

Longevity 5: Fifth International Longevity Risk and Capital Markets Solutions Conference

Program

- **Friday September 25, 2009**
JPMorgan Chase Auditorium, 270 Park Avenue, New York (intersection with 47th St)
- **Saturday September 26, 2009**
St John's University, Manhattan Campus, 101 Murray Street
(<http://www.stjohns.edu/campuses/manhattan>)

The presentations will shortly be available here:

<http://www.longevity-risk.org/presentations.html>

Friday September 25, 2009

JPMorgan Chase Auditorium

08:15 – 9:00	Registration
09:00 – 10:45	Plenary Session 1
09:00 - 09:15	Opening by Professor David Blake (chair) Longevity Risk and Capital Market Solutions: An Update
09:15 – 10:00	Professor James Poterba, MIT and President of the National Bureau of Economic Research Defined Contribution Plans, Mortality Risk, and the Demand for Annuities
10:00 - 10:45	Tom Boardman, Prudential UK, and Professor David Blake, Pensions Institute, Cass Business School Why Governments Should Issue Longevity Bonds
10:45 - 11:15	Break
11:15 – 12:45	Plenary Session 2
11:15 - 12:00	Dr. John Iacovino, Fasano Associates Longevity Extension: Dissecting Mortality Improvements over the Last Century
12:00-12:45	Guy Coughlan, Managing Director and Global Head of LifeMetrics and Pension Solutions, JP Morgan Population Basis Risk and Hedge Effectiveness
12:45-13:45	Lunch Buffet

13:45 - 14:25

Workshops – Parallel Session 1

Workshop 1A

Ari Jacobs and Martin Bird, Hewitt Associates

Pensioner Longevity Data Analysis and Applications

Workshop 1B

Anthony Webb, Boston College

Valuing the Longevity Insurance acquired by Delayed Claiming of Social Security

(Discussant: W Jean Kwon)

Workshop 1C

Edward Whitehouse

Life Expectancy Risk and Pensions: Who bears the Burden?

14:30 - 15:10

Workshops – Parallel Session 2

Workshop 2A

John Fitzpatrick, Pension Corporation

Aggregating Longevity Risk for the Capital Markets

Workshop 2B

Mike Sherris, University of New South Wales

Longevity Risk and the Econometric Analysis of Mortality Trends and Volatility

(Discussant: Andrew Cairns)

Workshop 2C

Les Mayhew, Cass Business School

Whither Human Survival and Longevity or the Shape of Things to Come

(Discussant: Anthony Webb)

15:15 - 15:55

Workshops – Parallel Session 3

Workshop 3A

Scott Willkomm, Coventry

Micro-Longevity as an Alternative Asset Class

Workshop 3B

Andrew Cairns, Heriot Watt University

Bayesian Stochastic Mortality Modeling for Two Populations

(Discussant: Sam Cox)

Workshop 3C

Richard MacMinn, Illinois State University

The Annuity Puzzle

(Discussant: James Poterba)

16:00 - 16:30

Break

16:30 – 17:00	Plenary Session 3
16:30-16:35	Opening by Professor Richard MacMinn (chair)
16:35 – 17:15	<p>Professor Joe Coughlin, Age Lab, MIT</p> <p>Retiring Retirement: Implications of Longer Worklife on Work, Pensions & Capital Markets</p>
17:15 - 18:20	<p>Panel debate</p> <p><u>Propositions</u></p> <p>1) The case for governments issuing longevity bonds is overwhelming</p> <p>a. Is it appropriate for the government to get involved in the longevity risk market?</p> <p>b. If the government did get involved, would it earn an adequate risk premium?</p> <p>c. Would a government longevity bond market ever develop sufficient liquidity to provide comprehensive mark-to-market pricing?</p> <p>2) There will never be sufficient investors willing to assume longevity risk</p> <p>a. If this is not true, who do we expect investors to be?</p> <p>b. What would be their motivation for investing?</p> <p>c. How can we cope with the maturity mismatch between investor preference for short-maturity assets and the long-term nature of longevity risk?</p> <p>3) The importance of longevity risk does not appear to be as widely recognized in the US as it should be</p> <p>a. Is this true? If so, what are the reasons?</p> <p>b. For how much longer can US pension plans, insurers and regulators ignore longevity risk?</p> <p>c. Do the IRS pension funding rules and IRS standard mortality tables inhibit the management of longevity risk?</p> <p>d. How will the US encourage more consumers to manage their own longevity risk?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Tom Boardman Director, Director of Retirement Strategy and Innovation, Prudential (UK) plc (Chair) <input type="checkbox"/> Guy Coughlan, Managing Director and Global Head of LifeMetrics and Pension Solutions, JPMorgan <input type="checkbox"/> David Blake, Professor of Pension Economics and Director, Pensions Institute at Cass Business School London <input type="checkbox"/> John Fitzpatrick, Pension Corporation <input type="checkbox"/> Ari Jacobs, Principal, Retirement Solutions Leader, Hewitt Associates <input type="checkbox"/> Martin Bird, Principal & Strategic Risk Consultant, Hewitt Associates
18:20 - 18:30	Closing by Professor Richard MacMinn
18:30 - 20:00	Reception

Saturday September 26, 2009

St John's University, Manhattan Campus

08:30 - 9:15

Registration

09:15 - 09:55

Workshops – Parallel Session 4

Workshop 4A

Frederik Weber

Mortality Indexed Annuities: Avoiding Unwanted Risk

(Discussant: Jack Yue)

Workshop 4B

Katja Hanewald

Stochastic Mortality, Macroeconomic Risks, and Life Insurer Solvency

(Discussant: Daniel Bauer)

Workshop 4C

Johnny Li

Measuring Basis Risk Involved in Longevity Hedges

(Discussant: Valeria D'Amato)

Workshop 4D

Ralph Stevens

Longevity Risk and Hedge Effects in Portfolios of Pension Products with Investment Risk

(Discussant: Matthias Boerger)

10:00 - 10:40

Workshops – Parallel Session 5

Workshop 5A

Jack Yue

Mortality Compression and Longevity Risk

(Discussant: Yijia Lin)

Workshop 5B

Ya-Wen Hwang

Modifying the Logistic Model for Mortality Forecasting the Application of Mortality-Linked Securities

(Discussant: Colin O'Hare)

Workshop 5C

Katja Hanewald

Mortality Modeling: Lee-Carter and the Macroeconomy

(Discussant: David Smith)

Workshop 5D

Daniel Bauer

Risk and Valuation of Mortality Contingent Catastrophe Bonds

(Discussant: Pat Brockett)

10:40 - 11:00

Break

11:00 - 11:40

Workshops – Parallel Session 6

Workshop 6A

Daniel Bauer

Modeling the Forward Surface of Mortality

(Discussant: Jack Yue)

Workshop 6B

Matthias Boerger

Deterministic Shock vs Stochastic Value-at-Risk – An analysis of the Solvency II Standard Model Approach to Longevity Risk

(Discussant: Katja Hanewald)

Workshop 6C

Raimond Maurer

Extending Life Cycle Models of Optimal Portfolio Choice: Integrating Flexible Work, Endogenous Retirement and Investment Decisions with Lifetime Payouts

(Discussant: Johnny Li)

Workshop 6D

Hua Chen

Pricing Mortality-Linked Securities with Dependent Lives under the Multivariate Threshold Life Table

(Discussant: Ralph Stevens)

11:45 - 12:25

Workshops – Parallel Session 7

Workshop 7A

David Blake

A Gravity Model of Mortality Rates for Two Populations

(Discussant: Jennifer Wang)

Workshop 7B

Valeria D'Amato

The Poisson Log-Bilinear Lee Carter Model: Efficient Bootstrap in Life Annuity Actuarial Analysis

(Discussant: Frederik Weber)

Workshop 7C

Yijia Lin

Mortality Regimes and Pricing

(Discussant: Daniel Bauer)

12:30 - 13:10

Workshops – Parallel Session 8

Workshop 8A

Jack Yue

Modeling Coherent Mortality Forecasts in Lee-Carter Framework

(Discussant: Raimond Maurer)

Workshop 8B

Jennifer Wang

A Comparison of Hedging Strategies against Longevity Risk under Alternative Risk Measures

(Discussant: Hua Chen)

Workshop 8C

Tzuling Lin

Consumption, Population and the Cross-Section of Stock Returns

(Discussant: Jingjing Chai)

13:15 – 14:30

Closing lunch