



The Baldwin Group Q3 2025 Market Pulse: A Disciplined Market Emerges

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Latest pricing trends indicate continued softening across the commercial property market while casualty lines face broad uncertainty

TAMPA, Fla.--(BUSINESS WIRE)--Oct. 30, 2025-- The Baldwin Group today released its Q3 2025 Market Pulse, a pricing trend analysis that blends observed rate movement with changes in exposure and client buying behavior to capture real-world premium dynamics across commercial insurance lines.

The report shows clear evidence of continued softening across the commercial property market —supported by renewed competition, improving capacity, and more flexible structures for well-differentiated risks—while casualty lines (General Liability, Commercial Auto, and Umbrella) continue to face broad uncertainty driven by legal system pressures, elevated claim severity, and selective underwriting.

“While property conditions continue to moderate, casualty outcomes remain highly situational after several years of being in a state of flux. We are no longer in a hard market -we’re in a disciplined one. Capital is available but is chasing quality. The winners will be those who treat risk management as a competitive advantage, not as a compliance exercise,” said Leslie Nylund, National Managing Director of Broking and Insurance Company Partnerships at The Baldwin Group.

Nylund added, “We are also seeing reinsurance coming back into the market in a robust way. For insureds, risk quality and transparency are the differentiators—strong controls and a differentiated underwriting narrative are what translate momentum into better terms in today’s bifurcated market. Competition is also allowing brokers to drive better terms and conditions for their clients enabling them to deliver meaningful insurance program enhancements.”

Property: Evidence of Continued Softening

- The reinsurance market is softer than a year or two ago. Reinsurers have rebuilt balance sheets after recent catastrophe years and strong investment returns. Reinsurance pricing has softened, and capacity is available to absorb increased demand for catastrophe limits.
- Competition and capacity continue to improve for clean, well-maintained schedules, with more orderly placements and broader structuring options, particularly outside distressed profiles.
- Underwriters are rewarding verified mitigation and modernization (e.g., roof, water, and fire protection upgrades), elevating the role of resilience-led underwriting in outcomes.
- Large CAT-exposed but loss-free accounts are seeing the most pronounced downward momentum, with shared/layered and alternative structures (including parametric solutions) used to manage volatility and optimize cost.
- Small- to mid-sized accounts written on a package or similar product are seeing pricing changes that are less dramatic, but competition is emerging.
- London capacity as well as emerging MGA/MGUs are placing competitive pressure on incumbents.

Casualty: Broad Uncertainty Persists

- General Liability: Mixed conditions continue. Lower-hazard classes see steadier outcomes amid competition, while higher-hazard and loss-affected risks face tighter terms, venue sensitivity, and heightened attention to exclusions and retentions.
- Commercial Auto: Profitability headwinds endure, driven by legal system abuse, higher repair and medical costs, and workforce dynamics. Keys to improved outcomes include insurers prioritizing telematics, driver monitoring, and fleet maintenance.
- Umbrella/Excess: Capacity deployment remains selective with reinsurance dynamics influencing higher attachments and more complex tower structures; incumbency and loss experience are central to renewal stability.
- Casualty Lines: Pressure from social inflation /litigation costs. Higher jury awards, cross-border plaintiffs’ strategies and evolving legal pressure continue to push claims severity higher in Casualty.

The report concludes that Property markets continue to soften while Casualty uncertainty persists. It remains too early to tell whether easing trends will impact Management Liability. Cyber remains top of agenda – but coverage is evolving and Workers’ Compensation — coupled with this year’s Property market reversal — will introduce more competition in Casualty lines. Some insurance company partners may pursue growth strategies that pressure pricing in certain industries, while others will maintain focus on rate adequacy as core loss drivers, including social inflation, remain unresolved.

ABOUT MARKET PULSE AND WHAT IT MEASURES

The Baldwin Group’s [Market Pulse Report](#) is a quarterly pricing trend analysis based on aggregated client data. It reflects the combined impact of rate changes, exposure shifts, and client purchasing decisions (such as limits and deductibles)—providing directional trend insight rather than line-by-line rate guidance. It draws on proprietary data, broker insights, and insurance

company partner feedback offers a forward-looking view of the market dynamics shaping coverage availability, pricing, and risk appetite nationwide.

ABOUT THE BALDWIN GROUP

The Baldwin Group, the brand name for The Baldwin Insurance Group, Inc. (NASDAQ: BWIN) ("Baldwin") and its affiliates, is an independent insurance distribution firm providing indispensable expertise and insights that strive to give our clients the confidence to pursue their purpose, passion, and dreams. As a team of dedicated entrepreneurs and insurance professionals, we have come together to help protect the possible for our clients. We do this by delivering bespoke client solutions, services, and innovation through our comprehensive and tailored approach to risk management, insurance, and employee benefits. We support our clients, colleagues, insurance company partners, and communities through the deployment of vanguard resources and capital to drive our organic and inorganic growth. The Baldwin Group proudly represents more than three million clients across the United States and internationally. For more information, please visit www.baldwin.com.

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INVESTOR RELATIONS

Bonnie Bishop, Executive Director, Investor Relations
The Baldwin Group
(813) 259-8032 | IR@baldwin.com

PRESS

Anna Rozenich, Senior Director - Enterprise Communications
The Baldwin Group
(630) 561-5907 | anna.rozenich@baldwin.com

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