

# News Release

Contacts:

**Alexis Levenson**

Guy Carpenter  
1.917.937.3264

[alexis.levenson@guycarp.com](mailto:alexis.levenson@guycarp.com)

**Karen DeMartine**

DeMartine Group  
1.203.221.2790

[kdemartine@demartinegroup.com](mailto:kdemartine@demartinegroup.com)

Catastrophe Bond Issuance Tops \$1.3 Billion in Q1 2012,  
Finds GC Securities\*  
Global Catastrophe Bond Market Posts Record First Quarter

**New York, May 14, 2012** – The first quarter of 2012 was the most active first quarter on record for the global catastrophe bond market, according to GC Securities, a division of MMC Securities Corp., a U.S. registered broker-dealer and member FINRA/SIPC. During the quarter, a total of USD1.34 billion of risk capital was issued through eight transactions, exceeding last year's record of USD1.02 billion for the same time period.

In Q1 2012, GC Securities also found that:

- Total risk capital outstanding increased by 5.2 percent from USD12.14 billion to USD12.77 billion.
- Catastrophe bond redemptions amounted to the equivalent of USD711.3 million of risk capital.
- Issuance was significantly more diverse than the year before, particularly in terms of types of exposure, event structure and risk/return profile.

For a detailed analysis of Q1 2012 results for the global catastrophe bond market, please see *Cat Bond Update: First Quarter 2012* at [www.gccapitalideas.com](http://www.gccapitalideas.com).

## QUOTES

**Cory Anger, Global Head of ILS Structuring, GC Securities**

“In the first quarter of this year, sponsors sought to lock in capital markets capacity for a diverse array of perils and structures in a somewhat uncertain traditional market environment. Capital providers proved up to the task, although with some upward pressure on pricing.”

**Chi Hum, Global Head of ILS Distribution, GC Securities**

“The level of issuance achieved in the first quarter demonstrates that both protection sellers and buyers are seeing strong value in the insurance-linked securities market. Record issuance combined with new perils, structures and investors illustrate the continued growth and maturity of the catastrophe risk asset class.”

## TAGS/KEYWORDS

Guy Carpenter, GC Securities, catastrophe, cat bond, risk capital, insurance linked securities, Anger, Hum

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