300-407 Risk Theory II

Credit Points:	12.500
Level:	Undergraduate
Dates & Locations:	2008, This subject commences in the following study period/s: Semester 2, - Taught on campus.
Time Commitment:	Contact Hours: Three hours of lectures and/or tutorials per week Total Time Commitment: Not available
Prerequisites:	**300-406 Risk Theory I (/view/2008/300-406)** .
Corequisites:	None
Recommended Background Knowledge:	None
Non Allowed Subjects:	None
Core Participation Requirements:	For the purposes of considering request for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Student Support and Engagement Policy, academic requirements for this subject are articulated in the Subject Overview, Learning Outcomes, Assessment and Generic Skills sections of this entry. It is University policy to take all reasonable steps to minimise the impact of disability upon academic study, and reasonable adjustments will be made to enhance a student's participation in the University's programs. Students who feel their disability may impact on meeting the requirements of this subject are encouraged to discuss this matter with a Faculty Student Adviser and Student Equity and Disability Support: http://services.unimelb.edu.au/disability
Coordinator:	Professor D Dickson
Subject Overview:	Topics include premium principles, including variance principle, Esscher principle, risk adjusted principle; applications of utility theory, premium calculation and optimal reinsurance retention levels; reinsurance problems; ruin theory, the adjustment coefficient and Lundberg's inequality, explicit solutions for the probability of ultimate ruin, application of Panjer's recursion formula, the probability and severity of ruin, the effect of reinsurance on the adjustment coefficient.
Assessment:	A 50-minute mid-semester test (20%) and a 2-hour end-of-semester examination (80%).
Prescribed Texts:	None
Recommended Texts:	Information Not Available
Breadth Options:	This subject is not available as a breadth subject.
Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees
Generic Skills:	# High level of development: written communication; problem solving; statistical reasoning; application of theory to practice; interpretation and analysis.