



SOCIETY OF ACTUARIES

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# Risks & Rewards

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To join the section, SOA members and non-members can locate a membership form on the Investment Section Web page at [www.soa.org/investment](http://www.soa.org/investment)

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## CHAIRPERSON'S CORNER

### INVESTMENT SECTION MATTERS

By Larry Zhao

At the 2014 Spring Council of Section Chairs, each section representative had to make a two-minute speech about their section affairs. My speech was straightforward, because we have a clear message and a simple strategy, even though we have organized many activities and taken many initiatives in the past year. That is, any project we take on has to be beneficial to section members, one way or another.

### EBSCO

EBSCO Business Source Corporate Plus (BSC+) is a Web-based portal that provides full-text access to thousands of journals, magazines and newspapers. Thanks to a joint effort spearheaded by our past chairperson, Tom Anichini, and the Society of Actuaries (SOA) almost two years ago, Investment Section members now enjoy access to numerous investment-related periodicals such as *Financial Analysts Journal* and *Harvard Business Review*.

Easy to use, EBSCO offers powerful search and clean access to reliable, authoritative, scholarly work. If you did not realize that your \$25 annual section membership fee enables you to access many periodicals whose subscription fees are usually in the neighborhood of hundreds of dollars per year, you should try it out.

### HONG KONG ALM/INVESTMENT SYMPOSIUM

This year, for the first time ever, our section partnered with the International Section and the SOA to organize and host an investment symposium at an overseas location without using a marketing firm. It was not accomplished without challenges and hiccups—initially we planned to host back-to-back meetings with another conference in the hope of cross-pollination and mutual benefits. The other conference was cancelled at the last minute due to low registration while ours went ahead.

Despite the setbacks and the difficulties of international coordination, we hit our attendance target. Not only did we end up with a nice profit, but also, more importantly, we received positive feedback and evaluations from the attendees on the topics and content. Wai Ling Yung and Steven Chen were really instrumental in ensuring the event was a success; so were Sunil Sen and Genghui Wu, past chair of the International Section and current board member of the SOA.

Furthermore, the lessons we learned from hosting the event—in how to reach out to our section members in Asia, their needs and interests, and how to build connections with local institutions, consulting firms and investment banks—are critical in shaping up our long-term international outreach strategy. Today, five of the 10 largest exam sites are in Asia, the fastest-growing segment of the SOA. The global landscape will look quite different in five years. We want to be ready and adaptive to this landscape change. Currently, 10 percent of the SOA members are from Asia. However, only 5 percent of the Investment Section members are from Asia. The 5 percent gap means we still have lots of work to do.

## 2014 INVESTMENT CONTEST

A sequel to the successful asset allocation contest in 2013, the 2014 contest expanded by allowing participants two rebalancing opportunities during the six-month holding period (from April to September): at month-end May and month-end July.

Thanks to Tom Anichini and Frank Grossman for their work and coordination, the contest attracted more than 120 entrants, a 20 percent increase in participation from last year. We will award one iPad Mini (or cash equivalent) each for the best outcome in three different investment objectives: maximum return, minimum volatility, and the maximum ratio of return to volatility. Check out our website to find out the latest rankings as well as tie-breaking rules. The winners will be announced before the 2014 Annual Meeting on our website and LinkedIn group.

## CALL FOR ESSAYS: INVESTMENT FALLACIES

Over the past decade, the investment world has been buffeted by unprecedented events. Many long-standing beliefs or assumptions held by investment professionals may no longer apply to the new realities. At the same time, many common myths and misconceptions that have been previously debunked continue to influence investors today. Motivated by this concern, we announced a call for essays that help identify and expose these fallacies. We will reward cash prizes to the top three winners, selected by 15 judges through a two-stage, objectively designed process.

Thanks to Evan Inglis, our SOA board partner, for his support and the topic, and David Schraub and Leslie Smith for the coordination and subsequent publication of the e-book.

## CHESS EVENT AT THE LIFE & ANNUITY SYMPOSIUM

Chess is a universal sport that relies on logic, analysis, strategy and planning. Chess is also a fun social activity. This is the third time in a row that we collaborated with the Technology Section and the Joint Risk Management Section to co-sponsor this popular event at the Life & Annuity Symposium. The main goal was to help improve engage-



Stormy weather in the Atlanta area and subsequent flight delays did little to dampen the enthusiasm of everyone at the third Thomas C. Barham III Chess Networking Event held on May 18 in conjunction with the 2014 Life & Annuity Symposium. Pictured here are David Schraub, Kyle Retallick, Glenn Hoffman, and WIM Carolina Blanco (from left to right) all hard at work considering their next moves.



Congratulations to second place winner Kyle Retallick, and first place winner Glenn Hoffman (from left to right) seen here receiving their prizes from Woman's International Master (WIM) Carolina Blanco. Kyle was the only actuary to score a victory over WIM Blanco at the event. Plans are already under way for the next TCB3 Chess Networking Event at the upcoming 2014 Annual Meeting in Orlando.

Photos courtesy of Albert Moore.

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ment and have fun. Thanks to Albert Moore, Frank Grossman, Ryan Stowe and George Eknaian for coordinating and ensuring the event was entertaining and engaging.

### 2014 MEMBER SURVEY

We are always eager to hear from our members directly what they think about the projects we have done and plan to do, as well as new ideas to improve connection and engagement with members. We carefully constructed a 12-question survey to solicit your opinion and feedback. Your participation is greatly appreciated and valued. Your input will have an impact.

If you miss the opportunity to partake in the survey, you can always write to me or call me directly—my contact information is available in the SOA member directory.

### FINAL WORDS

Overall, we have accomplished many things over the past year. It is a team effort. It is a synergy. Indeed, our council members have shown excellent collaboration throughout the year. As volunteers, we all put in tremendous time and effort. It truly is a rewarding experience for me personally. If you are interested in contributing your time and talent in any way, please do not hesitate to contact any of the council members. We want you. We want to enlist your support to ensure that our section remains relevant and continues to matter to you—in the years ahead. 🍷



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