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Investment Section Breakfast in Austin

By Frank Grossman and Jeff Passmore

It was a pretty warm week in Austin, Texas, during the 2015 Annual Meeting & Exhibit from Oct. 12-14, 2015, with record-breaking temperatures recorded in the upper 90s. Investment section members were confronted by a 98.7 degree scorcher on the first day of the meeting. Under these conditions, the cool pre-dawn walk to the Hilton for the early 7:15 a.m. start of our Investment Section breakfast a couple of days later was a definite relief.

The Investment Section routinely sponsors a breakfast session at SOA meetings, providing a chance to network with colleagues. The Austin breakfast was also an opportunity for incoming section chair Jeff Passmore and outgoing chair Frank Grossman to share news about recent and upcoming section happenings, including:

- key sessions at the 2015 Investment Symposium Philadelphia and the 2015 Life & Annuity Symposium New York earlier in the year;
- our semi-annual Risk and Rewards newsletter, including tips on how to make our newsletter editors happy; and
- the continuing importance of section volunteerism, recognition of the contributions of outgoing council members, and introduction of the 2015-16 section leaders.

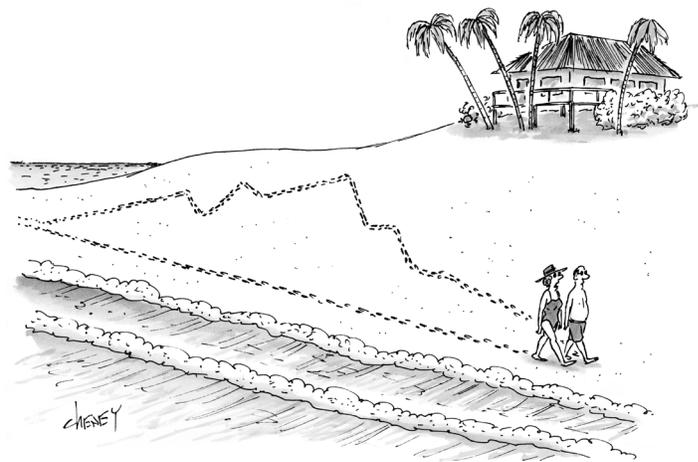
Council member Jon Mossman also came to the lectern, and took a moment to briefly present the results of the recently concluded annual asset allocation contest.

Jeff, as vice-chair of the 2015 Redington Prize organizing committee, then said a few words about this year's prize. Every other year, the Investment Section Council awards the Redington Prize recognizing the best paper written by an actuary on an investment-related topic during the preceding two years. The prize is sponsored by the Investment Section and is named after Frank M. Redington, the eminent British actuary who coined the term "immunization" in his seminal 1952 paper "Review of the Principles of Life Office Valuation" published in the Journal of the Institute of Actuaries.



Phil Gold (right) accepted the ceremonial \$10,000 check on behalf of the Redington Prize winning paper's authors from incoming Investment Section Council chair Jeff Passmore (left). (Photo: David Schraub)

The 2015 Redington Prize winning paper is "Optimal Portfolios under Worst-Case Scenarios" by Carole Bernard, Jet Seng Chen and Steven Vanduffel. Unfortunately, the authors were not in attendance at the breakfast session, but Phil Gold joined Jeff on the podium to accept the \$10,000 award, and an oversized ceremonial check, on behalf of the author group. Investment Section members can access the winning paper through



"Will you please try to get your mind off of the S.&P. Index?"

the EBSCO facility via the section's webpage (i.e., <https://www.soa.org/Professional-Interests/Investment/Access-Ebsco.aspx>). Nominations for the upcoming 2017 Redington cycle will be received in spring 2017.

Section breakfast sessions usually enlist the support of a local guest speaker to deliver thoughtful investment content. And Sandy Leeds, distinguished senior lecturer of the McCombs School of Business at the University of Texas (Austin), certainly fit the bill; delivering a whirlwind in-depth assessment of the recent run-up in the external value of the U.S. dollar—touching on both contributing factors and the outlook for the dollar going forward—all in just under 30 minutes.

The Thomas C. Barham III Speed Chess Networking Event was held on Tuesday evening, and the tournament's eventual winner, Charlie Larimer, was up early the next day to attend the breakfast. Charlie was the most senior player at the chess event and earned a perfect 5:0 result, demonstrating that old(er) wine is often the best wine!

The investment cartoon caption contest returned after its debut at the 2015 Life & Annuity Symposium section breakfast in New York City. Once again, attendees were challenged to come up with an alternate caption for a vintage cartoon from the pages of *The New Yorker*, this time by Tom Cheney. The original caption was "Will you please try to get your mind off of the S.&P. Index?" spoken by a lady to her husband while walking together along a tropical beach, as his footprints traced out a path that deviated from her baseline track. Phil Gold put on his thinking cap and delivered a clever caption: "This doesn't look normal to me." On reflection, there's much about current market conditions that seems positively abnormal. And in that vein, Phil won a copy of Reinhart and Rogoff's *This Time It's Different* for his creative effort at such an early hour.

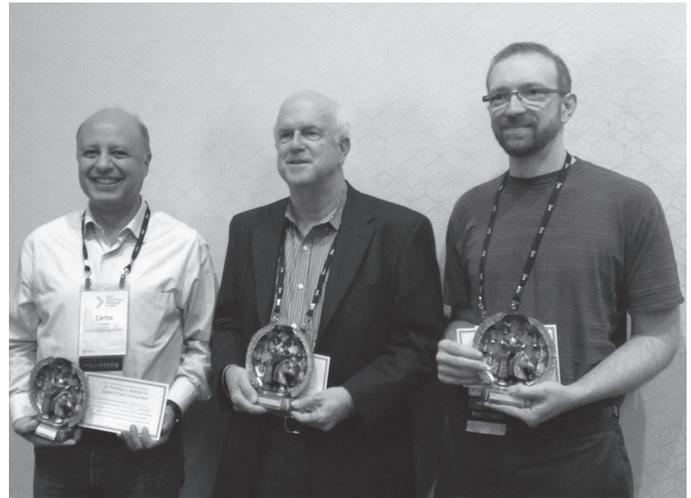
The luck of the Canadian contingent held through to the conclusion of the breakfast session as Shuyin Mai won the door-prize book draw—a copy of Kindelberger's *Manias, Panics, and Crashes*—to read on the return flight home. ■



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The fifth Thomas C. Barham III Speed Chess Networking Event was held at the JW Marriott Austin on the concluding evening of the 2015 Annual Meeting. Once again, this networking event was co-sponsored by the Technology and Investment Sections, and attracted more than 35 chess players, assorted kibitzers and friends. Twenty-seven actuaries participated in a five-round speed chess tournament: Carlos Arocha, all the way from Zürich, battled jet-lag and took second place (left); Charles Larimer finished in top spot with an undefeated score (center); and Sven Sinclair took third place. (Photo: Frank Grossman)



The organizing team for the TCB3 event were chess arbiter Julia Hall (left), event co-ordinator Albert Moore (centre), and international chess master and tournament director Carolina Blanco (right). In addition to networking over light refreshments, the speed chess tournament, and numerous pick-up blitz games, Ms. Blanco conducted a short teaching session titled, "Zwischenzug and Zugzwang: Two Game-Changing Tactics to Improve Your Results." Check out 2015 AM Session 135 on soa.org for a copy of her interesting slide presentation. (Photo: Frank Grossman)