







TSR Raises Forecast for 2007 Atlantic Hurricane Season

El Niño, which moderated storm activity last year, has dissipated. The likelihood for 2007 being an active season increases.

London, 20 March 2007 - Tropical Storm Risk (TSR), the award-winning consortium of experts on insurance, risk management and seasonal climate forecasting led by the Benfield UCL Hazard Research Centre at University College London, today increased its forecast for Atlantic hurricane activity in 2007. Based on current and projected climate signals, TSR's March forecast predicts Atlantic basin and US landfalling hurricane activity to be about 75% above the 1950-2006 norm in 2007, rising from 60% above norm (TSR long-range forecast issued December 2006). This is the highest March forecast for activity in any year since the TSR replicated real-time forecasts started in 1984.

According to TSR, whose long-range outlooks for the exceptionally active 2004 and 2005 hurricane seasons and active 2003 hurricane season proved accurate, it is 86% likely that U.S. landfalling hurricane activity in 2007 will be in the top one-third of years historically. The prediction includes:

- A 86% probability of an above-normal Atlantic hurricane season, a 11% probability of a near-normal season and only a 3% chance of a below-normal season
- 17 tropical storms for the Atlantic basin as a whole, with nine of these being hurricanes and four intense hurricanes
- A 85% probability of above-normal U.S. landfalling hurricane activity, a 12% likelihood of a near-normal season and only a 2% chance of a below-normal season
- Five tropical storm strikes on the U.S., of which two will be hurricanes
- Two tropical storm strikes on the Caribbean Lesser Antilles, of which one will be a hurricane

The two main climate factors influencing the TSR hurricane forecast for 2007 are the expected values in August and September for the speed of trade winds which blow westward across the tropical Atlantic and Caribbean Sea and the temperature of the sea waters between West Africa and the Caribbean where many hurricanes develop. The former influences cyclonic vorticity (the spinning up of storms) while the latter provides heat and moisture to power incipient storms. The key factors behind the TSR forecast for an above-average season in 2007 are the anticipated moderate enhancing effect of the July-September forecast trade winds over the Caribbean Sea and North Atlantic region, and of the August-September forecast sea-surface temperature for the Atlantic.

Commenting on the forecast upgrade, Professor Mark Saunders, the TSR lead scientist and Head of Weather and Climate Extremes at the Benfield UCL Hazard Research Centre at University College London said: "The El Niño conditions present since September 2006 dissipated rapidly during February.

This has increased the expectation since last month that weak La Niña conditions will occur during the summer. As a result, the July to September Caribbean trade wind anomalies are expected to be weaker than thought previously. This factor will increase cyclonic vorticity and cause more storms to be spun up. The sudden El Niño dissipation is the main reason for the TSR forecast for hurricane activity in 2007 rising from 60% above-norm in our long-range forecast last December, and also in our January and February updates to 75% above-norm in our March forecast."

TSR's April forecast update will be issued on 5 April 2007. TSR forecasts may be accessed through the website www.tropicalstormrisk.com.

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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 world's leading independent reinsurance and risk 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.

Tropical Storm Risk has won two major insurance industry awards during the past three years. In 2006 TSR was awarded the prestigious Risk Management Award at the British Insurance Awards, and in 2004 won the British Insurance Award for London Market Innovation of the Year. www.tropicalstormrisk.com

About Benfield UCL Hazard Research Centre:

Benfield UCL Hazard Research Centre is sponsored by Benfield, the world's leading independent reinsurance and risk intermediary. With over sixty researchers and practitioners, the Benfield UCL Hazard Research Centre is Europe's leading multidisciplinary academic hazard research centre and comprises three groups: Geological Hazards, Weather and Climate Extremes, 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