

# EC4 NEWS

## WEEK 32- 2025

### Editorial

In this edition of EC4 News, we bring you the most relevant developments in the industrial reinsurance sector. Our focus spans parametric innovations, strategic market movements, and technical trends impacting decision-making. We hope these insights are valuable for insurers, reinsurers, engineering consultancies, and risk takers.

#### Top News

##### Reinsurance Current Affairs



AIG reported that its conservative reinsurance approach for U.S. property has led to risk-adjusted rate decreases in 2025 that are equal to or greater than those in its primary business.

##### Trends and Analysis



Parametric covers are becoming increasingly relevant, enabling more efficient transfer of peak peril risks.



## Technology and Innovation

Parametric covers, especially for severe convective storms (SCS), are gaining traction. Progressive added an aggregated parametric SCS cover to its 2025 reinsurance program.

## Market Indicators

European reinsurance shares may be ripe for re-rating if Q2 results confirm they are on track to meet full-year earnings targets.



## Local Outlooks

Low insurance penetration in Latin America presents significant growth opportunities, but also volatility. According to Fitch Ratings, while Latin American markets see high premium growth driven by under-penetration, performance is heavily influenced by GDP trends, inflation, and large account shifts. Nevertheless, low administrative costs, ceding commissions, and investment income enable favorable underwriting performance.



### References

- *Insurance Journal*, Noticias de reaseguros, 2025  
[www.theinsurer.com/parametric-insurer/news](http://www.theinsurer.com/parametric-insurer/news)
- *Reinsurance News*, Noticias, 2025,  
<https://www.reinsurancene.ws/>