

Press release

Hurricanes, severe thunderstorms and floods drive insured losses above USD 100 billion for 5th consecutive year, says Swiss Re Institute

- **Estimated insured losses from natural catastrophes on track to exceed USD 135 billion in 2024**
- **Hurricane Helene and Hurricane Milton severely impacted the US, resulting in estimated insured losses approaching USD 50 billion**
- **Major floods hit Europe and the Middle East, causing estimated insured losses of close to USD 13 billion as of today**

Zurich, 5 December 2024 – With 1.54°C above the pre-industrial average, 2024 is set to become the hottest year on record. A warming climate favours the occurrence of many of the natural catastrophes observed in 2024. Europe, in particular, has experienced intense flooding in 2024, resulting in the second-highest insured losses from floods in the region ever, according to Swiss Re Institute's estimates. The US has been affected by two major hurricanes and a high frequency of severe thunderstorms, making up at least two thirds of 2024's global insured losses of more than USD 135 billion as of today's estimates.

Balz Grollmund, Swiss Re's Head Catastrophe Perils, says: "For the fifth consecutive year, insured losses from natural catastrophes break the USD-100-billion mark. Much of this increasing loss burden results from value concentration in urban areas, economic growth, and increasing rebuilding costs. By favouring the conditions leading to many of this year's catastrophes, climate change is also playing an increasing role. This is why investing in mitigation and adaptation measures must become a priority."

Flood risk is rising globally

In 2024, severe floods in Europe and the UAE resulted in estimated insured losses of close to USD 13 billion to date. It was the third-costliest year for this peril globally and the second costliest for Europe which experienced insured losses of approximately USD 10 billion, according to Swiss Re Institute's estimates.

Intense precipitation in April caused floods in the Gulf region, disrupting the operations of the world's busiest airport of Dubai. In September, Storm

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Boris caused major floods in Central Europe, mainly affecting the Czech Republic, Poland and Austria. Additional impacts were reported from Slovakia, Romania, Italy and Croatia. While so-called Vb lows – slow-moving, low-pressure systems – are nothing unusual in the region, the strong intensity of the Vb system connected to Storm Boris is favoured by conditions related to climate change. Storm Boris mixed cold Arctic air flowing southwards with unusually warm air from the east and south, drawing moisture from a record-breaking warm Mediterranean Sea.

In October, large parts of Spain experienced heavy rainfall, flash floods and hailstorms, which caused severe damage. The floods were worst in eastern and southern Spain, with most of the damage across the Valencia and Castilla-La Mancha regions. Andalusia and the Balearic Islands were also affected. One year's average precipitation was dumped in less than eight hours in many locations. Steep clay terrain and drainage systems could not absorb the exceptional amount of water, leading to fast overflows.

Pluvial floods can severely affect urban areas

Floods come in varied forms. The most common are fluvial and pluvial floods, and in coastal areas, storm surge floods. Fluvial floods can happen after periods of heavy rainfall. They usually affect areas close to rivers where flood waves can build up gradually or rapidly and last for a longer period. Pluvial floods can happen anywhere and affect all kinds of (urban) areas. They cause flash floods after extreme rainfall in a short period of time because large parts of soil are sealed and therefore cannot absorb the excess of water as drainage systems are overwhelmed. Floods can also manifest as secondary effects of primary perils. This is the case for tropical-cyclone-induced flooding from storm surge and rainfall.

Jérôme Jean Haegeli, Swiss Re's Group Chief Economist, says: "Economic development continues to be the main driver of the rise in insured losses resulting from floods, but also other perils, seen over many decades. However, with natural catastrophe risks rising and higher price levels, the annual increase of 5–7% in insured losses will continue, and protection gaps could remain high. This highlights the need for adaptation in combination with an adequate insurance coverage that can support financial resilience."

Losses are likely to increase as climate change intensifies extreme weather events while asset values increase in high-risk areas due to urban sprawl. Adaptation is therefore key, and protective measures, such as dykes, dams and flood gates, are up to ten times more cost-effective than rebuilding.

2024: Hurricanes and severe thunderstorms, with US hardest hit

At least two thirds of this year's insured losses are attributable to the US: Two major hurricanes made landfall within a fortnight on the coast of Florida in September and October this year. Hurricane Helene made landfall as a major hurricane on 27 September, followed by Hurricane Milton on 9 October. Insured losses from both hurricanes are expected to

amount to below USD 50 billion as of today. Additionally, 2024 experienced a high frequency of severe thunderstorms (severe convective storms, or SCS), which affected mostly the US. Insured losses from SCS are expected to add more than USD 51 billion globally for 2024 as of today, the second-highest loss after the record high of approximately USD 70 billion in 2023.

Table 1: Estimated total economic and insured losses in 2024 and 2023 (USD billion in 2024 prices)

	2024	2023	Annual change	Previous 10-y average
Economic losses (total)	320	302	6%	254
Nat cat	310	291	6%	241
Man-made	10	11	-8%	13
Insured losses (total)	144	125	16%	108
Nat cat	135	115	17%	98
Man-made	9	10	-7%	10

Source: Swiss Re Institute

Note: Preliminary and, due to rounding, some totals may not correspond with the sum of the separate figures.

These *sigma* catastrophe loss estimates refer to property damage and exclude claims related to COVID-19. Loss estimates in this press release are preliminary and are subject to change as not all loss-generating events have been fully assessed yet.

Risk REconsidered: A Swiss Re podcast, Episode 2 ["Eying hurricane damage"](#)

About Swiss Re

The Swiss Re Group is one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer, working to make the world more resilient. It anticipates and manages risk – from natural catastrophes to climate change, from ageing populations to cyber crime. The aim of the Swiss Re Group is to enable society to thrive and progress, creating new opportunities and solutions for its clients. Headquartered in Zurich, Switzerland, where it was founded in 1863, the Swiss Re Group operates through a network of around 80 offices globally.

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