



Two-Speed Market. The Split is Getting Wider.

Property is softening faster than most buyers expected. Casualty is still hardening, and the numbers behind it are getting worse before they get better.

The mid-year picture has held and sharpened: rate relief in property is real, but concentrated. Social inflation is not easing. Reserve deterioration in casualty lines is a structural problem, not a cyclical one. And the second half of 2026 carries enough uncertainty – catastrophe season, rising bankruptcies, regulatory pressure on defense costs – that the accounts capturing the best terms right now are the ones who came to market early and prepared.

Underwriting rigor has not loosened with pricing. Underwriters are relying on digital data and predictive analytics more than ever. The organizations that can demonstrate strong safety protocols, operational controls, and loss-prevention efforts are winning the best terms.

Property: the clearest cycle turn in years.

Well-performing, non-CAT-exposed risks are renewing flat to down 5% in 2026. Shared and layered placements are seeing rate decreases of 10-30%. U.S. property rates dropped 8% in Q4 2025, and the driver is capital: global reinsurance capital has surpassed \$700 billion, and property catastrophe reinsurance rates dropped 14.7% at the January 2026 renewal — the largest year-over-year decline since 2014.

The relief is real. It is also segmented. The accounts capturing reductions share three characteristics: modern construction or infrastructure, clean loss records, and validated replacement values. CAT-exposed properties, older construction, and accounts with wind, hail, or flood exposure are looking at flat to modest increases with structured deductibles — and underwriters are no longer accepting broker-provided valuations at face value.

The practical implication: a 10% rate decrease does not help you if your replacement cost estimate is further off than that. Current, verified statements of value are doing more work at renewal right now than any other single document.

Casualty: still hard, and the reserve story is the one to watch.

U.S. casualty rates were up 9% in Q4 2025. Umbrella and excess risk-adjusted rates were up 19%, with higher retentions and broader exclusions becoming standard. Heading into Q4 2026, the pace has moderated at the top of the tower – excess and umbrella renewals are averaging 6.3-10.7%, down from 12-16% a year ago – but social inflation, nuclear verdicts, and third-party litigation funding are keeping underwriters selective throughout the excess layers.

Commercial auto is under pressure from two directions simultaneously: judicial severity and rising physical-damage costs driven by advanced driver-assistance systems, sensors, and EV drivetrains. Accounts with owned fleets are still among the hardest submissions in the market.

The reserve story is the one most buyers are not watching closely enough. General liability has seen adverse prior-year development of 3.0-3.5% per year since 2022. That is not a rounding error. It is a structural signal that the lines softening fastest – property and financial lines – are the ones with favorable reserve development, while the lines staying hard are deteriorating. Most forecasters see profitability peaking now: Fitch projects commercial-lines combined ratios drifting from around 94% in 2025 to 96-97% in 2026, assuming catastrophe activity returns to typical levels.

For the first time in years, the market rewards remarketing. Agents who accepted what they could get are now leaving rate on the table. The buyers capturing the relief are the ones testing the market – not the ones waiting for renewal season.

Line by line.

Line of Business	Direction	What We Are Seeing
Property (non-CAT)	Softening ▼	Flat to down 5% for well-performing risks. Shared and layered placements down 10-30%. Relief concentrated in modern construction, clean loss records, and validated replacement values.
Property (CAT-exposed)	Flat / modest increases ▲	Older construction, wind/hail/flood-exposed, and high-CAT accounts face flat to slight increases with structured deductibles.
E&S Property	Softening ▼	Global reinsurance capital surpassed \$700 billion. CAT reinsurance rates dropped 14.7% at January 2026 renewal -- largest year-over-year decline since 2014.
General Liability	Hardening ▲	US casualty rates up 5-12%. Adverse reserve development of 3.0-3.5% per year since 2022. Social inflation and nuclear verdicts driving severity.
Commercial Auto	Hardening ▲	Up 5-10%. Pressure from liability severity plus rising physical-damage costs tied to ADAS systems, sensors, and EV drivetrains.
Umbrella / Excess	Moderating ▲	Renewals averaging 6.3-10.7% in H1 2026, down from 12-16% a year ago. Still selective. Third-party litigation funding keeping severity elevated.
Workers' Comp	Soft ▼	Strongest major line. Combined ratios in the low 90s projected through 2028.
Cyber / D&O / EPL	Soft / Flat	Flat-to-down for several consecutive quarters. Buyer-favorable terms available.

Sources: Fitch Ratings, Triple-I/Milliman, Swiss Re Institute, USI, M3 Insurance, IMA, and Risk & Insurance market reporting (January-September 2026). Figures are directional and vary by account size, geography, and loss history.

Where to push, where to be careful.

Real estate and habitational

Property softening is the clearest opportunity this cycle, and it belongs to accounts that come prepared. Portfolios that absorbed steep increases in 2022 through 2024 should be testing the market aggressively at renewal. The relief is concentrated in shared and layered placements and E&S lines. Underwriters are verifying replacement cost data against third-party sources -- drone footage, valuation databases, construction records. The submission with a current, verified statement of values wins. The one without it does not.

Construction and contractors

Property and builder's risk benefit from the softer environment. GL and auto-heavy accounts face a different picture. Accounts with owned fleets or recent liability losses need a tighter submission narrative -- telematics data, documented safety programs, and loss-control history are moving attachments and pricing in ways that rate alone cannot. Silence on these points is not neutral.

Accounts with liability exposure

GL, umbrella, and excess are the lines where preparation matters most and where the consequences of a thin submission are sharpest. Social inflation has changed how underwriters model severity. The accounts getting capacity are the ones that come to market with documented risk management, litigation management protocols, and a clear loss narrative. The ones that do not are getting priced accordingly.

Stable wins to lock in

Workers' comp and cyber are delivering. Combined ratios in comp are projected to stay in the low 90s through 2028. Cyber pricing has been buyer-favorable for several consecutive quarters. If your program is renewing in these lines, the priority is locking in favorable terms before the market shifts -- not waiting to see if conditions improve further.

The Q4 wildcard.

CAT season is the obvious swing factor. A significant second-half event would absorb the reinsurance capital that is currently driving property relief and change the January 2027 renewal picture materially. Beyond weather, macro conditions are adding pressure: rising bankruptcies, regulatory uncertainty around defense costs, and a litigation funding market that continues to grow are all pushing casualty severity in one direction.

The accounts best positioned for January 2027 are the ones who move now -- not after Q4 results are in.

Five decisions your team should be making right now.



Push property at renewal

If your account is non-CAT, modern construction, with a clean loss record and verified replacement values, the market is open. Enter 90 to 120 days out. Waiting means competing for capacity that has already been committed.



Audit your statement of values before your underwriter does.

Third-party valuation tools and aerial imagery are standard underwriter workflow. The submission with verified replacement cost data wins. The one without it does not.



Build a liability narrative, not just a loss run.

For GL, umbrella, and excess, underwriters are reading the story behind the numbers. Loss context, risk management programs, and litigation protocols are moving attachments and pricing. Silence is not neutral.



Address your fleet explicitly.

Commercial auto is still hardening. Accounts with owned vehicles that have not documented driver safety programs and telematics initiatives are leaving themselves exposed in renewal conversations.



Lock in favorable cyber and comp terms.

Both lines are positioned well. The question is whether your program is structured to hold that position through the next cycle.

Engage your broker before the market does.

Most renewal conversations start too late and aim too low. Contact us at info@symphonyrisk.com or visit symphonyrisk.com to talk through your program before your Q4 renewal window opens.

Let Us Play For You!