1. CHARITABLE GIVING IN THE PROPERTY AND CASUALTY INSURANCE INDUSTRY: AN UPDATE
William Ross
McKinsey & Company; 16 Pages
August 1, 2015
More companies are working to enhance their reputations among consumers, clients, partners and the general public through a corporate social responsibility plan (CSR), which provides resources to important social causes. These plans could include donating funds or paying employees for time spent working for community charities. CSRs are important business practices, and the Insurance Industry Charitable Foundation worked with McKinsey & Company on this report on charitable giving in the property/casualty insurance industry. The report provides the most recent and comprehensive data on the industry?s commitments to CSRs, which serve to grow corporate brand identity and loyalty. Since 2011, the charitable giving of U.S. property/casualty companies has increased 15 percent, and a growing number of these companies are coordinating their CSRs with their business strategies. The three leading areas that are beneficiaries of CSRs have remained the same, but the percentages have changed. Direct giving to education has declined 50 percent, while health and social services and community programs are receiving larger shares of the giving. A survey by McKinsey & Company shows that fewer than 50 percent of insurers surveyed work to determine the social or business effects of their CSRs. The article includes bar graphs comparing the top three ranked factors determining the focus of corporate giving in 2011 and 2014. A second bar graph compares the breakdown of direct giving by program area between the two years. A third bar graph compares the parties primarily responsible for setting the strategy of primary charitable giving entity?s efforts in 2011 and 2014. A fourth bar graph compares the nature of CEO?s involvement in charitable giving efforts between the two years. A final bar graph compares how companies tracked and measured the benefits of their philanthropic activities in 2011 and in 2014. Full Report.

2. ANNUAL REPORT ON THE INSURANCE INDUSTRY
Federal Insurance Office, U.S. Department of the Treasury; 105 Pages
September 1, 2015
This annual report contains an overview of the insurance industry that presents and analyzes the financial performance and condition of the life/health (L/H) and the property/casualty (P/C) sectors. The financial overview includes an analysis of the risk that continued low interest rates could pose to the life insurance sector and a discussion of insurance industry capital markets activities, including the use of alternative risk transfer mechanisms. A section focuses on matters of consumer protection and access to insurance. This section features developments concerning both sex and marital status as rating and underwriting factors, natural catastrophe insurance and retirement security. A range of developments at the state, federal, and international levels is listed. Discussions of domestic regulatory activities include updates on: the insurance-related activities of the Financial Stability Oversight Council; supervision of insurers by the Board of Governors of the Federal Reserve System; the role of reinsurance captives; the Terrorism Risk Insurance Program; state guaranty funds; cyber security and the evolving cyber insurance market; licensing of insurance producers; insurance in the housing sector; and the workers? compensation market. Full Report

3. CONSUMER RISK INDEX. AN ANNUAL SURVEY OF THE RISKS AMERICANS BELIEVE ARE MOST PREVALENT IN THEIR LIVES

Travelers; 14 Pages

October 1, 2015

The third annual Travelers Consumer Risk Index measures Americans? general perceptions of risk in daily life. It is based on a survey of more than 1,000 adults and reveals who worries most and how Americans are managing risks. Key findings include: a majority (57 percent) of Americans believe the world is becoming riskier; nearly one in five (19 percent) believe it is becoming much riskier; financial security remains the leading concern, followed by privacy, identity theft and cyber risks. Concern about cyber risk grew 21 percentage points over 2014, rising from 36 percent to 57 percent; 25 percent of those surveyed say they have been a victim of a data breach or cyberattack. Americans? top cyber-related concern is fear that their bank or financial accounts may be hacked. Ninety percent of respondents are worried about getting into an accident due to someone else?s distracted driving, yet only 37 percent of respondents are concerned about getting into an accident due to their own distraction. Two-thirds of households have consistently stated over the past three years of the survey that they believe severe weather is becoming more frequent in the United States; 40 percent believe that is the case in their local areas. More Americans in Tornado Alley and in brush fire areas believe that the frequency of severe weather is increasing where they live compared with last year. Full Report

4. 2015 CYBER CLAIMS STUDY

NetDiligence; 48 Pages

October 1, 2015

This annual report by NetDiligence, a cyber risk assessment and data breach services company, sampled 160 cyber liability insurance claims which included both first-party and third-party losses. The claims sampled represent only about 5 percent of the overall number of cyber claims handled by all markets within the time frame studied. The study examines the type of data exposed, the cause of loss, the business sector in which the incident occurred and the size of the affected organization. The primary focus of the study is the cost incurred by insurers due to cyber claim events. The total costs to date was $75.5 million with 78 percent spent on crisis services, 8 percent on legal defense, 9 percent spent on legal settlements, and 1 percent each on regulatory defense and regulatory fines and three percent spent on PCI fines. The claims analyzed in the study remain open so amounts noted within the study should be considered payments to date. The study best represents small businesses. Notable findings include: the average claim for a large company was $4.8 million, while the average claim in the healthcare sector was $1.3 million; personally identifiable information was once again the runaway leader in type of data exposed, occurring in 72 claims submitted (45 percent of the dataset); payment card information came in second with 43 claims (27 percent), followed by private health information with 22 claims (14 percent). Full Report

5. INCREASED THREAT OF TROPICAL CYCLONES AND COASTAL FLOODING TO NEW YORK CITY DURING THE ANTHROPOGENIC ERA

Andra J. Reed et al

Proceedings of the National Academy of Sciences; Page N/A

September 28, 2015

This study found that flood risk for New York City and the New Jersey coast has gone up drastically during the last 1,000 years due to hurricanes and accompanying storm surges. The study?s authors compared both sea-level rise rates and storm surge heights in prehistoric and modern eras and found that the combined increases of each have raised the likelihood of a devastating 500-year flood occurring as often as every 25 years. The study by Penn State University, Rutgers University, Massachusetts Institute of Technology, Princeton University and Tufts University can be purchased from the Proceedings of the National Academy of Sciences.

6. WINTER STORMS IN EUROPE: MESSAGES FROM FORGOTTEN CATASTROPHES

Swiss Re; 24 Pages

October 1, 2015

This report analyses three winter storms that hit Europe in the late 19th Century and measures the insurance impact they would have today. The first storm occurred in March 1876, traveled at about 70 kilometers per hour and swept through France, Germany, Belgium, the United Kingdom, the Netherlands and Luxembourg. Estimated insured losses from the storm are 10 billion in 2014 euros. The second storm analyzed took place in January of 1884, and is known for producing the lowest pressure reading ever recorded over the British Isles and continental Europe. Damaging wind speeds stretched over a thousand kilometers from north to south. This storm would have generated 14 billion euros in insured losses in 2014, far beyond any insured losses from European winter storms in history. The third storm occurred in February 1894 sweeping through Germany, the United Kingdom, the Netherlands, Denmark, Poland and Ireland. The storm was characterized by a series of gales. This storm would have caused about 8 billion euros in insured losses had it occurred in 2014. Full Report

7. POTENTIAL INJECTION-INDUCED SEISMICITY ASSOCIATED WITH OIL & GAS DEVELOPMENT: A PRIMER ON TECHNICAL AND REGULATORY CONSIDERATIONS INFORMING RISK MANAGEMENT AND MITIGATION

StatesFirst Initiative; 150 Pages
September 28, 2015
This report, produced by a working group of U.S. drilling states, seismologists, academics and industry experts, provides guidance on handling human-induced earthquakes caused by hydraulic fracturing or the disposal of fracking wastewater. The report includes descriptions of how states handled various seismic incidents around the country, including their public relations strategies, provides states with up-to-date scientific and technical data, case studies and suggested approaches for detecting and managing the quakes. The working group arose after Ohio's discovery in April 2014 of a probable link between fracking and five small tremors in eastern Ohio near Youngstown. It was the first time in the Northeast fracking had been linked to seismic activity, the second time in the United States and only the fourth time worldwide. Full Report.

8. MARITIME CRIME FIGURES FOR Q3 2015

Dryad Maritime; Page N/A
October 19, 2015
This quarterly report on maritime crime figures includes statistics on traditional piracy and maritime crime, as well as commentary on other threats and issues that are not accompanied by statistics; from civil war and terrorism in Yemen and Libya to criminal gang enabled mass migration.
Southeast Asia continues to be an area of concern with a 38 percent rise in incidents of maritime crime when compared to the same period of last year. By contrast, the third quarter has been the quietest in recent years for maritime crime in West Africa, with only one incident involving the use of firearms being reported at sea. Full Report

9. A ROADMAP TO SAFER DRIVING THROUGH ADVANCED DRIVER ASSISTANCE SYSTEMS

Xavier Mosquet, Michelle Andersen, and Aakash Arora

The Boston Consulting Group; Motor & Equipment Manufacturers Association; 28 Pages

September 29, 2015

Safety technologies on the market today could dramatically reduce the number and severity of motor vehicle accidents. According to the report, these technologies, collectively known as advanced driver assistance systems (ADAS), if widely adopted and properly used, could save $16,307 per vehicle over a vehicle?s 20-year life. They could deliver a safety return of 98 percent, factoring in both economic savings and the avoidance of diminished quality of life. Not many vehicles on the road today have these systems, and their share of the market is growing at only 2 to 5 percent annually. Japan and Europe have adapted these technologies at a much greater rate. This is a significant missed opportunity, especially considering that ADAS pave the way to partially and fully autonomous vehicles, which could reduce accidents?and their cost to society?by 90 percent or more. A rise of just 1 percent would produce an additional $4 billion in cumulative safety benefits through 2020. One of the reasons for the slow uptake rate is the cost of the systems. According to a recent survey, most car owners said they would be willing to pay anywhere from $100 to $400 for blind spot detection, however the present cost is $595. Full Report

10. THE PROCESS FOR CERTIFYING AN ?ACT OF TERRORISM? UNDER THE TERRORISM RISK INSURANCE ACT OF 2002

U.S. Department of the Treasury; 13 Pages

October 1, 2015

The Terrorism Risk Insurance Program Reauthorization Act of 2015 requires the secretary of Homeland Security to conduct and complete a study on the process by which the secretary determines whether to certify an ?act of terrorism? under the act. This report contains the results of this study and concludes that the information that will be necessary to make a determination may be collected directly from insurers following an act that is the object of the certification process. To make this data collection possible, a protocol should be established for Treasury to work with state insurance regulators and data aggregators, where appropriate, to identify potentially affected insurers from which loss data will be collected for a given act and to establish a system for collecting, storing and analyzing the loss data.

I.I.I. Features
