency AM Best, a figure it said was the worst since at least 2000 and more than double the previous year's losses. AM Best's net underwriting profit measure shows premiums less claims and costs and net of reinsurance. Such performance is a big contributor to insurers' profits alongside investment returns. The figures lay bare the underwriting conditions that have sparked a pullback by US insurers from disaster-hit areas, either exiting markets or driving up prices, creating an affordability crisis for many homeowners.

Related Articles: Climate Change and the Geography of the U.S. Economy and Home Insurance Premiums Are Surging—and States Are Allowing It and Red States Will Suffer From Homeowners' Insurance Woes

Primary Topic: Financial Markets

Topics: Financial Markets, GDP, Global Warming, Housing, News article, Politics, Science

Permalink: <https://www.edwardconard.com/macro-roundup/us-home-insurers-suffered-net-underwriting-losses-of-15-2b-in-2023-twice-their-2022-losses-driven-by-a-toxic-mix-of-natural-disasters-inflation-and-population-growth-in-at-risk-areas?view=detail>

Featured Image Link: <https://www.edwardconard.com/wp-content/uploads/2024/07/22572-us-home-insurers-suffer-worst-loss-this-century-featured-thumbnail-image.png>