

Macro Roundup Article

Headline: [Home Insurance Premiums Are Surging—and States Are Allowing It](#)

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Tweet: State regulators are greenlighting double-digit increases in home insurance premiums, in an effort to prevent insurance companies from withdrawing from their markets. The mean home insurance policy has increased by 20% nationally this year.

Summary: Home insurers racked up a \$16 billion underwriting loss last year, the biggest amount since at least 2000, according to AM Best. It expects losses to continue. States are also giving home insurers almost everything they ask for on rates, an analysis conducted for The Wall Street Journal suggests. The average state-approved increase since the start of last year is just 0.2 percentage point below the increase requested by the industry, according to the analysis by S&P Global Market Intelligence. Ten states where regulators can reject requests upfront have all greenlighted double-digit increases since the start of last year, with half those increases close to or above the 20% national average, the S&P data show. California, which for decades kept a tight lid on home-insurance rates, has approved an average 21% rate increase over the period, according to the S&P data.

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Primary Topic: Housing

Topics: Financial Markets, GDP, Housing, Inflation, News article, Politics

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