



INTERNSHIP PROJECT PROPOSAL

Title	a.s.r.-01: Mortality research Defined Contribution products
Research Area	Experience mortality
Dutch language mandatory	No
Internship period	April – August
For students in	MSc EME & QFAS; also possible for other MSc's when the student has sufficient affinity with quantitative models.
Internship remuneration	Yes / € 350,- per month
Internship supervisor(s)¹	To be announced

Short description internship project (incl. literature)

There is a trend in pension insurance that involves the longevity risk being transferred to the participant in the development of new products. That is why research into short-life risk is becoming increasingly important for new pension products.

The new products sold in which (in addition to a possibly limited longevity risk) short-life risk plays an important role generally have a short history. The size of these portfolios is still relatively small. The valuation of these products is generally based on available projections for population mortality (AG or CBS) and correction factors for portfolio mortality per age and gender based on the entire portfolio.

However, there is always better data available about participants, and we can use different sources to enrich datasets. Thanks to new models and techniques, we can perform analyzes on smaller datasets than previously thought possible. Moreover, by applying the new models and techniques to individual data, we can determine the most appropriate correction factor for each participant.

The purpose of the assignment in this respect is to investigate whether for these new products (with mainly short-life risk) the pricing can be more differentiated by adding additional risk factors (besides age and gender), e.g. salary, postal code or education.

¹ Will not be made public. Students need to contact Netspar for intermediation.