

AUSTRALIAN FLOOD EVENT TOPS 2022 INDUSTRY LOSSES OUTSIDE US CRESTA RELEASES Q4/2022 UPDATE OF CLIX INDUSTRY LOSSES

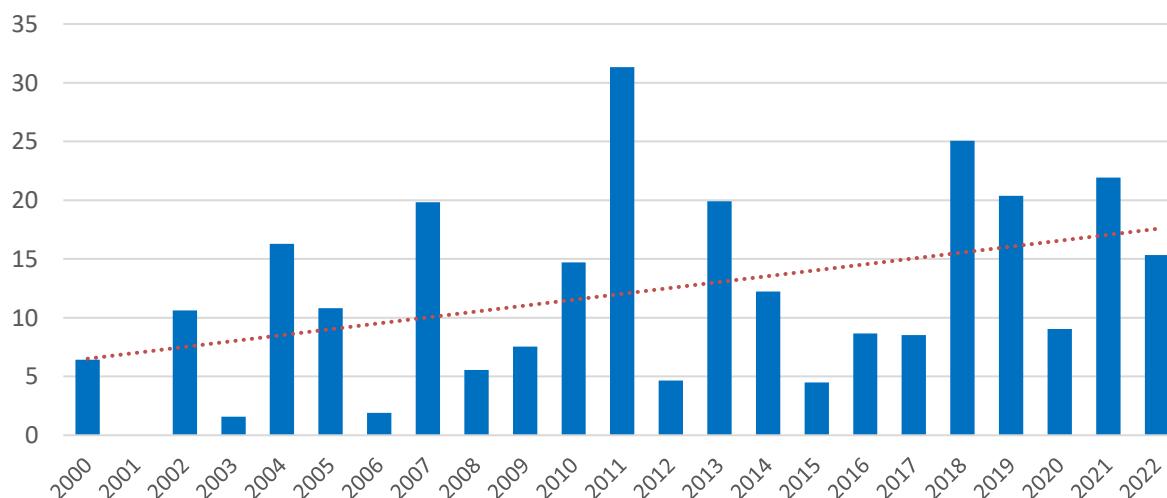
Zurich, 3 January 2023 – CRESTA, the insurance industry organisation that provides a global standard for risk accumulation zones and natural catastrophe industry losses, has today released its fourth quarter update of the CRESTA Industry Loss Index (CLIX).

CRESTA provides industry loss data on international Cat events (excluding US) which have generated losses to the insurance industry in excess of USD 1bn. In 2022, there were seven events with industry losses which exceeded the loss threshold:

- European Windstorm Series (Dudley, Eunice, Franklin), Feb 2022
- Eastern Australia Floods, Feb-Mar 2022
- Fukushima Mw 7.3 Earthquake, Mar 2022
- KwaZulu-Natal Floods, South Africa, April 2022
- Western Europe Severe Storms, Early June 2022
- Western Europe Severe Storms, Mid-June 2022
- Typhoon (Nanmadol, Japan, Sep 2022)

The largest event loss outside the US was the flooding in Eastern Australia in late February / early March, which CRESTA estimates has generated an industry loss of USD 4.7bn. It is followed by the European Windstorm Series in February which created an industry loss of USD 4.2bn and the Fukushima Earthquake in March of USD 3.9bn. Devastating floods in South Africa in April, and extreme hail events in June which mainly affected France, were the other major international catastrophe events. In contrast, Japan experienced a relatively benign typhoon season with only Typhoon Nanmadol exceeding USD 1bn.

Weather-related Catastrophe Losses [USD bn]



Yearly loss burden from international (ex-US) weather-related catastrophes, corrected for as-if-today values: CLIX provides data on natural catastrophe industry losses which have occurred since 2000. Cat events causing industry losses above USD 1bn are updated quarterly for a period of three years. The above chart shows aggregated CLIX industry losses per year caused by atmospheric perils.

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Weather-related catastrophes dominated in 2022. A review of the loss trend for such events shows a significant increase in insured losses over the last 20 years. While losses from major weather catastrophes in the years 2000 to 2009 totalled USD 81bn (adjusted to reflect current values), they almost doubled to USD 150bn in the period from 2010 to 2019. The first three years of the current decade appear to confirm this trend with USD 46bn of losses incurred by the insurance industry to date due to atmospheric perils.

Matthias Saenger, Technical Manager of CLIX, commented: “The CRESTA CLIX industry loss database goes back to 2000 and therefore allows users to analyse trends in the frequency and severity of major natural catastrophe events. This is critical information for underwriters who are addressing a dynamic risk landscape driven by climate change and the growth in insured values. Only by properly understanding these trends, can natural catastrophe insurance and reinsurance be offered on a sustainable basis, helping to alleviate the capacity constraints currently observed in the market.”

About CLIX

CLIX is a service provided by CRESTA and offers benchmark information on natural catastrophe losses incurred by the global insurance industry. The CLIX database provides key information for all major Cat events since 2000. The geographic coverage of the database is global, excluding the US. CLIX industry losses are reviewed quarterly up to a maximum of three years after the event. Access to the CLIX database is via subscription.

More information on CLIX can be found on clix.cresta.org.

About CRESTA

The CRESTA organisation was established by the insurance and reinsurance industry in 1977 as an independent body for the technical management of natural catastrophe insurance. Its manager is PERILS CRESTA AG, a subsidiary of Zurich-based PERILS AG. CRESTA's main goal is to establish and maintain a uniform global system for the exchange, comparison, visualization and modelling of aggregated insurance data used for risk accumulation control and risk assessment, among other uses.

More information on CRESTA can be found on cresta.org.

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