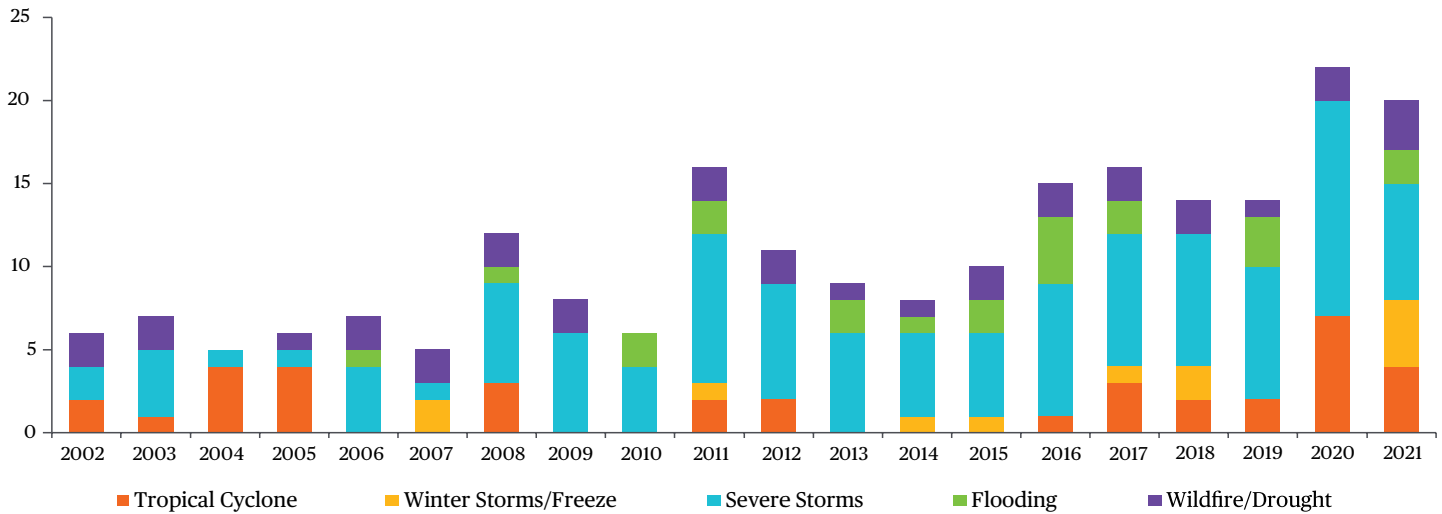


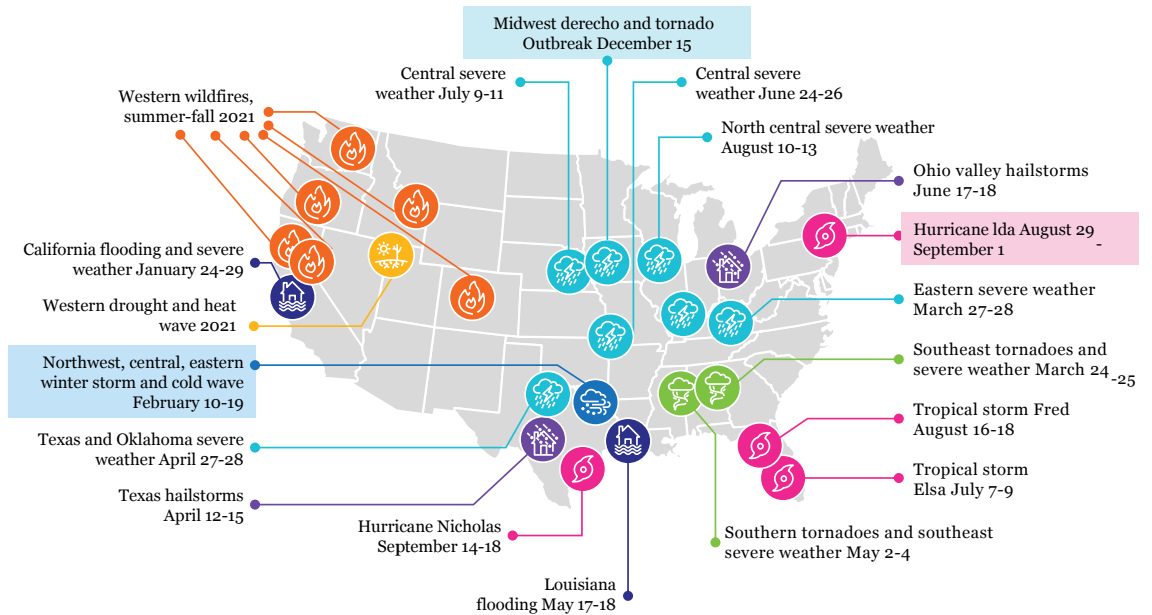
# Market Trends 2022

Trends affecting the personal insurance market for successful families and individuals

## U.S. Billion-Dollar Disaster Events<sup>1</sup>



The map shows the approximate location of the 20 separate billion-dollar weather and climate disasters that impacted the United States in 2021.<sup>1</sup>



### 2021 Hurricanes<sup>2</sup>

#### 21 Hurricanes

This is the 3rd highest total for the Atlantic Hurricane season only behind 2005 and 2020.

#### Above Normal Season

2021 was the sixth consecutive above-normal season. 2021 is the first time since 1977 that a major hurricane formed in October or later.

#### 8 Storms hit the U.S. Coastline

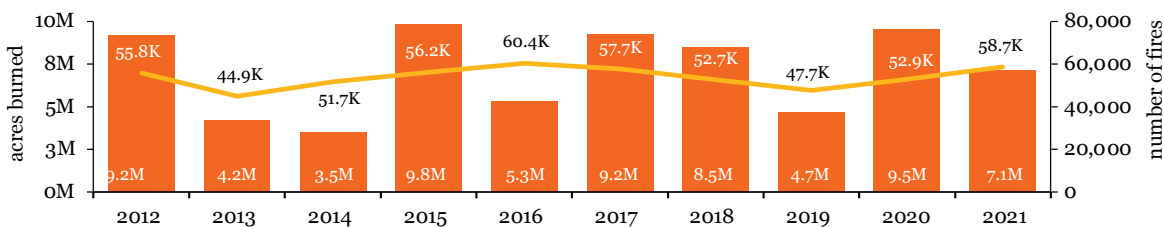
2 of these storms came ashore in Louisiana.

#### Est. Damages

More than \$67 billion (2021 USD)



### U.S. Wildfires<sup>3</sup>



3 of the top 20 largest California wildfires occurred in 2021

**Why are there more floods?<sup>4</sup>**

Increased development, changing storm and precipitation patterns, and rising sea levels are just a few reasons.

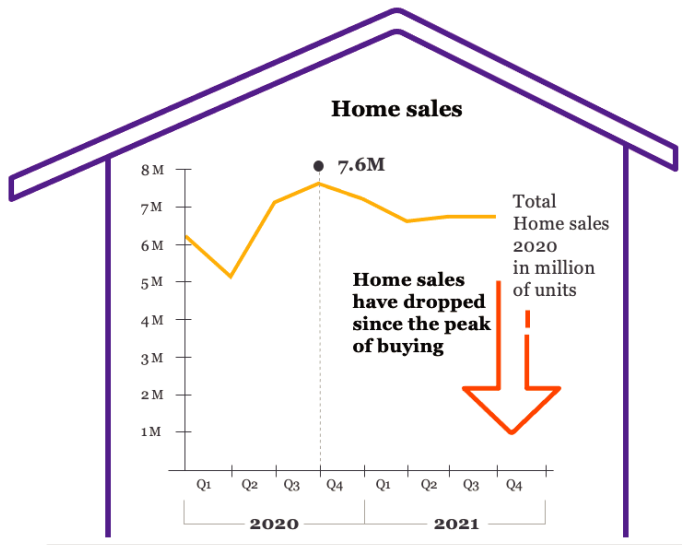
Flooding is the most frequent and costliest natural disaster in the United States

More than 75% of federal disasters are related to floods

Between 1996 - 2019, 99% of all U.S. counties experienced a flood event

**Impact on Housing<sup>5</sup>**

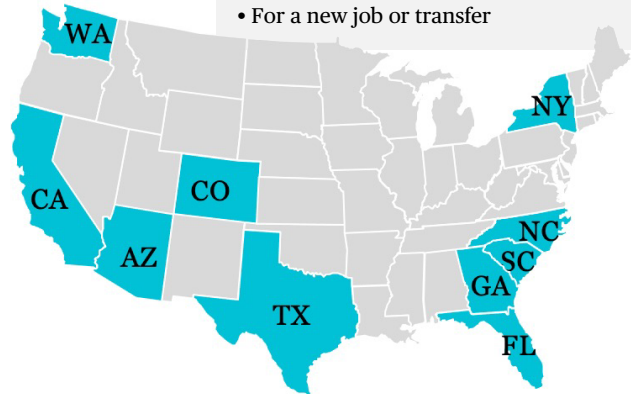
5



**Top states people moved to 2021<sup>6</sup>**

People moved for the following reasons:

- To be closer to family
- A desire to leave high density areas
- For a new job or transfer



**Cost of Building Materials and Labor Increase in 2021<sup>7</sup>**



**Home Replacement Costs for Premium Appliances<sup>8</sup>**

**Sub-Zero Top-of-Line Refrigerator**



2020 \$18,000  
2021 \$19,400  
**8% Increase**

**Wolf Top-of-Line Wall Oven**



2020 \$6,100  
2021 \$9,800  
**61% Increase**

**Auto Trends**



**Driving Trends<sup>9</sup>**

With the increase in poor driving habits, the number of fatalities in the first half of 2021 was up 18.4% over 2020

Negative driving trends were caused by: extreme speeds, traveling without a seatbelt, and distracted driving



**Supply Chain Issues Disrupt Auto Sales and Repairs**

Lack of computer chips

Plant Shutdowns

Logistical problems including shortage of cargo ships

Shipping containers and truck drivers

2021 auto sales in the U.S. are forecasted to increase 2.5% from 2020, however December sales volume is expected to drop 32% year-over-year<sup>10</sup>

**Lifestyle Changes that Create a Liability Exposure**



New driver in household



Charitable and personal entertainment



Watercraft ownership

**Trends that Create a Liability Exposure**



Auto severity is increasing



Social Inflation juries are awarding high amounts to redistribute wealth



Widespread use of social media

**Art is Appreciating at Rapid Rates<sup>11</sup>**

New York's November 2021 auctions totaled \$2.54 billion This is the highest for a November auction cycle

According to an Art Basel / UBS survey, the pandemic had increased respondents' interest in collecting significantly by 32%

57% of HNW collectors are planning to purchase more works for their collections, and 35% are planning to sell works

**Move to an Online Jewelry Market<sup>14</sup>**

Amid the COVID-19 crisis, the global market for Online Jewelry estimated at \$21.5 billion in the year 2020, is projected to reach a revised size of \$51.5 billion by 2026

While prices have since come down slightly, the gold jewelry market in the US has remained robust and consumption is set to reach a 12-year high

**Watches are a Growing Source of Investment<sup>13</sup>**

The watch market is at an all-new high

The primary and secondary watch markets are expected to grow from \$66 billion to \$97 billion by 2025

The pre-owned watch market is set to become the industry's fastest-growing segment, reaching \$29 to \$32 billion

**Significant Growth for Sports Memorabilia<sup>15</sup>**

Record auction prices for game worn jerseys, trading cards, and sneakers

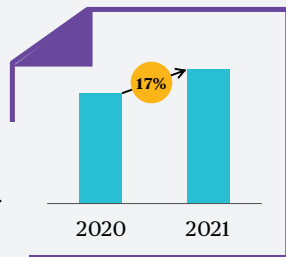
The Last Dance documentary on Netflix drove prices: Bulls rings sold for \$256K & Jordan game worn sneakers sold for \$615K following the series release

**Consumers Struggle with Cyber Risks in '21<sup>16</sup>**

Global cybercrime costs will grow 15% per year over the next five years, reaching \$10.5 trillion by 2025



The number of publicly reported data breaches through September 2021 exceeded the total number of events in 2020 by 17%



**Boat Values Continue to Grow**

New powerboat sales exceeding 300,000 units for only the second time in 15 years; closing 2021 an estimated 4 to 6 percent below record highs in 2020 and 7 percent above the five-year sales average<sup>17</sup>

An estimated 1.1 million pre-owned boats were sold in 2021

1. NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters  
 2. NOAA  
 3. NIFC  
 4. FEMA  
 5. Freddiemac  
 6. Move.org  
 7. CoreLogic Quarterly Construction Insights  
 8. Data obtained from individual manufacturer websites

9. National Highway Traffic Safety Administration, Axios  
 10. Kelly Blue Book  
 11. Art Basel UBS Survey  
 12. Chubb Valuable Collections 2021 Survey  
 13. McKinsey Study  
 14. Global Industry Analysts  
 15. Public auction sites  
 16. Identity Theft Resource Center  
 17. NNMA.org