

# Highlights from Insurance Research

## Second Quarter 2025

### Recent Studies:

#### Conning's 2025 PRT Market Annual Review



Discover the comprehensive insights of the U.S. Pension Risk Transfer (PRT) market with Conning's PRT Market Annual Review. Since 2013, Conning has meticulously tracked the growth and development of the PRT market, witnessing a significant increase in the transfer of defined benefit (DB) pension liabilities and the number of insurers participating. This study delves into the transactions and market environment of 2024, providing a detailed analysis of the factors driving these transactions. This study is essential for anyone looking to navigate the evolving PRT landscape and make informed decisions.

#### Conning's Corporate Pension Review: 2025 Focus Series



Are you ready to gain unparalleled insights into the financial health of U.S. corporate defined benefit (DB) pension plans? Conning's Corporate Pension Review is your ultimate resource for understanding the dynamics of overfunding and the evolving landscape of pension risk transfers (PRTs). This comprehensive study analyzes data from 445 U.S. corporate DB plans, revealing key trends and strategies that can help you navigate the complexities of pension management. Discover how DB plan sponsors have achieved a remarkable average funded status of 100.8% at the end of 2024, up from 98.1% in 2023. Learn about the impact of liability-driven investment (LDI) strategies and increased discount rates on plan liabilities. Understand the implications of economic and market turmoil on plan assets and liabilities, and how PRTs remain a viable de-risking tool despite these challenges. With Conning's 2025 Corporate Pension Review, you'll be equipped with the knowledge to make informed decisions and optimize your pension plan strategies.

#### Fronting Model is Here to Stay, With Some Changes



Fronting is no longer a niche strategy; it's a cornerstone of today's insurance ecosystem. Conning's 2025 Fronting: Model Is Here to Stay... With Some Changes offers a timely and compelling look at this rapidly maturing market. Drawing on proprietary data and industry expertise, this report highlights how fronting has become a vital bridge between MGAs and reinsurance capital, commanding a growing share of the E&S and non-admitted business landscape. The report unpacks key trends such as continued premium growth, shifting loss ratios, and emerging pressures on operational models. It also examines structural risks, including program concentration and reinsurer reliance, while spotlighting the rise of collateralized markets and a more discerning MGA client base. Readers will gain insights into which players are expanding, which are under pressure, and what capabilities are setting leaders apart. For insurers, reinsurers, MGAs, and investors seeking an edge in a competitive environment, this report provides actionable intelligence. It's an essential guide to understanding the new dynamics shaping profitability, capital efficiency, and long-term sustainability in the fronting model.

## 2025 AI in Insurance: The C-Suite Verdict - How the Insurance Industry is Adopting AI



AI adoption in insurance is no longer a distant aspiration—it's a strategic imperative. Insurers that successfully harnessed GenAI's capabilities are poised to achieve significant efficiency gains, improved customer loyalty through better service, and even new growth opportunities by tailoring products or entering new markets. In our third annual AI technology survey, Conning asked top insurance executives—from CEOs to CIOs—how they're integrating artificial intelligence across underwriting, claims, pricing, and beyond. If you're wondering whether your peers are ahead of the curve—or if you're looking for strategic signals on what to prioritize next—this survey is essential reading. This year's report goes beyond the buzz to explore which AI technologies are gaining traction, how insurers are adjusting their workforce strategies, and where regulatory developments are shaping implementation. It also unveils how tools like generative AI and large language models are not just reshaping operations, but redefining insurer-customer relationships.

### Articles from the Conning Commentary

#### April

- *Is Cyber Really Uninsurable, or Just in Need of a Reset?*
- *Life Insurers Punching Above Their Weight*
- *Property-Casualty's Good Year*
- *Property-Casualty Loss Reserve Actions for 2024*

#### May

- *NAIC Bond Definition Project*
- *Variable Annuities Yesterday; Fixed Annuities Today*
- *The Palisades and Eaton Fires' Effects*
- *Shifting Gears - MGA*

#### June

- *Steering through the storm*
- *DB Plan Overfunding Continues ... For How Long?*
- *Property-Casualty Earnings for the First Quarter*
- *Navigating the Evolving Life-Annuity Landscape in 2025*
- *Anticipating the 2026 Reinsurance Market Based on 2025 Events*



### What's New: Beyond the Text Podcast

#### *Beyond the Text: AI in Insurance: A Catalyst for Change — Insights from the C-Suite*

In this episode of Beyond the Text, host Alyssa Gittleman sits down with Manu Mazumdar, Head of Data Analytics and Technology at Conning, to unveil key findings from Conning's 2025 AI Adoption in Insurance survey. Together, they explore how generative AI, machine learning, and large language models are transforming the insurance industry at an unprecedented pace. With 55% of surveyed firms already adopting generative AI and 34% in full implementation, this conversation highlights the rapid evolution of AI technologies and their strategic impact. Tune in for expert insights, surprising trends, and a forward-looking perspective on how AI is reshaping the insurance value chain.

Click [here](#) to listen to the podcast.

### Other Recent 'Beyond the Text' Episodes

- *Beyond The Text: How Insurers Are Adapting Investment Strategies in a Shifting Economic Environment*
- *Beyond The Text: Navigating the Evolving Liability Insurance Landscape*
- *Beyond The Text: Tackling Workers Comp Insurance Fraud with Data and AI*
- *Beyond The Text: Exploring the Pension Risk Transfer Market*



## Consulting Corner:

### *Survey and Analysis of Market Drivers*

**Objective:** To understand what is driving the market development for life settlements, a trade association commissioned Conning to survey financial advisors and investors.

**Solution:** Conning worked with the client to design and execute a global survey. The survey results are being analyzed and presented as a report to the trade association and as a presentation at its annual meeting.

### *Coauthoring and Producing an Insurance Market Overview for a quasi-state agency*

**Objective:** The client, a quasi-state agency tasked with developing the insurance and financial service industry within Connecticut, approached Conning to coauthor and produce a report for the agency's annual meeting,

**Solution:** Conning worked with the client to write, design, and produce the report. The report will be given to the attendees at the state of Connecticut's annual insurance forum.

## Second Quarter 2025 Events

- InsurTech New York
- ACLI: Financial & Investment Roundtable 2025
- Society of Insurance Research
- Target Markets
- Digital Transformation
- Excess and Surplus Conference
- PM Conference & Awards
- Digital Transformation in Insurance



Conning at the  
2025 Society of Insurance  
Research Booth

## Upcoming Topics

- Second Quarter Property Casualty Forecast
- Mid-Year Life Model
- Commercial Auto Focus Study
- Loss Reserve Strategic Study
- Successful Insurers: Annuities Focus Series
- Successful Insurers: Life Focus Series
- Pension Risk Transfer Pt. 2

## About Conning Insurance Research

For over 50 years, Conning's Insurance Research group has been providing solutions that help management teams understand and navigate a rapidly changing insurance landscape. Conning's well-respected research solutions result from deep industry knowledge; ongoing surveys of industry executives; proprietary Conning data, forecasts, and models; and our in-depth reviews of insurer performance.

### How We Add Value

- » Singular focus on the insurance sector
- » Dedicated sector analysts
- » Independent and objective, unbiased research
- » In-depth expert insights on critical market topics
- » Broad product suite offers insights for entry-level employees to seasoned veterans

### Core Publications

#### Strategic Study:

In-depth analysis on key industry issues

#### Focus Report:

Concise, graphical reports on targeted issues

#### Forecast and Analysis:

Comprehensive three-year forecast of line of business and industry performance

#### Market Overviews:

Periodic line of business assessment reports

#### Commentary:

Monthly newsletter focusing on trending topics

#### Trends:

Quarterly publication of leading insurance and economic indicators

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