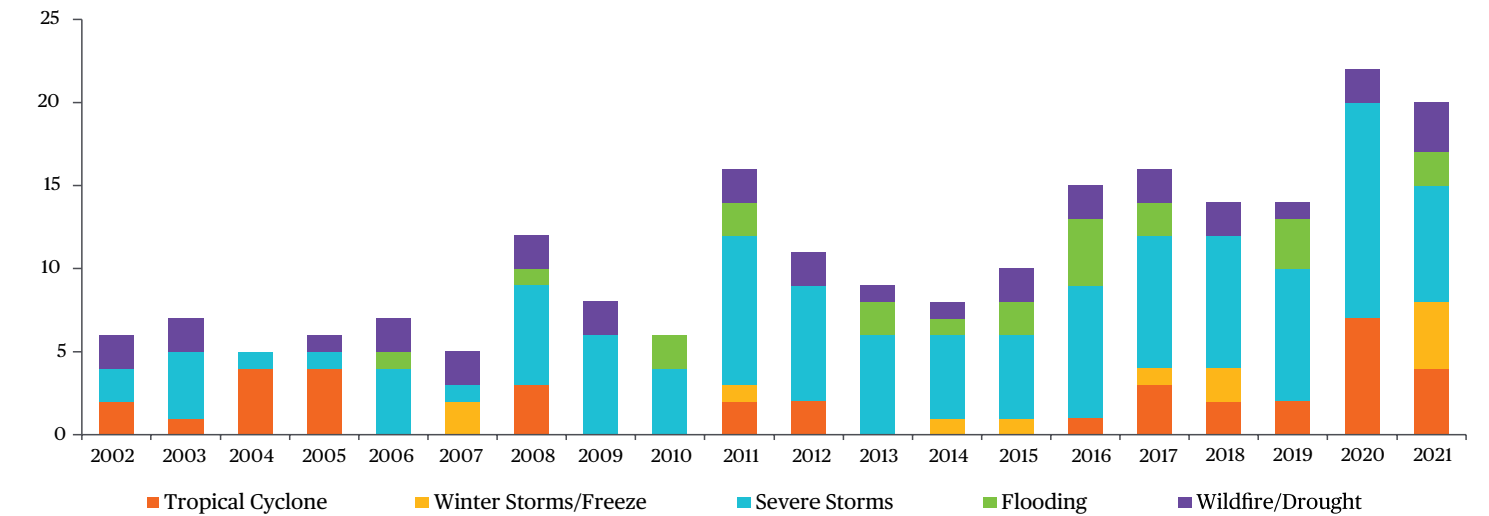


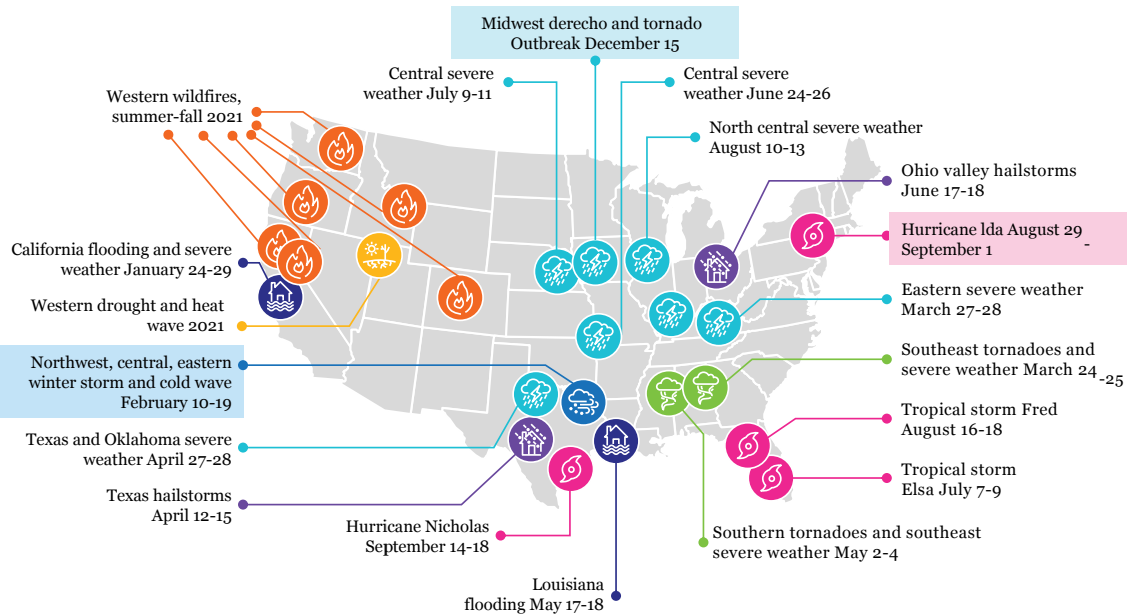
# Market Trends 2022

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

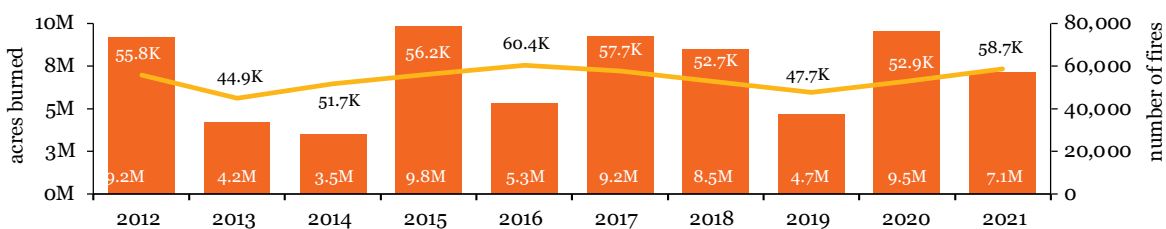
2 of these storms came ashore in Louisiana

#### 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.

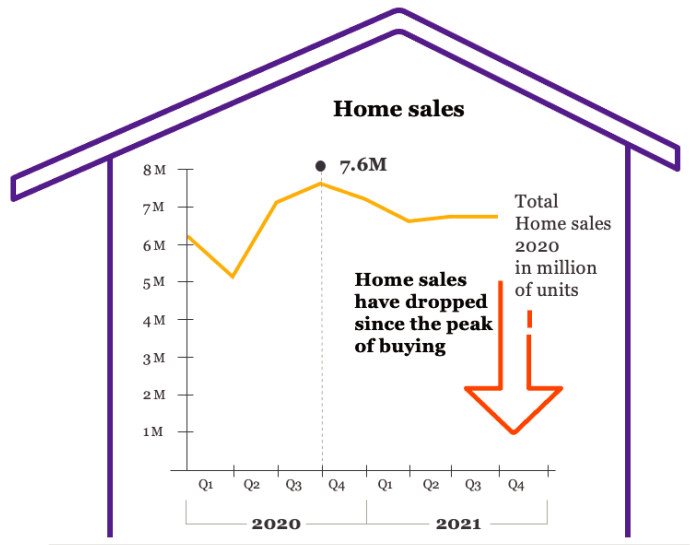
Flooding is the most frequent and costliest natural disaster in the United States

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>

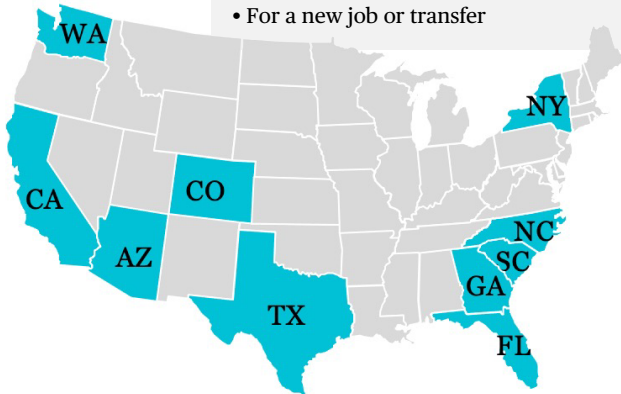
5



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>

- 34.2%** Rough Framing / Lumber
- 4.2%** Concrete Products
- 15.7%** Drywall
- 56.3%** Plastic & Copper Plumbing



- 9.9%** Asphalt Roofing
- 7.3%** Paint
- 10.5%** Copper Electrical
- 11.3%** Windows & Doors

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

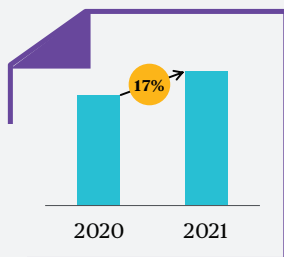
The Last Dance documentary on Netflix drove prices: Bulls  
rings sold for \$256K & Jordan game worn sneakers sold for  
\$615K following the series release

## 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