

Reserve Uncertainty

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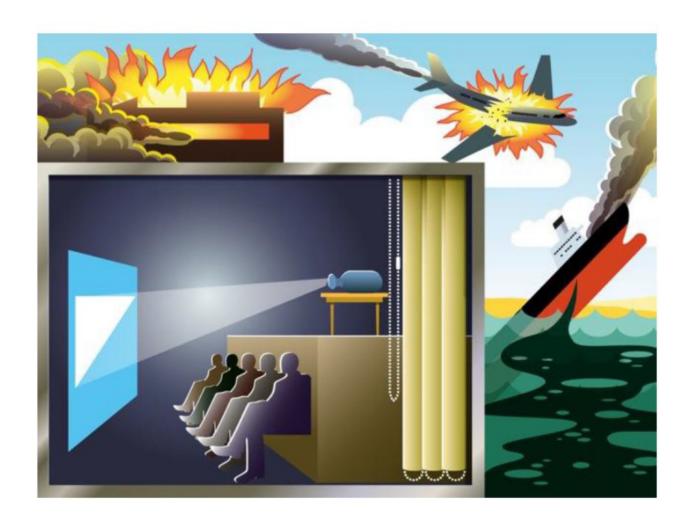
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Look out the window







Curiosity!

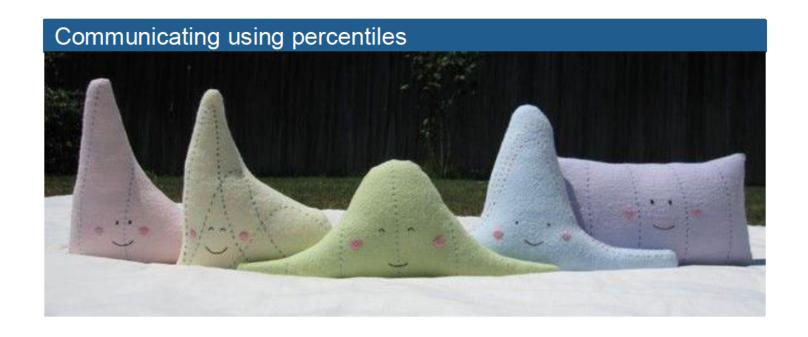






Over-promising?





"there is a clear sense in which too much has been expected of actuaries and explicitly or otherwise, too much has been promised by them..."

Morris Review



Australian experience





Requirement to report at the 75th percentile



New framework developed







The 1920s stand-off

Risk

Probabilities

Bayes

Portfolio Theory

Uncertainty

Likelihoods

Degrees of belief

Narratives

Beware of over-reliance on models





Take back control

Pressures on reserving actuaries

- SII reporting
- Tighter turnaround times
- Efficiencies







Not rocket science

What story is the data telling me?

Does it make sense?

Think from the users point of view

Takes skill to make it look simple



MUQ workshop C9



Reserve Uncertainty Framework

More resources on the MUQ webpage



Keith Brawn

Questions

Comments

Expressions of individual views by members of the Institute and Faculty of Actuaries and its staff are encouraged.

The views expressed in this presentation are those of the presenter.

