



Editorial

Welcome to the final (and pictorial) issue of the ASHK Newsletter for the year!



2006 is rapidly drawing to a close. We hope you have enjoyed reading our Newsletters, each edition on a different theme and featuring lots of interviews this past year. A big thank you too to all our contributors through the year and please keep your suggestions coming in. They are very much appreciated.



A report on the CPD Survey is our feature article in this issue. Although we were definitely not inundated with responses from Fellow members, some clear indicative findings emerged based on the feedback received. So read on.

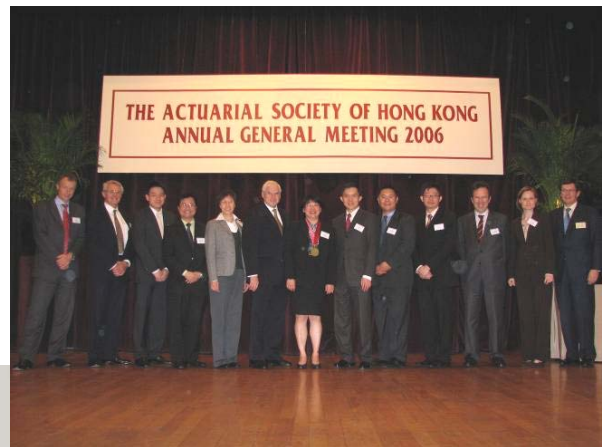
Besides presenting technical meetings this year, we are also turning out to be a promising social club. There was terrific support from members in the social activities organized. The Actuarial Circle networking events attracted an unexpectedly strong turnout and the Annual Dinner and AGM were attended by 140 and 270 members respectively. Through these activities, the Membership and Publications Committee hopes it has succeeded in fulfilling our objective set out earlier this year, that of improving communications internally and externally.

So what's in store for next year? To find out, why not sign up for one of the Working Parties that are being formed as a result of the recent survey conducted with Appointed Actuaries by the Life Insurance Committee. 2007 looks like it will be a challenging and exciting year - make sure this is the year you get involved in ASHK and help the profession accomplish more.

Finally, the Membership and Publications Committee would like to take this opportunity to wish all our members *a happy and safe Christmas and New Year!*

Council Update

On 12 December 2006, the ASHK held the Annual General Meeting and the Council of 2007 was formed.



2006/07 ASHK Council. From left to right: David Gott, Stuart Leckie, Pang Chye, Chan Wai Sum, Estella Chiu, Roddy Anderson, **Sim Ng (President)**, Foong Sai Cheong, Tony Cheng, Billy Wong, David Waples, Naomi Burger, Jeff Malatskey (Honorary Auditor from Ernst & Young).
Not in picture: James Richardson-Hay, Peter Luk, Kevin Lee

ASHK Newsletter

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Looking for your support

Life Insurance Committee Working Parties



**ASHK wants YOU
for working parties**

Are you committed to becoming a better actuary? Are you keen to help the development of the actuarial profession in HK? Do you need CPD points? Then the ASHK has a great opportunity for you.

Following a review of actuarial issues in Life Insurance, the ASHK Life Insurance

Committee is establishing three working parties to develop professional guidance notes for members in three areas

- Liability valuations under Chapter 41 (12 month term)
- Additional guidance for AGN7 (6 month term)
- Benefit Illustrations (6 month term)

The working parties will be established early in 2007 and will have a fixed term, so you are not being committed to a life sentence. The good news is that the key current issues to be addressed have already been determined by a recent survey of Appointed Actuaries. All that is needed now is the development of guidance for the profession. We are after committee members and conveners with a mix of enthusiasm and experience, but the most important qualification is a commitment to getting the job done. This is a real chance to influence the development of the actuarial profession in HK. Please e-mail Pat Kum at patkum@netvigatort.com indicating your preferred working party.

Volunteers for the 2007 Careers & Education Expo

Volunteers are needed in the 2007 Education & Careers Expo scheduled to be held from 1-4 February 2007 (Thursday-Sunday). 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. Your devotion may significantly influence the perceptions of the young generation and the working public towards the actuarial profession.

Volunteers are responsible for manning the booth together with ASHK staff and answering public enquiries relating to actuarial studies and areas of work, etc. Please indicate your choice of dates/times in the [time schedule](#) and return to the ASHK office via email: actsoff@netvigatort.com / actuaries@biznetvigatort.com **by 19 January 2007**. We look forward to receiving your full support!

Feature Article

by Mr. Nigel Hazell



Result on CPD Survey

The ASHK and BPP would like to thank all respondents to the recent survey seeking the local profession's views on CPD.

The results can be downloaded from the following link:
<http://www.actuaries.org.hk/doc/CPD%20Survey%20Result.doc>

The salient findings from the survey are as follows:

1. The majority of respondents do not feel there is sufficient access to suitable CPD courses, and similar majorities are prepared to pay to attend suitable courses.
2. Indeed, most respondents indicated that, at present, they are not readily able to fulfil their CPD requirements. And given that the proportion of FSA respondents (who generally don't have CPD requirements) broadly matched the proportion that had no problem here, it suggests that just about all fellows with CPD minimum requirements have indicated a concern.
3. The ways that actuaries currently fulfil their CPD requirements are pretty well spread, with the majority clocking up some time at conferences; but many also by carrying out certain education services, presenting at seminars and conferences and participating in various relevant committees.
4. In terms of the topics that the respondents saw as most interesting/beneficial, there was a heavy polarisation between those wanted by most and those wanted by only a small number.
5. Interestingly, the subjects that seem to be of most interest are not in any particular technical actuarial area – but rather in the area of personal development, including professional, management, and other personal effectiveness skills.
6. The other category which consistently showed interest for the majority of respondents was life and



health insurance, including, particularly, Asset/Liability Management, Profit Recognition, FCRs and Capital Management.

7. There was reasonable interest shown in the fields of Investment and Banking (such as Hedge Funds and Project Finance).
8. Perhaps not surprisingly, there was little interest in the fields of Pensions and General Insurance – which in Hong Kong still remain as fairly niche actuarial areas.

With an increasing base of the Hong Kong fellows now needing to meet certain CPD requirements, this survey has proved very useful in identifying where the need is, and thus ensuring that any future courses can be directed to the needs of the members.

(Mr. Nigel Hazell, FIA, BPP China Ltd can be reached at nigelhazell@bpp.com.)

Membership Update

We would like to extend the warmest welcome to the following new members who joined the ASHK since November 2006.



Fellows

Salina Wai-Yee CHUNG, FSA (2005), Manulife
Roger LEE, FSA (2005), RGA Reinsurance
Simon LODGE, FIA (2001), SPILA Services

Associates

Hussain AHMAD, ACAS (2006), Towers Perrin
Lawrence Ho-Man WAN, ASA (2006), Pacific Century

Students

Ho Lun LI, SOA Student, KPMG
Ka Fai CHAN, SOA Student, Manulife
Peggy Hau-Chui CHAN, SOA Student, Manulife
Tin Lok CHAN, SOA Student, CUHK Student
Victor Wing-To CHEUNG, SOA Student, AXA China Region
Anthony Chi-Chang CHOY, IA Aust Student, Manulife
Pui Yin KWAN, SOA Student, HSBC Insurance
Mandy Hoi-Man LEE, IA Aust Student, KPMG
Nim Tong LEE, SOA Student, Manulife Financial
Siu Hang LI, SOA Student, U of Waterloo Student
Rita Wing-Yan MA, CAS, SOA Student, HSBC Insurance
Efendi MAK, SOA Student, Manulife
Andrew Cheuk-Yin NG, SOA Student
Siew Khuen POON, SOA Student, Winterthur
Jun SHANG, SOA Student, PolyU Student
Eric Chi-Hang TSUI, SOA Student, Manulife
Kwong Wing YEUNG, SOA Student, AXA China Region

Change of Membership Status

The following members have changed their membership status.

Fellows

Eddie Tak-Yin CHAN, FSA (2005), New York Life
Sylvia DJOHAN, FSA (2006), Munich Reinsurance
Wendy FU, FIAA (2006), Tillinghast – Towers Perrin
Lawrence Chi-Ho LEE, FSA (2006), Manulife
Billy Hoi-Wai WONG, FSA (2006), Watson Wyatt
Tomithy Kwong-Hei WONG, FSA (2006), Manulife

Associates

Sharon Suit-Ling CHEUNG, ASA (2006), Winterthur
Grace Wai-Sze CHIM, AIAA, Metlife
Jackie Wai CHU, ASA (2005), Winterthur
Paul Ming-Yan FUNG, ASA (2004), Manulife
Nicola Wing-Cheung HO, ASA (2006), New York Life
Herbert Ho-Yin LAU, ASA (2005), New York Life
Ken Kin-Shing LAU, ASA (2005), Winterthur
Alex Kwan-Yin LAW, ASA (2006), Manulife
Robin Pan LAW, ASA (2006), Manulife
Jessie Jingxin LI, ASA (2006), Tillinghast – Towers Perrin
Sunny Chi-Sang LIU, ASA (2006), Manulife
Laurance Wai-Chun WONG, ASA (2006), Winterthur
Eric Man-Chun YAU, ASA (2006), HSBC Insurance
Charlotte Suet-Yee YIM, ASA (2006), Tillinghast

Reinstatement of Membership Status

The following members have reinstated their membership status.

Fellows

Simon Yat-Tung LAM, FSA (2005), HSBC Insurance
Steve Wai-Kwan LOK, FIA (2005), Prudential

Associate

Frankie Chun-Kit NIP, ASA (2003), Metlife

Student

Rosa Sau-Yin CHUNG, SOA Student, Metlife

Actuaries on the Move

The following members have changed their business details from November 2006 onwards.

Fellows

Tommy Pichet JIARAMANEETANEESIN
Martin Thanh LAM
Eric Zhan-Hang LU
Patrick S.C. POON
Tommy Yiu-Man WU
Raymond LI
Tommy Lai-Yuen YIP
Terry King-Shing YUNG

Associates

Iby Ho-Ming CHEUNG
Iris Nga-Yan HO

Student

Terry Wai-Ho CHOR



Further details of members' movements are available on ASHK online membership directory at: <http://www.actuaries.org.hk/doc/2006%20Membership%20Dir.pdf>

Event Highlights



SOA US GAAP Seminar

The US GAAP Seminar organized by the Society of Actuaries and supported by the Actuarial Society of Hong Kong was held at InterContinental Grand Stanford Hong Kong on 24-26 October 2006.

Specially designed for international life insurers, the seminar which attracted more than 200 delegates from the region was a great success.



The Speakers:



The Actuarial Society of Hong Kong, 2202 Tower Two, Lippo Centre, 89 Queensway, Hong Kong

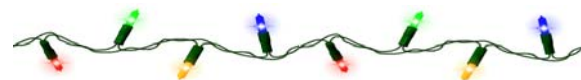
Tel (852) 2147 9420 Facsimile (852) 2147 2497 Website: www.actuaries.org.hk

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



Mr. Bob Conger in Asia

Mr. Robert F. Conger from Tillinghast – Towers Perrin made his visit to Asia as a representative of Casualty Actuarial Society during 20-30 November. The ASHK was honoured to invite him to deliver an Evening Talk entitled “Managing Overconfidence” on 23 November.



ASHK Annual Dinner & Appointed Actuaries Symposium

The ASHK held its Annual Dinner on 14 November at the Hong Kong Jockey Club Happy Valley Club House. We were honoured to invite Mr. Paul Chow, CEO of Hong Kong Exchanges and Clearing Limited to be our Distinguished Guest Speaker. This year, 140 members and guests attended the Annual Dinner.



Mr. Paul Chow, CEO of the Hong Kong Exchanges and Clearing Ltd as our Distinguished Guest Speaker



Council members and VIPs



More than 30 newly qualified Fellow Members.



As in previous years, we played a game after the dinner. This time, it was “Chinese Whispers” which drew hilarious laughter from the audience.



We would like to thank all the sponsoring companies for their generous support in our Annual Dinner 2006:

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D.W. Simpson (Asia-Pacific) Pty Ltd
Ernst & Young Actuarial Services, Asia
Grand Hyatt Hong Kong
Hannover Life Reinsurance
HSBC Insurance (Asia-Pacific) Holdings Ltd
JW Marriot Hotel Hong Kong
Metropolitan life Insurance Co of Hong Kong Ltd
QED Actuarial
RGA Reinsurance Company
Sun Life Hong Kong Ltd
Swiss Reinsurance Company
Transamerica Reinsurance, Asia Pacific Head Office
Watson Wyatt Hong Kong Ltd

Thank you members and sponsors for helping to make it a memorable evening.



On the following day, the 6th Appointed Actuaries Symposium was held at the same venue.

To jazz up our Annual Dinner, we also invited an A Cappella Singing Group – “The Quavers” to entertain members.



Mr. Roddy Anderson and Ms Angel Hon, Acting Assistant Commissioner of Insurance



The Speakers:



ASHK Extraordinary General Meeting & Annual General Meeting

The ASHK's Extraordinary General Meeting along with the Annual General Meeting was held on 12 December in Grand Hyatt Hong Kong. Over 270 members attended the Meeting.

In the Extraordinary General Meeting, the majority of members supported the resolution on the membership fee structure. The new structure was effective immediately after the meeting.

We have two winning papers for 2006 ASHK Best Paper Awards. They are:

“Threshold Life Tables and Their Applications”
by Mr. Johnny Li

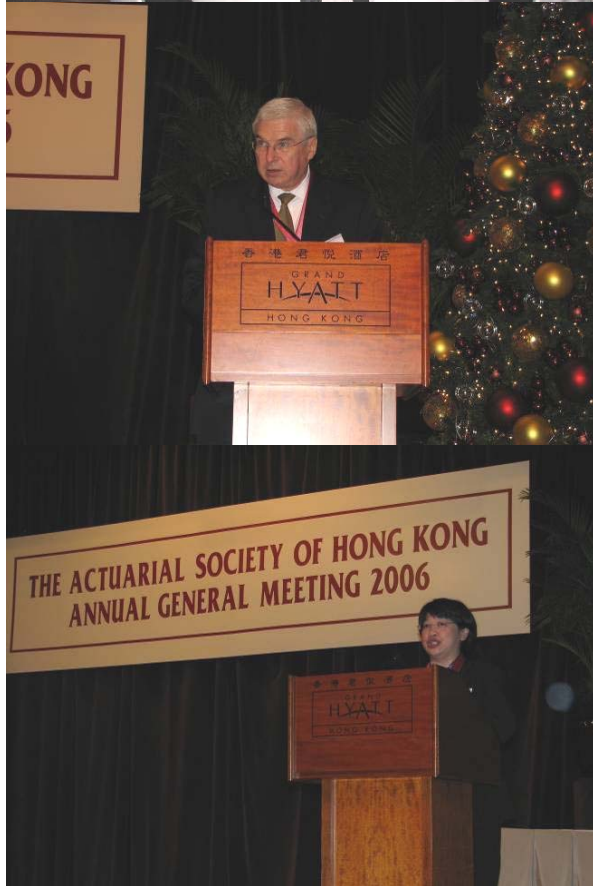
“Forecasting Volatility of Hang Seng Index and its Application on Reserving for Investment Guarantees”
co-authored by Mr. Herbert Chan & a non-ASHK member



The 1st runner-up paper is:

“Lundberg-type bounds for the joint distribution of surplus immediately before and at ruin under a Markov-modulated risk model”

co-authored by Mr. Andrew Ng & Prof. Hailiang Yang



Our new President, Ms Sim Ng



ASHK Half-Day Seminar

On 14 December, the ASHK invited Prof. Elias Shiu from the University of Iowa and the University of Hong Kong to deliver a Half-Day Seminar at the Novotel Century Hong Kong, titled “Option-Pricing Theory and its Actuarial Applications”. The Seminar attracted over 100 delegates from the region and it was approved by the SOA for 3 units of PD credits and also qualified for CPD.





	6					7	2	
4		7						5
2			8				6	
				7		1		
			1	6	4			
		5		3				
	8				3			4
6						2		7
	5	2					3	

Again, a prize will be presented to the member who submits the first correct entry. Join the puzzling craze and submit your entry to ASHK Office by email: actuaries@biznetvigator.com

NOW!

Solution for last issue's Sudoku:

Do you Sudoku?

It's time for Sudoku again! Last time we received the 1st correct entry from Mr. Brian Chi-Wai Lai of Cytez Co Ltd. Congratulations, Brian! Our members certainly enjoy the Sudoku challenge as we have received correct answers from many members! This time, we have another Sudoku game here!

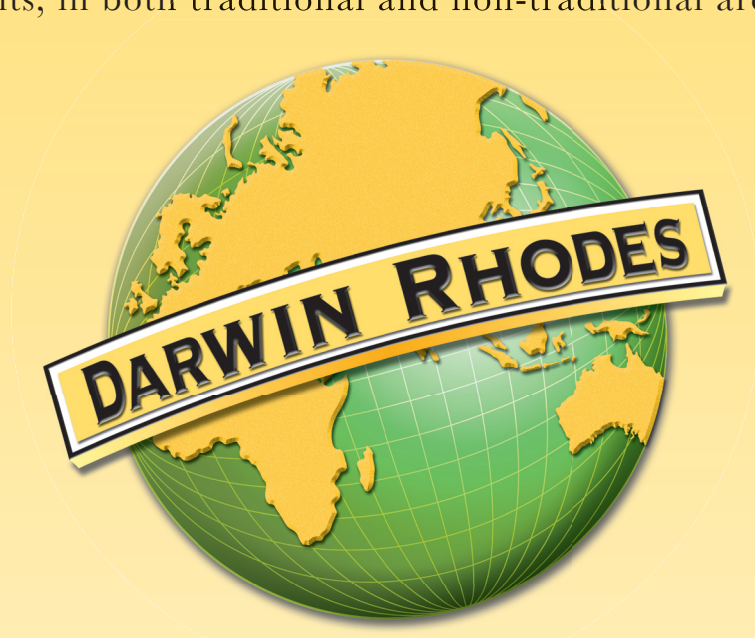


How to play: fill in each square with a number so that each row, column and each 3 X 3 block contains 1 to 9

6	2	1	8	5	3	9	4	7
3	7	8	9	6	4	2	1	5
9	4	5	2	7	1	6	3	8
1	8	4	6	3	5	7	9	2
7	6	3	4	9	2	8	5	1
2	5	9	7	1	8	3	6	4
5	1	2	3	8	6	4	7	9
8	3	7	1	4	9	5	2	6
4	9	6	5	2	7	1	8	3

It's a small world...

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Contributions to the ASHK Newsletter

We welcome members' contribution to the following sections of the ASHK Newsletter: *Feature Article, Actuaries on the Move and Do you Sudoku?*

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.

File Formats:

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

Advertising Rates:

	One Off	Whole Year
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Half page	HK\$2,000	HK\$1,800@
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or e-mail: patkum@netvigator.com / actsoff@netvigator.com / actuaries@biznetvigator.com





Upcoming Events

(More details can be found on ASHK website at www.actuaries.org.hk)

Date	Event
<u>10 Jan 07</u>	ASHK Luncheon Meeting <i>by Mr. Nick Dumbreck, President of the Institute of Actuaries</i>
<u>1 - 4 Feb 07</u>	Careers & Education Expo <i>Booth A31, Hall 5, Hong Kong Convention & Exhibition Centre</i>
<u>7 Feb 07</u>	IAAust Presidential Dinner, Hong Kong
<u>Nov 07</u>	ASHK Annual Dinner & Appointed Actuaries Symposium
<u>13 Dec 07</u>	ASHK Annual General Meeting

