

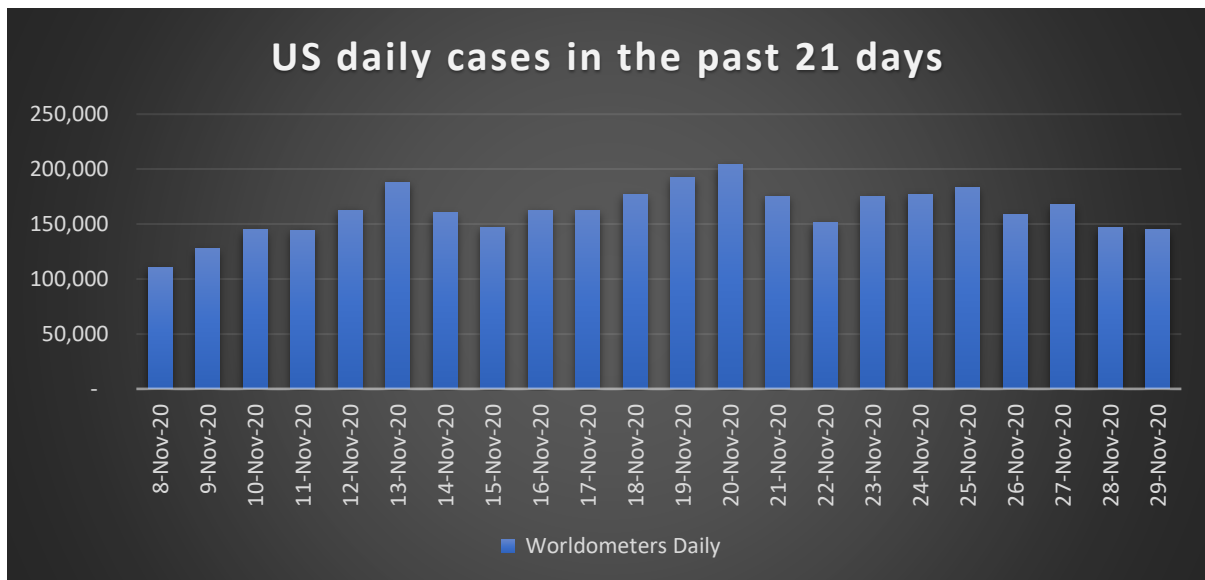
PCS Information Bulletin #45: COVID-19 Review

Wednesday, December 2, 2020

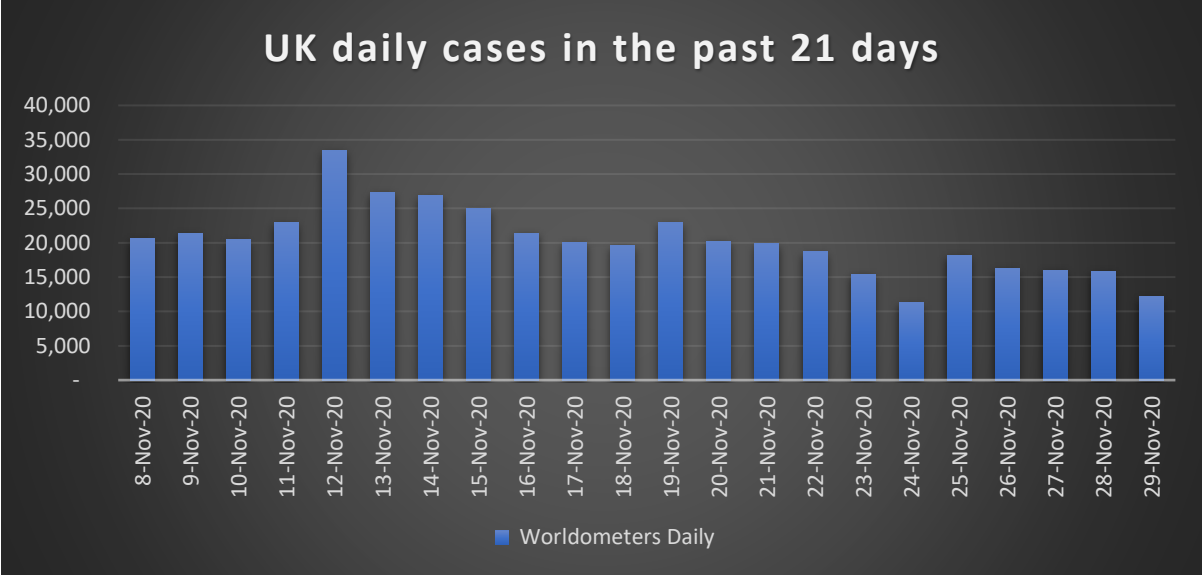
As always, please remember that **this report is for informational purposes only** and does not constitute the designation of a PCS event. We have decided to provide this report simply to help the market understand the COVID-19 situation and to provide access to some of the resources our team uses daily for intelligence on this event.

Lockdown measures showing results across Europe

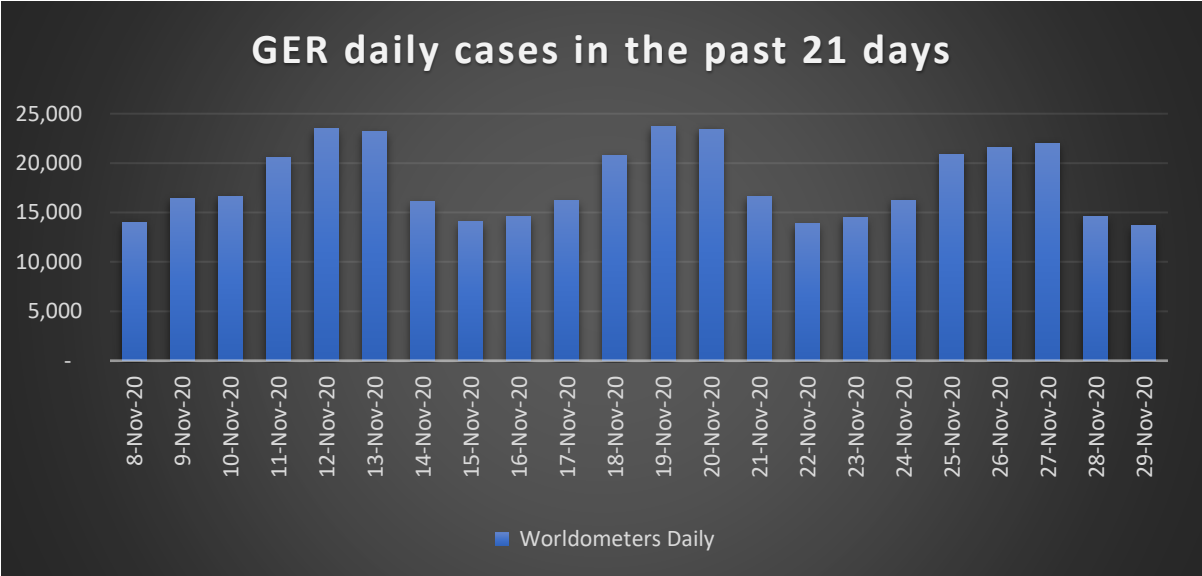
It has been more than two weeks since majority of the countries have implemented curfews and increased security measures and the results can be seen in the active number of cases. Majority of the European countries have shown a decrease in the daily reported cases along with deaths related to COVI-19. The next period will be crucial as the festive season starts and the normal activities where groups of people used to gather are still somewhat limited. Ski resorts in the European Alps have taken additional measures to ensure that tourist can still ski as they are fighting for survival in this delicate period. Some Christmas markets have opened their gates, but governments are monitoring them closely.



United States cases numbers show a stagnating trend, but experts are warning of a surge of coronavirus cases over the coming weeks due to Thanksgiving travel and celebrations. On Sunday, the United States has reported 109,671 new cases and 731 deaths. Sunday was also the busiest air travel day since the beginning of the pandemic and this increase could mean more hospitalizations by Christmas. Several states are planning to announce additional security measures to contain the spread during the festive period. California, along with Texas, broke the nationwide record for most new coronavirus infections reported in a single day last week, while in New York City, mayor De Blasio announced the reopening of the nation's largest public school system, starting with elementary schools, a reversal of his earlier decision.

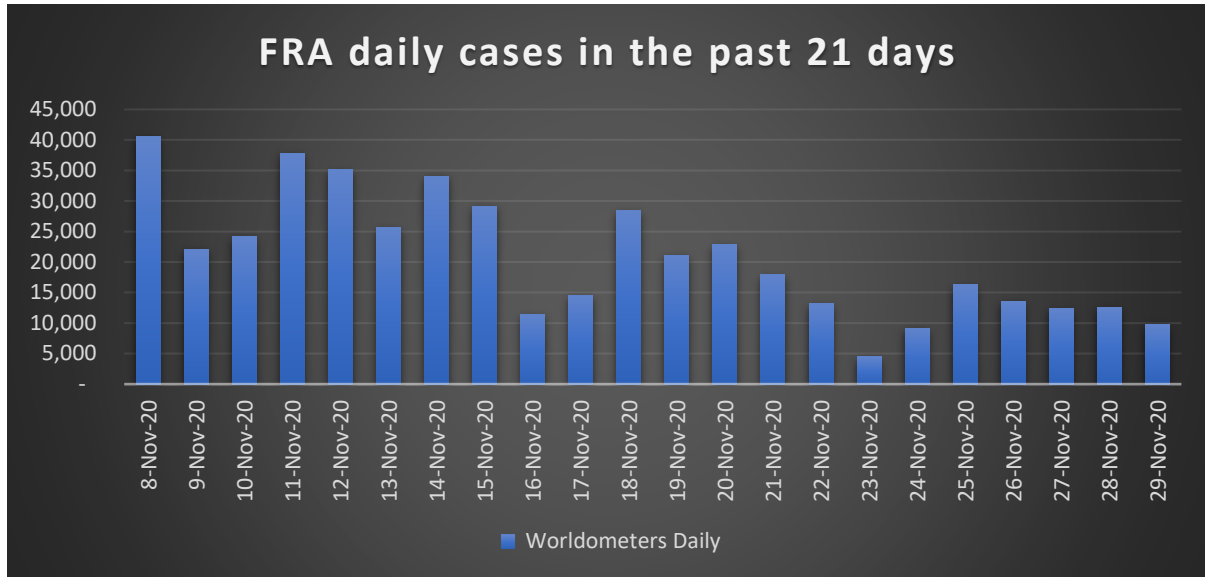


Coronavirus cases dropped by around 30% in England during the country's second national lockdown. There have been at least 1,600,000 confirmed cases of coronavirus in the United Kingdom, according to Public Health England and daily cases have been decreasing steadily. The country is due to move into a three-tiered system of coronavirus restrictions from 2 December. Under the updated three-tiered system of restrictions, most of England will be placed under tier two and tier three, meaning people will remain banned from meeting those from other households indoors.

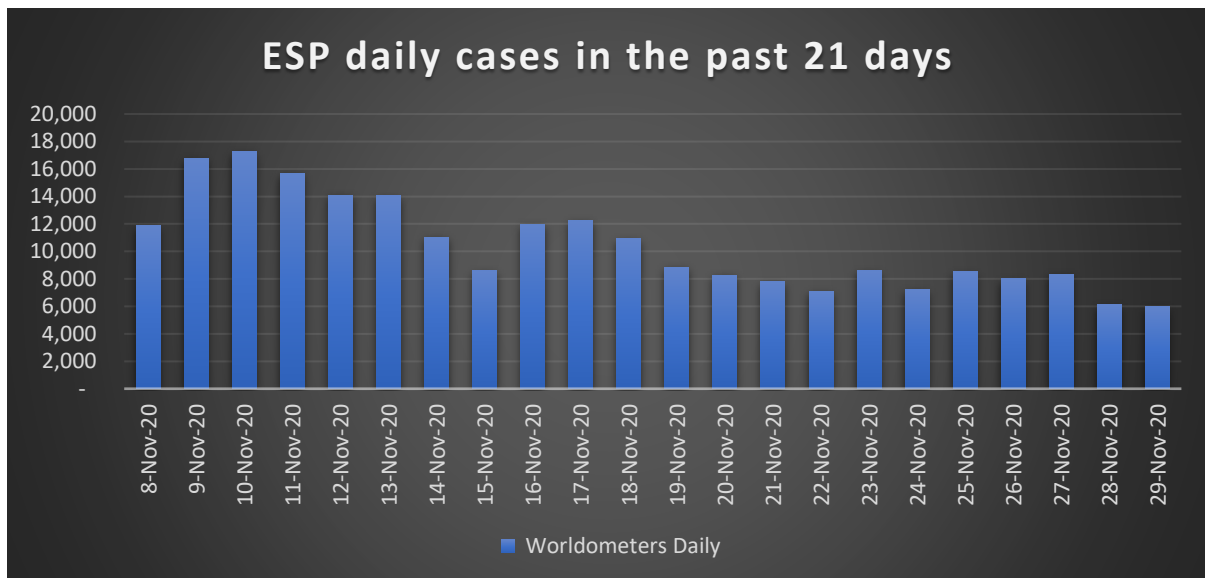


Germany officially passed 1 million confirmed cases of the coronavirus on Friday as the country's daily totals remain high through the first month of what the government calls "lockdown light". The country will extend its partial lockdown until at least 20 December and will limit private gatherings to a maximum of five people from up to two different households. German chancellor Angela Merkel said

the goal is to push the number of new coronavirus cases in each region of the country below 50 per 100,000 people per week.

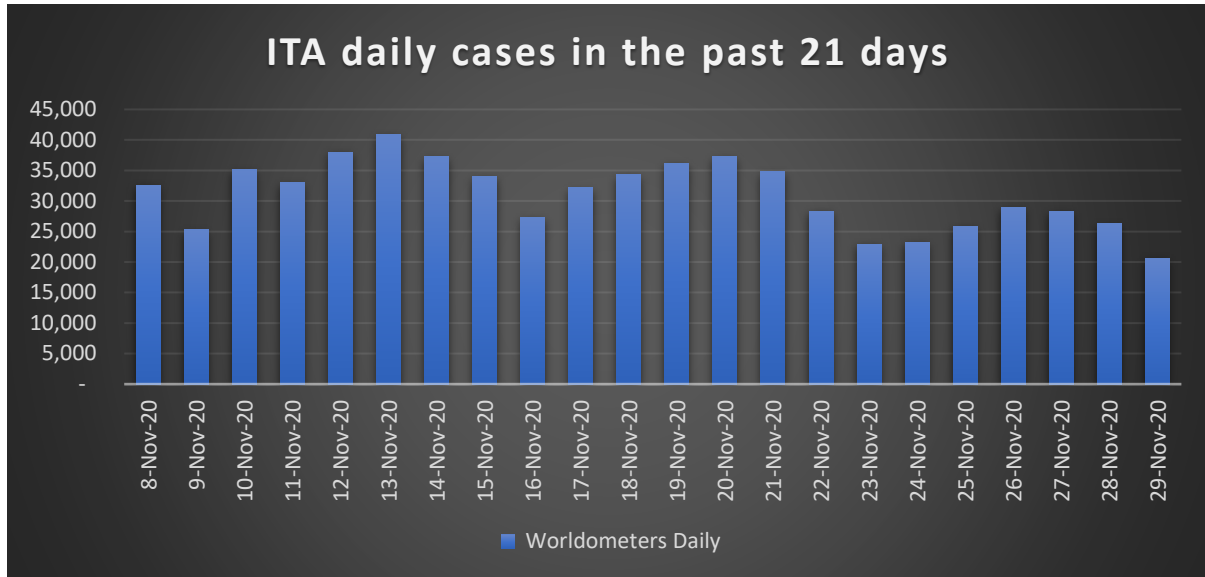


New COVID-19 infections in France stayed below 10,000 for the third day in a row on Tuesday, a sequence unseen since mid-September, and the number of people hospitalized for the disease resumed a downward trend. President Emmanuel Macron said last week the lockdown could be lifted on Dec. 15 if by then the number of new infections per day fell to 5,000. The cumulative number of COVID-19 cases surpassed 2,200,000, the fifth-highest in the world.



Spain reported nearly 20,000 new coronavirus infections and 401 more deaths between Friday and Monday, a weekend total that was the lowest since August even if it was marked by large crowds in some Spanish cities. The cumulative number of COVID-19 cases surpassed 1,600,000. Spain continues to improve, but experts fear that reopenings combined with the holiday season could trigger a third wave

before vaccines become available to the most vulnerable populations. With the falling number of cases, several areas have already lifted second wave measures



Italy reported 541 coronavirus-related deaths on Sunday, against 686 the day before, and 20,648 new infections, down from 26,323 on Saturday, the health ministry said. It has also registered more than 1,600,000 cases to date. The rise in hospital admissions and intensive care occupancy is slowing, suggesting the latest wave of infections was receding. Italy is expected to adopt next week a new set of measures to contain the virus during Christmas holidays. The upcoming decree would limit people movement across regions and would maintain a nightly curfew, Regional Affairs minister Francesco Boccia stated.

The end of the most activity Atlantic hurricane season in history?

Amidst the global COVID-19 pandemic, the western hemisphere experienced the an extremely active 2020 Atlantic hurricane season which came to a close on Monday with a record-breaking 30 named storms and a record number of landfalling storms in the continental United States this year.

Our PCS team designated 10 tropical storm and hurricane events in 2020 which surpassed the prior record of six which occurred in 1985 and 2005. Twelve named storms made landfall across seven states this year: Bertha, Cristobal, Fay, Hanna, Isaias, Laura, Marco, Sally, Beta, Delta, Eta and Zeta. People along nearly every mile of coastline from Texas to Maine were affected by at least one named storm this season. Every mile of the US Gulf and Atlantic coast has been under a tropical storm or hurricane watch or warning, except for one single county, Wakulla County, Florida. Some Florida Keys residents staged a ceremonial burning of hurricane warning flags Monday evening to mark the official Nov. 30 end of the record-breaking 2020 Atlantic hurricane season. While the official hurricane season concludes on November 30, tropical events may continue to develop past November 30th. This season has officially ended however it is still possible for additional storms to develop.

Every month of hurricane season saw a storm make landfall in the US this year. The month of May, considered pre-hurricane season, also experienced a storm landfall, meaning there were seven straight months of direct landfalls. In total, the 2020 season produced 30 named storms (top winds of 39 mph or greater), of which 13 became hurricanes (top winds of 74 mph or greater), including six major hurricanes (top winds of 111 mph or greater). This is the most storms on record, surpassing the 28 from 2005, and the second-highest number of hurricanes on record.

During the peak of the season, there were five tropical cyclones in the Atlantic at the same time, Paulette, Rene, Sally, Teddy and Vicky, for only the second time in history. The only other time there were five active tropical cyclones, hurricanes, tropical storms and/or tropical depressions was in the Atlantic was in 1971.

This year, six storms reached major hurricane status, Laura, Teddy, Delta, Epsilon, Eta and Iota. This ties for the second highest number of major hurricanes in a single season. A major hurricane is a Category 3 or larger storm with winds of at least 111 mph (178 kph). There were four major hurricanes that formed in October and November only. Before this year, no year ever had more than two major hurricane formations in those two months. Hurricane Delta generated the first new PCS Mexico catastrophe designation since our launch of the index in 2019.

The season's strongest storm was Hurricane Iota, which peaked at 160 mph. It was the second major hurricane to form in the month of November, which has never happened in recorded history, Eta was the first.

Iota made landfall in Nicaragua as a Category 4 hurricane with sustained winds of 155 mph, just 2 mph shy of the Category 5 threshold. It was the strongest November hurricane on record to hit Nicaragua, breaking the record set by Eta two weeks before. As of this publication, Iota has not received a PCS LatAm catastrophe designation however as additional information regarding loss development from this event becomes available, it is still possible.

This is the fifth consecutive year with an above-normal Atlantic hurricane season, with 18 above-normal seasons out of the past 26. This increased hurricane activity is attributed to the warm phase of the Atlantic Multi-Decadal Oscillation (AMO) which began in 1995 and has favored more, stronger, and longer-lasting storms since that time. Such active eras for Atlantic hurricanes have historically lasted about 25 to 40 years.