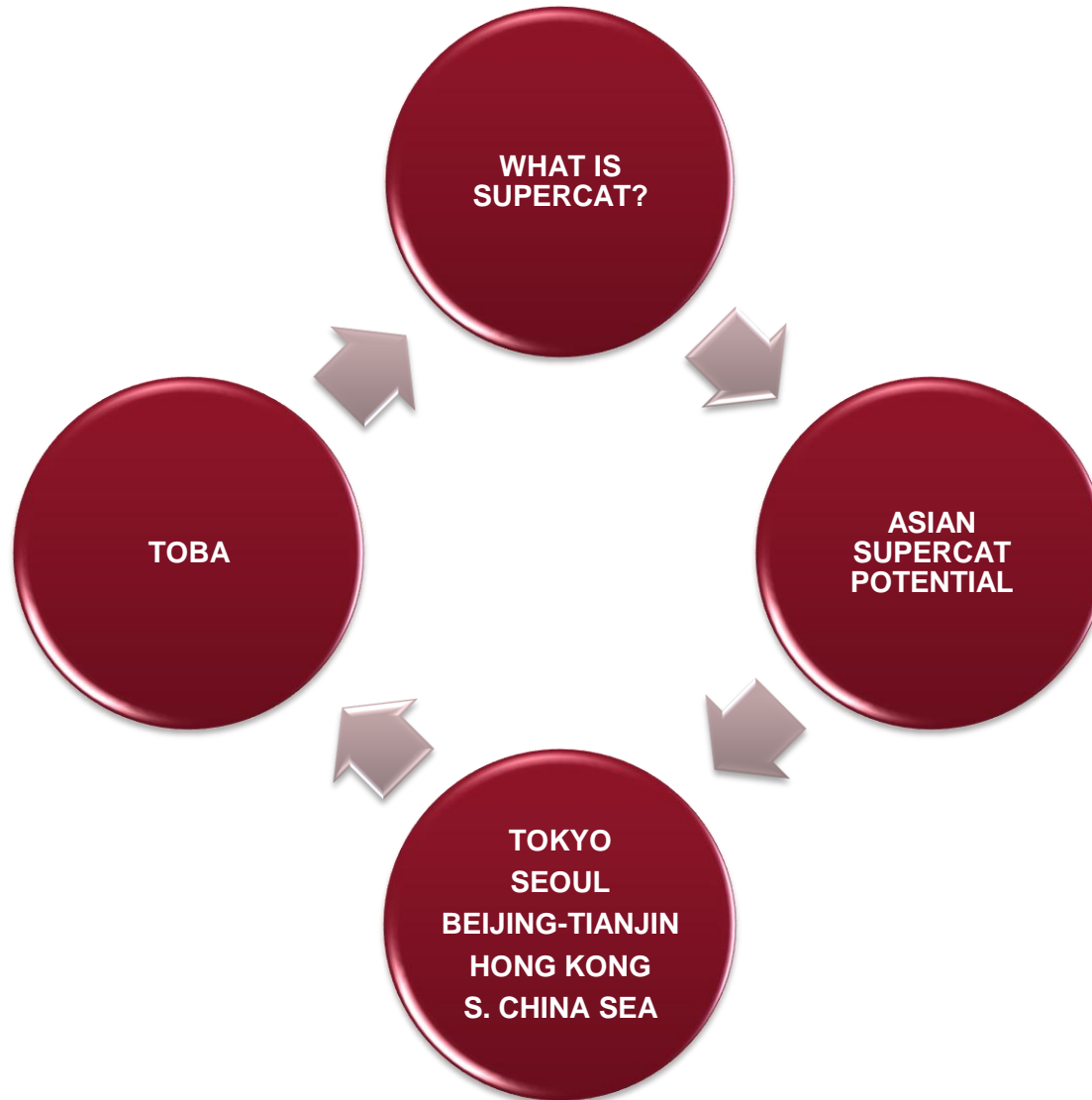


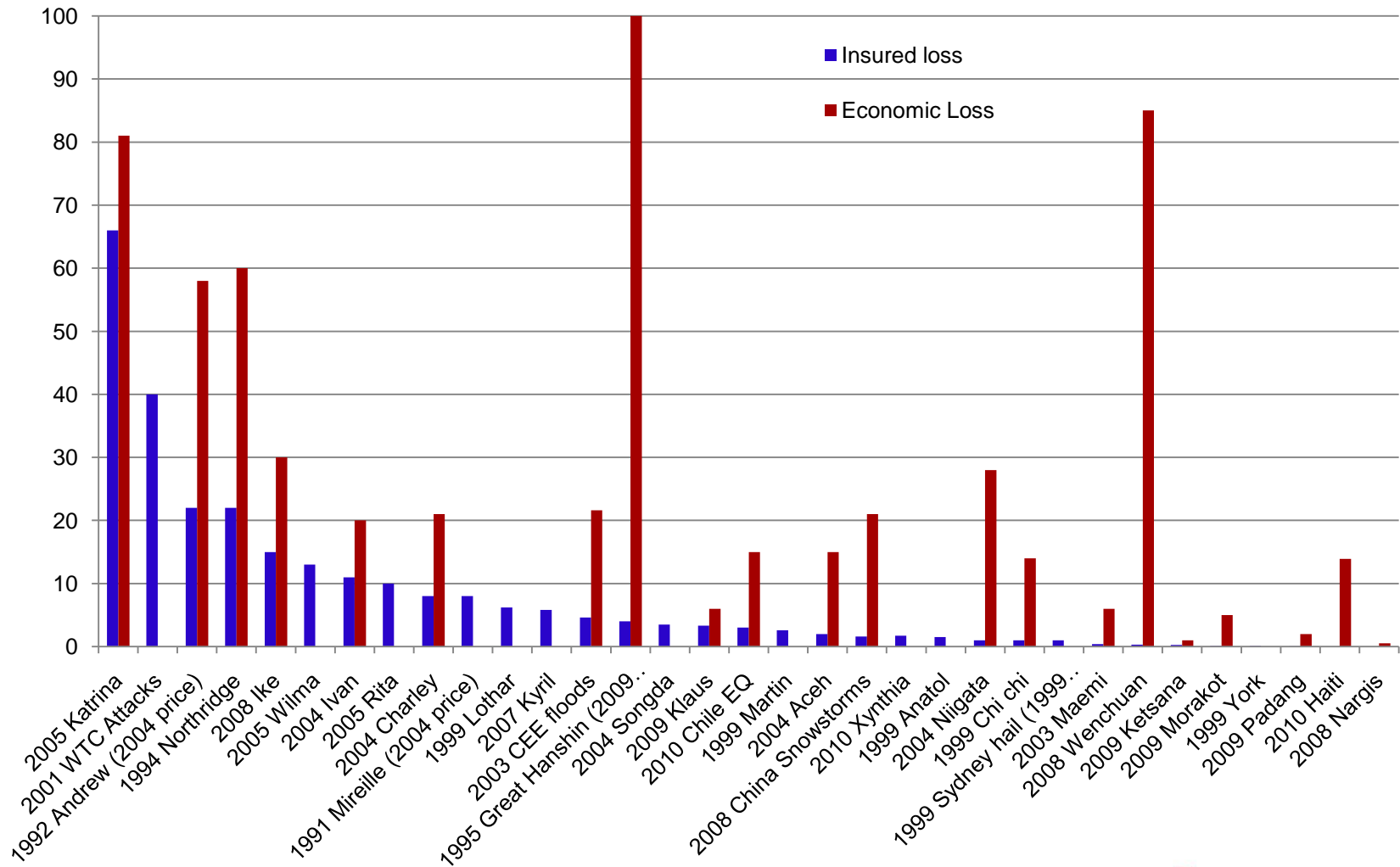
# SUPERCAT The Future for Asia

# Agenda



# What is a Supercat?

Minimum Insured & Economic Losses (USD billion)  
(Original Prices Except Where Shown)



# What does it look like? Hurricane Andrew 1992





# What does it look like? Haiti Earthquake 2010



[http://upload.wikimedia.org/wikipedia/commons/d/d2/Haiti\\_earthquake\\_damage.jpg](http://upload.wikimedia.org/wikipedia/commons/d/d2/Haiti_earthquake_damage.jpg)

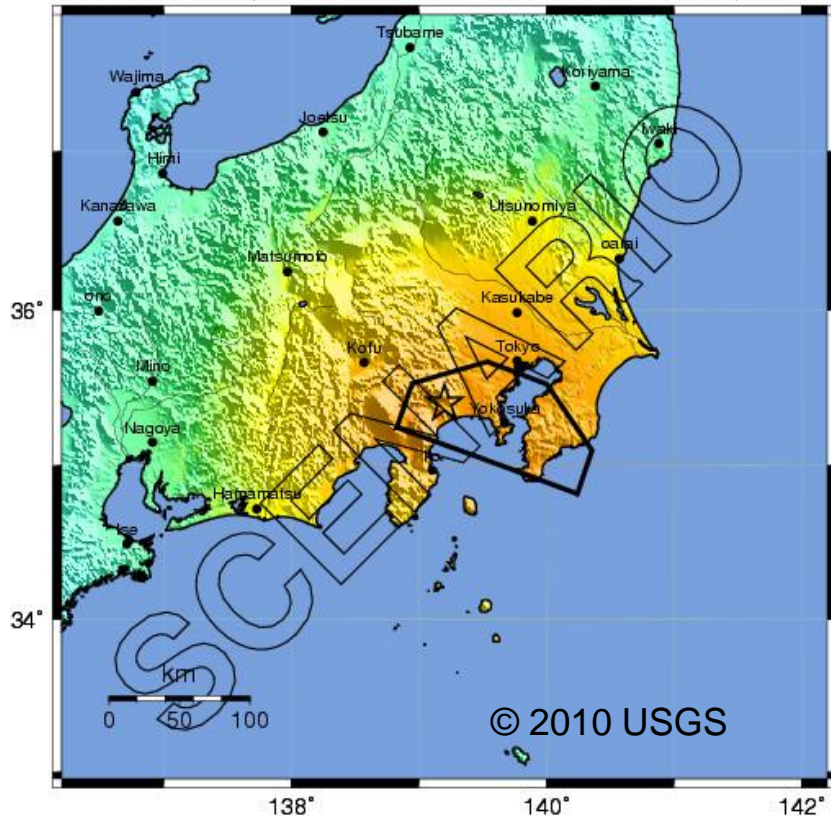
© 2010 UN Photo/Logan Abassi United Nations Development Programme



# Asian Supercat Potential – Tokyo EQ

-- Earthquake Planning Scenario --  
ShakeMap for Kanto1923 Scenario

Scenario Date: Tue Sep 1, 2009 02:58:36 GMT M 7.9 N35.40 E139.20 Depth: 14.6km



PLANNING SCENARIO ONLY -- Map Version 1 Processed Wed Feb 11, 2009 08:46:36 AM MST

PERCEIVED SHAKING	Not felt	Weak	Light	Moderate	Strong	Very strong	Severe	Violent	Extreme
POTENTIAL DAMAGE	none	none	none	Very light	Light	Moderate	Moderate/Heavy	Heavy	Very Heavy
PEAK ACC (%g)	<.17	.17-1.4	1.4-3.9	3.9-9.2	9.2-18	18-34	34-65	65-124	>124
PEAK VEL (cm/s)	<0.1	0.1-1.1	1.1-3.4	3.4-8.1	8.1-16	16-31	31-60	60-116	>116
INSTRUMENTAL INTENSITY	I	II-III	IV	V	VI	VII	VIII	IX	X+

➤ Highly destructive earthquakes hit Tokyo area in 1703, 1855 and 1923

➤ Appear overdue for a similar event

➤  $M_w 7.1+$  = 20% chance in next 30 years

➤  $M_w 7.9+$  = 8-11% chance in next 30 years

➤  $M_w 7.3$  shock beneath Tokyo

➤ **Economic loss** ~USD 1 trillion

➤ Repeat of 1855  $M_w 7.1-7.3$  event

➤ **Insured loss** ~USD 50 billion

➤ Repeat of 1923  $M_w 7.8-7.9$  event

➤ **Insured loss** ~USD 100 billion

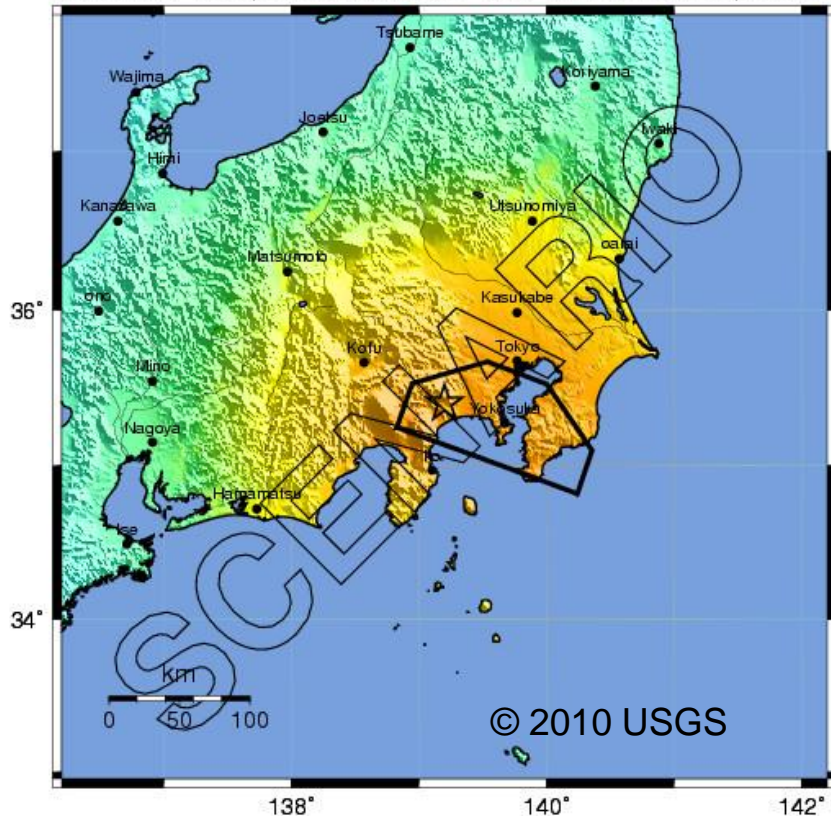
➤ Repeat of 1703  $M_w 8.1$  event

➤ **Insured loss** > USD 100 billion

# Asian Supercat Potential – Tokyo Great Kanto EQ

-- Earthquake Planning Scenario --  
ShakeMap for Kanto1923 Scenario

Scenario Date: Tue Sep 1, 2009 02:58:36 GMT M 7.9 N35.40 E139.20 Depth: 14.6km



PLANNING SCENARIO ONLY -- Map Version 1 Processed Wed Feb 11, 2009 08:46:36 AM MST

PERCEIVED SHAKING	Not felt	Weak	Light	Moderate	Strong	Very strong	Severe	Violent	Extreme
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INSTRUMENTAL INTENSITY	I	II-III	IV	V	VI	VII	VIII	IX	X+

- Repeat of 1923 Great Kanto earthquake
- Magnitude  $M_w$  7.8 to 7.9
- The most destructive earthquake in Japanese history
- Fires that followed the earthquake caused most of the damage
- Insured losses today could exceed USD 100 billion

# Asian Supercat Potential – Tokyo Great Kanto EQ

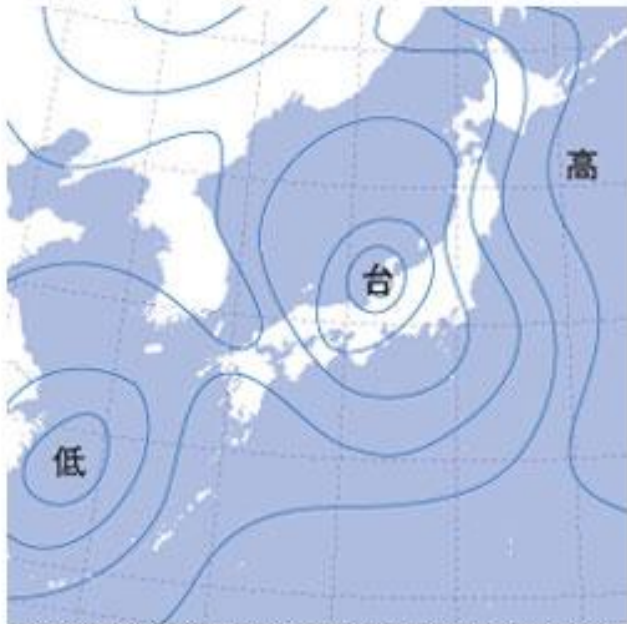


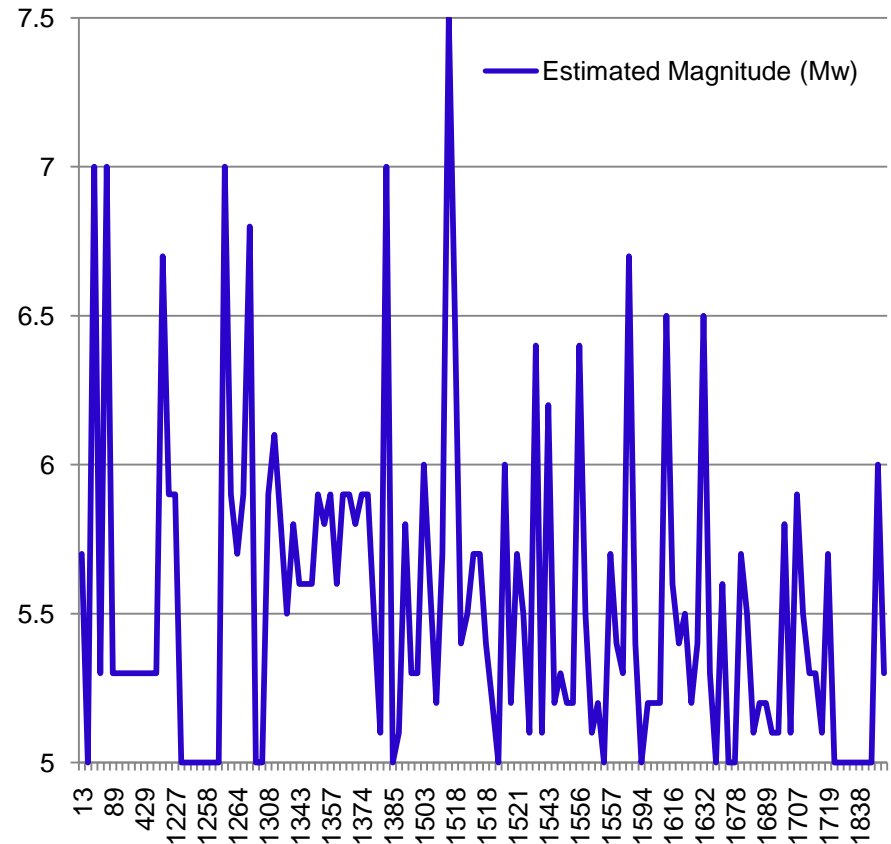
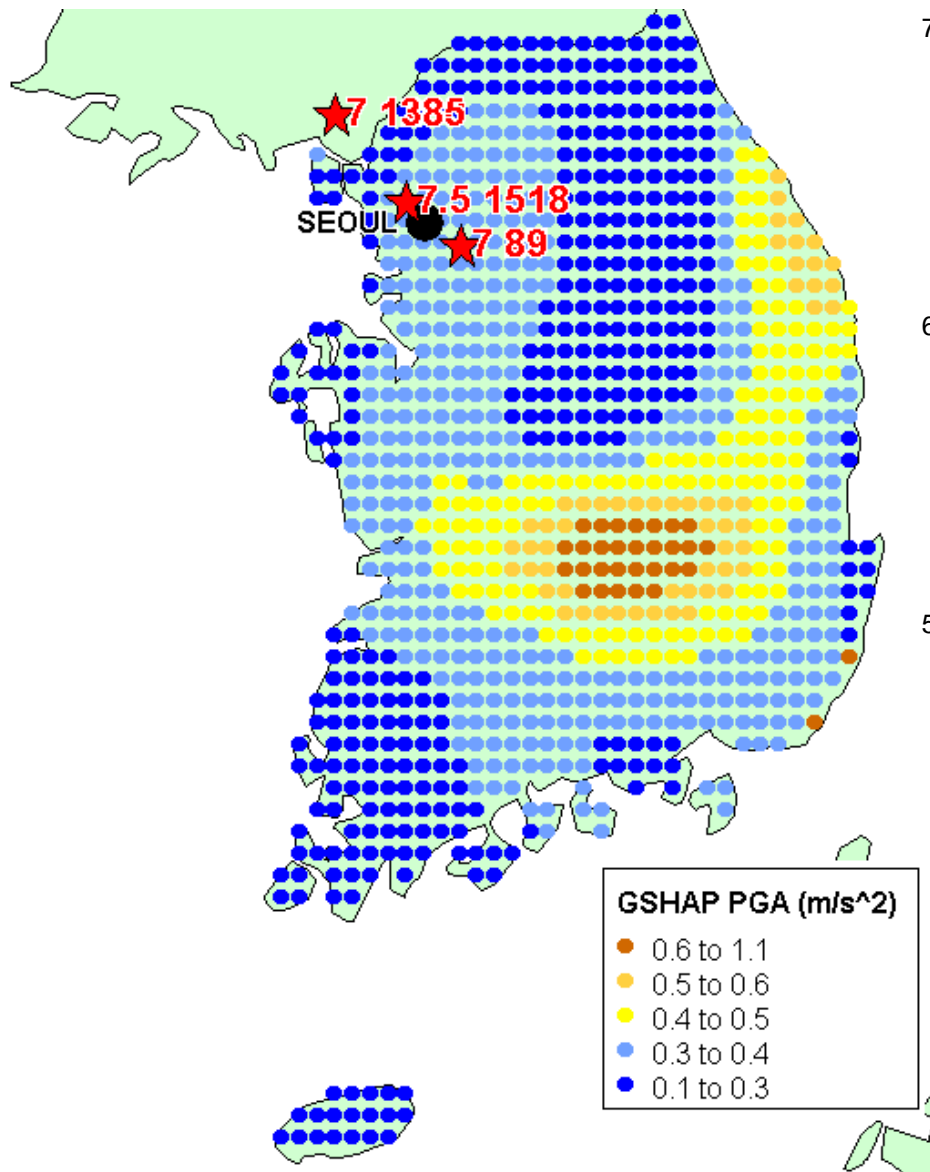
図1 関東地震発生日 1923年9月1日午前6時の天気図の写し

Weather map at 6am on 01/09/1923 showing depression over Honshu. Source: [http://www.kajima.co.jp/news/digest/sep\\_2003/tokushu/toku01.htm](http://www.kajima.co.jp/news/digest/sep_2003/tokushu/toku01.htm)

- $M_w$  7.8-7.9 EQ at 11.58 am on 1 September 1923
- Timing meant cooking fires were lit
- Mostly wooden buildings
- Fires apparently spread rapidly under strong winds from passing typhoon
- 100-fold increase in rate of spread of fire under gale force winds compared with calm conditions in a wooden environment (Cousins et al. 2002) – as was Tokyo in 1923
- Uncertainty about spread of fire in a modern reinforced concrete environment
- Joint probability of these events is very low if independent events
- But Japanese seismologists consider that the typhoon may have been a factor in triggering the EQ via an abrupt pressure drop! (cf. Morozova, 2005)



# Asian Supercat Potential - Seoul EQ



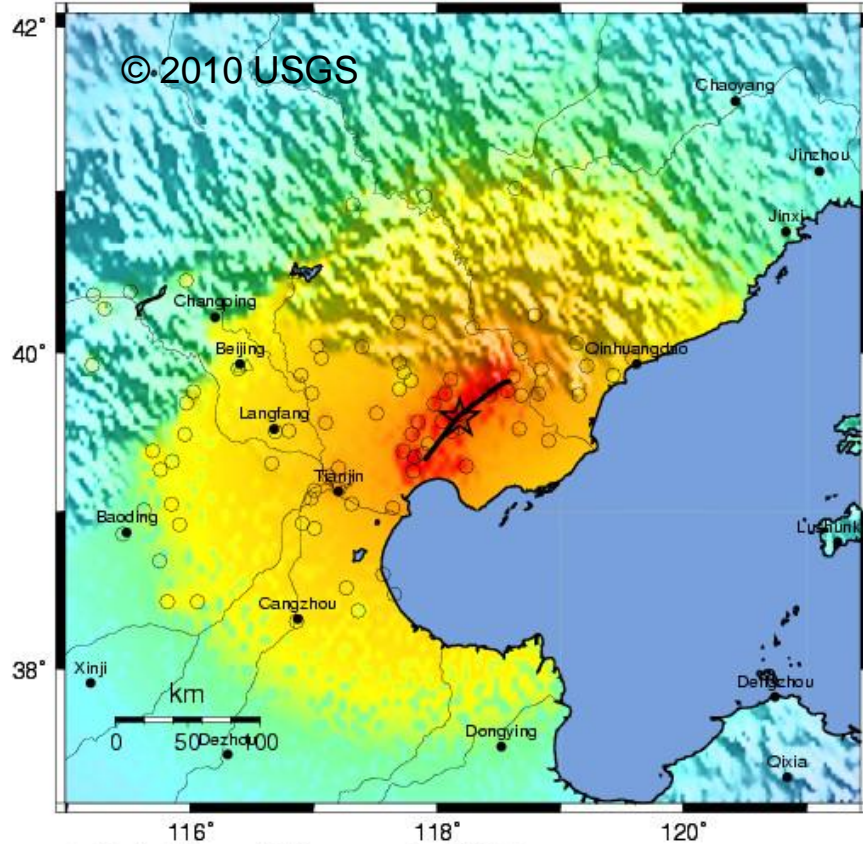
Event catalogue data from Chiu & Kim (2004).

PGA data from GSHAP (<http://www.seismo.ethz.ch/gshap>).

# Asian Supercat Potential - Beijing-Tianjin EQ

USGS ShakeMap : Tangshan, China

Tue Jul 27, 1976 19:42:54 GMT M 7.6 N39.59 E118.19 Depth: 16.7km ID:197607271942



➤ Repeat of 1976  $M_w$  7.6 Tangshan event in 2006/7

➤ Economic loss ~USD 32 to 100 bn

➤ Insured loss ~USD 0.2 to 3.2 bn

➤ With economic growth and increased insurance penetration from 2010-2020

➤ 10% economic growth pa

➤ 10% growth in insurance penetration pa

➤ USD 10 bn insured loss by 2016

PERCEIVED SHAKING	Not felt	Weak	Light	Moderate	Strong	Very strong	Severe	Violent	Extreme
POTENTIAL DAMAGE	none	none	none	Very light	Light	Moderate	Moderate/Heavy	Heavy	Very Heavy
PEAK ACC (%g)	<.17	.17-1.4	1.4-3.9	3.9-9.2	9.2-18	18-34	34-65	65-124	>124
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INSTRUMENTAL INTENSITY	I	II-III	IV	V	VI	VII	VIII	IX	X+

# Asian Supercat Potential - Beijing-Tianjin EQ

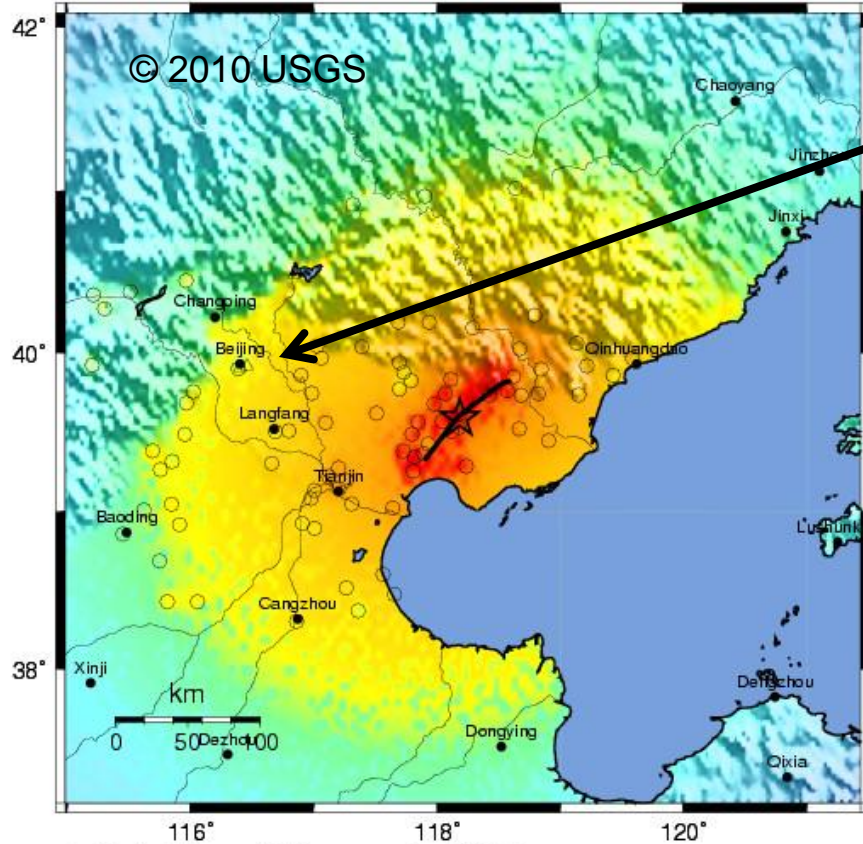
		China Nationwide Insurance Penetration			
		Constant		Increasing @ 10% pa	
Year	Economic Damage (USD bn) - 10% Economic Growth rate	Penetration	Insured Loss (USD bn)	Penetration	Insured Loss (USD bn)
2010	100	3.0%	3.0	3.0%	3.0
2011	110	3.0%	3.3	3.3%	3.6
2012	121	3.0%	3.6	3.6%	4.4
2013	133	3.0%	4.0	4.0%	5.3
2014	146	3.0%	4.4	4.4%	6.4
2015	161	3.0%	4.8	4.8%	7.8
2016	177	3.0%	5.3	5.3%	9.4
2017	195	3.0%	5.8	5.8%	11.4
2018	214	3.0%	6.4	6.4%	13.8
2019	236	3.0%	7.1	7.1%	16.7
2020	259	3.0%	7.8	7.8%	20.2



# Asian Supercat Potential - Beijing-Tianjin EQ

USGS ShakeMap : Tangshan, China

Tue Jul 27, 1976 19:42:54 GMT M 7.6 N39.59 E118.19 Depth: 16.7km ID:197607271942



➤ Repeat of 1679 Sanhe-Pinggu  $M_w 8$  event

➤ MMI >X at epicentre

➤ MMI VIII in Beijing (50km west)

➤ Loss potential >> Repeat of Tangshan 1976

PERCEIVED SHAKING	Not felt	Weak	Light	Moderate	Strong	Very strong	Severe	Violent	Extreme
POTENTIAL DAMAGE	none	none	none	Very light	Light	Moderate	Moderate/Heavy	Heavy	Very Heavy
PEAK ACC (%g)	<.17	.17-1.4	1.4-3.9	3.9-9.2	9.2-18	18-34	34-65	65-124	>124
PEAK VEL (cm/s)	<0.1	0.1-1.1	1.1-3.4	3.4-8.1	8.1-16	16-31	31-60	60-116	>116
INSTRUMENTAL INTENSITY	I	II-III	IV	V	VI	VII	VIII	IX	X+

# Asian Supercat Potential – Eastern China

<http://hi.baidu.com/my6542/blog/item/49904438535fe12697ddd8fa.html>

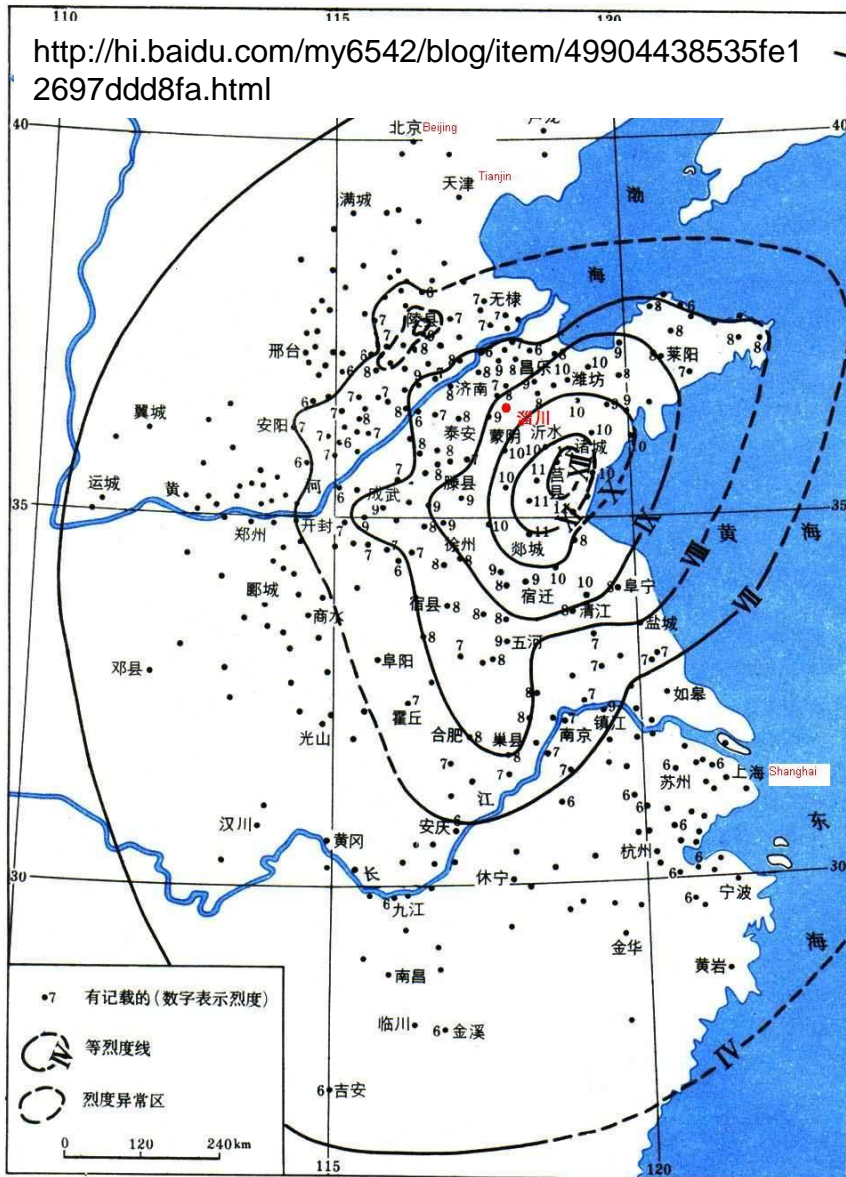


图 2 1668 年山东莒县、郯城大地震等烈度线图

➤ Repeat of 1668 Tancheng EQ in Shandong

➤ Magnitude ~Mw8.5, depth ~36km

➤ MMI intensity XII – Extreme!

PERCEIVED SHAKING	Not felt	Weak	Light	Moderate	Strong	Very strong	Severe	Violent	Extreme
POTENTIAL DAMAGE	none	none	none	Very light	Light	Moderate	Moderate/Heavy	Heavy	Very Heavy
PEAK ACC (%g)	<.17	.17-1.4	1.4-3.9	3.9-9.2	9.2-18	18-34	34-65	65-124	>124
PEAK VEL (cm/s)	<0.1	0.1-1.1	1.1-3.4	3.4-8.1	8.1-16	16-31	31-60	60-116	>116
INSTRUMENTAL INTENSITY	I	II-III	IV	V	VI	VII	VIII	IX	X+

➤ Total “as if” building loss in 2004 prices is estimated at > CNY 1.3 trillion (USD 157 bn) (ADB, 2009); total economic loss even greater

➤ Assume 3% insurance penetration = USD 5bn insured loss

➤ Could reach USD 10bn insured loss by 2020

# Asian Supercat Potential? - Hong Kong EQ

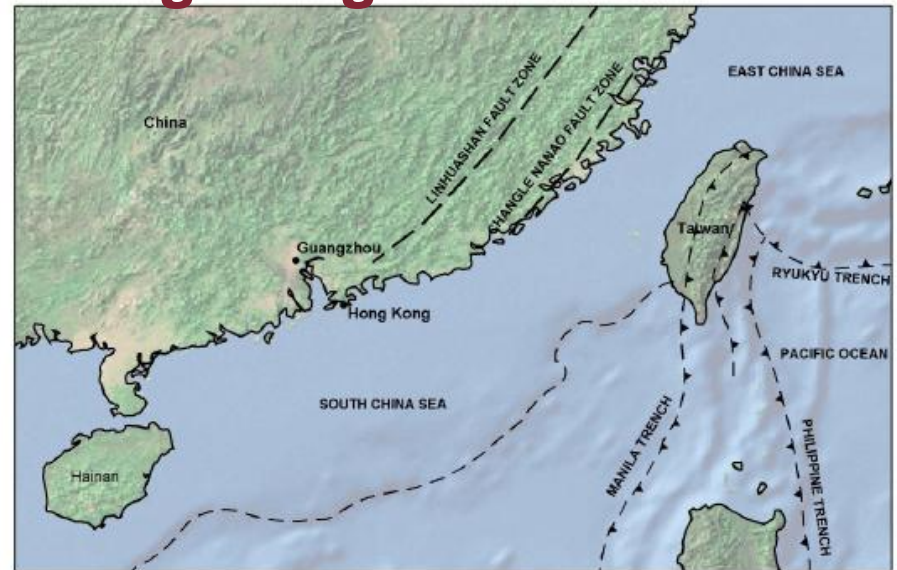
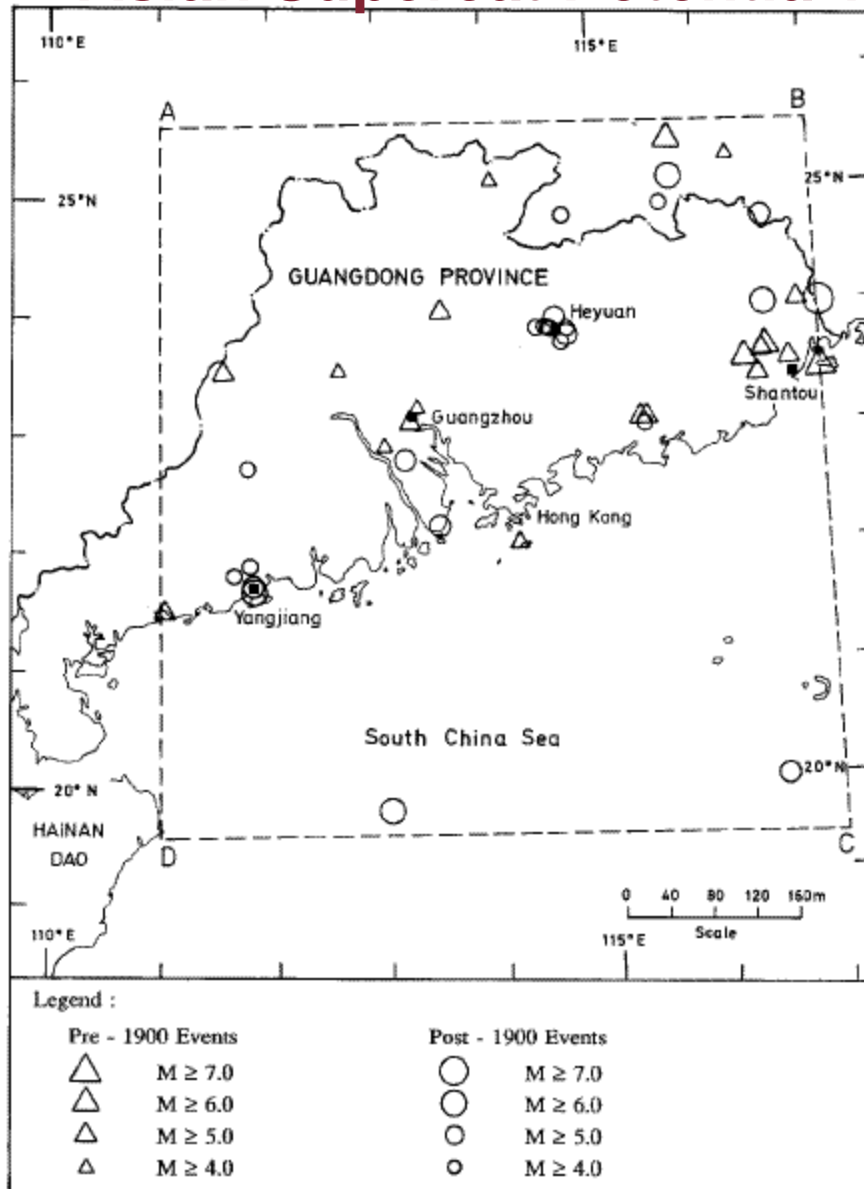


Figure 1. Tectonic setting of Hong Kong (Pappin *et al.*, 2008)

- Two events  $M_w > 7$  within 350km of Hong Kong in last 900 years
  - 1918  $\sim M_w 7.4$  near Shantou (MMI VI-VII felt in Hong Kong)
  - 1994  $M_w 7.3$  in Taiwan Strait (MMI V-VI felt in Hong Kong)
- Chance of  $M_w > 7$  within 100km of Hong Kong in next 50 years is  $\sim 1.5\%$  (Pappin *et al.*, 2008)
- Major EQ affecting Hong Kong is expected



# Asian Supercat Potential? - Hong Kong EQ

- Earthquake sources within 100km
  - Onshore - Pearl River delta region

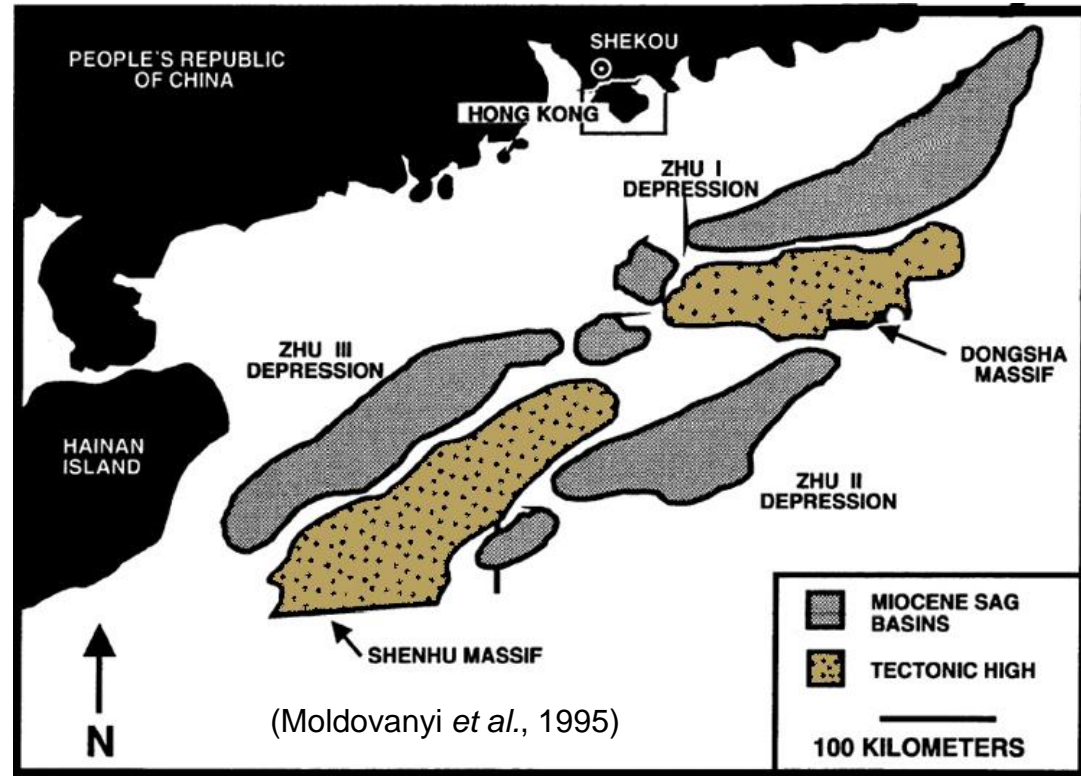
- Offshore - NE part of the Pearl River Mouth Basin

- Not known if either area is capable of producing a large shallow event

- Extensional faulting - not strike slip

- Main risk to Hong Kong is from surface (L) waves to very tall buildings on soft soils

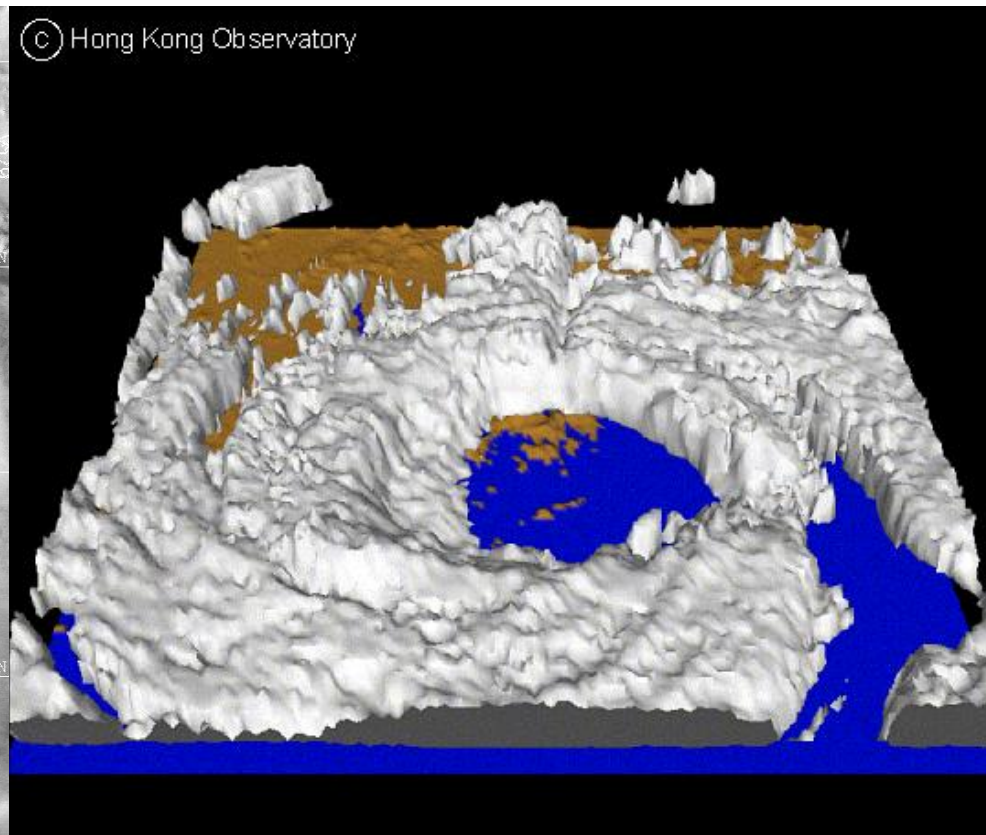
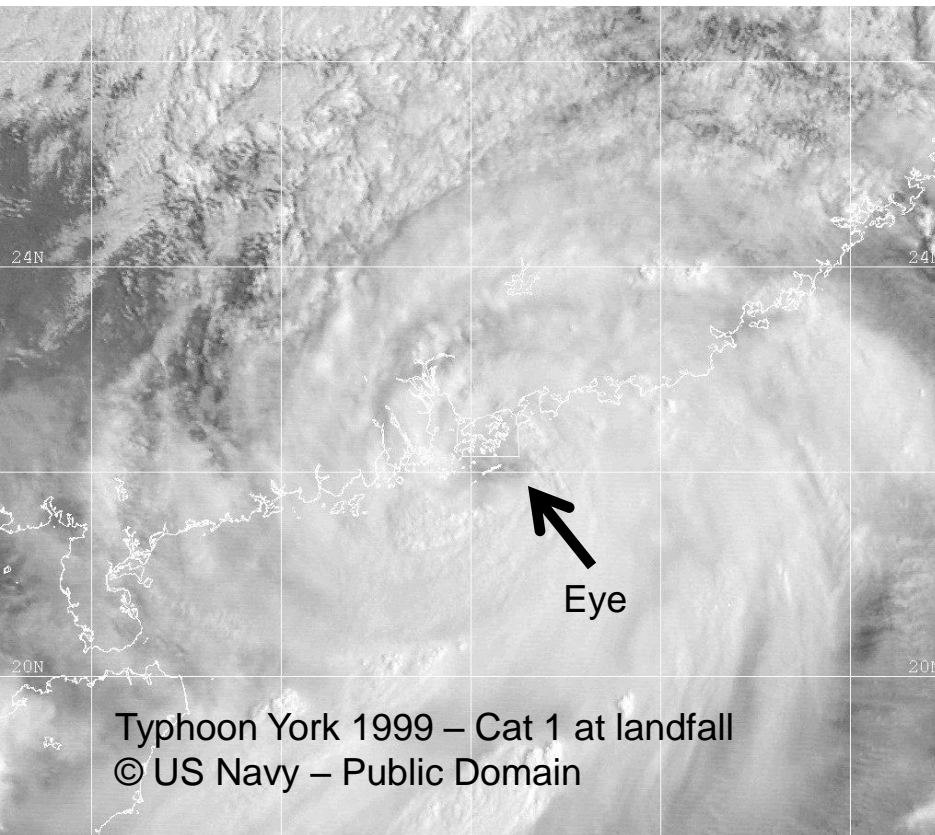
- No precedent exists for response of such a concentration of very tall buildings to L-wave shaking



Pearl River Mouth Basin

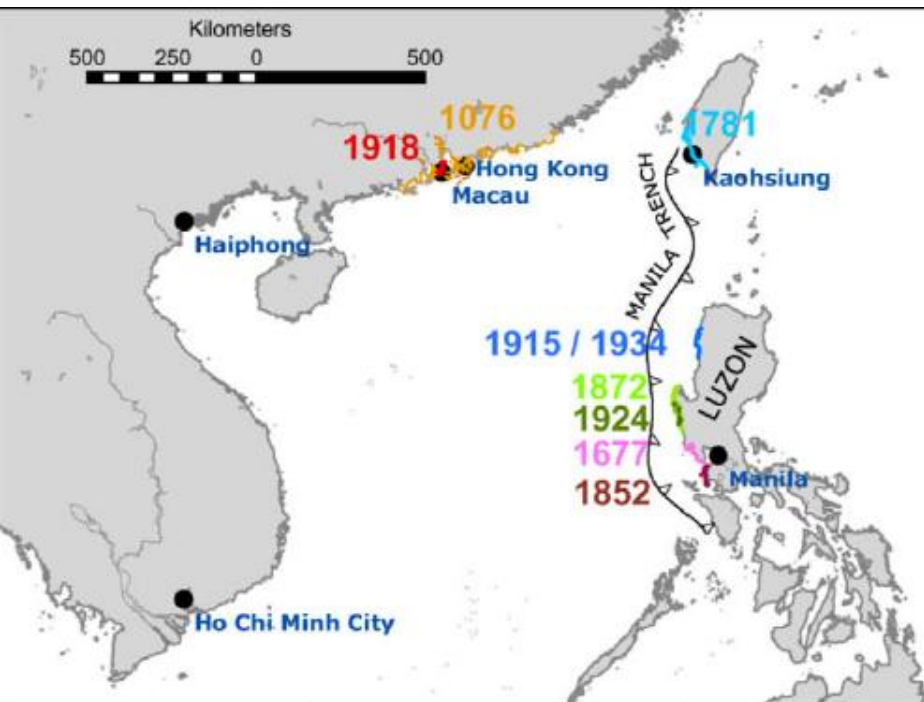
- Needs further research

# Asian Supercat Potential? – Pearl River Typhoon Surge



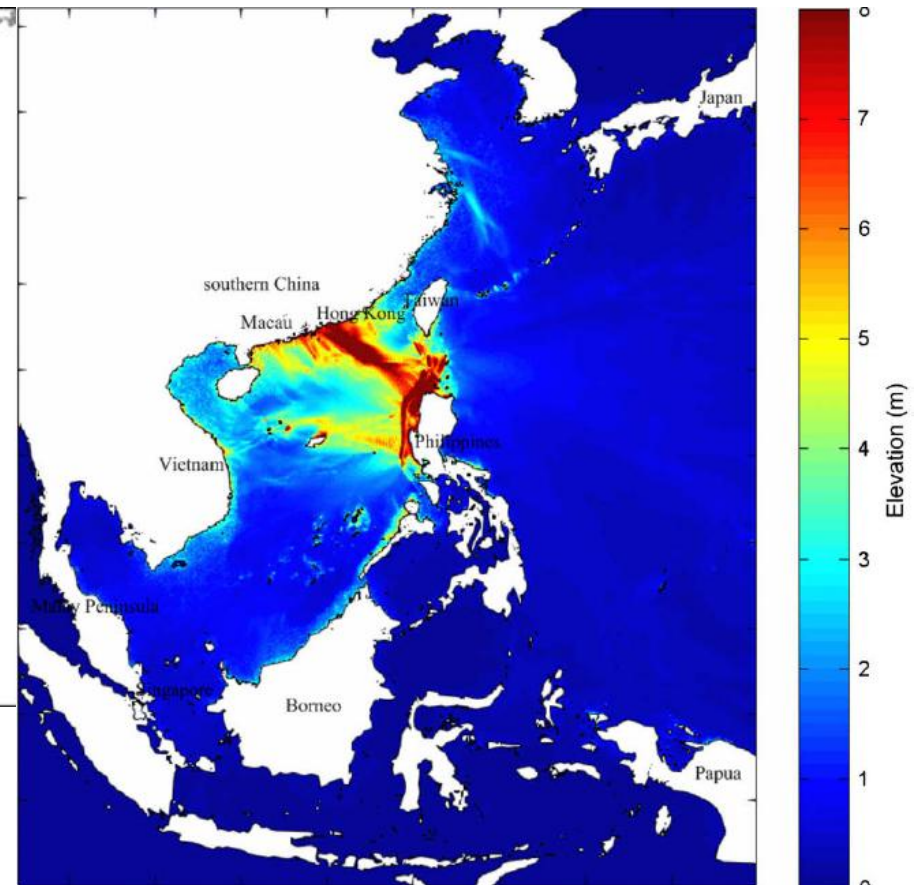
- Cat 4-5 typhoon with storm surge locally up to ~8m hitting Hong Kong and the Pearl River delta
- **Right Front Quadrant** of typhoon would pass directly upriver for maximum storm surge
- Heavy insured losses but unlikely to be Supercat loss at present - Might reach Supercat loss potential in next 10 years given economic growth and continued insurance penetration in this region

# Asian Supercat Potential? – South China Sea Tsunami



Figures 1 & 7 from Megawati et al. (2009) Journal of Asian Earth Sciences v36, p13-20, reprinted with permission

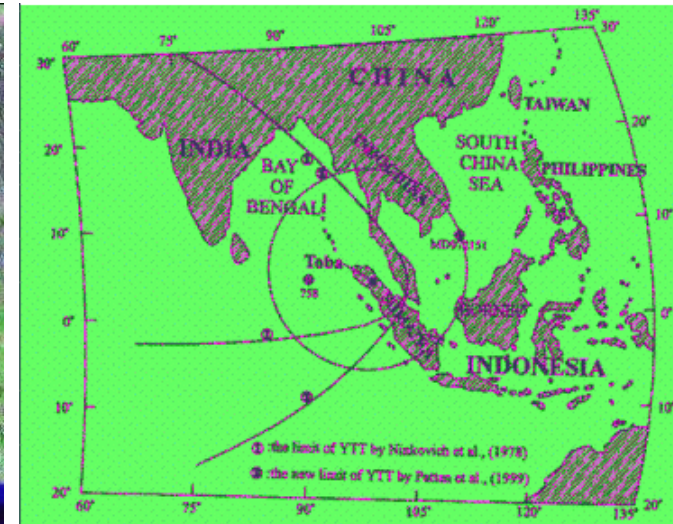
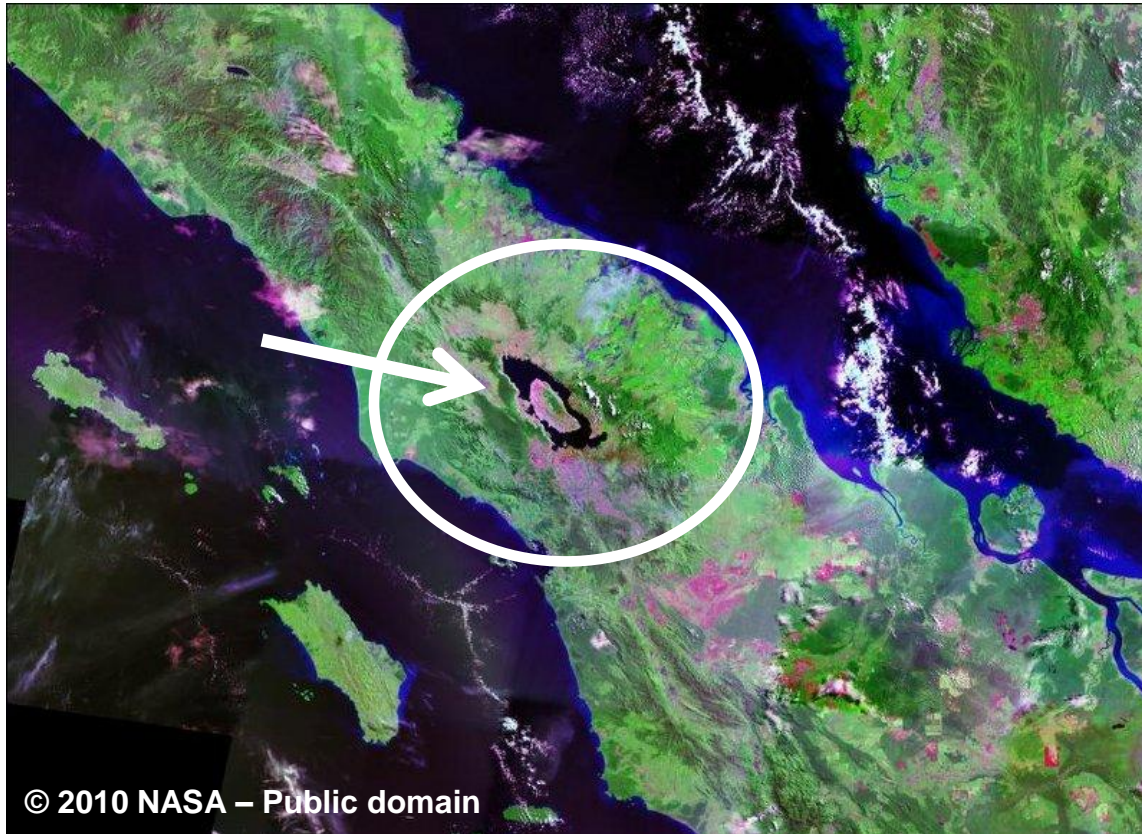
- Assume 100% locking of the subduction interface – so that strain is accumulating
- No EQ >  $M_w 7.8$  since 1560s
- Megawati et al. (2009) assume a  $M_w 9.0$  event



- Wave energy focused on Luzon and China
  - >8m height in Manila + **4m subsidence**
  - 6-8m height in southern China
- Wave heights calculated to 10m offshore – could be locally much higher – **Pearl River**



# Toba Super-eruption



Extent of Toba ashfall.  
From Patten *et al.* (2001)

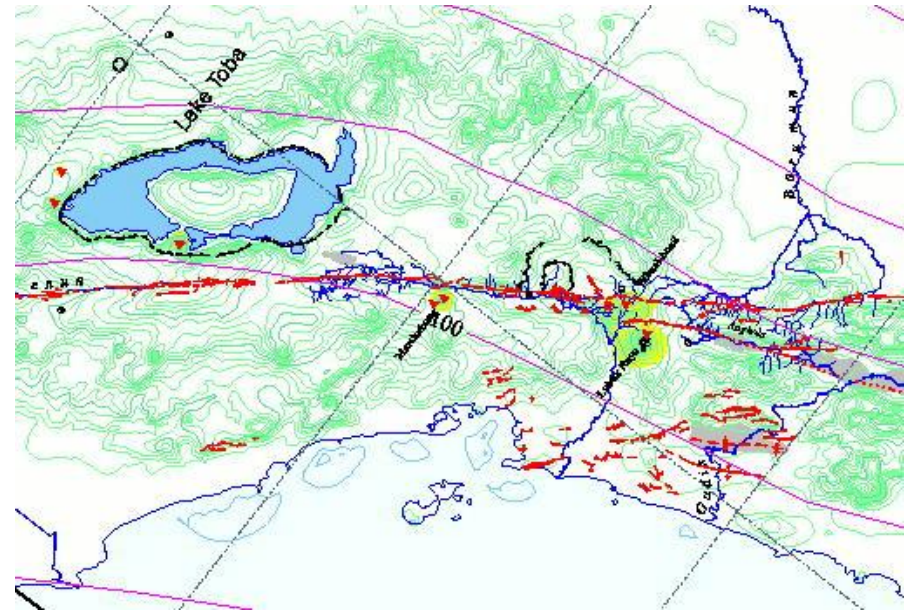
- Probably the largest eruption in the past 25 million years
- Last eruption ~73,000 years ago
- ~2,800 to 3,500 km<sup>3</sup> of ejecta (~670 to 840 mi<sup>3</sup>)
- Special geological conditions required for Rhyolitic magma generation

# Toba Super-eruption

VEI	Classification	Description	Plume	Ejecta volume	Frequency	Example	Occurrences *
0	Hawaiian	non-explosive	< 100 m	< 10,000 m <sup>3</sup>	daily	Mauna Loa	many
1	Hawaiian/Strombolian	gentle	100-1000 m	> 10,000 m <sup>3</sup>	daily	Stromboli	many
2	Strombolian/Vulcanian	explosive	1-5 km	> 1,000,000 m <sup>3</sup>	weekly	Galeras (1993)	3477*
3	Vulcanian/Pelean	severe	3-15 km	> 10,000,000 m <sup>3</sup>	yearly	Koryaksky	868
4	Pelean/Plinian	cataclysmic	10-25 km	> 0.1 km <sup>3</sup>	≥ 10 yrs	Soufrière Hills (1995)	278
5	Plinian	paroxysmal	> 25 km	> 1 km <sup>3</sup>	≥ 50 yrs	St. Helens (1980)	84
6	Plinian/Ultra-Plinian	colossal	> 25 km	> 10 km <sup>3</sup>	≥ 100 yrs	Mount Pinatubo (1991)	39
7	Plinian/Ultra-Plinian	super-colossal	> 25 km	> 100 km <sup>3</sup>	≥ 1000 yrs	Tambora (1815)	5 (+2 suspected)
8	<b>Ultra-Plinian</b>	<b>mega-colossal</b>	<b>&gt; 25 km</b>	<b>&gt; 1,000 km<sup>3</sup></b>	<b>≥ 10,000 yrs</b>	<b>Toba (73,000 BP)</b>	<b>0</b>

Count of eruptions in the last 10,000 years based on 1994 figures maintained by the Global Volcanism Program of the Smithsonian Institution

- Large silicic magma chambers remain <10km from the surface
- Toba will erupt again – but when?
  - No specific reason to expect eruption in 21<sup>st</sup> Century
  - Role of Sumatran Strike Slip Zone (SSZ) in eruption not known
  - Large water body (240km<sup>3</sup>) will cause a phreato-magmatic eruption
- “**Super-volcanoes represent the greatest potential hazard on earth**” – Professor Cas, Monash University, Australia



<http://www.gps.caltech.edu/gislab/projects/sumatra.html>  
Natawidjaja & Sieh (1999)

## Closing Thoughts

- Supercat loss magnitude is measured here by global rather than local standards ( $\geq$ USD 10bn **insured loss**)
- Supercat loss events are relatively frequent in the USA
  - Mostly hurricanes – reflects relative frequency of these events
- No Asian loss events meet Supercat insured loss to date
- Lots of potential for Asian Supercat losses in future
  - Mostly earthquakes – Japan, China, Korea
- Because of frequency of Supercat hurricane losses, the USA will probably still rank #1 in terms of overall insured cat loss for the foreseeable future
- Toba could change all of this





# Thank You for Listening!