

MARKET PERFORMANCE OF FINANCIAL SERVICES STOCKS FOR THE QUARTER ENDED MARCH 31, 2025

In the first quarter of 2025, the U.S. stock market, as measured by the Standard & Poor's 500 index, decreased 4.3%. Financial services stocks, as measured by the XLF Financial ETF, increased 3.4%. Insurance stocks, as measured by the Nasdaq Insurance Index, increased 5.3%. The average total return for the 132 companies

included in this study was 3.2%. Eight sectors outperformed the S&P 500 and two underperformed. In this report, six sectors posted positive returns and four posted negative returns, as shown in Table 1. The top performing sectors in this study were Insurance Brokers and Property Casualty.

Table 1

	Total Return Q1 2025
Insurance Brokers	15.3
Property and Casualty	9.6
Life & Annuities	7.2
Title Insurers	6.2
Nasdaq Insurance Index	5.3
Specialty	4.4
XLF (Financial Sector ETF)	3.4
Financial Guarantors	1.7
Reinsurance	-3.2
Securities Brokers and Banks	-4.1
Standard & Poor's 500	-4.3
Asset Managers	-8.0
Insurance Technology	-8.4

Individual financial services stock performance was mixed with a number of noteworthy stock increases and decreases. Financial services stock performance on average was stronger than the broad market. The broad market was down as a reflection of the 12.7% decline of the information technology sector which makes up nearly 30% of the S&P 500.

The top performing sector was insurance brokers, up 15.3% in Q1, led by Brown & Brown and Arthur J. Gallagher with 22.1% and 21.9% total returns, respectively. Both stocks have been significantly up in the last several years. Both companies have experienced strong organic growth in all business units and have expanded profit margins. Growth in both companies can be attributed to GDP growth, rate increases and

market share gains. Gallagher's strong performance can be linked to its growing and outperforming reinsurance business and investor optimism of the AssuredPartners acquisition which the company expects to close later this year. On Gallagher's investor day call in March, the company said Gallagher Re had fantastic Jan. 1 renewals leading to first quarter organic growth in the mid-teens. Brown & Brown, on the other hand, continues to benefit from competitive advantages of scale, specialization, and strong capacity to retain business as rates continue to rise. Other insurance brokers have also taken advantage of the insurance environment. Every company in the insurance broker sector, excluding Willis Towers Watson and TWFG, were up over 10% in Q1. Brokers expect accelerating casualty rate increases but decelerating property rate increases in 2025 which could present a fading organic growth tailwind for the sector.

ProAssurance Corporation, up 46.8%, was the second-best performer in the first quarter. After markets closed on March 19th The Doctors Company and ProAssurance announced a definitive agreement in which ProAssurance will be acquired by The Doctors Company for approximately \$1.3 billion. Under the agreement, ProAssurance stockholders will receive \$25.00 per share which was just over a 60% premium from the closing price of the stock on March 19th and roughly equivalent to the company's book value. The announcement pairs the nation's largest physician-owned medical malpractice insurer (The Doctors Company) with an industry leading specialty insurer with extensive expertise in medical liability, product liability and workers' compensation (ProAssurance). The combined company will have approximately \$12 billion of assets and will become one of the largest medical malpractice insurers in the U.S. The transaction is expected to close in the first half of 2026 and ProAssurance will become a wholly owned subsidiary of The Doctors Company.

Q1 California wildfires, one of the costliest global wildfires on record, likely caused over \$30 billion of insured losses. Mercury General Corporation, down 15.4% in Q1, is a personal lines underwriter and 80.6% of the company's 2024 direct premiums written were in California. Mercury is also the largest

homeowners writer in California among the publicly traded insurers based on 2024 direct premiums written. On January 10th, the company's share price fell 19.9% from the previous close as the wildfires swept through Eaton and the Palisades. Investors were uneasy of Mercury because of the company's heavy exposure in California. On the company's Q4 2024 earnings call, Mercury estimated gross catastrophe losses from the January wildfires before its share of the FAIR plan losses to be in the range of \$1.6 billion to \$2 billion. On an after-tax basis, Mercury estimates the net impact of the wildfires to statutory surplus in Q1 to be \$155mm to \$295mm. Ultimately the wildfires and the estimated losses for Mercury were on investors' minds which caused the sharp decrease in the share price.

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 Q1 2025
Root, Inc.	83.8
ProAssurance Corporation	46.8
EverQuote, Inc.	31.0
Palomar Holdings	29.8
HCI Group, Inc.	28.5
Donegal Group Inc.	28.4
UTG, Inc.	25.4
First Acceptance Corporation	23.4
Brown & Brown Inc.	22.1
Arthur J. Gallagher	21.9

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

	Total Return Q1 2025
AMBAC Financial Group, Inc.	-30.8
eHealth, Inc.	-28.9
Conduit Holdings Limited	-28.9
MBIA Inc.	-22.9
Trupanion, Inc.	-22.7
T. Rowe Price Group, Inc.	-17.7
Mercury General Corporation	-15.4
Lemonade, Inc.	-14.3
James River Group Holdings	-13.5
F&G Annuities & Life	-12.6

*Nasdaq Insurance Index total return is from Bloomberg

Table 4

		Market Price <u>12/31/2024</u>	Market Price <u>3/31/2025</u>	Percent Increase / - Decrease	Total Return
Insurance Brokers					
Brown & Brown Inc.	BRO	\$102.02	\$124.40	21.9%	22.1%
Arthur J. Gallagher	AJG	\$283.85	\$345.24	21.6%	21.9%
Goosehead Insurance, Inc.	GSHD	\$107.22	\$118.06	10.1%	16.2%
Ryan Specialty Holdings, Inc.	RYAN	\$64.16	\$73.87	15.1%	15.3%
Marsh & McLennan	MMC	\$212.41	\$244.03	14.9%	15.3%
The Baldwin Insurance Group	BWIN	\$38.76	\$44.69	15.3%	15.3%
Aon plc	AON	\$359.16	\$399.09	11.1%	11.3%
Willis Towers Watson	WTW	\$313.24	\$337.95	7.9%	8.2%
TWFG, Inc.	TWFG	\$30.80	\$30.91	0.4%	0.4%
Median				14.9%	15.3%
Property and Casualty					
HCI Group, Inc.	HCI	\$116.53	\$149.23	28.1%	28.5%
Donegal Group Inc.	DGIC.A	\$15.47	\$19.63	26.9%	28.4%
First Acceptance Corporation	FACO	\$3.03	\$3.74	23.4%	23.4%
Progressive Corporation	PGR	\$239.61	\$283.01	18.1%	20.4%
American International Group, Inc.	AIG	\$72.80	\$86.94	19.4%	20.0%
Heritage Insurance Holdings	HRTG	\$12.10	\$14.42	19.2%	19.2%
Berkshire Hathaway Inc.	BRK.A	\$680,920.00	\$798,441.60	17.3%	17.3%
Hartford Financial Services Group	HIG	\$109.40	\$123.73	13.1%	13.6%
Universal Insurance Holdings	UVE	\$21.06	\$23.70	12.5%	13.4%
Hanover Insurance Group, Inc.	THG	\$154.66	\$173.95	12.5%	13.1%
CNA Financial Corporation	CNA	\$48.37	\$50.79	5.0%	10.4%
Travelers Companies Inc.	TRV	\$240.89	\$264.46	9.8%	10.2%
Horace Mann Educators Corporation	HMN	\$39.23	\$42.73	8.9%	9.8%
Chubb Limited	CB	\$276.30	\$301.99	9.3%	9.6%
Kingstone Companies, Inc.	KINS	\$15.19	\$16.65	9.6%	9.6%
The Allstate Corporation	ALL	\$192.79	\$207.07	7.4%	7.9%
Admiral Group plc	ADM - LSE	£2,644.00	£2,850.00	7.8%	7.8%
United Fire Group Inc.	UFCS	\$28.45	\$29.46	3.6%	4.1%
Cincinnati Financial Corporation	CINF	\$143.70	\$147.72	2.8%	3.4%
Erie Indemnity Company	ERIE	\$412.23	\$419.05	1.7%	2.0%
Kemper Corporation	KMPR	\$66.44	\$66.85	0.6%	1.1%
Selective Insurance Group	SIGI	\$93.52	\$91.54	-2.1%	-1.7%
Safety Insurance Group Inc.	SAFT	\$82.40	\$78.88	-4.3%	-3.1%
Hagerty, Inc.	HGTY	\$9.65	\$9.04	-6.3%	-6.3%

		Market Price <u>12/31/2024</u>	Market Price <u>3/31/2025</u>	Percent Increase / - Decrease	Total Return
Property and Casualty Cont.					
Sabre Insurance Group plc	SBRE - LSE	£138.00	£129.20	-6.4%	-6.4%
NI Holdings, Inc.	NODK	\$15.70	\$14.26	-9.2%	-9.2%
American Coastal Insurance Corp.	ACIC	\$13.46	\$11.57	-14.0%	-10.7%
Mercury General Corporation	MCY	\$66.48	\$55.90	-15.9%	-15.4%
Median				8.4%	9.6%
Life & Annuities					
UTG, Inc.	UTGN	\$29.50	\$37.00	25.4%	25.4%
Brighthouse Financial, Inc.	BHF	\$48.04	\$57.99	20.7%	20.7%
Aviva plc	AV - LSE	£468.80	£555.20	18.4%	18.4%
Globe Life, Inc.	GL	\$111.52	\$131.72	18.1%	18.4%
Lincoln National Corporation	LNC	\$31.71	\$35.91	13.2%	14.9%
Citizens, Inc.	CIA	\$4.01	\$4.55	13.5%	13.5%
CNO Financial Group	CNO	\$37.21	\$41.65	11.9%	12.4%
Unum Group	UNM	\$73.03	\$81.46	11.5%	12.2%
Equitable Holdings, Inc.	EQH	\$47.17	\$52.09	10.4%	10.9%
Principal Financial Group, Inc.	PFG	\$77.41	\$84.37	9.0%	10.0%
Aflac Incorporated	AFL	\$103.44	\$111.19	7.5%	8.1%
Corebridge Financial, Inc.	CRBG	\$29.93	\$31.57	5.5%	6.3%
Legal & General Group Plc	LGEN - LSE	£229.80	£242.80	5.7%	5.7%
Primerica, Inc.	PRI	\$271.42	\$284.53	4.8%	5.2%
Manulife Financial Corporation	MFC - TSX	\$44.16	\$44.84	1.5%	2.6%
Genworth Financial, Inc.	GNW	\$6.99	\$7.09	1.4%	1.4%
Voya Financial	VOYA	\$68.83	\$67.76	-1.6%	-0.9%
MetLife, Inc.	MET	\$81.88	\$80.29	-1.9%	-1.3%
Jackson Financial Inc.	JXN	\$87.08	\$83.78	-3.8%	-2.8%
Prudential Financial, Inc.	PRU	\$118.53	\$111.68	-5.8%	-4.6%
Kansas City Life Insurance	KCLI	\$36.67	\$32.76	-10.7%	-10.3%
F&G Annuities & Life	FG	\$41.44	\$36.05	-13.0%	-12.6%
Median				6.6%	7.2%
Title Insurers					
Fidelity National Financial	FNF	\$56.14	\$65.08	15.9%	16.8%
Stewart Info Services	STC	\$67.49	\$71.35	5.7%	6.5%
First American Financial	FAF	\$62.44	\$65.63	5.1%	6.0%

		Market Price <u>12/31/2024</u>	Market Price <u>3/31/2025</u>	Percent Increase / - Decrease	Total Return
<u>Title Insurers Cont.</u>					
Investors Title Co	ITIC	\$236.76	\$241.08	1.8%	2.0%
Median				5.4%	6.2%
<u>Specialty</u>					
ProAssurance Corporation	PRA	\$15.91	\$23.35	46.8%	46.8%
Palomar Holdings	PLMR	\$105.59	\$137.08	29.8%	29.8%
W.R. Berkley Corporation	WRB	\$58.52	\$71.16	21.6%	21.8%
Tiptree, Inc.	TIPT	\$20.86	\$24.09	15.5%	15.8%
Old Republic International Corp.	ORI	\$36.19	\$39.22	8.4%	15.6%
Bowhead Specialty Holdings Inc.	BOW	\$35.52	\$40.65	14.4%	14.4%
Beazley plc	BEZ - LSE	£816.50	£927.00	13.5%	13.6%
Intact Financial Corporation	IFC - TSX	\$261.73	\$294.01	12.3%	12.9%
Direct Line Insurance Group plc	DLG - LSE	£255.20	£281.20	10.2%	10.2%
Hiscox Ltd	HSX - LSE	£1,083.00	£1,176.00	8.6%	8.6%
Markel Group Inc.	MKL	\$1,726.23	\$1,869.61	8.3%	8.3%
Fairfax Financial Holdings	FFH - TSX	\$2,000.00	\$2,079.84	4.0%	5.1%
Skyward Specialty Insurance Group	SKWD	\$50.54	\$52.92	4.7%	4.7%
Kinsale Capital Group	KNSL	\$465.13	\$486.71	4.6%	4.7%
Arch Capital Group , Ltd.	ACGL	\$92.35	\$96.18	4.1%	4.1%
AMERISAFE	AMSF	\$51.54	\$52.55	2.0%	2.8%
Employers Holdings, Inc.	EIG	\$51.23	\$50.64	-1.2%	-0.6%
Assurant, Inc.	AIZ	\$213.22	\$209.75	-1.6%	-1.3%
American Financial Group Inc	AFG	\$136.93	\$131.34	-4.1%	-2.0%
RLI Corp.	RLI	\$82.42	\$80.33	-2.5%	-2.3%
Global Indemnity Group	GBLI	\$36.00	\$34.45	-4.3%	-3.4%
Kingsway Financial Services	KFS	\$8.37	\$7.92	-5.4%	-5.4%
Fidelis Insurance Holdings Limited	FIHL	\$18.13	\$16.20	-10.6%	-10.0%
Lancashire Holdings Limited	LRE - LSE	£659.00	£578.00	-12.3%	-12.3%
James River Group Holdings	JRVR	\$4.87	\$4.20	-13.8%	-13.5%
Trupanion, Inc.	TRUP	\$48.20	\$37.27	-22.7%	-22.7%
AMBAC Financial Group, Inc.	AMBC	\$12.65	\$8.75	-30.8%	-30.8%
Conifer Holdings, Inc.	CNFR	\$1.17	\$0.51	-56.3%	-56.3%
Median				4.1%	4.4%

		Market Price <u>12/31/2024</u>	Market Price <u>3/31/2025</u>	Percent Increase / - Decrease	Total Return
Financial Guarantors					
Essent Group Ltd.	ESNT	\$54.44	\$57.72	6.0%	6.6%
Radian Group Inc.	RDN	\$31.72	\$33.07	4.3%	5.1%
MGIC Investment Corporation	MTG	\$23.71	\$24.78	4.5%	5.1%
Assured Guaranty Ltd.	AGO	\$90.01	\$88.10	-2.1%	-1.7%
NMI Holdings	NMIH	\$36.76	\$36.05	-1.9%	-1.9%
MBIA Inc.	MBI	\$6.46	\$4.98	-22.9%	-22.9%
Median				1.2%	1.7%
Reinsurance					
AXIS Capital Holdings	AXS	\$88.62	\$100.24	13.1%	13.6%
SiriusPoint Ltd.	SPNT	\$16.39	\$17.29	5.5%	5.5%
Enstar Group Limited	ESGR	\$322.05	\$332.38	3.2%	3.2%
Everest Group, Ltd.	EG	\$362.46	\$363.33	0.2%	0.8%
White Mountains Insurance	WTM	\$1,945.06	\$1,925.81	-1.0%	-0.9%
Greenlight Capital Re	GLRE	\$14.00	\$13.55	-3.2%	-3.2%
RenaissanceRe Holdings	RNR	\$248.81	\$240.00	-3.5%	-3.4%
Reinsurance Group of America	RGA	\$213.63	\$196.90	-7.8%	-7.4%
Conduit Holdings Limited	CRE - LSE	£468.50	£333.00	-28.9%	-28.9%
Oxbridge Re Holdings Limited	OXBR	\$4.12	\$1.89	-54.1%	-54.1%
Maiden Holdings	MHLD	\$1.69	\$0.57	-66.3%	-66.3%
Median				-3.2%	-3.2%
Securities Brokers and Banks					
Charles Schwab Corporation	SCHW	\$74.01	\$78.28	5.8%	6.1%
JPMorgan Chase & Co.	JPM	\$239.71	\$245.30	2.3%	2.9%
Citigroup	C	\$70.39	\$70.99	0.9%	1.6%
Goldman Sachs	GS	\$572.62	\$546.29	-4.6%	-4.1%
Bank of America	BAC	\$43.95	\$41.73	-5.1%	-4.5%
Morgan Stanley	MS	\$125.72	\$116.67	-7.2%	-6.6%
Raymond James Financial	RJF	\$155.33	\$138.91	-10.6%	-10.3%
Median				-4.6%	-4.1%

		Market Price <u>12/31/2024</u>	Market Price <u>3/31/2025</u>	Percent Increase / - Decrease	Total Return
Asset Managers					
Phoenix Group Holdings plc	PHNX - LSE	£510.00	£571.50	12.1%	12.1%
Bank of New York Mellon	BK	\$76.83	\$83.87	9.2%	9.8%
LPL Financial	LPLA	\$326.51	\$327.14	0.2%	0.3%
Franklin Resources	BEN	\$20.29	\$19.25	-5.1%	-3.5%
BlackRock	BLK	\$1,025.11	\$946.48	-7.7%	-7.2%
Ameriprise Financial	AMP	\$532.43	\$484.11	-9.1%	-8.8%
Affiliated Managers Group, Inc.	AMG	\$184.92	\$168.03	-9.1%	-9.1%
Just Group plc	JUST - LSE	£162.40	£147.00	-9.5%	-9.5%
Invesco Ltd.	IVZ	\$17.48	\$15.17	-13.2%	-12.3%
T. Rowe Price Group, Inc.	TROW	\$113.09	\$91.87	-18.8%	-17.7%
Median				-8.4%	-8.0%
Insurance Technology					
Root, Inc.	ROOT	\$72.59	\$133.44	83.8%	83.8%
EverQuote, Inc.	EVER	\$19.99	\$26.19	31.0%	31.0%
Hippo Holdings Inc.	HIPO	\$26.77	\$25.56	-4.5%	-4.5%
GoHealth, Inc.	GOCO	\$13.39	\$12.27	-8.4%	-8.4%
SelectQuote, Inc.	SLQT	\$3.72	\$3.34	-10.2%	-10.2%
Lemonade, Inc.	LMND	\$36.68	\$31.43	-14.3%	-14.3%
eHealth, Inc.	EHTH	\$9.40	\$6.68	-28.9%	-28.9%
Median				-8.4%	-8.4%