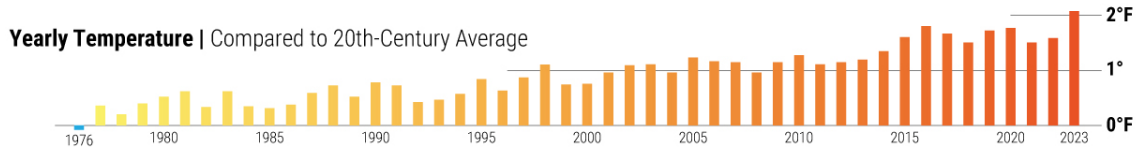


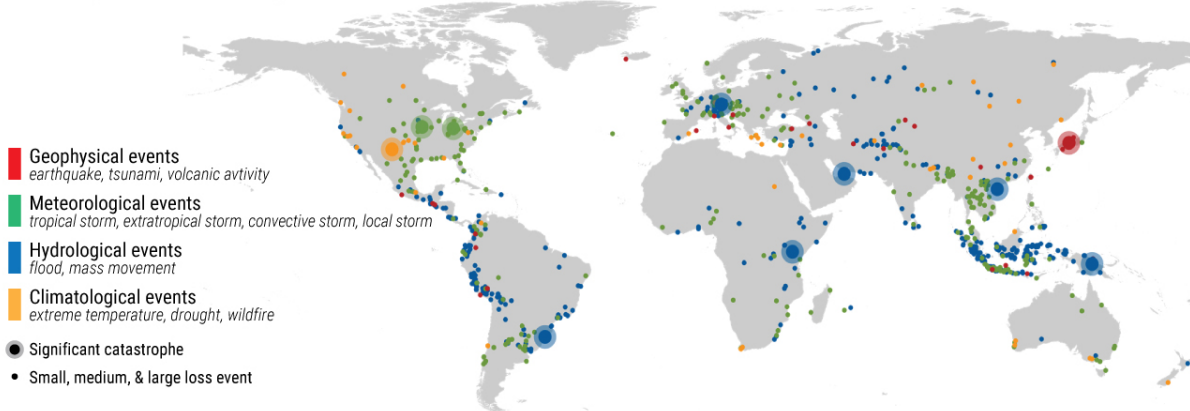
The Financial Cost of Climate Change

by Geopolitical Futures - November 1, 2024



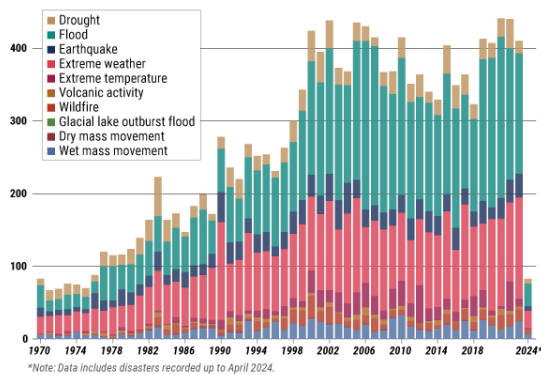
CLIMATE RISK INCREASING NATURAL DISASTER OCCURENCE AND INSURANCE RATES & PAYOUTS

Major Natural Catastrophe Loss Events January - June 2024 | Overall Losses of \$120 billion

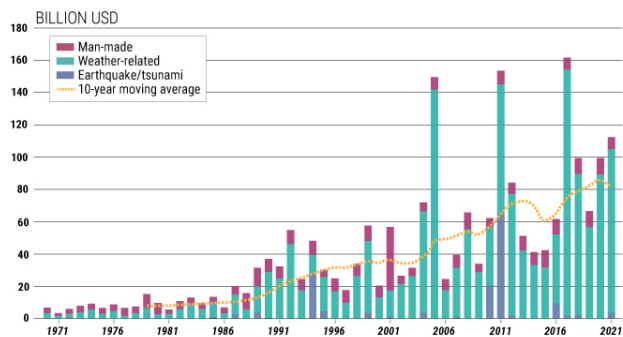


Global reported natural disasters by type, 1970 to 2024*

Note that this largely reflects increases in data reporting and should not be used to assess the total number of events.



Weather Events Drive Insurance Losses



Sources: Climate.gov, Munich Re, NatCatSERVICE, Our World in Data, EM-DAT, CRED / UCLouvain (2024), Nature Briefing

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[\(click to enlarge\)](#)

Insurance losses from natural disasters in the first half of 2024 were greater than the gross domestic product of more than half the countries in the world. It's a staggering figure, especially since it excludes losses from other events, such as wars. The short lead times and unpredictability of climate

events make risk mitigation challenging for insurers. For 50 years, both reported climate events and insured losses have trended steadily upward. Analyzing the correlation between these trends requires further study, including the roles of improved reporting and valuation changes. For now, the clear takeaway is that insurance costs will likely keep rising and ultimately pass down to consumers.

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