

Press release

2025 marks sixth year insured natural catastrophe losses exceed USD 100 billion, finds Swiss Re Institute

- **2025 insured losses from natural catastrophes set to reach USD 107 billion, mainly driven by LA wildfires and severe convective storms in the US**
- **LA wildfires costliest ever wildfire event globally with insured losses of USD 40 billion**
- **Hurricane Melissa costliest hurricane of 2025 with estimated insured losses of up to USD 2.5 billion in otherwise benign season**

Zurich, 16 December 2025 – Insured losses from natural catastrophes again surpass the USD 100 billion mark in 2025 for the sixth consecutive year. This is mainly driven by the unprecedented LA wildfire loss record in the first quarter of 2025 and severe convective storms (SCS), which remain a major and persistent global loss driver. Overall, Swiss Re Institute estimates total insured losses in 2025 at USD 107 billion, 24% lower than the USD 141 billion recorded in 2024.

Jérôme Jean Haegeli, Swiss Re's Group Chief Economist, says: "Amid annual volatility, insured losses keep rising. That's why strengthening prevention, protection and preparedness is essential to protect lives and property. Reinsurers and the broader insurance sector have a dual role: acting as financial shock absorbers and supporting the development of resilient, risk-informed public policy and private investment that reduce future losses."

US events are the main driver of global insured natural catastrophe losses

With 83% of estimated global insured losses of USD 107 billion, the US is again the most affected market in 2025 (USD 89 billion). This was driven primarily by wildfires and SCS.

2025 produced the highest insured wildfire losses on record (USD 40 billion). The scale of destruction reflects a convergence of meteorological drivers, such as extended hot, dry conditions and strong winds, with greater exposure – especially housing and high-value residential assets expanding into hazardous wildland-urban interface (WUI) zones.

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Persistent losses from severe convective storms

Global insured losses from severe convective storms reached USD 50 billion this year, making 2025 the third costliest year after 2023 and 2024 and continuing a multi-year upward trajectory. There was much SCS activity in the first half of 2025 in the US, with several severe tornado outbreaks in March and May driving above-average tornado and wind reports, while hail activity remained close to average. SCS activity in the second half of the year so far has been muted, with both hail and broader thunderstorm impacts running below seasonal norms.

In Europe, notable hailstorms occurred in May and June, though insured losses were limited as the most intense activity affected regions with lower concentrations of high-value exposure. Overall, SCS remains a major contributor to global natural catastrophe losses.

Balz Grollmund, Swiss Re's Head Catastrophe Perils, says: "We are observing a steady rise in losses from severe convective storms. Urbanisation in hazard-prone areas, rising asset values, higher construction costs and factors such as ageing roofs have made these storms a key peril for insurers. As single events rarely result in a large insured loss, it is key for insurers to consider the cumulative effect of frequent, low-loss events, along with increasing property values and repair costs. A more holistic view of this peril is critical to assure proper underwriting and risk management."

Low hurricane losses, despite an active season

Hurricane Melissa made landfall in southwestern Jamaica in October as a Category-5 hurricane, with estimated winds near 298 km/h – the strongest storm ever to strike Jamaica and one of the most powerful Atlantic hurricanes on record when making landfall. It caused catastrophic wind damage, severe flooding and landslides across Jamaica and also affected Haiti and Cuba.

Hurricane Melissa is currently the costliest hurricane event of 2025, with estimated insured losses of up to USD 2.5 billion, finds Swiss Re Institute. The North Atlantic (TCNA) tropical cyclone season has seen 13 named storms, 5 hurricanes, 4 major hurricanes and three Category-5 hurricanes (Erin, Humberto and Melissa). For the first time in ten years, none of these hurricanes made landfall on the US coast, which explains why insured losses from this peril are set to be low in 2025.

Severe flooding in Southeast Asia in late November

Southeast Asia has experienced severe river and flash-flooding events in November, specifically Vietnam, Thailand and Indonesia. A complex set of weather systems involving the interaction of multiple cyclonic systems and an intensified monsoon under La Niña conditions created a destructive combination of rain, landslides and flash floods resulting in widespread devastation.

Adaptation and early warning systems can save lives

In July this year, an 8.8 magnitude earthquake struck off the eastern coast of Russia near the Kamchatka Peninsula, becoming the sixth-largest recorded earthquake since 1900. The earthquake generated tsunami waves that reached Hawaii and coastal areas of the US mainland.

The earthquake and subsequent tsunami-response have been considered a success of early warning systems (EWS), protecting at-risk populations through evacuation and alerts. The effective and coordinated early warning provided by the Pacific Tsunami Warning System (PTWS) saved countless lives. The minimal destruction to Russian coastal communities can be attributed to significant reforms in city planning based on experiences from previous events.

Table: Total economic and insured losses in 2025 and 2024
(USD billion in 2025 prices)

	2025	2024	10-yr avg*	% change vs 10-y avg
Economic losses	233	338	280	-17%
Nat cat	220	327	267	-18%
Man-made	13	11	13	-
Insured losses	118	151	121	-3%
Nat cat	107	141	111	-3%
Man-made	11	9	10	5%

* Note: 10-yr average refers to the average losses between 2015 and 2024.

Due to rounding, some totals may not correspond with the sum of the separate figures.

Loss estimates in this press release are preliminary and are subject to change as not all loss-generating events have been fully assessed yet.

Source: Swiss Re Institute

About Swiss Re

The Swiss Re Group is one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer, working to make the world more resilient. It anticipates and manages risk – from natural catastrophes to climate change, from ageing populations to cybercrime. The aim of the Swiss Re Group is to enable society to thrive and progress, creating new opportunities and solutions for its clients. Headquartered in Zurich, Switzerland, where it was founded in 1863, the Swiss Re Group operates through a network of around 70 offices globally.

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