

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

Sao Paulo, Brazil

Average GDP growth rate: 4.01%

Average annual GDP: \$644.78bn*

Total GDP@Risk: \$62.95bn

Share of Average annual GDP: 9.76%

GDP@Risk ranking

Global: 13 Regional: 2 National: 1

GDP@Risk by threat type

| Threat | GDP@Risk | Share of Total GDP@Risk |
|-------------------|-----------|-------------------------|
| Market crash | \$15.29bn | 24.29% |
| Human pandemic | \$12.67bn | 20.13% |
| Flood | \$11.63bn | 18.48% |
| Cyber attack | \$9.13bn | 14.50% |
| Oil price shock | \$7.65bn | 12.16% |
| Sovereign default | \$2.15bn | 3.42% |
| Power outage | \$1.49bn | 2.37% |
| Solar storm | \$0.99bn | 1.57% |
| Plant epidemic | \$0.93bn | 1.48% |
| Terrorism | \$0.88bn | 1.40% |
| Nuclear accident | \$0.13bn | 0.21% |
| Drought | \$0.00bn | 0.00% |
| Earthquake | \$0.00bn | 0.00% |
| Freeze | \$0.00bn | 0.00% |
| Heatwave | \$0.00bn | 0.00% |
| Tsunami | \$0.00bn | 0.00% |
| Volcano | \$0.00bn | 0.00% |
| Wind storm | \$0.00bn | 0.00% |

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Insight

Sao Paulo, Latin America's biggest city and Brazil's main financial centre, is most exposed to Manmade threats, which represent more than 50% of its total GDP@Risk.

Market crash (\$15.29bn, 24.29%) is the principal threat. The Brazilian economy is highly dependent on the export of commodities to other countries, meaning Sao Paulo's fortunes are in part based on economic growth elsewhere.

The city has the 3rd highest level of economic exposure to Emerging risks (\$23.72bn), with globally significant potential losses arising from Cyber attack (3rd), Human pandemic (4th), Solar storm (9th) and Plant epidemic (17th).

Its Natural threats are dominated by Human pandemic and Flood (5th), which together account for almost 40% of economic risk from all threats. With almost 11.5m people living in 1.5 square kilometres and more than 40% of the population living in peripheral areas, the city is already experiencing the consequences of a changing climate, including more frequent heavy rains.

Sources:

<http://www.eia.gov/countries/country-data.cfm?fips=br>

<http://www.bmfbovespa.com.br/indices/ResumoCarteiraTeorica.aspx?Indice=lbovespa&idioma=en-us>

http://siteresources.worldbank.org/INTURBANDEVELOPMENT/Resources/336387-1306291319853/CS_Sao_Paulo.pdf