

29.09.2022

## Event Report



# CSA Insurance Linked Strategies CSA Insurance Linked Strategies Fixed

## Hurricane Ian – Update on events during September 2022

Dear Investor,

On Wednesday 28 September around 15:00 local time (19:00 UTC), Hurricane Ian has made landfall on the west coast of Florida near Cape Coral/Fort Myers as a powerful Category 4 hurricane with sustained wind speeds of 240 km/h (150 mph), causing catastrophic wind and rainfall in a widespread area around its initial track inland.

Hurricane Ian originated from a weather disturbance in the Atlantic and moved westwards into the Caribbean Sea closely passing the Leeward Antilles. While rapidly intensifying to hurricane strength moving northwest, it made landfall in western Cuba as a Category 3 hurricane. Although losing some strength as it crossed Cuba, it strengthened again as it tracked northwards over the eastern Gulf of Mexico, reaching a high intensity category 4 strength storm, which largely sustained while making landfall on the west coast of Florida.

The high intensity of the storm, with sustained wind speeds nearing a category 5 strength storm upon landfall and the widespread hurricane strength winds measuring 125 km in diameter reaching from Naples to Sarasota, will likely have catastrophic effects along the coast from storm surge, wind force and severe rainfall on large parts of central Florida. Damage assessment is currently based on initial estimates based on the storm characteristics and simulated models but is expected to be significant as the storm has tracked closely to the densely populated area of Lee County (Cape Coral/Fort Myers) with a population of over 760,000. Overall, at least two million people in Florida lost electricity during the storm. As the storm is still moving inland as a category 1 hurricane, further damage can be expected along its track. At the time of writing, the storm is heading toward Florida's northeast Atlantic coast and will likely make a second landfall on the South Carolina coast on Friday afternoon local time.

For invested clients use only

As the event is still ongoing, it is too early to make definitive estimates of the damage and ultimate industry losses. However, based on initial analyses, our current industry loss estimate ranges from USD 25 billion to USD 35 billion. As the event is still ongoing and it is very early to assess and model the event, estimates on insurance losses are subject to substantial uncertainty and could change as new information becomes available.

We are continuing to monitor this event and are in contact with our counterparties and market experts to assess a potential impact on our transactions and we will therefore provide a portfolio specific impact assessment from this event next week as we are yet to expect more information to become available.

### **Update on events during September 2022**

As a follow up on the event report on Typhoon Nanmadol, issued on 19 September, we would like to update you that we currently do not expect an impact on the portfolio from this event on a standalone basis.

In addition, recent information on the development of Hurricane Fiona, which made landfall in Puerto Rico and subsequently in Nova Scotia, Canada, we do not expect an impact on the portfolio from this event on a standalone basis.

Finally, Typhoon Noru struck the northern Philippines on 25 September as a high intensity typhoon. The ILS market has some exposure to this market through an IBRD sponsored cat bond. As the portfolio is not exposed to this cat bond, we do not expect any impact from this event.

Please contact us if you have any questions.

Kind regards,  
Credit Suisse Insurance Linked Strategies Ltd

Sources: Credit Suisse, National Hurricane Center, Reuters

For invested clients use only

#### Important Information:

This material has been prepared by CREDIT SUISSE GROUP AG and/or its affiliates ("Credit Suisse") with the greatest of care and to the best of its knowledge and belief. It is provided for informational and illustrative purposes only, does not constitute an advertisement, appraisal, investment research, research recommendations, investment recommendations or information recommending or suggesting an investment strategy, and it does not contain financial analysis. Moreover it does not constitute an invitation or an offer to the public or on a private basis to subscribe for or purchase products or services.

Benchmarks, to the extent mentioned, are used solely for purposes of comparison. The information contained in this document has been provided as a general commentary only and does not constitute any form of personal recommendation, investment advice, legal, tax, accounting or other advice or recommendation or any other financial service. It does not take into account the investment objectives, financial situation or needs, or knowledge and experience of any persons. The information provided is not intended to constitute any kind of basis on which to make an investment, divestment or retention decision. Credit Suisse recommends that any person potentially interested in the elements described in this document shall seek to obtain relevant information and advice (including but not limited to risks) prior to taking any investment decision.

The information contained herein was provided as at the date of writing, and may no longer be up to date on the date on which the reader may receive or access the information. It may change at any time without notice and with no obligation to update. To the extent that this material contains statements about future performance, such statements are forward looking and subject to a number of risks and uncertainties. It should be noted that historical returns, past performance and financial market scenarios are no reliable indicator of future performance. Significant losses are always possible.

This material is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of, or is located in, any jurisdiction where such distribution, publication, availability or use would be contrary to applicable law or regulation, or which would subject Credit Suisse to any registration or licensing requirement within such jurisdiction. The recipient is informed that a possible business connection may exist between a legal entity referenced in the present document and an entity part of Credit Suisse and that it may not be excluded that potential conflict of interests may result from such connection.

This document has been prepared from sources Credit Suisse believes to be reliable but does not guarantee its accuracy or completeness. Credit Suisse may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to any company or issuer mentioned.

This document may provide the addresses of, or contain hyperlinks to, websites. Credit Suisse has not reviewed the linked site and takes no responsibility for the content contained therein. Such address or hyperlink (including addresses or hyperlinks to Credit Suisse's own website material) is provided solely for your convenience and information and the content of the linked site does not in any way form part of this document. Accessing such website or following such link through this document or Credit Suisse's website shall be at your own risk. This document is intended only for the person to whom it is issued by Credit Suisse. It may not be reproduced either in whole, or in part, without Credit Suisse's prior written permission.

The information and views expressed herein are those of Credit Suisse at the time of writing and are subject to change at any time without notice. They are derived from sources believed to be reliable. Credit Suisse provides no guarantee with regard to the content and completeness of the information and does not accept any liability for losses that might arise from making use of the information. If nothing is indicated to the contrary, all figures are unaudited. The information provided herein may not be reproduced, neither in part nor in full, without the written permission of Credit Suisse.

Certain information contained in this document constitutes "Forward-Looking Statements" (including observations about markets and industry and regulatory trends as of the original date of this document), which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "target", "project", "estimate", "intend", "continue" or "believe", or the negatives thereof or other variations thereon or comparable terminology but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections, results or performance and other outcomes described or implied in forward-looking statements will not be achieved. We caution you that a number of important factors also beyond our control could cause results to differ materially from the plans, targets, goals, expectations, estimates and intentions expressed in such forward-looking statements and Credit Suisse has no obligation or intention to update any of the forward-looking statements in this document.

Some of the figures rely on licensed and/or proprietary models, methods, assumptions and predictions which involve the exercise of judgment. They may not be accurate because of uncertainties, imperfections, deterioration over time, or other factors, such as, but not limited to, the quality of the data. Accordingly, actual and/or effective impacts and results may differ from those reflected or contemplated herein. Credit Suisse is under no obligation to update any figures or opinions, or to correct any inaccuracies which may become apparent in this document.

This message may contain confidential, proprietary or legally privileged information and is intended only for the use of the addressee named above. No confidentiality or privilege is waived or lost by any mistransmission. If you are not the intended recipient of this message, you are hereby notified that you must not use, disseminate, copy it in any form or take any action in reliance on it. If you have received this message in error, please delete it and any copies of it and notify the sender immediately.

Copyright © 2022 Credit Suisse Group AG and/or its affiliates. All rights reserved.