



Singapore Actuarial Society

Newsletter

10 September 2008

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Editorial – Do U have a USP?

I was lucky enough to have a long holiday this northern summer with my family, and despite the inclement weather, had a very enjoyable time. During this holiday I flew for the first time with Ryanair – one of the plethora of low cost carriers ‘gracing’ the skies of Europe these days.

The service was basic, but the flight was comfortable and check in was extremely efficient. What really made an impression on me though, was the airline’s motto (actually there were two). “Lowest fares, guaranteed” and “Number one for ontime departures”. These phrases were plastered in large letters in the departure lounge at the airport, so I had no chance to avoid them.

I knew the first one was true – my fare for a 2 hour flight was only 5 Euros, with no fuel surcharge! The competitors on that route were much more expensive. The second I discovered to be true when reading the inflight magazine, which quoted authoritative sounding statistics, which demonstrated clear leadership in this area. So I was impressed that in this crowded marketplace, in times of high fuel prices, this carrier managed to stand out with two extremely clear and measurable objectives.

So I started wondering how the actuarial profession compares in this respect. Do we have a Unique Selling Proposition? Or do we owe our existence to the regulatory frameworks that give us a monopoly position in statutory roles in our industry? Actuaries in some countries seem to focus on complex calculation skills. In other countries actuaries are also known for their general business skills and acumen, and have penetrated the top ranks of insurance companies, but rarely much further than that.

Do we as actuaries have a USP? Is there a concise and objective statement we can make about ourselves that is indisputable? No doubt our business is vastly different to an airline’s, but I hesitate to say it’s more complex. Easier for a retail consumer to understand, yes, but there’s a risk we’re just making excuses. Maybe we have the highest professional standards or the most rigorous training. How can we make clear to our customers what we as a profession stand for?

This is important, because our space is being encroached upon by other professionals. CFA’s have quickly achieved global recognition and are perceived to be highly numerate and capable. And there are so many of them! Other professionals won’t be far behind – just think how much of our work could be done by someone with a degree in Insurance Risk Management.

As always, I’m waiting to hear your thoughts – at least 2 people have told me they read this column, so I know it’s getting out there. Please drop me a one liner or more if you have an opinion – you know you can do it, just click on my name below...

[Andrew Linfoot](#)

Notes from the President

Policyholder Reasonable Expectations - What does it mean?

Policyholder Reasonable Expectations are very much an actuarial concept and a key component of how a with profits life fund should operate. However what it actually means is the subject of some confusion within actuarial circles. As the concept of Policyholder Reasonable Expectations is widely quoted in our Guidance Note for Appointed Actuaries, I think there should be more clarity on what this concept actually means.

The issue of the operation of with profits life insurance funds is currently quite topical, with a number of newspaper reports on the matter. To start the debate on Policyholder Reasonable Expectations I will be chairing one of our Forums shortly on this issue and I ask all Appointed Actuaries and other interested actuaries to get their thoughts together to contribute to this debate.

[Frank McInerney](#)

SAS Forum

The next guest speaker for the SAS forum is Mr. Gavin Maistry, Chief Pricing Actuary for Munich Re’s Life business in the Asia-Pacific region. Gavin will be talking on: ERM & the New SoA CERA Credential.

Date : Monday, 29 September 2008

Time : 4.00pm to 6.00pm

Venue : The Executives' Club,
#33-01 OCBC Centre (West Lobby),
65 Chulia Street, Singapore 049513

Registration from : 4.00pm

Talk Commences : 4.30pm sharp

Cost : Paid up Members Free
Non-Members S\$25

Coffee and snacks will be served from 5.30pm. Please pre-register as the seats are limited. Priority will be given to paid-up members who have registered. If you would like to attend, please register by contacting [Patsy](#) by Monday, 22 September 2008.

About the presenter: Gavin Maistry recently joined Munich Re in Singapore - as the Chief Pricing Actuary for the Life Business in the region. Previous to this, Gavin worked as a Corporate Actuary and Regional Pricing Actuary for Swiss Re in Zurich for over seven years - focusing mostly on their life business in Asia. He also held earlier Client Management roles for Partner Re's life

business in the UK, Israel and South Africa. Gavin started his insurance career at Old Mutual in South Africa - and worked in various actuarial product development, pricing & valuation roles. Gavin holds the Fellow of the Society of Actuaries (FSA) and Chartered Enterprise Risk Analyst (CERA) designations from the Society of Actuaries. He is also a CFA charterholder and a graduate of the University of Cape Town in South Africa.

If you would like to help with organization of forums, or have a suggested topic or speaker, please contact our Forum coordinator, [Sumit Narayanan](#), or the Chair of the Education Committee, [Mark Birch](#).

Other Events: SAS – Joint Professionalism Course

The first Joint Professionalism Course was held in Singapore on 4-7 August, in conjunction with the UKAP (Institute and Faculty of Actuaries), the Casualty Actuaries Society and the Institute of Actuaries of Australia. The series of courses included Associate Professionalism and Fellowship Professionalism courses, as well as a Professionalism Event aimed at experienced FIAs.

A total of 23 participants were involved over the 4 days – this was slightly below our target, but a good result given the short period for which the event was advertised. Attendees came from several countries in Asia Pacific, demonstrating strong demand for a regional course, despite there being similar courses in other locations in Asia. Among the attendees were 8 Fellowship students, all of whom completed the course successfully – congratulations!

Chris Daykin was the course leader and he was assisted by a multitude of presenters including John Gleba and Ron Koslowski from CAS, Frank McInerney, Khoo Kah Siang, Kahshin Leow, Tim Beardsall, Pierre Balthazard, Ang Kim Lan from Godwins Law, Chris Lossin, and after meal speakers, Mark Birch and Low Kwok Mun, Executive Director of MAS. Many thanks to all those who volunteered – the addition of local input was a crucial element of this programme and will be in the future.

A formal dinner was held at Flutes at the Fort to celebrate the achievements of the Fellowship students as well as to give thanks to the course leader. With the successful completion of this course, Council will now consider plans for regular future events in Singapore.

Risk and Capital Management – Research Conference

The Institute of Actuaries of Australia will host a one day conference on Risk and Capital Management on Monday 22 September 2008 at the Amora Hotel in Sydney.

Risk and Capital Management has become the focus of financial service providers from insurers to superannuation funds to investment managers. Risk management in insurers has been developing motivated by the potential impact of Solvency II while economic capital requirements have focussed attention on new techniques in financial modelling and their applications. At the same time there is an increasing convergence between insurance and financial markets in modelling and managing risk and capital.

This conference features a strong programme of highly regarded international and domestic speakers and will focus on the increasing convergence between insurance and financial markets in modelling and managing risk and capital. Full details and how to register are on the Institute website.

Click [here](#) for more details.

Council Update

Council has had a full agenda for the last 2 meetings, although many of the items discussed were procedural in nature – the 'behind the scenes' work that is necessary, but not particularly exciting. Some of the key topics on the agenda included:

- Upcoming events such as: Appointed Actuaries' Symposium, a General Insurance Conference, the Actuarial Forum, future Joint Professionalism Courses, and a joint seminar with the LIA
- Updating the Society's Induction course for Appointed Actuaries
- Issues regarding the new website and job advertisements
- The search for a permanent home for the SAS secretariat
- Additional guidance notes for the Society.

The Council would like to thank two of our departing members, Mark Birch and Luke Seberry, for their hard work over the past years. Mark was the previous Honorary Secretary and has stepped down from Council in order to pursue other interests. Luke, previously the Council Representative on the General Insurance Committee, has left Singapore for Australia. Both members will be missed, and Council thanks them again for their dedication and efforts in making the SAS serve you better.

This means however, that there are two vacant spots on Council. We welcome any applicants. To be a member of Council, you must be resident in Singapore, and be a Fellow or Associate of the Society. If you are interested, please contact me at [Secretary](#).

New Website - <http://www.actuaries.org.sg>

We are happy to announce the launch of the new Singapore Actuarial Society website. Our intention is to make the website a vital source of up to date information for members on seminars, talks, actuarial and relevant professional events, publications, reports and developments of interest to actuaries. To this aim, we have revamped the previous website to allow easier navigation and improved its functionality.

In the members' area, members will be able to access information on the website which is not available to the public, including job listings, photo galleries, etc.

In order to enhance the use of this website, please help us by giving your feedback and suggestions to the Webmaster, Sharon Tan, at webmaster@actuaries.org.sg. We also welcome input and articles which may be of interest to other members. Please also contact Sharon in case of any errors in the website.

We would encourage you to start using the website and help make it become a central component of the development of the actuarial profession in Singapore.

Happy navigating!

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