



EAA Seminar

An Introduction to Economic Scenario Generators and their Validation

28/29 November 2013 | Copenhagen, Denmark



Organised by the EAA - European Actuarial Academy GmbH in cooperation with Den Danske Aktuarforening

1. Introduction

The Economic Scenario Generators are at the core of stochastic models used by insurance companies. The applications of stochastic models are very diverse and range from real-world ALM projection work to risk-neutral valuation tasks in the context of MCEV and Solvency II. All these applications impose different requirements upon the generation and the validation of economic scenarios.

2. Participants

This seminar has been designed for participants who are interested in Economic Scenario Generators because they deal with one or more applications of those and who are familiar with the basic concepts of financial mathematics. In-depth knowledge of capital market models is clearly NOT a pre-requisite, as this seminar has not been assembled for absolute subject matter experts.

3. Purpose and Nature

In the seminar, we are going to cover the fundamentals for both risk-neutral valuation scenarios and real-world projection scenarios. Our particular focus is going to be on interest rate models and equity models, since these are the most important building blocks for any Economic

Scenario Generator. Furthermore, we will illustrate the key elements of the risk-neutral framework and the real-world framework by discussing the corresponding case studies.

4. Lecturers

Michael Leitschkis serves as Practice Leader at Milliman Dusseldorf, with Mario Hoerig and Lars Hoffmann being his colleagues. Michael has been dealing with various stochastic models and Economic Scenarios Generators for about 10 years in the context of MCEV, Solvency II etc. He has been part of the German Actuarial Society (DAV) working party dedicated to Economic Scenario Generators.

Mario consults his Clients on various Internal Model projects dealing with Proxy Modelling Techniques such as Least Squares Monte Carlo or Replicating Portfolio, Validation of Economic Scenario Generators, Asset Valuation etc. He is part of the DAV working party dedicated to the capital market scenario calibration in the context of Solvency II standard formula.

Lars consults his Clients on implementation and enhancement of stochastic models for MCEV, Solvency II and SST. In this role, he deals with various Economic Scenario Generators and their validation. He also helps his Clients evaluate different Strategic Asset Allocation approaches. Lars teaches a course in financial mathematics at the University of Cologne.

5. Language

The language of the seminar will be English.

6. Preliminary Programme

Thursday, 28 November 2013

08.45-09.00	Registration
09.00-09.15	Introduction & welcome and opening of day 1
09.15-10.30	Valuation: Fundamentals of risk-neutral scenarios
10.30-10.45	Coffee Break
10.45-12.30	Models for Interest rates and equity
12.30-13.30	Lunch
13.30-15.00	Case Study: Valuation scenarios for equity options in a risk-neutral framework
15.00-15.15	Coffee Break
15.15-17.00	Extended concepts: Variance reduction techniques and beyond
19.00	Dinner

Friday, 29 November 2013

09.00-10.30	Forecasting: ESG Applications and Requirements of Real-World Scenarios
10.30-10.45	Coffee Break
10.45-12.30	Models for Interest rates and equity
12.30-13.30	Lunch
13.30-15.00	Case study: Distribution forecast of an European Life insurance company
15.00-15.15	concluding remarks, closing of seminar (EAA)

7. Fees & Registration

Please register for the seminar as soon as possible because of the expected demand. If there are more persons interested in this seminar than places available we will give priority to the registrations received first. Please send your registration as soon as possible by using our online registration form at www.actuarial-academy.com.

Your registration is binding. Cancellation is only possible up to 4 weeks before the first day of seminar. If you cancel at a later date, the full seminar fee is due. You may appoint someone to take your place, but must notify us in advance. EAA has the right to cancel the event if the minimum number of participants is not reached.

Please always give your invoice number when you effect payment. Bank charges are to be borne by the participant. We will send you an invoice, please allow a few days for handling.

Your early-bird registration fee is € 790.00 plus 25 % VAT until 28 September 2013. After this date the fee will be € 970.00 plus 25 % VAT.

8. Accommodation

The seminar will take place at the
Phoenix Hotel Copenhagen
Bredgade 37
1260 Copenhagen K
Denmark
www.phoenixcopenhagen.dk

We arranged special prices for accommodation. The special price is 1,095 DKK per night, including breakfast. It is valid for bookings by till 4 weeks before the seminar out of our allotment "EAA Seminar, booking ID 1411200". Our allotment includes a limited number of rooms. Kindly book your accommodation directly with the hotel, and note the hotel's cancellation policy.

9. CPD

For this seminar, the following CPD points are available under the CPD scheme of the relevant national actuarial association:

Austria: 11 points
Belgium: 11 points
Bulgaria: 12 points
Czech Republic: 2-3 points (individual accreditation)
Estonia: 11 hours
Germany: 11 hours
Italy: approx. 4 credits (GdLA individual accreditation)
Netherlands: approx. 12 PE-points (individual accreditation)
Russia: 40 points
Slovakia: 8 CPD points
Slovenia: 50 points
Switzerland: 15 points



No responsibility is taken for the accuracy of this information.