

Extreme weather caused \$65 billion in losses in first half of 2022

July 29 2022, by Stephan Kahl



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Extreme weather events linked to climate change caused about \$65 billion in total losses in the first half of 2022, roughly half of which hit uninsured assets, according to data compiled by Munich Re.

Insured losses reached about \$34 billion, broadly in line with previous years, the German reinsurer said on Thursday. Overall damages through

June, which were also caused by [natural disasters](#) such as earthquakes, dropped from \$105 billion a year earlier. The half-year data for 2022 doesn't include the full fallout from Europe's heatwave, which fanned drought, wildfires and [water shortages](#).

"They may all be individual events with different causes, but taken together, one thing is becoming extremely clear—the powerful influence of [climate change](#) is becoming ever more evident," said Ernst Rauch, chief climate scientist at Munich Re.

In Europe, [extreme heat](#) and arid conditions this summer have led to water scarcity and wildfires in Italy, Spain and Portugal. It is difficult to put an exact figure on losses from those events as their effects, such as production losses after a lack of cooling water, take a while to emerge, Munich Re said. What's more, some of the worst moments of Europe's heat wave struck in July, and would only be captured in second-half data.

Floods in Australia were the costliest disaster for the [finance industry](#) in the first half, causing insured losses of \$3.7 billion so far. Parts of Sydney had as much rain in four days as they'd normally see in eight months, Munich Re said. The water levels of some rivers were at their highest in over 100 years.

"Total losses and insured losses from floods in Australia are already higher after six months than they were in the previous record years," Rauch said.

The U.S. accounted for almost half of overall losses in the first six months and nearly two-thirds of insured losses. A single thunderstorm front that produced tornadoes in early April destroyed assets worth more than \$3 billion.

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Citation: Extreme weather caused \$65 billion in losses in first half of 2022 (2022, July 29)
retrieved 27 April 2024 from <https://phys.org/news/2022-07-extreme-weather-billion-losses.html>

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