



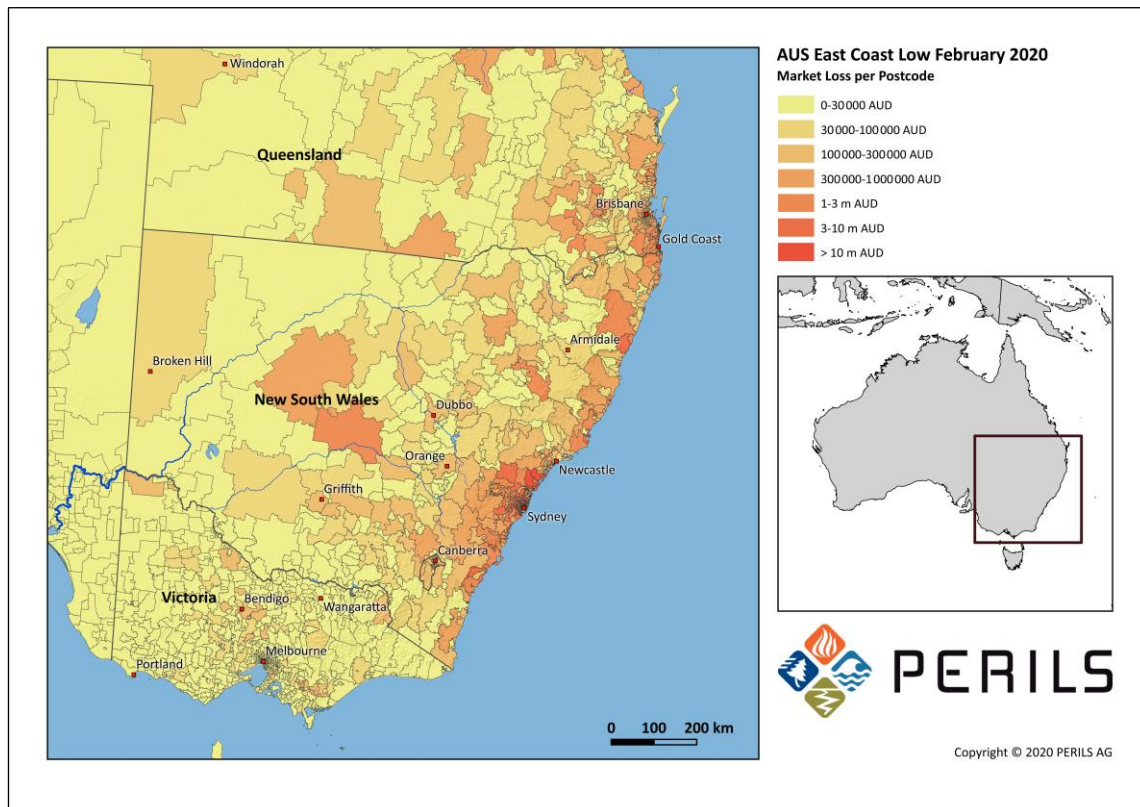
## AUD 958M - PERILS RELEASES DETAILED INDUSTRY LOSS FOOTPRINT FOR THE FEBRUARY 2020 AUSTRALIAN EAST COAST LOW

**Zurich, 13 August 2020** – PERILS, the independent Zurich-based organisation providing industry-wide catastrophe insurance data, has today released the industry loss footprint for the February 2020 Australian East Coast Low. This is the first time that detailed property and motor loss data by postcode has been provided for an East Coast Low event in Australia.

The industry loss data covers the East Coast Low which occurred between 5 to 13 February 2020 and mainly affected the Australian east coast states of New South Wales and Queensland. The total industry event loss figure is AUD 958m and is based on detailed loss data collected from the majority of the Australian insurance market.

This compares to PERILS' earlier loss estimates of AUD 794m issued on 31 March and 13 May 2020, respectively. The increase of AUD 164m is due to the addition of AUD100m in property losses and the inclusion of motor losses for the first time which totalled AUD 64m. Note that due to the industry challenges posed by the coronavirus pandemic, PERILS did not carry out a second round of data collection prior to issuing its report on 13 May and so the estimate was unchanged.

This third report provides a detailed breakdown of property and motor losses by postcode, with the data further divided by residential and commercial lines and loss amounts split into buildings, contents and business interruption losses where available. It also provides information on damage degrees which show the damage as a percentage of sums insured, as well as data on wind gusts and rainfall.



**Industry loss footprint of the Australian East Coast Low of 5-13 February 2020:** In its third loss report, provided in the form of a detailed industry loss footprint, PERILS estimates that the event has cost the insurance industry a total of AUD 958 million.



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The report marks the first time a market loss footprint is available at this level of granularity for an Australian East Coast Low event. This high-resolution data is useful for the calibration of probabilistic Cat risk models as well for the derivation of vulnerability functions to model the risk of extratropical cyclones in Australia.

Australian East Coast Lows are very intense low-pressure systems classified as extratropical cyclones which affect an area stretching from South East Queensland to North East Victoria. The East Coast Low of February 2020 was a typical example of such an event. It was an elongated low-pressure trough extending inland along the Australian east coast resulting in very intense rainfall, flash and river flooding and strong winds from early to mid-February 2020. In combination, these weather features caused widespread damage primarily along the coastal areas of New South Wales (88% of the industry loss) and South East Queensland (11% of the industry loss). Property contributed the vast majority of losses with 93% attributable to this line of business, while motor losses represent some 7% of the total industry losses.

An updated estimate of the industry loss from the February 2020 Australian East Coast Low will be made available by PERILS on 15 February 2021, one year after the event's end date.

Darryl Pidcock, Head of PERILS Asia-Pacific, commented: "This release is of particular market relevance as it is the first time a detailed industry loss footprint has been made available for an Australian East Coast Low event. The event was part of a very active Australian summer season which included the Australian Bushfire and Hailstorm events. The PERILS Database for Australia now contains detailed industry loss data for flood, tropical and extratropical cyclones, hail and bushfire events. In combination with the physical metrics of these Cat events and our Industry Exposure Database, this creates a comprehensive and unique data set for Australia. It is a perfect example of PERILS' primary goal to increase data availability for the better understanding and management of natural catastrophe risk."

He added: "We could not pursue our goal of increasing data availability without the support of our insurance partners. That support is vital to the ongoing evolution of best practice in the context of natural catastrophe risk management both in Australia and beyond."

### **About PERILS**

PERILS is an independent Zurich-based organisation providing industry-wide natural catastrophe exposure and event loss data. The PERILS Industry Exposure & Loss Database is available to all interested parties via annual subscription. The database contains industry sums insured and event loss information on a CRESTA zone level and per line of business. PERILS industry loss estimates provided via the PERILS Industry Loss Index Service can be used as triggers in insurance risk transactions such as industry loss warranty contracts (ILW) or insurance-linked securities (ILS). The service currently covers the following 17 countries: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, Switzerland, Turkey, and the United Kingdom. The use of PERILS exposure and loss data other than in conjunction with a valid PERILS License and according to its terms is illegal and expressly forbidden.

More information can be found on [www.perils.org](http://www.perils.org)

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