

# MARKET PERFORMANCE OF FINANCIAL SERVICES STOCKS FOR THE YEAR ENDED DECEMBER 31, 2024

In 2024, the U.S. stock market, as measured by the Standard & Poor’s 500 index, increased 25.0%. Financial services stocks, as measured by the XLF Financial ETF, increased 30.5%. Insurance stocks, as measured by the Nasdaq Insurance Index, increased 27.3%. The average total return for the 133 companies

included in this study was 42.1%. Seven sectors outperformed the S&P 500 and three underperformed. In this report, all sectors posted double-digit gains and eight sectors posted gains over 20%, as shown in Table 1. The top performing sectors in this study were Insurance Technology and Insurance Brokers.

**Table 1**

	Total Return
	<u>2024</u>
Insurance Technology	127.4
Insurance Brokers	41.5
Securities Brokers and Banks	40.8
<b>XLF (Financial Sector ETF)</b>	30.5
Property and Casualty	29.7
Reinsurance	27.8
Specialty	27.6
<b>Nasdaq Insurance Index</b>	27.3
Asset Managers	25.7
<b>Standard &amp; Poor's 500</b>	25.0
Life & Annuities	22.2
Financial Guarantors	18.3
Title Insurers	16.2

P&C homeowner focused carriers performed nicely in 2024. Kingstone was the top performer in 2024 and was up 613.1%. Kingstone’s core business is writing homeowners insurance in New York state. Two of its competitors reached an agreement with the state of NY to cancel or nonrenew all homeowners business by the end of 2024. The companies’ combined policies in-force in downstate NY are roughly the size of Kingstone. Investors expect Kingstone to use this opportunity for growth. The company grew net premiums earned by 8.0% in

the first three quarters of 2024 as compared to 2023. Loss and loss adjustment expenses were down 32.2% through September 30, 2024 as compared to 2023.

Florida homeowner focused insurers Universal Insurance and HCI Group produced total returns of 36.8% and 35.4% respectively in 2024. 2024 catastrophe losses were above long-term averages but in line with recent years. Industry observers projected a record number of hurricanes in 2024 but that did not materialize. Universal Insurance and HCI Group’s share prices

dropped substantially in anticipation of Hurricane Milton, but the storm only caused \$20 - \$30B of insured losses, which is one third of what was originally expected. HCI's net premiums earned increased 53.0% YTD through September 30, 2024 as compared to 2023. HCI's net income YTD through September 30, 2024 increased 155.4% as compared to 2023. The company's combined ratio was under 70.0% in the first two quarters and was 101.3% in Q3, however YTD through September 30, the combined ratio is 77.3%, reflecting strong underwriting performance. HCI also recently assumed 42,000 policies from Citizens Property Insurance Corporation (Florida's state backed insurance company) representing approximately \$200mm of in-force premium. The company's share price rose 6.7% after the announcement. Universal has also increased premiums earned and net income in the first nine months of 2024 and have slightly improved underwriting performance. Both companies stated on Q3 earnings calls that rates will not be increasing in Florida in the near term.

Specialty P&C companies performed extremely well. Over half of the specialty companies in this report produced a total return over 25% in 2024. Bowhead led the sector with a 108.9% total return from its IPO in May through the end of the year making the company the 6<sup>th</sup> best performer in this report. Bowhead provides specialty P&C products operating substantially within the excess and surplus lines market. The company is divided into three divisions, Casualty, Healthcare Liability, and Professional Liability. For the nine months ended September 30, 2024 Casualty made up 66.5% of NPW, Professional Liability was 19.4%, and Healthcare Liability was 14.1%. Bowhead was founded in 2020 and therefore is insulated from potential reserve inadequacies for the years prior to 2020. Investors expect the company to capitalize on the positive specialty casualty insurance market. The company has achieved strong premium growth in all divisions with Casualty growing the most while maintaining profitability. The company also beat EPS estimates in Q2 and Q3.

Another Specialty P&C company Skyward Specialty, which went public in January 2023, had a total return of 49.2% in 2024 following 2023's return of 125.9%. Since its IPO the company share

price has risen 236.9% through December 31, 2024. Skyward is a specialty lines excess and surplus writer and like Bowhead, has taken advantage of the excess and surplus lines market environment. Skyward has been trending towards hitting its 2024 goals with already \$104.4mm of net income YTD through September 30, 2024 (guidance \$105-\$110mm) and a combined ratio of 90.9% YTD through September 30, 2024 (guidance 91%-92%). Investors expect solid premium growth and investment income growth along with conservative loss ratios with no material reserve charges to drive the company's EPS growth. Skyward's strong underwriting results have put the company in a position of excess capital and announced a \$50 million share repurchase program.

The ten best performing and worst performing financial services stocks are exhibited in Tables 2 and 3, respectively. The performance of other individual stocks and sectors is illustrated in Table 4.

**Table 2:**  
**Ten Best Performing Financial Services Stocks (\$100M + Market Cap.)**

	Total Return <u>2024</u>
Kingstone Companies, Inc.	613.1
Root, Inc.	592.7
Hippo Holdings Inc.	193.5
SelectQuote, Inc.	171.5
Lemonade, Inc.	127.4
Bowhead Specialty Holdings Inc.	108.9
Just Group plc	92.7
Palomar Holdings	90.3
Heritage Insurance Holdings	85.6
Mercury General Corporation	82.3

**Table 3:**  
**Ten Worst Performing Financial Services Stocks (\$100M + Market Cap.)**

	Total Return <u>2024</u>
James River Group Holdings	-46.2
Franklin Resources	-27.2
Maiden Holdings	-26.2
AMBAC Financial Group, Inc.	-23.2
BrightHouse Financial, Inc.	-9.2
F&G Annuities & Life	-8.0
Globe Life, Inc.	-7.5
Sabre Insurance Group plc	-5.7
Selective Insurance Group	-4.6
Voya Financial	-3.4

\*Nasdaq Insurance Index total return is from Bloomberg

Table 4

		Market Price 12/31/2023	Market Price 12/31/2024	Percent Increase / - Decrease	Total Return
<b>Insurance Technology</b>					
Root, Inc.	ROOT	\$10.48	\$72.59	592.7%	592.7%
Hippo Holdings Inc.	HIPO	\$9.12	\$26.77	193.5%	193.5%
SelectQuote, Inc.	SLQT	\$1.37	\$3.72	171.5%	171.5%
Lemonade, Inc.	LMND	\$16.13	\$36.68	127.4%	127.4%
EverQuote, Inc.	EVER	\$12.24	\$19.99	63.3%	63.3%
eHealth, Inc.	EHTH	\$8.72	\$9.40	7.8%	7.8%
GoHealth, Inc.	GOCO	\$13.34	\$13.39	0.4%	0.4%
<b>Median</b>				<b>127.4%</b>	<b>127.4%</b>
<b>Insurance Brokers</b>					
TWFG, Inc.	TWFG	\$17.00	\$30.80	81.2%	81.2%
The Baldwin Insurance Group	BWIN	\$24.02	\$38.76	61.4%	61.4%
Ryan Specialty Holdings, Inc.	RYAN	\$43.02	\$64.16	49.1%	50.9%
Brown & Brown Inc.	BRO	\$71.11	\$102.02	43.5%	44.3%
Goosehead Insurance, Inc.	GSHD	\$75.80	\$107.22	41.5%	41.5%
Willis Towers Watson	WTW	\$241.20	\$313.24	29.9%	31.5%
Arthur J. Gallagher	AJG	\$224.88	\$283.85	26.2%	27.3%
Aon plc	AON	\$291.02	\$359.16	23.4%	24.4%
Marsh & McLennan	MMC	\$189.47	\$212.41	12.1%	13.7%
<b>Median</b>				<b>41.5%</b>	<b>41.5%</b>
<b>Securities Brokers and Banks</b>					
Goldman Sachs	GS	\$385.77	\$572.62	48.4%	52.0%
JPMorgan Chase & Co.	JPM	\$170.10	\$239.71	40.9%	44.3%
Citigroup	C	\$51.44	\$70.39	36.8%	42.0%
Raymond James Financial	RJF	\$111.50	\$155.33	39.3%	40.8%
Morgan Stanley	MS	\$93.25	\$125.72	34.8%	39.7%
Bank of America	BAC	\$33.67	\$43.95	30.5%	33.9%
Charles Schwab Corporation	SCHW	\$68.80	\$74.01	7.6%	9.2%
<b>Median</b>				<b>36.8%</b>	<b>40.8%</b>

		Market Price <u>12/31/2023</u>	Market Price <u>12/31/2024</u>	Percent Increase / - Decrease	Total Return
<b>Property and Casualty</b>					
Kingstone Companies, Inc.	KINS	\$2.13	\$15.19	613.1%	613.1%
Heritage Insurance Holdings	HRTG	\$6.52	\$12.10	85.6%	85.6%
Mercury General Corporation	MCY	\$37.31	\$66.48	78.2%	82.3%
Progressive Corporation	PGR	\$159.28	\$239.61	50.4%	51.4%
United Fire Group Inc.	UFCS	\$20.12	\$28.45	41.4%	45.3%
First Acceptance Corporation	FACO	\$2.12	\$3.03	42.9%	42.9%
Cincinnati Financial Corporation	CINF	\$103.46	\$143.70	38.9%	42.5%
American Coastal Insurance Corp.	ACIC	\$9.46	\$13.46	42.3%	42.3%
The Allstate Corporation	ALL	\$139.98	\$192.79	37.7%	40.6%
Kemper Corporation	KMPR	\$48.67	\$66.44	36.5%	39.2%
Hartford Financial Services Group	HIG	\$80.38	\$109.40	36.1%	38.6%
Universal Insurance Holdings	UVE	\$15.98	\$21.06	31.8%	36.8%
HCI Group, Inc.	HCI	\$87.40	\$116.53	33.3%	35.4%
Hanover Insurance Group, Inc.	THG	\$121.42	\$154.66	27.4%	30.6%
Travelers Companies Inc.	TRV	\$190.49	\$240.89	26.5%	28.8%
Berkshire Hathaway Inc.	BRK.A	\$542,625.00	\$680,920.00	25.5%	25.5%
Erie Indemnity Company	ERIE	\$334.92	\$412.23	23.1%	24.7%
Horace Mann Educators Corporation	HMN	\$32.70	\$39.23	20.0%	24.6%
CNA Financial Corporation	CNA	\$42.31	\$48.37	14.3%	24.0%
Chubb Limited	CB	\$226.00	\$276.30	22.3%	23.9%
Hagerty, Inc.	HGTY	\$7.80	\$9.65	23.7%	23.7%
NI Holdings, Inc.	NODK	\$12.99	\$15.70	20.9%	20.9%
Donegal Group Inc.	DGIC.A	\$13.99	\$15.47	10.6%	16.0%
Safety Insurance Group Inc.	SAFT	\$75.99	\$82.40	8.4%	13.3%
American International Group, Inc.	AIG	\$67.75	\$72.80	7.5%	9.8%
Admiral Group plc	ADM - LSE	£2,684.00	£2,644.00	-1.5%	0.9%
Selective Insurance Group	SIGI	\$99.48	\$93.52	-6.0%	-4.6%
Sabre Insurance Group plc	SBRE - LSE	£151.40	£138.00	-8.9%	-5.7%
<b>Median</b>				<b>26.9%</b>	<b>29.7%</b>

**Reinsurance**

Oxbridge Re Holdings Limited	OXBR	\$1.10	\$4.12	274.6%	274.6%
AXIS Capital Holdings	AXS	\$55.37	\$88.62	60.1%	63.9%
SiriusPoint Ltd.	SPNT	\$11.60	\$16.39	41.3%	41.3%
Reinsurance Group of America	RGA	\$161.78	\$213.63	32.0%	34.4%
White Mountains Insurance	WTM	\$1,505.01	\$1,945.06	29.2%	29.3%
RenaissanceRe Holdings	RNR	\$196.00	\$248.81	26.9%	27.8%

		Market Price <u>12/31/2023</u>	Market Price <u>12/31/2024</u>	Percent Increase / - Decrease	Total Return
<b>Reinsurance Cont.</b>					
Greenlight Capital Re	GLRE	\$11.42	\$14.00	22.6%	22.6%
Enstar Group Limited	ESGR	\$294.35	\$322.05	9.4%	9.4%
Conduit Holdings Limited	CRE - LSE	£469.00	£468.50	-0.1%	6.3%
Everest Group, Ltd.	EG	\$353.58	\$362.46	2.5%	4.6%
Maiden Holdings	MHLD	\$2.29	\$1.69	-26.2%	-26.2%
<b>Median</b>				<b>26.9%</b>	<b>27.8%</b>
<b>Specialty</b>					
Bowhead Specialty Holdings Inc.	BOW	\$17.00	\$35.52	108.9%	108.9%
Palomar Holdings	PLMR	\$55.50	\$105.59	90.3%	90.3%
Fairfax Financial Holdings	FFH - TSX	\$1,222.51	\$2,000.00	63.6%	66.3%
Beazley plc	BEZ - LSE	£522.00	£816.50	56.4%	59.7%
Trupanion, Inc.	TRUP	\$30.51	\$48.20	58.0%	58.0%
ICC Holdings	ICCH	\$15.30	\$23.28	52.2%	52.2%
Skyward Specialty Insurance Group	SKWD	\$33.88	\$50.54	49.2%	49.2%
Fidelis Insurance Holdings Limited	FIHL	\$12.67	\$18.13	43.1%	46.3%
Direct Line Insurance Group plc	DLG - LSE	£181.95	£255.20	40.3%	44.9%
Kinsale Capital Group	KNSL	\$334.91	\$465.13	38.9%	39.1%
Employers Holdings, Inc.	EIG	\$39.40	\$51.23	30.0%	33.3%
Intact Financial Corporation	IFC - TSX	\$203.86	\$261.73	28.4%	31.0%
Arch Capital Group , Ltd.	ACGL	\$74.27	\$92.35	24.3%	30.8%
Assurant, Inc.	AIZ	\$168.49	\$213.22	26.5%	28.6%
RLI Corp.	RLI	\$133.12	\$164.83	23.8%	27.6%
W.R. Berkley Corporation	WRB	\$47.15	\$58.52	24.1%	27.2%
Old Republic International Corp.	ORI	\$29.40	\$36.19	23.1%	27.1%
Lancashire Holdings Limited	LRE - LSE	£624.00	£659.00	5.6%	26.7%
American Financial Group Inc	AFG	\$118.89	\$136.93	15.2%	23.7%
Markel Group Inc.	MKL	\$1,419.90	\$1,726.23	21.6%	21.6%
AMERISAFE	AMSF	\$46.78	\$51.54	10.2%	19.7%
Global Indemnity Group	GBLI	\$32.24	\$36.00	11.7%	16.6%
ProAssurance Corporation	PRA	\$13.79	\$15.91	15.4%	15.4%
Tiptree, Inc.	TIPT	\$18.96	\$20.86	10.0%	12.7%
Conifer Holdings, Inc.	CNFR	\$1.10	\$1.17	6.4%	6.4%
Hiscox Ltd	HSX - LSE	£1,054.00	£1,083.00	2.8%	5.6%
Kingsway Financial Services	KFS	\$8.40	\$8.37	-0.4%	-0.4%
AMBAC Financial Group, Inc.	AMBC	\$16.48	\$12.65	-23.2%	-23.2%

		Market Price <u>12/31/2023</u>	Market Price <u>12/31/2024</u>	Percent Increase / - Decrease	Total Return
<b>Specialty Cont.</b>					
James River Group Holdings	JRVR	\$9.24	\$4.87	-47.3%	-46.2%
<b>Median</b>				<b>24.1%</b>	<b>27.6%</b>

<b>Asset Managers</b>					
Just Group plc	JUST - LSE	£85.90	£162.40	89.1%	92.7%
Bank of New York Mellon	BK	\$52.05	\$76.83	47.6%	51.9%
LPL Financial	LPLA	\$227.62	\$326.51	43.4%	44.1%
Ameriprise Financial	AMP	\$379.83	\$532.43	40.2%	42.1%
BlackRock	BLK	\$811.80	\$1,025.11	26.3%	29.3%
Affiliated Managers Group, Inc.	AMG	\$151.42	\$184.92	22.1%	22.2%
T. Rowe Price Group, Inc.	TROW	\$107.69	\$113.09	5.0%	9.7%
Phoenix Group Holdings plc	PHNX - LSE	£535.20	£510.00	-4.7%	5.3%
Invesco Ltd.	IVZ	\$17.84	\$17.48	-2.0%	2.9%
Franklin Resources	BEN	\$29.79	\$20.29	-31.9%	-27.2%
<b>Median</b>				<b>24.2%</b>	<b>25.7%</b>

<b>Life &amp; Annuities</b>					
Jackson Financial Inc.	JXN	\$51.20	\$87.08	70.1%	76.4%
Unum Group	UNM	\$45.22	\$73.03	61.5%	66.3%
Manulife Financial Corporation	MFC - TSX	\$29.28	\$44.16	50.8%	57.5%
Citizens, Inc.	CIA	\$2.69	\$4.01	49.1%	49.1%
Equitable Holdings, Inc.	EQH	\$33.30	\$47.17	41.7%	45.0%
Corebridge Financial, Inc.	CRBG	\$21.66	\$29.93	38.2%	42.8%
CNO Financial Group	CNO	\$27.90	\$37.21	33.4%	36.1%
Primerica, Inc.	PRI	\$205.76	\$271.42	31.9%	33.6%
Aflac Incorporated	AFL	\$82.50	\$103.44	25.4%	28.1%
MetLife, Inc.	MET	\$66.13	\$81.88	23.8%	27.6%
Lincoln National Corporation	LNC	\$26.97	\$31.71	17.6%	24.8%
Prudential Financial, Inc.	PRU	\$103.71	\$118.53	14.3%	19.5%
Aviva plc	AV - LSE	£434.70	£468.80	7.8%	15.8%
Kansas City Life Insurance	KCLI	\$35.00	\$36.67	4.8%	6.4%
Genworth Financial, Inc.	GNW	\$6.68	\$6.99	4.6%	4.6%
Principal Financial Group, Inc.	PFG	\$78.67	\$77.41	-1.6%	1.9%
Legal & General Group Plc	LGEM - LSE	£251.10	£229.80	-8.5%	-0.2%
UTG, Inc.	UTGN	\$30.11	\$29.50	-2.0%	-2.0%

		Market Price <u>12/31/2023</u>	Market Price <u>12/31/2024</u>	Percent Increase / - Decrease	Total Return
<b>Life &amp; Annuities Cont.</b>					
Voya Financial	VOYA	\$72.96	\$68.83	-5.7%	-3.4%
Globe Life, Inc.	GL	\$121.72	\$111.52	-8.4%	-7.5%
F&G Annuities & Life	FG	\$46.00	\$41.44	-9.9%	-8.0%
BrightHouse Financial, Inc.	BHF	\$52.92	\$48.04	-9.2%	-9.2%
<b>Median</b>				<b>15.9%</b>	<b>22.2%</b>
<b>Financial Guarantors</b>					
MGIC Investment Corporation	MTG	\$19.29	\$23.71	22.9%	25.7%
NMI Holdings	NMIH	\$29.68	\$36.76	23.9%	23.9%
Assured Guaranty Ltd.	AGO	\$74.83	\$90.01	20.3%	22.1%
Radian Group Inc.	RDN	\$28.55	\$31.72	11.1%	14.5%
MBIA Inc.	MBI	\$6.12	\$6.46	5.6%	5.6%
Essent Group Ltd.	ESNT	\$52.74	\$54.44	3.2%	5.2%
<b>Median</b>				<b>15.7%</b>	<b>18.3%</b>
<b>Title Insurers</b>					
Investors Title Co	ITIC	\$162.14	\$236.76	46.0%	55.0%
Stewart Info Services	STC	\$58.75	\$67.49	14.9%	18.2%
Fidelity National Financial	FNF	\$51.02	\$56.14	10.0%	14.1%
First American Financial	FAF	\$64.44	\$62.44	-3.1%	0.4%
<b>Median</b>				<b>12.5%</b>	<b>16.2%</b>