

## Macro Roundup Article

**Headline:** [The Insurance Market Is Healing](#)

**Article Link:** <https://www.wsj.com/finance/the-insurance-market-is-healing-9a40cdcf>

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**Tweet:** Global reinsurers saw a return on equity of 21% in the first 9 months of 2023. The return is attracting capital leading some investors to project slowing pressure on insurance premiums.

**Summary:** As higher returns draw in more capital to reinsurance, it will likely take some pressure off the pricing of coverage. Already, a surge in returns for catastrophe bonds—or securities that pay premium interest rates, but can lose their principal in the event of a stated event or loss—helped spur issuance last year, which hit a record \$15 billion. Overall, pricing for global property catastrophe reinsurance, as measured by Guy Carpenter’s Global Rate on Line Index, was up about 5% for the Jan. 1 renewals. That was down from a jump closer to 30% this time last year. Some of the capital coming back into the market is in the form of reinsurance for reinsurers. This is known as retrocession, or “retro.” The risk-adjusted prices for retro declined by as much as 15% for the January 1 renewals. Related: [Buying Home and Auto Insurance Is Becoming Impossible](#) and [Parts of America are Becoming Uninsurable](#) and [Analyzing State Resilience to Weather and Climate Disasters](#)

**Primary Topic:** Housing

**Topics:** GDP, Housing, News article, Politics

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