

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

Shanghai, China

Average GDP growth rate: 8.30%

Average annual GDP: \$472.62bn*

Total GDP@Risk: \$78.21bn

Share of Average annual GDP: 16.55%

GDP@Risk ranking

Global: 9 Regional: 5 National: 1

GDP@Risk by threat type

Threat	GDP@Risk	Share of Total GDP@Risk
Wind storm	\$26.81bn	34.28%
Human pandemic	\$14.50bn	18.55%
Market crash	\$10.79bn	13.80%
Flood	\$9.85bn	12.59%
Oil price shock	\$5.61bn	7.17%
Plant epidemic	\$2.89bn	3.69%
Cyber attack	\$2.14bn	2.74%
Drought	\$1.85bn	2.37%
Power outage	\$1.09bn	1.40%
Volcano	\$0.87bn	1.11%
Solar storm	\$0.78bn	1.00%
Heatwave	\$0.52bn	0.67%
Sovereign default	\$0.34bn	0.43%
Nuclear accident	\$0.10bn	0.12%
Terrorism	\$0.07bn	0.08%
Earthquake	\$0.00bn	0.00%
Freeze	\$0.00bn	0.00%
Tsunami	\$0.00bn	0.00%

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

Insight

Shanghai's total economic exposure accounts for almost 10% of that of all 38 Chinese cities examined in the Index, and it is the Chinese city with the most GDP@Risk. Despite its status as China's main financial centre, the world's biggest city by population (with more people than the entire island of Taiwan) and one of the world's most modern cities, its profile is weighted heavily towards Natural threats, which account for almost three-quarters of the total (74.24%).

Unlike Beijing, Shanghai has no material exposure to Earthquake risk, but as a coastal city more than a third of its economic vulnerability is to Wind storm. In February 2015, three typhoons hit the east coast of China in a week and 1.5 million people had to be evacuated.

Human pandemic and Flood are also significant contributors to the city's risk profile, and the \$58.06bn of GDP@Risk from Natural threats is the 5th highest globally. It includes top ten figures for Plant epidemic (2nd), Human pandemic (3rd), Heatwave (5th), Wind storm (6th) and Flood (8th).

Shanghai ranks 6th globally by risk of economic loss from Emerging threats, largely because of its figures for Human pandemic. Its potential losses to Manmade threats (\$20.14bn, 25.76%), while relatively low in the city's own terms, are nevertheless the 26th highest globally. The biggest Manmade threat is Market crash; its risk of Sovereign default, on the other hand, is almost zero.

Sources:

<http://www.sbs.com.au/news/article/2012/08/09/typhoon-forces-millions-evacuate-shanghai-eastern-china>

<http://worldpopulationreview.com/world-cities/shanghai-population/>