

Economic Scenario Generator

Summary

An economic scenario generator or an ESG is a software tool that helps simulate economic variables and financial markets and can also model risk factors that might contribute to financial variability.

This paper serves as a practical guide in understanding how ESG's model future paths of economies, financial markets, and risk elements.

Within this paper, the primary ESG topics include: what they are and how have they evolved to address regulatory and business needs. The paper helps to provide guidance on the types of ESG's that exist and how they provide simulation results that are relevant and can realistically reflect market dynamics, including their technical aspects.



Authors:

A TEAM FROM CONNING:

Hal Pedersen, ASA, Ph.D.

Mary Pat Campbell, FSA,
MAAA

Stephan L. Christiansen,
FCAS, MAAA

Samuel H. Cox, Ph.D., FSA,
CERA

Daniel Finn, FCAS, ASA

Ken Griffin, CFA, ASA, MAAA

Nigel Hooker, Ph.D., FIA

Matthew Lightwood, Ph.D.,
BSC (HONS)

Stephen M. Sonlin, CFA

Chris Suchar, FCAS, MAAA



Who Might Read:

Business Practitioners, Senior Financial Leaders and Students



Link to full report:

<https://www.soa.org/Files/Research/Projects/research-2016-economic-scenario-generators.pdf>



You Might Also Like:

Lapse Modeling for the Post-Level Period – A Practical Application of Predictive Modeling

<https://www.soa.org/Files/Research/Projects/lapse-2015-modeling-post-level-period-report.pdf>