European Reinsurance

Wildfire losses - an early 2025 EPS headwind

Active 1Q25 loss environment and somewhat softer 1/1/25 renewals result in single digit pressure for FY25-26 EPS estimates. Wildfire losses should support sector discipline, but prices are still likely to reduce at mid-year renewals. However, good 4Q24 trends should support FY24 earnings and capital

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Wildfire losses have continued to grow in California since our original US$17-30bn assessment on 10 January (see Global Insurance: Assessing Impact of CA Wildfires, 10 January 2025), and last week established cat loss modellers have published loss estimates ranging between US$20-45bn. The average loss points to US$30bn, with both large fires (Palisades and Eaton) mostly contained, although conditions remain conducive for further fires. Separately, our US-based colleagues have arrived to a similar US$25-30bn conclusion using an array of methods, including regressions and State Farm claims data (see North America Insurance: Non-Life: Refining Our Wildfire Loss Estimates and Analyzing CA FAIR Plan Loss Assessments, 21 Jan 2025)

FIGURE 1. Recent industry loss estimates for California wildfires

Agency/broker	Insured loss estimate	Estimate date
RMS	US$20-30bn	1/17/2025
Gallagher Re	US$20-30bn	1/17/2025
Aon	US$20bn+	1/13/2025
CoreLogic	US$35-45bn	1/16/2025
Verisk	US$28-35bn	1/22/2025
KCC	$28bn	1/23/2025
Average	US$29.4bn	

Source: Insurance Insider, artemis.bm, CoreLogic, Verisk, Barclays Research

Both fires appear over 85% contained, which limits the potential for further loss creep in a significant way, in our view. According to Aon, insured values across the two affected areas amount to US$55bn (US$32bn for the Palisades fire, US$23bn for the Eaton fire), but the most recent insured loss estimates (KCC, Verisk) both came well below the maximum exposure. According to CalFire, over 18 thousand structures have been destroyed or damaged as of Sunday 26th January.

FIGURE 2. Containment levels and insured values for Palisades and Eaton fires

	CalFire data (26/01/2025)			Aon data (13/01/2025)		Exposure mix	
	Destroyed	Damaged	% contained	Risk count	Insured value	Residential	Commercial
Palisades	6,834	1,016	87%	8,100	US$32bn	95%	5%
Eaton	9,418	1,073	95%	7,800	US$23bn	60-70%	30-40%
Hughes	N/A	N/A	90%	N/A	N/A	N/A	N/A
Total	16,252	2,089		15,900	US$55bn	80-85%	15-20%

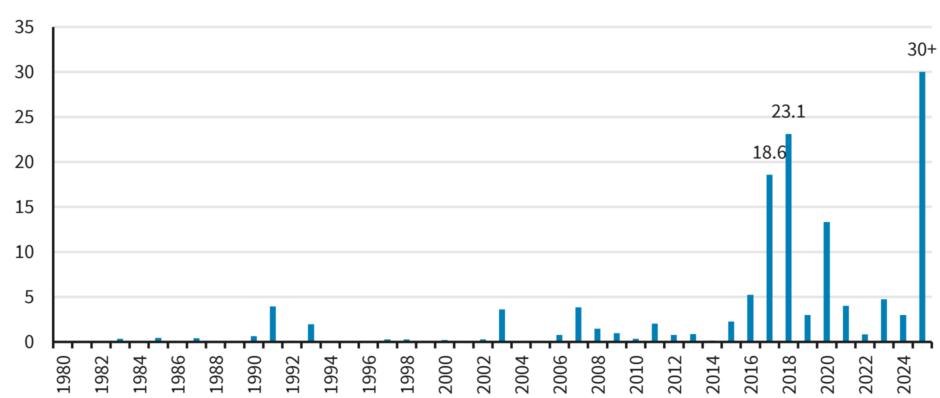
Source: CalFire, Insurance Insider, Barclays Research

We take a deeper look at exposures and PMLs to see where the differences to 2017-18 market shares may come from. In our view, Beazley may surprise positively against the backdrop of a strong increase in property premiums in 2018-24, Swiss Re on the back of its focused reduction of non-peak peril exposure, while there is a risk historical market shares of Munich Re would be surpassed.

Reinsurance market to take a high share of losses

At around US$30bn dollars, the ongoing fires already would exceed the largest event of 2024 - Hurricane Milton - which is expected to generate US$20-25bn of insured losses for the industry, as well as the total global wildfire claims for 2018 (US$23.6bn in 2024 dollars) - the most active ever. In our view, this indicates reinsurers will have to shoulder a higher than average share of the burden vs 2024, despite increased attachment points. On our calculations, both vs a 10 year average of US$7.8bn (which includes elevated wildfire losses), and a Verisk annual expected wildfire loss of US$9.1bn, a US$30bn loss estimate would place the current California wildfires well into reinsurance retentions for most traditional programs that typically attach at 1:10 year return period or more remote return periods (higher severity losses that happen less frequently). However, for nationwide programs purchased by the largest insurers in California - State Farm, Farmers, Liberty Mutual, Allstate, etc. - even a US$30bn event would be an equivalent to a medium-sized hurricane, and therefore be comfortably covered at this early point in the year.

FIGURE 3. Historical global insured losses from wildfires ($bn, 2024 prices)



Source: Munich Re NatCatSERVICE, Barclays Research

One additional element of uncertainty may relate to the California FAIR Plan - it has purchased US$2.6bn of reinsurance limit, but with US$8.3bn of estimated loss exposure (based on North America Insurance: Non-Life: Refining Our Wildfire Loss Estimates and Analyzing CA FAIR Plan Loss Assessments, 21 Jan 2025) the solvency of the program may depend on the ability to charge loss assessments to it's members - additional contributions based on the volume of business in the state. After hosting a virtual round table with S&P this week, it is our understanding that the loss assessments would not fall in the scope of most reinsurance contracts, and therefore may not be recoverable. However, certain primary insurers may have more favourable contract wording, enabling stronger recoveries.

Looking back at 2017-18, largest reinsurers took triple-digit million net losses, and we anticipate a scenario in which such P&L impact may repeat or be exceeded, given increased tolerance to nat cat risk over the period. However, the impact on EPS should be smaller this time, owing to significantly improved profitability and larger cat budgets.

Fire is a widely covered peril, and severity should make reinsurer participation higher. Traditionally fire is one of the best-covered perils, with half or more economic losses converting into insured losses, on Munich Re NatCatSERVICE data. However, the events of 2017-18 (Camp, Woolsey fires) and to a lesser extent 2020 have had a significant impact on risk appetite of the insurers and reinsurers. The tightening of terms and conditions along with widespread elimination of aggregate covers have made reinsurance exposure to secondary perils such as wildfire significantly restricted, and in the recent 2 years primary insurers have also started pulling back coverage from wildfire-heavy geographies such as California. Still for a sufficiently large loss – which despite several separate fires in LA area may likely be designated a single event for reinsurance purposes – we believe the share of reinsurance would be higher than the 14% estimate Guy Carpenter published for 2024. **We would expect reinsurance losses at c. 20-25% of total insured loss**, with potentially higher reinsurance share in case of a higher severity event. A US$25-30bn event would be the most expensive insured wildfire event in history, and as such will likely trigger most reinsurance programs for the regional property business.

Earlier we have presented historical shares of 2017-18 losses, but in context of changes to nat cat appetite we've adjusted the exposures to increased or reduction of PMLs. Among the reinsurers that we cover, Munich Re and Lancashire have increased peak PMLs most significantly, while Beazley, SCOR and Swiss Re have shown the clearest reduction of peak PMLs as % of own funds.

FIGURE 4. **Reinsurer exposures to California wildfires**

	2017		2018		Share of loss	PML change	Share of loss	Loss scenarios				
	Net	Gross	Net	Gross	2018	2018-20 23	2025E	$20bn	$25bn	$30bn	$35bn	$40bn
Reinsurers												
Munich Re (€m)	500		430		2.8%	22%	3.4%	651	814	976	1,139	1,302
Swiss Re ($m)*	413		401		2.2%	-29%	1.6%	314	393	471	550	628
Hannover Re (€m)**	121	240	201	462	1.3%	7%	1.4%	195	206	300	393	486
SCOR (€m)	91		144		0.9%	-31%	0.6%	123	154	184	215	246
Lancashire ($m)	35		~25		0.14%	21%	0.17%	33	41	50	58	66
Beazley ($m)***	25		40		0.22%	-45%	0.25%	50	63	75	88	100
Hiscox ($m)	20-30		45-60		0.33%	6%	0.35%	70	87	104	122	139

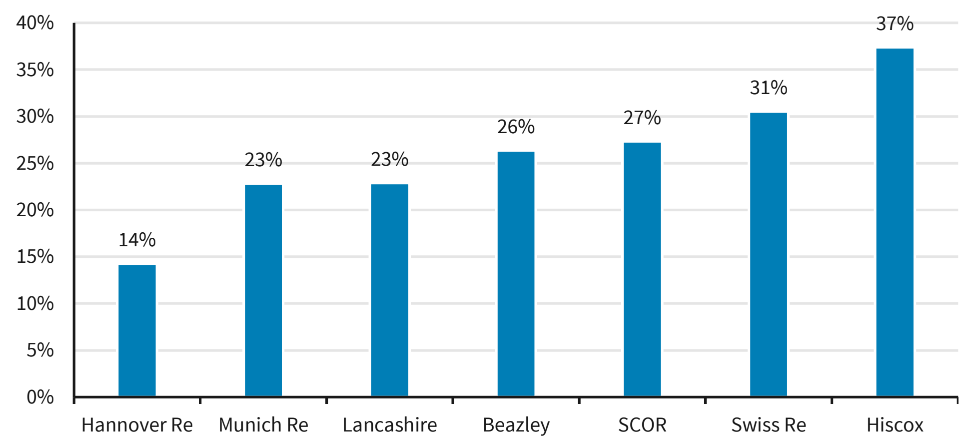
	2017		2018		Share of loss	PML change	Share of loss	Loss scenarios				
	Net	Gross	Net	Gross	2018	2018-2023	2025E	$20bn	$25bn	$30bn	$35bn	$40bn
Industry loss ($m)	13,800		18,250					20,000	25,000	30,000	35,000	40,000

* For Swiss Re we assume wildfire PML down halfway between 1:200 peak PML reduction (-4%) and annual expected wildfire/other peril loss reduction (-53% in 2019-2023)** Hannover Re gross loss adjusted for whole account XL (€300m non-peak attachment point) and K-Cession (assume 35%)*** Assume 15% increase in exposure at Beazley as lower RDS offset by higher property premiums

Source: Barclays Research, company data

Reinsurers have been vocal about reducing exposure to secondary perils such as wildfires, but only a handful of companies present evidence of such change - i.e., Munich Re has grown 1:200 year US wildfire PML in 2022-23 to €750-1,750m from €500-1,500m in 2020 (with the 2020 starting point likely below 2018's base), while Swiss Re has shown a reduction of gross annual expected loss from wildfires/all other perils by 53% since 2019 (although we have no information on more remote return intervals). In our view, this confirms the view that Munich Re's exposure may exceed 2018's share of losses, while Swiss Re, on the other hand, may book a smaller number. However, Swiss Re still operates with a smaller cat budget (we estimate $2bn for 2024 vs €4bn for 2025 for Munich Re), and therefore is more exposed on earnings basis.

FIGURE 5. **Potential impact of a US$30bn wildfire loss on annual cat budget**



January California wildfire losses should be absorbed by the budgets for all of the reinsurers early in the year - but for SCOR, Swiss Re , Munich Re and Hiscox (but not Hannover Re, Beazley or Lancashire) we estimate the impact would be higher as a percentage of budget/Barclays expected nat cat loss, and make adjustments to 2025e EPS (more details in the respective section. We note Fitch has estimated 30% of the budgets of large European reinsurers may be absorbed by a US$35bn industry insured wildfire loss[1].

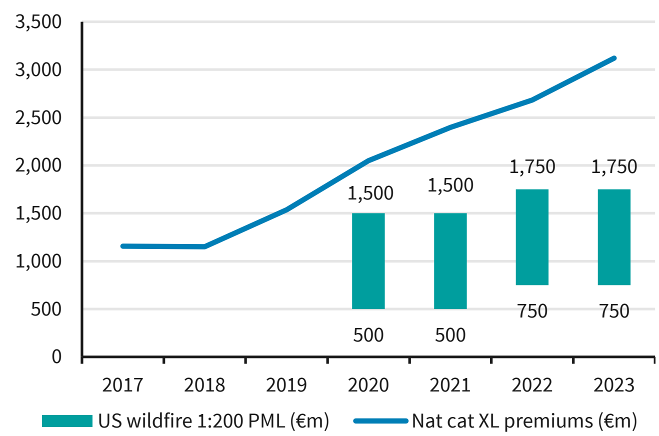
Company exposures

Munich Re - potential for higher loss than in 2017-18: In 2017 and 2018 Munich Re booked the largest net losses from the two California wildfire events - €500m in 2017 (c. 4.1% share of industry loss) and €430m in 2018 (c. 2.8% share). While no split of the reinsurance vs primary losses was provided, Munich Re operates an admitted carrier in the state, and will likely pick up losses in both P&C Re and GSI. Furthermore, while Munich Re indicated it has reduced appetite to secondary perils in 2020 onwards, the exposure to peak perils has significantly increased since 2018 both in absolute terms - average of 1:200 pre-tax PML for top 3 nat cat perils rose from €4.2bn to €6.9bn in 2023 - and in relative terms (from 11.8% of eligible own funds to

[1] LA Fires May Consume 30% of European Reinsurers' 2025 Catastrophe Budgets, Fitch Ratings, 22 Jan 2025

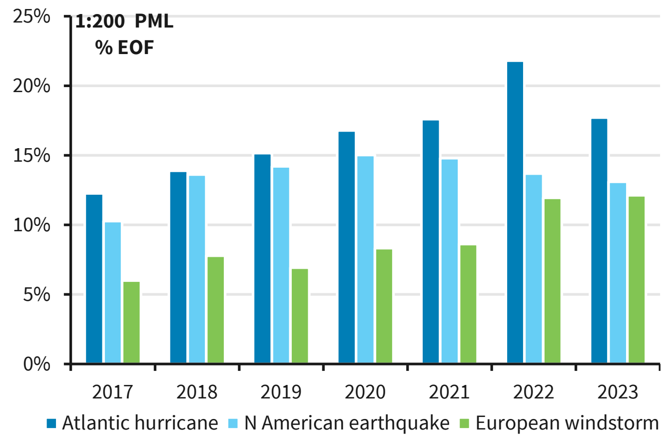
14.3%). Nat cat XL premiums for Munich Re have increased by 71% between 2018 and 2023, although more than half of that would have come from better pricing, in our view. Munich Re is one of the only reinsurers disclosing US wildfire risk as a separate peril - since 2020 1:200 year scenario exposure rose from €500-1,500m to €750-1,750m, or up 25% for mid-point.

FIGURE 6. Munich Re cat premiums and wildfire PML



Source: Company data, Barclays Research

FIGURE 7. Peak risk PMLs as % of eligible own funds

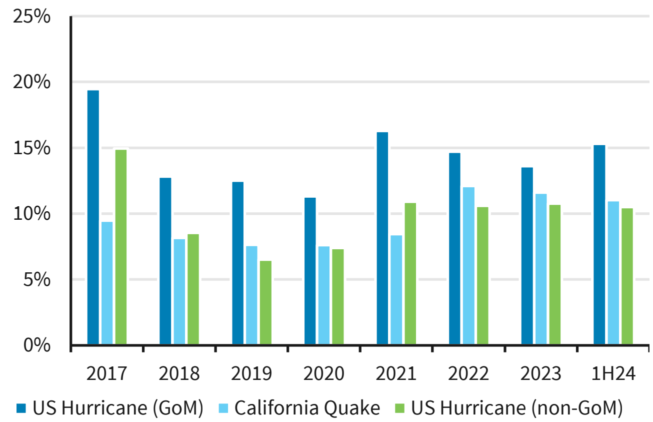


Source: Company data, Barclays Research

In our view, these suggest that for a high severity event such as the ongoing wildfires, Munich Re's exposure will likely be c. 20% higher than in 2018, reflecting the increased nat cat risk appetite. Taking US$30bn as a central scenario for 2025 California wildfires, we therefore get to an insured loss of slightly under €1bn for Munich Re - a number equivalent to 23% of its annual large loss budget for 2025, in our view.

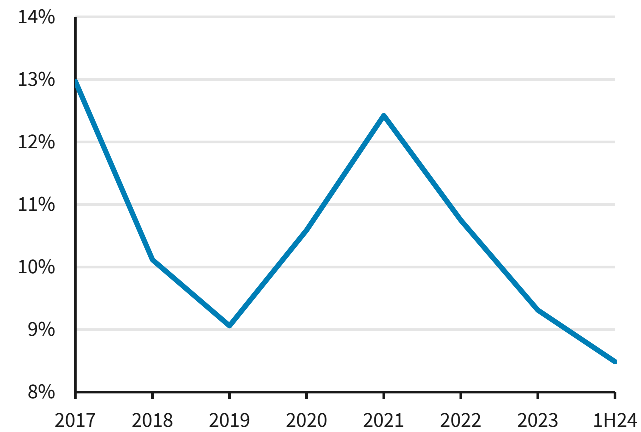
Lancashire - higher peak PML exposure, but potential loss well within budget: Since 2018 Lancashire has significantly leaned on the hard property cat reinsurance market. Exposure to peak 1:100 perils as a % of eligible own funds has increased by 22% as a % of capital, with the strongest growth in California quake exposure. While focus on attachment points and improvements in risk modelling would likely have helped, we consider it likely that LRE's share of loss may have increased - from 0.14% of loss in 2018 to 0.17% in 2025E. However, on our estimates a US$50m impact off a US$30bn industry loss estimate would make up 23% of our annual estimated large loss burden - in line with the reinsurer group. While the loss will likely increase vs 2018 in absolute terms, Lancashire is also more diversified now, with average 1:100 PML across 7 scenarios lower as % of gross written premiums in 1H24 (8.5%) vs 2018 (10.1%).

FIGURE 8. **Lancashire increased 1:100 PMLs as % of capital...**



Source: Company data, Barclays Research

FIGURE 9. **But premium base is more diversified than ever**



Source: Company data, Barclays Research

Beazley - lower RDS and targetted wildfire risk reduction: Beazley has significantly increased property exposure since the 2017-18 fires: we expect US$1,649m of gross insurance written premiums in 2024, a 165% increase over US$623m in 2018. This increase in premiums followed Beazley deploying a major part of the 2022 capital raise proceeds into the hardening property market. However, we understand that secondary peril risk - especially US wildfire - has been a major focus for the underwriting team over that period, with specific limits established per peril per geography, and growth concentrated in primary business - the reinsurance treaty element (the part of the book that we expect to pick up most losses in case of California, as opposed to the primary book that is mostly commercial) has shrunk from 36% of the property book in 2017 to 22% in 2023. On our calculations, that implies property cat reinsurance premiums have only risen by 43% in 2018-23 - significantly slower than property premiums overall.

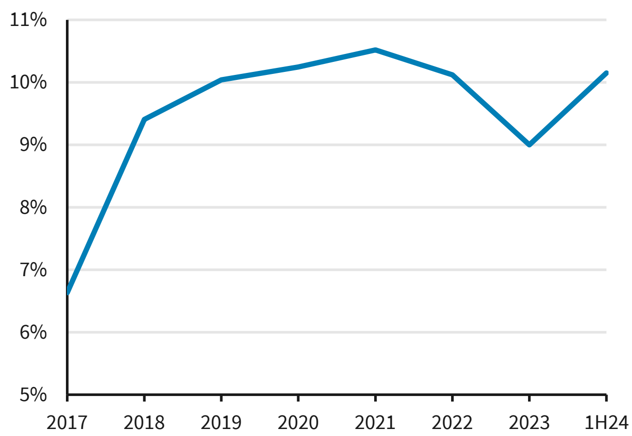
In addition, exposure to peak perils has also significantly come down. Lloyd's cat risk appetite has only increased by 28% in 2018-23, while in relative terms (as % of EOF) it has significantly reduced from 21.6% in 2018 to 11.9% in 2023. In our view, these developments are sufficient to assume Beazley's share of California wildfire loss would be similar to 2018, despite a broader increase in property cat exposure.

We regard the California wildfires to be another test of Beazley's underwriting skill in the focus area. Much like the experience of the CrowdStrike accident in Cyber which should have resulted in moderate high double-digit claims despite Beazley's high market share - on the back of specific attention to contract wording - we expect wildfire claims to also be well absorbed by Beazley's earnings.

Swiss Re - cutting out secondary perils: We expect Swiss Re to book the second largest wildfire claim of the European reinsurers, but the market share is likely to be smaller than or comparable to 2018. Back then Swiss Re's loss of US$401m was only c. 20% smaller than Munich Re, but in 2025 we expect the gap to grow as Swiss Re focused on reducing secondary peril exposure. 9M24 already showed the positive effects of increased attachment points with cat losses 41% smaller than the budget, and we only assume an 8% increase in share in line with 2018-1H24 PML growth as a % of capital.

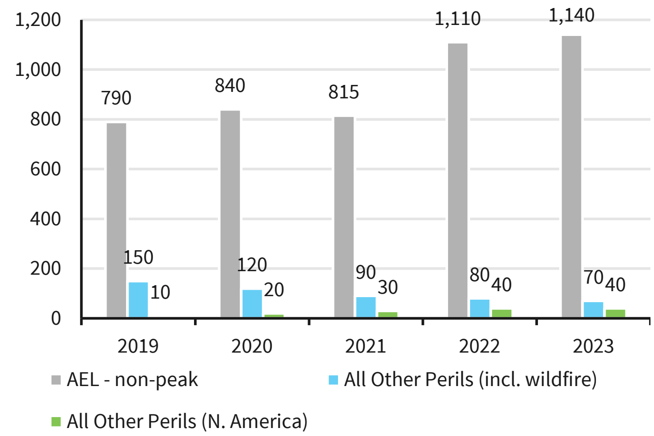
One thing to note, however, may be the increased attritional modelled loss attributed to US wildfire - between 2019 and 2023 the annual expected loss from All Other Perils - North America (most if not all of that reflects wildfire experience, as per 2023 disclosure change) has risen from US$10m to US$40m. This likely reflects the more stringent modelling assumptions, but may also indicate an increase in underlying exposure. Put into context of annual expected gross nat cat loss of US$2,430m, however, this exposure appears insignificant.

FIGURE 10. Average 1:200 PML as % of capital



Average of 4 nat cat PMLs (Atlantic hurricane, California quake, EU windstorm, Japanese quake) as % of risk bearing capital less market value margin
Source: Company data, Barclays Research

FIGURE 11. Annual expected gross nat cat loss ($m)



AEL non-peak excludes Tropical Cyclone, EU wind, includes SCS, Flood, non-EU wind

Source: Company data, Barclays Research

Hannover Re - to benefit from retro: On our calculations, Hannover Re is likely to retain the position of a reinsurer with below-average exposure to single large losses this time, utilising the benefit of both proportional and excess of loss retro. Back in 2018 it reported a gross loss of €462m (on par with Munich Re) and a net loss of €201m. Since then the PMLs change has been moderate at 7%, so the gross loss may proportionally rise to €0.8-0.9bn. The loss of that magnitude would be offset by whole account XL (€400m across 2 layers, with first attaching at €300m for non-peak perils), as well as the proportional K-Cession - Hannover Re was planning to reduce it to mid 30s from low 40s for 2025. On our calculations, this may reduce the net loss to c.€300m for a US$30bn loss scenario, which would be less than 14% of the €2.1bn 2025 nat cat budget.

Hiscox - budget at risk, HNWI-related losses may amplify exposure: Hiscox has not communicated the claims from 2018 wildfires, but included it in its US$167m loss estimate together with cyclones Michael, Florence, Jebi and Trami. Using industry insured losses as proportions, this may suggest a hit of US$45-60m. In our view, the 2025 Palisades fire creates risk not just to the Re & ILS book of Hiscox, but also to London Market exposures in fine art and other high net worth-exposed segments that Hiscox has a strong expertise in. In addition, the Eaton fire with a higher share of commercial exposures (30-40%, on Aon's estimates) may bring some claims in the US Retail SME book. We estimate the company may pick up over US$100m of claims from the California fires, which would be substantial in the context of a typical large loss load of c. US$0.2bn annually - potentially over half the annual average may be used up in the first month of the year. However, we have no clear visibility on retro protections in place which may mitigate the loss impact.

Summary of our Ratings, Price Targets and Earnings Changes in this Report (all changes are shown in bold)

	Rating		Price	Price Target			EPS FY1 (E)			EPS FY2 (E)		
Company	Old	New	24-Jan-25	Old	New	%Chg	Old	New	%Chg	Old	New	%Chg
European Insurance	Pos	Pos										
Beazley (BEZG.L/BEZ LN)	OW	OW	834.50	1,020	**1,000**	-2	1.62	**1.70**	5	1.27	**1.23**	-3
Hannover Re (HNRGn.DE/HNR1 GR)	UW	UW	257.80	217.00	**220.00**	1	19.37	**20.27**	5	21.30	**21.32**	-
Hiscox Ltd. (HSX.L/HSX LN)	EW	EW	1066.00	1,220	**1,280**	5	136.2	**144.7**	6	138.7	**136.4**	-2
Lancashire Holdings (LRE.L/LRE LN)	EW	EW	644.00	770	**800**	4	1.41	**1.38**	-2	1.34	**1.32**	-1
Munich RE (MUVGn.DE/MUV2 GR)	OW	OW	522.80	551.00	**554.00**	1	40.80	**41.49**	2	46.77	**46.22**	-1
SCOR (SCOR.PA/SCR FP)	EW	EW	24.86	24.90	**26.10**	5	-0.63	**-0.18**	71	3.63	**3.69**	2
Swiss Re (SRENH.S/SREN SW)	EW	EW	138.05	126.00	**136.00**	8	10.64	**10.52**	-1	15.03	**15.35**	2

Source: Barclays Research. Share prices and target prices are shown in the primary listing currency and EPS estimates are shown in the reporting currency. FY1(E): Current fiscal year estimates by Barclays Research. FY2(E): Next fiscal year estimates by Barclays Research. Stock Rating: OW: Overweight; EW: Equal Weight; UW: Underweight; RS: Rating Suspended Industry View: Pos: Positive; Neu: Neutral; Neg: Negative

Valuation Methodology and Risks

European Insurance

Beazley (BEZ LN / BEZG.L)

Valuation Methodology: We use a residual income method with an explicit forecast period of 5 years followed by 10 years of equity growth, declining to a long-term average of 2%. At the same time we incorporate a decline in ROE to cost of equity. We assume no residual earnings after that date.
Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Beazley is exposed to a range of significant natural and man-made catastrophes which could cause material earnings & capital impacts. After raising equity in May 2020, a heavy year of COVID/ catastrophe losses somewhat depleted the capital buffer. Losses on a similar level in the next financial year could dent Beazley's capital position and prevent the company from fully capitalising on the hardening commercial (re)insurance market. We also note debt leverage currently sits on the higher side of reinsurance/specialty peers; in the event of significant capital strain, any credit rating downgrade could potentially harm Beazley's ability to win new business. Alternatively, the hard market could be moderated by capital inflows and last for a shorter period than we currently expect. More generally, we also note Beazley's modest financial investment exposures. As for peers, a further reduction in bond yields would create an additional earnings headwind.

Hannover Re (HNR1 GR / HNRGn.DE)

Valuation Methodology: We use a residual income method, with explicit forecast period of 5 years followed by 5 years of equity growth declining to a long-term average of 2.5% and then a linear decline in ROE to cost of equity over 10 years. We estimate the cost of equity of 8.25%, the lowest among reinsurance peers, to reflect reserve surplus and a strong capital position. We also include the 2023 P&C reserve surplus of EUR2.1bn into our valuation.
Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Hannover Re, like most reinsurers, is substantially exposed to natural catastrophe and underwriting risk and to the risk of claims inflation – yet a more benign cat experience may benefit earnings, while lower-than-expected inflation can result in reserve releases. It also has interest rate risk, although loss of assets and liabilities are duration- and currency-matched. In addition, Hannover Re has implemented an interest rate hedging programme to provide some protection from a sustained low interest rate environment. These risks are offset by a very strong capital position and long management track record of conservative underwriting, which creates a reserve cushion that could be utilised to smooth earnings volatility, We believe Hannover Re should be able to generate enough earnings to sustain a high and modestly growing dividend payout ratio.

Hiscox Ltd. (HSX LN / HSX.L)

Valuation Methodology: We use a residual income method, with explicit forecast period of 5 years followed by 10 years of equity growth declining to a long-term average of 2% (in line with the sector) and at the same time a decline in ROE to cost of equity. We assume no residual earnings after that date. We estimate the cost of equity of 9.0% from historical and current implied levels.
Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Hiscox is exposed to natural and man-made losses that could cause material earnings and capital losses. It also has some exposure to claims inflation, although we believe the risk here is limited, apart from social inflation on casualty claims. Hiscox has financial investment exposure, which could create earnings volatility. Better-than-expected large claims experience along with successful execution of growth strategy in Retail business will likely constitute upside risk to our investment case. Conversely, large claims from COVID-19, reserve strengthening or natural catastrophes may erode capital surplus and hamper ability to grow.

Lancashire Holdings (LRE LN / LRE.L)

Valuation Methodology: We use a residual income method, with explicit forecast period of five years, followed by 10 years of equity growth declining to a long-term average of 2% (in line with the sector) and at the same time a decline in ROE to cost of equity. We assume no residual earnings after that date. We apply a cost of equity of 11%.
Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Lancashire is exposed to a range of significant natural and man-made catastrophes which could cause material earnings and capital impacts. The ongoing hard market in property cat reinsurance may be moderated by inflow of capital, either traditional or alternative. It also has modest financial investment exposures which could cause volatility. Lancashire's main legal entity is based in Bermuda and is subject to Bermudian tax rules. Changes to tax rules, particularly in the US could cause a material impact on earnings. At the same time a stronger increase in reinsurance and insurance prices may allow Lancashire to improve profitability in the absence of major losses.

Munich RE (MUV2 GR / MUVGn.DE)

Valuation Methodology: We use a residual income method, with an explicit forecast period of 5 years followed by 10 years of equity growth declining to a long-term average of 2.0% and at the same time a convergence in ROE to cost of equity (vs 10 additional years for the sector to reflect the constrained outlook to the reinsurance sector). We also include surplus 2023 P&C reserves less our modeled run-off in excess of 5% for 5 years; this adds EUR73 to our share price in the base case. We estimate the cost of equity at 8.75%.
Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Munich Re, like most insurers, has significant exposure to government debt. Munich Re is also exposed to significant catastrophe and underwriting risk and to the risk of claims inflation. It also has interest rate risk particularly on its primary insurance business, although it has implemented an interest rate hedging programme to provide some protection from a sustained low interest rate scenario. In the coming few years, the transformation of primary business ERGO may bring execution risks, including cost overruns and market share loss. We believe these risks are offset by an exceptionally strong capital position and a conservative underwriting policy, suggesting continued support to earnings from reserve releases as well as capital distribution capacity.

SCOR (SCR FP / SCOR.PA)

Valuation Methodology: We use a residual income method, with explicit forecast period of 5 years followed by 10 years of equity growth declining to a long-term average of 2.5% (slightly below the sector) and at the same time a convergence in ROE to cost of equity. We estimate the cost of equity at 12.0%.

Valuation Methodology and Risks

Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Like other reinsurers, SCOR is exposed to large catastrophe and man-made events across the globe. An environment of rising claims inflation may also create risks of reserve additions in P&C Re segment. Conversely, better-than-expected large claims experience along with stronger growth in the remainder of 2023 mitigating the volume drop at 1st January as well as quicker repricing of the fixed income portfolio supporting revenues will likely constitute upside risk to our investment case.

Swiss Re (SREN SW / SRENH.S)

Valuation Methodology: We use a residual income method, with explicit forecast period of 10 years followed by 10 years of equity growth declining to a long-term average of 2.5% (slightly below the sector) and at the same time a convergence in ROE to cost of equity. We estimate the cost of equity at 9.0%.

Risks which May Impede the Achievement of the Barclays Research Valuation and Price Target: Like other reinsurers, Swiss Re is exposed to large catastrophe events across the globe. Swiss Re follows a different reserving philosophy to German reinsurance peers, opting to carry technical reserves closer to best estimate with a smaller management buffer. In an environment of rising claims inflation, this may create risks of reserve additions in P&C Re segment. Corporate Solutions business is undergoing a turnaround which may stall if claims trends continue to develop unfavorably or if management fails to execute. In addition, the company carries a large portfolio of financial instruments, including corporate debt and equities, and is exposed to interest rate, spread and other forms of market risk. Strong capital generation resulting in better-than-expected capital return will likely constitute upside risk to our investment case.

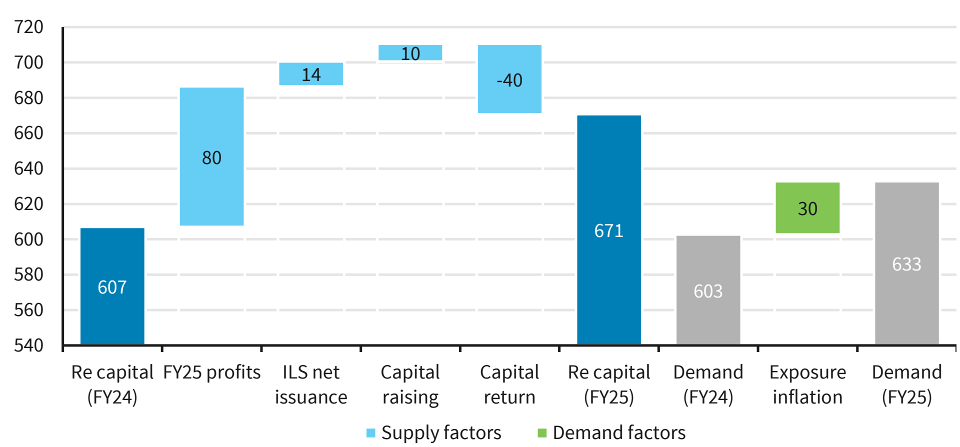
Source: Barclays Research

Reinsurance market impact

Impact on the reinsurance market

June/July renewals may be better than January. January reinsurance renewals have marginally surprised to the downside, with prop cat pricing down high single digits (-6.6% on Guy Carpenter index) and casualty pricing flat to only modestly better. Reinsurance market projections for a high teens ROE in 1H25 suggest capital would continue to build up ahead of June-July renewals with a strong US prop cat focus, setting a scene for a potentially more disappointing renewal – this is the view we believe many investors adopted in January. In our view, a sizable loss from wildfires may improve this dynamic, although is unlikely to change the downward direction of prices. With annual expected loss of US$150-155bn for 2025 (based on Verisk estimate), a typical 1H would amass c. 40% of annual losses – US$60-65bn, while 1Q is usually the quietest quarter with c. 15% of total, or US$20-25bn. Within that context, an insured loss of US$30bn above budget would potentially halve the 1H25 profits for the sector – which we would see at US$40-45bn at a mid to high teens ROE.

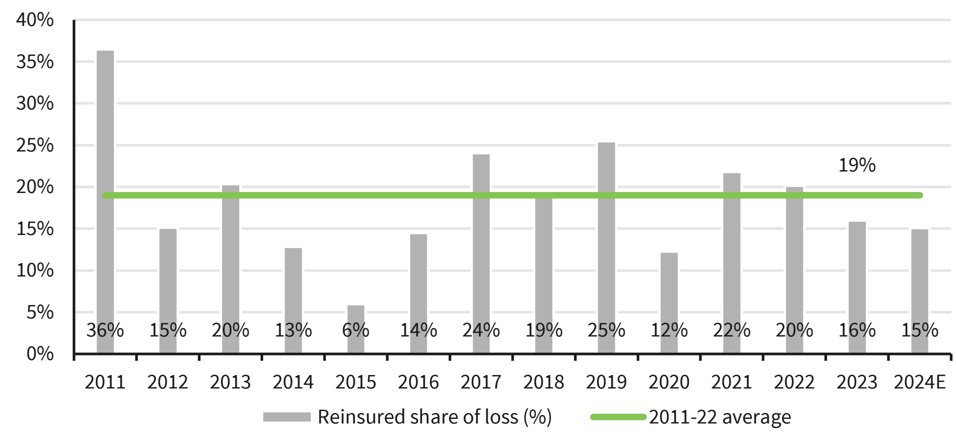
FIGURE 12. We expect a normal year to increase reinsurance capital surplus



Source: Barclays Research calculations, Guy Carpenter

More support to terms and conditions. While in the global context the US$30bn insured loss from the wildfires is only the equivalent of a medium-sized Atlantic hurricane, it's unprecedented for a more granular view of risk, both per-peril (largest ever wildfire, potentially surpassing 2018 by 2x) and per-region. We believe this event would solidify reinsurer resolve with respect to excluding secondary perils and keeping firm on terms and conditions, both for the rest of 2025 and in early 2026 - this should ensure reinsured share of losses stays below average in the coming years. Guy Carpenter suggested in 2024 reinsurers would pay out 14% of total, vs 20% pre-2023 average, and our calculations broadly support that conclusion.

FIGURE 13. Share of reinsurers as % of annual insured losses



Extrapolated based on Munich Re, Swiss Re, Hannover Re gross loss data assuming combined 30% market share
Source: Barclays Research calculations, Aon, company data

April and June/July renewals - regional trends likely to differentiate. For the remainder of the year renewal dates - 1 April, 1 June and 1 July - will vary more by geographies, as opposed to the global business/Europe-weighted 1 January when over 50% of the business renews. In our view, US-focused renewals in June and July that would have picked up losses for 2024 hurricanes (Helene, Milton) and 2025 wildfires will likely result in a firmer price than in January, but likely still down low single digits as reinsurers should remain profitable over 1H25.

Changes to our estimates

Munich Re

We make changes to our Munich Re forecasts on the back of elevated 1Q25 cat experience and new 2025 forecasts published in December 2024. We trim our underwriting result forecast for P&C Re to an 84% combined ratio (in line with guidance which we regard as conservative - see Munich Re: Stronger FY25 profit outlook, 12 December 2024). Our FY25 numbers assume 90bps large loss experience (14.9% vs 14% budget), while for 2026 we now model a 90bps deterioration of underlying P&C Re combined ratio on the back of softer than expected 2025 renewals. This is largely offset by stronger investment result across business units, and we've kept FY25 net income forecast largely unchanged vs guidance of €6bn that management has reiterated in meetings following the California wildfires[2]. We also lower our cost of equity to 8.75% and raise our price target to €554 from €551.

[2] Munich Re execs confident on €6bn profit target despite LA wildfire impact: Reports, Reinsurancene.ws, 22 Jan 2025

FIGURE 14. Changes to Munich Re estimates

	2024			2025			2026		
€m	Old	New	% Δ	Old	New	% Δ	Old	New	% Δ
P&C Reinsurance									
Net insurance revenue	27,338	27,338	0.0%	28,705	28,705	0.0%	30,140	30,140	0.0%
Combined ratio	83.50%	83.00%	-0.5%	81.80%	83.80%	2.0%	82.3%	83.8%	1.5%
Net profit	2,913	3,016	3.5%	3,619	3,486	-3.7%	3,878	3,754	-3.2%
L&H Reinsurance									
New business CSM	2,100	2,100	0.0%	1,700	1,700	0.0%	1,800	1,800	0.0%
Technical result	1,964	2,043	4.0%	1,805	1,860	3.0%	1,872	1,950	4.1%
Net profit	1,660	1,704	2.7%	1,527	1,629	6.7%	1,560	1,661	6.5%
ERGO									
ERGO Insurance revenue (gross)	20,829	20,829	0.0%	21,675	21,675	0.0%	22,557	22,557	0.0%
ERGO P&C GE combined ratio	87.8%	89.0%	1.2%	87.3%	88.5%	1.2%	87.4%	88.6%	1.2%
ERGO L&H operating result	272	275	1.4%	278	276	-0.8%	272	270	-0.8%
ERGO Intl operating result	400	377	-5.7%	399	405	1.6%	451	455	0.8%
ERGO net profit	857	802	-6.5%	942	900	-4.5%	985	939	-4.7%
Group									
Net investment income	7,057	7,167	1.6%	7,646	8,166	6.8%	8,020	8,515	6.2%
Net income post minorities	5,430	5,522	1.7%	6,088	6,016	-1.2%	6,422	6,354	-1.1%
Shareholders' equity	31,673	31,765	0.3%	33,617	33,636	0.1%	35,315	35,266	-0.1%
CSM (closing)	26,908	26,818	-0.3%	27,510	27,427	-0.3%	28,195	28,118	-0.3%
CSM net of tax	20,546	20,477	-0.3%	21,005	20,942	-0.3%	21,528	21,469	-0.3%
EPS (€)	40.80	41.49	1.7%	46.77	46.22	-1.2%	50.58	50.05	-1.1%
DPS (€)	17.25	17.25	0.0%	18.25	18.25	0.0%	19.25	19.25	0.0%

Source: Barclays Research

Swiss Re

Following December's Management Dialogues event in London, we update numbers to reflect new 2025 targets and expected higher 1Q25 nat cat losses. We make small positive changes to FY25-27e EPS, reflecting improved outlook and management confidence for the two P&C units - P&C Re and CorSo. Although we believe California wildfires may be a considerable drag on FY25 combined ratio (we estimate 1.7% impact above US$2bn annual nat cat expectations), our reported combined ratio is unchanged at 84% (vs sub-85% ambition). Our 2026 P&C Re combined ratio is also unchanged at 83.8%, but on the underlying level we assume a 90bps deterioration offset by fading impact of onerous contracts (as new prudence buffer gradually starts to be released). We also model an improved investment result for P&C businesses. Finally, following the improvement in reserve confidence we lower our cost of equity to 9.0%, resulting in a higher CHF136 price target (prior CHF126).

FIGURE 15. Changes to Swiss Re estimates

	2024			2025			2026		
US$m	Old	New	Δ	Old	New	Δ	Old	New	Δ
P&C Re									
Insurance revenues	20,105	20,105	0.0%	21,512	21,512	0.0%	22,695	22,695	0.0%

	2024			2025			2026		
US$m	Old	New	Δ	Old	New	Δ	Old	New	Δ
Combined ratio (%)	92.0%	91.0%	-1.0pp	84.0%	84.0%	0.0pp	83.8%	83.8%	0.0pp
Net profit	997	1,146	14.9%	2,186	2,240	2.4%	2,413	2,470	2.4%
L&H Re									
Insurance revenues	17,767	17,767	0.0%	18,300	18,300	0.0%	18,849	18,849	0.0%
CSM	19,463	19,308	-0.8%	19,989	19,835	-0.8%	20,532	20,378	-0.7%
Net profit	1,703	1,518	-10.9%	1,692	1,683	-0.5%	1,758	1,749	-0.5%
Corporate Solutions									
Insurance revenues	7,829	7,829	0.0%	8,064	8,064	0.0%	8,306	8,306	0.0%
Combined ratio (%)	90.5%	90.5%	0.0pp	90.5%	89.8%	-0.7pp	90.8%	90.1%	-0.7pp
Net profit	762	762	0.0%	697	744	6.8%	703	752	6.9%
Group items									
Net profit	-371	-371	0.0%	-210	-210	0.0%	-123	-123	0.0%
Swiss Re Group									
Insurance revenues	46,230	46,230	0.0%	47,783	47,783	0.0%	49,236	49,236	0.0%
Investment result	4,578	4,578	0.0%	4,365	4,433	1.6%	4,583	4,655	1.6%
Net income	3,091	3,055	-1.2%	4,366	4,458	2.1%	4,752	4,848	2.0%
Shareholders' equity	22,052	22,015	-0.2%	24,284	24,281	0.0%	26,080	26,113	0.1%
ROE (%)	14.6%	14.4%	-0.2pp	18.7%	19.1%	0.4pp	18.7%	19.1%	0.4pp
EPS (USD)	10.64	10.52	-1.2%	15.03	15.35	2.1%	16.54	16.85	1.9%
DPS (USD)	7.10	7.30	2.8%	7.40	7.60	2.7%	7.70	7.90	2.6%

Source: Barclays Research

Hannover Re

We do not expect Hannover Re to miss its FY25 cat budget at this stage, as the expected loss from the California wildfire event may be within its 1Q25 large loss budget of €406m, on our calculations (due to the impact of whole account XL and K-Cession treaties). Furthermore, we anticipate earnings support in 4Q24 on the back of relatively benign large loss experience (hence the 1pp lower FY24 combined ratio). However, for FY25 and FY26 we slightly reduce our expectations, reflecting slower Life CSM growth and a softer outcome of FY25 renewals (a 50bps underlying deterioration in FY26). In line with Munich Re and Swiss Re, we reduce our cost of equity to 8.25%, resulting in a higher price target of €220 from €217.

FIGURE 16. **Changes to Hannover Re forecasts**

	2024			2025			2026		
€m	Old	New	% Δ	Old	New	% Δ	Old	New	% Δ
P&C Reinsurance									
Net insurance revenue	15,617	15,617	0.0%	16,320	16,632	1.9%	16,973	17,298	1.9%
Combined ratio	87.8%	86.9%	-1.0%	87.8%	87.6%	-0.2%	88.1%	88.4%	0.3%
Operating profit	2,363	2,550	7.9%	2,679	2,739	2.2%	2,778	2,784	0.2%
L&H Reinsurance									
New business CSM	450	350	-22.2%	619	601	-2.9%	662	644	-2.7%
Reinsurance service result	885	885	0.0%	938	913	-2.6%	994	969	-2.5%
Operating profit	935	901	-3.6%	984	934	-5.1%	1,061	1,006	-5.1%
Hannover Re Group									

	2024			2025			2026		
€m	Old	New	% Δ	Old	New	% Δ	Old	New	% Δ
Net investment income	2,001	2,001	0.0%	2,281	2,307	1.1%	2,432	2,487	2.3%
Group EBIT	3,312	3,460	4.5%	3,665	3,669	0.1%	3,840	3,786	-1.4%
Net income post minorities	2,336	2,445	4.6%	2,568	2,571	0.1%	2,709	2,669	-1.5%
Shareholders' equity	12,091	12,073	-0.2%	13,862	13,822	-0.3%	15,590	15,491	-0.6%
CSM (closing)	8,480	8,288	-2.3%	8,978	8,787	-2.1%	9,215	9,025	-2.1%
CSM net of tax	6,530	6,382	-2.3%	6,913	6,766	-2.1%	7,095	6,949	-2.1%
EPS (€)	19.37	20.27	4.6%	21.30	21.32	0.1%	22.46	22.14	-1.5%
DPS (€)	9.70	9.70	0.0%	10.45	10.45	0.0%	11.20	11.20	0.0%

Source: Barclays Research

SCOR

We align our SCOR forecasts closer with the street expectations (for FY25-27e) largely on earnings components that could be regarded as technical - central costs and elements of investment income. The targets outlined during the December CMD for the life business were already in line with our estimates, both for the CSM stock and CSM unwind. For FY25, however, we bring our P&C combined ratio up by 1.2pp to reflect higher 1Q25 cat losses as we consider it likely that SCOR would exceed the 10% (c. €152m) quarterly budget with a 0.6% market share of US$30bn industry loss. In FY26 we expect the remedial actions taken by management to help offset margin pressure from renewals, and only expect a modest 20bps underlying combined ratio deterioration. We remain 3-4% below company collected consensus for FY26-27e. As a result of earnings changes, our PT is increased to €26.1 from €24.9.

FIGURE 17. **Changes to SCOR estimates**

	2024			2025			2026		
€m	Old	New	% Δ	Old	New	% Δ	Old	New	% Δ
P&C Reinsurance									
Net insurance revenue	5,603	5,713	2.0%	5,753	6,115	6.3%	6,083	6,566	7.9%
Combined ratio	87.2%	86.0%	-1.2pp	86.5%	87.6%	1.2pp	86.1%	86.8%	0.7pp
Insurance service result	718	802	11.6%	779	756	-3.0%	843	863	2.4%
L&H Reinsurance									
New business CSM	420	420	0.0%	380	380	0.0%	391	391	0.0%
Insurance service result	-373	-373	0.0%	434	434	0.0%	462	462	0.0%
Group									
Net investment income	923	927	0.4%	971	993	2.3%	998	1,039	4.1%
Group operating profit	201	315	56.6%	1,044	1,057	1.3%	1,095	1,157	5.7%
Net income - group share	-112	-33	-70.9%	654	664	1.4%	690	734	6.3%
Shareholders' equity	4,497	4,576	1.8%	5,027	5,116	1.8%	5,566	5,699	2.4%
CSM (closing)	5,384	5,384	0.0%	5,715	5,715	0.0%	6,033	6,033	0.0%
CSM net of tax	4,038	4,038	0.0%	4,286	4,286	0.0%	4,525	4,525	0.0%
EPS (€)	-0.63	-0.18	-70.9%	3.63	3.69	1.4%	3.82	4.07	6.3%

	2024			2025			2026		
€m	Old	New	% Δ	Old	New	% Δ	Old	New	% Δ
DPS (€)	1.80	1.80	0.0%	1.95	1.95	0.0%	2.10	2.10	0.0%

Source: Barclays Research

Hiscox

In our view, Hiscox's historical exposure to wildfires and the uncertainty related to potential exposure in specialty segments such as arts make the annual 5.5% large loss expectations embedded in our model likely to be exceeded - we assume 7.5% for 2025E, and trim our FY25 estimates in London Market and Re & ILS to reflect that. While we consider 1/1/25 renewals to be somewhat disappointing, for Hiscox this is already reflected in our expectation that factor in a 140bps deterioration in underlying combined ratio for FY26e. This should be partly offset by a more favorable 2H24 experience. We expect Hiscox to announce another US$150m buyback with FY25 results. Weaker GBP/USD also results in our improved price target of GBp1280 from GBp1220.

FIGURE 18. Changes to Hiscox forecasts

	2024			2025			2026		
$m	Old	New	% Δ	Old	New	% Δ	Old	New	% Δ
Retail									
Net insurance revenues	2,183	2,183	0.0%	2,314	2,314	0.0%	2,511	2,511	0.0%
Combined ratio (%)	88.9%	88.9%	0.0%	88.6%	0.0%	88.6%	88.6%	88.6%	0.0%
Pre-tax profit	311	311	0.0%	304	304	0.0%	318	318	0.0%
London Market									
Net insurance revenues	900	900	0.0%	903	903	0.0%	934	934	0.0%
Combined ratio (%)	81.1%	81.1%	0.0%	79.7%	81.6%	-1.9%	80.9%	80.5%	0.4%
Pre-tax profit	244	244	0.0%	243	225	-7.2%	234	239	1.8%
Hiscox Re & ILS									
Net insurance revenues	459	459	0.0%	487	487	0.0%	511	511	0.0%
Combined ratio (%)	75.0%	73.5%	1.5%	75.3%	80.0%	-4.7%	76.3%	76.5%	-0.2%
Pre-tax profit	210	218	3.5%	203	179	-12.0%	202	201	-0.5%
Hiscox Group									
Insurance contract written premium	4,753	4,753	0.0%	5,001	5,001	0.0%	5,397	5,397	0.0%
Net insurance revenues	3,543	3,543	0.0%	3,704	3,704	0.0%	3,956	3,956	0.0%
Insurance service result	548	555	1.4%	583	541	-7.2%	597	600	0.5%
Investment result	415	415	0.0%	343	343	0.0%	345	345	0.0%
Net insurance finance income	(188)	(188)	0.0%	(167)	(167)	0.0%	(178)	(178)	0.0%
Pre- tax profit	664	671	1.1%	663	621	-6.3%	667	670	0.5%
Group net income	597	604	1.1%	597	559	-6.3%	600	603	0.5%
Group combined ratio (%)	85.1%	84.9%	0.2%	84.7%	85.8%	-1.1%	85.2%	85.1%	0.1%
EPS (USD)	176.5	178.3	1.0%	179.8	168.0	-6.6%	179.1	179.4	0.2%
DPS (USD)	40.00	40.00	0.0%	43.00	43.00	0.0%	46.00	46.00	0.0%

Source: Barclays Research

Beazley

We don't assume Beazley takes an outsized share of CA wildfire losses - in fact, we believe Beazley will likely surprise the market with a smaller than expected loss despite a strong increase in property cat risk allocation. However, we regard the pricing outlook for cyber and casualty lines to be softer at 1/1/25 renewals, and reflect that in higher FY26-27e combined ratios and lower growth in 2025-26e. For FY24e, we expect this to be offset by marginally better result in Property in 2H24, as well as lower than expected IFIE. We now assume underlying combined ratio deterioration of 270bps in 2025 (as cyber loss experience is normalised) and 100bps in 2026 (reflecting softer 2025 renewals) towards the level of a low to mid-80s undiscounted combined ratio. Despite more pronounced FY25-26e EPS cuts, stronger GBP/USD mitigates impact on the price target - our new PT is set at GBp1,000 from GBp1,020.

FIGURE 19. Changes to Beazley forecasts

	2024			2025			2026		
$m	Old	New	% Δ	Old	New	% Δ	Old	New	% Δ
Gross Insurance written premium	5,912	5,912	0.0%	6,335	6,298	-0.6%	6,820	6,727	-1.4%
Net Insurance revenues	4,954	4,813	-2.9%	5,351	5,171	-3.4%	5,831	5,596	-4.0%
Net Insurance service result	1,150	1,139	-0.9%	1,137	1,096	-3.6%	1,202	1,121	-6.7%
Insurance Finance income/ (expense)	(109)	(39)	-64.1%	(241)	(238)	-0.9%	(225)	(221)	-1.6%
Investment result	591	591	0.0%	482	481	-0.3%	492	488	-0.9%
Operating result	1,396	1,463	4.9%	1,109	1,080	-2.6%	1,178	1,110	-5.8%
Profit after tax	1,108	1,164	5.0%	872	848	-2.7%	926	870	-6.0%
Combined ratio	76.8%	76.3%	-0.5%	78.8%	78.8%	0.0%	79.4%	80.0%	0.6%
Undiscounted combined ratio	80.8%	80.4%	-0.4%	82.6%	82.7%	0.1%	83.0%	83.6%	0.6%
EPS (USDc)	162.22	170.34	5.0%	126.70	123.27	-2.7%	133.52	125.52	-6.0%
DPS (GBp)	15.60	14.90	-4.5%	17.20	16.40	-4.7%	18.90	18.00	-4.8%

Source: Barclays Research

Lancashire

We make small changes to our Lancashire forecasts, aligning oure view of group FY24 combined ratio to "higher end of mid-80s" guidance, but partly offsetting this with higher investment returns. At this stage we don't anticipate Lancashire to pick up an outsized share of CA wildfire losses in 1H25, although we note that the ongoing litigation related to Russia-Ukraine plane claims may introduce an element of uncertainty as insurers and leasing companies accelerated settlements in recent quarters. In our view, our FY26 forecasts are sufficiently conservative for the softer 1/1/25 renewals which came in line with our expectations for short-tail lines - we model an underlying combined ratio 140bps deterioration in FY26. Stronger USD supports our price target which is increased to GBp800 from GBp770.

FIGURE 20. Changes to Lancashire forecasts

	2024			2025			2026		
$m	Old	New	Δ	Old	New	Δ	Old	New	Δ
Group statement									
GWP	2,106	2,125	0.9%	2,264	2,307	1.9%	2,400	2,470	2.9%
Net Insurance Revenue	1,320	1,320	0.0%	1,435	1,449	0.9%	1,539	1,569	1.9%
Insurance service result	423	414	-2.2%	475	469	-1.2%	503	502	-0.3%
Net investment return	177	178	0.4%	157	160	1.4%	162	166	2.4%
Pre-tax profit	367	359	-2.2%	375	370	-1.4%	390	388	-0.5%
Net income	345	337	-2.2%	330	326	-1.4%	343	342	-0.5%

	2024			2025			2026		
$m	Old	New	Δ	Old	New	Δ	Old	New	Δ
Shareholders' equity	1,508	1,501	-0.5%	1,592	1,583	-0.6%	1,662	1,653	-0.6%
Net Insurance ratio	67.9%	68.6%	0.7%	66.9%	67.6%	0.7%	67.3%	68.0%	0.7%
Net operating expense ratio	8.7%	8.7%	0.0%	8.6%	8.6%	0.0%	8.6%	8.6%	0.0%
Combined ratio (discounted)	76.6%	77.3%	0.7%	75.5%	76.2%	0.7%	75.9%	76.6%	0.7%
Combined ratio (undiscounted)	85.6%	86.3%	0.7%	83.0%	83.7%	0.7%	83.4%	84.1%	0.7%
EPS (USD)	1.41	1.38	-2.2%	1.35	1.32	-2.5%	1.45	1.49	2.8%
DPS (USD)	0.93	0.91	-2.2%	1.02	1.00	-1.4%	1.19	1.19	-0.5%

Source: Barclays Research

European Insurance **POSITIVE**

Beazley (BEZG.L)

OVERWEIGHT

Income statement	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
Total operating profit ($mn)	1,295	1,463	1,080	1,110	-5.0%
Tax rate (%)	18	18	18	18	0.0%
Shareholder post-tax profit ($mn)	1,027	1,164	848	870	-5.4%
•					
Insurance written premium ($mn)	5,601	5,912	6,298	6,727	6.3%
Insurance service result ($mn)	1,251	1,139	1,096	1,121	-3.6%
••					
Cyber combined ratio (%)	68.3	76.3	77.8	78.8	4.9%
Digital combined ratio (%)	68.3	76.3	76.6	76.8	4.0%
MAP combined ratio (%)	78.5	71.2	78.7	79.2	0.3%
Property combined ratio (%)	65.2	72.2	75.5	77.1	5.7%
Specialty combined ratio (%)	72.7	82.7	83.2	84.7	5.2%
•••					
Group combined ratio (%)	70.9	76.3	78.8	80.0	4.1%
Group expense ratio (%)	N/A	N/A	N/A	N/A	N/A
Group loss ratio (%)	N/A	N/A	N/A	N/A	N/A
••••					
P&C investment income ($mn)	480	591	481	488	0.5%
Per share data (GBp)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
EPS (reported) ($)	1.51	1.70	1.23	1.26	-6.1%
EPS (operating) ($)	1.57	1.76	1.30	1.32	-5.6%
DPS	14.2	14.9	16.4	18.0	8.2%
BVPS	460	577	654	736	16.9%
BVPS (ex-GW)	453	570	645	727	17.1%
Balance sheet ($bn)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
Total investments	9.67	10.32	10.99	11.59	6.2%
Total reserves	7.99	8.31	8.67	9.14	4.6%
Shareholders' equity (ex-GW)	3.82	4.55	4.86	5.13	10.3%
Balance sheet metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
Investment gearing (x)	2.5	2.3	2.3	2.3	2.3
Valuation metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
P/E (reported) (x)	6.9	6.1	8.5	8.3	7.5
P/BV (ex-GW) (x)	1.84	1.46	1.29	1.15	1.44
Dividend yield (%)	1.7	1.8	2.0	2.2	1.9
ROE (ex-GW) (%)	35.5	30.5	18.6	17.9	25.6

Price (24-Jan-2025)	**GBp 835**
Price Target	**GBp 1,000**

Why OVERWEIGHT?

Beazley is a rare example of an insurance growth play: resilient organic demand in specialty segments (notably cyber) and improving market underwriting conditions should help BEZ deliver stronger growth at better margins. We think BEZ could weather $300m of further losses before needing to strengthen capital.

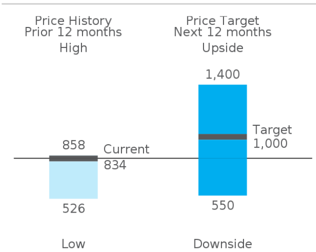
Upside case **GBp 1,400**

We assume Beazley is better able to capitalise on price hardening and organic demand – we add 3.0ppt of incremental growth to our forecasts and assume the group loss ratio improves faster than in our base case (lowered 2ppt vs. base). We leave our CoE unchanged.

Downside case **GBp 550**

Our downside case is premised on an incremental c.$300m catastrophe loss in 2024 that reduces Beazley's ability to capitalise on price hardening. From 2024 we assume c.5ppt worse GWP growth and a higher CoR by c.2.0ppt. We increase our CoE by 100bps.

Upside/Downside scenarios



Note: FY End Dec
Source: Company data, Bloomberg, Barclays Research

European Insurance | **POSITIVE**

Hannover Re (HNRGn.DE)

UNDERWEIGHT

Income statement (€mn)	2023A	2024E	2025E	2026E	CAGR
Total operating profit	1,971	3,460	3,669	3,786	24.3%
P&C reinsurance operating profit	1,099	2,552	2,741	2,786	36.4%
Life & Health reinsurance op profit	871	901	934	1,006	4.9%
Other & Group	1	7	-6	-6	N/A
Tax rate (%)	1	25	25	25	160.1%
Shareholder post-tax profit	1,825	2,445	2,571	2,669	13.5%
•					
P&C Reinsurance revenue (net)	14,198	15,617	16,632	17,298	6.8%
P&C Reinsurance service result	848	2,049	2,062	2,015	33.4%
Combined ratio (%)	94.0	86.9	87.6	88.4	-2.1%
••					
L&H Contractual service margin (€bn)	6.0	6.4	6.9	7.3	7.0%
L&H New business CSM	359	350	601	644	21.5%
L&H Contractual service margin release	852	833	708	757	-3.9%
L&H Reinsurance service result	810	885	913	969	6.2%
Per share data (€)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
EPS (reported)	15.13	20.27	21.32	22.14	13.5%
EPS (operating)	16.59	36.14	38.56	39.68	33.7%
DPS	7.20	9.70	10.45	11.20	15.9%
BVPS	83.97	100.11	114.61	128.46	15.2%
BVPS (ex-GW)	83.33	99.46	113.96	127.81	15.3%
Balance sheet (€bn)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
Total investments	60.1	64.7	69.1	72.0	6.2%
Group contractual service margin	7.7	8.3	8.8	9.0	5.4%
Group risk adjustment	3.9	3.9	4.0	4.1	2.4%
Shareholders' equity (ex-GW)	10.0	12.0	13.7	15.4	15.3%
Balance sheet metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
Investment gearing (ex UL) (x)	6.1	5.5	5.1	4.8	5.4
Reported solvency (%)	269.5	269.0	268.2	269.5	269.1
Total debt/capital (%)	30.7	27.4	25.0	23.1	26.5
Valuation metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
P/BV (ex-GW) (x)	3.09	2.59	2.26	2.02	2.49
P/E (reported) (x)	17.0	12.7	12.1	11.6	13.3
P/E (operating) (x)	15.5	7.1	6.7	6.5	8.9
Dividend yield (%)	2.8	3.8	4.1	4.3	3.7
ROE (ex-GW) (%)	19.2	22.2	20.0	18.3	19.9
Payout ratio (%)	47.6	47.8	49.0	50.6	48.8

Note: FY End Dec
Source: Company data, Bloomberg, Barclays Research

Price (24-Jan-2025)	**EUR 257.80**
Price Target	**EUR 220.00**

Why UNDERWEIGHT?

While Hannover Re should be able to maintain profitability and growth somewhat higher than peers, the stock continues to trade at a premium to the other large European reinsurers. Unattractive relative valuation and potential for extra underwriting returns from the hard market environment to be reinvested to rebuild the reserve buffer leave us more cautious.

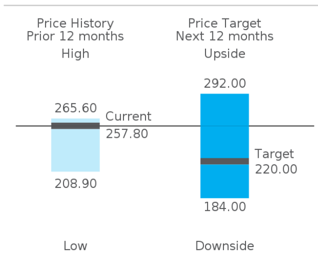
Upside case **EUR 292.00**

We increase P&C pricing by 10% for 2023 and assume a 2pp combined ratio benefit. We reduce the CoE 50bps and we assume better than expected technical performance in L&H. We also include a €2.8bn reserve buffer in valuations, double management's estimate.

Downside case **EUR 184.00**

We increase the cost of equity by 50bps and assume Hannover experiences 5% softer prices in P&C. At the same time, we assume the P&C Combined Ratio deteriorates 2ppts and experiences worse technical performance in L&H. We also halve the €1.4bn P&C reserve in valuation.

Upside/Downside scenarios



European Insurance | POSITIVE

Hiscox Ltd. (HSX.L)

EQUAL WEIGHT

Income statement ($mn)	2023A	2024E	2025E	2026E	CAGR
Total operating profit	676	721	671	720	2.1%
London Market operating profit	252	245	226	239	-1.7%
Retail operating profit	268	312	305	319	5.9%
RE & ILS operating profit	223	219	180	202	-3.1%
Group items	-67	-54	-40	-40	N/A
Tax rate (%)	-13.8	10.0	10.0	10.0	N/A
Shareholder post-tax profit	712	604	559	603	-5.4%
.					
Total contract premiums	4,598	4,753	5,001	5,397	5.5%
London Market premiums	1,243	1,237	1,250	1,325	2.1%
Retail premiums	2,369	2,487	2,661	2,927	7.3%
RE & ILS premiums	986	1,029	1,090	1,145	5.1%
Insurance service result	492	555	541	600	6.8%
..					
Group combined ratio (%)	85.6	84.9	85.8	85.1	-0.2%
London Market combined ratio (%)	79.1	81.1	81.6	80.5	0.6%
Retail combined ratio (%)	91.6	88.9	88.6	88.6	-1.1%
RE & ILS combined ratio (%)	68.3	73.5	80.0	76.5	3.9%
Group expense ratio (%)	48.2	45.8	45.8	45.9	-1.6%
Group loss ratio (%)	37.4	39.1	39.9	39.2	1.6%
...					
P&C investment income	384.4	414.5	342.8	344.5	-3.6%
Per share data (GBp)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
EPS (reported)	165.7	144.7	136.4	145.6	-4.2%
EPS (operating)	177.4	156.7	148.6	157.7	-3.8%
DPS (USD Cents)	37.5	40.0	43.0	46.0	7.0%
BVPS	747	895	953	1,017	10.8%
BVPS (ex-GW)	745	893	951	1,015	10.8%
Balance sheet ($bn)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
Total investments	8.01	8.45	9.13	9.75	6.8%
Total reserves	6.60	7.00	7.35	7.85	5.9%
Shareholders' equity (ex-GW)	3.29	3.64	3.92	4.22	8.7%
Balance sheet metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
Investment gearing (x)	2.4	2.3	2.3	2.3	2.3
Valuation metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
P/E (reported) (x)	6.4	7.4	7.8	7.3	7.2
P/E (operating) (x)	6.0	6.8	7.2	6.8	6.7
P/BV (ex-GW) (x)	1.43	1.19	1.12	1.05	1.20
Dividend yield (%)	2.8	3.0	3.2	3.5	3.1
ROE (ex-GW) (%)	24.1	17.4	14.8	14.8	17.8
Payout ratio (%)	23.2	18.2	20.8	20.8	20.7

Note: FY End Dec
Source: Company data, Bloomberg, Barclays Research

Price (24-Jan-2025)	**GBp 1,066**
Price Target	**GBp 1,280**

Why EQUAL WEIGHT?

Hiscox has a unique specialty business, with a high net worth retail business that diversifies the group and would be hard to replicate. We see competitive and execution threats to the Retail business, which failed to meet targets in recent years. Upcoming market hardening should leave Hiscox well positioned to participate, if the capital buffer is not erode

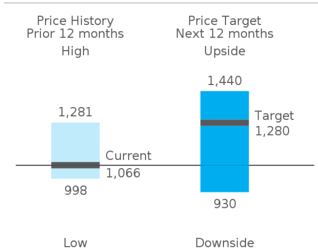
Upside case **GBp 1,440**

We assume Hiscox is better able to capitalise on price hardening in London Market and Re & ILS – we add 10.0ppt of incremental growth to our forecasts in these segments . Further, we reduce our CoE by 100bps.

Downside case **GBp 930**

Our downside case is premised on an incremental c.$400m catastrophe loss in 2024 that also reduces Hiscox's ability to capitalise on price hardening. From 2024 we assume c.10ppt worse GWP growth. We increase our CoE by 100bps.

Upside/Downside scenarios



European Insurance | POSITIVE

Lancashire Holdings (LRE.L)

EQUAL WEIGHT

Income statement ($mn)	2023A	2024E	2025E	2026E	CAGR
Total operating profit	364	391	401	420	4.8%
Tax rate (%)	3.4	6.0	12.0	12.0	52.8%
Shareholder post-tax profit	322	337	326	342	2.0%
.					
Insurance written premium	1,932	2,125	2,307	2,470	8.5%
Insurance service result	382	414	469	502	9.5%
..					
Group combined ratio (%)	74.9	77.3	76.2	76.6	0.8%
Net insurance ratio (%)	65.1	68.6	67.6	68.0	1.5%
Net operating expense ratio (%)	9.8	8.7	8.6	8.6	-4.3%
...					
P&C investment income	160.5	178.1	159.6	165.6	1.1%
Per share data ($)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
EPS (reported)	1.32	1.38	1.32	1.37	1.3%
EPS (operating)	1.48	1.54	1.48	1.53	1.1%
DPS	1.20	0.91	1.00	1.19	-0.4%
BVPS	6.17	6.08	6.36	6.59	2.2%
BVPS (ex-GW)	5.88	5.79	6.08	6.31	2.4%
Balance sheet ($bn)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
Total investments	2.46	2.74	3.00	3.24	9.7%
Total reserves	1.82	2.02	2.21	2.40	9.5%
Shareholders' equity (ex-GW)	1.44	1.43	1.51	1.58	3.3%
Balance sheet metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
Investment gearing (x)	1.7	1.9	2.0	2.0	1.9
Total debt/capital (%)	22.8	22.9	22.0	21.3	22.3
Valuation metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
P/E (reported) (x)	6.1	5.8	6.1	5.9	6.0
P/BV (ex-GW) (x)	1.37	1.39	1.32	1.27	1.34
Dividend yield (%)	14.9	11.3	12.5	14.7	13.4
ROE (ex-GW) (%)	23.9	23.5	22.1	22.1	22.9

Note: FY End Dec
Source: Company data, Bloomberg, Barclays Research

Price (24-Jan-2025)	**GBp 644**
Price Target	**GBp 800**

Why EQUAL WEIGHT?

Lancashire continues to benefit from strong rate increase and growth. However, the business earnings are volatile and reliant on positive claims experience in lines such as nat cat underwriting as well as specialty.

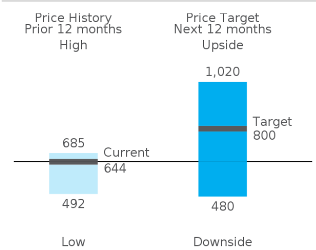
Upside case **GBp 1,020**

We increase Group top line by 10% (reflecting harder nat cat markets) and assume a 3pp lower loss ratio across the board. We leave our CoE unchanged.

Downside case **GBp 480**

We stress our 2024e earnings for a historical large loss (27% of NIR), and also expect 20% lower top line across the group as ability to write business may be impaired. We also raise our CoE assumption by 100bps.

Upside/Downside scenarios



European Insurance **POSITIVE**

Munich RE (MUVGn.DE)

OVERWEIGHT

Income statement (€mn)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
Total operating profit	5,702	7,553	8,196	8,670	15.0%
Total reinsurance operating profit	4,738	6,472	7,010	7,432	16.2%
P&C reinsurance operating profit	3,052	4,278	4,917	5,300	20.2%
Life & Health reinsurance op profit	1,686	2,193	2,093	2,132	8.1%
P&C Germany operating profit	397	429	505	514	9.0%
L&H Germany op profit	197	275	276	270	11.0%
International operating profit	370	377	405	455	7.1%
Tax rate (%)	17	25	24	24	13.0%
Shareholder post-tax profit	4,606	5,522	6,016	6,354	11.3%
•					
P&C Reinsurance revenue (net)	26,036	27,338	28,705	30,140	5.0%
P&C Reinsurance service result	3,849	4,647	4,650	4,883	8.3%
Reinsurance combined ratio (%)	85.2	83.0	83.8	83.8	-0.6%
••					
L&H Re contractual service margin	12.3	13.9	15.1	16.4	10.0%
L&H Re new business CSM	2,103	2,100	1,700	1,800	-5.1%
L&H Re CSM release	898	982	973	1,058	5.6%
L&H Reinsurance service result	1,073	1,343	1,100	1,167	2.8%
•••					
ERGO net result	721	802	900	939	9.2%
Per share data (€)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
EPS (reported)	33.88	41.49	46.22	50.05	13.9%
EPS (operating)	34.98	43.04	48.07	52.14	14.2%
DPS	15.00	17.25	18.25	19.25	8.7%
BVPS	220.29	240.41	260.17	280.60	8.4%
BVPS (ex-GW)	196.63	216.21	235.44	255.16	9.1%
Balance sheet (€mn)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
Group contractual service margin	25.1	26.8	27.4	28.1	3.8%
Group risk adjustment	4.7	4.7	4.8	4.9	1.6%
Shareholders' equity (ex-GW) (€bn)	26.5	28.5	30.3	31.9	6.5%
Balance sheet metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
Reported solvency (%)	267.4	277.7	285.5	282.0	278.1
Total debt/capital (%)	13.7	16.4	16.9	17.6	16.1
Valuation metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
P/BV (ex-GW) (x)	2.66	2.42	2.22	2.05	2.34
P/E (reported) (x)	15.4	12.6	11.3	10.4	12.4
P/E (operating) (x)	14.9	12.1	10.9	10.0	12.0
Dividend yield (%)	2.9	3.3	3.5	3.7	3.3
ROE (ex-GW) (%)	18.3	20.1	20.5	20.4	19.8
Payout ratio (%)	44.3	41.6	39.5	38.5	41.0

Note: FY End Dec
Source: Company data, Bloomberg, Barclays Research

Price (24-Jan-2025)	**EUR 522.80**
Price Target	**EUR 554.00**

Why OVERWEIGHT?

In our view, Munich Re remains one of the better capitalised and diversified reinsurers in the world, with ample balance sheet strength to take advantage of improving market conditions while continuing to offer generous capital return. Improving recurring investment yield further supports underwriting result.

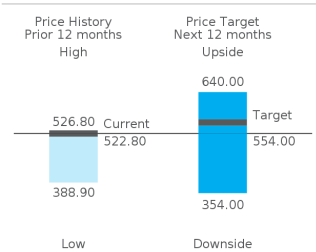
Upside case **EUR 640.00**

Our upside case assumes Munich Re benefits from c.3p stronger P&C Re COR and a better-than-expected ERGO Life technical performance. We include our highest reserve surplus estimate (less reserve run-off for 5yrs) in valuation, and we include a €3bn share buyback from 2025-27.

Downside case **EUR 354.00**

Our downside case assumes Munich Re experiences a c.2.5ppt worse P&C Re Combined ratio and a worse-than-expected ERGO Life technical performance. We do not include any reserve surplus, and we assume no share buyback going forward.

Upside/Downside scenarios



European Insurance **POSITIVE**

SCOR (SCOR.PA)

EQUAL WEIGHT

Income statement (€mn)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
Insurance service result	1,486	429	1,190	1,326	-3.7%
Investment result	895	927	993	1,039	5.1%
Total operating profit	1,366	315	1,057	1,157	-5.4%
Tax rate (%)	35	117	30	30	-5.4%
Shareholder post-tax profit	812	-33	664	734	-3.3%
•					
P&C insurance revenue (net)	5,989	5,713	6,115	6,566	3.1%
P&C insurance service result	898	802	756	863	-1.3%
Combined ratio (%)	85.0	86.0	87.6	86.8	0.7%
••					
L&H Contractual service margin (€bn)	5.4	4.7	4.9	5.0	-2.6%
L&H New business CSM	466	420	380	391	-5.6%
L&H Contractual service margin release	412	302	304	328	-7.3%
L&H Reinsurance service result	589	-373	434	462	-7.8%
Per share data (€)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
EPS (reported)	4.54	-0.18	3.69	4.07	-3.6%
EPS (operating)	5.12	0.40	4.27	4.65	-3.2%
DPS	1.80	1.80	1.95	2.10	5.3%
BVPS	26.16	25.29	28.23	31.39	6.3%
BVPS (ex-GW)	21.25	20.38	23.33	26.51	7.7%
Balance sheet (€bn)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
Total investments	25.5	25.4	26.9	27.9	3.1%
Group contractual service margin	6.0	5.4	5.7	6.0	0.3%
Group risk adjustment (€mn)	2.5	3.2	3.3	3.4	11.0%
Shareholders' equity (ex-GW) (€mn)	3.8	3.7	4.2	4.8	7.9%
Balance sheet metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
Investment gearing (ex UL) (x)	6.7	6.9	6.4	5.8	6.5
Reported solvency (%)	209.3	214.1	202.6	205.0	207.7
Total debt/capital (%)	40.7	43.9	42.0	40.2	41.7
Valuation metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
P/BV (ex-GW) (x)	1.17	1.22	1.07	0.94	1.10
P/E (reported) (x)	5.5	N/A	6.7	6.1	6.1
Dividend yield (%)	7.2	7.2	7.8	8.4	7.7
ROE (ex-GW) (%)	25.6	-0.9	16.9	16.3	14.5

Note: FY End Dec
Source: Company data, Bloomberg, Barclays Research

Price (24-Jan-2025)	**EUR 24.86**
Price Target	**EUR 26.10**

Why EQUAL WEIGHT?

SCOR should benefit from the hard reinsurance market and higher interest rates should provide additional support to investment income. However, SCOR is performing portfolio remediation, and we also consider its likely thinner reserve margins a potential worry. Our Equal Weight rating reflects an attractive valuation but uncertainty on strategic direction.

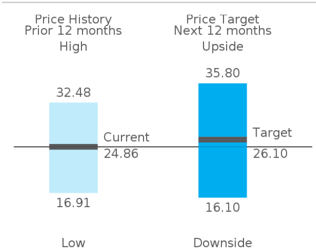
Upside case **EUR 35.80**

In our upside scenario, we expect SCOR to see 3pp higher P&C prices, while improving loss ratio by 5pp and better-than-expected technical performance in L&H. Stronger profitability would allow the company to increase dividend payout. We also lower cost of equity by 50bps to 11.5%.

Downside case **EUR 16.10**

In a bear case, we expect SCOR to shrink written premiums by 3%, while loss ratio goes up by 5pp and worse-than-expected technical performance in L&H. In such a scenario, dividend payments may be reduced. We also increase cost of equity by 50bps to 12.5%.

Upside/Downside scenarios



European Insurance **POSITIVE**

Swiss Re (SRENH.S)

EQUAL WEIGHT

Income statement ($mn)	2023A	2024E	2025E	2026E	CAGR
Total operating profit	3,876	4,070	5,857	6,337	17.8%
P&C reinsurance operating profit	1,858	1,463	2,848	3,139	19.1%
Life & Health reinsurance op profit	1,680	2,024	2,245	2,332	11.6%
CorSo operating profit	849	970	984	994	5.4%
Other & Group	-511.0	-387.8	-219.6	-128.8	N/A
Tax rate (%)	21	25	23	23	3.5%
Shareholder post-tax profit	3,042	3,055	4,458	4,848	16.8%
.					
P&C Reinsurance revenue (net)	19,104	18,798	20,114	21,220	3.6%
P&C Reinsurance service result	2,715	1,692	3,218	3,448	8.3%
P&C Re combined ratio (%)	85.8	91.0	84.0	83.8	-0.8%
P&C investment income	1,613	2,684	2,741	2,936	22.1%
..					
CorSo Combined ratio (%)	90.9	90.5	89.8	90.1	-0.3%
...					
L&H Contractual service margin ($bn)	19	19	20	20	1.5%
L&H Reinsurance service result	1,340	1,797	1,970	2,027	14.8%
Per share data ($)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
EPS (reported)	10.49	10.52	15.35	16.85	17.1%
EPS (operating)	10.49	10.52	15.35	16.85	17.1%
DPS	6.80	7.30	7.60	7.90	5.1%
BVPS	69.53	76.57	84.37	92.41	9.9%
BVPS (ex-GW)	55.83	62.87	70.67	78.45	12.0%
Balance sheet ($mn)	**2023A**	**2024E**	**2025E**	**2026E**	**CAGR**
Total investments	109	111	114	119	3.0%
Group contractual service margin	22	22	22	22	0.4%
Group risk adjustment	8	8	8	8	0.9%
Shareholders' equity (ex-GW)	N/A	N/A	N/A	N/A	N/A
Balance sheet metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
Investment gearing (ex UL) (x)	5.4	5.0	4.7	4.5	4.9
Reported solvency (%)	306.3	317.8	315.3	311.2	312.7
Total debt/capital (%)	18.9	17.4	16.4	15.6	17.1
Valuation metrics	**2023A**	**2024E**	**2025E**	**2026E**	**Average**
P/BV (ex-GW) (x)	2.73	2.43	2.16	1.94	2.32
P/E (reported) (x)	14.5	14.5	9.9	9.1	12.0
P/E (operating) (x)	14.5	14.5	9.9	9.1	12.0
Dividend yield (%)	4.5	4.8	5.0	5.2	4.9
ROE (ex-GW) (%)	18.6	17.7	23.0	22.6	20.5
Payout ratio (%)	61.3	69.4	49.5	46.9	56.8

Note: FY End Dec
Source: Company data, Bloomberg, Barclays Research

Price (24-Jan-2025)	**CHF 138.05**
Price Target	**CHF 136.00**

Why EQUAL WEIGHT?

Swiss Re should continue to benefit from a hardening reinsurance market, with higher interest rates providing the additional support to investment income. However, we consider the reliance on nat cat earnings along with thinner reserve margins to be a potential worry.

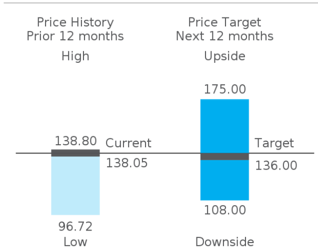
Upside case **CHF 175.00**

In P&C Re, we assume pricing improves 5ppts above our base case and the division experiences loss ratio improvements. We see a lower combined ratio in CorSo and 50bps higher margins in the life businesses. We also expect CoE to improve 100bps as confidence in the dividend grows.

Downside case **CHF 108.00**

In P&C Re, we assume pricing deteriorates 5ppt faster than the base case and loss ratios experience a 5ppt hit in 2024. At CorSo we model reserve strengthening and a deterioration in the expense ratio. We see L&H Re margins on reserves falling 100bps. As a result CoE rises 200bps.

Upside/Downside scenarios



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Primary Stocks (Ticker, Date, Price)
Beazley (BEZG.L, 24-Jan-2025, GBp 835), Overweight/Positive, J

Hannover Re (HNRGn.DE, 24-Jan-2025, EUR 257.80), Underweight/Positive, CD/J/K/M/N

Hiscox Ltd. (HSX.L, 24-Jan-2025, GBp 1066), Equal Weight/Positive, CD/J/K/N

Lancashire Holdings (LRE.L, 24-Jan-2025, GBp 644), Equal Weight/Positive, CD/FA/J/K/M/N

Munich RE (MUVGn.DE, 24-Jan-2025, EUR 522.80), Overweight/Positive, A/CD/D/E/J/K/L/M/N

SCOR (SCOR.PA, 24-Jan-2025, EUR 24.86), Equal Weight/Positive, CD/J/K/M/N

Swiss Re (SRENH.S, 24-Jan-2025, CHF 138.05), Equal Weight/Positive, CD/J/K/M/N

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AXA (AXAF.PA)	Beazley (BEZG.L)	Direct Line Insurance Group (DLGD.L)
Generali (GASI.MI)	Gjensidige Forsikring ASA (GJFS.OL)	Hannover Re (HNRGn.DE)
Hiscox Ltd. (HSX.L)	Just Group (JUSTJ.L)	Lancashire Holdings (LRE.L)
Legal & General (LGEN.L)	M&G plc (MNG.L)	Mapfre (MAP.MC)
Munich RE (MUVGn.DE)	NN (NN.AS)	Old Mutual Ltd (OMU.L)
Phoenix (PHNX.L)	Prudential Plc (PRU.L)	Sabre Insurance Group Plc (SBRE.L)
Sampo (SAMPO.HE)	Sanlam Ltd (SLMJ.J)	SCOR (SCOR.PA)
St. James's Place (SJP.L)	Swiss Life (SLHN.S)	Swiss Re (SRENH.S)
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