



for the press

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- **India: Increase in losses due to climate change**
- **Board member Torsten Jeworrek: "In coming decades, the effects of climate change will make themselves felt particularly in emerging countries like India."**

Annual monsoon rainfall in India is becoming increasingly intense. On one day in 2005, for example, Mumbai recorded 944 mm of rain, the highest level of precipitation ever measured on a single day in India. The number of intense precipitation events (at least 100 mm/day) has risen by about a third since 1950. In the newly published annual review, "Topics Geo – Natural catastrophes 2007", Munich Re's geo risk experts investigate how risk potential is changing in India and come to the following conclusion: on the strength of the scientific data now available, the accumulation of extreme events is very probably due to global warming.

At the same time, the rapid development of India's economy is accompanied by growing prosperity, leading to higher concentrations of values – particularly in exposed regions like Mumbai. This and the strong rise in demand for insurance protection has driven up insured losses in recent years. Whilst annual losses averaged no more than US\$ 5m between 1980 and 2004, the figure in 2006 alone exceeded US\$ 400m.

"Climate change presents a particular challenge to fast-growing emerging countries like India", says Torsten Jeworrek from Munich Re's Board of Management. "In conjunction with greater prosperity and the effects of climate change, there is a distinct increase in losses. For this reason, our geo risk researchers undertake intensive examinations of the changing risk situation in countries like India. We use this special know-how to ensure our underwriting is based on risk-adequate prices, terms and conditions and also make it available to our clients as a service."

The current issue of "Topics Geo" additionally looks at the windstorm events of the past year: the 2007 hurricane season in the North Atlantic, the winter storms in Europe and the United States, and the cyclones in Asia. It also analyses the floods in the United Kingdom, the wildland fires in California, and the earthquake in Niigata, Japan.

2007 loss figures: Higher losses even without megacatastrophes

The losses caused by natural catastrophes in 2007 were within the range expected and in line with the trend observed in recent years. Overall losses throughout the world came to about US\$ 82bn, of which nearly US\$ 30bn was carried by the insurance industry. Losses were much higher than in the previous year, when they admittedly dropped to an exceptionally low level. There were 960 natural events in 2007 (compared with 850 in 2006), the highest figure ever recorded since 1974, when Munich Re started its systematic inventory in the NatCatService database.

"Topics Geo – Natural catastrophes 2007" can be downloaded or ordered in printed form from Munich Re's website (<http://www.munichre.com>).

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Münchener Rückversicherungs-Gesellschaft
signed Dr. Jeworrek signed Dr. Lawrence