



PRICING UPDATE

COMMERCIAL INSURANCE RATES REMAIN STEADY

Premium pricing was up nearly across the board in the first quarter of 2019, with workers' compensation (down 1%) and surety (flat) being the only two outliers. Overall, premium pricing jumped 2% on average compared to a year ago, led again by commercial auto (7%) and commercial property (2.5%). At -1%, workers' compensation saw the smallest decrease in premium rate over the last two years, indicating that market may finally be hardening.

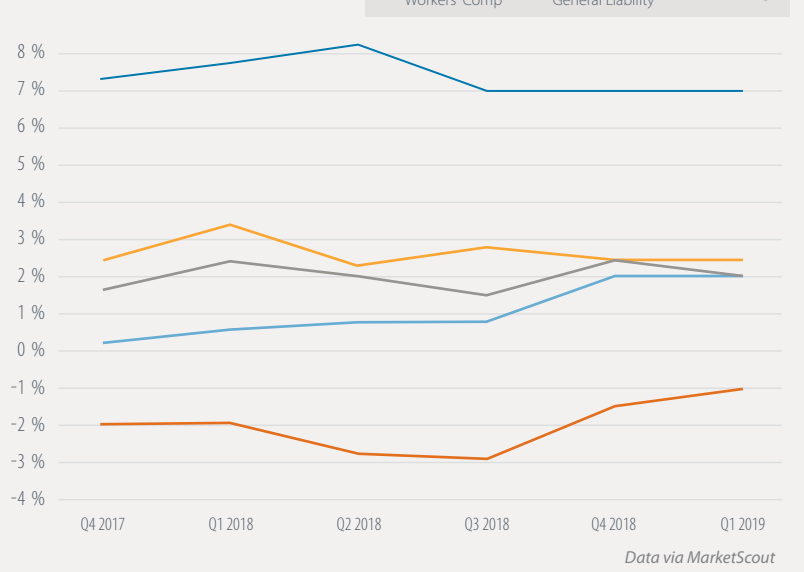
PREMIUM TREND BY COVERAGE CLASS

RATE CHANGE BY COVERAGE LINE

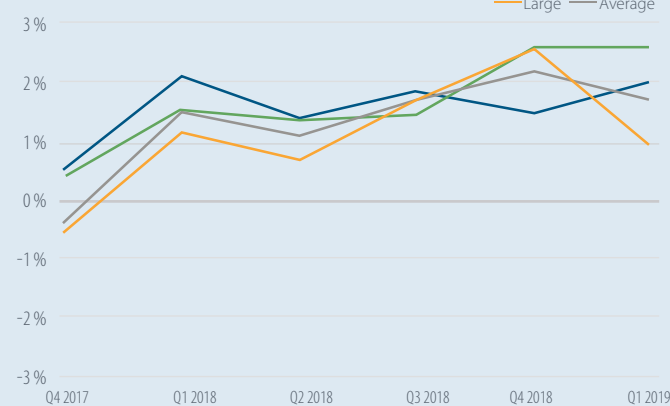
Business Interruption	2 %
Commercial Auto	7 %
Commercial Property	2.5 %
D&O Liability	1 %
Employment Practices	1 %
Inland Marine	2 %
Surety Bonds	0 %
Umbrella	2 %
Workers' Compensation	-1 %

Actual rate increases are predicated on specific loss experience per company

RATE CHANGE LOOKBACK



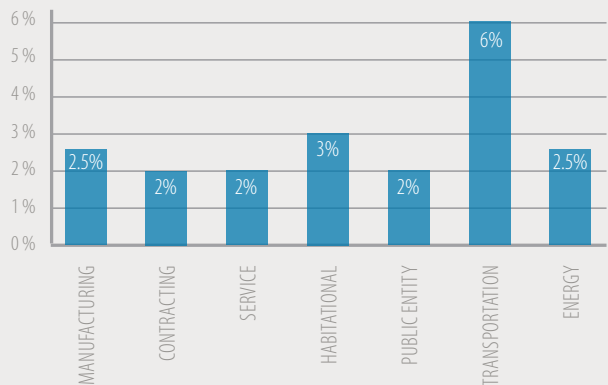
RATE CHANGE BY ACCOUNT SIZE



Small businesses (those paying less than \$25,000 in premium) were hit hardest by rate bumps in Q1 2019, averaging a 2.5% increase. Conversely, businesses paying over \$250,000 in premium saw only modest increases, averaging 1%.

Data via MarketScout

PREMIUM TRENDS BY INDUSTRY CLASS



Lloyd's increased focus on profitability has led to higher reinsurance premiums for energy carriers, costs which are being passed onto insureds. This, coupled with a small number of market withdrawals in the upstream energy market and increased carrier willingness to walk away from unprofitable business overall has caused the energy market to harden faster than average with 2.5% premium rate increases reported for Q1 2019.

Data via MarketScout