



News release

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Contact Marina Mello, PwC
Tel: 1-441-299-7184/1-441-505-3127
e-mail: marina.mello@bm.pwc.com

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PwC: ‘Bermuda market’s capital & strength after catastrophes sends strong message to world’

12th annual PwC / S&P Bermuda Reinsurance conference focuses on new technologies, new risks, new market dynamic

Hamilton, Bermuda – The annual Bermuda Reinsurance conference opened today with a focus on the theme, **The Dynamics of Discipline, Diversification & Disruption**, looking at the impact of the recent catastrophes, transformational trends and new threats impacting the industry.

Arthur Wightman, PwC Bermuda and Insurance leader, in his opening remarks said: “I think it’s important to reflect on the societal importance of what it is that we do here in Bermuda and how much of a positive impact the protections we offer have in restoring communities and businesses post event. Frankly without this market, billions of dollars of cover would not be placed because it is commercially out of reach for so many.

“The Bermuda market has again shown its resilience. Its capital and its strength send a message that this market will be there in times of difficulty.”

On disruptive forces impacting the industry, Mr Wightman said: “Sometimes I think we talk about disruption as if it’s a dirty word. I like to think of it as an opportunity. And indeed many reinsurers are purposely disrupting themselves from within. The future is indeed bright if CEOs can grasp the dynamic opportunities ahead. And many are. For example, it was quite unheard of to see venture capital funds being established by reinsurers. And yet the number is at least 20 and counting. These are being used for a variety of reasons but they are funding the big bets that need to be placed to seize the future.”

Introducing keynote speaker, the BMA’s Jeremy Cox, Mr Wightman said, “This market owes a debt of gratitude to Jeremy Cox, Chief Executive Office of the Bermuda Monetary Authority and his team, for leading Bermuda to establish its regulatory pillar and be equivalent with the highest global standards.”

The island’s premier insurance industry forum takes place this year amid a fast changing market dynamic. After the recent catastrophic events, re/insurers are facing more than \$100 billion of losses and many are predicting that the trend in soft reinsurance pricing is coming to an end.

The **View from the Top: Reinsurance CEO** panel this year included:

Marc Grandisson, President and Chief Operating Officer, Arch Capital Group Ltd;
Michael S. McGavick, Chief Executive Officer, XL Group Ltd.;
Kevin J. O’Donnell, President and Chief Executive Officer, RenaissanceRe Holdings Ltd.



One question the CEO panel considered, was given the magnitude of the recent catastrophe losses, has the reinsurance pricing cycle finally reached an inflection point. The consensus was 'yes' with a view that the recent storms may prove a bigger test for the traditional reinsurance market - than the alternative market.

When asked what the re/insurance industry should focus on most to drive growth and profitability in the next 12 months, over 50% of industry leaders and professionals who took part in a poll at the conference said 'new strategic alliances and collaboration with insurtech start-ups'.

Asked what will have the most impact on the reinsurance industry over the next 12 months, an overwhelming 70% said 'reinsurance pricing trends'.

The full line-up of panels and speakers and registration details can be found here:
<https://www.pwc.com/bm>

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