South African subsidiary of a worldwide reinsurer

Life cash flow projections

CONTEXT & OBJECTIVES

Client: South African Life reinsurer / Subsidiary of a leading reinsurer

Model: Full life cash flow projections / Multi-GAAP, including stress tests

Objective: The client had a complex a cash flow model in Excel/VBA/SAS which were difficult to maintain and the runtimes were too slow to complete all the required stress tests within the client's timeframes.

The client's challenges were: Complex VBA code, no clear split between data and modelling, manual calculations using macros and pivot tables, and the use of third-party software for aggregation of results.

The solution provided:

- Support for larger datasets
- All references to data updated automatically
- Less manual intervention
- Aggregation integrated within the model

FACTS

- 3 hours runtime reduced to 40 minutes
- One single workflow for the whole process
- No more complex VBA
- No need of third-party software

Milliman