

Insurance linked securities

Content and structure

Cat Bonds: Investing into natural catastrophe risk

Investors across the globe are struggling to find diversification in a world of increasing volatility. Macroeconomic events have the potential to shock financial markets from equities to corporate or government bonds alike. The traditional methods of portfolio diversification are failing in a world characterized by central bank intervention and political uncertainty. Cat bonds offer a viable alternative: Their performance is linked to the occurrence of natural catastrophes, such as hurricanes or earthquakes, instead of corporate profits or stock market sentiment. Family offices and leading institutional investors are shifting billions of assets into these little-known instruments thus effectively becoming competitors to the traditional providers of reinsurance coverage.

ILS and climate change

Investors' returns of ILS are primarily linked to the occurrence of natural catastrophes. Since the majority of exposures emanate from climate-related risks, the potential impact of climate change is a key consideration for ILS managers and investors. Less exposed to climate trends, on the other hand, is Life ILS, a sub-segment of the ILS markets that invests in life insurance risks rather than natural catastrophe risks.

ESG and SFDR in ILS

The new sustainable finance disclosure directive (SFDR) is forcing all EU investment managers to classify their product offering. ILS is specifically mentioned as a sustainable investment in the corresponding taxonomy, and investors are increasingly focusing on ESG and sustainability in their investment decision-making. The primary sources of capital for ILS offerings, such as pension fund managers, are pushing the industry to embrace ESG and to adhere to SFDR. We will assess the implications of SFDR for the ILS investment case.

Who should attend?

Financial analysts
Asset managers
Portfolio managers
IT specialists
Law and compliance experts
Financial market operators
Wealth managers
Client advisors

Language

German

Date

30.11.2022

Time

13:00 – 17:00

Place

Hybrid format, Bildungszentrum Sihlpost, Sihlpostgasse 2, 8004 Zurich and via Zoom.

Seminar fees

SFAA members' attendance is free of charge.
For non SFAA members the fee is CHF 480 including documentation.

Registration

Online on <https://www.sfaa.ch/en/agenda/event-registration/>

Contact

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Speakers



Florian Steiger

Florian Steiger is the Head of Cat Bonds and Member of the Group Management Committee at Twelve Capital. He joined the firm in May 2017. Prior to joining the firm, Florian worked in London and Zurich in various roles in fixed income and structured credit. Florian started his career at Goldman Sachs in London as part of the bank solutions and credit structuring team with a focus on regulatory capital relief transactions. Thereafter, Florian joined ZAIS Group, a structured credit hedge fund, before moving to Zurich to set-up and manage the Cape Fixed Income Fund at Cape Capital. Florian's focus throughout his previous positions has been structured and illiquid credit, such as CLOs and credit derivatives, as well as subordinated bonds of European financials. Florian holds an Executive MBA from the University of St. Gallen (HSG) as well as a B.Sc. degree in Management & Finance from the European Business School in Germany.



Niklaus Hilti

Niklaus Hilti is heading the ILS team at Credit Suisse Asset Management. His Team manages a number of funds focused on insurance linked investments. He has worked in the reinsurance and ILS industry since 2000 and has been with the team since the beginning at Bank Leu in 2004, Credit Suisse Group subsidiary. Between 2002 and 2004, Niklaus was Head of Non-Life Actuary Reinsurance at Helvetia Insurance Group, where he focused on the Swiss group's international reinsurance business. Before that, he served as Head of the Natural Catastrophe Pricing team at Converium Ltd. a top 10 reinsurance company at the time. Between 2000 and 2001, Niklaus worked as a Pricing Actuary at Zurich Re. Niklaus holds a master's degree in Mathematical Physics and Meteorology from the University of Basel, Switzerland.



Michael A. Stahel

Michael Stahel is a founding partner of LGT ILS Partners, where he currently serves as CEO and maintains the responsibility for the main investment strategy. In addition, Michael is a member of the Underwriting Unit of Lumen Re (Bermuda), LGT's in-house rated reinsurance carrier. Before setting up LGT ILS Partners, Michael served as head of Insurance-Linked Investments at Clariden Leu in Zurich/ Switzerland from 2006 until 2012. Prior to that, Michael worked at Swiss Re as ILS structurer and underwriter from 1998 to 2006. He holds a BA in Economics from Zurich University of Applied Science and an MBA in Corporate Finance from Rochester University (NY).