

# Lloyd's City Risk Index 2015-2025

Analysing the economic exposure from 18 threats over ten years from 2015

Understand the risks: [www.lloyds.com](http://www.lloyds.com)

## Chicago, US

Average GDP growth rate: 1.26%

Average annual GDP: \$514.97bn\*

Total GDP@Risk: \$42.35bn

Share of Average annual GDP: 8.22%

### GDP@Risk ranking

Global: 28 Regional: 3 National: 3

### GDP@Risk by threat type

Threat	GDP@Risk	Share of Total GDP@Risk
Market crash	\$11.98bn	28.28%
Oil price shock	\$7.50bn	17.70%
Cyber attack	\$6.71bn	15.84%
Flood	\$6.23bn	14.70%
Human pandemic	\$3.95bn	9.32%
Freeze	\$1.12bn	2.64%
Solar storm	\$1.08bn	2.55%
Wind storm	\$0.95bn	2.23%
Power outage	\$0.79bn	1.88%
Nuclear accident	\$0.68bn	1.60%
Heatwave	\$0.57bn	1.34%
Plant epidemic	\$0.52bn	1.22%
Sovereign default	\$0.26bn	0.62%
Terrorism	\$0.03bn	0.08%
Drought	\$0.00bn	0.00%
Earthquake	\$0.00bn	0.00%
Tsunami	\$0.00bn	0.00%
Volcano	\$0.00bn	0.00%

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### Insight

Chicago's Manmade threats (\$27.95bn, 65.99%) account for almost twice as much GDP@Risk as its Natural threats (\$14.40bn, 34.01%), with its exposure to Market crash, Oil price shock and Cyber attack amounting to more than half of the city's total.

Chicago is ranked 3<sup>rd</sup> in the Global Financial Centres Index among US cities after New York and San Francisco and 9<sup>th</sup> globally. While New York rose to prominence on the back of global trade and San Francisco is driven by the emergence of Silicon Valley, Chicago's financial expertise is built on its trading of commodity futures and derivatives, in which it is a world leader, accounting for almost a quarter of global derivatives trades. The city ranks 12<sup>th</sup> for Oil price shock exposure and 8<sup>th</sup> for both Cyber attack and Solar storm.

It also indexes highly for potential economic exposure to Nuclear accident, with the 3<sup>rd</sup> highest GDP@Risk in the world. The city has five nuclear power plants within 100 miles.

In financial terms, the so-called Windy City's biggest Natural threat exposure is Flood, but the city has the 4<sup>th</sup> and 5<sup>th</sup> highest exposure to Heatwave and Freeze respectively. 2015 marks the 20th anniversary of the Great Chicago Heatwave, which caused 465 heat-related deaths in the city, while the average Chicago winter produces 94cm of snow. 2014 saw 208cm of snow fall and the temperature from December to March averaged -5.5°C, the lowest since records for the city began in 1872.

### Sources:

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