

# News Release

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## Asia Pacific Accounts for Majority of Insured Catastrophe Losses Worldwide, According to New Guy Carpenter Report Sees Increased Demand for Catastrophe Reinsurance in the Region

**New York, October 31, 2011**

The Asia Pacific market accounted for an unprecedented two-thirds of the insured catastrophe losses worldwide in the first three quarters of 2011, according to a new report released by Guy Carpenter & Company, LLC, the leading global risk and reinsurance specialist and a member of Marsh & McLennan Companies (NYSE: MMC). The region's record share of losses amounted to more than USD50 billion from January 1 to September 30, 2011.

These losses have contributed to challenging times for insurers and their reinsurer partners operating in the region. In the *Asia Pacific Catastrophe Report 2011*, Guy Carpenter discusses catastrophe loss ratios in Asia Pacific – a key factor driving the region's catastrophe reinsurance market in the loss affected territories.

Demand for catastrophe reinsurance in the Asia Pacific region has expanded rapidly over recent years, and industry indicators point to further growth. The catastrophe losses during 2010 and 2011 are likely to stimulate this trend further by re-emphasizing the value of reinsurance. Underlying drivers of growth include macro-economic factors, such as the rapid economic growth of China and India, as well as an increasing level of sophistication in insurance organizations in the region.

The report's executive summary is available at [www.gccapitalideas.com](http://www.gccapitalideas.com). The full report reviews the catastrophe exposure and reinsurance market conditions of major countries in the Asia Pacific region, helping set the stage not just for the 2012 renewal season, but also for the region as a major growth reinsurance market.

**QUOTES****James Nash, CEO of Asia Pacific Region, Guy Carpenter & Company**

"An unprecedented series of events, of which the ongoing Thai floods are yet another chapter, reminds us of the need for increased understanding of catastrophe risk in the Asia Pacific region. Due to economic constraints, there remains much underinsurance of catastrophe risk in many countries. Yet as the region's economies grow, so does the demand for catastrophe insurance and reinsurance support.

Catastrophe reinsurance is designed to protect insurers from severe losses when they occur. Despite the significant loss activity in the region, capital in the global reinsurance market remains strong, emphasizing the effectiveness of catastrophe reinsurance as a tool for hedging risk."

**TAGS/KEYWORDS**

Guy Carpenter, reinsurance, catastrophe, Asia Pacific, Nash

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