

Carriers Lost Billions of Dollars in April From U.S. Extreme Weather Events: Aon

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Extensive severe weather events in the United States during April cost insurers billions of dollars, according to the latest edition of [Aon's Global Catastrophe Recap report](#).

There were 14 killer tornadoes in the U.S. in April – the fifth-most in any month on record since 1950, said the Aon report, which each month evaluates the impact of natural catastrophes across the globe.

Approximately 50 people were killed across the U.S. in April as a result of these storms.

The first major outbreak of the month, from April 6-9, was marked by a complex outbreak that generated more than 30 tornadoes, hailstones larger than the size of baseballs and straight-line winds topping 70 mph (110 kph). That event alone caused economic losses of nearly \$2.0 billion, with roughly three-quarters of this cost being insured. A prolific tornado outbreak on April 12-13 was another billion-dollar event, which was marked by 138 tornado touchdowns, including 15 rated EF3 (12) or EF4 (3), added the report.

“The highest frequency of billion-dollar disasters for the global insurance industry in the last decade has been severe convective storms (SCS), accounting for more than 40 percent of such events,” said Steve Bowen, director and meteorologist within Aon’s Impact Forecasting team.

“The United States remains the epicenter for the peril as 54 out of 62 global SCS-related billion-dollar insured events had been recorded from 2010 through Q1 2020 alone,” he said.

“Following another very active month of tornadoes, large hail and straight-line winds, the country was poised to add multiple events to this total. As exposure growth further accelerates into vulnerable thunderstorm-prone areas and combines with more dynamic atmospheric conditions, it is anticipated that these high-loss events will only grow more frequent in the future,” Bowen continued.

Flood Damage

Rising temperatures and subsequent ice jamming resulted in notable flooding in Alberta, Canada, in late April. Water levels on the Athabasca and Clearwater Rivers rose between 4.5 and 6.0 meters (approximately 15 to 20 feet) at Fort McMurray. At least 1,230 structures were affected, and 12,936 people evacuated.

Total economic and insured losses were expected to reach into the millions of U.S. dollars.

Outside North America, the report said, heavy rain on April 1 caused notable regional flooding in Castellon Province of Eastern Spain, which resulted in approximately 2,000 insurance claims and further agricultural and infrastructural damage.

In East Africa, flooding caused widespread damage and loss of life, said the report, citing events in the Democratic Republic of the Congo, Rwanda, Burundi, Kenya, Somalia and Djibouti. Aon said the human impact is expected to be much more significant than the financial costs.

The Middle East experienced further flooding as Iran reported notable economic losses in southern provinces, and western Yemen was hit hard as well. Indonesia, Vietnam and Papua New Guinea experienced multiple floods and landslides following heavy rainfall.

Seasonal flooding caused more than 200 fatalities around the world, said Aon.

Other natural hazard events during April include:

- Parts of Europe experienced one of the [driest months of April on record](#), following the warmest first quarter for the continent ever measured. For example, average rainfall of 16.5 millimeters was noted in Germany in April, which was the third-driest April since records began in 1881.
- Late frosts affected European farmers in April, bringing cumulative economic losses since March to hundreds of millions of euros. Additional, minor damage on viticulture and other produce was reported in France and Spain due to hail and flooding.
- Cyclone Harold tracked across the South Pacific Islands as a Category 5 storm and caused major damage with 165 mph peak one-minute average wind speeds. Preliminary damage costs are estimated at US\$111 million in Tonga and hundreds of millions of dollars on Vanuatu. Most of the financial costs were likely to be uninsured.

Source: Aon/Impact Forecasting