



Hail losses under the microscope - Comparing losses from three major hail events of the recent past

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In the last 3 years, Europe has seen a number of intense hail events which led to significant property losses. Hail storm "Andreas" in late July 2013 was a strong reminder of how extreme damage due to hail can turn out to be. It caused an insured loss of around 2.5bn EUR. Last time hail losses in this range occurred was during a hail storm in Munich, 1984. Following Andreas, France and Belgium experienced a similarly intense event in June 2014, "Ela", which was responsible for another extreme insured loss amount of 2.4bn EUR. Only 4 weeks later, on July 8th 2014, the capital of Bulgaria, Sofia, was affected by a strong hail storm. In only 2 hours it created an insured loss for Bulgaria of around 123mn EUR.

Swiss Re is conducting a detailed loss analysis for each of these three events. Using very granular insured loss information it is possible to study the different characteristics of hail losses in great depth. Among the results there are average losses per region and line of business, the number of loss reports per region, a geographical distribution of the damage degree. On the motor side, losses are additionally examined depending on year built and manufacturer.

The possibility to compare three different events in three different areas on such a detailed level is a first. It provides insights on the often very complex connection between hail intensity and the resulting damage which could contribute to mitigating extreme hail losses in the future.