

MARSH

Global maritime, cargo, and logistics insurance market trends

Our assessment and capabilities
Q1 2026



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Methodology: observing and operating in international insurance markets

Marsh's Marine, Cargo & Logistics specialty leaders and brokers convene quarterly to review the current state of the marine, cargo, and transportation insurance markets compared to the same period the previous year. This analysis is conducted regionally and focuses on four key metrics:

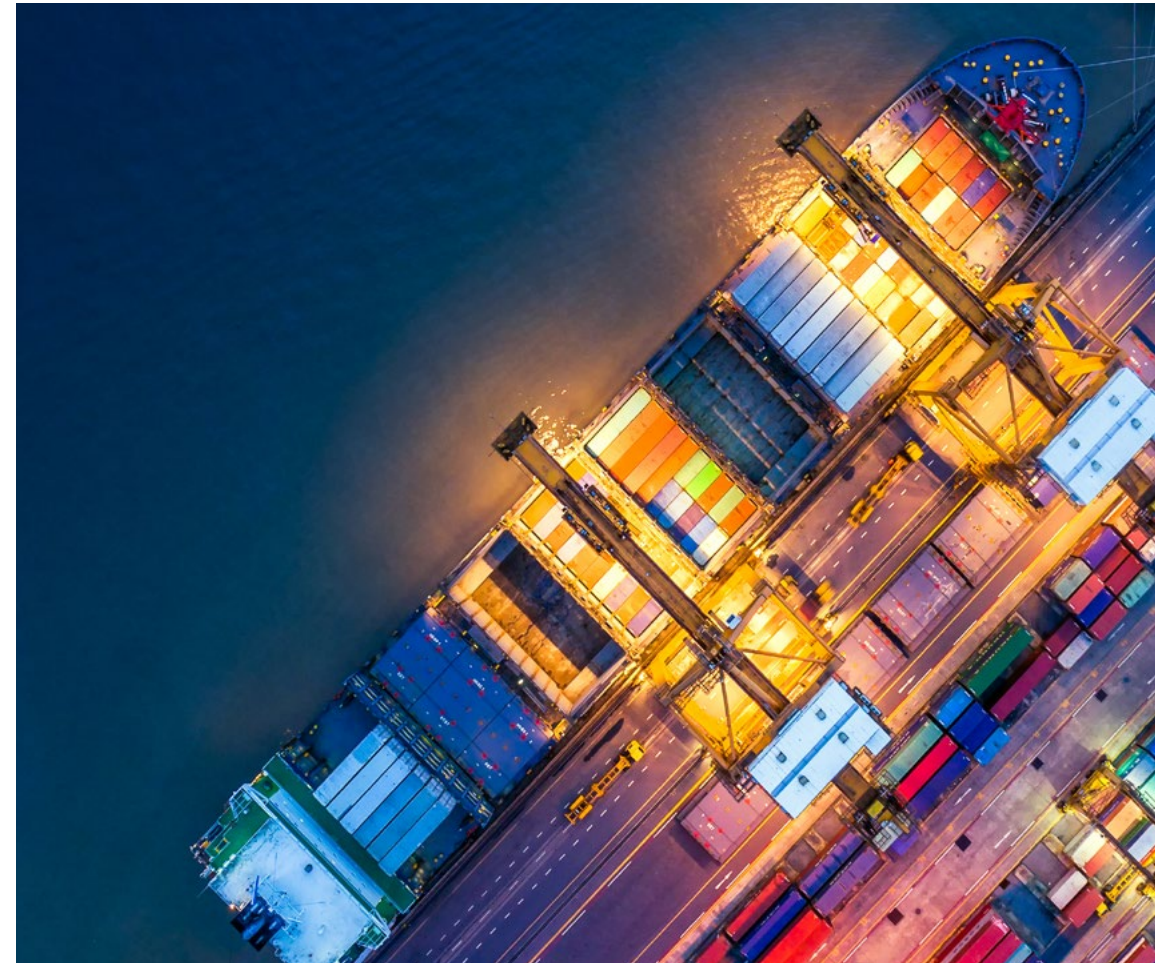
Capacity

Rate change

Commerciality

Policy wordings and clauses

These themes provide a framework to evaluate market conditions by assessing insurance capacity availability, year-on-year rate movements, shifts in insurers' willingness to provide coverage and terms (commerciality), and changes in policy wording and clauses. Together, they offer insights into pricing, risk appetite, and policy conditions across various regions and insurance lines.



Market summary, Q1 2026

In the latter part of the first quarter of 2026, the conflict between US, Israel and Iran started, which resulted in a series of escalations across the region. In London, the Joint War Committee redrew the Listed Areas map and issued the JWLA- 033, which redefined the countries potentially affected by the conflict and the latitudes and longitudes defining boundaries at sea. It is also used by hull and cargo insurers outside of London. Notices of cancellation were issued, allowing insurers to re-rate vessels and new cargo voyages in the described areas. We cover this in our Spotlight section.

Rates for war coverages are distinct from the underlying maritime, cargo, and logistics general policies, with the latter continuing a downward rating trend with continued capacity inflows and new insurers entering the market, driving supply. We doubled-checked that the Middle East conflict hadn't altered views about those underlying policies — a before-and-after sense check — and found very few changes in observations.

Cargo insurance

In Q1 2026, cargo insurance rates continued their downward trend, registering a median year-on-year rate decline ranging from -10% to -15% on stock throughput policies. Higher levels of competition and increased capacity was supported by new market entrants and the increased use of MGAs.

Asia and Pacific experienced even steeper declines, with cargo-only rates of -35% experienced in Asia. Typically, these kinds of rate reductions were experienced by clients with loss records viewed more favorably by insurers and, despite lower rates, insurers still scrutinized clients in high-risk geographies and in more complex product classes.

Commercial terms

Accounts with favorable risk profiles benefited from flexible negotiation strategies, often trading rate reduction for enhanced coverage or, in some instances, securing improvements in both.

Overall, the rate declines reflect a competitive market environment characterized by ample capacity, balanced by thorough underwriting practices and evolving policy terms. The forthcoming publication of the US National Transportation Safety Board's (NTSB) findings on the Dali containership allision is expected to have significant implications for marine insurers. Given the potential quantum involved, the outcome could materially impact the P&I Club's group reinsurance program. Related legal proceedings may extend over several years.

Marine hull market

Rates declined by -5% to -10% year-on-year, in Q1 2026. IMEA stood out, observing some reductions as high as -15% to -20%. Latin America and Pacific saw ample capacity lead to rate drops larger than the global average.

Appetite for hull and marine property risks remains strong, particularly among clients with favorable loss histories, some of whom increased both coverage and limits.

Q1 2026

-10% to -15%

Median cargo and STP rates generally declined by 10% to 15% with regional variations ranging from a 13% decrease in the US and Canada to 30% in Asia.

-5% to -10%

Median marine hull rates were flat to declines of 5% to 10%, with exceptions for companies with loss ratios insurers viewed as favorable.

Global maritime market snapshot (January 2026 vs. January 2025)

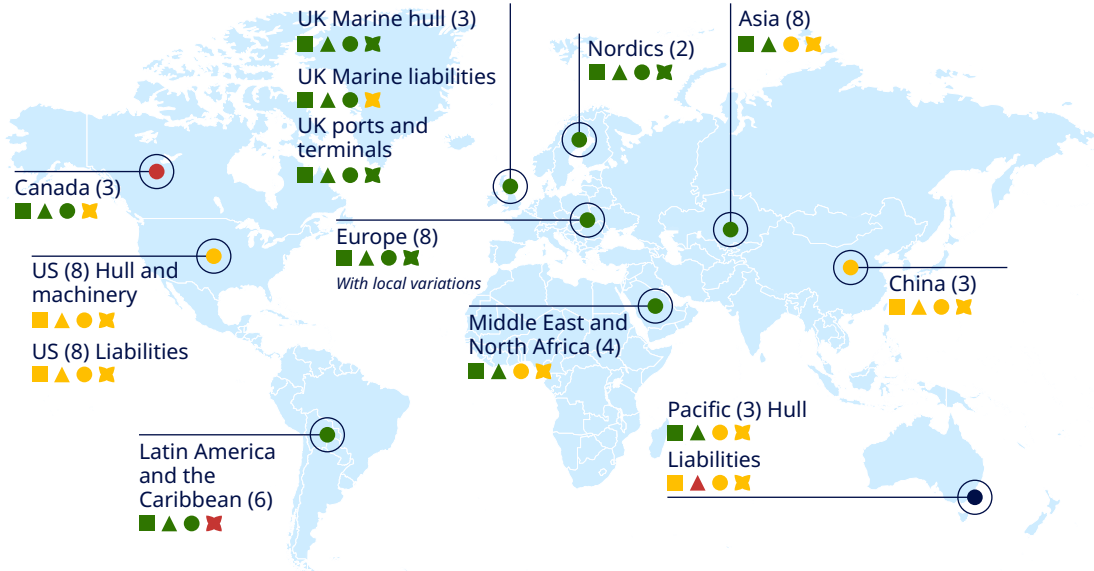
The map illustrates regional market conditions for hull and machinery, marine liabilities, and port risks. It is color-coded to show changes compared to the same period last year.

Numbers in brackets indicate the number of Marsh Marine, Cargo & Logistics offices in each region.

Symbol guide

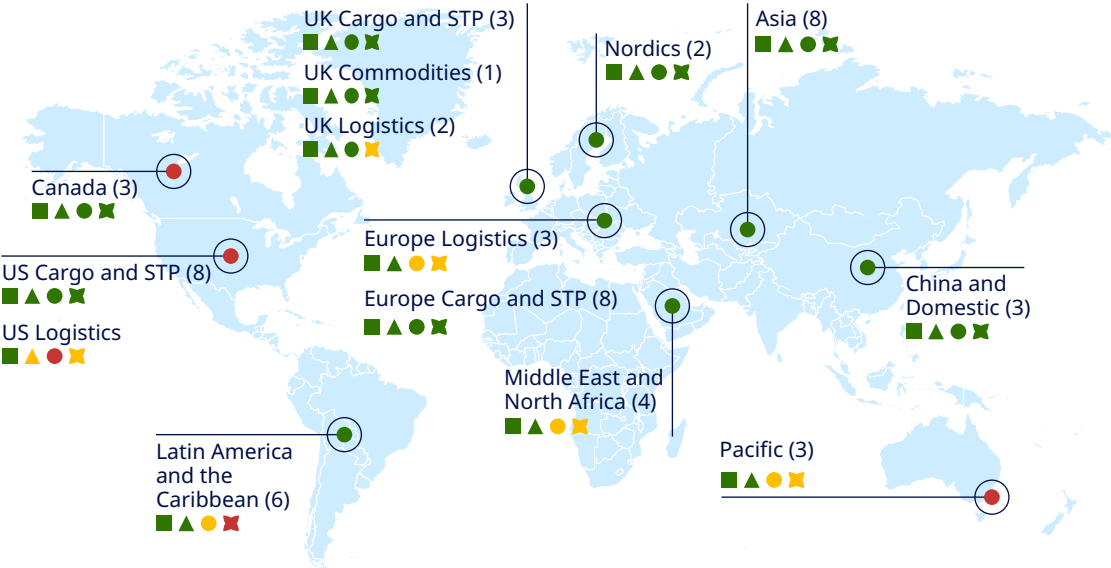
■ Capacity (in aggregate or deployed line sizes by insurers)	▲ Rate change (on prior year)	● Commerciality (placement negotiation process)	✘ Policy wordings and clauses (Coverage)
■ Decrease: insurers limiting or existing	▲ Rising premiums	● Very difficult with little or no negotiation	✘ Wide exclusionary clauses are added and/or are either not fit for purpose or not contract certain
■ No change in capacity	▲ Flat/Marginal change	● Placement challenging, requiring clear, negotiation prioritization with insurers	✘ Restrictive clauses are sometimes added dependent on type of risk
■ Increase: new capacity entering or existing insurers offering more capacity	▲ Falling premiums	● Considerable negotiating flexibility	✘ Coverages remain broad
○ Little or no insurer appetite for non-domestic risks	○ Established market with insurer appetite for non-domestic risks	○ Some insurer appetite for some non-domestic risks	

These directional indicators are based on observations by Marsh's senior brokers in each market.



Global cargo and logistics market snapshot (January 2026 vs. January 2025)

The map illustrates the regional market conditions for marine cargo, stock throughput, marine delay in start-up and logistics. It is color-coded to compare against the same period one year ago.



Numbers in brackets indicate the number of Marsh Marine, Cargo & Logistics offices in each region.

Symbol guide

■ Capacity (in aggregate or deployed line sizes by insurers)	▲ Rate change (on prior year)	● Commerciality (placement negotiation process)	✘ Policy wordings and clauses (Coverage)
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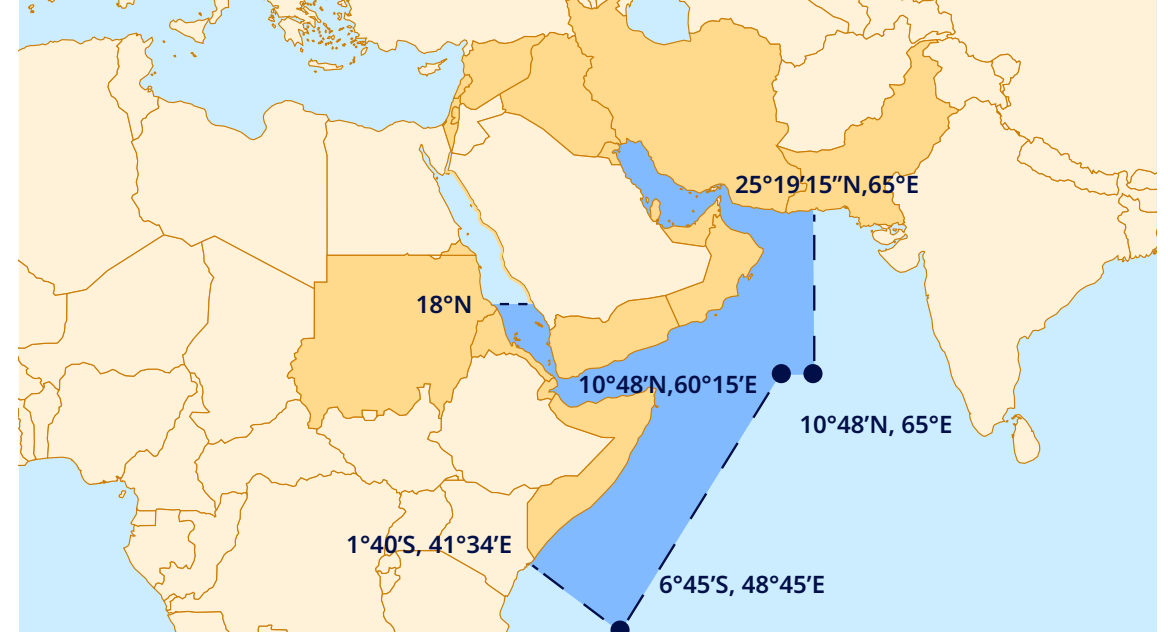
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Spotlight on war policies and rates

The recent escalations in the Middle East have had a profound impact on the global marine insurance market. While “normal” marine and cargo covers and rates remain moving in the same direction year-over-year, the war aspects have had a considerable impact.

Under the terms of all marine war policies, insurers have the opportunity to re-rate the war premiums if the risk position changes, and this is precisely what happened in the Middle East region. Policies were in effect canceled, but with grace periods, while underwriters reviewed pricing before re-offering cover at higher rates.

In the London insurance market, the Joint War Committee (JWC) defines the territorial boundaries for war zones, producing a map of the areas listed as war zones and which insurers globally look to as a guide. Below is an approximation of the JWC Listed Areas map 033.



War rates vary from insurer to insurer dependent on the risk perception each holds and the individual risk being considered, with US and its allies’ shipping and shore operations perceived as most at risk in the Arabian Gulf, North Indian Ocean, and Red Sea.

Rates increased by up to an estimated 400% at the outbreak of the conflict, but as it progresses and Iranian capabilities are being increasingly suppressed and degraded, rate levels are beginning to decrease from that peak. Generally, these rate increases and risk changes affect all policyholders; however, we await details of how the US and its allies’ navies may be able to support the merchant fleet traversing the region and the Strait of Hormuz, and how the conflict progresses or if the levels of violence subside. At the time of writing, we await details of the structures and rating of the US’s Development Finance Corporation (DFC)-backed marine war insurance provision.

Spotlight on war policies and rates

Cargo and logistics

As an example of effective operation and flexibility, Marsh's cargo terrorism/war facility in London renewed with effect from March 1, 2026 (after the conflict had started). The facility allows us to support clients on terrorism, war, and strikes risk and war on land coverage for transits and highlights what we can achieve for our clients at this volatile time, with following capacity potentially available above the facility limits.

Headline limits available, subject to underwriting of individual risk:

- Terrorism – USD 250,000,000
- War and strikes – USD 150,000,000
- War on land (transit only) – USD 10,000,000

Each section involves leading London insurers and uses London market insurance contracts for many of the insurers participating in this facility, it is not the first time they have provided war coverage when there is a war in progress. The facility is designed to allow clients to secure a pricing proposal quickly and efficiently in times of need.



Marine hull war

The Iranian Revolutionary Guard Corps (IRGC) is attempting to enforce a 'closure' of the Strait of Hormuz (SoH). While no formal legal closure of the SoH has been universally acknowledged, and the US is calling on allies to clear mines thought to have been sown, the reduction in traffic through the SoH stems from a combination of security threats, insurance constraints, operational uncertainty, and effective disruptions, rather than a declared blockade.

A recent ship-borne Automatic Identification System (AIS) review indicates transits of the SoH have been reduced to single-digit levels, with only a handful of confirmed commercial transits observed. These were cargo and not tanker vessels. However, ships are able to switch off their AIS to "go dark" or to indicate false whereabouts, known as spoofing. Some vessels have been intercepted by Iran, and an Iranian tanker by US naval forces.

Coverage for hull war is offered by insurers with different ratings for East versus West of the SoH areas and static versus transit within the JWLA33 described areas. One-off transits tend to attract rates at the higher ends of observed spectrums.

Quotes being offered currently tend to have a validity of 24 to 48 hours only, reflecting the fluidity of the situation. Many insurers remain reluctant to offer cover based on more than a period of 7 days at a time; some will offer 14 days, and a few offer monthly periods.

Securing desired capacity, even for the largest risks, has, thus far, not proven particularly challenging.

Global markets: how we operate

Our purpose is to help customers avoid, manage, or mitigate the impact of off-strategy risks, minimize disruptions to the maritime and logistics ecosystem, and stabilize trading volatility through tailored insurance solutions and specialized risk consultancy.

We maintain consistent processes, ethical standards, and transparency across all our offices located in the major marine, cargo, and transportation insurance markets worldwide.

This approach enables us to:

- | | |
|--|--|
| <p>1.
Use local colleagues in key markets to broker risks directly with insurers using a unified set of standards, including those related to data integrity and compensation transparency.</p> | <p>2.
Identify and consider the impacts of facultative reinsurance arrangements, including in fronting scenarios, where data integrity considerations and additional costs may arise.</p> |
| <p>3.
Draw on multiple insurers across different marketplaces and generate competition among underwriters to design a cost-effective program to cover your risks.</p> | <p>4.
Draw on emerging capacity to better serve your evolving need.</p> |

Additional tools:

- **Sentrisk™:** Marsh's proprietary platform that helps clients aim to understand risk accumulations and future-proof their supply chains.
- **P&I Rating Engine:** An actuarial analysis tool allowing insights into claims reserving and abatement cost allocations during renewal negotiations.
- **P&I Deductible Explorer:** A tool that models different deductible scenarios against loss record.
- **P&I and Hull and Machinery Benchmarking:** Structured around vessel data, tailored to fleet composition.
- **We publish an annual P&I market review.**
- **Marsh Market Information (MMI):** Provides detailed financial information, ratings, news, and analysis on global insurers.
- **Cyber self-assessment:** This tool allows companies to assess their cybersecurity posture and plan risk management improvements across 12 essential controls.

About Marsh's global Marine, Cargo & Logistics practice

Marsh's Marine, Cargo & Logistics practice has over 650 colleagues in 36 offices in six regions of the world, offering an international service in risk management and placement. In 2025, we brokered in excess of US\$4 billion in premium.

The breadth and diversity of our clients and their risks are attractive to a broad range of global insurers.

Our team works with ship owners, contractors, ports, shipbuilders, financiers, logistics firms, and cargo policies for all types of exports of manufactured goods or commodities.

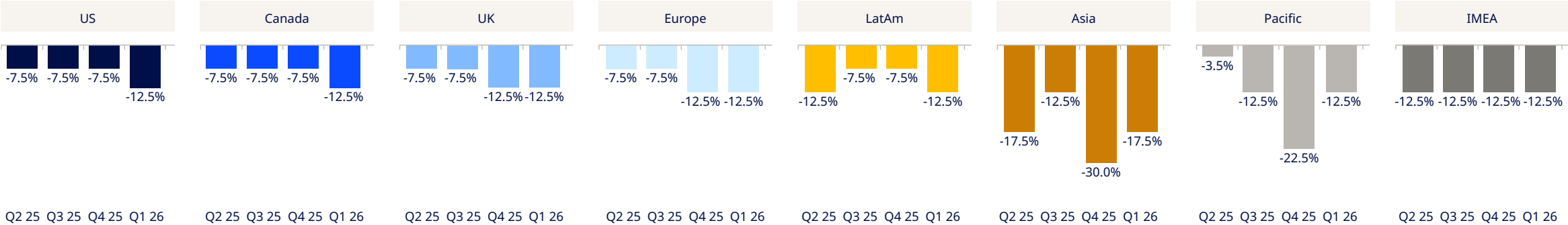
We can draw on our experience across the entire maritime and logistics ecosystem to provide our clients with insights, knowledge, and advice that go beyond the insurance transaction.

Appendix

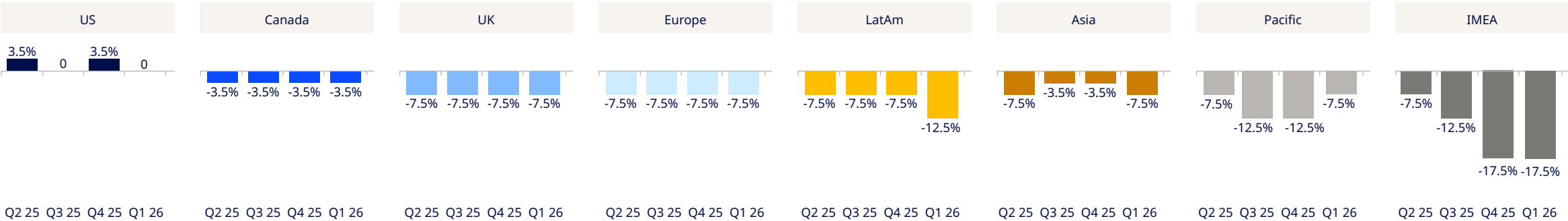
Rates

Rate change refers to typical (average) rate movement on a year-on-year, not a quarter-over-quarter basis.

Composite cargo insurance rate change by region 2025 and 2026



Composite hull and machinery insurance rate change by region 2025 and 2026

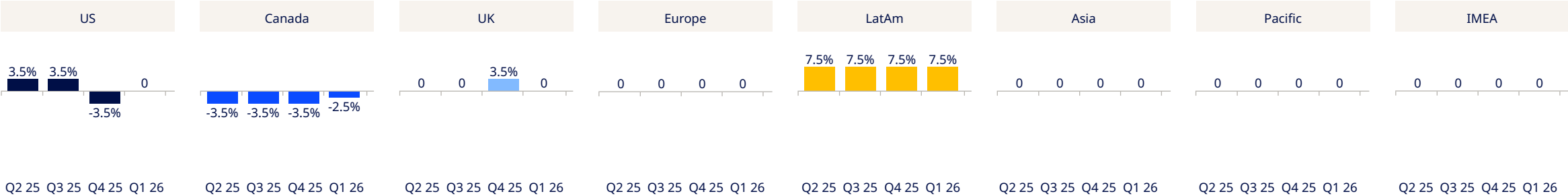


0% - stable

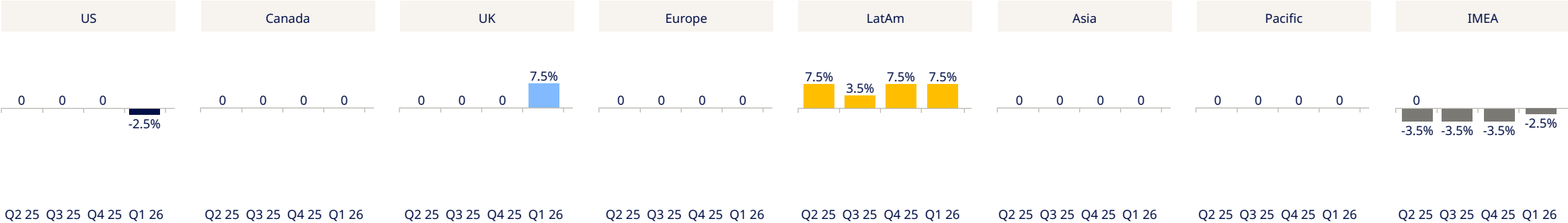
Exposure

Exposure is rating basis (e.g., TIV for ports' property, vehicle fleet size for auto liability, values for cargo, fleet value estimates for marine).

Composite cargo insurance exposure change by region 2025 and 2026



Composite hull & machinery insurance exposure change by region 2025 and 2026

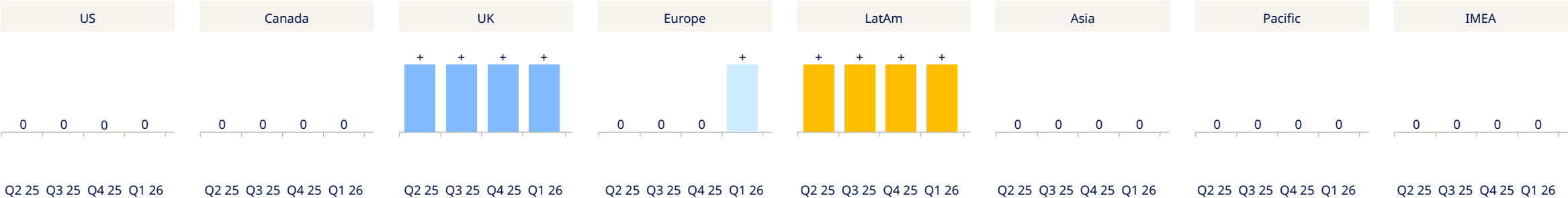


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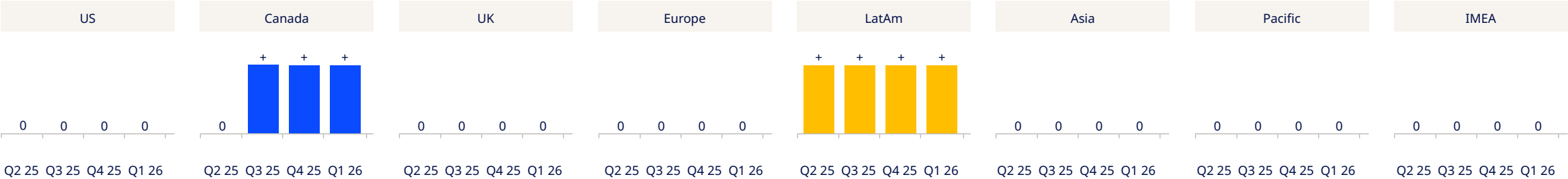
Limits

Limit refers only to the main program limit. Clients may opt to use changing premium rates to increase or decrease limits, holding premiums steady.

Composite cargo insurance limit change by region 2025 and 2026



Composite hull and machinery insurance limit change by region 2025 and 2026



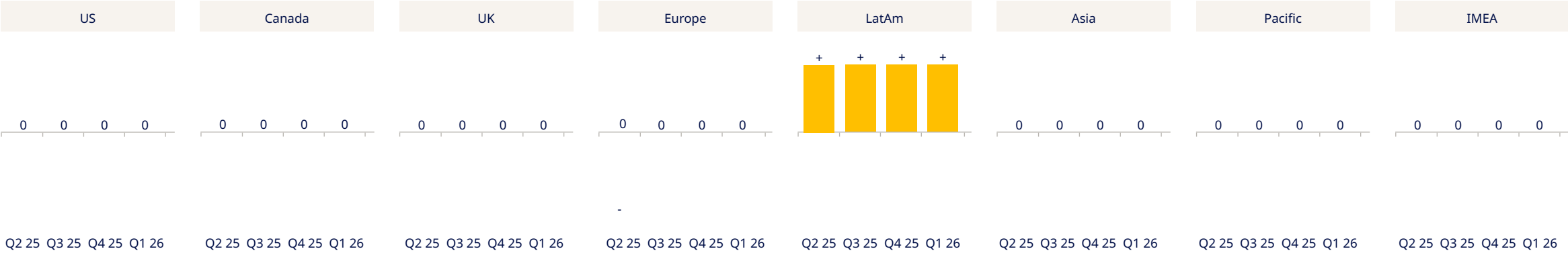
Limits (annual change).

(+) Increase, (0) Flat and (-) Decrease

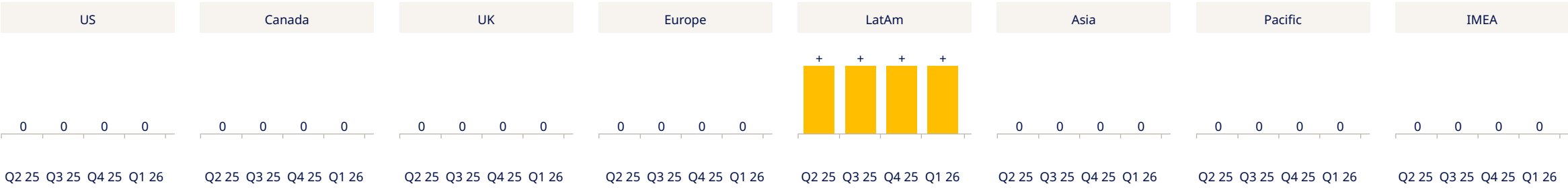
Retentions

Retentions refer only to the main program deductible. Marsh is able to model the limit and deductible according to risk appetite.

Composite cargo insurance retention change by region 2025 and 2026



Composite hull & machinery insurance retention change by region 2025 and 2026



Retentions (annual change).

(+) Increase, (0) Flat and (-) Decrease



About Marsh

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