Reserve Uncertainty
Sarah MacDonnell, LCP
Reserve Uncertainty
Look out the window
Curiosity!
Over-promising?

Communicating using percentiles

“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
Telling a story

The 1920s stand-off

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Beware of over-reliance on models
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 Braun

Institute and Faculty of Actuaries
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.