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The 60-Second Executive Brief

PROPERTY INSURANCE MARKET UPDATE

Concise, simplified update for executives and insurance/risk teams on the go.



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Pricing

The property insurance market is seeing improved stability and a shift towards more favourable conditions for buyers. With inflation largely stabilised in Australia and global interest rates remaining supportive, insurers are demonstrating increased appetite – especially from international players returning to or expanding within the region. This is contributing to more competitive pricing, improved terms, and a reduction in discrepancies across co-insured programs.

Insureds adopting a strategic and proactive approach to market engagement – such as stress-testing coverage, negotiating creative structures, or reassessing risk assumptions – are realising stronger pricing outcomes than those who approach renewals with a status quo mindset.

Furthermore, organisations willing to increase self-insured retentions, explore alternative risk transfer solutions, or diversify insurer partnerships are positioned to benefit the most from the current market cycle. The pricing trend reflects a broader global shift towards rewarding flexibility, innovation, and strong risk profiles.

Despite recent natural catastrophe events – including Cyclone Alfred in Australia and significant wildfire activity in Southern California – commercial property lines have remained relatively insulated from severe pricing shocks, with personal lines bearing the brunt of losses.

Be an outperformer

Stay ahead of your competition and [contact us today](#) to optimise your coverage, pricing, and risk management so you can outperform your peers and secure the best possible outcomes.

Capacity

Capacity levels in the property market are currently strong, with Australia benefiting from a wave of returning and new international entrants. This has resulted in oversubscription on many programs, especially where insureds are adopting modern placement strategies and broadening their insurer panels.

The influx of capacity has helped smooth program structuring, especially for co-insured placements, where improved alignment in terms and reduced variation in coverage has been observed. Buyers now face the challenge of weighing the value of established long-term insurer relationships against the new opportunities presented by emerging market players.

Locally, the Australian market is also undergoing a structural shift. Increased activity from Managing General Agents (MGAs) and a rise in automatic broker facility capacity is driving further fragmentation. While this presents opportunities for efficiency and access to niche underwriting expertise, it also places pressure on traditional insurer market share.

Although natural catastrophes remain a watchpoint – particularly with growing climate volatility – the commercial property insurance sector remains well-capitalised. Globally, total insured catastrophe losses in 2024 reached USD\$140 billion, with a truly market-changing event still defined as exceeding USD\$250 billion in losses.



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