

## 1 April 2017 renewals continue direction set at 1 January 2017: Willis Re 1<sup>st</sup> View

**LONDON, 3 April 2017** — 2016 generated an acceptable though reduced return for the global reinsurance industry and consequently the 1 April 2017 renewal season has largely followed the direction set at 1 January, according to [the latest 1st View renewals report](#) from Willis Re, the reinsurance division of Willis Towers Watson (NASDAQ: WLTW), the global advisory, broking and solutions company.

According to the report, in the face of soft market conditions and the limited number of acceptably priced opportunities, many reinsurers remain prepared to let their top line revenue growth stall and are opting to return excess capital to their shareholders.

The report says that reinsurers' overall limits purchased have not reduced, and in some markets they have increased, as more buyers seek additional protection on their growing portfolios.

The report goes on to affirm that capital markets have maintained a competitive posture that emerged at the end of 2016 with many insurance-linked securities (ILS) funds looking to offset the decline in opportunities as existing catastrophe bonds mature. Catastrophe bond spreads have continued to decline as many investors have become keen for increased liquidity.

For long tail classes, the March 2017 changes to U.K.-specific discount rates (in the government's actuarial "Ogden Tables") for assessing personal liability claims has not yet made an impact in the wider reinsurance market.

**John Cavanagh, Global CEO of Willis Re, said:** "As reinsurers look to the rest of this year they can draw comfort that in many cases the reductions are slowing and unbridled competition is abating as the managers face the buffers of tighter regulation, better pricing analytics and transparent shareholder expectations."

**Download the full report:** [The Willis Re 1st View report](#) is a thrice yearly publication including specific commentary on key trends throughout the world's major reinsurance classes and regions.

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