



News release

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PwC Bermuda Reinsurance conference: Sense of optimism among island's reinsurers as pricing declines slow and CEOs seek out new opportunities to grow

Hamilton, Bermuda – Reinsurance CEOs are upbeat about the market as pricing declines slow and they focus on opportunities for growth, including US mortgage risk, cyber, and closing the insurance gap.

Reinsurance leaders shared their views with more than 270 industry professionals at the annual **PwC - S&P Global Bermuda Reinsurance** conference November 8, with CEOs saying the island's reinsurance market should be proud of its performance.

Matthew Britten, PwC Bermuda insurance partner, said: "I think what I heard on Tuesday was an increased level of optimism driven by a number of factors including; that despite prolonged tough conditions the market as a whole has remained rational, that reinsurers continue to innovate and search out new opportunities to serve their clients, that investors continue to view the reinsurance asset classes as attractive, and, specifically for the traditional reinsurers, the continued value and importance of rated balance sheets to reinsurance buyers."

Arthur Wightman, PwC Bermuda Leader and regional Insurance and Markets Leader commented: "I stated last year that Bermuda is the seedbed of innovation and adaptability and since then this marketplace continues to drive innovation on the world stage."

Mr Wightman added: "While most reinsurers have embraced change to support incremental innovation, bigger breakthroughs are necessary to compete with the new technologies and business models that are disrupting the industry."

He said: "Technology can radically eliminate waste and enhance underwriting; reinsurance can catalyze the reduction of the protection gap; disintermediation benefits customers and investors alike; strategic cost reduction must trump incremental savings; and diversity will improve returns and is close to being a silver bullet for innovation."

Speaking during the conference's CEO Panel, **Kevin O'Donnell, President and Chief Executive Officer, RenaissanceRe Holdings Ltd.**, said: "I do see green shoots of growth both for making the pie bigger and for each of us to be more efficient to attract more risk like cyber to our market."



S&P Global Ratings

CEOs on the panel said they were pleased with the progress in the rate environment – which may have reached a bottom.

Looking forward to 2017 – CEOs said it’s going to be a tough year but also one where the reinsurance market is “very well poised for success”.

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