

Willis Re: Thunderstorms pose as much property risk as hurricanes

March 22, 2017

LONDON, March 22, 2017 (GLOBE NEWSWIRE) -- Risk to U.S. property from thunderstorms is as high as from hurricanes, according to new research published by Willis Re, the reinsurance division of Willis Towers Watson (NASDAQ:WLTW), the global advisory, broking and solutions company.

A report compiled with Columbia University, a member of the Willis Research Network (WRN), [Managing Severe Thunderstorm Risk](#), says that the average annual loss from severe convective storms (SCS) was \$11.23 billion, compared with \$11.28 billion from hurricanes for the period 2003 – 2015. For the past decade, SCS was the largest annual aggregated risk peril to the US insurance industry.

The report also says that SCS frequency in the U.S. is higher following La Niña, and lower following El Niño.

Prasad Gunturi, executive vice-president, Willis Re said: "Regional variability in increased or reduced severe convective storm frequency due to the El Niño-Southern Oscillation (ENSO) phase can have a significant impact on regional and single state property insurance companies. In collaboration with Columbia University, we are working to develop a climate conditioned severe convective storm event set for portfolio probabilistic loss estimates. We hope the climate conditioned view of risk can help companies understand, manage and mitigate the regional and year over year variability in severe convective storm losses."

Michael Tippet, associate professor in Columbia Engineering's Department of Applied Physics and Applied Mathematics, said: "The latest research shows that ENSO and other climate signals modulate the frequency of tornado and hail activity in the U.S. We're excited to be using that research as a scientific basis for making long-range (up to a month) forecasts of the meteorological factors that go along with severe convective storms."

The report was written to increase understanding of the impact of ENSO on tornado and hail frequencies, and to introduce the concept of ENSO-conditioned event rates. Using data from Columbia researchers, Willis Re now plans to produce monthly forecasts of tornado and hail activity for client use.

You can view the full report [here](#)

ABOUT WILLIS RE

Willis Re combines global expertise with on-the-ground presence and local understanding. Our integrated teams reveal hidden value in the critical intersections between risk, assets and ideas. As the reinsurance advisory arm of Willis Towers Watson, Willis Re can access and negotiate with worldwide markets and boost your business performance by making better reinsurance decisions. Together, we unlock value. Learn more at www.willisre.com.

ABOUT WILLIS RESEARCH NETWORK (WRN)

The Willis Research Network is an award winning collaboration between academia and the finance and insurance industries. Since it was founded in 2006, the Willis Research Network has explored ways in which the world's leading research organisations can help confront the challenges of managing risk and delivering resilience for our industry, providing transmission a mechanism for delivering research impact into the global re/insurance industry. Through the Willis Research Network, Willis Towers Watson has teamed up with more than 50 world-leading institutions pioneering science and new analytical approaches to traditional problems of greatest relevance to our clients and our industry. Learn more at www.willis.com/willisresearchnetwork.

ABOUT WILLIS TOWERS WATSON

Willis Towers Watson (NASDAQ:WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 40,000 employees serving more than 140 countries. We design and deliver solutions that manage risk, optimize benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas – the dynamic formula that drives business performance. Together, we unlock potential. Learn more at willistowerswatson.com.

ABOUT COLUMBIA UNIVERSITY

Columbia University in the City of New York is a leading global research university, with engineering and science facilities designed and equipped for next-generation research. The Columbia Initiative on Extreme Weather and Climate focuses on understanding the risks to human life and property from extreme weather events and on developing solutions to mitigate those risks.

<http://www.columbia.edu/>

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