

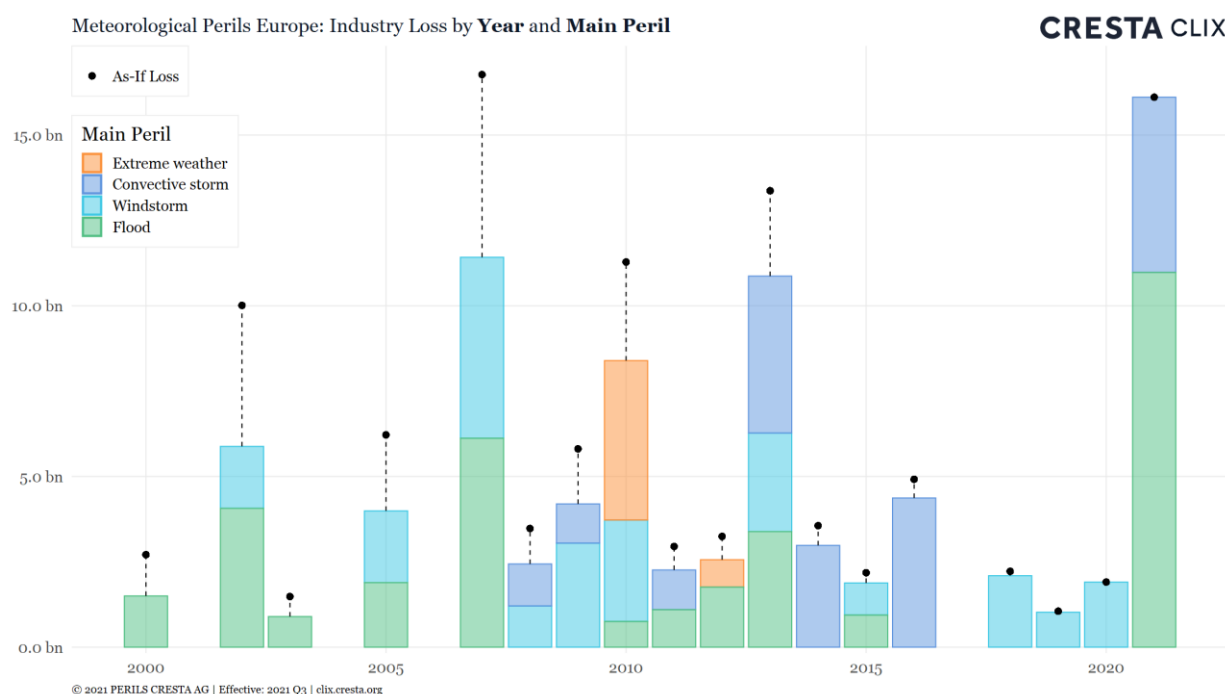
USD 11.0BN – JULY EUROPEAN FLOOD EVENT LARGEST INTERNATIONAL INDUSTRY LOSS TO DATE IN 2021

Zurich, 4 October 2021 – CRESTA, the insurance industry organisation that provides a global standard for risk aggregation zones and Cat industry losses, has today released the Q3/2021 update of its CLIX Loss List.

CLIX, the CRESTA Industry Loss Index, provides industry loss data on international Cat events (excluding US) which have generated industry losses in excess of USD 1bn. In the latest update, a total of 33 Cat events which occurred during the past three years were reviewed and updated where new information became available.

For the year to date, the extreme flooding event in Western Europe in mid-July has generated the largest industry loss figure in 2021, currently estimated at USD 11.0bn. This is followed by the severe convective storms in Europe in June which to date have generated an industry loss of USD 5.1bn, and the Fukushima earthquake in Japan in February with an industry loss of USD 2.5bn. The Q3 period also witnessed another significant industry loss in China’s Henan province when extreme rainfall in July caused flood-related industry losses of USD 1.9bn, representing the largest Cat event loss ever for the Chinese insurance market.

While the weather patterns are not directly comparable, it is striking that three of these events are linked to bursts of extreme precipitation during the summer months which caused devastating flooding and hail. This is in line with climate-related model forecasts, which indicate an increase in severity and frequency of extreme precipitation events resulting from higher temperatures and increased water-holding capacity in the atmosphere. Coupled with the growth in insured assets, this ever-changing risk landscape creates a formidable challenge for the insurance industry.



CLIX Industry Losses by meteorological peril, Europe: CLIX provides data on natural catastrophe industry losses since 2000. Cat events causing industry losses above USD 1bn are updated quarterly for a maximum period of three years. The above chart shows original and as-if-today billion-dollar event losses in Europe by meteorological peril.

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The floods in Europe occurred between 12 to 18 July 2021 and mainly affected Germany, Belgium, the Netherlands and Luxembourg. Austria, France, Switzerland and the United Kingdom were also affected, but to a much lesser extent. Unlike in previous major flood events in Europe (2002, 2013), which were dominated by slow-moving flood waves running downstream along major rivers, the 2021 floods were characterised by bursts of devastating flash flooding in small- and medium-scale river catchments. The floods caused extensive property and infrastructure damage and resulted in the loss of at least 240 lives.

Matthias Saenger, Technical Manager of CLIX, commented: “The benign period in international Cat industry losses in 2020 and until early 2021 changed dramatically in June when severe convective storms in Europe brought extreme rainfall and hail, causing significant damage primarily across Germany and Switzerland. These storms were followed by the major flood events in July in Europe and China, which generated record losses for the insurance industry.”

He continued: “The primary role of CLIX is to provide a consistent and coherent data set for major industry losses since the year 2000. As our Index expands, we would expect that the predicted trends in the frequency and severity of extreme weather events which have been indicated by climate-focused model projections will become increasingly evident in this time series.”

Access to CRESTA’s CLIX database is via subscription. CLIX data for the year 2018 are available to the public and can be accessed directly at clix.cresta.org.

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.

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. Over time, CRESTA will add other services increasing standardization, efficiency and data availability to the benefit of the insurance industry.

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

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