



Article from

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Editor's Note

By Robert He

In this new issue of *Risk Management*, the editorial team is pleased to offer readers thought-provoking articles on a wide range of topics. This demonstrates the far-reaching impact risk management professionals have on our economy and society as a whole.

We have two articles discussing the risks that are on top of risk professionals' watch list. "Eighth Annual Emerging Risk Survey" by Max Rudolph and "The Global Risks Report 2016" present how risk managers around world are prioritizing their efforts. Both articles extend the definition of "risk" beyond economic/capital markets risks. This will give us a broader view of the "risks" we are facing. If you are a "pure" capital markets person, you might find these two articles interesting.

In "Understanding the Riskiness of a GLWB Rider for FIAs," Pawel Konieczny and Jae Jung from Numerix present an article on Fixed Indexed Annuities. As sales of FIA continue to grow, this article is very timely and provides some practical thoughts on how to deal with a few critical modeling issues.

Kailan Shang has a research paper published on SOA website entitled "Risk Implication of Unemployment and Underemployment." The article in this newsletter summarizes some key points of the research with a conclusion "Labor market-related plausible stress scenarios are also useful to test a company's ability to take risk."

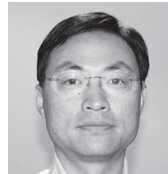
"What is a CAT Model?" and "What is Model Vetting?" are two articles on models. In "What is a CAT Model?" Theresa Krebs



explains in detail the various aspects of a CAT model. In "What is Model Vetting?" Stephanie Beaulne illustrates the model vetting process.

In "Corporate Pension Risk Management and Corporate Finance," Liaw Huang and Minaz Lalani present ideas trying to bridge the gap between theory and practice in pension risk management. This is excerpted and based on the Society of Actuaries' research report published in August 2015.

As usual, we would like to give a special thank you to David Schraub and Kathryn Baker for helping us pull together this April newsletter. ■



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