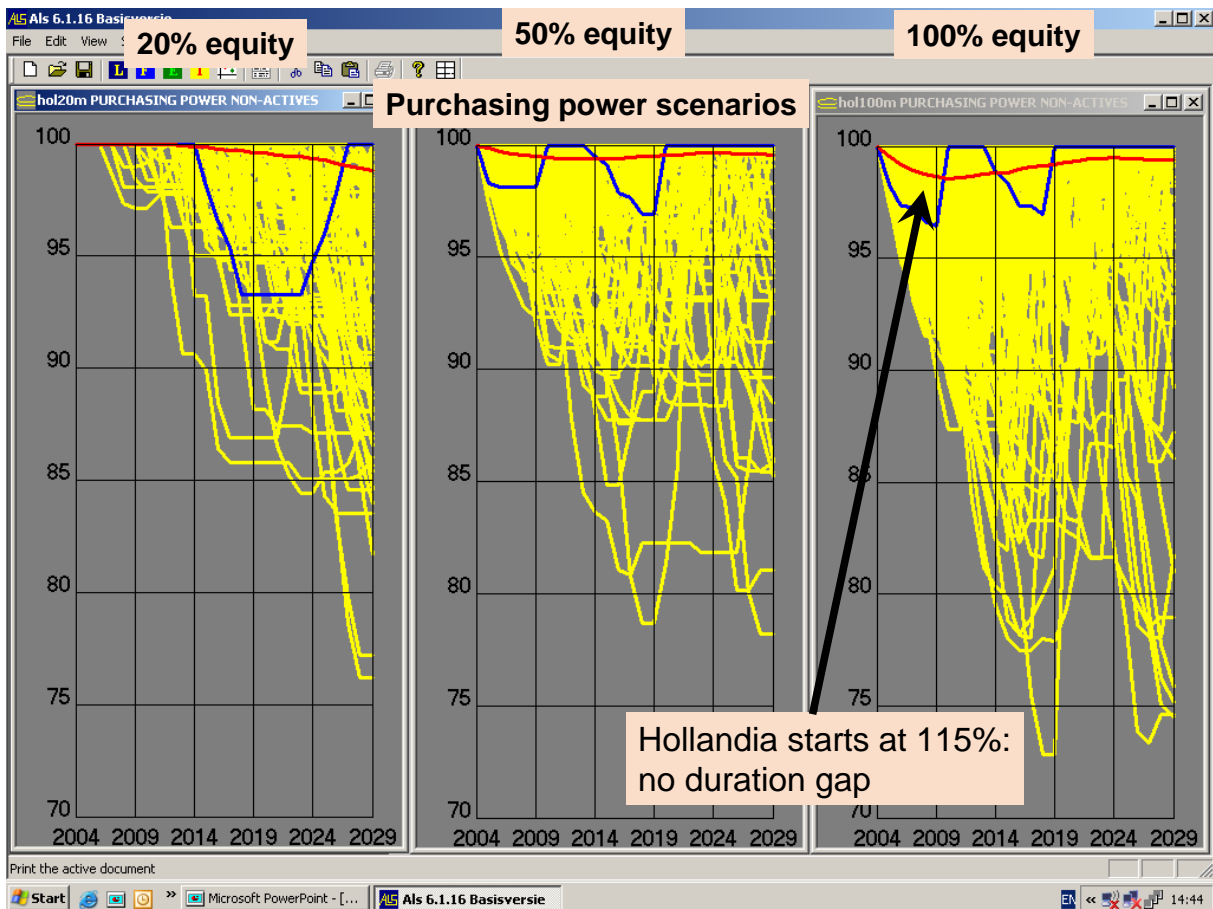
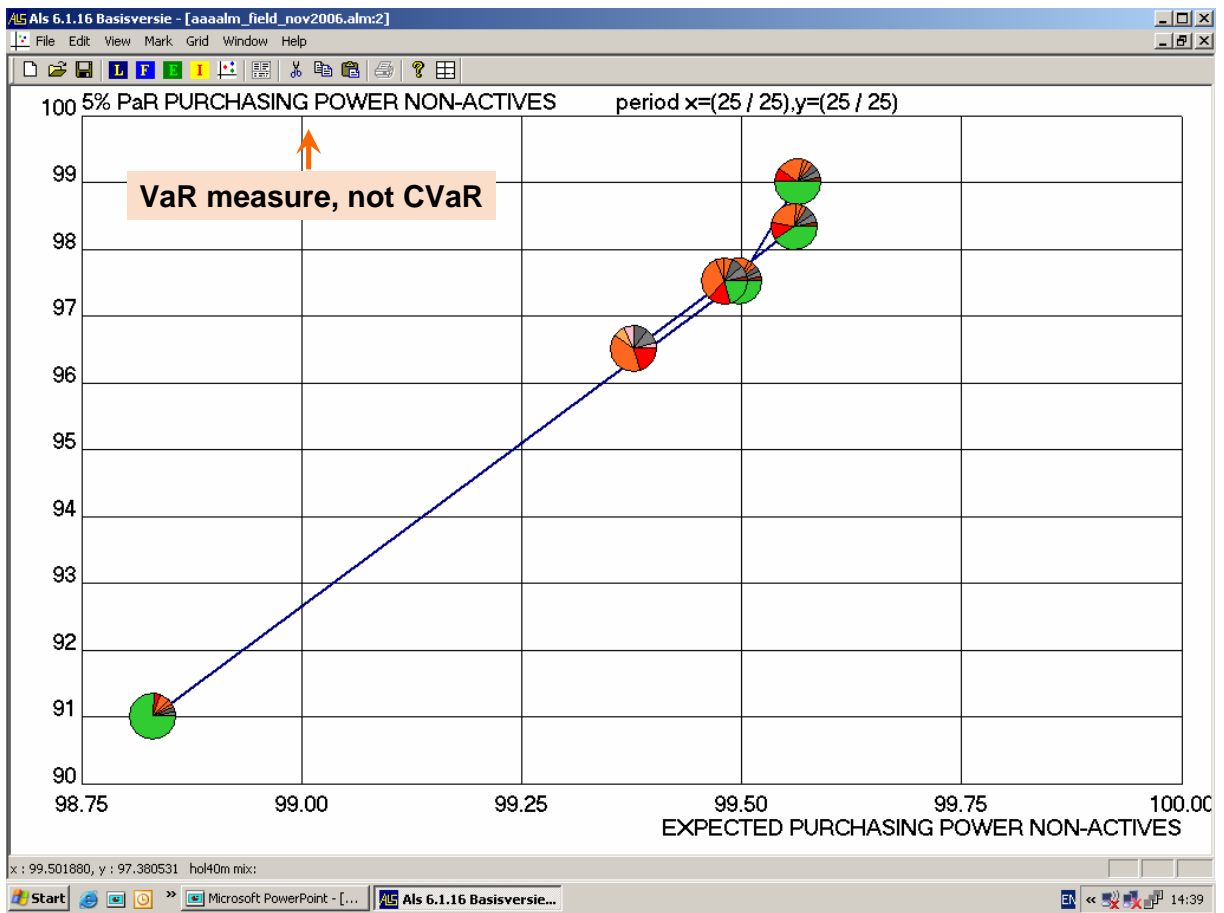


- The **measure** (expected value and Conditional VaR-measure):
 - **good**, not vermaledijd
 - issues:
 - Indexation is typically very significant part of pension, but not always e.g. Dow (US daughter): extremely good nominal pension, only
 - apply the measure to **total pension**, rather than indexation only?
 - Challenge (pension assets: 50% of the wealth of Dutch families)
 - develop models such that people can use the measure as input for **optimal integral financial & pension planning** (national pension register providing much of required input)





Some comments on “Alternative measure for the indexation quality of pensions”

ORTEC

- The **numerical results**:
 - We observe in practice:
 - **lower indexation risk**
 - ← many funds: full indexation & recovery at lower funded ratios than 140%
 - **much more impact of indexation recovery**:
 - ← model assumption that pensions are lump sum payed at age 75?
 - **other optimal asset mixes**
 - ← let's find out
- ➔ let us apply the measure to a few real life funds: also CDC funds!
- ➔ by the way:
 - also this paper shows that conditional indexation with recovery is a very **bad pension deal**, because old ambition is now upper limit:
 - more than recovery at higher rates!
 - some funds, like PME already do