

Q4 2025 ILS market review

Notable Cat Events

The US hurricane season was benign overall, with no hurricane landfall in the US for the first time in ten years. However, hurricane Melissa made landfall in Jamaica as a powerful category 5 storm at the end of October, causing a full loss on a USD 150 million catbond sponsored by the World Bank for the benefit of the Government of Jamaica, with a -27bps impact on the catbond market performance.

Market activity

The primary catbond market saw unprecedented activity in Q4, with 26 catbonds issued for a total notional amount of USD 7 billion, primarily in December. This brought the total volume of catbonds issued throughout the year to a record-breaking USD 25 billion, far above USD 18.5 billion issued in 2024. According to discussions with catbond structurers, it is expected that the primary market will also be very active in H1 2026.

The secondary market remained active along the strong primary activity in an environment of abundant capacity available. The average implied spread of the catbond market decreased by around 30 bps globally in Q4 but was increasing again at the end of the year, mainly driven by the usual seasonality effect and by increasing selling flows.

The ILW market experienced disciplined renewals with no structural changes and healthy volumes of demand for protection. Premium rates were down between 10% and 15% YoY depending on the structures and covered perils. Thanks to its longstanding presence and large footprint on the market, the ILS team was able to

renew high-quality expiring transactions (occurrence triggers and no secondary perils) with a 10% premium rate reduction on average and also enter into a number of attractive new positions.

On the private reinsurance side, the outcome of the 01/01 renewals was a 10-15% reduction in premium rates YoY in the US, and a 15-20% reduction in Europe. Some cedants pushed for the inclusion of more natural perils and for aggregate structures, as well as man-made and multiyear protections, with mixed results. Since September, the ILS team has been stepping up its sourcing efforts and was presented with many reinsurance and retrocession programs, in addition to the expiring ones. It was able to expand its involvement in new one-year occurrence-only programs selectively and in a disciplined way.

Please refer to our latest monthly reports for detailed information on our funds' performance:

SCOR ILS FUND – Atropos Catbond Fund
[\(ENG/FR\)](#)

SCOR ILS FUND – Atropos
[\(ENG/FR\)](#)

SCOR ILS FUND – Atropos Plus
[\(ENG\)](#)

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February 12th, 2026 | 9:30-10:00 am CET

TOPICS

- Look back at the natural disasters of 2025
- Catbonds & OTC market: What is the current environment?
- Funds performance: How did our strategies end 2025?
- 2026 outlook: what can we expect from the ILS market this year?



Sidney ROSTAN
Head of ILS
at SCOR Investment Partners



Grégory SCHEFFER
ILS Portfolio Manager
at SCOR Investment Partners

CONTACT

Client Service
+33 (0)1 53 64 65 50

Head office
5, Avenue Kléber, 75016 Paris, France

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