

# EC4 NEWS

## WEEK 25- 2025

### Editorial

Welcome to a new edition of EC4 News, the leading technical newsletter on risk and reinsurance. This issue brings together the most relevant developments in the sector in recent days, focusing on market trends, financial analysis, and strategic risk management.

Our goal is to offer a concise and up-to-date overview to facilitate informed decisions. Thank you for joining us for this specialized review of the global insurance environment.

### The most important news

#### Reinsurance Update



Jefferies analysis points out that with declining pricing in upper layers, cedants are increasing purchases in mid-tower reinsurance structures, expected from June 2025 into January 2026. This shift demands tailored offerings for working-layer risk.

#### Trends and Analysis



Q2 has broken all previous quarterly records by surpassing USD 10bn in catastrophe bond issuance. The ILS market remains robust, offering vital capital alternatives for catastrophe exposures.



## Technology and Innovation

Swiss Re expands its partnership with Microsoft to strengthen risk modeling in the cloud. The new solutions, integrated into the Azure platform, enable insurers and reinsurers to simulate complex catastrophic events with greater speed and accuracy, optimizing processing times and advancing the digitalization of the sector.

## Market Indicators

Fitch reports that Florida's re/retro capacity surged during the June-July renewals, driven by record cat bond issuance and strong FHCF structure. Terms/retentions stable, enabling efficient layering strategies.



## Success Stories/Good Practices

Aspen earned USD45.6 M in fees via Aspen Capital Markets (a 36% YoY increase), offsetting underwriting losses under its 96.1% combined ratio art. A model for hybrid revenue streams in traditional re/insurers.

### Consultation Sources

- *Insurance Journal, Reinsurance News, 2025*  
<https://www.insurancejournal.com/reinsurance/>
- *Reinsurance News, News, 2025*,  
<https://www.reinsurancene.ws/>