

News release

Preliminary *sigma* estimates for first half of 2017: catastrophes cause global total economic losses of USD 44 billion

- Total economic losses from disasters were USD 44 billion in H1 2017, significantly down from USD 117 billion in H1 2016, as a result of fewer and less intense events
- Insured losses from disasters were USD 23 billion in H1 2017, down from USD 36 billion in H1 2016
- Thunderstorms in the US led to the largest losses
- Disaster events claimed around 4 400 victims in H1 2017

Zurich, 17 August 2017 – According to preliminary *sigma* estimates, global total economic losses from natural catastrophes and man-made disasters in the first half of 2017 were USD 44 billion. That was well below the first half annual average of USD 120 billion of the last 10 years in economic losses and significantly lower than the same period a year ago. Of the total losses in the first half 2017, USD 23 billion were covered by insurance. A series of severe thunderstorms in the US caused some of the largest losses in the first half of 2017. Globally, around 4 400 people lost their lives or went missing in disaster events, compared with 4 800 in the first six months of 2016.

Out of the USD 44 billion total global economic losses, natural catastrophes alone accounted for USD 41 billion in the first half of 2017, compared with USD 110 billion in H1 2016, while the remaining USD 3 billion came from man-made disasters. Global insured losses from natural catastrophes fell to USD 20 billion from USD 30 billion the year before, while insured losses from man-made disasters were USD 3 billion, down from USD 6 billion. The number of victims of disaster events was around 4 400. That is low relative to recent years, but the toll may rise once estimates on the number of victims of Europe's severe June heat waves are included.

Biggest losses from thunderstorms in the US – most of them covered by insurance

Severe convective storms (thunderstorms) in the US resulted in the largest losses in the first six months of this year. Four separate severe weather events from February to May each caused insured losses of more than USD 1 billion. The most intense and costly event was a four-day long storm in May with heavy damage to property inflicted by hail in Colorado and strong winds in other parts of southern and central states. The economic losses of this storm alone were USD 2.2 billion, with insured losses of USD 1.9 billion.

A high number of smaller storms and other weather events (eg floods) in the US in the first six months of 2017 led to insured losses of around

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USD 1.6 billion out of the overall USD 2.3 billion in insured losses.

"Fortunately, in the US, most households and businesses are insured against wind risk so they are financially protected when severe storms strike," says Swiss Re's Chief Economist Kurt Karl.

A year of weather extremes

The largest and most costly insurance event outside of the US was Cyclone Debbie, a category 4 tropical cyclone that hit the northeastern coast of Australia in late March. Wind gusts of up to 263 km/h and widespread flooding in central and southeast Queensland and northeast New South Wales during the following days led to insured losses of USD 1.3 billion.

Other large events included floods in Peru, and severe frost damage in late spring in the southeastern part of the US and in Europe. At the beginning of the year, there was also a cold spell throughout Europe that claimed dozens of hypothermia victims. This was followed by a summer of heat waves and record temperatures in several European locations, making 2017 so far a year of weather extremes. High temperatures and dry weather have continued through the northern hemisphere's summer season, igniting wildfires in many parts of the world.

Table 1: Total economic and insured losses in H1 2017 and H1 2016

USD billion	H1 2017	H1 2016	annual change	10-year average
Economic losses (total)	44	117	-62%	120
Nat cat	41	110	-63%	112
Man-made	3	7	-51%	8
Insured losses (total)	23	36	-38%	33
Nat cat	20	30	-35%	29
Man-made	3	6	-51%	4

Source: Swiss Re Institute.

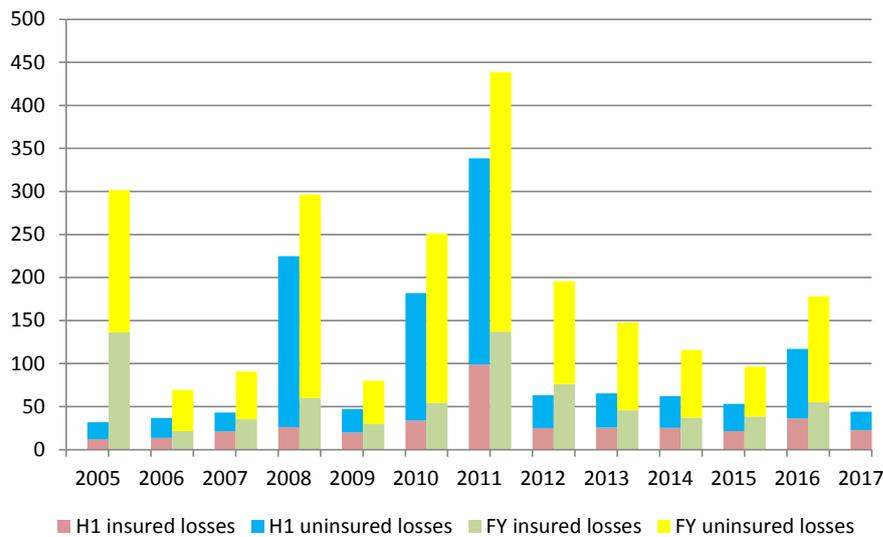
Table 2: The most costly insured natural catastrophe losses in H1 2017 (in USD billion)

Month (start)	Insured losses ¹	Economic losses	Event	Country
May	1.9	2.2	Hailstorm, thunderstorms ²	United States
March	1.6	2.1	Thunderstorms, tornadoes, hail ²	United States
March	1.5	2.1	Hailstorm, thunderstorms, tornadoes ²	United States
Feb	1.4	1.8	Thunderstorms, tornadoes, large hail ²	United States
March	1.3	2.5	Cyclone Debbie ³	Australia
June	1.0	1.5	Hailstorm ²	United States

Note: (1) Property and business interruption, excluding liability and life insurance losses.

Source: (2) US natural catastrophe figures with the permission of Property Claim Services (PCS); (3) Swiss Re preliminary estimates

Figure 1: Catastrophe-related losses in USD billion (2005 – 2017)



Source: Swiss Re Institute

The [sigma explorer web app](#) has been enriched further. Go to [sigma-explorer.com](#) to view, download and share [natural catastrophes data projected onto world maps](#).

Notes to editors

Swiss Re

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