

AIG, Inc.

3Q24 EPS Beats on Cats and PYD, Growth & Underlying Trends Mixed

We view the results as modestly favorable as AIG's reserve development from recent accident years and catastrophe experience held up better than expected. However, the underlying accident year loss ratio performance was mixed and expenses showed less progress on AIG Next than we expected.

Summary: AIG reported operating EPS of \$1.23 which beat our estimate of \$1.03 and consensus of \$1.10 driven in large part by less catastrophe losses and more favorable prior year development than we expected. Within General Insurance the combined ratio excluding PYD and cats came in at 88.3% which missed our estimate of 87.2% and the street estimate of 87.6% due to higher than expected expenses in NA Personal Lines and International Commercial as well as a miss on underlying loss ratios across International. On the pricing front, the press release stated that Global Commercial Lines pricing (i.e. rate + exposure) increased 6% which was an acceleration from 5% last quarter. It was also noted that this level of price is roughly in line with loss cost trend suggesting a flattish loss ratio from here. Net Premium Written Growth was -1% or 6% excluding Crop and Validus (both businesses sold) from the prior period. This top line production was in line with our estimates with a beat vs. our estimates in North America offset by lower NPW in International. We view the results as modestly favorable as AIG's reserve development from recent accident years and catastrophe experience held up better than expected; a benefit of the work management has done to reduce earnings volatility. However, the underlying accident year loss ratio performance was mixed and expenses showed less progress on AIG Next than we expected. We ultimately think the print will be viewed as more in-line considering the different positives and negatives.

Prior Year Development: One of the bright spots of the result was favorable prior year development of \$165mn vs our estimate of \$21mn and consensus of \$34mn. Notably, more recent accident years did not show a negative impact from casualty and were overall favorable. It was however noted that there was a partial offset by a 2016 claim specific emergence on European Excess Casualty as well as a legacy mass tort claim on US Excess Casualty. The US Excess Casualty had to do with a specific claim on an older accident year which is largely covered by the adverse development cover. While there are some nuances to the development this quarter, we overall view this result favorably and are encouraged by AIG's better experience on more recent accident years relative to the industry.

Capital: The capital update included \$1.5bn of share repurchases which modestly missed our estimate of \$1.6bn and a holding company liquid asset balance of \$5bn, down \$0.3bn due to the elevated repurchases relative to cash flow to the holding company this quarter.

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CORE Earnings Review

AIG	OVERWEIGHT
	Unchanged
North America Insurance/ Non-Life	NEUTRAL
	Unchanged
Price Target	USD 90.00
	Unchanged
Price (04-Nov-24)	USD 76.33
Potential Upside/Downside	+17.9%
Market Cap (USD mn)	49152
Shares Outstanding (mn)	643.95
Free Float (%)	99.59
52 Wk Avg Daily Volume (mn)	4.0
Dividend Yield (%)	2.10
Return on Equity TTM (%)	-1.53
Current BVPS (USD)	68.39



Source: IDC
[Link to Barclays Live for interactive charting](#)

North America Insurance/Non-Life

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North America Commercial: North America Commercial Lines reported underwriting income of \$96mn which beat our estimate of \$71mn. The beat was driven by more favorable prior year reserve development and a better expense ratio than we anticipated, partly offset by a miss on the accident year loss ratio ex cats. We note that part of this dynamic was driven by a large closeout transaction in the quarter that had the effect of increasing the loss ratio by 70bps, although with a roughly offsetting impact going the other direction in the expense ratio. Net Premiums Written decreased 3.9% which beat our estimated 9.0% growth.

North America Personal: North America Personal Lines reported an underwriting loss of \$59mn which missed our estimate of \$49mn due to an elevated acquisition ratio. We note that expenses have remained persistently high for this segment, particularly relative to discussion of underwriting at the time AIG formed the MGA structure in this segment with Stone Point. We will look to the call for more clarity on when we should expect this to begin showing more positive momentum.

International Commercial: International Commercial reported underwriting income of \$320mn beat our estimate of \$210mn driven by better than expected catastrophes as well as favorable reserve development. However, the underlying loss ratio and expense ratio cause a miss on the combined ratio excluding cats and PYD. Net Premiums Written increased 0.7% which missed our estimated growth of 6.0%.

International Personal Lines reported underwriting income of \$80mn which beat our estimate of \$14mn driven by lower catastrophes and general operating expenses.

FIGURE 1. AIG Quicktake - Summary Financial Information

	3Q23 Actual	4Q23 Actual	1Q24 Actual	2Q24 Actual	3Q24			Diff vs BARCe	Diff vs Street
	Reported	BARCe	Street						
Summary Financial Information									
Operating income:									
North America: Commercial	292	329	236	191	96	71	135	34.6%	(29.1%)
North America: Personal	(57)	(8)	(12)	(28)	(59)	(48)	(48)		
International: Commercial	339	292	330	230	320	210	246	52.4%	30.2%
International: Personal	37	29	42	37	80	14	16	NM	NM
Total Underwriting Income	611	642	596	430	437	247	349	76.8%	25.1%
Net Investment Income	756	795	762	746	773	788	717	(1.9%)	7.8%
Total General Insurance	1,367	1,437	1,358	1,176	1,210	1,035	1,066	16.9%	13.5%
Corporate	(278)	(246)	(198)	(158)	(143)	(161)	(144)	(10.9%)	(0.5%)
Total Operating income, pretax	1,089	1,191	1,160	1,018	1,067	875	940	22.0%	13.5%
Net Income	2,020	86	1,194	(3,977)	459	830	694	(44.7%)	(33.9%)
Operating income	746	895	868	775	798	665	714	20.1%	11.8%
Operating EPS	\$1.04	\$1.26	\$1.26	\$1.16	\$1.23	\$1.03	\$1.10	19.4%	12.2%
Normalized EPS	\$1.10	\$1.31	\$1.29	\$1.21	\$1.27	\$1.03		23.4%	
BVPS	\$56.06	\$65.14	\$64.66	\$68.40	\$71.46	\$69.25	\$69.00	3.2%	3.6%
BVPS xAOCI	\$81.32	\$78.50	\$79.36	\$72.78	\$73.90	\$73.79	\$73.06	0.2%	1.2%
Core BVPS	\$48.92	\$52.74	\$52.59	\$53.35	\$54.68	\$53.72		1.8%	
Operating ROE on BVPS xAOCI	5.2%	6.3%	6.4%	6.1%	6.7%	5.6%		1.1pp	
Core ROE	8.6%	9.9%	9.6%	8.8%	9.1%	7.7%		1.4pp	

Source: Company Filings, Barclays Research, Bloomberg Consensus

FIGURE 2. AIG Quicktake - P&C Underwriting

	3Q23	4Q23	1Q24	2Q24		3Q24		Diff vs BARCe	Diff vs Street
	Actual	Actual	Actual	Actual	Reported	BARCe	Street		
Total P&C									
Net premiums written	6,462	5,755	4,512	6,933	6,380	6,399	6,515	(0.3%)	(2.1%)
% Growth YoY	0.9%	2.6%	(35.2%)	(8.0%)	(1.3%)	(1.0%)	0.8%	(0.3pp)	(2.1pp)
Net premiums earned	6,422	5,913	5,786	5,749	5,947	5,808	5,896	2.4%	0.9%
% Growth YoY	0.2%	(6.0%)	(7.6%)	(11.5%)	(7.4%)	(9.6%)	(18.6%)	2.2pp	11.2pp
Loss Ratio	59.6%	56.5%	58.0%	61.0%	60.7%	63.5%	62.8%	(2.8pp)	(2.1pp)
Expense Ratio	30.9%	32.6%	31.7%	31.5%	31.9%	32.2%	31.3%	(0.3pp)	0.6pp
Combined Ratio	90.5%	89.1%	89.7%	92.5%	92.7%	95.7%	94.0%	(3.1pp)	(1.4pp)
Loss Ratio ex cats & PYD	55.4%	55.3%	56.6%	56.1%	56.4%	55.0%	56.0%	1.4pp	0.4pp
Combined Ratio ex Cats and PYD	86.3%	87.9%	88.3%	87.6%	88.4%	87.2%	87.6%	1.1pp	0.8pp
Catastrophes (\$mn)	462	122	106	330	417	516	458	(19.2%)	(8.9%)
Catastrophes (pts)	6.9%	2.1%	1.8%	5.7%	7.0%	8.9%	7.8%	(1.9pp)	(0.8pp)
Reserve development (\$m)	(210)	(37)	(22)	(20)	(165)	(21)	(34)	NM	NM
Reserve development (pts)	(2.8%)	(0.9%)	(0.5%)	(0.8%)	(2.7%)	(0.4%)	(0.6%)	(2.3pp)	(2.1pp)

Source: Company Filings, Barclays Research, Bloomberg Consensus

FIGURE 3. AIG Quicktake - Segment Underwriting

	3Q23	4Q23	1Q24	2Q24		3Q24		Diff vs BARCe	Diff vs Street
	Actual	Actual	Actual	Actual	Reported	BARCe	Street		
Loss Ratio ex Cats &PYD:									
North America Commercial									
Loss Ratio	63.7%	61.1%	64.0%	67.4%	72.2%	70.9%	69.7%	1.3pp	2.5pp
Expense Ratio	25.3%	24.0%	24.1%	22.8%	23.3%	25.5%	23.5%	(2.2pp)	(0.2pp)
Combined Ratio	88.9%	85.2%	88.1%	90.2%	95.5%	96.4%	93.1%	(0.9pp)	2.3pp
Loss Ratio ex cats & PYD	57.8%	60.3%	61.8%	61.9%	61.8%	58.8%	61.2%	3.0pp	0.6pp
Combined Ratio ex Cats and PYD	83.1%	84.3%	85.8%	84.7%	85.1%	84.3%	86.0%	0.8pp	(0.8pp)
North America Personal									
Loss Ratio	67.0%	44.5%	58.2%	57.2%	61.2%	65.3%	63.4%	(4.1pp)	(2.2pp)
Expense Ratio	46.0%	57.2%	44.1%	48.1%	50.3%	44.0%	44.8%	6.3pp	5.4pp
Combined Ratio	113.0%	101.8%	102.3%	105.3%	111.5%	109.3%	108.8%	2.2pp	2.6pp
Loss Ratio ex cats & PYD	62.4%	52.1%	53.6%	53.7%	53.6%	53.8%	55.4%	(0.2pp)	(1.8pp)
Combined Ratio ex Cats and PYD	108.4%	109.4%	97.7%	101.8%	103.9%	97.8%	99.5%	6.1pp	4.4pp
International Commercial									
Loss Ratio	55.2%	57.6%	54.1%	59.1%	53.6%	60.5%	59.2%	(6.9pp)	(5.7pp)
Expense Ratio	28.2%	27.9%	29.5%	29.5%	30.8%	29.3%	28.8%	1.5pp	1.9pp
Combined Ratio	83.4%	85.5%	83.6%	88.7%	84.3%	89.8%	88.1%	(5.5pp)	(3.8pp)
Loss Ratio ex cats & PYD	51.5%	52.4%	53.5%	52.6%	52.7%	52.0%	52.5%	0.7pp	0.2pp
Combined Ratio ex Cats and PYD	79.7%	80.3%	83.0%	82.1%	83.4%	81.3%	81.3%	2.1pp	2.1pp
International Personal									
Loss Ratio	55.8%	50.9%	54.4%	55.8%	52.9%	56.1%	57.2%	(3.1pp)	(4.3pp)
Expense Ratio	41.4%	46.8%	42.3%	41.2%	40.8%	42.8%	41.7%	(2.0pp)	(0.9pp)
Combined Ratio	97.2%	97.6%	96.7%	97.0%	93.7%	98.9%	98.7%	(5.2pp)	(5.0pp)
Loss Ratio ex cats & PYD	54.5%	52.3%	54.5%	53.6%	54.6%	54.5%	53.8%	0.2pp	0.8pp
Combined Ratio ex Cats and PYD	95.8%	99.1%	96.7%	94.8%	95.4%	97.3%	95.5%	(1.8pp)	(0.1pp)

Source: Company Filings, Barclays Research, Bloomberg Consensus

AIG: Quarterly and Annual EPS (USD)

FY Dec	2023	2024			2025			Change y/y	
	Actual	Old	New	Cons	Old	New	Cons	2024	2025
Q1	1.03A	1.26A	1.26A	1.77A	1.50E	1.52E	1.61E	22%	21%
Q2	1.06A	1.16A	1.16A	1.16A	1.71E	1.72E	1.69E	9%	48%
Q3	1.04A	1.03E	1.23A	1.10E	1.66E	1.58E	1.61E	18%	28%
Q4	1.26A	1.20E	1.36E	1.38E	1.91E	1.88E	1.91E	8%	38%
Year	4.39A	4.66E	5.02E	5.14E	6.78E	6.70E	6.84E	14%	33%
P/E	17.4		15.2			11.4			

Consensus numbers are from Bloomberg received on 04-Nov-2024; 13:53 GMT

Source: Barclays Research

North America Insurance/Non-Life						NEUTRAL	
AIG, Inc. (AIG)						OVERWEIGHT	
Income statement (\$mn)	2023A	2024E	2025E	2026E	CAGR	Price (04-Nov-2024)	USD 76.33
Net premiums earned	25,091	23,357	24,060	25,629	0.7%	Price Target	USD 90.00
Net investment income (NII)	3,229	3,540	3,585	3,686	4.5%	Why OVERWEIGHT?	
Underwriting income	2,349	1,932	2,284	2,590	3.3%	We are optimistic on AIG's balance sheet strength and growth prospects as it looks to re-lever its balance sheet following years of underwriting improvement and expense cuts. The excess capital levels over the next couple of years should allow the company to surprise to the upside on capital deployment including distributions through buybacks and dividends.	
Operating income	-3,181	-3,294	-3,837	-4,206	N/A		
Net income	3,614	-1,265	5,771	4,747	9.5%		
Effective tax rate (%)	25.2	24.4	24.0	24.0	-1.6%		
Combined ratio (%)	90.6	91.7	90.5	89.9	-0.3%		
Combined ratio (ex cats & py development) (%)	87.7	87.9	87.1	86.3	-0.5%		
Per share data (\$)	2023A	2024E	2025E	2026E	CAGR		
EPS (adj)	4.39	5.02	6.70	8.22	23.2%		
EPS (reported)	4.99	-1.93	10.08	9.28	23.0%		
DPS	1.40	1.56	1.71	1.86	10.0%		
BVPS	65.14	72.62	80.58	87.77	10.5%	Upside case	USD 106.00
BVPS (ex AOCI)	78.50	75.15	83.46	90.99	5.0%		
Diluted shares (mn)	724	656	573	512	-10.9%		
Balance sheet and capital return (\$mn)	2023A	2024E	2025E	2026E	CAGR		
Total investments	90,244	95,351	94,979	98,261	2.9%		
Common shareholders' equity (ex AOCI)	44,866	44,254	43,072	42,090	-2.1%		
Share buybacks	2,987	6,427	6,000	4,800	17.1%		
Dividends paid	993	997	953	930	-2.2%		
Balance sheet and capital return metrics	2023A	2024E	2025E	2026E	Average		
Debt leverage (%)	16.1	17.8	18.3	18.8	17.7		
Financial leverage (%)	16.1	17.8	18.3	18.8	17.7		
Total capital return as a % of op. earnings	125.1	225.4	181.2	136.2	167.0		
Valuation metrics	2023A	2024E	2025E	2026E	Average		
P/BV (ex AOCI) (x)	0.97	1.02	0.91	0.84	0.94		
P/E (adj) (x)	17.4	15.2	11.4	9.3	13.3		
Dividend yield (%)	1.8	2.0	2.2	2.4	2.1		
ROE (%)	8.5	-2.8	13.0	11.0	7.4		
ROE (operating ex AOCI) (%)	5.5	6.6	8.4	9.4	7.5		



Note: FY End Dec

Source: Company data, Bloomberg, Barclays Research

Model Update

We have updated our estimates to reflect the reported results and refined our projections. The primary adjustments were related to lower growth than we anticipated in International, modestly higher loss ratios ex cats and PYD, and higher expenses in Personal Lines persisting for some time. These changes resulted in our 2024E/2025E/2026E EPS estimates changing from \$4.66/\$6.78/\$8.45 to \$5.02/\$6.70/\$8.22. We remain Overweight and our target price is maintained at \$90.

FIGURE 4. AIG Projections vs Street - Summary

	4Q23	1Q24	2Q24	3Q24	4Q24E			1Q25E			2024E			2025E			2026E		
	Actual	Actual	Actual	Actual	BARCe	Street	Diff	BARCe	Street	Diff	BARCe	Street	Diff	BARCe	Street	Diff	BARCe	Street	Diff
Summary Financial Information																			
Operating income:																			
North America: Commercial	329	236	191	96	163	220	(25.8%)	249	251	(1.1%)	686	806	(14.8%)	944	990	(4.7%)	1,042	1,064	(2.0%)
North America: Personal	(8)	(12)	(28)	(59)	(50)	(48)	4.4%	(6)	0	NM	(149)	(137)	8.7%	(15)	(37)	(58.5%)	51	(29)	NM
International: Commercial	292	330	230	320	293	312	(5.9%)	256	285	(10.3%)	1,173	1,123	4.5%	1,158	1,230	(5.9%)	1,238	1,321	(6.3%)
International: Personal	29	42	37	80	63	35	80.8%	36	41	(14.0%)	222	143	55.1%	198	171	15.7%	258	180	43.7%
Total Underwriting Income	642	596	430	437	469	518	(9.5%)	534	578	(7.5%)	1,932	1,934	(0.1%)	2,284	2,354	(3.0%)	2,590	2,535	2.2%
Net Investment Income	795	762	746	773	803	769	4.4%	810	794	2.0%	3,084	3,043	1.4%	3,299	3,283	0.5%	3,468	3,486	(0.5%)
Total General Insurance	1,437	1,358	1,176	1,210	1,272	1,288	(1.2%)	1,344	1,372	(2.0%)	5,016	4,977	0.8%	5,583	5,637	(1.0%)	6,058	6,021	0.6%
Corporate	(246)	(198)	(158)	(143)	(150)	(144)	4.3%	(136)	(96)	41.8%	(649)	(610)	6.4%	(534)	(391)	36.7%	(523)	(446)	17.3%
Total Operating income, pretax	1,191	1,160	1,018	1,067	1,122	1,137	(1.3%)	1,208	1,239	(2.5%)	4,367	4,708	(7.2%)	5,049	5,394	(6.4%)	5,535	5,215	6.1%
Net Income	86	1,194	(3,977)	459	1,059	757	39.9%	2,482	920	NM	(1,265)	(424)	NM	5,771	3,999	44.3%	4,747	4,327	9.7%
Operating income	895	868	775	798	853	851	0.3%	918	975	(5.8%)	3,294	3,329	(1.0%)	3,837	3,933	(2.4%)	4,206	4,199	0.2%
Operating EPS	\$1.26	\$1.26	\$1.16	\$1.23	\$1.36	\$1.38	(1.0%)	\$1.52	\$1.61	(5.5%)	\$5.02	\$5.14	(2.4%)	\$6.70	\$6.84	(2.1%)	\$8.22	\$8.07	1.9%
Normalized EPS	\$1.31	\$1.29	\$1.21	\$1.27	\$1.36	\$1.38	(1.0%)	\$1.52	\$1.61	(5.5%)	\$5.14	\$5.14	(0.0%)	\$6.70	\$6.84	(2.1%)	\$8.22	\$8.07	1.9%
BVPS	\$65.1	\$64.7	\$68.4	\$71.5	\$72.6	\$71.2	2.0%	\$76.2	\$71.8	6.1%	\$72.6	\$70.0	3.7%	\$80.6	\$74.3	8.4%	\$87.8	\$80.1	9.5%
BVPS xAOCI	\$78.5	\$79.4	\$72.8	\$73.9	\$75.2	\$73.0	3.0%	\$78.9	\$73.9	6.7%	\$75.2	\$73.0	3.0%	\$83.5	\$77.6	7.6%	\$91.0	\$83.8	8.6%
Core BVPS	\$52.7	\$52.6	\$53.3	\$54.7	\$61.4			\$68.3			\$61.4			\$74.2			\$82.3		
Operating ROE on BVPS xAOCI	6.3%	6.4%	6.1%	6.7%	7.3%	7.5%	(0.2pp)	7.9%	8.8%	(0.9pp)	6.6%	6.9%	(0.3pp)	8.4%	9.1%	(0.7pp)	9.4%	10.0%	(0.6pp)
Core ROE	9.9%	9.6%	8.8%	9.1%	9.4%			9.4%			9.1%			9.7%			10.5%		

Source: Company Filings, Barclays Research, Bloomberg Consensus

FIGURE 5. AIG Projection vs Street - P&C Underwriting

	4Q23	1Q24	2Q24	3Q24	4Q24E			1Q25E			2024E			2025E			2026E		
	Actual	Actual	Actual	Actual	BARCe	Street	Diff	BARCe	Street	Diff	BARCe	Street	Diff	BARCe	Street	Diff	BARCe	Street	Diff
Total P&C																			
Net premiums written																			
Net premiums written	5,755	4,512	6,933	6,380	6,141	6,098	0.7%	4,696	4,664	0.7%	23,966	24,058	(0.4%)	24,908	24,817	0.4%	26,416	23,469	12.6%
% Growth YoY	2.6%	(35.2%)	(8.0%)	(1.3%)	6.7%	6.0%	0.8pp	4.1%	3.4%	0.7pp	(10.3%)	(10.0%)	(0.3pp)	3.9%	3.2%	0.8pp	6.1%	(5.4%)	11.5pp
Net premiums earned	5,913	5,786	5,749	5,947	5,875	5,998	(2.0%)	5,870	5,961	(1.5%)	23,357	24,836	(6.0%)	24,060	25,520	(5.7%)	25,629	30,273	(15.3%)
% Growth YoY	(6.0%)	(7.6%)	(11.5%)	(7.4%)	(6.6%)	(29.2%)	28.6pp	1.5%	(27.0%)	28.5pp	(6.9%)	(25.3%)	18.4pp	3.0%	2.8%	0.3pp	6.5%	18.6%	(12.1pp)
Loss Ratio	56.5%	58.0%	61.0%	60.7%	60.3%	60.3%	(0.0pp)	59.5%	59.3%	0.1pp	60.0%	60.7%	(0.6pp)	59.4%	59.9%	(0.5pp)	59.6%	60.3%	(0.7pp)
Exense Ratio	32.6%	31.7%	31.5%	31.9%	31.7%	31.3%	0.4pp	31.4%	31.4%	0.0pp	31.7%	31.4%	0.3pp	31.1%	30.8%	0.3pp	30.3%	30.3%	0.0pp
Combined Ratio	89.1%	89.7%	92.5%	92.7%	92.0%	91.4%	0.6pp	90.9%	90.5%	0.3pp	91.7%	91.9%	(0.2pp)	90.5%	90.6%	(0.1pp)	89.9%	90.5%	(0.6pp)
Loss Ratio ex cats & PYD	55.3%	56.6%	56.1%	56.4%	55.4%	55.9%	(0.5pp)	56.6%	56.3%	0.3pp	56.1%	56.1%	0.0pp	56.0%	56.1%	(0.2pp)	56.0%	56.6%	(0.5pp)
Combined Ratio ex Cats and PYD	87.9%	88.3%	87.6%	88.4%	87.1%	87.0%	0.1pp	88.0%	87.5%	0.5pp	87.9%	87.6%	0.2pp	87.1%	86.9%	0.2pp	86.3%	86.5%	(0.2pp)
Catastrophes (\$mn)	122	106	330	417	342	304	12.6%	216	212	1.8%	1,195	1,204	(0.8%)	1,013	1,081	(6.2%)	1,090	1,043	4.6%
Catastrophes (pts)	2.1%	1.8%	5.7%	7.0%	5.8%	5.1%	0.8pp	3.7%	3.6%	0.1pp	5.1%	4.8%	0.2pp	4.2%	4.2%	(0.0pp)	4.3%	3.4%	0.8pp
Reserve development (\$m)	(5)	(10)	39	(177)	(53)	(34)	55.2%	(45)	(34)	31.0%	(201)	(170)	18.6%	(184)	(136)	35.2%	(177)	(127)	39.1%
Reserve development (pts)	(0.9%)	(0.5%)	(0.8%)	(2.7%)	(0.9%)	(0.6%)	(0.3pp)	(0.8%)	(0.6%)	(0.2pp)	(1.2%)	(0.7%)	(0.5pp)	(0.8%)	(0.5%)	(0.2pp)	(0.7%)	(0.4%)	(0.3pp)

Source: Company Filings, Barclays Research, Bloomberg Consensus

FIGURE 6. AIG Projection vs Street - Segment Underwriting

	4Q23				1Q24			2Q24			3Q24			4Q24E			1Q25E			2024E			2025E			2026E		
	Actual	Actual	Actual	Actual	BARCe	Street	Diff	BARCe	Street	Diff	BARCe	Street	Diff	BARCe	Street	Diff	BARCe	Street	Diff									
Segment Underwriting																												
North America Commercial																												
Loss Ratio	61.1%	64.0%	67.4%	72.2%	68.3%	66.3%	2.0pp	64.1%	64.2%	(0.1pp)	68.0%	66.8%	1.2pp	65.2%	65.6%	(0.4pp)	65.4%	66.0%	(0.6pp)									
Exense Ratio	24.0%	24.1%	22.8%	23.3%	23.7%	23.3%	0.4pp	24.3%	23.8%	0.5pp	23.5%	23.5%	0.0pp	24.2%	23.4%	0.8pp	23.8%	23.0%	0.8pp									
Combined Ratio	85.2%	88.1%	90.2%	95.5%	92.0%	89.6%	2.4pp	88.4%	88.0%	0.4pp	91.5%	90.3%	1.3pp	89.4%	89.0%	0.4pp	89.2%	89.0%	0.2pp									
Loss Ratio ex cats & PYD	60.3%	61.8%	61.9%	61.8%	61.2%	61.1%	0.1pp	61.6%	61.6%	(0.0pp)	61.7%	61.4%	0.3pp	61.4%	61.4%	0.1pp	61.6%	61.8%	(0.2pp)									
Combined Ratio ex Cats and PYD	84.3%	85.8%	84.7%	85.1%	84.9%	85.6%	(0.7pp)	85.9%	86.4%	(0.5pp)	85.1%	86.0%	(0.9pp)	85.6%	85.6%	(0.0pp)	85.4%	85.4%	0.0pp									
North America Personal																												
Loss Ratio	44.5%	58.2%	57.2%	61.2%	63.5%	59.1%	4.4pp	57.5%	55.2%	2.3pp	60.0%	60.1%	(0.1pp)	58.4%	57.4%	1.0pp	57.5%	57.8%	(0.3pp)									
Exense Ratio	57.2%	44.1%	48.1%	50.3%	46.0%	45.9%	0.1pp	44.0%	44.6%	(0.6pp)	47.1%	45.1%	2.0pp	42.6%	44.2%	(1.5pp)	39.4%	43.5%	(4.1pp)									
Combined Ratio	101.8%	102.3%	105.3%	111.5%	109.5%	105.8%	3.7pp	101.5%	99.7%	1.8pp	107.1%	105.6%	1.5pp	101.0%	101.7%	(0.7pp)	96.9%	101.3%	(4.4pp)									
Loss Ratio ex cats & PYD	52.1%	53.6%	53.7%	53.6%	51.0%	52.4%	(1.4pp)	52.5%	51.8%	0.7pp	53.0%	54.0%	(1.1pp)	51.6%	52.1%	(0.6pp)	50.5%	52.0%	(1.5pp)									
Combined Ratio ex Cats and PYD	109.4%	97.7%	101.8%	103.9%	97.0%	97.5%	(0.5pp)	96.5%	95.9%	0.6pp	100.1%	98.4%	1.7pp	94.2%	95.9%	(1.6pp)	89.9%	95.2%	(5.2pp)									
International Commercial																												
Loss Ratio	57.6%	54.1%	59.1%	53.6%	56.5%	56.3%	0.1pp	58.3%	57.5%	0.8pp	55.8%	57.2%	(1.3pp)	57.2%	56.9%	0.2pp	57.4%	57.1%	0.3pp									
Exense Ratio	27.9%	29.5%	29.5%	30.8%	29.3%	28.7%	0.6pp	29.5%	29.1%	0.4pp	29.8%	29.2%	0.6pp	29.4%	28.9%	0.5pp	29.2%	28.6%	0.6pp									
Combined Ratio	85.5%	83.6%	88.7%	84.3%	85.8%	85.1%	0.7pp	87.8%	86.6%	1.2pp	85.6%	86.3%	(0.7pp)	86.6%	85.9%	0.7pp	86.5%	85.6%	0.9pp									
Loss Ratio ex cats & PYD	52.4%	53.5%	52.6%	52.7%	52.7%	52.7%	0.0pp	53.5%	53.2%	0.3pp	52.9%	52.8%	0.0pp	52.8%	53.0%	(0.2pp)	52.8%	53.2%	(0.5pp)									
Combined Ratio ex Cats and PYD	80.3%	83.0%	82.1%	83.4%	82.0%	81.4%	0.6pp	83.0%	82.3%	0.7pp	82.6%	82.0%	0.6pp	82.2%	81.9%	0.3pp	81.9%	81.8%	0.2pp									
International Personal																												
Loss Ratio	50.9%	54.4%	55.8%	52.9%	52.2%	54.3%	(2.1pp)	54.1%	55.0%	(0.9pp)	53.9%	55.3%	(1.5pp)	53.4%	55.0%	(1.6pp)	53.5%	55.3%	(1.8pp)									
Exense Ratio	46.8%	42.3%	41.2%	40.8%	42.7%	43.0%	(0.3pp)	43.0%	41.7%	1.3pp	41.7%	41.9%	(0.2pp)	42.6%	41.7%	1.0pp	41.5%	41.3%	0.2pp									
Combined Ratio	97.6%	96.7%	97.0%	93.7%	94.9%	97.2%	(2.3pp)	97.1%	96.7%	0.4pp	95.6%	97.2%	(1.6pp)	96.1%	96.7%	(0.6pp)	95.0%	96.6%	(1.6pp)									
Loss Ratio ex cats & PYD	52.3%	54.5%	53.6%	54.6%	52.3%	53.1%	(0.8pp)	54.3%	54.3%	0.0pp	53.8%	53.6%	0.2pp	53.1%	53.5%	(0.3pp)	53.1%	53.8%	(0.7pp)									
Combined Ratio ex Cats and PYD	99.1%	96.7%	94.8%	95.4%	95.0%	96.1%	(1.1pp)	97.3%	95.9%	1.4pp	95.5%	95.5%	(0.0pp)	95.8%	95.1%	0.6pp	94.7%	95.1%	(0.5pp)									

Source: Company Filings, Barclays Research, Bloomberg Consensus

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AIG, Inc. (AIG, 04-Nov-2024, USD 76.33), Overweight/Neutral, CD/CE/D/E/J/K/L/M/N

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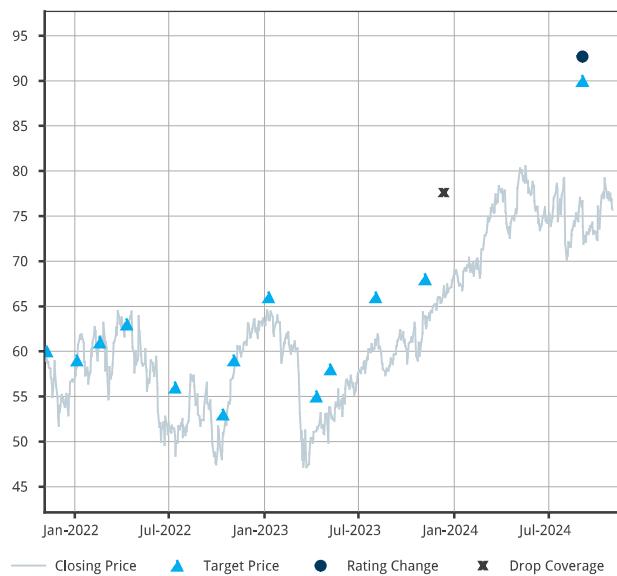
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Currency=USD



Source: IDC, Barclays Research

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Publication Date	Closing Price*	Rating	Adjusted Price Target
04-Sep-2024	77.05	Overweight	90.00
05-Dec-2023	66.00	Coverage Dropped	
06-Nov-2023	63.94		68.00
03-Aug-2023	61.14		66.00
08-May-2023	53.75		58.00
11-Apr-2023	51.20		55.00
09-Jan-2023	63.87		66.00
03-Nov-2022	57.61		59.00
13-Oct-2022	50.94		53.00
13-Jul-2022	50.66		56.00
11-Apr-2022	62.58		63.00
18-Feb-2022	61.73		61.00
05-Jan-2022	58.19		59.00
08-Nov-2021	59.16		60.00

On 05-Nov-2021, prior to any intra-day change that may have been published, the rating for this security was Equal Weight, and the adjusted price target was 59.00.

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Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Dowsndside Risks: We see the shares potentially underperforming if AIG lets the greater levels of excess capital remain undeployed and ROE is constrained due to the ROE drag associated with it. This could potentially cause negative EPS revisions. Additionally, if we are wrong about balance sheet strength and AIG's needs to adjust reserves upward it would likely weigh on the stock.

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