TITLE  Measuring Claims Inflation: an Argentinean Case Study

AUTHOR(S)  Frank Cuypers

Key words:  claims inflation, motor liability

Purpose of your paper:
Depending on the line of business, claims inflation can differ markedly from the CPI or other inflation indices. Although it may be essential to price or reserve insurance products or portfolios, it is often difficult to measure, and it is our purpose to suggest a method to estimate it.

Synopsis:
For several conspiring reasons the Argentinean Motor Liability market is one of the most complex worldwide. Among other nasty features, the chronic inflation of the Peso distorts the calendar year data differently according to the type of claim. We present a method to filter out these various inflations from the other severity drivers. The confidence intervals on the so constructed historical claims inflation indices.

Note: If you are not presenting a paper for this Colloquium, please include as much detail as possible in your Synopsis (maximum three pages) to enable delegates to prepare for your session.