

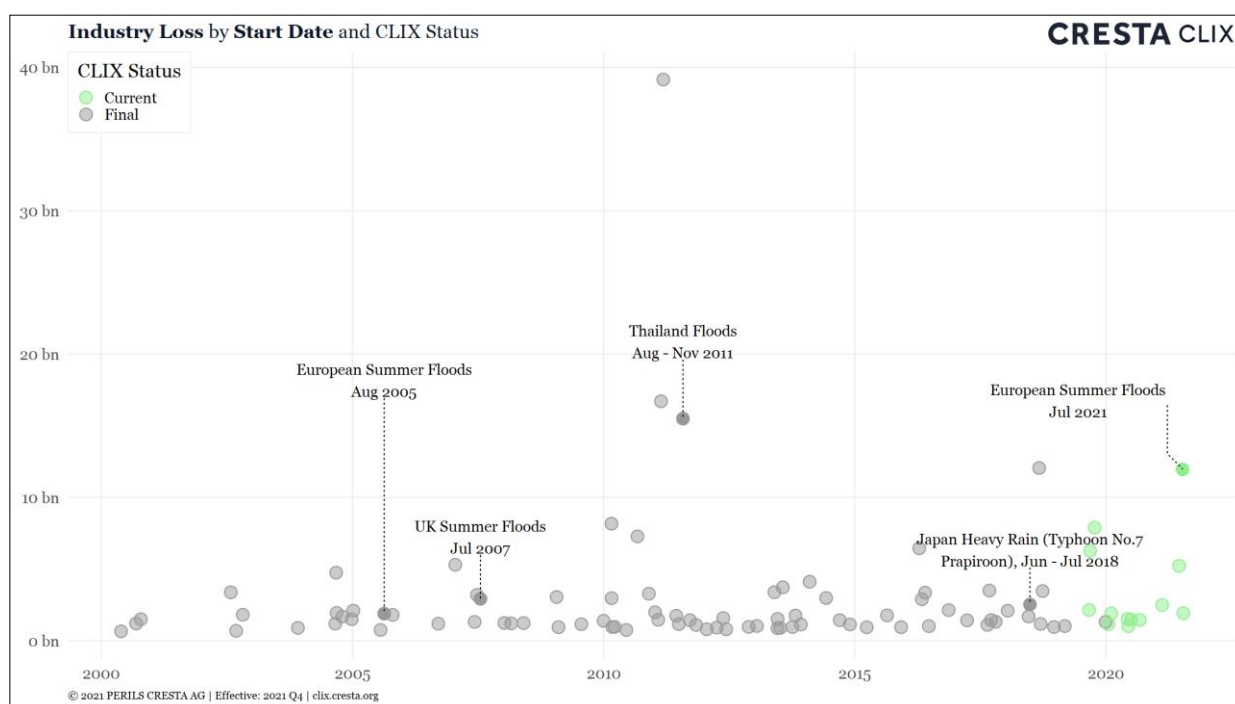
USD 12.0BN – JULY EUROPEAN FLOOD EVENT TOPS INDUSTRY LOSSES OUTSIDE OF US IN 2021

Zurich, 3 January 2022 – CRESTA, the insurance industry organisation that provides a global standard for risk aggregation zones and Cat industry losses, has today released its quarterly update for 2021 of the CRESTA Industry Loss Index (CLIX).

CLIX provides industry loss data on international Cat events (excluding US) which have generated industry losses in excess of USD 1bn. For the Q4/2021 update, all major Cat events which occurred during the past three years were reviewed and updated where new information became available.

The most significant loss event in 2021 was the flooding which affected Western Europe in mid-July. CRESTA currently estimates that this has generated a total industry loss of USD 12.0bn, up from USD 11.0bn in the first estimate released by CRESTA three month ago. It is important to note that the figure of USD 12.0bn does not include insurance losses funded by the regional governments in Belgium which amount to a total of USD 1.2bn.

Other major international catastrophes in 2021 included the heavy snowfall event in Japan in January, the Fukushima Earthquake in Japan in February, severe convective storms in Europe in June, floods in China’s Henan province in July, the heavy rainfall event in Japan in August, severe storms in southern Australia in October, floods in British Columbia in November, and most recently Typhoon Rai in the Philippines and floods in Malaysia. Out of these events, the Fukushima earthquake, the June storms in Europe and the Henan floods in China have each exceeded USD 1bn in losses, generating a total loss of USD 9.6bn for the insurance industry.



CLIX Industry Losses by status: 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 the CLIX industry losses by status final vs current.

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While the number of international Cat events exceeding USD 1bn industry loss in 2021 is not unusual, the accumulated loss of USD 21.6bn is above the long-term average of USD 13.7bn (USD 17.2bn corrected for as-if-today). Further, most of these losses were driven by extreme precipitation events during the summer months, generating huge masses of water within comparatively short time periods. Such events could become more frequent, driven by higher temperatures and increased water-holding capacity in the atmosphere, as well as the use of impenetrable surface materials as part of urban development and infrastructure construction which prevent water drainage into the soil.

Matthias Saenger, Technical Manager of CLIX, commented: “With the ever-changing risk landscape driven by a changing climate and growth in insured assets, understanding the past is a key part of detecting trends in the frequency and severity of major natural catastrophe events. CRESTA CLIX provides a consistent and coherent industry loss history which can be used for this purpose, and we are delighted to see the growing adoption of CLIX by the insurance and reinsurance market. This serves to motivate us to continue our work in 2022 and we thank all our subscribers for their support.”

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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