

Q1/2024: NOTO EQ ONLY INTERNATIONAL INDUSTRY LOSS ABOVE USD 1BN

CRESTA RELEASES Q1/2024 UPDATE OF CLIX INDUSTRY LOSSES

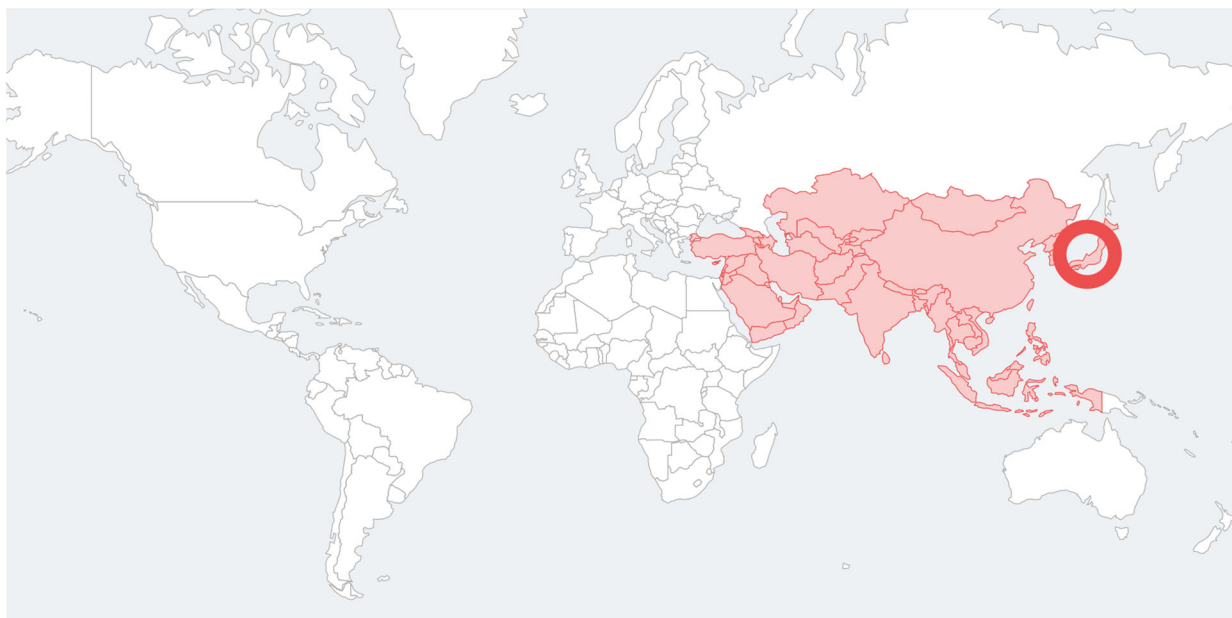
Zurich, 2 April 2024 – CRESTA, the insurance industry organisation that provides a global standard for risk accumulation zones and natural catastrophe industry losses, has today released the Q1/2024 update of its CRESTA Industry Loss Index (CLIX).

CRESTA provides industry loss data on international (non-US) Cat events which have generated losses to the insurance industry in excess of USD 1bn. In the latest update, a total of 25 Cat events were reviewed, and loss numbers were updated where new information became available.

Only one event, the Noto Peninsula Earthquake in Japan of 1 January 2024, was added to the loss database during the quarter. The initial estimate of the insured loss from the event is USD 1.9bn making it the only event to exceed the CLIX loss capture threshold of USD 1bn during the period.

Some events that occurred in 2023, however, experienced significant upward loss revisions. These include the severe convective storms in Northern Italy in July 2023 (the “Caronte storms”) which saw the insured loss estimate revised to USD 4.8bn, up from USD 2.7bn in CRESTA’s previous release. These storms brought damaging hail and winds to the regions of Lombardy, Veneto, Friuli-Venezia-Giulia, Piemonte and Emilia-Romagna, and to a lesser degree to Austria and Slovenia.

A further two severe convective storm events in Europe – storms “Lambert-Kay” in June 2023 and “Denis” in August 2023 – also saw upward revisions to their insured loss figures which now exceed the USD 1bn level. The events predominantly impacted Germany, Switzerland and Austria.



Noto Peninsula Mw 7.5 Earthquake, Japan, 1 Jan 2024: On 1 January 2024, at 16:10 local time, an earthquake of Moment Magnitude 7.5 struck near Suzu on the Noto Peninsula of Ishikawa Prefecture, Japan. The quake was the largest to strike Japan since the 2011 Tohoku earthquake. Tragically, 244 people died in the event. The loss to the insurance industry is estimated at USD 1.9bn in CRESTA’s initial event report.

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Matthias Saenger, Manager at CRESTA CLIX, commented: "Our most recent update shows a benign first quarter with only the Noto earthquake exceeding our capturing trigger of USD 1bn. However, there were significant upward revisions to some of the insured loss figures for events occurring in 2023. Event loss figures for large and unprecedented events in particular, such as the Kahramanmaras earthquake in Turkey and the Caronte hailstorms in Italy, have the potential to increase substantially over a period of time. This demonstrates the importance of regular reviews of industry losses, which is something that CRESTA puts a great amount of effort into."

He continued: "Our data also show that severe convective storms are no longer purely an issue of frequency but also of severity, with multi-billion event losses becoming more common. It is time to consider no longer referring to severe convective storms as 'secondary perils'."

About CLIX

CLIX is a service provided by CRESTA and offers benchmark information on natural catastrophe losses incurred by the global insurance industry 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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