



CSA Insurance Linked Strategies  
CSA Insurance Linked Strategies Fixed

**Coronavirus – 13 March 2020**

We would like to update you on the status of the ongoing novel coronavirus outbreak. As mentioned in the last event report, dated 5 February, this virus has the potential of having a severe global economic impact and - more importantly - a severe impact on an individual and a societal level. On 11 March, the World Health Organization declared the outbreak of the Coronavirus as a pandemic, confirming the infectious disease outbreak to be widespread on a global scale.

At the time of writing, news reports indicate that the spreading of the virus is to some extent contained in China for the moment. However, the people affected and the entire region of Hubei had to pay a very high price. A full containment of this virus likely requires the most severe measures.

Following the outbreak in China, significant outbreaks of the virus in Asia such as South Korea and Japan have been reported. Some of these countries might be able to contain the outbreak as they all had experience with SARS in 2003 and are allocating vast resources to fight the outbreak.

Further outbreaks in Iran and Italy have reached excessive spread levels with - apart from the large death toll - the burden to attempt to contain the outbreaks to be extensive.

Based on our simulations and analysis, we expect in two weeks many countries in Europe will be in a similar situation of outbreak where Italy is today, if they do not take very radical containment efforts over the next days.

The situation in the US is more complex. We believe the relatively low number of confirmed cases might be a simple function of the low number of tests performed until the end of last week. Now, as the frequency of testing is increasing, we observe an increase in confirmed cases accordingly. Although the US government is currently taking extensive measures such as international travel restrictions, the US might be three to five weeks away from a similar scenario currently occurring in Italy.

We believe there will be only few countries capable of containing the spread of the virus, which as a result, would likely lead to a severe pandemic.

We do not see any exposure related to this event on CSA ILS/ ILS Fixed. The Investment group is not exposed to event cancelation, business interruption or supply chain related insurance.

Although there is no direct exposure of non-life IRIS Funds to the coronavirus, CS ILS is preparing for a potential scenario of severe stressed financial markets with dislocations in financial institutions, whereby second-order effects of the pandemic spread could influence the broader insurance and ILS market. CS ILS has therefore entered into several transactions to protect our investors from financial losses in such a scenario. These transactions specifically do not hedge any direct insurance related risks to which our funds are exposed; neither for life- as well as non-life related insurance risks.

In the meantime, please do not hesitate to contact us if you have any questions.

Kind regards,  
Credit Suisse Insurance Linked Strategies Ltd

Sources: Credit Suisse, WHO, Reuters

---

**Contact**      Credit Suisse Anlagestiftungen  
Tel. +41 44 333 48 48  
E-Mail [csa.info@credit-suisse.com](mailto:csa.info@credit-suisse.com)  
Internet [www.credit-suisse.com/anlagestiftung](http://www.credit-suisse.com/anlagestiftung)

---

16 March 2020

The information provided herein constitutes marketing material. It is not investment advice or otherwise based on a consideration of the personal circumstances of the addressee nor is it the result of objective or independent research. The information provided herein is not legally binding and it does not constitute an offer or invitation to enter into any type of financial transaction.

The information provided herein was produced by Credit Suisse Group AG and/or its affiliates (hereafter "CS") with the greatest of care and to the best of its knowledge and belief.

The information and views expressed herein are those of CS at the time of writing and are subject to change at any time without notice. They are derived from sources believed to be reliable.

CS makes no representation as to the content or completeness of the information and disclaims, to the extent permitted by law, all liability for any loss arising from the use of the information. Unless otherwise stated, all figures are unaudited. The information in this document is for the exclusive use of the recipient. Neither this information nor any copy thereof may be sent, taken into or distributed in the United States or to any U. S. person (within the meaning of Regulation S under the US Securities Act of 1933, as amended).

It may not be reproduced, neither in part nor in full, without the written permission of CS.

Credit Suisse Investment Foundation, Zurich, is the issuer and manager of CSA products. Credit Suisse (Switzerland) Ltd., Zurich, is the custodian bank. The articles of incorporation, regulations and investment guidelines, as well as the most up-to-date annual report and fact sheets, may be obtained free of charge from the Credit Suisse Investment Foundation. Only pension funds domiciled in Switzerland that are not subject to tax are permitted as direct investors.

The issuer and manager of CSA 2 products is the Credit Suisse Investment Foundation, Pillar 2, Zurich. The custodian bank is Credit Suisse (Switzerland) Ltd., Zurich. The articles of incorporation, the regulations and the investment guidelines as well as the latest annual reports and fact sheets can be obtained free of charge from the Credit Suisse Investment Foundation, Pillar 2. This foundation is open only to a restricted group of tax-exempt pension funds domiciled in Switzerland (article 3 of the articles of incorporation).

Copyright © 2020 Credit Suisse Group AG and/or its affiliates. All rights reserved.