



20 August 2004

TSR Predicts Hurricane Season Has More to Come

Revised forecast warns of at least one more U.S. hurricane strike

London, 20 August 2004 - Tropical Storm Risk (TSR), the award-winning* consortium of experts on insurance, risk management and seasonal climate forecasting led by the Benfield Hazard Research Centre at University College London, today predicted that at least one more hurricane will make landfall on the US mainland this year.

TSR's 2004 hurricane outlook issued on 4 August anticipated Atlantic basin and U.S. landfalling hurricane activity being 150% of average. The prediction included:

- An 86% probability of an above-normal Atlantic hurricane season, a 13% probability of a near-normal season and only a 1% chance of a below-normal season
- 14 tropical storms for the Atlantic basin as a whole, with eight of these being hurricanes and three intense hurricanes
- A 70% probability of above-normal U.S. landfalling hurricane activity, a 25% likelihood of a near-normal season and only a 5% chance of a below-normal season
- Four tropical storm strikes on the U.S., of which two will be hurricanes
- Two tropical storm hits, including one hurricane, on the Caribbean Lesser Antilles.

Three weeks into the main hurricane season, three hurricanes have formed with two of these becoming intense hurricanes. Since 1950 only six years have seen three or more hurricanes form before 19 August, and only three years have seen two or more intense hurricanes by this date. This elevated activity tracks with the TSR prediction. Hurricane Charley slammed into Florida's southwest coast with wind speeds of 145 mph causing an estimated \$5 to 11 billion in damage. TSR's predicts at least one more hurricane to make landfall on the US mainland during the 2004 season.

Dr Mark Saunders, the TSR lead scientist and Head of Seasonal Forecasting and Meteorological Hazards at the Benfield Hazard Research Centre, said the greater than usual storm activity is due to two climate factors – slower than usual trade winds and higher than normal sea temperatures.

TSR has an impressive forecast track record. Recent long-range forecast successes include those for the 2002 and 2003 Atlantic hurricane seasons, the 2002 and 2003 Northwest Pacific typhoon seasons, and for the 2001/2, 2002/3 and 2003/4 Australian-region tropical cyclone seasons. TSR forecasts may be accessed through the website www.tropicalstormrisk.com.

* Tropical Storm Risk was awarded the London Market Innovation of the Year Award at The British Insurance Awards 2004 for their global Tropical Storm Tracker.

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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 increase risk awareness and to help decision making within the (re)insurance industry, 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. TSR won the prestigious London Market Innovation of the Year award at the British Insurance Awards 2004.

About Benfield Hazard Research Centre:

Benfield Hazard Research Centre is sponsored by Benfield, the leading independent reinsurance intermediary and risk advisory business. 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 over forty 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