

The top section of the page features a collage of financial data, a globe, and stacks of gold coins. The data is presented in a grid-like format with various numerical values and currency symbols. The globe is centered in the background, and the stacks of gold coins are arranged in the foreground. The overall color scheme is warm, with shades of orange and yellow.

# Market Update:

## The Catastrophe Bond Market at Year-End 2003

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The catastrophe bond market had record issuance in 2003 of \$1.73 billion, exceeding the previous high of \$1.22 billion set in 2002.

This updated report, authored by Christopher McGhee of Guy Carpenter & Company, Inc. and MMC Securities Corp., examines the development of this growing market.



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## FOREWORD

This report is co-sponsored by Guy Carpenter & Company, Inc. and MMC Securities Corp.

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Waltnei Sosa and Iris Kuo assisted in the preparation of this white paper.

# Market Update: The Catastrophe Bond Market at Year-End 2003

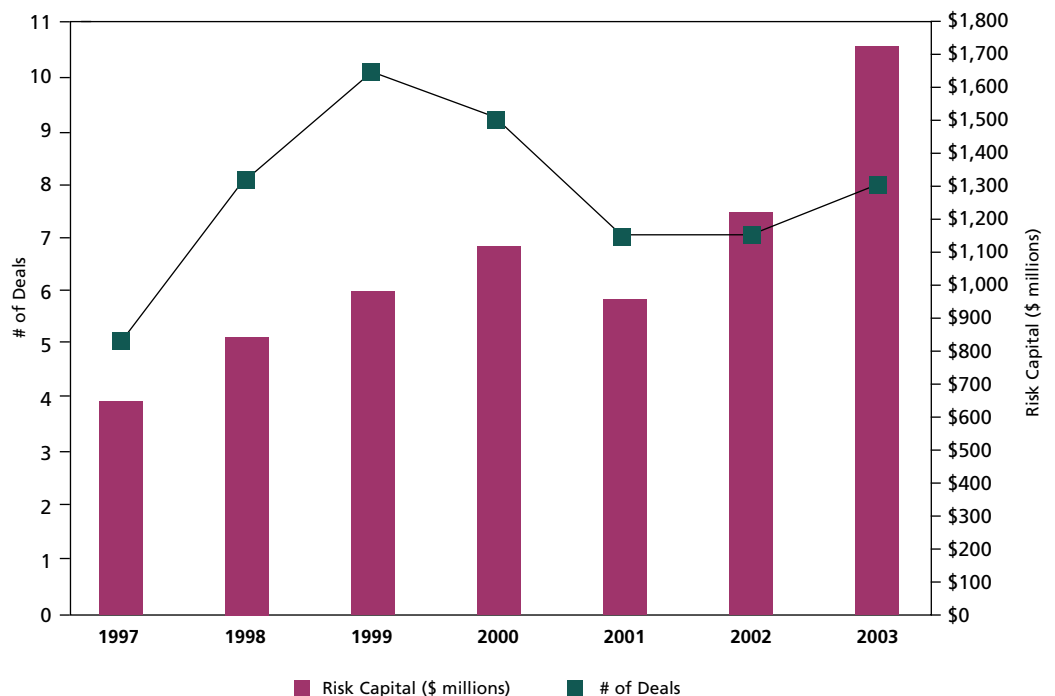
The catastrophe bond market continued to grow and mature during 2003. Highlights from the year include:

- A record \$1.73 billion in total issuance, an impressive 42 percent year-on-year increase from 2002's record of \$1.22 billion. Since 1997, 54 catastrophe bond issues were completed, with total risk limits of almost \$8 billion.
- Three particularly notable transactions: 1) The Formosa Re issuance, the first catastrophe bond issued for Taiwanese earthquake risk; 2) Pylon Ltd., the third-ever issuance by a corporate sponsor; and 3) The largest transaction to date, the three-tranche Zenkoryen Phoenix issue of \$470 million.
- A continuation of the trend toward larger transactions, with the average issue size hitting a new high of \$217 million, up from \$174 million in 2002.
- Overall, catastrophe bond prices generally trended downward with respect to both coupon-to-investor and transaction expenses. In certain instances, this has meant that catastrophe bonds are competitive in cost with traditional reinsurance.


# Market Update: The Catastrophe Bond Market at Year-End 2003

The catastrophe bond market witnessed yet another record year in 2003, with total issuance of \$1.73 billion, an impressive 42 percent year-on-year increase from 2002's record of \$1.22 billion. During the year, a total of eight transactions were completed, with three originating from first-time issuers. Since 1997, when the market began in earnest, 54 catastrophe bond issues have been completed with total risk limits of almost \$8 billion.

**FIGURE 1: ANNUAL NUMBER OF TRANSACTIONS AND ISSUE SIZE\***



\* The report focuses exclusively on natural catastrophe bonds and therefore does not discuss other insurance securitization transactions, such as bonds that securitize the risk of trade credit insurance policies, weather derivatives or life mortality risks.



2003 featured five separate issuers, with Swiss Re accounting for three separate transactions. Notably, Swiss Re and Central Re in Taiwan were the year's only reinsurer sponsors. One transaction had a corporate sponsor and two originated from insurance carriers.

Central Reinsurance Corporation sponsored the Formosa Re Ltd. issuance, the first catastrophe bond issued for Taiwanese earthquake risk, making it the first non-Japanese Asian peril securitized to date. The three-year, \$100 million indemnity transaction covers potential losses to the Taiwan Residential Earthquake Insurance Pool (TREIP) portfolio of residential earthquake insurance policies. Central Re manages this pool on behalf of the Taiwanese government. Another notable aspect of this transaction is the first ever use of a variable coupon feature dependent on changes to the underlying risk portfolio.

The year also featured the first European corporate-sponsored transaction (and only the third by any non-insurance company)<sup>1</sup>. Electricite de France (EdF), the largest electric utility in Europe, sponsored a transaction to address a portion of the risks facing its properties from French windstorms.

A previous non-insurance sponsor, Vivendi, which used a catastrophe bond to insure itself against California earthquake risk, exercised its right to call its issuance as of November 20, 2003. (Studio Re notes issued December 2002, due July 2006).

2003 saw the continuation of the trend toward larger transactions with the average issue size hitting a new high of \$217 million<sup>2</sup>, up from \$174 million in 2002 (see Table 1). Following its first successful catastrophe shelf offering, Pioneer, Swiss Re obtained an additional \$293 million of catastrophe protection through the Arbor Program shelf offering. Shelf offerings are advantageous for issuers as they facilitate the fast and efficient offering of securities to the investment community.

2003 also saw the largest transaction to date. The three-tranche Zenkoryen Phoenix issue of \$470 million far surpassed the average issuance of \$217 million as well as the three transactions in 2003 that exceeded \$200 million in risk capital. The largest issuance for a single peril/tranche remains the 1998 Residential Re II transaction of \$450 million.

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<sup>1</sup> The other two corporate issuers were Vivendi in 2002 (hedging earthquake risk to Universal Studios) and Oriental Land in 1999 (hedging earthquake risk to Tokyo Disneyland).

<sup>2</sup> For the purposes of our analysis, the totals of the issuances for the Pioneer shelf offering and the Arbor shelf offerings over the course of the entire year are each being counted as a single issuance. (i.e., Pioneer had a total of 11 takedowns during 2003, which we have aggregated to arrive at a total issuance of \$125.5 million during 2003.)

**TABLE 1: RISK CAPITAL OF CATASTROPHE BOND ISSUES**

	Under \$50 MM	\$50 MM and over, under \$100 MM	\$100 MM and over, \$200 MM	\$200 MM and over	Avg. Deal (\$MM)	Median Deal (\$MM)
1997	2	1	1	1	126.6	90.0
1998	3	3	1	1	105.8	63.0
1999	3	1	5	1	98.4	100.0
2000	1	2	4	2	126.2	135.0
2001	0	0	7	0	138.1	150.0
2002	1	1	2	3	174.1	162.5
2003	0	0	4	4	216.7	180.0
<b>TOTAL</b>	<b>10</b>	<b>8</b>	<b>24</b>	<b>12</b>	<b>139.2</b>	<b>122.5</b>

*Note: For this chart the Pioneer 2002, Phoenix and Arbor Program issuances are treated as a single issuance each.*

On the pricing front, we believe that investors are becoming increasingly confident in the industry's ability to accurately model expected losses for a given peril. As this trend continues, we expect to see further decoupling of catastrophe bond prices from those in the traditional reinsurance markets. In addition, it appears that investor demand for catastrophe bonds remains strong. This is manifest most notably in an increase in capital invested in dedicated catastrophe bond funds. As a result of these two factors, catastrophe bond costs have generally trended downward with respect to both coupon-to-investor and transaction expenses. In certain instances, this has meant that catastrophe bonds were competitive in cost with traditional reinsurance.

From 1997 to 2003, the structure of catastrophe bonds became more standardized, though innovations continue, as seen in the adjustable coupon mechanism in the Formosa Re transaction. 2003 saw the continuing trend toward a risk term of three years (see Table 2) and an increasing reliance on parametric or other non-indemnity indices as the pay-out trigger for bonds (see Table 3), especially in reinsurer-sponsored transactions (see Tables 4 and 5).

**TABLE 2: TENOR OF CATASTROPHE BONDS ISSUED**

Year	Number of Transactions <sup>(a)</sup>					
	1-Year	2-Year	3-Year	4-Year	5-Year	10-Year
1997	2	1	1	0	0	1
1998	7	0	0	0	1	0
1999	5	0	3	0	2	0
2000	3	1	4	0	1	0
2001	2	1	3	1	0	0
2002	0	1	4	2 <sup>(b)</sup>	0	0
2003	0	2	4 <sup>(c)</sup>	1 <sup>(c)</sup>	2	0
<b>Total</b>	<b>19</b>	<b>6</b>	<b>19</b>	<b>4</b>	<b>6</b>	<b>1</b>

(a) Does not reflect subsequent Pioneer 2002 Ltd. and Arbor issues.

(b) Vivendi sponsored Studio Re, Ltd transaction included here. Bond term is actually 3.5 years.

(c) Arbor is counted as both 3 and 4 year transactions due to different terms for tranches.

**TABLE 3: OVERVIEW OF TRIGGERS – ALL ISSUES**

Year	Indemnity	All Other Triggers
1997	3	2
1998	8	0
1999	7	3
2000	4	5
2001	1	6
2002	2	6*
2003	2	7*
<b>TOTAL</b>	<b>27</b>	<b>33</b>

\*Accounts for Pioneer 2002 Limited, the Phoenix series, the Arbor Program, and the Redwood series as five, two, four, and one separate issues respectively.

**TABLE 4: OVERVIEW OF TRIGGERS – INSURERS**

Year	Insurers	
	Indemnity	Other Triggers
1997	3	1
1998	5	0
1999	4	0
2000	2	2
2001	1	0
2002	1	1
2003	2	2*
<b>TOTAL</b>	<b>18</b>	<b>6</b>

\*Accounts for the Phoenix series as two separate issues. Certain tranches have been excluded from this table if they consist solely of perils securitized in other tranches of the same issuance or cover the identical perils of another tranche in the same issuance.

**TABLE 5: OVERVIEW OF TRIGGERS – REINSURERS**

Year	Reinsurers	
	Indemnity	Other Triggers
1997	0	1
1998	3	0
1999	3	2
2000	2	3
2001	0	6
2002	1	7*
2003	0	5*
<b>TOTAL</b>	<b>9</b>	<b>24</b>

\*Accounts for Pioneer 2002 Limited, the Arbor Program, and the Redwood series as five, four, and one separate issues respectively. Certain tranches have been excluded from this table if they consist solely of perils securitized in other tranches of the same issuance or cover the identical perils of another tranche in the same issuance.

Driven primarily by their calculated loss probabilities, the vast majority of catastrophe bond tranches continue to be given non-investment grade BB ratings by the three rating agencies, though an increasing number of bonds are being placed outside this range (see Table 6). Catastrophe bond tranches with these other ratings (B, BBB and A) are being structured and placed to cater to a wider range of issuer needs and investor preferences.

**TABLE 6: RATINGS OF CATASTROPHE BOND TRANCHES\* (\$ IN MILLIONS)**

	# of Tranches/Issues											
	B		BB		BBB		A		AA		AAA	
	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$
1997	1	15.00	3	453.00	2	37.00	0	0.00	0	0.00	1	82.00
1998	1	21.00	5	657.60	0	0.00	0	0.00	0	0.00	3	22.50
1999	1	20.00	9	877.90	1	50.00	0	0.00	0	0.00	1	1.40
2000	1	100.00	7	815.50	3	141.00	0	0.00	0	0.00	0	0.00
2001	0	0.00	9	896.80	0	0.00	1	50.00	0	0.00	0	0.00
2002	0	0.00	9	695.15	2	261.25	0	0.00	0	0.00	0	0.00
2003	1	163.85	12	624.94	6	814.50	1	26.50	0	0.00	0	0.00
<b>Total</b>	<b>5</b>	<b>319.85</b>	<b>54</b>	<b>5020.89</b>	<b>14</b>	<b>1303.75</b>	<b>2</b>	<b>76.50</b>	<b>0</b>	<b>0.00</b>	<b>5</b>	<b>105.90</b>

Note: The AAA rated bonds were structured so that the principal was fully protected and only the interest payments were at risk. In recent years, these bonds have not been appealing to investors and issuers and, as a result, are no longer issued.

\*S&P Ratings supplemented by Fitch where required. Ratings exclude preference shares.

The investor base for this asset class also continues to increase at a steady pace. One notable feature of the marketplace is the emergence of more than a half dozen dedicated catastrophe bond funds. We estimate that the total funds under management dedicated to investing in catastrophe bonds will soon exceed \$3 billion. As investors continue to better understand the value proposition inherent within this class of bonds, we expect that the capital base dedicated to catastrophe bond investing may continue growing at a healthy rate.

Finally, the market continues to be dominated by East Coast hurricane, California earthquake, European winter storm, and Japanese earthquake in terms of the perils and geographies most securitized, though there is increasing examination of securitization of other geographic locations and perils by potential transaction sponsors (see Table 7). The leading risks for 2003, when measured by capital placed, are California earthquake followed closely by Japan earthquake. The risk capital for Japan Earthquake increased two-fold from the previous year, primarily due to the large Zenkoryen Phoenix issuance.

**TABLE 7: PERILS SECURITIZED: RISK CAPITAL (\$ IN MILLIONS)**

Year	California Earthquake	East/Gulf Coast Hurricane	Europe Wind	Japan Earthquake	Japan Typhoon	Other*
1997	112	395	0	90	0	36
1998	145	721	0	0	80	45
1999	227	507	167	217	17	292
2000	485	455	481	217	17	344
2001	577	552	432	150	0	240
2002	502	477	334	384	0	253
2003	848	517	575	801	278	225
<b>TOTAL</b>	<b>2,897</b>	<b>3,624</b>	<b>1,989</b>	<b>1,858</b>	<b>392</b>	<b>1,436</b>

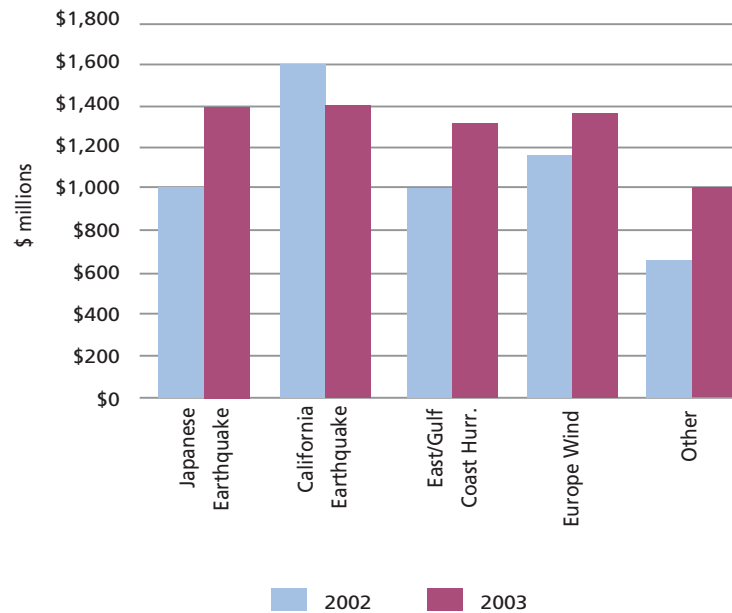
\*Includes catastrophe bonds exposed to Midwest earthquake, US Northeast hurricane, Monaco earthquake, Puerto Rico hurricane, Europe hail, and Hawaii hurricane.

## CONCLUSION

The catastrophe bond market experienced substantial growth in 2003 both in terms of total issuance and maturation of the market. Institutional investors continue to inject new capital into this asset class. These trends, coupled with the decreasing costs of issuing catastrophe bonds, indicate the potential for continued growth in the market. Catastrophe bonds continue to be an important complement to the reinsurance market, and as such, represent an increasingly important new source of capital for insurers and reinsurers.

## Appendix I: Summary of Catastrophe Bonds Currently Outstanding in the Capital Markets\*

### SECURITIZATION BY PERIL

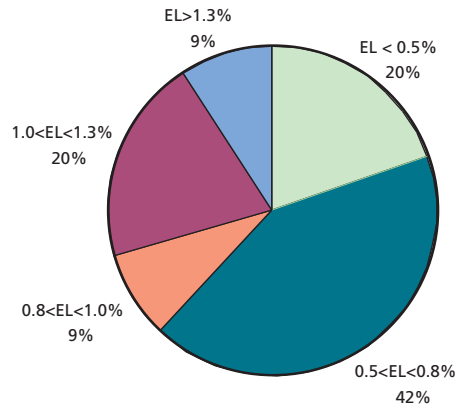


\*Charts and figures in Appendix I assume full allocation from multi-peril/multi-geographic catastrophe bonds. Data as of December 31st of the respective years.

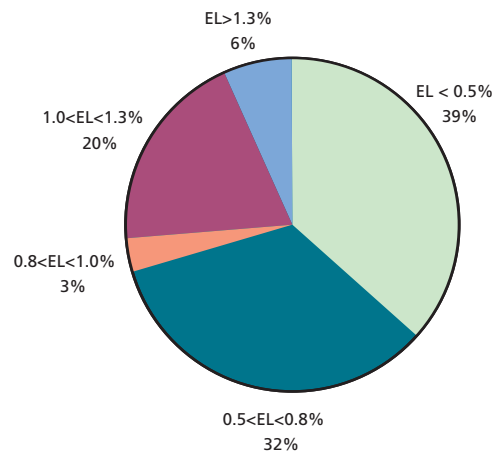
**TOTAL PRINCIPAL NOTES OF  
CATASTROPHE BONDS: ~\$3.5 BILLION**

	2002	2003
Total Principal Notes of Catastrophe Bonds	\$3.0 billion	\$3.5 billion
Japanese earthquake	\$1.0 billion	\$1.4 billion
California earthquake	\$1.6 billion	\$1.4 billion
East/Gulf Coast hurricane	\$1.0 billion	\$1.3 billion
Europe wind	\$1.2 billion	\$1.4 billion
Other	\$663 million	\$987 million

**SECURITIZED BY EXPECTED LOSS 2002**



**SECURITIZED BY EXPECTED LOSS 2003**



## Appendix II: Summary of Catastrophe Bond Transactions

Year of Issue	Special Purpose Vehicle	Sponsor	Risk Amount (\$ MM)	Tranches	Rating	Peril	Risk Location
1997	Winterthur	Winterthur	6	Notes	N/R	Hail	Switzerland
1997	Residential Re	USAA	82 313	Class A-1 Notes Class A-2 Notes	AAA (SP) BB (SP)	Hurricane	East/Gulf Coast
1997	SLF Re I	Reliance National	~30			Multiple	
1997	Swiss Re Cal Eq	Swiss Re	60 15 25 12	B Notes C Notes Class A-1 Notes Class A-2 Notes	BB (F) B- (F) BBB- (F) BBB- (F)	Earthquake	California
1997	Parametric Re	Tokyo Marine & Fire	80 10	Notes Units	BB (F)	Earthquake	Japan
1998	Trinity Re	Zurich Re	11 61	Class A-1 Notes Class A-2 Notes	AAA (F) BB (F)	Hurricane	Florida
1998	SLF Re II	Reliance National	10			Multiple	U.S.
1998	SLF Re III	Reliance National	35			Multiple	U.S.
1998	Residential Re II	USAA	450	Notes	BB (F)	Hurricane	East/Gulf Coast
1998	Pacific Re	Yasuda Fire & Marine	80	Notes	BB- (F)	Typhoon	Japan
1998	Mosaic Re I	St Paul F&G Re	9 15 21	Certificate Class A Notes Class B Notes	AAA (F) BB (F) B (F)	Hurricane Earthquake	U.S. U.S.
1998	Mid Ocean Re	XL Mid Ocean Re	50 50	A B		Multiple	U.S.
1998	Trinity Re II	Zurich Re	2.5 51.6	Class A-1 Notes Class A-2 Notes	AAA (F) BB (F)	Hurricane	Florida
1999	Mosaic Re II	St Paul F&G Re	1.4 24.3 20	Certificates Class A Notes Class B Notes	AAA (F) BB (F) B (F)	Hurricane Earthquake	U.S. U.S.
1999	SLF IV	Reliance Nat	10			Multiple	
1999	Halyard Re	Sorema	17	Notes	BB- (F)	Windstorm Earthquake Typhoon	Europe Japan Japan
1999	Residential Re III	USAA	200	Notes	BB (SP)	Hurricane	East/Gulf Coast
1999	Domestic Re	Kemper	80 20	Notes Shares	BB+ (SP) N/R	Earthquake	New Madrid (U.S.)
1999	Gemini Re	Allianz Risk Transfer	150	Notes	BB (F)	Windstorm	Germany
1999	Concentric	Oriental Land	100	Notes	BB+ (SP)	Earthquake	Japan
1999	Juno Re	Gerling Global Re	80	Notes	BB (SP)	Hurricane	Florida/Gulf Coast
1999	Gold Eagle I	American Re	50 126.6 5.5	Class A Notes Class B Notes Class B Shares	BBB- (F) BB (F) BB+ (F)	Hurricane Earthquake	U.S. U.S.
1999	Namazu Re	Gerling Global Re	100	Notes	BB (SP)	Earthquake	Japan
2000	Seismic Ltd.	Lehman Re	145.5 4.5	Notes Shares	BB+ (SP) N/R	Earthquake	California
2000	Atlas Re I	SCOR	70 30 100	Class A Notes Class B Notes Class C Notes	BBB+ (SP) BBB- (SP) B (SP)	Earthquake Earthquake Windstorm	U.S. Japan Europe
2000	Alpha Wind	State Farm	37.5 52.5	Shares Notes	BB (SP) BB+ (SP)	Hurricane	Florida

Year of Issue	Special Purpose Vehicle	Sponsor	Risk Amount (\$ MM)	Tranches	Rating	Peril	Risk Location
2000	Halyard Re 2000	Sorema	17	Notes	N/R	Windstorm Earthquake	Europe & Japan
2000	Residential Re IV	USAA	200	Notes	BB+ (SP)	Hurricane	East/Gulf Coast
2000	NeHi	Vesta Fire Insurance	41.5 8.5	Notes Shares	BB (F) N/R	Windstorm Windstorm	U.S Hawaii
2000	Mediterranean Re	AGF	41 88	Class A Notes Class B Notes	BBB+ (SP) BB+ (SP)	Windstorm Earthquake	France Monaco
2000	Prime Capital I	Munich Re	159 6 3	Notes Shares Units	BB+ (SP) N/R N/R	Hurricane	New York Miami
2000	Prime Capital II	Munich Re	129 6 3	Notes Class B Shares Units	BB (SP) N/R N/R	Earthquake Wind	California Europe
2001	Western Capital	Swiss Re	97 3	Notes Shares	BB+ (SP) N/R	Earthquake	California
2001	Gold Eagle II	American Re	116.4  3.6	Notes  Class B Shares	BB+ (SP)  NR	Hurricane  Earthquake	Florida/Gulf Coast  Mid West U.S
2001	SR Wind	Swiss Re	58.2 58.2  1.8 1.8	Class A-1 Notes Class A-2 Notes  Class B-1 Shares Class B-2 Shares	BB+ (SP) BB+ (SP)  BB (SP) BB (SP)	Windstorms Windstorms  Windstorms	Puerto Rico Florida/Gulf Coast  France
2001	Residential Re 2001	USAA	150	Notes	BB+ (SP)	Hurricane	East/Gulf Coast
2001	Trinom Ltd.	Zurich Re	60 97 4.9	Class A-1 Notes Class A-2 Notes Shares	BB (SP) BB+ (SP) B+	Hurricane  Earthquake Windstorm	Florida/Gulf Coast California Europe
2001	Redwood Capital I	Lehman Re	160 4.95	Notes Pref Shares	BB+ (SP) BB+ (SP)	Earthquake	California
2001	Atlas II	SCOR	50 100	Class A Notes Class B Notes	A- (SP) BB+ (SP)	Earthquake Earthquake Windstorm	U.S. Japan Europe
2002	Redwood Capital II	Swiss Re	194 6	Notes Preference	BBB- (SP)	Earthquake	California
2002	St. Agatha Re	Lloyd's – Syndicate 33	33	Notes	BB+ (SP)	Earthquake	California & New Madrid
2002	K3	Hannover Re	230			Earthquake Hurricane Wind	U.S. & Japan U.S. Europe
2002	Residential Re 2002	USAA	125	Notes	BB+ (SP)	Hurricane	East/Gulf Coast & Hawaii
2002	Fujiyama Ltd.	Nissay Dowa	67.9 2.1	Notes Pref Shares	BB+ (SP) BB (SP)	Earthquake	Tokyo & Tokai (Japan)

Year of Issue	Special Purpose Vehicle	Sponsor	Risk Amount (\$ MM)	Tranches	Rating	Peril	Risk Location
2002	Pioneer 2002 Ltd.	Swiss Re	93.5	Class A Notes	BB+ (SP)	Hurricane	North Atlantic
			76	Class B Notes	BB+ (SP)	Windstorm	Europe
			66.2	Class C Notes	BB+ (SP)	Earthquake	California
			67.25	Class D Notes	BBB- (SP)	Earthquake	Central U.S.
			55.55	Class E Notes	BB+(SP)	Earthquake	Japan
			28	Class F Notes	BB+ (SP)	All the above	All the above
2002	Studio Re Ltd	Vivendi S.A. (through Swiss Re)	150	Notes	BB+ (SP)	Earthquake	Southern Cal.
			25	Preference Shares	BB (SP)	Earthquake	Southern Cal
2003	Residential Re 2003	USAA	160	Notes	BB+ (SP)	Hurricane Earthquake	East/Gulf Coast & Hawaii U.S.
2003	Phoenix Quake Wind Ltd.	Zenkyoren	192.5	Notes	BBB+ (SP)	Earthquake Typhoon	Japan Japan
2003	Phoenix Quake Ltd.		192.5	Notes	BBB+ (SP)	Earthquake	Japan
2003	Phoenix Quake Wind II Ltd.		85	Notes	BBB- (SP)	Earthquake Typhoon	Japan Japan
2003	Palm Capital Ltd.	Swiss Re	41.35	Notes	BB+ (SP)	Hurricane	North Atlantic
2003	Oak Capital Ltd.	Swiss Re	23.6	Notes	BB+ (SP)	Windstorm	Europe
2003	Sequoia Capital Ltd.	Swiss Re	22.5	Notes	BB+ (SP)	Earthquake	California
2003	Sakura Ltd.	Swiss Re	14.7	Notes	BB+ (SP)	Earthquake	Japan
2003	Arbor I Ltd.	Swiss Re	163.85	Notes	B (SP)	Hurricane	North Atlantic
						Windstorm	Europe
						Earthquake Earthquake	California Japan
2003	Arbor II Ltd.	Swiss Re	26.5	Notes	A+ (SP)	Hurricane	North Atlantic
						Windstorm	Europe
						Earthquake Earthquake	California Japan
2003	Pioneer 2002 Ltd.	Swiss Re	16.25	Class A Notes	BB+ (SP)	Hurricane	North Atlantic
			20.25	Class B Notes	BB+ (SP)	Windstorm	Europe
			13.75	Class C Notes	BB+ (SP)	Earthquake	California
			59.1	Class D Notes	BBB- (SP)	Earthquake	Central U.S.
			8	Class E Notes	BB+(SP)	Earthquake	Japan
			8.14	Class F Notes	BB+ (SP)	All the above	All the above
2003	Formosa Re	Central Re	100	Notes	NR	Earthquake	Taiwan
2003	Redwood Capital III	Swiss Re	150	Notes	BB+ (SP)	Earthquake	California
2003	Redwood Capital IV	Swiss Re	200	Notes	BBB- (SP)	Earthquake	Californial
2003	Pylon Ltd.	Electricite de France	85.4	Series A Notes	BBB+ (SP)	Windstorm	France
			146.4	Series B Notes	BB+ (SP)	Windstorm	France

ATK	Asahi Kasei Corp. (A)	3.88 T	3.88 T
FXK	Asax Screen Saver	270.11 NO	270.11 NO
FFNDX	A.S. Creston Tapes	18.10 G	18.10 G
SPNOM	AT&T Antisatellite	30.41 D	30.41 D
FXK	Atlas Copco A (N)	22.28 T	22.28 T
FXK	Atlas Copco B (N)	20.86 T	20.86 T
DFNOM	Auto Glass Plc (N)	195.09 D	195.09 D
FXK	Aust	202.00 NO	202.00 NO
MMK	Austral Nat Bank	1.00 B	1.00 B
FGMSX	Austria	10.20	10.20
DFN	A.A.A. Magazine	1.00 D	1.00 D
DFN	Auch. S&S	10.00 T	10.00 T
DFN	Auch. u. M. (Aust)	200.00 D	200.00 D
FXK	Auch. u. M. (Ger)	200.00 T	200.00 T
FXK	Austria Bank	10.00 D	10.00 D
DFN	Austria	10.00	10.00

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**Market Update:**  
The Catastrophe Bond Market  
at Year-End 2003

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