

The 2020 Captive Landscape: Captives Offer Value in Uncertain Times

Learn how more than 1,200 captive insurance managers maximize the use of their captives.

According to Marsh's data, more organizations are using captives for insurance protection and financial flexibility in response to an increasingly difficult risk and insurance landscape.

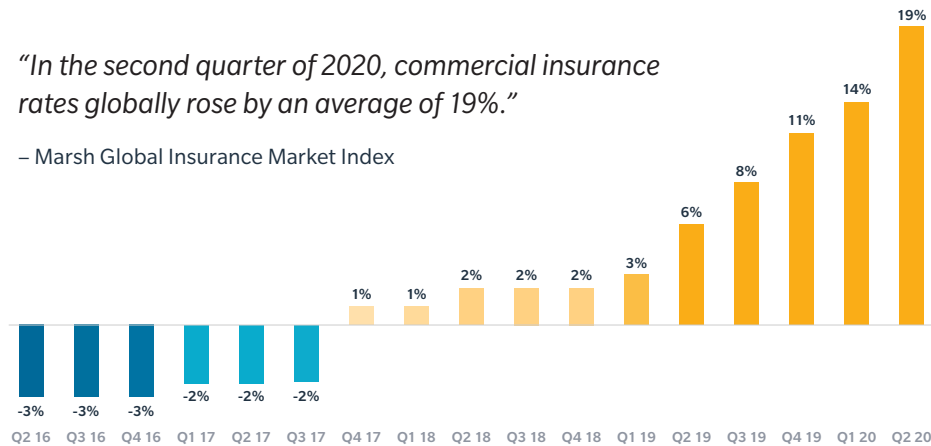
Insurance rates continue to grow.

Global insurance prices, on average, have risen every quarter since the fourth quarter of 2017.

SOURCE: MARSH ANALYTICS SOLUTIONS

"In the second quarter of 2020, commercial insurance rates globally rose by an average of 19%."

– Marsh Global Insurance Market Index



As a result, more organizations are turning to captives.

Captive use is rising, as shown by record growth in formations through September 2020:

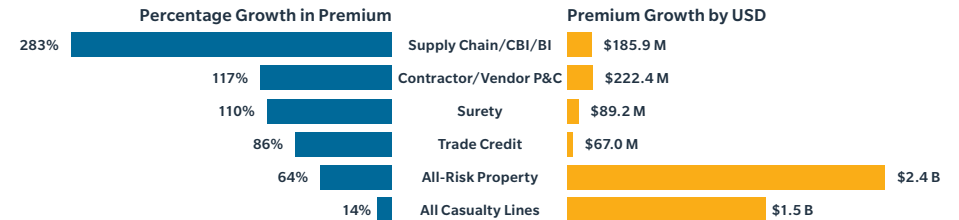
89
new captives
formed this year



Approximately
154%
year-on-year growth

And existing captive owners are expanding their use.

Premium growth in captives shows continued increase in utilization, while captive premiums in traditional lines have also grown (2018-2019):



Here's what you can expect from captives in 2021:

59%
of captive owners plan to
increase their use of captives
in response to changing
market conditions by:

- Adding more lines of coverage.
- Increasing retentions in the captive.
- Forming an additional captive.

Also anticipated:

- Continued growth in single parent captive formations.
- Growth in the use of protected cells to address capacity and pricing difficulties, such as for D&O.

[Download the Captive Landscape report](#) to learn more about how captives are being utilized to help organizations navigate through these challenging times.