



SOCIETY OF ACTUARIES

Cash Flow Testing Software Survey Results at a Glance

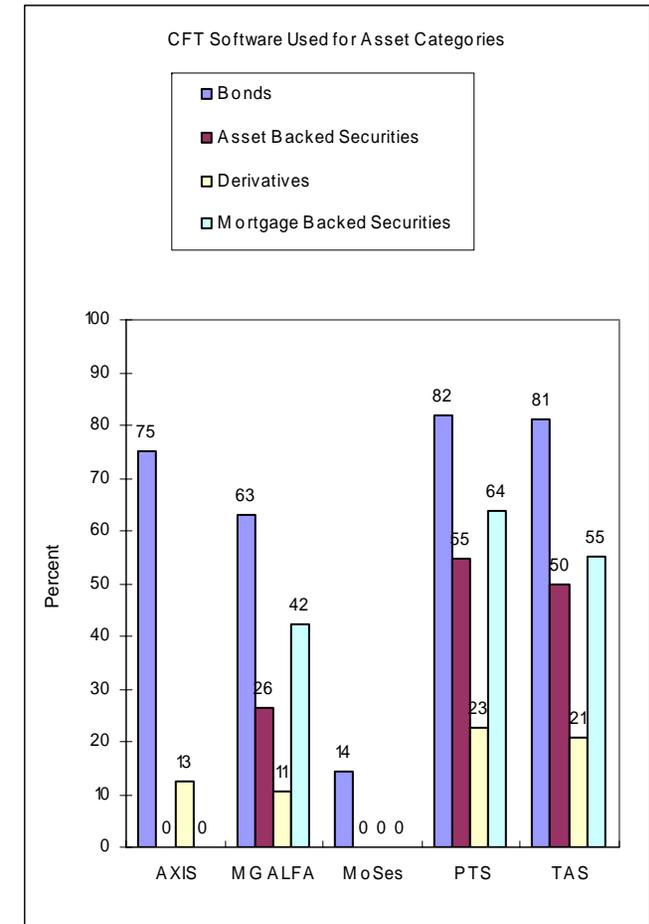
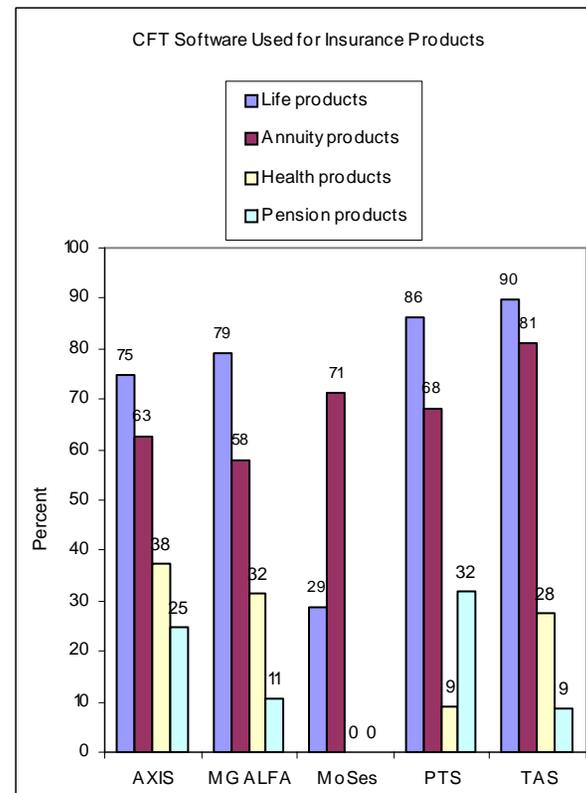
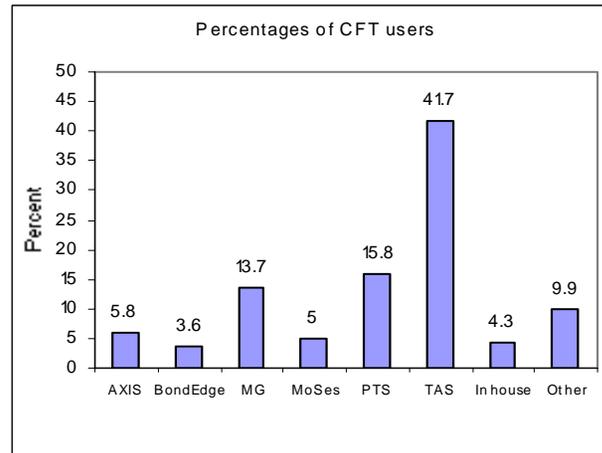
Cash Flow Testing (CFT) is an important responsibility of actuaries in the insurance industry. This survey was conducted with the aim of comparing the available CFT software packages, and hopefully it will lead to better software and modeling techniques.

The survey was officially started on May 17, 2004 and closed on June 18, 2004. One hundred twenty eight CFT users responded to the survey.

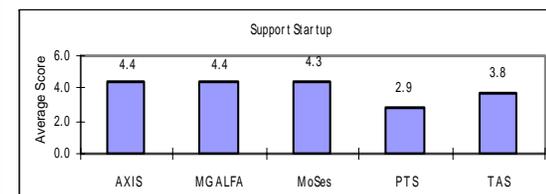
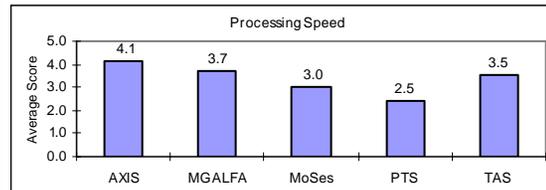
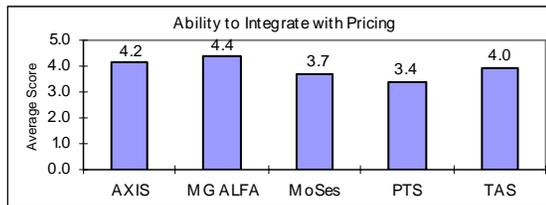
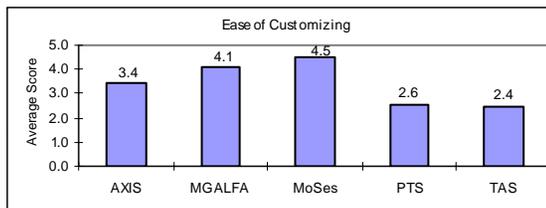
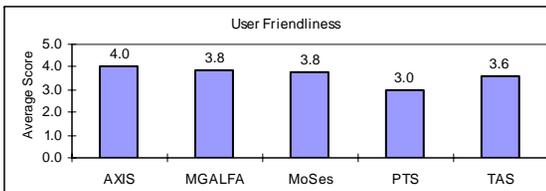
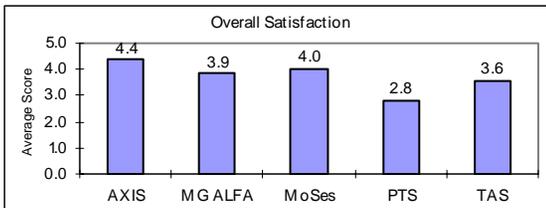
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The following 6 charts give the mean score of some specific features of the packages by using a 5-point scale. For this scale, 1 means very dissatisfied, 3 means neutral, 5 means very satisfied.



Besides cash flow testing, CFT packages are mainly used for following purposes :

- New Product pricing
- In force profitability
- Earnings projection

Three most useful features

AXIS

- Ability to import data (63%)
- Seriatim processing options (63%)
- Ability to export results (63%)

MG ALFA

- Open code (74%)
- Ability to import data (58%)
- Ability to export results (58%)

MoSes

- Open code (58%)
- Stochastic projections (43%)
- Ability to import data (29%)

PTS

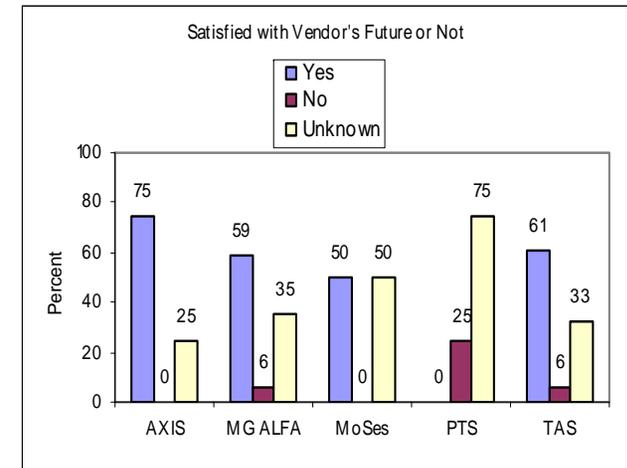
- Open code (36%)
- Ability to import data (36%)
- Distributed processing (27%)

TAS

- Ability to export results (57%)
- Ability to import data (53%)
- Scenario generators (29%)

Frequently provided support:

- Telephone support
- Help screens
- Email responses to questions



Major area to improve

AXIS: None
MG ALFA: Coverage of assets
MoSes: Processing speed
PTS: Features, functionality, and flexibility
TAS: Features, functionality, and flexibility