

Business Insurance[®]

P/C rates showed overall decline in February

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DALLAS—Property/casualty insurance rates decreased by an overall average of 10% in February compared with the same month a year earlier, MarketScout reported Monday.

Rates fell for all lines of business, all size accounts and all industrial sectors reported, according to MarketScout, a Dallas-based electronic insurance exchange. Umbrella/excess insurance, general liability insurance and workers compensation all experienced double-digit decreases, while surety registered the smallest decrease at 2%.

The trend is unlikely to reverse in the near future, said Richard Kerr, MarketScout's chairman and chief executive officer, in a statement announcing the February results.

"Barring a catastrophic wind season or other natural catastrophe, 2007 will be a tough year with rate decreases continuing throughout the year," he said in his statement. "However, as is true with the stock market, the insurance market will correct itself at some point. Strategic investors are positioning themselves to capitalize on the market turn. It's coming, just not anytime soon."