

**ECONOMY OF RISK IN INSURANCE:
From definition to pricing, capital allocation and risk management
Paris, April 16th, May 7th, June 4th, 2018**

Instructor: *Dr. Michel Dacorogna* (Prime Re Solutions, Switzerland)

Place: ESSEC Campus La Défense (CNIT)

A. The concept of risk, risk measures, and the pricing of risk (16/04/18)

1. Definition of risk in insurance
2. Risk and risk measures, a coherent measure of risk
3. A simple example of pricing risk, what is the correct price?
4. The various components of an insurance price
5. Capital to cover the risk

B. Concept of capital and its management (07/05/2018)

1. The different perspectives on capital
2. Risk based capital and economic capital
3. Capital allocation, what is the right method for what purpose
4. How much capital does an insurance company need?
5. Structure of capital

C. Modelling of economic scenarios (04/06/2018)

1. The influence of the economy on an insurance company
2. Various ways to build economic scenario generators (ESG)
3. The bootstrapping method to create scenarios
4. Yield curve modeling and stress scenarios
5. Testing of ESG