Memo for information

To: Prudential Working group
From: Prudential team
cc:
Date: 04-05-2026
Reference: ECO-PRU-26-219

Subject: EIOPA Insurance Risk Dashboard - April 2026

Summary

The secretariat reviewed EIOPA's latest April 2026 **insurance risk dashboard** and the corresponding news article. A high-level summary is provided for members below.

The April 2026 publication shows that risks in the European insurance sector are overall **stable at a medium level,** amidst persistent geopolitical environment tensions shaping the macroeconomic outlook.

- **Level** – There are no changes to levels compared to the January 2026 dashboard:
  - **Market** risk remains the only risk at a **high level** (orange) due to high levels of bond and equity volatility
  - All other risks remain at a medium level (yellow).

- **Trend** - Compared to the previous quarter, **macro and market risks** have slightly increased, while **all other risks have remained stable**.
  - **Macro risks** have an increasing outlook as higher inflation, firmer rates and persistent geographical tensions continue to weigh on the macro-risk environment.
  - **Market risk** levels have increased due to rises in volatility for bonds and equities, plus further increases in property prices.
  - All other risks showed a constant trend over the past 3 months.

- **Outlook** – The current stability is expected to persist over the next 12 months, with all risk categories anticipated to stay unchanged, except for **macro risks and market risks**, which are anticipated to increase.
  - The increase in **macro risks** is consistent with the previous report and is driven by uncertainty surrounding geopolitical risks, particularly the evolution of the conflict in Iran, and its potential implication for energy prices, which is likely to amplify downside economic risk.
  - **Market risk** is anticipated to increase as higher property prices continue to signal stretched valuations, although insurers' portfolio allocations and concentration metrics remain broadly stable.
  - All the other risks have stable projections.

Background

EIOPA's Insurance Risk Dashboard, based on **Solvency II data**, summarises the main risks and vulnerabilities in the European Union's insurance sector through a set of risk indicators. The data is based on financial stability and prudential reporting collected from insurance groups and solo insurance undertakings.

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There are three aspects:

- **Level** – colour for the level of risk as of the reference date (yellow = medium, orange = high).
- **Trend** - for the 3 months preceding the reference date
- **Outlook** - for the 12 months after the reference date, based on the responses received from 23 NCAs and ranked according to the expected change in the materiality of each risk.