

GC LiveCat™ and GC ForeCat™

Assessing the impact and potential loss damage of hurricane activity on your U.S. risk portfolio can now be accomplished with more detailed information than ever before. With GC LiveCat and GC ForeCat, Guy Carpenter clients now have access to improved risk management capabilities so they can better manage their reinsurance purchases.

GC ForeCat and GC LiveCat

Developed in coordination with WSI Corporation, the world's leading provider of weather-driven business solutions for professionals in the aviation, media, energy, and insurance markets, these new Hazard Forecast Tools consist of GC ForeCat (a detailed monthly pre-season wind-storm forecast from December through April prior to the upcoming hurricane season) and GC LiveCat (a live hurricane forecast, including uncertainty estimates). Predicated upon state-of-the-art meteorological models to predict the track and intensity of hurricanes, these unique forecasts contain features previously unavailable to the marketplace, including hurricane predictions up to 10 days prior to landfall – several days earlier than what is currently provided by the National Hurricane Center (NHC) and other tropical forecasting organizations.

10-day-ahead forecasts for tropical storms and hurricanes along the Atlantic Basin

During hurricane season, the NHC issues a 5-day-ahead track and intensity forecast for any active named storm. Guy Carpenter's collaboration with WSI extends the track and intensity forecast time horizon to 10 days ahead. WSI implemented the 10-day-ahead forecasts of named Atlantic basin storms in June 2008. These forecasts are updated every 12 hours. The skill of these forecasts has been demonstrated over historical storm seasons, as well as the current 2008 season.

Enhanced landfall probability generated through i-aXs®

Guy Carpenter, through its award winning exposure management platform, i-aXs, converts these forecasts into Gulf and Atlantic regional and sub-regional landfall probabilities. Further, i-aXs generates conditional loss exceedance curves given the presence of a named storm for clients who license the data. Other Guy Carpenter clients can view the data on a 15-hour delayed basis. Potential damage to a portfolio and its variability can be estimated long before landfall.

Guy Carpenter will be publishing a GC ForeCat index in CAT-i, Guy Carpenter's proprietary service that provides internal and external clients with information on major natural catastrophes that have the potential to impact the insurance/reinsurance industry.

GC ForeCat: By Region, Pre-Season Landfall Rate Forecasts

GC ForeCat is based on historical and current climatological variables utilizing more than 50 years of Atlantic hurricane data. The skill of this forecast methodology has been established using historical storm seasons and "hold-one-out" analyses. For an impending hurricane season, beginning in January and monthly thereafter until May, GC ForeCat will be updated based on the available current climatologic data.

The forecast landfall rates for this impending season can be used to update modeled losses of an exposed portfolio. GC ForeCat is available to all of Guy Carpenter's i-aXs platform users with the appropriate property exposures.

Contacts

To learn more about how Guy Carpenter can help with your GC LiveCat and GC ForeCat needs, contact your local Guy Carpenter representative or one of the professionals below:

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