



EAA Seminar “Replicating Portfolios” 17/18 April 2012 | Rome, Italy



Organised by the EAA - European Actuarial Academy GmbH in cooperation with the Istituto Italiano degli Attuari

1. Introduction

A replicating portfolio is a portfolio of financial instruments that is designed to replicate the **value** and **market sensitivity** of a portfolio of insurance liabilities in different economic scenarios as closely as possible. Replicating portfolios (RP) will give the possibility to quickly derive the value of the liabilities in different market conditions. Therefore this application is used e.g. in capital calculations, performance analysis and risk monitoring.

This seminar will give more insight in:

- Theoretical background
- Practical applications
- Challenges in deriving a RP
- Alternatives of Replicating Portfolio's

This will be accomplished by a mix of presentations and a “hands-on” workshop where the participant will actually derive a replicating portfolio and use this for Solvency II based calculations and deriving an “optimal” asset allocation.

2. Participants

The seminar is open to all interested persons, such as actuaries, risk and capital managers, supervisors and auditors.

3. Purpose and Nature

The seminar is suited for actuaries or actuarial trainees who are directly or indirectly involved in issues with regard to valuation of liabilities and financial risk management within insurance companies. The aim of the course is to show how the theoretical framework with concern to RPs is constructed and how it is put into practice. Several assignments – to be solved by the participants in Excel (complete version) - will give more insight in how RPs work and how one can use this in a practical application. Participants will need their laptops for the assignments and cases.

4. Lecturers

Wouter Elshof

Wouter is a consulting actuary within Milliman in the Netherlands. He has many years of experience in risk management for insurance companies and pension funds. His areas of expertise include (market-consistent) valuation, economic capital management and ALM. He is a frequent presenter on seminars on these topics and is also teaching courses on Replicating Portfolio's and Economic Capital at the Dutch Actuarial Institute

Keith Wu

Keith is a consultant within Milliman in the Netherlands. He has experience in the area of financial risk management, model validation, and Solvency II. He has been involved in the assessment and approval of Solvency II internal models for (re)insurance firms supervised by the Dutch regulator and has experience constructing replicating portfolios for insurance liabilities.

Aldo Balestreri

Aldo is Principal and consulting actuary within Milliman in Italy. He has many years of experience in risk management for insurance companies and especially in Financial Risk Management. He has worked in many Solvency II, MCEV and ALM projects. He has written a paper and some articles on Dynamic ALM modeling and has been a presenter on seminars on these topics.

Luca Cavaliere

Luca is a consulting actuary within Milliman in Italy. He has an extensive experience in financial modelling and Asset and Liability Management for insurance companies. His areas of expertise also include (Market-Consistent) Embedded Value calculation and Solvency II valuations. Prior to being a consultant, he worked for several years in the Italian insurance industry and gained experience in traditional actuarial assignments (product development and reserving) as well.

5. Language

The language of the seminar will be English.

6. Programme

Tuesday, 17 April 2012

08.45-09.00 Registration
09.00 Introduction & welcome and opening of day 1
09.00-10.30 Theory Replicating Portfolio's and applications
10.30-10.45 Coffee Break

10.45-12.30 Workshop RP – Part 1
12.30-13.30 Lunch
13.30-15.00 RP in practice, embedding and challenges
15.00-15.15 Coffee Break
15.15-17.00 Workshop RP – Part 2
approx. 19.00 Dinner

Wednesday, 18 April 2012

09.00 Opening of day 2
09.00-10.30 Liability Driven Investments
10.30-10.45 Coffee Break
10.45-12.30 Alternatives of RP's Part 1
12.30-13.30 Lunch
13.30-15.00 Alternatives of RP's Part 2
15.00 Concluding remarks, closing of seminar

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 €870.00 plus 21 % VAT until 7 March 2012. After this date the fee will be €970.00 plus 21 % VAT.

8. Accommodation

The seminar will take place at the Visconti Palace Hotel, Via Federico Cesi 37, 00193 Rome.

Tel.: +39 06 3684
info@viscontipalace.com

We arranged special prices for accommodation. The special price is 155 € per night, including breakfast. It is valid for bookings by 19 March 2012 out of our allotment "EAA seminar". Please note that the hotel additionally charges a compulsory overnight accommodation tax of 3 € per person and per night. Kindly book your accommodation as soon as possible directly with the hotel, as our allotment includes only a limited number of rooms, 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

Bulgaria: 12 points

Czechia: 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

Switzerland: 15 points

No responsibility is taken for the accuracy of this information.