



Editorial

Welcome to the last and festive edition of the ASHK Newsletter for the year. A hearty “*Merry Christmas & Happy Holidays*” from the Membership & Publications Committee.



We start this special issue with the President’s Report from Mrs Estella Chiu capturing the developments of the ASHK in 2005. Thank you very much for all the hard work by Estella this year.

On Page three you will find a feature article “HKD Yield Curve and Management of HKD Liabilities. Mr Peter Luk and his Interest Rate Committee devoted their time and expertise on this subject and has come to the conclusion that Hong Kong dollar yield curve of up to 10-year term can be readily produced on a daily basis by using HKMA data that are publicly available on its website. This study is beneficial to not only actuaries, but also the public.

As for “Actuary Express” section, we introduce Mr Steve Miles who relocated to HK last year. Let’s see how his first impression of HK is different from his perception right now.

Unlike the usual newsletter, this one is more pictorial with photos from the recent Annual Dinner and Appointed Actuaries Symposium. So if you fancy a break from your daily work, then take some time to read our newsletter to learn about what we have accomplished this year.

Council Update

President’s Report

Year 2005 witnessed the Society reach new heights. For the first time ever in its history, the Society broke the 500-member barrier. This is no small feat considering the size of the actuarial profession in Hong Kong. Thank you members for your interest and

support of the ASHK. The detailed membership figures are shown as follows:

	<u>Membership</u>			
	Fellows	Associates	Students	Total
Dec 00	166	107	130	403
Dec 01	183	79	137	399
Dec 02	198	91	151	440
Dec 03	208	87	153	448
Dec 04	245	110	143	498
Dec 05	283	113	150	546

The occupational split is as follows:

Insurance/reinsurance companies	389
Consulting firms (insurance and/or retirement schemes)	100
Others (including Government and investment firms)	38
Unknown	19
	<u>546</u>

Committee activities

The past year has been an exciting year in many ways. We continue to work on the strategic roadmap developed by Council last year. Over the course of this year, the Committees have worked hard to address the issues and challenges faced by the profession.

Members were provided with many Continuing Professional Development (CPD) opportunities this year - eleven luncheon meetings and four evening talks were organized. We thank you members for your support at these events.

The ASHK took part again in the Education and Careers Expo, an annual event that draws almost

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200,000 people over 4 days. I would like to extend my sincere thanks to the members and students who volunteered to help promote the actuarial profession and actuarial education at this event.

The Society made it a point to enhance and maintain inter-professional relationships during the year. Several joint events were organized with the Law Society of Hong Kong, the Hong Kong Retirement Schemes Association, the Hong Kong Institute of Certified Public Accountants, and the Hong Kong Federation of Insurers. Support was also provided to the Society of Actuaries in their seminar on Asset Liability Management. The Society contributed six speakers to the 13th East Asian Actuarial Conference and was also represented at the IAA Fund Meeting in Bali.

Our relationship with the Society of Actuaries of China (SAC) continues to strengthen. The SAC has applied to the Ministry of Civil Affairs to be an independent professional body in China. ASHK members were invited to apply to become founding members of this new independent body-to-be. The Society looks forward to working with the new body when formed and will continue to provide assistance to help in the development of the actuarial profession in China. The ASHK was represented at the 6th Annual Convention of the Chinese Actuary in September in Qingdao. The Society continues to serve as an examination centre for the Chinese actuarial examinations of the SAC. Through the China Committee, the ASHK also participated in a Pension Forum organized by the International Actuarial Association and the Actuarial Institute of the Republic of China.

The Society proactively maintained a healthy relationship with the regulatory bodies, the Insurance Authority (IA), the Securities and Futures Commission (SFC) and the Mandatory Provident Fund Schemes Authority (MPFA) through frequent communication on issues that affect the profession and the public.

On the General Insurance (GI) front, with the aim of increasing the profile of GI actuaries, the Committee organized a talk on the prospects for GI actuaries in Asia which attracted much interest. The Committee also contributed comments on the IA's GN9 on the actuarial review of insurance liabilities in respect of employees' compensation and motor insurance business.



New President Roddy Anderson presented a token of appreciation to Mrs Estella Chiu

The study of Hong Kong mortality and critical illness undertaken last year by the Experience Committee culminated in a preliminary report being produced and the analysis and results were presented at an evening talk this year. I would like to thank the participating companies for contributing the large volume of data towards this study. More detailed analysis of the data will be conducted in the coming months.

Several investment-related topics were presented at luncheon meetings. The Investment Committee also conducted a survey among Fellow actuaries with the aim of more effectively addressing the concerns of actuaries in the Hong Kong insurance industry with respect to investment issues. The survey results are now being analysed.

Following the adoption of the Actuarial Guidance Note on Dynamic Solvency Testing (AGN7), the Life Committee conducted a survey among appointed actuaries about their interpretations on the requirements of the AGN7. The survey results were presented on an aggregate basis at the 5th Appointed Actuaries Symposium at which Mr Richard Yuen, the Commissioner of Insurance delivered the opening address. Held back-to-back with the Symposium, was the 2nd Annual Dinner where the Honourable Frederick Ma, JP, Secretary for Financial Services and the Treasury was our distinguished guest speaker. We hope members found this event to be another useful networking opportunity.

The Retirement Schemes Committee was invited to provide further comments on the revised proposed amendments to the Occupational Retirement Schemes Ordinance.



As regards Professional Matters, the Committee is taking steps to refine our Disciplinary Procedures so as to enable the Society to be more in line with local and international practice.

As noted in the financial report, the Society remains in a healthy financial position and the Council again voted to contribute US\$2,500 to the IAA Fund in aid of the development of the profession worldwide. The Membership and Publications Committee has been hard at work producing 3 exciting newsletters during the year with the last issue expected later this month.

The Health Committee held meeting to discuss actuarial issues in health and where actuaries could contribute in the complex health regime in Hong Kong.

Our ad hoc committee - the Interest Rate Committee led by Mr Peter Luk developed a programme that can generate the Hong Kong interest rate structure, up to 10-year maturity. The results were presented at the recent Appointed Actuaries Symposium.

A revised Memorandum of Understanding was signed by each of the participating organizations in the joint undertaking of the Actuaries Office in Hong Kong. The participating organizations which provide policy direction for the Office are now responsible for the cost of running the Office on the following basis:

Institute of Actuaries of Australia	10%
Faculty and Institute of Actuaries	15%
Actuarial Society of Hong Kong	20%
Casualty Actuarial Society	20%
Society of Actuaries	35%

Conclusion

Our Society has been in existence for more than 38 years. It is a tribute to all those who have been involved in the profession one way or another over the years that this Society has grown to the size and position it now occupies. I wish to sincerely thank all those who have contributed their time and efforts. This year I had a terrific team of people to help me in my duties as President:

<u>Position/Committee</u>	<u>Council Member</u>
Immediate Past President	Mr David Hughes
China	Mr Stuart Leckie
Education	Dr Chan Wai Sum
Experience	Mr David Gott
General Insurance	Mr Pang Chye

Position/Committee

Health

Interest Rate (ad-hoc)

Investment & Vice President
Life Insurance

Membership & Publications
and Secretary & Treasurer

Professional Matters

Retirement Schemes

Council Member

Mrs Cherry Brennan
(co-opted)

Mr Peter Luk

Mr Roddy Anderson

Mr Thomas Lee &

Ms Sim Ng

Mr Greg Brennan

Mr Kevin Lee

Mr Keat Tian

I would also like to especially thank Mr David Hughes, Immediate Past President and Mr Roddy Anderson, Vice President for their wisdom and advice on a number of important issues during the year. I am sure the Society will progress in the good hands of Mr Anderson who will become our President next year. Lastly, I would welcome more of you to get involved in your Society, provide fresh input and ensure it continues to thrive while making a difference in Hong Kong for many more years to come.

(President of the ASHK, Mrs. Estella Chiu, FCIA, FSA, can be reached at estellachiu@hsbc.com.hk.)



Voting Results for 2006 ASHK Council

143 eligible voting members cast their vote at the 2005 Annual General Meeting for the election of 6 vacated Council member places. We are pleased to announce the election results. The new Council members (pictured below) will serve a 2-year term:



Naomi Burger



Wai-Sum Chan



Tony Cheng



Sai-Cheong Foong



David Gott



Billy Wong



Thank you to all the well-qualified candidates who were willing to run for office and thank you to those who participated in the voting process.

Watch out for the upcoming issue of the ASHK Newsletter to learn about the ASHK Council structure and strategic plans for the year 2006.



Seeking Volunteers for Education & Careers Expo 2006

Actuarial volunteers are needed in the 2006 Education & Careers Expo scheduled to be held from 23-26 February 2006 (Thursday – Friday). Over the past several years, numerous working actuaries and university students generously gave their time in sharing their actuarial examination and/or working experience with the public. If you can devote at least 2-2.5 hours at the Expo, you may be able to significantly influence the concepts of the young generation and the working public about the actuarial profession. So, GET INVOLVED NOW by contacting ASHK Office at patkum@netvigator.com or actsoff@netvigator.com.

Feature Article

HKD Yield Curve and Management of HKD Liabilities

by Peter Luk, ASHK Interest Rate Committee Chairperson

There have been dramatic changes over the last decade regarding both demand and supply of Hong Kong dollar debts:

On the demand side:-

- Return of Hong Kong to China in 1997
- Introduction of MPF
- Abolition of estate duty on HK\$ life insurance policies
- Valuation of liabilities in future may require discounting using spot rates rather than average rates
- Speculation of unpeg of HK\$ from US\$ (see, for example, 6/15/2005 issue of "The Standard")
- Unpeg of RMB from US\$ in July 2005 heightened the speculation of HK\$ unpeg
- Abolition of estate duty in Hong Kong may bring more money back to Hong Kong

On the supply side:-

- Exchange Fund Bills increased from \$1 billion in March 1990 to \$70 billion in September 2005
- Exchange fund Notes increased from \$0.6 billion in June 1993 to \$55 billion in September 2005
- Both Bills and Notes are now widely used by investment professionals as indications of risk-free rates

The South China Morning Post publishes everyday the yield figures for key durations, a sample of which is shown below.

Hong Kong Monetary Authorities

EXCHANGE FUND BILLS AND NOTES OFFICIAL FIXINGS

As at 11:00 am 21 April 2004

EXCHANGE FUND BILLS		
TERM	ISSUE	YIELD
1W	Q 404	0.00
1M	Q 408	0.02
3M	Q 416	0.09
6M	H 462	0.26
9M	Y 485	0.46
12M	Y 488	0.66

EXCHANGE FUND NOTES			
TERM	ISSUE	YIELD	PRICE
2 YR	2602	1.372	99.59
3 YR	5703	2.159	108.45
4 YR	5803	2.751	100.91
5 YR	5903	3.169	97.17
7 YR	7102	3.744	97.35
10 YR	1312	4.254	100.85

Fixings powered by Reuters

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Note: Views expressed are not necessarily those of The Actuarial Society of Hong Kong



But, the numbers are approximations only. For instance, the above issue 2602 gives the yield for a 2-year note as 1.372%. If we go to HKMA website, we'll find that particular issue on that particular date had a duration of about 22 months, not two years. And that note was not a zero-coupon note. As the coupon rates could affect the yield somewhat, the professionals would prefer to work with spot rates (i.e., zero-coupon notes).

The Interest rate committee of ASHK has worked two years to produce the theoretical correct spot rates, as shown on the right. As can be seen, the correct 2-year yield on that date should be 1.53%.

The method employed, which uses bootstrapping, cubic-spline, Excel and VBA, is detailed in a report submitted to the ASHK and is available on demand by the members. A software developed by the committee will calculate the Hong Kong dollar yield curve on any day. This software is also available on demand by the members free of charge.

The ASHK is now seeking to work with major financial newspapers to have such rates published on weekly basis. If any member of ASHK can help in this regard, he or she should contact ASHK Office.

The members of the interest rate committee are:

Peter Luk (Chairman)
Wai-sum Chan
Robert Chen
Simon Cheung
Albert Wong
Victor Wong
Steve Zhang



(Peter Luk, FIA, FIAA, FSA is CEO of Plan-B Consulting and ASHK Interest Rate Committee Chairperson. He can be reached at peterluk@peterluk.com. The full paper was presented at the recent Appointed Actuaries Symposium and can be downloaded at ASHK website: [http://www.actuaries.org.hk/doc/AA%20Symposium%2005-Peter%20Luk%20\(Paper\).pdf](http://www.actuaries.org.hk/doc/AA%20Symposium%2005-Peter%20Luk%20(Paper).pdf).)



ACTUARIAL SOCIETY
of
H O N G K O N G
香 港 精 算 學 會

Actuaries' Spot Rates for Hong Kong

Date of Data 21-Apr-2004 (Wednesday)

Effective Annual Spot Rates - Week of 19-Apr-2004	
Term	Spot Rate (Annualized)
1 Week	0.00%
1 Month	0.01%
2 Months	0.05%
3 Months	0.09%
6 Months	0.28%
9 Months	0.48%
1.0 Year	0.70%
1.5 Years	1.11%
2.0 Years	1.53%
2.5 Years	1.92%
3.0 Years	2.29%
3.5 Years	2.60%
4.0 Years	2.92%
4.5 Years	3.12%
5.0 Years	3.28%
5.5 Years	3.45%
6.0 Years	3.58%
6.5 Years	3.76%
7.0 Years	3.92%
7.5 Years	4.07%
8.0 Years	4.16%
8.5 Years	4.23%
9.0 Years	4.29%
9.5 Years	4.41%
10.0 Years	4.54%

The above data are provided by the Actuarial Society of Hong Kong (ASHK) based on the information available from HKMA website. They are provided here strictly for general reference only. ASHK assumes no responsibilities or liabilities for the use of such data by anybody."

Market Update

Revised Guidance Note on Actuarial Review of Insurance Liabilities in respect of Employees' Compensation and Motor Insurance Business (GN9)

To enhance reliability of the actuarial report and promote market discipline in underwriting employees'



compensation and motor insurance business, the Insurance Authority (IA) introduced the revised GN9 in September 2005 after consulting the insurance industry and ASHK. The revised GN9 introduces the following additional requirements in the actuarial review report:

- A comparison of the actual experience of the insurer with the result of the previous valuation for both premiums liabilities and outstanding claims liabilities and explanation of any significant difference observed;
- A comparison of the results of the current valuation with those of previous valuation of the insurer and justify any material changes in the assumptions, methods or conclusions made as well as quantify their financial implications; and
- Submission of the actuarial review report to the Board of Directors, or the regional headquarters in the case of a branch of an overseas over this important area of insurance operation. In this connection, the actuary shall have access to and raise matters arising from such review directly with the Board or regional headquarters.

The revised GN9 is available for downloading at the OCI website: <http://www.info.gov.hk/oci/download/gn9-eng.pdf> and shall apply to any actuarial review relating to a financial year ending on or after 31 December 2005.

Actuary Express

Name:
Steve Miles

Title:
**Senior Vice
President &
Chief Financial
Officer**

Company:
New York Life Insurance Worldwide Ltd



Q: What is your home country?

A: Australia.

Q: What is your mother tongue?

A: English but after 5 years in Asia my wife needs to proof read everything. I even use "staffs" instead of staff.

Q: How would you describe your Cantonese?

A: Ngoh teng mh ming. Too many tones!

Q: What is your first impression of Hong Kong?

A: Vibrant, lively, exciting.

Q: How is your first impression of Hong Kong different from your perception right now?

A: Still the same, but nobody told me about the pollution.

Q: Why would you choose to work in Hong Kong?

A: There is a lot going on and it is the home of a lot of the deals in Asia. However HK is falling behind the rest of Asia in terms of market conduct and regulation.

Q: How do you describe working in Hong Kong as an actuary?

A: A lot of fun. Plenty of work to do and challenging issues to face. Good people to work with along with an ability to get things done once the way forward has been determined.

Q: How long do you think you would stay in Hong Kong?

A: As long as the work is interesting and challenging.

Q: If you can turn back the clock, would you still come to work in Hong Kong?

A: Of course, but I still miss Singapore where I lived for 3 years. Still, it is nice to have some cool weather occasionally.



Q: If you are given an opportunity to be stationed in mainland China, would you take it and why?

A: Sure, if the job is challenging and interesting enough. China is the way it is because of its past and its future promises to be very exciting.

Q: Can you share with us any interesting experience you had while you are in Hong Kong?

A: Like everyone in HK I like to rush everywhere. Having missed the bus from the Giant Buddha I caught a taxi, only to miss the ferry from Mui Wo to Central by 1 minute. I then retired to China Bear (a pub at Mui Wo) on a beautiful summer evening as the sun was going down. My intention was to wait for the next fast ferry in one hour. However, Mrs Miles and I missed 8 ferries over the next 4 hours over several cold beers and a roast dinner. We finally caught a slow ferry but the trip home went surprisingly quickly!

Q: What is your favourite dish?

A: Shrimp and Asparagus – Saigon at Stanley, Shanghainese dumplings – Green Willow Restaurant World Trade Centre, Chicken's feet at East Ocean Sydney, Russian Food, friendly atmosphere and "authentic" Russian photos in the Vodka room at Ivan the Kozak's at the escalator, and finally Portuguese Food and Sangria at Finger Hill Restaurant, Peng Chau.

Q: What would you be if you did not choose to become an actuary?

A: An avian veterinarian. I've always had an interest in birds.

Q: Can you tell us about your work history in approximately 10 words?

A: Small companies, Tillinghast, Prudential, Commonwealth Bank all in Australia then to Asia, Tillinghast Singapore then NYL HK.

Q: How would your friends describe you in 4 words?

A: Challenging, but mostly harmless.

Q: Who would you like to be your mentor and why?

A: I am too old to have a mentor, however I love to read Frank Reddington's work. He had a real feel for the business. Read "Prescience and Nescience to really understand ALM in less than 2 pages.

Q: Which book would you recommend to our readers?

A: "The curious Incident of the Dog in the Night Time". Gives you a different perspective on things. "The King of Torts" by John Grisham to really understand how the lawyers work. Is this the future for actuaries?

Q: What is the biggest challenge you have ever faced?

A: Learning not to treat all people as the same. We all react to the same things in different ways. According to my wife, I'm still learning this.

Q: How do you manage a balance between your work and personal life?

A: I live close to work, try not to work on Saturdays and organize the week on Sunday evening. Stella beer also helps.

Membership Profile

New Members

We would like to extend the warmest welcome to the following new members who joined the ASHK since August 2005.

Fellows

Juan Carlos Romeo ABADA, FASP (1989), FLMI, FSA (1998), Transamerica Reinsurance
Edgar Ka-Leung CHAN, FSA (2005), AIA
Cindy FORBES, FCIA (1980), FSA (1980), MAAA (1992), Manulife Financial
Nik GODON, FCIA (1998), FSA (1998), MAAA (2000), Transamerica Occidental Life Ins Co
Ryan Yin-Kei HO, FCAS (2004), FCIA (2004), Deloitte Actuarial
Cynthia Wai-Yee HUI, FIAA (1995), MPFA
Shirley Yuk-Yee LAU, FSA (2002), Manulife Financial
Martin Thanh LAM, FIAA (2000), Commonwealth Bank Group
Albert Ling-Ho LIU, FIAA (2003), MetLife Hong Kong
Anna Siu-Ling LOY, FCIA (2004), FSA (2003), MAAA (2003), Transamerica Reinsurance
Kelly TRINH, FIAA, New York Life
Hui-Ling TSENG, FSA (2004), MetLife Hong Kong
Jonathan Xiao-Jing ZHAO, FCA (2005), FCIA (2000), FSA (2000), MAAA (1999), Ernst & Young



Associates

Tsz-Yin AU, *FSA (2003)*, MetLife Hong Kong
Horace Ka-Wo KO, *ASA (2001)*, New York Life
Corinne MUI, *AIAA (2003)*, Swiss Reinsurance

Students

Kai Pong CHEUNG, *SOA Student*, HSBC Insurance
Siu-Ning CHIU, *SOA Student*, KPMG
Alvin Chi-Chiu CHO, *IoA Student*, Manulife
Aimee CHONG, *AASP (2001)*, SOA Student, AXA Asia Pacific
Jackie Wai CHU, *SOA Student*, Winterthur Life
William GOH, *SOA Student*, Sun Life Financial
Edith Hawk-Yan HO, *SOA Student*, Winterthur Life
Iris Nga-Yan HO, *SOA Student*, Watson Wyatt Hong Kong
Kelton Hoi-Leong LAM, *SOA Student*, Winterthur Life
Alex Kwan-Kin LAW, *SOA Student*, Manulife
Michele LO, *SOA Student*, KPMG
See Wan MA, *SOA Student*, HSBC Insurance
King-Yin PANG, *SOA Student*, Watson Wyatt Hong Kong
Alice Yeung-Yuen TO, *FoA Student*, New York Life
Laurance Wai-Chun WONG, *SOA Student*, Winterthur Life
Jacky Kwok Shing WONG, *SOA Student*, i-Cable Communications
Eric Man-Chun YAU, *SOA Student*, HSBC Insurance
Sing-Yee YEOH, *SOA Student*, Watson Wyatt Insurance

Change of Membership Status

The following members have changed their membership status.

Fellows

Billy Yuk-Lun WONG, *FSA (2004)*, Watson Wyatt Hong Kong
Alex Ka-Chun YUE, *FSA (2005)*, Winterthur Life
Carol Sheng ZHANG, *FSA (2005)*, Milliman

Associates

Iby Ho-Ming CHEUNG, *ASA (2005)*, Pacific Century Insurance
Cathy Yu-Shan HWANG, *ACAS (2005)*, Milliman
Steven Siu-Kei KONG, *ASA (2005)*, Pacific Century Insurance
Frances Lok-Man LUI, *ASA (2002)*, Cologne Reinsurance
Charles Chu-Ming YUEN, *ASA (2005)*, Manulife

Reinstatement of Membership Status

The following members have reinstated their membership status.

Fellows

Ken Ka-Lun CHAN, *FIA (2005)*, AIA
Iris Kin-Shuen CHAU, *FSA (2002)*, AIA
Gigi Dick-Ka MA, *FSA (2002)*, AIA
Chee Kok POH, *FIA (2000)*, Swiss Reinsurance
Perkin Pui-Kei SHEK, *FSA (2005)*, AIA
Tommy Lai-Yuen YIP, *FSA (2004)*, AIA

Student

Raymond Kwok-Chung WONG, *IoA Student*, AXA Asia Pacific

Actuaries on the Move

The following members have changed their business details from September 2005 onwards.

Fellows

Grace CHAN
Michael Man-Ho CHAN
Orchis Tzy-Lan LI
Sim Kheng NG
Lindsay R. SMARTT
Wilson Chee-Ping TANG
Terry King-Shing YUNG

Associates

Stella Pui-Yuk KONG
Julian Ka-Wai LO
Johnny Chun-Kwok WONG

Students

John Chun-Yu CHAN
Norman Yiu-Man LO
Thomas Kar-Kei LO
Matthew Tak-Shing TONG
Chun WONG
Kitty Meng YAN
Cynthia YU

Corporate Changes

Deloitte Actuarial & Insurance Solutions (HK) Ltd
20/F, Wing On Centre
111 Connaught Road Central
Hong Kong

MLC (Hong Kong) Limited
36/F, RBS Tower, Times Square
1 Matheson Street, Causeway Bay
Hong Kong

Further details of members' movements are available on ASHK online membership directory at:
<http://www.actuaries.org.hk/doc/2005%20Membership%20Dir.pdf>

Actuaries in the Media

Asia Insurance Review in its September 2005 issue published an article "Using Actuaries to Boost Competitive Advantage". Mr. Duncan Spooner, Principal of Deloitte Actuarial & Insurance Solutions



looked at the much under-valued role of the non-life actuary in Asia and their potential use beyond the current practice. He said that most insurers in Asia are not currently leveraging the full potential of their actuary. It is important to regard the actuary as an ally, not as a compliance hurdle. It is in the interests of the actuaries and their employers that this relationship blossom into a full partnership, based on mutual trust and respect, unconstrained by the limits of a regulatory “pigeon-hole”.

Events' Highlight

Annual Dinner & Appointed Actuaries Symposium – Did You Miss These?

Since last year, ASHK Annual Dinner has been held in November in conjunction with the Appointed Actuaries Symposium. Anyone who has attended the Dinner will tell you that it is a fantastic opportunity to catch up with friends. Appended below are event pictures if you missed the Dinner this year:





**The Honorable Frederick Ma, JP
Distinguished Guest Speaker**



ASHK Council and VIPs



**Newly Qualified Fellows and their 3-seconds of fame with
ASHK President and The Honorable Frederick Ma, JP**





Members entertained by an ASHK pictorial presentation.



Mr Simon Walpole delivered his presentation "Atlantic Rowing Voyage".



Ms Betty Lee (Left) and Ms Daisy Ning (Middle) played a short game with selected new Fellows.



Mr Roddy Anderson (Left) curious about new Fellow, Mr Tony Ho's ear ring.

As always, we hope that more members will come along and make next year's Dinner an even more special event.

To promote professional exchange and enhance professional development of the appointed actuaries practicing in Hong Kong, a one-day symposium was organized by the ASHK. Positive feedback was received, especially on using the case study approach. A vote of thanks is due to Mr Richard Yuen, Mr James Richardson-Hay, Mr Michael Ross, Mr Nigel Hazell, Mr Peter Luk, Mr Steve Miles and Mr David Campbell for their informative presentations.



Mr Richard Yuen delivered an opening speech.



**Case study discussion following the presentation on
“Management of Participating Business”**



Speakers at the Symposium

First row, from left: Mr James Richardson-Hay

Mr Michael Ross

Second row, from left: Mr Peter Luk

Mr Nigel Hazell

Third row, from left: Mr David Campbell

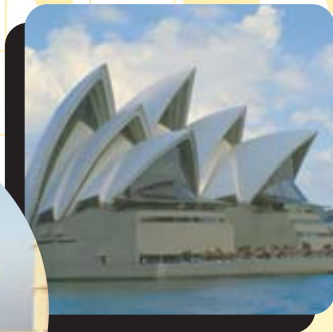
Mr Steve Miles

Topics covered at the Symposium included: “Management of Participating Business”, “Investment-linked Products”, “Effective Communication from the Appointed Actuaries’ Perspective”, “HKD Yield Curve and Management of HKD Liabilities”, “Results of Survey on AGN7/DST and “Implementation of IFRS – Practical Issues on Product Classification, Repatriation of Financial Statements, Disclosures and Audit”. Members may wish to download the presentation materials that are available at the ASHK website: <http://www.actuaries.org.hk> (“ASHK News” section of “News & Events” Page).

Darwin Rhodes has been established since 1996 serving the needs of the actuarial profession, on a global basis. Darwin Rhodes carries out executive search assignments at senior level for clients. Our network of regional offices in the UK and worldwide enables us to identify the right individual to meet our clients' needs. Our team of local recruitment consultants are specialists within their field, including non-life, ALM, life, investments, banking or employee benefits, in both traditional and non-traditional areas.



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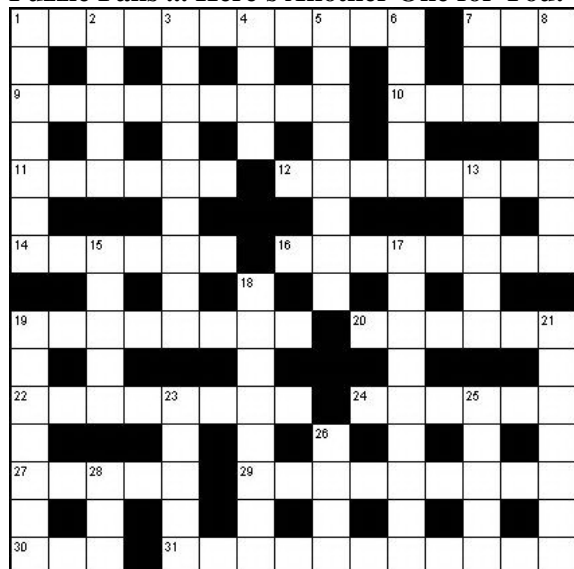


Darwin Rhodes is an employment agency and a member of the REC



Puzzle Corner

Puzzle Fans ... Here's Another One for You!



Across

- 1 A guitar section playing with Dire Straits (11)
- 7 Return loan of transport (3)
- 9 Important businessman shortly scolds and curses (9)
- 10 One has to leave an abusive woman (5)
- 11 A diamond in Italy? (6)
- 12 Loses one's temper when trousers are lifted? (6,2)
- 14 Character in Greek semi-chorus (6)
- 16 Eastern girls love a frolic here? (8)
- 19 Make a trip to a Greek island to see the birds (8)
- 20 The Spices split up... (6)
- 22 ...as Geri heads off to America after a... (8)
- 24 ...chart rating finds Spices' current number going from No 1 to No 6 (6)
- 21 A right that is given to society (5)
- 29 Is able to get hold of cut price alternative (9)
- 30 It was familiar to Tolstoy (3)
- 31 Mallard perhaps or cuckoo nesting around river, note (5,6)

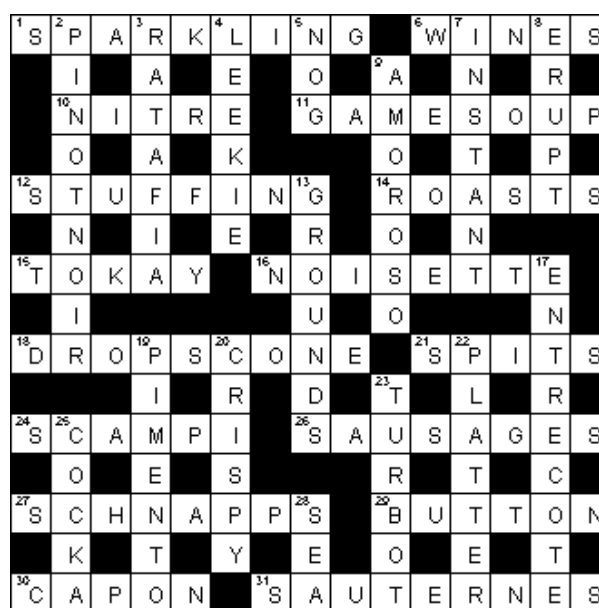
Down

- 1 Sense the French to be involved with trickery (7)
- 2 Good metal alloy, with no hint of tarnish, should (5)
- 3 Eight-legged creature is a natural mutant – time's involved (9)
- 4 A new note given in advance payment (4)
- 5 Fashionable journalist, describing passionate lust, caused offence (8)
- 6 River has no point to divide (5)

- 7 Lawyers can be a joke in Scotland (3)
- 8 Score after whistle has finally gone: 3.14 to nil (7)
- 13 Of minerals containing mixture of silicon and aluminum compounds, principally (5)
- 15 A vulture you are, you b—, you, you hear! (5)
- 17 Setter is in a race, showing vigour (9)
- 18 Magical little man is discovered in little house, married to a relative (8)
- 19 A number coming in to follow Labour (7)
- 21 Street on the Andes, say? That's odd (7)
- 23 First off, searches person for weapons to eliminate these? (5)
- 25 Short sleeved bodice worn by melancholic (5)
- 26 Plans to return junk mail (4)
- 28 Affirmation made at the altar – in this language? (3)

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Solutions for Last Issue's Puzzle:





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Contributions to the ASHK Newsletter

We welcome members' contribution to the following sections of the ASHK Newsletter: *Feature Article, Actuaries in the Media, Actuaries on the Move, Actuarial Joke and Puzzle Corners.*

Send correspondence to the ASHK Office at the address below. When sending in correspondence which has been created in a word processing program, when possible, email a copy of the file to either the editor's or the coordinators' e-mail address. Publication of contributions will be at editor's discretion.

Corporate Advertisement

The ASHK will accept from insurance companies' or actuarial consulting firms' advertisements in the ASHK Newsletter provided that the advertisements do not detract from the actuarial profession. Positioning of advertisement will be at the editor's discretion.

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Advertisers have to supply the artworks which should be created in MS Word/PowerPoint/JPEG/PDF formats.

Advertising Rates:

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To advertise, please contact the ASHK Office by tel: (852) 2147 9418/9419 or e-mail: patkum@netvigator.com / actsoff@netvigator.com



Upcoming Events for Your Diary – Year 2006

January

12 Jan 06

ASHK Evening Talk

"International Accounting Standards & US GAAP Today"

by Mr. Tom Herget, PolySystems, Inc.

A HAPPY
NEW YEAR

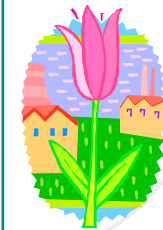
February

23-26 Feb 06

Education & Careers Expo

(ASHK will be one of the Exhibitors and will present a careers seminar on "The Actuarial Profession".)

March



April

May

28 May – 2 Jun 06

28th International Congress of Actuaries, Paris

June

Joint Regional Seminar in China, Hong Kong, Taipei and Kuala Lumpur

July

6-7 Jul 06

SOA Fellowship Admission Course

12 Jul 06

Institute of Actuaries of Australia Presidential Dinner

August



14- 17 Jul 06

SOA Course 7

September

Chinese Actuarial Examinations

October



November



ASHK 3rd Annual Dinner

ASHK 6th Appointed Actuaries Symposium

December

ASHK AGM

