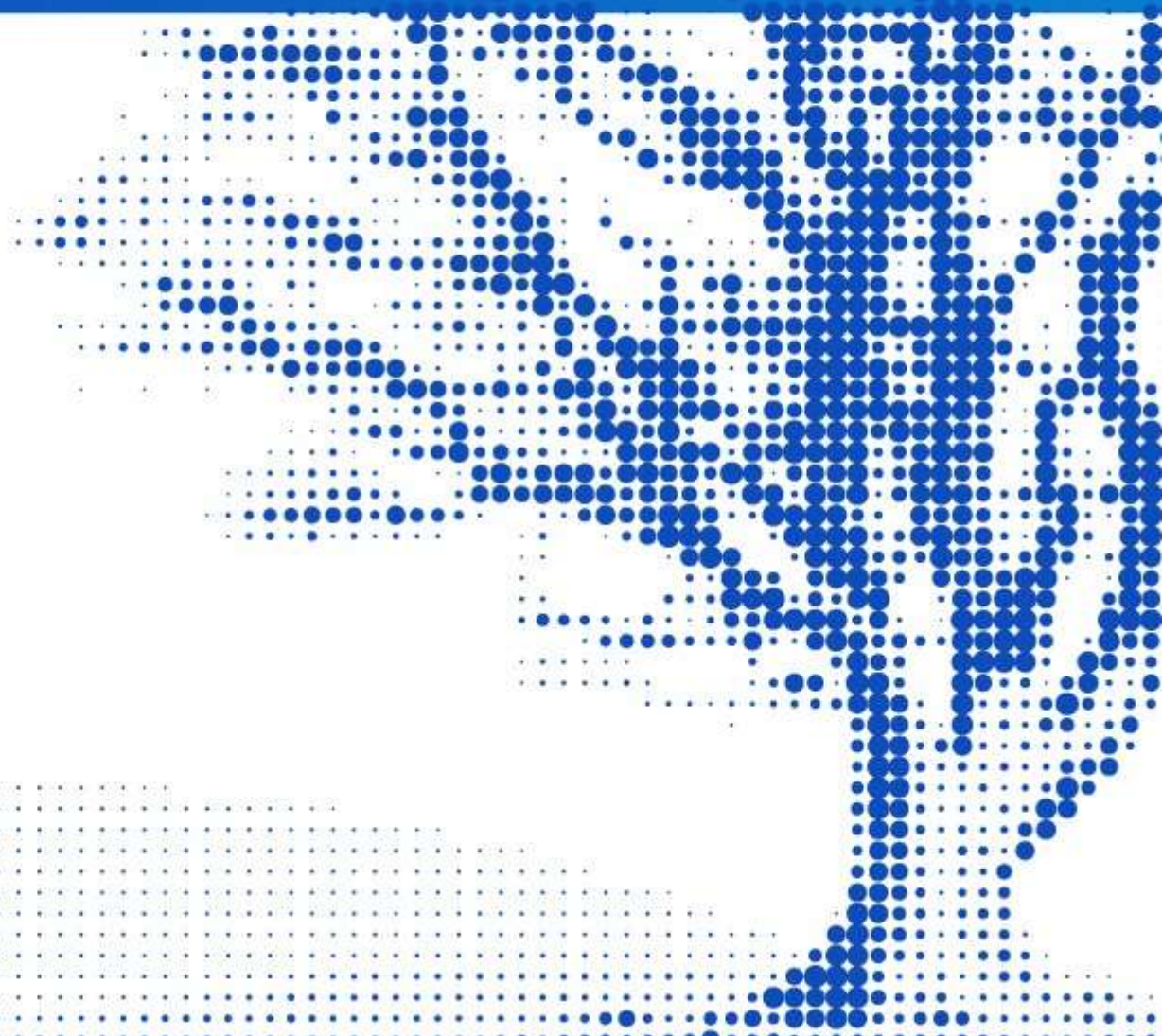


# The future of Nat Cat insurance

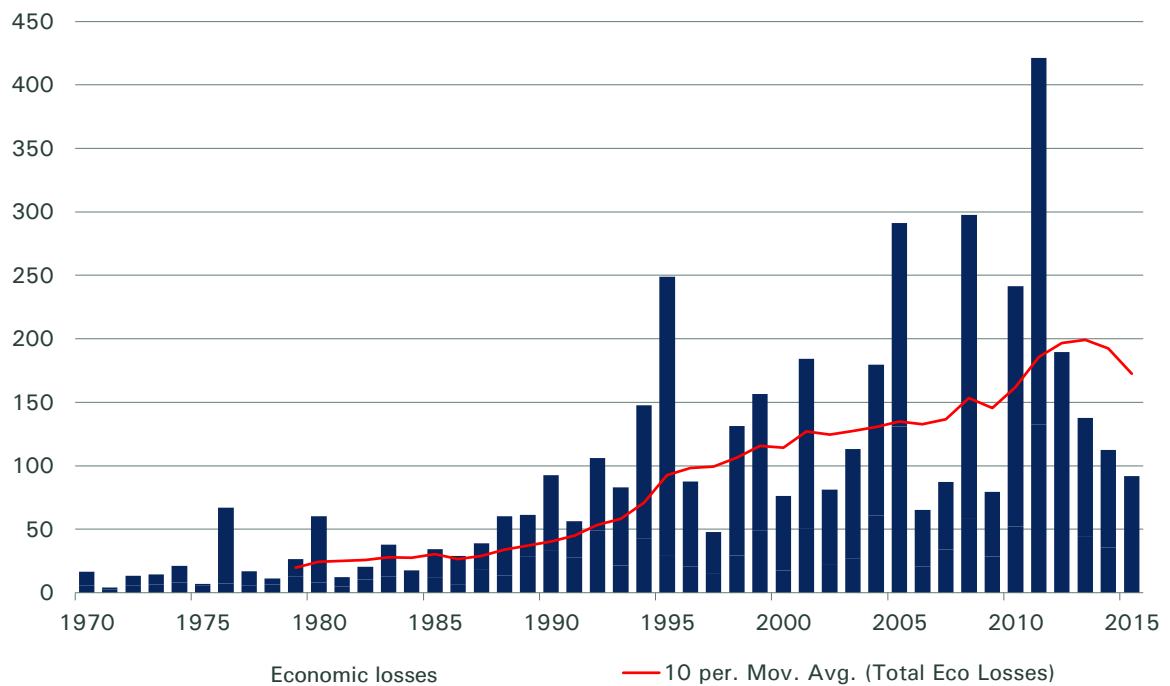
@ReinsurerHuerta on twitter



# What is the nat cat protection gap?

The difference  
between economic  
and insured losses.

## Total economic Nat Cat losses



Source: *sigma* 1/2016

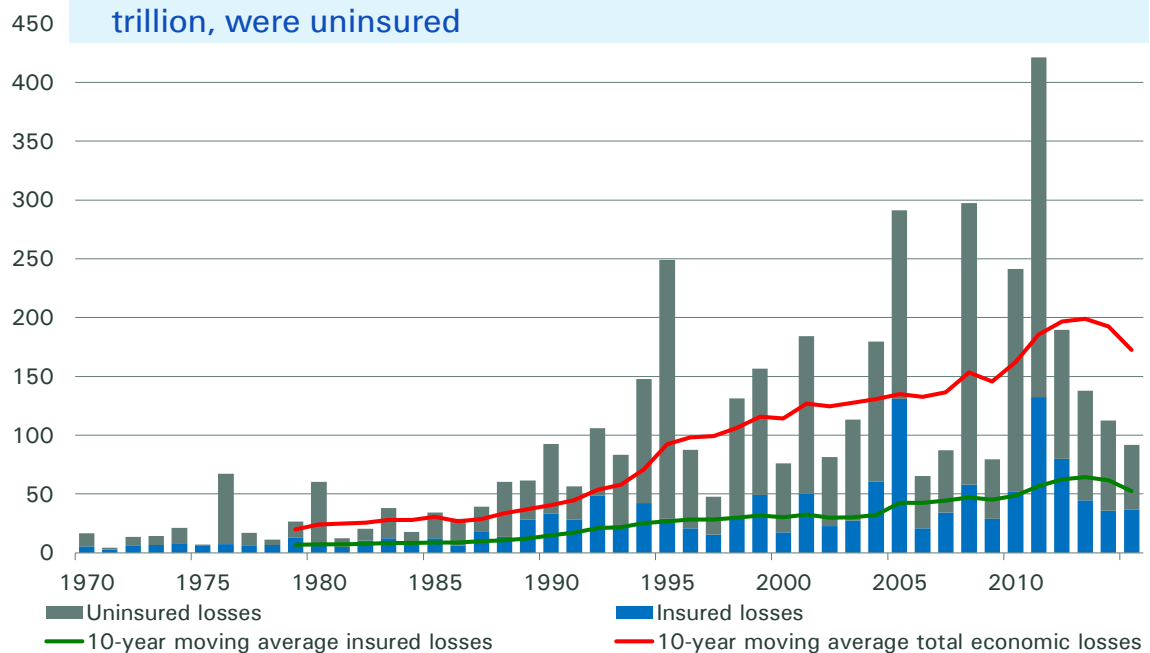


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## Protection gap continues to widen...

- Over the last 10 years, 70% of the economic losses or USD 1.3 trillion, were uninsured



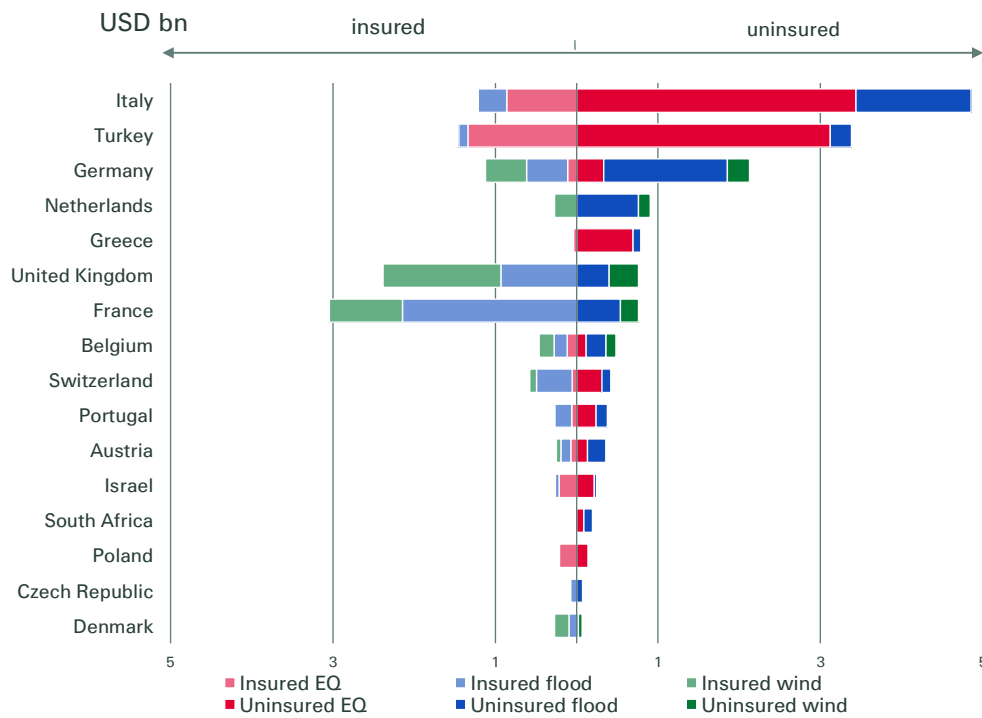
Source: *sigma* 1/2016



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## The Gap in EMEA



Source: *sigma* 5/2015

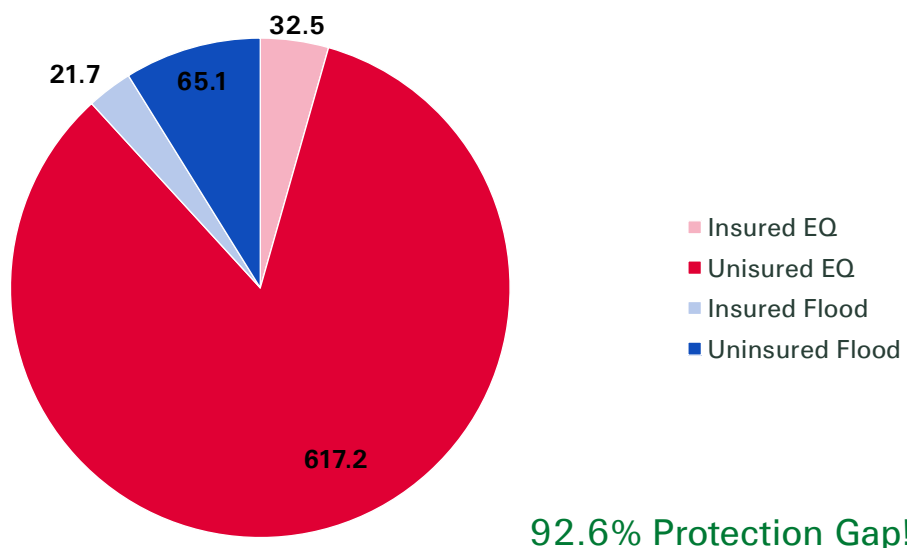


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## Greek modelled loss perspective

Annual expected loss



Figures in million EUR

Source: *Swiss Re Retro & Syndication*



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## The impact on Greece's economy of a 250-year EQ by S&P

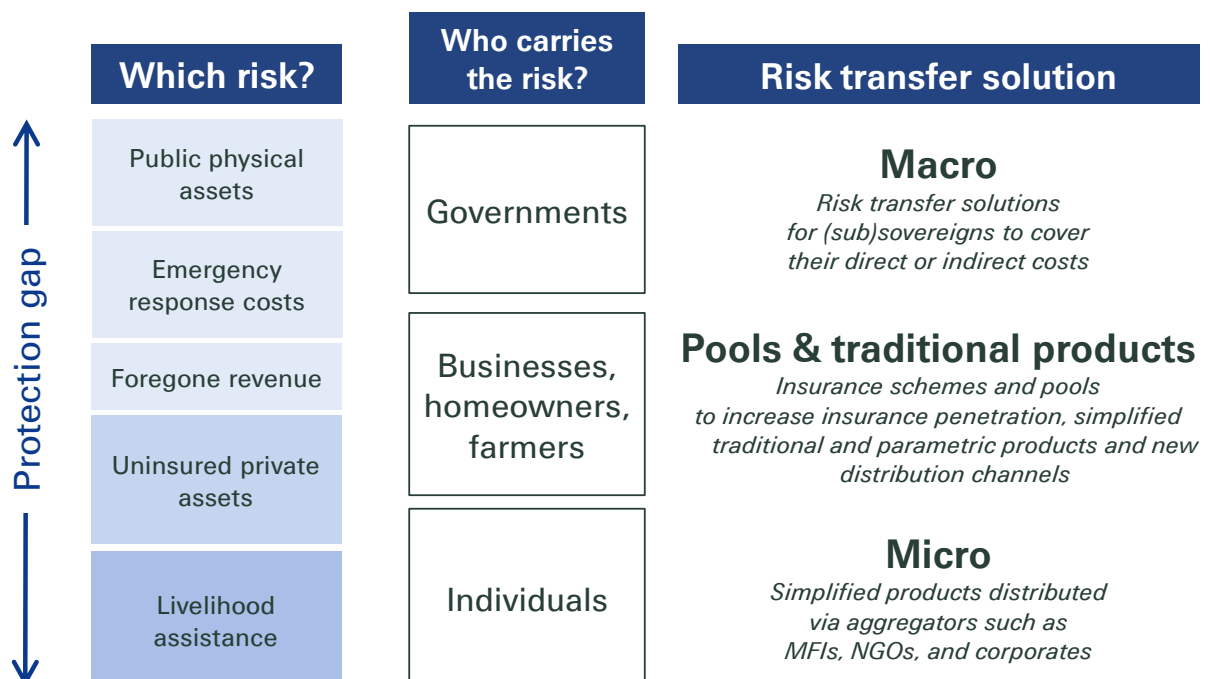
- Economic loss of 0.75% of values:  
EUR 6.6 bio of which, roughly, 6.3 would not be covered by insurance
- S&P's Credit Rating impacted 0.25 notches
- Deviation from baseline, in %, 5 years after disaster:
  - GDP per capita - 0.7
  - Net General government debt 5.79

**“One way to mitigate the economic and ratings impact of natural disasters is catastrophe insurance”**

*“Storm Alert: Natural disasters can damage sovereign creditworthiness”; Standard and Poors, Sept. 10, 2015. [www.standardandpoors.com/ratingsdirect](http://www.standardandpoors.com/ratingsdirect)*

*additional figures from Swiss Re's Retro & Syndication department*

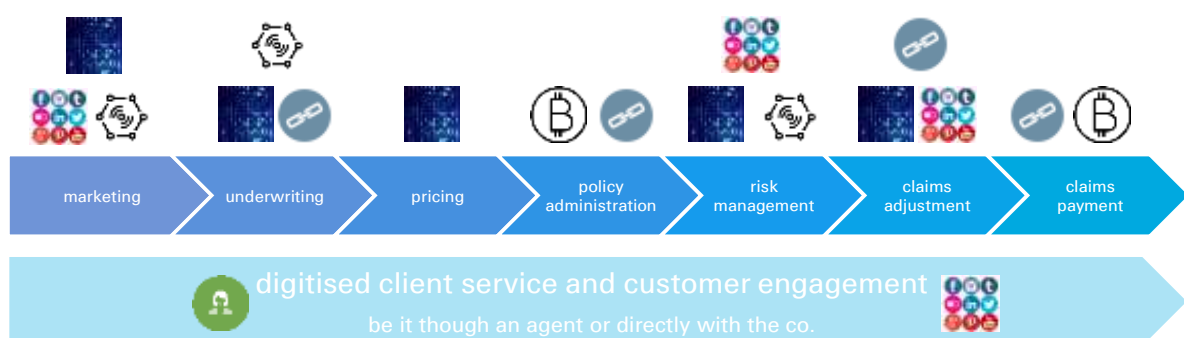
## How to close the protection gap









## Six factors that influence insurance penetration

- share of buyers which are sufficiently risk aware
- share of buyers who trust insurance more than government or social networks
- share of buyers who know about and understand available insurance products
- share of buyers who believe product adequately covers their protection need
- share of buyers who find effort to purchase product is acceptable
- share of buyers who find product affordable

## Where will technology influence the personal lines' Property insurance industry?



-  Social networks' environment
-  Crypto-currencies and electronic money
-  Big data and Analytic engines
-  Block chain and distributed ledger technologies
-  Internet of things
-  Artificial intelligence and Digital personal assistants

# The ideal future:

**All parties working together:  
government, industry, society.**  
Simple products, simple  
distribution, simple admin. and  
claims' process.

**Zero gap!**

## Questions



We're smarter together





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