



TSR Raises its Forecast For 2005 Atlantic Hurricane Activity

Revised outlook raises forecast by 20%; activity is now anticipated to be exceptionally above average

London, 8 July 2005 - Tropical Storm Risk (TSR), the award-winning* consortium of experts on insurance, risk management and seasonal climate forecasting led by UCL's Benfield Hazard Research Centre, today significantly increased its forecast for Atlantic hurricane activity in 2005 by 20% and now anticipates an exceptionally active season to high probability.

Based on current and projected climate signals, TSR's updated forecast released today predicts Atlantic basin and US landfalling hurricane activity to be about 200% of average in 2005. This is the highest July forecast for activity in any year since 1950. The prediction includes:

- A 97% (almost certain) probability of an above-normal Atlantic hurricane season, only a 3% probability of a near-normal season and a 0% chance of a below-normal season
- 15 tropical storms for the Atlantic basin as a whole, with nine of these being hurricanes and four intense hurricanes
- An 82% (high) probability of an above-normal U.S. landfalling hurricane activity, a 14% likelihood of a near-normal season and only a 4% chance of a below-normal season
- Five tropical storm strikes on the U.S., of which two will be hurricanes
- Two tropical storm hits, including one hurricane (possibly intense) on the Caribbean Lesser Antilles.

TSR's two predictors are the forecast July-September 2005 trade wind speed over the Caribbean and tropical North Atlantic, and the forecast August-September 2005 sea surface temperature in the tropical North Atlantic. The former influences cyclonic vorticity (the spinning up of storms) while the latter provides heat and moisture to power incipient storms. At present, TSR anticipates both predictors having a strong enhancing effect on activity.

Professor Mark Saunders, the TSR lead scientist and Head of Seasonal Forecasting and Meteorological Hazards at the Benfield Hazard Research Centre, said the 20% forecast upgrade has occurred because both predictors have become more enhancing over the past month. In particular sea surface temperatures in the tropical North Atlantic are now expected to be 0.6°C warmer than normal which equals the record value they attained in 2004.

“Following the ravages of 2004, the current and projected climate signals now suggest that we should prepare for another exceptionally active Atlantic hurricane season in 2005, a factor which underlines the ongoing need for vigilance on the part of governments and citizens alike” Saunders added.

Hurricanes rank as the U.S.'s most expensive natural disaster and are responsible for eight of the 10 most costly catastrophes to affect the country. The average annual total and insured losses from hurricane strikes on the continental U.S. 1950-2004 is estimated to be U.S. \$5.6 and U.S. \$3.0. billion respectively at 2004 prices and exposures.

TSR has an impressive forecasting track record. Recent forecast successes include those for the last three Atlantic hurricane, Northwest Pacific typhoon, and Australian-region tropical cyclone seasons. TSR forecasts may be accessed through the website www.tropicalstormrisk.com.

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Notes to Editors:

About Tropical Storm Risk (TSR):

Founded in 2000, Tropical Storm Risk (TSR) offers a leading resource for forecasting the risk from tropical storms worldwide. The venture provides innovative forecast products to benefit risk awareness and decision making in (re)insurance, other business sectors, government and society. The TSR consortium is co-sponsored by Benfield, the leading independent reinsurance intermediary, Royal & Sun Alliance, the global insurance group, and Crawford & Company, a global claims management solutions company. The TSR scientific grouping brings together climate physicists, meteorologists and statisticians at University College London and the Met Office. www.tropicalstormrisk.com

*Tropical Storm Risk won the prestigious British Insurance Award for London Market Innovation of the Year in 2004. Recent innovations include a breakthrough in the seasonal prediction of hurricane activity reaching the coast of the U.S. and the first demonstration of the business relevance of seasonal U.S. hurricane forecasts. TSR provides tropical storm alert feeds to Reuters AlertNet (www.alertnet.org), the humanitarian news portal, and to the United Nations World Food Programme.

About Benfield Hazard Research Centre:

Benfield Hazard Research Centre is sponsored by Benfield, the leading independent reinsurance and risk intermediary. Benfield's customers include many of the world's major insurance and reinsurance companies as well as Government entities and global corporations. Benfield employs over 1,700 people based in over 30 locations worldwide. www.benfieldgroup.com

With sixty researchers and practitioners, the Benfield Hazard Research Centre is Europe's leading multidisciplinary academic hazard research centre and comprises three groups: Geological Hazards, Meteorological Hazards and Seasonal Forecasting, and Disaster Studies and Management. The Centre is based at University College London, which along with Oxford and Cambridge, is one of the UK's top three multi-faculty teaching and research institutions. www.benfieldhrc.org