"The consequences of longevity risk and its heterogeneity"

Abstract:

The talk will address the issue of the effects of longevity risk from two perspectives: a macro-perspective, highlighting that equilibrium asset prices feature an endogenous correlation with the mortality of a representative agent; and a micro-perspective, showing that heterogeneity in mortality among pension schemes with pooled policyholders may lead to unfair redistribution. Combining the two perspectives constitutes an interesting and challenging research agenda.