

The Actuarial Profession
making financial sense of the future

Mortality and longevity seminar
Andrew Gaches

Emerging insights from Club Vita

17 March 2010



Agenda

Brief recap

- Predictors of longevity in pension scheme data
- High level trends in pension scheme data

Ill health retirement effects

Widow(er)s effects

Deprivation and region

- Is there evidence of regional variation in areas of similar deprivation?

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Predictors of longevity in pension scheme data

Highest impact ↑

Age

Gender

Retirement Health

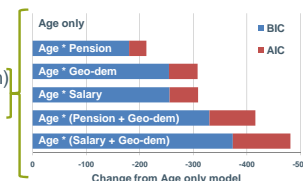
Affluence (Salary or Pension)

Geo-demographics

Other factors, including:

- Manual / Non-manual
- Age at retirement
- Public / Private Sector
- Starsign...

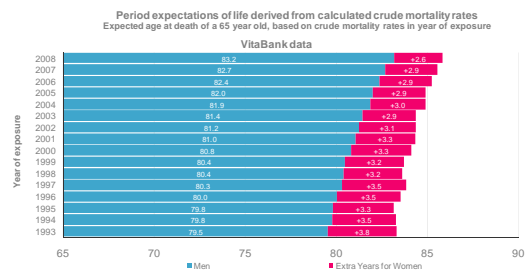
Lowest impact ↓



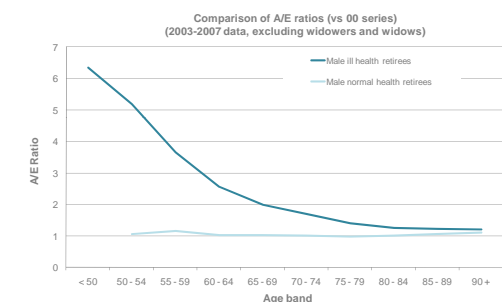
Source: Madrigal et al 2009

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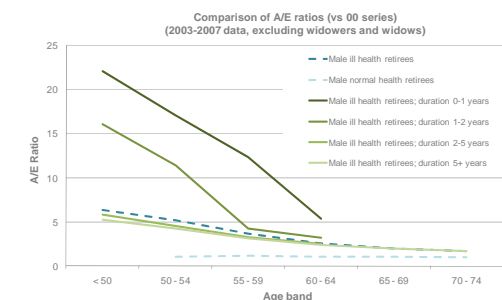
Another vintage year



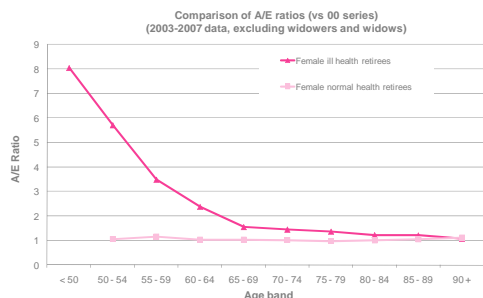
III health retirees – Age effects



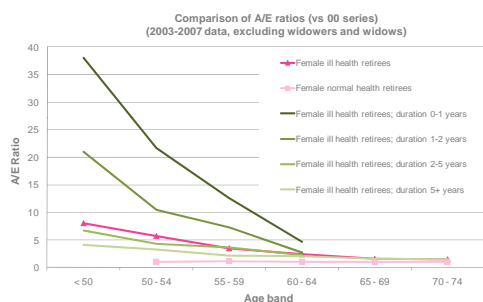
III health retirees – Duration effects



III health retirees – Age effects



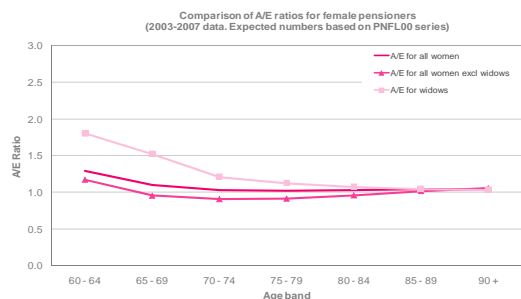
III health retirees – Duration effects



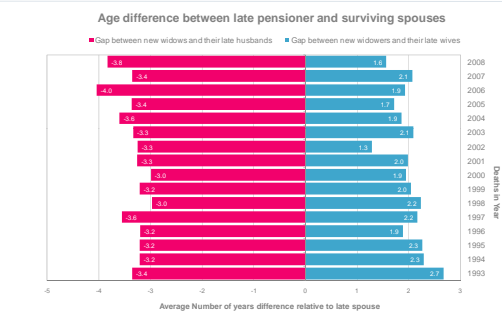
III health retirees – Summary

- III health retirement effect attenuates with age
- Large duration effect
- What is the impact?
- When is this effect important?

Grieving widows



A three year age difference?



Regional variation – 20% least deprived locations



Regional variation – 20% most deprived locations



Final thoughts



Questions or comments?

