

RISX: ICMR (Re)Insurance Specialty Index

Insurance Capital Markets Research

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What is RISX?

- Thematic equity index focused on growing sector of global specialty (re)insurance, which is at the forefront of managing climate change risk
- Specialty (re)insurance is instrumental in underwriting large and complex risks, including natural and man made catastrophes
- The index is based on specialty (re)insurance premiums, and therefore risk weighted, not market capitalisation weighted

Why now?

- Fundamental shifts in climate, economies and societies towards net-zero, digitalisation and urbanisation require extensive investments and innovation - these carry huge risks which need specialist underwriting and global risk syndication to manage
- The increasing number of natural catastrophes and COVID-19 have demonstrated the protection needed for a resilient society
- While non-life insurance premiums is expected to double to US\$4.3Trn a year by 2040 according to Swiss Re (Sigma 4/2021), speciality (re)insurance is likely to outpace this growth rate

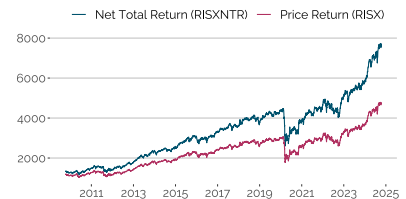
Why does it matter?

- This is a thematic index for an often underrepresented sector in investment portfolios, which targets industry innovators through their participation in the Lloyd's of London specialty (re)insurance market
- It reflects a truly global spread of risk through its constituent companies
- Specialty (re)insurance plays an important role within society, making communities more resilient - it has environmental, social and governance (ESG) factors at its core
- Attractive total returns with lower correlation, irrespective of broader economic and financial market conditions as fundamental volatility driver is claims fortuity

Index key

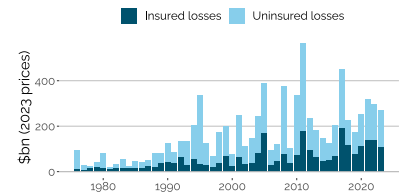
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|-------------------|-----------------------------------------------------------|
| Price Return | RISX |
| Net Total Return | RISXNTR |
| Currency | USD |
| Launch date | 22 March 2021 |
| Base date | 16 June 2006 |
| Weight cap | 10% |
| Constituent count | 27 |
| Home page | https://risxindex.com |

Historical performance



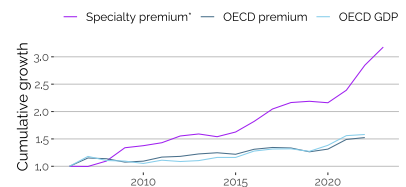
Source: Morningstar Indexes

Global catastrophe losses



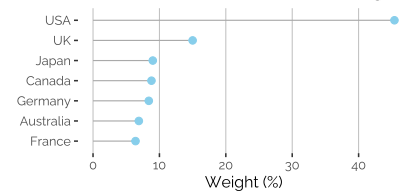
Source: Swiss Re Institute

Historical premium & GDP growth



*Specialty premium: Gross written premiums at Lloyd's
Source: ICMR analysis of OECD data, Lloyd's Annual Reports

RISX: Countries of securities' listings



Source: Morningstar Indexes

RISXNTR to MSCI World Net Return Rolling 3-year correlation of weekly log-returns



Source: ICMR analysis

[Factsheet](#) | [White paper](#) | [Sustainability](#) | [Methodology](#) | [Benchmark statement](#)

About ICMR

At [Insurance Capital Markets Research](#) (ICMR), we provide quantitative research on the global specialty (re)insurance industry. Our clients are insurance carriers, intermediaries and investors.

One of our core capabilities is the independent assessment of performance and return profiles of insurance entities and portfolios, both within Lloyd's and globally. Our founders were Lloyd's former heads of analysis and research who also worked together in the capital markets. ICMR was established in early 2020 and launched the RISX Index in 2021: www.risxindex.com

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